Note about forward-looking statements

Certain statements in this proxy statement, other than purely historical information, including estimates, projections, statements relating to our business plans, objectives and expected operating results, and the assumptions upon which those statements are based, are “forward-looking statements” Forward-looking statements are based on current expectations and assumptions that are subject to risks and uncertainties which may cause actual results to differ materially from the forward-looking statements. A detailed discussion of risks and uncertainties that could cause actual results and events to differ materially from such forward-looking statements is included in our financial reports available on our website.
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Dear Samsung Electronics Stakeholders,

I wish you and your family a happy and prosperous 2014.

Throughout 2013, our business environment experienced challenges led by continued uncertainty of global fiscal policies coupled with delayed recovery in Europe, and currency volatility and weak consumer sentiment in Korea and other emerging markets.

Despite such challenges, thanks to sacrifice and dedication from our employees to enhance our competitiveness, the company achieved record revenues and profits and maintained the global IT leadership position.

I want to thank you, our shareholders, for your continued trust and support in making this possible, and would like to elaborate on key achievements during the past year.

First, we achieved record-high earnings results by strengthening competitiveness and expanding market leadership in the Mobile, Memory, and OLED businesses.

In 2013, we delivered record sales of KRW 229 trillion, up 14% from the previous year, and both operating profit and net profit increased by 27% and 28%, respectively, year over year to KRW 37 trillion and KRW 30 trillion, respectively.

In the mobile business, both revenue and profits significantly increased from the prior year driven by strong smartphone sales momentum outperforming the market growth and more than double tablet sales in 2013.

In the TV business, despite slowing demand amid a global economic downturn, we delivered industry best profitability and reinforced our market leadership by maintaining our global No.1 position for eight consecutive years since 2006.

Our Memory business earnings improved significantly, amid stable supply and demand, driven by effective cost savings through advanced process technology migration and increased shipments of
differentiated and high value added products such as SSD. For System LSI, we sharpened the future technology leadership such as advanced process technology competitiveness and developed next-gen products initiatives.

Our OLED business posted solid earnings growth, led by competitive advantages based on product differentiation. We achieved commercialization of the world’s first curved display while focusing on technology and product competitiveness for future growth.

Second, we concentrated our efforts on developing key competitive advantages such as technology and brand image, and expanding a foundation for new growth engines.

Amid revolutionary changes recently seen in the IT industry, we have put efforts to enhance our R&D capabilities by increasing R&D personnel and revamping our organization structure. We expanded partnerships with external research institutions by establishing an open innovation system, newly built internal research centers, including SofTech and Big Data Center to strengthen our software capabilities, and also plan to open a material and future technology R&D center going forward.

To expand the base for future growth engines, we are focusing our resources and competencies onto not only existing medical devices, LED, and B2B businesses, but also on Smart Home, mobile health, and other life-care areas, which could improve quality of life. In particular, our efforts are concentrated on education, medical institutions, public sector, and retail for the B2B business. For instance, we are running a pilot program of Smart School Solution in UAE, and Turkey while introducing our new mobile security solution KNOX, which gained positive response from the market. In addition, we released new Smart Home connected with smartphones at CES and it was well received by the media and audience.

With such efforts, we registered 4,676 patents in the US, won nine IDEA awards and 24 CES Innovation Awards, and ranked second in the innovative corporation list made by BCG. As seen in these achievements, our products are widely acknowledged for the best design and innovative corporate image in the world. According to the Interbrand survey, our brand value recorded USD 39.6 billion – a 20% increase compared to the previous year and ranked eighth in the list.

Third, we continued our efforts to raise the shareholder return.

As part of our efforts to share 2013 earnings results with shareholders, we declared a total dividend of KRW 14,300 per common share and KRW 14,350 per preferred share, which is approximately an 80% increase from the prior year. We believe that the significant year over year increase in dividends demonstrates the management’s firm commitment of putting shareholders at the heart of the management.

Despite facing challenges in the global business environment, we held the Samsung Analyst Day to enhance our corporate value and improve communication with investors. Our CEO, CFO, and heads from all businesses gave a presentation in person to around 400 global investors from across the world, and proposed mid-to-longer term vision and business strategies to clearly show our
commitment to the sustainable growth for the future. Thanks to the support from participating investors, the investor event concluded successfully.

Dear Stakeholders,

While the U.S. and Europe are expected to lead the global economic recovery in 2014, some macro uncertainties, such as increased emerging market currency volatility, are expected to continue. Meanwhile, we anticipate that competitions will intensify further in the IT industry, given the trend of value chain extension, emergence of Chinese players in the global market, and weak Yen. However, we will strive to turn these challenges into opportunities. We will do our best to improve our business results, thereby increasing shareholder value.

First, we will increase profitability through enhanced business competitiveness and sound business management while solidifying our leadership in the IT industry.

In our core businesses – handset, TV, memory and other semiconductor products, and OLED – we will solidify our number one position through premium product development and technological differentiation.

In the mobile business, we will expand new product line ups beyond flagship smartphones and lead the LTE market. For tablets, we will create a new large screen product category while reinforcing strategic model line ups.

For the TV business, we will strive to increase sales of premium products with high value including UHD, Curved, and over 60” large-size TVs amid UHD TV market expansion. Especially for Set products, we will improve retail efficiency and synergy through innovative retail systems, including Experience Shop.

In the memory business, we will expand cutting-edge process migration, and increase the mix of high performance high value added products and solutions. Meanwhile, we will also solidify our technological leadership based on mass production of vertical NAND.

For OLED panels, we will expand its application beyond smartphones and achieve mass production of upgraded flexible panels to create a strong foundation for future growth.

In our growth businesses – home appliances, network equipment, system LSI, etc. – we will develop key technologies and expand the customer base for future growth.

We will focus on enhancing global operation capability and reinforcing premium product strategies for home appliances, maximize sales opportunities in the LTE equipment market for network equipment, and enhance product competitiveness and prepare for migration towards next gen 14nm class for system LSI.
In addition, we will improve efficiency of the company-wide resource management including investment and continue efforts to enhance our global SCM capability.

Second, we will reinforce our risk management capability and future competitiveness for sustainable growth.

For a company to continue its growth momentum in the mid to longer term, the key is to have an ability to promptly respond to uncertainties and risks in the business environment. We will take preventive measures and thoroughly manage all the risks related to possible compliance issues. In addition, we will make social contribution to local communities, as well as enhance communication with various stakeholders.

We will establish a differentiated ecosystem to maximize competitive advantages in our extended value chain such as components, set products, services, and solutions. We will also continue to pursue technological innovation to strengthen our leadership.

For Set business, we will continue to innovate and develop new product categories, such as the future mobile communication, UHD, 3D, Real Sound, and Energy Efficiency technologies. Meanwhile, for components, we will focus on future technologies such as the cutting-edge process, packaging, multiprocessing, solutions, and flexible OLED.

At the same time, we will continue our efforts to develop and secure advanced electronic materials that will be the main source of our competitiveness to obtain meaningful results from our future growth engine, such as B2B business.

Third, we are committed to delivering shareholder focused management in 2014.

We are committed to the principle that the Company’s strong business performance will ultimately enhance shareholder value. For this year, we will continuously strive to deliver outstanding business performance led by our commitment. Additionally, we will better communicate with our shareholders and other members of the investor community to share our sustainable growth vision through proactive IR activities.

Dear Stakeholders,

For the last 20 years, Samsung has always been committed to the Company’s motto of “New Management” to take on challenges resulting from the rapid pace of globalization. As a result, we were able to become a leading company of the global IT industry today.

We will continue to face a number of challenges this year. However, we are determined to renew the commitment that we boldly made 20 years ago to make Samsung Electronics the world’s best company.
Again, I wish you and your family the best in 2014.

Respectfully yours,

Oh-Hyun Kwon  
Vice Chairman & CEO  
Samsung Electronics Co., Ltd
## History of Company

<table>
<thead>
<tr>
<th>Year</th>
<th>Date</th>
<th>Event</th>
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<tbody>
<tr>
<td>‘60</td>
<td>69. 1. 13</td>
<td>Company Established</td>
</tr>
<tr>
<td>‘70</td>
<td>72. 11. 3</td>
<td>Production of Black-and-White TVs</td>
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<tr>
<td></td>
<td>74. 3. 2</td>
<td>Refrigerator production begun</td>
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<td>74. 12. 16</td>
<td>Washing Machine production begun</td>
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<td>75. 6. 11</td>
<td>Initial Public Offering</td>
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<td></td>
<td>77. 4. 1</td>
<td>Production of Color TVs</td>
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<td></td>
<td>77. 5. 1</td>
<td>Acquired Samsung Electro-Mechanics</td>
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<td></td>
<td>78. 7. 28</td>
<td>Samsung Electronics America established</td>
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<td>79. 5. 1</td>
<td>VCR development completed</td>
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<td>‘80</td>
<td>83. 3. 21</td>
<td>Personal Computer production begun</td>
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<td></td>
<td>83. 11. 19</td>
<td>64K DRAM development completed</td>
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<td></td>
<td>84. 2. 28</td>
<td>Company name changed to Samsung Electronics Co., Ltd</td>
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<td></td>
<td>84. 10. 8</td>
<td>256K DRAM development completed</td>
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<td>86. 7. 13</td>
<td>1M DRAM development completed</td>
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<td>86. 10. 8</td>
<td>Development of World’s First 4mm VTR, winning “President’s Award” at the 1986 Korea Electronics Show</td>
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<td>88. 11. 1</td>
<td>Acquisition of Samsung Semiconductor &amp; Telecommunications Co., Ltd</td>
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<td>88. 11. 16</td>
<td>1M SRAM development completed</td>
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<td>‘90</td>
<td>90. 8. 11</td>
<td>16M DRAM development completed</td>
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<td>94. 8. 29</td>
<td>World’s first 256M DRAM development completed</td>
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<td>96. 10. 31</td>
<td>1G DRAM development completed</td>
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<td></td>
<td>98. 10. 30</td>
<td>Mass production of world’s first digital TV begun</td>
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<td>99. 6. 24</td>
<td>Developed world’s fastest 1GHz CPU (Alpha chip)</td>
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<td>Date</td>
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<tr>
<td>00. 11. 7</td>
<td>100 Millionth color TV produced</td>
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<td>01. 5. 15</td>
<td>Industry’s first multimedia color handset introduced</td>
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<td>02. 6. 5</td>
<td>Developed 70nm chip design process</td>
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<tr>
<td>02. 11. 8</td>
<td>SEC, first to mass produce 1GHz Rambus DRAMs</td>
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<td>02. 12. 27</td>
<td>Developed world’s largest 54” TFT-LCDs for digital TV</td>
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<td>03. 7. 3</td>
<td>First to release CDMA moving picture mobile phone</td>
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<td>03. 8. 6</td>
<td>First to release HD DVD-Combo</td>
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<td>03. 9. 29</td>
<td>First to develop 70 nano 4G NAND Flash</td>
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<td>04. 1. 27</td>
<td>Released world’s first 46” LCD TV</td>
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<td>04. 3. 4</td>
<td>Developed 70 nano DRAM manufacturing process technology for the first time in the world</td>
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<tr>
<td>04. 9. 20</td>
<td>Developed the world’s first 60nm 8G NAND Flash</td>
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<td>05. 6. 21</td>
<td>First to mass produce 90nm 512Gb GDDR3</td>
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<td>05. 9. 12</td>
<td>Developed the world’s first 50nm 16Gb NAND Flash</td>
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<tr>
<td>05. 10. 14</td>
<td>Developed the world’s first 70nm DRAM</td>
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<td>06. 3. 14</td>
<td>Mass production of the world’s first 80 nano DRAM</td>
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<td>06. 6. 16</td>
<td>Released the world’s first Blu-Ray Player</td>
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<tr>
<td>06. 9. 12</td>
<td>Developed the world’s first CTF NAND technology</td>
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<td>06. 11. 2</td>
<td>Developed the world’s first 16 chip MCP</td>
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<td>06. 12. 5</td>
<td>Developed the world’s first touch-sensitive DDI</td>
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<td>06. 12. 28</td>
<td>Developed the world’s first 1GB Mobile DRAM</td>
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<td>07. 1. 28</td>
<td>Ranked first in 3 TV categories (LCD, flat, and digital) in the US market in 2006</td>
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<tr>
<td>07. 3. 2</td>
<td>First to mass produce 60nm 1GB DRAM</td>
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<tr>
<td>07. 5. 11</td>
<td>Developed the world’s first 65nm DTV chip</td>
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<tr>
<td>07. 6. 15</td>
<td>Released the world’s largest 70” Full-HD premium LCD TV</td>
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<tr>
<td>07. 10. 23</td>
<td>Developed the world’s first 30nm 64G NAND Flash</td>
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<tr>
<td>07. 11. 9</td>
<td>First to mass produce 16m-color DDI for AMOLED displays</td>
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<tr>
<td>08. 4. 21</td>
<td>First to mass produce 50nm 1GB DDR2 DRAM</td>
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<td>08. 9. 9</td>
<td>No.1 in the A4 color laser multi-function printer market for the first time (IDC)</td>
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<td>08. 11. 7</td>
<td>No.1 in the U.S. handset market for the first time (Strategy Analytics)</td>
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<td>09. 1. 30</td>
<td>Developed the world’s first 4G DDR3 DRAM</td>
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<tr>
<td>09. 2. 5</td>
<td>Developed the world’s first 40nm DRAM</td>
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<tr>
<td>09. 7. 22</td>
<td>First to mass produce 40nm DDR3 DRAM</td>
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<td>09. 10. 27</td>
<td>Developed the world’s thinnest 3mm LED TV panel</td>
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<tr>
<td>09. 11. 5</td>
<td>Developed the world’s first 0.6mm-thick 8-chip package</td>
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<tr>
<td>09. 12. 15</td>
<td>First to commercialize 4G LTE handsets</td>
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<td>‘10</td>
<td>First in the world to develop 30nm DRAM</td>
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<tr>
<td>10. 2. 24</td>
<td>First in the world to begin the mass production of 4GB DDR3 DRAM</td>
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<td>10. 2. 25</td>
<td>First in the world to launch ‘full HD 3D LED TV’</td>
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<td>10. 3. 29</td>
<td>First in the world to launch ‘32GB DRAM module’</td>
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<td>10. 4. 1</td>
<td>Merger with Samsung Digital Imaging</td>
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<td>10. 5. 12</td>
<td>Samsung Electronics: First in the world to launch 3D home theater</td>
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<tr>
<td>10. 6. 29</td>
<td>Launch of blood test kit</td>
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<tr>
<td>10. 7. 21</td>
<td>First in the world to begin mass production of 30nm-class DRAM</td>
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<tr>
<td>10. 9. 1</td>
<td>Galaxy S becomes Korea’s first million seller smart phone</td>
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<td>10. 11. 10</td>
<td>Samsung Electronics: Honored with 37 CES 2011 innovation awards</td>
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<tr>
<td>‘11</td>
<td>Acquisition of Liquavista (Netherlands)</td>
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<tr>
<td>11. 1. 20</td>
<td>Smart TV provides first and real-time IPTV app service without Set-top box</td>
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<tr>
<td>11. 1. 24</td>
<td>Launch of Samsung’s first mobile AP brand the ‘Exynos’</td>
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<tr>
<td>11. 2. 11</td>
<td>‘Samsung Apps’ reach 100 million cumulative downloads</td>
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<tr>
<td>11. 3. 24</td>
<td>Mass production of the world’s first transparent LCD panel</td>
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<td>11. 3. 31</td>
<td>Disposal of HDD business to Seagate</td>
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<td>11. 4. 19</td>
<td>First in the world to begin the mass production of next-gen high speed NAND flash with Toggle DDR 2.0 Interface</td>
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<tr>
<td>11. 5. 12</td>
<td>Mass production of the world’s best function/highest capacity server DRAM modules</td>
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<tr>
<td>11. 5. 31</td>
<td>Opening of ‘Family Samsung’, a communication portal site for</td>
<td></td>
</tr>
</tbody>
</table>
11. 8. 18  Samsung employees and their families
11. 9. 15  Smart TV reach global sales of 2 million units
11. 9. 22  First in the world to develop 30nm 1.25Volt modules for Ultra Lowpower Servers
11. 10. 17 Galaxy S I/II reach cumulative global sales of 30 million units
11. 12. 1  First to mass produce optical sensor-integrated type large LCD panels

