

KT

2Q25 Earnings Release

2025. 08. | 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 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%)
Operating Profit **1,014.8bn** (YoY +105.4%)

Sep.

Revenue **4,772.8bn** (YoY +4.9%)
Operating Profit **468.7bn** (YoY +30.6%)

(Unit: KRW)

* Gwangjin-gu Lotte Eastpole Apartment

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 AI Full Line-up

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

Won large-scale AI/IT project orders

Securing 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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1 Income Statement

- Revenue +13.5% YoY driven by growth in telecom, real estate, and cloud/DC businesses
- OP +105.4% YoY reflecting KT Group-wide efforts for profitability and gains from real estate sales

(Unit: KRW bn)

	2Q24	1Q25	2Q25	QoQ	YoY
Operating Revenue	6,546.4	6,845.1	7,427.4	8.5%	13.5%
Service Revenue	5,776.6	5,700.4	5,817.8	2.1%	0.7%
Sale of goods	769.8	1,144.7	1,609.6	40.6%	109.1%
Operating Expense	6,052.4	6,156.3	6,412.6	4.2%	5.9%
Operating Income	494.0	688.8	1,014.8	47.3%	105.4%
Margin	7.5%	10.1%	13.7%	3.7%p	6.1%p
Margin ¹	8.6%	12.1%	17.4%	5.4%p	8.9%p
Non-op. Income/Loss	62.7	23.1	-39.9	Turned to loss	Turned to loss
Income before taxes	556.7	711.8	974.9	37.0%	75.1%
Net Income	410.5	566.8	733.3	29.4%	78.6%
Margin	6.3%	8.3%	9.9%	1.6%p	3.6%p
EBITDA	1,460.2	1,657.4	1,990.7	20.1%	36.3%
Margin	22.3%	24.2%	26.8%	2.6%p	4.5%p

1) OP Margin¹ = Operating Income/Service Revenue

2 Operating Expenses

- OP. expenses +5.9% YoY, driven by higher cost of service and cost of goods sold(COGS), despite a reduction in labor cost

(Unit: KRW bn)

	2Q24	1Q25	2Q25	QoQ	YoY
Operating Expenses	6,052.4	6,156.3	6,412.6	4.2%	5.9%
Labor Cost	1,213.2	1,121.8	1,119.4	-0.2%	-7.7%
General Expense	2,708.3	2,655.8	2,639.7	-0.6%	-2.5%
- Depreciation	966.2	968.7	975.9	0.7%	1.0%
Cost of Service	656.6	738.4	755.8	2.3%	15.1%
Selling Expense	600.8	598.0	615.1	2.9%	2.4%
Cost of Goods sold	873.5	1,042.3	1,282.6	23.1%	46.8%

[Selling Expense (KT Separate)]

(Unit: KRW bn)

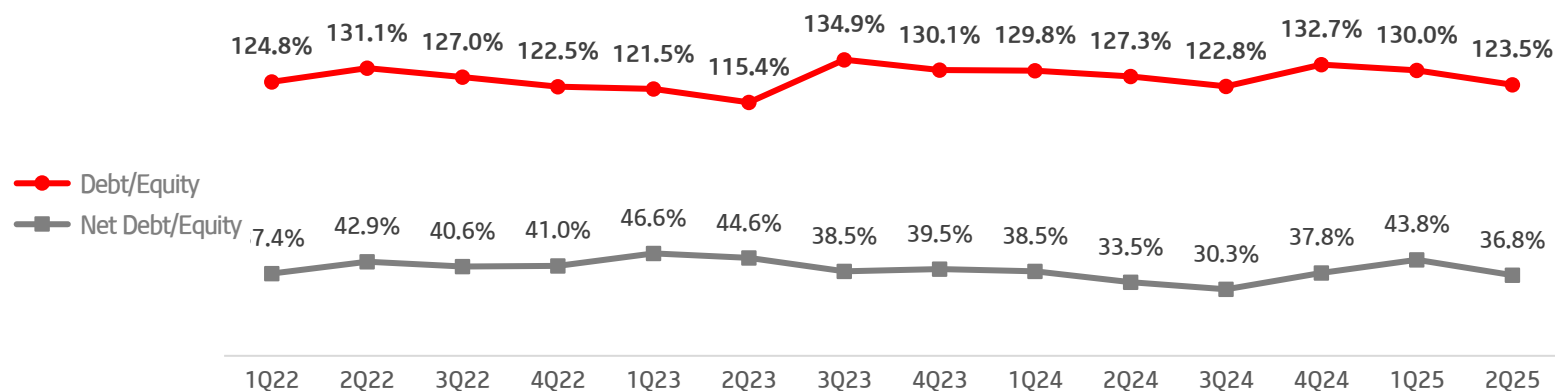
	2Q24	1Q25	2Q25	QoQ	YoY
Selling Expense	618.6	625.5	655.8	4.9%	6.0%

