

COMPANY UPDATE

2026. 7. 31

EV/Mobility Team

JungHoon Chang

Senior Analyst

jhooni.chang@samsung.com

▶ AT A GLANCE

BUY		
Target price	KRW550,000	38.5%
Current price	KRW397,000	
Market cap	KRW32.0t/USD22.5b	
Shares (float)	80,585,530 (72.6%)	
52-week high/low	KRW712,000/KRW190,000	
Avg daily trading value (60-day)	KRW346.6b/USD243.4m	

▶ ONE-YEAR PERFORMANCE

	1M	6M	12M
Samsung SDI (%)	-18.5	1.8	97.5
Vs Kospi (%pts)	4.8	-19.4	-2.8

▶ KEY CHANGES

(KRW)	New	Old	Diff
Recommend.	BUY	BUY	
Target price	550,000	680,000	-19.1%
2026E EPS	1,793	898	99.7%
2027E EPS	10,424	10,145	2.8%

▶ SAMSUNG vs THE STREET

No of estimates	23
Target price	797,783
Recommendation	4.0
※ Rating: 4 <→ BUY, 3 = HOLD, 2 >→ SELL	

Samsung Securities



Scan to go to
Research Center report database

Samsung SDI (006400)

Tariff rebates propel early return to profitability in 2Q

- Samsung SDI reported 2Q results that far exceed market expectations.
- Both small- and larger- batteries are likely to be profitable in 3Q.
- We cut our target price to KRW550,000, but maintain our BUY rating.

WHAT'S THE STORY?

2Q earnings surprise: Samsung SDI reported 2Q sales of KRW3.8t and an operating profit of KRW203.8b in 2Q, far exceeding market expectations (loss of KRW27.3b; FnGuide). The battery division recorded a KRW159.3b profit, helped by the refund of tariffs (estimated in the upper KRW100b range) previously paid on cells shipped to the US. The AMPC for 2Q came in at KRW107.7b, in line with our estimate (KRW102.9b). At the electronic materials division, operating margin jumped to 17.8% (vs 9.5% in 1Q), driven by higher sales of films used in foldable smartphones.

Likely to stay profitable in 3Q: We now believe Samsung SDI will log an operating profit of KRW75.6b (vs earlier estimate of KRW14.3b) on sales of KRW4t in 3Q. The small battery segment is likely to turn profitable, running at full capacity, thanks to strong BBU and power tool sales. The larger battery segment should also be profitable: 1) EV batteries may face deeper q-q losses due to lower order volumes from certain customers; but 2) ESS is likely to see the Advanced Manufacturing Production Credit (AMPC) rise to an estimated KRW135b, on stronger sales of lucrative UPS and greater ESS shipments in North America.

(Continued on the next page)

SUMMARY 2Q RESULTS

(KRWb)	2Q26	Chg		Diff (%)	
		(% y-y)	(% q-q)	Samsung	Consensus
Sales	3,768.8	18.5	5.4	-0.0	2.8
Operating profit	203.8	nm	nm	0.0	nm
Pre-tax profit	479.2	nm	nm	0.0	621.6
Net profit	471.6	nm	740.5	0.0	1,686.4
Margins (%)					
Operating profit	5.4				
Pre-tax profit	12.7				
Net profit	12.5				

Source: Company data, FnGuide, Samsung Securities estimates

VALUATION SUMMARY

	2025	2026E	2027E
Valuation (x)			
P/E	n/a	221.4	38.1
P/B	1.0	1.4	1.4
EV/EBITDA	314.4	18.4	13.9
Div yield (%)	0.0	0.0	0.0
EPS growth (% y-y)	nm	nm	481.4
ROE (%)	-3.2	0.7	3.8
Per-share data (KRW)			
EPS	-8,325	1,793	10,424
BVPS	272,485	279,749	290,638
DPS	0	0	0

Cutting target price but maintaining BUY: We cut our target price by 19% to KRW550,000, reflecting a 7% decline in the peer group's EV/EBITDA multiple from 12.7x to 11.8x (which we apply to the battery segment in our sum-of-the-parts valuation) and applying a 15% discount to account for heightened stock market volatility unrelated to the company's fundamentals. We maintain our BUY rating, as the company is well positioned to win ESS contracts in North America in 2H, with strong expectations for new capacity expansions and the continued potential to sell its stake in Samsung Display—all of which point to upside momentum in the stock price.

