

SK TELECOM CO LTD
Form 6-K
June 14, 2013
[Table of Contents](#)

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 6-K

REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16
UNDER THE SECURITIES EXCHANGE ACT OF 1934
FOR THE MONTH OF June 2013
COMMISSION FILE NUMBER 333-04906

SK Telecom Co., Ltd.

(Translation of registrant's name into English)

11, Euljiro2-ga, Jung-gu

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Seoul 100-999, 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 if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): ☐

Note: Regulation S-T Rule 101(b)(1) only permits the submission in paper of a Form 6-K if submitted solely to provide an attached annual report to security holders.

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): ☐

Note: Regulation S-T Rule 101(b)(7) only permits the submission in paper of a Form 6-K if submission to furnish a report or other document that the registration foreign private issuer must furnish and make public under the laws of the jurisdiction in which the registrant is incorporated, domiciled or legally organized (the registrant's home country), or under the rules of the home country exchange on which the registrant's securities are traded, as long as the report or other document is not a press release, is not required to be and has not been distributed to the registrant's security holders, and if discussing a material event, has already been the subject of a Form 6-K submission or other Commission filing on EDGAR.

Indicate by check mark whether by furnishing the information contained in this Form, the registrant 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

QUARTERLY BUSINESS REPORT

(From January 1, 2013 to March 31, 2013)

THIS IS A SUMMARY OF THE QUARTERLY BUSINESS REPORT ORIGINALLY PREPARED IN KOREAN AND IS IN SUCH FORM AS REQUIRED BY THE KOREAN FINANCIAL SERVICES COMMISSION.

IN THE TRANSLATION PROCESS, SOME PARTS OF THE REPORT WERE REFORMATTED, REARRANGED OR SUMMARIZED FOR THE CONVENIENCE OF READERS.

ALL REFERENCES TO THE COMPANY, WE, US, OR OUR SHALL MEAN SK TELECOM CO., LTD. AND, UNLESS THE CONTEXT OTHERWISE REQUIRES, ITS CONSOLIDATED SUBSIDIARIES. REFERENCES TO SK TELECOM SHALL MEAN SK TELECOM CO., LTD., BUT SHALL NOT INCLUDE ITS CONSOLIDATED SUBSIDIARIES.

UNLESS EXPRESSLY STATED OTHERWISE, ALL INFORMATION CONTAINED HEREIN IS PRESENTED ON A CONSOLIDATED BASIS IN ACCORDANCE WITH THE INTERNATIONAL FINANCIAL REPORTING STANDARDS ADOPTED FOR USE IN KOREA (K-IFRS) WHICH DIFFER IN CERTAIN RESPECTS FROM GENERALLY ACCEPTED ACCOUNTING PRINCIPLES IN CERTAIN OTHER COUNTRIES, INCLUDING THE UNITED STATES. WE HAVE MADE NO ATTEMPT TO IDENTIFY OR QUANTIFY THE IMPACT OF THESE DIFFERENCES.

Table of Contents**I. COMPANY OVERVIEW****1. Company Overview**

Starting in the first quarter of 2011, the Company prepares and reports its financial statements under K-IFRS. The transition date of the Company and its consolidated subsidiaries to K-IFRS is January 1, 2010 and the adoption date is January 1, 2011. The Company's quarterly business report for the quarter ended March 31, 2013 includes the following consolidated subsidiaries:

Name	Date of Establishment	Principal Business	Total Assets as of Dec. 31, 2012 (millions of Won)	Material Subsidiary*
SK Telink Co., Ltd.	Apr. 9, 1998	Telecommunication services	241,977	Material
SK Communications Co., Ltd.	Sep. 19, 1996	Internet portal and other Internet information services	265,819	Material
Loen Entertainment, Inc.	Jul. 7, 1982	Music and audio publication	173,079	Material
Stonebridge Cinema Fund	Sep. 30, 2005	Investment partnership	10,965	
Commerce Planet Co., Ltd.	Jul. 1, 1997	Information technology and computer services	34,007	
SK Broadband Co., Ltd.	Sep. 26, 1997	Multimedia and IP TV services	3,035,657	Material
K-net Culture and Contents Venture Fund	Nov. 24, 2008	Investment partnership	43,779	
Hwaitec Focus Investment Partnership 2	Dec. 12, 2008	Investment partnership	22,547	
Open Innovation Fund	Dec. 22, 2008	Investment partnership	43,394	
PS&Marketing Co., Ltd.	Apr. 3, 2009	Resale of telecommunication services	317,613	Material
Service Ace Co., Ltd.	Jul. 1, 2010	Call center operation and telemarketing services	48,956	
Service Top Co., Ltd.	Jul 1, 2010	Call center operation and telemarketing services	43,332	
Network O&S Co., Ltd.	Jul. 1, 2010	Wireless telecommunication services	165,818	Material
BNCP Co., Ltd.	Dec. 7, 2009	Software development	24,000	
SK Planet Co., Ltd.	Oct. 5, 2011	Platform service	1,647,965	Material
Madsmart, Inc.	Mar. 21, 2011	Software development and digital contents sourcing services	1,591	
M&Service Co., Ltd.	Feb. 10, 2000	Information technology and marketing services	48,493	
SK Planet Japan, K.K.	Mar. 14, 2012	Software development and digital contents sourcing services	47	
SK Planet Global PTE, LTD.	Aug. 14, 2012	Software development and digital contents sourcing services	636	
SK Planet America LLC	Dec. 27, 2012	Software development and digital contents sourcing services	6,669	
SK Global Healthcare Business Group	Sep. 14, 2012	Investment	25,784	
Technology Innovation Partners, L.P.	Jun. 24, 2011	Investment	34,120	
SK Telecom China Fund I L.P.	Sep. 14, 2011	Investment	3,454	
SK Telecom China Holdings Co., Ltd.	Jul. 12, 2007	Investment	35,233	
Shenzhen E-eye High Tech Co., Ltd.	Apr. 1, 2000	Telematics services	18,915	
SKT Vietnam PTE., Ltd.	Apr. 5, 2000	Wireless telecommunication services	38,331	
SKT Americas, Inc.	Dec. 29, 1995	Management consulting and investment	36,378	
YTK Investment Ltd.	Jul. 1, 2010	Investment	64,036	Material
Atlas Investment	Jun. 24, 2011	Investment	51,065	Material

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* Material Subsidiary means a subsidiary with total assets of Won 50 billion or more as of the end of the latest fiscal year.

Table of Contents

A. Corporate Legal Business Name: SK Telecom Co., Ltd.

B. Date of Incorporation: March 29, 1984

C. Location of Headquarters

(1) Address: 11 Euljiro 2-ga, Jung-gu, Seoul, Korea

(2) Phone: +82-2-6100-2114

(3) Website: <http://www.sktelecom.com>

D. Major Businesses

(1) Wireless Business

The Company provides wireless telecommunications services, characterized by its competitive strengths in handheld devices, affordable pricing, network coverage and an extensive contents library. Since the introduction of services employing LTE technology in July 2011, the telecommunications market for such services has grown as demand for fast data transfer speeds and differentiated services has increased. Having reached one million subscribers by January 2012 and over 10 million subscribers by April 2013, the Company has solidified its leadership position in LTE services as it has done with its 3G services. The Company is also improving the profitability of its wireless business through efficient capital expenditures and marketing and enhancement of marketing network and products. In the business-to-business area, the Company is strengthening its solutions business through the implementation of five main solution products: Smart Store, Smart Work, Smart Cloud, Green & Safety and M Ad & Payment.

In addition, in order to strengthen our sales channels, the Company has been offering a variety of fixed-line and wireless telecommunication convergence products to its customers through PS&Marketing Co., Ltd. (PS&Marketing), one of its subsidiaries. Furthermore, Network O&S Co., Ltd., the Company's subsidiary responsible for the operation of the Company's 2G to 4G networks (including its CDMA, WCDMA and LTE networks), provides customers with quality network services and provides the Company with technological know-how in network operations.

Table of Contents

(2) Fixed-line Business

SK Broadband Co., Ltd. (SK Broadband) is engaged in providing telecommunications, broadcasting and new media services and various other services that are permitted to be carried out by SK Broadband under relevant regulations, as well as business activities that are directly or indirectly related to providing those services. With the adoption of K-IFRS in 2011, our broadband and fixed-line services segment also includes multimedia services and IP TV services.

(3) Other Businesses

The Company is pursuing customer satisfaction by providing the best service and generating new values in diverse business such as digital contents, location-based services, media, mobile commerce, loyalty marketing and advertising.

In the digital contents business area, the Company provides high-quality digital contents in its leading mobile contents marketplace, T Store, which had more than 19.8 million subscribers as of March 31, 2013 and which the Company plans to expand globally. With respect to the Company's commerce business, 11th Street, which continues to gain market share, is a platform service that connects various sellers and purchasers on-line. In the loyalty marketing business area, the Company provides an increasing number of products involving OK Cashbag points in order to attract new customers and retain existing customers. Since its inception in 1999, OK Cashbag, owned by SK Planet Co., Ltd. (SK Planet) continues to be Korea's largest loyalty mileage program with 36 million members. In the location-based services business area, users of the Company's T-Map Navigation service surpassed 16.9 million as of March 31, 2013. T-Map Navigation provides real time traffic information and various local information. Utilizing location-based service technology in other services, including leisure, logistics and travel services, the Company provides increased convenience and added value to customers. In the media business area, the Company provides Hoppin service that enables subscribers to access various multimedia contents through personal computers, mobile devices and other digital devices. In the advertising business area, the Company is engaged in advertisement production, promotion services and research and consulting services to substantively help businesses increase their value in a rapidly evolving business environment.

SK Communications Co., Ltd. (SK Communications) provides integrated portal services through NATE, social networking services through Cyworld and instant messaging services through NATE-ON. Key sources of revenue for SK Communications are display advertising, search engine-based advertising, and contents and other services. Display advertising consists of image, video and Flash-based multimedia advertising carried on NATE, Cyworld and NATE-ON and aims to give greater exposure to the advertiser's brand name to the public. The increased effectiveness of on-line media as an advertising outlet has resulted in a greatly expanded advertiser base, and the increasing variety in the format of advertising has contributed to the growth of display advertising. Search engine-based advertising refers to the type of advertising that embeds advertisements within search results produced by searches of certain keywords on the NATE portal site. Search engine-based advertising has a certain appeal to small and medium-sized advertisers. Contents and other services include sales of on-line items to be used on Cyworld, contents sales and providing certain types of services. Revenues from contents and other services are generated through sales of on-line digital items through fixed-line Cyworld services and revenues generated by usage of mobile Cyworld services, which are shared with mobile phone service operators, as well as revenues from NATE-ON instant messaging, custom decorations for mobile phones, cartoon strips, fortunetelling, movies and other contents services. In addition, SK Planet receives revenue from its services agreement with the Company in connection with operation of WAP wireless NATE services.

The Company is also one of the leaders in the music services industry with the continued growth of MelOn, its online music service, and its investments in music distribution and production.

In order to find future growth engines and strengthen the Company's competitiveness, the Company has made strategic investments in YTK Investment Ltd. and Atlas Investment, both investment fund companies.

See II. Business Overview for more information.

Table of Contents**E. Credit Ratings**

(1) Corporate Bonds

Credit rating date	Subject of rating	Credit rating	Credit rating entity (Credit rating range)	Rating classification
May 27, 2011	Corporate bond	AAA	Korea Ratings	Regular rating
June 13, 2011	Corporate bond	AAA	NICE Investors Service Co., Ltd.	Regular rating
June 23, 2011	Corporate bond	AAA	Korea Investors Service, Inc.	Regular rating
December 12, 2011	Corporate bond	AAA	Korea Investors Service, Inc.	Current rating
December 13, 2011	Corporate bond	AAA	NICE Investors Service Co., Ltd.	Current rating
December 16, 2011	Corporate bond	AAA	Korea Ratings	Current rating
June 21, 2012	Corporate bond	AAA	Korea Ratings	Regular rating
June 22, 2012	Corporate bond	AAA	Korea Investors Service, Inc.	Regular rating
June 29, 2012	Corporate bond	AAA	NICE Investors Service Co., Ltd.	Regular rating
August 10, 2012	Corporate bond	AAA	Korea Ratings	Current rating
August 14, 2012	Corporate bond	AAA	Korea Investors Service, Inc.	Current rating
August 14, 2012	Corporate bond	AAA	NICE Investors Service Co., Ltd.	Current rating
April 11, 2013	Corporate bond	AAA	Korea Ratings	Current rating
April 11, 2013	Corporate bond	AAA	Korea Investors Service, Inc.	Current rating
April 11, 2013	Corporate bond	AAA	NICE Investors Service Co., Ltd.	Current rating
April 11, 2013	Corporate bond	AAA	Korea Ratings	Regular rating
April 11, 2013	Corporate bond	AAA	Korea Investors Service, Inc.	Regular rating
April 11, 2013	Corporate bond	AAA	NICE Investors Service Co., Ltd.	Regular rating

* Rating definition: AAA - The certainty of principal and interest payment is at the highest level with extremely low investment risk and is stable such that it will not be influenced by reasonably foreseeable changes in external factors.

Table of Contents

(2) Commercial Paper (CP)

Credit rating date	Subject of rating	Credit rating	Credit rating entity (Credit rating range)	Rating classification
May 27, 2011	CP	A1	Korea Ratings	Current rating
June 13, 2011	CP	A1	NICE Investors Service Co., Ltd.	Current rating
June 23, 2011	CP	A1	Korea Investors Service, Inc.	Current rating
December 12, 2011	CP	A1	Korea Investors Service, Inc.	Regular rating
December 13, 2011	CP	A1	NICE Investors Service Co., Ltd.	Regular rating
December 16, 2011	CP	A1	Korea Ratings	Regular rating
June 21, 2012	CP	A1	Korea Ratings	Current rating
June 22, 2012	CP	A1	Korea Investors Service, Inc.	Current rating
June 29, 2012	CP	A1	NICE Investors Service Co., Ltd.	Current rating
December 18, 2012	CP	A1	Korea Ratings.	Regular rating
December 14, 2012	CP	A1	Korea Investors Service, Inc.	Regular rating
December 18, 2012	CP	A1	NICE Investors Service Co., Ltd.	Regular rating
April 11, 2013	CP	A1	Korea Ratings	Current rating
April 11, 2013	CP	A1	Korea Investors Service, Inc.	Current rating
April 11, 2013	CP	A1	NICE Investors Service Co., Ltd.	Current rating

* Rating definition: A1 - Timely repayment capability is at the highest level with extremely low investment risk and is stable such that it will not be influenced by reasonably foreseeable changes in external factors.

(3) International Credit Ratings

Date of credit rating	Subject of rating	Credit rating of securities	Credit rating company	Rating type
June 6, 2012	Bonds denominated in Swiss Franc	A-	Fitch Inc.	Current rating
June 4, 2012	Bonds denominated in Swiss Franc	A3	Moody s Investors Service	Current rating
June 7, 2012	Bonds denominated in Swiss Franc	A-	Standard & Poor s Rating Services	Current rating
October 24, 2012	Bonds denominated in U.S. dollars	A-	Fitch Inc.	Current rating
October 24, 2012	Bonds denominated in U.S. dollars	A3	Moody s Investors Service	Current rating
October 24, 2012	Bonds denominated in U.S. dollars	A-	Standard & Poor s Rating Services	Current rating

2. Company History

March 2008: Purchased shares of SK Broadband Co., Ltd. (formerly Hanaro Telecom)

May 2009: Participated in the public share offering of SK Broadband Co., Ltd.

September 2009: Acquired leased line and related other business of SK Networks Co., Ltd.

February 2010: Purchased shares of Hana Card Co., Ltd.

Table of Contents

October 2011: SK Planet Co., Ltd. was spun off from the Company.

February 2012: Purchased shares of SK hynix Inc. (formerly, Hynix Semiconductor Inc.)

A. Location of Headquarters

22 Dohwa-dong, Mapo-gu, Seoul (July 11, 1988)

16-49 Hangang-ro 3-ga, Yongsan-gu, Seoul (November 19, 1991)

267 Namdaemun-ro 5-ga, Jung-gu, Seoul (June 14, 1995)

99 Seorin-dong, Jongro-gu, Seoul (December 20, 1999)

11 Euljiro 2-ga, Jung-gu, Seoul (December 13, 2004)

B. Significant Changes in Management

At the Extraordinary General Meeting of Shareholders held on August 31, 2011, Jun Ho Kim was elected as an inside director and Jin Woo So resigned from the Company's board of directors to transfer to an affiliate of the Company. At the 28th General Shareholders' Meeting held on March 23, 2012, (1) Young Tae Kim and Dong Seob Jee were elected as inside directors, (2) Hyun Chin Lim was re-elected as an independent director, and (3) Hyun Chin Lim was re-elected as a member of the audit committee. At the 29th General Shareholders' Meeting held on March 22, 2013, Dae Sik Cho was elected as an inside director and Dae Shick Oh was elected as an independent director and member of the audit committee of the Company's board of directors.

C. Change in Company Name

On March 23, 2012, SK hynix Inc., which became our subsidiary in February 2012, changed its name to SK hynix Inc. from Hynix Semiconductor Inc. in accordance with a resolution at its annual shareholders' meeting.

D. Mergers, Acquisitions and Restructuring [SK Telecom]

(1) Spin-off

In accordance with the resolution of the Company's board of directors on July 19, 2011 and the resolution of the shareholders' meeting on August 31, 2011, the Company spun off its platform business and established SK Planet Co., Ltd. effective as of October 1, 2011. The registration of the spin-off was completed on October 5, 2011. Set forth below are important details of the spin-off.

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Description	Detail
Method of Spin-off	Simple vertical spin-off
Resulting Companies	SK Telecom Co., Ltd. (Surviving Company)
Effective Date	SK Planet Co., Ltd. (Spin-off Company) October 1, 2011

Table of Contents

Set forth below is summary of financial position before and after the spin-off.

(in millions of Won)			
Description	Before the spin-off (As of September 30, 2011)	After the spin-off (As of October 1, 2011)	
	SK Telecom Co., Ltd.	SK Telecom Co., Ltd.	SK Planet Co., Ltd.
Total Assets	19,400,114	19,084,651	1,545,537
Total Liabilities	7,673,828	7,358,365	315,463
Total Shareholders Equity	11,726,286	11,726,286	1,230,074

Schedule of spin-off

Category	Date
Board resolution on spin-off	July 19, 2011
Record Date for Determination of Shareholders for the Shareholders Meeting for Spin-off	August 4, 2011
Shareholders Meeting for Approval of Spin-off Plan	August 31, 2011
Date of Spin-off	October 1, 2011
Shareholders Meeting for Report of Spin-off and Inaugural Meeting of Shareholders	October 4, 2011
Registration of Spin-off	October 5, 2011
Notice of closure of shareholders register	July 20, 2011
Period of closure of shareholders register	August 5, 2011 ~ August 8, 2011
Public notice of shareholders meeting	August 10, 2011 and August 12, 2011
Dispatch of notice of shareholders meeting	August 12, 2011

Others

Changes in shareholding, including majority shareholder

Not applicable because the spin-off is a simple vertical spin-off.

Appraisal rights of shareholders

Not applicable because the spin-off is a simple vertical spin-off.

Protection of creditors

In accordance with Article 530-1 Paragraph 1, both SK Telecom and SK Planet will be jointly and severally liable for the payment of all obligations of SK Telecom incurred prior to the spin-off.

Allocation of new shares

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In accordance with Articles 530-2 through 530-12, the spin-off is a simple vertical spin-off and all shares of SK Planet were allocated to SK Telecom.

(2) Acquisition of Shares of SK hynix Inc. (formerly, Hynix Semiconductor Inc.)

In accordance with the resolution of the Company's board of directors on November 14, 2011, the Company purchased 146,100,000 shares of SK hynix Inc. (formerly, Hynix Semiconductor Inc.) (SK Hynix) (aggregate purchase price of Won 3,374,726 million) on February 14, 2012 in order to acquire control of SK Hynix. The Company has a 21.05% equity interest in SK Hynix after the purchase.

Table of Contents

[SK Broadband]

(1) Merger

On July 26, 2012, the board of directors of SK Broadband resolved to merge Broadband D&M Co., Ltd., its wholly-owned subsidiary, into SK Broadband after transferring Broadband D&M Co., Ltd.'s network maintenance business to Network O&S Co., Ltd. The merger was effective as of September 26, 2012. In connection with this merger, SK Broadband did not issue any new shares.

On October 25, 2012, the board of directors of SK Broadband resolved to merge Broadband CS Co., Ltd., its wholly-owned subsidiary, into SK Broadband after transferring Broadband CS Co., Ltd.'s customer service business to Service Ace Co., Ltd. The merger was effective as of December 26, 2012. In connection with this merger, SK Broadband did not issue any new shares.

On January 3, 2013, the board of directors of SK Broadband approved the merger of Broadband Media Co., Ltd., its wholly-owned subsidiary, into SK Broadband. The merger was effective as of March 22, 2013 and was recorded as of March 25, 2013. Please refer to the Merger Completion Report filed with the Financial Services Commission on March 25, 2013. In connection with this merger, SK Broadband did not issue any new shares.

[SK Planet]

(1) Merger

On January 11, 2013, the Company acquired the remaining 50% equity stake in SK M&C Co., Ltd., a company providing e-commerce and advertising services, from SK Innovation Co., Ltd. and gained control of both SK M&C Co., Ltd. and its subsidiary, M&SERVICE Co., Ltd. The Company thereafter contributed the 100% equity stake to SK Planet and merged the company into SK Planet as of February 1, 2013. In connection with this merger, the merger ratio between SK Planet and SK M&C Co., Ltd. was 1.2927317:1 and SK Planet issued 12,927,317 of its common stock.

[SK Telink]

(1) Merger

On July 22, 2010, the board of directors of SK Telink Co., Ltd. (SK Telink) approved the merger of TU Media Corp. into SK Telink effective as of November 1, 2010. In connection with this merger, SK Telink issued 256,763 shares of its common stock.

[SK Communications]

(1) Disposition and acquisition of businesses

1. Disposition of publishing business division

On April 10, 2009, SK Communications sold its publishing business division to Etoos for Won 4,785 million in accordance with the resolution of its board of directors of March 5, 2009.

2. Acquisition of the KUKU division

On July 1, 2009, SK Communications purchased the KUKU division from SK I-Media Co., Ltd. for a purchase price of Won 1,157 million, in accordance with the June 25, 2009 resolution of its board of directors.

Table of Contents

3. Disposition of the Spicus division

Pursuant to the July 23, 2009 resolution of its board of directors, SK Communications sold the Spicus division, its telephone English education division, to Spicus Inc., a subsidiary of Altos Ventures on August 1, 2009 for a purchase price of Won 1,493 million.

(2) Disposition of shares

1. Disposition of shares of Etoos

SK Communications sold all of its shares in Etoos to Cheong Sol pursuant to a resolution of its board of directors of October 19, 2009 and, as consideration, received Won 50,000 million principal amount of convertible bonds. Pursuant to a resolution of its board of directors of July 23, 2010, SK Communications converted Won 25 billion principal amount, out of a total of Won 50 billion principal amount, of convertible bonds of Etoos into 701,000 shares of Etoos (15.58%). Pursuant to a resolution of its board of directors of January 13, 2012, SK Communications sold Won 20 billion principal amount, out of the remaining Won 25 billion principal amount, of convertible bonds of Etoos Education Co., Ltd. to Shinhan Private Equity Fund No. 2 at a price of Won 19 billion.

2. Disposition of shares of SK i-Media

Pursuant to a resolution of its board of directors of October 17, 2011, SK Communications sold all shares of SK i-Media Co., Ltd. held by it to LK Media Tech Co., Ltd. at a price of Won 1 million.

3. Disposition of shares of U-Land, an overseas entity

Pursuant to a resolution of its board of directors of December 21, 2011, SK Communications sold all of its 29.85% interest in U-Land, an overseas entity, to SK Planet at a price of Won 10 million.

4. Disposition of shares of Service-In

On November 19, 2012, SK Communications sold all of its shares (80,000 common shares) in Service-In Co., Ltd., its subsidiary, to the chief executive officer of Service-In Co., Ltd., pursuant to a resolution of its board of directors of October 31, 2012.

E. Other Important Matters related to Management Activities [SK Telecom]

(1) Bank loans

On February 14, 2012, the Company borrowed Won 2.5 trillion in a syndicated loan from a syndicate of Korean banks including Kookmin Bank and Woori Bank in order to finance the purchase of SK Hynix shares. Won 2 trillion of the loan matures in three years and Won 0.5 trillion of the loan matures in one year.

[SK Broadband]

SK Broadband, a material consolidated subsidiary of ours, acquired subscriberships of regional cable and other service providers on several different occasions. Such acquisitions were intended to secure a stable subscriber base for our broadband Internet service and, at the same time, increase the service coverage area. Because such acquisitions were conducted on a relatively small scale and involved purchase of subscriberships, we did not believe such acquisitions rose to the level of purchasing an entire business line from another company or were likely to have a material impact on our business, and therefore we believed that such acquisitions did not require resolutions of our shareholders.

