

SAMSUNG ELECTRONICS

3Q 2026 Earnings Call

SAMSUNG

※ Background image is of the Samsung Electronics Digital City(Suwon), located in South Korea

Disclaimer

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

This document is provided for the convenience of investors before the external review on our 3Q 2026 financial results is completed. The review 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) and 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.

Index

PRESENTERS

3Q 2026 FINANCIAL
RESULTS

RESULTS & OUTLOOK
BY BUSINESS SEGMENT

APPENDICES

Presenters

Speakers

Moderator



Sooncheol Park
EVP
Chief Financial Officer



Jaejune Kim
EVP
Memory



Jason Shin
EVP
System LSI



Sukchae Kang
EVP
Foundry



Charles Hur
EVP
Samsung Display
Company



Daniel Araujo
VP
Mobile eXperience



Wonwoo Kim
VP
Visual Display



Daniel Oh
EVP
Investor Relations

Device Solutions (DS)

Device eXperience (DX)

3Q 2026 Results

Based on consolidated financial statements

Revenue

KRW 195.3T

QoQ +14% YoY +127%

Operating Profit

KRW 107.4T

QoQ +20% YoY +783%

EPS KRW11,462 (QoQ 6%↑, YoY 536%↑) *Common

R&D Investment

KRW 14.4T

QoQ -10% YoY +63%

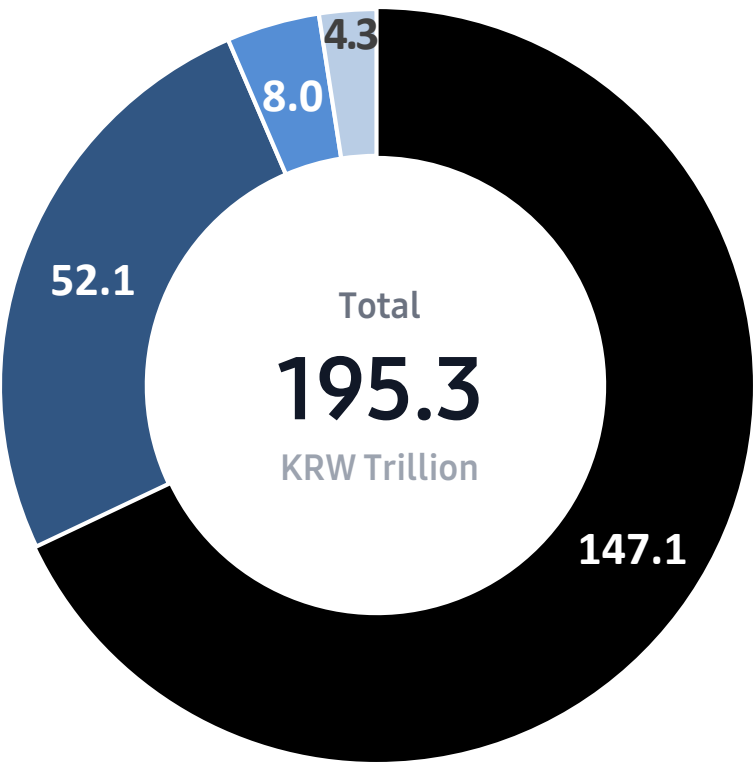
 Became the first global tech company ever to exceed KRW 100T in quarterly operating profit

- We have reached new highs in both revenue and operating profit for the fourth consecutive quarter, backed by our differentiated technologies and nimble response to market changes, demonstrating our ability to sustain growth, despite rapidly shifting global market conditions

➔ Our efforts remain fully focused on developing next-generation technologies and further advancing our leadership in the global market

Results by Business Segment

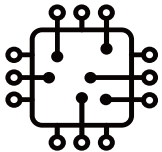
3Q 2026 Sales by Business Segment
KRW Trillion



Total Operating Profit (OP)
107.4 T QoQ + 20%

OP Margin
55.0% QoQ + 2.8%p

Earnings Per Share
KRW **11,462** (Common), KRW **11,492** (Preferred)

Business Unit	Sales (QoQ)	Op. Profit (% of revenue)	Key Updates
 DS Semiconductor	147.1 T +15%	106.5 T 72%	- Memory achieved record earnings by significantly ramping up HBM4 sales on the strength of product competitiveness and proactively meeting growing demand for server SSDs - Continued earnings improvement driven by higher Foundry utilization and strong advanced-node demand
 DX Mobile / TV / Home Appliances	52.1 T +8%	-0.8 T -2%	- Achieved revenue growth, driven by higher ASP and new model launches, including Galaxy Z Fold 8 - Minimized earnings decline through a higher premium mix, operational efficiency and disciplined cost management
 SDC Display	8.0 T +7%	1.1 T 14%	- QoQ performance improved driven by strong sales of smartphone OLED panels - Expansion of large-size Gaming monitor market supported sales increase
 Harman Automotive / Lifestyle	4.3 T -5%	0.6 T 14%	- Sustained solid sales of automotive and audio products - Non-recurring factors, including U.S. tariff refunds, contributed positively to earnings

* DS: Device Solutions, DX: Device eXperience, SDC: Samsung Display Corporation
* Harman's sales and operating profit figures are based on Samsung Electronics' fiscal year and acquisition related expenses are reflected.
* 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.