2Q review

(KRWb)	2Q26P	2Q25	1Q26	Chg	
				(% y-y)	(% q-q)
Sales	3,768.8	3,179.4	3,576.4	18.5	5.4
Operating profit	203.8	-397.8	-155.6	Turned pos	Turned pos
Pre-tax profit	479.2	-326.8	-347.2	Turned pos	Turned pos
Net profit	471.6	-166.7	56.1	Turned pos	740.4
Margins (%)					
Operating profit	5.4	-12.5	-4.4		
Pre-tax profit	12.7	-10.3	-9.7		
Net profit	12.5	-5.2	1.6		

Source: Company data, Samsung Securities

Revisions to full-year forecasts

(KRWb)	2026E			2027E		
	Old	New	Diff (%)	Old	New	Diff (%)
Sales	15,928.8	16,114.4	1.2	20,237.4	20,691.2	2.2
Operating profit	-92.4	292.4	nm	1,198.3	1,237.2	3.2
Pre-tax profit	388.6	775.7	99.6	1,510.7	1,552.4	2.8
Net profit	369.1	736.9	99.6	1,208.6	1,241.9	2.8

Source: Samsung Securities estimates

Results and forecasts

(KRWb)	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26P	3Q26E	4Q26E	1Q27E	2Q27E	3Q27E	4Q27E	2025	2026E	2027E
Sales	3,176.8	3,179.4	3,051.8	3,858.7	3,576.4	3,768.8	4,000.8	4,768.3	4,554.4	4,919.9	5,394.4	5,822.4	13,266.7	16,114.4	20,691.2
Batteries	2,980.9	2,961.2	2,820.0	3,622.0	3,354.4	3,519.1	3,732.4	4,489.9	4,280.4	4,606.8	5,056.1	5,481.8	12,384.1	15,095.7	19,425.0
LiB (IT)	641.6	833.7	875.2	869.6	964.7	1,060.8	1,134.8	1,191.6	1,131.3	1,187.4	1,365.2	1,501.8	3,220.1	4,351.9	5,185.7
LiB (EV+ESS)	2,339.3	2,127.5	1,944.8	2,752.4	2,389.7	2,458.3	2,597.6	3,298.3	3,149.0	3,419.4	3,690.8	3,980.0	9,163.9	10,743.8	14,239.3
Electronic materials	195.9	218.2	231.8	236.7	222.0	249.8	268.4	278.4	274.1	313.1	338.4	340.6	882.6	1,018.7	1,266.2
Operating profit	-434.1	-397.8	-591.3	-299.2	-155.6	203.8	75.6	168.7	167.3	240.3	400.1	429.4	-1,722.4	292.4	1,237.2
Batteries	-452.4	-430.8	-630.1	-338.5	-176.6	159.3	29.2	129.2	126.5	189.4	338.4	375.6	-1,851.8	141.1	1,029.9
LiB (IT)	-224.6	-72.9	-48.1	-95.6	-86.8	-53.0	11.3	59.6	22.6	23.7	54.6	45.1	-441.2	-68.9	146.0
LiB (EV+ESS)	-227.8	-357.9	-582.0	-242.8	-89.8	212.3	17.9	69.6	103.9	165.6	283.8	330.5	-1,410.6	210.0	883.8
IRA (AMPC)	109.4	66.4	19.5	79.8	80.5	107.7	135.3	328.3	353.0	372.4	415.7	411.1	275.1	651.8	1,552.2
Electronic materials	18.3	33.0	38.8	39.3	21.0	44.5	46.4	39.5	40.8	51.0	61.7	53.8	129.4	151.4	207.4
Operating margin (%)	-13.7	-12.5	-19.4	-7.8	-4.4	5.4	1.9	3.5	3.7	4.9	7.4	7.4	-13.0	1.8	6.0
Batteries	-15.2	-14.5	-22.3	-9.3	-5.3	4.5	0.8	2.9	3.0	4.1	6.7	6.9	-15.0	0.9	5.3
Electronic materials	9.3	15.1	16.7	16.6	9.5	17.8	17.3	14.2	14.9	16.3	18.2	15.8	14.7	14.9	16.4

