

A Message from Management

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Founder & Chairman, Pantech Group

The Pantech Group has written a new chapter in the history of the mobile communications field over the last 15 years, by focusing on technology never previously invented, innovative designs never previously imagined, and cutting edge advances in new technologies that never previously seemed possible.

As a leader in the global mobile communications sector, Pantech has made extraordinary strides in its development, epitomizing the challenging, entrepreneurial spirit that has become the hallmark of our company.

Inspired by continuing customer support across all markets, we posted a hundredfold increase in sales between 1995 and 2005, to USD3.5 billion. Yet 15 years of endeavor does not rest here. Our quest to become an established global leader in the mobile technology and solutions arena will continue.

We have put in place enhanced business management systems to take on the challenges of the fast changing global mobile communications industry, in a faster, more successful way. Our management philosophy is to blend our initiatives across all departments, from R&D to purchasing, from design to production, systematically integrating these functions to enhance our competitiveness on a global scale.

However, speed alone cannot be the measure of competitiveness. Our sustained success lies in the strength of our strategic global brand development, aimed at growing our business in local markets worldwide. Production and customer service facilities in key regional markets will become increasingly localized, in order to enhance consumer satisfaction and build customer loyalty at a grassroots level.

As the world's fastest growing mobile technology company, this is ultimately where our mission lies - to deliver unsurpassed levels of user satisfaction across all markets. We will continue our commitment to providing the richest, most advanced and most affordable mobile technology experience to mobile customers around the world.



Recent Developments

Pantech projects 20% rise in sales in U.S. with increased handset supply to major service operators (January 2006)

Pantech Group announced details of its plans to ramp up sales in the U.S. by 20% in 2006, through a greater focus on developing its brand awareness in the market place and an increase in direct supplies to major U.S. service operators. Pantech expects to increase direct supplies to U.S. service operators by up to 70% this year through its subsidiary Pantech Wireless, Inc. in order to build its market share and brand presence in the U.S.

Pantech Co., SK Teletech Co. announce merger (December 2005)

Pantech Co. announced the merger with SK Teletech, another unit of the group, to facilitate the overall goal of the group becoming one of the world's top five mobile handset manufacturers. The process of combining the two organizations is to be completed by the end of 2005. Pantech Group became the second largest mobile handset manufacturer in Korea and number seven in the world, following the merger.

Pantech&Curitel Communications, Inc. signs agreement with Tata Teleservices Limited to supply 300,000 CDMA handsets in India (October 2005)

Pantech&Curitel announced that it signed a direct supplier agreement with Tata Teleservices Limited (TTSL), the telecoms unit of one of India's largest business conglomerates, the Tata Group. Under the terms of the agreement, Pantech is to roll out 300,000 CDMA handsets in India, starting with the compact, slim PA-711 phone, which will be sold under the Pantech brand.

Pantech&Curitel Communications Inc. becomes the first Korean handset manufacturer to enter the Japanese mobile phone market (August 2005)

Pantech&Curitel signed an agreement to supply CDMA handsets to Japanese long distance carrier KDDI which marks the first time that a Korean handset manufacturer has entered the Japanese market. Under the agreement, Pantech will supply third generation cell phones with cutting edge features at more affordable rates under au and Pantech brand.

Pantech Co.'s official brand launch in China (July 2005)

Pantech Co. announced the official launch of the Pantech brand in China and the introduction of a range of GSM handsets to the Chinese market, after beginning operations in China in 2001, in cooperation with manufacturing company Daxian Co., Ltd. In 2003, the company formed a joint venture - Dalian Daxian Pantech Communication Co., Ltd. - to operate a facility, with capacity for four million handsets per annum.

Key Products

CDMA



■ PT-S160

The PT-S160 is a satellite DMB phone with PMP functionality. The PT-S160, designed with a TV-like look, is a slider type phone only showing keys for DMB functions when closed. It features a 2.4 inch QVGA LCD screen and a 2 mega pixel camera with auto focus. The PT-S160 supports TV Out and PC Out functionality.

■ IM-U110

The IM-U110 is a jukebox handset with the world's largest flash memory capacity of 1 gigabyte. Customized for the playing of music with its advanced MP3 player functionality, the IM-U110's extensive memory facility means that users can save over 200 MP3 songs or 1,024 high resolution pictures using the handset's 2 mega-pixel camera.



