This translation is to be used solely as a reference and the consolidated financial statements in this release are unaudited.

Financial Statements Summary for the six-month period ended September 30, 2026 [IFRS]

November 6, 2026

Company name: **KDDI CORPORATION** URL https://www.kddi.com
Stock listing: Tokyo Stock Exchange - Prime Market
Code number: 9433
Representative: Hiromichi Matsuda, President and Chief Executive Officer
Scheduled date of semiannual securities report filing: November 10, 2026
Dividend payment date (as planned): December 8, 2026
Supplementary materials for financial results: Yes
Presentation for quarterly results: Yes (for institutional investors and analysts)

(monetary amounts rounded to the nearest million)
(yen in millions, unless otherwise stated)

1. Consolidated Financial Results for the six-month period ended September 30, 2026 (April 1, 2026 - September 30, 2026)

(1) Consolidated Operating Results

(Percentage represents comparison change to the corresponding previous quarterly period)

	Operating revenue		Operating income		Profit for the period before income tax		Profit for the period		Profit for the period attributable to owners of the parent		Total comprehensive income for the period	
		%		%		%		%		%		%
Six-month period ended September 30, 2026	3,052,811	4.7	559,291	0.8	593,307	5.3	406,936	2.4	363,274	0.9	401,537	(1.6)
Six-month period ended September 30, 2025	2,916,005	3.4	555,004	(1.3)	563,397	1.9	397,439	5.2	359,882	5.9	408,109	27.5

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six-month period ended September 30, 2026	96.83	96.80
Six-month period ended September 30, 2025	92.37	92.35

(Reference) Other important management indicators

	Adjusted operating income		Adjusted profit for the period attributable to owners of the parent		Adjusted basic earnings per share
		%		%	Yen
Six-month period ended September 30, 2026	633,082	13.9	390,049	13.6	103.97
Six-month period ended September 30, 2025	555,702	—	343,441	—	88.15

Note: Adjusted profit is calculated by excluding extraordinary gains and losses, as well as one-time gains and losses resulting from portfolio restructuring.

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent to total assets
				%
As of September 30, 2026	18,846,331	5,528,533	5,001,786	26.5
As of March 31, 2026	19,063,364	5,592,690	5,076,738	26.6

2. Dividends

	Dividends per share				
	1st Quarter End	2nd Quarter End	3rd Quarter End	Fiscal Year End	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2026	—	40.00	—	40.00	80.00
Year ending March 31, 2027	—	42.00			
Year ending March 31, 2027 (forecast)			—	42.00	84.00

Note: Changes in the latest forecasts released: No

3. Consolidated Financial Results Forecast for Year ending March 31, 2027 (April 1, 2026 to March 31, 2027)

(Percentage represents comparison to previous fiscal year)

	Operating revenue		Adjusted operating income		Adjusted profit for the period attributable to owners of the parent		Adjusted basic earnings per share
		%		%		%	Yen
Entire fiscal year	6,410,000	5.6	1,210,000	5.0	731,000	2.7	196.29

Note: Changes in the latest forecasts released: No

Notes

(1) Significant changes in the scope of consolidation during the six-month period ended September 30, 2026 : Yes
Addition: None
Exclusion: 1 J:COM West Co., Ltd.

(2) Changes in accounting policies and estimates

1) Changes in accounting policies required under IFRSs:	None
2) Other changes in accounting policies:	None
3) Changes in accounting estimates:	None

(3) Numbers of outstanding shares (Common Stock)

1) Number of shares outstanding (inclusive of treasury stock)	As of September 30, 2026	4,007,450,967
	As of March 31, 2026	4,187,847,474
2) Number of treasury stock	As of September 30, 2026	312,265,319
	As of March 31, 2026	380,769,056
3) Number of weighted average common stock outstanding (cumulative for all quarters)	For the six-month period ended September 30, 2026	3,751,630,609
	For the six-month period ended September 30, 2025	3,895,926,257

Note: The 1,370,325 shares as of September 30, 2026 and the 1,495,908 shares as of March 31, 2026 of the Company's stock owned by the executive compensation BIP Trust account are included in the total number of treasury stock.

This consolidated financial report is not subject to interim review procedures by certified public accountants or auditing firms.

Explanation for appropriate use of forecasts and other notes

1. The forward-looking statements such as operational forecasts contained in this statements summary are based on the information currently available to the Company and certain assumptions which are regarded as legitimate. Actual results may differ significantly from these forecasts due to various factors. Please refer to P.5 "1. Overview of Operating Results and Financial Position (3) Explanation Regarding Future Forecast Information of Consolidated Financial Results" under [the Attachment] for the assumptions used and other notes.

