KT 2025 Earnings Release

2026. 2. | Investor Relations

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Contents

1-1 2025 Highlights

Financials
OP increased, driven by CT, group portfolio, and real estate PJT* growth

Cons.	Sales	28,244.2bn (YoY +6.9%)	Sep.	Sales	19,324.0bn (YoY +4.0%)
	OP	2,469.1bn (YoY +205.0%)		OP	1,305.0bn (YoY +276.6%)

* Gwangjin-gu Lotte Eastpole Apartment Sales

Accelerate AX Growth

✓ **Launched Microsoft partnership products; expanded order pipeline**
- SOTA K, GPUaaS Sep. 2025
- Secure Public Cloud Nov. 2025

✓ **Pre-sales based on Palantir partnership**
- Execute PoC with financial clients
- Identify further business opportunities

✓ **Opened Gasan AI Data Center** Nov. 2025
- First commercialization of Direct-to-Chip liquid cooling technology in domestic market
- IT Capacity: 26MW (B4-10F scale facility)

Shareholder Return

✓ **4Q25 DPS KRW 600** Record date: '26.02.25
- FY25 DPS KRW 2,400, 3 consecutive years of growth

✓ **Share buyback/cancellation* KRW 250bn**
- FY26 value up plan execution (maintaining FY25 level)

* Cancellation subject to foreign ownership limits

✓ **kt alpha, kt Millie's Library; value up initiatives**
- kt alpha dividend policy '25.12
- Millie's Library value up plan '26.01

1-2 # Restoring Customer Trust

Investigation Result

✓ Incident Impact

- Unauthorized payment (368 subs., KRW 240mn.)
- Data breach [IMSI, IMEI, phone numbers] (22,227 subs.)
- Malware(including BPF Doors) detected on 94 servers; no evidence of personal data breach

Appreciation Package

✓ **USIM replacement for total subscribers**

✓ **Cancellation fee waivers ('25.12.31~'26.01.13)**

✓ **Appreciation programs ('26.02~'26.08)**

- Five preferred benefits* for six months

* Data 100GB / Membership discounts / Free OTT/ Roaming 50% off / Free Security insurance

Measures to Prevent Recurrence

✓ **Governance**

- CISO* position establishment
- Establish a routine reporting to BoD regarding cybersecurity
- Recruit cybersecurity staff

✓ **Investment [KRW] 1tn.**

- Mid-to-long-term security innovation planning
- Company-wide security transformation (e.g. adoption of AI tech.)

✓ **System Enhancement**

- Strengthen Zero-Trust** security framework
- Advance integrated monitoring system
- Expand access controls and encryption

✓ **Femtocell Mgmt.**

- Shortened authentication period
- Blocked and retrieved inactive femtocells
- Applied enhanced security policy

*CISO: Chief Information Security Officer

**Zero Trust is a security model that operates on the principle of "never trust, always verify"

FY2028 Financial Target and Action Plans

AICT Company kt

2028 Target

Consolidated ROE 9% ~ 10%

AICT Transformation	Secure Profitability	Asset Optimization	Additional Shareholder Return
AI/IT Rev. Share Up 3x of 2023	Consolidated OP Margin 9%	Non-Core Asset Liquidation	KRW 1tr. Share Buyback
Attain top-tier AI/Cloud capabilities by global big tech partnership	Enhance OP through streamlining low-profit biz	Liquidate non-core assets and idle real estate	Enhance capital efficiency through additional returns
Progress [2024~2025] Strengthened AX capability with strategic partnership (AI model SOTA K, Palantir partnership)	Improved business and cost structure (Low-margin 39 biz, KRW 50bn)	Monetized non-core assets (Profit KRW84.6bn, Cash KRW278.0bn)	KRW 250bn share buyback completed* (Additional KRW 250bn buyback in 2026)

Strategy: Integrate AI into core biz. Telco, Media, NW, IT, accelerate growth of B2B AX and revamp mgmt. structure

* Cancellation subject to foreign ownership limits

Contents

2-1 Final CEO Candidate Profile and Board Rationale

Candidate Profile

Yoon-young Park (Born in 1962)

- B.S., M.S., Ph.D. in Civil Engineering, Seoul National Univ.
- Joined KT (Apr. 1992)
- Head of B2B Business Department (Jan. 2020 ~ Dec. 2020)
- Inside Director, KT Corp. (Mar. 2020 ~ Mar. 2021)