3 Balance Sheet

- Net Debt/equity ratio +3.3%p YoY due to increased borrowings from subsidiaries

(Unit: KRW bn)

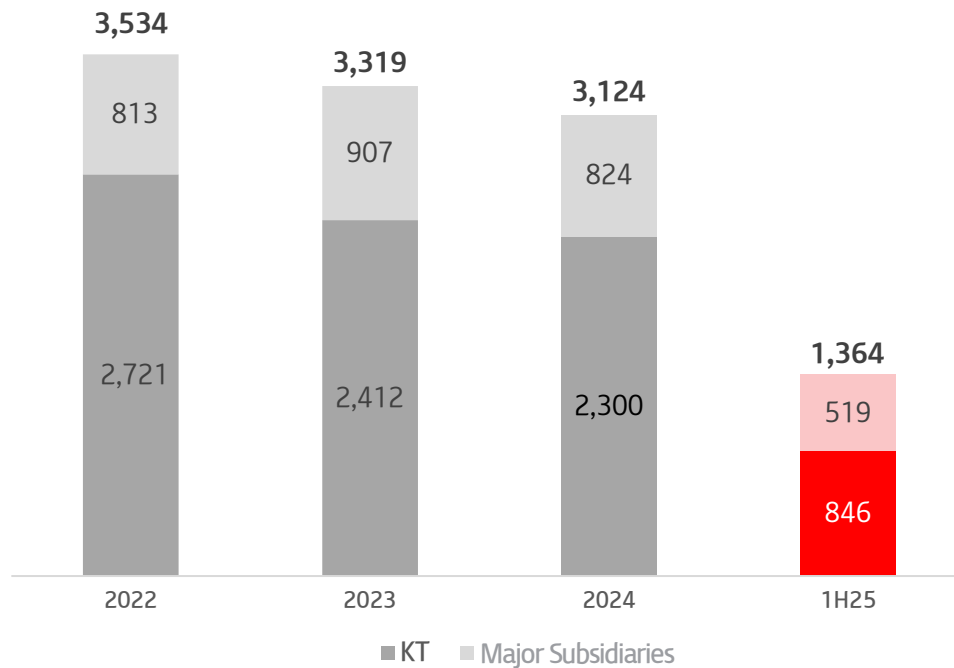
	Jun. 30, 2024	Mar. 31, 2025	Jun. 30, 2025	QoQ	YoY
Assets	43,144.4	42,185.6	42,193.3	0.0%	-2.2%
Cash & Cash equivalents	3,786.7	3,133.0	3,794.4	21.1%	0.2%
Liabilities	24,162.5	23,847.3	23,316.2	-2.2%	-3.5%
Borrowings	10,150.6	11,169.5	10,750.2	-3.8%	5.9%
Equity	18,981.9	18,338.3	18,877.1	2.9%	-0.6%
Capital Stock	1,564.5	1,564.5	1,564.5	0.0%	0.0%
Net Debt	6,363.9	8,036.5	6,955.8	-13.4%	9.3%
Debt / Equity	127.3%	130.0%	123.5%	-6.5%p	-3.8%p
Net Debt / Equity	33.5%	43.8%	36.8%	-7.0%p	3.3%p



