
Earnings Release Q1 2006

April 24, 2006

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The financial results for 1st quarter of 2006 have been prepared on an un-audited basis, and may be subject to change during the independent auditing process.

Furthermore, forward-looking statements in this document are subject to known and unknown risks and uncertainties that may cause actual results to differ from those stated or implied by such statements.

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I. Q1 2006 Earnings Highlights

Sales & Profit

- Strong sales of SKY, the domestic brand and outstanding performance in LATAM.
- Sales rose by 110% qoq to 387.6 b. KRW and shipment up by 218% qoq to 2,382 K units.
- Back in black: More sales came with earnings growth.

(Unit: Bill KRW, K Units, %)	Q1 2006	Q4 2005 (Note1)	Q1 2005 (Note2)	QoQ	YoY
Sales	387.6	184.3	196.3 (319.9)	110%	97% (21%)
Shipment	2,382	749	1,509 (1,764)	218%	58% (35%)
Operating Profit	17.6 (4.5%)	-21.0	8.1 (NA)	-	117% -
Recurring Profit	10.3 (2.7%)	-21.0	1.5 (NA)	-	580% -
Net Profit	6.2 (1.6%)	NA	1.2 (NA)	-	418% -

Note1) Figures represent those of the merger entity (i.e. SKYTT's Oct05 & Nov05 P&L + Merger entity's Dec's P&L)

Note2) Figures represent those of Pantech in pre-merger period of 2005.

Figures in parenthesis are unaudited and provided as a reference. These represent a simple sum of Pantech and SKYTT in Q1 of the pre-merger period in 2005.