12. 2. 8  Launch of smart TV ES8000 with voice/motion recognition in Korea
12. 4. 1  Merger between SEC and Samsung LED / Creation of LED business as part of SEC
12. 5. 10 Acquisition of ‘mSpot,’ US cloud content service provider
12. 6. 5  Opening of the nation’s largest day care center at ‘Samsung Digital City’ in Suwon
12. 7. 4  Launch of new Zipel T9000 with independent-bottom freezer style
12. 7. 11 ISO 50001 certification granted to 5 business operations of SEC
12. 7. 17 Acquisition of CSR’s mobile business
12. 7. 28 Sponsorship for the London 2012 Olympic Games with wireless communication devices
12. 8. 7  Global launch of Galaxy Note 10.1
12. 8. 8  Development of the world’s first VoLTE technologies for Galaxy S III
12. 9. 11 Launch of M9000, kimchi refrigerator with the industry-largest capacity and 3 metal-cooling
12. 9. 24 Launch of the Samsung SSD 840 Series
12. 10. 4 SEC’s brand value of USD 32.9 billion ranked 9th out of 100 global brands
12. 10. 30 SEC-Google released ‘Nexus 10,’ tablet with the world’s highest...
<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
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<tbody>
<tr>
<td>12. 11. 4</td>
<td>Global sales of Galaxy S III reached 30 million units in 5 months</td>
</tr>
<tr>
<td>12. 11. 15</td>
<td>Launch of 10nm-class 64Gb eMMC with the industry-highest speed</td>
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<tr>
<td>12. 11. 29</td>
<td>Launch of Galaxy Camera (world’s first LTE camera) in Korea</td>
</tr>
<tr>
<td>12. 12. 26</td>
<td>SEC was awarded World Star Award(World Packaging Organization) for the eco-friendly packaging of refrigerator.</td>
</tr>
<tr>
<td>13. 1. 9</td>
<td>Launch of ‘Exynos 5 Octa,’ world’s first high performance octa-core mobile AP</td>
</tr>
<tr>
<td>13. 1. 14</td>
<td>Samsung Electronics announced that Galaxy S series reached global smartphone sales of 100 million</td>
</tr>
<tr>
<td>13. 1. 28</td>
<td>Acquisition of ‘Neurologica,’ American portable CT device maker</td>
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<tr>
<td>13. 2. 16</td>
<td>Launch of ‘Sparkling,’ refrigerator with an innovative sparking water dispenser</td>
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<td>13. 2. 21</td>
<td>Launch of ‘Zipel Food Showcase’ with innovative food storage design</td>
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<tr>
<td>13. 3. 14</td>
<td>Samsung Electronics reveal Galaxy S4</td>
</tr>
<tr>
<td>13. 3. 15</td>
<td>Launch of multi-CEO system</td>
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<tr>
<td>13. 4. 3</td>
<td>Samsung TV achieved 37 EPEAT ‘Gold’ marks (industry-highest number) for being eco-friendly</td>
</tr>
<tr>
<td>13. 4. 18</td>
<td>Release of ‘Evolution Kit,’ the world’s first TV feature upgrading kit</td>
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<tr>
<td>13. 5. 22</td>
<td>10 million S4 handsets sold in the shortest period of time</td>
</tr>
<tr>
<td>13. 6. 17</td>
<td>Launch of NFC-enabled color laser printers, and multi-function printers for the first time in the industry</td>
</tr>
<tr>
<td>13. 6. 26</td>
<td>Launch of S4 LTE-A, the world’s first LTE-A smartphone</td>
</tr>
<tr>
<td>13. 6. 27</td>
<td>Global launch of Curved OLED TV</td>
</tr>
<tr>
<td>13. 7. 2</td>
<td>SEC won the highest total of IDEA Awards among competitors for five consecutive years</td>
</tr>
<tr>
<td>13. 7. 17</td>
<td>Launch of ‘840 EV0,’ 1TB high-performance SSD line up</td>
</tr>
<tr>
<td>13. 7. 24</td>
<td>Mass production of 3GB high-density mobile DRAM for smartphones</td>
</tr>
<tr>
<td>13. 8. 6</td>
<td>Mass production of the world’s first 3D V-NAND flash memory chips</td>
</tr>
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<td>13. 8. 25</td>
<td>Retained global No.1 market share of 27.1% for TVs in 1H13 (Source: Display Search)</td>
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<td>Event</td>
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<tr>
<td>13.8.30</td>
<td>Mass production of 20nm DDR4 DRAM</td>
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<tr>
<td>13.9.4</td>
<td>Revealed Galaxy Note 3 and Galaxy Gear</td>
</tr>
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<td>13.9.10</td>
<td>Development of ‘Exynos’ octa-core multi-processing solutions</td>
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<td>13.9.24</td>
<td>Development of ISOCELL, industry-first next generation CMOS image sensor technology</td>
</tr>
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<td>13.9.30</td>
<td>Samsung Electronics Chat-On global subscriptions reach 100 million</td>
</tr>
<tr>
<td>13.9.30</td>
<td>Ranked 8th in the global 100 brands list</td>
</tr>
<tr>
<td>13.10.9</td>
<td>Launch of Galaxy Round with a flexible display</td>
</tr>
<tr>
<td>13.10.21</td>
<td>Samsung Electronics overseas manufacturing sites achieved ISO 50001 certification</td>
</tr>
<tr>
<td>13.10.30</td>
<td>FPTV achieved record-high market share of 33.5% in North America</td>
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<td>(Source: NPD)</td>
</tr>
<tr>
<td>13.12.12</td>
<td>UHD TV ranked first with 48.3% market share in Europe (Source: GfK)</td>
</tr>
<tr>
<td>13.12.30</td>
<td>Global launch of the world’s largest 110” UHD TV</td>
</tr>
<tr>
<td>13.12.30</td>
<td>Development of the world’s first next-gen 8GB LPDDR4 mobile DRAM</td>
</tr>
</tbody>
</table>
Business Report
1. Business Overview

From January 1, 2013 to December 31, 2013

In 2013, the global economy faced various macro headwinds amid delayed economic recovery in Europe. Domestic consumption declined and currency exchange rates remain volatile in Korea and emerging countries due to uncertain US fiscal policies related to concerns over QE tapering.

Despite such difficult business environment, we achieved record consolidated sales of KRW 229 trillion, operating profit of KRW 37 trillion, stand-alone sales (parent) of KRW 158 trillion, and net profit of KRW 18 trillion thanks to our shareholders’ support and relentless hard work by our employees.

From a financial management perspective, we maintained a strong balance sheet with consolidated net debt to equity ratio of 42.7%, capital adequacy ratio of 70.1%, and ROE of 22.4%. Also, parent net debt to equity ratio was 26.5%, capital adequacy ratio was 79.0%, and ROE was 15.7%. According to the Interbrand survey, our brand value rose by 20% to USD 39.6 billion from the previous year, and ranked eighth in the global corporate list as of October 2013.

Last year, we continued to lead the industry by launching products featuring advanced design and the industry leading technology. We began mass production of the world’s best performing and highest density server DRAM memory modules and launched the industry leading Android-based Galaxy S4 and Note3.

Despite signs of an economic rebound in developed countries, we expect macro headwinds in the global and domestic economy to persist, given QE tapering in the US and financial risks from emerging countries.

To overcome internal and external challenges including rapid changes in the business environment, we will continue improvements with the efficiency and flexibility of our operation to ensure survival during the time of crisis. We will also focus on securing growth engines to grasp future opportunities.

For CE (Consumer Electronics) business, we are enhancing our market leadership through differentiated products, technologies and design.

We will continue our growth momentum, under the effects of depressed economy and weak demand from developed markets, mainly led by our market-leading premium products such as Smart TV and refrigerators.

For flat panel TVs, we maintained our No.1 position of the total TV market share, including FPTV and LCD TV, for eight consecutive years. We achieved the “Triple Crown” thanks to our competitive advantages in technology and design. We continued to widen the gap with our competitors and, as a result, solidified our top position in the market.

In 2014, we will continue to enhance our product leadership through exclusive design features in the premium and over-60” large-size line ups. We will also provide various solutions for consumers to lead the user-oriented Smart TV and ultra high definition TV markets.

In the Monitor business, we believe our sales and P/L will improve through our efforts to expand into the global market and increase profitability.
Our refrigerator with a new concept is well received in the domestic market. For overseas home appliances market, we launched Club de Chef, partnerships with the world’s renowned chefs to enhance our premium brand image, while opening a premium home appliances showcase at Harrods. As such, we are strengthening our premium marketing activities and expanding partnerships with large retailers to enhance our market leading position.

For IM (Information technology & Mobile communications) Business, we led the market, utilizing our premium brand image and differentiated products.

In 2013, overall mobile demand increased by 6% compared to prior year to 1.7 billion. In particular, premium smartphone demand growth was higher in China and US along with sales expansion in emerging markets.

As we planned in early 2013, we achieved our sales target of 450 million handsets. Especially, our smartphone business sustained its strong sales momentum for the second year in a row. Galaxy S4, our premium flagship model launched in April, reached global sales record of 10 million in the shortest period of time in the Samsung mobile phone sales history.

In addition, we are getting positive feedback on the new version of Note. Galaxy S4 Active, Galaxy Round, and Galaxy Gear are also well received in the market with solid sales.

In 2014, we expect overall mobile market to grow by a single digit % and smartphone shipments to increase by more than 10% from the previous year. We expect tablet market shipments to continue strong growth momentum with 20% yoy growth.

We expect both our shipments and sales to outperform the market. We aim to further strengthen our mobile market leadership by reinforcing smartphone line ups, expanding tablet sales, and pioneering new product categories, such as Note and LTE, through pursuing differentiated strategy.

In addition, we will continuously outperform the market growth and maintain solid profitability through balanced sales growth in developed and emerging markets.

Our Semiconductor Business of DS (Device Solutions) leads the industry with its creativity based on core technologies.

Amid stable supply-demand balance in the memory market, we enhanced our cost competitiveness and increased high value added product sales. As a result, our earnings improved remarkably. We also increased investment in the advanced process technologies to reinforce our technology leadership.

In 2013, profit-oriented supply policies such as limited capacity expansion led to increased DRAM and NAND prices compared to 2012. Overall, the market dynamics shifted towards suppliers. Market growth was mainly driven up by increased density and sales expansion in mobile devices, as well as higher SSD demand for data center and ultra-books. As DRAM supply shortages were exacerbated in the 2nd half of last year, we expect DRAM supply for PCs and game consoles to remain tight until the first quarter of 2014.

During the first quarter of 2014, we expect flagship smartphone demand to slow down and certain set product demand to remain flat. In response, we will diversify our customer base to China, based on our enormous technological advantages. We will also enhance our cost competitiveness by expanding profitable product offerings.
We are currently more than one year ahead of competitors in terms of product development. We are continuing our effort to further solidify our market leadership by launching premium products.

We will lead the DRAM market by stabilizing 20nm-class production and introducing NAND. For NAND, we introduced the world’s first Vertical-NAND, and we are in the process of developing high-performance solutions and advanced 3bit products to further widen the gap from the competition.

Looking forward in 2014, we will sustain our industry leadership as No.1 memory maker, leveraging our technological advantages and cost competitiveness from advanced process development. We will continue to expand our market dominance by further improving cost competitiveness and offering differentiated products through advanced process development.

For system LSI, the market growth is now being led by mid/low-end products as high end product portion declined in the mobile market in 2013. In 2014, we expect continued growth led by emerging markets such as China, Latin America, and Eastern Europe.

Looking at the product trend, demand for ModAP is steadily growing, high-pixel sensors’ portion is rising driven by CIS hardware differentiation, and mobile DDI demand is also increasing for high-definition smart devices. As such, demand for mid/low-end IC chips is increasing. In response, we plan to release more competitive products earlier than competitors, leveraging our advanced process advantages.

Our AP business profits are driven by increased 32/28nm AP offerings. In 2014, we will introduce 20nm products to solidify our technological advantages. Additionally, we will further reinforce our competitiveness in AP by expanding modem/ModAP business and mass producing connectivity products. For foundry business, we sharpened our market leadership by developing high performance leading-edge process ahead of competitors.

In DP (Display Panel) of DS (Device Solutions) business, we are leading the industry based on our differentiated competitiveness.

Even though our business environment became more challenging compared to 2012 with intensified competition for TV panels, we retained our leading position as a top display maker by achieving outstanding business performance based on our differentiated manufacturing competitiveness in the mid to small size AMOLED panels.

For large size panel business, we improved our manufacturing competitiveness by enhancing yield and reducing product defect rate across all product line ups based on our TFT-LCD technologies. We further strengthened our competitive advantages by offering full line ups in large size TV panels and developing panels for Curved TV.

For cost saving, we are continuing our efforts to develop highly transparent panels and localize key manufacturing equipment. We will strengthen partnership with customers in technology and product development to maintain our industry-highest utilization rate and maximize profitability. In addition, we will better deal with demand from China, the world’s largest TV consumer, leveraging our China fab where mass production began in 2013.

For the mid to small size panel business, we continue to enhance our competitiveness as a market leader by successfully commercializing the world’s first flexible panels based on AMOLED technologies and increasing our capacity through manufacturing efficiency improvement.
In 2014, we will launch premium product line ups including large high-tech OLED TV to strengthen our market dominance. In addition, we will heighten our leading position as the global No.1 display maker by reinforcing our product competitiveness through next generation display with a new concept, as well as focusing our competencies on developing future technologies such as transparent displays.

For this year, Samsung Electronics will enhance its leading position as global No.1 IT company by improving competitiveness and profitability of each business. To lay the ground work for a bright future of all businesses, we will focus on strengthening our competitiveness in core technologies of the future through efficient management of company-wide resources and sound business management, and actively cope with global macro uncertainties and risks in a prompt manner.
2. Corporate Overview

1) Company Objective

1. Manufacture, sale, collection service, lease and maintenance service of electronic and electrical products and appliances, other related equipment and their components
2. Manufacture, sale, collection service, lease and maintenance service of communication products & appliances, other related equipment and their components
3. Manufacture and sale of medical equipment
4. Manufacture, sale and maintenance service of optical disk, optical related products and appliances and their components
5. Manufacture, sale, lease and maintenance service of optical fiber, cable and other related equipment
6. Manufacture, sale, collection service, lease and maintenance service of computing system and other related products
7. Manufacture, sale and lease of copyright works and computer programs, etc.
8. Sale and lease of technology
9. Operation and engineering service of information
10. Manufacture, sale, lease and maintenance service of automatic control systems and applied equipment
11. Manufacture, sale, lease and maintenance service of machine tools and their components
12. Manufacture, sale and test of gauge and measuring instruments, etc.
13. Manufacture and sale of semiconductors and other related products
14. Manufacture and sale of manufacturing facilities for semiconductors
15. Manufacture and sale of raw and related materials for semiconductor manufacturing
16. Technology service for the above items, telecommunication service and construction of electric connection system
17. Manufacture and sale of other machines and appliances
18. Manufacture, processing and sale of plastic material
19. Refining, processing and sale of metals other than gold
20. Export, import and its agency business
21. Cultivation and sale of cash crop
22. Real estate business
23. Offer business
24. Lease and sale of residential lots
25. Sports, games and other related business
26. Manufacture of electric motor, power generator and electric converter apparatus
27. Manufacture of electricity supply and control devices
28. Educational service and other services related to business
29. Business and investment incidental to any of the foregoing items
2) Key Operations

The Company is strengthening the product-oriented global management system by organizing the Company’s core business into 3 divisions including Device Solution division with memory, System LSI, LED, and display panels, IM division with handset and PC and CE division with TV, printer, refrigerator and air conditioner. The Company is also focusing on creating synergy effects among these 3 business divisions.

The Company owns and operates consumer electronics manufacturing facilities in various sites around Korea. At one of the main sites in Suwon, the Company produces digital information systems such as CTV, DTV, DVDP and Monitor. In Gwangju, the company manufactures Home Appliances. In Gumi, the company manufactures mobiles handsets, communication systems and printers as well as other OA equipments. In Giheung, Hwaseong and Onyang sites, the Company manufactures Memory and System LSI products. At Cheonan and Asan sites, the Company produces panels and related products.

In addition, with its overseas subsidiaries throughout the world, Samsung Electronics Co.,Ltd continues to differentiate its products, R&D, marketing and services according to the region. In doing so, the Company is proving its capacity as a global leading company.

