The rules of the world are changing.

Bigger is not better.  
Only better is better.  

Quality over quantity,  
Innovation over imitation.  
Passion over pride.

The goal is not to beat one's opponent.  
But to win customers' hearts.  
And to contribute to a better global society.

This is the true spirit of competition.  
This is the true spirit of Samsung.
Electronics
Samsung Electronics Subgroup produces video and audio products, appliances, information systems, computers, semiconductors and entertainment products. Fully integrated, the Electronics Subgroup is capable of turning raw materials into highly sophisticated products.

Samsung Electronics Company introduced the world’s first 1G DRAM, the VisionPLUS TV, new CDMA communications systems, DVD players and other digital products.

Samsung Display Devices is the world’s largest maker of color picture tubes. The company manufactured 44 million picture tubes in 1996, or 17% of the world’s production.

Samsung SDS launched Unitel, a user-friendly on-line service which provides news, entertainment, education, home shopping and other electronic services.

Sales: $26.8 billion (28.9%)

Machinery
Samsung Machinery is a vertically and horizontally integrated group of companies involved in the design and construction of power plants, waste-treatment facilities, infrastructure and materials handling systems. It is also a leader in “mechatronics” – the interface of mechanics and electronics.

Samsung Machinery Subgroup sales increased nearly 13% to $6.1 billion.

Samsung Heavy Industries received orders for a liquid-natural gas (LNG) carrier and a 103,000DWT drillship, which will be the largest drillship ever built.

Samsung Aerospace is the prime contractor for a project to develop commercial airliners in Korea.

Sales: $6.1 billion (6.6%)
Automotive

Samsung's Automotive Subgroup designs and manufactures distinctive, high-quality vehicles for individuals and commercial use. Its products range from a midsized sedan automobile, to be introduced in 1998, to heavy-duty cargo, tanker and dump trucks.

Samsung Motors completed its new state-of-the-art manufacturing plant in Pusan, Korea three months ahead of schedule. The company will introduce its first vehicle in early 1998.

Samsung Commercial Vehicles is expanding its product line to include light and medium trucks to complement its successful heavy truck models.

Samsung Automotive Subgroup was formed in 1997. Samsung Commercial Vehicles was previously part of Samsung Heavy Industries, and its 1996 sales are included in our Machinery Subgroup.

Finance

The Finance Subgroup includes life, property and casualty insurance as well as credit card and securities businesses. The subgroup aims to become a leading player in 21st century global markets and one of the world's 10 largest financial institutions. After the year 2000, the companies plan to unite as a single holding company called Samsung Financial Services Co.

Samsung Life Insurance became the first Korean company to enter the real estate market in China.

Samsung Fire & Marine Insurance continues to introduce new customer services, such as its computerized, on-the-spot Auto Claims Adjustment System.

Samsung Securities became one of Korea's top 10 securities firms, and ranks number one in institutional investor accounts and corporate bond underwriting.

Sales: $22.8 billion (24.7%)

Chemicals

Samsung Chemica's operations are built around petrochemical production. From this established base of business, subgroup affiliates are expanding into many new, highly sophisticated products, including high polymer complexes, engineering plastics and specialty chemicals.

Samsung General Chemicals is expanding into production of new base materials for electronics and automobile components, pharmaceuticals and agrochemicals.

The Korean government recognized Samsung Fine Chemicals' efforts to expand Korea's chemical industry by awarding it the Export Tower Trophy and Bronze Tower Industrial Decoration.

Samsung-BP Chemicals completed a new vinyl acetate monomer plant.

Sales: $2.0 billion (2.2%)

Exports: $36.1 billion
Locations: 68 countries
Employees: 260,000

Other Samsung Companies

Our Independent Affiliates Subgroup includes Korea's highest-rated hotel, largest trading company and leading newspaper publisher, state-of-the-art medical and research institutes, and cultural and welfare foundations.

Samsung Corporation exported $14.2 billion worth of goods to 150 different countries, affirming its position as the largest general trading company in Korea.

Samsung Engineering completed construction of ethylene and ethylene oxide/ethylene glycol plants for China's Qin Chemical Co., and received an order for a 700,000-ton/year ethylene plant from the Thai Petrochemical Industry.

Cheil Industries opened the Golden Fashion Center in Kum, Korea, integrating the company's textile production capabilities into a single, high-tech operation.

Sales: $34.9 billion (37.6%)
The Story
young child wins a schoolyard race and dreams of becoming a champion. She works hard and advances from local and regional contests to national competitions, challenging athletes who share the same dream.

At each level, the competition gets tougher, requiring new skills and greater discipline. Until one day, after years of sacrifice, she lines up against the world’s best, and awaits the sound of the starter’s pistol to fulfill her destiny.

The same can be said for Samsung. For many years, we have dominated the Korean market, winning the hearts and minds of consumers. In our home country, we have built a legend for never failing, a tradition of always being the best in every endeavor.

But in the world arena, it is a different story. Although nearly 39% of our $92.7 billion of revenues in 1996 were generated outside Korea, we are still a relatively new player in many parts of the world. And we need to push far beyond our established skills to become a leader in the global marketplace.

Recognizing this fact, we embarked on a rigorous “New Management” program in 1993 to transform Samsung into a true world-class company. New Management is not a simple fine-tuning of our past performance. It is a total change in the way we think, the way we work and the way we serve our customers.

Through the efforts of Samsung employees worldwide, we are beginning to reap the rewards of New Management, many of which are illustrated throughout this annual report. But, like an athlete in training, we have also fought hard to overcome disappointments and failures.

In 1996, for example, sharp declines in the semiconductor, petrochemical and other industries seriously weakened Korea’s economy and our business, decreasing our profitability. But, by leveraging the strengths of our organization, we have acted swiftly to address this challenge, and we are confident that a turnaround is in sight.

These short-term difficulties have only strengthened our resolve. The world is changing and competition is intensifying as we approach the new millennium. While our goal of global leadership is clearly in reach, we must work harder and smarter to achieve it. I believe that our team and strategy are on track to succeed. Among the key points of our game plan:

Focus on quality. Putting quality first isn’t a slogan. At Samsung, it is a core personal principle that drives each and every one of our employees. The future lies only in people and quality, not quantity. As businesses pay more attention to the quality of their products and services, they show greater respect for their customers. Those companies that do not recognize this are doomed to failure.

Listen to the world. We are delivering more products and services to more places in the world than ever before. This is good, but not nearly good enough. We must continue to localize
our global operations, listening to the needs of individual markets and consumers, and designing products to meet their needs.

*Create a distinct advantage.* Creativity and innovation will be the intellectual capital of the 21st century. We must invest in technology, product quality and design to create a new generation of "World's Best" products. We also must distinguish our company and its culture, making the Samsung name a symbol of quality and innovation throughout the world.

*Anticipate the future.* In a world of continuous change, past performance can no longer predict the future. We are restructuring our operations—shedding old practices and second-rate operations—to focus on “next generation” businesses with the greatest opportunities for growth. And we are changing our business style to anticipate the future needs of customers, so we can be first to market with inspiring new ideas and product concepts.

*Create an environment for growth.* We are developing more creative and productive corporate culture by eliminating rules that stifle innovation and hamper efficiency. We are giving managers the autonomy they need to demonstrate their full leadership. And we are building structures to integrate the many talents and resources of our organization that are often separated by artificial barriers.

*Contribute to a better global society.* We must be genuine and sincere in our desire to improve the quality of life for all mankind. This is the only way for Samsung to become a true world-class company and to be welcomed everywhere in the global community.

One cannot approach these goals with a clipboard mentality—merely checking off assignments from an arduous to-do list—and expect to join the world’s business elite. They must become a fundamental part of our nature, the same as the blood which courses through our veins. They must be pursued with passion and unwavering dedication.

This “spirit of competition” often separates a champion from an also-ran—whether it is in business, sports or everyday life. To demonstrate our support for this spirit, Samsung has become the worldwide wireless communications equipment partner of the 1998 Winter Olympic Games in Nagano, Japan, and the 2000 Summer Olympic Games in Sydney, Australia. In addition to providing telecommunications technology for the Games, our partnership provides us with an invaluable opportunity to communicate Samsung’s message to people all over the world. Samsung is also an official partner of the 1998 Bangkok Asian Games in Thailand.

I have long believed that sports embody many of the essential disciplines vital to social harmony: cooperation, attention to duty, and sacrifice. By adopting these disciplines throughout our company, and blending the wisdom of our past with a bold vision for the future, we will create a new Samsung, a respected global leader. As we approach the starting line of a new century, our time to prepare is growing shorter. I am confident we will respond to the challenge.
As Samsung expands worldwide, we must respond creatively to both global challenges and the needs of the local communities we serve.
Less than 60 years ago, the Samsung Group was a small Korean trading company, supplying rice and agricultural commodities to neighboring countries. Today, Samsung is composed of 35 businesses including electronics, chemicals, machinery, construction, textiles, entertainment, financial services, and insurance, with 423 offices and facilities in 68 countries.
The term “global marketplace” is a misnomer. In fact, the world is composed of hundreds of local and regional markets, each with its own distinct demographics, infrastructure, culture, politics and customs.

Anyone who has traveled outside his or her own borders understands this truism. There are many differences between a family or business in Paris, France and another in Paris, Texas.

To “globalize” in this dynamic arena, companies must “localize” the way they do business. They must clearly understand the different needs of customers around the world, and respond with unique products and services to fulfill them.

Companies also need to build strong ties to the communities they serve, advancing their local economies and enriching the lives of people who live there.

As we expand our operations worldwide, Samsung takes these responsibilities very seriously. We do not seek to push our way into global markets. Instead, we are forging a leadership position by earning the respect and admiration of customers in individual markets around the world.

Our growing success outside Korea validates this strategy. A good example: Samsung Electronics’ sales in the Commonwealth of Independent States (CIS) grew from $94 million in 1993 to $670 million in 1996. We project sales to exceed $1 billion in 1997, as we strengthen our relationships and presence in the CIS.

Business leaders and academia have taken notice. Samsung Corning, which operates plants and research and development facilities in four countries, was selected as a case study by Harvard Business School for its successful partnership. Enriched by its diversity, Samsung Corning has been profitable for 23 consecutive years by carefully managing differences in culture, language and economic structure throughout its operations.
Closer to our customers. To meet the challenges of globalization, we reorganized Samsung into five regional divisions in 1995: China (headquartered in Beijing); Europe (London); Asia (Singapore); Japan (Tokyo); and the Americas (Ridgefield Park, New Jersey).

The new regional management structure moves decision-making closer to our customers, so we can respond faster and more efficiently to market needs and opportunities. It also encourages greater collaboration and synergy among our operating companies.

Each division operates independently, employing its own research and development, product planning, marketing, sales, advertising and other staffs. These regional teams have the autonomy and authority to design products and marketing strategies specific to their local markets.

We’re also localizing our manufacturing operations in high-growth markets throughout the world. At the end of 1996, Samsung Electronics operated more than 30 plants worldwide; we plan to double that number by the year 2000.

Although still in the early stages of development, the benefits of Samsung’s regional management structure can be demonstrated in a variety of ways:

Research and development. Through technology exchanges with leading research institutes worldwide, Samsung Fine Chemicals is developing a broad range of new commercially viable products. Samsung has established a jointly ventured research center at Russia’s Zelinsky Institute and is expanding strategic alliances with global biotech venture companies.

Product design. Samsung’s share of the global microwave oven market has increased significantly over the past two years. We are number one in market share in Europe; we are number two...
in the U.S. and climbing rapidly. Much of this gain can be attributed to our development of unique microwave oven designs for different consumer markets, based on their individual cooking styles and feature preferences.

Samsung Motors won’t introduce its first automobile until 1998, but the company has already established a design studio in California to study the needs of different markets, and to design vehicles that reflect local lifestyles. To globalize its operations as quickly as possible, the company has also opened branch offices in Detroit, Tokyo and Frankfurt.

Speed to market. By localizing our operations, we can reduce delivery times to both our consumer and business customers. In Spain, our VCR manufacturing plant now promises 24-hour priority delivery to its principal markets. This kind of responsiveness has helped Samsung become number one in market share in Spain for VCRs, fax machines and cordless telephones.

Business synergies. Samsung Corporation, our global trading company, has been operating in Brazil for years. So when Samsung Electronics decided to expand into the region, it had a local resource for learning the market, its people and potential opportunities. Thanks in part to this collaboration, our electronics subsidiary in Brazil—the first major Korean electronics manufacturer to enter the country—achieved profitability shortly after opening its doors.

