Spark Your Journey

KDDI

FY2027-03
H1 Financial Results
(April - September 2026)

November 6, 2026

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







Key Highlights

FY27-03 H1 Consolidated Results

Performance by Segment

Progress of “Power-to-Connect 2028”

FY27-03 H1 Consolidated Results

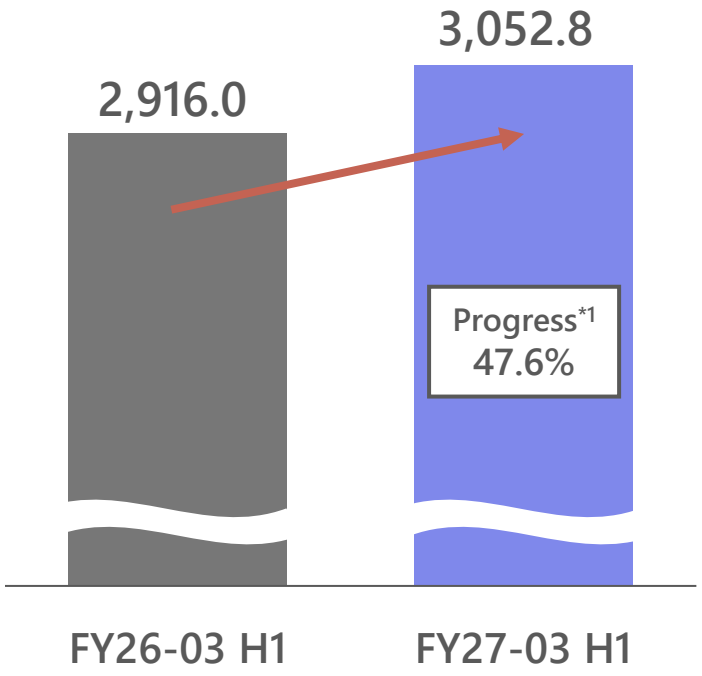
Consolidated Financial Results

Revenue and income increased. Solid progress, ahead of the full-year forecast

Operating revenue

(Unit : billions of yen)

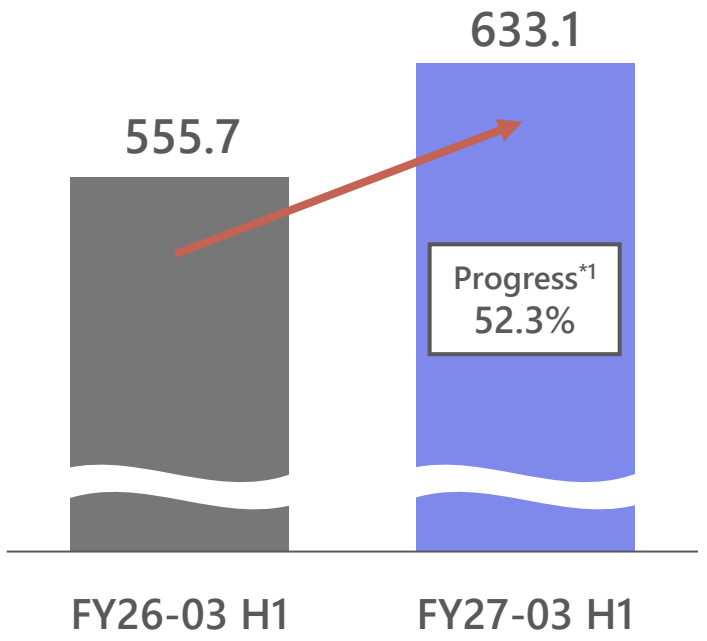
YOY+4.7%



Adjusted operating income

(Unit : billions of yen)

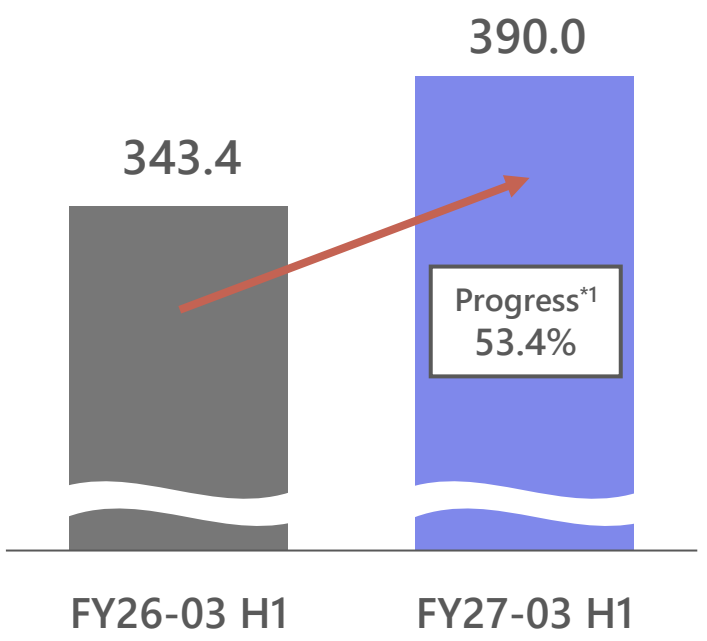
YOY+13.9%



Adjusted profit for the period*2

(Unit : billions of yen)

YOY+13.6%



Note) Adjusted profit is profit excluding non-recurring gains and losses and one-off gains and losses associated with portfolio review *1 Progress against full-year forecast announced in May 2026 *2 Adjusted profit for the period attributable to owners of the parent

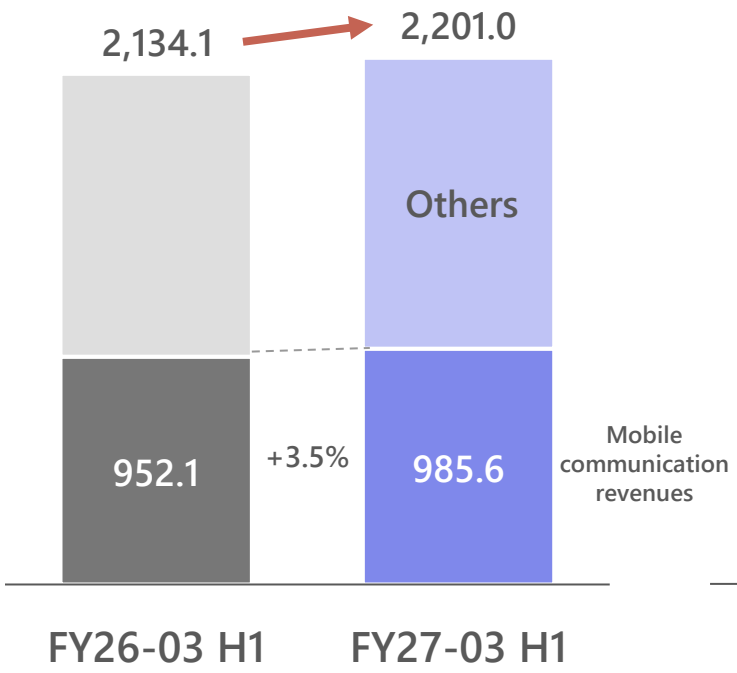
Operating Revenue by Segment

Key businesses driving mid-term growth in each segment are expanding steadily

Telecom Core

(Unit : billions of yen)

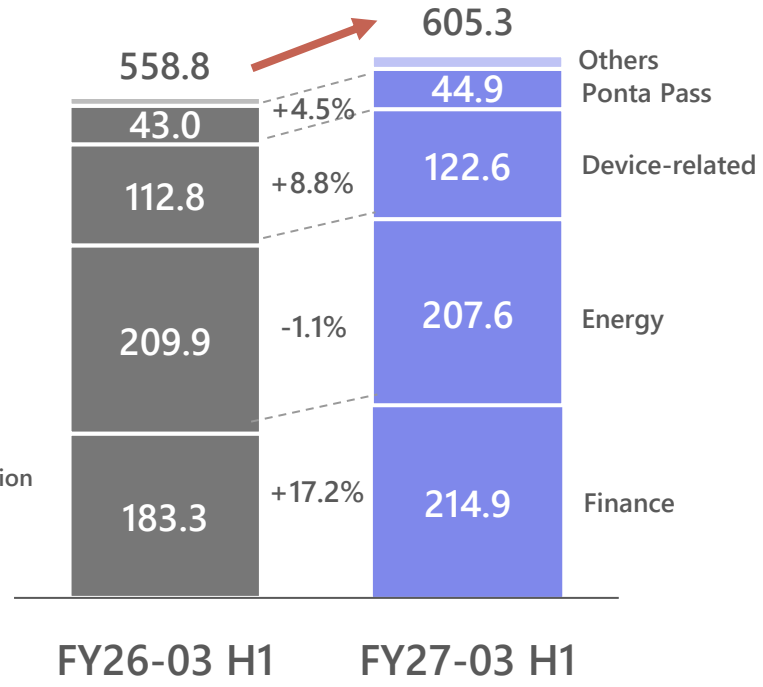
YOY+3.1%



Personal Growth

(Unit : billions of yen)

