

**We prepare
the future
for customer
happiness**

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SK networks is



A trading company with USD 1.8 billion in exports and 67 overseas locations (as of 2010).



A natural resources development company that has secured 210 million tons of iron ore, 830,000 tons of copper, and 270 million tons of coal.



A mobile phone supply company that sells 10 million mobile phones annually (with a cumulative sales total of 90 million sets as of 2010).



A petroleum supply company that sells over 38 million barrels of oil a year.



A total automotive services company that provides service for 2.8 million cars annually (one out of every ten cars in Korea).



A fashion company that sells 4.4 million pieces of clothing annually. One out of 11 Koreans purchases our fashion products.



A wine company that manages the largest wine fund in the world. We rank among the top 5 wine sellers in the UK, the world's largest wine market.

We're a major global company that is dedicated to preparing for the future and helping to create a happier and better world for everyone through a world-wide network of highly-talented human resources, working at sixty-seven locations in twenty different countries.

prepare

future

customer

happiness

Achieved
corporate
value of
KRW 6 trillion
with "3+6"

We prepare

the future

for customer

happiness

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for customer
happiness



T&I (Trading & Investment)

Gaining an early edge for future growth

SK networks achieves stellar performances in chemicals, steel, and energy trading and non-oil natural resources development through the operation of a highly-integrated world-wide network and an unparalleled ability to search out and develop new and profitable markets.



IM (Information & Communication Technology Marketing)

Leading the flow of communications marketing

SK networks' high-quality mobile devices and communications services maximize customer satisfaction by developing ever-more-professional services that meet the constantly-expanding needs of today's marketplace.



E&C (Energy & Car)

Providing total automotive solutions to car drivers everywhere

SK networks' "Car Life Total Service" program is especially designed to maximize user satisfaction. Our wide range of services includes used cars, rental vehicles, gas and service stations, and automotive parts and supplies.



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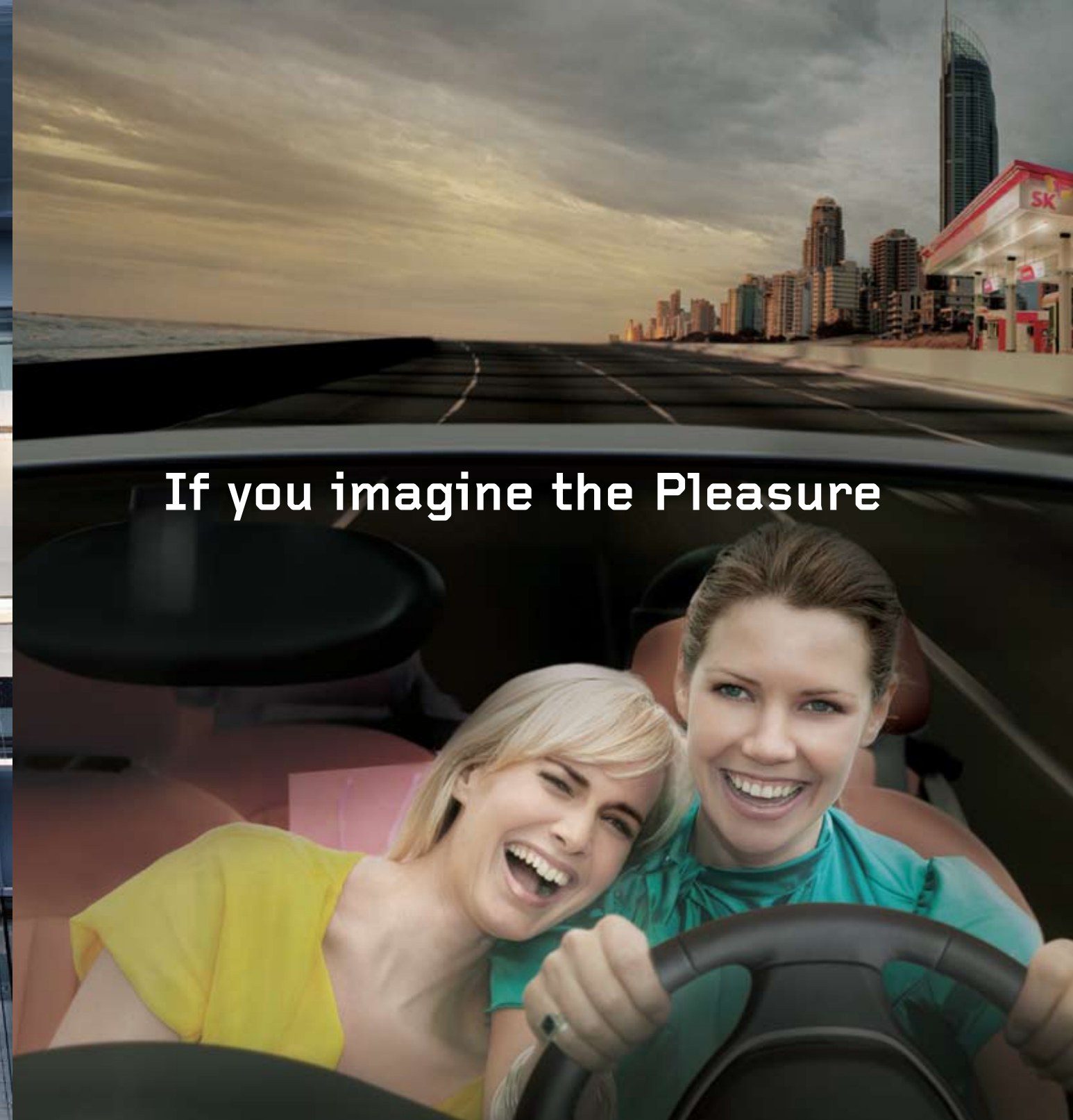
If you
imagine



If you imagine the Strength



If you imagine the Light



If you imagine the Pleasure

Transforming possibilities into realities
Bringing our customers a world of their dreams

SK networks is preparing for a happier and healthier future by strengthening the range of its iron ore and coal businesses — the two core materials underpinning tomorrow's resources development and energy industries. But we don't stop there: our automobile, fashion, real estate, and wine businesses will lead our customers into a future that none of them can even begin to envision.



Iron Ore

A steel company providing the essential material for modern industrial growth. SK networks is it.



Coal

A coal company whose products help to brighten the world. SK networks is it.



Car Life

A car company that doubles drivers' pleasure and convenience. SK networks is it.



If you imagine the Trend



If you imagine the Comfort



If you imagine the Dignity

We prepare
the future
for customer
happiness

We prepare
the future
for cus
happin



Fashion

A fashion company that is loved and respected throughout the world. SK networks is it.



Real Estate

A real estate company that goes beyond offering only creature comforts. SK networks is it.



Wine

A wine company that brings sophistication to everyday life. SK networks is it.

Enhancing customer values for a happier tomorrow

The things that SK networks imagines don't just remain dreams. They all come true!
We specialize in happy tomorrows. To make them happen, we are evolving into a platform company with global abilities, constantly discovering promising new growth drivers while developing a highly-skilled team of first-rate human resources.



Dear shareholders and customers:

SK networks posted extremely impressive results in 2010, including record-breaking sales of KRW 23.5 trillion and pretax income of KRW 271 billion. Another noteworthy achievement was investing USD 700 million in an iron ore project in Brazil—the largest-ever such investment in the history of Korea's non-oil resources industry. In addition, we acquired SK energy's coal business and launched SK pinx, a fully-integrated real estate company.

Dear valued shareholders and customers:

In 2011, SK networks plans to carry forward four core management tasks to ensure that the seeds we sowed last year will bear fruit and blossom.

First, we will maximize the performances of our T&I (Trading and Investment), IM (Information and Communication Technology Marketing), and E&C (Energy and Car) businesses. We will also produce profitable results from our previous year's investments in the iron ore and coal businesses, and transform our communications and petroleum marketing businesses into advanced distribution models by adding to their competitiveness.

Secondly, we will continue with our entry into new businesses, such as car life, fashion, wine, and real estate, into highly-profitable enterprises, and developing both upstream- and downstream-related companies.

Thirdly, we will continue with our strategy of globalization, including our fashion, wine, steel, and chemicals operations in China and other countries.

Our fourth task will be to strengthen our ability to operate efficiently and effectively in our new business areas. This includes carrying on with our "Understanding the Mool-li" management strategy of enhancing the skills sets of our workers so that they will be competent in every aspect of their jobs. In addition, we will recruit promising new employees to work in these new enterprises and strengthen our global capabilities.

Dear valued shareholders and customers:

Everyone at SK networks is committed to working together in 2011 to take another leap forward. This includes abiding by all the tenets of ethical management and fair trade. As always, I look forward to your continuing encouragement and support.

Thank you.

Board of Directors



Chey Jae-won
Chairman of Board
Vice Chairman & CEO, SK holdings



Lee Chang-kyu
President & CEO,
SK networks



Kim Se-dae
Inside Director
President, PM Company



Lee Young-chul
Outside Director
Former Director, Yonhap News



Chang Byung-ju
Outside Director
Chairman, DAEWOOSKY Institute



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



Yoon Nam-geun
Outside Director
Professor, Korea University
Law School

Creating future value through open and honest management Adding to the trust and confidence of shareholders and customers

SK networks is proud to have established one of the most advanced corporate governance structures in Korea. Our commitment to open and honest management is centered on the independently-operating Board of Directors (BOD). This checks and balances system of corporate decision-making allows us to create healthier future value for both customers and investors. All of our major operating activities and decisions are thoroughly vetted beforehand by BOD committees, including the Audit Committee. In addition to establishing a secretariat to assist the BOD in its operations, we have increased the ratio of outside directors to executive directors.

Enhancing Transparency in Governance

We have ensured the most advanced governance structure in Korea, and have various institutional devices in place so that BOD-centered management can be achieved to maximize the interests of our shareholders. In addition, several committees within the BOD are tasked with performing a proper checks and balances function against the CEO.

Enhancing Accounting Transparency

After consulting with a highly-regarded Korean accounting firm, we decided to realign our internal controls system. This includes complying with all governmental regulations requiring corporate CEOs and CFOs to certify that any accounting data that is reported is complete, honest, and accurate.

Strengthening Auditing Functions

Our independently operating Audit Committee, which is 100% composed of outside directors, exercises a powerful controlling function in terms of making determinations regarding major management decisions and activities.

Practicing Ethical Management

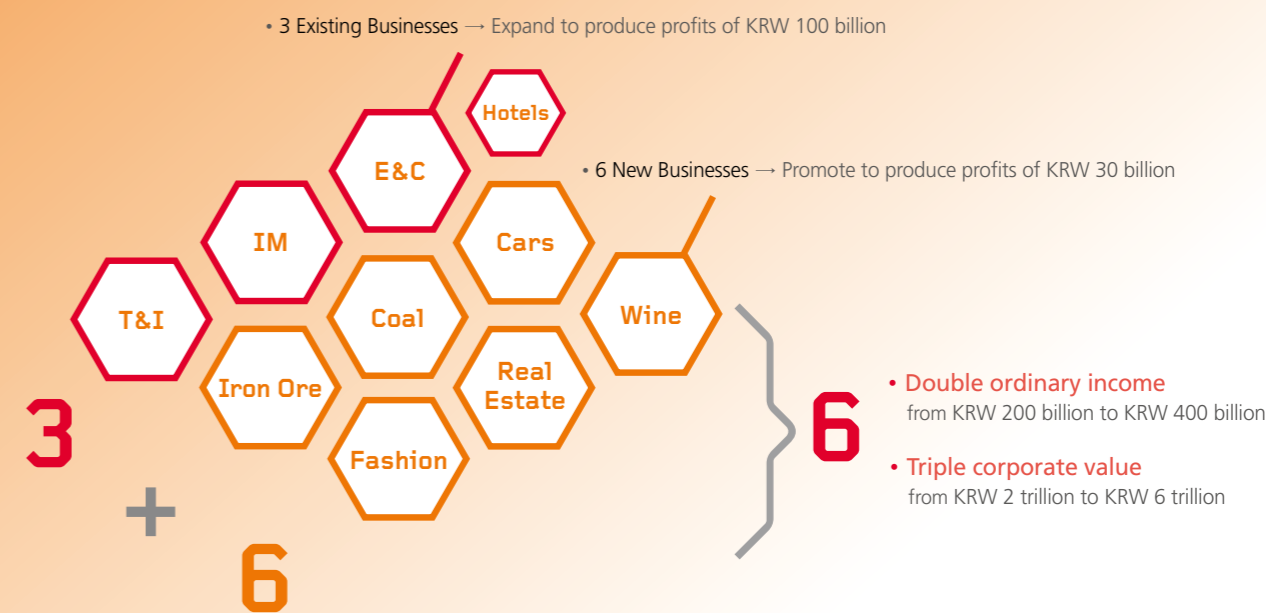
SK networks' commitment to transparent management extends to our employees, all of whom must abide by the rules and regulations contained in our Code of Conduct. Our goal is to promote a corporate culture that fulfills our responsibilities to the larger society and treats our business partners, customers, and competitors with honesty and respect.

3rd To-be

“3rd To-be” Strategy

Carrying Forward “3rd To-be” Mid-Term Management Plan

We will double our ordinary income and triple our corporate value through our “3 + 6” management strategy. Its goals are to enhance the competitiveness of our existing businesses and advance into six new growth engines with high profit potential. In financial terms, this means achieving KRW 28 trillion in sales, KRW 400 billion in income before taxes, and KRW 6 trillion in corporate value by 2012.



