

Happiness Partner
SK Securities

SK Securities



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Our Vision and Strategy is

To aim for a global leading investment bank in both domestic and global market. We are structuring a sturdy foundation in 'PI & Trading' area by performing distinct and aggressive investment.

By enlarging the market, we hope to become a top tier IB in Asia. Lastly, we will maintain reputation from our investors by regulating the flawless risk management.

Business Expansion

We had advanced into new areas, such as the trust business and asset management in Korea.

We also are preparing to expand into other Asian financial markets, focusing especially in mainland China. Hong Kong will be our geographic and strategic hub for globalization.



Corporate Profile

SK Securities is one of Korea's premiere companies established in 1955, and has grown along with the development of the domestic financial industry. We have several businesses, which are nation's top quality, and we place our highest value on the "sustainable happiness" of all stakeholders, including customers, shareholders, organizational members, and local communities.

Key Information

Establishment	30-Jul-55
CEO	Lee Hyun Seung
Capital Stock	KRW162 billion
IPO	20-Sep-86
Employees	990
Closing Date	31-Mar
Issuer Rating	'A+'(Stable) *

*Korea Investors' Service Inc, Korea Ratings.,Co

Share Data

Shareholder	Shares Held	Ratio	
Major	SK Networks	72,684,750	22.71
	Other	108,481	0.04
Total		320,029,685	100

History Brief

“Evolution” is the adequate word to describe SK Securities. We have a long record of history, and it has been a footage for us to grow into a finance giant of Korea.

1955	July.	Shinwoo Securities established
1986	Sep.	Company listed on stock market
1991	Dec.	Company acquired by Sunkyong Group
1992	Feb.	Company becoming one of Sunkyong Group affiliate
1998	Jan.	Name changed to SK Securities CO., Ltd
2001	Nov. Dec.	PDA-based securities transaction service launched MOBILO Pro* awarded best new financial product by Korea Financial Supervisory Service
2002	Mar.	MOBILO Pro awarded ‘Minister of Commerce’ Industry & Energy Prize’ at 3 rd Mael Economic Daily* Digital Innovation Awards
2006	Nov. Dec.	MOU signed with Bao Viet Securities in Vietnam MOU signed with State Capital Investment Corporation of Vietnam
2007	Jun.	Ho Chi Minh Office opened in Vietnam
2009	Jan. Feb. Mar.	Shanghai Office opened in China Received ‘Best Compliance of the Year Award’ from KRX MOU signed with CSSD (China Singapore Suzhou Development Co., Ltd) in China
2010	Apr. Jun.	MOU signed with CBC(China Bridge Capital) of China Received ‘Thomson-Reuters JoongAng Daily* Analyst 3 rd Place’
2011	Feb.~ Nov.	SK Securities Investment Asia Ltd. established(2011. 2), SK Securities Hong Kong Ltd. incorporated(2011. 6), Prince Capital Management Ltd. opened(2011. 10)

Company with Advanced Corporate Governance

Corporate Governance Service makes an annually conducted assessment for the purpose of boosting voluntary drive and motivation for companies to improve their corporate governance structures by setting a shareholder-oriented management.

“In the year 2010, SK Securities received an average rating of 173 points, and graded as ‘good’. The point is 35th to the highest out of 690 listed companies in Korea, and this number is the highest among all the governance average ratings of securities companies in Korea.”

Korea Corporate Governance Service

This accomplishment is resulted in from a consistent promotion of “board-oriented management” of SK Securities.

The Board of Directors



Dae Sik Cho

Chairman of the Board,
Executive Managing Director of SK Holdings



Hyun Seung Lee

CEO



Sung Soo Kim

Auditor



Hyun Joon Chang

Non-Executive
Independent Director

•Professor, KAIST
Director, Korea Research Council
for Industrial Science & Technology



