KT

3Q26 Earnings Release

2026. 11. | 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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Contents

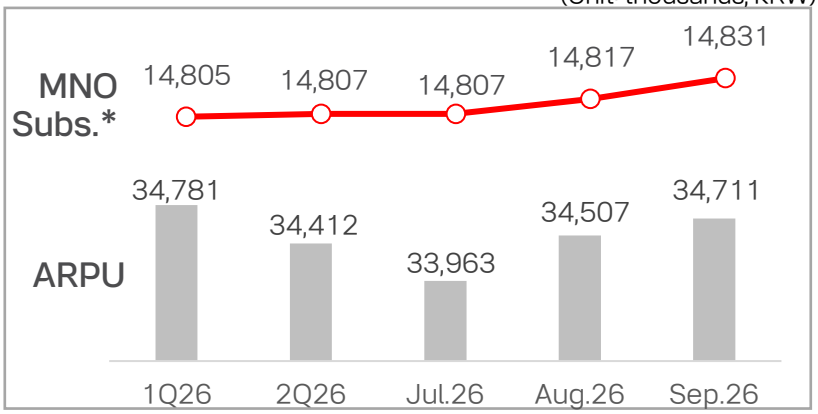
1	3Q26 Highlights
2	Financial Highlights
3	Business Overview
4	Appendix

1-1 3Q26 Highlights

- Turnaround with clear core-business recovery and DC biz. driven B2B growth
- Enhance corporate value with group portfolio growth and stable shareholder returns

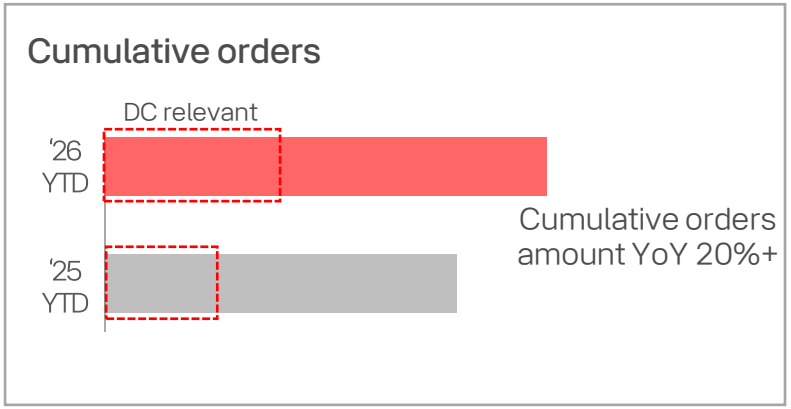
Wireless : Subs. /ARPU turnaround

(Unit: thousands, KRW)



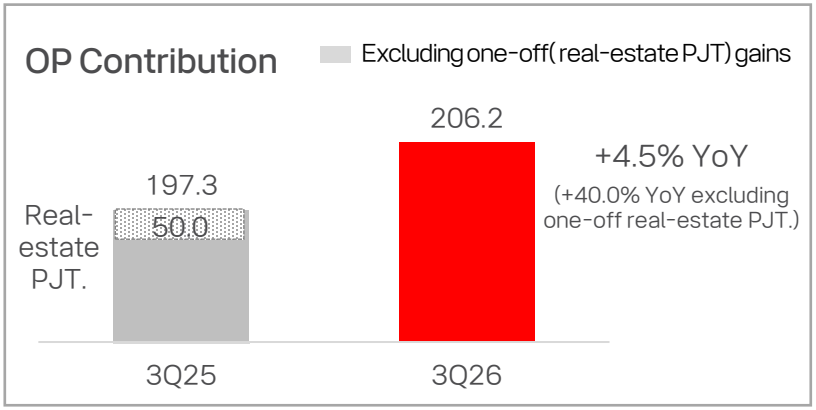
*exc. IoT/etc.

B2B, DC driven orders : Cumulative up 20%+



Subsidiaries : Robust OP growth (DC/real-estate/content etc.)