3) Key Business Site

<table>
<thead>
<tr>
<th>Business Site</th>
<th>Major Business or products</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seocho Complex</td>
<td>Corporate management strategies</td>
<td>11, Seocho-daero 74-gil, Seocho-gu, Seoul, Korea</td>
</tr>
<tr>
<td>Suwon Complex</td>
<td>Electronic Goods &amp; Computer</td>
<td>129, Samsung-ro, Yeongtong-gu, Suwon-si, Gyeonggi-do, Korea</td>
</tr>
<tr>
<td>Gumi 1st complex</td>
<td>Telecommunication Equipment</td>
<td>244, 1 Gongdan-ro, Gumi-si, Gyeongsangbuk-do, Korea</td>
</tr>
<tr>
<td>Gumi 2nd complex</td>
<td>Telecommunication Equipment</td>
<td>302, 3 Gongdan 3-ro, Gumi-si, Gyeongsangbuk-do, Korea</td>
</tr>
<tr>
<td>Giheung complex</td>
<td>Semiconductor</td>
<td>95, Samsung 2-ro, Giheung-gu, Yongin-si, Gyeonggi-do, Korea</td>
</tr>
<tr>
<td>Onyang complex</td>
<td>Semiconductor (Assembly, Test)</td>
<td>158, Baebang-ro, Asan-si, Chungcheongnam-do, Korea</td>
</tr>
<tr>
<td>Hwaseong complex</td>
<td>Semiconductor</td>
<td>1, Samsungjeonja-ro, Hwaseong-si, Gyeonggi-do, Korea</td>
</tr>
<tr>
<td>Cheonan Complex</td>
<td>Display panel</td>
<td>465, Beonyeong-ro, Seobuk-gu, Cheonan-si, Chungcheongnam-do, Korea</td>
</tr>
<tr>
<td>Asan Complex</td>
<td>Display panel</td>
<td>Samsung st.181, Tangjeong-Myeon, Asan-si, Chungcheongnam-do, Korea</td>
</tr>
<tr>
<td>Gwangju complex</td>
<td>Home Appliances</td>
<td>107, Hanamsandan 6beon-ro, Gwangsan-gu, Gwangju, Korea</td>
</tr>
</tbody>
</table>
4) Shares

1. Class of shares issued

<table>
<thead>
<tr>
<th>Class</th>
<th>Outstanding shares</th>
<th>Amount</th>
<th>Composition</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Common shares</td>
<td>147,299,337</td>
<td>778,047</td>
<td>86.6%</td>
<td></td>
</tr>
<tr>
<td>Preferred shares</td>
<td>22,833,427</td>
<td>119,467</td>
<td>13.4%</td>
<td>Non-voting</td>
</tr>
<tr>
<td>Total</td>
<td>170,132,764</td>
<td>897,514</td>
<td>100.0%</td>
<td></td>
</tr>
</tbody>
</table>

Issued shares before Share Cancellation: Total 179,502,764 Shares (Common 155,609,337 / Preferred 23,893,427)

2. Others

<table>
<thead>
<tr>
<th>Title</th>
<th>Content</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fiscal Year End</td>
<td>December 31</td>
</tr>
<tr>
<td>Annual Shareholders’ Meeting</td>
<td>Within three(3) months after the close of each fiscal year</td>
</tr>
<tr>
<td>Closing period of Shareholders’ Registration</td>
<td>1 month period from January 1</td>
</tr>
<tr>
<td>Newspaper</td>
<td>Joongang Ilbo</td>
</tr>
<tr>
<td>Share Certificate</td>
<td>1, 5, 10, 50, 100, 500, 1000, 10000 (8 Types)</td>
</tr>
<tr>
<td>Agency for stock related Service</td>
<td>Agent: Korea Securities Depository Location: 23, Yeouinaruro4-gil, Yeongdeungpo-gu, Seoul</td>
</tr>
<tr>
<td>Privilege to Shareholders</td>
<td>N/A</td>
</tr>
</tbody>
</table>

3. Changes in paid-in capital

There are no changes for the last five years.

5) Employees (Domestic Standard)

(As of the end of 2013)

<table>
<thead>
<tr>
<th>Title</th>
<th>R&amp;D</th>
<th>Marketing</th>
<th>Manufacturing</th>
<th>Others</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>37,389</td>
<td>6,243</td>
<td>20,366</td>
<td>6,088</td>
<td>70,086</td>
</tr>
<tr>
<td>Female</td>
<td>6,559</td>
<td>2,641</td>
<td>14,508</td>
<td>2,004</td>
<td>25,712</td>
</tr>
<tr>
<td>Total</td>
<td>43,948</td>
<td>8,884</td>
<td>34,874</td>
<td>8,092</td>
<td>95,798</td>
</tr>
</tbody>
</table>
6) Bond Issuances

<table>
<thead>
<tr>
<th>Title</th>
<th>Issuance Date of</th>
<th>Amount</th>
<th>Annual Interest Rate</th>
<th>Outstanding Balance</th>
<th>Redemption Remarks Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>No.142</td>
<td>Convertible bond</td>
<td>141,520 ($100,000)</td>
<td>7.7%</td>
<td>73,871 ($70,000)</td>
<td>27.10. 1</td>
</tr>
<tr>
<td>(YANKEE BOND)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

3. Productions, Sales and CAPEX

1) Sales by Division (Unit: Million KRW)

<table>
<thead>
<tr>
<th>Division</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>CE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Domestic</td>
<td>4,441,349</td>
<td>4,536,439</td>
</tr>
<tr>
<td>Export</td>
<td>24,804,415</td>
<td>17,123,347</td>
</tr>
<tr>
<td>Sub-total</td>
<td>29,245,764</td>
<td>21,659,786</td>
</tr>
<tr>
<td>IM</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Domestic</td>
<td>11,227,451</td>
<td>13,798,911</td>
</tr>
<tr>
<td>Export</td>
<td>84,212,896</td>
<td>68,673,856</td>
</tr>
<tr>
<td>Sub-total</td>
<td>95,440,347</td>
<td>82,472,767</td>
</tr>
<tr>
<td>DS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Domestic</td>
<td>1,272,469</td>
<td>1,798,875</td>
</tr>
<tr>
<td>Export</td>
<td>32,058,937</td>
<td>34,849,327</td>
</tr>
<tr>
<td>Sub-total</td>
<td>33,331,406</td>
<td>36,648,202</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Domestic</td>
<td>17,200,360</td>
<td>20,470,304</td>
</tr>
<tr>
<td>Export</td>
<td>141,171,729</td>
<td>120,736,073</td>
</tr>
<tr>
<td>Total</td>
<td>158,372,089</td>
<td>141,206,377</td>
</tr>
</tbody>
</table>

* As of the end of 2013
* Divisions
  * The figures follow the KIFRS.
2) Productions by Division

<table>
<thead>
<tr>
<th>Division</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>CE</td>
<td>5,761,539</td>
<td>6,024,104</td>
</tr>
<tr>
<td>IM</td>
<td>16,710,766</td>
<td>16,200,389</td>
</tr>
<tr>
<td>DS</td>
<td>27,012,150</td>
<td>30,234,752</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>49,484,455</strong></td>
<td><strong>52,459,245</strong></td>
</tr>
</tbody>
</table>

* As of the end of 2013 Divisions

3) Major CAPEX and Source of Fund

<table>
<thead>
<tr>
<th>Investment Amount</th>
<th>Source of Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>Memory No.16 line</td>
<td>9,363</td>
</tr>
<tr>
<td>Memory No.15 line</td>
<td>25,028</td>
</tr>
<tr>
<td>Memory No.13 line</td>
<td>2,945</td>
</tr>
<tr>
<td>Memory No.12 line</td>
<td>2,602</td>
</tr>
<tr>
<td>LSI S1 line</td>
<td>2,911</td>
</tr>
<tr>
<td>LSI S3 line</td>
<td>7,469</td>
</tr>
<tr>
<td>Etc.</td>
<td>56,080</td>
</tr>
</tbody>
</table>
4. The Combined Companies & Subsidiaries

1) Parent Company : No Pertinent Data

2) Major Affiliates and Subsidiaries

As of fiscal year 2013 end, Samsung Group had a total of 77 domestic affiliates. Compared to end-2012, two new affiliates (Jung-ahn Wind Power, and Sungkyunkwan University Dormitory) were added and six (SECRON, SEHF Korea, SB LiMotive, GES, Idea Company Prog, Top Cloud Corporation) were excluded. Among Samsung Group’s 77 affiliates, 17 including Samsung Electronics are listed, and 60 are unlisted.

As of fiscal year 2013 end, Samsung Electronics’ consolidated subsidiaries totaled 153 with eight subsidiaries being newly included and 21 being excluded compared to end-2012. Following tables are a summary of financial data of major consolidated subsidiaries.

(Units: KRW Million)

<table>
<thead>
<tr>
<th>Major subsidiaries</th>
<th>Major business</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Assets</td>
</tr>
<tr>
<td>Samsung Display (SDC)</td>
<td>Production and sale of Display</td>
<td>35,754,894</td>
</tr>
<tr>
<td>Samsung Electronics America(SEA)</td>
<td>Sale of electronic goods</td>
<td>12,248,560</td>
</tr>
<tr>
<td>Samsung (China) Investment(SCIC)</td>
<td>Sale of electronic goods</td>
<td>8,406,438</td>
</tr>
<tr>
<td>Samsung Semiconductor(SSI)</td>
<td>Sale of electronic goods</td>
<td>7,346,339</td>
</tr>
<tr>
<td>Samsung Austin Semiconductor(SAS)</td>
<td>Production of semiconductors</td>
<td>6,393,348</td>
</tr>
<tr>
<td>Samsung Electronics Europe Holding(SEEH)</td>
<td>Sale of semiconductors and LCD</td>
<td>5,780,302</td>
</tr>
<tr>
<td>Samsung Electronics Vietnam(SEV)</td>
<td>Production of electronic goods</td>
<td>5,625,759</td>
</tr>
<tr>
<td>Samsung Telecommunications America(STA)</td>
<td>Sale of telecom products</td>
<td>4,735,432</td>
</tr>
<tr>
<td>Samsung Electronics Huizhou(SEHZ)</td>
<td>Production of electronic goods</td>
<td>4,599,200</td>
</tr>
<tr>
<td>Samsung (China) Semiconductor(SCS)</td>
<td>Semiconductor Processing</td>
<td>3,752,682</td>
</tr>
<tr>
<td>Samsung Electronica da Amazonia(SEDA)</td>
<td>Production and Sales of electronic goods</td>
<td>3,429,136</td>
</tr>
<tr>
<td>Tianjin Samsung Telecom Technology(TSTC)</td>
<td>TFT-LCD production</td>
<td>2,939,027</td>
</tr>
<tr>
<td>Samsung Asia Private(SAPL)</td>
<td>Sale of electronic goods</td>
<td>2,425,585</td>
</tr>
<tr>
<td>Samsung India Electronics(SIEL)</td>
<td>Production and Sales of electronic goods</td>
<td>1,924,832</td>
</tr>
<tr>
<td>Samsung Electronics Europe Logistics(SELS)</td>
<td>Logistics</td>
<td>1,903,892</td>
</tr>
<tr>
<td>Samsung Electronics Slovakia(SESK)</td>
<td>TFT-LCD Processing</td>
<td>1,764,078</td>
</tr>
<tr>
<td>Samsung Electronics Mexico(SEM)</td>
<td>Production and Sales of electronic goods</td>
<td>1,554,638</td>
</tr>
<tr>
<td>Thai Samsung Electronics(TSE)</td>
<td>Production and Sales of electronic goods</td>
<td>1,476,296</td>
</tr>
<tr>
<td>Samsung Suzhou LCD(SSL)</td>
<td>TFT-LCD Processing</td>
<td>1,463,589</td>
</tr>
<tr>
<td>Samsung Electronics Rus Company(SERC)</td>
<td>Sales of Electronic goods</td>
<td>1,410,054</td>
</tr>
<tr>
<td>Samsung Electronics (UK)(SEUK)</td>
<td>Sales of Electronic goods</td>
<td>1,393,507</td>
</tr>
<tr>
<td>Samsung Electronics Taiwan(SET)</td>
<td>Sales of Electronic goods</td>
<td>1,390,404</td>
</tr>
<tr>
<td>Shanghai Samsung Semiconductor(SSS)</td>
<td>Sale of semiconductor and LCD</td>
<td>1,310,124</td>
</tr>
<tr>
<td>Samsung Electronics Benelux(SEBN)</td>
<td>Sales of Electronic goods</td>
<td>1,290,124</td>
</tr>
<tr>
<td>Samsung Electronics Hungarian(SEH)</td>
<td>Production and Sales of electronic goods</td>
<td>1,249,691</td>
</tr>
</tbody>
</table>
### 3) Consolidated Subsidiaries