Strong network expertise with extensive B2B experience

- B2B rev. CAGR of 4.1% during B2B division tenure$^{FY16\sim FY20}$
- Securing growth engines by expanding to IT/solution within B2B
  - DX(IT/Solutions) share: 41.6% ^{FY16} → 52.8% ^{FY20}

Board Rationale

KT CEO appointment process

Longlist of 33 candidates	Shortlist of 3 candidates	Final candidate selected	AGM
25.11.18	25.12.9	25.12.16	Scheduled for Mar. 2026

Board rationale for final candidate selection

- Driving DX/B2B Success : Built on KT's business experience and technology expertise
- Securing sustainable growth and leading future innovation under the new vision
- Strong commitment building customer trust and delivering on shareholder promises

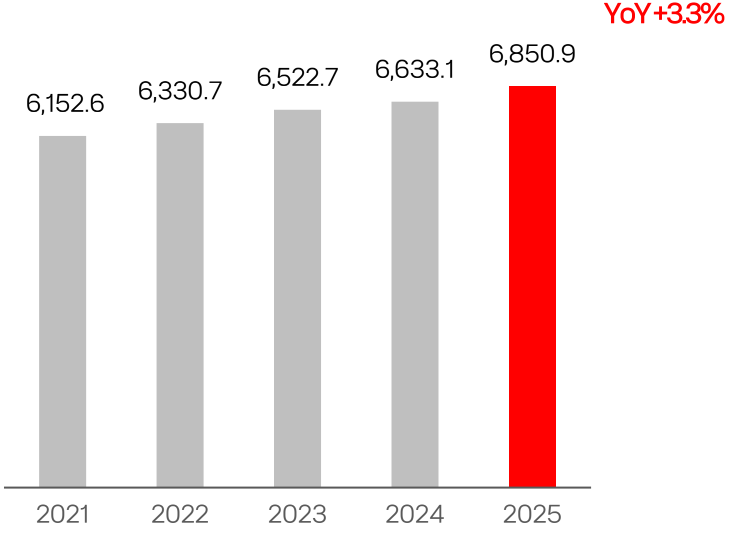
Contents

3-1 KT – Wireless

Wireless service revenue +3.3% YoY with increased subscribers(5G Penetration 81.8%)

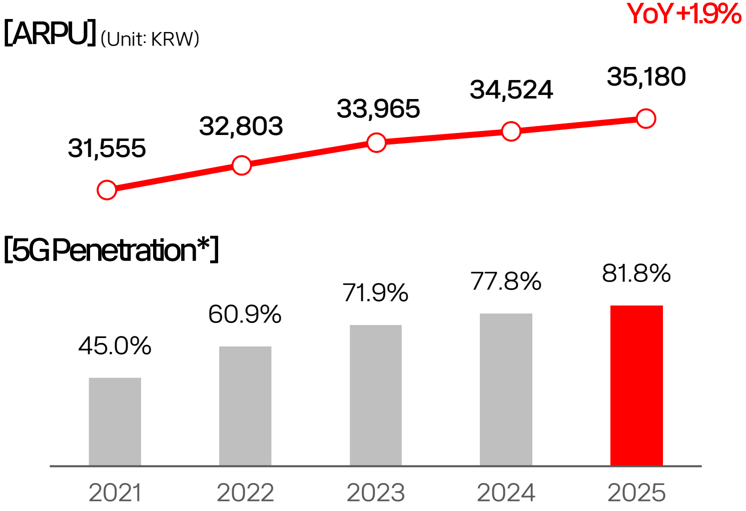
2025 Performance

Service Rev. (Unit: KRW bn)



Highlights

ARPU & 5G Penetration



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

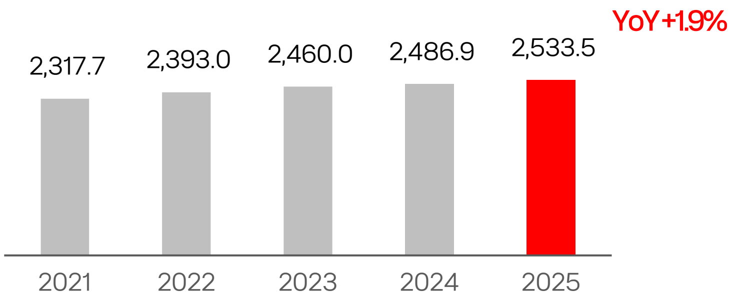
3-2 KT – Fixed Line

(Broadband) rev. +1.9% YoY via GiGA growth and value-added services expansion

(Media) rev. up 1.7% YoY, backed by IPTV net adds and growth in outdoor advertising biz.

