



FY2021 Q2 Earnings

2021. 07. 27 | Investor Relations

Disclaimer

Review of the FY2021 Q2 financial results has not been finalized.
Figures in this earnings release are subject to changes during
the independent auditing process.

All financial information contained in this document is based on consolidated K-IFRS.

This material contains forward-looking statements which can be subject to certain
risks and uncertainties that could cause actual results to differ materially.



Financial Results

FY2021 Q2

We Do Technology
첨단기술의 중심, 더 나은 세상을 만듭니다

Market

Highlights



Strong PC, Graphics,
Consumer demand

+

Recovery in
Server Demand

=

Rapidly
Improving
Memory Market
Condition



Revenue Analysis

Bit Growth

DRAM +Mid Single%

NAND +Low Single%

Results higher
than Guidance

'21 Q2 Revenue

KRW 10.32T

+22% QoQ / +20% YoY

'21 Q1 Revenue

KRW 8.49T

MCP

Sales Portion 21%

-2%p QoQ

Strong Demand
for High Density
Products

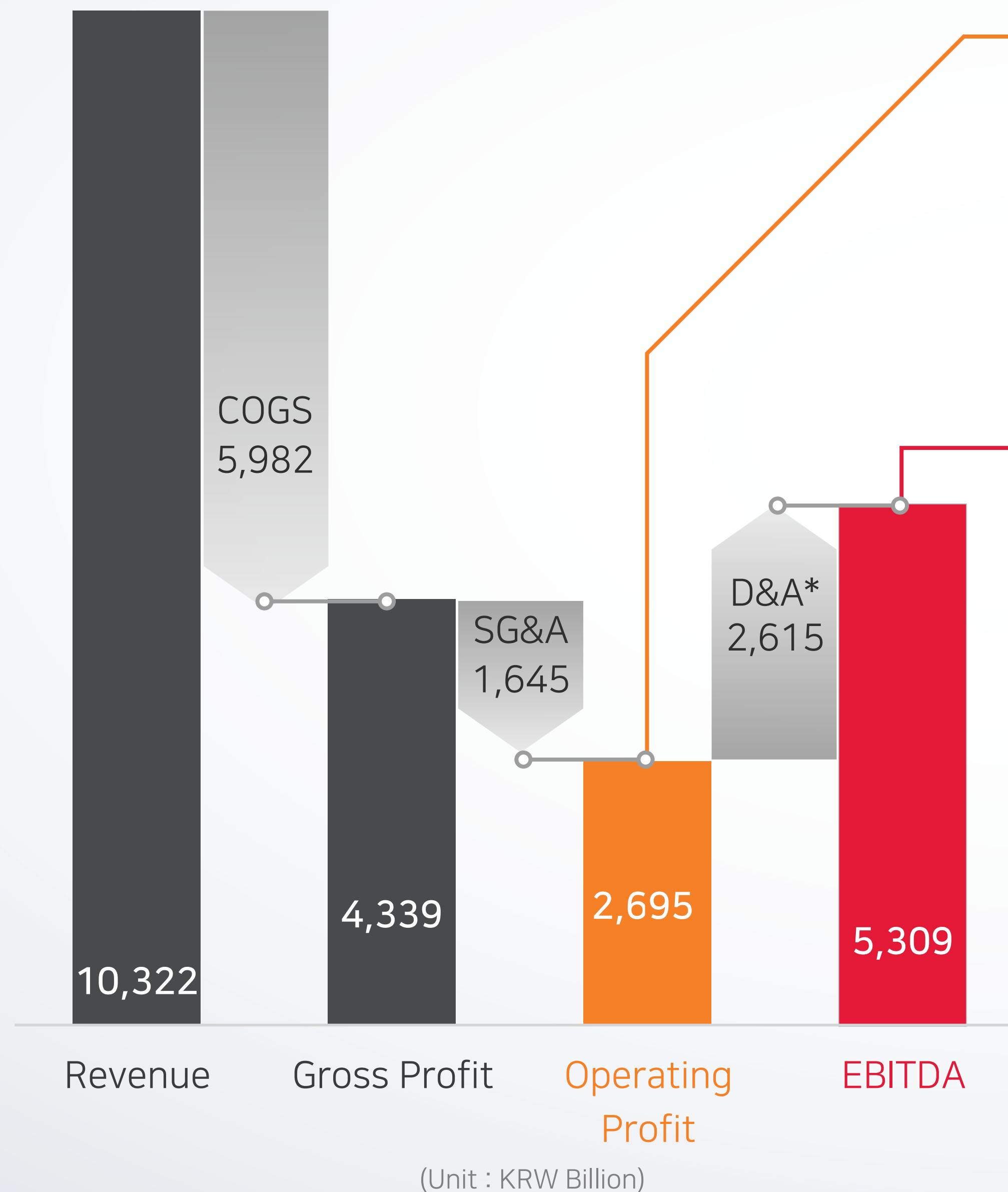
ASP

DRAM +High Teen%

NAND Approx. +10%

Accelerated Price
Improvement

Profit Analysis – Operating Profit



Operating Profit

KRW 2.69T

(+103% QoQ / +38% YoY)

- Initial start-up cost for M16 / Increase in labor cost
- Both DRAM/NAND unit cost was reduced, as leading tech. portion increased