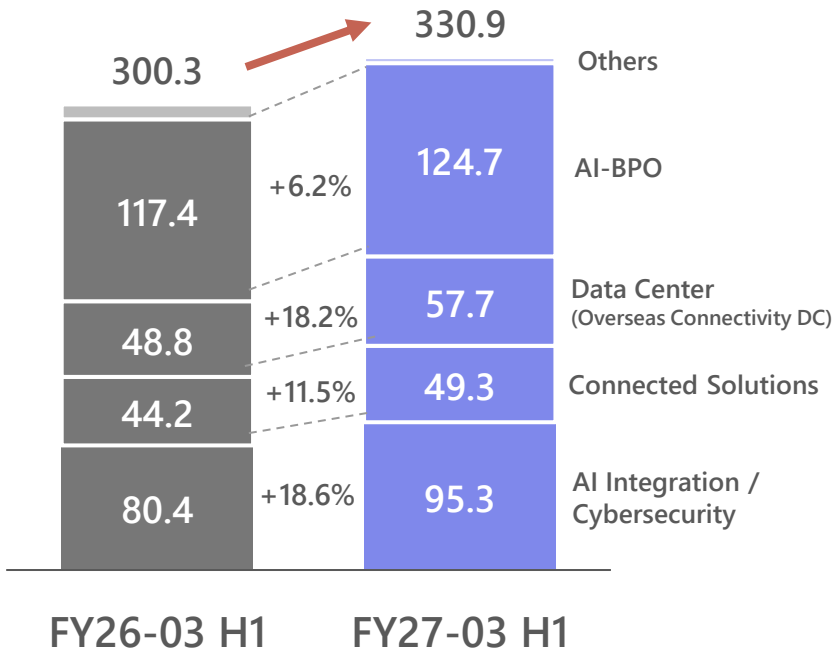
YOY+8.3%



Business Growth

(Unit : billions of yen)

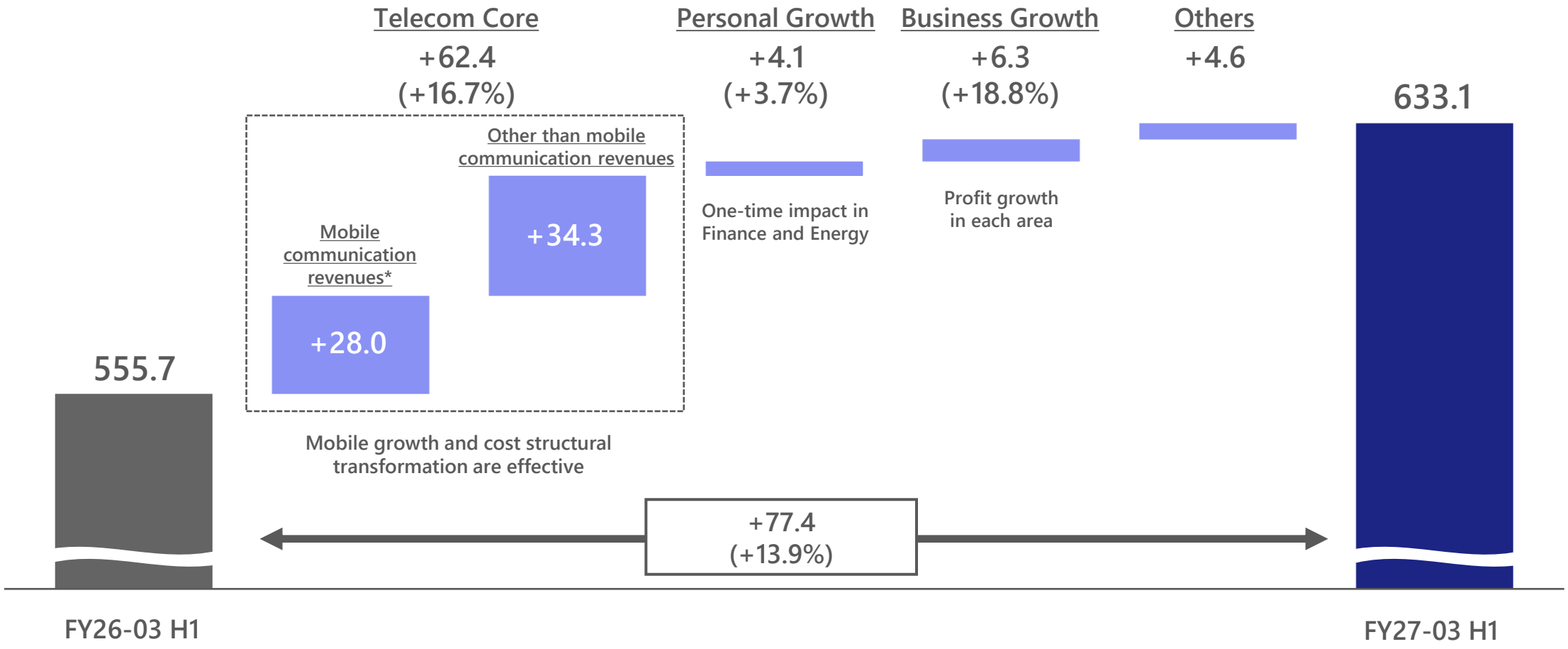
YOY+10.2%



Adjusted Operating Income -Factors for Change-

Achieving high growth in Business Growth in addition to Telecom Core

(Unit: billions of yen)



Note) From this page onward, unless otherwise noted, profits are on adjusted basis * Management-based profit figure

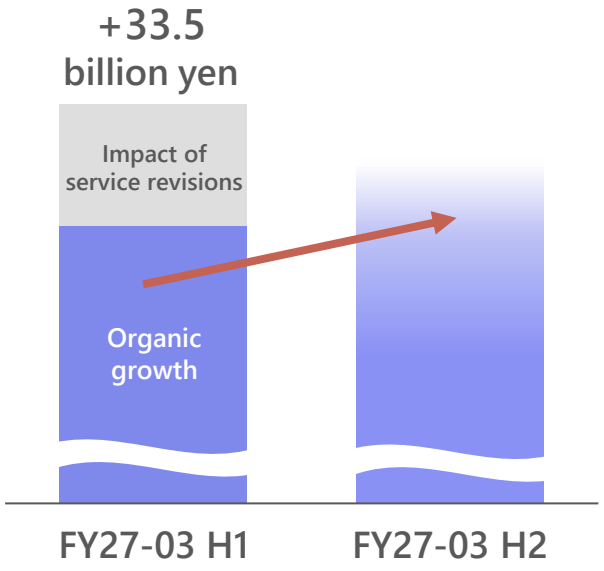
Telecom Core

Stabilizing the Growth Structure

Industry-leading initiatives for sustainable mobile growth and cost structural transformation are bearing fruit

Organic growth in mobile communication revenues

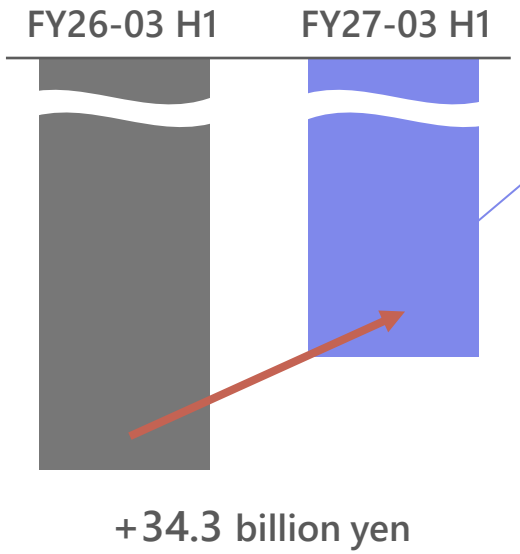
Mobile communication revenues
(YOY)



- ID growth driven by lower churn rate
- Brand mix improvement (au, UQ mobile)
- Increase in high-tier plan subscriptions

Cost structural transformation

Other than mobile communication revenues*
(YOY)



Transformation initiatives made significant contribution

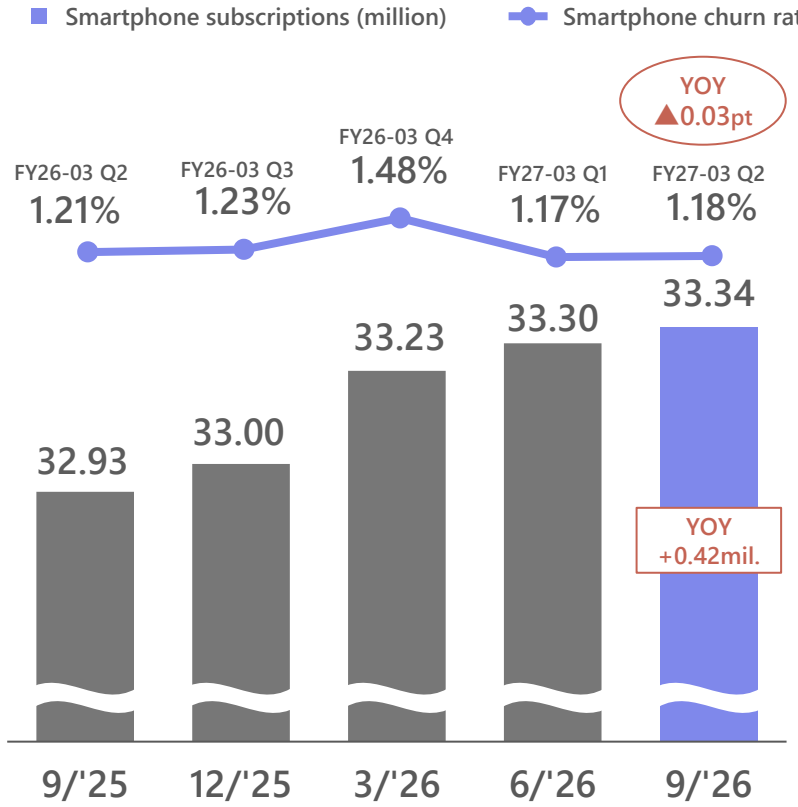
- LTV-focused cost control
- Accounting impact of sales strategy revision
  - +) Reduction in amortization of contract costs
  - -) One-time payments related to short-term churners

* Telecom Core segment operating income - Mobile communication revenues operating income