Table of Contents**[SK Communications]****(1) Leak of personal information**

In July 2011, there was a leak of personal information of subscribers of NATE and Cyworld websites operated by SK Communications. As of March 31, 2013, twenty lawsuits were filed against SK Communications, alleging that the leak was caused by its poor management of subscribers' personal information and seeking damages of approximately Won 5.5 billion. With respect to a few of the lawsuits, the relevant district courts have rendered judgments for the relevant plaintiffs' claims in part and SK Communications has appealed such judgments to the applicable high courts, where the cases are currently pending. Other cases remain pending at various district courts in Korea.

[SK Telink]

On August 23, 2012, the board of directors of SK Telink resolved to discontinue operations of its satellite Digital Multimedia Broadcasting (DMB) services due to the decrease in satellite DMB subscribers and the continued burden of fixed costs.

3. Total Number of Shares**A. Total Number of Shares**

(As of March 31, 2013)

(Unit: shares)

Classification	Share type		Remarks
	Common shares	Total	
I. Total number of authorized shares	220,000,000	220,000,000	
II. Total number of shares issued to date	89,278,946	89,278,946	
III. Total number of shares retired to date	8,533,235	8,533,235	
a. reduction of capital			
b. retirement with profit	8,533,235	8,533,235	
c. redemption of redeemable shares			
d. others			
IV. Total number of shares (II-III)	80,745,711	80,745,711	
V. Number of treasury shares	11,050,712	11,050,712	
VI. Number of shares outstanding (IV-V)	69,694,999	69,694,999	

On July 20, 2011, the Company publicly disclosed its plan to repurchase treasury shares. The Company repurchased 1.4 million shares of treasury shares from July 25, 2011 to September 30, 2011 through the Korea Exchange. For more information on the repurchase of treasury shares, please see public disclosures made on July 20, 2011 and October 5, 2011.

Table of Contents**B. Treasury Shares**

(1) Acquisitions and Dispositions of Treasury Shares

(As of March 31, 2013)

(Unit: Shares)

Acquisition methods		Type of shares	At the beginning of period	Acquired (+)	Disposed (-)	Retired (-)	At the end of period
Acquisition pursuant to the Financial Investment Services and Capital Markets Act of Korea (FSCMA)	Direct acquisition	Common shares	7,086,028				7,086,028
		Preferred					
		Direct acquisition from market					
		Common shares					
		Preferred					
	Tender offer	Direct over-the-counter acquisition					
		Common shares					
		Preferred					
	Sub-total	Common shares	7,086,028				7,086,028
		Preferred					
Other acquisition	Held by trustee	Common shares					
		Preferred					
		Acquisition through trust and other agreements					
	Held in actual stock	Common shares	3,886,710				3,886,710
		Preferred					
	Sub-total	Common shares	3,886,710				3,886,710
		Preferred					
		Other acquisition	77,974				77,974
		Common shares					
		Preferred					
		shares					
		Common shares	11,050,712				11,050,712
		Preferred					
		shares					

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Of the 11,050,712 shares acquired by the Company, 2,421,077 shares were deposited with the Korea Securities Depository as of March 31, 2013 for issuance upon conversion of the Company's overseas convertible bonds.

Table of Contents**4. Status of Voting Rights**

(As of March 31, 2013)

(Unit: shares)

Classification		Number of shares	Remarks
Total shares (A)	Common share	80,745,711	
	Preferred share		
Number of shares without voting rights (B)	Common share	11,050,712	Treasury shares
	Preferred share		
Shares without voting rights pursuant to the Company's articles of incorporation (C)	Common share		
	Preferred share		
Shares with restricted voting rights pursuant to Korean law (D)	Common share		
	Preferred share		
Shares with reestablished voting rights (E)	Common share		
	Preferred share		
The number of shares with exercisable voting rights (F = A - B - C - D + E)	Common share	69,694,999	
	Preferred share		

5. Dividends and Others**A. Dividends**

- (1) Distribution of cash dividends was approved during the 27th General Meeting of Shareholders held on March 11, 2011.

Distribution of cash dividends per share of Won 8,400 (exclusive of an interim dividend of Won 1,000) was approved.

- (2) Distribution of interim dividends of Won 1,000 was approved during the 330th Board of Directors Meeting on July 28, 2011.

- (3) Distribution of cash dividends was approved during the 28th General Meeting of Shareholders held on March 23, 2012.

Distribution of cash dividends per share of Won 8,400 (exclusive of an interim dividend of Won 1,000) was approved.

- (4) Distribution of interim dividends of Won 1,000 was approved during the 344th Board of Directors Meeting on July 25, 2012.

- (5) Distribution of cash dividends was approved during the 29th General Meeting of Shareholders held on March 22, 2013.

Distribution of cash dividends per share of Won 8,400 (exclusive of an interim dividend of Won 1,000) was approved.

Table of Contents**B. Dividends for the Last 3 Fiscal Years**

(Unit: in millions of Won, except per share value)

Classification		As of and for the quarter ended March 31, 2013	As of and for the year ended December 31, 2012	As of and for the year ended December 31, 2011
Par value per share (Won)		500	500	500
Net income		302,178	1,242,767	1,694,363
Net income per share (Won)		4,336	17,832	24,002
Total cash dividend			655,133	656,533
Total stock dividends				
Percentage of cash dividend to available income (%)			52.7	38.7
Cash dividend yield ratio (%)	Common share		6.2	6.6
	Preferred share			
Stock dividend yield ratio (%)	Common share			
	Preferred share			
Cash dividend per share (Won)	Common share		9,400	9,400
	Preferred share			
Stock dividend per share (share)	Common share			
	Preferred share			

Prepared based on separate financial statements. Net income per share means basic net income per share.

- * The total cash dividend of Won 656,533 million for the year ended December 31, 2011 includes the total interim dividend amount of Won 71,095 million, and the cash dividend amount per share of Won 9,400 includes the interim cash dividend amount per share of Won 1,000.
- * The total cash dividend of Won 655,133 million for the year ended December 31, 2012 includes the total interim dividend amount of Won 69,695 million, and the cash dividend amount per share of Won 9,400 includes the interim cash dividend amount per share of Won 1,000.

Table of Contents**II. BUSINESS**

Each company in the consolidated entity is a separate legal entity providing independent services and products. The business is primarily separated into (1) the wireless telecommunication business consisting of mobile phone, wireless data, information telecommunication, (2) the fixed-line telecommunication business consisting of PSTN, high speed Internet, data and network lease services, among others, and (3) other businesses consisting of platform services, Internet portal services and music streaming services, among others.

1. Business Overview**Summary Business Description of Material Consolidated Subsidiaries**

Classification	Company name	Description of business
Wireless	SK Telecom Co., Ltd.	Wireless voice and data telecommunications services via digital wireless networks
	PS&Marketing Co., Ltd.	Resale of fixed-line and wireless telecommunications products through wholesale, retail and online distribution channels
	Network O&S Co., Ltd.	Network maintenance services such as the operation of the Company's base stations and related transmission and power facilities
Fixed-line	SK Broadband Co., Ltd.	High-speed Internet, TV, telephone, commercial data and other fixed-line services and management of the transmission system for online digital contents
		Various media-related services, such as channel management, including video on demand, and mobile IPTV services
Other business	SK Telink Co., Ltd.	International wireless direct-dial 00700 services, pre-paid international card calling services, voice services using Internet protocol and Mobile Virtual Network Operator (MVNO) services
	SK Planet Co., Ltd.	Various platform services such as 11th Street, T Store, T-Map Navigation and Hoppin in the application, commerce and new media areas, among others
	SK Communications Co., Ltd.	Integrated portal services through NATE, social networking services through Cyworld and instant messaging services through NATE-ON
	Loen Entertainment, Inc.	Online music services, including operation of MelOn, a music portal, as well as production and sales of music albums
	YTK Investment Ltd.	Established to strategically invest in funds in order to find future growth opportunities and strengthen the Company's competitiveness
[Wireless Business]		Atlas Investment

A. Industry Characteristics

As of March 31, 2013, the Korean mobile communication market can be considered to have reached its maturation stage with more than a 100% penetration rate. However, the Korean mobile communications market continues to improve in the quality of services with the help of advances in network-related technology and the development of highly advanced LTE and 3G smartphones which enable the provision of convergence services for multimedia contents, mobile commerce, telematics, new media and other related services. In addition, through the HSPA+ network commercialized in October 2010 and the LTE network introduced in July 2011, B2B businesses, such as the corporate connected workforce business which can directly contribute to an enhancement in productivity, are expected to grow rapidly.

Table of Contents**B. Growth Potential**

(Unit: 1,000 persons)

Classification		As of March 31,		As of December 31,		2009
		2013	2012	2011	2010	
Number of subscribers	SK Telecom	27,030	26,961	26,553	25,750	24,270
	Others (KT, LGU+)	26,806	26,663	25,954	25,062	23,675
	Total	53,836	53,624	52,507	50,767	47,944

(Source: Korea Communications Commission website and each Korean telecommunications company's respective earnings releases)

C. Domestic and Overseas Market Conditions

The Korean mobile communication market includes the entire population of Korea with mobile communication service needs, and almost every Korean is considered a potential user. Sales revenue related to data services is expected to increase due to the increasing popularity of smartphones and wireless Internet. The importance of the business-to-business segment, which creates added value by selling and developing various solutions, is also growing. Seasonal and economic fluctuations have much less impact on the Korean mobile communication market compared to other industries.

Historical market share of the Company:

(Unit: %)

Classification	As of March 31,		As of December 31,		2009
	2013	2012	2011	2010	
Mobile communication services	50.2	50.3	50.6	50.6	50.6

(Source: Korea Communications Commission website and each Korean telecommunications company's respective earnings releases)

D. Business Overview and Competitive Strengths

The Company is seeking to transform itself from a telecommunication service provider into a comprehensive information and communication technology (ICT) service provider. It has continued to expand the scope of its services and achieved strong growth in subscribers amid fierce competition and rate cuts. For the quarter ended March 31, 2013, the Company recorded Won 4.1 trillion in operating revenue and Won 410 billion in operating income on a consolidated basis and Won 3.1 trillion in revenue and Won 420 billion in operating income on a separate basis.

The number of subscribers as of March 31, 2013 was 27.03 million, an increase of approximately 68,000 from the previous quarter. In particular, the number of smartphone subscribers as of March 31, 2013 was 16.65 million, an increase of approximately 670,000 from the previous quarter, including 9.33 million LTE subscribers, solidifying the Company's market leadership. The Company upgraded the quality of data services by providing commercial LTE services, enabling streaming of high-quality videos, high-definition voice services such as high-definition video conference calls and joyn.T, an all-IP next generation integrated communications service. The Company also plans to enhance customer satisfaction by improving network quality.

The Company has proved that it has superior network quality compared to its competitors according to the Korea Communications Commission quality evaluations. The Company has also proved to be the leader in Korea's top three customer satisfaction indices: according to the National Customer Satisfaction Index, Korean Customer Satisfaction Index and Korean Standard Service Quality Index, the Company has continued to hold the leading position for 16 years, 15 years and 13 years, respectively.

Table of Contents

SK Telink, a consolidated subsidiary of the Company, expanded its operations to the MVNO business based on its technical expertise and know-how obtained in its international telecommunications business and launched its MVNO service, 7Mobile, which is offered at reasonable rates and provides excellent quality. SK Telink is increasing its efforts to develop low-cost distribution channels and create niche markets through targeted marketing towards customers with lower average revenue per user. An MVNO leases the networks of a mobile network operator (MNO) and provides wireless telecommunication services under its own brand and fee structure, without owning telecommunication networks or frequencies.

Network O&S, a subsidiary of the Company responsible for the operation of the Company's base stations and related transmission and power facilities, offers quality fixed-line and wireless products to customers, including mobile office products to business customers.

PS&Marketing, a subsidiary of the Company involved in wholesale, retail and online sales, offers fixed-line and wireless telecommunication products and services to meet the lifestyle needs of customers.

[Fixed-line Business]**A. Industry Characteristics**

Mergers among fixed-line operators and wireless operators have accelerated the convergence within the Korean telecommunications industry, creating a market structure in which groups with both fixed-line and wireless capabilities compete for greater market share to secure a more solid footing in the market by lowering rates, such as introducing plans with unlimited minutes for both inter- and intra-network calls. In addition, with the introduction of smartphones, tablet computers and other devices with enhanced mobility and the expansion of LTE service (including the planned launch of LTE-Advanced service in the second half of 2013), wireless Internet usage has become a norm. As subscribers to various bundled wireless and fixed-line products are continuing to increase, subscribers to IPTV services are rapidly increasing. The market for our corporate business is also growing with cloud computing, mobile offices and other new information and communications technologies being commercialized. The increased usage of smartphones and tablet computers has greatly increased the demand for wireless data transmissions, thereby further emphasizing the importance of fixed-line networks.

The number of subscribers of the Company's IPTV services has reached over 6.7 million in four years since the Company launched this service and the Company continues to strengthen its position in the pay television market. In addition, with the increase in the number of smartphones, tablet PCs and other mobile devices, new services such as mobile IPTV and N-screen services are expected to grow significantly in the future.

B. Growth Potential

(Unit: 1,000 persons)

Classification		As of March 31, 2013	As of December 31,	
			2012	2011
Fixed-line Subscribers	High-speed Internet	18,333	18,254	17,860
	Fixed-line telephone	18,306	18,459	18,633
	IPTV (real-time)	6,799	6,310	3,591

(Source: Korea Communications Commission website and each Korean telecommunications company's earnings releases)

Table of Contents**C. Cyclical Nature and Seasonality**

High-speed Internet, fixed-line telephone and IPTV services are mature markets that are generally not sensitive to cyclical economic changes due to the easing of competition resulting from the decrease in differentiation between service providers and the nature of the respective services. We expect that the accelerated transition to digital TV services as a result of the termination of analog open air TV broadcasting, as well as the entrance of Google Inc. (Google) and Apple Inc. (Apple) into the television market and the introduction of smart TV products, will present opportunities by expanding the market size and increasing consumers' interests. We are strengthening our competitiveness in the TV business by expanding the number of popular channels, such as kids channels and channels providing live broadcasts of MLB games, as well as strengthening mobile IPTV services using N-screen.

Historical market share of the Company:

(Unit: %)

Classification	As of March 31, 2013	As of December 31,	
		2012	2011
High-speed Internet (include resales)	24.2	24.1	23.5
Fixed-line telephone (include VOIP)	16.6	16.5	14.6
IPTV (real-time)	22.6	22.2	19.3

(Source: Korea Communications Commission website and each Korean telecommunications company's earnings releases)

D. Business Overview and Competitive Strengths

SK Broadband, which in 1999 became the first company in the world to commence commercial ADSL services, has strengthened its co-marketing efforts with SK Telecom. The co-marketing efforts and the enhanced competitiveness of the bundled products have resulted in an expanded subscriber base across all of our businesses, including broadband Internet, telephone and IPTV. In particular, we have positioned ourselves to focus on corporate customer services as one of the key strategic areas for mid- to long-term growth, and our efforts to exploit new information and communications technology-based businesses have led to revenue growth and strengthening of our competitiveness in the emerging business-to-business market.

SK Telink, a material consolidated subsidiary of the Company, provides international telecommunications service. SK Telink has been able to establish itself as a market leader as a result of its affordable pricing, proactive marketing and the quality of its services. It launched a mobile phone-based international calling service under the brand name 00700 in 1998, creating a new niche market within the long-distance telephony market that was otherwise dominated by existing service providers. In 2003, SK Telink was designated a common carrier for international calling services, which allowed us to expand our international calling services to fixed-line international calling services. SK Telink plans to strengthen its existing business, including international and long-distance calling services, value-added services for local calling and B2B services, while satisfying customers' diverse needs for new services.

[Other Business]**A. Industry Characteristics**

As the number of smartphones distributed in Korea exceeds 30 million, the growth in various mobile devices has spurred the rise of the service provider with a strong platform business as the leader in the ICT market. It is becoming increasingly important to enhance competitiveness by building a platform with large data capacity to handle the increase in data transmission.

Table of Contents

A platform business acts as an intermediary by promoting interactions among various customer groups, thereby generating new values. It is important for a platform business to continually attract subscribers and users and to create an ecosystem with certain lock-in effects. A platform can exist in various forms, including as a technological standard (iOS, Android OS), a subscriber-based service platform (Facebook, Twitter) or a marketplace (Amazon, T Store). Platform businesses are evolving and expanding globally. It is becoming increasingly important to enhance competitiveness by creating a database that can register and analyze purchase patterns of customers across all areas and building a platform with large data capacity to utilize this database to provide differentiated services.

A platform business has strong growth potential due to its connectivity with related services and ease of global expansion. Apple became a world-leading smartphone producer based on its innovative design and the competitive strength of its App Store platform. Google has created a new ecosystem of long-tail advertising by attracting millions of third parties to its advertising platform, as well as showing strong growth in mobile markets with its competitive platform based on Android OS.

B. Growth Potential

The Company expects that the scope and value generated by the platform business, including application and content marketplaces and N-screen services, will increase, as smartphones and tablet computers become more popular and the bandwidth and speed of network infrastructure improve.

As the wireless network evolves to LTE, business opportunities for the platform business are growing, which include multimedia streaming, N-screen service based on cloud technology and high-definition location-based services. Since the platform business realizes profit by connecting with advertisements or commerce sites after building a critical mass of subscribers and traffic, the recent growth in the advertising and commerce markets is expected to present an opportunity for platform businesses. We expect that in the future, the importance of building a platform with large data capacity that is connected to various digital contents and commerce will increase.

C. Domestic and Overseas Market Conditions

(1) Competition

Application Marketplace

The growth of application marketplaces, which started with Apple's App Store, provides the platform business with new opportunities for revenue generation. The competitive paradigm is shifting from a competition among platform operators toward a competition among eco-systems that include application developers as well as platform operators.

Commerce Markets

The Company expects that on-line commerce markets will continue to grow due to the growth potential of the Internet shopping population and the strengthening of on-line business models by off-line operators. The Korean advertising market is expected to grow from Won 9.8 trillion in 2012 to Won 11.7 trillion in 2015. In particular, mobile advertising is expected to grow rapidly to Won 1.0 trillion in 2015, primarily due to the popularity of smartphones and convergence with location-based advertising.

Media Contents Market

Due to an increase in the number of devices owned by each user and an increase in network speed, each user can now enjoy music or video files anywhere and anytime by storing them in cloud servers, which is called N-screen service. Users can recommend music to other users through social networking services and this is expected to become a distribution model for digital media contents. Various service providers are competing in this market expecting a strong growth in the on-line and mobile video market.

Table of Contents

Although Internet portal service providers provide more or less identical types of services, including search, social networking, email, news and other content services, for each type of service, a small number of service providers with specialized expertise are enjoying relatively large market shares. However, the portal services market has a relatively low entry barrier and there is increased competition from new entrants. In addition, the ease of access to services provided by competitive foreign providers is also adding to a highly competitive market environment.

(2) Market Share

CyWorld service, our social networking website in Korea, had 26 million cumulative subscribers, 13 million net users and a page view of 500 million as of March 2013. Our Nate-On service had the largest market share of 73.6% in the instant messenger market in Korea with 8 million net users as of March 2013. Our Nate search portal service had a market share of 1.8% as of March 2013. (Source: Korean Click, Company data).

D. Business Overview and Competitive Strengths

SK Planet plans to expand its platform ecosystem focusing on its Open & Collaboration motto in operating its digital content marketplaces such as T Store and Hoppin, commerce marketplaces such as 11th Street and Smart Wallet and location-based services such as T-Map Navigation, thereby ultimately increasing its enterprise value.

Digital Content Marketplace

T Store, launched in September 2009, reached 19.8 million subscribers and cumulative downloads of 1.24 billion as of March 2013, solidifying its leadership position in the Korean application market and plans to widen its services to tablets and navigation devices. The Company intends to further develop T Store into a global service platform by evolving it into a personalized gateway and mobile playground through expansion of the scope of serviceable devices, reinforcement of digital content offerings and enhancement of search services, among other things.

The Company's Hoppin service, which provides N-screen media service enabling subscribers to enjoy video on demand through a number of N-screen compatible devices, including smartphones, tablets and PCs. Through continual service improvements and stable service provision, Hoppin has become the leading mobile video on demand service with over 300 million subscribers as of October 2012. The Company plans to market this service globally based on its experience in the Korean IT infrastructure environment.

Commerce (Open Market)

11th Street, an online marketplace, has continued its growth through effective marketing and customer satisfaction. Despite its later entry into the online commerce market (launched in 2008) which was already divided between Auction and G-Market, it is leading the domestic e-commerce market and is also firmly establishing its position as the leader in the mobile commerce market. Growth plans involving overseas joint ventures based on 11th Street's business expertise have resulted in the successful launch of an open online commerce market in Turkey in partnership with Doğuş Group.

OK Cashbag is a point-based loyalty marketing program which has grown to become a global top-tier loyalty marketing program since its inception in 1999. Customers have access to increased benefits through accumulation of loyalty reward points and partner companies use OK Cashbag as a marketing resource. With 36 million subscribers, OK Cashbag maintains a leading position in the industry and plans to continue strengthening its position by providing customized services befitting customers' needs and market conditions.

Table of Contents

Location-based Service

T-Map Navigation provides map, local information, real-time traffic information and navigation services. With cumulative subscribers of 16.95 million as of March 31, 2013, T-Map Navigation is one of the leading location-based service platforms in Korea. The Company is broadening the range of its location-based services by also providing infotainment systems to commercial vehicle businesses as well as providing localized content on its products, such as region-specific information and advertisements. The Company plans to further develop the T-Map Navigation platform by initiating open application programming interface-based services, providing services to more diverse types of devices and providing local area-based services.

Media Platform

The Company's media platform business started with its Hoppin service, which provides N-screen media service enabling subscribers to enjoy contents through a number of devices. Hoppin has expanded its services to more types of smartphones and tablets and has 3.73 million subscribers as of March 31, 2013. The Company plans to develop Hoppin service into a media platform acting as an intermediary of various N-screen services. It also plans to provide media platform services in overseas markets in stages.

Music Business

The Company's online music site, MelOn, has continued to increase its sales and, for the past five years, has been recognized as having the largest market share and the highest brand recognition in the digital music sales market in Korea. As of March 31, 2013, the Company supports all major smartphone and tablet devices introduced in Korea. The Company is quickly and flexibly responding to the mobile environment by improving the usability of its mobile applications, proactively responding to the release of new devices and continuing to improve its service and maintain its stable operation. The Company has also established a multi-device environment in which users can use MelOn anywhere and anytime, by among other things supporting all five major web browsers, including Explorer, Google Chrome and Safari. The Company is leading the growth of the music industry while respecting the rights of copyright holders. Despite changes in licensing fee requirements, the Company is pioneering new business areas by creating new products and services to meet the needs of a wide range of customers and partnering with various companies. The Company plans to strengthen its leadership in the mobile market and increase the number of its subscribers by providing reliable service operations and continually improving service, offering relevant and special music related contents to its customers and engaging in diverse and differentiated marketing promotion activities.

Satellite DMB

The Company launched its Hanbyul satellite in 2004 and received government approval in December 30, 2004 to provide satellite DMB services. Broadcasting through satellite DMB commenced in May 2005 and satellite DMB services expanded nationwide thereafter. On August 23, 2012, the board of directors resolved to discontinue operation of its satellite DMB services due to the rapid decrease in satellite DMB subscribers and the continued burden of fixed costs.

Table of Contents**2. Major Products & Services****A. Updates on Major Products and Services**

(Unit: in millions of Won, %)

Business	Major companies	Item	Major trademarks	Consolidated Sales amount (ratio)
Wireless	SK Telecom Co., Ltd., PS&Marketing Co., Ltd., Service Ace Co., Ltd., Service Top Co. Ltd., Network O&S Co., Ltd.	Mobile Communication Service, Wireless Data Service, Information Telecommunication Service	T and others	3,265,014(79.4%)
Fixed-line	SK Broadband Co., Ltd., SK Telink Co., Ltd.	Fixed-line Phone, High Speed Internet, Data and Network Lease Service	B tv , 00700 international call and others	580,628(14.1%)
Other	SK Planet Co., Ltd, Commerce Planet Co., Ltd, SK Communications Co., Ltd., Loen Entertainment, Inc., YTK Investment Ltd., Atlas Investment	Internet Portal Service and Game Design	NATE, 11th Street, T Store, T-Map Navigation, MelOn, Cyworld and others	266,995(6.5%)
Total				4,112,637(100%)

B. Price Fluctuation Trend of Major Products and Services**[Wireless Business]**

In the past, based on the Company's basic monthly subscription plan, the basic service fee was Won 13,000 per month and the usage fee was Won 20 per 10 seconds and based on the Company's standard monthly subscription plan, the basic service fee was Won 12,000 per month and the usage fee was Won 18 per 10 seconds. As of March 31, 2013, based on the Company's standard monthly subscription plan, the basic service fee was Won 11,000 per month and the usage fee was Won 1.8 per 1 second.

[Fixed-line Business]

SK Broadband provides broadband Internet access service, telephony, TV, corporate data services and other services for both individual and corporate customers. As of March 31, 2013, broadband Internet and TV services comprised 50.0% of SK Broadband's revenue, telephony service 24.1%, corporate data services 25.2% and other telecommunications services 0.7%.