2. On November 6, 2026, the Company will hold a financial result briefing for the institutional investors and analysts. Presentation materials will be webcasted on the same time as the release of this earnings report, and the live presentation and Q&A summary will be also posted on our website immediately after the commencement of the financial result briefing. In addition to the above, the Company holds the briefing and the presentations on our business for the individual investors timely. For the schedule and details, please check our website.

[the Attachment]

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1. Overview of Operating Results and Financial Position

(1) Overview of Operating Results

For an overview of operating results for the six-month period ended September 30, 2026, please refer to the following resources made available on TDnet and KDDI's official website on the same day as this financial statements summary.

-Presentations

-Financial Results

*Latest IR Materials: https://www.kddi.com/english/corporate/ir/ir-library/presentation/

Financial Results

For the six-month period ended September 30, 2026

(yen in millions)

	Six Months Ended			
	September 30, 2025	September 30, 2026	Change	Percentage Change
Operating revenue	2,916,005	**3,052,811**	136,807	4.7%
Adjusted operating income	555,702	**633,082**	77,380	13.9%
Operating income	555,004	**559,291**	4,287	0.8%
Adjusted profit for the period attributable to owners of the parent	343,441	**390,049**	46,608	13.6%
Profit for the period attributable to owners of the parent	359,882	**363,274**	3,392	0.9%

Note: Adjusted profit is calculated by excluding extraordinary gains and losses, as well as one-time gains and losses resulting from portfolio restructuring.

During the six-month period ended September 30, 2026, operating revenue increased by 4.7% year on year to ¥3,052,811 million mainly due to increases in mobile revenue, financial business revenue, device-related revenue and revenue from cybersecurity and AI integration, as well as data center services.

Adjusted operating income increased by 13.9% year on year to ¥633,082 million mainly due to an increase in operating revenue. This does not include impacts such as impairment losses on goodwill and identifiable intangible assets related to consolidated subsidiaries AEON Holdings Corporation of Japan and menu, inc. Operating income including these impacts increased by 0.8% year on year to ¥559,291 million.

Adjusted profit for the period attributable to owners of the parent increased by 13.6% year on year to ¥390,049 million. This does not include impacts such as items excluded from the calculation of adjusted operating income, in addition to the gain from remeasurement relating to discontinuing the use of the equity method of Kakaku.com, Inc. Profit for the period attributable to owners of the parent including these impacts increased by 0.9% year on year to ¥363,274 million.

Beginning in the three-month period ended June 30, 2026, the Group reporting segments were reorganized from two reporting segments of "Personal" and "Business" to three reporting segments of "Telecom Core," "Personal Growth," and "Business Growth," based on the allocation of management resources and their performance evaluation units in accordance with the management approach. Accordingly, the segment information for the six-month period ended September 30, 2025 has been presented based on the segment classification after this change.

Operating performance in the Telecom Core segment for the six-month period ended September 30, 2026 is described below.

Results

For the six-month period ended September 30, 2026

(yen in millions)

	Six Months Ended			
	September 30, 2025	**September 30, 2026**	**Change**	**Percentage Change**
Operating Revenue	2,134,115	**2,201,041**	66,927	3.1%
Adjusted operating income	373,299	**435,673**	62,374	16.7%

During the six-month period ended September 30, 2026, operating revenue increased by 3.1% year on year to ¥2,201,041 million mainly due to an increase in mobile revenue.

Adjusted operating income increased by 16.7% year on year to ¥435,673 million mainly due to an increase in operating revenue.

Operating performance in the Personal Growth segment for the six-month period ended September 30, 2026 is described below.

Results

For the six-month period ended September 30, 2026

(yen in millions)

	Six Months Ended			
	September 30, 2025	**September 30, 2026**	**Change**	**Percentage Change**
Operating Revenue	558,759	**605,313**	46,555	8.3%
Adjusted operating income	110,840	**114,935**	4,095	3.7%

During the six-month period ended September 30, 2026, operating revenue increased by 8.3% year on year to ¥605,313 million mainly due to increases in financial business revenue and device-related revenue.

Adjusted operating income increased by 3.7% year on year to ¥114,935 million mainly due to increases in device-related revenue and in share of profit of investments accounted for using the equity method from Lawson.

Operating performance in the Business Growth segment for the six-month period ended September 30, 2026 is described below.

