

# Consolidated Financial Highlights\*<sup>1</sup>

(Years ended March 31)

| Consolidated  | 2011       | 2012       | 2013       | 2014       |
|---|------------|------------|------------|------------|
| Operating Revenues/Operating Revenue <a href="#">▶ P. 49</a>                                | ¥3,434,546 | ¥3,572,098 | ¥3,662,289 | ¥4,333,628 |
| Operating Income <a href="#">▶ P. 49</a>  | 471,912    | 477,648    | 512,669    | 663,245    |
| Operating Margin  | 13.7%      | 13.4%      | 14.0%      | 15.3%      |
| EBITDA* <sup>3</sup>  | 936,315    | 908,499    | 959,571    | 1,186,069  |
| EBITDA Margin   | 27.3%      | 25.4%      | 26.2%      | 27.4%      |
| Net Income/Profit for the Year Attributable to Owners of the Parent <a href="#">▶ P. 49</a> | 255,122    | 238,605    | 241,470    | 322,038    |
| Capital Expenditures <a href="#">▶ P. 51</a>  | 443,677    | 421,568    | 467,020    | 571,799    |
| Depreciation and Amortization   | 449,318    | 417,886    | 406,726    | 470,098    |
| Interest-Bearing Debt <a href="#">▶ P. 50</a>   | 979,630    | 1,046,754  | 977,563    | 1,084,966  |
| Equity Ratio/Ratio of Equity Attributable to Owners of the Parent                           | 55.7%      | 51.5%      | 55.1%      | 55.1%      |
| Return on Equity/Ratio of Return on Equity Attributable to Owners of the Parent (ROE)       | 12.4%      | 11.5%      | 11.2%      | 13.0%      |
| Return on Assets/Ratio of Return on Total Assets (ROA)                                      | 12.4%      | 12.3%      | 12.7%      | 14.7%      |
| Earnings per Share/Basic Earnings per Share* <sup>4</sup> (yen/U.S. dollars)                | 96.92      | 96.86      | 105.30     | 132.87     |
| Dividends per Share* <sup>4</sup> (yen/U.S. dollars) <a href="#">▶ P. 49</a>                | 23.33      | 26.67      | 30.00      | 43.33      |
| Dividend Payout Ratio   | 24.1%      | 27.5%      | 28.5%      | 32.6%      |
| Net Cash Provided by (Used in) Operating Activities   | 717,354    | 725,886    | 523,908    | 772,207    |
| Net Cash Provided by (Used in) Investing Activities   | (440,546)  | (484,507)  | (472,992)  | (546,257)  |
| Free Cash Flows* <sup>5</sup> <a href="#">▶ P. 51</a>                                       | 276,808    | 241,379    | 50,916     | 225,950    |
| Net Cash Provided by (Used in) Financing Activities   | (279,998)  | (225,931)  | (140,249)  | (105,643)  |
| Number of Consolidated Employees (people)   | 18,418     | 19,680     | 20,238     | 27,073     |
| Number of Female Managers* <sup>6</sup> (people)  | 92         | 113        | 124        | 140        |
| Number of Consolidated Foreign Employees (people)   | —          | —          | —          | 2,630      |
| CO <sub>2</sub> Emissions* <sup>7</sup> (t) <a href="#">▶ P. 33</a>                         | 1,108,282  | 1,218,659  | 1,049,422  | 939,502    |
| Power Consumption* <sup>8</sup> (MWh)   | 1,995,042  | 2,190,787  | 1,885,703  | 1,686,480  |

\*<sup>1</sup> Terminology differences between Japanese GAAP and IFRS (adopted from the fiscal year ended March 31, 2016) will be presented as "Japanese GAAP/IFRS."

\*<sup>2</sup> Yen amounts are translated into U.S. dollar amounts, for convenience only, at the rate of ¥108.83 = U.S.\$1 on March 31, 2020.

\*<sup>3</sup> From the fiscal year ended March 31, 2013 and in the fiscal year ended March 31, 2015, the EBITDA calculation formula has been changed.

Until the fiscal year ended March 31, 2012 (JGAAP): EBITDA = Operating income + depreciation + noncurrent assets retirement cost

Until the fiscal year ended March 31, 2015 (JGAAP): EBITDA = Operating income + depreciation + amortization of goodwill + noncurrent assets retirement cost

Since the fiscal year ended March 31, 2015 (IFRS): EBITDA = Operating income + depreciation and amortization + noncurrent assets retirement cost + impairment loss

\*<sup>4</sup> Values are adjusted following stock splits conducted with effective dates of October 1, 2012, April 1, 2013, and April 1, 2015. Figures for previous fiscal years have been retroactively adjusted.