3. Investment Status**[Wireless Business]****A. Investment in Progress**

(Unit: in 100 millions of Won)

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Business	Classification	Investment period	Subject of		Expected investment amount	Amount already invested	Future investment
			investment	Investment effect			
Network/Common	Upgrade/ New installation	2013	Network, systems and others	Capacity increase and quality improvement; systems improvement	21,000	3,507	To be determined
Total				-	21,000	3,507	To be determined

Table of Contents

B. Future Investment Plan

(Unit: in 100 millions of Won)

Business	Expected investment amount		Expected investment for each year			Investment effect
	Asset type	Amount	2013	2014	2015	
Network/Common	Network, systems and others	21,000	21,000	To be determined	To be determined	Upgrades to the existing services and provision of new services
Total		21,000	21,000	To be determined	To be determined	Upgrades to the existing services and provision of new services

[Fixed-line Business]

A. Investment in Progress

(Unit: in 100 millions of Won)

Business	Classification	Investment period	Subject of investment	Investment effect	Total investments	Amount already invested	Future investment
High-speed Internet	Upgrade/ New installation	1st quarter, 2013	Backbone and subscriber network / others	Expand subscriber networks and facilities	365	88	To be determined
Telephone						11	
Television				21			
Corporate Data				184			
Others				61			
Total						365	

4. Revenues

(Unit: in millions of Won)

Business	Sales type	Item		For the quarter ended March 31, 2013	For the year ended December 31, 2012	For the year ended December 31, 2011
Wireless	Services	Mobile communication	Export	97	14,202	1,331
			Domestic	3,264,917	13,204,702	13,074,936
			Subtotal	3,265,014	13,218,904	13,076,267
Fixed-line	Services	Fixed-line,	Export	6,240	29,883	28,070
			Domestic	574,388	2,163,978	2,103,879
		B2B data, High-speed Internet, TV	Subtotal	580,628	2,193,861	2,131,949

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Other	Services	Display and	Export	753	4,698	12,036
		Search ad.,	Domestic	266,242	883,016	706,217
		Content	Subtotal	266,995	887,714	718,253
Total			Export	7,090	48,783	41,437
			Domestic	4,105,547	16,251,696	15,885,032
			Total	4,112,637	16,300,479	15,926,469

Table of Contents

(Unit: in millions of Won)

For the quarter ended March 31, 2013	Wireless	Fixed	Other	Sub total	Internal transaction	After consolidation
Total sales	3,551,807	714,873	435,747	4,702,427	-589,790	4,112,637
Internal sales	286,793	134,245	168,752	589,790	-589,790	0
External sales	3,265,014	580,628	266,995	4,112,637	0	4,112,637
Operating income (loss)	423,524	7,914	-20,805	410,633	0	410,633
Total assets	22,878,131	3,123,480	3,037,280	29,038,891	-3,630,049	25,408,843
Total liabilities	10,607,539	1,897,378	856,846	13,361,763	-320,620	13,041,143

5. Derivative Transactions**(1) Currency swap contract applying cash flow risk hedge accounting**

The Company has entered into a floating-to-fixed cross currency swap contract with Credit Agricole Corporate & Investment Bank to hedge the foreign currency risk and the interest rate risk of U.S. dollar-denominated long-term borrowings with face amounts totaling US\$100,000,000 borrowed on October 10, 2006. As of March 31, 2013, in connection with this unsettled cross currency interest rate swap contract to which cash flow hedge accounting is applied, an accumulated loss on valuation of derivatives amounting to Won 2,802 million (net of tax effect totaling Won 394 million and foreign currency translation loss arising from U.S. dollar-denominated long-term borrowings totaling Won 16,410 million) was accounted for as accumulated other comprehensive loss.

In addition, the Company has entered into a fixed-to-fixed cross currency swap contract with six banks, including Morgan Stanley, to hedge the foreign currency risk of unguaranteed U.S. dollar-denominated bonds with face amounts totaling US\$400,000,000 issued on July 20, 2007, and has applied cash flow hedge accounting to this cross currency swap contract starting from May 12, 2010. Accordingly, as of March 31, 2013, in connection with this unsettled cross currency swap contract, an accumulated loss on valuation of derivatives amounting to Won 37,356 million (net of tax effect totaling Won 11,926 million and foreign currency translation gain arising from these unguaranteed U.S. dollar-denominated bonds totaling Won 12,483 million) was accounted for as accumulated other comprehensive loss. In connection with this cross currency swap contract, a gain on valuation of the cross currency swap contract incurred before application of cash flow hedge accounting of Won 129,806 million was recognized.

The Company has entered into a floating-to-fixed cross currency swap contract with two banks, including DBS, to hedge the foreign currency risk and the interest rate risk of floating-rate U.S. dollar-denominated bonds with face amounts totaling US\$250,000,000 issued on December 15, 2011. As of March 31, 2013, in connection with this unsettled cross currency interest rate swap contract, an accumulated gain on valuation of derivatives amounting to Won 5,767 million (net of tax effect totaling Won 1,841 million and foreign currency translation gain arising from these unguaranteed U.S. dollar-denominated bonds totaling Won 11,490 million) was accounted for as other comprehensive income.

Table of Contents

In addition, the Company has entered into a floating-to-fixed cross currency swap contract with United Overseas Bank to hedge the foreign currency risk and the interest rate risk of its Singapore dollar-denominated bonds with face amounts totaling SGD 65,000,000 issued on December 15, 2011. As of March 31, 2013, in connection with this unsettled cross currency interest rate swap contract, an accumulated loss on valuation of derivatives amounting to Won 174 million (net of tax effect totaling Won 55 million and foreign currency translation loss arising from these Singapore dollar-denominated bonds totaling Won 791 million) was accounted for as accumulated other comprehensive loss.

The Company has entered into a fixed-to-fixed cross currency swap contract with six banks, including Citibank, to hedge the foreign currency risk of its Swiss Franc-denominated bonds with face amounts totaling CHF 300,000,000 issued on June 12, 2012. As of March 31, 2013, in connection with this unsettled cross currency swap contract, an accumulated loss on valuation of derivatives amounting to Won 8,912 million (net of tax effect totaling Won 2,845 million and foreign currency translation gain arising from its Swiss Franc-denominated bonds totaling Won 12,176 million) was accounted for as accumulated other comprehensive loss.

In addition, the Company has entered into a fixed-to-fixed cross currency swap contract with ten banks, including Barclays, to hedge the foreign currency risk of unguaranteed U.S. dollar-denominated bonds with face amounts totaling US\$700,000,000 issued on November 1, 2012. As of March 31, 2013, in connection with this unsettled cross currency swap contract, an accumulated loss on valuation of derivatives amounting to Won 12,029 million (net of tax effect totaling Won 3,840 million and foreign currency translation gain arising from these unguaranteed U.S. dollar-denominated bonds totaling Won 14,883 million) was accounted for as accumulated other comprehensive loss.

The Company has entered into a fixed-to-fixed cross currency swap contract with four banks, including BNP Paribas, to hedge the foreign currency risk of unguaranteed Australian dollar-denominated bonds with face amounts totaling AUD 300,000,000 issued on January 17, 2013. As of March 31, 2013, in connection with this unsettled cross currency swap contract, an accumulated gain on valuation of derivatives amounting to Won 307 million (net of tax effect totaling Won 98 million and foreign currency translation loss arising from these unguaranteed Australian dollar-denominated bonds totaling Won 11,703 million) was accounted for as accumulated other comprehensive income.

In addition, the Company has entered into a floating-to-fixed cross currency swap contract with DBS to hedge the foreign currency risk and the interest rate risk of its U.S. dollar-denominated bonds with face amounts totaling US\$300,000,000 issued on March 7, 2013. As of March 31, 2013, in connection with this unsettled cross currency interest rate swap contract, an accumulated loss on valuation of derivatives amounting to Won 4,077 million (net of tax effect totaling Won 1,302 million and foreign currency translation gain arising from these U.S. dollar-denominated bonds totaling Won 8,506 million) was accounted for as accumulated other comprehensive loss.

Table of Contents

(2) The fair values of the derivative instruments described above as of March 31, 2013 are recognized as derivative assets or derivative liabilities under current assets, non-current assets or current liabilities on the Company's balance sheet. Details are as follows:

(Unit: in thousands of Won)

Category	Subject of Risk Hedge	Contract Period	Fair Value of Derivative Instruments		Total
			Designated as Hedging Instrument	Not Designated as Hedging Instrument	
Currency Swap (Current Asset)	U.S. dollar-denominated long-term borrowings (principal amount of US\$100,000,000)	From Oct. 10, 2006 to Oct. 10, 2013	13,213,611		13,213,611
	Unguaranteed U.S. dollar-denominated bonds (face amount of US\$400,000,000)	From Jul. 20, 2007 to Jul. 20, 2027	68,040,599		68,040,599
Currency Swap (Non-current Asset)	Floating-rate Singapore dollar-denominated bonds (face amount of SGD 65,000,000)	From Dec. 15, 2011 to Dec. 12, 2014	561,781		561,781
	Floating-rate Australian dollar-denominated bonds (face amount of AUD 300,000,000)	From Jan. 17, 2013 to Nov. 17, 2017	12,107,035		12,107,035
	Floating-rate U.S. dollar-denominated bonds (face amount of US\$300,000,000)	From Mar. 7, 2013 to Mar. 7, 2020	3,127,450		3,127,450
Conversion Right (Current Asset)	Convertible bonds (Available-for-sale securities)(*) (face amount of Won 50,000,000,000)	From Sep. 1, 2009 to Aug. 31, 2014		463,759	463,759
Conversion Right (Non-current Asset)				225,385	225,385
Total derivative assets			97,050,476	689,144	97,739,620
Currency Swap (Non-current Liability)	Floating-rate U.S. dollar-denominated bonds (face amount of US\$250,000,000)	From December 15, 2011 to December 12, 2014	3,881,838		3,881,838
	Floating-rate Swiss Franc-denominated bonds (face amount of CHF 300,000,000)	From June 12, 2012 to June 12, 2017	23,933,776		23,933,776
	Floating-rate U.S. dollar-denominated bonds (face amount of US\$700,000,000)	From November 1, 2012 to May 1, 2018	986,514		986,514
Total derivative liabilities			28,802,128		28,802,128

(*)

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The fair value of Won 689,144,000 of the conversion rights of the convertible bonds held by SK Communications, a subsidiary of the Company, was recognized as a derivative asset.

Table of Contents**6. Major Contracts**
[SK Telecom]

Category	Vendor	Start Date	Completion Date	Contract Title	Contract Amount (in 100 millions of Won)
Service				B2B contents purchase contract for Smart Safe and Phone Safe 40	206
	SK Planet Co., Ltd.	February 25, 2013	December 31, 2013		
Service				Contract for 2012 production of above-the-line advertisements (former SK M&C)	58
	SK Planet Co., Ltd.	February 25, 2013	March 31, 2013		
Real Estate				Purchase of regional centers (23 centers)	150
	Individual	January 1, 2013	May 15, 2013		
Subtotal					414

[SK Broadband]

SK Broadband enters into contracts to use telecommunications facilities, including the use of line conduits and interconnection among telecommunication service providers.

Counterparty	Contract Contents	Contract Period	Note
Telecommunication service providers	Interconnection among telecommunication service providers		Interconnection among telecommunication service providers
KEPCO	Provision of electric facilities	From Dec. 2012 to Dec. 2013	Use of electricity poles
Seoul City Railway	Use of telecommunication line conduits	From Jan. 2009 to Dec. 2012 (Renewal in progress)	Use of railway telecommunication conduit (Served areas to expand)
Seoul Metro	Use of telecommunication line conduits	From May 2010 to May 2013	Use of railway telecommunication conduit (Served areas to expand)
Busan Transportation Corporation	Use of telecommunication line conduits	From July 2009 to July 2013	Use of railway telecommunication conduit (Served areas to expand)
Gwangju City Railway	Use of telecommunication line conduits	From Sep. 2010 to Dec. 2012 (Renewal in progress)	Use of railway telecommunication conduit (For establishment of lines for corporate use)

[SK Planet]

Counterparty	Contract Contents	Contract Period	Amount
SK Communications	Operation of shopping business at Nate.com website	From Jul. 1, 2011 to Dec. 31, 2013	Variable depending on the NATE shopping revenues and other factors

Table of Contents**[SK Communications]**

Counterparty	Purpose	Contract Period	Contract Amount
Daum Communications	Cost-per-click Internet search advertisement		Amount determined based on the number of clicks
SK Construction Co., Ltd.	Construction of Pangyo Office Building	23 months	Won 61.9 billion
SK Planet Co., Ltd.	Operation of shopping business at nate.com website	From Jul. 1, 2011 to Dec. 31, 2013	Minimum guarantee of Won 18.4 billion for the period from Jul. 1, 2011 to Dec. 31, 2011; Amounts for 2012 and 2013 are to be determined depending on the NATE shopping revenues and other factors
Daum Communications	Business and service cooperation regarding search advertisement		Revenues are allocated in accordance with certain set percentages

SK Communications and Daum Communications have agreed not to publicly disclose the contract period with respect to the contract with Daum Communications.

On February 1, 2013, the board of directors of SK Communications resolved to sell the Pangyo office building (which is currently under construction) and certain land it owns to SK Planet for Won 74.9 billion. This amount is subject to the approval of the Gyeonggi Provincial Government.

7. R&D Investments

(Unit: in millions of Won)

Category		For the quarter ended March 31, 2013	For the year ended December 31,		Remarks
			2012	2011	
Raw material		5	42	45	
Labor		28,222	59,050	48,656	
Depreciation		41,332	163,295	149,850	
Commissioned service		5,024	62,399	40,257	
Others		10,836	61,546	57,118	
Total R&D costs		85,419	346,332	295,927	
Accounting	Sales and administrative expenses	81,597	304,557	289,979	
	Development expenses (Intangible assets)	3,822	41,775	5,948	
R&D cost / sales amount ratio (Total R&D costs / Current sales amount×100)		2.08%	2.12%	1.85%	

Table of Contents

8. Other information relating to investment decisions

[SK Telecom]

A. Trademark Policies

The Company manages its corporate brand and other product brands such as T in a comprehensive way to protect and increase their value.

The Company's Brand Management Council in charge of overseeing its systematic corporate branding operates full-time to execute decisions involving major brands and operates Brandnet, an intranet system to manage corporate brands which provides solutions including licensing of the brands and downloading of the Company logos.

B. Business-related Intellectual Property

The Company holds 4,810 Korean-registered patents, 276 U.S.-registered patents, 178 Chinese-registered patents (all including patents held jointly with other companies) and more patents with other countries. The Company holds 825 Korean-registered trademarks and owns intellectual property rights to the design of the alphabet T. The designed alphabet T is registered in all business categories for trademarks (total of 45) and is being used as the primary brand of the Company.

[SK Broadband]

SK Broadband holds 329 Korean-registered patents relating to high-speed Internet, telephone and IPTV service. In addition, SK Broadband has applied for a patent relating to two-way broadcasting system. SK Broadband also holds a number of trademarks and service marks relating to its service and brand.

[SK Planet]

As of March 31, 2013, SK Planet held 2,104 registered patents, 91 registered design marks, 1,066 registered trademarks and one copyright (including those held jointly with other companies) in Korea. It also holds 24 U.S.-registered patents, 35 Chinese-registered patents, 8 Japanese-registered patents, 15 E.U.-registered patents (all including patents held jointly with other companies) and 130 registered trademarks, along with a number of other intellectual property rights, in other countries.

[SK Communications]

As of March 31, 2013, SK Communications held 66 registered patents, 26 registered design rights and 700 registered trademarks in Korea.

C. Business-related Pollutants and Environmental Protection

The Company does not engage in any manufacturing and therefore does not undertake any industrial processes that emit pollutants into the air or industrial processes in which hazardous materials are used.

Table of Contents**FINANCIAL INFORMATION****9. Summary Financial Information (Consolidated)****A. Summary Financial Information (Consolidated)**

(Unit: in thousands of Won, except for number of companies)

	As of March 31, 2013	As of December 31, 2012	As of December 31, 2011	As of December 31, 2010
Current Assets	5,081,677,666	5,294,420,978	6,117,478,958	6,653,991,923
Cash and Cash Equivalents	1,124,347,601	920,124,810	1,650,793,876	659,404,935
Accounts Receivable - Trade, net	2,223,429,231	1,954,920,332	1,823,169,889	1,949,397,279
Accounts Receivable - Other, net	697,238,852	582,098,398	908,836,454	2,531,847,155
Others	1,036,661,982	1,837,277,438	1,734,678,739	1,513,342,554
Non-Current Assets	20,327,164,856	20,301,138,645	18,248,557,471	16,478,397,157
Long-Term Investment Securities	990,700,266	953,712,512	1,537,945,216	1,680,582,091
Investments in Associates	4,817,238,156	4,632,477,315	1,384,605,401	1,204,691,805
Property and Equipment, net	9,577,989,426	9,712,718,716	9,030,998,201	8,153,412,683
Intangible Assets, net	2,653,778,460	2,689,657,645	2,995,803,300	1,884,955,652
Goodwill	1,736,161,410	1,744,483,009	1,749,932,878	1,736,649,137
Others	551,297,138	568,089,448	1,549,272,475	1,818,105,789
Total Assets	25,408,842,522	25,595,559,623	24,366,036,429	23,132,389,080
Current Liabilities	6,287,108,304	6,174,895,434	6,673,589,809	6,202,170,452
Non-Current Liabilities	6,754,034,211	6,565,881,872	4,959,737,573	4,522,219,358
Total Liabilities	13,041,142,515	12,740,777,306	11,633,327,382	10,724,389,810
Equity Attributable to Owners of the Parent Company	11,585,120,552	11,854,777,781	11,661,880,863	11,329,990,900
Share Capital	44,639,473	44,639,473	44,639,473	44,639,473
Capital Deficit and Other Capital Adjustments	(351,978,100)	(288,882,796)	(285,347,419)	(78,952,875)
Retained Earnings	11,890,283,342	12,124,657,526	11,642,525,267	10,721,249,327
Reserves	2,175,837	(25,636,422)	260,063,542	643,054,975
Non-controlling Interests	782,579,455	1,000,004,536	1,070,828,184	1,078,008,370
Total Equity	12,367,700,007	12,854,782,317	12,732,709,047	12,407,999,270
Number of Companies Consolidated	29	32	31	32

Table of Contents

(Unit: in thousands of Won, except for per share amounts)

	For the quarter ended March 31, 2013	For the year ended December 31, 2012	For the year ended December 31, 2011	For the year ended December 31, 2010
Operating Revenue	4,112,636,562	16,300,479,280	15,926,468,674	15,489,373,747
Operating Income	410,632,572	1,760,171,449	2,295,613,330	2,555,781,816
Profit Before Income Tax	427,906,104	1,550,887,182	2,240,689,573	2,373,223,839
Profit for the Year	345,934,455	1,115,662,553	1,582,073,280	1,766,834,754
Profit for the Year Attributable to Owners of the Parent Company	354,154,598	1,151,704,905	1,612,889,086	1,841,612,790
Profit for the Year Attributable to Non-controlling Interests	(8,220,143)	(36,042,352)	(30,815,806)	(74,778,036)
Earnings Per Share (Won)	5,081	16,525	22,848	25,598
Diluted Earnings Per Share (Won)	5,081	16,141	22,223	24,942

B. Changes to Accounting Standards Adopted During 2012**(1) Financial Instruments: Disclosures**

The Company has applied the amendments to K-IFRS No. 1107, Financial Instruments: Disclosures since January 1, 2012. The amendments require disclosing the nature of transferred assets, their carrying amount, and the description of risks and rewards for each class of transferred financial assets that are not derecognized in their entirety. If the Company derecognizes transferred financial assets but still retains their specific risks and rewards, the amendments require additional disclosures of their risks.

(2) Presentation of Financial Statements

The Company adopted the amendments pursuant to the amended K-IFRS No. 1001, Presentation of Financial Statements starting with the year ended December 31, 2012. The Company's operating income is calculated as operating revenue less operating expense. Operating expense represents expense incurred from the Company's main operating activities and includes cost of products that have been resold and selling, general and administrative expenses.

C. Changes to Accounting Standards Adopted During 2013**(1) Presentation of Financial Statements**

The Company has applied the amendments to K-IFRS No. 1001, Presentation of Financial Statements since January 1, 2013, classified items within other comprehensive income by nature and presented items that are not subsequently recycled through profit or loss and items that are subsequently reclassified if certain conditions are met as a group.

(2) Consolidated Financial Statements

The Company has applied the amendments to K-IFRS No. 1110, Consolidated Financial Statements since January 1, 2013. The standard introduces a single control model to determine whether an investee should be consolidated. Subsidiary is an entity that is controlled by a controlling entity or a subsidiary of a controlling company. A controlling entity or a subsidiary of a controlling company controls a subsidiary when the controlling entity or the subsidiary of the controlling company is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary.

Table of Contents

(3) Joint Arrangements

The Company has applied the amendments to K-IFRS No. 1111, Joint Arrangements since January 1, 2013. The standard classifies joint arrangements into two types - joint operations and joint ventures. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement (i.e. joint operators) have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement (i.e. joint ventures) have rights to the net assets of the arrangement. The standard requires a joint operator to recognize and measure the assets and liabilities (and recognize the related revenues and expenses) in relation to its interest in the arrangement in accordance with relevant IFRSs applicable to the particular assets, liabilities, revenues and expenses. The standard requires a joint venture to recognize an investment and to account for that investment using the equity method.

(4) Disclosure of Interests in Other Entities

The Company has applied the amendments to K-IFRS No. 1112, Disclosure of Interests in Other Entities since January 1, 2013. The standard brings together into a single standard all the disclosure requirements about an entity's interests in subsidiaries, joint arrangements, associates and unconsolidated structured entities. The Company is currently assessing the disclosure requirements for interests in subsidiaries, interests in joint arrangements and associates and unconsolidated structured entities in comparison with the existing disclosures. The standard requires the disclosure of information about the nature, risks and financial effects of these interests.

(5) Employee Benefits

The Company has applied the amendments to K-IFRS No. 1019, Employee Benefits since January 1, 2013. The standard requires recognition of actuarial gains and losses immediately in other comprehensive income and to calculate expected return on plan assets based on the rate used to discount the defined benefit obligation.

(6) Fair Value Measurement

The Company has applied the amendments to K-IFRS No. 1113, Fair Value Measurement since January 1, 2013. The standard defines fair value and a single framework for fair value, and requires disclosures about fair value measurements.

D. Impact of Changes in Accounting Policies

(1) Consolidated Financial Statements

In accordance with the transitional provision on K-IFRS No. 1110, the Company assessed control on investees as of January 1, 2013, the initial adoption date of the standard, and there have been no changes in subsidiaries upon adoption of the standard.

(2) Presentation of Financial Statements

The Company early adopted the amendments to K-IFRS No. 1001, Presentation of Financial Statements since the interim period ended September 30, 2012 and separately present its operating income as operating revenue less operating expense on the consolidated statement of income.

Table of Contents

The Company retrospectively applied the amendment to K-IFRS No. 1001, for which the impact is as follows:

(In millions of won)

	For the three-month ended March 31, 2012
Operating income before adoption of the amendment	465,182
Differences:	
Other non-operating income	
Fees revenues	(465)
Gain on disposal of property and equipment and intangible assets	(1,010)
Others	(8,467)
	(9,942)
Other non-operating expense	
Impairment loss on property and equipment and intangible assets	3,429
Loss on disposal of property and equipment and intangible assets	1,994
Donations	12,908
Bad debt for accounts receivable - other	19,687
Others	6,036
	44,054
Operating income after adoption of the amendment	499,294

Table of Contents**10. Summary Financial Information (Separate)****A. Summary Financial Information (Separate)**

(Unit: in thousands of Won)

	As of March 31, 2013	As of December 31, 2012	As of December 31, 2011	As of December 31, 2010
Current Assets	2,765,811,807	2,589,699,186	3,948,077,706	5,316,976,799
Cash and Cash Equivalents	465,782,665	256,576,827	895,557,654	357,469,908
Accounts Receivable - Trade, net	1,416,415,295	1,407,205,772	1,282,233,900	1,453,060,673
Accounts Receivable - Other, net	454,931,116	383,048,424	774,221,266	2,499,969,010
Others	428,682,731	542,868,163	996,064,886	1,006,477,208
Non-Current Assets	19,625,730,061	19,659,803,155	16,572,449,699	14,410,149,512
Long-Term Investment Securities	700,382,280	733,893,220	1,312,437,834	1,517,029,011
Investments in Associates	8,110,130,373	7,915,546,670	4,647,505,583	3,584,394,790
Property and Equipment, net	7,043,807,359	7,119,090,098	6,260,168,675	5,469,747,495
Intangible Assets, net	2,113,178,817	2,187,872,109	2,364,795,182	1,424,968,542
Goodwill	1,306,236,299	1,306,236,299	1,306,236,299	1,308,422,097
Others	351,994,933	397,164,759	681,306,126	1,105,587,577
Total Assets	22,391,541,868	22,249,502,341	20,520,527,405	19,727,126,311
Current Liabilities	4,591,585,660	4,343,086,486	4,467,005,877	4,561,013,611
Non-Current Liabilities	5,735,287,417	5,529,367,602	4,087,219,816	3,585,155,050
Total Liabilities	10,326,873,077	9,872,454,088	8,554,225,693	8,146,168,661
Share Capital	44,639,473	44,639,473	44,639,473	44,639,473
Capital Deficit and Other Capital Adjustments	(236,160,479)	(236,160,479)	(236,016,201)	(24,643,471)
Retained Earnings	12,128,372,484	12,413,981,340	11,837,184,788	10,824,355,758
Reserves	127,817,313	154,587,919	320,493,652	736,605,890
Total Equity	12,064,668,791	12,377,048,253	11,966,301,712	11,580,957,650

Table of Contents

(Unit: in thousands of Won, except per share amounts)

	For the quarter ended March 31, 2013	For the year ended December 31, 2012	For the year ended December 31, 2011	For the year ended December 31, 2010
Operating Revenue	3,112,098,912	12,332,719,444	12,551,255,630	12,514,520,922
Operating Income	420,110,586	1,675,388,351	2,184,498,641	2,530,954,768
Profit Before Income Tax	380,176,417	1,546,719,635	2,274,421,558	2,503,637,367
Profit for the Year	302,177,572	1,242,767,480	1,694,363,093	1,947,007,919
Earnings Per Share (Won)	4,336	17,832	24,002	27,063
Diluted Earnings Per Share (Won)	4,336	17,406	23,343	26,366

B. Changes to Accounting Standards Adopted During 2012

(1) Financial Instruments: Disclosures

The Company has applied the amendments to K-IFRS No. 1107, Financial Instruments: Disclosures since January 1, 2012. The amendments require disclosing the nature of transferred assets, their carrying amount, and the description of risks and rewards for each class of transferred financial assets that are not derecognized in their entirety. If the Company derecognizes transferred financial assets but still retains their specific risks and rewards, the amendments require additional disclosures of their risks.

