Tomorrow, Together

KDDI

Fiscal Year Ending March 2026 H1 Financial Results

(April – September 2025)

November 6, 2025

KDDI Corporation

Hiromichi Matsuda

President, Representative Director, CEO

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

KDDI VISION 2030

Expo 2025 Osaka, Kansai, Japan
official character,
MYAKU-MYAKU

Expo 2025 Osaka, Kansai, Japan

"Future City" pavilion welcomed 1.9 million visitors in 184 days

Inspiring children to learn and shape the future

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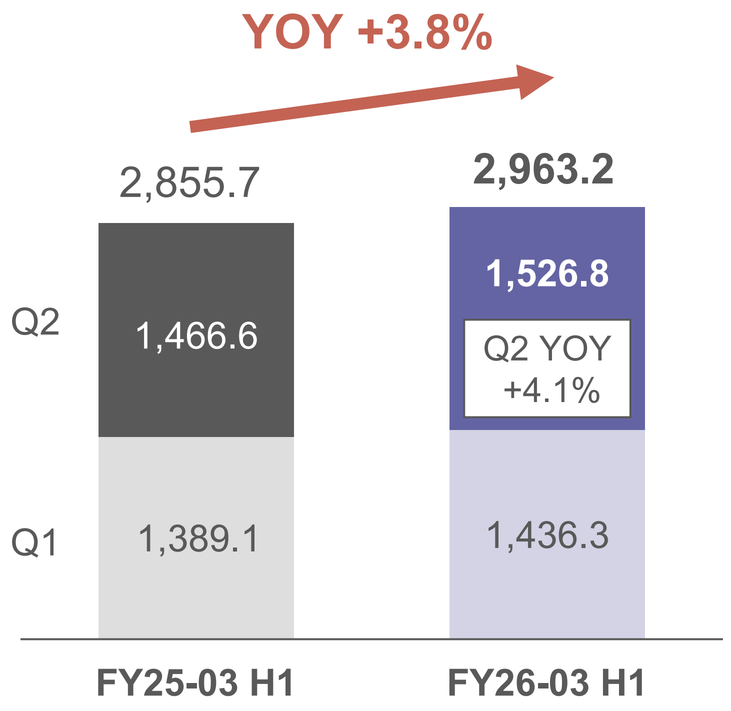
1. Consolidated Results: FY26-03 H1

Consolidated Financial Results

Revenue and income increased. In line with achieving the EPS target

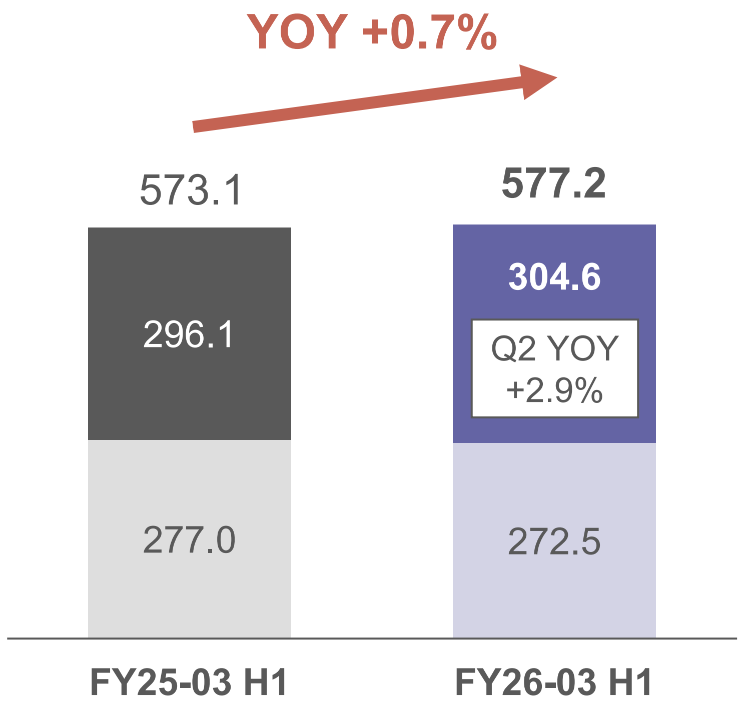
Operating revenue

(Unit : billions of yen)



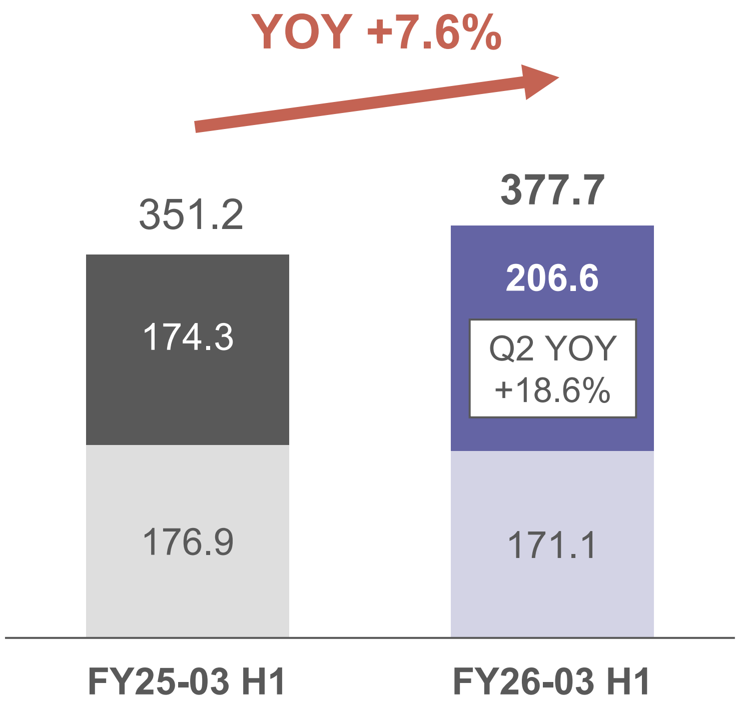
Operating income

(Unit : billions of yen)



Profit for the period*

(Unit : billions of yen)



Forecast progress	Operating revenue	Operating income	Profit for the period*
	46.8%	49.0%	50.5%

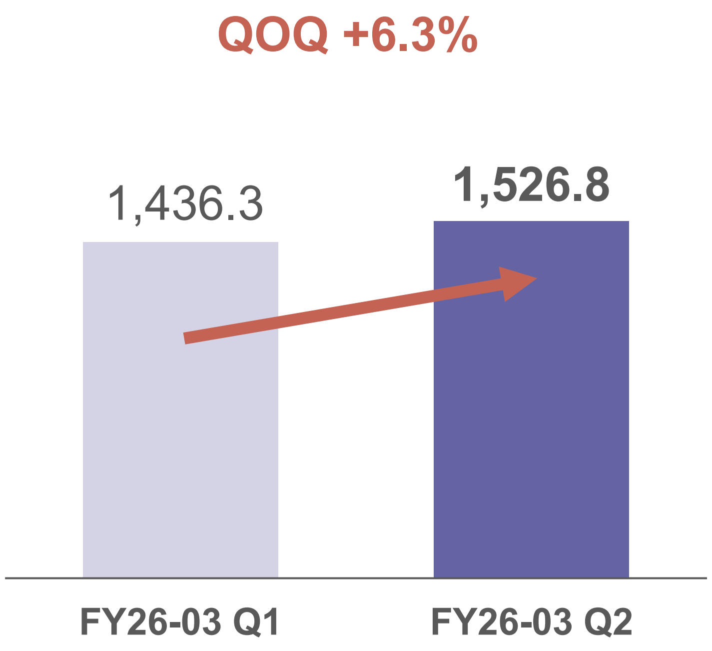
* Profit for the period attributable to owners of the parent

Topics

Price revision effects become evident. Q2 performance show QOQ growth

Quarterly Operating revenue

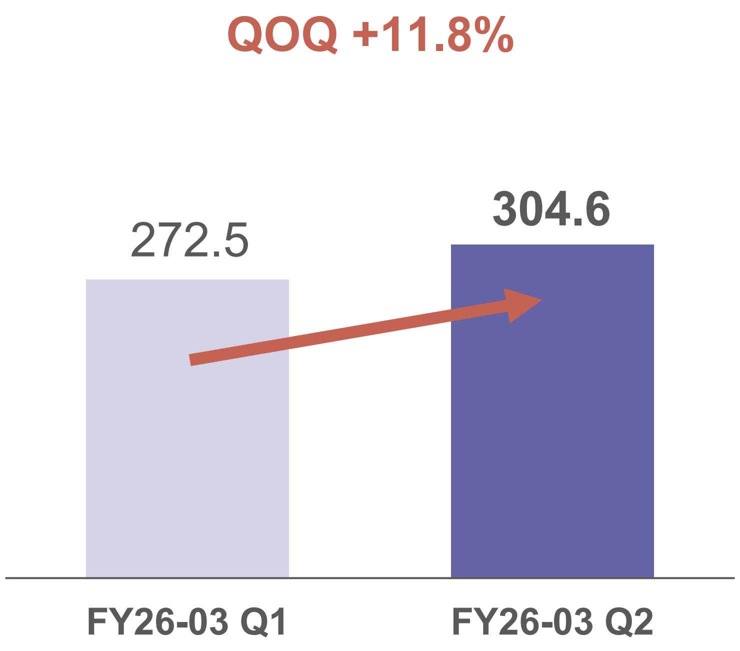
(Unit : billions of yen)



