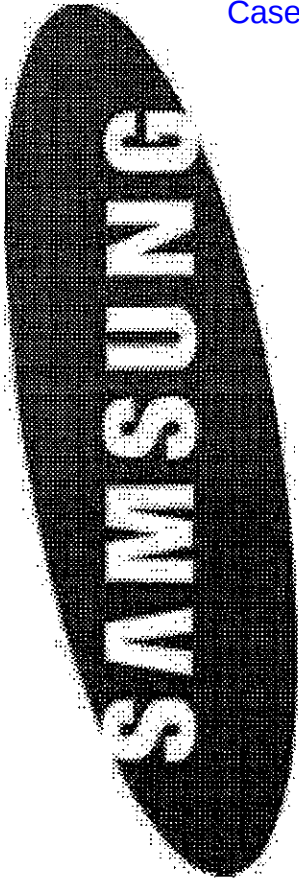


EXHIBIT 3



STA COMPETITIVE SITUATION PARADIGM SHIFT

HQ CFO

PLAINTIFF'S EXHIBIT NO. 60
United States District Court
Northern District of California
No. 11-CV-01846-LHK (PSG)
Apple Inc. v. Samsung Elecs.
Date Admitted: _____ By: _____

Owner	Justin Denison
Document Revision	V-8.2
Effective Date	16 FEB 2012
Retention	5 Years
Security Policy	

Top Secret

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AGENDA

2011 Business Summary

Market Situation / Lessons Learned

Paradigm Shift

2012 Business Outlook

Discussion



2011 BUSINESS SUMMARY



SLIDE 4 of 31

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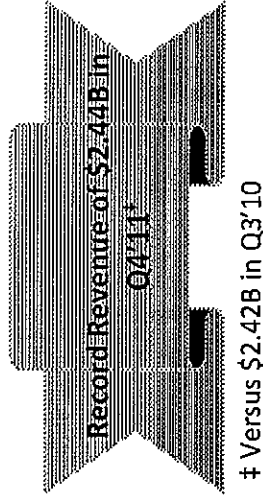
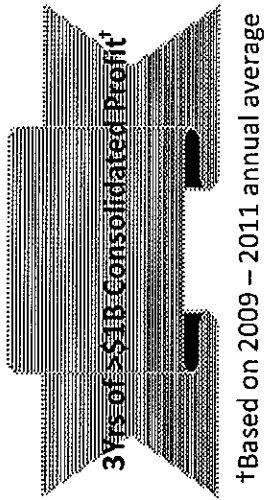
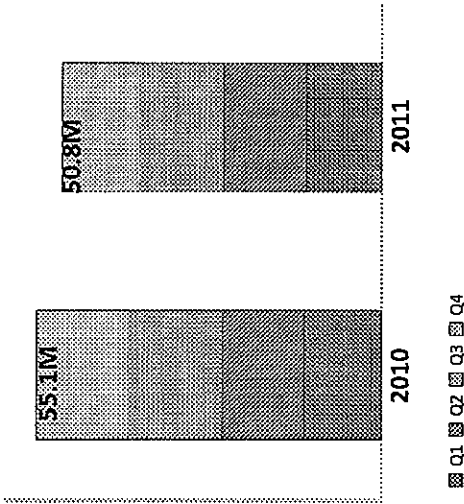
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STAMISSED EXPECTATIONS RELATIVE TO APPLER BUT DID REACH KEY MILESTONES

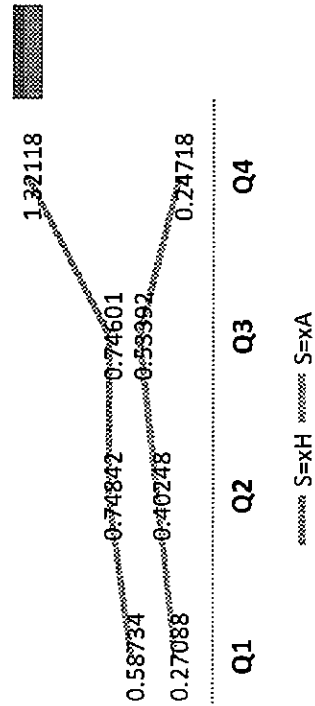
Revenue up 6% YoY

\$8.0B \$8.5B

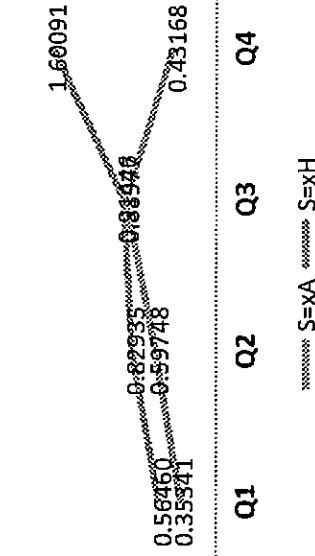
Volume down 8% YoY



2011 SAM S/P Revenue Ratio



SAM v. Apple Rev (S/P and Tablets)



2011 SAM S/P Volume

† S/T Revenue
 SLIDE 5 of 31

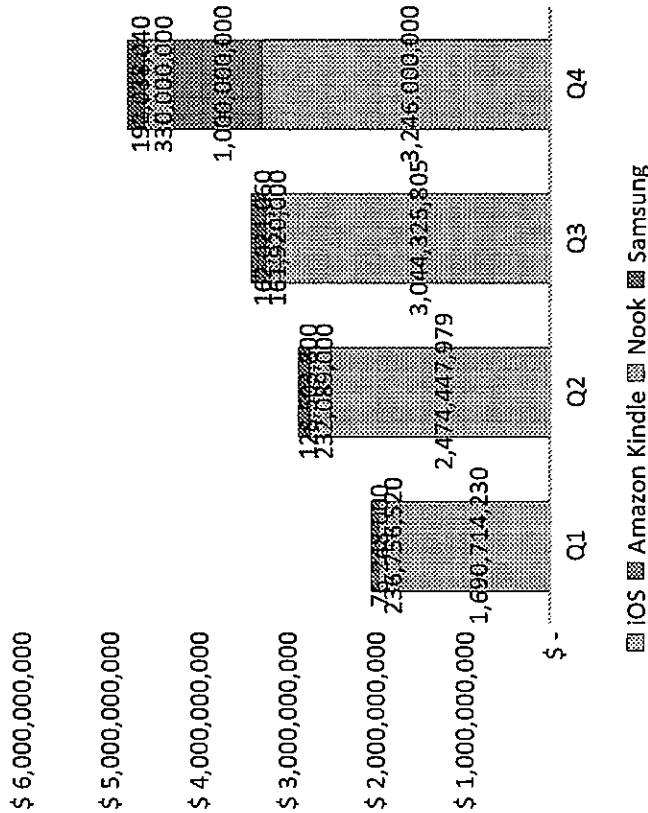


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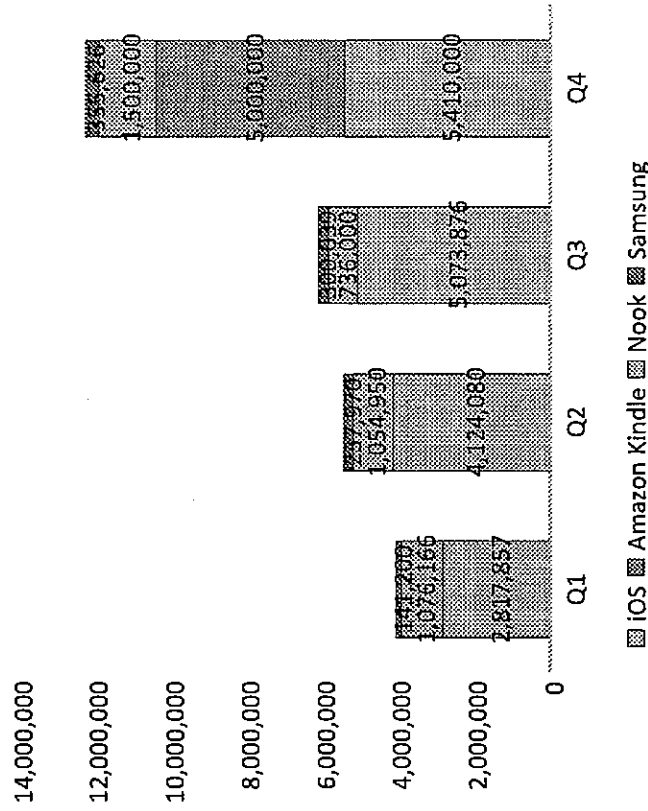
IN 2011 GALAXY TABLETS FACED STRONG COMPETITION FROM BOTH THE HIGH END IPAD AND LOW TIERED FIRE/NOOK.

Tablet Revenue



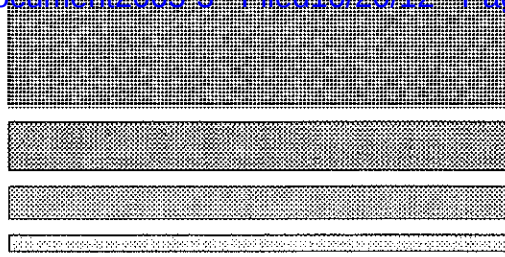
The continued success of the iPad as well as the introduction of the lower end tablets such as the Kindle Fire and Nook tablet has created a highly competitive Tablet market.

Tablet Volume



*2011: 660K STA 380K SEA





MARKET SITUATION

LESSONS LEARNED



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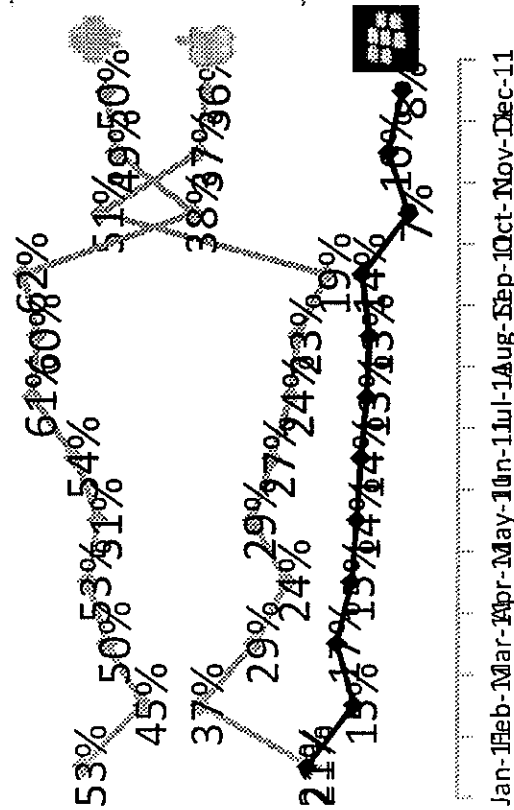
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CONSOLIDATION AROUND TWO OS PLATFORMS. US MARKET BECOMING A TWO HORSE RACE BETWEEN APPLE AND SAMSUNG.

Android & iOS Becoming The Only Relevant OS platforms

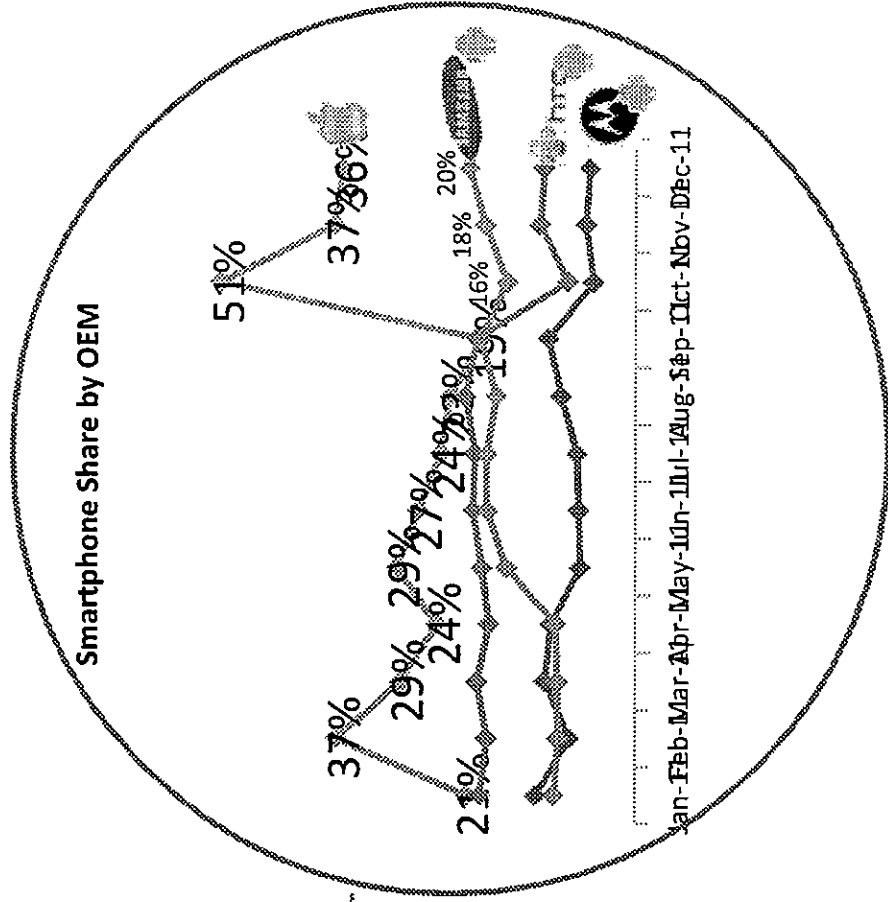
Smartphone Sell-thru Share by OS



Source: STA SMART system (BP, Acct teams),

Three Horse Race becoming at Two Horse Race Between Apple & Samsung

Smartphone Share by OEM



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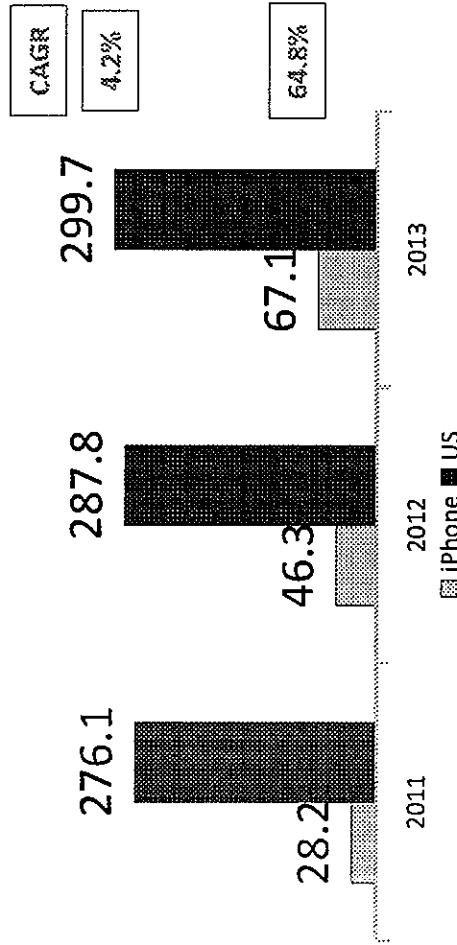
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APPLE CONTINUES TO SHOW SALES GROWTH DUE TO STRONG LOYALTY, CARRIER AGREEMENTS AND DOMINANT RETAIL PRESENCE

iPhone Subscribers Could Potentially Represent ~25% of the Entire US Install Base in 2 Years

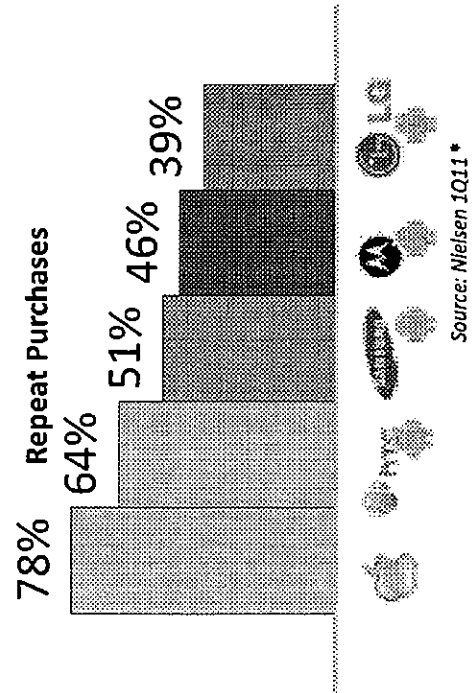


Carrier Contractual Commitments (or De Facto Spend) for iPhone are Significant

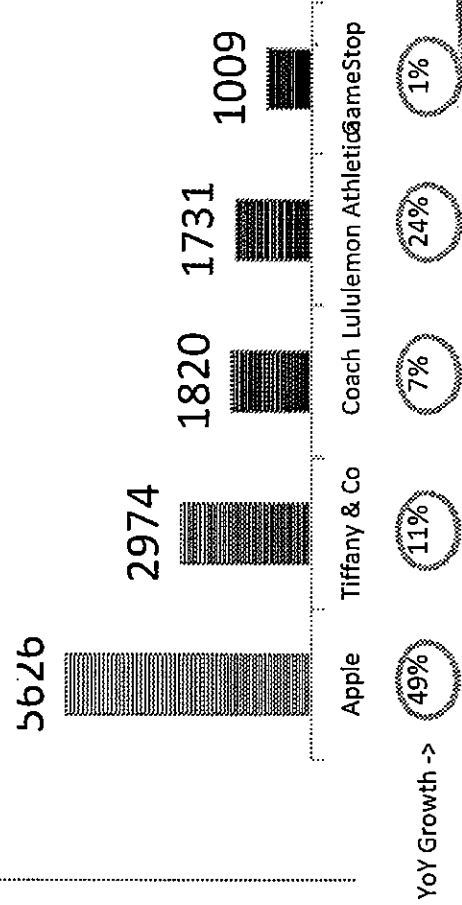
Year	2011	2012E	2013E	2014E	2015E	Total
Sprint	\$0.6B	\$4.1B	\$4.1B	\$4.1B	\$2.6B	\$15.5B
Verizon	\$5.6B	\$8.5B	\$8.5B	\$8.5B		\$31.1B
AT&T	\$8.9B	\$10.4B	\$10.4B	\$10.4B	\$10.4B	\$50.5B

Sources: Sprint reported \$15.5B contractual 4 year commitment to Apple
Verizon annual report indicated \$54.6B in purchase obligations of which majority is likely iPhone
ATT: STA estimate

iOS Loyalty Remains Strongest Among OEMs



Apple Leads all U.S. Retailers in Annual Sales / Sq Ft



CARRIER CONTRACTUAL AGREEMENTS FOR IPHONE PURCHASES ARE SIGNIFICANT MULTI-BILLION DOLLAR OBLIGATIONS

Carrier Contractual Commitments for iPhone are Significant \$ Obligations

2011	2012E	2013E	2014E	2015E	Total
\$0.6B	\$4.1B	\$4.1B	\$4.1B	\$2.6B	\$15.5B
\$5.6B	\$8.5B	\$8.5B	\$8.5B		\$31.1B
\$8.9B	\$10.4B	\$10.4B	\$10.4B	\$10.4B	\$50.5B



Sources:

Sprint reported \$15.5B contractual 4 year commitment to Apple
 Verizon annual report indicated \$54.6B in purchase obligations of which majority is likely iPhone
 ATT: STA estimate



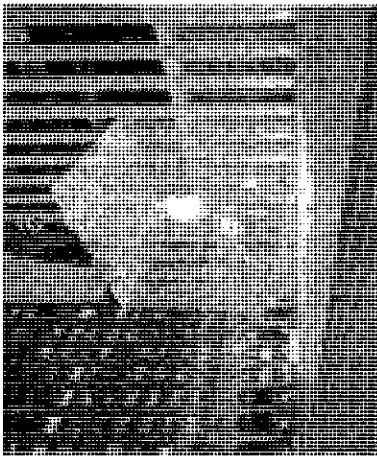
IMPLIED Carrier Contractual iPhone Unit Commitments (& estimated M/S)

2011	2012E	2013E	2014E	2015E	Total
1.0 (6%)*	7.5 (40%)	7.5 (40%)	7.5 (40%)	5.5 (16%)*	29.0M
10.0 (23%)*	15.8 (35%)	15.8 (35%)	15.8 (35%)		57.4M
16.7 (35%)	19.2 (35%)	19.2 (35%)	19.2 (35%)	19.2 (35%)	93.5M

* Estimated unit commitment and M/S do not span the full calendar year
 ** Sprint M/S assumes only Sprint branded, not Boost, VM



APPLE HAS A SIGNIFICANT RETAIL PRESENCE IN THE US

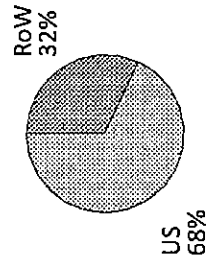


Apple Retail

US Points of Presence for Apple

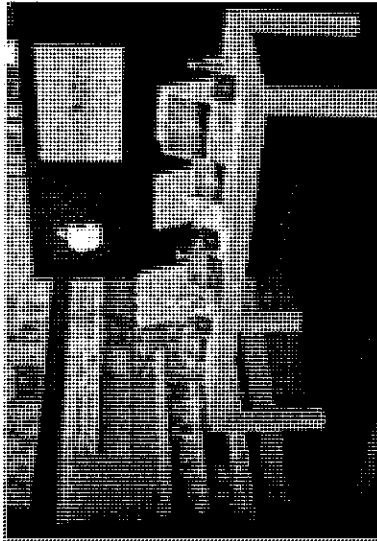


2011 Apple Store Regional (US vs RoW)



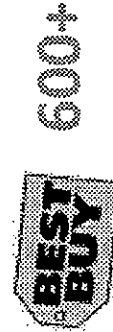
Source: Internet, STA account teams
Carrier stores include COR + dealer-agent (carrier branded)