(2) Presentation of financial statements

The Company adopted the amendments pursuant to the amended K-IFRS No. 1001, Presentation of Financial Statements starting with the year ended December 31, 2012. The Company's operating income is calculated as operating revenue less operating expense. Operating expense represents expense incurred from the Company's main operating activities and includes cost of products that have been resold and selling, general and administrative expenses.

C. Changes to Accounting Standards Adopted During 2013

(1) Presentation of Financial Statements

The Company has applied the amendments to K-IFRS No. 1001, Presentation of Financial Statements since January 1, 2013, classified items within other comprehensive income by nature and presented items that are not subsequently recycled through profit or loss and items that are subsequently reclassified if certain conditions are met as a group.

(2) Consolidated Financial Statements

The Company has applied the amendments to K-IFRS No. 1110, Consolidated Financial Statements since January 1, 2013. The standard introduces a single control model to determine whether an investee should be consolidated. Subsidiary is an entity that is controlled by a controlling entity or a subsidiary of a controlling company. A controlling entity or a subsidiary of a controlling company controls a subsidiary when the controlling entity or the subsidiary of the controlling company is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary.

Table of Contents

(3) Joint Arrangements

The Company has applied the amendments to K-IFRS No. 1111, *Joint Arrangements* since January 1, 2013. The standard classifies joint arrangements into two types - joint operations and joint ventures. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement (i.e. joint operators) have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement (i.e. joint venturers) have rights to the net assets of the arrangement. The standard requires a joint operator to recognize and measure the assets and liabilities (and recognize the related revenues and expenses) in relation to its interest in the arrangement in accordance with relevant IFRSs applicable to the particular assets, liabilities, revenues and expenses. The standard requires a joint venturer to recognize an investment and to account for that investment using the equity method.

(4) Disclosure of Interests in Other Entities

The Company has applied the amendments to K-IFRS No. 1112, *Disclosure of Interests in Other Entities* since January 1, 2013. The standard brings together into a single standard all the disclosure requirements about an entity's interests in subsidiaries, joint arrangements, associates and unconsolidated structured entities. The Company is currently assessing the disclosure requirements for interests in subsidiaries, interests in joint arrangements and associates and unconsolidated structured entities in comparison with the existing disclosures. The standard requires the disclosure of information about the nature, risks and financial effects of these interests.

(5) Employee Benefits

The Company has applied the amendments to K-IFRS No. 1019, *Employee Benefits* since January 1, 2013. The standard requires recognition of actuarial gains and losses immediately in other comprehensive income and to calculate expected return on plan assets based on the rate used to discount the defined benefit obligation.

(6) Fair Value Measurement

The Company has applied the amendments to K-IFRS No. 1113, *Fair Value Measurement* since January 1, 2013. The standard defines fair value and a single framework for fair value, and requires disclosures about fair value measurements.

D. Impact of Changes in Accounting Policies

(1) Consolidated Financial Statements

In accordance with the transitional provision on K-IFRS No. 1110, the Company assessed control on investees as of January 1, 2013, the initial adoption date of the standard, and there have been no changes in subsidiaries upon adoption of the standard.

(2) Presentation of Financial Statements

The Company early adopted the amendments to K-IFRS No. 1001, *Presentation of Financial Statements* since the interim period ended September 30, 2012 and separately present its operating income as operating revenue less operating expense on the separate statement of income.

Table of Contents

The Company retrospectively applied the amendment to K-IFRS No. 1001, for which the impact is as follows:

(In millions of won)

	For the three month ended March 31, 2012
Operating income before adoption of the amendment	457,702
Differences:	
Other non-operating income	
Gain on disposal of property and equipment and intangible assets	231
Others	4,475
	(4,706)
Other non-operating expense	
Loss on disposal of property and equipment and intangible assets	762
Donations	12,270
Bad debt for accounts receivable other	15,959
Others	678
	29,669
Operating income after adoption of the amendment	482,665

11. K-IFRS: Preparation, Impact to Financial Statements and Changes in the Accounting Principles Implemented

Transition to K-IFRS

The Company prepares its financial statements in accordance with K-IFRS starting from fiscal year 2011 which commenced on January 1, 2011. The Company's financial statements in previous periods were prepared in accordance with Korean GAAP. The Company's financial statements for fiscal year 2010, which are presented for comparison, were prepared in accordance with K-IFRS with January 1, 2010 as the transition date and pursuant to K-IFRS No. 1101, First-time Adoption of Korean International Financial Reporting Standards.

III. AUDITOR'S OPINION

1. Auditor (Consolidated)

Quarter ended March 31, 2013
KPMG Samjong Accounting Corp.

Year ended December 31, 2012
KPMG Samjong Accounting Corp.

Year ended December 31, 2011
Deloitte Anjin LLC

2. Audit Opinion (Consolidated)

Period
Quarter ended March 31, 2013

Auditor's opinion
-

Issues noted
-

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Year ended December 31, 2012	Unqualified	-
Year ended December 31, 2011	Unqualified	-

3. Auditor (Separate)

Quarter ended March 31, 2013 KPMG Samjong Accounting Corp.	Year ended December 31, 2012 KPMG Samjong Accounting Corp.	Year ended December 31, 2011 Deloitte Anjin LLC
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Table of Contents**4. Audit Opinion (Separate)**

Period	Auditor's opinion	Issues noted
Quarter ended March 31, 2013	-	-
Year ended December 31, 2012	Unqualified	-
Year ended December 31, 2011	Unqualified	-

5. Remuneration for Independent Auditors for the Past Three Fiscal Years**A. Audit Contracts**

(Unit: in thousands of Won / hour)

Fiscal Year	Auditors	Contents	Fee	Total number of hours accumulated for the fiscal year
Year ended December 31, 2013	KPMG Samjong Accounting Corp.	Semi-annual review Quarterly review Separate financial statements audit Consolidated financial statements audit English financial statements review and other audit task	1,250,000	17,796
Year ended December 31, 2012	KPMG Samjong Accounting Corp.	Semi-annual review Quarterly review Separate financial statements audit Consolidated financial statements audit English financial statements review and other audit task	1,220,000	19,583
Year ended December 31, 2011	Deloitte Anjin LLC	Semi-annual review Quarterly review Separate financial statements audit Consolidated financial statements audit English financial statements review and other audit task	1,364,000	14,033

Table of Contents**B. Non-Audit Services Contract with External Auditors**

(Unit: in thousands of Won)

Period	Contract date	Service provided	Service duration	Fee
Quarter ended March 31, 2013	N/A	N/A	N/A	N/A
Year ended December 31, 2012	N/A	N/A	N/A	N/A
Year ended December 31, 2011	April 11, 2011	Tax consulting	30 days	45,000
	April 28, 2011	Tax consulting	30 days	45,000

6. Change of Independent Auditors

Starting from 2012, the Company changed its independent auditors to KPMG Samjong Accounting Corp. from Deloitte Anjin LLC due to the expiration of the audit contract with Deloitte Anjin LLC.

IV. MANAGEMENT'S DISCUSSION AND ANALYSIS

Omitted in quarterly and half-year reports in accordance with Korean disclosure rules.

V. CORPORATE ORGANIZATION INCLUDING BOARD OF DIRECTORS AND AFFILIATED COMPANIES**1. Board of Directors****A. Overview of the Composition of the Board of Directors**

The Company's board of directors (the Board of Directors) is composed of eight members: five independent directors and three inside directors. Within the Board, there are five committees: Independent Director Nomination Committee, Audit Committee, Compensation Committee, CapEx Review Committee, and Corporate Citizenship Committee.

(As of May 8, 2013)

The number of persons

8 **Inside directors**
Sung Min Ha, Dae Sik Cho,

Dong Seob Jee

Independent directors

Rak Yong Uhm, Dae Shick Oh, Hyun Chin Lim, Jay Young Chung, Jae Ho Cho

At the 29th General Shareholders' Meeting held on March 22, 2013, Dae Sik Cho was elected as an inside director and Dae Shick Oh was elected as an independent director and a member of the audit committee.

Table of Contents**B. Significant Activities of the Board of Directors**

Meeting	Date	Agenda	Approval
		- Financial statement as of and for the year ended December 31, 2012	Approved as proposed
		- Annual business report as of and for the year ended December 31, 2012	Approved as proposed
351th (the 1st meeting of 2013)	February 7, 2013	- Bond offering	Approved as proposed
		- Report of internal accounting management	-
		- Report for subsequent events following 4Q 2012	-
		- 2013 transaction of goods, services and assets with SK Planet	Approved as proposed
352th (the 2nd meeting of 2013)	February 21, 2013	- Convocation of the 29th annual general meeting of shareholders	Approved as proposed
		- Result of internal accounting management system evaluation	-
		- Election of chairman of the board of directors	Approved as proposed
353th (the 3rd meeting of 2013)	March 22, 2013	- Election of committee members	Approved as proposed
		- Financial transactions with affiliated company (SK Securities)	Approved as proposed
		- Sublease transaction of advisor offices	Approved as proposed
354th (the 4rd meeting of 2013)	April 25, 2013	- Budget and operation plans for 2013 SUPEX conferences	Approved as proposed
		- Report for the period after the first quarter of 2013	-

* The line items that do not show approval are for reporting purposes only.

C. Committees within Board of Directors

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(1) Committee Structure (As of May 8, 2013)

a) Compensation Review Committee

Number of Persons	Members		Task
	Inside Directors	Independent Directors	
5	-	Rak Yong Uhm, Dae Shick Oh, Hyun Chin Lim, Jay Young Chung, Jae Ho Cho	Review CEO remuneration system and amount.

* The Compensation Review Committee is a committee established by the resolution of the Board of Directors.

b) Capex Review Committee

Number of Persons	Members		Task
	Inside Directors	Independent Directors	
5	Dong Seob Jee	Rak Yong Uhm, Dae Shick Oh, Jay Young Chung, Jae Ho Cho	Review major investment plans and changes thereto.

* The Capex Review Committee is a committee established by the resolution of the Board of Directors.

Table of Contents

c) Corporate Citizenship Committee

Number of Persons	Members	Independent Directors	Task
5	Inside Directors Dong Seob Jee	Independent Directors Rak Yong Uhm, Hyun Chin Lim, Jay Young Chung, Jae Ho Cho	Review guidelines on Corporate Social Responsibility (CSR) programs, etc.

* The Corporate Citizenship Committee is a committee established by the resolution of the Board of Directors.

d) Independent Director Nomination Committee

Number of Persons	Members	Independent Directors	Task
3	Inside Directors Sung Min Ha	Independent Directors Dae Shick Oh, Hyun Chin Lim	Nomination of independent directors

* Under the Korean Commercial Code, a majority of the members of the Independent Director Nomination Committee should be independent directors.

e) Audit Committee

Number of Persons	Members	Independent Directors	Task
4	Inside Directors -	Independent Directors Dae Shick Oh, Hyun Chin Lim, Jay Young Chung, Jae Ho Cho	Review financial statements and supervise independent audit process, etc.

* The Audit Committee is a committee established under the provisions of the Articles of Incorporation and Korean Commercial Code.

Table of Contents**2. Audit System**

The Company's Audit Committee consists of four independent directors, Dae Shick Oh, Hyun Chin Lim, Jae Ho Cho and Jay Young Chung.

Major activities of the Audit Committee are as follows.

Meeting	Date	Agenda	Approval	Remarks
The 1st meeting of 2013	February 6, 2013	Construction of mobile phone facilities for 2013	Approved as proposed	
		Construction of transmission network facilities for 2013	Approved as proposed	
		Evaluation of internal accounting controls based on the opinion of the members of the audit committee	Approved as proposed	
		Review business and audit results for the second half of 2012 and business and audit plan for 2013	-	
		Report of internal accounting management system	-	
		Report on 2012 IFRS audit	-	
		Report on review of 2012 internal accounting management system	-	
The 2nd meeting of 2013	February 20, 2013	Evaluation of internal accounting management system operation	Approved as proposed	
		Agenda and document review for the 29th annual general meeting of shareholders	Approved as proposed	
		Auditor's report for fiscal year 2012	Approved as proposed	
The 3rd meeting of 2013	March 21, 2013	2013 IT SM contract	Approved as proposed	
		Transactions with SK C&C in the second quarter of 2013	Approved as proposed	
		Plans for financial transactions with affiliated company (SK Securities)	-	
The 4th meeting of 2013	April 24, 2013	Election of chairman	Approved as proposed	
		Purchase of maintenance, repair and operations items from Happynarae Co., Ltd.	Approved as proposed	
		Service contract for SK Telecom China Holdings Co., Ltd.	Approved as proposed	
		Remuneration for outside auditor for fiscal year 2013	Approved as proposed	
		Outside auditor service plan for fiscal year 2013	Approved as proposed	
		Audit plan for fiscal year 2013	-	

* The line items that do not show approval are for reporting purposes only.

3. Shareholders Exercise of Voting Rights**A. Voting System and Exercise of Minority Shareholders Rights**

Pursuant to the Articles of Incorporation as shown below, the cumulative voting system was first introduced in the General Meeting of Shareholders in 2003.

Articles of Incorporation	Description
Article 32 (3) (Election of Directors)	Cumulative voting under Article 382-2 of the Korean Commercial Code will not be applied for the election of directors.
Article 4 of the 12 th Supplement to the Articles of Incorporation (Interim Regulation)	Article 32 (3) of the Articles of Incorporation shall remain effective until the day immediately preceding the date of the general shareholders' meeting of 2003.

Also, neither written or electronic voting system nor minority shareholder rights is applicable.

Table of Contents**4. Affiliated Companies****A. Capital Investments between Affiliated Companies**

(As of March 31, 2013)

Investing company	Invested companies									
	SK Corporation	SK Innovation	SK Energy	SK Global Chemical	SK Telecom	SK Networks	SKC	SK E&C	SK Shipping	SK Securities
SK Holdings		33.4%			25.2%	39.1%	42.5%	40.0%	83.1%	
SK Innovation			100.0%	100.0%						
SK Energy										
SK Global Chemical										
SK Networks										
SK Telecom										
SK Chemicals						0.02%		25.4%		
SKC										
SK E&C										
SK Gas										
SK C&C	31.8%									10.0%
SK E&S										
SK Communications										
SK Broadband										
SK D&D										
SK Continental E-Motion										
SK Lubricants										
SK Shipping										
SK Planet										
SK Hynix										
Ko-one Energy										
SK Seentec										
Total affiliated companies	31.8%	33.4%	100.0%	100.0%	25.2%	39.2%	42.5%	65.4%	83.1%	10.0%

Table of Contents

Investing company	Invested companies									
	SK E&S	SK Gas	DOPCO	CCE	YN Energy	Ko-one Energy Service	SK Sci-tech	SK Telink	Busan City Gas	Jeonnam City Gas
SK Holdings	94.1%									
SK Innovation			41.0%							
SK Energy										
SK Global Chemical										
SK Networks										
SK Telecom								83.5%		
SK Chemicals		45.5%					50.0%			
SK C										
SK E&C										
SK Gas										
SK C&C	5.9%									
SK E&S				100.0%	100.0%	99.7%			40.0%	100.0%
SK Communications										
SK Broadband										
SK D&D										
SK Continental E-Motion										
SK Lubricants										
SK Shipping										
SK Planet										
SK Hynix										
Ko-one Energy Service										
SK Seentec		10.0%								
Total affiliated companies	100.0%	55.5%	41.0%	100.0%	100.0%	99.7%	50.0%	83.5%	40.0%	100.0%

Investing company	Invested companies									
	Gangwon City Gas	JBES	M & Service	SK Wyverns	Infosec	Happynarae (formerly, MRO Korea)	SK Telesys	Encar network	F&U Credit Info	Hanam Energy Service
SK Holdings										
SK Innovation						42.5%				
SK Energy										
SK Global Chemical										
SK Networks										
SK Telecom				100.0%		42.5%			50.0%	
SK Chemicals										
SK C							50.0%			
SK E&C										
SK Gas						5.0%				
SK C&C					100.0%	5.0%		100.0%		
SK E&S	100.0%	100.0%								
SK Communications										
SK Broadband										
SK D&D										
SK Continental E-Motion										
SK Lubricants										
SK Shipping										
SK Planet			100.0%							
SK Hynix										
Ko-one Energy Service										100.0%
SK Seentec										

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Total affiliated companies	100.0%	100.0%	100.0%	100.0%	100.0%	95.0%	50.0%	100.0%	50.0%	100.0%
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Table of Contents

Investing company	Invested companies									
	SK D&D	Natruck	Loen Entertainment	Speed Motor	SK Mobile Energy	SK Petrochemical	SK Communications	SK Planet	SKC Air Gas	SKN service
SK Holdings										
SK Innovation					100.0%					
SK Energy		100.0%								
SK Global Chemical						100.0%				
SK Networks				100.0%						86.5%
SK Telecom								100.0%		
SK Chemicals										
SK C									80.0%	
SK E&C	40.4%									
SK Gas										
SK C&C										
SK E&S										
SK Communications										
SK Broadband										
SK D&D										
SK Continental E-Motion										
SK Lubricants										
SK Shipping										
SK Planet			67.6%				64.6%			
SK Hynix										
Ko-one Energy Service										
SK Seentec										
Total affiliated companies	40.4%	100.0%	67.6%	100.0%	100.0%	100.0%	64.6%	100.0%	80.0%	86.5%

Investing company	Invested companies									
	Commerce Planet	Real Vest	SKC Solmics Co., Ltd.	SK Broadband	LC&C	PMP	PS&Marketing	UBcare	PyongTaek Energy Service	Wirye Energy Service
SK Holdings										
SK Innovation										
SK Energy										
SK Global Chemical										
SK Networks					79.6%					
SK Telecom				50.6%				100.0%		
SK Chemicals									44.0%	
SK C			46.3%							
SK E&C		100.0%								
SK Gas										
SK C&C										
SK E&S						100.0%			100.0%	71.0%
SK Communications										
SK Broadband										
SK D&D										
SK Continental E-Motion										
SK Lubricants										
SK Shipping										
SK Planet	100.0%									
SK Hynix										
Ko-one Energy Service										
SK Seentec										

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Total affiliated companies	100.0%	100.0%	46.3%	50.6%	79.6%	100.0%	100.0%	44.0%	100.0%	71.0%
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Table of Contents

Investing company	Invested companies									
	Jeju United FC	MKS Guarantee	SK Forest	SK Lubricants	MAD Smart	Bizen	SK HY ENG	HYSTEC	Silicon File	Ami Power
SK Holdings			100.0%							
SK Innovation				100.0%						
SK Energy	100.0%									
SK Global Chemical										
SK Networks										
SK Telecom										
SK Chemicals										
SK C										
SK E&C										
SK Gas										
SK C&C						99.0%				
SK E&S										
SK Communications										
SK Broadband										
SK D&D		100.0%								
SK Continental E-Motion										
SK Lubricants										
SK Shipping										
SK Planet					100.0%					
SK Hynix							100.0%	100.0%	27.9%	100.0%
Ko-one Energy Service										
SK Seentec										
Total affiliated companies	100.0%	100.0%	100.0%	100.0%	100.0%	99.0%	100.0%	100.0%	27.9%	100.0%

Investing company	Invested companies									
	SK Seentec	Daejeon Pure Water	Gwangju Pure Water	SKW	Television Media Korea	Network O&S	Service Ace	Service Top	SK Pinx	U base Manufacturing Asia
SK Holdings										
SK Innovation										
SK Energy										
SK Global Chemical										
SK Networks									100.0%	
SK Telecom						100.0%	100.0%	100.0%		
SK Chemicals	100.0%									
SK C				65.0%						
SK E&C		32.0%	42.0%							
SK Gas										
SK C&C										
SK E&S										
SK Communications										
SK Broadband										
SK D&D										
SK Continental E-Motion										100.0%
SK Lubricants										
SK Shipping										
SK Planet					51.0%					
SK Hynix										
Ko-one Energy Service										
SK Seentec										

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Total affiliated companies	100.0%	32.0%	42.0%	65.0%	51.0%	100.0%	100.0%	100.0%	100.0%	100.0%
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Table of Contents

Investing company	Invested companies						
	SKSM	Ulsan Aromatics	SK Biofarm	SK Hynix	SKC Lighting	Gimcheon Energy	SK Continental E-Motion
SK Holdings			100.0%				
SK Innovation							
SK Energy							
SK Global Chemical		50.0%					
SK Networks							
SK Telecom				21.1%			
SK Chemicals							
SK C					72.2%		
SK E&C							
SK Gas							
SK C&C							
SK E&S						50.0%	
SK Communications							
SK Broadband							
SK D&D							
SK Continental E-Motion							100.0%
SK Lubricants							
SK Shipping	100.0%						
SK Planet							
SK Hynix							
Ko-one Energy Service							
SK Seentec							
Total affiliated companies	100.0%	50.0%	100.0%	21.1%	72.2%	50.0%	100.0%

* Change in company names:

Ko-one Energy Service changed its name from Daehan City Gas

Ulsan Aromatics changed its name from Arochemi

Happynarae changed its name from MRO Korea

Bizen changed its name from Telsk

SK Hystec changed its name from Hystec

SK HY ENG changed its name from Hynix Engineering

Table of Contents**VI. SHAREHOLDERS****1. Shareholdings of the Largest Shareholder and Related Persons****A. Shareholdings of the Largest Shareholder and Related Persons**

(As of March 31, 2013)

(Unit: Shares, %)

Name	Relationship	Type of share	Number of shares owned and ownership ratio			
			Beginning of Period Number of shares	Ownership ratio	End of Period Number of shares	Ownership ratio
SK Holdings Co., Ltd.	Largest Shareholder	Common share	20,363,452	25.22	20,363,452	25.22
Tae Won Chey	Officer of affiliated company	Common share	100	0.00	100	0.00
Shin Won Chey	Officer of affiliated company	Common share	2,000	0.00	2,000	0.00
Sung Min Ha	Officer of affiliated company	Common share	738	0.00	738	0.00
Bang Hyung Lee*	Officer of affiliated company	Common share	200	0.00	0	0.00
Total-		Common share	20,366,490	25.22	20,366,290	25.22

* Resigned on January 31, 2012.

B. Overview of the Largest Shareholder

SK Holdings Co., Ltd. (SK Holdings) is a holding company and as of March 31, 2013, has nine subsidiaries: SK Innovation Co., Ltd., SK Telecom Co., Ltd., SK Networks Co., Ltd., SKC Co., Ltd., SK Shipping Co., Ltd., SK E&C Co., Ltd., SK E&S Co., Ltd., SK Biofarm Co., Ltd. and SK Forest Co., Ltd.

Details of the subsidiaries of SK Holdings are as follows:

(Unit: in millions of Won)

Affiliates	Share Holdings	Book Value (million Won)	Industry	Description
SK Innovation Co., Ltd.	33.4%	3,944,657	Energy and Petrochemical	Publicly Listed
SK Telecom Co., Ltd.	25.2%	3,091,125	Telecommunication	Publicly Listed
SK Networks Co., Ltd.	39.1%	1,165,759	Trading, Energy Sale	Publicly Listed
SKC Co., Ltd.	42.5%	254,632	Synthetic Resin Manufacturing	Publicly Listed
SK E&C Co., Ltd.	40.0%	485,171	Construction	Privately Held
SK Shipping Co., Ltd.	83.1%	607,643	Ocean Freight	Privately Held
SK E&S Co., Ltd.	94.1%	1,026,307		Privately Held

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			Gas Company Holdings and Power Generation	
SK Biofarm Co., Ltd.	100.0%	228,702	Biotechnology	Privately Held
SK Forest Co., Ltd.	100.0%	60,200	Forestry and landscaping	Privately Held

* The above share holdings are based on common stock holdings as of March 31, 2013.

