



Samsung Electronics Announces Stock Split and Shareholder Return

SEOUL, Korea – January 31, 2018

Stock Split

The Board of Directors of Samsung Electronics today approved a 50:1 stock split as another step to enhance shareholder value.

The Company had received numerous requests for a stock split based on the view that a high share price was a hindrance to potential investors. The request increased in frequency as the price of our shares rose significantly during 2017.

The Board believes the stock split announced today will make investing in Samsung Electronics more accessible and provide dividends to a wider range of investors from 2018.

The split is also expected to add both liquidity and marketability to the Company's stock, which may contribute to enhancing corporate value in the long term.

Our management and Board will work tirelessly to make the Company more competitive and profitable, and we remain committed to increasing shareholder value through enhancing shareholder returns.

Shareholder Return

Samsung Electronics has completed the 2017 share repurchase program that was announced in the fourth quarter 2016 earnings call. During the program's four phases, it has invested approximately KRW 9.2 trillion to repurchase and cancel 3.3 million common shares and 826,000 preferred shares.

The Company in October 2017 announced an annual dividend of KRW 4.8 trillion won, which represented a 20-percent increase over dividends paid in 2016. However, based on the dividend-focused return strategy adopted for the 2018-2020 period, the Board decided to allocate all of the 50 percent of Free Cash Flow to the 2017 annual dividend. This brings 2017 annual dividend, announced today, to KRW 5.8 trillion won, which equates to a 46-percent YoY increase.

Today, the Board approved a year-end dividend of KRW 21,500 per common share and KRW 21,550 per preferred share.

With the approval of the year-end dividend at the upcoming meeting of shareholders, the Company will complete the three-year shareholder return program through 2017.

To bring greater clarity and predictability to its shareholder returns, the Company in October 2017 announced a three-year shareholder return policy for 2018-2020 that includes yearly dividends of KRW 9.6 trillion.

About Samsung Electronics Co., Ltd.

Samsung inspires the world and shapes the future with transformative ideas and technologies. The company is redefining the worlds of TVs, smartphones, wearable devices, tablets, digital appliances, network systems, and memory, system LSI, foundry and LED solutions. For the latest news, please visit the Samsung Newsroom at <http://news.samsung.com>.

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