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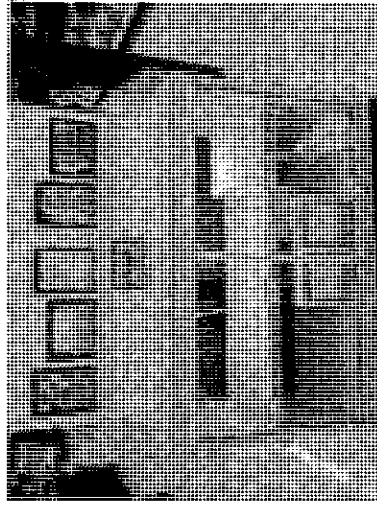


Store in Store

US Points of Presence for Apple

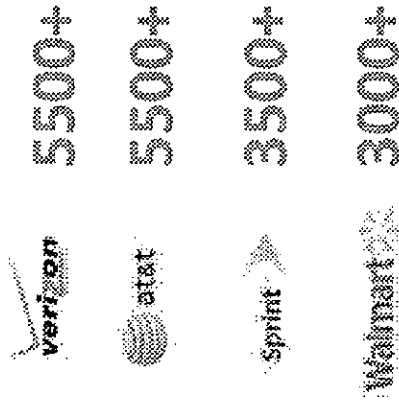


TARGET 25 (Pilot)



Dedicated "Shelf" Space

US Points of Presence for Apple



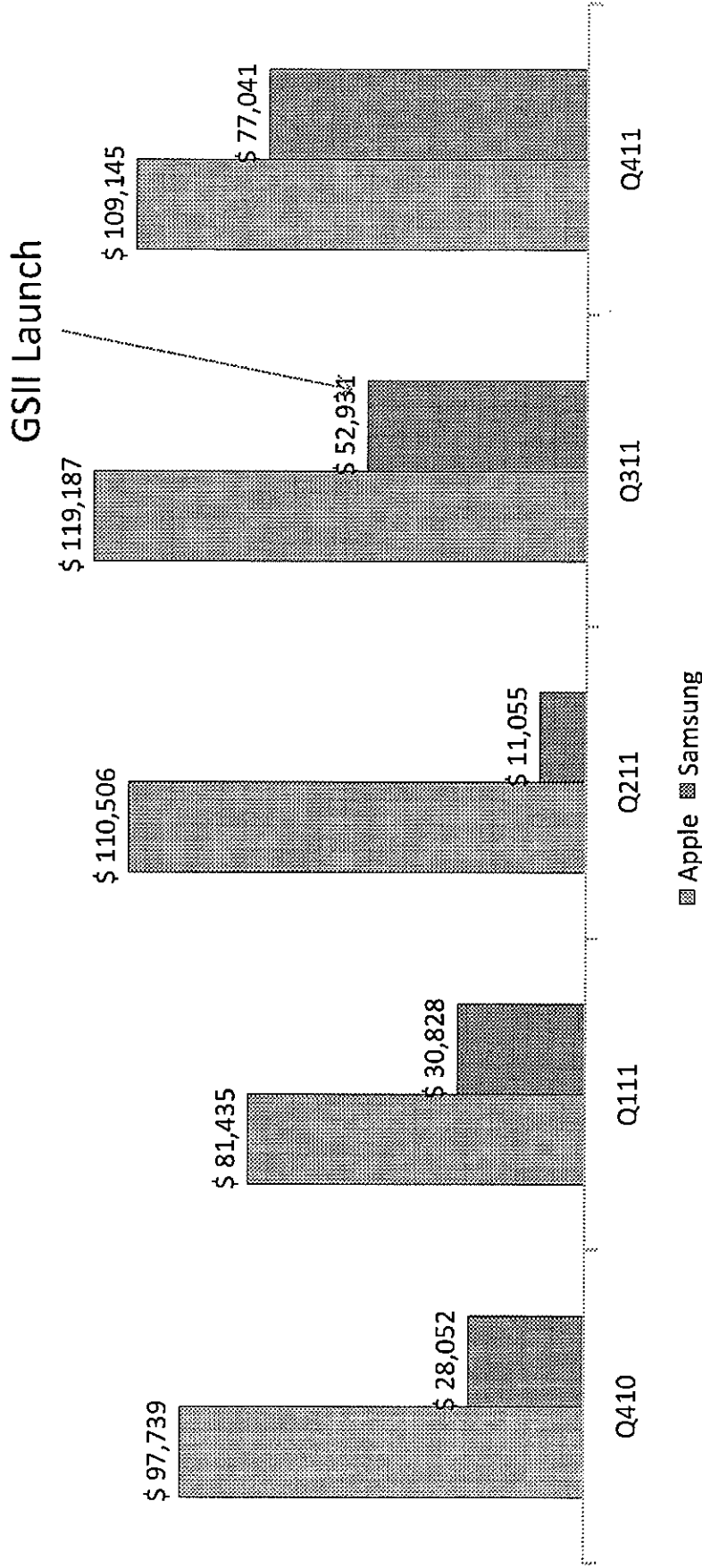
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MEANWHILE APPLE CONTINUES TO SPEND HEAVILY FOR "ALWAYS-ON" PRESENCE. SAMSUNG DID NOT CONSISTENTLY INVEST HEAVILY IN MEDIA UNTIL Q3 2011.

Quarterly OEM Spend (\$M)



Source: CompetiTrack

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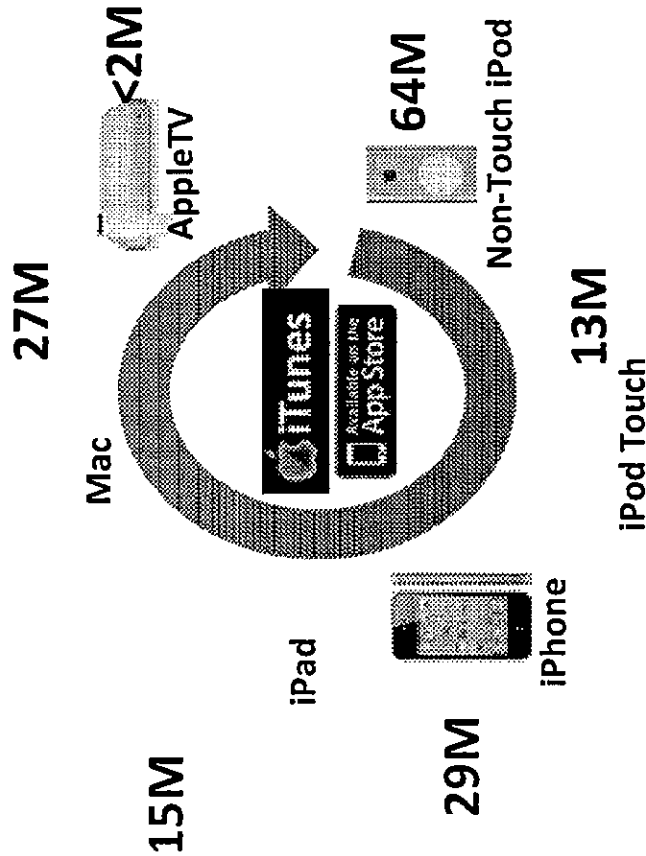
SLIDE 12 of 31

APPLE U.S. INSTALLED BASE STRONG, WITH HIGH LEVELS OF CO-OWNERSHIP WITHIN IOS

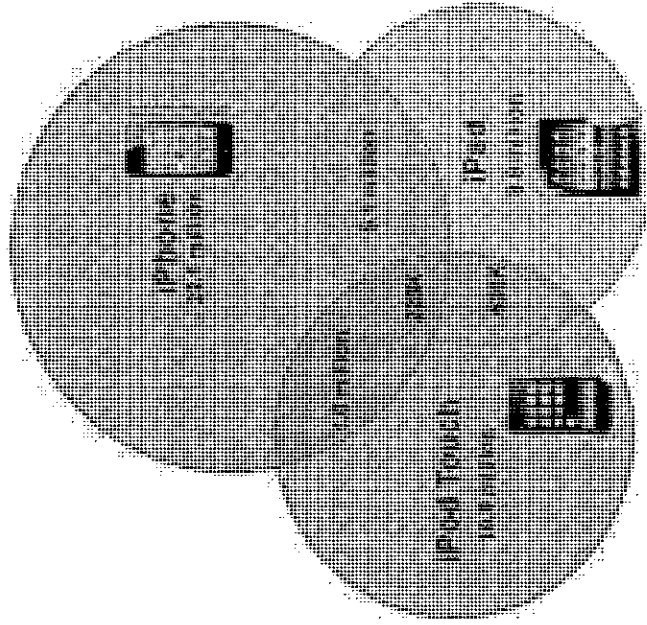
150M Apple collective U.S. device installed base

49M unique iOS users*

- Each iOS user spends over \$100 on content & apps
- Avg of 83 app downloads per user in 2011
- 18% of apps are paid at an average price of \$1.44



51M Total iTunes Users in the U.S. (1 in 4 internet users)



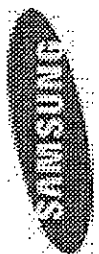
- 59% own an iPhone
- 27% own an iPod Touch
- 30% own an iPad

Sources: Comscore, Apple, Pew Internet Research, NPD, STA Analysis

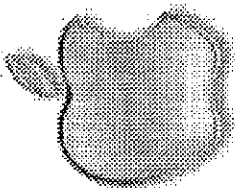
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CARRIER COMMITMENTS AND CONSUMER DEMAND RESULTED IN RECORD CALENDAR 4Q11 RESULTS FOR APPLE: 37M GLOBAL SELL-IN

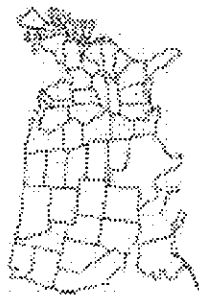


Jan 24, 2012:

Apple reported C4Q11 global sell-in shipments: **37.04M**

Analyst community expecting globally 30M – 35M

No Apple-reported U.S. sell-in numbers

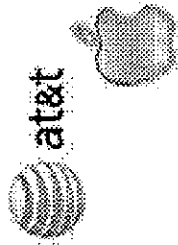


Jan 24, 2012:

VZW reported 4Q11 iPhone activations: 4.3M

Activations > sell-thru

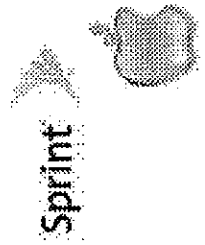
Estimated 4Q11 VZW iPhone sell-thru: **3.9M**



Jan 26, 2012 (4Q11 Earnings):

Estimated 4Q11 ATT iPhone sell-thru: **~7.0M**

12.9M
US iPhone
Sell-Thru
4Q11

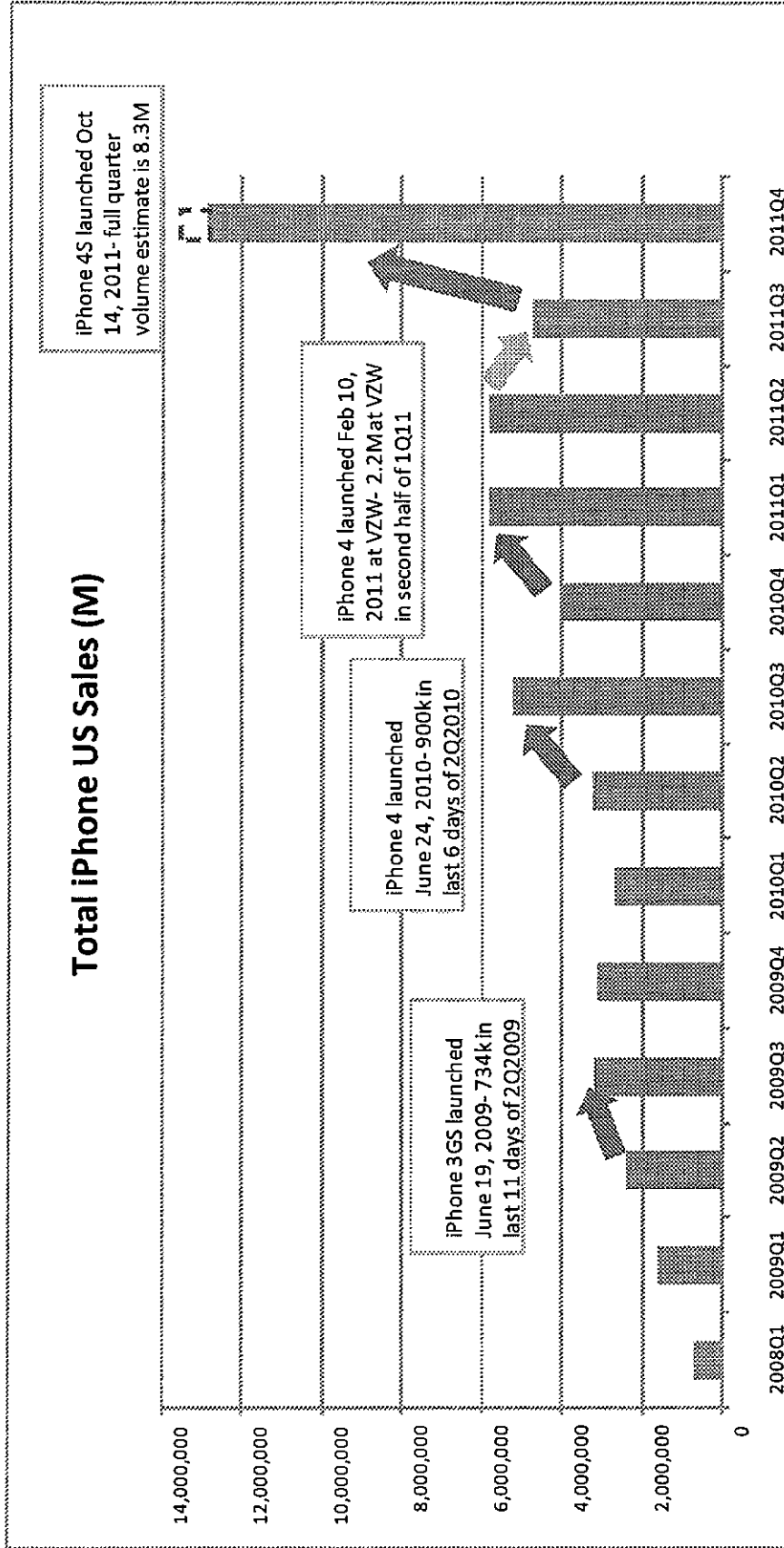


Feb 8, 2012 (4Q11 Earnings):

Estimated 4Q11 SPR iPhone sell-thru: **~2.0M**



A COMBINATION OF FACTORS DROVE 4Q11 US IPHONE UPSIDE



1. Typical spike for launch quarter (see green arrows)
 - Same phenomenon exhibited for 4S launch, except launch quarter delayed to 4Q instead of typical 3Q
2. Pent up consumer demand
 - 3Q11 (the quarter before the iPhone 4S launched...see grey arrow) saw depressed units as consumer delayed upgrades
3. SKU expansion
 - iPhone went from 2 SKUs in 4Q10 to 7 SKUs in 4Q11
4. Distribution expansion
 - 3 main distribution points (ATT, Apple store, Nat'l Retail) in 4Q10 -> 5 points (ATT, VZW, Sprint, Apple, Nat'l Retail) in 4Q11

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BY 4Q12, IPHONE EXPECTED TO BE AVAILABLE ACROSS FOUR MAJOR US CARRIERS, AT ALL PRICE POINTS

4Q11 1Q12 2Q12 3Q12 4Q12

\$399

iPhone 4S 64GB



at&t
verizon
Sprint

ASP: \$680
R/P: \$399
Sub: \$281

\$299

iPhone 4S 32GB



at&t
verizon
Sprint

ASP: \$600
R/P: \$299
Sub: \$301

\$199

iPhone 4S 16GB



at&t
verizon
Sprint

ASP: \$520
R/P: \$199
Sub: \$321

\$99

iPhone 4 8GB

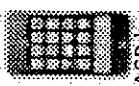


at&t
verizon
Sprint

ASP: \$440
R/P: \$99
Sub: \$341

FREE

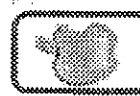
iPhone 3GS 8GB



at&t

ASP: \$360
R/P: \$0
Sub: \$360

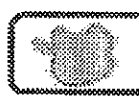
iPhone 5 64GB



at&t
verizon
Sprint

ASP: \$680
R/P: \$399
Sub: \$281


iPhone 5 32GB



at&t
verizon
Sprint

ASP: \$600
R/P: \$299
Sub: \$301


iPhone 5 16GB



at&t
verizon
Sprint

ASP: \$520
R/P: \$199
Sub: \$321


iPhone 4S 8GB



at&t
verizon
Sprint

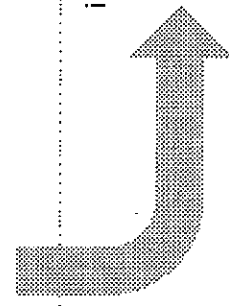
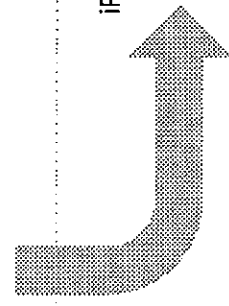
ASP: \$440
R/P: \$99
Sub: \$341