Customer service. Regionalization has also spurred a creative revolution in customer service throughout Samsung. Among the many innovations: A free “traveling” after-sales service program is being established by Samsung Electronics in the CIS to support our rapid expansion throughout the region.
A model for global development. Malaysia has one of the fastest growing economies in the world. Samsung first entered the country in 1979, helping to build the country's highways and roads. Today, we operate 10 companies in Malaysia—with activities ranging from manufacturing, marketing and sales to engineering and construction—employing 7,500 Malaysians.

Samsung Group has invested approximately $900 million in Malaysia to date, which includes construction of our new integrated electronics complex in Seremban, our largest manufacturing facility outside Korea. (In 1996, we also opened large integrated electronics complexes in Mexico and China.)

Built in phases over a period of more than five years, our Seremban plant is a model for Samsung's global development worldwide. The facility has 7,000 employees, more than 98% of which are Malaysians, including most department heads. More than 82% of the raw materials and components used at the Seremban complex are locally sourced, and our goal is to increase local content to 87% in the near future.

Samsung’s investments in Malaysia—including extensive training programs for our employees and managers—have contributed greatly to the country’s economic and technological advancement. We also plan to participate in the Malaysian government’s Vision 2020 project, the country’s long-term economic development plan.

By partnering in Malaysia’s success, Samsung has built a distinctive reputation and formidable presence in the region. Sales in Malaysia totaled $1.4 billion in 1996 and are projected to reach $2.0 billion in 1997.

Benefiting society. Membership in the global community is a reciprocal relationship. In addition to contributing to the economies of the regions we serve, Samsung is committed to social leadership through our involvement with a wide variety of local arts, environmental, educational and other programs (see “The Rewards” on page 74).

Through these contributions, we strive to become an integral part of each society in which we live and work. Together, we can grow as one.
Samsung Americas
105 Challenger Road
Ridgefield Park, NJ 07650
USA
Tel: 1-201-229-7000
Fax: 1-201-229-7030

Founded: 1995 (Expanded to
include Latin America in 1997)
Facilities: 96
Employees: 7,400
Chairman and
Chief Executive Officer:
Kwang-Ho Kim

Samsung Americas manages our activities in Canada, the
U.S. and Latin America. Comprising both the world’s richest
market and many booming markets, Samsung has invested
heavily in the region, including a semiconductor fabrication
plant in the U.S., a vertically integrated electronics production
complex in Mexico and a TV-Monitor-PCB plant in Brazil.

Samsung Europe
Headquarters
Great West House
Great West Road
Bracknell
Berkshire RG12 2QG
UK
Tel: 44-118-380-7000
Fax: 44-118-380-7090

Founded: 1995
Facilities: 85
Employees: 5,588
1996 sales: US$4.6 billion
Chairman and
Chief Executive Officer:
Cegil Shin

Samsung Europe coordinates our operations in 21 countries,
including manufacturing in the U.K., Portugal, Spain, Switzerland,
Germany, Hungary and Slovenia. In the U.K., for example, we
have invested heavily in recent years in an integrated electronics
production complex, a heavy-equipment plant and a European
research and development facility.

Samsung Asia Pte. Ltd.
80 Robinson Road
No. 21-01
Singapore 068898
Tel: 65-225-5868
Fax: 65-227-9662

Founded: 1995
Facilities: 67
Employees: 15,282
1996 sales: US$7.4 billion
Chairman and
Chief Executive Officer:
Douk-Kee Ahn

Samsung Asia, the newest of our regions, is rapidly increasing
its competitiveness, sales and investments. To grow further,
faster in this diverse region from India to Australia, Samsung Asia
is identifying strategic alliances as well as making its own huge
investments, including the US$850 million Seremban Integrated
Manufacturing Complex in Malaysia.

Samsung China
Headquarters
18F Tower 1, Bright China
Cheng An Building,
Chao 100005
Tel: 86-10-6510-1234
Fax: 86-10-6510-1539

Founded: 1995
Facilities: 98
Employees: 17,830
1996 sales: US$4.1 billion
Chairman and
Chief Executive Officer:
Pil-Gon Rhee

Samsung China oversees Samsung operations—mainly
electronics, but also home appliances, textiles and clothing—
in the People’s Republic of China, Mongolia and Taiwan.
For the world’s largest market, we plan to more than double
our work force to 40,000 and our annual revenue to
$12 billion by the year 2000.

Note: Activities in the Commonwealth of Independent States (23 facilities), Middle East and Africa (25 facilities) are conducted separately by each subsidiary.

Americas

Europe

Asia

China

Japan

Samsung Japan
Corporation
18F Shin-Ohashi Center
Otemachi
1-3-17, Otemachi
Chuo-ku
Tokyo 100-0004
Tel: 81-3-5611-9820
Fax: 81-3-5647-9821

Founded: 1975
Facilities: 30
Employees: 1,500
1996 sales: US$4.1 billion
Chairman and
Chief Executive Officer:
Seong-Goo Yoo

Samsung Japan, with 38 offices, focuses on supporting our’alliances with strategic partners. It also provides information for
new business development in this key market and oversees
our research facilities—our Semiconductor Design Center and
our new Yokohama Research Center.
Country: Malaysia
Population: 21.2 million
Gross Domestic Product (GDP): $96.2 billion
GDP per capita: $4,543
Inflation (1996): 4%

Family:
Jamilah Haji Dahalan, 32, mother
Nurul Asyiqin, 7, daughter
Muhammad Akram, 9, son
Nur Atiqah, 3, daughter
Mohamad Razali Suliman, 36, father

Most important thing in life: Happy family life
Wish for the future: College education for children
What comes to mind when you think of Samsung? Quality
Why did you choose Samsung? Quality
Samsung product shown: SRG628L refrigerator
Russia

- Population: 148 million
- GDP: $525.9 billion
- GDP per capita: $3,550
- Inflation (1996): 52%

Family:

- Vadim Mikheev, 36, father
- Natalia Mikheeva, 35, mother
- Christine Mikheeva, 11, daughter
- Galina Nikolaeva, 65, grandmother
- Vladimir Mikheev, 10, son

Most important thing in life: Family

Wish for the future: To have a villa outside of the country

What comes to mind when you think of Samsung? Televisions and quality

Why did you choose Samsung? Design

Samsung products shown:
- CE245GR microwave oven
- EX-1 Camera
Country: Netherlands
Population: 15.7 million
Gross Domestic Product (GDP): $408.2 billion
GDP per capita: $28,000
Inflation (1996): 2.1%

Family:
Martje Visser, 55, mother
Sale Visser, 59, father
Bert-Jan Visser, 24, son

Most important thing in life: Healthy and happy life
Wish for the future: Trip around the world
What comes to mind when you think of Samsung? Excellent quality excavator
Why did you choose Samsung? Versatility
Samsung products shown: SE210LC-2 excavator, CB-5073T television, SV-45XK VCR, Mycam 80 video camera recorder
Country: United States
Population: 268.7 million
Gross Domestic Product (GDP): $7.92 trillion
GDP per capita: $29,600
Inflation (1996): 3%

Family:
Holly, 4, dog
Lucy Stewart, 33, mother
William Stewart, 3 months, son
David Stewart, 44, father

Most important thing in life: Family
Wish for the future: Health, happiness and more children

What comes to mind when you think of Samsung?
The giant billboards on 6th avenue

Why did you choose Samsung?
Elegant and well priced products

Samsung products shown:
17GLi SyncMaster monitor
CDMA PCS handset
Country: Japan
Population: 126.3 million
Gross Domestic Product (GDP): $4.82 trillion
GDP per capita: $38,120
Inflation (1996): 0.3%

Family:
Hiromi Takimoto, 9, daughter
Mitsuaki Takimoto, 12, son
Shoichi Takimoto, 39, father
Mieko Takimoto, 36, mother

Most important thing in life: Happy and healthy family life
Wish for the future: Family’s health

When you think of Samsung? Video
Why did you choose Samsung? Good value
Samsung product shown: SENS Pro 520 notebook PC
South Korea

Country: South Korea
Population: 45.5 million
Gross Domestic Product (GDP): $543.9 billion
GDP per capita: $11,910
Inflation (1996): 4.8%

Family:
Hye-Saung Oh, 32, mother
Hee-Young Kim, 1, Daughter
Jong-Ou Kim, 66, grandfather
Eun-Ju Kim, 64, grandmother
Sang-Yoon Kim, 4, son
Do-Hun Kim, 36, father

Most important thing in life: Family
Wish for the future: Having an animal farm for the family

What comes to mind when you think of Samsung? Credibility
Why did you choose Samsung? After-the-sale service

Samsung products shown:
- RE-445R microwave oven
- 700P SyncMaster monitor
- SP-RM927 wire and wireless telephone
- VisionPLUS television
- SV-D100 camcorder
The Ch
To succeed in a new era of global competition, we must make Samsung one of the best known and most respected brands in the world.
Creating a world-class brand is a process of continuous improvement and innovation.

Create value-added concepts and innovative design.

Solve challenging technical issues.

Brand and deliver a superior product.

Provide outstanding customer service.

Project a unique and compelling identity.

Identify market needs and desires.

Listen to the world.

Project a unique and compelling identity.

Provide outstanding customer service.
Walking into the television department of a large electronics store can be a daunting experience. Towering displays of TVs compete for attention, flashing buy-me smiles in
perfect synchronism. A jumble of high-tech features makes it difficult to differentiate products or compare performance.

To relieve the confusion, many customers survey the shelves for the name of a “friend”—a brand name they know and trust from reputation and past experience. For decades, several Japanese companies have dominated this short list. But in recent years, a new name has been making friends faster than any other: Samsung.

The affinity has been hard-earned. Recognizing the value of a strong brand, we have invested aggressively in developing innovative products and a unique brand identity to distinguish Samsung from scores of global competitors. This challenge is not limited to televisions and electronics; it is companywide. Wherever the Samsung name appears, it must represent world-class quality, performance and value.

While our efforts to strengthen the Samsung brand are only a few years old, we can already measure the results. According to Interbrand Group, an international branding consultancy, Samsung ranked among the top 100 of the World’s Greatest Brands in 1996, our first year included in the prestigious survey.

Some of our best progress has been in emerging markets. In China, Samsung achieved 66% brand awareness and a 72% positive-opinion rating in 1996, based on our own Global Brand Attitude Survey, up from 14% brand awareness and a 33% positive-opinion rating only two years ago. In the Commonwealth of Independent States (CIS)—where we scored 92% brand
awareness in 1996—a leading public opinion poll named Samsung one of the top five “superfirms of the year.”

Building a world-class brand.

Few can argue with the power of a prominent brand. Successful brands drive consumer preferences, preserve margins and build customer loyalty, even in the face of tough competition. Brands provide peace of mind to consumers and create value for shareholders.

Advertising alone cannot forge this bond. Companies must build world-class products to build a world-class brand. These products must enhance the lives of customers, and have a distinct advantage in the market. They must deliver consistent quality, reinforcing consumer confidence with every purchase.

This challenging philosophy is the impetus behind Samsung’s “brand revolution.” Before we could develop a superior reputation in the TV market, we had to manufacture a superior product—the WorldBEST™ TV—which featured new standards of television design, picture quality, sound and value. In 1996, we built upon this leadership by introducing the VisionPLUS™ TV, which boasts a unique picture-tube technology that extends the viewing area of traditional television screens.

This same kind of market-driven innovation drives the development of all our new products and services. Among the many standards we strive to achieve:
Slim Zoom 145

The European Imaging and Sound Association (EISA) is a tough judge of quality. So, naturally, we were pleased when the prestigious organization chose the Samsung Slim Zoom 145 as its compact camera of the year for 1996-1997. In awarding the coveted prize, EISA said: “Samsung is coming of age as a maker of high-quality, user-friendly cameras.” It also praised the feature-packed Slim Zoom 145, saying the camera “pits many more expensive zoom compacts to shame.”

Lansmere 170

Cheil Industries’ Lansmere 170 fabric is winning high praise around the world. Forbes hailed it as “the world’s finest fabric ever for tailor-made suits.” Others simply refer to Lansmere as “the golden fleece.” A product of proprietary Samsung technologies, each strand of the luxurious wool fabric is just one-fifth the diameter of a single strand of human hair. Lansmere is made from extremely rare 1PP wool, the highest grade of the 975 grades of the Australian Wool Testing Authority.
Premium Quality.

“Quality first” is a core value of every product Samsung sells. That’s why we’ll rehearse production on our new automobile lines for more than a year before introducing vehicles to consumers in 1998. When the first production model officially rolls off the line, it will be manufactured to the highest quality standards in the world.
Technological Innovation.

