

KT

1Q25 Earnings Release

2025. 05. | Investor Relations



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The Company has applied new accounting standard of K-IFRS 1115 as of Jan 1st, 2018 and K-IFRS 1116 ‘Leases’ as of Jan 1st, 2019. There are no obligation to apply the new standard to previous financial statements.

If you have any questions related to this material, please contact the IR department.

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1 1Q25 Highlights

Financials

Strong growth in operating profit driven by CT, AX and real estate development PJT.*

Cons.

Revenue **6,845.1bn** (YoY +2.9%)
Operating Profit **688.8bn** (YoY +36.0%)

Sep.

Revenue **4,682.0bn** (YoY -0.3%)
Operating Profit **400.1bn** (YoY +1.6%)

(Unit: KRW)

* Recognition of apartment sale revenue began in March

Shareholder return

Dividend¹
(1Q25)

KRW 600
per share
(YoY +20%)

Share Buyback
& Cancellation²

KRW 250bn
(Value-up plan)

Dividend procedure
improvement³

Announce
dividend amount
prior to record date

1)Record date : '25.03.31 , 2)Cancellation TBC, considering foreign limits, 3)Quarterly dividend(2Q25~)

Business Strategy

AX Business

- ✓ Prepare for the launch of Korean AI model and SPC based on MS partnership ('25.6~)

* Secure Public Cloud

- ✓ Strategic partnership with Palantir

- ✓ Media innovation based on AI

- Integrating AI into the value chain with Media AI Agent, AI Studio Lab, etc.

Value-Up Plan

- ✓ Accelerate AICT Transformation
(AI/IT revenue +10.2% YoY)

- ✓ Liquidate non-core assets
 - Completed the sale of 2 second-tier subsidiaries (Initech^{25.03}, Play D^{25.04})

- ✓ Improve profitability through streamlining low-profit businesses

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1 Income Statement

- Revenue +2.9% YoY driven by growth in Telco, real estate, and cloud/DC businesses
- OP +36.0% YoY reflecting KT Group-wide efforts for profitability and gains from real estate sales

(Unit: KRW bn)

	1Q24	4Q24	1Q25	QoQ	YoY
Operating Revenue	6,654.6	6,575.6	6,845.1	4.1%	2.9%
Service Revenue	5,722.7	5,754.7	5,700.4	-0.9%	-0.4%
Sale of goods	931.9	820.9	1,144.7	39.4%	22.8%
Operating Expense	6,148.1	7,230.7	6,156.3	-14.9%	0.1%
Operating Income	506.5	-655.1	688.8	Turned to Profit	36.0%
Margin	7.6%	-10.0%	10.1%	20.1%p	2.5%p
Margin ¹	8.9%	-11.4%	12.1%	23.5%p	3.2%p
Non-op. Income/Loss	22.5	-354.9	23.1	Turned to Profit	2.5%
Income before taxes	529.0	-1,010.1	711.8	Turned to Profit	34.6%
Net Income	393.0	-769.6	566.8	Turned to Profit	44.2%
Margin	5.9%	-11.7%	8.3%	20.0%p	2.4%p
EBITDA	1,480.2	318.0	1,657.4	421.2%	12.0%
Margin	22.2%	4.8%	24.2%	19.4%p	2.0%p

1) OP Margin¹ = Operating Income/Service Revenue

2 Operating Expenses

- OP. expenses remained flat, as key costs such as depreciation and selling expenses remained stable

(Unit: KRW bn)

	1Q24	4Q24	1Q25	QoQ	YoY
Operating Expenses	6,148.1	7,230.7	6,156.3	-14.9%	0.1%
Labor Cost	1,100.9	2,189.6	1,121.8	-48.8%	1.9%
General Expense	2,674.2	2,791.2	2,655.8	-4.8%	-0.7%
- Depreciation	973.7	973.1	968.7	-0.5%	-0.5%
Cost of Service	726.5	667.5	798.3	19.6%	9.9%
Selling Expense	599.6	608.4	598.0	-1.7%	-0.3%
Cost of Goods sold	1,046.9	974.0	982.3	0.9%	-6.2%

[Selling Expense (KT Separate)]

(Unit: KRW bn)

