

KT 1Q25 Earnings Release

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1-1 1Q25 Highlights

Financials

Strong OP growth driven by CT/AX and real estate development PJT.*

Cons.	Revenue	6,845.1 bn (YoY +2.9%)	Sep.	Revenue	4,682.0 bn (YoY -0.3%)
Operating Profit		688.8 bn (YoY +36.0%)	Operating Profit		400.1 bn (YoY +1.6%)

* Recognition of apartment sale revenue began in March

Shareholder Return

1Q25 Dividend ¹	KRW 600 per share (YoY +20%)	Share Buyback & Cancellation ²	KRW 250bn (Based on value-up plan)	Dividend Procedure ³	Dividend amount to be announced before record date
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1)Record date: '25.03.31, 2)Cancellation TBC, considering foreign limits, 3)Year-end/Quarterly dividend(2Q25~)

Management Strategy

AICT Company Transformation

- ✓ Prepare for the launch of Korean AI model and SPC based on MS partnership('25.06~)
* Secure Public Cloud
- ✓ Strategic partnership with Palantir
- ✓ Media business innovation based on AI
- Accelerating AX with media AI Agent, AI Studio Lab

Value-up Plan Execution

- ✓ Accelerated transformation into AICT company
- AI/IT Rev. up +10.2% YoY
- ✓ Completed the sale of 2 second-tier subsidiaries
- Initech(Mar.31), PlayD(Apr.3)
- ✓ Streamlined low-margin business(20 units)

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2-1 FY2028 Financial Target and Action Plans



2028 Target

Consolidated ROE 9% ~ 10%

Action Plan

AI/IT Rev. Up 3x^{of 2023}

Consolidated OP Margin 9%

Liquidate Non-Core Assets

Total ^{KRW}1tr. Share
Buyback&Cancellation

『Transform into AICT Company』

Innovate core business with AICT,
Attain top-tier AI/Cloud capabilities

『Increase Profitability』

Enhance OP through
streamlining low-profit businesses

『Increase Resources
for Capital Allocation』

Liquidate non-core assets and
idle real estate

『Additional Share
Buyback&Cancellations』

Enhance capital efficiency
through additional returns

Strategy

Integrate AICT into Core Biz. ^{Telco, Media, NW, IT}, Accelerate Growth of B2B AX and Revamp Management Structure

2-2 AICT Transformation

Initiated AICT transformation in terms of business, workforce, and capabilities

Foundation for AICT Growth

Strategic partnerships w/ global big techs



Microsoft ('24.06)

Palantir ('25.03)

Establishment of AX division

- Launched 'AXD', AX-specialized division('25.03)

Innovation in Business·Workforce·Capabilities

Innovation of workforce structure

- Restructured on-site workforce('24.11)
- Established network-focused subsidiaries('25.01)

Upgrade IT workforce and mgmt. frameworks

- Merged 'kt NexR' to absorb IT specialists('24.12)
- IT·Data modernization(in progress)

2-3 Improving Profitability

Streamlined low-margin businesses to increase profitability

Streamline low-margin businesses

Streamlined

Businesses with limited competencies

Streamlined 20 different businesses

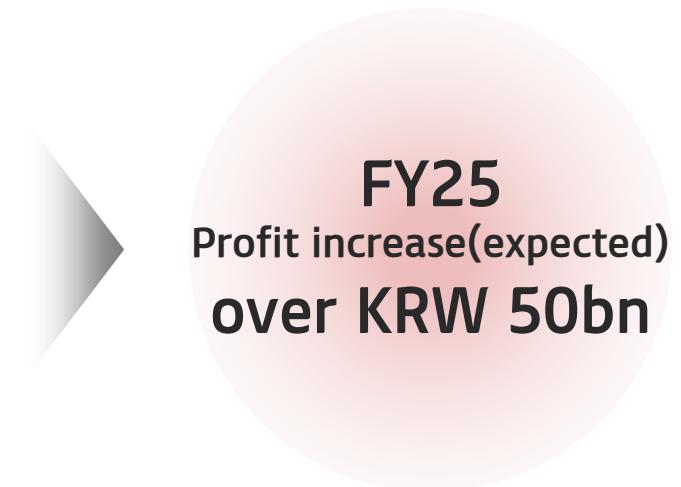
including Healthcare, Logistics solutions, Solar energy and etc.

Revamped

Businesses with growth potential

Revamped profit model of 9 businesses

including Smart city, AICC, C-ITS and etc.