Samsung is one of the world’s premier technology companies. By creatively applying our technological expertise, we can enhance the value of our existing products and develop new categories of breakthrough ideas.

During 1996, we demonstrated this capacity in many ways, including the development of the world’s first ultrathin, ultralight, high-resolution 21.3 inch TFT-LCD computer monitors, which take up a fraction of the desk space of conventional monitors.

Customers across a broad span of industries depend on Samsung’s technological expertise. Samsung Heavy Industries is currently building a 103,000 DWT drillship for one of its clients; it will be the largest ship of its kind in the world.
Are you seeing the whole picture when you watch television? The answer is probably not if you don’t have a Samsung VisionPLUS TV. Conventional televisions cut off broadcast images on both sides of the screen, narrowing the picture you see. By developing an innovative picture-tube technology, Samsung has restored this “lost inch” to provide a true video image, just as it was captured by the camera. A big hit in Korea, the VisionPLUS TV is now being introduced in markets around the world.

SCH-1000 CDMA PCS
A new wireless communications revolution has begun, and Samsung is at the forefront. It’s called Code Division Multiple Access—or CDMA for short. CDMA provides better voice quality, greater privacy and vastly improved system capacity, compared to traditional cellular telephone networks. New Personal Communications Systems (PCS)—like the SCH-1000 CDMA PCS shown here—also offer customers expanded services, including caller identification and messaging.
CF4200 Multi-Functional Color Machine

More for less. That’s what today’s small and home-office businesses want. We created the Samsung CF4200 Multi-Functional Color Machine to meet the need. The CF4200 combines the functions of four important office tools—a color inkjet printer, a plain-paper facsimile machine, a scanner and a convenience copier—in a single, streamlined product that occupies less space than most single-function desktop printers.

Samsung Card

Samsung Card Company is constantly developing new services to deliver greater convenience, flexibility and value to its customers. A good example: the Samsung Motors Card, which will provide attractive cash-back incentives to customers who use the card to buy new Samsung automobiles, which are scheduled to debut in 1998. The Samsung Motors Card also provides discounts of 5% – 8% on purchases at Samsung Card member stores.
Added Value.
World-class products don’t just meet consumer needs. They exceed them, and delight customers with benefits not found in competitive products. Product design plays a crucial role in this process. To stand out in this arena, we created the Innovative Design lab of Samsung (IDS) in 1995. Through IDS and other resources, we are dramatically enhancing the performance, value and aesthetic quality of our products through added-value innovations and design.

Samsung Card Company is also an added-value innovator. It was the first credit card company to offer a prepaid buying card to consumers, and today is developing a number of new innovative credit card services through the use of built-in semiconductor chips.
The SEV-IV

Samsung is committed to developing a safe, practical car that uses alternative energy. The SEV-IV—or Samsung Electric Vehicle—takes us one step closer to that goal. Unveiled in December 1996, the SEV-IV can travel up to 75 miles per hour for up to 100 miles on one six-hour charge from a regular 220-volt outlet. Forty of the vehicles will be used by Samsung Electronics in 1997 for after-sales service calls, providing invaluable on-the-road testing to advance future developments.

RE-447 Microwave

Samsung Electronics has rapidly become one of the world’s leading producers of microwave ovens. One of the reasons for this success has been our sensitivity to global environmental concerns. Through our Green Management program, we design products like the RE-447 microwave oven to be more environmentally responsible by having fewer parts, a greater percentage of recyclable components, and reduced assembly and dismantling time.
Environmental Responsibility.
Protecting the environment has become one of the most pressing issues facing the world. Through our extensive Green Management program, Samsung is committed to manufacturing products which are environmentally responsible throughout their life cycle—from inception to disposal. By doing so, we are not only strengthening our relationships with customers; we are contributing to a better global society.

At our unique Environment R&D Center, Samsung Engineering is developing technology for advanced water purification, industrial waste incineration and other important processes. The company has also established a joint environment research and development center with the Polytechnic Institute of New York.
Future Orientation.
To increase the value of our brand, we must develop products that anticipate the future needs of consumers and businesses. A good example: In 1996, we shattered an industry technology barrier by developing the world’s first one-gigabit dynamic random access memory (DRAM) chip. While it will not be commercially available for several years, the 1G DRAM cements Samsung’s position as the industry’s innovator, and will become the heart of the next generation of digital electronic products.
The 64-bit Alpha chip

Microprocessors drive a computer’s performance. In 1996, Samsung signed a licensing agreement with Digital Equipment Corporation to manufacture the highest performance microprocessor in the world: The 64-bit Alpha Chip. Alpha Chips perform two to three times faster than conventional PC microprocessors, greatly enhancing computer speed and efficiency. This is especially important for complex computer applications, such as videoconferencing and 3-D imaging.

The first Samsung Motors automobile

When introduced in 1998, the first Samsung Motors automobile will be more than just another car. It will be an entirely new concept in quality and customer satisfaction. Our goal is to build one of the leading automobile franchises in the world, and a model of design innovation for the transportation industry. While we are beginning modestly with the launch of a single midsized sedan, our plan is to develop a full line of products, including trucks and recreational vehicles, over the next decade.
Creating a unique brand identity.
The 21st century will be an era of culture and intellectual assets. To succeed in this new age, companies can no longer simply manufacture superior products; they must distinguish their unique philosophy, persona and corporate values through creative marketing and advertising.

We recognize this need and are developing “powerbrand” campaigns that communicate Samsung’s heart and soul to consumers worldwide. In North America, our sleek and alluring “Simply Samsung” advertising program has significantly increased brand awareness and appeal, and contributed a substantial increase in the sales of many of our electronics products during 1996.

By combining the provocative images of these campaigns with equally bold and powerful products, we are creating a compelling brand identity upon which we can build for years to come.
Samsung's team comprises more than 260,000 employees and 36 companies worldwide. Combined sales in 1996 were $92.7 billion.
ELECTRONICS

Samsung Electronics Company introduced the world’s first 1G DRAM, the VisionPLUS TV, new CDMA communications systems, DVD players and other digital products.

Samsung Display Devices is the world’s largest maker of color picture tubes. The company manufactured 44 million picture tubes in 1996, or 17% of the world’s production.

Samsung SDS launched Unitel, a user-friendly on-line service which provides news, entertainment, education, home shopping and other electronic services.

Employees: 106,193
Sales: $26.8 billion

Samsung Electronics Co., Ltd.
Samsung Display Devices Co., Ltd.
Samsung Electro-Mechanics Co., Ltd.
Samsung Corning Co., Ltd.
Samsung SDS Co., Ltd.
Hewlett-Packard Korea Co., Ltd.
Samsung-GE Medical Systems Co., Ltd.
Samsung Electronics Co., Ltd.
Samsung Electronics Co., Ltd. manufactures a broad range of electronics-related items, including semiconductors, computers, telecommunications hardware and finished consumer electronics products. The company’s corporate mission is to enhance the quality of life for people through new technology development. Samsung Electronics leads the world in dynamic random access memory (DRAM) technology. It was the first company to develop a working prototype for the 256M DRAM. The company also pioneered the 1-gigabit DRAM in 1996. By leveraging such technological expertise, Samsung Electronics has increased its world market share in large-scale system integration through the development of application-specific ICs, Alpha chip, microcontrollers and power elements. In addition, the company has become a major player in the world display industry by being the first company to introduce a 22-inch film-transporter liquid crystal display (TFT-LCD).

Samsung Electronics is also applying innovative technologies to produce new TVs, VCRs, refrigerators and DVD players, standard models as well as high-end models. By understanding individual customer needs, Samsung aims to develop and produce products which earn “world’s best” distinction for function, design and environmental friendliness. The company’s SEMS notebook PCs and Magic: Station multimedia PCs provide outstanding functions and reliability. Samsung is also in step with the growing demand for multimedia products by developing Internet TVs, digital TVs and DVD players.

Samsung’s involvement in telecommunications includes the production of chip carrier, multiple access (CDMA) systems, asynchronous transfer mode (ATM) switching systems, personal communications service (PCS) handsets, personal digital assistants (PDA) handsets and on-line services. The company’s multimedia-related technology has improved its competitiveness in this area.

The company employs more than 12,000 researchers and invests at least 5% of total sales revenue in research and development. Research centers around the world are constantly at work on innovative ideas, many of which become “hit products.”

Samsung Electronics continues to expand worldwide in other ways as well. Large-scale, integrated production complexes are in operation in Woyang, England, Tijuana, Mexico, Seri Iskandar, Malaysia and Tianjin, China. The company also has a global marketing network which covers 56 locations in 45 countries.

Samsung Electronics’ globalization strategy extends beyond production and sales to include technology transfer and training, new joint-creation and local-parts procurement. These actions make our overseas operations more self-sufficient, and thus a greater contributor to the local communities in which they work.

As a socially responsible company, Samsung Electronics supports efforts to protect the environment. It also contributes to set, culture and athletic events around the world.

Employees: 84,000
1996 Sales: $18.808 billion
Tel: (82) 2-727-7114
Fax: (82) 2-727-7826

Major Products: information systems, audio products, hand-held phones, mobile telecommunications systems, DVD players, Visicon PLUS TV, some appliances, Internet TVs, semiconductors, Synchronous monitors

Samsung Display Devices Co., Ltd.
Samsung Display Devices (SDD) develops new and creative products for the multimedia age. SDD is the world’s largest manufacturer of color picture tubes, having produced more than 150 million units since 1970. The company manufactured 44 million color picture tubes in 1996, representing 17% of the world’s production.

SDD is equipped to manufacture products ranging in size from 6 inches to 32 inches. In 1996, the company developed a 24-inch multimedia display tube that combines the strong points of both color picture tubes and color display panels. It also developed the Muxtron picture tube for the VisiconPLUS TV. The Muxtron measures one inch wider than conventional tubes, offering customers a larger viewing area.

SDD also produces color display tubes (CDD) ranging in size from 10 inches to 24 inches, and is working on the development of CDTs that are easier on users’ eyes and more environmentally friendly. Samsung has also introduced a mini-neck 15-inch CDT that consumes less energy than other models, boosting the CDT market.

Samsung Display Devices in Korea’s first company to receive ISO 9001 certification for liquid crystal displays (LCDs). The company has opened an LCD R&D center that is developing new products by applying innovative technology to LCD component development.

As the use of telecommunications devices increases, the demand for multimedia functions continues to soar. In response, SDD is developing LCDs for smart phones (key-phones), personal digital assistants and car navigation systems.

Samsung Display Devices recently diversified into vacuum fluorescent display (VFD) products and is now producing three million VFDs a month. By the year 2000, SDD aims to be the world’s largest maker of VFDs, which are used in VCRs, audio systems and automobile instrument panels.

The use of mobile communications is expanding rapidly, and consumers are looking for hand-held terminals that are ever smaller, lighter and consume less power. To serve this market, Samsung Display Devices is establishing and expanding facilities to produce secondary batteries and other important components such as digitizers and color filters.

This company is also diversifying into plasma display panels and lamps. SDD’s first offshore plant was set up in Malaysia, followed by Germany and Mexico. In 1996, Samsung Display Devices also moved into China and Brazil. At the same time, SDD now operates R&D centers in six nations to develop products that meet local needs.

The company’s corporate goal is to achieve annual sales of $40 billion in 2000 and $70 billion by 2005. To achieve these goals, the company needs to expand sales and expand its business lines to include next-generation displays and energy-related products.

Employees: 12,661
1996 Sales: $3.7 billion
Tel: (82) 2-727-3111
Fax: (82) 2-727-3110

Major Products: color picture tubes, color display tubes, liquid crystal displays, vacuum fluorescent displays, light-emitting diodes, data input devices (digitizers and touch panels), color filters

Samsung Electro-Mechanics Co., Ltd.
Samsung Electro-Mechanics Co., Ltd. (SEM) was established in 1973 to produce key parts for TVs (lenses, deflection yokes, flyback transformers) and capacitors. In the 1980s, the company began producing parts and components for VCRs, color picture tubes and computer peripherals. In the 1990s, SEM has diversified into new areas of high-growth potential, including multilayer printed circuit boards (MLBs), sensors, devices, parts for mobile communications and optical thin-film components.

Today, the company boasts the world’s largest market share for deflection yokes (16%) and flyback transformers (14%), and is developing the world’s most advanced deflection yokes and flyback transformers. Electronics products are growing among the company’s new products to satisfy consumer demand.

