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For customers'
happiness,
We prepare
for the future



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SK networks is :

A trading company.

As the end of 2009, we have exported over USD 1.9 billion annually and have 64 global outlets.

A company which develops natural resources.

We have secured 10 million tons of iron ore, 570,000 tons of copper and 33 million tons of coal.

A company which sells mobile phones.

We sell over 10 million sets of mobile phones annually. As the end of 2009, the accumulated sales saw 80 million sets.

A company which deals in petroleum.

We have sold 43 million barrels of oil annually with each Korean person using 0.9 of a barrel of our oil.

A company which provides Total Car Service.

We have provided service for 2.28 million cars annually and 1 out of 10 cars in Korea uses our service.

A fashion company.

We sold 4.4 million pieces of clothes annually, and 1 out of every 11 Koreans has purchased an item from our fashion lines.

A wine fund company.

We have launched the first wine fund in Korea which manages one of the world's largest wine fund (KRW130 billion).

A global company which prepares for the future for the happiness of our customers based on the finest global talents through over 64 networks in 22 countries.

<<< We believe there should be no limits on happiness

With ingrained business DNA, our innovation and growth has evolved over the last 50 years and has driven Korea's economic development and we have set the target of transforming our company into a leading global company whose aim is to bring happiness across all boundaries.

For the advancement of the world towards a richer life, SK networks will continue to grow all around the globe driven by the spirit of challenge and our passion for being the best.





With iron ore from Canada,

We build the skyscrapers that are the heart of Shanghai.

By developing, transporting, blending, processing and distributing natural resources around the world, we are a leader in global development.

We believe there should be no limits on happiness - SK networks



For better and longer car life, we integrate Indonesia's rubber plantation business into our one-stop total car life service.

We believe there should be no limits on happiness - SK networks

With natural rubber from Indonesia,

We deliver a longer and more trouble-free car life.





CHATEAU DE BORDEAUX
CHATEAU FREYNEAU
BORDEAUX SUPERIEUR
2002
CLOS SAULIN n° 10
MIS EN BOUTEILLE AU CHATEAU

Bordeaux and New York's fashion meet

to enrich our lives.

With the premier wines of France, high class fashion lines, and the fusion of cultures, we help our customers succeed and lead a prestige life style.

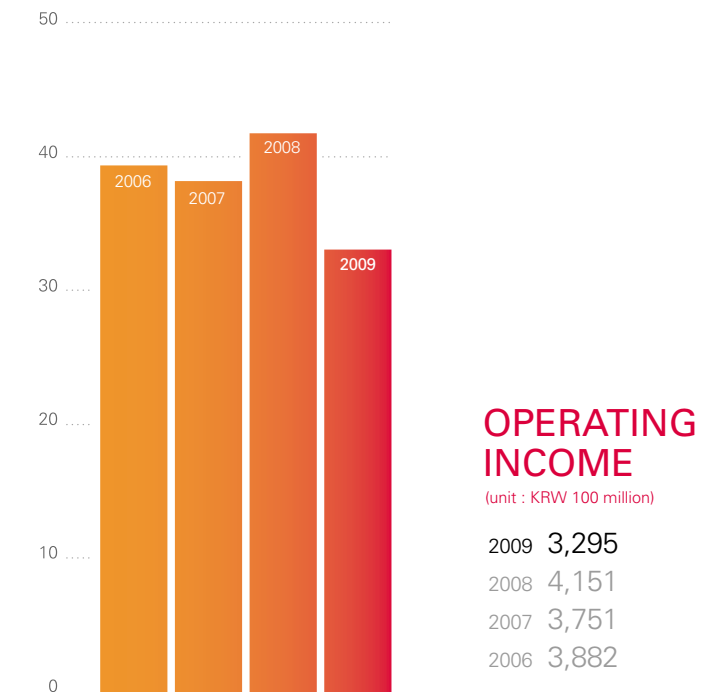
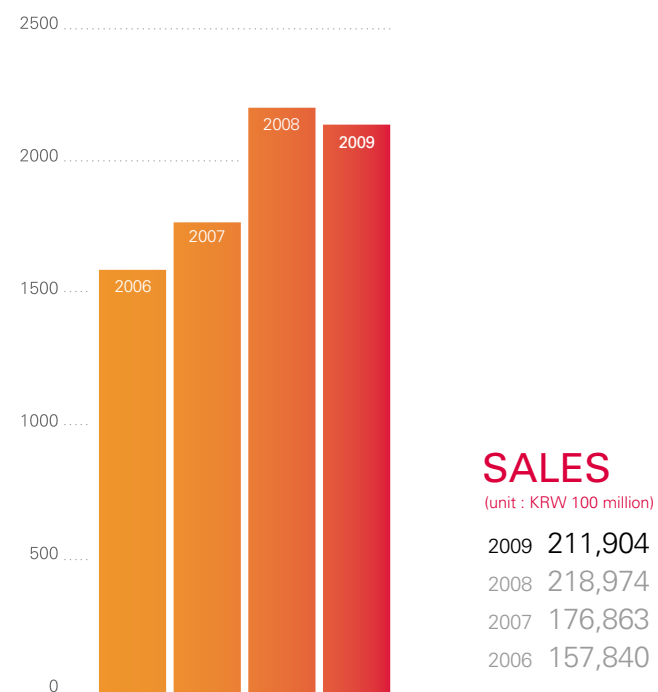
We believe there should be no limits on happiness - SK networks



FINANCIAL HIGHLIGHTS

By responding to the global economic crisis effectively, SK networks achieved KRW 21,190.4 billion in sales and 329.5 billion KRW in operating income.

Based on a stable financial structure, SK networks will turn its existing businesses into platform-based units to develop new growth engines, and accelerate globalization. With our solid presence in China, the efforts to realize Vision 2020 will drive our evolution into a leading global company.





Chang-Kyu Lee
CEO and President

CEO'S MESSAGE

Greetings from the CEO

Dear shareholders and customers,

In 2009, after weathering the global economic crisis with flying colors, SK networks achieved 21,190.4 billion KRW in sales and 329.5 billion KRW in operating income. In addition, by improving our financial structure, we were given a credit rating of AA-, which is the highest rating since our foundation. This proves SK networks has successfully overcome the global economic downturn and is ready for expansive growth in the future. This was made possible only through the support from our shareholders and customers, and the cooperation of all our dedicated employees.

Global Management Achievement in 2009

In 2009, after the declaration putting in place the emergency management system to overcome the global economic crisis, SK networks started the survival plan and as a result, each company has performed even better than anticipated.

Despite the global economic downturn, our Global Business Company has exported 1.9 billion USD, secured 10 million tons of iron ore from CLM, prepared the foundation for green growth and bio-business through plantation business in Indonesia, increased global outposts to 64, and developed new businesses. There is no doubt in our minds that we are fast becoming a leading global business innovator.

In 2009 as well as 2008, the ICT Marketing Company, by quickly understanding customers' needs and ICT trends, has strengthened its position as Korea's premier cellular phone distributor with sales of more than 10 million cellular phones. The ICT Marketing Company is growing into a secure future marketing platform.

With over 3,600 gas stations around Korea, the Energy & Car Company is the undisputed leading service provider and is expanding its global reach by entering the Chinese market based on the experience and capability we have built on in Korea.

Utilizing highly-advanced global brand management with over 11 prestige brands, 577 customer channels and effective marketing strategies, the Prestige Marketing Company has achieved stable performances in fashion, wine, and prestige lifestyle land development. In doing so, we strive to create greater cultural and economic value by providing our customers with social success and bringing happiness.

2010 Management Principles

As the first year of Vision 2020, year 2010 is of greater importance than previous years. So we will set more aggressive strategies to see visible outcomes. To this end, the following directives are established as our 2010 management principles.

First, The development of existing businesses into platforms

By enhancing the fundamental competitiveness of four existing businesses, we will develop structures that can easily and quickly respond to changes in the environment and generate new growth engines. In particular, in ICT distribution, the to-be model will be set up and fundamental competitiveness will be enhanced so that the ICT Marketing Company can take charge of ICT marketing for SK networks and create its own identity. Also, by spinning off separable businesses, we will increase flexibility in the business portfolio to actively cope with changes in the environment.

Second, Active globalization

We will actively pursue business opportunities in the Chinese market and initiate solid projects. The first focus will be placed on the resource development platform, total car life and the consumer goods platform all which are highly related to motorization in China, and then our efforts will be expanded to other automobile-related markets. Also, we will develop non-China markets as well. Since business opportunities seem numerous in Indonesia, Vietnam and India, we will explore and test business opportunities in these countries in addition to China. After preparation for Southeast Asia is completed, we will expand our globalization efforts into Southwest Asia, Central Asia, Eastern Europe and Africa. And then, Korea, China and non-China will comprise SK networks' three axes.

Third, Global M&A

To carry out our globalization strategy aggressively, as well as to position our offices in other countries, we will use global M&A to secure a significant portion of tangible assets in China. At the same time, we will buy Korean companies in other countries. With this inorganic growth, we will create visible achievements towards our complete globalization.

Fourth, Synergy with Walker Hill

As Walker Hill became part of SK networks from this year; we will develop better business models and improve efficiency to improve synergy with the consumer goods platform business.

Fifth, Strong management infrastructure to accelerate globalization

We will reorganize the China HQ systems so that they are able to make business and investment decisions independently. The Indonesia HQ system will be restructured as well. Furthermore, the Speedmate BHQ, Customer Goods Platform BHQ, Ferro-Resources BHQ will be moved to China to capture motorization business opportunities in China. With this GHQ system, we will establish a localized and speedy management system.

Sixth, The upgrade of our management culture for globalization

We have been expanding the corporate culture of happiness over the last year. We will strive to see that our corporate culture will take root firmly in overseas organizations and can be applied to any country in the world. We will build a corporate culture of happiness which enables any and all of our companies to run its business successfully. At the same time, we will create an SK networks' citizenship so that all employees can have a fair and equal workplace regardless of their location, nationality, and race. Through these efforts, we foresee sales of 22,600 billion KRW and an ordinary income of 250 billion KRW thus securing our profitability back to the rate we possessed before the economic crisis.

For the happiness of customers, shareholders and society

Respected customers and shareholders!

Even during the global economic crisis, SK networks has proven its capability and as a result has gained new confidence. All executives and employees of SK networks promise you that we will set the pace and provide superior products and services in the world market.

I hope to see your continued support and encouragement in 2010 so that SK networks can continue to grow through the crisis and bring happiness to our shareholders, customers and society. We will reward our customers and shareholders by maximizing the value of our services and products.

Thank you.

Chang-Kyu Lee
CEO and President



Overview of Vision 2020

Strategy for Vision 2020

1. Development of Existing Businesses into Platforms
2. New Growth Platform
3. R&C and Infrastructure for Growth
4. Model Employee and Corporate Culture



For our customer's happiness,

We prepare for the future.

Vision 2020

It's time to start!

We will make the leap to be a true global company with the "4+6+ α " business platform that balances all our business in Korea, China and Non-China.

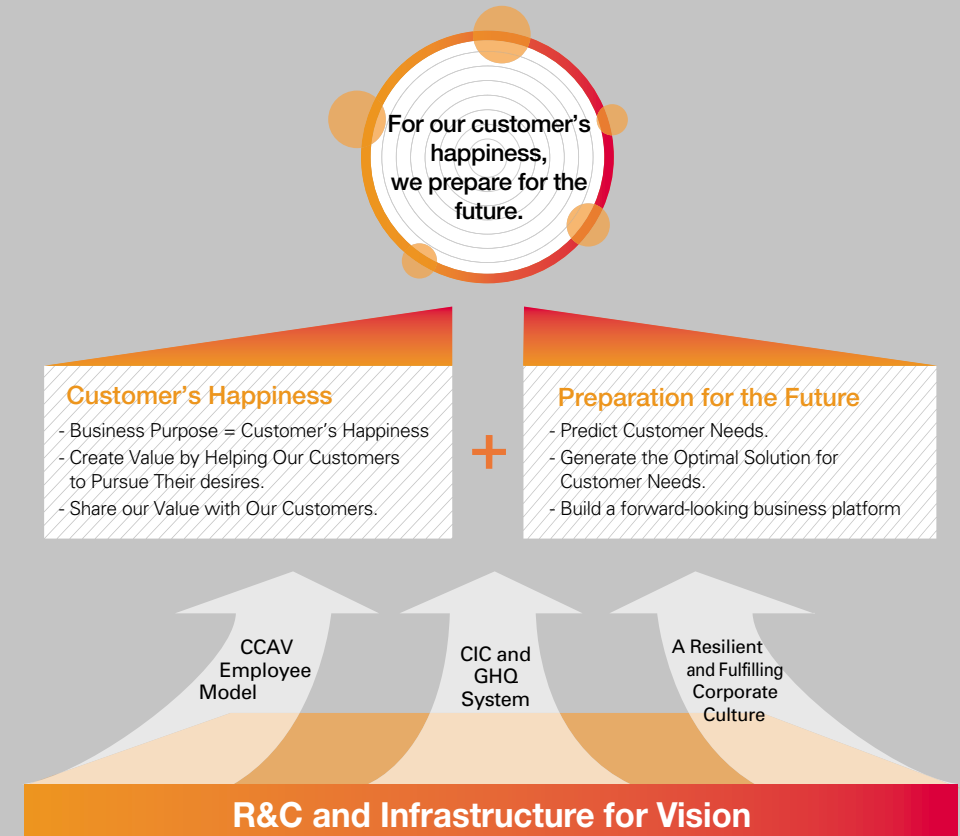
Vision 2020

Vision 2020

By developing a well-balanced "4+6+α" business platform in Korea, China and Non-China, we will transform ourselves into a true global company which prepares for the future and brings happiness to our customers.

To realize this,

- ① We will set our goal to ensure our customers' happiness and create values to help our customers pursue their desires.
- ② We will predict customer needs and generate the optimal solution to establish a forward-looking business platform.
- ③ With aggressive globalization, we will achieve balanced growth in Korea, China and Non-China.



1

Strategy for Vision 2020

Development of Existing Businesses into Platforms

Greater

Customer Happiness!

By enhancing the fundamental competitiveness of our existing businesses, we will strengthen our market leadership and upgrade our business models into solid platforms.



Trading Business

Development into a Business Organizer

Search for the optimal business opportunities with global outposts and enhance global intelligence for project sourcing (partnership)

ICT Distribution Business

Development into a total ICT marketer

Provide various ICT devices and mobile solutions in areas other than cellular phones Advance the existing distribution networks and develop convergence-type distribution channels for the future

Energy Marketing Business

Development into a market player by creating memberships and driving customer value

Development into a market player by creating memberships and driving customer value Build on our membership by increasing customer loyalty Integrate numerous car-life products and services Maximize assets and values through the reformation network

Prestige Business

Development into a new concept prestige life-style company

Secure products and services that save and earn customers money and provide superior services and products where these savings can be utilized.

