

Tomorrow, Together



# Financial Results 1<sup>st</sup> Quarter Fiscal Year Ending March 2023

July 29, 2022

KDDI Corporation

President

Makoto Takahashi



The creation of a society in which  
anyone can make their dreams a reality,  
by enhancing the power to connect.

 KDDI VISION 2030

# Financial Results Highlights

In Q1, operating revenue increased, but operating income decreased, despite focus areas' solid performance

(Unit : yen billion)

Consolidated	FY22.3 Q1	FY23.3 Q1	YOY	FY23.3(E)
Operating Revenue	1,300.3	1,351.7	+4.0%	5,560
Operating Income	299.2	296.9	(0.8%)	1,100
Profit for the Period attributable to owners of the parent	189.9	191.8	+1.0%	688
<b>Focus Areas</b>				
Business Services segment Revenue*1	245.2	258.6	+5.5%	1,130
Business Services Operating Income*1	44.6	45.8	+2.6%	206
Financial Business Revenue*2	40.3	64.6*3	-	210
Financial Business Operating Income*2	4.0	21.7*3	-	38

\*1 From FY2023.3, the segment of some departments has been transferred to "Others" from "Personal Services segment" and "Business Services segment." In accordance with this transfer, stated figures for FY2022.3 retroactively reflect reclassification of segment.

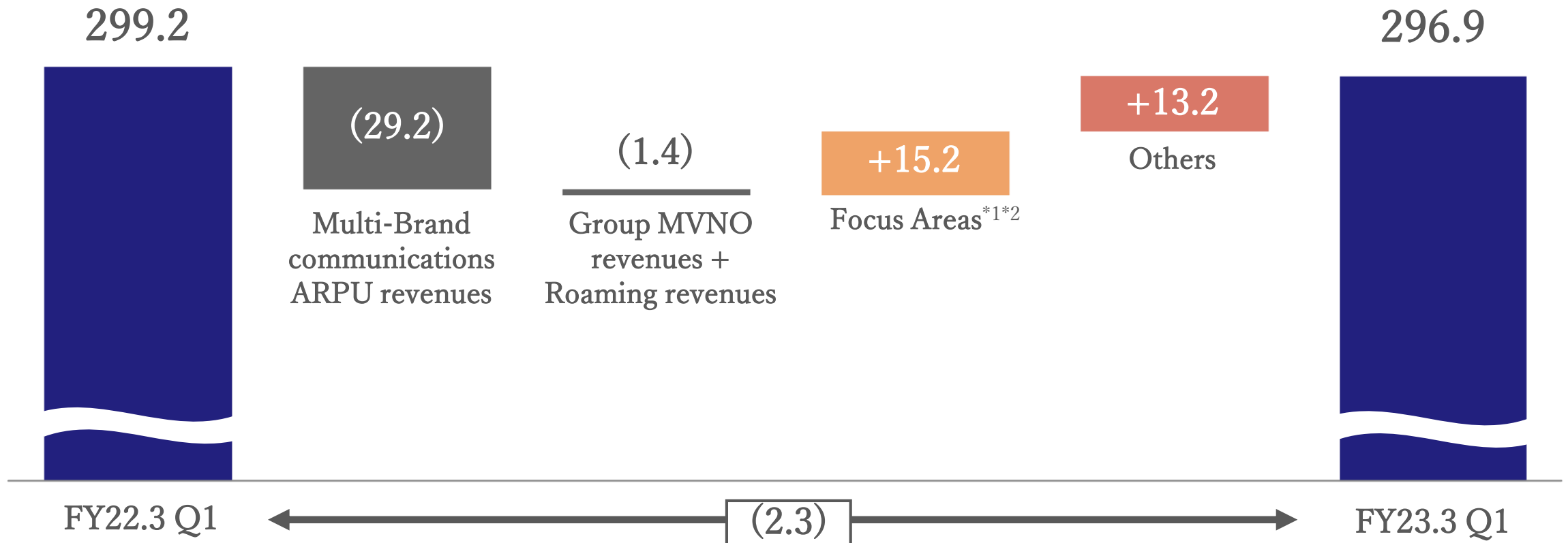
\*2 au Financial Holdings, IFRS basis

\*3 Includes temporary accounting effects

# Consolidated Operating Income: Factors for Change

Impact of communication charge reduction mitigated  
mainly by promoting focus areas

(Unit : yen billion)