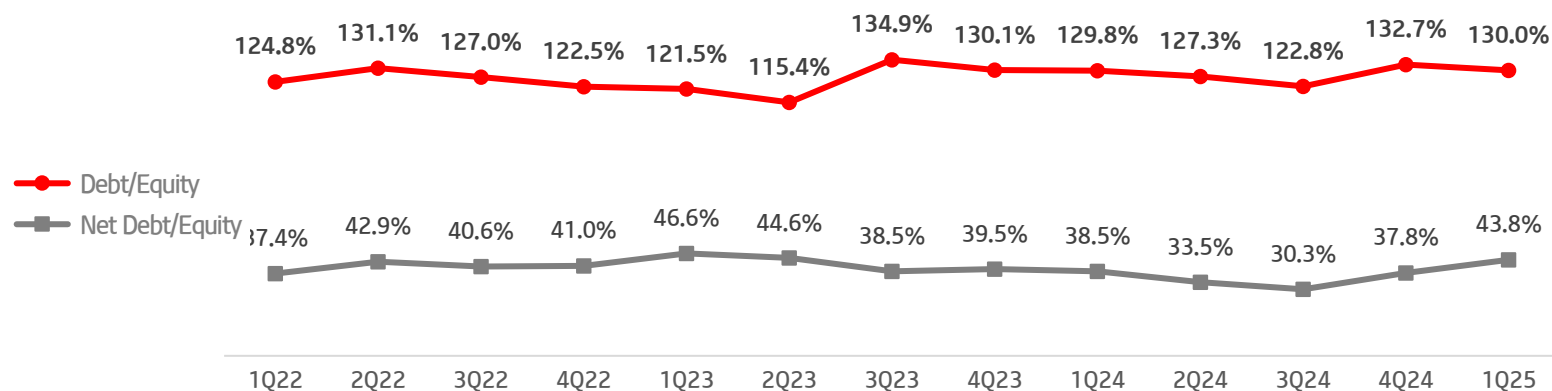
	1Q24	4Q24	1Q25	QoQ	YoY
Selling Expense	620.6	630.7	625.5	-0.8%	0.8%

3 Balance Sheet

- Net Debt/equity ratio +6.1%p QoQ following an increase borrowings across the subsidiaries

(Unit: KRW bn)

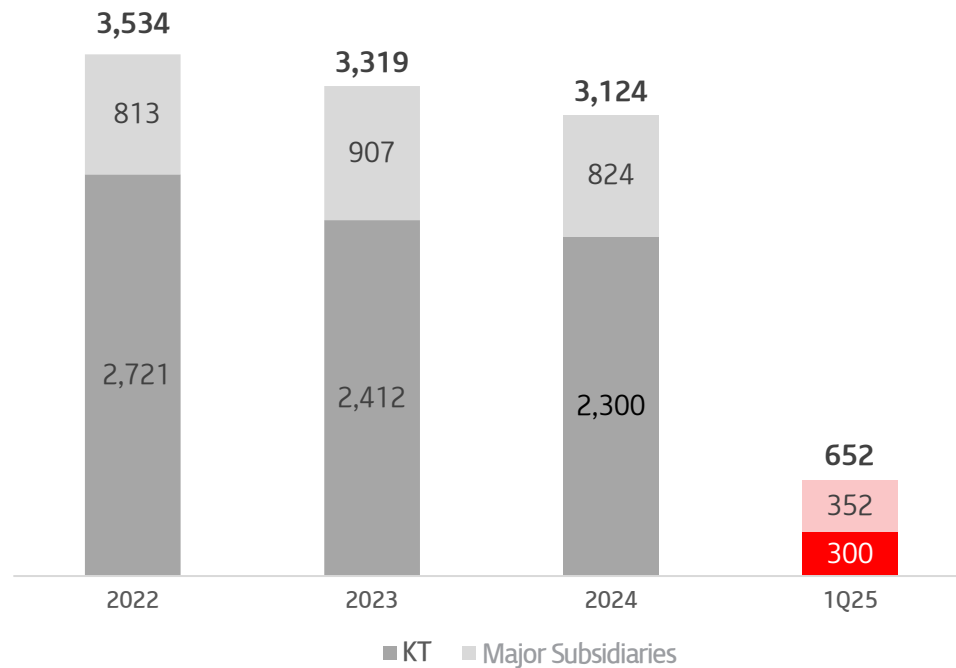
	Mar 31, 2024	Dec 31, 2024	Mar 31, 2025	QoQ	YoY
Assets	42,710.0	41,880.0	42,185.6	0.7%	-1.2%
Cash & Cash equivalents	3,000.7	3,716.7	3,133.0	-15.7%	4.4%
Liabilities	24,127.8	23,883.4	23,847.3	-0.2%	-1.2%
Borrowings	10,151.4	10,520.7	11,169.5	6.2%	10.0%
Equity	18,582.2	17,996.5	18,338.3	1.9%	-1.3%
Capital Stock	1,564.5	1,564.5	1,564.5	0.0%	0.0%
Net Debt	7,150.7	6,804.0	8,036.5	18.1%	12.4%
Debt / Equity	129.8%	132.7%	130.0%	-2.7%p	0.2%p
Net Debt / Equity	38.5%	37.8%	43.8%	6.0%p	5.3%p



