

SK TELECOM CO LTD
Form 6-K
December 22, 2008

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

**Form 6-K
REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16 OF
THE SECURITIES EXCHANGE ACT OF 1934
FOR THE MONTH OF DECEMBER 2008**

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-_____

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BUSINESS REPORT

(From January 1, 2008 to September 30, 2008)

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.

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I. OVERVIEW

1. Purpose of SK Telecom Co., Ltd. (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

2. Company History

A. Changes Since Incorporation

(1) Date of Incorporation

March 29, 1984 (date of shareholders meeting for the incorporation): Incorporated as Korea Mobile Communications Service Co., Ltd.

(Authorized capital: Won 500 million / Paid-in capital: Won 250 million)

(2) 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. Mergers

(1) Target: Shinsegi Communication Co., Ltd.

Date: January 13, 2002

Registration: January 16, 2002

(2) Target: SK IMT Co., Ltd.

Date: May 1, 2003

Registration: May 7, 2003

C. Significant Recent Business Events

(1) Retirement of treasury stock

In accordance with the resolution of board of directors dated October 23, 2008, the Board resolved to acquire 448,000 shares of treasury stock in the market for the period from October 27, 2008 to January 26, 2009, in order to retire the Company's retained earnings.

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(2) Issuance of unguaranteed bonds

In accordance with the resolution of board of directors dated September 25, 2008, the Company issued unguaranteed bonds with face amount of ₩50 billion and ₩250 billion, respectively, for ₩298.7 billion. The bonds bear an annual rate of 6.77% and 6.92%, respectively, and will be repaid in full at their maturities, October 28, 2010 and October 28, 2013, respectively.

3. Information Regarding Shares

A. Total number of shares

(As of September 30, 2008)

(Unit: shares)

Classification	Common shares	Share type	Total	Remarks
I. Total number of issuable 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	8,085,235		8,085,235	
1. Capital reduction				
2. Share cancellation	8,085,235		8,085,235	
3. Redeemed shares				
4. Others				
IV. Total number of shares (II-III)	81,193,711		81,193,711	
V. Number of treasury shares	8,400,708		8,400,708	
VI. Number of shares outstanding (IV-V)	72,793,003		72,793,003	
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B. Capital Stock and Price per Share

		Capital (total face value)			Price per share		(Unit: Won, shares)
		Capital amount in	Total		Par value per share	Capital/ Total number of issued shares (a / IV of A.)	Capital/ Number of distributed shares (a / VI of A.)
Classification	Type	financial statements (a)	number of issued shares (IV of A×b)	Total amount of distributed shares (VI of A×b)	(b)		
Registered	Common shares	44,639,473,000	40,596,855,500	36,396,501,500	500	549.8	613.2
Total		44,639,473,000	40,596,855,500	36,396,501,500	500	549.8	613.2

C. Acquisition and Disposition of Treasury Shares

(1) Status of Acquisition and Disposition of Treasury Shares

Acquisition method	Type of share	Amount at the beginning of period	Acquisition (+)	Disposition (-)	Retirement (-)	Amount at the end of period
Direct acquisition pursuant to Article 189-2 (1) of the relevant Act	Common share	4,644,354		208,326	4,436,028	
Direct acquisition based on causes other than those stipulated in Article 189-2 (1) of the relevant Act	Preferred share					
	Common share	77,970			77,970	
	Preferred share					
Sub-total	Common share	4,722,324		208,326	4,513,998	
	Preferred share					
Indirect acquisition through trust and other agreements	Common share	3,886,710			3,886,710	
	Preferred share					
Total	Common share	8,609,034		208,326	8,400,708	
	Preferred share					

Notes:

* Of the
4,513,998
shares of
treasury shares
directly
acquired based
on causes other
than those
provided in
Article 189-2
(1) of the
relevant Act,
1,324,744
shares were
deposited with
the Korea
Securities
Depository as of
September 30,
2008 for any
exchange of the
Company's
overseas
exchangeable
bonds.

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D. Employee Stock Ownership Program

(1) Transactions with the Employee Stock Ownership Program

The Company lent funds to the Employee Stock Ownership Program to finance purchases of the Company's stock by employees, and the Employee Stock Ownership Program re-lent the amount to the Company's employees in accordance with its internal allotment standards.

(Unit: in thousands of Won)

Classification	Loan Date	Amount	Repayment Condition	Remarks
5th	1999.08.23	118,577,755	8-year installment repayment plan following a three-year grace period	
8th(1)	2007.12.23	31,017,044	5-year installment repayment plan following a two-year grace period	
8th(2)	2008.01.23	29,676,039	5-year installment repayment plan following a two-year grace period	

The loan is deducted from wages for each individual to repay the Employee Stock Ownership Program, and is subsequently repaid to the company.

(As of September 30, 2008)

(Unit: in thousands of Won)

Classification	Initial Loan	Repayment Amount	Accumulated Repayment Amount	Balance
5th	118,577,754	1,404,298	116,179,808	2,397,947
8th(1)	31,017,043	1,451,021	1,451,021	59,242,062
8th(2)	29,676,039			
Total	179,270,838	2,855,319	117,630,829	61,640,009

(2) Voting Rights of the Employee Stock Ownership Program

During a designated period, to be 7 days or longer, each individual member of the Program may exercise his voting rights by expressing his intention on the shareholders' meeting agenda through a written power of attorney to a designated proxy.

(3) Shareholdings of 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' stock in separate individual accounts within the program once the number of shares for each individual member is determined.

(Unit: shares)

Classification	Account classification	Types of share	Balance at the beginning of period	Balance at the end of period
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5th	Member Account	Common share	139,338	126,813
8th(1)			171,871	371,156
8th(2)			208,326	
	Total		519,535	497,969

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(As of September 30, 2008)

(Unit: shares)

Classification		Number of shares	Remarks
Total outstanding shares (A)	Common share	81,193,711	
	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 Stock Exchange Act and other laws (C)	Common share		
Shares with reestablished voting rights (D)			
The number of shares with exercisable voting rights (E = A - B - C + D)	Common share	72,793,003	
	Preferred share		

5. Dividends and Others

(Unit: in millions of Won except per share value)

Classification	As of and for the six months ended September 30, 2008	As of and for the year ended December 31, 2007	As of and for the year ended December 31, 2006
Par value per share	500	500	500
Current net income	1,014,535	1,642,451	1,446,598
Net income per share	13,940	22,607	19,734
Income available for distribution as dividend		1,603,828	1,574,716
Total cash dividend	72,793	682,379	582,386
Total stock dividend			
Percentage of cash dividend to available income (%)		41.6	40.3
Cash dividend yield ratio (%)	Common share	3.8	3.6
	Preferred share		
Stock dividend yield ratio (%)	Common share		
	Preferred share		
Cash dividend per share	Common share	1,000 6	9,400 8,000

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(Unit: in millions of Won except per share value)

Classification	As of and for the six months ended September 30, 2008	As of and for the year ended December 31, 2007	As of and for the year ended December 31, 2006
Stock dividend per share			

II. BUSINESS**1. Business Summary****A. Industry Status****(1) Characteristics of the Industry**

As of September 30, 2008, the number of domestic mobile phone subscribers reached approximately 45.3 million and with a 93.2% 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 90%, 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.

(2) Industry Growth

Classification	As of September 30,		As of December 31,		
	2008	2007	2006	2005	2004
Penetration rate (%)	93.2	89.8	83.2	79.4	75.9
SK Telecom	22,876	21,968	20,271	19,530	18,783
Others (KTF, LGT)	22,399	21,530	19,926	18,812	17,803
Number of subscribers Total	45,275	43,498	40,197	38,342	36,586

(Unit: 1,000 persons)

(Data: Ministry of Information and Communication website)

(3) Market Characteristics

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. Korea's mobile communication market penetration continues to grow, reflecting increased usage of mobile communications services by elementary school and pre-school children. 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.

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B. Company Status

(1) Market Share

* Historical market share of the Company

Classification	As of September 30,		
	2008	2007	2006
Mobile phone	50.5	50.5	50.4

(Unit: %)

* Comparative market share

Classification	As of September 30, 2008		
	SK Telecom	KTF	LG Telecom
Market share	50.5	31.5	17.9

(Unit: %)

(Data: Ministry of Information and Communication website)

(2) New Business Contents and Prospects

N/A

2. Major Products

A. Status of Major Products as of September 30, 2008

Business field	Sales type	Item	Major trademarks	(Unit: in millions of Won, %)	
				Sales amount (ratio)	
Information and communication	Services	Mobile phone	June, NATE and others	7,922,171	(91.4%)
		Others	Others	745,673	(8.6%)

B. Price Trend of Major Products

Item	As of September 30,			
	2008	2007	2006	
Mobile phone	Basic fee (per month)	13,000	13,000	13,000
(Based on standard call charge)	Service fee (per 10 seconds)	20	20	20

(Unit: Won)

Table of Contents**3. Investment Status**

A. Investments 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	2008	Network, systems and others	Capacity increase and quality improvement; systems improvement	19,700	10,266	9,434

B. Future Investment Plan

(Unit: in 100 millions of Won)

Business field	Asset type	Expected investment amount*	Expected investment for each year		Investment effect
			2008	2009	
Network/Common	Network, systems and others	19,700	19,700	N/A	Upgrades to the existing services and provision of new services
Total		19,700	19,700	N/A	

* The expected investment amount of Won 1,970.0 billion is the planned investment amount for 2008.