Results

For the six-month period ended September 30, 2026

(yen in millions)

	Six Months Ended			
	September 30, 2025	**September 30, 2026**	**Change**	**Percentage Change**
Operating Revenue	300,348	**330,916**	30,568	10.2%
Adjusted operating income	33,656	**39,967**	6,311	18.8%

During the six-month period ended September 30, 2026, operating revenue increased by 10.2% year on year to ¥330,916 million mainly due to increases in revenue from cybersecurity and AI integration, as well as data center services.

Adjusted operating income increased by 18.8% year on year to ¥39,967 million mainly due to an increase in operating revenue.

(2) Overview of Financial Position

1. Financial Position

(yen in millions)

	March 31, 2026	September 30, 2026	Change
Total assets	19,063,364	**18,846,331**	(217,032)
Total liabilities	13,470,674	**13,317,798**	(152,875)
Total equity	5,592,690	**5,528,533**	(64,157)
Equity attributable to owners of the parent	5,076,738	**5,001,786**	(74,952)
Ratio of equity attributable to owners of the parent to total assets	26.6%	**26.5%**	(0.1)%

(Assets)

Total assets decreased by ¥217,032 million from the previous fiscal year-end to ¥18,846,331 million as of September 30, 2026 mainly due to decreases in trade and other receivables and in loans for financial business at consolidated subsidiaries, as well as a decrease in goodwill due to the recognition of impairment losses related to AEON Holdings Corporation of Japan and menu, inc., despite an increase in other long-term financial assets resulting from the remeasurement of investments following the exclusion of Kakaku.com, Inc. from equity-method affiliates.

(Liabilities)

Total liabilities decreased by ¥152,875 million from the previous fiscal year-end to ¥13,317,798 million as of September 30, 2026 mainly due to a decrease in trade and other payables, as well as a decrease in borrowings and bonds payable despite an increase in deposits for financial business at consolidated subsidiaries.

(Equity)

Total equity amounted to ¥5,528,533 million mainly due to a decrease in equity attributable to owners of the parent from the previous fiscal year-end. As a result, the ratio of equity attributable to owners of the parent to total assets decreased from 26.6% as of March 31, 2026, to 26.5% as of September 30, 2026.

2. Consolidated Cash Flows

(yen in millions)

	Six Months Ended		
	September 30, 2025	**September 30, 2026**	**Change**
Net cash provided by (used in) operating activities	822,657	**428,203**	(394,454)
Net cash provided by (used in) investing activities	(481,267)	**(336,103)**	145,163
Free cash flows *1	341,391	**92,100**	(249,291)
Net cash provided by (used in) financing activities	(348,982)	**(283,173)**	65,809
Effect of exchange rate changes on cash and cash equivalents	(3,133)	**937**	4,069
Net increase (decrease) in cash and cash equivalents	(10,724)	**(190,137)**	(179,413)
Cash and cash equivalents at the beginning of the period	921,175	**1,078,807**	157,632
Cash and cash equivalents at the end of the period	910,451	**888,670**	(21,781)

*1. Free cash flows are calculated as the sum of "net cash provided by (used in) operating activities" and "net cash provided by (used in) investing activities."

Net cash provided by operating activities decreased by ¥394,454 million year on year to ¥428,203 million mainly due to a shift from an increase to a decrease in borrowings for financial business at consolidated subsidiaries, despite an increase in profit for the period before income tax.

Net cash used in investing activities decreased by ¥145,163 million year on year to ¥336,103 million mainly due to a decrease in purchases of property, plant and equipment and an increase in proceeds from sales and redemption of securities for financial business at consolidated subsidiaries.

Net cash used in financing activities decreased by ¥65,809 million year on year to ¥283,173 million mainly due to a decrease in payments from purchase of treasury stock.

Reflecting these factors and an increase of ¥937 million in the effect of exchange rate changes on cash and cash equivalents, the total amount of cash and cash equivalents as of September 30, 2026, decreased by ¥190,137 million from March 31, 2026 to ¥888,670 million.

(3) Explanation Regarding Future Forecast Information of Consolidated Financial Results

For the fiscal year ending March 31, 2027, the Group forecasts operating revenue of ¥6,410,000 million, adjusted operating income of ¥1,210,000 million and adjusted profit for the period attributable to owners of the parent of ¥731,000 million. No changes have been made from the details stated in the Summary of Financial Results for the fiscal year ended March 31, 2026 (disclosed on May 12, 2026).

If it becomes necessary to revise the forecast due to future changes in circumstances, we will disclose the revision as soon as possible.

