

SK TELECOM CO LTD

Form 6-K

June 17, 2009

Table of Contents

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

**Form 6-K
REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16 OR 15d-16
UNDER THE SECURITIES EXCHANGE ACT OF 1934
FOR THE MONTH OF JUNE 2009
COMMISSION FILE NUMBER 333-04906**

SK Telecom Co., Ltd.

(Translation of registrant's name into English)

11, Euljiro2-ga Jung-gu
Seoul 100-999, Korea

(Address of principal executive offices)

(Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.)

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Note: Regulation S-T Rule 101(b)(1) only permits the submission in paper of a Form 6-K if submitted solely to provide an attached annual report to security holders.

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Note: Regulation S-T Rule 101(b)(7) only permits the submission in paper of a Form 6-K if submission to furnish a report or other document that the registration foreign private issuer must furnish and make public under the laws of the jurisdiction in which the registrant is incorporated, domiciled or legally organized (the registrant's home country), or under the rules of the home country exchange on which the registrant's securities are traded, as long as the report or other document is not a press release, is not required to be and has not been distributed to the registrant's security holders, and if discussing a material event, has already been the subject of a Form 6-K submission or other Commission filing on EDGAR.

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934. Yes No

If Yes is marked, indicate below the file number assigned to the Registrant in connection with Rule 12g3-2(b):
82-_____

Table of Contents

QUARTERLY BUSINESS REPORT

(From January 1, 2009 to March 31, 2009)

THIS IS A SUMMARY OF THE QUARTERLY REPORT ORIGINALLY PREPARED IN KOREAN AND IS IN SUCH FORM AS REQUIRED BY THE KOREAN FINANCIAL SERVICES COMMISSION.

IN THE TRANSLATION PROCESS, SOME PARTS OF THE REPORT WERE REFORMATTED, REARRANGED OR SUMMARIZED FOR THE CONVENIENCE OF READERS.

UNLESS EXPRESSLY STATED OTHERWISE, ALL INFORMATION CONTAINED HEREIN IS PRESENTED ON A NON-CONSOLIDATED BASIS IN ACCORDANCE WITH ACCOUNTING PRINCIPLES GENERALLY ACCEPTED IN KOREA, OR KOREAN GAAP, WHICH DIFFER IN CERTAIN RESPECTS FROM GENERALLY ACCEPTED ACCOUNTING PRINCIPLES IN CERTAIN OTHER COUNTRIES, INCLUDING THE UNITED STATES. WE HAVE MADE NO ATTEMPT TO IDENTIFY OR QUANTIFY THE IMPACT OF THESE DIFFERENCES.

Contents

- I. Company Overview
- II. Business
- III. Financial Information
- IV. Auditor's Opinion
- V. Corporate Organization including Board of Directors and Affiliated Companies
- VI. Shareholders Information
- VII. Employees
- VIII. Transactions with Parties Having Interests
- IX. Other Information Relating to the Protection of Investors

Attachment: Korean GAAP Non-consolidated Financial Statements

Table of Contents**I. COMPANY OVERVIEW****1. Company Overview**

A. Corporate Legal Business Name: SK Telecom Co., Ltd. (The Company)

B. Date of Incorporation: March 29, 1984

C. Location of Headquarters

(1) Address: 11 Euljiro 2-ga, Jung-gu, Seoul, Korea

(2) Phone: +82-2-6100-2114

(3) Website: <http://www.sktelecom.com>

D. Corporate Purpose of the Company

Business Objectives

1. Information and communication business

2. Handset sales and lease business

3. New media business

4. Advertisement business

5. Communication sales business

6. Personal property and real property lease business

7. Research and technology development related to Clause 1 through 4

8. Overseas business and trading business related to Clause 1 through 4

9. Manufacturing and distribution business related to Clause 1 through 4

10. Tourism

11. Electronic financial business

12. Motion picture business (Production, Importation, Distribution, Screening)

13. Any business or undertaking incidental or conducive to the attainment of the objects above

E. Credit Ratings

(1) Corporate Bonds

Credit rating date	Subject of valuation	Credit rating	Credit rating entity (Credit rating range)	Evaluation classification
June 13, 2006	Corporate bond	AAA	Korea Information Services, Inc.	Regular valuation
June 21, 2006	Corporate bond	AAA	Korea Ratings	Regular valuation
June 22, 2006	Corporate bond	AAA	Korea Investors Service, Inc.	Regular valuation
September 1, 2006	Corporate bond	AAA	Korea Information Services, Inc.	Current valuation
September 1, 2006	Corporate bond	AAA	Korea Ratings	Current valuation
September 1, 2006	Corporate bond	AAA	Korea Investors Service, Inc.	Current valuation
October 27, 2006	Corporate bond	AAA	Korea Information Services, Inc.	Current valuation

Table of Contents

Credit rating date	Subject of valuation	Credit rating	Credit rating entity (Credit rating range)	Evaluation classification
October 27, 2006	Corporate bond	AAA	Korea Ratings	Current valuation
May 29, 2007	Corporate bond	AAA	Korea Ratings	Regular valuation
June 14, 2007	Corporate bond	AAA	Korea Information Services, Inc.	Regular valuation
June 27, 2007	Corporate bond	AAA	Korea Investors Service, Inc.	Regular valuation
November 5, 2007	Corporate bond	AAA	Korea Ratings	Current valuation
November 5, 2007	Corporate bond	AAA	Korea Information Services, Inc.	Current valuation
November 5, 2007	Corporate bond	AAA	Korea Investors Service, Inc.	Current valuation
February 20, 2008	Corporate bond	AAA	Korea Ratings	Current valuation
February 21, 2008	Corporate bond	AAA	Korea Investors Service, Inc.	Current valuation
February 21, 2008	Corporate bond	AAA	Korea Information Services, Inc.	Current valuation
June 3, 2008	Corporate bond	AAA	Korea Ratings	Regular valuation
June 17, 2008	Corporate bond	AAA	Korea Investors Service, Inc.	Regular valuation
June 30, 2008	Corporate bond	AAA	Korea Information Services, Inc.	Regular valuation
October 20, 2008	Corporate bond	AAA	Korea Ratings	Current valuation
October 20, 2008	Corporate bond	AAA	Korea Investors Service, Inc.	Current valuation
October 20, 2008	Corporate bond	AAA	Korea Information Services, Inc.	Current valuation
January 13, 2009	Corporate bond	AAA	Korea Ratings	Current valuation
January 13, 2009	Corporate bond	AAA	Korea Investors Service, Inc.	Current valuation
January 13, 2009	Corporate bond	AAA	Korea Information Services, Inc.	Current valuation
February 23, 2009	Corporate bond	AAA	Korea Ratings	Current valuation
February 23, 2009	Corporate bond	AAA	Korea Investors Service, Inc.	Current valuation
February 23, 2009	Corporate bond	AAA	Korea Information Services, Inc.	Current valuation

*

Rating

definition: AAA

The certainty of principal and interest payment is at the highest level with extremely low investment risk, and is stable in that there is no influence of any environmental change under reasonable expectation conditions.

(2) Commercial Paper (CP)

Credit rating date	Subject of valuation	Credit rating	Credit rating entity (Credit rating range)	Evaluation classification
June 13, 2006	CP	A1	Korea Information Services, Inc.	Current valuation
June 21, 2006	CP	A1	Korea Ratings	Current valuation
June 22, 2006	CP	A1	Korea Investors Service, Inc.	Current valuation

Table of Contents

Credit rating date	Subject of valuation	Credit rating	Credit rating entity (Credit rating range)	Evaluation classification
September 1, 2006	CP	A1	Korea Ratings	Regular valuation
December 27, 2006	CP	A1	Korea Information Services, Inc.	Regular valuation
December 27, 2006	CP	A1	Korea Investors Service, Inc.	Regular valuation
May 29, 2007	CP	A1	Korea Ratings	Current valuation
June 14, 2007	CP	A1	Korea Information Services, Inc.	Current valuation
June 27, 2007	CP	A1	Korea Investors Service, Inc.	Current valuation
November 5, 2007	CP	A1	Korea Ratings	Regular valuation
November 5, 2007	CP	A1	Korea Information Services, Inc.	Regular valuation
November 5, 2007	CP	A1	Korea Investors Service, Inc.	Regular valuation
June 3, 2008	CP	A1	Korea Ratings	Current valuation
June 16, 2008	CP	A1	Korea Information Services, Inc.	Current valuation
June 17, 2008	CP	A1	Korea Investors Service, Inc.	Current valuation
October 20, 2008	CP	A1	Korea Ratings	Regular valuation
October 20, 2008	CP	A1	Korea Investors Service, Inc.	Regular valuation
October 20, 2008	CP	A1	Korea Information Services, Inc.	Regular valuation

* Rating definition: A1 Timely repayment capability is at the highest level with extremely low investment risk, and is stable in that there is no influence of any environmental change under reasonable expectation conditions.

(3) International Credit Ratings

Credit rating Credit rating company

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Date of credit rating	Subject of valuation	of securities	(Credit rating range)	Evaluation type
July 9, 2007	Global Bonds	A	Fitch (England)	Current valuation
July 9, 2007	Global Bonds	A2	Moody s (U.S.A.)	Current valuation
July 9, 2007	Global Bonds	A	S&P (U.S.A.)	Current valuation
April 7, 2009	Offshore Exchangeable Notes	A	Fitch (England)	Current valuation
April 7, 2009	Offshore Exchangeable Notes	A2	Moody s (U.S.A.)	Current valuation
April 7, 2009	Offshore Exchangeable Notes	A	S&P (U.S.A.)	Current valuation

Table of Contents

2. Company History

A. Location of Headquarters

22 Dohwa-dong, Mapo-gu, Seoul (July 11, 1988)

16-49 Hangang-ro 3-ga, Yongsan-gu, Seoul (November 19, 1991)

267 Namdaemun-ro 5-ga, Jung-gu, Seoul (June 14, 1995)

99 Seorin-dong, Jongro-gu, Seoul (December 20, 1999)

11 Euljiro 2-ga, Jung-gu, Seoul (December 13, 2004)

B. Significant Changes in Management

At the 25th General Shareholders Meeting held on March 13, 2009, Man Won Jung was elected as CEO and Jae Won Chey from within the Company was elected a Director while Hyun Chin Lim from outside the Company was re-elected as a Director. Directors Young Ho Park and Shin Bae Kim from within the Company resigned from the Board on March 12, and on March 13, respectively.

C. Other Important Matters related to Management Activities

(1) Resolution to issue registered offshore unsecured convertible bonds.

In accordance with the resolution of the Board of Directors on March 13, 2009, the Company decided to issue offshore registered, unsecured convertible bonds in order to refinance its maturing offshore unsecured convertible bonds (maturity date: May 27, 2009) originally issued in May of 2004. Details related to the said offshore unsecured convertible bonds to be issued are as follows:

Face value of the Convertible Bonds (CB)	US\$ 332,528,000 (Won 460, 019 million)
Interest and Payment Terms of the CB	Coupon Rate of 1.75% payable semi-annually
Maturity of the CB	April 7, 2014
Conversion Price and Ratio	Won 230,010 per share, 100%
Shares to be Converted	Registered Common (Treasury) Shares issued by the Company
Conversion Period	From May 18, 2009 to March 28, 2014

Table of Contents**3. Total Number of Shares**

A. Total number of shares

(As of March 31, 2009)

Classification	Share type		Total	Remarks
	Common shares			
I. Total number of authorized shares	220,000,000		220,000,000	
II. Total number of shares issued to date	89,278,946		89,278,946	
III. Total number of shares retired to date	8,533,235		8,533,235	
1. Capital reduction				
2. Share cancellation	8,533,235		8,533,235	
3. Redeemed shares				
4. Others				
IV. Total number of shares (II-III)	80,745,711		80,745,711	
V. Number of treasury shares	8,400,708		8,400,708	
VI. Number of shares outstanding (IV-V)	72,345,003		72,345,003	

* On January 9, 2009, the Company purchased (using retained earnings) and cancelled 448,000 shares of its treasury stock to stabilize its common share price. As the result of such retirement of treasury stock, the total number of outstanding shares decreased to 80,745,711.

Table of Contents

B. Treasury Stock

(1) Acquisitions and Dispositions of Treasury Stocks

(As of March 31, 2009)

(Unit: Shares)

Acquisition methods pursuant to Article 165-2 of the relevant Act ¹	Type of shares	At the		Changes Disposed Retired (-)	At the end of period	Remarks
		beginning of period	Acquired (+)			
Direct acquisition based on reasons other than those stipulated in Article 165-2 of the relevant Act ³	Common shares	4,704,828	179,200 ₂	448,000	4,436,028	
	Preferred shares					
Sub-total	Common shares	4,782,798	179,200	448,000	4,513,998	
	Preferred shares					
Indirect acquisition through trust and other agreements	Common shares	3,886,710			3,886,710	
	Preferred shares					
Total	Common shares	8,669,508	179,200	448,000	8,400,708	
	Preferred shares					

¹ The relevant Act in the above table refers to Financial Investment Services and Capital Markets Act of Korea (FSCMA)

² The 179,200 shares of

treasury stock
directly
acquired
pursuant to
Article 165-2 of
the FSCMA
were acquired
for the purpose
of retirement;
the retirement of
such stock was
completed on
January 9, 2009.

³ Of the
4,513,998
shares of
directly
acquired
treasury stock,
3,371,804
shares were
deposited with
Korea Securities
Depository to be
used in
exchange for the
Company's
offshore
exchangeable
bonds. (As of
April 7, 2009)

Table of Contents

(2) Retirement of Treasury Stock

(Unit: in millions of Won, Shares)

Retired Date	Retirement Purpose of Share Price	Type of Share	Quantity	Monetary Amount	Acquisition Period of Retired Shares	Remarks
			Retired (shares)	Retired (in millions of Won)	Retired	
January 9, 2009	Stabilization of Share Price	Common	448,000	92,476	December 2, 2008 January 7, 2009	
Total		Common Preferred	448,000	92,476		

(3) Trust Agreements Execution relating to Treasury Stocks, Etc.

(Amounts: in millions of Won)

Category Specified Money	At Start of Period	Executed (+)	Cancelled (-)	At End of Period		Remark	
	Amount	No. of Transactions	Amount	No. of Transactions	Amount		No. of Transactions
Trust	982,000	4			982,000	4	1. Extension Date: Oct. 26, 2007 Extension Amount: Won 631,200
Trust Contracts with Asset Management Companies							2. Extension Date: October 29, 2007 Extension Amount: Won 350,800
Acquisition Contracts with Investment Companies							
Total	982,000	4			982,000	4	

Table of Contents**4. Status of Voting Rights**

(As of March 31, 2009)

	Classification	Number of shares	(Unit: shares)	Remarks
Total outstanding shares (A)	Common share	80,745,711		
	Preferred share			
Number of shares without voting rights (B)	Common share	8,400,708		Treasury shares
	Preferred share			

Shares with restricted voting rights under the Korean law (C)**Shares with reestablished voting rights (D)**

The number of shares with exercisable voting rights (E = A - B - C + D)	Common share	72,345,003		
	Preferred share			

5. Dividends and Others**A. Dividends**

(1) Distribution of cash dividends was approved during the 22nd General Meeting of Shareholders held on March 10, 2006.

Distribution of cash dividends per share of Won 8,000 (exclusive of interim dividend of Won 1,000) was approved.

(2) Distribution of interim dividends of Won 1,000 was approved during the 270th Board of Directors Meeting on July 28, 2006.

(3) Distribution of cash dividends was approved during the 23rd General Meeting of Shareholders held on March 9, 2007.

Distribution of cash dividends per share of Won 7,000 (exclusive of an interim dividend of Won 1,000) was approved.

(4) Distribution of interim dividends of Won 1,000 was approved during the 283rd Board of Directors Meeting on July 27, 2007.

(5) Distribution of cash dividends was approved during the 24th General Meeting of Shareholders held on March 14, 2008.

Distribution of cash dividends per share Won 8,400 (exclusive of an interim dividend of Won 1,000) was approved.

Table of Contents

(6) Distribution of interim dividends of Won 1,000 was approved during the 295th Board of Directors Meeting on July 18, 2008.

(7) Distribution of cash dividends was approved during the 25th General Meeting of Shareholders held on March 13, 2009.

Distribution of cash dividends per share of Won 8,400 (exclusive of an interim dividend of Won 1,000) was approved.

B. Dividends for the Last 3 Fiscal Years

		(Unit: in millions of Won, except per share value)		
Classification		2008 (25th)	2007 (24th)	2006 (23rd)
Par value per share (Won)		500	500	500
Current Period's net income		1,277,658	1,642,451	1,446,598
Net income per share (Won)		17,559	22,607	19,734
Total cash dividend		681,996	682,379	582,386
Total stock dividends				
Percentage of cash dividend to available income (%)		53.4	41.5	40.3
Cash dividend yield ratio (%)	Common share Preferred share	4.5	3.8	3.6
Stock dividend yield ratio (%)	Common share Preferred share			
Cash dividend per share (Won)	Common share Preferred share	9,400	9,400	8,000
Stock dividend per share (share)	Common share Preferred share			

* Total cash dividend of Won 681,996 million for the year ended December 31, 2008 includes the total interim dividend amount of Won 72,793 million, and the cash dividend

amount per
share of Won
9,400 includes
the interim cash
dividend
amount of Won
1,000.

* Total cash
dividend of
Won
682,379 million
for the year
ended
December 31,
2007 includes
the total interim
dividend
amount of Won
72,667 million,
and the cash
dividend
amount per
share of Won
9,400 includes
the interim cash
dividend
amount of Won
1,000.

* Total cash
dividend of
Won
582,386 million
for the year
ended
December 31,
1006 includes
the total interim
dividend
amount of Won
73,714 million,
and the cash
dividend
amount per
share of Won
8,000 includes
the interim cash
dividend
amount of Won
1,000.

Table of Contents**II. BUSINESS****1. Business Overview****A. Industry Characteristics**

As of March 31, 2009, the number of domestic mobile phone subscribers reached 46.2 million and with a 95.1% penetration rate, and the Korean mobile communication market can be considered to have reached its maturation stage. However, considering the number of European countries with penetration rates exceeding 100%, additional future growth of the domestic market may be possible.

The Korean mobile communications market continues to improve with the help of advances in network-related technology evidenced by the world's first commercialization of CDMA2000 1x, CDMA 1x EV-DO, and the development of highly advanced handsets that enables the provision of convergence services for multimedia contents, mobile commerce, telematics, satellite DMB, digital home services and other related contents.