Source: Company data, Samsung Securities estimates

Target-price calculation

(KRWb)	Note	
Operating value	45,470	
Established business*	8,568	
LIB (IT)	6,468	2027E weighted average EBITDA x peer group 2026E EV/EBITDA
ECM*	2,100	2027E weighted average EBITDA x peer group 2026E EV/EBITDA
New growth business	36,902	
LIB (EV, ESS)**	36,902	2027E weighted average EBITDA x peer group 2026E EV/EBITDA
Non-operating value	10,336	
Listed subsidiaries	1,457	As of Jul 30, 2026
Unlisted subsidiaries***	3,301	50% discount to consolidated book value at end-2025
Samsung Display	5,577	50% discount to consolidated book value at end-2025
Net debt	11,001	End-2026 forecast
Net asset value	44,805	
Discount (%)	15%	
NAVPS	553,837	
Target price (KRW)	550,000	
Current price (KRW)	358,500	As of Jul 29, 2026
Upside (%)	53.4	

Note: *Applied the peer group average multiple by division to the 2027E weighted average EBITDA (Small-sized batteries 12.7x, Electronic materials 7x);

** Applied the peer group average multiple by division to the 2027E weighted average EBITDA (12.7x);

*** Excluding Samsung Display

Source: Bloomberg, Samsung Securities estimates

AMPC estimates and reflected estimates of non-controlling interest net income

		2024	2025	2026E	2027E
Estimated AMPC	Capacity (Cell) Based on Year-End Design Capacity (GWh)				
	Michigan (Pack)	3	3	3	3
	SPE 1	33	33	37	37
	GM JV				-
	Utilization Rate				
	Michigan (Pack)	86%	41%	25%	10%
	SPE 1	1%	12%	26%	68%
	GM JV				0%
	Production Output (GWh)				
	Michigan (Pack)	3	1	1	0
	SPE 1	0	4	10	25
	GM JV	-	-	-	-
	AMPC Credit (USD/kWh)				
	Cell	35	35	35	35
	Module/Pack	10	10	10	10
	AMPC Reflected Amount				
	AMPC(USDm)	66	192	448	1,134
	AMPC(KRWb)	90	275	640	1,552
Non-Controlling Interest Net Income Estimates	Net Income (KRWb)	576	-585	369	1,209
	Controlling Interest Net Income	599	-649	74	834
	Non-Controlling Interest Net Income	-24	65	295	375
	AMPC_Non-Controlling Interest	9	105	151	329
	Net Income Amount				

Source: Company data, Samsung Securities Estimates

Income statement

Year-end Dec 31 (KRWb)	2024	2025	2026E	2027E	2028E
Sales	16,592	13,267	16,114	20,691	25,349
Cost of goods sold	13,499	11,805	11,640	14,110	16,956
Gross profit	3,094	1,462	4,475	6,581	8,393
Gross margin (%)	18.6	11.0	27.8	31.8	33.1
SG&A expenses	2,820	3,459	4,182	5,344	6,524
Operating profit	363	-1,722	292	1,237	1,869
Operating margin (%)	2.2	-13.0	1.8	6.0	7.4
Non-operating gains (losses)	253	798	483	315	342
Financial profit	1,129	762	31	18	21
Financial costs	1,603	1,054	314	363	439
Equity-method gains (losses)	801	838	866	760	760
Other	-74	252	-100	-100	0
Pre-tax profit	616	-924	776	1,552	2,211
Taxes	7	-489	39	310	531
Effective tax rate (%)	1.1	52.9	5.0	20.0	24.0
Profit from continuing operations	520	-875	737	1,242	1,680
Profit from discontinued operations	55	290	0	0	0
Net profit	576	-585	737	1,242	1,680
Net margin (%)	3.5	-4.4	4.6	6.0	6.6
Net profit (controlling interests)	599	-649	147	857	1,244
Net profit (non-controlling interests)	-24	65	590	385	437
EBITDA	2,148	105	2,505	3,545	4,201
EBITDA margin (%)	12.9	0.8	15.5	17.1	16.6
EPS (parent-based) (KRW)	8,288	-8,325	1,793	10,424	15,128
EPS (consolidated) (KRW)	7,959	-7,497	8,965	15,107	20,443
Adjusted EPS (KRW)*	8,288	-8,325	1,793	10,424	15,128

