

SK TELECOM CO LTD  
Form 6-K  
February 07, 2005

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

**Form 6-K**

**REPORT OF FOREIGN PRIVATE ISSUER  
PURSUANT TO RULE 13a-16 OR 15d-16 OF  
THE SECURITIES EXCHANGE ACT OF 1934**

**FOR THE MONTH OF FEBRUARY 2005**

**SK Telecom Co., Ltd.**

*(Translation of registrant's name into English)*

99, Seorin-dong  
Jongro-gu  
Seoul, Korea

*(Address of principal executive offices)*

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

Form 20-F

Form 40-F

(Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.)

Yes

No

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

**Table of Contents**

January 26, 2005

**Results for the Quarter  
ended December 31, 2004**

**\* The information contained herein is based on Korean GAAP.**

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**Seoul, Korea, January 26, 2005 SK Telecom Co., Ltd. (KSE: 017670, NYSE: SKM) ( SKT or the Company ), the leading wireless telecommunications company in Korea, today announced the results of its operations for the quarter ended December 31, 2004.**

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*This material contains forward-looking statements with respect to the financial condition, results of operations and business of SK Telecom and plans and objectives of the management of SK Telecom. Statements that are not historical facts, including statements about SK Telecom's beliefs and expectations, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results or performance of SK Telecom to be materially different from any future results or performance expressed or implied by such forward-looking statements. SK Telecom does not make any representation or warranty, expressed or implied, as to the accuracy or completeness of the information contained in this management presentation, and nothing contained herein is, or shall be relied upon as, a promise or representation, whether as to the past or the future.*

*Such forward-looking statements were based on current plans, estimates and projections of SK Telecom and the political and economic environment in which SK Telecom will operate in the future, and therefore you should not place undue reliance on them. Forward-looking statements speak only as of the date they are made, and SK Telecom understates no obligation to update publicly any of them in light of new information or future events. Additional information concerning these and other risk factors are contained in SK Telecom's latest annual report on Form 20-F and in SK Telecom's other filings with The U.S. Securities and Exchange Commission (SEC).*

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**Contents**

|                    |   |          |
|--------------------|---|----------|
| <b><u>I.</u></b>   | <b><u>Financial Highlights</u></b>            | <b>1</b> |
| <b><u>II.</u></b>  | <b><u>Financial Results</u></b>               | <b>2</b> |
|                    | <b><u>1. Income Statement</u></b>             |          |
|                    | <b><u>2. Capital Expenditure</u></b>          |          |
|                    | <b><u>3. Balance Sheet</u></b>                |          |
| <b><u>III.</u></b> | <b><u>Operating Result</u></b>                | <b>6</b> |
| <b><u>IV.</u></b>  | <b><u>Appendix (Financial Statements)</u></b> | <b>7</b> |
| <b><u>V.</u></b>   | <b><u>IR Contacts</u></b>                     | <b>9</b> |

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**Table of Contents****I. Financial Highlights****Summary of Income Statement**

| (KRW bn)                    | 2004         | 2003         | Change        | Q4.'04       | Q3.'04       | Change        |
|-----------------------------|--------------|--------------|---------------|--------------|--------------|---------------|
| <b>Operating revenue</b>    | <b>9,704</b> | <b>9,520</b> | <b>2%</b>     | <b>2,485</b> | <b>2,434</b> | <b>2%</b>     |
| <b>Operating expenses</b>   | <b>7,344</b> | <b>6,440</b> | <b>14%</b>    | <b>1,890</b> | <b>1,823</b> | <b>4%</b>     |
| <b>Operating income</b>     | <b>2,360</b> | <b>3,081</b> | <b>-23%</b>   | <b>594</b>   | <b>611</b>   | <b>-3%</b>    |
| <i>Operating margin</i>     | <i>24.3%</i> | <i>32.4%</i> | <i>-8.0%p</i> | <i>23.9%</i> | <i>25.1%</i> | <i>-1.2%p</i> |
| <b>Other income</b>         | <b>237</b>   | <b>250</b>   | <b>-5%</b>    | <b>47</b>    | <b>49</b>    | <b>-6%</b>    |
| <b>Other expenses</b>       | <b>481</b>   | <b>617</b>   | <b>-22%</b>   | <b>160</b>   | <b>107</b>   | <b>49%</b>    |
| <b>Ordinary income</b>      | <b>2,116</b> | <b>2,714</b> | <b>-22%</b>   | <b>481</b>   | <b>553</b>   | <b>-13%</b>   |
| <b>Net income</b>           | <b>1,495</b> | <b>1,943</b> | <b>-23%</b>   | <b>348</b>   | <b>396</b>   | <b>-12%</b>   |
| <i>Net margin</i>           | <i>15.4%</i> | <i>20.4%</i> | <i>-5.0%p</i> | <i>14.0%</i> | <i>16.2%</i> | <i>-2.2%p</i> |
| <b>EBITDA <sup>1)</sup></b> | <b>4,059</b> | <b>4,693</b> | <b>-14%</b>   | <b>1,090</b> | <b>1,038</b> | <b>5%</b>     |
| <i>EBITDA margin</i>        | <i>41.8%</i> | <i>49.3%</i> | <i>-7.5%p</i> | <i>43.9%</i> | <i>42.7%</i> | <i>1.2%p</i>  |