EBITDA

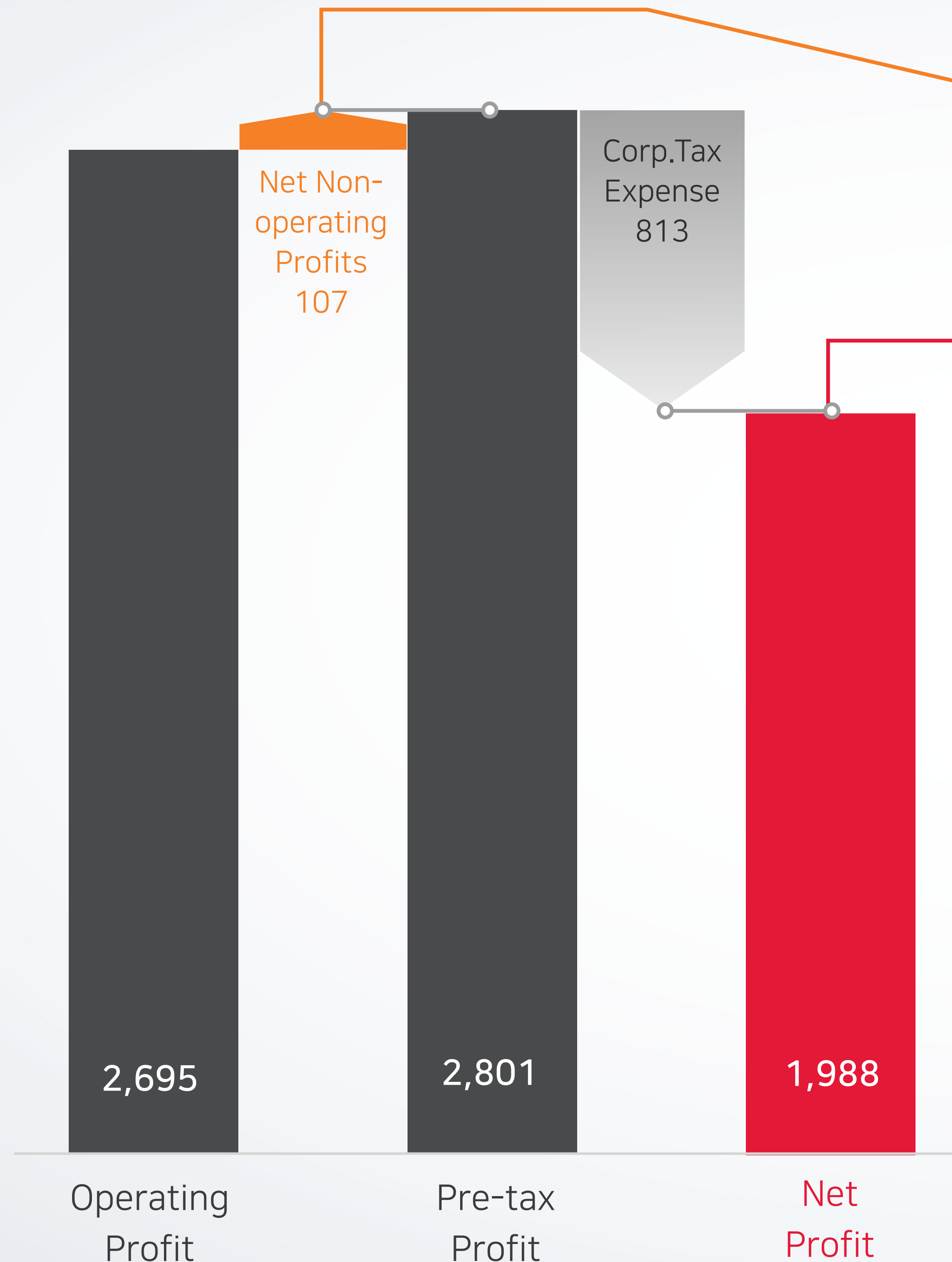
KRW 5.31T

(+38% QoQ / +22% YoY)

- D&A 2.61T (+3% QoQ / +9% YoY)
- EBITDA Margin 51%

* D&A : Depreciation & Amortization

Profit Analysis – Net Profit



(Unit : KRW Billion)

Non-operating Profits

KRW 0.11T

- Net interest expense, KRW 63.4B
- Net foreign currency-related gain, KRW 42.2B
- Gain on equity-method valuation, KRW 125.5B

Net Profit

KRW 1.99T

(+100% QoQ / +57% YoY)

- Net Profit Margin 19%
- Corporate Tax Expense 0.81T

Financial Position

End of '21 Q1

End of '21 Q2

Cash*

KRW 5.99T

KRW 6.64T

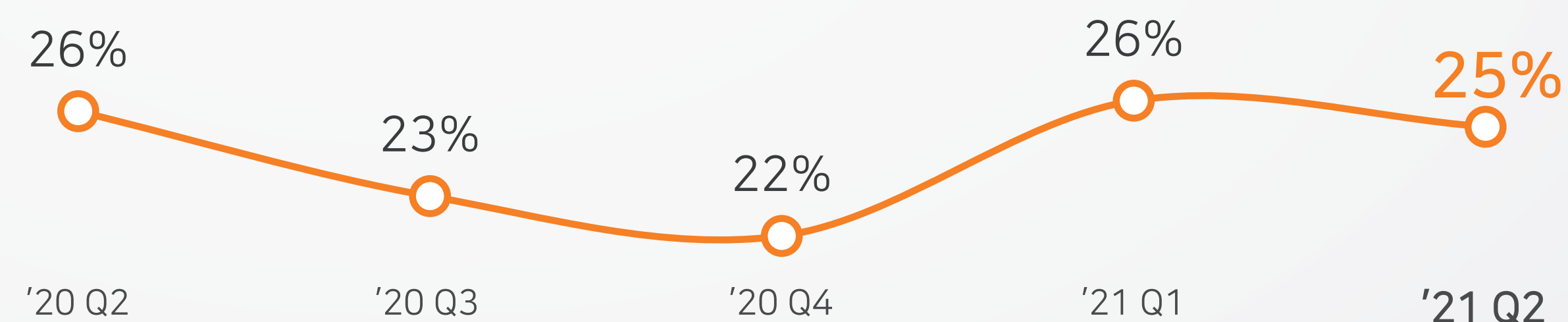
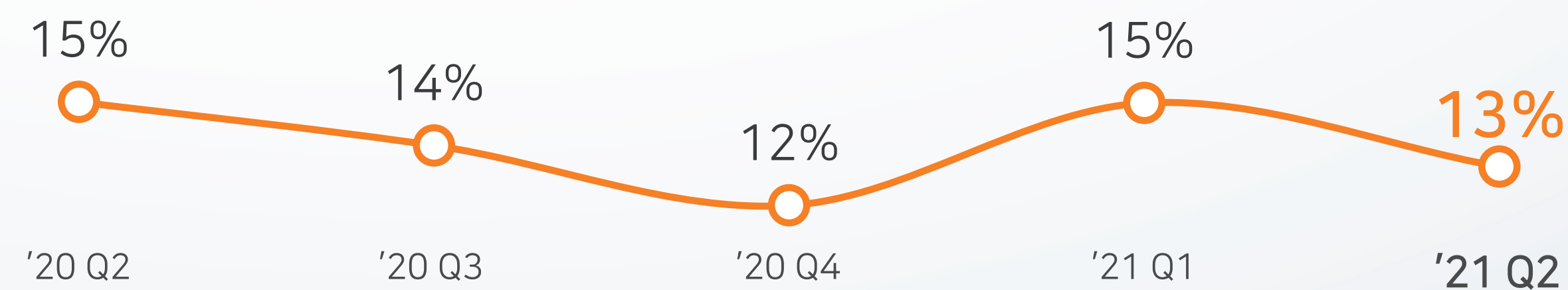
(+11% QoQ / +26% YoY)

