
Data Book

Financial Results for the 3rd Quarter of FY2017.3

February 2, 2017



Financial Results Summary (Consolidated)

Unit: Millions of Yen

Consolidated Statement		FY2016.3						FY2017.3				FY2017.3		FY2017.3	
		1Q	2Q	3Q	1-3Q	4Q	Total	1Q	2Q	3Q	1-3Q	Original Forecast	Progress	Rivised Forecast	Progress
Operating revenue		1,046,577	1,105,178	1,147,276	3,299,031	1,167,104	4,466,135	1,130,453	1,171,128	1,220,638	3,522,219	4,700,000	74.9%	4,700,000	74.9%
Operating income *2		230,998	220,432	221,012	672,442	160,141	832,583	275,112	257,524	243,101	775,737	885,000	87.7%	910,000	85.2%
Operating Margin *2		22.1%	19.9%	19.3%	20.4%	13.7%	18.6%	24.3%	22.0%	19.9%	22.0%	18.8%	-	19.4%	-
Profit for the period attributable to owners of the parent *2		143,949	133,510	131,027	408,486	86,393	494,878	167,105	159,043	145,250	471,398	540,000	87.3%	540,000	87.3%
Total Assets *1 *2		5,558,485	5,575,561	-	5,591,826	-	5,880,623	5,839,250	6,008,545	-	6,100,890	-	-	-	-
Total Equity *1 *2		3,278,232	3,413,765	-	3,474,737	-	3,546,856	3,573,356	3,669,479	-	3,756,499	-	-	-	-
Ratio of equity attributable to owners of the parent to total assets *1 *2		56.4%	58.4%	-	59.0%	-	56.3%	57.2%	56.9%	-	57.1%	-	-	-	-
Equity per share attributable to owners of the parent *1 *2		¥1,252	¥1,300	-	¥1,318	-	¥1,329	¥1,347	¥1,392	-	¥1,417	-	-	-	-
Free cash flows		(80,136)	221,831	56,455	198,150	18,471	216,621	127,728	312,264	55,364	495,355	350,000	-	500,000	-
Depreciation *2		131,202	134,532	133,808	399,543	132,899	532,442	137,335	137,138	135,824	410,297	574,000	71.5%	-	-
Retirement of fixed assets		5,294	4,339	7,602	17,234	22,838	40,073	2,866	5,258	8,955	17,078	21,000	81.3%	-	-
Capex (cash flow basis)		144,937	110,118	108,790	363,845	167,589	531,434	87,860	96,099	112,953	296,912	560,000	53.0%	530,000	56.0%
EBITDA		367,495	360,293	362,421	1,090,210	320,761	1,410,971	415,317	400,143	387,904	1,203,364	1,480,000	81.3%	1,500,000	80.2%
EBITDA margin		35.1%	32.6%	31.6%	33.0%	27.5%	31.6%	36.7%	34.2%	31.8%	34.2%	31.5%	-	31.9%	-
Interest bearing debt *1		1,274,071	1,066,840	-	1,091,591	-	1,235,287	1,230,974	1,190,036	-	1,164,556	-	-	-	-
Net debt *1		1,075,352	871,188	-	911,908	-	1,043,087	1,084,043	852,706	-	900,104	-	-	-	-
Debt / EBITDA Ratio		-	-	-	-	-	0.88	-	-	-	-	-	-	-	-
Debt / Equity Ratio *1 *2		0.41	0.33	-	0.33	-	0.37	0.37	0.35	-	0.33	-	-	-	-

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

*2 Provisional accounting treatment was applied for the business combination conducted in the 4Q/FY2016.3 and the data has been replaced with confirmed values in the 1Q/FY2017.3.

As a result, we have changed the 4Q and full-year figures for FY2016.3 in this material.

