



INTEGRATED REPORT 2019

Tomorrow, Together

Realizing Sustained Growth and Medium- and Long-Term Improvement in Corporate Value

As a telecommunications operator that provides social infrastructure, KDDI has the important social mission of enabling stable communications services on an ongoing basis, 24 hours a day and 365 days a year, regardless of conditions.

Furthermore, as a telecommunications operation, our business derives from utilizing radio waves—an important asset shared by all citizens. Accordingly, we recognize that we have the social responsibility to address the issues society faces and seek to resolve them through telecommunications.

To achieve this social mission and fulfill our social responsibility, KDDI is committed to sustaining growth and enhancing corporate value over the medium and long term through measures to achieve its newly created medium-term management plan spanning the period of April 1, 2019 to March 31, 2022 (FY20.3–FY22.3).



The KDDI Group Mission Statement

The KDDI Group values and cares about the material and emotional well-being of all its employees, and delivers a thrilling customer experience by always going further than expected with the ultimate goal of achieving a truly connected society.

Brand message

Tomorrow, Together **KDDI**

おもしろいほうの未来へ。 **au**

Company Vision

- 1 The company the customer can feel closest to
- 2 A company that continues to produce excitement
- 3 Contributing to the sustainable growth of society

Business Strategy

- 1 Creating innovation toward the 5G era
- 2 The integration of telecommunications and life design
- 3 Further expansion of global business
- 4 Utilizing big data
- 5 Expanding the finance business
- 6 Growth as the Group
- 7 Sustainability

Financial Target

We achieve sustainable profit growth and further strengthen shareholder returns.

Profit
Growth

EPS Grow **1.5** times in 6 years

Shareholder
Returns

DPS Over **40%** payout ratio

Strengthen Management Infrastructure

- Practicing the KDDI Group Philosophy
- Thoroughly managing profitability by segment

Our Value

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WEB Financial Information



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- <https://www.kddi.com/english/corporate/ir/>

WEB Non-Financial Information



Sustainability (The Environment & Society)

<https://www.kddi.com/english/corporate/csr/>



Research & Development (R&D)

<https://www.kddi.com/english/corporate/r-and-d/>

Editorial Policy: Disclosure of Financial and Non-Financial Information

This report is based on multiple guidelines and frameworks, including the principles outlined by the International Integrated Reporting Council (IIRC), providing basic information, financial data, management strategy descriptions, and environmental, social, and governance (ESG) data considered particularly necessary for investors. Additional sustainability and research & development (R&D) information that is not contained in this report can be found on KDDI's website, including the Sustainability Report,

which contains expanded information about non-financial information from both environmental and social aspects.

KDDI has applied International Financial Reporting Standards (IFRS) since the fiscal year ended March 31, 2016. For this report, unless otherwise stated, 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.

Disclaimer Regarding Forward-Looking Statements

Statements contained in this report concerning KDDI's plans, strategies, beliefs, expectations, or projections about the future, and other statements other than those of historical fact, are forward-looking statements based on management's assumptions in light of information currently available and involve risks and uncertainties. Actual results may differ materially from these statements. Potential risks and uncertainties include, but are not limited to, domestic and overseas economic conditions; fluctuations in currency exchange rates, particularly those affecting the U.S. dollar, euro, and other overseas currencies in which KDDI or KDDI Group companies do business; and the ability of KDDI and KDDI Group companies to continue developing and marketing services that enable them to secure new customers in the communications market—a market characterized by rapid technological advances, the steady introduction of new services, intense price competition, and others.