Overview of kt’s mobile IPTV

about olleh tv mobile
Contents

1 About media service of KT
2 Service feature & Concept of KT’s mobile IPTV
3 Business of KT’s mobile IPTV
**KT at a Glance**

KT, Korea's top integrated wired/wireless communications service provider, has been the nation’s leader in the development of the information & communications business.

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>CEO</td>
<td>Chang-Gyu Hwang</td>
</tr>
<tr>
<td>Established</td>
<td>December 10, 1981</td>
</tr>
<tr>
<td>Privatized</td>
<td>May 30, 2002</td>
</tr>
<tr>
<td>Stock Listing</td>
<td>Korea, New York, London</td>
</tr>
<tr>
<td>Revenue</td>
<td>23.4 Trillion KRW (Dec. 2014)</td>
</tr>
<tr>
<td>Market Cap.</td>
<td>7.9 Trillion KRW (Jul. 2015)</td>
</tr>
<tr>
<td>No. of employees</td>
<td>23 Thousand (Dec. 2014)</td>
</tr>
</tbody>
</table>

**Service Providers**

- **Telephone**: 17.2 mil
- **Broadband**: 8.2 mil
- **Mobile**: 17.6 mil
- **IPTV**: 6.0 mil
Service Feature of IPTV, media service of kt
‘olleh tv’ strives for rich contents to satisfy customer's diversified tastes

✔ 254 channels
  - the largest Channels in Korea
  - Only UHD exclusive Channels in Korea
  - 160 Full-HD Channels
  - IPTV oriented Ch. service

✔ Varieties
  - Education
    - Learning, Kids care, etc.
  - Information
    - News, Weather, etc.
  - Entertainment
    - Game, Karaoke, etc.
  - Community and Commerce
    - TV shopping, CUG, etc.

✔ 150,000+ VODs
  - Recent movies, TV series, documentaries, entertainment, music, animation, etc
  - Major Movie Titles of 6 Major Hollywood Studios and Local Film Makers
  - Specialized for Educational Contents
IPTV market share of kt

With over 50% market share, kt is leading Korean IPTV market and serving about 6 million homes in Korea (as of 2015.3)

※ "Present situation of IPTV, Satellite Broadcasting, Cable TV subscribers", Ministry of Science, ICT and Future Planning, 2015.3
Service Concept of KT’s mobile IPTV

With mobile IPTV, named ‘olleh tv mobile’, kt provides the finest service, offering VODs and live channels through LTE network.
Business area of olleh tv mobile

6.0 M downloads of KT n-screen media service application ‘olleh tv mobile’ with continuous growth rapidly.

- 2011
  - Launched Free ver. Android App (4.29)
  - Launched Free ver. iOS App (6.24)
  - Launched ver. PC and Commercialized Subscribe ver. (10.31)

- 2012 ~ 2013
  - Provided 75 channels, 60,000 VOD (80% of olleh tv)
  - Launched Terrestrial Broadcasting channels (MBC, SBS)
  - ver. 3.0 New UI/UX Launched (‘13.6)

- 2014
  - Launched Terrestrial Broadcasting exclusive menu (4.1)
  - Launched 5 Contents Packages (8.1)
  - ver. 4.0 New UI/UX Launched (10.31)
  - Launched Home-shopping ch. & MS Windows 8.0 ver.

- 2015
  - Launched ver. VR (Virtual Reality) (1Q)
  - Expanded PPV for Non-subscribers (4.16)
  - Provided 80 channels, 80,000 VOD (40,000 Free VOD)
  - Expand access for Non-kt customers (3Q)
Service feature of olleh tv mobile

olleh tv mobile has settled its prominent status by providing various differentiated services.

Contents

- **87 Free live channels**
  Real-time channels are available on olleh tv mobile

- **80,000 VOD titles**
  Including 35,000 episodes free-of-charge on olleh tv mobile

- **Prime Movie pack**
  Provides 8,100 movies & drama episodes at a monthly payment

- **Self-produced Programs**
  Talk show, celebrity gossips, short clips produced entirely by kt

Features

- **Seamless viewing**
  An episode purchased is added to both on TV and mobile, capable for seamless playback between devices

- **Surround 5.1ch Audio**
  Provides differentiated stereophonic sound (by Fraunhofer Cingo® surround sound, HE-AAC multichannel audio codec)

- **Auto Log-in**
  Provides Auto log-in by phone number without complicated procedures (※ only for kt's mobile & Android users)

- **Personalized menu**
  Provides alert messaging services based on the customer's viewing behavior. ('15.10)
UI / UX : Mobile ↔ TV Pairing

Olleh tv mobile has strengthened its service through simple TV-mobile pairing process and by providing ‘seamless’ viewing.

**TV Pairing within 2 steps**

- Using QR code in IPTV
- Searching for same user’s IPTV

**Easy seamless viewing**
UI / UX: Focusing on enhancing customer's convenience

Olleh tv mobile focuses on attracting customer's attention with Magazine-style-main UI alongside simplifying the payment process for PPS

Main UI

- Magazine-style-main UI
- Optimizing PPS payment process

Optimization of PPS

- Streamlining payment process
- Enhanced user experience

Next episode in a row
The business of mobile IPTV

Pricing and Contents Package strategies

PPV (Pay Per View)
500 ~ 10,000 KRW (0.5 ~ 10 USD)

PPS (Pay Per Series)
2,500 ~ 30,000 KRW (2.5 ~ 30 USD)

Cloud DVD
4,000 ~ 50,000 KRW (4 ~ 50 USD)

Subscription
5,000 KRW/month (5 USD)

Contents Packages
1 month free and after charged

Prime Movie Package
14,900 KRW (14.9 USD)

Adults Package
4,900 KRW (4.9 USD)

Various Packages
Movie, TV, Education ...

Free Live Channels
for subscribers exclusive

Free SVOD
for subscribers exclusive

TV Seamless Viewing

※ Subscription based service
The business of mobile IPTV

- **For KT family Subscribers**
  - General Users
  - LTE mobile Subscribers
  - Subscribe Selective LTE payment system over ‘499’ usage fee
  - Internet + IPTV new (and re)subscribers
  - Smart Home Products subscribers

- **For non-Subscribers**
  - Free live channels
  - Free service (customer attraction)
  - PPV

- **Subscription** (5,000 KRW/month)
- **Subscription** (Free/month)

- **LTE Data 10GB only for olleh tv mobile**

- **Free Benefit for KT Family Subscribers**
- • Internet + IPTV subscribers → 12month Free
Date usage increased through data-driven mobile packages
olleh tv mobile offers 10GB free-data packages with the increase of the data usage of customers.

Actual LTE data traffic / user

% of LTE data traffic / usage level

※ Baseline : LTE data usage only for olleh tv mobile
Future Plans of KT’s mobile IPTV

- Expansion Of Bunding package
  - Providing more efficient triple play (TV+internet+mobile)
  - Increasing LTE packages

- Continuous improvement of Service quality
  - Image quality of live & VOD
  - Improving UI/US for the ease of use

- Creating new business with other platforms
  - Searching for the new partnership related to mobile business

No.1 mobile IPTV

Building up status as a Korea’s NO.1 Media company with mobile IPTV
Thank you