Reference: FY25-03 Q2 QOQ +5.6%

Quarterly Operating income

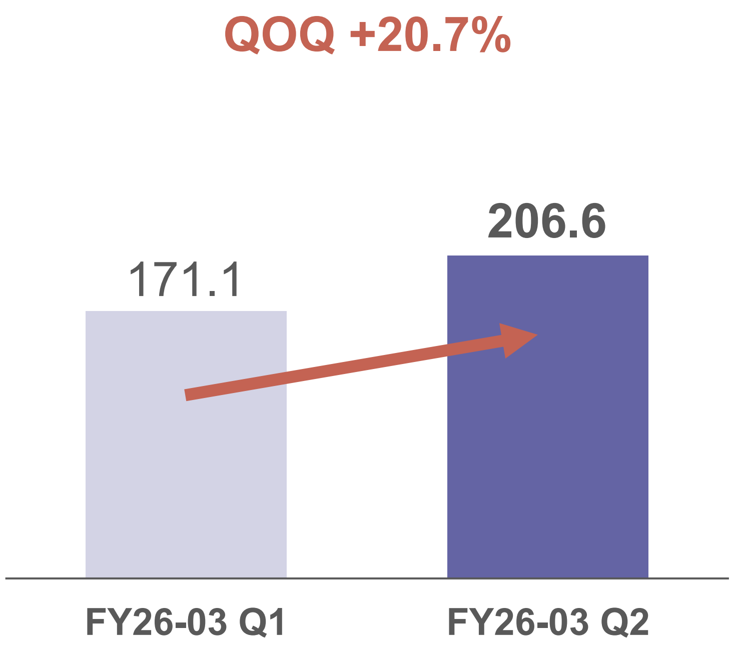
(Unit : billions of yen)



FY25-03 Q2 QOQ +6.9%

Quarterly profit for the period*

(Unit : billions of yen)



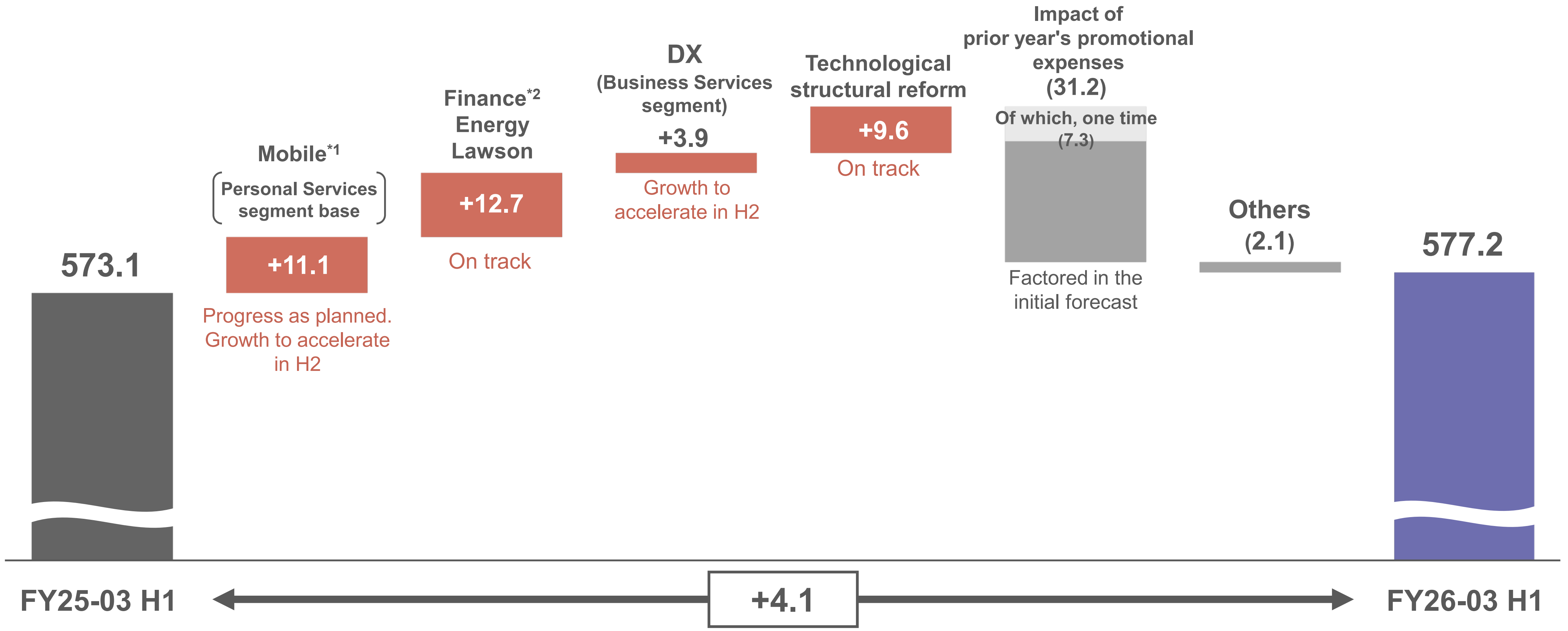
FY25-03 Q2 QOQ (1.5%)

* Profit for the period attributable to owners of the parent

Consolidated Operating Income -Factors for Change-

Each business grows while offsetting impact of prior year's promotional expenses

(Unit : billions of yen)



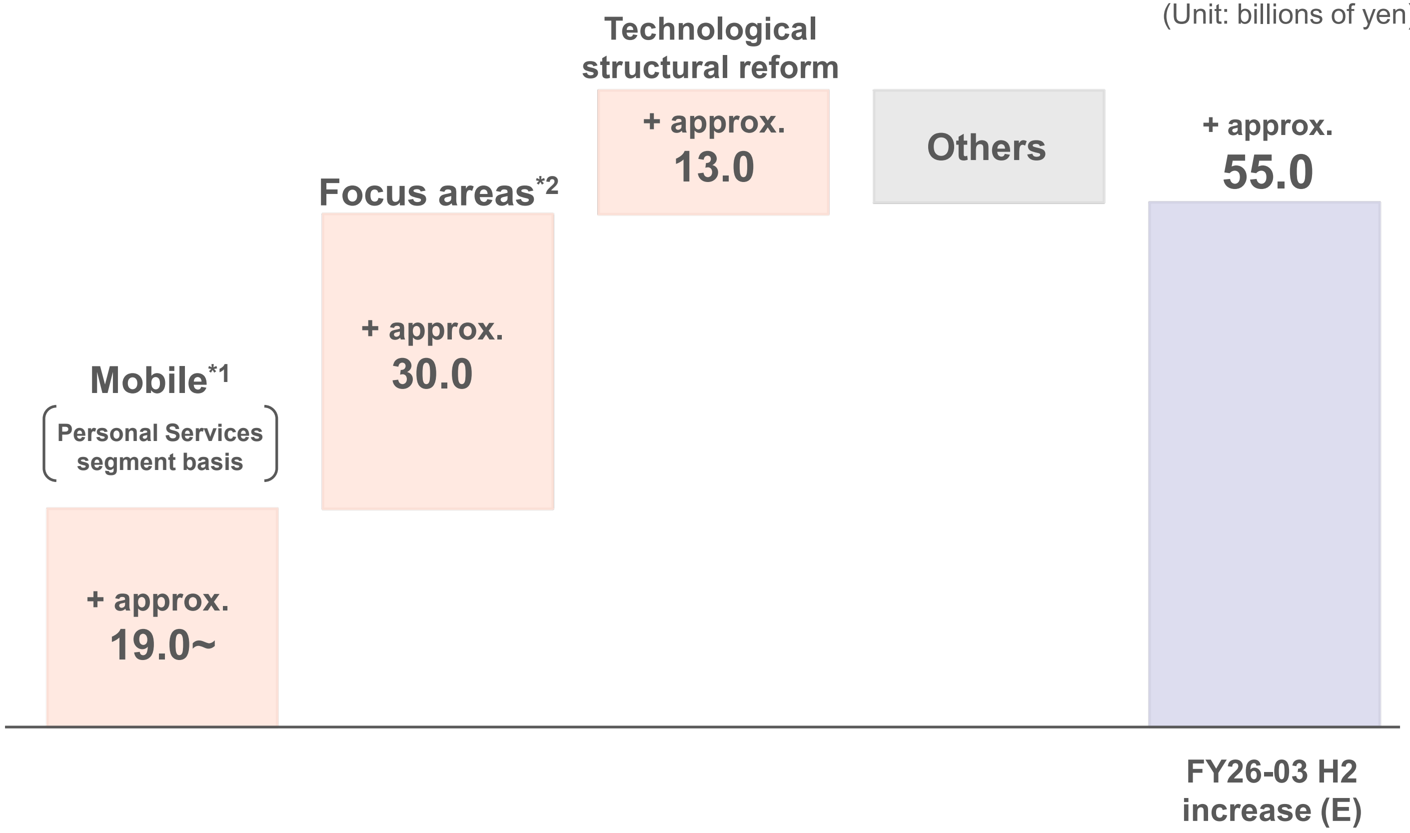
*1 Management-based profit figure *2 au Financial Holdings (IFRS basis)

Key Points for H2 Consolidated Income

Mobile and focus areas notably grow, aiming to achieve the full-year targets

– Changes in H2 Consolidated Operating Income –

(Unit: billions of yen)



Key points for H2

- Mobile is accelerating growth. By enhancing value through service revisions, aim for over 30 bil. yen in full-year gains
- Finance is shifting to a strategy that places more emphasis on loan-to-deposit ratio
- DX (Business Services segment) is on a growth trajectory, including a turnaround in BPO business and other initiatives
- Negative impact of prior year's promotional expenses has ended in H1

*1 Management-based profit figure *2 DX (Business Services segment), Finance, Energy and Lawson (Equity method)

2. Progress in Mobile Structural Transformation

Power to Connect Creates Virtuous Cycle

Our committed 5G investments and partnership are beginning to bear fruit, generating a virtuous cycle of value delivery