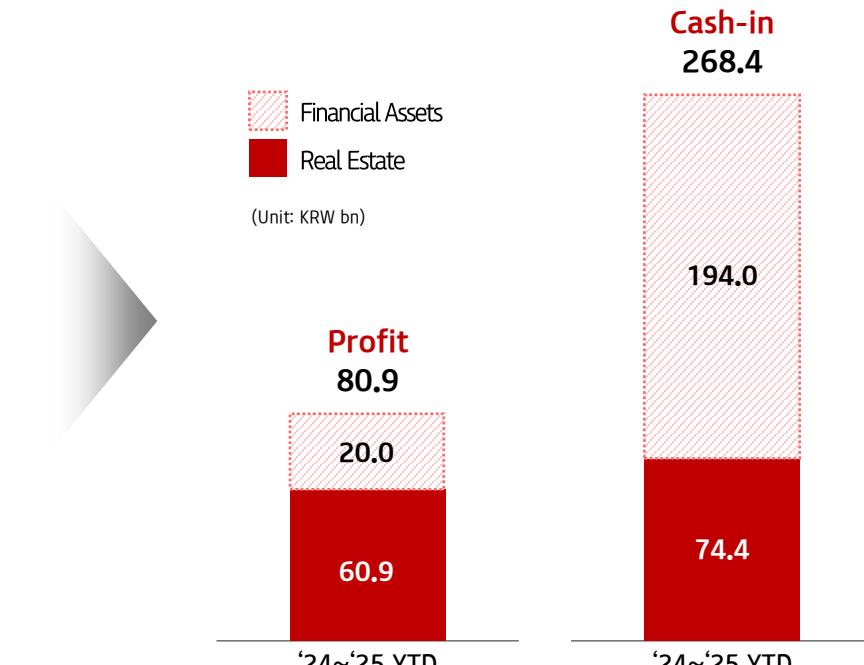
2-4 Asset Efficiency

Portfolio optimization based on financial and strategic values

Asset Efficiency

Financial Assets
• Liquidated 7 Marketable Securities – Webcash, Fadu, Bizplay and etc.
• Liquidated 5 Subsidiaries – Initech, PlayD, Lolab, KT VH, Juice
• Merged 2 Subsidiaries – kt NexR - KT, kt service - kt linkus

Real Estate
• Sale/Development of idle assets – Assets with limited holding value



*Financial assets/Real estate profit/cash flow on a consolidated basis

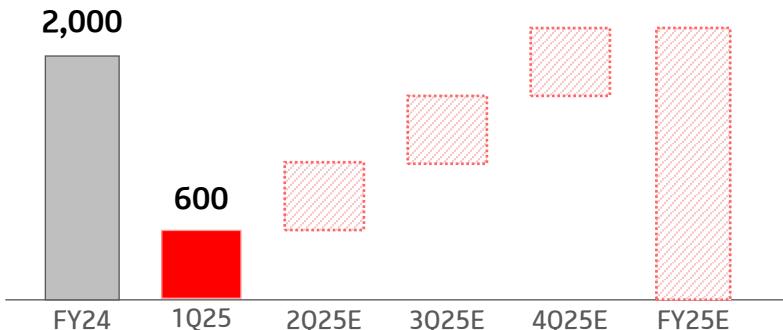
2-5 Shareholder Return

Quarterly dividend increased by 20% YoY to KRW 600, share buyback of KRW 250bn ongoing from Feb to Aug. 2025

1Q25 Dividend

**FY25 quarterly dividend increased by 20% YoY,
from KRW 500^{FY24} to KRW 600^{1Q25}**

DPS (Unit: KRW)



Share Buyback

**Share buyback of KRW 250bn in FY25,
part of KRW 1tr by FY28**

‘25.02~‘25.08 share buyback via trust contract in progress
To be cancelled once foreign ownership limit allows

Dividend Procedure

Dividend amount to be announced before record date

Aol on dividend record date amended starting from
FY24 year-end and FY25 quarterly dividend

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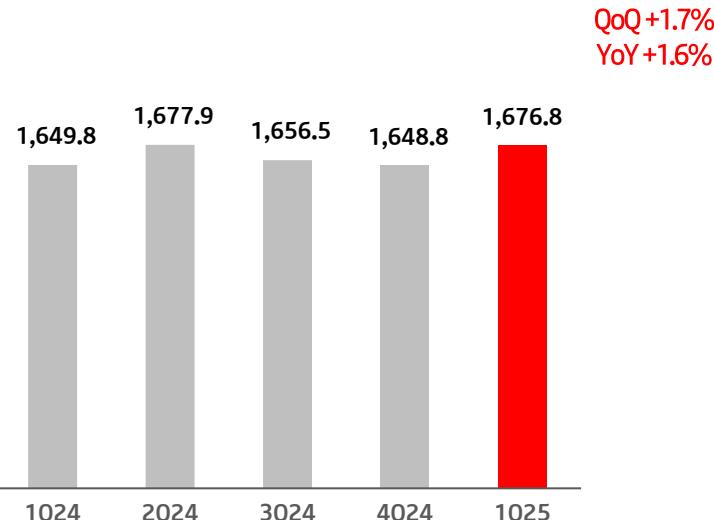
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3-1 KT - Wireless

