

SK TELECOM CO LTD
Form 6-K
August 18, 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 AUGUST 2017
Commission File Number: 333-04906

SK Telecom Co., Ltd.

(Translation of registrant's name into English)

65 Euljiro, Jung-gu

Seoul 04539, 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 Vertical Spin-off (Mool Juk Bun Hal) of SK Broadband s T-Commerce Business

On August 17, 2017, the Board of Directors of SK Broadband Co., Ltd. (the SK Broadband), a wholly-owned subsidiary of SK Telecom Co., Ltd., resolved to spin off SK Broadband s T-commerce business.

| 1. Subsidiary Company | SK Broadband Co., Ltd. | | | | | | | | | | | | | | |
|--|---|------------------------|-------------------|------------------------|--|-------------------|--------------|-----------|-------------------|-----------|---------------------------|-----------|---------------|-----------|--|
| 2. Spin-off Method | <p>SK Broadband intends to incorporate a new company (the Spun-Off Company) through a spin-off of SK Broadband s T-commerce business under Articles 530-2 through 530-12 of the Commercial Code of Korea, pursuant to which the Spun-Off Company will become a wholly-owned subsidiary of SK Broadband.</p> <p>- To enhance the level of specialization and strengthen management efficiency by separating out the businesses.</p> <p>- To establish decision-making systems and performance evaluation systems suitable to the two differing businesses.</p> <p>- To enhance the ability of each business to quickly respond to changes in the market and regulatory environment as well as concentrate investments in core businesses to augment global competitiveness.</p> | | | | | | | | | | | | | | |
| 3. Purpose of Spin-off | <p>Not applicable, as the Spun-Off Company will issue 100% of its newly issued shares to SK Broadband.</p> | | | | | | | | | | | | | | |
| 4. Spin-off Ratio | <p>Not applicable, as the Spun-Off Company will issue 100% of its newly issued shares to SK Broadband.</p> | | | | | | | | | | | | | | |
| 5. Details of Business and Assets to be Transferred subsequent to Spin-off | <p>Any assets/liabilities, rights/obligations or other items of value of the T-commerce business</p> | | | | | | | | | | | | | | |
| 6. Surviving Company after Spin-off | <table border="1"> <thead> <tr> <th colspan="2">Company Name</th> <th colspan="2">SK Broadband Co., Ltd.</th> </tr> </thead> <tbody> <tr> <td>Summary Financial</td> <td>Total Assets</td> <td>3,521,126</td> <td>Total Liabilities</td> <td>2,374,061</td> </tr> <tr> <td>Information as of and for</td> <td>1,147,065</td> <td>Capital Stock</td> <td>1,492,301</td> <td></td> </tr> </tbody> </table> | Company Name | | SK Broadband Co., Ltd. | | Summary Financial | Total Assets | 3,521,126 | Total Liabilities | 2,374,061 | Information as of and for | 1,147,065 | Capital Stock | 1,492,301 | |
| Company Name | | SK Broadband Co., Ltd. | | | | | | | | | | | | | |
| Summary Financial | Total Assets | 3,521,126 | Total Liabilities | 2,374,061 | | | | | | | | | | | |
| Information as of and for | 1,147,065 | Capital Stock | 1,492,301 | | | | | | | | | | | | |

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| | |
|------------------------------------|---|
| the Year ended | Total |
| December 31, 2016 (in | Shareholders |
| millions of KRW) | Equity |
| Sales Amount for the Latest Fiscal | |
| Year (Mil. KRW) | 2,922,245 |
| Main Business | Fixed line service, IPTV, high speed internet, etc. |

| | | | | | |
|--|---------------------------|--------------|-------------------------------|-------------------|--------|
| 7. Newly Established Company after Spin-off | Company Name | | SK On Co., Ltd. (preliminary) | | |
| | Summary Financial | Total Assets | 30,199 | Total Liabilities | 9,822 |
| | Information as of and for | Total | | | |
| | the Year ended | Shareholders | | | |
| | December 31, 2016 (in | Equity | 20,377 | Capital Stock | 15,000 |
| | millions of KRW) | | | | |
| Sales Amount for the Latest Fiscal | | | 20,731 | | |
| Year (Mil. KRW) | | | T-Commerce | | |
| Main Business | | | | | |

8. Scheduled Date of Shareholders Meeting August 17, 2017

9. Period for filing objection by the Creditors August 17, 2017 to September 18, 2017

10. Effective Date of Spin-off December 1, 2017

11. Scheduled Spin-off Registration Date December 7, 2017

| | | |
|--|-----------------|---|
| 12. Date of Board Resolution (Decision Date) | August 16, 2017 | |
| - Attendance of | Present | 4 |
| Outside Directors | Absent | 0 |

- The summary financial information in Items 6 and 7 above are based on separate financial statements as of December 31, 2016 prepared in accordance with Korean IFRS. Assets and liabilities to be transferred pursuant to the spin-off will be based on such financial statements, and the value of the transferred business may be subsequently adjusted on the date the spin-off takes effect.

11. Other Matters Relating to an Investment Decision

- Certain matters relating to the spin-off (including the transfer of documents, data and other materials) will be separately negotiated between SK Broadband and the Spun-Off Company.

- The above schedule and details relating to the spin-off may change based on further negotiation among related parties as well as applicable laws and regulations and is subject to the approval of the general shareholders meeting.

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/ Sunhyung Lee
(Signature)

Name: Sunhyung Lee

Title: Senior Vice President

Date: August 18, 2017