Broadband

Rev. (Unit: KRW bn)



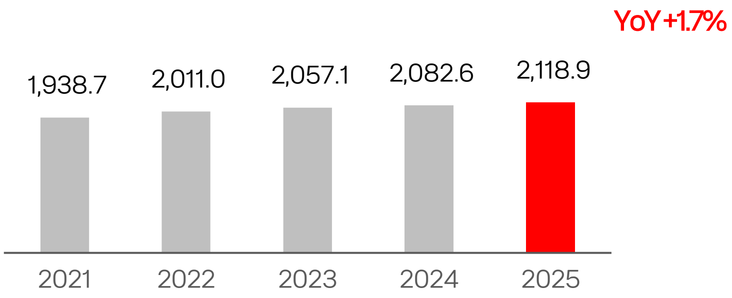
Subscribers (Unit: Thousands)

	2021	2022	2023	2024	2025	YoY
Total	9,455	9,727	9,827	9,956	10,170	2.1%
GiGA %*	65.5%	66.9%	68.3%	69.2%	70.1%	0.9%p

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

Media

Rev. (Unit: KRW bn)



Subscribers (Unit: Thousands)

	2021	2022	2023	2024	2025	YoY
Total	9,143	9,432	9,409	9,449	9,533	0.9%
16.5K↑ %*	24.4%	28.1%	31.6%	32.5%	34.1%	1.6%p

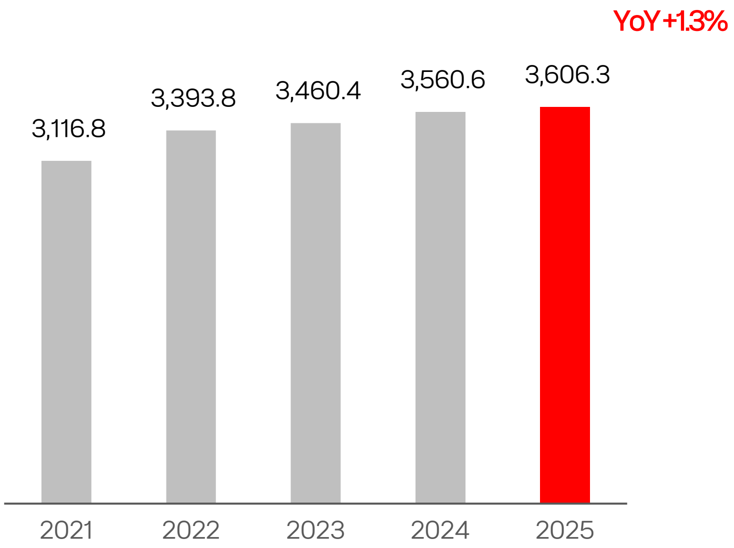
* (Cumulative 16.5K ↑ Subs.) / (Total IPTV Mass Subs.)

3-3 KT – B2B Services

Despite the ongoing rationalization of low-margin businesses, B2B rev. + 1.3% YoY driven by balanced CT and AI/IT revenue growth

2025 Performance

Rev. (Unit: KRW bn)

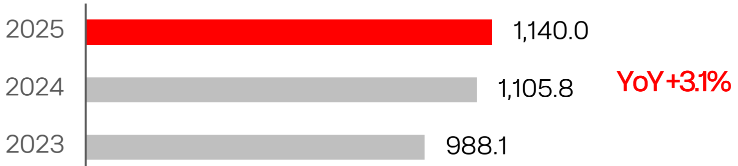


Highlights

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

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

AI/IT Rev. (Unit: KRW bn)



