

Samsung Electronics Co., Ltd. and its subsidiaries

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(In millions of Korean won, in thousands of US dollars (Note 2.28))

| | Notes | December 31, 2019 KRW | December 31, 2018 KRW | December 31, 2019 USD | December 31, 2018 USD |
|---|-------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Assets | | | | | |
| Current assets | | | | | |
| Cash and cash equivalents | 4, 6, 30 | 26,885,999 | 30,340,505 | 23,069,002 | 26,033,073 |
| Short-term financial instruments | 5, 6, 30 | 76,252,052 | 65,893,797 | 65,426,571 | 56,538,875 |
| Short-term financial assets at amortized cost | 6, 30 | 3,914,216 | 2,703,693 | 3,358,516 | 2,319,851 |
| Short-term financial assets at fair value through profit or loss | 6, 8, 30 | 1,727,436 | 2,001,948 | 1,482,192 | 1,717,732 |
| Trade receivables | 6, 7, 9, 30 | 35,131,343 | 33,867,733 | 30,143,757 | 29,059,541 |
| Non-trade receivables | 6, 9 | 4,179,120 | 3,080,733 | 3,585,812 | 2,643,362 |
| Advance payments | | 1,426,833 | 1,361,807 | 1,224,266 | 1,168,472 |
| Prepaid expenses | | 2,406,220 | 4,136,167 | 2,064,610 | 3,548,957 |
| Inventories | 10 | 26,766,464 | 28,984,704 | 22,966,437 | 24,869,754 |
| Other current assets | 6 | 2,695,577 | 2,326,337 | 2,312,887 | 1,996,067 |
| Total current assets | | 181,385,260 | 174,697,424 | 155,634,050 | 149,895,684 |
| Non-current assets | | | | | |
| Financial assets at amortized cost | 6, 30 | - | 238,309 | - | 204,476 |
| Financial assets at fair value through other comprehensive income | 6, 8, 30 | 8,920,712 | 7,301,351 | 7,654,241 | 6,264,780 |
| Financial assets at fair value through profit or loss | 6, 8, 30 | 1,049,004 | 775,427 | 900,077 | 665,340 |
| Investment in associates and joint ventures | 11 | 7,591,612 | 7,313,206 | 6,513,833 | 6,274,952 |
| Property, plant and equipment | 12 | 119,825,474 | 115,416,724 | 102,813,888 | 99,031,047 |
| Intangible assets | 13 | 20,703,504 | 14,891,598 | 17,764,234 | 12,777,442 |
| Net defined benefit assets | 16 | 589,832 | 562,356 | 506,094 | 482,518 |
| Deferred income tax assets | 27 | 4,505,049 | 5,468,002 | 3,865,469 | 4,691,711 |
| Other non-current assets | 5, 6 | 7,994,050 | 12,692,847 | 6,859,137 | 10,890,850 |
| Total assets | | 352,564,497 | 339,357,244 | 302,511,023 | 291,178,800 |

The above consolidated statements of financial position should be read in conjunction with the accompanying notes.

Samsung Electronics Co., Ltd. and its subsidiaries

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(In millions of Korean won, in thousands of US dollars (Note 2.28))