Table of Contents

SK Holdings is a publicly listed company and is required to submit a report of its significant business activities in accordance with Article 161 of the Financial Investment Services and Capital Markets Act. Also as a holding company, SK Holdings is required to report key management activities of its subsidiaries in accordance with Article 8 of KOSPI Market Disclosure Regulation.

The rule is applicable to subsidiaries whose book value of the holding company's shareholding exceeds 10% of its total assets based on the financial statements as of December 31, 2012. SK Innovation Co., Ltd., SK Telecom Co., Ltd. and SK Networks Co., Ltd. are three such subsidiaries.

2. Changes in Shareholdings of the Largest Shareholder

Changes in shareholdings of the largest shareholder are as follows.

(As of March 31, 2013)

(Unit: Shares, %)

Largest Shareholder	Date of the change in the largest shareholder/ Date of change in shareholding	Shares Held	Holding Ratio	Remarks
SK Corporation	March 11, 2011	18,750,490	23.22	Man Won Jung, SK Telecom's CEO, resigned Shin Bae Kim, SK C&C's CEO, resigned
	April. 5, 2011	18,749,990	23.22	Dal Sup Shim, an Independent Director, disposed 500 shares
	July 8, 2011	18,749,990	23.22	Shin Won Chey, SKC's Chairman, purchased 500 shares
	August 5, 2011	18,750,490	23.22	Shin Won Chey, SKC's Chairman, purchased 500 shares
	August 23, 2011	18,751,490	23.22	Shin Won Chey, SKC's Chairman, purchased 500 shares
	December 21, 2011	20,366,490	25.22	SK Holdings purchased 1,615,000 shares
	January 31, 2012	20,366,290	25.22	Retirement of Bang Hyung Lee, a former officer of an affiliated company

* Shares held are the sum of shares held by SK Holdings and its related parties.

Table of Contents**3. Distribution of Shares****A. Shareholders with ownership of 5% or more and others**

(As of December 31, 2012)

(Unit: shares, %)

Rank	Name (title)	Common share	
		Number of shares	Ownership ratio
1	Citibank ADR	19,377,247	24.00
2	SK Holdings	20,363,452	25.22
3	SK Telecom	11,050,712	13.69
4	National Pension Service*	4,928,904	6.10
	Shareholdings under the Employee Stock Ownership Program**	189,954	0.24

* Shares held as of February 6, 2013.

** Shares held as of March 31, 2013.

B. Shareholder Distribution

(As of December 31, 2012)

(Unit: shares, %)

Classification	Number of shareholders	Ratio (%)	Number of shares	Ratio (%)	Remarks
Total minority shareholders *	23,891	99.78%	25,939,500	32.12%	

* Defined as shareholders whose shareholding is less than a hundredth of the total issued and outstanding shares.

4. Share Price and Trading Volume in the Last Six Months**A. Domestic Securities Market**

(Unit: Won, shares)

Types	March 2013	February 2013	January 2013	December 2012	November 2012	October 2012
Common stock Highest	185,500	181,500	173,500	161,000	156,500	159,500
Lowest	176,500	170,000	150,000	151,500	148,000	145,500
Monthly transaction volume	4,078,714	5,273,834	4,963,152	3,490,158	3,941,628	3,423,464

B. Foreign Securities Market

New York Stock Exchange

(Unit: US\$, ADR)

Types		March 2013	February 2013	January 2013	December 2012	November 2012	October 2012
Depository Receipt	Highest	18.69	18.45	17.98	16.48	15.94	16.19
	Lowest	17.63	17.14	15.69	15.40	15.09	14.48
Monthly transaction volume		26,144,041	45,507,772	42,451,234	26,702,427	34,396,407	24,874,194

Table of Contents**VII. EMPLOYEES AND DIRECTORS****1. Employees**

(As of March 31, 2013)

(Unit: persons, in thousands of Won)

Classification	Number of employees				Average service year	Aggregate wage for the	Average wage per person	Remarks
	Regular employees	Contract employees	Others	Total		year ended December 31, 2012		
Male	3,516	54		3,570	13	200,013,197	55,948	
Female	528	66		594	11	24,138,286	39,964	
Total	4,044	120		4,164	13	224,151,483	53,638	

* Excludes retirement and severance payments to employees whose employment was terminated before the end of the respective employment periods.

2. Compensation of Directors**A. Amount Approved at the Shareholders Meeting**

(Unit: in millions of Won)

Classification	Number of Directors	Aggregate Amount Approved
Directors	8	12,000

B. Amount Paid

(As of March 31, 2013)

(Unit: in millions of Won)

Classification	Number of Directors	Aggregate Amount Paid	Average Amount Paid Per Director
Insider Directors	3	1,861	620
Independent Directors*	1	23	23
Audit Committee Members	4	91	23
Total	8	1,975	247

* Excludes independent directors who are Audit Committee members.

Table of Contents**VIII. RELATED PARTY TRANSACTIONS****1. Loans to the Largest Shareholder and Related Persons**

None

2. Transfer of Assets to/from the Largest Shareholder and Other Transactions**A. Investment and Disposition of Investment**

None.

B. Transfer of Assets

None.

3. Related Party Transactions (excluding Transactions with the Largest Shareholder and Related Persons)**A. Provisional Payment and Loans (including loans on marketable securities)**

(Unit: in millions of Won)

Name (Corporate name)	Relationship	Account	Change details			Ending	Accrued interest	Remarks
		category	Beginning	Increase	Decrease			
Midus and others	Agency	Long-term and short-term loans	89,491	99,138	91,232	97,397		

(Unit: in millions of Won)

Name (Corporate name)	Relationship	Account	Change details			Ending	Accrued interest	Remarks
		category	Beginning	Increase	Decrease			
Daehan Kanggun BcN Co., Ltd.	Investee	Long-term loans	22,102			22,102		

IX. OTHER INFORMATION RELATING TO THE PROTECTION OF INVESTORS**1. Developments in the Items Mentioned in Prior Reports on Important Business Matters****A. Status and Progress of Major Management Events**

None.

Table of Contents

B. Summary Minutes of the General Meeting of Shareholders

Date	Agenda	Resolution
27 th Fiscal Year Meeting of Shareholders (March 11, 2011)	1. Approval of the financial statements for the year ended December 31, 2010	Approved (Cash dividend, Won 8,400 per share)
	2. Approval of Remuneration Limit for Directors	Approved
	3. Amendment to Company Regulation on Executive Compensation	Approved (Won 12 billion)
	4. Election of Directors	Approved (Sung Min Ha, Jin Woo So)
	Election of inside directors	Approved (Rak Young Uhm, Jay Young Chung, Jae Ho Cho)
	Election of independent directors	Approved (Jay Young Chung, Jae Ho Cho)
	Election of independent directors as Audit Committee member	
1 st Extraordinary Meeting of Shareholders (August 31, 2011)	1. Approval of the Spin-off Plan	Approved (Spin-off of SK Planet)
	2. Election of Directors	Approved (Jun Ho Kim)
	1. Approval of the financial statements for the year ended December 31, 2011	Approved (Cash dividend, Won 8,400 per share)
	2. Amendment to Articles of Incorporation	Approved
28 th Fiscal Year Meeting of Shareholders (March 23, 2012)	3. Election of Directors	Approved (Young Tae Kim)
	Election of inside directors	Approved (Dong Seob Jee)
	Election of inside directors	Approved (Hyun Chin Lim)
	Election of independent directors	

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29 th Fiscal Year Meeting of Shareholders (March 22, 2013)	4.	Election of an independent director as Audit Committee member	Approved (Hyun Chin Lim)
	5.	Approval of Remuneration Limit for Directors	Approved (Won 12 billion)
	1.	Approval of the financial statements for the year ended December 31, 2012	Approved (Cash dividend, Won 8,400 per share)
	2.	Amendments to Articles of Incorporation	Approved
	3.	Election of Directors	Approved (Dae Sik Cho)
		Election of an inside director	Approved (Dae Shick Oh)
		Election of an independent director	
	4.	Election of an independent director as Audit Committee member	Approved (Dae Shick Oh)
	5.	Approval of Remuneration Limit for Directors	Approved (Won 12 billion)

Table of Contents**2. Contingent Liabilities**
[SK Telecom]**A. Material Legal Proceedings****(1) Claim for Copyright License Fees regarding Coloring Services**

On May 7, 2010, Korea Music Copyright Association (KOMCA) filed a lawsuit with the court demanding that the Company pay KOMCA license fees for the Company's Coloring services. The court rendered a judgment against the Company ordering the Company to pay Won 570 million to KOMCA, which was affirmed by the appellate court on October 26, 2011. The Company appealed to the Supreme Court on November 8, 2011. The Company plans to vigorously defend itself in the Supreme Court by supplementing legal analysis relating to the interpretation of legal actions. While the Company does not expect this litigation to have an immediate impact on its business or results of operation because the judgment amount is Won 570 million and the final outcome of the litigation has not been decided, the Company may be required to pay increased on-going license fees in the future if the final judgment is rendered against it.

* Actual impact on the Company's business and financial condition from the litigation may be different from the Company's expectation stated above.

B. Other Matters**(1) Pledged Assets and Covenants**

SK Broadband has provided geun mortgage amounting to Won 15.2 billion to others, including Ilsan Guksa, on a part of its buildings in connection with the leasing of the buildings.

In 2011, PS&Marketing, a consolidated subsidiary of the Company, entered into a loan agreement to borrow up to Won 40 billion of working capital from Shinhan Bank. In connection with the loan agreement, it pledged Won 52 billion of its inventories to Shinhan Bank as collateral.

(2) Payment Guarantee by the Company

The Company is participating in the tactical aeronautics project of the Defense Acquisition Program Administration of Korea (the DAPA), together with the Joint Defense Corporation. The Company has guaranteed the payment of US\$3,897,196 that the DAPA has prepaid to the Joint Defense Corporation.

[SK Broadband]**A. Material Legal Proceedings****(1) SK Broadband as the Plaintiff**

(Unit: in thousands of Won)

Description of Proceedings	Date of Commencement of Proceedings	Amount of Claim	Status
	September 2009	1,810,000	Pending before

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Claim for Cancellation of Korea Fair Trade Commission's Penalty Reassessment			Supreme Court
Claim relating to Gangnamgu District Office Cable-Burying Project			Pending before
Administrative Proceeding relating to Gangnamgu District Office	March 2010	345,271	Supreme Court
			Pending before
	April 2010	703,440	Administrative Court
Damages Claims against Golden Young and Others			Pending before
	April 2011	454,267	District Court
Damages Claim relating to Hyundai Construction			Pending before
	December 2010	561,282	Appellate Court
Other claims and proceedings		2,000	
Total		3,876,261	

Table of Contents

(2) SK Broadband as the Defendant

(Unit: in thousands of Won)

Description of Proceedings	Date of Commencement of Proceedings	Amount of Claim	Status
Damage Claim by Sun Technology and One Other	October 2011	1,006,429	Pending before Appellate Court
Damages Claim from Jin Man Cho and One Other	January 2011	200,000	Pending before Appellate Court
Damages Claim by Mac Telecom and Five Other Companies	January 2012	606,000	Pending before District Court
Damages Claim by On-nuri Co., Ltd.	December 2011	101,000	Pending before District Court
Damages Claim by Haein Networks	March 2013	101,000	Pending before District Court
Other claims and proceedings		166,584	
Total		2,181,013	

The management believes that the final results of the litigations listed above would not have a material impact on the company's financial statements. In addition, in 2011, SK Broadband partly lost in a litigation relating to the leak of personal information at the district court, which ordered SK Broadband to pay damages of Won 5,459 million (out of the plaintiffs' claims of Won 24,689 million), and recognized such damage order as other accounts payable.

[SK Communications]**A. Material Legal Proceedings**

As of March 31, 2013, the aggregate amount of claims was Won 6.1 billion. The management cannot reasonably forecast the outcome of the pending cases.

B. Other Contingent Liabilities

The material payment guarantees provided by third parties to SK Communications as of March 31, 2013 are set forth in the table below.

(Unit: in thousands of Won)

Financial Institution	Guarantee	Amount
Seoul Guarantee Insurance Company	Prepaid coverage payment guarantee	700,000
Seoul Guarantee Insurance Company	Provisional deposit guarantee insurance for bonds	1,068,051
Seoul Guarantee Insurance Company	Contractual payment guarantee	514,161

[SK Planet]**A. Material Legal Proceedings**

As of March 31, 2013, there were two pending proceedings with SK Planet as the defendant and the aggregate amount of the claims was Won 1.2 billion. The management cannot reasonably forecast the outcome of the pending cases and no amount in connection with these proceedings

were recognized on the Company's financial statements.

Table of Contents

3. Status of sanctions, etc. [SK Telecom]

On December 2, 2010, the Korea Communications Commission imposed on the Company a fine of Won 6.2 billion and issued a correctional order in a case relating to the obstruction of subscribers' utilization of wireless Internet services. The Company paid the fine and completed the improvement of the procedures in consultation with the Korea Communications Commission by March 2011.

On September 19, 2011, the Korea Communications Commission imposed on the Company a fine of Won 6.86 billion and issued a correctional order for providing discriminatory subsidy to subscribers. The Company paid the fine and completed the improvement of the procedures in consultation with the Korea Communications Commission by January 2012.

On April 22, 2011, the Company received a correctional order from the Fair Trade Commission of Korea for violation of Article 21 of the Electronic Commerce Act and was imposed a fine of Won 5 million. The Company paid the fine and filed a suit disputing the order of the Fair Trade Commission. The suit is currently pending.

On November 11, 2011, the Company received a correctional order from the Fair Trade Commission of Korea for violation of Article 23 of the Fair Trade Act relating to the transfer of patented technology necessary for the supply of relay facilities. The Company has corrected the procedures before receiving the correctional order.

On March 14, 2012, the Company received a correctional order from the Fair Trade Commission of Korea for an alleged violation of Article 23 of the Fair Trade Act relating to the handset subsidy practice and distribution of handsets and was imposed a fine of Won 21,928 million. The Company appealed the order and filed a suit with the administrative court. The suit is currently pending.

On February 6, 2012, the Company received three penalty points and was imposed a fine of Won 3 million from the Korea Exchange for a violation of Article 35 of Korea Exchange's disclosure rules. The Company paid the fine and has been taking efforts to prevent a repetitive violation.

On June 21, 2012, the Company received a correctional order from the Korea Communications Commission in connection with its decision on whether the Company had violated regulations related to the safeguarding of location information. The Company completed the improvement of the procedures in consultation with the Korea Communications Commission by December 2012.

On July 4, 2012, the Company received a correctional order and a fine of Won 24,987 million from the Fair Trade Commission of Korea for alleged violation of Article 23 of the Fair Trade Act relating to the payment of system management and operation fees. The Company appealed the order and filed a suit with the administrative court. On September 12, 2012, the Company received a formal written letter from the Fair Trade Commission of Korea with a corrected fine of Won 25,042 million, which also includes the fine for transactions in the first half of 2012.

On December 24, 2012, the Korea Communications Commission imposed on the Company a fine of Won 6.89 billion, imposed a suspension on acquiring new subscribers from January 31, 2013 to February 21, 2013 and issued a correctional order for providing discriminatory subsidiaries to subscribers. The Company paid the fine and completed the improvement of the procedures in consultation with the Korea Communications Commission by March 2013.

On January 11, 2013, the Company received a correctional order and a fine of Won 100 million from the Fair Trade Commission of Korea for alleged violation of Article 23 of the Fair Trade Act relating to the Company's transactions with its distribution network. The Company paid the fine by May 10, 2013.

On March 14, 2013, the Korea Communications Commission imposed on the Company a fine of Won 3.14 billion and issued a correctional order in a case for providing discriminatory subsidiaries to subscribers. The Company paid the fine and completed the improvement of the procedures in consultation with the Korea Communications Commission by April 2013.

Table of Contents

Certain former executive officers of the Company were acquitted in district court with respect to certain of the Company's past transactions. An appeal has been filed at the applicable high court, where the case is currently pending.

[SK Broadband]

(1) Violation of Accounting Rules

Date: December 13, 2012

Subject Company: SK Broadband

Sanction: SK Broadband was imposed a fine of Won 39 million from the Korea Communications Commission.

Reason and the relevant law: Business report for 2011 violated accounting rules under Article 49 of the Telecommunication Business Act.

Status of Implementation: Paid the fine.

Company's plan: Will improve accounting management system.

(2) Violation of the Telecommunications Business Act

Date: May 18, 2012

Subject Company: SK Broadband

Sanction: SK Broadband received a correctional order and a fine of Won 253 million

Reason and relevant law: Violation of Article 50, Paragraph 1, Number 5 of the Telecommunications Business Act and Article 50, Paragraph 1 of the related Enforcement Decree for offering discounts outside the terms and conditions of the subscription agreement to certain subscribers and thereby discriminating against certain subscribers

Status of implementation: Paid the fine, ceased the prohibitive practice, disclosed receiving the correctional order in a newspaper advertisement and changed business practice to prevent reoccurrence.

Company's plan: Continuous management of the company's distribution network and improve the company's distribution structure.

(3) Violation of Accounting Rules

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Date: January 20, 2012

Subject Company: SK Broadband

Sanction: SK Broadband was imposed a fine of Won 54 million from the Korea Communications Commission.

Reason and the Relevant Law: Business report for 2010 violated accounting rules under Article 49 of the Telecommunication Business Act.

Status of Implementation: Paid the fine.

Company's Plan: Will improve accounting management system.

Table of Contents

(4) Violation of the Telecommunication Business Act

Date: November 23, 2011

Subject Company: SK Broadband

Sanction: SK Broadband was imposed a fine of Won 30 million from the Korea Communications Commission.

Reason and the Relevant Law: Violated Telecommunication Business Act by allocating 060 number without prior review and charging fees for the service usage.

Status of Implementation: Paid the fine, stopped the prohibited practice, improved operating procedures and reported the results.

Company's Plan: Will improve operating procedures.

(5) Violation of the Act on Facilitation of the Use of Information Network and Protection of Information

Date: July 14, 2011

Subject: SK Broadband and a former officer of SK Broadband

Sanction: SK Broadband was imposed a fine of Won 15 million and the former officer was imposed a fine of Won 5 million.

Reason and the Relevant Law: Violated Articles 24 and 62 of the Act on Facilitation of the Use of Information Network and Protection of Information by providing subscribers' personal information to telemarketers without subscribers' consents.

Status of Implementation: Paid the fine.

Company's Plan: Provide education to officers and employees and strengthen internal regulations.

(6) Violation of the Telecommunication Business Act

Date: February 21, 2011

Subject Company: SK Broadband

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Sanction: SK Broadband was imposed a correctional order and a fine of Won 3.2 billion from the Korea Communications Commission.

Reason and the Relevant Law: Improperly discriminated subscribers with respect to the fee reduction in the process of acquiring high-speed Internet subscribers. Violated Article 50 of the Telecommunication Business Act and Article 42 of the Enforcement Decree.

Status of Implementation: Paid the fine, stopped the prohibited practice, published the sanction on newspapers, improved operating procedures and amended the terms of services.

Company's Plan: Continue to monitor marketing networks, improve marketing procedures, distribute incentive items directly and reduce incentive items.

Table of Contents**4. Important Matters That Occurred After March 31, 2013**
[SK Telecom]**(1) Bond offering**

On April 23, 2013, the Company issued two tranches of fixed-rate unsecured bonds in the principal amounts of Won 230 billion (with an annual interest rate of 3.03% and maturity date of April 23, 2023) and Won 130 billion (with an annual interest rate of 3.22% and maturity date of April 23, 2033).

[SK Planet]**(1) Merger**

On April 22, 2013, the board of directors of SK Planet resolved to merge MAD Smart into SK Planet to combine the companies' ICT capacities and increase its competitiveness in the platform business. The merger will be effective on June 1, 2013. In connection with this merger, SK Planet will not issue any new shares.

5. Use of Proceeds**A. Use of Proceeds from Public Offerings**

Not applicable.

B. Use of Proceeds from Private Offerings

(Unit: In millions of Won)

Classification	Closing Date	Proceeds	Planned Use of Proceeds	Actual Use of Proceeds	Reasons for Change
Convertible Bonds	April 7, 2009	437,673	Refinancing of convertible bonds issued in May 2004	Refinancing and working capital	

Table of Contents

SK TELECOM CO., LTD.

Condensed Consolidated Interim Financial Statements

(Unaudited)

March 31, 2013 and 2012

(With Independent Auditors' Review Report Thereon)

Table of Contents

Contents

	Page
<u>Independent Auditors' Review Report</u>	1
<u>Condensed Consolidated Statements of Financial Position</u>	3
<u>Condensed Consolidated Statements of Income</u>	5
<u>Condensed Consolidated Statements of Comprehensive Income</u>	6
<u>Condensed Consolidated Statements of Changes in Equity</u>	7
<u>Condensed Consolidated Statements of Cash Flows</u>	8
<u>Notes to the Condensed Interim Consolidated Financial Statements</u>	10

Table of Contents

Independent Auditors' Review Report

Based on a report originally issued in Korean

To The Board of Directors and Shareholders

SK Telecom Co., Ltd.:

Reviewed financial statements

We have reviewed the accompanying condensed consolidated interim financial statements of SK Telecom Co., Ltd. and its subsidiaries (the Group), which comprise the condensed consolidated statement of financial position as of March 31, 2013, the related condensed consolidated statements of income, comprehensive income, changes in equity and cash flows for the three-month periods ended March 31, 2013 and 2012 and notes, comprising a summary of significant accounting policies and other explanatory information.

We did not review the financial statements of SK Broadband Co., Ltd., a domestic subsidiary, and an associate, whose financial statements constitute 19.6% of the Group's consolidated total assets as of March 31, 2013 and 11.9% (2012: 15.2%) of the Group's consolidated operating revenue for the three-month period ended March 31, 2013. Other auditors reviewed those financial statements and our report, insofar as it relates to the amounts included for these entities, is based solely on the reports of other auditors.

Management's responsibility

Management is responsible for the preparation and fair presentation of these condensed consolidated interim financial statements in accordance with Korean International Financial Reporting Standards (K-IFRS) No.1034, Interim Financial Reporting, and for such internal controls as management determines necessary to enable the preparation of condensed consolidated interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to issue a report on these condensed consolidated interim financial statements based on our reviews.

We conducted our reviews in accordance with the Review Standards for Quarterly and Semiannual Financial Statements established by the Securities and Futures Commission of the Republic of Korea. A review consists principally of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in the Republic of Korea and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our reviews and the reports of other auditors, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements referred to above are not prepared fairly, in all material respects, in accordance with K-IFRS No.1034 Interim Financial Reporting.

Table of Contents

Highlights

As discussed in note 35, during the three-month period ended June 30, 2012 the Group decided to discontinue the broadcasting business operation due to the accumulating losses resulting from the continuing decline in satellite digital multimedia broadcasting subscribers. The Group has presented operating results of this broadcasting business as loss from discontinued operation and accordingly restated the comparative information of the statement of income for the three-month period ended March 31, 2012.

As discussed in note 3 to the condensed consolidated interim financial statements, the Group adopted amendments to K-IFRS No.1001, Presentation of Financial Statements from the interim period ended September 30, 2012 and separately presents operating income on the consolidated statements of income, which is calculated as operating revenue less operating expense. The Group applied this change in accounting policies retrospectively and accordingly restated the comparative information of the consolidated statement of income for the three-month period ended March 31, 2012.

Other matters

The statement of financial position of the Group as of December 31, 2012, and the related consolidated statements of income, comprehensive income, changes in equity and cash flows for the year then ended, which are not accompanying this report, were audited by us and our report thereon, dated February 22, 2013, expressed an unqualified opinion. The accompanying condensed consolidated statement of financial position of the Group as of December 31, 2012, presented for comparative purposes, is not different from that audited by us in all material respects.

The procedures and practices utilized in the Republic of Korea to review such condensed consolidated interim financial statements may differ from those generally accepted and applied in other countries. Accordingly, this report and the accompanying condensed consolidated interim financial statements are for use by those knowledgeable about Korean review standards and their application in practice.

KPMG Samjong Accounting Corp.

Seoul, Korea

May 10, 2013

This report is effective as of May 10, 2013, the review report date. Certain subsequent events or circumstances, which may occur between the review report date and the time of reading this report, could have a material impact on the accompanying condensed consolidated interim financial statements and notes thereto. Accordingly, the readers of the review report should understand that the above review report has not been updated to reflect the impact of such subsequent events or circumstances, if any.