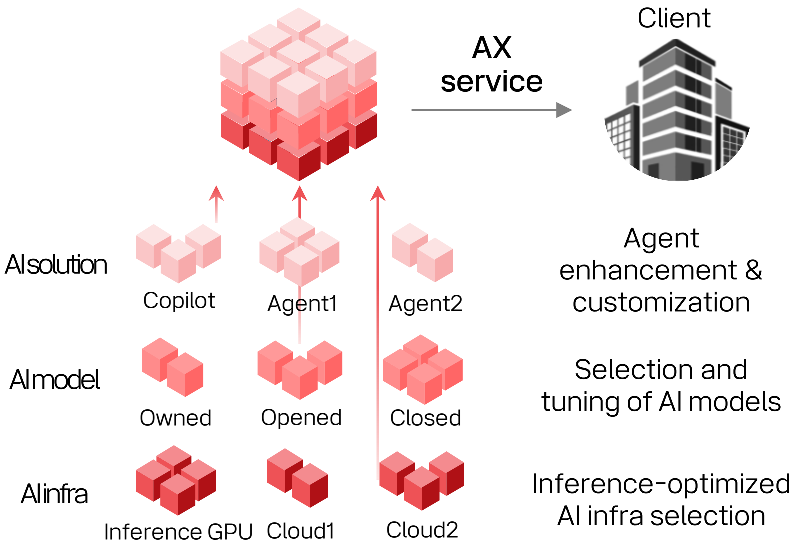
※ AI/IT: AX platform-based including AICC, IoT, Multi/Hybrid Cloud, Smart Mobility

3-4 KT – AI Strategy

Bulit a foundation for AX business growth through new products and new order acquisitions based on the partnership with MS

AI Strategy

Deliver optimized AX services by industry and company



2025 Performance

AX Acceleration

- Launched MS-partnered products: K GPUaaS, SOTA K, KT SPC*
- Public sector deals based on Mi:dm 2.0: Supreme court, K-water
- Pursuing initial finance reference via Palantir partnership

Business Timeline

'25.1Q	Commenced sales to 30 priority clients and the public sector Launched AX Delivery Center
'25.2Q	Started collaborative marketing with MS Strategic partnership with Palantir
'25.3Q	Launched K GPUaaS**, SOTA K*** Opened KT Innovation Hub
'25.4Q	Launched KT Secure Public Cloud

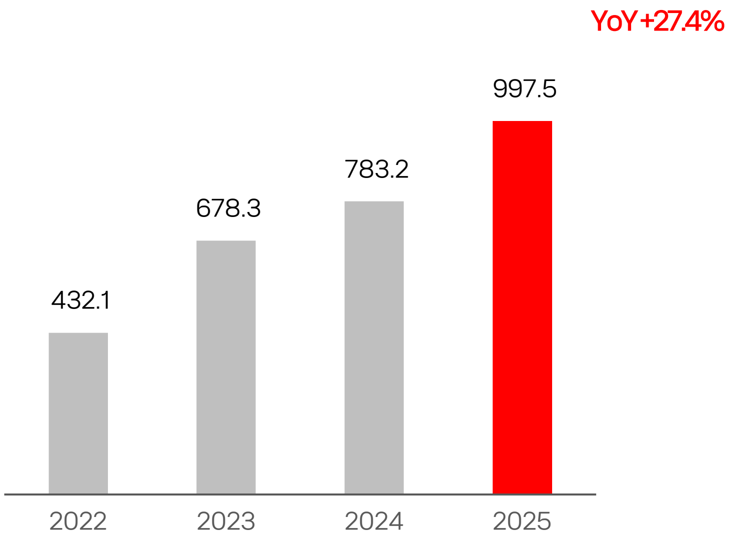
*SPC: Secure Public Cloud **GPUaaS: GPU-as-a-Service ***SOTA K: State Of The Art

3-5 kt cloud

Rev. +27.4% YoY, due to increased usage of DC from global clients and public AI Cloud

2025 Performance

Rev. (Unit: KRW bn)



Highlights

Performance

DC
- Rev. growth from colocation expansion and progress-based recognition at the Bucheon DC
- Opened Gasan AIDC, Korea's first liquid-cooled DC ('25.11, 26MW)
- Established a service framework optimized for AI infra

Cloud
- Rev. growth from public system migration and higher CDN traffic
- Aggressive expansion based on public cloud-native transition and AI Foundry

DC Capacity (as of the end of FY25)

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

3-6 Finance

(BC Card) Despite lower transaction volume, profitability improved YoY driven by lower credit loss provisions
(K Bank) Growth foundation strengthened by client and loan growth, with a planned IPO in March