Wireless service revenue up +1.6% YoY with increased 5G penetration and MVNO revenue

1Q25 Performance

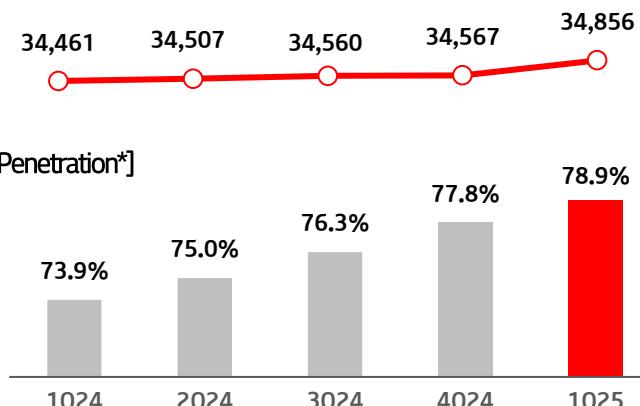
Service Rev. (Unit: KRW bn)



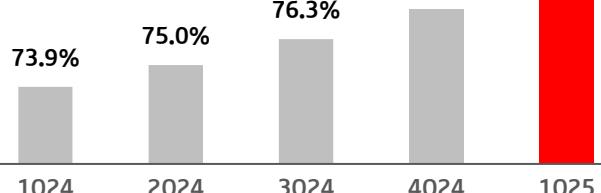
Highlights

ARPU & 5G Penetration

[ARPU] (Unit: KRW) QoQ +0.8%
YoY +1.1%



[5G Penetration*]



* (5G Handset Subs.) / (MNO Handset Subs.)

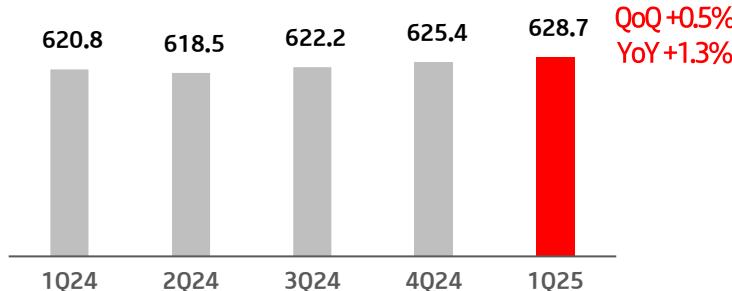
3-2 KT - Fixed Line

Broadband revenue +1.3% YoY, due to increase in GiGA subscribers and new value-added services

Media revenue +0.1% YoY, driven by a continued subscriber shift to premium plans and to upgraded set-top boxes

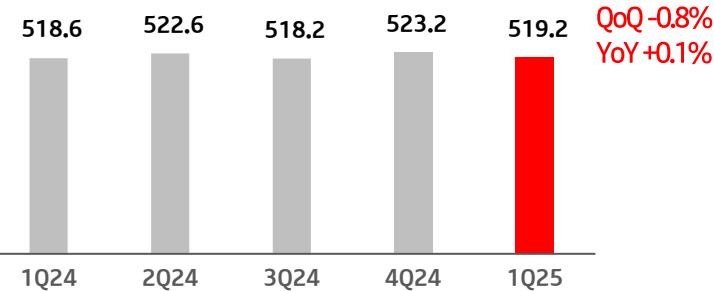
Broadband

Rev. (Unit: KRW bn)



Media

Rev. (Unit: KRW bn)



Subscribers (Unit: Thousands)

	1Q24	2Q24	3Q24	4Q24	1Q25	YoY
Total	9,862	9,899	9,928	9,956	9,984	1.2%
GiGA %*	68.5%	68.7%	68.9%	69.2%	69.4%	0.9%p

* (Cumulative GiGA Subs.) / (Total Broadband Subs.)

Subscribers (Unit: Thousands)

	1Q24	2Q24	3Q24	4Q24	1Q25	YoY
Total	9,418	9,423	9,440	9,449	9,438	0.2%
16.5K↑ %*	31.6%	31.8%	32.2%	32.5%	32.8%	1.2%p