4 CAPEX

- 1Q25 Total CAPEX Execution: KRW 300.0bn (KT Separate), KRW 351.8bn (Major Subsidiaries)

(Unit: KRW bn)



■ Major Subsidiaries' CAPEX

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

■ KT Separate CAPEX

Access network, Backbone Network, B2B and etc.

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1 KT - Wireless

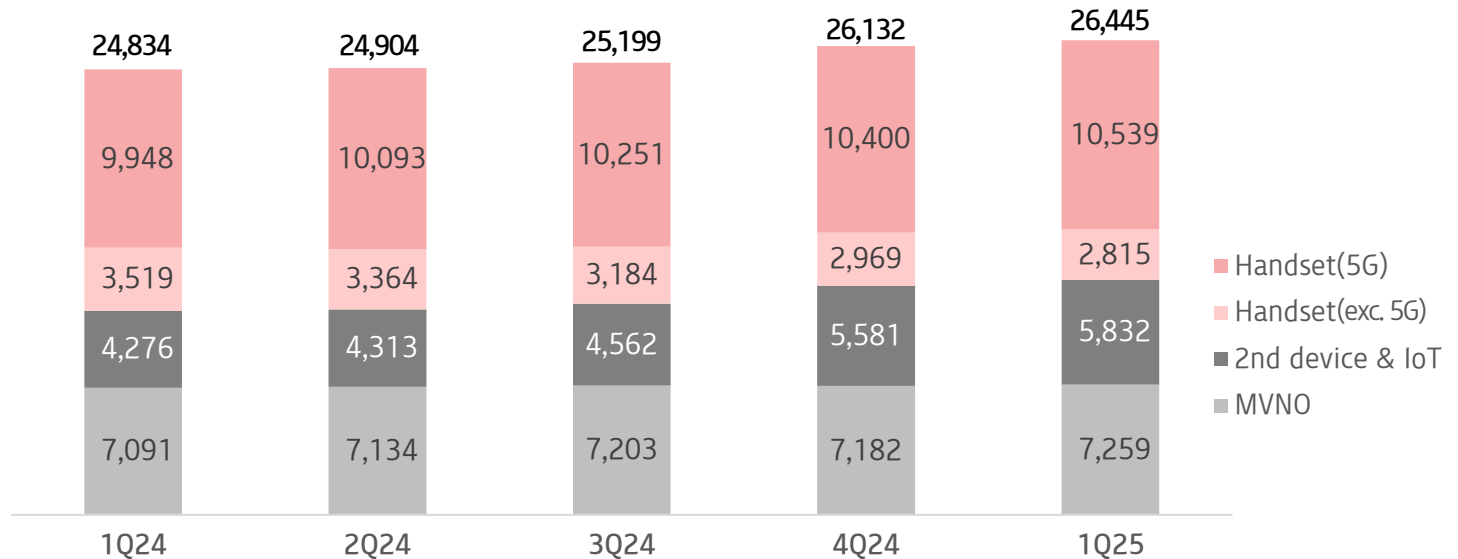
- Wireless service revenue +1.6% YoY with increased 5G penetration (78.9%) and MVNO revenue
- Expanded customer choice with mid-tier and online-only plans, and strengthened online marketing

(Unit: KRW bn)

	1Q24	4Q24	1Q25	QoQ	YoY
Wireless	1,736.5	1,717.8	1,753.1	2.1%	1.0%
Wireless Service	1,649.8	1,648.8	1,676.8	1.7%	1.6%
Interconnection	86.7	69.0	76.3	10.5%	-12.0%

Wireless Subscribers

(Unit: Thousands)