Debt**

KRW 13.59T

KRW 13.85T

(+2% QoQ / +9% YoY)

Debt-to-Equity
RatioNet Debt-to-Equity
Ratio

* Cash = Cash & Cash Equivalents + Short-term Financial Instruments

** Debt = Short-term Borrowings + Current portion of Long-term Borrowings + Debentures + Long-Term Borrowings



FY2021 Outlook

We Do Technology
첨단기술의 중심, 더 나은 세상을 만듭니다

Market Outlook

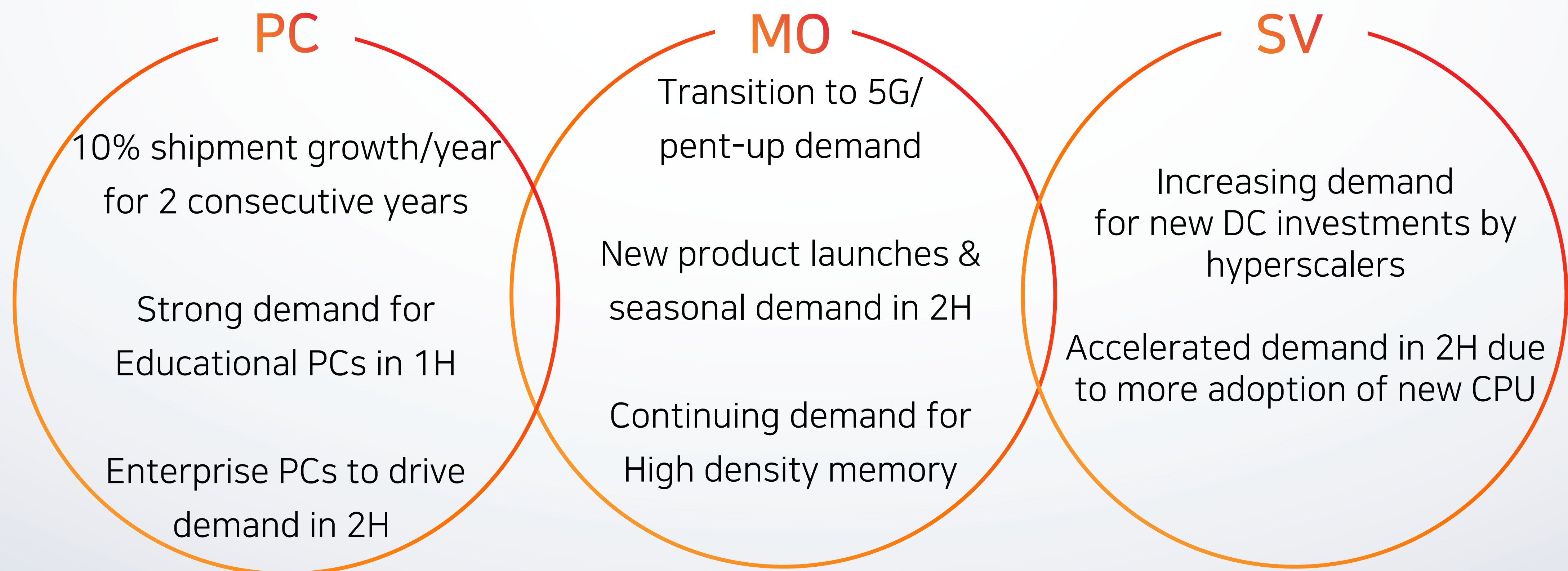
Summary

DRAM Demand B/G

YoY +Low 20%
(Better than previous expectation)

NAND Demand B/G

YoY +Mid~High 30%
(Better than previous expectation)