\*<sup>5</sup> Free cash flows = Net cash provided by (used in) operating activities + net cash provided by (used in) investing activities

\*<sup>6</sup> Including KDDI employees on loan outside of the Company in addition to full-time KDDI employees

\*<sup>7</sup> Covers electric power and fuel consumption (heavy oil, light oil, kerosene, and city gas) on a non-consolidated basis. The emission coefficient for electric power consumption is 0.555kg-CO<sub>2</sub>/kWh (emissions excluding heat, steam, and hot/cold water).

\*<sup>8</sup> Non-consolidated basis

| Japanese GAAP | IFRS            |            |            |            |            |                   |                            |
|---------------|-----------------|------------|------------|------------|------------|-------------------|----------------------------|
|               | Millions of yen |            |            |            |            |                   | Millions of U.S. dollars*2 |
| 2015          | 2015            | 2016       | 2017       | 2018       | 2019       | 2020              | 2020                       |
| ¥4,573,142    | ¥4,270,094      | ¥4,466,135 | ¥4,748,259 | ¥5,041,978 | ¥5,080,353 | <b>¥5,237,221</b> | <b>\$48,123</b>            |
| 741,299       | 665,719         | 832,583    | 912,976    | 962,793    | 1,013,729  | <b>1,025,237</b>  | <b>9,421</b>               |
| 16.2%         | 15.6%           | 18.6%      | 19.2%      | 19.1%      | 20.0%      | <b>19.6%</b>      | <b>19.6%</b>               |
| 1,292,597     | 1,284,553       | 1,410,971  | 1,524,207  | 1,560,061  | 1,598,670  | <b>1,750,861</b>  | <b>16,088</b>              |
| 28.3%         | 30.1%           | 31.6%      | 32.1%      | 30.9%      | 31.5%      | <b>33.4%</b>      | <b>33.4%</b>               |
| 427,931       | 395,805         | 494,878    | 546,658    | 572,528    | 617,669    | <b>639,767</b>    | <b>5,879</b>               |
| 576,197       | 667,714         | 531,434    | 519,365    | 560,831    | 601,757    | <b>615,054</b>    | <b>5,652</b>               |
| 494,570       | 518,708         | 532,442    | 545,177    | 546,609    | 562,282    | <b>689,473</b>    | <b>6,335</b>               |
| 1,002,214     | 1,154,116       | 1,235,287  | 1,151,650  | 1,118,616  | 1,275,711  | <b>1,680,367</b>  | <b>15,440</b>              |
| 57.3%         | 54.5%           | 56.3%      | 56.7%      | 57.4%      | 57.1%      | <b>45.8%</b>      | <b>45.8%</b>               |
| 14.9%         | 13.5%           | 15.5%      | 15.9%      | 15.6%      | 15.5%      | <b>14.9%</b>      | <b>14.9%</b>               |
| 14.5%         | 12.1%           | 14.5%      | 15.0%      | 15.0%      | 14.6%      | <b>12.1%</b>      | <b>12.1%</b>               |
| 170.84        | 158.01          | 197.73     | 221.65     | 235.54     | 259.10     | <b>275.69</b>     | <b>2.53</b>                |
| 56.67         | 56.67           | 70.00      | 85.00      | 90.00      | 105.00     | <b>115.00</b>     | <b>1.06</b>                |
| 33.2%         | 35.9%           | 35.4%      | 38.3%      | 38.2%      | 40.5%      | <b>41.7%</b>      | <b>41.7%</b>               |
| 962,249       | 968,752         | 884,538    | 1,161,074  | 1,061,405  | 1,029,607  | <b>1,323,356</b>  | <b>12,160</b>              |
| (674,520)     | (635,745)       | (667,917)  | (637,225)  | (633,847)  | (714,578)  | <b>(610,950)</b>  | <b>(5,614)</b>             |
| 287,729       | 333,006         | 216,621    | 523,849    | 427,558    | 315,028    | <b>712,406</b>    | <b>6,546</b>               |
| (224,862)     | (310,528)       | (299,003)  | (485,784)  | (453,168)  | (310,951)  | <b>(546,381)</b>  | <b>(5,020)</b>             |
| 28,172        | 28,456          | 31,834     | 35,032     | 38,826     | 41,996     | <b>44,952</b>     | <b>44,952</b>              |
| 177           | 177             | 251        | 270        | 302        | 321        | <b>342</b>        | <b>342</b>                 |
| 2,624         | 2,624           | 4,380      | 4,423      | 4,308      | 4,208      | <b>4,393</b>      | <b>4,393</b>               |
| 1,044,357     | 1,044,357       | 1,081,553  | 1,067,495  | 1,163,912  | 1,200,753  | <b>1,260,162</b>  | <b>1,260,162</b>           |
| 1,873,293     | 1,873,293       | 1,939,115  | 1,913,747  | 2,086,626  | 2,151,456  | <b>2,258,518</b>  | <b>2,258,518</b>           |