B. Growth Potential

(Unit: 1,000 persons)

Classification	March 31, 2009	As of December 31,				
		2008	2007	2006	2005	
Penetration rate (%)	95.1	93.8	89.8	83.2	79.4	
Number of subscribers	SK Telecom	23,348	23,032	21,968	20,271	19,530
	Others (KTF, LGT)	22,887	22,575	21,529	19,926	18,812
	Total	46,235	45,607	43,497	40,197	38,342

(Source: Korea Communications Commission website)

C. Domestic and Overseas Market Conditions

The Korean mobile communication market includes the entire population of Korea with mobile communication service needs, and almost every Korean is considered a potential user. Although demand has primarily been in the domestic market, as the business territory expands to overseas market, the size of overseas sales is expected to grow in the near future. Seasonal and economic fluctuations have much less impact on the Korean mobile communication market compared to other industries.

Historical market share of the Company

(As of March 31, 2009)

(Unit: %)

Classification	March 31, 2009	As of December 31,		
		2008	2007	2006
Mobile communication services	50.5	50.5	50.5	50.4

Comparative market share

(As of March 31, 2009)

(Unit: %)

Classification	SK Telecom	KTF	LG Telecom
Market share	50.5	31.5	18.0

Table of Contents

(Source: Korea Communications Commission website)

2. Major Products & Services

A. Updates on Major Products

(Unit: in millions of Won, %)

Business fields Information and communication	Sales type Services	Item Mobile communication Others	Specific Usage Mobile Phone	Major trademarks June, NATE and others Others	Sales amount (ratio)
					2,833,035 (98.5%)
					43,426 (1.5%)

B. Price Fluctuation Trend of Major Products

Based on standard rates, the basic service fee is Won 13,000 and the usage fee per 10 seconds is Won 20. The rates are the same for 2007 and 2008.

3. Investment Status

A. Investment in Progress

(Unit: in 100 millions of Won)

Business field	Classification	Investment period	Subject of investment	Investment effect	Total investments	Amount already invested	Future investment
Network/Common	Upgrade/ New installation	2009	Network, systems and others	Capacity increase and quality improvement; systems improvement	To be determined	3,484	To be determined
	Total				To be determined	3,484	To be determined

B. Future Investment Plan

(Unit: in 100 millions of Won)

Business field	Asset type	Expected investment amount	Expected investment for each year			Investment effect
		Amount	2009	2010	2011	
Network/Common	Network, systems and others	To be determined	To be determined	To be determined	To be determined	Upgrades to the existing services and provision of new services
	Total	To be determined	To be determined	To be determined	To be determined	Upgrades to the existing services and provision of new services

Table of Contents**4. Revenues**

(Unit: in millions of Won)

Business field	Sales type	Item	1Q 2009	2008	2007	
Information and communication	Services	Mobile communication	Export			
			Domestic	2,833,035	11,492,832	11,083,821
		Subtotal	2,833,035	11,492,832	11,083,821	
		Export	802	5,855	4,101	
	Others	Domestic	Export	42,624	175,975	197,979
			Subtotal	43,426	181,830	202,080
		Export	802	5,855	4,101	
		Subtotal	43,426	181,830	202,080	
	Total	Domestic	2,875,659	11,668,807	11,281,800	
		Total	2,876,461	11,674,662	11,285,901	

5. Derivative Transactions

In order to hedge risks related to fluctuations in currency exchange rates and interest rates, the Company enters into currency exchange swap contracts and interest rate swap contracts. The income or loss generated from the derivatives contracts is recognized as the gains/losses for the current period or other comprehensive income/loss, in accordance with Korean GAAP. Fair value of our derivatives is calculated using our transaction bank's valuations. In accordance with the derivatives contracts, our estimated gain/loss on the date of expiration is 0.

A. FX SWAP

(1) Purpose of Contracts: Currency Exchange or Interest Rate Risk Hedging

(2) Contract Terms

Currency swap contract applying cash flow risk hedge accounting

The Company has entered into a fixed-for-fixed cross currency swap contracts with three banks including Citibank in order to hedge the foreign currency risk of unguaranteed U.S. dollar denominated bonds (face amounts totaling US\$ 300,000,000) issued on April 1, 2004. As of March 31, 2009, in connection with unsettled foreign currency swap contracts to which the cash flow risk hedge accounting is applied, an accumulated loss on valuation of derivatives amounting to Won 15,792,434,000 (excluding tax effect totaling Won 4,995,311,000 and foreign exchange translation loss arising from unguaranteed U.S. dollar

Table of Contents

denominated bonds totaling Won 68,198,313,000) was accounted for as accumulated other comprehensive loss. In addition, the Company has entered into a floating-to-fixed cross currency swap contract with Calyon to hedge the foreign currency risk and the interest rate risk of U.S. dollar denominated long-term borrowings with face amounts totaling US\$ 100,000,000 borrowed on October 10, 2006. As of March 31, 2009, in connection with unsettled cross currency interest rate swap contracts to which the cash flow risk hedge accounting is applied, an accumulated loss on valuation of derivatives amounting to Won 11,529,616,000 (excluding tax effect totaling Won 2,810,085,000 and foreign exchange translation loss arising from U.S. dollar denominated long-term borrowings totaling Won 42,910 million) was accounted for as accumulated other comprehensive loss.

In addition, the Company has entered into a floating-to-fixed cross currency swap contract with two banks including HSBC in order to hedge the foreign currency risk and the interest rate risk of unguaranteed Japanese yen dominated bonds (56-2) with face amounts totaling JPY 12,500,000,000 issued on November 13, 2007. As of March 31, 2009, in connection with unsettled cross currency interest rate swap contracts to which the cash flow risk hedge accounting is applied, an accumulated loss on valuation of derivatives amounting to Won 336,668,000 (net of tax effect totaling Won 1,621,602,000 and foreign exchange translation loss arising from unguaranteed Japanese yen dominated bonds totaling Won 72,774,136,000) was accounted for as accumulated other comprehensive loss.

In addition, the Company has entered into a floating-to-fixed cross currency swap contract with two banks including DBS in order to hedge the foreign currency risk and interest rate risk of U.S. dollar denominated bonds with face amounts totaling US\$ 150,000,000 issued on November 20, 2008. As of March 31, 2008, in connection with unsettled cross currency interest rate swap contracts to which the cash flow risk hedge accounting is applied, an accumulated loss on valuation of derivatives amounting to Won 27,348,000 (net of tax effect totaling Won 7,714,000 and foreign exchange translation gain arising from U.S. dollar denominated bonds totaling Won 10,690,784,000) was accounted for as accumulated other comprehensive loss.

In addition, the Company has entered into a floating-to-fixed cross currency swap contract with Mizuho Corporate Bank in order to hedge the foreign currency risk and the interest rate risk of un-guaranteed Japanese yen dominated bonds (59-2) with face amounts totaling JPY 3,000,000,000 issued on January 22, 2009. As of March 31, 2009, in connection with unsettled cross currency interest rate swap contracts to which the cash flow risk hedge accounting is applied, an accumulated loss on valuation of derivatives amounting to Won 174,182,000 (net of tax effect totaling Won 49,128,000 and foreign exchange translation gain arising from unguaranteed Japanese yen dominated bonds totaling Won 3,691,397,000) was accounted for as accumulated other comprehensive loss.

Table of Contents

In addition, the Company has entered into a floating-to-fixed cross currency swap contract with The Bank of Tokyo-Mitsubishi in order to hedge the foreign currency risk and the interest rate risk of un-guaranteed Japanese yen dominated bonds (60-2) with face amounts totaling JPY 5,000,000,000 issued on March 5, 2009. As of March 31, 2009, in connection with unsettled cross currency interest rate swap contracts to which the cash flow risk hedge accounting is applied, an accumulated loss on valuation of derivatives amounting to Won 2,053,180,000 (net of tax effect totaling Won 579,103,000 and foreign exchange translation gain arising from unguaranteed Japanese yen dominated bonds totaling Won 7,875,519,000) was accounted for as accumulated other comprehensive loss.

Currency swap contract to which the fair value hedge accounting is applied

The Company has entered into a fixed-for-fixed cross currency swap contract with 10 banks including Hana Bank in order to hedge the foreign exchange risk of U.S. dollar denominated equity securities of China Unicom stocks. In connection with unsettled foreign currency swap contracts to which the fair value accounting is applied, losses on valuation of currency swaps of Won 179,141,150,000 and Won 82,296,215,000 for the quarter ended March 31, 2009 and the preceding quarter respectively were charged to current operations.

Currency swap contract to which the hedge accounting is not applied

The Company has entered into a fixed-to-fixed cross currency swap contract with Credit Suisse First Boston International in order to hedge the foreign currency risk of unguaranteed U.S. dollar dominated convertible bonds with face amounts of US\$ 100,000,000 issued on May 27, 2004. In connection with unsettled cross currency swap contracts to which no hedge accounting is applied, a gain on valuation of currency swap of Won 13,282,483,000 for the quarter ended March 31, 2009 and a gain on valuation of currency swap of Won 5,608,244,000 for the preceding quarter ended December 31, 2008 were charged to current operations.

In addition, the Company has entered into fixed-for-fixed cross currency swap contract with three banks including Morgan Stanley to hedge the foreign currency risk of unguaranteed U.S. dollar denominated bonds (with face amounts totaling US\$400,000,000) issued on July 20, 2007. In connection with unsettled foreign currency swap contracts to which the hedge accounting is not applied, a loss on valuation of currency swap of Won 42,481,273,000 and a gain on valuation of currency swap of Won 12,743,118,000 for the quarter ended March 31, 2009 and the preceding quarter respectively were charged to current operations.

B. Interest Rate Swap

(1) Purpose of Contracts: Interest Rate Risk Hedging

(2) Contract Terms

Table of Contents

Interest rate swap contract to which the cash flow risk hedge accounting is applied:
The Company has entered into a floating-to-fixed interest rate swap contract with Shinhan Bank to hedge the interest rate risk of floating rate discounted bill with face amounts totaling Won 200,000 million borrowed on June 29, 2006. As of March 31, 2009, in connection with unsettled interest rate swap contracts to which the cash flow risk hedge accounting is applied, an accumulated loss on valuation of derivatives amounting to Won 3,710,449,000 (net of tax effect totaling Won 1,046,537,000) was accounted for as accumulated other comprehensive loss.
In addition, the Company has entered into a floating-to-fixed interest rate swap contract with three banks including Nonghyup Bank in order to hedge the interest rate risk of long-term floating rate borrowings (totaling Won 500 billion) borrowed between July 28, 2008 and August 13, 2008. As of March 31, 2009, in connection with unsettled interest rate swap contracts to which the cash flow risk hedge accounting is applied, an accumulated loss on valuation of derivatives amounting to Won 20,754,959,000 (net of tax effect totaling Won 5,853,963,000) was accounted for as accumulated other comprehensive loss.

6. Major Contracts

Category	Vendor	Start Date	Completion Date	Contract Title	Contract Amount (Won 100M)
Product	TU Media, ltd.	Feb. 23, 2009	December 31, 2009	2009 Satellite DMB Service	1,008
Service	SKC&C	Feb. 26, 2009	December 31, 2009	Collaboration Contract 2009 IT SM Contract	2,079
			Subtotal		3,087

* Selected among contracts exceeding Won 300 million and classified by product and service.

7. R&D Investments

Category	1Q 2009	2008	2007	Remarks
Raw material	3,498	89,176	96,217	
Labor	18,942,040	38,062,791	39,388,760	
Depreciation	31,992,413	138,511,764	129,208,262	
Commissioned service	15,804,513	85,836,738	90,363,645	
Others	7,036,982	34,539,984	37,609,969	
Total R&D costs	73,779,446	297,040,453	296,666,853	
Accounting				
Sales and administrative expenses	73,277,576	293,443,380	288,519,863	
Development expenses (Intangible assets)	501,870	3,597,072	8,146,990	
R&D cost / sales amount ratio (Total R&D costs / Current sales amount×100)	2.56%	2.54%	2.63%	

Table of Contents

8. Other information relating to investment decisions

A. Trademark Policies

The Company manages its corporate brand and other product brands such as T in a comprehensive way to protect and increase their value.

The Company's Brand Management Council in charge of overseeing its systematic corporate branding operates full time to execute decisions involving major brands and operates Brandnet, an intranet system to manage corporate brands which provide solutions including licensing of the brands and downloading of the Company logos.

B. Business-related Intellectual Properties

The Company owns intellectual property rights to the design of alphabet T. The rights are based on domestic trademark laws and the Company has proprietary and exclusive use of the trademark for 10 years and the rights are renewable. The designed alphabet T is registered in all business categories (total of 45) and is being used as the primary brand of the Company.

Table of Contents**III. FINANCIAL INFORMATION****1. Unaudited Summary Financial Information (Unconsolidated)**

(Unit: in millions of Won)

Classification / Fiscal Year	For the	As of and for the year ended December 31,				
	Quarter ended March 31,	2009	2008	2007	2006	2005
Current assets		4,880,715	3,990,503	4,094,059	4,189,325	4,172,485
Quick assets		4,863,604	3,976,576	4,075,378	4,172,887	4,166,500
Inventory		17,111	13,927	18,681	16,438	5,985
Non-current assets		14,352,231	14,626,992	14,038,451	11,624,728	10,349,191
Investments		5,464,007	5,668,127	5,940,045	3,547,942	2,366,760
Property and Equipment		4,689,984	4,698,214	4,594,413	4,418,112	4,595,884
Intangible assets		2,856,430	2,941,592	3,174,942	3,405,158	3,386,547
Other non-current assets		1,341,809	1,319,059	329,051	253,516	
Total assets		19,232,946	18,617,495	18,132,510	15,814,053	14,521,676
Current liabilities		4,467,527	3,412,490	2,484,548	2,985,620	2,747,268
Non-current liabilities		4,628,503	4,475,998	4,221,016	3,522,006	3,516,528
Total liabilities		9,096,030	7,888,488	6,705,564	6,507,626	6,263,796
Capital		44,639	44,639	44,639	44,639	44,639
Capital surplus		2,958,132	2,957,095	2,954,829	2,962,699	2,966,198
Capital adjustment		(-)2,068,694	(-)2,147,530	(-)2,072,486	(-)2,019,568	(-)2,022,817
Other Cumulative Profit and Loss		142,795	373,784	1,594,099	473,904	
Retained earnings		9,060,044	9,501,018	8,905,865	7,844,753	7,269,861
Total stockholders equity		10,136,916	10,729,007	11,426,946	9,306,427	8,257,881
Sales		2,876,461	11,674,662	11,285,900	10,650,952	10,161,129
Operating Profit (or Loss)		564,007	2,059,896	2,171,543	2,584,370	2,653,570
Profit (or Loss) from continuing operation before income tax		316,748	1,277,658	1,642,451	1,446,598	1,871,380
Current Period's Net Profit (or Loss) before income tax		316,748	1,277,658	1,642,451	1,446,598	1,871,380

(Unit: Won)

Classification / Fiscal Year	For the	For the year ended December 31,				
	Quarter ended March 31,	2009	2008	2007	2006	2005
Earnings per share		4,378	17,559	22,607	19,734	25,421
Diluted earnings per share		4,335	17,395	22,289	19,458	25,015

Table of Contents**2. Unaudited Summary Financial Information (Consolidated)**

(Unit: in millions of Won)

Classification / Fiscal Year	As of and for the year ended December 31,				
	2008	2007	2006	2005	2004
Current assets	5,422,447	4,813,072	4,663,962	4,598,580	4,390,692
Quick assets	5,387,473	4,766,020	4,644,184	4,590,796	4,338,371
Inventory	34,974	47,052	19,778	7,784	52,321
Non-current assets	17,051,224	14,235,863	11,576,006	10,106,193	9,892,665
Investments	4,025,429	5,446,711	3,236,783	1,989,934	1,665,841
Property and Equipment	7,437,689	4,969,353	4,507,335	4,663,369	4,703,922
Intangible assets	3,978,145	3,433,962	3,518,411	3,452,889	3,522,903
Other non-current assets	1,609,961	385,836	313,477		
Total assets	22,473,671	19,048,935	16,239,968	14,704,772	14,283,358
Current liabilities	4,628,821	3,016,874	3,208,416	2,863,373	3,066,893
Non-current liabilities	6,020,410	4,344,428	3,548,464	3,513,860	4,010,721
Total liabilities	10,649,231	7,361,302	6,756,880	6,377,233	7,077,614
Capital	44,639	44,639	44,639	44,639	44,639
Capital surplus	2,958,854	2,956,106	2,950,327	2,954,840	2,968,301
Capital adjustment	(-)2,159,389	(-)2,072,723	(-)2,019,567	(-)2,048,515	(-)2,058,292
Other Cumulative Profit/Loss	356,192	1,591,258	490,010		
Retained earnings	9,448,185	8,914,970	7,847,434	7,267,649	6,152,898
Total stockholders equity	11,824,440	19,048,935	9,483,088	8,327,540	7,205,743
Sales	14,020,984	11,863,357	11,027,977	10,721,820	10,570,615
Operating Profit (or Loss)	1,752,468	2,101,955	2,621,132	2,670,616	2,439,749
Profit (or Loss) from continuing operation before tax	972,338	1,562,265	1,449,552	1,868,307	1,493,414
Current Period's Net Profit before tax	972,338	1,562,265	1,449,552	1,868,307	1,493,414

(Unit: Won)

Classification / Fiscal Year	For the year ended December 31,				
	2008	2007	2006	2005	2004
Earnings per share in Majority Interest	16,707	22,696	19,801	25,443	20,261
Diluted earnings per share in Majority Interest	16,559	22,375	19,523	25,036	20,092

Table of Contents**IV. AUDITOR S OPINION****1. Auditor**

Quarter ended March 31, 2009 Deloitte Anjin LLC	2008 Deloitte Anjin LLC	Year ended December 31, 2007 Deloitte Anjin LLC	2006 Deloitte Anjin LLC
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2. Audit Opinion

Term	Auditor s opinion	Issues noted
Quarter ended March 31, 2009	Appropriate	
Quarter ended March 31, 2008	Appropriate	
Year ended December 31, 2008	Appropriate	
Year ended December 31, 2007	Appropriate	

3. Remuneration for Independent non-executive Auditors for the Past Three Fiscal Years**A. Audit Contracts**

(Unit: in thousands of Won)

Term	Auditors	Contents	Fee	Total hours
Quarter ended March 31, 2009	Deloitte Anjin LLC	Semi-annual review		
		Quarterly review		
		Non-consolidated financial statements audit	1,275,000	13,709
Year ended December 31, 2008	Deloitte Anjin LLC	Consolidated financial statements audit		
		Semi-annual review		
		Quarterly review		
Year ended December 31, 2007	Deloitte Anjin LLC	Non-consolidated financial statements audit	1,310,097	13,346
		Consolidated financial statements audit		
		Semi-annual review		
Year ended December 31, 2007	Deloitte Anjin LLC	Quarterly review		
		Non-consolidated financial statements audit	1,066,318	11,468
		Consolidated financial statements audit		

Table of Contents

B. Non-Audit Services Contract with External Auditors

(Unit: in thousands of Won)

Term	Contract date	Service provided	Service duration	Fee
Year ended December 31, 2008	November 20, 2007	Set up services for agency tax manual	60 days	48,000
	March 3, 2008	Tax adjustment for fiscal year 2007	10 days	33,000
	May 15, 2008	Tax consulting	5 days	7,500
	June 24, 2008	Foreign tax consulting re indirect taxes	4 days	6,000
	August 13, 2008	Tax consulting	10 days	9,400
	November 1, 2008	Tax consulting	4 days	5,000
	November 19, 2008	Tax consulting	10 days	10,800
	November 19, 2008	Review of deferred corporate income tax for 1Q and 2Q	10 days	18,000
	December 24, 2008	Review of deferred corporate income tax for 3Q	3 days	6,000
	December 24, 2008	Tax consulting	3 days	3,600
Year ended December 31, 2007	December 24, 2008	Tax consulting	3 days	3,000
	March 30, 2007	Tax adjustment for fiscal year 2006	10 days	30,000
	September 28, 2007	Tax consulting for denial of deductions for corporate income tax	1 day	2,000
	September 28, 2007	Review of deferred corporate income tax for 1Q and 2Q	6 days	10,000
	September 28, 2007	Tax consulting	5 days	9,000
	December 31, 2007	Review of deferred corporate income tax for 3Q	2 days	5,000
December 31, 2007	Tax consulting	3 days	3,000	

* As of March 31, 2009, there is no non-audit services contract for 2009.