<table>
<thead>
<tr>
<th>Subsidiaries</th>
<th>Address</th>
<th>Paid-in Capital</th>
<th>Primary Business</th>
<th>Number of Shares</th>
<th>Percentage of Ownership</th>
<th>Relation with Parent Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>Samsung Display Co., Ltd Yongin-si, Gyeonggi-do</td>
<td>1,309,127</td>
<td>Display Production</td>
<td>221,968,820</td>
<td>84.78%</td>
<td>Dispaly Production</td>
<td></td>
</tr>
<tr>
<td>STECO Co., Ltd Cheonan-si, Chungcheongnam-do</td>
<td>24,000</td>
<td>Semiconductor Parts</td>
<td>2,447,992</td>
<td>51.00%</td>
<td>Semiconductor Parts</td>
<td></td>
</tr>
<tr>
<td>SEMES Co., Ltd Cheonan-si, Chungcheongnam-do</td>
<td>11,866</td>
<td>Semiconductor Equipment</td>
<td>2,166,838</td>
<td>91.30%</td>
<td>Semiconductor Equipment</td>
<td></td>
</tr>
<tr>
<td>Samsung Electronics Sales Co., Ltd Seongnam-si, Gyeonggi-do</td>
<td>17,667</td>
<td>Sales of Electronic Goods</td>
<td>1,766,660</td>
<td>100.00%</td>
<td>Domestic Sales</td>
<td></td>
</tr>
<tr>
<td>Samsung Electronics Logitech Co., Ltd Suwon-si, Gyeonggi-do</td>
<td>5,054</td>
<td>Transportation Service</td>
<td>1,010,800</td>
<td>100.00%</td>
<td>Logistics Transportation</td>
<td></td>
</tr>
<tr>
<td>Samsung Electronics Football Club Co., Ltd Suwon-si, Gyeonggi-do</td>
<td>2,000</td>
<td>Football Club</td>
<td>400,000</td>
<td>100.00%</td>
<td>Football Club</td>
<td></td>
</tr>
<tr>
<td>Samsung Medison Co., Ltd Gangnam-gu, Seoul</td>
<td>63,804</td>
<td>Manufacturing &amp; Sales of Medical Equipment</td>
<td>87,349,859</td>
<td>68.45%</td>
<td>Medical Equipment</td>
<td></td>
</tr>
<tr>
<td>SVIC Fund VI Seocho-gu, Seoul</td>
<td>2,300</td>
<td>Venture Capital</td>
<td>23</td>
<td>99.00%</td>
<td>Fund</td>
<td></td>
</tr>
<tr>
<td>SVIC Fund XIV Seocho-gu, Seoul</td>
<td>0</td>
<td>Venture Capital</td>
<td>–</td>
<td>99.00%</td>
<td>Fund</td>
<td></td>
</tr>
<tr>
<td>SVIC Fund XXI Seocho-gu, Seoul</td>
<td>82,000</td>
<td>Venture Capital</td>
<td>812</td>
<td>99.00%</td>
<td>Fund</td>
<td></td>
</tr>
<tr>
<td>Subsidiaries</td>
<td>Relation with Parent Company</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td><strong>Address</strong></td>
<td><strong>Paid-in Capital</strong></td>
<td><strong>Primary Business</strong></td>
<td><strong>Number of Shares</strong></td>
<td><strong>Percentage of Ownership</strong></td>
<td><strong>Transaction with Company</strong></td>
<td></td>
</tr>
<tr>
<td>SVIC Fund XXII</td>
<td>103,670</td>
<td>Venture Capital</td>
<td>1,026</td>
<td>99.00%</td>
<td>Fund</td>
<td></td>
</tr>
<tr>
<td>Seocho-gu, Seoul</td>
<td></td>
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</tr>
<tr>
<td>HI Pioneer Private Securities</td>
<td>19,790</td>
<td>Licensing Fund</td>
<td>Not Issued</td>
<td>100.00%</td>
<td>Fund</td>
<td></td>
</tr>
<tr>
<td>Investment Trust 1</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Yeongdeungpo-gu, Seoul</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Samsung Japan Co.,Ltd</td>
<td>67,716 (JPY 8,330,000,000)</td>
<td>Sales of Electronic Goods</td>
<td>1,560,000</td>
<td>100.00%</td>
<td>Overseas Sales</td>
<td></td>
</tr>
<tr>
<td>TOKYO, JAPAN</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Samsung R&amp;D Institute Japan Co.,Ltd.</td>
<td>61,716 (JPY 7,245,000,000)</td>
<td>Research Center</td>
<td>122,000</td>
<td>100.00%</td>
<td>R&amp;D</td>
<td></td>
</tr>
<tr>
<td>YOKOHAMA, JAPAN</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Samsung Electronics America Inc.</td>
<td>5 (USD 4,915)</td>
<td>Sales of Electronic Goods</td>
<td>491,531</td>
<td>100.00%</td>
<td>Overseas Sales</td>
<td></td>
</tr>
<tr>
<td>RIDGEFIELD PARK, NJ, USA</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Samsung Electronics Canada Inc.</td>
<td>37,911 (CAD 48,300,001)</td>
<td>Sales of Electronic Goods</td>
<td>8</td>
<td>100.00%</td>
<td>Overseas Sales</td>
<td></td>
</tr>
<tr>
<td>MISSISSAUGA, ONTARIO, CANADA</td>
<td></td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>Samsung Electronics Mexico, S.A. DE C.V.</td>
<td>332,457 (MXN 3,473,955,622)</td>
<td>Sales of Electronic Goods</td>
<td>3,173,102</td>
<td>63.58%</td>
<td>Overseas Sales</td>
<td></td>
</tr>
<tr>
<td>DEL MIGUEL HIDALGO D.F, MEXICO</td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Nvelo.Inc</td>
<td>0 (USD 0)</td>
<td>Research Center</td>
<td>100,000</td>
<td>100.00%</td>
<td>R&amp;D</td>
<td></td>
</tr>
<tr>
<td>SANTA CLARA, CA, USA</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Samsung Electronics (UK) Limited</td>
<td>180,662 (GBP 109,546,000)</td>
<td>Sales of Electronic Goods</td>
<td>109,546,000</td>
<td>100.00%</td>
<td>Overseas Sales</td>
<td></td>
</tr>
<tr>
<td>Chertsey, Surrey, UK</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Samsung Electronics Ltd.</td>
<td>0 (GBP 0)</td>
<td>Sales of Electronic Goods</td>
<td>113,939,253</td>
<td>100.00%</td>
<td>Overseas Sales</td>
<td></td>
</tr>
<tr>
<td>Chertsey, Surrey, UK</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Samsung Electronics Holding GmbH</td>
<td>77,610 (EUR 77,033,000)</td>
<td>Holding Company</td>
<td>Not Issued</td>
<td>100.00%</td>
<td>Holding Company</td>
<td></td>
</tr>
<tr>
<td>Taunus, Germany</td>
<td></td>
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</tr>
<tr>
<td>Samsung Electronics lberia, S.A.</td>
<td>65,126 (EUR 48,126,000)</td>
<td>Sales of Electronic Goods</td>
<td>8,021,000</td>
<td>100.00%</td>
<td>Overseas Sales</td>
<td></td>
</tr>
<tr>
<td>Madrid, Spain</td>
<td></td>
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</tr>
<tr>
<td>Samsung Electronics France S.A.S.U.</td>
<td>37,348 (EUR 27,000,000)</td>
<td>Sales of Electronic Goods</td>
<td>2,700,000</td>
<td>100.00%</td>
<td>Overseas Sales</td>
<td></td>
</tr>
<tr>
<td>Saint Denis, France</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Subsidiaries</td>
<td>Address</td>
<td>Paid-in Capital</td>
<td>Primary Business</td>
<td>Number of Shares</td>
<td>Percentage of Ownership</td>
<td>Transaction with Company</td>
</tr>
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</tr>
<tr>
<td>Samsung Electronics Magyar ZRt. (Samsung Electronics Hungarian Private Co.,Ltd)</td>
<td>BUDAPEST, HUNGARY</td>
<td>47,457 (HUF 7,529,990,000)</td>
<td>Manufacturing &amp; Sales of Electronic Goods</td>
<td>752,999</td>
<td>100.00%</td>
<td>Overseas Production &amp; Sales</td>
</tr>
<tr>
<td>Samsung Electronics Italia SpA</td>
<td>MILANO, ITALY</td>
<td>50,578 (EUR 33,850,000)</td>
<td>Sales of Electronic Goods</td>
<td>677,000</td>
<td>100.00%</td>
<td>Overseas Sales</td>
</tr>
<tr>
<td>Samsung Electronics Europe Logistics B.V.</td>
<td>DELFT, THE NETHERLANDS</td>
<td>18,314 (EUR 13,064,350)</td>
<td>Logistics</td>
<td>1,306,435</td>
<td>100.00%</td>
<td>Logistics</td>
</tr>
<tr>
<td>Samsung Electronics Benelux B.V.</td>
<td>DELFT, THE NETHERLANDS</td>
<td>750,049 (EUR 500,285,383)</td>
<td>Sales of Electronic Goods</td>
<td>500,285,383</td>
<td>100.00%</td>
<td>Overseas Sales</td>
</tr>
<tr>
<td>Samsung Electronics Overseas B.V.</td>
<td>DELFT, THE NETHERLANDS</td>
<td>169 (USD 156,549)</td>
<td>Sales of Electronic Goods</td>
<td>250</td>
<td>100.00%</td>
<td>Overseas Sales</td>
</tr>
<tr>
<td>Samsung Electronics Polska Sp. z o.o.</td>
<td>WARSZAWA, POLAND</td>
<td>20,098 (PLN 52,759,500)</td>
<td>Sales of Electronic Goods &amp; Network System</td>
<td>105,519</td>
<td>100.00%</td>
<td>Overseas Sales</td>
</tr>
<tr>
<td>Samsung Electronica Portuguesa, S.A</td>
<td>PORTO SALVO, PORTUGAL</td>
<td>11,724 (EUR 8,755,000)</td>
<td>Sales of Electronic Goods</td>
<td>1,751,000</td>
<td>100.00%</td>
<td>Overseas Sales</td>
</tr>
<tr>
<td>Samsung Electronics Nordic AB</td>
<td>UPPLANDS VASBY, SWEDEN</td>
<td>16,153 (SEK 100,000,000)</td>
<td>Sales of Electronic Goods</td>
<td>1,000,000</td>
<td>100.00%</td>
<td>Overseas Sales</td>
</tr>
<tr>
<td>Samsung Electronics Austria GmbH</td>
<td>VIENNA, AUSTRIA</td>
<td>9,614 (EUR 7,984,758)</td>
<td>Sales of Electronic Goods</td>
<td>Not Issued</td>
<td>100.00%</td>
<td>Overseas Sales</td>
</tr>
<tr>
<td>Samsung Electronics Slovakia s.r.o.</td>
<td>GALANTA, SLOVAKIA</td>
<td>52,538 (EUR 43,097,690)</td>
<td>Manufacturing &amp; Sales of Electronic Goods</td>
<td>Not Issued</td>
<td>55.68%</td>
<td>Overseas Production</td>
</tr>
<tr>
<td>Samsung Elec. European Holding</td>
<td>DELFT, THE NETHERLANDS</td>
<td>1,295,824 (EUR 891,364,841)</td>
<td>Holding Company</td>
<td>Not Issued</td>
<td>100.00%</td>
<td>Holding Company</td>
</tr>
<tr>
<td>Samsung Electronics Display (M) Sdn. Bhd.</td>
<td>DARUL KHUSUS, MALAYSIA</td>
<td>29,130 (MYR 95,200,000)</td>
<td>Manufacturing &amp; Sales of Electronic Goods</td>
<td>71,400,000</td>
<td>75.00%</td>
<td>Overseas Production</td>
</tr>
<tr>
<td>Subsidiaries</td>
<td>Address</td>
<td>Paid-in Capital</td>
<td>Primary Business</td>
<td>Number of Shares</td>
<td>Percentage of Ownership</td>
<td>Transaction with Company</td>
</tr>
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</tr>
<tr>
<td>Samsung Electronics (M) Sdn. Bhd.</td>
<td>PORT KLANG, MALAYSIA</td>
<td>4,378 (MYR 16,247,452)</td>
<td>Manufacturing &amp; Sales of Electronic Goods</td>
<td>16,247,452</td>
<td>100.00%</td>
<td>Overseas Production</td>
</tr>
<tr>
<td>Samsung Vina Electronics Co., Ltd</td>
<td>HOCHIMINH CITY, VIETNAM</td>
<td>16,183 (VND 209,228,520,000)</td>
<td>Manufacturing &amp; Sales of Goods</td>
<td>Not Issued</td>
<td>100.00%</td>
<td>Overseas Production</td>
</tr>
<tr>
<td>Samsung Asia Pte Ltd</td>
<td>SINGAPORE</td>
<td>662,928 (USD 578,768,637)</td>
<td>Sales of Electronic Goods</td>
<td>736,268,536</td>
<td>100.00%</td>
<td>Overseas Sales</td>
</tr>
<tr>
<td>Samsung India Electronics Private Limited</td>
<td>NEW DELHI, INDIA</td>
<td>58,330 (INR 2,167,922,944)</td>
<td>Manufacturing &amp; Sales of Electronic Goods</td>
<td>216,787,486</td>
<td>100.00%</td>
<td>Overseas Production &amp; Sales</td>
</tr>
<tr>
<td>Samsung R&amp;D Institute India - Bangalore Private Limited</td>
<td>BANGALORE, INDIA</td>
<td>4 (INR 165,350)</td>
<td>Research Center</td>
<td>16,534</td>
<td>100.00%</td>
<td>R&amp;D</td>
</tr>
<tr>
<td>PT Samsung Electronics Indonesia</td>
<td>CIKARANG, INDONESIA</td>
<td>24,501 (IDR 89,591,460,000)</td>
<td>Manufacturing &amp; Sales of Electronic Goods</td>
<td>45,680</td>
<td>99.99%</td>
<td>Overseas Production &amp; Sales</td>
</tr>
<tr>
<td>Thai Samsung Electronics Company Limited</td>
<td>CHOLBURI, THAILAND</td>
<td>40,137 (THB 1,200,000,000)</td>
<td>Manufacturing &amp; Sales of Electronic Goods</td>
<td>11,020,000</td>
<td>91.83%</td>
<td>Overseas Production &amp; Sales</td>
</tr>
<tr>
<td>Samsung Electronics H.K. Company, Limited</td>
<td>HONG KONG</td>
<td>48,387 (HKD 274,250,000)</td>
<td>Sales of Electronic Goods</td>
<td>274,249,999</td>
<td>100.00%</td>
<td>Overseas Sales</td>
</tr>
<tr>
<td>Samsung Electronics Taiwan Co., Ltd</td>
<td>TAIPEI, TAIWAN</td>
<td>9,183 (TWD 272,700,000)</td>
<td>Sales of Electronic Goods &amp; Semiconductor</td>
<td>27,270,000</td>
<td>100.00%</td>
<td>Overseas Sales</td>
</tr>
<tr>
<td>Tianjin Samsung Telecom Technology Co., Ltd</td>
<td>TIANJIN, CHINA</td>
<td>102,697 (CNY 798,895,085)</td>
<td>Manufacturing of HHP</td>
<td>Not Issued</td>
<td>90.00%</td>
<td>Overseas Production</td>
</tr>
<tr>
<td>Shanghai Samsung Semiconductor Co., Ltd</td>
<td>SHANGHAI, CHINA</td>
<td>1,200 (CNY 8,276,700)</td>
<td>Sales of Semiconductor &amp; Display</td>
<td>Not Issued</td>
<td>100.00%</td>
<td>Overseas Sales</td>
</tr>
<tr>
<td>Subsidiaries</td>
<td>Address</td>
<td>Paid-in Capital</td>
<td>Primary Business</td>
<td>Number of Shares</td>
<td>Percentage of Ownership</td>
<td>Transaction with Company</td>
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</tr>
<tr>
<td>Samsung Electronics South Africa (Proprietary) Limited</td>
<td>JOHANNESBURG, SOUTH AFRICA</td>
<td>373 (ZAR 2,000,000)</td>
<td>Sales of Electronic Goods</td>
<td>2,000,000</td>
<td>100.00%</td>
<td>Overseas Sales</td>
</tr>
<tr>
<td>Samsung Electronics Latinoamérica (Zona Libre), S.A.</td>
<td>PANAMA CITY, PANAMA</td>
<td>43,842 (USD 39,500,000)</td>
<td>Sales of Electronic Goods</td>
<td>39,500</td>
<td>100.00%</td>
<td>Overseas Sales</td>
</tr>
<tr>
<td>Samsung Electronica Da Amazonia Ltda.</td>
<td>SAO PAULO, BRAZIL</td>
<td>532,159 (BRL 844,873,010)</td>
<td>Manufacturing &amp; Sales of Electronic Goods</td>
<td>62,816,335,98</td>
<td>87.04 %</td>
<td>Overseas Production &amp; Sales</td>
</tr>
<tr>
<td>Samsung Electronics Argentina S.A. BUENOS AIRES, ARGENTINA</td>
<td></td>
<td>27,319 (ARS 22,300,000)</td>
<td>Sales of Electronic Goods</td>
<td>21,854,000</td>
<td>98.00%</td>
<td>Overseas Sales</td>
</tr>
<tr>
<td>Samsung Electronics RUS Co. MOSCOW, RUSSIA</td>
<td></td>
<td>111,592 (RUB 3,183,913,400)</td>
<td>Sales of Electronic Goods</td>
<td>Not Issued</td>
<td>100.00%</td>
<td>Overseas Sales</td>
</tr>
<tr>
<td>Samsung Electronics RUS Kaluga KALUGA, RUSSIA</td>
<td></td>
<td>201,191 (RUB 4,692,634,000)</td>
<td>Manufacturing of Electronic Goods</td>
<td>Not Issued</td>
<td>100.00%</td>
<td>Overseas Production</td>
</tr>
<tr>
<td>Samsung Russia Service Center MOSCOW, RUSSIA</td>
<td></td>
<td>707 (RUB 8,462,360)</td>
<td>A/S of Electronics Goods</td>
<td>Not Issued</td>
<td>100.00%</td>
<td>Overseas SVC</td>
</tr>
<tr>
<td>Samsung Electronics Suzhou Computer Co.,Ltd.</td>
<td>SUZHOU, CHINA</td>
<td>15,073 (CNY 107,876,670)</td>
<td>Manufacturing of Electronic Goods</td>
<td>Not Issued</td>
<td>73.70%</td>
<td>Overseas Production</td>
</tr>
<tr>
<td>Shenzhen Samsung Electronics Telecommunications Co.,Ltd.</td>
<td>SHENZHEN, CHINA</td>
<td>21,107 (CNY 165,531,500)</td>
<td>Manufacturing &amp; Sales of HHP</td>
<td>Not Issued</td>
<td>95.00%</td>
<td>Overseas Production</td>
</tr>
<tr>
<td>Samsung electronics Shanghai Telecommunication Co.,Ltd.</td>
<td>SHANGHAI, CHINA</td>
<td>15,800 (CNY 99,320,988)</td>
<td>Sales and A/S of Network System</td>
<td>Not Issued</td>
<td>100.00%</td>
<td>Overseas Sales</td>
</tr>
<tr>
<td>Samsung Semiconductor China R&amp;D.,Ltd.</td>
<td>NANJING, CHINA</td>
<td>4,410 (CNY 35,438,535)</td>
<td>Research Center</td>
<td>Not Issued</td>
<td>100.00%</td>
<td>R&amp;D</td>
</tr>
<tr>
<td>Samsung China Semiconductor XIAN, CHINA</td>
<td></td>
<td>2,555,551 (CNY 14,427,209,540)</td>
<td>Manufacturing of Semiconductor</td>
<td>Not Issued</td>
<td>100.00%</td>
<td>Overseas Production</td>
</tr>
<tr>
<td>Samsung Electronics Hainan Fiberoptics Co.,Ltd</td>
<td>HAINAN PROV, CHINA</td>
<td>26,331 (CNY 206,914,020)</td>
<td>Manufacturing of Fiberoptics</td>
<td>Not Issued</td>
<td>100.00%</td>
<td>Overseas Production</td>
</tr>
<tr>
<td>Tianjin Samsung Led Co.,Ltd TIANJIN, CHINA</td>
<td></td>
<td>92,008 (CNY 542,382,450)</td>
<td>LED Production</td>
<td>Not Issued</td>
<td>100.00%</td>
<td>Overseas Production</td>
</tr>
<tr>
<td>Tianjin Samsung Opto-Electronics Co.,Ltd</td>
<td>TIANJIN, CHINA</td>
<td>33,837 (CNY 203,946,080)</td>
<td>Manufacturing of Camera &amp; Camcorder</td>
<td>Not Issued</td>
<td>82.00%</td>
<td>Overseas Production</td>
</tr>
<tr>
<td>Samsung Gulf Electronics FZE DUBAI, U.A.E</td>
<td></td>
<td>7,847 (USD 6,812,132)</td>
<td>Sales of Electronic Goods</td>
<td>25</td>
<td>100.00%</td>
<td>Overseas Sales</td>
</tr>
</tbody>
</table>

