
Data Book

Financial Results for the 1st Quarter of FY2015.3

July 30, 2014

KDDI Corporation

Financial Results for the 1st Quarter of FY2015.3

Unit: Millions of Yen

Consolidated Statement	FY2014.3					FY2015.3		
	1Q	2Q	3Q	4Q	Total	1Q	Progress	Total (Forecast)
Operating revenues	1,002,423	1,051,357	1,126,118	1,153,729	4,333,628	1,020,552	22.2%	4,600,000
Telecommunications business	631,541	649,448	660,222	667,946	2,609,157	662,859	-	-
Other business	370,883	401,910	465,896	485,783	1,724,471	357,693	-	-
Operating income	178,652	168,961	185,636	129,996	663,245	194,791	26.7%	730,000
Ordinary income	181,920	170,162	186,511	124,296	662,887	194,705	26.5%	735,000
Extraordinary income (loss)	(31,609)	(263)	(238)	(10,148)	(42,258)	-	-	-
Net income	68,175	94,833	105,646	53,385	322,038	113,514	26.8%	424,000
Comprehensive income	80,294	115,003	122,585	70,477	388,359	117,008	-	-
Total assets * 1	4,580,649	4,634,681	4,843,082	-	4,945,757	4,885,478	-	-
Shareholders' equity * 1	2,580,833	2,883,314	2,865,941	-	2,916,990	2,961,217	-	-
Shareholders' equity ratio * 1	50.2%	55.4%	54.8%	-	55.1%	56.6%	-	-
Shareholders' equity per share (Yen) * 1	2,986	3,106	3,181	-	3,262	3,314	-	-
Free cash flows	55,000	118,038	58,907	(5,995)	225,950	(7,313)	-	245,000
Depreciation	115,143	113,522	118,763	122,670	470,098	117,032	23.7%	493,000
Amortization of goodwill	6,970	7,017	7,603	6,664	28,255	6,631	23.7%	28,000
Capex (cash flow basis)	108,030	131,717	133,066	198,986	571,799	143,338	24.7%	580,000
EBITDA	304,987	295,955	317,175	267,953	1,186,069	326,398	25.5%	1,278,000
EBITDA margin	30.4%	28.1%	28.2%	23.2%	27.4%	32.0%	-	27.8%
Interest bearing debt * 1 * 2	1,185,683	890,721	1,041,507	-	1,084,966	1,115,975	-	-
Net debt * 1 * 2	1,017,636	743,019	833,891	-	872,436	953,795	-	-
Debt / EBITDA Ratio	-	-	-	-	0.91	-	-	-
Debt / Equity Ratio * 1	0.52	0.35	0.39	-	0.40	0.40	-	-

* 1 These figures are as of the end of each financial year.

* 2 Including Euro yen zero coupon convertible bonds.

Financial Results for the 1st Quarter of FY2015.3

Unit: Millions of Yen

Personal Services segment		FY2014.3					FY2015.3		
		1Q	2Q	3Q	4Q	Total	1Q	Progress	Total (Forecast)
Operating revenues		784,570	818,869	886,199	878,213	3,367,851	780,617	21.9%	3,560,000
Sales outside the group		766,177	799,346	865,717	857,418	3,288,658	760,227	22.0%	3,460,000
Sales within the group		18,392	19,524	20,482	20,795	79,193	20,390	20.4%	100,000
Operating income		135,216	125,484	144,690	101,794	507,184	155,864	27.8%	560,000
Depreciation		99,628	97,067	101,913	105,003	403,610	100,371	23.8%	422,000
Amortization of goodwill		5,724	5,482	6,157	5,102	22,465	5,036	25.2%	20,000
EBITDA		244,763	234,230	257,232	219,482	955,707	269,033	26.2%	1,026,000
EBITDA margin		31.2%	28.6%	29.0%	25.0%	28.4%	34.5%	-	28.8%

Unit: Millions of Yen

Value Services segment		FY2014.3					FY2015.3		
		1Q	2Q	3Q	4Q	Total	1Q	Progress	Total (Forecast)
Operating revenues		49,080	50,733	54,594	58,116	212,522	54,497	22.7%	240,000
Sales outside the group		37,508	38,895	42,548	45,677	164,629	42,474	21.8%	195,000
Sales within the group		11,571	11,837	12,046	12,439	47,894	12,023	26.7%	45,000
Operating income		13,609	13,624	13,678	10,696	51,607	15,187	26.6%	57,000
Depreciation		2,212	2,715	2,460	2,509	9,897	2,562	21.2%	12,100
Amortization of goodwill		444	580	496	501	2,021	530	26.5%	2,000
EBITDA		16,287	16,972	16,889	14,344	64,493	18,333	25.5%	72,000
EBITDA margin		33.2%	33.5%	30.9%	24.7%	30.3%	33.6%	-	30.0%

