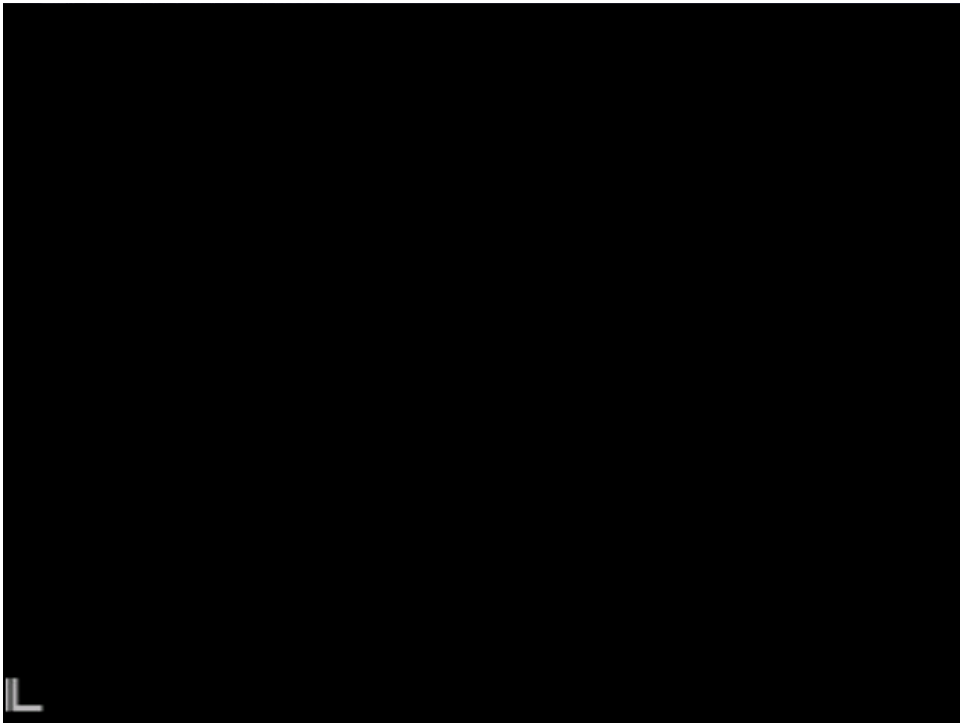


**Contents** Value Networking **KT**


- Brief introduction of KT
- Introduction of WiBro/mobile WiMAX
- Business strategy
- Vision for WiBro/mobile WiMAX

**KT**



## Brief introduction of KT

Value Networking **KT**



- 1981 KT Corporation Established
- 1993 Telephone Lines Reached 20 M
- 1999 Local Telephone Opened to Competition
- 2002 Completely Privatized

**37,800**

Employees

**11.85**  
Billion USD

(Net Profit: 2.1 Billion USD)

Turnover  
(2004)

**22 Million**

Telephone  
Subscribers

**6.1 Million**

Broadband  
Subscribers

KTF: 12 Million CDMA subscribers      • Population : 47.8 M      • Household : 15.3 M

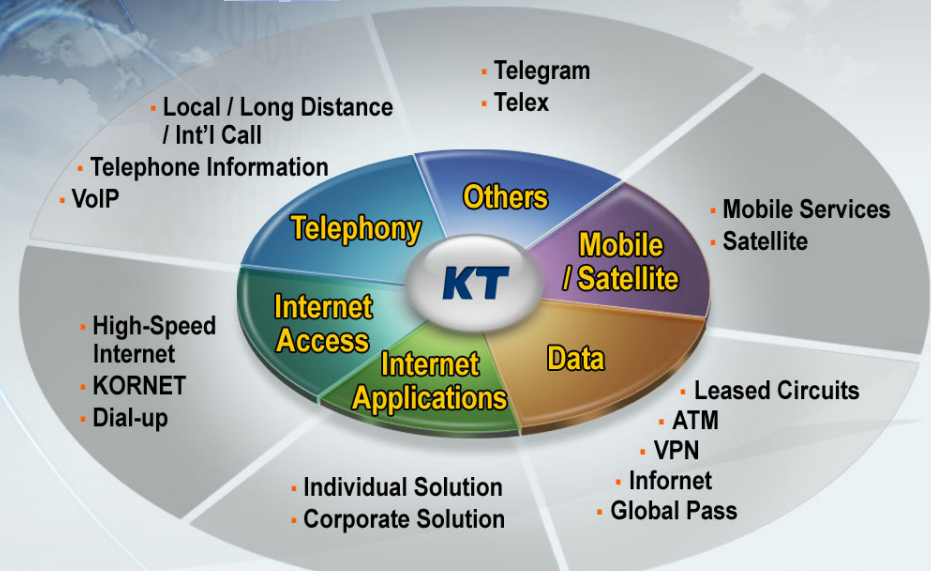
KTH: Internet portal ([www.paran.com](http://www.paran.com))

