When refrigerators, air conditioners, washing machines, microwave ovens, and vacuum cleaners all become the leading edge of a digital revolution, it is clear that the history of digital convergence has reached a critical turning point.
HomePAD™ Refrigerator
Samsung brings the wireless revolution to the kitchen with this mobile control panel, called HomePAD™. With a detachable 10.4-inch LCD touch screen and wireless LAN access, every member of your family can instantaneously share schedules, surf the Internet, and watch TV anywhere in your home.
The digital home of tomorrow is not about the speed of the internet—it’s about what’s in consumers’ refrigerators, what’s cooking in their microwave ovens, and the temperature, comfort, and safety of their homes. This is the underlying foundation of Samsung Electronics Digital Appliance Network’s outstanding success last year, with an average 47% of the domestic market share in home appliances and five number-one products: air conditioners, refrigerators, microwave ovens, washing machines, and vacuum cleaners.

With a huge investment in R&D and the debut of Hauzen, our new premium home appliance brand, the Digital Appliance Network is turning 2002’s overwhelming achievements into the basis of a powerful global expansion. This year, exports including refrigerators, washing machines, and microwave ovens are expected to account for more than 75% of our annual sales. The picture is expected only to become brighter as consumers discover that Samsung Electronics’ legendary reputation for credibility and reliability cannot be beaten when digital innovation is brought to the premium home appliance category.

Perhaps the best example of this strategy is our new line of side-by-side refrigerators. Beautifully designed in a wide variety of colors and finishes with environmentally friendly features, our side-by-side refrigerators are also packed with convenient, consumer-friendly technology. Cool Select Zone closely controls five different temperatures for fruits and vegetables, meats, fish, thawing,
and soft freezing while the Twin Cooling System allows the refrigerator and freezer to operate independently for maximum efficiency. Add our touch-screen 10.4-inch LCD-TV HomePad to this refrigerator—perfect for watching TV and DVDs or operating home electronics such as dimming the lights or turning on the air conditioner—and it becomes clear why consumers increasingly see our refrigerators as symbols of a new digital home appliance revolution. Already the top selling side-by-side refrigerator manufacturer in 18 countries around the world, Samsung Electronics has set its sights on the United States (the world’s largest market for side-by-side refrigerators) through aggressive promotions and advertising as well as a new retail partnership with Best Buy, the largest volume retailer of home appliances in North America.

Thanks to this surge in our new premium products, our air conditioner business also grew by more than 30% in 2002. Our super-slim wall mounted design is the first fully adjustable air conditioner with a Digital Variable Multicooling system which provides cooling air in any direction. This year we will also launch a wide variety of new air-conditioning products integrating digital technology all over the world, and we expect to increase our brand and market share dramatically with new value-added digital air-conditioning products.

Since 2000, Samsung Electronics microwave ovens have been the world’s top selling brand. But thanks to aggressive marketing in countries with new growth potential, such as Russia,

**Air Purifier (Mondrian)**

Thanks to the latest advances in nanotechnology, our air purifiers provide HEPA air filtering through a two-layer deodorizer and a bacteria-screening filter that give you up to 11 purifying levels of air filtration for a healthy, happy home.

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**SBS Refrigerator**

Samsung Electronics’ Cool Select Zone allows you to select the temperature and functions that fit your lifestyle and needs. You can control the temperature of your refrigerator to thaw or quick chill items for a last-minute dinner.

**Deluxe Convection MWO**

This deluxe Convection Microwave Oven (built-in) lets you grill, microwave, or cook with convection heating with up to 1,700 watts of power. With multiple inner racks, high-touch stainless surfaces, and easy-to-use dial controls, this sleek microwave oven cooks everything with ease.
Mexico, and most of Southeast Asia—and freshly differentiated premium products for the rest of the world, including our new toast-and-bake microwave ovens—our market share is still actively growing.

Washing Machines are another strong growing category for Samsung Electronics. This year, our laundry R&D team developed new technologies for washing machines with larger capacity and greater adaptability to various sizes, shapes, and types of fabric. Among them is “Big Wash 4D.”

The “4D” stands for Digital Detergent Dissolving Device, which means that the machine maximizes washing performance, using less detergent and taking less time. Large doors make loading and unloading easy, while a range of simple-to-use wash cycles saves time and hassle, and even helps minimize ironing. Energy and water savings make this machine environmentally friendly too.

Last year also saw a 2.5-times increase in sales over the previous year in our vacuum-cleaner business, putting Samsung Electronics in the top tier of the world’s manufacturers in this field. In 2003, we expect to enter new markets with vacuums such as the Cyclomax, the world’s first cleaner specifically intended for wooden floors, and new bagless/cassette vacuums for different markets.

Merging digital technologies with the latest home-appliance design, the Samsung Electronics Digital Appliance Network stands ready for the future of digital convergence.