

SAMSUNG



SAMSUNG TO ACQUIRE HARMAN

Accelerating Growth in Automotive Technologies

NOVEMBER 14, 2016



Additional Information and Forward-Looking Statements

Additional Information and Where to Find It

In connection with the proposed transaction, HARMAN will file with the Securities and Exchange Commission (the "SEC") and mail or otherwise provide to its stockholders a proxy statement regarding the proposed transaction. BEFORE MAKING ANY VOTING DECISION, HARMAN'S STOCKHOLDERS ARE URGED TO READ THE PROXY STATEMENT IN ITS ENTIRETY WHEN IT BECOMES AVAILABLE AND ANY OTHER DOCUMENTS FILED WITH THE SEC IN CONNECTION WITH THE PROPOSED TRANSACTION OR INCORPORATED BY REFERENCE THEREIN BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION AND THE PARTIES TO THE PROPOSED TRANSACTION. HARMAN investors and security holders may obtain a free copy of the proxy statement and other documents that HARMAN files with the SEC (when available) from the SEC's website at www.sec.gov and the "Investors" section of www.harman.com. In addition, the proxy statement and other documents filed by HARMAN with the SEC (when available) may be obtained from HARMAN free of charge by writing to HARMAN International Industries, Incorporated, Attention: Corporate Secretary, 400 Atlantic Street, Suite 1500, Stamford, Connecticut 06901, or by calling (203) 328-3500.

Participants in the Solicitation

HARMAN and its directors, executive officers and employees may be deemed, under SEC rules, to be participants in the solicitation of proxies from HARMAN's stockholders with respect to the proposed transaction. Security holders may obtain information regarding the names, affiliations and interests of such individuals in HARMAN's Annual Report on Form 10-K for the fiscal year ended June 30, 2016, filed with the SEC on August 11, 2016, and its definitive proxy statement for the 2016 annual meeting of stockholders, filed with the SEC on October 25, 2016. Additional information regarding the interests of such individuals in the proposed transaction will be included in the proxy statement relating to the transaction when it is filed with the SEC. These documents may be obtained free of charge from the SEC's website at www.sec.gov and the "Investors" section of www.harman.com.

Forward-Looking Statements

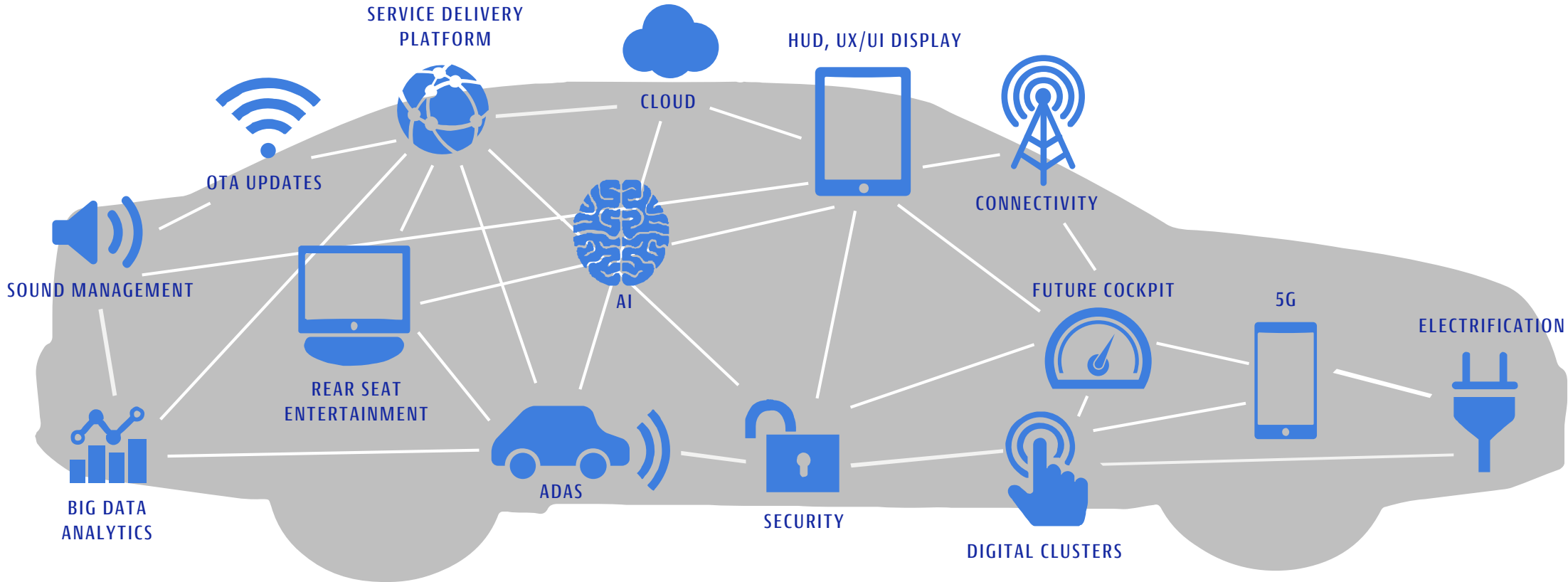
Statements about the expected timing, completion and effects of the proposed transaction and all other statements in this communication, other than historical facts, constitute forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Readers are cautioned not to place undue reliance on these forward-looking statements and any such forward-looking statements are qualified in their entirety by reference to the following cautionary statements. All forward-looking statements speak only as of the date hereof and are based on current expectations and involve a number of assumptions, risks and uncertainties that could cause the actual results to differ materially from such forward-looking statements. HARMAN may be subject to certain risks during the pendency of the transaction, and may not be able to complete the proposed transaction on the terms described herein or other acceptable terms or at all because of a number of factors, including without limitation (1) the occurrence of any event, change or other circumstances that could give rise to the termination of the merger agreement, (2) the failure to obtain the requisite approval of HARMAN's stockholders or the failure to satisfy the other closing conditions, (3) risks related to disruption of management's attention from HARMAN's ongoing business operations due to the pending transaction and (4) the effect of the announcement of the pending transaction on the ability of HARMAN to retain and hire key personnel, maintain relationships with its customers and suppliers, and maintain its operating results and business generally.