2 KT - Fixed Line

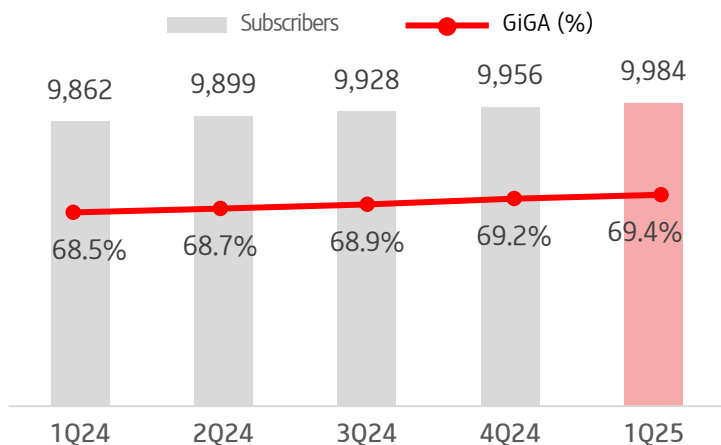
- Broadband revenue +1.3% YoY, due to increase in GiGA subscribers and new value-added services
- Media revenue +0.1% YoY, following a continued subscriber shift to premium plans and to upgraded set-top boxes

(Unit: KRW bn)

	1Q24	4Q24	1Q25	QoQ	YoY
Fixed Line	1,322.4	1,317.1	1,311.7	-0.4%	-0.8%
Broadband	620.8	625.4	628.7	0.5%	1.3%
Media	518.6	523.2	519.2	-0.8%	0.1%
Home Telephony	183.0	168.6	163.8	-2.8%	-10.5%

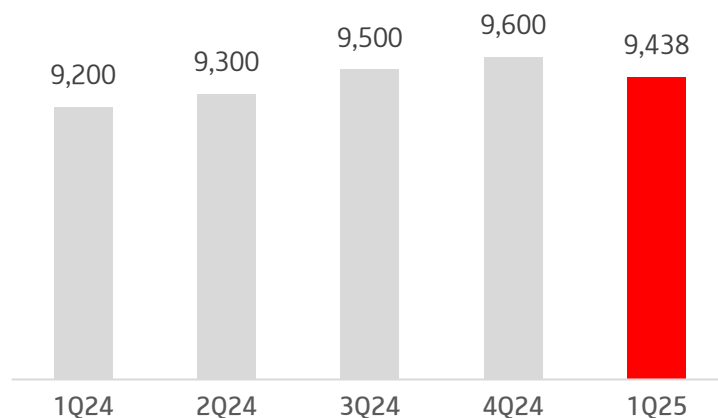
Broadband Subscribers

(Unit: Thousands)



IPTV Subscribers

(Unit: Thousands)



3 KT - B2B Services

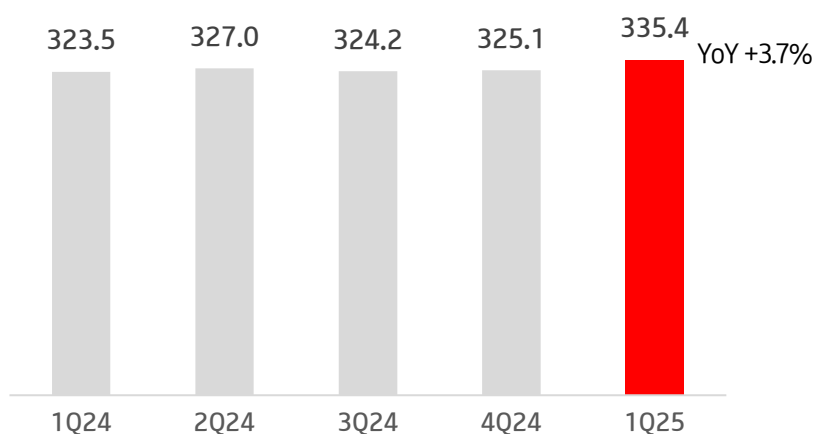
- B2B Service revenue -0.3% YoY, owing to continued streamlining of low-margin businesses
- AI/IT revenue +11.9% YoY, sustaining strong double-digit growth trend

(Unit: KRW bn)