4. Derivative Products and Others

A. Derivatives Contracts

(1) FX Swap

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

b) Contract Terms

Income/loss on valuation on the following currency swaps were calculated using cash flow hedge accounting:

(As of September 30, 2008)

Due	Income/loss on
-----	----------------

(Unit: in millions of Won)

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Contract amount	Contract party	Contract date	date	Proceeds payment method	valuation
US\$125 million	Citibank	March 23, 2004	April 1, 2011	Exchange on the date immediately preceding the principal and interest payment date	(1,382)
US\$125 million	Credit Suisse	March 23, 2004	April 1, 2011	Same as above	(2,204)
US\$50 million	BNP Paribas	March 23, 2004	April 1, 2011	Same as above	392

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					(Unit: in millions of Won)
					Income/loss on valuation
(As of September 30, 2008)					
Contract amount	Contract party	Contract date	Due date	Proceeds payment method	
US\$100 million	Calyon	October 10, 2006	October 10, 2013	Exchange on the date of the principal and interest payment date	22,934
JPY 9,100 million	SMBC	November 13, 2007	November 13, 2012	Same as above	33,583
JPY 3,400 million	HSBC	November 13, 2007	November 13, 2012	Same as above	10,884
Income/loss on valuation on the following currency swap was calculated using fair value hedge accounting:					

					(Unit: in millions of Won)
					Income/loss on valuation
(As of September 30, 2008)					
Contract amount	Contract party	Contract date	Due date	Proceeds payment method	
HKD 10,941 million	8 Banks including Hana Bank	September 3, 2007	September 16, 2008	Payment of HK Dollars and receipt of Korean Won on September 16, 2008	(109,934)
Income/loss on valuation on the following currency swaps were calculated using sales accounting:					

					(Unit: in millions of Won)
					Income on valuation
(As of September 30, 2008)					
Contract amount	Contract party	Contract date	Due date	Proceeds payment method	
US\$100 million	Credit Suisse	May 27, 2004	May 27, 2009	Exchange before principal payment date	1,788
US\$150 million	Morgan Stanley	July 20, 2007	July 20, 2017	Same as above	52,980
US\$150 million	Merrill Lynch	July 20, 2007	July 20, 2017	Same as above	51,302
US\$100 million	Barclays Capitals	July 20, 2007	July 20, 2017	Same as above	34,333

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- (2) Interest Rate Swap
- a) Purpose of Contracts: Interest Rate Risk Hedging
- b) Contract Terms

Income/loss on valuation on the following interest rate swap was calculated using cash flow hedge accounting:

(As of June 30, 2008)

(Unit: in millions of Won)

Contract amount	Contract party	Contract date	Due date	Proceeds payment method	Income/loss on valuation
200 Billion Won	Shinhan Bank	June 28, 2006	June 29, 2010	Fixing of interest payment date / exchange of floating interest rate	3,104
100 Billion Won	NH Bank	July 30, 2008	July 30, 2011	Same as above	(613)
50 Billion Won	NH Bank	Aug. 13, 2008	Aug. 12, 2011	Same as above	(127)
150 Billion Won	Hana Bank	July 31, 2008	July 31, 2011	Same as above	(537)
100 Billion Won	KD Bank	July 28, 2008	July 28, 2011	Same as above	(108)
100 Billion Won	KD Bank	July 29, 2008	July 29, 2011	Same as above	(324)

5. R&D Investments

(Unit: in thousands of Won)

Category	For the nine months ended September 30, 2008	For the year ended December 31, 2007	For the year ended December 31, 2006	Remarks
Raw material	55,183	96,217	184,969	
Labor	28,182,648	39,388,760	33,986,701	
Depreciation	97,640,417	129,208,262	134,461,257	
Commissioned service	63,490,626	90,363,645	83,751,223	
Others	22,822,265	37,609,969	35,680,197	
Total R&D costs	212,191,139	296,666,853	288,064,347	

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		(Unit: in thousands of Won)			
	Category	For the nine months ended September 30, 2008	For the year ended December 31, 2007	For the year ended December 31, 2006	Remarks
Accounting	Sales and administrative expenses	209,130,110	288,519,863	277,807,352	
	Development expenses (Intangible assets)	3,061,029	8,146,990	10,256,995	
	R&D cost / sales amount ratio (Total R&D costs / Current sales amount×100)	2.455 12	2.63%	2.70%	

Table of Contents**6. Other Matters**

A. External Fund Procurement Summary

* Domestic procurement

(Unit: in millions of Won)

Source of procurement	Beginning balance	New procurement	Reduction from payment	Ending balance	Remarks
Bank	200,000			200,000	
Insurance company					
Merchant banking					
Loan specialty financial company					
Mutual savings bank					
Other financial institutions					
Total procurement from financial institutions	200,000			200,000	
Corporate bond (public offering)	1,822,723	20,304		1,843,027	Exchange rate adjustment
Corporate bond (private offering)					
Paid-in capital increase (public offering)					
Paid-in capital increase (private offering)					
Asset backed securitization (public offering)					
Asset backed securitization (private offering)					
Others	300,000			300,000	CP Publishment
Total procurement from capital market Borrowings from shareholder, officer and affiliated company	2,122,723	20,304		2,143,027	
Others					
Total	2,322,723	20,304		2,343,027	

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* Overseas procurement

(Unit: in millions of Won)

Procurement source	Beginning balance	New procurement	Reduction in repayment and others	Ending balance	Remarks
Financial institutions	104,340	14,430		118,770	Exchange rate adjustment
Overseas securities (Corporate bonds)	730,380	101,010		831,390	Exchange rate adjustment
Overseas securities (shares and others)	268,415			268,415	
Asset backed securitization					
Others					
Total	1,103,135	115,440		1,218,575	

B. 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	National Information on Credit Evaluation, 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	National Information on Credit Evaluation, 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	National Information on Credit Evaluation, Inc.	Current valuation
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	National Information on Credit Evaluation, 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		AAA		Current valuation

November 5, 2007	Corporate bond	AAA	National Information on Credit Evaluation, Inc.	Current valuation
	Corporate bond		Korea Investors Service, Inc.	
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Credit rating date	Subject of valuation	Credit rating	Credit rating entity (Credit rating range)	Evaluation classification
Feb.20, 2008	Corporate bond	AAA	Korea Ratings	Current valuation
Feb. 21, 2008	Corporate bond	AAA	National Information on Credit Evaluation, Inc.	Current valuation
Feb. 21, 2008	Corporate bond	AAA	Korea Investors Service, 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	National Information on Credit Evaluation, Inc.	Regular 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
January 3, 2006	CP	A1	National Information on Credit Evaluation, Inc.	Regular valuation
January 4, 2006	CP	A1	Korea Ratings	Regular valuation
June 13, 2006	CP	A1	National Information on Credit Evaluation, Inc.	Current valuation
June 21, 2006	CP	A1	Korea Ratings	Current valuation
June 22, 2006	CP	A1	Korea Investors Service, Inc.	Current valuation
September 1, 2006	CP	A1	Korea Ratings	Regular valuation
December 27, 2006	CP	A1	National Information on Credit Evaluation, 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	National Information on Credit Evaluation, 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	National Information on Credit Evaluation, 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	National Information on Credit Evaluation, Inc.	Current valuation
June 17, 2008	CP	A1	Korea Investors Service, Inc.	Current 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.

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(3) International Credit Ratings

Date of credit rating	Subject of valuation	Credit rating of securities	Credit rating company (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

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1. Summary Financial Statements (Non Consolidated)

(Unit: in millions of Won)

Classification	As of and for the nine months ended September 30,	As of and for the year ended December 31,			
	2008	2007	2006	2005	2004
Current assets	4,004,331	4,094,059	4,189,325	4,172,485	3,854,345
Quick assets	3,990,497	4,075,378	4,172,887	4,166,500	3,843,384
Inventory	13,833	18,681	16,438	5,985	10,961
Fixed assets	14,420,087	14,038,451	11,624,728	10,349,191	10,166,360
Investments	6,007,296	5,940,045	3,547,942	2,366,760	2,112,488
Tangible assets	4,465,324	4,594,413	4,418,112	4,595,884	4,605,253
Intangible assets	2,936,022	3,174,942	3,405,158	3,386,547	3,448,619
Other non-current assets	1,011,445	329,051	253,516		
Total assets	18,424,417	18,132,510	15,814,053	14,521,676	14,020,705
Current liabilities	3,592,292	2,484,548	2,985,620	2,747,268	2,859,711
Fixed liabilities	4,105,849	4,221,016	3,522,006	3,516,528	4,033,902
Total liabilities	7,698,141	6,705,564	6,507,626	6,263,796	6,893,613
Capital	44,639	44,639	44,639	44,639	44,639
Capital surplus	2,863,854	2,923,921	2,962,699	2,966,198	2,983,166
Capital adjustment	(-)1,998,452	(-)2,041,578	(-)2,019,568	(-)2,022,817	(-)2,057,422
Accumulated comprehensive income	578,340	1,594,099	473,904		
Retained earnings	9,237,896	8,905,865	7,844,753	7,269,861	6,156,708
Total capital	10,726,276	11,426,946	9,306,427	8,257,881	7,127,091
Sales	8,667,844	11,285,900	10,650,952	10,161,129	9,703,681
Operation income	1,591,058	2,171,543	2,584,370	2,653,570	2,359,581
Ordinary income	1,387,991	2,307,785	2,021,643	2,554,613	2,115,778
Current net income	1,014,535	1,642,451	1,446,598	1,871,380	1,494,852

* See the attached
Korean GAAP
Non-consolidated
Financial
Statements.