Company Plan

DRAM

SK hynix B/G

3Q B/G +low single digit%

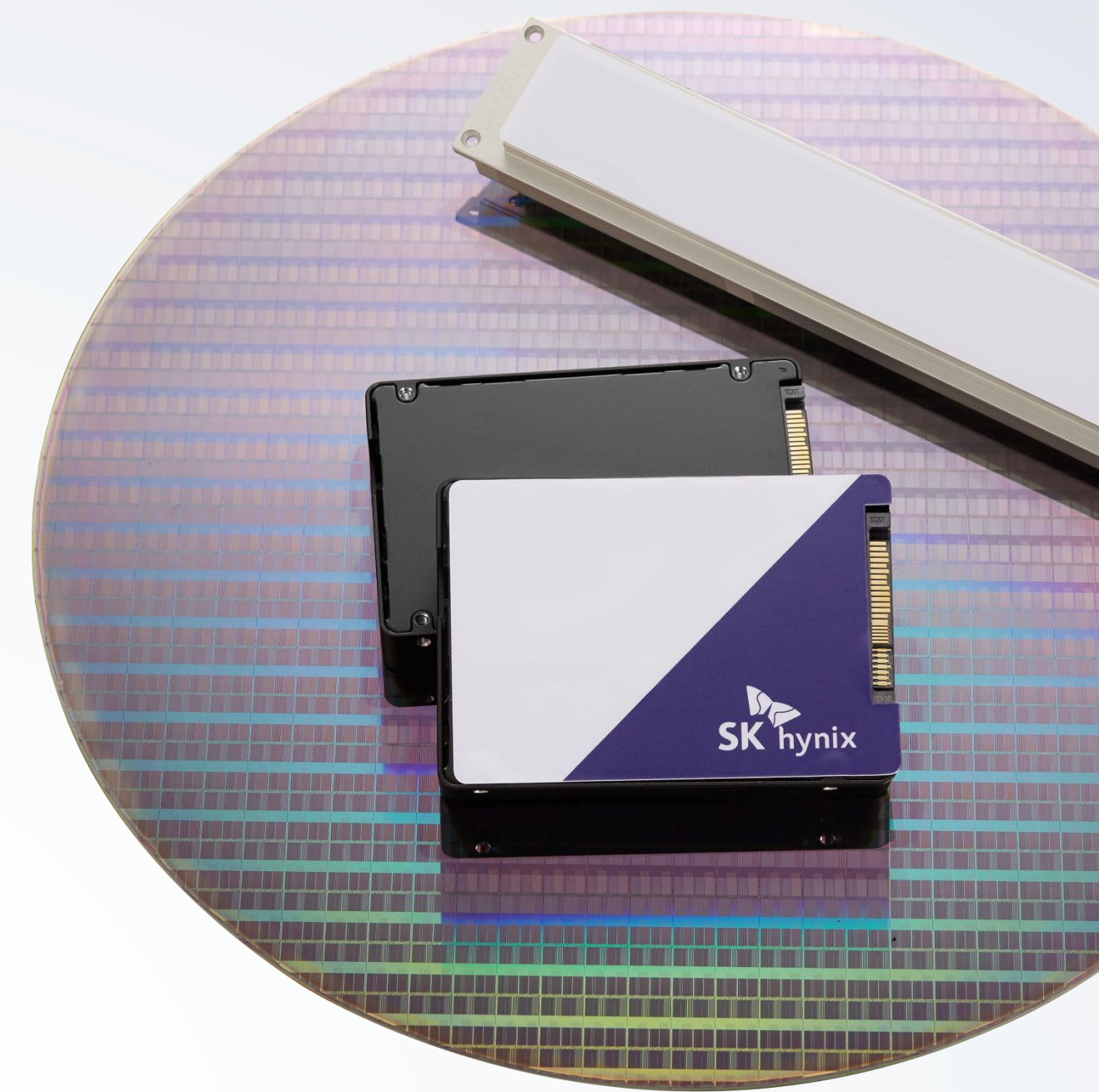
'21 B/G in-line with market demand

Technology

Increase volume production of 1znm-based 16Gb

Start shipment of 1anm, which uses EUV

Start mass production of DDR5 in 2H



NAND

SK hynix B/G

3Q B/G +high teen%

'21 B/G will outgrow the market

Technology

Start 176L mass production within '21

128/176L products to reach 80% by YE

Expand sales of 128L-based high density MCP/eSSD

ESG Mgmt.

Highest rating from CDP

- Maintained 'Platinum Club'(highest level) in Climate Change
- Awarded 'First Prize' for Water Mgmt (Water Security)

Publication of 2021 Sustainability Report

- Applied SASB standards and TCFD recommendations

Pursue sustainable growth through eco-friendly business operation

- Included in Platinum Club for 8 years, since 2013
- Continue efforts to mitigate climate change and management of water resource

Publication of 2021 Human Rights Report

- Includes information on company's human rights management policy, risk management system, impact assessment and improvement activities