| | Notes | December 31, 2019 | December 31, 2018 | December 31, 2019 | December 31, 2018 |
|--|---------------|------------------------------|------------------------------|------------------------------|------------------------------|
| | | KRW | KRW | USD | USD |
| Liabilities and Equity | | | | | |
| Current liabilities | | | | | |
| Trade payables | 6, 30 | 8,718,222 | 8,479,916 | 7,480,499 | 7,276,025 |
| Short-term borrowings | 6, 7, 14, 30 | 14,393,468 | 13,586,660 | 12,350,032 | 11,657,766 |
| Other payables | 6, 30 | 12,002,513 | 10,711,536 | 10,298,520 | 9,190,823 |
| Advances received | 19 | 1,072,062 | 820,265 | 919,862 | 703,812 |
| Withholdings | 6 | 897,355 | 951,254 | 769,958 | 816,205 |
| Accrued expenses | 6, 19 | 19,359,624 | 20,339,687 | 16,611,144 | 17,452,068 |
| Current income tax liabilities | | 1,387,773 | 8,720,050 | 1,190,751 | 7,482,067 |
| Current portion of long-term liabilities | 6, 14, 15, 30 | 846,090 | 33,386 | 725,971 | 28,646 |
| Provisions | 17 | 4,068,627 | 4,384,038 | 3,491,005 | 3,761,637 |
| Other current liabilities | 6, 19 | 1,037,030 | 1,054,718 | 889,802 | 904,980 |
| Total current liabilities | | 63,782,764 | 69,081,510 | 54,727,544 | 59,274,029 |
| Non-current liabilities | | | | | |
| Debentures | 6, 15, 30 | 975,298 | 961,972 | 836,835 | 825,401 |
| Long-term borrowings | 6, 14, 30 | 2,197,181 | 85,085 | 1,885,248 | 73,006 |
| Long-term other payables | 6, 30 | 2,184,249 | 3,194,043 | 1,874,152 | 2,740,586 |
| Net defined benefit liabilities | 16 | 470,780 | 504,064 | 403,944 | 432,502 |
| Deferred income tax liabilities | 27 | 17,053,808 | 15,162,523 | 14,632,684 | 13,009,904 |
| Long-term provisions | 17 | 611,100 | 663,619 | 524,342 | 569,405 |
| Other non-current liabilities | 6, 19 | 2,408,896 | 1,951,251 | 2,066,906 | 1,674,233 |
| Total liabilities | | 89,684,076 | 91,604,067 | 76,951,655 | 78,599,066 |

The above consolidated statements of financial position should be read in conjunction with the accompanying notes.

Samsung Electronics Co., Ltd. and its subsidiaries

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(In millions of Korean won, in thousands of US dollars (Note 2.28))

| | Notes | December 31, 2019 KRW | December 31, 2018 KRW | December 31, 2019 USD | December 31, 2018 USD |
|--|-------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Equity attributable to owners of the parent company | | | | | |
| Preference shares | 20 | 119,467 | 119,467 | 102,506 | 102,506 |
| Ordinary shares | 20 | 778,047 | 778,047 | 667,588 | 667,588 |
| Share premium | | 4,403,893 | 4,403,893 | 3,778,674 | 3,778,674 |
| Retained earnings | 21 | 254,582,894 | 242,698,956 | 218,439,838 | 208,243,059 |
| Other components of equity | 22 | (4,968,829) | (7,931,370) | (4,263,406) | (6,805,356) |
| | | 254,915,472 | 240,068,993 | 218,725,200 | 205,986,471 |
| Non-controlling interests | | 7,964,949 | 7,684,184 | 6,834,168 | 6,593,263 |
| Total equity | | 262,880,421 | 247,753,177 | 225,559,368 | 212,579,734 |
| Total liabilities and equity | | 352,564,497 | 339,357,244 | 302,511,023 | 291,178,800 |

The above consolidated statements of financial position should be read in conjunction with the accompanying notes.

Samsung Electronics Co., Ltd. and its subsidiaries

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

(In millions of Korean won, in thousands of US dollars (Note 2.28))