(Ref) "Financial Statements Summary for the nine-month period ended December 31, 2016 " 4. Business combination (PP.32-33)

Financial Results Summary (Personal Services / Value Services)

Unit: Millions of Yen															
Personal Services segment		FY2016.3					FY2017.3				FY2017.3		FY2017.3		
		1Q	2Q	3Q	1-3Q	4Q	Total	1Q	2Q	3Q	1-3Q	Original Forecast	Progress	Rivised Forecast	Progress
	Operating revenue	814,576	867,975	916,125	2,598,676	904,578	3,503,255	868,461	901,217	935,231	2,704,909	3,550,000	76.2%	3,600,000	75.1%
	Revenue from external customers	791,226	843,339	891,608	2,526,172	878,376	3,404,547	843,987	875,889	909,501	2,629,377	3,450,000	76.2%	-	-
	Inter-segment revenue or transfers	23,350	24,637	24,518	72,504	26,203	98,707	24,473	25,328	25,730	75,531	100,000	75.5%	-	-
	Operating income	179,213	172,213	173,576	525,003	131,581	656,584	220,534	202,709	183,624	606,867	690,000	88.0%	705,000	86.1%
	Depreciation	115,462	118,336	118,358	352,156	116,756	468,913	118,125	118,266	116,541	352,932	488,000	72.3%	-	-
	Retirement of fixed assets	5,103	3,656	6,907	15,666	20,381	36,047	2,582	5,041	8,564	16,187	22,000	73.6%	-	-
	EBITDA	299,778	294,205	298,842	892,825	269,842	1,162,666	341,242	326,016	308,729	975,986	1,200,000	81.3%	1,230,000	79.3%
	EBITDA margin	36.8%	33.9%	32.6%	34.4%	29.8%	33.2%	39.3%	36.2%	33.0%	36.1%	33.8%	-	34.2%	-

Unit: Millions of Yen																
Value Services segment		FY2016.3					FY2017.3				FY2017.3		FY2017.3			
		1Q	2Q	3Q	1-3Q	4Q	Total	1Q	2Q	3Q	1-3Q	Original Forecast	Progress	Rivised Forecast	Progress	
	Operating revenue	61,795	64,244	65,349	191,389	80,375	271,763	103,535	105,663	120,605	329,804	440,000	75.0%	440,000	75.0%	
		Revenue from external customers	44,137	45,923	46,285	136,346	61,585	197,930	84,745	85,951	101,669	272,365	365,000	74.6%	-	-
		Inter-segment revenue or transfers	17,658	18,322	19,064	55,043	18,790	73,833	18,790	19,712	18,937	57,439	75,000	76.6%	-	-
	Operating income	*	18,365	18,235	19,801	56,402	16,626	73,028	25,354	25,640	29,603	80,597	90,000	89.6%	95,000	84.8%
	Depreciation	*	2,311	2,580	2,578	7,469	3,481	10,949	4,955	4,980	5,084	15,019	20,000	75.1%	-	-
	Retirement of fixed assets		20	407	69	496	1,000	1,496	161	128	63	352	-	-	-	-
	EBITDA		20,697	21,222	22,447	64,366	21,129	85,495	30,470	30,747	34,751	95,968	110,000	87.2%	115,000	83.5%
	EBITDA margin		33.5%	33.0%	34.3%	33.6%	26.3%	31.5%	29.4%	29.1%	28.8%	29.1%	25.0%	-	26.1%	-

* Provisional accounting treatment was applied for the business combination conducted in the 4Q/FY2016.3 and the data has been replaced with confirmed values in the 1Q/FY2017.3.
 As a result, we have changed the 4Q and full-year figures for FY2016.3 in this material.
 (Ref) "Financial Statements Summary for the nine-month period ended December 31, 2016 " 4. Business combination (PP.32-33)

Financial Results Summary (Business Services / Global Services)

