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# Data Book

## Financial Results for the 3rd Quarter of FY 2016.3

February 9, 2016



# Financial Results Summary (Consolidated)

Unit: Millions of Yen

Consolidated Statement (IFRS)	FY2015.3					FY2016.3					FY2016.3
	1Q	2Q	3Q	1-3Q	Total	1Q	2Q	3Q	1-3Q	Progress	Total (Forecast)
Operating revenue	977,413	1,052,739	1,148,392	3,178,545	4,270,094	1,046,577	1,105,178	1,147,276	3,299,031	75.0%	4,400,000
Operating income	193,642	188,893	223,454	605,989	665,719	230,998	220,432	221,012	672,442	82.0%	820,000
Operating Margin	19.8%	17.9%	19.5%	19.1%	15.6%	22.1%	19.9%	19.3%	20.4%	-	18.6%
Profit for the period attributable to owners of the parent	111,384	115,433	133,523	360,340	*2 395,805	143,949	133,510	131,027	408,486	83.4%	490,000
Total Assets *1	5,287,758	5,417,082	-	5,597,340	5,626,725	5,558,485	5,575,561	-	5,591,826	-	-
Total Equity *1	2,964,846	3,073,441	-	3,172,043	3,223,012	3,278,232	3,413,765	-	3,474,737	-	-
Ratio of equity attributable to owners of the parent to total assets *1	53.6%	54.3%	-	54.0%	54.5%	56.4%	58.4%	-	59.0%	-	-
Equity per share attributable to owners of the parent *1	¥1,132	¥1,174	-	¥1,206	¥1,223	¥1,252	¥1,300	-	¥1,318	-	-
Free cash flows	(30,670)	206,437	(30,877)	144,890	*2 333,006	(80,136)	221,831	56,455	198,150	-	280,000
Depreciation	126,892	130,215	131,443	388,549	518,708	131,202	134,532	133,808	399,543	71.7%	557,000
Retirement of fixed assets	10,217	5,424	2,320	17,962	45,378	5,294	4,339	7,602	17,234	74.9%	23,000
Capex (cash flow basis)	160,402	162,002	202,770	525,174	667,714	144,937	110,118	108,790	363,845	60.6%	600,000
EBITDA	330,750	332,529	357,278	1,020,558	1,284,553	367,495	360,293	362,421	1,090,210	77.9%	1,400,000
EBITDA margin	33.8%	31.6%	31.1%	32.1%	30.1%	35.1%	32.6%	31.6%	33.0%	-	31.8%
Interest bearing debt *1	1,315,848	1,177,102	-	1,273,109	1,154,116	1,274,071	1,066,840	-	1,091,591	-	-
Net debt *1	1,152,096	972,952	-	1,072,575	877,799	1,075,352	871,188	-	911,908	-	-
Debt / EBITDA Ratio	-	-	-	-	0.90	-	-	-	-	-	-
Debt / Equity Ratio *1	0.46	0.40	-	0.42	0.38	0.41	0.33	-	0.33	-	-

\* 1 These figures are as of the end of each fiscal quarter or year

\* 2 Correction from FY2015.3 results report

# Financial Results Summary (Personal Services / Value Services)

Unit: Millions of Yen

Personal Services segment (IFRS)	FY2015.3				FY2016.3					FY2016.3
	1Q	2Q	3Q	1-3Q	1Q	2Q	3Q	1-3Q	Progress	Total (Forecast)
Operating revenue	750,652	818,907	904,695	2,474,254	814,576	867,975	916,125	2,598,676	76.4%	3,400,000
Revenue from external customers	729,774	797,634	881,792	2,409,199	791,226	843,339	891,608	2,526,172	76.6%	3,300,000
Inter-segment revenue or transfers	20,878	21,274	22,904	65,055	23,350	24,637	24,518	72,504	72.5%	100,000
Operating income	153,386	146,384	176,373	476,143	179,213	172,213	173,576	525,003	80.8%	650,000
Depreciation	110,088	113,240	114,659	337,987	115,462	118,336	118,358	352,156	73.4%	480,000
Retirement of fixed assets	10,001	5,091	2,031	17,122	5,103	3,656	6,907	15,666	78.3%	20,000
EBITDA	273,474	272,704	293,063	839,241	299,778	294,205	298,842	892,825	77.6%	1,150,000
EBITDA margin	36.4%	33.3%	32.4%	33.9%	36.8%	33.9%	32.6%	34.4%	-	33.8%