iPhone 4 8GB



at&t
verizon
Sprint

ASP: \$360
R/P: \$0
Sub: \$360

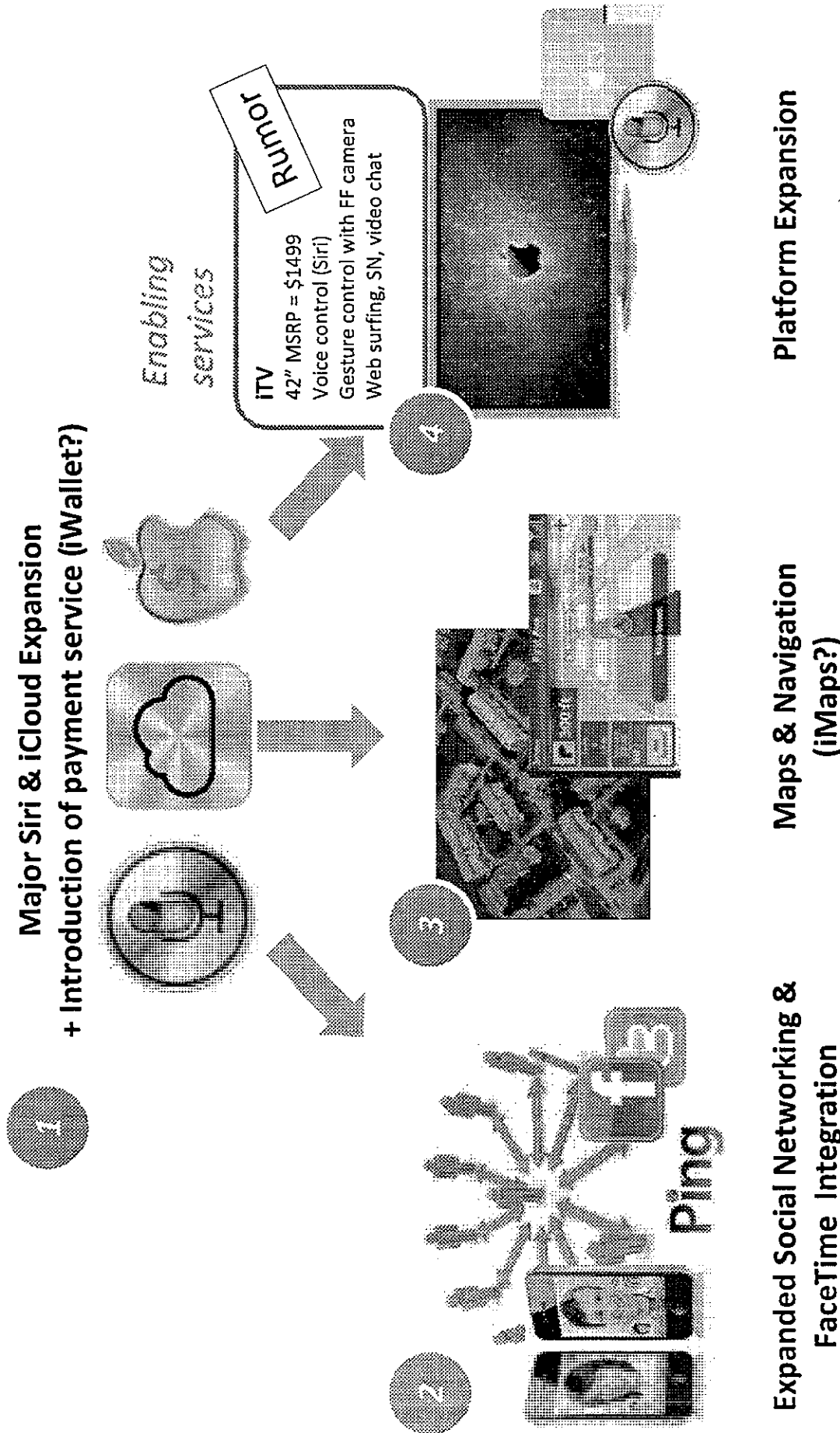


Source: STA est for ASP based on unlocked price of \$849/\$749/\$649 and 20% markup
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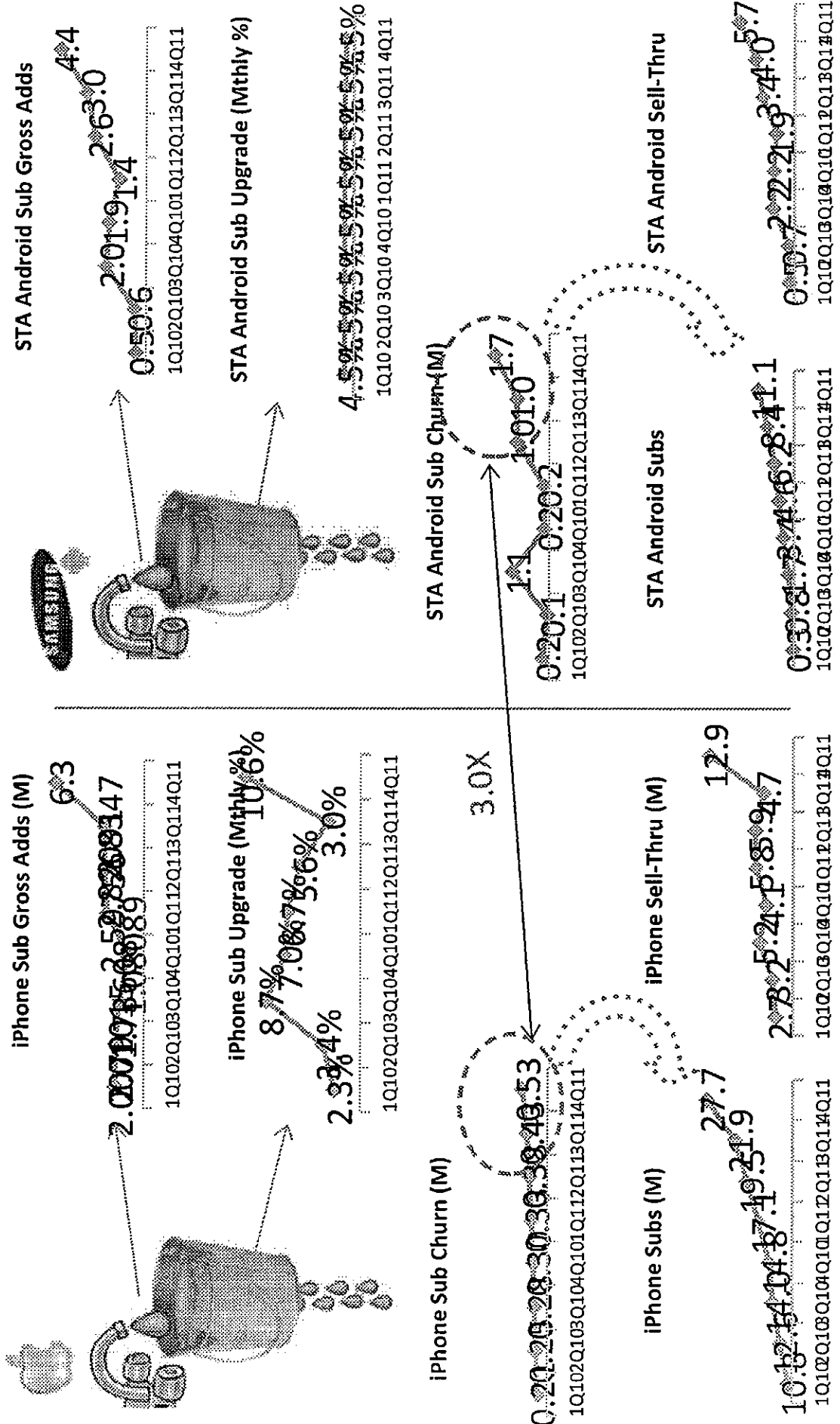
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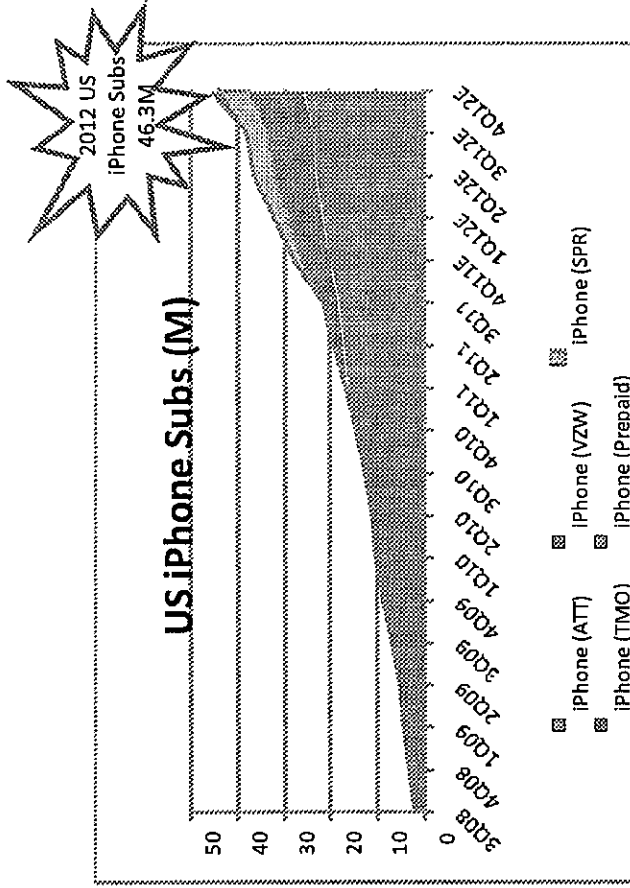
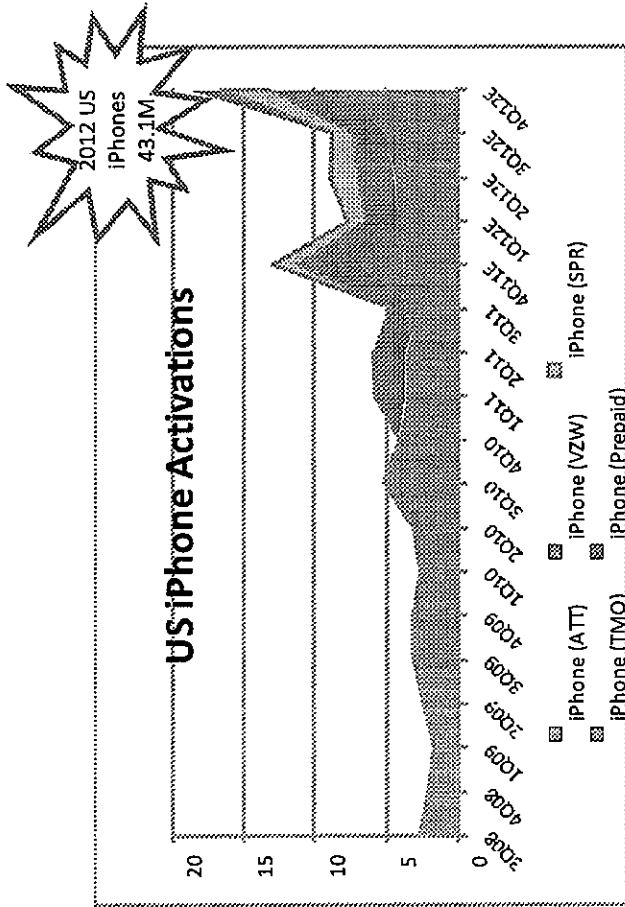
APPLE'S NEXT PLATFORM LAUNCH WILL CONTINUE TO ATTRACT AND RETAIN CONSUMERS THROUGH TV LAUNCH AND SERVICES EXPANSION/INTEGRATION



APPLE MARKETING, PORTFOLIO EXPANSION AND PLATFORM EVOLUTION RESULTING IN VERY STICKY / LOYAL SUBSCRIBERS



APPLE SUBSCRIBER TRAJECTORY MAY RESULT IN APPLE OVERTAKING SAMSUNG'S ENTIRE US INSTALL BASE BY YE2013



	2010	2011	2012E	2013E
Subs* (YoY %)				
iPhone	14.8	28.2 (91%)	46.3 (64%)	67.1 (45%)
SAM Total	58.1	59.8 (3%)	61.6 (3%)	63.4 (3%)
SAM Smart	5.0	11.4 (128%)	TBD	TBD

*iPhone subs per STA est; SAM subs per comScore

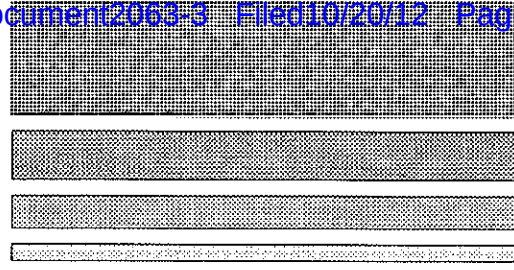
US iPhone subscriber base possibly overtaking Samsung total US install base by 2013



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STA MUST EXECUTE A PARADIGM SHIFT TO WIN



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STA IS FOCUSED ON OVERCOMING 2011 CHALLENGES IN PURSUIT OF A REMARKABLE 2012 PERFORMANCE

2011 Challenge

Galaxy brand too weak to create sufficient 'pull' and sustain S-P sales

(20 point gap in preference in 8 Key markets)

Samsung **not winning** the 'Last Three Feet' of retail

(Recommendation Rate in ATT is 71% for A and 18% for Samsung)

Insufficient sales and brand ROI achieved with **channel-dominant** marketing spend

Significant **lost sales** due to **late product** launch and **poor quality**

(30+ delayed launches in 2011)

2012 Strategy

STA to **expand Galaxy branding** and re-focus marketing investment accordingly

Improve retail presence of Galaxy devices and create **shop-in-shop** experience

Shift marketing investment strategy towards **brand-building** and **online** initiatives

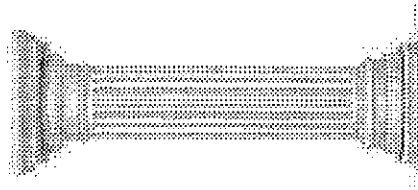
Focus resources on flawless launch execution and **improve coordination** of **quality improvement** activities with HQ



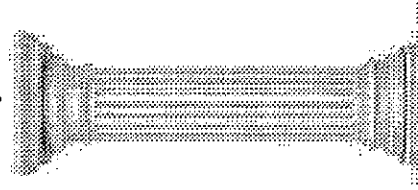
STA MUST LEAD A PARADIGM SHIFT TO CREATE THE VIRTUOUS CYCLE REQUIRED TO WIN THE HEARTS AND MINDS OF CONSUMERS & BEAT APPLE

Goal: Achieve position as most reliable/trusted Carrier supplier AND strategic brand partner

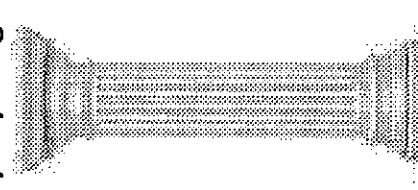
Drive Consumers to Stores



Optimize the Samsung Retail Experience

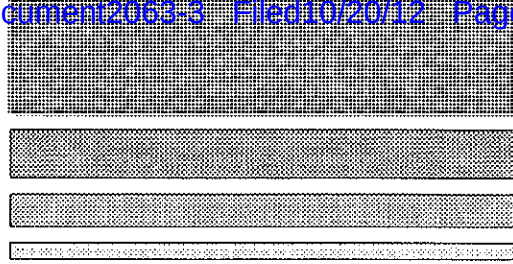


Launch a Dealer/Rep Loyalty Program



Tactics:

- Shift CDE to ATL
- Eliminate Contractual MDF
- Re-Focus MDF resources on 20% of Products



2012 BUSINESS OUTLOOK



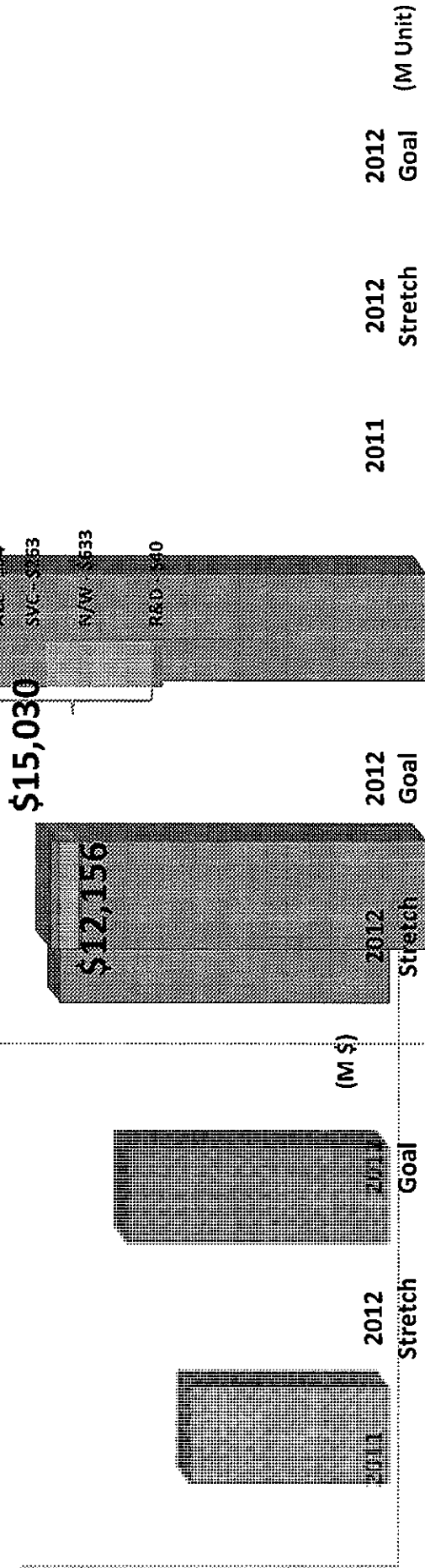
SLIDE 23 of 31

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STA IS TARGETING REMARKABLE GROWTH IN 2012 BUT MORE IMPROVEMENT NEEDED TO CLOSE REV GAP WITH APPLE

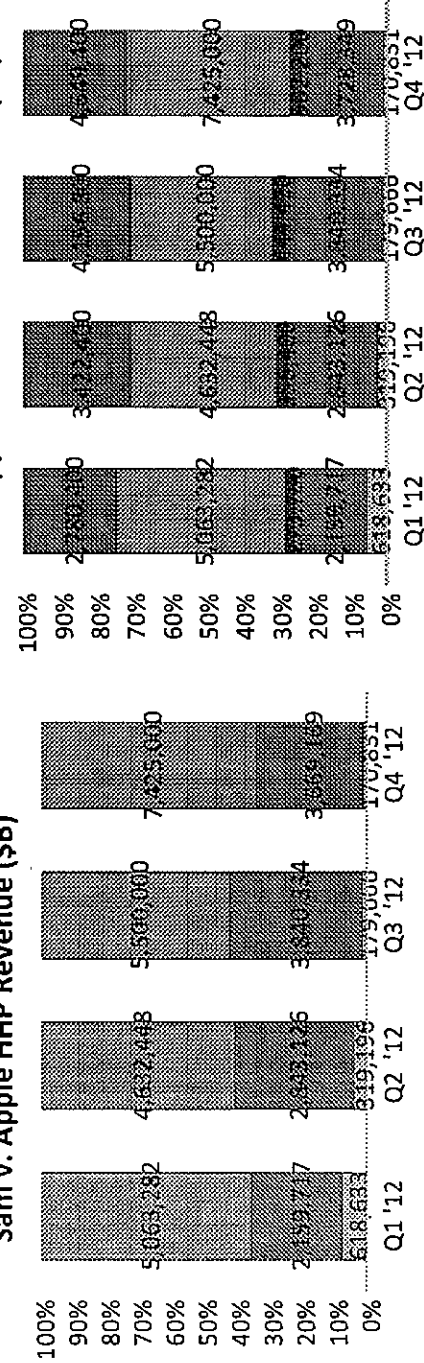
WE GEAR UP FOR 2012 WITH A STRONG FOCUS ON GROWTH AND INNOVATION



2012 Stretch 2012 Goal (M Unit)

* 2012 HHP TAM: 188M

Sam v. Apple HHP + Tablet Revenue (\$B)



Legend: SAM N/S, SAM Smart, Sam Tab, Apple, Apple iPad

* 2012 SAM Tot Rev: \$15.4B
 2012 Apple Tot Rev: \$37.6B

STA Goals in 2012

- Grow ASP: to ~\$233
- Grow Share: to >30% S-P share
- Grow \$ Share: to >27% (+9% points YoY)
- Beat Apple: Q2'11 (volume basis)
- Double Profit: >\$2B consolidated profit (at 15% profit rate)



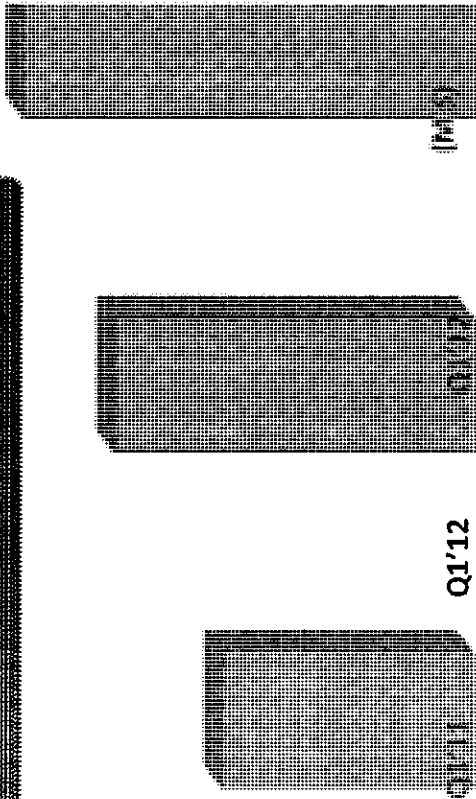
SLIDE 24 of 31

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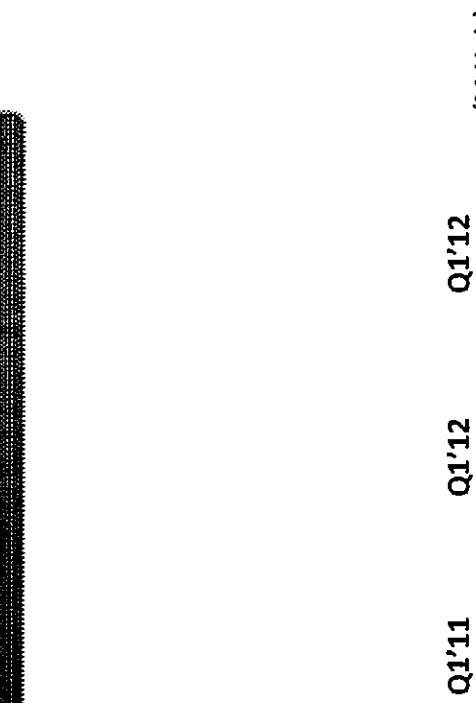
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1Q STARTED VERY SLOWLY BUT BUSINESS HAS SHOWN MARKED IMPROVEMENT IN WKS 5-6

Goal: Revenue Increase of 7.5% YoY



Goal: Volume Increase of 17% YoY



(M Unit)

Achieve REVENUE of \$2.3B (+33% YoY)

Shift spend to MDF/AOL, Reduce overall spend to 12.2%

‡ MDF = 7.4%; CDE = 4.8%;

Achieve VOLUME of 11.0M U (+7.4% YoY)

Grow the Galaxy Brand

† Tracking at ~ S = 2H; Working towards S=3H

* Note and GSII Campaigns

Re-launch/emphasize current products as Galaxy

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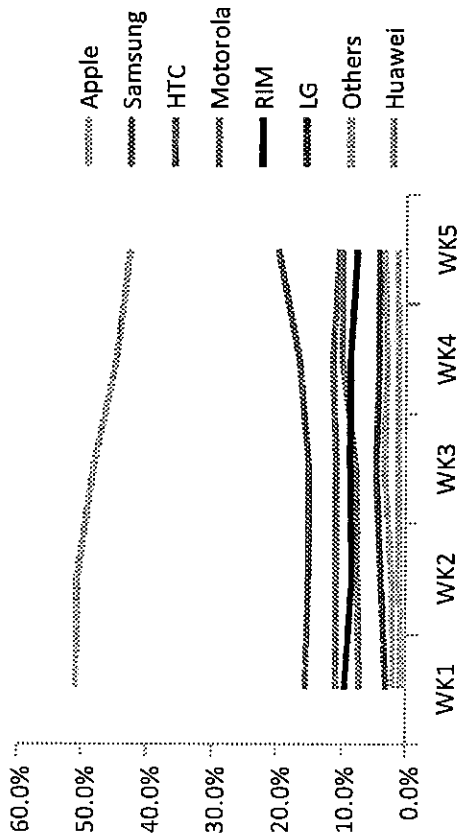
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SLIDE 25 of 31

