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# **Data Book**

## **Financial Results for the 1st Half of FY 2015.3**

**October 31, 2014**

**KDDI Corporation**

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# Financial Results for the 1st Half of FY 2015.3

Unit: Millions of Yen

Consolidated Statement	FY2014.3							FY2015.3				
							Total				Progress	Total (Forecast)
	1Q	2Q	1H	3Q	4Q	2H		1Q	2Q	1H		
Operating revenues	1,002,423	1,051,357	2,053,781	1,126,118	1,153,729	2,279,848	4,333,628	1,020,552	1,111,383	2,131,935	46.3%	4,600,000
Telecommunications business	631,541	649,448	1,280,989	660,222	667,946	1,328,169	2,609,157	662,859	680,336	1,343,195	-	-
Other business	370,883	401,910	772,792	465,896	485,783	951,679	1,724,471	357,693	431,047	788,740	-	-
Operating income	178,652	168,961	347,613	185,636	129,996	315,632	663,245	194,791	189,963	384,754	52.7%	730,000
Ordinary income	181,920	170,162	352,081	186,511	124,296	310,806	662,887	194,705	192,564	387,268	52.7%	735,000
Extraordinary income (loss)	(31,609)	(263)	(31,872)	(238)	(10,148)	(10,386)	(42,258)	-	3,811	3,811	-	-
Net income	68,175	94,833	163,008	105,646	53,385	159,031	322,038	113,514	117,870	231,385	54.6%	424,000
Comprehensive income	80,294	115,003	195,297	122,585	70,477	193,062	388,359	117,008	126,145	243,154	-	-
Total assets * 1	4,580,649	-	4,634,681	4,843,082	-	-	4,945,757	4,885,478	-	5,044,090	-	-
Shareholders' equity * 1	2,580,833	-	2,883,314	2,865,941	-	-	2,916,990	2,961,217	-	3,087,776	-	-
Shareholders' equity ratio * 1	50.2%	-	55.4%	54.8%	-	-	55.1%	56.6%	-	57.2%	-	-
Shareholders' equity per share (Yen) * 1	2,986	-	3,106	3,181	-	-	3,262	3,314	-	3,456	-	-
Free cash flows	55,000	118,038	173,038	58,907	(5,995)	52,913	225,950	(7,313)	152,563	145,250	-	245,000
Depreciation	115,143	113,522	228,666	118,763	122,670	241,433	470,098	117,032	122,576	239,608	48.6%	493,000
Amortization of goodwill	6,970	7,017	13,987	7,603	6,664	14,267	28,255	6,631	6,654	13,285	47.4%	28,000
Capex (cash flow basis)	108,030	131,717	239,747	133,066	198,986	332,052	571,799	143,338	145,314	288,652	49.8%	580,000
EBITDA	304,987	295,955	600,941	317,175	267,953	585,128	1,186,069	326,398	323,846	650,244	50.9%	1,278,000
EBITDA margin	30.4%	28.1%	29.3%	28.2%	23.2%	25.7%	27.4%	32.0%	29.1%	30.5%	-	27.8%
Interest bearing debt * 1 * 2	1,185,683	-	890,721	1,041,507	-	-	* 3 1,084,967	1,115,975	-	1,010,597	-	-
Net debt * 1 * 2	1,017,636	-	743,019	833,891	-	-	872,436	953,795	-	811,948	-	-
Debt / EBITDA Ratio	-	-	-	-	-	-	0.91	-	-	-	-	-
Debt / Equity Ratio * 1	0.52	-	0.35	0.39	-	-	0.40	0.40	-	0.35	-	-