Corporate Culture

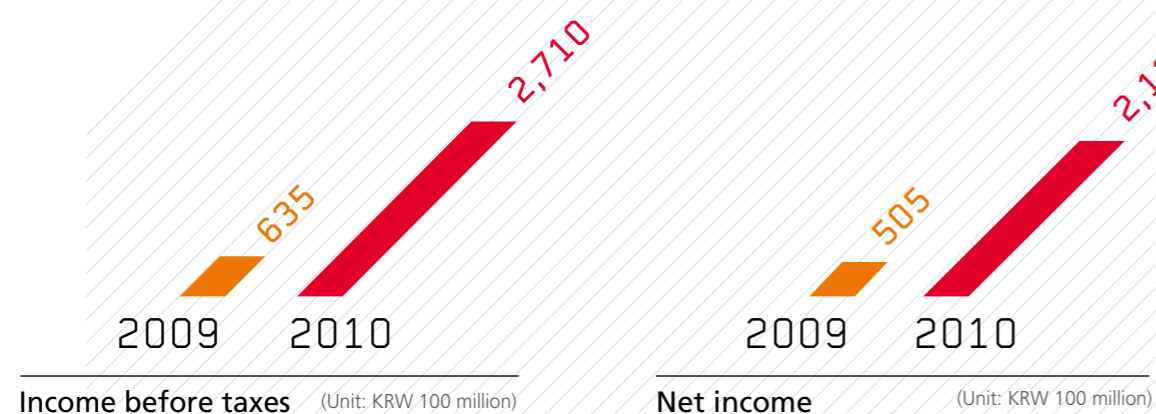
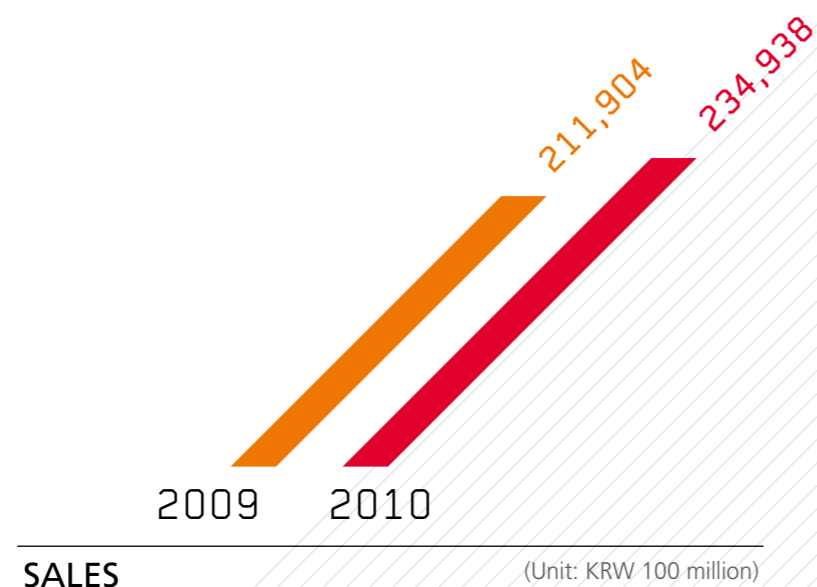
Corporate Culture

Corporate Culture

We will concentrate on creating an environment for "Understanding the Mool-li" management strategy during the "3rd To-be" period.



Financial Highlights



SK networks was able to invest KRW 1.3 trillion in future growth as the result of its overwhelming success in 2011. Our KRW 23.5 trillion in sales was the largest ever, while our KRW 212 billion in net income exceeded our original target.

Going forward, we will continue evolving into a world-leading company. We will do this by successfully realizing our “Vision 2020” management strategy. This includes enhancing the operations of our existing businesses, promoting new growth enterprises, and accelerating our globalization strategy, with a special focus on China.

T&I (TRADING & INVESTMENT) COMPANY

- Sales grew by KRW 930.5 billion year-on-year to KRW 802.1 billion. This was due to increases in the price of raw materials and heightened trading volumes.
- Gained a foothold for sustainable growth by signing a contract for a USD 700 million iron ore project in Brazil and acquiring SK energy's coal business.

IM (INFORMATION & COMMUNICATION TECHNOLOGY MARKETING) COMPANY

- Sales went up by KRW 646 billion over the year to KRW 5.4 trillion. This was due to growing sales of high-priced cellular phones and the company's largest-ever sales volume, including 10.6 million mobile devices.

E&C (ENERGY & CAR) COMPANY

- Sales expanded by KRW 692.7 billion over the year to KRW 11.5 trillion. This was led by rising international crude oil prices, sales of 38.44 million barrels of oil, and the growth of our previously-owned car sales and vehicle rental businesses.

PM (PRESTIGE MARKETING) COMPANY

- Sales increased by KRW 22.9 billion year-on-year to KRW 465.6 billion, thanks to continuing growth in the fashion and wine businesses.
- Laid the groundwork for a high-end real estate business by launching SK pinx.

WALKERHILL

- Sales climbed by KRW 27.3 billion over the year to KRW 370.5 billion. This was due to the G-20 summit meeting in Seoul, strengthened meeting incentives convention exhibition (MICE) marketing utilizing the “W” brand, aggressive promotions by our duty-free operators targeting Chinese tourists, and increased sales by our airport food and beverage outlets.

2010 At a Glance

1 Established "To-be" to achieve KRW 6 trillion in corporate value by 2012

SK networks began building the foundations for full-fledged growth following the proclamation of its "Vision 2020" in 2009 and the establishment of its "To-be Model" mid-term management plan in 2010. Our "3rd To-be" strategy lays out our long-range goal of achieving KRW 6 trillion in corporate value by 2012. We will do this by strengthening the competitiveness of our existing T&I, IM, and E&C businesses and advancing into six new growth areas: iron ore, coal, cars, fashion, real estate, and wine. In cumulative terms, we anticipate that they will generate more than KRW 30 billion in income before taxes annually.

2 Invested USD 700 million in Brazilian miner MMX, the largest-ever non-oil resources investment undertaken by a Korean company

SK networks won the rights to 9 million tons of iron ore a year (representing 17% of Korea's annual consumption) by signing an industry-record USD 700 million agreement with MMX of Brazil. This followed on the heels of a January 2010 contract with CLM of Canada for a grand total of 10 million tons of iron ore over the next ten years. This move enabled us to come one step closer to realizing our "virtual steel company" business model. When our ambitions are fully realized, we will boast a completely vertically integrated operation in all areas of steelmaking (except for crude steel), ranging from the development, procurement, and transportation of iron ore and coking coal to the blending, processing, distribution, and sale of finished products. In addition, we gained a solid foothold for growing into a world-wide iron ore resources company, one of the core new growth engines in the company's "3rd To-be" operating strategy.

3 Acquired Jeju Pinx Resort and Launched SK pinx, an integrated real estate company

SK networks increases its asset value by managing its real estate properties in a systematic and strategic manner. In addition to the launch of SK pinx, a fully-integrated real estate company, it made major inroads into the global VVIP leisure and tourism sector in China and other Asian countries through the acquisition of the Jeju Pinx Resort. The company also owns the Walkerhill hotel in Seoul. It expects to generate highly positive synergies by connecting its two resort facilities with its lines of prestige products and services, such as fashion, wine, and Korean cuisine.

4 Opened Shenyang SK Bus Terminal, the first terminal complex in China to be built by a non-Chinese developer

SK networks became the very first foreign player to enter China's public facilities business by opening the Shenyang SK Bus Terminal. It is expected to become a landmark in Shenyang, which accounts for 30% of the region's intercity bus transportation market. We also completed the Dandong Logistics Center for the storage, processing, and transportation of import and export goods. This gives us a base from which to carry out our consumer goods and logistics businesses in the Chinese cities of Shenyang and Dandong.

5 Acquired SK energy's coal business, securing 150 million tons of coal reserves and emerging as the nation's leading coal company

SK networks bold investments in 2010 included its KRW 236 billion acquisition of SK energy's coal business. By doing so, the company secured 150 million tons of coal reserves. The business is expected to generate considerable synergies with the company's other enterprises.

6 Tommy Hilfiger sales exceeded KRW 100 billion and O'2nd received award for highest annual sales from Meilongzhen, a high-end shopping mall in Shanghai

SK networks' fashion business achieved their best-ever results in 2010. For example, our Tommy Hilfiger line boasted sales in excess of KRW 100 billion, breaking all records for a single brand a mere seven years since its launch in Korea. In addition, Meilongzhen, one of the largest shopping malls in Shanghai, rewarded O'2nd for its high annual sales figures.

7 Recorded highest-ever wine auction prices at Sotheby's and Christie's in Hong Kong

SK networks secured a pool of staff to carry forward our global operations in full scale. This included launching local subsidiaries in London (wine sourcing and wholesale) and Hong Kong (wine custody) and strengthening our world-wide sales operations. Another high point was breaking the previous record for wine auction prices at both Sotheby's and Christie's. We also proved our future growth potential by confirming the market premium stock for our wine stock in Asian markets.

8 Speedmate topped KRW 500 million in annual sales and received the grand prize at the "Korea Marketing Best Awards" from KMAC for three consecutive years

We achieved sales of KRW 500 million from our Speedmate business by securing stable revenue bases for maintenance procedures and our emergency road service, and by promoting new businesses, such as used car sales and car rentals. The rental car business, which we acquired in January 2009, boasted ordinary income of KRW 5.1 billion in 2010. This success flowed from reinforcing its cost competitiveness and differentiating its products and services. The rental car business is expected to enjoy continuous growth and generate dramatic synergies with other operations. In recognition of these accomplishments, we received the grand prize at the "Korea Marketing Best Awards" from KMAC for the third consecutive year.

9 Mobile phone sales surpassed 90 million

SK networks cemented its No. 1 position in the Korean information and communications distribution market, selling a total of 90 million mobile phones (10.6 million in 2010 alone). Sales of smartphones surged sharply, going from 380,000 sets in 2009 to about 3,300,000 in 2010.

10 Introduced "Understanding the Mool-li" to maximize the capabilities of employees

SK networks introduced "Understanding the Mool-li" management strategy to maximize the skill sets of our employees. In order to facilitate this undertaking, our CEO met with company workers at functions such as "Tea Time with the Happy CEO" and "Casual Lunch Gatherings." He interacted with a total of 519 employees on thirty-three different occasions, including at Shantou PS and other overseas sites in Shenyang and Shanghai and San Paolo, Brazil.

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Business Overview

T&I COMPANY

Resources BHQ
Chemical BHQ
Steel BHQ

IM COMPANY

ICT Distribution BHQ
- SK networks Service
- SK networks Internet

E&C COMPANY

Energy Marketing BHQ
Speedmate BHQ

PM COMPANY

Fashion BHQ
Real Estate & Logistics BHQ
Wine BHQ
- SK pinx

WALKERHILL

Sheraton Grande Walkerhill
Walkerhill Duty Free Shop
W Seoul Walkerhill
External Business

CHINA HQ

Car-Life Business
Steel & Resources Business
Fashion Business
Real Estate & Logistics Business

SOUTHEAST ASIA HQ

Resources Development Business

GHQ

Corporate Culture Divisional Group
Corporate Planning & Finance Divisional Group
- MRO Korea

Trading & Investment Company

A Top-Tier Trading & Investment Company



The T&I Company engages in world-wide trading, with a focus on natural resources, chemicals, and industrial materials. Our strengths include outstanding global sourcing capabilities, superb information power, and strategic networking.

Operating out of a network of global outposts around the world, our highly-trained employees are acknowledged as leaders in each of our business fields. We are consolidating our market presence and meeting the ever-growing needs of our customers by expanding the value chains of each of our products.

We are especially focused on making investments in coal, iron ore, and other strategic minerals. For example, we secured an annual iron ore supply of nine million tons by taking a significant equity position in MMX, a Brazilian mining company. We acquired a stake worth USD 700 million at the time, which is the largest-ever non-oil resources investment undertaken by a Korean company. We also laid the foundation for growing into the nation's largest coal trading company by acquiring SK energy's coal business. Going forward, we will continue to evolve into a platform company that trades and develops new businesses. We will do this by advancing our existing businesses and creating even more investment opportunities.



Ahn Hee-june
President, T&I Company



Secured a nine million ton per year supply of iron ore by taking a USD 700 million equity position in MMX of Brazil—the largest-ever non-oil resources development project ever undertaken by a Korean company.





Secured an annual supply of 9 million tons of iron ore,

17%

of Korea's total annual consumption

Resources BHQ

Since its entry into the resources development sector in 2005, SK networks has built close and collaborative business relationships with Korean government-run corporations, natural resource companies and strategic investors located both at home and abroad. Backed by an expert team of geological and mining engineers, resources traders, and project managers, we are constantly expanding our product portfolio. We also carry out market information exchanges and joint ventures with Korean publicly-owned corporations to further our position as a leader in the nation's resources development sector.

Some of our major accomplishments have included acquiring the above-referenced equity position in MMX and revamping SK Group's non-oil resources businesses so that they now operate under the aegis of the Resources BHQ. Our twenty-two investments in this area include KRW 254 billion for coal projects, KRW 892.2 billion for iron ore, KRW 238.8 billion for nonferrous metals, and KRW 14.0 billion for agricultural plantations. Among these, four coal, two iron ore, and one copper projects are producing mines, while the others are under exploration or undergoing development.

Through these investments and pre-financing, we have secured valuable coal and iron ore assets that provide us with a base on which we can expand our resources trading business.

In addition to these resource development projects, we have been working on a natural rubber plantation project in Indonesia since 2009, with 23% of it already developed. In 2011, we plan to plant an additional 3,500 hectares, up 10% from our original target.

Going forward, the Resources BHQ will use a strategy of selection and concentration to operate its business portfolios, with a special focus on iron ore and coal. We are also expanding our reach into mineral-rich nations such as China, Australia, and Brazil.

By generating revenues through these investments, we will build a virtuous-cycle structure that will allow us to continue making new investments. We will also evolve into a fully-integrated steel and coal company, including transportation, distribution for domestic consumption, blending, processing, and the sale of finished products to overseas markets.



Chemical BHQ

Our main interests are in the exporting, importing, cross-trading, and domestic sale of chemical products. These include aromatics like SM* and BTX*; synthetic resins, such as PE*, PP* and PET*; chemical fiber materials like MEG* and PTA*; methanol and solvents; and fertilizers like urea and PU* materials.

In order to strengthen our competitiveness in the fast-growing Chinese market, we completed a business model that encompasses trading, domestic sales, and production. This was done by launching a sales office in Guangzhou in 2003, a PS plant in Shantou in 2006, and a PET plant in Ningbo in 2008. Our strategy is to develop our chemical business in China so that we can service our customers more speedily and effectively. This will be done through a program of continuous expansion and by reinforcing our networks.

Going forward, we will develop the world's highest-level network management ability in global markets by expanding into other Asian countries, such as Vietnam and Cambodia, as well as Europe and the Americas. We will also evolve into a global supply chain manager offering customers the finest in products and services. This will be done by forming strategic partnerships with other major global suppliers.