Samsung Electro-Mechanics is playing a leading role in this transformation by producing 1.0mm x 0.5mm multilayer ceramic capacitors and chip resistors, as well as parts for mobile telecommunications terminals such as voltage-controlled oscillators and...
temperature-compensated crystal oscillators. The company is also developing MR heads for hard disc drives and is producing high-density, large-capacity MLBs and special function MLBs such as the ball grid array and tape carrier package types.

In 1997, Samsung Electro-Mechanics is building an integrated system that will facilitate the production of a larger variety of products in small lots and is moving into the production of automotive products. The company is using its extensive expertise in electronic control subsystems and molding to produce automotive products. Mass production is now underway for 48 different items in 10 different categories, including electronic control modules, steering system, brake system, electrical power components, safety system and air conditioning system.

Samsung Electro-Mechanics operates offshore plants in Portugal, China (Tianjin and Dongguan), Thailand, Mexico and the Philippines. It also has 21 sales offices worldwide.

The company’s top priority is serving its customers, so it will continue to globalize its operations to be as close to customers as possible and to respond faster to their needs.

Sales: $1.85 billion
Tel: (82) 0331-210-5114
Fax: (82) 0331-210-6363

Major Products: audio and video parts, parts for mobile communications, parts for computers and computer peripherals, materials, general and industrial use components, optical thin-film components, automotive products

**Samsung Corning Co., Ltd.**

Samsung Corning was established in 1973 as a joint venture between the Samsung Group and Corning Inc. of the U.S. The company produces glass for TV picture tubes and PC monitors, indium-tin-oxide-coated glass for liquid crystal displays and rotary transformers for VCR head chucks. These products for electronic components are sold worldwide. Significantly, the company manufactures glass for the new-concept Samsung Maxtron picture tube, which is one inch wider than conventional TVs. Samsung Corning and Corning Inc. have jointly developed a new fusion process for making glass used in thin-film-transistor liquid crystal displays (TFT LCDs).

The company continues to expand its operations through globalization and localization. Samsung Corning operates picture tube glass plants in Germany and Malaysia and a rotary transformer plant in China. These facilities are providing top quality products to local buyers.

In 1997, Samsung Corning and Corning Inc. of the U.S. and Asahi Glass of Japan formed a joint venture to produce color picture tube glass in Mexico. Samsung Corning is also globalizing its R&D activities, opening a laboratory in Germany.

Samsung Corning has been selected as a model case study of a successful joint venture by the Harvard Business School, illustrating its outstanding management. The company’s overseas subsidiaries have been cited as models of successful localization by overcoming cultural differences.

**Samsung SDS Co., Ltd.**

Established in May 1985, Samsung SDS is Korea’s leading information services company. The company helps clients improve their competitiveness and create ideal working environments for employees. Samsung SDS’s innovative information technologies are helping to usher in the networking society of the 21st century.

The company’s main businesses include software development, software package sales and management of the Samsung Group information systems. Samsung SDS develops solutions in step with rapidly changing needs by integrating hardware, software and services.
and network products. It also provides training and consulting for system design as well as various on-line services. Specific projects completed by Samsung SDS include an automated clearances system for Korea's Customs Administration and a workers' compensation system for the Ministry of Labor. The company has also contributed significantly to the construction of Korea's information technology infrastructure.

The company's systems integration services include troubleshooting for companies and providing fast, cost-effective solutions to client problems. Samsung SDS has also developed its own business re-engineering methods to create new work environments. In 1996, Samsung SDS launched Unitel, which offers news, data bases, on-line education, home shopping and various forms of entertainment. The user-friendly on-line service has a wide variety of multimedia features which enable customers to perform many tasks with a single mouseclick.

The Samsung SDS information technology academy has a systematic and comprehensive computer training program to train staff to meet this need as well as professionals. In September 1997, SDS will open a Samsung Multi Campus, which will utilize the latest teaching methodology to cultivate information technology specialists. Samsung SDS is an information services integrator that uses information technology to increase the value for clients by improving existing work systems and developing new, more effective ones. By the end of 1997, SDS wishes to be one of the top 10 information service companies in the world, with annual sales of $12.4 billion, annual growth of 38%, net profit of $621.1 million and 20,000 employees.

Tel: (82) 2-3420-114/3114
Fax: (82) 2-3429-2245

Main Businesses: systems integration, systems management, computer-aided design/computer-aided manufacturing, geographic information systems, on-line services, electronic data interchange, information technology training

Hewlett-Packard Korea Co., Ltd.

Hewlett-Packard Korea was established in 1984 as a joint venture between Hewlett-Packard and Samsung Electronics. The present corporate name was adopted in March 1995.

The company markets Hewlett-Packard computers, instruments, medical diagnostic machines and other types of analytical equipment. The company's production unit, Instrument Operation, in Seoul, Korea, develops and produces software and is manufacturing more than 15,000 a year for sale worldwide.

In January 1997, following the success of its domestic launch in Korea, the outstanding success of the LOGIQ 1800i in Korea. Exports of the LOGIQ 200 and LOGIQ400 have been approved by UL, FDA, MHK IEC and CISA. The medical systems business requires advanced technology covering both basic and applied science to ensure high added value and environmental safety. SGMS is strengthening its R&D capability to meet the company's long-term goal and to improve its technological base.

Tel: (82) 342-406-001
Fax: (82) 342-404-023

Main Products: MRI systems, CT systems, X-ray systems, ultrasound systems, PET systems, gamma cameras, radiation therapy systems, networking systems, patient monitoring systems, fetal monitoring systems, cardiology, EKG systems, anesthesia systems, diagnostic systems, PACS systems, laser systems

Samsung-GE Medical Systems Co., Ltd.

Samsung-GE Medical Systems (SGMS) was established in 1984 as a joint venture between the Samsung Group of General Electric. SGMS develops, produces, markets and services diagnostic and non-invasive imaging systems such as magnetic resonance imaging (MRI), computed tomography (CT), ultrasonic, X-ray and patient monitoring systems. SGMS offers a wide range of local ultrasound products such as the RT-MAX, RT4600, LOGIQ200 and LOGIQ400.

In January 1997, following the successful outcome of their domestic launch in Korea, Exports of the LOGIQ 200 next-generation ultrasound systems began in October 1996. SGMS recently began manufacturing the LOGIQ400 color digital ultrasound system, which gives customers more choices for greater satisfaction.

The company's strict quality control systems have earned it ISO 9001 and EN 46001 certifications as well as the CE mark. The LOGIQ200 has been approved by UL, FDA, MHK IEC and CISA.

The medical systems business requires advanced technology covering both basic and applied science to ensure high added value and environmental safety. SGMS is strengthening its R&D capability to meet the company's long-term goal and to improve its technological base.

Tel: (82) 2-342-406-001
Fax: (82) 342-404-023

Main Products: MRI systems, CT systems, X-ray systems, ultrasound systems, PET systems, gamma cameras, radiation therapy systems, networking systems, patient monitoring systems, fetal monitoring systems, cardiology, EKG systems, anesthesia systems, diagnostic systems, PACS systems, laser systems
Samsung Machinery Subgroup sales increased nearly 13% to $6.1 billion.

Samsung Heavy Industries received orders for a liquid-natural-gas (LNG) carrier and a 103,000DWT drillship, which will be the largest drillship ever built.

Samsung Aerospace is the prime contractor for a project to develop commercial airliners in Korea.
Samsung Heavy Industries Co., Ltd.

Samsung Heavy Industries (SHI) leads Samsung's Machinery subgroup. The company offers a wide range of products and activities, including shipbuilding and offshore structures, plants and industrial machinery, construction equipment and construction.

SHI has a global network to support sales and after-sales service. The network spans 12 countries and consists of five local subsidiaries and 12 branches. To supply overseas customers more quickly, Samsung Heavy Industries has also established a construction equipment plant in the UK, a tank and plant production facility in Thailand and a shipyard in China.

Since its inception, SHI has received orders for more than 210 ships from many of the world’s leading shipping companies. Vessels already delivered include very large crude oil carriers, high-speed vessels, shuttle tankers, floating production, storage and offloading tankers, and super-large container ships. In 1998, Samsung Heavy Industries received orders for an LNG carrier and a 103,000DWT oil carrier and a 103,000DWT LNG carrier and a 103,000DWT oil carrier and a 103,000DWT oil carrier.

Samsung Heavy Industries operates five closely linked R&D centers, including the main facility at Daeduck, Korea, and specialized laboratories at different plant sites. These facilities develop technology for system design and engineering, automation and control technology, material engineering and new product development. They also combine various existing technologies to create new concepts. SHI operations are environmentally friendly and ISO 14001 certified.

Employees: 11,550

Fax: (82) 2-3458-6264

Tel: (82) 2-3458-6100

Tel: (82) 3-429-8600

Employees: 8,455

Fax: (82) 342-40-8114

Tel: (82) 342-40-8123

Employees: 100

Samsung Aerospace Industries, Ltd.

Samsung Aerospace Industries (SAI) was established in 1977 to overhaul and assemble aircraft engines. It has grown and diversified to become one of the Samsung Group’s most important affiliates. SAI has played a key role in developing Korea’s aerospace industry and has used its aerospace-related technology to expand into the defense and precision industries.

Samsung Aerospace is the only company in Korea capable of producing a wide range of different aircraft. SAI is the prime contractor for the Korea Fighter Program, which will produce 120 advanced F-16s by 1999. The technology gained in this project is already being applied to develop advanced trainer aircraft and helicopters. Samsung Aerospace is also the prime contractor within a consortium of Korean companies that is working on the development of commercial aircrafts.

In addition, SAI is producing military hardware such as a self-propelled artillery piece. It is also involved in a project to develop satellites. In addition, the company produces machine tools, electronics products, semiconductors, machine assembly equipment (chip mounters), semiconductors, machine assembly equipment (chip mounters), and lead frames for customers worldwide. Other products include cameras, opto-electronics devices and factory automation systems.

Overseas, Samsung Aerospace has acquired Rollei Foto Technic GmbH, a German camera maker, and subsequently developed the world’s first 4-power zoom camera. SAI currently operates camera production facilities in Mexico, China and has captured 7% of the world camera market.

Employees: 4,495

1995 Sales: $1.63 billion

Tel: (82) 2-3467-7114

Fax: (82) 2-3467-7080

Employees: 5,161

Samsung Watch Co., Ltd.

Samsung Watch Co. (SWC) was established in 1983.

SWC produces 1.6 million wristwatches, wall clocks and desktop clocks a year, maintaining a 20% share of the Korean market. In January 1995, Samsung Watch ended a technology-sharing arrangement with Seiko of Japan and acquired a watch-case plant (76 employees, annual sales of $7.4 million) from Nouvelle Piqueres SA in Bassecourt, Switzerland in order to focus production on Swiss-style watches and clocks.

Employees: 100

1996 Sales: $87.1 million

Fax: (82) 342-40-8114

Tel: (82) 342-40-8123

Employees: 76 employees, annual sales of $7.4 million

Employees: 76 employees, annual sales of $7.4 million

Major Products: wristwatches (Rollei, Burett, Samsung, Kawasaki, Seiko), clocks (Rollei, Keppel)
Samsung General Chemicals is expanding into production of new base materials for electronics and automobile components, pharmaceuticals and agrochemicals.

The Korean government recognized Samsung Fine Chemicals’ efforts to expand Korea’s chemical industry by awarding it the Export Tower Trophy and Bronze Tower Industrial Decoration.

Samsung-BP Chemicals completed a new vinyl acetate monomer plant in 1996 at the Ulsan petrochemical complex in Korea.
President Young-Sil Chang was awarded the KCCP Grand Prize in 1999.

The company has received ISO 9002, OHSAS 18001, and ISO 14001 certifications for its high-quality products and services.

SPC has a strong presence in the local market and is expanding into new areas such as base materials and specialty chemicals.

The company aims to become a leading global player in the petrochemical industry by 2005.
Samsung Life Insurance became the first Korean company to enter the real estate market in China.

Samsung Fire & Marine Insurance continues to innovate new customer services, such as its computerized, on-the-spot Auto Claims Adjustment System.

Samsung Securities became one of Korea's top 10 securities firms, and ranks number one in institutional investor accounts and corporate bond underwriting.

Employees: 88,091
Sales: $22.9 billion
Samsung Life Insurance Co., Ltd.

Samsung Life Insurance's (SLI) achievements are nume-
rous. SLI has led Korea's life insurance industry in annual
sales for 10 years in a row. In 1990, the company became
the first in Korea to break the 10 million policy mark for busi-
ness in force. Samsung has been ranked first among all
domestic life insurers by the Korea Insurance Supervisory
Board for the past 52 years.