② Value of "Connected Experience"

au Starlink Direct
au 5G Fast Lane
au 海外放題 au Unlimited Data Overseas

Virtuous cycle of connecting with customer's present, customer's future

③ Introduction of new price plans

auバリューリンクプラン
au Value Link Plan

High-quality NW
High-value-added services

Provide Valuable Services to Customers

Compensation reflecting the Value

Growth

Return

Investment in next generation
Innovation creation

Co-creation with Partners

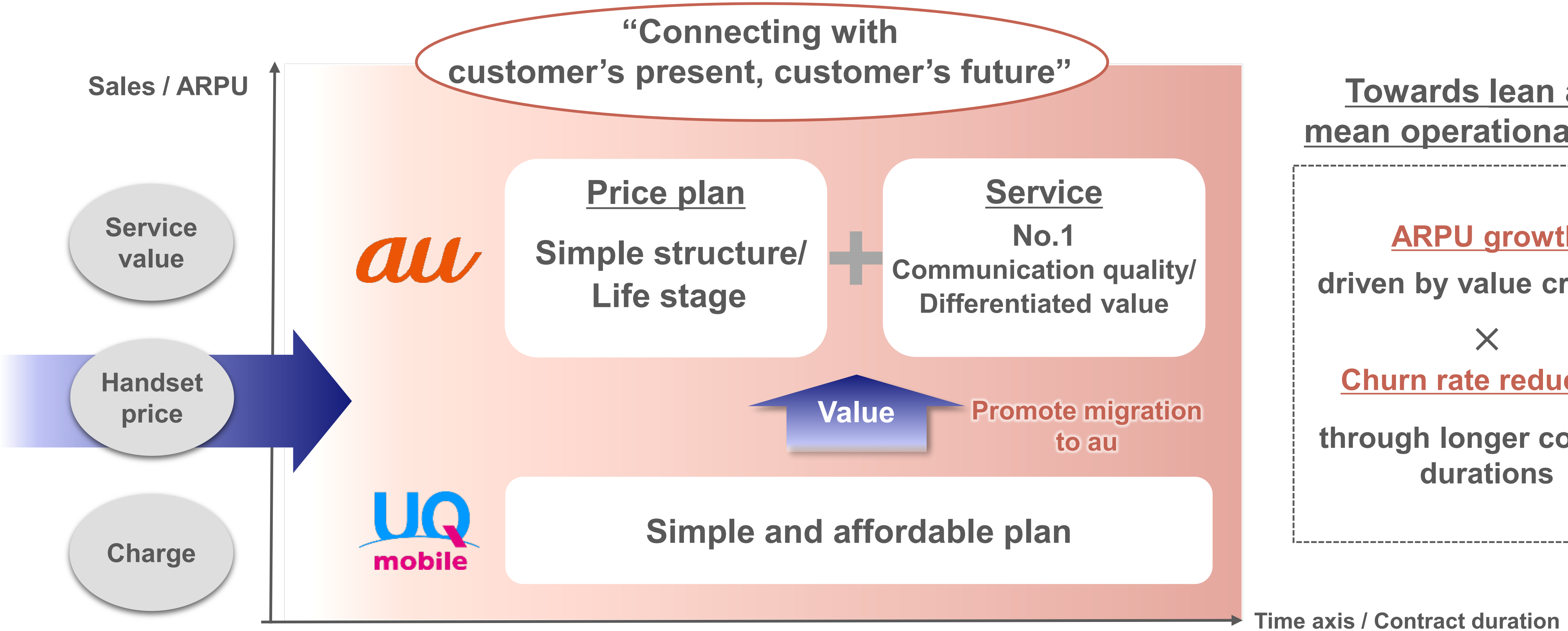
Return to Partners

① 5G/AI investments, Starlink collaboration

④ Fair price transfer/ Enhancement and support of sales channels

Structural Transformation Focused on LTV

Promote transformation towards more long-term foundational structure, while insuring ID competitiveness



Towards lean and mean operational base

ARPU growth
driven by value creation
×
Churn rate reduction
through longer contract durations

Note) LTV (Life Time Value)

Enhancing the Power to Connect

Build a top-tier network in the industry through No.1 communication quality and area coverage

Opensignal's user experience analysis

Following World No.1 Rated, au achieved three consecutive domestic wins by being rated No.1 in connected experience.

"Connected experience" World's No.1 Rated*1
(Feb. 2025)

"Connected experience*2" No.1
First in Japan's history!
Three consecutive domestic wins*3
(Oct. 2024, Apr. 2025, Oct. 2025)

au Starlink Direct*4

Provide new value with data communications compatible. Result in a significant increase in users

Support **76** devices
approx. **10** mil. units*6

Nov. 2025
Support Apple Watch*7

Customer feedback

"Feel safe to contact family with no cellular coverage area"

"Able to stay connected during a sea voyage"

App dev. partner feedback

"Aim to share the process of resolving practical issues and gradually enhancing convenience"

Note) For details, please visit Opensignal website. *1 "Connected experience" World's No.1 rated refers to providing a more comfortable and stable support when connecting to the network via au, based on evaluation such as Opensignal's Global Mobile Network Experience Report "Reliability Experience" evaluation, etc. Comprising all mobile network operators (41 countries, 142 MNOs) in countries with a land area of over 200,000 km² where sufficient data collection is possible, and comparing values based on a common evaluation standard recognized by Opensignal in each country. Data provision from Jul. 1, 2024 to Ded. 27, 2024 ©Opensignal Limited. *2 The 'Connected Experience' refers to providing customers with a more comfortable and stable support when connecting to the network through the au line, based on evaluations of 'consistent quality' and 'reliability experience' by Opensignal. Opensignal Awards -Japan: Mobile Network Experience Report October 2025 (in comparison with the 4 major domestic MNOs). Based on the proprietary analysis of mobile measurement data recorded during the period from July 11, 2025, to October 8, 2025 ©2025 Opensignal Limited. *3 In the recent two reports comparing Japan's major four MNOs by Opensignal—Apr. 2025 (data collection period: Jan. 1 to Mar. 31, 2025) and Oct. 2024 (data collection period: Jul. 1 to Sep. 28, 2024)—au has ranked first in categories such as "Consistent Quality" (not listed in the Apr. 2025 report) and "Reliability Experience." This marks Japan's first achievement of being the top-ranked provider in these evaluations three times in a row. *4 Service area: Outside of au's 5G/4G LTE coverage area within Japan (including territorial waters). Text message sending and receiving are possible on the target devices using iOS Messages or Google Messages apps (attachments such as photos, videos, and electronic files can be attached [excluding some models]). Some target devices can also use data communication with certain apps (e.g., YAMAP and other multiple apps). Voice calls are not supported as of November 2025. When using satellite signals, functions such as standby mode and call forwarding are unavailable. Connection quality may be restricted depending on the environment. *5 Results from Apr. 10, 2025 to Oct. 8, 2025 (unique users) *6 As of Oct. 2025 *7 Support only cellular models of Apple Watch（Ultra3、Series11、SE3）. Contract such as number share is required for use. Only text message sending and receiving via Apple Watch messages app is supported (as of Nov. 4, 2025).

Penetration of "Connected Experience" Values

The numbers of customers who enjoy sense of secured when connected steadily grow

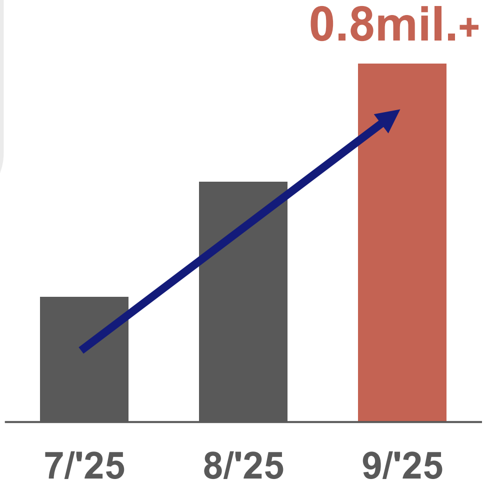
au 5G Fast Lane*1

Users steadily increased and exceeded 0.8 million

Customer feedback

- "Even on crowded commuter trains, videos can be watched without stress"
- "Concert venues where connections used to fail are now comfortable"

Cumulative number of users



au Unlimited Data Overseas*2

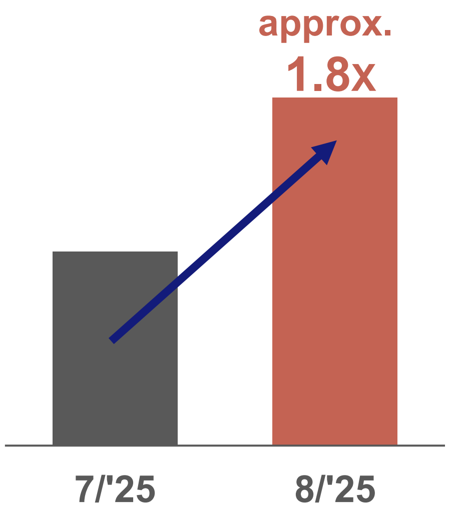
Users significantly increased during summer vacation

Customer feedback

- "Disable Airplane Mode, turn on roaming and start using it right away"
- "Enjoyed using data overseas for 15 days at no extra cost*3. That's a great deal"

- **Contribute to penetration of international roaming**
- **Aim to shift users away from Wi-Fi routers**

Number of Users*4



*1 An eligible plan with a 5G SA contract and an au 5G SA-compatible smartphone is required. Depending on the environment, the effects of au 5G Fast Lane may be difficult to experience *2 Data throttling may be incurred in case of a large amount of data transmission within a specified period (24-hour basis) *3 For customers on the eligible plan. Voice calls and SMS usage abroad will incur additional charges *4 The number of au subscribers using the service

Engagement Improvement

Offers benefits and peace of mind for everyday life through KDDI's unique value creation

Ponta Pass

More Benefits with Lawson Collaboration

FY26-03 Q2
Net increase
+approx. 0.29mil.*1

Added benefits on popular products
Promote in-store membership

Pontaパス
©Ponta

"Coffee course"
5 free coupons/month
(Equivalent to a total of ¥800*2)

Available from Oct. 2025

Earthquake Preparedness Support*3

New service of communication x insurance

あいおいニッセイ同和損保
MS&AD INSURANCE GROUP

Reliable preparedness in an Earthquake-prone country

Earthquake → ¥30,000 payout for a seismic intensity of 7
Payout on the same day at the earliest to au PAY balance or bank account

Scheduled to be launched within 2025

RCS (Message service)

Secure and reliable Messaging app

No smartphone setups are required

Send and receive photos and videos securely via your phone number

No setups required for iPhone from Nov. 2025

Strengthen partnerships and service collaboration

*1 Exclude Ponta Pass Light and menu smart pass. Result from Jul. 2025 to Sep. 2025. *2 Price shown includes tax *3 Service name for a seismic intensity-linked earthquake miscellaneous expense insurance, under which KDDI is the policyholder and Aioi Nissay Dowa Insurance Co., Ltd. is the underwriting insurance company. Prior procedures are required to receive payment on the same day an earthquake occurs. Service eligibility requires registration to be completed before the earthquake occurs. Coverage begins on the first day of the second month following the month of registration completion.

