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# SAMSUNG MOBILE



Investor Presentation

2018

Content

**BUSINESS UPDATE**

MOBILE MARKET OPPORTUNITIES

SAMSUNG STRATEGY

KEY TAKEAWAYS

# 2017 FINANCIAL SUMMARY

## Earnings results\*

(trillion won)

106.67  
Sales

11.83  
Operating profit

11%  
Operating profit Margin



# 2017 FINANCIAL SUMMARY

## Global number 1



## Global market share\*



Smartphone  
**21%**  
( # 1 since 2011)

# BUSINESS ACCOMPLISHMENTS

## Strengthening premium market leadership



**CR** Consumer Reports  
**Samsung Galaxy S8 Phones Top Consumer Reports' Smartphone Ratings**  
The Galaxy S8 and S8+ have top-notch cameras,

**The Telegraph**  
**Samsung Galaxy S8 launch: Samsung reveals its long-awaited iPhone killer**

**TechWeb** 三星S8上手评测 安卓机皇全曲面屏体验完美!

**WIRED**  
**SAMSUNG'S NOTE 8 IS A BEAST OF A SMARTPHONE**

**BGR**  
Galaxy Note 8 hands-on: Samsung found a way to improve upon 2017's best phones



# BUSINESS ACCOMPLISHMENTS

## Contents & service business expansion

### Launching Bixby service



Bixby



Voice



Vision



Home



Reminder

Available in 200+ countries

(English, Korean, Mandarin)

### Introducing vision for Intelligence of Things



SmartThings

United IoT solution for everyone

(a unified, powerful cloud that will be accessible through a single SmartThings app)

# BUSINESS ACCOMPLISHMENTS

## Enhanced product portfolio



Expanding high-end features  
to mass smartphones  
*(dual camera, metal casing, water/dust proof, fast charging)*



Streamlining mass  
smartphone portfolio





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BUSINESS UPDATE

MOBILE MARKET OPPORTUNITIES

SAMSUNG STRATEGY

KEY TAKEAWAYS

# SMARTPHONE GROWTH : PREMIUM MARKET

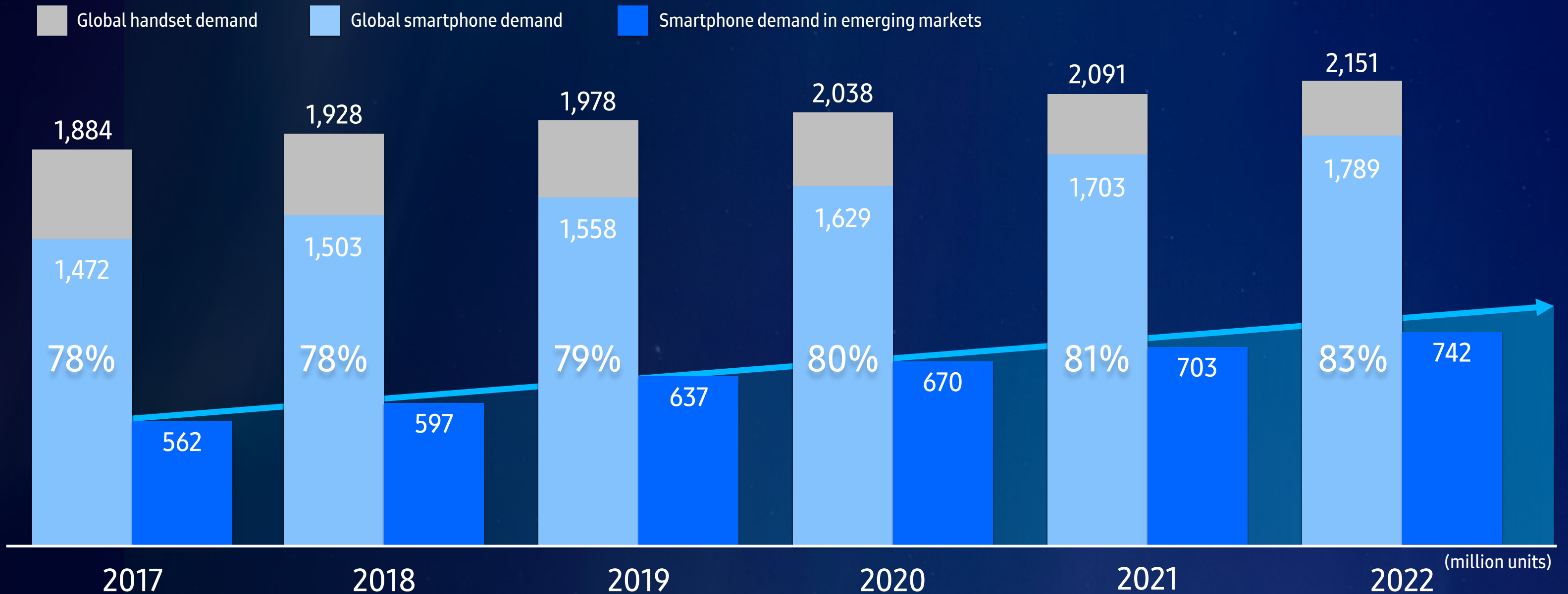
Create premium market demand with new technologies and services