Jae Uk Khil

Non-Executive
Independent Director

•Professor, Hanyang University



Soung Ik Cho

Non-Executive
Independent Director

•Former CEO,
Korea Securities Depository

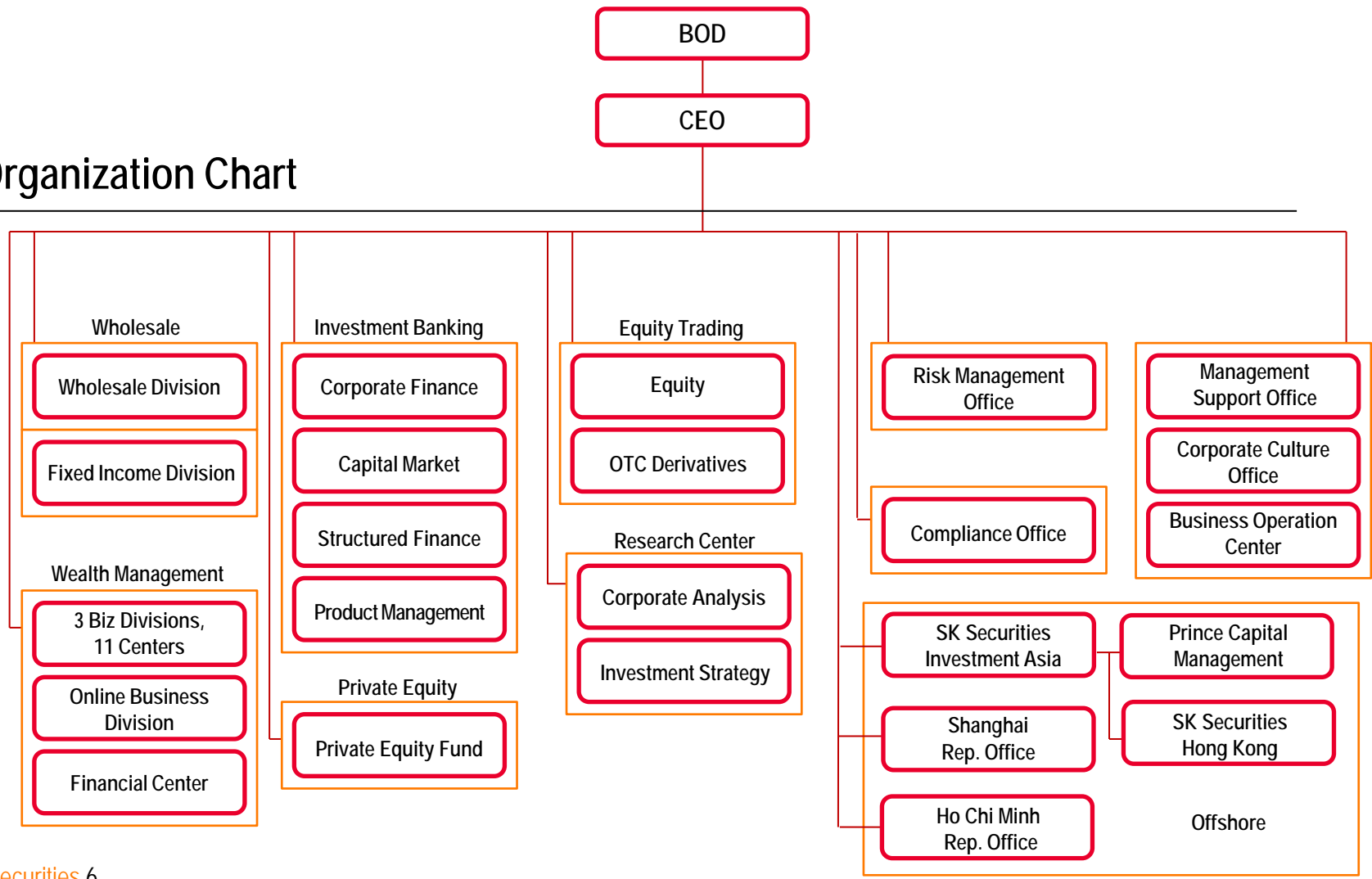


Yong Seung Yang

Non-Executive
Independent Director

•Former Vice President
Hana financial Group Holdings

Organization Chart



Ethical Management

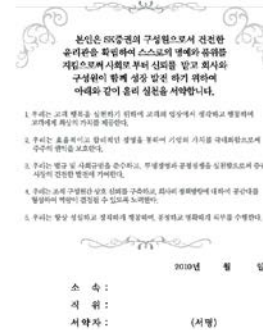
SK Securities strictly adheres to ethical business practices to earn customers' trust. We have established a unique set of professional conduct standards that integrate general ethical principles with the special circumstances covering the securities industry.