* As of the end of 2013
## Subsidiaries

<table>
<thead>
<tr>
<th>Subsidiaries</th>
<th>Address</th>
<th>Paid-in Capital</th>
<th>Primary Business</th>
<th>Number of Shares</th>
<th>Percentage of Ownership</th>
<th>Transaction with Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>Samsung Electronics Suzhou Computer Co.,Ltd.</td>
<td>SUZHOU, CHINA</td>
<td>15,073 (CNY 107,876,670)</td>
<td>Manufacturing of Electronic Goods</td>
<td>Not Issued</td>
<td>73.70%</td>
<td>Overseas Production</td>
</tr>
<tr>
<td>Shenzhen Samsung Electronics Telecommunications Co.,Ltd.</td>
<td>SHENZHEN, CHINA</td>
<td>21,107 (CNY 165,531,500)</td>
<td>Manufacturing &amp; Sales of HHP</td>
<td>Not Issued</td>
<td>95.00%</td>
<td>Overseas Production</td>
</tr>
<tr>
<td>Samsung electronics Shanghai Telecommunication Co.,Ltd</td>
<td>SHANGHAI, CHINA</td>
<td>15,800 (CNY 99,320,988)</td>
<td>Sales and A/S of Network System</td>
<td>Not Issued</td>
<td>100.00%</td>
<td>Overseas Sales</td>
</tr>
<tr>
<td>Samsung Semiconductor China R&amp;D., Ltd.</td>
<td>NANJING, CHINA</td>
<td>4,410 (CNY 35,438,535)</td>
<td>Research Center</td>
<td>Not Issued</td>
<td>100.00%</td>
<td>R&amp;D</td>
</tr>
<tr>
<td>Samsung China Semiconductor XIAN, CHINA</td>
<td>XIAN, CHINA</td>
<td>2,555,551 (CNY 14,427,209,540)</td>
<td>Manufacturing of Semiconductor</td>
<td>Not Issued</td>
<td>100.00%</td>
<td>Overseas Production</td>
</tr>
<tr>
<td>Samsung Electronics Hainan Fiberoptics Co.,Ltd</td>
<td>HAINAN PROV, CHINA</td>
<td>26,331 (CNY 206,914,020)</td>
<td>Manufacturing of Fiberoptics</td>
<td>Not Issued</td>
<td>100.00%</td>
<td>Overseas Production</td>
</tr>
<tr>
<td>Tianjin Samsung Led Co.,Ltd</td>
<td>TIANJIN, CHINA</td>
<td>92,008 (CNY 542,382,450)</td>
<td>LED Production</td>
<td>Not Issued</td>
<td>100.00%</td>
<td>Overseas Production</td>
</tr>
<tr>
<td>Tianjin Samsung Opto-Electronics Co.,Ltd</td>
<td>TIANJIN, CHINA</td>
<td>33,837 (CNY 203,946,080)</td>
<td>Manufacturing of Camera &amp; Camcorder</td>
<td>Not Issued</td>
<td>82.00%</td>
<td>Overseas Production</td>
</tr>
<tr>
<td>Samsung Gulf Electronics FZE</td>
<td>DUBAI, U.A.E</td>
<td>7,847 (USD 6,812,132)</td>
<td>Sales of Electronic Goods</td>
<td>25</td>
<td>100.00%</td>
<td>Overseas Sales</td>
</tr>
</tbody>
</table>

## 4) Parent Company and Subsidiary Concurrent Management Status

- None
5. The Operating Results & Financial Position of Recent 3 Years

1) Consolidated financial statements

1. Consolidated Statements of Income (Summarized) (Unit: Million KRW)

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>228,692,667</td>
<td>201,103,613</td>
<td>165,001,771</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>137,696,309</td>
<td>126,651,931</td>
<td>112,145,120</td>
</tr>
<tr>
<td>Gross profit</td>
<td>90,996,358</td>
<td>74,451,682</td>
<td>52,856,651</td>
</tr>
<tr>
<td>Selling, general and</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>administrative expenses</td>
<td>54,211,345</td>
<td>45,402,344</td>
<td>37,212,360</td>
</tr>
<tr>
<td>Operating profit</td>
<td>36,785,013</td>
<td>29,049,338</td>
<td>15,644,291</td>
</tr>
<tr>
<td>Other non-operating income</td>
<td>2,429,551</td>
<td>1,552,989</td>
<td>2,251,019</td>
</tr>
<tr>
<td>Other non-operating expense</td>
<td>1,614,048</td>
<td>1,576,025</td>
<td>1,612,690</td>
</tr>
<tr>
<td>Share of profit or loss of</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>associates and joint ventures</td>
<td>504,063</td>
<td>986,611</td>
<td>1,399,194</td>
</tr>
<tr>
<td>Finance income</td>
<td>8,014,672</td>
<td>7,836,554</td>
<td>7,403,525</td>
</tr>
<tr>
<td>Finance expense</td>
<td>7,754,972</td>
<td>7,934,450</td>
<td>7,893,421</td>
</tr>
<tr>
<td>Profit before income tax</td>
<td>38,364,279</td>
<td>29,915,017</td>
<td>17,191,918</td>
</tr>
<tr>
<td>Income tax expense</td>
<td>7,889,515</td>
<td>6,069,732</td>
<td>3,432,875</td>
</tr>
<tr>
<td>Profit for the year</td>
<td>30,474,764</td>
<td>23,845,285</td>
<td>13,759,043</td>
</tr>
</tbody>
</table>

* The figures follow the KIFRS.
# 2. Consolidated Statements of Financial Position (Summarized)

(Unit: Million KRW)

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Assets</td>
<td>110,760,271</td>
<td>87,269,017</td>
<td>71,502,063</td>
</tr>
<tr>
<td>Non-current assets</td>
<td>103,314,747</td>
<td>93,802,553</td>
<td>84,298,200</td>
</tr>
<tr>
<td>Total assets</td>
<td><strong>214,075,018</strong></td>
<td><strong>181,071,570</strong></td>
<td><strong>155,800,263</strong></td>
</tr>
<tr>
<td>Current liabilities</td>
<td>51,315,409</td>
<td>46,933,052</td>
<td>44,319,014</td>
</tr>
<tr>
<td>Non-current liabilities</td>
<td>12,743,599</td>
<td>12,658,312</td>
<td>10,167,619</td>
</tr>
<tr>
<td>Total liabilities</td>
<td><strong>64,059,008</strong></td>
<td><strong>59,591,364</strong></td>
<td><strong>54,486,633</strong></td>
</tr>
<tr>
<td>Capital Stock</td>
<td>897,514</td>
<td>897,514</td>
<td>897,514</td>
</tr>
<tr>
<td>Share premium</td>
<td>4,403,893</td>
<td>4,403,893</td>
<td>4,403,893</td>
</tr>
<tr>
<td>Retained earnings</td>
<td>148,600,282</td>
<td>119,985,689</td>
<td>97,622,872</td>
</tr>
<tr>
<td>Other reserve</td>
<td>(9,459,073)</td>
<td>(8,193,044)</td>
<td>(5,833,896)</td>
</tr>
<tr>
<td>Non-controlling interests</td>
<td>5,573,394</td>
<td>4,386,154</td>
<td>4,223,247</td>
</tr>
<tr>
<td>Total equity</td>
<td><strong>150,016,010</strong></td>
<td><strong>121,480,206</strong></td>
<td><strong>101,313,630</strong></td>
</tr>
<tr>
<td>Total liabilities and equity</td>
<td><strong>214,075,018</strong></td>
<td><strong>181,071,570</strong></td>
<td><strong>155,800,263</strong></td>
</tr>
</tbody>
</table>

*The figures follow the KIFRS.*
2) Separate financial statements

1. Statements of Income (Summarized) (Unit: Million KRW)

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>158,372,089</td>
<td>141,206,377</td>
<td>120,815,977</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>110,731,528</td>
<td>99,431,997</td>
<td>90,406,166</td>
</tr>
<tr>
<td>Gross profit</td>
<td>47,640,561</td>
<td>41,774,380</td>
<td>30,409,811</td>
</tr>
<tr>
<td>Selling, general and administrative expenses</td>
<td>25,833,556</td>
<td>23,263,944</td>
<td>20,651,728</td>
</tr>
<tr>
<td>Operating profit</td>
<td>21,807,005</td>
<td>18,510,436</td>
<td>9,758,083</td>
</tr>
<tr>
<td>Other non-operating income</td>
<td>3,130,308</td>
<td>2,860,100</td>
<td>3,160,477</td>
</tr>
<tr>
<td>Other non-operating expense</td>
<td>792,210</td>
<td>621,002</td>
<td>1,191,742</td>
</tr>
<tr>
<td>Finance income</td>
<td>3,918,900</td>
<td>3,204,014</td>
<td>4,003,059</td>
</tr>
<tr>
<td>Finance expense</td>
<td>3,846,744</td>
<td>3,205,690</td>
<td>4,211,603</td>
</tr>
<tr>
<td>Profit before income tax</td>
<td>24,217,259</td>
<td>20,747,858</td>
<td>11,518,274</td>
</tr>
<tr>
<td>Income tax expense</td>
<td>6,287,739</td>
<td>3,349,328</td>
<td>1,470,082</td>
</tr>
<tr>
<td>Profit for the year</td>
<td>17,929,520</td>
<td>17,398,530</td>
<td>10,048,192</td>
</tr>
</tbody>
</table>

* The figures follow the KIFRS.
### 2. Statements of Financial Position (Summarized)

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current Assets</strong></td>
<td>60,603,694</td>
<td>43,952,271</td>
<td>39,496,344</td>
</tr>
<tr>
<td><strong>Non-current assets</strong></td>
<td>94,222,263</td>
<td>89,311,784</td>
<td>78,103,505</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>154,825,957</td>
<td>133,264,055</td>
<td>117,599,849</td>
</tr>
<tr>
<td><strong>Current liabilities</strong></td>
<td>27,597,944</td>
<td>24,770,263</td>
<td>26,969,912</td>
</tr>
<tr>
<td><strong>Non-current liabilities</strong></td>
<td>4,857,246</td>
<td>2,605,923</td>
<td>2,173,031</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>32,455,190</td>
<td>27,376,186</td>
<td>29,142,943</td>
</tr>
<tr>
<td><strong>Capital Stock</strong></td>
<td>897,514</td>
<td>897,514</td>
<td>897,514</td>
</tr>
<tr>
<td><strong>Share premium</strong></td>
<td>4,403,893</td>
<td>4,403,893</td>
<td>4,403,893</td>
</tr>
<tr>
<td><strong>Retained earnings</strong></td>
<td>122,029,419</td>
<td>105,306,520</td>
<td>88,735,491</td>
</tr>
<tr>
<td><strong>Other reserve</strong></td>
<td>(4,960,059)</td>
<td>(4,720,058)</td>
<td>(5,579,992)</td>
</tr>
<tr>
<td><strong>Total equity</strong></td>
<td>122,370,767</td>
<td>105,887,869</td>
<td>88,456,906</td>
</tr>
<tr>
<td><strong>Total liabilities and equity</strong></td>
<td>154,825,957</td>
<td>133,264,055</td>
<td>117,599,849</td>
</tr>
</tbody>
</table>

*The figures follow the KIFRS.*
## 6. Board of Directors

### 1) Board and Audit Committee Composition

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
<th>Responsibility</th>
<th>Transaction with the Company</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Inside</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Oh-Hyun Kwon</td>
<td>Vice Chairman &amp; CEO</td>
<td>Chairman of the Board</td>
<td>None</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Overall Management of Device Solutions</td>
<td></td>
</tr>
<tr>
<td>Boo-Keun Yoon</td>
<td>President &amp; CEO</td>
<td>Overall Management of Consumer Electronics</td>
<td>&quot;</td>
</tr>
<tr>
<td>Jong-Kyun Shin</td>
<td>President &amp; CEO</td>
<td>Overall Management of IT &amp; Mobile Communications</td>
<td>&quot;</td>
</tr>
<tr>
<td>Sang-Hoon Lee</td>
<td>President &amp; CFO</td>
<td>Administration of Corporate Management Office</td>
<td>&quot;</td>
</tr>
<tr>
<td><strong>Outside</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>In-Ho Lee</td>
<td>Director</td>
<td>Overall Corporate Management</td>
<td>&quot;</td>
</tr>
<tr>
<td>Han-Joong Kim</td>
<td>Director</td>
<td>Overall Corporate Management</td>
<td>&quot;</td>
</tr>
<tr>
<td>Kwang-Soo Song</td>
<td>Director</td>
<td>Overall Corporate Management</td>
<td>&quot;</td>
</tr>
<tr>
<td>Byeong-Gi Lee</td>
<td>Director</td>
<td>Overall Corporate Management</td>
<td>&quot;</td>
</tr>
<tr>
<td>Eun-Mee Kim</td>
<td>Director</td>
<td>Overall Corporate Management</td>
<td>&quot;</td>
</tr>
<tr>
<td><strong>Audit Committee</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>In-Ho Lee</td>
<td>Committee member</td>
<td>Former President &amp; Chief Executive Officer, Shinhan Bank</td>
<td>&quot;</td>
</tr>
<tr>
<td>Han-Joong Kim</td>
<td>Committee member</td>
<td>Chairman, CHA Strategy Committee, CHA Health Systems</td>
<td>&quot;</td>
</tr>
<tr>
<td>Kwang-Soo Song</td>
<td>Committee member</td>
<td>Advisor, Kim &amp; Chang Law Office</td>
<td>&quot;</td>
</tr>
</tbody>
</table>
2) Overview of Board of Directors

SEC works to enhance its business by encouraging a progressive and entrepreneurial environment based on the highest standards of governance, transparency, and accountability. Under such policy, the BOD administers the performance of management, sets corporate management policies, and makes strategic decisions on business execution. These activities are performed in accordance with relevant laws and regulations, our articles of incorporation (AOI), and the resolutions made at the annual general shareholders meeting (AGM).

To better target the various responsibilities of the BOD, authorities have been delegated to subcommittees in which directors with expertise and experience in a certain field can contribute to that particular committee.

The BOD currently has six committees: Management Committee, Audit Committee, Independent Director Recommendation Committee, Internal Transaction Committee, Compensation Committee and CSR Committee.

The BOD is operated by nine members (five of them being independent directors). During the course of this year 2013, the BOD had 8 meetings and handled 23 cases.

The Management Committee considers and makes decisions on issues delegated to them by the BOD and reports their voting results to them in accordance with the AOI, BOD charter, or AGM resolutions. The committee had 16 meetings.

The Audit Committee is a committee under Board of Directors that supervises and supports the management in such a way it may enhance the company’s value to the maximum through auditing and Audit Committee consists of three members who are appointed among directors through the resolution of Board of Directors. All the members shall be independent directors. The committee met 5 times this past year.

The Independent Director Recommendation Committee is a committee under the BOD, structured to ensure that independent directors are recruited and appointed in a fair and independent manner. This committee consists of 4 directors (including 3 independent directors).

The Internal Transaction Committee, a board committee, was established in April 2004 as a compliance body to enhance corporate governance and promote fair transactions. The Internal Transaction Committee is reported with pending transactions between the company and its related party. The committee met 5 times this past year.

The Compensation Committee which has responsibility for reviewing and approving compensation of Executive officers with transparency is comprised of 3 independent directors.

The CSR Committee has its role to fulfill social responsibility and contribute to public interest. All 5 members are independent directors and operates research groups outside the company as necessary.
3) Directors Profile

Oh-Hyun Kwon

- Vice Chairman & CEO [2012–Present]
- Vice Chairman & Head, Samsung Advanced Institute of Technology [2013–Present]
- Vice Chairman & Head, Device Solutions [2011–Present]
- President & Head, Device Solutions, Samsung Electronics [2011–2011]
- President & Head, Semiconductor Business [2008–2011]
- President & Head, System LSI Division [2004–2008]
- Head, LSI Technology [2000–2004]

Boo-Keun Yoon

- President & CEO [2013–Present]
- President & Head, Consumer Electronics [2012–Present]
- Head, Consumer Electronics Division [2011–2012]

Jong-Kyun Shin

- President & CEO [2013–Present]
- President & Head, IT & Mobile Communications [2012–Present]
- Head, IT & Mobile Communications Division [2011–2012]
- Head, Mobile Communications Business [2009–2011]
- Head, R&D Team, Mobile Communications Business [2006–2009]
Sang-Hoon Lee

• President & CFO, Corporate Management Office [2012–Present]
• Head, Strategy Team 1, Samsung Corporate Strategy Office [2010–2012]
• Head, Corporate Management Support Team [2008–2010]
• Strategy & Planning Office [2006–2008]

In-Ho Lee

• Independent Director [2010–Present]
• Corporate Advisor, Shinhan Bank [2009–2011]
• Chief Executive Officer, Shinhan Financial Group [2005–2009]
• President & Chief Executive Officer, Shinhan Bank [1999–2003]
• Director & Deputy President (Executive Vice President), Shinhan Bank [1991–1999]

Han-Joong Kim

• Independent Director [2012–Present]
• Chairman, CHA Strategy Committee, CHA Health Systems [2012–Present]
• Professor Emeritus, Yonsei University [2012–Present]
• Chairman, Korea University Sport Federation [2010–2012]
• Trustee, Korean Council for University Education [2008–2012]
• President, Yonsei University [2008–2012]
• Chairman, Board of Directors, The Korean Society for Preventive Medicine [2006–2008]
• Professor, Department of Preventive Medicine & Public Health [1982–2012]

Kwang-Soo Song

• Independent Director [2013–Present]
• Advisor, Kim & Chang Law Office [2007–Present]
• Prosecutor General, Supreme Prosecutors’ Office [2003–2005]
• Chief Prosecutor, Daegu High Prosecutors’ Office [2002–2003]
• Senior Prosecutor, Director of Prosecution Bureau, Ministry of Justice [2001–2002]

Byeong-Gi Lee

• Independent Director [2012–Present]
• Professor of Electrical and Computer Engineering, Seoul National University [1986–Present]
• President, IEEE Communications Society [2010–2011]
• Commissioner, Korea Communications Commission [2008–2010]
• President, Korea Information and Communication Society (KICS) [2007–2007]
• President, Korea Society of Engineering Education (KSEE) [2003–2004]
• Vice Chancellor for Research Affairs, Seoul National University [2000–2002]
• Member of Technical Staff, AT&T Bell Laboratories [1984–1986]