Market Forecasts



# SMARTPHONE GROWTH : MASS MARKET

Low penetration in emerging markets will drive further growth



\* Strategy Analytics

\* Emerging Market : Asia excluding Greater China/Japan/South Korea, Middle East, Africa and Latin America



# NEW PARADIGM : 5G

5G Enabled services will be extended

5G



Mobile Service



Fixed Wireless Access



Massive IoT



V2X



Railway



Smart Factory

Content

BUSINESS UPDATE

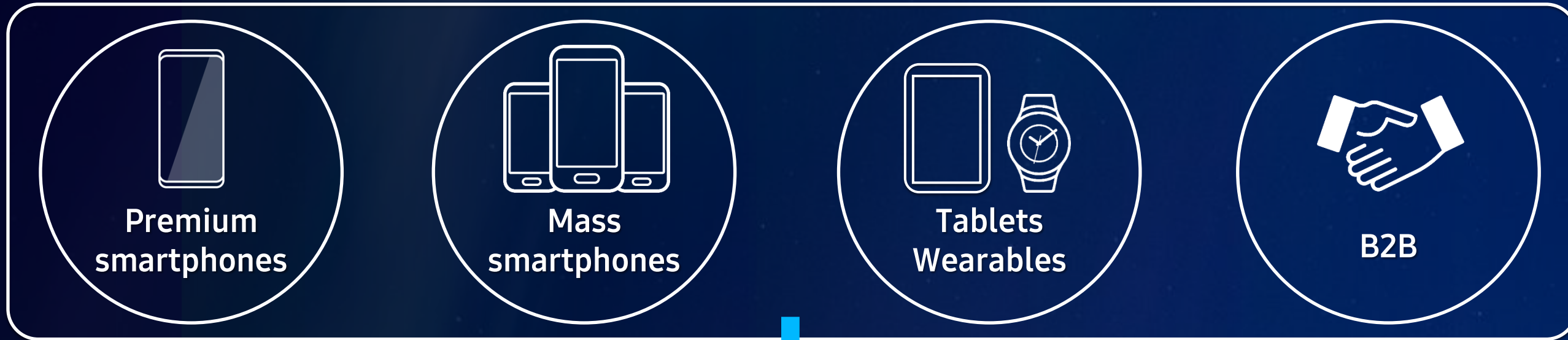
MOBILE MARKET OPPORTUNITIES

SAMSUNG STRATEGY

KEY TAKEAWAYS

# SAMSUNG STRATEGY

## Well-balanced business portfolio



Sustain  
Double-digit  
OP Margin

## Core competencies



# PRODUCT LEADERSHIP IN PREMIUM SMARTPHONES



## Leading industry with new form factors

(AMOLED, curved OLED, dual-edge, infinity display, foldable OLED)



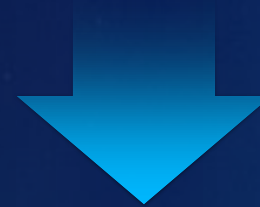
## Innovative product features including camera and sensor technology

(dual camera, super slow-motion feature, fingerprint recognition, iris recognition, face recognition)