ID / Churn Rate

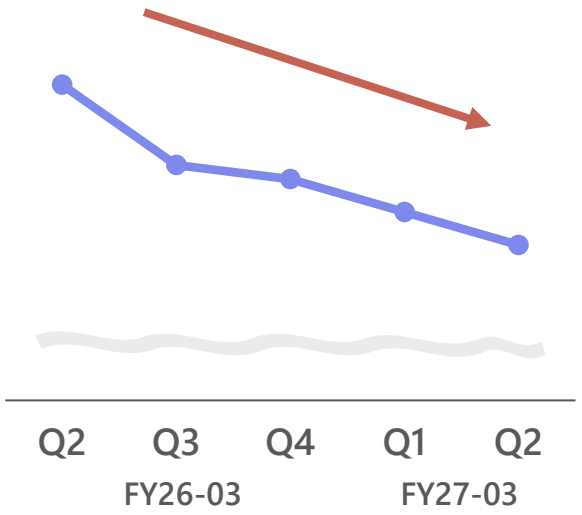
Structural transformation and LTV-focused strategies are driving success, building a robust customer base

Momentum (ID / Churn rate)



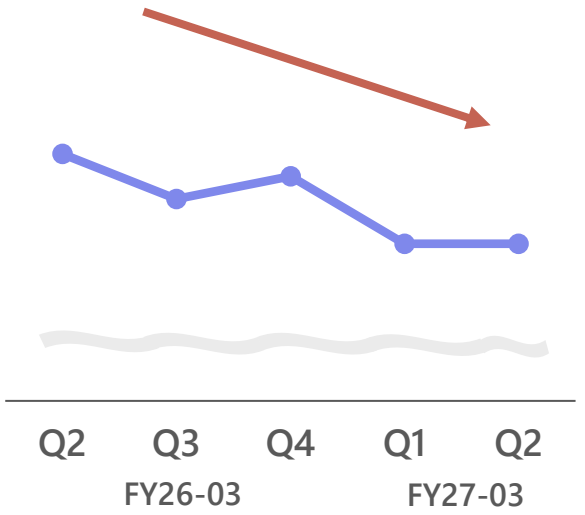
au / UQ mobile short-term churn rate*

Progress in initiatives for higher LTV



povo churn rate

Toppings fit diverse customer needs



Note) LTV (Life Time Value) * Churn rate within one year of new subscription in Personal Services (excluding Mobile Number Portability)

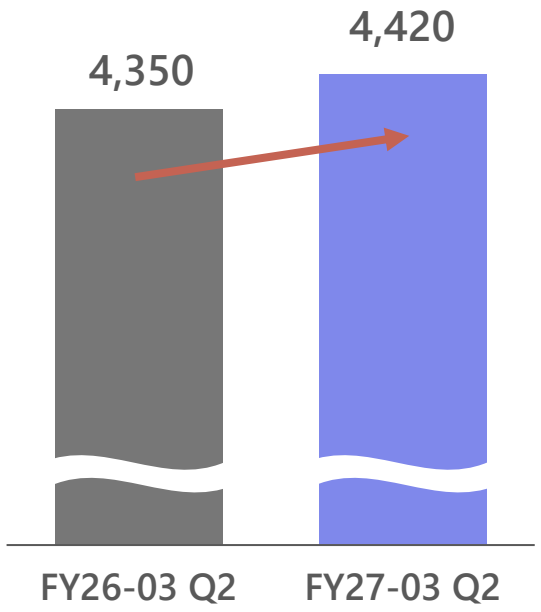
Mobile ARPU

ARPU growth continues, driven by improved brand migration and greater adoption of higher-tier plans

Mobile ARPU

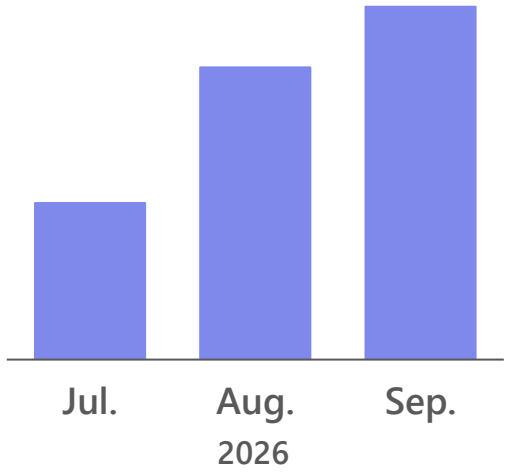
(Unit: yen)

YOY +70 yen (+1.6%)



au⇔UQ mobile Brand migration improvement

Net increase in migrations to au continues*



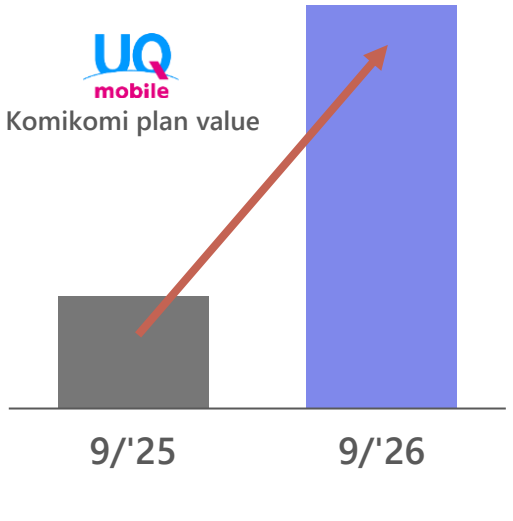
Greater adoption of higher-tier plans

Number of au Value Link Plan + Komi-Komi Plan Value subscribers

auバリューリンクプラン

UQ mobile Komikomi plan value

Over 4 million



Through "AI x Human Touch"
Strengthening customer touchpoints and sales capabilities





* "UQ mobile→au migration" is positive relative to "au→UQ mobile migration"

Value Creation (1) Communication Services

Further evolving our industry-pioneering services to strengthen KDDI's competitive advantage

First in Japan*1 High-capacity optical fiber + High-speed 5G

First in Japan*2 2012 au Smart Value → NEW

"au HIKARI Plus"
(The best of both optical fiber and 5G)

au ひかり　au ひかりプラス　au 5G

Combining fixed and mobile networks to shorten installation times and enhance reliability during disasters

Offering the convenience of "immediate use after application" and "portability when moving"

Toward promotion of subscriptions + churn rate reduction

First in Asia*3 Next-generation satellite communications

First in Japan*4 2021 Business alliance
First in Japan*4 2025 au Starlink Direct
First in Japan*4 2026 International roaming → NEW

Signed service provision agreement for "Starlink Mobile V2"



Enabling high-speed communication and voice calls in out-of-coverage areas*5

Targeting launch in 2027

*1 As a service provided by major domestic telecom carriers for individual fixed-line internet services that automatically switches the network and usage charges from mobile lines to optical lines within the same service in conjunction with the optical line opening status. As of September 4, 2026, KDDI research *2 Compared to 4 domestic MNOs, KDDI research *3 As of September 15, 2026, KDDI research *4 Compared to 4 domestic MNOs, KDDI research *5 As of November 2026, data communication for some apps is possible on compatible models; voice calls are not supported.

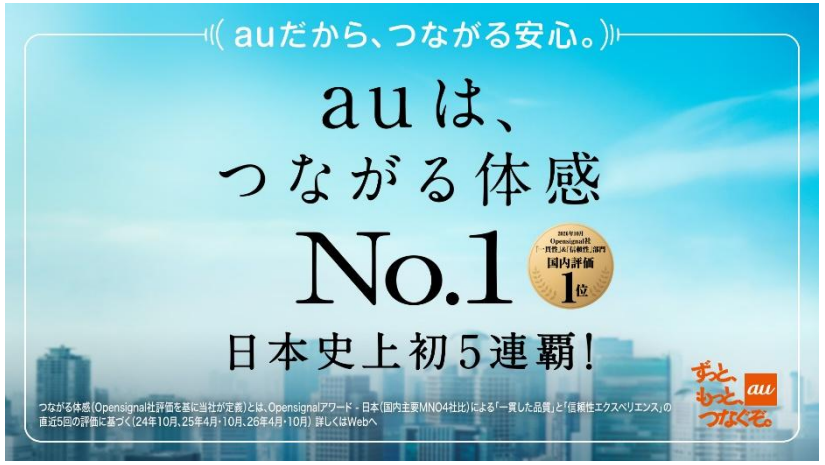
Value Creation (2) Communication Quality

Mobile business foundation is growing, supported by reliable connectivity as the basis for value-driven competition

Communication quality supporting the multi-brand strategy

Opensignal Global Mobile Experience Analysis

5 consecutive wins for most awards*1



Communication quality improvement

Data transmission stall rate in congested areas*2

From October

approx. 30 % reduction

(Some areas in Yokohama and Fukuoka cities)

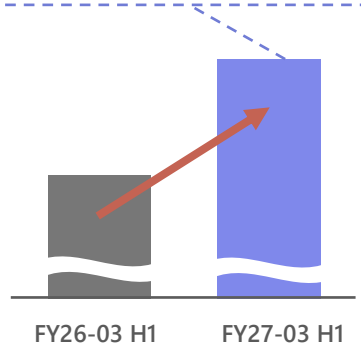
Corporate mobile growth

MNP net increase approx. 1.5x

Order example:
General contractor Company A

High call quality / Experience Starlink Direct

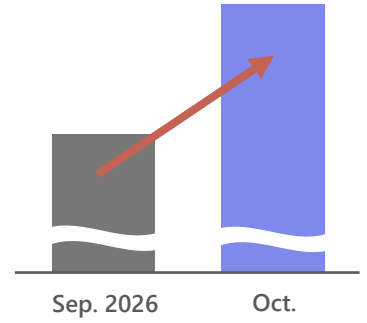




povo performing well

Sep. 2026 vs Oct.