Eun-Mee Kim

• Independent Director [2013–Present]
• Dean, Graduate School of International Studies, Ewha Womans University [2011–Present]
• Professor, Graduate School of International Studies, Ewha Womans University [1997–Present]
• President, Korea Association of International Development and Cooperation (KAIDEC) [2011–2012]
• Dean, Graduate School of International Studies, Ewha Womans University [2005~2007]
• Visiting Scholar, Brown University [2003~2004]
• Visiting Scholar, Harvard University [1994~1994]
• Professor, Department of Sociology, University of Southern California [1987~1997]

4) Board Committee Composition

Management Committee
Oh-Hyun Kwon [Chairman] Boo-Keun Yoon Jong-Kyun Shin Sang-Hoon Lee

Outside Director Recommendation Committee
Han-Joong Kim [Chairman] Byeong-Gi Lee Eun-Mee Kim Oh-Hyun Kwon

Audit Committee
In-Ho Lee [Chairman] Han-Joong Kim Kwang-Soo Song

Internal transaction Committee
In-Ho Lee [Chairman] Han-Joong Kim Kwang-Soo Song

Compensation Committee
Kwang-Soo Song [Chairman] In-Ho Lee Byeong-Gi Lee

CSR Committee
Byeong-Gi Lee [Chairman] In-Ho Lee Han-Joong Kim Kwang-Soo Song Eun-Mee Kim

* Head of the Compensation Committee was appointed in February 2014. Inho Lee (Independent Director) served as acting Head of the Committee in 2013.
### 7. Major Shareholders

<table>
<thead>
<tr>
<th>Ranking</th>
<th>Ownership-Common Stock</th>
<th>Number of Shares Owned</th>
<th>% of Class</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>National Pension Service of Korea</td>
<td>11,359,651</td>
<td>7.7%</td>
</tr>
<tr>
<td>2</td>
<td>Samsung Life Insurance Co., Ltd.</td>
<td>11,136,912</td>
<td>7.6%</td>
</tr>
<tr>
<td>3</td>
<td>CITIBANK.N.A(1)</td>
<td>7,295,102</td>
<td>5.0%</td>
</tr>
<tr>
<td>4</td>
<td>Samsung C&amp;T Corp.</td>
<td>5,976,362</td>
<td>4.1%</td>
</tr>
<tr>
<td>5</td>
<td>Lee Kun-Hee</td>
<td>4,985,464</td>
<td>3.4%</td>
</tr>
<tr>
<td>6</td>
<td>SAUDI ARABIAN MONETARY AGENCY</td>
<td>3,248,478</td>
<td>2.2%</td>
</tr>
<tr>
<td>7</td>
<td>THE GOVERNMENT OF SINGAPORE</td>
<td>2,574,423</td>
<td>1.7%</td>
</tr>
<tr>
<td>8</td>
<td>Samsung Fire &amp; Marine Insurance Co., Ltd.</td>
<td>1,856,513</td>
<td>1.3%</td>
</tr>
<tr>
<td>9</td>
<td>EURO-PACIFIC GROWTH FUND</td>
<td>1,841,950</td>
<td>1.3%</td>
</tr>
<tr>
<td>10</td>
<td>Samsung Asset Management</td>
<td>1,755,813</td>
<td>1.2%</td>
</tr>
</tbody>
</table>

Total Number of Outstanding Common Stock: 147,299,337 (100.0%)

* Citi Bank is reported as an independent shareholder in the shareholder registry, but it is a GDR depository institution of Samsung Electronics representing our GDR shareowners.

### 8. Significant Subsequent Events After the Fiscal Year End

– Refer to notes to the Separate Financial Statements
9. Other Business Related Material Facts
   – Refer to Business Overview

10. Remuneration for the Directors

A. Remuneration for the executives

1) Remuneration approved at shareholders’ meeting

<table>
<thead>
<tr>
<th>Number of Persons</th>
<th>Amount approved at Shareholders’ meeting</th>
<th>Note</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive Directors</td>
<td>4</td>
<td>-</td>
</tr>
<tr>
<td>Independent Directors</td>
<td>2</td>
<td>-</td>
</tr>
<tr>
<td>Audit Committee member or Auditor</td>
<td>3</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>9</strong></td>
<td><strong>38,000</strong></td>
</tr>
</tbody>
</table>

※ Number of persons is as of the reporting date.
※ The amount approved at shareholders’ meeting is the remuneration limit for executive directors according to the Article 388 of the Commercial Law. It includes compensation for directors who retired this fiscal year or in the past years.

2) Remuneration Paid

<table>
<thead>
<tr>
<th>Number of Persons</th>
<th>Total amount of compensation</th>
<th>Avg. compensation per capita</th>
<th>Note</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive Directors</td>
<td>4</td>
<td>26,356</td>
<td>6,589</td>
</tr>
<tr>
<td>Independent Directors</td>
<td>2</td>
<td>179</td>
<td>89</td>
</tr>
<tr>
<td>Audit Committee member or Auditor</td>
<td>3</td>
<td>279</td>
<td>93</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>9</strong></td>
<td><strong>26,814</strong></td>
<td>-</td>
</tr>
</tbody>
</table>

※ Number of persons is as of the reporting date.
※ The total amount is the income based on Income Tax Law that incumbent or retired executive directors, independent directors, and members of audit committee in the fiscal year received as executives according to the Article 159 of the Financial Investment Services and Capital Markets Act and the Article 168 of the enforcement decree of the same law.
※ A compensation per capita was calculated by dividing total compensation by annual average number of persons.
※ There is no recognized expenses (compensation expenses) in this term from granting stock option.
B. Individual compensation for directors and the auditor

1) Compensation paid to each individual

<table>
<thead>
<tr>
<th>Name</th>
<th>position</th>
<th>Total amount of compensation (in KRW million)</th>
<th>Compensation not included in total amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oh-Hyun Kwon</td>
<td>CEO</td>
<td>6,773</td>
<td>-</td>
</tr>
<tr>
<td>Boo-Keun Yoon</td>
<td>CEO</td>
<td>5,089</td>
<td>-</td>
</tr>
<tr>
<td>Jong-Kyun Shin</td>
<td>CEO</td>
<td>6,213</td>
<td>-</td>
</tr>
<tr>
<td>Sang-Hoon Lee</td>
<td>Director</td>
<td>3,734</td>
<td>-</td>
</tr>
<tr>
<td>Gee-Sung Choi</td>
<td>former CEO</td>
<td>3,970</td>
<td>-</td>
</tr>
<tr>
<td>Ju-Hwa Yoon</td>
<td>former Director</td>
<td>577</td>
<td>-</td>
</tr>
</tbody>
</table>

※ Total amount of compensation for each individual is a sum of earned income, other income, and retired income based on the Income Tax Law that incumbent or retired executive directors, independent directors, and members of audit committee in the fiscal year received as executives according to the Article 159 of the Financial Investment Services and Capital Markets Act and the Article 168 of the enforcement decree of the same law.

2) Criteria and method

<table>
<thead>
<tr>
<th>CEO</th>
<th>Criteria and method</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oh-Hyun Kwon</td>
<td>□ Total compensation of KRW 6,773 billion</td>
</tr>
<tr>
<td></td>
<td>− Earned Income</td>
</tr>
<tr>
<td></td>
<td>• Salary: KRW 1.788 billion (consists of monthly wage)</td>
</tr>
<tr>
<td></td>
<td>• Bonus: KRW 2,034 billion (consists of New Year’s/Thanksgiving bonus, target/performance incentive)</td>
</tr>
<tr>
<td></td>
<td>• Profit from exercising stock option : n/a</td>
</tr>
<tr>
<td></td>
<td>• Other earned income: KRW 2,951 billion</td>
</tr>
<tr>
<td></td>
<td>− Retirement Income: n/a</td>
</tr>
<tr>
<td></td>
<td>− Other Income: n/a</td>
</tr>
<tr>
<td></td>
<td>□ Compensation criteria and calculation method</td>
</tr>
<tr>
<td></td>
<td>− Salary: According to executive treatment policy (Board resolution)</td>
</tr>
<tr>
<td></td>
<td>− Bonus: According to executive treatment policy (Board resolution)</td>
</tr>
<tr>
<td></td>
<td>• New Year’s/Thanksgiving bonus: 100% of monthly wage for each</td>
</tr>
<tr>
<td></td>
<td>• Target incentive: CEO decides the amount based on target achievement rate of each division; paid twice a year within 0-400% of monthly wage</td>
</tr>
<tr>
<td></td>
<td>• Performance incentive: When exceeded the company’s profit and loss target, CEO decides the amount</td>
</tr>
</tbody>
</table>
within 20% of profit; paid once a year within 0-70% of salary

– Other earned income: According to executive treatment policy (Board resolution)
  • Consists of special bonus (one-off) and benefit package

CEO
Boo-Keun Yoon

☐ Total compensation of KRW 5.089 billion
  – Earned Income
    • Salary: KRW 1.174 billion (consists of monthly wage)
    • Bonus: KRW 1.481 billion (consists of Thanksgiving bonus, target/performance incentive)
    • Profit from exercising stock option: n/a
    • Other earned income: KRW 2.434 billion
  – Retirement Income: n/a
  – Other Income: n/a

☐ Compensation criteria and calculation method
  – Salary: According to executive treatment policy (Board resolution)
  – Bonus: According to executive treatment policy (Board resolution)
    • Thanksgiving bonus: 100% of monthly wage
    • Target incentive: CEO decides the amount based on target achievement rate of each division;
      paid twice a year within 0-400% of monthly wage
    • Performance incentive: When exceeded the company’s profit and loss target, CEO decides the amount within 20% of profit; paid once a year within 0-70% of salary
  – Other earned income: According to executive treatment policy (Board resolution)
    • Consists of special bonus (one-off) and benefit package

CEO
Jong-Kyun Shin

☐ Total compensation of KRW 6.213 billion
  – Earned Income
    • Salary: KRW 1.174 billion (consists of monthly wage)
    • Bonus: KRW 1.595 billion (consists of Thanksgiving bonus, target/performance incentive)
    • Profit from exercising stock option: n/a
    • Other earned income: KRW 3.444 billion
  – Retirement Income: n/a
  – Other Income: n/a

☐ Compensation criteria and calculation method
  – Salary: According to executive treatment policy (Board resolution)
  – Bonus: According to executive treatment policy (Board resolution)
    • Thanksgiving bonus: 100% of monthly wage
    • Target incentive: CEO decides the amount based on target achievement rate of each division;
      paid twice a year within 0-400% of monthly wage
    • Performance incentive: When exceeded the company’s profit and loss target, CEO decides the amount within 20% of profit; paid once a year within 0-70% of salary
  – Other earned income: According to executive treatment rules
<table>
<thead>
<tr>
<th>Name</th>
<th>Total Compensation of KRW</th>
<th>Earned Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sang-Hoon Lee</td>
<td>3.734 billion</td>
<td>• Salary: KRW 0.857 billion (consists of monthly wage)</td>
</tr>
<tr>
<td>CFO</td>
<td></td>
<td>• Bonus: KRW 1.268 billion (consists of Thanksgiving bonus,</td>
</tr>
<tr>
<td></td>
<td></td>
<td>target/performance/long-term performance incentive)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Profit from exercising stock option: n/a</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Other earned income: KRW 1.609 billion</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Retirement Income: n/a</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Other Income: n/a</td>
</tr>
<tr>
<td>Former CEO Gee-Sung Choi</td>
<td>3.97 billion</td>
<td>• Salary: KRW 0.951 billion (consists of monthly wage)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Bonus: KRW 2.981 billion (consists of New Year’s bonus, target/performance/long-term performance incentive)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Profit from exercising stock option: n/a</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Other earned income: KRW 38 million</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Retirement Income: n/a</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Other Income: n/a</td>
</tr>
</tbody>
</table>

- **Compensation criteria and calculation method**
  - Salary: According to executive treatment rules (Board resolution)
  - Bonus: According to executive treatment rules (Board resolution)
    - New Year’s bonus: 100% of monthly wage
    - Target incentive: CEO decides the amount based on target achievement rate of each division; paid twice a year within 0-400% of monthly wage
    - Performance incentive: When exceeded the Company’s profit and loss target, CEO decides the amount within 20% of profit; paid once a year within 0-70% of salary
  - Long-term performance incentive: According to executive long-term performance incentive policy (Board resolution)
  - Other earned income: According to executive treatment rules (Board resolution)
    - Consists of special bonus (one-off) and benefit package

---

45
within 0-70% of salary
  • Long-term performance incentive: According to executive long-term performance incentive rules (Board resolution)
  - Other earned income: According to executive treatment rules (Board resolution)
    • Consists of benefit package

<table>
<thead>
<tr>
<th>former Director</th>
<th>Ju-Hwa Yoon</th>
</tr>
</thead>
<tbody>
<tr>
<td>□ Total compensation of KRW 0.577 billion</td>
<td></td>
</tr>
<tr>
<td>– Earned Income</td>
<td></td>
</tr>
<tr>
<td>• Salary: n/a</td>
<td></td>
</tr>
<tr>
<td>• Bonus: KRW 0.577 billion (long-term performance incentive)</td>
<td></td>
</tr>
<tr>
<td>• Profit from exercising stock option: n/a</td>
<td></td>
</tr>
<tr>
<td>• Other earned income: n/a</td>
<td></td>
</tr>
<tr>
<td>– Retirement Income: n/a</td>
<td></td>
</tr>
<tr>
<td>– Other Income: n/a</td>
<td></td>
</tr>
<tr>
<td>□ Compensation criteria and calculation method</td>
<td></td>
</tr>
<tr>
<td>– Bonus: According to executive treatment rules (Board resolution)</td>
<td></td>
</tr>
<tr>
<td>• Long-term performance incentive: According to executive long-term performance incentive rules (Board resolution)</td>
<td></td>
</tr>
</tbody>
</table>
11. Voting Shares

Samsung Electronics issued 147,299,337 common shares, 29.5% of authorized shares and 22,833,427 preferred shares. 16,384,216 common treasury shares and preferred shares held by the Company do not have voting rights. 12,506,577 shares own by affiliated companies do have limited voting rights under relevant laws. Thus, the number of shares with voting rights is 118,408,544.

1) Total Shares with voting rights at the end of FY 2013

<table>
<thead>
<tr>
<th>Category</th>
<th>Type</th>
<th>No. of shares</th>
<th>Note</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Common</td>
<td>147,299,337</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Preferred</td>
<td>22,833,427</td>
<td></td>
</tr>
</tbody>
</table>

\[
\text{Treasury Shares} = \text{Shares without voting rights} (B)
\]

|          | Common | 16,384,216 | Article 369-2 of the Commercial Act "Treasury Shares" |
|          | Preferred | - | - |

\[
\text{Shares with voting rights eliminated by Articles of Incorporation} (C)
\]

|          | Common | - | - |
|          | Preferred | 22,833,427 | 2,979,693 preferred treasury shares included |

\[
\text{Shares with limited voting rights under relevant laws} (D)
\]

|          | Common | 12,479,184 | Restricted by the Monopoly Regulation and Fair Trade Act: 10,622,814 shares held by Samsung Life Insurance & 1,856,370 shares held by Samsung Fire & Marine Insurance |
|          | Common | 27,393 | Restricted by the Insurance Business Act: Some part of shares held by special account of Samsung Life Insurance |

Shares with revived voting rights (E)

\[
\text{Total Shares with voting rights} (F) = \frac{118,408,544}{4} = (F = A - B - C - D + E)
\]
Financial Statements
Report of the Audit Committee

The Audit Committee of Samsung Electronics Co., Ltd reports the results of financial audit from January 1, 2013 to December 31, 2013 for the 45th fiscal year.

1. Method of Auditing

The Committee looked at accounting records and other related documents; reviewed the balance sheet, consolidated balance sheet, and specifications annexed to financial statements; and applied appropriate auditing procedures such as collation, inspection, observance, and inquiry.

The Committee attended significant meetings including those of the Board of Directors; was briefed on the deliberations of the Management Committee when deemed necessary; and tapped into adequate measures in making reviews such as requesting for additional review and complementary material.

The Committee received and reviewed reports from the CFO regarding operations and the adequacy of accounting procedures and systems put in place to ensure fair and reliable presentation of accounting information and disclosures.

2. Balance sheets, consolidated balance sheets and all-inclusive income statements, consolidated all-inclusive income statements

Balance sheets, consolidated balance sheets and all-inclusive income statements, consolidated all-inclusive income statements reflect the Company’s financial status including assets, liabilities, profits, and losses in accordance with the generally accepted accounting standards, applicable laws and regulations.

3. Appropriations of Retained Earnings

Appropriations of Retained Earnings reflect the financial statements of the Company in accordance with the generally accepted accounting standards, applicable laws and regulations.

4. Business Report

Business Report reflects the current financial status of the Company in accordance with generally accepted accounting standards, applicable laws and regulations.

February 18, 2014
Samsung Electronics Co., Ltd

THE AUDIT COMMITTEE
Han-Joong Kim
Kwang-Soo Song
REPORT OF INDEPENDENT AUDITORS

To the Board of Directors and Shareholders of Samsung Electronics Co., Ltd.

