

SK TELECOM CO LTD
Form 6-K
December 15, 2010

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

**Form 6-K
REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16 OR 15d-16
UNDER THE SECURITIES EXCHANGE ACT OF 1934
FOR THE MONTH OF DECEMBER 2010
COMMISSION FILE NUMBER 333-04906**

SK Telecom Co., Ltd.
(Translation of registrant's name into English)
11, Euljiro2-ga, Jung-gu
Seoul 100-999, Korea
(Address of principal executive offices)

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

Form 20-F Form 40-F

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

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

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

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

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

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

QUARTERLY BUSINESS REPORT

(From January 1, 2010 to September 30, 2010)

THIS IS A SUMMARY OF THE QUARTERLY BUSINESS 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.

I. COMPANY OVERVIEW

1. Company Overview

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

B. Date of Incorporation: March 29, 1984

C. Location of Headquarters

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

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

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

D. Corporate Purpose of the Company

Business Objectives

1. Information and communication business

2. Handset sales and lease business

3. New media business

4. Advertisement business

5. Communication sales business

6. Real estate business(development, maintenance, leasing, etc.) and chattel leasing 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. Lifetime education and lifetime educational facilities management

14. Electric related construction business

15. Information and communication related work business

16. Ubiquitous city construction and service business

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

E. Credit Ratings
(1) Corporate Bonds

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

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February 23, 2009	Corporate bond	AAA	Korea Investors Service, Inc.	Current rating
February 23, 2009	Corporate bond	AAA	Korea Information Services, Inc.	Current rating
June 24, 2009	Corporate bond	AAA	Korea Information Services, Inc.	Regular rating
June 26, 2009	Corporate bond	AAA	Korea Ratings	Regular rating
June 30, 2009	Corporate bond	AAA	Korea Investors Service, Inc.	Regular rating
June 22, 2010	Corporate bond	AAA	Korea Ratings	Regular rating
June 29, 2010	Corporate bond	AAA	Korea Investors Service, Inc.	Regular rating
June 29, 2010	Corporate bond	AAA	NICE Investors Service Co, Ltd.	Regular rating

* 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 rating	Credit rating	Credit rating entity (Credit rating range)	Rating classification
May 29, 2007	CP	A1	Korea Ratings	Current rating
June 14, 2007	CP	A1	Korea Information Services, Inc.	Current rating
June 27, 2007	CP	A1	Korea Investors Service, Inc.	Current rating
November 5, 2007	CP	A1	Korea Ratings	Regular rating
November 5, 2007	CP	A1	Korea Information Services, Inc.	Regular rating
November 5, 2007	CP	A1	Korea Investors Service, Inc.	Regular rating
June 3, 2008	CP	A1	Korea Ratings	Current rating
June 16, 2008	CP	A1	Korea Information Services, Inc.	Current rating
June 17, 2008	CP	A1	Korea Investors Service, Inc.	Current rating
October 20, 2008	CP	A1	Korea Ratings	Regular rating
October 20, 2008	CP	A1	Korea Investors Service, Inc.	Regular rating
October 20, 2008	CP	A1	Korea Information Services, Inc.	Regular rating
June 24, 2009	CP	A1	Korea Information Services, Inc.	Current rating
June 26, 2009	CP	A1	Korea Ratings	Current rating
June 30, 2009	CP	A1	Korea Investors Service, Inc.	Current rating
December 15, 2009	CP	A1	Korea Ratings	Regular rating
December 30, 2009	CP	A1	Korea Investors Service, Inc.	Regular rating
December 30, 2009	CP	A1	Korea Information Services, Inc.	Regular rating
June 22, 2010	CP	A1	Korea Ratings	Current rating
June 29, 2010	CP	A1	Korea Investors Service, Inc.	Current rating
June 29, 2010	CP	A1	NICE Investors Service Co, Ltd.	Current rating

*

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

(3) International Credit Ratings

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

2. Company History**A. Location of Headquarters**

- 22 Dohwa-dong, Mapo-gu, Seoul (July 11, 1988)
- 16-49 Hangang-ro 3-ga, Yongsan-gu, Seoul (November 19, 1991)
- 267 Namdaemun-ro 5-ga, Jung-gu, Seoul (June 14, 1995)
- 99 Seorin-dong, Jongro-gu, Seoul (December 20, 1999)
- 11 Euljiro 2-ga, Jung-gu, Seoul (December 13, 2004)

B. Significant Changes in Management

At the 26th General Shareholders Meeting held on March 12, 2010, Cho, Ki Haeng was elected as an inside director, Chung, Jay Young was elected as a member of the audit committee and Shim, Dal Sup was re-elected as an independent director while Sung Min Ha resigned from the Board on March 12.

C. Other Important Matters related to Management Activities**(1) SK C&C stock sale**

On October 8, 2010, the Company sold 2,450,000 shares of SK C&C Co., Ltd. (SK C&C) out of 4,500,000 shares of SK C&C previously held, through an over-the-counter market transaction, at a price of Won 83,000 per share (total sales price of Won 203,350 million). After the sale, the Company's ownership interest in SK C&C decreased to 4.1% from 9%.

3. Total Number of Shares

A. Total number of shares

(As of November 15, 2010)

(Unit: shares)

Classification	Share type		Remarks
	Common shares	Total	
I. Total number of authorized shares	220,000,000	220,000,000	
II. Total number of shares issued to date	89,278,946	89,278,946	
III. Total number of shares retired to date	8,533,235	8,533,235	
a. reduction of capital			
b. retirement with profit	8,533,235	8,533,235	
c. redemption of redeemable shares			
d. others			
IV. Total number of shares (II-III)	80,745,711	80,745,711	
V. Number of treasury shares	9,650,712	9,650,712	
VI. Number of shares outstanding (IV-V)	71,094,999	71,094,999	

On July 22, 2010, the Company publicly disclosed its decision to acquire shares of treasury stock. The Company acquired 1,250,000 shares of its common stock on KRX from July 26, 2010 through October 20, 2010. Please refer to the result of treasury stock acquisition disclosed on October 21, 2010 through the Korean Financial Supervisory Service.