T H A N K Y O U



Appendix

FY 2021 Q2

We Do Technology
첨단기술의 중심, 더 나은 세상을 만듭니다

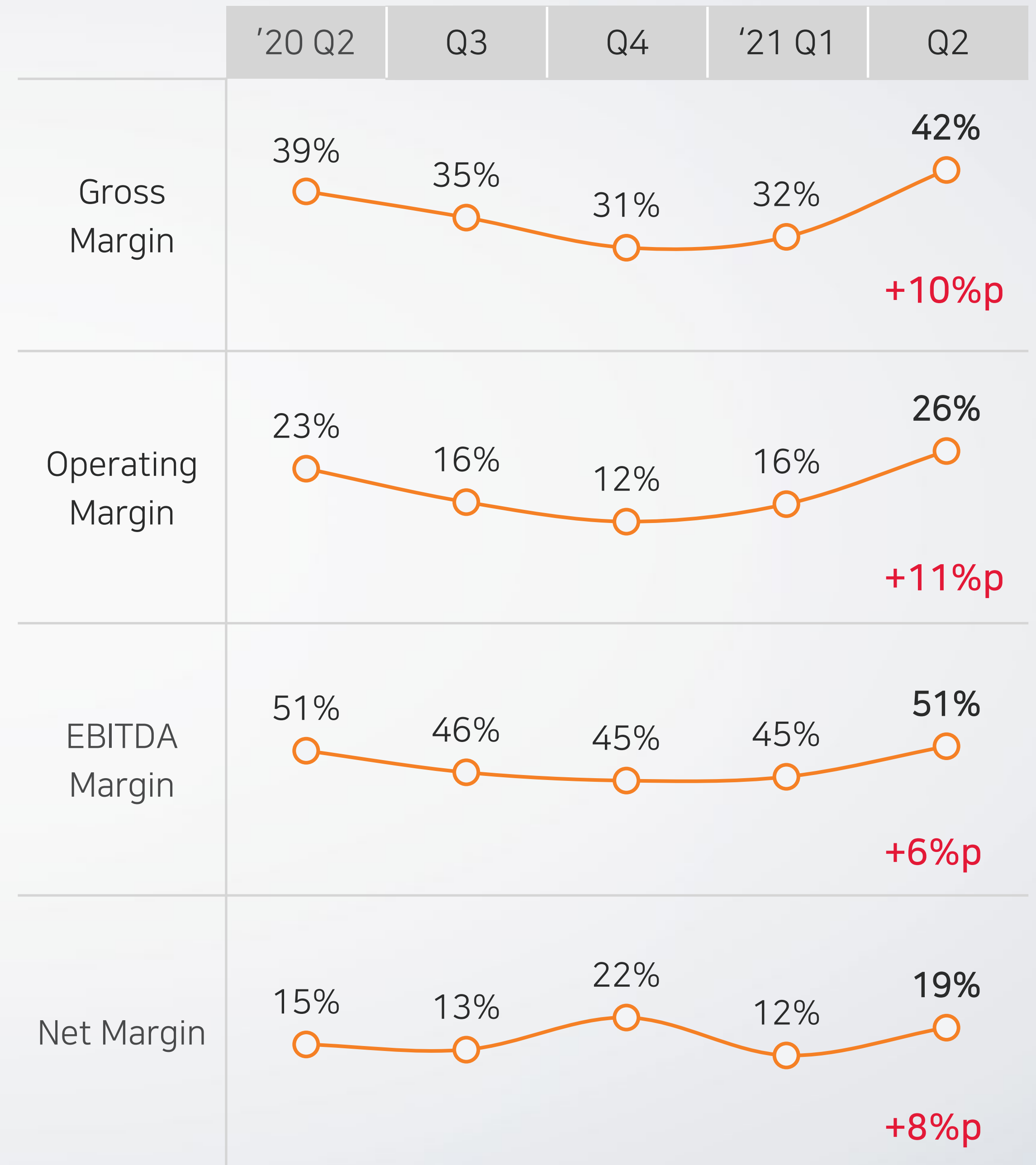
Income Statement

(Unit : KRW Billion)		'21 Q2	'21 Q1	'20 Q2	QoQ	YoY
Revenue		10,322	8,494	8,607	22%	20%
Gross Profit		4,339	2,729	3,347	59%	30%
Operating Profit		2,695	1,324	1,949	103%	38%
EBITDA*		5,309	3,857	4,375	38%	21%
Net Profit		1,988	993	1,270	100%	57%
EPS (KRW)	Basic	2,891	1,448	1,855	—	—
	Dil.	2,890	1,447	1,855	—	—
Shares Outstanding (Mil. Shares)	Basic	686	684	684	—	—
	Dil.	687	684	684	—	—

* EBITDA = Operating Profit + Depreciation & Amortization

※ All figures in this presentation are rounded to KRW Billions, leading to some statements not adding up completely

Profitability



Statement of Cash Flows

(Unit : KRW Billion)

