

To the Shareholders of Samsung C&T,

I sincerely thank you for your continued support towards Samsung C&T.

2018 was a challenging year, marked by the slowdown of the global economy due to the US-China trade dispute and growing instability in emerging markets.

Nevertheless, Samsung C&T achieved KRW 1.1 trillion in operating profit by building on efforts to improve product and service competitiveness, operational efficiency and risk management.

Our endeavors to become a responsible corporate citizen were also recognized at home and abroad: We were included in the Dow Jones Sustainability World Index for the second consecutive year, and named “Best Excellence Company” by the Korea Corporate Governance Service in its annual corporate ESG assessment.

We are well aware that such achievements were possible only with the support of those around us; thus, we will continue our efforts to become a company that grows together with our shareholders and stakeholders.

Dear shareholders,

2019 will be no less challenging than the previous year: We will see greater uncertainty as countries adopt protectionist policies amid an ongoing the US-China trade row, while consumer confidence in Korea is unlikely to recover soon.

Accordingly, in 2019, our company will continue to focus on generating stable profits, reinforcing the core competitiveness of each business group and constantly enhancing efficiency to maintain steady growth.

First, the T&I Group will strengthen services and develop new markets for key trading items such as chemicals and steel in effort to establish a foundation for sustainable growth. It will also foster new businesses in renewable energy and biofuel trading to improve its profit structure.

The E&C Group, meanwhile, will emphasize quality, cost, and timely completion to transform itself into a technology-driven constructor that ensures customer value and satisfaction. It will establish a culture of safety and compliance, based on which it will realize sustainable growth.

The Fashion Group will realize steady growth by securing competitive advantage in existing brands such as Beanpole, diversifying sales channels via introduction of online-only brands, and enhancing the competitiveness and profitability of newer brands such as 8 Seconds.

Finally, the Resort Group will introduce new content and marketing strategies to attract more visitors to its theme parks, and improving overall operational efficiency to streamline its earning structure. It will also seek to upgrade the customer's experience through differentiated quality and services, all the while placing top priority on safety.

Dear Shareholders,

Another tough year lies ahead, but we will achieve stable growth by building on our business competency. We will also do our best to enhance shareholder value by realizing transparent governance and fulfilling our responsibility to society.

We look forward to your continued support.

Sincerely,

Youngho Lee
President & CEO
Samsung C&T Corporation