



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, 2024 [IFRS]

November 1, 2024

Company name: **KDDI CORPORATION** URL <https://www.kddi.com>  
 Stock listing: Tokyo Stock Exchange - Prime Market  
 Code number: 9433  
 Representative: Makoto Takahashi, President and Chief Executive Officer  
 Scheduled date of semiannual securities report filing: November 8, 2024  
 Scheduled date of dividend payment: December 3, 2024  
 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, 2024 (April 1, 2024 - September 30, 2024)

#### (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, 2024	2,855,713	2.8	573,086	2.3	563,554	(3.4)	389,264	(4.4)	351,202	(4.7)	331,308	(27.4)
Six-month period ended September 30, 2023	2,778,967	1.4	560,274	0.2	583,213	4.0	407,064	5.4	368,680	3.8	456,414	12.9

	Basic earnings per share		Diluted earnings per share	
	Yen		Yen	
Six-month period ended September 30, 2024	171.21		171.17	
Six-month period ended September 30, 2023	171.75		171.71	

Note: In the fourth quarter of the fiscal year ended March 31, 2024, the Company established provisional accounting procedures related to business combinations. The figures for the interim period of the fiscal year ended March 31, 2024 reflect the application of provisional accounting procedures.

#### (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, 2024	15,808,645	5,658,400	5,132,055	32.5%
As of March 31, 2024	14,146,060	5,797,226	5,253,362	37.1%

### 2. Dividends

	Dividends per share				
	1 <sup>st</sup> Quarter End	2 <sup>nd</sup> Quarter End	3 <sup>rd</sup> Quarter End	Fiscal Year End	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2024	—	70.00	—	70.00	140.00
Year ending March 31, 2025	—	70.00			
Year ending March 31, 2025 (forecast)			—	75.00	145.00

Note: Changes in the latest forecasts released : No

### 3. Consolidated Financial Results Forecast for Year ending March 31, 2025 (April 1, 2024 to March 31, 2025)

(Percentage represents comparison to previous fiscal year)

	Operating revenue		Operating income		Profit for the year attributable to owners of the parent		Basic earnings per share	
	%		%		%		Yen	
Entire fiscal year	5,770,000	0.3	1,110,000	15.4	690,000	8.2	340.01	

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, 2024 : None

Addition: None

Exclusion: None

(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, 2024	2,191,846,416
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	As of March 31, 2024	2,302,712,308
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2) Number of treasury stock	As of September 30, 2024	176,073,772
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	As of March 31, 2024	220,458,160
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3) Number of weighted average common stock outstanding	For the six-month period ended September 30, 2024	2,051,339,150
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(cumulative for all quarters)	For the six-month period ended September 30, 2023	2,146,598,015
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Note: The 952,188 shares as of September 30, 2024 and the 1,074,019 shares as of March 31, 2024 of KDDI'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 KDDI and certain assumptions which are regarded as legitimate. Actual results may differ significantly from these forecasts due to various factors. Please refer to P.11 "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 1, 2024, KDDI 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, KDDI 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**

### **1) Results Overview**

#### **Industry Trends and KDDI's Position**

With communication technologies being integrated into everything and playing an increasingly important role in modern society, we are entering an era in which a new type of value is being created across all of society, including in industry and people's everyday life. In addition, Japan can expect to see a transformation in the structure of industry with the progression of efforts to realize a sustainable society through improvements in productivity and decarbonization.

In May 2024, KDDI updated its business strategy, naming it the New Satellite Growth Strategy, in response to rapid environmental changes sweeping through society, including the advance of digital social infrastructure driven by data and generative AI. Under the updated business strategy, we will strive to achieve "KDDI VISION 2030: Creating a society where everyone can realize their dreams by evolving the 'power to connect.'" Going forward, the Company will maintain its mission of connecting and protecting lives, connecting day-to-day lives, and connecting hearts and minds. We continue aiming to enhance corporate value and promote the sustainable growth of society by fulfilling our important social role and delivering thrilling customer experiences that exceed expectations.