■ IM-U100

The IM-U100 is designed to provide users with a 'world class' Portable Multimedia Player(PMP) phone featuring a 2.6 inch wide TFT LCD with 15:9 aspect ratio. Its wide LCD is two times larger than the screens on other multimedia handset models in Korea and among the largest of its type in the mobile handset sector globally incorporating MP3 player, camera and movie functions. The IM-U100 also features a 2 mega-pixel camera supporting auto focus and PictBridge functionality.

■ PT-K1800/PT-L1800

The PT-K1800 is one of Korea's first terrestrial DMB handsets, coinciding with the introduction of land-based digital multimedia broadcasting services in Korea. The PT-K1800 provides users with a truly portable TV viewing experience. It enables users to answer the phone or send text messages while simultaneously watching terrestrial DMB TV. The PT-K1800 uses an external memory (trans-flash memory) slot to expand the capacity of the memory.



■ PT-K1500

The PT-K1500 is a thin and small CDMA "pocket" phone. This ultra-thin antenna phone is only 16.9mm but packs in many powerful functions that include a 1.3 mega pixel CMOS camera, MP3 player with caption recognition, with an external memory (MicroSD or Trans-flash) slot and TTS (Text To Speech) capability.

Key Products

GSM/UMTS



■ U-5000

The semi-automatic sliding phone U-5000 is a multimedia UMTS phone featuring dual cameras of 1.3 mega pixel CMOS and VGA CMOS, video telephony and Bluetooth functionality. The U-5000 also features a 1.9 inch QCIF 260K color TFT LCD and supports MP3, AAC+, MPEG4 and H.263. The U-5000 provides photo-editing functionality which is directly applied to MMS so that users can easily optimize their photos and send them via MMS.

■ G-3600V

The ultimate 'music phone', G-3600V is equipped with an external touch wheel sensor to maximize usability as a music player. The G-3600V features various music equalizers and supports WMA, MP3, AAC, AAC+ and AMR files. Incorporating a 1.3 mega pixel CMOS camera with 4x zoom, it provides photo editing and video editing functionality.



■ PG-8000

The PG-8000 is a "digital camera look" mobile phone with an advanced camera and multimedia functionality. Featuring a 2 mega pixel camera and a wide, horizontal LCD display, the PG-8000 is also geared towards music-oriented users and incorporates a MP3 functionality, supporting MP3, AAC, and AAC+ files, while an FM tuner is included for enhanced radio function.



■ PG-6100

The upgraded digital camera-type mobile phone PG-6100 comes in a deep ocean color. The phone features a 2 mega pixel CMOS camera and an internal flash located on the folder. An MP3 player is also provided with an RS-MMC slot for extra memory. Bluetooth/IrDA are supported for wireless data transmission. Photo/Video caller ID is to identify a caller and the phone also supports SMS/MMS/ WAP/JAVA. All of the functions are compressed in an ultra small size.



A Brief History

2006

- Received the iF Design award for excellence and innovation in the design of mobile phones, in honor of the G-6200, which is in the mass production stage and two other models, which are at an advanced development stage

2005

- Merged SK Teletech, formerly the handset manufacturing arm of SK Telecom, Korea's leading mobile operator
- Built up its brand business in the emerging 'BRIC countries' - Brazil, Russia, India & China
- Agreement with KDDI, Japan's second largest telecom group, marked the first ever entry by a Korean handset manufacturer into the Japanese market
- Became the first foreign company to secure both GSM and CDMA licenses in China
- Received the iF Design award for excellence and innovation in the design of cellular phones, in honor of its PH-L4000V/PH-S4000 handsets
- GI100 - the first ever GSM handset with fingerprint recognition technology - honored with Best Mobile Phone Application accolade at the Asian Mobile News Awards

**2000
~2004**

- Established Dalian Daxian Pantech Communications Co., Ltd. in Dalian, China
- Won 'Most Outstanding Technology Management' Award
- Acquired Hyundai Curitel - later renamed Pantech&Curitel Communications, Inc.
- International certification for GSM mobile phones
- Certification of ISO 9001 and ISO14001
- Launched Curitel brand in Korean domestic market