B. Treasury Stock

(1) Acquisitions and Dispositions of Treasury Stocks

(As of November 15, 2010)

(Unit: Shares)

Acquisition methods	Type of shares	At the beginning of period	Changes			At the end of period	Remarks
			Acquired (+)	Disposed (-)	Retired (-)		
Direct acquisition	pursuant to Article 165-2 of the Financial Investment Services and Capital Markets Act of Korea (FSCMA) based on reasons other than those stipulated in Article 165-2 of the FSCMA	Common shares	8,322,738	1,250,000		9,572,738	
		Preferred shares					
		Common shares	77,974			77,974	
Sub-total		Common shares	8,400,712*	1,250,000		9,650,712*	

	Preferred shares			
Indirect acquisition through trust and other agreements	Common shares			
	Preferred shares			
Total	Common shares	8,400,712	1,250,000	9,650,712
	Preferred shares			

* Among 9,650,712 shares directly acquired by the Company, 1,999,997 shares were deposited with the Korea Securities Depository as of September 30, 2010 for issuance upon conversion of the overseas convertible bonds.

On July 22, 2010, the Company publicly disclosed its decision to acquire shares of treasury stock. The Company acquired 1,250,000 shares of its common stock on KRX from July 26, 2010 through October 20, 2010. Please refer to the result of treasury stock acquisition disclosed on October 21, 2010 through the Korean Financial Supervisory Service.

In addition, due to the termination of trust agreements for acquisition of treasury stock, the Company directly holds shares of treasury stock that it acquired through trust agreements. For more information, please refer to the reports on termination of trust agreements previously disclosed between October 26, 2010 and November 3, 2010 through the Korean Financial Supervisory Service.

(2) Retirement of Treasury Stock

(Unit: in millions of Won, Shares)

Retired Date	Retirement Purpose	Type of Share	Quantity Retired (shares)	Monetary Amount Retired (in millions of Won)	Acquisition Period of Retired Shares	Remarks
	Total	Common Preferred				

(3) Execution of Trust Agreements relating to Treasury Stocks, Etc. (As of November 15, 2010)

(Amounts: in millions of Won)

Category	At Start of Period		Executed (+)		Cancelled (-)		At End of Period		Remark
	Amount	No. of Transactions	Amount	No. of Transactions	Amount	No. of Transactions	Amount	No. of Transactions	
Specified Money Trust	982,000	4							
Trust Contracts with Asset Management Companies Acquisition Contracts with Investment Companies									
Total	982,000	4							

4. Status of Voting Rights

(As of November 15, 2010)

(Unit: shares)

	Classification	Number of shares	Remarks
Total shares (A)	Common share	80,745,711	
	Preferred share		
Number of shares without voting rights (B)	Common share	9,650,712	Treasury shares
	Preferred share		
Shares with restricted voting rights under the Korean law (C)			
Shares with reestablished voting rights (D)			
The number of shares with exercisable voting rights (E = A - B - C + D)	Common share	71,094,999	
	Preferred share		

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

- (1) Distribution of cash dividends was approved during the 24th General Meeting of Shareholders held on March 14, 2008.
- Distribution of cash dividends per share Won 8,400 (exclusive of an interim dividend of Won 1,000) was approved.
- (2) Distribution of interim dividends of Won 1,000 was approved during the 295th Board of Directors Meeting on July 18, 2008.
- (3) Distribution of cash dividends was approved during the 25th General Meeting of Shareholders held on March 13, 2009.
- Distribution of cash dividends per share of Won 8,400 (exclusive of an interim dividend of Won 1,000) was approved.
- (4) Distribution of interim dividends of Won 1,000 was approved during the 305th Board of Directors Meeting on July 23, 2009.
- (5) Distribution of cash dividends was approved during the 26th General Meeting of Shareholders held on March 12, 2010.
- Distribution of cash dividends per share of Won 8,400 (exclusive of an interim dividend of Won 1,000) was approved.
- (6) Distribution of interim dividends of Won 1,000 was approved during the 318th Board of Directors Meeting on July 22, 2010.

B. Dividends for the Last 3 Fiscal Years

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

Classification	As of and for the nine months ended September 30, 2010	As of and for the year ended December 31, 2009	As of and for the year ended December 31, 2008
Par value per share (Won)	500	500	500
Net income	1,049,609	1,288,340	1,277,658
Net income per share (Won)	14,534	17,808	17,559
Total cash dividend	72,345	680,043	681,996
Total stock dividends			
Percentage of cash dividend to available income (%)	6.9	52.8	53.4

Classification		As of and for the nine months ended September 30, 2010	As of and for the year ended December 31, 2009	As of and for the year ended December 31, 2008
Cash dividend yield ratio (%)	Common share	0.6	5.6	4.5
	Preferred share			
Stock dividend yield ratio (%)	Common share			
	Preferred share			
Cash dividend per share (Won)	Common share	1,000	9,400	9,400
	Preferred share			
Stock dividend per share (share)	Common share			
	Preferred share			

* Total cash dividend of Won 681,996 million for the year ended December 31, 2008 includes the total interim dividend amount of Won 72,793 million, and the cash dividend amount per share of Won 9,400 includes the interim cash dividend amount of Won 1,000.

* Total cash dividend of Won 680,043 million for the year ended December 31, 2009 includes the total interim dividend amount of Won 72,345 million, and the cash dividend amount per share of Won 9,400 includes the interim cash dividend amount of Won 1,000.

* Total interim cash dividend paid out for the nine months ended September 30, 2010 was Won 72,345 million, or Won 1,000 per share.

II. BUSINESS

1. Business Overview

A. Industry Characteristics

As of September 30, 2010, the number of domestic mobile phone subscribers reached 50.21 million and, with more than 100% penetration rate, the Korean mobile communication market can be considered to have reached its maturation stage. However, the penetration rate is expected to increase further due to increased use of mobile phones by corporate users resulting from the rapid growth of smart phone markets, as well as the increasing popularity of high-tech mobile devices based on wireless data services such as tablet PC.

The Korean mobile communications market continues to improve in the quality of services 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, including various smart phones, that enable the provision of convergence services for multimedia contents, mobile commerce, telematics, satellite Digital Multimedia Broadcasting (DMB), digital home services, connected workforce services and other related services. In addition, through HSPA+ network commercialized in October 2010 and the LTE network expected to be introduced from the next year, the industry productivity enhancement (IPE) business directly resulting in the enhancement of productivity, such as the corporate connected workforce business, is expected to grow rapidly.