4 CAPEX

- 1H25 Total CAPEX Execution: KRW 845.8bn (KT Separate), KRW 518.5bn (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

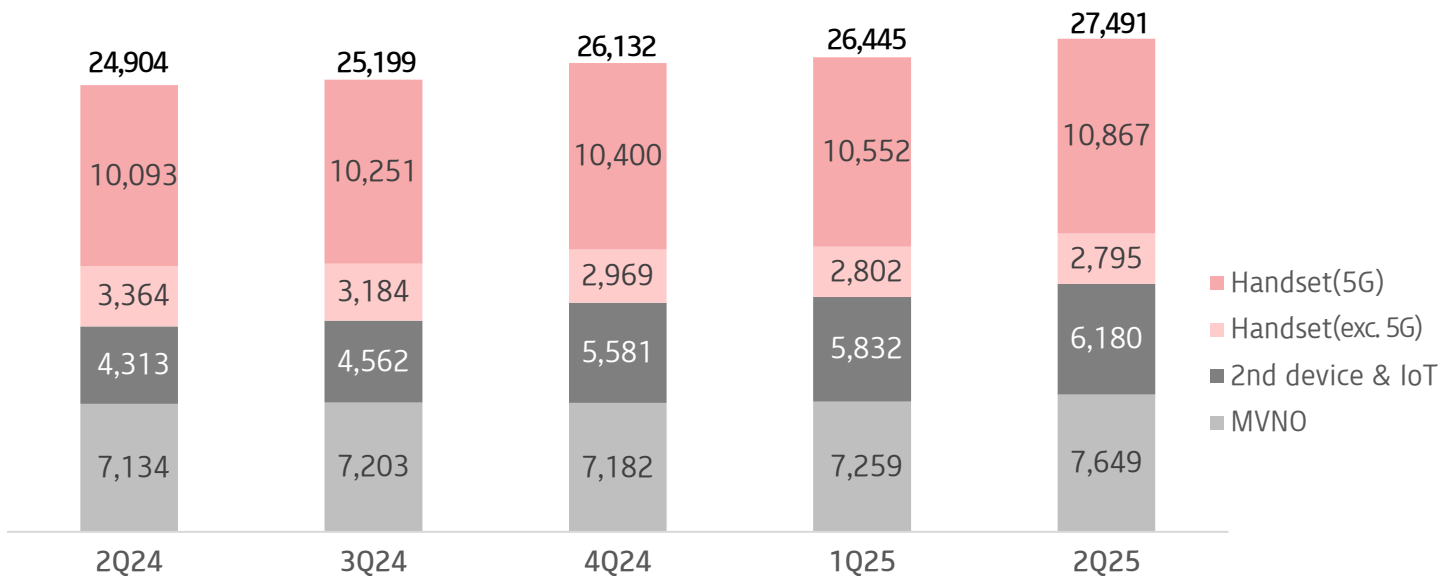
- Wireless service revenue +1.6% YoY with increased 5G penetration (79.5%) and MNO subscribers
- Continued efforts to differentiate products, distribution and pricing

(Unit: KRW bn)

	2Q24	1Q25	2Q25	QoQ	YoY
Wireless	1,765.1	1,753.1	1,781.7	1.6%	0.9%
Wireless Service	1,677.9	1,676.8	1,704.8	1.7%	1.6%
Interconnection	87.2	76.3	76.9	0.8%	-11.8%

Wireless Subscribers

(Unit: Thousands)



