

Tomorrow, Together

KDDI

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au

Financial Results for the 1st Quarter of the Fiscal Year Ending March 2020

(from April to June 2019)

August 1, 2019

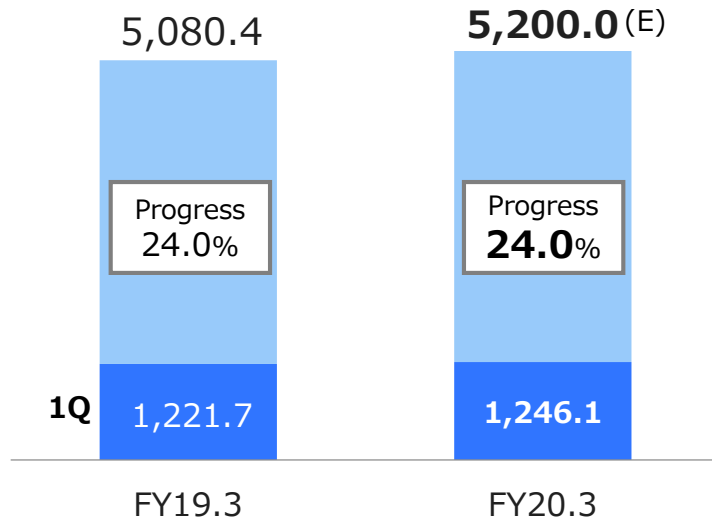
KDDI Corporation



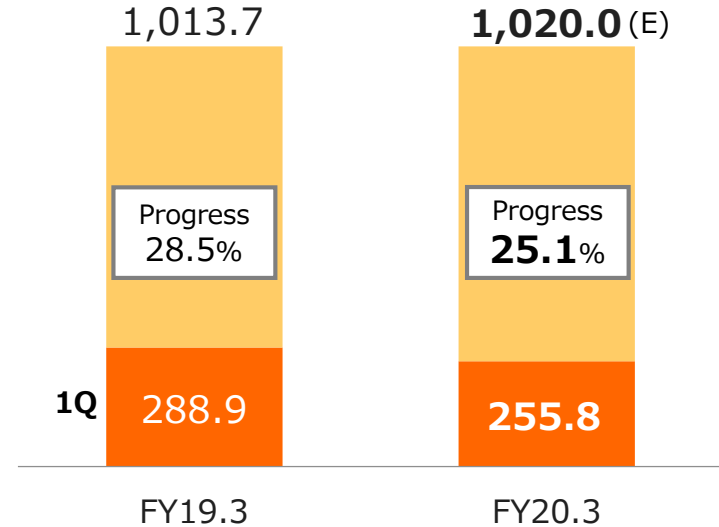
Highlights of Financial Results for the 1st Quarter

Highlights of Consolidated Financial Results for the 1st Quarter

Operating Revenue (Unit : Billions of yen)



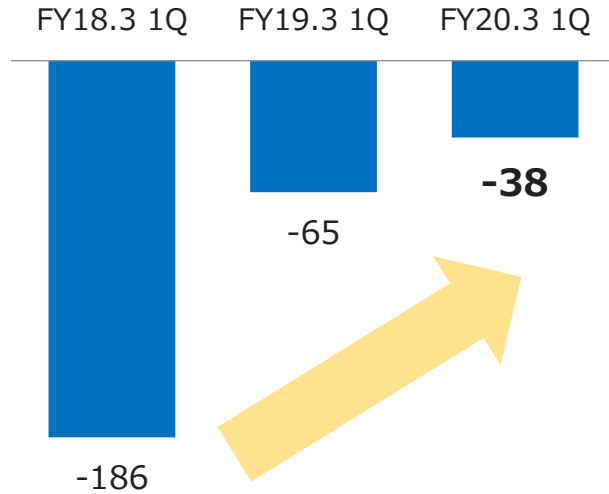
Operating Income (Unit : Billions of yen)



