



Investor Briefing

2018. 3Q Results

(K-IFRS, Non-audited)

SK Telecom

2018. 10. 30

Disclaimer

This presentation contains forward-looking statements with respect to the financial condition, results of operations and business of SK Telecom and its subsidiaries (the "Company", or "SKT") and plans and objectives of the management of the Company. The aforementioned forward-looking statements are influenced by unknown risks, uncertainties and other factors which may change the actual results or performance of the Company.

The Company does not make any representation or warranty, expressed or implied, as to the accuracy or completeness of the information contained in this management presentation, and nothing contained herein is, or shall be relied upon as, a promise or representation, whether as to the past or the future.

Therefore, this presentation contained herein should not be utilized for any legal purposes in regards to investors' investment results. The Company hereby expressly disclaims any and all liability for any loss or damage resulting from the investors' reliance on the information contained herein.

This presentation only speaks the information as of the date they are made, and the Company undertakes no obligation to update publicly any of them in light of new information or future events.

As of January 1, 2018, the Company has adopted IFRS 15, 「Revenue from Contracts with Customers」, by recognizing the cumulative effect of initially applying IFRS 15 as an adjustment to the opening balance of retained earnings as of January 1, 2018.

As a supplemental discussion of our operating results, this presentation contains unaudited results under the comparative historical accounting method prior to our adoption of IFRS 15.

Contents

3Q18 Highlights	3
Mobile Service	5
Media	7
Commerce	8
Financial Results	9
Effects of IFRS 15 Adoption	10
Financial Statements	11
Operating Data	13

Consolidated Financial Results

(KRW bn)	IFRS 15			Historical Accounting Standards				
	2Q18	3Q18	QoQ	3Q17	2Q18	3Q18	YoY	QoQ
Operating Revenues	4,154.3	4,186.4	0.8%	4,442.7	4,171.9	4,199.0	△5.5%	0.6%
Operating Expenses	3,807.4	3,882.3	2.0%	4,050.3	3,819.2	3,893.7	△3.9%	1.9%
Operating Income	346.9	304.1	△12.3%	392.4	352.7	305.3	△22.2%	△13.4%
Net Income	914.3	1,049.8	14.8%	793.0	915.9	1,050.1	32.4%	14.7%
EBITDA	1,153.6	1,110.9	△3.7%	1,209.0	1,159.4	1,112.1	△8.0%	△4.1%
EPS (KRW)	12,863	14,555	13.2%	11,271	12,885	14,558	29.2%	13.0%

Financial Highlights

□ Consolidated revenue increased by 0.8% QoQ due to SK Broadband's solid performance based on continued IPTV revenue growth

- Non-consolidated revenue decreased by 0.6% due to the effects of the tariff cut, but the decline narrowed QoQ through effective customer value enhancement efforts*
- SK Broadband continued its revenue growth KRW 820.2 billion (QoQ +4.9%) based on growing IPTV subscribers and content consumption, and quarterly operating income KRW 42.2 billion (QoQ +38.8%) marked a record high due to continued improvement of profitability
- Meanwhile, increase in marketing costs and one-off costs (commissions on acquisition of ADT Caps), led to a decrease in operating income QoQ

□ Based on record-breaking earnings of SK Hynix, consolidated net income increased by 14.8% QoQ, exceeding KRW 1 trillion mark for the first time

- SK Hynix achieved a record high operating income driven by a bullish industry based on solid demand
- SKT's equity method gains on SK Hynix also recorded a historic high at KRW 981 billion

* Please refer to page 6 for details of 'Customer Value Innovation Program'

Biz. Highlights

- **With our customer value innovation efforts, our position as the leading MNO continues to be strong with decreased marketing costs and the lowest level churn rates**
 - SKT ranked no.1 for the longest consecutive years in all 3 major domestic customer satisfaction indices across all industries
 - Marketing costs maintained a stabilizing trend, increased slightly QoQ, while continuing to record net handset subscriber additions, and decreased by 9.4% YoY
- **Completed acquisition of ADT Caps on October 1 and acquired SK Infosec, the no.1 information security company, to secure converged security business competitiveness for the future**
 - The information security capability of SK Infosec – a company continuing to record two-digit growth – will contribute to developing new business models in convergence with 5G-based IoT technology
 - Not only expand the existing security market but also target home and B2B areas that encompass both physical and information security, while creating new security services such as unmanned parking lots/ store solutions
- **11ST, spun off as of September 1, will evolve into the nation's no. 1 commerce portal through differentiated product categories and technology-based innovation based on its competitive mobile platform**
 - Mobile platform will continue to account for over 60% of gross merchandise volume
 - Focus on high margin categories (food/fashion/travel), and pursue differentiation through AR/VR/AI-applied UX
- **Media strengthened its position as a solid growth engine with continued growth in both IPTV and oksusu subscribers**
 - In particular, monthly unique visitors (7 million) of oksusu increased by 29.4% YoY, solidifying its position as the nation's leading mobile media platform
- **NUGU, Korea's no.1 artificial intelligence platform with over 6 million monthly users, will lead the growth of the AI ecosystem through expanded third-party partnerships and the open platform**
 - Established an unmatched position through proactive partnerships with diverse industries such as convenience stores, hotels etc.; and will further expand the ecosystem through open platform 『NUGU Developers』
- **While 5G related investment will begin within this year, preparing for the commercial launch of the 5G, total CAPEX of the year will remain as guided KRW 2.1 trillion through efficient investment in existing networks**