As of Dec. 2004

<http://broadband.kt.co.kr>

## Brief introduction of KT

Value Networking **KT**



The diagram shows a central 'KT' logo surrounded by six business domains: Telephony, Internet Access, Internet Applications, Data, Mobile / Satellite, and Others. Each domain is associated with a list of services.

- Local / Long Distance / Int'l Call
- Telephone Information
- VoIP

- Telegram
- Telex

- Mobile Services
- Satellite

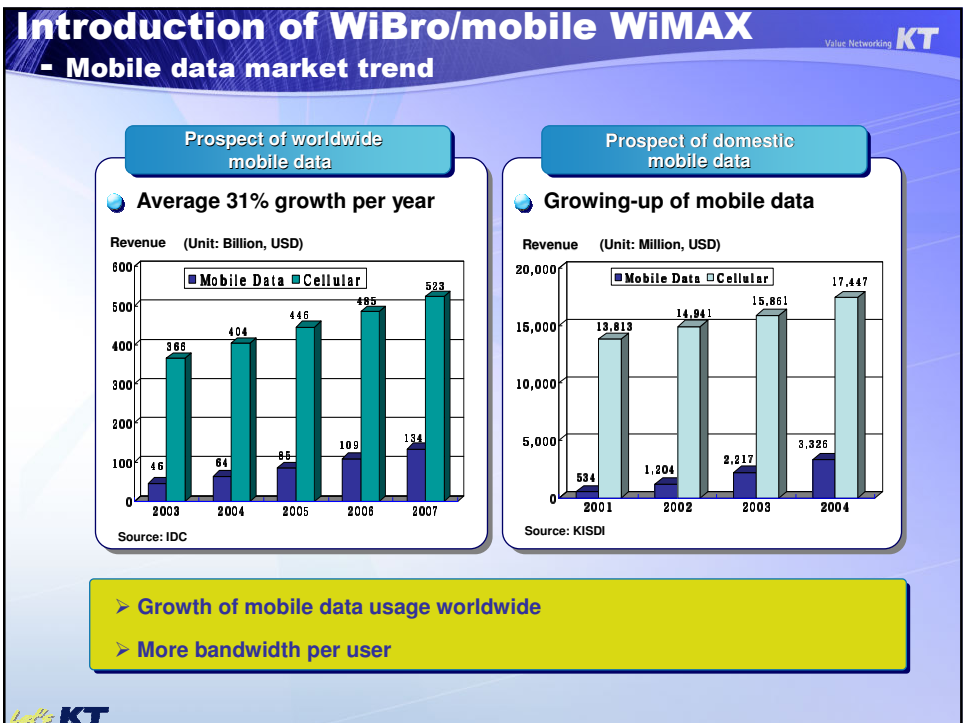
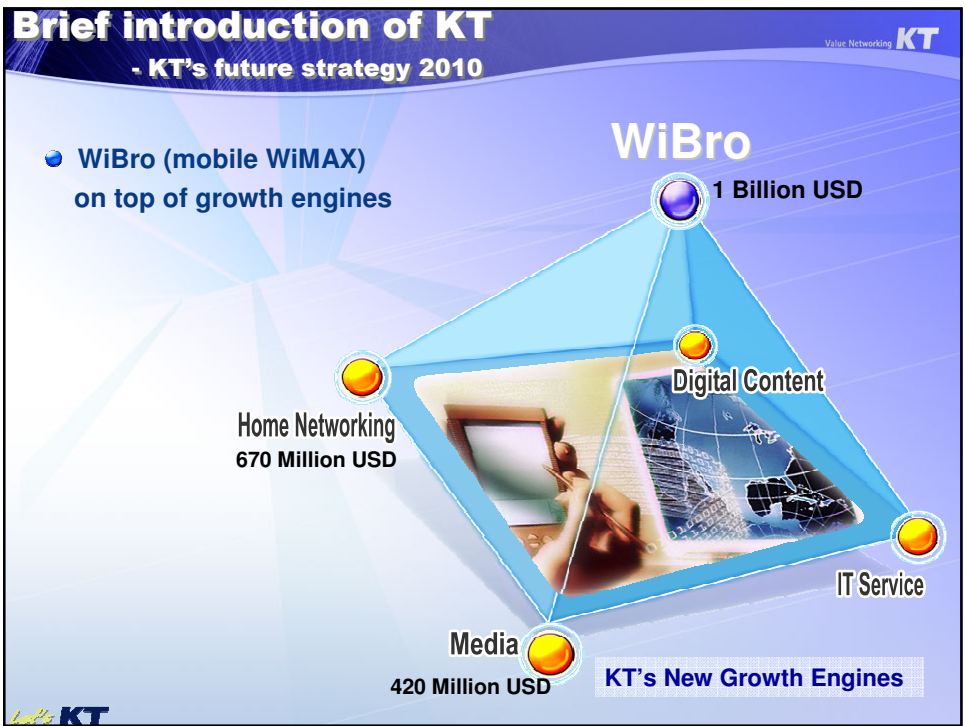
- High-Speed Internet
- KORNET
- Dial-up