Actual results may differ materially from those indicated by such forward-looking statements. In addition, the forward-looking statements represent HARMAN's and Samsung's views as of the date on which such statements were made. HARMAN and Samsung anticipate that subsequent events and developments may cause their respective views to change. However, although Harman and Samsung may elect to update these forward-looking statements at some point in the future, each specifically disclaims any obligation to do so. These forward-looking statements should not be relied upon as representing the views of HARMAN or Samsung as of any date subsequent to the date hereof. Additional factors that may affect the business or financial results of HARMAN are described in the risk factors included in HARMAN filings with the SEC, including HARMAN's Annual Report on Form 10-K for the fiscal year ended June 30, 2016, which risk factors are incorporated herein by reference.

This communication also makes reference to HARMAN's awarded business or "backlog", which represents the estimated future lifetime net sales for all of HARMAN's automotive customers. HARMAN's awarded business does not represent firm customer orders. HARMAN reports its awarded business primarily based on written award letters. To validate these awards, HARMAN uses various assumptions including global vehicle production forecasts, customer take rates for HARMAN's products, revisions to product life cycle estimates and the impact of annual price reductions and exchange rates, among other factors. The term "take rate" represents the number of units sold by HARMAN divided by an estimate of the total number of vehicles of a specific vehicle line produced during the same timeframe. The assumptions HARMAN uses to validate these awards are updated and reported externally on an annual basis.

Smart Technologies Will Enable the Vehicle of Tomorrow

The combination of Samsung and HARMAN will empower OEMs to rapidly deploy connected car technologies and services



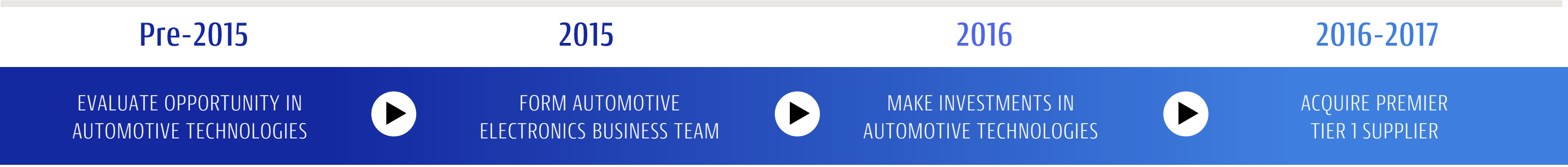
\$100B+ Market Opportunity¹

3 1) Addressable market in 2025 – Samsung analysis.