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

\* 2 Including Euro yen zero coupon convertible bonds

\* 3 Correction from FY2014.3 results report

# Financial Results for the 1st Half of FY 2015.3

Unit: Millions of Yen

Personal Services segment	FY2014.3							FY2015.3				
	1H			2H			Total	1H			Progress	Total (Forecast)
	1Q	2Q	3Q	4Q	1Q	2Q		1Q	2Q			
Operating revenues	784,570	818,869	1,603,439	886,199	878,213	1,764,412	3,367,851	780,617	861,861	1,642,478	46.1%	3,560,000
Sales outside the group	766,177	799,346	1,565,523	865,717	857,418	1,723,135	3,288,658	760,227	841,558	1,601,785	46.3%	3,460,000
Sales within the group	18,392	19,524	37,916	20,482	20,795	41,277	79,193	20,390	20,303	40,693	40.7%	100,000
Operating income	135,216	125,484	260,700	144,690	101,794	246,484	507,184	155,864	149,107	304,971	54.5%	560,000
Depreciation	99,628	97,067	196,695	101,913	105,003	206,916	403,610	100,371	105,041	205,412	48.7%	422,000
Amortization of goodwill	5,724	5,482	11,206	6,157	5,102	11,259	22,465	5,036	5,036	10,072	50.4%	20,000
EBITDA	244,763	234,230	478,993	257,232	219,482	476,714	955,707	269,033	263,513	532,546	51.9%	1,026,000
EBITDA margin	31.2%	28.6%	29.9%	29.0%	25.0%	27.0%	28.4%	34.5%	30.6%	32.4%	-	28.8%

Unit: Millions of Yen

Value Services segment	FY2014.3							FY2015.3				
	1H			2H			Total	1H			Progress	Total (Forecast)
	1Q	2Q	3Q	4Q	1Q	2Q		1Q	2Q			
Operating revenues	49,080	50,733	99,812	54,594	58,116	112,710	212,522	54,497	59,839	114,336	47.6%	240,000
Sales outside the group	37,508	38,895	76,404	42,548	45,677	88,225	164,629	42,474	43,812	86,286	44.2%	195,000
Sales within the group	11,571	11,837	23,409	12,046	12,439	24,485	47,894	12,023	16,027	28,049	62.3%	45,000
Operating income	13,609	13,624	27,233	13,678	10,696	24,374	51,607	15,187	15,068	30,255	53.1%	57,000
Depreciation	2,212	2,715	4,927	2,460	2,509	4,970	9,897	2,562	2,680	5,243	43.3%	12,100
Amortization of goodwill	444	580	1,024	496	501	997	2,021	530	529	1,060	53.0%	2,000
EBITDA	16,287	16,972	33,260	16,889	14,344	31,233	64,493	18,333	18,392	36,725	51.0%	72,000
EBITDA margin	33.2%	33.5%	33.3%	30.9%	24.7%	27.7%	30.3%	33.6%	30.7%	32.1%	-	30.0%

# Financial Results for the 1st Half of FY 2015.3

Unit: Millions of Yen

Business Services segment	FY2014.3							FY2015.3				
			1H				Total			1H	Progress	Total (Forecast)
	1Q	2Q		3Q	4Q	2H		1Q	2Q			
Operating revenues	157,742	164,352	322,095	168,805	184,012	352,818	674,912	161,883	165,339	327,222	47.4%	690,000
Sales outside the group	138,917	145,773	284,690	149,400	164,295	313,695	598,385	142,286	145,554	287,840	47.2%	610,000
Sales within the group	18,826	18,579	37,404	19,405	19,718	39,122	76,527	19,596	19,786	39,382	49.2%	80,000
Operating income	25,494	25,112	50,605	21,803	14,056	35,859	86,464	19,658	20,631	40,289	44.8%	90,000
Depreciation	10,356	10,189	20,545	10,996	11,449	22,445	42,990	10,465	11,168	21,633	47.4%	45,600
Amortization of goodwill	-	-	-	-	-	-	-	-	-	-	-	-
EBITDA	36,002	35,588	71,589	33,125	25,992	59,116	130,706	30,253	32,032	62,285	45.5%	137,000
EBITDA margin	22.8%	21.7%	22.2%	19.6%	14.1%	16.8%	19.4%	18.7%	19.4%	19.0%	-	19.9%