- ※SM: Styrene Monomer
- ※BTX: Benzene, Xylene, Toluene
- ※PE: Polyethylene
- ※PP: Polypropylene
- ※PET: Polyethylene Terephthalate
- ※MEG: Monoethylene Glycol
- ※PTA: Purified Terephthalic Acid
- ※PU: Polyurethane

Steel BHQ

SK networks supplies both Korean and international steelmakers. On the domestic front, we deal in products made by POSCO, Union Steel, Dongbu Steel, and Hyundai Steel. Overseas, we carry products made by Chinese steel companies, such as Taiyuan Steel, Baoshan Steel, Anshan Steel, and Shagang Steel. Among the items we carry are hot-rolled and cold-rolled steel, general-purpose steel, special steel (like STS and tin plates), long products, and pipes. These are mainly exported to Asia, Iran, the UAE, Europe, and the Americas.

We are currently instituting a strategy of shifting focus away from exports produced at domestic mills by sourcing products made overseas, including Taiwan, India, and China. We also operate CCs and processing mills in China, Australia, Turkey, and other countries. In addition, we are expanding our value chain through investments in the Chinese cities of Xiamen, Yingkou, and Guangzhou.

※Coil Processing Center: Engages in cutting and processing steel products and supplying them to end users



Information & Communication Technology Marketing Company

A Comprehensive Information & Communication Technology (ICT) Marketer

SK networks is Korea's number one mobile devices provider. Operating through a broad range of online and offline contact points, the IM Company provides ICT devices, solutions, and services that meet every customer's needs. The company consists of two subsidiaries: SK networks Service and SK networks Internet. Both are led by the ICT Distribution BHQ, which distributes and exports ICT devices and offers IT solutions.

SK networks Service operates mobile phone after-sales services (A/S) and distributes equipment for use in systems, while SK networks Internet enables mobile services, games, and mobile apps to function smoothly and without interruption.

We strengthened our position as Korea's number one ICT provider, selling more than ten million mobile phones in 2010. Going forward, we will continue to evolve into a platform that not only trades but also develops new businesses by continuously growing our existing businesses and creating even more investment opportunities.



Lee Suk-hwan
President, IM Company

MOBILE DEVICES



Korea's number one ICT marketer, boasting sales of 91.87 million mobile phones from 1996 to 2010





10.6

MILLION

Sold 10.6 million mobile devices in 2010

ICT Distribution BHQ

SK networks' IM Business has grown in tandem with the mobile communications market, from selling pagers in 1994 to dealing in 3G cellular phones in 2011. We are now preparing for future growth by taking steps to cement our industry-leading position.

We carry out an optimized cellular phone distribution business in both the retail and wholesale sectors, delivering ICT devices that customers demand when and where they need them. These state-of-the-art services are based on the nation's largest distribution network and logistics infrastructures. Our advanced management systems contribute to our core competitiveness by allowing us to build win-win, virtuous-cycle networks in conjunction with key players in the domestic and overseas mobile communications markets.

Retail Business Division

Our highly-trained and professional retail salespeople provide customers with high-quality services, attracting new subscribers and selling a wide range of mobile devices through our country-wide network of one thousand outlets. We continuously upgrade our customer satisfaction levels through advanced human resources management and increasingly efficient store operating systems. We are also positioning ourselves as both a wired and wireless distributor. This is being done by attracting subscribers to both mobile and wired communications models, including high-speed Internet, VoIP, IPTV and landline telephones. In addition, we are strengthening our position as a major player in the mobile communications and ICT devices markets by analyzing customers' needs for ICT products and services and applying the results to our wholesale and other businesses.

Wholesale Business Division

We are strengthening our position as the nation's largest mobile devices distributor by placing over ten million mobile communications devices (including cellular phones, smartphones, and tablet PCs) in our network of retail outlets across the country. The close and trusting relationships that we build with these service providers allows us to support their financing needs, offer them a wide range of consulting services, and guarantee that they will always have a full stock of products in place.

Medium-Sized Businesses

We sell mobile phones to corporate customers through a separate chain of distribution channels, including online, sales by members, and sub-distribution networks. Our services in this market include developing and supplying customized devices sourcing and solutions. We recorded USD 6 million in sales of mobile device exports to customers in Central and South America and Southeast Asia. We are also involved in recycling and exporting used cellular phones in conjunction with other Korean mobile phone operators. Our logistics business offers customers Korea's best-in-class ICT devices logistics and delivery services. This is done through a speedy and highly-accurate logistics infrastructure and management system, headed by six bases spread around the country. We also generate additional earnings and help to advance the domestic logistics industry as a whole by promoting a third-party logistics (3 PL) service. In addition, our Medium-Sized Business is establishing the foundations to function as a "cash cow" for the company by developing channels and products that are separate and independent from our existing retail bases.



Subsidiaries

The IM Company has two subsidiaries. They are SK networks Service (SKNS), which is in charge of cellular phone A/S and network services, and SK networks Internet (SKNI), which offers mobile and Internet content and services. We have optimized our business structure by reorganizing our system equipment distribution and mobile platform businesses in these subsidiaries. This will enable us to achieve sustainable growth by allowing it to concentrate on more directly-related business areas. We will also be able to cope with changing trends in the market more promptly and efficiently.

SK networks Service (SKNS)

SKNS is strengthening the customer experience (CE) and service quality of the SK Group's communications business. Its ultimate goal is to be the best service specialist in Korea, providing the best in customer satisfaction. It is also expanding its interests to include non-Group related operations. Our Service Business Department, which offers mobile-based customer contact services, engages in after-service (A/S) operations with 32 directly-run A/S centers and 2,500 SK telecom franchises across the country. It also provides roaming services to visitors and outbound passengers at six major airports and ports. Our Network (NW) Business Department, which provides high-quality communications services, is expanding to include the operation and maintenance of the country's national defense network and bidding for new NW projects. These efforts are based on the technological competencies that it has accumulated through NW maintenance and operations for SK telecom and SK broadband. In addition, the server business, which began life as Korea's first-ever comprehensive computer distribution provider, is supporting the construction of highly-advanced IT infrastructures through partnerships with world-leading specialists, such as HP and Cisco. It is also growing into a total IT solutions provider, encompassing multi-brands and multi-items, customized

customer services, and closely-monitored customer support networks.

SK networks Internet (SKNI)

The goal of SKNI's mobile content business is to become a global ICT service provider by 2020. Its responsibilities include developing and publishing mobile games, SKT's "June and Nate" cartoons, phone skins, movies, entertainment, chatting message control programs (MCPs), and digital cartoons. Its content planning/production/distribution one-source, multi-use (OSMU) system is based on the online services-related resources and capabilities that were developed through the operation of SNS "fanpy.net" and the three-million-member UCC entertainment portal "pullbbang.com." It is expanding its business domains to include mobile solutions through Ufit, a corporate short-message service (SMS)/Multimedia Message Service (MMS) solution. This will enable it to grow into the nation's leading MMS provider through the development of new business models, such as M-Billing and M-Coupons. By expanding its range of strategic alliances with SK telecom, SK M&C, and other companies, it is growing into a key ICT-specialized company of the SK Group. This is based on the knowledge it gained in the development and operation of large-scale wire and wireless integrated content services, including SKT GXG, Comic License Bank, Toon Dosi, and the Global Porting Center. It is also seeking to enter the global operations area by building game service platforms and developing cartoon content.



Energy & Car Company

Creating Happy Car Customers



The goal of the E&C Company is to create an exciting and happy automotive culture for our customers. To achieve this aim, we provide a wide range of services through a variety of channels, including gas stations, LPG stations, auto repair stations, used car lots, rental cars, and online marketplaces.

We are the nation's number one player in terms of oil product sales and light auto repairs and maintenance. As a result, we have secured a membership of about 600,000. We have done this by offering optimal solutions and targeting customer relationship management (CRM)-based differentiated marketing and customer management programs. We are also diversifying our content and maximizing customer value by continuously expanding our car-life value chain, including used cars and rental vehicles. In addition, we have expanded into China, where we operate a number of gas station complexes and light repair and rental car shops.

Going forward, we will continue to enhance our future growth by entering the electric vehicle (EV) distribution and service business. We will also seek out other promising new businesses and distribution areas.



Kim Tae-jin
President, E&C Company

GAS STATIONS



Korea's number one player in the oil distribution market, with a nation-wide network of approximately 3,500 gas stations





38.4 MILLION BARRELS

Oil sales in 2010 (1 barrel = 200 liters)

Energy Marketing BHQ

The Energy Marketing BHQ, the leader in the Korean petroleum products market, is adding to its competitiveness by making continuous improvements to its management structure, enhancing the quality of its services, and engaging in differentiated marketing strategies.

We sell asphalt, lubricants, and bunker oil, and supply petroleum products, such as gasoline, kerosene, diesel, and LPG, through a nation-wide network of 3,500 gas stations and 70 LPG outlets. We also operate gas station complexes in northeastern China, and are opening up overseas markets for our asphalt and lubricant businesses.

Petroleum Products Distribution Business (Gas Stations)

We enjoy a 24% market share for petroleum products in Korea. This includes our "Enclean" brand gasoline, kerosene, and diesel. We enhance customer satisfaction by conducting regular gas station service evaluations and offering customers loyalty rewards in the form of our "Enclean bonus card." In addition, we are strengthening communications with our gas station operators. This includes operating a business-to-business (B2B) site called SK e-market.com that enables them to place orders in real time and provides them with a full range of marketing supports. We are also committed to the development of "total service" gas stations, combining shopping and convenience facilities with car washes and repairs. This will enable us to add to our customer satisfaction levels and enhance our competitiveness.

Petroleum Products Distribution Business (LPG Stations)

We sell high-quality LPG products at stations located across the country, increasing our customer base of taxis and commercial vehicles through a variety of promotional activities and customer management programs. Going forward, we will augment our competitiveness by adding new "car life" content at all our outlets.

Asphalt Sales

We supply high-quality asphalt products throughout the entire country. In addition to regular asphalt products, we are expanding our product domain by supplying customers with highly-durable, polymer-modified asphalt (PMA). We are also planning to increase our presence overseas, especially in emerging markets.

Lubricants Sales

All machines with moving parts need oil to help them operate efficiently. We supply high-quality products, such as ZIC and SUPERMAR, to customers both at home and abroad, including Singapore, China, and Greece. We also provide total solutions in relation to machinery and lubrication management.



Speedmate BHQ

First started as a light car maintenance service provider, Speedmate's business interests now include emergency roadside services, automobile components, used and imported car sales, and vehicle rentals. We also offer customers a variety of high-end "car-life" services, and communicate with them through online, offline, and mobile channels. We have been carrying out overseas operations since 2005, using a business model that is designed to reflect local conditions. Finally, we are exploring business opportunities in such sectors as electric cars, car sharing and financing, and green businesses.

Car Repair Business

Our highly-qualified mechanics and guaranteed "Speedmate" parts work in tandem to keep customers' cars operating in peak condition. In addition, we are taking the lead in the light car maintenance market by using only genuine products, charging fixed rates, and providing high-quality service at our network of over seven hundred repair shops. Going forward, we will continue to enhance our position as the number one brand in the light car maintenance field by differentiating our content and adding to our franchising abilities.

Emergency Roadside Service (ERS) Business

We launched our emergency dispatch service in 1996 and began Korea's first onsite service in 2001, providing customers with high-quality care through systemized network management and aggressive investments in our systems. For example, we were the first player in the industry to build a cutting-edge, location-based service system that directly connects our ERS network with our customers. We currently operate more than 330 outlets across the country.

Previously-Owned Car Business

We were the first player in Korea's used car sector to implement a two-year, 40,000-kilometer warranty program for major components. We are also seeking win-win growth with existing used car businesses through an affiliation model with dealers. At the present, we are selling more than thirty thousand used cars a year at our own locations and through affiliated dealers. In the future, we plan to add to our market leadership by putting an advanced pricing system, quality guarantees, and reinforced business-to-consumer (B2C) marketing techniques in place.

Car Rental Business

We are continuously expanding our long- and short-term car rentals business, based on service quality improvements and differentiated systems and in conjunction with our light maintenance service operations and ERS network. As a result, we now own more than eight thousand rental vehicles. We also provide solutions for the optimal operation and maintenance of business-use vehicles through our corporate Total Car Management System. In 2010, we began offering customers membership-based, long-term rentals.



Prestige Marketing Company

A New-Concept Lifestyle Provider



The PM Company is committed to being a "new-concept, upscale lifestyle provider," offering customers wealth management services as well as a wide variety of consumer goods.

Working from its competencies in advanced global brand management practices, the company delivers high-level values in such areas as prestige fashion brands, real estate, and wines through a wide range of channels. We are also targeting carriage-trade customers in China and exploring new business opportunities in Vietnam and Indonesia to forward our goal of sustainable growth and development and the social success and happiness of our customers.



Kim Se-dae
President, PM Company

FASHION



Sold 4.4 million articles of clothing last year. One out of every eleven Korean citizens wears our fashion products.





100 BILLION KRW

Tommy Hilfiger sales exceeded KRW 100 billion —a first for a single brand in Korea

Fashion BHQ

Beginning in 1990 with SMART, Korea's finest school uniform brand, the Fashion BHQ has been leveraging our brand marketing and management competencies to enhance our overall product portfolio. We place a special focus on prestige products, led by our own brands, such as Obzee and O'2nd, and licensed global ones, such as Tommy Hilfiger and DKNY. We are also expanding our global business interests, including launching O'2nd and Haanii Y in China. Our ultimate goal is to grow into a top-tier, global fashion company.

Obzee

Our Obzee luxury brand combines New York-style chic with fine and delicate, couture-like craftsmanship to produce stylish and extremely feminine fashions.

O'2nd

Functioning as Obzee's second line, O'2nd is an easily-accessible, "Pop Boutique" brand featuring designs that suggest the best of art, culture, and haute couture. It is very popular in China, having reached its break-even point there within a year of its introduction. As proof of its brand appeal, a high-end shopping mall in Shanghai has honored it with an award for highest annual sales for two consecutive years.

Hanii Y

Launched in New York in 2004, Hanii Y is a leading contemporary brand with a distinctively uptown, bohemian cachet. We are adding more of its outlets in both Korea and China.

SMART

SMART has been maintaining its leading position as a high-quality school uniform brand through continuous innovations ever since its launch.

Tommy Hilfiger

Tommy Hilfiger is a New York-based, premium lifestyle brand boasting the universal appeal of "classic American cool." Its offerings range from classical styles to the latest casual fashion trends.