Memory

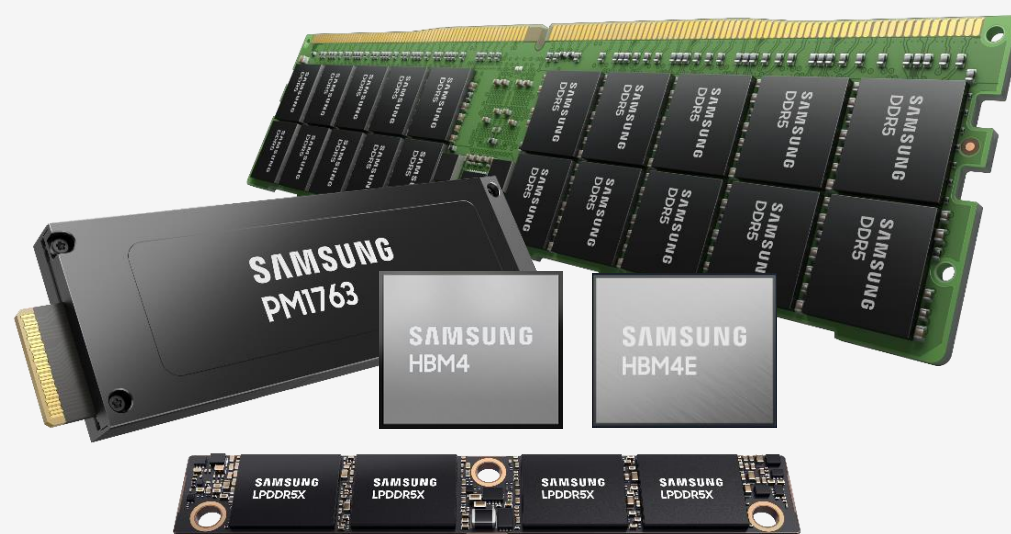
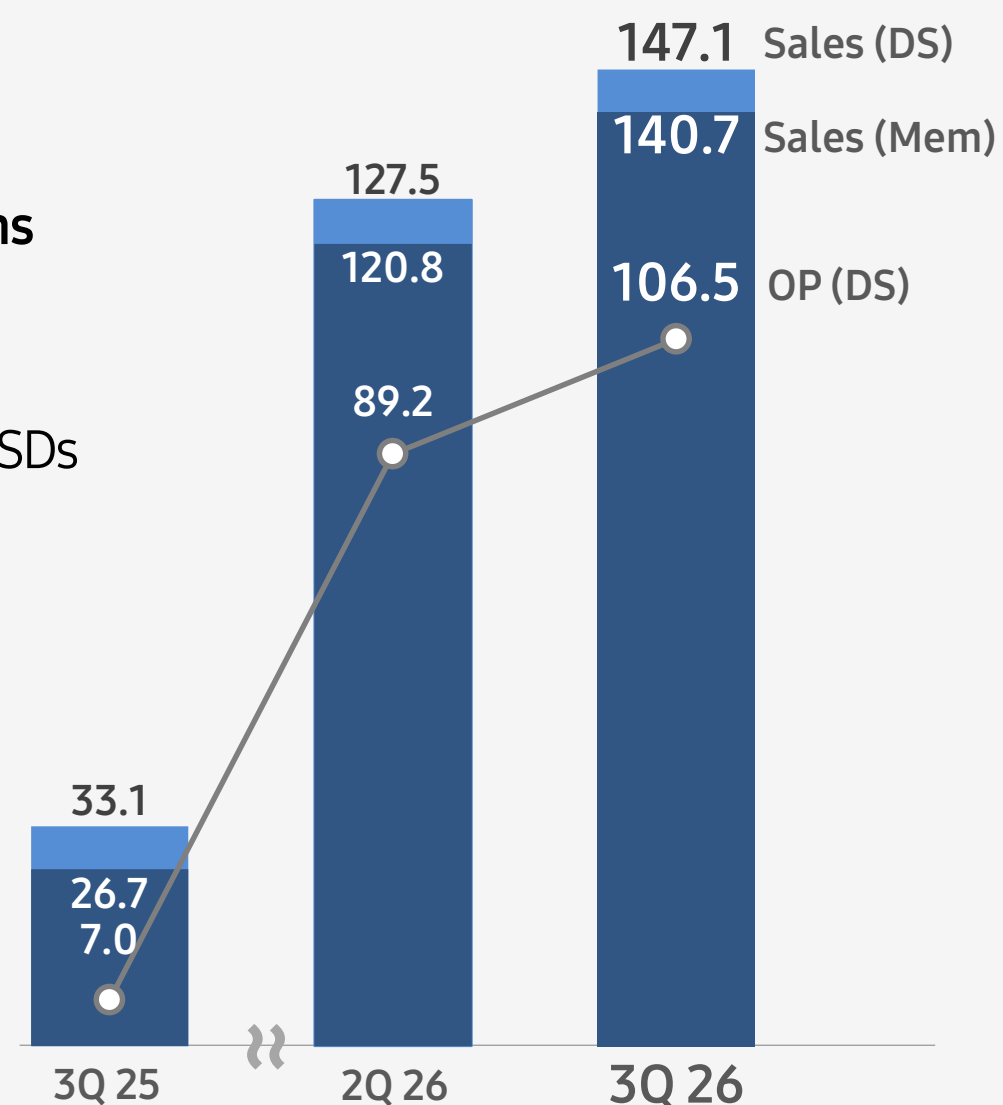
Results

