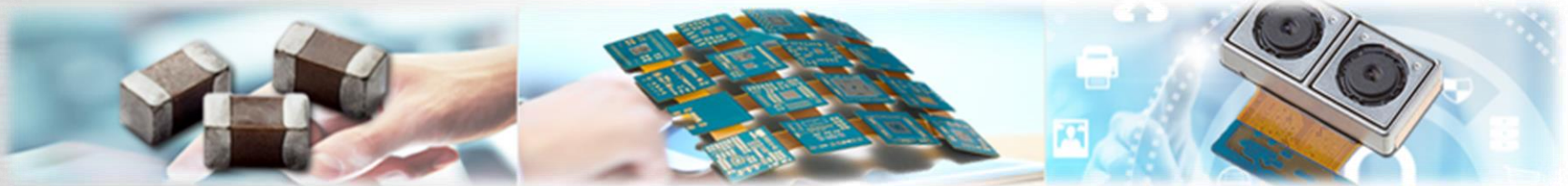


3Q 2018 Earnings Results

October 31, 2018



Earnings Overview

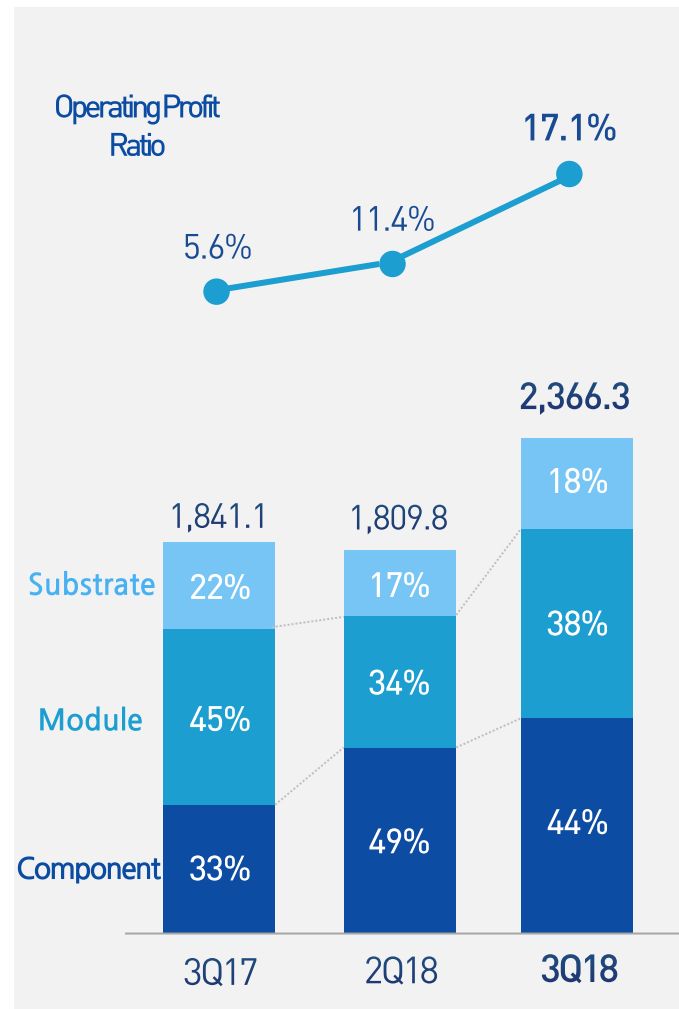
Income Statement

(Unit : KRW Billion)

	3Q18	2Q18	QoQ	3Q17	YoY
Sales	2,366.3	1,809.8	31% ↑	1,841.1	29% ↑
Component	1,026.8	868.6	18% ↑	608.0	69% ↑
Module	885.1	611.9	45% ↑	822.0	8% ↑
Substrate	432.4	299.5	44% ↑	399.6	8% ↑
Operating Profit (%)	405.0 (17.1%)	206.8 (11.4%)	96% ↑ (5.7%p ↑)	103.2 (5.6%)	292% ↑ (11.5%p ↑)
Pre-tax Profit (%)	368.7 (15.6%)	181.7 (10.0%)	103% ↑ (5.6%p ↑)	98.5 (5.4%)	274% ↑ (10.2%p ↑)
Net Income (%)	237.7 (10.0%)	122.0 (6.7%)	95% ↑ (3.3%p ↑)	71.9 (3.9%)	231% ↑ (6.1%p ↑)

Earnings Trend

(Unit : KRW Billion)