BC Card

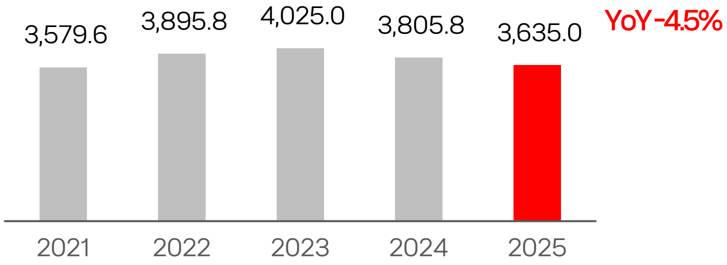
- **Rev. declined due to lower transaction volume**
  - FY25 Rev. KRW 3,635bn(YoY -4.5%)
- **Profit increased driven by lower credit loss provisions and higher proprietary card earnings**
  - FY25 OP KRW 134.6bn(YoY +3.1%)

K Bank

- **Profit declined due to higher VASP* fees and SG&A expenses**
  - FY25 OP KRW 117.1bn(YoY -11.9%)
- **Decision to restart IPO process**
  - Targeting a listing on March 5th

*Virtual Asset Service Provider

BC Card Rev. (Unit: KRW bn)



K Bank Performance

	2021	2022	2023	2024	2025	YoY
Deposit (KRW tr)	11.3	14.6	19.1	28.6	28.4	-0.5%
Loan (KRW tr)	7.1	10.8	13.8	16.3	18.4	13.0%
Client (10K)	717	849	953	1,274	1,553	21.9%

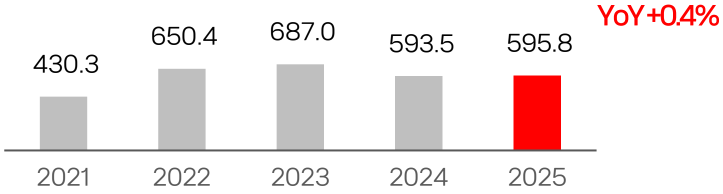
K-IFRS / Consolidated

3-7 Media/Content

Rev. stable YoY, with growth in Millie’s Library, Studiogenie, and Nasmedia offsetting PlayD divestment

2025 Performance

Content Subsidiaries* Rev. (Unit: KRW bn)



FY26 Key Plans

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

FY25 KT Original Content Production Performance

‘Mother and Mom’
’25.03

‘New Recruit3’
‘25.04

‘Tastefully Yours’
‘25.05

‘My Troublesome Star’
‘25.08

‘Ms. Incognito’
‘25.09

‘UDT’
‘25.11

‘Idol I’
’25.12

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

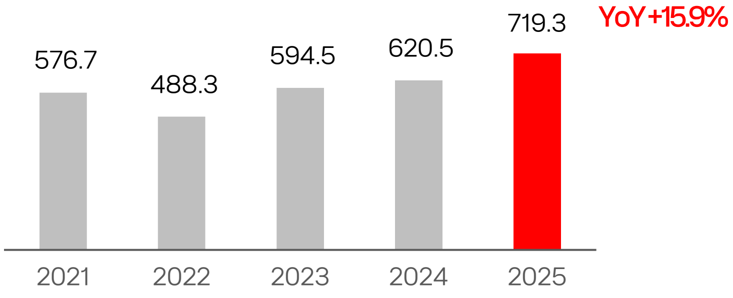
3-8 Real Estate

Rev. up 15.9% YoY, reflecting apartment sales at the Daejeon HR Center and the Pullman Hotel opening

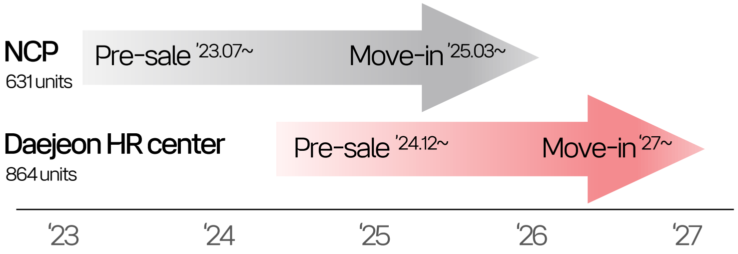
kt estate

- Diversified asset portfolio across office, rental housing, and hotels
- Recurring sales from development of owned assets

kt estate Rev. (Unit: KRW bn)

