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Smart City Strategy
Intro to U-City and Smart City
Traditional Urban ICT vs. U-City

While traditional ICT systems are implemented for specific purposes, U-City provides integrated and converged urban ICT system based on comprehensive urban planning.

- Individual design and implementation of ICT infrastructure and service for specific user requirements
- Redundant initial investment and operational cost for common ICT elements
- Limited urban information (ITS, CCTVs)
- Limitation on time and space for service usage
Traditional Urban ICT vs. U-City

While traditional ICT systems are implemented for specific purposes, U-City provides integrated and converged urban ICT system based on comprehensive urban planning.

- Comprehensive design and implementation for quality of life and competitiveness from the planning phase
- Low cost, highly efficient urban ICT management possible due to integrated plan and stepwise implementation
- Wide range of urban information (Traffic, safety, life and community information, etc)
- Any where, Any time, Any device
Early Concept of U-City

With its state-of-the-art Integrated Operation Center and its advanced network infrastructure, U-City offers diverse urban IT services in an integrated way, which will enhance the efficiency of city administration, as well as greatly improve the life quality of residents.

*Voice over Internet Protocol  **Intelligent Transport System
Early concept of U-City is changed to Smart City adapting the needs of green and sustainability for cities, and the introduction of Smartphone and 4G mobile network infrastructure.
What is Smart City?

A Smart City is a developed urban area that creates sustainable economic development and high quality of life by excelling in 6 key areas that can be done through strong ICT infrastructure.
Smart City at a glance

IOC(Integrated Operation Center) brings efficient operation/control service for improvement of citizens safety and welfare
Value Proposition - Qualitative

1. Increase of Asset Value
   - Developer can implement their investment without overlapped & surplus ICT Cost

2. New Revenue Generation
   - Developers can provide profitable & High-end services with S+CC* Ready Building

3. Prevent Reputation Risk
   - Developers can be free from complaints with providing integrated & seamless customer services through S+CC

4. Cost Reduction
   - Replacing desperate Building system with a single, more integrated information platform

*S+CC: Smart and Connected Communities
Value Proposition - Quantitative

**Government, Master Developer**

- **Public Benefit through Smart City Services**
  Smart City Benefit/Cost ratio: 1.57 – Dongtan case

- **Minimizing Operation Cost of Smart City Services**
  10% saved Smart City Implementation and Operation Cost

- **Increased Asset Value & Marketing Effect**
  10% increased property value (USD 600/m²) – Dongtan case

**Citizens, Visitors**

- **Improved Safe and Secure City**
  40% decreased crime rate – Gangnam case

- **Effective Urban Infra**
  40% increased parking lot capacity case
Smart City References
Smart City References

**Public Smart Space**
- 13 Strategic Planning projects and 9 detailed design projects including IFEZ USP, the world’s first U-City planning project
- Implementation: Dongtan, Paju, Yongin, Pangyo, Homesil, etc.
- Operation: Dongtan (5 years contract for outsourcing)

**Smart Building & Complex**
- StarCity (Operation)
- D-cube (Planning)
- Jeju Smart Grid (Test-bed)

**Smart Park & Street**
- Busan U-Park
- Seoul U-Tour
- Media Pole

**Global Smart Space**
- Smart and Connected Master plan for Nusajaya, Malaysia (’11~’12)
- U-City Master plan for Algeria/ Sidi Abdellah New City (’10~’11)
- UAE/ K-Cluster (Korean Cluster) Master plan (’10~’11)

Total managed service of city operation

Increase property value and reduce operation cost

Specialized service design focusing on culture & tourism

Global Smart City based on domestic experiences
Reference – Dongtan Smart City, Korea

“1st smart city project in Korea, started 2006”

Smart Services

Basic Information
• Location
  Dongtan, GyeongGi
  - 40km South from Seoul
• Size: 9,037K sqm (903.7ha)
• Population: 120,730
• No. of Household: 39,825

Integrated Operation Center

Smart City Details
• Period: 2006.05 ~ 2008.09
• Budget: US$ 40 M
• Smart Services:
  Public Security, Traffic, Admin., Environment
Reference – Paju Smart City, Korea

“Latest Reference Site (end of 2011)”

Smart Services

Convenience
- Traffic info provision / mgmt. and control
- Web mail Storage
- Community
- Public info
- Mobile

Well-being
- Health
- Fitness
- U-Health Portal

Safety
- Image surveillance
- Emergency Call
- Fire Alarm
- Facility Mgmt.
- Transportation
- Environment
- Safety
- Incident Mgmt.
- Automatic traffic mgmt.
- Traffic facility mgmt.