1) EBITDA = Operating income + Depreciation (including R&D related depreciation)

**Other Main Items**

| (KRW bn)                       | 2004         | 2003         | Change         | Q4.'04       | Q3.'04       | Change        |
|--------------------------------|--------------|--------------|----------------|--------------|--------------|---------------|
| <b>Wireless Internet sales</b> | <b>1,823</b> | <b>1,320</b> | <b>38%</b>     | <b>544</b>   | <b>470</b>   | <b>16%</b>    |
| <i>% of Cellular revenue</i>   | <i>20.6%</i> | <i>15.5%</i> | <i>5.1%p</i>   | <i>23.9%</i> | <i>21.2%</i> | <i>2.7%p</i>  |
| <b>Marketing expenses</b>      | <b>1,860</b> | <b>1,579</b> | <b>18%</b>     | <b>372</b>   | <b>436</b>   | <b>-15%</b>   |
| - Marketing commissions        | 1,532        | 1,217        | 26%            | 291          | 366          | -20%          |
| - Advertising                  | 329          | 361          | -9%            | 80           | 69           | 16%           |
| <i>% of Revenue</i>            | <i>19.2%</i> | <i>16.6%</i> | <i>2.6%p</i>   | <i>15.0%</i> | <i>17.9%</i> | <i>-2.9%p</i> |
| <b>Capital expenditure</b>     | <b>1,607</b> | <b>1,696</b> | <b>-5%</b>     | <b>726</b>   | <b>416</b>   | <b>75%</b>    |
| <i>% of Revenue</i>            | <i>16.6%</i> | <i>17.8%</i> | <i>-1.3%p</i>  | <i>29.2%</i> | <i>17.1%</i> | <i>12.1%p</i> |
| <b>Interest-bearing debt</b>   | <b>3,790</b> | <b>4,351</b> | <b>-13%</b>    | <b>3,790</b> | <b>4,216</b> | <b>-10%</b>   |
| <i>Debt/Equity ratio</i>       | <i>53.2%</i> | <i>73.2%</i> | <i>-20.1%p</i> | <i>53.2%</i> | <i>62.5%</i> | <i>-9.3%p</i> |

**Table of Contents****II. Financial Results****1. Income Statement****A. Operating revenue**

| (KRW bn)                     | 2004  | 2003  | Change | Q4.'04 | Q3.'04 | Change |
|------------------------------|-------|-------|--------|--------|--------|--------|
| Sign-up fees                 | 198   | 177   | 12%    | 46     | 42     | 10%    |
| Monthly fees                 | 2,940 | 2,905 | 1%     | 685    | 744    | -8%    |
| Call charges                 | 3,528 | 3,666 | -4%    | 906    | 870    | 4%     |
| VAS & others                 | 355   | 425   | -16%   | 91     | 91     | -1%    |
| Wireless Internet sales      | 1,823 | 1,320 | 38%    | 544    | 470    | 16%    |
| <i>% of Cellular service</i> | 20.6% | 15.5% | 5.1%p  | 23.9%  | 21.2%  | 2.7%p  |
| Total cellular service       | 8,845 | 8,493 | 4%     | 2,272  | 2,218  | 2%     |
| Interconnection revenue      | 859   | 1,027 | -16%   | 212    | 216    | -2%    |
| L -> M                       | 432   | 615   | -30%   | 94     | 110    | -15%   |
| M -> M                       | 427   | 412   | 3%     | 118    | 106    | 12%    |
| Operating revenue            | 9,704 | 9,520 | 2%     | 2,485  | 2,434  | 2%     |

**1) Sign-up fees**

The Year-over-Year ( YoY ) increase was due to increase in subscriber addition.

