
Data Book

Financial Results for the 1st Quarter of FY2016.3

August 7, 2015



Financial Results for the 1st Quarter of FY2016.3

Unit: Millions of Yen

Consolidated Statement (IFRS)	FY2015.3			FY2016.3		FY2016.3
	1Q	Progress	Total	1Q	Progress	Total (Forecast)
Operating revenue	977,413	22.9%	4,270,094	1,046,577	23.8%	4,400,000
Operating income	193,642	29.1%	665,719	230,998	28.2%	820,000
Operating Margin	19.8%	-	15.6%	22.1%	-	18.6%
Profit for the period attributable to owners of the parent	111,384	28.1%	395,948	143,949	29.4%	490,000
Assets * 1	5,287,758	-	5,626,725	5,558,485	-	-
Equity * 1	2,964,846	-	3,223,012	3,278,232	-	-
Equity ratio attributable to owners of the parent * 1	53.6%	-	54.5%	56.4%	-	-
Equity per share attributable to owners of the parent * 1 * 2	¥1,132	-	¥1,223	¥1,252	-	-
Free cash flow	(30,670)	-	335,814	(80,136)	-	280,000
Depreciation	126,892	24.5%	518,708	131,202	23.6%	557,000
Retirement of fixed assets	10,217	22.5%	45,378	5,294	23.0%	23,000
Capex (cash flow basis)	160,402	24.0%	667,714	144,937	24.2%	600,000
EBITDA	330,750	25.7%	1,284,553	367,495	26.2%	1,400,000
EBITDA margin	33.8%	-	30.1%	35.1%	-	31.8%
Interest bearing debt * 1	1,315,848	-	1,154,116	1,274,071	-	-
Net debt * 1	1,152,096	-	877,799	1,075,352	-	-
Debt / EBITDA Ratio	-	-	0.90	-	-	-
Debt / Equity Ratio * 1	0.46	-	0.38	0.41	-	-

Unit: Millions of Yen

Consolidated Statement (J-GAAP)	FY2015.3			FY2016.3		
	1Q	Progress	Total	1Q	Progress	Total
Operating revenues	1,020,552	22.3%	4,573,142	1,020,552	22.3%	4,573,142
Operating income	194,791	26.3%	741,299	194,791	26.3%	741,299
Operating Margin	19.1%	-	16.2%	19.1%	-	16.2%
Extraordinary income (loss)	-	-	(32,459)	-	-	(32,459)
Net income	113,514	26.5%	427,931	113,514	26.5%	427,931
Total assets * 1	4,885,478	-	5,250,365	4,885,478	-	5,250,365
Shareholders' equity * 1	2,961,217	-	3,238,749	2,961,217	-	3,238,749
Shareholders' equity ratio * 1	56.6%	-	57.3%	56.6%	-	57.3%
Shareholders' equity per share * 1 * 2	¥1,105	-	¥1,202	¥1,105	-	¥1,202
Free cash flow	(7,313)	-	287,729	(7,313)	-	287,729
Depreciation	117,032	23.7%	494,570	117,032	23.7%	494,570
Amortization of goodwill	6,631	23.6%	28,134	6,631	23.6%	28,134
Retirement of fixed assets	7,944	27.8%	28,593	7,944	27.8%	28,593
Capex (cash flow basis)	143,338	24.9%	576,197	143,338	24.9%	576,197
EBITDA	326,398	25.3%	1,292,597	326,398	25.3%	1,292,597
EBITDA margin	32.0%	-	28.3%	32.0%	-	28.3%
Interest bearing debt * 1	1,115,975	-	1,002,214	1,115,975	-	1,002,214
Net debt * 1	953,795	-	726,278	953,795	-	726,278
Debt / EBITDA Ratio	-	-	0.78	-	-	0.78
Debt / Equity Ratio * 1	0.40	-	0.33	0.40	-	0.33

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

* 2 A three-for-one stock split is done, effective as of April 1, 2015. Calculated on the assumption that this stock split was conducted at the beginning of the previous fiscal year

Financial Results for the 1st Quarter of FY2016.3

Unit: Millions of Yen

Personal Services segment (IFRS)	FY2015.3	FY2016.3		FY2016.3
	1Q	1Q	Progress	Total (Forecast)
Operating revenue	750,652	814,576	24.0%	3,400,000
Sales outside the group	729,774	791,226	24.0%	3,300,000
Sales within the group	20,878	23,350	23.4%	100,000
Operating income	153,386	179,213	27.6%	650,000
Depreciation	110,088	115,462	24.1%	480,000
Retirement of fixed assets	10,001	5,103	25.5%	20,000
EBITDA	273,474	299,778	26.1%	1,150,000
EBITDA margin	36.4%	36.8%	-	33.8%