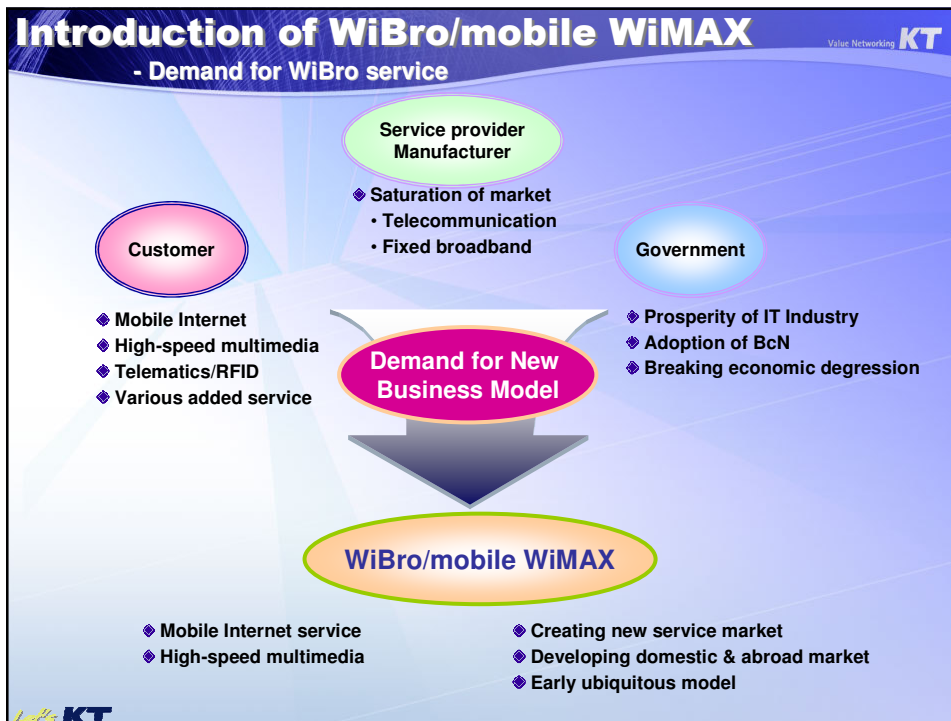
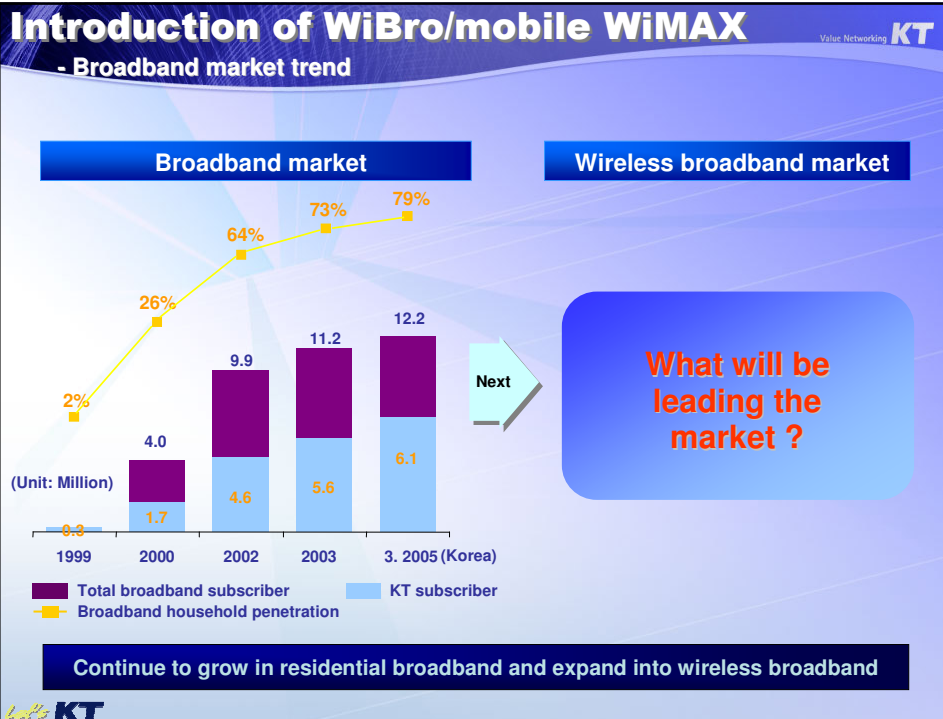
- Leased Circuits
- ATM
- VPN
- InforNet
- Global Pass