Cash flow statement

Year-end Dec 31 (KRWb)	2024	2025	2026E	2027E	2028E
Cash flow from operations	-138	792	2,118	3,223	3,556
Net profit	576	-585	737	1,242	1,680
Non-cash profit and expenses	2,397	1,910	1,642	2,177	2,493
Depreciation	1,795	2,012	2,143	2,254	2,291
Amortization	80	91	70	53	41
Other	522	-193	-571	-130	162
Changes in A/L from operating activities	-2,622	-142	35	433	304
Cash flow from investments	-4,920	-1,999	-2,967	-3,007	-2,609
Change in tangible assets	-6,263	-3,048	-2,900	-2,900	-2,500
Change in financial assets	428	-39	-67	-107	-109
Other	915	1,089	0	-0	-0
Cash flow from financing	5,544	865	736	2,818	2,719
Change in debt	5,941	-668	736	2,818	2,719
Change in equity	0	1,646	0	0	0
Dividends	-70	-70	0	0	0
Other	-327	-43	0	0	0
Change in cash	361	-334	-1,249	-148	414
Cash at beginning of year	1,524	2,138	1,804	555	407
Cash at end of year	1,885	1,804	555	407	821
Gross cash flow	2,972	1,325	2,379	3,419	4,174
Free cash flow	-6,409	-2,274	-782	323	1,056

Note: *Excluding one-off items

**Fully diluted, excluding one-off items

***From companies subject to equity-method valuation

Source: Company data, Samsung Securities estimates

Balance sheet

Year-end Dec 31 (KRWb)	2024	2025	2026E	2027E	2028E
Current assets	10,334	8,740	9,299	11,462	14,365
Cash & equivalents	1,885	1,804	555	407	821
Accounts receivable	2,729	2,146	2,960	3,762	4,609
Inventories	2,879	2,936	3,532	4,402	5,393
Other current assets	2,841	1,854	2,252	2,891	3,542
Fixed assets	30,263	33,515	36,652	41,222	45,439
Investment assets	11,187	12,808	15,283	19,261	23,309
Tangible assets	17,707	19,241	19,998	20,643	20,853
Intangible assets	668	584	515	461	421
Other long-term assets	701	883	856	856	856
Total assets	40,597	42,255	45,950	52,684	59,804
Current liabilities	10,856	9,795	9,629	11,795	13,988
Accounts payable	906	1,071	1,465	1,881	2,304
Short-term debt	5,394	3,915	4,115	4,715	5,315
Other current liabilities	4,557	4,809	4,049	5,199	6,369
Long-term liabilities	8,174	8,890	11,591	14,916	18,162
Bonds & long-term debt	5,064	5,493	7,493	9,693	11,793
Other long-term liabilities	3,111	3,397	4,097	5,223	6,368
Total liabilities	19,030	18,685	21,219	26,711	32,150
Owners of parent equity	19,766	21,443	22,014	22,871	24,115
Capital stock	357	416	416	416	416
Capital surplus	5,002	6,589	6,589	6,589	6,589
Retained earnings	12,780	12,089	12,236	13,093	14,337
Other	1,628	2,349	2,774	2,774	2,774
Non-controlling interests' equity	1,801	2,127	2,717	3,102	3,539
Total equity	21,567	23,570	24,731	25,973	27,654
Net debt	9,679	9,061	11,001	13,896	16,128