**2) Monthly fees**

The YoY increase was due to increase in the number of average subscribers.

The Quarter-over-Quarter ( QoQ ) decrease was due to the cut in monthly fee implemented from September 1st, 2004.

**3) Call charges**

The YoY reduction was caused by slight decrease in MOU and the contract based discount plan.

The QoQ increase was due to increase in MOU.

**4) VAS & others**

The YoY decrease was mainly due to the reduction in Caller ID fee implemented in October 2003.

**5) Wireless Internet sales**

The YoY revenue growth from Wireless Internet sales was driven by the higher Wireless Internet usage primarily due to the continued adoption of high-end handsets and offering

of a variety of new services such as Mobile Cyworld and MMS. The increase in Wireless internet sales was also driven by increase in monthly flat fees from the introduction of unlimited data usage tariff plan.

Accordingly, Wireless Internet sales accounted for 20.6% of cellular revenue in 2004, exceeding the guidance of 20%.

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**Table of Contents****6) Interconnection revenue**

LM: The YoY decrease was due to the interconnection rate adjustment in July 2004 and the decrease in call traffic. Interconnection revenue decreased QoQ because some of the international interconnection rates were finalized in October 2004, resulting in retroactive adjustment of the figures from January to September in the 4th quarter.

MM: The YoY and QoQ revenue increased due to increase in call traffic.

**B. Operating expenses**

| (KRW bn)                          | 2004         | 2003         | Change     | Q4.'04       | Q3.'04       | Change      |
|-----------------------------------|--------------|--------------|------------|--------------|--------------|-------------|
| <b>Labor cost</b>                 | <b>448</b>   | <b>393</b>   | <b>14%</b> | <b>90</b>    | <b>100</b>   | <b>-10%</b> |
| <b>Commissions paid</b>           | <b>2,827</b> | <b>2,325</b> | <b>22%</b> | <b>659</b>   | <b>697</b>   | <b>-5%</b>  |
| <b>Marketing commissions</b>      | <b>1,532</b> | <b>1,217</b> | <b>26%</b> | <b>291</b>   | <b>366</b>   | <b>-20%</b> |
| Initial commissions               | 437          | 208          | 110%       | 95           | 112          | -15%        |
| Monthly commissions               | 398          | 417          | -4%        | 91           | 94           | -3%         |
| Retention commissions             | 697          | 593          | 18%        | 105          | 160          | -34%        |
| <b>Other commissions</b>          | <b>1,296</b> | <b>1,107</b> | <b>17%</b> | <b>367</b>   | <b>331</b>   | <b>11%</b>  |
| <b>Advertising</b>                | <b>329</b>   | <b>361</b>   | <b>-9%</b> | <b>80</b>    | <b>69</b>    | <b>16%</b>  |
| <b>Depreciation <sup>1)</sup></b> | <b>1,700</b> | <b>1,612</b> | <b>5%</b>  | <b>495</b>   | <b>427</b>   | <b>16%</b>  |
| <b>Network interconnection</b>    | <b>859</b>   | <b>738</b>   | <b>16%</b> | <b>245</b>   | <b>214</b>   | <b>15%</b>  |
| M -> M                            | 645          | 525          | 23%        | 180          | 162          | 11%         |
| M -> L                            | 214          | 213          | 1%         | 66           | 52           | 27%         |
| <b>Leased line</b>                | <b>365</b>   | <b>302</b>   | <b>21%</b> | <b>99</b>    | <b>94</b>    | <b>5%</b>   |
| <b>Others <sup>2)</sup></b>       | <b>817</b>   | <b>709</b>   | <b>15%</b> | <b>222</b>   | <b>221</b>   | <b>0%</b>   |
| <b>Operating expenses</b>         | <b>7,344</b> | <b>6,440</b> | <b>14%</b> | <b>1,890</b> | <b>1,823</b> | <b>4%</b>   |

1) *Includes R&D related depreciation*

2) *For details, please refer to non-consolidated statements of income in appendix*

**1) Labor cost**

Increase in 2004 labor cost was due to increase in incentive bonus and wages.

