

SK TELECOM CO LTD
Form 6-K
March 24, 2014
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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 2014
Commission File Number: 333-04906

SK Telecom Co., Ltd.

(Translation of registrant's name into English)

Euljiro 65(Euljiro2-ga), Jung-gu
Seoul 100-999, 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**Results of the Annual General Meeting of Shareholders****1. Approval of the Financial Statements⁽¹⁾⁽²⁾**The 30th Fiscal Year (Fiscal Year ended December 31, 2013)

| | | | | (in millions of Won, except for basic earnings per share) | |
|------------------|---------------------|------------|----------------------------|---|--|
| Consolidated | - Total Assets | 26,576,515 | - Operating Revenue | 16,602,054 | |
| | - Total Liabilities | 12,409,958 | - Operating Income | 2,011,109 | |
| | - Share Capital | 44,639 | - Profit for the Year | 1,609,549 | |
| | - Total Equity | 14,166,557 | - Basic earnings per Share | 23,211 | |
| Non-Consolidated | - Total Assets | 22,827,420 | - Operating Revenue | 12,860,379 | |
| | - Total Liabilities | 9,512,012 | - Operating Income | 1,969,684 | |
| | - Share Capital | 44,639 | - Profit for the Year | 910,157 | |
| | - Total Equity | 13,315,408 | - Basic earnings per Share | 12,837 | |

(1) prepared in accordance with International Financial Reporting Standards as adopted in Korea

(2) opinion of independent auditors: Appropriate

2. Approval of Dividends

| | | | | (in Won, except for percentages and stock dividend) | |
|-------------------|---------------------|-----------------|-----------------------------|---|--|
| a. Cash Dividends | Dividend per Share | Common Stock | Year-end Dividend | 8,400 | |
| | | | Interim/Quarterly Dividends | 1,000 | |
| | | Preferred Stock | Year-end Dividend | | |
| | | | Interim/Quarterly Dividend | | |
| | Total Cash Dividend | | | 666,373,704,400 | |

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| | | | |
|--------------------|--|-----------------|------|
| | Market Dividend Rate (%) (including interim dividend) | Common Stock | 4.09 |
| | | Preferred Stock | |
| b. Stock Dividends | Stock Dividend Rate (%) | Common Stock | |
| | | Preferred Stock | |
| | Total Stock Dividend (Shares) | Common Stock | |
| | | Preferred Stock | |

Table of Contents**3. Status of Directors (as of the date of appointment)**

| | | |
|--|--|------|
| a. Approval of the Appointment of Directors | - One (1) Executive Director | |
| | - One (3) Independent Non-Executive Director | |
| | - One (1) Member of the Audit Committee | |
| | (Who is an Independent Non-Executive Director) | |
| b. Number of Independent Non-Executive Directors Following Appointment | Total Number of Directors | 8 |
| | Total Number of Independent Non-Executive Directors | 5 |
| | Percentage of Independent Non-Executive Directors (%) | 62.5 |
| c. Number of Auditors Following Appointment | Full-time Auditors | |
| | Part-time Auditors | |
| d. Number of Members of Audit Committee Following Appointment | Number of Members of Audit Committee who are Independent Non-Executive Directors | 3 |
| | Number of Members of Audit Committee who are not Independent Non-Executive | |

Directors

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4. Other Resolutions

Agenda No. 1. Approval of Financial Statements for the 30th Fiscal Year

(Fiscal Year ended December 31, 2013)

: Approved as originally submitted.

Agenda No. 2. Amendment to the Articles of Incorporation

: Approved as originally submitted.

Agenda No. 3. Approval of the Appointment of Directors

Agenda No. 3.1. Election of an Executive Director (Ha, Sung-Min)

: Approved as originally submitted.

Agenda No. 3.2. Election of an Independent Non-Executive Director

(Chung, Jay-Young)

: Approved as originally submitted.

Agenda No. 3.3. Election of an Independent Non-Executive Director

(Lee, Jae-Hoon)

: Approved as originally submitted.

Agenda No. 3.4. Election of an Independent Non-Executive Director

(Ahn, Jae-Hyeon)

: Approved as originally submitted.

Agenda No. 4. Approval of the Appointment of a Member of the Audit Committee

(Ahn, Jae-Hyeon)

: Approved as originally submitted.

Agenda No. 5. Approval of Ceiling Amount of the Remuneration for Directors

: Approved as originally submitted.