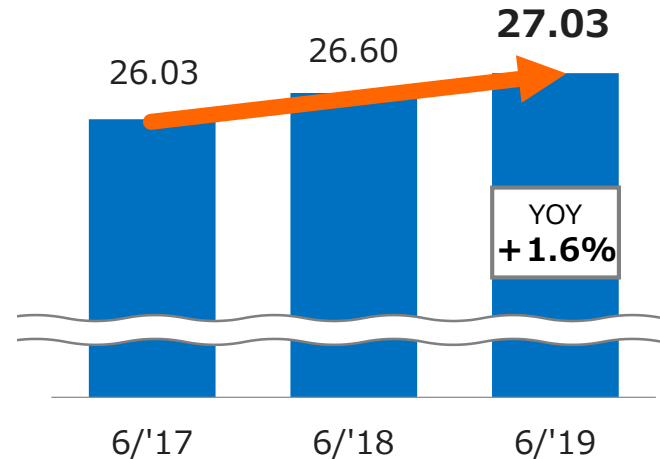
**Strengthening the retention on the migration from 3G to 4G.
Steady progress toward full-year performance targets.**

au Accounts/Mobile IDs

The Number of Net Decreasing au Accounts (Unit : Thousands)



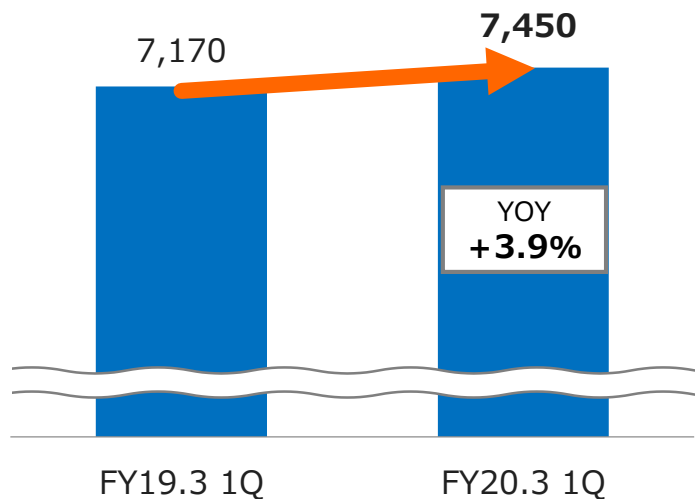
Mobile IDs* (Unit : Millions)



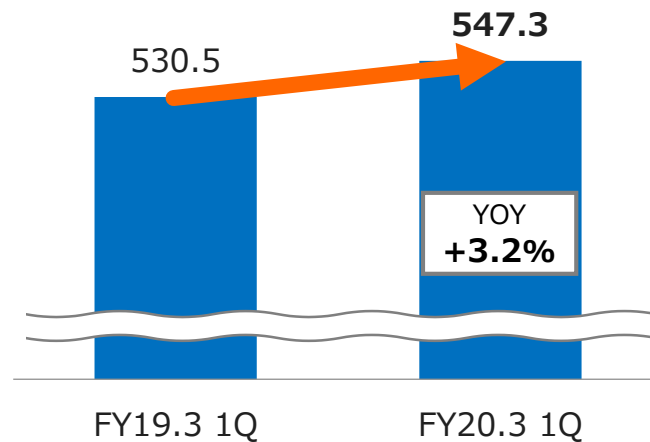
**Levelled off drop in au accounts
and mobile IDs steadily growing**

Total ARPA/Total ARPA Revenues

Total ARPA (Unit : Yen)