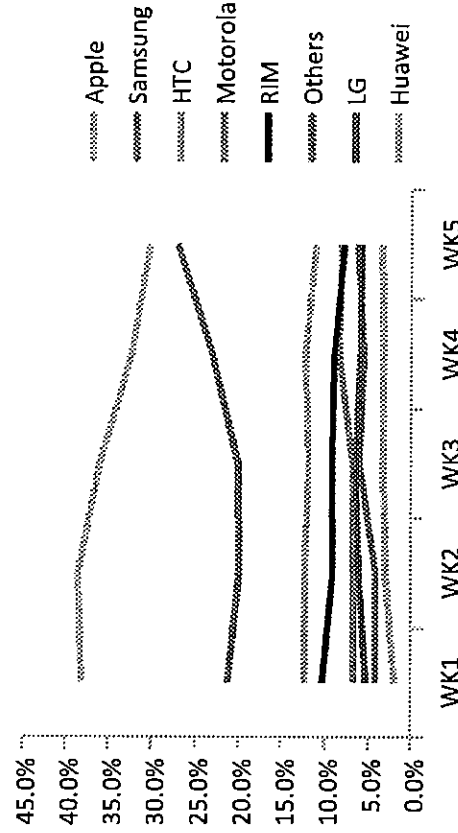


1Q STARTED VERY SLOWLY BUT BUSINESS HAS SHOWN MARKED IMPROVEMENT IN WKS 5-6

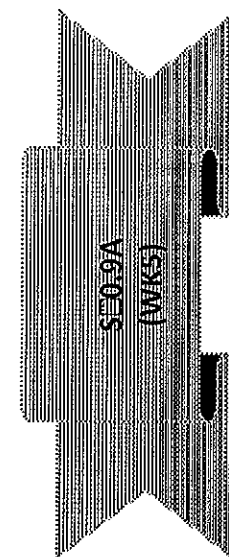
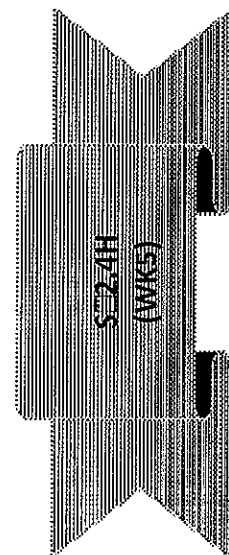
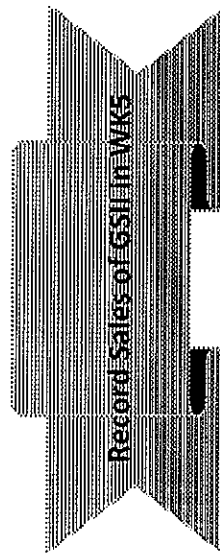
STA Reached 20% of GSII in Wks 5-6



STA Reached 35% of GSII in Wks 5-6



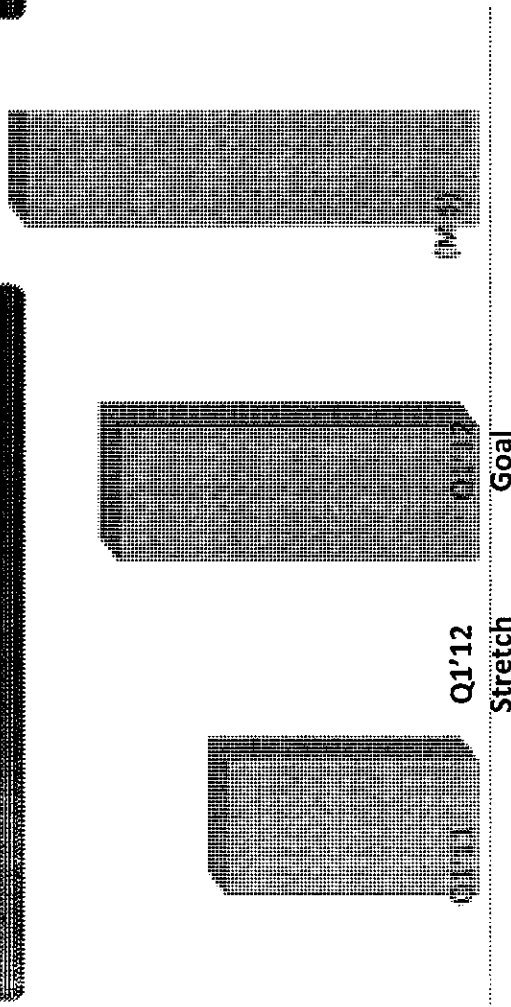
Source: STA S/P Tracker



1Q STARTED VERY SLOWLY BUT BUSINESS HAS SHOWN MARKED IMPROVEMENT IN WKS 5-6

Goal: Revenue Increase of 7.9% YoY

Goal: Volume Increase of 12% YoY



Q1'11 Q1'12 Stretch Q1'12 Goal (M Unit)

Achieve REVENUE of \$2.3B (+33% YoY)

Achieve VOLUME of 1.0MU (+7.4% YoY)

† Tracking at ~ S = 2H; Working towards S=3H

Shift spend to MDF/ATE. Reduce overall spend to 12.2%

† MDF = 7.4 %; CDE = 4.8%;

* Note and GSII Campaigns

Re-launch/emphasize current products as Galaxy

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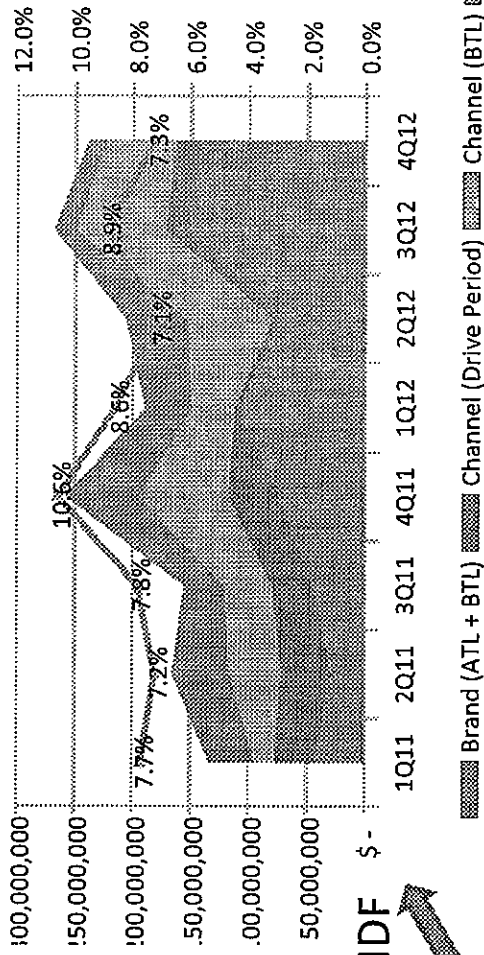
TOP SECRET

SLIDE 27 of 31

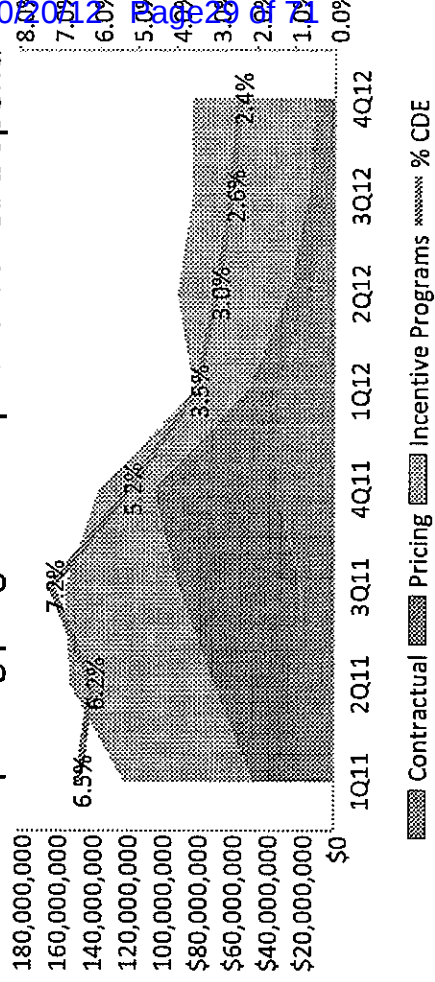


STA SPEND IS RAPIDLY ALIGNING WITH THE NEW PARADIGM WHILE REDUCING SPEND RATIO BY >25% YOY

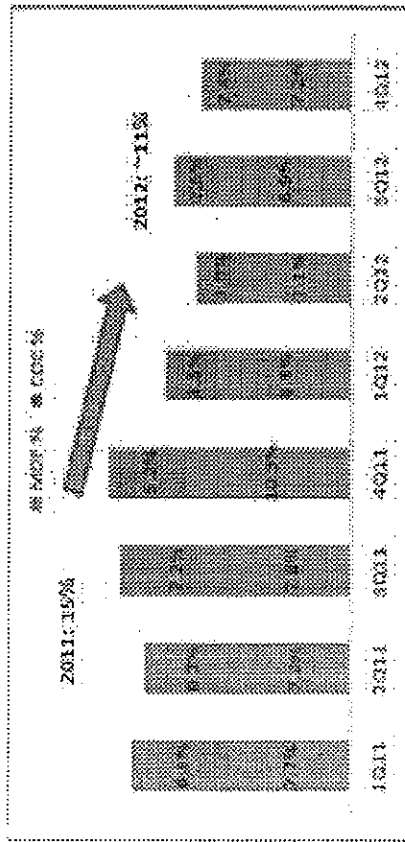
In Q1'12, STA increased Brand spend by 2% points while decreasing Channel spend by 2%



In Q1'12, process improvements and decrease in pricing programs helped lower CDE spend



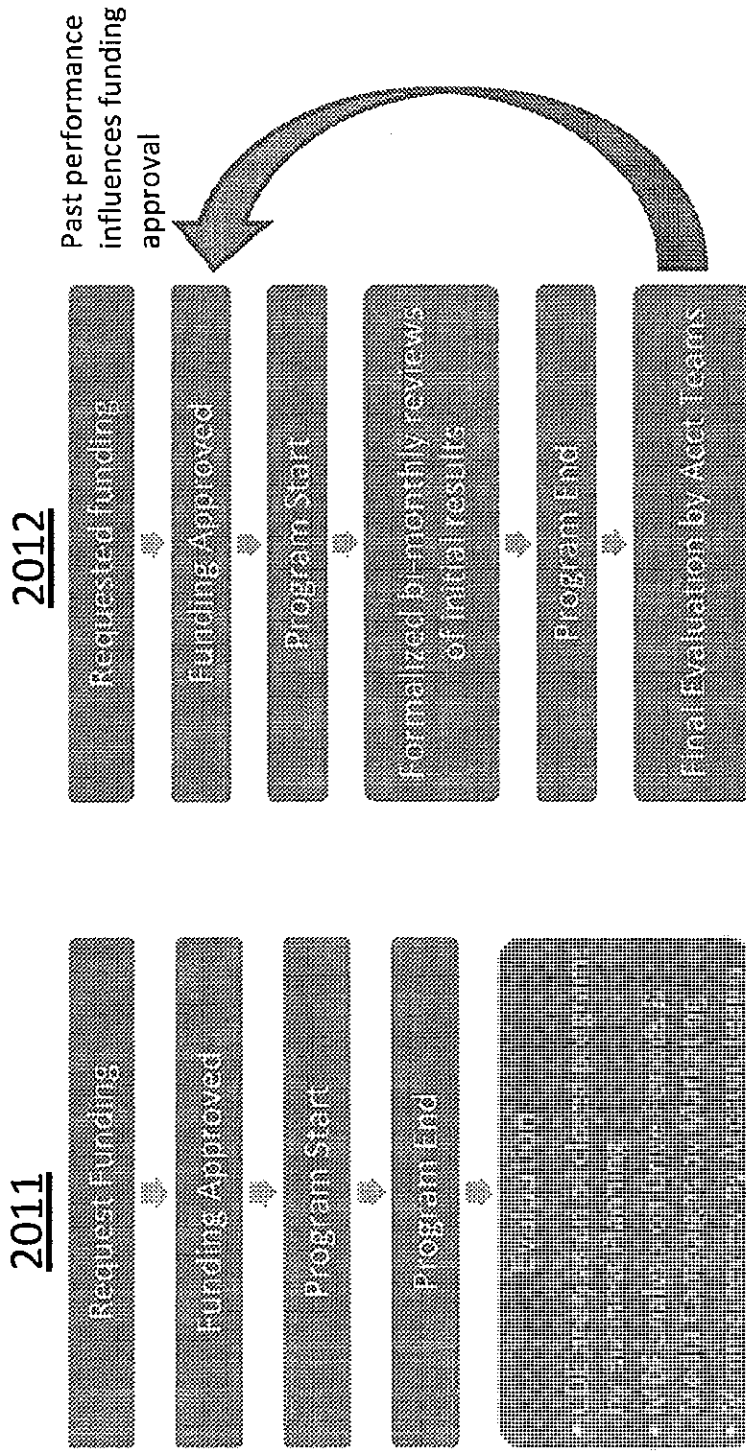
In Q1'12 STA is on track to achieve ~2.5% reduction in total spend (~12.1% vs. 14.6%)



In Q2'12 STA will target further reduction of spend (<11% vs. 13.4%)



FOR MDF/CDE SPEND MANAGEMENT, STA HAS INSTITUTED A NEW PROCESS TO BETTER EVALUATE PERFORMANCE AND IMPROVE 'LEARNING'



- Evaluation of past performance impact future approvals
- Increased quality of programs through competition for funding
- Formalized bi-monthly reviews of investment programs by Account Teams
 - Encourage accountability through performance influenced decisions
 - Drive improved performance by self evaluation
- All programs receive quantitative/qualitative review
 - Verify that strategic objectives are obtained
- Feedback for guiding future investment strategy

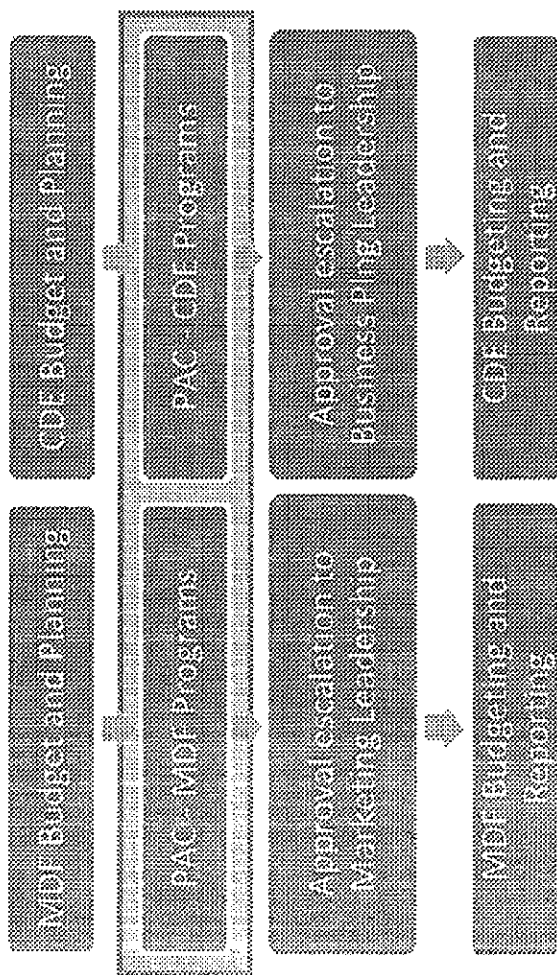
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BY COMBINING MDF/CDE MANAGEMENT PROCESSES AND INCLUDING FINANCE, RESULTANT SPEND IS BETTER ALIGNED WITH STRATEGY AND BUDGET

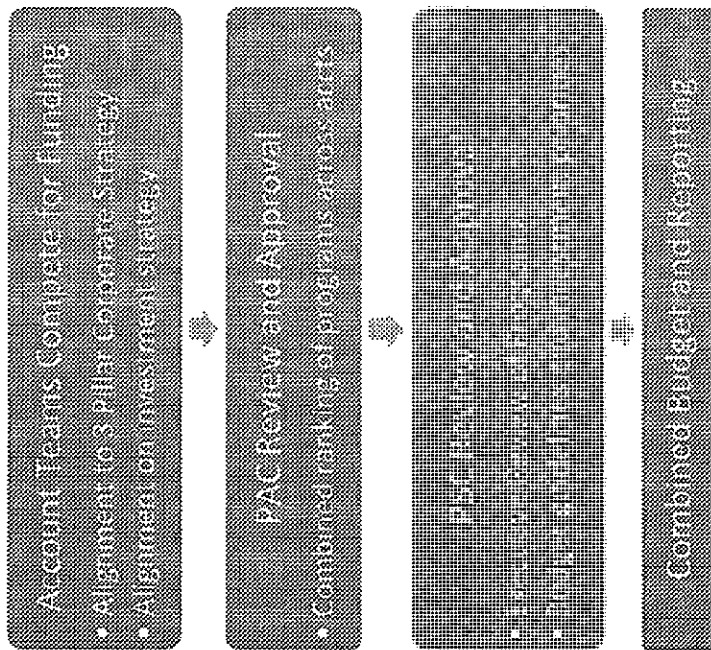
2011



Similar, but separate processes except for review at Program Approval Committee (PAC)

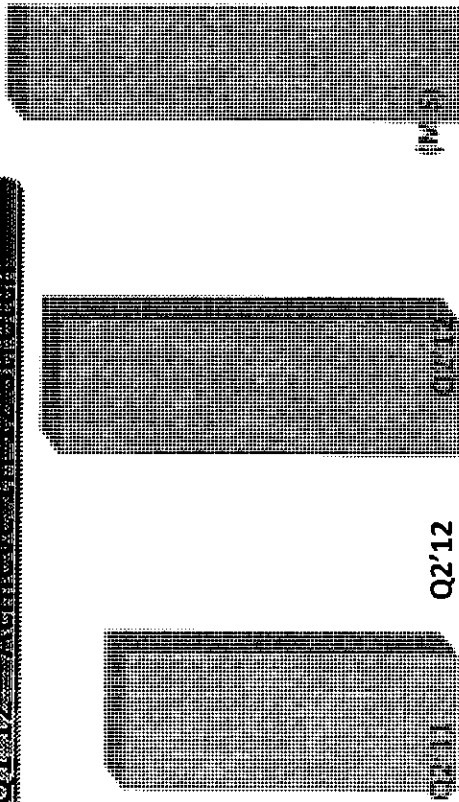
- PAC review now includes ranking of all programs prior to PSC review
- New PSC Review provides structured collective leadership oversight
 - Marketing
 - Business Planning
 - Finance (new)
- Consistent and combined investment reporting

2012



STA IS CURRENTLY FINALIZING Q2'12 SALE PLANNING – GOALS IS MEET STRETCH \$ TARGET FOR 1H'12

Goal: Recover Revenue Shortfall in Q1'12 - Achieve 1H'12 Stretch

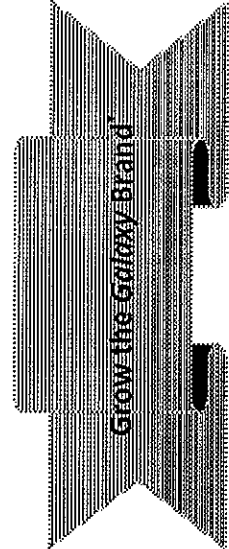
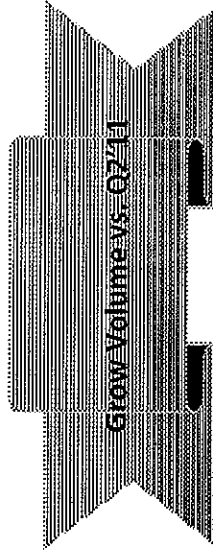
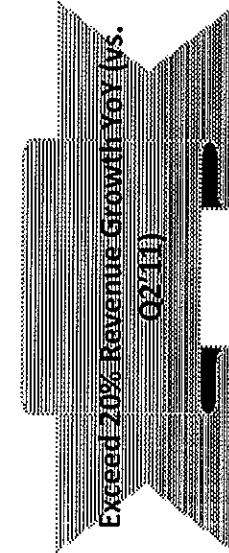


Goal: Grow Volume YOY versus Q2'11

Q2'11 Q2'12 Q2'12

Stretch Goal

(M Unit)



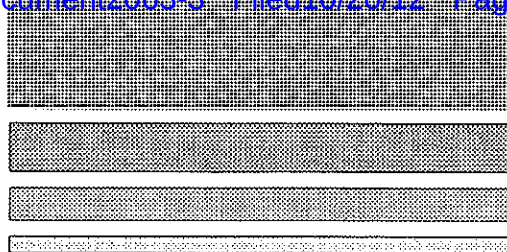
* Note and M Campaigns

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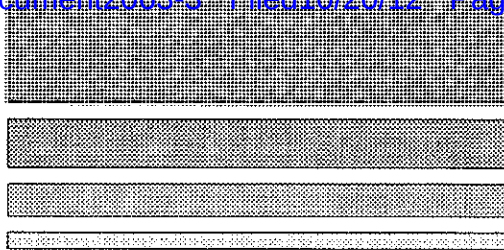
THANK YOU



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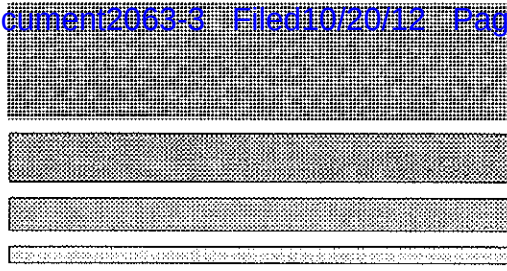


