

KT 2Q25 Earnings Release

2025. 8. | Investor Relations



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2	Corporate Value-Up Plan
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2-1 2Q25 Highlights

Financials

Significant increase in OP driven by real estate PJT*, CT and group portfolio growth

Cons. Revenue **7,427.4bn** (YoY +13.5%)
OP **1,014.8bn** (YoY +105.4%)

Sep. Revenue **4,772.8bn** (YoY +4.9%)
OP **468.7bn** (YoY +30.6%)

*Lotte Eastpole APT, Gwangjin-gu

Shareholder Return

2Q25 Dividend¹
KRW 600 per share
(YoY +20%)

Share Buyback²
KRW 250bn
(Value-up plan)

Dividend Procedure

Announce dividend amount prior to record date(2Q~)

1)Record date: '25.7.30, 2)To be completed by Aug 13; cancelled once foreign ownership limit allows

Management Strategy

Transform into AICT company

Secured Full AI Line-up

KT developed^{Mi:dm2.0} / Open-Source^{Llama} / MS Collaboration Models

Won large-scale AI/IT project orders

Acquisition of contracts from large/IT companies

Introduced Genie TV AI Agent

Powered by LLM³ based on MS Azure OpenAI Service

Strengthening competitiveness through MS partnership

SPC⁴ with ACC⁵ / Korean AI model to launch in 2H

3)Large Language Model, 4)Secure Public Cloud, 5)Azure Confidential Computing

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

2-2 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, etc.

Revamped

Businesses with growth potential

Revamped profit model of 9 businesses

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



FY25
Profit increase(expected)
over **KRW 50bn**

2-3 Asset Efficiency

Portfolio optimization based on financial and strategic values

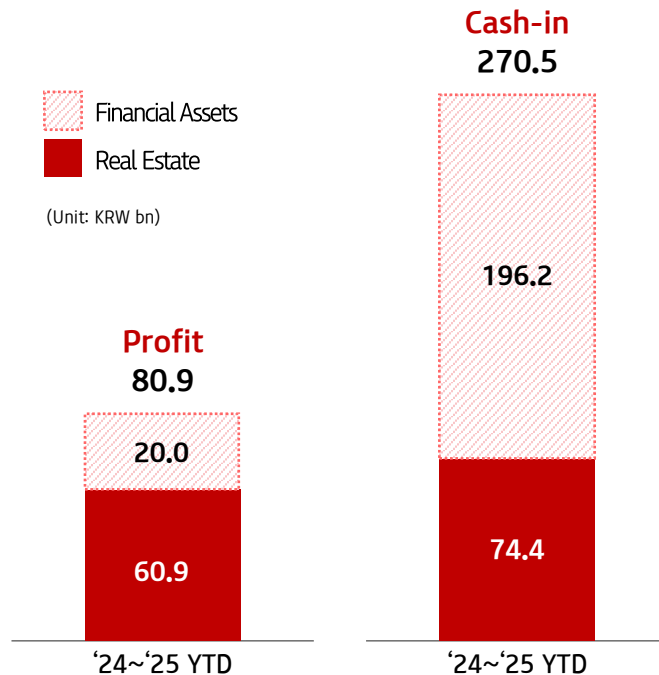
Asset Efficiency

Financial Assets

- **Liquidated 8 Marketable Securities**
 - Webcash, Fadu, Bizplay, NGeneBio, 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

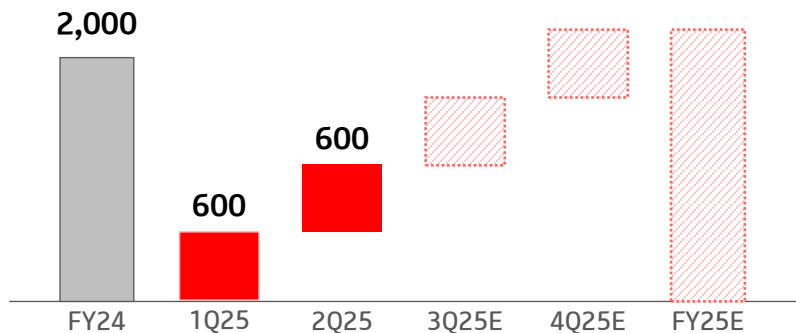
2-4 Shareholder Return

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

2Q25 Dividend

2Q25 quarterly dividend increased by 20% YoY,
DPS KRW 600

DPS (Unit: KRW)