Unit: Millions of Yen

Business Services segment		FY2016.3						FY2017.3				FY2017.3		FY2017.3	
		1Q	2Q	3Q	1-3Q	4Q	Total	1Q	2Q	3Q	1-3Q	Original Forecast	Progress	Rivised Forecast	Progress
	Operating revenue	151,184	158,741	152,493	462,417	169,615	632,032	151,396	156,693	157,233	465,323	635,000	73.3%	635,000	73.3%
	Revenue from external customers	129,039	135,548	132,279	396,866	148,826	545,692	130,174	133,874	133,890	397,938	545,000	73.0%	-	-
	Inter-segment revenue or transfers	22,145	23,193	20,214	65,552	20,789	86,340	21,222	22,819	23,344	67,385	90,000	74.9%	-	-
	Operating income	20,081	19,487	19,982	59,550	1,886	61,436	20,279	18,994	21,814	61,088	63,000	97.0%	70,000	87.3%
	Depreciation	10,832	11,044	10,261	32,137	10,118	42,254	11,170	11,151	11,219	33,539	46,000	72.9%	-	-
	Retirement of fixed assets	114	263	556	933	1,355	2,288	118	81	291	490	1,000	49.0%	-	-
	EBITDA	31,027	31,780	30,799	93,607	15,844	109,450	31,567	30,226	33,324	95,117	110,000	86.5%	115,000	82.7%
	EBITDA margin	20.5%	20.0%	20.2%	20.2%	9.3%	17.3%	20.9%	19.3%	21.2%	20.4%	17.3%	-	18.1%	-

Unit: Millions of Yen

Global Services segment		FY2016.3						FY2017.3				FY2017.3		FY2017.3	
		1Q	2Q	3Q	1-3Q	4Q	Total	1Q	2Q	3Q	1-3Q	Original Forecast	Progress	Rivised Forecast	Progress
	Operating revenue	76,765	76,092	70,274	223,130	71,279	294,409	65,780	67,928	70,171	203,878	310,000	65.8%	270,000	75.5%
	Revenue from external customers	68,712	68,145	62,507	199,364	63,076	262,440	58,953	61,193	62,994	183,140	280,000	65.4%	-	-
	Inter-segment revenue or transfers	8,053	7,947	7,766	23,766	8,203	31,969	6,826	6,735	7,177	20,738	30,000	69.1%	-	-
	Operating income	11,302	8,618	5,674	25,594	6,551	32,145	7,160	7,566	5,779	20,505	34,000	60.3%	28,000	73.2%
	Depreciation	2,742	2,696	2,774	8,212	2,673	10,885	3,303	2,961	3,200	9,464	14,000	67.6%	-	-
	Retirement of fixed assets	2	10	46	58	89	147	4	5	34	43	-	-	-	-
	EBITDA	14,046	11,324	8,494	33,864	10,564	44,428	10,466	10,703	9,018	30,187	48,000	62.9%	40,000	75.5%
	EBITDA margin	18.3%	14.9%	12.1%	15.2%	14.8%	15.1%	15.9%	15.8%	12.9%	14.8%	15.5%	-	14.8%	-

Financial Results Summary (Others)

Unit: Millions of Yen													
Others		FY2016.3						FY2017.3				FY2017.3	
		1Q	2Q	3Q	1-3Q	4Q	Total	1Q	2Q	3Q	1-3Q	Original Forecast	Progress
Operating revenue		41,768	41,888	42,285	125,941	47,534	173,474	41,655	42,419	42,380	126,453	-	-
Revenue from external customers		13,463	12,224	14,597	40,284	15,241	55,525	12,593	14,221	12,585	39,399	-	-
Inter-segment revenue or transfers		28,305	29,664	27,687	85,657	32,293	117,950	29,062	28,198	29,795	87,054	-	-
Operating income		2,066	1,847	2,273	6,187	4,107	10,294	2,252	2,758	2,610	7,620	-	-
Depreciation		387	425	403	1,215	460	1,675	400	411	431	1,242	-	-
Retirement of fixed assets		55	3	23	82	14	95	1	3	2	6	-	-
EBITDA		2,510	2,279	2,700	7,489	4,582	12,071	2,658	3,223	3,063	8,943	-	-
EBITDA margin		6.0%	5.4%	6.4%	5.9%	9.6%	7.0%	6.4%	7.6%	7.2%	7.1%	-	-