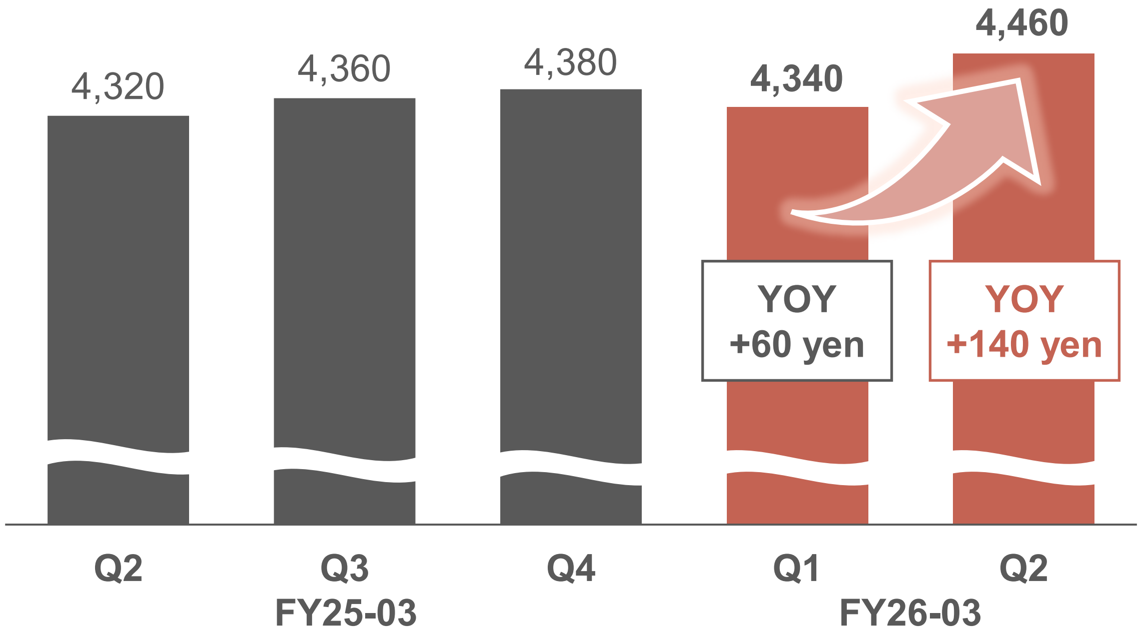
Realization of Transformation Effect

Initiatives succeed. Mobile ARPU, which contributes to LTV, has grown and improving trend in churn rate

Mobile ARPU

(Unit : yen)

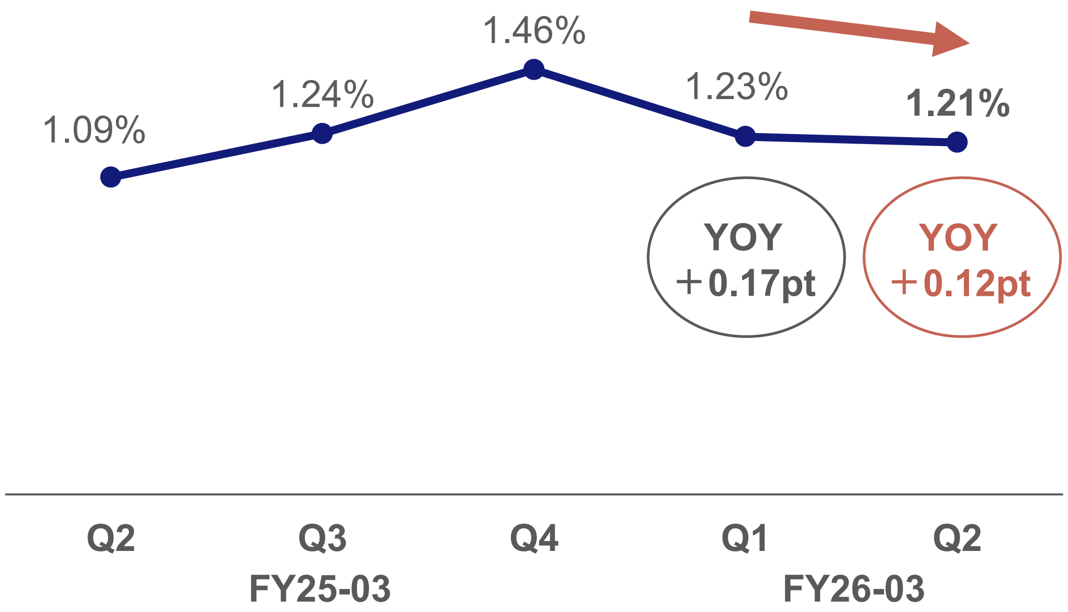
Steady growth in FY26-03.
Growth to accelerate in Q2



Note) Sum of Personal Services segment and Business Services segment

Smartphone churn rate

Improved QOQ
Shrink in YOY growth spread

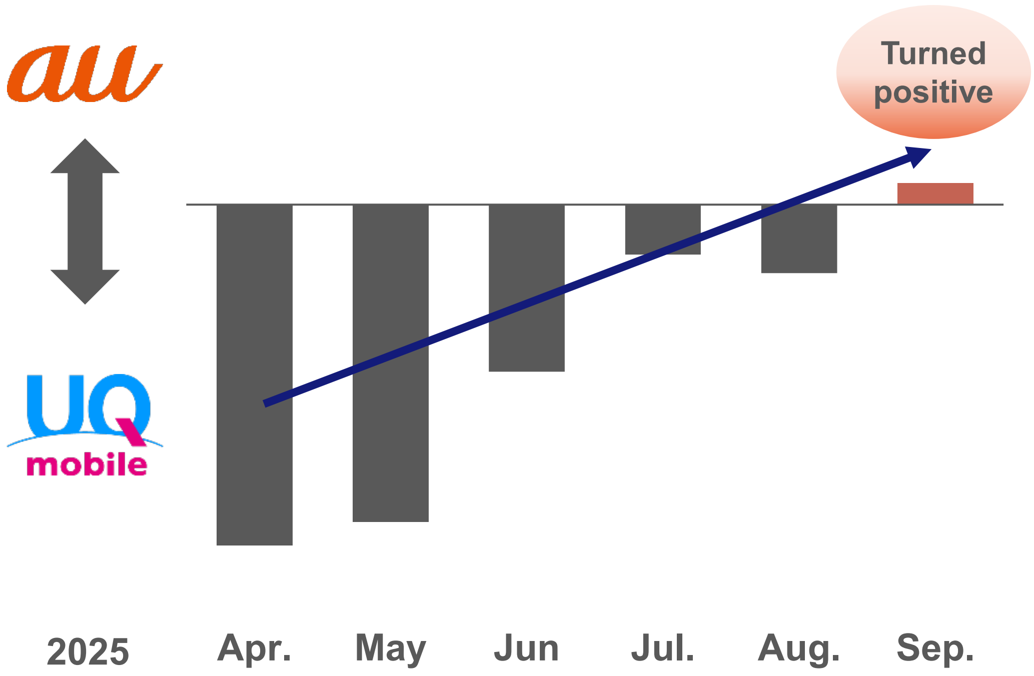


Lean and Mean Operational Base

Progress in brand migration improvement and initiatives for longer contract duration

Brand migration

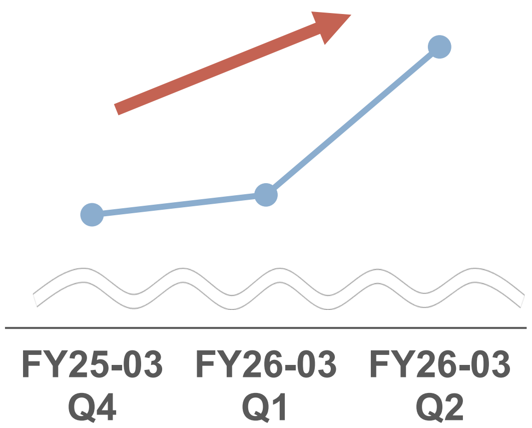
UQ mobile-to-au migrations surpassed au-to-UQ mobile migrations in September



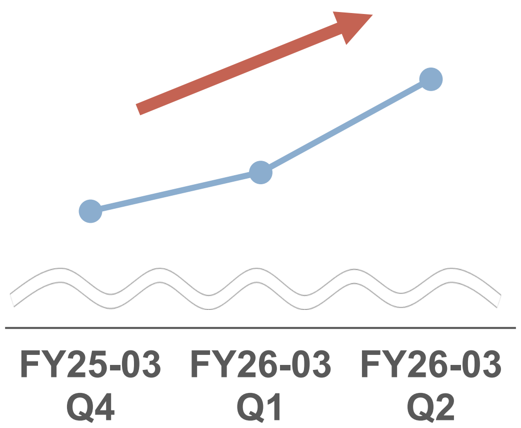
UQ mobile in the longer contract trend

Home Set Discount rate and handset bundle rate improved by plans and sales strategy revisions