- ① A Platform to gain money: Wealth management such as funds and land
- ② A Platform to spend money: Fashion and wine

2

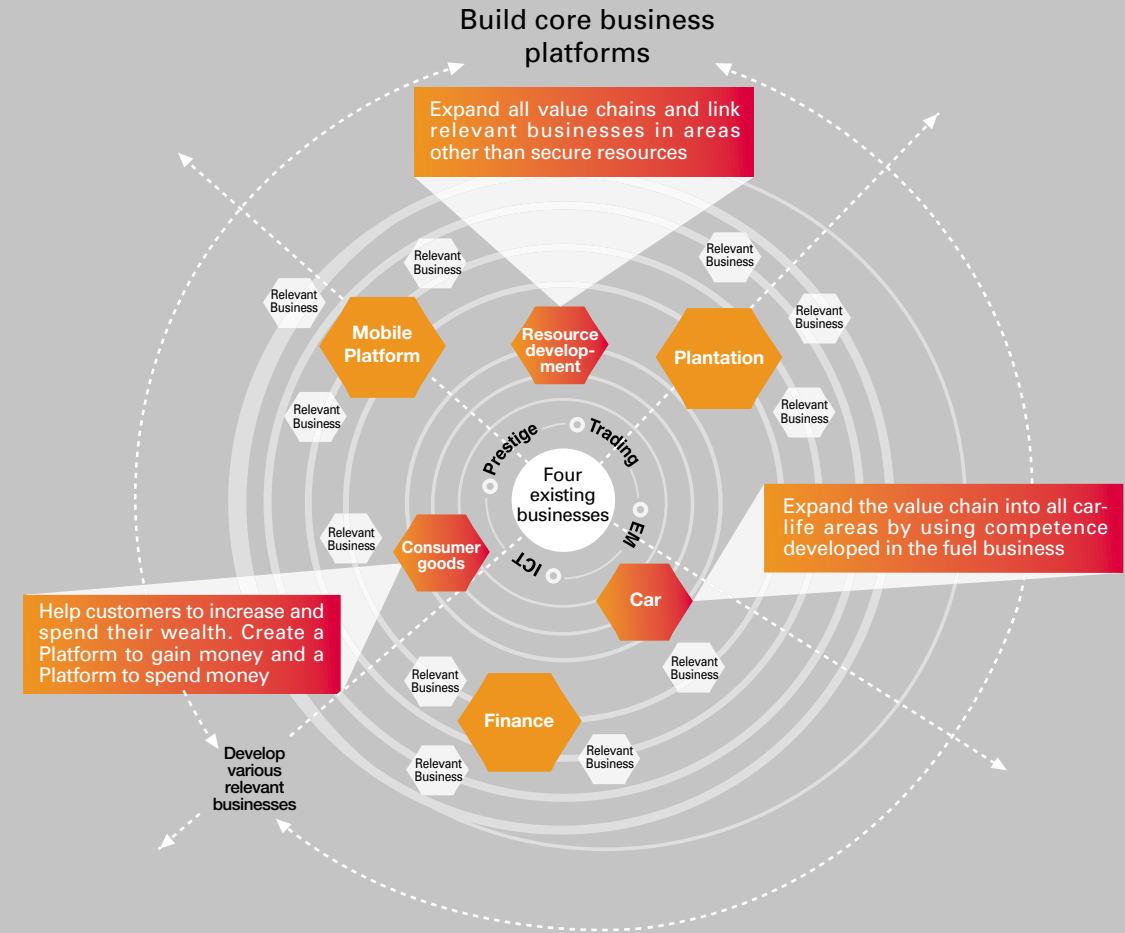
Strategy for Vision 2020

New Growth Platform

Greater and Wider

Customer Happiness!

The first focus will be placed on developing the business platforms for resources, consumer goods and car-life as they have a higher strategic priority. After which, we will test and realize additional platforms to complete the "4+6+α" growth axes.



3

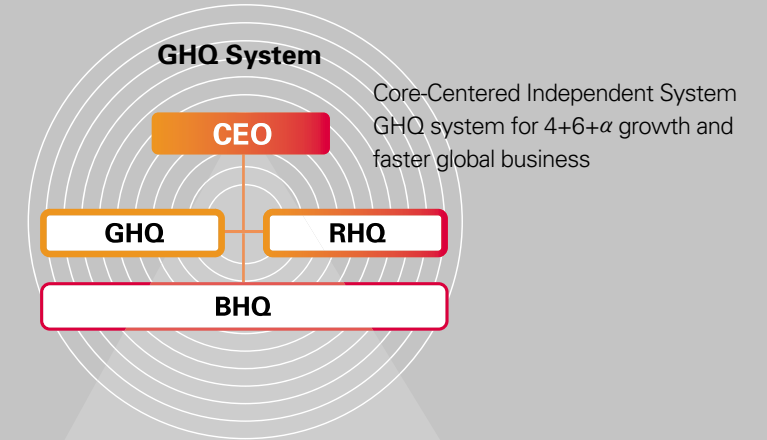
Strategy for Vision 2020

R&C and Infrastructure for Growth

Gaining speed to create

Customer Happiness!

Based on a strategic point for globalization in China, we will build a localized business portfolio and an operation system to expand the global business and generate positive outcomes quickly.



GHQ

1. Corporate-Wide Business Portfolio / Resource Control
2. The CMS (Corporate Management Service) is developed into the GHQ to move into the global core area.

RHQ

1. Localized Independent Business L/H/C (Lead Help Check)
Developed into a CIC
2. Inorganic growth as an outpost for new global business

BHQ

1. Self-reliant management by business
2. Move organizations to business core areas for inorganic growth
- Speedmate, Steel, Chemistry

The China HQ,

1. This will be developed into an organization as effective as the GHQ in terms of size and system by 2020.
2. For independent decision-making and business operation, optimal structures and workforce will be developed
→ Expansion of global executives

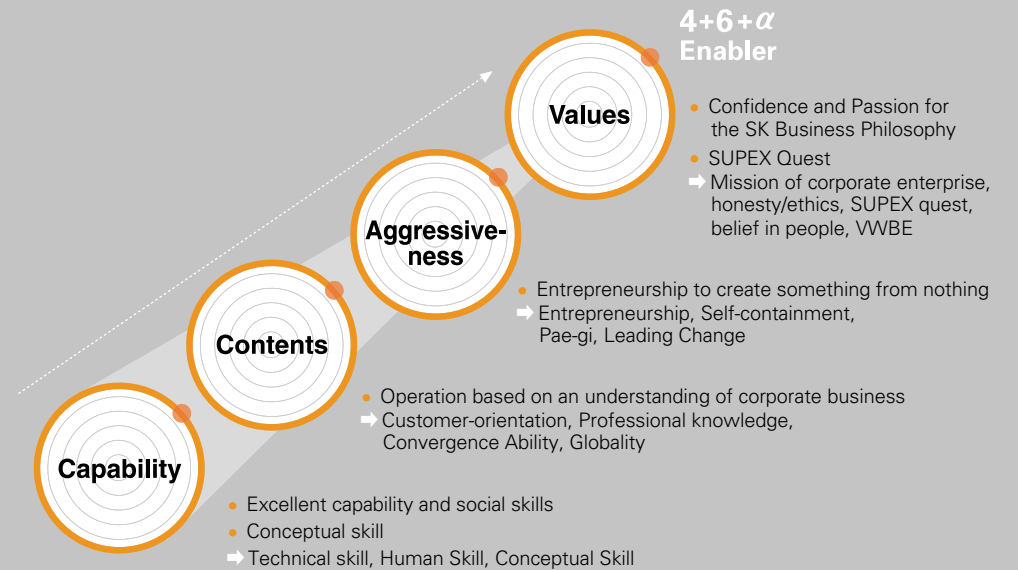
4 Strategy for Vision 2020 Employee Model and Corporate Culture

Advance

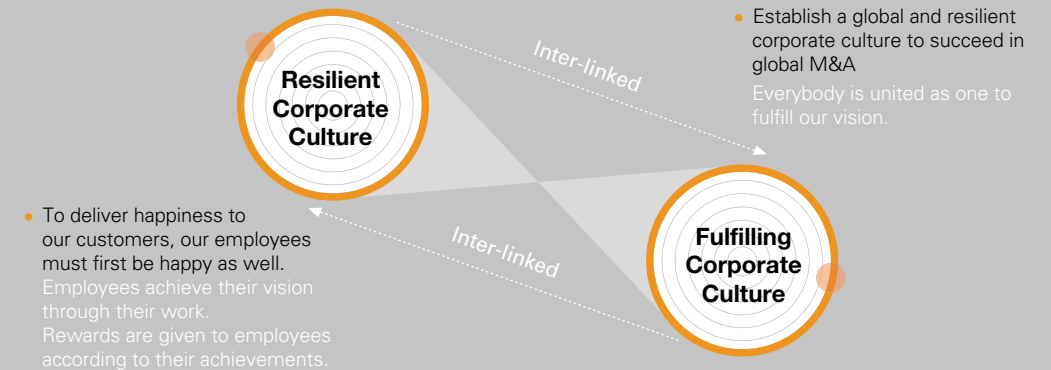
Customer Happiness!

With the CCAV employee model, we will make all our employees "4+6+α" enablers to achieve our vision quickly and to build a resilient and fulfilling corporate culture where the company and its employees grow together.

CCAV Employee Model → "4+6+α" Enabler



Resilient and Fulfilling Corporate Culture → Source for Growth



A virtuous cycle where the company and its employees grow together.

Overview of Vision 2020

Strategy for Vision 2020

1. Development of Existing Businesses into Platforms
2. New Growth Platform
3. R&C and Infrastructure for Growth
4. Model Employee and Corporate Culture



For our customer's happiness,

We prepare for the future.

Vision 2020

AT A GLANCE 2009

Major Business Activities

Declaration of Vision 2020

We declared "Vision 2020" to prepare for the future to fulfill our customers' happiness. The basic purpose of "Vision 2020" is to build the "4+6+α" business platform balanced with Korea, China and Non-China so that we can adequately the groundwork to ensure our company success and stability in the fast changing global marketplace. Strategies for "Vision 2020" are: first, to develop existing businesses into platforms; second, to build new growth platforms and complete the "4+6+α" growth axes by testing and realizing additional platforms; and third, to establish the business portfolio and operation system based in China. We aim to make our employees "4+6+α" enablers through the CCAV employee model in order to create a resilient and fulfilling corporate culture. With these strategies, we will become a leading global company with 63 trillion KRW in sales and 1.5 trillion KRW in income before taxes by 2020.

Transfer of the Broadband Line Business

As the ICT market trend is moving toward the convergence of wire and wireless devices, we decided to transfer the broadband line business as a pre-emptive measure. With this move, we improved our financial stability and acquired the investment funds to take our business portfolio to the next level for increased corporate value. SK networks will keep working hard to secure and develop new growth engines.



AA-, Highest Credit Rating in Our History

In the corporate credit evaluation conducted by the National Information and Credit Evaluation, Inc. we received an AA- rating that is upgraded from the previous rating, A0, and this rating is the highest rating in our history. The rating, AA-, is the highest among all general trading companies in Korea, and proves our undisputed status in Korea.

The Acquisition of Walker Hill

As we have acquired Walker Hill, we can make decisions quickly to improve, expand hotel facilities and start new businesses. By accelerating the further growth of Walker Hill, we can increase investment profitability. Also, by creating synergy effects with the consumer goods platforms, we will provide an upgraded lifestyle for prestige customers.



CCAV Employee Model

To achieve "Vision 2020" we established the CCAV employee model. The purpose of CCAV (Capability, Contents, Aggressiveness, Values) is to achieve our vision by implementing "4+6+α" with all employees working as one in order to build a resilient and fulfilling corporate culture where the company and its employees grow together.



Opening of the China and Indonesia HQs

To quickly carry out our globalization strategy and complete business locally, the RHQ (Regional Head Quarters) system was introduced and the China HQ and Indonesia HQ were newly established in October of 2009. Based on our achievements in China, the China HQ is designed to create synergy effects by integrating businesses carried out by each CIC and BHQ and will be leading, helping and checking on businesses closely. We will expand the business volume of China to be as large as that in Korea by 2020. Also, the Indonesia HQ is exploring the Indonesian market and supporting local entities as well as operating existing businesses such as resource development, plantation, mineral resources, and chemical and steel trading.



Investment in the Rubber Plantation

In January 2009, we acquired an area of about 28,000 ha (half the size of Seoul) located in Kalimantan, in the southern part of Indonesia and have started the largest rubber plantation business which is a first as a Korean company. As of January 2010, we have planted over 70,000 rubber trees and will plant a total of seven million trees over the next four years. Rubber produced from one Indonesian farm accounts for 7% of the rubber that Korea imports to produce tires. As the demand for tires is skyrocketing in China and India as well as in Korea, the opportunity to create high profits exists.

Drastic Improvement in the Debt Ratio

In 2009, based on our stable business portfolio, we increased profits as well as sales and income by continuously strengthening our sales competence. With cash generated by improving profitability and the selling of stocks and companies, we paid off 1,355.4 billion KRW in loans in the last year to lower our debt ratio from 239% to 151%.



Highest Earning by Shantou PS

Since Shantou PS, a producer of raw material for plastics and polystyrene became part of SK networks in 2007, it has grown drastically. Especially, from the early days of the merger, Shantou PS set a successful example of PMI (Post-Merger Integration), and survived the rapid-changing economic situation in 2008 to 2009 generating record high profits. This is very meaningful localization success story as we are carrying out China-centered globalization and localizing SKMS in our efforts to fulfill Vision 2020.



Launching the GHQ System

To carry out China-centered globalization strategies and finish business locally, RHQs (Regional Head Quarters) and BHQs (Business Head Quarters), the GHQ (Global Head Quarters) are introduced. In terms of resource acquisition and market expansion, RHQs around the world can make decisions reflecting regional conditions; we can accelerate globalization and have a positive impact on Korea's economy and companies.

BOARD OF DIRECTORS

We create future value through transparent management.

We instill trust and confidence in our shareholders and our customers.

SK networks utilizes a transparent management system centering on the board of directors (BOD), and has already established advanced corporate governance by creating and operating a Secretariat to support the BOD. Furthermore, SK networks is also working to create greater solid future values through transparent management and is building a BOD-centered management system and maximizing investor profits. To this end, the company has employed a higher ratio of outside directors and has established several committees within the BOD to thoroughly review and check on the major business activities of the corporation.

Greater Transparency in Corporate Governance

Boasting of the most advanced corporate governance in Korea, SK networks has set up various instruments within its system that allow the board of directors (BOD) to lead business management in order to obtain maximum profits for our shareholders. In addition, several committees exist within the BOD to perform a proper check and balance function against the CEO.

Greater Transparency in Accounting

SK networks has laid the groundwork for transparent management by improving its internal control system after consulting with a top accounting firm in Korea over the last several months. It has also dramatically enhanced confidence from shareholders and financial institutions by actively complying with the regulations that require the company's CEO and CFO to certify its accounting data.

Auditing Functions Strengthened

In order to provide a powerful control and check function and authority over the board of directors and the CEO, SK networks has installed an auditing committee composed only of outside directors and guarantees full independence of this committee.

Ethical Management by Executives and Employees

SK networks has introduced an ethical management system to achieve not only a transparent management but to maximize shareholder profits. We are fostering a corporate culture that maximizes benefits for all members of society by fulfilling its responsibilities towards suppliers, customers and competitors. We are working to realize this culture through a specific code of ethics.



Chang-kyu Lee
CEO and President



Young-ho Park
Chairman of BOD |
CEO and President, SK Corporation



Se-Dae Kim
Inside Director |
President of Prestige Marketing Company



Young-chul Lee
Outside Director |
(former) Director at Yonhap News



Seung-hee Kwon
Outside Director |
CEO, Woori Accounting
Corporation



Byung-ju Chang
Outside Director |
Chairman of DAEWOOSKY
Institute



Chang-hyun Yun
Outside Director |
Professor, Business Management
Department of University of Seoul

BUSINESS OVERVIEW

For customers' happiness,
We prepare
for the future

ICT Marketing Company

- ICT Distribution BHQ
- B2B Solution BHQ
- Mobile Platform BHQ

Prestige Marketing Company

- Fashion BHQ
- Consumer Goods Platform BHQ
- Wine BHQ

China HQ/Indonesia HQ

Global Business Company

- Resources Development BHQ
- Ferro-Resources BHQ
- Energy Trading BHQ
- Chemical BHQ
- Steal BHQ
- Plantation BHQ

Energy & Car Company

- Energy Marketing BHQ
- Speedmate BHQ
- Special Products BHQ

Walker Hill

- Sheraton Grand Walker Hill
- W Seoul Walker Hill
- Walker Hill Duty Free Shop
- Walker Hill External Business

GHO (Global Head Quarters)

- Corporate Culture Divisionl Group
- The Corporate Planning & Development Divisionl Group
- Finance Divisional Group

GLOBAL BUSINESS COMPANY

A GLOBAL BUSINESS COMPANY

Based on our half century experience in global business, excellent global sourcing capability, superb information power, and strategic networking, the Global Business Company is hard at work trading in chemical, steel and energy products.

