



# SK telecom Investor Presentation

February 2016



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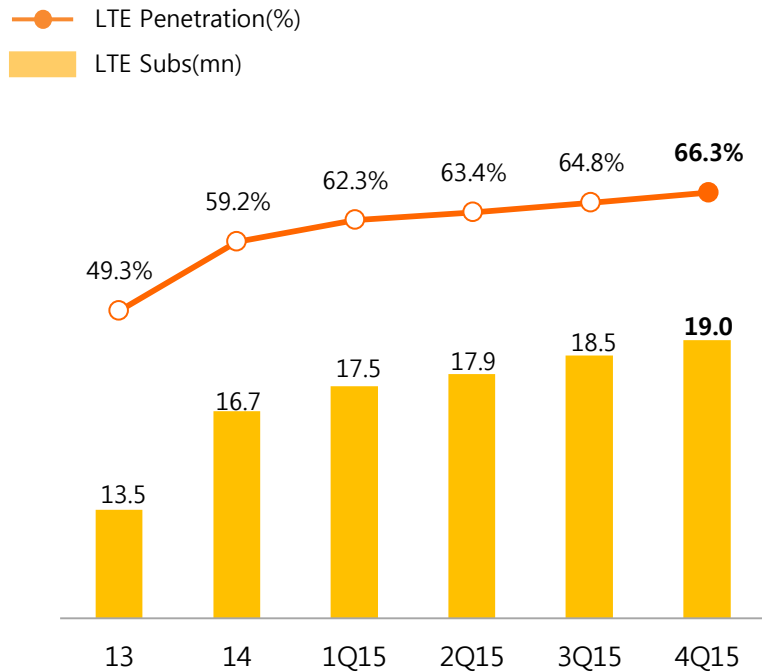
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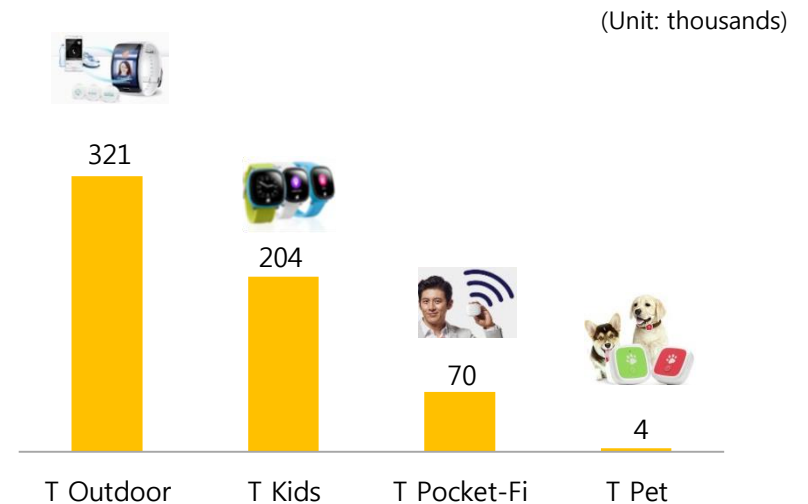
- Differentiated services and fundamental competitiveness boost LTE penetration and 2nd device subs

## LTE Subscribers



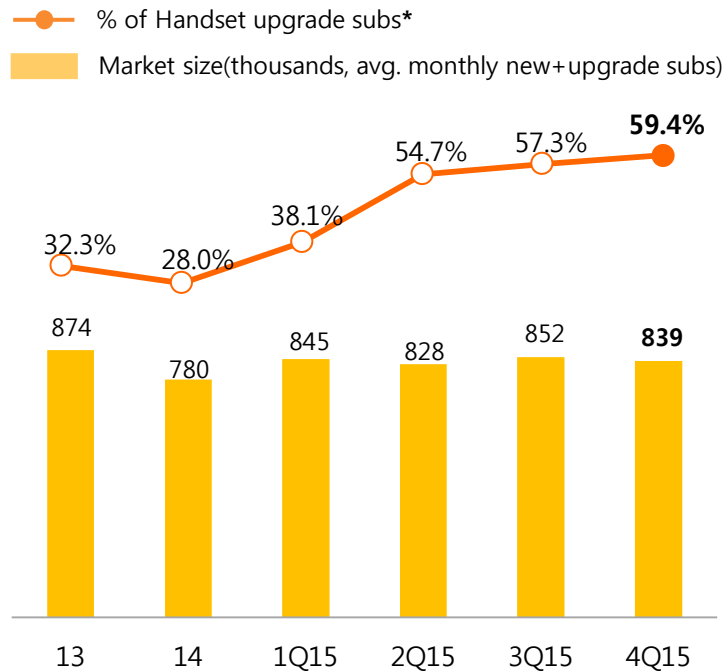
## 2nd Device Subscribers

- 2<sup>nd</sup> device subscribers reached 0.6mn as of 4Q15
- Greater contribution toward top line growth expected going forward



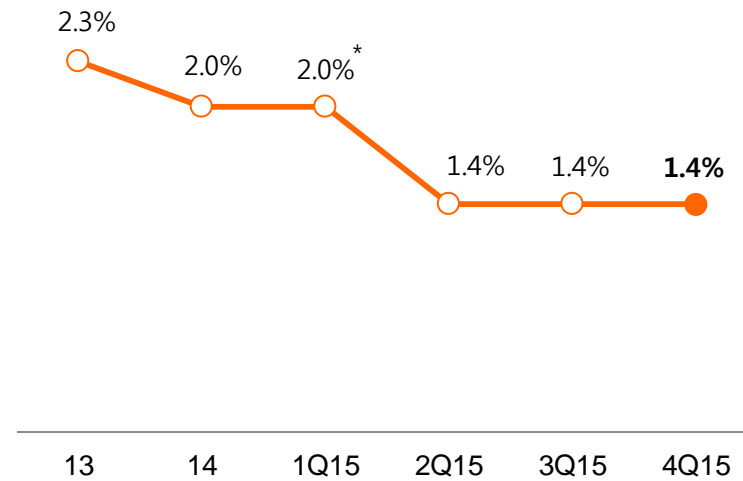
- As market shifts towards handset upgrades and benign competitive environment, churn rate is at its lowest since implementation of MNP in '04