Under the New Satellite Growth Strategy, we are accelerating the evolution of the "power to connect" by creating new value with all our partners, centering our efforts in the core businesses on promoting the practical application of generative AI and the implementation of data-driven practices based on high-quality and highly reliable 5G telecommunications. Regarding the practical application of generative AI, we are striving to create value by leveraging the Group's computational infrastructure and network resources while collaborating with a startup that boasts Japan's best R&D capabilities for large language models (LLMs).

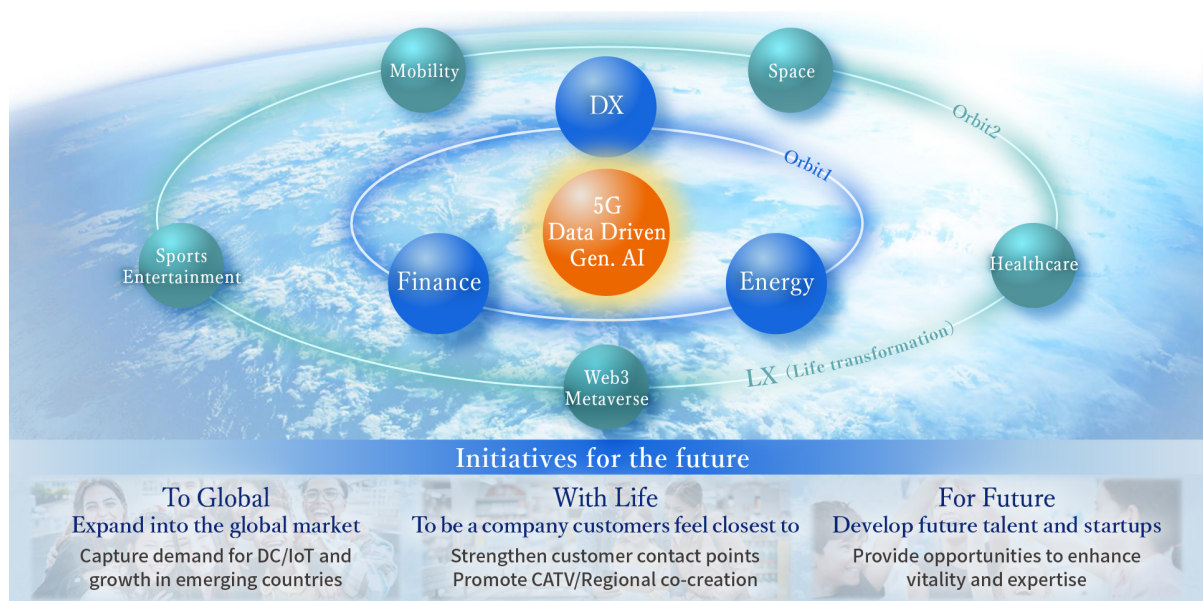
In addition to pursuing collaboration in core business areas, we will focus on the three fields of digital transformation (DX), finance, and energy as business fields that drive the Company's growth (Orbit 1 ). We will continue accelerating growth mainly by working hard to maximize synergy with the telecommunications business and collaborating with partners. In the DX field in particular, we launched WAKONX in May 2024 as a new business platform for this era of AI-integration.

WAKONX is accelerating the business growth of Japanese companies and the resolution of social and industrial issues by providing one-stop services encompassing AI, databases, networks, operations, and maintenance, all of which are indispensable to accelerating DX in society.

In addition, as for business fields in which we are striving to achieve new growth (Orbit 2), we established the five fields of mobility, space, healthcare, Web3 and metaverse, and sports and entertainment. We aim to further expand business by leveraging the Company's strengths of telecommunications and new technologies while striving to transform customer lifestyles through partnerships.