3Q 2026 Results

- **Another record-breaking quarterly revenue and operating profit**
 - Managed product-mix with focus on AI products amid limited capacity constraints
 - Market price increased across all applications, led by strong demand momentum for servers
- **Continued robust demand driven by AI applications**
 - Significantly scaled up HBM4 sales backed by industry-leading product competitiveness
 - Proactively addressed growing demand for server SSDs

DS Results

Unit: KRW trillion



Outlook

4Q 2026

- **AI infrastructure investment to continue backed by industry-wide competition for AI leadership**
 - Further memory demand growth centered on products for new CPU/GPU platforms
 - Surging QLC SSD demand linked to the expansion of personal AI Agent services
- **Maintain AI application focused sales strategy**
 - Further increase sales of HBM, Server DRAM and SSDs
 - Increase supply of high-speed Server DDR5 and QLC

2027

- **AI infra CapEx to accelerate as AI ecosystem expands**
 - Surging AI-driven demand likely to further tighten supply shortages compared with CY26
- **Solidify competitiveness via technology leadership and P-Mix optimization aligned with market trends and VoC**
 - Lead high-end market & sharpen AI server driven portfolio
 - Build a stable sales base through long-term contracts and ensure timely readiness of new products tailored to requirements for AI applications

S.LSI / Foundry

Results

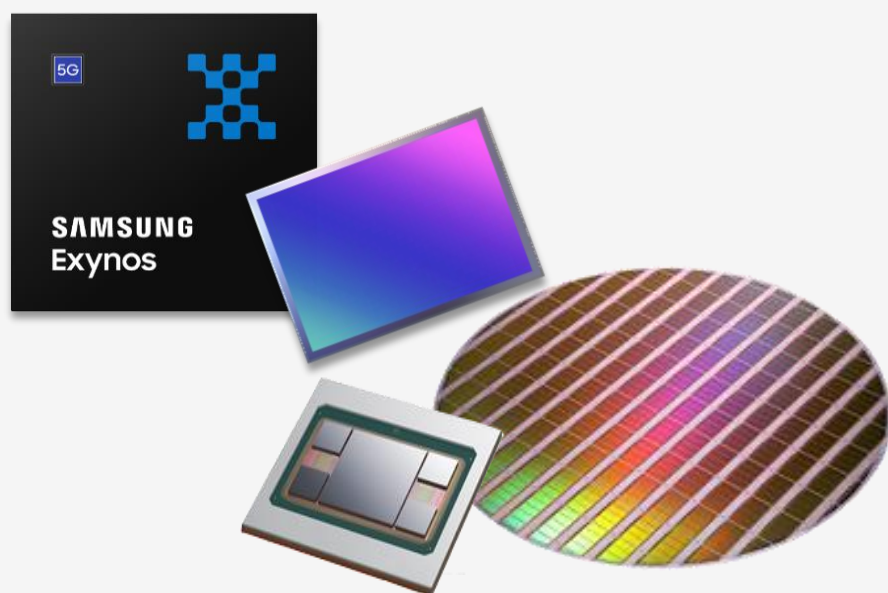
3Q 2026 Results

➤ S.LSI

- Revenue growth driven by SoC and image sensor mass production in new models launched in 2H
- Secured Custom SoC projects by establishing new customer partnerships