With 64 global outposts in 22 countries around the world, outstanding talent and regional experts are leading each business field. At the same time, we are expanding value chains for each product by building production sites in China, Europe and Australia to meet customers' needs and to strengthen our market presence by developing solid business platforms.

In addition, we are focusing on investment in coal, iron ore and other strategic resources; we have acquired 570,000 tons of copper and 10 million tons of iron ore. By entering the plantation business in Indonesia, we have also laid the groundwork for green growth and the bio-industry and are preparing to create synergy by combining our existing businesses.

Always seeking our customers' happiness, we will develop new businesses to advance those already in place and seek further growth by fulfilling our goal to become the leading global business innovator in the resource and industrial material sector.



Chang-kyu Lee
CEO and President,
Global Business Company



A Global Business Innovator
Creativity in Resources and Industrial Materials



GLOBAL BUSINESS COMPANY



Natural Resources Development BHQ

The natural resources development business is conducted by professional geologists, geologic engineers and traders in close cooperation with Korean government-owned corporations that share market information and successfully complete joint venture investments. As a result, SK networks is securing its position as a leader in the natural resources development business in Korea. For example, by investing in copper mines in China, we have secured 570,000 tons of copper for development in the copper refinery business. We are actively expanding our investments in overseas natural resource development by seeking out promising projects in Australia and Indonesia. In addition, we are promoting investment in the mining and refinery businesses in China and Kazakhstan for nonferrous metals such as lead, zinc and nickel. With a primary focus on securing core raw materials, we will make a balanced investment in exploration and production to build an efficient value chain and to secure the competence necessary to be a leading global player.

Ferro-Resources BHQ

With global investment in iron mines and financing, we have secured highly-valuable ferro-resources. We are supplying iron ore to China through our own ocean networks and blending and processing steel products to meet major steel manufacturers' needs. Currently, we have 10-year or longer agreements with Australia and Canada for 10 million tons of iron ore and will secure 30 million tons of iron ore by 2020. We are expanding our business to become a virtual steel company with a value chain that covers all aspects of milling such as development, logistics, blending, trading, and processing.

The Energy Trading BHQ

The energy trading business began in 1981 mainly in crude oil, petroleum products and coal and has since grown with the development of the energy industry in Korea. Currently we export petroleum products and import coal to and from Korea. In addition, we are trading the products internationally and securing markets and customers and are fast becoming professional traders in petroleum products. Our domestic and overseas networks include overseas incorporations and branch offices in major Asian countries and we are widening our business range through 'Win-Win' policies with our business partners. As a result, we have grown into a leading independent supplier in Asia through the export of Korean petroleum products and third-country trading mainly in Singapore, China, Vietnam and the Philippines, and are expanding our domain in the South Pacific in areas such as the Marshall and Solomon Islands.



7%

Produce 7% of rubber for tires used in Korea

The Chemical BHQ

The main areas of our chemical business are the export, import, domestic sale and third-country trading of chemical products. The main items are aromatics like SM and BTX; synthetic resins such as PE, PP and PET; chemical fiber materials like MEG and PTA; Methanol and solvents; and material fertilizers such as phosphate ore. At the same time, to strengthen our position in the continuously-growing Chinese market, we have set up a business model which combines trading, domestic sales and production with the launching of Guwangzhou Sales in 2003, Shantou PS in 2006, and Ningbo PET in 2008. We will keep expanding our presence and strengthening networks in China to further develop chemical platforms that can provide service for customers quickly and effectively. We are playing the role of a global supply chain manager by leading the export and import of chemical products, domestic sales, and third-country trading and by establishing strategic partnerships with the world's major suppliers. So in these ways we are now equipped with the best products and services in the world and advanced abilities for global network management.

SM : Styrene Monomer
 BTX : Benzene, Toluene, Xylene
 PE : Poly Ethylene
 PP : Poly Propylene
 PET : Polyethylene Terephthalate
 MEG : Mono Ethylene Glycol
 PTA : Purified Terephthalic Acid



The Steel BHQ

SK networks is supplying the products of many steelmakers in both Korea and overseas to buyers globally. In Korea, we are dealing in the products of POSCO, Union Steel, Dongbu Steel, Hyundai Hysco, and others and we export steel products to countries not only in countries such as China, Malaysia, Vietnam and Taiwan, but also to nearly the entire globe including Australia, Europe, the Middle East and America. At the same time, we source the steel products not only from domestic mills but also from overseas manufacturers in Taiwan, India and China to gradually expand our domain to third-country trading. With the initiation of a steel processing and distributing company in New Zealand in 1992, we have established coil processing centers in China (Jangjiagang, Dongguan and Pinghu), Australia and Turkey to expand our ever growing value chain through overseas investment.

Plantation BHQ

The plantation business is a new business area being promoted for our future growth. Businesses that show potential and expandability such as rubber, palm, jatropha and red algae are being promoted. Specifically, the rubber plantation business has been implemented in Indonesia from late 2009 after having received a license for forest development of 28,000 ha an area nearly half the size of Seoul. The economic value of rubber has been proven with the increase in the demand of tires mainly in newly developing countries such as China, and the gradual increase in consumer preference for functional rubber products. Also, we have completed the acquisition of the equity of a company which has a patent for the production of pulp using red algae, and are now operating a test bed to verify the possibility for commercialization with a plan to build a factory of pilot pulp. In the future, we will continue to secure ownership at our many overseas bases and capabilities for trading and distribution, and continue to work towards being a global major by concentrating on the fostering of our core businesses.



10 million tons

Secure 10 million tons of iron ore for 6 million cars

ICT MARKETING COMPANY

The ICT MARKETING COMPANY

As the best mobile device distributor in Korea, we provide for our customers' happy digital life.

Through various online and offline points, the ICT Marketing Company provides devices, solutions and services to meet customer needs.

The ICT Marketing Company consists of the ICT Distribution BHQ in charge of distributing ICT devices centering on cellular phones, the B2B Solution BHQ for various devices and solutions suitable for B2B customers, and the Mobile Platform BHQ for platforms to provide smooth mobile service. Notably, as the core BHQ, the ICT Distribution BHQ has sold over 10 million cellular phones in 2009 through Korea's largest distribution networks and customer service points thus strengthening our position as Korea's no. 1 ICT distributor.

Not willing to stay in the comfort zone, we will expand our marketing platform to lead trends by understanding market situations where online and offline sales become more active and more customers are looking for convergence products that combine devices with applications. We will develop our future marketing platform which will be competitive not only in the Korean market but also in the global market so the ICT Marketing Company is sure to enjoy a bright future.



Suk-Hwan Lee
President,
ICT Marketing Company



SK's total ICT marketer
providing customers with a happy digital life



ICT MARKETING COMPANY



The ICT Distribution BHQ

From pagers in 1994 to today's 3G cellular phones, the ICT Distribution BHQ has grown alongside Korea's mobile market and is preparing for the future as Korea's no. 1 distributor. In the retail and wholesale sectors, we are delivering state of the art ICT devices through Korea's largest distribution networks and logistics infrastructures, and are making a contribution to our core competitiveness by win-win networks which create values in cooperation with the key players in the domestic and overseas markets.

Wholesale

By supplying over 10 million cellular phones and other mobile devices such as smart phones and netbooks through 1200 retail outlets, we are established as Korea's largest mobile device distributor. In close cooperation with service providers, we offer financing and various consulting services so that retail outlets can have products on time and with full support. Our six distribution posts around Korea equipped with cutting-edge infrastructures and management systems enable us to deliver ICT devices quickly. Also, by continuing the sales logistics business such as 3PL, we are creating additional profit and contributing to the advancement of Korea's logistics industry. Further-more, the subsidiary company, SKNS is in charge of A/S that includes the entire wholesale network thus maximizing customer satisfaction.



Retail

Through more than 1300 posts around Korea including over 500 shops under direct control, we collect general subscribers and sell mobile devices. Our qualified managers and highly-advanced management systems are providing the best in service and increasing customer satisfaction by establishing efficient human resource and shop management systems. We are eyeing for a convergence distributor by accepting subscribers not only in cellular phones but also in internet service, VoIP, IPTV and wire phones. At the same time, we apply what we learn from collecting and analyzing customers' needs on ICT products to retail and other businesses to be firmly positioned as a major player in the ICT market.

Other areas

We are exporting mobile devices made by manufacturers in and out of Korea to Central and South America, and to Southeast Asia and are recycling used cellular phones for export. Also, we provide phone rental and roaming services for visitors to Korea and for Korean travelers to other countries.



B2B Solution BHQ

By expanding partnerships with international leading IT system companies such as HP and Cisco, SK networks has constructed a turn-key based solution supply system which enables one-stop shopping for IT infrastructure customers. We ensure the highest level of customer satisfaction through differentiated marketing support policies and total solutions such as multi-brand, multi-item product lines, tailor-made customer services, and an intensive customer support network. In addition, we are developing and establishing mobile solutions for corporations that are looking for ways to improve productivity. We will continue to develop our planning and design competency to generate package deals which combine solutions related to hardware such as system units and mobile devices. We do all that we can to be the best marketing company with total B2B solution platforms for the ICT industry.

The Mobile Platform BHQ

To bring happy convergence digital lives to customers, the Mobile Platform BHQ sources and organizes the content and solutions that customers want and delivers a full range of convenient wire/wireless platforms. Currently, we are providing mobile content, business messaging and 3G video phone services. In these ways, we are accumulating core competence related to the mobile business and sourcing content from over 80 business partners. We are providing mobile content for customers through service providers' networks and continue to expand service sectors and content ownerships. Based on corporate SMS (Short Message Service), we are diversifying our service into MMS (Multimedia Message Service) and other services. Meanwhile, we are exploring new services which meet ever-changing market trends such as Wi-Fi service and new connected devices that are leading the global business.



ENERGY & CAR COMPANY

AN ENERGY & CAR COMPANY

Based on our vision of being the company which creates an exciting and happy car-life culture for our customers, the Energy & Car Company is providing total car-life service through various customer channels (gas stations, repair shops, convenient stores and website).

Moreover, to keep our position as Korea' best company in the oil distribution market with our over 3600 gas stations around Korea and to maximize customer car-life value with the best in repair services, we are carrying out one-to-one marketing and turning gas stations into "happy auto stations". While there customers experience a variety of services including repair, cleaning, shopping, accessories, culture/leisure as well as simple refueling.

Based on the experience and competence built in the Korean market, the Energy & Car Company entered the Chinese market and is running 10 integrated petrol stations and 68 repair shops. With continued efforts to expand our presence in China, we are sure to become a truly global company.



Tae-Jin Kim
President,
Energy & Car Company



A Company creating an Exciting and
Happy Car-Life Culture for our Customers



ENERGY & CAR COMPANY

The Energy Marketing BHQ

As the leader of the petroleum products market in Korea, the Energy Marketing BHQ is strengthening its competitiveness through continuous improvement in service and quality and differentiated marketing. We are supplying gasoline, lamp oil and diesel to our customers through more than 3,600 gas stations, which comprises the largest energy network in Korea. In addition, we are expanding our global network by advancing into China in earnest with the integrated petrol station project in three Northeastern Provinces of China.



Energy Marketing Fuel Distribution

The Energy Marketing BHQ is realizing the concept of 'Total Service' for gas stations one step ahead of the competition. This will broaden the scope of customer satisfaction and at the same time be a way to secure more competitive power in the 21st century. At SK gas stations, customers will be able to enjoy the harmonized Total Service offering every-

thing from car washes and repair to shopping and convenience facilities. We are now supplying gasoline, lamp oil, diesel, premium gasoline (Solux) and premium diesel (Solux Diesel) through more than 3,600 gas stations nationwide, taking 25% of the market share in retail.

We are making efforts to transform into a Life-Station, and maximize customer value by offering differentiated services in a period of expensive oil prices. Currently we are operating 10 integrated petrol stations in China, and are putting spurs to the China business with an aim to open other integrated petrol stations. At SK gas stations, you can find 'enclean' which leads the competition in the quality of gasoline, lamp oil, diesel, etc. all produced by SK Energy at reasonable prices. You can come to know our "clean, quick and friendly gas stations" whenever you visit any of the more than 3,600 SK gas stations nationwide. The managers of our gas stations are voluntarily improving their quality in accordance with the regular service evaluation system conducted by the SK networks' Energy Marketing BHQ. Furthermore, we are realizing our brand of differentiated business management with "SK e-market.com," a B2B site for gas stations equipped with functions for the real time order of oil products. We offer marketing support, joint purchases, the provision of managerial information, and communication between the branch in charge and the manager of the gas station. There is also the "enclean bonus card" which pays our customers' patronage back by offering free insurance for traffic injuries and free gifts. To meet our customers' changing needs, we are changing our networks and integrating accumulated car-life competence into networks. We are leading the integrated model for gas stations and by maximizing synergy with the car-life business and reforming the "rules of the game"; we are bolstering our market leadership.

The Speedmate BHQ

Having started with light maintenance services, Speedmate is now expanding its scope to all customer Car-Life areas including emergency roadside service (ERS), automobile components, used-car sales and the rental car business. Also, we have integrated online, offline and mobile channels to enable customers to receive car-life services that provide unique communications and services whenever and wherever they want.



Repair

Our mechanics focus on maintaining your car in peak condition with parts selected and proven by Speedmate. And we are taking the lead in the light maintenance service market by using authentic components, applying fixed charges and providing high quality service. Currently, we have over 700 networks around Korea and are running over 70 repair shops in Shanghai and Tianjin, China where we continue to expand.

Used-Cars

In the used-car market, we have solidified our business domain by providing a 2 year, 40,000 km guarantee on used cars which is a first in the industry and is sure to bring trust to our customers in the market. Also, with advanced price calculation systems, offline networks in major cities in Korea and our website, we are providing differentiated service and exporting Korean-made used-cars around the world.

ERS

Starting from emergency services in 1996 and Korea's first onsite service in 2001, we are pursuing high quality service and customer satisfaction through systematic network management and aggressive investment in our systems. To dispatch service engineers quickly and reliably, we have established the LBS system which enables us to identify our customer's location and track service engineers in real time based on our integrated network management system that includes the Web and PDAs. Also, an automatic customer identification system and voice recognition system are employed to improve customer convenience. As the ERS quickly arrives at the accident site and provides accurate information to insurance partners, this helps insurance companies reduce losses and increases efficiency in providing insurance payments. In the future, we will expand to the B2C sector based on membership in the network.

Car Rental

By providing a total service, we are realizing customer satisfaction so that our customers can rent cars at reasonable rates and with the most convenience. In the case of long-term rental services, every aspect of the car is covered including repair, maintenance, accident handling and insurance. We are providing highly-reliable maintenance and accident-response service through over 700 Speedmate locations and ERS networks. In 2010, we launched a membership-based, long-term rental product for customers where they can use the service with the utmost in economy. For corporate customers, we have the FMS which reduces the costs for operating cars. As our business grows in Korea, we are planning to enter the global market even sooner than anticipated.

Dealership

Covering all issues from luxury car consulting to complete follow-up service, Speedmate entered the imported-car market in 2001 and established the multi-brand sales system to expand customer choice. This enables customers to buy cars at reasonable prices and enjoy convenient services; we have seven dealerships in cooperation with Chrysler, Jeep, Dodge, Jaguar, Land Rover, Infiniti, and Nissan.