B. Growth Potential

(Unit: 1,000 persons)

Classification		As of	As of December 31,			
		September 30, 2010	2009	2008	2007	2006
Number of subscribers	SK Telecom	25,445	24,270	23,032	21,968	20,271
	Others (KT, LGU+)	24,765	23,675	22,575	21,529	19,926
	Total	50,210	47,944	45,607	43,497	40,197

(Source: Korea Communications Commission website)

C. Domestic and Overseas Market Conditions

The Korean mobile communication market includes the entire population of Korea with mobile communication service needs, and almost every Korean is considered a potential user. Although demand has primarily been in the domestic market, as the business territory expands to overseas market, the size of overseas sales is expected to grow in the near future. In addition, sales revenue related to data services is expected to increase due to the increasing popularity of smart phones and wireless Internet. Business-to-business segment that creates added values by adding additional solutions and applications is also growing. Seasonal and economic fluctuations have much less impact on the Korean mobile communication market compared to other industries.

Historical market share of the Company:

(Unit: %)

Classification	As of	As of December 31,		
	September 30, 2010	2009	2008	2007
Mobile communication services	50.7	50.6	50.5	50.5

Comparative market share:

(As of September 30, 2010)

(Unit: %)

Classification	SK	KT	LG U+
	Telecom		
Market share	50.7	31.5	17.8

(Source: Korea Communications Commission website)

D. Business Overview and Competitive Strengths

The Company's revenue in the nine months ended September 30, 2010 amounted to Won 9,287.6 billion, an increase of Won 286.5 billion compared to the corresponding period of 2009. This increase in revenue was meaningful since it was achieved despite a number of negative factors, including the charging of voice calls on a per-second basis from March 2010, the reduction of sign-up fees by 28% from December 2009 and the expansion of various discount plans. Operating income in the nine months ended September 30, 2010 amounted to Won 1,581.9 billion, which was lower than the corresponding period of 2009, due among others to the increase in marketing and depreciation expenses. In the third quarter of 2010, however, the Company achieved meaningful business performance such as securing 2.5 million smart phone subscribers as of September 30, 2010. Net income in the nine months ended September 30, 2010 amounted to Won 1,049.6 billion, which slightly increased from the corresponding period of 2009.

The Company will comply with the guideline set by the Korea Communications Commission that limits marketing expenses of mobile communication business operators to stabilize the competition in the mobile service markets, while maintaining its competitive advantage based on fundamental strengths deriving from handsets, price plans, networks and contents. In addition, the Galaxy S handset introduced in the end of June 2010 has acquired over 1,200,000 subscribers as of the end of September due to the Company's marketing superiority. It reconfirmed the competitive edge of the Company in the field of smart phones. Wide penetration of smart phones has led to the vitalization of the Company's T-Store, which has grown rapidly in the numbers of subscribers, contents and downloads, enhancing the Company's competitiveness in the wireless data market.

As of September 30, 2010, the Company reached a subscriber number of approximately 25,450,000 and a 50.7% market share of the wireless market in Korea in terms of the number of subscribers. The Company plans to establish its leadership among users of smart phones by introducing various mobile platforms and streamlining the subscription process and pricing structures to enable subscribers to easily access their mobile content from multiple devices. The Company also plans to maintain its leadership in wireless internet market by providing innovative user interface for content access and through investment in data networks, network sharing and support of the content production.

In 2010, the Company intends to continue its efforts to seek growth in business-to-business markets, such as industry productivity enhancement (IPE) business in domestic and foreign markets. As IPE business creates added values by adding additional solutions and applications to the existing infrastructure, it is more cost effective compared to traditional business-to-business model. The Company's business-to-business sales in the third quarter of 2010 increased meaningfully from the same period of 2009.

The Company will also continue its efforts to become a global leader in information and communication technology. It plans to actively respond to secular changes such as the growing popularity of smart phones and wireless Internet, as well as gaining competitive strengths in the IPE business. In particular, the Company intends to pursue opportunities to grow the wireless broadband and IPE businesses in Korea and abroad. In case of overseas businesses, the Company will maintain its disciplined approach under its "Start Small Scale Fast" principle.

2. Major Products & Services

A. Updates on Major Products and Services

(Unit: in millions of Won, %)

Business fields	Sales type	Item	Specific Usage	Major trademarks	Sales amount (ratio)
Information and communication	Services	communication	Mobile Phone	NATE, T store and others	8,970,696(96.6%)
			Others	Others	316,869(3.4%)

B. Price Fluctuation Trend of Major Products and Services

Previously, based on the Company's Basic Plan for monthly subscription, the basic service fee was Won 13,000 per month and the usage fee was Won 20 per 10 seconds and based on the Company's Standard Plan, basic service fee was Won 12,000 per month and the usage fee was Won 18 per 10 seconds. As of September 30, 2010, based on the Company's Standard Plan, basic service fee is Won 12,000 per month and the usage fee is Won 1.8 per 1 second.

3. Investment Status

A. Investment in Progress

(Unit: in 100 millions of Won)

Business field	Classification	Investment period	Subject of investment	Investment effect	Total investments	Amount already invested	Future investment
Network/Common	Upgrade/New installation	2010	Network, systems and others	Capacity increase and quality improvement; systems improvement	To be determined	8,609	To be determined
Total					To be determined	8,609	To be determined

B. Future Investment Plan

(Unit: in 100 millions of Won)

Business field	Asset type	Expected investment amount	Expected investment for each year			Investment effect
		Amount	2010	2011	2012	
Network/Common	Network, systems and others	18,500	18,500	To be determined	To be determined	Upgrades to the existing services and provision of new services
				To be determined	To be determined	Upgrades to the existing services and provision of new services
	Total	18,500	18,500			

4. Revenues

(Unit: in millions of Won)

Business field	Sales type	Item	Nine Months ended		
			September 30, 2010	2009	2008
Information and communication	Service	Mobile			
		Export			
		Domestic	8,970,696	11,820,202	11,492,832
		Subtotal	8,970,696	11,820,202	11,492,832
	Others	Export	540	2,339	5,855
		Domestic	316,329	278,643	175,975
		Subtotal	316,869	280,982	181,830
		Total	540	2,339	5,855
	Domestic	9,287,025	12,098,845	11,668,807	
	Total	9,287,565	12,101,184	11,674,662	

5. Derivative Transactions

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

A. Currency Swap

(1) Purpose of Contracts: Hedging of risks related to fluctuations in currency exchange rates and interest rates

(2) Contract Terms

- Currency swap contract applying cash flow risk hedge accounting

The Company has entered into a currency swap contract with three banks including Citibank in order to hedge the foreign currency risk of unguaranteed U.S. dollar denominated bonds (face amounts totaling US \$300,000,000) issued on April 1, 2004. As of September 30, 2010, in connection with the unsettled foreign currency swap contract to which the cash flow risk hedge accounting is applied, an accumulated loss on valuation of derivatives amounting to Won 2,514,726,000 (excluding tax effect totaling Won 1,250,328,000 and foreign exchange translation gain arising from unguaranteed U.S. dollar denominated bonds totaling Won 2,115,203,000) was accounted for as accumulated other comprehensive loss.