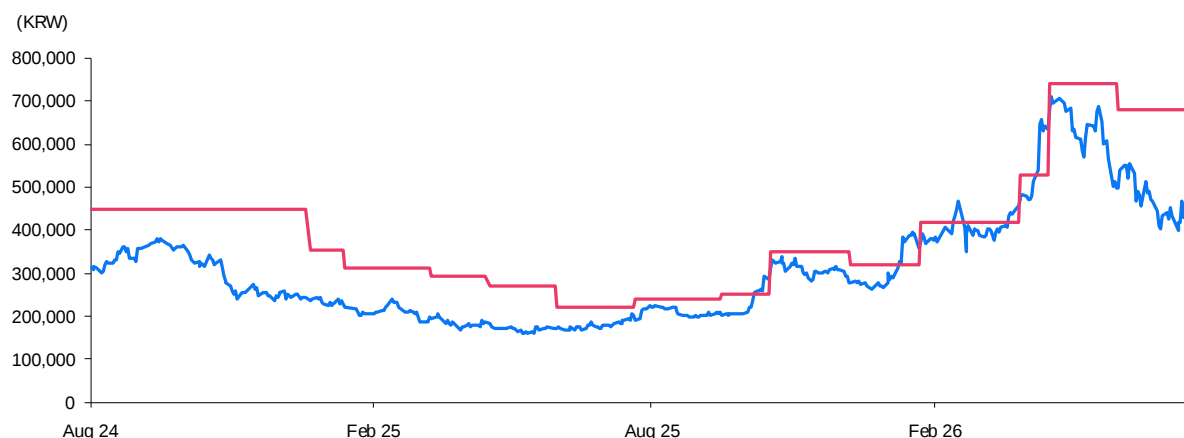
Financial ratios

Year-end Dec 31	2024	2025	2026E	2027E	2028E
Growth (%)					
Sales	-22.6	-20.0	21.5	28.4	22.5
Operating profit	-76.5	nm	nm	323.1	51.1
Net profit	-72.1	nm	nm	68.5	35.3
Adjusted EPS**	-70.2	nm	nm	481.4	45.1
Per-share data (KRW)					
EPS (parent-based)	8,288	-8,325	1,793	10,424	15,128
EPS (consolidated)	7,959	-7,497	8,965	15,107	20,443
Adjusted EPS**	8,288	-8,325	1,793	10,424	15,128
BVPS	287,707	272,485	279,749	290,638	306,441
DPS (common)	973	0	0	0	0
Valuations (x)					
P/E***	29.2	n/a	221.4	38.1	26.2
P/B***	0.8	1.0	1.4	1.4	1.3
EV/EBITDA	13.4	314.4	18.4	13.9	12.4
Ratios (%)					
ROE	3.1	-3.2	0.7	3.8	5.3
ROA	1.5	-1.4	1.7	2.5	3.0
ROIC	1.9	-4.8	1.2	3.9	5.4
Payout ratio	10.9	0.0	0.0	0.0	0.0
Dividend yield (common)	0.4	0.0	0.0	0.0	0.0
Net debt to equity	44.9	38.4	44.5	53.5	58.3
Interest coverage (x)	1.1	-5.5	0.9	3.4	4.3

Compliance notice

- As of 7/30 2026, Samsung Securities shared group affiliation with Samsung SDI.
- As of 7/30 2026, the covering analyst(s) did not own any shares, or debt instruments convertible into shares, of any company covered in this report.
- As of 7/30 2026, Samsung Securities' holdings of shares and debt instruments convertible into shares of each company covered in this report would not, if such debt instruments were converted, exceed 1% of each company's outstanding shares.
- This report has been prepared without any undue external influence or interference, and accurately reflects the views of the analyst(s) covering the company or companies herein.
- All material presented in this report, unless specifically indicated otherwise, is under copyright to Samsung Securities.
- Neither the material nor its content (including copies) may be altered in any form, or by any means transmitted, copied, or distributed to another party, without prior express written permission from Samsung Securities.
- This memorandum is based upon information available to the public. While we have taken all reasonable care to ensure its reliability, we do not guarantee its accuracy or completeness. This memorandum is not intended to be an offer, or a solicitation of any offer, to buy or sell the securities mentioned herein. Samsung Securities shall not be liable whatsoever for any loss, direct or consequential, arising from the use of this memorandum or its contents. Statements made regarding affiliates of Samsung Securities are also based upon publicly available information and do not necessarily represent the views of management at such affiliates.
- This material has not been distributed to institutional investors or other third parties prior to its publication.

Target price changes in past two years



Rating changes over past two years (adjusted share prices)

Date	2024/7/30	2025/1/2	1/24	3/21	4/28	6/11	8/1	9/26	10/28	12/19	2026/2/3	4/8
Recommendation	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY
Target price (KRW)	450355	352452	313291	293710	270000	220000	240000	250000	350000	320000	420000	530000
Gap* (average)	-31.99	-33.69	-32.91	-37.37	-37.02	-18.49	-12.36	-5.25	-11.76	-2.27	-3.82	3.33
(max or min)**	-15.76	-30.69	-22.81	-30.50	-32.00	-6.36	-6.25	17.20	-3.57	23.91	10.95	24.34

Date	4/28	6/11	7/31
Recommendation	BUY	BUY	BUY
Target price (KRW)	740000	680000	550000
Gap* (average)	-14.96	-32.14	
(max or min)**	-3.78	-18.38	