In addition, KDDI concluded a capital and business alliance agreement with Lawson, Inc. and Mitsubishi Corporation (MC) in February 2024 to forcefully promote the New Satellite Growth Strategy in real consumer life situations. In August 2024, following KDDI's acquisition of Lawson's shares, Lawson transitioned to a joint management structure with MC and KDDI each holding 50% of the shares. Aiming to transform Lawson into the convenience store of the future, the three companies utilize AI and DX technologies and the business foundations of MC and KDDI to promote the expansion of Real × Tech Convenience. They also collaborate with local municipalities with the aim of solving social issues faced by communities and work on further enhancing the role of Lawson stores as local relaxation stations. Furthermore, in TAKANAWA GATEWAY CITY, which is where KDDI plans to relocate its headquarters in spring 2025, we will open two Lawson stores (one on an office floor and the other on a general floor) as experimental labs for various retail tech with the aim of realizing the transformation of these outlets into the convenience stores of the future. Going forward, we aim to expand Real × Tech Convenience to other stores by reflecting the results of pilot tests in Takanawa. We aim to continue enhancing the sustainable growth of society and the corporate value of both companies in part by promoting an expansion of the Ponta Point economic zone and utilizing data to enhance marketing.

Furthermore, KDDI aims to create a society where everyone can realize their dreams as "the company the customer can feel closest to" by promoting future-oriented initiatives with the themes of "To Global," "With Life," and "For Future" in tandem with the New Satellite Growth Strategy.



KDDI has announced “realizing carbon neutrality” as one of its material issues and is proactively undertaking initiatives aimed at achieving this goal. Regarding the realization of carbon neutrality, which is one of the Company’s material issues, we formulated new targets in May 2024 and aim to achieve net-zero CO2 emissions throughout the supply chain, including Scope 3 emissions, by FY2040. To achieve this target, we aim to achieve net-zero CO2 emissions throughout the entire Group by FY2030 and actively promote a shift toward renewable energy and greater power efficiency for our mobile phone base stations and telecommunications equipment.

To continue sustainably growing amid a rapidly changing business environment, we need to promote innovation and transform into a company that puts human resources first, encouraging advanced autonomy and growth among employees and organizations. In promoting innovation, we will continue conducting R&D for advanced technologies focused on Beyond 5G and 6G while promoting collaboration with external partners and open innovation through alliances with industry, academia, and government. Moreover, we will keep collaborating with competitors, for example, sharing 5G equipment with SoftBank Corp.

Regarding our transformation into a company that puts human resources first, we promote this across three pillars, namely: engraining the new personnel system, developing professional human resources through the KDDI Version Job Style Personnel System, and enhancing employee engagement. We have also shifted crucial members to focus areas by training professional human resources and enhance the DX skills of all employees by utilizing KDDI DX University.

We will also continue working to strengthen our risk management and information security systems and promote unified group management through the synergistic effect of the KDDI Philosophy, which serves as a common policy and code of conduct for both management and employees, and a corporate governance system that respects human rights and ensures transparency and fairness.

## Financial Results

For the six-month period ended September 30, 2024

(yen in millions)

	Six Months Ended			
	September 30, 2023	September 30, 2024	Change	Percentage Change
Operating revenue	2,778,967	<b>2,855,713</b>	76,745	2.8%
Cost of sales	1,556,562	<b>1,592,190</b>	35,628	2.3%
Gross profit	1,222,405	<b>1,263,522</b>	41,118	3.4%
Selling, general and administrative expenses	685,193	<b>708,218</b>	23,025	3.4%
Other income and expense (Net)	19,775	<b>3,924</b>	(15,851)	(80.2)%
Share of profit (loss) of investments accounted for using the equity method	3,288	<b>13,857</b>	10,569	321.4%
Operating income	560,274	<b>573,086</b>	12,811	2.3%
Finance income and cost (Net)	11,720	<b>(11,460)</b>	(23,179)	—
Other non-operating profit and loss (Net)	11,219	<b>1,928</b>	(9,291)	(82.8)%
Profit for the period before income tax	583,213	<b>563,554</b>	(19,659)	(3.4)%
Income tax	176,149	<b>174,290</b>	(1,860)	(1.1)%
Profit for the period	407,064	<b>389,264</b>	(17,800)	(4.4)%
Attributable to owners of the parent	368,680	<b>351,202</b>	(17,478)	(4.7)%
Attributable to non-controlling interests	38,383	<b>38,062</b>	(321)	(0.8)%

Beginning in the six-month period ended September 30, 2024, we have reassessed certain operating segments of our company, consolidated subsidiaries, and associated companies based on organizational changes. Accordingly, the segment information for the six-month period ended September 30, 2023 is presented based on the segment reclassification by this change.