Net increase*3 approx. +30 %



*1 Opensignal Awards - Japan (compared to 4 major domestic MNOs) based on the latest 5 evaluations (Oct. 2024, Apr./Oct. 2025, Apr./Oct. 2026) *2 Data transmission stall rate: Evaluates the percentage of customers who could not secure sufficient data communication quality during network congestion (communication with a response time within 500ms to stably satisfy a 2.5-second Web connection time). Results for some congested areas in Yokohama and Fukuoka cities from Sep. 24 to Oct. 15, 2026 *3 Comparison of the combined results of povo1.0 and 2.0 from Oct. 1 to Oct. 25, 2026, with the previous month

AI × Network

Fully leveraging AI for area quality optimization to build high-quality network

“Creating”
Accelerating area construction with AI-driven development



Development more than 3 times faster than before[*1]

“Refining”
Autonomous optimization of communication quality



60% improvement in uplink speed during congestion[*2]

“Protecting”
Evolution of smart operations



Identifying the cause in less than one-tenth the time

*1 Based on KDDI’s track record in developing applications for streamlining base station control *2 Source: October 14, 2026, KDDI Topics, ““Distributed AI“ Achieves Autonomous Area Optimization in Line with Changing Congestion throughout the Day” *3 Source: February 19, 2026, KDDI News Release, "Starting Operation of "Fault Recovery support Agent" which identifies cause of failure immediately"

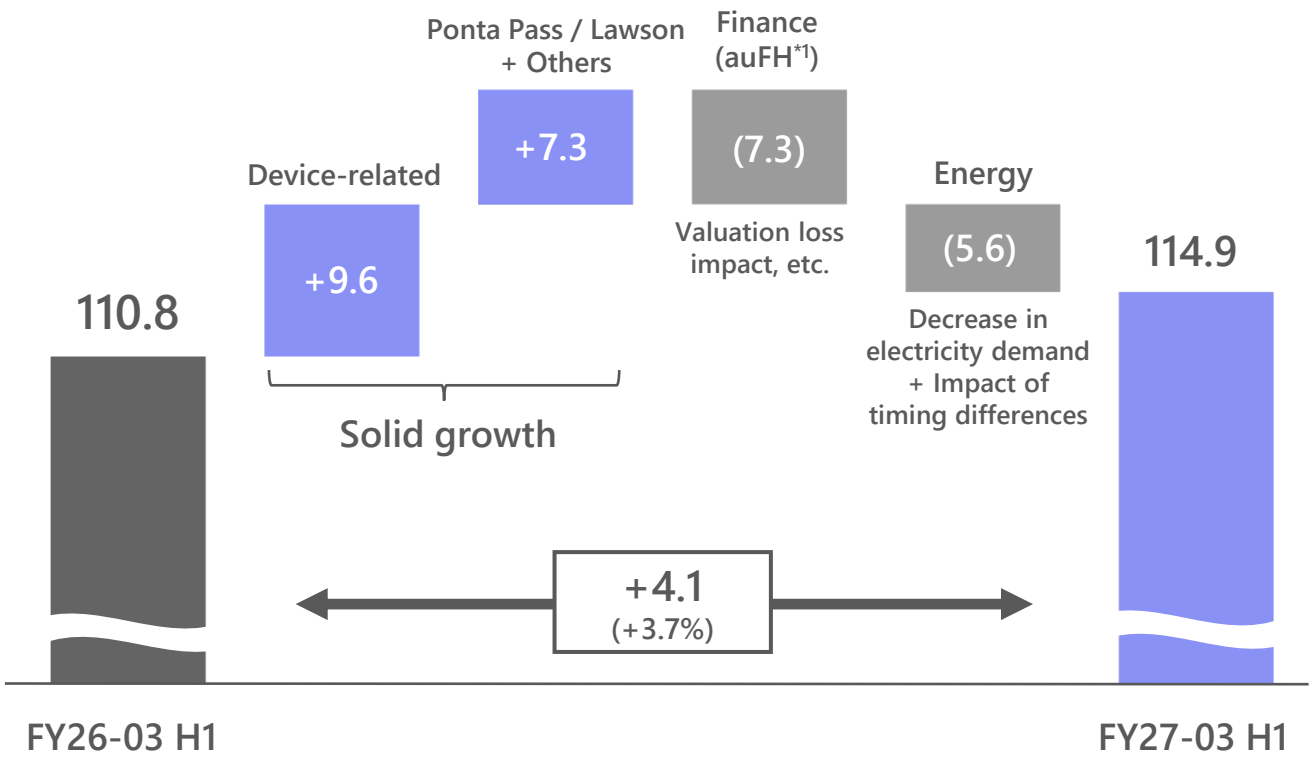
Growth Areas

Business Progress

Device-related, etc. drive profit growth.
Despite profit declines in Finance and Energy, major KPIs are on track

Operating income -Factors for Change-

(Unit : billions of yen)



Major KPI*2

Ponta Pass / Lawson

- Ponta Pass members: QOQ +190K
- Lawson operating income: YOY +7.7%

Finance

- Personal deposit balance: YOY 1.3X
- au PAY Gold Card members: YOY 1.3X
  au PAY Gold Card settlement volume: YOY 1.3X

Energy

- au Denki, etc. subscriptions: QOQ +30K

*1 au Financial Holdings (Adjusted profit base) *2 Lawson operating income is for March-August 2026, au PAY Gold Card settlement volume is for FY27-03 H1, and others are as of the end of September 2026

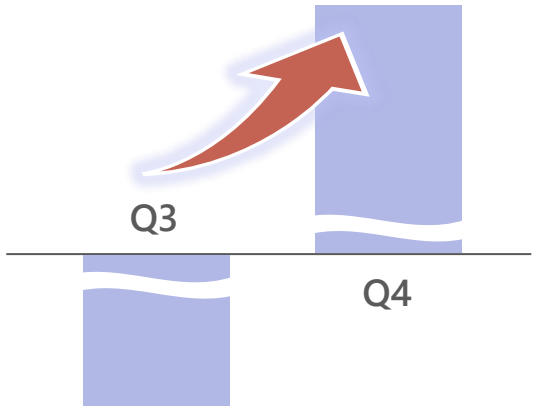
Initiatives in Key Areas

Identifying environmental changes and clarifying measures to ensure mid-term growth

Financial business: Toward turnaround to profit growth

Profit outlook for H2 FY27-03 (YOY)

Profit decline to continue through Q3 due to normalization of loan-to-deposit balance, returning to growth in Q4



Mortgage interest rate revision due to rising interest rates

Strengthening Gold Card promotion

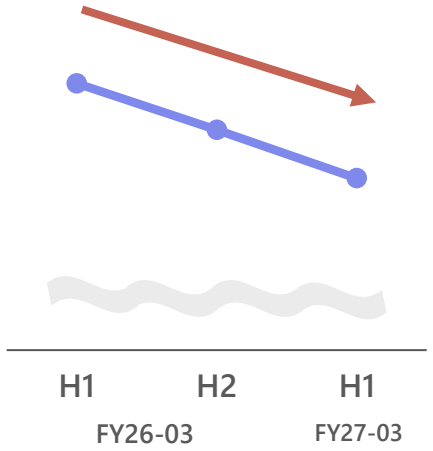
(Auto-charge settings / Gold Card migration)