DKNY

DKNY is a new luxury designer brand with practical and comfortable offerings that express the dynamic energy that is New York. It includes bridge lines created by Donna Karan, one of America's leading designers.

Club Monaco

Setting itself apart with a classic signature concept of black and white, Club Monaco's reasonably-priced casual offerings reflect the modern urban lifestyle of New York.

Elie Tahari

The collections of Elie Tahari, one of America's leading new luxury designers, are renowned for their delicate details and timeless, sophisticated beauty.

Real Estate & Logistics BHQ

The Real Estate and Logistics BHQ business began with the development of S-Trenue's high-end studio apartments in the Yeouido district of Seoul and the SK VIEW commercial-residential buildings in Byeongjeom. After that, we secured a hub for VVIP marketing and integrated asset management by establishing a real estate corporation called SK pinx in 2010. This was done by acquiring the Jeju Pinx Resort.

We are now leveraging our accumulated real estate development capabilities to build residences and high-end, "lifestyle-oriented" leisure resorts. We will continue with our goal of growing into Asia's leading real estate developer by entering into such emerging markets as Vietnam and Indonesia. We also have interests in Shenyang, Dandong, and other areas of China.

S-Trenue in Yeouido

This prestige apartment complex features thirty-six floors above-ground and seven below, on a site of about 2,900 square meters. Designed by teams of renowned architects and interior designers, its three towers combine to express a unique, fourth new shape. Aided and abetted by a host of environmentally friendly landscaping areas (including an island-type street park and thirty-one floating gardens), it soon became a landmark in the Yeouido district of Seoul. Boasting a high-end business environment and customer-oriented residential services, S-Trenue is a favorite living and working space for high-end professionals.



SK VIEW in Hwaseong and Byeongjeom

SK VIEW is an upscale apartment brand leading the development of Dongtan New Town. Composed of six buildings with twelve floors above-ground and two below, it boasts a host of new-concept theme parks, including "Nangnakjang Songwon," "Green Wave," "Cascade," "Flower Wave," "Wind," "Hwagye," and "Rooftop."

SK pinx

We launched SK pinx in September 2010 by acquiring the Jeju Pinx Resort. It functions as an comprehensive real estate corporation and a hub for integrated real estate management and VVIP marketing within the SK Group. Its high-end recreational facilities include world-renowned golf courses, the PODO Hotel, and Biotopia. One of its missions is to create a high-level residential culture by converting underused areas inside leisure resorts into high-end residences.



Shenyang SK Bus Terminal

The Shenyang SK Bus Terminal is the first terminal complex in China to be built by a non-Chinese developer. Located in the city's downtown, with twenty-four floors and a total floor area of 72,700 square meters, it consists of bus terminals, shops, and offices. Opened in October 2010, it is a prime showcase for SK networks' global competencies.

Dandong Commercial-Residential Complex

This structure, which will consist of three high-rise apartment buildings and one high-rise office building, is being built as a residential and cultural space for high-end Chinese customers, with a grand total of 386 office and apartment spaces and twenty commercial ones.

Dandong Logistics Center

The Dandong Bonded Goods Logistics Center boasts a gross floor area of approximately 165,300 square meters. Its immense size and convenient location (only 1.2 km from the New Yalu River Bridge) will play a major role to facilitate 180,000 tons of container goods. We are also planning to expand into other regions, including Dalian and Yingkou. This is part of our strategy of entering into the non-bonded goods and transportation businesses in Liaoning province.

Wine BHQ

The Wine BHQ operates the world's largest wine fund, with a current value of KRW 130 billion. It enjoys a close and collaborative relationship with more than one hundred wine producers, dealers, and merchants in the United Kingdom. Our ultimate goal is to develop into a global distributor of fine wines. We will do this by leveraging the sourcing and trading capabilities that we have gained by operating offices in the UK and Hong Kong and dealing with négociants under exclusive contract with us in Bordeaux, France's leading wine production center.

In September and October of 2010, SK networks successfully auctioned off some of its wine collection at Sotheby's and Christie's houses in Hong Kong, breaking all previous price records. Besides demonstrating the high quality of our products, this provided us with the motivation to continue expanding our wine business.

We are now offering Koreans an entirely new world of wine choices, including vintages that have seldom or never been available here before. In addition, we are developing new wine-related products and services, such as purchasing, storage, sales, and memberships.

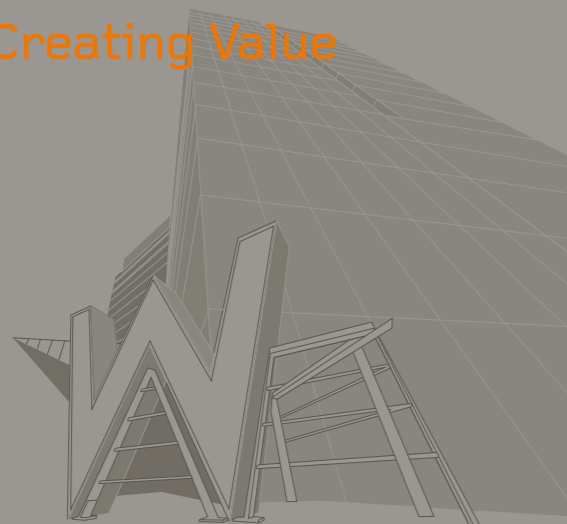
S-Lesailo

A compound term made from the French words "ailes" (wings) and "heureux" (happy), "S-Lesailo" is especially targeted at cultured and successful oenophiles.



WALKERHILL

Continuously Creating Value



Our business interests include the Sheraton Grande Walkerhill, the W Seoul Walkerhill, the Walkerhill Duty Free Shop, and the Incheon Airport Transit Hotel. All of these venues provide customers with multi-functional spaces that meet their real needs.

Our efforts to share with the larger society include community service activities carried on under the motto "Sharing Happiness with Walkerhill." We also participate in a spring flower festival and a wine fair, and offer such attractions as an outdoor swimming pool called "River Park" and a winter-time ice-skating rink.

In 2010, we presented "Legend of the Flowers," an original, award-winning, traditional Korean cultural performance, in the Walkerhill Theater. In addition, the Sheraton Grande Walkerhill hosted many events held by the G-20 summit of world leaders. We also became the first member of the Korean hotel industry to open an R&D center to broaden awareness of Korean cuisine around the world.

Moving forward, Walkerhill will continue to grow into a creative, full-service, upscale hotel and entertainment company that is loved and trusted by its customers. We will also continue to form links with a wide variety of business sectors.



Yoo Yong-jong
President, Walkerhill

FAST GROWTH



Seoul G-20 summit events held at the Sheraton Grande Walkerhill





6 ★★★★★★

The W Seoul Walkerhill, Asia's very first "six-star" hotel

Sheraton Grande Walkerhill

Boasting both Acha Mountain and the Han River for scenic backgrounds, the Sheraton Grande Walkerhill provide guests with unique and differentiated services and unparalleled customer value. Its 589 guest rooms, twelve restaurants and bars, and seventeen banquet halls include a Grand Hall that can accommodate up to a thousand people. In addition, the "Walkerhill Shows" presented in the Walkerhill Theater are winning plaudits from both business travelers and tourists by adding high-end entertainment to our reputation. We also provide customers with refined services and a wide range of amenities. These include outdoor sports facilities, a "foreign passport holders only" casino, and a duty-free shop stocked with high-end merchandise.

Walkerhill Duty Free Shop

The Walkerhill Duty Free Shop enables customers to purchase high-class, brand-name products in a comfortable and spacious setting. Its two hundred brand labels include watches and jewelry by Rolex, Omega, Breguet, Piaget, Chaumet, and Damiani, and other goods produced by such world-renowned names as Coach, Salvatore Ferragamo, TOD'S, Burberry, Estee Lauder, Clinique, Guerlain, and Lancome. The Shop's Korean goods stores offer shoppers a wide variety of local products, including cosmetics and Korean ginseng. It also presents colorful events to add to the joy of shopping, and boasts a comfortable lounge with magnificent views of the Han River. An even more convenient shopping experience is available at its Internet duty-free shop, www.skdutyfree.com.

W Seoul Walkerhill

Asia's very first boutique-style hotel, the W Seoul Walkerhill has been hailed as the country's very best by a wide variety of seasoned travelers. Featuring a unique "Whatever/Whenever® Service," its restaurants, bars, and 252 guestrooms boast interiors combining both Western and Eastern themes. Another favorite spot is the AWAY® spa, a haven for rest and relaxation. In addition, its two meeting rooms, The Great Room and The Studio, illustrate how a high-level business meeting ambience can be created within a casual setting. Our urban sensitivities, unique designs, dramatic spaces, and harmonious colors blend together to provide guests with unforgettable experiences and cherished memories.

External Business

The External Business operates the Incheon Airport Transit Hotel and nine restaurants inside Incheon Airport, providing travelers with Walkerhill's unparalleled brand of taste, style, and service. The Incheon Airport Transit Hotel boasts seventy-two standard rooms, fifteen deluxe ones, and three suites. All of them operate in a six-hour, "block rate" system for travelers who are yearning for a short rest. Our restaurants include "Jayeon," a traditional Korean restaurant; "Haneul," which serves à la carte Korean foods; "Global Chow," featuring a broad array of foods from around the world; and "Air Café," which offers casual dining for customers in their twenties and thirties. We also operate clubhouses at six golf courses, including Sky72, the Incheon Grand CC, the Korea Golf & Art Village, and the Yeosu Grand CC.

CHINA HQ

SK networks was the first member of the SK Group to enter the Chinese market. This happened in 1991. Since then, we have advanced into the development, energy marketing, car-life, real estate development, and fashion businesses. We also run a trading operation with a focus on chemicals, steel, and value-chain expansion. Our total investments exceeded USD 543 million as of the end of 2010.

We launched the China Headquarters (China HQ) at the end of 2009, combining all the businesses that had formerly been operated by our company-in-company (CIC) and business headquarters (BHQ) sectors. This was done so that greater synergies could be generated amongst them. In order to take the fullest possible advantage of China's continuing and dramatic rise in growth, the China HQ will develop new opportunities in the car-life, steel and resources trading, fashion, and real estate and logistics businesses. Its ultimate goal is to grow its businesses in the Middle Kingdom to the level of its head office operations by the year 2020, taking root as a leading SK company while also contributing to China's economy and society.

Car-Life Business

We first entered China by opening ten gas station complexes in Shenyang and Dandong and fifty-one repair shops in Shanghai and Tianjin. With more and more Chinese taking to the road, we hope to grow into a leader in the country's car-life market.

Steel and Resources Business

Our functions include the trading, processing, and manufacture of industrial materials, centering on chemicals and steel. We are also involved in iron ore, coal, agricultural plantations, and other resources. We intend to maximize our profits by setting ourselves up as totally-integrated, full-value-chain businesses.

Fashion Business

We will expand our global business (starting with a focus on China) and grow into a global top-tier fashion company that delivers happiness to customers, following the successful launch of O'2nd and Hanii Y in the local market.

Real Estate and Logistics Business

Our high-end real estate development and logistics business is focused on major cities in China's three northeastern provinces. This strategy is based on the experience we gained from the Dandong modernization project and developing the Shenyang Terminal Complex.



Total investments (as of the end of 2010)

Southeast Asia HQ

The Southeast Asia HQ replaced the former Indonesia HQ in January 2011. Our key mission is to secure new growth engines in developing countries in southeastern Asia. This will be done by creating new businesses and expanding the marketing potential of already-existing ones. Our primary mission is to participate in the development of resource-rich emerging countries, such as Indonesia and Vietnam. We also want to get an early foothold in less-developed markets, such as Myanmar and Cambodia.

To achieve these goals, we will advance into secondary industries, linking our resources development, agricultural plantation, and primary industries businesses so that they can enjoy maximized synergies with our existing resources and capabilities. We will also carry forward joint ventures with central governments and/or local partners to forward a variety of business formats. We are working hard to secure the resources, capabilities, and management support systems needed to carry out these goals smoothly and efficiently.

Resources Development Business

In order to guarantee a steady supply of strategic resources for the future, we are involving ourselves in the iron ore, coal, and nickel sectors. This is being done by building business platforms through direct and indirect investments—including building logistics terminals, making equity investments in mines, and carrying out joint operations in conjunction with locally-based mine owners and operators.

enter the extremely profitable domestic resources consumption business in Indonesia. Our ultimate goal is to evolve into a major mineral resources player. We will do this by creating synergies through the resources, capabilities, and business foundations we inherited by acquiring SK Energy's coal business.

Coal Trading Business

As part of its efforts to develop strategic mineral resources, the Southeast Asia HQ exports coal to Korea, China, India, and other southeastern Asian countries in tandem with proven and reliable business partners. We are also attempting to

Agricultural Plantations Business

The Southeast Asia HQ has been carrying out the development of about 28,000 hectares of agricultural plantation in South Kalimantan, Indonesia since early 2009. Based on this experience, we are now seeking to add to our sites in that country and to expand into Myanmar and Cambodia. We will also secure more bio green resources (including natural rubber) through both direct and indirect

paths. This will include joint ventures and the construction of processing plants and logistics centers. We are also planning to conduct research into the biomass business and carbon credit-linked projects.

Developing Country-Specific Business Models

We will also promote the development of key industry infrastructures, such as logistics, electricity, and real estate, in the southeastern Asian region. We will do this by utilizing the Korean government's Economic Development Cooperation Fund and establishing positive relationships with the other countries' governments. In addition, we will enhance our role as a cooperative and collaborative partner for corporate localization and national development projects.



Developed a rubber plantation half the size of Seoul in South Kalimantan, Indonesia

Global Headquarters (GHQ)

SK networks introduced the GHQ system in 2009 as part of its strategy to become a truly global company. The GHQ provides the business management services needed so that the parent company can successfully achieve its "Vision 2020" and "3rd To-be" goals. This is done through its platform business structure.

Corporate Culture Divisional Group

The Corporate Culture Divisional Group maintains and develops SK networks' core assets through the integrated operation of SKMS. This consists of the SKMS Team, the Global HR Team, and the Corporate Communications Team. The SKMS Team is tasked with establishing a strong and cooperative corporate culture by supporting the management activities of the CEO. The Global HR Team's mission is to develop an environment in which our employees around the world work together to produce positive outcomes. The PR Team improves the parent company's corporate value by carrying out PR activities and internal communications and engaging in brand management and social contributions activities.