Home Set Discount subscription rate*1



Handset bundle rate*2



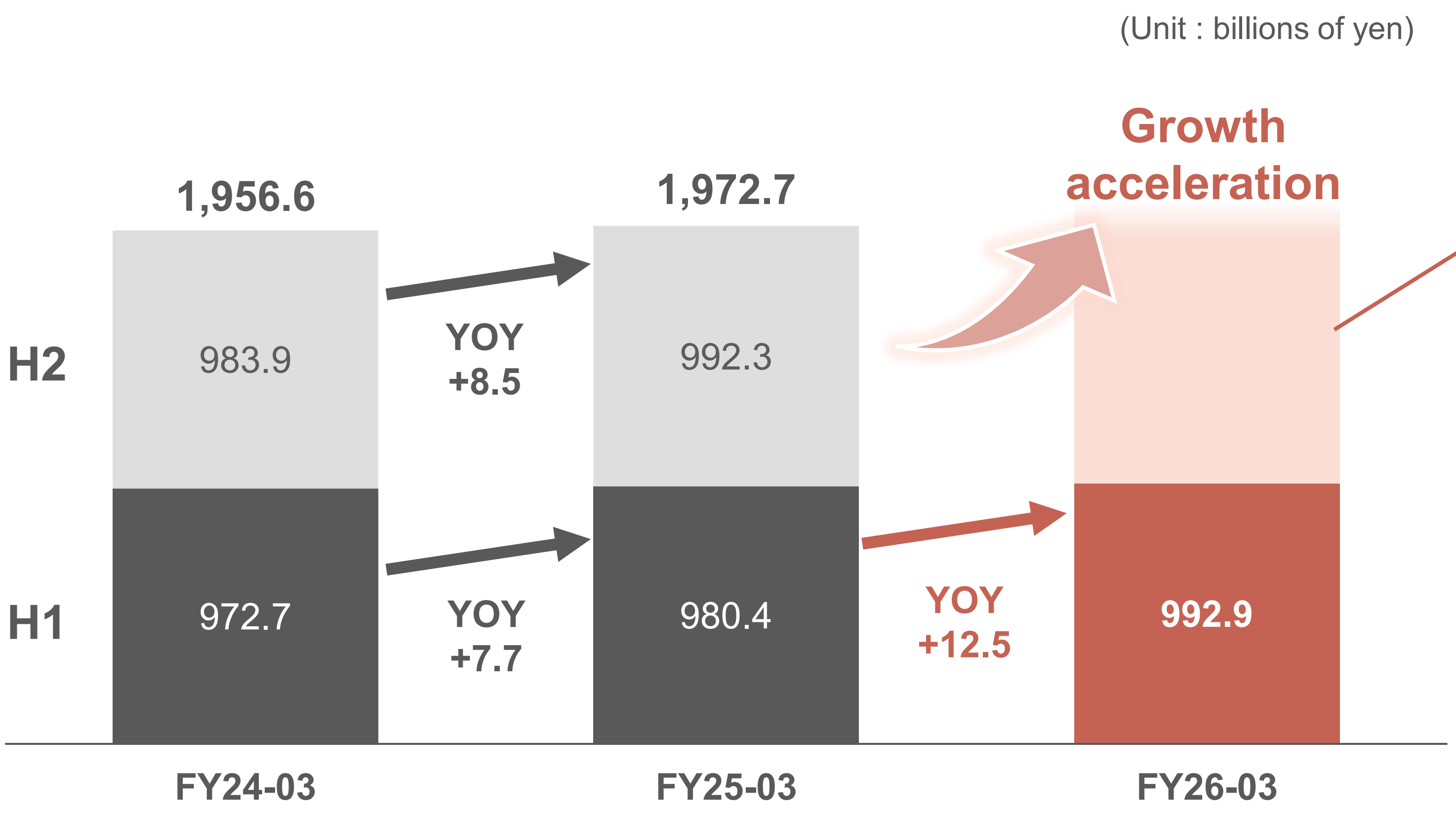
Note) Personal Services segment basis *1 Among customers newly subscribed to UQ mobile, the percentage who received a discount by bundling with the eligible internet service (internet + phone) or electricity *2 Among customers newly subscribed to UQ mobile, the percentage who signed up with a handset bundle.

Growth of Mobile Revenue

（Personal Services segment basis）

Growth accelerated in FY26-03 H1 and expect further growth in H2

Accelerate growth of mobile revenue*



- ☑ Churn rate reduction and ARPU growth driven by structural transformation progress
- ☑ Further improvement in the brand mix
- ☑ Increase in contribution from service revision effects

Expect greater effect from service revisions than initial forecast

* Sum of communications revenues (data-related, basic charges/voice-related, various discount amounts), product support services etc. and content etc.. Financial and energy business revenues are not included. From FY26-03, the mobile KPI and the definition of mobile revenues have been changed.

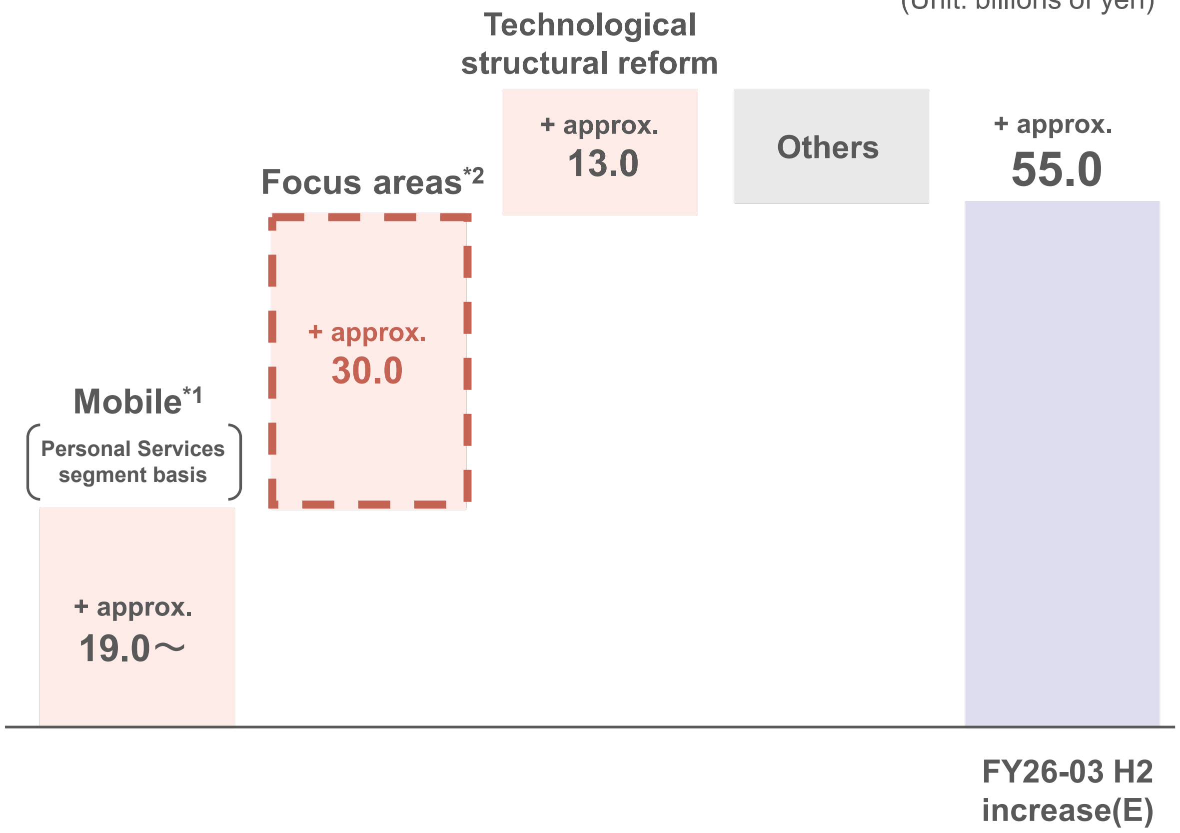
3. Towards Achieving the Full-Year Targets

Focus Areas

Promote initiatives aimed at growth in Finance and DX towards the FY26-03 targets

– Changes in H2 Consolidated Operating Income –

(Unit: billions of yen)



- Energy and Lawson are progressing smoothly
- In Finance and DX (Business Services segment), changes in the business environment have occurred since the beginning of the period and are recognized as challenges

Promote initiatives aimed at growth in Finance and DX (Business Services segment)

*1 Management-based profit figures *2 DX (Business Services segment), Finance, Energy and Lawson (Equity method)

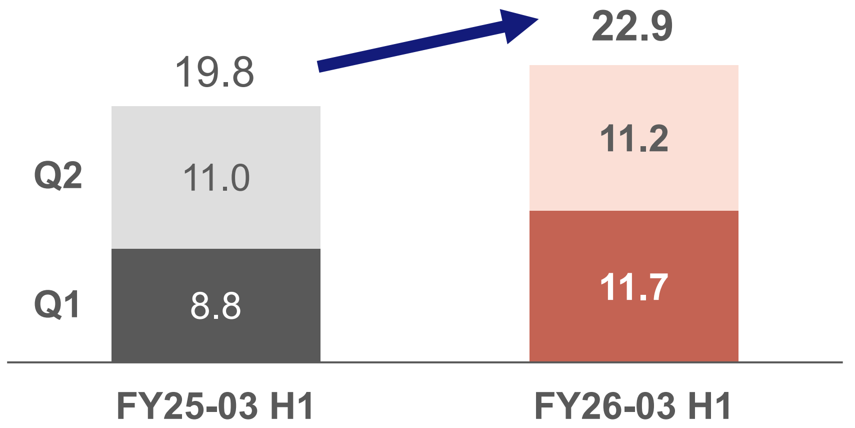
Finance

Promote initiatives in the banking and credit card business to build a foundation for sustainable growth

auFG Operating income

Shift to a strategy that places greater emphasis on the loan-to-deposit ratio amid changes in the deposit procurement environment

(Unit : billions of yen)



Banking	Further enhancement of deposit procurement capability
Credit card	Accelerate steady membership growth