Revenue from external customers by Segment

Unit: Millions of Yen

Personal Services segment		FY2016.3						FY2017.3				FY2017.3	
		1Q	2Q	3Q	1-3Q	4Q	Total	1Q	2Q	3Q	1-3Q	Original Forecast	Progress
Revenue from external customers		791,226	843,339	891,608	2,526,172	878,376	3,404,547	843,987	875,889	909,501	2,629,377	3,450,000	76.2%
	au ARPA revenues * 1	432,263	439,515	441,380	1,313,158	441,680	1,754,837	446,953	447,205	447,896	1,342,055	1,770,000	75.8%
	Fixed-line communications fee revenues	176,439	178,176	178,837	533,452	180,159	713,611	179,721	181,024	182,255	543,000	720,000	75.4%
	Handset revenues, repair revenues, etc.	150,312	187,855	228,411	566,578	213,497	780,074	174,613	201,038	227,757	603,408	780,000	77.4%
	MVNO revenues * 2	68	115	186	369	319	688	542	777	1,136	2,455	180,000	78.3%
	Others	32,144	37,677	42,794	112,615	42,722	155,337	42,158	45,845	50,457	138,460		
Mobile communications revenues * 3		432,331	439,630	441,566	1,313,527	441,998	1,755,525	447,495	447,982	449,032	1,344,509	-	-

Unit: Millions of Yen

Value Services segment		FY2016.3						FY2017.3				FY2017.3	
		1Q	2Q	3Q	1-3Q	4Q	Total	1Q	2Q	3Q	1-3Q	Original Forecast	Progress
Revenue from external customers		44,137	45,923	46,285	136,346	61,585	197,930	84,745	85,951	101,669	272,365	365,000	74.6%
	Value-added ARPA revenues * 4	33,137	33,054	34,242	100,434	36,743	137,177	35,899	37,996	39,006	112,901	155,000	72.8%
	Others	11,000	12,868	12,043	35,912	24,842	60,754	48,847	47,955	62,663	159,464	210,000	75.9%

Unit: Millions of Yen

Business Services segment		FY2016.3						FY2017.3				FY2017.3	
		1Q	2Q	3Q	1-3Q	4Q	Total	1Q	2Q	3Q	1-3Q	Original Forecast	Progress
Revenue from external customers		129,039	135,548	132,279	396,866	148,826	545,692	130,174	133,874	133,890	397,938	545,000	73.0%
	Mobile	54,995	56,838	57,082	168,916	62,533	231,449	55,624	56,333	56,797	168,755	230,000	73.4%
	Fixed-line	70,009	72,975	69,862	212,845	78,583	291,428	68,738	70,518	69,694	208,950	290,000	72.1%
	Others	4,035	5,735	5,335	15,104	7,710	22,815	5,812	7,023	7,398	20,233	25,000	80.9%

* 1 au communications revenues for smartphones, featurephones (excluding prepaid phones), tablets, routers and modules

* 2 Communications revenues from MVNO services provided by consolidated subsidiaries (Excluding certain services. Including services using networks of other operators)

* 3 au ARPA revenues + MVNO revenues

* 4 Value Services segment basis.