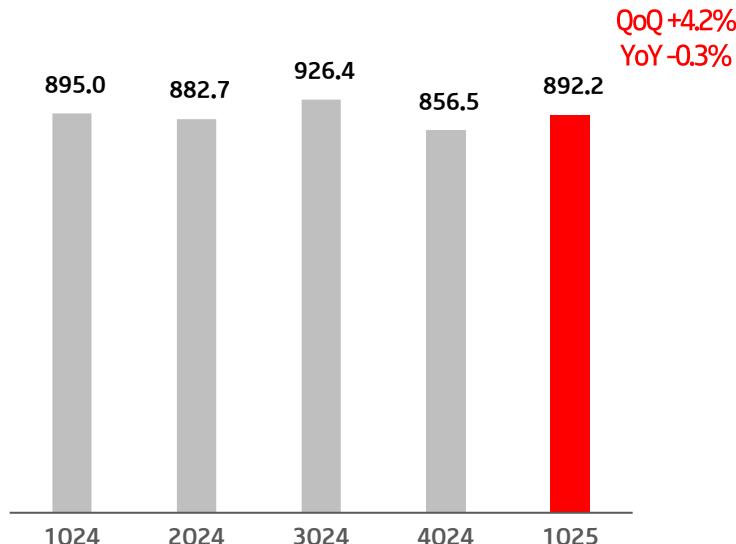
* (Cumulative 16.5K ↑ Subs.) / (Total IPTV Mass Subs.)

3-3 KT - B2B Services

B2B services revenue -0.3% YoY, due to continued streamlining of low-margin businesses
 AI/IT revenue +11.9% YoY, sustaining strong double-digit growth trend

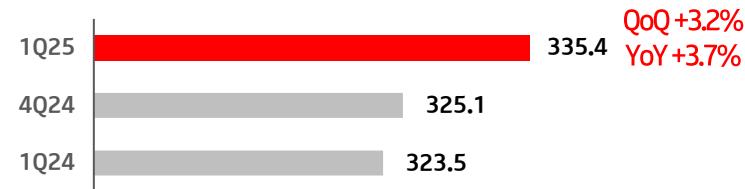
1Q25 Performance

Rev. (Unit: KRW bn)

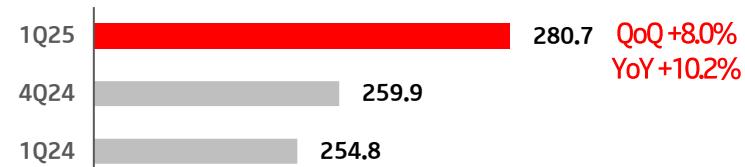


Highlights

Corp. Broadband/Data Rev. (Unit: KRW bn)



AI/IT Rev. (Unit: KRW bn)



※ AI/IT: AX platform-based including AICC, IoT, Multi/Hybrid Cloud, Smart Mobility

3-4 KT - AI Partnership

Marking the foundational year of change and B2B AX growth with the launch of Korean AI model and KT Secure Public Cloud based on the strategic partnership with Microsoft

FY25 Key Plans

- ‘25.Jan ○ Commenced Azure, M365 sales to the 30 priority clients and the public sector
- ‘25.Mar ○ Launched AX Delivery Center (AXD)
- ‘25.Jun~ ○ Launch KT Secure Public Cloud and start collaborative marketing with MS ^{consulting/design/operation}
Launch Korean AI model (Custom GPT 4o-K)

Priority Clients

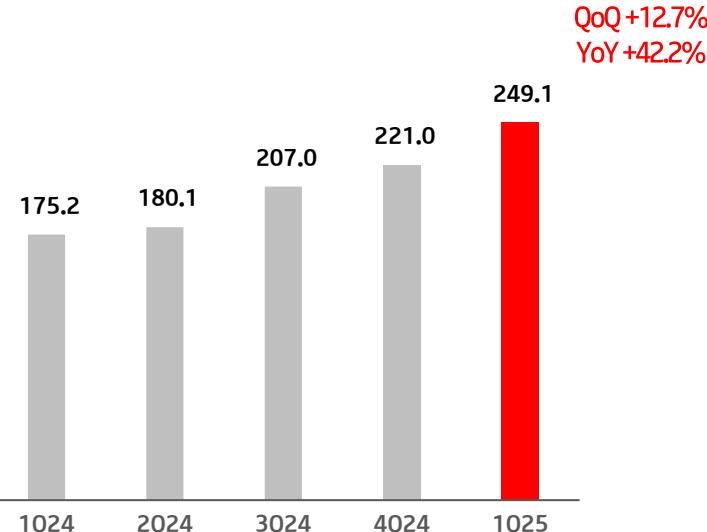


3-5 kt cloud

kt cloud revenue +42.2% YoY, supported by increased DC usage from global clients and momentum in design & build operations

1Q25 Performance

Rev. (Unit: KRW bn)



Highlights

Performance

DC

- Continued revenue growth from global clients
- Increase in DBO business (Gasan, Gyeongbuk, etc.)