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Nine months ended September 30, 2008 Deloitte Anjin LLC	Year ended December 31, 2007 Deloitte Anjin LLC	Year ended December 31, 2006 Deloitte Anjin LLC	Year ended December 31, 2005 Deloitte Anjin LLC
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2. Audit Opinion

Term	Auditor's opinion	Issues noted
Nine months ended September 30, 2008	Appropriate	
Nine months ended September 30, 2008	Appropriate	
Year ended December 31, 2007	Appropriate	
Year ended December 31, 2006	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
Nine months ended September 30, 2008	Deloitte Anjin LLC	Semi-annual review Quarterly review Non-consolidated financial statements audit Consolidated financial statements audit	1,088,321	11,346
Year ended December 31, 2007	Deloitte Anjin LLC	Semi-annual review Quarterly review Non-consolidated financial statements audit Consolidated financial statements audit	1,066,318	11,468
Year ended December 31, 2006	Deloitte Anjin LLC	Semi-annual review Quarterly review Non-consolidated financial statements audit Consolidated financial statements audit	656,000	7,637

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B. Non-Audit Services Contract with External Auditors

(Unit: in thousands of Won)				
Term	Contract date	Service provided	Service period	Fee
Nine months ended September 30, 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
Year ended December 31, 2007	August 13, 2008	R&D related consulting	7 days	9,400
	March 20, 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
	January 1, 2006	Tax consulting service for fiscal year 2006	25 days	20,000
	February 7, 2006	Tax training for employees of authorized exclusive dealers	50 days	45,000
	March 31, 2006	Tax adjustment for fiscal year 2005	7 days	27,000
Year ended December 31, 2006	April 30, 2006	Tax consulting	7 days	45,000
	July 26, 2006	Financial consulting	7 days	40,000
	October 13, 2006	Evaluation of and preparation of recommendations for improvement of subsidiaries financial system infrastructure	10 days	49,500
	November 13, 2006	Preparation of responses to the U.S. SEC's comments on the Company's Form 20-F for 2005	10 days	25,500

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V. MANAGEMENT STRUCTURE

1. Summary of Management Structure

A. Board of Directors

(1) Authority of the Board of Directors

a) Authority of the board of directors under Article 7 of the Regulations of the Board of Directors

Convocation of shareholders meeting and submission of agenda

Prior approval of financial statements

Decisions on issuance of new shares

Long-term borrowings, issuance of corporate bonds and redemptions

Capital transfer of reserves

Election of CEO and representatives

Appointment of executive directors

Establishment, transfer or closure of branches

Enactment of and revision to the Regulations for the Board of Directors

Annual business plan and budgeting

Approval of investments of Won 50 billion or greater or investments that become Won 50 billion or greater through planned budget increases

Planned budget increases and changes for investments or Won 50 billion or greater.

Investments and joint ventures of Won 50 billion or greater. For new investments and joint ventures of Won 30 billion or above.

Establishment of subsidiaries

Guarantees of Won 50 billion or greater

Transactions undertaken with related parties equal to or above the lesser of an amount equivalent to 10% of capital or Won 10 billion, and any material changes to such transactions in accordance with the Anti-trust Law and Fair Trade Act; provided, majority approval of outside directors is required. Prior approval of outside directors as required by Article 45-2 of the Articles of Incorporations is deemed to be obtained, if there is majority approval by outside directors.

Investment by the Company or any of its subsidiaries in foreign corporations or entities, or other foreign assets, equal to or greater than the amount equivalent to 5% of the Company's equity capital according to its latest balance sheet; provided, majority approval of outside directors is required. Prior approval of outside directors as required by Article 45-2 of the Articles of Incorporations is deemed to be obtained, if there is majority approval by outside directors.

Enactment of and amendment to the Internal Trading Procedures

Other matters considered necessary by the Board of Directors and those requiring Board of Directors approval under applicable laws

b) Reporting items under Article 7.2 of the Regulations of the Board of Directors

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The representative director must report the following to the Board of Directors within two months after the date of occurrence:

Results for the six months ended June 30 of each year

Execution of investments between Won 5 billion and Won 50 billion

New investments and joint ventures under Won 50 billion

Acquisition of non-operational fixed assets

Disposition of fixed assets of Won 50 billion or above

Matters related to guarantees of under Won 50 billion

Internal trading not subject to approval by the Board of Directors

Matters delegated to the representative director that the Board of Directors requires to be reported

(2) Publication of Information on Director Candidates Prior to the Shareholders Meeting for the Election of Directors and Shareholders Nomination

a) On February 22, 2008, in the notice of the annual general meeting of shareholders, information on Shin Bae Kim, Young Ho Park, Rak Yong Uhm, Jay Young Chung, Jae Ho Cho, candidates for the Board of Directors, was publicly disclosed.

b) There was no nomination by the shareholders.

(3) Significant Activities of the Board of Directors

Meeting	Date	Agenda	Approval
289th (the first meeting of 2008)	January 31, 2008	Financial Statements for 24th Fiscal Year Business Report for 24th Fiscal Year Establishment of Corporate for Convergence Business in USA	Approved as proposed Approved as proposed Approved as proposed
290th (the second meeting of 2008)	February 19, 2008	The Call for the 24th Annual General Meeting of Shareholders Issuance of Corporate Bond	Approved as proposed Approved as proposed
291st (the third meeting of 2008)	March 14, 2008	Appointment of the Representative Director Appointment of Sub-Committee Members	Approved as proposed Approved as proposed
292nd (the fourth meeting of 2008)	March 28, 2008	Establishment of SK Marketing & Company (provisional name) Amendment of internal regulations The Participation in the Capital Increase of Cyworld China (Holdings) Limited	Approved as proposed Approved as proposed Approved as proposed

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Meeting	Date	Agenda	Approval
293rd (the fifth meeting of 2008)	May 30, 2008	Appointment of Independent Non-Executive Director Recommendation Committee Member Establishment of Corporate Citizenship Committee and Appointment of its Candidates Contract with TU Media Co., Ltd. regarding satellite utilization fees	Approved as proposed Amended and approved Approved as proposed
294th (the sixth meeting of 2008)	June 11, 2008	Dispose of SK C&C Co., Ltd Shares	Approved as proposed
295th (the seventh meeting of 2008)	July 18, 2008	Investment in a Beijing office building Investment in Beijing U-City business Interim Dividend Asset Management Transaction with Affiliated Company (SK Securities) Long-term Debt Financing	Approved as proposed Approved as proposed Approved as proposed Approved as proposed Approved as proposed
296rd (the eighth meeting of 2008)	August 21 2008	Transactions with SK Networks Co. Ltd. in 2008 Investment for additional WCDMA Equipment and Marketing Activities for 2008	Approved as proposed Approved as proposed Approved as proposed
297th (the ninth meeting of 2008)	September 25 2008	Establishment of SK Telecom s Affilate Company for Sales Asset Management Transaction with Affiliated Company (SK Securities) Issuance of Corporate Bonds	Approved as proposed Approved as proposed Approved as proposed
298th (the tenth meeting of 2008)	October 23 2008	Trasfer Melon Service and Participation of Capital Increase in LOEN Entertainment Acquistion of Treasury Stocks for Cancellation Long-term Financing Plan	Approved as proposed Approved as proposed Approved as proposed Approved as proposed

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(4) Committee Structure and Activities of the Board of Directors
 a) Independent Non-executive Director Nomination Committee
 Organization
 (As of September 30, 2008)

Number of Persons	Company Directors	Members	
4	Shin Bae Kim, Sung Min Ha	Independent Non-executive Directors	
		Rak Yong Uhm, Jae Ho Cho	

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

Date	Details	Approval	D.S. Shim (100%)*	H.J. Lim (100%)*
			Vote	Vote
Feb. 19 2008	24 General Meeting of Shareholders: Nomination of Independent Non-executive Director Candidates: Rak Yong Uhm, Jay Young Chung, Jae Ho Cho	Approved	For	For

* Participation Rate for the Board of Directors Meetings

Date	Details	Approval	R.Y. Uhm (100%)*	J.H. Cho (100%)*
			Vote	Vote
July 18, 2008	Proposal to nominate the Head of Committee	Approved	For	For

b) Compensation Review Committee
 Organization
 (As of September 30, 2008)

Number of Persons	Company Directors	Members	
		Independent Non-executive Directors	

5 persons

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.

Activities

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Date	Details	Approval	Y.W. Kim (100%)	D.S. Shim (100%)	H.J. Lim (100%)	R.Y. Uhm (100%)	J.Y. Chung (100%)	J.H. Cho (100%)
Mar. 27, 2008	Appointment of Representative Director of the Committee	Approved	For	For	For	For	For	For
Apr. 25, 2008	Discussion of Committee operation methods		Resigned					
c) Capex Review Committee Organization (As of September 30, 2008)								

Number of Persons	Company Directors	Members
5 persons	Young Ho Park, Sung Min Ha	Independent Non-executive Directors Rak Yong Uhm, Dal Sup Shim, Jay Young Chung
* The Capex Review Committee is a committee established by the resolution of the Board of Directors.		
Activities		

Date	Details	Approval	R.Y. Uhm (100%)	D.S. Shim (100%)	J.Y. Chung (100%)
Apr. 26, 2008	Appointment of Representative Director of the Committee	Approved	For	For	For
d) Corporate Citizenship Committee Organization (As of September 30, 2008)					

Number of Persons	Company Directors	Members
5 persons	Young Ho Park, Sung Min Ha	Independent Non-executive Directors Rak Yong Uhm, Hyun Chin Lim, Jay Young Chung
* The Corporate Citizenship Committee is a committee established by		

the resolution of
the Board of
Directors.

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Date	Details	Approval	R.Y. Uhm (100%)	H.J. Lim (100%) Vote	J.Y. Chung (100%)
Sep. 10, 2008	Appointment of Representative Director of the Committee	Approved	For	For	For
	e) Audit Committee: See B. Audit System below.				

* The Audit Committee is a committee established under the provisions of the Articles of Incorporation.

B. Audit System**(1) Establishment and Organization of the Audit Committee**

- a) The Audit Committee is composed of three or more directors. However, independent non-executive directors must account for 2/3 or more, and the members are elected by the resolution of the Board of Directors each year.
- b) The Audit Committee is convened when deemed necessary by the chairman or is requested by two or more of the committee members.
- c) The quorum for resolution is majority attendance with majority consent of the attending members.

(2) Authority of the Audit Committee

Includes authority to inquire on the subsidiary companies, right to investigate the business operations and asset conditions, and right to request for a business status report pursuant to the Audit Committee Regulations.

(3) Members of the Audit Committee

Audit Committee Members are directors Dal Sup Shim, Hyun Chin Lim and Jae Ho Cho.