In addition, the Company established provisional accounting procedures related to business combinations in the fourth quarter of the previous fiscal year. The figures for the interim period of the fiscal year ended March 31, 2024 reflect the application of provisional accounting procedures.

During the six-month period ended September 30, 2024, operating revenue increased by 2.8% year on year to ¥2,855,713 million mainly due to an increase in revenue from mobile handset sales and the finance business as well as an increase in revenue attributable to an expansion in growth fields comprising IoT-related services, data centers, digital BPO, despite decreases in energy business revenue due to the impact of changing certain transactions of subsidiaries from gross accounting to net accounting for an alteration in distribution channels and decreases in roaming revenue.

Operating income increased by 2.3% year on year to ¥573,086 million mainly due to an increase in gross handset sale profit, net energy business profit, and communication ARPU income as well as an increase in revenue attributable to an expansion in growth fields.

Equity attributable to owners of the parent decreased by 4.7% on year to ¥351,202 million, due to the increase in operating income in addition to the one-off impact of the revaluation of foreign currency-denominated receivables and payables, which had resulted in foreign exchange gains due to the weakening of the yen in the previous fiscal year, but which was offset by the strengthening of the yen in the current fiscal year, resulting in foreign exchange losses, as well as the impact of organizational changes to subsidiaries and associates in the previous fiscal year.

## 2) Results by Business Segment

### Personal Services

The Personal Services segment provides services to individual customers.

In Japan, we aim to provide new added value and experience value by expanding 5G telecommunication services and other services such as finance, energy, and LX(Life Transformation) in a coordinated manner through our multi-brands “au,” “UQ mobile,” and “povo,” and are also working with local partners to eliminate the digital divide and achieve sustainable regional co-creation.

Overseas, we are leveraging our business know-how cultivated in Japan to provide telecommunication services and financial and entertainment services such as video and games to individual customers in Myanmar, Mongolia, and other Asian regions. In addition, we are working to enhance the convenience of telecommunication services for customers going overseas from Japan and customers visiting Japan from overseas.

### **First-Half Highlights**

- We provide pricing plans that are 5G-ready and meet the needs of every customer through three brands that are based on distinct brand slogans. We are promoting measures that leverage the unique characteristics of each brand in our multi-brand strategy that encompasses “au” with “toward an interesting future,” “UQ mobile” with “simple for everyone,” and “povo” with “to the freedom that’s right for you together.”  
The number of “au Money Activity Plan” contracts surpassed 1 million in July 2024. The plan’s October 2024 receipt of the No. 1 rank in J.D. Power Japan, Inc.’s new Smart Phone Finance and Payment Linked Plan Customer Satisfaction Survey\*1 is proof of its popularity. In July 2024, we began providing Smart Phone Start Plan Basic, which allows customers to inexpensively use up to 30GB of data, as a new initiative based on the usage patterns of younger customers. From August 2024, we began providing “au Fixed-Price Storefront Support,” which enables customers to use storefront services, including at au Style and au Shop, for a fixed monthly fee. Customers can easily consult staff an unlimited number of times regarding their smartphone-related questions and problems, including how to use their smartphone and transfer smartphone data. Through UQ mobile, starting in November, we will launch the "Comi Comi Plan +" which increases the data capacity from 20GB to 30GB while keeping the existing "Comi Comi Plan" usage fees unchanged, providing competitive new plan. Additionally, from June 2024, we began providing the Smartphone Good Value Program with UQ smartphones. This program, which had previously only been available to au smartphones, grants awards to customers who just return handsets without needing to buy a new one. And now any customer can sign up easily to get this deal. In July 2024, based on the increase in the volume of data that customers use, we launched the “Comi Comi Plan Data Increased Volume Campaign.” We also held the Big Giveaway Fair! for customers switching over from other carriers as well as customers already using UQ mobile. And, we launched a Thank You Campaign in commemoration of UQ mobile contracts surpassing 10 million lines. All these efforts earned us high praise.  
Through povo, we continue to provide the many various toppings that customers can choose from to fit their usage style. We are providing more flexible offerings through the Unlimited Data (3 hour period), which can be freely used for a short time period, and the limited time topping called Mountain Cabin Wi-Fi, which enables stable telecommunications even in mountain cabins where signals have difficulty reaching. In September 2024, povo was ranked No.1 in the online-only brand/plan category of the Mobile Phone Service Satisfaction Survey by J.D. Power Japan, Inc., garnering praise for the previously mentioned initiatives and our customer service quality. Going forward, we plan to begin to offering service through Lawson convenience stores, which will serve as a new customer contact point, while leveraging the existing benefits of being an online-only plan, as we plan to launch "povo Data Oasis," where customers can perform giga charges at Lawson stores, within this year, and continue offering new experiences in smartphones for domestic and international customers.
- The Company is developing the most 5G base stations (approximate 94,000 stations) and Sub6 base stations (approximate 39,000 stations) in the industry in order to establish an area that will serve as the foundation for future telecommunications. The Sub6 area (3.7GHz/4.0GHz), which enables high-volume and high-speed 5G telecommunications, expanded 2.8 times in the Kanto region and 1.5 times across Japan (compared with January 31, 2024). With the cooperation of satellite telecommunications operators, satellite static has eased, and it is now possible to optimize antenna angles and enhance the output of base stations. In Sub6 areas, we approximately tripled telecommunication speeds compared with conventional 5G,\*2 and customers can now enjoy more a convenient telecommunication environment, including for watching high-quality videos and playing games. Thanks to these efforts, we were able to clinch the No. 1 spot in 13 out of the 18 total categories of the Mobile Network User Experience Report for the Japanese market released by the global network analytics company, Opensignal, in October 2024. In addition to again winning in the five categories we won in the previous report in April 2024, we snagged the No. 1 spot in eight new categories, including consistent quality and reliable experience. We received the