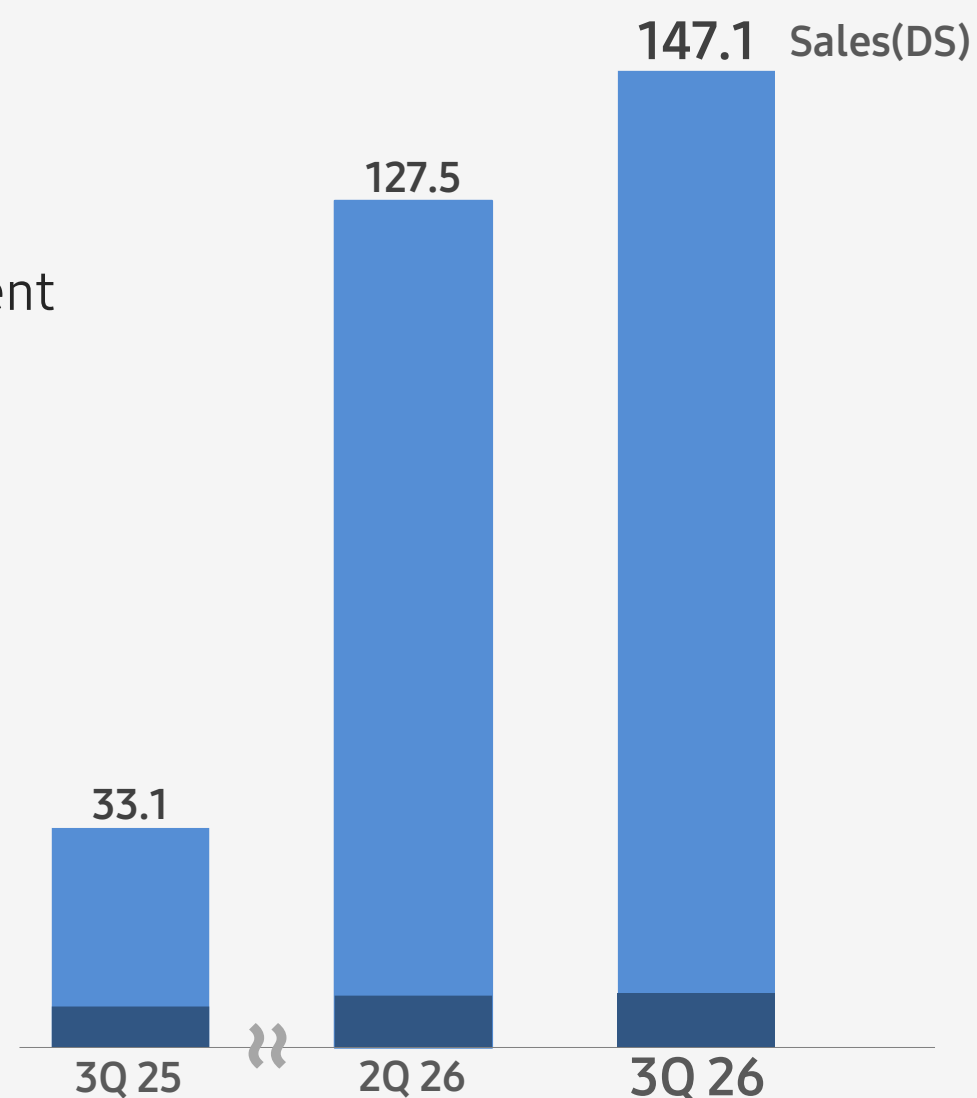
➤ Foundry

- Substantial revenue and earnings improvement on HBM B-Die sales growth and expanded advanced-node sales
- Continued order wins centered on 2nm HPC customers, including major hyperscalers



DS Results

Unit: KRW trillion



Outlook

4Q 2026

➤ S.LSI

- Stable production and sales of flagship SoC and 200MP sensors

➤ Foundry

- Double-digit revenue growth and continued earnings improvement on 2nm 2nd Gen. new mobile products, 4nm NPU mass production ramp, and expanded memory product sales

2027

➤ S.LSI

- Expanding flagship SoC sales and strengthening partnerships with Custom SoC customers
- Accelerating flagship high-resolution sensor sales and diversifying into non-mobile applications

➤ Foundry

- Revenue growth led by 4nm/2nm advanced nodes on strong AI/HPC demand
- Strengthen global supply capabilities with the start of operations at the first fab in Taylor, U.S.

SDC

Results

3Q 2026 Results

➤ Small & Medium

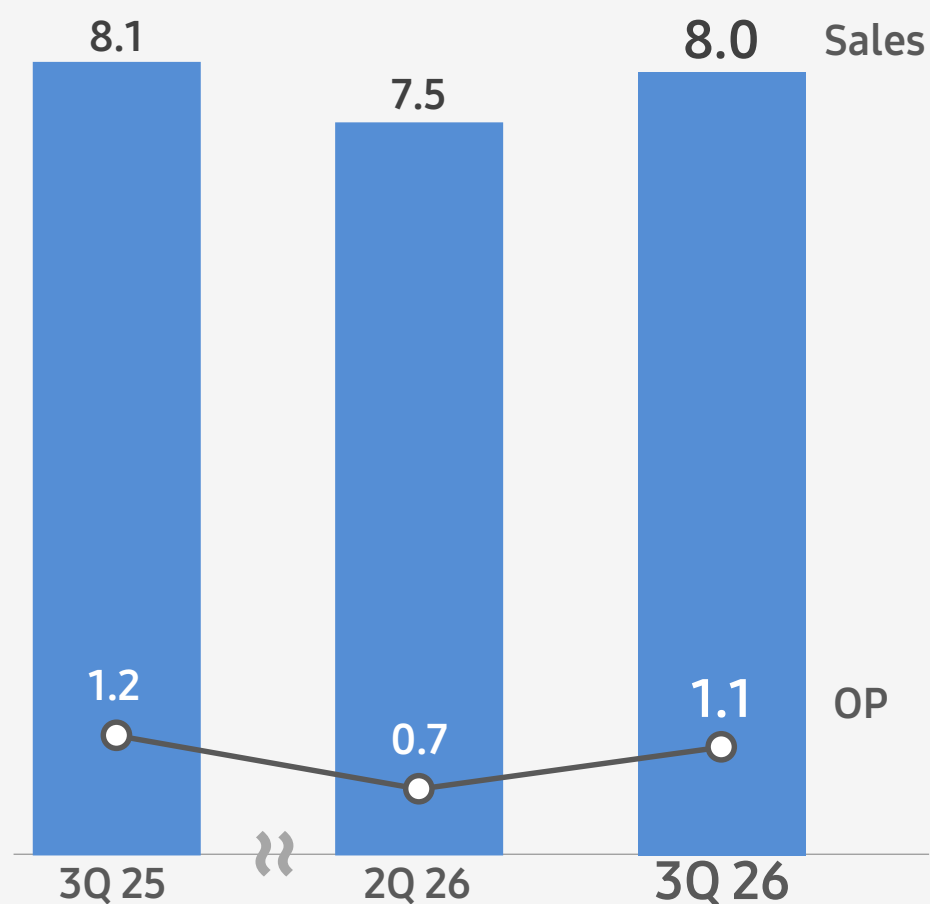
- Revenue and profit increased driven by timely panel supply for customers' new products