2. Condensed Interim Consolidated Financial Statements

(1) Condensed Interim Consolidated Statement of Financial Position

(yen in millions)

	March 31, 2026	September 30, 2026
ASSETS		
Non-current assets:		
Property, plant and equipment	2,999,321	2,964,660
Right-of-use assets	521,939	539,853
Goodwill	580,269	540,282
Intangible assets	1,058,151	1,035,262
Investments accounted for using the equity method	715,022	625,104
Long-term loans for financial business	5,534,048	5,756,782
Securities for financial business	708,845	785,631
Other long-term financial assets	543,633	702,278
Retirement benefit assets	8,112	6,819
Deferred tax assets	26,261	12,426
Contract costs	732,510	761,549
Other non-current assets	56,826	67,420
Total non-current assets	13,484,936	13,798,065
Current assets:		
Inventories	140,295	178,298
Trade and other receivables	3,227,074	3,169,174
Short-term loans for financial business	864,429	482,675
Call loans	33,372	29,240
Other short-term financial assets	40,055	43,456
Income tax receivables	4,225	2,281
Other current assets	190,171	254,472
Cash and cash equivalents	1,078,807	888,670
Total current assets	5,578,428	5,048,266
Total assets	19,063,364	18,846,331

(yen in millions)

	March 31, 2026	September 30, 2026
LIABILITIES AND EQUITY		
Liabilities		
Non-current liabilities:		
Borrowings and bonds payable	2,588,058	2,365,179
Long-term deposits for financial business	120,583	107,297
Lease liabilities	382,914	390,139
Other long-term financial liabilities	24,974	32,184
Retirement benefit liabilities	12,509	11,338
Deferred tax liabilities	250,231	255,388
Provisions	39,684	37,189
Contract liabilities	98,567	88,566
Other non-current liabilities	15,180	20,184
Total non-current liabilities	3,532,699	3,307,465
Current liabilities:		
Borrowings and bonds payable	2,279,998	2,098,186
Trade and other payables	973,109	884,833
Short-term deposits for financial business	5,546,369	6,032,659
Call money	2,718	70,441
Cash collateral received for securities lent	430,286	207,245
Lease liabilities	124,381	129,115
Other short-term financial liabilities	2,942	5,677
Income taxes payables	174,022	166,021
Provisions	49,970	52,703
Contract liabilities	102,966	113,719
Other current liabilities	251,213	249,735
Total current liabilities	9,937,974	10,010,333
Total liabilities	13,470,674	13,317,798
Equity		
Equity attributable to owners of the parent		
Common stock	141,852	141,852
Capital surplus	257,627	239,310
Treasury stock	(822,073)	(696,403)
Retained earnings	5,406,985	5,231,462
Accumulated other comprehensive income	92,347	85,565
Total equity attributable to owners of the parent	5,076,738	5,001,786
Non-controlling interests	515,952	526,748
Total equity	5,592,690	5,528,533
Total liabilities and equity	19,063,364	18,846,331

(2) Condensed Interim Consolidated Statement of Income

(yen in millions)

	Six Months Ended	
	September 30, 2025	**September 30, 2026**
Operating revenue	2,916,005	3,052,811
Cost of sales	1,648,970	1,720,817
Gross profit	1,267,035	1,331,994
Selling, general and administrative expenses	732,759	800,074
Other income	6,073	11,720
Other expense	7,142	7,366
Share of profit (loss) of investments accounted for using the equity method	21,797	23,016
Operating income	555,004	559,291
Finance income	21,474	9,998
Finance cost	15,316	25,580
Other non-operating profit (loss)	2,236	49,598
Profit for the period before income tax	563,397	593,307
Income tax	165,959	186,371
Profit for the period	397,439	406,936
Profit for the period attributable to:		
Owners of the parent	359,882	363,274
Non-controlling interests	37,557	43,662
Profit for the period	397,439	406,936
Earnings per share attributable to owners of the parent		
Basic earnings per share (yen)	92.37	96.83
Diluted earnings per share (yen)	92.35	96.80

(3) Condensed Interim Consolidated Statement of Comprehensive Income

(yen in millions)