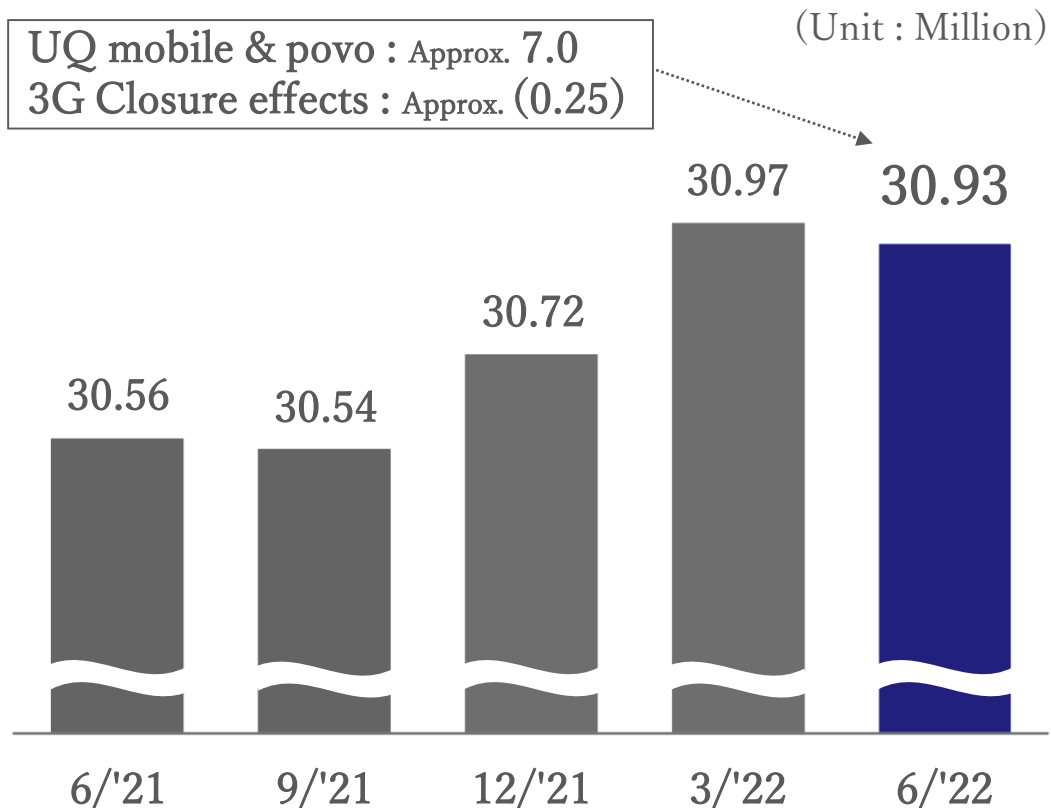
\*1 Business Services segment, Financial Business (au Financial Holdings, IFRS basis) and Energy Business, etc.