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APPENDIX

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PRODUCT BACKUP



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16 FEB 2012

LAUNCH CHALLENGES

32 of 39 projects were delayed in 2011 (82%) Tier 1 carriers

All carriers project = 65 (57 unique models, exclude color variants) & 100+ MRs

New Product Opportunity cost due to delays

YTD = 4.8 M units

YTD = \$1.494B

Carrier	Projects	Delayed Project		On time or Early	
		Completed (Weeks delayed)	On going	Completed (Num. Weeks saved)	
Verizon	8	6 (9.3W)	2	0	
Sprint	12	9 (7W)	1	2 (1.5W)	
AT&T	8	8 (7.75W)	0	0	
T-Mobile	11	9 (4.22W)	0	2 (1W)	
Sum	39	32 (7.1W)	3	4 (1.25W)	



HQ ANALYSIS OF GINGERBREAD UPGRADES SHOWED SAMSUNG ~3 MONTHS DELAYED VS. COMPETITORS

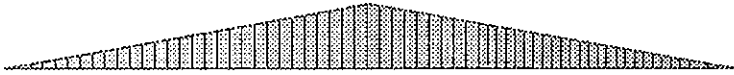
Android Platform Competitor Status: Gingerbread/Ice Cream Sandwich Upgrade

1) Gingerbread 업그레이드 현황 및 계획
 2) Ice Cream Sandwich 업그레이드 현황 및 계획
 3) HTC 업그레이드 예정 기기 현황

Competitor	Android	Android	Android	Android
HTC	HTC Droid EVO 4G HTC Droid Incredible 2 HTC Droid Incredible S HTC Droid Incredible X HTC Droid Incredible 2 S HTC Droid Incredible 2 X	HTC Droid Incredible 2 HTC Droid Incredible S HTC Droid Incredible X HTC Droid Incredible 2 S HTC Droid Incredible 2 X	HTC Droid Incredible 2 HTC Droid Incredible S HTC Droid Incredible X HTC Droid Incredible 2 S HTC Droid Incredible 2 X	HTC Droid Incredible 2 HTC Droid Incredible S HTC Droid Incredible X HTC Droid Incredible 2 S HTC Droid Incredible 2 X
Motorola	Motorola Droid RAZR V Motorola Droid RAZR V2 Motorola Droid RAZR V3 Motorola Droid RAZR V4 Motorola Droid RAZR V5 Motorola Droid RAZR V6	Motorola Droid RAZR V Motorola Droid RAZR V2 Motorola Droid RAZR V3 Motorola Droid RAZR V4 Motorola Droid RAZR V5 Motorola Droid RAZR V6	Motorola Droid RAZR V Motorola Droid RAZR V2 Motorola Droid RAZR V3 Motorola Droid RAZR V4 Motorola Droid RAZR V5 Motorola Droid RAZR V6	Motorola Droid RAZR V Motorola Droid RAZR V2 Motorola Droid RAZR V3 Motorola Droid RAZR V4 Motorola Droid RAZR V5 Motorola Droid RAZR V6
Samsung	Samsung Galaxy S Samsung Galaxy S II Samsung Galaxy S III Samsung Galaxy S IV Samsung Galaxy S V Samsung Galaxy S VI	Samsung Galaxy S Samsung Galaxy S II Samsung Galaxy S III Samsung Galaxy S IV Samsung Galaxy S V Samsung Galaxy S VI	Samsung Galaxy S Samsung Galaxy S II Samsung Galaxy S III Samsung Galaxy S IV Samsung Galaxy S V Samsung Galaxy S VI	Samsung Galaxy S Samsung Galaxy S II Samsung Galaxy S III Samsung Galaxy S IV Samsung Galaxy S V Samsung Galaxy S VI
Apple	Apple iPhone 2G Apple iPhone 3G Apple iPhone 3GS Apple iPhone 4 Apple iPhone 4S Apple iPhone 5	Apple iPhone 2G Apple iPhone 3G Apple iPhone 3GS Apple iPhone 4 Apple iPhone 4S Apple iPhone 5	Apple iPhone 2G Apple iPhone 3G Apple iPhone 3GS Apple iPhone 4 Apple iPhone 4S Apple iPhone 5	Apple iPhone 2G Apple iPhone 3G Apple iPhone 3GS Apple iPhone 4 Apple iPhone 4S Apple iPhone 5
BlackBerry	BlackBerry Torch 9630 BlackBerry Torch 9650 BlackBerry Torch 9670 BlackBerry Torch 9690 BlackBerry Torch 9710 BlackBerry Torch 9730	BlackBerry Torch 9630 BlackBerry Torch 9650 BlackBerry Torch 9670 BlackBerry Torch 9690 BlackBerry Torch 9710 BlackBerry Torch 9730	BlackBerry Torch 9630 BlackBerry Torch 9650 BlackBerry Torch 9670 BlackBerry Torch 9690 BlackBerry Torch 9710 BlackBerry Torch 9730	BlackBerry Torch 9630 BlackBerry Torch 9650 BlackBerry Torch 9670 BlackBerry Torch 9690 BlackBerry Torch 9710 BlackBerry Torch 9730
Nokia	Nokia N9 Nokia N950 Nokia N970 Nokia N9710 Nokia N9750 Nokia N9760	Nokia N9 Nokia N950 Nokia N970 Nokia N9710 Nokia N9750 Nokia N9760	Nokia N9 Nokia N950 Nokia N970 Nokia N9710 Nokia N9750 Nokia N9760	Nokia N9 Nokia N950 Nokia N970 Nokia N9710 Nokia N9750 Nokia N9760
Verizon	Verizon Droid Verizon Droid 2 Verizon Droid 3 Verizon Droid 4 Verizon Droid 5 Verizon Droid 6	Verizon Droid Verizon Droid 2 Verizon Droid 3 Verizon Droid 4 Verizon Droid 5 Verizon Droid 6	Verizon Droid Verizon Droid 2 Verizon Droid 3 Verizon Droid 4 Verizon Droid 5 Verizon Droid 6	Verizon Droid Verizon Droid 2 Verizon Droid 3 Verizon Droid 4 Verizon Droid 5 Verizon Droid 6
AT&T	AT&T Droid AT&T Droid 2 AT&T Droid 3 AT&T Droid 4 AT&T Droid 5 AT&T Droid 6	AT&T Droid AT&T Droid 2 AT&T Droid 3 AT&T Droid 4 AT&T Droid 5 AT&T Droid 6	AT&T Droid AT&T Droid 2 AT&T Droid 3 AT&T Droid 4 AT&T Droid 5 AT&T Droid 6	AT&T Droid AT&T Droid 2 AT&T Droid 3 AT&T Droid 4 AT&T Droid 5 AT&T Droid 6
Sprint	Sprint Droid Sprint Droid 2 Sprint Droid 3 Sprint Droid 4 Sprint Droid 5 Sprint Droid 6	Sprint Droid Sprint Droid 2 Sprint Droid 3 Sprint Droid 4 Sprint Droid 5 Sprint Droid 6	Sprint Droid Sprint Droid 2 Sprint Droid 3 Sprint Droid 4 Sprint Droid 5 Sprint Droid 6	Sprint Droid Sprint Droid 2 Sprint Droid 3 Sprint Droid 4 Sprint Droid 5 Sprint Droid 6
T-Mobile	T-Mobile Droid T-Mobile Droid 2 T-Mobile Droid 3 T-Mobile Droid 4 T-Mobile Droid 5 T-Mobile Droid 6	T-Mobile Droid T-Mobile Droid 2 T-Mobile Droid 3 T-Mobile Droid 4 T-Mobile Droid 5 T-Mobile Droid 6	T-Mobile Droid T-Mobile Droid 2 T-Mobile Droid 3 T-Mobile Droid 4 T-Mobile Droid 5 T-Mobile Droid 6	T-Mobile Droid T-Mobile Droid 2 T-Mobile Droid 3 T-Mobile Droid 4 T-Mobile Droid 5 T-Mobile Droid 6

Average Gingerbread Delay vs. Competition

- VZW: 3 months
- ATT: 4 months
- Sprint: 4 months
- T-Mobile: 3 months



MRS & OS UPDATES STATUS

- Too many MRs required due to post launch issues found
 - Some MRs are to address broken MRs – Goal to reduce MRs required in 2012
- Gingerbread Updates delays and behind the competition
 - 18+ OS upgrade MRs launched in 2011 – Double that number expected in 2012
- It is expected that each product will require 1 to 2 OS updates over 18 months after launch per Google IO commitment
 - TTM and quality of the OS updates are critical to Samsung brand loyalty

OS-Upgrade Delay examples

Device	OS	Delay (Months)
Verizon Atlas	Eclair	11
Droid X	Froyo	2
Incredible	Froyo	4
AT&T Dempsey	Froyo	7
Atrix 4G	Gingerbread	5
Inspire4G	Gingerbread	6



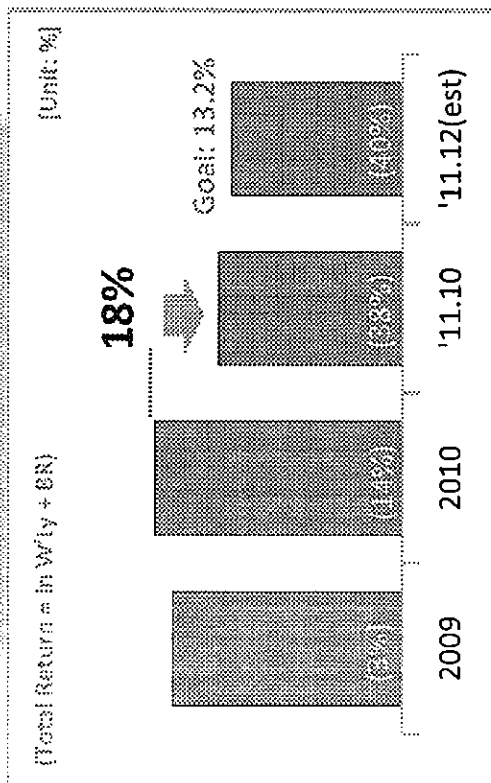
QUALITY STATUS – TOTAL RETURN RATE

Overall total return rate in Oct: 15.4%, [18% improvement over '10.12 result (18.8%)]

[Overall Comparison vs. '10.12]

- Smart portfolio : 13% improved (23.9% to 20.7%) • Feature portfolio : 27% improved (18.0% to 14.0%)
- In Warranty : 34% improved (10.8% to 7.1%) • Buyer's Remorse: 4% increase (8.0% to 8.3%)

Total Return Rate Trend



(%) indicates smart device volume v. total sell-thru

[Trend by Carrier]

Carrier	2009	2010	2011 Oct
Total	17.4 (3%)	18.8 (14%)	15.4 (38%)
Verizon	17.0 (3%)	10.7 (6%)	12.2 (18%)
T-Mobile	13.0 (1%)	14.6 (15%)	16.3 (41%)
AT&T	11.5 (4%)	18.3 (10%)	17.1 (43%)
Sprint	27.3 (3%)	34.3 (29%)	20.9 (87%)

(%) indicates smart device volume v. total self-thru within each carrier

2011 launched product showing improved quality in the field compared to 2010 launched

- 8 out of 10 smart models launched in 2011 showing average of 34% improvement over predecessor when compared at same period in the market

QUALITY STATUS - CARRIER RETURN RATE

AT&T/Sprint improved in 2011, T-Mobile/Verizon worsened

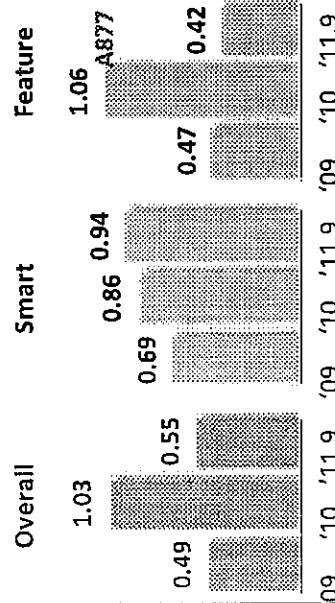
AT&T : 0.48% decrease v. '10.Dec(1.03->0.55) Sprint : 0.27% decrease v. '10.Dec(1.93->1.66)

T-Mobile : 0.17% increase v. '10.Dec(0.75->0.93) Verizon : 0.58% increase v. '10.Dec(1.80->2.38, based on Aug result)

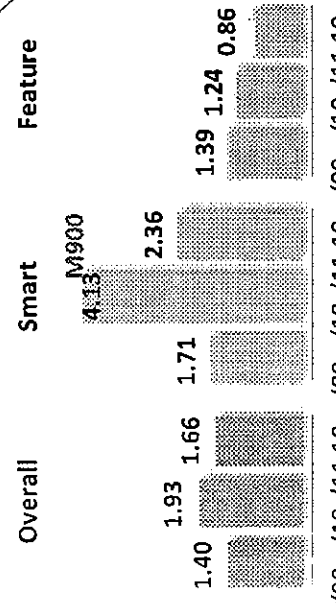
*Verizon modified calculation logic ('11.9'), Sep 1.4

: T-Mobile T839 Memory Leak issue, T589 F-PCB Cracking Verizon i500 Missed call issue

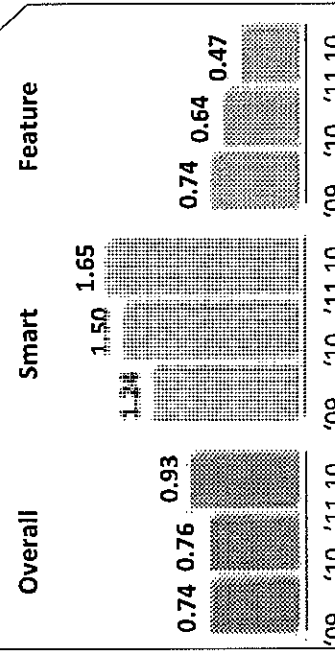
AT&T - Monthly Exchange Rate



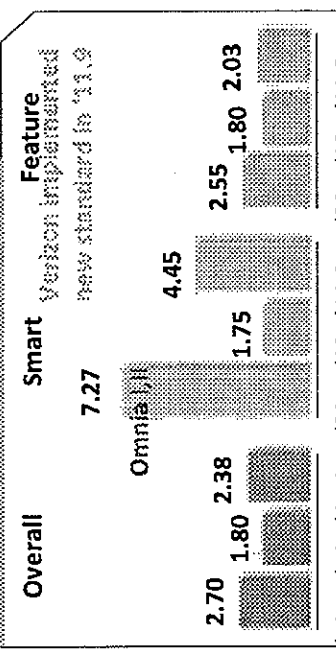
Sprint - Monthly Exchange Rate



T-Mobile - Monthly Exchange Rate



Verizon - Life to date Defect Rate



[AT&T - Smart]

Over penalty threshold 0.85%
- Main driver : i897 PMIC issue

[T-Mobile - Smart]

Over VSC threshold 1.50%
- Main driver : T839, T589

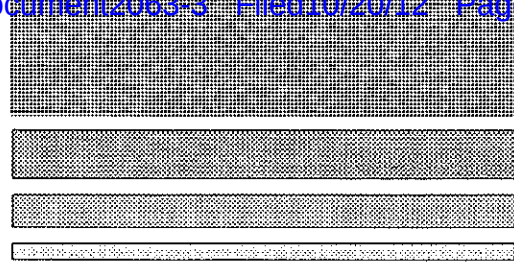
[Sprint - Smart]

VSC Goal : 2.50%
- Entry Smart Device over 2.5%
: M910,M920 (Lagging/Perf. Issue)

[Verizon - Smart]

New portfolio standard in effect

Before : within 18 month after launch
After : within 12 month after launch



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MARKETING BACKUP

TOP SECRET

15 FEB 2012

SUCCESS REQUIRES A MULTI-PATH TO IMPROVE OUR BRAND AND RETAIL PRESENCE

SAMSUNG BRAND ROAD MAP

ENABLE & INSPIRE ME TO BE BETTER

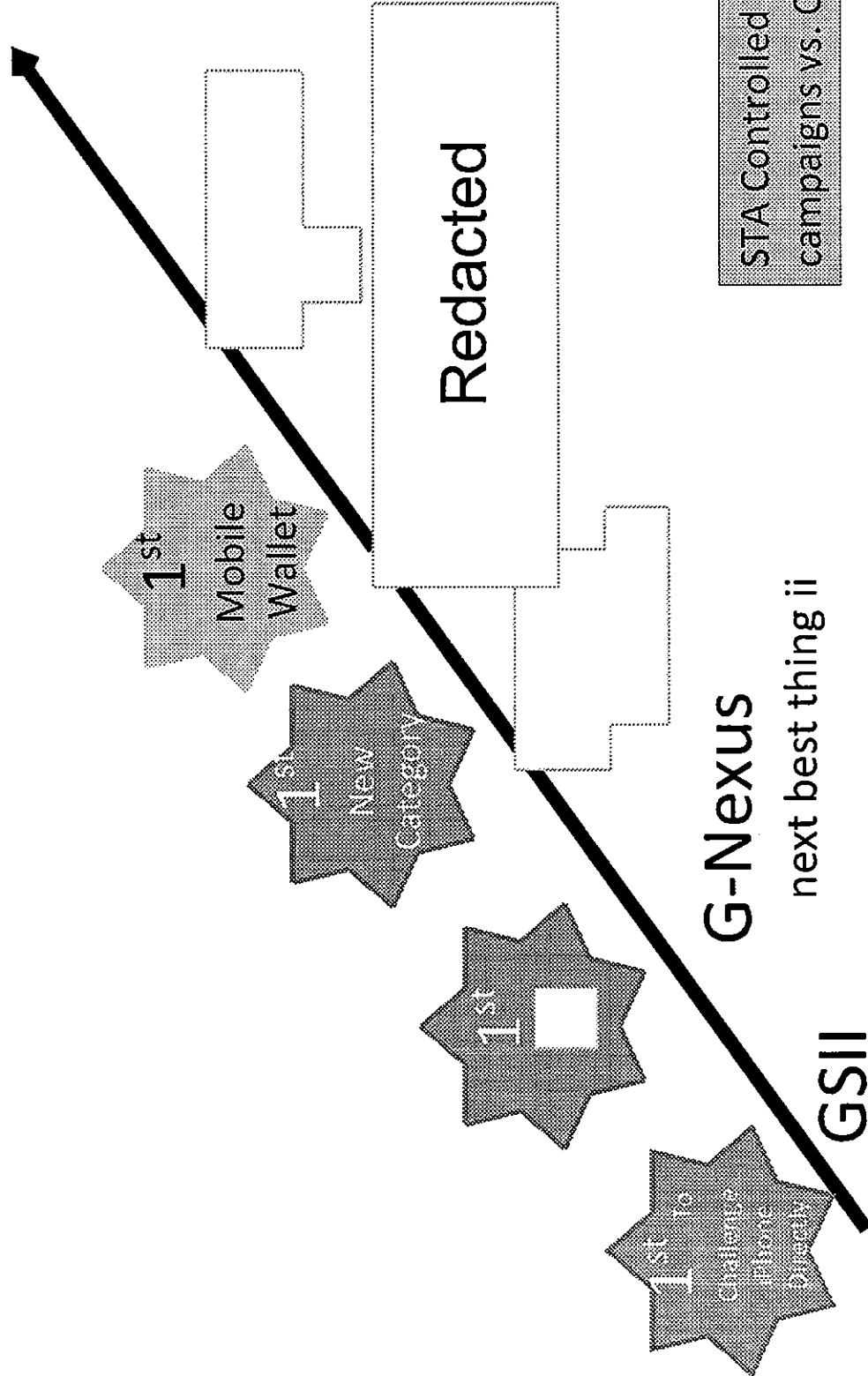
(Product, Service, Content, Conversation)

2012		CONNECTED	
Brand: Redacted	Brand: Integrated Ecosystem + Convergence – Consumer Solutions	Brand: 1 to 1 Marketing Device, Content, Service, Conversation	Brand: Scaled Loyal Samsung Consumers
Goals: Premium Brand Positioning/Challenge Apple	Goal: "Loved" Brand (Enables Me To Be Better)	Goal: Scaled Loyal Samsung Consumers	Goal: Owned Retail National Expansion (Top 20 Mkts)
Channel: Own Last 3 Feet Carrier/National Retail	Channel: Owned Retail (Top & Mkts)	Channel: Owned Retail National Expansion (Top 20 Mkts)	Channel: Owned Retail National Expansion (Top 20 Mkts)
Goal: 8,000 Doors Marketplace Mapping Samsung Fixtures/Identity PIN	Goal: Create Home for Samsung Brand & Sales (Leverage with Carriers)	Goal: Create Home for Samsung Brand & Sales (Leverage with Carriers)	Goal: Create Home for Samsung Brand & Sales (Leverage with Carriers)
Pillars: ATL - 360° Retail - Last 3 Feet Digital/Social	Pillars: Owned Retail Digital/Social On-Device/Apps Content	Pillars: Owned Retail Digital/Social On-Device/Apps Content	Pillars: Apps Partnerships Content Retail
Deposition Apple & Innovation Leader [Product Leadership]	Samsung = Platform Something I Buy → "Loved" [Connected Consumer]	"Loved" → "Way of Life" [Personalized Solutions]	"Loved" → "Way of Life" [Personalized Solutions]