Corporate Planning & Finance Divisional Group

The Corporate Planning & Finance Divisional Group establishes corporate goals and strategies and optimizes resources allocation in accordance with them. It also develops and delegates strategic tasks to achieve such goals successfully. We advance the company's business structures by managing its business portfolios, and develop new growth engines through such inorganic growth procedures as M&As. We also carry out a wide range of resource management processes to facilitate our management infrastructures, including investment reviews and follow-up management. In addition, we establish performance analysis and monitoring systems to ensure that each of our businesses achieves its goals. Some of our



other roles include providing information on management activities in a timely and accurate manner, ensuring efficient financing and operations, carrying out external risk management activities (including taxes and legal matters), and enhancing shareholder value.

MRO Korea

MRO Korea was founded in 2000, with sales exceeding KRW 100 billion in that year alone. In addition to its core maintenance, repairs, and operations (MRO) business areas, it is evolving into a fully-integrated purchasing company and creating value for its corporate customers by enhancing their procurement processes. Its "Vision 2020" goals include achieving KRW 1 trillion in sales by the year 2020.

Corporate Social Responsibilities



SK networks is committed to caring and sharing. All our members carry out sharing and caring activities so our customers can enjoy happier and healthier lives.



Sharing

Sharing steamed red bean buns

The Jjinppang Sharing Club has been delivering *jjinppang* (steamed red bean buns) and life necessities to child care and geriatric institutions and facilities for the differently-challenged since May 2005. It has been doing the same thing with the Yeomyoung School, an alternative educational institution in Seoul for adolescents who have defected from North Korea, since 2008.

Sharing briquettes

As part of our seasonal happiness sharing campaign, we delivered briquettes to the underprivileged living near our branches across the country from late November to early December of 2010.

Supporting SMART school uniforms

Our SMART school uniform brand has been offering cash and other prizes through a TV scholarship quiz program since 1991. In 1995, it began donating uniforms to three middle schools on Ulleung-do Island. We expanded this program in 1993 to include two high schools near Mount Jirisan National Park. Overseas, we donate SMART school uniforms to countries like Mongolia, Kazakhstan, Vietnam, Iran, and Bangladesh through the Korean Red Cross. In 2010, we started donating uniforms to the Aloysius Elementary School in Seoul.

Supporting the Hope Elementary School in China

We have been supporting the Hope Elementary School in China since December 2008. Our activities include donating books and holding birthday parties. In March 2009, we donated a thousand books, and held a plaque-hanging ceremony in the school library.

Volunteer Services

Volunteer Services at Wooseongwon

The T&L Company visits Wooseongwon, a rehabilitation facility for the disabled, on the first, second, and third Thursdays of every month, cleaning the cafeteria and working in the vegetable gardens.

Delivering Lunches and Laundry to Sole-Support Seniors

Every week, the IM Company works with the Yaksu Seniors Center to deliver lunches and laundry to elderly people who live by themselves.

Delivering Side Dishes to the Underprivileged

The E&C Company delivers side dishes to the underprivileged in collaboration with the Mokdong Welfare Center every week.

One Company-One Village Voluntary Service

The GHQ has been carrying out a wide variety of community service activities in the village of Eomso-ri, Gyeonggi-do since May 2008. This includes helping the farmers to add to their income and working with them in their fields.

Habitat for Humanity Activities

Members of the GHQ participated in a Habitat for Humanity project from June to November of 2010. Their activities ranged from working on house foundations to framing and installing windows and doors.

Beautiful Store Activities

Members of the GHQ visited the logistics center of Beautiful Store, a Korean non-profit corporation. Their activities included sorting out and pricing recyclable items. This lasted from March to November of 2001.

Community Services in Taeon

We visited the area of Taeon, which was severely damaged by Typhoon Kompasu in 2010, helping the farmers there to finish taking down their greenhouses, which had been destroyed by the storm.

Volunteer Work for Social Enterprises

Our CEO took part in the in-house sale of fair trade products by the Beautiful Store, part of our seasonal happiness sharing campaign. In addition, twenty employees helped to pack products at the store's factory in Ilsan.

Volunteer Work at Seniors' Center in Shenyang, China

The China HQ carries out community service activities at a seniors' center in Shenyang every second Saturday of the month. We have been doing this since December 2006.



Fair Trade

Practicing Principled Management

SK networks is committed to practicing open, honest, and principled management, including abiding by all the rules and regulations relating to fair trade. Our dedication to win-win management with all our stakeholders will lead to a happier and healthier society.



Fair Trade

We are committed to building a happier future for our customers and other stakeholders through our compliance program and win-win management

01 Introduction and Implementation

SK networks is committed to disseminating a CP culture among its employees and promoting fair and free competition with other companies. This includes introducing a compliance program (CP) and insisting that observing all rules and regulations relating to fair trade-related laws and regulations must be a top priority for all our employees. Our CP efforts include distributing manuals and checklists and outlining clear and concise standards of behavior.

02 Spreading a CP culture

CP observance issues are entrusted to the company's Compliance Officer, who is appointed by the BOD. He or she is backed by an organization that is exclusively tasked with CP matters, CP managers in each division, and a CP Council comprised of the compliance officer and the heads of divisions that are involved with CP. Their duties include identifying potential risk factors (such as limitations to competition) and taking remedial action following deliberations by the CP council.

03 The Seven Key CP Factors

Our compliance program operates on the basis of seven key factors. They include the CEO's and management's declaration of their commitment to CP, the appointment and operation of CP managers, preparing and distributing CP manuals,

carrying out CP training programs, developing a monitoring system, imposing sanctions on employees who violate our CP rules and regulations, and document management. We run compulsory, company-wide, online CP training programs targeting all our members, and offer hands-on training sessions given by experts from both inside and outside the company. In addition, we regularly monitor the observance of our CP rules and regulations and hold discussions concerning possible violations with CP divisions within each business organization. These steps helped us to win an "A" grade from the Korean Fair Trade Commission during its 2009 compliance program evaluations.

04 Win-Win Cooperation

We engage in a wide variety of win-win cooperation programs with our business partners to further our commitment to fair trade, and entered into a win-win cooperation and fair trade agreement with them in 2008. Our efforts include providing our business partners with funding to promote cooperate and collaborative relationships. As a result, we were given a "satisfactory" grade in the 2009 win-win agreement evaluations conducted by the Korean Fair Trade Commission. In 2011, we plan to carry out a broad range of win-win activities to spread an enhanced CP culture among our business partners.

prepare

future

customer

happiness

**2010
Financial
Statements**

In 2010, SK networks invested KRW 1.3 trillion, triple its normal average, for future growth. It also achieved the largest-ever sales in its history. Going forward, we will continue to develop a stable and highly-profitable business structure by enhancing our business portfolios.

We prepare

the future

for customer

happiness

STATEMENTS OF FINANCIAL POSITION

INCOME STATEMENTS

STATEMENTS OF APPROPRIATION OF RETAINED EARNINGS

STATEMENTS OF CASH FLOW

STATEMENTS OF FINANCIAL POSITION

Year 58th (Current): As of Dec. 31, 2010
Year 57th (Prior): As of Dec. 31, 2009

Description	2010 (Year 58th)	2009 (Year 57th)
ASSETS		(Unit: KRW)
I. Current Assets	3,196,446,395,727	3,072,343,247,329
(1) Quick Assets	2,319,286,394,265	2,158,951,646,710
Cash & Cash Equivalents	839,578,959,319	518,244,815,172
Short-Term Financial Instruments	6,997,942,476	10,511,866,421
Short-Term Investment Securities	4,835,000	4,835,250
Trade Receivables	1,160,998,799,351	1,368,858,859,522
Allowance for Doubtful Accounts	(24,451,117,290)	(20,298,137,968)
Short-Term Loans	10,769,147,418	14,505,914,630
Allowance for Doubtful Accounts	(77,426,206)	(18,333,340)
Other Receivables	238,907,541,163	214,559,027,752
Allowance for Doubtful Accounts	(1,006,061,517)	(640,831,184)
Accrued Income Receivables	7,243,356,168	2,539,690,363
Allowance for Doubtful Accounts	(573,991)	(1,187,373)
Advance Payments	15,303,130,942	12,458,462,755
Prepaid Expenses	7,286,380,572	10,378,734,009
Current Portion of Deferred Income Tax Assets	42,859,414,594	25,449,787,824
Other Quick Assets	14,872,066,266	2,398,142,877
(2) Inventories	877,160,001,462	913,391,600,619
Merchandise	819,861,826,875	801,972,848,613
Allowance for Valuation of Merchandise	(24,886,685,535)	(17,149,548,161)
Finished Goods	27,249,375,952	31,592,008,038
Allowance for Valuation of Finished Goods	(2,928,411,850)	(2,231,257,020)
Work in Process	4,141,890,710	4,074,531,048
Raw Materials	12,300,070,318	10,271,823,616
Allowance for Valuation of Raw Materials	(897,565,091)	(1,209,811,068)
Sub-Materials	417,784,094	526,238,210
Goods in Transit	30,506,258,408	73,874,562,182
Unfinished Housing	347,350,000	376,297,308
Finished Housing	4,847,470,413	5,056,904,728
Land for Construction	6,200,637,168	6,237,003,125
II. Non-Current Assets	5,544,259,616,691	4,638,041,879,880
(1) Investment Assets	2,073,860,022,954	1,009,898,451,374
Long-Term Financial Instruments	1,171,805,827	1,179,705,134
Long-Term Investment Securities	105,040,727,198	81,670,682,840
Investment Stocks Using the Equity Method	1,789,583,892,750	825,146,206,434
Advances for Investments	29,172,319,761	7,728,679,611
Long-Term Loans	111,713,195,810	69,805,015,153
Allowance for Doubtful Accounts	(764,124,390)	(465,640,681)
Other Investment Assets	37,959,525,373	24,851,122,258
Allowance for Doubtful Accounts	(17,319,375)	(17,319,375)
(2) Tangible Assets	3,358,838,335,176	3,475,004,389,779
Land	2,534,362,199,467	2,611,820,059,541
Buildings	645,963,047,824	677,892,630,500
Accumulated Depreciation	(121,298,117,731)	(112,276,718,458)
Accumulated Impairment Losses	0	(1,148,522,931)
Structure	125,860,916,459	131,993,563,028
Accumulated Depreciation	(25,005,187,226)	(24,951,333,114)
Machinery & Equipment	111,999,724,398	109,977,432,568

STATEMENTS OF FINANCIAL POSITION

Description	2010 (Year 58th)	2009 (Year 57th)
ASSETS		(Unit: KRW)
Accumulated Depreciation	(65,664,078,185)	(62,345,536,282)
Vehicles & Transportation Equipment	51,340,072,061	47,802,364,673
Accumulated Depreciation	(19,009,833,557)	(15,498,291,847)
Tanks	17,425,979,753	20,707,331,848
Accumulated Depreciation	(6,659,315,236)	(7,352,144,399)
Other Tangible Assets	229,416,472,977	226,978,022,821
Accumulated Depreciation	(164,233,618,510)	(156,085,419,115)
Construction in Progress	44,340,072,682	27,490,950,946
(3) Intangible Assets	(36,339,422,484)	(42,127,637,994)
Goodwill	18,315,932,648	21,781,325,526
Negative Goodwill	(81,405,213,700)	(83,479,475,020)
Patents-Industrial	263,110,963	97,055,327
Development Costs	25,670,028,105	18,558,561,081
Government Subsidies	(17,120,000)	(21,400,000)
Other Intangible Assets	833,839,500	936,295,092
(4) Other Non-Current Assets	147,900,681,045	195,266,676,721
Deposits Paid	146,587,636,743	194,405,364,252
Other Non-Current Assets	5,075,426,415	2,432,857,948
Allowance for Doubtful Accounts	(3,762,382,113)	(1,571,545,479)
TOTAL ASSET	8,740,706,012,418	7,710,385,127,209
LIABILITIES		(Unit: KRW)
I. Current Liabilities	3,809,912,789,906	3,484,900,161,050
Trade Payables	2,764,833,451,463	2,341,037,284,839
Current portion of Long-Term Liabilities	108,000,000,000	303,000,000,000
Discount on Bonds Payable	(202,742,309)	(292,716,996)
Short-Term Borrowings	528,890,669,490	251,637,933,659
Non-Trade Payables	190,704,444,567	158,622,254,467
Advance Receipts	49,066,465,704	51,011,849,158
Unearned Revenues	3,398,202,122	4,007,603,398
Deposit Received	47,025,734,937	22,673,714,360
Accrued Expenses	44,775,592,379	42,987,863,739
Unpaid Tax	17,812,865,553	215,295,964,959
Current portion of Long-Term Liabilities	55,608,106,000	94,918,409,467
II. Non-Current Liabilities	1,764,619,867,477	1,154,209,550,165
Bonds Payable	596,000,000,000	254,000,000,000
Discount on Bonds Payable	(1,762,662,324)	(1,170,068,080)
Long-Term Borrowings	854,712,374,000	560,178,269,417
Present Value Discount Account	(1,904,207,623)	0
Allowance for Severance & Retirement Benefits	46,459,994,060	41,780,366,562
Deposits for Severance Benefits	(209,315,860)	(277,321,460)
Allowance for Severance & Retirement Benefits	(41,383,983,056)	(29,770,761,267)
Deposits Received	102,114,491,871	122,676,795,449
Other Allowance	4,164,329,110	4,338,772,300
Non-Current Portion of Deferred Income Tax	206,428,847,299	202,453,497,244
TOTAL LIABILITIES	5,574,532,657,383	4,639,109,711,215