(Unit: bn KRW)



Shareholder Return : Stable execution

- FY26 DPS: Minimum KRW 2,400
- 3Q26 DPS[1] : KRW 600
- Share Buyback/Cancellation[2] :
  KRW 250bn (FY26 Value up plan)

1)Record date('26.10.28), Payment('26.11.12),
2)Trust contract for acquisition of treasury share('26.03.10~'26.9.9)

1-1 3Q26 Highlights

- AX strategy translating into execution and tangible outcomes, incl. the AIDC 1GW roadmap and Token Factory launch
- 3Q cumulative AX revenue +11.9% YoY; targeting 2x+ growth by '28 (vs.'25)

AX Infra

AIDC

- ✓ Demand driven capacity expansion of +1GW ~'31
- ✓ 6 AIDC sites to open by '29
  - ('27) Bucheon 1/2 Center
  - ('28) Gaebong·Gunsan·Yongin
  - ('29) Ansan

Subsea Cable

- ✓ +90Tbps~'31 of capacity for global AI traffic
- ✓ Lease capacity to meet demand until new cables are in place
  (Leased capacity expected to sell out within the year)

*Decision-making on additional sites in progress

AX Solution

Token Factory

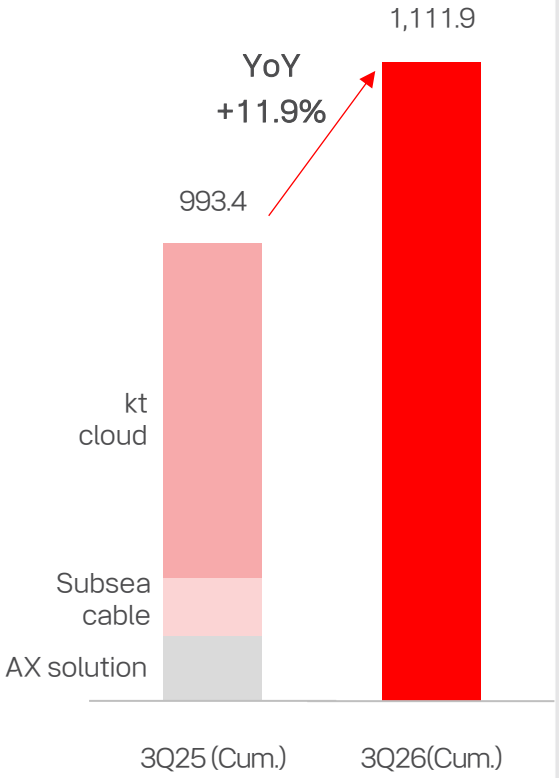
- ✓ All-in-one AI platform covering model selection, optimization, billing, and security(launched Oct.30)
- ✓ Offer 500+ domestic and global AI models
  - Partnership with OpenRouter

Palantir

- ✓ Main contract in the financial sector (Aug. '26)
- ✓ Build in-house KT FDE* and a high-margin biz. structure
- ✓ Accelerate manufacturing/enterprise expansion and internal efficiency

*Forward Deployed Engineer (Engineers driving end-to-end Palantir solution deployment at customer sites)

AX Revenue



1-2 FY2028 Financial Target and Action plans

AX Platform Company

2028 Target

Consolidated ROE 9% ~ 10%

AX	Enhance profitability	Asset Optimization	Additional Shareholder Return
AX Revenue Up 2X of 2025	**Consolidated OP Margin 9%+**	**Non-core asset liquidation**	**KRW 1tr. Share Buyback**
Expand AI Infrastructure (AIDC, Subsea cable) Drive AX innovation and future growth	Enhance profitable structure through streamlining low-profit biz. and cost reduction by AX	Accelerate liquidation of non-core assets (Idle real estate, investment assets, etc.)	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	3Q26 Highlights
2	Financial Highlights
3	Business Overview
4	Appendix

1 Financial Highlights

- Revenue -1.8% YoY due to prior-year base effect (real estate pjt.) and lower wireless revenue following the customer appreciation program
- OP -6.1% YoY due to prior-year base effect and decline of KT separate OP

(Unit: bn KRW)