In addition, the Company has entered into a currency and interest rate swap contract with Credit Agricole Corporate & Investment Bank to hedge the foreign currency risk and the interest rate risk of U.S. dollar denominated floating rate long-term borrowings with face amounts totaling US\$100,000,000 borrowed on October 10, 2006. As of September 30, 2010, in connection with this unsettled currency and interest rate swap contract, an accumulated loss on valuation of derivatives amounting to Won 5,672,745,000 (excluding tax effect totaling Won 1,158,147,000 and foreign exchange translation loss arising from U.S. dollar denominated long-term borrowings totaling Won 19,400 million) was accounted for as accumulated other comprehensive loss.

In addition, the Company has entered into a currency and interest rate swap contract with two banks including HSBC in order to hedge the foreign currency risk and the interest rate risk of unguaranteed Japanese yen denominated bonds (56-2) with face amounts totaling JPY 12,500,000,000 issued on November 13, 2007. As of September 30, 2010, in connection with this unsettled currency and interest rate swap contracts, an accumulated gain on valuation of derivatives amounting to Won 111,789,000 (excluding tax effect totaling Won 1,495,114,000 and foreign exchange translation loss arising from unguaranteed Japanese yen denominated bonds totaling Won 66,367,029,000) was accounted for as accumulated other comprehensive loss.

In addition, the Company has entered into a currency and interest rate swap contract with two banks including DBS in order to hedge the foreign currency risk and interest rate risk of U.S. dollar denominated floating rate bonds with face amounts totaling US\$150,000,000 issued on November 20, 2008. As of September 30, 2010, in connection with this unsettled currency and interest rate swap

contract, an accumulated gain on valuation of derivatives amounting to Won 4,991,237,000 (excluding tax effect totaling Won 1,407,810,000 and foreign exchange translation gain arising from U.S. dollar denominated bonds totaling Won 45,794,432,000) was accounted for as accumulated other comprehensive gain.

In addition, the Company has entered into a currency and interest rate swap contract with Mizuho Corporate Bank in order to hedge the foreign currency risk and the interest rate risk of unguaranteed Japanese yen denominated bonds (59-2) with face amounts totaling JPY 3,000,000,000 issued on January 22, 2009. As of September 30, 2010, in connection with this unsettled currency and interest rate swap contract, an accumulated gain on valuation of derivatives amounting to Won 2,122,694,000 (excluding tax effect totaling Won 598,708,000 and foreign exchange translation gain arising from unguaranteed Japanese yen denominated bonds totaling Won 5,230,449,000) was accounted for as accumulated other comprehensive gain.

In addition, the Company has entered into a currency and interest rate swap contract with The Bank of Tokyo-Mitsubishi in order to hedge the foreign currency risk and the interest rate risk of unguaranteed Japanese yen denominated bonds (60-2) with face amounts totaling JPY 5,000,000,000 issued on March 5, 2009. As of September 30, 2010, in connection with this unsettled currency and interest rate swap contract, an accumulated gain on valuation of derivatives amounting to Won 619,337,000 (excluding tax effect totaling Won 174,685,000 and foreign exchange translation gain arising from unguaranteed Japanese yen denominated bonds totaling Won 10,444,072,000) was accounted for as accumulated other comprehensive gain.

In addition, the Company has entered into a currency swap contract with six banks including Morgan Stanley to hedge the foreign currency risk of unguaranteed U.S. dollar denominated bonds (with face amounts totaling US\$400,000,000) issued on July 20, 2007, and has applied cash flow risk hedge accounting to this foreign currency swap contract starting from May 12, 2010. Accordingly, as of September 30, 2010, in connection with this unsettled foreign currency swap contract, an accumulated gain on valuation of currency swap of Won 549,322,000 that has accrued since May 12, 2010 (excluding tax effect totaling Won 154,937,000 and foreign exchange translation gain arising from unguaranteed U.S. dollar denominated bonds totaling Won 709,276,000) was accounted for as accumulated other comprehensive gain. Meanwhile, a loss on valuation of currency swap of Won 17,527,578,000 incurred prior to the date of applying cash flow risk hedge accounting in the first half of 2010 and a loss on valuation of currency swap of Won 64,533,708,000 for the first half of 2009, respectively, were charged to current operations.

B. Interest Rate Swap

(1) Purpose of Contracts: Hedging of risks related to fluctuations in interest rates

(2) Contract Terms

- Interest rate swap contract to which the cash flow risk hedge accounting is applied:

The Company has entered into an interest rate swap contract with three banks including Nonghyup Bank in order to hedge the interest rate risk of long-term borrowings (totaling Won 500 billion) during the period between July 28, 2008 and August 12, 2011. As of September 30, 2010, in connection with unsettled interest rate swap contract to which the cash flow risk hedge accounting is applied, an accumulated loss on valuation of derivatives amounting to Won 8,517,223,000 (excluding tax effect totaling Won 2,719,219,000) was accounted for as accumulated other comprehensive loss.

- Interest rate swap contract to which the hedge accounting is not applied

The Company has entered into an interest rate swap contract with two banks including DBS in order to hedge the interest rate risk of floating rate foreign currency bonds with face amounts totaling US\$220,000,000 issued on April 29, 2009. In connection with this unsettled interest rate swap contract, losses on valuation of interest rate swap of Won 3,278,531,000 and Won 4,123,478,000 for the nine months ended September 30, 2010 and September 30, 2009, respectively, were charged to current operations.

6. Major Contracts

Category	Vendor	Start Date	Completion Date	Contract Title	Contract Amount (Won 100M)
Construction	SK E&C	January 1, 2010	December 31, 2010	2010 Cell Site Facility Construction (Seoul Area)	855
	SK E&C	January 1, 2010	December 31, 2010	2010 RF Relay Facility Construction (Seoul Area)	483
	SK E&C	January 1, 2010	December 31, 2010	2010 N/W Facility Construction (Daegu SORO)	175
Service	SK C&C	January 1, 2010	December 31, 2010	2010 IT SM Contract	2,010
	TU Media, Ltd.	January 1, 2010	December 31, 2010	2010 Satellite DMB Collaboration Contract	916
	SK Marketing & Company	January 1, 2010	December 31, 2010	2010 Membership Collaboration Program	692
Product/Equipment	SK Telesys	March 12, 2010	December 24, 2010	2010 1st Optical Relay Facility Investment	314
	SK Telesys	March 12, 2010	December 24, 2010	2010 1st RF Relay Facility Investment	297
	SK Telesys	September 6, 2010	December 24, 2010	2010 3rd Optical Relay Facility Investment	215

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2010

Subtotal

5,957

* Top three contracts in each category (excluding value-added tax).