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(4) Major Activities of the Audit Committee

Meeting	Date	Agenda	Approval	Remarks
The first meeting of 2008	January 31, 2008	Audit Report on Internal Monitoring System	Approved as proposed	
		2007 Management Audit Results and 2008 Management Audit Plan		
		Financial statements for 24 th Fiscal Year		
		Business Report for 24 th Fiscal Year		
		2008 Transactions Plan with SK C&C Co., Ltd.		
		Evaluation of internal accounting controls		
The second meeting of 2008	February 18, 2008	Results Reports on Review of Internal Accounting Management System	Approved as proposed	
		Reports on 2007 K-GAAP Audit	Approved as proposed	
		Auditor's Report for Fiscal Year 2007	Approved as proposed	
		Evaluation of Internal Accounting Management System Operation	Approved as proposed	
		Plans for Issuance of Corporate Bonds		
The third meeting of 2008	March 27, 2008	Proposal to nominate the Head of Committee	Approved as proposed	
		Proposal for 2008 2Q transaction with SK C&C Co., Ltd.	Approved as proposed	
		Planning for amendment to internal accounting rules		
The fourth meeting of 2008	May 29, 2008	Proposal for construction of mobile phone facilities for 2008	Approved as proposed	
		Proposal for purchase of mobile phone relay device for 2008	Approved as proposed	
		Proposal for entering into an agency agreement with SK Marketing & Company for 2008	Approved as proposed	
		Proposal for entering into B2B agreement with TU Media Co., Ltd.	Approved as proposed	
		Proposal to set auditor fees for 2008	Approved as proposed	
		Proposal for renewal of service contract with auditor for 2008	Approved as proposed	
		Planning of fiscal year 2008 audit		
The fifth meeting of 2008	June 11, 2008	Proposal for 2008 3Q transactions with SK C&C Co., Ltd.	Approved as proposed	
The sixth meeting of 2008	June 26, 2008	Report on results for fiscal year 2008 US GAAP Audit		

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Meeting	Date	Agenda	Approval	Remarks
The seventh meeting of 2008	July 17, 2008	Interim closing of accounts for six months ended 2008 Planning of interim dividends Planning of asset management transaction with affiliated company (SK Securities)		
The eighth meeting of 2008	August 20, 2008	Proposal for purchase of mobile phone relay device for 2008 Proposal for construction of mobile phone facilities for 2008	Approved as proposed Approved as proposed	
The ninth meeting of 2008	September 24, 2008	Report on K-GAAP audit of the financial statements for the first half of 2007 Evaluation of internal accounting controls Management audit results for the first half of 2008 Service Contract with SKTA Proposal for purchase of mobile phone relay device for 2008 Proposal for construction of mobile phone facilities for 2008 2008 4Q Transaction with SK C&C Asset Management Transaction with SK Securities	Approved as proposed Approved as proposed Approved as proposed Approved as proposed	
The tenth meeting of 2008	October 22, 2008	Plans for Issuance of Corporate Bonds Acquisition of Treasury Stocks for Cancellation Long-term Financing Plan		

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C. Exercise of Voting Rights by the Shareholders

(1) Use of the Cumulative Voting System

a) Pursuant to the Articles of Incorporation, the cumulative voting system was first introduced in the General Meeting of Shareholders in 2003.

b) Articles of Incorporation

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 12th 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.

(2) Use of Written or Electronic Voting System

N/A

(3) Minority Shareholder Rights

N/A

D. Compensation of Officers and Others

(1) Compensation of Directors (including Independent Non-executive Directors) and Members of the Audit Committee

(Unit: in millions of Won)

Classification	Total payment	Total amount approved by the Meeting of Shareholders	Average payment per person	Remarks
Company directors	4,270		1,148	
Independent non-executive directors	405	12,000	64	Including members of the Audit Committee

(2) Granting and Exercise of Stock Options

N/A

Table of Contents**VI. SHARES****1. Distribution of Shares****A. Shareholdings of Major Shareholders and other Related Parties**

(Unit: shares, %)

(As of September 30, 2008)

Name	Relationship	Types of shares	Number of shares owned (equity rate)				Cause of change	
			Beginning Number of shares	Ownership ratio	Increase Number of shares	Decrease Number of shares		Ending Number of shares
SK Corporation	Parent company	Common stock	17,663,127	21.75	1,085,325		18,748,452	23.09
Tae Won Choi	Officer of affiliated company	Common stock	100	0.00			100	0.00
Shin Bae Kim	Director	Common stock	1,270	0.00			1,270	0.00
Bang Hyung Lee	Director	Common stock	400	0.00			400	0.00
Sung Min Ha	Director	Common stock	738	0.00			738	0.00
		Common stock	17,665,635	21.75	1,085,325		18,750,960	23.09
Total		Preferred stock	0	0			0	0
		Total	17,665,635	21.75	1,085,325		18,750,960	23.09

Largest shareholder: SK Corporation

Number of related parties: 4 persons

B. Shareholders with More than 5% Shareholding

(As of June 30, 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	Citibank ADR	24,321,893	29.96			24,321,893	29.96
2	SK Corporation	18,748,452	23.09			18,748,452	23.09
3	SK Telecom	8,400,708	10.35			8,400,708	10.35
	Total	51,471,053	63.40			51,471,053	63.40

Table of ContentsC. Shareholder Distribution
(As of June 30, 2008)

Classification	Number of shareholders	Ratio (%)	Number of shares	Ratio (%)	Remarks
Total minority shareholders	33,557	99.96	24,306,544	29.93	
Minority shareholders (corporate)	1,064	3.16	8,790,990	10.82	
Minority shareholders (individual)	32,493	96.79	15,515,554	19.11	
Largest shareholder	5	0.01	18,750,960	23.09	
Major shareholders					
Other shareholders	9	0.02	38,136,207	46.97	
Other shareholders (corporate)	6	0.02	11,801,460	14.53	
Other shareholders (individual)	3	0.00	26,334,747	32.43	
Total	33,571	100.00	81,193,711	100.00	

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Table of Contents**2. Share Price and Trading Volume in the Last Six Months****A. Domestic Securities Market**

(Unit: Won, shares)

Types		September 2008	August 2008	July 2008	June 2008	May 2008	April 2008
Common share	Highest	210,500	205,000	195,500	201,500	212,000	203,000
	Lowest	200,000	188,500	178,000	180,000	201,500	182,000
Monthly transaction volume		8,495,764	6,354,641	5,910,740	4,990,649	4,105,415	7,309,851

B. Overseas Securities Market

New York Stock Exchange

(Unit: US\$, ADRs)

Types		September 2008	August 2008	July 2008	June 2008	May 2008	April 2008
Depository receipt	Highest	20.82	22.29	22.20	22.24	23.47	22.60
	Lowest	18.68	19.60	19.97	20.67	22.13	21.47
Monthly transaction volume		33,989,886	46,673,046	25,823,710	19,036,416	22,555,764	29,211,514

VII. EMPLOYEES

(As of September 30, 2008)

(Unit: persons, in millions of Won)

Classification	Number of employees			Total	Average service year	Total half year wage	Average wage per person	Remarks
	Office	managerial positions	Production positions Others					
Male		3,812		3,812	10.8	192,688	49	
Female		593		593	8.9	23,800	39	
Total		4,405		4,405	10.5	216,488	48	
				31				

Table of Contents**VIII. TRANSACTIONS WITH RELATED PARTIES****1. Transactions with the Largest Shareholder****A. Provisional Payment and Loans (including loans on marketable securities)**

(As of September 30, 2008)

(Unit: in millions of Won)

Name (Corporate name)	Relationship	Account category	Change details			Ending	Accrued interest	Remarks
			Beginning	Increase	Decrease			
SK Wyverns	Affiliated company	Long-term and short-term loans	4,132			4,132	279	

B. Equity Investments

(As of September 30, 2008)

(Unit: in millions of Won)

Name (Corporate name)	Relationship	Types of Investment	Details				Note
			Beginning	Increase	Decrease	Ending	
SK Broadband	Affiliated company	Common share	116,525	1,093,104		1,209,629	
SKT U.S.A. Holdings	Affiliated company	Common share	336,625	99,141		435,766	
SK M&C	Affiliated company	Common share		190,000		190,000	
TU Media	Affiliated company	Common share	96,979	55,000		151,979	
SK Telecom (CHINA) Holding Co., Ltd.	Affiliated company	Common share	19,070	4,223		23,293	
TR Entertainment	Affiliated company	Common share		10,953		10,953	
Cyworld China (Holdings) Ltd.	Affiliated company	Common share		10,272		10,272	
SKT Global Investment	Affiliated company	Common share		26,044		26,044	
SKT Holdings America Inc.	Affiliated company	Common share	4,050	78,548		12,598	
Wave City	Affiliated company	Common share		1,967		1,967	

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Name (Corporate name)	Relationship	Types of investment	Details			Note
			Beginning	Increase	Decrease	
Magic Grid	Affiliated company	Common share		8,384		8,384
SK Mobile	Affiliated company	Common share	9,160	2,004	3,166	7,998
SKY Property Mgmt. Ltd.	Affiliated company	Common share		178,427		178,427
OK Cashbag Service	Affiliated company	Common share	316		316	
	Total		582,725	1,688,067	3,482	2,267,310

2. Transactions with Shareholders (excluding the largest shareholder and others), Officers, Employees and other Interested Parties

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

* Agents

(Unit: in millions of Won)

Name (Corporate name)	Relationship	Account category	Change details			Ending	Accrued interest	Remarks
			Beginning	Increase	Decrease			
Hong Eun and others	Agency	Long-term and short-term loans	114,959	279,120	222,779	171,300		

* Overseas investment companies

(Unit: in millions of Won)

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

B. Equity Investments

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(Unit: in millions of Won)

Name (Corporate name)	Relationship	Types of Investment Beginning	Details			Remarks
			Increase	Decrease	Ending	
Mobinex. Inc.		Common share	1,894		1,894	
Dreamer-i		Common share	4,499		4,499	
Alereon. Inc.		Common share	3,060		3,060	
Biogenics		Common share	1,000		1,000	
Benex Digital Contents			5,000		5,000	
Translink Capital			798	688	1,486	
SIG Investment			1,172	376	1,548	
Century-on IT Investment			1,930	1,930		
Total			3,900	16,517	18,487	

IX. OTHER RELEVANT MATTERS**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, Cho Heung 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, 2007, the balance of specified monetary trust for treasury shares was Won 982 billion.