	1Q24	4Q24	1Q25	QoQ	YoY
B2B Service	895.0	856.5	892.2	4.2%	-0.3%

Corp. Broadband/Data Revenue

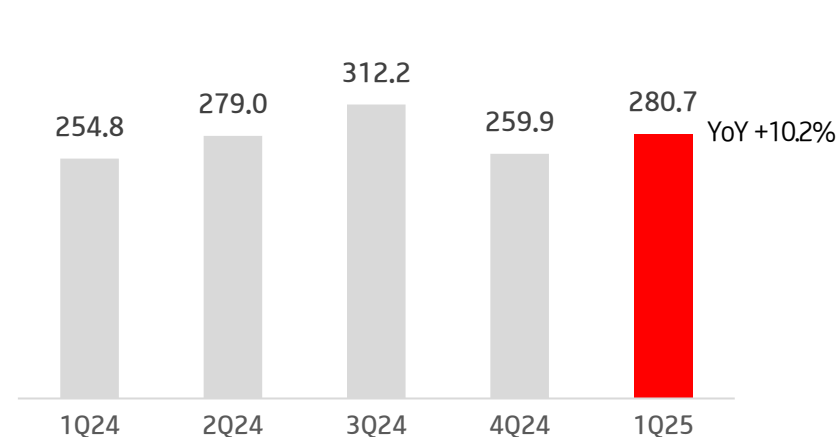
(Unit: KRW bn)



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

Revenue of AI/IT

(Unit: KRW bn)



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

4 Major Subsidiaries

- BC Card revenue -6.8% YoY, as card transactions slowed in response to broader economic uncertainty
- kt cloud, revenue +42.2% YoY, supported by increased DC usage from global clients and momentum in D&B*

*Design & Build operations

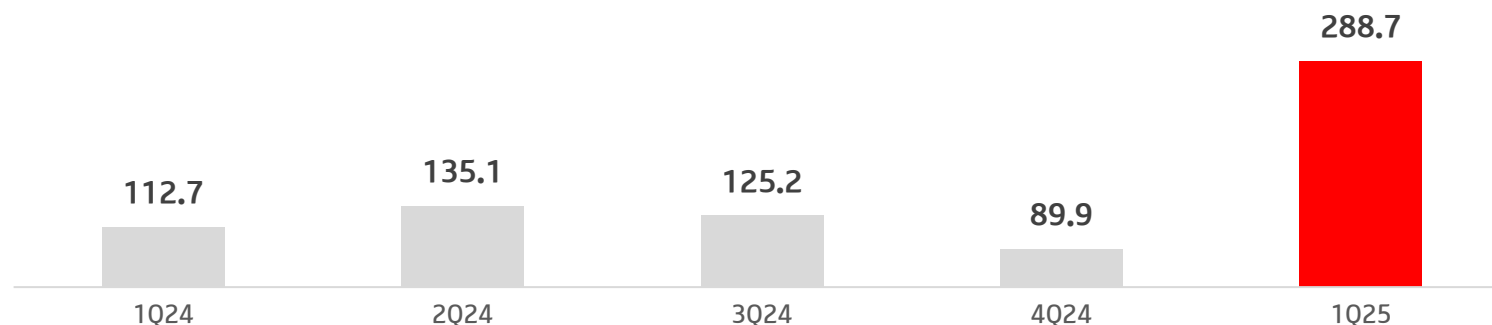
Revenue of Major Subsidiaries (consolidated)

(Unit: KRW bn)

	1Q24	4Q24	1Q25	QoQ	YoY
BC Card	935.6	961.1	872.0	-9.3%	-6.8%
Kt skylife	254.4	257.0	242.9	-5.5%	-4.5%
Content Subsidiaries*	138.6	163.4	143.7	-12.1%	3.7%
kt cloud	175.2	221.0	249.1	12.7%	42.2%
kt estate	137.7	174.8	137.3	-21.4%	-0.3%

*kt nasmedia(PlayD incl.), kt studiogenie(Genie music, Storywiz, and others incl.)