Financial Results for the 1st Quarter of FY2015.3

Unit: Millions of Yen

Business Services segment		FY2014.3					FY2015.3		
		1Q	2Q	3Q	4Q	Total	1Q	Progress	Total (Forecast)
Operating revenues		157,742	164,352	168,805	184,012	674,912	161,883	23.5%	690,000
Sales outside the group		138,917	145,773	149,400	164,295	598,385	142,286	23.3%	610,000
Sales within the group		18,826	18,579	19,405	19,718	76,527	19,596	24.5%	80,000
Operating income		25,494	25,112	21,803	14,056	86,464	19,658	21.8%	90,000
Depreciation		10,356	10,189	10,996	11,449	42,990	10,465	22.9%	45,600
Amortization of goodwill		-	-	-	-	-	-	-	-
EBITDA		36,002	35,588	33,125	25,992	130,706	30,253	22.1%	137,000
EBITDA margin		22.8%	21.7%	19.6%	14.1%	19.4%	18.7%	-	19.9%

Unit: Millions of Yen

Global Services segment		FY2014.3					FY2015.3		
		1Q	2Q	3Q	4Q	Total	1Q	Progress	Total (Forecast)
Operating revenues		58,679	64,578	65,903	74,465	263,625	66,660	21.5%	310,000
Sales outside the group		50,448	55,383	57,407	65,730	228,968	58,734	21.0%	280,000
Sales within the group		8,231	9,195	8,496	8,735	34,657	7,925	26.4%	30,000
Operating income		2,228	2,486	3,604	3,089	11,408	2,678	19.1%	14,000
Depreciation		2,845	3,022	3,027	3,276	12,170	3,278	23.6%	13,900
Amortization of goodwill		802	908	909	1,016	3,635	1,020	25.5%	4,000
EBITDA		5,878	6,428	7,560	7,420	27,286	6,979	21.8%	32,000
EBITDA margin		10.0%	10.0%	11.5%	10.0%	10.4%	10.5%	-	10.3%

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Others	FY2014.3					FY2015.3		
	1Q	2Q	3Q	4Q	Total	1Q	Progress	Total (Forecast)
Operating revenues	30,545	35,021	36,465	47,987	150,019	40,049	23.3%	172,000
Sales outside the group	9,373	11,960	11,046	20,610	52,988	16,830	19.1%	88,000
Sales within the group	21,172	23,061	25,420	27,377	97,030	23,220	27.6%	84,000
Operating income	2,333	2,033	2,155	572	7,093	1,530	21.9%	7,000
Depreciation	301	345	392	417	1,455	402	23.9%	1,680
Amortization of goodwill	-	47	42	45	134	45	24.9%	180
EBITDA	2,681	2,447	2,601	987	8,715	1,977	22.0%	9,000
EBITDA margin	8.8%	7.0%	7.1%	2.1%	5.8%	4.9%	-	5.2%

Financial Results for the 1st Quarter of FY2015.3

Unit: Millions of Yen

Personal Services segment Details of operating revenues Sales outside the group	FY2014.3					FY2015.3		
	1Q	2Q	3Q	4Q	Total	1Q	Progress	Total (Forecast)
Operating revenues	766,177	799,346	865,717	857,418	3,288,658	760,227	22.0%	3,460,000
Communications fee revenues	579,129	591,995	601,112	603,465	2,375,701	602,439	24.3%	2,476,000
Mobile	404,941	418,711	425,978	429,479	1,679,109	429,088	24.3%	1,768,000
Fixed-line	174,188	173,284	175,133	173,986	696,592	173,351	24.5%	708,000
FTTH * 1	46,041	46,245	46,816	47,438	186,540	47,043	-	-
CATV + Cable-plus phone * 2	111,723	112,476	113,118	113,425	450,741	113,245	-	-
Others	16,425	14,564	15,199	13,124	59,311	13,063	-	-
Handset revenues, repair revenues, others	187,049	207,350	264,605	253,953	912,957	157,788	16.0%	984,000

Unit: Millions of Yen

Value Services segment Details of operating revenues Sales outside the group	FY2014.3					FY2015.3		
	1Q	2Q	3Q	4Q	Total	1Q	Progress	Total (Forecast)
Operating revenues	37,508	38,895	42,548	45,677	164,629	42,474	21.8%	195,000
Value-added revenues * 3	24,709	26,944	28,582	33,015	113,250	29,530	24.0%	123,000
Others	12,800	11,951	13,966	12,662	51,379	12,945	18.0%	72,000