**2) Commissions paid**

Marketing commissions: Initial commissions increased YoY due to increase in subscriber addition and higher subscriber acquisition cost under Mobile Number Portability (MNP) environment.

Retention commissions increased YoY due to increased cost related to Membership program and more active handset upgrade program to lock-in good quality subscribers.

As the market continued its stabilization in the 4th quarter, marketing commissions decreased QoQ due to fall in such thing as subscriber acquisition cost, membership-related expenses and handset upgrade activities.

Other commissions: The increase was due to increase in the payment of Information Usage Fee to Content Providers as the wireless internet usage increased and the increase in the international roaming commissions.

**3) Advertising cost**

Advertising cost decreased YoY because SKT placed its resources more on marketing activities directly related to subscriber acquisition under MNP environment.

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**Table of Contents**

Advertising cost increased QoQ due to promotion of a new service called MelOn which was launched in November 2004 and increase in corporate brand advertising.

**4) Depreciation**

The YoY increase was due to the amortization of WCDMA frequency usage right from December, 2003.

The QoQ increase resulted from the increase in depreciable assets.

**5) Network interconnection cost**

The YoY increase was due to the MM traffic increase and the interconnection rate adjustment in July 2004.

The QoQ increase was because SKT's portion of Universal Service Fund(USF) for 2003 was finalized in December 2004.

**6) Leased line**

Leased line expense increased QoQ and YoY as more lines were leased to accommodate the increase in Wireless Internet traffic, and to enhance call quality.

**C. Non-operating items**

| (KRW bn)                         | 2004       | 2003       | Change      | Q4.'04     | Q3.'04     | Change     |
|----------------------------------|------------|------------|-------------|------------|------------|------------|
| <b>Other income</b>              | <b>237</b> | <b>250</b> | <b>-5%</b>  | <b>47</b>  | <b>49</b>  | <b>-6%</b> |
| Interest income                  | 68         | 68         | 0%          | 16         | 15         | 6%         |
| Equity in earnings of affiliates | 54         |            | N/A         |            | 14         | -100%      |
| Others <sup>1)</sup>             | 115        | 182        | -37%        | 31         | 20         | 53%        |
| <b>Other expenses</b>            | <b>481</b> | <b>617</b> | <b>-22%</b> | <b>160</b> | <b>107</b> | <b>49%</b> |
| Interest                         | 302        | 376        | -19%        | 67         | 79         | -15%       |
| R&D contribution & donations     | 88         | 90         | -2%         | 29         | 20         | 49%        |
| Others <sup>1)</sup>             | 90         | 151        | -40%        | 63         | 9          | 610%       |

1) For details, please refer to non-consolidated statements of income in appendix

**1) Equity in earnings of affiliates**

The YoY increase in equity method profit was due to profit improvement in subsidiaries such as SK Communications.

**2) Others in Non-Operating Income**

Others in Non-Operating Income decreased YoY since there were value-added tax refund from STI handset sales and miscellaneous income from the reuse of written-off equipment in 2003.

**3) Interest**

Interest expense decreased QoQ and YoY due to lower cost of borrowing and decrease in average balance of interest-bearing debt.

**4) Others in Non-Operating Expenses**

The YoY decline in non-operating expense was from the reduction in loss on equity method due to profit improvement in subsidiaries and reduction in loss on disposal of investment assets.