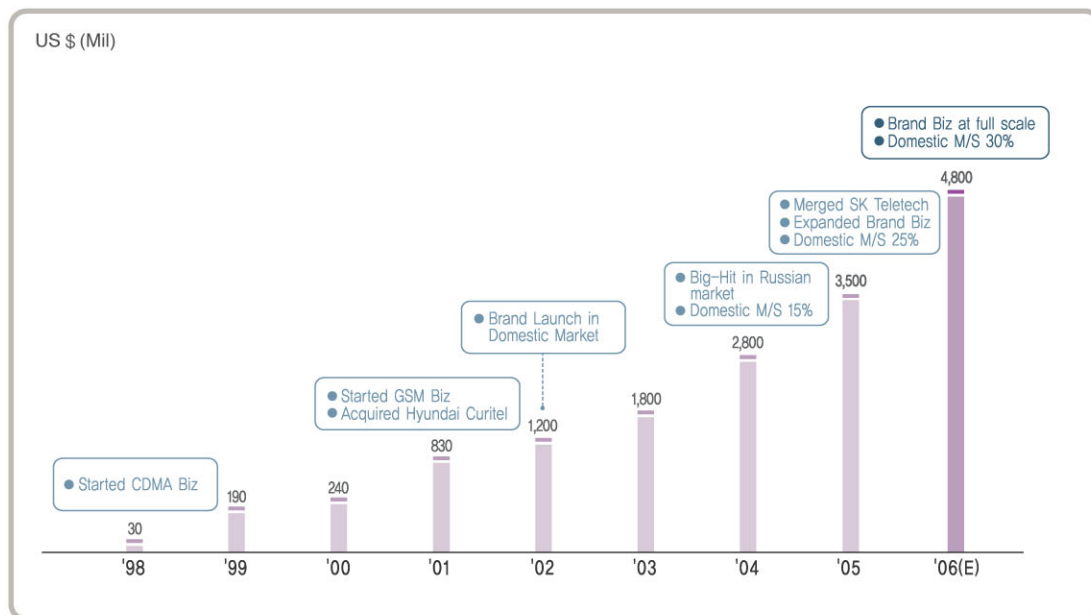
**1991
~1999**

- Agreed with Motorola to establish ODM (Original Development Manufacturing) business
- Developed world's first CDMA mobile phone
- Registered on OTC stock market
- Opened Gimpo plant in Korea
- Developed CCD-camera module for domestic market
- Started pager sales and exports
- Founded Pantech Co., Ltd. in 1991

Business Achievements

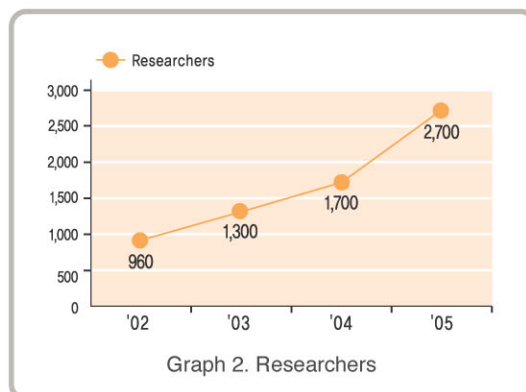
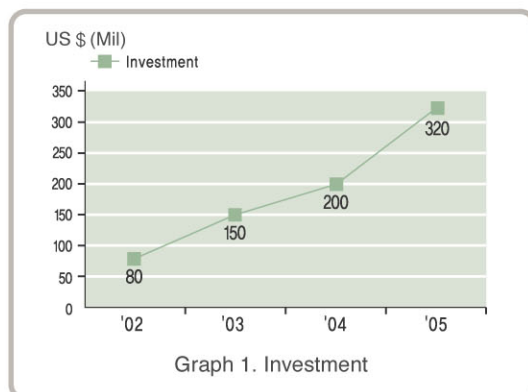
Key Milestones in Pantech's Growth

Pantech has achieved the fastest growth among mobile technology companies worldwide. Total revenues last year for Pantech were US\$3.5 billion.