7. R&D Investments

(Unit: in millions of Won)

Category	For the nine months ended September 30,	For the year ended December 31,	For the year ended December 31,	Remarks
	2010	2009	2008	
Raw material	30	55	89	
Labor	31,844	47,183	38,063	
Depreciation	105,291	134,201	138,512	
Commissioned service	45,021	69,750	85,837	
Others	34,538	39,593	34,540	
Total R&D costs	216,724	290,782	297,040	
Sales and administrative				
Accounting expenses	215,370	288,997	293,443	
Development expenses (Intangible assets)	1,354	1,785	3,597	
R&D cost / sales amount ratio (Total R&D costs / Current sales amount×100)	2.33%	2.40%	2.54%	

8. Other information relating to investment decisions**A. Trademark Policies**

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

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

B. Business-related Intellectual Properties

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

III. FINANCIAL INFORMATION**1. Summary Financial Information (Non-consolidated)**

(Unit: in millions of Won)

Classification / Fiscal Year	As of and for the nine months ended September 30,		As of and for the year ended December 31,		
	2010	2009	2008	2007	2006
Current assets	5,651,983	4,983,052	3,990,503	4,094,059	4,189,325
Quick assets	5,636,356	4,960,396	3,976,576	4,075,378	4,172,887
Inventory	15,627	22,656	13,927	18,681	16,438
Non-current assets	13,681,876	14,314,581	14,626,992	14,038,451	11,624,728
Investments	4,991,915	5,107,653	5,668,127	5,940,045	3,547,942
Property and Equipment	4,824,989	5,196,521	4,698,214	4,594,413	4,418,112
Intangible assets	2,408,303	2,665,936	2,941,592	3,174,942	3,405,158
Other non-current assets	1,456,669	1,344,471	1,319,059	329,051	253,516
Total assets	19,333,859	19,297,633	18,617,495	18,132,510	15,814,053
Current liabilities	4,385,172	3,294,633	3,412,490	2,484,548	2,985,620
Non-current liabilities	3,525,009	4,761,550	4,475,998	4,221,016	3,522,006
Total liabilities	7,910,181	8,056,183	7,888,488	6,705,564	6,507,626
Capital	44,639	44,639	44,639	44,639	44,639
Capital surplus	3,033,287	3,032,009	2,957,095	2,954,829	2,962,699
Capital adjustment	(-)2,861,173	(-)2,708,407	(-)2,147,530	(-)2,072,486	(-)2,019,568
Other Cumulative Profit and Loss	878,068	913,919	373,784	1,594,099	473,904
Retained earnings	10,328,856	9,959,290	9,501,018	8,905,865	7,844,753
Total stockholders equity	11,423,679	11,241,450	10,729,007	11,426,946	9,306,427
Sales	9,287,565	12,101,184	11,674,662	11,285,900	10,650,952
Operating Income (or Loss)	1,581,855	2,179,337	2,059,896	2,171,543	2,584,370
Income (or Loss) from continuing operation	1,049,609	1,288,340	1,277,658	1,642,451	1,446,598
Current Period's Net Income (or Loss)	1,049,609	1,288,340	1,277,658	1,642,451	1,446,598

(Unit: Won)

Classification / Fiscal Year	For the nine months ended September 30,		For the year ended December 31,		
	2010	2009	2008	2007	2006

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Earnings per share	14,534	17,808	17,559	22,607	19,734
Diluted earnings per share	14,315	17,599	17,395	22,289	19,458

2. Summary Financial Information (Consolidated)

(Unit: in millions of Won)

Classification / Fiscal Year	As of and for the year ended December 31,				
	2009	2008	2007	2006	2005
Current assets	6,370,631	5,422,447	4,813,072	4,663,962	4,598,580
Quick assets	6,250,741	5,387,473	4,766,020	4,644,184	4,590,796
Inventory	119,890	34,974	47,052	19,778	7,784
Non-current assets	16,835,625	17,051,224	14,235,863	11,576,006	10,106,193
Investments	3,059,902	4,025,429	5,446,711	3,236,783	1,989,934
Property and Equipment	8,165,879	7,437,689	4,969,353	4,507,335	4,663,369
Intangible assets	3,992,325	3,978,145	3,433,962	3,518,411	3,452,889
Other non-current assets	1,617,519	1,609,961	385,836	313,477	
Total assets	23,206,256	22,473,671	19,048,935	16,239,968	14,704,772
Current liabilities	4,894,936	4,628,821	3,016,874	3,208,416	2,863,373
Non-current liabilities	5,966,695	6,020,410	4,344,428	3,548,464	3,513,860
Total liabilities	10,861,631	10,649,231	7,361,302	6,756,880	6,377,233
Capital	44,639	44,639	44,639	44,639	44,639
Capital surplus	3,031,947	2,958,854	2,956,106	2,950,327	2,954,840
Capital adjustment	-2,746,885	(-)2,159,389	(-)2,072,723	(-)2,019,567	(-)2,048,515
Other Cumulative Profit/Loss	915,306	356,192	1,591,258	490,010	
Retained earnings	9,909,752	9,448,185	8,914,970	7,847,434	7,267,649
Total stockholders equity	12,344,625	11,824,440	19,048,935	9,483,088	8,327,540
Sales	14,555,465	13,995,924	11,863,357	11,027,977	10,721,820
Operating Profit (or Loss)	1,878,544	1,751,227	2,101,955	2,621,132	2,670,616
Profit (or Loss) from continuing operation before tax	1,400,498	1,260,366	2,285,765	2,021,578	2,561,567
Current Period's Net Profit	1,055,606	972,338	1,562,265	1,449,552	1,868,307
Net income attributable to majority interests	1,247,182	1,215,719	1,648,876	1,451,491	1,872,978
Number of Consolidated Companies	29	35	26	18	17

* See the attached Korean GAAP Consolidated Financial Statements.