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**Table of Contents****2. Capital Expenditure**

| (KRW bn)                      | 2004         | 2003         | Change     | Q4.'04     | Q3.'04     | Change      |
|-------------------------------|--------------|--------------|------------|------------|------------|-------------|
| <b>Network</b>                | <b>1,153</b> | <b>1,262</b> | <b>-9%</b> | <b>483</b> | <b>336</b> | <b>44%</b>  |
| 95 A/B                        | 93           | 96           | -3%        | 29         | 16         | 85%         |
| CDMA 2000 1X                  | 635          | 641          | -1%        | 208        | 197        | 6%          |
| 1X                            | 590          | 605          | -2%        | 202        | 191        | 5%          |
| EV-DO                         | 45           | 36           | 25%        | 6          | 5          | 21%         |
| WCDMA                         | 220          | 204          | 8%         | 157        | 57         | 174%        |
| Backbone & others             | 205          | 321          | -36%       | 89         | 67         | 33%         |
| <b>Non-Network</b>            | <b>454</b>   | <b>435</b>   | <b>4%</b>  | <b>243</b> | <b>80</b>  | <b>205%</b> |
| Wireless Internet & marketing | 181          | 262          | -31%       | 77         | 26         | 190%        |
| General supporting            | 273          | 172          | 58%        | 166        | 53         | 213%        |
| <b>Total CapEx</b>            | <b>1,607</b> | <b>1,696</b> | <b>-5%</b> | <b>726</b> | <b>416</b> | <b>75%</b>  |

**3. Balance Sheet**

| (KRW bn)                               | 2004.         | 2003.         | Change         | 2004.         | 2004. 9       | Change        |
|--|---------------|---------------|----------------|---------------|---------------|---------------|
| <b>Total assets</b>                    | <b>14,021</b> | <b>13,376</b> | <b>5%</b>      | <b>14,021</b> | <b>13,887</b> | <b>1%</b>     |
| Current assets                         | 3,854         | 3,461         | 11%            | 3,854         | 3,982         | -3%           |
| Cash & marketable securities           | 761           | 988           | -23%           | 761           | 635           | 20%           |
| Investment assets                      | 2,112         | 1,763         | 20%            | 2,112         | 2,068         | 2%            |
| Property & equipment                   | 4,605         | 4,552         | 1%             | 4,605         | 4,398         | 5%            |
| Intangible assets                      | 3,449         | 3,600         | -4%            | 3,449         | 3,438         | 0%            |
| <b>Total liabilities</b>               | <b>6,894</b>  | <b>7,434</b>  | <b>-7%</b>     | <b>6,894</b>  | <b>7,138</b>  | <b>-3%</b>    |
| Current liabilities                    | 2,860         | 4,232         | -32%           | 2,860         | 3,288         | -13%          |
| Short-term borrowings                  | 400           | 729           | -45%           | 400           | 490           | -18%          |
| Current portion of long-term debt      | 498           | 1,364         | -63%           | 498           | 998           | -50%          |
| Long-term liabilities                  | 4,034         | 3,202         | 26%            | 4,034         | 3,849         | 5%            |
| Bond payable & long-term borrowings    | 2,892         | 2,258         | 28%            | 2,892         | 2,728         | 6%            |
| <b>Total shareholders equity</b>       | <b>7,127</b>  | <b>5,942</b>  | <b>20%</b>     | <b>7,127</b>  | <b>6,749</b>  | <b>6%</b>     |
| <b>Debt/Equity ratio <sup>1)</sup></b> | <b>53.2%</b>  | <b>73.2%</b>  | <b>-20.1%p</b> | <b>53.2%</b>  | <b>62.5%</b>  | <b>-9.3%p</b> |

1) *Debt/Equity Ratio = Interest-bearing debt / Shareholders equity*

**Table of Contents**

\* *Interest-bearing debt = Short-term borrowings + Current portion of long-term debt + Corporate bonds*

**1) Cash & marketable securities**

Cash & Marketable Securities balance decreased mainly due to the debt repayment during the period.

**2) Investment assets**

The YoY increase was due to the increase in equity method gain and valuation gain on available-for-sale securities.

**3) Total liabilities**

As of December 2004, debt to equity ratio decreased to 53.2% from 73.2% in 2003 due to the reduction of debt.