Eco-friendliness
- Water
- Sewage-monitoring
- Street light remote control

Integrated Operation Center

Basic Information
- Location
  Paju, Uoonjong, GyeongGi
  - 25km North West from Seoul
- Size: 9.547Km² (954.7ha)
- Population: 124,000
- No. of Household: 46,000

Smart City Details
- Budget: US$ 67 M
- Smart Services:
  Safety, Facility Management, Transportation,
  Environment, Health, Portal, Mobile
kt has deployed Smart Grid system (Smart Home, Smart Building, Smart Factory) in Jeju which is the biggest island in Korea.
Reference – Jeju Smart Grid Test Bed

Video Clip
Reference – Smart Bus Shelter

Public Information

Traffic Information

Film Advertisement

Game

Local Retail Advertisement

News
Reference – Media Pole
Video Clip
### Nusajaya, Malaysia

**Smart and Connected Master Plan for Nusajaya**  
(July 2011 ~ Jan 2012)  
- Project Owner: UEM, IIB  
- Area Size: 97 km²  
- Designed Public Security, Transportation, City Portal, Integrated Operations Center, Smart Facilities Management system

### Sidi Abdellah, Algeria

**Smart City Master Plan for Sidi Abdellah New City**  
(Aug 2009 ~ Dec 2011)  
- Project Owner: Algeria Government  
- Area Size: 3 million square meters  
- Newly developing city specialized for science and technology

### Smart Community Business, UAE

Joint business development with major telecom provider in UAE  
- Performed Feasibility Study to UAE’s major developers

### Abu Dhabi Masdar K-Cluster Masterplan, UAE

**K-Cluster (Korean Cluster) Master plan (Smart City Part)**  
(Sep 2010 ~ Sep 2011)  
- Project Owner: Abu Dhabi Future Energy Company  
- K-Cluster is designated area within Masdar City for attracting Korean Clean-tech industries
Smart City Strategy
“Specialized subsidiary company for Smart space”

KT-Cisco Partnership

The pioneer of Smart Space business with latest technologies and innovative services

Aims to provide Differentiated & competitive model to the emerging cities in the world

Korea’s No.1 Telecommunication Service Provider
Experience and knowhow in U-City Business

Global leader in Network Solution Provider
Experience and knowhow in S+CC Business
Company profile

“Specialized subsidiary company for Smart space by KT & Cisco”

Company Profile
Established Dec., 2011

Equity Share

KT 82.76%
Cisco 17.24%

Key Contacts

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Who are we? – KCSS

“Total ICT Service provider through full life cycle of space development”
Vision & Strategy

“Global leader & pioneer in the ICT-based Smart Space service industry”

01 White-Label Smart Space Service offerings with the leverage of KT & Cisco incumbency and Flexible Engagement structure

02 Organic growth & execution with focused geography & high-quality service offerings

03 Partnership across development value-chain & maintain leadership via top market talents

04 Drive & maintain market leadership via focused innovation on Smart Space service platforms & solutions
Flexible Engagement model – Conceptual Business Structure

A. White Label Offering
   • Brand Ownership & Asset Ownership to Service Provider
   • Full Service & Work Lifecycle Support Ownership to KCSS

B. MSCo Business Structure
   • MSCo Establishment with Prime Business Owner including Developer and SPs
   • Profitable & Innovative Service Development and Operation

C. Strategic Investor options
   • SPC Participation as Strategic Investor
   • Public Private Partnership including BTL etc.

D. SI Subordination
   • Typical Commercial Deal Type
   • Smart City & Building ICT Engagement

*SPC: Special Purpose Company
Q & A
Thank You!

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