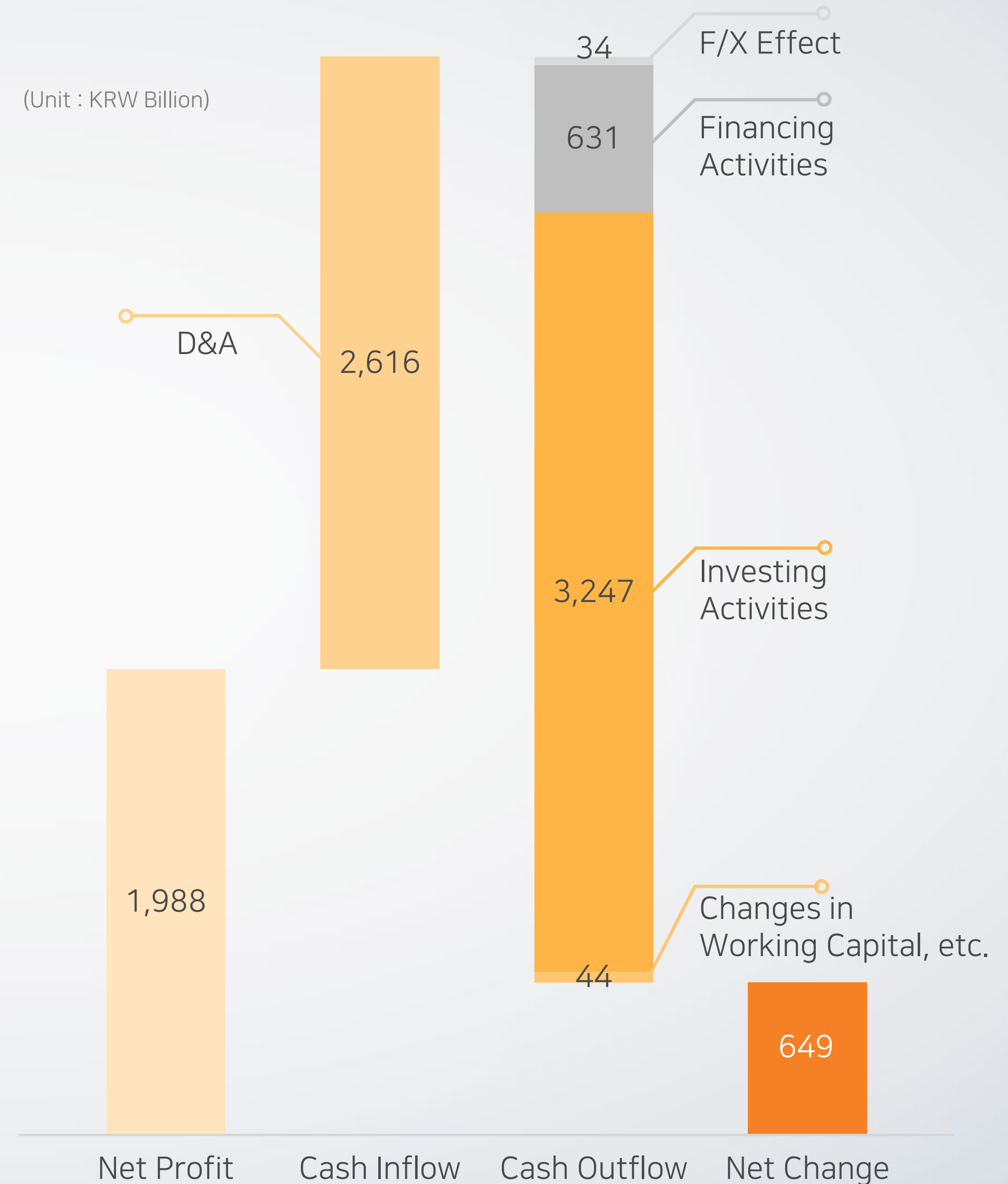
	'21 Q2	'21 Q1	'20 Q2
Beginning Cash Balance	5,988	4,948	4,742
CF from Operating Activities	4,561	3,215	3,362
Net Profit	1,988	993	1,264
D&A*	2,616	2,537	2,405
Changes in Working Capital, etc.	(44)	(314)	(308)
CF from Investing Activities	(3,247)	(4,139)	(2,534)
Acquisition of PP&E	(2,814)	(4,105)	(2,214)
CF from Financing Activities	(631)	1,900	(279)
Changes in Debt	247	1,984	457
Repayment of Lease Liability	(81)	(83)	(54)
Dividend Payout	(800)	-	(684)
Share Repurchase	4	-	-
Effect of F/X rate changes on Cash & Equivalents	(34)	63	(26)
Net Changes in Cash	649	1,040	522
Ending Cash Balance	6,638	5,988	5,265

* Depreciation & Amortization, including depreciation for non-operating (idle) assets

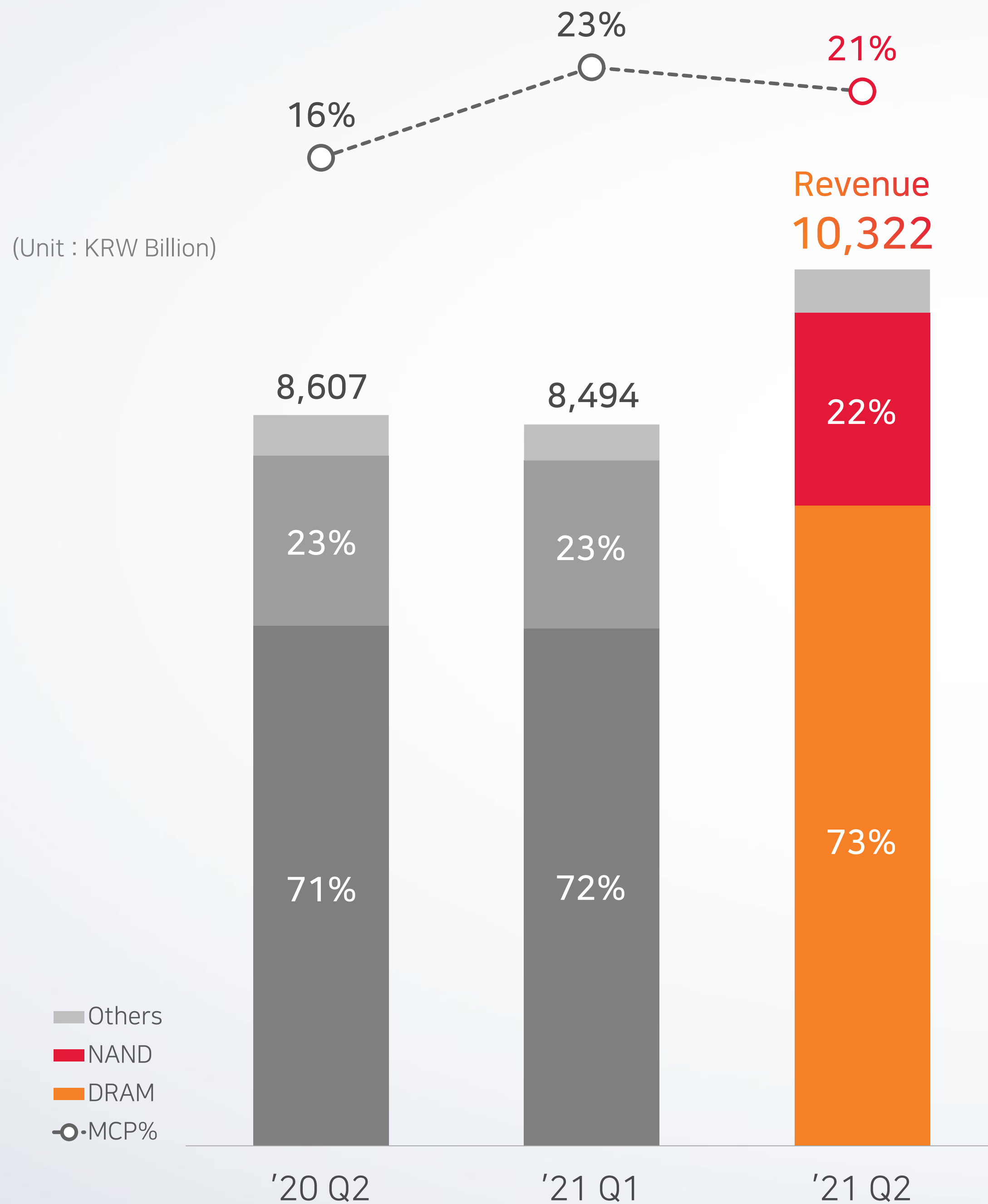
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Net Cash Flow

