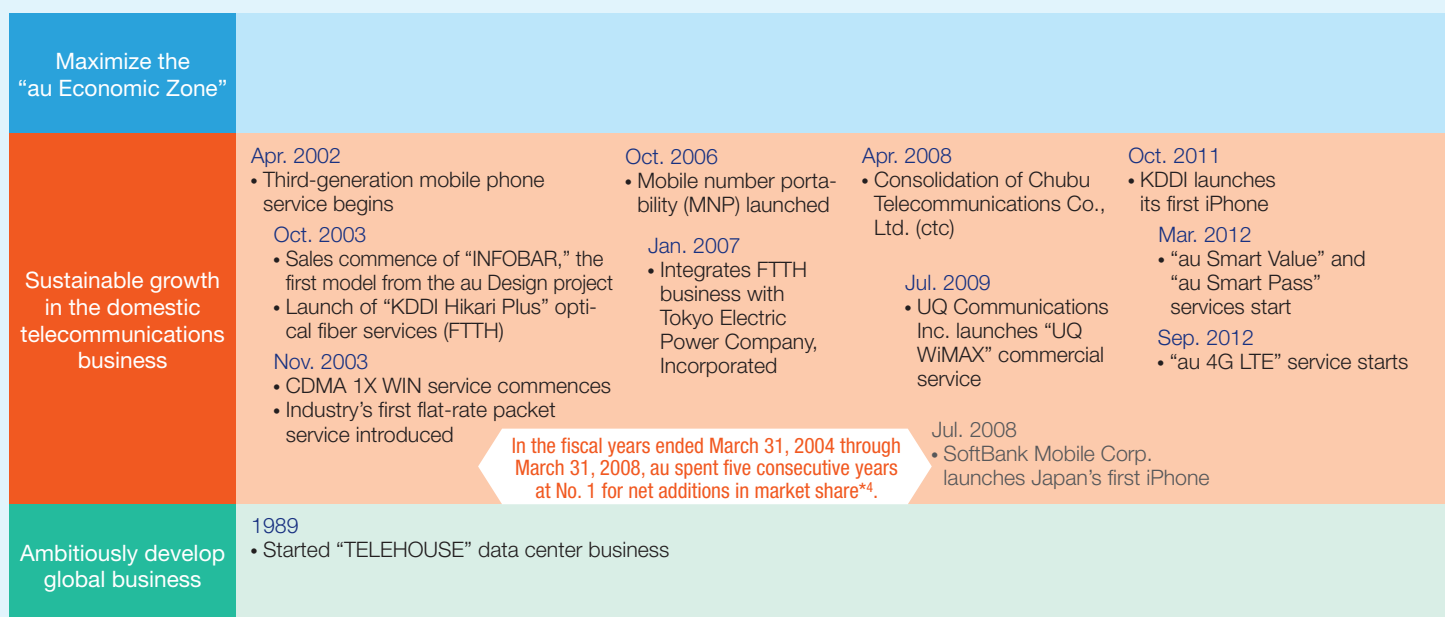