➤ Large

- Earnings improved on high-end product sales and cost reduction

SDC Results

Unit: KRW trillion



※ Image : Flexible OLED display

Outlook

4Q 2026

- **Expect year-end seasonal demand and new product launches, but external factors may affect earnings improvement**
- **Small & Medium**
 - Expand sales by actively responding to customer demand
- **Large**
 - Improve profitability through expanding sales of gaming monitors

2027

- **Market demand is likely to be weak with ongoing uncertainties**
- **Small & Medium**
 - Expand our premium smartphone product mix and increase sales volume through 8.6G IT OLED line ramp-up
- **Large**
 - Strive to enhance profitability with high-value-added products

MX / NW

Results

3Q 2026 Results

➤ MX

- Revenue increased QoQ/YoY, driven by new flagship launches including foldables
- Earnings declined YoY on cost pressures, but improved QoQ with a higher flagship mix

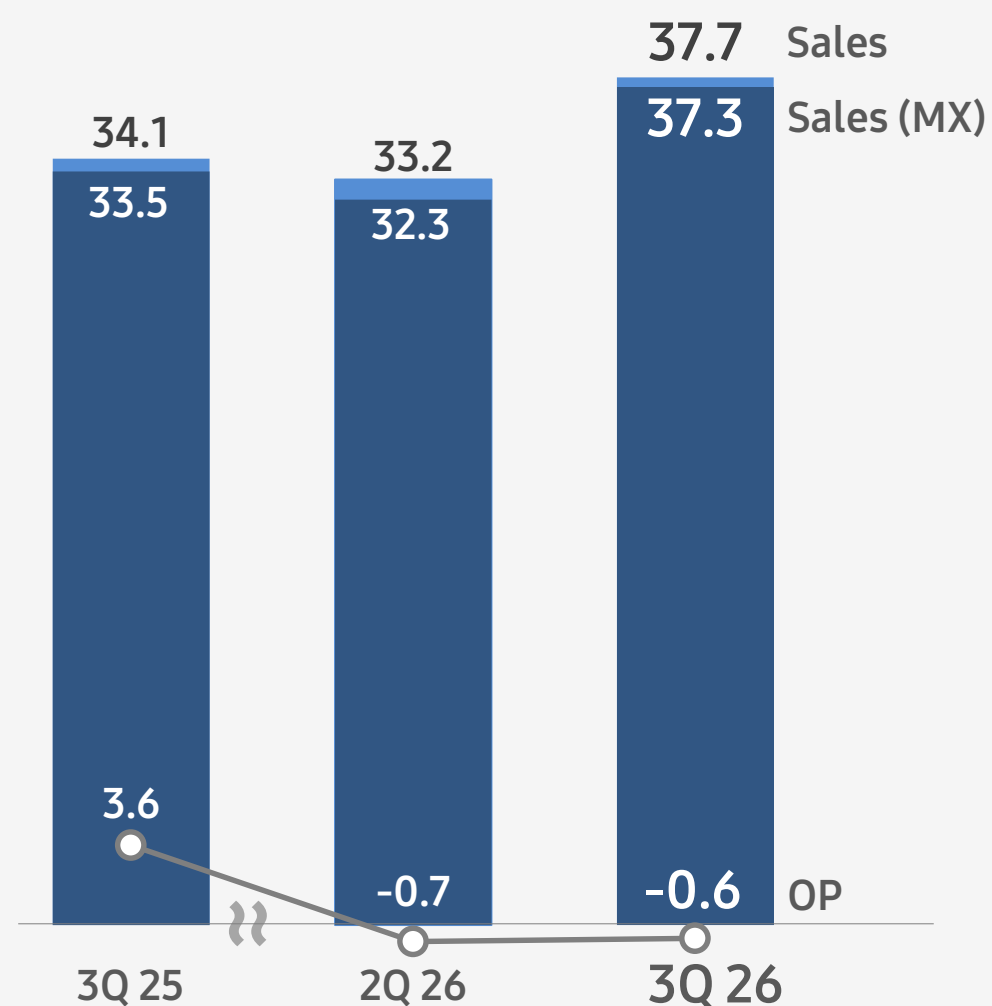
➤ NW

- Earnings declined QoQ/YoY due to lower North American and software sales



MX/NW Results

Unit: KRW trillion



Outlook

4Q 2026

➤ MX

- Drive year-end peak-season sales of S26 series, foldables and new Ecosystem products
- Mitigate profitability risks through efficiency improvements across all business processes