Share Buyback

Completed KRW 250bn share buyback in FY25^{Aug 13}

'25.02~'25.08 share buyback via trust contract completed
To be cancelled once foreign ownership limit allows

Dividend Procedure

Dividend amount to be announced before record date

July 15, 2025: Resolution on 2Q25 dividend
July 30, 2025: Record date for dividend

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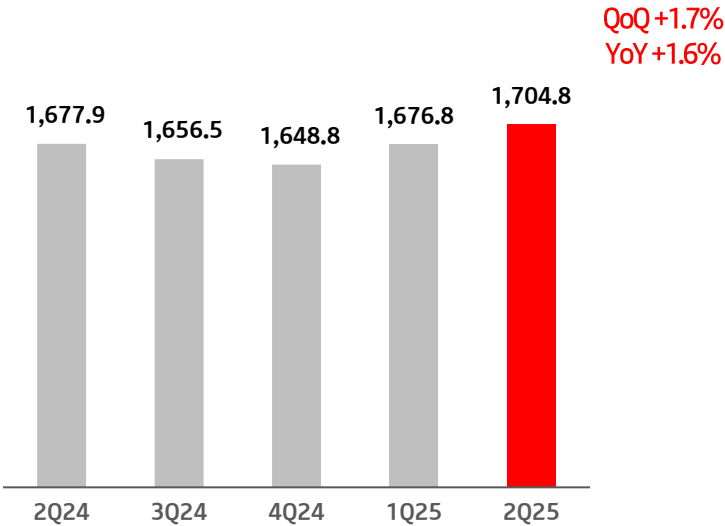
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3-1 KT - Wireless

Wireless service revenue +1.6% YoY with increased 5G penetration and MNP^{Mobile Number Portability} subscribers

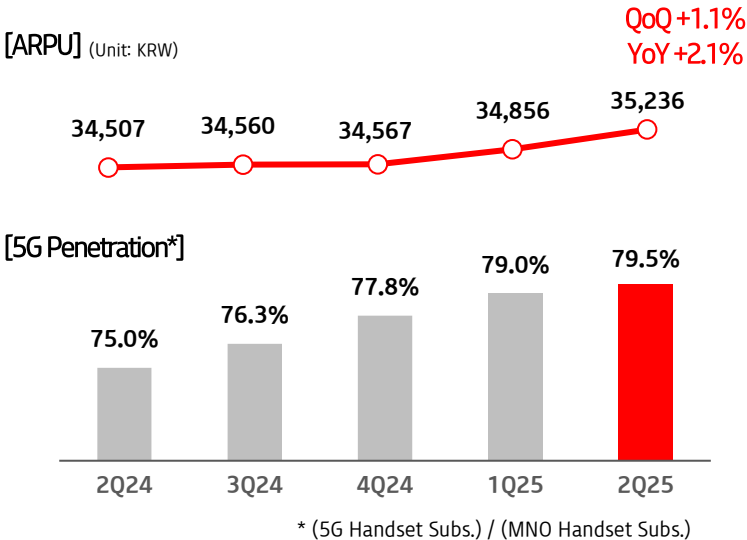
2Q25 Performance

Service Rev. (Unit: KRW bn)



Highlights

ARPU & 5G Penetration

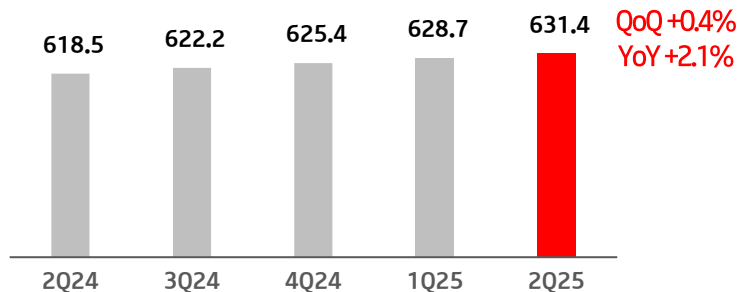


3-2 KT - Fixed Line

Broadband rev. +2.1% YoY via GiGA growth and value-added services expansion and surpassed 10M subs^{'25.5}
Media rev. up 0.8% YoY backed by IPTV net subscriber adds and premium plans uptake