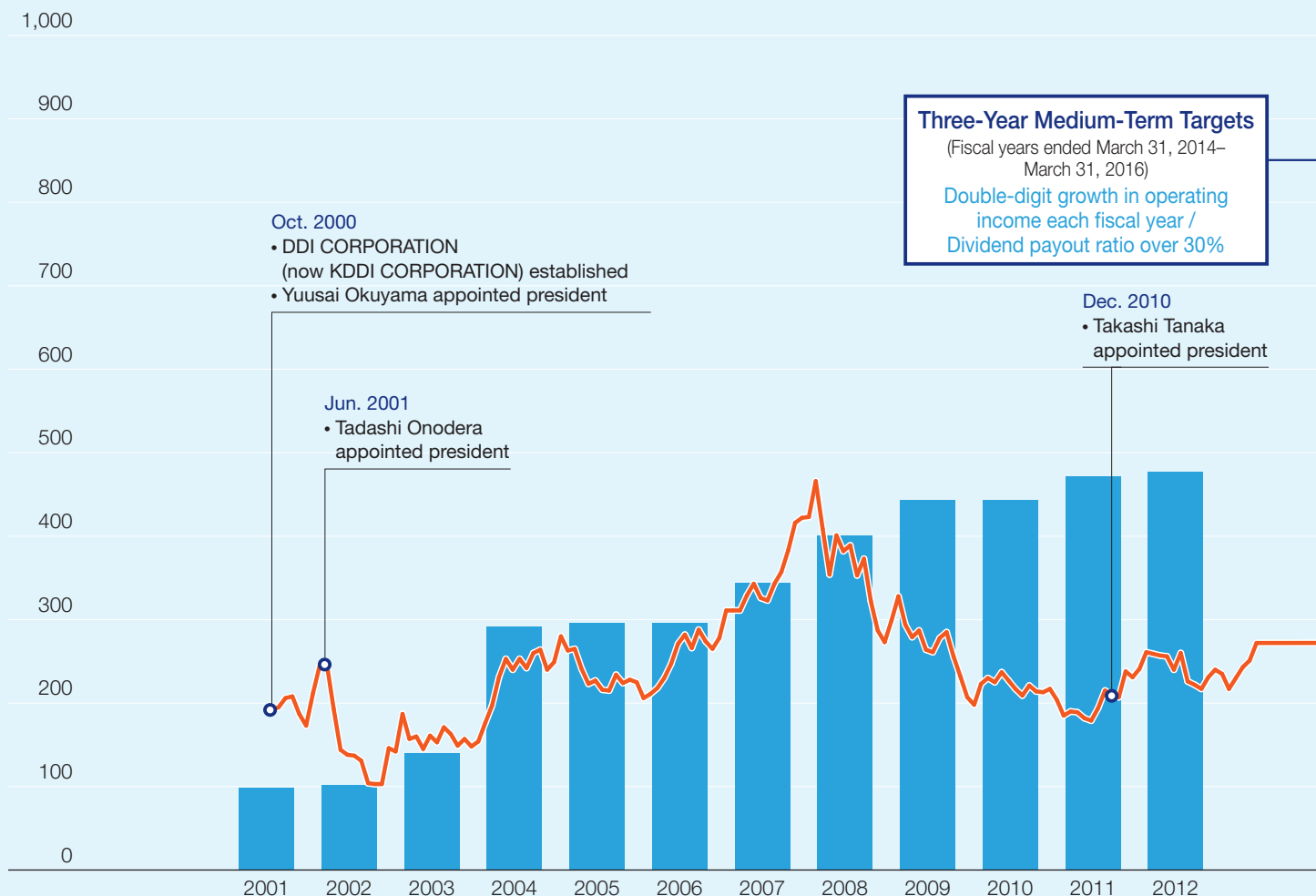