Unit: Millions of Yen

Value Services segment (IFRS)	FY2015.3				FY2016.3					FY2016.3
	1Q	2Q	3Q	1-3Q	1Q	2Q	3Q	1-3Q	Progress	Total (Forecast)
Operating revenue	53,923	58,948	60,500	173,372	61,795	64,244	65,349	191,389	68.4%	280,000
Revenue from external customers	41,900	42,921	43,500	128,320	44,137	45,923	46,285	136,346	64.9%	210,000
Inter-segment revenue or transfers	12,023	16,028	17,001	45,052	17,658	18,322	19,064	55,043	78.6%	70,000
Operating income	16,409	15,589	14,904	46,901	18,365	18,235	19,801	56,402	71.4%	79,000
Depreciation	2,534	2,608	2,757	7,899	2,311	2,580	2,578	7,469	71.1%	10,500
Retirement of fixed assets	52	102	3	156	20	407	69	496	99.2%	500
EBITDA	18,995	18,299	17,663	54,957	20,697	21,222	22,447	64,366	71.5%	90,000
EBITDA margin	35.2%	31.0%	29.2%	31.7%	33.5%	33.0%	34.3%	33.6%	-	32.1%

# Financial Results Summary (Business Services / Global Services)

Unit: Millions of Yen

Business Services segment (IFRS)	FY2015.3				FY2016.3					FY2016.3
	1Q	2Q	3Q	1-3Q	1Q	2Q	3Q	1-3Q	Progress	Total (Forecast)
Operating revenue	159,045	163,165	162,835	485,045	151,184	158,741	152,493	462,417	73.4%	630,000
Revenue from external customers	135,587	139,216	137,251	412,054	129,039	135,548	132,279	396,866	72.2%	550,000
Inter-segment revenue or transfers	23,458	23,950	25,583	72,991	22,145	23,193	20,214	65,552	81.9%	80,000
Operating income	20,262	20,895	21,304	62,461	20,081	19,487	19,982	59,550	110.3%	54,000
Depreciation	11,007	11,192	11,130	33,329	10,832	11,044	10,261	32,137	68.4%	47,000
Retirement of fixed assets	152	221	257	630	114	263	556	933	46.7%	2,000
EBITDA	31,421	32,308	32,722	96,451	31,027	31,780	30,799	93,607	90.9%	103,000
EBITDA margin	19.8%	19.8%	20.1%	19.9%	20.5%	20.0%	20.2%	20.2%	-	16.3%

Unit: Millions of Yen

Global Services segment (IFRS)	FY2015.3				FY2016.3					FY2016.3
	1Q	2Q	3Q	1-3Q	1Q	2Q	3Q	1-3Q	Progress	Total (Forecast)
Operating revenue	69,168	69,722	82,017	220,907	76,765	76,092	70,274	223,130	68.7%	325,000
Revenue from external customers	61,245	61,797	73,418	196,461	68,712	68,145	62,507	199,364	67.6%	295,000
Inter-segment revenue or transfers	7,923	7,925	8,599	24,446	8,053	7,947	7,766	23,766	79.2%	30,000
Operating income	3,582	4,182	8,243	16,007	11,302	8,618	5,674	25,594	82.6%	31,000
Depreciation	3,240	3,183	2,997	9,420	2,742	2,696	2,774	8,212	63.2%	13,000
Retirement of fixed assets	13	3	16	32	2	10	46	58	-	0
EBITDA	6,835	7,369	11,256	25,459	14,046	11,324	8,494	33,864	77.0%	44,000
EBITDA margin	9.9%	10.6%	13.7%	11.5%	18.3%	14.9%	12.1%	15.2%	-	13.5%