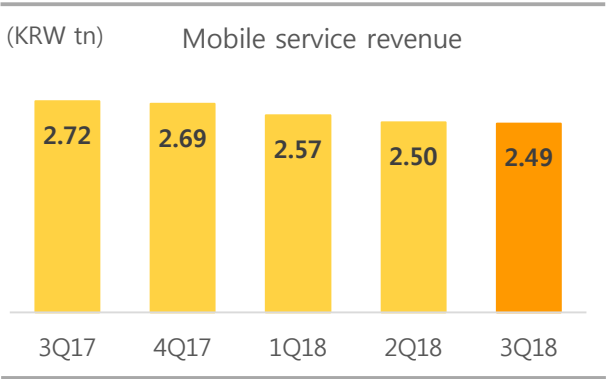


Cost effective marketing including launch of new price plan and data-based strategies led to growth in handset subscribers
Decrease in mobile service revenue and ARPU narrows even as impact of tariff discount continues

Revenue (Historical accounting standards)

Mobile service revenue recorded KRW 2.49tn, down by 8.5% YoY and 0.5% QoQ

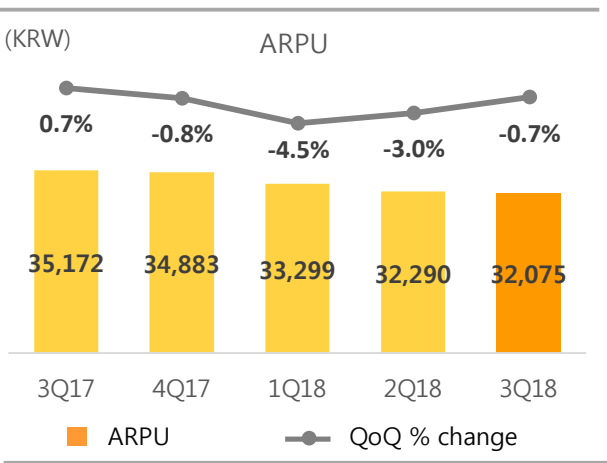
Revenues continued to decline, but the drop was narrowed as a result of effective marketing efforts and the new price plan



ARPU (Historical accounting standards)

ARPU decreased by 8.8% YoY and 0.7% QoQ and recorded KRW 32,075, affected by selective tariff discount and provisions for the disadvantaged

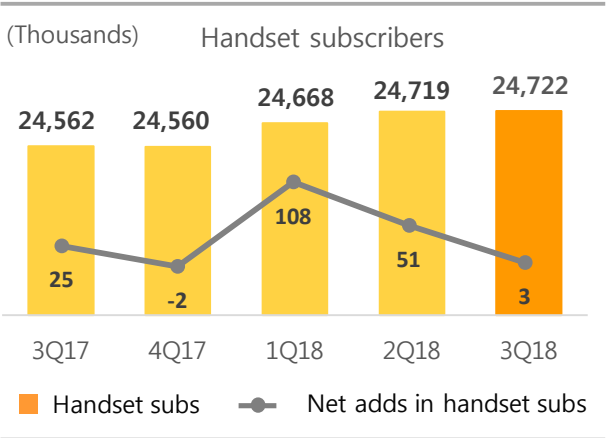
Downward trend eases as increase in selective tariff discount adoption rate slows



Subscribers

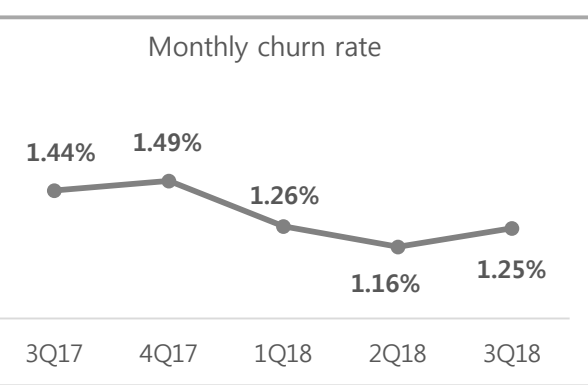
New subscriber acquisition strategies led to net adds of 3k in 3Q18

Cumulative net adds up to 3Q18: 162k



Churn rate

Churn remained relatively stable even with involuntary churn and increase in MNP QoQ