In 2004, we furthered individual employee involvement in the process of ethical management. Detailed sets of ethical guidelines were implemented for individual job positions, and all employees were given specific methods for auditing their compliance records. After all, highly trustworthy people are the greatest source of strength for a financial company, and trust is our pledge to customers.

Ethical Management Pledge

There are promises that every member has to sign annually, and which consist of five important regulations that must be followed.

윤리경영 실천을 위한 구성원 윤리실천 서약서



1. To provide customers with happiness, we understand the customers and provide them with the most ideal value.
2. To protect the shareholders' rights and interests, we amplify the corporate value by means of practicing efficient and rational management.
3. To develop the capital market more soundly, we comply to the regulations and social norms as well as practicing transparent management and fair competition.
4. To build up capability, we develop respectful mutual relationships based on trust, and follow the corporate policy.
5. To perform our duties with fairness and clarity, we will keep honest and earnest postures.

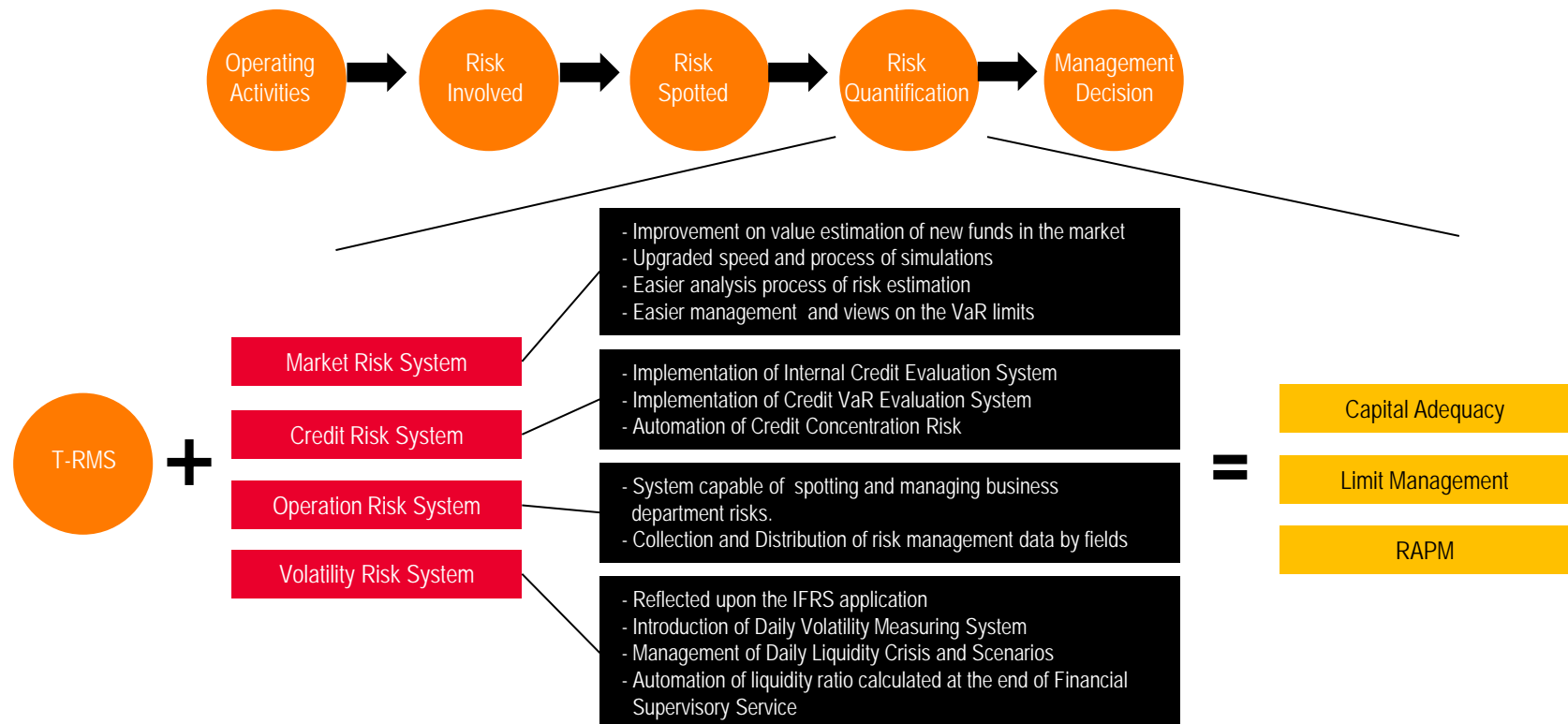
Implementation of T-RMS

We believe that risk management is one of the vital keys for survival. With this belief in mind, we have recently established a new and improved risk management system. T-RMS (Total Risk Management System) is an active system that can manage all the risks at the most optimized level.

This system is extremely delicate and flawless, and divided into four different systems, consisting of market risk system, credit risk system, operation risk system, and volatility risk system. Because the risk varies depending on types of risks, they are thoroughly maintained and monitored. When the risks are discovered during the operating activities, T-RMS filters the risks into each type. After the diversification, the risks are classified into one of the three big factors, which are capital adequacy, limit management, and RAPM.

Risk Management

T-RMS also performs Daily Risk Monitoring to make specific observation and safer risk management.



Business

It is typical that the brochures and websites of other securities companies have phrases similar to “We are aiming to be the biggest and the greatest bond house of Korea.” We understand it is an ideal goal...But our goal is different.

Investment Banking

IB Power House of Korea

We are already ranked No.1 Bond House in Korea, and positioned as a runner up in Project Financing. It is our goal to secure our position as the IB Power House of Korea, and we will use our experience and talents to maintain and develop it.