SLI's commitment to serving people and to aggressive
management improvements earned the company the third
annual Presidential Prize for Corporate Culture, presented
in October 1996.

In 1994, Samsung initiated the Korean insurance indus-
ty's first quality assurance system. Under this system, a
policyholder can cancel a policy for a full refund or take out
a different policy within three months of signing the policy, if
not completely satisfied. SLI has a global investment
network in place and is cur-
rently investing in stocks and bonds in 15 countries to
spread out risk and increase profit from its asset manage-
ment activities.

In 1996, Samsung Life Insurance became the first
Korean company to enter the Chinese real estate market. By
expanding its presence in the rapidly growing Chinese market,
SLI expects greater returns on its investments.

Samsung Life Insurance is actively involved in helping
the community. The Samsung Life Insurance Public Welfare
Foundation was established in 1982 and currently operates a total of 10
daycare centers around Korea to assist working mothers of
low-income families. SLI also provides free meals for the elderly and pays
for corrective deformities. The company is in

Main Businesses: fire insurance, marine insurance, auto-
mobile insurance, individual annuities, personal accident
insurance, overseas traveler's insurance

Employees: 79,600
1996 Sales: $16.8 billion
Tel: (82) 2-751-8000
Fax: (82) 2-751-8100

Major Products: life insurance, real estate

Main Businesses: fire insurance, marine insurance, auto-
mobile insurance, individual annuities, personal accident
insurance, overseas traveler's insurance

Employees: 7,107
1996 Sales: $3.85 billion
Tel: (82) 2-777-7000
Fax: (82) 2-758-7311

Major Products: life insurance, real estate

Citicorp, commercial paper
management funds, repurchase
bond brokerage, securities
brokerage.

Samsung Securities Co., Ltd.

Employees: 944
1996 Sales: $16.7 billion
Tel: (82) 2-726-0514
Fax: (82) 2-726-0228

Major Products: stock and
bond brokerage, securities
saving programs, pension
management funds, repurchase
agreements, mutual funds, trust, depository, beneficiary cer-
3dicates, commercial paper

Samsung Card Co., Ltd.

Samsung Card was estab-
lished in 1989. The company
developed into one of
Korea's leading credit card
providers, recording 5.67 mil-
liion cardholders, $10 billion in
annual card gross volume, and
$3 billion in total assets as of
December 31, 1996.

Samsung Card's business
philosophy is summed up in
the phrase "Best Service, First
Card." In this spirit, Samsung
Card is committed to offering
customer convenience and to
constantly improving the level
of financial services available
in Korea. The company con-
tinues to develop new kinds of
credit cards, including the
Samsung Motosiro card.

Samsung is expanding
arrangements with service
establishments that offer
interest-free installment sales
and has broken new ground
in the industry by introducing a
care service warranty system.
The company also created a one-stop cus-
tomer response system and a
one-stop system for unserviced
service establishments.

As a result of these efforts, the
Korea Management
Association selected Samsung
as the top provider of cus-
tomer satisfaction among
domestic credit card compa-
nies in 1996.

The Samsung Card, which
is now honored in 220 coun-
tries, is leading the globaliza-
tion of Korean credit cards.

Arrangements have been
concluded with Union Credit
Card of Japan and China
International Travel Service.

A global service is now being
offered in the Korean language
to assist Korean travelers.

Samsung Card has always
stayed a step ahead of the
competition. Today, the com-
pamy continues to respond to
the rapidly changing business
environment by developing
more functions for credit cards
through the use of a built-in
semiconductor chip.

Samsung will continue to
expand its business activities
and create new services to
enhance customer conven-
ience and satisfaction.

Employees: 2,500
1996 Sales: $9.15 billion
Tel: (82) 2-758-7400
Fax: (82) 2-758-1047

Major Products: cash ad-
vances, installment purchase,
loans, factoring, travel arrange-
ments, payment guarantees,
on-line sales, insurance

As the industry leader,
SLI has generated greater
returns on its investments.

SLI is one of the world's leading
life insurers, with more than 10
million policyholders and $74.5 billion
in assets.
AUTOMOTIVE

Samsung Motors completed its new state-of-the-art manufacturing plant in Pusan, Korea three months ahead of schedule. The company will introduce its first vehicle in early 1998.

Samsung Commercial Vehicles is expanding its product line to include light and medium trucks to complement its successful heavy truck models.

Employees: 4,900

Samsung Motors Inc.
Samsung Commercial Vehicles Co., Ltd.

Samsung Automotive Subgroup was formed in 1997. Samsung Commercial Vehicles was previously part of Samsung Heavy Industries, and its 1996 sales are included in our Machinery Subgroup.
Samsung Motors Inc.

Samsung Motors Inc. was established on March 28, 1995 with the goal of developing an improved and distinctive automobile, and improving the overall quality of Korean-made vehicles.

The company has completed a state-of-the-art automobile plant, training programs to secure advanced technology, pilot plant programs and other preparation work. The new plant, which was built on a nearly 1.6 million-square-meter site in Pusan’s Shinho District, was completed three months ahead of schedule.

With optimal layout and the latest facilities, Samsung Motors’ Pusan plant is equipped with an intelligent body assembly system. This computer controlled manufacturing system can produce up to eight different models simultaneously, maximizing efficiency. The first Samsung model, a mid-sized sedan due in early 1998, will be equipped with an aluminum engine for the first time in Korea. Over time, Samsung Motors will diversify its product lineup to include multipurpose vehicles, trucks and electric vehicles.

Samsung Motors’ Technical Center, established in June 1997, will play a pivotal role in the company’s research and development. The Center aims to develop a high technology automobile with excellent quality at a reasonable price. With this goal, the Center has set five major strategic goals for technological development by 2010: design innovation to lead this industry in the 21st century, scientific design, total product evaluation capability, optimal product development processes and a creative in-house research team.

As part of its research and development efforts, Samsung Motors set up a design studio, Samsung Design America, Inc. (SDA), in California in 1998. SDA is equipped with the latest computerized equipment and is staffed by highly skilled people. The design studio will focus on creating and designing new products that closely reflect the culture of local markets.

To globalize its operations as quickly as possible, Samsung Motors has established branch offices in Detroit, Tokyo and Frankfurt. Also, in Korea, the Institute of Automobile Culture has been opened to assist and lead a new type of human-oriented automobile culture as a part of the company’s effort in realizing its corporate philosophy.

A new customer-oriented approach is also being taken in the area of sales. Samsung Motors’ showroom will not only be locations to purchase cars, but also one-stop service stations that provide maintenance and insurance services, handle used cars and other accessories. The concept of providing a total solution for customers is part of the new automotive culture envisioned by Samsung Motors. Sales representatives will be trained to take care of the entire process related to an automobile.

Samsung Motors will work closely with other Samsung affiliates to maximize synergies and ensure the fastest possible success for overall operations. Samsung’s auto business is based on a subgroup system that combines the relevant technologies and resources from around the group. The subgroup is composed of Samsung Motors, Samsung Corporation Motor & Marketing Group, Samsung Electronics, Samsung Motor Company, Samsung Heavy Industries & Samsung Industrial Company (SCV) and Samsung Commercial Vehicles Co. Samsung will apply the competencies of these companies to the research and development, production, sales and marketing of cars; the development and supply of high quality parts and components; and the development and production of trucks and recreational vehicles.

With a new approach to the automotive industry and the diverse resources of Samsung affiliates, Samsung Motors plans to offer the best customer satisfaction and contribute to Korea’s economic growth. As a new player, Samsung Motors will accelerate technological development, especially in the areas of new materials, automation and quality management. The company will stimulate competition in technology and quality among domestic auto makers, which will improve their international competitiveness.

Samsung Motors’ initial focus will be on the manufacture and sales of automobiles and automotive parts. The company will gradually expand operations to include full automotive services, including financing and leasing, by 2010. A full lineup will be developed to achieve economy of scale in production.

Samsung’s independent technology and a high level of quality will set a new standard for Korea’s automotive industry. Samsung Motors has invested approximately $2.5 billion to build its Pusan plant and Technical Center. By 2002, total investment will amount to approximately $5.5 billion.

Employees: 3,500
Tel: (82) 3-3707-5223 Fax: (82) 3-3707-5282

Main Business: passenger car manufacturing

Samsung Commercial Vehicles Co., Ltd.

The first trucks rolled off the Samsung Commercial Vehicles’ (SCV) production line in May 1993. Until recently, the company’s focus had been on producing heavy trucks. To build on this strength, SCV is building a state-of-the-art facility on a nearly 6.5-million-square-foot site in Taegu, Korea to produce light, medium and heavy trucks, and many components such as engines and transmissions.

By the year 2000, the Taegu complex will be capable of turning out 100,000 light trucks, 6,000 heavy trucks and 100,000 multipurpose vehicles a year. SCV markets its heavy trucks (over 20 different models) through a network of more than 30 locations nationwide.

Samsung’s 15-ton dump truck has been selected by leading daily newspapers as a “hit product” in Korea in each of the four years it has been on the market. The company’s 18.5-ton cargo truck received six “hit product” selections in 1996, as Samsung continues to take the domestic truck market by storm.

Samsung Commercial Vehicles operates a heavy truck factory for heavy trucks at Pyungtaek, Korea. The factory is equipped with various facilities, such as a source, to maximize the comfort and convenience of customers.

To ensure that customers nationwide get quick service, Samsung operates a network of over 30 service centers around the country and has more than 60 service vehicles.

The Pyungtaek, Korea service center has 24-hour repair and a status room to respond to customer needs any time and any place.

Samsung has significantly expanded its warranties. The chassis and general parts warranty has been extended from one year or 20,000 kilometers to three years or 60,000 kilometers, whichever comes first. These improvements have made Samsung a leader in after-sales service quality.

Customer satisfaction surveys run by the Gallup Organization have been ranked number one for heavy trucks among all Korean truck manufacturers.

Employees: 1,400
Tel: (82) 53-589-8000 Fax: (82) 53-589-2870

Major Products: 15-ton dump trucks, 22.5-ton cargo trucks, 25.5-ton concrete mixer trucks, 22.5-ton tractor trucks, 18.5-ton cargo trucks, 22.5-ton dump trucks, 11-ton garbage trucks, 14-ton cargo trucks, 40-ton tractors, 60-ton BCT tractors, 16kl tanker trucks, 40kl tanker trucks, 20kl tanker trucks, fire trucks
OTHER SAMSUNG COMPANIES

Samsung Corporation exported $14.2 billion worth of goods to 150 different countries, affirming its position as the largest general trading company in Korea.

Samsung Engineering completed construction of ethylene and ethylene oxide/ethylene glycol plants for China’s Jilin Chemical Co. and received an order for a 700,000-ton/year ethylene plant from the Thai Petrochemical Industry.

Cheil Industries opened the Golden Fashion Center in Kumi, Korea, integrating the company’s textile production capabilities into a single, high-tech operation.

<table>
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<tr>
<th>Employees</th>
<th>Sales</th>
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<tr>
<td>Samsung Corporation</td>
<td>$34.9 billion</td>
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<td>Samsung Engineering Co., Ltd</td>
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<td>Cheil Industries Inc.</td>
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<td>Joong-Ang Development Co., Ltd</td>
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<td>The Shilla Hotels &amp; Resorts Co., Ltd.</td>
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<td>Samsung Advanced Institute of Technology</td>
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<td>Samsung Foundation of Culture</td>
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<td>Samsung Welfare Foundation</td>
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Employees: 35,661
Samsung Corporation

Samsung Corporation has been dedicated to the business of general trade for nearly 80 years. Since being designated as Korea’s first General Trading Company (GTC) by the Korean government in 1975, it has focused on developing overseas markets. It also leads Korea’s international trading activities.

In 1996, Samsung Corporation exported $14.2 billion worth of goods to 100 different countries, affirming its position as the largest UTC in Korea.

In recent years, Samsung Corporation has merged with Samsung Engineering & Construction and has expanded its businesses into retail and automobile sales. In 1995, Samsung Corporation strengthened its standing as the largest company in Korea by increasing its gross sales to $38.8 billion.

Operating from 102 overseas offices, the Trading Division is involved in a wide variety of projects worldwide. In addition, it has established sales offices in Europe, the Middle East, China, and Latin America.

Providing a complete line of services, and Samsung Corporation’s extensive international network will serve to export Samsung-built automobiles.