Table of Contents

SK TELECOM CO., LTD. and Subsidiaries

Condensed Consolidated Statements of Financial Position

As of March 31, 2013 and December 31, 2012

<i>(In millions of won)</i>	Note	March 31, 2013	December 31, 2012
Assets			
Current Assets:			
Cash and cash equivalents	10,31,32	1,124,348	920,125
Short-term financial instruments	5,10,31,32	338,651	514,417
Short-term investment securities	8,10,31,32	188,454	60,127
Accounts receivable - trade, net	6,10,31,32,33	2,223,429	1,954,920
Short-term loans, net	6,31,32,33	93,306	84,908
Accounts receivable - other, net	6,31,32,33	697,239	582,098
Prepaid expenses	10	111,256	102,572
Derivative financial assets	21,31,32	13,677	9,656
Inventories, net	7,10,34	205,115	242,146
Assets classified as held for sale	9	2,143	775,556
Advanced payments and other	6,10,31,32	84,060	47,896
Total Current Assets		5,081,678	5,294,421
Non-Current Assets:			
Long-term financial instruments	5,10,31,32	634	144
Long-term investment securities	8,10,31,32	990,700	953,712
Investments in associates	10,11	4,817,238	4,632,477
Property and equipment, net	10,12,34	9,577,989	9,712,719
Investment property, net	13	26,140	27,479
Goodwill	14	1,736,161	1,744,483
Intangible assets, net	10,15	2,653,778	2,689,658
Long-term loans, net	6,10,31,32	61,942	69,299
Long-term prepaid expenses	34	25,321	31,341
Guarantee deposits	5,6,10,31,32	238,697	236,242
Long-term derivative financial assets	21,31,32	84,062	52,992
Deferred tax assets	10,29	85,669	124,098
Other non-current assets	6,31,32	28,833	26,494
Total Non-Current Assets		20,327,164	20,301,138
Total Assets		25,408,842	25,595,559

See accompany notes to the condensed consolidated interim financial statements.

Table of Contents

SK TELECOM CO., LTD. and Subsidiaries

Condensed Consolidated Statements of Financial Position, Continued

As of March 31, 2013 and December 31, 2012

<i>(In millions of won)</i>	Note	March 31, 2013	December 31, 2012
Liabilities and Equity			
Current Liabilities:			
Short-term borrowings	16	160,000	600,245
Current portion of long-term debt, net	10, 16, 19, 31, 32	910,255	892,867
Accounts payable - trade	10, 31, 32	253,537	253,884
Accounts payable - other	10, 31, 32	2,203,409	1,811,038
Withholdings	10, 31, 32	834,663	717,170
Accrued expenses	10, 31, 32	979,105	890,863
Income tax payable	29	102,955	60,253
Unearned revenue	10	509,912	258,691
Provisions	18	208,427	287,307
Advanced receipts and other	10, 31, 32	124,845	108,272
Liabilities classified as held for sale	9		294,305
Total Current Liabilities		6,287,108	6,174,895
Non-Current Liabilities:			
Debentures, net, excluding current portion	16, 31, 32	5,731,863	4,979,220
Long-term borrowings, excluding current portion	16, 31, 32	18,412	369,237
Long-term payables - other	17, 31, 32	565,599	715,508
Long-term unearned revenue		150,409	160,821
Finance lease liabilities	19, 31, 32	18,106	22,036
Defined benefit liabilities	10, 20	102,342	86,521
Long-term derivative financial liabilities	21, 31, 32	28,802	63,599
Long-term provisions	18	76,667	106,561
Other non-current liabilities	31, 32	61,834	62,379
Total Non-Current Liabilities		6,754,034	6,565,882
Total Liabilities		13,041,142	12,740,777
Equity			
Share capital	1, 22	44,639	44,639
Capital deficit and other capital adjustments	10, 22, 23	(351,978)	(288,883)
Retained earnings	24	11,890,283	12,124,657
Reserves	25	2,176	(25,636)
Equity attributable to owners of the Parent Company		11,585,120	11,854,777
Non-controlling interests		782,580	1,000,005
Total Equity		12,367,700	12,854,782
Total Liabilities and Equity		25,408,842	25,595,559

See accompanying notes to the condensed consolidated interim financial statements.

Table of Contents

SK TELECOM CO., LTD. and Subsidiaries

Condensed Consolidated Statements of Income

For the three-month periods ended March 31, 2013 and 2012

<i>(In millions of won except for per share data)</i>	Note	March 31, 2013	March 31, 2012
Continuing operations			
Operating revenue:	<i>4,33</i>		
Revenue		4,112,637	3,969,711
Operating expense:	<i>33</i>		
Labor cost		448,619	355,533
Commissions paid		1,450,758	1,414,443
Depreciation and amortization	<i>4</i>	640,839	580,260
Network interconnection		252,549	296,151
Leased line		113,629	118,935
Advertising		64,906	69,903
Rent		110,866	106,876
Cost of products that have been resold		320,673	271,436
Other operating expenses	<i>26</i>	299,165	256,880
Sub-total		3,702,004	3,470,417
Operating income	<i>3,4</i>	410,633	499,294
Finance income	<i>4,28</i>	37,450	68,205
Finance costs	<i>4,28</i>	(148,763)	(110,954)
Gains (losses) related to investments in subsidiaries, associates and joint ventures, net	<i>4,9,11</i>	161,325	(27,583)
Other non-operating income	<i>4,27</i>	13,863	9,942
Other non-operating expenses	<i>27</i>	(46,602)	(44,054)
Profit before income tax		427,906	394,850
Income tax expense from continuing operations	<i>29</i>	(81,972)	(84,576)
Profit from continuing operations		345,934	310,274
Discontinued operation			
Loss from discontinued operation, net of income taxes	<i>35</i>		(9,893)
Profit for the period		345,934	300,381
Attributable to:			
Owners of the Parent Company		354,154	306,424
Non-controlling interests		(8,220)	(6,043)
Earnings per share	<i>30</i>		
Basic earnings per share		5,081	4,397
Diluted earnings per share		5,081	4,312
Earnings per share - Continuing operations	<i>30</i>		

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Basic earnings per share	5,081	4,539
Diluted earnings per share	5,081	4,454

See accompanying notes to the condensed consolidated interim financial statements.

Table of Contents

SK TELECOM CO., LTD. and Subsidiaries

Condensed Consolidated Statements of Comprehensive Income

For the three-month periods ended March 31, 2013 and 2012

<i>(In millions of won)</i>	Note	March 31, 2013	March 31, 2012
Profit for the period		345,934	300,381
Other comprehensive income (loss)			
Items that will not be reclassified to profit or loss:			
Actuarial losses on defined benefit obligations, net	20	(3,083)	(3,691)
Items that may be reclassified subsequently to profit or loss:			
Net change in unrealized fair value of available-for-sale financial assets	25,28	(19,237)	(14,232)
Net change in other comprehensive income of investments in associates and joint ventures	25	48,964	6,435
Net change in unrealized fair value of derivatives	25,28	(7,450)	(17,981)
Foreign currency translation differences for foreign operations	25	6,208	(10,319)
		25,402	(39,788)
Total comprehensive income		371,336	260,593
Total comprehensive income attributable to:			
Owners of the Parent Company		378,876	271,631
Non-controlling interests		(7,540)	(11,038)
<i>See accompanying notes to the condensed consolidated interim financial statements.</i>			

Table of Contents

SK TELECOM CO., LTD. and Subsidiaries

Condensed Consolidated Statements of Changes in Equity

For the three-month periods ended March 31, 2013 and 2012

(In millions of won)

	Controlling Interest					Non-	
	Capital deficit and other		Retained	Reserves	Sub-total	controlling	Total equity
	Share capital	capital adjustments	earnings			interests	
Balance, January 1, 2012	44,639	(285,347)	11,642,525	260,064	11,661,881	1,070,828	12,732,709
Cash dividends			(585,438)		(585,438)	(1,956)	(587,394)
Total comprehensive income							
Profit (loss) for the period			306,424		306,424	(6,043)	300,381
Other comprehensive loss			(4,169)	(30,624)	(34,793)	(4,995)	(39,788)
Changes in ownership in subsidiaries		(5,341)			(5,341)	(8,577)	(13,918)
Balance, March 31, 2012	44,639	(290,688)	11,359,342	229,440	11,342,733	1,049,257	12,391,990
Balance, January 1, 2013	44,639	(288,883)	12,124,657	(25,636)	11,854,777	1,000,005	12,854,782
Cash dividends			(585,438)		(585,438)	(2,032)	(587,470)
Total comprehensive income							
Profit (loss) for the period			354,154		354,154	(8,220)	345,934
Other comprehensive income (loss)			(3,090)	27,812	24,722	680	25,402
Business combination under common control		(61,854)			(61,854)		(61,854)
Changes in ownership in subsidiaries		(1,241)			(1,241)	(207,853)	(209,094)
Balance, March 31, 2013	44,639	(351,978)	11,890,283	2,176	11,585,120	782,580	12,367,700

See accompanying notes to the condensed consolidated interim financial statements.

Table of Contents

SK TELECOM CO., LTD. and Subsidiaries

Condensed Consolidated Statements of Cash Flows

For the three-month periods ended March 31, 2013 and 2012

<i>(In millions of won)</i>	Note	March 31, 2013	March 31, 2012
Cash flows from operating activities:			
Cash generated from operating activities			
Profit for the period		345,934	300,381
Adjustments for income and expenses	36	772,594	825,200
Changes in assets and liabilities related to operating activities	36	(393,493)	144,288
Sub-total		725,035	1,269,869
Interest received		11,017	30,335
Dividends received		1	22,333
Interest paid		(86,091)	(97,361)
Income tax refund received (income tax paid)		24,186	(4,008)
Net cash provided by operating activities		674,148	1,221,168
Cash flows from investing activities:			
Cash inflows from investing activities:			
Decrease in short-term financial instruments, net		198,336	403,106
Collection of short-term loans		93,124	54,153
Proceeds from disposal of long-term financial instruments		106,679	
Proceeds from disposal of long-term investment securities		10,811	28,780
Proceeds from disposal of investments in associates		1,250	1,850
Proceeds from disposal of property and equipment		3,083	2,137
Proceeds from disposal of intangible assets		742	1,792
Proceeds from disposal of assets held for sale		190,393	
Collection of long-term loans		5,750	3,416
Decrease of deposits		3,110	3,378
Proceeds from disposal of other non-current assets		344	41
Proceeds from disposal of a subsidiary		7,221	88,602
Sub-total		620,843	587,255
Cash outflows for investing activities:			
Increase in short-term investment securities, net		(19,996)	(45,000)
Increase in short-term loans		(99,312)	(49,466)
Increase in long-term loans		(522)	(793)
Increase in long-term financial instruments			(3)
Acquisition of long-term investment securities		(1,003)	(16,228)
Acquisition of investments in associates and joint ventures		(22,128)	(3,068,050)
Acquisition of property and equipment		(522,415)	(530,977)
Acquisition of intangible assets		(16,948)	(32,706)
Increase in deposits		(6,501)	(6,375)
Increase in other non-current assets		(2,948)	
Acquisition of business, net of cash acquired		(94,805)	(11,867)
Sub-total		(786,578)	(3,761,465)

Net cash used in investing activities	(165,735)	(3,174,210)
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See accompanying notes to the condensed consolidated interim financial statements.

Table of Contents

SK TELECOM CO., LTD. and Subsidiaries

Condensed Consolidated Statements of Cash Flows, Continued

For the three-month periods ended March 31, 2013 and 2012

<i>(In millions of won)</i>	Note	March 31, 2013	March 31, 2012
Cash flows from financing activities:			
Cash inflows from financing activities:			
Proceeds from short-term borrowings		40,000	642,989
Issuance of debentures		656,359	318,696
Proceeds from long-term borrowings			2,054,944
Cash inflows from transaction of derivatives		2,199	1,517
Sub-total		698,558	3,018,146
Cash outflows for financing activities:			
Repayment of short-term borrowings		(480,245)	(202,317)
Repayment of current portion of long-term debt		(161,575)	(95,446)
Repayment of debentures			(634,398)
Repayment of long-term borrowings		(352,561)	(2,693)
Cash outflows from transaction of derivatives			(3,157)
Payment of finance lease liabilities		(5,491)	(4,993)
Decrease in cash from transactions with owners of the Parent Company		(3,871)	(1,025)
Sub-total		(1,003,743)	(944,029)
Net cash provided by (used in) financing activities		(305,185)	2,074,117
Net increase in cash and cash equivalents		203,228	121,075
Cash and cash equivalents at beginning of the period		920,125	1,650,794
Effects of exchange rate changes on cash and cash equivalents		995	(2,478)
Cash and cash equivalents at end of the period		1,124,348	1,769,391

See accompanying notes to the condensed consolidated interim financial statements.

Table of Contents

SK TELECOM CO., LTD. and Subsidiaries

Notes to the Condensed Consolidated Interim Financial Statements

For the three-month periods ended March 31, 2013 and 2012

1. Reporting Entity**(1) General**

SK Telecom Co., Ltd. (the Parent Company) was incorporated in March 1984 under the laws of Republic of Korea (Korea) to engage in providing cellular telephone communication services in Korea. The Parent Company mainly provides wireless telecommunications in Korea. The Parent Company's common shares and depositary receipts (DRs) are listed on the Stock Market of Korea Exchange, the New York Stock Exchange and the London Stock Exchange. As of March 31, 2013, the Parent Company's total issued shares are held by the following:

	Number of shares	Percentage of total shares issued (%)
SK Holdings Co., Ltd.	20,363,452	25.22
National Pension	4,928,904	6.10
Institutional investors and other minority stockholders	44,402,643	54.99
Treasury stock	11,050,712	13.69
Total number of shares	80,745,711	100.00

These condensed consolidated interim financial statements comprise the Parent Company and its subsidiaries (together referred to as the Group and individuals as Group entities). SK Holdings Co., Ltd. is the ultimate controlling entity of the Parent Company because it has *de facto* control of the Parent Company. An entity is viewed to have de facto control when the balance of holdings is dispersed and the other shareholders have not organized their interests in such a way that they exercise more votes than the minority holder.

(2) List of subsidiaries

The list of subsidiaries as of March 31, 2013 and December 31, 2012 is as follows:

Subsidiary	Location	Primary business	Ownership(%)	
			March 31, 2013	December 31, 2012
SK Telink Co., Ltd.	Korea	Telecommunication service	83.5	83.5
M&Service Co., Ltd.(*)		Data base and online information		
	Korea	agency	100.0	
SK Communications Co., Ltd.	Korea	Internet website services	64.6	64.6
PAXNet Co., Ltd.(*)	Korea	Internet website services		59.7
Loen Entertainment, Inc.	Korea	Release of music disc.	67.6	67.6
Stonebridge Cinema Fund	Korea	Investment association	57.0	57.0
Commerce Planet Co., Ltd.	Korea	Online shopping mall operation agency	100.0	100.0
SK Broadband Co., Ltd.	Korea	Telecommunication services	50.6	50.6
Broadband Media Co., Ltd.(*)	Korea	Multimedia TV portal services		100.0
K-net Culture and Contents Venture Fund	Korea	Investment association	59.0	59.0

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Fitech Focus Limited Partnership II	Korea	Investment association	66.7	66.7
Open Innovation Fund	Korea	Investment association	98.9	98.9
PS&Marketing Corporation	Korea	Communications device retail business	100.0	100.0
Service Ace Co., Ltd.	Korea	Customer center management service	100.0	100.0
Service Top Co., Ltd.	Korea	Customer center management service	100.0	100.0
Network O&S Co., Ltd.	Korea	Base station maintenance service	100.0	100.0

Table of Contents

SK TELECOM CO., LTD. and Subsidiaries

Notes to the Condensed Consolidated Interim Financial Statements

For the three-month periods ended March 31, 2013 and 2012

1. Reporting Entity, Continued

(2) List of subsidiaries, Continued

Subsidiary	Location	Primary business	Ownership(%)	
			March 31, 2013	December 31, 2012
BNCP Co., Ltd.	Korea	Internet website services	100.0	100.0
SK Planet Co., Ltd.	Korea	Telecommunication service and new	100.0	100.0
		media business		
Madsmart, Inc.	Korea	Application software production	100.0	100.0
SK Telecom China Holdings Co., Ltd.	China	Investment association	100.0	100.0
SKY Property Mgmt. Ltd.(*)	Virgin	Real estate investment		60.0
	Island			
Shenzhen E-eye High Tech Co., Ltd.	China	Manufacturing	65.5	65.5
SK Global Healthcare Business Group, Ltd.	China	Investment association	100.0	100.0
SK China Real Estate Co., Ltd.(*)	Hong Kong	Real estate investment		99.4
SK Planet Japan	Japan	Digital contents sourcing service	100.0	100.0
SKT Vietnam PTE. Ltd.	Singapore	Telecommunication service	73.3	73.3
SK Planet Global PTE. Ltd.	Singapore	Digital contents sourcing service	100.0	100.0
SKT Americas, Inc.	USA	Information gathering and consulting	100.0	100.0
SKP America LLC.	USA	Digital contents sourcing service	100.0	100.0
YTK Investment Ltd.	Cayman	Investment association	100.0	100.0
Atlas Investment	Cayman	Investment association	100.0	100.0
Technology Innovation Partners, L.P.	Cayman	Investment association	100.0	100.0
SK Telecom China Fund I L.P.	Cayman	Investment association	100.0	100.0

(*) Changes in subsidiaries are explained in Note 1-(4).

In accordance with the accounting policy relating to the scope of consolidation, small-sized subsidiaries including IM Shopping Inc. were excluded from the list of subsidiaries as the effects on the financial statements are not material considering both individual and overall quantitative and qualitative effects, although the Group has ownership interests of more than 50% on those subsidiaries.

Table of Contents

SK TELECOM CO., LTD. and Subsidiaries

Notes to the Condensed Consolidated Interim Financial Statements

For the three-month periods ended March 31, 2013 and 2012

1. Reporting Entity, Continued

(3) Condensed financial information of subsidiaries

Condensed financial information of subsidiaries as of and for the three-month period ended March 31, 2013 is as follows:

(In millions of won)

Subsidiary	Total assets	Total liabilities	Total equity	Revenue	Profit (loss)
SK Telink Co., Ltd.	235,892	125,031	110,861	109,701	281
M&Service Co., Ltd.	64,770	31,882	32,888	28,087	1,143
SK Communications Co., Ltd.	252,462	64,577	187,885	33,059	(7,478)
Loen Entertainment, Inc.	184,127	54,745	129,382	50,470	5,960
Stonebridge Cinema Fund	10,556	421	10,135		73
Commerce Planet Co., Ltd.	30,751	31,778	(1,027)	16,444	317
SK Broadband Co., Ltd.	2,887,589	1,772,347	1,115,242	605,172	5,204
K-net Culture and Contents Venture Fund	24,999		24,999		(13,765)
Fitech Focus Limited Partnership II	22,131	283	21,848		(767)
Open Innovation Fund	29,168	426	28,742		(14,650)
PS&Marketing Corporation	300,847	167,243	133,604	305,976	(2,535)
Service Ace Co., Ltd.	50,637	24,246	26,391	45,766	1,920
Service Top Co., Ltd.	44,325	25,294	19,031	39,547	1,663
Network O&S Co., Ltd.	60,374	33,477	26,897	48,419	1,954
BNCP Co., Ltd.	12,751	7,349	5,402	3,892	(9,231)
SK Planet Co., Ltd.	2,185,902	667,389	1,518,513	295,438	(10,157)
Madsmart, Inc.	2,176	373	1,803		(1,222)
SK Telecom China Holdings Co., Ltd.	37,857	2,824	35,033	5,123	1,047
Shenzhen E-eye High Tech Co., Ltd.	19,639	1,777	17,862	2,109	30
SK Global Healthcare Business Group., Ltd.	25,784		25,784		
SK Planet Japan	1,064	163	901	108	(404)
SKT Vietnam PTE. Ltd.	39,649	9,310	30,339		(1,221)
SK Planet Global PTE. Ltd.	1,839	42	1,797	89	(239)
SKT Americas, Inc.	38,809	547	38,262	1,693	(2,630)
SKP America LLC.	5,486	1,644	3,842		
YTK Investment Ltd.	66,487		66,487		
Atlas Investment(*)	52,557	90	52,467		(331)

(*) The financial information of Atlas Investment includes financial information of Technology Innovation Partners, L.P. and SK Telecom China Fund I L.P., subsidiaries of Atlas Investment.

Table of Contents

SK TELECOM CO., LTD. and Subsidiaries

Notes to the Condensed Consolidated Interim Financial Statements

For the three-month periods ended March 31, 2013 and 2012

1. Reporting Entity, Continued

(3) Condensed financial information of subsidiaries, Continued

Condensed financial information of subsidiaries as of and for the year ended December 31, 2012 is as follows:

(In millions of won)

Subsidiary	Total assets	Total liabilities	Total equity	Revenue	Profit (loss)
SK Telink Co., Ltd.	241,977	128,191	113,786	341,084	(74,951)
SK Communications Co., Ltd.	265,819	70,483	195,336	197,153	(35,334)
PAXNet Co., Ltd.	31,400	9,173	22,227	34,237	(156)
Loen Entertainment, Inc.	173,079	44,998	128,081	185,016	23,839
Stonebridge Cinema Fund	10,965	903	10,062	509	5,707
Commerce Planet Co., Ltd.	34,007	35,351	(1,344)	52,507	655
SK Broadband Co., Ltd.	3,035,657	1,656,923	1,378,734	2,486,317	26,412
Broadband media Co., Ltd.	50,574	320,727	(270,153)	90,602	(3,396)
K-net Culture and Contents Venture Fund	43,779	15	43,764		(1,778)
Fitech Focus Limited Partnership II	22,547		22,547		(3,934)
Open Innovation Fund	43,394		43,394		(788)
PS&Marketing Corporation	317,613	181,737	135,876	1,484,492	(9,662)
Service Ace Co., Ltd.	48,956	24,461	24,495	146,554	3,418
Service Top Co., Ltd.	43,332	25,963	17,369	133,705	4,198
Network O&S Co., Ltd.	165,818	140,853	24,965	377,909	7,970
BNCP Co., Ltd.	24,000	9,367	14,633	26,167	(2,463)
SK Planet Co., Ltd.	1,647,965	381,620	1,266,345	1,034,697	11,977
Madmart, Inc.	1,591	724	867	635	(2,756)
SK Telecom China Holdings Co., Ltd.	35,233	1,782	33,451	25,755	(151)
SKY Property Mgmt. Ltd.(*1)	773,413	294,305	479,108	70,808	10,390
Shenzhen E-eye High Tech Co., Ltd.	18,915	1,788	17,127	9,590	(1,068)
SK Global Healthcare Business Group., Ltd.	25,784		25,784		
SK Planet Japan	47	4	43		(63)
SKT Vietnam PTE. Ltd.	38,331	7,904	30,427	990	(8)
SK Planet Global PTE. Ltd.	636	130	506		(526)
SKT Americas, Inc.	36,378	784	35,594	10,712	(10,837)
SKP America LLC.	6,669	2,431	4,238	109	(3,301)
YTK Investment Ltd.	64,036		64,036		
Atlas Investment(*2)	51,065	205	50,860		(4,324)

(*1) The financial information of Sky Property Mgmt. Ltd. includes the financial information of SK China Real Estate Co., Ltd., a subsidiary of Sky Property Mgmt. Ltd..

(*2) The financial information of Atlas Investment includes financial information of Technology Innovation Partners, L.P. and SK Telecom China Fund I L.P., subsidiaries of Atlas Investment.

Table of Contents

SK TELECOM CO., LTD. and Subsidiaries

Notes to the Condensed Consolidated Interim Financial Statements

For the three-month periods ended March 31, 2013 and 2012

1. Reporting Entity, Continued

(4) Changes in subsidiaries

- 1) The list of subsidiary that was newly included during the three-month period ended March 31, 2013 is as follows:

Subsidiary	Reason
M&Service Co., Ltd.	The Group acquired additional ownership interest in M&Service Co., Ltd. and obtained control

- 2) The list of subsidiaries that were excluded during the three-month period ended March 31, 2013 is as follows:

Subsidiary	Reason
PAXNet Co., Ltd.	The Parent Company sold its investment during the period.
Broadband media Co., Ltd.	Merged into SK Broadband Co., Ltd. during the period.
SKY Property Mgmt. Ltd.	The Parent Company sold its investment during the period.
SK China Real Estate Co., Ltd.	The Parent Company sold its investment during the period.