| | Notes | For the year ended December 31, | | | |
|--|--------|---------------------------------|--------------------|-------------------|-------------------|
| | | 2019 | 2018 | 2019 | 2018 |
| | | KRW | KRW | USD | USD |
| Revenue | 31 | 230,400,881 | 243,771,415 | 197,690,938 | 209,163,262 |
| Cost of sales | 23 | 147,239,549 | 132,394,411 | 126,335,995 | 113,598,417 |
| Gross profit | | 83,161,332 | 111,377,004 | 71,354,943 | 95,564,845 |
| Selling and administrative expenses | 23, 24 | 55,392,823 | 52,490,335 | 47,528,721 | 45,038,298 |
| Operating profit | | 27,768,509 | 58,886,669 | 23,826,222 | 50,526,547 |
| Other non-operating income | 25 | 1,778,666 | 1,485,037 | 1,526,149 | 1,274,207 |
| Other non-operating expense | 25 | 1,414,707 | 1,142,018 | 1,213,861 | 979,886 |
| Share of net profit of associates and joint ventures | 11 | 412,960 | 539,845 | 354,332 | 463,203 |
| Financial income | 26 | 10,161,632 | 9,999,321 | 8,718,988 | 8,579,720 |
| Financial expense | 26 | 8,274,871 | 8,608,896 | 7,100,090 | 7,386,694 |
| Profit before income tax | | 30,432,189 | 61,159,958 | 26,111,740 | 52,477,097 |
| Income tax expense | 27 | 8,693,324 | 16,815,101 | 7,459,135 | 14,427,866 |
| Profit for the year | | 21,738,865 | 44,344,857 | 18,652,605 | 38,049,231 |
| Profit attributable to owners of the parent company | | 21,505,054 | 43,890,877 | 18,451,988 | 37,659,703 |
| Profit attributable to non-controlling interests | | 233,811 | 453,980 | 200,617 | 389,528 |
| Earnings per share (in Korean Won, in US dollars) | 28 | | | | |
| - Basic | | 3,166 | 6,461 | 2.72 | 5.54 |
| - Diluted | | 3,166 | 6,461 | 2.72 | 5.54 |

The above consolidated statements of profit or loss should be read in conjunction with the accompanying notes.

Samsung Electronics Co., Ltd. and its subsidiaries

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(In millions of Korean won, in thousands of US dollars (Note 2.28))

| | Notes | For the year ended December 31, | | | |
|---|--------|---------------------------------|-------------------|-------------------|-------------------|
| | | 2019 | 2018 | 2019 | 2018 |
| | | KRW | KRW | USD | USD |
| Profit for the year | | 21,738,865 | 44,344,857 | 18,652,605 | 38,049,231 |
| Other comprehensive income (loss) | | | | | |
| Items that will not be reclassified to profit or loss subsequently: | | | | | |
| Gain (loss) on valuation of financial assets at fair value through other comprehensive income, net of tax | 8, 22 | 1,146,599 | (235,865) | 983,817 | (202,380) |
| Share of other comprehensive loss of associates and joint ventures, net of tax | 11,22 | (16,896) | (10,631) | (14,497) | (9,122) |
| Remeasurement of net defined benefit liabilities (assets), net of tax | 16, 22 | (1,180,468) | (410,151) | (1,012,877) | (351,922) |
| Items that may be reclassified to profit or loss subsequently: | | | | | |
| Share of other comprehensive income of associates and joint ventures, net of tax | 11, 22 | 48,649 | 6,688 | 41,742 | 5,739 |
| Foreign currency translation, net of tax | 22 | 3,016,499 | 590,638 | 2,588,248 | 506,786 |
| Gain on valuation of cash flow hedge derivatives | 22 | 1,811 | 47,079 | 1,553 | 40,395 |
| Other comprehensive income (loss) for the year, net of tax | | 3,016,194 | (12,242) | 2,587,986 | (10,504) |
| Total comprehensive income for the year | | 24,755,059 | 44,332,615 | 21,240,591 | 38,038,727 |
| Comprehensive income attributable to: | | | | | |
| Owners of the parent company | | 24,466,985 | 43,882,473 | 20,993,415 | 37,652,492 |
| Non-controlling interests | | 288,074 | 450,142 | 247,176 | 386,235 |

The above consolidated statements of comprehensive income should be read in conjunction with the accompanying notes.