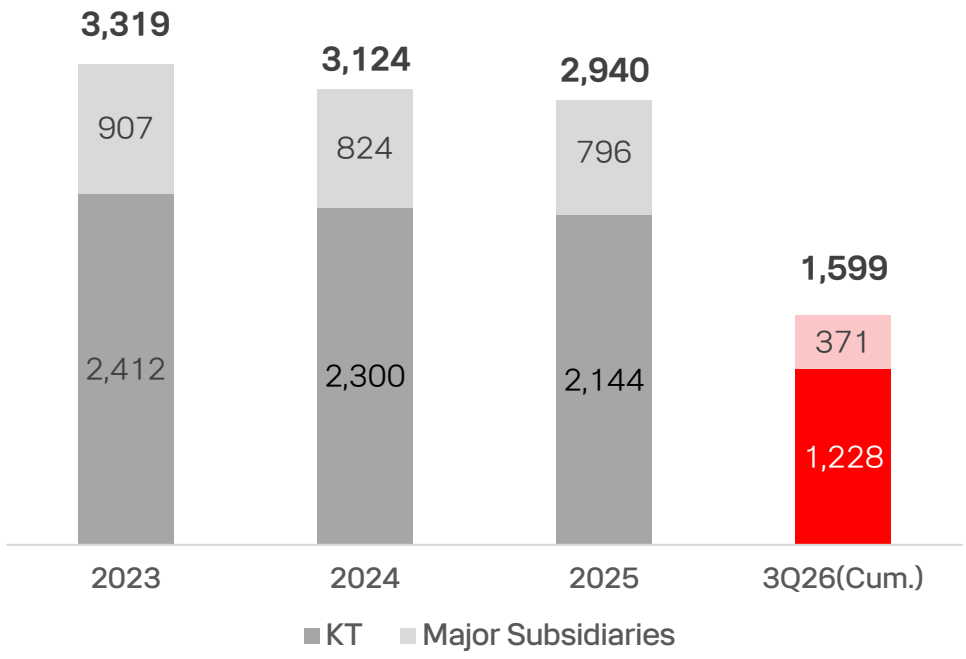
	3Q25	2Q26	3Q26	QoQ	YoY
Operating Revenue	**7,126.7**	**6,679.9**	**6,997.5**	**4.8%**	**-1.8%**
Service Revenue	5,920.8	5,922.9	5,880.9	-0.7%	-0.7%
Sale of goods	1,205.9	757.0	1,116.6	47.5%	-7.4%
Operating Expense	**6,588.6**	**6,031.6**	**6,492.2**	**7.6%**	**-1.5%**
Operating Income	**538.2**	**648.3**	**505.3**	**-22.1%**	**-6.1%**
Margin	7.6%	9.7%	7.2%	-2.4%p	-0.3%p
Margin[1]	9.1%	10.9%	8.6%	-2.4%p	-0.5%p
Non-op. Income/Loss	**55.3**	**-2.2**	**-6.0**	**Loss continued**	**Turned to loss**
Income before taxes	**593.4**	**646.1**	**499.3**	**-22.7%**	**-15.9%**
Net Income	**445.3**	**480.6**	**367.3**	**-23.6%**	**-17.5%**
Margin	6.2%	7.2%	5.2%	-1.9%p	-1.0%p
EBITDA	**1,503.9**	**1,589.4**	**1,428.3**	**-10.1%**	**-5.0%**
Margin	21.1%	23.8%	20.4%	-3.4%p	-0.7%p

1) OP Margin[1] = Operating Income/Service Revenue

2 CAPEX

- 3Q26 Total CAPEX Execution : KRW 1,228.2bn(KT Separate), KRW 370.9bn(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	3Q26 Highlights
2	Financial Highlights
3	Business Overview
4	Appendix