2 KT - Fixed Line

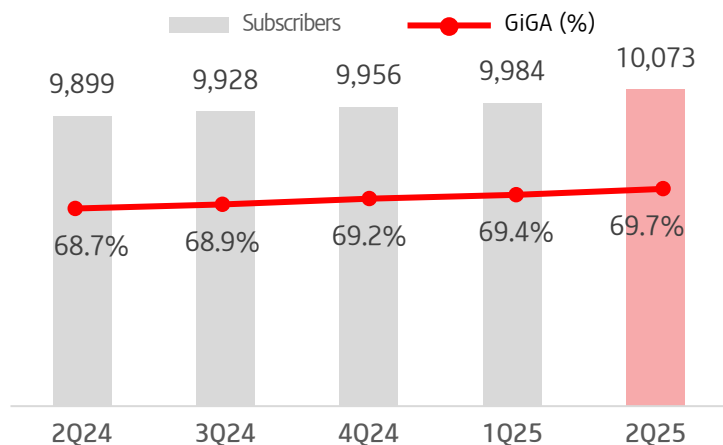
- Broadband revenue +2.1% YoY, due to increase in GiGA subscribers and value-added services
- Media rev. up 0.8% YoY backed by IPTV net subscriber adds and premium plans uptake

(Unit: KRW bn)

	2Q24	1Q25	2Q25	QoQ	YoY
Fixed Line	1,316.6	1,311.7	1,334.5	1.7%	1.4%
Broadband	618.5	628.7	631.4	0.4%	2.1%
Media	522.6	519.2	526.9	1.5%	0.8%
Home Telephony	175.6	163.8	176.2	7.6%	0.4%

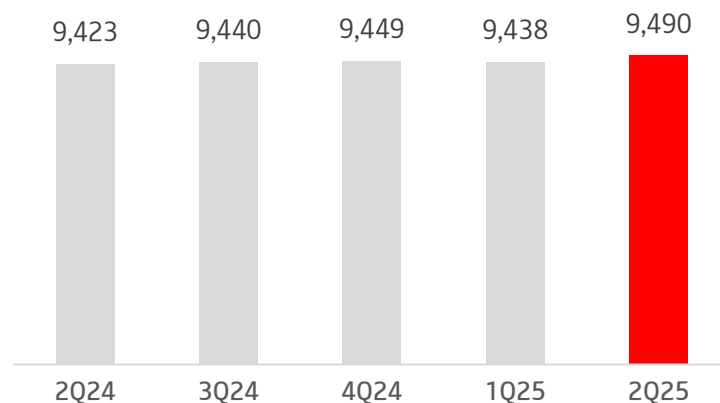
Broadband Subscribers

(Unit: Thousands)



IPTV Subscribers

(Unit: Thousands)



3 KT - B2B Services

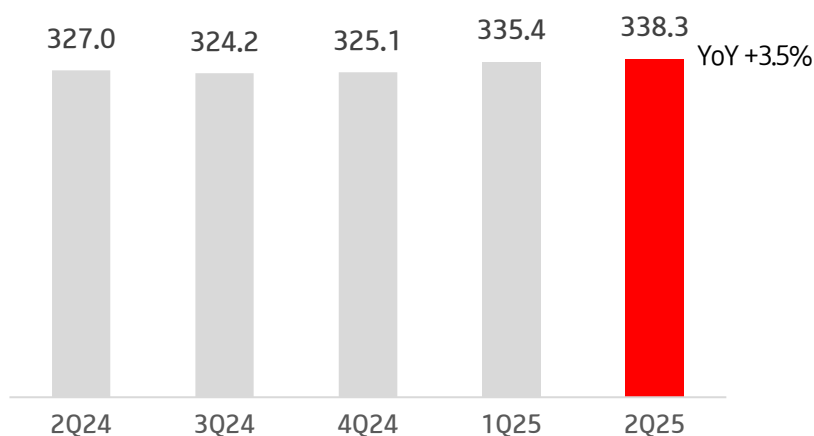
- B2B services rev. +4.5% YoY driven by balanced growth in corporate telecom and AI/IT services, despite continued streamlining of low-margin businesses

(Unit: KRW bn)