	Six Months Ended	
	September 30, 2025	**September 30, 2026**
Profit for the period	397,439	406,936
Other comprehensive income		
Items that will not be transferred subsequently to profit or loss		
Remeasurements of defined benefit pension plans	(1,060)	—
Changes measured in fair value of equity instruments through other comprehensive income	15,589	16,866
Share of other comprehensive income of investments accounted for using the equity method	437	(11)
Total	14,966	16,855
Items that may be subsequently reclassified to profit or loss		
Changes in fair value of cash flow hedge	312	(2,993)
Translation differences on foreign operations	(2,866)	(15,665)
Changes measured in fair value of debt instruments through other comprehensive income	—	(5,515)
Share of other comprehensive income of investments accounted for using the equity method	(1,742)	1,918
Total	(4,296)	(22,255)
Total other comprehensive income	10,670	(5,399)
Total comprehensive income for the period	408,109	401,537
Total comprehensive income for the period attributable to:		
Owners of the parent	371,820	360,386
Non-controlling interests	36,289	41,150
Total	408,109	401,537

Note: Items in the statement above are presented net of tax.

(4) Condensed Interim Consolidated Statement of Changes in Equity

For the six-month period ended September 30, 2025

(yen in millions)

	Equity attributable to owners of the parent							
	Common stock	Capital surplus	Treasury stock	Retained earnings	Accumulated other comprehensive income	Total	Non-controlling interests	Total equity
Balance at April 1, 2025	141,852	259,047	(819,072)	5,400,113	50,556	5,032,495	522,500	5,554,995
Comprehensive income								
Profit for the period	—	—	—	359,882	—	359,882	37,557	397,439
Other comprehensive income	—	—	—	—	11,938	11,938	(1,268)	10,670
Total comprehensive income	—	—	—	359,882	11,938	371,820	36,289	408,109
Transactions with owners and other transactions								
Cash dividends	—	—	—	(149,283)	—	(149,283)	(41,579)	(190,862)
Transfer from accumulated other comprehensive income to retained earnings	—	—	—	(1,443)	1,443	—	—	—
Purchase and disposal of treasury stock	—	(64)	(400,004)	—	—	(400,068)	—	(400,068)
Retirement of treasury stock	—	(396,515)	396,515	—	—	—	—	—
Transfer from retained earnings to capital surplus	—	396,515	—	(396,515)	—	—	—	—
Changes due to business combination	—	—	—	—	—	—	369	369
Changes in ownership interests in subsidiaries	—	(733)	—	—	—	(733)	(9,459)	(10,192)
Other	—	(166)	488	(1,050)	—	(728)	86	(642)
Total transactions with owners and other transactions	—	(963)	(3,001)	(548,292)	1,443	(550,813)	(50,583)	(601,396)
Balance at September 30, 2025	141,852	258,084	(822,073)	5,211,703	63,937	4,853,503	508,205	5,361,708

For the six-month period ended September 30, 2026

(yen in millions)

	Equity attributable to owners of the parent							
	Common stock	Capital surplus	Treasury stock	Retained earnings	Accumulated other comprehensive income	Total	Non-controlling interests	Total equity
Balance at April 1, 2026	141,852	257,627	(822,073)	5,406,985	92,347	5,076,738	515,952	5,592,690
Comprehensive income								
Profit for the period	—	—	—	363,274	—	363,274	43,662	406,936
Other comprehensive income	—	—	—	—	(2,887)	(2,887)	(2,512)	(5,399)
Total comprehensive income	—	—	—	363,274	(2,887)	360,386	41,150	401,537
Transactions with owners and other transactions								
Cash dividends	—	—	—	(152,601)	—	(152,601)	(35,238)	(187,839)
Transfer from accumulated other comprehensive income to retained earnings	—	—	—	3,895	(3,895)	—	—	—
Purchase and disposal of treasury stock	—	789	(263,914)	—	—	(263,125)	—	(263,125)
Retirement of treasury stock	—	(390,094)	390,094	—	—	—	—	—
Transfer from retained earnings to capital surplus	—	390,094	—	(390,094)	—	—	—	—
Changes due to business combination	—	—	—	—	—	—	314	314
Changes in ownership interests in subsidiaries	—	(16,253)	—	—	—	(16,253)	4,538	(11,715)
Other	—	(2,853)	(510)	3	—	(3,359)	32	(3,328)
Total transactions with owners and other transactions	—	(18,317)	125,670	(538,797)	(3,895)	(435,339)	(30,355)	(465,693)
Balance at September 30, 2026	141,852	239,310	(696,403)	5,231,462	85,565	5,001,786	526,748	5,528,533

(5) Condensed Interim Consolidated Statement of Cash Flows

(yen in millions)