- Individual Solution
- Corporate Solution

**Business Domain**

<http://broadband.kt.co.kr>





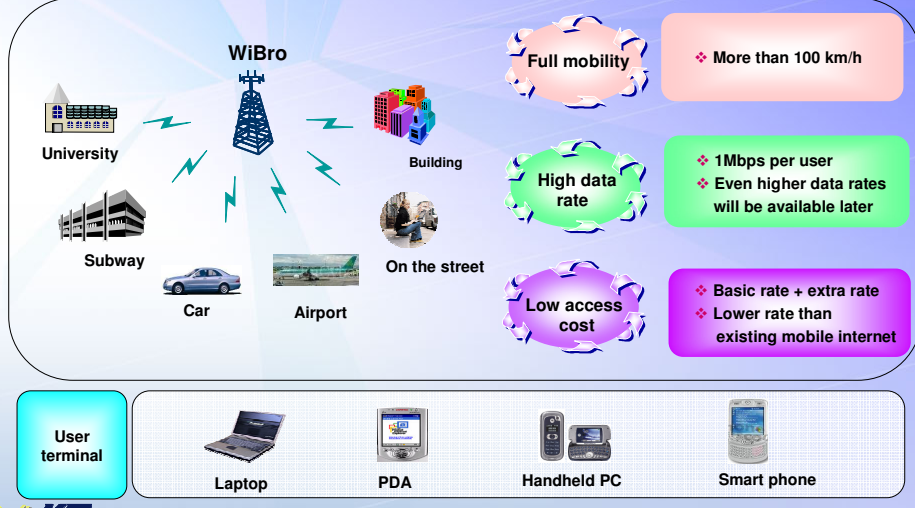


# Introduction of WiBro/mobile WiMAX

Value Networking **KT**

## - What is WiBro?

- Carry the high speed Internet in your pocket!
- Access the web, multimedia contents and whatever information you need as you move.