Table of Contents**V. CORPORATE ORGANIZATION INCLUDING BOARD OF DIRECTORS AND AFFILIATED COMPANIES****1. Board of Directors****A. Overview of Board of Directors Composition**

The Company's Board of Directors is comprised of eight members: five non-executive outside directors and three executive directors. Within the Board, there are five Committees: Non-executive Outside Director Nomination Committee, Audit Committee, Compensation Committee, CapEx Review Committee, and Corporate Citizenship Committee.

B. Significant Activities of the Board of Directors

Meeting	Date	Agenda	Approval
300th (the first meeting of 2009)	January 22, 2009	Financial Statements for the year ended December 31, 2008	Approved as proposed
		Annual Business Report for the year ended December 31, 2008	Approved as proposed
		Annual Business Plan and Budgeting for FY 2009	Approved as proposed
301st (the second meeting of 2009)	February 17, 2009	Issuance of Corporate Bonds	Approved as proposed
		Convocation of the 25 th General Meeting of Shareholders	Approved as proposed
		Partnership Agreement with Offshore Private Equity Fund	Approved as proposed
		Election of the Representative Director	Approved as proposed
		Revision to the Regulations for the Board of Directors	Approved as proposed
302nd (the third meeting of 2009)	March 13, 2009	Appointment of Chairman of the Board of Directors	Approved as proposed
		Long-term Financing Plan for Foreign Currency	Approved as proposed
		Issuance of Offshore Exchangeable Bonds and Transfer of Treasury Shares in relation thereto	Approved as proposed
		Asset Management Transaction with Affiliated Company (SK Securities)	Approved as proposed

Meetings	Dates	Outside Directors Attended	Description
The first meeting of 2009 (300th)	January 22, 2009	5 / 5	
The second meeting of 2009 (301st)	February 17, 2009	5 / 5	
The third meeting of 2009 (302nd)	March 13, 2009	5 / 5	

Table of Contents

C. Committees within Board of Directors

(1) Committee Structure

a) Non-executive Outside Director Nomination Committee

(As of March 31, 2009)

Number of Persons	Executive Directors	Members		Remarks
		Executive Directors	Non-executive Outside Directors	
3	Sung Min Ha		Rak Yong Uhm, Jae Ho Cho	Resignation of Executive Director, Shin Bae Kim (March 13, 2009)

* The Non-executive Outside Director Nomination Committee is a committee established under the provisions of the Articles of Incorporation.

b) Compensation Review Committee

(As of March 31, 2009)

Number of Persons	Executive Directors	Members	
		Executive Directors	Non-executive Outside Directors
5			Dal Sup Shim, Rak Yong Uhm, Hyun Chin Lim, Jay Young Chung, Jae Ho Cho

* The Compensation Review Committee is a committee established by the resolution of the Board of Directors.

c) Capex Review Committee

(As of March 31, 2009)

Number of Persons	Executive Directors	Members		Remarks
		Executive Directors	Non-executive Outside Directors	
4	Sung Min Ha		Dal Sup Shim, Rak Yong Uhm, Jay Young Chung	Resignation of Executive Director, Young Ho Park (March 12, 2009)

* The Capex Review Committee is a committee established by the resolution of the Board of Directors.

d) Corporate Citizenship Committee
(As of March 31, 2009)

Number of Persons	Executive Directors	Members	
		Non-executive Outside Directors	Remarks
4	Sung Min Ha	Rak Yong Uhm, Hyun Chin Lim, Jay Young Chung	Resignation of Executive Director, Young Ho Park (March 12, 2009)

Table of Contents

* The Corporate Citizenship Committee is a committee established by the resolution of the Board of Directors.

(2) Activities of the Committees of the Board of Directors (As of March 31, 2009)

Committee Name	Date of Activity	Agenda	Approval	Non-executive Outside Directors	
				Dal Sup Shim (Attendance: 100%)	Hyun Chin Lim (Attendance: 100%)
				Vote	
Non-executive Outside Director Nomination Committee	February 17, 2009	25th General Meeting of Shareholders: Proposal to nominate an Independent Director Hyun Chin Lim	Approved as Proposed	For	For

Committee Name	Date of Activity	Agenda	Approval	Non-executive Outside Directors		
				Dal Sup Shim (Attendance: 100%)	Rak Yong Uhm (Attendance: 100%)	Jay Yung Chung (Attendance: 100%)
				Vote		
CapEx Committee	January 21, 2009	CapEx plan for 2009	Approved as proposed	For	For	For

D. Directors Independence

On February 17, 2009, in the notice of the annual General Meeting of Shareholders, background information on Jae Won Chey, Man Won Jung, Hyun Chin Lim, candidates for the Board of Directors, was publicly disclosed. There was no other nomination by shareholders. For the election of the outside directors, the Company has established the Independent Director Recommendation Committee, which is currently in operation. In the 25th General Meeting of Shareholders held on February 17, 2009, the Committee recommended the outside director candidates.

Name	Outside Director?	Remarks
Sung Min Ha	X	o During the 291 st meeting of the Board of the Directors held on March 14 th , 2008, the Non-Executive Outside Director Nomination Committee was established.
Rak Yong Uhm	0	o Yong Woon Kim's resignation from the directorship on (March 27, 2008) created a void, but he was replaced during the 293 rd meeting of the Board of Directors held on May 30, 2008.

Jae Ho Cho

0

o Director Shin Bae Kim submitted his resignation on March 13, 2009.

Table of Contents**2. Audit System**

The Company's Audit Committee consists of three non-executive outside directors, Dal Sup Shim, Hyun Chin Lim and Jae Ho Cho.

Major activities of the Audit Committee are as follows.

Meeting	Date	Agenda	Approval	Remarks
The first meeting of 2009	January 21, 2009	<ul style="list-style-type: none"> o Issuance of corporate bonds o B2B Contract with TU Media o Evaluation of Internal Accounting Controls based on Auditor's Opinion o 2nd half 2008 Management Audit Results o Reports on Internal Accounting Management system o Reports on 2008 Korean GAAP Audit o Report on Review of Internal Accounting Management System o 2009 Management Audit Plan o Auditor's Report for Fiscal Year 2008 	<ul style="list-style-type: none"> Approved as proposed Approved as proposed 	
The second meeting of 2009	February 16, 2009	<ul style="list-style-type: none"> o Evaluation of Internal Accounting Management System Operation o Appointment of Auditor for FY 2009-2011 o Construction of Mobile Phone Facilities for 2009 o Purchase of Mobile Phone Relay Device for 2009 o Construction of Mobile Phone Facilities for 2009 o 2009 2Q Transactions with SK C&C Co., Ltd. o Long-term Financing Plan for Foreign Currency o Issuance of Offshore Exchangeable Bonds and Transfer of Treasury Shares o Asset Management Transaction with Affiliated Company (SK Securities) o Audit Plan for 2009 o Auditor Fees for 2009 	<ul style="list-style-type: none"> Approved as proposed Approved as proposed Approved as proposed Approved as proposed Approved as proposed Approved as proposed Approved as proposed Approved as proposed 	
The third meeting of 2009	March 13, 2009	<ul style="list-style-type: none"> o 2009 2Q Transactions with SK C&C Co., Ltd. o Long-term Financing Plan for Foreign Currency o Issuance of Offshore Exchangeable Bonds and Transfer of Treasury Shares o Asset Management Transaction with Affiliated Company (SK Securities) o Audit Plan for 2009 o Auditor Fees for 2009 	<ul style="list-style-type: none"> Approved as proposed Approved as proposed Approved as proposed Approved as proposed 	
The fourth meeting of 2009	April 23, 2009	<ul style="list-style-type: none"> o Re-approval of entire Auditor Services for 2009 	<ul style="list-style-type: none"> Approved as proposed Approved as proposed 	

* The line items that do not show approval are for reporting

purposes only.

3. Shareholders Exercises of Voting Rights

A. Voting System and Exercise of Minority Shareholders Rights

Pursuant to the Articles of Incorporation as shown below, the cumulative voting system was first introduced in the General Meeting of Shareholders in 2003.

Articles of Incorporation	Description
Article 32 (3) (Election of Directors)	Cumulative voting under Article 382-2 of the Commercial Code will not be applied for the election of directors.
Article 4 of the 12 th Supplement to the Articles of Incorporation (Interim Regulation)	Article 32 (3) of the Articles of Incorporation shall remain effective until the day immediately preceding the date of the general shareholders meeting of 2003.

Also, neither written electronic voting system nor minority shareholder rights is applicable.

Table of Contents**4. Affiliated Companies****A. Capital Investments between Affiliated Companies**

(As of March 31, 2009)

* Based on common shares

Investing company	Invested companies							
	SK Corporation	SK Energy	SK Networks	SK Telecom	SK Chemicals	SKC	SK E&C	SK Shipping
SK Corporation		33.40%	39.98%	23.22%		42.50%		72.13%
SK Energy								
SK Networks							0.02%	17.71%
SK Telecom								
SK Chemicals							58.03%	
SKC								10.16%
SK E&C								
SK Shipping								
SK Securities								
Walkerhill								
SK C&C	31.82%							
Daehan City Gas								
SK Telink								
SK E&S								
iHQ								
SK D&D								
SK								
Communications								
Solmics Co., Ltd.								
SK Broadband								
Broadband D&M								
SK Marketing & Company								
SK Gas								
Ulreung Mineral Co., Ltd.								
Total affiliated companies	31.82%	33.40%	39.98%	23.22%		42.50%	58.05%	100.00%

Investing companies	Invested companies							
	SK Securities	Walkerhill	SK E&S	SK Gas	SK C&C	K-Pover	DOPCO	CCES
SK Corporation			51.00%	45.53%		65.00%		

Table of Contents

Investing companies	SK		SK	Invested companies		K-Pover	DOPCO	CCES
	Securities	Walkerhill	E&S	SK Gas	SK C&C			
SK Energy							38.28%	
SK Networks	22.71%	50.37%			15.00%		4.61%	
SK Telecom					30.00%			
SK Chemicals		0.25%						
SKC	12.41%	7.50%						
SK E&C								
SK Shipping								
SK Securities								
Walkerhill								
SK C&C								
Daehan City Gas								
SK Telink								
SK E&S								100.00%
iHQ								
SK D&D								
SK Communications								
Solmics Co., Ltd.								
SK Broadband								
Broadband D&M								
SK Marketing & Company								
SK Gas								
Ulreung Mineral Co., Ltd.								
Total affiliated companies	35.12%	58.12%	51.00%	45.53%	45.00%	65.00%	42.89%	100.00%

Investing companies	SK			Invested companies		SK	Busan City Gas	Jeonnam City Gas
	YN Energy	Daehan City Gas	Daehan Engineering	SK Sci-tech	SK NJC			
SK Corporation								
SK Energy								
SK Networks								
SK Telecom							90.77%	
SK Chemicals				50.00%	60.00%			
SKC								
SK E&C								
SK Shipping								
SK Securities								

Table of Contents

Investing companies	YN Energy	Daehan City Gas	Daehan Engineering	Invested companies				
				SK Sci-tech	SK NJC	SK Telink	Busan City Gas	Jeonnam City Gas
Walkerhill								
SK C&C								
Daehan City Gas			100.00%					
SK Telink								
SK E&S	100.00%	47.62%					40.00%	100.00%
iHQ								
SK D&D								
SK Communications								
Solmics Co., Ltd.								
SK Broadband								
Broadband D&M								
SK Marketing & Company								
SK Gas								
Ulreung Mineral Co., Ltd.								
Total affiliated companies	100.00%	47.62%	100.00%	50.00%	60.00%	90.77%	40.00%	100.00%
Investing companies	Gangwon City Gas	OK Cashbag	Chungnam Service	Invested companies				
				SK City Gas	SK Wyverns	SK Infosec	MRO Korea	SK Telesys
SK Corporation								
SK Energy								
SK Networks							51.00%	
SK Telecom					99.99%			
SK Chemicals								
SKC							20.63%	77.13%
SK E&C								
SK Shipping								
SK Securities								
Walkerhill								
SK C&C							48.14%	
Daehan City Gas								
SK Telink								
SK E&S	100.00%	100.00%		100.00%				
iHQ								
SK D&D								

**Total affiliated
companies**

Table of Contents

Investing companies	Invested companies							
	Loen	SK	SK Mobile	SKC Media	iHQ	CU Media	I Film Co.	
SK Corporation								
SK Energy		100.00%	88.34%					
SK Networks								
SK Telecom	63.48%				37.09%			
SK Chemicals								
SKC			11.66%	100.00%				
SK E&C								
SK Shipping								
SK Securities								
Walkerhill								
SK C&C		67.78%						
Daehan City Gas								
SK Telink								
SK E&S								
iHQ						52.52%	45.00%	
SK D&D								
SK Communications								
Solmics Co., Ltd.								
SK Broadband								
Broadband D&M								
SK Marketing & Company								
SK Gas								
Ulreung Mineral Co., Ltd.								
Total affiliated companies	63.48%	67.78%	100.00%	100.00%	100.00%	37.09%	52.52%	45.00%

Investing companies	Invested companies						
	NTREEV	SK	SK	SKC Air Gas	SKN	Nuri	
SK Corporation							
SK Energy							
SK Networks			55.00%	66.67%		100.00%	

Table of Contents

	Invested companies							
	NTREEV	SK	SK	I	SKC Air	SKN	Nuri	
Investing companies	Soft	I-Media	Communication	Ecogreen	Platform	Gas	Service	Solution
SK Telecom	63.70%		64.82%					
SK Chemicals								
SKC						80.00%		
SK E&C								
SK Shipping								
SK Securities								
Walkerhill								
SK C&C								46.32%
Daehan City Gas								
SK Telink			0.67%					
SK E&S								
iHQ								
SK D&D								
SK Communications		100.00%						
Solmics Co., Ltd.								
SK Broadband								
Broadband D&M								
SK Marketing & Company								
SK Gas								
Ulreung Mineral Co., Ltd.								
Total affiliated companies	63.70%	100.00%	65.49%	55.00%	66.67%	80.00%	100.00%	46.32%

	Invested companies						
	Commerce Planet	Reviden Asset	Solmics Co., Ltd.	SK Mecharonic	SK Broadband	Hanar Dream	Broadband Media D&M
Investing companies							
SK Corporation							
SK Energy							
SK Networks							
SK Telecom	100.00%				43.42%		
SK Chemicals							
SKC			48.70%				
SK E&C		99.00%					
SK Shipping							
SK Securities							

Table of Contents

Investing companies	Invested companies							
	Commerce Planet	Reviden Asset	Solmics Co., Ltd.	SK Mecharonic	SK Broadband	Hanaro Dream	Broadband Media	Broadband D&M
Walkerhill								
SK C&C								
Daehan City Gas								
SK Telink								
SK E&S								
iHQ								
SK D&D		1.00%						
SK Communications								
Solmics Co., Ltd.				53.58%				
SK Broadband						36.03%	100.00%	100.00%
Broadband D&M								
SK Marketing & Company								
SK Gas								
Ulreung Mineral Co., Ltd.								
Total affiliated companies	100.00%	100.00%	48.70%	53.58%	43.42%	36.03%	100.00%	100.00%

Investing companies	Invested companies							
	Broadband CS	SK Marketing & Company	UB Care	DOP Service	Ulreung Mineral Co., Ltd.	WS Commerce	Namwon Sarang Electric Power	Incyto
SK Corporation								
SK Energy		50.00%						
SK Networks						100.00%		
SK Telecom		50.00%						
SK Chemicals			43.97%					
SKC								100.00%
SK E&C				4.90%				
SK Shipping								
SK Securities								
Walkerhill								
SK C&C								
Daehan City Gas								
SK Telink								
SK E&S				95.10%				
iHQ								

Table of Contents

Investing companies	SK Marketing				Invested companies			Incyto
	Broadband CS	& Company	UB Care	DOP Service	Ulreung Mineral Co., Ltd.	WS Commerce	Namwon Sarang Electric Power	
SK D&D							100.00%	
SK Communications Solmics Co., Ltd.								
SK Broadband	100.00%							
Broadband D&M								
SK Marketing & Company								
SK Gas					80.36%			
Ulreung Mineral Co., Ltd.								
Total affiliated companies	100.00%	100.00%	43.97%	100.00%	80.36%	100.00%	100.00%	100.00%

Investing companies	Invested companies			
	Jeju United FC	Cross M Insight	MKS Guarantee	Etoos
SK Corporation				
SK Energy	100.00%			
SK Networks				
SK Telecom				
SK Chemicals				
SKC				
SK E&C				
SK Shipping				
SK Securities				
Walkerhill				
SK C&C				
Daehan City Gas				
SK Telink				
SK E&S				
iHQ				
SK D&D			100.00%	
SK Communications Solmics Co., Ltd.				100.00%
SK Broadband				
Broadband D&M				
SK Marketing & Company		100.00%		
SK Gas				
Ulreung Mineral Co., Ltd.	100.00%	100.00%	100.00%	100.00%

**Total affiliated
companies**

Table of Contents**VI. SHAREHOLDERS INFORMATION****1. Shareholdings of the Largest Shareholder and Related Persons****A. Shareholdings of the Largest Shareholder and Related Persons**

(As of March 31, 2009)

(Unit: Shares, %)

Name	Relationship	Type of share	Number of shares owned and ownership ratio			
			Beginning of Period Number of shares	Ownership ratio	End of Period Number of shares	Ownership ratio
SK Corporation	Largest Shareholder	Common share	18,748,452	23.09	18,748,452	23.22
Tae Won Chey	Officer of affiliated company	Common share	100	0.00	100	0.00
Shin Won Chey	Officer of affiliated company	Common share	500	0.00	500	0.00
Shin Bae Kim	Officer of affiliated company	Common share	1,270	0.00	1,270	0.00
Man Won Jung	Director	Common share	0	0.00	100	
Sung Min Ha	Director	Common share	738	0.00	738	0.00
Bang Hyung Lee	Officer of affiliated company	Common share	200	0.00	200	0.00
Total		Common share	18,751,260	23.09	18,751,360	23.22

The table above includes Man Won Jung who was elected as CEO at the March 13, 2009 General Meeting of Shareholders.