	Six Months Ended	
	September 30, 2025	September 30, 2026
Cash flows from operating activities		
Profit for the period before income tax	563,397	593,307
Depreciation and amortization	343,464	346,962
Impairment losses	53	68,333
Loss allowance	1,254	(716)
Share of (profit) loss of investments accounted for using the equity method	(21,797)	(23,016)
Loss (gain) on sales of non-current assets	(30)	(81)
Interest and dividend income	(4,458)	(3,971)
Interest expenses	12,212	22,362
(Increase) decrease in trade and other receivables	(32,336)	31,707
Increase (decrease) in trade and other payables	(86,112)	(62,548)
(Increase) decrease in loans for financial business	(544,512)	158,841
Increase (decrease) in deposits for financial business	641,814	473,005
Increase (decrease) in borrowings for financial business	135,000	(674,500)
(Increase) decrease in Call loans	(135,999)	4,132
Increase (decrease) in Call money	1,235	67,723
Increase (decrease) in cash collateral received for securities lent	131,812	(223,042)
(Increase) decrease in inventories	2,410	(38,172)
(Increase) decrease in retirement benefit assets	(377)	1,293
Increase (decrease) in retirement benefit liabilities	264	(1,171)
Other	(49,737)	(135,129)
Cash generated from operations	957,559	605,320
Interest and dividends received	45,656	20,789
Interest paid	(12,164)	(22,199)
Income tax paid	(168,393)	(175,708)
Net cash provided by (used in) operating activities	822,657	428,203

(yen in millions)

	Six Months Ended	
	September 30, 2025	September 30, 2026
Cash flows from investing activities		
Purchases of property, plant and equipment	(153,795)	(145,708)
Proceeds from sales of property, plant and equipment	171	341
Purchases of intangible assets	(120,591)	(117,300)
Purchases of securities for financial business	(196,059)	(143,009)
Proceeds from sales and redemption of securities for financial business	21,082	94,704
Purchases of other financial assets	(36,972)	(25,555)
Proceeds from sales and redemption of other financial assets	6,610	51,584
Payments for acquisition of subsidiaries	(2,592)	(593)
Proceeds from acquisition of subsidiaries	372	—
Purchases of stocks of affiliates	(7)	(2,000)
Proceeds from sales of stocks of subsidiaries and affiliates	2,626	1,289
Payments for loss of control of subsidiaries	—	(152)
Other	(2,111)	(49,705)
Net cash provided by (used in) investing activities	(481,267)	(336,103)
Cash flows from financing activities		
Net increase (decrease) of short-term borrowings	315,600	326,090
Net increase (decrease) of commercial papers	84,953	52,919
Payments from redemption of bonds and repayments of long-term borrowings	(68,504)	(108,805)
Repayments of lease obligations	(77,579)	(82,314)
Payments from purchase of subsidiaries' equity from non-controlling interests	(2,470)	(15,482)
Proceeds from stock issuance to non-controlling interests	7	165
Repayments to non-controlling interests	(10,182)	(8)
Payments from purchase of treasury stock	(400,004)	(266,680)
Cash dividends paid	(149,279)	(152,585)
Cash dividends paid to non-controlling interests	(41,524)	(36,126)
Other	(0)	(349)
Net cash provided by (used in) financing activities	(348,982)	(283,173)
Effect of exchange rate changes on cash and cash equivalents	(3,133)	937
Net increase (decrease) in cash and cash equivalents	(10,724)	(190,137)
Cash and cash equivalents at the beginning of the period	921,175	1,078,807
Cash and cash equivalents at the end of the period	910,451	888,670

(6) Going Concern Assumption

None

(7) Notes to Condensed Interim Consolidated Financial Statements

1. Reporting Entity

KDDI Corporation (“the Company”) was established as a limited company in accordance with Japanese Company Act. The location of the Company is Japan and the registered address of its headquarter is 2-3-2, Nishishinjuku, Shinjuku-ku, Tokyo, Japan. The Company’s condensed interim consolidated financial statements as of and for the six-month period ended September 30, 2026 comprise the Company and its consolidated subsidiaries (“the Group”) and the Group’s interests in associates and joint ventures. The Company is the ultimate parent company of the Group.

The Group’s major business and activities are described in “(1) Outline of reportable segments” of “4. Segment Information.”

2. Basis of Preparation

(1) Basis of measurement

The Group’s condensed interim consolidated financial statements have been prepared under the historical cost basis except for the following significant items on the condensed interim consolidated statement of financial position:

- Derivative assets and derivative liabilities (measured at fair value)
- Financial assets or financial liabilities at fair value through profit or loss
- Financial assets at fair value through other comprehensive income
- Assets and liabilities related to defined benefit plan (measured at the present value of the defined benefit obligations, net of the fair value of the plan asset)

(2) Presentation currency and unit of currency

The Group’s condensed interim consolidated financial statements are presented in Japanese yen, which is the currency of the primary economic environment of the Company’s business activities, and are rounded to the nearest million yen.