## Handset Upgrade Subscribers



\* % of monthly upgrade subs/(new + upgrades), ex-MVNO

## Churn Rate



\* Excludes termination of inactive users

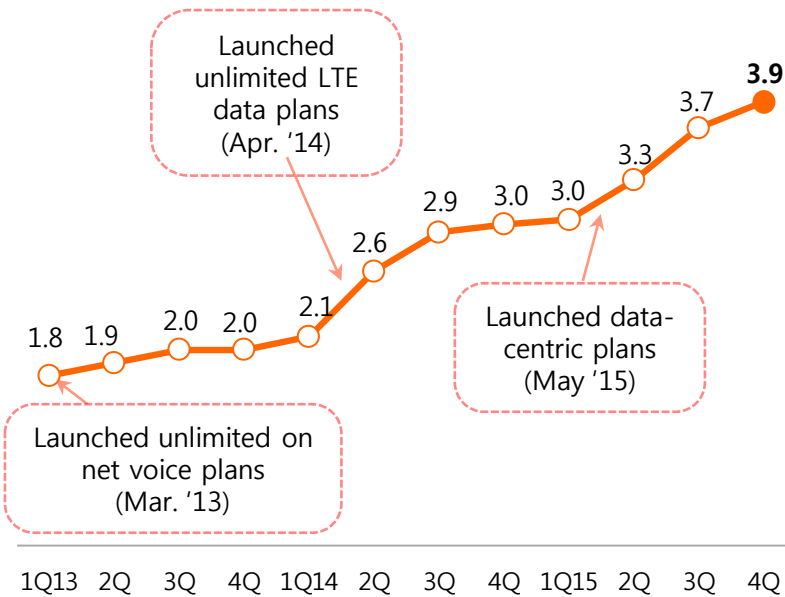
# I . Key Takeaways

# Data Usage/ARPU

- Growing data usage and LTE subscribers lead to steady growth in ARPU

### Monthly LTE Data Usage per Sub

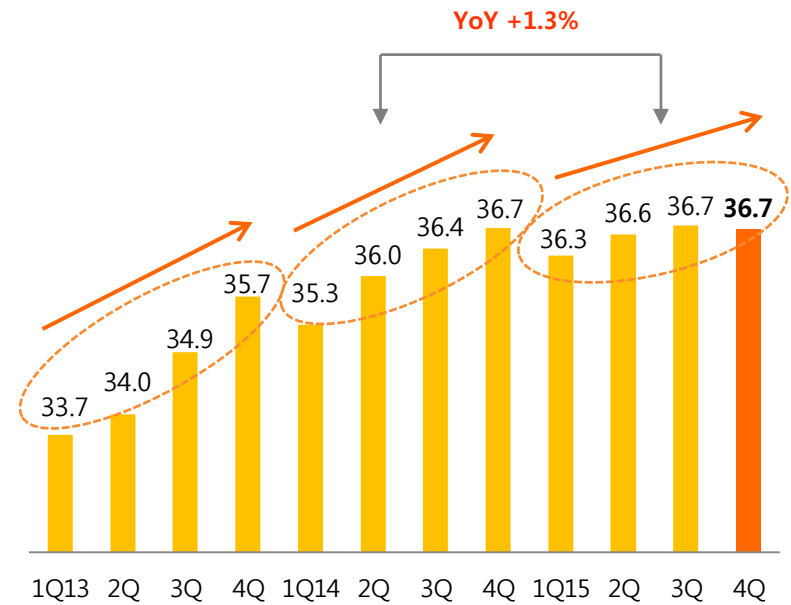
(Unit: GB)



### Billing ARPU Trend

Billing ARPU

(Unit: KRW Thousands)



# I . Key Takeaways

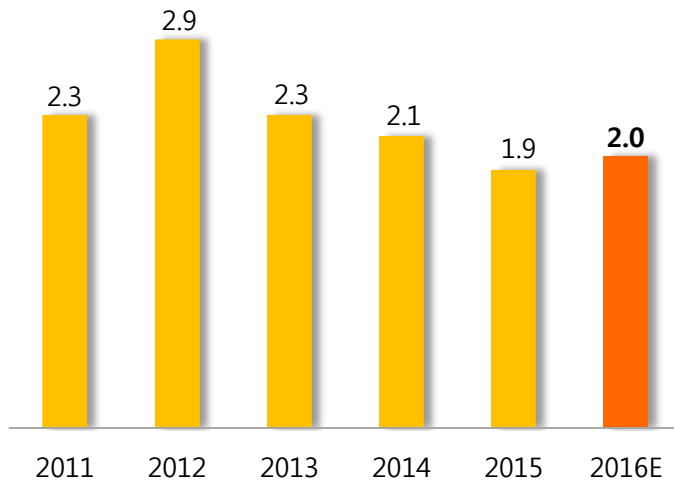
# CAPEX & Spectrum

- CAPEX expected to decline mid-to long term
- Total bandwidth of 140MHz from 4 different blocks to be available in 1H16 auction

## CAPEX

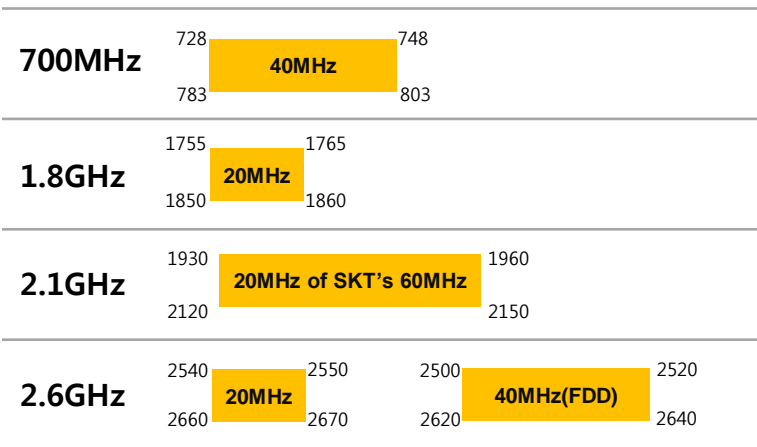
- '16 CAPEX guidance: KRW 2trillion

(Unit : KRW tn)