The Special Product BHQ

Based on the expertise and knowhow accumulated over the years, the Special Product BHQ is providing the optimal solution for LPG, asphalt and lubricants and is exploring the global market with specialized solutions. To lead the future car-life culture, we are also pursuing the electric car and car-sharing businesses.

LPG

With over 70 LPG stations around Korea, we are providing reliable quality LPG for customers at reasonable prices. To meet the needs of customers who drive LPG taxis or other vehicles, we are doing our best to deliver more value through various car-life contents such as repair and car components.

Asphalt

We are providing asphalt produced by SK Energy all around Korea. Along with asphalt, we are expanding our domain and leading the market with highly-endurable PMA and are also exporting it to emerging markets such as Africa and in this way we are coming ever closer to our global customers.

Lubricating Oil

All machines including cars, ships and industrial equipment need lubricating oil and premium lubricating oil can lengthen a machines' life and considerably improve operational efficiency. Based on our expertise in lubricating oil and machines, we are providing high quality products such as ZIC and SUPERMAR for our global customers in Singapore, China and Greece as well as those in Korea.

Vixlam

Since its launch in September 2009, Vixlam has been providing total golf solutions for golfers of all skill levels in Korea. Through our unique model where customers can access all services such as fitting, lessons and shopping, we are changing the golf business. At our Mok-dong shop, the largest shop in Korea and through Vixlam.com, online shopping mall, customers can find personalized solutions and choose from a wide variety of top brand name products.



PRESTIGE MARKETING COMPANY

A PRESTIGE MARKETING COMPANY

The Prestige Marketing Company pursues a prestige lifestyle platform which provides wealth management that increases values for customers and offers a wide variety of consumer goods.

Based on highly-advanced global brand management competence including 11 prestige brands, 577 customer channels and marketing knowhow, the Prestige Marketing Company is operating fashion, wine, and land development businesses to provide better cultural and economic value to our customers.

Also, prestige customers in China can expect to see many opportunities thanks to our fast growth. We provide a wide variety of fashion products, wine and real estate and continue exploring business opportunities in emerging markets such as Vietnam and Indonesia to ensure our customers' success and happiness.

Se-Dae Kim
President,
Prestige Marketing Company



A New Concept
Prestige Lifestyle Platform Provider



PRESTIGE MARKETING COMPANY



The Fashion BHQ

Beginning in 1990 with Korea's finest school uniform brand, SMART, and based on the brand marketing and management competence built over 20 years, the Fashion BHQ is running a licensed-brand business with Tommy Hilfiger and DKNY, and is selling its own unique brands with exciting designs under the labels Obzee and O'2nd worldwide and further expanding our portfolio of prestige brands. Also, by successfully launching O'2nd in China, we have laid the stepping stones for our new role as a global fashion company.

Obzee Kangjin young



haniiy

SMART

TOMMY HILFIGER



DKNY

DONNA KARAN COLLECTION

CLUB MONACO

ELIE TAHARI

REPLAY

Obzee

Showcasing the latest in fashion, our luxury brand Obzee offers unique designs and a luxurious lifestyle by fusing a feminine sensibility with the style and excitement of New York chic.

O'2nd

The 2nd line of Obzee, art, culture and fashion, O'2nd fills the concept of a brand as a kind of "Pop Boutique." Within one year after entering China, we reached a BEP and made the highest sales rate to date in a prestige shopping mall in Shanghai.

Hanii Y

Launched in New York in 2004, Hanii Y presented new collections during the NY fashion week and is loved by many New Yorkers as a female contemporary brand with an uptown bohemian mood. We have shops in Korea, as well.

SMART

Since its launch, as a high quality brand for students, we are maintaining the top position through continuous innovation.

Tommy Hilfiger

As the premium global lifestyle brand, Tommy Hilfiger is a designer brand based on New York style and pursues the concept of "Classic American Cool." Tommy Hilfiger is a traditional casual brand that provides classic styles to the latest fashion trends.

DKNY

Created by one of the best designers in our time, Donna Karan, DKNY expresses the vibrant spirit and dynamic energy of New York and provides bridge lines with comfortable, practical and sensitive designs.

Club Monaco

Based on a black and white concept, Club Monaco expresses the urban lifestyle of New York and provides casual products at reasonable prices.

Elie Tahari

The collections of Elie Tahari who was selected as one of the best American designers alongside Donna Karan are well known for delicate details and timeless beauty.

Replay

As an Italian premium denim brand that expresses Italian freedom as well as luxury and chic, Replay suggests the high-end casual style mixed with classic and trendy looks.

Consumer Goods Platform BHQ

Starting in April 2005, the Consumer Goods Platform began to develop 460,000-pyeong land owned by SK networks including STrenue, a 36-story high-end officetel, and SKView in Byeongjeom, and in so doing is creating a prestige housing culture in Korea. Also, based on the real estate development competence built through numerous projects in and out of Korea, we are developing premium residences, prestige resorts and prestige lifestyle buildings. In Shenyang and Dandong in China, we are expanding our presence to emerging markets such as Vietnam and Indonesia and are soon to be a top developer in Asia and a leader for our global customers' happiness.

Yeouido S-Trenue

This is a premium officetel with seven floors underground and 36 floors above ground built (gross area: 12000 pyeong) on 868-pyeong of land. Renowned designers and architects are involved in this project and the three towers are built in bundles to express new concept environment-friendly areas (island-type street park and 31 high parks). S-Trenue has become a new landmark in Yeouido. With complete business environments and customer-oriented housing services, S-Trenue is loved by high-end professionals.

SK-View in Hwaseong and Byeongjeom

SK-View is the high-class brand apartment and a leader in the development of Dongtan by providing a new premium brand of housing culture. Composed of six buildings with two floors underground and 12 floors above ground, SK-View accommodates 228 households and provides new-style parks (Narakjangson, Green Wave, Cascade, Floor Wave, Wind, Hwagye, Rooftop).

Shenyang Complex Terminal

The Shenyang Complex Terminal in China is the first complex terminal built by a foreign developer in China (gross area: 22000 pyeong, floors: 24 and consists of bus terminals, shops and offices. This is a prime example of SK networks' global competence in China. The bus terminal will be completed and commissioned within the 2nd quarter of this year, and shops and offices will be finished in the 3rd quarter to contribute to the development of Shenyang.

Dandong Complex

We are building a complex composed of four apartment buildings (25F, 28F, 30F) and one office buildings (15F) in Dandong, China. This complex will attract the high-end customers of China. A total of 386 residing places (office + apartment) and 20 shopping spaces will expand business coverage, contribute to the development of Dandong and realize global customer happiness.

Wine BHQ

Since 2005, the Wine BHQ has been operating its business to provide economic and cultural value as well as one of the simple joys of life to our prestige customers. The Wine BHQ has its own office in London, the center of the world's fine wine market, and its own negotiators (wine dealer) in Bordeaux, France, the production site of top-class wine. By establishing direct and indirect networks with over 100 producers, negotiators and large merchants in the UK, we are running the 13 billion KRW worth wine fund based on outstanding sourcing and stock management competence. Putting more efforts on custody business (commissioning to purchase, keep and sell wine) and membership business, we are developing the wine business model where customers gain and spend money through the business of fine wines.

S-Lesailo

S-Lesailo is created by combining "Les Ailes" (wings in French) and "HEUREUSES" (happiness in French) and is a new wellbeing and culture brand for successful elite.



WALKERHILL

Walker Hill

As an entertainment leader that creates value, we are operating the Sheraton Grand Walker Hill, W Seoul Walker Hill, Walker Hill Duty Free Shop and external businesses with the main focus of being a stopover hotel at the Incheon International Airport. We are going to great lengths to provide a true complex cultural space that satisfies every demand.

As well as developing unique services and training employees, we are fundamentally improving systems to enable our staff members to fully express their talent through a wide variety of leisure facilities and cultural programs. As a way to serve our society, "Sharing for Walker Hill's Happiness," is a program where 100 employees do volunteer work, and are actively protecting the environment. Also, we have year-around festivals and amenities such as the spring flower festival, the river park outdoor pool, the wine fair, and an ice rink.

In 2009, as we become part of SK networks, we are growing faster based on our synergy between business groups. By interlinking each business sector organically, Walker Hill will lead the hotel business in Korea and provide even more creative and essential services for our customers.



Yong-Jong Yoo
President,
Walker Hill



Entertainment Leader
that Creates Value



WALKERHILL

Sheraton Grand Walker Hill

Sheraton Grand Walker Hill With Mt. Acha and Han River in its background, Sheraton Grand Walker Hill is working hard to provide unique services and create greater customer value. There are 589 guest rooms, 11 restaurants and bars, cutting-edge convention centers, wedding hall, duty free shop, casino, and outdoor sport facilities. The Walker Hill Theater which provides high-class entertainment loved by both business travelers and general tourists. Also, we provide a foreigner-only casino, an outdoor pool, an ice rink, a special MD for VIP guests, and a duty free shop and other facilities for leisure and business.



W Seoul Walker Hill

As a boutique-style hotel first opened in Asia by the global hotel group, Starwood, W Seoul Walker Hill is hailed as the top hotel by trend setters and their unique lifestyles. There are 253 guestrooms with stylish interiors, restaurants and bars designed by combining western and eastern cultures, a luxury spa for relaxation, and W's unique "Whatever and Wheneve" service. Also, the 150 seat Great Room which was opened in April 2007 creates an excellent business environment. Different from traditional hotels, we provide an urban sense, a unique design, and dramatic use of space and color for today's new lifestyles. W Seoul is recognized as one of the best places to stop in Seoul.



Walker Hill Duty Free Shop

Over 190 luxury brands such as Rolex, Omega, Breguet, and Blancpain are found in the Walker Hill Duty Free Shop where you can enjoy shopping in comfort. In the Korean goods department, you can also buy Korean cosmetics and a large variety of traditional goods and souvenirs. If it is difficult to visit the shop, you can also shop at www.skdutyfree.com. In addition, we provide MD's shopping advice and chances to gain shopping points.

External Business

The External Business BHQ is running the stopover hotel and nine restaurants at Incheon International Airport to provide tourists with Walker Hill's own knowhow on taste, style and service. In the stopover hotel, we have a total of 90 rooms with 72 standard rooms, 15 deluxe rooms, and 3 suites. As our restaurants, we have "Jayeon," the Korean deluxe restaurant; "Haneul" which serves simple Korean foods; "Global Chow" with cuisine from around the world; and "Air Cafe" which offers fast meals for customers in their 20s or 30s. Also there are seven golf club houses including Sky72, Solmoro CC, Incheon Grand CC, Korea Golf & Art Village, and Yeosu Grand CC.



CHINA HQ

The CHINA HQ

In 1992, we stepped into the China market first among the SK groups and invested an accumulated total of 400 billion KRW (as of 2009) in trading chemical and steel products, expanding relevant value chains, developing natural resources and energy, strengthening the car-life business, and running the real-estate and fashion business. Based on our experience and achievements in China, we integrated businesses performed by each CIC and BHQ and launched the China HQ at the end of 2009 to create synergy effects by leading, helping and checking on the businesses in China. The China HQ will secure new growth opportunities from current China economic trends where greater resource consumption and the rise of the middle class, increased motorization will lead to increases in our car-life business, natural resource trading and consumer goods platforms. By 2020, the China HQ will grow as large as the existing SK networks to realize globalization centering on China. Also, by contributing to China's economy and society, we will take root as SK's best partner corporation in China.

Car-life

With 10 integrated petrol stations in Shenyang and Dandong and 68 repair shops in Shanghai and Tianjin, we entered China as a car-life company and prepared our foundation for growth. By utilizing accelerated motorization in China, we will become the leader of the car-life market in China.

Resources/Industrial Materials

With our acquired trading competence, we are trading industrial materials in chemical and steel sectors and will expand our market to processing, production, plantation and trading of other natural resources. By using the full value chain of products, we will maximize our profits.

Consumer Goods Platform

Based on 11 prestige brands, 577 customer channels, differentiated marketing knowhow and advanced global brand management, we are operating fashion, wine, and real estate development businesses to bring happiness and success to customers in China. We successfully launched the brand, O'2nd by entering the top tier department store in Shanghai, and will expand our presence in China's fashion industry. Also, with experience built by our modernization of Dandong and bus terminal complex in Shenyang, we will focus on prestige lifestyle real estate development centering on Shanghai and Tianjin.



INDONESIA HQ

The INDONESIA HQ

To explore the market and to lead, aid and check up on business in Indonesia, (the leading economy in Southeast Asia), the Indonesia HQ was founded at the end of 2009. We are supporting local investment companies as well as operating resource development, plantation, and ore, chemical and steel trading businesses. To secure new growth engines, we are focusing on resource and plantation projects.

The New Plantation

Through direct and indirect paths such as the expansion of new plantations and the construction of processing plants and logistic outposts, we will secure green resources such as palm oil and rubber so as to be a true global resource player. Also, by using R&C in the rubber plantation business, we will continue to make competitive and efficient investments.

Palm oil

In addition to rubber, palm oil is produced from plants that grow only between 5 degrees northern and 5 degrees southern altitudes. Palm oil is used to produce the oleo chemical. As oil reserves are drying up fast, this may be the most competitive resource to produce bio-diesel fuel and its economic efficiency has been already proven. We will be putting more efforts in developing the bio-diesel business as a new growth engine.

Resource Development

As an outpost to secure strategic resources for the future, we are focusing on investment in mines, joint operation with local mine owners, and logistics terminals to build the business platform for coal, nickel and iron ore.

Coal Trading

As a way to secure strategic resources, the Indonesia HQ is exporting coal to China, India and other Southeastern Asian countries by sourcing coal and selecting reliable local partners. Especially, through continuous market study on mine operation system and distribution characteristics in Indonesia, we successfully expanded and stabilized the coal trading business within a short period of time.



GHQ

GHQ (Global Head Quarters)

In 2009 SK networks introduced the GHQ (Global Head Quarters) system to become a global company. The GHQ is providing management service to enable SK networks to achieve Vision 2020 by turning itself into platform business structures and accelerating globalization. As a global company, we are striving to fully develop the GHQ with global competence and execution capability.

Corporate Culture Divisional Group

Corporate Culture Division is maintaining and developing SKMS' core assets by integrating SKMS, people and brands, the Corporate Culture Division consists of the SKMS Division, the Global HR Division and the Corporate Communications Division. The SKMS Division is establishing a fulfilling corporate culture by supporting the CEO. The Global HR Division is building the Global One HR System to enable all employees around the world to create positive outcomes voluntarily and proactively. The Corporate Communications Division is improving corporate value through corporate PR activity, internal communications, and effective brand management.



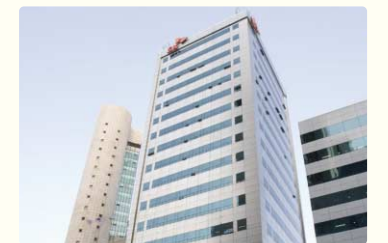
Corporate Planning & Development Divisional Group

The Corporate Planning & Development Divisional Group is in charge of establishing corporate strategies, optimizing resources aligned with strategies and implementing strategies. Specifically, we are founding the corporate governance system by managing the business portfolio to advance the business structure focusing on securing new growth engines through inorganic growth based on M&A in and out of Korea. In terms of management infrastructures, we are advancing investment review, investment follow-up management, and resource management and continue to establish performance analysis and monitoring systems to fulfill our goals. In addition, we are embodying the RHQ proliferation plant to accelerate China-centered globalization and the post-China era; building the IT infrastructure to integrate global shared service centers based on China for systematic accumulation of R&C; and leading, helping and checking each CIC to fulfill the corporate vision.