Financial Position

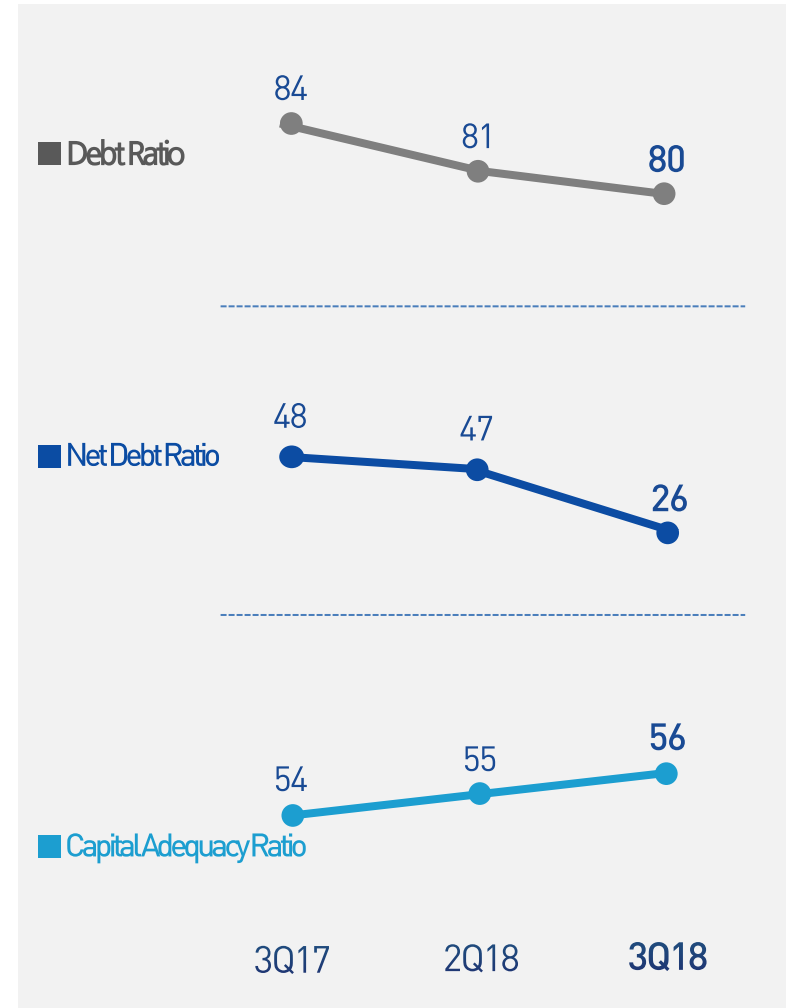
Financial Status

(Unit : KRW Billion)

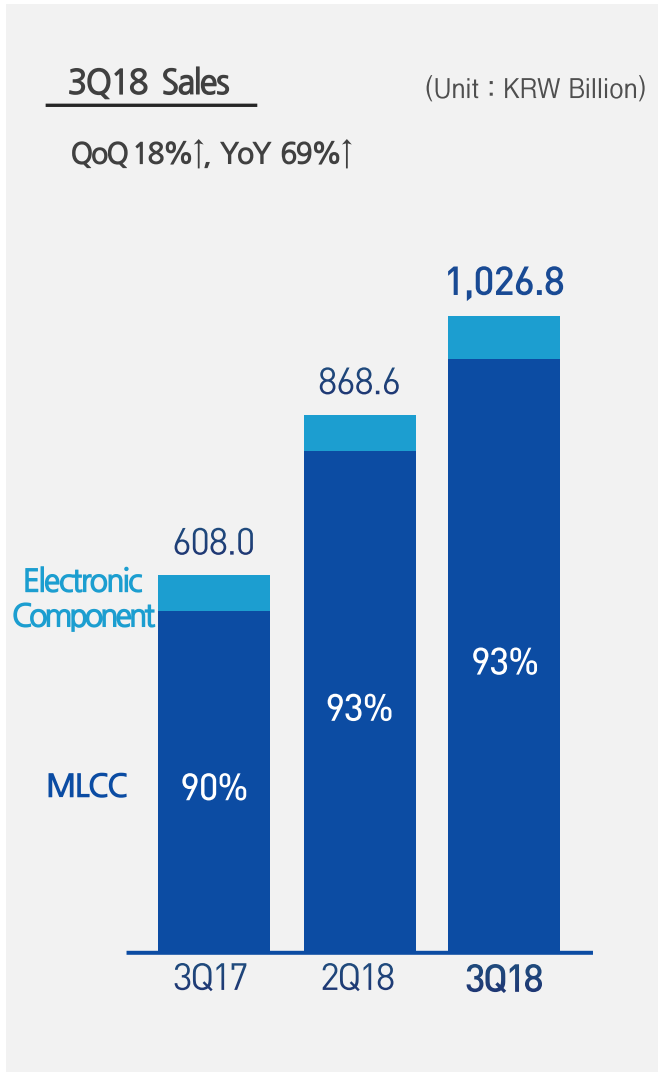
	3Q18	2Q18	QoQ	3Q17
Assets	8,613.2	8,230.0	5%↑	8,185.5
Current	3,670.6	2,736.9	34%↑	2,774.9
Cash equivalents	1,268.6	533.2	138%↑	719.8
Inventory	996.8	995.0	0.2%↑	836.2
Non-Current	4,942.6	5,493.1	10%↓	5,410.6
Tangible	4,406.0	4,408.3	0.1%↓	4,233.8
Liabilities	3,832.1	3,687.0	4%↑	3,727.1
Debts	2,516.1	2,649.2	5%↓	2,859.1
(Net Debts)	(1,247.5)	(2,116.0)	(41%↓)	2,139.3
Equity	4,781.1	4,543.0	5%↑	4,458.4