Broadband

Rev. (Unit: KRW bn)



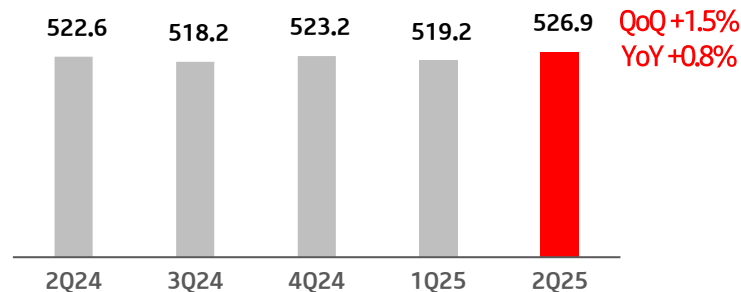
Subscribers (Unit: Thousands)

	2Q24	3Q24	4Q24	1Q25	2Q25	YoY
Total	9,899	9,928	9,956	9,984	10,073	1.8%
GiGA %*	68.7%	68.9%	69.2%	69.4%	69.7%	1.0%p

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

Media

Rev. (Unit: KRW bn)



Subscribers (Unit: Thousands)

	2Q24	3Q24	4Q24	1Q25	2Q25	YoY
Total	9,423	9,440	9,449	9,438	9,490	0.7%
16.5K↑ %*	31.8%	32.2%	32.5%	32.8%	33.4%	1.6%p

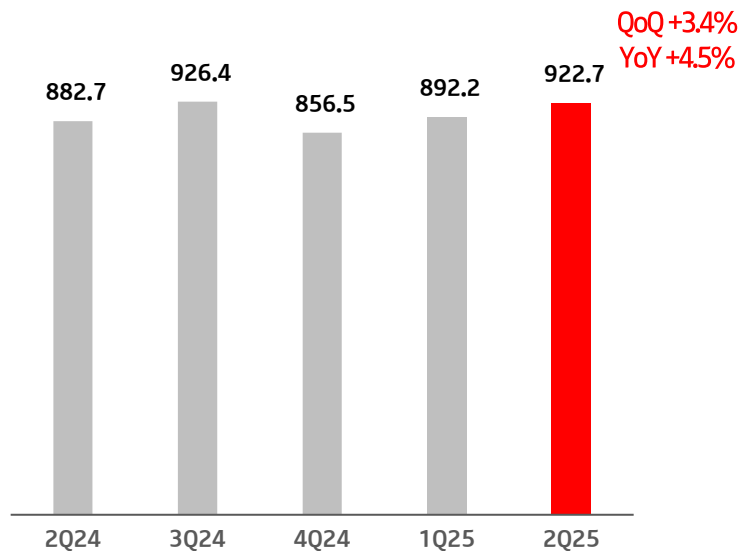
* (Cumulative 16.5K ↑ Subs.) / (Total IPTV Mass Subs.)

3-3 KT - B2B Services

B2B services revenue +4.5% YoY driven by balanced growth in corporate telecom and AI/IT services, despite continued streamlining of low-margin businesses

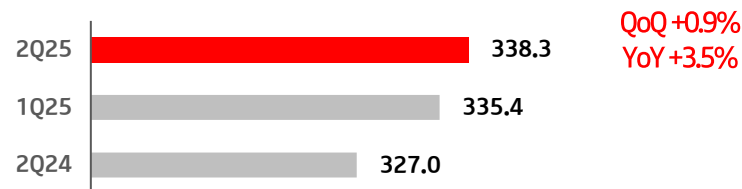
2Q25 Performance

Rev. (Unit: KRW bn)



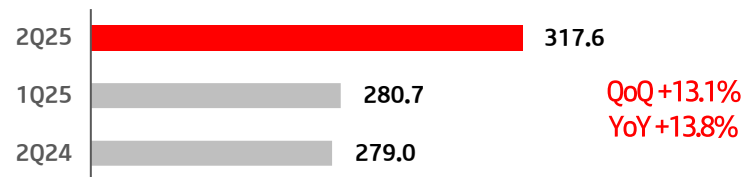
Highlights

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



※ Corp. Broadband/Data : Leased line, Kornet, VPN, Global Data

AI/IT Rev. (Unit: KRW bn)