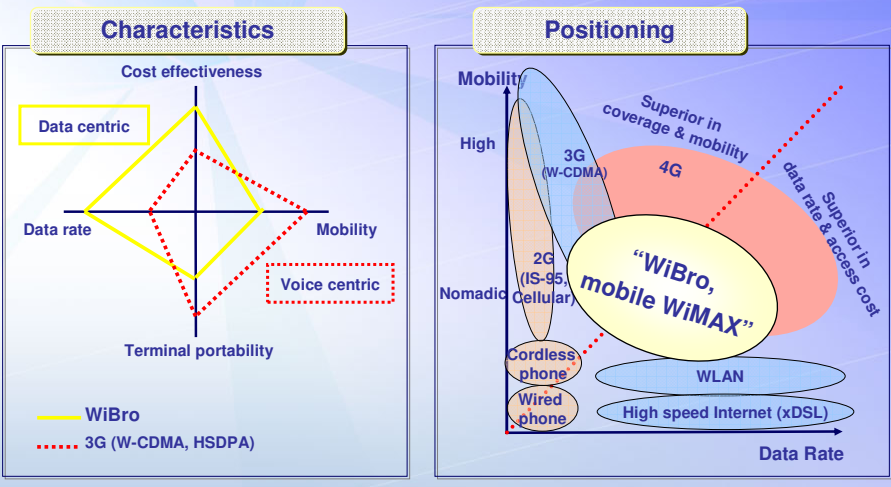


# Introduction of WiBro/mobile WiMAX

Value Networking **KT**

## - WiBro positioning

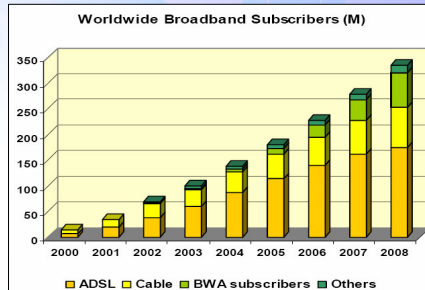
- Distinguished from the existing services by mobility, higher-speed data transmission, and competitive price.
- WiBro, 3G, and WLAN complement each other.



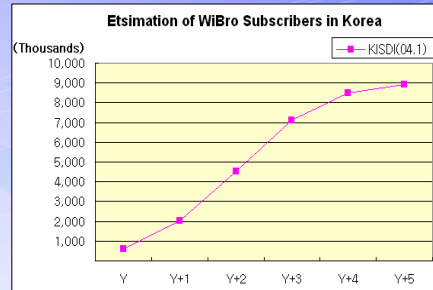
# Business strategy

## - Market estimation

Value Networking **KT**



• source: Maravedis (2004)



• source: Korea Information Strategy Development Institute (2004)

- ✦ Wireless broadband market will keep growing
  - ❖ Domestic: In 2011, about 9 million users (KISDI)
  - ❖ Overseas: In 2008, mobile broadband market will be the 40% of broadband market (Maravedis)



Value Networking **KT**

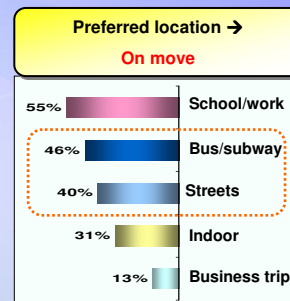
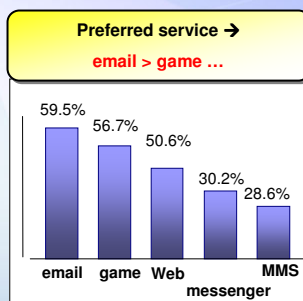
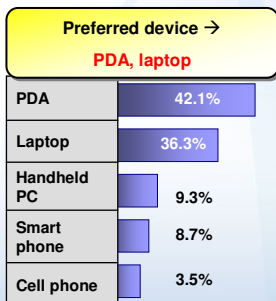
# Business strategy

## - Market analysis

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### User's needs

- ✦ Potential target users: Young generation (age 10-40), business professionals, students, etc.
- ✦ Internet usage pattern: Web surfing & download (40%), email (20%), game (17%), etc.
- ✦ Preferred services: email > game > web surfing > messenger
- ✦ Preferred user devices: PDA (42%), laptop (36%), and other devices (<10%).



