

Exhibit 17

SEC (Handset) (005930.KS)

Comment

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With Nokia, RIM, and HTC tumbling, SEC surging

SEC to post better-than-expected 2Q11 smartphone shipments of 19.3mn

- In 2Q11, Samsung Electronics (SEC) is forecasted to ship 73.2mn handsets, slightly topping our original estimates. On solid sales for both the ‘Galaxy S’ series and its mid-tier smartphone series, the company will likely post 2Q11 smartphone shipments of 19.3mn, exceeding our estimate of 17mn. We attribute the higher sales of ‘Galaxy S2’ to: 1) advanced specifications; 2) software stabilization; and 3) Nokia’s weakened market position and the delayed roll-out of the ‘iPhone 5’.
- We believe product mix improvements at the handset division are progressing faster than expected: The division should record a 2Q11 smartphone portion of 26%—higher than 20% for the first time in its history.
- In 2Q11, SEC is expected to compete with Nokia for the top spot in smartphone shipments, and is anticipated to further widen the gap with HTC in terms of ‘Android’ phones.

While 2Q11 global smartphone demand remains strong, highly volatile market share change being seen among vendors

- Following Nokia, RIM and HTC recently revised down their smartphone shipment estimates.
- We attribute these downwardly revised shipment estimates to the strengthened marketing of SEC, Apple, LG Electronics (LGE) and Chinese vendors (ZTE and Huawei) rather than decreased global smartphone demand.
- Accordingly, we maintain our 2011 global smartphone shipment estimate of 460mn units. We believe the strong demand for smartphones will be driven by the spread of notebook demand to smartphones on consumers’ weakened purchasing power.

SEC’s handset division to lower volatility in SEC’s earnings in 2Q11

- We originally expected SEC’s handset division to post lower operating margin in 2Q11 than in 1Q11, noting increased marketing expenses and slow sales for ‘Galaxy Tab’; however, thanks to rapid product mix improvement backed by an increasing smartphone portion, we revise up our 2Q11 operating margin estimate for the handset division from 12% to 14%.
- The handset division’s operating profit in 2Q11 is expected to grow to W1.5tn, exceeding the previous estimate of W1.3tn by 16%—we believe the division will lower the volatility in SEC’s earnings in 2Q11.