Unit: Millions of Yen

Personal Services segment (J-GAAP)	FY2015.3
	1Q
Operating revenues	780,617
Sales outside the group	760,227
Sales within the group	20,390
Operating income	155,864
Depreciation	100,371
Amortization of goodwill	5,036
Retirement of fixed assets	7,762
EBITDA	269,033
EBITDA margin	34.5%

Unit: Millions of Yen

Value Services segment (IFRS)	FY2015.3	FY2016.3		FY2016.3
	1Q	1Q	Progress	Total (Forecast)
Operating revenue	53,923	61,795	22.1%	280,000
Sales outside the group	41,900	44,137	21.0%	210,000
Sales within the group	12,023	17,658	25.2%	70,000
Operating income	16,409	18,365	23.2%	79,000
Depreciation	2,534	2,311	22.0%	10,500
Retirement of fixed assets	52	20	4.0%	500
EBITDA	18,995	20,697	23.0%	90,000
EBITDA margin	35.2%	33.5%	-	32.1%

Unit: Millions of Yen

Value Services segment (J-GAAP)	FY2015.3
	1Q
Operating revenues	54,497
Sales outside the group	42,474
Sales within the group	12,023
Operating income	15,187
Depreciation	2,562
Amortization of goodwill	530
Retirement of fixed assets	53
EBITDA	18,333
EBITDA margin	33.6%

Financial Results for the 1st Quarter of FY2016.3

Unit: Millions of Yen

Business Services segment (IFRS)	FY2015.3	FY2016.3		FY2016.3
	1Q	1Q	Progress	Total (Forecast)
Operating revenue	159,045	151,184	24.0%	630,000
Sales outside the group	135,587	129,039	23.5%	550,000
Sales within the group	23,458	22,145	27.7%	80,000
Operating income	20,262	20,081	37.2%	54,000
Depreciation	11,007	10,832	23.0%	47,000
Retirement of fixed assets	152	114	5.7%	2,000
EBITDA	31,421	31,027	30.1%	103,000
EBITDA margin	19.8%	20.5%	-	16.3%

Unit: Millions of Yen

Business Services segment (J-GAAP)	FY2015.3
	1Q
Operating revenues	161,883
Sales outside the group	142,286
Sales within the group	19,596
Operating income	19,658
Depreciation	10,465
Amortization of goodwill	-
Retirement of fixed assets	130
EBITDA	30,253
EBITDA margin	18.7%

Unit: Millions of Yen

Global Services segment (IFRS)	FY2015.3	FY2016.3		FY2016.3
	1Q	1Q	Progress	Total (Forecast)
Operating revenue	69,168	76,765	23.6%	325,000
Sales outside the group	61,245	68,712	23.3%	295,000
Sales within the group	7,923	8,053	26.8%	30,000
Operating income	3,582	11,302	36.5%	31,000
Depreciation	3,240	2,742	21.1%	13,000
Retirement of fixed assets	13	2	-	0
EBITDA	6,835	14,046	31.9%	44,000
EBITDA margin	9.9%	18.3%	-	13.5%

Unit: Millions of Yen

Global Services segment (J-GAAP)	FY2015.3
	1Q
Operating revenues	66,660
Sales outside the group	58,734
Sales within the group	7,925
Operating income	2,678
Depreciation	3,278
Amortization of goodwill	1,020
Retirement of fixed assets	3
EBITDA	6,979
EBITDA margin	10.5%

Financial Results for the 1st Quarter of FY2016.3

Unit: Millions of Yen

Others (IFRS)	FY2015.3	FY2016.3		FY2016.3
	1Q	1Q	Progress	Total (Forecast)
Operating revenue	40,049	41,768	-	-
Sales outside the group	8,908	13,463	-	-
Sales within the group	31,141	28,305	-	-
Operating income	1,341	2,066	-	-
Depreciation	402	387	-	-
Retirement of fixed assets	0	55	-	-
EBITDA	1,743	2,510	-	-
EBITDA margin	4.4%	6.0%	-	-

Unit: Millions of Yen

Others (J-GAAP)	FY2015.3
	1Q
Operating revenues	40,049
Sales outside the group	16,830
Sales within the group	23,220
Operating income	1,530
Depreciation	402
Amortization of goodwill	45
Retirement of fixed assets	0
EBITDA	1,977
EBITDA margin	4.9%