Financial Ratios

(Unit : %)



1. Component Solution



Q3 18 Results

- Increase in revenue from overseas major IT customers
 - Increased sales of H/E small-sized/ultra high-capacitance MLCC
- Increase in supply of high reliability products for industrial and automotive applications
 - Increased sales for N/W base stations, servers and auto Tier-1

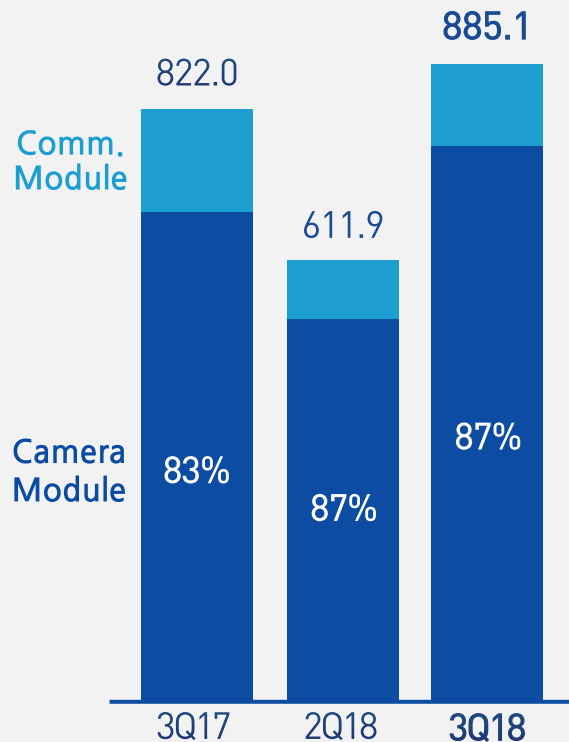
Market Outlook and Strategy

- Continued growth of auto, industrial and IT H/E MLCC
 - Demand to greatly increase due to auto-electrification and higher specs in industrial equipment
 - Stronger focus on auto Tier-1 customers
 - Increase adoption of IT H/E MLCC due to more density at set level
 - Satisfy demand for smaller, higher capacitance new products

3Q18 Sales

(Unit : KRW Billion)

QoQ 45%↑, YoY 8%↑



Q3 18 Results

- Increased revenue from new flagship of strategic customer
 - Increased supply of high performance dual camera and communication module
- Growth in revenue to Chinese major customers
 - Mass production and increased sales of new H/E dual camera

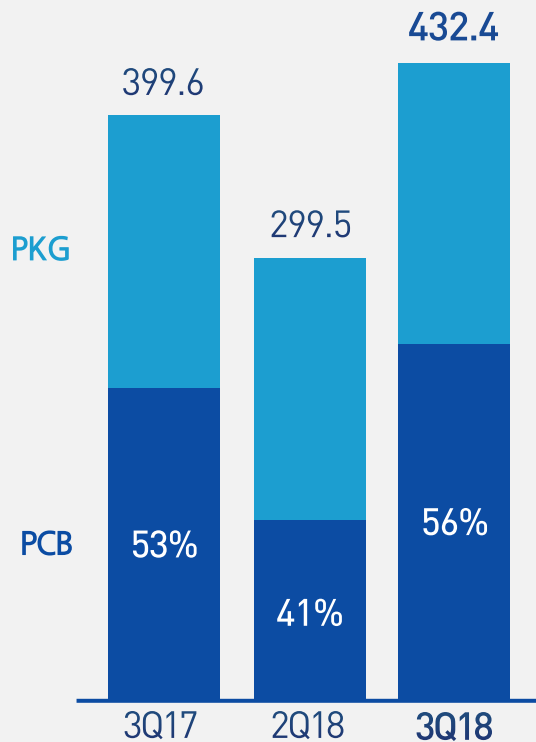
Market Outlook and Strategy

- Increased demand for multi and high-feature camera
 - Expand of new products using differentiated technology based on internalized core parts
- New demand for 5G and new spec comm. module
 - Secure core technology and actively respond to customer demand