Strengthen collaboration with telecom and partners

Increase the number of active accounts

au じぶん銀行

Personal deposit balance*1

YOY 1.3x

As of the end of Sep. 2025

Enhance plan benefits

au マネ活プラン＋

au Money Activity Plan +

シニアバリュープラン

Senior value plan

Expand bank and security alliance

MUFG 三菱UFJ eスマート証券

SBI証券 …

Grow the Gold card member foundation through bundled plans

au マネ活プラン＋

Cumulative number of subscribers

exceeded 1.7mil.*2

au PAY Gold card members

1.72mil.*3

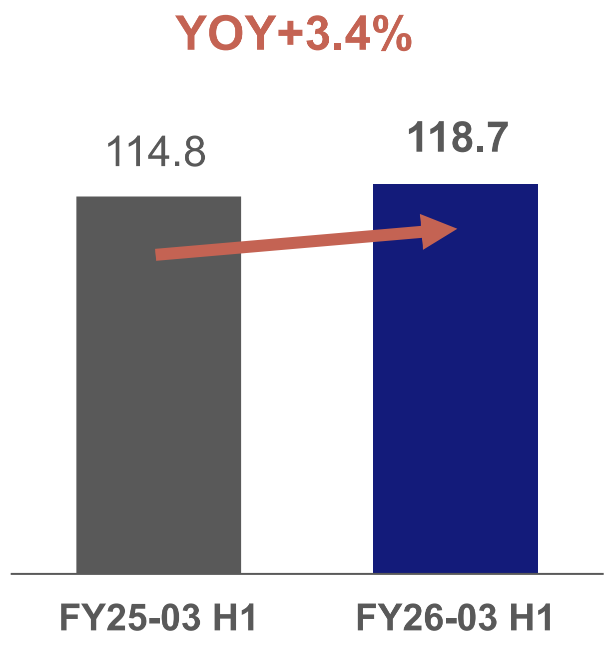
Note) Figures stated are from au Financial Holdings *1 Growth rate of personal deposit balances within total deposits *2 The sum of au Money Activity Plan, au Money Activity Plan + and au Money Activity Value Link Plan as of September 2025 *3 As of September 2025

Business Services Segment

Accelerate growth in H2 including the turnaround of factors that caused profit decrease in H1

Operating income

(Unit : billions of yen)



H1 results

**Mobile / IoT / DC progress steadily.
Challenges in BPO business and
SI related business**

Profit increase

- Mobile and IoT steadily expanded
- DC revenue rebounded in Q2

Profit decrease

- BPO business: Decrease in CC orders and delay in realizing integration synergies
- SI related business: Order restraint due to delays in large-scale project development. (temporary) Increase in cloud orders offset by last year's one-off demand reversal

Key points of H2

**Complete turnaround and
accelerate growth trend.
Significant increase in profit**

Further profit growth

- Price revision in mobile and fixed-line
- Expand IoT and DC infrastructure
- Increase orders for new products*
- Optimize technology and operational costs

Turnaround

- BPO business
- SI related business: The temporary factors from H1 have been resolved

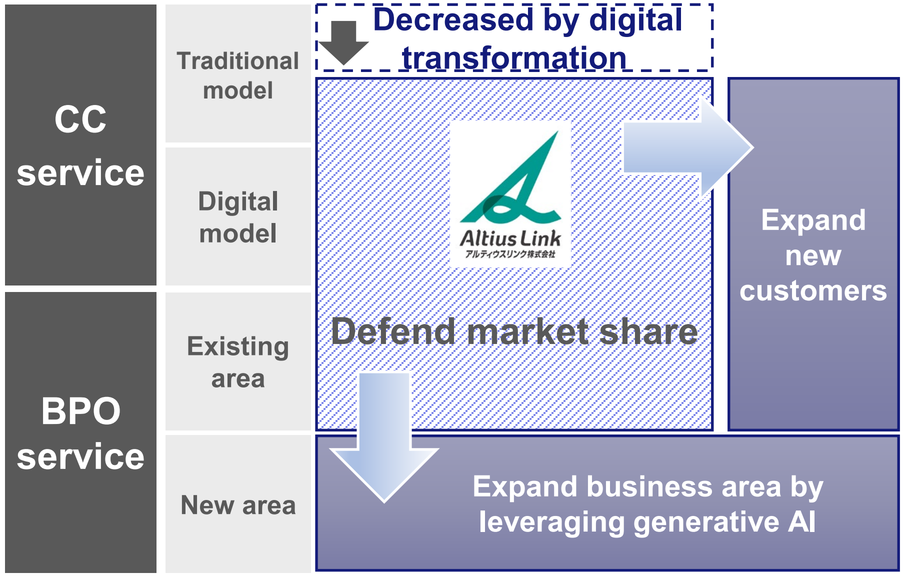
Note) CC (contact center) * facility solutions, Starlink, drone etc.

Turnaround in BPO Business

Clarify the growth strategy. Complete initiatives and aim to achieve full-year revenue and profit growth

Growth strategy in BPO business
(Altius Link)

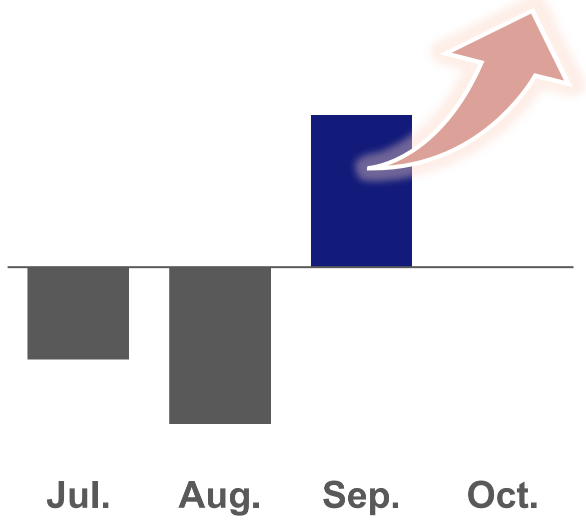
- Defend market share in existing services
- Expand service area leveraging AI
- Realization of integration synergies (optimization of costs , etc.)



Note) CC (contact center)

Revenue and profit turnaround in Sep. 2025
Orders and backlog improved

- Operating revenue YOY -



Aim for a full-year turnaround

Energize sales through strategy promotion

Growth driven by digital model CC and BPO service

New order amount YOY approx. 2.8x	Backlog amount YOY approx. 2x

(FY26-03 H1 result)

Realization of integration synergies

Implement initiatives to improve cost efficiency

Integration of personnel system and internal system	Vacancy cost reduction

Growth Drivers for H2

Accelerate growth through stable growth of core services and expansion of orders for new products

Stable growth of core services

Strong-performing mobile and IoT drive growth

Mobile revenues[*1]

H1 sales 122 bil. yen

YOY +approx. 10%

Revenue expand due to price revisions, in addition to steady corporate demand

IoT related services

H1 sales 88 bil. yen

YOY +approx. 11%

Capture PC demand and expand connected services overseas

- Provide communication services for BMW's connected cars -

Started providing connected services to all vehicle produced in North America from July onwards.

Expansion of orders for new products

Facilities, Starlink, and Drones contribute to the growth

Facility solutions

H1 sales

YOY +approx. 34%

Enhance human resources to steadily complete ongoing projects

Starlink / Drone

H1 sales

YOY +approx. 72%

Develop business with government and municipalities with strong demand

- KDDI Smart Space Design -

Share the know-how of digital office construction at the Takanawa new HQ to others

*1 Business Services segment basis *2 Results for 2025 Q2

4. Initiatives for the Next Growth

Towards the Next Growth

Aiming for sustainable growth in the AI era and enhancement of corporate value

Approach of the Next Mid-Term Management Strategy

Key Theme 1

● Transform into next-generation infrastructure for the AI era

● Further expand value-added and growth areas

- Enhance network value through infrastructure sophistication
- Drive efficiency and promote growth across business domains with AI

Sustainable Growth

×

Key Theme 2

● Return-based capital allocation

- Utilize leverage for growth investments
- Disciplined growth investments and review of the business portfolio
- Flexible share buybacks based on stable dividend growth

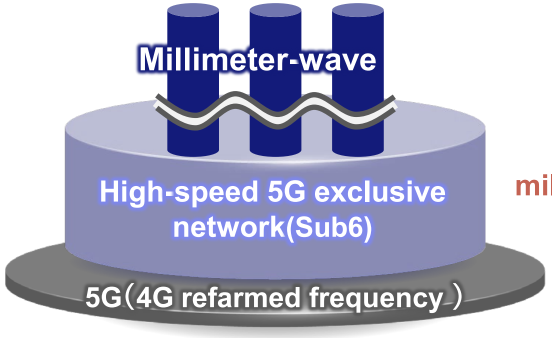
Quality

Network Enhancement

Progress in initiatives to build network supporting huge traffic

Respond to huge traffic demand of the AI era

Create a seamless coverage area by overlaying millimeter wave on Sub6

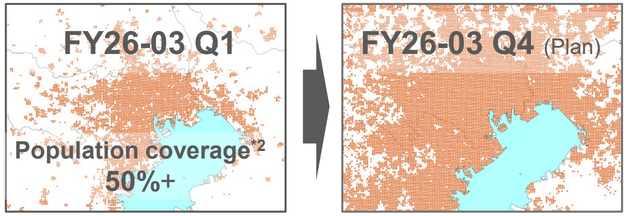


Top in industry[*1]

Number of Sub6 / millimeter-wave basement

approx. 56K

Expand 5G SA area



Converting 4G refarmed frequency to 5G SA

Population coverage

90%+ (Target)

Practical application of millimeter wave communication

Demonstrate use cases with partner in Takanawa[*3]

Downlink communication	Uplink communication
Download one video episode in one second	Instant photo upload
NETFLIX / JR東日本	Sony
Download time (Total: 10 episodes)	**Upload time** (80 photos in 4K)
Compared to Sub6 approx. 1/4	Compared to Sub6 approx. 1/2
(approx. 40 sec. → approx. 10 sec.)	(approx. 160 sec. → approx. 80 sec.)