Financial Results for the 1st Quarter of FY2016.3

Unit: Millions of Yen

Personal Services segment Details of Sales outside the group (IFRS)	FY2015.3	FY2016.3		FY2016.3
	1Q	1Q	Progress	Total (Forecast)
Sales outside the group	729,774	791,226	24.0%	3,300,000
au ARPA revenues * 1	417,030	432,263	24.8%	1,740,000
Fixed-line communications fee revenues	172,484	176,439	23.5%	750,000
Handset revenues, repair revenues, etc.	111,970	150,312	21.2%	710,000
Others	28,290	32,212	32.2%	100,000

Unit: Millions of Yen

Value Services segment Details of Sales outside the group (IFRS)	FY2015.3	FY2016.3		FY2016.3
	1Q	1Q	Progress	Total (Forecast)
Sales outside the group	41,900	44,137	21.0%	210,000
Value-added ARPA revenues * 2	30,465	33,137	21.4%	155,000
Others	11,434	11,000	20.0%	55,000

Unit: Millions of Yen

Business Services segment Details of Sales outside the group (IFRS)	FY2015.3	FY2016.3		FY2016.3
	1Q	1Q	Progress	Total (Forecast)
Sales outside the group	135,587	129,039	23.5%	550,000
Mobile	57,761	54,995	23.9%	230,000
Fixed-line	73,273	70,009	24.1%	* 3 290,000
Others	4,553	4,035	13.5%	* 3 30,000

* 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.

* 3 Correction from FY2015.3 results report

Unit: Millions of Yen

Personal Services segment Details of Sales outside the group (J-GAAP)	FY2015.3
	1Q
Sales outside the group	760,227
Communications fee revenues	602,439
Mobile	429,088
Fixed-line	173,351
Handset revenues, repair revenues, others	157,788

Unit: Millions of Yen

Value Services segment Details of Sales outside the group (J-GAAP)	FY2015.3
	1Q
Sales outside the group	42,474
Value-added revenues	29,530
Others	12,945

Unit: Millions of Yen

Business Services segment Details of Sales outside the group (J-GAAP)	FY2015.3
	1Q
Sales outside the group	142,286
Mobile	60,936
Fixed-line	72,979
Others	8,371

Major Service Data

Total (Consolidated basis)

Subscriptions			FY2015.3				FY2016.3	Mar-16 (Forecast)
			Jun-14	Sep-14	Dec-14	Mar-15	Jun-15	
Mobile	au	(Thousand)	41,016	41,596	42,378	43,478	44,074	45,778
	UQ WiMAX	(Thousand)	4,153	5,124	7,153	9,543	11,241	

Personal Services segment • Value Services segment

Subscriptions			FY2015.3				FY2016.3	Mar-16 (Forecast)	
			Jun-14	Sep-14	Dec-14	Mar-15	Jun-15		
Mobile	au	(Thousand)	34,498	34,955	35,590	36,482	37,001	38,182	
	au smartphone penetration rate	* 1 (%)	50.2	51.6	52.7	54.3	55.1		
Fixed-line	FTTH	(Thousand)	3,221	3,296	3,362	3,435	3,508		
	CATV * 2	N of households applicable	(Thousand)	4,838	4,851	4,872	4,883	4,938	
		RGU	(Thousand)	9,607	9,705	9,831	9,918	10,086	
		Bundle ratio		1.99	2.00	2.02	2.03	2.04	
Mobile Devices per person			(Units)	1.34	1.35	1.36	1.37	1.38	1.40
au Smart Value	au subscriptions	(Thousand)	7,590	8,160	8,530	9,330	9,840		
	Households	(Thousand)	3,840	4,130	4,270	4,590	4,840		
au Smart Pass			(Thousand)	10,700	11,400	12,050	12,890		

Personal Services segment

Indicators * 1			FY2015.3					FY2016.3	FY2016.3	
			1Q	2Q	3Q	4Q	Total	1Q	Total (Forecast)	
Total ARPA	(Yen)		5,870	5,980	5,990	5,970	5,950	6,030	6,110	
	au ARPA	* 3 (Yen)	5,470	5,570	5,560	5,510	5,530	5,600	5,610	
	Value-added ARPA	* 4 (Yen)	400	410	430	460	420	430	500	
au churn rate			(%)	0.54	0.63	0.66	0.94	0.69	0.72	
Number of units sold			(Thousand)	1,830	2,430	2,720	2,870	9,850	2,050	8,800
of smartphones			(Thousand)	1,380	1,930	2,300	2,360	7,970	1,600	7,400
Number of units shipped			(Thousand)	1,660	2,250	3,020	2,750	9,670	1,940	8,800

* 1 Definitions of au smartphone penetration rate, au churn rate, number of units sold, and number of units shipped :
au subscriptions excluding data-only terminals, tablets, and modules

* 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 the 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.