3Q18 Sales

(Unit : KRW Billion)

QoQ 44%↑, YoY 8%↑



Q3 18 Results

- Revenue growth from new flagship of major customers
 - Increased supply of OLED RFPCB, H/E main boards
 - Increased package substrate revenue for PC CPU and mobile AP

Market Outlook and Strategy

- Increased demand for RFPCB due to SET adoption of OLED
 - Maintain higher position in major customers & increase new customers
- Demand for H/E PKG for auto & network to increase
 - Diversify customer base through design-in next generation technology

Appendix



A1. Income Statement

(Unit : KRW Billion)	3Q18	2Q18	QoQ	3Q17	YoY
Sales	2,366.3	1,809.8	31% ↑	1,841.1	29% ↑
Cost of Sales	1,601.1	1,284.5	25% ↑	1,467.0	9% ↑
Gross Profit (%)	765.2 (32.3%)	525.3 (29.0%)	46% ↑ (3.3%p ↑)	374.1 (20.3%)	105% ↑ (12.0%p ↑)
SG&A	360.2	318.5	13% ↑	270.9	33% ↑
Operating Profit (%)	405.0 (17.1%)	206.8 (11.4%)	96% ↑ (5.7%p ↑)	103.2 (5.6%)	292% ↑ (11.5%p ↑)
Non-operating Loss	36.3	25.1	45% ↑	4.7	672% ↑
Pre-tax Profit (%)	368.7 (15.6%)	181.7 (10.0%)	103% ↑ (5.6%p ↑)	98.5 (5.4%)	274% ↑ (10.2%p ↑)
Income Tax	122.5	50.3	144% ↑	23.9	413% ↑
Non-controlling interests Profit	8.5	9.4	10% ↓	2.7	215% ↑
Net Income (%)	237.7 (10.0%)	122.0 (6.7%)	95% ↑ (3.3%p ↑)	71.9 (3.9%)	231% ↑ (6.1%p ↑)

A2. Financial Status

(Unit : KRW Billion)	3Q18	2Q18	QoQ	3Q17	YoY
Assets	8,613.2	8,230.0	5%↑	8,185.5	5%↑
Current	3,670.6	2,736.9	34%↑	2,774.9	32%↑
Quick	2,661.0	1,728.6	54%↑	1,938.7	37%↑
Cash equivalents	1,268.6	533.2	138%↑	719.8	76%↑
Inventory	996.8	995.0	0.2%↑	836.2	19%↑
Non-Current	4,942.6	5,493.1	10%↓	5,410.6	9%↓
Investment	216.1	782.5	72%↓	875.3	75%↓
Tangible	4,406.0	4,408.3	0.1%↓	4,233.8	4%↑
Liabilities	3,832.1	3,687.0	4%↑	3,727.1	3%↑
Debts	2,516.1	2,649.2	5%↓	2,859.1	12%↓
(Net Debts)	(1,247.5)	(2,116.0)	(41%↓)	(2,139.3)	(42%↓)
Equity	4,781.1	4,543.0	5%↑	4,458.4	7%↑
Current Ratio	133%	98%	35%p↑	91%	42%p↑
Debt Ratio	80%	81%	1%p↓	84%	4%p↓
Net Debt Ratio	26%	47%	21%p↓	48%	22%p↓
Capital Adequacy Ratio	56%	55%	1%p↑	54%	2%p↑

A3. Cash Flow

(Unit : KRW Billion)	3Q18	2Q18	3Q17
Cash at the beginning of period	533.2	531.9	632.9
Cash flows from operating activities	565.8	384.4	247.5
Net Income	246.2	131.3	74.5
Depreciation	188.6	169.6	142.5
Cash flows used in investing activities	312.7	-151.8	-280.7
Increase in tangible assets	-293.7	-220.3	-316.0
Cash flows from financing activities	-48.3	-133.3	65.8
Increase/Decrease in debt	-21.6	-54.4	91.0
Foreign exchange difference	-94.8	-98.0	-25.7
Net changes in cash	735.4	1.3	6.9
Cash at the end of period	1,268.6	533.2	639.8