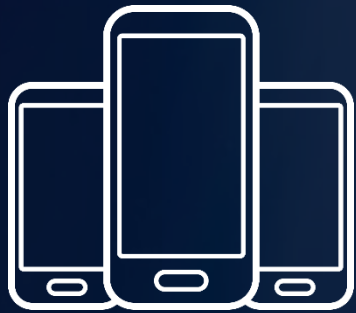
## Enhancing product design and usability

(water/dust-proof functionalities, metal casing, wireless charging)



**Pursue relentless innovation for premium smartphone experience**

# EFFICIENCY IN MASS SMARTPHONES



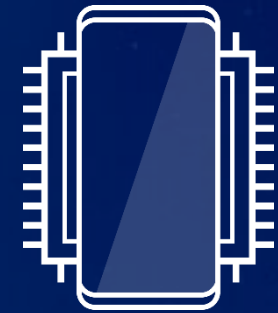
**Streamlining mass  
smartphone portfolio**

(Galaxy A series, J series)



**Improving R&D and  
production efficiency**

(expanding common use of key components)



**Expanding high-end features  
to mid-end smartphones**

(dual camera, metal casing,  
water/dust proof, fast charging)



**Pursue to sustain shipment and profitability in mass smartphones category**



# WEARABLES & ACCESSORIES



**Diverse wearable and accessory products  
to create holistic mobile experiences**

(smartwatches, fitness bands, VR, smartphone cases, wireless charging, and audio-related devices)



# MOBILE ENTERPRISE PORTFOLIO



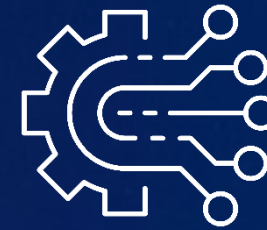
## Products

- Enterprise device program
- Security maintenance release
- Wide range of product portfolio



## Software, Application

- Security
- Productivity
- Manageability
- Vertical solution



## Implementation, service

- Expertise
- Customization
- Global partnerships



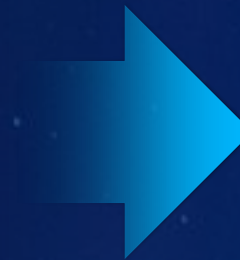
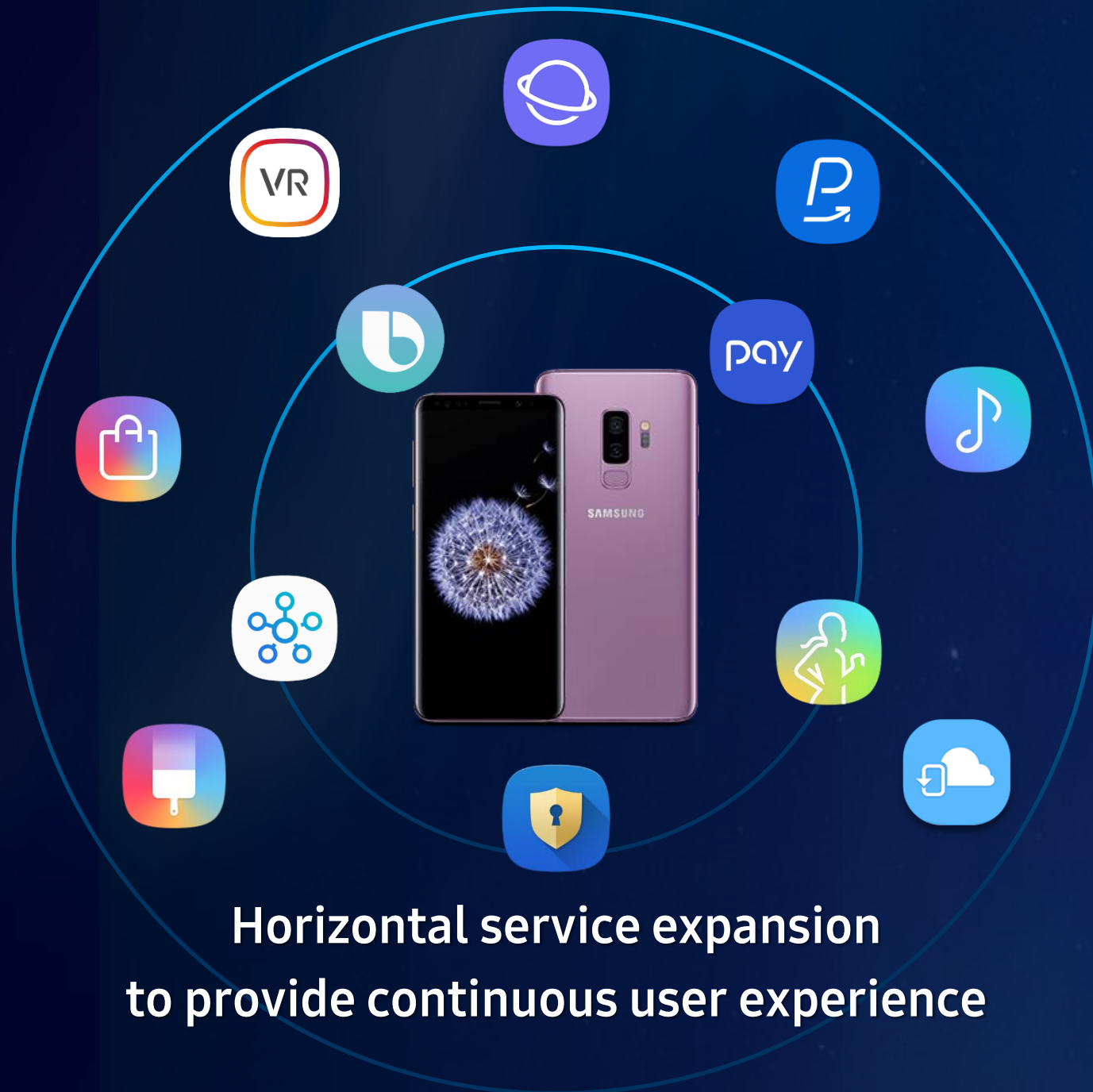
## Support