STATEMENTS OF FINANCIAL POSITION

Description	2010 (Year 58th)	2009 (Year 57th)
SHAREHOLDERS' EQUITY		
(Unit : KRW)		
I. Capital Stock	648,653,775,000	648,653,775,000
Common Stock	620,469,117,500	620,469,117,500
Preferred Stock	284,120,000	284,120,000
Redeemable Preferred Stock	27,900,537,500	27,900,537,500
II. Capital Surplus	895,177,466,859	895,647,466,304
Paid-in Capital in Excess of Par Value	89,053,406,254	89,053,406,254
Consideration for Stock Warrant	389,738,384	389,738,384
Other Capital Surplus	805,734,322,221	806,204,321,666
III. Capital Adjustments	(25,147,590)	(25,000,000)
Treasury Stock	(147,590)	0
Stock Warrants	(25,000,000)	(25,000,000)
IV. Accumulated Other Inclusive Gain (Loss)	924,082,033,722	1,008,370,934,067
Gain on Valuation of Financial Derivatives		58,406,488
Loss on Valuation of Financial Derivatives	(2,525,760,652)	(168,123,025)
Capital Change under Equity Method	105,810,745,693	129,864,623,935
Negative Capital Change under Equity Method	(13,348,847,888)	(2,885,806,563)
Gain on Revaluation of Land	834,145,896,569	881,501,833,232
V. Retained Earnings	698,285,227,044	518,628,240,623
Earned Surplus Reserve	5,510,878,948	2,406,828,940
Reserve for Finance Structure Improvement	80,616,578,186	80,616,578,186
Unappropriated Retained Earnings	612,157,769,910	435,604,833,497
[Net Income (Loss):		
(Current) Year: 212,043,730,889 won		
(Prior) Year: 50,484,259,385 won]		
TOTAL SHAREHOLDERS' EQUITY	3,166,173,355,035	3,071,275,415,994
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	8,740,706,012,418	7,710,385,127,209

INCOME STATEMENTS

Year 58th (Current): As of Dec. 31, 2010
Year 57th (Prior): As of Dec. 31, 2009

Description	2010 (Year 58th)	2009 (Year 57th)
INCOME STATEMENTS		
(Unit: KRW)		
I. Sales	23,493,766,486,087	21,190,407,487,003
II. Cost of Sales	21,918,888,897,493	19,663,985,145,030
III. Gross Profit	1,574,877,588,594	1,526,422,341,973
IV. Selling & General Administrative Expenses	1,335,432,038,458	1,196,925,588,508
Salaries	191,205,038,021	136,495,166,574
Severance & Retirement Benefits	21,153,431,802	40,421,854,415

INCOME STATEMENTS

Description	2010 (Year 58th)	2009 (Year 57th)
INCOME STATEMENTS		
(Unit : KRW)		
Employee Benefits	34,231,242,566	22,743,719,647
Travel Expenses	8,253,144,510	5,767,020,801
Communication Expenses	6,395,496,464	5,782,653,258
Utility Expenses	20,346,057,160	13,331,663,944
Taxes and Dues	24,052,623,799	19,845,414,784
Rental Expenses	61,785,263,271	69,643,064,694
Charge for Communication Lines	4,801,120	919,229,456
Depreciation Expenses	70,736,348,340	49,103,732,868
Amortization Expenses on Intangible Assets	11,661,755,126	11,999,337,774
Repairs Expenses	10,286,091,950	4,074,959,801
Vehicle Expenses	7,012,635,861	7,119,100,012
Insurance Premium	9,255,995,108	10,162,690,068
Entertainment Expenses	4,667,918,109	3,593,097,337
Conference Expenses	1,928,175,462	1,762,019,590
Transportation & Warehousing Expenses	78,317,988,510	74,066,215,535
Office Suppliers Expenses	18,811,641,684	5,562,565,804
Books & Subscriptions	701,083,663	596,753,613
Training Expenses	8,618,387,297	6,457,530,491
Service Fees	680,953,407,518	642,588,477,686
Samples Expenses	1,119,065,943	1,496,588,151
Advertising Expenses	42,160,806,723	41,173,267,137
Management Expenses of Overseas Branches	16,422,345,879	16,662,160,591
Trade Bad Debts	4,718,339,968	4,983,753,947
Miscellaneous Expenses	632,952,604	573,550,530
V. Operating Income	239,445,550,136	329,496,753,465
VI. Non-Operating Income	496,748,933,233	629,583,509,450
Interest Revenues	22,526,111,568	22,826,009,486
Dividends Income		2,154,748,166
Gain on Sale of Short-Term Investment Securities		4,197,950
Gain on Foreign Currency Transaction	262,686,904,250	466,491,825,973
Gain on Foreign Exchange Translation	24,006,376,836	26,284,088,905
Reversal of Allowance for Doubtful Accounts	42,573,358,658	35,672,751,282
Gain on Valuation under Equity Method	53,201,429,866	35,137,771,835
Gain on Sale of Investment Assets		1,277,090,280
Reversal of Investment Assets Write-Offs	60,468,800,992	8,670,952,072
Gain on Sale of Tangible Assets	42,339,524	27,034,008
Gain on Valuation of Forward Transaction	4,470,539,318	7,686,062,734
Reversal of Negative Goodwill	2,074,261,320	1,153,293,300
Other Non-Operating Revenues	24,698,810,901	22,197,683,459
VII. Non-Operating Expenses	465,167,820,069	895,551,234,950
Interest Expenses	89,038,578,330	161,293,217,996
Other Bad Debts	2,913,470,160	996,975,549
Loss on Sale of Trade Receivables	15,199,846,991	29,159,265,266
Loss on Sale of Short-Term Investment Securities		3,946,031
Loss on Inventory Obsolescence	281,777,035	458,784,090
Loss on Foreign Currency Transaction	253,537,805,634	442,262,843,784
Loss on Foreign Currency Translation	19,380,618,419	13,930,720,892
Donations	9,591,440,699	9,606,734,239

INCOME STATEMENTS

Description	2010 (Year 58th)	2009 (Year 57th)
(Unit: KRW)		
INCOME STATEMENTS		
Loss on Bond Redemption	19,218,198,146	124,452,670,526
Loss on Impairment of Long-Term Investment Securities	159,830,152	6,597,500,000
Impairment Losses on Intangible Assets		7,375,683,805
Loss on Sale of Investment Assets	4,846,850,884	8,672,372,017
Impaired loss on Investment Assets	54,180,120	
Impairment Losses on Tangible Assets	25,713,695,768	6,724,516,002
Loss on Retirement of Tangible Assets		37,016,039,265
Loss on Sale of Intangible Assets	458,347,649	129,616,818
Loss on Valuation of Forward Transaction	7,152,693,645	27,948,251,016
Other Non-Operating Expenses	17,620,486,437	18,832,097,654
VIII. Income before Income Tax Expenses	271,026,663,300	63,529,027,965
IX. Income Tax Expenses	58,982,932,411	13,044,768,580
X. Net Income	212,043,730,889	50,484,259,385
XI. Gain per Share	854	210

STATEMENTS OF APPROPRIATION OF RETAINED EARNINGS

Year 58th (Current): For the Year Ended Dec. 31, 2010 / Date of Appropriations: Mar. 11, 2011
Year 57th (Prior): For the Year Ended Dec. 31, 2009 / Date of Appropriations: Mar. 12, 2010

Description	2010 (Year 58th)	2009 (Year 57th)
(Unit : KRW)		
STATEMENTS OF APPROPRIATION OF RETAINED EARNINGS		
I. Retained Earnings before Appropriations	612,157,769,910	435,604,833,497
1. Retained Earnings before Appropriations from Prior Year	401,460,283,414	367,569,429,216
2. Capital Redemption of Redeemable Preferred Stock		
3. Change in Retained Earnings under Equity Method	(1,346,244,393)	17,551,144,896
4. Net Income	212,043,730,889	50,484,259,385
II. Appropriation of Retained Earnings	40,972,835,090	34,144,550,083
1. Profit Reserve	3,724,803,190	3,104,050,008
2. Dividends	37,248,031,900	31,040,500,075
a. Cash Dividends	37,248,031,900	31,040,500,075
[Dividend per Stock (rate):		
Common Stock: (Current) Year 150 won (6%)		
(Prior) Year 125 won (5%)		
Preferred Stock: (Current) Year 175 won (7%)		
(Prior) Year 150 won (6%)		
III. Unappropriated Retained Earnings Carried over to Subsequent Year	571,184,934,820	401,460,283,414

STATEMENTS OF CASH FLOW

Year 58th (Current): For the Year Ended Dec. 31, 2010
Year 57th (Prior): For the Year Ended Dec. 31, 2009

Description	2010 (Year 58th)	2009 (Year 57th)
(Unit : KRW)		
STATEMENTS OF CASH FLOWS		
I. Cash Flows from Operating Activities	632,443,346,825	234,320,940,625
1. Net Income	212,043,730,889	50,484,259,385
2. Addition of Expenses without Cash Outflows Severance Benefits	216,071,949,475	484,143,731,526
Severance Benefits	21,153,431,802	40,421,854,415
Depreciation Expenses	70,736,348,340	159,736,210,075
Trade Bad Debts	4,718,339,968	4,983,753,947
Amortization Expenses on Intangible Assets	11,661,755,126	11,999,337,774
Advertising Expenses (Loss on Other Allowance)	2,721,716,223	3,113,176,543
Interest Expenses	1,578,802,820	333,057,495
Other Bad Debts	2,913,470,160	996,975,549
Loss on Sale of Trade Receivables	15,199,846,991	29,159,265,266
Loss on Sale of Short-Term investment Securities	-	3,946,031
Loss on Valuation of Inventories	8,122,046,227	-
Loss on Inventory Obsolescence	281,777,035	458,784,090
Loss on Foreign Currency Translation	19,380,618,419	13,930,720,892
Loss on Valuation under Equity Method	19,218,198,146	124,542,670,526
Loss on Impairment of Long-Term Investment Securities	159,830,152	6,597,500,000
Impairment Losses on Tangible Assets	54,180,120	-
Loss on Retirement of Tangible Assets	-	37,016,039,265
Loss on Sale of Tangible Assets	25,713,695,768	6,724,516,002
Impairment Losses on Intangible Assets	-	7,375,683,805
Loss on Sale of Intangible Assets	458,347,649	129,616,818
Loss on Sale of Investment Assets	4,846,850,884	8,672,372,017
Loss on Valuation of Financial Derivatives	7,152,693,645	27,948,251,016
3. Deduction of Revenues not Involving Cash Inflows	-186,837,106,514	-138,002,871,616
Interest Revenues	-	116,243,850
Gain on Foreign Currency Translation	24,006,376,836	26,277,042,437
Gain on Sale of Short-Term Investment Securities	-	4,197,950
Reversal of Loss on Valuation of Inventories	-	21,855,245,724
Gain on Sale of Tangible Assets	60,468,800,992	8,670,952,072
Gain on Sale of Intangible Assets	42,339,524	27,034,008
Gain on Valuation of Financial Derivatives	4,470,539,318	7,686,062,734
Reversal of Negative Goodwill	2,074,261,320	1,153,293,300
Gain on Valuation under Equity Method	42,573,358,658	35,672,751,282
Gain on Sale of Investment Assets	53,201,429,866	35,137,771,835
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	391,164,772,975	-162,304,178,670
Decrease (Increase) in Trade Receivables	188,181,226,516	-264,356,066,027
Decrease (Increase) in Receivables	-19,967,190,946	35,266,601,045
Decrease (Increase) in Accrued Income Receivable	-4,673,931,711	-666,927,001
Decrease (Increase) in Advance Payments	-2,378,714,773	1,572,332,421
Decrease (Increase) in Prepaid Expenses	3,092,353,437	23,879,072,377
Decrease (Increase) in Income Tax Refund Receivables	-	2,109,440,242
Decrease (Increase) in Deferred tax Asset	-17,409,626,770	19,932,438,693
Decrease (Increase) in Other Quick Assets	-12,473,923,389	2,885,250,070
Decrease (Increase) in Inventories	27,827,776,145	43,224,201,957
Decrease (Increase) in Other Non-Current Asset	-	-383,963,468

