

KT 2Q26 Earnings Release

2026. 08. | Investor Relations



Disclaimer

This presentation has been prepared by KT Corp.(the “Company”) in accordance with K-IFRS. This presentation contains forward-looking statements, which are subject to risks, uncertainties, and assumptions. This presentation is being presented solely for your information and is subject to change without notice. No presentation or warranty, expressed or implied, is made and no reliance should be placed on the accuracy, actuality, fairness, or completeness of the information presented.

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.

Tel: +82-70-4193-4036

Contents

1	2Q26 Highlights
2	Financial Highlights
3	Business Overview
4	Appendix

1-1 2Q26 Highlights

Financials

OP declined due to prior-year base(real estate pjt *), while achieving QoQ turnaround

(Unit: KRW)

Cons.	Revenue	6,679.9bn (QoQ -1.5%, YoY -10.1%)	Sep.	Revenue	4,523.5bn (QoQ -6.4%, YoY +3.3%)
	Operating Profit	648.3bn (QoQ +34.3%, YoY -36.1%)		Operating Profit	313.9bn (QoQ +23.9%, YoY -17.0%)

* Gwangjin-gu Lotte Eastpole Apartment

Management Strategy

Transform into AX Platform Company

Asia AX Connectivity Hub

Demand -driven expansion^{by 2031} of
AIDC capacity(+1 GW) & Subsea cable(+90 Tbps)

AX growth drivers

^{B2B} Industry specific AX /
^{B2C} Hyper-personalized AX / Future growth AX

'Zero Trust'-based Cyber security & IT

Governance Integration / Prevention Framework /
Workforce expansion / External expert collaboration

Network infrastructure

Enhancement of network quality & capacity /
Advancing future network technologies

Value-up & Shareholder Return

Value-up Plan Announced progress & plan^(Aug.12)

2Q26 DPS¹ KRW 600

Share Buyback/ Cancellation KRW 250bn
(FY26 Value up plan)

1)Record date('26.7.29), Payment('26.8.13), 2)Trust contract for acquisition of treasury share('26.03.10~'26.9.9)

1-2 FY2028 Financial Target and Action plans

AX Platform Company

2028 Target

Consolidated ROE 9% ~ 10%

AX

AX Revenue Up 2X of 2025

Expand AI Infrastructure
(AIDC, Subsea cable)
Drive AX innovation and
future growth

Enhance profitability

Consolidated OP Margin 9%+

Enhance profitable structure
through streamlining low-
profit biz. and cost reduction
by AX

Asset Optimization

Non-core asset
liquidation

Accelerate liquidation of
non-core assets
(Idle real estate, investment
assets, etc.)

Additional
Shareholder Return

KRW 1tr. Share Buyback

Enhance capital efficiency
through additional share
buyback and cancellation

Strategy

Drive solid growth through AX Infrastructure/services based on strong fundamentals cyber security, IT, network

Contents

1	2Q26 Highlights
----------	------------------------

2	Financial Highlights
----------	-----------------------------

3	Business Overview
----------	--------------------------

4	Appendix
----------	-----------------

1 Financial Highlights

- Revenue -10.1% YoY due to prior-year base effect (real estate pjt.) and lower wireless revenue following the appreciation program
- OP -36.1% YoY followed by prior-year base effect and decline of KT separate OP

