

**Earnings Release Q1 2008**

**Samsung Electronics**

**April 2008**

# Disclaimer

**This document is provided for the convenience of investors only, before our external audit on Q1 2008 financial results of our headquarters is completed.**

**The audit 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 semiconductor, LCD, telecommunication, digital media and digital appliances; and numerous other matters at the national and international levels which could affect our future results**

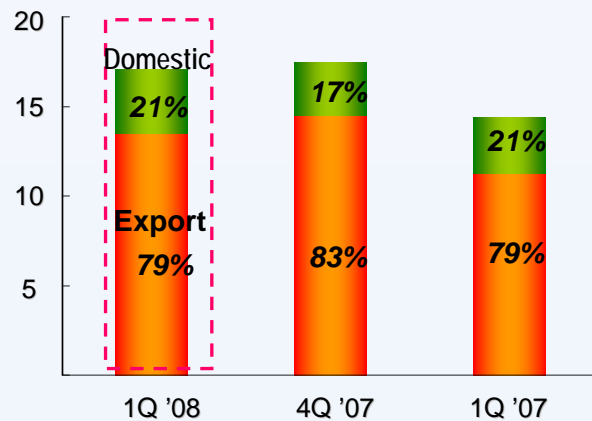
**These uncertainties may cause our actual results to be materially different from those expressed in this document.**

# Sales and Profits

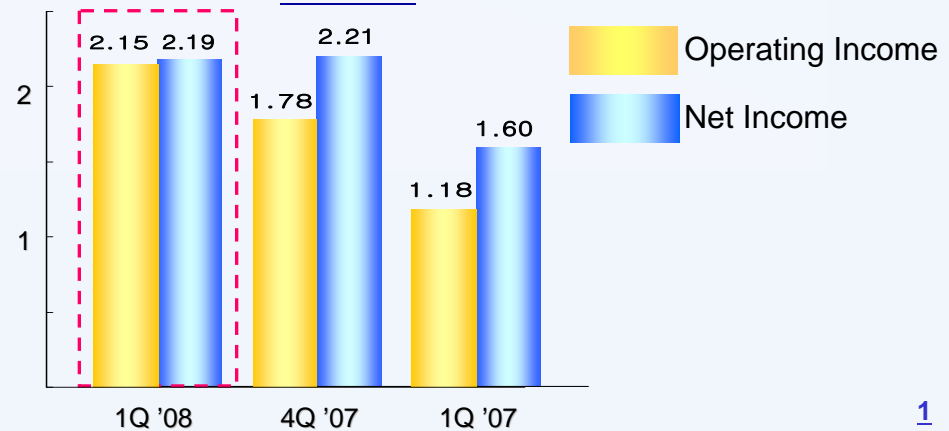
(Units : Trillion KRW)

|                         | 1Q '08       | Q-on-Q      | 4Q '07       | 1Q '07       | Y-on-Y      |
|-------------------------|--------------|-------------|--------------|--------------|-------------|
| <b>Sales</b>            | <b>17.11</b> | <b>-2%</b>  | <b>17.48</b> | <b>14.39</b> | <b>19%</b>  |
| <b>Gross Profit</b>     | <b>4.69</b>  | <b>-4%</b>  | <b>4.86</b>  | <b>3.44</b>  | <b>36%</b>  |
| <i>(Margin)</i>         | <i>(27%)</i> |             | <i>(28%)</i> | <i>(24%)</i> |             |
| SG&A                    | <u>2.53</u>  | <i>-18%</i> | <u>3.08</u>  | <u>2.26</u>  | <i>12%</i>  |
| <b>Operating Profit</b> | <b>2.15</b>  | <b>21%</b>  | <b>1.78</b>  | <b>1.18</b>  | <b>82%</b>  |
| <i>(Margin)</i>         | <i>(13%)</i> |             | <i>(10%)</i> | <i>(8%)</i>  |             |
| Non-operating income    | <u>0.46</u>  | <i>-39%</i> | <u>0.76</u>  | <u>0.66</u>  | <i>-30%</i> |
| <b>Pre-Tax Income</b>   | <b>2.62</b>  | <b>3%</b>   | <b>2.54</b>  | <b>1.84</b>  | <b>42%</b>  |
| <i>(Margin)</i>         | <i>(15%)</i> |             | <i>(15%)</i> | <i>(13%)</i> |             |
| Income Tax              | <u>0.43</u>  | <i>29%</i>  | <u>0.33</u>  | <u>0.24</u>  | <i>77%</i>  |
| <b>Net Income</b>       | <b>2.19</b>  | <b>-1%</b>  | <b>2.21</b>  | <b>1.60</b>  | <b>37%</b>  |
| <i>(Margin)</i>         | <i>(13%)</i> |             | <i>(13%)</i> | <i>(11%)</i> |             |