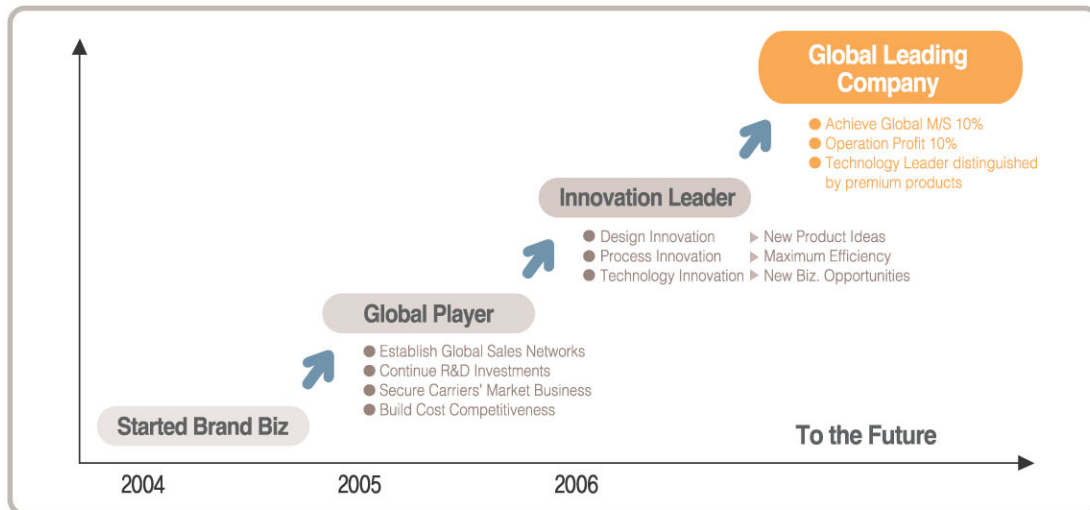
R&D Investment

Pantech's success and growth to date can be attributed to its ongoing investment in R&D. There are over 2,700 researchers devoted to R&D (over 54 percent of the total workforce) in Pantech. Pantech's re-investment in R&D accounts for about 10% of total revenues every year. The company's R&D investment continues to grow every year, with a total R&D investment of US \$320million in 2005.



Business Achievements

Brand Business



The new growth driver for Pantech has been the successful development of its 'own brand' business across all markets. Already, Pantech has a fully fledged brand presence in Russia, Mexico, Middle East and China, with local production and customer service centers in most of these regions. Pantech will continue to build its brand business on a global scale during 2006, particularly in Europe and North America.

Global Operations

- Global marketing infrastructure: 22 subsidiaries and branch offices
- Established globally integrated customer service systems
- Production facilities in Korea, China, Mexico and Brazil



Global Firsts from Pantech

Models	Date	Details
World's first full mobile digital AMP chip embedded phone PT-L1900	JAN.2006	<ul style="list-style-type: none"> Equipped with the world's first full digital amplifier chip 3D stereo sound speaker and 2Mpix resolution digital camera
World's first Bluetooth DMB phone PT-S130	AUG.2005	<ul style="list-style-type: none"> World's first Bluetooth enabled DMB phone Wireless earphones & multi-tasking functionality Dual 3D stereo speakers, 2.4 inch screen
World's first motion recognition "Sports Leisure Phone" PH-S6500	JAN.2005	<ul style="list-style-type: none"> Embedded 6-axis motion recognition sensors Calorie meter, pedometer, compass and altimeter 3D game application with joystick navigation key
World's first fingerprint recognition GSM phone GI100	AUG.2004	<ul style="list-style-type: none"> Embedded fingerprint recognition sensors Allows user to access & play games with their fingerprints
World's first 3.1Mpix camera phone PH-S5000V, PH-K1000V	JUL.2004	<ul style="list-style-type: none"> 3.1Mpix phones, 22 patents achieved with these models World's first mobile phone with a TV receiver, video recorder, FM radio functionality & MP3P
World's first CMOS 3.1Mpix camera module	JUL.2004	<ul style="list-style-type: none"> World's first 3Mpix CMOS camera module Mechanical shutter prevents blurring and red eye photos
World's first camera phone with 2x optical zoom S4	JUN.2004	<ul style="list-style-type: none"> World's first 2x optical zoom camera phone and video caller ID Korea's first GPS phone based on MS(Mobile Station) High-resolution QVGA LCD
World's first artificial intelligence image/flash controlling function PG-K6000V	APR.2004	<ul style="list-style-type: none"> 1.3Mpix camera automatically controls image and flash mode 4h50min movie recording function
World's first CMOS 1.3Mpix camera phone PG-S5000	OCT.2003	<ul style="list-style-type: none"> World's first CMOS 1.3 Mpix camera phone Enhanced movie recording function with high resolution photos
World's first mobile phone with healing window S2	AUG.2003	<ul style="list-style-type: none"> World's first ergonomic mobile phone with healing window program World's biggest color sub LCD(1.3 inch 260K TFT LCD) Photo caller ID, 4-level zoom, built-in camera, embedded flash, 64 poly melody
World's first 33frame, Korea first 330K pixel camera phone PD-6000	NOV.2001	<ul style="list-style-type: none"> World's first 33 frame/sec 330K pixel built-in camera Chatting/CCTV/Editing moving pictures via PC

Contact Information

Further information on Pantech can be found on the company's website at www.pantech.com or by contacting a member of the Global Public Relations Team at Pantech.

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It's different
PANTECH