Although there has been no change in the number of shares held by the largest shareholder, SK Corporation, due to the Company's purchase and subsequent retirement of its treasury shares, SK Corporation's ownership ratio in the Company has increased to 23.22%.

B. Overview of the Largest Shareholder

SK Corporation is a holding company and as of March 31, 2009, has eight subsidiaries: SK Energy Co., Ltd., SK Telecom Co., Ltd., SK Networks Co., Ltd., SKC Co., Ltd., SK E&S Co., Ltd., SK Shipping Co., Ltd., K-Power Co., Ltd. and SK Gas Co., Ltd. SK Corporation also operates a life science business division within its holding company to nurture the division for future growth. Details of SK Corporation's subsidiaries are as follows:

Affiliates	Share Holdings	Industry	Description
SK Energy Co., Ltd.	33.40%	Energy	Publicly Listed
SK Telecom Co., Ltd.	23.22%	Telecommunication	Publicly Listed
SK Networks Co., Ltd.	39.98%	Energy Sale	Publicly Listed
SKC Co., Ltd.	42.50%	Synthetic Resin Manufacturing	Publicly Listed
SK Shipping Co., Ltd.	72.13%	Ocean Freight	Privately Held
SK E&S Co., Ltd.	51.00%	Gas Company Holdings	Privately Held
SK Gas Co., Ltd.	45.53%	Gas	Publicly Listed
K-Power Co., Ltd.	65.00%	Power Generation	Privately Held

Table of Contents

* The above share holdings are based on common stock holdings as of March 31, 2009.

SK Corporation is a publicly listed company and is required to submit a report of its significant business activities in accordance with Article 161 of the Financial Investment Services and Capital Markets Act. Also as a holding company, SK Corporation is required to report key management activities in accordance with Article 8 of Regulation on Securities Issuance and Disclosure. The rule is applicable to subsidiaries whose book value of the holding company's shareholding exceeds 10% of its total assets. SK Energy Co., Ltd. and SK Telecom Co., Ltd. are two such subsidiaries.

2. Changes in shareholdings of the Largest Shareholder

Changes in shareholdings of the largest shareholder are as follows.

(Unit: Shares, %)

Largest Shareholder	Date of the change in the largest shareholder/ Date of change in shareholding	Shares Held	Holding Ratio	Remarks
	SK Corporation	March 7, 2008	18,751,260	23.09
March 13, 2009		18,751,360	23.22	At the 25 th General Meeting of Shareholders, elected the CEO, Man Won Jung (who owns 100 shares of the Company stock)

* Shares held are the sum of shares held by SK Corporation and its related parties.

3. Distribution of Shares

A. Shareholders with ownership of 5% or more

(As of December 31, 2008)

(Unit: shares, %)

Rank	Name (title)	Common share		Preferred share		Sub-total	
		Number of shares	Ownership ratio	Number of shares	Ownership ratio	Number of shares	Ownership ratio
1	SK Corporation	18,748,452	23.09			18,748,452	23.09
2	Citibank ADR	17,008,755	20.95			17,008,755	20.95
3	SK Telecom	8,669,508	10.68			8,669,508	10.68
	Total	44,426,715	54.72			44,426,715	54.72

Table of Contents**B. Shareholdings under the Employee Stock Ownership Program**

As the relevant law requires an immediate transfer of the shares directly purchased by the employees to the account of the individual purchasers, the Company transfers and holds the employees' stocks in separate individual accounts within the program once the number of shares for each individual member is determined.

(As of March 31, 2009)

(Unit: Shares)

Classification	Account classification	Type of share	Balance at the beginning of period (Unit: Shares)	Balance at the end of period (Unit: Shares)
5th	Employee Stock Ownership Program	Common shares	114,168	110,985
8th	Member Account		369,887	367,253
	Total		484,055	478,238

C. Shareholder Distribution

(As of December 31, 2008)

Classification	Number of shareholders	Ratio (%)	Number of shares	Ratio (%)	Remarks
Total minority shareholders	23,685	99.95	31,279,161	38.52	
Minority shareholders (corporate)	1,110	4.68	12,849,333	15.82	
Minority shareholders (individual)	22,575	95.27	18,429,828	22.69	
Largest Shareholder and Related Persons	6	0.01	18,751,260	23.09	
Major shareholders					
Other shareholders	10	0.04	49,914,550	61.47	
Other shareholders (corporate)	8	0.03	32,088,119	39.52	
Other shareholders (individual)	2	0.00	17,826,431	21.95	
Total	23,695	100.00	81,193,711	100.00	

Table of Contents**4. Share Price and Trading Volume in the Last Six Months**

A. Domestic Securities Market

(Unit: Won, shares)

Types		March 2009	February 2009	January 2009	December 2008	November 2008	October 2008
Common stock	Highest	195,000	204,000	218,000	224,000	232,000	230,000
	Lowest	181,500	187,500	204,000	201,000	201,000	185,500
Monthly transaction volume		7,342,672	6,530,681	6,947,277	7,036,880	6,509,801	10,063,707

B. Overseas Securities Market

New York Stock Exchange

(Unit: US\$, ADR)

Types		March 2009	February 2009	January 2009	December 2008	November 2008	October 2008
Depository Receipt	Highest	16.25	16.56	18.35	18.80	19.24	19.92
	Lowest	12.69	13.39	16.35	15.11	14.83	14.01
Monthly transaction volume		34,913,100	18,710,300	22,262,400	50,873,000	36,884,100	59,291,300

VII. EMPLOYEES

(As of March 31, 2009)

(Unit: persons, in millions of Won)

Classification	Number of employees				Average service year	Aggregate wage for 2009 1Q	Average wage per person	Remarks
	Office managerial positions	Production positions	Others	Total				
Male	3,880			3,880	11.4	67,728	18	
Female	626			626	9.4	8,984	14	
Total	4,506			4,506	11.1	76,712	17	

Table of Contents**VIII. TRANSACTIONS WITH PARTIES HAVING INTERESTS****1. Loans to the Largest Shareholder and others**

(Year Ended December 31, 2008)

(Unit: in millions of Won)

Name (Corporate name)	Relationship	Account category	Change details			Accrued interest	Remarks
			Beginning	Increase	Decrease		
SK Wyverns	Affiliated company	Long-term and short-term loans	4,132		575	3,557	372

(Unit: in millions of Won)

Investment and Disposal Details

Name (Corporate Name)	Relation-ship	Types of Investment	Period Start	Transaction Details		Period End	Remarks
				Increase	Decrease		
SKT Global Investment		Common share	26,044	7,030		33,074	
SK Industrial Development Air Cross Company, ltd.	Affiliated company	Common share	2,440	55,000	(2,440)	664	
	Total		28,484	7,694	(2,440)	33,738	

2. Transfer of Assets to/from the Largest Shareholder**A. Transfer of Assets**

(Units: in thousands of Won)

Name (Corporate Name)	Relation- ship	Transferred Objects	Purpose of Transfer	Details		Remarks
				Date of Transfer	Amount Transferred From Largest Shareholder	
Encar Network Co., Ltd.	Affiliated Company	Automobiles	Sale of automobiles not in use	February 26, 2009		116,818
		Total				116,818

Table of Contents

B. Transfer of Business

(Units: in thousands of Won)

Details

Name (Corporate Name)	Relation- ship	Transferred Objects	Purpose of Transfer To facilitate growth of MelOn business through separate management	Date of Transfer	Amount		Remarks
					Transferred From Shareholder	Amount Transferred to Shareholder	
Loen Entertainment Co., Ltd.	Affiliated Company	Entire MelOn business		October 24, 2008		24,333,022	
Total						24,333,022	

3. Transactions with Shareholders (excluding the Largest Shareholder and Related Persons)

A. Provisional Payment and Loans (including loans on marketable securities)

Agents

(Unit: in millions of Won)

Name (Corporate name)	Relationship	Account category	Beginning	Change details		Ending	Accrued interest	Remarks
				Increase	Decrease			
Hong Eun and others	Agency	Long-term and short-term loans	154,801	168,406	159,014	164,193		

Overseas investment companies

(Unit: in millions of Won)

Name (Corporate name)	Relationship	Account category	Beginning	Change details		Ending	Accrued interest	Remarks
				Increase	Decrease			
DSS Mobile Com. (India)	Overseas Investment company	Long-term loans	18,887			18,887		Payment guarantee

Table of Contents

B. Equity Investments

(Unit: in millions of Won)

Name (Corporate Name)	Relation	Category	Investment and Disposition Details			End of Period	Remarks
			Start of Period	Increase	Decrease		
Translink L.L.C.			1,486	305		1,791	
Skylake Global Incubest Fund #1 Private Equity Investment Firm (SGI 1)			1,548	40		1,588	
Total			3,034	345		3,379	

IX. OTHER INFORMATION RELATING TO THE PROTECTION OF INVESTORS**1. Developments in the Items mentioned in prior Reports on Important Business Matters**

A. Status and Progress of Major Management Events

Date of Disclosure	Title	Report	Reports status
October 26, 2001	Resolution on trust agreement for the acquisition of treasury shares and others	1. Signatories: Shinhan Bank, Hana Bank, Chohung Bank, Korea Exchange Bank 2. Contract amount: Won 1,300 billion 3. Purpose: to increase shareholder value	1. On December 24, 2003, cash surplus amount from the existing trust agreement was partially reduced (Won 318 billion). 2. On September 24, 2004, the Board of Directors extended the term of the specified monetary trust agreement for 3 years. 3. On October 16, 2007, the Board of Directors extended the term of the specified monetary trust agreement for 3 years. 4. As of December 31, 2008, the balance of specified monetary trust for treasury shares was Won 982 billion.

Table of Contents

B. Summary Minutes of the General Meeting of Shareholders

Date	Agenda	Resolution
23 rd Fiscal Year Meeting of Shareholders (March 9, 2007)	1. Approval of the financial statements for the year ended December 31, 2006	Approved (Cash dividend, Won 7,000 per share)
	2. Remuneration limit for Directors	
	3. Election of Directors Election of executive directors Election of independent non-executive directors as Audit Committee members	Approved (Won 12 billion) Approved (Jung Nam Cho, Sung Min Ha) Approved (Dal Sup Shim) Approved (Cash dividend, Won 8,400 per share)
24th Fiscal Year Meeting of Shareholders (March 14, 2008)	1. Approval of the Financial Statements for the year ended December 31, 2007	Approved
	2. Amendment to Articles of Incorporation	Approved (Won 12 billion)
	3. Approval of Remuneration Limit for Directors	Approved (Shin Bae Kim, Young Ho Park)
	4. Election of Directors Election of executive directors Election of independent non-executive directors Election of independent non-executive directors as Audit Committee member	Approved (Rak Yong Uhm, Jay Young Chung) Approved (Jae Ho Cho) Approved (Cash dividend, Won 8,400 per share)
25th Fiscal Year Meeting of Shareholders (March 13, 2009)	1. Approval of the financial statements for the year ended December 31, 2008	Approved (Won 12 billion)
	2. Approval of Remuneration Limit for Directors	Approved
	3. Amendment to Company Regulation on Executive Compensation	Approved (Jae Won Chey, Man Won Jung)
	4. Election of Directors Election of executive directors Election of independent non-executive directors Election of independent non-executive directors as Audit Committee member	Approved (Hyun Chin Lim) Approved (Hyun Chin Lim)

2. Contingent Liabilities

A. Material Legal Proceedings

(1) Claim for damages by G. Mate Inc.

(a) Details: G.Mate alleged that the Company had engaged G.Mate to develop and deliver certain PDA units, but the Company subsequently refused to take delivery of such units. We appealed against G.Mate's claim for approximately Won 4 billion in damages.

(b) Date of the Appeal: February 3, 2009

Table of Contents

(c) Parties to the lawsuit: G.Mate Inc. (plaintiff) vs. the Company (defendant)

(d) Progress: A mediation requested by G.Mate could not reach an agreement (in January 2007) thus an action for monetary damages was brought before the Seoul Central District Court, to which seven creditors of G.Mate, including DNF Consulting Co., Ltd., requested intervenient participation as successors to part of the claim. On December 4, 2008, the trial court awarded the plaintiffs approximately Won 420 million in damages, to which all of plaintiff, defendant and successors appealed, and the case was submitted as of February 3, 2009 and is currently pending before the Seoul High Court.

(e) Future court dates and the Company's position: As to the denied claims concerning the YP3600 model, the Company will continue its defense that no valid contract was executed. As to the partial loss concerning the YP3700 model, the Company will do its best to question the statute of limitations and contest the alleged damage claims to either reduce the award amount or to get the claim completely dismissed.

(f) Impacts on operation and finance: As the original judgment was found in our favor in most of the disputed amount except Won 420 million, a similar judgment will not adversely impact the Company's operation and finance. However, as both parties to the lawsuit appealed, it is difficult to anticipate the outcome of the appeals proceedings with certainty. These results and analysis on impact are only anticipations. Actual results of the litigation and actual impact on the Company's operations and finances may differ depending on future events.

(2) Action for Monetary Damages – Wireless Data:

(a) Overview: The plaintiffs, who use the Company's mobile telephone services, alleged that the reason a large wireless internet surcharge was imposed on them was because the Company violated its duty to clearly explain contractual provisions. The plaintiffs are seeking damages and, in the case of plaintiffs who are minors, they seek temporary claim, in addition to the above damages, incurred due to the Company's alleged profiteering that the Company provided these minors wireless internet service without the consent of their legal representatives.

(b) Date of Appeal: February 2, 2009

(c) Parties to the Litigation: Misook Peon, et al. (plaintiffs, 5 in total) vs. the Company (defendant)

(d) Progress: On October 4, 2007, the trial court acknowledged 50% of the claims for 4 plaintiffs (legal adults) and 100% of the minor plaintiffs' claim for a total of Won 3,707,479 in damages. However, the Company appealed, and on January 13, 2009, the appeals court cancelled the judgments for plaintiffs and denied all claims in favor of the Company. On February 2, 2009, the four dissenting plaintiffs of legal age and the two minor plaintiffs appealed the decision.

(e) Future court proceedings and the Company's actions: The Company is determined to request that the court dismiss the case without hearing as the plaintiffs' appeals request does not constitute the grounds for appeal.

(f) Impact on business: In the event that the case is decided against the Company, there is a risk that the National Council of the Green Consumers Network in Korea will bring an additional lawsuit based on this decision by recruiting other plaintiffs.

However, these results and analysis of the impact is only prospective. The actual results of the litigation and actual impact on the Company's operations and finances may differ depending on future events.

(3) Action for Monetary Damages – MSC/HLR Connectivity

(a) Overview: KT Corporation alleged that the Company unreasonably delayed KT Corporation's request for connection to MSC/HLR, and sought damages for the extra connection fees incurred.

(b) Date of Lawsuit: April 9, 2008

Table of Contents

(c) Parties to the litigation: KT Corporation (plaintiff) vs. the Company (defendant)

(d) The plaintiff brought an action against the Company in May 2008, and submitted preparatory pleadings in August of 2008 and in March of 2009. In July of 2008, the Company submitted its response refuting the alleged claim followed by another preparatory pleading in December of 2008. The lawsuit is currently pending. The court set 2 dates for further pleadings on January 23 and March 13, 2009.

(e) Future court proceedings and the Company's actions: The court will hold the third pleading on April 28, 2009 to hear each party's presentation, later followed by additional pleadings with witness testimonies. Prior to the third pleading, the Company will submit to the Court additional preparatory pleading and will make every effort to follow up with an aggressive defense using all legally possible defenses including presentations, witness testimonies and facts to have the plaintiffs' claims dismissed in their entirety.

(f) Impact on business: In the event that the case is decided against the Company in its entirety, there is a risk that the Company will be obligated to pay up to Won 44.3 billion in damages (excluding interest). However, the litigation involves the Company's MSC/HLR connectivity and KT's waiver of rights of indemnification, and actual results of the litigation and actual impact on the Company's operations and finances may differ depending on future events. However, these results and analysis of the impact is only prospective. The actual results of the litigation and actual impact on the Company's operations and finances may differ depending on future events.

B. Other Matters

The Company has no other blank bills, mortgage bills, assumption of debt agreement or other contingent liabilities.

3. Status of sanctions, etc.

A. Status of sanctions

The Company was sanctioned with a fine of Won 50 million on December 30, 2008 for a violation of Telecommunications Law involving its mismanagement of privacy policy. The Company continues to improve related system security and is implementing system enhancements, such as introduction of scanning devices, to avoid unnecessary keeping of applications at the distributor level.

In addition, on January 21, 2009, the Company was sanctioned for unfair business practices with a fine of Won 1.268 billion by the Fair Trade Commission of Korea along with a correction order of its policy of restricting certain rate plan subscribers from using third party portal contents. The Company has taken efforts to educate applicable divisions of the issue and to improve the level of the voluntary compliance program to comply with fair trade laws to prevent a repeat of the same violation.