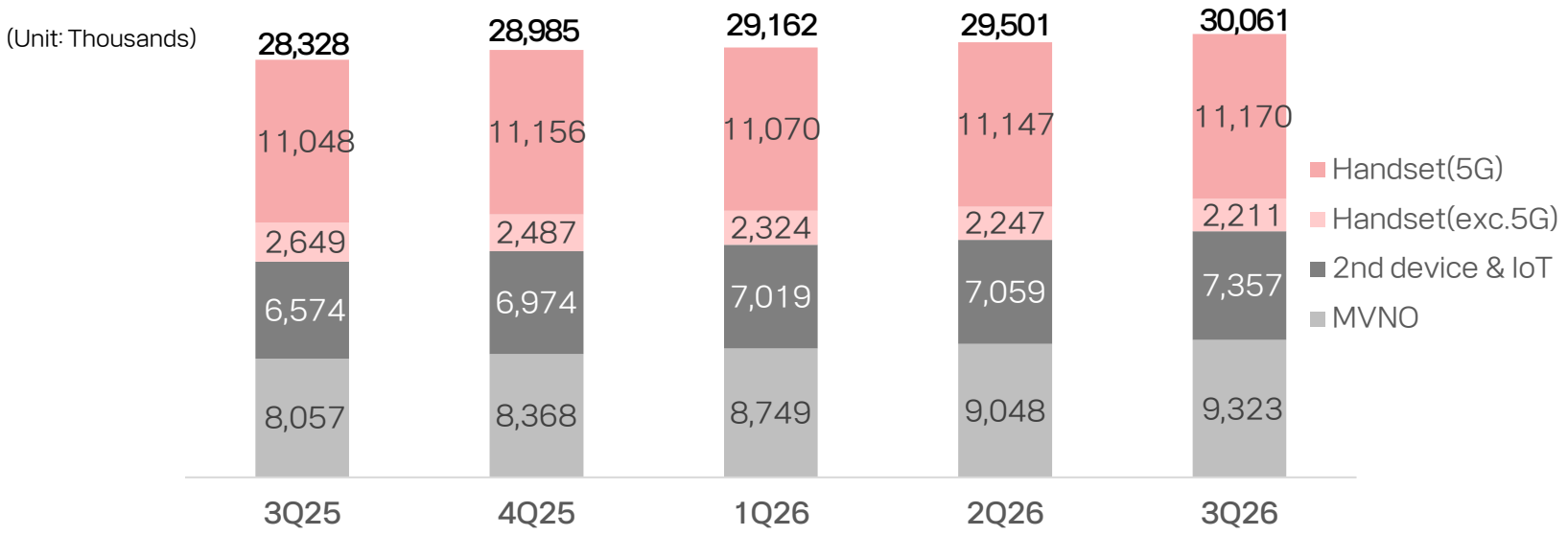
1 KT - Wireless

- Wireless Service revenue down -3.9% YoY, reflecting the impact of the customer appreciation program'26.02~07 and subs. churn during the penalty waiver period (5G penetration : 83.5%)
- Enhancing profitability through personalized AX and stronger digital distribution channels

(Unit: KRW bn)

	3Q25	2Q26	3Q26	QoQ	YoY
Wireless	**1,809.6**	**1,749.7**	**1,738.0**	**-0.7%**	**-4.0%**
Wireless Service	1,733.6	1,674.9	1,666.8	-0.5%	-3.9%
Interconnection	76.0	74.8	71.1	-4.9%	-6.4%

Wireless Subscribers



2 KT – Fixed Line

- Broadband : +0.1% YoY rev. growth, due to increase in GiGA subs. and value-added services
- Media : -2.4% YoY rev. decline, as weaker advertising and PPV* revenue offset IPTV subs. addition

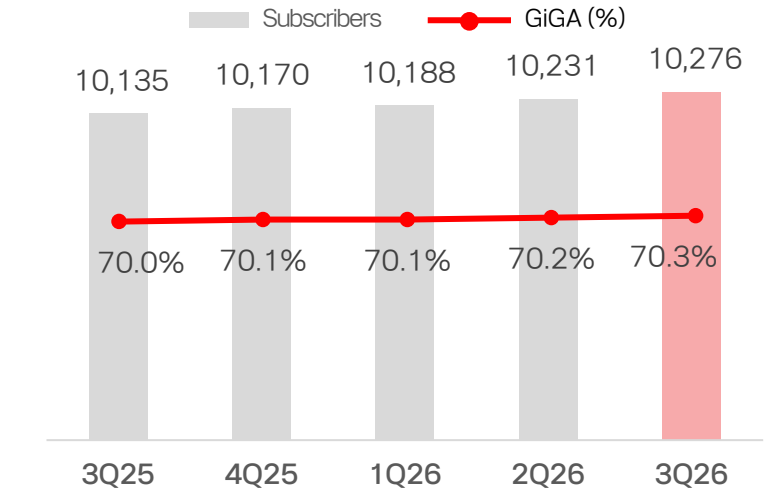
*PPV : Pay-Per-View

(Unit: KRW bn)

	3Q25	2Q26	3Q26	QoQ	YoY
Fixed Line	**1,331.9**	**1,314.8**	**1,308.2**	**-0.5%**	**-1.8%**
Broadband	636.7	638.0	637.4	-0.1%	0.1%
Media	534.4	524.5	521.5	-0.6%	-2.4%
Home Telephony	160.9	152.3	149.3	-2.0%	-7.2%