The Source of KDDI's Value

Since its establishment in October 2000, KDDI has leveraged its strengths as a comprehensive telecommunications carrier providing both mobile and fixed-line services to grow its business steadily.

As a result, operating income in the fiscal year ended March 31, 2017 expanded to ¥913.0 billion, increasing for a 16th consecutive year since the Company's establishment.

(■ Operating income: Billions of yen) *1



In the fiscal years ended March 31, 2004 through March 31, 2008, au spent five consecutive years at No. 1 for net additions in market share*4.

*1 Results for fiscal years ended March 31. Figures up to the fiscal year ended March 31, 2014 are based on Japanese GAAP and figures for the fiscal year ended March 31, 2015 onward are based on IFRS (International Financial Reporting Standards).

*2 On a closing price basis for the end of October 2000 to the end of March 2017

*3 RGU: Revenue Generating Units. Each household's subscription to CATV, high-speed Internet connection, or telephony services each represent one RGU.

*4 Share among NTT DOCOMO, INC. (NTT DOCOMO), SoftBank Corp. (SoftBank), and KDDI (au)

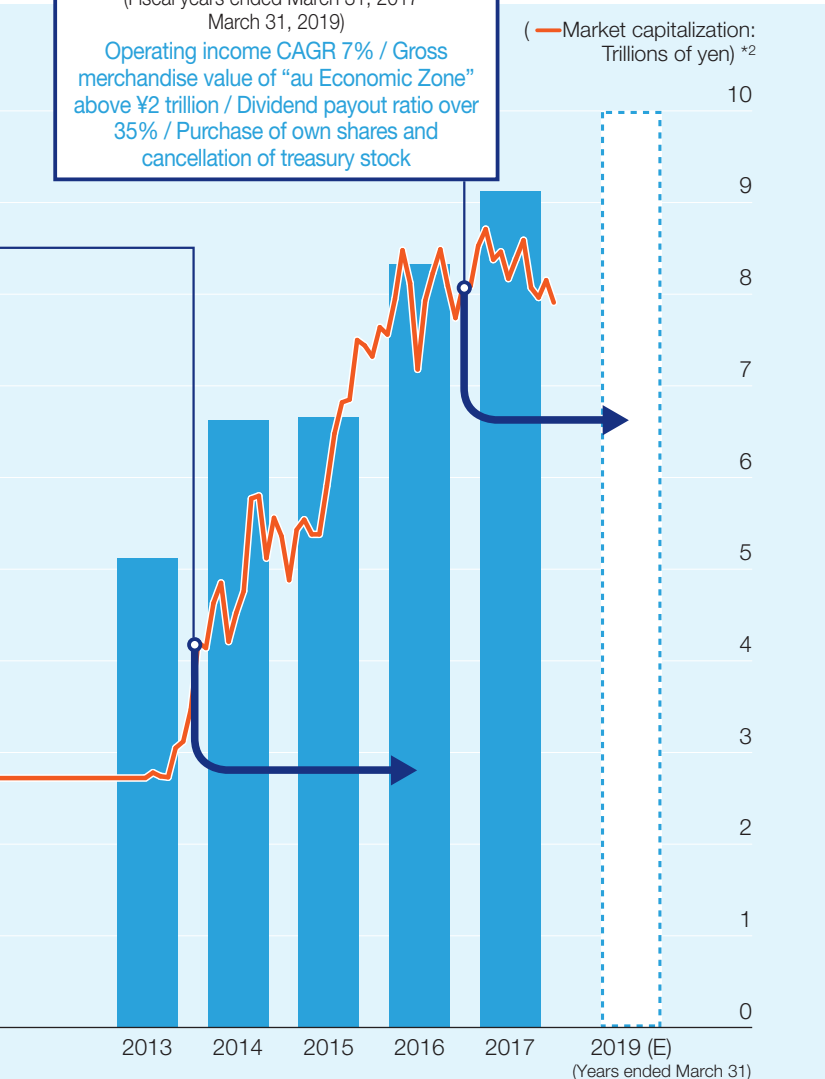
*5 MPT: Myanmar Posts & Telecommunications

Three-Year Medium-Term Targets

(Fiscal years ended March 31, 2017–
March 31, 2019)

Operating income CAGR 7% / Gross merchandise value of “au Economic Zone” above ¥2 trillion / Dividend payout ratio over 35% / Purchase of own shares and cancellation of treasury stock

(— Market capitalization: Trillions of yen) *2



- May 2014
 - “au WALLET” service starts
- Aug. 2015
 - “au WALLET Market” service starts
- Jan. 2017
 - “Wowma!” service starts

Apr. 2013
• Jupiter Telecommunications Co., Ltd. (J:COM), became consolidated

May 2014
• Japan’s first “carrier aggregation (CA)” technology introduced

Sep. 2013
• NTT DOCOMO, INC. launches its first iPhone

Jul. 2014
• Signed a joint business agreement with MPT*5 and Sumitomo Corporation on the launch of the Myanmar telecommunications business

2020
• Start of 5G services (planned)

Mar. 2016
• Converted MobiCom Corporation LLC into a consolidated subsidiary

Customer Base

A strong customer base in both mobile and fixed-line communications services

(As of March 31, 2017)

au subscriptions	25.14 million
MVNO contracts	870,000
FTTH subscriptions	4.08 million
CATV	5.29 million RGU*3 households

Touchpoints

Touchpoints both online and offline

(As of March 31, 2017)



Approx. 2,500 au shops nationwide



15.22 million “au Smart Pass” members



Innovative-ness

A history of actively promoting industry-first services and original KDDI initiatives since our launch

- October 2003
Sales commence of “INFOBAR,” the first model from the au Design project
- November 2003
Launched CDMA 1X WIN
- March 2012
Launched “au Smart Value” and “au Smart Pass”



Brand Strength

No. 1 for customer satisfaction in both corporate and individual services in 2016