**Sales**



**Profits**



# Divisional Performance – Sales

(Units : Trillion KRW)

|                      | 1Q '08       | Q-on-Q      | 4Q '07       | 1Q '07       | Y-on-Y     |
|----------------------|--------------|-------------|--------------|--------------|------------|
| <b>Semiconductor</b> | <b>4.39</b>  | <b>-11%</b> | <b>4.91</b>  | <b>4.48</b>  | <b>-2%</b> |
| <i>(Portion)</i>     | <i>(26%)</i> |             | <i>(28%)</i> | <i>(31%)</i> |            |
| <b>L C D</b>         | <b>4.34</b>  | <b>-3%</b>  | <b>4.46</b>  | <b>2.84</b>  | <b>53%</b> |
| <i>(Portion)</i>     | <i>(25%)</i> |             | <i>(25%)</i> | <i>(20%)</i> |            |
| <b>Telecom</b>       | <b>5.55</b>  | <b>3%</b>   | <b>5.37</b>  | <b>4.60</b>  | <b>21%</b> |
| <i>(Portion)</i>     | <i>(32%)</i> |             | <i>(31%)</i> | <i>(32%)</i> |            |
| <b>Digital Media</b> | <b>1.83</b>  | <b>12%</b>  | <b>1.64</b>  | <b>1.55</b>  | <b>18%</b> |
| <i>(Portion)</i>     | <i>(11%)</i> |             | <i>(9%)</i>  | <i>(11%)</i> |            |
| <b>Appliances</b>    | <b>0.82</b>  | <b>-4%</b>  | <b>0.86</b>  | <b>0.77</b>  | <b>6%</b>  |
| <i>(Portion)</i>     | <i>(5%)</i>  |             | <i>(5%)</i>  | <i>(5%)</i>  |            |
| <b>Total</b>         | <b>17.11</b> | <b>-2%</b>  | <b>17.48</b> | <b>14.39</b> | <b>19%</b> |

| <b>【Consolidated Basis*】</b> | <b>1Q '08</b> | <b>4Q '07</b> | <b>1Q '07</b> |
|------------------------------|---------------|---------------|---------------|
| <b>Semiconductor</b>         | 4.87          | 5.35          | 4.98          |
| <b>L C D</b>                 | 3.65          | 4.16          | 2.27          |
| <b>T e l e c o m</b>         | 6.65          | 6.62          | 5.41          |
| <b>Digital Media</b>         | 7.42          | 8.68          | 5.51          |
| <b>Appliances</b>            | 1.83          | 1.69          | 1.54          |

※ The consolidated sales figures are net sales (They exclude intersegment sales)

→ Including intersegment sales, consolidated sales for 1Q '08 : Semiconductor - 5.33 trillion won, LCD - 5.15 trillion won

# Divisional Performance – Operating Profit

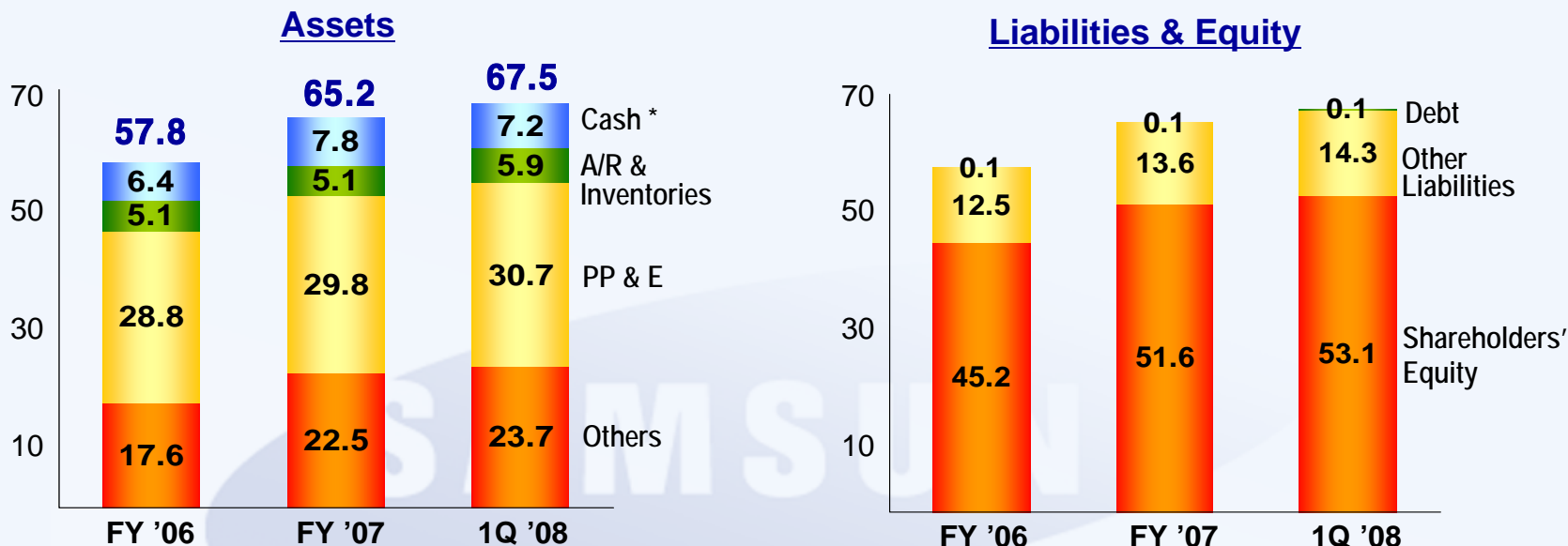
|                      | 1Q '08       | Q-on-Q      | 4Q '07        | 1Q '07        | (Units : Trillion KRW)<br>Y-on-Y |
|----------------------|--------------|-------------|---------------|---------------|----------------------------------|
| <b>Semiconductor</b> | <b>0.19</b>  | <b>-55%</b> | <b>0.43</b>   | <b>0.54</b>   | <b>-64%</b>                      |
| <i>(Margin)</i>      | <i>(4%)</i>  |             | <i>(9%)</i>   | <i>(12%)</i>  |                                  |
| <b>L C D</b>         | <b>1.01</b>  | <b>10%</b>  | <b>0.92</b>   | <b>0.07</b>   | <b>1,278%</b>                    |
| <i>(Margin)</i>      | <i>(23%)</i> |             | <i>(21%)</i>  | <i>(3%)</i>   |                                  |
| <b>Telecom</b>       | <b>0.92</b>  | <b>57%</b>  | <b>0.58</b>   | <b>0.60</b>   | <b>53%</b>                       |
| <i>(Margin)</i>      | <i>(16%)</i> |             | <i>(11%)</i>  | <i>(13%)</i>  |                                  |
| <b>Digital Media</b> | <b>0.03</b>  | <b>-</b>    | <b>- 0.13</b> | <b>- 0.04</b> | <b>-</b>                         |
| <i>(Margin)</i>      | <i>(1%)</i>  |             | <i>(-8%)</i>  | <i>(-2%)</i>  |                                  |
| <b>Appliances</b>    | <b>0.02</b>  | <b>-</b>    | <b>- 0.03</b> | <b>-</b>      | <b>-</b>                         |
| <i>(Margin)</i>      | <i>(3%)</i>  |             | <i>(-4%)</i>  | <i>(0%)</i>   |                                  |
| <b>Total</b>         | <b>2.15</b>  | <b>21%</b>  | <b>1.78</b>   | <b>1.18</b>   | <b>82%</b>                       |
| <i>(Margin)</i>      | <i>(13%)</i> |             | <i>(10%)</i>  | <i>(8%)</i>   |                                  |