- (5) The information of significant non-controlling interests of consolidated entities as of and for the three-month period ended March 31, 2013, and for the year ended December 31, 2012 is as follows:

(In millions of won)

	March 31, 2013	
	SK Communications Co., Ltd.	SK Broadband Co., Ltd.
Ownership of non-controlling interests (%)	35.4	49.4
Current assets	131,756	552,489
Non-current assets	120,706	2,335,100
Current liabilities	(56,986)	(718,785)
Non-current liabilities	(7,591)	(1,053,562)
Net assets	187,885	1,115,242
Adjustment for fair value		136,711
Net assets of consolidated entities	187,885	1,251,953
Carrying amount of non-controlling interests	66,619	618,922
Revenue	33,059	605,172
Profit (loss) for the period	(7,478)	5,204
Amortization of adjustment for fair value		(7,744)
Loss of the consolidated entities	(7,478)	(2,540)
Total comprehensive income (loss)	(7,470)	5,532
Loss attributable to non-controlling interests	(2,650)	(1,256)

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Net cash provided by (used in) operating activities	(8,398)	98,416
Net cash provided by investing activities	2,619	114,402
Net cash provided by (used in) financing activities	19	(159,553)
Net increase (decrease) in cash and cash equivalents	(5,760)	53,265

Table of Contents

SK TELECOM CO., LTD. and Subsidiaries

Notes to the Condensed Consolidated Interim Financial Statements

For the three-month periods ended March 31, 2013 and 2012

1. Reporting Entity, Continued*(In millions of won)*

	December 31, 2012		
	SK Communications Co., Ltd.	SK Broadband Co., Ltd.(*1)	SKY Property Mgmt. Ltd.(*2)
Ownership of non-controlling interests(%)	35.4	49.4	40.0
Current assets	99,599	684,804	69,093
Non-current assets	166,220	2,394,352	704,319
Current liabilities	(64,811)	(907,000)	(51,068)
Non-current liabilities	(5,672)	(1,061,608)	(243,236)
Net assets	195,336	1,110,548	479,108
Adjustment for fair value		144,455	
Net assets of consolidated entities	195,336	1,255,003	479,108
Carrying amount of non-controlling interests	69,222	621,055	195,907
Revenue	197,153	2,492,160	70,808
Profit (loss) for the period	(35,334)	22,499	10,390
Amortization of adjustment for fair value		(72,192)	
Profit (loss) of the consolidated entities	(35,334)	(49,693)	10,390
Total comprehensive Income(loss)	(36,785)	17,397	(23,948)
Profit (loss) attribute to non-controlling interests	(12,525)	(24,595)	4,156
Net cash provided by (used in) operating activities	(14,925)	375,848	16,258
Net cash provided by (used in) Investing activities	5,319	(287,975)	(396)
Net cash provided by (used in) financing activities	92	(224,837)	(1,405)
Net increase (decrease) in cash and cash equivalents	(9,514)	(136,964)	14,457

(*1) The condensed financial information of SK Broadband Co., Ltd. is consolidated financial information which includes financial information of Broadband Media Co., Ltd., a subsidiary of SK Broadband Co., Ltd.

(*2) The condensed financial information of Sky Property Mgmt. Ltd. is consolidated financial information which includes financial information of SK China Real Estate Co., Ltd., a subsidiary of Sky Property Mgmt. Ltd.

There were no dividends received for the three-month period ended March 31, 2013 and for the year ended December 31, 2012.

Table of Contents

SK TELECOM CO., LTD. and Subsidiaries

Notes to the Condensed Consolidated Interim Financial Statements

For the three-month periods ended March 31, 2013 and 2012

2. Basis of Preparation

(1) Statement of compliance

The condensed consolidated interim financial statements have been prepared in accordance with Korean International Financial Reporting Standards (K-IFRS), as prescribed in *the Act on External Audits of Stock Companies*.

These condensed consolidated interim financial statements were prepared in accordance with K-IFRS No. 1034, *Interim Financial Reporting* as part of the period covered by the Group's K-IFRS annual financial statements. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the last annual consolidated financial statements as at and for the year ended December 31, 2012. These condensed consolidated interim financial statements do not include all of the disclosures required for full annual financial statements.

(2) Use of estimates and judgments

The preparation of the condensed consolidated interim financial statements in conformity with K-IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as of and for the year ended December 31, 2012.

(3) Common control transactions

SK Holdings Co., Ltd. (the Ultimate Controlling Entity) is the Ultimate Controlling Entity of the Parent Company because it has de facto control of the Parent Company. Accordingly, gains and losses from business acquisitions and dispositions involving entities that are under the control of the Ultimate Controlling Entity are accounted for as common control transactions within equity.

Table of Contents

SK TELECOM CO., LTD. and Subsidiaries

Notes to the Condensed Consolidated Interim Financial Statements

For the three-month periods ended March 31, 2013 and 2012

3. Significant Accounting Policies

Except as described below, the accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements as of and for the year ended December 31, 2012. The following changes in accounting policy are also expected to be reflected in the Group's consolidated financial statements as at and for the year ending December 31, 2013.

(1) Changes in accounting policies

1) K-IFRS No. 1001, Presentation of Financial Statements

The Group has applied the amendments to K-IFRS No. 1001, Presentation of Financial Statements since January 1, 2013, classified items within other comprehensive income by nature and presented items that are not subsequently recycled through profit or loss and items that are subsequently reclassified if certain conditions are met as a group.

2) K-IFRS No.1110, Consolidated Financial Statements

The Group has applied the amendments to K-IFRS No. 1110, Consolidated Financial Statements since January 1, 2013. The standard introduces a single control model to determine whether an investee should be consolidated. Subsidiary is an entity that is controlled by a controlling entity or a subsidiary of a controlling company. A controlling entity or a subsidiary of a controlling company controls a subsidiary when the controlling entity or the subsidiary of the controlling company is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary.

3) K-IFRS No.1111, Joint Arrangements

The Group has applied the amendments to K-IFRS No. 1111, Joint Arrangements since January 1, 2013. The standard classifies joint arrangements into two types - joint operations and joint ventures. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement (i.e. joint operators) have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement (i.e. joint ventures) have rights to the net assets of the arrangement. The standard requires a joint operator to recognize and measure the assets and liabilities (and recognize the related revenues and expenses) in relation to its interest in the arrangement in accordance with relevant IFRSs applicable to the particular assets, liabilities, revenues and expenses. The standard requires a joint venture to recognize an investment and to account for that investment using the equity method.

4) K-IFRS No.1112, Disclosure of Interests in Other Entities

The Group has applied the amendments to K-IFRS No. 1112, Disclosure of Interests in Other Entities since January 1, 2013. The standard brings together into a single standard all the disclosure requirements about an entity's interests in subsidiaries, joint arrangements, associates and unconsolidated structured entities. The Group is currently assessing the disclosure requirements for interests in subsidiaries, interests in joint arrangements and associates and unconsolidated structured entities in comparison with the existing disclosures. The standard requires the disclosure of information about the nature, risks and financial effects of these interests.

Table of Contents

SK TELECOM CO., LTD. and Subsidiaries

Notes to the Condensed Consolidated Interim Financial Statements

For the three-month periods ended March 31, 2013 and 2012

3. Significant Accounting Policies, Continued**(1) Changes in accounting policies, Continued****5) K-IFRS No. 1019, Employee Benefits**

The Group has applied the amendments to K-IFRS No. 1019, Employee Benefits since January 1, 2013. The standard requires recognition of actuarial gains and losses immediately in other comprehensive income and to calculate expected return on plan assets based on the rate used to discount the defined benefit obligation.

6) Amendments to K-IFRS No. 1113, Fair Value Measurement

The Group has applied the amendments to K-IFRS No. 1113, Fair Value Measurement since January 1, 2013. The standard defines fair value and a single framework for fair value, and requires disclosures about fair value measurements.

(2) Impact of changes in accounting policies**1) K-IFRS No.1110, Consolidated Financial Statements**

In accordance with the transitional provision on K-IFRS No. 1110, the Group assessed control on investees as of January 1, 2013, the initial adoption date of the standard, and there have been no changes in subsidiaries upon adoption of the standard.

2) K-IFRS No. 1001, Presentation of Financial Statements

The Group early adopted the amendments to K-IFRS No. 1001, Presentation of Financial Statements since the interim period ended September 30, 2012 and separately present its operating income as operating revenue less operating expense on the consolidated statement of income.

The Group retrospectively applied the amendment to K-IFRS No. 1001, for which the impact is as follows:

(In millions of won)

	For the three-month ended March 31, 2012
Operating income before adoption of the amendment	465,182
Differences:	
Other non-operating income	
Fees revenues	(465)
Gain on disposal of property and equipment and intangible assets	(1,010)
Others	(8,467)

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	(9,942)
Other non-operating expense	
Impairment loss on property and equipment and intangible assets	3,429
Loss on disposal of property and equipment and intangible assets	1,994
Donations	12,908
Bad debt for accounts receivable - other	19,687
Others	6,036
	44,054
Operating income after adoption of the amendment	499,294

Table of Contents

SK TELECOM CO., LTD. and Subsidiaries

Notes to the Condensed Consolidated Interim Financial Statements

For the three-month periods ended March 31, 2013 and 2012

3. Significant Accounting Policies, Continued

(3) New standards and interpretations not yet adopted

The following new standards, interpretations and amendments to existing standards have been published and are mandatory for the Group for annual periods beginning after January 1, 2013, and the Group has not early adopted them.

1) K-IFRS No.1032, Financial Instruments: Presentation

The amendments clarified the application guidance related to offsetting a financial asset and a financial liability . The amendment is mandatorily effective for periods beginning on or after January 1, 2014 with earlier application permitted.

Table of Contents

SK TELECOM CO., LTD. and Subsidiaries

Notes to the Condensed Consolidated Interim Financial Statements

For the three-month periods ended March 31, 2013 and 2012

4. Operating Segments

The Group's operating segments have been determined to be each business unit, for which the Group provides independent services and merchandise. The Group's reportable segments are: 1) cellular services, which include cellular voice service, wireless data service and wireless internet services, and 2) fixed-line telecommunication services, which include telephone services, internet services, and leased line services. All other operating segments, which include the Group's internet portal services and other operations, do not meet the quantitative thresholds to be considered reportable segments and are presented as Other.

Cellular services include cellular voice service, wireless data service and wireless internet services. Fixed-line telecommunication services include telephone services, internet services, and leased line services. Other includes the Group's Internet portal services, game manufacturing and other immaterial operations.

As discussed in Note 35, during the 3-month period ended June 30, 2012, the Group decided to cease the broadcasting business due to the accumulating losses resulting from the continuing decline in satellite digital multimedia broadcasting subscribers. The comparative consolidated financial statements for the 3-month period ended March 31, 2012 have been retrospectively adjusted for discontinued operations

(1) Details of the segment information as of and for the three-month period ended March 31, 2013 are as follows:

(In millions of won)

	Cellular Services	Fixed-line Telecommunication services	Other	Sub-total	Consolidation adjustments	Consolidated amount
Total revenue	3,551,807	714,873	435,747	4,702,427	(589,790)	4,112,637
Internal revenue	286,793	134,245	168,752	589,790	(589,790)	
External revenue	3,265,014	580,628	266,995	4,112,637		4,112,637
Depreciation and amortization	479,302	131,590	29,947	640,839		640,839
Operating income	423,524	7,914	(20,805)	410,633		410,633
Finance income and costs, net						(111,313)
Gain related to investments in subsidiaries, associates and joint ventures, net						161,325
Other non-operating income and expense, net						(32,739)
Profit from continuing operations before income tax						427,906
Total assets	22,878,131	3,123,480	3,037,280	29,038,891	(3,630,049)	25,408,842
Total liabilities	10,607,538	1,897,378	856,846	13,361,762	(320,620)	13,041,142

Table of Contents

SK TELECOM CO., LTD. and Subsidiaries

Notes to the Condensed Consolidated Interim Financial Statements

For the three-month periods ended March 31, 2013 and 2012

4. Operating Segments, Continued

(2) Details of the segment information as of and for the three-month period ended March 31, 2012 are as follows:

(In millions of won)

	Cellular Services	Fixed-line Telecommunication services	Other	Sub-total	Consolidation adjustments	Consolidated amount
Total revenue	3,430,413	675,841	398,039	4,504,293	(534,582)	3,969,711
Internal revenue	216,612	144,139	173,831	534,582	(534,582)	
External revenue	3,213,801	531,702	224,208	3,969,711		3,969,711
Depreciation and amortization	402,416	122,261	55,583	580,260		580,260
Operating income	494,372	3,247	1,675	499,294		499,294
Finance income and costs, net						(42,749)
Loss related to investments in subsidiaries, associates and joint ventures, net						(27,583)
Other non-operating income and expense, net						(34,112)
Profit from continuing operations before income tax						394,850
Total assets	23,537,231	3,442,233	3,294,060	30,273,524	(3,726,623)	26,546,901
Total liabilities	11,642,535	2,152,591	819,822	14,614,948	(460,037)	14,154,911

Intersegment sales and purchases are conducted on an arms-length basis and eliminated on consolidation. Since there are no intersegment sales of inventory, there is no unrealized intersegment profit to be eliminated on consolidation. The Group principally operates its business in its domestic market in Korea and the amounts outside of Korea are immaterial, therefore no entity-wide geographical information is presented.

No single customer contributed 10% or more to the Group's total revenue for the three-month periods ended March 31, 2013 and 2012.

5. Restricted Deposits

Deposits which are restricted in use as of March 31, 2013 and December 31, 2012 are summarized as follows:

(In millions of won)

	March 31, 2013	December 31, 2012
Short-term financial instruments(*)	95,717	241,587
Long-term financial instruments(*)	103	106
Guarantee deposits	40	40
	95,860	241,733

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- (*) Financial instruments include charitable trust fund established by the Group (profits from this charitable fund are donated to charitable institutions and the funds cannot be withdrawn as of March 31, 2013) and guarantees for loans and other similar instruments.

Table of Contents

SK TELECOM CO., LTD. and Subsidiaries

Notes to the Condensed Consolidated Interim Financial Statements

For the three-month periods ended March 31, 2013 and 2012

6. Trade and Other Receivables

(1) Details of trade and other receivables as of March 31, 2013 and December 31, 2012 are as follows:

(In millions of won)

	Gross amount	March 31, 2013 Allowances for impairment	Carrying amount
Current assets:			
Accounts receivable - trade	2,447,974	(224,545)	2,223,429
Short-term loans	95,179	(1,873)	93,306
Accounts receivable - other	766,939	(69,700)	697,239
Accrued income	19,491	(171)	19,320
Others	1,651		1,651
	3,331,234	(296,289)	3,034,945
Non-current assets:			
Long-term loans	90,427	(28,485)	61,942
Guarantee deposits	238,697		238,697
Long-term accounts receivable - trade	13,540		13,540
	342,664	(28,485)	314,179
	3,673,898	(324,774)	3,349,124

(In millions of won)

	Gross amount	December 31, 2012 Allowances for impairment	Carrying amount
Current assets:			
Accounts receivable - trade	2,166,293	(211,373)	1,954,920
Short-term loans	86,789	(1,881)	84,908
Accounts receivable - other	639,386	(57,288)	582,098
Accrued income	8,857	(142)	8,715
Others	431		431
	2,901,756	(270,684)	2,631,072
Non-current assets:			
Long-term loans	97,636	(28,337)	69,299
Guarantee deposits	236,242		236,242
Long-term accounts receivable - trade	15,024	(1,647)	13,377
	348,902	(29,984)	318,918

3,250,658	(300,668)	2,949,990
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- (2) The movements in allowances for doubtful accounts of trade and other receivables during the three-month periods ended March 31, 2013 and 2012 were as follows:

<i>(In millions of won)</i>	For the three-month period ended	
	March 31, 2013	March 31, 2012
Balance at January 1	300,668	318,820
Increase of bad debt	22,643	26,944
Reversal of allowance for doubtful accounts	(50)	(5,654)
Write-off	(5,625)	(4,806)
Others (*)	7,138	2,918
Balance at March 31	324,774	338,222

(*) Others include collection of receivables written-off, net exchange difference and changes in consolidation scope.

Table of Contents

SK TELECOM CO., LTD. and Subsidiaries

Notes to the Condensed Consolidated Interim Financial Statements

For the three-month periods ended March 31, 2013 and 2012

6. Trade and Other Receivables, Continued

- (3) Details of overdue but not impaired, and impaired trade and other receivables as of March 31, 2013 and December 31, 2012 are as follows:

(In millions of won)

	March 31, 2013		December 31, 2012	
	Accounts receivable		Accounts receivable	
	- trade	Other receivables	- trade	Other receivables
Neither overdue nor impaired	1,875,257	1,041,882	1,589,911	976,882
Overdue but not impaired	81,487	32,209	38,590	1,588
Impaired	504,770	138,293	552,816	90,871
	2,461,514	1,212,384	2,181,317	1,069,341
Allowance for doubtful accounts	(224,545)	(100,229)	(213,020)	(87,648)
	2,236,969	1,112,155	1,968,297	981,693

The Group establishes allowance for doubtful accounts based on the likelihood of recoverability of accounts receivable based on the aging of accounts receivables at the end of the period, past customer default experience and their credit status, and economic and industrial factors.

- (4) The aging of overdue but not impaired accounts receivable as of March 31, 2013 and December 31, 2012 are as follows:

(In millions of won)

	March 31, 2013		December 31, 2012	
	Accounts receivable	Accounts receivable	Accounts receivable	Accounts receivable
	- trade	- other	- trade	- other
Less than 1 month	17,741	11,547	4,067	171
1 ~ 3 months	32,592	6,910	10,264	673
3 ~ 6 months	6,118	589	10,507	101
More than 6 months	25,036	13,163	13,752	643
	81,487	32,209	38,590	1,588

7. Inventories

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Details of inventories as of March 31, 2013 and December 31, 2012 are as follows:

(In millions of won)

	March 31, 2013			December 31, 2012		
	Acquisition	Write-	Carrying	Acquisition	Write-	Carrying
	cost	down of	amount	cost	down of	amount
		inventory			inventory	
Merchandise	200,477	(1,926)	198,551	230,640	(1,784)	228,856
Finished goods	3,611	(1,013)	2,598	3,525	(962)	2,563
Work in process	34		34	309		309
Raw materials and supplies	4,006	(74)	3,932	10,487	(69)	10,418
	208,128	(3,013)	205,115	244,961	(2,815)	242,146

Table of Contents

SK TELECOM CO., LTD. and Subsidiaries

Notes to the Condensed Consolidated Interim Financial Statements

For the three-month periods ended March 31, 2013 and 2012

8. Investment Securities

(1) Details of short-term investment securities as of March 31, 2013 and December 31, 2012 are as follows:

(In millions of won)

	March 31, 2013	December 31, 2012
Beneficiary certificates (*)	184,097	56,160
Current portion of long-term investment securities	4,357	3,967
	188,454	60,127

(*) The distributions arising from beneficiary certificates as of March 31, 2013 were accounted for as accrued income.

(2) Details of long-term investment securities as of March 31, 2013 and December 31, 2012 are as follows:

(In millions of won)

	March 31, 2013	December 31, 2012
Equity securities:		
Marketable equity securities	560,963	584,035
Unlisted equity securities	91,735	99,643
Equity investments	266,244	223,370
	918,942	907,048
Debt securities:		
Public bonds(*1)	368	377
Investment bonds(*2)	75,747	50,254
	76,115	50,631
Total	995,057	957,679
Less current portion of long-term investment securities	(4,357)	(3,967)
Long-term investment securities	990,700	953,712

(*1) Details of maturity for the public bonds as of March 31, 2013 and December 31, 2012 are as follows:

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(In millions of won)

	March 31, 2013	December 31, 2012
Less than 1 year		8
1 ~ 5 years	368	369
	368	377

(*2) The Group classified convertible bonds of NanoEnTek, Inc. (carrying amount as of March 31, 2013: 16,294 million) as financial assets at fair value through profit or loss. The difference between acquisition cost and fair value is accounted for as finance income(loss).

Table of Contents

SK TELECOM CO., LTD. and Subsidiaries

Notes to the Condensed Consolidated Interim Financial Statements

For the three-month periods ended March 31, 2013 and 2012

9. Assets and Liabilities Classified as Held for Sale**(1) Subsidiary**

For the year ended December 31, 2012, the Group classified assets and liabilities of a subsidiary, SKY Property Mgmt. Ltd., as held for sale as a result of the Board of Directors' decision on December 21, 2012 to dispose of the Group's ownership interests of 27% in the subsidiary in order to utilize the proceeds for new business opportunities.

Non-current assets and liabilities held for sale as of December 31, 2012 are as follows:

(In millions of won)

	December 31, 2012
Asset group held-for sale	773,413
Current assets(*1)	69,094
Non-current assets	704,319
Long-term prepaid expense	486,439
Investment property	186,682
Property and equipment	1,566
Other non-current assets	29,632
Liability group held-for-sale	294,305
Current liabilities	51,069
Non-current liabilities	243,236

(*1) Cash and cash equivalents of 51,831 million which are included in current assets are recognized as cash outflows from investing activities in the statement of cashflows as the cash equivalents are expected to be recovered through the disposal of assets and liabilities held for sale.

As of December 31, 2012, the assets and liabilities classified as held for sale are measured at the lower of their carrying amount and fair value less cost to sell.

On January 11, 2013, the Group sold the Group's ownership interests of 27% accounted for as a non-current assets held for sale to SK Innovation Co., Ltd., a related party, and recognized a gain on disposal of a subsidiary of 140,689 million in profit or loss.

(2) Investments in associates

The Group entered into agreement to dispose of its ownership interests in SK Fans Co., Ltd., an associate, during the year ended December 31, 2012 and investment in the associate was reclassified to non-current assets held for sale after an impairment loss of 7,656 million was recognized.

Table of Contents

SK TELECOM CO., LTD. and Subsidiaries

Notes to the Condensed Consolidated Interim Financial Statements

For the three-month periods ended March 31, 2013 and 2012

10. Business combination**(1) General information**

The Parent Company acquired the ownership interest of 50% of SK Marketing & Company Co., Ltd., advertising and e-commerce agency, from SK Innovation Co., Ltd., a related party under common control, through additional purchase of shares and obtained the control over SK Marketing & Company Co., Ltd., and its subsidiary, M&Service Co., Ltd.

Prior to the acquisition, the Parent Company owns 50% ownership of SK Marketing & Company Co., Ltd. After obtaining the control over SK Marketing & Company Co., Ltd, the Parent Company acquired the shares of SK Planet Co., Ltd. by investing its ownership interest of 100% of SK Marketing & Company Co., Ltd. as a form of investment in kind. On February 1, 2013, SK Planet Co., Ltd. merged SK Marketing & Company Co., Ltd.

As the business combination occurred during the three-month period ended March 31, 2013 was a business combination between entities under common control, the difference between the transferred price and book value of net assets was recognized as capital deficit and other capital adjustments.

(2) Consideration paid and identifiable assets and liabilities transferred*(In millions of won)*

	Amount
Consideration paid	
Cash and cash equivalents	190,605
Investments in associates (carrying value)	141,534
	332,139
Identifiable assets and liabilities transferred	
Cash and cash equivalents	95,800
Trade receivables	132,514
Inventories	3,472
Tangible and intangible assets	68,699
Other assets	457,431
Trade payables	(150,014)
Other liabilities	(337,617)
	270,285
Amount recorded in capital deficit and other capital adjustments	61,854

Table of Contents

SK TELECOM CO., LTD. and Subsidiaries

Notes to the Condensed Consolidated Interim Financial Statements

For the three-month periods ended March 31, 2013 and 2012

11. Investments in Associates and Joint Ventures

- (1) Investments in associates and joint ventures accounted for using the equity method as of March 31, 2013 and December 31, 2012 are as follows:

(In millions of won)

(In millions of won)	March 31, 2013			December 31, 2012	
	Country	Ownership percentage	Carrying amount	Ownership percentage	Carrying amount
Investments in associates					
SK Marketing & Company Co., Ltd.(*1)	Korea			50.0	145,333
SK China Company Ltd.(*2)	China	9.6	38,732	9.6	37,628
SK USA, Inc.	USA	49.0	4,819	49.0	4,580
F&U Credit information Co., Ltd.	Korea	50.0	3,552	50.0	4,011
Korea IT Fund(*3)	Korea	63.3	229,977	63.3	230,016
JYP Entertainment Corporation	Korea	25.5	5,877	25.5	4,232
Konan Technology	Korea	29.5	4,479	29.5	4,835
Etoos Co., Ltd. (*2)	Korea	15.6	11,599	15.6	12,037
Wave City Development Co., Ltd. (*2)	Korea	19.1		19.1	
HanaSK Card Co., Ltd.	Korea	49.0	377,289	49.0	378,457
Daehan Kanggun BcN Co., Ltd.	Korea	29.0	7,982	29.0	7,982
Candle Media Co., Ltd.	Korea	40.9	20,943	40.9	21,935
NanoEnTek, Inc. (*2)	Korea	9.3	9,199	9.3	9,276
UNISK(Beijing) Information Technology Co., Ltd.	China	49.0	7,038	49.0	6,589
SK Industrial Development China Co., Ltd.	Hong kong	35.0	80,580	35.0	77,967
PT. Melon Indonesia	Indonesia	49.0	4,483	49.0	4,447
Packet One Network	Malaysia	27.0	98,550	28.2	88,389
Mobile Money Venture, LLC	USA	50.0	848	50.0	826
SK Technology Innovation Company	Cayman	49.0	64,398	49.0	63,559
LightSquared Inc. (*2)	USA	3.3		3.3	
ViKi, Inc.	USA	24.8	14,515	26.3	15,667
HappyNarae Co., Ltd.	Korea	42.5	12,927	42.5	13,113
SK Hynix Inc.	Korea	21.1	3,387,837	21.1	3,328,245
SK MENA Investment B.V.	Netherlands	32.1	14,180	32.1	13,666
SK Latin America Investment	Spain	32.1	14,196	32.1	13,685
Gemini	Singapore	20.0	4,951	20.0	7,139
SKY Property Mgmt. Ltd.(*4)	Virgin Island	33.0	240,468		
TR Entertainment and others			119,700		121,101
Sub-total			4,779,119		4,614,715
Investments in joint ventures					
Dogus Planet, Inc.	Turkey	50.0	26,845	50.0	6,005
Television Media Korea Ltd.	Korea	51.0	11,274	51.0	11,757
Sub-total			38,119		17,762

Total	4,817,238	4,632,477
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Table of Contents

SK TELECOM CO., LTD. and Subsidiaries

Notes to the Condensed Consolidated Interim Financial Statements

For the three-month periods ended March 31, 2013 and 2012

11. Investments in Associates and Joint Ventures, Continued

- (*1) SK Marketing & Company Co., Ltd. was merged into SK Planet Co., Ltd., a subsidiary of the Parent Company during the three-month period ended March 31, 2013 (note 10).
- (*2) The Group classified the investments in SK China Company Ltd., Etoos Co., Ltd., Wave City Development Co., Ltd., NanoEnTek, Inc. and LightSquared Inc. as investments in associates as the Group can exercise significant influence on these investees through participation of their board of directors even though the Group has less than 20% of equity interests in those investees.
- (*3) Investment in Korea IT Fund was classified as investment in associates as the Group has less than 50% of voting rights, and therefore does not have control over Korea IT Fund under the agreement.
- (*4) The Group reclassified investment in SKY Property Mgmt. Ltd. as investments in associates from subsidiaries due to partial disposal of its shares.