The Apparel Division operates Easaex, the top domestic family brand, and has recently acquired the government-approved “A/S” mark for its outstanding customer service. The Retail Division offers an advanced retail system designed from the customer’s perspective. It offers reasonable prices and quality products, creating large-scale, integrated retail-cultural centers all over the country.

The UTOG Zone store, opened in May of 1996 in Seoul’s fashionable Myeongdong District, is an innovative multiplex which specializes in fashion apparel and accessories for women. In 1997, Samsung Corporation will open two more multipurpose shopping centers in Seoul and a large-scale super center in Incheon.

Employees: 9,300
1996 Sales: $28.6 billion
Tel: (82) 2-751-3345
Fax: (82) 2-728-4000
Main Business: trade, construction, apparel, retail and motor sales.

Samsung Engineering Co., Ltd.

Samsung Engineering Co., Ltd. (SECL) started out in the 1970s by focusing on the design and construction of petrochemical plants and industrial plants. In the 1990s, the company expanded into facilities for electronics product units, textiles and automobiles as well as oil refineries, gas production facilities, power plants and environmental protection facilities. In the 1990s, Samsung Engineering is exporting petrochemical plants and technology on a turnkey basis to such markets as Southeast Asia and China.

In 1994, Samsung Engineering received a follow-up order for a 700,000-ton/year ethylene plant. SECL also built the Bail power plant in India in 1994, and ethylene and polyethylene plants in Korea, Japan, and the Philippines.

Employees: 4,240
1996 Sales: $1.23 billion
Tel: (82) 2-348-0000
Fax: (82) 2-348-5900
Main Business: design, procurement, construction, and operation and management for petrochemical plants, power plants, refineries, and gas plants, industrial plants, and environmental plants.

Chel Industries Inc.

Chel Industries Inc. (CII) was established in 1954 as Korea’s first wool fabric producer. CII has grown steadily since then and has become a leading manufacturer of textiles, fashion apparel and chemical materials. CII developed the world’s first wool fabric with a yarn count of 130 (20 meters of yarn spun from a single gram of 1996 wool fibers). Chel manufactures this exclusive fabric using high quality wool.

Employees: 4,240
1996 Sales: $1.5 billion
Tel: (82) 2-348-5900
Fax: (82) 2-348-5900
Main Business: woolen yarn, worsted yarn, woolen

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fabric,worsted fabric,carpet,men's wear, women's wear,casual wear,general-purpose reams,engineering plastics,premium hotel and spa units,artificial marble,prefabricated bathroom units,resins,engineering plastics,casual wear,general-purpose mens wear,women's wear, and ice thermal storage systems including the development of solar water heating systems.

Joong-Ang Development Co., Ltd. Joong-Ang Development Co provides services to improve the quality of people's lives. The company is involved in resorts and golf course development and operation, building engineering and energy development, catering services, landscaping and interior design. Joong-Ang is the first official company in Korea to earn the Customer Satisfaction (CSI) certificate mark for its outstanding service qualities. Joong-Ang operates Everland, the world's eighth largest theme park, which entertains 10 million visitors annually. Everland is divided into Festival World, with its amusement rides and festivals for year-round fun; Caribbean Bay, a unique water park with both indoor and outdoor attractions; and the Everland Speedway, Korea's first automatic race track. This building "race track" also features seasonal flower festivals, a rare-animal zoo and more. On the drawing board is the addition of hotels, alpines and a golf course, which will make this area of the world's premier resort complexes.

Joong-Ang Development Co. has been managing two of the premier golf courses for the past 30 years. In December 1996, the company was rebranded as the "Joong-Ang" corporate identity as the Anyang and Diamond City Golf Links, reinforcing their world-class status.

Joong-Ang's Building Engineering Division has committed to perfection and has received ISO 9002 and ISO 14001 certification. The division has made noteworthy achievements in the area of alternative clean energy, including the development of solar water heating systems and ice thermal storage systems.

The company's food-related business is supported by a sophisticated distribution system which can be a model for other Korean companies. Joong-Ang Development is also helping to create enjoyable indoor and outdoor living spaces through its landscape and interior design activities.

As its scope of business areas, Joong-Ang Development Co. remanufactures to its pledge of ensuring customer satisfaction through "customer-friendly" services and "environment-friendly" premises.

Employees: 3,079
1996 Sales: $522.5 million
Tel: (82) 335-20-8501
Fax: (82) 335-20-8549
Main Businesses: resort development and operation, golf course development and operation, building management and consulting, alternative energy, catering, restaurant supply, landscaping, interior design.

The Shilla Hotels & Resorts Co., Ltd. The Shilla Hotels & Resorts takes its name from Korea's ancient Shilla Dynasty, regarded as the "Golden Age" of its outstanding art and culture. The company, which comprises two deluxe, internationally recognized hotels in Korea, gracefully combines these traditions with modern, world-class luxury.

The Shilla Seoul, a 500-room, 23-story property, sits impressively above a 23-acre private site on the slopes of Namsan (South Mountain) in the center of Korea's capital city. Being a world-class, five-star hotel, The Shilla Seoul appears regularly in a number of top-level international magazines, notably America's Institutional Investor, the U.K.'s Financial Times, and Business Traveler, and many others.

The Shilla Cheju is a 330-room property, in the company's second five-star hotel, located on the scenic island of Cheju just off Korea's south coast. Situated on 21 acres of landscaped natural parkland overlooking Chungmun Beach, The Shilla Cheju is an outstanding Mediterranean-style structure. Korea's official guests, including the world's heads of state, royalty and politicians are frequent guests at this idyllic resort location.

The main tenet of The Shilla's management philosophy is to recognize and satisfy guests' needs with consistently high standards in both product and service. This has been the guiding principle in the development of The Shilla Hotels & Resorts and will continue to be so in the future.

With a five-year, multibillion-dollar facilitywide renovation completed and a new corporate identity in place, The Shilla Seoul is primed to achieve its goal to become one of the world's top hotels by the year 2000.

Employees: 2,584
1996 Sales: $345.98 million
Tel: (82) 2-233-3131
Fax: (82) 2-233-9703

The Joong-Ang Ilbo The Joong-Ang Ilbo published its inaugural edition on September 23, 1985 and has developed into one of Korea's most respected daily newspapers. On March 21, 1994, the company announced its "second foundation," and offered readers Korea's first newspaper printed in a section format. The company has launched the Newspaper in Education and Internet in Education campaigns to support young people. The company also sponsors an environmental preservation exposition each year.

Employees: 1,443
1996 Sales: $522.5 million
Tel: (82) 2-751-1194/1114
Fax: (82) 2-751-9709
Website: http://www.joongang.co.kr


Cheil Communications Inc. Cheil Communications Inc. (CCI) is an integrated communications company involved in a wide range of activities, including advertising planning and production, media planning, sports events, large-scale promotional, and public relations.

Cheil is one of the world's 20 largest advertising firms and strives to become a major player in the corporate communications market. Its "Vision 2001" goal is to become one of the 10 largest advertising agencies early in the 21st century.

Cheil has established itself as a leader in the Korean advertising industry by applying proven marketing communications techniques, fostering a talented staff of advertising professionals and pioneering new media communications to support international marketing needs.

Known for a strong strategic approach to advertising, Cheil
and was the first facility of its kind to perform patrol duties regularly and to meet directly with customers to learn about the company’s needs. S1’s sive solutions to customer needs are required as the nation’s medical profession (administration) are required to perform basic administration tasks and to assist in communication with the company’s customers. The S1 Training and Development Center, established in 1986 to support Samsung’s corporate philosophy, is a unique training and development center that educates employees and fosters the nation’s medical profession. The training system is designed to meet the needs of employees as well as to implement the Samsung corporate philosophy. Programs include basic training for new recruits, training to prepare employees who have been promoted to higher positions, and a course to prepare senior managers to become CEOs in the 21st century. Other courses prepare employees to be more effective in the global arena and to succeed in a knowledge-based economy. Through these programs, HRDC works to provide employees with the skills they need to succeed in the workplace and to prepare Samsung for the future. HRDC also develops and promotes Web-based open courses, which allow employees to learn more efficiently. The Samsung Human Resources Development Center (HRDC) is responsible for developing Samsung employees and training the company’s corporate culture. The HRDC runs a wide variety of training programs at its five Korean training facilities: the main training center (Cheonho Kwan), the live-in foreign language training center (Hae-Am Kwan), the Global Management Institute, the Seoul Training Center and a training course, Dream 21. Through these programs, HRDC works to provide employees with the skills they need to succeed in the workplace and to prepare Samsung for the future. HRDC also develops and promotes Web-based open courses, which allow employees to learn more efficiently.

Samsung Economic Research Institute

The Samsung Economic Research Institute (SERI) is the largest private institution of its kind in Korea. SERI was established in 1986 to support the Samsung Group’s global business activities and to suggest economic policy strategies to the government for national and social development. The institute was recently incorporated into three main sections: a stronger policy research unit, a domestic and overseas macroeconomics research unit, a corporate management support research unit and an external relations unit. Systematic research conducted by SERI results in theories that contribute to the nation as well as to its corporate and social environments. Research results are also shared widely with domestic and foreign businesses and academics. SERI supports those areas of society in greatest need, as it carries out its mission of contributing to social development. Top-notch personnel and an outstanding research infrastructure provide the strength for SERI to achieve its goals. Employees 169
Tel: (82) 2-3410-2114 Fax: (82) 2-3410-3159
Main Businesses: Samsung Medical Center (Seoul), Samsung Hospital (Masan), Samsung Medical Center (Seoul), Samsung Biotechnology Research Institute (Seoul)

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the 21st century. In fulfillment of that charter, the institute is now working to localize and globalize its core research areas: informatics, human-computer interface, telecommunication services, and artificial intelligence. The institute is also expanding its research and development scope to include digital communications and human and computer interfaces in the area of information processing and electro-mechanics, microsystems, and solid-state circuits for systems and control.

SAIT researches all of the core technologies in the area of materials. These include quantum electronics, electronic materials, display materials, and electronic chemistry. The institute is also studying simulations and energy in the area of mechanical engineering. In chemistry, SAIT is researching break-through catalysts, polymers, and organic synthesis/technologies that can be used in a variety of areas.

Life science research strives to use basic discoveries in medicine, as well as in the area of basic biomedical engineering. In addition, SAIT is committed to enhancing the global community’s quality of life by exploring the fundamental principles behind biological phenomena.

SAIT strives to build a global reputation in the field of research. Any researcher can achieve his or her professional goals in any environment available, anywhere. To achieve this goal, SAIT continues to localize and globalize research activities, cooperating with universities and research institutions overseas.

**Samsung Foundation of Culture**

For more than 30 years, the Samsung Foundation of Culture has worked to uncover and preserve lost parts of Korea’s rich cultural heritage and to promote popular interest in this heritage. The foundation also supports a wide range of cultural activities to promote balanced development of the arts in Korea.

The Ho-Am Art Museum, opened in 1982, houses more than 15,000 art objects and historical relics, including 91 pieces that have been designated as either Cultural Treasuries or National Treasuries by the Korean government. The museum holds international art exhibitions that have been well received by the Korean public. In May 1997, the Hee Won Korean Garden, which embodies the aesthetic beauty of the traditional rural private garden in Korea, was opened on the grounds.

The Rodin Gallery is scheduled to open in April 1998 to give local art lovers easy access to the works of the great master in downtown Seoul. The Samsung Modern Art Museum, which will open in the year 2000, will be a future-oriented showcase of art and culture that is world-class in both facilities and scale.

The Samsung Foundation of Culture also supports academic research projects as well as various artistic and cultural events.

Recently, the foundation has supported a project for logging the contents of the Topkapi Koresa (13th-century woodblock engravings of the entire Buddhist canon) into a computerized database. The Topkapi Koresa was designated as a “World Heritage” by UNESCO in December 1995. In addition, the foundation has supported the publishing of the English edition of the Koresa’s Literary Library, which covers topics from antiquity up to the modern period. Through its involvement in projects like these, the Samsung Foundation of Culture is helping to preserve and propagate Korea’s rich cultural legacy around the world.

The foundation has taken advantage of its long experience in the arts to publish the series “Purunnanum,” support for academic research, construction of museums, and support for social welfare centers and related institutions and preserves financial support for those projects. It also sends financial support for the annual Ho-Am Prize. The prize is given to individuals or groups who have made outstanding achievements in society in one of five categories: basic science, engineering, medical science, social welfare, and the arts.

The Samsung Group initiated the Ho-Am Prize Committee, consisting of prominent social leaders, to select candidates for the annual Ho-Am Prize. The foundation also runs the Hee Won Korean Garden, which embodies the aesthetic beauty of the traditional rural private garden in Korea, as part of its program to promote balanced development of the arts.