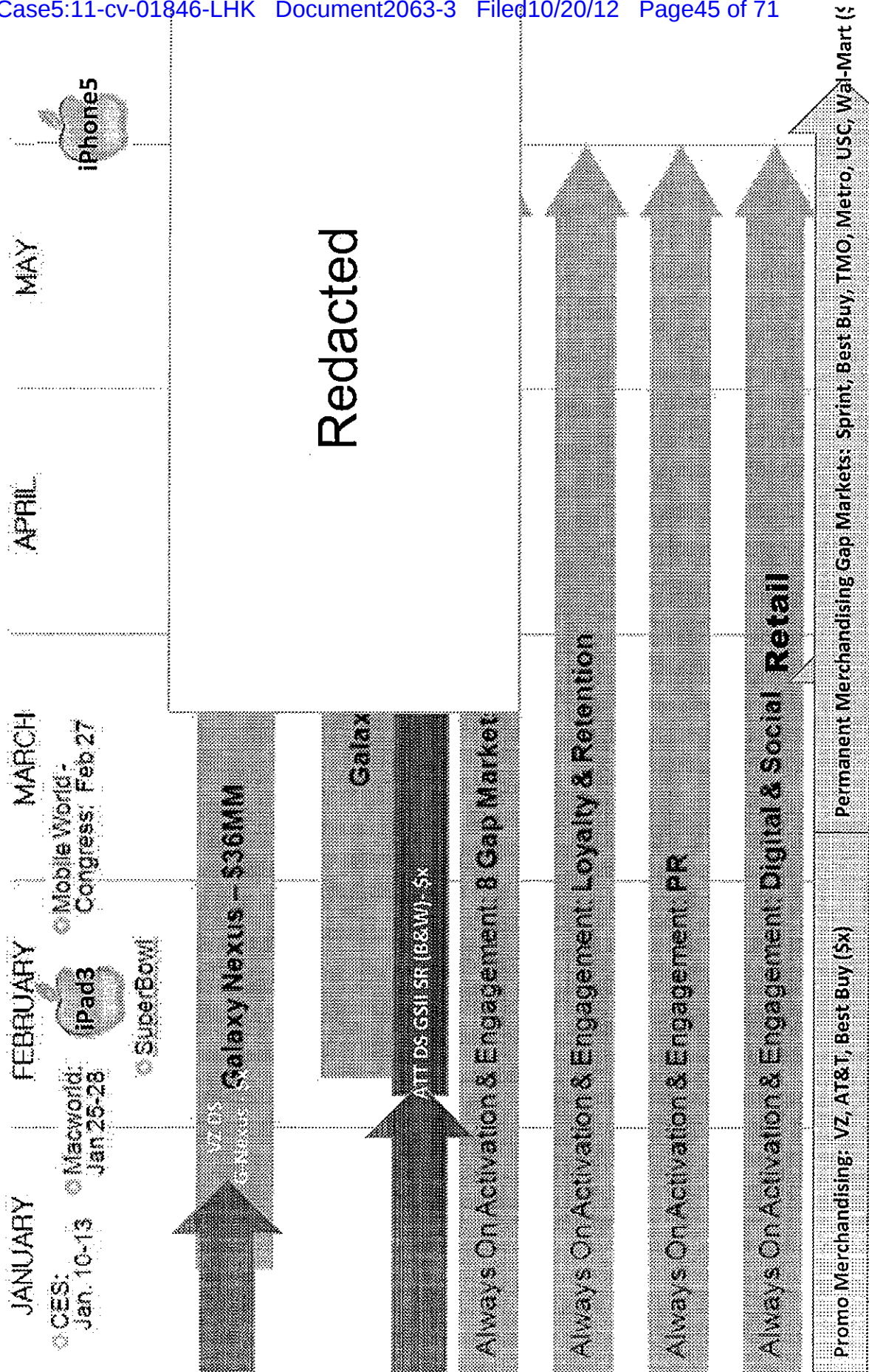
TOP SECRET

SLIDE 42 OF 51

BUILDING PREMIUM GALAXY BRAND WITH BEST IN CLASS INNOVATION STORIES



BREAKTHROUGH "ALWAYS ON" RELATIONSHIP MARKETING APPROACH



SLIDE 44 OF 51

TOP SECRET

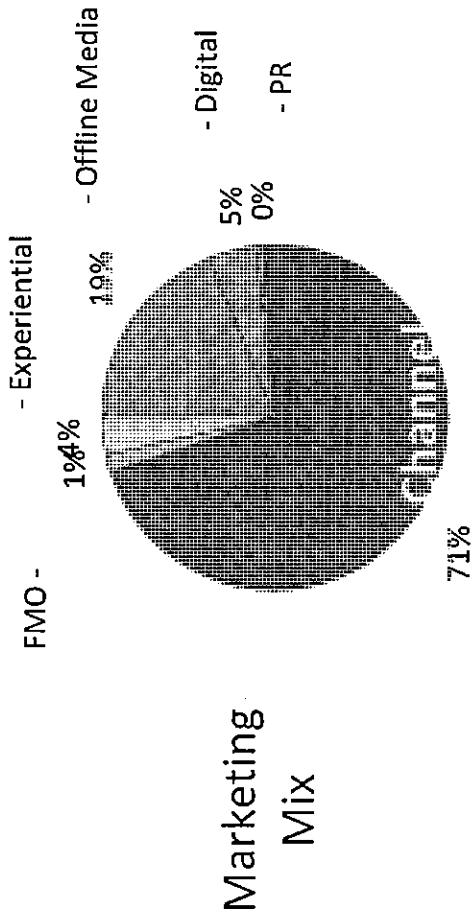
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OWNING OUR BRAND AND CONNECTING DIGITALLY

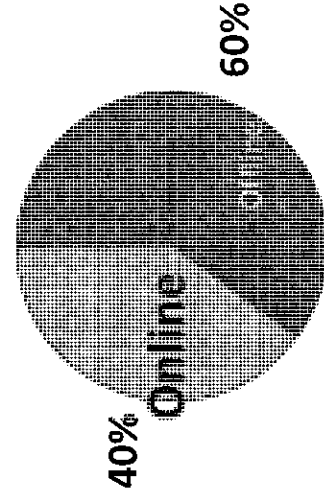
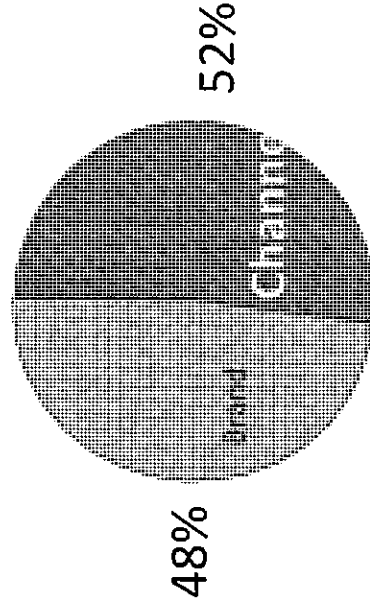
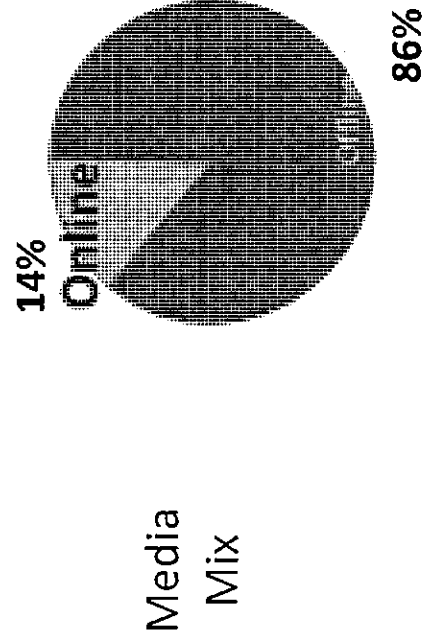
2011

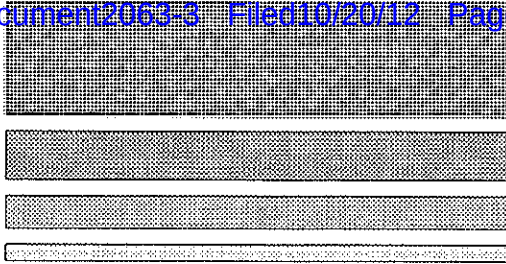
2012

Global Direct-to-Consumer Marketing Spend 71% to 52% in 2012



Global Direct-to-Consumer Marketing Spend 71% to 40%





SALES - B2B BACKUP

SLIDE 46 of 81

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PHOTO COURTESY OF RIM
SAMSUNG mobile

SAMSUNG OFFERS A SAFE™ LANDING FOR ENTERPRISE RIM CUSTOMERS

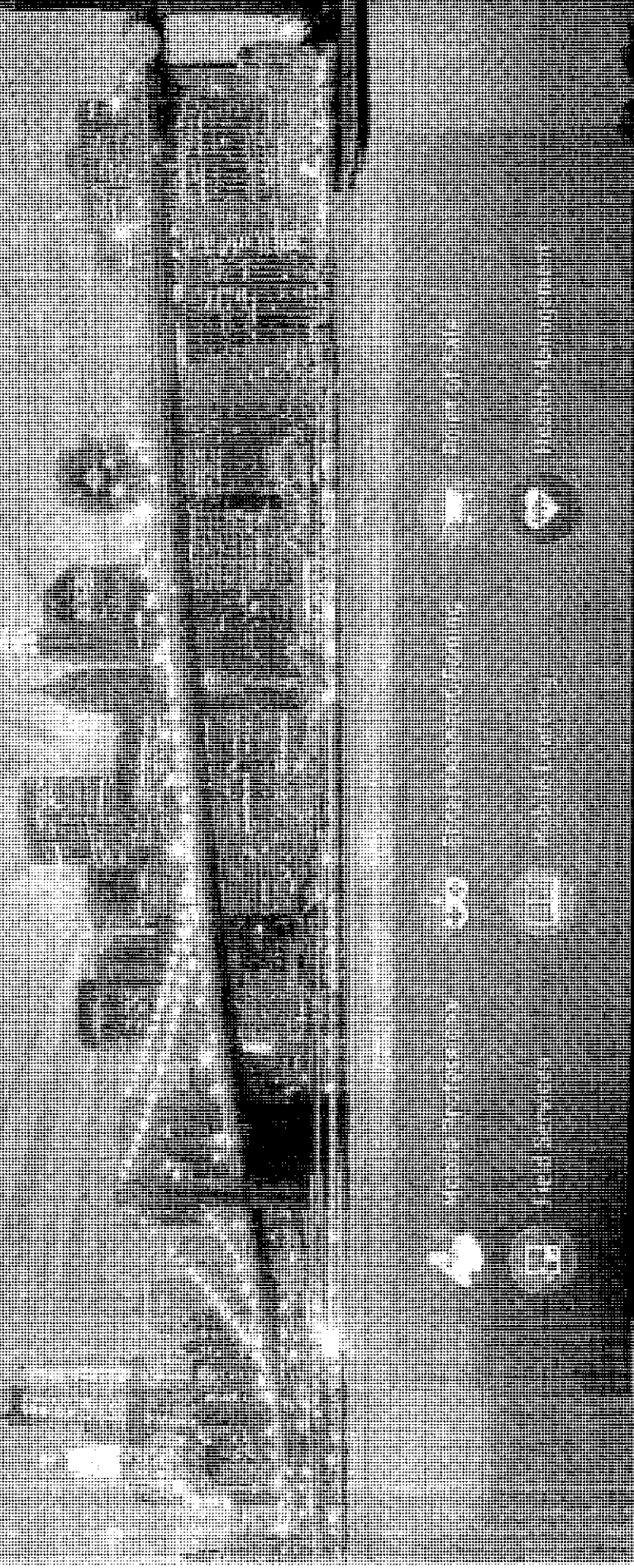
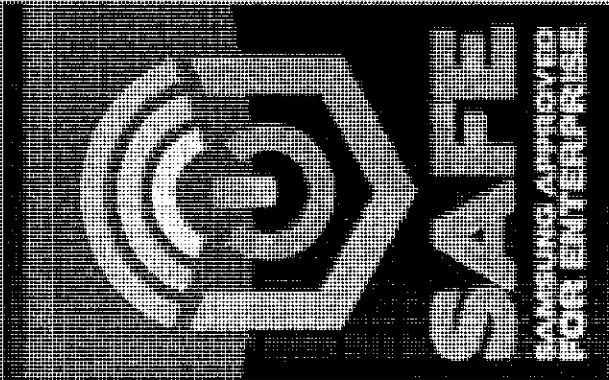


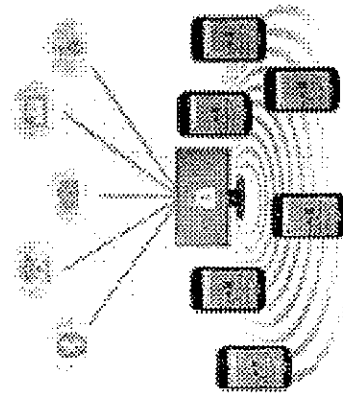
Exhibit A, Exhibit No. 001 of 48



SAFE™ Overview

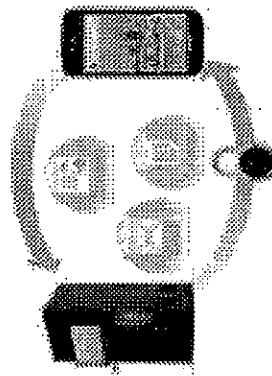
Mobile Device Management

Enables efficient, scaled mobile deployments. Working with leading third-party providers, Samsung offers solutions that address even the most challenging management and security concerns.



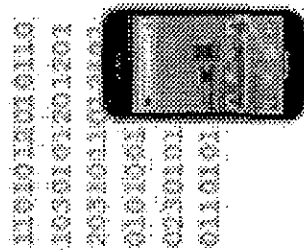
Corporate Email / Calendar / Contacts

Extensive support for e-mail, contact & calendar synchronization and more.



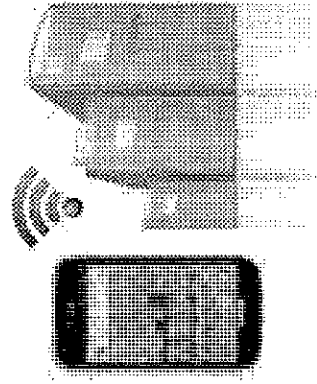
On Device Encryption

State of the art, AES-256 bit hardware-based ODE helps prevent unauthorized access to all data on the device, including the microSD® storage card.



Virtual Private Network

Samsung works with a number of leading VPN providers enabling IP-based encryption for secure, persistent access to critical enterprise assets via Wi-Fi® and network connections.



SAMSUNG mobile



SAFETM Solution Platform

Samsung Smartphones & Tablets

Good, Better, Best Device Options at Each US Carrier

Samsung Software	EAS	ODE	Horizontal Application Hooks MDM Application Security VPN
-------------------------	------------	------------	---

IT Compliance



Horizontal Solutions



Vertical Solutions



Mobile Professional Entertainment/Gaming Point of Sale Field Services Mobile Learning Health Management

Samsung & Third Party Accessories

SAMSUNG mobile

Exhibit A - Exhibit No. 01-01

SAFE 2012 GTM

2012 Objectives:

- Disrupt the Enterprise Market
 - Unseat RIM in their top accounts
- Drive Revenue & Volume
 - Accelerate prosumer adoption of Samsung at retail
 - Establish Samsung brand for corporate liable users via US Carriers

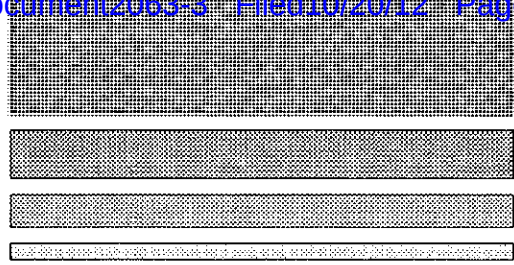
1Q Plan:

- Launch CIO outreach program and target RIM's top 100 enterprise accounts
- Launch 'Trade-Up' program and MDM Starter Kit for existing BlackBerry customers to switch to Samsung
- Begin aggressive prosumer program at national and carrier retail (SAFE merchandising, etc)

Expected Results:

- Secure 20 Marquee Wins from existing RIM accounts
- Secure 5 Proof Points (Case Studies or Press Releases) indicating why the customer switched to Samsung from RIM
- Increased awareness and focus at retail and within carrier B2B teams around SAFE and Samsung's B2B portfolio

SAMSUNG mobile



APPLE FACT BASE BACKUP



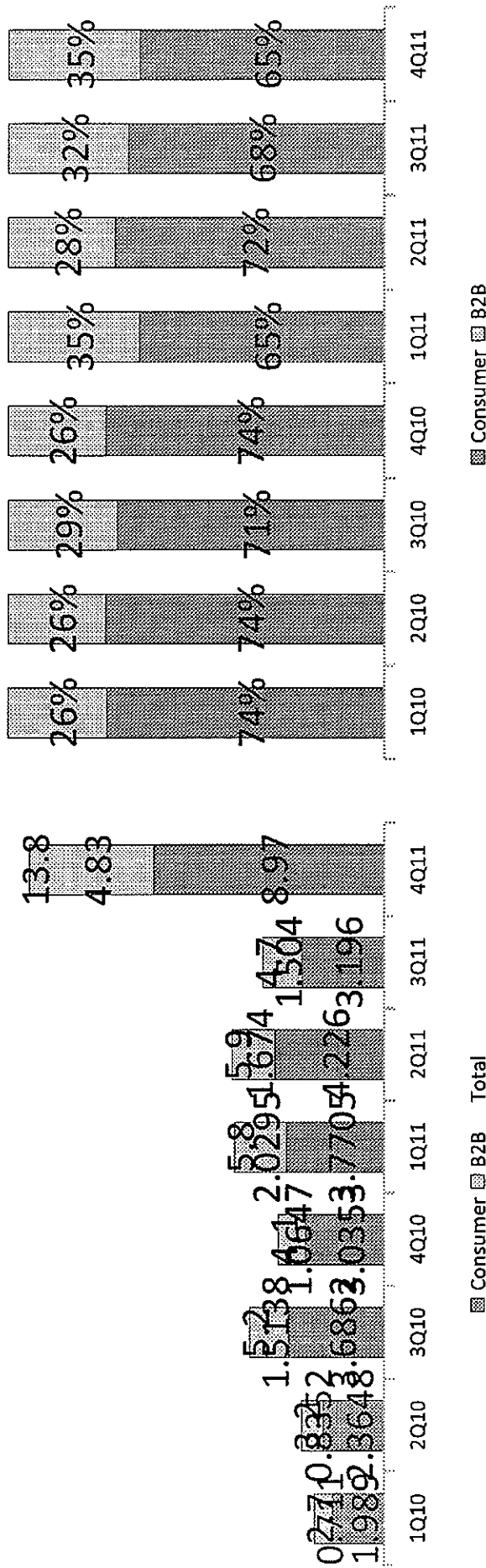
SLIDE 51 of 51

TOP SECRET

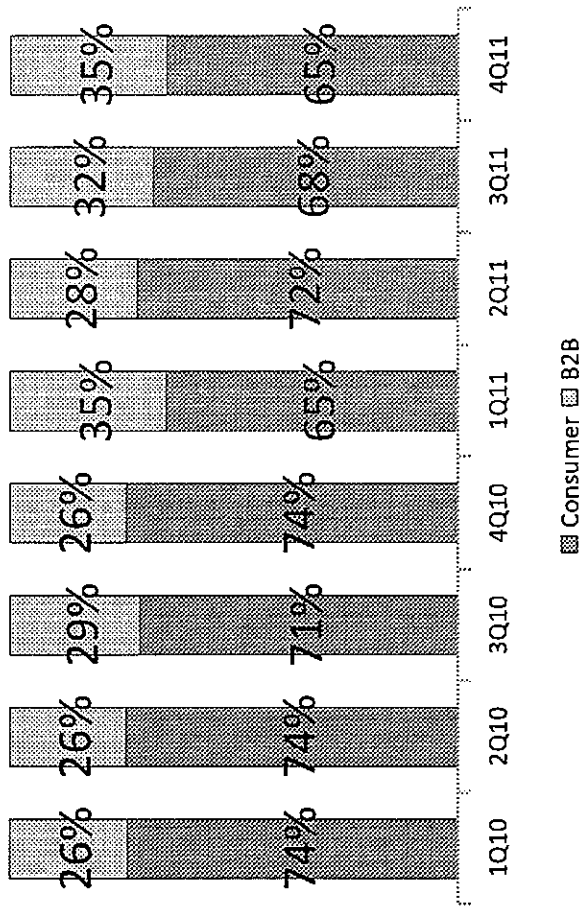
16 FEB 2012

APPLE ALSO INVESTING IN B2B. US IPHONE B2B PORTION APPROXIMATELY 1/3 OF US IPHONE ACTIVATIONS IN 2011

iPhone US Activations (Consumer/B2B) (M)



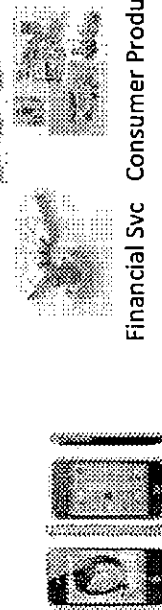
iPhone US Activations (Consumer/B2B) (%)



Source: Canyls for B2B channel. Canyls numbers do not include BYOD



"Nearly all of the top companies in the Fortune 500 now approve and support iPhone on their networks" *Apple Earnings Call 1-24-12*



