

March 31, 2026

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Notice Regarding Revision of Full-Year Consolidated Financial Forecasts

KDDI CORPORATION (hereinafter referred to as "KDDI") hereby announce that we have decided to revise the financial forecasts for the fiscal year ending March 31, 2026 (from April 1, 2025, to March 31, 2026), which were disclosed on May 14, 2025, as described below.

1. Revision of Consolidated Financial Forecasts

(1) Details of the Revision

Revision of Consolidated Financial Forecasts for the Fiscal Year Ending March 31, 2026 (April 1, 2025 - March 31, 2026)

	Operating revenue	Operating income	Profit for the Period attributable to owners of the parent	Basic earnings per share
Previous forecast (A)	million yen 6,330,000	million yen 1,178,000	million yen 748,000	Yen 194.38
Revised forecast (B)	6,060,000	1,090,000	698,000	181.23
Change amount (B-A)	(270,000)	(88,000)	(50,000)	(13.15)
Change ratio (%)	(4.3)	(7.5)	(6.7)	(6.8)

(2) Reasons for Revision

Regarding the advertising agency business of our consolidated subsidiary BIGLOBE Inc. and its subsidiary G-PLAN INC. (hereinafter collectively referred to as "the Subsidiaries"), suspicions of inappropriate transactions by employees of the Subsidiaries were confirmed. In order to clarify the facts and their causes, KDDI determined that an investigation with higher level of expertise and objectivity was necessary. As a result, on January 14, 2026, KDDI established a Special Investigation Committee composed of external attorneys and certified public accountants, and an investigation was conducted. On March 31, 2026, KDDI received the investigation report from the Special Investigation Committee, which confirmed that inappropriate transactions, including the fictitious recording of sales and cost of sales, were conducted concerning the advertising agency business of the subsidiaries. Accordingly, along with the cancellation of the sales and cost of sales related to these inappropriate transactions, we expect to record as losses the amounts disbursed externally as agency fees. Consequently, operating revenue is expected to decrease by 67.6 billion yen, operating income by 42.0 billion yen, and profit for the period attributable to owners of the parent by 35.2 billion yen, respectively.

In addition, overall operating revenue is expected to decrease by a total of 270 billion yen, anticipating impacts such as a decrease in mobile device sales due to a reduction in total smartphone sales and a decrease in energy sales.

Furthermore, in our personal services business, among the selling commissions paid to agencies and others upon customer acquisition, the portion expected to be recoverable from future communication service revenue is capitalized as costs to acquire or fulfill contracts. Recently, due to changes in the market environment, we have revised our sales strategy to focus on LTV (Life Time Value), and have decided to shift to a policy of minimizing selling commissions related to short-term cancellers, particularly for SIM-only subscribers. In conjunction with this revision of our sales strategy, such selling commissions that are no longer expected to be recovered through future cash flows will not be capitalized from the next fiscal year. While the recoverability of these assets is reviewed quarterly, a revision of future cash flow estimates at the end of the current fiscal year, reflecting the impact of the revised sales strategy, revealed that the recoverable amount

of these assets would fall below their carrying amount. Consequently, we expect to record an impairment loss of 50.0 billion yen.

Considering the factors mentioned above and others, we have revised our full-year forecasts as described above.

Please note that while these impacts are expected to cause a temporary downturn in our financial results for the current fiscal year, they will not affect our financial performance from the next fiscal year onward. Furthermore, the impairment loss in the personal services business is a temporary adjustment made in response to an increase in SIM-only contracts, reflecting changes in the market environment, and will have no impact on financial results or cash flows from the next fiscal year onward. Excluding these non-recurring factors, our Group's core business performance has generally been progressing steadily.

*** Caution regarding descriptions about the future**

The descriptions about the future, such as performance forecasts, contained in this document are based on information currently available to the company and certain assumptions deemed reasonable by the company. They are not intended to be a promise by the company to achieve these forecasts. Actual results may differ significantly due to a variety of factors.