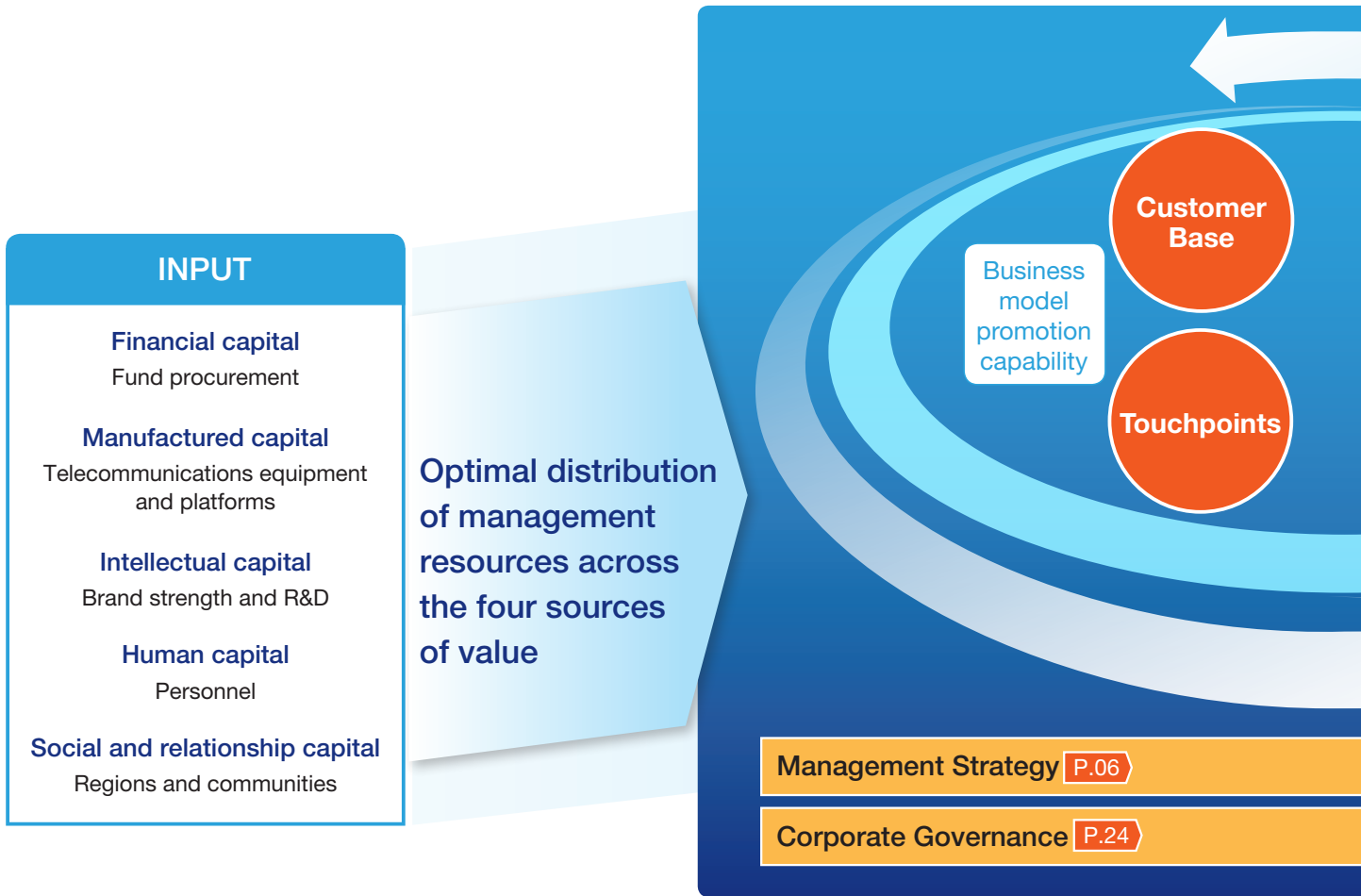
J.D. Power “No. 1 in Mobile Phone Service Satisfaction”**6
J.D. Power “No. 1 in Mobile Data Communications Service Satisfaction”**7
J.D. Power “No. 1 in Business Mobile Phone and PHS Service Satisfaction”**8

*6 J.D. Power 2016 Japan Mobile Phone Service Satisfaction Study. Based on responses from 31,200 mobile phone users in Japan
*7 J.D. Power 2016 Japan Mobile Data Communications Service Satisfaction Study. Based on responses from 2,750 individual users of data communications devices
*8 J.D. Power 2016 Japan Business Mobile Phone and PHS Service Satisfaction Study. Based on 3,085 responses received from 2,449 companies with 100 or more employees in a survey regarding mobile phone and PHS service providers (evaluations obtained from up to two operators per company)

KDDI's Value Creation Cycle

The four sources of KDDI's value are its "customer base," "touchpoints," "innovativeness," and "brand strength" that have been built over the years since its establishment.

We will further refine and enhance these sources of value and optimally allocate the Company's management resources to maximize KDDI's corporate value. In doing so, we aim to achieve our medium-term targets set for the fiscal year ending March 31, 2019.