Samsung Electronics Co., Ltd. and its subsidiaries

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(In millions of Korean won)

| 2018 KRW | Notes | Preference shares | Ordinary shares | Share premium | Retained earnings | Other components of equity | Equity attributable to owners of the parent company | Non- controlling interests | Total |
|---|--------|----------------------|--------------------|------------------|----------------------|----------------------------------|--|----------------------------------|---------------------|
| Balance as of January 1, 2018 | | 119,467 | 778,047 | 4,403,893 | 215,811,200 | (13,899,191) | 207,213,416 | 7,278,012 | 214,491,428 |
| Cumulative effect of changes in accounting policies | | - | - | - | 246,529 | (261,734) | (15,205) | - | (15,205) |
| Restated total equity at the beginning of the financial year | | 119,467 | 778,047 | 4,403,893 | 216,057,729 | (14,160,925) | 207,198,211 | 7,278,012 | 214,476,223 |
| Profit for the year | | - | - | - | 43,890,877 | - | 43,890,877 | 453,980 | 44,344,857 |
| Gain (loss) on valuation of financial assets at fair value through other comprehensive income, net of tax | 8, 22 | - | - | - | (3,007) | (236,343) | (239,350) | 3,485 | (235,865) |
| Share of other comprehensive income (loss) of associates and joint ventures, net of tax | 11, 22 | - | - | - | - | (4,036) | (4,036) | 93 | (3,943) |
| Foreign currency translation, net of tax | 22 | - | - | - | - | 579,260 | 579,260 | 11,378 | 590,638 |
| Remeasurement of net defined benefit liabilities (assets), net of tax | 16, 22 | - | - | - | - | (391,357) | (391,357) | (18,794) | (410,151) |
| Gain on valuation of cash flow hedge derivatives | 22 | - | - | - | - | 47,079 | 47,079 | - | 47,079 |
| Total comprehensive income (loss) | | - | - | - | 43,887,870 | (5,397) | 43,882,473 | 450,142 | 44,332,615 |
| Dividends | 21 | - | - | - | (10,143,345) | - | (10,143,345) | (50,657) | (10,194,002) |
| Capital transaction under common control | | - | - | - | - | 1,719 | 1,719 | 7,991 | 9,710 |
| Changes in consolidated entities | | - | - | - | - | - | - | 41 | 41 |
| Acquisition of treasury shares | 20 | - | - | - | - | (875,111) | (875,111) | - | (875,111) |
| Retirement of treasury shares | 20 | - | - | - | (7,103,298) | 7,103,298 | - | - | - |
| Other | | - | - | - | - | 5,046 | 5,046 | (1,345) | 3,701 |
| Total transactions with owners | | - | - | - | (17,246,643) | 6,234,952 | (11,011,691) | (43,970) | (11,055,661) |
| Balance as of December 31, 2018 | | 119,467 | 778,047 | 4,403,893 | 242,698,956 | (7,931,370) | 240,068,993 | 7,684,184 | 247,753,177 |

The above consolidated statements of changes in equity should be read in conjunction with the accompanying notes.

Samsung Electronics Co., Ltd. and its subsidiaries

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(In thousands of US dollars (Note 2.28))

