

SK TELECOM CO LTD  
Form 6-K  
March 08, 2017  
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 OF**  
**THE SECURITIES EXCHANGE ACT OF 1934**  
**FOR THE MONTH OF MARCH 2017**  
**Commission File Number: 333-04906**

**SK Telecom Co., Ltd.**

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

**Euljiro 65(Euljiro2-ga), Jung-gu**  
**Seoul 04539, Korea**

**(Address of principal executive office)**

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):

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):

**Table of Contents****Submission of Audit Report**

<b>1. Name of External Auditor</b>	KPMG Samjong Accounting Corporation	
<b>2. Date of Receiving External Audit Report</b>	March 6, 2017	
<b>3. Auditor's Opinion on Seperate Financial Statements</b>	FY 2016 Unqualified	FY2015 Unqualified
<b>4. Financial Highlights of Seperate Financial Statements (KRW)</b>		
- Total Assets	25,448,574,619,396	23,146,940,219,263
- Total Liabilities	11,191,620,107,847	9,367,479,640,249
- Total Shareholders' Equity	14,256,954,511,549	13,779,460,579,014
- Capital Stock	44,639,473,000	44,639,473,000
- Total Shareholder's Equity / Capital Stock Ratio(%)	31938.0	30868.3
- Operating Revenue	12,350,479,375,462	12,556,978,692,033
- Operating Profit	1,782,172,440,205	1,658,775,875,475
- Profit before Income Tax	1,562,782,259,530	1,469,443,963,403
- Profit for the Year	1,217,273,742,023	1,106,761,393,472

**Table of Contents**

**SK TELECOM CO., LTD.**

Separate Financial Statements

**December 31, 2016 and 2015**

(With Independent Auditors' Report Thereon)

**Table of Contents**

Contents

	<b>Page</b>
<b><u>Independent Auditors Report</u></b>	1
<u>Separate Statements of Financial Position</u>	3
<u>Separate Statements of Income</u>	5
<u>Separate Statements of Comprehensive Income</u>	6
<u>Separate Statements of Changes in Equity</u>	7
<u>Separate Statements of Cash Flows</u>	8
<u>Notes to the Separate Financial Statements</u>	10
<u>Independent Accountant s Review Report on Internal Accounting Control System ( IACS )</u>	92
<u>Report on the Assessment of Internal Accounting Control System ( IACS )</u>	93

**Table of Contents**

Independent Auditors' Report

Based on a report originally issued in Korean

To The Board of Directors and Shareholders

SK Telecom Co., Ltd.:

We have audited the accompanying separate financial statements of SK Telecom Co., Ltd. (the Company) which comprise the separate statements of financial position as at December 31, 2016 and 2015, the separate statements of income, comprehensive income, changes in equity and cash flows for the years then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

*Management's Responsibility for the Separate Financial Statements*

Management is responsible for the preparation and fair presentation of these separate financial statements in accordance with Korean International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

*Auditors' Responsibility*

Our responsibility is to express an opinion on these separate financial statements based on our audits. We conducted our audits in accordance with Korean Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the separate financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the separate financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the separate financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*Opinion*

In our opinion, the separate financial statements present fairly, in all material respects, the separate financial position of the Company as at December 31, 2016 and 2015 and of its separate financial performance and its separate cash flows for the years then ended in accordance with Korean International Financial Reporting Standards.

**Table of Contents**

*Other Matter*

The procedures and practices utilized in the Republic of Korea to audit such separate financial statements may differ from those generally accepted and applied in other countries.

KPMG Samjong Accounting Corp.

Seoul, Korea

February 22, 2017

This report is effective as of February 22, 2017, the audit report date. Certain subsequent events or circumstances, which may occur between the audit report date and the time of reading this report, could have a material impact on the accompanying separate financial statements and notes thereto. Accordingly, the readers of the audit report should understand that the above audit report has not been updated to reflect the impact of such subsequent events or circumstances, if any.