- (2) There is no joint venture listed publicly and the market price of investments in associates listed publicly as of March 31, 2013 and December 31, 2012 are as follows:

(In millions of won, except for share and per share data)

	March 31, 2013			December 31, 2012		
	Market value per share	Number of shares	Market price	Market value per share	Number of shares	Market price
Candle Media Co., Ltd.	897	21,620,360	19,393	858	21,620,360	18,550
NanoEnTek, Inc.	4,700	1,807,130	8,494	3,915	1,807,130	7,075
SK hynix Inc.	28,750	146,100,000	4,200,375	25,750	146,100,000	3,762,075

Table of Contents

SK TELECOM CO., LTD. and Subsidiaries

Notes to the Condensed Consolidated Interim Financial Statements

For the three-month periods ended March 31, 2013 and 2012

11. Investments in Associates and Joint Ventures, Continued

- (3) The condensed financial information of the major investees as of and for the three-month period ended March 31, 2013 and as of and for the year ended December 31, 2012 are as follows:

*(In millions of won)***As of and for the three-month period ended March 31, 2013**

		HanaSK	SKY		Packet
	SK Hynix	Card Co.,	Property	Korea IT	One
	Inc.	Ltd.	Mgmt. Ltd.	Fund	Network
Current assets	5,700,143	6,647,262	83,990	179,649	56,418
Non-current assets	13,358,072	337,410	726,708	183,628	252,605
Current liabilities	4,455,681	91,052	60,020		124,488
Non-current liabilities	4,558,987	6,210,601	253,008		89,567
Revenue	2,777,049	219,942	17,642	763	28,319
Profit (loss) from continuing operations	178,713	563	3,736	(62)	(12,746)
Other comprehensive income (loss)	125,854	(1,652)			2,414
Total comprehensive income (loss)	304,567	(1,089)	3,736	(62)	(10,332)

*(In millions of won)***As of and for the year ended December 31, 2012**

		HanaSK		
	SK Hynix	Card Co.,	Korea IT	Packet One
	Inc.	Ltd.	Fund	Network
Current assets	5,313,573	7,888,008	195,164	46,872
Non-current assets	13,335,120	296,007	168,182	210,027
Current liabilities	4,441,180	259,659	6	143,936
Non-current liabilities	4,468,071	7,240,140		80,896
Revenue	10,162,210	1,012,772	19,444	110,152
Profit (loss) from continuing operations	(158,795)	(29,571)	5,820	(42,830)
Other comprehensive income (loss)	(305,601)	(2,653)		2,259
Total comprehensive income (loss)	(464,396)	(32,224)	5,820	(40,571)

Table of Contents

SK TELECOM CO., LTD. and Subsidiaries

Notes to the Condensed Consolidated Interim Financial Statements

For the three-month periods ended March 31, 2013 and 2012

11. Investments in Associates and Joint Ventures, Continued

- (4) The condensed financial information of joint ventures as of and for the three-month period ended March 31, 2013 and as of and for the year ended December 31, 2012 are as follows:

(In millions of won)	As of and for three-month period ended March 31, 2013	
	Television Media Korea Ltd.	Dogus Planet, Inc.
Current assets	22,704	47,266
Cash and cash equivalents	10,292	44,531
Non-current assets	5,475	7,900
Current liabilities	6,336	1,368
Account payable, other payables and provisions	5,936	1,025
Non-current liabilities	207	107
Account payable, other payables and provisions		107
Revenue	3,367	7
Depreciation and amortization	(906)	(397)
Interest income	47	413
Interest expense		(9)
Loss from continuing operations	(919)	(2,617)
Total comprehensive loss	(919)	(2,617)

(In millions of won)	As of and for the year ended December 31, 2012	
	Television Media Korea Ltd.	Dogus Planet, Inc.
Current assets	22,449	7,735
Cash and cash equivalents	10,562	6,085
Non-current assets	6,056	7,349
Current liabilities	5,724	2,970
Account payable, other payables and provisions	5,323	2,631
Non-current liabilities	199	104
Account payable, other payables and provisions		104
Revenue	12,115	
Depreciation and amortization	(2,886)	(864)
Interest income	758	539
Loss from continuing operations	(6,873)	(4,494)
Total comprehensive loss	(6,873)	(4,494)

Table of Contents

SK TELECOM CO., LTD. and Subsidiaries

Notes to the Condensed Consolidated Interim Financial Statements

For the three-month periods ended March 31, 2013 and 2012

11. Investments in Associates and Joint Ventures, Continued

- (5) Details of changes in investments in associates and joint ventures accounted for using the equity method for the three-month periods ended March 31, 2013 and 2012 are as follows:

(In millions of won)

	For the three-month period ended March 31, 2013					
	Beginning balance	Acquisition and Disposal	Share of profits (losses)	Other comprehensive income	Other increase (decrease)	Ending balance
Investments in associates						
SK Marketing & Company Co., Ltd.(*1)	145,333	190,606	(3,955)	155	(332,139)	
SK China Company Ltd.	37,628		(8,354)	9,458		38,732
SK USA, Inc.	4,580		63	176		4,819
F&U Credit information Co., Ltd.	4,011		(75)	(384)		3,552
Korea IT Fund	230,016		(39)			229,977
JYP Entertainment Corporation	4,232		1,245	400		5,877
Konan Technology	4,835		(356)			4,479
Etoos Co., Ltd.	12,037		(438)			11,599
Wave City Development Co., Ltd.						
HanaSK Card Co., Ltd.	378,457		(316)	(852)		377,289
Daehan Kanggun BeN Co., Ltd.	7,982					7,982
Candle Media Co., Ltd.	21,935		(1,058)	(22)	88	20,943
NanoEnTek, Inc.	9,276		(83)	6		9,199
UNISK(Beijing) Information Technology Co., Ltd.	6,589		174	275		7,038
PT. Melon Indonesia	4,447		143	(107)		4,483
Packet One Network	88,389		9,258	903		98,550
Mobile Money Venture, LLC	826		(12)	31	3	848
SK Technology Innovation Company	63,559		(1,549)	2,388		64,398
LightSquared Inc.						
ViKi, Inc.	15,667		(995)	(157)		14,515
SK Industrial Development China Co., Ltd.	77,967		(361)	2,974		80,580
HappyNarae Co., Ltd.	13,113		(186)			12,927
SK Hynix Inc.	3,328,245		33,103	26,489		3,387,837
SK MENA Investment B.V.	13,666			514		14,180
SK Latin America Investment	13,685		428	83		14,196
Gemini	7,139		(2,322)	134		4,951
SKY Property Mgmt. Ltd.(*2)			829	6,936	232,703	240,468
TR Entertainment and others	121,101	(550)	(2,781)	937	993	119,700
Sub-total	4,614,715	190,056	22,363	50,337	(98,352)	4,779,119
Investments in joint ventures						
Television Media Korea Ltd.	6,005	21,428	(1,309)	721		26,845
Dogus Planet, Inc.	11,757		(483)			11,274
Sub-total	17,762	21,428	(1,792)	721		38,119

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Total	4,632,477	211,484	20,571	51,058	(98,352)	4,817,238
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Table of Contents

SK TELECOM CO., LTD. and Subsidiaries

Notes to the Condensed Consolidated Interim Financial Statements

For the three-month periods ended March 31, 2013 and 2012

11. Investments in Associates and Joint Ventures, Continued

(*1) The entity was merged into SK Planet Co., Ltd., a subsidiary of the Parent Company during the three-month period ended March 31, 2013 (note 10).

(*2) The Group reclassified the investments in SKY Property Mgmt. Ltd. as investments in associates during the three-month period ended March 31, 2013.

(In millions of won)

(In millions of won)	For the three-month period ended March 31, 2012						
	Beginning balance	Acquisition and Disposal	Share of profits (losses)	Other comprehensive income	Impairment loss	Other increase (decrease)	Ending balance
Investments in associates							
SK Marketing & Company Co., Ltd.	128,320		3,149	(246)			131,223
SK China Company Ltd.	48,488		(614)	(65)			47,809
SK USA, Inc.	4,534		(988)	1,024			4,570
F&U Credit information Co., Ltd.	3,565		583				4,148
Korea IT Fund	230,980		(4,787)	782			226,975
JYP Entertainment Corporation	4,008		200	(58)			4,150
Konan Technology	4,760		(477)				4,283
Etoos Co., Ltd.	13,928		(1,670)				12,258
Wave City Development Co., Ltd.	1,124		(1,124)				
HanaSK Card Co., Ltd.	396,553		4,406	452			401,411
Candle Media Co., Ltd.	11,814		400	(410)			11,804
NanoEnTek, Inc.	10,470		(788)	87			9,769
UNISK(Beijing) Information Technology Co., Ltd.	5,886		507	(274)			6,119
PT. Melon Indonesia	5,326		(77)	(126)			5,123
Packet One Network	103,408		(5,248)	821			98,981
Mobile Money Venture, LLC	982		(16)			(13)	953
SK Technology Innovation Company	75,974		(1,451)	(1,045)			73,478
LightSquared Inc.	49,441		(10,571)	1,513	(40,383)		
SK Hynix Inc.		3,374,726	(34,588)	4,668			3,344,806
SK MENA Investment B.V.		14,485					14,485
TR Entertainment and others	269,782	(348)	607	(749)		(418)	268,874
Sub-total	1,369,343	3,388,863	(52,547)	6,374	(40,383)	(431)	4,671,219
Investments in joint ventures							
Television Media Korea Ltd.	15,262		(659)				14,603
Total	1,384,605	3,388,863	(53,206)	6,374	(40,383)	(431)	4,685,822

Table of Contents**11. Investments in Associates and Joint Ventures, Continued**

- (6) As the Group discontinued the application of the equity method due to the carrying amount of the Group's share being reduced to zero, the unrecognized accumulated equity losses as of March 31, 2013 are as follows:

(In millions of won)

	Unrealized loss		Unrealized change in equity	
	Period ended Mar. 31, 2013	Accumulated	Period ended Mar. 31, 2013	Accumulated
ULand Company Limited		1,703		
Wave City Development Co., Ltd.	(1,315)	434		127
Cyworld Holdings Hong Kong and others		2,937		334
	(1,315)	5,074		461

12. Property and Equipment

- (1) Property and equipment as of March 31, 2013 and December 31, 2012 are as follows:

(In millions of won)

	March 31, 2013			December 31, 2012	
	Acquisition cost	Accumulated depreciation	Accumulated impairment loss	Carrying amount	Carrying Amount
Land	706,908			706,908	704,908
Buildings	1,399,535	(517,513)		882,022	886,371
Structures	687,540	(327,148)		360,392	363,484
Machinery	23,245,933	(16,938,401)	(122,863)	6,184,669	6,316,192
Other	1,660,801	(1,004,002)	(760)	656,039	637,212
Construction in progress	787,959			787,959	804,552
	28,488,676	(18,787,064)	(123,623)	9,577,989	9,712,719

- (2) Changes in property and equipment for the three-month periods ended March 31, 2013 and 2012 are as follows:

(In millions of won)

	For the three-month period ended March 31, 2013						Ending balance
	Beginning balance	Acquisition	Disposal	Transfer	Depreciation	Change of consolidation scope	
Land	704,908		(6)	220		1,786	706,908
Buildings	886,371	13	(89)	2,069	(11,252)	4,910	882,022
Structures	363,484		(7)	5,646	(8,731)		360,392

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Machinery	6,316,192	33,398	(5,297)	312,192	(479,297)	7,481	6,184,669
Other	637,212	307,831	(714)	(262,036)	(31,281)	5,027	656,039
Construction in progress	804,552	62,260	(273)	(83,801)		5,221	787,959
	9,712,719	403,502	(6,386)	(25,710)	(530,561)	24,425	9,577,989

Table of Contents

SK TELECOM CO., LTD. and Subsidiaries

Notes to the Condensed Consolidated Interim Financial Statements

For the three-month periods ended March 31, 2013 and 2012

12. Property and Equipment, Continued*(In millions of won)***For the three-month period ended March 31, 2012**

	Beginning balance	Acquisition	Disposal	Transfer	Depreciation	Impairment	Change of consolidation scope	Ending balance
Land	730,361	1		229				730,591
Buildings	989,079	259		1,793	(13,268)			977,863
Structures	301,115	8	(1)	132	(8,744)			292,510
Machinery	5,493,572	20,853	(2,393)	202,538	(426,999)			5,287,571
Other	711,461	411,481	(728)	(346,612)	(30,257)		(1,554)	743,791
Construction in progress	805,410	98,375		(236,226)		(3,429)		664,130
	9,030,998	530,977	(3,122)	(378,146)	(479,268)	(3,429)	(1,554)	8,696,456

13. Investment Property

(1) Investment property as of March 31, 2013 and December 31, 2012 are as follows:

(In millions of won)

	Acquisition cost	March 31, 2013 Accumulated depreciation	Carrying amount	December 31, 2012 Carrying amount
Land	12,417		12,417	12,638
Buildings	18,749	(5,026)	13,723	14,841
	31,166	(5,026)	26,140	27,479

(2) Changes in investment property for the three-month periods ended March 31, 2013 and 2012 are as follows:

*(In millions of won)***For the three-month period ended March 31, 2013**

	Beginning balance	Transfer	Depreciation	Ending balance
Land	12,638	(221)		12,417
Buildings	14,841	(404)	(714)	13,723

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	27,479	(625)	(714)	26,140
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(In millions of won)

For the three-month period ended March 31, 2012

	Beginning balance	Transfer	Depreciation	Ending balance
Land	23,153	40		23,193
Buildings	247,933	(4,199)	(1,842)	241,892
	271,086	(4,159)	(1,842)	265,085

Table of Contents

SK TELECOM CO., LTD. and Subsidiaries

Notes to the Condensed Consolidated Interim Financial Statements

For the three-month periods ended March 31, 2013 and 2012

14. Goodwill

- (1) Goodwill as of March 31, 2013 and December 31, 2012 are as follows:

(In millions of won)

	March 31, 2013	December 31, 2012
Goodwill related to acquisition of Shinsegi Telecomm, Inc.	1,306,236	1,306,236
Goodwill related to acquisition of SK Broadband Co., Ltd.	358,443	358,443
Other goodwill	71,482	79,804
	1,736,161	1,744,483

- (2) Details of changes in goodwill for the three-month periods ended March 31, 2013 and 2012 are as follows:

(In millions of won)

	For the three-month period ended March 31, 2013	March 31, 2012
Beginning balance	1,744,483	1,749,933
Change of consolidation scope	1,660	(9,684)
Impairment loss on goodwill	(9,982)	
Other decrease		(45)
	1,736,161	1,740,204

15. Intangible Assets

- (1) Intangible assets as of March 31, 2013 and December 31, 2012 are as follows:

	March 31, 2013			December 31, 2012	
<i>(In millions of won)</i>	Acquisition cost	Accumulated depreciation	Accumulated impairment	Carrying amount	Carrying amount
Frequency use rights	2,837,385	(1,203,764)	(2,907)	1,630,714	1,693,868
Land use rights	42,369	(27,848)		14,521	16,062
Industrial rights	85,788	(25,856)		59,932	60,104
Development costs	173,387	(148,235)	(11,714)	13,438	13,420

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Facility usage rights	142,465	(79,018)		63,447	65,340
Customer relations	53,005	(14,915)		38,090	48,886
Memberships(*1)	127,861		(732)	127,129	118,954
Other(*2)	2,213,327	(1,500,573)	(6,247)	706,507	673,024
	5,675,587	(3,000,209)	(21,600)	2,653,778	2,689,658

(*1) Memberships are classified as intangible assets with indefinite useful life and are not amortized.

(*2) Other intangible assets consist of computer software and usage rights to a research facility which the Group built and donated to a university and the Group in turn is given rights-to-use for a definite number of years.

Table of Contents

SK TELECOM CO., LTD. and Subsidiaries

Notes to the Condensed Consolidated Interim Financial Statements

For the three-month periods ended March 31, 2013 and 2012

15. Intangible Assets, Continued

(2) Details of changes in intangible assets for the three-month periods ended March 31, 2013 and 2012 are as follows:

(In millions of won)

For the three-month period ended March 31, 2013

	Beginning balance	Acquisition	Disposal	Transfer	Amortization	Impairment	Change of consolidation scope	Ending balance
Frequency use rights	1,693,868				(63,154)			1,630,714
Land use rights	16,062	327	(169)		(1,699)			14,521
Industrial rights	60,104	833			(936)		(69)	59,932
Development costs	13,420	1,196			(1,414)	(635)	871	13,438
Facility usage rights	65,340	182	(12)		(2,063)			63,447
Customer relations	48,886	213			(11,009)			38,090
Memberships	118,954	279	(614)				8,510	127,129
Other	673,024	13,918	(13)	62,467	(70,423)		27,534	706,507
	2,689,658	16,948	(808)	62,467	(150,698)	(635)	36,846	2,653,778

(In millions of won)

For the three-month period ended March 31, 2012

	Beginning balance	Acquisition	Disposal	Transfer	Amortization	Change of consolidation scope	Ending balance
Frequency use rights	1,889,102	16,659			(43,542)		1,862,219
Land use rights	19,327	613	(80)		(1,665)		18,195
Industrial rights	59,473	2,946		310	(1,175)	(48)	61,506
Development costs	20,961	58			(1,885)		19,134
Facility usage rights	69,491	131	(38)		(2,028)		67,556
Customer relations	141,819	61			(21,299)		120,581
Memberships	117,711	2,029	(106)			(784)	118,850
Other	677,919	18,218	(1,568)	53,126	(73,100)	(1,709)	672,886
	2,995,803	40,715	(1,792)	53,436	(144,694)	(2,541)	2,940,927

Table of Contents

SK TELECOM CO., LTD. and Subsidiaries

Notes to the Condensed Consolidated Interim Financial Statements

For the three-month periods ended March 31, 2013 and 2012

15. Intangible Assets, Continued

- (3) The carrying amount and residual useful lives of major intangible assets as of March 31, 2013 are as follows:

(In millions of won)

	Amount	Description	Residual useful lives
W-CDMA license	366,023	Frequency use rights relating to W-CDMA service	(*1)
W-CDMA license	61,166	Frequency use rights relating to W-CDMA service	(*2)
800MHz license	334,488	Frequency use rights relating to CDMA and LTE service	(*3)
1.8GHz license	854,924	Frequency use rights relating to LTE service	(*4)
WiBro license	14,113	WiBro service	(*5)
Customer relationships	28,155	Customer relationships related to acquisition of SK Broadband Co., Ltd.	6 months
	1,658,869		

- (*1) The Group purchased the W-CDMA license from Korea Communication Commission (KCC) on December 4, 2001. Amortization of the W-CDMA license commenced once the Group began its commercial W-CDMA services on December 29, 2003 under a straight-line basis over the remaining useful life of the license. The W-COMA license will expire in December 2016.
- (*2) The Group purchased the additional W-CDMA license from KCC in May 2010. Amortization of the additional W-CDMA license commenced once the Group started its related commercial W-CDMA services on October 7, 2010, under a straight-line basis over the remaining useful life of the W-CDMA license. The additional W-COMA license will expire in December 2016.
- (*3) The Group purchased 800MHz license from KCC in June 2011. Amortization of the 800MHz license commenced once the Group started its related commercial CDMA and LTE services on July 1, 2011, under a straight-line basis over the remaining useful life of the 800MHz license. The 800MHz license will expire in June 2021.
- (*4) The Group purchased 1.8GHz license from KCC in December 2011. Amortization of the 1.8GHz license will commence when the Group starts its related commercial LTE services in the second half of year 2012, under a straight-line basis over the remaining useful life of the 1.8GHz license. The 1.8GHz license will expire in December 2021.
- (*5) The Group additionally purchased Wibro license in March 2012. Amortization of this WiBro license commenced when the Group started its commercial WiBro services on March 30, 2012, under a straight line basis over the remaining useful life. This Wibro license will expire in March 2019.

Table of Contents

SK TELECOM CO., LTD. and Subsidiaries

Notes to the Condensed Consolidated Interim Financial Statements

For the three-month periods ended March 31, 2013 and 2012

16. Borrowings and Debentures

(1) Short-term borrowings as of March 31, 2013 and December 31, 2012 are as follows:

(In millions of won)

	Lender	Annual interest rate (%)	March 31, 2013	December 31, 2012
Commercial Paper	Meritz Securities Co., Ltd., etc	2.97	120,000	130,000
Short-term borrowings	Kookmin Bank, etc.	3.98	40,000	470,245
			160,000	600,245

(2) Long-term borrowings as of March 31, 2013 and December 31, 2012 are as follows:

(In millions of won and thousands of U.S. dollars)

Lender	Annual interest rate (%)	Maturity	March 31, 2013	December 31, 2012
Bank of Communications (*)	6M Libor + 0.29	Oct. 10, 2013	33,363	32,133
			(USD 30,000)	(USD 30,000)
Bank of China (*)	6M Libor + 0.29	Oct. 10, 2013	22,242	21,422
			(USD 20,000)	(USD 20,000)
DBS Bank (*)	6M Libor + 0.29	Oct. 10, 2013	27,803	26,778
			(USD 25,000)	(USD 25,000)
SMBC (*)	6M Libor + 0.29	Oct. 10, 2013	27,803	26,778
			(USD 25,000)	(USD 25,000)
Kookmin Bank and 13 others	4.48	Feb. 14, 2015		350,000
Korea Development Bank	3.56	Jun. 17, 2013	881	1,762
Korea Development Bank	3.56	Jun. 16, 2014	4,118	4,942
Shinhan Bank	3.56	Jun. 15, 2015	7,705	8,561
Kookmin Bank	3.56	Jun. 15, 2016	9,749	9,749
Kookmin Bank	3.56	Mar. 15, 2017	5,996	5,996
Sub-total			139,660	488,121
Less present value discount on long-term borrowings				(1,667)

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	139,660	486,454
Less current portion of long-term borrowings	(121,248)	(117,217)
Long-term borrowings	18,412	369,237

(*) As of March 31, 2013, 6M Libor rate is 0.44%.

Table of Contents

SK TELECOM CO., LTD. and Subsidiaries

Notes to the Condensed Consolidated Interim Financial Statements

For the three-month periods ended March 31, 2013 and 2012

16. Borrowings and Debentures, Continued

(3) Debentures as of March 31, 2013 and December 31, 2012 are as follows:

(In millions of won, thousands of U.S. dollars and thousands of other currencies)

			Annual interest rate		December 31,
	Purpose	Maturity	(%)	March 31, 2013	2012
Unsecured private bonds	Refinancing fund	2016	5.00	200,000	200,000
Unsecured private bonds		2013	4.00	200,000	200,000
Unsecured private bonds		2014	5.00	200,000	200,000
Unsecured private bonds	Other fund	2015	5.00	200,000	200,000
Unsecured private bonds		2018	5.00	200,000	200,000
Unsecured private bonds		2013	6.92	250,000	250,000
Unsecured private bonds		2016	5.54	40,000	40,000
Unsecured private bonds		2016	5.92	230,000	230,000
Unsecured private bonds	Operating fund	2016	3.95	110,000	110,000
Unsecured private bonds		2021	4.22	190,000	190,000
Unsecured private bonds	Operating and	2019	3.24	170,000	170,000
Unsecured private bonds	refinancing fund	2022	3.30	140,000	140,000
Unsecured private bonds		2032	3.45	90,000	90,000
Unsecured private bonds(*1)	Operating fund	2014	4.86	20,000	20,000
Unsecured private bonds(*1)		2015	4.62	10,000	10,000
Unsecured private bonds(*2)		2013	3.99	150,000	150,000
Unsecured private bonds(*2)		2014	4.53	290,000	290,000
Unsecured private bonds(*2)		2014	4.40	100,000	100,000
Unsecured private bonds(*2)		2015	4.09	110,000	110,000
Unsecured private bonds(*2)		2015	4.14	110,000	110,000
Unsecured private bonds(*2)		2017	4.28	100,000	100,000
Unsecured private bonds(*2)		2015	3.14	130,000	130,000
Unsecured private bonds(*2)		2017	3.27	120,000	120,000
Foreign global bonds				444,840	428,440
		2027	6.63		
				(USD 400,000)	(USD 400,000)
Exchangeable bonds(*5)	Refinancing fund			443,765	
		2014	1.75		
				(USD 332,528)	