Compelling Strategic Transaction

- ▶ Accelerates Samsung's entry into projected **\$100B+ automotive technology market**¹
- ▶ Strong **growth opportunities** through HARMAN's leadership as a **global Tier 1 supplier** to OEMs
- ▶ Combines HARMAN's **leading audio** portfolio with Samsung's **consumer technology platform**
- ▶ Highly **complementary** partners
 - Breakthrough **technologies**
 - Strong **brands**
 - Market-leading **R&D**
 - Shared **cultural commitment** to speed, innovation and technology
- ▶ Immediately **accretive to Samsung's earnings** and provides significant long-term **revenue growth** opportunities
- ▶ **Delivers significant and immediate value** to HARMAN's shareholders
- ▶ HARMAN will be a standalone subsidiary – **ensures continuity** while leveraging **Samsung's scale and technology**

The Next Step in Samsung's Long-Term Strategy



Samsung's Strategic Initiatives

Samsung + HARMAN

Establish significant presence in a **large and rapidly growing** automotive technologies market

Develop **new products** that build on core, **industry-leading technologies** in connected mobility, semiconductors and displays

Continue to invest heavily in **innovation leadership**

Enhance **shareholder value** and maintain commitment to operational discipline



Builds on HARMAN's **leadership as a global Tier 1 supplier** to OEMs by leveraging Samsung's **core technology**

Delivers fully integrated **end-to-end solutions** to automotive OEMs and consumers – leverages strong brands

Combines two **R&D leaders** to create innovative connected car platforms and audio & video solutions

Provides substantial **revenue and earnings growth** opportunities across automotive, audio, IoT and professional markets

HARMAN Highlights

Market Leader

- **\$7B** revenue¹
- EBITDA \$866M¹
- **\$24B** auto order backlog²



Global Footprint

- **30,000 professionals** worldwide
- 15,000 engineers and R&D professionals
- **25+ countries:** Americas, Europe and Asia
- 16+ leading brands



Innovation Leader

- **6,300 patents** and patents pending
- **56 design awards** in 2015
- 3 GRAMMY® awards – AKG, JBL, Lexicon
- **2 Academy Awards**



HARMAN: Technologies for a Connected Life

Connected Car

Navigation, Multimedia,
Tuner, Connectivity,
Telematics, Safety
& Cyber Security Solutions



44% of LTM Revenue¹

Lifestyle Audio

Premium Branded Audio
Products and Sound
Management Software for the
Car, Home and On the Go



32% of LTM Revenue¹

Professional Solutions

Audio, Lighting,
Video Switching and
Automation for Enterprise and
Entertainment



14% of LTM Revenue¹

Connected Services

Cloud, Mobility, Analytics
Solutions with OTA
Updates for Auto, Mobile
and Enterprises



9% of LTM Revenue¹

Best-in-Class Complementary Capabilities

A true convergence of technologies, relationships and brands

Samsung

Leading Connected Devices



- #1 in smartphones
- #1 in consumer electronics
- Leader in UX, 5G and IoT

Leading Core Technology



- #1 in display
- #1 in memory
- #2 in semiconductors

Innovation Powerhouse



- \$23B in CapEx and \$13B R&D spend
- Top 3 in global corporate venture capital
- #2 in patents in U.S. and Europe

