



Samsung Electronics Announces Divestment of Printing Business Unit and Nomination of Jay Y. Lee to the Board of Directors

SEOUL, Korea – September 12, 2016 – Samsung Electronics' Board of Directors, meeting in Seoul on Sept. 12, approved the sale of its Printing Business Unit to HP Inc. and called an Extraordinary General Meeting of Shareholders in October to approve the spin-off of the business. The Board also proposed the nomination of Jay Y. Lee as a member of the Board of Directors to be approved at the same shareholder meeting.

Regarding the divestment of the Printing Business Unit

Samsung Electronics has reached an agreement to sell the entire global operations and assets of its printing business to HP. This transaction is part of the Company's efforts to concentrate on its core business areas.

Samsung will spin off the Printing Business Unit into a separate company as of Nov. 1 upon the approval of shareholders, and sell a 100 percent stake of the newly created company and overseas assets related to the business to HP.

Under the agreement, Samsung will source printers from HP and continue to market in Korea under the Samsung brand. The transaction is expected to close within one year, subject to the appropriate regulatory approvals.

The printing business, with 6,000 employees, a production base in China as well as more than 50 sales offices globally, posted 2 trillion Korean won in revenue in 2015.

Regarding the nomination of Jay Y. Lee to the Board of Directors

More than two years after the hospitalization of Chairman Kun-Hee Lee, the Board of Samsung Electronics believes that the time is now right to nominate Jay Y. Lee as a member of the Board to allow him to take a more active role in the Company's strategic decision-making.

In the competitive and rapidly changing technology industry, Mr. Lee has extensive experience as a business leader over many years and has made important contributions to the success of Samsung Electronics. The Company has seen improvements in the performance of its key business areas in recent years.

Looking forward, it is charting a path for continued profitable growth through bold and timely investments in core areas and by pursuing new future businesses, which require strategic decisions based on a long-term vision.

In all respects, the process of proposing him as a Board member at the upcoming meeting of shareholders is the same as it would be at the Annual Meeting. But rather than wait until next year, his appointment now will allow him to more actively participate – and take formal responsibility – as a Board Member in important decisions such as the composition of the executive management team and strategic growth initiatives including M&A deals.

By taking an official position as a member of the Board of Directors, Mr. Lee is demonstrating his commitment to the future of the Company and to delivering benefit to the Company and its shareholders.

Following Mr. Lee's appointment, Sang-Hoon Lee, who will continue as CFO, plans to stand down from his position on the Board in order to maintain the Board's current structure of four members of the management and five independent outside directors.

About Samsung Electronics Co., Ltd.

Samsung Electronics Co., Ltd. inspires the world and shapes the future with transformative ideas and technologies. The company is redefining the worlds of TVs, smartphones, wearable devices, tablets, cameras, digital appliances, printers, medical equipment, network systems, and semiconductor and LED solutions. For the latest news, please visit the Samsung Newsroom at news.samsung.com at news.samsung.com.