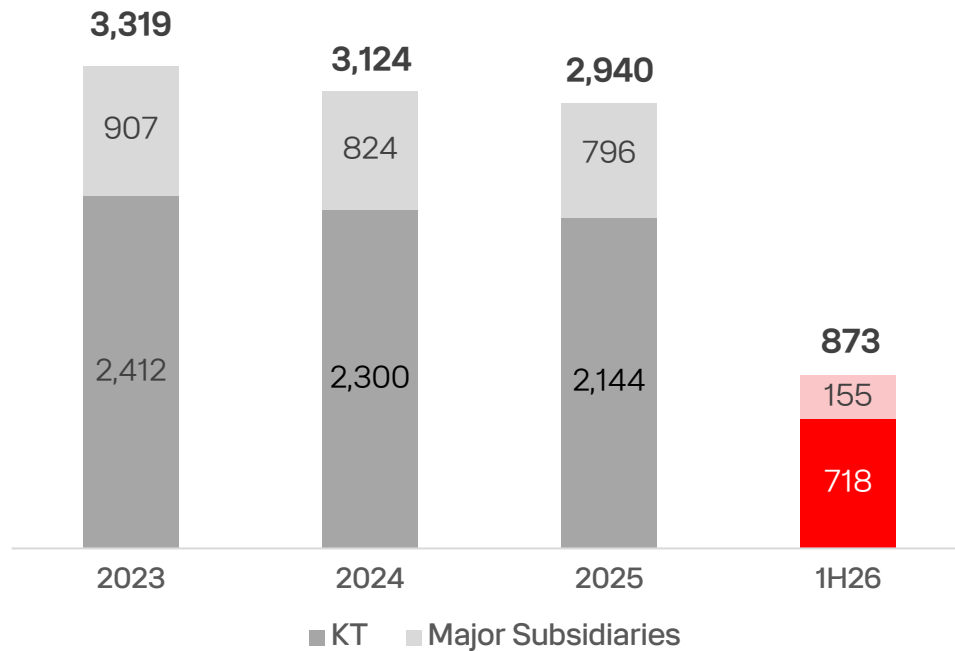
	2Q25	1Q26	2Q26	QoQ	YoY
Operating Revenue	7,427.4	6,778.4	6,679.9	-1.5%	-10.1%
Service Revenue	5,817.8	5,733.4	5,922.9	3.3%	1.8%
Sale of goods	1,609.6	1,045.0	757.0	-27.6%	-53.0%
Operating Expense	6,412.6	6,295.7	6,031.6	-4.2%	-5.9%
Operating Income	1,014.8	482.7	648.3	34.3%	-36.1%
Margin	13.7%	7.1%	9.7%	2.7%p	-4.0%p
Margin ¹	17.4%	8.4%	10.9%	2.5%p	-6.5%p
Non-op. Income/Loss	-39.9	29.8	-2.2	Turned to loss	Narrowing loss
Income before taxes	974.9	512.5	646.1	26.1%	-33.7%
Net Income	733.3	388.3	480.6	23.7%	-34.5%
Margin	9.9%	5.7%	7.2%	1.5%p	-2.7%p
EBITDA	1,990.7	1,440.0	1,589.4	10.4%	-20.2%
Margin	26.8%	21.2%	23.8%	2.5%p	-3.0%p
CAPEX	712.6	363.7	509.1	40.0%	-28.6%

1) OP Margin¹ = Operating Income/Service Revenue

2 CAPEX

- 1 H26 Total CAPEX Execution : KRW 718.0bn(KT Separate), KRW 154.8bn(Major Subsidiaries)

(Unit: KRW bn)



Major Subsidiaries' CAPEX

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

KT Separate CAPEX

Access network, Backbone Network, B2B and etc.