IV. AUDITOR S OPINION**1. Auditor**

	Nine months ended September 30, 2010	Year ended December 31, 2009	2008
Deloitte Anjin LLC		Deloitte Anjin LLC	Deloitte Anjin LLC

2. Audit Opinion

Term	Auditor s opinion	Issues noted
Nine months ended September 30, 2010		
Year ended December 31, 2009	Unqualified	
Year ended December 31, 2008	Unqualified	

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

(Unit: in thousands of Won)

Term	Auditors	Contents	Fee	Total hours
Year ended December 31, 2010	Deloitte Anjin LLC	Semi-annual review	1,470,000	16,183
		Quarterly review Non-consolidated financial statements audit Consolidated financial statements audit IFRS-based financial statements review		
Year ended December 31, 2009	Deloitte Anjin LLC	Semi-annual review	1,308,356	13,982
		Quarterly review Non-consolidated financial statements audit Consolidated financial statements audit		
Year ended December 31, 2008	Deloitte Anjin LLC	Semi-annual review	1,310,097	13,346
		Quarterly review Non-consolidated financial statements audit Consolidated financial statements audit		

B. Non-Audit Services Contract with External Auditors

(Unit: in thousands of Won)

Term	Contract date	Service provided	Service duration	Fee
Year ended	July 20, 2010	Management consulting	4 days	5,000
December 31, 2010	July 28, 2010	Tax consulting	15 days	18,000
	July 28, 2010	Tax consulting	5 days	6,600
	July 28, 2010	Tax consulting	30 days	40,000
	July 28, 2010	Tax consulting	20 days	23,100
Year ended	May 13, 2009	Tax consulting	30 days	40,000
December 31, 2009	May 22, 2009	Tax consulting	10 days	10,000
	May 22, 2009	Tax adjustment for fiscal year 2008	20 days	34,000
	May 22, 2009	Review of deferred corporate income tax for 1Q and 2Q	10 days	14,000
	September 14, 2009	Review of quarterly tax adjustments	5 days	7,000
	September 14, 2009	Tax consulting	20 days	20,000
	December 28, 2009	Review of quarterly tax adjustments	5 days	7,000
	December 28, 2009	Tax consulting	10 days	12,000
Year ended	November 20, 2007	Set up services for agency tax manual	60 days	48,000
December 31, 2008	March 3, 2008	Tax adjustment for fiscal year 2007	10 days	33,000
	May 15, 2008	Tax consulting	5 days	7,500
	June 24, 2008	Foreign tax consulting re indirect taxes	4 days	6,000
	August 13, 2008	Tax consulting	10 days	9,400
	November 1, 2008	Tax consulting	4 days	5,000
	November 19, 2008	Tax consulting	10 days	10,800
	November 19, 2008	Review of deferred corporate income tax for 1Q and 2Q	10 days	18,000
	December 24, 2008	Review of deferred corporate income tax for 3Q	3 days	6,000
	December 24, 2008	Tax consulting	3 days	3,600
	December 24, 2008	Tax consulting	3 days	3,000

V. MANAGEMENT DISCUSSION AND ANALYSIS

Not required in quarterly and half year reports under the Korean disclosure rules.

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

The Company's Board of Directors is comprised of eight members: five independent directors and three inside directors. Within the Board, there are five Committees: Independent Director Nomination Committee, Audit Committee, Compensation Committee, CapEx Review Committee, and Corporate Citizenship Committee.

B. (1) Significant Activities of the Board of Directors

Meeting	Date	Agenda	Approval
312nd (the first meeting of 2010)	January 27, 2010	- Financial Statements as of and for the year ended December 31, 2009.	Approved as proposed
		- Annual Business Report as of and for the year ended December 31, 2009	Approved as proposed
		- Report for Internal Accounting Management System	
		- Report for Subsequent Events following 4Q 2009	
313rd (the second meeting of 2010)	February 11, 2010	- Convocation of the 26 th Annual General Meeting of Shareholders	Approved as proposed
		- Result of Internal Accounting Management System Evaluation	
314th (the third meeting of 2010)	March 12, 2010	- Appointment of Committee Members	Approved as proposed
		- Fund Management Transaction with Affiliated Financial Company (SK Securities)	Approved as proposed
		- Establishment of SPC and Limited Partnership Agreement between SPC and Offshore Private Equity Fund	Approved as proposed

Meeting	Date	Agenda	Approval
315th (the fourth meeting of 2010)	April 26, 2010	- Establishment of SKT Customer Contact Channel Subsidiary	Approved as proposed
		- Establishment of SKT Cell Site Maintenance Subsidiary	Approved as proposed
		- Business Plan for Joint Venture with Disney	Approved as proposed
		- Acquisition of Additional WCDMA Frequency	Approved as proposed
		- Extension of KIF (Korea IT Fund) Maturity	Approved as proposed
		- Partial Disposition of Shares of IHQ, Inc.	Approved as proposed
		- Report for Subsequent Events following 1Q 2010	
316th (the fifth meeting of 2010)	May 26, 2010	- Investment in Packet One Networks	Approved as proposed
		- Investment in Harbinger Global Wireless (HGW)	Approved as proposed
317th (the sixth meeting of 2010)	June 24, 2010	- Fund Management Transaction with Affiliated Financial Company (SK Securities)	Approved as proposed
		- Additional investment in network equipment in 2010	Approved as proposed
318th (the seventh meeting of 2010)	July 22, 2010	- Proposal for Interim Dividend	Approved as proposed
		- Proposal for acquisition of treasury stock	Approved as proposed
		- Financial performance during 1H 2010	
		- Report for Subsequent Events following 2Q 2010	
		- Performance review of compliance program for 1H 2010 and planning for 2H 2010	
319th (the eighth meeting of 2010)	September 15, 2010	- Fund Management Transaction with Affiliated Financial Company (SK Securities)	Approved as proposed
		- Restructuring of Receivables related to Handset Installment Payment Plans	

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

(2) Independent Directors Activities at the Board of Directors Meetings

Meetings	Dates	Independent Directors Attended	Description
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The first meeting of 2010	January 27, 2010	5 / 5
The second meeting of 2010	February 11, 2010	5 / 5
The third meeting of 2010	March 12, 2010	5 / 5
The fourth meeting of 2010	April 26, 2010	5 / 5
The fifth meeting of 2010	May 26, 2010	4 / 5

Meetings	Dates	Independent Directors Attended	Description
The sixth meeting of 2010	June 24, 2010	5 / 5	
The seventh meeting of 2010	July 22, 2010	5 / 5	
The eighth meeting of 2010	September 15, 2010	5 / 5	

C. Committees within Board of Directors

(1) Committee Structure

a) Independent Director Nomination Committee

(As of November 15, 2010)