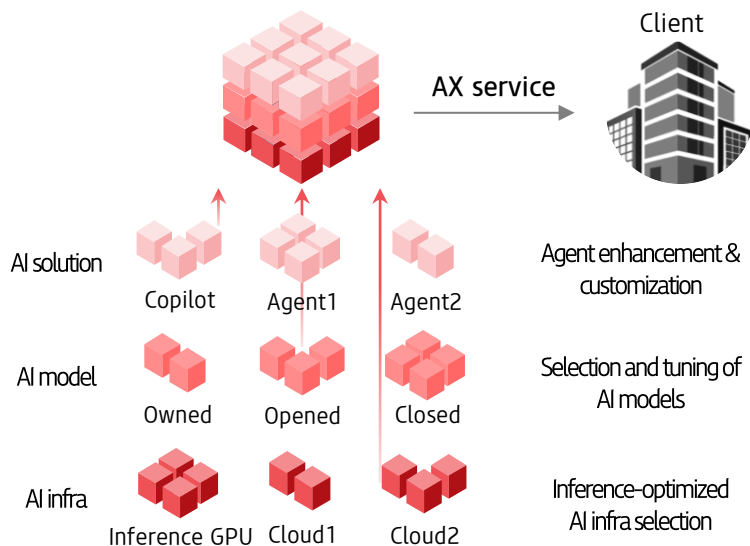
※ AI/IT: AX platform-based including AICC, IoT, Multi/Hybrid Cloud, Smart Mobility

3-4 KT - AI Strategy

Positioned for growth through major wins incl. large/IT companies and public sector clients(e.g., Supreme Court)
Established a full AI lineup with self-developed^{Mi:dm2.0}, open-source^{Llama}, and MS collaboration^{GPT K} models

AI Strategy

Deliver optimized AX services by industry/company



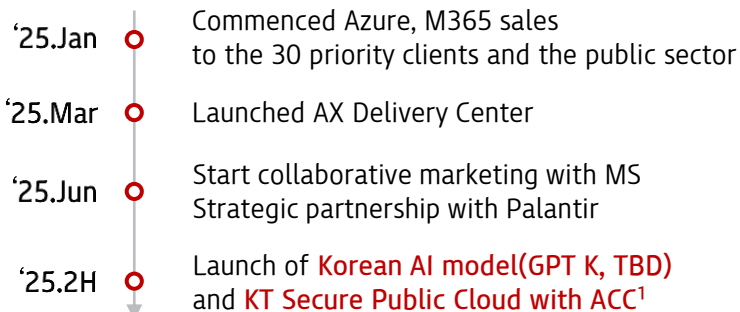
AX Acceleration

2Q25 Performance

- Major AX deals from large/IT companies
- Public sector deals based on Mi:dm 2.0(e.g., Supreme court, K-water)

New Offerings

- Full AI Line-up: Self-developed/ Open-Source/ MS Collaboration models
- GenieTV AI Agent: Powered by MS Azure OpenAI LLM

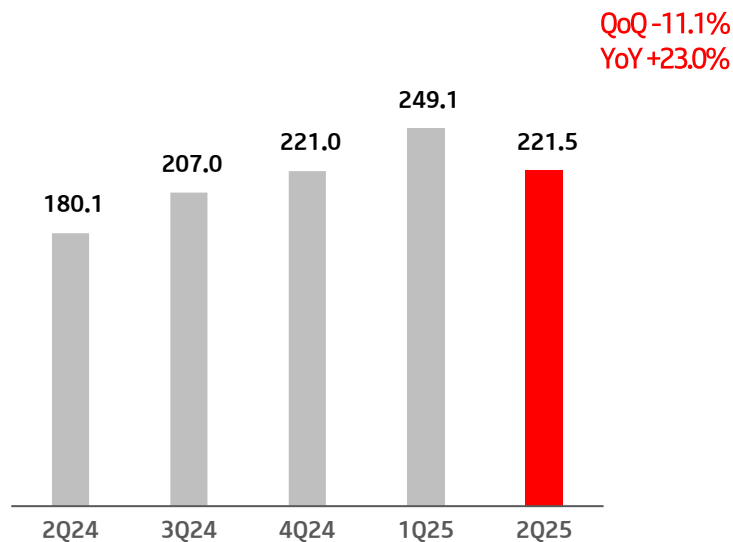


3-5 kt cloud

kt cloud sales up 23.0% YoY, supported by increased DC usage from global clients and momentum in Design & Build operations