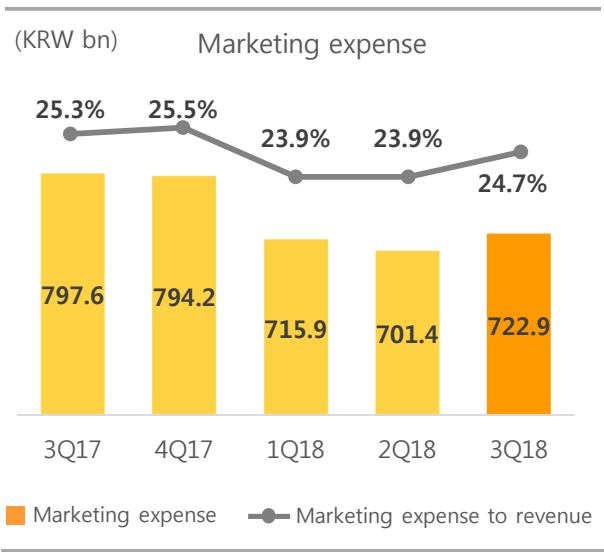
Cost effective marketing including launch of new price plan and data-based strategies led to growth in handset subscribers
Decrease in mobile service revenue and ARPU narrows even as impact of tariff discount continues

Marketing Expense

(Historical accounting standards)

As the 'Customer Value Innovation Program' continued to be effective, marketing expense decreased by 9.4% YoY and recorded KRW 722.9bn

Marketing expense to revenue was 24.7%, down by 0.6%p YoY



T Plan, the new intuitive price plan

By end of October, has attracted close to 3mn subscribers since its launch by offering greater data allowance and bundling benefits

More than 55% of subscribers on Family and Infinity plans share their data with family members

Average data usage among T Plan subscribers increased by more than 30%

Customer Value Innovation Program

Through a program that offers real customer benefits, the number of inconvenient and unsatisfactory customer experiences have decreased significantly

The overall customer satisfaction level, along with the customer intention to revisit our services, has improved

[1] No-contract plan (March 5)

In lieu of contract discounts, points that can be applied toward future device purchases or monthly payments are awarded to lock in customers

[2] Roaming Plan Upgrade (March 22)

Offer 3 free minute and lower data roaming prices

[3] Membership Program Upgrade (April 2)

Strengthen customer benefit with unlimited membership points and actual benefits (T Day)

[4] T Rental (June 1)

Provide the latest devices through rental service

[5] T Plan (July 18)

Introduced 5 price plans with bigger data offering which will contribute to the growth of mobile media business

[6] O Plan (August 13)

Offers greater data allowance and premium benefits to younger generation subscribers

[7] T Guam·Saipan Pass (September 19)

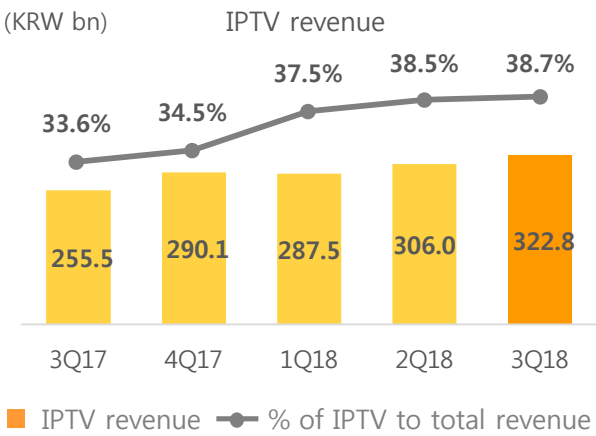
Allows subscribers to use roaming services in Guam and Saipan at domestic rates



Continuous IPTV revenue increase fueled by premium subscriber expansion and increase in contents usage
Through strengthened contents competitiveness, mobile OTT oksusu is hiking on its number of subscribers and contents revenue

Revenues (Historical accounting standards)

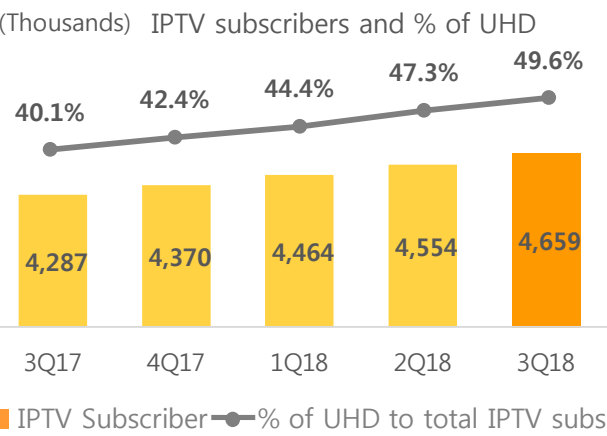
IPTV revenue increased by 26.3% YoY and 5.5% QoQ and recorded KRW 322.8 bn, as a result of growth in subscriber base and paid contents revenue