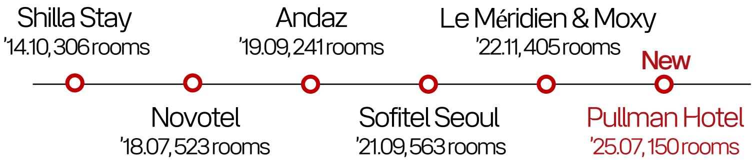


APT Development



Hotel Ownership

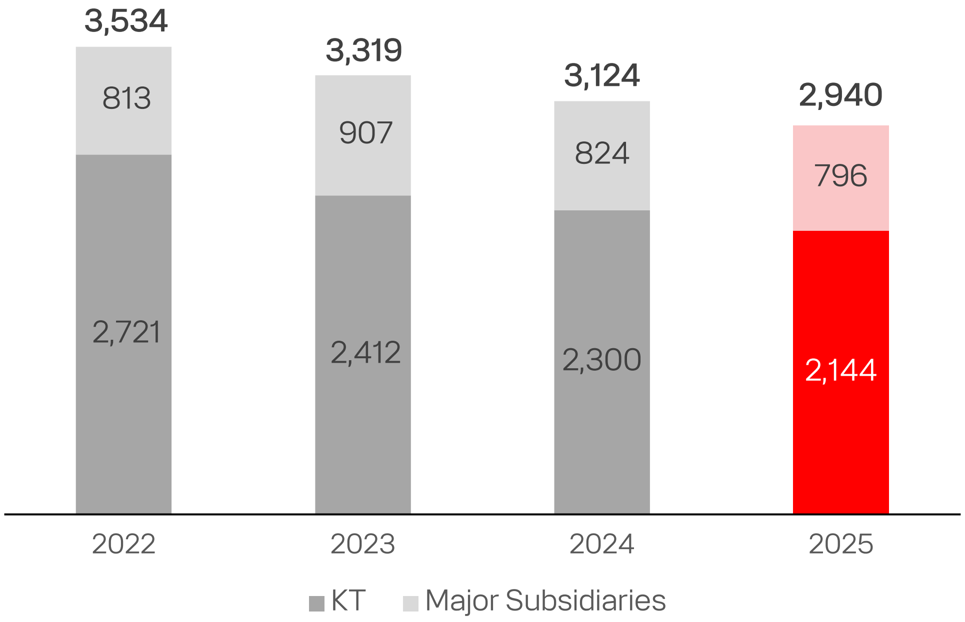
- 6 hotels owned by KT and kt estate



3-9 CAPEX

FY25 Total CAPEX execution: KRW 2,143.9bn(KT separate), KRW 795.8bn(Major subsidiaries)

(Unit: KRW bn)



Major Subsidiaries' CAPEX

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

KT Separate CAPEX

Access network, Backbone Network, B2B, etc.

Contents

1 K-IFRS Income Statement

(Unit: KRW bn)

Consolidated	4Q24	1Q25	2Q25	3Q25	4Q25
Operating revenue	**6,575.6**	**6,845.1**	**7,427.4**	**7,126.7**	**6,845.0**
Service revenue	**5,754.7**	**5,700.4**	**5,817.8**	**5,920.8**	**5,949.4**
Sale of goods	**820.9**	**1,144.7**	**1,609.6**	**1,205.9**	**895.6**
Operating expense	**7,230.7**	**6,156.3**	**6,412.6**	**6,588.6**	**6,617.7**
Cost of Service	**6,256.7**	**5,114.1**	**5,129.9**	**5,304.6**	**5,548.9**
Labor cost	2,189.6	1,121.8	1,119.4	1,167.6	1,184.0
General expense	2,791.2	2,655.8	2,639.7	2,725.9	2,788.9
Cost of service	667.5	738.4	755.8	778.5	701.2
Selling expense	608.4	598.0	615.1	632.6	874.8
Cost of Goods sold	**974.0**	**1,042.3**	**1,282.6**	**1,283.9**	**1,068.7**
Operating income	**-655.1**	**688.8**	**1,014.8**	**538.2**	**227.3**
N-OP income (loss)	**-354.9**	**23.1**	**-39.9**	**55.3**	**-89.5**
N-OP income	611.5	199.1	351.4	132.7	264.5
N-OP expense	969.7	167.9	407.1	74.2	367.7
Equity Method (G/L)	3.3	-8.2	15.7	-3.3	13.7
Income bf tax	**-1,010.1**	**711.8**	**974.9**	**593.4**	**137.9**
Income tax	-240.4	145.0	241.6	148.2	46.5
Net income	**-769.6**	**566.8**	**733.3**	**445.3**	**91.5**
NI contribution to KT	-655.6	539.8	687.9	391.5	111.7
EBITDA	**318.0**	**1,657.4**	**1,990.7**	**1,503.9**	**1,197.3**
EBITDA Margin	4.8%	24.2%	26.8%	21.1%	17.5%