2Q25 Performance

Rev. (Unit: KRW bn)



Highlights

Performance

DC

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

* Design-Build-Operations

Cloud

- Sales growth due to public sector wins

DC Capacity (as of the end of 2Q25)

	Metropolitan Area	Non-Metropolitan Area
# of DC (incl. CDC)	7 (incl. Mokdong, Yongsan)	9 (incl. Gimhae, Songjeong)

3-6 Finance

(BC Card) Sustained profitability by stronger loan/card operations and portfolio restructuring with safe assets
 (K bank) Strong OP growth from lower credit/impairment losses and gains from NPL sales

BC Card

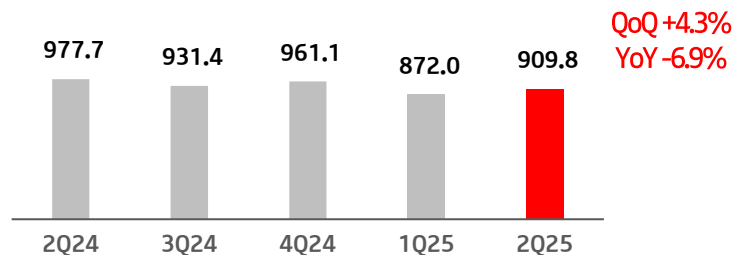
- Rev. declined as card transactions slowed in response to broader economic uncertainty
 - 2Q25 Rev. KRW 909.8bn(QoQ +4.3%, YoY -6.9%)
- Profit held by loan/card gains despite lower spending
 - 2Q25 OP KRW 46.1bn(QoQ +28.9%, YoY -0.9%)

K bank

- Earnings improved on NPL¹ disposal gains despite lower VASP² operating income
 - 2Q25 OP KRW 69.8bn(QoQ +346.7%, YoY +98.2%)
- Decision to restart IPO process
 - Plan to disclose timing to the market once confirmed

1)Non-Performing Loan, 2)Virtual Asset Service Provider

BC Card Rev. (Unit: KRW bn)



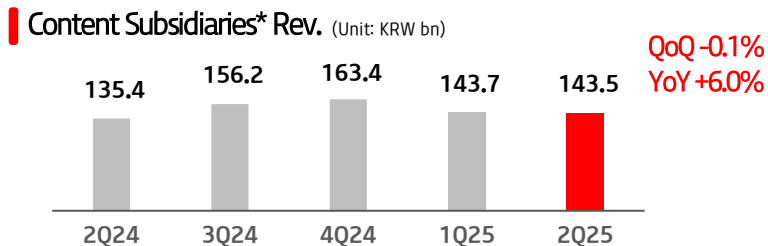
K bank Performance

	2Q24	3Q24	4Q24	1Q25	2Q25	YoY
Deposit (KRW tr)	21.9	22.0	28.6	27.8	26.8	22.5%
Loan (KRW tr)	15.7	16.2	16.3	16.9	17.4	10.8%
Client (10K)	1,147	1,205	1,274	1,363	1,413	23.2%

3-7 Media/Content

Content subsidiaries posted +6.0% YoY rev. growth, led by strong performances from KT Studiogenie and KT Millie's Library

2Q25 Performance



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, kt Studiogenie(kt Genie music, Storywiz, and others incl.)

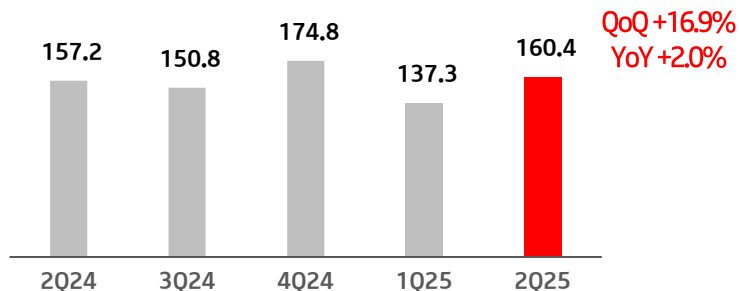
3-8 Real Estate

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

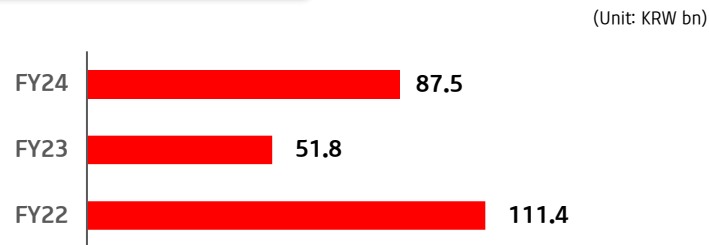
kt estate Rev. (Unit: KRW bn)