Unit: Millions of Yen

Global Services segment	FY2014.3							FY2015.3				
			1H				Total			1H	Progress	Total (Forecast)
	1Q	2Q		3Q	4Q	2H		1Q	2Q			
Operating revenues	58,679	64,578	123,257	65,903	74,465	140,368	263,625	66,660	71,257	137,917	44.5%	310,000
Sales outside the group	50,448	55,383	105,831	57,407	65,730	123,137	228,968	58,734	63,330	122,064	43.6%	280,000
Sales within the group	8,231	9,195	17,425	8,496	8,735	17,231	34,657	7,925	7,927	15,853	52.8%	30,000
Operating income	2,228	2,486	4,714	3,604	3,089	6,693	11,408	2,678	2,550	5,228	37.3%	14,000
Depreciation	2,845	3,022	5,867	3,027	3,276	6,303	12,170	3,278	3,250	6,528	47.0%	13,900
Amortization of goodwill	802	908	1,710	909	1,016	1,925	3,635	1,020	1,044	2,063	51.6%	4,000
EBITDA	5,878	6,428	12,306	7,560	7,420	14,980	27,286	6,979	6,869	13,848	43.3%	32,000
EBITDA margin	10.0%	10.0%	10.0%	11.5%	10.0%	10.7%	10.4%	10.5%	9.6%	10.0%	-	10.3%

# Financial Results for the 1st Half of FY 2015.3

Unit: Millions of Yen

Others	FY2014.3							FY2015.3				
			1H			2H	Total			1H	Progress	Total (Forecast)
	1Q	2Q		3Q	4Q			1Q	2Q			
Operating revenues	30,545	35,021	65,566	36,465	47,987	84,453	150,019	40,049	42,117	82,166	47.8%	172,000
Sales outside the group	9,373	11,960	21,333	11,046	20,610	31,656	52,988	16,830	17,130	33,959	38.6%	88,000
Sales within the group	21,172	23,061	44,233	25,420	27,377	52,797	97,030	23,220	24,987	48,207	57.4%	84,000
Operating income	2,333	2,033	4,366	2,155	572	2,727	7,093	1,530	2,916	4,446	63.5%	7,000
Depreciation	301	345	646	392	417	809	1,455	402	413	815	48.5%	1,680
Amortization of goodwill	-	47	47	42	45	87	134	45	45	90	49.8%	180
EBITDA	2,681	2,447	5,128	2,601	987	3,588	8,715	1,977	3,378	5,355	59.5%	9,000
EBITDA margin	8.8%	7.0%	7.8%	7.1%	2.1%	4.2%	5.8%	4.9%	8.0%	6.5%	-	5.2%

# Financial Results for the 1st Half of FY 2015.3

Unit: Millions of Yen

Personal Services segment Details of operating revenues	FY2014.3							FY2015.3					
	1H			2H			Total	1H			Progress	Total (Forecast)	
	1Q	2Q	1H	3Q	4Q	2H		1Q	2Q	1H			
Sales outside the group													
Operating revenues	766,177	799,346	1,565,523	865,717	857,418	1,723,135	3,288,658	760,227	841,558	1,601,785	46.3%	3,460,000	
Communications fee revenues	579,129	591,995	1,171,124	601,112	603,465	1,204,577	2,375,701	602,439	615,439	1,217,878	49.2%	2,476,000	
Mobile	404,941	418,711	823,652	425,978	429,479	855,457	1,679,109	429,088	440,623	869,710	49.2%	1,768,000	
Fixed-line	174,188	173,284	347,472	175,133	173,986	349,119	696,592	173,351	174,816	348,167	49.2%	708,000	
FTTH * 1	46,041	46,245	92,286	46,816	47,438	94,254	186,540	47,043	48,574	95,617	-	-	
CATV ·Cable-plus phone * 2	111,723	112,476	224,198	113,118	113,425	226,543	450,741	113,245	113,780	227,025	-	-	
Others	16,425	14,564	30,988	15,199	13,124	28,323	59,311	13,063	12,462	25,525	-	-	
Handset revenues, repair revenues, others	187,049	207,350	394,399	264,605	253,953	518,558	912,957	157,788	226,119	383,907	39.0%	984,000	

