

SKorea's SK Telecom profit rises 4.6 percent

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A SK Telecom's sign board in Seoul. South Korea's top mobile carrier said Tuesday net profit rose 4.6 percent year-on-year for the second quarter due to an increase in wireless Internet revenue and new subscribers

South Korea's top mobile carrier SK Telecom said Tuesday net profit rose 4.6 percent year-on-year for the second quarter due to an increase in wireless Internet revenue and new subscribers.

Net profit was 311.6 billion won (250.7 million dollars) in the April-June period, up from 298 billion won a year earlier, the company said.

[Operating profit](#) increased 3.8 percent year-on-year to 553.4 billion won from 533 billion won. Sales increased 4.7 percent to 3.068 trillion won

from 2.931 trillion won a year earlier.

[Chief financial officer](#) Jang Dong-Hyun said a rise in subscribers offset higher marketing costs, which rose 8.3 percent year on year to 949 billion won.

Competition grew in June when KT Corp, South Korea's largest fixed-line telephone and [Internet broadband](#) service provider, and its wireless unit KT Freetel merged.

SK Telecom saw subscribers rise five percent from a year ago to 23.83 million at the end of June.

Its [wireless Internet](#) revenue rose 11.8 percent year-on-year to 671.2 billion won, helped by strong growth in flat-rate data plan subscribers.

The company gave an upbeat third quarter outlook saying the market would stabilise in the second half.

"Looking forward, SK Telecom plans to strengthen its core competency, which includes promoting further growth in the wireless Internet business by expanding our smartphone line-up and offering a wide variety of data plans," Jang said.

"Adding to this, SK Telecom will also continue to focus our efforts to secure new growth drivers."

The company said capital expenditure rose 10 percent year-on-year to 667.4 billion won for the first half, including 319 billion won on securing a new mobile service technology and improving communications quality.

Earlier this month, the state-run Korea Communications Commission

asked local mobile carriers to focus on improving their service quality, rather than excessive marketing activities.

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