Financial Divisional Group

The Financial Divisional Group manages finance, budget, legal affairs and risk management, and consists of the Global Finance Division and the Global Accounting Division. By providing management information fast and accurately, supplying funds efficiently, managing risks and supporting accounting, tax and legal affairs, the Financial Divisional Group strictly manages risks and improves shareholder value.



SOCIAL CONTRIBUTION ACTIVITIES



Beyond race,
political and social boundaries,
we will continue to share happiness
with the people of the world.



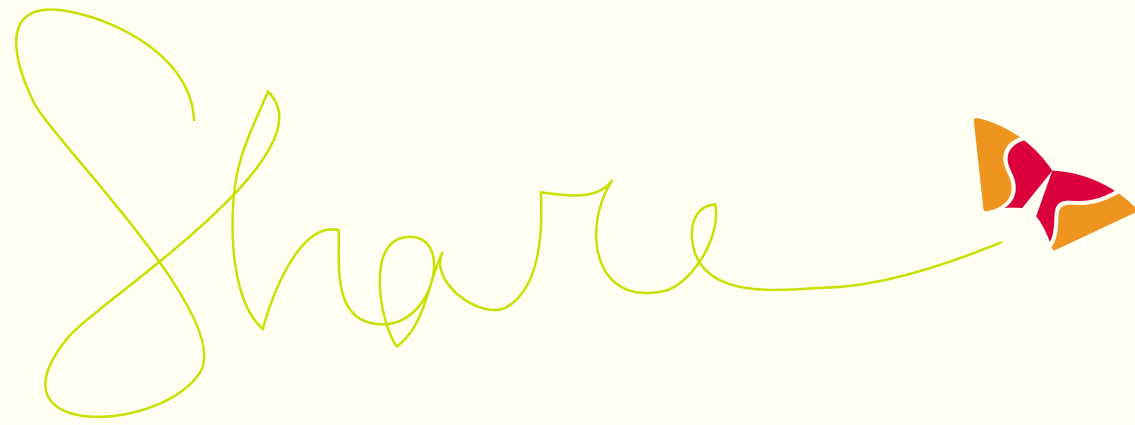
Social Contribution Activities

“When you share with others,
you will realize happiness lies closer than you think.”

We will run first to anywhere our warm hands are needed.
We will be the first to help our neighbors in need.
To make a world where everybody is happy,
SK networks shares happiness.



Voluntary
Service



The Donation of School Uniforms | We donated Smart school uniforms worth 3,045 million KRW to the public servants' association. Since 2000, we have been donating Smart school uniforms to Mongolia, Laos, Kazakhstan, Vietnam, Iran and Bangladesh through the Korean Red Cross.

Support for the Hope Elementary School in China | We have been supporting the Hope elementary school in China since December 2008. Once every two months, staff members visit the school to donate books and have birthday parties for children. In March 2009, we delivered 1000 books and had a plaque ceremony in the school library.

Voluntary Service at Wooseongwon | Employees from the Global Business Company visit Wooseongwon built for the handicapped to clean up the cafeteria and do farm work every 1st, 2nd and 3rd Thursdays.

Lunch and Laundry Service for Seniors Living Alone | The employees from the ICT Marketing Company in cooperation with the Yaksu Senior Welfare Center hand out lunch boxes and deliver laundry to seniors living alone every week.

Delivery of Side Dishes to the Underprivileged | Employees from the Energy & Car Company in cooperation with the Mokdong Welfare Center, deliver prepared foods to the underprivileged every week.

1 Company 1 Village Voluntary Service Activities | For the "one company one village movement", the GHQ made a sisterhood agreement with Eomso-ri Village, Seorak-myeon, Gapyeong-gun, Gyeonggi-do on May 15, 2008 and aids in the farm work of the villagers.

Volunteer Work for the Senior Center in Shenyang | Every 2nd Saturday, SK networks China Investment LLC visits the senior center in Shenyang for volunteer work. After making a sisterhood agreement with the senior center in December 2006, SK networks China Investment LLC is providing a variety of support.

Volunteer Work with Subcontractors | On April 3, 2009, 25 employees including the CEO and 10 employees from subcontractors visited Namsanwon, the child rearing facility to donate presents, make buns, and repair walls.

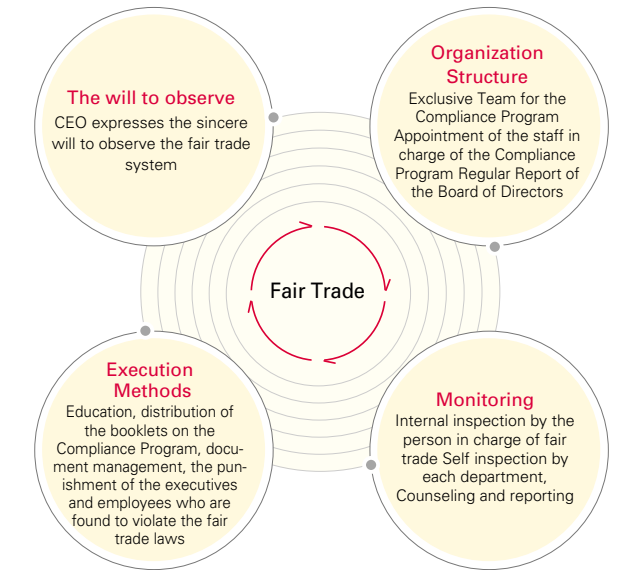
Soup Kitchen | On June 5, 2009, 22 employees including the CEO visited the God's House church in Yonsan and provided free meals to the underprivileged. From 2007 to 2008, the Prestige Group joined the soup kitchen a total of 84 times (731 employees) to make donations and offer help.

Briquette Sharing | From late November to early December, we delivered briquettes to the underprivileged living in Chuncheon, and Daejeon.



FAIR TRADE

We pursue the happiness of our customers and other concerned parties through our activities in the Compliance Program and through the exercise of 'Win-Win' management.



01 | Introduction and execution

SK networks has been implementing the fair trade the Compliance Program since 2002 to prevent the possibility of violating general systems related to fair trade. Accordingly, the checklists for fair trade principles are distributed and training programs are given to all members. We are making every effort to prevent illegal activities by providing a clear code of conduct that establishes and spreads fair trade practices.

02 | Real activities through an exclusive department

The manager of the Compliance Program, who is the executive in charge of fair trade, and the exclusive organization for the Compliance Program, will check the performance of the fair trade Compliance Program with the persons in charge of the Compliance Program in each division and through the Council of Compliance Program for the systematic management of the risk factors that may occur such as the restriction of competition. These activities will lead the company and all departments to observe all relevant laws and practices.

03 | Operation according to the 7 main factors of CP

The fair trade Compliance Program is being operated on the basis of 7 main factors: top management's declaration of the will for the compliance program, appointment and operation of the staff in charge of the compliance program, production and distribution of the booklets on the program, program operation, the monitoring system, punishment for executives and employees who violate fair trade laws, and the document management system. In appreciation of our efforts to adhere to fair trade practices, the Fair Trade Commission gave an "A" grade to SK networks in the 2009 Compliance Program Evaluation.

04 | 'Win-Win' cooperation activities

After declaring the agreement for co-development and fair trade practices in 2008, we are making every effort to prevent unfair trade issues. As we provide financial support to our subcontractors through the co-development fund, the Fair Trade Commission gave us a "Satisfactory" grade in the 2009 Win-Win Agreement Evaluation.

FINANCIAL STATEMENTS

In 2009, SK networks overcame the global economic crisis effectively and achieved better performances than expected. We will strive to build on the highly-profitable structure by continuously enhancing our business portfolio.

BALANCE SHEET

INCOME STATEMENT

STATEMENT OF APPROPRIATION OF
RETAINED EARNINGS

STATEMENT OF CASH FLOWS

BALANCE SHEET

(Current) Year 57th : As of Dec. 31, 2009
(Prior) Year 56th : As of Dec. 31, 2008

Description	(unit : KRW)	
	2009 (Year 57)	2008 (Year 56)
Assets		
I. Current Assets	3,072,343,247,329	2,711,600,481,654
(1) Quick Assets	2,158,951,646,710	1,811,701,082,054
Cash & Cash Equivalents	518,244,815,172	321,195,417,493
Government Subsidies	-	(234,974,094)
Short-term Financial Instruments	10,511,866,421	12,311,512,174
Short-term Investment Securities	4,835,250	5,066,295,250
Trade Receivables	1,368,858,859,522	1,125,806,022,522
Allowance for Doubtful Accounts	(20,298,137,968)	(18,872,506,920)
Short-term Loans	14,505,914,630	23,645,911,638
Allowance for Doubtful Accounts	(18,333,340)	(103,258,808)
Other Receivables	214,559,027,752	243,518,388,739
Allowance for Doubtful Accounts	(640,831,184)	(929,681,472)
Accrued Income Receivable	2,539,690,363	2,085,414,425
Allowance for Doubtful Accounts	(1,187,373)	(1,295,905)
Advance Payments	12,458,462,755	13,879,359,382
Prepaid Expenses	10,378,734,009	31,555,790,424
Income Tax Refund Receivables	-	2,109,440,242
Current Portion of Deferred Income Tax Assets	25,449,787,824	45,382,226,517
Other Quick Assets	2,398,142,877	5,287,020,447
(2) Inventories	913,391,600,619	899,899,399,600
Merchandise	801,972,848,613	843,274,317,917
Allowance for Valuation of Merchandise	(17,149,548,161)	(37,820,368,403)
Finished Goods	31,592,008,038	28,201,115,559
Allowance for Valuation of Finished Goods	(2,231,257,020)	(1,841,375,081)
Work in Process	4,074,531,048	4,083,592,424
Raw Materials	10,271,823,616	10,178,343,984
Allowance for Valuation of Raw Materials	(1,209,811,068)	(1,866,169,799)
Sub-materials	526,238,210	493,932,950
Goods in Transit	73,874,562,182	24,885,662,025
Unfinished Housing	376,297,308	6,725,911,937
Finished Housing	5,056,904,728	-
Land for Construction	6,237,003,125	23,584,436,087
II. Non-Current Assets	4,638,041,879,880	5,270,888,987,966
(1) Investment Assets	1,009,898,451,374	1,666,733,412,302
Long-term Financial Instruments	1,179,705,134	1,231,109,124
Long-term Investment Securities	81,670,682,840	425,504,649,323
Investment Stocks under Equity Method	825,146,206,434	1,137,163,566,137
Advances for Investment	7,728,679,611	5,367,728,607
Long-term Loans	69,805,015,153	79,371,430,773
Allowance for Doubtful Accounts	(465,640,681)	(2,655,483,397)
Other Investment Assets	24,851,122,258	20,767,731,110
Allowance for Doubtful Accounts	(17,319,375)	(17,319,375)
(2) Tangible Assets	3,475,004,389,779	3,381,103,045,662
Land	2,611,820,059,541	2,192,762,211,400
Buildings	677,892,630,500	323,879,812,767
Accumulated Depreciation	(112,276,718,458)	(48,681,347,930)
Accumulated Impairment Losses	(1,148,522,931)	(1,148,522,931)
Structure	131,993,563,028	185,398,794,715
Accumulated Depreciation	(24,951,333,114)	(33,686,917,284)
Contribution in Aid of Construction	-	(1,711,141,900)

BALANCE SHEET

Description	(unit : KRW)	
	2009 (Year 57)	2008 (Year 56)
Machinery & Equipment	109,977,432,568	1,171,512,175,675
Accumulated Depreciation	(62,345,536,282)	(546,174,699,249)
Contribution in Aid of Construction	-	(6,026,971,906)
Vehicles & Transportation Equipment	47,802,364,673	16,930,865,777
Accumulated Depreciation	(15,498,291,847)	(12,807,630,401)
Tanks	20,707,331,848	21,022,875,424
Accumulated Depreciation	(7,352,144,399)	(6,712,371,019)
Other Tangible Assets	226,978,022,821	159,083,034,326
Accumulated Depreciation	(156,085,419,115)	(105,665,480,595)
Accumulated Impairment Losses	-	(1,765,509,167)
Government Subsidies	-	(141,795,559)
Construction in Progress	27,490,950,946	75,035,663,519
(3) Intangible Assets	(42,127,637,994)	21,670,305,084
Goodwill	21,781,325,526	29,567,666,868
Negative Goodwill	(83,479,475,020)	(24,891,913,925)
Patents - Industrial	97,055,327	24,905,549
Development Costs	18,558,561,081	16,181,620,835
Government Subsidies	(21,400,000)	(63,783,210)
Other Intangible Assets	936,295,092	851,808,967
(4) Other Non-Current Assets	195,266,676,721	201,382,224,918
Deposits Paid	194,405,364,252	199,580,749,198
Other Non-Current Assets	2,432,857,948	2,989,453,076
Allowance for Doubtful Accounts	(1,571,545,479)	(1,071,733,506)
Present Value Discount	-	(116,243,850)
TOTAL ASSETS	7,710,385,127,209	7,982,489,469,620
Liabilities		
I. Current Liabilities	3,484,900,161,050	3,661,991,028,975
Trade Payables	2,341,037,284,839	2,225,115,623,948
Short-term Borrowings	251,637,933,659	1,052,567,868,472
Non-Trade Payables	158,622,254,467	175,662,296,867
Advance Receipts	51,011,849,158	21,544,223,262
Unearned Revenues	4,007,603,398	4,975,311
Deposit Received	22,673,714,360	5,962,598,897
Accrued Expenses	42,987,863,739	33,416,512,921
Unpaid Tax	215,295,964,959	-
Current portion of Long-term Liabilities	303,000,000,000	-
Discount on Bonds Payable	(292,716,996)	-
Current portion of Long-term Liabilities	94,918,409,467	147,716,929,297
II. Non-Current Liabilities	1,154,209,550,165	1,965,111,061,147
Bonds Payable	254,000,000,000	155,000,000,000
Discount on Bonds Payable	(1,170,068,080)	(571,033,416)
Long-term Borrowings	560,178,269,417	1,470,932,358,541
Deposits Received	122,676,795,449	38,705,300,389
Allowance for Severance & Retirement Benefits	41,780,366,562	87,356,679,746
Deposits for Severance Benefits	(29,770,761,267)	(48,609,177,985)
Contribution to National Pension Plan	(277,321,460)	(769,097,740)
Other Allowance	4,338,772,300	1,943,051,424
Non-Current Portion of Deferred Income Tax Liabilities	202,453,497,244	261,122,980,188
TOTAL LIABILITIES	4,639,109,711,215	5,627,102,090,122

BALANCE SHEET

Description	(unit : KRW)	
	2009 (Year 57)	2008 (Year 56)
Shareholders' Equity		
I. Capital Stock	648,653,775,000	635,676,652,500
Common Stock	620,469,117,500	607,491,995,000
Preferred Stock	284,120,000	284,120,000
Redeemable Preferred Stock	27,900,537,500	27,900,537,500
II. Capital Surplus	895,647,466,304	93,853,659,382
Paid-in Capital in Excess of Par Value	89,053,406,254	93,463,920,998
Consideration for Stock Warrant	389,738,384	389,738,384
Other Capital Surplus	806,204,321,666	-
III. Capital Adjustments	(25,000,000)	(59,891,324,832)
Treasury Stock	-	(59,866,324,832)
Stock Warrants	(25,000,000)	(25,000,000)
IV. Accumulated Other Inclusive Gain (Loss)	1,008,370,934,067	1,211,087,266,706
Gain on Valuation of Long-Term Investment Securities	-	108,874,124,838
Capital Change under Equity Method	129,864,623,935	227,801,954,594
Negative Capital Change under Equity Method	(2,885,806,563)	(2,107,129,034)
Gain on Revaluation of Land	881,501,833,232	876,518,316,308
Gain on Valuation of Financial Derivatives	58,406,488	-
Loss on Valuation of Financial Derivatives	(168,123,025)	-
V. Retained Earnings	518,628,240,623	474,661,125,742
Legal Reserve	2,406,828,940	-
Voluntary Reserve	80,616,578,186	80,616,578,186
Unappropriated Retained Earnings	435,604,833,497	394,044,547,556
TOTAL SHAREHOLDERS' EQUITY	3,071,275,415,994	2,355,387,379,498
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	7,710,385,127,209	7,982,489,469,620