5. Date of General Meeting of Shareholders

March 21, 2014

6. Other Matters To Be Considered Before Investing

* Related Disclosure: The Company's report on Form 6-K furnished on February 25, 2014.

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**1. Approval of Financial Statements
SK TELECOM CO., LTD. AND SUBSIDIARIES**

Consolidated Financial Statements

December 31, 2013 and 2012

(With Independent Auditors' Report Thereon)

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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 consolidated statements of financial position of SK Telecom Co., Ltd. and its subsidiaries (the Group) as of December 31, 2013 and 2012, and the related consolidated statements of income, comprehensive income, changes in equity and cash flows for the years then ended. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Korean International Financial Reporting Standards. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We did not audit the financial statements of SK Broadband Co., Ltd., a domestic subsidiary, and an associate, whose financial statements constitute 21.2% of the Group's consolidated total assets as of December 31, 2013, 11.7% of the Group's consolidated operating revenue and 33.6% of the Group's profit before income tax for the year ended December 31, 2013 and the financial statements of SK Broadband Co., Ltd., and two other domestic subsidiaries and an associate, whose financial statements constitute 26.6% of the Group's consolidated total assets as of December 31, 2012 and 15.1% of the Group's consolidated operating revenue for the year ended December 31, 2012. Other auditors audited those financial statements and our report, insofar as it relates to the amounts included for these entities, is based solely on the results of other auditors.

We conducted our audits in accordance with auditing standards generally accepted in the Republic of Korea. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In our opinion, based on our audits and reports of other auditors, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Group as of December 31, 2013 and 2012, and its financial performance and its cash flows for the years then ended in accordance with Korean International Financial Reporting Standards.

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Without qualifying our opinion, we draw attention to the following:

As discussed in note 38 to the consolidated financial statements, the Group disposed of its partial interests in Loen Entertainment, Inc., a subsidiary, which resulted in loss of control during the year ended December 31, 2013. The Group presented the results of operations of Loan Entertainment, Inc. as a discontinued operation in the consolidated statement of income for the year ended December 31, 2013 and accordingly restated the comparative information for the year ended December 31, 2012.

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

KPMG Samjong Accounting Corp.

Seoul, Korea

February 21, 2014

This report is effective as of February 21, 2014, 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 consolidated 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.

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| <i>(In millions of won)</i> | <i>Note</i> | December 31, 2013 | December 31, 2012 (Restated) |
|--|---------------|------------------------------|---|
| Assets | | | |
| Current Assets: | | | |
| Cash and cash equivalents | 34,35 | 1,398,639 | 920,125 |
| Short-term financial instruments | 6,34,35,36,37 | 311,474 | 514,417 |
| Short-term investment securities | 9,34,35 | 106,068 | 60,127 |
| Accounts receivable - trade, net | 7,34,35,36 | 2,257,316 | 1,954,920 |
| Short-term loans, net | 7,34,35,36 | 79,395 | 84,908 |
| Accounts receivable - other, net | 7,34,35,36 | 643,603 | 582,098 |
| Prepaid expenses | | 108,909 | 102,572 |
| Derivative financial assets | 22,34,35 | 10 | 9,656 |
| Inventories, net | 8,37 | 177,120 | 242,146 |
| Assets classified as held for sale | 10 | 3,667 | 775,556 |
| Advanced payments and other | 7,9,34,35 | 37,214 | 47,896 |
| Total Current Assets | | 5,123,415 | 5,294,421 |
| Non-Current Assets: | | | |
| Long-term financial instruments | 6,34,35,37 | 8,142 | 144 |
| Long-term investment securities | 9,34,35 | 968,527 | 953,712 |
| Investments in associates and joint ventures | 12 | 5,325,297 | 4,632,477 |
| Property and equipment, net | 13,36,37 | 10,196,607 | 9,712,719 |
| Investment property, net | 14 | 15,811 | 27,479 |
| Goodwill | 15 | 1,733,261 | 1,744,483 |
| Intangible assets, net | 16 | 2,750,782 | 2,689,658 |
| Long-term loans, net | 7,34,35,36 | 57,442 | 69,299 |
| Long-term prepaid expenses | 37 | 32,008 | 31,341 |
| Guarantee deposits | 6,7,34,35,36 | 249,600 | 236,242 |
| Long-term derivative financial assets | 22,34,35 | 41,712 | 52,992 |
| Deferred tax assets | 31 | 26,322 | 124,098 |
| Other non-current assets | 7,34,35 | 47,589 | 26,494 |
| Total Non-Current Assets | | 21,453,100 | 20,301,138 |
| Total Assets | | 26,576,515 | 25,595,559 |

See accompanying notes to the consolidated financial statements.