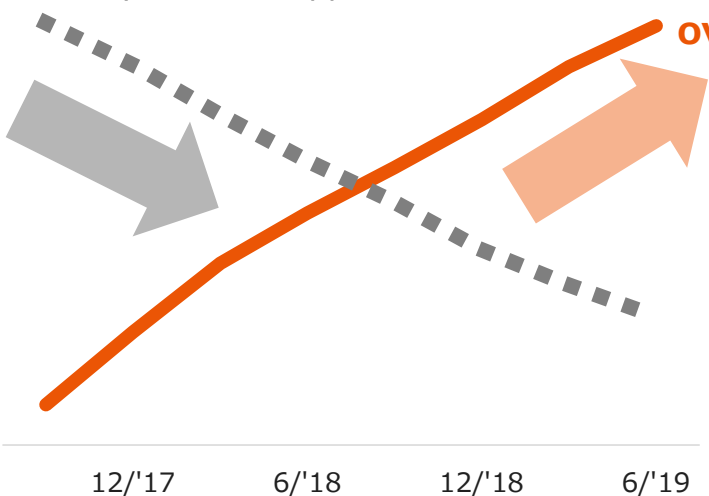
Total ARPA Revenues (Unit : Billions of yen)



Remained firm due to growth both in telecommunication and non-telecommunication fields

Smartphone Price Plan

The number of monthly discount applicants



Unbundling plan
over **15** million subs.*

NEW

“Explore the extraordinary”
connecting at any time

au Data MAX Plan

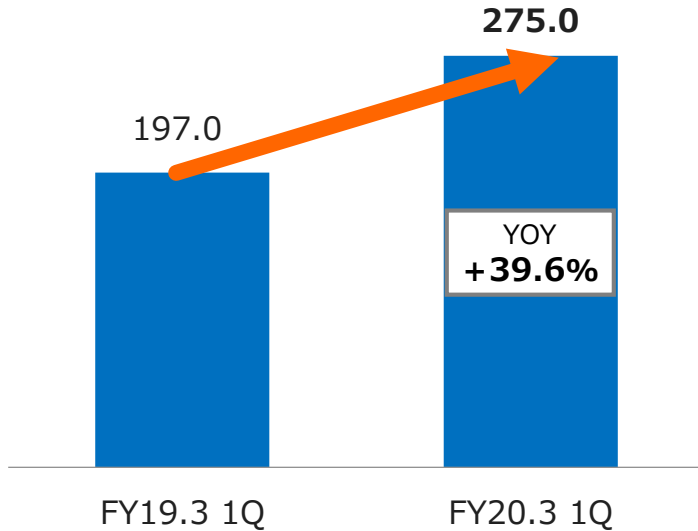
(Start applications accepting from 26th July)

**Aim to increase Total ARPA due to decline
monthly discount and new mobile price plan**

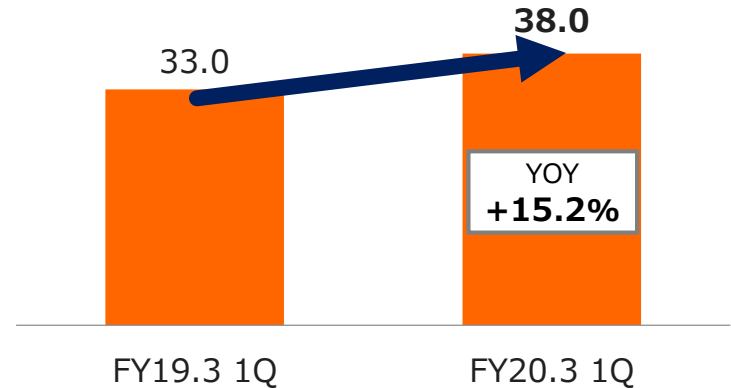
* As of the end of June 2019

Life Design Domain Sales/Operating Income

Life Design Domain Sales (Unit : Billions of yen)