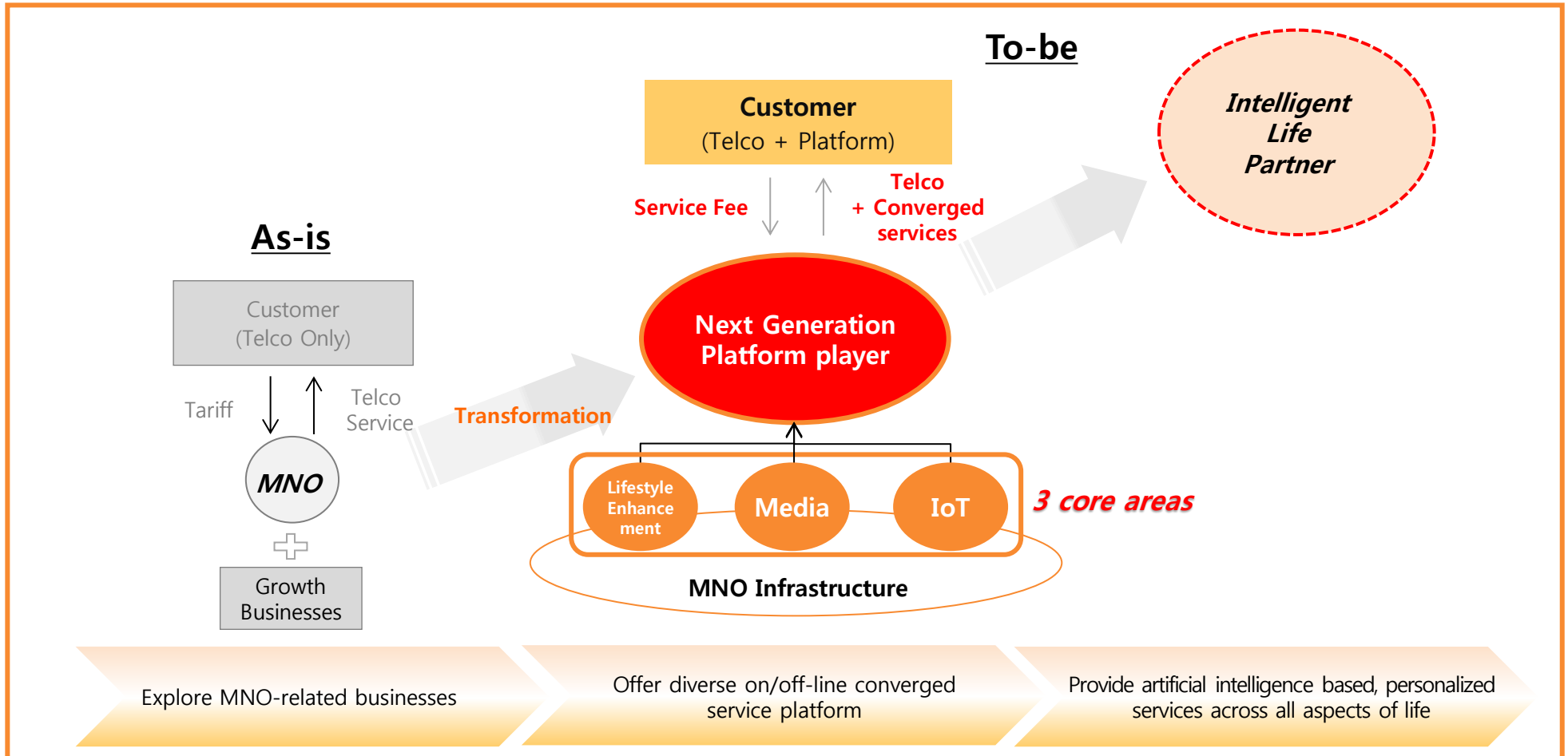
## Spectrum

[ Blocks available for '16 auction ]



- Spectrum auction plans to be announced in 1Q16

- SK Telecom is on the verge of transforming into a next generation platform player





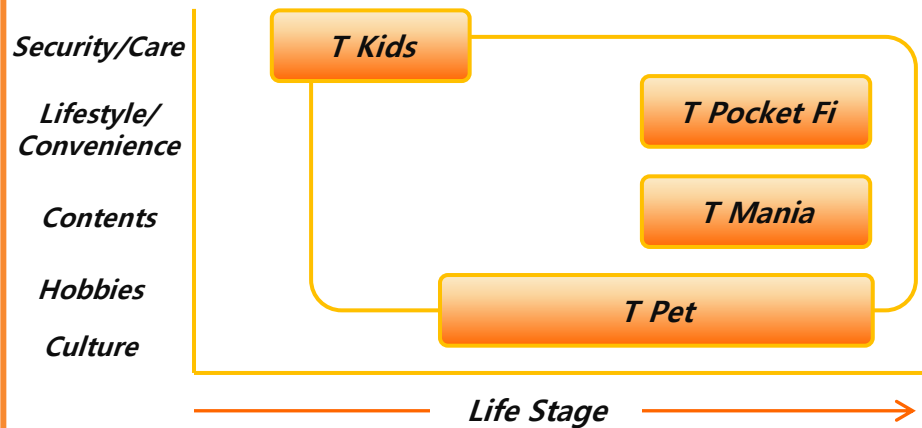
# I . Key Takeaways

# Lifestyle Enhancement Platform

- Provide convenient & productive new value on daily lifestyle of customers beyond telecommunication

## Major progress of Lifestyle Enhancement Platform

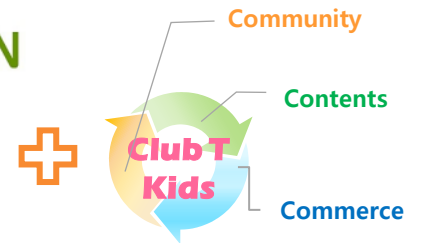
- Micro segment targeting + Strategic partnership
- Creating BM on service basis - monthly subscription, advertisement, trade commission



**Target Seg.**  
Kids & Parents  
**Interests**  
Safety/Fun/  
Nursing/  
Education



Specialized platform



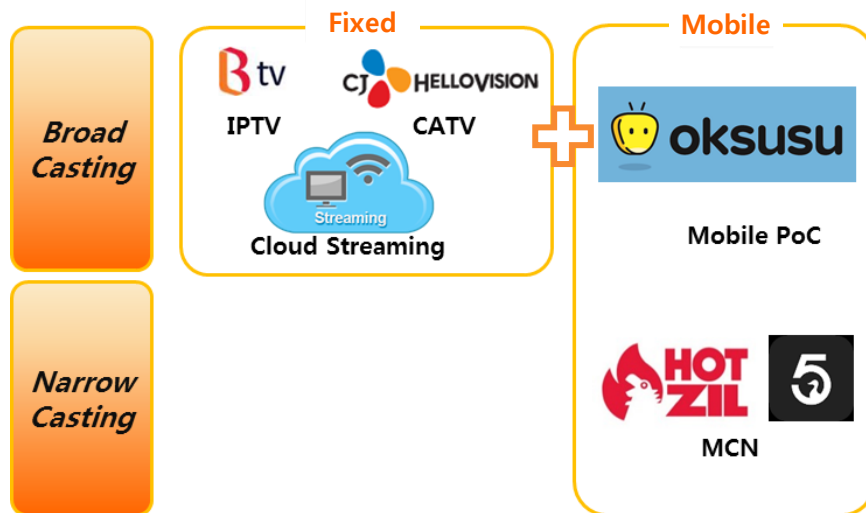
**Target Seg.**  
Outdoor exerciser  
**Interests**  
Fitness/  
Convenience/  
Safety



- Provide optimally personalized contents to customers through seamless total media platform

## Major progress of Media Platform

- Expanding value chain by converging fixed & mobile media platform
- Providing personalized media experience through customer analysis



### Rebuild mobile media

- Mobile PoC<sup>1)</sup>(Launched in Jan. 28<sup>th</sup>, '16)
- Real time + VOD + MCN<sup>2)</sup> + Original Contents
- Provides 'Personalized Home' – optimized by analyzing usage pattern of customer

### Strengthen the competitive edge of contents

- 
- Invest KRW 150bn over 6 years on contents area
  - Create contents/startup fund with CJ(KRW 100bn)
  - Promote MCN<sup>2)</sup>, personalized media, UHD contents, etc.

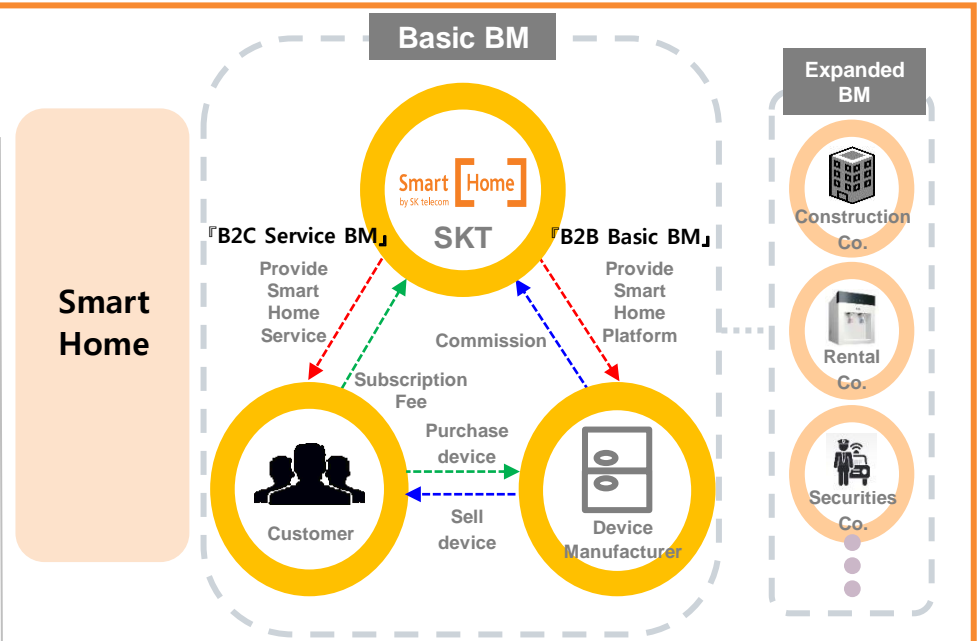
<sup>1)</sup> PoC : Point of Customer

<sup>2)</sup> MCN : Multi Channel Network

- Improve convenience of individual/corporate customers by collecting/analyzing data from all “Things” beyond mobile devices

## Major progress of IoT Platform

- Build and strengthen IoT ecosystem through open-platform with diversified partnerships
- Target core biz area of B2C/B2B customers - Home, Car, Energy, Safety, etc.