## Financial Results Summary (Others)

Unit: Millions of Yen

Others (IFRS)	FY2015.3				FY2016.3					FY2016.3
	1Q	2Q	3Q	1-3Q	1Q	2Q	3Q	1-3Q	Progress	Total (Forecast)
Operating revenue	40,049	42,117	51,040	133,206	41,768	41,888	42,285	125,941	-	-
Revenue from external customers	8,908	11,172	12,431	32,511	13,463	12,224	14,597	40,284	-	-
Inter-segment revenue or transfers	31,141	30,944	38,609	100,695	28,305	29,664	27,687	85,657	-	-
Operating income	1,341	2,986	4,734	9,060	2,066	1,847	2,273	6,187	-	-
Depreciation	402	413	394	1,210	387	425	403	1,215	-	-
Retirement of fixed assets	0	6	14	21	55	3	23	82	-	-
EBITDA	1,743	3,414	5,173	10,330	2,510	2,279	2,700	7,489	-	-
EBITDA margin	4.4%	8.1%	10.1%	7.8%	6.0%	5.4%	6.4%	5.9%	-	-

# Revenue from external customers by Segment

Unit: Millions of Yen

Personal Services segment (IFRS)	FY2015.3				FY2016.3					FY2016.3
	1Q	2Q	3Q	1-3Q	1Q	2Q	3Q	1-3Q	Progress	Total (Forecast)
Revenue from external customers	729,774	797,634	881,792	2,409,199	791,226	843,339	891,608	2,526,172	76.6%	3,300,000
au ARPA revenues * 1	417,030	425,593	425,848	1,268,471	432,263	439,515	441,380	1,313,158	75.5%	1,740,000
Fixed-line communications fee revenues	172,484	174,147	174,963	521,594	176,439	178,176	178,837	533,452	74.1%	720,000
Handset revenues, repair revenues, etc.	111,970	168,210	247,775	527,955	150,312	187,855	228,411	566,578	79.8%	710,000
Others	28,290	29,684	33,205	91,179	32,212	37,792	42,980	112,984	86.9%	130,000

Unit: Millions of Yen

Value Services segment (IFRS)	FY2015.3				FY2016.3					FY2016.3
	1Q	2Q	3Q	1-3Q	1Q	2Q	3Q	1-3Q	Progress	Total (Forecast)
Revenue from external customers	41,900	42,921	43,500	128,320	44,137	45,923	46,285	136,346	64.9%	210,000
Value-added ARPA revenues * 2	30,465	31,221	32,567	94,254	33,137	33,054	34,242	100,434	64.8%	155,000
Others	11,434	11,700	10,933	34,066	11,000	12,868	12,043	35,912	65.3%	55,000

Unit: Millions of Yen

Business Services segment (IFRS)	FY2015.3				FY2016.3					FY2016.3
	1Q	2Q	3Q	1-3Q	1Q	2Q	3Q	1-3Q	Progress	Total (Forecast)
Revenue from external customers	135,587	139,216	137,251	412,054	129,039	135,548	132,279	396,866	72.2%	550,000
Mobile	57,761	60,665	59,277	177,703	54,995	56,838	57,082	168,916	73.4%	230,000
Fixed-line	73,273	73,816	73,519	220,609	70,009	72,975	69,862	212,845	73.4%	290,000
Others	4,553	4,734	4,456	13,742	4,035	5,735	5,335	15,104	50.3%	30,000

\* 1 Based on the Personal Services segment. Mobile communications revenues, excluding MVNO and prepaid

\* 2 Based on the Value Services segment.

“au Simple Payment” and “au WALLET” settlement commissions + Sales from KDDI services, such as “au Smart Pass,” product sales, and advertising revenues, etc.