2. Summary Minutes of the Shareholders Meeting

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 2. Remuneration limit for Directors 3. Election of Directors Election of executive directors	Approved (Cash dividend, Won 7,000 per share) Approved (Won 12 billion)

Election of independent non-executive
directors as Audit Committee members
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Approved (Jung Nam Cho, Sung Min Ha)
Approved (Dal Sup Shim)

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Date	Agenda	Resolution
24 th Fiscal Year Meeting of Shareholders (March 14, 2008)	1. Approval of the financial statements for the year ended December 31, 2007	Approved (Cash dividend, Won 8,400 per share)
	2. Amendment to Articles of incorporation	
	3. Remuneration limit for Directors	Approved
	4. Election of Directors	Approved (Won 12 billion)
	Election of executive directors	
	Election of independent non-executive directors	Approved (Shin Bae Kim, Young Ho Park)
	Election of independent non-executive directors as	Approved (Rak Yong Uhm, Jay Young Chung)
	Audit Committee members	Approved (Jae Ho Cho)

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SK TELECOM CO., LTD.

NON-CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTHS AND NINE MONTHS

ENDED SEPTEMBER 30, 2008 AND 2007

AND INDEPENDENT ACCOUNTANTS' REVIEW REPORT

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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 balance sheet of SK Telecom Co., Ltd. (the Company) as of September 30, 2008, the related non-consolidated statements of income for the three months and nine months ended September 30, 2008 and 2007, and non-consolidated statements of changes in stockholders' equity and cash flows for nine months ended September 30, 2008 and 2007, all expressed in Korean won. These financial statements are the responsibility of the Company's management. Our responsibility is to issue a report on these 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 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 balance sheet of the Company as of December 31, 2007, 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 31, 2008, we expressed an unqualified opinion on those non-consolidated financial statements. The accompanying balance sheet as of December 31, 2007, which is comparatively presented, does not differ in material respects from such audited non-consolidated balance sheet, except for the effects of the adjustments described in Note 2 (b) to the non-consolidated financial statements.

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(a). Such U.S. dollar amounts are presented solely for the convenience of readers of financial statements.

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Accounting principles and review standards and their application in practice vary among countries. The accompanying financial statements are not intended to present the financial position, results of operations, changes in shareholders 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 review such financial statements may differ from those generally accepted and applied in other countries. Accordingly, this report and the accompanying financial statements are for use by those knowledgeable about Korean accounting procedures and review standards and their application in practice.

October 24, 2008

Notice to Readers

This report is effective as of October 24, 2008, 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 financial statements and may result in modification to the accountants' review report.

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SK TELECOM CO., LTD.
NON-CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2008 AND DECEMBER 31, 2007

	Korean won		Translation into U.S. dollars (Note 2)	
	September 30, 2008	December 31, 2007	September 30, 2008	December 31, 2007
ASSETS	(In millions)		(In thousands)	
CURRENT ASSETS:				
Cash and cash equivalents (Note 12)	₩ 508,740	₩ 575,646	\$ 421,736	\$ 477,200
Short-term financial instruments (Note 19)	153,566	79,360	127,303	65,788
Short-term investment securities (Note 3)	450,417	733,769	373,387	608,281
Accounts receivable – trade, net of allowance for doubtful accounts of ₩68,431 million as of September 30, 2008 and ₩59,581 million as of December 31, 2007 (Notes 12 and 22)	1,553,367	1,620,334	1,287,712	1,343,226
Short-term loans, net of allowance for doubtful accounts of ₩1,175 million as of September 30, 2008 and ₩753 million as of December 31, 2007 (Notes 5 and 22)	116,279	74,532	96,393	61,786
Accounts receivable – other, net of allowance for doubtful accounts of ₩24,452 million and net of present value of ₩19,860 million as of September 30, 2008 and net of allowance for doubtful accounts of ₩23,253 million as of December 31, 2007 (Notes 12 and 22)	1,033,511	855,062	856,761	708,830
Inventories (Note 2)	13,833	18,681	11,467	15,486
Prepaid expenses	103,630	94,080	85,907	77,991
Current deferred income tax assets, net (Note 16)	39,171	29,688	32,472	24,611
Current currency swap (Note 24)	1,788		1,482	
Accrued income and other	30,028	12,907	24,894	10,699
Total Current Assets	4,004,330	4,094,059	3,319,514	3,393,898
NON-CURRENT ASSETS:				
Property and equipment, net (Notes 6, 11, 21 and 22)	4,465,324	4,594,413	3,701,670	3,808,682
Intangible assets, net (Notes 7 and 11)	2,936,022	3,174,942	2,433,907	2,631,967
Long-term financial instruments (Note 19)	19	10,019	16	8,306
Long-term investment securities (Note 3)	3,537,372	5,041,393	2,932,415	4,179,220
Equity securities accounted for using the equity method (Notes 2 and 4)	2,469,906	888,633	2,047,506	736,660

Long-term loans, net of allowance for doubtful accounts of ₩24,040 million as of September 30, 2008 and ₩23,783 million as of December 31, 2007 (Notes 5 and 22)	117,610	76,642	97,496	63,535
Long-term accounts receivable other, net of present value of ₩36,584 million as of September 30, 2008 and nil as of December 31, 2007 (Note 2)	446,073		369,786	
Guarantee deposits (Notes 12 and 22)	133,541	122,209	110,703	101,309
Long-term currency swap (Note 24)	206,017	13,057	170,784	10,824
Long-term interest rate swap (Note 24)	2,873	3,170	2,382	2,628
Long-term deposits and other	105,330	113,973	87,316	94,481
Total Non-current Assets	14,420,087	14,038,451	11,953,981	11,637,612
TOTAL ASSETS	₩ 18,424,417	₩ 18,132,510	\$ 15,273,495	\$ 15,031,510

(Continued)

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SK TELECOM CO., LTD.
NON-CONSOLIDATED BALANCE SHEETS (CONTINUED)
SEPTEMBER 30, 2008 AND DECEMBER 31, 2007

	Korean won		Translation into U.S. dollars (Notes 2)	
	September 30, 2008	December 31, 2007	September 30, 2008	December 31, 2007
LIABILITIES AND STOCKHOLDERS EQUITY	(In millions)		(In thousands)	
CURRENT LIABILITIES :				
Short-term borrowings	₩ 300,000	₩	\$ 248,694	\$
Accounts payable (Notes 12 and 22)	1,215,022	1,112,659	1,007,230	922,373
Income tax payable	297,849	314,830	246,911	260,988
Accrued expenses (Note 23)	617,887	374,058	512,217	310,087
Withholdings	327,256	222,653	271,289	184,575
Current portion of long-term debt, net (Notes 8 and 11)	703,703	410,575	583,357	340,359
Current portion of subscription deposits (Note 10)	7,128	7,540	5,909	6,251
Currency swap (Note 24)	109,934	12,646	91,133	10,483
Advanced receipts and other	13,513	29,587	11,202	24,528
Total Current Liabilities	3,592,292	2,484,548	2,977,942	2,059,644
NON-CURRENT LIABILITIES :				
Bonds payable, net (Note 8)	2,314,729	2,281,160	1,918,867	1,891,039
Long-term borrowings (Note 9)	818,770	293,820	678,745	243,571
Subscription deposits (Note 10)	4,793	6,426	3,973	5,327
Long-term payables other, net of present value discount of ₩17,467 million as of September 30, 2008 and ₩27,886 million as of December 31, 2007	302,533	422,114	250,794	349,925
Accrued severance indemnities, net	40,572	22,150	33,633	18,362
Non-current deferred income tax liabilities, net (Note 16)	550,773	1,044,690	456,580	866,028
Long-term currency swap (Note 24)	3,194	110,911	2,648	91,943
Long-term interest swap (Note 24)	1,709		1,417	
Guarantee deposits received and other (Notes 22 and 23)	68,776	39,745	57,014	32,947
Total Non-current Liabilities	4,105,849	4,221,016	3,403,671	3,499,142
Total Liabilities	7,698,141	6,705,564	6,381,613	5,558,786
STOCKHOLDERS EQUITY:				

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Capital stock (Notes 1 and 13)	44,639	44,639	37,005	37,005
Capital surplus (Notes 8 and 13)	2,863,854	2,923,921	2,374,081	2,423,875
Capital adjustments:				
Treasury stock (Notes 1 and 15)	(1,992,082)	(2,041,483)	(1,651,398)	(1,692,351)
Loss on disposal of treasury stock (Note 15)	(6,370)	(95)	(5,281)	(79)
Accumulated other comprehensive income (loss) (Note 17):				
Unrealized gains on valuation of long-term investment securities, net (Notes 3 and 16)	629,584	1,626,689	521,913	1,348,495
Equity in other comprehensive loss of affiliates, net (Notes 2, 4 and 16)	(46,140)	(23,072)	(38,249)	(19,126)
Loss on valuation of currency swap, net (Notes 16 and 24)	(5,949)	(11,816)	(4,932)	(9,795)
Gain on valuation of interest swap, net (Notes 16 and 24)	844	2,298	700	1,905
Retained earnings (Note 14):				
Appropriated	8,295,037	7,335,037	6,876,430	6,080,608
Unappropriated	942,859	1,570,828	781,613	1,302,187
Total Stockholders Equity	10,726,276	11,426,946	8,891,882	9,472,724
TOTAL LIABILITIES AND STOCKHOLDERS EQUITY	₩ 18,424,417	₩ 18,132,510	\$ 15,273,495	\$ 15,031,510

See accompanying notes to non-consolidated financial statements.