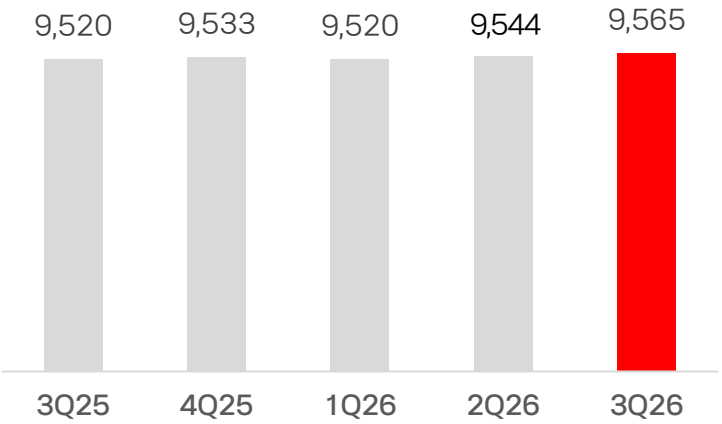
Broadband Subscribers

(Unit: Thousands)



IPTV Subscribers

(Unit: Thousands)



3 KT – B2B Services

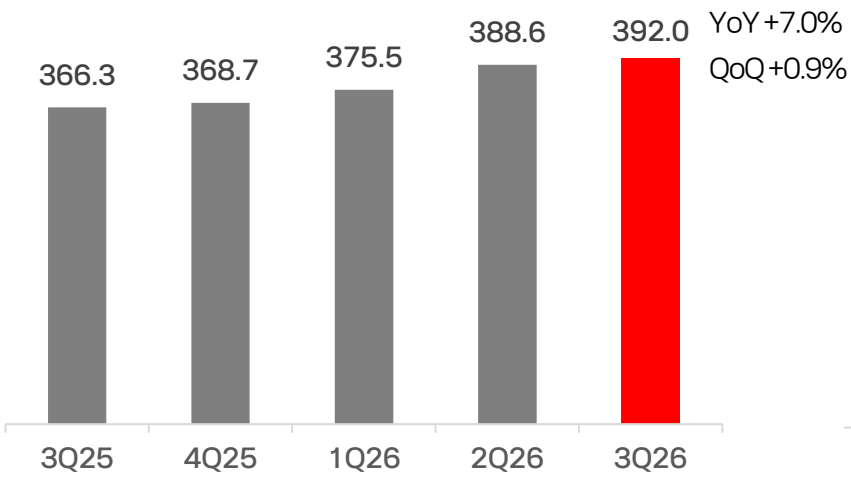
- Rev -0.7% YoY due to the prior-year base despite the continuous AX biz. Growth
- Expand AX revenue through dedicated "AI Leased Line" for AIDC and Token Factory launch

(Unit: KRW bn)

(KT Separate)	3Q25	2Q26	3Q26	QoQ	YoY
B2B Service	932.7	901.1	925.9	2.8%	-0.7%

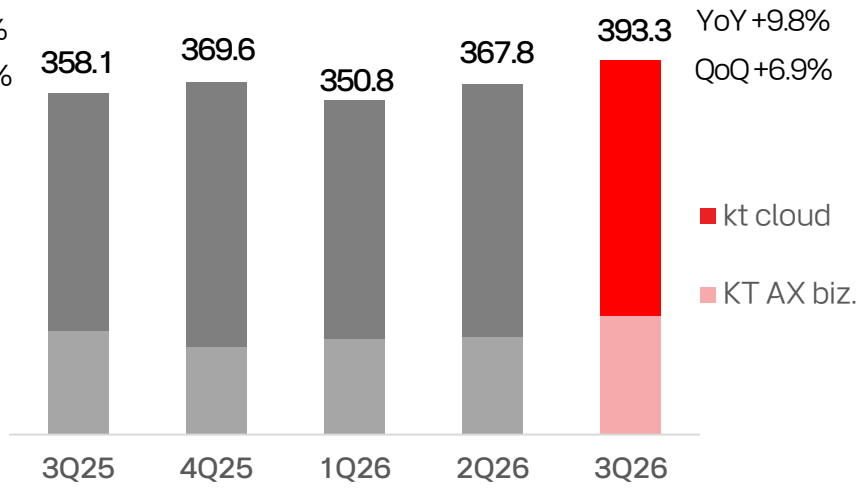
Enterprise Internet/data Revenue

(Unit: KRW bn, Separate)



AX biz. Revenue

(Unit: KRW bn, KT + kt cloud)