(3) Use of estimates and judgement

The preparation of condensed interim consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. The estimates and assumptions are based on the management’s best judgments, through their evaluation of various factors that were considered reasonable as of the period-end, based on historical experience and by collecting available information. By the nature of the estimates or assumptions, however, actual results may differ from those estimates and assumptions.

The estimates and assumptions are reviewed on an ongoing basis. The effect of adjusting accounting estimates is recognized in the fiscal year in which the estimates are adjusted and in the subsequent fiscal years.

The judgments, estimates and assumptions that have significant impact on the amount in the condensed interim consolidated financial statements are consistent with those described in the annual consolidated financial statements for the previous fiscal year in principle.

(4) Application of new standards and interpretations

The Group doesn’t have material standards and interpretations applied from the three-month period ended June 30, 2026.

(5) Standards not yet adopted

The following is a list of newly established or revised standards and interpretations that have been disclosed prior to the approval date of the consolidated financial statements, but have not been early adopted by the Group. The impact on the consolidated financial statements of the Group is currently under evaluation.

Standard	The title of Standard	Mandatory adoption (from the fiscal year beginning)	To be adopted by the Group from	Outline of new standards and amendments
IFRS 18	Presentation and Disclosure in Financial Statements	January 1, 2027	fiscal year ending March 31, 2028	The new standard that replaces IAS 1 on Presentation of Financial Statements and Disclosure in the current accounting standards

3. Material Accounting Policies

The material accounting policies applied by the Group in the preparation of these interim consolidated financial statements are the same as the accounting policies applied in the preparation of the consolidated financial statements of the previous fiscal year. Income tax is calculated by applying the estimated average effective tax rate to profit for the period before income tax. In addition, the Company and some domestic consolidated subsidiaries have adopted the Group tax sharing system.

4. Segment Information

(1) Outline of reportable segments

The reportable segments of the Group are units of the Group of which separate financial information is available, and which are periodically monitored for the board of directors to determine the allocation of the business resources and evaluate the performance results.

Beginning in the three-month period ended June 30, 2026, the Group reporting segments were reorganized from two reporting segments of “Personal” and “Business” to three reporting segments of “Telecom Core,” “Personal Growth,” and “Business Growth,” based on the allocation of management resources and their performance evaluation units in accordance with the management approach.

Within the “Telecom Core,” telecom (Personal) and related domains and telecom (Business) and related domains are included due to the similarity of their economic characteristics.

In the Telecom Core Segment, we provide personal and business customers with telecommunications and related services, including multi-brand telecommunications services under au, UQ, and povo, smartphone and mobile phone sales, and FTTH/CATV services.

The Group promotes structural reforms that focus on Life Time Value (LTV) and pursue the stable growth of mobile revenue and operating income. Moreover, the Group will create investment funds for Group growth by using AI to enhance telecommunication quality and operational efficiency and by transforming into a leaner profit structure.

In the Personal Growth Segment, we provide personal customers with non-telecommunications services, including finance, energy, device-related services such as mobile device repairs, and Ponta Pass/Lawson.

To provide an AI-powered lifestyle support that aligns with customers’ needs in daily life, the Group integrates a diverse range of services, with telecommunications at the core, and create new experience value. In the fields of devices, Ponta Pass, and Lawson, in addition to finance and energy, the Group will accelerate initiatives aimed at creating new business models and strive to deploy overseas the knowledge and success models gained in Japan with the aim of achieving further growth.

In the Business Growth Segment, we provide business customers with five business areas that support an AI-driven society, including AI integration, cybersecurity, connected services, datacenters, and AI-BPO.

In the AI integration and cyber security fields, the Group accelerates growth by identifying AI utilization needs, regulatory changes, and other factors. In the connected services and data center fields, the Group aim to achieve both stable growth and a shift to high-value-added products as the next digital infrastructure. In AI-BPO, the Group will continue working to utilize AI to enhance customer experiences and transform corporate operations.

As a result of this segment reorganization, the segment information for the six-month period ended September 30, 2025 has been presented based on the segment classification after this change.

(2) Calculation method of revenue, income or loss, assets and other items by reportable segment

Accounting treatment of reported business segments is consistent with “3. Material Accounting Policies.”

