

## Decision on Capital Increase of Eleven Street Co., Ltd.

On September 7, 2018, the board of directors of Eleven Street Co., Ltd. (the “Subsidiary”), a subsidiary of SK Telecom Co., Ltd. (the “Company”), approved a capital increase through a third-party allotment to Nile Holdings Co., Ltd. (the “Capital Increase”).

### I. Details of Capital Increase

<b>Subsidiary Company</b>		Eleven Street Co., Ltd.
<b>1. Type and Number of New Shares</b>	<b>Common Shares</b>	-
	<b>Class Shares</b>	1,863,093
<b>2. Par Value per Share (Won)</b>		500
<b>3. Number of Issued and Outstanding Shares before Capital Increase</b>	<b>Common Shares</b>	8,383,931
	<b>Class Shares</b>	-
<b>4. Use of Proceeds</b>	<b>Facility Funds (Won)</b>	-
	<b>Operating Funds (Won)</b>	500,000,131,503
	<b>Funds for Acquisition of Securities of Other Companies (Won)</b>	-
	<b>Other (Won)</b>	-
<b>5. Method of Capital Increase</b>		Third-Party Allotment
<b>6. Issue Price of New Shares</b>	<b>Common Shares (Won)</b>	-
	<b>Class Shares (Won)</b>	268,371
<b>7. Discount or Premium over Base Share Price (%)</b>		-
<b>8. Basis for Third-Party Allotment in Articles of Incorporation</b>		Article 11(3)
<b>9. Payment Date</b>		September 28, 2018
<b>10. Record Date for Dividend Payout of New Shares</b>		September 1, 2018
<b>11. Scheduled Delivery Date of New Shares</b>		September 29, 2018
<b>12. Matters Related to Contribution-in-kind</b>		Not applicable
<b>13. Date of Resolution by the Board of Directors</b>		September 7, 2018
- Attendance of Outside Directors	<b>Present</b>	-
	<b>Absent</b>	-
- Attendance of Auditors (Non-Outside Director Members of Audit Committee)		Absent
<b>14. Submission of Registration Statement</b>		Yes
<b>15. Reason for Submission Exemption</b>		-
<b>16. Report to the Korea Fair Trade Commission</b>		Yes
<b>17. Other Matters Relating to Investment Decision</b>		- “Scheduled Delivery Date of New Shares” in Item 11 above refers to the effective date of the new shares (the day after Payment Date), as the Company will not issue any physical shares.
		- “Payment Date” in Item 9 above remains subject to change depending on the progress for the Capital Increase.

	- Total Assets of Subsidiary and Consolidated Total Assets of Company in “III. Matters Related to Subsidiary” below are as of March 31, 2018.
	- Other matters related to the Capital Increase that have not been determined by the board of directors will be delegated to the representative director.
	Related Disclosure: Report on Decision on Spin-Off dated June 19, 2018

## II. Details of Third-Party Allotment

<b>Recipient of Third-Party Allotment</b>	Nile Holdings Co., Ltd.
<b>Relationship to the Company or Largest Shareholder</b>	Other
<b>Reason for Selection</b>	Financing of necessary funds for achieving the company’s management goals
<b>Transaction History or Plans within 6 Months of Decision on Capital Increase</b>	None

## III. Matters Related to Subsidiary

<b>Name of Subsidiary</b>	Eleven Street Co., Ltd.
- <b>Representative</b>	Sang Ho Lee
- <b>Principal Business</b>	E-commerce and Internet-related businesses
- <b>Material Subsidiary</b>	No
<b>Total Assets of Subsidiary (Won)</b>	582,805,659,690
<b>Consolidated Total Assets of Company (Won)</b>	36,134,388,043,098
<b>Ratio of Total Assets of Subsidiary to Consolidated Total Assets of Company (%)</b>	1.61

## **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/ Jung Hwan Choi

*(Signature)*

Name: Jung Hwan Choi

Title: Senior Vice President

Date: September 7, 2018