Number of Persons	Members		Remarks
	Inside Directors	Independent Directors	
4	Man Won Jung, Ki Haeng Cho	Rak Yong Uhm, Jae Ho Cho	

* The Independent Director Nomination Committee is a committee established under the provisions of the Articles of Incorporation and Korean Commercial Code.

b) Audit Committee

(As of November 15, 2010)

Number of Persons	Members		Remarks
	Inside Directors	Independent Directors	
4		Dal Sup Shim, Hyun Chin Lim, Jay Young Chung, Jae Ho Cho	

* The Audit Committee is a committee established under the provisions of the Articles of Incorporation and Korean Commercial Code.

c) Compensation Review Committee

(As of November 15, 2010)

Number of Persons	Members	
	Inside Directors	Independent Directors
5		Dal Sup Shim, Rak Yong Uhm, Hyun Chin Lim, Jay Young Chung, Jae Ho Cho

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

d) Capex Review Committee
(As of November 15, 2010)

Number of Persons	Members		Remarks
	Inside Directors	Independent Directors	
4	Ki Haeng Cho	Dal Sup Shim, Rak Yong Uhm, Jay Young Chung	

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

e) Corporate Citizenship Committee
(As of November 15, 2010)

Number of Persons	Members		Remarks
	Inside Directors	Independent Directors	
4	Ki Haeng Cho	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.

(2) Activities of the Committees of the Board of Directors (As of November 15, 2010)

Committee Name	Date of Activity	Agenda	Approval	Independent Directors	
				Rak Yong Uhm (Attendance: 100%)	Jae Ho Cho (Attendance: 100%)
				Vote	
Independent Director Nomination Committee	February 11, 2010	26th General Meeting of Shareholders: Proposal to nominate an Independent Director Dal Sup Shim	Approved as Proposed	For	For
	April 26, 2010	Election of Chairman of Committee Man Won Jung	Approved as Proposed	For	For

Committee Name	Date of Activity	Agenda	Approval	Independent Directors		
				Dal Sup Shim (Attendance: 100%)	Rak Yong Uhm (Attendance: 100%)	Jay Yung Chung (Attendance: 100%)
CapEx Committee	February 10, 2010	Business plan and pending agenda for major investment				
	March 11, 2010	Business plan and pending agenda for major investment				
	April 26, 2010	Election of Chairman of Committee Rak Yong Uhm	Approved as proposed	For	For	For
	August 24, 2010	Business plan and pending agenda for major investment				

* Agendas filled in with hyphens are for reporting purpose only

Date of Activity	Agenda	Approval	Independent Directors			
			Dal Sup Shim (Attendance: 100%)	Rak Yong Uhm (Attendance: 100%)	Hyun Chin Lim (Attendance: 100%)	Jay Yung Chung (Attendance: 100%)
April 26, 2010	Election of Chairman of Committee Hyun Chin Lim	Approved as proposed	For	For	For	For
July 21, 2010	Committee administration					
October 13, 2010						

Committee
administration

Committee Name	Date of Activity	Agenda	Approval	Independent Directors		
				Rak Yong Uhm (Attendance: 100%)	Hyun Chin Lim (Attendance: 67%)	Jay Yung Chung (Attendance: 100%)
				Vote		
Corporate Citizenship Committee	March 12, 2010	Environment Friendly Business Plan				
		Result of Social Contribution Expenditures				
		Result and Plan for Win-Win Business Strategy				
	April 23, 2010	Election of Chairman of Committee Jay Young Chung	Approved as proposed	For	Absence	For
		Status of Customer Protection				
		2010 Ethical Management Plan				
	July 21, 2010	Preparation of Greenhouse Gas Inventory				
		Operating System for Sustainability Index				

* Agendas filled in with hyphens are for reporting purpose only

D. Directors Independence

On February 11, 2010, in the notice of the annual General Meeting of Shareholders, background information on Cho, Ki Haeng, a candidate for inside director, and Shim, Dal Sup and Chung, Jay Young, candidates for independent directors, was publicly disclosed. There was no other nomination by shareholders. For the election of independent directors, the Company has established the Independent Director Nomination Committee, which is currently in operation. In the meeting of the Independent Director Nomination Committee held on February 11, 2010, the Committee nominated the independent director candidates.

- The Independent Director Nomination Committee. (As of November 15, 2010)

Name	Independent Director	Remarks
Man Won Jung	No	o During the 314 th meeting of the Board of the Directors held on March 12, 2010, the Independent Director Nomination Committee was established.
Ki Haeng Cho	No	
Rak Yong Uhm	Yes	o Director Sung Min Ha submitted his resignation on March 12, 2010. o Director Ki Haeng Cho was elected on March 12, 2010.
Jae Ho Cho	Yes	

2. Audit System

The Company's Audit Committee consists of four independent directors, Dal Sup Shim, Hyun Chin Lim, Jae Ho Cho and Jay Yung Chung.

Major activities of the Audit Committee are as follows.

Meeting	Date	Agenda	Approval	Remarks
The first meeting of 2010	January 26, 2010	o 2 nd half 2009 Management Audit Results	Approved as proposed	
		o Evaluation of Internal Accounting Controls based on the Opinion of the Members of the Audit Committee		
The second meeting of 2010	February 10, 2010	o Reports on Internal Accounting Management System	Approved as proposed Approved as proposed	
		o Reports on 2009 Korean GAAP Audit o Report on Review of 2009 Internal Accounting Management System		
The third meeting of 2010	March 11, 2010	o Evaluation of Internal Accounting Management System Operation	Approved as proposed Approved as proposed Approved as proposed Approved as proposed Approved as proposed	
		o Auditor's Report for Fiscal Year 2009		
		o 2Q 2010 Transactions with SK C&C Co., Ltd.		
		o Construction of Mobile Phone Facilities for 2010		
		o Construction of Network Facilities		
		o Purchase of Mobile Phone Relay Devices for 2010		
o Resale of Fixed-line Telephone Services of SK Broadband	Approved as proposed			
o Plan for Fund Management Transaction with Affiliated Company (SK Securities)				
		o 2010 Management Audit Plan		