➤ NW

- Secure profitability through revenue growth in North America, Korea and Japan

2027

➤ MX

- Maintain mobile leadership via 3 strategic priorities
 - ✓ Improve product mix centered on flagships with differentiated experiences by customer segment
 - ✓ Enhance desirability and deliver tangible value through hardware and form factor innovation
 - ✓ Minimize profit declines with agile market responses and operational efficiency

➤ NW

- Drive profitable growth by securing new orders amid telco investment headwinds

VD / DA / Harman

Results

3Q 2026 Results

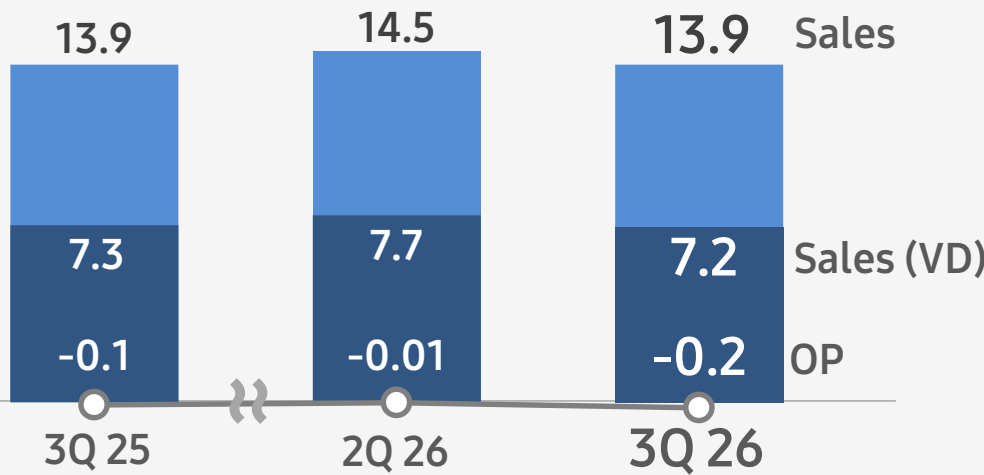
- **VD**
 - Revenue declined after major sporting event, but premium product sales and cost efficiency efforts helped mitigate profitability decline
- **DA**
 - Earnings declined due to higher raw material and logistics costs, despite stronger domestic marketing and B2B/subscription growth
- **Harman**
 - Solid automotive and audio product sales, and one-off U.S. tariff refunds drove a larger earnings improvement



※ Image : 85-inch Micro RGB TV, Bespoke AI Laundry Combo

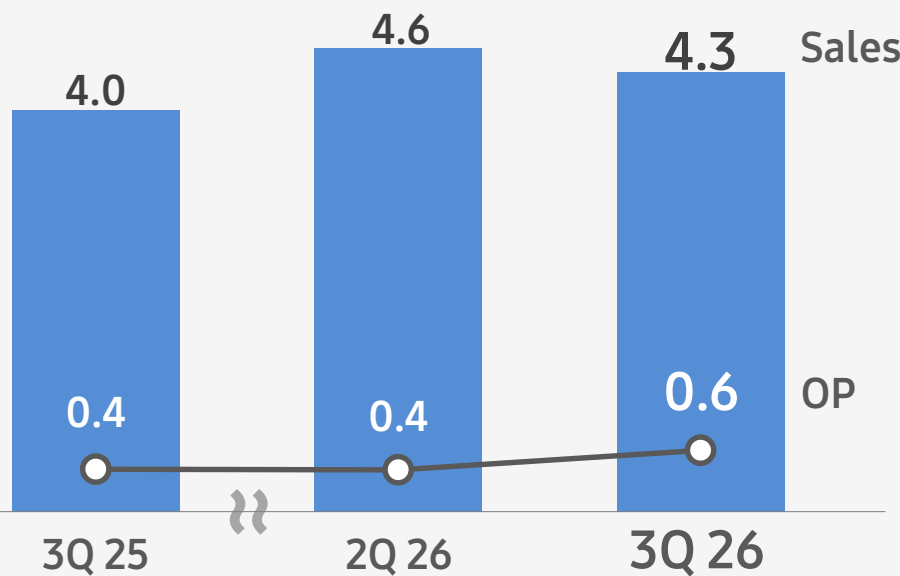
VD/DA Results

Unit: KRW trillion



Harman Results

Unit: KRW trillion



Outlook

4Q 2026

- **VD**
 - Capture peak-season demand with stronger channel partnerships; expand premium product sales
- **DA**
 - Strengthen business fundamentals and profitability
- **Harman**
 - Sustain growth and solid profitability, supported by the peak season for audio and automotive sales conversion