\*2 Includes temporary accounting effects

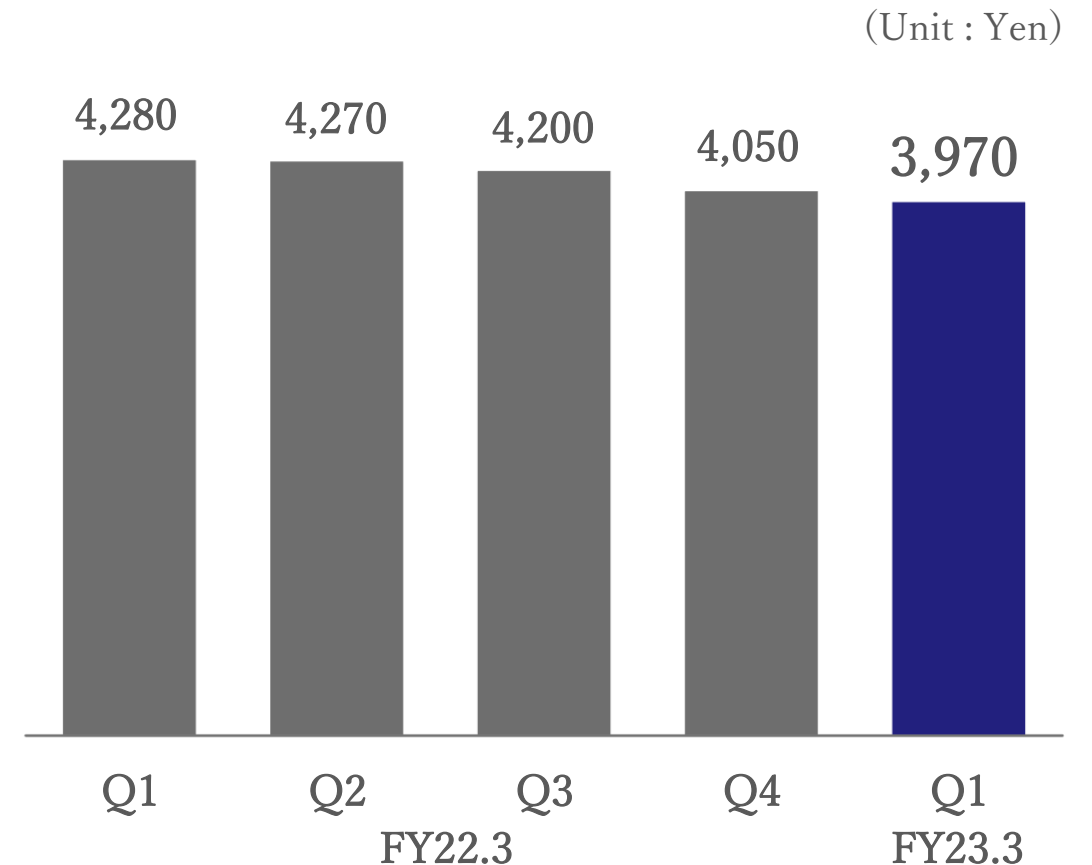
# Multi-Brand IDs/Communications ARPU

Excluding 3G closure impact, IDs steadily increasing due to strong performance of UQ mobile and povo

## Multi-Brand IDs



## Communications ARPU



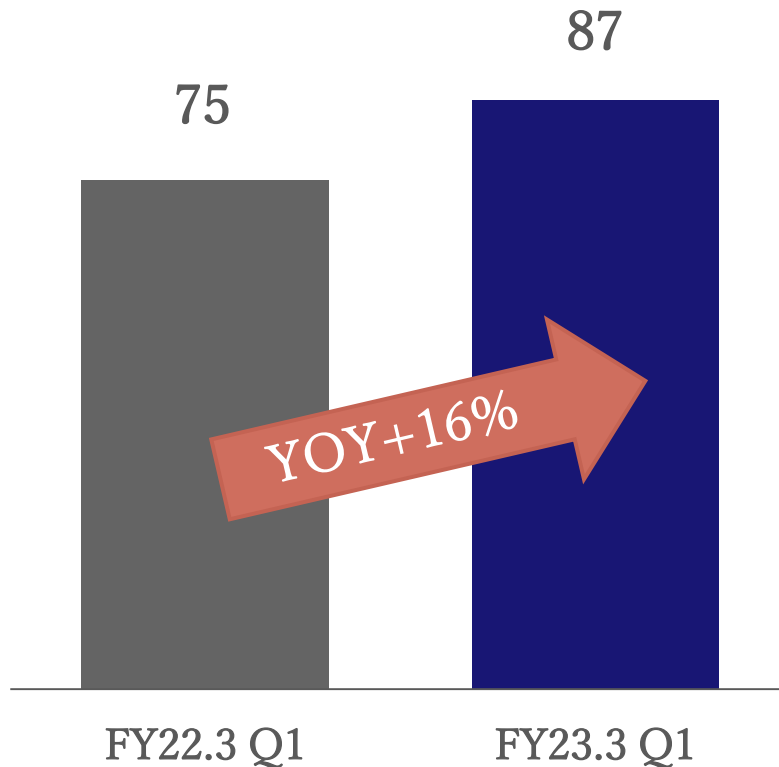
Note) Personal Services segment, au, UQ mobile and povo

# Focus Areas and Business Services Segment

## NEXT Core Business Operating Revenue

(Unit : yen billion)

Double-digit growth



## Business Services segment Operating Income

Profit increased in NEXT Core Business (DX) and Core Business; steady progress in both

### Operating Income Factors for Change (YOY)

- (+) Profit increased in NEXT Core Business  
Those including exchange effects of overseas subsidiaries
- (-) Effect of contract terminations due to 3G termination

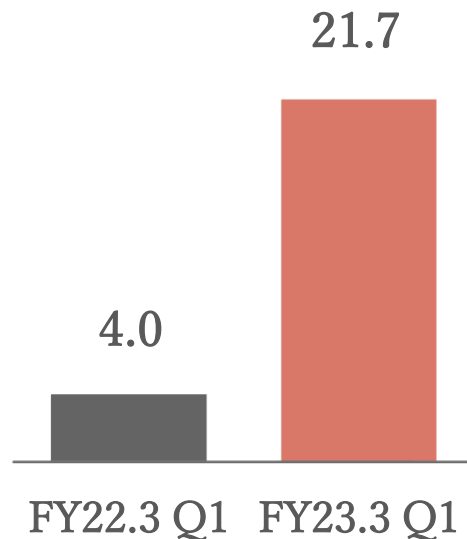
# Focus Areas: Financial/ Energy Business