2010

Meeting	Date	Agenda	Approval	Remarks
The fourth meeting of 2010	April 26, 2010	o Election of the Chairman of Audit Committee	Approved as proposed	
		o Approval of Entire Auditor Services for 2010	Approved as proposed	
		o Audit Plan for 2010		
		o Auditor Fees for 2010	Approved as proposed	
The fifth meeting of 2010	May 26, 2010	o Purchase of Mobile Phone Relay Devices for 2010	Approved as proposed	
		o Construction of Mobile Phone Facilities for 2010	Approved as proposed	
		o Construction of Transmission Network Facilities for 2010	Approved as proposed	
		o Outsourcing Mobile NATE business	Approved as proposed	
The sixth meeting of 2010	June 23, 2010	o 3Q 2010 Transactions with SK C&C Co., Ltd	Approved as proposed	
		o Consulting Service regarding Customer Contact Channel		
		o Base Station Maintenance Service	Approved as proposed	
		o Fund Management Transaction with Affiliated Company (SK Securities)	Approved as proposed	
The seventh meeting of 2010	July 21, 2010	o Reports on 2009 US GAAP Audit		
The eighth meeting of 2010	August 24, 2010	o 1 st half 2010 Financial Results		
		o Report on Review on the 1 st half of 2010 Korean GAAP		
The eighth meeting of 2010	August 24, 2010	o Purchase of Mobile Phone Relay Devices for 2010	Approved as proposed	
		o Construction of Mobile Phone Facilities for 2010	Approved as proposed	
		o Construction of Transmission Network Facilities for 2010	Approved as proposed	
		o Participation in the Capital Increase of SK China Company Limited	Approved as proposed	
The eighth meeting of 2010	August 24, 2010	o 4Q 2010 Transactions with SK C&C Co., Ltd		
		o Fund Management Transaction with Affiliated Company (SK		

		Securities)	
The ninth meeting of 2010	September 14, 2010	o 1 st half 2010 Management Audit Results	Approved as proposed
		o Agency Agreement relating to Outdoor Advertisements	Approved as proposed
		o Outsourcing of Leased Line Business	Approved as proposed
The tenth meeting of 2010	October 13, 2010	o Outsourcing of Handset Repair Services	Approved as proposed

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

3. Shareholders Exercises of Voting Rights

A. Voting System and Exercise of Minority Shareholders Rights

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

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

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

4. Affiliated Companies

A. Capital Investments between Affiliated Companies

(As of September 30, 2010)

* Based on common shares

Investing company	Invested companies										
	SK Corporation	SK Energy	SK Telecom	SK Networks	SK Chemicals	SKC	SK C&C	SK E&C	SK Shipping	SK E&S	SK Gas
SK Corporation		33.4%	23.2%	39.1%		42.5%			100.0%	67.5%	45.5%
SK Energy											
SK Telecom							9.0%				
SK Networks											
SK Chemicals								18.0%			
SKC											
SK C&C	31.8%									32.5%	
SK E&C											
SK E&S											
SK Gas											
SK Marketing & Company											
SK D&D											
SK Communications											
SK Broadband											
SK Lubricant											
SK Securities											
SK Petrochemical											
Entec											
Total affiliated companies	31.8%	33.4%	23.2%	39.1%	0.0%	42.5%	9.0%	58.0%	100.0%	100.0%	45.5%

Investing company	Invested companies									
	SK Securities	SK Power	SK Marketing & Company	DOPCO	CCES	YN Energy	Daehan City Gas	SK Sci-tech	SK NJC	SK Telink
SK Corporation		100.0%								
SK Energy			50.0%	38.3%						
SK Telecom			50.0%							90.8%
SK Networks	22.7%			4.6%						
SK Chemicals								50.0%	60.0%	
SKC	7.7%									
SK C&C										
SK E&C										
SK E&S					100.0%	100.0%	49.4%			
SK Gas										
SK Marketing & Company										

SK D&D

SK

Communications

SK Broadband

SK Lubricant

SK Securities

SK Petrochemical

Entec

Total affiliated

companies

30.4% 100.0% 100.0% 42.9% 100.0% 100.0% 49.4% 50.0% 60.0% 90.8%

Investing company	JeonnamGangwon		Invested companies					MRO	SK Telesys	Encar network
	City Gas	City Gas	JBES	M & Service	Chungnam City Gas	SK Wyverns	Infosec			
SK Corporation										
SK Energy										87.5%
SK Telecom						100.0%				
SK Networks								51.0%		
SK Chemicals										
SKC									77.1%	
SK C&C								100.0%		
SK E&C										
SK E&S	100.0%	100.0%	100.0%		100.0%					
SK Gas										
SK Marketing & Company				100.0%						
SK D&D										
SK Communications										
SK Broadband										
SK Lubricant										
SK Securities										
SK Petrochemical										
Entec										
Total affiliated companies	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	51.0%	77.1%	87.5%

Investing company	Invested companies									
	Paxnet	TU Media	SK D&D	Nature	Entertainment	Independent	SK Petrochemical	SK Mobile Energy	SKC Media	F&U Credit Info
SK Corporation										
SK Energy				33.7%			100.0%	100.0%		
SK Telecom	59.7%	44.2%			63.5%					50.0%
SK Networks										
SK Chemicals										
SKC									100.0%	
SK C&C						100.0%				
SK E&C			45.0%							
SK E&S										
SK Gas										
SK Marketing & Company										
SK D&D										
SK Communications										

SK Broadband										
SK Lubricant										
SK Securities										40.0%
SK Petrochemical										
Entec										
Total affiliated companies	59.7%	44.2%	45.0%	33.7%	63.5%	100.0%	100.0%	100.0%	100.0%	90.0%

Invested companies

Investing company	NTREEV	SK I-Media	SK Communications	SK Lubricant	I Platform	SKC Air Gas	SKN Service	Nuri Commerce Solution	Planet	RealVest	SKC Solmics Co., Ltd.
SK Corporation											
SK Energy				100.0%							
SK Telecom	63.7%		64.8%						100.0%		
SK Networks					100.0%		85.0%				
SK Chemicals											
SKC						80.0%					48.7%
SK C&C								46.3%			
SK E&C										100.0%	
SK E&S											
SK Gas											
SK Marketing & Company											
SK D&D											
SK Communications		100.0%									
SK Broadband											
SK Lubricant											
SK Securities											
SK Petrochemical											
Entec											
Total affiliated companies	63.7%	100.0%	64.8%	100.0%	100.0%	80.0%	85.0%	46.3%	100.0%	100.0%	48.7%

Invested companies

Investing company	Sumray Corpo	SK Broadband	Broadband Media	Broadband D&M	Broadband CS	UB Care	PyongTaek Energy Service	Pana Blu Co., Ltd.	WS Commerce	Namwon Sarang Electric Power	Incyto
SK Corporation											
SK Energy											
SK Telecom		50.6%									
SK Networks									100.0%		
SK Chemicals						44.0%					
SKC	81.7%										100.0