**III. Operating Result**

|                                       | <b>2004</b>       | <b>2003</b> | <b>Change</b> | <b>Q4.'04</b> | <b>Q3.'04</b> | <b>Change</b> |
|---------------------------------------|-------------------|-------------|---------------|---------------|---------------|---------------|
| Subscribers ( 000)                    | 18,783            | 18,313      | 3%            | 18,783        | 18,603        | 1%            |
| Net adds                              | 470               | 1,094       | -57%          | 180           | 8             | 2239%         |
| Activations                           | 4,407             | 3,688       | 19%           | 1,018         | 902           | 13%           |
| Deactivations                         | 3,937             | 2,595       | 52%           | 837           | 895           | -6%           |
| <i>Monthly churn rate</i>             | <i>1.7%</i>       | <i>1.2%</i> | <i>0.6%p</i>  | <i>1.5%</i>   | <i>1.6%</i>   | <i>-0.1%p</i> |
| Average subscribers( 000)             | 18,572            | 17,810      | 4%            | 18,682        | 18,721        | 0%            |
| ARPU (KRW)                            | 43,542            | 44,546      | -2%           | 44,336        | 43,343        | 2%            |
| Sign-up fee                           | 890               | 826         | 8%            | 827           | 748           | 11%           |
| Monthly fee & call charge             | 29,023            | 30,748      | -6%           | 28,388        | 28,747        | -1%           |
| VAS & others                          | 1,594             | 1,988       | -20%          | 1,620         | 1,625         | 0%            |
| Wireless Internet                     | 8,182             | 6,177       | 32%           | 9,710         | 8,375         | 16%           |
| Interconnection                       | 3,853             | 4,807       | -20%          | 3,791         | 3,849         | -2%           |
| MOU (Minutes)                         |                   |             |               |               |               |               |
| Outgoing                              | 193 <sub>1)</sub> | 197         | -2%           | 195           | 188           | 4%            |
| Incoming                              | 112 <sub>1)</sub> | 113         | -1%           | 116           | 114           | 2%            |
| Subscribers by handset feature ( 000) |                   |             |               |               |               |               |
| 1x (Including EV-DO)                  | 17,048            | 14,424      | 18%           | 17,048        | 16,672        | 2%            |
| EV-DO (Including June)                | 6,484             | 3,562       | 82%           | 6,484         | 5,962         | 9%            |
| June                                  | 3,622             | 1,678       | 116%          | 3,622         | 3,160         | 15%           |
| Color                                 | 14,843            | 10,570      | 40%           | 14,843        | 14,193        | 5%            |

**Table of Contents**

|  | <b>2004</b> | <b>2003</b> | <b>Change</b> | <b>Q4.'04</b> | <b>Q3.'04</b> | <b>Change</b> |
|--|-------------|-------------|---------------|---------------|---------------|---------------|
| Data ARPU by handset (KRW) <sup>2)</sup> |             |             |               |               |               |               |
| 2G                                       | 1,650       | 1,362       | 21%           | 1,975         | 1,750         | 13%           |
| 1X(Including EV-DO)                      | 8,243       | 7,293       | 13%           | 9,184         | 8,340         | 10%           |
| Color                                    | 9,614       | 9,911       | -3%           | 10,314        | 9,571         | 8%            |

1) MOU for November and December of 2004 is an estimate.

2) Excludes others in wireless internet sales such as financial enabler, Solution/Platform sales, etc.

