

SAMSUNG WITHDRAWS PROPOSAL TO ACQUIRE SANDISK

Seoul, Korea, October 22, 2008 – Samsung Electronics Co., Ltd. (“Samsung”) (005930:KS) today announced that it has withdrawn its proposal to acquire all of the outstanding shares of SanDisk Corporation (“SanDisk”) (NASDAQ: SNDK) for \$26 per share in cash. The full text of Samsung’s letter to SanDisk’s Board of Directors withdrawing its proposal follows:

October 22, 2008

Board of Directors
SanDisk Corporation
601 McCarthy Boulevard
Milpitas, CA 95035

Attention: Dr. Eli Harari, Chairman and Chief Executive Officer
Mr. Irwin Federman, Vice Chairman and Lead Independent Director

Dear Eli and Irwin:

After nearly six months of efforts to pursue a transaction with no meaningful progress, we are withdrawing our proposal to acquire SanDisk. I am disappointed that we have been unable to reach an agreement on our proposal. I continue to believe that a combination of our two companies would have created a superior global brand, an unparalleled technology platform and the scale and resources to drive convergence in the marketplace. Had we been able to execute on our proposal, your shareholders would have received full, fair and certain value for their shares and your employees and other stakeholders would have benefited from a broader platform and a wider range of opportunities.

Nevertheless, we have obligations to our own shareholders which require that we take a disciplined approach, particularly with respect to significant initiatives such as this. That disciplined approach requires that we squarely face the growing uncertainties in your business, which may continue to deteriorate in this difficult economic environment and further impact your standalone value. Your recently announced third quarter results serve only to illustrate this risk. Your surprise announcements of a quarter billion dollar operating loss, a hurried renegotiation of your relationship with Toshiba and major job losses across your organization all point to a considerable increase in your risk profile and a material deterioration in value, both on a stand-alone basis as well as to Samsung. As a result of these developments, we are no longer interested in acquiring SanDisk at \$26/share.

While I regret that we were unable to work together to achieve a business combination that would have created new opportunities for all of us, we wish you the best in meeting the challenges ahead.

Sincerely,

Yoon Woo Lee
Vice Chairman & CEO
Samsung Electronics Co., Ltd.

About Samsung

Samsung Electronics Co., Ltd. is a global leader in semiconductor, telecommunication, digital media and digital convergence technologies with 2007 consolidated sales of US\$105 billion. Employing approximately 150,000 people in 134 offices in 62 countries, the company consists of four main business units: Digital Media Business, LCD Business, Semiconductor Business, and Telecommunication Business. Recognized as one of the fastest growing global brands, Samsung is a leading producer of digital TVs, memory chips, mobile phones and TFT-LCDs. For more information, please visit www.Samsung.com.

Samsung is a registered trademark of Samsung in the U.S. and other countries.

Forward Looking Statements

Some statements set forth in this communication contain forward-looking statements that are subject to change. Statements including words such as “anticipate”, “believe”, “estimate” or “expect” and statements in the future tense are forward-looking statements. These forward-looking statements are subject to risks and uncertainties that could cause actual events or actual future results to differ materially from the expectations set forth in the forward-looking statements. All information in this communication is as of October 22, 2008. Samsung undertakes no duty to publicly update any forward-looking statement, whether as a result of new information, future developments or otherwise.

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