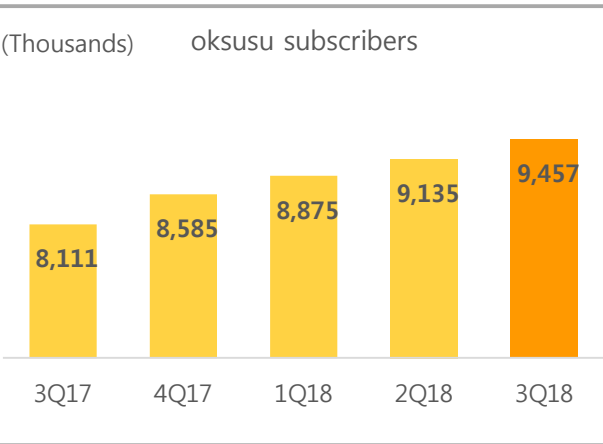
Subscribers

With net adds of 110K in 3Q18, IPTV subscriber number reached 4.66mn

The number of UHD-the premium service-subscribers recorded 2.31mn, accounting for 49.6% of total IPTV subscribers



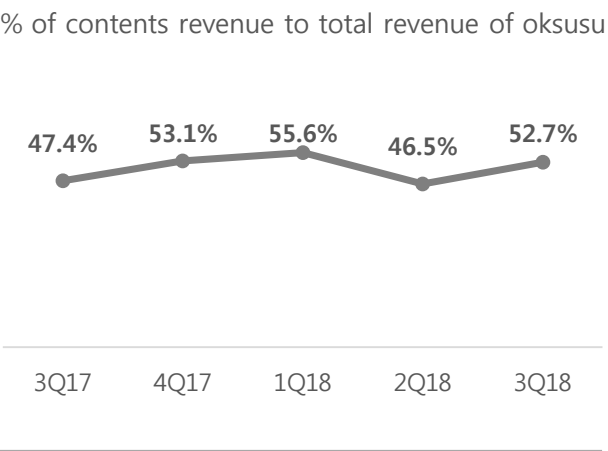
oksusu subscribers increased by 16.6% YoY to 9.46mn and UV recorded 7mn, up 29.4% YoY



Contents

Due to usage increase from strengthened contents competitiveness, 3Q18 IPTV contents revenue increased by 18.8% YoY

oksusu increased its percentage of contents revenue to 52.7% by strengthening personalized menu and diversifying contents

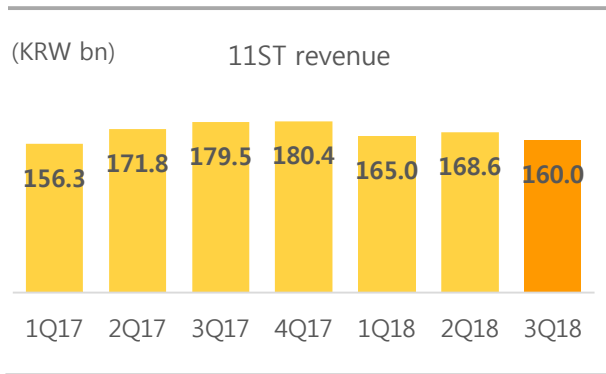




11ST, incorporated as a separate entity in September, continues to improve its margins YoY and will evolve into no.1 domestic Commerce Portal

Revenues

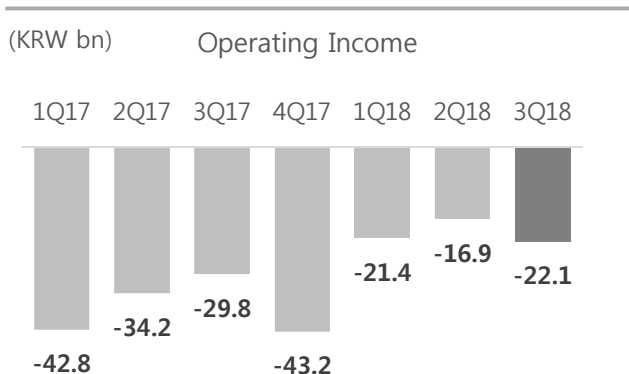
3Q revenue slightly decreased to KRW 160bn. Expecting revenue rebound from 4Q after the temporary stagnation due to spin-off process



Operating Income

Continuous profit improvement due to reduced dependency on price comparison sites and enhanced marketing based on data analysis

Accumulated operating losses up to 3Q decreased by 43.4% YoY, recorded KRW 60.4bn



Future Growth Strategy

To evolve as the leading E-commerce portal by achieving growth, profitability, customer trust

[1] Enhancement of commerce platform

Improve core competencies as a commerce platform player through efforts to reduce dependency on price comparison search engines, implement data-based marketing strategies, lower transaction costs such as settlement fees, and improve search speed

[2] Diversified strategy by product category

Pursue diversification strategy by category/seller through expansion to the new product categories, and innovating new business models

[3] Innovation based on technology

Service diversification based on technology owned by SKT and its affiliates, i.e. personalization, product recommendation, AI, AR/VR, etc.