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SK TELECOM CO., LTD.
NON-CONSOLIDATED STATEMENTS OF INCOME
FOR THE THREE MONTHS AND NINE MONTHS ENDED SEPTEMBER 30, 2008 AND 2007

	Korean won				Translation into U.S. dollars (Note 2)			
	2008		2007		2008		2007	
	Three months ended September 30	Nine months ended September 30	Three months ended September 30	Nine months ended September 30	Three months ended September 30	Nine months ended September 30	Three months ended September 30	Nine months ended September 30
	(In millions except for per share data)				(In thousands except for per share data)			
OPERATING REVENUE								
(Note 22)	₩ 2,899,562	₩ 8,667,844	₩ 2,815,566	₩ 8,369,888	\$ 2,403,682	\$ 7,185,480	\$ 2,334,051	\$ 6,938,480
OPERATING EXPENSES								
(Note 22):								
Labor cost	(75,095)	(311,405)	(102,514)	(323,731)	(62,252)	(258,149)	(84,982)	(268,367)
Commissions paid	(1,107,293)	(3,343,114)	(1,008,563)	(2,877,487)	(917,925)	(2,771,379)	(836,080)	(2,385,383)
Depreciation and amortization (Notes 6 and 7)	(471,915)	(1,255,638)	(443,319)	(1,215,252)	(391,209)	(1,040,900)	(367,503)	(1,007,421)
Network interconnection	(258,377)	(764,783)	(250,221)	(737,919)	(214,190)	(633,991)	(207,429)	(611,721)
Leased line	(94,291)	(294,122)	(95,287)	(291,550)	(78,165)	(243,822)	(78,991)	(241,689)
Advertising	(72,276)	(200,064)	(70,027)	(197,454)	(59,915)	(165,849)	(58,051)	(163,686)
Research and development	(51,885)	(155,206)	(53,388)	(15,782)	(43,012)	(128,663)	(44,258)	(125,824)
Rent	(60,645)	(170,552)	(52,046)	(148,788)	(50,274)	(141,384)	(43,145)	(123,342)
Frequency usage	(40,642)	(122,059)	(41,427)	(122,750)	(33,691)	(101,185)	(34,342)	(101,757)
Repair	(38,125)	(111,483)	(39,049)	(109,038)	(31,605)	(92,417)	(32,371)	(90,390)
Cost of goods sold	(15,445)	(53,477)	(19,885)	(46,836)	(12,804)	(44,331)	(16,484)	(38,826)
Other	(109,458)	(294,883)	(103,229)	(286,477)	(90,738)	(244,453)	(85,575)	(237,486)
Sub-total	(2,395,447)	(7,076,786)	(2,278,955)	(6,509,064)	(1,985,780)	(5,866,523)	(1,889,211)	(5,395,892)
OPERATING INCOME	504,115	1,591,058	536,611	1,860,824	417,902	1,318,957	444,840	1,542,588

OTHER								
INCOME:								
Interest income								
(Note 3)	21,356	61,840	19,587	54,415	17,704	51,264	16,237	45,109
Dividends	6,203	52,071	6,203	21,096	5,142	43,166	5,142	17,488
Rent income	5,958	19,481	6,122	21,096	4,939	16,149	5,142	17,488
Commissions								
(Note 22)	5,635	14,005	4,357	27,245	4,671	11,610	3,612	22,586
Reversal of								
allowance for								
doubtful								
accounts	105	242	37	476	87	201	31	395
Foreign								
exchange and								
translation								
gains	198,113	371,281	2,551	2,879	164,232	307,785	2,115	2,387
Equity in								
earnings of								
affiliates (Notes								
2 and 4)	10,140	32,079	254,871	271,166	8,406	26,593	211,283	224,792
Gain on								
disposal of								
investment								
assets (Notes 3)		14,467	72	2,002		11,993	60	1,660
Gain on								
disposal of								
property and								
equipment and								
intangible								
assets	268	1,244	712	6,430	222	1,031	590	,330
Gain on								
transactions and								
valuation of								
currency swap								
(Note 24)	138,888	156,213	22,645	22,645	115,136	129,498	18,772	18,772

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	Korean won				Translation into U.S. dollars (Note 2)			
	2008		2007		2008		2007	
	Three months ended	Nine months ended	Three months ended	Nine months ended	Three months ended	Nine months ended	Three months ended	Nine months ended
	September 30	September 30	September 30	September 30	September 30	September 30	September 30	September 30
	(In millions except for per share data)				(In thousands except for per share data)			
Gain on conversion of convertible bonds			373,140	373,140			309,326	309,326
Gain on repayment of bonds			3,346	3,346			2,774	2,774
Other	4,476	10,779	5,838	9,180	3,711	8,935	4,773	7,609
Sub-total	391,142	733,702	699,481	815,116	324,250	608,225	579,857	675,716

(Continued)

SK TELECOM CO., LTD.
NON-CONSOLIDATED STATEMENTS OF INCOME (CONTINUED)
FOR THE THREE MONTHS AND NINE MONTHS ENDED SEPTEMBER 30, 2008 AND 2007

	Korean won				Translation into U.S. dollars (Note 2)			
	2008		2007		2008		2007	
	Three months ended	Nine months ended	Three months ended	Nine months ended	Three months ended	Nine months ended	Three months ended	Nine months ended
	September 30	September 30	September 30	September 30	September 30	September 30	September 30	September 30
	(In millions except for per share data)				(In thousands except for per share data)			
OTHER EXPENSES:								
Interest and discounts	(66,543)	(182,148)	(54,020)	(162,432)	(55,163)	(150,997)	(44,782)	(134,653)
Donations	(6,091)	(35,512)	(4,722)	(32,298)	(5,049)	(29,439)	(3,914)	(26,774)
Foreign exchange and translation losses	(58,930)	(102,925)	(14,887)	(15,333)	(48,852)	(85,323)	(12,341)	(12,711)
Loss on valuation of short-term investment securities	(1,448)	(3,607)			(1,200)	(2,990)		

(Note 3) Equity in losses of affiliates (Notes 2 and 4)	(51,974)	(168,868)	(63,984)	(174,069)	(43,085)	(139,988)	(53,042)	(144,300)
Impairment loss on investment securities			(2,036)	(4,386)			(1,688)	(3,636)
Loss on disposal of investment assets	(1,895)	(7,897)		(9)	(1,571)	(6,546)		(7)
Loss on disposal of property, equipment and intangible assets	(4,373)	(22,427)	(7,371)	(21,149)	(3,625)	(18,592)	(6,110)	(17,532)
Impairment loss on assets			(369)	(369)			(306)	(306)
Loss on transactions and valuation of currency swap (Note 24)	(242,728)	(352,662)	(17,791)	(19,559)	(201,217)	(292,350)	(14,748)	(16,214)
External research and development cost	(18,030)	(53,924)	(17,769)	(55,956)	(14,947)	(44,702)	(14,730)	(46,386)
Other	(1,539)	(6,799)	(1,955)	(7,749)	(1,276)	(5,637)	(1,621)	(6,425)
Sub-total	(453,551)	(936,769)	(184,904)	(493,309)	(375,985)	(776,564)	(153,282)	(408,944)
ORDINARY INCOME	441,706	1,387,991	1,051,188	2,182,631	366,167	1,150,618	871,415	1,809,360

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	Korean won				Translation into U.S. dollars (Note 2)			
	2008		2007		2008		2007	
	Three months ended	Nine months ended	Three months ended	Nine months ended	Three months ended	Nine months ended	Three months ended	Nine months ended
	September 30	September 30	September 30	September 30	September 30	September 30	September 30	September 30
	(In millions except for per share data)				(In thousands except for per share data)			
INCOME BEFORE INCOME TAX	441,706	1,387,991	1,051,188	2,182,631	366,167	1,150,618	871,415	1,809,360
PROVISION FOR INCOME TAX (Note 16)	(108,066)	(373,456)	(274,369)	(606,228)	(89,585)	(309,588)	(227,447)	(502,552)
NET INCOME (Note 17)	₩ 333,640	₩ 1,014,535	₩ 776,819	₩ 1,576,403	\$ 276,582	\$ 841,030	\$ 643,968	\$ 1,306,808
NET INCOME PER SHARE (In Korean won and U.S. dollars) (Note 18)	₩ 4,583	₩ 13,940	₩ 10,690	₩ 21,693	\$ 3.80	\$ 11.56	\$ 8.86	\$ 17.98
DILUTED NET INCOME PER SHARE (In Korean won and U.S. dollars) (Note 18)	₩ 4,539	₩ 13,798	₩ 10,502	₩ 21,338	\$ 3.76	\$ 11.44	\$ 8.71	\$ 17.69

See accompanying notes to non-consolidated financial statements.