| <b>【Consolidated Basis*】</b> | <b>1Q '08</b> | <b>4Q '07</b> | <b>1Q '07</b> |
|------------------------------|---------------|---------------|---------------|
| <b>Semiconductor</b>         | 0.20          | 0.52          | 0.63          |
| <b>L C D</b>                 | 1.08          | 0.97          | 0.11          |
| <b>T e l e c o m</b>         | 1.06          | 0.63          | 0.77          |
| <b>Digital Media</b>         | 0.21          | 0.39          | 0.20          |
| <b>Appliances</b>            | 0.03          | 0.01          | 0.03          |

\* The consolidated OP is provided to enhance the understanding of the investors.

# Financial Structure

(Units : Trillion KRW)



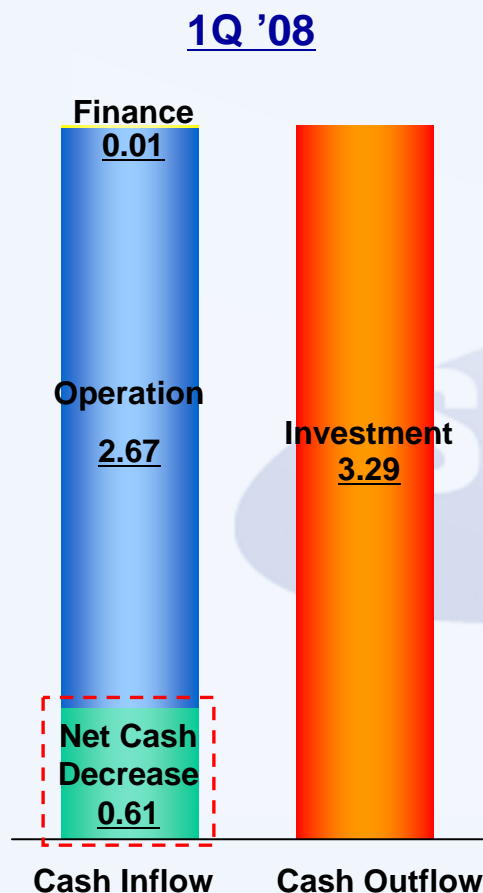
\* Cash = Cash + Cash equivalents + Short-term financial instruments + Marketable securities

## Key Ratios

|                   | FY '06 | FY '07 | 1Q '08 |
|-------------------|--------|--------|--------|
| Debt / Equity     | 0.2%   | 0.2%   | 0.2%   |
| Net Debt / Equity | -13.9% | -15.0% | -13.4% |
| Return on Equity  | 18.7%  | 15.3%  | 16.7%  |
| Return on Asset   | 14.6%  | 12.1%  | 13.2%  |