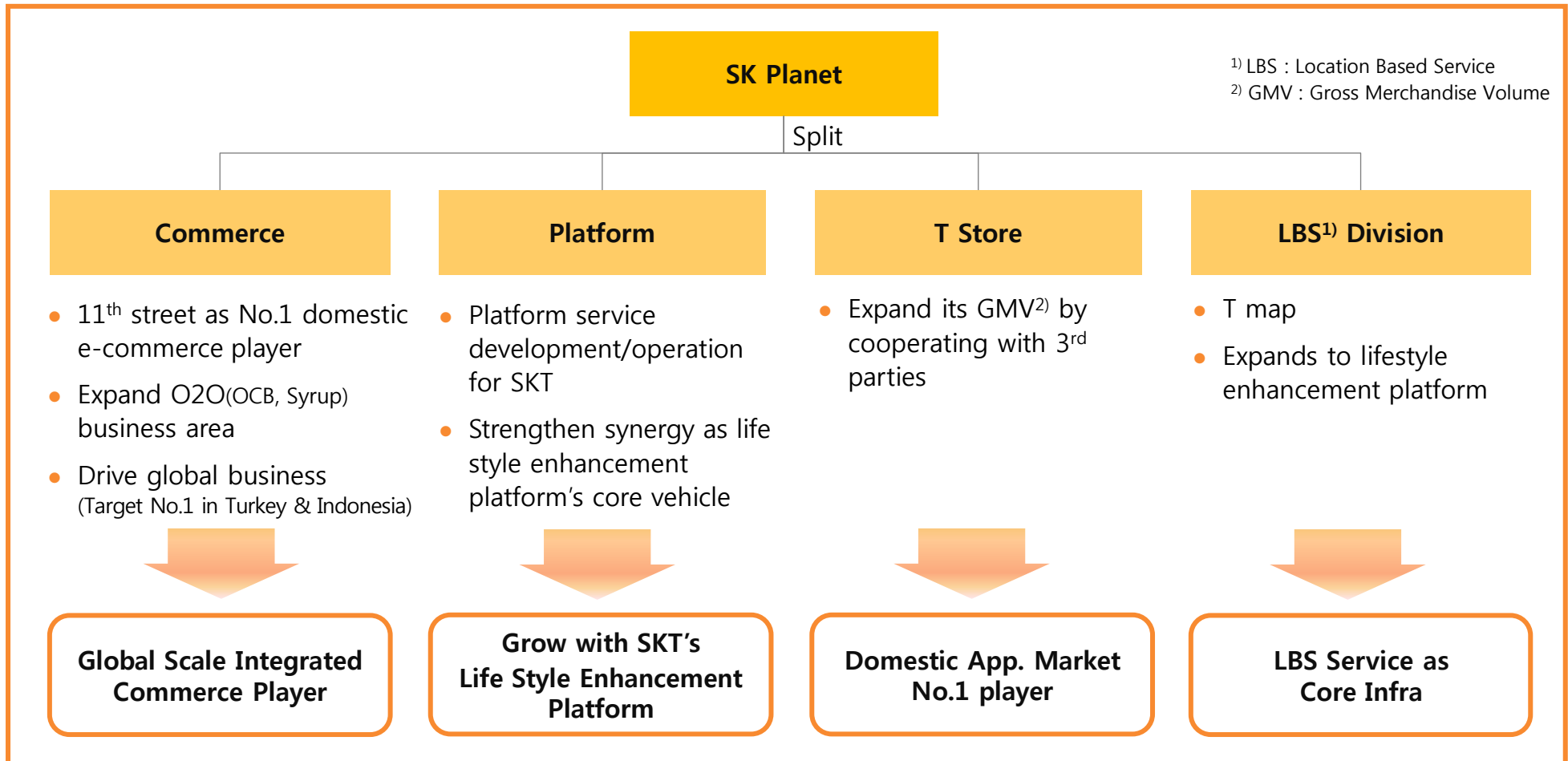


- Launched in '15.5, achieved 34 partnerships and 25 connected devices as the end the year
- Expand to 50 partnerships/70 connected devices by '16
- Service includes remote control, monitoring, linkage service for various home appliances and homewares
- Procure ecosystem on partnership basis

# I . Key Takeaways

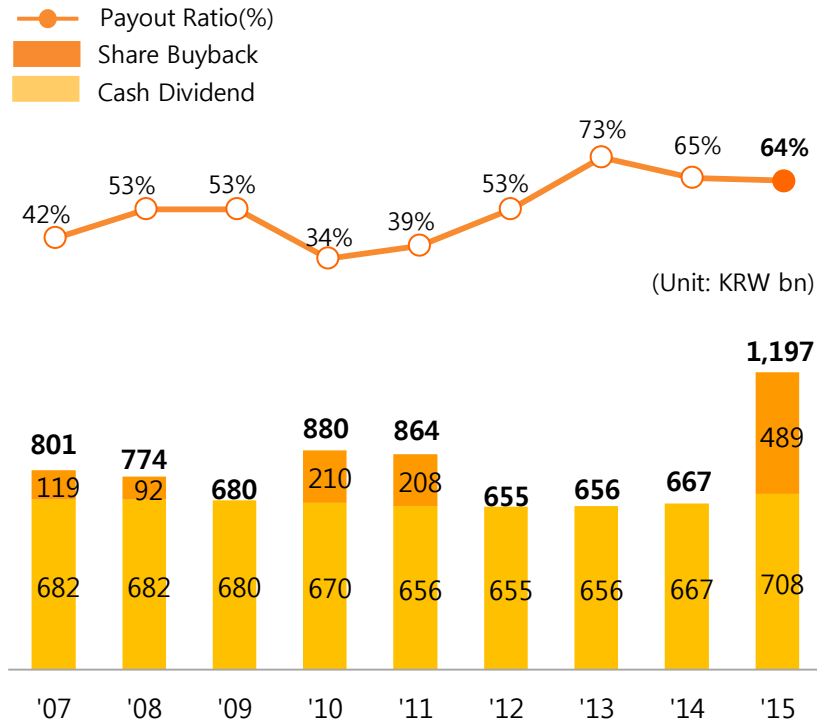
# SK Planet's Business Restructure

- SK Planet to focus on commerce, the rest will lie within SK Telecom's next generation platform



- Implementing various policies to maximize shareholder value

## Annual Shareholder Return



## Shareholder Return Policies

- Plan to increase FY15 dividend to KRW 10,000/share from KRW 9,400/share(incl. interim dividend of KRW 1,000/share)
- Completed share buyback of KRW 489bn('15.9~'15.12)

*“Maximize corporate value  
by balancing investment for growth  
and shareholder return”*