Promoting au Money Activity Plan enrollment

Device-related: Turning higher prices into business opportunities

Product support service churn rate

Increased continuous usage due to environmental changes



New

Ponta Pass

故障紛失サポート × Pontaパス

Device repair and loss support

@Ponta



Peace of mind in case of accident, plus rewards for staying accident-free

Making your next device change more affordable

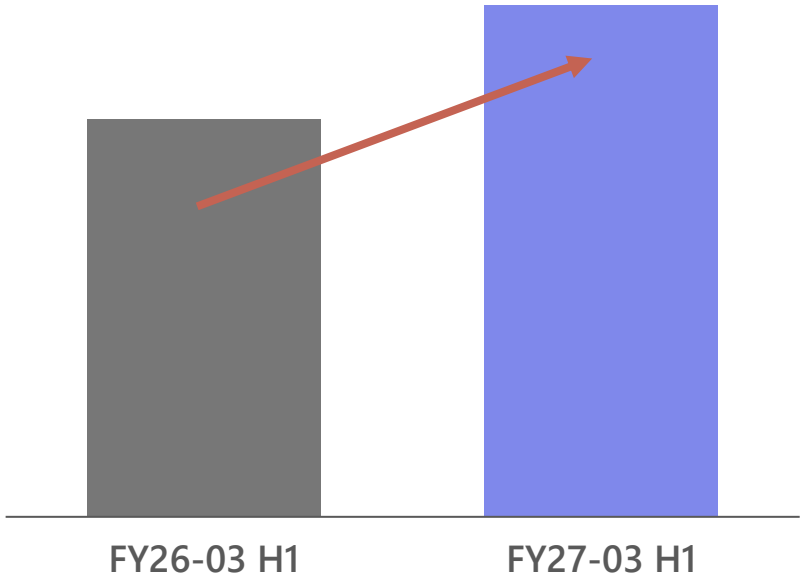
AI Integration

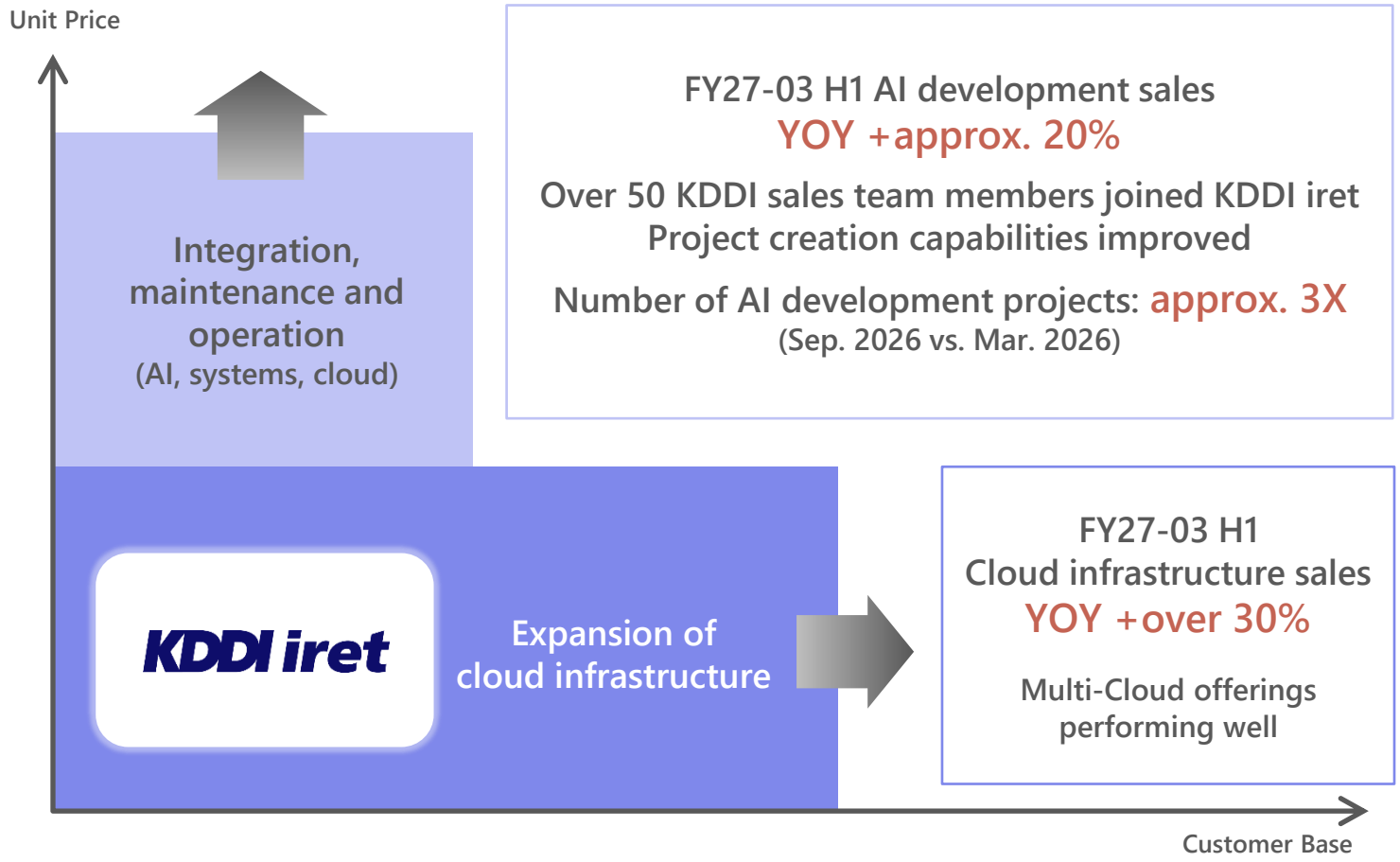
Cloud infrastructure is expanding steadily. Aiming for further growth through AI utilization support and strengthened group collaboration

AI Integration operating revenue

Driving Business Growth with high growth

YOY +approx. 29%





FY27-03 H1 AI development sales
YOY +approx. 20%

Over 50 KDDI sales team members joined KDDI iret
Project creation capabilities improved

Number of AI development projects: approx. 3X
(Sep. 2026 vs. Mar. 2026)

FY27-03 H1
Cloud infrastructure sales
YOY +over 30%

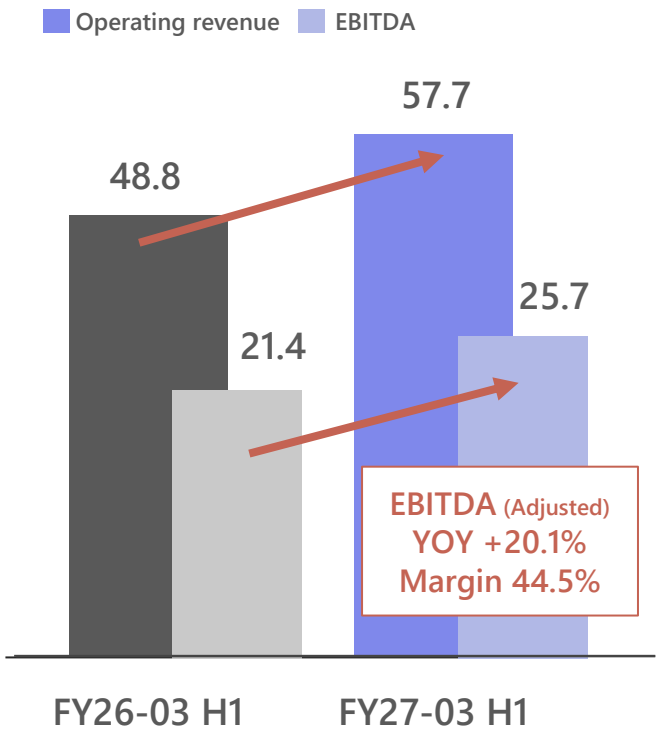
Multi-Cloud offerings performing well

Connectivity DC

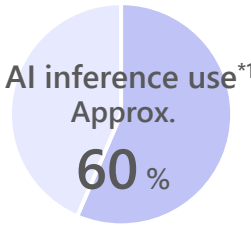
Steady business growth.
Further expanding our advantageous sites to meet growing AI inference demand

Business growth capturing AI inference demand

(Unit: billions of yen)

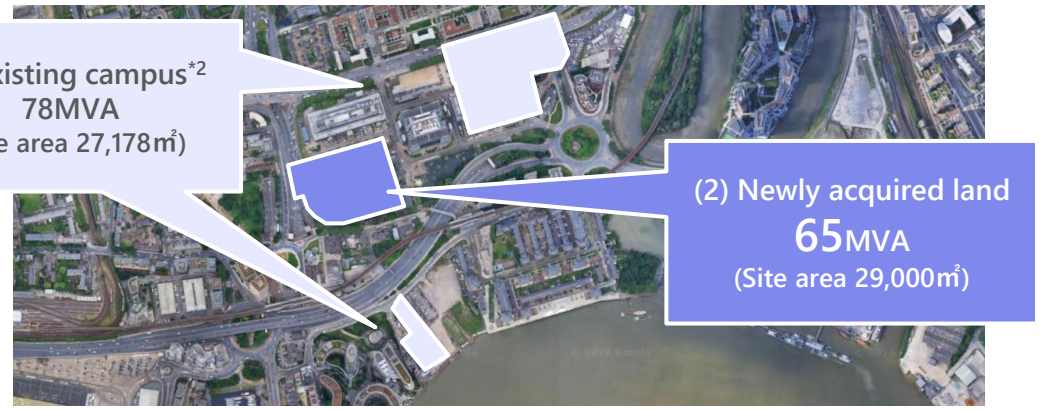


FY27-03 H1
Order status



Addressing AI demand through London DC expansion

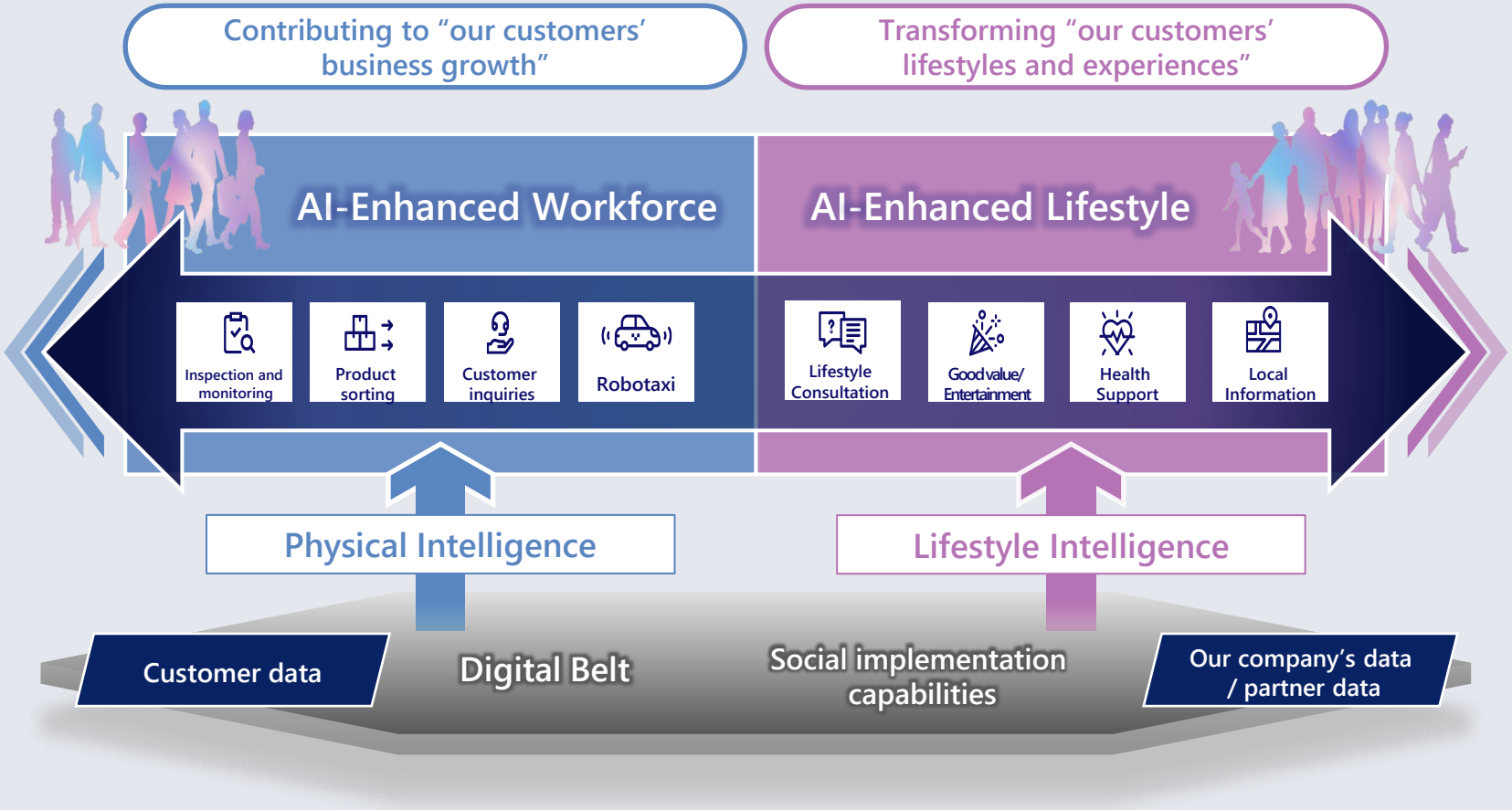
Up to FY28-03	FY29-03 and beyond
(1) Planning to open the 6th building	(2) Double power capacity (MVA)