# Cash Flow

(Units : Trillion KRW)



|  | 1Q '08       | 4Q '07       |
|--|--------------|--------------|
| <b>Cash* (Beginning of period)</b>                           | <b>7.81</b>  | <b>5.47</b>  |
| <b>Cash flow from Operation</b>                              | <b>2.67</b>  | <b>5.27</b>  |
| <i>Net profit</i>  | 2.19         | 2.21         |
| <i>Depreciation</i>  | 1.88         | 1.86         |
| <i>Income (Loss) from equity method</i>                      | -0.52        | -0.72        |
| <i>Increase (Decrease) in working capital, etc.</i>          | -0.88        | 1.92         |
| <b>Cash flow from Investment</b>                             | <b>-3.29</b> | <b>-2.95</b> |
| <i>CAPEX</i>   | -2.83        | -2.11        |
| <b>Cash flow from Finance</b>                                | <b>0.01</b>  | <b>0.03</b>  |
| <i>Dividend</i>  | -            | -            |
| <i>Decrease of short-term borrowings</i>                     | -            | -            |
| <i>Repurchase of shares</i>                                  | -            | -            |
| <i>Proceeds from sales of shares under stock option plan</i> | 0.01         | 0.03         |
| <b>Net increase in cash</b>                                  | <b>-0.61</b> | <b>2.34</b>  |
| <b>Cash* (End of period)</b>                                 | <b>7.20</b>  | <b>7.81</b>  |

\* Cash = Cash + Cash equivalent + Short-term financial instruments + Marketable securities

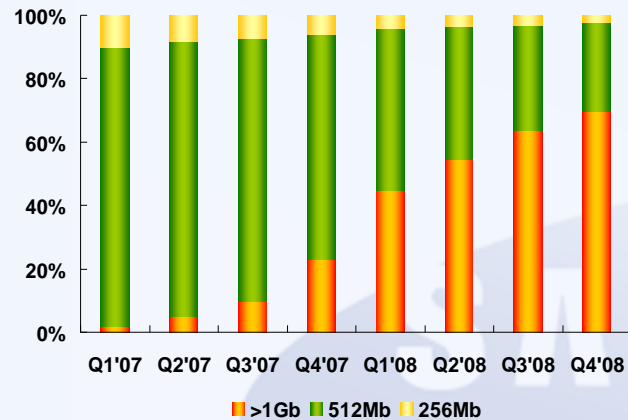
※ '08 consolidated capital expenditures : 11 trillion won plus  
 - Memory : 7 trillion won plus  
 - LCD : 3.7 trillion won plus

# Semiconductor

## Q1 Results Analysis

### Memory

#### Quarterly DRAM Density Change



(Source : iSuppli, SEC)

#### Q1 NAND Application Sales Growth

|              | CARD  | USB   | MP3P  | DSC  |
|--------------|-------|-------|-------|------|
| Growth (QoQ) | -8.6% | -9.2% | -6.5% | 1.7% |

(Source : DQ, SEC)

- Weak pricing continued due to supply increase & seasonality

- DRAM

- Slow PC demand due to weak seasonality : 11% ↓ QoQ
- Faster transition from 512Mb to 1Gb amid weak DDR2 pricing & cost reduction needs resulting in bit growth increase (1Gb portion : '07 Q4 22% → '08 Q1 44%, iSuppli)
- Oversupply continued due to steady increase of 12" capacity

☞ Yield improvement & increased 1Gb 68nm production contributed to further cost reduction

- NAND

- Price declined due to weak seasonal demand
- Low seasonal demand for consumer products led by MP3P
- 8Gb MLC spot price declined by about 35% (QoQ)

☞ Expansion of high density (16Gb 51nm) & differentiated products helped maintaining price premium

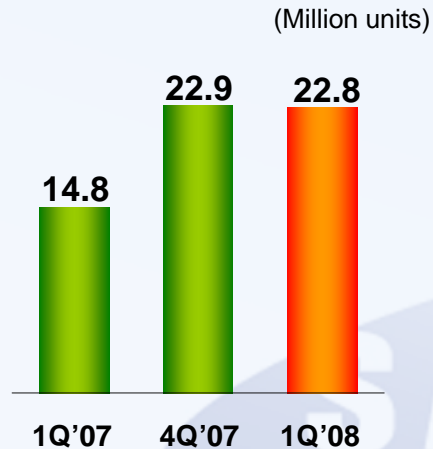
### Sys LSI

- Strong demand for DDI, smartcard chip, and CIS

- Robust demand for mobile solutions

# TFT-LCD

## SEC Large Panel Shipment



## Panel Price Trends

|                  | '07.Q4 | '08.Q1 | Change |
|------------------|--------|--------|--------|
| Monitor (19"W)   | \$138  | \$124  | 10%↓   |
| Note PC (15.4"W) | \$107  | \$98   | 8%↓    |
| TV (40"HD)       | \$511  | \$509  | 1%↓    |

(Source: DisplaySearch)

## Q1 Results Analysis

### Large Panels

- **Steady sales of Note PC & TV panels despite weak seasonality**
  - ☞ Large panel shipment: '07.Q4 22.9mn → '08.Q1 22.8mn
  - Monitors : Weak seasonal demand
  - Note PCs : Steady sales of wide panels
  - TVs : Strong demand for TV panels resulting from new model launches by major TV set makers
    - ☞ Portion of 46+” panels : Approximately 25% of total LCD TV sales
- **Panel pricing : IT - weak, TV- stable**
- **Achieved strong performance attributable to steady market demand of TV / Note PC panels and favorable exchange rate**