2027

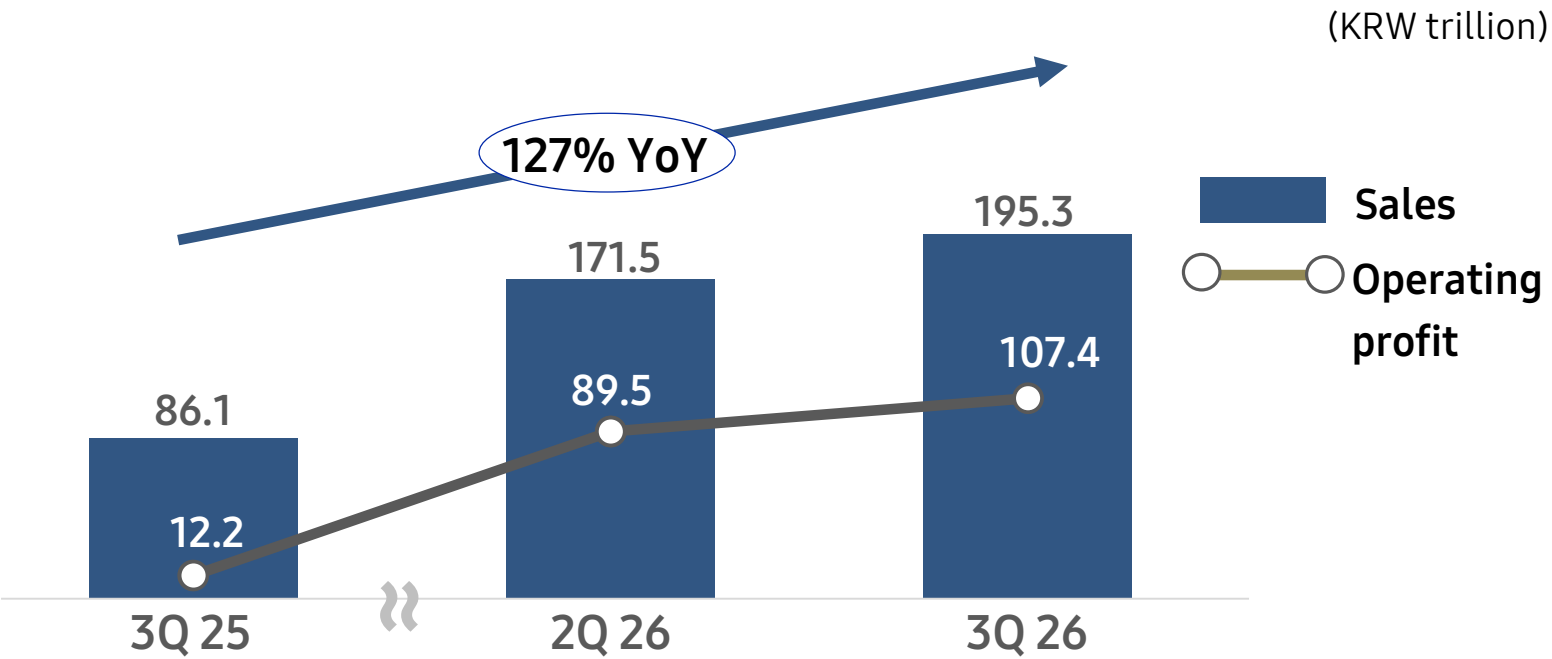
- **VD**
 - Deliver differentiated TV experiences and focus on growing the services and platform businesses
- **DA**
 - Secure profitability by increasing sales of innovative AI products and expanding high-margin businesses
- **Harman**
 - Strengthen automotive business competitiveness; extend audio leadership through portfolio enhancements and continued technology innovation

Appendix 1: 3Q 2026 Results & Financial Data

Based on consolidated financial statements

KRW trillion	3Q 25	% of sales	2Q 26	% of sales	3Q 26	% of sales
Sales	86.1	100.0%	171.5	100.0%	195.3	100.0%
Cost of sales	52.6	61.1%	52.2	30.4%	60.0	30.7%
Gross profit	33.5	38.9%	119.3	69.6%	135.3	69.3%
SG&A expenses	21.3	24.8%	29.8	17.4%	27.8	14.2%
R&D expenses	8.8	10.3%	16.0	9.3%	14.4	7.4%
Operating profit	12.2	14.1%	89.5	52.2%	107.4	55.0%
Other non-operating income/expenses	(0.1)	-	(0.01)	-	0.2	-
Equity method gain/loss	0.3	-	0.2	-	0.4	-
Finance income/expenses	1.2	-	4.7	-	(9.5)	-
Profit before income tax	13.5	15.7%	94.4	55.1%	98.5	50.5%
Income tax	1.3	-	22.8	-	23.4	-
Net profit	12.2	14.2%	71.6	41.8%	75.1	38.5%
Profit attributable to owners of the parent	12.0	14.0%	71.3	41.6%	75.2	38.5%
EPS (KRW) ※ Common stock	1,802		10,849		11,462	

Sales and Operating Profit



Key Profitability Indicators

	3Q 25	2Q 26	3Q 26
ROE	12%	56%	57%
Profitability (net profit/sales)	0.14	0.42	0.38
Asset turnover (sales/asset)	0.66	1.03	1.15
Leverage (asset/equity)	1.27	1.31	1.29
EBITDA margin	28%	60%	62%