Secured land adjacent to the campus with the world's No.1*3 connectivity

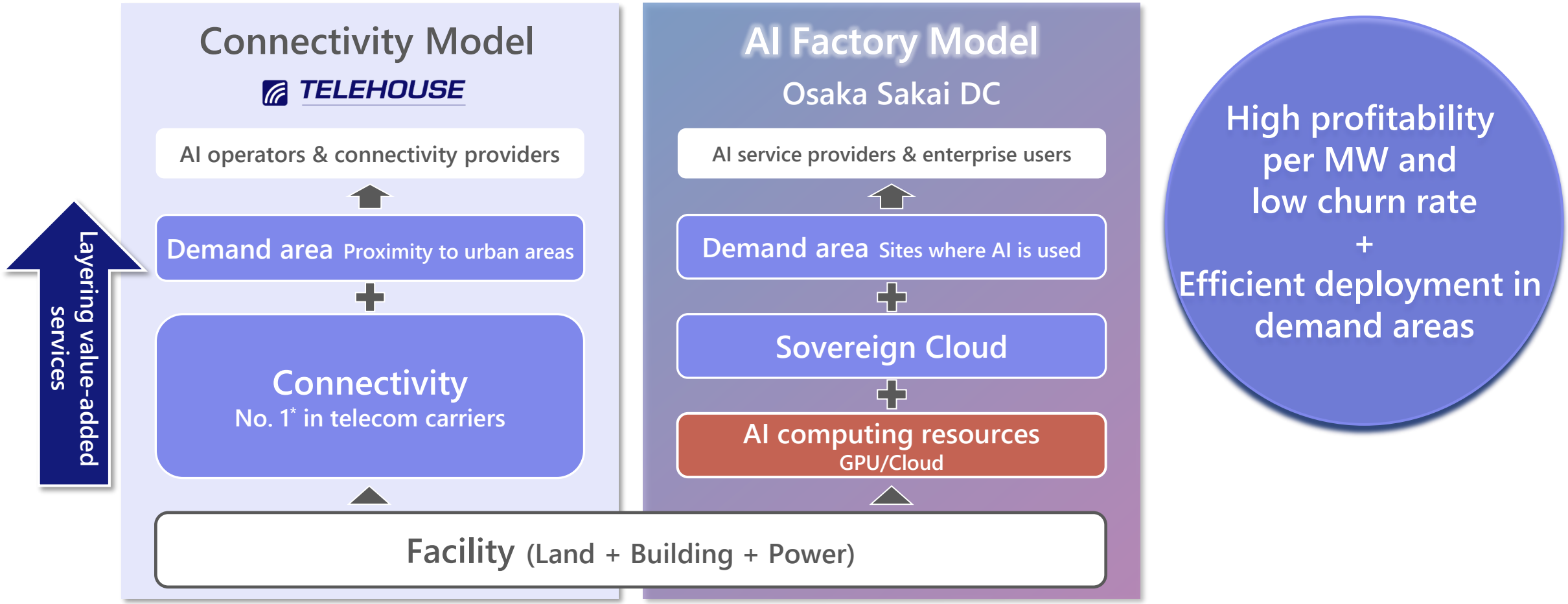
Note) Results are based on Overseas Connectivity DC *1 Percentage of AI inference use in new orders calculated on MW basis *2 Excluding the 6th building *3 Source: PeeringDB (as of October 2026)

Progress of “Power-to-Connect 2028”



DC Strategy in the AI Era

Differentiation through a model that layers value-added services on top of facilities



* Source: Structure Research 2025 (August 2025)

Osaka Sakai : Launch Base for AI Implementation

Partners gather to drive improvement cycle starting from the field using two engines

Model Learning / R&D

Train AI with collected data and accelerate improvements



Simulation in virtual environment utilizing abundant computing resources

Network environment capable of simulating AI distributed processing

Introducing next-generation GPU
'Rubin' as part of the leading group

Feed learning results to the field

Operate in Sakai, learn in Sakai

Feed field data to AI learning

Data Collection / Social Implementation

Operate in the field, collect data, and implement in society







ELYZA Robotics

	(FY30 Target)
R&D investment	30.0 billion yen
Physical AI specialists	Over 300 people
Robot introduction target	Over 1,000 units

New company **ELYZA Robotics**
Responsible for everything from R&D to social implementation

AI-Enhanced Workforce / AI-Enhanced Lifestyle

Continuing technology investment and partnering for the social implementation of drones

Responding to social needs

Inspection

Skydio

May 2024
Capital alliance agreement



AI-equipped drones capable of autonomous flight in dark places and at night

Emergency survey of heavy rain damage in Ishikawa Pref. in Aug. 2026



Aiming for 1,000 drone ports in mid-term
(Public-private partnership)

New Delivery

Wing

October 2026
strategic partnership concluded



World-class commercial flight track record and automated delivery system

Leveraging a track record of over 1 million operations

Delivery to start during FY28-03
Advancing last-mile delivery

Expanding coverage

Convenience store

LAWSON

Happy LAWSON Town
Ikeda Fushio-dai Store



New Post office

JP POST 日本郵便

Japan Post
(Collaboration under consideration)

Suzu Post Office, Suzu City, Ishikawa Prefecture



Dispatching the nearest AI drone via remote operation through communications
Toward the realization of Drone as a Service

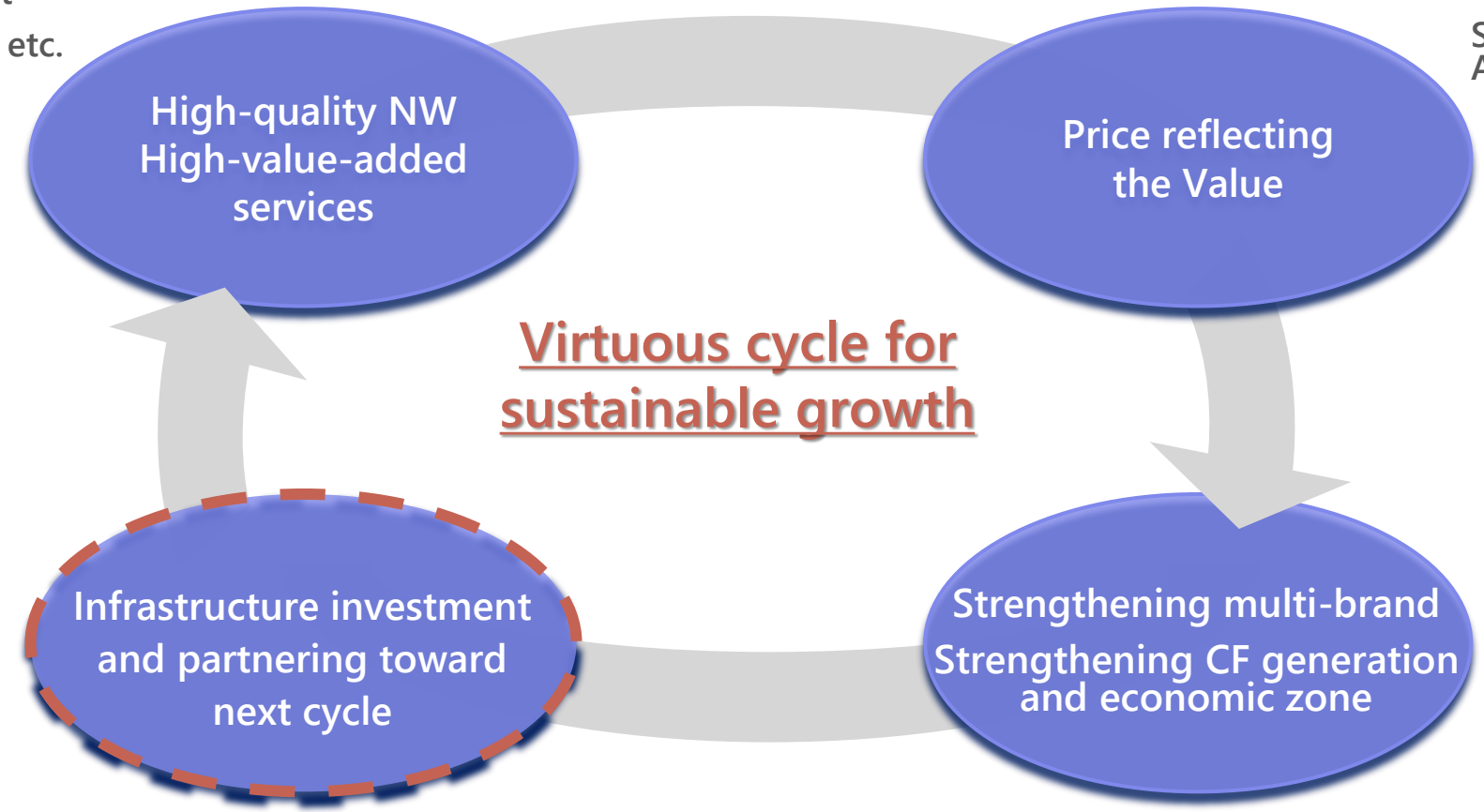
Creating Further Virtuous Cycles

Leading the creation of virtuous cycles in the telecom industry through value creation as a "first mover"

au Starlink Direct
au 5G Fast Lane, etc.