### Small/ Mid Size Panels

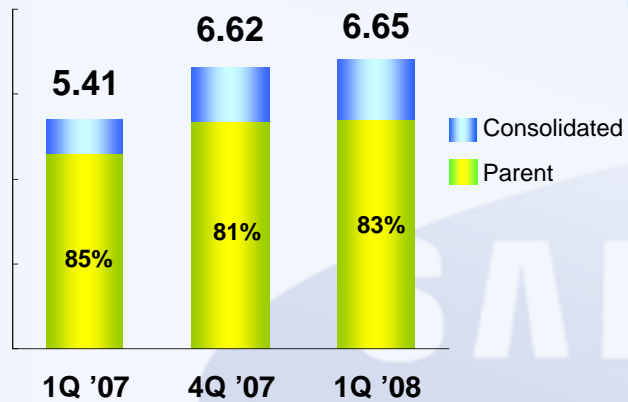
- **Decrease in panel shipment due to weak seasonal demand and some slowdown of panel demand for handsets**
  - '07.Q4 35.2mn → '08.Q1 22.5mn (36%↓)

# Telecommunication

## Q1 Results Analysis

### Revenue

(Trillion KRW)



### Handsets

- **Handset sales of 46.3 mn units (33% ↑ YoY)**

- Market : Continued growth of emerging market sales amid weak demand in developed market
- ☞ Increased portion of emerging market sales (China, India, etc.)
- Domestic sales increased due to strong competition among operators in 3G market (42% ↑ QoQ)

- **ASP: '07.Q4 \$148 → '08.Q1 \$141**

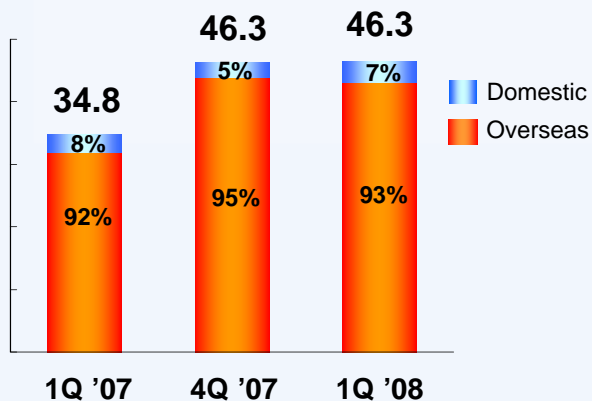
- Overseas ASP declined due to weak seasonality

- **Improved profitability due to cost reduction & currency effect**

- Decreased marketing expense and improved global SCM
- Improved price competitiveness due to favorable exchange rate

### Shipment

(Million units)



### Network

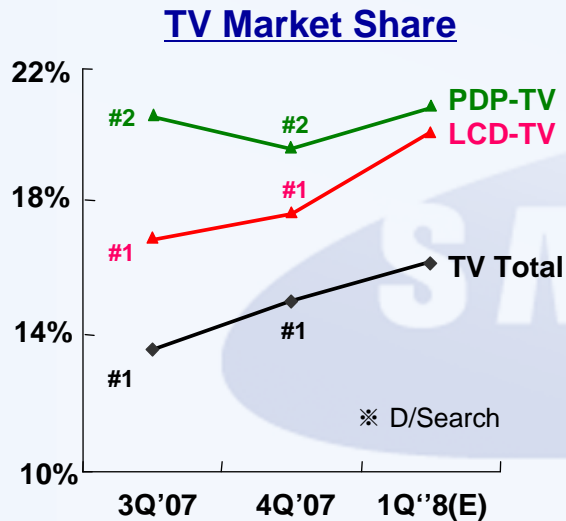
- **Domestic sales increase due to the expansion of WCDMA network**

# Digital Media & Digital Appliances

## Q1 Results Analysis

### Digital Media

※ Including overseas sales



- **Lower revenue due to the weak seasonality (15% ↓ QoQ)**  
- KRW 8.68 trillion (4Q07) → KRW 7.42 trillion (1Q08)

- **Flat panel TV market demand decreased by 28% QoQ**

- Flat panel TV demand: 32M units (4Q'07) → 23M (1Q'08)
- Samsung : shipment decreased by 15% QoQ  
→ Expect further M/S gain

- **Monitor shipment decreased in line with market trends**

- (※ Market demand 2% ↓ QoQ versus our shipment 3% ↓)
- Continued growth in 20"+ segment: 4.1M units (1Q'07) → 8.5M(1Q'08)

- **Laser printer sales increased by 15% QoQ mainly due to the shipment increase of color printers and multifunction printers**

### Digital Appliances

- **Slight revenue increase globally resulting from seasonal sales of air-conditioners**

# Semiconductor

## Q2 Business Outlook

### '08 PC Shipment

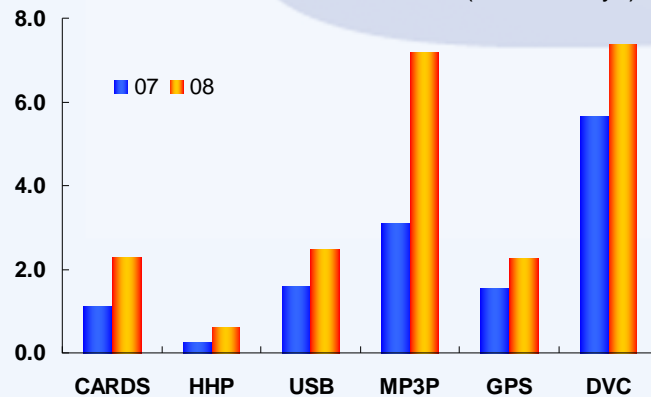
(Unit : Mpcs, GB/sys)

|             | Q1'08 | Q2  | Q3  | Q4  | Total |
|-------------|-------|-----|-----|-----|-------|
| Shipment    | 69    | 69  | 75  | 83  | 297   |
| Growth Rate | -11%  | -1% | 9%  | 11% | 10%   |
| GB/sys      | 1.7   | 1.9 | 2.1 | 2.3 | 2.0   |
| Growth Rate | 15%   | 12% | 10% | 9%  | 49%   |