# Consolidated Results

## ◆ Summary of Income Statement (Consolidated)

(KRW bn)	2015	2014	YoY		4Q15	3Q15	QoQ	
<b>Operating revenues</b>	<b>17,137</b>	<b>17,164</b>	<b>(27)</b>	<b>-0.2%</b>	<b>4,379</b>	<b>4,261</b>	<b>118</b>	<b>2.8%</b>
<b>Operating expenses</b>	<b>15,429</b>	<b>15,339</b>	<b>90</b>	<b>0.6%</b>	<b>3,977</b>	<b>3,771</b>	<b>207</b>	<b>5.5%</b>
<b>Operating income</b>	<b>1,708</b>	<b>1,825</b>	<b>(117)</b>	<b>-6.4%</b>	<b>402</b>	<b>491</b>	<b>(89)</b>	<b>-18.1%</b>
<i>Operating margin</i>	<i>10.0%</i>	<i>10.6%</i>	<i>-0.7%p</i>		<i>9.2%</i>	<i>11.5%</i>	<i>-2.3%p</i>	
<b>Net profit or loss from non-operating items<sup>1)</sup></b>	<b>327</b>	<b>429</b>	<b>(101)</b>	<b>-23.6%</b>	<b>3</b>	<b>64</b>	<b>(61)</b>	<b>-95.2%</b>
<b>Income from continuing operations before income tax</b>	<b>2,035</b>	<b>2,254</b>	<b>(218)</b>	<b>-9.7%</b>	<b>405</b>	<b>555</b>	<b>(150)</b>	<b>-27.0%</b>
<b>Consolidated net income</b>	<b>1,516</b>	<b>1,799</b>	<b>(283)</b>	<b>-15.8%</b>	<b>293</b>	<b>382</b>	<b>(88)</b>	<b>-23.1%</b>
<i>Net margin</i>	<i>8.8%</i>	<i>10.5%</i>	<i>-1.6%p</i>		<i>6.7%</i>	<i>9.0%</i>	<i>-2.3%p</i>	
<b>EBITDA<sup>2)</sup></b>	<b>4,701</b>	<b>4,717</b>	<b>(16)</b>	<b>-0.3%</b>	<b>1,172</b>	<b>1,245</b>	<b>(73)</b>	<b>-5.9%</b>
<i>EBITDA margin</i>	<i>27.4%</i>	<i>27.5%</i>	<i>0.0%p</i>		<i>26.8%</i>	<i>29.2%</i>	<i>-2.5%p</i>	

1) Equity gains from SK Hynix: KRW 842.2bn(YoY -74.2bn) in '15, KRW 169.4bn(QoQ -30.2bn) in '15.4Q

2) EBITDA = Operating income + Depreciation (including R&D related depreciation)

- Consolidated revenues decreased by 0.2% YoY due to reduced interconnection revenue of SKT, which was partially offset by growth in revenues of SK Planet and other subsidiaries. Sequential increase of 2.8% QoQ was driven by growth of subsidiaries including SK Planet
- Operating income decreased as a result of rise in costs among subsidiaries despite SKT's efforts to reduce marketing expenses
- Net income fell due to decrease in operating income along with the decrease in equity gains from SK Hynix

# Consolidated Results

## ◆ Operating Expenses (Consolidated)

(KRW bn)	2015	2014	YoY		4Q15	3Q15	QoQ	
Labor cost	1,894	1,660	234	14.1%	448	426	22	5.2%
Commissions paid	5,207	5,693	(486)	-8.5%	1,323	1,274	49	3.8%
Advertising	405	416	(11)	-2.6%	115	93	22	23.4%
Depreciation <sup>1)</sup>	2,993	2,892	101	3.5%	770	755	16	2.1%
Network interconnection	958	997	(40)	-4.0%	247	236	11	4.9%
Leased line	200	211	(11)	-5.2%	49	50	(1)	-2.7%
Frequency usage fees	190	188	2	0.9%	47	47	0	0.6%
Cost of goods sold	1,956	1,680	276	16.4%	538	477	60	12.6%
Others	1,627	1,602	25	1.5%	440	412	28	6.8%
Operating expenses	15,429	15,339	90	0.6%	3,977	3,771	207	5.5%

1) Includes R&D related depreciation

- Labor cost rose by 14.1% YoY due to early retirement program at SKT and workforce expansion at growth business areas of subsidiaries
- Commissions paid decreased by 8.5% YoY due to decline in marketing expenses at SKT
- Depreciation increased by 3.5% YoY due to increase in LTE network capex
- Interconnection fee fell by 4.0% YoY as a result of lower interconnection rates for 2015
- Cost of goods sold increased by 16.4% YoY in line with the top-line growth of SK Planet and PS&M

# Non-consolidated Results

## ◆ Operating Revenues (Non-consolidated)

(KRW bn)	2015	2014	YoY		4Q15	3Q15	QoQ	
<b>Total operating revenues</b>	<b>12,557</b>	<b>13,013</b>	<b>(456)</b>	<b>-3.5%</b>	<b>3,138</b>	<b>3,142</b>	<b>(4)</b>	<b>-0.1%</b>
Mobile service revenue	10,914	11,179	(265)	-2.4%	2,719	2,736	(17)	-0.6%
Interconnection revenue	748	874	(125)	-14.3%	194	187	7	3.5%
Others <sup>1)</sup>	894	960	(65)	-6.8%	225	219	6	2.8%

1) Includes sales from leased line, fixed-line resale, solution and other businesses

- Total operating revenues fell by 3.5% YoY due to decrease in signup fees and interconnection revenues
  - Interconnection revenues fell by 14.3% YoY due to the reduced interconnection rate
  - Other revenues fell by 6.8% YoY mainly due to the adjustment of contents-related commission fee

## ◆ ARPU<sup>1)</sup>

(KRW)	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15	QoQ		2014	2015	YoY	
Total ARPU <sup>2)</sup>	43,737	44,217	44,892	43,652	43,486	44,071	44,103	44,224	121	0.3%	44,124	43,970	(154)	-0.3%
Billing ARPU <sup>2), 3)</sup>	35,309	36,013	36,417	36,679	36,319	36,601	36,729	36,680	(49)	-0.1%	36,101	36,582	480	1.3%
ARPU <sup>4)</sup> Including MVNO	33,846	34,142	34,186	34,080	33,556	33,655	33,581	33,379	(202)	-0.6%	34,088	33,529	(559)	-1.6%

1) Includes revenues from select businesses of SK Planet

2) From SK Telecom subscribers

3) From SK Telecom mobile service revenues less signup fees

4) Includes MVNO revenues and subscribers



# Non-consolidated Results

## ◆ Marketing Expenses & CAPEX

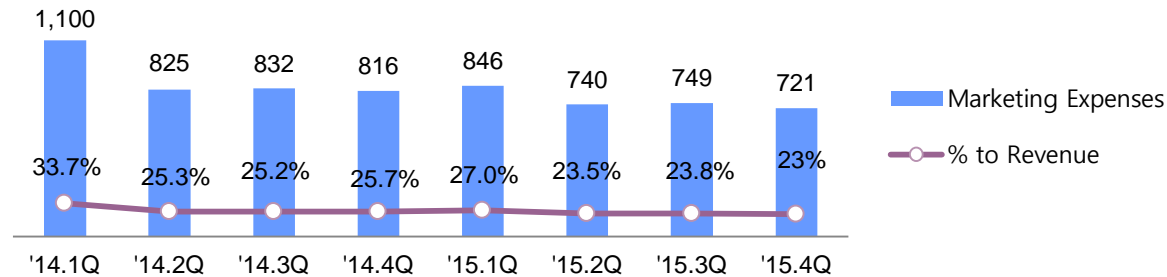
(KRW bn)	2015	2014	YoY		4Q15	3Q15	QoQ	
<b>Marketing expenses<sup>1)</sup></b>	<b>3,055</b>	<b>3,573</b>	<b>(518)</b>	<b>-14.5%</b>	<b>721</b>	<b>749</b>	<b>(28)</b>	<b>-3.7%</b>
% of operating revenue	24.3%	27.5%	-3.1%p		23.0%	23.8%	-0.9%p	
<b>Capital expenditure</b>	<b>1,891</b>	<b>2,145</b>	<b>(253)</b>	<b>-11.8%</b>	<b>824</b>	<b>400</b>	<b>424</b>	<b>105.8%</b>
% of operating revenue	15.1%	16.5%	-1.4%p		26.3%	12.7%	13.5%p	

