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# Data Book

## Financial Results for the Fiscal Year Ended 2016.3

May 12, 2016



# Financial Results Summary (Consolidated)

Unit: Millions of Yen

Consolidated Statement (IFRS)	FY2015.3					FY2016.3					FY2017.3
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	Total (Forecast)
Operating revenue	977,413	1,052,739	1,148,392	1,091,549	4,270,094	1,046,577	1,105,178	1,147,276	1,167,104	4,466,135	4,700,000
Operating income	193,642	188,893	223,454	59,730	665,719	230,998	220,432	221,012	160,916	833,358	885,000
Operating Margin	19.8%	17.9%	19.5%	5.5%	15.6%	22.1%	19.9%	19.3%	13.8%	18.7%	18.8%
Profit for the period attributable to owners of the parent	111,384	115,433	133,523	35,465	395,805	143,949	133,510	131,027	85,979	494,465	540,000
Total Assets *	5,287,758	5,417,082	5,597,340	-	5,626,725	5,558,485	5,575,561	5,591,826	-	5,807,249	-
Total Equity *	2,964,846	3,073,441	3,172,043	-	3,223,012	3,278,232	3,413,765	3,474,737	-	3,509,458	-
Ratio of equity attributable to owners of the parent to total assets *	53.6%	54.3%	54.0%	-	54.5%	56.4%	58.4%	59.0%	-	57.0%	-
Equity per share attributable to owners of the parent *	¥1,132	¥1,174	¥1,206	-	¥1,223	¥1,252	¥1,300	¥1,318	-	¥1,329	-
Free cash flows	(30,670)	206,437	(30,877)	188,116	333,006	(80,136)	221,831	56,455	18,471	216,621	350,000
Depreciation	126,892	130,215	131,443	130,158	518,708	131,202	134,532	133,808	132,124	531,667	574,000
Retirement of fixed assets	10,217	5,424	2,320	27,417	45,378	5,294	4,339	7,602	22,838	40,073	21,000
Capex (cash flow basis)	160,402	162,002	202,770	142,540	667,714	144,937	110,118	108,790	167,589	531,434	560,000
EBITDA	330,750	332,529	357,278	263,995	1,284,553	367,495	360,293	362,421	320,761	1,410,971	1,480,000
EBITDA margin	33.8%	31.6%	31.1%	24.2%	30.1%	35.1%	32.6%	31.6%	27.5%	31.6%	31.5%
Interest bearing debt *	1,315,848	1,177,102	1,273,109	-	1,154,116	1,274,071	1,066,840	1,091,591	-	1,235,287	-
Net debt *	1,152,096	972,952	1,072,575	-	877,799	1,075,352	871,188	911,908	-	1,043,087	-
Debt / EBITDA Ratio	-	-	-	-	0.90	-	-	-	-	0.88	-
Debt / Equity Ratio *	0.46	0.40	0.42	-	0.38	0.41	0.33	0.33	-	0.37	-

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

# Financial Results Summary (Personal Services / Value Services)

Unit: Millions of Yen

Personal Services segment (IFRS)	FY2015.3					FY2016.3					FY2017.3
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	Total (Forecast)
Operating revenue	750,652	818,907	904,695	856,329	3,330,583	814,576	867,975	916,125	904,578	3,503,255	3,550,000
Revenue from external customers	729,774	797,634	881,792	831,372	3,240,571	791,226	843,339	891,608	878,376	3,404,547	3,450,000
Inter-segment revenue or transfers	20,878	21,274	22,904	24,957	90,012	23,350	24,637	24,518	26,203	98,707	100,000
Operating income	153,386	146,384	176,373	70,596	546,739	179,213	172,213	173,576	131,581	656,584	690,000
Depreciation	110,088	113,240	114,659	115,311	453,298	115,462	118,336	118,358	116,756	468,913	488,000
Retirement of fixed assets	10,001	5,091	2,031	15,896	33,019	5,103	3,656	6,907	20,381	36,047	22,000
EBITDA	273,474	272,704	293,063	240,879	1,080,120	299,778	294,205	298,842	269,842	1,162,666	1,200,000
EBITDA margin	36.4%	33.3%	32.4%	28.1%	32.4%	36.8%	33.9%	32.6%	29.8%	33.2%	33.8%