(Source : IDC, SEC)

### NAND Density Change by Product

(Unit : GB/sys)



(Source : iSuppli, SEC)

### Memory

- Continuation of weak demand & global economy issue overhang

#### • DRAM

- PC demand to remain sluggish due to low seasonality
- Supply growth to continue for Q2
- 12" lines ramp-up and geometry migration to continue

#### • NAND

- Typical slow season coupled with oversupply
- More vulnerable to possible US economic recession than DRAM
- Slowdown of MP3P and high-density card market to give downward pressure on demand
- Concerns over new 12" capacity increase and channel inventory

☞ **Reinforce market leadership through expansion of most advanced geometry and industry leading capex**

### Sys LSI

- Stable demand growth expected from DDI, Smart Card IC, and CIS

# TFT-LCD

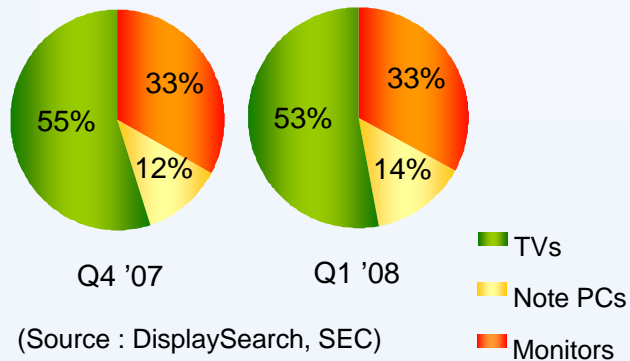
## '08 Panel Demand Outlook

(Unit: Million, Million m<sup>2</sup>)

|         | '08   |       |       |     |
|---------|-------|-------|-------|-----|
|         | Q1    | Q2    | 2H    | HoH |
| Monitor | 45.7  | 46.6  | 100.2 | 9%  |
| Note PC | 32.0  | 33.8  | 73.0  | 11% |
| TV      | 24.1  | 26.4  | 62.9  | 25% |
| Total   | 105.5 | 110.3 | 244.5 | 13% |
| Area    | 15.8  | 16.9  | 39.1  | 20% |

(Source : DisplaySearch, SEC )

## Area Breakdown (Market)



## Q2 Business Outlook

### Market

- **Expect pull-in demand in preparation for peak season**
  - IT Panel : Wide & large size panel portion expected to increase
    - ☞ Possible slow-down in Note PC panel demand, resulting from component shortage (eg: batteries)
  - TV Panel : Expect TV set makers' pull-in demand in preparation for Beijing Olympics
    - ☞ Needs to monitor end market demands
      - Set inventory sell-through
      - pull-in demand

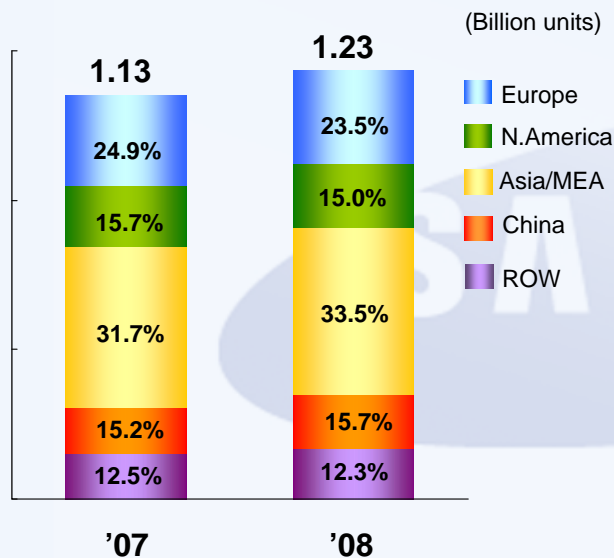
### Samsung

- **IT Panels : Focus on sales of strategic products**
  - ☞ LED- adopted, Wide, etc.
- **TV Panels : Enhance our position in large size TV market through expansion of 40+” panel sales**
  - ☞ Portion of 40+” panel sales : over 60%
- **Expect to expand sales of value- added products**
  - ☞ FHD, 120Hz, LED, etc.
- **Small/mid-size : Expect shipment increase (15%↑ QoQ)**

# Telecommunication

## Q2 Business Outlook

### Regional Demand



(Source: Strategy Analytics)

### Market

- **Moderate market growth expected for Q2 (4%~5% ↑ QoQ)**

- Export : Concern for global economy slow-down due to US financial crisis may decelerate market growth
- Domestic : Demand to decrease slightly due to lower competition among operators

- **Greater focus on premium market expected**

- New model launches and related marketing activities
- Multimedia phone (3M~5M camera phone), 3G phone segments