INCOME STATEMENT

(Current) Year 57th : For the Year Ended Dec. 31, 2009
(Prior) Year 56th : For the Year Ended Dec. 31, 2008

Description	(unit : KRW)	
	2009 (Year 57)	2008 (Year 56)
I. Sales	21,190,407,487,003	21,897,444,114,737
Instruments Sales	15,254,668,001,080	16,029,509,607,087
Instruments Exports	4,579,079,900,042	4,512,298,933,883
Goods Sales	107,751,506,322	87,488,088,458
Goods Exports	85,126,723,041	79,735,143,361
Other Sales	1,173,595,128,614	1,193,763,173,397
Other Exports	2,624,070,475	5,221,853,933
Discount Sales	-12,437,842,571	-10,572,685,382
II. Cost of Sales	19,663,985,145,030	20,327,463,884,697
(1) Cost of Instruments Sales	19,130,650,131,738	19,798,753,392,426
Beginning Inventory Of Instruments	805,453,949,514	610,637,453,522
Cost Of Instruments Purchased During The Year	19,157,133,707,785	20,059,051,741,135
Transferred from Other Accounts	41,084,702,361	3,998,100,432

INCOME STATEMENT

Description	(unit : KRW)	
	2009 (Year 57)	2008 (Year 56)
Total	20,003,672,359,660	20,673,687,295,089
Transfer to Other Accounts	-88,198,927,470	-69,479,953,149
Ending Inventory Of Instruments	-784,823,300,452	-805,453,949,514
(2) Cost of Goods Sales	128,610,601,774	117,343,758,482
Beginning Inventory Of Goods	26,359,740,478	7,817,787,774
Cost Of Goods Manufactured During The Year	133,468,758,614	134,292,261,127
Transferred from Other Accounts	84,041,332	2,551,960,201
Total	159,912,540,424	144,662,009,102
Transfer to Other Accounts	-1,941,187,632	-958,510,142
Ending Inventory Of Goods	-29,360,751,018	-26,359,740,478
(3) Cost of Others Sales	404,724,411,518	411,366,733,789
III. Gross Profit	1,526,422,341,973	1,569,980,230,040
IV. Selling & General Administrative Expenses	1,196,925,588,508	1,154,893,712,012
Salaries	136,495,166,574	148,989,482,972
Severance & Retirement Benefits	40,421,854,415	18,970,875,840
Employee Benefits	22,743,719,647	25,188,486,453
Travel Expenses	5,767,020,801	8,450,370,100
Communication Expenses	5,782,653,258	6,010,745,146
Utility Expenses	13,331,663,944	11,101,027,529
Taxes and Dues	19,845,414,784	26,867,070,247
Rental Expenses	69,643,064,694	70,060,536,801
Charge for Communication Lines	919,229,456	-
Depreciation Expenses	49,103,732,868	43,378,852,106
Amortization Expenses on Intangible Assets	11,999,337,774	8,968,789,433
Repairs Expenses	4,074,959,801	4,965,361,915
Vehicle Expenses	7,119,100,012	12,270,163,076
Insurance Premium	10,162,690,068	8,472,511,939
Entertainment Expenses	3,593,097,337	5,150,455,006
Conference Expenses	1,762,019,590	2,547,135,189
Transportation & Warehousing Expenses	74,066,215,535	76,720,209,178
Office Suppliers Expenses	5,562,565,804	7,597,551,914
Books & Subscriptions	596,753,613	749,934,590
Training Expenses	6,457,530,491	9,186,516,541
Service Fees	642,588,477,686	579,019,783,468
Samples Expenses	1,496,588,151	1,565,330,424
Advertising Expenses	41,173,267,137	63,719,310,904
Management Expenses of Overseas Branches	16,662,160,591	14,401,272,203
Trade Bad Debts	4,983,753,947	-
Miscellaneous Expenses	573,550,530	541,939,038
V. Operating Income	329,496,753,465	415,086,518,028
VI. Non-Operating Income	629,583,509,450	1,008,359,939,292
Interest Revenues	22,826,009,486	19,517,073,513
Gain on Foreign Currency Transaction	466,491,825,973	779,345,935,703
Gain on Foreign Currency Translation	26,284,088,905	51,204,108,228
Dividends Income	2,154,748,166	957,002,722
Gain on Sale of Short-Term Investment Securities	4,197,950	6,048,000
Reversal of Allowance for Doubtful Accounts	-	1,600,223,330
Gain on Valuation under Equity Method	35,672,751,282	9,348,960,431
Gain on Sale of Investment Assets	35,137,771,835	26,581,963,969
Reversal of Investment Assets Write-Offs	1,277,090,280	-
Gain on Sale of Tangible Assets	8,670,952,072	14,381,676,508
Gain on Sale of Intangible Assets	27,034,008	-
Reversal of Negative Goodwill	1,153,293,300	1,153,293,300
Gain on Valuation of Derivatives	7,686,062,734	83,734,559,711
Gain on Disposal of Inventories	-	21,002,124

INCOME STATEMENT

Description	(unit : KRW)	
	2009 (Year 57)	2008 (Year 56)
Other Non-Operating Revenues	22,197,683,459	20,508,091,753
VII. Non-Operating Expenses	895,551,234,950	1,289,313,415,816
Interest Expenses	161,293,217,996	146,838,106,864
Loss on Foreign Currency Transaction	442,262,843,784	838,491,862,926
Loss on Foreign Currency Translation	13,930,720,892	95,169,990,921
Loss on Sale of Short-Term Investment Securities	3,946,031	28,656,862
Loss on Sale of Trade Receivables	29,159,265,266	37,249,957,287
Other Bad Debts	996,975,549	3,529,829,377
Loss on Inventory Obsolescence	458,784,090	271,526,817
Loss on Impairment of Long-Term Investment Securities	6,597,500,000	137,500,000
Impairment Losses on Other Investment Assets	-	7,081,158,000
Impairment Losses on Tangible Assets	-	26,587,891,701
Impairment Losses on Intangible Assets	7,375,683,805	164,065,964
Loss on Valuation under Equity Method	124,542,670,526	91,776,129,776
Loss on Impairment of Investment Stocks under Equity Method	-	5,947,271,463
Loss on Sale of Tangible Assets	6,724,516,002	6,010,260,128
Loss on Retirement of Tangible Assets	37,016,039,265	329,202,163
Loss on Sale of Investment Assets	8,672,372,017	-
Loss on Sale of Intangible Assets	129,616,818	3,003
Loss on Bond Redemption	-	111,596,301
Donations	9,606,734,239	7,978,215,268
Loss on Valuation of Financial Derivatives	27,948,251,016	9,636,260,207
Other Non-Operating Expenses	18,832,097,654	11,973,930,788
VIII. Income before Income Tax Expenses	63,529,027,965	134,133,041,504
IX. Income Tax Expenses	13,044,768,580	41,557,762,614
X. Net Income	50,484,259,385	92,575,278,890
XI. Gain per Share		
Earnings per Share	210	385
Diluted Earnings per Share	210	385

STATEMENTS OF APPROPRIATION OF RETAINED EARNINGS

(Current) Year 57th : For the Year Ended Dec. 31, 2009 / Date of Appropriations: Mar. 12, 2010
(Prior) Year 56th : For the Year Ended Dec. 31, 2008 / Date of Appropriations: Mar. 13, 2009

Description	(unit : KRW)	
	2009 (Year 57)	2008 (Year 56)
I. Retained Earnings before Appropriations	435,604,833,497	394,044,547,556
Retained Earnings before Appropriations from Prior Year	367,569,429,216	590,559,147,502
Capital Redemption of Redeemable Preferred Stock	-	-
Change in Retained Earnings under Equity Method	17,551,144,896	288,188,250,000
Net Income	50,484,259,385	-
II. Appropriation of Retained Earnings	34,144,550,083	26,475,118,340
Profit Reserve	3,104,050,008	2,406,828,940
Dividends	31,040,500,075	24,068,289,400
Cash Dividends (Dividend per stock(rate) : Common stock : (Current)Year 125 won(5%) (Prior)Year 100 won(4%) Preferred stock : (Current)Year 150 won(6%) (Prior)Year 125 won(5%))	31,040,500,075	24,068,289,400
III. Unappropriated Retained Earnings Carried over to Subsequent Year	401,460,283,414	367,569,429,216

STATEMENT OF CASH FLOWS

(Current) Year 57th : For the Year Ended Dec. 31, 2009
(Prior) Year 56th : For the Year Ended Dec. 31, 2008

Description	(unit : KRW)	
	2009 (Year 57)	2008 (Year 56)
I. Cash Flows from Operating Activities	234,320,940,625	376,142,670,138
1. Net Income	50,484,259,385	92,575,278,890
2. Addition of Expenses without Cash Outflows	484,143,731,526	511,849,183,364
Severance Benefits	40,421,854,415	18,970,875,840
Depreciation Expenses	159,736,210,075	176,281,715,628
Trade Bad Debts	4,983,753,947	-
Amortization Expenses on Intangible Assets	11,999,337,774	8,968,789,433
Advertising Expenses (Loss on Other Allowance)	3,113,176,543	1,510,239,090
Amortization of Bond Discounts (Interest Expenses)	333,057,495	318,237,675
Donations	-	1,438,580,000
Other Bad Debts	996,975,549	3,529,829,377
Loss on Sale of Trade Receivables	29,159,265,266	37,249,957,287
Loss on Sale of Short-term investment Securities	3,946,031	28,656,862
Loss on Valuation of Inventories	-	29,856,319,804
Loss on Inventory Obsolescence	458,784,090	446,400,404
Loss on Foreign Currency Translation	13,930,720,892	95,104,503,465
Loss on Valuation under Equity Method	124,542,670,526	91,776,129,776
Loss on Impairment of Investment Stocks under Equity Method	-	5,947,271,463
Loss on Impairment of Long-Term Investment Securities	6,597,500,000	137,500,000
Impairment Losses on Other Investment Assets	-	7,081,158,000
Impairment Losses on Tangible Assets	-	26,587,891,701
Loss on Retirement of Tangible Assets	37,016,039,265	329,202,163
Loss on Sale of Tangible Assets	6,724,516,002	6,010,260,128
Impairment Losses on Intangible Assets	7,375,683,805	164,065,964
Loss on Sale of Intangible Assets	129,616,818	3,003
Loss on Sale of Investment Assets	8,672,372,017	-
Loss on Bond Redemption	-	111,596,301
Loss on Valuation of Financial Derivatives	27,948,251,016	-
3. Deduction of Revenues not Involving Cash Inflows	-138,002,871,616	-188,157,129,192
Interest Revenues (Amortization of Present Value Discount Account)	116,243,850	131,341,591
Gain on Foreign Currency Translation	26,277,042,437	51,204,108,228
Gain on Sale of Short-Term Investment Securities	4,197,950	-
Gain on Sale of Inventories	-	21,002,124
Reversal of Loss on Valuation of Inventories	21,855,245,724	-
Gain on Sale of Tangible Assets	8,670,952,072	14,381,676,508
Gain on Sale of Intangible Assets	27,034,008	-
Gain on Valuation of Financial Derivatives	7,686,062,734	83,734,559,711
Reversal of Allowance for Doubtful Accounts	-	1,600,223,330
Reversal of Negative Goodwill	1,153,293,300	1,153,293,300
Gain on Valuation under Equity Method	35,672,751,282	9,348,960,431
Gain on Sale of Investment Assets	35,137,771,835	26,581,963,969
Reversal of Investment Asset Write-Offs	1,277,090,280	-
Other Gain (Government Subsidies)	125,186,144	-
4. Changes in Assets & Liabilities Resulting from Operating Activities	-162,304,178,670	-40,124,662,924
Decrease (Increase) in Trade Receivables	-264,356,066,027	240,034,433,779
Decrease (Increase) in Receivables	35,266,601,045	-40,625,829,288
Decrease (Increase) in Accrued Income Receivable	-666,927,001	-1,722,683,883
Decrease (Increase) in Advance Payments	1,572,332,421	11,389,344,211
Decrease (Increase) in Prepaid Expenses	23,879,072,377	-16,555,256,870
Decrease (Increase) in Income Tax Refund Receivables	2,109,440,242	-358,325,797
Decrease (Increase) in Current Portion of Deferred Income Tax Assets	19,932,438,693	-24,649,964,055
Decrease (Increase) in Other Quick Assets	2,885,250,070	-3,764,741,425
Decrease (Increase) in Inventories	43,224,201,957	-214,343,367,462