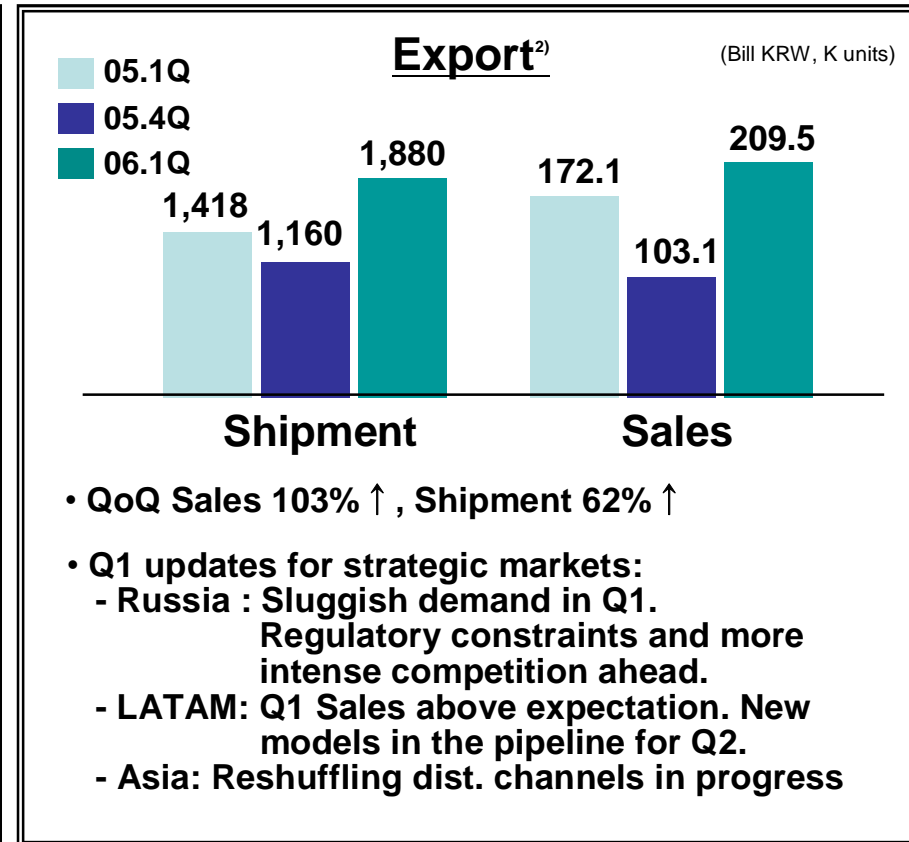
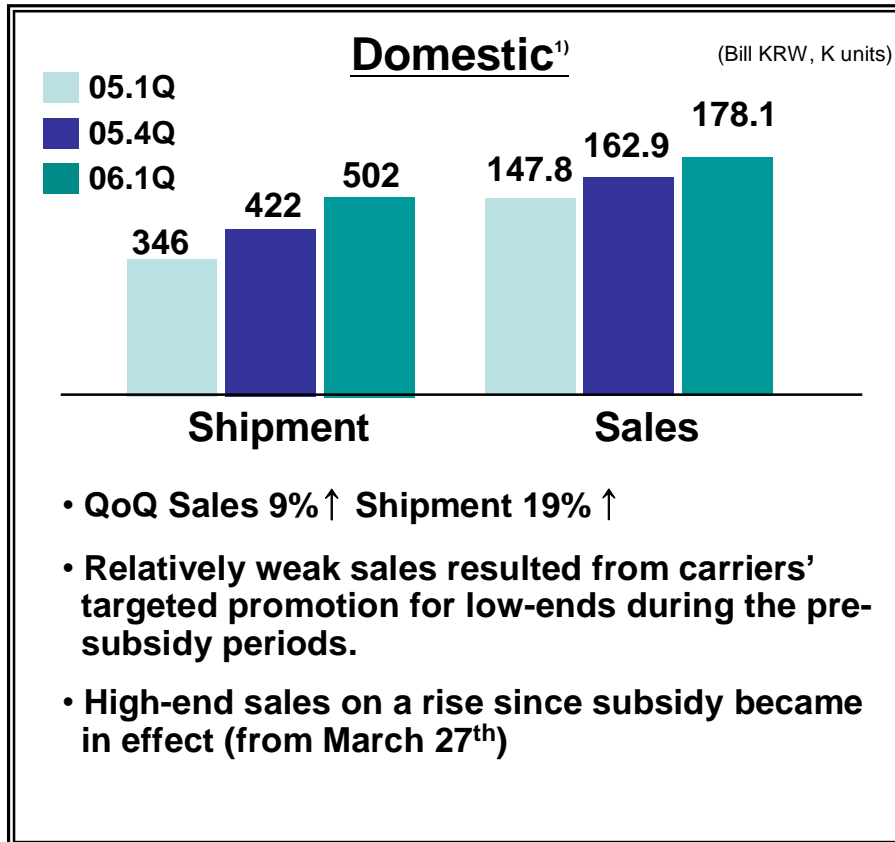
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I. Q1 2006 Earnings Highlights

Domestic vs. Exports

- Domestic : High-end demand was in retreat until subsidy returned late March.
- Export : LATAM sales helped recover weak performance in other regions, which is largely owing to more severe competition around the globe.



Note1) Figures representing Q4'05 & Q1'06 are un-audited estimation of Pantech's domestic ODM sales and SKYTT's domestic sales.

Note2) Figures representing Q4'05 are estimated data for Pantech's Q4'05 export sales. They are un-audited and provided for as a reference.