Cloud

- Rev. growth from cloud usage expansion by corp. clients

DC Capacity (as of the end of 1Q25)

	Metropolitan Area	Non-Metropolitan Area
# of DC (incl. CDC)	7 (incl. Mokdong, Yongsan)	8 (incl. Gimhae, Songjeong)

3-6 Finance

(BC Card) Profitability improved with PLCC¹ expansion and platform rev. growth despite declined transaction volume
 (K bank) Higher interest costs under the Virtual Asset Protection Act(Jul. 2024) led to decrease in profits

1)PLCC : Private Label Credit Card

BC Card

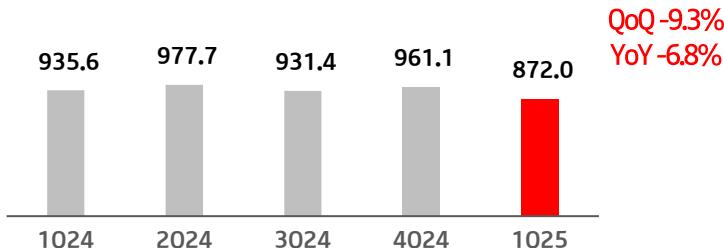
- Rev. declined as card transactions slowed in response to broader economic uncertainty
 - 1Q25 Rev. KRW 872.0bn (QoQ -9.3%, YoY -6.8%)
- OP increased by cost control and higher dividend income
 - 1Q25 OP KRW 35.8bn (QoQ +160.2%, YoY +3.2%)

K bank

- Despite loan/deposit growth, higher VASP² interest expense led to lower profit
 - 1Q25 OP KRW 15.6bn (QoQ +53.4%, YoY -69.6%)
- Decision to restart IPO process
 - Plan to disclose timing to the market once confirmed

2)VASP : Virtual Asset Service Provider

BC Card Rev. (Unit: KRW bn)



K bank Performance

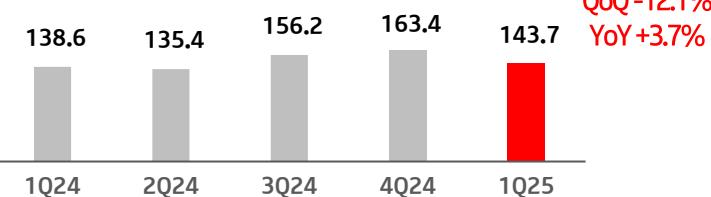
	1Q24	2Q24	3Q24	4Q24	1Q25	YoY
Deposit (KRW tr)	24.0	21.9	22.0	28.6	27.8	15.9%
Loan (KRW tr)	14.8	15.7	16.2	16.3	16.9	14.8%
Client (10K)	1,033	1,147	1,205	1,274	1,363	32.0%

3-7 Media/Content

Content subsidiaries posted +3.7% YoY rev. growth, led by strong performances from KT Studiogenie and KT Millie's Library

1Q25 Performance

Content Subsidiaries* Rev. (Unit: KRW bn)



FY25 Key Plans

- Optimizing content creation/distribution portfolio
- Reducing production costs utilizing AI
- Adopting AI agent to improve customer experience and build win-win model

FY25 KT Original Content Production Plan



'Mother and Mom'
(‘25.03)



'New Recruit3'
(‘25.04)



'Tastefully Yours'
(‘25.05)



'My Troublesome Star'
(Scheduled for ‘25.2H)



'Ms. Incognito'
(Scheduled for ‘25.2H)

Targeting 7 original content releases

* Content Subsidiaries : Nasmedia(PlayD incl.), KT Studiogenie(Genie music, Storywiz, and others incl.)

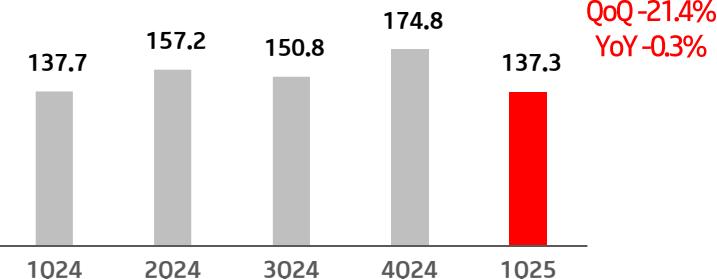
3-8 Real Estate

Established a stable revenue growth stream through hotel business expansion and new development projects

kt estate

- Diversified asset portfolio across office, rental housing, and hotels
- KT Daejeon HR center: all 864 units sold

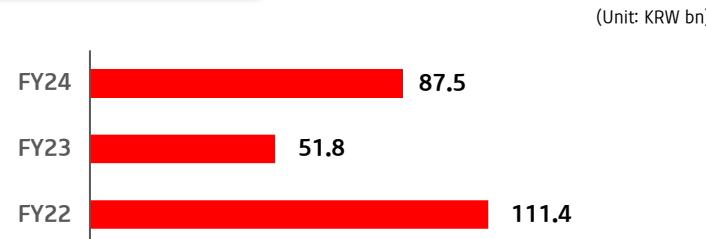
kt estate Rev. (Unit: KRW bn)



