



## Press Release

[ July 26, 2018 ]

# SK Hynix Inc. Reports Second Quarter 2018 Results

Seoul, July 26, 2018 – SK Hynix Inc. (or ‘the Company’, [www.skhynix.com](http://www.skhynix.com)) today announced financial results for its second quarter 2018 ended June 30, 2018. **The consolidated second quarter revenue** was 10.37 trillion won while the **operating profit** amounted to 5.57 trillion won and the **net income** 4.33 trillion won. As a result, the Company has set all-time high figures in quarterly revenue, operating profit and net income.

Favorable market demand continued during the second quarter and the Company’s shipments of DRAM and NAND Flash significantly increased. Consequently, the revenue and the operating profit rose by 19% and 28% compared to the previous quarter.

Quarter-over-quarter, DRAM bit shipments increased by 16% as the Company actively responded to robust server and PC DRAM markets. The average selling price rose by 4% through evenly increased price for all DRAM product categories.

For NAND Flash, the bit shipments increased by 19% mainly thanks to growing SSD demand and an ascending trend of NAND density in Chinese mobile phones. The average selling price was lowered by 9% due to supply growth of the industry.

SK Hynix will place its focus on expanding leading edge technologies to mass production to respond to the market demands. Therefore, it will consistently expand the portion of 1Xnm mainly in the sales of server and mobile DRAM, which are expected to have strong demand growth. The Company also plans to stretch its cutting-edge 72-Layer 3D NAND and make efforts to smoothly supply high density mobile solutions and enterprise SSDs.

Meanwhile, SK Hynix will complete the cleanroom construction of the new FAB in Cheongju by the end of this September. Considering the equipment setups in the cleanroom, the new FAB is expected to contribute to the Company’s production capacity from the beginning of the next year. In addition, the cleanroom space expansion at Wuxi FAB will be completed by the end of this year as planned.

## ■ FY2018 Q2 Earnings

Consolidated Basis

Unit: Billion KRW

	2018 Q2	2018 Q1	QoQ	2017 Q2	YoY
Revenue	10,371	8,720	+19%	6,692	+55%
Operating Profit	5,574	4,367	+28%	3,051	+83%
Operating Profit Margin	54%	50%	+4%p	46%	+8%p
Net Income	4,329	3,121	+39%	2,469	+75%

※ 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 June 30, 2018. 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 Luxemburg Stock Exchange. Further information about SK Hynix is available at [www.skhynix.com](http://www.skhynix.com).

### Media Contact

SK Hynix Inc.

Public Relations

*Assistant Manager*

Hyun Kyung Olivia Lee

Phone: +82.31.8093.4771

E-Mail: [hyunkyung14.lee@sk.com](mailto:hyunkyung14.lee@sk.com)

Assistant Manager

Heeyoung Son

Phone: +82.31.8093.4719

E-Mail: [heeyoung.son@sk.com](mailto:heeyoung.son@sk.com)