Contents

1	2Q26 Highlights
2	Financial Highlights
3	Business Overview
4	Appendix

1 KT - Wireless

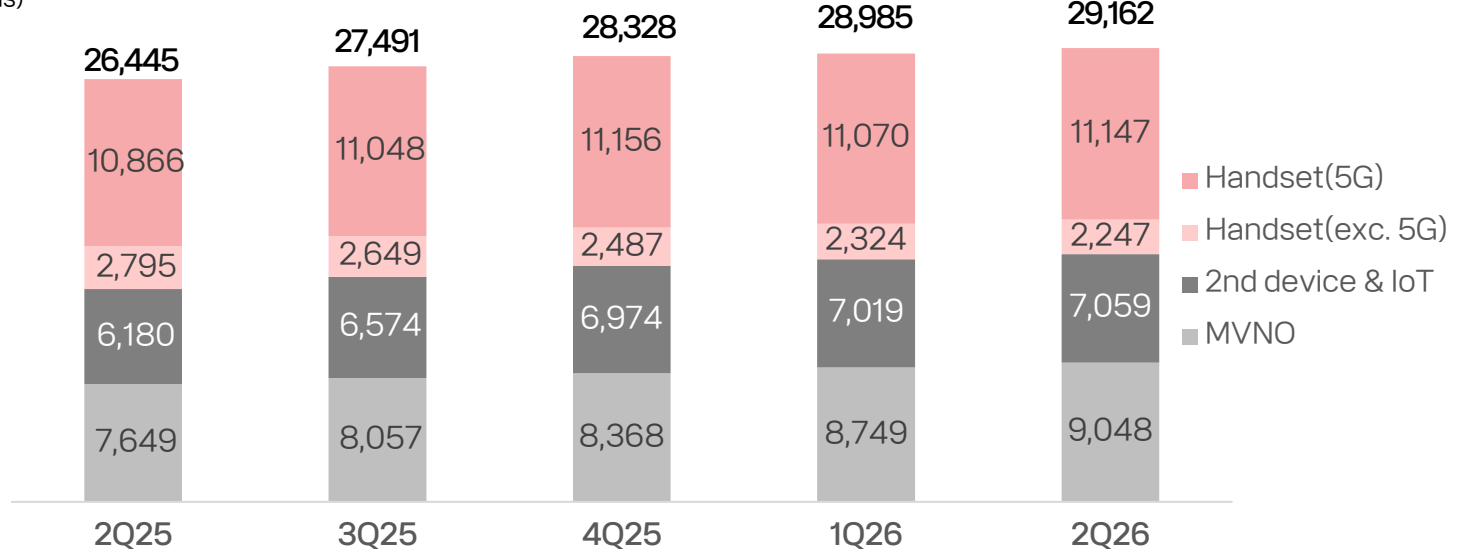
- Service revenue down -1.8% YoY, reflecting the impact of the customer appreciation program^{'26.02~07} and subs. churn during the penalty waiver period (5G penetration : 83.2%)
- Enhancing profitability through personalized AX and stronger digital distribution channels

(Unit: KRW bn)

	2Q25	1Q26	2Q26	QoQ	YoY
Wireless	1,781.7	1,757.4	1,749.7	-0.4%	-1.8%
Wireless Service	1,704.8	1,683.0	1,674.9	-0.5%	-1.8%
Interconnection	76.9	74.3	74.8	0.7%	-2.7%

Wireless Subscribers

(Unit: Thousands)



2 KT - Fixed Line

- Broadband : +1.1% YoY rev. growth, due to increase in GiGA subs. and value-added services
- Media : -0.5% YoY rev. decline, as weaker advertising and PPV* revenue offset IPTV subs.

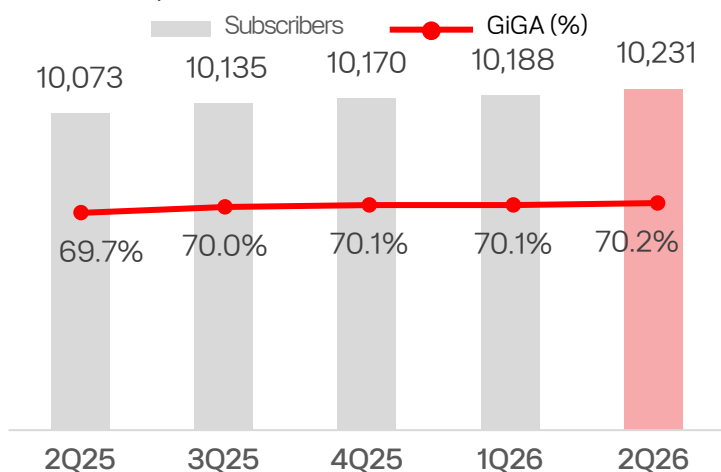
*PPV : Pay-Per-View

(Unit: KRW bn)

	2Q25	1Q26	2Q26	QoQ	YoY
Fixed Line	1,334.5	1,321.6	1,314.8	-0.5%	-1.5%
Broadband	631.4	640.2	638.0	-0.3%	1.1%
Media	526.9	526.0	524.5	-0.3%	-0.5%
Home Telephony	176.2	155.4	152.3	-2.0%	-13.6%