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

4 Major Subsidiaries

- kt cloud rev. +7.7% YoY by increased DC Gasan,'25.11 utilization and Design & Build business expansion
- kt estate rev. +39.1% YoY supported by growth in hotel business and new development project
- Content subs. rev. +12.1% YoY driven by steady growth across KT Studio Genie, KT Millie, and others

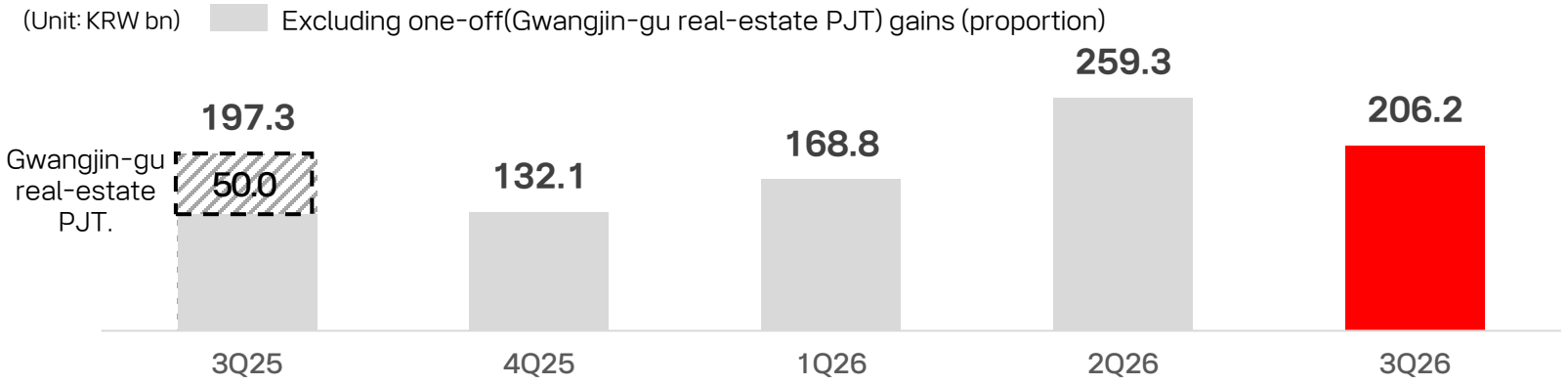
* Daejeon HR Center

Revenue of Major Subsidiaries (consolidated)

(Unit: KRW bn)	3Q25	2Q26	3Q26	QoQ	YoY
BC Card	918.3	930.7	903.8	-2.9%	-1.6%
kt skylife	246.9	249.9	249.0	-0.4%	0.8%
Content Subsidiaries*	153.3	166.4	171.8	3.3%	12.1%
kt cloud	249.0	265.4	268.2	1.0%	7.7%
kt estate	186.9	288.9	260.0	-10.0%	39.1%

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

Subsidiaries' OP contribution



Contents

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

1 K-IFRS Income Statement

(Unit: KRW bn)

Consolidated	3Q25	4Q25	1Q26	2Q26	3Q26
Operating revenue	**7,126.7**	**6,845.0**	**6,778.4**	**6,679.9**	**6,997.5**
Service revenue	5,920.8	5,949.4	5,733.4	5,922.9	5,880.9
Sale of goods	1,205.9	895.6	1,045.0	757.0	1,116.6
Operating expense	**6,588.6**	**6,617.7**	**6,295.7**	**6,031.6**	**6,492.2**
Cost of Service	5,304.6	5,548.9	5,165.6	5,235.8	5,268.7
Labor cost	1,167.6	1,184.0	1,173.9	1,173.9	1,179.5
General expense	2,725.9	2,788.9	2,592.7	2,596.4	2,657.3
Cost of service	778.5	701.2	746.3	813.6	810.5
Selling expense	632.6	874.8	652.7	651.9	621.3
Cost of Goods sold	1,283.9	1,068.7	1,130.2	795.8	1,223.5
Operating income	**538.2**	**227.3**	**482.7**	**648.3**	**505.3**
N-OP income (loss)	**55.3**	**-89.5**	**29.8**	**-2.2**	**-6.0**
N-OP income	132.7	264.5	365.9	254.0	206.2
N-OP expense	74.2	367.7	342.9	284.4	207.1
Equity Method (G/L)	-3.3	13.7	6.9	28.3	-5.1
Income bf tax	**593.4**	**137.9**	**512.5**	**646.1**	**499.3**
Income tax	148.2	46.5	124.2	165.5	132.0
Net income	**445.3**	**91.5**	**388.3**	**480.6**	**367.3**
NI contribution to KT	391.5	111.7	352.2	440.1	321.3
EBITDA	**1,503.9**	**1,197.3**	**1,440.0**	**1,589.4**	**1,428.3**
EBITDA Margin	21.1%	17.5%	21.2%	23.8%	20.4%