STATEMENT OF CASH FLOWS

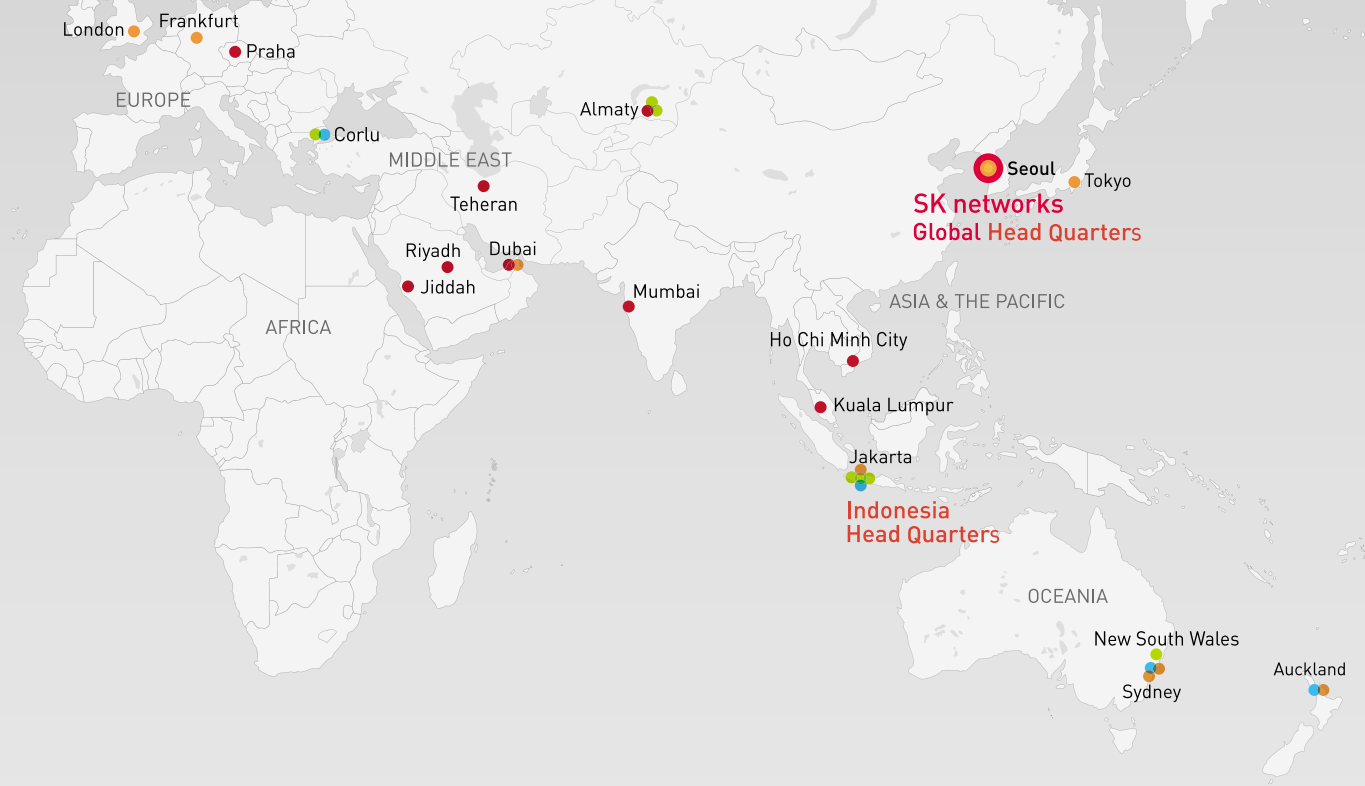
Description	(unit : KRW)	
	2009 (Year 57)	2008 (Year 56)
Decrease (Increase) in Other Non-Current Assets	-383,963,468	779,245,301
Increase (Decrease) in Trade Payables	104,233,174,275	-18,316,040,735
Increase (Decrease) in Non-Trade Payables	-44,874,045,743	-183,788,320
Increase (Decrease) in Advance Receipts	33,561,803,005	881,879,217
Increase (Decrease) in Unearned Revenues	3,379,875,940	-153,749,992
Increase (Decrease) in Withholdings	15,169,401,053	-7,185,388,757
Increase (Decrease) in Accrued Expenses	-3,851,792,575	13,008,475,152
Increase (Decrease) in Deposits Received	1,295,955,898	2,318,058,701
Increase of Unpaid Income Tax	7,903,129,825	-994,574,354
Payment of Severance Benefits	-118,922,730,918	-10,863,871,017
Decrease (Increase) in Contribution to National Pension Plan	762,052,540	62,420,900
Decrease (Increase) in Deposits for Severance Benefits	44,722,187,692	-14,467,580,849
Increase (Decrease) in Other Allowance	-270,265,315	-328,459,961
Increase (Decrease) in Deferred Income Tax Liabilities	-68,875,304,656	45,915,102,580
II. Cash Flows from Investing Activities	1,007,243,582,034	-573,882,218,472
1. Cash Inflows from Investing Activities	1,392,672,242,272	380,620,798,027
Decrease in Short-Term Financial Instruments	12,157,421,753	5,464,674,986
Sale of Short-Term Investment Securities	5,061,711,919	3,279,228,202
Decrease in Short-term Loans	17,348,160,214	20,135,519,334
Decrease in Long-Term Financial Instruments	66,070,000	121,239,185
Sale of Long-Term Investment Securities	263,491,459,629	4,998,019,128
Decrease in Advances for Investment	2,410,822,131	134,312,859
Sale of Securities under Equity Method	12,927,014,414	247,802,638,729
Receipt of Dividends	590,147,080	4,081,504,330
Decrease in Long-term Loans	31,744,343,157	20,023,659,430
Decrease in Deposits Paid	82,031,948,891	30,594,578,648
Sale of Other Investment Assets	2,354,422,047	-
Sale of Land	31,787,188,247	33,061,270,387
Sale of Buildings	1,479,972,026	3,204,266,224
Sale of Structures	886,372,324	695,608,801
Sale of Machinery & Equipment	359,519,190	826,524,616
Sale of Vehicles & Transportation Equipment	1,127,222,995	587,223,238
Sale of Tanks	223,609,521	457,090,209
Sale of Ships	-	721,000,000
Sale of Other Tangible Assets	2,121,231,280	409,937,319
Sale of Construction in Progress	32,000,000	-
Sale of Other Intangible Assets	152,464,206	-
Sale of Goodwill	120,118,303	-
Sale of Development Costs	1,004,882,641	-
Receipt of Government Subsidies	-	1,103,823,428
Cash Inflow from Transferring Business	899,965,961,933	-
Cash Inflow from Merger	23,228,178,371	2,918,678,974
2. Cash Outflows from Investing Activities	-385,428,660,238	-954,503,016,499
Increase in Short-Term Financial Instruments	1,881,000,000	14,864,627,798
Acquisition of Short-Term Investment Securities	-	5,897,733,164
Increase in Short-Term Loans	2,587,500,000	21,920,895,068
Increase in Long-Term Financial Instruments	9,288,076,010	1,312,848,309
Acquisition of Long-Term Investment Securities	3,760,091,411	56,849,280,490
Increase in Advances for Investment	4,658,482,833	1,327,008,983
Increase in Long-Term Loans	31,659,367,132	55,353,118,000
Acquisition of Securities under Equity Method	42,056,835,737	450,068,408,978

STATEMENT OF CASH FLOWS

Description	(unit : KRW)	
	2009 (Year 57)	2008 (Year 56)
Increase in Deposits Paid	73,363,341,973	59,032,025,010
Acquisition of Other Investment Assets	4,806,222,612	3,676,298,641
Acquisition of Land	444,354,890	27,906,613,188
Acquisition of Buildings	878,250,010	6,579,045,455
Acquisition of Structures	2,192,217,440	4,895,075,377
Acquisition of Machinery & Equipment	6,217,766,326	13,882,406,796
Acquisition of Vehicles & Transportation Equipment	23,419,202,631	1,809,080,385
Acquisition of Tanks	89,683,630	187,361,918
Acquisition of Other Tangible Assets	12,106,301,349	19,648,568,428
Acquisition of Construction in Progress	147,339,298,692	202,707,080,416
Acquisition of Goodwill	3,231,155,557	4,447,877,546
Acquisition of Development Costs	2,383,537,905	730,443,840
Acquisition of Other Intangible Assets	31,000,006	452,700,000
Consumption of Government Subsidies	234,974,094	954,518,709
Cash Outflow for acquisition of Business	12,800,000,000	-
III. Cash Flows from Financing Activities	-1,044,515,124,980	403,308,069,502
1. Cash Inflows from Financing Activities	1,408,137,547,283	3,308,822,433,553
Short-term Borrowings	969,009,549,075	3,014,177,158,209
Long-term Borrowings	180,156,498,208	186,607,822,504
Bonds Borrowings	258,971,500,000	104,554,850,000
Exercising of Stock Warrant	-	3,482,602,840
2. Cash Outflows for Financing Activities	-2,452,652,672,263	-2,905,514,364,051
Repayment of Short-term Borrowings	1,210,735,069,850	2,352,218,894,161
Payment of Dividends	24,068,289,400	683,267,400
Repayment of Current Portion of Long-term Debt	147,716,929,297	258,155,296,156
Redemption of Bonds with Stock Warrants	-	642,510,335
Repayment of Long-term Borrowings	1,061,523,577,865	5,607,997,910
Capital Redemption of Redeemable Preferred Stock	-	288,188,250,000
Acquisition of Treasury Stock	8,608,805,851	18,148,089
IV. Increase in Cash (I+II+III)	197,049,397,679	205,568,521,168
V. Cash at the Beginning of Year	321,195,417,493	115,626,896,325
VI. Cash at the End of Year	518,244,815,172	321,195,417,493

DOMESTIC AND OVERSEAS NETWORKS

DOMESTIC NETWORKS
 OVERSEAS NETWORKS
 SUBSIDIARY COMPANIES
 AFFILIATED COMPANIES



● Independent Entity ● Joint Entity ● Branch Office ● Plant

※ Overseas Networks

- Entity (45) : 27 in China, 18 in Non-China
- Branch (19) : 9 in China, 10 in Non-China

※ This map is provided to help the reader to understand our layout of global outposts. Overseas plants are not counted. Considering customers, channels are marked rather than premises (mine, farm, etc).

DOMESTIC NETWORKS

A Global Business Company

Business Strategy Division

199-15, Euljiro 2-ga, Jung-gu, Seoul
Tel.82-70-7800-2961 / Fax.82-70-7800-0082

Resources Development BHQ Group

Resources Development BHQ

199-15, Euljiro 2-ga, Jung-gu, Seoul
Tel.82-70-7800-2768 / Fax.82-70-7800-0056

Ferro-Resources BHQ

199-15, Euljiro 2-ga, Jung-gu, Seoul
Tel.82-70-7800-2207 / Fax.82-70-7800-0082

Energy Trading BHQ

199-15, Euljiro 2-ga, Jung-gu, Seoul
Tel.82-70-7800-2469 / Fax.82-70-7800-0105

Chemical BHQ

199-15, Euljiro 2-ga, Jung-gu, Seoul
Tel.82-70-7800-2885 / Fax.82-70-7800-0090

Steel BHQ

199-15, Euljiro 2-ga, Jung-gu, Seoul
Tel.82-70-7800-2567 / Fax.82-70-7800-0318

ICT Marketing Company

Business Strategy Division

199-15, Euljiro 2-ga, Jung-gu, Seoul
Tel.82-70-7800-3694 / Fax.82-70-7800-3427

ICT Distribution BHQ

Distribution Planning Division

199-15, Euljiro 2-ga, Jung-gu, Seoul
Tel.82-70-7800-3694 / Fax.82-2-774-3427

Metropolitan Branch

198, Euljiro 2-ga, Jung-gu, Seoul
Tel.82-70-7800-3726 / Fax.82-2-774-2110

Busan Branch

36-7, Namcheon-dong, Suyeong-gu, Busan
Tel.82-51-801-6023 / Fax.82-51-816-8301

Daegu Branch

51, Dongjin 2-ga, Jung-gu, Daegu
Tel.82-53-251-8045 / Fax.82-53-424-9972

Jungbu Branch

594, Tanbang-dong, Seo-gu, Daejeon
Tel.82-42-525-0076 / Fax.82-42-488-7018

Seobu Branch

1178-2, Chipyeong-dong, Seo-gu, Gwangju
Tel.82-70-7800-6028 / Fax.82-62-383-3648

B2B Solution BHQ

198, Euljiro 2-ga, Jung-gu, Seoul
Tel.82-70-7800-3444 / Fax.82-2-754-3073

Mobile Platform BHQ

198, Euljiro 2-ga, Jung-gu, Seoul
Tel.82-70-7800-3579 / Fax.82-2-771-0210

Energy & Car Company

Business Strategy Division

199-15, Euljiro 2-ga, Jung-gu, Seoul
Tel.82-70-7800-1694 / Fax.82-70-7800-1689

Energy Marketing BHQ

Management Support Division

199-15, Euljiro 2-ga, Jung-gu, Seoul
Tel.82-70-7800-1799 / Fax.82-70-7800-1739

Seoul Headquarters

71-9, Samsung-dong, Gangnam-gu, Seoul
Tel.82-2-3349-7173 / Fax.82-2-3449-7160

Seoul Dongbu Branch

71-9, Samsung-dong, Gangnam-gu, Seoul
Tel.82-2-3449-7157 / Fax.82-2-3449-7540

Seoul Seobu Branch

80-2, Yangpyeong-dong 3-ga, Yeongdeungpo-gu, Seoul
Tel.82-2-2670-7510 / Fax.82-2-2670-7575

Seoul Bukbu Branch

475, Uijeongbu-dong, Uijeongbu, Gyeonggi-do
Tel.82-31-876-8200 / Fax.82-31-876-1907

Gyeonggi Gangwon Headquarters

104-28, Yeonghwa-dong, Jangan-gu, Suwon
Tel.82-31-250-3705 / Fax.82-31-250-3791

Incheon Branch

884-5, Mansu 5-dong, Namdong-gu, Incheon
Tel.82-32-460-7131 / Fax.82-32-460-7180

Gyeonggi Jungbu Branch

104-28, Yeonghwa-dong, Jangan-gu, Suwon
Tel.82-31-250-3717 / Fax.82-31-250-3792

Gangwon Branch

85-15, Usan-dong, Wonju, Gangwon-do
Tel.82-33-741-9966 / Fax.82-33-735-9690

Chungcheong Honam Headquarters

1162, Dunsan 2-dong, Seogu, Daejeon
Tel.82-42-480-6115 / Fax.82-43-483-4197

Daejeon Branch

1162, Dunsan 2-dong, Seogu, Daejeon
Tel.82-42-480-6156 / Fax.82-42-486-6937

Chungcheong Branch

349-6, Uam-dong, Sangdang-gu, Cheongju, Chungcheongbuk-do
Tel.82-43-251-7716 / Fax.82-42-259-8155

Gwangju Jennam Branch

695-5, Jungheum-dong, Buk-gu, Gwangju
Tel.82-62-519-3377 / Fax.82-62-527-6070

Jeonbuk Branch

656-3, Seonosong-dong, Wansan-gu, Jeonju, Jeollanam-do
Tel.82-63-259-1516 / Fax.82-63-272-2496

Yeongnam Branch

830-136, Beomil 2-dong, Dong-gu, Busan
Tel.82-51-640-6544 / Fax.82-51-640-6619

Busan Branch

830-136, Beomil 2-dong, Dong-gu, Busan
Tel.82-51-640-6611 / Fax.82-51-640-6662

Gyeongnam Branch

308-1, Sanho-dong, Masan, Gyeongsangnam-do
Tel.82-55-249-3636 / Fax.82-55-246-8077

Daegu Branch

863, Manchon 3-dong, Suseong-gu, Daegu
Tel.82-53-740-8093 / Fax.82-53-740-8099

Gyeongbuk Branch

33-7, Sonjeong-dong, Gumi, Gyeongsangbuk-do
Tel.82-54-450-8014 / Fax.82-54-450-8099

Speedmate BHQ

Speedmate BHQ

71-9, Samsung-dong, Gangnam-gu, Seoul
Tel.02-82-000-0700 / Fax.82-2-2000-0829

Auto Care Business Division

71-9, Samsung-dong, Gangnam-gu, Seoul
Tel.82-2-2000-0700 / Fax.82-2-2000-0999

Auto Marketing1 Business Division

71-9, Samsung-dong, Gangnam-gu, Seoul
Tel.82-2-2000-0764 / Fax.82-2-2000-0928

Auto Marketing2 Business Division

98-2, Bundang-dong, Bundang-gu, Seongnam, Gyeonggi-do
Tel.82-31-776-7900 / Fax.82-31-776-7988

Special Product BHQ

Special Product BHQ

124-1, Mok 2-dong, Yangcheon-gu, Seoul
Tel.82-2-2650-3119 / Fax.82-2-2650-3133

SO Business Division

124-1, Mok 2-dong, Yangcheon-gu, Seoul
Tel.82-2-2650-3015 / Fax.82-2-2650-3019

Prestige Marketing Company

Business Strategy Division

199-15, Euljiro 2-ga, Jung-gu, Seoul
Tel.82-70-7800-2528 / Fax.82-70-7800-2182

Fashion BHQ

Fashion BHQ

448-3, Seongnae-dong, Gangdong-gu, Seoul
Tel.82-70-7800-4831 / Fax.82-2-476-8166

License Brand Business Division

448-3, Seongnae-dong, Gangdong-gu, Seoul
Tel.82-70-7800-4787 / Fax.82-2-476-4391

Global Brand Business Division

448-3, Seongnae-dong, Gangdong-gu, Seoul
Tel.82-70-7800-4711 / Fax.82-2-476-8165

Consumer Goods Platform BHQ

199-15, Euljiro 2-ga, Jung-gu, Seoul
Tel.82-70-7800-4248 / Fax.82-2-776-5957

Wine BHQ

199-15, Euljiro 2-ga, Jung-gu, Seoul
Tel.82-70-7800-4856 / Fax.82-70-7800-2182

OVERSEAS NETWORKS

Beijing

Beijing Xinjincheng Co., Ltd.
SK Bldg 26F, No.6 jia, Jianguomenwai Avenue, Chaoyang District, Beijing
86-10-5929-7988

SK networks CO., LTD. BEIJING OFFICE

23F, SK Tower, No.6 jia, Jianguomenwai Avenue, 100022
86-10-5971-2737(38)

Shanghai

SK networks (Shanghai) Co.,Ltd.
Room No. 2310, Shanghai International Trade Center, 2201 Yanan Road (W), Shanghai, China
86-21-6295-0088

SK networks CO., LTD. SHANGHAI OFFICE

Room No. 2310, Shanghai International Trade Center, 2201 Yanan Road (W), Shanghai, China
86-21-6295-0088

Shanghai Launch-SK Automobile Service Co., Ltd

3Floor, 77Jinan Rd, Pudong, Shanghai, China
86-21-5169-6099

SK networks (Shanghai) Marketing Co., Ltd

A-903, 500 Ruby Road (E), Shanghai, China
86-21-3209-3338

Shenyang

Shenyang SK Energy Co., Ltd
Dongling Road 10, Dongling District, Shenyang, Liaoning Province, China
86-24-2281-4330

Shenyang SK networks Energy Co., Ltd

18/F Block A President Building, No.69 Heping North Avenue, Shenyang City, China
86-24-2281-4330

SK Networks(China)Holdings Co., Ltd

18/F Block A President Building, No.69 Heping North Avenue, Shenyang City, China
86-24-2281-4330

Shenyang SK networks Bus Terminal Co., Ltd.