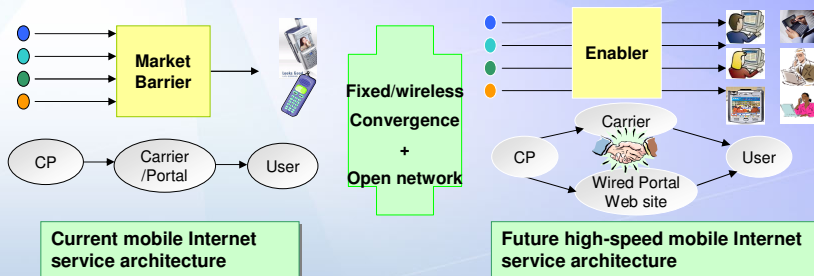
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# Business strategy

Value Networking **KT**

## BM strategy

- ✦ **Creating a strong value-chain with an open IP transport architecture.**
  - Creating synergy with the conventional services by optimizing the service positioning (Win-Win)
- ✦ **Aside from the individual users, create business models for enterprises and public sectors.**
  - Networking of the individual, enterprise, and public sector will create synergy.



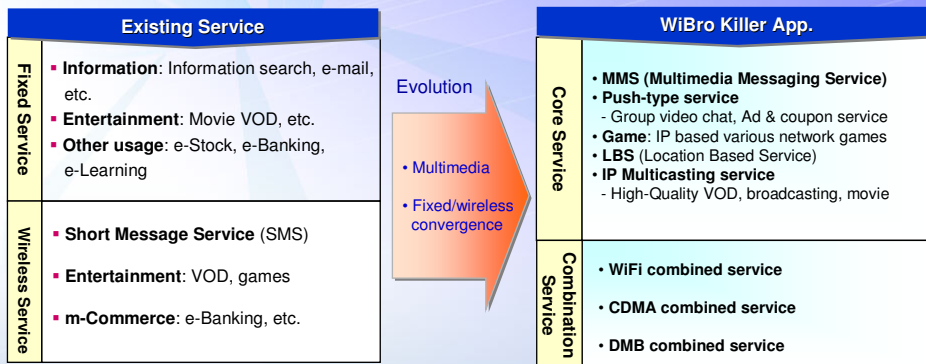
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# Business strategy

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## - Service model

- ✦ **Develop killer application model for multimedia/convergence**
  - Emphasizing the strong points for high speed internet
  - Combining with existing service to expand customer's feasibility and maximize revenue generation