Gwangjin Development Project^{NCP}

- Strengthened pjt. management
 - (APT) Lotte Eastpole 631 units(28% occupancy as of March)
 - (Rental housing/Public Office) Scheduled for occupancy by 2Q25
 - (Office/Hotel/Retail) Scheduled for occupancy within 2025

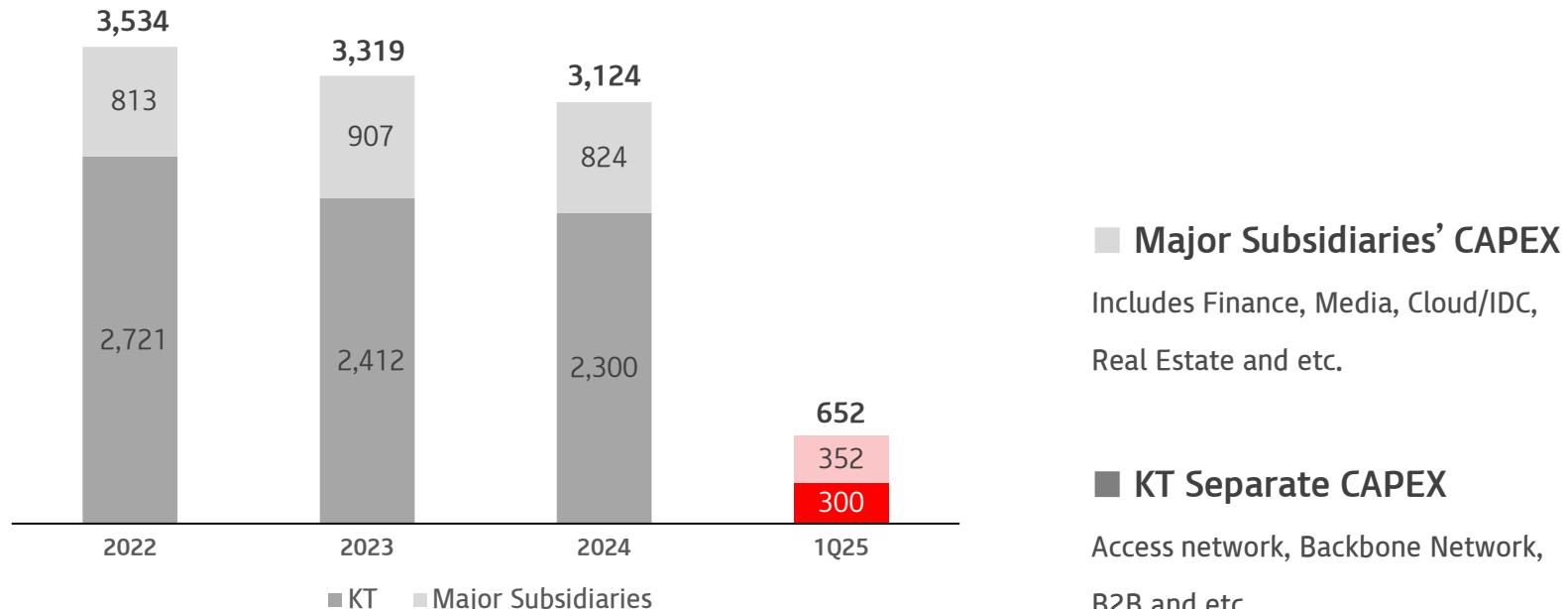
Profit by Selling Properties



3-9 CAPEX

1Q25 CAPEX execution : KRW 300bn(KT separate), KRW 351.8bn(Major subsidiaries)

(Unit: KRW bn)



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1 K-IFRS Income Statement

(Unit: KRW bn)