Unit: Millions of Yen

Value Services segment (IFRS)	FY2015.3					FY2016.3					FY2017.3
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	Total (Forecast)
Operating revenue	53,923	58,948	60,500	64,317	237,689	61,795	64,244	65,349	80,375	271,763	440,000
Revenue from external customers	41,900	42,921	43,500	46,736	175,056	44,137	45,923	46,285	61,585	197,930	365,000
Inter-segment revenue or transfers	12,023	16,028	17,001	17,581	62,633	17,658	18,322	19,064	18,790	73,833	75,000
Operating income	16,409	15,589	14,904	5,780	52,681	18,365	18,235	19,801	17,401	73,803	90,000
Depreciation	2,534	2,608	2,757	916	8,815	2,311	2,580	2,578	2,705	10,174	20,000
Retirement of fixed assets	52	102	3	8,996	9,153	20	407	69	1,000	1,496	-
EBITDA	18,995	18,299	17,663	15,695	70,652	20,697	21,222	22,447	21,129	85,495	110,000
EBITDA margin	35.2%	31.0%	29.2%	24.4%	29.7%	33.5%	33.0%	34.3%	26.3%	31.5%	25.0%

# Financial Results Summary (Business Services / Global Services)

Unit: Millions of Yen

Business Services segment (IFRS)	FY2015.3					FY2016.3					FY2017.3
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	Total (Forecast)
Operating revenue	159,045	163,165	162,835	174,194	659,240	151,184	158,741	152,493	169,615	632,032	635,000
Revenue from external customers	135,587	139,216	137,251	147,498	559,553	129,039	135,548	132,279	148,826	545,692	545,000
Inter-segment revenue or transfers	23,458	23,950	25,583	26,696	99,687	22,145	23,193	20,214	20,789	86,340	90,000
Operating income	20,262	20,895	21,304	13,393	75,855	20,081	19,487	19,982	1,886	61,436	63,000
Depreciation	11,007	11,192	11,130	10,808	44,138	10,832	11,044	10,261	10,118	42,254	46,000
Retirement of fixed assets	152	221	257	1,023	1,652	114	263	556	1,355	2,288	1,000
EBITDA	31,421	32,308	32,722	32,594	129,045	31,027	31,780	30,799	15,844	109,450	110,000
EBITDA margin	19.8%	19.8%	20.1%	18.7%	19.6%	20.5%	20.0%	20.2%	9.3%	17.3%	17.3%

Unit: Millions of Yen

Global Services segment (IFRS)	FY2015.3					FY2016.3					FY2017.3
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	Total (Forecast)
Operating revenue	69,168	69,722	82,017	58,078	278,984	76,765	76,092	70,274	71,279	294,409	310,000
Revenue from external customers	61,245	61,797	73,418	49,546	246,006	68,712	68,145	62,507	63,076	262,440	280,000
Inter-segment revenue or transfers	7,923	7,925	8,599	8,532	32,978	8,053	7,947	7,766	8,203	31,969	30,000
Operating income	3,582	4,182	8,243	Note (31,261)	(15,254)	11,302	8,618	5,674	6,551	32,145	34,000
Depreciation	3,240	3,183	2,997	3,206	12,627	2,742	2,696	2,774	2,673	10,885	14,000
Retirement of fixed assets	13	3	16	1,498	1,530	2	10	46	89	147	-
EBITDA	6,835	7,369	11,256	Note (26,465)	(1,005)	14,046	11,324	8,494	10,564	44,428	48,000
EBITDA margin	9.9%	10.6%	13.7%	-	-	18.3%	14.9%	12.1%	14.8%	15.1%	15.5%

Note) Operating income and EBITDA of 4Q/FY2015.3 includes loss on business of overseas subsidiaries (DMX Corporation 33.8 Billion Yen)

# Financial Results Summary (Others)

Unit: Millions of Yen

Others (IFRS)	FY2015.3					FY2016.3					FY2017.3
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	Total (Forecast)
Operating revenue	40,049	42,117	51,040	54,303	187,509	41,768	41,888	42,285	47,534	173,474	-
Revenue from external customers	8,908	11,172	12,431	16,397	48,908	13,463	12,224	14,597	15,241	55,525	-
Inter-segment revenue or transfers	31,141	30,944	38,609	37,906	138,601	28,305	29,664	27,687	32,293	117,950	-
Operating income	1,341	2,986	4,734	1,860	10,920	2,066	1,847	2,273	4,107	10,294	-
Depreciation	402	413	394	440	1,650	387	425	403	460	1,675	-
Retirement of fixed assets	0	6	14	3	24	55	3	23	14	95	-
EBITDA	1,743	3,414	5,173	2,452	12,781	2,510	2,279	2,700	4,582	12,071	-
EBITDA margin	4.4%	8.1%	10.1%	4.5%	6.8%	6.0%	5.4%	6.4%	9.6%	7.0%	-

# Revenue from external customers by Segment

Unit: Millions of Yen

Personal Services segment (IFRS)	FY2015.3					FY2016.3					FY2017.3
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	Total (Forecast)
Revenue from external customers	729,774	797,634	881,792	831,372	3,240,571	791,226	843,339	891,608	878,376	3,404,547	3,450,000
au ARPA revenues * 1	417,030	425,593	425,848	423,261	1,691,731	432,263	439,515	441,380	441,680	1,754,837	1,770,000
Fixed-line communications fee revenues	172,484	174,147	174,963	173,826	695,420	176,439	178,176	178,837	180,159	713,611	720,000
Handset revenues, repair revenues, etc.	111,970	168,210	247,775	197,460	725,415	150,312	187,855	228,411	213,497	780,074	780,000
Others	28,290	29,684	33,205	36,826	128,004	32,212	37,792	42,980	43,040	156,025	180,000