(Unit : KRW Billion)



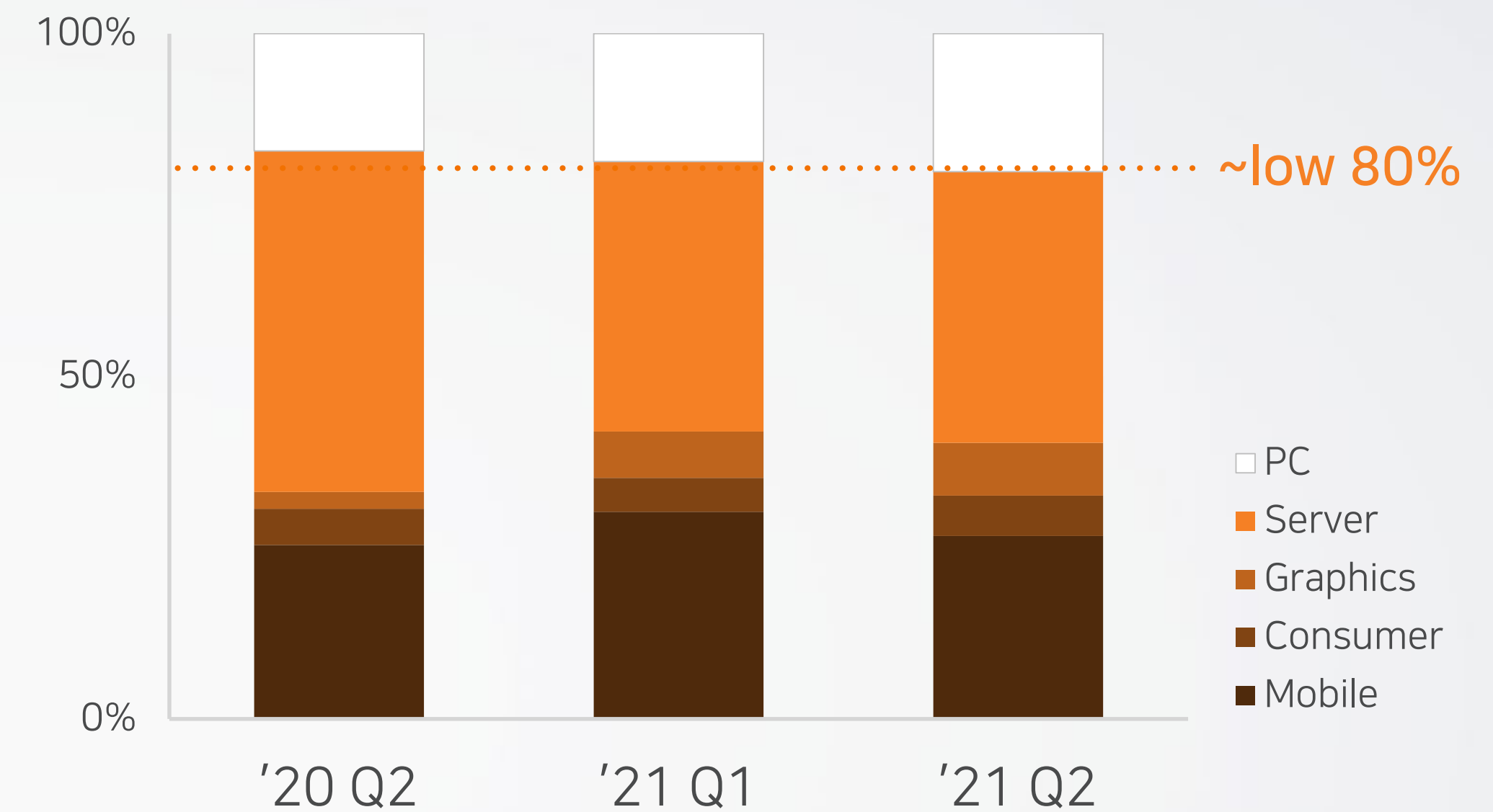
Revenue by Business Unit



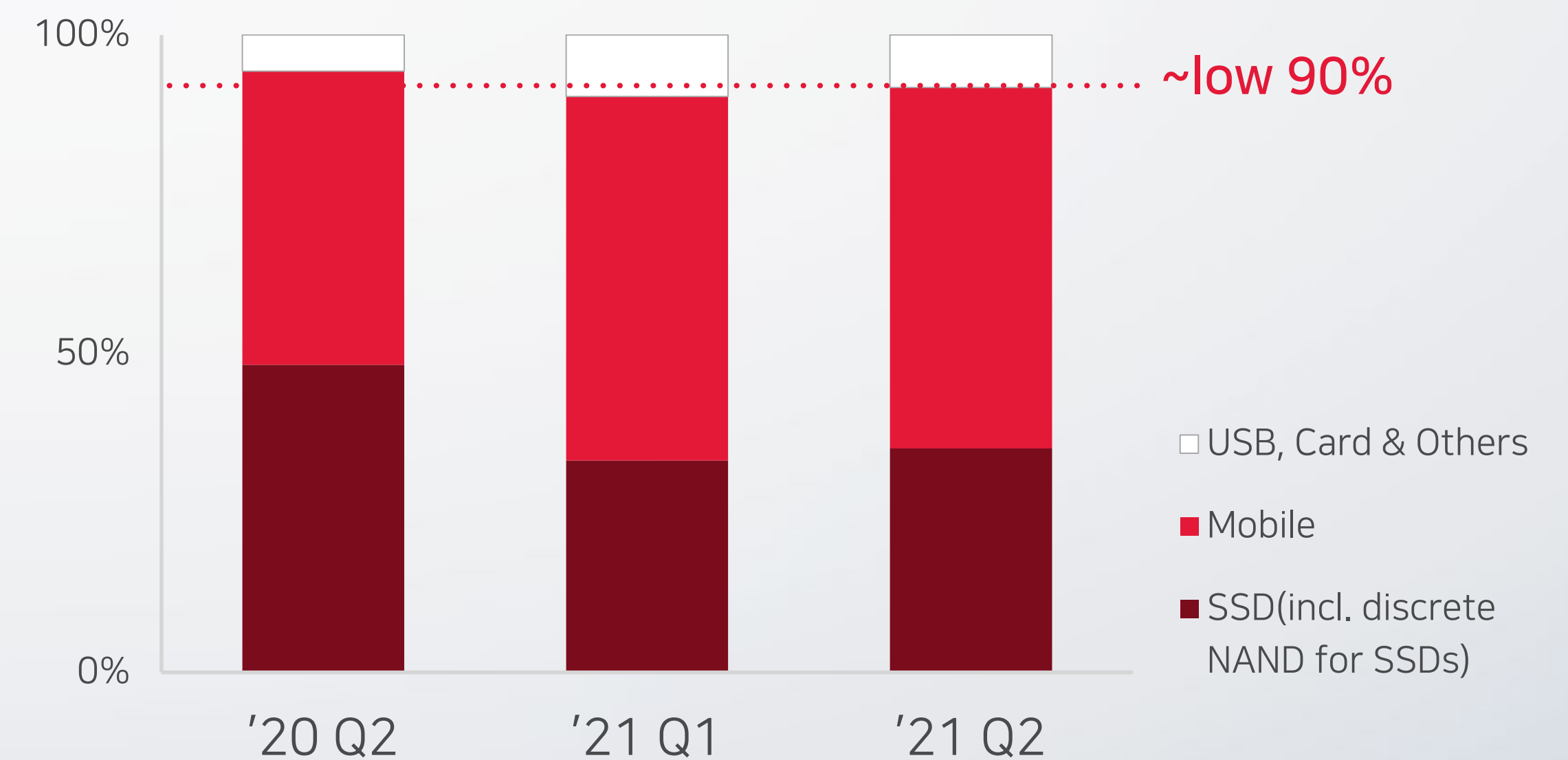
* Revenue by Business Unit portion is based on KRW revenue

Revenue by Application

DRAM



NAND



* Revenue by Application is based on USD revenue



THE END

[Attachment1] Statement of Financial Position

K-IFRS (KRW Billion)

	Q2'21	Q1'21	Q4'20	QoQ	vs. Q4'20
Assets					
Current Assets	20,100	18,385	16,571	+1,715	+3,529
Cash & Cash Equivalents*	6,638	5,988	4,948	+649	+1,689
Accounts Receivables	6,500	5,336	4,931	+1,164	+1,569
Inventories	6,227	6,183	6,136	+44	+90
Non-Current Assets	57,618	56,733	54,603	+885	+3,015
Property, plant & equipment	43,867	43,329	41,231	+538	+2,636
Intangible Assets	3,587	3,473	3,400	+114	+187
Total Assets	77,718	75,118	71,174	+2,600	+6,544
Liabilities					
Interest-bearing Debts	13,846	13,593	11,252	+253	+2,594
S-T Borrowings	147	148	180	-1	-33
Current Portion of LT Borrowings	2,168	2,659	2,935	-491	-767
Bonds	7,194	6,436	3,610	+758	+3,584
L-T Borrowings	4,337	4,350	4,527	-12	-190
Accounts Payables	1,169	1,260	1,046	-91	+123