Also on February 3, 2009, the Company received a correctional order and a fine of Won 500 million involving an unfair trade interference practice including refusal of applications for subscription for certain PDA phones distributed by third party manufacturers. The Company paid fines related to the sanction and is currently seeking a suspension of execution and is preparing an administrative litigation.

Table of Contents

Forward-Looking Statement Disclaimer

The material above contains forward-looking statements. Statements that are not historical facts, including statements about our beliefs and expectations, are forward-looking statements. These statements are based on current plans, estimates and projections, and therefore you should not place undue reliance on them. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause our actual results or performance to be materially different from any future results or performance expressed or implied by such forward-looking statements. We do not make any representation or warranty, express or implied, as to the accuracy or completeness of the information contained herein, and nothing contained herein is, or shall be relied upon as, a promise or representation, whether as to the past or the future. Forward-looking statements speak only as of the date they are made, and we undertake no obligation to update publicly any of them in light of new information or future events. Additional information concerning these and other risk factors are contained in our latest annual report on Form 20-F and in our other filings with the U.S. Securities and Exchange Commission.

Table of Contents

SK TELECOM CO., LTD.

NON-CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2009 AND 2008

AND INDEPENDENT ACCOUNTANTS REVIEW REPORT

Table of Contents

Independent Accountants' Review Report

English Translation of a Report Originally Issued in Korean

To the Stockholders and Board of Directors of

SK Telecom Co., Ltd.

We have reviewed the accompanying non-consolidated statement of financial position of SK Telecom Co., Ltd. (the Company) as of March 31, 2009, the related non-consolidated statements of income, changes in stockholders' equity and cash flows for the three months ended March 31, 2009 and 2008, all expressed in Korean won. These non-consolidated financial statements are the responsibility of the Company's management. Our responsibility is to issue a report on these non-consolidated financial statements based on our reviews.

We conducted our reviews in accordance with standards for review of interim financial statements in the Republic of Korea. Those standards require that we plan and perform the review to obtain moderate assurance as to whether the non-consolidated financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data, and this provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our reviews, nothing has come to our attention that causes us to believe that the non-consolidated financial statements referred to above are not presented fairly, in all material respects, in conformity with accounting principles generally accepted in the Republic of Korea.

We have previously audited, in accordance with auditing standards generally accepted in the Republic of Korea, the non-consolidated statement of financial position of the Company as of December 31, 2008, and the related non-consolidated statements of income, appropriations of retained earnings, changes in stockholders' equity and cash flows for the year then ended (not presented herein); and in our report dated January 30, 2009, we expressed an unqualified opinion on those non-consolidated financial statements. The accompanying non-consolidated statement of financial position as of December 31, 2008, which is comparatively presented, does not differ in material respects from such audited non-consolidated statement of financial position.

Our reviews also comprehended the translation of the Korean won amounts into U.S. dollar amounts and nothing has come to our attention that causes us to believe that such translation has not been made in conformity with the basis stated in Note 2. Such U.S. dollar amounts are presented solely for the convenience of readers of financial statements.

Table of Contents

Accounting principles and review standards and their application in practice vary among countries. The accompanying non-consolidated financial statements are not intended to present the financial position, results of operations, changes in stockholders' equity and cash flows in accordance with accounting principles and practices generally accepted in countries other than the Republic of Korea. In addition, the procedures and practices utilized in the Republic of Korea to audit such financial statements may differ from those generally accepted and applied in other countries.

Accordingly, this report and the accompanying non-consolidated financial statements are for use by those knowledgeable about Korean accounting procedures and auditing standards and their application in practice.

April 24, 2009

Notice to Readers

This report is effective as of April 24, 2009, the accountants' review report date. Certain subsequent events or circumstances may have occurred between the accountants' review report date and the time the accountants' review report is read. Such events or circumstances could significantly affect the accompanying non-consolidated financial statements and may result in modification to the accountants' review report.

Table of Contents

SK TELECOM CO., LTD.
NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2009 AND 2008

1. GENERAL

SK Telecom Co., Ltd. (the Company) was incorporated in March 1984 under the laws of Korea to engage in providing nationwide cellular telephone communication services in the Republic of Korea. The Company's common shares and depositary receipts (DRs) are listed on the Stock Market of Korea Exchange (formerly Korea Stock Exchange) and the New York and London Stock Exchanges, respectively. As of March 31, 2009, the Company's total issued shares are held by the following:

	Number of shares	Percentage of total shares issued (%)
SK Group	18,748,452	23.22
POSCO Corp.	2,341,569	2.90
Institutional investors and other minority shareholders	51,254,982	63.48
Treasury stock	8,400,708	10.40
	80,745,711	100.00

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying non-consolidated financial statements of the Company have been prepared in conformity with accounting principles generally accepted in the Republic of Korea (Korean GAAP) and with the accounting policies for annual financial statements for the year ended December 31, 2008, except for the following:

a. Revision of External Audit Law

In accordance with the revised External Audit Law of Korea, effective January 1, 2009, the title of Balance Sheet was replaced with Statement of Financial Position.

The Company maintains its official accounting records in Korean won and prepares statutory non-consolidated financial statements in Korean language (Hangul) in conformity with Korean GAAP. Certain accounting principles applied by the Company that conform with financial accounting standards and accounting principles in the Republic of Korea may not conform with accounting principles generally accepted in other countries. Accordingly, these financial statements are intended for use by those who are informed about Korean accounting principles and practices. The accompanying financial statements have been condensed, restructured and translated into English with certain expanded descriptions from the Korean language financial statements. Certain information included in the Korean language financial statements, but not required for a fair presentation of the Company's financial position, results of operations, changes in stockholders' equity or cash flows, is not presented in the accompanying financial statements.

The accompanying non-consolidated financial statements are stated in Korean won, the currency of the country in which the Company is incorporated and operates. The translation of Korean won amounts into U.S. dollar amounts is included solely for the convenience of readers of financial statements and has been made at the rate of ₩1,372.30 to US\$1.00, the Noon Buying Rate in the City of New York for cable transfers in Korean won as certified for customs purposes by the Federal Reserve Bank of New York on the last business day of the period ended March 31, 2009. Such translations into U.S. dollars should not be construed as representations that the Korean won amounts

could be converted into U.S. dollars at that, or any other rate.

Table of Contents**3. INVESTMENT SECURITIES****a. Short-term Investment Securities**

Short-term investment securities as of March 31, 2009 and December 31, 2008 are as follows (In millions of Korean won):

	Acquisition cost	March 31, 2009 Fair value	Carrying amount	December 31, 2008 Fair value and carrying amount
Trading securities (note)	₩ 600,000	₩ 596,884	₩ 596,884	₩ 366,040
Current portion of long-term investment securities	3,551	3,601	3,601	3,704
Total	₩ 603,551	₩ 600,485	₩ 600,485	₩ 369,744

(note) The Company's trading securities as of March 31, 2009 are all beneficiary certificates, and the difference between the fair value and acquisition cost was recorded in other income(expenses) as gain(loss) on valuation of short-term investment securities.

b. Long-term Investment Securities

Long-term investment securities as of March 31, 2009 and December 31, 2008 are as follows (In millions of Korean won):

	March 31, 2009	December 31, 2008
Available-for-sale equity securities	₩ 2,919,875	₩ 3,066,306
Available-for-sale debt securities	3,652	4,787
Total	2,923,527	3,071,093

Less: current portion	(3,601)	(3,704)
Long-term portion	₩ 2,919,926	₩ 3,067,389

Table of Contents**b-(1). Available-for-sale Equity Securities**

Available-for-sale equity securities as of March 31, 2009 and December 31, 2008 are as follows (In millions of Korean won):

	Number of shares	December 31, 2009		Fair value	Carrying amount	
		Percentage (%)	Acquisition cost		March 31, 2009	December 31, 2008
(Investments in listed companies)						
Digital Chosunilbo Co., Ltd.	2,890,630	7.8	₩ 5,781	₩ 5,290	₩ 5,290	₩ 5,636
KRTnet Corporation	234,150	4.4	1,171	1,093	1,093	1,098
POSCO Corp.	2,481,310	2.8	332,662	904,437	904,438	942,898
DAEA TI Co., Ltd.	99,120	0.2	1,695	91	91	89
Extended Computing Environment Co., Ltd.	133,333	0.5	10	59	59	40
nTels Co., Ltd.	205,200	6.2	34	541	541	504
Qualcomm Inc.	55,805	0.1	2,756	2,990	2,990	2,514
China Unicom Ltd.	899,745,075	3.8	1,333,009	1,323,696	1,323,696	1,357,648
LG Powercomm Co., Ltd.	6,000,000	4.5	240,243	35,760 (Note a)	35,760	39,000
Sub-total			1,917,361	2,273,957	2,273,958	2,349,427
(Investments in non-listed companies)						
SK C&C Co., Ltd.	15,000,000	30.0	501,651	608,595 (Note b)	608,595	676,716
The Korea Economic Daily	2,585,069	13.8	13,964 (Note d)		13,964	13,964
Others			158,394 (Notes c&d)		9,747	12,932
Sub-total			674,009		632,306	703,612
(Investments in funds)						
Others			13,611 (Note d)		13,611	13,267
Sub-total			13,611		13,611	13,267
Total			₩ 2,604,981		₩ 2,919,875	₩ 3,066,306

(Note a) As the common stocks of LG Powercomm

Co., Ltd. were listed on the stock Market of Korea Exchange during the year ended December 31, 2008, the Company recorded the investment at its market value as of March 31, 2009. In addition, as the difference between the market value and carrying value of the investments is material and the market value is significantly less than the acquisition cost over the long-term period, the Company recorded ~~₩~~201,243 million of impairment loss on investment securities for the year ended December 31, 2008.

(Note b) The number of shares held by the Company increased to 15,000,000 shares from 6,000,000 shares as the SK C&C performed stock split of 1:2.5 for the

year ended
march 31, 2009.
The Company
recorded its
investments in
common stock
of SK C&C Co.,
Ltd. at its fair
value, which
was estimated
with the
assistance of an
outside
professional
valuation
company using
the present
value of
expected future
cash flows and
the unrealized
gain on
valuation of
investments
totals
₩198,777 million
(net of tax effect
of
₩63,462 million)
and
₩250,413 million
(net of tax effect
of
₩79,947 million)
as of March 31,
2009 and
December 31,
2008,
respectively.

(Note c) Due to the
impairment of
the investment
of Mobinex Inc.
and others, the
Company
recorded
₩3,186 million
of impairment
loss on
investment

securities for the
year ended
March 31, 2009.

(Note d) As a reasonable
estimate of fair
value could not
be made, the
investment is
stated at
acquisition cost.

b-(2). Available-for-sale Debt Securities

Table of Contents

Available-for-sale debt securities as of March 31, 2009 and December 31, 2008 are as follows (In millions of Korean won):

	Maturity	Acquisition cost	Carrying amount	
			March 31, 2009	December 31, 2008
Public bonds	(note a)	₩ 101	₩ 101	₩ 1,236
Closed beneficiary certificates (note b)	October, 2009	3,501	3,551	3,551
Total		3,602	3,652	4,787
Less current portion		(3,551)	(3,601)	(3,704)
Long-term available-for-sale debt securities		₩ 51	₩ 51	₩ 1,083

The interest income incurred from available-for-sale debt securities for the three months ended March 31, 2009 and 2008 were ₩71 million and ₩1,420 million, respectively.

(note a) The maturities of public bonds as of March 31, 2009 and December 31, 2008 are as follows (In millions of Korean won):

Maturity	March 31, 2009	December 31, 2008
Within one year	₩ 50	₩ 153
After one year but within five years	51	1,083
	₩ 101	₩ 1,236

(note b) Returns on the closed beneficiary certificates were accounted for as interest income.

Table of Contents**b-(3). Changes in Unrealized Gains (Losses) on Investments in Common Stock**

The changes in unrealized gains (losses) on investments in common stock for the three months ended March 31, 2009 and 2008 are as follows (In millions of Korean won):

For the three months ended March 31, 2009

	Beginning balance	Increase (decrease)	Transferred to realized gain (loss)	Ending balance
Available-for-sales securities:				
Unrealized gain on valuation of long-term Investment securities	₩ 941,096	(₩ 106,292)	₩	₩ 834,804
Unrealized loss on valuation of long-term Investment securities	(401,945)	(175,435)		(577,380)
Sub-total	539,151	(281,727)		257,424
Less tax effect	(125,881)	63,478		(62,403)
 Total	 ₩ 413,270	 (₩ 218,249)	 ₩	 ₩ 195,021

For the three months ended March 31, 2008

	Beginning balance	Increase (decrease)	Transferred to realized gain (loss)	Ending balance
Available-for-sales securities:				
Unrealized gain on valuation of long-term Investment securities	₩ 2,402,284	(₩ 606,591)	₩	₩ 1,795,693
Unrealized loss on valuation of long-term Investment securities	(158,575)	566	5,152	(152,857)
Sub-total	2,243,709	(606,025)	5,152	1,642,836
Less tax effect	(617,020)	166,657	(1,417)	(451,780)
 Total	 ₩ 1,626,689	 (₩ 439,368)	 ₩ 3,735	 ₩ 1,191,056

Table of Contents**4. EQUITY SECURITIES ACCOUNTED FOR USING THE EQUITY METHOD**

Equity securities accounted for using the equity method of accounting as of March 31, 2009 and December 31, 2008 are as follows (In millions of Korean won):

	Number of shares	March 31, 2009			Carrying Amount	
		Ownership percentage (%)	Acquisition cost	Net asset value	March 31, 2009	December 31, 2008
SK Broadband Co., Ltd.	102,451,249	43.4	₩ 1,209,629	₩ 531,113	₩ 1,069,696	₩ 1,146,736
SK Communications Co., Ltd.	28,029,945	64.8	175,441	132,183	143,848	147,392
SK Telink Co., Ltd.	943,997	90.8	5,296	109,814	109,814	112,358
SK Marketing & Company Co., Ltd.	5,000,000	50.0	190,000	100,379	100,379	101,345
SK Wyverns Baseball Club Co., Ltd.	199,997	100.0	1,000	(2,048)		
Paxnet Co., Ltd.	5,590,452	59.7	26,563	14,891	29,642	30,086
F&U Credit information Co., Ltd.	300,000	50.0	2,410	3,665	4,157	4,244
TU Media Corp.	28,538,064	44.2	151,980	13,284	13,284	14,847
Aircross Co., Ltd.					(Note a)	7,289
IHQ, Inc.	14,960,784	37.1	51,846	12,099	24,489	26,957
Ntreev Soft Co., Ltd.	2,064,970	63.7	33,120	8,886	9,332	9,575
Commerce Planet Co., Ltd.	29,396	100.0	14,344	1,107	1,107	1,535
Loen Entertainment, Inc.	16,054,812	63.5	57,874	37,152	38,171	35,895
Harex Info Tech, Inc.	225,000	21.2	3,375	245	508	598
SK Mobile		20.0	4,930	2,111	2,111	2,111
SKT Vietnam PTE Ltd.	180,476,700	73.3	191,273	112,622	112,622	112,160
Skytel Co., Ltd.	1,951,777	29.3	2,159	14,641	14,641	12,381
SK China Company Ltd.	94,960	29.7	6,159	4,556	3,470	3,657
SK Telecom China Co., Ltd.		100.0	7,340	10,258	10,258	7,157
TR Entertainment	13,542,553	42.2	10,953	2,818	9,270	9,626
ULand Company Ltd.	14,100,100	70.2	17,511	5,261	5,261	5,401
Virgin mobile USA, Inc.	13,940,549	16.6	62,096	(69,300)	50,002	62,096
SKT Americas, Inc.	109	100.0	17,467	33,826	33,826	36,126
SK Telecom China Holding Co., Ltd.		100.0	23,293	30,653	30,653	30,780
SK USA, Inc.	49	49.0	3,184	5,249	5,249	5,041
Helio, Inc.	794,375	14.3	1,342	116	116	116
Korea IT Fund	190	63.3	190,000	211,754	211,754	210,725
1st Music Investment Fund of SK-PVC	1,385	69.3	6,925	4,660	4,660	5,688
2nd Music Investment Fund of SK-PVC	1,585	79.3	7,925	7,894	7,894	8,441
SK-KTB Music Investment Fund	297	74.2	14,850	13,959	13,959	13,954

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IMM Cinema Fund	120	45.6	12,000	8,226	8,226	8,435
Michigan Global Cinema Fund	40	36.4	4,000	3,577	3,577	3,577
3rd Fund of Isu Entertainment	25	31.3	2,500	1,568	1,568	1,568
SK Telecom Advanced Tech & Service Center Cyworld China		100.0	6,989	9,828	9,828	10,053
Holdings	10,500,000	53.8	10,272	1,174	1,174	2,117
Magic Tech Network	4,500	30.0	8,494	2,162	7,416	7,725
SK Telecom Global Investment B.V.	18,000	100.0	33,074	41,420 (Note b)	41,420	31,866
SKY Property Mgmt. Ltd.	22,980	60.0	283,368	320,024	320,024	287,405
Wave City Development Co. Ltd.	382,000	19.1	1,967	1,908	1,908	1,908
Prmaxsoftware tech.Co.,Ltd.		91.4	7,127	6,437	6,954	7,127
Benex Digital Cultural Contents Fund	50	19.9	5,000	5,068	5,068	5,068
Benex Focus Limited Partnership II	200	66.7	20,000	20,093	20,093	20,089

Table of Contents

	March 31, 2009			Net asset value	Carrying Amount	
	Ownership				March 31,	December
	Number of shares	percentage (%)	Acquisition cost		2009	31, 2008
K-net Culture & Contents Venture Fund	59	59.0	5,900	5,856	5,856	5,856
Open Innovation Fund	200	98.5	20,000	20,049	20,049	20,044
Other investments in affiliates			24,229	(Note c)	24,229	23,564
Total			₩ 2,935,205		₩ 2,537,563	₩ 2,600,719

(Note a) In the first quarter of 2009, Aircross Co., Ltd. was fully liquidated.

(Note b) In the first quarter of 2009, the Company invested ₩7,030 million in SK Telecom Global Investment B.V., its wholly owned subsidiary.

(Note c) As allowed under Korean GAAP, investments in equity securities of SK Telecom Europe Limited and others were stated at their acquisition cost instead of amount valued using the equity method of

accounting, as
changes in the
Company's
portion of
stockholders
equity of such
investees were
not expected to
be material.