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| <i>(In millions of won)</i> | <i>Note</i> | December 31, 2013 | December 31, 2012 (Restated) |
|--|-----------------------|------------------------------|---|
| Liabilities and Equity | | | |
| Current Liabilities: | | | |
| Short-term borrowings | <i>17,34,35</i> | 260,000 | 600,245 |
| Current portion of long-term debt, net | <i>17,18,20,34,35</i> | 1,268,427 | 892,867 |
| Accounts payable - trade | <i>34,35,36</i> | 214,716 | 253,884 |
| Accounts payable - other | <i>34,35,36</i> | 1,864,024 | 1,811,038 |
| Withholdings | <i>34,35,36</i> | 728,936 | 717,170 |
| Accrued expenses | <i>34,35</i> | 988,193 | 890,863 |
| Income tax payable | <i>31</i> | 112,316 | 60,253 |
| Unearned revenue | | 441,731 | 258,691 |
| Derivative financial liabilities | <i>22,34,35</i> | 21,171 | |
| Provisions | <i>19</i> | 66,775 | 287,307 |
| Advanced receipts and other | <i>34,35</i> | 102,931 | 108,272 |
| Liabilities classified as held for sale | <i>10,37</i> | | 294,305 |
| Total Current Liabilities | | 6,069,220 | 6,174,895 |
| Non-Current Liabilities: | | | |
| Debentures, net, excluding current portion | <i>17,34,35</i> | 4,905,579 | 4,979,220 |
| Long-term borrowings, excluding current portion | <i>17,34,35</i> | 104,808 | 369,237 |
| Long-term payables - other | <i>18,34,35</i> | 838,585 | 715,508 |
| Long-term unearned revenue | | 50,894 | 160,821 |
| Finance lease liabilities | <i>20,34,35</i> | 3,867 | 22,036 |
| Defined benefit obligations | <i>21</i> | 74,201 | 86,521 |
| Long-term derivative financial liabilities | <i>22,34,35</i> | 103,168 | 63,599 |
| Long-term provisions | <i>19</i> | 28,106 | 106,561 |
| Deferred tax liabilities | <i>31</i> | 168,825 | |
| Other non-current liabilities | <i>34,35</i> | 62,705 | 62,379 |
| Total Non-Current Liabilities | | 6,340,738 | 6,565,882 |
| Total Liabilities | | 12,409,958 | 12,740,777 |
| Equity | | | |
| Share capital | <i>1,23</i> | 44,639 | 44,639 |
| Capital surplus (deficit) and other capital adjustments | <i>24,25</i> | 317,508 | (288,883) |
| Retained earnings | <i>26</i> | 13,102,495 | 12,124,657 |
| Reserves | <i>27</i> | (12,270) | (25,636) |
| Equity attributable to owners of the Parent Company | | 13,452,372 | 11,854,777 |
| Non-controlling interests | | 714,185 | 1,000,005 |
| Total Equity | | 14,166,557 | 12,854,782 |

| | | |
|-------------------------------------|-------------------|-------------------|
| Total Liabilities and Equity | 26,576,515 | 25,595,559 |
|-------------------------------------|-------------------|-------------------|

See accompanying notes to the consolidated financial statements.