- Marketing expenses decreased by 14.5% YoY as competition remained benign in line with market stabilization efforts
- Capex decreased by 11.8% YoY and was kept below initial guidance of KRW 2 trillion

1) Marketing expenses = marketing related commission + advertising expense

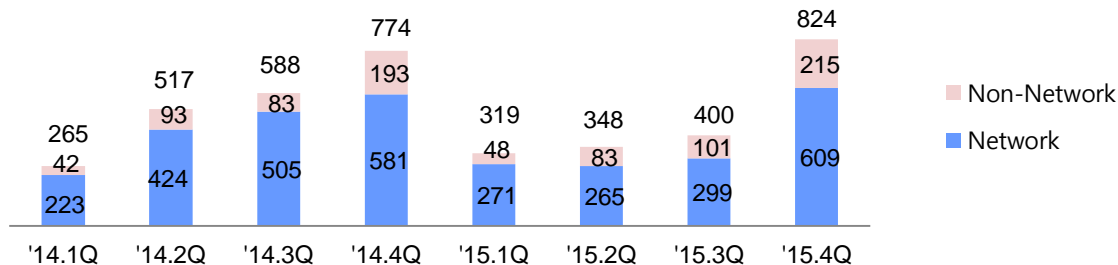
### Marketing Expenses

(KRW bn)



### CAPEX

(KRW bn)



# Appendix

## ◆ Subscriber Numbers<sup>1)</sup>

	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15	QoQ		2014	2015	YoY	
Subscribers ('000) <sup>2)</sup>	27,814	27,889	28,403	28,279	28,026	28,313	28,474	28,626	152	0.5%	28,279	28,626	347	1.2%
Net adds	461	76	514	(124)	(253)	287	162	152	(10)	-6.3%	930	348	(582)	-62.6%
Activations	2,351	1,641	2,218	1,624	1,872	1,431	1,373	1,317	(56)	-4.1%	7,835	5,993	(1,841)	-23.5%
Deactivations	1,890	1,566	1,705	1,744	2,125	1,145	1,211	1,165	(46)	-3.8%	6,904	5,645	(1,259)	-18.2%
Monthly churn rate (%) <sup>3)</sup>	2.3%	1.9%	2.0%	2.1%	2.0%	1.4%	1.4%	1.4%	-0.1%p		2.1%	1.5%	-0.5%p	
Average subscribers ('000)	27,526	27,769	28,146	28,338	28,177	28,178	28,367	28,539	172	0.6%	27,945	28,315	370	1.3%
Smartphone Subscribers ('000)	18,816	18,926	19,325	19,495	19,753	19,977	20,323	20,622	299	1.5%	19,495	20,622	1,128	5.8%
LTE Subscribers ('000)	14,773	15,381	16,212	16,737	17,447	17,937	18,465	18,980	515	2.8%	16,737	18,980	2,242	13.4%
LTE Penetration	53.1%	55.2%	57.1%	59.2%	62.3%	63.4%	64.8%	66.3%	1.5%p		59.2%	66.3%	7.1%p	12.0%

1) Include MVNO connections

2) In accordance with MSIP guidelines, other connections such as facility-monitoring lines are excluded

3) '15.1Q churn rate excludes one-off deactivation of long term inactive pre-paid accounts

# Appendix

## ◆ Consolidated Income Statement

(KRW bn)	1Q14	2Q14	3Q14	4Q14	FY14	1Q15	2Q15	3Q15	4Q15	FY15
<b>Operating revenues</b>	<b>4,201.9</b>	<b>4,305.4</b>	<b>4,367.5</b>	<b>4,289.0</b>	<b>17,163.8</b>	<b>4,240.3</b>	<b>4,255.7</b>	<b>4,261.4</b>	<b>4,379.3</b>	<b>17,136.7</b>
<b>Operating expenses</b>	<b>3,949.5</b>	<b>3,759.3</b>	<b>3,830.9</b>	<b>3,799.0</b>	<b>15,338.7</b>	<b>3,837.6</b>	<b>3,842.9</b>	<b>3,770.7</b>	<b>3,977.5</b>	<b>15,428.7</b>
Labor cost	429.1	401.1	411.2	418.3	1,659.8	475.0	543.9	426.4	448.5	1,893.7
Commissions paid	1,627.6	1,364.3	1,326.7	1,374.0	5,692.7	1,347.1	1,262.2	1,274.5	1,323.2	5,207.0
Advertising	85.3	99.9	104.8	125.8	415.9	77.0	120.5	92.9	114.6	405.0
Depreciation <sup>1)</sup>	703.2	717.4	721.0	749.9	2,891.6	729.3	738.5	754.6	770.4	2,992.9
Network interconnection	275.8	280.7	286.3	154.5	997.3	234.3	239.9	236.0	247.5	957.6
Leased line	56.0	54.2	53.2	47.5	210.9	49.4	51.0	50.5	49.1	200.0
Frequency usage fees	50.2	47.0	48.6	42.4	188.1	53.6	42.4	46.8	47.1	189.8
Cost of goods sold	335.7	394.0	474.1	476.4	1,680.1	490.9	449.9	477.4	537.6	1,955.9
Others	386.5	400.6	405.0	410.1	1,602.3	381.0	394.7	411.6	439.5	1,626.9
<b>Operating income</b>	<b>252.4</b>	<b>546.1</b>	<b>536.6</b>	<b>490.1</b>	<b>1,825.1</b>	<b>402.6</b>	<b>412.9</b>	<b>490.6</b>	<b>401.9</b>	<b>1,708.0</b>
<i>EBITDA</i>	955.6	1,263.5	1,257.6	1,240.0	4,716.7	1,132.0	1,151.4	1,245.2	1,172.3	4,700.9
<i>EBITDA margin</i>	22.7%	29.3%	28.8%	28.9%	27.5%	26.7%	27.1%	29.2%	26.8%	27.4%
<b>Net profit or loss from non-operating items</b>	<b>80.2</b>	<b>61.9</b>	<b>129.2</b>	<b>157.4</b>	<b>428.7</b>	<b>157.4</b>	<b>102.7</b>	<b>64.2</b>	<b>3.1</b>	<b>327.4</b>
Interest income	15.5	14.3	15.5	14.7	60.0	12.8	12.4	11.3	9.4	45.9
Interest expenses	78.6	82.6	82.2	79.7	323.1	75.5	74.7	73.9	73.6	297.7
Profit or loss in other non-operating items	143.3	130.2	195.8	222.5	691.9	220.1	165.0	126.8	67.3	579.1
<b>Income from continuing operations before tax</b>	<b>332.6</b>	<b>608.0</b>	<b>665.8</b>	<b>647.5</b>	<b>2,253.8</b>	<b>560.0</b>	<b>515.6</b>	<b>554.8</b>	<b>404.9</b>	<b>2,035.4</b>
<b>Consolidated net income</b>	<b>267.3</b>	<b>497.6</b>	<b>531.0</b>	<b>503.4</b>	<b>1,799.3</b>	<b>442.7</b>	<b>397.9</b>	<b>381.8</b>	<b>293.5</b>	<b>1,515.9</b>
Majority interests	269.8	498.5	531.5	501.3	1,801.2	444.5	395.8	382.3	296.0	1,518.6
Minority interests	(2.5)	(0.9)	(0.5)	2.1	(1.9)	(1.7)	2.0	(0.5)	(2.6)	(2.7)
<b>Basic earnings per share(KRW)</b>	<b>3,804</b>	<b>6,909</b>	<b>7,493</b>	<b>6,948</b>	<b>25,154</b>	<b>6,266</b>	<b>5,266</b>	<b>5,263</b>	<b>4,304</b>	<b>20,988</b>