| 2018 USD | Notes | Preference shares | Ordinary shares | Share premium | Retained earnings | Other components of equity | Equity attributable to owners of the parent company | Non- controlling interests | Total |
|---|-------|----------------------|--------------------|------------------|----------------------|----------------------------------|--|----------------------------------|--------------------|
| Balance as of January 1, 2018 | | 102,506 | 667,588 | 3,778,674 | 185,172,550 | (11,925,927) | 177,795,391 | 6,244,755 | 184,040,146 |
| Cumulative effect of changes in accounting policies | | - | - | - | 211,529 | (224,576) | (13,047) | - | (13,047) |
| Restated total equity at the beginning of the financial year | | 102,506 | 667,588 | 3,778,674 | 185,384,079 | (12,150,503) | 177,782,344 | 6,244,755 | 184,027,099 |
| Profit for the year | | - | - | - | 37,659,703 | - | 37,659,703 | 389,528 | 38,049,231 |
| Gain (loss) on valuation of financial assets at fair value through other comprehensive income, net of tax | | - | - | - | (2,581) | (202,789) | (205,370) | 2,990 | (202,380) |
| Share of other comprehensive income (loss) of associates and joint ventures, net of tax | | - | - | - | - | (3,463) | (3,463) | 80 | (3,383) |
| Foreign currency translation, net of tax | | - | - | - | - | 497,023 | 497,023 | 9,763 | 506,786 |
| Remeasurement of net defined benefit liabilities (assets), net of tax | | - | - | - | - | (335,796) | (335,796) | (16,126) | (351,922) |
| Gain on valuation of cash flow hedge derivatives | | - | - | - | - | 40,395 | 40,395 | - | 40,395 |
| Total comprehensive income (loss) | | - | - | - | 37,657,122 | (4,630) | 37,652,492 | 386,235 | 38,038,727 |
| Dividends | | - | - | - | (8,703,297) | - | (8,703,297) | (43,465) | (8,746,762) |
| Capital transaction under common control | | - | - | - | - | 1,474 | 1,474 | 6,856 | 8,330 |
| Changes in consolidated entities | | - | - | - | - | - | - | 35 | 35 |
| Acquisition of treasury shares | | - | - | - | - | (750,872) | (750,872) | - | (750,872) |
| Retirement of treasury shares | | - | - | - | (6,094,845) | 6,094,845 | - | - | - |
| Other | | - | - | - | - | 4,330 | 4,330 | (1,153) | 3,177 |
| Total transactions with owners | | - | - | - | (14,798,142) | 5,349,777 | (9,448,365) | (37,727) | (9,486,092) |
| Balance as of December 31, 2018 | | 102,506 | 667,588 | 3,778,674 | 208,243,059 | (6,805,356) | 205,986,471 | 6,593,263 | 212,579,734 |

The above consolidated statements of changes in equity should be read in conjunction with the accompanying notes.

Samsung Electronics Co., Ltd. and its subsidiaries

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(In millions of Korean won)

| 2019 KRW | Notes | Preference shares | Ordinary shares | Share premium | Retained earnings | Other components of equity | Equity attributable to owners of the parent company | Non- controlling interests | Total |
|---|--------|----------------------|--------------------|------------------|----------------------|----------------------------------|--|----------------------------------|--------------------|
| Balance as of January 1, 2019 | | 119,467 | 778,047 | 4,403,893 | 242,698,956 | (7,931,370) | 240,068,993 | 7,684,184 | 247,753,177 |
| Profit for the year | | - | - | - | 21,505,054 | - | 21,505,054 | 233,811 | 21,738,865 |
| Gain (loss) on valuation of financial assets at fair value through other comprehensive income, net of tax | 8, 22 | - | - | - | (1,265) | 1,111,264 | 1,109,999 | 36,600 | 1,146,599 |
| Share of other comprehensive income (loss) of associates and joint ventures, net of tax | 11, 22 | - | - | - | (608) | 31,477 | 30,869 | 884 | 31,753 |
| Foreign currency translation, net of tax | 22 | - | - | - | - | 2,966,973 | 2,966,973 | 49,526 | 3,016,499 |
| Remeasurement of net defined benefit liabilities (assets), net of tax | 16, 22 | - | - | - | - | (1,147,721) | (1,147,721) | (32,747) | (1,180,468) |
| Gain on valuation of cash flow hedge derivatives | 22 | - | - | - | - | 1,811 | 1,811 | - | 1,811 |
| Total comprehensive income | | - | - | - | 21,503,181 | 2,963,804 | 24,466,985 | 288,074 | 24,755,059 |
| Dividends | 21 | - | - | - | (9,619,243) | - | (9,619,243) | (21,359) | (9,640,602) |
| Capital transaction under common control | | - | - | - | - | (85) | (85) | 7,356 | 7,271 |
| Changes in consolidated entities | | - | - | - | - | - | - | 5,730 | 5,730 |
| Other | | - | - | - | - | (1,178) | (1,178) | 964 | (214) |
| Total transactions with owners | | - | - | - | (9,619,243) | (1,263) | (9,620,506) | (7,309) | (9,627,815) |
| Balance as of December 31, 2019 | | 119,467 | 778,047 | 4,403,893 | 254,582,894 | (4,968,829) | 254,915,472 | 7,964,949 | 262,880,421 |

The above consolidated statements of changes in equity should be read in conjunction with the accompanying notes.