SK Securities has not only formed partnerships with big affiliates of SK Group, but also had as clients leading companies in Korea, such as Hyundai Motors, GS Caltex, Korea Standard Charter Financial Holdings and Hana Financial Holdings.

In order to support a globalization of SK Group, we have been playing a role of financial service provider in the fields of corporate bond, IPO, M&A, and Project Financing as one of the expanding business areas of the Group.



Business

Deal Sourcing

- Strong Cooperation between corporate finance and research center to support PEF
- Broad relationship with accounting firms and M&A associations in domestic and overseas

Performance Capability

- Professionals of Due Diligence and Valuation
- Experience and talent of investing company's Value Creation
- The most ideal exit strategies, such as, M&A financing, IPO, and buy-out.

Private Equity

SK Securities is Korea's leading GP

Amassed Experience with PEF Management

- First Securities company to establish PEF
- PEF leader with 5 funds in operation and investment amount of USD 544 Million

Numerous LP and Reliability

- Obtains LP from Korea National Pension Service, Korea Venture Investment, KDB Capital, Woori Bank, and etc.

After the start of PEF business in Korean Market in the year 2005, SK Securities was the first securities company to launch the PEF in Korea. In the present moment, we established five PEFs and have been maintaining three PEFs, which are the investment amount of about USD 544 Million.

We also have a strong relationship with major investors in the country, such as, National Pension Service(NPS), Korea Finance Corporation, and our affiliate companies, such as, SK Energy and SK Telecom. They not only have been the investors of our PEFs, as LPs , but also will participate in the future investment.

Recently, we have successfully made an exit with the rate of return of 30.7%(IRR 12.63%) from the second PEF, 31.2%(IRR 10.65%) from the third PEF.

Now, we are in the process of launching two PEFs investing overseas with Korea Finance Corporation, NPS and Industrial Bank of Korea. The total size of the PEF will be approximately USD 1.2 Billion.

Wholesale

No.1 CP Market Share
Pioneer of New Bond Market

Wholesale Division's primary obligation is to provide target corporate and customers with the information on stocks, bonds, CP, funds and other financial products, as well as brokerage and financial advisory solutions through a variety of integrated corporate finance services.

Recently, we are making a major contribution on financial operation of the investors through issuance of bonds and financing.