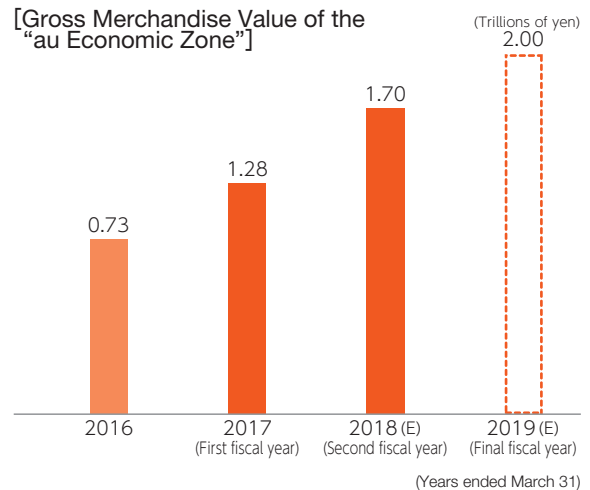
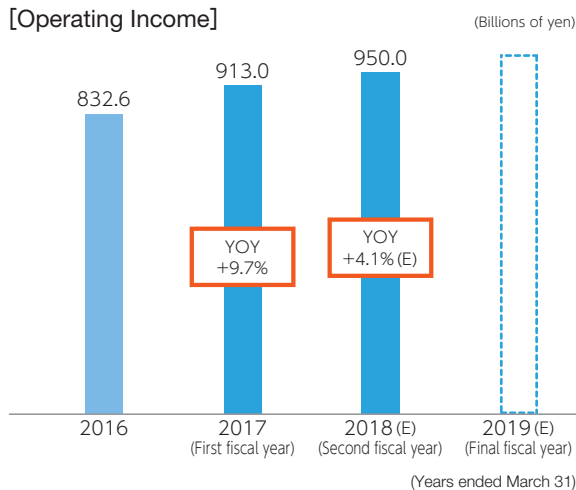


Towards achievement of the medium-

Continuous Growth

Aim for an average annual operating income growth rate of 7%

Gross Merchandise Value of the "au Economic Zone" of above ¥2 trillion





OUTPUT

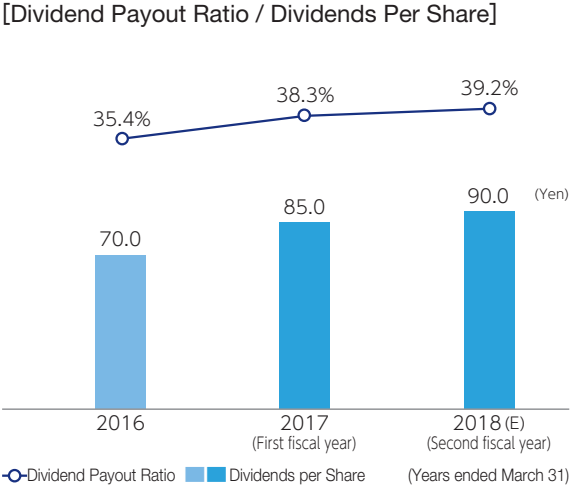
- Financial capital**
Generating cash flow P.12
- Manufactured capital**
Offering reliable information and communications services P.32
Strengthening the life design business P.18
- Intellectual capital**
Enhancing the value of the au brand P.45
Corporate IoT business initiatives P.20
- Human capital** P.34
Promoting diversity
Cultivating the next generation of leaders
- Social and relationship capital**
Creating a safe and secure information and communications society P.33
KDDI GREEN PLAN 2017–2030 P.36

term targets (FY2017.3 – FY2019.3) P.06

Enhance Shareholder Return

Dividend payout ratio of above **35%**

Repurchase of own shares and cancellation of treasury stock



Repurchase of own shares	
2017	2018 (Planned)
Total repurchase amount: Approx. ¥100.0 billion	Total repurchase amount: Approx. ¥100.0 billion (upper limit)
Number of shares repurchased: Approx. 31.65 million	Number of shares to be repurchased: Approx. 41.0 million (upper limit)
Repurchase period: May 13–September 13, 2016	Repurchase period: May 12–September 22, 2017

Cancellation of treasury stock	
2017	2018
Number of shares cancelled: Approx. 70.40 million	Number of shares cancelled: Approx. 33.28 million
Cancellation date: May 18, 2016	Cancellation date: May 17, 2017

(Years ended March 31)