Note: * [(average, maximum, or minimum share price over duration of target price minus target price) / target price] x 100%

** Maximum/minimum share price if new target is higher/lower than market close on the business day prior to target price change

Samsung Securities uses the following investment ratings*

Company

BUY	Expected to increase in value by 15% or more within 12 months and is highly attractive within sector
HOLD	Expected to increase/decrease in value by less than 15% within 12 months
SELL	Expected to decrease in value by 15% or more within 12 months

Industry

OVERWEIGHT	Expected to outperform market by 5% or more within 12 months
NEUTRAL	Expected to outperform/underperform market by less than 5% within 12 months
UNDERWEIGHT	Expected to underperform market by 5% or more within 12 months

* Note: Effective Jul 27, 2023, BUY, HOLD, and SELL criteria are based on expectations of share-price moves of 15% or more within 12 months

Percentage of ratings in 12 months prior to 2026.06.30

BUY(85.5%)-HOLD(14.5%)-SELL(0%)

Global Disclosures & Disclaimers

General

This research report is for information purposes only. It is not and should not be construed as an offer or solicitation of an offer to purchase or sell any securities or other financial instruments or to participate in any trading strategy. This report does not provide individually tailored investment advice. This report does not take into account individual client circumstances, objectives, or needs and is not intended as recommendations of particular securities, financial instruments or strategies to any particular client. The securities and other financial instruments discussed in this report may not be suitable for all investors. The recipient of this report must make its own independent decisions regarding any securities or financial instruments mentioned herein and investors should seek the advice of a financial adviser.

This report may not be altered, reproduced, distributed, transmitted or published in whole or in part for any purpose. References to "Samsung Securities" are references to any company in the Samsung Securities, Co., Ltd. group of companies.

Samsung Securities and/or other affiliated companies, its and their directors, officers, representatives, or employees may have long or short positions in any of the securities or other financial instruments mentioned in this report or of issuers described herein and may purchase and/or sell, or offer to purchase and/or sell, at any time, such securities or other financial instruments in the open market or otherwise, as either a principal or agent. Any pricing of securities or other financial instrument contained herein is as of the close of market for such day, unless otherwise stated. Opinions and estimates contained herein constitute our judgment as of the date of this report and are subject to change without notice.

The information provided in this report is provided "AS IS". Although the information contained herein has been obtained from sources believed to be reliable, no representation or warranty, either expressed or implied, is provided by Samsung Securities in relation to the accuracy, completeness or reliability of such information or that such information was provided for any particular purpose and Samsung Securities expressly disclaims any warranties of merchantability or fitness for a particular purpose. Furthermore, this report is not intended to be a complete statement or summary of the securities, markets or developments referred to herein.

Samsung Securities does not undertake that investors will obtain any profits, nor will it share with investors any investment profits. Samsung Securities, its affiliates, or any of its and their affiliates, directors, officers, employees or agents disclaim any and all responsibility or liability whatsoever for any loss (direct or consequential) or damage arising out of the use of all or any part of this report or its contents or otherwise arising in connection therewith. Information and opinions contained herein are subject to change without notice. Past performance is not indicative of future results. Foreign currency rates of exchange may adversely affect the value, price or income of any security or financial instrument mentioned in this report. For investment advice, trade execution or other enquiries, clients should contact their local sales representative. Any opinions expressed in this report are subject to change without notice and may differ or be contrary to opinions expressed by other business areas or groups of Samsung Securities. Any analysis contained herein is based on numerous assumptions. Different assumptions may result in materially different results. Samsung Securities is under no obligation to update or keep current the information contained herein. Samsung Securities relies on information barriers to control the flow of information contained in one or more areas or groups within Samsung Securities into other areas or groups of Samsung Securities. Any prices stated in this report are for information purposes only and do not represent valuations for individual securities or other financial instruments. Samsung Securities makes no representation that any transaction can or could have been effected at those prices and any prices contained herein may not reflect Samsung Securities' internal books and records or theoretical model-based valuations and may be based on certain assumptions. Different assumptions by Samsung Securities or any other source may yield substantially different results. Additional information is available upon request.