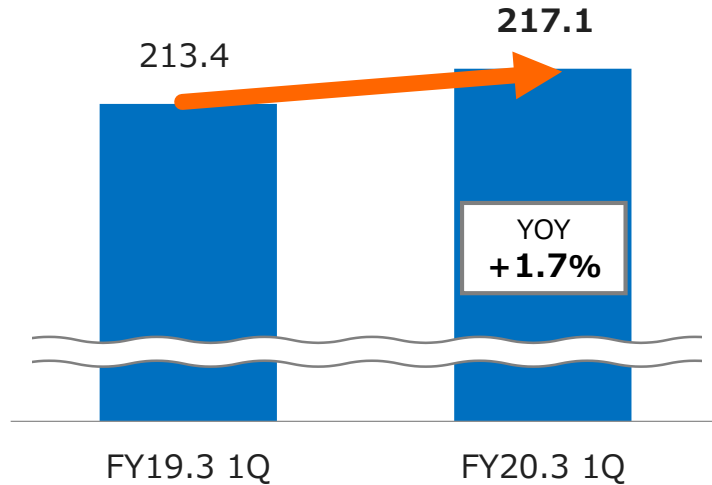
Life Design Domain Operating Income (Unit : Billions of yen)



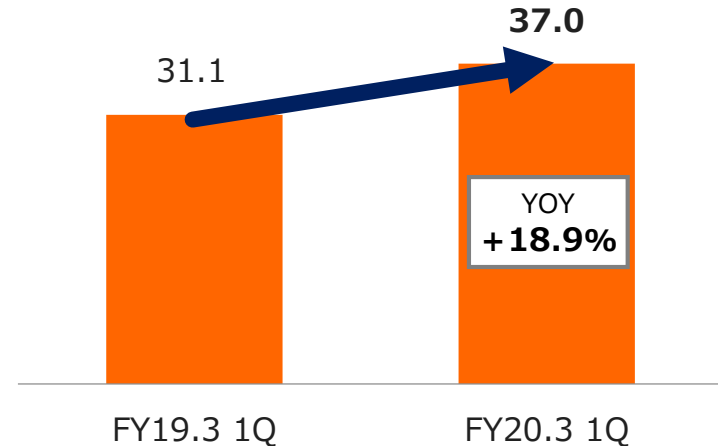
Significant growth in sales and operating income both

Business Services segment Operating Revenue / Operating Income

Business Services segment Operating Revenue (Unit : Billions of yen)



Business Services segment Operating Income (Unit : Billions of yen)



Start smoothly toward the achievement of the new medium-term management plan



**Launched
New Medium-Term Management Plan**

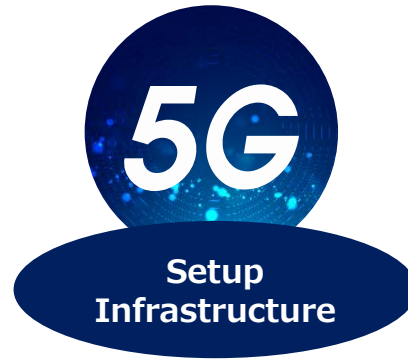
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Competition and Collaboration in the 5G Era

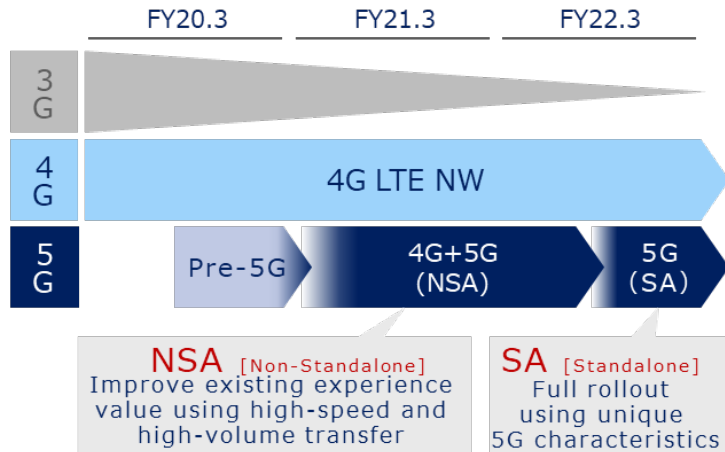


Idea
Open Innovation



Setup Infrastructure towards the 5G Era

5G Roadmap



**Brilliant 4G+Special 5G
= Hybrid Network**

**Construct resilient network
through competition and collaboration**

Infrastructure Sharing in Rural Area

SoftBank

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**From Autumn 2019,
we plan to conduct joint trials
at Asahikawa City in Hokkaido,
Narita City in Chiba Prefecture and
Fukuyama City in Hiroshima Prefecture.**