- Financial Svc
- Consumer Products
- Healthcare
- Transportation
- Insurance

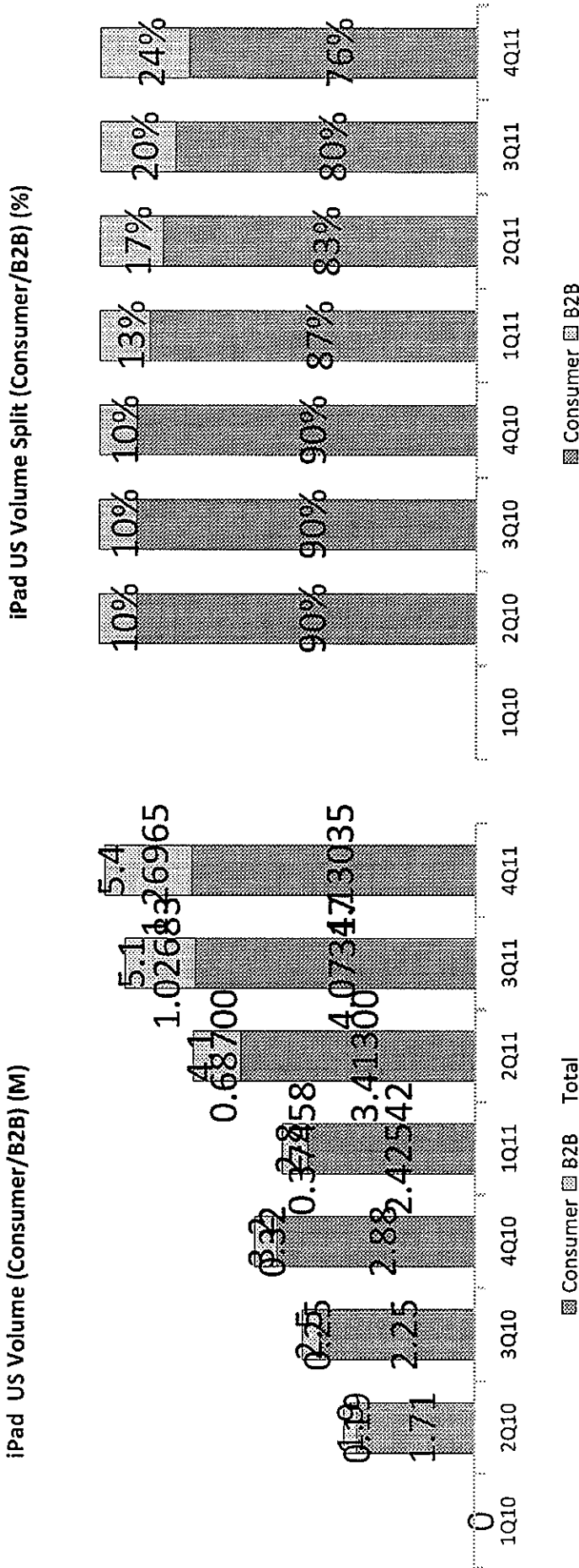
"In addition to accessing e-mail, calendar and contacts, many of these companies are developing and deploying mission-critical iPhone apps to help improve productivity and give employees secure and immediate access to information anywhere" *Apple Earnings Call 1-24-12*



TOP SECRET

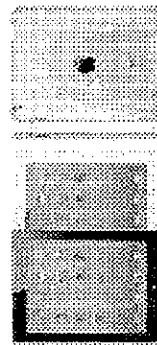
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US B2B IPADS GROWING FROM 10% IN 2010 TO 20% OF US IPAD SHIPMENTS IN 2011



Source: TabTimes, STA estimate

"92% of Fortune 500 companies are testing or deploying the iPad in their orgs"
 Apple Earnings Call 10-18-11



"Fortune 500 markets including pharma, manufacturing, hospitality, consumer products, financial services, healthcare and retail"
 Apple Earnings Call 1-24-12

"1.5M iPads are already in use in Education institutions" Apple Earnings Call 1-24-12



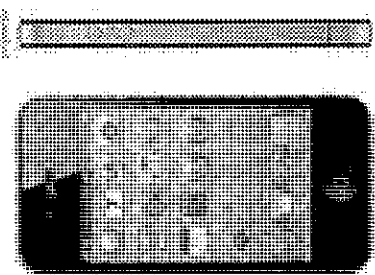
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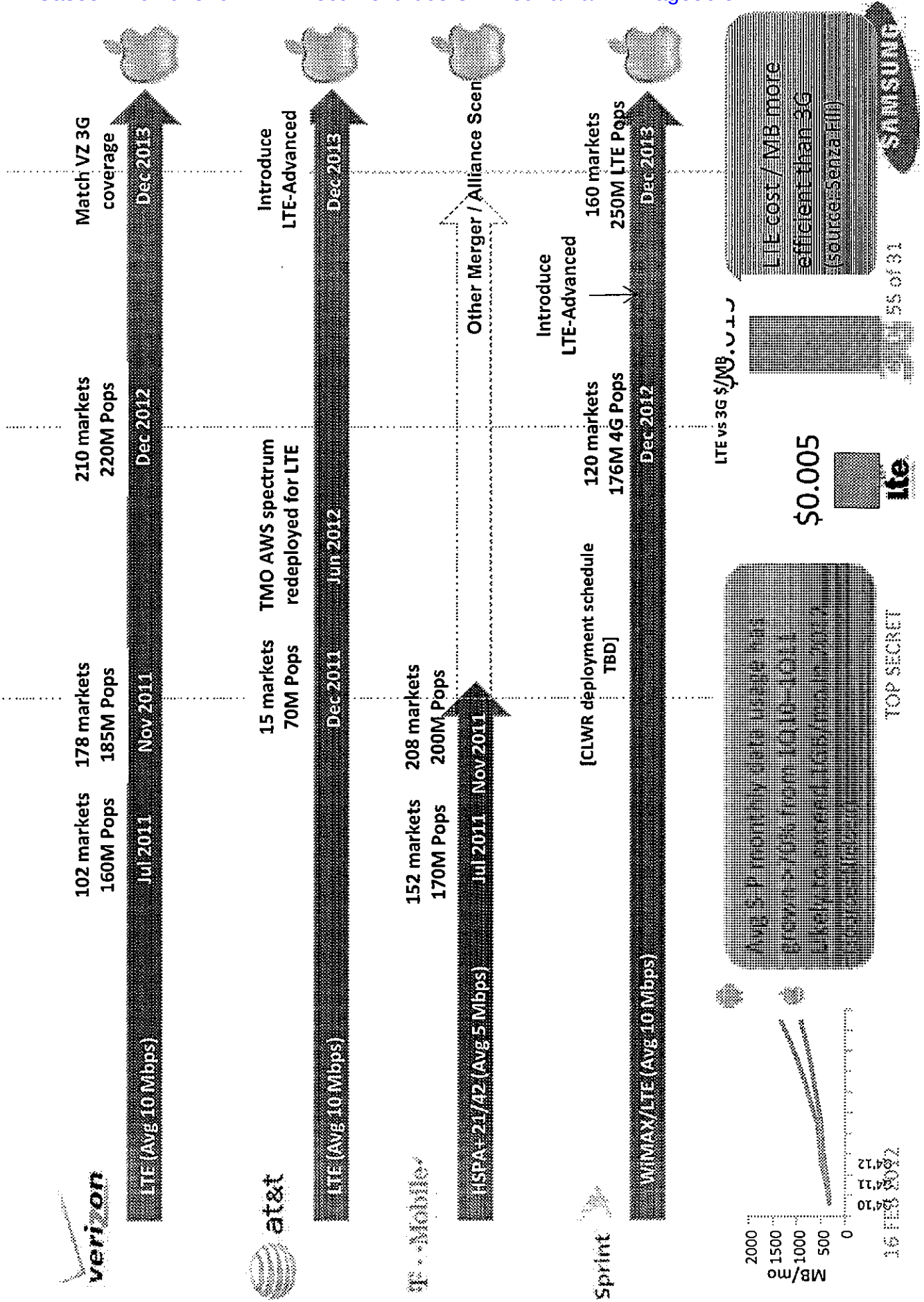
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IPHONE 5 EXPECTED TO HAVE LTE WITH A NEW DESIGN / CMF, LARGER DISPLAY (4"), ALUMINUM BACKING, PLASTIC/RUBBER BEZEL, ENHANCED S/N

Items		iPhone 4S	iPhone 5
Launch		Oct 14 2011 US Launch (Oct 7 2011 Pre-orders)	Mid 2012 / Fall 2012
Network		HSPA 14.4 / EVDO rev A (ATT, VZW, Sprint)	LTE (ATT, VZW, Sprint)
Retail Price		\$399/\$299/ \$199	\$399/\$299/ \$199
Dimensions		114.3 x 58.6 x 9.3 mm, 137g (TBD)	TBD but rumored super thin
Main Display		3.5" 960 x 640 IPS, 326 PPI	4" 1024 x 768 IPS, 320 PPI
App CPU		1GHz A5 dual-core	TBD
Battery		1420 mAh (Same 10hrs claimed battery life)	TBD
Storage		64GB/ 32GB/16GB No expansion	64GB/ 32GB/16GB No expansion
Camera		8MP RF 0.3MP (VGA) FF	TBD
+1 UX		Cloud services Voice command / input App Store, iTunes, iBooks, iMovies	Enhanced S/N



FOUR MAJOR US CARRIERS EXPECTED TO CARRY THE IPHONES BY THE END OF 2012. APPLE TO DESIGN AWS (TMO) FOR IPHONE 5.

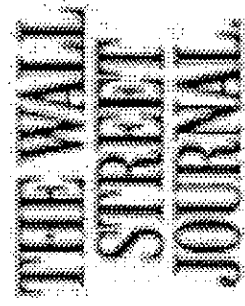


IN 4Q11, IPHONE ACTIVATIONS ARE MEANINGFULLY DIFFERENT THAN IPHONE SELL-THRU. SIGNIFICANT 2ND HAND MARKET FOR IPHONES IN 4Q11.


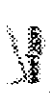
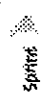

Second Hand iPhone Activations 4Q11

- **12.4%** of activations self-reported as used or second hand iPhone
- Additional 90 responded incorrectly identifying iPhone 2G and 3G devices as "New Sale" bringing actual second hand market to **18.8%**
- **22.7%** of AT&T's iPhone Activations are with Second hand phone
- **10.1%** of Verizon's iPhone Activations are with Second hand phone

As the market for new Apple iPhones exploded last quarter, so too did the market for used iPhones on sites like eBay, Amazon.com, Craigslist and Gazelle. That is according to a consumer survey recently conducted by Consumer Intelligence Research Partners. It estimates that, since the iPhone 4S launched in October, used models of Apple's earlier handsets accounted for **11%** of total iPhone activations at U.S. carriers.



2012 US IPHONE SIMULATION BY STA ACCOUNT TEAM ROLL-UP: 43.1M UNITS

US iPhone	Carrier*	1Q12E	2Q12E	3Q12E	4Q12E	2011E	2012E
Vol (M)							
iPhone 5		4.0	4.2	4.1	6.3	17.0	18.6
		3.2	3.1	2.7	3.5	10.6	12.5
		2.2	2.2	1.7	3.7	1.5	9.8
					2.2		2.2
Total iPhone		9.4	9.5	8.5	15.7	29.1	43.1

*Includes Apple store and Nat'l Retail devices activated for each carrier
Source: STA Business Planning / Account Teams

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IPHONE SKU SELL-THRU VOL 1Q11 - 4Q12

US iPhone	Carrier*	1Q11	2Q11	3Q11	4Q11E	1Q12E	2Q12E	3Q12E	4Q12E	2011E	2012E
Vol (M)											
iPhone 5	at&t								3.3		3.3
	verizon								2.2		2.2
	sprint								2.2		2.2
	...								1.5		1.5
iPhone 4S	at&t				4	1.6	2	1.9	1.5	3.5	7
	verizon				2.9	2.5	2.6	2.2	0.7	3.1	8
	sprint				1.6	1.7	1.7	1.3	1	1.8	5.7
	...								0.7		0.7
iPhone 4	at&t	1.6	1.8	1.3	1.5	1.2	1.1	1.2	1.5	5.7	5
	verizon	2.2	2.1	2	1.2	0.7	0.5	0.5	0.6	7.8	2.3
	sprint				0.6	0.5	0.5	0.4	0.5	0.7	1.9
iPhone 3GS	at&t	2	1.9	1.4	1.5	1.2	1.1	1		6.4	3.3
Total iPhone		5.8	5.8	4.7	13.3	9.4	9.5	8.5	15.7	29	43.1

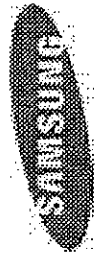
*Includes Apple store and Nat'l Retail devices activated for each carrier

Source: STA Business Planning / Account Teams

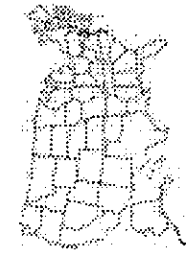
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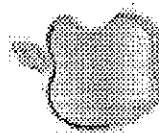
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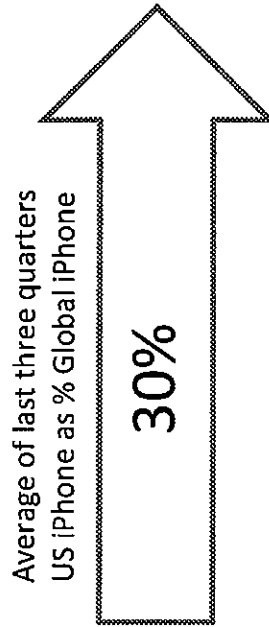
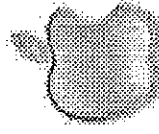
US SIMULATION IMPACT TO GLOBAL 2012 IPHONE: 145M - 148M



2012 US iPhone
43M - 44M



2012 Global iPhone
145M - 148M



ANALYST ESTIMATES FOR 2012

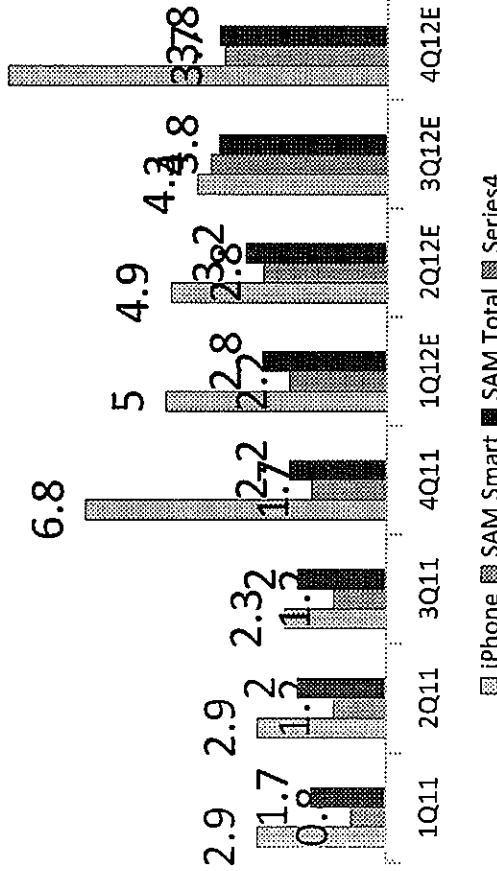
	Global 2012 iPhone Sell-in
BMO	122M*
Canaccord	140M
JP Morgan	126M*
Oppenheimer	142M
Consensus	132M*

*Analysts are currently revising their estimates upwards

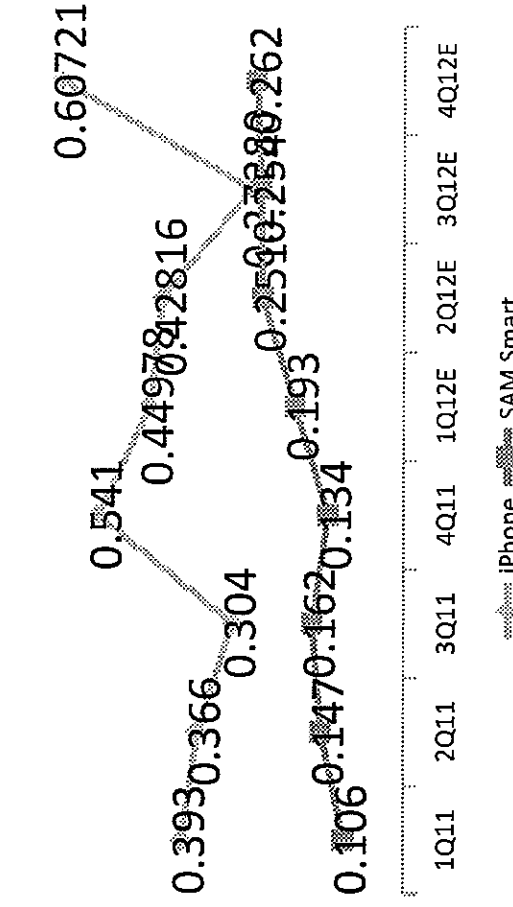


IPHONE VOL & REV SHARE 1Q11 - 4Q12

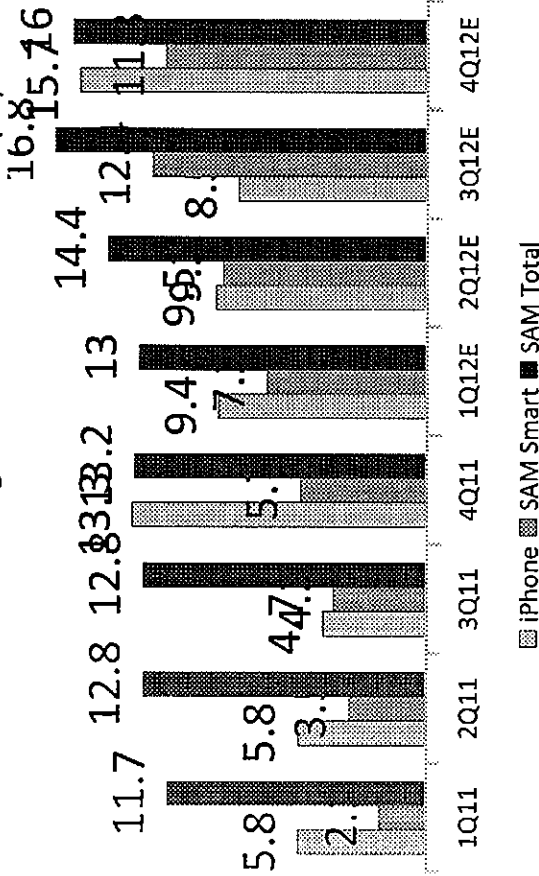
iPhone vs Samsung Revenue 1Q11 - 2Q12 (\$B)



iPhone vs Samsung S/P Rev Share 1Q11 - 2Q12 (%)



iPhone vs Samsung Volume 1Q11 - 2Q12 (M)



iPhone vs Samsung Vol S/P Share 1Q11 - 2Q12 (%)

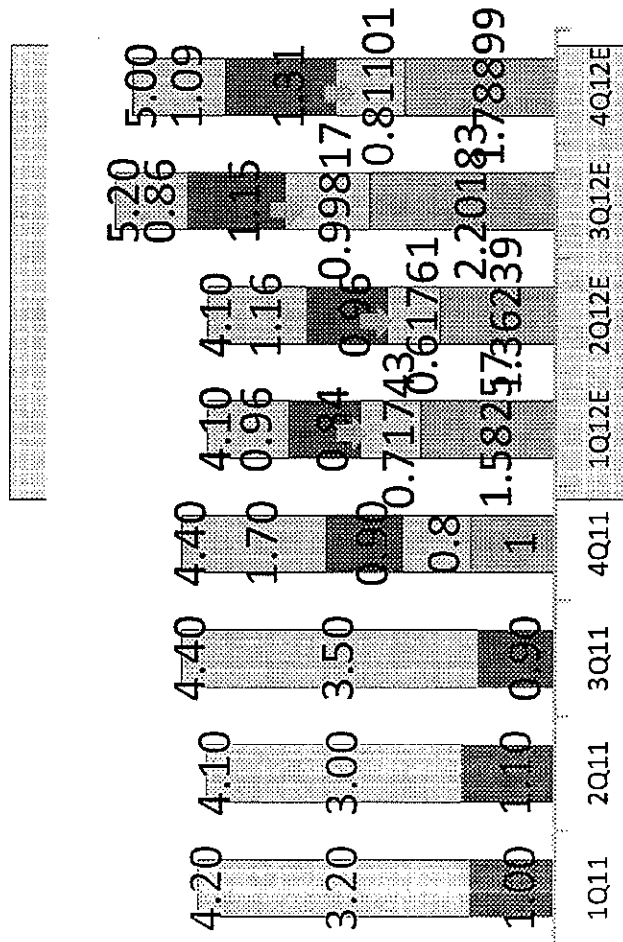


*Includes Apple store and Next Retail devices activated for each carrier
Source: STA Business Planning / Account Teams