*1 Comparison of 4 MNOs. The browsable license number by MIC radio communication search as of October 10, 2025 *2 “Population coverage” is calculated based on areas where communication is possible in more than 50% of locations within approximately 500 meter blocks used for the national census. *3 Measured on October 28, 2025, at Takanawa Gateway Station Plaza. Downlink: Compared the time required to download all 10 episodes of a Netflix drama (approx. 1.4 GB) using a Sub6/millimeter wave-compatible smartphone (Samsung Galaxy Z Fold7).Uplink: Compared the time required to upload 80 4K images (approx. 0.8 GB, captured in approx. 5 seconds) using a Sub6/millimeter wave-compatible communication device (Sony portable data transmitter “PDT-FP1”).

Data Center Expansion

Further expand our main site in London capturing rapidly growing demand driven by AI utilization

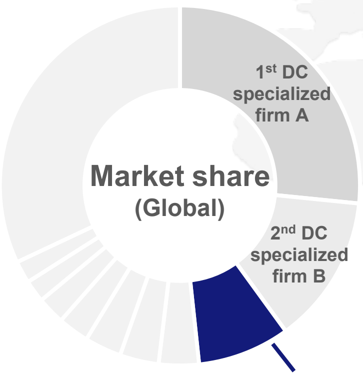
Expertise and strengths gained at Telehouse

Share of business connections*1
3rd in the world
1st in telecom carriers

Internet HUB for 3,000 companies worldwide

Secure sites close to urban areas

Connect to main cloud securely with low-latency



◎ **High margins per MW*2**

◎ **Optimization of invested capital**

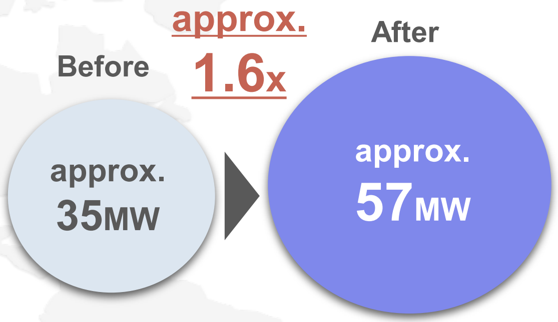
Expansion towards the AI era

Build the sixth facility in London at a total cost of approx. ¥60 billion to address growing European demand driven by AI expansion

TELEHOUSE

Plan open in FY28-03

- London DC power capacity -



Ideal for real-time processing such as inference AI

- Telehouse maximum power capacity (22.4MW)
- Water-cooling systems that handle heat generated by high-performance GPU
- High connectivity, enabling low latency and broadband communication

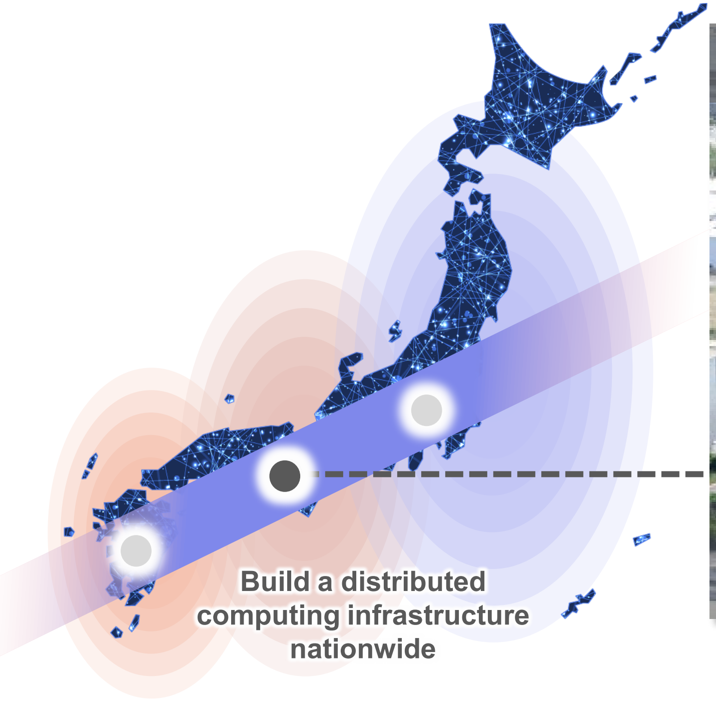
*1 Reference : Structure Research 2025(2025/8)、2024 performance *2 MW (megawatt)

AI Data Center

Quickly establish a secure large-scale AI infrastructure by leveraging Telehouse expertise

Quick establishment of infrastructure to support AI services

Establish a distributed computing infrastructure that meets not only the training demand but also the expanding inference demand



Start operation in Jan. 2026

- Offer a sovereign AI development environment -

With AI infrastructure that can be safely utilized, contribute to Japan's industrial competitiveness

Gemini on GDC*

Offer partner AI models on domestic platforms

Use Case

大和総研
Daiwa Institute of Research

Plan to utilize with an AI-based system migration tool

* GDC (Google Distributed Cloud)

AI Service

Protect content copyrights and deploy reliable AI services

Strategic partnership with Google Cloud

Full-scale deployment of reliable AI services
that benefit both customers and content providers

Collaboration with various partners

NEWS PICKS
ナタリー natalie
LDK Living Dining Kitchen
マンションノート
mamari
価格.com

Received inquiries from many companies since the announcement of the service concept in Oct. 2025

Create secure environment to protect valuable content of content providers

Real x Technology

Collaborate with Lawson to create new values that connect with customer's future

Strengthen physical touchpoint

Strengthening Lawson store functions to closely tied to the community

Drone port deployment trial

AI drones quickly dispatched to the site

Plan for store-based trial

Remote customer service

New touchpoints with customers

Equipped in au SHOP CAR

Leveraging technology

New shopping experience at employee-exclusive "Real×Tech LAWSON"

Average dwell time approx. 2 min.
Employees using more than two days a week approx. 80%*

Operate by one clerk

New initiatives
- Dynamic pricing
- Meal coupon

← Efficiency improvement/ labor reduction →

Data utilization/ increase in daily sales

* Percentage of respondents (1,077 people) who use the Takanawa store (employee-exclusive LAWSON) more than two days a week, based on a survey conducted from Sep. 8 to Sep. 13, 2025.

Creation of the Next Virtuous Cycle

Strengthening efficient investments and partner collaborations to create a virtuous cycle in the AI era

To create high-quality NW and high-value-added services, strengthen disciplined and efficient investments as well as partner collaborations

MWC Barcelona 2026

Exhibiting at MWC Barcelona for the 3rd consecutive year in March next year
Globally showcasing the forefront of the continuously evolving Life Transformation

Tomorrow, Together KDDI | Life Transformation
Enhancing the power to connect.

Note) The specific details of the exhibition will be announced soon

Summary

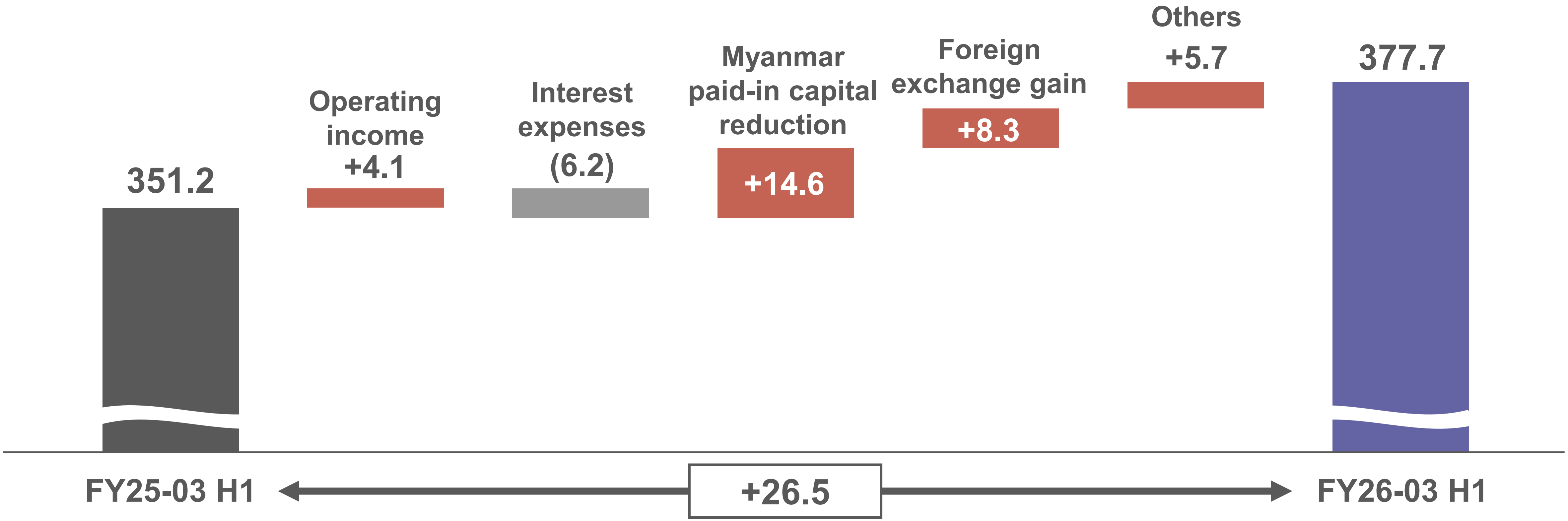
Progress in mobile structural transformation and initiatives for the AI era that supports the next growth

FY26-03 H1 consolidated results	● Revenue and income increased. In line with achieving EPS target ● Structural transformation focused on LTV succeed in mobile. By enhancing value through service revisions, aim for over 30 bil. yen in full-year gains ● Finance is shifting to a strategy that places more emphasis on loan-to-deposit ratio, promote initiatives for sustainable growth ● DX accelerates growth in H2 including the turnaround of factors that caused profit decrease in H1 ● Consolidated results and mobile progress as initial forecast. An interim dividend of ¥40 per share has been declared.
Initiatives for the next growth	● Progress in infrastructure sophistication and collaboration with partner for service rollout ● Aiming for sustainable growth in the AI era and enhancement of corporate value in the next mid-term management strategy