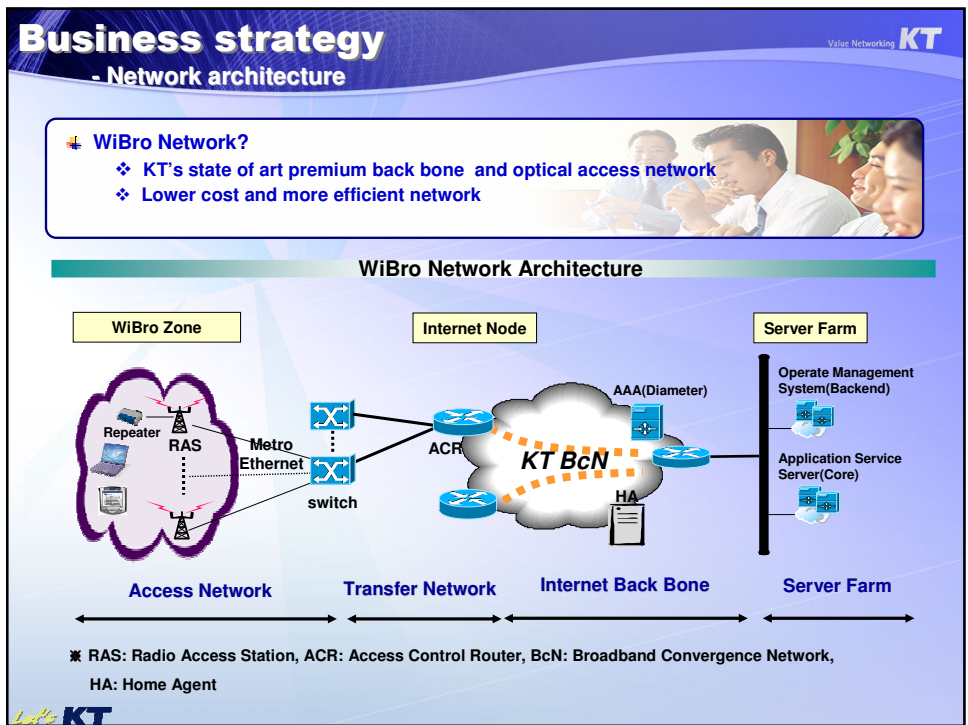
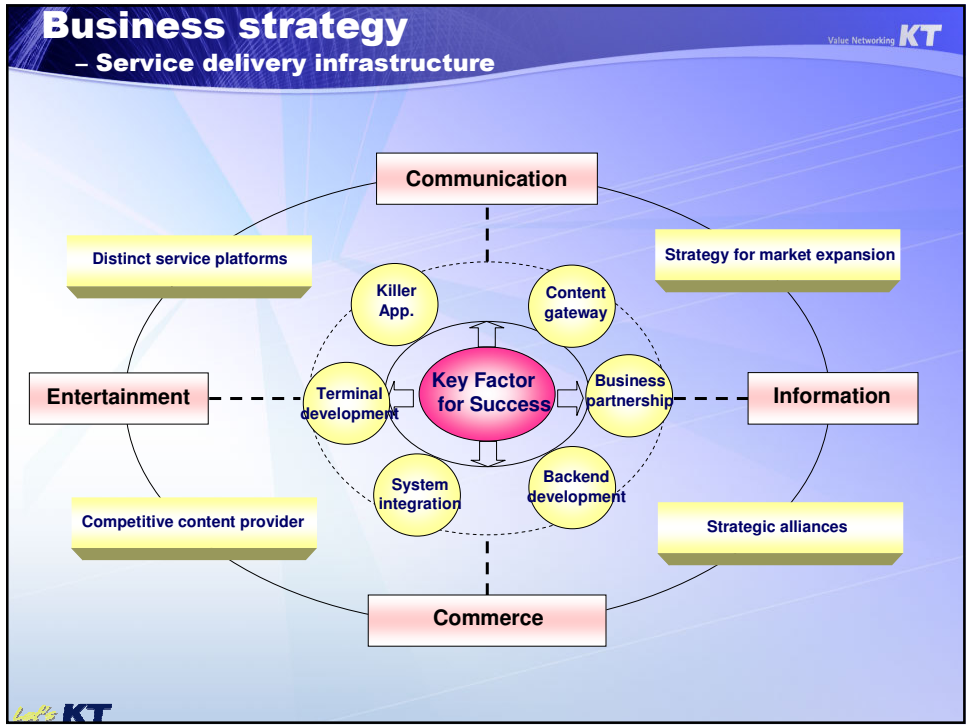


• Application of core technology of KT's existing infrastructure  
 • Fixed (demand mobility) + Wireless (demand broadband)  
 → Combined Service

• Existing fixed/wireless contents + various internet services  
 → Multimedia, 3D, upgrade by solution-combined production

KT





# Business strategy

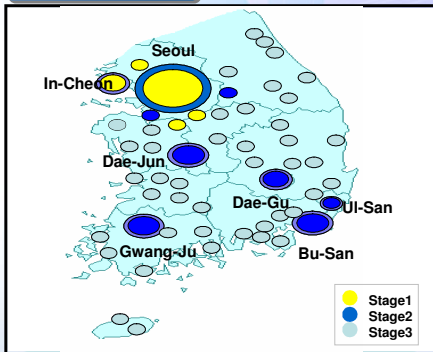
## - Network deployment

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April 2006, KT's commercial WiBro service in Seoul