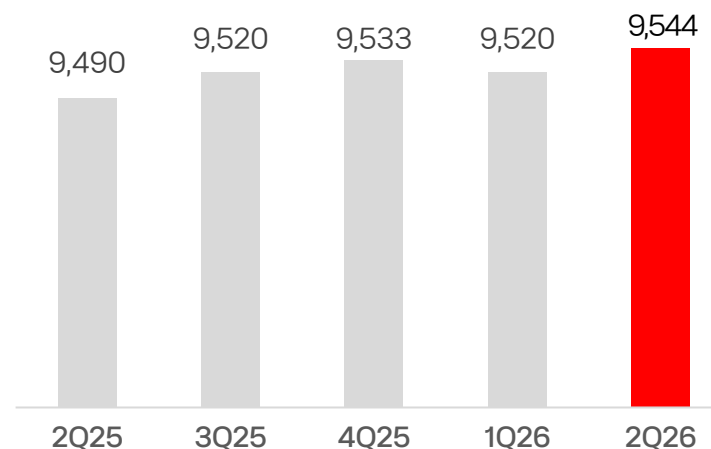
Broadband Subscribers

(Unit: Thousands)



IPTV Subscribers

(Unit: Thousands)



3 KT - B2B Services

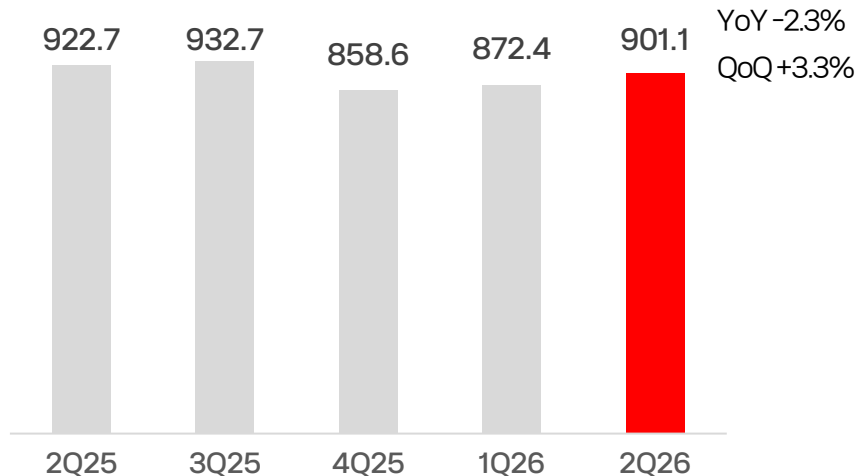
- Rev. -2.3% YoY due to the prior-year base(Design&Build), while achieving QoQ turnaround driven by balanced growth in AX and corporate telecom business

(Unit: KRW bn)

	2Q25	1Q26	2Q26	QoQ	YoY
B2B Service	922.7	872.4	901.1	3.3%	-2.3%

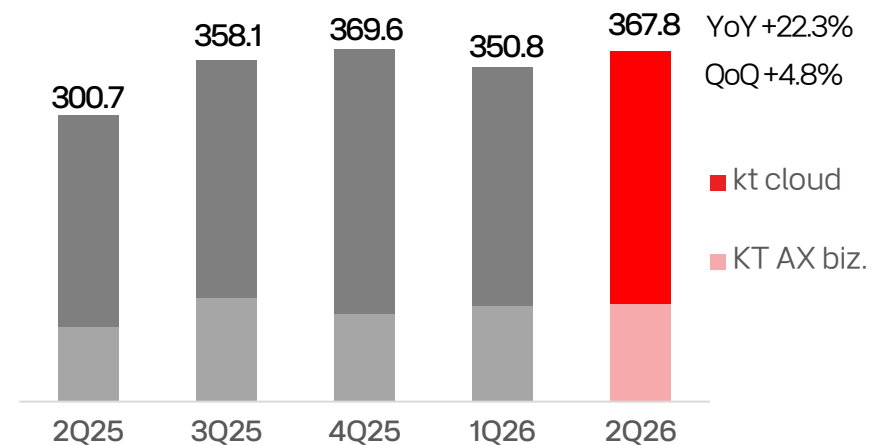
B2B Services Revenue

(Unit: KRW bn)



Revenue of AX biz.