- Warranty
- Mobile Carepack



**An end-to-end integrated solution**

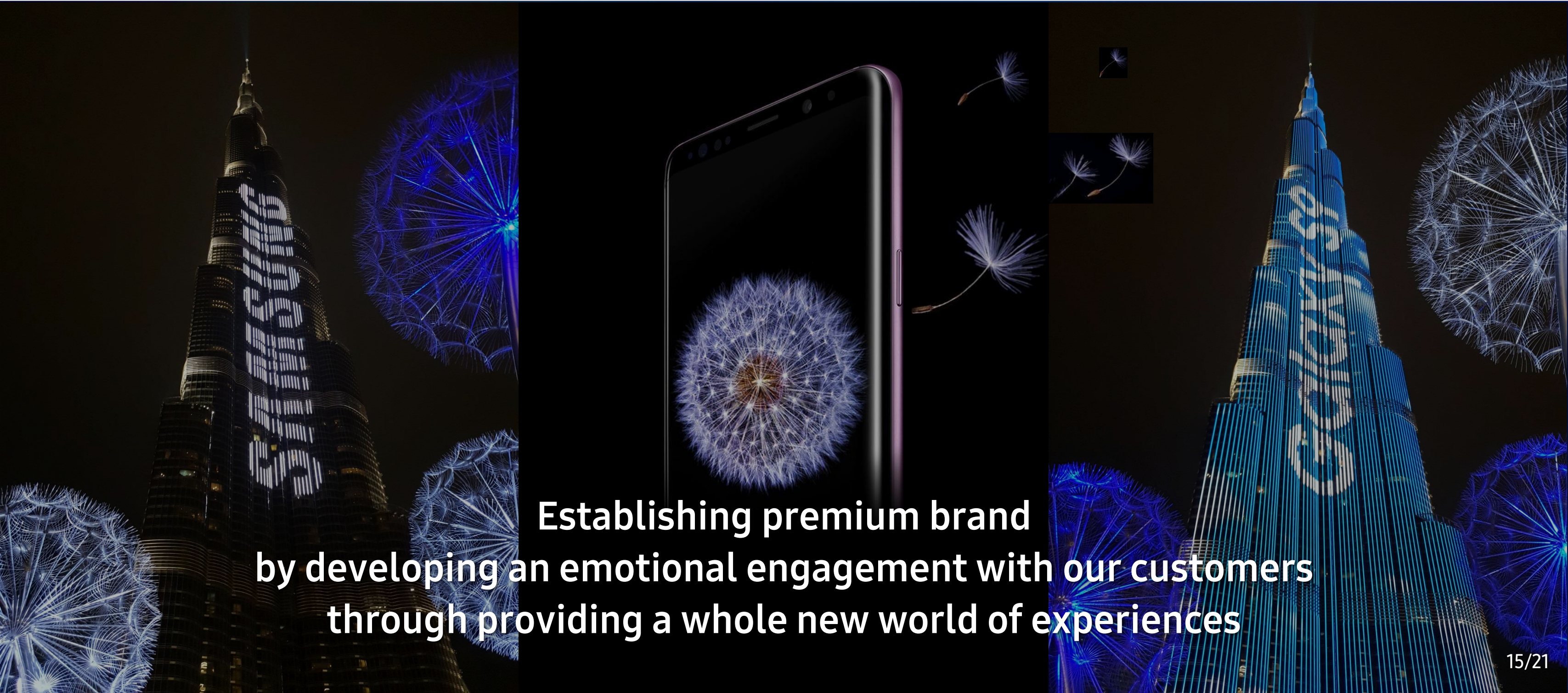
# CONTENTS, SERVICE & SOFTWARE



Customer Lock-in  
+  
New Business Opportunities



# BRAND LEADERSHIP



**Establishing premium brand  
by developing an emotional engagement with our customers  
through providing a whole new world of experiences**



# RETAIL EXCELLENCE



**Achieving global retail excellence  
by cooperating with our retail partners**

(enhanced shop display and experiencing zone, salesperson and promoter training academy, online promotions)



# OPERATIONAL EXCELLENCE

## Global SCM



Global  
Production Sites



Global  
Sales Network

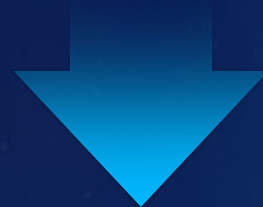


Numerous  
Partners



Sell-out based  
Operation

Speed



Efficiency

Strengthening the world's best SCM competency

# NEW BUSINESSES OPPORTUNITIES

Create new businesses opportunities with emerging technologies



**5G**

(new generation of devices and services)



**Artificial Intelligence**

(interface and ecosystem that supports our customers to connect with various devices and technology)



**Healthcare**

(remote patient monitoring and medical service, fitness and wellness-related services)



**New Businesses**



**Cloud / IoT**

(seamless experience that provides more value to our customers)



**M-commerce**

(shopping experience not confined by time or location)