We have audited the accompanying consolidated financial statements of Samsung Electronics Co., Ltd. and its subsidiaries (collectively referred to as the “Company”), which comprise the consolidated statements of financial position as of December 31, 2013 and 2012, and the related consolidated statements of income, comprehensive income, changes in equity and cash flow for the years then ended. These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We did not audit the financial statements of certain subsidiaries, whose financial statements represent 6.8% and 7.2% of the consolidated total assets as of December 31, 2013 and 2012, respectively, and 25.6% and 22.1% of the consolidated revenues for the year then ended, respectively. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion expressed herein, insofar as it relates to the amounts included for those subsidiaries, is based solely on the reports of the other auditors.

We conducted our audits in accordance with auditing standards generally accepted in the Republic of Korea. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits and the reports of the other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audits, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Samsung Electronics Co., Ltd. and its subsidiaries as of December 31, 2013 and 2012, and their financial performance and cash flows for the years then ended, in accordance with International Financial Reporting Standards as adopted by the Republic of Korea.

Seoul, Korea
February 11, 2014

This report is effective as of February 11, 2014, the audit report date. Certain subsequent events or circumstances, which may occur between the audit report date and the time of reading this report, could have a material impact on the accompanying financial statements and notes thereto. Accordingly, the readers of the audit report should understand that there is a possibility that the above audit report may have to be revised to reflect the impact of such subsequent events or circumstances, if any.
### CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(In millions of Korean won, in thousands of US dollars (Note 2.28))

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>KRW</td>
<td>KRW</td>
<td>USD</td>
<td>USD</td>
</tr>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>4, 6, 7</td>
<td>16,284,780</td>
<td>18,791,460</td>
<td>15,431,422</td>
</tr>
<tr>
<td>Short-term financial instruments</td>
<td>5, 6, 7</td>
<td>36,722,702</td>
<td>17,397,937</td>
<td>34,798,353</td>
</tr>
<tr>
<td>Available-for-sale financial assets</td>
<td>6, 9</td>
<td>1,488,527</td>
<td>1,258,874</td>
<td>1,410,525</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>6, 10</td>
<td>27,875,934</td>
<td>26,674,596</td>
<td>26,415,175</td>
</tr>
<tr>
<td>Advances</td>
<td></td>
<td>1,928,188</td>
<td>1,674,428</td>
<td>1,827,147</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td></td>
<td>2,472,950</td>
<td>2,262,234</td>
<td>2,343,362</td>
</tr>
<tr>
<td>Inventories</td>
<td>11</td>
<td>19,134,868</td>
<td>17,747,413</td>
<td>18,132,160</td>
</tr>
<tr>
<td>Other current assets</td>
<td></td>
<td>2,135,589</td>
<td>1,462,075</td>
<td>2,023,680</td>
</tr>
<tr>
<td>Assets held for sale</td>
<td>12, 37</td>
<td>2,716,733</td>
<td></td>
<td>2,574,370</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td></td>
<td>110,760,271</td>
<td>87,269,017</td>
<td>104,956,194</td>
</tr>
<tr>
<td><strong>Non-current assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Available-for-sale financial assets</td>
<td>6, 9</td>
<td>6,238,380</td>
<td>5,229,175</td>
<td>5,911,475</td>
</tr>
<tr>
<td>Associates and joint ventures</td>
<td>12</td>
<td>6,422,292</td>
<td>8,785,489</td>
<td>6,085,750</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>13</td>
<td>75,496,388</td>
<td>68,484,743</td>
<td>71,540,214</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>14</td>
<td>3,980,600</td>
<td>3,729,705</td>
<td>3,772,008</td>
</tr>
<tr>
<td>Long-term prepaid expenses</td>
<td></td>
<td>3,465,783</td>
<td>3,515,479</td>
<td>3,284,168</td>
</tr>
<tr>
<td>Deferred income tax assets</td>
<td>29</td>
<td>4,621,780</td>
<td>2,516,080</td>
<td>4,379,589</td>
</tr>
<tr>
<td>Other non-current assets</td>
<td></td>
<td>3,089,524</td>
<td>1,541,882</td>
<td>2,927,627</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td></td>
<td>214,075,018</td>
<td>181,071,570</td>
<td>202,857,025</td>
</tr>
</tbody>
</table>

Please refer to 2013 consolidated financial audit report disclosed on April 4, 2014.
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Liabilities and Equity</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other payables 6</td>
<td>17,633,705</td>
<td>16,889,350</td>
<td>16,709,661</td>
<td>16,004,312</td>
</tr>
<tr>
<td>Short-term borrowings 6, 15</td>
<td>6,438,517</td>
<td>8,443,752</td>
<td>6,101,125</td>
<td>8,001,281</td>
</tr>
<tr>
<td>Advances received 1,706,313</td>
<td>1,517,672</td>
<td>1,616,899</td>
<td>1,438,143</td>
<td></td>
</tr>
<tr>
<td>Withholdings 1,176,046</td>
<td>966,374</td>
<td>1,114,419</td>
<td>915,734</td>
<td></td>
</tr>
<tr>
<td>Accrued expenses 6</td>
<td>11,344,530</td>
<td>9,495,156</td>
<td>10,750,052</td>
<td>8,997,589</td>
</tr>
<tr>
<td>Income tax payable 3,386,018</td>
<td>3,222,934</td>
<td>3,208,583</td>
<td>3,054,045</td>
<td></td>
</tr>
<tr>
<td>Current portion of long-term borrowings and debentures 6, 15, 16</td>
<td>2,425,831</td>
<td>999,010</td>
<td>2,298,712</td>
<td>946,660</td>
</tr>
<tr>
<td>Provisions 6, 16</td>
<td>6,736,476</td>
<td>5,054,853</td>
<td>6,383,470</td>
<td>4,789,968</td>
</tr>
<tr>
<td>Other current liabilities 18</td>
<td>467,973</td>
<td>343,951</td>
<td>443,450</td>
<td>325,927</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td>51,315,409</td>
<td>46,933,052</td>
<td>48,626,371</td>
<td>44,473,659</td>
</tr>
<tr>
<td><strong>Non-current liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long-term trade and other payables 6</td>
<td>1,053,756</td>
<td>1,165,881</td>
<td>998,537</td>
<td>1,104,786</td>
</tr>
<tr>
<td>Debentures 6, 16</td>
<td>1,311,068</td>
<td>1,829,374</td>
<td>1,242,365</td>
<td>1,733,511</td>
</tr>
<tr>
<td>Long-term borrowings 6, 15</td>
<td>985,117</td>
<td>3,623,028</td>
<td>933,495</td>
<td>3,433,174</td>
</tr>
<tr>
<td>Net defined benefit liabilities 17</td>
<td>1,854,902</td>
<td>1,729,939</td>
<td>1,757,701</td>
<td>1,639,286</td>
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<tr>
<td>Deferred income tax liabilities 29</td>
<td>6,012,371</td>
<td>3,429,467</td>
<td>5,697,310</td>
<td>3,249,756</td>
</tr>
<tr>
<td>Provisions 18</td>
<td>460,924</td>
<td>408,529</td>
<td>436,771</td>
<td>387,121</td>
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<tr>
<td>Other non-current liabilities</td>
<td>1,065,461</td>
<td>472,094</td>
<td>1,009,628</td>
<td>447,355</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>64,059,008</td>
<td>59,591,364</td>
<td>60,702,178</td>
<td>56,468,648</td>
</tr>
</tbody>
</table>

Please refer to 2013 consolidated financial audit report disclosed on April 4, 2014.
## CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(\textit{In millions of Korean won, in thousands of US dollars (Note 2.28)})

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>KRW</td>
<td>KRW</td>
<td>USD</td>
<td>USD</td>
</tr>
<tr>
<td>Equity attributable to owners of the parent</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Preferred stock</td>
<td>20</td>
<td>119,467</td>
<td>119,467</td>
<td>113,207</td>
</tr>
<tr>
<td>Common stock</td>
<td>20</td>
<td>778,047</td>
<td>778,047</td>
<td>737,276</td>
</tr>
<tr>
<td>Share premium</td>
<td></td>
<td>4,403,893</td>
<td>4,403,893</td>
<td>4,173,119</td>
</tr>
<tr>
<td>Retained earnings</td>
<td>21</td>
<td>148,600,282</td>
<td>119,985,689</td>
<td>140,813,307</td>
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<tr>
<td>Other components of equity</td>
<td>23</td>
<td>(9,459,073)</td>
<td>(8,193,044)</td>
<td>(8,963,398)</td>
</tr>
<tr>
<td>Non-controlling interests</td>
<td></td>
<td>5,573,394</td>
<td>4,386,154</td>
<td>5,281,336</td>
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<td>Total equity</td>
<td></td>
<td>150,016,010</td>
<td>121,480,206</td>
<td>142,154,847</td>
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<tr>
<td>Total liabilities and equity</td>
<td></td>
<td>214,075,018</td>
<td>181,071,570</td>
<td>202,857,025</td>
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</tbody>
</table>

Please refer to 2013 consolidated financial audit report disclosed on April 4, 2014.
# CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(In millions of Korean won, in thousands of US dollars (Note 2.28))

For the year ended December 31,

<table>
<thead>
<tr>
<th>Notes</th>
<th>2013</th>
<th>2012</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>KRW</td>
<td>KRW</td>
<td>USD</td>
<td>USD</td>
</tr>
<tr>
<td>Revenue</td>
<td>228,692,667</td>
<td>201,103,613</td>
<td>216,708,677</td>
<td>190,565,349</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>137,696,309</td>
<td>126,651,931</td>
<td>130,480,725</td>
<td>120,015,096</td>
</tr>
<tr>
<td>Gross profit</td>
<td>90,996,358</td>
<td>74,451,682</td>
<td>86,227,952</td>
<td>70,550,253</td>
</tr>
<tr>
<td>Selling and administrative expenses</td>
<td>54,211,345</td>
<td>45,402,344</td>
<td>51,370,553</td>
<td>43,023,163</td>
</tr>
<tr>
<td>Operating profit</td>
<td>36,785,013</td>
<td>29,049,338</td>
<td>34,857,399</td>
<td>27,527,090</td>
</tr>
<tr>
<td>Other non-operating income</td>
<td>2,429,551</td>
<td>1,552,989</td>
<td>2,302,237</td>
<td>1,471,609</td>
</tr>
<tr>
<td>Other non-operating expense</td>
<td>1,614,048</td>
<td>1,576,025</td>
<td>1,529,468</td>
<td>1,493,438</td>
</tr>
<tr>
<td>Share of profit of associates and joint ventures</td>
<td>504,063</td>
<td>986,611</td>
<td>477,649</td>
<td>934,910</td>
</tr>
<tr>
<td>Finance income</td>
<td>8,014,672</td>
<td>7,836,554</td>
<td>7,594,686</td>
<td>7,425,902</td>
</tr>
<tr>
<td>Finance expense</td>
<td>7,754,972</td>
<td>7,934,450</td>
<td>7,348,595</td>
<td>7,518,667</td>
</tr>
<tr>
<td>Profit before income tax</td>
<td>38,364,279</td>
<td>29,915,017</td>
<td>36,353,908</td>
<td>28,347,406</td>
</tr>
<tr>
<td>Income tax expense</td>
<td>7,889,515</td>
<td>6,069,732</td>
<td>7,476,087</td>
<td>5,751,665</td>
</tr>
<tr>
<td>Profit for the year</td>
<td>30,474,764</td>
<td>23,845,285</td>
<td>28,877,821</td>
<td>22,595,741</td>
</tr>
<tr>
<td>Profit attributable to owners of the parent</td>
<td>29,821,215</td>
<td>23,185,375</td>
<td>28,258,519</td>
<td>21,970,411</td>
</tr>
<tr>
<td>Profit attributable to non-controlling interests</td>
<td>653,549</td>
<td>659,910</td>
<td>619,302</td>
<td>625,330</td>
</tr>
</tbody>
</table>

Earnings per share for profit attributable to owners of the parent (in Korean Won, in 1/1000 US dollars)

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic</td>
<td>197,841</td>
<td>154,020</td>
<td>187,474</td>
<td>145,949</td>
</tr>
<tr>
<td>Diluted</td>
<td>197,800</td>
<td>153,950</td>
<td>187,435</td>
<td>145,883</td>
</tr>
</tbody>
</table>

Please refer to 2013 consolidated financial audit report disclosed on April 4, 2014.
## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

*(In millions of Korean won, in thousands of US dollars (Note 2.28))*

<table>
<thead>
<tr>
<th>Notes</th>
<th>2013</th>
<th>2012</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>KRW</td>
<td>KRW</td>
<td>USD</td>
<td>USD</td>
</tr>
<tr>
<td>Profit for the year</td>
<td>30,474,764</td>
<td>23,845,285</td>
<td>28,877,821</td>
<td>22,595,741</td>
</tr>
<tr>
<td>Other comprehensive income</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Items not to be reclassified subsequently to profit or loss</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Remeasurement of net defined benefit liabilities, net of tax</td>
<td>17,23</td>
<td>(213,113)</td>
<td>(504,120)</td>
<td>(201,946)</td>
</tr>
<tr>
<td>Items to be reclassified subsequently to profit or loss</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Changes in value of available-for-sale financial assets, net of tax</td>
<td>23</td>
<td>186,480</td>
<td>962,184</td>
<td>176,708</td>
</tr>
<tr>
<td>Share of other comprehensive income (loss) of associates and joint ventures, net of tax</td>
<td>23</td>
<td>20,756</td>
<td>(350,491)</td>
<td>19,668</td>
</tr>
<tr>
<td>Foreign currency translation, net of tax</td>
<td>23</td>
<td>(1,000,961)</td>
<td>(1,824,653)</td>
<td>(948,508)</td>
</tr>
<tr>
<td>Other comprehensive loss for the year</td>
<td>(1,006,838)</td>
<td>(1,717,080)</td>
<td>(954,078)</td>
<td>(1,627,102)</td>
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<tr>
<td>Total comprehensive income for the year</td>
<td>29,467,926</td>
<td>22,128,205</td>
<td>27,923,743</td>
<td>20,968,639</td>
</tr>
<tr>
<td>Comprehensive income attributable to:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Owners of the parent</td>
<td>28,837,590</td>
<td>21,499,343</td>
<td>27,326,438</td>
<td>20,372,732</td>
</tr>
<tr>
<td>Non-controlling interests</td>
<td>630,336</td>
<td>628,862</td>
<td>597,305</td>
<td>595,907</td>
</tr>
</tbody>
</table>

Please refer to 2013 consolidated financial audit report disclosed on April 4, 2014.
**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

*In millions of Korean won*

<table>
<thead>
<tr>
<th>2012 KRW</th>
<th>Notes</th>
<th>Preferred stock</th>
<th>Common stock</th>
<th>Share premium</th>
<th>Retained earnings</th>
<th>Other components of equity</th>
<th>Equity attributable to owners of the parent</th>
<th>Non-controlling interests</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance at January 1, 2012</strong></td>
<td></td>
<td>119,467</td>
<td>778,047</td>
<td>4,403,893</td>
<td>97,622,872</td>
<td>(5,833,896)</td>
<td>97,090,383</td>
<td>4,223,247</td>
<td>101,313,630</td>
</tr>
<tr>
<td><strong>Profit for the year</strong></td>
<td></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>23,185,375</td>
<td>-</td>
<td>-</td>
<td>23,185,375</td>
<td>659,910</td>
</tr>
<tr>
<td>Changes in value of available-for-sale financial assets, net of tax</td>
<td></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>960,688</td>
<td>960,688</td>
<td>-</td>
<td>1,496</td>
</tr>
<tr>
<td>Share of other comprehensive loss of associates and joint ventures, net of tax</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(350,491)</td>
<td>(350,491)</td>
<td>-</td>
<td>(350,491)</td>
</tr>
<tr>
<td>Foreign currency translation, net of tax</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>(1,789,877)</td>
<td>(1,789,877)</td>
<td>-</td>
<td>(34,776)</td>
</tr>
<tr>
<td>Remeasurement of net defined benefit liabilities, net of tax</td>
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<td>-</td>
<td>-</td>
<td>(506,351)</td>
<td>(506,351)</td>
<td>-</td>
<td>2,231</td>
</tr>
<tr>
<td>Total comprehensive income (loss)</td>
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<td>-</td>
<td>-</td>
<td>23,185,375</td>
<td>(1,686,031)</td>
<td>21,499,344</td>
<td>628,861</td>
<td>22,128,205</td>
</tr>
<tr>
<td>Dividends</td>
<td></td>
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<td>-</td>
<td>-</td>
<td>(827,501)</td>
<td>-</td>
<td>(827,501)</td>
<td>(373,632)</td>
<td>(1,201,133)</td>
</tr>
<tr>
<td>Capital transaction under common control</td>
<td></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(1,089,835)</td>
<td>(1,089,835)</td>
<td>(104,395)</td>
<td>(1,194,230)</td>
</tr>
<tr>
<td>Changes in consolidated entities</td>
<td></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>12,844</td>
</tr>
<tr>
<td>Disposal of treasury stock</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>455,377</td>
<td>455,377</td>
<td>-</td>
<td>455,377</td>
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<tr>
<td>Stock option activities</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>(33,071)</td>
<td>(33,071)</td>
<td>-</td>
<td>(33,071)</td>
</tr>
<tr>
<td>Others</td>
<td></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>4,943</td>
<td>(5,588)</td>
<td>(645)</td>
<td>(771)</td>
<td>(1,416)</td>
</tr>
<tr>
<td>Total transactions with owners</td>
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<td>-</td>
<td>-</td>
<td>(822,558)</td>
<td>(673,117)</td>
<td>(1,495,675)</td>
<td>(465,954)</td>
<td>(1,961,629)</td>
</tr>
<tr>
<td><strong>Balance at December 31, 2012</strong></td>
<td></td>
<td>119,467</td>
<td>778,047</td>
<td>4,403,893</td>
<td>119,985,689</td>
<td>(8,193,044)</td>
<td>117,094,052</td>
<td>4,386,154</td>
<td>121,480,206</td>
</tr>
</tbody>
</table>