Consolidated	1Q24	2Q24	3Q24	4Q24	1Q25	KT Separate	1Q24	2Q24	3Q24	4Q24	1Q25
Operating revenue	6,654.6	6,546.4	6,654.6	6,575.6	6,845.1	Operating revenue	4,694.8	4,548.3	4,765.0	4,571.6	4,682.0
Service revenue	5,722.7	5,776.6	5,752.0	5,754.7	5,700.4	Service revenue	4,040.6	4,048.0	4,069.0	3,995.8	4,044.5
Sale of goods	931.9	769.8	902.7	820.9	1,144.7	Sale of goods	654.2	500.3	696.0	575.8	637.5
Operating expense	6,148.1	6,052.4	6,190.5	7,230.7	6,156.3	Operating expense	4,301.0	4,189.5	4,426.1	5,316.6	4,281.9
Cost of Service	5,101.2	5,178.9	5,111.6	6,256.7	5,174.0	Cost of Service	3,624.7	3,696.8	3,688.7	4,713.8	3,620.7
Labor cost	1,100.9	1,213.2	1,118.3	2,189.6	1,121.8	Labor cost	540.7	631.3	534.6	1,545.1	460.2
General expense	2,674.2	2,708.3	2,692.6	2,791.2	2,655.8	General expense	1,777.1	1,804.2	1,832.7	1,905.9	1,875.7
Cost of service	726.5	656.6	699.8	667.5	798.3	Cost of service	673.2	630.6	685.6	620.0	647.5
Selling expense	599.6	600.8	600.8	608.4	598.0	Selling expense	633.7	630.7	635.7	642.8	637.4
Cost of Goods sold	1,046.9	873.5	1,078.9	974.0	982.3	Cost of Goods sold	676.3	492.6	737.3	602.8	661.2
Operating income	506.5	494.0	464.1	-655.1	688.8	Operating income	393.8	358.8	338.9	-745.0	400.1
N-OP income (loss)	22.5	62.7	45.0	-354.9	23.1	N-OP income (loss)	72.4	50.3	69.2	-134.5	48.2
N-OP income	323.1	325.8	35.8	611.5	199.1	N-OP income	309.0	260.0	32.5	538.7	158.2
N-OP expense	310.9	260.1	-11.1	969.7	167.9	N-OP expense	236.6	209.7	-36.7	673.2	110.0
Equity Method (G/L)	10.2	-3.0	-1.9	3.3	-8.2						
Income bf tax	529.0	556.7	509.1	-1,010.1	711.8	Income bf tax	466.1	409.2	408.0	-879.5	448.3
Income tax	136.0	146.2	125.9	-240.4	145.0	Income tax	112.1	94.7	98.2	-228.1	82.9
Net income	393.0	410.5	383.2	-736.6	566.8	Net income	354.0	314.5	309.8	-618.5	365.4
NI contribution to KT	375.5	393.0	357.3	-655.6	539.8						
EBITDA	1,480.2	1,460.2	1,428.9	318.0	1,657.4	EBITDA	1,199.1	1,162.9	1,144.8	70.4	1,210.6
EBITDA Margin	22.2%	22.3%	21.5%	4.8%	24.2%	EBITDA Margin	25.5%	25.6%	24.0%	1.5%	25.9%

2 K-IFRS Balance Sheet

(Unit: KRW bn)