Open Innovation



Collaboration with Partners



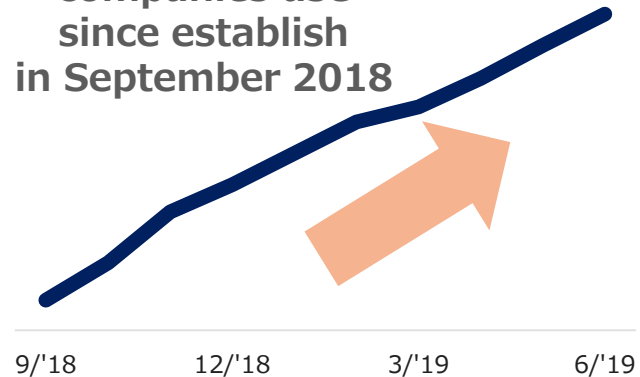
JAPAN AIRLINES

JAL
INNOVATION
Lab

Researching, developing and creating practical applications for next generation services using 5G and IoT

The Number of Business Users

More than 200 companies use since establish in September 2018



Expand into Osaka and Okinawa in Autumn 2019, support new business creation

Smart Drone/MaaS

Smart Drone



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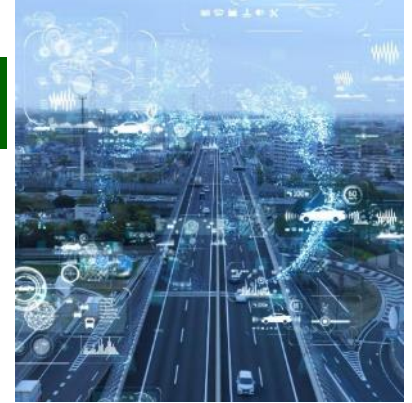
Accelerating the enhancement and development of our platform to grow the international drone market

MaaS (Mobility as a Service)

The logo for NAVITIME, featuring the word 'NAVITIME' in a white, serif font on a dark green rectangular background.

NAVITIME

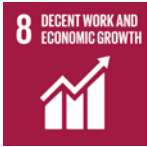
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Promoting the digital transformation of transportation among transportation operators and local governments