**IV. Appendix (Non-Consolidated Statements of Income)**

| <b>(KRW mn)</b>                       | <b>2004</b> | <b>2003</b> | <b>Q4.'04</b> | <b>Q3.'04</b> |
|---------------------------------------|-------------|-------------|---------------|---------------|
| Operating revenue                     | 9,703,681   | 9,520,244   | 2,484,849     | 2,434,269     |
| Operating expenses                    | 7,344,100   | 6,439,585   | 1,890,469     | 1,822,931     |
| Labor cost <sup>1)</sup>              | 448,099     | 392,701     | 89,600        | 99,758        |
| Commissions paid                      | 2,827,159   | 2,324,586   | 658,594       | 696,906       |
| Advertising                           | 328,552     | 361,114     | 80,266        | 69,392        |
| Depreciation <sup>2)</sup>            | 1,699,531   | 1,612,132   | 495,434       | 427,045       |
| Network interconnection               | 858,754     | 738,236     | 245,278       | 214,005       |
| Leased line                           | 365,444     | 302,288     | 98,847        | 94,406        |
| Rent                                  | 167,671     | 140,213     | 44,620        | 42,784        |
| Frequency usage fees                  | 143,047     | 129,525     | 37,836        | 37,872        |
| Bad debt                              | 22,544      | 19,536      | 3,227         | 19,317        |
| Others                                | 483,298     | 419,253     | 136,768       | 121,447       |
| Operating income                      | 2,359,581   | 3,080,660   | 594,381       | 611,338       |
| Other income                          | 237,129     | 250,448     | 46,575        | 49,398        |
| Interest income                       | 68,319      | 68,259      | 15,729        | 14,906        |
| Equity in earnings of affiliates      | 53,825      |             |               | 14,386        |
| Dividend income                       | 23,843      | 25,923      | 1,139         | 3,912         |
| Foreign exchange & translation gains  | 10,897      | 2,064       | 1,634         | 187           |
| Others                                | 80,245      | 154,202     | 28,073        | 16,007        |
| Other expenses                        | 480,932     | 616,914     | 159,600       | 107,267       |
| Interest                              | 302,491     | 375,609     | 67,014        | 78,742        |
| R&D contribution & donations          | 88,345      | 90,200      | 29,277        | 19,608        |
| Equity in losses of affiliates        |             | 30,537      | 4,414         |               |
| Foreign exchange & translation losses | 6,248       | 1,065       | 4,401         | 324           |

**Table of Contents**

| <b>(KRW mn)</b>   | <b>2004</b> | <b>2003</b> | <b>Q4.'04</b> | <b>Q3.'04</b> |
|---|-------------|-------------|---------------|---------------|
| Loss on impairment of investment securities                 | 32,074      | 20,343      | 19,293        | 1,000         |
| Loss on disposal of investment assets, & property/equipment | 19,154      | 57,991      | 9,408         | 869           |
| Others  | 32,620      | 41,169      | 25,792        | 6,725         |
| Ordinary income   | 2,115,778   | 2,714,194   | 481,355       | 553,469       |
| Income before income taxes                                  | 2,115,778   | 2,714,194   | 481,355       | 553,469       |
| Income taxes  | 620,926     | 771,444     | 133,283       | 157,934       |
| Net income  | 1,494,852   | 1,942,750   | 348,072       | 395,536       |

1) *Includes salary, severance pay and other benefits*

2) *Includes R&D related depreciation*

**IV. Appendix (Non-Consolidated Balance Sheets)**

| <b>(KRW mn)</b>                              | <b>2004</b>       | <b>2003</b>       | <b>2004.12</b>    | <b>2004. 9</b>    |
|--|-------------------|-------------------|-------------------|-------------------|
| <b>Total assets</b>                          | <b>14,020,705</b> | <b>13,375,959</b> | <b>14,020,705</b> | <b>13,886,526</b> |
| Current assets                               | 3,854,345         | 3,460,706         | 3,854,345         | 3,982,333         |
| Cash and marketable securities <sup>1)</sup> | 761,055           | 987,646           | 761,055           | 635,140           |
| Accounts receivable trade                    | 1,562,774         | 1,438,836         | 1,562,774         | 1,359,706         |
| Accounts receivable other                    | 1,365,226         | 811,496           | 1,365,226         | 1,785,905         |
| Short-term loans                             | 55,613            | 51,102            | 55,613            | 55,694            |
| Inventories                                  | 10,961            | 8,024             | 10,961            | 13,779            |
| Other  | 98,716            | 163,602           | 98,716            | 132,108           |
| Investment assets                            | 2,112,488         | 1,763,359         | 2,112,488         | 2,067,979         |
| Investment securities <sup>2)</sup>          | 1,749,783         | 1,418,734         | 1,749,783         | 1,711,738         |
| Long-term loans                              | 28,284            | 41,591            | 28,284            | 26,169            |
| Guarantee deposits                           | 242,387           | 246,004           | 242,387           | 245,078           |
| Other  | 92,033            | 57,030            | 92,033            | 84,994            |
| Property & equipment                         | 4,605,253         | 4,551,626         | 4,605,253         | 4,397,871         |
| Land   | 463,656           | 446,574           | 463,656           | 446,095           |
| Building & fixture                           | 1,163,070         | 840,237           | 1,163,070         | 808,415           |
| Machinery                                    | 2,585,118         | 2,625,307         | 2,585,118         | 2,266,293         |
| Vehicles & others                            | 255,407           | 329,945           | 255,407           | 364,769           |