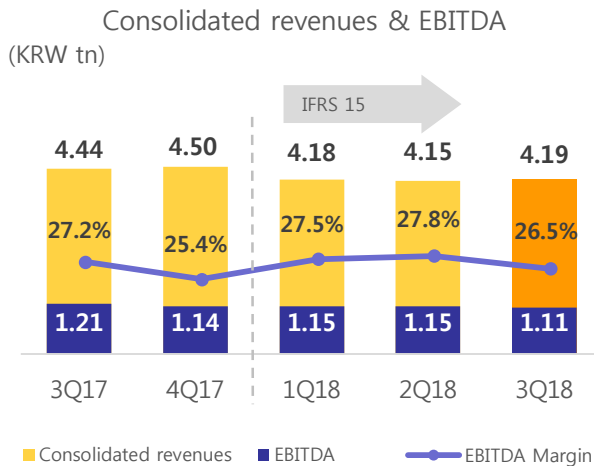
[4] SK ICT Family Synergy

Create synergies among SKT, SKB and 11ST, utilizing extensive customer data base, and offering integrated membership points

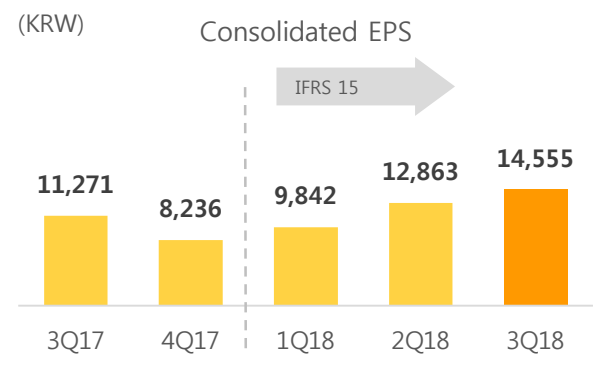
Consolidated Results

Consolidated revenues turned around QoQ as SK Broadband continued to grow, mitigating the decrease in mobile service revenue

Consolidated EBITDA decreased QoQ as marketing spend and cost of goods sold increased from acquiring new subscribers in both wireless and wireline businesses



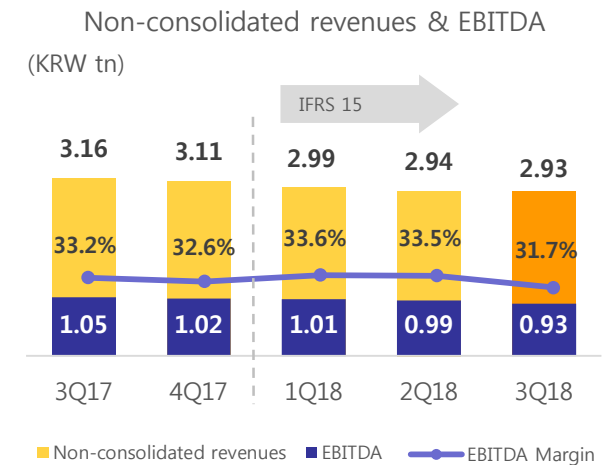
Consolidated EPS rose both YoY and QoQ as a result of equity gains from SK Hynix
3Q18 SK Hynix equity gains : KRW 981bn



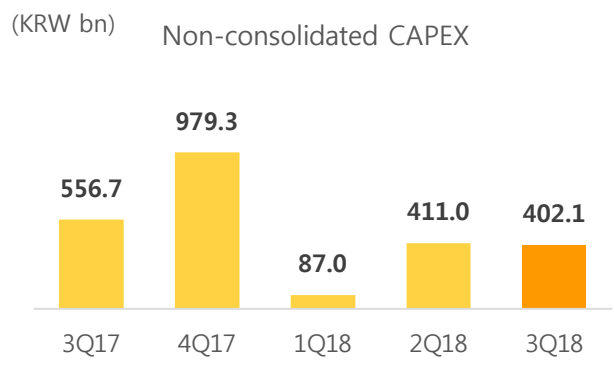
SKT Non-Consolidated Results

Non-consolidated revenues narrowed its decrease QoQ even as the effects of selective tariff discount and the provisions for the disadvantaged persisted, due to increase in handset subscribers

Non-consolidated EBITDA decreased QoQ as a result of talent acquisition in growth businesses, and the on-going customer value innovation efforts



Of the KRW 2.1tn annual non-consolidated CAPEX budget for 2018, cumulative CAPEX spend as of 3Q recorded KRW 900.1bn



Introduction

From January 1, 2018, SK Telecom has adopted the new accounting standard for revenue from contracts with customers, or IFRS 15

Prior period financials are not restated according to IFRS 15, but for contracts not completed at the adoption of IFRS 15, the transactions are retroactively reflected in the retained earnings of January 1, 2018