Appendix

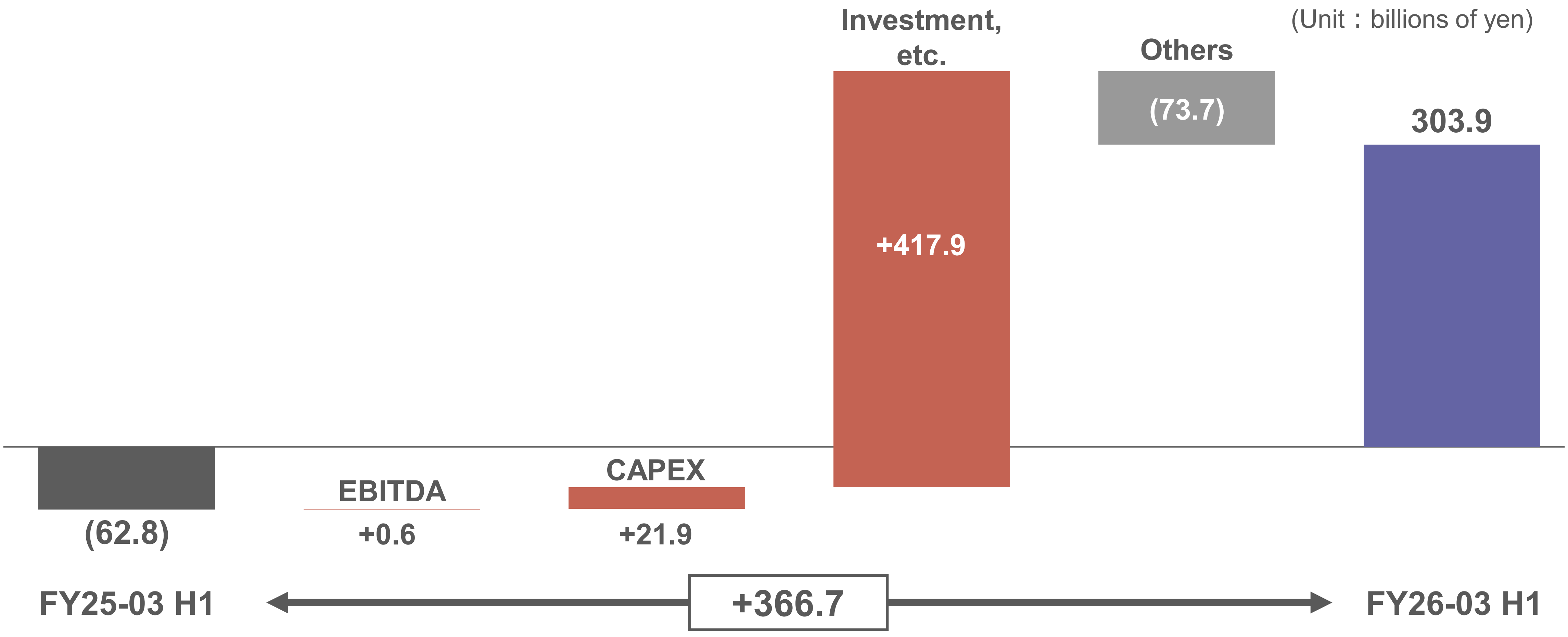
FY26-03 H1 Profit for the period – Factors for Change

(Unit: billions of yen)



Note) Profit for the period attributable to owners of the parent

FY26-03 H1 FCF - Factors for Change -

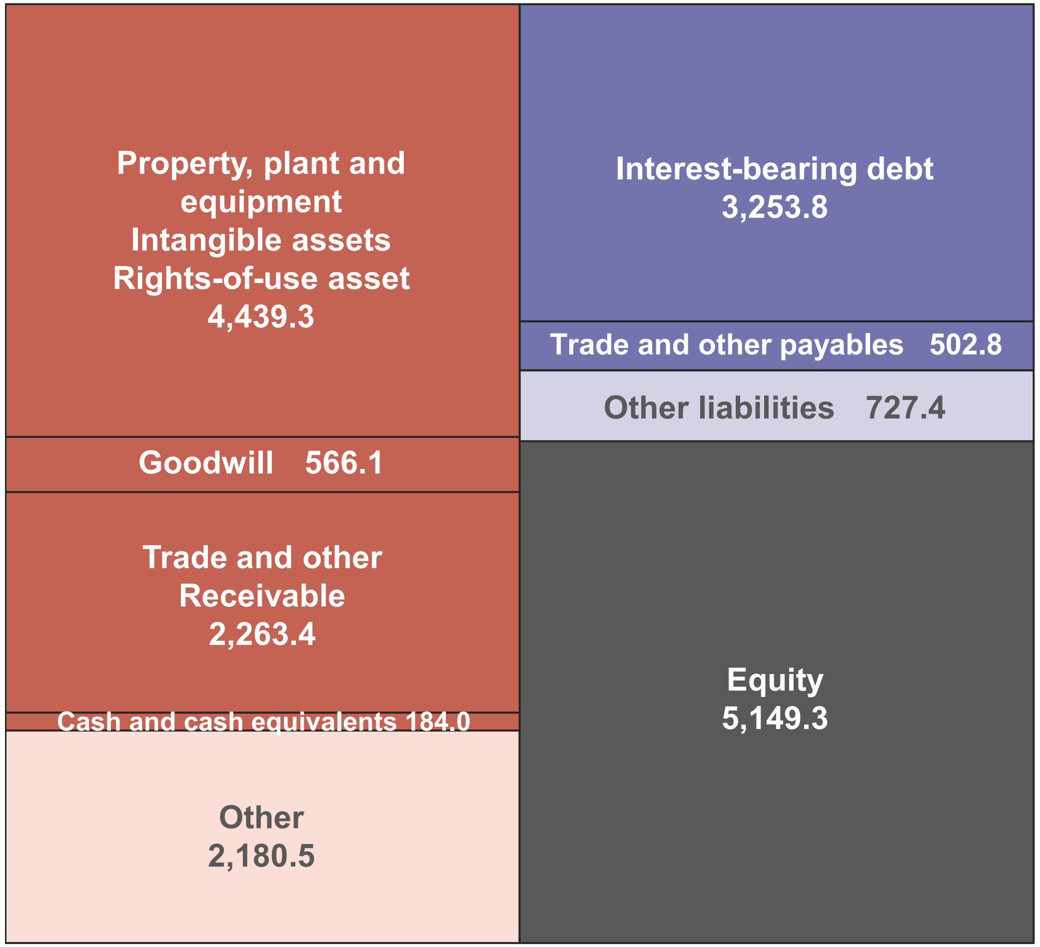


Note) Calculated excluding au Financial Holdings from the consolidated figures

Statement of Financial Position

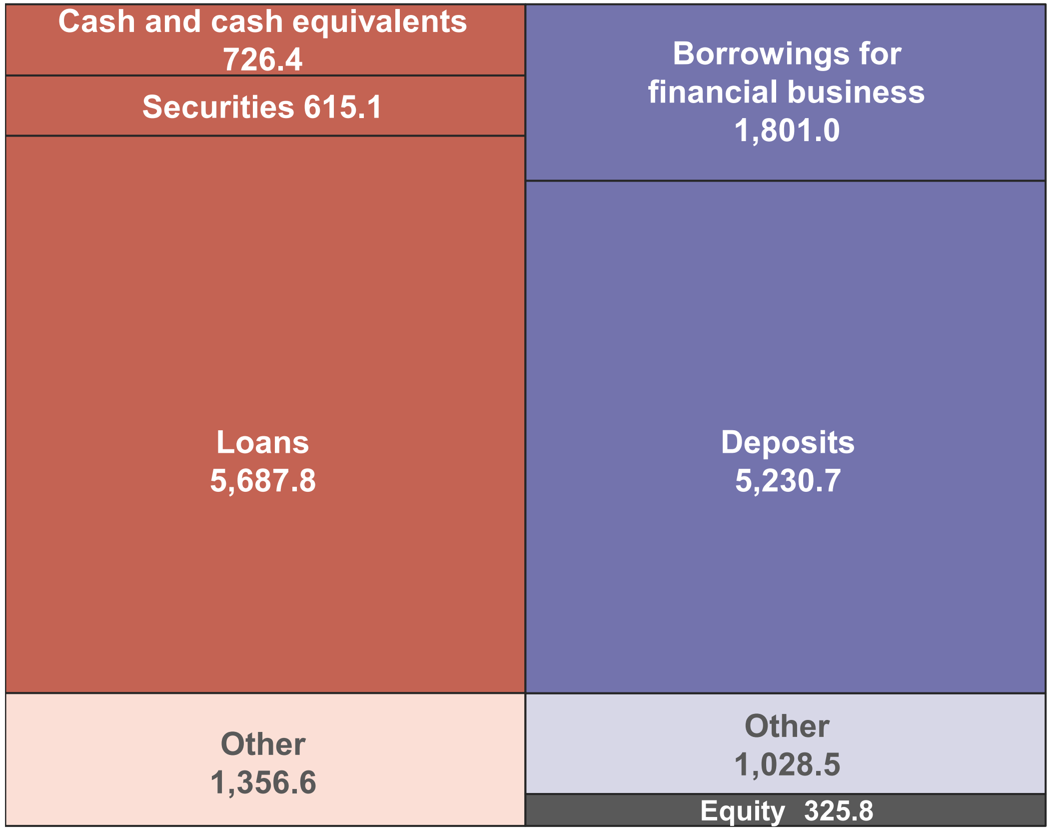
(as of the end of September 2025)

(Unit : billions of yen)



KDDI (Consolidated, excluding auFH)*
Total assets 9.63 trillions yen

(Unit : billions of yen)



au Financial Holdings (Consolidated)
Total assets 8.39 trillion yen

Note) Figures for both KDDI and au Financial Holdings are based on IFRS * Calculated excluding au Financial Holdings from the consolidated figures

Tomorrow, Together

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.