## Financial Business

Increase in profit  
due to temporary accounting effects

### Operating Income\*

(Unit : yen billion)



Made accounting  
changes for  
home mortgage

Recorded total of  
deferred profit of  
previous fiscal years, so  
profit for the period  
increased significantly

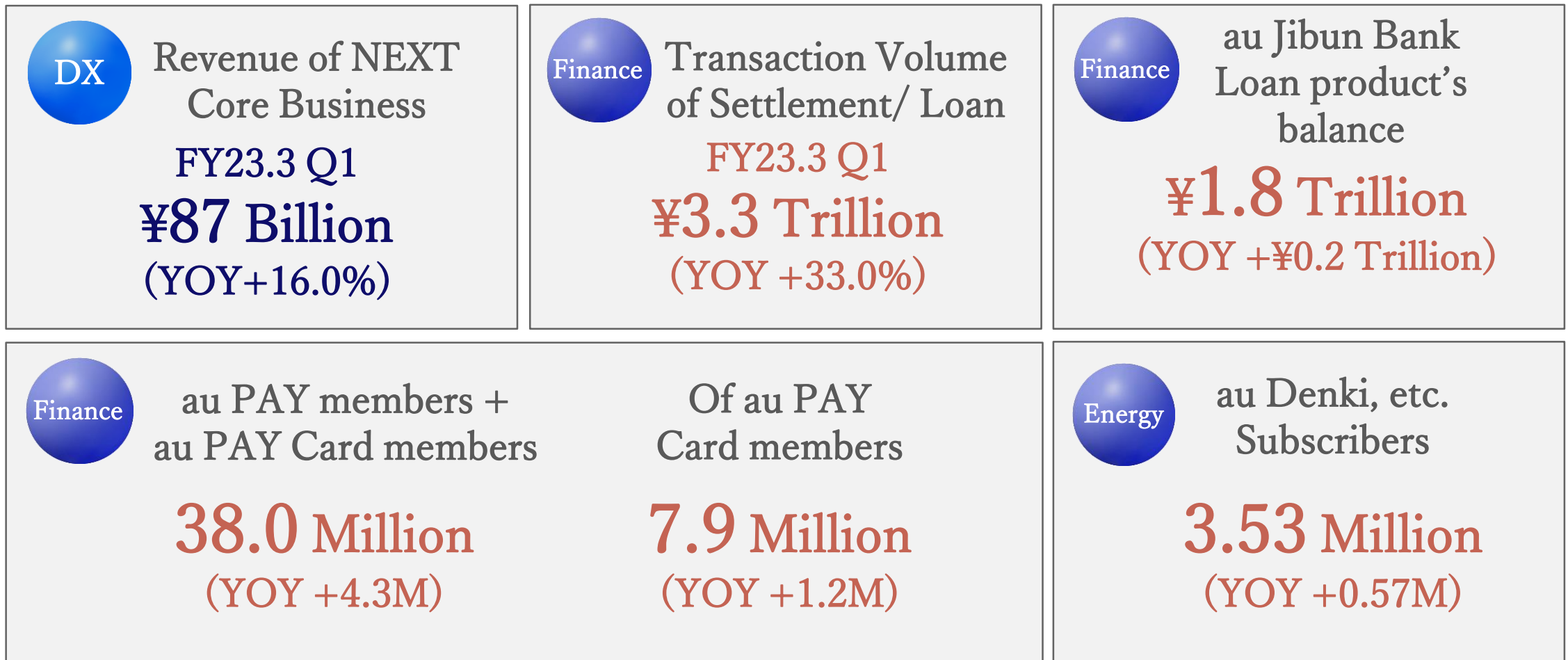
## Energy Business

In Q1, profit decreased YOY

- ✓ Controlled costs by increasing energy procurement via private power contracts
- ✓ Despite impact from rising fuel prices, its impact on business performance was limited

# Focus Areas Main Indicators

Main indicators grew, especially those related to DX, finance, and energy



Note) Main indicators related to Financial and Energy businesses are the results as of the end of June 2022.