Table of Contents

Details of the changes in investments in affiliates accounted for using the equity method for the three months ended March 31, 2009 and 2008 are as follows (In millions of Korean won):

	Beginning balance	Acquisition	For the three months ended March 31, 2009							
			Equity in earnings (losses)	Equity in other comprehensive income	Capital Surplus	Equity method in Retained earning	Equity method in capital adjustments	Dividend received	Other increase (decrease)	
band	(Note a) ₩ 1,146,736	₩	(₩ 8,771)	(₩ 7,220)	₩	(₩ 56,043)	(₩ 5,006)	₩	₩	₩ 1,
ications	(Note a)	147,392	(4,725)	(18,463)	1,794		17,850			
k Co.,	(Notes a and c)	112,358	3,494	287				(6,325)		
eting & y Co.,	(Note a)	101,345	3,332	(4,298)						
erns Club	(Note b)		(1)							
o., Ltd.	(Notes a and c)	30,086	48	(281)			281	(492)		
dit ion Co.,	(Note b)	4,244	(87)							
ia Corp. Co.,	(Note a)	14,847	(1,563)	36	(36)					
	(Note d)	7,289							(7,289)	
	(Note a)	26,957	(3,382)	(5,056)			5,970			
oft Co.,	(Note a)	9,575	(285)	(7)			49			
ce Planet	(Note b)	1,535	(428)							
ment,	(Note a)	35,895	(347)	2,945			(322)			
fo Tech,	(Note b)	598	(90)							
ile	(Note b)	2,111								
tnam	(Note a)	112,160	(9,937)	10,399						
o., Ltd.	(Note a)	12,381	2,842	(582)						
a										
y Ltd.	(Note b)	3,657	(176)	(11)						
com										
o., Ltd.	(Note b)	7,157	5	3,096						
	(Note a)	9,626	(623)	267						

ment Company	(Note a)	5,401		(594)	454	
obile e. Americas,	(Note b)	62,096		(6,112)	(5,982)	
om olding	(Note a)	36,126		(4,473)	2,173	
, Inc.	(Note a)	30,780		(2,605)	2,478	
c.	(Note b)	5,041		182	26	
Fund	(Note b)	116			(26)	26
c ent Fund	(Note a)	210,725		1,029		
VC	(Note b)	5,688		(1,181)	153	
ic ent Fund	(Note b)	8,441		(547)		
VC Music ent Fund	(Note a)	13,954		76	(72)	1
nema	(Note a)	8,435		(209)		
n Global Fund	(Note b)	3,577				
of Isu ment	(Note b)	1,568				
om d Tech e Center	(Note b)	10,053		(194)	(31)	
China	(Note b)	2,117		178	(193)	(928)
s ech	(Note b)	7,725		(309)		
om ent B.V.	(Note a)	31,866	7,030	(16)	2,540	
perty td.	(Note a)	287,405		(1,167)	33,786	
ty ment Co.	(Note b)	1,908				
ftware Ltd.	(Note b)	7,127		(173)		
igital Contents	(Note b)	5,068				
ocus hip II	(Note a)	20,089		4		

Culture &
Venture

(Note b) 5,856

Innovation

(Note a) 20,044 5

~~₩~~2,577,155 ~~₩~~7,030 (~~₩~~ 36,800) ~~₩~~ 16,418 ~~₩~~1,758 (~~₩~~ 56,043) ~~₩~~ 17,921 (~~₩~~ 6,817) (~~₩~~ 7,289) ~~₩~~2,

Table of Contents

(Note a) Investments were recorded using the equity method of accounting based on unaudited and unreviewed financial statements as of and for the three months ended March 31, 2009.

In order to verify the reliability of such unaudited and unreviewed financial statements, the Company has performed the following procedures and found no significant errors:

- i) obtained the signature from the chief executive officer of the equity method investee asserting that the unaudited and unreviewed financial statements are accurate
- ii) checked whether the major transactions identified by the Company, including public disclosures, were appropriately reflected in the unaudited and unreviewed financial statements
- iii) performed an analytical review on the unaudited and unreviewed financial statements

(note b) Investments in equity securities are carried using the equity method of accounting based on the financial statements as of December 31, 2008 as information as of March 31,

2009 was not available and the change in the Company's portion of stockholders equity of the investee for the three months ended March 31, 2009 was immaterial.

(note c) The Company received dividends from SK Telink Co., Ltd. and Paxnet Co., Ltd. and the corresponding amount was deducted from the carrying amount of equity method securities.

(note d) Other decrease in investments in Aircross Co., Ltd. represents the collection of the Company's investment resulted from the full liquidation of Aircross Co., Ltd.

Table of Contents

For the three months ended March 31, 2008								
Equity								
	Beginning		Equity in	Equity in	method in	Dividend	Other	Ending
	balance	Acquisition	earnings	other	capital	received	increase	balance
			(losses)	income	adjustments		(decrease)	
SK Broadband Co., Ltd.	₩	₩ 1,089,818	₩	₩	₩	₩	₩ 116,525	₩ 1,206,343
SK Communications Co., Ltd.	149,850		(1,848)	3,076				151,078
SK Telink Co., Ltd.	97,136		4,696	(218)		(5,947)		95,667
SK Wyverns Baseball Club Co., Ltd. (Note a)			(989)					
Paxnet Co., Ltd.	30,237		(78)	407		(447)		30,119
F&U Credit information Co., Ltd. (Note a)	3,851		(42)					3,809
TU Media Corp.	5,527	55,000	(4,950)		(30,514)			25,063
Aircross Co., Ltd. (Note a)	5,967		(938)	(19)				5,010
IHQ, Inc.	38,911		(3,818)	624				35,717
Ntreev Soft Co., Ltd. (Note a)	13,220		(4,418)	77				8,879
Baba Club	1,733						(1,733)	
Commerce Planet Co., Ltd. (Note a)	6,266		20				1,733	8,019
Loen Entertainment, Inc.	21,415		976	(150)				22,241
Harex Info Tech, Inc. (Note a)	1,118		(88)					1,030
SK Mobile (Note a)	3,272							3,272
SKT Vietnam PTE Ltd. (Note a)	101,412		(3,844)	5,659	(71)			103,156
Skytel Co., Ltd. (Note a)	7,797		(52)	(1)				7,744
SK China Company Ltd. (Note a)			54	83				137
SK Telecom China Co., Ltd. (Note a)	7,154		3					7,157
TR Entertainment		10,131						10,131

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ULand Company Ltd.		5,290		3,108		470		8,868	
SK Telecom USA Holdings, Inc.		63,023	47,799	(27,002)		(6,509)		77,311	
SKT Americas, Inc.	(Note a)	26,454		(275)		1,484		27,663	
SK Telecom China Holding Co., Ltd.		19,070	3,031	28		2,896		25,025	
SK USA, Inc.	(Note a)	3,140						3,140	
Helio, LLC & Inc.		333		(264)		23	268	360	
Korea IT Fund		210,568		735				211,303	
Centurion IT Investment Association		2,463					(2,463)		
1st Music Investment Fund	(Note of SK-PVC a)	5,607						5,607	
2nd Music Investment Fund	(Note of SK-PVC a)	8,517		(338)				8,179	
SK-KTB Music Investment Fund		13,367		186		(758)		12,795	
IMM Cinema Fund		9,089		(20)				9,069	
Michigan Global Cinema Fund	(Note a)	3,542						3,542	
3rd Fund of Isu Entertainment	(Note a)	1,690						1,690	
Total		₩ 867,019	₩ 1,205,779	(₩ 39,158)	₩ 7,144	(₩ 30,317)	(₩ 6,394)	₩ 114,062	₩ 2,119,124

Table of Contents

(note a) Investments were recorded using the equity method of accounting based on unaudited and unreviewed financial statements as of and for the three months ended March 31, 2008.

In order to verify the reliability of such unaudited and unreviewed financial statements, the Company has performed the following procedures and found no significant errors:

- iv) obtained the signature from the chief executive officer of the equity method investee asserting that the unaudited and unreviewed financial statements are accurate
- v) checked whether the major transactions identified by the Company, including public disclosures, were appropriately reflected in the unaudited and unreviewed financial statements
- vi) performed an analytical review on the unaudited and unreviewed financial statements

Details of changes in the differences between the acquisition cost and net asset value of equity method investees at the acquisition date for the three months ended March 31, 2009 and 2008 are as follows (In millions of Korean won):

For the three months ended March 31, 2009

	Beginning balance	Increase/ (Decrease)	Amortization	Ending balance
SK Broadband Co., Ltd.	₩ 534,051	₩	₩ 4,531	₩ 538,582
SK Communications Co., Ltd.	12,122		(223)	11,899
Paxnet Co., Ltd.	15,018		(267)	14,751
F&U Credit information Co., Ltd.	503		(11)	492
IHQ, Inc.	13,767		(1,377)	12,390
Ntreev Soft Co., Ltd.	595		(149)	446
Loen Entertainment, Inc.	1,223		(204)	1,019

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Harex Info Tech, Inc.	351	(88)	263
Skytel Co., Ltd.	(1,387)	1,387	
SK China Company Ltd.	106	(106)	
TR Entertainment	6,856	(403)	6,453
Virgin mobile USA, Inc.	125,930	(6,628)	119,302
Magic Tech Network	5,562	(308)	5,254
Prmaxsoftware tech.Co.,Ltd.	691	(173)	518

Total	₩ 715,388	₩	(₩ 4,019)	₩ 711,369
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For the three months ended March 31, 2008

	Beginning balance	Increase/ (Decrease)	Amortization	Ending balance
SK Broadband Co., Ltd.	₩	₩ 561,891	₩	₩ 561,891
SK Communications Co., Ltd.	21,019	(8,005)	(223)	12,791
Paxnet Co., Ltd.	16,091		(268)	15,823
F&U Credit information Co., Ltd.	545		(42)	503
IHQ, Inc.	19,274		(1,377)	17,897
Ntreev Soft Co., Ltd.	1,282	(92)	(149)	1,041
Baba Club	2,504	(2,504)		
Commerce Planet Co., Ltd.	3,950		(219)	3,731
Loen Entertainment, Inc.	2,039		(204)	1,835
Harex Info Tech, Inc.	701		(88)	613
ULand Company Ltd.	4,245		(64)	4,181
TR Entertainment		9,516		9,516
Total	₩ 71,650	₩ 560,806	(₩ 2,634)	₩ 629,822

Table of Contents

Details of changes in unrealized inter-company gains incurred from sales of assets for the three months ended March 31, 2009 and 2008 are as follows (In millions of Korean won):

	For the three months ended March 31, 2009			Ending balance
	Beginning balance	Increase	Decrease	
SK Communications Co., Ltd.	₩ 269	₩	(₩ 35)	₩ 234
SK China Company Ltd.	1,086			1,086
Total	₩ 1,355	₩	(₩ 35)	₩ 1,320

	For the three months ended March 31, 2008			Ending balance
	Beginning balance	Increase	Decrease	
SK Communications Co., Ltd.	₩ 2,192	₩	(₩ 1,818)	₩ 374
ULand Company Ltd.	2,981		(2,981)	
SK China Company Ltd.	1,086			1,086
Total	₩ 6,259	₩	(₩ 4,799)	₩ 1,460

Details of market price of the equity securities accounted for using the equity method as of March 31, 2009 are as follows (In millions of Korean won, except for market price per share):

	Market price per share (In Korean won)	Number of shares owned by the Company	Market price
SK Broadband Co., Ltd.	₩ 5,030	102,451,249	₩515,330
SK Communications Co., Ltd.	7,510	28,029,945	210,505
IHQ, Inc.	1,170	14,960,784	17,504
Loen Entertainment, Inc.	4,400	16,054,812	70,641

Table of Contents

The condensed financial information of the investees as of and for the three months ended March 31, 2009 is as follows (In millions of Korean won):

	Total assets	Total liabilities	Revenue	Net income (loss)
SK Broadband Co., Ltd.	₩2,967,811	₩1,744,586	₩438,213	(₩30,639)
SK Communications Co., Ltd.	274,926	71,004	55,021	(6,844)
SK Telink Co., Ltd.	193,881	72,899	69,318	3,874
SK Marketing & Company Co., Ltd.	558,053	357,295	60,125	6,993
Paxnet Co., Ltd.	38,525	13,597	9,455	600
TU Media Corp.	290,152	260,067	31,966	(2,726)
IHQ, Inc.	51,568	18,950	9,531	(2,638)
Ntreev Soft Co., Ltd.	24,177	10,227	4,575	(316)
Loen Entertainment, Inc.	84,298	25,771	21,275	1,078
SKT Vietnam PTE Ltd.	180,927	27,324	11	(11,185)
Skytel Co., Ltd.	53,729	3,832	10,612	5,059
TR Entertainment	8,080	1,403	1,993	(520)
ULand Company Limited	9,976	2,475	1,580	(502)
SKT Americas, Inc	45,378	11,553	6,611	271
SK Telecom China Holdings	45,469	14,816	6,490	(918)
Korea IT Fund	334,349		1,609	1,609
SKT-KTB Music Investment Fund	18,952	135	131	103
IMM Cinema Fund	18,028		176	150
SK Telecom Global Investment B.V.	41,505	85	123	48
SKY Property Mgmt. Ltd.	727,561	194,187	10,490	(152)
2nd Benex Focus investment Fund	30,418	279	285	6
Open Innovation Fund	20,539	189	194	5

5. LOANS TO EMPLOYEES

Short-term and long-term loans to employees as of March 31, 2009 and December 31, 2008 are as follows (In millions of Korean won):

	Short-term	March 31, 2009 Long-term	Total	December 31, 2008
Loans to employees stock ownership Association (note)	₩ 1,209	₩ 58,894	₩ 60,103	₩ 60,908
Loans to employees for housing and other	55	33	88	106
Total	₩ 1,264	₩ 58,927	₩ 60,191	₩ 61,014

(note) On
December 26,
2007 and
January 23,
2008, the
Company

loaned
~~₩~~31,017 million
and
~~₩~~29,676 million,
respectively, to
employees' stock
ownership
association to
help fund
employees'
acquisition of
the Company's
treasury stocks.
The loan will be
repaid over a
period of five
years, beginning
on the second
anniversary of
each loan date.

Table of Contents**6. PROPERTY AND EQUIPMENT**

Property and equipment as of March 31, 2009 and December 31, 2008 are as follows (In millions of Korean won):

	Useful lives (years)	March 31, 2009	December 31, 2008
Land		₩ 447,445	₩ 447,088
Buildings and structures	30, 15	1,510,342	1,510,018
Machinery	6	13,656,868	13,441,993
Vehicles	4	20,210	21,070
Other	4	1,054,922	1,016,133
Construction in progress		278,099	281,574
		16,967,886	16,717,876
Less: accumulated depreciation		(12,277,902)	(12,019,662)
Property and equipment, net		₩ 4,689,984	₩ 4,698,214

Details of change in property and equipment for the three months ended March 31, 2009 and 2008 are as follows (In millions of Korean won):

	Beginning balance	For the three months ended March 31, 2009				Ending balance
		Acquisition	Disposal	Transfer	Depreciation	
Land	₩ 447,088	₩ 22	(₩ 70)	₩ 405	(₩)	₩ 447,445
Buildings and structures	1,012,226	173		151	(14,119)	998,431
Machinery	2,594,086	1,207	(40)	262,848	(277,499)	2,580,602
Vehicles	2,035	43	(19)		(279)	1,780
Other	361,205	287,913	(329)	(242,541)	(22,621)	383,627
Construction in progress	281,574	49,302	()	(52,777)	()	278,099
Total	₩ 4,698,214	₩ 338,660	(₩ 458)	(₩ 31,914)	(₩ 314,518)	₩ 4,689,984

	Beginning balance	For the three months ended March 31, 2008				Ending balance
		Acquisition	Disposal	Transfer	Depreciation	
Land	₩ 444,252	₩ 27	(₩ 95)	₩ 536	(₩)	₩ 444,720
	1,054,484	401	(290)		(13,975)	1,040,620

Buildings and structures						
Machinery	2,495,252	325	(708)	104,014	(262,389)	2,336,494
Vehicles	3,196	52	(137)		(466)	2,645
Other	305,095	253,922	(231)	(33,930)	(22,216)	502,640
Construction in progress	292,134	21,634	()	(103,133)	()	210,635
Total	₩ 4,594,413	₩ 276,361	(₩ 1,461)	(₩ 32,513)	(₩ 299,046)	₩ 4,537,754

7. INTANGIBLE ASSETS

Table of Contents

Intangible assets as of March 31, 2009 and December 31, 2008 are as follows (In millions of Korean won):

	March 31, 2009			December 31, 2008		
	Acquisition cost	Accumulated amortization	Carrying amounts	Acquisition Cost	Accumulated amortization	Carrying amounts
Goodwill	₩ 2,341,625	(₩ 934,729)	₩ 1,406,896	₩ 2,341,625	(₩ 902,259)	₩ 1,439,366
Frequency use rights	1,385,120	(570,482)	814,638	1,385,120	(541,349)	843,771
Software development costs	188,358	(176,013)	12,345	188,358	(174,869)	13,489
Computer software	1,206,931	(639,548)	567,383	1,174,908	(586,654)	588,254
Other	140,562	(85,394)	55,168	139,562	(82,850)	56,712
	₩ 5,262,596	(₩ 2,406,166)	₩ 2,856,430	₩ 5,229,573	(₩ 2,287,981)	₩ 2,941,592

Details of changes in intangible assets for the three months ended March 31, 2009 and 2008 are as follows (In millions of Korean won):

	Beginning balance	For the three months ended March 31, 2009				Ending balance
		Increase	Decrease	Transfer	Amortization	
Goodwill	₩ 1,439,366	₩	(₩)	₩	(₩ 32,470)	₩ 1,406,896
Frequency use rights	843,771				(29,133)	814,638
Software development costs	13,489				(1,144)	12,345
Computer software	588,254	39		31,984	(52,894)	567,383
Other	56,712	961	(7)	51	(2,549)	55,168
	₩ 2,941,592	₩ 1,000	(₩ 7)	₩ 32,035	(₩ 118,190)	₩ 2,856,430

	Beginning balance	For the three months ended March 31, 2008				Ending balance
		Increase	Decrease	Transfer	Amortization	
Goodwill	₩ 1,569,247	₩	(₩)	₩	(₩ 32,470)	₩ 1,536,777
Frequency use rights	960,302				(29,133)	931,169
Software development costs	13,029			1,792	(3,578)	11,243
Computer software	585,574	362		30,745	(46,218)	570,463
Other	46,790	1,989	(92)	53	(1,964)	46,776
	₩ 3,174,942	₩ 2,351	(₩ 92)	₩ 32,590	(₩ 113,363)	₩ 3,096,428

Table of Contents

The book value as of March 31, 2009 and residual useful lives of major intangible assets are as follows (In millions of Korean won):

	Amount	Description	Residual useful lives
Goodwill	₩1,402,733	Goodwill related to acquisition of Shinsegi Telecomm, Inc.	11 years
IMT license	748,836	Frequency use rights relating to W-CDMA Service	(note a)
WiBro license	60,668	WiBro Service	(note b)
DMB license	5,134	DMB Service	7 years and 3 months

(note a) Amortization of the IMT license commenced when the Company started its commercial IMT 2000 service in December 2003, using the straight-line method over the estimated useful life (13 years) of the IMT license which expires in December 2016.