Unit: Millions of Yen

Value Services segment Details of operating revenues	FY2014.3							FY2015.3					
	1H			2H			Total	1H			Progress	Total (Forecast)	
	1Q	2Q	1H	3Q	4Q	2H		1Q	2Q	1H			
Sales outside the group													
Operating revenues	37,508	38,895	76,404	42,548	45,677	88,225	164,629	42,474	43,812	86,286	44.2%	195,000	
Value-added revenues * 3	24,709	26,944	51,653	28,582	33,015	61,597	113,250	29,530	30,389	59,918	48.7%	123,000	
Others	12,800	11,951	24,751	13,966	12,662	26,628	51,379	12,945	13,424	26,368	36.6%	72,000	

Unit: Millions of Yen

Business Services segment Details of total operating revenues	FY2014.3							FY2015.3					
	1H			2H			Total	1H			Progress	Total (Forecast)	
	1Q	2Q	1H	3Q	4Q	2H		1Q	2Q	1H			
Sales outside the group													
Operating revenues	138,917	145,773	284,690	149,400	164,295	313,695	598,385	142,286	145,554	287,840	47.2%	610,000	
Mobile	59,431	62,817	122,248	65,411	69,764	135,174	257,422	60,936	62,378	123,314	44.5%	277,000	
Fixed-line	72,587	74,596	147,183	75,376	83,727	159,104	306,287	72,979	74,544	147,524	49.0%	301,000	
Others * 4	6,899	8,361	15,259	8,613	10,804	19,417	34,676	8,371	8,631	17,002	53.1%	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	Sep-14	Mar-15 (Forecast)
Mobile	au (Thousand)	38,378	39,045	39,617	40,522	41,016	41,596	43,172
	UQ WiMAX (Thousand)	4,222	4,275	4,157	4,014	4,153	5,124	

## Personal Services segment · Value Services segment

Subscriptions		FY2014.3				FY2015.3			
		Jun-13	Sep-13	Dec-13	Mar-14	Jun-14	Sep-14	Mar-15 (Forecast)	
Mobile	au (Thousand)	32,717	33,206	33,582	34,131	34,498	34,955	35,831	
	au Smartphone penetration rate * 1 (%)	-	-	-	49.1	50.2	51.6		
Fixed-line	FTTH (Thousand)	2,950	3,045	3,117	3,188	3,221	3,296		
	Cable-plus phone * 2 (Thousand)	3,040	3,202	3,362	3,494	3,638	3,778		
	CATV	Subscribing households (Thousand)	4,956	4,980	5,011	4,996	5,021	5,031	
		RGU (Thousand)	9,923	10,035	10,153	10,185	10,298	10,390	
	Bundle ratio	2.0	2.0	2.0	2.0	2.1	2.1		
au Smart Value	au subscriptions (Thousand)	4,630	5,400	6,110	7,050	7,590	8,160		
	Households (Thousand)	2,490	2,860	3,210	3,580	3,840	4,130		
au Smart Pass (Thousand)		6,820	7,990	8,880	10,250	10,700	11,400		

## Personal Services segment

Indicators * 1		FY2014.3					FY2015.3		
		1Q	2Q	3Q	4Q	Total	1Q	2Q	Total (Forecast)
Total ARPU (Yen)	au ARPU (Yen)	4,420	4,510	4,540	4,510	4,500	4,520	4,590	-
	Voice ARPU (Yen)	1,930	1,960	1,950	1,820	1,920	1,840	1,870	1,850
	Data ARPU (Yen)	3,120	3,190	3,240	3,320	3,220	3,410	3,450	3,440
	Amount of discount applied (Yen)	(900)	(930)	(950)	(980)	(940)	(1,030)	(1,040)	(1,040)
	Value-added ARPU * 3 (Yen)	270	290	300	350	300	300	310	-
au churn rate (%)		0.54	0.65	0.67	1.18	0.76	0.54	0.63	-
Number of units sold (Thousand)		2,290	2,520	2,690	3,230	10,750	1,830	2,430	10,500
of smartphones (Thousand)		1,820	1,980	2,120	2,630	8,550	1,380	1,930	8,670
Number of units shipped (Thousand)		2,120	2,410	3,070	2,930	10,540	1,660	2,250	10,500
FTTH ARPU (Yen)		4,440	4,430	4,420	4,380	4,420	4,350	4,380	-

\*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 Including J:COM PHONE Plus

\*3 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)