For reports to be distributed to US:

Securities research is prepared, issued and exclusively distributed by Samsung Securities Co., Ltd., an organization licensed with the Financial Supervisory Service of South Korea. This research may be distributed in the United States only to major institutional investors as defined in Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended, and may not be circulated to any other person otherwise. All transactions by U.S. investors involving securities discussed in this report must be effected through Samsung Securities (America) Inc., a broker-dealer registered with the U.S. Securities & Exchange Commission and a member of the Financial Industry Regulatory Authority/SIPC, and not through any non-U.S. affiliate thereof. The analysts listed [on the front of this report] are employees of Samsung Securities Co., Ltd., or a non-U.S. affiliate thereof, and are not registered/qualified as research analysts under applicable U.S. rules and regulations and may not be subject to U.S. restrictions on communications with covered companies, public appearances, and trading securities held by a research analyst account.

For reports to be distributed to UK:

This report is not an invitation nor is it intended to be an inducement to engage in investment activity for the purpose of section 21 of the Financial Services and Markets Act 2000 of the United Kingdom ("FSMA"). To the extent that this report does constitute such an invitation or inducement, it is directed only at (i) persons who are investment professionals within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2001 (as amended) of the United Kingdom (the "Financial Promotion Order"); (ii) persons who fall within Articles 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc.") of the Financial Promotion Order; and (iii) any other persons to whom this report can, for the purposes of section 21 of FSMA, otherwise lawfully be made (all such persons together being referred to as "relevant persons").

Any investment or investment activity to which this report relates is available only to relevant persons and will be engaged in only with relevant persons. Persons who are not relevant persons must not act or rely on this report.

For reports to be distributed to Korea:

This report is for private circulation only, not for sale, and is issued and distributed only to persons permitted under the laws and regulations of Korea.

For reports to be distributed to Singapore:

This report is provided pursuant to the financial advisory licensing exemption under Regulation 27(1)(e) of the Financial Advisers Regulation of Singapore and accordingly may only be provided to persons in Singapore who are "institutional investors" as defined in Section 4A of the Securities and Futures Act, Chapter 289 of Singapore. This report is intended only for the person to whom Samsung Securities has provided this report and such person may not send, forward or transmit in any way this report or any copy of this report to any other person.

Analyst certification

The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject securities or issuers and no part of the compensation of such analyst(s) was, is, or will be directly or indirectly related to the inclusion of specific recommendations or views in this research report. The analyst(s) principally responsible for the preparation of this research report receives compensation based on determination by research management and senior management (not including investment banking), based on the overall revenues, including investment banking revenues of Samsung Securities Co., Ltd. and its related entities and has taken reasonable care to achieve and maintain independence and objectivity in making any recommendations.

Copyright © 2010 Samsung Securities Co., Ltd. All rights reserved. This report or any portion hereof may not be reprinted, sold or redistributed without the prior written consent of Samsung Securities America Inc

Samsung Securities

SAMSUNG SECURITIES

Samsung Electronics Bldg., 11, 74-gil,
Seochoda-ro, Seocho-gu, Seoul, Korea 06620
Tel: 02 2020 8000 / www.samsungpop.com

Family Center: 1588 2323

Voice Of Customer: 080 911 0900

**For more information,
please call our sales representatives:**

LONDON

Samsung Securities Europe Limited

1st Floor, 30 Gresham Street, London EC2V 7PG UK
Tel. 44-207-776-4311
Fax. 44-203-837-9219

NEW YORK

Samsung Securities America Limited

1330 Avenue of the Americas. 10th Floor. New York,
NY 10019
Tel: 1-212-972-2454
Fax: 1-212-972-2704

HONG KONG

Samsung Securities (Asia) Limited

Suite 4511, Two International Finance Center,
8 Finance Street, Central, Hong Kong
Tel: 852-3411-3608
Fax: 852-2114-0290

BEIJING

Samsung Securities Beijing Representative Office

Rm. 910, The Exchange Building No 118 JianGuo Lu, Chao
Yang District, Beijing, China
Tel: 86-10-6522-1855 (extension 7891)
Fax: 86-10-6522-1855 (extension 7889)

TOKYO

Samsung Securities Tokyo Representative Office

#106-8532 19F, Roppongi T-Cube 3-1-1,
Roppongi Minato-ku Tokyo, Japan
Tel: 81-3-6333-2952
Fax: 81-3-6333-2953



Member of
**Dow Jones
Sustainability Indices**
Powered by the S&P Global CSA