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| <i>(In millions of won except for per share data)</i> | <i>Note</i> | 2013 | 2012 (Restated) |
|--|--------------|------------------|----------------------------|
| Continuing operations | | | |
| Operating revenue: | <i>5,36</i> | | |
| Revenue | | 16,602,054 | 16,141,409 |
| Operating expense: | <i>36</i> | | |
| Labor cost | <i>21</i> | 1,561,358 | 1,267,928 |
| Commissions paid | | 5,498,695 | 5,949,542 |
| Depreciation and amortization | <i>5</i> | 2,661,623 | 2,421,128 |
| Network interconnection | | 1,043,733 | 1,057,145 |
| Leased line | | 448,833 | 468,785 |
| Advertising | | 394,066 | 384,353 |
| Rent | | 443,639 | 422,388 |
| Cost of products that have been resold | | 1,300,375 | 1,292,304 |
| Other operating expenses | <i>28</i> | 1,238,623 | 1,147,787 |
| | | 14,590,945 | 14,411,360 |
| Operating income | <i>5</i> | 2,011,109 | 1,730,049 |
| Finance income | <i>5,30</i> | 113,392 | 444,558 |
| Finance costs | <i>5,30</i> | (571,203) | (638,285) |
| Gain (losses) related to investments in subsidiaries, associates and joint ventures, net | <i>5,12</i> | 706,509 | (24,560) |
| Other non-operating income | <i>20,29</i> | 74,467 | 195,910 |
| Other non-operating expenses | <i>29</i> | (507,173) | (188,304) |
| Profit before income tax | | 1,827,101 | 1,519,368 |
| Income tax expense from continuing operations | <i>5,31</i> | 400,797 | 288,207 |
| Profit from continuing operations | | 1,426,304 | 1,231,161 |
| Discontinued operations | | | |
| Profit (loss) from discontinued operations, net of income taxes | <i>38</i> | 183,245 | (115,498) |
| Profit for the year | <i>5</i> | 1,609,549 | 1,115,663 |
| Attributable to : | | | |
| Owners of the Parent Company | | 1,638,964 | 1,151,705 |
| Non-controlling interests | | (29,415) | (36,042) |
| Earnings per share | <i>32</i> | | |
| Basic earnings per share (in won) | | 23,211 | 16,525 |
| Diluted earnings per share (in won) | | 23,211 | 16,141 |

| | | | |
|---|----|--------|--------|
| Earnings per share - Continuing operations | 32 | | |
| Basic earnings per share (in won) | | 20,708 | 18,015 |
| Diluted earnings per share (in won) | | 20,708 | 17,583 |

See accompanying notes to the consolidated financial statements.

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| <i>(In millions of won)</i> | <i>Note</i> | 2013 | 2012 (Restated) |
|--|-------------------|------------------|----------------------------|
| Profit for the year | | 1,609,549 | 1,115,663 |
| Other comprehensive income (loss) | | | |
| Items that will not be reclassified to profit or loss: | | | |
| Remeasurement of defined benefit obligations | <i>3,21</i> | 5,946 | (15,048) |
| Items that may be reclassified subsequently to profit or loss: | | | |
| Net change in unrealized fair value of available-for-sale financial assets | <i>3,27,30</i> | 2,009 | (149,082) |
| Net change in other comprehensive income of investments in associates and joint ventures | <i>3,12,27</i> | 3,034 | (82,513) |
| Net change in unrealized fair value of derivatives | <i>3,22,27,30</i> | 11,222 | (23,361) |
| Foreign currency translation differences for foreign operations | <i>3,27</i> | (3,714) | (49,538) |
| | | 18,497 | (319,542) |
| Total comprehensive income | | 1,628,046 | 796,121 |
| Total comprehensive income attributable to: | | | |
| Owners of the Parent Company | | 1,655,570 | 851,565 |
| Non-controlling interests | | (27,524) | (55,444) |
| <i>See accompanying notes to the consolidated financial statements.</i> | | | |

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| | | Controlling interest | | | | | |
|---|---------------|---|-------------------|-----------------|-------------------|---------------------------|-------------------|
| | Share capital | Capital deficit and other capital adjustments | Retained earnings | Reserves | Sub-total | Non-controlling interests | Total equity |
| Balance, January 1, 2012 | 44,639 | (285,347) | 11,642,525 | 260,064 | 11,661,881 | 1,070,828 | 12,732,709 |
| Cash dividends | | | (655,133) | | (655,133) | (2,133) | (657,266) |
| Total comprehensive income | | | | | | | |
| Profit (loss) | | | 1,151,705 | | 1,151,705 | (36,042) | 1,115,663 |
| Other comprehensive loss | | | (14,440) | (285,700) | (300,140) | (19,402) | (319,542) |
| | | | 1,137,265 | (285,700) | 851,565 | (55,444) | 796,121 |
| Changes in ownership in subsidiaries | | (3,536) | | | (3,536) | (13,246) | (16,782) |
| Balance, December 31, 2012 | 44,639 | (288,883) | 12,124,657 | (25,636) | 11,854,777 | 1,000,005 | 12,854,782 |
| Balance, January 1, 2013 | 44,639 | (288,883) | 12,124,657 | (25,636) | 11,854,777 | 1,000,005 | 12,854,782 |
| Cash dividends | | | (655,946) | | (655,946) | (2,242) | (658,188) |
| Total comprehensive income | | | | | | | |
| Profit (loss) | | | 1,638,964 | | 1,638,964 | (29,415) | 1,609,549 |
| Other comprehensive loss | | | 3,240 | 13,366 | 16,606 | 1,891 | 18,497 |
| | | | 1,642,204 | 13,366 | 1,655,570 | (27,524) | 1,628,046 |
| Issuance of hybrid bond | | 398,518 | | | 398,518 | | 398,518 |
| Interest on hybrid bond | | | (8,420) | | (8,420) | | (8,420) |
| Treasury stock | | 271,536 | | | 271,536 | | 271,536 |
| Business combination under common control | | (61,854) | | | (61,854) | | (61,854) |
| Changes in ownership in subsidiaries | | (1,809) | | | (1,809) | (256,054) | (257,863) |
| Balance, December 31, 2013 | 44,639 | 317,508 | 13,102,495 | (12,270) | 13,452,372 | 714,185 | 14,166,557 |