“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			FY2016.3					FY2017.3			FY2017.3	FY2017.3
			Jun-15	Sep-15	Dec-15		Mar-16	Jun-16	Sep-16	Dec-16	Original Forecast	Rivised Forecast
Mobile	au	(Thousand)	44,074	44,640	45,241		45,910	46,590	47,237	47,829	48,710	48,310
	UQ WIMAX	(Thousand)	11,241	13,159	15,689		18,048	19,815	21,626	23,296		

Personal Services segment / Value Services segment

Subscriptions			FY2016.3					FY2017.3			FY2017.3	FY2017.3
			Jun-15	Sep-15	Dec-15		Mar-16	Jun-16	Sep-16	Dec-16	Original Forecast	Rivised Forecast
Mobile	au (Thousand)		37,001	37,435	37,844		38,236	38,457	38,575	38,611	39,236	38,636
	au smartphone penetration rate * 1 (%)		55.1	56.0	57.0		58.2	58.9	59.8	60.7		
	Mobile IDs (Thousand)		25,743	25,734	25,750		25,785	25,738	25,697	25,659		
	au accounts * 2 (Thousand)		25,726	25,708	25,688		25,679	25,575	25,456	25,302		
	MVNO subscriptions * 3 (Thousand)		16	27	62		106	163	241	357		
Fixed-line	FTTH (Thousand)		3,508	3,573	3,643		3,699	3,752	3,793	3,824		
	CATV	Households applicable to RGU (Thousand)	4,938	4,979	5,025		5,052	5,213	5,245	5,277		
		RGU (Thousand)	10,086	10,229	10,375		10,461	10,760	10,853	10,941		
		Bundle ratio		2.04	2.05		2.06	2.07	2.06	2.07	2.07	
Mobile Devices per person (Units)			1.385	1.395	1.405		1.414	1.421	1.425	1.427	1.436	
au Smart Value	au subscriptions (Thousand)		9,840	10,370	10,920		11,550	11,830	12,120	12,320		
	Households (Thousand)		4,840	5,140	5,450		5,720	5,850	6,010	6,120		
au Smart Pass (Thousand)			13,190	13,610	14,020		14,470	14,640	14,870	15,070		

Personal Services segment / Value Services segment

Indicators			FY2016.3					FY2017.3			FY2017.3	FY2017.3
			1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	Original Forecast	Rivised Forecast
Total ARPA		(Yen)	6,030	6,130	6,160	6,210	6,130	6,280	6,340	6,390	6,230	6,330
	au ARPA	* 4 (Yen)	5,600	5,700	5,720	5,730	5,690	5,810	5,840	5,880	5,730	5,830
	Value-added ARPA	* 5 (Yen)	430	430	440	480	440	470	500	510	500	500
au churn rate			* 1 (%)	0.72	0.83	0.91	1.07	0.77	0.72	0.78		
Number of units sold		* 1 (Thousand)	2,050	2,300	2,600	2,430	9,380	1,930	2,080	2,460	8,900	
	of smartphones	(Thousand)	1,600	1,810	2,200	2,010	7,620	1,610	1,770	2,040	7,300	
Number of units shipped			* 1 (Thousand)	1,940	2,250	2,640	2,270	1,800	2,120	2,490	8,900	

* 1 au subscriptions based on standard mobile device (smartphone, feature phone (prepaid service included)) of Personal Services segment

* 2 Number of subscriptions within the scope of au ARPA revenues, which excludes multiple subscriptions under the same identical name

* 3 Based on MVNO services provided by consolidated subsidiaries (Excluding certain services. Including services using networks of other operators)

* 4 Personal Services segment basis. au ARPA revenues ÷ au accounts

* 5 Value Services segment basis. ("au Simple Payment" and "au WALLET" settlement commissions + sales from KDDI services, such as "au Smart Pass," product sales, and advertising revenues, etc.) ÷ au accounts

Disclaimer

Statements made in these documents with respect to the KDDI Group's performance targets, projected subscriber numbers, future forecasts and strategies that are not historical facts are forward-looking statements about the future performance of the KDDI Group, based on company's assumptions and beliefs in light of the information available at the time they were made. They therefore include certain risks and uncertainties. Actual results can differ from these statements due to reasons including, but not limited to, domestic and overseas economic trends, competitive position, formulation, revision or abolition of laws and ordinances, regulations or systems, government actions or intervention and the success or lack thereof of new services.

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