Unit: Millions of Yen

Value Services segment (IFRS)	FY2015.3					FY2016.3					FY2017.3
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	Total (Forecast)
Revenue from external customers	41,900	42,921	43,500	46,736	175,056	44,137	45,923	46,285	61,585	197,930	365,000
Value-added ARPA revenues * 2	30,465	31,221	32,567	35,594	129,847	33,137	33,054	34,242	36,743	137,177	155,000
Others	11,434	11,700	10,933	11,142	45,209	11,000	12,868	12,043	24,842	60,754	210,000

Unit: Millions of Yen

Business Services segment (IFRS)	FY2015.3					FY2016.3					FY2017.3
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	Total (Forecast)
Revenue from external customers	135,587	139,216	137,251	147,498	559,553	129,039	135,548	132,279	148,826	545,692	545,000
Mobile	57,761	60,665	59,277	60,840	238,543	54,995	56,838	57,082	62,533	231,449	230,000
Fixed-line	73,273	73,816	73,519	80,680	301,289	70,009	72,975	69,862	78,583	291,428	290,000
Others	4,553	4,734	4,456	5,979	19,721	4,035	5,735	5,335	7,710	22,815	25,000

\* 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-17 (Forecast)
		Jun-14	Sep-14	Dec-14	Mar-15	Jun-15	Sep-15	Dec-15	Mar-16			
Mobile	au (Thousand)	41,016	41,596	42,378	43,478	44,074	44,640	45,241	45,910	48,710		
	UQ WiMAX (Thousand)	4,153	5,124	7,153	9,543	11,241	13,159	15,689	18,048			

## Personal Services segment / Value Services segment

Subscriptions		FY2015.3					FY2016.3					Mar-17 (Forecast)
		Jun-14	Sep-14	Dec-14	Mar-15	Jun-15	Sep-15	Dec-15	Mar-16			
Mobile	au (Thousand)	34,498	34,955	35,590	36,482	37,001	37,435	37,844	38,236	39,236		
	au smartphone penetration rate *1 (%)	50.2	51.6	52.7	54.3	55.1	56.0	57.0	58.2			
Fixed-line	FTTH (Thousand)	3,221	3,296	3,362	3,435	3,508	3,573	3,643	3,699			
	CATV *2	Households applicable to RGU (Thousand)	4,838	4,851	4,872	4,883	4,938	4,979	5,025	5,052		
		RGU (Thousand)	9,607	9,705	9,831	9,918	10,086	10,229	10,375	10,461		
	Bundle ratio	1.99	2.00	2.02	2.03	2.04	2.05	2.06	2.07			
Mobile Devices per person (Units)		1.34	1.35	1.36	1.37	1.38	1.39	1.40	1.41	1.44		
au Smart Value	au subscriptions (Thousand)	7,590	8,160	8,530	9,330	9,840	10,370	10,920	11,550			
	Households (Thousand)	3,840	4,130	4,270	4,590	4,840	5,140	5,450	5,720			
au Smart Pass (Thousand)		10,700	11,400	12,050	12,890	13,190	13,610	14,020	14,470			

## Personal Services segment / Value Services segment

Indicators *1		FY2015.3					FY2016.3					FY2017.3 Total (Forecast)
		1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	
Total ARPA	(Yen)	5,870	5,980	5,990	5,970	5,950	6,030	6,130	6,160	6,210	6,130	6,230
	au ARPA *3 (Yen)	5,470	5,570	5,560	5,510	5,530	5,600	5,700	5,720	5,730	5,690	5,730
	Value-added ARPA *4 (Yen)	400	410	430	460	420	430	430	440	480	440	500
au churn rate (%)		0.54	0.63	0.66	0.94	0.69	0.72	0.83	0.91	1.07	0.88	
Number of units sold (Thousand)		1,830	2,430	2,720	2,870	9,850	2,050	2,300	2,600	2,430	9,380	8,900
of smartphones (Thousand)		1,380	1,930	2,300	2,360	7,970	1,600	1,810	2,200	2,010	7,620	7,300
Number of units shipped (Thousand)		1,660	2,250	3,020	2,750	9,670	1,940	2,250	2,640	2,270	9,100	8,900

- \* 1 Definitions of au smartphone penetration rate, au churn rate, number of units sold, and number of units shipped :  
au subscriptions based on standard mobile device (smartphone, feature phone (prepaid service included)) of Personal Services segment
- \* 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 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.