

SK TELECOM CO LTD
Form 6-K
August 01, 2017

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 JULY 2017

Commission File Number: 333-04906

SK Telecom Co., Ltd.

(Translation of registrant's name into English)

Euljiro65(Euljiro2-ga), Jung-gu

Seoul 100-999, Korea

(Address of principal executive office)

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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): _____

Decision on Acquisition of Shares of SK China

On July 28, 2017, the Board of Directors of SK Telecom Co., Ltd. (the Company) resolved to acquire shares of SK China Company Limited (SK China) to find opportunities for investment in ICT and other promising areas in China

| | | | | |
|---|---|--------------------------|-------------------|------------|
| 1. Details of SK China | Company Name | SK China Company Limited | | |
| | Location | Hong Kong | Representative | Wu Jerry |
| | Share Capital (Won) | 259,847,695,619 | Relationship to | Affiliate |
| | Number of Shares Issued | 7,484,675 | Company Principal | Investment |
| | Number of Shares to be | | | 10,208,921 |
| 2. Details of Share Acquisition | Acquired | | | |
| | Acquisition Amount (Won) | 539,023,436,245 | | |
| | Ratio of Acquisition Amount to the Company's Total Shareholders Equity as of December 31, 2016 | | 3.34% | |
| 3. Number of Shares to be Held and Shareholding Ratio after Share Acquisition | Number of Shares to be Held | | | 10,928,921 |
| | Shareholding Ratio | | | 27.27% |
| 4. Acquisition Method | Cash and stock, as specified below in Item 9 | | | |
| 5. Purpose of Acquisition | To find opportunities for investment in ICT and other promising areas in China | | | |
| 6. Scheduled Acquisition Date | August 17, 2017 | | | |
| 7. Date of the resolution by the Board of Directors | July 28, 2017 | | | |
| Attendance of Outside Directors | Present | 4 | | |
| | Absent | 0 | | |
| 8. Related Put or Call Agreements | None | | | |
| 9. Other Matters Relating to an Investment Decision | <p>- In exchange for newly issued shares of SK China, the Company expects to contribute its full equity interest in each of SKY Property Management Limited (SKY) and SK Industrial Development China Co., Ltd. (SK IDC) as well as cash, equal to the following amounts:</p> <p>1) SKY stock: USD 276,443,440.64</p> <p>2) SK IDC stock: USD 108,072,007.67</p> <p>3) Cash: USD 100,000,000.00</p> | | | |

- The actual acquisition amount of USD 484,515,448.31 (consisting of contributions in kind of USD 384,515,448.31 and cash of USD 100,000,000) has been translated into the Acquisition Amount (in Won) stated in 2. Details of Share Acquisition above at the rate of USD 1 to Won 1,112.50, which was the opening exchange rate on July 28, 2017 (the date on which this decision was announced). The Acquisition Amount (in Won) is subject to change based on the actual exchange rate on the acquisition date.

- The schedule stated above is subject to change depending on approvals from the relevant entities and other adjustments. Decisions with respect to specific terms and conditions of the acquisition that are within the scope of the board of directors resolution shall be delegated to the chief executive officer.

[Summary Financial Information of SK China (Unit: in millions of KRW)]

| As of and for the year ended December 31, | Total Shareholders | | | | | |
|---|---------------------------|--------------------|---------------|----------------------|----------------|-------------------|
| | Assets | Liabilities | Equity | Share Capital | Revenue | Net income |
| 2016 | 638,873 | 57,361 | 581,512 | 414,674 | 64,894 | 52,647 |
| 2015 | 825,683 | 280,035 | 545,648 | 414,674 | 89,161 | 15,592 |
| 2014 | 842,578 | 304,984 | 537,594 | 414,674 | 76,939 | 17,146 |

[Summary Financial Information of SKY (Unit: in millions of KRW)]

| As of and for the year ended December 31, | Total Shareholders | | | | | |
|---|---------------------------|--------------------|---------------|----------------------|----------------|-------------------|
| | Assets | Liabilities | Equity | Share Capital | Revenue | Net income |
| 2016 | 496,580 | 9,481 | 487,099 | 259,848 | 63,455 | 29,766 |
| 2015 | 488,676 | 6,995 | 481,681 | 259,848 | 53,964 | 41,002 |
| 2014 | 423,404 | 11,486 | 411,918 | 259,848 | 30,946 | -1,327 |

[Summary Financial Information of SK IDC (Unit: in millions of KRW)]

| As of and for the year ended December 31, | Total Shareholders | | | | | |
|---|---------------------------|--------------------|---------------|----------------------|----------------|-------------------|
| | Assets | Liabilities | Equity | Share Capital | Revenue | Net income |
| 2016 | 397,023 | 20,093 | 376,929 | 394,421 | | -1,061 |
| 2015 | 388,669 | 581 | 388,088 | 394,421 | | -881 |
| 2014 | 385,545 | 7 | 385,538 | 394,421 | | 82 |

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

SK TELECOM Co., LTD.
(Registrant)

By: /s/ Sung Hyung Lee
(Signature)
Name: Sung Hyung Lee
Title: Senior Vice President

Date: July 31, 2017