Core competence

Technology discernment
+
Partnering
+
Commitment to deliver on our promises



au Value Link Plan
Service revision in August 2025

Improvement in brand mix
Increase in high-tier plan subscriptions
Churn rate reduction
Maintaining net increase

Strengthening Growth Investment Structure

Revamping the review structure based on challenges. Strengthening deal origination and execution capabilities

Before：Promotion structure fragmented by investment target and deal process

	Sourcing (Deal origination)	Execution
Direct Investment	Business Division	M&A Specialized Department
Startup Investment	Promotion of startup collaboration	
Challenges	Prioritizing feasibility. Few deals, small scale	

After：Expanding deals through integrated and proactive sourcing activities

	Sourcing	Execution
	Business Division, M&A Promotion Department, Startup collaboration Department	Consolidating the strengths and specialists of each department	M&A Specialized Department
Strengthening Points	Quantitative and qualitative expansion of sourced deals	

Strengthening Group Governance

Focusing on building an organization where misconduct is less likely to occur through the dual approach of "dry" and "wet" initiatives

"Dry"
Building rules and framework

+

"Wet"
Building mutual trust

[FY27-03 H1]
Rules and framework established and currently in operation

[Going forward]
- Strengthening monitoring
- Business portfolio review
- Reviewing the role of seconded executives, etc.

Improvement status report scheduled for submission in December

KDDI ⇔ Group companies

Building mutual trust

Improving employees' sense of belonging/attachment to the company

Deterrence against oneself and autonomous prevention of misconduct

Opportunities to stay connected



Group company sessions
(Held from April to October)

Business division heads engage in dialogue with 79 companies under their oversight
Continuously monitoring the situation

Strengthening relationships among Group companies



Engagement sharing meetings
(Held in September)

45 participants from 23 Group companies gathered to share initiatives and challenges

Cybersecurity Initiatives

Leveraging lessons learned from incidents to establish process for immediate response

- Suspend services without hesitation when necessary for vulnerability remediation, based on management decisions
- Minimize damage through early detection and localization based on the premise of intrusion

Prevention / Defense	Detection	Recovery / Neutralization
• Observation/analysis of cyber threats • Vulnerability assessment using frontier AI • Server isolation design*1	• Strengthening detection mechanisms*2 to rapidly detect suspicious behaviors • Advanced monitoring via AI-SOC*3	• Early recovery through isolated backups*4 • Prevention of secondary damage through anti-phishing measures*5

*1 Introduction of micro-segmentation *2 Introduction of EDR (Endpoint Detection and Response) *3 SOC (Security Operation Center) *4 Isolated from the production environment and stored in a tamper-proof manner *5 Improvement of email filtering accuracy, etc.

FY27-03 Progress in the Mid-term

Performance and KPI progress are on track.
Strengthening preparations for further mid-term growth

Steady performance and KPI progress

① Double-digit growth centered on Telecom Core and Business Growth

② Materialization of revenue related to Rakuten Roaming from FY27-03 H2 onwards

Toward achieving 5% mid-term organic growth +α

Effective utilization for future growth

- Stabilization of Telecom Core revenue structure
  - Initiatives to encourage long-term usage
  - Strengthening channels to expand customer touchpoints
- Upfront investment to strengthen Growth
- Response to changes in the external environment

Note that the difference between IFRS accounting figures and adjusted income (adjustment items) is primarily non-cash, and the future cash generation capability is growing steadily

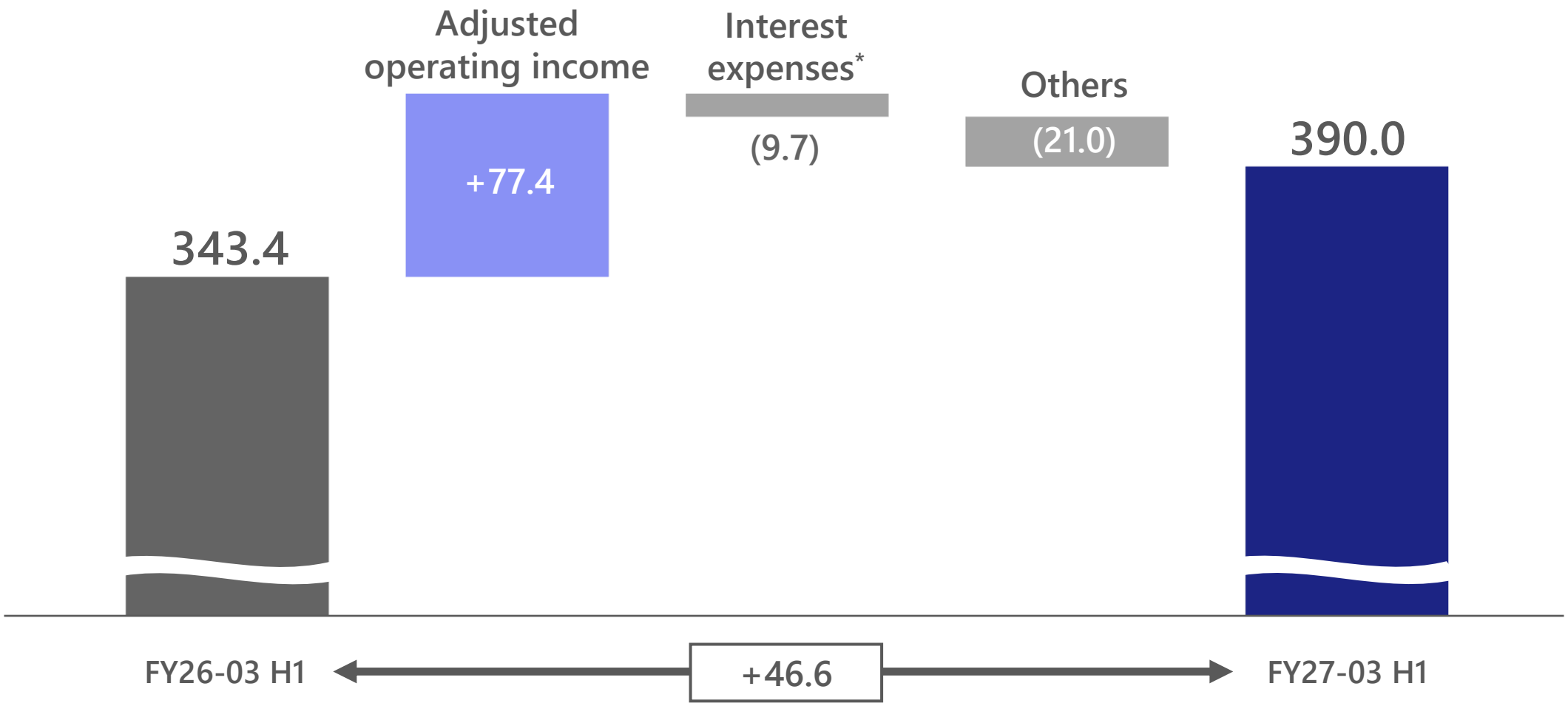
Summary

FY27-03 H1 Consolidated Results	● Revenue and income increased in each segment. Solid progress, ahead of the full-year forecast, centered on Telecom Core.
Performance by Segment	● Sustainable growth in Mobile and cost structural transformation are bearing fruit, with each KPI progressing steadily. ● Profit growth in Personal Growth was driven by Device-related and other areas. While Finance and Energy saw a decrease in profit, major KPIs remain on track. ● Business Growth saw profit growth in five areas. AI Integration and Connectivity DC performed steadily.
Progress of “Power-to-Connect 2028”	● Aiming for DCs used in AI implementation sites, and establishing Osaka Sakai as a launch base for AI implementation. ● Revamped the review structure for growth investments, and strengthened deal origination and execution capabilities ● Initiatives for strengthening Group governance and cybersecurity measures are progressing steadily.
FY27-03 Progress in the Mid-term	● Performance and KPI progress are on track. Strengthening preparations for realizing further mid-term growth. ● FY27-03 DPS (interim) is 42 yen, YOY+5.0%. We will assess the situation at the end of the fiscal year.