Appendix 2: Results by Business Segment

Sales

	3Q 25	2Q 26	3Q 26	Difference(%)	
				QoQ	YoY
KRW trillion					
Total	86.1	171.5	195.3	14%↑	127%↑
DX	48.4	48.0	52.1	8%↑	8%↑
MX / NW	34.1	33.2	37.7	14%↑	11%↑
MX	33.5	32.3	37.3	15%↑	11%↑
VD / DA	13.9	14.5	13.9	4%↓	0.1%↓
VD	7.3	7.7	7.2	6%↓	1%↓
DS	33.1	127.5	147.1	15%↑	344%↑
Memory	26.7	120.8	140.7	16%↑	427%↑
SDC	8.1	7.5	8.0	7%↑	1%↓
Harman	4.0	4.6	4.3	5%↓	9%↑

Operating Profit

	3Q 25	2Q 26	3Q 26	Difference(Amount)	
				QoQ	YoY
KRW trillion					
Total	12.2	89.5	107.4	17.9↑	95.3↑
DX	3.5	(0.8)	(0.8)	0.01↓	4.3↓
MX / NW	3.6	(0.7)	(0.6)	0.1↑	4.2↓
VD / DA	(0.1)	(0.01)	(0.2)	0.2↓	0.1↓
DS	7.0	89.2	106.5	17.3↑	99.5↑
SDC	1.2	0.7	1.1	0.4↑	0.1↓
Harman	0.4	0.4	0.6	0.2↑	0.2↑

* 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.

Appendix 3: Financial Position (Summary)

KRW billion	30.Sep.25	30.Jun.26	30.Sep.26
Assets	523,659.6	759,480.5	791,841.9
Cash*	108,463.8	189,999.0	214,822.9
A/R	50,538.8	96,409.0	106,097.4
Inventories	50,332.4	71,389.1	71,995.2
Investments	38,345.3	104,824.5	97,241.6
PP&E	204,861.1	224,372.0	234,009.3
Intangible assets	26,469.1	29,386.5	27,067.0
Other assets	44,649.1	43,100.4	40,608.5
Total assets	523,659.6	759,480.5	791,841.9
Liabilities	110,158.1	180,170.8	177,730.3
Debts	16,672.3	22,408.7	17,191.2
Trade accounts and N/P	14,417.4	17,204.7	16,647.4
Other accounts and N/P & accrued expenses	43,313.5	53,642.2	67,064.8
Current income tax liabilities	6,189.6	30,303.1	24,387.8
Unearned revenue & other advances	2,953.8	4,466.5	3,810.2
Other liabilities	26,611.5	52,145.6	48,628.9
Shareholder equity	413,501.5	579,309.7	614,111.6
Capital stock	897.5	897.5	897.5
Total liabilities & shareholder equity	523,659.6	759,480.5	791,841.9

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

	30.Sep.25	30.Jun.26	30.Sep.26
Current ratio*	263%	283%	310%
Liability/equity	27%	31%	29%
Debt/equity	4%	4%	3%
Net debt/equity	(22%)	(29%)	(32%)

* Current ratio = current assets/current liabilities

Appendix 4: Cash Flow (Summary)

KRW trillion	3Q 25	2Q 26	3Q 26
Cash (beginning of period)*	100.7	147.4	190.0
Cash flows from operating activities	22.6	105.1	98.6
Net profit	12.2	71.6	75.1
Depreciation	11.0	12.1	11.9
Cash flows from investing activities	(13.0)	(47.3)	(35.2)
Purchase of PP&E	(10.8)	(14.1)	(26.9)
Cash flows from financing activities	(4.2)	(17.9)	(24.0)
Increase in debts	2.1	(6.1)	(4.6)
Acquisition of treasury stock	(3.9)	(5.6)	(12.5)
Payment of dividends	(2.5)	(6.2)	(2.5)
Increase in cash	7.7	42.6	24.8
Cash (end of period)*	108.5	190.0	214.8

* 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.25	30.Jun.26	30.Sep.26
Net Cash	91.8	167.6	197.6

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

Shareholder Return Update

- Total cash dividends for the third quarter amount to KRW 30 trillion (KRW 4,601 per common share and KRW 4,601 per preferred share)
- Of the estimated KRW 90~110 trillion in total shareholder returns for 2026, and with KRW 35 trillion already planned or completed, we anticipate the remaining funds to be KRW 55~75 trillion
- The return of the remaining funds will include a substantial share repurchase and cancellation program, along with cash dividends
- The Company recognizes the growing market interest in the price gap between common and preferred shares, and we are committed to actively considering and adjusting the proportion of preferred shares in our share repurchase and cancellation program based on market conditions
- The next shareholder return policy, along with the final amount of shareholder returns and the specific execution plans for the remaining funds for 2026, will be finalized at the Board meeting scheduled for late January 2027, with an announcement to follow



Thank you

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※ Background image is of the Samsung Electronics Digital City(Suwon), located in South Korea