(note b) The Company purchased the WiBro license from MIC on March 30, 2005. The license period is seven years from the purchase date. Amortization of the WiBro license commenced when the Company started its commercial WiBro services

on June 30, 2006
using the straight
line basis over
the remaining
useful life.

Table of Contents**8. BONDS PAYABLE**

Bonds payable as of March 31, 2009 and December 31, 2008 are as follows (In millions of Korean won and thousands of Foreign Currency):

	Maturity year	Annual interest rate (%)	March 31, 2009	December 31, 2008
Domestic general bonds	2009	5.0	₩ 150,000	₩ 300,000
"	2010	4.0	200,000	200,000
"	2010	6.77	50,000	50,000
"	2011	3.0	200,000	200,000
"	2013	4.0	200,000	200,000
"	2013	6.92	250,000	250,000
"	2014	5.0	200,000	200,000
"	2015	5.0	200,000	200,000
"	2016	5.0	200,000	200,000
"	2016	5.54	40,000	
"	2016	5.94	230,000	
"	2018	5.0	200,000	200,000
Dollar denominated bonds (US\$ 300,000)	2011	4.25	413,130	377,250
Dollar denominated bonds (US\$ 400,000)	2027	6.63	550,840	503,000
Yen denominated bonds (JPY 12,500,000)	2012	3-month Euro Yen LIBOR rate +0.55 (note a)	176,850	174,237
Yen denominated bonds (JPY 5,000,000)	2012	3-month Euro Yen TIBOR rate +2.5 (note b)	70,740	
Yen denominated bonds (JPY 3,000,000)	2012	3-month Euro Yen LIBOR rate +2.5 (note a)	42,444	
Convertible bonds (US\$ 229,160)	2009		268,415	268,415
Floating rate notes (US\$ 150,000,000)	2010	3-month LIBOR rate +3.05 (note c)	206,565	188,625
Total			3,848,984	3,511,527
Less discounts on bonds			(60,915)	(61,143)
Less conversion right adjustments			(2,223)	(5,733)
Add long-term accrued interest			17,256	17,256
Net			3,803,102	3,461,907
Less portion due within one year			(631,953)	(579,424)
Long-term portion			₩ 3,171,149	₩ 2,882,483

(note a) The 3-months
Euro Yen

LIBOR rate as
of March 31,
2009 is 0.60%.

(note b) The 3-months
Euro Yen
TIBOR rate as
of March 31,
2009 is 0.65%.

(note c) The 3-months
LIBOR rate as
of March 31,
2009 is 1.19%.

All of the above bonds will be paid in full at maturity.

On May 27, 2004, the Company issued zero coupon convertible bonds with a maturity of five years in the principal amount of US\$329,450,000 for US\$324,923,469, with an initial conversion price of ₩235,625 per share of the Company's common stock, which was greater than market value at the date of issuance. Subsequently, the initial conversion price was changed to ₩204,636 per share in accordance with anti-dilution protection. The Company may redeem the principal amount after 3 years from the issuance date if the market price exceeds 130% of the conversion price during a predetermined period. On the other hand,

Table of Contents

the bond holders may redeem their notes at 103.81% of the principal amount on May 27, 2007 (3 years from the issuance date). The conversion right may be exercised during the period from July 7, 2004 to May 13, 2009 and the number of common shares to be converted as of March 31, 2009 is 1,371,807 shares. Effective January 1, 2009, the conversion price was changed from ₩203,516 to ₩196,534 and the number of shares to be converted was changed from 1,324,744 shares to 1,371,807 shares due to the payment of annual dividends in accordance with the resolution of the Company's board of directors on March 13, 2009.

Conversion of notes to common shares may be prohibited under the Telecommunications Law or other legal restrictions which restrains foreign governments, individuals and entities from owning more than 49% of the Company's voting stock, if this 49% ownership limitation is violated due to the exercise of conversion rights. In this case, the Company will pay a bond holder as cash settlement determined at the average price of one day after a holder exercises its conversion right or the weighted average price for the following five business days. The Company intends to sell treasury shares held in trust by the Company that corresponds to the number of shares of common stock that would have been delivered in the absence of the 49% foreign shareholding restrictions. The Company entered into an agreement with Credit Suisse First Boston International to reduce the effect of fluctuation with respect to cash settlement payments that may be more or less than the proceeds from sales of treasury shares held in trust. Unless either previously redeemed or converted, the notes are redeemable at 106.43% of the principal amount at maturity.

During the three months ended March 31, 2009, no conversion was made.

9. LONG-TERM BORROWINGS

Long-term borrowings as of March 31, 2009 and December 31, 2008 are as follows (In millions of Korean won and thousands of U.S. dollars):

	Lender	Final maturity year	Annual interest rate (%) (note)	March 31, 2009	December 31, 2008
Long-term floating rate discount bill	Shinhan Bank	June 29, 2011	91 days CD yield + 0.25%	₩ 200,000	₩ 200,000
Long-term floating rate borrowings	KDB	July 28, 2011	91 days CD yield + 1.02%	100,000	100,000
"	Citibank	July 29, 2011	91 days CD yield + 1.20%	100,000	100,000
"	Nonghyup	July 30, 2011	91 days CD yield + 1.30%	100,000	100,000
"	Hana Bank	July 31, 2011	91 days CD yield + 1.50%	150,000	150,000
"	Nonghyup	August 12, 2011	91 days CD yield + 1.50%	50,000	50,000
"	Calyon Bank	October 10, 2013	6M LIBOR + 0.29%	US\$ 50,000	US\$ 50,000
"	DBS Bank	October 10, 2013	6M LIBOR + 0.29%	25,000	25,000
"	SMBC	October 10, 2013	6M LIBOR + 0.29%	25,000	25,000
Total				US\$ 100,000 ₩ 700,000	US\$ 100,000 ₩ 700,000

Equivalent in Korean won	₩ 837,710	₩ 825,750
Less current portion		

Long-term borrowings	₩ 837,710	₩ 825,750
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The above long-term floating rate discount bill is classified as long-term borrowing as the borrowing is to be rolled-over exceeding 1 year from March 31, 2009 in accordance with the loan agreement.

(note) At March 31, 2009, the 91 days CD yield and the 6M LIBOR rate are 2.43% and 1.74%, respectively.

Table of Contents**10. CAPITAL STOCK AND CAPITAL SURPLUS**

The Company's capital stock consists entirely of common stock with a par value of ₩500. The number of authorized and issued shares as of March 31, 2009 and December 31, 2008 are as follows:

	March 31, 2009	December 31, 2008
Authorized shares	220,000,000	220,000,000
Issued shares	80,745,711	81,193,711
Outstanding shares, net of treasury stock	72,345,003	72,486,015

Significant changes in capital stock and capital surplus for the three months ended March 31, 2009 and for the year ended December 31, 2008 are as follows (In millions of Korean won except for share data):

	Number of shares issued (note)	Capital stock	Capital surplus
At December 31, 2008	81,193,711	₩ 44,639	₩ 2,915,887
At March 31, 2009	80,745,711	₩ 44,639	₩ 2,915,887

(note) During the year ended December 31, 2003, 2006 and the three months ended March 31, 2009, the company retired 7,002,235 shares, 1,083,000 shares and 448,000 shares, respectively, and reduced retained earnings before appropriations in accordance with Korean Commercial Laws. As a result, the total par value of outstanding

capital stock
does not agree
to the capital
balance of
capital stock. In
addition, there
are no changes
in capital stock
for the three
months ended
March 31, 2009
and the year
ended
December 31,
2008

11. TREASURY STOCK

The Company retired 448,000 shares of common stock at January 9, 2009 in accordance with Korean Commercial law, which were acquired by the Company from December 2, 2008 through January 7, 2009 for ₩92,476 million. As a result of these transactions, retained earnings decreased by ₩92,476 million.

Table of Contents**12. INCOME TAX**

a. Details of income tax expense

Income tax expense for the three months ended March 31, 2009 and 2008 consists of the following (In millions of Korean won):

	2009	2008
Current	₩ 127,602	₩ 172,345
Changes in net deferred tax liabilities (note a)	(21,054)	(37,644)
 Income tax expense	 ₩ 106,548	 ₩ 134,701

(note a) Changes in net deferred tax liabilities for the three months ended March 31, 2009 and 2008 are as follows (In millions of Korean won):

	2009	2008
Ending balance of net deferred tax liabilities	₩ 171,678	₩ 804,950
Beginning balance of net deferred tax liabilities	(257,939)	(1,015,002)
Adjustment to the beginning net deferred tax liabilities based on tax return filed	5,319	3,944
Tax effect of temporary differences charged or credited directly to related components of stockholders equity	59,888	168,464
	(₩ 21,054)	(₩ 37,644)

b. An explanation of the relationship between income tax expense and accounting income before income tax expense for the years ended March 31, 2009 and 2008 are as follows (in millions of Korean won) :

	2009	2008
Income before income tax expense	₩ 423,296	₩ 517,586
Income tax expense at statutory income tax rate (12.1% of taxable income less than ₩200 million and 24.2% of taxable income exceeding ₩200 million)	102,413	142,323
Differences (note)	4,135	(7,622)
 Income tax expense	 ₩ 106,548	 ₩ 134,701

Effective tax rates	25.17%	26.02%
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Table of Contents

(note) The difference items between income tax computed using the statutory corporate income tax rates and the recorded income tax for the three months ended March 31, 2009 and 2008 are as follows (In millions of Korean won):

	2009	2008
Permanent difference	₩ 5,058	(₩ 6,214)
Changes in deferred income tax assets (liabilities) recognized related to equity method investment securities	10,027	13,561
Tax credit for investment	(12,744)	(15,132)
Other tax credits	(107)	(164)
Sur tax on exempted income	2,549	3,026
Additional income tax and tax refund for prior periods	(6,456)	(3,078)
Other	5,808	379
	(₩ 4,135)	(₩ 7,622)

13. COMPREHENSIVE INCOME

Details of comprehensive income for the three months ended March 31, 2009 and 2008 are as follows (In millions of Korean won):

	2009		2008	
	Profit and loss effect	Tax effect	Profit and loss effect	Tax effect
Net income	₩ 316,748		₩ 382,885	
Other comprehensive income (loss):				
Unrealized loss on valuation of long-term investment securities, net	(218,249)	63,479	(435,633)	₩ 165,240
Equity in other comprehensive income of affiliates, net	6,976	(9,441)	6,110	(677)
Loss on valuation of currency swap, net	(21,381)	6,031	(6,959)	2,640
Gain (loss) on valuation of interest rate swap, net	1,664	(469)	(2,261)	858

Sub-total	(230,990)	₩ 59,600	(438,743)	₩ 168,061
Comprehensive income	₩ 85,758		(₩ 55,858)	

Table of Contents**14. NET INCOME PER SHARE**

The Company's net income per share amounts for the three months ended March 31, 2009 and 2008, and for the year ended December 31, 2008 are computed as follows (In millions of Korean won, except for per share income per share):

Net income per share

	For the three months ended		For the year
	March 31,	March 31,	ended
	2009	2008	December 31,
			2008
Net income	₩ 316,748	₩ 382,885	₩ 1,277,658
Weighted average number of common shares outstanding	72,352,141	72,742,638	72,765,557
Net income per share (In Korean won)	₩ 4,378	₩ 5,264	₩ 17,559

The weighted average numbers of common shares outstanding for the three months ended March 31, 2009 and 2008 are calculated as follows:

	Number of	Weighted	Weighted
	shares	number of	number of
		days	shares
For the three months ended March 31, 2009			
Outstanding common stocks at January 1, 2009	81,193,711	90 / 90	81,193,711
Treasury stocks at January 1, 2009	(8,707,696)	90 / 90	(8,707,696)
Acquisition of treasury stock	(141,012)	(note a)	(133,874)
Total	72,345,003		72,352,141
For the three months ended March 31, 2008			
Outstanding common stocks at January 1, 2008	81,193,711	91 / 91	81,193,711
Treasury stocks at January 1, 2008	(8,609,034)	91 / 91	(8,609,034)
Disposal of treasury stock	208,326	(note a)	157,961
Total	72,793,003		72,742,638

(note a) The Company acquired treasury stocks on many different dates, and weighted

number of
shares was
calculated
considering
each transaction
date.

Table of Contents

Diluted net income per share amounts for the three months ended March 31, 2009 and 2008, and for the year ended December 31, 2008 are computed as follows (In millions of Korean won, except for share data):

Diluted net income per share

	For the three months ended		For the year ended
	March 31, 2009	March 31, 2008	December 31, 2008
Adjusted net income	₩ 319,562	₩ 385,463	₩ 1,288,808
Adjusted weighted average number of common shares outstanding	73,723,948	74,060,132	74,090,301
Diluted net income per share (In Korean won)	₩ 4,335	₩ 5,205	₩ 17,395

Adjusted net income per share and the adjusted weighted average number of common shares outstanding for the three months ended March 31, 2009 and 2008, and for the year ended December 31, 2008 are calculated as follows (In millions of Korean won, except for share data):

	For the three months ended		For the year ended
	March 31, 2009	March 31, 2008	December 31, 2008
Net income	316,748	₩ 382,885	₩ 1,277,658
Effect of convertible bonds (note a)	2,814	2,578	11,150
Adjusted net income	₩ 319,562	₩ 385,463	₩ 1,288,808
Weighted average number of common shares outstanding	72,352,141	72,742,638	72,765,557
Effect of convertible bonds (note a)	1,371,807	1,317,494	1,324,744
Adjusted weighted average number of common shares outstanding	73,723,948	74,060,132	74,090,301

(note a) The effect of convertible bonds increased net income related to interest expenses that would not have

incurred, and increased the weighted average number of common shares outstanding related to common shares that would have been issued, assuming that the conversion of convertible bonds were made at the beginning of the period.

15. RESTRICTED CASH AND CASH EQUIVALENTS

As of March 31, 2009, the Company has guarantee deposits restricted for checking accounts totaling ₩19 million and deposits restricted for a charitable trust for the public totaling ₩6,500 million of which due date is May 4, 2011.

Table of Contents**16. RELATED PARTY TRANSACTIONS**

As of March 31, 2009 and December 31, 2008, the parent company and subsidiaries of the Company are as follows:

a. Holding company and subsidiaries

Type	Company	Ownership Percentage (%)	Types of business
Ultimate parent company	SK C&C Co., Ltd.	(Note a)	Information technology and software production
Parent company	SK Holdings Co., Ltd.	23.1 (Note b)	Holding company
Subsidiary	SK Broadband Co., Ltd.	43.4	Internet website services and telecommunication service
2	SK Communications Co., Ltd.	64.8	Internet website services
2	SK Telink Co., Ltd.	90.8	Telecommunication service
2	PAXNet Co., Ltd.	59.7	Internet website services
2	F&U Credit Information Co., Ltd.	50.0	Credit and collection services
2	TU Media Corp.	44.2	Digital multimedia broadcasting service
2	IHQ, Inc.	37.1	Entertainment management
2	Ntreev Soft Co., Ltd.	66.7	Game software production
2	Commerce Planet Co., Ltd.	100.0	Cosmetic wholesale
2	Loen Entertainment, Inc.	63.5	Release of music disc
2	SKT Vietnam PTE Ltd.	73.3	Telecommunication service
2	SK Telecom China Co., Ltd.	100.0	Telecommunication service
2	SKT Americas, Inc.	100.0	Telecommunication service
2	The Second Music Investment Fund of SK-PVC	79.3	Investment association
2	SK-KTB Music Investment Fund	74.2	Investment association
2	IMM Cinema Fund	45.6	Investment association
2	CU Media Co., Ltd.	51.4 (Note c)	Broadcasting program production
2	SK I-Media Co., Ltd.	100.0 (Note c)	Game software production
2	Broadbandmedia Inc.	100.0 (Note c)	Multimedia TV portal service
2	HanaroDream Incorporated	36.0 (Note c)	Internet digital contents distribution
2	Benex Digital Cultural Contents Fund	19.9	Investment association
2	SK Telecom China Holdings	100.0	Equity investment (Holding company)
2	SK Telecom Advanced Tech & Service Center	100.0	Mobile solution production

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2	Etoos Co., Ltd.	100.0 (Note c)	Web-based education service
2	2 nd Benex Focus Investment Fund	66.7	Investment association
2	Open Innovation Fund	98.5	Investment association
2	SKY Property Mgmt. Ltd.	60.0	Equity investment
2	SK Telecom Global Investment B.V.	100.0	Equity investment
2	Shenzhen E-eye High Tech Co., Ltd.	65.5 (Notec c)	GPS manufacturing and selling

(note a) SK C&C Co., Ltd. became the Company's ultimate parent company as of December, 31, 2007.

(note b) The ownership percentage represents parent company's ownership over the Company.

(note c) The ownership percentage represents subsidiaries ownership over their subsidiaries, in which the Company has no direct investment.

