



**FOR IMMEDIATE RELEASE**

## **SK Telecom Announces 1Q 2022 Earnings Results**

- *SKT posts revenue of KRW 4.277 trillion, operating income of KRW 432.4 billion, and net income of KRW 220.3 billion.*
- *SKT maintains mobile market leadership driven by strong 5G subscriber growth and SK Broadband achieves highest net additions of cumulative IPTV subscribers in the market for four consecutive quarters.*
- *SKT's five business groups continued to grow, with media and enterprise business achieving two-digit growth compared to the same period last year.*
- *SKT and SK Broadband continue to put efforts to advance the network infrastructure, spending a combined total capital expenditure of KRW 279.4 billion in the first quarter.*

**Seoul, Korea, May 10, 2022** – SK Telecom (NYSE:SKM, hereinafter referred to as “SKT”) today announced its earnings for the first quarter of 2022 on a K-IFRS consolidated basis: revenue of KRW 4.277 trillion, operating income of KRW 432.4 billion, and net income of KRW 220.3 billion.

Compared to the same period last year, SKT’s consolidated revenue and operating income increased by 4% and 15.5%, respectively, backed by the growth of its key business areas including MNO and IPTV. Net income decreased by 61.5% due to factors including the exclusion of equity method gains from SK Hynix, which came as the result of the horizontal spin-off in November 2021.

For the first quarter of 2022, revenue and operating income of SKT and SK Broadband increased compared to the same period of last year thanks to growth in the MNO and media business areas.

On a non-consolidated basis, SKT’s revenue rose by 3.2% year-on-year (YoY) to stand at KRW 3.774 trillion, and its operating income expanded by 16.2% YoY to KRW 356.9 billion. The company further strengthened its leadership in the mobile telecommunications market by adding over 1 million 5G subscribers.

SK Broadband’s revenue increased by 6.1% YoY to KRW 1.026 trillion, while its operating income edged up by 0.9% to KRW 76.1 billion. It achieved the highest net additions of



cumulative IPTV subscribers in the market for four consecutive quarters since the second quarter of 2021.

This year, SKT is driving growth centered around five key business groups. The company's subscription service 'T Universe' recently surpassed 1 million subscribers. SKT's subscription services generated a combined total of KRW 130 billion of gross merchandise volume (GMV) in the first quarter. In addition, by providing high user convenience and diverse social features, SKT's metaverse service 'Ifland' has reached 1.35 million monthly active users (MAU) as of March 2022 and is on track to accelerate growth by developing new opportunities in the overseas markets through cooperation with global telecommunications companies.

The media business is growing at a rapid pace, with its revenue increasing by 10.3% compared to the same period last year. SK Stoa posted revenue of KRW 89.5 billion in the first quarter, solidifying its status as the largest T-commerce company in Korea in terms of revenue.

The revenue of the company's enterprise business centered on data center and cloud services increased by 17.4% compared to the same period last year. The Gasan and Siksa data centers, which opened in July 2021, are expected to grow continuously based on steady demands, and more data centers are being built. Moreover, with increasing use of cloud, the cloud service revenue is also on the rise.

SKT is making continuous efforts to advance its 5G infrastructure. In the first quarter, the combined total capital expenditure (CAPEX) of SKT and SK Broadband increased by 27% YoY to KRW 279.4 billion. Having spent an annual CAPEX of over KRW 3 trillion for four consecutive years, SKT and SK Broadband plan to maintain a similar level of capital expenditure this year.

"In the first quarter of 2022, we achieved even growth in our main business areas including MNO, media and enterprise" said Kim Jin-won, CFO of SKT. "We will continue to drive growth and innovations in our five key business groups this year."

※ The conference call in regard to SK Telecom's 1Q 2022 earnings results can be heard via SK Telecom's webpage on Tuesday, May 10, from 15:00 Seoul Time.



※ **Attachment 1. Summary of Consolidated Income Statement** (Unit: KRW billion)

Type	Year-on-year			Quarter-on-quarter		
	2022 1Q	2021 1Q	Change	2022 1Q	2021 4Q	Change
<b>Revenue</b>	<b>4,277.2</b>	<b>4,113.1</b>	<b>4.0%</b>	<b>4,277.2</b>	<b>4,297.8</b>	<b>-0.5%</b>
<b>Operating Income</b>	<b>432.4</b>	<b>374.2</b>	<b>15.5%</b>	<b>432.4</b>	<b>226.7</b>	<b>90.7%</b>
<b>Net Income</b>	<b>220.3</b>	<b>572.0</b>	<b>-61.5%</b>	<b>220.3</b>	<b>314.8</b>	<b>-30.0%</b>

\* The horizontal spin-off is reflected in the figures.

※ **Attachment 2. Summary of Non-Consolidated Income Statement** (Unit: KRW billion)

Type	Year-on-year			Quarter-on-quarter		
	2022 1Q	2021 1Q	Change	2022 1Q	2021 4Q	Change
<b>Revenue</b>	<b>3,077.4</b>	<b>2,980.7</b>	<b>3.2%</b>	<b>3,077.4</b>	<b>3,073.1</b>	<b>0.1%</b>
<b>Operating Income</b>	<b>356.9</b>	<b>307.3</b>	<b>16.2%</b>	<b>356.9</b>	<b>159.1</b>	<b>124.3%</b>
<b>Net Income</b>	<b>252.0</b>	<b>466.0</b>	<b>-45.9%</b>	<b>252.0</b>	<b>265.4</b>	<b>-4.9%</b>

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**About SK Telecom**

SK Telecom (NYSE:SKM) is Korea's leading ICT company, driving innovations in fixed & wireless telecommunications, AI service, and digital infrastructure service. Armed with cutting-edge ICT including AI and 5G, the company is ushering in a new level of convergence to deliver unprecedented value to customers. As the global 5G pioneer, SKT is committed to realizing the full potential of 5G through ground-breaking services that can improve people's lives, transform businesses, and lead to a better society.

SKT boasts unrivaled leadership in the Korean mobile market with over 30 million subscribers, which account for nearly 50 percent of the market.

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