	2Q24	1Q25	2Q25	QoQ	YoY
B2B Service	882.7	892.2	922.7	3.4%	4.5%

Corp. Broadband/Data Revenue

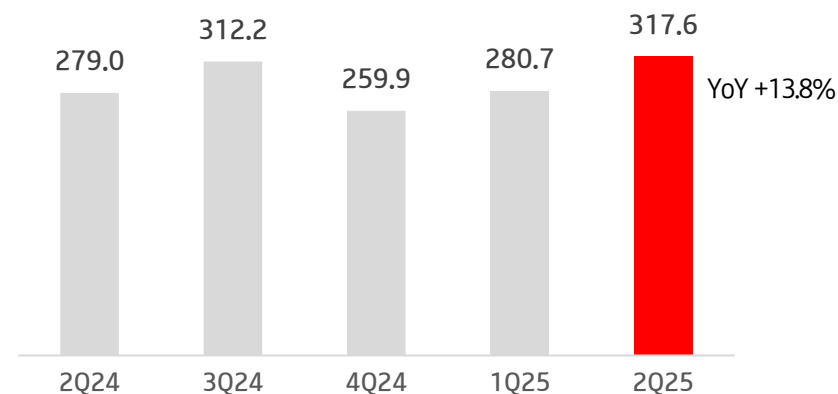
(Unit: KRW bn)



※ 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

- Contents Subsidiaries, revenue +6.0% YoY, driven by increased production, distribution of original contents and subscribers
- kt cloud, revenue +23.0% YoY, supported by increased DC usage from global clients and momentum in D&B*

*Design & Build operations

Revenue of Major Subsidiaries (consolidated)

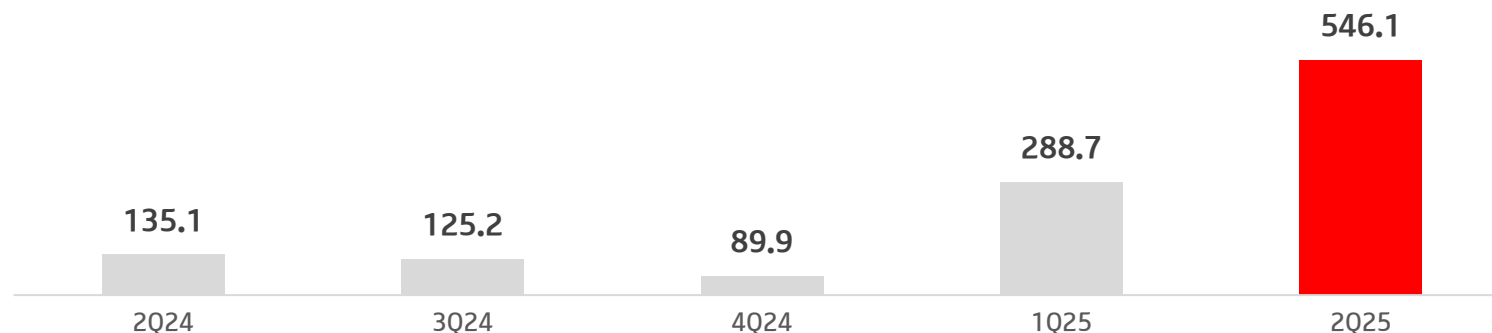
(Unit: KRW bn)

	2Q24	1Q25	2Q25	QoQ	YoY
BC Card	977.7	872.0	909.8	4.3%	-6.9%
Kt skylife	254.6	242.9	247.2	1.8%	-2.9%
Content Subsidiaries*	135.4	143.7	143.5	-0.1%	6.0%
kt cloud	180.1	249.1	221.5	-11.1%	23.0%
kt estate	157.2	137.3	160.4	16.9%	2.0%

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

*The performance of PlayD was reflected up to 1Q25(disposed on Apr. 3,2025)

Subsidiaries' OP Contribution (Unit: KRW bn)



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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	Handset revenue	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 Devices 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 equi.	1,722.5	1,608.7	1,540.6	1,150.6	1,419.9
Trade & other rec.	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

(Unit: Thousands)

Wireless Subscribers	2Q 24	3Q 24	4Q 24	1Q 25	2Q 25	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, and etc. incl.

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

(Unit: Thousands)

Fixed Line Subscribers	2Q 24	3Q 24	4Q 24	1Q 25	2Q 25	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 2H 2024 is 8,987,351 (6-month average)

