

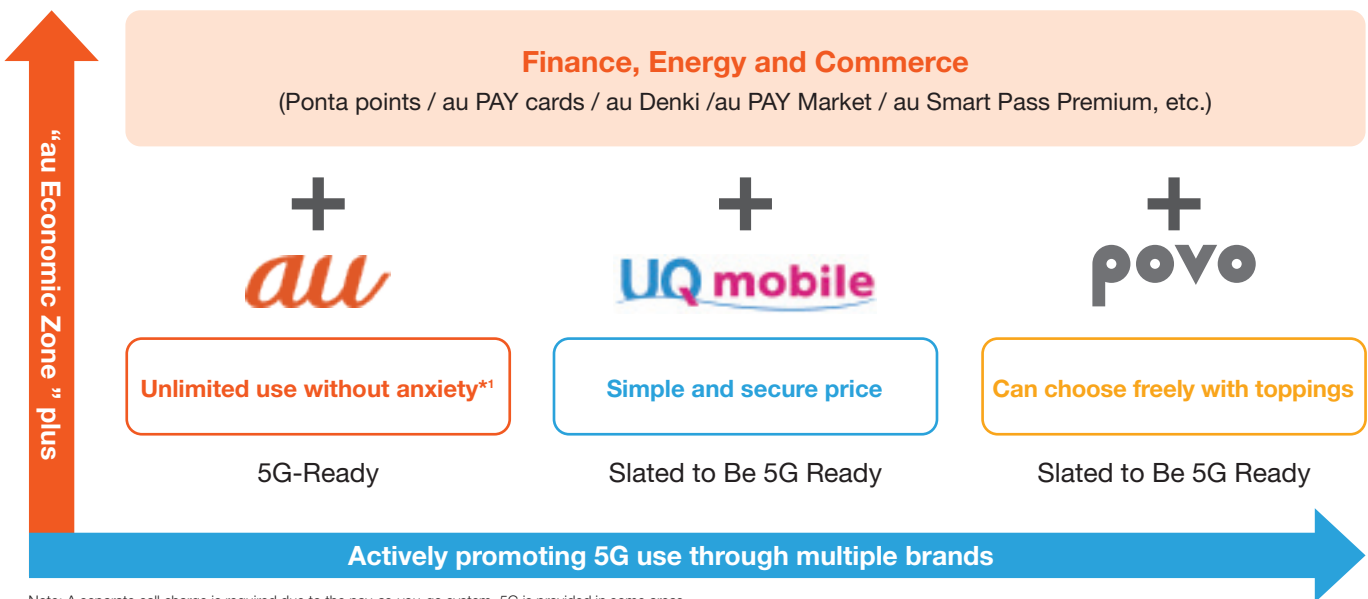
Our Future 1

Multi-Brand Strategy

In the mobile market in Japan, competition is being spurred by an expansion of budget smartphones, including MVNOs, and the market entry of a fourth telecommunications provider.

We will continue meeting customer needs, including pricing plans aligned to customer usage styles, as we aim to achieve growth in Multi-Brand Total ARPU by expanding 5G services and the “au Economic Zone.”

Aiming for Multi-Brand Total ARPU Growth through 5G × the “au Economic Zone”



Note: A separate call charge is required due to the pay-as-you-go system. 5G is provided in some areas.
 *1 There are limits on data volumes for tethering and other functions. Speed may be controlled during congestion.

Multi-Brand Strategy

KDDI began offering “povo” with free-to-choose “toppings” from March 2021 in addition to unlimited-use “au” and the simple and secure price “UQ mobile.” UQ mobile will begin providing 5G service from September.

We will continue providing pricing plans that meet various needs and lifestyles and quickly create environments that enable the “AUGMENTED EXPERIENCE” value only possible with 5G. In this way, we aim to actively promote 5G use through multiple brands and increase data use by acquiring more new contract users and expanding 5G coverage.

In addition, from the perspective of “au Economic Zone” plus, we are bundling mobile services with services in the Life Design Domain, specifically financial services, including au PAY Card and mortgage, as well as energy services from au Denki, commerce services from au PAY Market, and au Smart Pass Premium. In this way, we will enhance engagement with customers as we strive to maximize the “au Economic Zone.”