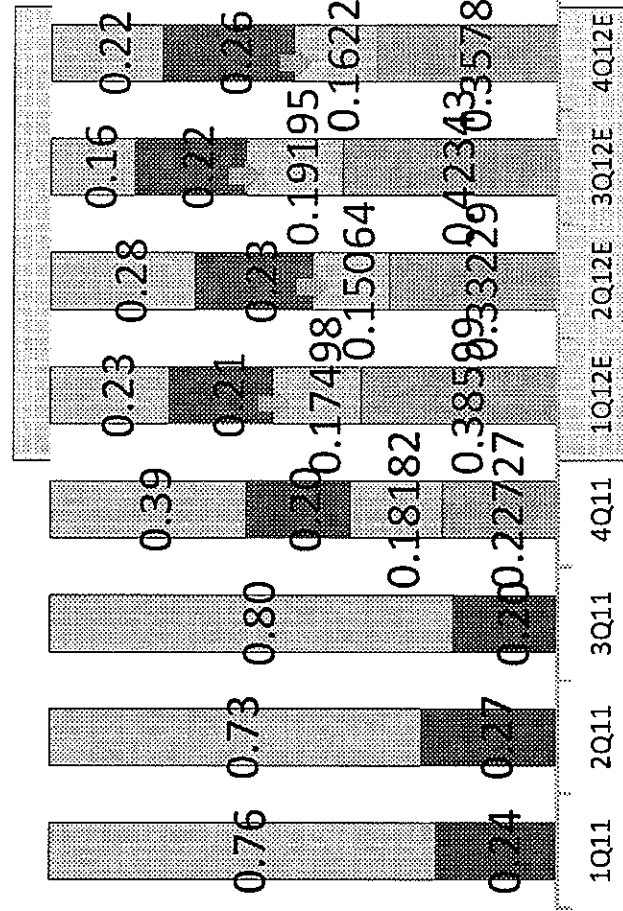


OPPORTUNITY TO DRIVE SPRINT'S APPLE COMMITMENT DOWN TO CONTRACTUAL 40% M/S; INCREMENTAL 3.5M STA UNITS IN 2012

Sprint Units (M)



Sprint M/S (%)



Apple Contract Above Apple Contract SAM Other Total

M/S	2011	2012
TAM (Sprint only)*	17.1	18.4
SAM	3.9	4.3
Apple Simulation	1.8	10.9
Apple Contractual	1.0	7.5

Apple Commitment Above Apple Commit SAM Other

M/S	2011	2012
TAM (Sprint only)*	100%	100%
SAM	22.8%	23.4%
Apple Simulation	10.5%	59.2%
Apple Contractual	5.8%	40.8%

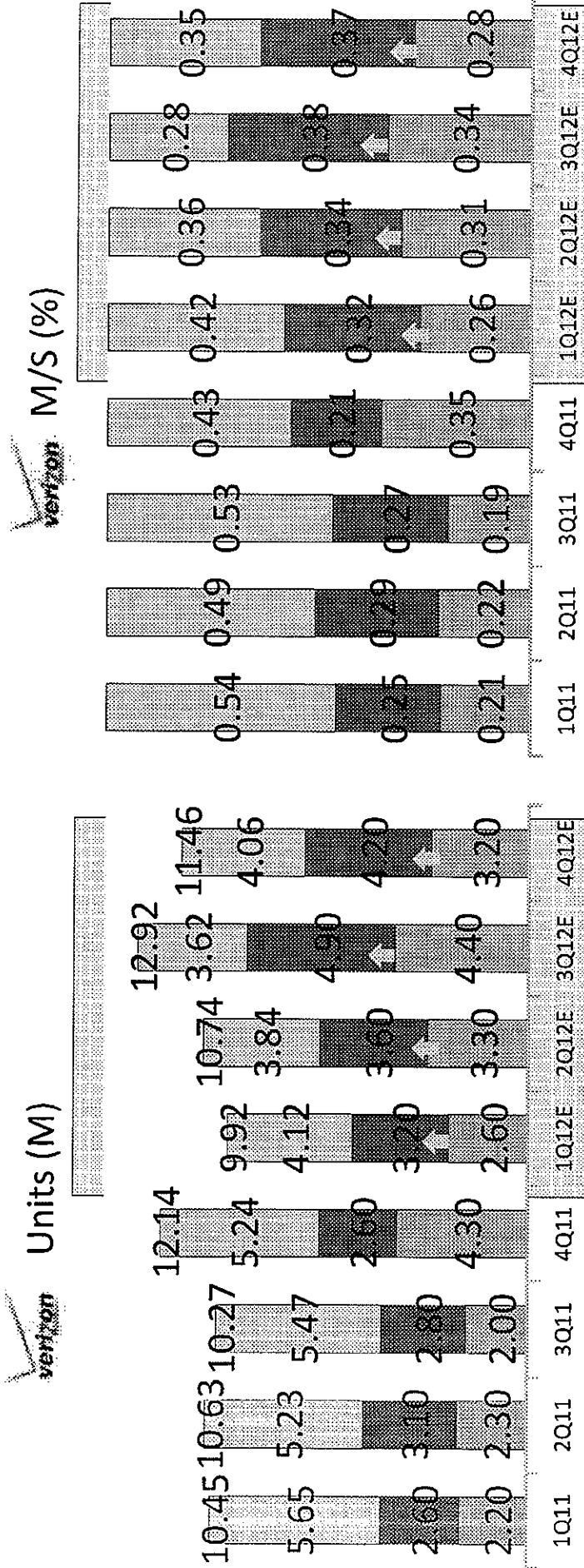
*TAM including only Sprint-branded

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VZW APPLE SIMULATION MAY BE UNDERESTIMATING VZW'S 2012 APPLE COMMITMENT BY ~2.5M UNITS (APPLE M/S OF 35% VS 30%)



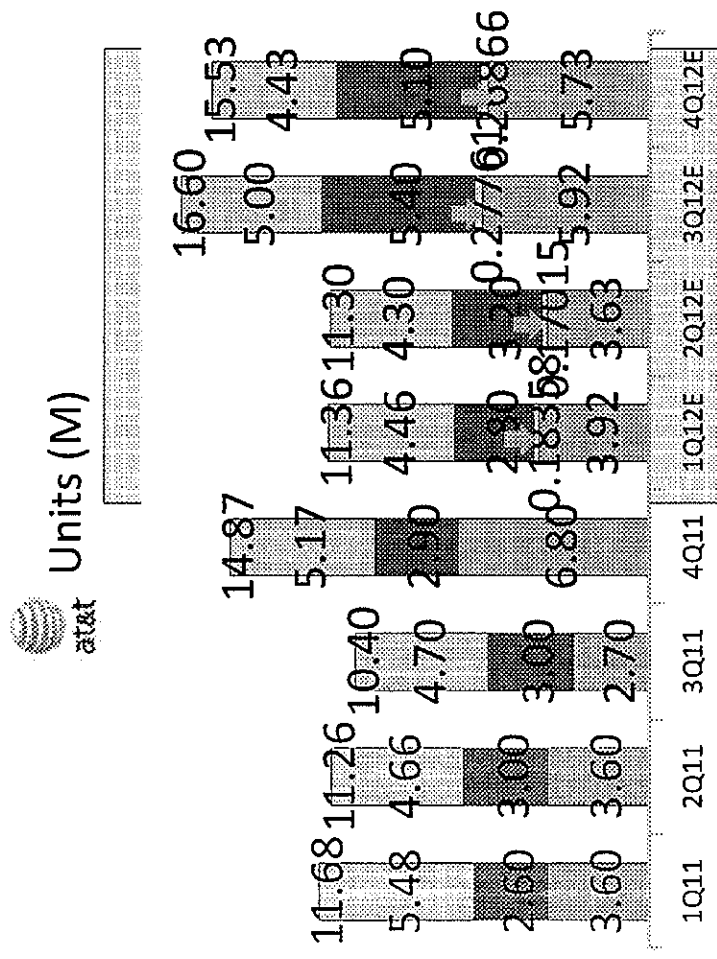
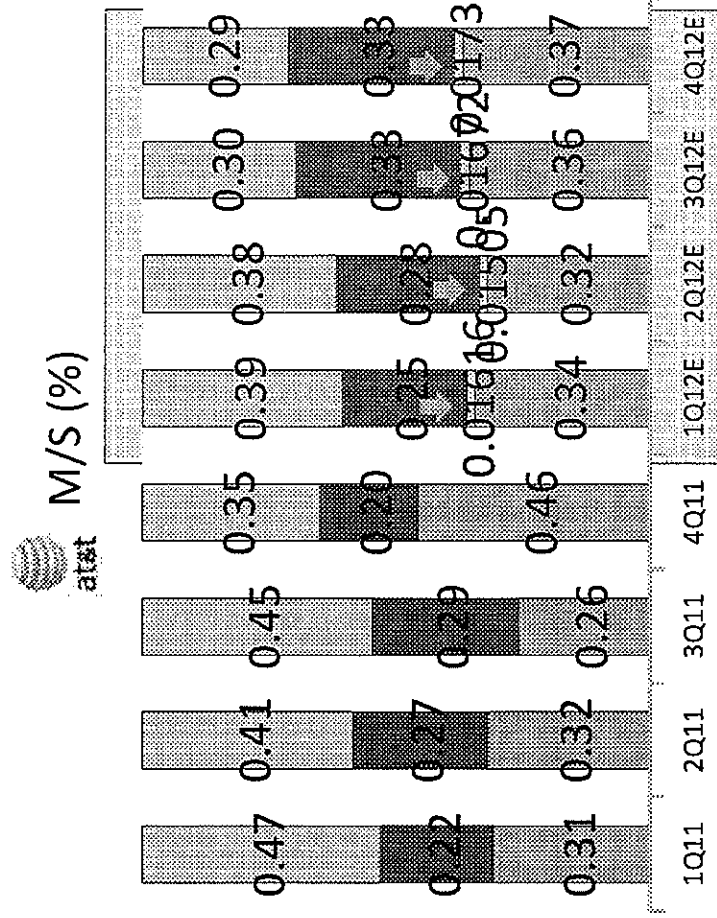
Apple Commitment Above Apple Commit SAM Other

	2011	2012
M/S %	26.5%	30.0%
TAM	43.5	45.0
SAM	11.1	15.9
Apple Simulation	10.8	13.5
Apple Contractual	10.0	15.8

	2011	2012
M/S %	26.5%	30.0%
TAM	100%	100%
SAM	25.5%	35.3%
Apple Simulation	24.8%	30.0%
Apple Contractual	23.0%	35.0%



OPPORTUNITY TO DRIVE ATT'S APPLE SHARE DOWN TO CONTRACTUAL COMMITMENT; POSSIBLE INCREMENTAL ~1M UNITS



Apple Commitment Inc Apple Other

Apple Commitment Above Apple Commit SAM Other Total

M/S %	2011	2012
TAM	100%	100%
SAM	23.9%	30.1%
Apple Simulation	34.6%	36.6%
Apple Contractual	34.6%	35.0%

Units (M)	2011	2012
TAM	48.3	54.8
SAM	11.5	16.5
Apple Simulation	16.7	20.1
Apple Contractual	16.7	19.2

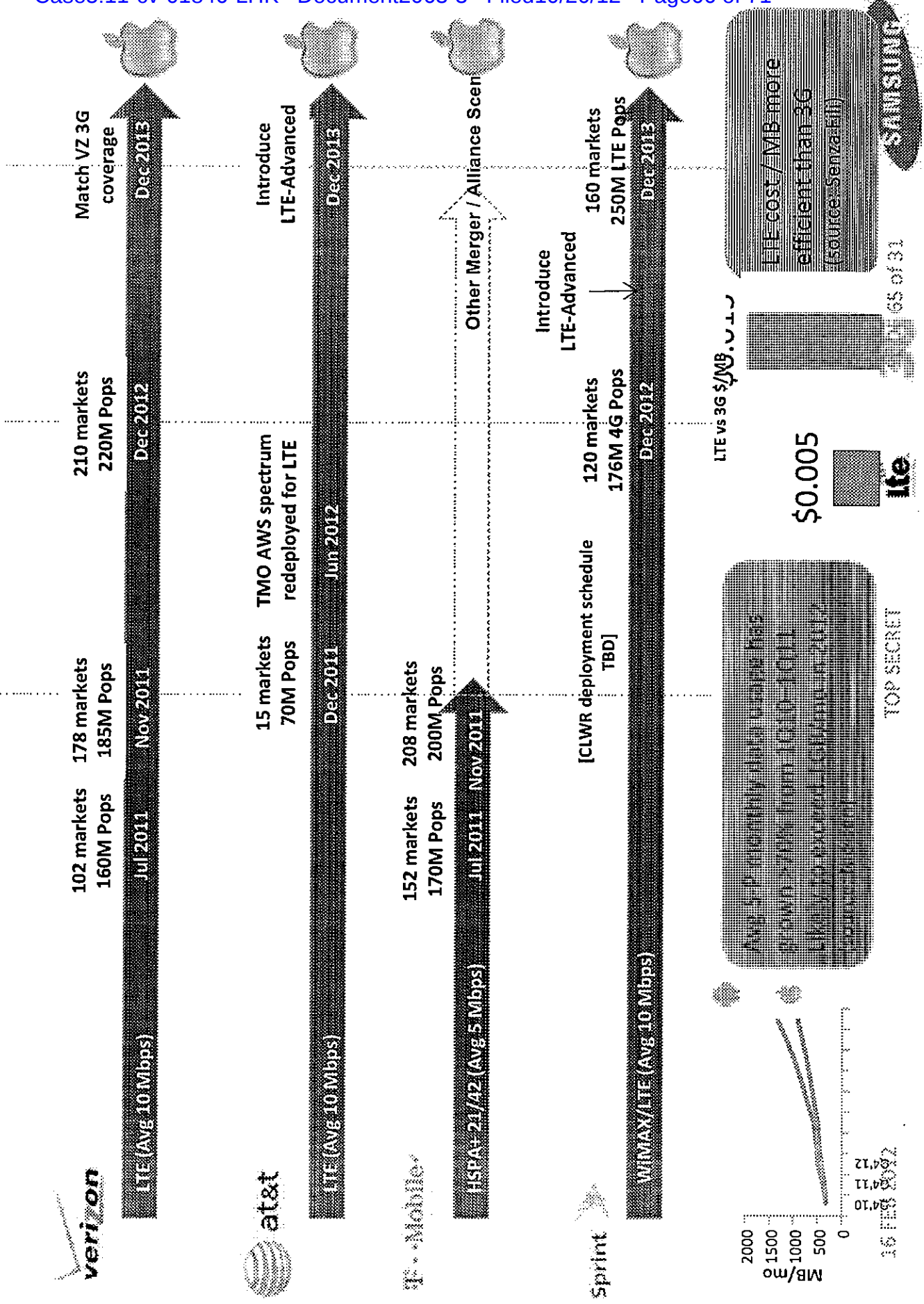


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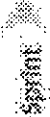
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ATT-TMO CANCELLATION MEANS THREE MAJOR US CARRIERS FOR THE NEXT 8 - 12 MONTHS. APPLE UNLIKELY TO DESIGN AWS UNTIL IPHONE 5.



VZW AND ATT GENERATING THE BEST SMARTPHONE ECONOMICS OUT OF THE BIG 4

					Big 4 Smart
+ Smartphone ARPU*	\$81.44	\$75.29	\$69.63	\$64.89	\$73.78
- Data delivery cost	\$10.82	\$7.98	\$8.30	\$8.88	\$8.93
- Allocated servicing costs	\$13.11	\$14.74	\$14.70	\$14.12	\$14.23
Pre-marketing monthly margin	\$57.51	\$52.57	\$46.63	\$41.89	\$50.62
Postpaid device life (months)	26.9	28.8	18.9	23.3	25.3
- Smartphone subsidy	\$227	\$293	\$191	\$197	\$235
- Allocated marketing costs	\$306	\$152	\$129	\$243	\$200
Device lifetime value	\$1,014	\$1,069	\$561	\$536	\$846
Monthly MB usage	721	532	553	592	595
Data delivery cost / MB	\$0.015	\$0.015	\$0.015	\$0.015	\$0.015

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*Nielsen 3Q11: BRPS excluding one-time charges ("Total Other Charges")

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SAMSUNG

SAMSUNG LTE GENERATING BETTER DEVICE ECONOMICS FOR VZW THAN IPHONE, YET SUBSIDIZED LESS

							
	Verizon	3G	3G	iPhone 4S**	iPhone 4	Droid Charge	Thunderbolt
Big 4							
Smart							
+ Smartphone ARPU*	\$73.78	\$81.44	\$83.26	\$81.63	\$89.33	\$87.60	\$87.60
- Data delivery cost	\$8.93	\$10.82	\$22.20	\$10.92	\$3.55	\$6.91	\$6.91
- Allocated servicing costs	\$14.23	\$13.11	\$13.11	\$13.11	\$13.11	\$13.11	\$13.11

Pre-marketing monthly margin	\$50.62	\$57.51	\$47.95	\$57.60	\$72.67	\$67.58	\$67.58
Postpaid device life (months)	25.3	26.9	26.9	26.9	26.9	26.9	26.9
- Smartphone subsidy	\$235	\$227	\$321	\$345	\$200	\$225	\$225
- Allocated marketing costs	\$200	\$306	\$306	\$306	\$306	\$306	\$306
Device lifetime value	\$846	\$1,014	\$702	\$902	\$1,448	\$1,286	\$1,286

Monthly MB usage	595	721	1,480	728	710	1,381	1,381
Date delivery cost / MB	\$0.015	\$0.015	\$0.015	\$0.015	\$0.005	\$0.005	\$0.005

Samsung generating more economic value than iPhone but subsidized less

*Nielsen 3Q11 ARPU excluding one-time charges ("Total Other Charges")
 **VZW iPhone 4S ARPU est based on iPhone 4/3GS ARPU delta at launch, 4S data usage based on Arioso



GSII PROVIDING BETTER DEVICE ECONOMICS VERSUS IPHONE, YET SUBSIDIZED LESS

	at&t	iPhone 4S**	iPhone 4	iPhone 3GS	GSII SR***
Big 4 Smart					
+ Smartphone ARPU*	\$73.78	\$82.67	\$81.05	\$75.20	\$82.67
- Data delivery cost	\$8.93	\$22.20	\$12.42	\$7.61	\$7.40
- Allocated servicing costs	\$14.23	\$14.74	\$14.74	\$14.74	\$14.74
Pre-mktg monthly margin	\$50.62	\$44.73	\$53.89	\$52.85	\$60.53

Postpaid device life (month)

28.8

28.8

28.8

28.8

28.8

- Smartphone subsidy

\$235

\$293

\$321

\$341

\$360

- Allocated marketing costs

\$200

\$152

\$152

\$152

\$152

Device lifetime value

\$846

\$1,069

\$1,059

\$1,018

\$1,341

	at&t	iPhone 4S**	iPhone 4	iPhone 3GS	GSII SR***
Monthly MB usage	595	1,480	507	374less	1,480
Date delivery cost / MB	\$0.015	\$0.015	\$0.015	\$0.015	\$0.005

Samsung generating more economic value than

iPhone but subsidized

*Nielsen 3Q11: BRPS excluding one-time charges ("Total Other Charges")

**ATT iPhone 4S ARPU based on iPhone 4/3GS ARPU delta at launch, 4S data usage based on Arioso

***Samsung Skyrocket numbers based on STA estimate



GSI PROVIDING BETTER DEVICE ECONOMICS VERSUS IPHONE, YET SUBSIDIZED LESS

	Big 4 Smart	Sprint	iPhone 4S**	iPhone 4	GSI Epic Touch***	Epic 4G
+ Smartphone ARPU*	\$73.78	\$64.89	\$74.83	\$74.83	\$74.83	\$74.83
- Data delivery cost	\$8.93	\$8.88	\$22.20	\$10.92	\$3.05	\$3.05
- Allocated servicing costs	\$14.23	\$14.12	\$14.12	\$14.12	\$14.12	\$14.12
Pre-marketing monthly margin	\$50.62	\$41.89	\$38.51	\$49.79	\$57.66	\$57.66
Postpaid device life (months)	25.3	23.3	23.3	23.3	23.3	23.3
- Smartphone subsidy	\$235	\$197	\$321	\$341	\$290	\$270
- Allocated marketing costs	\$200	\$243	\$243	\$243	\$243	\$243
Device lifetime value	\$846	\$536	\$333	\$576	\$810	\$830
Smartphone monthly MB usage	595	592	1480	728	1016	1016
Data delivery cost / MB	\$0.015	\$0.015	\$0.015	\$0.015	\$0.003	\$0.003

Samsung generating more economic value than iPhone but subsidized less

*Nielsen 3Q11: BRPS excluding one-time charges ("Total Other Charges")

*** Apple numbers based on STA estimates, Arioso

***Samsung GSI Epic Touch numbers based on STA estimate



SAMSUNG GENERATING BETTER DEVICE ECONOMICS THAN HTC AT TMO

	Big 4 Smart	3G GII**	HTC myTouch 4G
+ Smartphone ARPU*	\$73.78	\$73.17	\$69.61
- Data delivery cost	\$8.93	\$10.98	\$14.54
- Allocated servicing costs	\$14.23	\$14.70	\$14.70
Pre-marketing monthly margin	\$50.62	\$47.49	\$40.37
Postpaid device life (months)	25.3	18.9	18.9
- Smartphone subsidy	\$235	\$270	\$184
- Allocated marketing costs	\$200	\$129	\$129
Device lifetime value	\$846	\$499	\$450
Smartphone monthly MB usage	595	732	969
Data delivery cost / MB	\$0.015	\$0.015	\$0.015

Samsung generating better economic value



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*Nielsen 3Q11 BRPS, excluding one-time charges ("Total Other Charges")
 **Samsung GII numbers based on STA estimate