1) Includes R&D related depreciation

# Appendix

## ◆ SK Telecom Non-consolidated Income Statement

(KRW bn)	1Q14	2Q14	3Q14	4Q14	FY14	1Q15	2Q15	3Q15	4Q15	FY15
<b>Operating revenues</b>	<b>3,263.7</b>	<b>3,264.6</b>	<b>3,303.6</b>	<b>3,180.7</b>	<b>13,012.6</b>	<b>3,133.5</b>	<b>3,143.8</b>	<b>3,141.8</b>	<b>3,138.0</b>	<b>12,557.0</b>
<b>Operating expenses</b>	<b>3,012.4</b>	<b>2,736.9</b>	<b>2,797.9</b>	<b>2,728.2</b>	<b>11,275.5</b>	<b>2,725.6</b>	<b>2,747.7</b>	<b>2,675.6</b>	<b>2,749.3</b>	<b>10,898.2</b>
Labor cost	171.2	153.0	138.8	147.5	610.5	176.6	257.3	133.1	147.9	714.9
Commissions paid	1,584.0	1,299.4	1,336.5	1,349.6	5,569.4	1,339.8	1,220.4	1,257.0	1,265.3	5,082.5
Marketing commissions	1,061.0	767.6	772.5	758.3	3,359.5	812.9	681.1	707.4	677.4	2,878.9
Other commissions	522.9	531.8	564.0	591.2	2,209.9	526.9	539.3	549.6	587.9	2,203.7
Advertising	39.4	57.1	59.4	57.6	213.6	32.6	58.4	41.2	43.5	175.8
Depreciation <sup>1)</sup>	536.5	547.1	549.3	575.9	2,208.7	552.8	561.1	575.4	590.5	2,279.9
Network interconnection	214.9	219.9	226.6	110.5	771.8	169.9	182.4	179.4	189.1	720.9
Leased line	46.7	45.5	45.6	44.6	182.4	42.6	43.0	41.6	41.0	168.2
Frequency usage fees	50.2	47.0	48.6	42.4	188.1	53.6	42.4	46.8	47.1	189.8
Others	369.6	368.0	393.3	400.1	1,530.9	357.6	382.6	401.0	425.0	1,566.2
<b>Operating income</b>	<b>251.3</b>	<b>527.7</b>	<b>505.7</b>	<b>452.5</b>	<b>1,737.2</b>	<b>407.8</b>	<b>396.1</b>	<b>466.2</b>	<b>388.7</b>	<b>1,658.8</b>
<i>EBITDA</i>	787.8	1,074.7	1,055.0	1,028.3	3,945.9	960.7	957.2	1,041.6	979.1	3,938.7
<i>EBITDA margin</i>	24.1%	32.9%	31.9%	32.3%	30.3%	30.7%	30.4%	33.2%	31.2%	31.4%
<b>Net profit or loss from non-operating items</b>	<b>(55.3)</b>	<b>(83.2)</b>	<b>(131.3)</b>	<b>(145.5)</b>	<b>(415.4)</b>	<b>(29.1)</b>	<b>(76.7)</b>	<b>24.6</b>	<b>(108.2)</b>	<b>(189.3)</b>
Interest income	6.8	6.0	6.3	5.9	25.0	5.7	5.5	4.8	4.6	20.6
Interest expenses	63.9	68.5	67.2	64.9	264.4	61.2	59.9	60.1	60.3	241.6
Net profit or loss from other non-operating items	1.7	(20.8)	(70.4)	(86.5)	(176.0)	26.5	(22.3)	80.0	(52.5)	31.7
<b>Income from continuing operations before tax</b>	<b>195.9</b>	<b>444.4</b>	<b>374.4</b>	<b>306.9</b>	<b>1,321.8</b>	<b>378.8</b>	<b>319.4</b>	<b>490.8</b>	<b>280.5</b>	<b>1,469.4</b>
<b>Net income</b>	<b>153.5</b>	<b>363.4</b>	<b>293.3</b>	<b>218.4</b>	<b>1,028.5</b>	<b>295.8</b>	<b>232.0</b>	<b>361.6</b>	<b>217.4</b>	<b>1,106.8</b>