We aim to achieve Multi-Brand Total ARPU growth by actively promoting 5G use and maximizing the “au Economic Zone.”

The Trusted au Network Building 5G Areas and Rolling Out Service Nationwide

As for building its 5G areas, KDDI is developing areas with an emphasis on the places our customers frequent most. From June 2021, we enabled use of our 5G network on all stations of the Osaka Loop Line and the Yamanote Line. In addition, we announced the au “Rail Line 5G Conversion” Declaration*2 with the aim of turning rail lines into 5G areas. By the end of fiscal year 2022.3, we aim to create 5G areas at major stations along 5 lines in Kansai and 21 lines in Kanto (including JR and private railways), the platforms of those stations, as well as the trains that run on the lines.

In addition, when rolling out 5G nationwide, we will convert existing frequencies into 5G, in addition to utilizing new frequencies specifically for 5G. We expect to expand base stations to around 50,000 in March 2022, nationwide population coverage ratio 90%.

Under the slogan Zutto, Motto, Tsunagu Zo, au (Connecting more and always with au), we aim to provide communications services that continuously connect people, and we will continue providing 5G experiential value to customers going forward.

5G Area Nationwide Rollout

The end of March 2022

- Base Stations Approx. **50,000** stations (E)
- Nationwide population coverage ratio Approx. **90%***3 (E)

In addition to the new frequencies 3.7/4.0/28GHz, 5G conversion of existing frequencies is also underway
Promoting 5G network in preparation for the SA (Standalone) era

*2 This does not guarantee use of 5G services inside train stations.
*3 -Nationwide population coverage ratio is calculated based on the area where communication is possible in 50% or more of the approximately 500 square meter sections used for the national census. 700MHz is the target for this coverage ratio

Simple and Secure Price “UQ mobile”

Following its merger with KDDI in October 2020, UQ mobile debuted as a new plan, and we began offering new carry over plan at simple and secure price from February 2021.

From June 2021, we began offering the “Discount with Denki (Electricity)” on telecommunications fees for individuals and families by joining eligible electric services. In early July 2021, all au Style and au shops locations nationwide began handling UQ mobile (excluding some stores).

As customer needs diversify, we aim to make UQ mobile a brand that is more closely aligned with customer lifestyles.

UQ mobile

Closer to customers' lives

Discount with Denki (Electricity)

Always a discount for families and individuals

Discount with Denki (Electricity) For Carry over Plan S

Pre-discount rate
¥1,480/month
(tax included ¥1,628)

Per person **¥900/month~ Forever** (tax included ¥990/month~)
Call charges of ¥22 per 30 seconds (tax included) will be charged separately

Data capacity 3GB/month

“au Economic Zone” services now also available on “UQ mobile”

Full support

Information at all au Style / au shops**

Can choose Smartphone

We offer everything from the latest iPhones to the latest budget-friendly phones

*4 Excluding some stores

povo, Can Choose Freely with Toppings

From March 2021, we began offering the new pricing plan brand “povo.” povo is not a simple concept of being online only. We launched it with the aim of newly offering the unique value of “toppings.”

The plan features simple, speedy processing and can easily be customized to align with usage styles. Customers can choose from the toppings such as “5 Mins Voice” and “Unlimited Data 24h” depending on their usage style. Going forward, we will continue to add new toppings.

In addition, we opened the “povo Lab” in May 2021 as a co-creation place to promote development of toppings and services while incorporating customer feedback. By collaborating with customers and partner companies, we will continue adding toppings and providing new value to customers.

By building 5G areas and pursuing a Multi-Brand Strategy, we will evolve this into a more attractive brand based on customer needs.

povo

Providing unique value that we call “toppings”

What you want, only what you want, when you want it!

5 Mins Voice*5,6	Unlimited Voice*5	Unlimited Data 24h*7	1GB Data Addition
------------------	-------------------	----------------------	-------------------

Plus service topping Sequentially added

Feel free

Quick and easy set-up

Customers customize their user experience

Co-creating toppings with customers through povo Lab

Customers

Collaboration

povo Lab

Partner companies

Note: povo is the online-only plan
*5 Some calls are not applicable.
*6 A separate call charge is required for over 5 minutes.
*7 Control during congestion and communication with videos, etc.