Samsung Electronics Co., Ltd. and its subsidiaries

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(In thousands of US dollars (Note 2.28))

| 2019 USD | Notes | Preference shares | Ordinary shares | Share premium | Retained earnings | Other components of equity | Equity attributable to owners of the parent company | Non- controlling interests | Total |
|---|--------|----------------------|--------------------|------------------|----------------------|----------------------------------|--|----------------------------------|--------------------|
| Balance as of January 1, 2019 | | 102,506 | 667,588 | 3,778,674 | 208,243,059 | (6,805,356) | 205,986,471 | 6,593,263 | 212,579,734 |
| Profit for the year | | - | - | - | 18,451,988 | - | 18,451,988 | 200,617 | 18,652,605 |
| Gain (loss) on valuation of financial assets at fair value through other comprehensive income, net of tax | 8, 22 | - | - | - | (1,085) | 953,498 | 952,413 | 31,404 | 983,817 |
| Share of other comprehensive income (loss) of associates and joint ventures, net of tax | 11, 22 | - | - | - | (522) | 27,009 | 26,487 | 758 | 27,245 |
| Foreign currency translation, net of tax | 22 | - | - | - | - | 2,545,753 | 2,545,753 | 42,495 | 2,588,248 |
| Remeasurement of net defined benefit liabilities (assets), net of tax | 16, 22 | - | - | - | - | (984,779) | (984,779) | (28,098) | (1,012,877) |
| Gain on valuation of cash flow hedge derivatives | 22 | - | - | - | - | 1,553 | 1,553 | - | 1,553 |
| Total comprehensive income | | - | - | - | 18,450,381 | 2,543,034 | 20,993,415 | 247,176 | 21,240,591 |
| Dividends | 21 | - | - | - | (8,253,602) | - | (8,253,602) | (18,327) | (8,271,929) |
| Capital transaction under common control | | - | - | - | - | (73) | (73) | 6,312 | 6,239 |
| Changes in consolidated entities | | - | - | - | - | - | - | 4,917 | 4,917 |
| Other | | - | - | - | - | (1,011) | (1,011) | 827 | (184) |
| Total transactions with owners | | - | - | - | (8,253,602) | (1,084) | (8,254,686) | (6,271) | (8,260,957) |
| Balance as of December 31, 2019 | | 102,506 | 667,588 | 3,778,674 | 218,439,838 | (4,263,406) | 218,725,200 | 6,834,168 | 225,559,368 |

The above consolidated statements of changes in equity should be read in conjunction with the accompanying notes.

Samsung Electronics Co., Ltd. and its subsidiaries

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In millions of Korean won, in thousands of US dollars (Note 2.28))