Gwangjin Development PJT^{NCP}

- Strengthened PJT management
 - (APT) Lotte Eastpole 631 units(91% occupancy as of June)
 - (Rental housing/Public office/Retail) 2Q25 occupancy completed
 - (Hotel) Ambassador Seoul Pullman to open in August

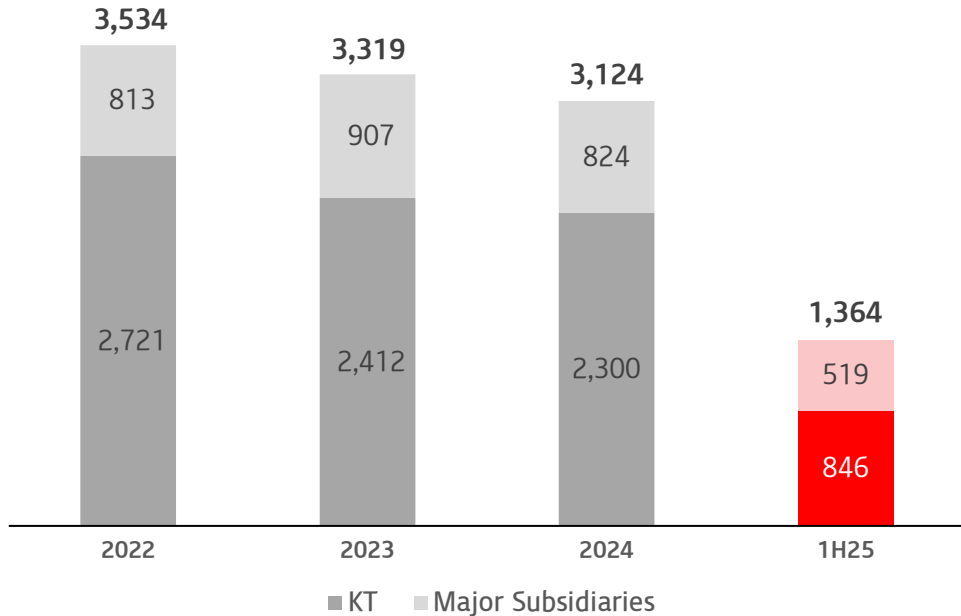
Profit by Selling Properties



3-9 CAPEX

1H25 CAPEX execution: KRW 845.8bn(KT separate), KRW 518.5bn(Major subsidiaries)

(Unit: KRW bn)



■ Major Subsidiaries' CAPEX

Includes Finance, Media, Cloud/IDC, Real Estate, etc.

■ KT Separate CAPEX

Access network, Backbone Network, B2B, etc.

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1 K-IFRS Income Statement

(Unit: KRW bn)