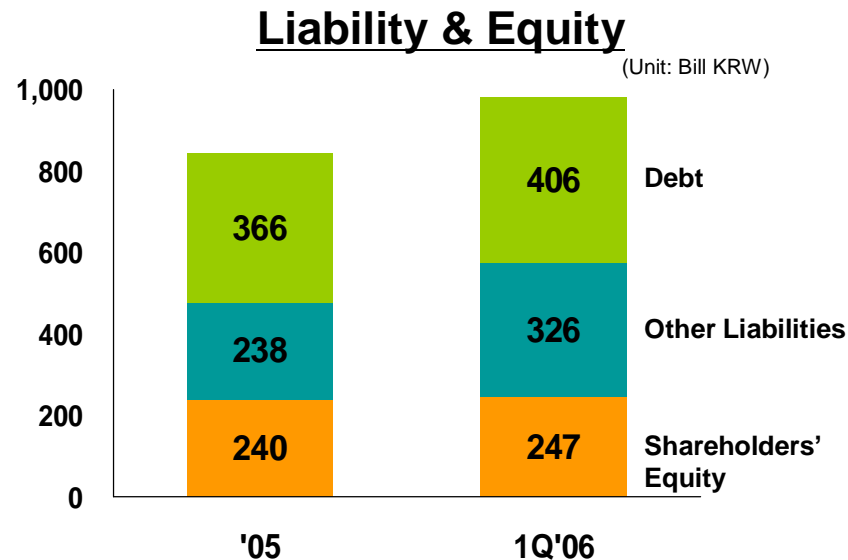
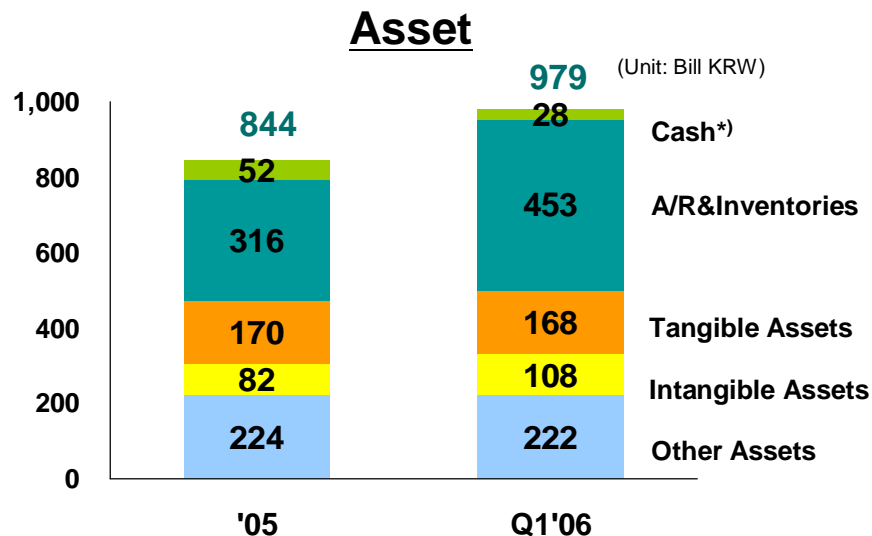
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I. Q1 2006 Earnings Review

B/S

■ Asset and liability increased by 135 bill KRW, 128 bill KRW, respectively since FY'05.



	'05	Q1'06
Total Liability/Total Equity	252%	297%
Debt/Equity	152%	165%
Return to Asset	-	3%
Return to Equity	-	10%

* Cash = Cash & Cash Equivalents + Short-term financial investments

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II. Outlook

- Keep the growth momentum thru. subsidy-driven high-end sales and the first sales to North America throughout Q2.
- Will have more competitive lineups to come in H2 and the merger synergy to be in full-scale effect from Q4.

Market Trends

- Domestic subsidy expected to expand the market and to continue to boost demand for high-ends.
- Price competition to become more serious everywhere and every segments.
- Network development to get accelerated.
 - Domestic : HSDPA
 - Overseas : UMTS
- Slim factor to become a commonality, and design to be regarded as a major key buying factor.

Business Outlook

- Domestic
 - Q2 : High-end sales like IM-U100 likely to go on, and SKY's slim models will be ready.
 - H2 : Expansion into PCS markets to help improve both sales and earnings in prospect.
- Export
 - Q2 : Sales to LATAM and N. America to be principal revenue drivers.
 - H2 : More carriers' business to secure in order to maintain growth target and profitability.
- Bring in 3G lineups to the market in H2.
- Share design development between domestic and export operation.
- Full-blown merger synergy starts from Q4.

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