**Table of Contents**

SK TELECOM CO., LTD.

Separate Statements of Financial Position

As of December 31, 2016 and 2015

<i>(In millions of won)</i>	<i>Note</i>	<b>December 31, 2016</b>	<b>December 31, 2015</b>
<b>Assets</b>			
<b>Current Assets:</b>			
Cash and cash equivalents	28,29	₩ 874,350	431,666
Short-term financial instruments	4,28,29	95,000	121,500
Short-term investment securities	6,28,29	97,340	92,262
Accounts receivable - trade, net	5,28,29,30	1,594,504	1,528,751
Short-term loans, net	5,28,29,30	54,143	47,741
Accounts receivable - other, net	5,28,29,30,32	772,570	264,741
Prepaid expenses		107,989	92,220
Inventories, net		32,479	45,991
Advanced payments and other	5,28,29	32,740	88,657
<b>Total Current Assets</b>		<b>3,661,115</b>	<b>2,713,529</b>
<b>Non-Current Assets:</b>			
Long-term financial instruments	4,28,29	102	10,062
Long-term investment securities	6,28,29	560,966	726,505
Investments in subsidiaries, associates and joint ventures	7	8,726,538	8,810,548
Property and equipment, net	8,30	7,298,539	7,442,280
Goodwill	9	1,306,236	1,306,236
Intangible assets, net	10	3,275,663	1,766,069
Long-term loans, net	5,28,29,30	11,160	35,080
Long-term accounts receivable - other	5,28,29,30,32	147,139	
Long-term prepaid expenses		27,918	29,802
Guarantee deposits	5,28,29,30	173,287	166,656
Long-term derivative financial assets	15,28,29	176,465	139,923
Deferred tax assets	25	58,410	
Defined benefit assets	14	24,787	
Other non-current assets		249	250
<b>Total Non-Current Assets</b>		<b>21,787,459</b>	<b>20,433,411</b>
<b>Total Assets</b>		<b>₩ 25,448,574</b>	<b>23,146,940</b>

See accompanying notes to the separate financial statements.





**Table of Contents**

SK TELECOM CO., LTD.

Separate Statements of Financial Position, Continued

As of December 31, 2016 and 2015

<i>(In millions of won)</i>	<i>Note</i>	<b>December 31, 2016</b>	<b>December 31, 2015</b>
<b>Liabilities and Shareholders Equity</b>			
<b>Current Liabilities:</b>			
Short-term borrowings	<i>11,28,29</i>	₩ 230,000	230,000
Current installments of long-term debt, net	<i>11,28,29</i>	628,868	592,637
Current installments of long-term payables - other	<i>12,28,29</i>	301,773	120,185
Accounts payable other	<i>28,29,30</i>	1,546,252	927,170
Withholdings	<i>28,29</i>	642,582	607,690
Accrued expenses	<i>28,29</i>	663,918	540,770
Income tax payable	<i>25</i>	461,999	375,189
Unearned revenue		1,360	10,014
Derivative financial liabilities	<i>15,28,29</i>	86,950	
Provisions	<i>13</i>	59,027	37,551
Receipts in advance		71,431	50,100
<b>Total Current Liabilities</b>		<b>4,464,160</b>	<b>3,491,306</b>
<b>Non-Current Liabilities:</b>			
Debentures, excluding current installments, net	<i>11,28,29</i>	4,991,067	5,033,495
Long-term borrowings, excluding current installments, net	<i>11,28,29</i>	61,416	72,554
Long-term payables - other	<i>12,28,29</i>	1,602,943	550,964
Long-term unearned revenue		2,389	2,768
Defined benefit liabilities	<i>14</i>		4,006
Long-term derivative financial liabilities	<i>15,28,29</i>		89,296
Long-term provisions	<i>13</i>	21,493	20,055
Deferred tax liabilities	<i>25</i>		56,274
Other non-current liabilities	<i>28,29</i>	48,152	46,762
<b>Total Non-Current Liabilities</b>		<b>6,727,460</b>	<b>5,876,174</b>
<b>Total Liabilities</b>		<b>11,191,620</b>	<b>9,367,480</b>
<b>Shareholders Equity</b>			
Share capital	<i>1,16</i>	44,639	44,639
Capital surplus and others	<i>16,17,18</i>	371,481	369,446
Retained earnings	<i>19,20</i>	13,902,627	13,418,603
Reserves	<i>21</i>	(61,793)	(53,228)
<b>Total Shareholders Equity</b>		<b>14,256,954</b>	<b>13,779,460</b>