Key Concepts

Consideration paid to customers

Certain considerations paid to customers which were previously expensed as occurred, are accounted for as sales discounts under IFRS 15

Costs to acquire customers

Costs to acquire customers, such as marketing expense, were previously expensed as occurred. Under IFRS 15, the costs are capitalized and amortized over the expected subscription period

Combined contracts

For contracts where the device and the mobile service are sold by the same entity, the combined revenue is reallocated according to the standalone sales price of each performance obligation

Effects on Consolidated Financials

(KRW bn)	3Q18 (IFRS 15)	Adj.*	3Q18 (Historical)
Operating Revenues	4,186.4	(12.6)	4,199.0
Operating Expenses	3,882.3	(11.4)	3,893.7
Labor cost	538.5	0.0	538.5
Commissions	1,266.1	0.9	1,265.2
Advertising	119.9	(12.3)	132.2
Operating Income	304.1	(1.2)	305.3
Income Before Tax	1,301.9	(1.2)	1,303.1
Income Tax	252.1	(0.9)	253.0
Net Income	1,049.8	(0.3)	1,050.1

* IFRS 15 results – Historical results

Operating Revenues

Consolidated operating revenues decrease by KRW 12.6bn, as a result of certain previously expensed items being accounted for as sales discounts

Revenue reallocation from combined contracts had a positive impact of KRW 5bn for 3Q

Operating Expenses

Labor cost is affected from amortizing prior period customer acquisition costs; in 3Q the effect was marginal

Commissions increase by KRW 0.9bn from capitalizing customer acquisition costs and accounting changes for consideration paid to customers

Advertising decrease by KRW 12.3bn as certain previously expensed items are recognized as sales discounts

◆ Consolidated Income Statement

* IFRS 15 results – Historical results

(KRW bn)	3Q17	4Q17	2017	1Q18	2Q18	3Q18	Adj.*	3Q18 (Historical)
Operating revenues	4,442.7	4,497.3	17,520.0	4,181.5	4,154.3	4,186.4	(12.6)	4,199.0
Operating expenses	4,050.3	4,186.9	15,983.4	3,856.1	3,807.4	3,882.3	(11.4)	3,893.7
Labor cost	509.5	528.7	1,966.2	550.0	535.6	538.5	0.0	538.5
Commissions	1,372.8	1,382.9	5,486.3	1,262.1	1,216.9	1,266.1	0.9	1,265.2
Advertising	128.4	185.5	522.8	100.1	110.5	119.9	(12.3)	132.2
Depreciation ¹⁾	816.6	831.9	3,247.0	823.8	806.7	806.8	-	806.8
Interconnection	224.1	216.8	875.0	215.0	218.8	212.2	-	212.2
Leased line	47.6	45.6	192.0	41.8	40.4	41.0	-	41.0
Frequency usage	39.0	38.8	150.3	38.8	36.1	38.6	-	38.6
Cost of goods sold	477.9	561.0	1,886.5	410.9	399.0	418.3	-	418.3
Others	434.4	395.6	1,657.4	413.6	443.4	440.9	-	440.9
Operating income	392.4	310.4	1,536.6	325.5	346.9	304.1	(1.2)	305.3
EBITDA	1,209.0	1,142.4	4,783.6	1,149.3	1,153.6	1,110.9	(1.2)	1,112.1
EBITDA margin	27.2%	25.4%	27.3%	27.5%	27.8%	26.5%	-	26.5%
Net profit or loss from non-operating items	611.6	616.1	1,866.6	581.5	816.1	997.8	-	997.8
Equity gains	689.5	678.0	2,245.7	626.6	915.6	992.4	-	992.4
Income before taxes	1,004.1	926.6	3,403.2	907.0	1,163.0	1,301.9	(1.2)	1,303.1
Net income	793.0	660.6	2,657.6	693.4	914.3	1,049.8	(0.3)	1,050.1
Majority interest	795.8	590.0	2,599.8	695.0	916.7	1,031.4	(0.3)	1,031.7
Noncontrolling interest	(2.9)	70.7	57.8	(1.6)	(2.4)	18.4	-	18.4
Basic EPS(KRW)	11,271	8,236	36,582	9,842	12,863	14,555	(3)	14,558