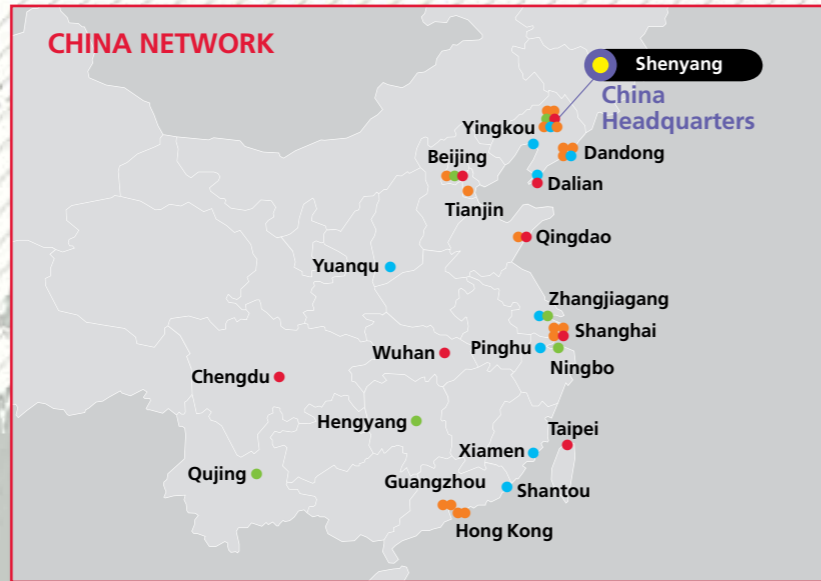
STATEMENTS OF CASH FLOW

Description	2010 (Year 58th)	2009 (Year 57th)
(Unit: KRW)		
STATEMENTS OF CASH FLOWS		
Increase (Decrease) in Trade Payables	423,550,690,446	104,233,174,275
Increase (Decrease) in Non-Trade Payables	22,075,121,739	-44,874,045,743
Increase (Decrease) in Advance Receipts	-2,278,271,501	33,561,803,005
Increase (Decrease) in Unearned Revenues	-609,401,276	3,379,875,940
Increase (Decrease) in Withholdings	24,352,020,577	15,169,401,053
Increase (Decrease) in Accrued Expenses	1,787,728,640	-3,851,792,575
Increase (Decrease) in Deposits Received	-20,562,303,578	1,295,955,898
Increase of Unpaid Income Tax	-197,483,099,406	7,903,129,825
Payment of Severance Benefits	-16,473,804,304	-118,922,730,918
Decrease (Increase) in Contribution to National Pension Plan	68,005,600	762,052,540
Decrease (Increase) in Deposits for Severance Benefits	-11,613,221,789	44,722,187,692
Increase (Decrease) in Other Allowance	-2,896,159,413	-270,265,315
Increase (Decrease) in Deferred Income Tax Liabilities	9,049,498,731	-68,875,304,656
II. Cash Flows from Investing Activities	-966,603,866,801	1,007,243,582,034
1. Cash Inflows from Investing Activities	395,768,422,804	1,392,672,242,272
Decrease in Short-Term Financial Instruments	21,649,236,055	12,157,421,753
Sale of Short-Term Investment Securities	-	5,061,711,919
Decrease in Short-Term Loans	6,058,724,604	17,348,160,214
Decrease in Long-Term Financial Instruments	74,167,854	66,070,000
Sale of Long-Term Investment Securities	2,785,275,288	263,491,459,629
Decrease in Advances for Investment	46,444,038	2,410,822,131
Sale of Securities under Equity Method	47,793,991,051	12,927,014,414
Receipt of Dividends	993,580,830	590,147,080
Decrease in Long-Term Loans	21,622,067,479	31,744,343,157
Decrease in Deposits Paid	88,101,353,392	82,031,948,891
Sale of Other Investment Assets	-	2,354,422,047
Sale of Land	171,462,383,403	31,787,188,247
Sale of Buildings	24,454,076,141	1,479,972,026
Sale of Structures	3,965,808,978	886,372,324
Sale of Machinery & Equipment	1,038,943,443	359,519,190
Sale of Vehicles & Transportation Equipment	3,350,087,876	1,127,222,995
Sale of Tanks	803,638,999	223,609,521
Sale of Other Tangible Assets	1,138,800,512	2,121,231,280
Sale of Construction in Progress	-	32,000,000
Sale of Other Intangible Assets	1,000	152,464,206
Sale of Goodwill	87,456,192	120,118,303
Sale of Development Costs	319,986,669	1,004,882,641
Sale of Industrial Property	22,399,000	-
Cash Inflow from Transferring Business	-	899,965,961,933
Cash Inflow from Merger	-	23,228,178,371
2. Cash Outflows from Investing Activities	-1,362,372,289,605	-385,428,660,238
Increase in Short-Term Financial Instruments	18,135,312,110	1,881,000,000
Increase in Short-Term Loans	940,000,000	2,587,500,000
Increase in Long-Term Financial Instruments	66,268,547	9,288,076,010
Acquisition of Long-Term Investment Securities	17,509,742,444	3,760,091,411
Increase in Advances for Investment	36,530,615,580	4,658,482,833
Increase in Long-Term Loans	66,828,618,866	31,659,367,132
Acquisition of Securities under Equity Method	985,961,223,406	42,056,835,737

STATEMENTS OF CASH FLOW

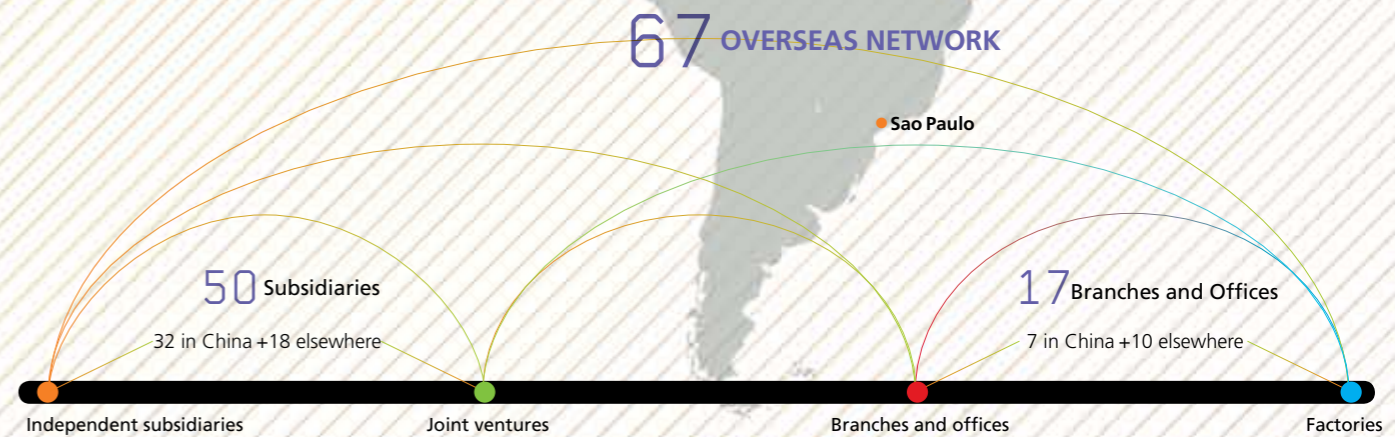
Description	2010 (Year 58th)	2009 (Year 57th)
(Unit: KRW)		
STATEMENTS OF CASH FLOWS		
Increase in Deposits Paid	45,251,009,220	73,363,341,973
Acquisition of Other Investment Assets	4,594,111,509	4,806,222,612
Acquisition of Land	79,026,574,714	444,354,890
Acquisition of Buildings	8,089,463,157	878,250,010
Acquisition of Structures	9,363,104,267	2,192,217,440
Acquisition of Machinery & Equipment	10,906,787,758	6,217,766,326
Acquisition of Vehicles & Transportation Equipment	10,309,100,506	23,419,202,631
Acquisition of Tanks	79,300,000	89,683,630
Acquisition of Other Tangible Assets	20,789,662,686	12,106,301,349
Acquisition of Construction in Progress	44,878,352,700	147,339,298,692
Acquisition of Goodwill	1,010,430,210	3,231,155,557
Acquisition of Development Costs	767,571,620	2,383,537,905
Acquisition of Industrial Property	10,562,805	-
Acquisition of Other Intangible Assets	299,250,000	31,000,006
Consumption of Government Subsidies	-	234,974,094
Cash Outflow for acquisition of Business	102,522,7500	12,800,000,000
III. Cash Flows from Financing Activities	655,494,664,123	-1,044,515,124,980
1. Cash Inflows from Financing Activities	4,992,380,258,817	1,408,137,547,283
Short-Term Borrowings	3,911,859,888,817	969,009,549,075
Long-Term Borrowings	632,445,370,000	180,156,498,208
Issuance of Bonds	448,075,000,000	258,971,500,000
2. Cash Outflows for Financing Activities	-4,336,885,594,694	-2,452,652,672,263
Repayment of Short-Term Borrowings	3,629,383,925,273	1,210,735,069,850
Repayment of Current Portion of Bonds	303,000,000,000	-
Repayment of Current Portion of Long-Term Debt	94,918,409,467	147,716,929,297
Repayment of Long-Term Borrowings	278,534,789,417	1,061,523,577,865
Acquisition of Treasury Stock	147,590	8,608,805,851
Payment of Dividends	31,040,500,075	24,068,289,400
Stock Issuance Costs	7,822,872	-
IV. Increase in Cash (I+II+III)	321,334,144,147	197,049,397,679
V. Cash at the Beginning of Year	518,244,815,172	321,195,417,493
VI. Cash at the End of Year	839,578,959,319	518,244,815,172

Domestic & Overseas Networks

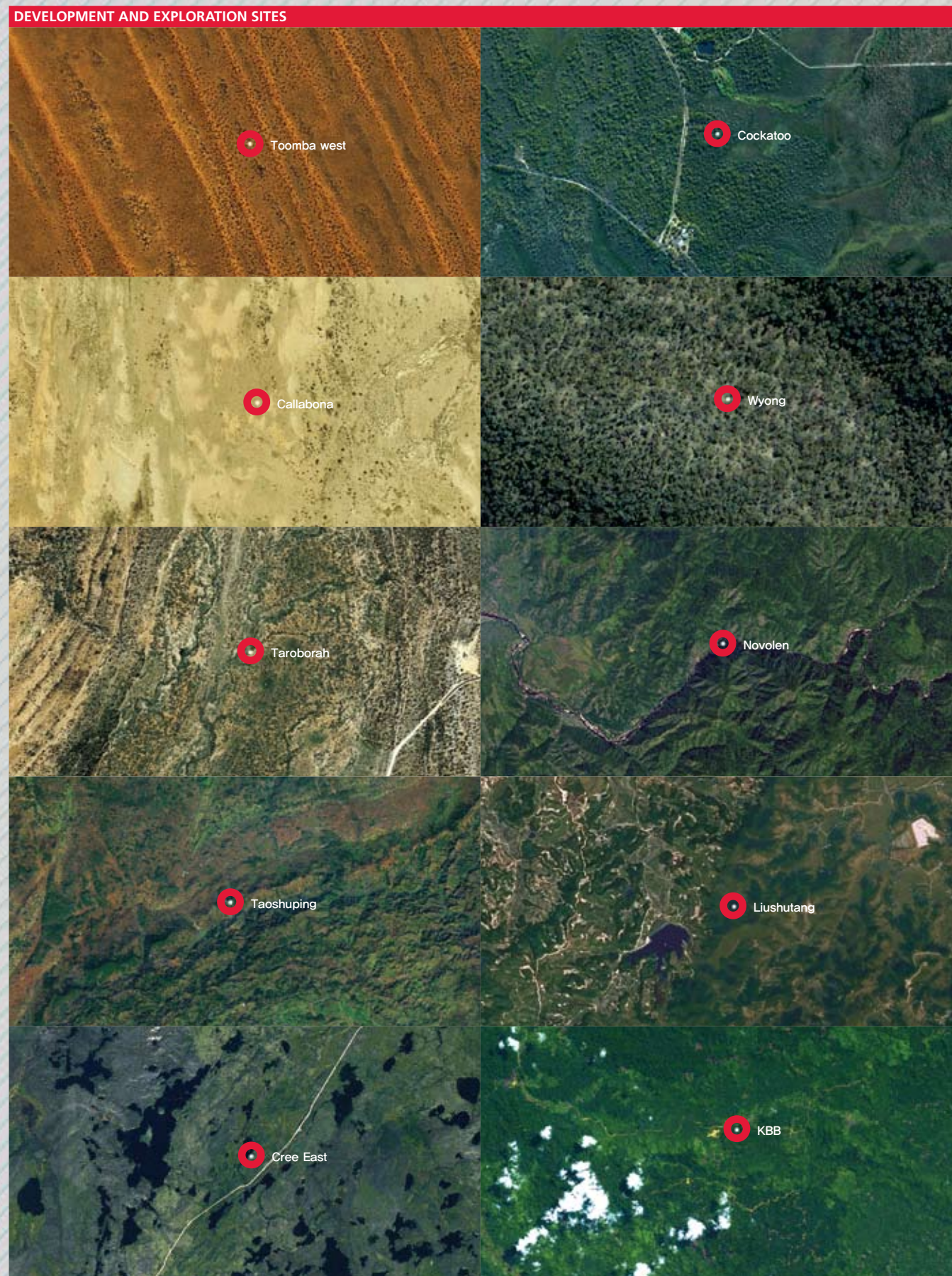


- Independent subsidiaries
- Joint ventures
- Branches and offices
- Factories

※ We have added these maps to show readers the locations of our global outposts, including subsidiaries and offices. Please refer to the maps inside for detailed locations of our mines and plantation.



Satellite Photographs of Overseas Mining Development Sites



Overseas mining development sites



Satellite Photographs of Overseas Mining Development Sites



DEVELOPMENT AND EXPLORATION SITES

Name	Area	Mineral Type
Toomba West	Australia	Coal
Cockatoo	Australia	Coal
Callabona	Australia	Uranium
Wyong	Australia	Coal
Taraborah	Australia	Coal
Novolen	Kazakhstan	Lead and Zinc
Taoshuping	China	Coal
Liushutang	China	Lead and Zinc
Cree East	Canada	Uranium
KBB	Indonesia	Coal
Boleo	Mexico	Copper
Tonga Deep Sea Exploration Project	Exclusive economic zone (EEZ) in Tonga, South Pacific	Lead/Zinc/Copper/Gold/Silver

PRODUCTION SITES

Name	Area	Mineral Type
MMX	Brazil	Iron Ore
Springvale	Australia	Coal
Angus Place	Australia	Coal
Clarence	Australia	Coal
Charbon	Australia	Coal
Northern Copper Industrial	China	Copper

AGRICULTURAL PLANTATION

Name	Area	Mineral Type
Indonesia Plantation	Indonesia	Rubber

T&I COMPANY

	ADDRESS	TEL
Business Strategy Division	199-15 Euljiro 2-ga, Jung-gu, Seoul	82-70-7800-2961
Business Development Division	199-15 Euljiro 2-ga, Jung-gu, Seoul	82-70-7800-2575
Resources BHQ	199-15 Euljiro 2-ga, Jung-gu, Seoul	82-70-7800-2768
Chemical BHQ	199-15 Euljiro 2-ga, Jung-gu, Seoul	82-70-7800-2797
Steel BHQ	199-15 Euljiro 2-ga, Jung-gu, Seoul	82-70-7800-2556

IM COMPANY

	ADDRESS	TEL
Business Strategy Division	199-15 Euljiro 2-ga, Jung-gu, Seoul	82-70-7800-3661
ICT Distribution BHQ	Seoul Marketing Team	198 Euljiro 2-ga, Jung-gu, Seoul
	Busan Branch	36-7 Namcheon-dong, Suyeong-gu, Busan
	Ulsan Sales Center	1359-11 Dal-dong, Nam-gu, Ulsan
	Gyeongnam Sales Center	96-2 Jungang-dong, Changwon, Gyeongsangnam-do
	Daegu Branch	50-5 Dongin 2-ga, Jung-gu, Daegu
	Jungbu Branch	594 Tanbang-dong, Seo-gu, Daejeon
	Cheonan Sales Center	1500 Dujeong-dong, Cheonan, Chungcheongnam-do
	Chungbuk Sales Center	528 Sachang-dong, Heungdeok-gu, Cheongju, Chungcheongbuk-do
	Gangwon Sales Center	850 Dangye-dong, Wonju, Gangwon-do
	Seobu Branch	1178-2 Chipyeong-dong, Seo-gu, Gwangju
	Jeonbuk Sales Center	629-5 Junghwasan-dong 2-ga, Wansan-gu, Jeonju, Jeollabuk-do
	Jeju Sales Center	906 Nohyeong-dong, Jeju