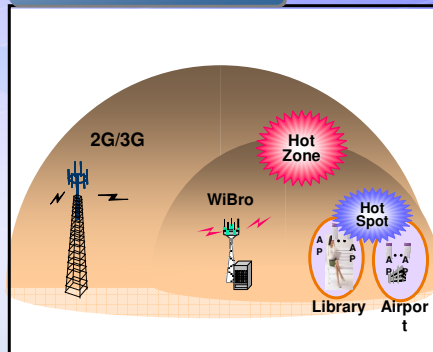


### Network deployment



- Stage 1 : Seoul, metropolitan (10)
- Stage 2 : Metro, major cities (20)
- Stage 3 : Minor cities (54)

### Network integration planning



- 2G/3G: Voice-oriented, wide-area, narrow-band
- WiBro: Urban cities
- WiFi: Hot-Spot

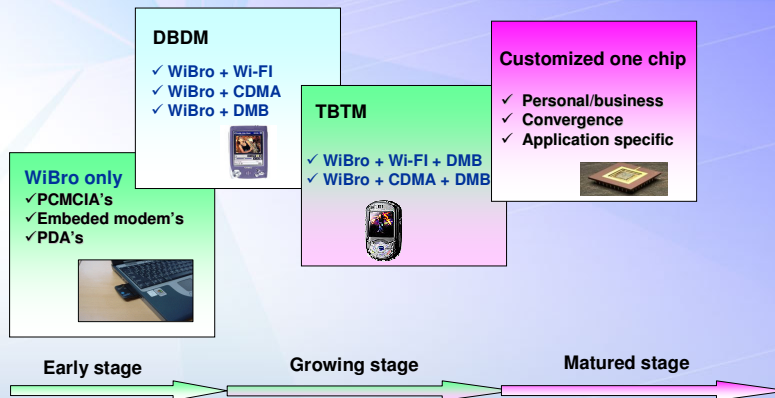
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# Business strategy

## - Terminal development roadmap

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### Terminal roadmap



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# Business strategy

- APEC demonstration

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- ✦ First mover to hold WiBro demonstration
  - ❖ Date: Nov. 12 ~ 20, 2005
  - ❖ Place: Busan, Korea
  - ❖ Guest: Presidents and VIP of each nation, Major company's CEO, The Press
  - ❖ Demo Area: Bexco, DongBaek island, resort areas



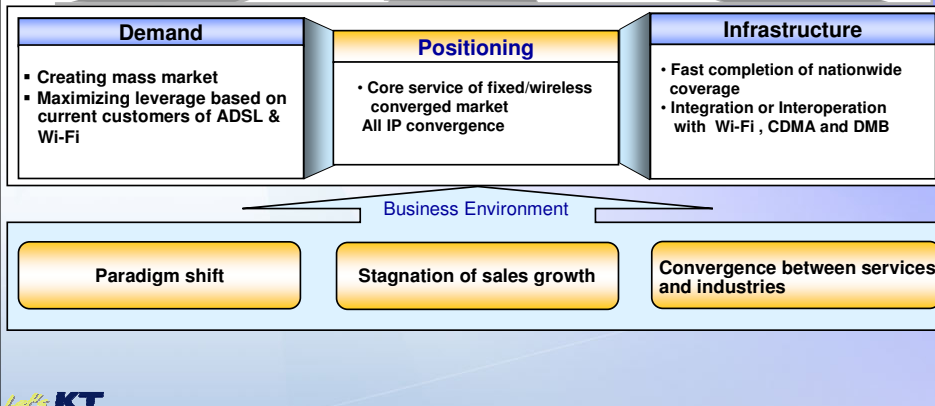
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# Vision for WiBro/mobile WiMAX

Value Networking **KT**

## WiBro/Mobile WiMAX business vision

- CONVERGENCE for Ubiquitous Telecommunication
- Core DRIVER of new market



KT