**Construct the new platform in the 5G era
with partners**

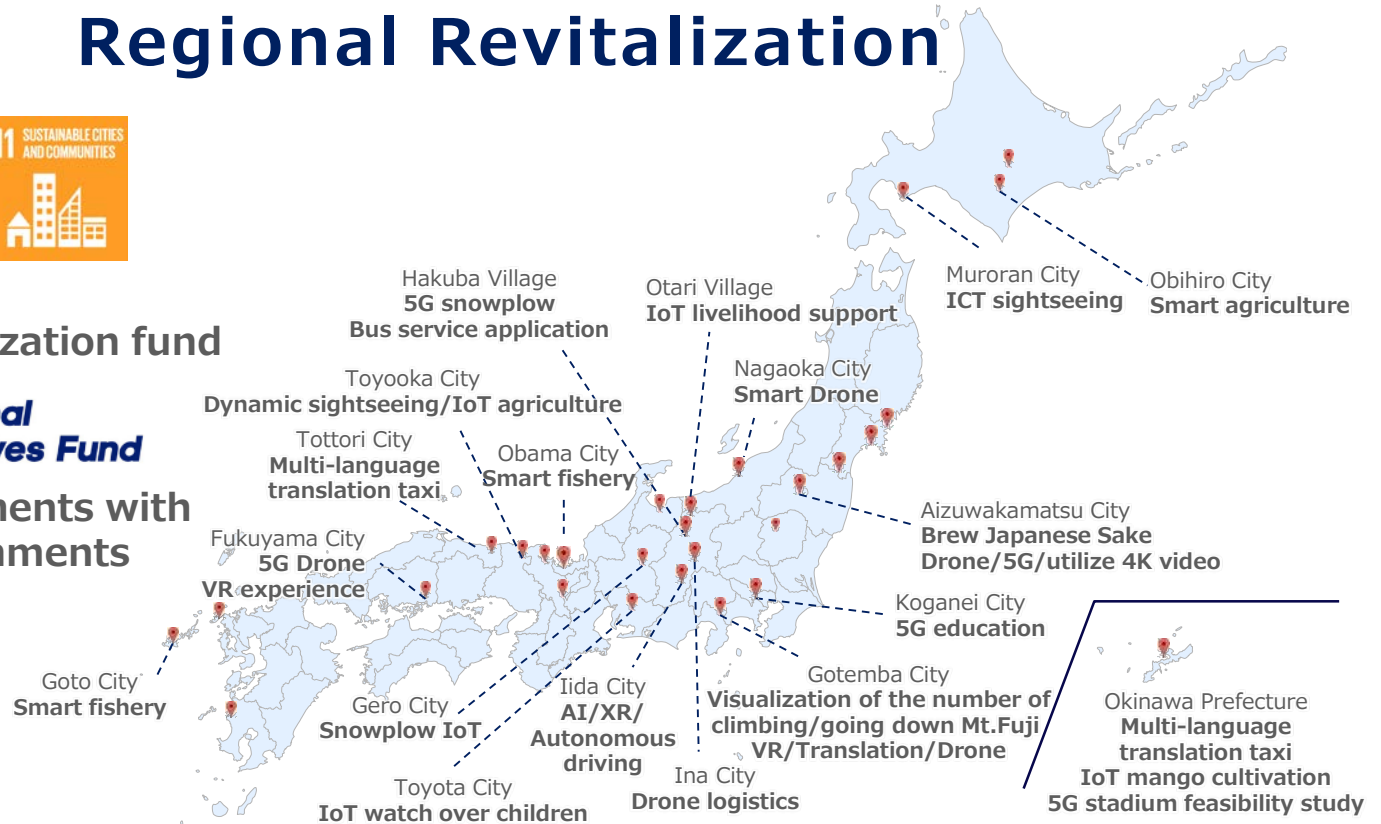
Regional Revitalization



Starting
the regional revitalization fund



Concluded agreements with
63 local governments



Utilizing 5G/IoT to tackle regional issues

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The Integration of Telecommunications and Life Design

Telecommunications



+

au PAY
au Wowma!



Finance



“Explore the extraordinary”



au PAY

au Wowma!