Table of Contents**b. Transactions and balances with related parties**

Significant related party transactions for the three months ended March 31, 2009 and 2008, and account balances as of March 31, 2009 and December 31, 2008 are as follows (In millions of Korean won):

b-(1) Transactions

	For three months ended March 31, 2009			For three months ended March 31, 2008		
	Purchases of property and equipment	Commissions paid and other expenses	Commissions earned and other income	Purchases of property and equipment	Commissions paid and other expenses	Commissions earned and other income
Ultimate parent company:						
SK C&C Co., Ltd.	₩ 6,303	₩ 59,983	₩ 1,579	₩ 11,214	₩ 49,555	₩ 2,171
Parent Company:						
SK Holdings Co., Ltd.		5,778	55		150	77
Subsidiaries:						
SK Broadband Co., Ltd.		7,665	13,757			
SK Communications Co., Ltd.		5,730	1,856		3,810	1,735
SK Telink Co., Ltd.		3,701	6,199	16	3,563	6,928
SK Wyverns Baseball Club Co., Ltd.					5,300	1
PAXNet Co., Ltd.		2,044	26		1,557	25
F&U Credit Information Co., Ltd.		10,905	328		11,094	319
TU Media Corp.		14,708	8,918	32	1,280	18,267
Aircross Co., Ltd.				35	3,817	234
SKT Americas, Inc.		6,583				
Loen Entertainment, Inc		6,951	1,063		1,304	
Commerce Planet Co., Ltd.		15,491	201		2,365	147
SK Telecom China Holdings		8,315			1,744	
Helio, Inc.						213
Others		2,799	164		1,774	2,452
Equity Method Investees:						
SK Marketing & Company Co., Ltd.		33,481	1,126			
SK Wyverns Baseball Club Co., Ltd.		7,214				
Others		2,980	196	13	82	

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Others :						
SK Energy Co., Ltd.		315	523		4,720	1,102
SK Engineering & Construction Co., Ltd.	19,024	2,516	468	7,794	194	739
SK Networks Co., Ltd.	99	170,348	5,111	2,202	206,607	3,291
SK Networks Service Co., Ltd.		5,718				
Innoace Co., Ltd.	324	1,199	53	145	1,574	47
SK Telesys Co., Ltd.	13,450	335	57	42,919	321	91
Others	1,444	3,821	781	62	12,689	1,120
Total	₩ 40,644	₩ 378,580	₩ 42,461	₩ 64,432	₩ 313,500	₩ 38,959

Table of Contents**b-(2) Account balances**

As of March 31, 2009

	Accounts receivable	Short-term loans	Long-term loans	Guarantee deposits	Accounts payable	Guarantee deposits received
Ultimate parent company: SK C&C Co., Ltd.	₩ 1,306	₩	₩	₩	₩ 38,239	₩ 197
Parent Company: SK Holdings Co., Ltd.	53				15	
Subsidiaries:						
SK Broadband Co., Ltd.	420			60	355	4,805
SK Communications Co., Ltd.	2,767				4,872	5,524
SK Telink Co., Ltd.	1,130				366	1,217
F&U Credit Information Co., Ltd.	8				1,204	
TU Media Corp.	6,303				268	2,709
SKT Americas, Inc.					7,568	
IHQ, Inc.	29				1,022	
Ntreev Soft Co., Ltd.	2,083				64	
Commerce Planet Co., Ltd.	382				5,691	
Loen Entertainment, Inc.					2,575	
SKT Vietnam PTE Ltd.	7,000					
SK Telecom China Co., Ltd.	1,035					
SK Telecom China Holdings					9,853	
Others	3				823	150
Equity Method Investees:						
SK Marketing & Company Co., Ltd.	1,186				14,160	248
Virgin Mobile USA, Inc.	29		28,402			
SK Wyverns Baseball Club Co., Ltd.	114	575	2,981		14	
Others					393	
Others:						
SK Energy Co., Ltd.	589			140	166	
SK Engineering & Construction Co., Ltd.	334				16,550	688
SK Networks Co., Ltd.	1,222			112	67,676	3,537
Innoace Co., Ltd.	19				2,145	2,444
SK Telesys Co., Ltd.	36				14,819	
Others	374			5,400	4,769	

Total	₩ 26,422	₩ 575	₩ 31,383	₩ 5,712	₩ 193,607	₩ 21,519
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Table of Contents

	As of December 31, 2008					
	Accounts receivable	Short-term loans	Long-term loans	Guarantee deposits	Accounts payable	Guarantee deposits received
Ultimate parent company: SK C&C Co., Ltd.	₩ 2,399	₩	₩	₩	₩ 98,342	₩ 24
Parent Company: SK Holdings Co., Ltd.	46					
Subsidiaries:						
SK Broadband Co., Ltd.	1,662			60	5	4,805
SK Communications Co., Ltd.	1,450				15,221	5,524
SK Telink Co., Ltd.	7,115				24,215	1,217
SK Wyverns Baseball Club Co., Ltd.	114	575	2,982		11	
PAXNet Co., Ltd.					725	150
F&U Credit Information Co., Ltd.	38				4,311	
TU Media Corp.	4,318				13,055	2,709
SKT Americas, Inc.					8,234	
IHQ, Inc.	29				1,159	
Ntreev Soft Co., Ltd.	32				5,145	
Commerce Planet Co., Ltd.	567				5,966	
Loen Entertainment, Inc.	3,523				3,998	
SKT Vietnam PTE Ltd.	3,130					
SK Telecom China Co., Ltd.	1,035					
Others	62				4,172	
Equity Method Investees:						
SK Marketing & Company Co., Ltd.	1,113				17,916	248
Virgin Mobile USA, Inc.	151		22,821			
Aircross Co., Ltd.	57				397	276
Others					1,575	
Others:						
SK Energy Co., Ltd.	45			140	3,448	
SK Engineering & Construction Co., Ltd.	203				1,164	1,076
SK Networks Co., Ltd.	771			112	57,400	3,537
Innoace Co., Ltd.					3,889	2,444
SK Telesys Co., Ltd.	332				11,152	
Others	463			900	8,057	

Total	₩ 28,655	₩ 575	₩ 25,803	₩ 1,212	₩ 289,557	₩ 22,010
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c. Compensation for the key management

The Company considers registered directors who have substantial roles and responsibility for planning, operating, and controlling of the business as key management, and the considerations given to the key management for the three months ended March 31, 2009 and 2008 are as follows (In millions of Korean won):

Payee	For the three months ended March 31, 2009			For the three months ended March 31, 2008		
	Payroll	Severance indemnities	Total	Payroll	Severance indemnities	Total
8 Registered directors (including outside directors)	₩ 674	₩ 18	₩ 692	₩ 3,532	₩ 335	₩ 3,867

Table of Contents**17. PROVISION**

a. Provision for point program

The Company, for its marketing purposes, grants Rainbow Points and Point Box Points (the Points) to its subscribers based on their usage of the Company's services. Points provision was provided based on the historical usage experience and the Company's marketing policy. Such provision was recorded as accrued expenses or other non-current liabilities in accordance with the expected points usage duration since balance sheet date.

Details of change in the provisions for such mileage points for the three months ended March 31, 2009 and 2008 are as follows (In millions of Korean won):

	March 31, 2009	March 31, 2008
Beginning balance	₩ 24,889	₩ 27,668
Increase	5,075	2,608
Decrease (used points)	(7,990)	(4,284)
Ending balance	₩ 21,974	₩ 25,992

Points expire after 5 years. The expected year when unused points as of March 31, 2009 are expected to be used and the respective estimated monetary amount to be paid in a given year are as follows (In millions of Korean won):

Expected usage for the year ended March 31,	Estimated amount to be paid In nominal value (note a)	Present value
2010	₩ 9,905	₩ 9,376
2011	6,361	5,700
2012	4,095	3,473
2013	2,644	2,123
2014	1,712	1,302
Ending balance	₩ 24,717	₩ 21,974

(note a) The above expected year of the usage and the current value of the estimated amount to be paid are

estimated based
on the historical
usage
experience.

b. Provision for handset subsidy

The Company provides provision for handset subsidies to be provided to the subscribers who purchase handsets on installment basis. Such provision was recorded as accrued expenses or non-current liabilities in accordance with the expected points when the subsidies are paid. Details of change in the provision for handset subsidies for the three months ended March 31, 2009 are as follows (In millions of Korean won):

Table of Contents

	March 31, 2009
Beginning balance	₩ 339,696
Increase (Provision)	107,052
Decrease (subsidy payment)	(75,048)
Ending balance	₩ 371,700

The estimated monetary amount to be paid in a given year is as follows (In millions of Korean won):

Expected payment for the year ended March 31,	Estimated amount to be paid in nominal value	Present value
2010	₩ 335,778	₩ 328,394
2011	45,788	43,306
Ending balance	₩ 381,566	₩ 371,700

18. DERIVATIVE INSTRUMENTS

- a. Currency swap contract to which the cash flow hedge accounting is applied

The Company has entered into a fixed-to-fixed cross currency swap contract with Citibank, BNP Paribas and Credit Suisse First Boston International to hedge the foreign currency risk of unguaranteed U.S. dollar denominated bonds with face amounts totaling US\$300,000,000 at annual fixed interest rate of 4.25% issued on April 1, 2004. As of March 31, 2009, in connection with unsettled foreign currency swap contract to which the cash flow hedge accounting is applied, an accumulated loss on valuation of derivatives amounting to ₩15,792 million (net of tax effect totaling ₩4,995 million and foreign exchange translation loss arising from unguaranteed U.S. dollar denominated bonds totaling ₩68,198 million) was accounted for as accumulated other comprehensive loss.

In addition, the Company has entered into a floating-to-fixed cross currency swap contract with Calyon bank to hedge the foreign currency risk and the interest rate risk of U.S. dollar denominated long-term borrowings with face amounts totaling US\$100,000,000 borrowed on October 10, 2006. As of March 31, 2009, in connection with unsettled cross currency interest rate swap contract to which the cash flow hedge accounting is applied, an accumulated loss on valuation of derivatives amounting to ₩11,530 million (net of tax effect totaling ₩2,810 million and foreign exchange translation loss arising from U.S. dollar denominated long-term borrowings totaling ₩42,910 million) was accounted for as accumulated other comprehensive loss.

In addition, the Company has entered into a floating-to-fixed cross currency swap contract with HSBC and SMBC Bank to hedge the foreign currency risk and the interest rate risk of unguaranteed Japanese yen denominated bonds with face amounts totaling JPY12,500,000,000 issued on November 13, 2007. As of March 31, 2009, in connection with unsettled cross currency interest rate swap contract to which the cash flow hedge accounting is applied, an accumulated loss on valuation of derivatives amounting to ₩337 million (net of tax effect totaling ₩1,622 million and foreign exchange translation loss arising from

unguaranteed Japanese yen denominated bonds totaling ₩72,774 million) was accounted for as accumulated other comprehensive income.

In addition, the Company has entered into a floating-to-fixed cross currency swap contract with DBS and Calyon bank to hedge the foreign currency risk and the interest rate risk of U.S. dollar denominated notes with face amounts totaling US\$150,000,000 borrowed on November 20, 2008. As of March 31, 2009, in

Table of Contents

connection with unsettled cross currency interest rate swap contract to which the cash flow hedge accounting is applied, an accumulated loss on valuation of derivatives amounting to ₩27 million (net of tax effect totaling ₩8 million and foreign exchange translation gain arising from U.S. dollar denominated bonds totaling ₩10,691 million) was accounted for as accumulated other comprehensive income.

In addition, the Company has entered into a floating-to-fixed cross currency swap contract with Mizuho Corporate Bank to hedge the foreign currency risk and the interest rate risk of unguaranteed Japanese yen denominated bonds with face amounts totaling JPY3,000,000,000 issued on January 22, 2009. As of March 31, 2009, in connection with unsettled cross currency interest rate swap contract to which the cash flow hedge accounting is applied, an accumulated loss on valuation of derivatives amounting to ₩174 million (net of tax effect totaling ₩49 million and foreign exchange translation gain arising from unguaranteed Japanese yen denominated bonds totaling ₩3,691 million) was accounted for as accumulated other comprehensive income.

In addition, the Company has entered into a floating-to-fixed cross currency swap contract with Bank of Tokyo-Misuboshi Bank to hedge the foreign currency risk and the interest rate risk of unguaranteed Japanese yen denominated bonds with face amounts totaling JPY5,000,000,000 issued on March 5, 2009. As of March 31, 2009, in connection with unsettled cross currency interest rate swap contract to which the cash flow hedge accounting is applied, an accumulated loss on valuation of derivatives amounting to ₩2,053 million (net of tax effect totaling ₩579 million and foreign exchange translation gain arising from unguaranteed Japanese yen denominated bonds totaling ₩7,876 million) was accounted for as accumulated other comprehensive income.

- b. Interest rate swap contract to which the cash flow hedge accounting is applied

The Company has entered into a floating-to-fixed interest rate swap contract with Shinhan Bank to hedge the interest rate risk of floating rate discounted bill with face amounts totaling ₩200,000 million borrowed on June 29, 2006. As of March 31, 2009, in connection with unsettled interest rate swap contract to which the cash flow hedge accounting is applied, an accumulated loss on valuation of derivatives amounting to ₩3,710 million (net of tax effect totaling ₩1,047 million) was accounted for as accumulated other comprehensive income.

In addition, the Company has entered into a floating-to-fixed interest rate swap contract with Nonghyup Bank and other two banks to hedge the interest rate risk of long-term floating rate borrowings with face amounts totaling ₩500,000 million borrowed from July 28, 2008 to August 13, 2008. As of March 31, 2009, in connection with unsettled interest rate swap contract to which the cash flow hedge accounting is applied, an accumulated loss on valuation of derivatives amounting to ₩20,755 million (net of tax effect totaling ₩5,854 million) was accounted for as accumulated other comprehensive income.

- c. Currency swap contract to which the fair value hedge accounting is applied

The Company has entered into a fixed-to-fixed cross currency swap contract with Hana Bank and other nine banks to hedge the foreign currency risk of U.S. dollar denominated equity securities of China Unicom. In connection with unsettled foreign currency swap contract to which the fair value hedge accounting is applied, loss on valuation of currency swap of ₩179,141 million and ₩82,296 million for the three months ended March 31, 2009 and 2008, respectively, was charged to current operations.

- d. Currency swap contract to which the hedge accounting is not applied

The Company has entered into a fixed-to-fixed cross currency swap contract with Credit Suisse First Boston International to hedge foreign currency risk of unguaranteed U.S. dollar denominated convertible bonds with face amounts of US\$ 100,000,000 issued on May 27, 2004. In connection with unsettled fixed-to-fixed cross

currency swap contract to which the hedge accounting is not applied, gain on

Table of Contents

valuation of currency swap of ₩13,282 million and ₩5,608 million for the three months ended March 31, 2009 and 2008, respectively, was charged to current operations.

In addition, the Company has entered into fixed-to-fixed cross currency swap contract with Morgan Stanley Bank and two other banks to hedge the foreign currency risk of unguaranteed U.S. dollar denominated bonds with face amounts totaling US\$400,000,000 issued on July 20, 2007. In connection with unsettled foreign currency swap contract to which the hedge accounting is not applied, loss on valuation of currency swap of ₩42,481 million and gain on valuation of currency swap of ₩12,743 million for the three months ended March 31, 2009 and 2008, respectively, was charged to current operations.

Table of Contents

As of March 31, 2009, fair values of above derivatives recorded in assets or liabilities and details of derivative instruments as of March 31, 2009 are as follows (In thousands of U.S. dollars, H.K. dollars, Japanese yen and millions of Korean won):

Type	Hedged item	Amount	Duration of contract	Fair value			Total
				Designated as cash flow hedge	Designated as fair value hedge	Not designated	
Current assets:							
Fix-to-fixed cross currency swap	U.S. dollar denominated convertible bond	US\$100,000	May 27, 2004 ~ May 27, 2009	₩	₩	₩ 21,518	₩ 21,518
Non-current assets:							
Fix-to-fixed cross currency swap	U.S. dollar denominated bonds	US\$300,000	Mar. 23, 2004 ~ Apr. 1, 2011		47,411		47,411
Floating-to-fixed cross currency interest rate swap	U.S. dollar denominated long-term borrowings	US\$100,000	Oct. 10, 2006 ~ Oct. 10, 2013		28,570		28,570
Fix-to-fixed cross currency swap	U.S. dollar denominated bonds	US\$400,000	Jul. 20, 2007 ~ Jul. 20, 2017			197,891	197,891
Floating-to-fixed cross currency interest rate swap	Japanese yen denominated bonds	JPY12,500,000	Nov. 13, 2007 ~ Nov. 13, 2012		70,816		70,816
Total assets				₩ 146,797	₩	₩219,409	₩366,206
Current liabilities:							
Fix-to-fixed cross currency swap	U.S. dollar denominated China Unicom Equity Securities	HK\$10,940,900	Sep. 11, 2008 ~ Sep. 16, 2009	₩	₩369,500	₩	₩369,500
Non-current liabilities:		US\$150,000			10,726		10,726

Fix-to-fixed cross currency swap	U.S. dollar denominated bonds		Nov 20, 2008 ~ Nov 20, 2010		
Floating-to-fixed cross currency interest rate swap	Japanese yen denominated bonds	JPY3,000,000	Jan. 22, 2009 ~ Jan. 22, 2012	3,915	3,915
Floating-to-fixed cross currency interest rate swap	Japanese yen denominated bonds	JPY5,000,000	Mar. 5, 2009 ~ Mar. 5, 2012	10,508	10,508
Floating-to-fixed cross currency interest rate swap	Long-term borrowings	₩500,000	July 28, 2008 ~ August 13, 2009	26,609	26,609
Floating-to-fixed interest rate swap	Long-term floating rate discounted bill	₩200,000	Jun. 29, 2006 ~ Jun. 29, 2010	4,756	4,756
Total liabilities				₩ 56,514	₩369,500
				₩	₩426,014

Table of Contents

19. SUBSEQUENT EVENTS

a. Issuance of unguaranteed convertible bonds

On April 7, 2009, the Company issued unguaranteed convertible bond denominated in US dollar with face amount of US\$332,528,000, to refund its outstanding convertible bond of which face amount US\$229,160,000, and will mature on May 27, 2009, in accordance with the resolution of board of directors dated on March 13, 2009. The convertible bond will bear annual interest rate of 1.75%, its maturity of April 14, 2014 and the conversion right could be exercised during the period from May 18, 2009 to March 24, 2014

20. K-IFRS ADOPTION PLAN AND STATUS

In accordance with IFRS adoption roadmap released by the Financial Supervisory Commission in March 2007, the Company is required to prepare financial statements under K-IFRS from fiscal year of 2011. In April 2008, the Company set up a task force for the adoption and hired outside consulting firm to evaluate the impact that K-IFRS may have on the Company's financial statements as well as to educate the concerned employees. At March 31, 2009, the Company is currently performing analysis on the major GAAP differences between K-IFRS and the Company's accounting policy, setting up action plan to decide the Company's accounting policy under K-IFRS and changing operating procedures to coincide with K-IFRS.

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

SK Telecom Co., Ltd.

(Registrant)

By: /s/ Tae Jin Park

(Signature)

Name: Tae Jin Park

Title: Senior Vice President

Date: June 17, 2009