# Major Operational Data

## Consolidated basis

Subscriptions			FY2015.3				FY2016.3			Mar-16 (Forecast)
			Jun-14	Sep-14	Dec-14	Mar-15	Jun-15	Sep-15	Dec-15	
Mobile	au	(Thousand)	41,016	41,596	42,378	43,478	44,074	44,640	45,241	45,778
	UQ WiMAX	(Thousand)	4,153	5,124	7,153	9,543	11,241	13,159	15,689	

## Personal Services segment / Value Services segment

Subscriptions			FY2015.3				FY2016.3			Mar-16 (Forecast)	
			Jun-14	Sep-14	Dec-14	Mar-15	Jun-15	Sep-15	Dec-15		
Mobile	au	(Thousand)	34,498	34,955	35,590	36,482	37,001	37,435	37,844	38,182	
	au smartphone penetration rate * 1	(%)	50.2	51.6	52.7	54.3	55.1	56.0	57.0		
Fixed-line	FTTH	(Thousand)	3,221	3,296	3,362	3,435	3,508	3,573	3,643		
	CATV * 2	Households applicable to RGU	(Thousand)	4,838	4,851	4,872	4,883	4,938	4,979		5,025
		RGU	(Thousand)	9,607	9,705	9,831	9,918	10,086	10,229		10,375
	Bundle ratio		1.99	2.00	2.02	2.03	2.04	2.05	2.06		
Mobile Devices per person			(Units)	1.34	1.35	1.36	1.37	1.38	1.39	1.40	1.40
au Smart Value	au subscriptions	(Thousand)	7,590	8,160	8,530	9,330	9,840	10,370	10,920		
	Households	(Thousand)	3,840	4,130	4,270	4,590	4,840	5,140	5,450		
au Smart Pass			(Thousand)	10,700	11,400	12,050	12,890	13,190	13,610	14,020	

## Personal Services segment / Value Services segment

Indicators * 1			FY2015.3					FY2016.3			FY2016.3 Total (Forecast)	
			1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q		
Total ARPA	(Yen)		5,870	5,980	5,990	5,970	5,950	6,030	6,130	6,160	6,110	
	au ARPA	* 3 (Yen)	5,470	5,570	5,560	5,510	5,530	5,600	5,700	5,720	5,610	
	Value-added ARPA	* 4 (Yen)	400	410	430	460	420	430	430	440	500	
au churn rate			(%)	0.54	0.63	0.66	0.94	0.69	0.72	0.83	0.91	
Number of units sold			(Thousand)	1,830	2,430	2,720	2,870	9,850	2,050	2,300	2,600	8,800
of smartphones			(Thousand)	1,380	1,930	2,300	2,360	7,970	1,600	1,810	2,200	7,400
Number of units shipped			(Thousand)	1,660	2,250	3,020	2,750	9,670	1,940	2,250	2,640	8,800

\* 1 Definitions of au smartphone penetration rate, au churn rate, number of units sold, and number of units shipped :  
au subscriptions excluding data-only terminals, tablets, and modules

\* 2 Definitions of CATV service have revised in FY2016.3. Items of FY2015.3 have been restated in accordance with this revision.

\* 3 Based on the Personal Services segment. Mobile communications revenues, excluding MVNO and prepaid ÷ au customers

\* 4 Value-added ARPA revenues in the Value Services segment. ("au Simple Payment" and "au WALLET" settlement commissions + Sales from KDDI services, such as "au Smart Pass," product sales, and advertising revenues, etc.) ÷ au customers

# Disclaimer

The figures included in the this brief, including the business performance target and the target for the number of subscribers are all projected data based on the information currently available to the KDDI Group, and are subject to variable factors such as economic conditions, a competitive environment and the future prospects for newly introduced services. Accordingly, please be advised that the actual results of business performance or of the number of subscribers may differ substantially from the projections described here.