Beginning in the three-month period ended June 30, 2026, income of reportable segments is calculated by excluding extraordinary gains and losses, as well as one-time gains and losses resulting from portfolio restructuring, from operating income. Accordingly, the figures for the six-month period ended September 30, 2025 have also been restated to exclude these items.

Inter segment transaction price is determined by taking into consideration the price by arm’s length transactions or gross costs after price negotiation.

Assets and liabilities are not allocated to reportable segments.

(3) Information related to the amount of revenue, income or loss and other items by reportable segment

The Group's segment information is as follows:

For the six-month period ended September 30, 2025

(yen in millions)

	Reportable segments							
	Telecom core	Personal growth	Business growth	Sub-total	Other*1	Total	Adjustment*2	Consolidated
Revenue								
Revenue from external customers	2,090,880	523,579	242,917	2,857,377	58,628	2,916,005	—	2,916,005
Inter-segment revenue or transfers	43,234	35,180	57,430	135,844	65,316	201,161	(201,161)	—
Total	2,134,115	558,759	300,348	2,993,221	123,945	3,117,166	(201,161)	2,916,005
Segment income (Adjusted operating income)	373,299	110,840	33,656	517,794	38,988	556,783	(1,081)	555,702
Adjusted items								(698)
Operating income								555,004
Finance income (cost), net								6,158
Other non-operating profit (loss), net								2,236
Profit for the period before income tax								563,397

For the six-month period ended September 30, 2026

(yen in millions)

	Reportable segments							
	Telecom core	Personal growth	Business growth	Sub-total	Other*1	Total	Adjustment*2	Consolidated
Revenue								
Revenue from external customers	2,165,374	562,888	267,797	2,996,058	56,754	3,052,811	—	3,052,811
Inter-segment revenue or transfers	35,668	42,426	63,119	141,213	64,186	205,398	(205,398)	—
Total	2,201,041	605,313	330,916	3,137,270	120,939	3,258,210	(205,398)	3,052,811
Segment income (Adjusted operating income)	435,673	114,935	39,967	590,574	43,380	633,954	(873)	633,082
Adjusted items*3								(73,791)
Operating income								559,291
Finance income (cost), net								(15,581)
Other non-operating profit (loss), net								49,598
Profit for the period before income tax								593,307

*1. "Other" represents business segments that are not included in the reportable segments and includes construction and maintenance of facilities, among others.

*2. Adjustment of segment income shows the elimination of inter-segment transactions.

*3. The main items were impairment losses on goodwill and identifiable intangible assets related to consolidated subsidiaries AEON Holdings Corporation of Japan and menu, inc. Please refer to "Note 5. Impairment Losses" for details of the impairment losses.

5. Impairment Losses

The Group recognized impairment losses of ¥53 million for the six-month period ended September 30, 2025 and ¥68,333 million for the six-month period ended September 30, 2026. The main breakdown is as follows.

No significant impairment loss was recognized for the six-month period ended September 30, 2025.

During the six-month period ended September 30, 2026, an impairment loss of ¥55,662 million was recognized on goodwill, trademark rights and other identifiable intangible assets related to AEON Holdings Corporation of Japan, which belongs to the “Others” segment, because the recoverable amount fell below the carrying amount.

In addition, regarding goodwill, customer-related assets, etc. related to menu, inc. (hereinafter "menu") included in the "Personal Growth" segment, as a result of comprehensively reviewing changes in the competitive environment surrounding the food delivery market and future business outlook, the Company decided to dissolve and liquidate menu. As a result, because the investment was no longer considered recoverable, an impairment loss of ¥12,671 million was recognized.

These impairment losses are included in "Cost of sales" and "Selling, general and administrative expenses" in the condensed interim consolidated statement of income.

6. Gain from Remeasurement Relating to Discontinuing the Use of the Equity Method

The Group recognized a gain from remeasurement relating to discontinuing the use of the equity method of ¥50,322 million for the six-month period ended September 30, 2026. Details are as follows. There was no applicable item for the six-month period ended September 30, 2025.

The Company decided to terminate the capital alliance agreement entered into with Kakaku.com, Inc. (hereinafter "Kakaku.com") and entered into a termination agreement dated September 28, 2026. Accordingly, Kakaku.com was excluded from equity-method associates during the six-month period ended September 30, 2026. A valuation gain of ¥50,322 million resulting from remeasuring the shares at fair value was recognized and is included in "Other non-operating profit and loss" in the condensed interim consolidated statement of income.