**Table of Contents**

| <b>(KRW mn)</b>   | <b>2004</b>      | <b>2003</b>      | <b>2004.12</b>   | <b>2004. 9</b>   |
|---|------------------|------------------|------------------|------------------|
| Construction in progress                                    | 138,002          | 309,564          | 138,002          | 512,299          |
| Intangible assets   | 3,448,619        | 3,600,268        | 3,448,619        | 3,438,343        |
| <b>Total liabilities</b>                                    | <b>6,893,613</b> | <b>7,434,121</b> | <b>6,893,613</b> | <b>7,137,759</b> |
| Current liabilities   | 2,859,711        | 4,231,974        | 2,859,711        | 3,288,332        |
| Short-term borrowings                                       | 400,000          | 728,669          | 400,000          | 490,000          |
| Accounts payable  | 1,070,588        | 1,117,835        | 1,070,588        | 1,011,729        |
| Income taxes payable  | 267,797          | 399,852          | 267,797          | 120,097          |
| Accrued expenses  | 378,303          | 401,245          | 378,303          | 402,091          |
| Current portion of long-term debt                           | 498,278          | 1,364,264        | 498,278          | 998,347          |
| Other   | 244,745          | 220,109          | 244,745          | 266,069          |
| Long-term liabilities                                       | 4,033,902        | 3,202,147        | 4,033,902        | 3,849,428        |
| Bond payable & long-term borrowings                         | 2,891,843        | 2,258,276        | 2,891,843        | 2,727,513        |
| Facility deposits   | 31,440           | 44,197           | 31,440           | 33,316           |
| Accrued severance indemnities                               | 75,409           | 63,663           | 75,409           | 96,390           |
| Others  | 1,035,210        | 836,011          | 1,035,210        | 992,209          |
| <b>Total shareholders equity</b>                            | <b>7,127,091</b> | <b>5,941,838</b> | <b>7,127,091</b> | <b>6,748,767</b> |
| Capital stock   | 44,639           | 44,639           | 44,639           | 44,639           |
| Capital surplus   | 2,983,166        | 2,915,964        | 2,983,166        | 2,983,166        |
| Retained earnings   | 6,156,708        | 5,140,349        | 6,156,708        | 5,808,636        |
| Capital adjustments   | (2,057,422)      | (2,159,114)      | (2,057,422)      | (2,087,675)      |
| Treasury stock  | (2,047,105)      | (2,047,103)      | (2,047,105)      | (2,047,105)      |
| Unrealized gain(loss) on valuation of investment securities | (15,150)         | (115,752)        | (15,150)         | (45,135)         |
| Stock options   | 4,833            | 3,741            | 4,833            | 4,565            |

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- 1) *Cash & marketable securities : Cash & cash equivalent, marketable securities & short-term financial instruments are included*
- 2) *Investment securities : Investments in affiliates with more than 20% interest, listed companies & non-listed companies are included*
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**Table of Contents****V. IR Contacts**

| <b>IR Office</b> | <b>Title</b>      | <b>Telephone</b> | <b>Email address</b> |
|------------------|-------------------|------------------|----------------------|
| Tae-Jin Park     | Head of IR Team   | 02)6100-1631     | tjpark@sktelecom.com |
| Tae-Geon Park    | Manager           | 02)6100-1632     | parktg@sktelecom.com |
| Uk Jang          | Manager           | 02)6100-1633     | ujang@sktelecom.com  |
| JS Oh            | Assistant Manager | 02)6100-1638     | jsoh@sktelecom.com   |
| Hannah Kim       | Assistant Manager | 02)6100-1640     | hannah@sktelecom.com |

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**Table of Contents**

**SIGNATURES**

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

**SK Telecom Co., Ltd.**

By: /s/ Sung Hae Cho  
Name: Sung Hae Cho  
Title: Vice President

Date: February 4, 2005