Appendix

Adjusted Profit for the Period -Factors for Change-

(Unit: billions of yen)

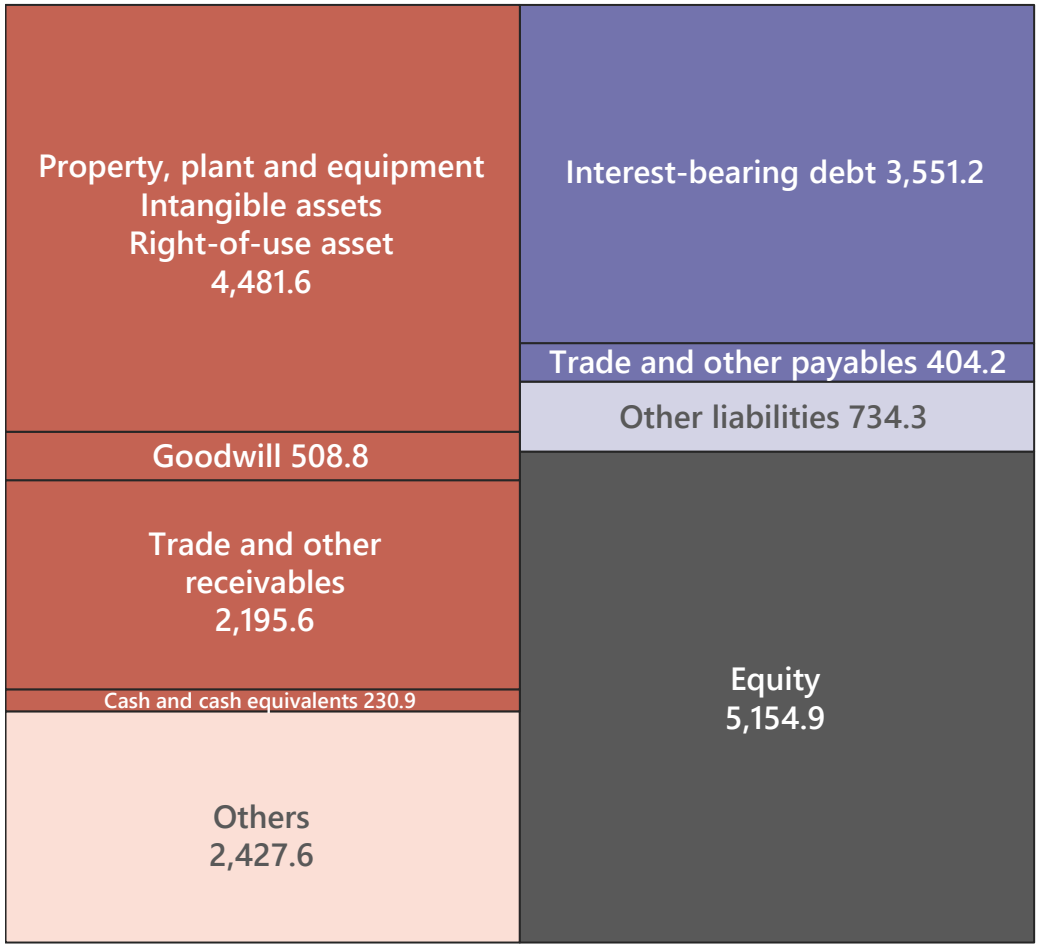


Note) Adjusted profit for the period attributable to owners of the parent * Before tax

Statement of Financial Position

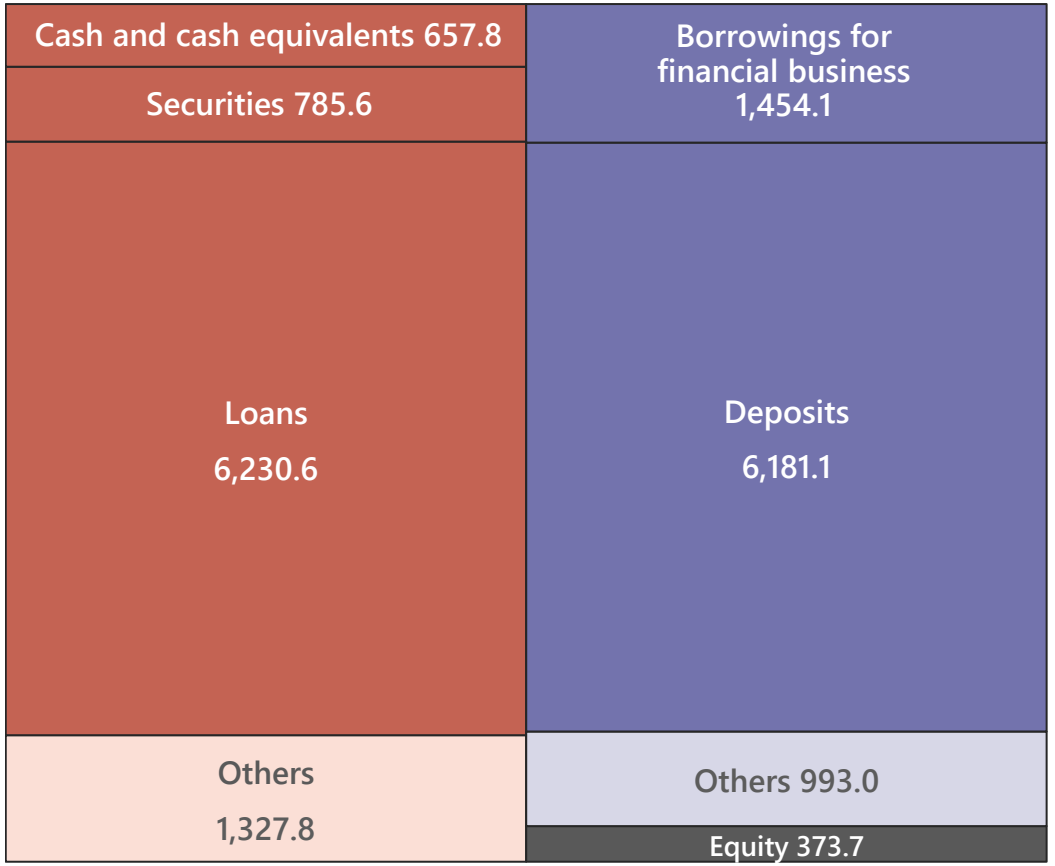
(as of the end of September 2026)

(Unit: billions of yen)



KDDI (Consolidated, excluding auFH)*
Total assets 9.84 trillion yen

(Unit: billions of yen)



au Financial Holdings (Consolidated)
Total assets 9.00 trillion yen

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

IFRS Base / Adjusted Profit

(Unit : billions of yen)

	Operating income			Profit for the period attributable to owners of the parent		
	FY26-03 H1	FY27-03 H1	YOY	FY26-03 H1	FY27-03 H1	YOY
IFRS base	555.0	559.3	+4.3	359.9	363.3	+3.4
AEON impairment losses	-	+55.7	+55.7	-	+47.1	+47.1
menu impairment losses	-	+12.7	+12.7	-	+9.9	+9.9
Kakaku.com remeasurement gain	-	+0	+0	-	(34.9)	(34.9)
Others	+0.7	+5.5	+4.8	(16.4)	+4.8	+21.2
Total adjustments	+0.7	+73.8	+73.1	(16.4)	+26.8	+43.2
Adjusted profit	555.7	633.1	+77.4	343.4	390.0	+46.6

Adjustments are primarily non-cash and have no particular impact on future cash generation.
If the sale of Kakaku.com is realized in H2, the adjustment to profit for the period is expected to be largely flat.

Business Portfolio Review

Generating approx. 150.0 billion yen* in cash from 13 divestments in H1

● Major divestment projects

Company Name	Timing of Sale	Remarks
LIFENET INSURANCE	April 2026	Life insurance
Loco Partners	June 2026	Travel industry
Gunosy	August 2026	News, game, media
Kakaku.com	TBD	Internet media (Decision to sell made in May 2026)
menu	Service terminated on September 30, 2026 (In liquidation)	Food delivery business

8 cases in addition to the above (including sale of strategic shareholdings)

* Includes pending sales. Based on the latest proposal amounts. As of November 6, 2026

Initiatives for Strengthening Group Governance

		Overview of initiatives	Progress	Going forward
Establishing rules and frameworks [Dry]	Rules	• Introduction of group-wide standards for procurement, credit management, etc. • Revision of KDDI Code of Business Conduct	• Rollout completed for all target companies (Jul.) • Revision completed (Jul.)	• Enhancing monitoring • Business portfolio review • Review of the role of seconded executives etc.
	Frameworks	• Continued implementation of three financial statements review meetings • Group finance review meeting (New) • Review and implementation of Group-wide recurrence prevention measures at Group Governance Enhancement Measures Meeting • AI system for credit screening, financial data anomaly detection tool	• Total of 4 meetings held (Jul.-Oct.) • Total of 7 meetings held since establishment (Sep.–Oct.) • Total of 5 meetings held. Measures to maintain awareness established (Sep.) • Operation started (Aug.)	
Building mutual trust [Wet]	Dialogue	• Visits by top management to major strategic subsidiaries • “Dialogue sessions” with top management of Group companies • Sessions with Group companies under the supervision of business division heads • Engagement sharing meetings	• Visited 13 companies (Apr.-Jul.) • Held at 52 companies (Jun.-Jul.) • Held at 79 companies (Apr.-Oct.) • Held with 45 participants from 23 companies (Sep.)	Further embedding across the Group • Sessions for representatives at each company • Governance enhancement month, etc.
	Training	• Education content on fraud and misconduct risks	• Completed by 100% of employees (Sep.)	

Execution of measures to pass on lessons and prevent it from fading, cultivating autonomous deterrence against fraud and misconduct (Mid- to long-term)

Spark Your Journey

KDDI

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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.