The foundation manages the prize, which honors those who have applied its values and seeks to inspire others to do the same in a form befitting the modern family structure. The foundation also manages the prize, which honors those who have applied its values and seeks to inspire others to do the same in a form befitting the modern family structure. The foundation also supports a variety of programs for social welfare, including the Samsung Prizes for Literature and Samsung Awards.

The Samsung Welfare Foundation will continue to promote social welfare service to enhance the group’s image as a trustworthy and responsible corporate citizen. This is best achieved by returning some part of profits to society.

**Samsung Foundation for Early Education & Development**

The Samsung Foundation for Early Education & Development is a part of profits to society. The Samsung Foundation currently operates 96 childcare centers around Korea.

The foundation also runs the Samsung Center for Early Education & Development, which is responsible for providing quality childcare services available in Korea. This institution develops new programs and teaching aids for the work in the childcare centers. It also offers ongoing training for childcare providers as well as sponsors international academic seminars on childcare and development.

The Samsung Welfare Foundation selects outstanding programs provided by social welfare centers and related institutions and provides financial support for those programs. It also sends social workers overseas for specialized training in the field, sponsors the youth volunteer corps “Purunnanum” and helps orphaned teenagers who must take care of their younger siblings.

The Samsung Foundation has formed the Ho-Am Prize Committee, consisting of prominent social leaders, to select candidates for the annual Ho-Am Prize.

**Samsung Welfare Foundation**

The Samsung Welfare Foundation was established in 1990 to serve the community and help create a Korea in which all people can live well. The foundation helps children and young adults develop into healthy, productive members of society through a wide variety of programs. For example, the organization provides for the children of low-income families with working mothers to help the next generation escape the cycle of poverty. The Samsung Welfare Foundation currently operates 96 childcare centers around Korea.

The Samsung Foundation also runs the Samsung Center for Early Education & Development, which is responsible for providing quality childcare services available in Korea. This institution develops new programs and teaching aids for the work in the childcare centers. It also offers ongoing training for childcare providers as well as sponsors international academic seminars on childcare and development.

The Samsung Welfare Foundation selects outstanding programs provided by social welfare centers and related institutions and provides financial support for those programs. It also sends social workers overseas for specialized training in the field, sponsors the youth volunteer corps “Purunnanum” and helps orphaned teenagers who must take care of their younger siblings.

The foundation has formed the Ho-Am Prize Committee, consisting of prominent social leaders, to select candidates for the annual Ho-Am Prize. The prize is given to individuals or groups who have made outstanding achievements in society in one of five categories: basic science, engineering, medical science, social welfare, and the arts. The foundation also runs the Hee Won Korean Garden, which embodies the aesthetic beauty of the traditional rural private garden in Korea, as part of its program to promote balanced development of the arts.

The foundation manages the prize, which honors those who have applied its values and seeks to inspire others to do the same in a form befitting the modern family structure. The foundation also runs the Hee Won Korean Garden, which embodies the aesthetic beauty of the traditional rural private garden in Korea, as part of its program to promote balanced development of the arts.

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The Samsung Welfare Foundation will continue to promote social welfare service to enhance the group’s image as a trustworthy and responsible corporate citizen. This is best achieved by returning some part of profits to society.

**Samsung Foundation for Early Education & Development**

The Samsung Foundation for Early Education & Development is a part of profits to society. The Samsung Foundation currently operates 96 childcare centers around Korea.

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The $2.5 billion in profit forecast was reported in the following:

Samsung's $10 billion in sales is expected to be allocated in the following:

- External network: 25%
- Internal network: 30%
- Externa network: 45%

The company also announced that they are building an additional 100,000 new jobs in the next five years.

The rise in demand for personal computers in foreign countries, especially in Asia, is expected to increase the cost of products that will connect users directly to the Internet.

McDonald's also announced that they are introducing new menu items, including a McDonald's credit card that will allow customers to accumulate credits on their credit card.
results
INTRODUCTION TO FINANCIAL DATA

*Samsung Automotive Subgroup was formed in 1997.
Samsung Commercial Vehicles was previously part of Samsung Heavy Industries, and its 1996 sales are included in our Machinery Subgroup.

The Samsung Group is introducing a new product line that will be sold exclusively to customers within the United States. The new line features advanced technology and provides better performance than existing models. The first model in the line will be available in March, and it will be manufactured in Shinho, Korea.

- Developing more than 100 Korean and overseas distribution networks
- Development and implementation of advanced management systems in the U.S.
## COMBINED BALANCE SHEET

**THE SAMSUNG GROUP**

### At Year-End

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and bank deposits</td>
<td>3,966,210</td>
<td>4,759,148</td>
<td>5,638,901</td>
<td>4,516,980</td>
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<tr>
<td>Marketable securities</td>
<td>8,431,036</td>
<td>11,702,785</td>
<td>13,863,489</td>
<td>11,104,665</td>
</tr>
<tr>
<td>Notes receivable and accounts receivable</td>
<td>4,822,651</td>
<td>6,232,069</td>
<td>7,385,058</td>
<td>5,915,432</td>
</tr>
<tr>
<td>Inventories</td>
<td>4,245,828</td>
<td>6,431,734</td>
<td>5,487,806</td>
<td>4,396,756</td>
</tr>
<tr>
<td>Other</td>
<td>20,666,375</td>
<td>22,660,715</td>
<td>26,849,189</td>
<td>21,060,200</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>42,432,100</td>
<td>49,985,371</td>
<td>59,224,373</td>
<td>47,438,723</td>
</tr>
<tr>
<td>Investments</td>
<td>7,531,026</td>
<td>9,788,000</td>
<td>11,596,223</td>
<td>9,200,176</td>
</tr>
<tr>
<td><strong>Non-current assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less accumulated depreciation of land</td>
<td>3,179,946</td>
<td>4,242,812</td>
<td>5,027,028</td>
<td>4,028,650</td>
</tr>
<tr>
<td>Buildings and structures</td>
<td>4,373,387</td>
<td>5,606,809</td>
<td>6,643,130</td>
<td>5,321,154</td>
</tr>
<tr>
<td>Machinery and equipment</td>
<td>5,093,259</td>
<td>6,241,383</td>
<td>7,395,004</td>
<td>5,923,968</td>
</tr>
<tr>
<td>Construction in progress</td>
<td>2,809,290</td>
<td>5,611,046</td>
<td>6,648,169</td>
<td>5,325,175</td>
</tr>
<tr>
<td>Other</td>
<td>554,313</td>
<td>1,029,778</td>
<td>1,220,115</td>
<td>977,313</td>
</tr>
<tr>
<td><strong>Total non-current assets</strong></td>
<td>16,910,195</td>
<td>22,731,828</td>
<td>26,933,445</td>
<td>21,573,690</td>
</tr>
<tr>
<td>Other assets</td>
<td>399,181</td>
<td>566,497</td>
<td>671,205</td>
<td>537,635</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>67,232,502</td>
<td>83,072,596</td>
<td>98,427,246</td>
<td>78,840,224</td>
</tr>
<tr>
<td><strong>Current liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Notes payable</td>
<td>828,157</td>
<td>1,077,841</td>
<td>1,277,063</td>
<td>1,022,927</td>
</tr>
<tr>
<td>Trade accounts payable</td>
<td>1,677,186</td>
<td>2,143,532</td>
<td>2,536,730</td>
<td>2,034,324</td>
</tr>
<tr>
<td>Short-term loans</td>
<td>6,074,671</td>
<td>9,393,992</td>
<td>11,130,322</td>
<td>8,915,388</td>
</tr>
<tr>
<td>Current portion of long-term debt</td>
<td>24,667,546</td>
<td>29,478,831</td>
<td>34,927,525</td>
<td>27,976,047</td>
</tr>
<tr>
<td>Advances from customers</td>
<td>1,495,624</td>
<td>1,344,170</td>
<td>1,592,618</td>
<td>1,275,667</td>
</tr>
<tr>
<td>Other</td>
<td>5,824,611</td>
<td>5,532,467</td>
<td>6,555,044</td>
<td>5,250,591</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td>40,567,795</td>
<td>48,970,823</td>
<td>58,022,302</td>
<td>46,476,864</td>
</tr>
<tr>
<td><strong>Non-current liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debentures</td>
<td>4,180,990</td>
<td>7,011,518</td>
<td>8,307,496</td>
<td>6,654,206</td>
</tr>
<tr>
<td>Long-term debt</td>
<td>5,253,172</td>
<td>7,824,322</td>
<td>9,270,524</td>
<td>7,425,689</td>
</tr>
<tr>
<td>Reserves</td>
<td>1,574,014</td>
<td>1,970,634</td>
<td>2,334,874</td>
<td>1,870,234</td>
</tr>
<tr>
<td>Other</td>
<td>3,636,255</td>
<td>3,772,250</td>
<td>4,469,490</td>
<td>3,580,063</td>
</tr>
<tr>
<td><strong>Total non-current liabilities</strong></td>
<td>13,644,431</td>
<td>20,078,724</td>
<td>24,352,374</td>
<td>19,500,362</td>
</tr>
<tr>
<td><strong>Stockholders' equity</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital stock</td>
<td>3,095,616</td>
<td>4,006,286</td>
<td>4,749,104</td>
<td>3,804,072</td>
</tr>
<tr>
<td>Capital surplus</td>
<td>4,559,036</td>
<td>4,861,753</td>
<td>5,785,892</td>
<td>4,642,510</td>
</tr>
<tr>
<td>Retained earnings</td>
<td>5,498,107</td>
<td>5,299,617</td>
<td>6,279,167</td>
<td>5,029,813</td>
</tr>
<tr>
<td>Capital adjustment</td>
<td>(92,483)</td>
<td>(676,857)</td>
<td>(801,643)</td>
<td>(642,115)</td>
</tr>
<tr>
<td><strong>Total stockholders' equity</strong></td>
<td>13,020,276</td>
<td>13,033,049</td>
<td>16,022,579</td>
<td>12,834,078</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>67,232,502</td>
<td>83,072,596</td>
<td>98,427,246</td>
<td>78,840,224</td>
</tr>
</tbody>
</table>
### COMBINED STATEMENT OF INCOME

**THE SAMSUNG GROUP**

**FOR THE YEAR**

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td><strong>Income</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net sales</td>
<td>64,576,873</td>
<td>74,640,688</td>
<td>92,721,351</td>
<td>74,269,803</td>
</tr>
<tr>
<td>Domestic</td>
<td>34,146,054</td>
<td>45,616,251</td>
<td>56,666,150</td>
<td>45,389,566</td>
</tr>
<tr>
<td>Export</td>
<td>30,429,919</td>
<td>29,024,437</td>
<td>36,055,201</td>
<td>28,880,217</td>
</tr>
<tr>
<td>Other income</td>
<td>1,149,446</td>
<td>1,555,606</td>
<td>1,932,430</td>
<td>1,547,876</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>65,726,319</td>
<td>76,196,294</td>
<td>94,653,781</td>
<td>75,817,679</td>
</tr>
<tr>
<td><strong>Costs and expenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating cost</td>
<td>52,684,472</td>
<td>63,920,580</td>
<td>79,404,447</td>
<td>63,622,962</td>
</tr>
<tr>
<td>Selling and general administrative expense</td>
<td>6,934,160</td>
<td>7,721,101</td>
<td>9,591,430</td>
<td>7,982,735</td>
</tr>
<tr>
<td>Interest expense</td>
<td>1,273,890</td>
<td>1,752,505</td>
<td>2,177,025</td>
<td>1,743,797</td>
</tr>
<tr>
<td>Other expenses</td>
<td>1,808,037</td>
<td>2,527,407</td>
<td>3,139,836</td>
<td>2,514,849</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>62,190,559</td>
<td>75,921,593</td>
<td>94,312,538</td>
<td>75,544,343</td>
</tr>
<tr>
<td>Income before taxes</td>
<td>3,535,760</td>
<td>274,701</td>
<td>341,243</td>
<td>273,336</td>
</tr>
<tr>
<td>Income taxes</td>
<td>602,097</td>
<td>142,097</td>
<td>177,524</td>
<td>142,197</td>
</tr>
<tr>
<td><strong>Net income</strong></td>
<td>2,932,823</td>
<td>131,704</td>
<td>163,719</td>
<td>131,139</td>
</tr>
</tbody>
</table>
### COMBINED STATEMENT OF CHANGES IN CASH FLOW