Business

Wealth Management

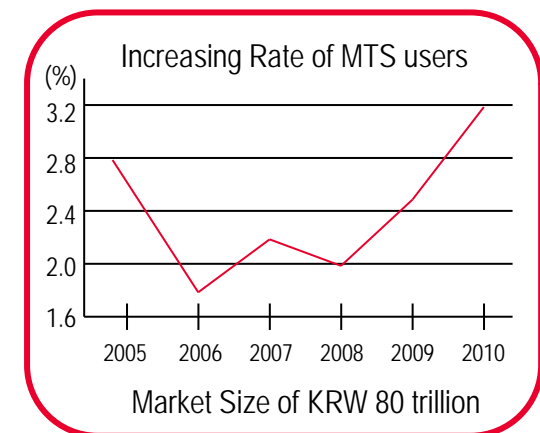
Pioneer of Mobile Trading Market "Mobilo Android"

SK Securities has initiated the mobile trading service starting from early March for android phones users (so called Mobilo). Recently, SK Securities has launched a real-time market price capturing application service, which is called "Stock Radar".

With consistent and meticulous research and improvement, SK Securities has successfully maintained a forefront position in the mobile trading market. There was of course our keen eyes and prediction, which made us prepare for the time there would be a rise of Mobile Trading System(MTS) and a downturn for Home trading System(HTS).

Now, SK Securities provides three android services, which are, Mobilo Android, Smart Q, and T-SK Securities. And there are more improved features through the innovative application, "Stock Radar"

We also have domestic operations span with 57 nationwide branches, which satisfy customers with a variety of goods and services.



Business

Research Center

3rd Place Awardees of Thomson Reuters

Precise data and accurate analysis are the only aspects needed in this field of professionals. Through a series of meticulous analysis, our research center provides an accurate and the most ideal investment strategies.

A particular strength of our research center lies in bond and corporate analysis. The Bond Team at the research center particularly receives high marks each year in surveys by the Korean press.

Finally, the SK Model Portfolio, produced by the Corporate Analysis Team, boasts the highest accumulated excess return in the industry.

Most recently, our research center has received a 3rd place award from Thomson Reuters JoongAng Ilbo* Analyst.

*JoongAng Ilbo: One of Korea's leading Daily



Competitive Areas



Here are some of our proud records and names that we have earned very recently. It is an honor for us to be awarded and the positions that we hold prove our performance and reliability of our customers.

1. Top Tier Underwriter in Corporate Bond Market (Ranked #1 in 2005 & 2006)
 - Awarded "Korea's Best Bond House" (by Finance Asia) in 2007
 - Ranked 7th in the Domestic Bond Market (1Q 2010)
2. Top Tier Underwriter in real assets including commodities and real estate.
3. Ranked "Thomson Reuters JoongAng Ilbo* Analyst 3rd Place" in 2010.
4. Top Tier Underwriter in CP (Commercial Paper) Issuance and Trading Market.
5. Top Tier Advisor in M&A with the biggest M&A deal (SK Energy and Incheon Oil Refinery: Deal size of USD 3.31 billion) in 2006.
6. One of the pioneers and a Top Tier manager in the domestic private equity sector with 3 active private equity funds sized over USD 242 million in managed assets.
7. SKS's mobile application, "Stock Radar" won the top honor of Korea Smart App Assessment Index(KSAAI) in 2011.
8. SKS named "Outstanding Compliance Member" by the Korea Exchange in 2008.
9. SKS received "Excellent Primary Dealer" Award by the Ministry of Strategy and Finance in 2H 2008 and 1H 2009.
10. SKS placed "No.1 Bond House in Korea in 3Q" by "thebell*" in 2010.

Press Release

SKS obtained a patent of Android app, Stock Radar

On February 13th 2012, SK Securities announced that registration of Stock Radar's(the real-time market price capturing service) patent has been completed. The application, "Stock Radar", provides various services of oversea stock market morning calls, morning briefings, breaking news and foreign money flows. It is also informing when a specific type of stocks reaches its target price as well as when stocks hit the ceiling or floor price. The Stock Radar application is available through App Store or Android Market. SK Securities is planning to highlight Stock Radar functions as a typical app of SK Securities and to continue to develop customer-200 contents.

Feb 13th 2012
The Korea Economic Daily



Consistent Growth of the Future's Green Finance

SK Securities has recently made countless business agreements with foreign and domestic companies to increase information and human resource exchanges. SK Securities has now maintained the upper-hand position in green-finance market. The company has established a foothold in energy and environment market by contracting MOUs with leading foreign companies in China and Japan.

