SK TELECOM'S STRATEGY FOR UBIQUITOUS

Presented by Senior Manager H.C. JOO
U-Biz Development Division
1. IT Trends Overview
2. Current Status of SK Telecom’s Ubiquitous
3. Key Strategy for Ubiquitous Leader
What is Ubiquitous

- Ubiquitous represents ‘Omnipresent, Pervasive’, as making every object has information processing and networking capabilities available throughout the physical and cyber environment.
<table>
<thead>
<tr>
<th>E-Generation</th>
<th>U-Generation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Via Web-based Internet,</strong></td>
<td><strong>Via Object to Object Communication,</strong></td>
</tr>
<tr>
<td>• People to People communicating via web browsers</td>
<td>• Expansion of Internet into Everyday Objects</td>
</tr>
<tr>
<td>• Dependent on the physical space</td>
<td>• Beyond the Physical Space</td>
</tr>
<tr>
<td></td>
<td>• Various User Interface regardless of device, time, location</td>
</tr>
</tbody>
</table>

- Ubiquitous is automating the process of linking the real world with everyday objects, products and finally changing the value chain.
- Ubiquitous could reinforce the currently thriving e-business, such as commerce, entertainment, but also activate the lukewarm area like healthcare, education, etc as a newly booming Ubiquitous business.
New Industry Paradigm

• Mobile Service is Currently Evolving to Ubiquitous Gateway
  - Mobile Phone is now ‘true computer’ equipped with a whole range of functionality
  - Mobile Phone can interface every objects and be developed as a control center for multitude of personal auxiliary services

• Personalized Expert Service will be Highly Augmented

• Digital Convergence is Expanding to Social, Cultural Area
  - Future Convergence Area
    ➢ Human + IT : Body Recognition Technology
    ➢ Object + IT : Object-to-Object Communication Infra
    ➢ Space + IT : Integration of Physical Environment and Mobility
Ubiquitous seems to be all around, but ...

- **Government**
  - IT 839 Strategy
  - U-Korea Vision

- **Technology**
  - RFID/USN, BcN, etc.

- **Suppliers**
  - Digital Home, U-City, M-Commerce, DMB, etc.

- **Customers**
  - Convenient Service
  - Customized Service

Still now, Real Explosion Is Yet to Come!
1. IT Trends Overview

2. Current Status of SK Telecom’s Ubiquitous

3. Key Strategy for Ubiquitous Leader
SK Telecom has been developing new convergence business models and finding new growth opportunity to become a Ubiquitous Service Provider.
Satellite DMB is a multimedia mobile broadcasting service provided via handset and it will be converged with mobile internet service.
Mobile Finance – MONETA

Based on an IC chip, MONETA provides mobile banking, credit card, stock trading and transportation card service.

- Mobile financial service based on both offline and online infrastructure
- Mobile banking service rolled out on Mar 2004
- One chip (MONETA + USIM + CAS) will be developed
MelOn provide users to download music files and play them on any device they want, such as mobile handset, PC and MP3 player regardless of time and space under monthly based flat fee.

Anytime, Anywhere, Any Device Multimedia service
Cell Phone, MP3, PC

Providing Rich Media Contents
570,000 music files (as of Dec. 04)
Photo album, Music Video contents

Launched in Nov 2004
3,200,000 subscribers (as of Sep. 2005)
NATE Drive is a mobile handset based navigation service that guides driver to the shortest route using real time traffic information.

**Personalized Navigation Service**

- Finds shortest route based on real time traffic information
  - traffic jam, emergency

- Voice-activated navigation

- Launched in Mar 2002
  - 307,500 subscribers (Jun 2005)

- Launched telematics service in Jeju island (Dec 2004)
  - 625 subscribers (Jun 2005)
Intelligent Personal Agent – 1mm

1mm is an individually customized service through interactive communication with the unique ‘character’ and it could exactly fulfill customer’s needs by considering customer’s life style.

- Interactive Communication with AI Based personal agent in handset
- Interfacing with various expert service
SK Dhome provides wide range of the future home services which are controlled by mobile phone without any limitation of time and space.

- **Safe Home**
  - Intrusion monitoring,
  - Home Monitoring,
  - Fire Detection,
  - Gas Leakage Detection,
  - Visitor Surveillance ....

- **Convenient Home**
  - Lighting Control, Gas Control
  - Information Device Control
  - PC Management, Heating Control
  - Tele-Gauging, Mode Control
  - Door Control....

- **Happy Home**
  - Family Location, Pet Care
  - Home Messaging,
  - Digital Picture Frame,
  - Video Telephony ....

**External Contents and Service Providers**
- Entertainment
- Public administration
- Remote medical treatment
- Remote education
- Telemetry
Digital Album is real time picture transmission service which is taken by
digital camera or mobile phone via cellular network and broadband
internet infra.
In Aug. 2004, SK Telecom was selected as a government-leading BcN consortium leader that has been providing trial service for 600 household in 3 main areas under affiliating 25 companies.

- **Network**: Hanaro Telecom
- **Equipment**: 8 Affiliated Companies including Samsung, Delcoware, etc.
- **Solution**: 7 Affiliated Companies Including SK C&C, IDC Tech, SK Construction, etc
- **Contents**: 4 Affiliated Company including SK Comms, MBN, Skyife, etc
- **Organization**: 5 Government Organizations including Busan city hall, Daejeon City hall, Seoul National Univ.

**300 Households in Seoul, Bundang Area**
**150 Households in Jung-gu, Taepyung, Daejeon Area**
**150 Households in Busan Area**
Until the end of 2005, Ubinet Consortium will announce its core technology as 4 groups 32 services in the future infrastructures.
Establishing u-City is the embodiment of total Ubiquitous Solution and Service. In this regards, SK Telecom is now under searching for the new business opportunity to step up the real Ubiquitous Service Provider.

[u-City Basic Concept]

**Government Vision**
- Intelligent Administration
- Intelligent City Infra System
- Intelligent Life
- Activating Industry & Economics

**Service**
- u-Government
- u-Welfare
- u-Transportation
- u-Environment
- u-Commerce IT utility Sys.
- u-Home
- u-Health

**Society**
- Government
- Company
- Home/Person

**Infra**
- Wire/Wireless
- Voice/Data
- Communication/Broadcasting

**Technology**
- Digital Technology Development
- Network Functionality Improvement
- Increasing Computing Power

Realizing ‘u- Korea’ by Concentrating Ubiquitous Total Solution
1. IT Trends Overview
2. Current Status of SK Telecom’s Ubiquitous
3. Key Strategy for Ubiquitous Leader
Key Success Factors

- Development of Customer-Oriented Services
- Core Competency-Based Expansion
- Successful Affiliation with Other Industries
Action Strategy

Accelerating Convergence
- Expanding Convergence to Public Sectors
- Creating Niche Market as a First Mover
- Deregulation

Developing Expert Service
- Providing Total Solution & Service
- Securing Specialty by envisioning concrete application

Standard & Right Management
- Protecting against Violation of Personal Privacy
Thank You!!!