KT Separate	4Q24	1Q25	2Q25	3Q25	4Q25
Operating revenue	**4,571.6**	**4,682.0**	**4,772.8**	**5,109.0**	**4,760.2**
Service revenue	**3,995.8**	**4,044.5**	**4,131.7**	**4,179.9**	**4,122.5**
Sale of goods	**575.8**	**637.5**	**641.1**	**929.1**	**637.7**
Operating expense	**5,316.6**	**4,281.9**	**4.304.1**	**4,768.1**	**4,664.9**
Cost of Service	**4,713.8**	**3,620.7**	**3.677.4**	**3,837.8**	**4,042.6**
Labor cost	1,545.1	460.2	463.0	492.8	431.9
General expense	1,905.9	1,875.7	1.856.0	1,956.7	2,052.3
Cost of service	620.0	647.5	690.6	707.4	656.5
Selling expense	642.8	637.4	667.8	680.9	901.9
Cost of Goods sold	**602.8**	**661.2**	**626.7**	**930.3**	**622.4**
Operating income	**-745.0**	**400.1**	**468.7**	**340.9**	**95.3**
N-OP income (loss)	**-134.5**	**48.2**	**-46.2**	**39.3**	**-4.3**
N-OP income	538.7	158.2	317.6	72.6	217.8
N-OP expense	673.2	110.0	363.9	33.2	222.2
Income bf tax	**-879.5**	**448.3**	**422.5**	**380.2**	**90.9**
Income tax	-228.1	82.9	64.5	90.5	42.2
Net income	**-651.4**	**365.4**	**358.0**	**289.7**	**48.7**
EBITDA	**70.4**	**1,210.6**	**1.281.7**	**1,153.8**	**900.2**
EBITDA Margin	1.5%	25.9%	26.9%	22.6%	18.9%

2 K-IFRS Balance Sheet

(Unit: KRW bn)

Consolidated	4Q24	1Q25	2Q25	3Q25	4Q25
Assets	**41,880.0**	**42,185.6**	**42,193.3**	**43,012.8**	**42,948.6**
Current assets	**14,251.9**	**14,458.5**	**14,385.4**	**15,123.6**	**13,977.5**
Cash & cash equivalents	3,716.7	3,133.0	3,794.4	3,890.3	3,507.0
Trade & other receivables	3,987.3	4,217.8	3,955.6	4,215.7	3,963.7
Inventories	940.2	853.9	443.9	443.8	416.1
Other current asset	5,607.8	6,253.8	6,191.5	6,573.7	6,090.7
- Prepaid Contract cost	1,233.6	1,325.3	1,304.0	1,450.7	1,484.6
- Contract assets	577.4	597.9	744.2	805.2	764.9
Non-current assets	**27,628.0**	**27,727.1**	**27,808.0**	**27,889.2**	**28,971.0**
Trade & other rec	381.8	336.3	378.3	422.1	463.1
Tangible assets	14,825.8	14,398.1	14,226.4	14,121.1	14,258.5
Other current assets	12,420.4	12,992.7	13,203.3	13,346.0	14,249.5
- Prepaid Contract cost	504.6	462.3	631.5	629.2	614.5
- Contract assets	223.4	208.3	146.1	173.2	261.4
Liabilities	**23,883.4**	**23,847.3**	**23,316.2**	**23,752.8**	**23,490.6**
Current liabilities	**13,874.7**	**13,134.6**	**12,123.5**	**12,223.6**	**11,692.8**
Trade & other payables	7,394.8	6,952.5	7,077.7	7,770.5	6,868.7
Short-term borrowings	3,904.8	3,649.1	2,934.3	2,454.1	2,499.5
Others	2,575.2	2,533.0	2,111.4	1,999.0	2,324.5
- Contract liabilities	226.4	244.1	330.3	228.1	207.8
Non-current liabilities	**10,008.7**	**10,712.7**	**11,192.7**	**11,529.2**	**11,797.8**
Trade & other payables	578.4	372.4	383.7	386.6	328.3
Long-term borrowings	6,615.9	7,520.5	7,815.9	8,078.2	8,286.0
Others	2,814.3	2,819.9	2,993.2	3,064.4	3,183.5
- Contract liabilities	46.9	48.4	36.6	33.4	31.9
Equity	**17,996.5**	**18,338.3**	**18,877.1**	**19,259.9**	**19,458.0**
Retained earnings	13,779.8	14,197.4	14,739.9	14,986.2	14,964.3