### Samsung

- **Launch of mid & high-end flagship models**

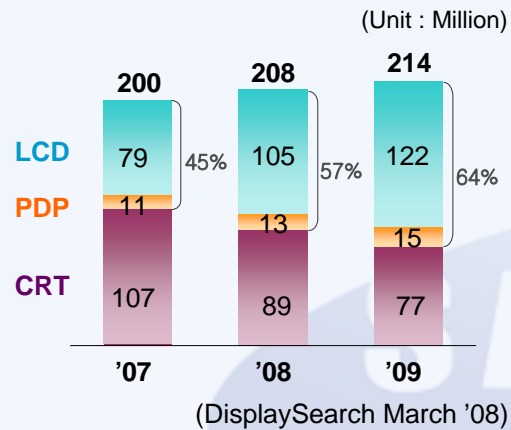
- Global launching of 'Soul' phone (U900)
- Reinforce mid & high-end line-up: 3G / High megapixel / Music phone
- Strengthen premium product line-up (e.g. 'Haptic') in domestic market

- **Network: Expand domestic WCDMA network and supply Mobile WiMAX equipment for Sprint**

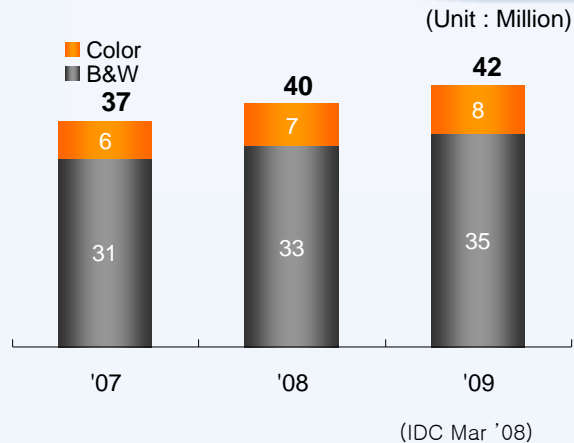
# Digital Media

## Q2 Business Outlook

### TV Market Forecast



### Laser Printer Market



### Market

- **Expect flat panel TV market demand to reach 118M units in '08 (30% ↑ YoY)**
  - Demand growth driven by Olympic effect and lower prices
  - Continuous growth of the emerging market (40+” & Full HD segment)
  - ☞ US financial crisis & economic slowdown may have negative impact on market growth
- **Expect color laser printer and multifunction printer market to reach 7M units in '08 (16% YoY)**
  - Market growth led by color laser & multifunction printers priced below \$1,000

### Samsung

- **Flat panel TV target of 21 million units for '08**
  - Improvements in design, expansion of product line-up and distribution channels
  - Cost reduction through reinforced global SCM
- **Expect sales increase of laser printers to corporate market**
  - Expand laser printer line-up targeting corporate market
  - ☞ Possible reduction in IT spending due to US economy slowdown

# Proforma Balance Sheet (Parent Basis)

(Unit : 100 Million, KRW)

|   | 1Q '08<br>(A)  | 4Q '07<br>(B)  | 1Q '07<br>(C)  | Q-on-Q<br>(A - B) | Y-on-Y<br>(A - C) |
|---|----------------|----------------|----------------|-------------------|-------------------|
| <b>Current Assets</b>                               | <b>169,111</b> | <b>166,211</b> | <b>116,349</b> | <b>2,900</b>      | <b>52,762</b>     |
| – Cash & Cash Equivalents                           | 61,758         | 68,897         | 19,481         | -7,139            | 42,277            |
| – Marketable Securities                             | 10,239         | 9,228          | 9,617          | 1,011             | 622               |
| – A/R   | 23,640         | 17,805         | 22,434         | 5,835             | 1,206             |
| – Inventories                                       | 35,681         | 33,379         | 32,116         | 2,302             | 3,565             |
| – Other Current Asset                               | 37,793         | 36,902         | 32,701         | 891               | 5,092             |
| <b>Non Current Assets</b>                           | <b>506,387</b> | <b>486,042</b> | <b>448,598</b> | <b>20,345</b>     | <b>57,789</b>     |
| – Investment  | 182,791        | 171,215        | 134,248        | 11,576            | 48,543            |
| – PPE   | 307,000        | 297,774        | 298,250        | 9,226             | 8,750             |
| – Intangible Assets                                 | 5,756          | 5,683          | 5,436          | 73                | 320               |
| – Other Non Current Asset                           | 10,840         | 11,369         | 10,663         | -529              | 177               |
| <b>Total Assets</b>                                 | <b>675,497</b> | <b>652,253</b> | <b>564,947</b> | <b>23,244</b>     | <b>110,550</b>    |
| <b>Liabilities</b>                                  | <b>144,055</b> | <b>136,646</b> | <b>120,613</b> | <b>7,409</b>      | <b>23,442</b>     |
| – Debts   | 892            | 838            | 884            | 54                | 8                 |
| – Trade Accounts and N/P                            | 26,432         | 19,357         | 21,501         | 7,075             | 4,931             |
| – Other Accounts and N/P                            | 31,225         | 29,585         | 30,092         | 1,639             | 1,133             |
| – Accrued Expenses                                  | 32,807         | 40,711         | 23,472         | -7,904            | 9,335             |
| – Income Tax Payable                                | 7,499          | 11,140         | 9,037          | -3,641            | -1,538            |
| – Other Liabilities                                 | 45,200         | 35,014         | 35,627         | 10,186            | 9,573             |
| <b>Shareholders' Equity</b>                         | <b>531,442</b> | <b>515,606</b> | <b>444,334</b> | <b>15,836</b>     | <b>87,108</b>     |
| – Capital Stock                                     | 8,975          | 8,975          | 8,975          | 0                 | 0                 |
| – Capital Surplus                                   | 65,482         | 65,750         | 62,883         | -268              | 2,599             |
| – Capital Adjustments                               | -87,342        | -87,474        | -87,778        | 132               | 436               |
| – Accumulated Other Comprehensive Income            | 22,816         | 18,728         | 8,155          | 4,088             | 14,661            |
| – Retained Earnings                                 | 521,511        | 509,627        | 452,099        | 11,884            | 69,412            |
| <b>Total Liabilities &amp; Shareholder's Equity</b> | <b>675,497</b> | <b>652,253</b> | <b>564,947</b> | <b>23,244</b>     | <b>110,550</b>    |