Please refer to 2013 consolidated financial audit report disclosed on April 4, 2014.
## Samsung Electronics Co., Ltd. and its subsidiaries

### CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

*(In thousands of US dollars (Note 2.28))*

<table>
<thead>
<tr>
<th>2012 USD</th>
<th>Notes</th>
<th>Preferred stock</th>
<th>Common stock</th>
<th>Share premium</th>
<th>Retained earnings</th>
<th>Other components of equity</th>
<th>Equity attributable to owners of the parent</th>
<th>Non-controlling interests</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance at January 1, 2012</strong></td>
<td>113,207</td>
<td>737,276</td>
<td>4,173,119</td>
<td>92,507,223</td>
<td>(5,528,187)</td>
<td>92,002,638</td>
<td>4,001,940</td>
<td>96,004,578</td>
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</tr>
<tr>
<td>Profit for the year</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>21,970,411</td>
<td>-</td>
<td>21,970,411</td>
<td>625,330</td>
<td>22,595,741</td>
<td></td>
</tr>
<tr>
<td>Changes in value of available-for-sale financial assets, net of tax</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>910,345</td>
<td>910,345</td>
<td>1,418</td>
<td>911,763</td>
<td></td>
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<td>Share of other comprehensive income (loss) of associates and joint ventures, net of tax</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>332,125</td>
<td>332,125</td>
<td>-</td>
<td>332,125</td>
<td></td>
</tr>
<tr>
<td>Foreign currency translation, net of tax</td>
<td>-</td>
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<td>-</td>
<td>-</td>
<td>1,696,083</td>
<td>1,696,083</td>
<td>32,954</td>
<td>1,729,037</td>
<td></td>
</tr>
<tr>
<td>Remeasurement of net defined benefit liabilities, net of tax</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>479,816</td>
<td>479,816</td>
<td>2,113</td>
<td>477,763</td>
<td></td>
</tr>
<tr>
<td><strong>Total comprehensive income (loss)</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>21,970,411</td>
<td>(3,342,529)</td>
<td>20,372,732</td>
<td>595,907</td>
<td>20,968,639</td>
<td></td>
</tr>
<tr>
<td>Dividends</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(784,138)</td>
<td>-</td>
<td>(784,138)</td>
<td>(354,053)</td>
<td>(1,138,191)</td>
<td></td>
</tr>
<tr>
<td>Capital transaction under common control</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(1,032,725)</td>
<td>(1,032,725)</td>
<td>(98,924)</td>
<td>(1,131,649)</td>
<td></td>
</tr>
<tr>
<td>Changes in consolidated entities</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>12,171</td>
<td>12,171</td>
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</tr>
<tr>
<td>Disposal of treasury stock</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>431,514</td>
<td>431,514</td>
<td>-</td>
<td>431,514</td>
<td></td>
</tr>
<tr>
<td>Stock option activities</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(31,338)</td>
<td>(31,338)</td>
<td>-</td>
<td>(31,338)</td>
<td></td>
</tr>
<tr>
<td>Others</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>4,684</td>
<td>(5,296)</td>
<td>(612)</td>
<td>(731)</td>
<td>(1,343)</td>
<td></td>
</tr>
<tr>
<td><strong>Total transactions with owners</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(779,454)</td>
<td>(637,845)</td>
<td>(1,417,299)</td>
<td>(441,537)</td>
<td>(1,858,836)</td>
<td></td>
</tr>
<tr>
<td><strong>Balance at December 31, 2012</strong></td>
<td>113,207</td>
<td>737,276</td>
<td>4,173,119</td>
<td>113,698,180</td>
<td>(7,763,711)</td>
<td>110,958,071</td>
<td>4,156,310</td>
<td>115,114,381</td>
<td></td>
</tr>
</tbody>
</table>

Please refer to 2013 consolidated financial audit report disclosed on April 4, 2014.
<table>
<thead>
<tr>
<th>Notes</th>
<th>Preferred stock</th>
<th>Common stock</th>
<th>Share premium</th>
<th>Retained earnings</th>
<th>Other components of equity</th>
<th>Equity attributable to owners of the parent</th>
<th>Non-controlling interests</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at January 1, 2013</td>
<td>119,467</td>
<td>778,047</td>
<td>4,403,893</td>
<td>119,985,689</td>
<td>(8,193,044)</td>
<td>117,094,052</td>
<td>4,386,154</td>
<td>121,480,206</td>
</tr>
<tr>
<td>Profit for the year</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>29,821,215</td>
<td>-</td>
<td>29,821,215</td>
<td>653,549</td>
<td>30,474,764</td>
</tr>
<tr>
<td>Changes in value of available-for-sale financial assets, net of tax</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>187,477</td>
<td>187,477</td>
<td>(997)</td>
<td>186,480</td>
</tr>
<tr>
<td>Share of other comprehensive income (loss) of associates and joint ventures, net of tax</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>20,949</td>
<td>20,949</td>
<td>(193)</td>
<td>20,756</td>
</tr>
<tr>
<td>Foreign currency translation, net of tax</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(986,691)</td>
<td>(986,691)</td>
<td>(14,270)</td>
<td>(1,000,961)</td>
</tr>
<tr>
<td>Remeasurement of net defined benefit liabilities, net of tax</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(205,360)</td>
<td>(205,360)</td>
<td>(7,753)</td>
<td>(213,113)</td>
</tr>
<tr>
<td>Total comprehensive income (loss)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>29,821,215</td>
<td>(983,625)</td>
<td>28,837,590</td>
<td>630,336</td>
<td>29,467,926</td>
</tr>
<tr>
<td>Dividends</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(1,206,622)</td>
<td>-</td>
<td>(1,206,622)</td>
<td>(42,155)</td>
<td>(1,248,777)</td>
</tr>
<tr>
<td>Capital transaction under common control</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(312,959)</td>
<td>(312,959)</td>
<td>600,042</td>
<td>287,083</td>
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<tr>
<td>Changes in consolidated entities</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(918)</td>
<td>(918)</td>
</tr>
<tr>
<td>Disposal of treasury stock</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>41,817</td>
<td>41,817</td>
<td>-</td>
<td>41,817</td>
</tr>
<tr>
<td>Stock option activities</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(11,999)</td>
<td>(11,999)</td>
<td>-</td>
<td>(11,999)</td>
</tr>
<tr>
<td>Others</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>737</td>
<td>737</td>
<td>(65)</td>
<td>672</td>
</tr>
<tr>
<td>Total transactions with owners</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(1,206,622)</td>
<td>(282,404)</td>
<td>(1,489,026)</td>
<td>556,904</td>
<td>(932,122)</td>
</tr>
<tr>
<td>Balance at December 31, 2013</td>
<td>119,467</td>
<td>778,047</td>
<td>4,403,893</td>
<td>148,600,282</td>
<td>(9,459,073)</td>
<td>144,442,616</td>
<td>5,573,394</td>
<td>150,016,010</td>
</tr>
</tbody>
</table>

Please refer to 2013 consolidated financial audit report disclosed on April 4, 2014.
<table>
<thead>
<tr>
<th>2013 USD</th>
<th>Notes</th>
<th>Preferred stock</th>
<th>Common stock</th>
<th>Share premium</th>
<th>Retained earnings</th>
<th>Other components of equity</th>
<th>Equity attributable to owners of the parent</th>
<th>Non-controlling interests</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance at January 1, 2013</strong></td>
<td>113,207</td>
<td>737,276</td>
<td>4,173,119</td>
<td>113,698,180</td>
<td>(7,763,711)</td>
<td>110,958,071</td>
<td>4,156,310</td>
<td>115,114,381</td>
<td></td>
</tr>
<tr>
<td>Profit for the year</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>28,258,519</td>
<td>-</td>
<td>28,258,519</td>
<td>619,302</td>
<td>28,877,821</td>
<td></td>
</tr>
<tr>
<td>Changes in value of available-for-sale financial assets, net of tax</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>177,653</td>
<td>177,653</td>
<td>(945)</td>
<td>176,708</td>
<td></td>
</tr>
<tr>
<td>Share of other comprehensive income (loss) of associates and joint ventures, net of tax</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>19,851</td>
<td>19,851</td>
<td>(183)</td>
<td>19,668</td>
<td></td>
</tr>
<tr>
<td>Foreign currency translation, net of tax</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(934,986)</td>
<td>(934,986)</td>
<td>(13,522)</td>
<td>(948,508)</td>
<td></td>
</tr>
<tr>
<td>Remeasurement of net defined benefit liabilities, net of tax</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(194,599)</td>
<td>(194,599)</td>
<td>(7,347)</td>
<td>(201,946)</td>
<td></td>
</tr>
<tr>
<td><strong>Total comprehensive income (loss)</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>28,258,519</td>
<td>(932,081)</td>
<td>27,326,438</td>
<td>597,305</td>
<td>27,923,743</td>
<td></td>
</tr>
<tr>
<td>Dividends</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(1,143,392)</td>
<td>-</td>
<td>(1,143,392)</td>
<td>(39,946)</td>
<td>(1,183,338)</td>
<td></td>
</tr>
<tr>
<td>Capital transaction under common control</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(296,559)</td>
<td>(296,559)</td>
<td>568,599</td>
<td>272,040</td>
<td></td>
</tr>
<tr>
<td>Changes in consolidated entities</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(870)</td>
<td>(870)</td>
<td></td>
</tr>
<tr>
<td>Disposal of treasury stock</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>39,626</td>
<td>39,626</td>
<td>-</td>
<td>39,626</td>
<td></td>
</tr>
<tr>
<td>Stock option activities</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(11,370)</td>
<td>(11,370)</td>
<td>-</td>
<td>(11,370)</td>
<td></td>
</tr>
<tr>
<td>Others</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>697</td>
<td>697</td>
<td>(62)</td>
<td>635</td>
<td></td>
</tr>
<tr>
<td><strong>Total transactions with owners</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(1,143,392)</td>
<td>(267,606)</td>
<td>(1,410,998)</td>
<td>527,721</td>
<td>(883,277)</td>
<td></td>
</tr>
<tr>
<td><strong>Balance at December 31, 2013</strong></td>
<td>113,207</td>
<td>737,276</td>
<td>4,173,119</td>
<td>140,813,307</td>
<td>(8,963,398)</td>
<td>136,873,511</td>
<td>5,281,336</td>
<td>142,154,847</td>
<td></td>
</tr>
</tbody>
</table>

Please refer to 2013 consolidated financial audit report disclosed on April 4, 2014.
Samsung Electronics Co., Ltd. and its subsidiaries

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In millions of Korean won, in thousands of US dollars (Note 2.28))

<table>
<thead>
<tr>
<th>Notes</th>
<th>For the year ended December 31,</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2013</td>
</tr>
<tr>
<td></td>
<td>KRW</td>
</tr>
<tr>
<td>Cash flows from operating activities</td>
<td></td>
</tr>
<tr>
<td>Profit for the year</td>
<td>30,474,764</td>
</tr>
<tr>
<td>Adjustments</td>
<td>23,804,832</td>
</tr>
<tr>
<td>Changes in operating assets and liabilities</td>
<td>(1,313,245)</td>
</tr>
<tr>
<td>Cash flows from operating activities</td>
<td>52,966,351</td>
</tr>
<tr>
<td>Interest received</td>
<td>1,034,074</td>
</tr>
<tr>
<td>Interest paid</td>
<td>(434,857)</td>
</tr>
<tr>
<td>Dividend received</td>
<td>592,217</td>
</tr>
<tr>
<td>Income tax paid</td>
<td>(7,450,345)</td>
</tr>
<tr>
<td>Net cash generated from operating activities</td>
<td>46,707,440</td>
</tr>
<tr>
<td>Cash flows from investing activities</td>
<td></td>
</tr>
<tr>
<td>Net increase in short-term financial instruments</td>
<td>(19,391,643)</td>
</tr>
<tr>
<td>Net decrease (increase) in short-term available-for-sale financial assets</td>
<td>33,663</td>
</tr>
<tr>
<td>Proceeds from disposal of long-term available-for-sale financial assets</td>
<td>1,691,463</td>
</tr>
<tr>
<td>Acquisition of long-term available-for-sale financial assets</td>
<td>(1,531,356)</td>
</tr>
<tr>
<td>Proceeds from disposal of associates and joint ventures</td>
<td>240</td>
</tr>
<tr>
<td>Acquisition of associates and joint ventures</td>
<td>(181,307)</td>
</tr>
<tr>
<td>Disposal of property and equipment</td>
<td>377,445</td>
</tr>
<tr>
<td>Purchases of property and equipment</td>
<td>(23,157,587)</td>
</tr>
<tr>
<td>Disposal of intangible assets</td>
<td>4,562</td>
</tr>
<tr>
<td>Purchases of intangible assets</td>
<td>(934,743)</td>
</tr>
<tr>
<td>Cash outflows from business combination</td>
<td>(167,155)</td>
</tr>
<tr>
<td>Others</td>
<td>(1,490,601)</td>
</tr>
<tr>
<td>Net cash used in investing activities</td>
<td>(44,747,019)</td>
</tr>
</tbody>
</table>

Please refer to 2013 consolidated financial audit report disclosed on April 4, 2014.
## CONSOLIDATED STATEMENTS OF CASH FLOWS

(US dollars rounded to nearest one million, except for per share amounts)

### Cash Flows from Financing Activities

<table>
<thead>
<tr>
<th>Notes</th>
<th>2013 KRW</th>
<th>2012 KRW</th>
<th>2013 USD</th>
<th>2012 USD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net repayment of short-term borrowings</td>
<td>(1,861,536)</td>
<td>(800,579)</td>
<td>(1,763,987)</td>
<td>(758,627)</td>
</tr>
<tr>
<td>Disposal of treasury stock</td>
<td>34,390</td>
<td>88,473</td>
<td>32,588</td>
<td>83,837</td>
</tr>
<tr>
<td>Proceeds from long-term borrowings and debentures</td>
<td>26,672</td>
<td>1,862,256</td>
<td>25,274</td>
<td>1,764,670</td>
</tr>
<tr>
<td>Repayment of long-term borrowings and debentures</td>
<td>(1,368,436)</td>
<td>(522,899)</td>
<td>(1,296,727)</td>
<td>(495,498)</td>
</tr>
<tr>
<td>Payment of dividends</td>
<td>(1,249,672)</td>
<td>(1,265,137)</td>
<td>(1,184,186)</td>
<td>(1,198,841)</td>
</tr>
<tr>
<td>Net increase (decrease) in non-controlling interests</td>
<td>281,551</td>
<td>(1,200,134)</td>
<td>266,797</td>
<td>(1,137,244)</td>
</tr>
<tr>
<td>Others</td>
<td>-</td>
<td>(26,488)</td>
<td>-</td>
<td>(25,101)</td>
</tr>
<tr>
<td><strong>Net cash used in financing activities</strong></td>
<td>(4,137,031)</td>
<td>(1,864,508)</td>
<td>(3,920,241)</td>
<td>(1,766,804)</td>
</tr>
</tbody>
</table>

### Effect of exchange rate changes on cash and cash equivalents

<table>
<thead>
<tr>
<th>Notes</th>
<th>2013</th>
<th>2012</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>(330,070)</td>
<td>(687,048)</td>
<td>(312,774)</td>
<td>(651,045)</td>
<td></td>
</tr>
</tbody>
</table>

### Net increase (decrease) in cash and cash equivalents

<table>
<thead>
<tr>
<th>Notes</th>
<th>2013</th>
<th>2012</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>(2,506,680)</td>
<td>4,099,699</td>
<td></td>
<td>3,884,866</td>
<td></td>
</tr>
</tbody>
</table>

### Cash and cash equivalents

<table>
<thead>
<tr>
<th>Notes</th>
<th>2013</th>
<th>2012</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning of the year</td>
<td>18,791,460</td>
<td>14,691,761</td>
<td>17,806,747</td>
<td>13,921,881</td>
</tr>
<tr>
<td>End of the year</td>
<td>16,284,780</td>
<td>18,791,460</td>
<td>15,431,422</td>
<td>17,806,747</td>
</tr>
</tbody>
</table>

Please refer to 2013 consolidated financial audit report disclosed on April 4, 2014.