(Unit: KRW bn)



※ KT AX biz. : Subsea cable, AICC, AI/IT service, etc.

4 Major Subsidiaries

- kt cloud rev. +19.8% YoY by increased DC ^{Gasam, '25.11} utilization and Design & Build business expansion
- kt estate rev. +80.1% YoY supported by growth in hotel business and new development* project

* Daejeon HR Center

Revenue of Major Subsidiaries (consolidated)

(Unit: KRW bn)

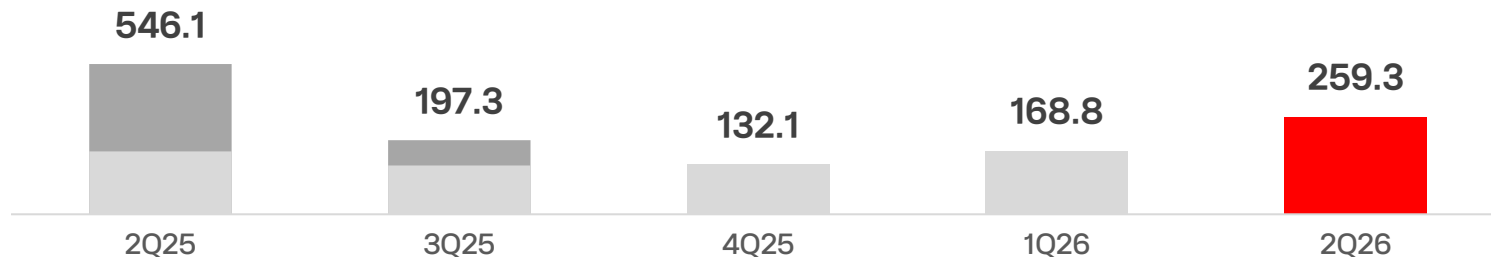
	2Q25	1Q26	2Q26	QoQ	YoY
BC Card	909.8	873.7	930.7	6.5%	2.3%
kt skylife	247.2	239.0	249.9	4.6%	1.1%
Content Subsidiaries*	143.5	146.4	166.4	13.7%	16.0%
kt cloud	221.5	250.1	265.4	6.1%	19.8%
kt estate	160.4	237.4	288.9	21.7%	80.1%

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

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

Subsidiaries' OP Contribution

(Unit: KRW bn) Excluding one-off(Gwangjin-gu real-estate PJT) gains (proportion)



Contents

1	2Q26 Highlights
2	Financial Highlights
3	Business Overview
4	Appendix

1 K-IFRS Income Statement

(Unit: KRW bn)