◆ Non-consolidated Income Statement

* IFRS 15 results – Historical results

(KRW bn)	3Q17	4Q17	2017	1Q18	2Q18	3Q18	Adj.*	3Q18 (Historical)
Operating revenues	3,156.5	3,113.9	12,468.0	2,988.5	2,941.8	2,925.6	(3.2)	2,928.8
Mobile service ²⁾	2,717.1	2,691.7	10,768.8	2,568.9	2,497.7	2,484.6	(0.4)	2,485.0
Interconnection	150.2	156.7	624.3	150.9	156.1	155.9	-	155.9
Others ²⁾	289.2	265.6	1,075.0	268.8	288.0	285.1	(2.8)	287.9
Operating expenses	2,735.9	2,738.6	10,770.3	2,619.3	2,573.6	2,614.9	13.2	2,601.7
Labor cost	152.6	163.5	624.9	175.0	158.7	174.8	-	174.8
Commissions	1,242.5	1,227.8	4,864.5	1,132.9	1,085.5	1,112.7	13.2	1,099.5
Marketing	760.1	744.5	2,968.6	712.3	664.5	692.4	13.2	679.2
Others	482.4	483.4	1,895.8	420.7	421.0	420.3	-	420.3
Advertising	37.5	49.7	150.4	26.0	38.0	43.7	-	43.7
Depreciation ¹⁾	628.6	640.6	2,503.5	636.2	617.2	615.7	-	615.7
Interconnection	161.7	158.0	628.6	162.6	167.0	162.3	-	162.3
Leased line	34.7	31.0	140.1	31.7	32.2	31.6	-	31.6
Frequency usage	39.0	38.8	150.3	38.8	36.1	38.6	-	38.6
Others	439.2	429.2	1,708.1	416.0	438.9	435.5	-	435.5
Operating income	420.7	375.3	1,697.7	369.3	368.2	310.6	(16.4)	327.0
EBITDA	1,049.3	1,015.9	4,201.2	1,005.4	985.4	926.3	(16.4)	942.7
EBITDA margin	33.2%	32.6%	33.7%	33.6%	33.5%	31.7%	-0.5%p	32.2%
Net profit or loss from non-operating items	143.5	(198.6)	(93.9)	108.2	(72.3)	(60.7)	-	(60.7)
Income before tax	564.2	176.6	1,603.8	477.5	295.9	249.9	(16.4)	266.3
Net income	478.7	150.1	1,331.1	364.4	219.8	183.3	(14.7)	198.0

1) Depreciation and amortization includes R&D related depreciation

2) Revenues from direct carrier billing and verification reclassified from mobile service revenues to other revenues (historical data within this presentation restated)

◆ Consolidated Balance Sheet

*Impact of IFRS 15

(KRW bn)	9-30-17	12-31-17	Adj.*	1-1-18	3-31-18	6-30-18	9-30-18
Total assets	31,923.8	33,428.7	2,523.0	35,951.7	36,134.4	36,336.8	38,186.5
Current assets	6,008.3	6,201.8	1,804.1	8,005.9	8,471.3	7,814.3	9,025.6
Cash and marketable securities ¹⁾	2,111.5	2,171.5	-	2,171.5	2,482.2	2,287.5	3,108.6
Accounts receivable	3,132.9	3,386.8	(4.3)	3,382.5	3,601.2	3,085.0	3,580.7
Other current assets	763.9	643.4	1,808.4	2,451.8	2,387.9	2,441.8	2,336.3
Non-current assets	25,915.5	27,226.9	718.9	27,945.8	27,663.1	28,522.5	29,160.9
PP&E, Intangible assets	15,209.5	15,646.9	-	15,646.9	15,018.8	14,830.8	14,628.3
Investments	9,802.0	10,426.7	-	10,426.7	11,161.9	12,070.9	12,838.4
Other non-current assets	904.1	1,153.3	718.9	1,872.2	1,482.4	1,620.8	1,694.2
Total liabilities	14,447.7	15,399.5	622.9	16,022.4	16,146.6	15,428.0	16,015.7
Current liabilities	6,387.7	7,109.1	12.5	7,121.6	6,883.7	5,759.3	5,889.8
Short-term borrowings	80.0	130.0	-	130.0	30.0	45.9	53.1
Accounts payable	1,709.5	2,438.3	-	2,438.3	1,743.5	1,805.3	1,735.8
Other current liabilities	4,598.2	4,540.8	12.5	4,553.3	5,110.2	3,908.1	4,100.9
Non-current liabilities	8,060.0	8,290.4	610.4	8,900.8	9,262.9	9,668.7	10,125.9
Bonds payable and long-term borrowings	5,800.5	5,808.1	-	5,808.1	6,332.9	6,604.0	6,883.3
Deferred tax liabilities	719.5	978.7	599.3	1,578.0	1,685.0	1,812.6	1,966.1
Other non-current liabilities	1,540.0	1,503.6	11.1	1,514.7	1,250.0	1,252.1	1,276.5
Total shareholders' equity	17,476.1	18,029.2	1,900.0	19,929.2	19,987.8	20,908.8	22,170.8
Common stock and additional paid in capital	241.1	240.9	-	240.9	241.4	234.2	551.7
Retained earnings	17,242.4	17,835.9	1,900.0	19,736.0	19,842.4	20,754.7	21,696.9
Other comprehensive income/loss ²⁾	(144.0)	(234.7)	-	(234.7)	(292.8)	(283.9)	(356.1)
Noncontrolling interests	136.6	187.1	-	187.1	196.8	203.8	278.3