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SK TELECOM CO., LTD.
NON-CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2008 AND 2007

	Common stock	Capital surplus	Capital adjustments	Accumulated other comprehensive income	Retained earnings	Total Stockholders equity
(In millions of Korean won)						
Balance, January 1, 2007	₩ 44,639	₩ 2,962,699	(₩ 2,019,568)	₩ 473,904	₩ 7,844,753	₩ 9,306,427
Cumulative effect of change in accounting policies (Notes 2 and 13)		(10,778)		239		(10,539)
Adjusted balance, January 1, 2007	44,639	2,951,921	(2,019,568)	474,143	7,844,753	9,295,888
Cash dividends					(508,672)	(508,672)
Interim dividends (Note 20)					(72,668)	(72,668)
Net income					1,576,403	1,576,403
Conversion of convertible bonds		(2,847)				(2,847)
Stock options		3,246	(3,246)			
Difference between the acquisition cost and the net book value incurred from the transactions between under common control companies		(25,392)				(25,392)
Loss on disposal of treasury stock (Note 15)			337			337
Unrealized gain on valuation of long-term investment securities (Notes 3 and 16)				721,539		721,539
Equity in other comprehensive income changes of affiliates, net (Notes 2, 4 and 16)				16,484		16,484
Loss on valuation of currency swap, net (Notes 16 and 24)				5,114		5,114
Loss on valuation of interest swap, net (Notes 16 and 24)				1,759		1,759
Balance, September 30, 2007	₩ 44,639	₩ 2,926,928	(₩ 2,022,477)	₩ 1,219,039	₩ 8,839,816	₩ 11,007,945
Balance, January 1, 2008	₩ 44,639	₩ 2,939,353	(₩ 2,041,578)	₩ 1,589,206	₩ 8,905,865	₩ 11,437,485
Cumulative effect of change in accounting policies (Note 2)		(15,432)		4,893		(10,539)

Adjusted balance, January 1, 2008	44,639	2,923,921	(2,041,578)	1,594,099	8,905,865	11,426,946
Cash dividends					(609,711)	(609,711)
Interim dividends (Note 20)					(72,793)	(72,793)
Net income					1,014,535	1,014,535
Difference between the acquisition cost and the net book value incurred from the transactions between companies under common control (Notes 2 and 13)		(60,067)				(60,067)
Treasury stock (Note 15)			49,401			49,401
Loss on disposal of treasury stock (Note 15)			(6,275)			(6,275)
Unrealized loss on valuation of long-term investment securities, net (Notes 3 and 16)				(997,105)		(997,105)
Equity in other comprehensive income changes of affiliate, net (Notes 2, 4 and 16)				(23,068)		(23,068)
Loss on valuation of currency swap, net (Notes 16 and 24)				5,867		5,867
Loss on valuation of interest swap, net (Notes 16 and 24)				(1,454)		(1,454)
Balance, September 30, 2008	₩ 44,639	₩ 2,863,854	(₩ 1,998,452)	₩ 578,339	₩ 9,237,896	₩ 10,726,276

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SK TELECOM CO., LTD.
NON-CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY (CONTINUED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2008 AND 2007

	Common stock	Capital surplus	Capital adjustments	Accumulated other comprehensive income	Retained earnings	Total Stockholders' equity
(In thousands of U.S. dollars) (Note 2)						
Balance, January 1, 2007	\$ 37,005	\$ 2,456,022	(\$1,674,183)	\$ 392,857	\$ 6,503,153	\$ 7,714,854
Cumulative effect of change in accounting policies (Notes 2 and 13)		(8,935)		198		(8,737)
Adjusted balance, January 1, 2007	37,005	2,447,087	(1,674,183)	393,055	6,503,153	7,706,117
Cash dividends					(421,680)	(421,680)
Interim dividends (Note 20)					(60,240)	(60,240)
Net income					1,306,808	1,306,808
Conversion of convertible bonds		(2,360)				(2,360)
Stock options		2,691	(2,691)			
Difference between the acquisition cost and the net book value incurred from the transactions between under common control companies		(21,049)				(21,049)
Loss on disposal of treasury stock (Note 15)				279		279
Unrealized gain on valuation of long-term investment securities, net (Notes 3 and 16)				598,142		598,142
Equity in other comprehensive income changes of affiliates, net (Notes 2, 4 and 16)				13,665		13,665
Loss on valuation of currency swap, net (Notes 16 and 24)				4,239		4,239
Loss on valuation of interest swap, net (Notes 16 and 24)				1,458		1,458
 Balance, September 30, 2007	 \$ 37,005	 \$ 2,426,369	 (\$1,676,595)	 \$ 1,010,559	 \$ 7,328,041	 \$ 9,125,379
 Balance, January 1, 2008	 \$ 37,005	 \$ 2,436,668	 (\$1,692,430)	 \$ 1,317,423	 \$ 7,382,795	 \$ 9,481,461
Cumulative effect of change in accounting policies (Note 2)		(12,793)		4,056		(8,737)
Adjusted balance, January 1, 2008	37,005	2,423,875	(1,692,430)	1,321,479	7,382,795	9,472,724
Cash dividends					(505,439)	(505,439)
Interim dividends (Note 20)					(60,343)	(60,343)
Net income					841,030	841,030
		(49,794)				(49,794)

Difference between the acquisition cost and the net book value incurred from the transactions between companies under common control (Note 13)						
Treasury stock (Note 15)			40,953			40,953
Loss on disposal of treasury stock (Note 15)			(5,202)			(5,202)
Unrealized loss on valuation of long-term investment securities, net (Notes 3 and 16)				(826,582)		(826,582)
Equity in other comprehensive income changes of affiliates, net (Notes 2, 4 and 16)				(19,123)		(19,123)
Loss on valuation of currency swap, net (Notes 16 and 24)				4,863		4,863
Loss on valuation of interest swap, net (Notes 16 and 24)				(1,205)		(1,205)
Balance, September 30, 2008	\$ 37,005	\$ 2,374,081	(\$1,656,679)	\$ 479,432	\$ 7,658,043	\$ 8,891,882

See accompanying notes to non-consolidated financial statements.

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**SK TELECOM CO., LTD.
NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS**

FOR THE THREE MONTHS AND NINE MONTHS ENDED SEPTEMBER 30, 2008 AND 2007

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 September 30, 2008, the Company's total issued shares are held by the following:

	Number of shares	Percentage of total shares issued (%)
SK Group	18,748,452	23.09
POSCO Corp.	2,341,569	2.88
Institutional investors and other minority shareholders	51,702,982	63.68
Treasury stock	8,400,708	10.35
	81,193,711	100.00

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The non-consolidated financial statements of the Company have been prepared in conformity with accounting principles generally accepted in the Republic of Korea, using the same accounting policies which were adopted in preparing the annual financial statements with the exception of item 2b below.

a. Basis of Presentation

The Company maintains its official accounting records in Korean won and prepares statutory non-consolidated financial statements in Korean language (Hangul) in conformity with the accounting principles generally accepted in the Republic of Korea (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 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 ₩1,206.30 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 September 30, 2008. 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.

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b. Adoption of Amended Statements of Korea Accounting Standards (SKAS)

The amended SKAS No. 15 Investments in Associates which is effective January 1, 2008, clarifies that parent company share of net income and net assets of investments in associates in the non-consolidated financial statements is required to agree to the parent's proportional shares in the consolidated financial statements except in the case that the application of equity method to the subsidiaries is suspended when the carrying amount of the equity securities of subsidiaries is below zero.

In accordance with the adoption of the amended SKAS No. 15 Investments in Associates, the difference between the additional investments and the Company's proportional shares of the investee's net assets when the ownership increases (decreases) by additional acquisition (disposal) without losing the control over the subsidiaries is recorded as capital surplus, which had been recorded as accumulated other comprehensive income (loss) through end of 2007.

In addition, the amended SKAS No.15 Investment in Associates is applied retroactively. Therefore, the 2007 financial statements presented comparatively are restated, which results in the decrease in equity securities accounted for using the equity method, capital surplus, other comprehensive income of affiliates and other comprehensive loss of affiliates as of December 31, 2007 by ₩10,539 million, ₩15,432 million, ₩7,824 million and ₩12,717 million, respectively.

c. Inventories

Inventories, which consist mainly of replacement units for wireless telecommunication facilities, supplies for sales promotion and merchandise for e-commerce business are stated at the lower of cost or market value, with cost determined using the moving average method. The Company maintains a perpetual inventory system, which is adjusted to physical inventory counts performed at year end. When the market value of inventories is less than the acquisition cost, the carrying amount is reduced to the market value and any difference is charged to current operations as operating expenses. There was no such loss for the three months and nine months ended September 30, 2008 and 2007. The Company did not perform physical inventory count on September 30, 2008.

d. Handset Subsidies

Effective April 1, 2008, the Telecommunication Business Act was revised to allow wireless carriers to provide handset subsidies to customers without any restrictions. As a result, the Company provides lump-sum handset subsidies to customers who agree to use the Company's service for the predetermined service period and the subsidies are charged to commission paid as the related payments are made. In case where the customers agree to use the Company's service for the predetermined service period and purchase handsets on installment basis, the subsidies are paid every month over the installment period and the Company provides provision for handset subsidies estimated to be paid based on the historical experience (See Note 23).

e. Valuation of Long-term Accounts Receivable Other

Long-term accounts receivable are stated at the present value of the expected future cash flows. Imputed interest amounts are recorded in present value discount accounts which are deducted directly from the related nominal receivable balances. Such imputed interest is included in operations using the effective interest rate method over the redemption period.

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e. Long-term Accounts Receivable Other

With its application for a license to provide IMT 2000 service, the Company has a commitment to pay ₩1,300,000 million to the Ministry of Information Communication (MIC → ₩650,000 million was paid in March 2001 by SK IMT Co., Ltd. (a former subsidiary of the Company), which was merged into the Company on May 1, 2003, and the remainder is required to be paid over 10 years with an annual interest rate equal to the 3-year-maturity government bond rate minus 0.75% (4.83% as of September 30, 2008). On March 20, 2008, ₩110,000 million was paid and the future payment obligations are ₩130,000 million in 2009, ₩150,000 million in 2010 and ₩170,000 million in 2011. On December 4, 2001, SK IMT Co., Ltd. received the IMT 2000 license from MIC, and recorded the total license cost (measured at present value) as an intangible asset. As a result of the merger with SK IMT Co., Ltd., the Company acquired such IMT license of ₩1,259,253 million and assumed the related long-term payable with principal amount of ₩650,000 million on May 1, 2003 (the date of merger). 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 of the IMT license which expires in December 2016. September 30, 2008, the present value discount related to the current portion and long-term portion of payments to be made to MIC totaled ₩1,742 million and ₩17,467 million, respectively.

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

Short-term investment securities as of September 30, 2008 and December 31, 2007 are as follows (In millions of Korean won):

	September 30, 2008			December 31, 2007
	Acquisition cost	Fair value	Carrying amount	Fair value and carrying amount
Trading securities (Note a)	₩ 435,000	₩ 430,190	₩ 430,190	₩ 633,911
Current portion of long-term investment securities (Note b)	20,236	20,227	20,227	99,858
Total	₩ 455,236	₩ 450,417	₩ 450,417	₩ 733,769

(Note a) The Company's trading securities are all beneficiary certificates as of September 30, 2008, and the difference between the fair value and acquisition cost was recorded in other expenses as loss on valuation of short-term investment securities.