<b>Total Liabilities and Shareholders Equity</b>	<b>₩ 25,448,574</b>	<b>23,146,940</b>
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*See accompanying notes to the separate financial statements.*

**Table of Contents**

SK TELECOM CO., LTD.

Separate Statements of Income

For the years ended December 31, 2016 and 2015

<i>(In millions of won except for per share data)</i>	<i>Note</i>	<b>2016</b>	<b>2015</b>
<b>Operating revenue:</b>	<i>30</i>		
Revenue		₩ 12,350,479	12,556,979
<b>Operating expenses:</b>	<i>30</i>		
Labor		634,754	694,666
Commissions		4,716,555	5,102,723
Depreciation and amortization		2,242,546	2,155,531
Network interconnection		687,048	720,879
Leased line		347,741	358,031
Advertising		174,186	175,776
Rent		424,929	403,317
Cost of products that have been resold		502,770	462,256
Others	<i>22</i>	837,778	825,024
		10,568,307	10,898,203
<b>Operating profit</b>		<b>1,782,172</b>	<b>1,658,776</b>
Finance income	<i>24</i>	323,563	246,394
Finance costs	<i>24</i>	(261,393)	(314,191)
Other non-operating income	<i>23</i>	54,288	15,277
Other non-operating expenses	<i>23</i>	(200,771)	(132,993)
Loss on investments in associates and joint ventures, net	<i>7</i>	(135,077)	(3,819)
<b>Profit before income tax</b>		<b>1,562,782</b>	<b>1,469,444</b>
Income tax expense	<i>25</i>	345,508	362,683
<b>Profit for the year</b>		<b>₩ 1,217,274</b>	<b>1,106,761</b>
<b>Earnings per share</b>	<i>26</i>		
Basic and diluted earnings per share (in won)		₩ 17,001	15,233

*See accompanying notes to the separate financial statements.*

**Table of Contents**

SK TELECOM CO., LTD.

Separate Statements of Comprehensive Income

For the years ended December 31, 2016 and 2015

<i>(In millions of won)</i>	<i>Note</i>	<b>2016</b>	<b>2015</b>
<b>Profit for the year</b>		<b>₩ 1,217,274</b>	<b>1,106,761</b>
<b>Other comprehensive income (loss)</b>			
<b>Items that will never be reclassified to profit or loss, net of taxes:</b>			
Remeasurement of defined benefit liabilities	14	(10,319)	386
<b>Items that are or may be reclassified subsequently to profit or loss, net of taxes:</b>			
Net change in unrealized fair value of available-for-sale financial assets	21,24	5,385	(121,528)
Net change in unrealized fair value of derivatives	15,21,24	(13,950)	1,402
<b>Other comprehensive loss for the year, net of taxes</b>		<b>(18,884)</b>	<b>(119,740)</b>
<b>Total comprehensive income</b>		<b>₩ 1,198,390</b>	<b>987,021</b>

*See accompanying notes to the separate financial statements.*

**Table of Contents**

SK TELECOM CO., LTD.

Separate Statements of Changes in Equity

For the years ended December 31, 2016 and 2015

*(In millions of won)*

	<b>Share capital</b>	<b>Capital surplus and others</b>	<b>Retained earnings &amp;</b>
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