## Summary

In Q1, operating revenue increased with a decrease in profit for the period despite higher showings in focus areas

Impact of communication charge reduction was mitigated mainly by promoting focus areas

Excluding 3G closure impact, IDs steadily increasing due to the strong performance of UQ mobile and povo

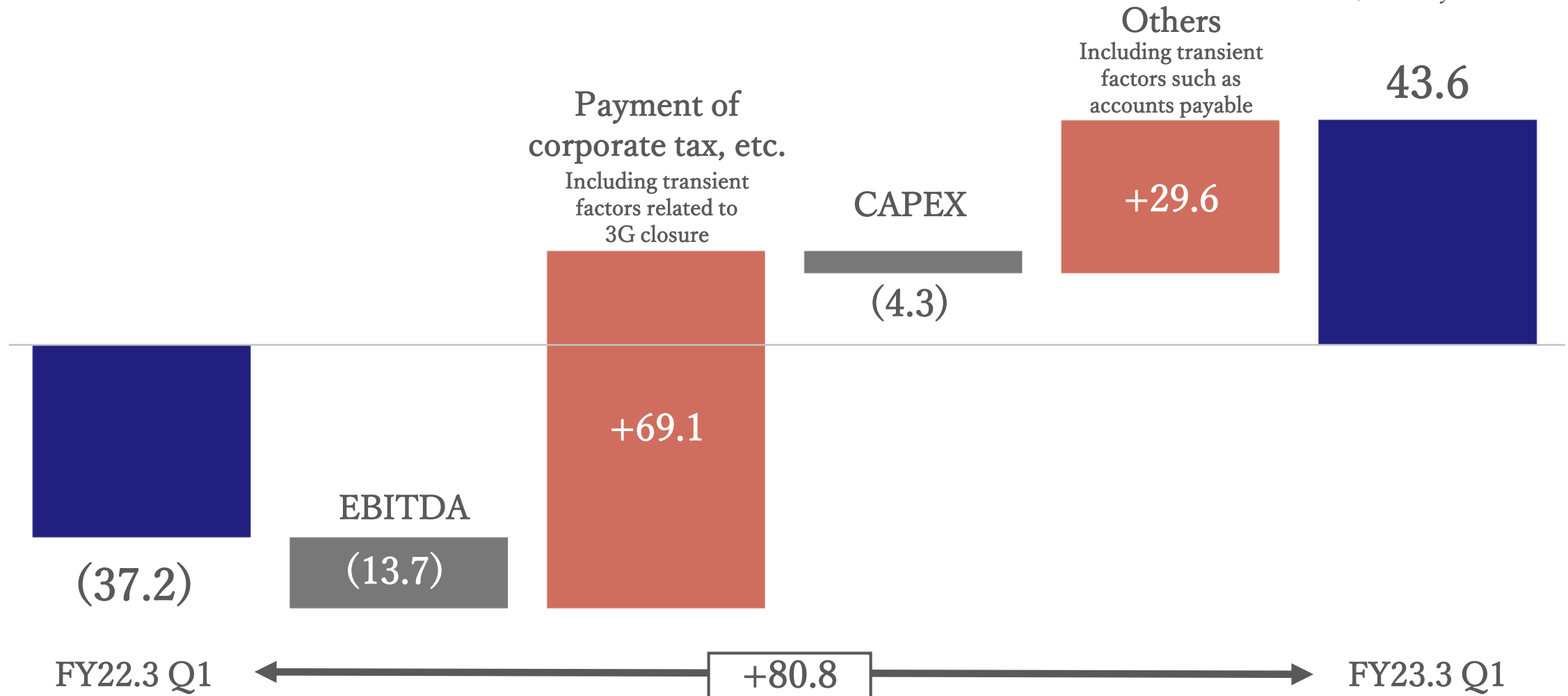
Main indicators grew, especially those related to DX, finance, and energy



# Appendix

# Consolidated FCF (Excluding Financial Business) Factors for Change

(Unit : yen billion)



Note) Financial business is au Financial Holdings Corporation.

# Consolidated/ Financial Business Balance sheet (as of the end of June 2022)

Total Assets 11.15 trillion yen

Property, Plant and equipment, Intangible assets and Right-of-use assets	Interest-bearing debt
	Trade and other payables
	Deposits for financial business
Goodwill	Other liabilities
Trade and other receivables	
Securities for financial business	Equity
Loans for financial business	
Cash and cash equivalents	
Others	

KDDI(Consolidated)

Total Assets 3.34 trillion yen

Cash and cash equivalents	Deposits
Securities	
Loans	
Others	Others

au Financial Holdings (Consolidated)

Note) "KDDI (consolidated)" is prepared in accordance with IFRS and "au Financial Holdings (consolidated)" is prepared in accordance with J-GAAP.

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## 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 situation, 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.

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.