Consolidated	2Q24	3Q24	4Q24	1Q25	2Q25	KT Separate	2Q24	3Q24	4Q24	1Q25	2Q25
Operating revenue	6,546.4	6,654.6	6,575.6	6,845.1	7,427.4	Operating revenue	4,548.3	4,765.0	4,571.6	4,682.0	4,772.8
Service revenue	5,776.6	5,752.0	5,754.7	5,700.4	5,817.8	Service revenue	4,048.0	4,069.0	3,995.8	4,044.5	4,131.7
Sale of goods	769.8	902.7	820.9	1,144.7	1,609.6	Sale of goods	500.3	696.0	575.8	637.5	641.1
Operating expense	6,052.4	6,190.5	7,230.7	6,156.3	6,412.6	Operating expense	4,189.5	4,426.1	5,316.6	4,281.9	4,304.1
Cost of Service	5,178.9	5,111.6	6,256.7	5,114.1	5,129.9	Cost of Service	3,696.8	3,688.7	4,713.8	3,620.7	3,677.4
Labor cost	1,213.2	1,118.3	2,189.6	1,121.8	1,119.4	Labor cost	631.3	534.6	1,545.1	460.2	463.0
General expense	2,708.3	2,692.6	2,791.2	2,655.8	2,639.7	General expense	1,804.2	1,832.7	1,905.9	1,875.7	1,856.0
Cost of service	656.6	699.8	667.5	738.4	755.8	Cost of service	630.6	685.6	620.0	647.5	690.6
Selling expense	600.8	600.8	608.4	598.0	615.1	Selling expense	630.7	635.7	642.8	637.4	667.8
Cost of Goods sold	873.5	1,078.9	974.0	1,042.3	1,282.6	Cost of Goods sold	492.6	737.3	602.8	661.2	626.7
Operating income	494.0	464.1	-655.1	688.8	1,014.8	Operating income	358.8	338.9	-745.0	400.1	468.7
N-OP income (loss)	62.7	45.0	-354.9	23.1	-39.9	N-OP income (loss)	50.3	69.2	-134.5	48.2	-46.2
N-OP income	325.8	35.8	611.5	199.1	351.4	N-OP income	260.0	32.5	538.7	158.2	317.6
N-OP expense	260.1	-11.1	969.7	167.9	407.1	N-OP expense	209.7	-36.7	673.2	110.0	363.9
Equity Method (G/L)	-3.0	-1.9	3.3	-8.2	15.7						
Income bf tax	556.7	509.1	-1,010.1	711.8	974.9	Income bf tax	409.2	408.0	-879.5	448.3	422.5
Income tax	146.2	125.9	-240.4	145.0	241.6	Income tax	94.7	98.2	-228.1	82.9	64.5
Net income	410.5	383.2	-769.6	566.8	733.3	Net income	314.5	309.8	-651.4	365.4	358.0
NI contribution to KT	393.0	357.3	-655.6	539.8	687.9						
EBITDA	1,460.2	1,428.9	318.0	1,657.4	1,990.7	EBITDA	1,162.9	1,144.8	70.4	1,210.6	1,281.7
EBITDA Margin	22.3%	21.5%	4.8%	24.2%	26.8%	EBITDA Margin	25.6%	24.0%	1.5%	25.9%	26.9%

2 K-IFRS Balance Sheet

(Unit: KRW bn)

Consolidated	2Q24	3Q24	4Q24	1Q25	2Q25
Assets	43,144.4	42,750.4	41,880.0	42,185.6	42,193.3
Current assets	15,175.2	15,197.0	14,251.9	14,458.5	14,385.4
Cash & cash equivalents	3,786.7	3,953.9	3,716.7	3,133.0	3,794.4
Trade & other receivables	4,161.7	4,304.2	3,987.3	4,217.8	3,955.6
Inventories	964.0	903.2	940.2	853.9	443.9
Other current asset	6,262.7	6,035.7	5,607.8	6,253.8	6,191.5
- Prepaid_Contract cost	1,233.6	1,236.7	1,233.6	1,325.3	1,304.0
- Contract assets	611.1	625.6	577.4	597.9	744.2
Non-current assets	27,969.2	27,553.4	27,628.0	27,727.1	27,808.0
Trade & other rec	398.4	357.0	381.8	336.3	378.3
Tangible assets	14,591.7	14,509.1	14,825.8	14,398.1	14,226.4
Other current assets	12,979.1	12,687.3	12,420.4	12,992.7	13,203.3
- Prepaid_Contract cost	471.4	485.2	504.6	462.3	631.5
- Contract assets	226.3	225.3	223.4	208.3	146.1
Liabilities	24,162.5	23,564.0	23,883.4	23,847.3	23,316.2
Current liabilities	14,095.2	14,644.5	13,874.7	13,134.6	12,123.5
Trade & other payables	8,052.3	7,712.9	7,394.8	6,952.5	7,077.7
Short-term borrowings	3,595.0	4,358.7	3,904.8	3,649.1	2,934.3
Others	2,447.9	2,572.9	2,575.2	2,533.0	2,111.4
- Contract liabilities	231.2	230.6	226.4	244.1	330.3
Non-current liabilities	10,067.3	8,919.5	10,008.7	10,712.7	11,192.7
Trade & other payables	556.1	573.4	578.4	372.4	383.7
Long-term borrowings	6,555.6	5,409.9	6,615.9	7,520.5	7,815.9
Others	2,955.4	2,936.2	2,814.3	2,819.9	2,933.2
- Contract liabilities	43.6	48.7	46.9	48.4	36.6
Equity	18,981.9	19,186.4	17,996.5	18,338.3	18,877.1
Retained earnings	14,452.7	14,675.2	13,779.8	14,197.4	14,739.9

