

INDEPENDENT AUDITORS' REPORT



To the Stockholders and the Board of Directors of SK innovation Co., Ltd.

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of SK Innovation Co., Ltd. (the "Company") and its subsidiaries, which comprise the consolidated statements of financial position as of December 31, 2015 and 2014, respectively, and the related consolidated statements of comprehensive income, changes in stockholders' equity and cash flows for the years then ended, all expressed in Korean won, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Korean International Financial Reporting Standards ("K-IFRS") and for such internal control as management determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an audit opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Korean Standards on Auditing ("KSAs"). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the SK Innovation Co., Ltd. and its subsidiaries as of December 31, 2015 and 2014, respectively, and their financial performance and their cash flows for the years then ended, in accordance with K-IFRS.

10, Gukjegeumyung-ro, Youngdeungpo-gu, Seoul
Deloitte Anjin LLC
March 3, 2016

Deloitte Anjin LLC

This report is effective as of March 3, 2016, the auditors' report date. Certain subsequent events or circumstances may have occurred between the auditors' report date and the time the auditors' report is read. Such events or circumstances could significantly affect the financial statements and may result in modifications to the auditors' report.