



Press Release

[April 24, 2018]

SK Hynix Inc. Reports First Quarter 2018 Results

Seoul, April 24, 2018 – SK Hynix Inc. (or ‘the Company’, www.skhynix.com) today announced financial results for its first quarter 2018 ended March 31, 2018. **The consolidated first quarter revenue** was 8.72 trillion won while the **operating profit** amounted to 4.37 trillion won and the **net income** 3.12 trillion won.

Even though favorable market price continued during the first quarter, which has been traditionally slow-season in the memory semiconductor market, the revenue and the operating profit declined by 3% and 2% because of the Company’s declined shipments of DRAM and NAND Flash.

Quarter-over-quarter, DRAM bit shipments decreased by 5% due to weak mobile demand and lessened production days nevertheless of sustained robust server demand. However, the average selling price rose by 9% through evenly increased price for all DRAM product categories.

For NAND Flash, the bit shipments declined by 10% mainly due to the weak sales in the mobile sector. The average selling price was lowered by 1%.

SK Hynix will place its focus on expanding leading edge technologies and diversifying product portfolio to actively respond to the market demands. Therefore, it will consistently expand the portion of 1Xnm and hit its stride in the sales of 1Xnm server and graphics DRAM.

In addition, the Company is to enter the enterprise SSD market with its PCIe products that have been recently validated by IDC clients. Furthermore, SK Hynix plans to stretch its cutting-edge 72-Layer 3D NAND to increase the sales of high density mobile applications and a variety of client SSD solutions.

■ FY2018 Q1 Earnings

Consolidated Basis

Unit: Billion KRW

	2018 Q1	2017 Q4	QoQ	2017 Q1	YoY
Revenue	8,720	9,028	-3%	6,290	+39%
Operating Profit	4,367	4,466	-2%	2,468	+77%
Operating Profit Margin	50%	49%	+1%p	39%	+11%p
Net Income	3,121	3,220	-3%	1,899	+64%

※ 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 March 31, 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.

Media Contact

SK Hynix Inc.

Public Relations

Assistant Manager

Hyun Kyung Olivia Lee

Phone: +82.31.8093.4771

E-Mail: hyunkyung14.lee@sk.com

Assistant Manager

Heeyoung Son

Phone: +82.31.8093.4719

E-Mail: heeyoung.son@sk.com