Southstreet 63,heping district, shenyang, china
86-24-2281-4330

SK networks Shenyang Office

Southstreet 63,heping district, shenyang, china
86-24-2281-4330

SK (LiaoNing) Construction Co.,Ltd.

Sujiatun District, Shenyang City, China Lin Sheng Zhenlin Sheng warburg
86-24-3132-5651

Dandong

Dandong SK networks Energy Co., Ltd.
Dandong Border Economic Cooperation Zone No. 128, Binjiang Road, Sun Building, Room 2303, Block A
86-415-386-9999

Dandong SK networks Logistics Co., Ltd.

Room 210, Multiple Building, jinqian road 3, Langtou Zone, Zhenxing district, Dandong, China
86-24-2281-4330

Dandong SK networks Real Estate Co.,Ltd.

Room 202, Building 19, Block C, Border Economic Cooperation Zone, Dandong
86-24-2281-4330

Dalian

Dalian POSCO-CFM Coated Steel Co.,Ltd.

1-4-5 Zhenpeng Industrial Area Dalian Economic & Technical Development Zone Dalian China
86-0411-8751-5080

SK networks Co.,Ltd. DALIAN OFFICE

14th Floor, Senmao Bldg. 147 Zhong Shan Road Xiigang District, Dalian, China (116011)
86-411-8369-3300

Zhangjiagang

SK (ZHANGJIAGANG) METAL PRODUCTS Co.,Ltd.

Room 1038, Guo Tai Times Plaza, No.65 Renmin(M) Road, Zhangjiagang, China
86-512-5671-9131

ZHANGJIAGANG DONGBU HIGH TECHNOLOGY METAL PRODUCTS Co.,Ltd

Qigan Central Road,Economic Development Zone, ZhangJiagang City Jiangsu, China
86-512-5695-1051

Guangzhou

SK (GZ Freezone) Co.,Ltd.

Room 2501-2502, Tianyu Bldg, Linhe Road 8, Tianhe District, China
86-20-8550-1045

Pinghu

POSK (Pinghu) Steel Processing Center Co.,Ltd

2222, Xingming Road, Economic Development Zone, Pinhu City, Zhejiang Province, China 314200
86-573-8522-3333

Qijing

Yunnan Jueying Mining Development Co.,Ltd.

32/F, B Block, Yinhai Soho, Beijing Road, China
86-871-310-1933

Ningbo

Ningbo SK Zhenbang Chemical Co.,Ltd.

Binhai Road, Hangzhou Bay New District Cixi City, Zhejiang Province, China
86-574-6307-0730

Dongguan

SK Steel (Dongguan) Co.,Ltd.

Chanshan Industrial Estate, Xiaokeng Village, Liaobu Town, Dongguan City, Guangdong Province, China
86-769-8111-2111

Wuhan

SK networks Co.,Ltd. WUHAN OFFICE

#1817 Tower 1, New World International Trade Center No.568 Jianshe Ave, Wuhan, China
86-27-8577-5842

Shantou

SK networks PS (Shantou) Co.,Ltd.

Huang Jin Wei Zhuchi Shantou Guangdong, China 515041
86-754-8881-7218

Chengdu

SK networks Co., Ltd. CHENGDU OFFICE

Room No.1906, Building A, Times Plaza, No.2, Zongfu Road, Chengdu,P.R.China
86-28-8665-2550

Qingdao

SK networks Co., Ltd. QINGDAO OFFICE

Room No. 1902, Huayin Tower, 5 Donghai Xi Road, Qingdao, China 266071
86-532-8387-4333

Harbin

SK networks Co.,Ltd. HARBIN OFFICE

Songlei Group Building 4F, 160 Zhongshan St., Dongli District, Harbin, China
86-451-8264-8505

Yuangu

Northern Copper Industrial Co.,Ltd.

Dongfengshan, Yuanqu, Shanxi, China
86-359-603-1978
※ Houma Smelter :
Houma, Linfen, Shanxi, China

Hengyang

Hunanzhonghan Mining Co.,Ltd.

2Ho Haebangdaedo Hengyang, Hunan, China
86-734-881-6659

Tianjin

Tianjin Launch-SK Automobile Service Co., Ltd.

A-603, Shanggu Commercial Center, South Tianta St., Nankai District, Tianjin City, China
86-22-2341-7183(93)

Hong Kong

SK networks Hong Kong

Unit 6312, 63/F., The Center, 99 Queen's Road Central, Hong Kong
852-2154-7600

SK OK STEEL COMPANY Ltd.

Suite 1602, Bangkok Bank Building,18 Bonham Strand West, Sheung Wan, Hong Kong
86-852-2851-1911

Taipei

SK networks Co., Ltd. TAIWAN OFFICE

Nanking East Road, Sec 3, 287, 5th Floor, Room A, Taipei, Taiwan
886-2-2718-3949

Tokyo

SK networks Japan co., Ltd.
Orix Shimbashi Bldg.10F, 5-8-11 Shimbashi,Minato-Ku,Tokyo 105-0004, Japan
81-3-5403-7791

Mumbai

SK networks Co., Ltd. MUMBAI OFFICE

404, 5F, 36 TURNER ROAD, Turner Road, Bandra(W), Mumbai, 400-050, India
+91-22-2645-4344

Almaty

Keregetas LLP

620 Office, 64/47 Bld., Zhibek Zholy str., Almaty, Republic of Kazakhstan
7-727-334-7900
※ Mining area :
Republic of Kazakhstan, Karaganda oblast, Aktogaskii district
1. 47°10' n.l. - 73°45' e.l.; 3. 47°20' n.l. - 74°00' e.l.;
2. 47°20' n.l. - 73°45' e.l.; 4. 47°10' n.l. - 74°00' e.l.;

Representative Office of "SK networks Co. Ltd"

Ave. Al-Farabi 7, BC "Nurly-tau", building "4A", 15th floor, office #73 Almaty, Republic of Kazakhstan
7-727-311-0282

Bailend LLP

P.O.Box 146, Road Town, Almaty, Republic of Kazakhstan
7-727-270-9660

※ Mining area :
Republic of Kazakhstan, Eastern Kazakhstan, Ust komenogorsk City
latitude 50° 20'N and longitude 83° 41'EI

Jakarta

PT. SK networks (Indonesia)

Indonesia Stock exchange bldg. Tower I 26th, Suite 2603A Sudirman Central Business District Jl. Jend. Sudirman Kav. 52-53, Jakarta 12190, Indonesia
62-21-515-5688

PT. Karya Bumi Baratama

UOB Plaza-Thamrin Nine 38th Floor Jl.M.H. Thamrin Kav. 8-10
62-21-5290-0907
※ Mining area :
Jl. Lintas Sumatra km 04 Sarolangun Jambi

PT. SK networks Inni Joa Plantation
Indonesia Stock exchange bldg. Tower I
26th, Suite 2603A Sudirman Central
Business District Jl. Jend. Sudirman Kav.
52-53, Jakarta 12190, Indonesia
62-21-515-5688

※ Plantation area :
JL. Kodeco Km 65 Tanah Bumbu Regency
South Kalimantan Province Indonesia

PT. SK-Keris
Desa, Cihuni, RT, 002 RW04, Kec, Legok,
Tangerang, 15820, Jawa, Barat
62-21-537-0072

Kuala Lumpur

**SK Networks Co., Ltd. KUALA LUMPUR
OFFICE**

Suite No. 1409, Kenanga International, Jalan
Sultan Ismail, 50250, Kuala Lumpur,
Malaysia
60-3-2161-0911

Hochiminh

**SK networks Co., Ltd. HOCHIMINH
OFFICE**

8/F Diamond Plaza 34 Le Duan St., Sist.1,
HCMC, Vietnam
84-8-3823-1397

London

Springfield Wine Co. Ltd.
19-20 Grosvenor Street, London, W1K 4QH
44-20-7499-0956

Corlu

Daiyang - SK networks metal
Avrupa Serbest Bolgesl 115 Ada 2ve 3
Parsel Corlu Tekirdag, Turkey
90-282-691-1078

Praha

**SK networks Deutschland GmbH, Praha
Office**
Rybna 682/14, 11005 Praha 1, Stare Mesto
49-69-669-00124

Frankfurt

SK networks Deutschland GmbH
Lyoner Street 36, 60528 Frankfurt,
Germany
49-69-669-00124

Dubai

SK networks Middle East FZE
Office No. EM01543, P.O.Box 50680,
Jebel Ali, Dubai, U.A.E.
971-4-361-5186

SK networks Co., Ltd. DUBAI OFFICE

Suite No. 210 Al-Khaimah Bldg., P.O.Box
50680, Deira, Dubai, U.A.E.
971-4-295-4184

Riyadh

SK networks Co., Ltd. RIYADH OFFICE

Al-Akariyah Bldg 3 (Room 426) P.O. Box
19490 Riyadh Saudi Arabia
996-1-460-0356

Jiddah

SK networks Co., Ltd. JIDDAH OFFICE

Room 703, Al Shuheili Bldg., P.O. Box
1077, Jeddah 21431, Saudi Arabia
966-1-460-0356(7)

Teheran

SK networks Co., Ltd. TEHERAN OFFICE

3rd FL, #141, After East Atefi St., Afriqa
Ave., Tehran, Iran
98-21-2202-8093~4

New York

Obzee N.Y Inc.

535 Broadway, 2nd Floor, New York, NY
10012

Los Angeles

SKC Inc.

Los Angeles Branch 12750 Center Court
Dr, Ste#400 Cerritos, CA 90703
1-562-207-1182

Sau Paulo

SK networks Do Brazil, Ltda.

Av. das Nacoes Unidas, 12.399, 10th
floor, 105-A Brooklin Paulista, Sao Paulo,
SP, Brazil Zip Code 04578-000

Santa Rosalia

**Korean Boleo Corporation, Sociedad
Anonima de Capital Variable**

Luz Savinon No.205 Colonia del Valle
Mexico, D.F. C.P. 03100, Mexico
52-604-685-2323

※ Mining area :

Av. De Las Flores #13 Col. Mesa Mexico
2390, Santa Rosalia. B.C.S
615-1522-190

Sydney

SK Steel Australia Pty Ltd.

15 Wonderland Dr Easter Creek NSW 2766,
Australia
61-2-8882-1016

SK networks Steel Australia Pty Ltd.

15 Wonderland Dr Easter Creek NSW 2766,
Australia
61-2-8882-1012

Wyong Areas Coal Joint Venture

25 Bryant Drive Tuggerah, NSW 2259,
Australia
61-2-4352-7500

Auckland

KIWI Steel NZ Ltd.

12 Hautu Dr, Wiri, Manukau city, Auckland,
New Zealand
64-9-277-2715

SUBSIDIARY COMPANIES

SK Networks Service

Mobile phone A/S and network maintenance and repair

12th floor, MIES Building, 21-1,
Seosomun-dong, Jung-gu, Seoul
Tel. 82-70-7805-2045

MRO Korea Co., Ltd.

Domestic distribution of MRO materials,
electronic procurement and system consulting

686-44, Sindaebang 1-dong,
Dongjak-gu, Seoul
Tel. 82-2-2104-4900

WS Trading

Importing and wholesale of
wine as a subsidiary of SK Networks

3rd floor, Daeil Building, 18, Namdaemun-ro 1-ga,
Jung-gu, Seoul
Tel. 82-70-7880-5403

iPlatform

Internet-based business and contents syndication mainly with
"Pullbbang.com", an entertainment portal

Flat 604-2, Ace Techno Tower Building #1,
197-17, Guro 3-dong, Guro-gu, Seoul
Tel. 82-70-7829-8080

AFFILIATED COMPANIES

SK Corporation

www.sk.co.kr

Energy/Chemical Area

SK Energy

www.skenergy.com

SK Lubricants

www.sklubricants.com

SK Chemicals

www.skchemicals.com

SKC

www.skcc.co.kr

SK E&S

www.skens.com

SK Gas

www.skgas.co.kr

Information & Telecommunication Area

SK Telecom

www.sktelecom.com

SK C&C

www.skcc.co.kr

SK Broadband

www.skbroadband.com

SK Telink

www.sktelelink.com

SK Communications

http://corp.nate.com

SK Telesys

www.sktelesys.com

Trading/Service Area

SK E&C

www.skec.co.kr

SK Shipping

www.skshipping.com

SK Securities

www.priden.com

SK Marketing & Company

www.skmnc.com

CORPORATE HISTORY

1953. 04	Sunkyong Textile Co. was founded (President : Jong-Kun Chey)
1967. 05	Introduced 'Georgette', Korea's first polyester product, to the market
1973. 11	Chairman Jong-Hyun Chey was inaugurated
1976. 01	Merged Sunil Textiles Co., Ltd. and changed company name to Sunkyong Co., Ltd.
1976. 11	Designated as a General Trading Company
1976. 11	Awarded for earning 100 million USD in exports
1977. 06	IPO and listing on the Korean Stock Exchange
1980. 12	Acquired Korea National Oil Corporation
1990. 05	Launched school uniform business (brand name : SMART)
1995. 07	The number of SK gas stations exceeded 3,000
1996. 09	The number of mobile telecommunications outlets exceeded 1,000
1998. 01	Changed CI to SK Global (SK Sangsa)
1999. 02	Merged 'Speedmate'
1999. 12	Merged with SK Distribution Co., Ltd.
2000. 07	Merged with SK Energy sales and changed company name to SK Global Co., Ltd.
2003. 08	Launched a premium casual brand 'Tommy Hilfiger'
2003. 10	Changed CI to SK networks
2005. 09	Speedmate advanced into China and opened first shop in Shanghai
2005. 09	Founded a holding company in China
2006. 11	The sales of mobile phone terminals exceeded 50 million sets
2007. 11	Acquired Obzee Co., Ltd.
2008. 01	Introduced CIC (Company in Company) system
2008. 05	Acquired equity of Northern Copper Industrials in China
2008. 12	SK networks' annual exports exceeded 10 billion USD
2009. 01	Chang-Kyu Lee was inaugurated as the 10th president
2009. 09	Introduction of the GHQ System and Opening of the China HQ and Indonesia HQ
2009. 11	Declaration of Vision 2020
2009. 12	Acquisition of Walker Hill Co., Ltd.

For customers' happiness,
We prepare for the future

This annual report has been prepared to aid our investors in regards to understanding our current company status, and it bears no relation with the half-yearly or quarterly report required by the Capital Market and Financial Investment Business Act or other related laws. In addition, the annual report is not prepared for the application for shares, any public offering or other trading of the company's stocks, so please use the information presented here as simply reference material to aid your judgment as to whether to invest. Some of the content of this annual report has been made on the basis of predictions on the future market situation and regulatory environment, and may change be subject to change. In addition, these predictions for our company's future profits and growth may differ from actual results.