(Note b) The difference between the fair value and acquisition cost are accounted for as accumulated other comprehensive income in gain (loss) on valuation of available for sale equity

securities [see
Note 3.b-(3)].

b. Long-term Investment Securities

Long-term investment securities as of September 30, 2008 and December 31, 2007 are as follows (In millions of Korean won):

	September 30, 2008	December 31, 2007
Available-for-sale equity securities	₩ 3,530,476	₩ 4,675,021
Available-for-sale debt securities	27,123	466,230
Total	3,557,599	5,141,251
Less: current portion	(20,227)	(99,858)
Long-term portion	₩ 3,537,372	₩ 5,041,393

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

Available-for-sale equity securities as of September 30, 2008 and December 31, 2007 are as follows (In millions of Korean won):

	September 30, 2008			Fair value	Carrying amount	
	Number of shares	Percentage (%)	Acquisition cost		September 30, 2008	December 31, 2007
(Investments in listed companies)						
Digital Chosunilbo Co., Ltd.	2,890,630	7.8	₩ 5,781	₩ 6,056	₩ 6,056	₩ 8,629
SK Broadband Co., Ltd. (formely hanarotelecom incorporated)					(Note a)	116,525
KRTnet Corporation	234,150	4.4	1,171	1,555	1,555	2,470
POSCO Corp.	2,481,310	2.8	332,662	1,096,739	1,096,739	1,426,753
DAEA TI Co., Ltd. (Formerly Comas Interactive Co., Ltd.)	99,120	0.2	1,695	124	124	228
extended Computing Environment Co., Ltd.	133,333	3.0	10	64	64	905
nTels Co., Ltd.	205,200	6.2	34	605	605	1,525
Qualcomm Inc.	55,805	0.1	2,756	2,848	2,848	2,060
China Unicom Ltd.	899,745,075	6.6	1,333,009	1,594,114	(Note b) 1,594,114	1,936,840
Sub-total			1,677,118	2,702,105	2,702,105	3,495,935
(Investments in non-listed companies)						
LG Powercomm Co., Ltd.	6,000,000	5.0	240,243	71,538	(Note c) 71,538	89,422
SK C&C Co., Ltd.	6,000,000	30.0	501,651	698,172	(Note d) 698,172	1,037,604
Eonex Technologies Inc.	144,000	12.3	3,600	(Note e)	4,593	4,593

The Korea Economic Daily	2,585,069	13.8	13,964(Note e)	13,964	13,964
Others			124,718(Notes e&f)	26,837	16,700
Sub-total			884,176	815,104	1,162,283
(Investments in funds)					
Others			13,267(Note e)	13,267	16,803
Sub-total			13,267	13,267	16,803
Total			₩2,574,561	₩3,530,476	₩4,675,021

(Note a) In the first quarter of 2008, the Company acquired additional 91,406,249 shares of SK Broadband Co., Ltd. (formerly hanarotelecom incorporated) common stock which increased the Company's ownership from 4.6% to 43.4%. As the Company's ownership in such investees increased to more than 20% and the Company can exercise significant influence, the investment in common stock of SK Broadband Co., Ltd. was reclassified to equity securities accounted for using the equity method from available-for-sale

equity securities.

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(Note b) In accordance with the resolution of the Company's board of directors on August 20, 2007, convertible bonds of China Unicom Ltd. were converted into common stock and reclassified to available-for sale equity securities from available-for-sale debt securities.

(Note c) The Company recorded its investments in common stock of LG Powercomm Co., Ltd. at its fair value, which was estimated by assistance of an outside professional valuation company using the present value of expected future cash flows and the unrealized loss on valuation of investments amounting to ₩122,311 million (net of tax effect of ₩46,394 million) and ₩109,345 million (net of tax effect of ₩41,476 million) as of September 30,

2008 and
December 31,
2007,
respectively, were
recorded as
accumulated
other
comprehensive
loss.

(Note d) The investment in
common stock of
SK C&C Co.,
Ltd. was
reclassified to
available-for-sale
securities from
equity securities
accounted for
using the equity
method during the
three months
ended
December 31,
2007, as SK C&C
Co., Ltd. became
the ultimate
parent company
of the Company.
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
₩255,067 million
(net of tax effect

of
~~₩~~96,749 million)
and
~~₩~~501,155 million
(net of tax effect
of
~~₩~~190,093 million)
as of
September 30,
2008 and
December 31,
2007,
respectively.

(Note e) As a reasonable estimate of fair value could not be made, the investment is stated at acquisition cost. The investment in common stock of Eonex Technologies Inc. was reclassified to available-for-sale securities from equity securities accounted for using the equity method during the year ended December 31, 2003, as the Company's ownership in such investees decreased to less than 20% and the Company no longer exercises significant influence. Such securities were transferred to available-for-sale securities at the carrying amount valued using the

equity method of accounting prior to the reclassification.

(Note f) During the year ended December 31, 2007, the investment in common stock of Pantech Co., Ltd. was reclassified to available-for-sale equity securities from equity securities accounted for using the equity method as the Company no longer exercise significant influence over the investee as a result of Pantech's 20 to 1 stock consolidation and stock issuances which resulted in the decrease in the Company's ownership to 0.5% from 22.7%. In addition, the carrying amount of the investment as of September 30, 2008 is nil.

Table of Contents**b-(2). Available-for-sale Debt Securities**

Available-for-sale debt securities as of September 30, 2008 and December 31, 2007 are as follows (In millions of Korean won):

	Maturity	Acquisition cost	Carrying amount	
			September 30, 2008	December 31, 2007
Public bonds	(Note a)	₩ 1,319	₩ 1,319	₩ 51,341
Currency stabilization bonds	(Note b)	19,995	19,986	49,713
Closed beneficiary certificates (Note c)	October, 2009	4,750	4,818	4,787
Bond-type beneficiary certificates	(Note d)			359,389
Convertible bonds of Eonex Technologies, Inc.	October, 2008	1,000	1,000	1,000
Total		27,064	27,123	466,230
Less: current portion		(20,236)	(20,227)	(99,858)
Long-term available-for-sale debt securities		₩ 6,828	₩ 6,896	₩ 366,372

The interest income incurred from available-for-sale debt securities for the nine months ended September 30, 2008 and 2007, and for the three months ended September 30, 2008 and 2007 were ₩3,710 million and ₩3,585 million, ₩954 million and ₩1,233 million, respectively.

(Note a) The maturities of public bonds as of September 30, 2008 and December 31, 2007 are as follows (In millions of Korean won):

Maturity	September 30, 2008	December 31, 2007
Within one year	₩ 241	₩ 50,145
Within five years	1,078	1,196
	₩ 1,319	₩ 51,341

(Note b) The maturities of currency stabilization bonds as of September 30, 2008 and December 31, 2007 are as follows (In millions of Korean won):

Maturity	September 30, 2008	December 31, 2007
Within one year	₩ 19,986	₩ 49,713

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(Note c) Returns on the closed beneficiary certificates were accounted for as interest income.

(note d) The maturities of bond-type beneficiary certificates as of September 30, 2008 and December 31, 2007 are as follows (In millions of Korean won):

Maturity	September 30, 2008	December 31, 2007
Within five years	₩	₩ 359,389

Bond-type beneficiary certificates (acquisition cost: KRW350,000 million) were all disposed during the nine months ended September 30, 2008 and the Company recorded KRW 14,467 million of gain on disposal of investment assets.

b-(3). Changes in Unrealized Gains (Losses) on Investments in Equity and Debt Securities

The changes in unrealized gains (losses) on investments in equity and debt securities for the nine months ended September 30, 2008 and 2007 are as follows (In millions of Korean won):

	For the nine months ended September 30, 2008			
	Beginning balance	Increase (decrease)	Transferred to realized gain (loss)	Ending balance
Available-for-sales securities:				
Digital Chosunilbo Co., Ltd.	₩ 2,847	(₩2,572)	₩	₩ 275
SK Broadband Co., Ltd. (formerly hanarotelecom incorporated)	(5,152)		5,152	
KRTnet Corporation	1,300	(916)		384
POSCO Corp.	1,094,091	(330,014)		764,077
DAEA TI Co., Ltd. (formerly Comas Interactive Co., Ltd.)	(1,466)	(105)		(1,571)
extended Computing Environment Co., Ltd.	895	(841)		54
nTels Co., Ltd.	1,490	(919)		571
Qualcomm Inc. Ltd.	(696)	788		92
China Unicom Ltd.	599,012	(679,615)		(80,603)
LG Powercomm Co., Ltd.	(150,820)	(17,885)		(168,705)
SK C&C Co., Ltd.	691,248	(339,432)		351,816
Eonex Technologies Inc.	2,011			2,011
Public bonds	(205)	205		
Currency stabilization bonds	(235)	226		(9)
Beneficiary certificates	9,389	(9,389)		
Sub-total	2,243,709	(1,380,469)	5,152	868,392
Less tax effect	(617,020)	379,629	(1,417)	(238,808)
Total	₩ 1,626,689	(₩1,000,840)	₩ 3,735	₩ 629,584

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	For the nine months ended September 30, 2007			
	Beginning	Increase/	Transferred	Ending
	balance	(decrease)	to	balance
			realized	
			gain (loss)	
Available-for-sales securities:				
Digital Chosunilbo Co., Ltd.	₩ 116	₩ 896	₩	₩ 1,012
SK Broadband Co., Ltd. (formerly hanarotelecom incorporated)	(33,096)	9,720		(23,376)
KRTnet Corporation	1,346	316		1,662
China Unicom Ltd.		396,474		396,474
POSCO Corp.	434,063	903,197		1,337,260
Comas Interactive Co., Ltd. (Formerly INNOTG Co., Ltd.)	(1,611)	110		(1,501)
extended Computing Environment Co., Ltd.	866	(40)		826
LG Powercomm Co., Ltd.	(159,873)			(159,873)
Eonex Technologies Inc.	2,011			2,011
Currency stabilization bonds	12	(214)		(202)
Public bonds	(5)	(190)		