# NEW BUSINESSES OPPORTUNITIES



**Creating an open ecosystem  
where various devices and services can seamlessly work together**

# NEW BUSINESSES OPPORTUNITIES



## Multi Device Experience

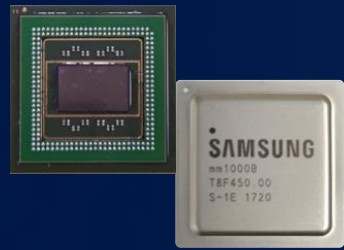
(linking our all products through the leading open and connected IoT platform)



Providing consistent user experience through an ecosystem  
in which all devices can interact smoothly



# NEW BUSINESSES OPPORTUNITIES



## Chips

Low power & Small form factor



## Devices

Self-installable CPE  
Mobile UE(Tablet)



## Network - Access

Simple installation &  
smallest and lightest



## Network - Core

Cloud friendly &  
Flexible architecture

## Complete 5G End-to-end Solutions

(laying the groundwork for convenient 5G technology including optimized total solution)



Unveiling new possibilities for the future of mobile communications  
by building user-centric 5G networks



Content

BUSINESS UPDATE

MOBILE MARKET OPPORTUNITIES

SAMSUNG STRATEGY

KEY TAKEAWAYS

# KEY TAKEAWAYS

- ✓ Lead the market with product innovation and differentiation in both H/W and S/W
- ✓ Sustain business growth & profitability with a well-balanced business portfolio
- ✓ Reinforce our brand leadership, retail experience and operational excellence
- ✓ Expand an open ecosystem to provide consistent and seamless user experience
- ✓ Materialize new business with device & service platform and 5G technology