| | Notes | For the year ended December 31, | | | |
|---|-------|---------------------------------|---------------------|---------------------|---------------------|
| | | 2019 KRW | 2018 KRW | 2019 USD | 2018 USD |
| Cash flows from operating activities | | | | | |
| Profit for the year | | 21,738,865 | 44,344,857 | 18,652,605 | 38,049,231 |
| Adjustments | 29 | 37,442,682 | 43,604,573 | 32,126,956 | 37,414,045 |
| Changes in assets and liabilities arising from operating activities | 29 | (2,545,756) | (9,924,366) | (2,184,336) | (8,515,406) |
| Cash generated from operations | | 56,635,791 | 78,025,064 | 48,595,225 | 66,947,870 |
| Interest received | | 2,306,401 | 1,788,520 | 1,978,962 | 1,534,604 |
| Interest paid | | (579,979) | (548,272) | (497,640) | (470,434) |
| Dividends received | | 241,801 | 215,992 | 207,473 | 185,328 |
| Income tax paid | | (13,221,099) | (12,449,441) | (11,344,104) | (10,681,998) |
| Net cash inflow from operating activities | | 45,382,915 | 67,031,863 | 38,939,916 | 57,515,370 |
| Cash flows from investing activities | | | | | |
| Net increase in short-term financial instruments | | (2,030,913) | (12,368,298) | (1,742,585) | (10,612,375) |
| Net increase in short-term financial assets at amortized cost | | (818,089) | (1,436,844) | (701,945) | (1,232,856) |
| Net decrease (increase) in short-term financial assets at fair value through profit or loss | | 374,982 | (139,668) | 321,746 | (119,839) |
| Disposal of long-term financial instruments | | 4,586,610 | 255,850 | 3,935,450 | 219,527 |
| Acquisition of long-term financial instruments | | (12,725,465) | (7,678,654) | (10,918,835) | (6,588,518) |
| Disposal of financial assets at amortized cost | | 694,584 | - | 595,974 | - |
| Acquisition of financial assets at amortized cost | | (825,027) | (158,716) | (707,898) | (136,183) |
| Disposal of financial assets at fair value through other comprehensive income | | 1,575 | 16,211 | 1,351 | 13,910 |
| Acquisition of financial assets at fair value through other comprehensive income | | (63,773) | (456,134) | (54,719) | (391,377) |
| Disposal of financial assets at fair value through profit or loss | | 64,321 | 80,138 | 55,189 | 68,761 |
| Acquisition of financial assets at fair value through profit or loss | | (135,826) | (193,848) | (116,543) | (166,327) |
| Disposal of investment in associates and joint ventures | | 12,149 | 148 | 10,424 | 127 |
| Acquisition of investment in associates and joint ventures | | (12,778) | (51,226) | (10,964) | (43,953) |
| Disposal of property, plant and equipment | | 513,265 | 556,973 | 440,397 | 477,900 |
| Acquisition of property, plant and equipment | | (25,367,756) | (29,556,406) | (21,766,303) | (25,360,292) |
| Disposal of intangible assets | | 7,241 | 11,935 | 6,213 | 10,241 |
| Acquisition of intangible assets | | (3,249,914) | (1,020,517) | (2,788,525) | (875,635) |
| Cash outflow from business combinations | | (1,019,405) | (99,108) | (874,680) | (85,038) |
| Cash inflow (outflow) from other investing activities | | 46,048 | (2,289) | 39,512 | (1,965) |
| Net cash outflow from investing activities | | (39,948,171) | (52,240,453) | (34,276,741) | (44,823,892) |

The above consolidated statements of cash flows should be read in conjunction with the accompanying notes.

Samsung Electronics Co., Ltd. and its subsidiaries

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In millions of Korean won, in thousands of US dollars (Note 2.28))

| | Notes | For the year ended December 31, | | | |
|--|-------|---------------------------------|---------------------|--------------------|---------------------|
| | | 2019 | 2018 | 2019 | 2018 |
| | | KRW | KRW | USD | USD |
| Cash flows from financing activities | | | | | |
| Net increase (decrease) in short-term borrowings | 29 | 865,792 | (2,046,470) | 742,876 | (1,755,933) |
| Acquisition of treasury shares | | - | (875,111) | - | (750,872) |
| Proceeds from long-term borrowings | 29 | - | 3,580 | - | 3,072 |
| Repayment of debentures and long-term borrowings | 29 | (709,400) | (1,986,597) | (608,687) | (1,704,560) |
| Dividends paid | | (9,639,202) | (10,193,695) | (8,270,727) | (8,746,499) |
| Net increase (decrease) in non-controlling interests | | (1,700) | 8,071 | (1,459) | 6,924 |
| Net cash outflow from financing activities | | (9,484,510) | (15,090,222) | (8,137,997) | (12,947,868) |
| Effect of exchange rate changes on cash and cash equivalents | | 595,260 | 94,187 | 510,751 | 80,816 |
| Net decrease in cash and cash equivalents | | (3,454,506) | (204,625) | (2,964,071) | (175,574) |
| Cash and cash equivalents | | | | | |
| Beginning of the year | | 30,340,505 | 30,545,130 | 26,033,073 | 26,208,647 |
| End of the year | | 26,885,999 | 30,340,505 | 23,069,002 | 26,033,073 |

The above consolidated statements of cash flows should be read in conjunction with the accompanying notes.