KT Separate	3Q25	4Q25	1Q26	2Q26	3Q26
Operating revenue	**5,109.0**	**4,760.2**	**4,834.6**	**4,523.5**	**4,987.8**
Service revenue	4,179.9	4,122.5	4,069.1	4,079.3	4,106.1
Handset revenue	929.1	637.7	765.5	444.2	881.7
Operating expense	**4,768.1**	**4,664.9**	**4,520.7**	**4,134.5**	**4,688.5**
Cost of Service	3,837.8	4,042.6	3,721.5	3,719.3	3,763.3
Labor cost	492.8	431.9	497.0	494.0	502.0
General expense	1,956.7	2,052.3	1,866.7	1,855.4	1,903.5
Cost of service	707.4	656.5	658.3	668.0	697.5
Selling expense	680.9	901.9	699.5	701.8	660.3
Cost of Devices sold	930.3	622.4	799.2	415.2	925.3
Operating income	**340.9**	**95.3**	**313.9**	**389.0**	**299.3**
N-OP income (loss)	**39.3**	**-4.3**	**101.4**	**-9.1**	**12.8**
N-OP income	72.6	217.8	378.9	227.7	160.3
N-OP expense	33.2	222.2	277.5	236.7	147.4
Income bf tax	**380.2**	**90.9**	**415.3**	**380.0**	**312.1**
Income tax	90.5	42.2	75.3	94.7	74.0
Net income	**289.7**	**48.7**	**340.0**	**285.3**	**238.1**
EBITDA	**1,153.8**	**900.2**	**1,110.6**	**1,171.7**	**1,057.1**
EBITDA Margin	22.6%	18.9%	23.0%	25.9%	21.2%

2 K-IFRS Balance Sheet

(Unit: KRW bn)

Consolidated	3Q25	4Q25	1Q26	2Q26	3Q26
Assets	**43,012.8**	**42,948.6**	**43,510.0**	**44,685.0**	**44,557.3**
Current assets	**15,123.6**	**13,977.5**	**14,527.1**	**14,821.6**	**15,313.6**
Cash & cash equivalents	3,890.3	3,507.0	2,860.1	3,049.8	3,042.4
Trade & other receivables	4,215.7	3,963.7	4,192.1	4,109.3	4,809.6
Inventories	443.8	416.1	537.5	625.7	870.1
Other current asset	6,573.7	6,090.7	6,937.4	7,036.9	6,591.5
- Prepaid_Contract cost	1,450.7	1,484.6	1,445.5	1,416.4	1,376.9
- Contract assets	805.2	764.9	754.8	735.6	719.2
Non-current assets	**27,889.2**	**28,971.0**	**28,982.9**	**29,863.4**	**29,243.7**
Trade & other rec	422.1	463.1	453.5	492.6	455.8
Tangible assets	14,121.1	14,258.5	13,862.1	13,695.9	13,618.8
Other non-current assets	13,346.0	14,249.5	14,667.3	15,674.9	15,169.0
- Prepaid_Contract cost	629.2	614.5	679.4	666.6	674.9
- Contract assets	173.2	261.4	302.8	279.9	297.0
Liabilities	**23,752.8**	**23,490.6**	**23,516.4**	**24,253.7**	**24,302.9**
Current liabilities	**12,223.6**	**11,692.8**	**12,642.1**	**13,162.5**	**12,975.7**
Trade & other payables	7,770.5	6,868.7	6,933.6	6,781.3	7,071.0
Short-term borrowings	2,454.1	2,499.5	3,531.8	4,179.5	3,797.5
Others	1,999.0	2,324.5	2,176.8	2,201.7	2,107.2
- Contract liabilities	228.1	207.8	205.6	183.0	207.4
Non-current liabilities	**11,529.2**	**11,797.8**	**10,874.3**	**11,091.2**	**11,327.2**
Trade & other payables	386.6	328.3	295.6	613.5	623.2
Long-term borrowings	8,078.2	8,286.0	7,304.8	7,091.3	7,302.3
Others	3,064.4	3,183.5	3,273.9	3,386.5	3,401.7
- Contract liabilities	33.4	31.9	33.5	29.0	54.6
Equity	**19,259.9**	**19,458.0**	**19,993.6**	**20,431.3**	**20,254.3**
Retained earnings	14,986.2	14,964.3	15,174.5	15,470.0	15,632.9