Consolidated	2Q25	3Q25	4Q25	1Q26	2Q26	KT Separate	2Q25	3Q25	4Q25	1Q26	2Q26
Operating revenue	7,427.4	7,126.7	6,845.0	6,778.4	6,679.9	Operating revenue	4,772.8	5,109.0	4,760.2	4,834.6	4,523.5
Service revenue	5,817.8	5,920.8	5,949.4	5,733.4	5,922.9	Service revenue	4,131.7	4,179.9	4,122.5	4,069.1	4,079.3
Sale of goods	1,609.6	1,205.9	895.6	1,045.0	757.0	Handset revenue	641.1	929.1	637.7	765.5	444.2
Operating expense	6,412.6	6,588.6	6,617.7	6,295.7	6,031.6	Operating expense	4,304.1	4,768.1	4,664.9	4,520.7	4,134.5
Cost of Service	5,129.9	5,304.6	5,548.9	5,165.6	5,235.8	Cost of Service	3,677.4	3,837.8	4,042.6	3,721.5	3,719.3
Labor cost	1,119.4	1,167.6	1,184.0	1,173.9	1,173.9	Labor cost	463.0	492.8	431.9	497.0	494.0
General expense	2,639.7	2,725.9	2,788.9	2,592.7	2,596.0	General expense	1,856.0	1,956.7	2,052.3	1,866.7	1,855.4
Cost of service	755.8	778.5	701.2	746.3	813.9	Cost of service	690.6	707.4	656.5	658.3	668.0
Selling expense	615.1	632.6	874.8	652.7	651.9	Selling expense	667.8	680.9	901.9	699.5	701.8
Cost of Goods sold	1,282.6	1,283.9	1,068.7	1,130.2	795.8	Cost of Devices sold	626.7	930.3	622.4	799.2	415.2
Operating income	1,014.8	538.2	227.3	482.7	648.3	Operating income	468.7	340.9	95.3	313.9	389.0
N-OP income (loss)	-39.9	55.3	-89.5	29.8	-2.2	N-OP income (loss)	-46.2	39.3	-4.3	101.4	-9.1
N-OP income	351.4	132.7	264.5	365.9	254.0	N-OP income	317.6	72.6	217.8	378.9	227.7
N-OP expense	407.1	74.2	367.7	342.9	284.4	N-OP expense	363.9	33.2	222.2	277.5	236.7
Equity Method (G/L)	15.7	-3.3	13.7	6.9	28.3						
Income bf tax	974.9	593.4	137.9	512.5	646.1	Income bf tax	422.5	380.2	90.9	415.3	380.0
Income tax	241.6	148.2	46.5	124.2	165.5	Income tax	64.5	90.5	42.2	75.3	94.7
Net income	733.3	445.3	91.5	388.3	480.6	Net income	358.0	289.7	48.7	340.0	285.3
NI contribution to KT	687.9	391.5	111.7	352.2	440.1						
EBITDA	1,990.7	1,503.9	1,197.3	1,440.0	1,589.4	EBITDA	1,281.7	1,153.8	900.2	1,110.6	1,171.7
EBITDA Margin	26.8%	21.1%	17.5%	21.2%	23.8%	EBITDA Margin	26.9%	22.6%	18.9%	23.0%	25.9%

2 K-IFRS Balance Sheet

(Unit: KRW bn)

Consolidated	2Q25	3Q25	4Q25	1Q26	2Q26
Assets	42,193.3	43,012.8	42,948.6	43,510.0	44,685.0
Current assets	14,385.4	15,123.6	13,977.5	14,527.1	14,821.6
Cash & cash equivalents	3,794.4	3,890.3	3,507.0	2,860.1	3,049.8
Trade & other receivables	3,955.6	4,215.7	3,963.7	4,192.1	4,109.3
Inventories	443.9	443.8	416.1	537.5	625.7
Other current asset	6,191.5	6,573.7	6,090.7	6,937.4	7,036.9
- Prepaid_Contract cost	1,304.0	1,450.7	1,484.6	1,445.5	1,416.4
- Contract assets	744.2	805.2	764.9	754.8	735.6
Non-current assets	27,808.0	27,889.2	28,971.0	28,982.9	29,863.4
Trade & other rec	378.3	422.1	463.1	453.5	492.6
Tangible assets	14,226.4	14,121.1	14,258.5	13,862.1	13,695.9
Other current assets	13,203.3	13,346.0	14,249.5	14,667.3	15,674.9
- Prepaid_Contract cost	631.5	629.2	614.5	679.4	666.6
- Contract assets	146.1	173.2	261.4	302.8	279.9
Liabilities	23,316.2	23,752.8	23,490.6	23,516.4	24,253.7
Current liabilities	12,123.5	12,223.6	11,692.8	12,642.1	13,162.5
Trade & other payables	7,077.7	7,770.5	6,868.7	6,933.6	6,781.3
Short-term borrowings	2,934.3	2,454.1	2,499.5	3,531.8	4,179.5
Others	2,111.4	1,999.0	2,324.5	2,176.8	2,201.7
- Contract liabilities	330.3	228.1	207.8	205.6	183.0
Non-current liabilities	11,192.7	11,529.2	11,797.8	10,874.3	11,091.2
Trade & other payables	383.7	386.6	328.3	295.6	613.5
Long-term borrowings	7,815.9	8,078.2	8,286.0	7,304.8	7,091.3
Others	2,993.2	3,064.4	3,183.5	3,273.9	3,386.5
- Contract liabilities	36.6	33.4	31.9	33.5	29.0
Equity	18,877.1	19,259.9	19,458.0	19,993.6	20,431.3
Retained earnings	14,739.9	14,986.2	14,964.3	15,174.5	15,470.0