Total Liabilities	22,840	22,739	19,265	+100	+3,575
Shareholders' Equity					
Capital Stock	3,658	3,658	3,658	-	-
Capital Surplus	4,335	4,143	4,144	+191	+191
Retained Earnings	49,156	47,179	46,996	+1,978	+2,161
Total Shareholders' Equity	54,878	52,379	51,909	+2,499	+2,969

* Short-term Financial Instruments and Short-term Investments included

[Attachment2] Income Statement

K-IFRS (KRW Billion)

		Q2'21	Q1'21	Q2'20	QoQ	YoY
Revenue		10,322	8,494	8,607	+22%	+20%
Cost of Goods Sold		5,982	5,766	5,260	+4%	+14%
Gross Profit		4,339	2,729	3,347	+59%	+30%
SG&A Expenses		1,645	1,404	1,397	+17%	+18%
Operating Profit		2,695	1,324	1,949	+103%	+38%
Net Financial Profit/Loss		-63	-57	-58		
Net F/X Transaction & Translation Profit/Loss		42	57	-111		
Income (Expense) From Jointly Controlled Entities and Associates, Net		125	17	8		
Others		2	9	-59		
EBITDA		5,309	3,857	4,352	+38%	+22%
Income Before Tax		2,801	1,351	1,735	+107%	+61%
Tax Expense/Benefit		813	358	465	+127%	+75%
Net Profit		1,988	993	1,270	+100%	+57%
EPS(KRW)	Basic	2,891	1,448	1,855		
	Diluted	2,890	1,447	1,855		
Shares Outstanding (Mil. Shares)	Basic	686	684	684		
	Diluted	687	684	684		