KT Separate	4Q24	1Q25	2Q25	3Q25	4Q25
Assets	**29,528.9**	**29,041.0**	**29,008.7**	**29,049.2**	**29,677.6**
Current assets	**6,892.6**	**7,016.3**	**7,022.2**	**7,127.8**	**7,212.5**
Cash & cash equivalents	1,540.6	1,150.6	1,419.9	1,095.5	1,585.9
Trade & other receivables	2,904.8	3,209.5	2,958.1	3,186.5	2,915.7
Inventories	224.7	190.2	166.7	155.2	94.3
Other current asset	2,222.5	2,465.9	2,477.5	2,690.7	2,616.6
- Prepaid Contract cost	1,308.8	1,405.7	1,389.3	1,549.9	1,583.8
- Contract assets	521.1	521.4	667.8	707.8	630.0
Non-current assets	**22,636.3**	**22,024.7**	**21,986.5**	**21,921.4**	**22,465.1**
Trade & other rec	309.1	241.1	278.9	319.9	362.9
Tangible assets	11,477.7	11,068.3	10,913.7	10,748.7	10,932.3
Other current assets	9,953.2	9,856.6	9,941.2	10,028.4	10,357.6
- Prepaid Contract cost	493.4	454.8	625.6	624.1	595.2
- Contract assets	198.2	182.3	116.1	140.1	226.8
Liabilities	**15,108.7**	**14,409.3**	**14,165.6**	**13,986.4**	**14,451.0**
Current liabilities	**7,633.2**	**7,265.4**	**7,074.7**	**6,539.8**	**6,862.3**
Trade & other payables	4,585.8	4,258.8	4,459.9	4,545.4	4,592.5
Short-term borrowings	2,434.2	2,263.0	1,895.4	1,310.4	1,323.8
Others	613.2	743.6	719.5	684.1	946.0
- Contract liabilities	208.4	217.8	204.8	198.3	185.7
Non-current liabilities	**7,475.5**	**7,144.0**	**7,090.9**	**7,446.6**	**7,588.7**
Trade & other payables	979.4	672.0	666.8	649.8	622.1
Long-term borrowings	5,437.7	5,417.6	5,184.4	5,499.5	5,744.9
Others	1,058.4	1,054.4	1,239.7	1,297.2	1,221.7
- Contract liabilities	34.5	37.5	28.0	27.3	24.8
Equity	**14,420.2**	**14,631.7**	**14,843.1**	**15,062.8**	**15,226.6**
Retained earnings	11,717.9	11,965.0	12,156.4	12,301.6	12,219.9

3 Subscribers

K-IFRS / Separate

Wireless Subscribers	4Q24	1Q25	2Q25	3Q25	4Q25	QoQ	YoY
Total	**26,132**	**26,445**	**27,491**	**28,328**	**28,985**	**2.3%**	**10.9%**
- MNO	18,950	19,186	19,842	20,271	20,618	1.7%	8.8%
- MVNO	7,182	7,259	7,649	8,057	8,368	3.9%	16.5%
5G Handset[1]	**10,400**	**10,552**	**10,866**	**11,048**	**11,156**	**1.0%**	**7.3%**
Churn rate[2]	1.1%	1.0%	1.0%	1.2%	1.0%	-0.2%p	-0.1%p
ARPU(KRW)[3]	**34,567**	**34,856**	**35,236**	**35,295**	**35,335**	**0.1%**	**2.2%**

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	4Q24	1Q25	2Q25	3Q25	4Q25	QoQ	YoY
Telephony	**11,475**	**11,320**	**11,175**	**11,039**	**10,890**	**-1.4%**	**-5.1%**
- PSTN	8,264	8,122	7,988	7,851	7,716	-1.7%	-6.6%
- VoIP	3,211	3,198	3,186	3,188	3,174	-0.4%	-1.2%
Broadband	**9,956**	**9,984**	**10,073**	**10,135**	**10,170**	**0.3%**	**2.1%**
IPTV (GTV+GTS)	**9,449**	**9,438**	**9,490**	**9,520**	**9,533**	**0.1%**	**0.9%**

※ 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)