Unit: Millions of Yen

Business Services segment Details of total operating revenues Sales outside the group	FY2014.3					FY2015.3		
	1Q	2Q	3Q	4Q	Total	1Q	Progress	Total (Forecast)
Operating revenues	138,917	145,773	149,400	164,295	598,385	142,286	23.3%	610,000
Mobile	59,431	62,817	65,411	69,764	257,422	60,936	22.0%	277,000
Fixed-line	72,587	74,596	75,376	83,727	306,287	72,979	24.2%	301,000
Others * 4	6,899	8,361	8,613	10,804	34,676	8,371	26.2%	32,000

* 1 KDDI + CTC + OCT + OTNet

* 2 Revenues from J:COM Group's & JCN Group's operations including broadcasting, Internet, telephone, VOD, construction charges and revenues of Cable-plus phone

* 3 Sales of "in-house and cooperative services including au Smart Pass + settlement commissions + advertising" of Personal Services segment's au subscriptions

* 4 Subsidiary sales in Business Services segment

Major Service Data

Total (Consolidated basis)

Subscriptions		FY2014.3				FY2015.3	
		Jun-13	Sep-13	Dec-13	Mar-14	Jun-14	Mar-15 (Forecast)
Mobile	au (Thousand)	38,378	39,045	39,617	40,522	41,016	43,172
	UQ WiMAX (Thousand)	4,222	4,275	4,157	4,014	4,153	

Personal Services segment - Value Services segment

Subscriptions		FY2014.3				FY2015.3		
		Jun-13	Sep-13	Dec-13	Mar-14	Jun-14	Mar-15 (Forecast)	
Mobile	au (Thousand)	32,717	33,206	33,582	34,131	34,498	35,831	
	au Smartphone penetration rate * 1 (%)	-	-	-	49.1	50.2		
Fixed-line	FTTH (Thousand)	2,950	3,045	3,117	3,188	3,221		
	Cable-plus phone (Thousand)	3,040	3,202	3,362	3,494	3,638		
	CATV	Subscribing households (Thousand)	4,956	4,980	5,011	4,996	5,021	
		RGU (Thousand)	9,923	10,035	10,153	10,185	10,298	
	Bundle ratio	2.0	2.0	2.0	2.0	2.1		
au Smart Value	au subscriptions (Thousand)	4,630	5,400	6,110	7,050	7,590		
	Households (Thousand)	2,490	2,860	3,210	3,580	3,840		
au Smart Pass (Thousand)		6,820	7,990	8,880	10,250	10,700		

Personal Services segment

Indicators * 1		FY2014.3					FY2015.3	
		1Q	2Q	3Q	4Q	Total	1Q	Total (Forecast)
Total ARPU (Yen)	au ARPU (Yen)	4,420	4,510	4,540	4,510	4,500	4,520	-
	Voice ARPU (Yen)	4,150	4,220	4,240	4,160	4,200	4,220	4,250
	Data ARPU (Yen)	1,930	1,960	1,950	1,820	1,920	1,840	1,850
	Amount of discount applied (Yen)	3,120	3,190	3,240	3,320	3,220	3,410	3,440
	Value-added ARPU * 2 (Yen)	(900)	(930)	(950)	(980)	(940)	(1,030)	(1,040)
au churn rate (%)	270	290	300	350	300	300	-	
Number of units sold (Thousand)	0.54	0.65	0.67	1.18	0.76	0.54	-	
of smartphones (Thousand)	2,290	2,520	2,690	3,230	10,750	1,830	10,500	
Number of units shipped (Thousand)	1,820	1,980	2,120	2,630	8,550	1,380	8,670	
FTTH ARPU * 3 (Yen)	2,120	2,410	3,070	2,930	10,540	1,660	10,500	
	4,440	4,430	4,420	4,380	4,420	4,350	-	

*1 Definitions of au Smartphone penetration rate, Total ARPU, au ARPU, Value-added ARPU, au churn rate, Number of units sold, and Number of units shipped :
au subscriptions excluding data-only terminals, tablets, and modules

*2 Value-added revenues: sales of "in-house and cooperative services including au Smart Pass + settlement commissions + advertising"
÷ Personal Services segment's number of au subscriptions (on aggregate basis, excluding data-only terminals, tablets, and modules)

*3 Definitions of FTTH ARPU has revised in FY2015.3. Items of FY2014.3 have been restated in accordance with this revision.