KT Separate	2Q24	3Q24	4Q24	1Q25	2Q25
Assets	30,464.8	29,957.1	29,528.9	29,041.0	29,008.7
Current assets	7,451.7	7,447.7	6,892.6	7,016.3	7,022.2
Cash & cash equivalents	1,722.5	1,608.7	1,540.6	1,150.6	1,419.9
Trade & other receivables	3,097.6	3,275.6	2,904.8	3,209.5	2,958.1
Inventories	404.1	264.6	224.7	190.2	166.7
Other current asset	2,227.5	2,298.8	2,222.5	2,465.9	2,477.5
- Prepaid_Contract cost	1,312.5	1,318.3	1,308.8	1,405.7	1,389.3
- Contract assets	548.6	542.0	521.1	521.4	667.8
Non-current assets	23,013.1	22,509.4	22,636.3	22,024.7	21,986.5
Trade & other rec	321.1	278.2	309.1	241.1	278.9
Tangible assets	11,264.4	11,185.6	11,477.7	11,068.3	10,913.7
Other current assets	10,472.9	10,116.8	9,953.2	9,856.6	9,941.2
- Prepaid_Contract cost	453.8	475.3	493.4	454.8	625.6
- Contract assets	204.1	201.7	198.2	182.3	116.1
Liabilities	15,166.7	14,513.1	15,108.7	14,409.3	14,165.6
Current liabilities	7,315.1	8,074.9	7,633.2	7,265.4	7,074.7
Trade & other payables	4,694.7	4,421.5	4,585.8	4,258.8	4,459.9
Short-term borrowings	1,789.5	2,860.3	2,434.2	2,263.0	1,895.4
Others	830.8	793.0	613.2	743.6	719.5
- Contract liabilities	206.9	210.5	208.4	217.8	204.8
Non-current liabilities	7,851.6	6,438.2	7,475.5	7,144.0	7,090.9
Trade & other payables	1,063.8	1,010.2	979.4	672.0	666.8
Long-term borrowings	5,675.7	4,290.7	5,437.7	5,417.6	5,184.4
Others	1,112.0	1,137.3	1,058.4	1,054.4	1,239.7
- Contract liabilities	26.4	32.9	34.5	37.5	28.0
Equity	15,298.1	15,444.1	14,420.2	14,631.7	14,843.1
Retained earnings	12,404.2	12,579.2	11,717.9	11,965.0	12,156.4

3 Subscribers

K-IFRS / Separate

Wireless Subscribers	2Q24	3Q24	4Q24	1Q25	2Q25	QoQ	YoY
Total	24,904	25,199	26,132	26,445	27,491	4.0%	10.4%
- MNO	17,770	17,997	18,950	19,186	19,842	3.4%	11.7%
- MVNO	7,134	7,203	7,182	7,259	7,649	5.4%	7.2%
5G Handset ¹	10,093	10,251	10,400	10,552	10,866	3.0%	7.7%
Churn rate ²	1.0%	1.0%	1.1%	1.0%	1.0%	-	-
ARPU(KRW)³	34,507	34,560	34,567	34,856	35,236	1.1%	2.1%

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, etc. incl.

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

Fixed Line Subscribers	2Q24	3Q24	4Q24	1Q25	2Q25	QoQ	YoY
Telephony	11,748	11,616	11,475	11,320	11,175	-1.3%	-4.9%
- PSTN	8,526	8,395	8,264	8,122	7,988	-1.6%	-6.3%
- VoIP	3,222	3,222	3,211	3,198	3,186	-0.4%	-1.1%
Broadband	9,899	9,928	9,956	9,984	10,073	0.9%	1.8%
IPTV (GTV+GTS)	9,423	9,440	9,449	9,438	9,490	0.6%	0.7%

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

- Number of KT pay TV subscribers in 2H24 is 8,987,351(6-month average)