KT Separate	2Q25	3Q25	4Q25	1Q26	2Q26
Assets	29,008.7	29,049.2	29,677.6	30,116.3	30,444.5
Current assets	7,022.2	7,127.8	7,212.5	7,521.4	7,181.9
Cash & cash equi.	1,419.9	1,095.5	1,585.9	1,268.9	1,210.4
Trade & other rec.	2,958.1	3,186.5	2,915.7	3,220.9	2,906.4
Inventories	166.7	155.2	94.3	173.4	270.7
Other current asset	2,477.5	2,690.7	2,616.6	2,858.2	2,794.5
- Prepaid_Contract cost	1,389.3	1,549.9	1,583.8	1,557.2	1,526.1
- Contract assets	667.8	707.8	630.0	613.4	604.1
Non-current assets	21,986.5	21,921.4	22,465.1	22,594.9	23,262.6
Trade & other rec	278.9	319.9	362.9	352.8	395.3
Tangible assets	10,913.7	10,748.7	10,932.3	10,563.9	10,402.1
Other current assets	9,941.2	10,028.4	10,357.6	10,868.1	11,685.4
- Prepaid_Contract cost	625.6	624.1	595.2	658.5	636.4
- Contract assets	116.1	140.1	226.8	258.7	257.7
Liabilities	14,165.6	13,986.4	14,451.0	14,361.4	14,444.4
Current liabilities	7,074.7	6,539.8	6,862.3	7,478.4	7,411.2
Trade & other payables	4,459.9	4,545.4	4,592.5	4,515.9	4,240.6
Short-term borrowings	1,895.4	1,310.4	1,323.8	2,018.1	2,279.7
Others	719.5	684.1	946.0	944.4	890.9
- Contract liabilities	204.8	198.3	185.7	186.8	162.8
Non-current liabilities	7,090.9	7,446.6	7,588.7	6,883.0	7,033.1
Trade & other payables	666.8	649.8	622.1	544.2	838.2
Long-term borrowings	5,184.4	5,499.5	5,744.9	5,006.6	4,725.0
Others	1,239.7	1,297.2	1,221.7	1,332.2	1,470.0
- Contract liabilities	28.0	27.3	24.8	29.0	25.0
Equity	14,843.1	15,062.8	15,226.6	15,754.9	16,000.1
Retained earnings	12,156.4	12,301.6	12,219.9	12,417.4	12,555.8

3 Subscribers

(Unit: Thousands)

Wireless Subscribers	2Q 25	3Q 25	4Q 25	1Q 26	2Q 26	QoQ	YoY
Total	27,491	28,328	28,985	29,162	29,501	1.2%	7.3%
- MNO	19,842	20,271	20,618	20,413	20,453	0.2%	3.1%
- MVNO	7,649	8,057	8,368	8,749	9,048	3.4%	18.3%
5G Handset¹⁾	10,866	11,048	11,156	11,070	11,147	0.7%	2.6%
Churn rate²⁾	1.0%	1.2%	1.0%	1.7%	0.9%	-0.8%p	-0.1%p
ARPU (KRW)³⁾	35,236	35,295	35,335	34,781	34,412	-1.1%	-2.3%

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 25	3Q 25	4Q 25	1Q 26	2Q 26	QoQ	YoY
Telephony	11,174	11,039	10,890	10,739	10,603	-1.3%	-5.1%
- PSTN	7,988	7,851	7,716	7,578	7,447	-1.7%	-6.8%
- VoIP	3,186	3,188	3,174	3,161	3,156	-0.2%	-1.0%
Broadband	10,073	10,135	10,170	10,188	10,231	0.4%	1.6%
IPTV (GTV+GTS)	9,490	9,520	9,533	9,520	9,544	0.2%	0.6%

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

- Number of KT pay TV subscribers in 2H 2025 is 9,123,463 (6-month average)