Subsidiaries' OP Contribution (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	Handset revenue	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 Devices 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	-101.5	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	-769.6	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
Assets	42,710.0	43,144.4	42,750.4	41,880.0	42,185.6
Current assets	14,997.4	15,175.2	15,197.0	14,251.9	14,458.5
Cash & cash equivalents	3,000.7	3,786.7	3,953.9	3,716.7	3,133.0
Trade & other receivables	4,571.4	4,161.7	4,304.2	3,987.3	4,217.8
Inventories	899.1	964.0	903.2	940.2	853.9
Other current asset	6,526.2	6,262.7	6,035.7	5,607.8	6,253.8
- Prepaid_Contract cost	1,249.2	1,233.6	1,236.7	1,233.6	1,325.3
- Contract assets	620.4	611.1	625.6	577.4	597.9
Non-current assets	27,712.6	27,969.2	27,553.4	27,628.0	27,727.1
Trade & other rec	381.2	398.4	357.0	381.8	336.3
Tangible assets	14,585.7	14,591.7	14,509.1	14,825.8	14,398.1
Other current assets	12,745.7	12,979.1	12,687.3	12,420.4	12,992.7
- Prepaid_Contract cost	465.1	471.4	485.2	504.6	462.3
- Contract assets	229.3	226.3	225.3	223.4	208.3
Liabilities	24,127.8	24,162.5	23,564.0	23,883.4	23,847.3
Current liabilities	14,046.1	14,095.2	14,644.5	13,874.7	13,134.6
Trade & other payables	8,282.4	8,052.3	7,712.9	7,394.8	6,952.5
Short-term borrowings	3,538.6	3,595.0	4,358.7	3,904.8	3,649.1
Others	2,225.1	2,447.9	2,572.9	2,575.2	2,533.0
- Contract liabilities	239.3	231.2	230.6	226.4	244.1
Non-current liabilities	10,081.7	10,067.3	8,919.5	10,008.7	10,712.7
Trade & other payables	554.1	556.1	573.4	578.4	372.4
Long-term borrowings	6,612.8	6,555.6	5,409.9	6,615.9	7,520.5
Others	2,914.8	2,955.4	2,936.2	2,814.3	2,819.9
- Contract liabilities	48.7	43.6	48.7	46.9	48.4
Equity	18,582.2	18,981.9	19,186.4	17,996.5	18,338.3
Retained earnings	14,361.5	14,452.7	14,675.2	13,779.8	14,197.4

KT Separate	1Q24	2Q24	3Q24	4Q24	1Q25
Assets	30,334.8	30,464.8	29,957.1	29,528.9	29,041.0
Current assets	7,578.4	7,451.7	7,447.7	6,892.6	7,016.3
Cash & cash equi.	1,331.6	1,722.5	1,608.7	1,540.6	1,150.6
Trade & other rec.	3,546.3	3,097.6	3,275.6	2,904.8	3,209.5
Inventories	310.3	404.1	264.6	224.7	190.2
Other current asset	2,390.2	2,227.5	2,298.8	2,222.5	2,465.9
- Prepaid_Contract cost	1,335.4	1,312.5	1,318.3	1,308.8	1,405.7
- Contract assets	540.2	548.6	542.0	521.1	521.4
Non-current assets	22,756.4	23,013.1	22,509.4	22,636.3	22,024.7
Trade & other rec	298.8	321.1	278.2	309.1	241.1
Tangible assets	11,214.3	11,264.4	11,185.6	11,477.7	11,068.3
Other current assets	10,281.4	10,472.9	10,116.8	9,953.2	9,856.6
- Prepaid_Contract cost	451.9	453.8	475.3	493.4	454.8
- Contract assets	207.4	204.1	201.7	198.2	182.3
Liabilities	15,335.6	15,166.7	14,513.1	15,108.7	14,409.3
Current liabilities	7,477.8	7,315.1	8,074.9	7,633.2	7,265.4
Trade & other payables	4,864.3	4,694.7	4,421.5	4,585.8	4,258.8
Short-term borrowings	1,914.9	1,789.5	2,860.3	2,434.2	2,263.0
Others	698.5	830.8	793.0	613.2	743.6
- Contract liabilities	227.0	206.9	210.5	208.4	217.8
Non-current liabilities	7,857.9	7,851.6	6,438.2	7,475.5	7,144.0
Trade & other payables	1,074.2	1,063.8	1,010.2	979.4	672.0
Long-term borrowings	5,652.2	5,675.7	4,290.7	5,437.7	5,417.6
Others	1,131.5	1,112.0	1,137.3	1,058.4	1,054.4
- Contract liabilities	36.0	26.4	32.9	34.5	37.5
Equity	14,999.2	15,298.1	15,444.1	14,420.2	14,631.7
Retained earnings	12,390.5	12,404.2	12,579.2	11,717.9	11,965.0

3 Subscribers

(Unit: Thousands)

Wireless Subscribers	1Q 24	2Q 24	3Q 24	4Q 24	1Q 25	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 Handset ¹⁾	9,948	10,093	10,251	10,400	10,552	1.3%	5.9%
Churn rate ²⁾	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	1Q 24	2Q 24	3Q 24	4Q 24	1Q 25	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 2H 2024 is 8,852,093 (6-month average)