**THE SAMSUNG GROUP**

#### AT YEAR-END

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Cash flow due to operations</td>
<td>9,191,998</td>
<td>6,954,554</td>
<td>8,839,198</td>
<td>6,919,997</td>
</tr>
<tr>
<td>Net income per term</td>
<td>2,092,823</td>
<td>131,704</td>
<td>163,719</td>
<td>131,139</td>
</tr>
<tr>
<td>Increase in unpaid expenses</td>
<td>12,010,470</td>
<td>14,408,843</td>
<td>17,890,195</td>
<td>14,397,246</td>
</tr>
<tr>
<td>Deduction in non-received income</td>
<td>(5,791,265)</td>
<td>(7,086,093)</td>
<td>(9,423,706)</td>
<td>(7,546,388)</td>
</tr>
<tr>
<td><strong>Cash flow due to investments</strong></td>
<td>(15,720,063)</td>
<td>(15,044,051)</td>
<td>(18,688,262)</td>
<td>(14,966,298)</td>
</tr>
<tr>
<td>Cash receipts from investment activities</td>
<td>18,033,262</td>
<td>26,668,277</td>
<td>33,128,236</td>
<td>26,935,754</td>
</tr>
<tr>
<td>Reductions in current assets</td>
<td>14,560,320</td>
<td>21,554,248</td>
<td>26,775,469</td>
<td>21,447,146</td>
</tr>
<tr>
<td>Reductions in investments and other assets</td>
<td>3,286,605</td>
<td>4,435,025</td>
<td>5,509,348</td>
<td>4,412,988</td>
</tr>
<tr>
<td>Reductions in fixed assets</td>
<td>81,000</td>
<td>679,004</td>
<td>843,484</td>
<td>675,630</td>
</tr>
<tr>
<td>Reductions in deferred assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Cash outlays from investment activities</strong></td>
<td>31,752,355</td>
<td>41,712,328</td>
<td>51,816,597</td>
<td>41,506,062</td>
</tr>
<tr>
<td><strong>Increases in current assets</strong></td>
<td>16,728,284</td>
<td>23,999,820</td>
<td>29,813,441</td>
<td>23,880,566</td>
</tr>
<tr>
<td><strong>Increases in investments and other assets</strong></td>
<td>7,556,988</td>
<td>7,178,469</td>
<td>8,917,353</td>
<td>7,143,800</td>
</tr>
<tr>
<td><strong>Increases in fixed assets</strong></td>
<td>6,511,460</td>
<td>9,348,371</td>
<td>11,612,883</td>
<td>9,301,919</td>
</tr>
<tr>
<td><strong>Increases in deferred assets</strong></td>
<td>966,023</td>
<td>1,185,668</td>
<td>1,472,880</td>
<td>1,170,777</td>
</tr>
<tr>
<td><strong>Cash flow due to financing activities</strong></td>
<td>5,988,552</td>
<td>8,667,260</td>
<td>10,766,783</td>
<td>8,634,193</td>
</tr>
<tr>
<td>Cash receipts from financing activities</td>
<td>34,065,214</td>
<td>50,181,444</td>
<td>62,337,198</td>
<td>49,932,095</td>
</tr>
<tr>
<td><strong>Increases in current liability</strong></td>
<td>27,054,829</td>
<td>41,214,136</td>
<td>51,197,684</td>
<td>41,009,345</td>
</tr>
<tr>
<td><strong>Increase in long-term liabilities</strong></td>
<td>5,297,566</td>
<td>7,765,400</td>
<td>9,646,371</td>
<td>7,726,904</td>
</tr>
<tr>
<td>Increase in capital</td>
<td>1,705,614</td>
<td>1,201,818</td>
<td>1,492,043</td>
<td>1,195,846</td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td>7,205</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Cash outlays from financing activities</strong></td>
<td>26,196,662</td>
<td>41,514,194</td>
<td>51,570,415</td>
<td>41,307,922</td>
</tr>
<tr>
<td><strong>Increases in current assets</strong></td>
<td>31,967</td>
<td>28,200</td>
<td>35,031</td>
<td>38,060</td>
</tr>
<tr>
<td><strong>Reductions in current liabilities</strong></td>
<td>27,655,626</td>
<td>40,660,279</td>
<td>50,508,663</td>
<td>40,498,240</td>
</tr>
<tr>
<td><strong>Reductions in long-term liabilities</strong></td>
<td>204,095</td>
<td>377,230</td>
<td>270,121</td>
<td>270,121</td>
</tr>
<tr>
<td>Dividend payments</td>
<td>139,695</td>
<td>196,010</td>
<td>243,491</td>
<td>195,036</td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td>165,249</td>
<td>358,225</td>
<td>445,000</td>
<td>356,445</td>
</tr>
<tr>
<td><strong>Increases in cash</strong></td>
<td>1,331,487</td>
<td>577,763</td>
<td>717,719</td>
<td>574,892</td>
</tr>
<tr>
<td>Cash at the beginning of the term</td>
<td>2,918,657</td>
<td>4,324,684</td>
<td>5,372,278</td>
<td>4,503,195</td>
</tr>
<tr>
<td>Cash at the end of the term</td>
<td>4,250,144</td>
<td>4,902,447</td>
<td>6,089,997</td>
<td>4,878,087</td>
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**Notes**

The combined financial statements have been prepared on the basis of financial statements from the Samsung Group companies.

All of the figures have been examined by independent auditors in accordance with the generally accepted auditing standards practiced in the Republic of Korea.

Won/U.S.$ exchange rate – W805/1: For sales and profits – W805/1 – was the yearly average. Other figures – W844/1 – was the rate as of the end of December, 1996.

ECU/U.S.$ exchange rate – .806/1.
The Review
At Samsung, winning is not about personal gain. It is about contributing to a better society, so all people can triumph.
In February 1997, seismologists measured its magnitude at 5.5 on the Richter Scale, by no means the largest earthquake on record. But to the people of the largely rural communities of Ardabil in northwestern Iran, it felt like the end of the world.

Over the following days, more than 300 aftershocks assailed the region. Nearly 1,000 people died, 2,600 were injured and 36,000 were left homeless. According to local sources, an estimated 110 villages were devastated by the earthquake, many in a snow-bound region near the Caspian Sea.

For many people around the world, the tragedy was little more than a 30-second story on the evening news.

Not to the staff of Samsung Electronics in Tehran.

To help their neighbors, a group of Samsung employees assembled seven truckloads of clothes, food, tents and blankets. Then they drove their makeshift relief caravan across the snow-covered roads of northern Iran to deliver the goods personally to the residents of quake-torn Ardabil.

Triumphs of human spirit—like the selfless compassion of our Tehran office—are among Samsung’s most important business accomplishments. The true “reward” of managing a successful company is the ability to give back to the people and communities we serve.
SAMSUNG AND SOCIETY. We regard social leadership as an important responsibility. In addition to our goal of becoming one of the world's leading companies by creating superior products and services, our mission is to become a major contributor to a better global society in the 21st century. To guide this effort, we established a community relations department for the Samsung Group and each of its subsidiaries in 1995.

Through these departments, Samsung sponsors a wide variety of programs for social welfare, culture and the arts, academics and education, environmental preservation, and employee volunteerism. In 1996, we contributed $341 million to community relations programs geared toward improving the lives of people all over the world. Some notable examples:

- Our Hungarian office organized and sponsored the second annual Samsung Running Festival in 1996, attracting 230,000 people (more than 20 times the number that compete in the Boston Marathon) from 52 cities in nine Central European countries.
- Samsung Electronics became an official sponsor of the Nobel Prize Series, and will develop a CD-ROM and Web site designed to increase awareness of the achievements of Nobel Laureates worldwide. Through this sponsorship, we hope to inspire others to work for "the greatest benefit to mankind."
- Our commitment to people in need is wide-ranging—from our Guide Dog School for the Blind, to the operation of two custom-designed factories for disabled workers, to the donation of microwave ovens to Housing Works, New York's largest provider of cost-free housing and support for homeless people with AIDS. The Samsung Welfare Foundation operates 36 childcare centers throughout Korea to assist working mothers of low-income families.
- We contribute to arts and culture through our support of gifted artists, sponsorship of film and other entertainment festivals, the development of prominent Korean Art Galleries at both London's Victoria & Albert Museum and New York's Metropolitan Museum, as well as providing assistance to hundreds of local and community programs. In April 1998, the Samsung Foundation of Culture will open the Rodin Gallery in downtown Seoul. The Foundation is also overseeing the development of the Samsung Modern Art Museum, scheduled to open in 2000.
- Twenty athletes at the 1996 Summer Olympic Games in Atlanta were members of Samsung-sponsored teams; four more olympians committed to join our teams in 1997 or 1998. Samsung Electronics has also announced it will be the worldwide wireless communications equipment partner of the 1998 Winter Olympic Games in Nagano, Japan, the 2000 Summer Olympic Games in Sydney, Australia, and the official partner of the Bangkok Asian Games in Thailand.
- Samsung is dedicated to preserving the earth's environment. In 1996, we doubled our investment in our Green Management program, through which we strive to minimize pollution-causing emissions and wastes, take responsibility for the full life cycle of products and operate all work sites in an eco-friendly manner. Samsung employees also participate in a broad range of volunteer preservation activities, including "Adopt a River" and other clean-up programs worldwide.

Why do we make these investments?

Samsung is not an island. We have important responsibilities to our customers, society and the environment everywhere in the world. The rewards from our activities are not ours to keep; they must be reinvested continuously in the people and communities we serve. This creates a cycle of mutual trust and respect, and a healthy environment in which both Samsung and our customers can live and prosper.
Old friends

KASIH means “love” in Malaysian. It is also the name of a loving group of Samsung employees in Malaysia who volunteer their time to perform a broad range of community service activities. Nizam Bin Abd Hamid is one of these leaders of KASIH. Here, he visits with Kosar, an elderly woman with no family or relatives, at Seremban Old Folks Nursing Home. Nizam and a team of Samsung colleagues volunteered to brighten up the nursing home and paint a garden wall. The group also exchanged stories and dined with the residents, making many new friends. By contributing directly to the communities in which we work and live, Samsung is earning the trust and respect of people all over the world.
Ju-Young Oh was born in a small town near Korea’s southern coast. But today he is making a big name for himself by performing with major orchestras all over the world. The 15-year-old violin virtuoso is one of the first beneficiaries of the Samsung Foundation of Culture’s Musical Instruments Bank. The innovative program lends world-class instruments to world-class musicians, helping to advance their music and careers. Mr. Oh has also received a scholarship from the Samsung Entertainment Group in 1996 and the Samsung Award for talented young artists in 1997. He is a student of Hyo Kang, music director of the Sejong Soloists, a renowned young musicians’ group. Through our support of art and culture worldwide, Samsung is contributing to a richer and more balanced global society.
The Han River flows for nearly 300 miles across South Korea, bisecting the city of Seoul. It has been the cradle of ancient cultures and a lifeforce for modern civilization. To help preserve this natural treasure, Samsung sponsors a fleet of five boats which cruise the Han River every day, removing refuse and other pollutants. Chang-Keun Yoon, one of the boat captains, takes great pride in his work, and revels in the growing number of people who enjoy the Han because of his efforts. To date, Samsung has invested more than $15 million in the Han River preservation project, including sponsorships of educational programs and recreational events. Thousands of Samsung employees also have voluntarily rolled up their sleeves to clean up portions of the river.
Second sight

Byung-Ho Kim is a kind and determined man. An employee of Samsung Electronics for more than 10 years, Mr. Kim was diagnosed in 1993 with uveitis, a degenerative eye disease. Two years later, he was declared legally blind. Undeterred by his condition, he taught himself how to use his computer to access the Internet and perform other everyday functions. Today, using equipment and facilities donated by Samsung, he volunteers his time to teach other blind individuals how to use the computer to enhance their lives. Mr. Kim's guide dog, Gooseul, is a graduate of Samsung's Guide Dog School, the only facility of its kind in Korea.
Kyung-Soo Park, a wide-eyed fourth-grader at An-Chun Elementary School, wants to play with a computer. But neither his family nor his school can afford one. To help children like Kyung-Soo, we created the Samsung Mobile PC Center. The specially equipped bus, complete with 13 Samsung computers and monitors, travels throughout Korea, visiting poor areas and rural neighborhoods that might not otherwise have access to computer technology. The Mobile PC Center typically stays in one area for up to five days, providing free computer education and training to elementary school students and other interested people in the community. It’s a fun, hands-on experience which awakens minds of all ages to a world of new opportunities. The instructor for this “expedition” was Samsung employee, Sun-Hee Kim.
Thank you.