Consolidated	1Q24	2Q24	3Q24	4Q24	1Q25	KT Separate	1Q24	2Q24	3Q24	4Q24	1Q25
Assets	42,710.0	43,144.4	42,750.4	41,880.0	42,185.6	Assets	30,334.8	30,464.8	29,957.1	29,528.9	29,041.0
Current assets	14,997.4	15,175.2	15,197.0	14,251.9	14,458.5	Current assets	7,578.4	7,451.7	7,447.7	6,892.6	7,016.3
Cash & cash equivalents	3,000.7	3,786.7	3,953.9	3,716.7	3,133.0	Cash & cash equivalents	1,331.6	1,722.5	1,608.7	1,540.6	1,150.6
Trade & other receivables	4,571.4	4,161.7	4,304.2	3,987.3	4,217.8	Trade & other receivables	3,546.3	3,097.6	3,275.6	2,904.8	3,209.5
Inventories	899.1	964.0	903.2	940.2	853.9	Inventories	310.3	404.1	264.6	224.7	190.2
Other current asset	6,526.2	6,262.7	6,035.7	5,607.8	6,253.8	Other current asset	2,390.2	2,227.5	2,298.8	2,222.5	2,465.9
- Prepaid_Contract cost	1,249.2	1,233.6	1,236.7	1,233.6	1,325.3	- Prepaid_Contract cost	1,335.4	1,312.5	1,318.3	1,308.8	1,405.7
- Contract assets	620.4	611.1	625.6	577.4	597.9	- Contract assets	540.2	548.6	542.0	521.1	521.4
Non-current assets	27,712.6	27,969.2	27,553.4	27,628.0	27,727.1	Non-current assets	22,756.4	23,013.1	22,509.4	22,636.3	22,024.7
Trade & other rec	381.2	398.4	357.0	381.8	336.3	Trade & other rec	298.8	321.1	278.2	309.1	241.1
Tangible assets	14,585.7	14,591.7	14,509.1	14,825.8	14,398.1	Tangible assets	11,214.3	11,264.4	11,185.6	11,477.7	11,068.3
Other current assets	12,745.7	12,979.1	12,687.3	12,420.4	12,992.7	Other current assets	10,281.4	10,472.9	10,116.8	9,953.2	9,856.6
- Prepaid_Contract cost	465.1	471.4	485.2	504.6	462.3	- Prepaid_Contract cost	451.9	453.8	475.3	493.4	454.8
- Contract assets	229.3	226.3	225.3	223.4	208.3	- Contract assets	207.4	204.1	201.7	198.2	182.3
Liabilities	24,127.8	24,162.5	23,564.0	23,883.4	23,847.3	Liabilities	15,335.6	15,166.7	14,513.1	15,108.7	14,409.3
Current liabilities	14,046.1	14,095.2	14,644.5	13,874.7	13,134.6	Current liabilities	7,477.8	7,315.1	8,074.9	7,633.2	7,265.4
Trade & other payables	8,282.4	8,052.3	7,712.9	7,394.8	6,952.5	Trade & other payables	4,864.3	4,694.7	4,421.5	4,585.8	4,258.8
Short-term borrowings	3,538.6	3,595.0	4,358.7	3,904.8	3,649.1	Short-term borrowings	1,914.9	1,789.5	2,860.3	2,434.2	2,263.0
Others	2,225.1	2,447.9	2,572.9	2,575.2	2,533.0	Others	698.5	830.8	793.0	613.2	743.6
- Contract liabilities	239.3	231.2	230.6	226.4	244.1	- Contract liabilities	227.0	206.9	210.5	208.4	217.8
Non-current liabilities	10,081.7	10,067.3	8,919.5	10,008.7	10,712.7	Non-current liabilities	7,857.9	7,851.6	6,438.2	7,475.5	7,144.0
Trade & other payables	554.1	556.1	573.4	578.4	372.4	Trade & other payables	1,074.2	1,063.8	1,010.2	979.4	672.0
Long-term borrowings	6,612.8	6,555.6	5,409.9	6,615.9	7,520.5	Long-term borrowings	5,652.2	5,675.7	4,290.7	5,437.7	5,417.6
Others	2,914.8	2,955.4	2,936.2	2,814.3	2,819.9	Others	1,131.5	1,112.0	1,137.3	1,058.4	1,054.4
- Contract liabilities	48.7	43.6	48.7	46.9	48.4	- Contract liabilities	36.0	26.4	32.9	34.5	37.5
Equity	18,582.2	18,981.9	19,186.4	17,996.5	18,338.3	Equity	14,999.2	15,298.1	15,444.1	14,420.2	14,631.7
Retained earnings	14,361.5	14,452.7	14,675.2	13,779.8	14,197.4	Retained earnings	12,390.5	12,404.2	12,579.2	11,717.9	11,965.0

3 Subscribers

K-IFRS / Separate
(Unit: Thousands)

Wireless Subscribers	1Q24	2Q24	3Q24	4Q24	1Q25	QoQ	YoY
Total	24,834	24,904	25,199	26,132	26,445	1.2%	6.5%
- MNO	17,743	17,770	17,997	18,950	19,186	1.2%	8.1%
- MVNO	7,091	7,134	7,203	7,182	7,259	1.1%	2.4%
5G Handset¹⁾	9,948	10,093	10,251	10,400	10,552	1.3%	5.9%
Churn rate²⁾	1.1%	1.0%	1.0%	1.1%	1.0%	0.1%p	-0.1%p
ARPU (KRW)³⁾	34,461	34,507	34,560	34,567	34,856	0.8%	1.1%

1) 5G Handset : Retroactively applied from 1Q23 based on the change of subscriber disclosure criteria by the MSIT (excludes 5G 2nd Device and 5G IoT)

2) Churn rate : Based on MNO subscribers (excludes IoT)

3) ARPU = Wireless revenue* / Wireless subscribers**

* Wireless revenue(3G, LTE, 5G incl.): Revenue of Voice/Data usage (Interconnection/Subscription fee exc.), VAS, Contract/ Bundled Discounts, and etc. incl.

** Wireless subscribers: Based on MSIT's guidelines for average billed subscribers in quarter (IoT/M2M exc.)

(Unit: Thousands)

Fixed Line Subscribers	1Q24	2Q24	3Q24	4Q24	1Q25	QoQ	YoY
Telephony	11,903	11,748	11,616	11,475	11,320	-1.4%	-4.9%
- PSTN	8,673	8,526	8,395	8,264	8,122	-1.7%	-6.4%
- VoIP	3,230	3,222	3,222	3,211	3,198	-0.4%	-1.0%
Broadband	9,862	9,899	9,928	9,956	9,984	0.3%	1.2%
IPTV (GTV+GTS)	9,418	9,423	9,440	9,449	9,438	-0.1%	0.2%

※ Number of IPTV subscribers above differs from MSIT figures that follow the IPTV law

- Number of KT pay TV subscribers in 1H24 is 8,852,093 (6-month average)

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