

[January 26, 2016]

SK Hynix Inc. Reports Fiscal Year 2015 and Fourth Quarter Results

Seoul, January 26, 2016 – SK Hynix Inc. (or ‘the Company’, www.skhynix.com) today announced financial results for its fiscal year 2015 and fourth quarter ended December 31, 2015. The Company has set all-time high annual results for three consecutive years.

The Company’s consolidated sales of fiscal year 2015 totaled 18.8 trillion won while **operating profit** amounted to 5.3 trillion won and **net income** was 4.3 trillion won. **Operating margin** for the year was 28% and **net margin** was 23%.

On the other hand, the results of every sector decreased quarter-over-quarter due to demand slowdown of whole memory semiconductor market. **Consolidated fourth quarter revenue** was 4.4 trillion won decreased 10% and **operating profit** amounted to 989 billion won declined 29% of the previous quarter. **Net income** for the quarter was 871 billion won reflecting income tax expenses and so on.

Quarterly, both DRAM bit shipment and the average selling price declined by 1% and 10% each. For NAND Flash, the bit shipment increased 4% but the average selling price dropped 15%.

SK Hynix will mass produce 2Znm DRAM in a full scale and concentrate on developing 1Xnm DRAM to continue to strengthen the cost competitiveness. Also, the Company is to flexibly operate its DRAM portfolio to enhance the profitability.

For NAND Flash, SK Hynix is planning to raise its competitiveness in 3D and develop 1Ynm process technology. The Company will start to mass produce 48-layer 3D NAND Flash right after completing the development.

■ FY2015 Earnings

Consolidated Basis

Unit: Billion KRW

	2015	2014	YoY
Revenue	18,798	17,126	+10%
Operating Profit	5,336	5,109	+4%
Operating Profit Margin	28%	30%	-2%p
Net Income	4,324	4,195	+3%

※ The financial information of the earnings is written based on K-IFRS.

■ FY2015 Q4 Earnings

Consolidated Basis

Unit: Billion KRW

	2015 Q4	2015 Q3	QoQ	2014 Q4	YoY
Revenue	4,416	4,925	-10%	5,148	-14%
Operating Profit	989	1,383	-29%	1,667	-41%
Operating Profit Margin	22%	28%	-6%p	32%	-10%p
Net Income	871	1,048	-17%	1,624	-46%

※ The financial information of the earnings is written based on K-IFRS.

Please note that the financial results discussed herein are preliminary and speak only as of December 31, 2015. Readers should not assume that this information remains operative at a later time. In addition, this information may include forward-looking statements that involve a variety of risks and uncertainties that could cause actual results to differ materially. For further discussion of these risks and uncertainties, readers should refer to SK Hynix Inc.'s filings with the Korea Exchange. This document is neither an offer to sell nor a solicitation of an offer to sell any security of SK Hynix Inc..

About SK Hynix Inc.

SK Hynix Inc., headquartered in Korea, is the world's top tier semiconductor supplier offering Dynamic Random Access Memory chips ("DRAM"), Flash memory chips ("NAND Flash") and CMOS Image Sensors ("CIS") for a wide range of distinguished customers globally. The Company's shares are traded on the Korea Exchange, and the Global Depository shares are listed on the Luxembourg Stock Exchange. Further information about SK Hynix is available at www.skhynix.com.

Media Contact

SK Hynix Inc.

Public Relations

Assistant Manager

Heeyoung Son

Phone: +82.31.8093.4719

E-Mail: heeyoung.son@sk.com