◆ Non-consolidated Balance Sheet

*Impact of IFRS 15

(KRW bn)	9-30-17	12-31-17	Adj.*	1-1-18	3-31-18	6-30-18	9-30-18
Total assets	24,985.9	25,557.5	2,325.2	27,882.7	27,787.3	26,997.5	27,065.1
Current assets	3,630.4	3,768.1	1,711.4	5,479.5	6,087.1	5,343.9	5,517.4
Cash and marketable securities ¹⁾	995.9	974.6	-	974.6	1,380.6	1,135.2	1,137.4
Accounts receivable	2,339.6	2,523.7	-	2,523.7	2,769.3	2,250.7	2,490.6
Other current assets	294.9	269.8	1,711.4	1,981.2	1,937.2	1,958.0	1,889.4
Non-current assets	21,355.5	21,789.4	613.8	22,403.2	21,700.2	21,653.6	21,547.7
PP&E, Intangible assets	11,005.1	11,318.9	-	11,318.9	10,774.5	10,555.5	10,344.6
Investments	9,789.5	9,877.3	-	9,877.3	9,884.4	9,916.4	9,940.8
Other non-current assets	560.9	593.2	613.8	1,207.0	1,041.3	1,181.7	1,262.3
Total liabilities	10,161.2	10,550.1	601.2	11,151.3	11,371.9	10,390.3	10,353.3
Current liabilities	4,526.5	4,767.4	-	4,767.4	4,840.6	3,420.6	3,300.8
Accounts payable	1,324.0	1,867.0	-	1,867.0	1,381.4	1,410.4	1,238.7
Other current liabilities	3,202.5	2,900.4	-	2,900.4	3,459.2	2,010.2	2,062.1
Non-current liabilities	5,634.7	5,782.7	601.2	6,383.9	6,531.3	6,969.7	7,052.5
Bonds payable and long-term borrowings	4,239.4	4,377.3	-	4,377.3	4,802.8	5,293.7	5,412.8
Long-term payables	1,322.9	1,328.6	-	1,328.6	1,036.4	1,040.8	1,045.2
Other non-current liabilities	72.4	76.8	601.2	678.0	692.1	635.2	594.5
Total shareholders' equity	14,824.8	15,007.4	1,724.0	16,731.4	16,415.4	16,607.2	16,711.8
Common stock and additional paid in capital	416.4	416.5	-	416.5	416.7	415.6	415.7
Retained earnings	14,365.5	14,512.6	1,724.0	16,236.5	16,008.0	16,224.0	16,317.3
Other comprehensive income/loss ²⁾	42.9	78.3	-	78.3	(9.3)	(32.4)	(21.2)

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

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

◆ Subscribers

(Thousands)	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	YoY	QoQ
Subscribers ¹⁾	29,833	29,993	30,156	30,195	30,349	30,719	30,771	2.0%	0.2%
Net adds	238	160	163	39	155	370	52	-68.0%	-85.9%
Activations	1,583	1,385	1,462	1,391	1,299	1,434	1,209	-17.3%	-15.7%
Deactivations	1,345	1,225	1,299	1,352	1,144	1,063	1,156	-11.0%	8.8%
Monthly Churn	1.5%	1.4%	1.4%	1.5%	1.3%	1.2%	1.3%	-0.1%p	0.1%p
Smartphone Subs	22,181	22,424	22,735	22,985	23,386	23,705	23,842	4.9%	0.6%
LTE Subs ¹⁾	21,650	22,071	22,569	22,865	23,401	23,993	24,391	8.1%	1.7%
LTE Penetration	72.6%	73.6%	74.8%	75.7%	77.1%	78.1%	79.3%	4.5%p	1.2%p

High speed internet	5,310	5,344	5,403	5,439	5,484	5,524	5,575	3.2%	0.9%
IPTV ²⁾	4,073	4,170	4,287	4,370	4,464	4,554	4,659	8.7%	2.3%

1) Includes MVNO connections, excludes other connections such as facility-monitoring lines

2) Restated subscriber count including VoD users effective as of 2Q17 (historical data restated)

◆ ARPU

(KRW)	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	YoY	QoQ
ARPU ¹⁾	34,615	34,934	35,172	34,883	33,299	32,289	32,070	-8.8%	-0.7%
ARPU including MVNO	31,039	31,260	31,371	31,014	29,586	28,652	28,454	-9.3%	-0.7%

1) Calculated from SK Telecom mobile service revenue (2G/3G/LTE and IoT) : Includes voice, data, and other revenue
(Excludes activation fee and interconnection revenue).
Net of sales discount from contract and bundling, etc. Excludes MVNO related revenue.
Calculated from SK Telecom mobile service revenue (2G/3G/LTE and IoT) : From MSIT subscriber statistics
(average number of billed connections for the quarter)
2018 ARPU: IFRS 15 accounting standards

※ Revenues from direct carrier billing and verification are reclassified from mobile service revenues to other revenues.
Historical data within this presentation is restated accordingly.