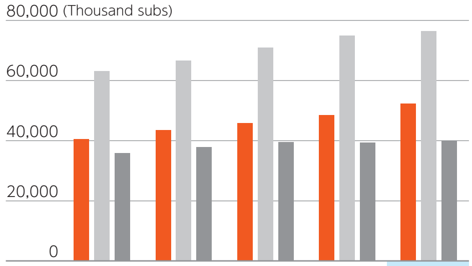
Market Overview

(Years ended March 31)

〉〉〉 For information about the quarterly status of KDDI for the fiscal year ended March 31, 2018, please download "Historical Data (2001–) (BS/PL/CF)" from the Company's website. http://www.kddi.com/english/corporate/ir/finance/highlight/

Mobile Communications Market Data

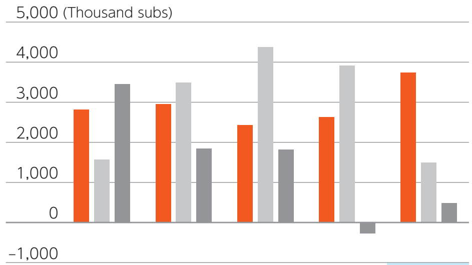
Number of Total Subscribers (Share of Cumulative Subscriptions*1)



	2014.3	2015.3	2016.3	2017.3	2018.3
au	40,522 (29.0%)	43,478 (29.4%)	45,910 (29.3%)	48,540 (29.8%)	**52,283 (31.0%)**
NTT DOCOMO	63,105 (45.2%)	66,596 (45.0%)	70,964 (45.4%)	74,880 (46.0%)	**76,370 (45.3%)**
SoftBank	35,925 (25.7%)	37,766 (25.5%)	39,586 (25.3%)	39,310 (24.2%)	**39,787 (23.6%)**
Total	139,552	147,840	156,459	162,730	**168,440**

*1 Share among NTT DOCOMO, INC., SoftBank Corp., and KDDI + Okinawa Cellular Telephone Company (au)
Source: Data prepared by KDDI based on materials from the Telecommunications Carriers Association

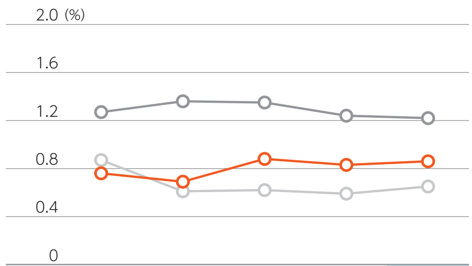
Net Additions (Share of Net Additions*1)



	2014.3	2015.3	2016.3	2017.3	2018.3
au	2,813 (35.9%)	2,956 (35.7%)	2,432 (28.2%)	2,631 (41.9%)	**3,743 (65.5%)**
NTT DOCOMO	1,569 (20.0%)	3,490 (42.1%)	4,368 (50.7%)	3,916 (62.5%)	**1,491 (26.1%)**
SoftBank	3,445 (44.0%)	1,841 (22.2%)	1,820 (21.1%)	–276 (–4.4%)	**477 (8.3%)**
Total	7,827	8,288	8,619	6,271	**5,710**

Source: Data prepared by KDDI based on materials from the Telecommunications Carriers Association

Churn Rate

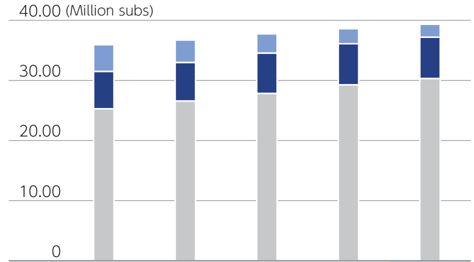


	2014.3	2015.3	2016.3	2017.3	2018.3
au*2	0.76	0.69	0.88	0.83	**0.86**
NTT DOCOMO*3	0.82	0.61	0.62	0.59	**0.65**
SoftBank*4	1.27	1.36	1.35	1.24	**1.22**

*2 For conventional mobile terminals (smartphones and feature phones) (Personal Services Segment basis)
*3 From the fiscal year ended March 31, 2016, the definition of the churn rate has been revised. Accordingly, results for the fiscal years ended March 31, 2014 and March 31, 2015 have been restated to reflect the new definition.
*4 From the fiscal year ended March 31, 2016, the definition of the churn rate has been revised. Accordingly, results for the fiscal year ended March 31, 2015 have been restated to reflect the new definition.
Source: Data prepared by KDDI from individual companies' materials

Fixed-Line Communications Market Data

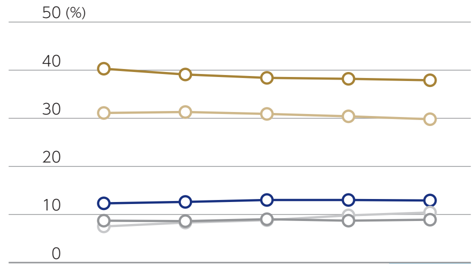
Number of Broadband Subscriptions



	2014.3	2015.3	2016.3	2017.3	2018.3
FTTH	25.27	26.56	27.82	29.25	**30.30**
CATV	6.23	6.43	6.73	6.85	**6.89**
DSL	4.47	3.75	3.20	2.51	**2.15**
FWA	0.01	0.01	0.01	0.01	**0.01**
Total	35.97	36.75	37.76	38.62	**39.35**

Source: Data prepared by KDDI based on materials from the Telecommunications Carriers Association

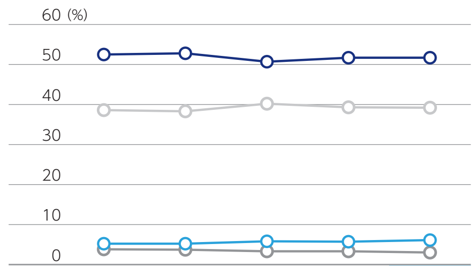
Share of FTTH Subscriptions



	2014.3	2015.3	2016.3	2017.3	2018.3
KDDI	12.3	12.6	13.0	13.0	**12.9**
NTT EAST	40.3	39.1	38.4	38.2	**37.9**
NTT WEST	31.1	31.3	30.9	30.4	**29.8**
Electric power utilities	8.7	8.6	9.0	8.9	**8.9**
Other	7.5	8.3	8.8	9.6	**10.4**

Source: Data prepared by KDDI based on materials from the Telecommunications Carriers Association

Share of Pay Multi-Channel CATV Subscriptions



	2014.3	2015.3	2016.3	2017.3	2018.3
J:COM	52.5	52.8	50.7	51.7	**51.7**
CNCI	5.2	5.2	5.8	5.7	**6.1**
TOKAI	3.8	3.7	3.3	3.3	**3.0**
Other	38.6	38.3	40.2	39.3	**39.2**

Source: Data prepared by KDDI based on *Hoso Journal*