November 2nd 2009
Financial News Daily



SKS receives 2008 "Outstanding Compliance Member"

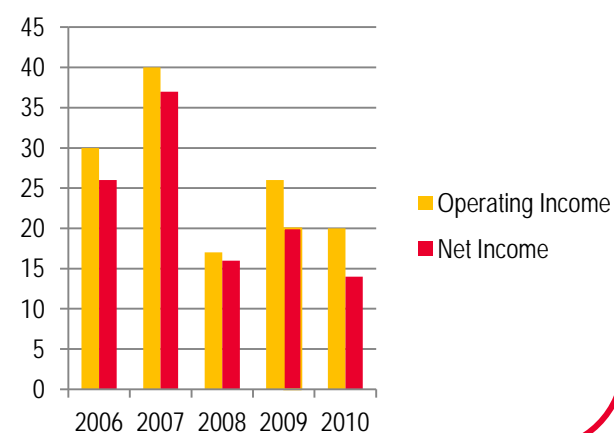
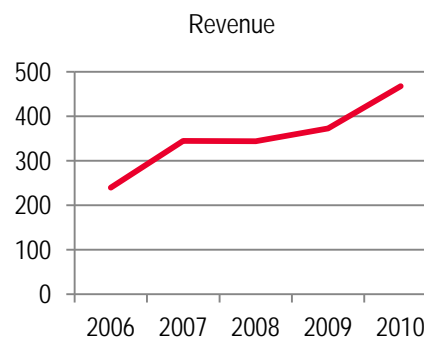
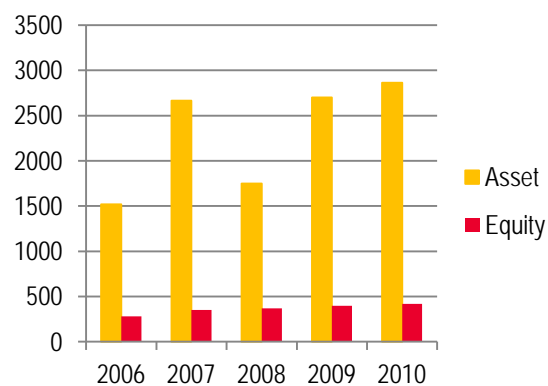
SK Securities was nominated and received the award for "Outstanding Compliance Member" of the year 2008. Outstanding Compliance Award is an award to appraise the securities company with the best compliance actions and attitudes throughout the year. The winner is selected by an implementation of overall assessment of 35 factors, such as, compliance, internal control, prevention of unfair trade, and etc. Lee Hyun Seung, the CEO of SK Securities said that SK Securities' beliefs on ethical management have been started to be put in action, and it is an outcome of the company's belief that it is a must to develop a trustworthy reputation with our shareholders.

February 5th 2009
Financial News Daily

(USD in Million)

Year	2010	2009	2008	2007	2006
Asset	2,862	2,699	1,750	2,665	1,519
Shareholder's Equity	418	398	369	351	281
Revenue	468	373	344	345	240
Operating Income	20	26	17	40	30
Net Income	14	20	16	37	26

Financial Highlight



SK Securities in the Future

Asia's financial market has shown impressive growth in the recent years due to rapid growth in China's financial market. Based on the growth of Asia's financial market, we are establishing a core base in Hong Kong to read the market faster than any other players and to provide distinct investment methods to our customers.

Also, SK Group is propelling a China-oriented globalization by carrying out various businesses in China and in other Asian boundaries. Our job is to grow and expand with SK Group through accommodating financial solutions for their eventuating businesses in the areas.

Later on, we will strive to be a leading investment bank in Asia through seeking opportunities and expanding in both business-wise and geographic-wise.

We are very ambitious for serving the investors all around the world, and at the same time, we are confident that our process for globalization will enhance and boost our reputation as yours truly, **HappinessPartner**.

Our ultimate goal...

Is to be a global asset manager on the forefront of a fast-changing financial environment where opportunities and results for customers continue to grow along with our expanding global presence.

End Of Document. Thank You!

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