KT Separate	3Q25	4Q25	1Q26	2Q26	3Q26
Assets	**29,049.2**	**29,677.6**	**30,116.3**	**30,444.5**	**30,081.0**
Current assets	**7,127.8**	**7,212.5**	**7,521.4**	**7,181.9**	**7,689.8**
Cash & cash equi.	1,095.5	1,585.9	1,268.9	1,210.4	1,395.4
Trade & other rec.	3,186.5	2,915.7	3,220.9	2,906.4	3,414.7
Inventories	155.2	94.3	173.4	270.7	409.8
Other current asset	2,690.7	2,616.6	2,858.2	2,794.5	2,469.9
- Prepaid_Contract cost	1,549.9	1,583.8	1,557.2	1,526.1	1,492.9
- Contract assets	707.8	630.0	613.4	604.1	565.0
Non-current assets	**21,921.4**	**22,465.1**	**22,594.9**	**23,262.6**	**22,391.2**
Trade & other rec	319.9	362.9	352.8	395.3	356.4
Tangible assets	10,748.7	10,932.3	10,563.9	10,402.1	10,330.8
Other non-current assets	10,028.4	10,357.6	10,868.1	11,685.4	10,963.7
- Prepaid_Contract cost	624.1	595.2	658.5	636.4	646.4
- Contract assets	140.1	226.8	258.7	257.7	252.6
Liabilities	**13,986.4**	**14,451.0**	**14,361.4**	**14,444.4**	**14,393.6**
Current liabilities	**6,539.8**	**6,862.3**	**7,478.4**	**7,411.2**	**7,041.9**
Trade & other payables	4,545.4	4,592.5	4,515.9	4,240.6	4,695.9
Short-term borrowings	1,310.4	1,323.8	2,018.1	2,279.7	1,527.9
Others	684.1	946.0	944.4	890.9	818.1
- Contract liabilities	198.3	185.7	186.8	162.8	187.9
Non-current liabilities	**7,446.6**	**7,588.7**	**6,883.0**	**7,033.1**	**7,351.7**
Trade & other payables	649.8	622.1	544.2	838.2	819.8
Long-term borrowings	5,499.5	5,744.9	5,006.6	4,725.0	5,057.6
Others	1,297.2	1,221.7	1,332.2	1,470.0	1,474.3
- Contract liabilities	27.3	24.8	29.0	25.0	31.3
Equity	**15,062.8**	**15,226.6**	**15,754.9**	**16,000.1**	**15,687.4**
Retained earnings	12,301.6	12,219.9	12,417.4	12,555.8	12,635.5

3 Subscribers

(Unit: Thousands)

Wireless Subscribers	3Q 25	4Q 25	1Q 26	2Q 26	3Q 26	QoQ	YoY
Total	28,328	28,985	29,162	29,501	30,061	1.9%	6.1%
- MNO	20,271	20,618	20,413	20,453	20,738	1.4%	2.3%
- MVNO	8,057	8,368	8,749	9,048	9,323	3.0%	15.7%
5G Handset[1)]	11,048	11,156	11,070	11,147	11,170	0.2%	1.1%
Churn rate[2)]	1.2%	1.0%	1.7%	0.9%	1.0%	0.1%p	-0.2%p
ARPU (KRW)[3)]	35,295	35,335	34,781	34,412	34,394	-0.1%	-2.6%

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	3Q 25	4Q 25	1Q 26	2Q 26	3Q 26	QoQ	YoY
Telephony	11,039	10,890	10,739	10,603	10,475	-1.2%	-5.1%
- PSTN	7,851	7,716	7,578	7,447	7,327	-1.6%	-6.7%
- VoIP	3,188	3,174	3,161	3,156	3,148	-0.2%	-1.2%
Broadband	10,135	10,170	10,188	10,231	10,276	0.4%	1.4%
IPTV (GTV+GTS)	9,520	9,533	9,520	9,544	9,565	0.2%	0.5%

※ 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)