E&C COMPANY

	ADDRESS	TEL
Business Strategy Division	199-15 Euljiro 2-ga, Jung-gu, Seoul	82-70-7800-3694
Energy Marketing BHQ	Seoul Branch COCO Management I Team	71-9 Samsung-dong, Gangnam-gu, Seoul
	Seoul Branch COCO Management II Team	124-1 Mok 2-dong, Yangcheon-gu, Seoul
	Seoul Branch COCO Management III Team	104-29 Yeonghwa-dong, Jangan-gu, Suwon, Gyeonggi-do
	ChungHo COCO Management Team	1162 Dunsan 2-dong, Seogu, Daejeon
	Yeongnam COCO Management Team	830-136 Beomil 2-dong, Dong-gu, Busan
	Seoul Dongbu Branch	71-9 Samsung-dong, Gangnam-gu, Seoul
	Seoul Seobu Branch	124-1 Mok 2-dong, Yangcheon-gu, Seoul
	Seoul Bukbu Branch	476 Uijeingbu 2-dong, Uijeingbu, Gyeonggi-do
	Incheon Branch	884-5 Mansu 5-dong, Namdong-gu, Incheon
	Gyeonggi Jungbu Branch	104-28 Yeonghwa-dong, Jangan-gu, Suwon
	Gyeonggi Nambu Branch	104-28 Yeonghwa-dong, Jangan-gu, Suwon
	Gangwon Branch	85-15 Usan-dong, Wonju, Gangwon-do
	Daejeon Branch	1162 Dunsan-dong, Seo-gu, Daejeon
	Chungcheong Branch	349-6 Uam-dong, Sangdang-gu, Cheongju, Chungcheongbuk-do
	Gwangju Jennam Branch	695-5 Jungheung 1-dong, Buk-gu, Gwangju
	Jeonbuk Branch	656-3 Seonosong-dong, Wansan-gu, Jeonju, Jeollanam-do
	Busan Branch	830-136 Beomil 2-dong, Dong-gu, Busan
Gyeongnam Branch	308-1 Sanho-dong, Masan Happpu-gu, Changwon, Gyeongsangnam-do	
Daegu Branch	863 Manchon 3-dong, Suseong-gu, Daegu	
Gyeongbuk Branch	33-7 Sonjeong-dong, Gumi, Gyeongsangbuk-do	
Speedmate BHQ	71-9 Samsung-dong, Gangnam-gu, Seoul	
Auto Care Business Division	71-9 Samsung-dong, Gangnam-gu, Seoul	
Auto Marketing Business Division	71-9 Samsung-dong, Gangnam-gu, Seoul	

PM COMPANY

	ADDRESS	TEL
Business Strategy Division	199-15 Euljiro 2-ga, Jung-gu, Seoul	82-70-7800-2648
Fashion BHQ	448-3 Seongnae-dong, Gangdong-gu, Seoul	82-70-7800-4816
Real Estate & Logistics BHQ	199-15 Euljiro 2-ga, Jung-gu, Seoul	82-70-7800-2547
Wine BHQ	199-15 Euljiro 2-ga, Jung-gu, Seoul	82-70-7800-2530

OVERSEAS NETWORK

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 2302B, SK Tower, No.6 jia, Jianguomenwai Avenue, 100022	86-10-5924-0827(38)
	SK networks (Beijing) auto service BOTAIGUOJI A90Z, Nanhudongyuan, Wangjing, Chaoyang District, Beijing	86-10-8497-6648
Shanghai	SK networks (Shanghai) Co.,Ltd. Room No. 801, Building A, Dawning Center, 500 HongBaoShi Road, Post Shanghai, China	86-21-6295-0088
	SK networks CO., LTD. SHANGHAI OFFICE Room No. 801, Building A, Dawning Center, 500 HongBaoShi Road, Post Shanghai, China	86-21-6295-0088
	Shanghai Launch-SK Automobile Service Co., Ltd 3Floor, 77Jinan Rd, Pudong, Shanghai, China	86-21-5169-6099(201)
	SK networks (Shanghai) Marketing Co., Ltd A-903, 500 Ruby Road (E), Shanghai, China	86-21-3209-3338
Shenyang	Shenyang SK energy Co., Ltd Room 0506, SK Building, No.61 Shengli South Street, Heping District, Shenyang, Liaoning Province, China	86-24-3137-0707
	Shenyang SK networks Energy Co., Ltd Room 0506, SK Building, No.61 Shengli South Street, Heping District, Shenyang, Liaoning Province, China	86-24-3137-0707
	SK networks(China)Holdings Co., Ltd Room 0901, SK Building, No.62 Shengli South Street, Heping District, Shenyang, Liaoning Province, China	86-24-3137-0777
	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. Room 0503, SK Building, No.61 Shengli South Street, Heping District, Shenyang, Liaoning Province, China	86-24-3132-5651
Dandong	SK networks (Shenyang) auto service No 187, Daxi Road, Shenhe District, Shenyang	86-24-2297-5000
	Dandong SK networks Energy Co., Ltd. No.8 Riverside Backstreet, Zhen'an District, Dandong, China	86-415-398-1111
	Dandong SK networks Logistics Co.,Ltd. Room 210, Multiple Building, jinquan 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	Dandong SK networks Building Materials Co.,Ltd. No. 8 Riverside Backstreet, Zhen'an district, Dandong, china	86-415-398-1111
	Dalian POSCO-CFM Coated Steel Co.,Ltd. 1-4-5 Zhenpeng Industrial Area Dalian Economic & Technical Development Zone Dalian China	86-0411-8751-5080
Guangzhou	SK networks Co.,Ltd. DALIAN OFFICE 14th Floor, Senmao Bldg. 147 Zhong Shan Road Xiigang District, Dalian, China (116011)	86-411-8369-3300
	SK (GZ Freezone) Co.,Ltd. Room 2501-2502, Tianyu Bldg, Linhe Road 8, Tianhe District, China	86-20-8550-1045
Zhangjiagang	SK networks (Guangzhou) auto service Room 1306, No 183, Tianhebei Road, Tianhe District, Guangzhou	86-20-8550-1045
	SK(ZHANGJIAGANG)METAL PRODUCTS CO.,LTD. Room 1038, Guo Tai Times Plaza, No.65 Renmin(M) Road, Zhangjiagang, China	86-512-5671-9131
Qingdao	ZHANGJIAGANG DONGBU HIGH TECHNOLOGY METAL PRODUCTS Co., Ltd Qigan Central Road, Economic City, Jingsu, China	86-512-5695-1051
	SK networks Co., Ltd. QINGDAO OFFICE Room No. 1902, Huayin Tower, 5 Donghai Xi Road, Qingdao, China	86-532-8387-4333
Pinghu	SK networks (Qingdao) auto service No 298, Chongqing South Road, Sifang District, Qingdao, China	86-532-8496-7577
	POSK (Pinghu) Steel Processing Center Co.,Ltd 2222, Xingming Road, Economic Development Zone, Pinghu City, Zhejiang Province, China(314200)	86-573-8522-3333
Qijiang	Yunnan Jueying Mining Development Co.,Ltd. 32/F, B Block, Yin Hai Soho, Beijing Road, Kunming, Yunnan, China	86-871-310-1933
Ningbo	Ningbo SK Zhenbang Chemical Co.,Ltd. Bin Hai Road, Hangzhou Bay New District Cixi City, Zhejiang Province, China	86-574-6307-0730
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	86-754-8881-7218
Chengdu	SK networks Co., Ltd. CHENGDU OFFICE ROOM NO. 1911, BUILDING B, TIMES PLAZA, NO.2, ZONGFU ROAD, CHENGDU, 610016	86-28-8665-2550
Yuanqu	Northern Copper Industrial Co.,Ltd Dongfengshan, Yuanqu, Yuncheng, Shanxi, China	86-359-603-1978
Yingkou	SK networks BX (YINGKOU) STEEL PROCESSING CO.,LTD Ying Kou City, Liaoning, China	86-24-3137-0777
Xiamen	SK networks METAL (Xiamen) Co.,Ltd Room No.318, 3rd fl.Xiang-An Bei Road No. 3699, Huoju High-Tech Industrial Development Zone(Xiang-An), Xiamen,Fujian Province, P.R.China(zip code:361101)	86-592-776-9672/9675

Hengyang	Hunanzhonghan Mining Co.,Ltd. 2Hao 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 auto service H.K Unit 6312, 63/F, The Center, 99 Queen's Road Central, Hong Kong	852-2154-7600
	SK networks HONG KONG LIMITED Unit 6312, 63/F., The Center, 99 Queen's Road Central, Hong Kong	852-2154-7600
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	Bailend LLP P.O.Box 146, Road Town, Almaty, Republic of Kazakhstan ※ 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.;	7-727-270-9660
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 ※ Mining area : Jl. Lintas Sumatra km 04 Sarolangun Jambi	62-21-5290-0907
	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 ※ Plantation area : Jl. Kodeco Km 65 Tanah Bumbu Regency South Kalimantan Province Indonesia	62-21-515-5688
Bantam	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
Ho Chi Minh	SK networks Co., Ltd. HO CHI MINH OFFICE 8/F Diamond Plaza 34 Le Duan St., Sist.1, HCMC, Vietnam	84-8-3823-1397
Corlu	Daiyang - SK networks metal Avrupa Serbest Bolgesl 115 Ada 2ve 3 Parsel Corlu Tekirdag, Turkey	90-282-691-1078
London	Springfield Wine Co. Ltd. 19-20 Grosvenor Street, London, W1K 4QH	44-20-7499-0956
Praha	SK networks Deutschland GmbH, Praha Office Rybna 682/14, 11 000 Praha 1, Stare Mesto	42-222-191-406
Frankfurt	SK networks Deutschland GmbH Lyoner Street 34, 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
Riyadh	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
	SK networks Co., Ltd. RIYADH OFFICE Al-Akariyah Bldg 3 (Room 426) P.O. Box 19490 Riyadh Saudi Arabia	996-1-460-0356
Zeddah	SK networks Co., Ltd. Zeddah OFFICE Room 703, Al Shuhelli Bldg., P.O. Box 1077, Zeddah 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	1-212-477-7778
Los Angeles	SK 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	55-11-7573-0647
Colonia del Valle	Korean Boleo Corporation, Sociedad Anonima de Capital Variable Luz Savinon No.205 Colonia del Valle Mexico, D.F. C.P. 03100, Mexico ※ Mining area : Av. De Las Flores #13 Col. Mesa Mexico 2390, Santa Rosalia. B.C.S 615-1522-190	52-604-685-2323
Sydney	SK networks Steel Australia Pty Ltd. Level 24, BT Tower, 1 Market street, Sydney, NSW 2000, Australia	61-2-8882-1007
	SK networks Resources Australia Pty Ltd Level 24, BT Tower, 1 Market Street, Sydney, NSW 2000, Australia	61-2-9265-1811
	SK networks Resources Australia (Wyong) Pty Ltd Level 24, BT Tower, 1 Market Street, Sydney, NSW 2000, Australia	61-2-9265-1811
Vancouver	SK networks Resources Pty Ltd 25 Bryant Drive Tuggerah, NSW 2259, Australia	61-2-4352-7500
	SK networks Resources Canada Ltd. 1200 Waterfront Centre, 200 Burrard Street, Vancouver, B.C., Canada	604-687-5744

SUBSIDIARIES

SK networks Service

Mobile phone A/S and network and repair and maintenance 12th floor, MIES Building, 21-1 Seosomun-dong, Jung-gu, Seoul
Tel. 82-70-7805-2045

SK networks Internet

Mobile content/applications and service platform 11th floor, Eulji-ro 2-ga, Jung-gu, Seoul, Korea
Tel. 82-70-7800-3411

SK pinx

Integrated real estate corporation 15th floor, Eulji-ro 2-ga, Jung-gu, Seoul, Korea
Tel. 82-70-7800-2695

MRO Korea

Domestic distribution of MRO materials, electronic procurements, and systems consulting 686-44 Sindaebang 1-dong, Dongjak-gu, Seoul
Tel. 82-2-2104-4900

WS Trading

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

AFFILIATES

SK holdings

www.sk.co.kr

Energy and Chemicals

SK innovation

www.skinnovation.com

SK energy

www.skenergy.com

SK global chemical

www.skglobalchemical.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 and Communications

SK telecom

www.sktelecom.com

SK C&C

www.skcc.co.kr

SK broadband

www.skbroadband.com

SK telink

www.sktelink.com

SK communications

<http://corp.nate.com>

SK telesys

www.sktelesys.com

Trading and Service

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	April	Founded as Sunkyoung Textiles (President & CEO: Chey Jong-kun)
1967	May	Launched "Georgette," the first polyester product in Korea
1973	November	Chairman Chey Jong-hyun took office
1976	January	Acquired Sunil Textiles; company name changed to Sunkyoung
	November	Designated as General Trading Company Chairman Chey Jong-hyun took office
1977	June	IPO and listing on the Korea stock exchange
1980	December	Acquired Korea National Oil Corporation
1990	May	Launched SMART school uniform business
1995	July	Number of SK gas stations exceeded 3,000
1996	September	Number of mobile communications outlets exceeded 1,000
1998	January	Company name changed to SK Global
1999	February	Acquired "Speedmate"
	December	Acquired SK Distribution
2000	July	Acquired SK energy Sales Company name changed to SK Global
	November	Acquired duty-free shop
2003	August	Launched "Tommy Hilfiger" premium casual brand
	October	Company name changed to SK networks
2005	February	Launched wine business
	September	Established holding company in China
2006	February	Launched DKNY Acquired Shantou PS
	2007	March
April		Established SK network Service
November		Acquired Obzee; launched Wine Fund No. 1
2008	January	Introduced CIC (Company-in-Company) system
	June	Established DYSK
	December	Annual exports exceeded USD 10 billion
2009	January	President & CEO Lee Chang-kyu took office Launched O'2nd fashion business in China
	March	Launched agricultural plantation business in Indonesia
	September	Introduced GHQ System and established Chinese and Indonesian HQs
	November	Declared Vision 2020
	December	Acquired Walkerhill
2010	January	Introduced "Understanding the Mool-li" management strategy
	September	Invested in MMK of Brazil, the largest-ever equity stake by a domestic non-petroleum resources developer Acquired Jeju Pinx Resort and launched SK pinx
	October	Opened Shenyang SK Bus Terminal, becoming the first foreign player to enter the Chinese public facilities business
	December	Acquired SK energy's coal business
2011	February	Completed SK networks Dandong Happiness Academy
	March	Acquired Kumho Rent-a-Car (China) Received "KRW 200 Billion Tax Tower" Award from the National Tax Service



www.sknetworks.com

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