※ In accordance with amendments of SKFAS No. 15, “Equity-method Investments”, the company separated its changes in accumulated other comprehensive income by equity-method investments into capital surplus, capital adjustments and accumulated other comprehensive income. The Company’s non-consolidated financial statements for the year ended December 31, 2007, presented herein for comparative purposes, have been restated to reflect this change.

# Proforma Income Statement (Parent Basis)

(Unit : 100 Million, KRW)

|  | 1Q '08 (A)     |              | 4Q '07 (B)     |              | 1Q '07 (C)     |              | Q-on-Q<br>(A - B) | Y-on-Y<br>(A - C) |
|--|----------------|--------------|----------------|--------------|----------------|--------------|-------------------|-------------------|
|  |                | %            |                | %            |                | %            |                   |                   |
| <b>Sales</b>                                     | <b>171,073</b> | <b>100%</b>  | <b>174,765</b> | <b>100%</b>  | <b>143,860</b> | <b>100%</b>  | <b>-3,692</b>     | <b>27,213</b>     |
| - Domestic                                       | 35,966         | 21.0%        | 30,065         | 17.2%        | 30,824         | 21.4%        | 5,901             | 5,142             |
| - Export   | 135,107        | 79.0%        | 144,700        | 82.8%        | 113,036        | 78.6%        | -9,593            | 22,071            |
| <b>Cost of Sales</b>                             | <b>124,203</b> | <b>72.6%</b> | <b>126,156</b> | <b>72.2%</b> | <b>109,417</b> | <b>76.1%</b> | <b>-1,953</b>     | <b>14,786</b>     |
| <b>Gross Profit</b>                              | <b>46,870</b>  | <b>27.4%</b> | <b>48,609</b>  | <b>27.8%</b> | <b>34,443</b>  | <b>23.9%</b> | <b>-1,739</b>     | <b>12,427</b>     |
| <b>SG&amp;A</b>                                  | <b>25,330</b>  | <b>14.8%</b> | <b>30,779</b>  | <b>17.6%</b> | <b>22,612</b>  | <b>15.7%</b> | <b>-5,449</b>     | <b>2,718</b>      |
| - Wages & Fee                                    | 3,894          | 2.3%         | 4,544          | 2.6%         | 3,990          | 2.8%         | -650              | -96               |
| - Marketing Expenses                             | 6,486          | 3.8%         | 9,407          | 5.4%         | 3,398          | 2.4%         | -2,921            | 3,088             |
| - R&D / Royalty Expenses                         | 9,593          | 5.6%         | 10,437         | 6.0%         | 10,078         | 7.0%         | -844              | -485              |
| <b>Operating Profits</b>                         | <b>21,540</b>  | <b>12.6%</b> | <b>17,831</b>  | <b>10.2%</b> | <b>11,831</b>  | <b>8.2%</b>  | <b>3,709</b>      | <b>9,709</b>      |
| <b>Non OP Income &amp; Expenses</b>              | <b>4,616</b>   | <b>2.7%</b>  | <b>7,604</b>   | <b>4.4%</b>  | <b>6,578</b>   | <b>4.6%</b>  | <b>-2,988</b>     | <b>-1,962</b>     |
| - F/X Gain (or Loss)                             | -1,190         | -0.7%        | -146           | -0.1%        | -339           | -0.2%        | -1,044            | -851              |
| - Gain (or Loss) on Foreign Currency Translation | -1,242         | -0.7%        | -588           | -0.3%        | 22             | 0.0%         | -654              | -1,264            |
| - Gain (or Loss) on Equity Investment            | 5,184          | 3.0%         | 7,185          | 4.1%         | 5,584          | 3.9%         | -2,001            | -400              |
| <b>Income before Income Taxes</b>                | <b>26,157</b>  | <b>15.3%</b> | <b>25,434</b>  | <b>14.6%</b> | <b>18,409</b>  | <b>12.8%</b> | <b>723</b>        | <b>7,748</b>      |
| - Income Taxes                                   | 4,281          | 2.5%         | 3,314          | 1.9%         | 2,417          | 1.7%         | 967               | 1,864             |
| <b>Net Income</b>                                | <b>21,876</b>  | <b>12.8%</b> | <b>22,121</b>  | <b>12.7%</b> | <b>15,992</b>  | <b>11.1%</b> | <b>-245</b>       | <b>5,884</b>      |