Within 4 months
of launch

Over **4** million subs.^{*1}

Touchpoints available
for smartphone payments

Over **1** million places^{*2}



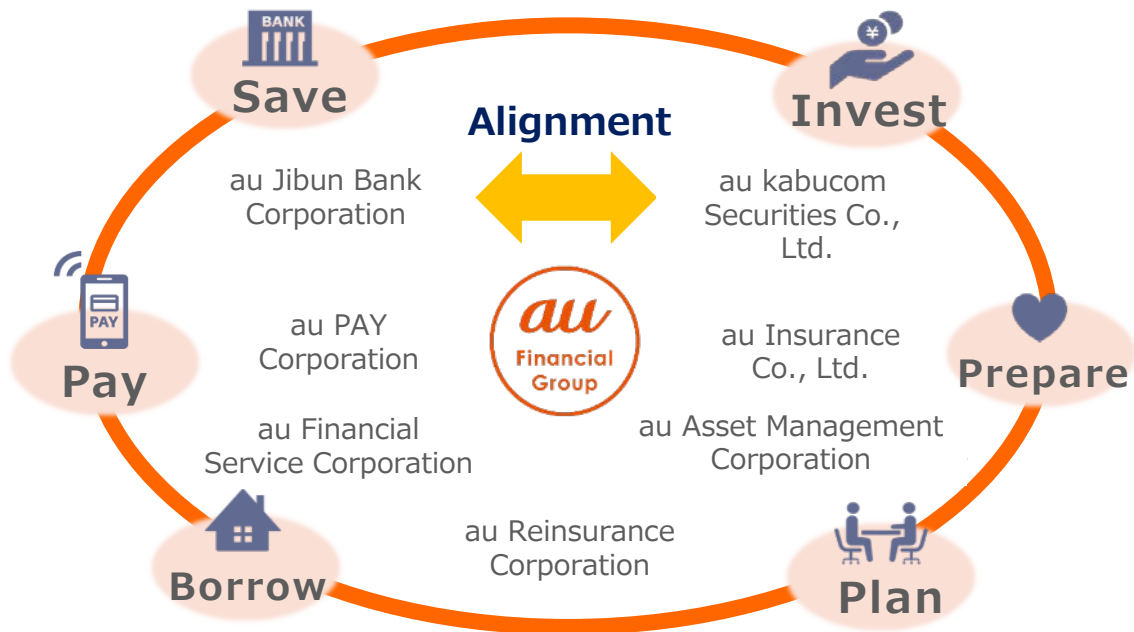
Start live commerce services



au Smart Pass Premium
Members for free shipping^{*3}

*1) as of July 22, 2019 *2) as of June 24, 2019 *3) Products that have a premium mark and that were purchased on 'au Wowma!' will receive free shipping

Finance



**Completed TOB for kabu.com Securities Co., Ltd.
and made au Insurance Company, Ltd. a subsidiary**

* We will steadily change the names of each company to match our au brand. The change of the company name of Jibun Bank is subject to the obtaining of resolution of articles of incorporation change and of approval from the relevant authorities.

“Explore the extraordinary”

High school
baseball



Virtual high school
baseball in SPORTS BULL
all 48 games
live broadcast for free

**SPORTS
BULL**

Movie



August 2 release
movie invested
『DRAGON QUEST
YOUR STORY』

**DRAGON QUEST
YOUR STORY** × *au*

e-Sports



Supporting e-Sports
high school tournament
which is one of the largest
tournament in Japan

STAGE:0
eSPORTS High-School Championship 2018
Coca-Cola

Edutainment



VR experience of
Japanese Antarctic
Research Expedition

KidZania

SDGs-Related Feedback

Global



FTSE4Good



2019 Constituent
MSCI ESG
Leaders Indexes *

Domestic



FTSE Blossom
Japan



MSCI Japan ESG
Select Leaders Index *



MSCI Japan Empowering
Women Index (WIN) *



Garnered highly positive feedback from various institutions

Summary

Financial
Results
for 1Q

- ✓ **Steady progress toward attaining full-year performance targets**
- ✓ **Steady expand the revenue base in telecommunications and non-telecommunications fields**

Launched
the New
Medium-
Term
Management
Plan

- ✓ **Promote “Competitions and Collaboration” towards the 5G era**
- ✓ **The integration of telecommunications and life design, “Explore the extraordinary”**
- ✓ **Promote activities of “KDDI SDGs” including regional revitalization**

An aerial photograph of a coastline at sunset. The sun is low on the horizon, casting a golden glow over the ocean and the sandy beach. The waves are breaking gently onto the shore. In the distance, a city skyline is visible on the right side of the frame. The text "Tomorrow, Together" is overlaid in the center of the image in a white, serif font.

Tomorrow, Together

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Disclaimer

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Consequently, please understand that there is a possibility that actual performance, subscriber numbers, strategies and other information may differ significantly from the forecast information contained in these materials or other envisaged situations.