HARMAN

Leading Auto OEM Relationships



- 36+ global auto brands
- \$24B backlog¹
- 30M cars with HARMAN technology

Leading Auto and Audio Technology



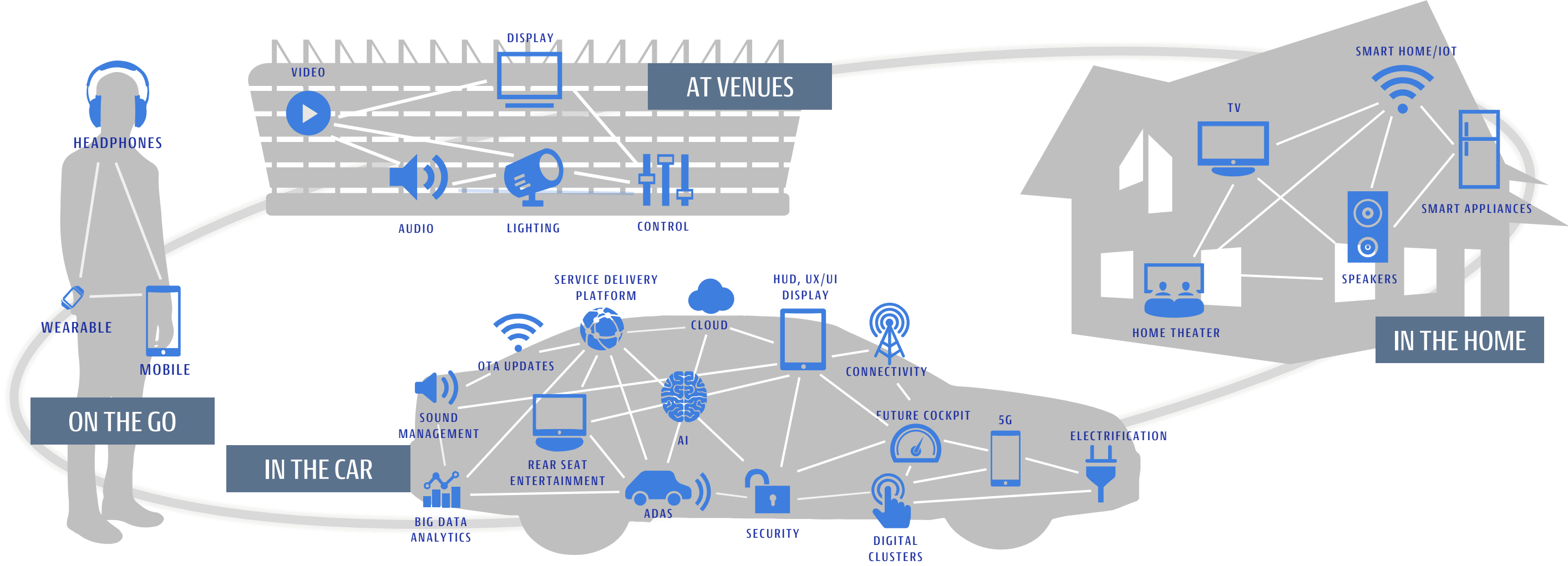
- #1 connected car technology (infotainment, telematics, OTA, cybersecurity, sound management)
- #1 in branded car audio

Leading Consumer Brands



Samsung and HARMAN Growth Opportunities

Complementary technologies create opportunities across the connected ecosystem



Scale Channels R&D Brands Talent

Transaction Summary

Transaction Terms

- Total consideration of **\$112 per share in cash**, or a total equity value of approximately **\$8B**
 - Samsung expects to fund the transaction with cash on hand
- Delivers significant and immediate value to HARMAN shareholders
 - **28% premium** to HARMAN's closing stock price on November 11, 2016 and **37% premium** to 30-day VWAP

Financial Attributes

- Significant **long-term growth opportunities** across auto, audio and component end markets
- Stable business with high visibility - **\$24B auto backlog**¹
- **Immediately accretive** to Samsung's earnings

Organizational Structure

- HARMAN will be a **standalone subsidiary**
- HARMAN's management, workforce and headquarters will **remain in place**
- **Retaining** consumer and professional **brands**

Closing

- **Expected to close by mid-2017**, subject to regulatory approvals and HARMAN's shareholder vote, and other customary closing conditions

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Samsung's innovation and leadership in technology and connectivity is a natural fit with HARMAN's strong global customer base, impressive track record of cutting edge technologies and proven management team. This strategic combination will be very compelling to automakers who are demanding end-to-end solutions for the connected car and autonomous driving.

STEPHEN J. GIRSKY

Former Vice Chairman General Motors
Current Managing Partner VectoIQ

NORTH AMERICA

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A new star is rising in automotive technology, electrification, digitization and autonomous driving all under one roof with a strong technology portfolio and huge synergies and possibilities between the merger of partners HARMAN and Samsung.

RICKY HUDI

Former Executive Vice President, Global Electronics and Software, AUDI AG
Founder & Current Managing Director Future Mobility Technologies GmbH

EUROPE

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