See accompanying notes to the consolidated financial statements.

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| <i>(In millions of won)</i> | <i>Note</i> | 2013 | 2012 |
|--|-------------|------------------|------------------|
| Cash flows from operating activities: | | | |
| Cash generated from operating activities | | | |
| Profit for the year | | 1,609,549 | 1,115,663 |
| Adjustments for income and expenses | 39 | 3,275,376 | 3,289,861 |
| Changes in assets and liabilities related to operating activities | 39 | (969,870) | 204,308 |
| Sub-total | | 3,915,055 | 4,609,832 |
| Interest received | | 64,078 | 88,711 |
| Dividends received | | 10,197 | 27,732 |
| Interest paid | | (300,104) | (363,685) |
| Income tax paid | | (130,656) | (362,926) |
| Net cash provided by operating activities | | 3,558,570 | 3,999,664 |
| Cash flows from investing activities: | | | |
| Cash inflows from investing activities: | | | |
| Decrease in short-term financial instruments, net | | 186,425 | 464,531 |
| Decrease in short-term investment securities, net | | | 65,000 |
| Collection of short-term loans | | 290,856 | 282,658 |
| Proceeds from disposal of long-term financial instruments | | 16 | 23 |
| Proceeds from disposal of long-term investment securities | | 287,777 | 511,417 |
| Proceeds from disposal of investments in associates and joint ventures | | 43,249 | 1,518 |
| Proceeds from disposal of property and equipment | | 12,579 | 271,122 |
| Proceeds from disposal of investment property | | | 43,093 |
| Proceeds from disposal of intangible assets | | 2,256 | 21,048 |
| Net proceeds from the disposition of non-current assets held for sale | | 190,393 | |
| Collection of long-term loans | | 13,104 | 11,525 |
| Decrease of deposits | | 8,509 | 41,785 |
| Proceeds from disposal of other non-current assets | | 683 | 1,853 |
| Proceeds from disposal of subsidiaries | | 215,939 | 89,002 |
| Increase in cash due to acquisition of a subsidiary | | | 26,651 |
| Sub-total | | 1,251,786 | 1,831,226 |
| Cash outflows for investing activities: | | | |
| Increase in short-term investment securities, net | | (45,032) | |
| Increase in short-term loans | | (279,926) | (245,465) |
| Increase in long-term loans | | (4,050) | (3,464) |
| Increase in long-term financial instruments | | (7,510) | (16) |
| Acquisition of long-term investment securities | | (22,141) | (92,929) |
| Acquisition of investments in associates and joint ventures | | (97,366) | (3,098,833) |
| Acquisition of property and equipment | | (2,879,126) | (3,394,349) |
| Acquisition of investment property | | | (129) |
| Acquisition of intangible assets | | (243,163) | (146,249) |
| Increase in assets held for sale | | | (51,831) |
| Increase in deposits | | (83,314) | (43,534) |
| Increase in other non-current assets | | (1,830) | (8,619) |

| | | |
|--|--------------------|--------------------|
| Acquisition of business, net of cash acquired | (94,805) | (43,389) |
| Decrease in cash due to disposal of a subsidiary | | (12,003) |
| Sub-total | (3,758,263) | (7,140,810) |
| Net cash used in investing activities | (2,506,477) | (5,309,584) |

See accompanying notes to the consolidated financial statements.

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(In millions of won)

Note **2013** **2012**

Cash flows from financing activities:

Cash inflows from financing activities:

Issuance of debentures