1) Includes R&D related depreciation

# Appendix

## ◆ Consolidated Balance Sheet

(KRW bn)	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15
<b>Total assets</b>	<b>26,067.2</b>	<b>27,027.6</b>	<b>27,685.0</b>	<b>27,941.2</b>	<b>27,824.4</b>	<b>28,041.5</b>	<b>28,558.7</b>	<b>28,581.4</b>
<b>Current assets</b>	<b>4,781.8</b>	<b>5,592.6</b>	<b>5,740.2</b>	<b>5,083.1</b>	<b>5,228.5</b>	<b>5,180.5</b>	<b>5,573.2</b>	<b>5,160.2</b>
Cash and marketable securities <sup>1)</sup>	1,384.1	1,652.0	1,665.3	1,297.5	1,264.4	1,335.2	1,643.5	1,505.0
Accounts receivable	2,886.8	3,230.6	3,515.3	3,082.7	3,045.5	3,140.6	3,281.2	3,018.6
Short-term loans	86.8	83.0	79.1	74.5	78.2	32.2	40.2	53.9
Inventories	189.4	399.9	236.8	267.7	295.0	282.9	272.0	273.6
Other current assets	234.7	227.2	243.7	360.8	545.3	389.6	336.3	309.2
<b>Non-current assets</b>	<b>21,285.4</b>	<b>21,435.0</b>	<b>21,944.8</b>	<b>22,858.1</b>	<b>22,595.9</b>	<b>22,861.0</b>	<b>22,985.5</b>	<b>23,421.1</b>
Property & equipment	9,982.9	10,073.2	10,232.7	10,582.7	10,420.0	10,268.6	10,185.7	10,386.3
Intangible assets	4,387.1	4,317.7	4,238.3	4,401.6	4,304.8	4,228.8	4,131.9	4,213.4
Investment assets	6,439.5	6,534.9	6,941.7	7,255.0	7,226.1	7,731.7	7,917.2	8,114.1
Other non-current assets	475.9	509.3	532.2	618.8	645.0	631.8	750.7	707.3
<b>Total liabilities</b>	<b>12,242.3</b>	<b>12,824.5</b>	<b>12,940.9</b>	<b>12,693.0</b>	<b>12,747.3</b>	<b>12,723.9</b>	<b>12,924.9</b>	<b>13,207.3</b>
<b>Current liabilities</b>	<b>6,283.3</b>	<b>6,162.7</b>	<b>6,063.2</b>	<b>5,420.3</b>	<b>5,323.7</b>	<b>5,308.4</b>	<b>5,233.8</b>	<b>5,256.5</b>
Short-term borrowings	766.0	869.5	787.4	366.6	392.4	939.3	395.0	260.0
Accounts payable	1,288.9	1,595.0	1,619.6	1,757.0	1,579.8	1,584.7	1,633.4	1,985.8
Current portion of long-term debt	1,152.4	1,143.7	1,162.5	784.4	675.7	671.5	850.7	823.8
Other current liabilities	3,076.0	2,554.4	2,493.7	2,512.2	2,675.9	2,112.8	2,354.7	2,186.9
<b>Non-current liabilities</b>	<b>5,958.9</b>	<b>6,661.8</b>	<b>6,877.7</b>	<b>7,272.7</b>	<b>7,423.5</b>	<b>7,415.5</b>	<b>7,691.1</b>	<b>7,950.8</b>
Bonds payable & long-term borrowings	4,748.1	5,251.9	5,355.8	5,798.9	6,042.3	6,019.1	6,303.7	6,560.7
Long-term payables - other	657.2	660.8	681.1	684.6	566.4	577.4	579.9	581.7
Post-employment benefit obligation	99.0	125.8	154.9	91.6	127.8	121.7	143.3	98.9
Other non-current liabilities	454.6	623.3	686.0	697.6	687.1	697.3	664.2	709.5
<b>Total shareholders' equity</b>	<b>13,825.0</b>	<b>14,203.2</b>	<b>14,744.1</b>	<b>15,248.3</b>	<b>15,077.2</b>	<b>15,317.6</b>	<b>15,633.8</b>	<b>15,374.1</b>
Capital stock	44.6	44.6	44.6	44.6	44.6	44.6	44.6	44.6
Capital surplus	3,323.4	3,323.4	3,323.4	3,323.4	3,323.2	3,348.1	3,327.1	3,319.5
Retained earnings	12,772.6	13,254.6	13,716.4	14,188.6	14,029.7	14,421.0	14,727.0	15,007.6
Capital adjustments	(3,006.0)	(3,034.6)	(3,034.6)	(3,045.4)	(3,045.5)	(2,685.6)	(2,650.8)	(3,130.0)
Other comprehensive income/loss <sup>2)</sup>	(21.1)	(94.1)	(25.0)	(4.5)	(6.5)	59.4	55.7	9.3
Minority interests	711.5	709.3	719.3	741.5	731.6	130.1	130.2	123.0

1) Cash & marketable securities includes cash & cash equivalent, marketable securities & short-term financial instruments

2) Other comprehensive income/loss include gains or losses on valuation of investment securities and derivatives

# Appendix

## ◆ SK Telecom Non-consolidated Balance Sheet

(KRW bn)	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15
<b>Total assets</b>	<b>22,256.0</b>	<b>22,494.0</b>	<b>22,829.6</b>	<b>22,712.5</b>	<b>22,464.6</b>	<b>22,863.4</b>	<b>23,144.7</b>	<b>23,146.9</b>
<b>Current assets</b>	<b>2,563.8</b>	<b>2,755.0</b>	<b>2,941.3</b>	<b>2,689.9</b>	<b>2,854.1</b>	<b>2,685.9</b>	<b>3,133.1</b>	<b>2,713.5</b>
Cash and marketable securities <sup>1)</sup>	489.7	568.2	592.8	541.3	496.3	508.7	736.8	598.2
Accounts receivable	1,802.5	1,936.1	2,099.3	1,865.3	1,858.7	1,897.0	2,100.5	1,793.5
Short-term loans	80.1	75.7	72.3	68.0	70.6	21.8	31.8	47.7
Inventories	30.3	22.2	16.5	23.7	25.7	34.4	38.9	46.0
Other current assets	161.2	152.8	160.5	191.6	402.7	224.0	225.0	228.1
<b>Non-current assets</b>	<b>19,692.2</b>	<b>19,739.0</b>	<b>19,888.3</b>	<b>20,022.5</b>	<b>19,610.5</b>	<b>20,177.6</b>	<b>20,011.6</b>	<b>20,433.4</b>
Property & equipment	7,282.2	7,318.7	7,442.8	7,705.9	7,555.2	7,423.3	7,308.4	7,442.3
Intangible assets	3,459.3	3,374.1	3,288.2	3,234.4	3,149.5	3,062.1	2,977.1	3,072.3
Investment assets	8,688.4	8,794.1	8,896.3	8,790.6	8,606.6	9,405.6	9,333.3	9,547.1
Other non-current assets	262.3	252.1	260.9	291.6	299.2	286.6	392.9	371.7
<b>Total liabilities</b>	<b>9,424.0</b>	<b>9,343.7</b>	<b>9,428.9</b>	<b>9,170.2</b>	<b>9,240.2</b>	<b>9,057.1</b>	<b>9,100.2</b>	<b>9,367.5</b>
<b>Current liabilities</b>	<b>4,511.9</b>	<b>4,110.6</b>	<b>4,135.9</b>	<b>3,378.0</b>	<b>3,558.3</b>	<b>3,456.0</b>	<b>3,355.4</b>	<b>3,491.3</b>
Short-term borrowings	400.0	700.0	600.0	200.0	250.0	770.0	260.0	230.0
Accounts payable	977.5	847.1	1,017.0	1,174.4	1,073.7	1,064.3	1,051.4	1,299.1
Current portion of long-term debt	917.3	902.7	915.2	401.3	400.5	401.3	602.6	712.8
Other current liabilities	2,217.1	1,660.9	1,603.7	1,602.4	1,834.1	1,220.5	1,441.4	1,249.4
<b>Non-current liabilities</b>	<b>4,912.0</b>	<b>5,233.1</b>	<b>5,293.0</b>	<b>5,792.2</b>	<b>5,681.8</b>	<b>5,601.0</b>	<b>5,744.8</b>	<b>5,876.2</b>
Bonds payable & long-term borrowings	3,945.3	4,138.5	4,174.6	4,735.3	4,769.5	4,762.2	4,967.0	5,106.0
Long-term payables	646.6	650.0	653.5	657.0	542.1	545.0	548.0	551.0
Post-employment benefit obligation	29.3	42.2	48.8	15.6	28.3	12.9	23.8	4.0
Other non-current liabilities	290.8	402.4	416.1	384.4	341.9	281.0	206.0	215.2
<b>Total shareholders' equity</b>	<b>12,832.0</b>	<b>13,150.3</b>	<b>13,400.7</b>	<b>13,542.2</b>	<b>13,224.4</b>	<b>13,806.4</b>	<b>14,044.6</b>	<b>13,779.5</b>
Capital stock	44.6	44.6	44.6	44.6	44.6	44.6	44.6	44.6
Capital surplus	3,319.4	3,319.4	3,319.4	3,319.4	3,319.4	3,344.2	3,357.8	3,357.8
Retained earnings	12,220.2	12,568.7	12,793.1	12,996.8	12,694.7	12,917.8	13,204.2	13,418.6
Capital adjustments	(2,885.5)	(2,885.5)	(2,885.5)	(2,885.5)	(2,885.5)	(2,498.2)	(2,498.2)	(2,988.4)
Other comprehensive income/loss <sup>2)</sup>	133.3	103.1	129.0	66.9	51.2	(2.1)	(63.9)	(53.2)

1) Cash & marketable securities includes cash & cash equivalent, marketable securities & short-term financial instruments

2) Other comprehensive income/loss include gains or losses on valuation of investment securities and derivatives