most awards among MNOs in Japan.

KDDI has proactively established service areas in high traffic areas, such as train lines and commercial areas, to connect customers as they go about their day-to-day life. In addition, to connect customers on their more extraordinary days, we push the boundaries of telecommunication by using mobile base stations and Starlink to provide connection during outdoor events and in mountainous areas, where laying optical cables is difficult. In 2024, we plan to provide direct telecommunication services for satellites and smartphones and thereby expand the au area across all of Japan. Through these efforts, we will provide experiences that provide connections on ordinary days and extraordinary days, anywhere you can see the sky.

- au Smart Pass Premium was transformed into Ponta Pass in October 2024. In addition to the existing awards for au Smart Pass Premium, we added two new services: Weekly LAWSON, which provides coupons worth up to ¥600 a month that cover both free and discounted items at Lawson, and Ponta Pass Boost, which provides a maximum of four times (2%) the normal Ponta Point awards (0.5%) when paying with au PAY at Lawson. Through the transformation into Ponta Pass, we will continue enhancing awards to make Lawson a better deal and further expand the Ponta economic zone.
- The financial business steadily expanded its operations, with the number of au PAY Card members rising to 9,840,000 and au Jibun Bank accounts reaching 6,390,000 as of September 2024. In the Oricon Customer Satisfaction® Survey released by oricon ME in August 2024, our mainstay home loan product ranked No. 1 in two categories: interest rates and completeness of group credit life insurance. This was the fourth consecutive year since 2021 we ranked No. 1 for interest rates and the third consecutive year since 2022 we ranked No. 1 for completeness of group credit life insurance. We garnered praise from customers, and our home loan balance increased to ¥3.7 trillion as of August 2024, up 159.8% year on year. Going forward, through the au Financial Group's full lineup of financial services and Smart phone centric user experience value, we will continue to realize connective finances that make finances more personal for all people.
- In the energy business, in July 2024, we began conducting trials of the Home Power Station Service for customers who live in Tokyo Prefecture, excluding the islands. With the aim of providing electricity at a discounted price, this service involves the installation of solar panels and storage batteries at customers' residences and is free of both initial expenses and monthly fixed fees. In the same month, KDDI, au Renewable Energy, Tokyo Electric Power Holdings, and Enaris announced they would construct storage battery facilities from December 2024 and install au Renewable Energy's first large-scale storage batteries at the KDDI Oyama Network Center with the aim of launching a storage battery business to be operated by au Renewable Energy from the second half of FY2025, we will continue promoting efforts to encourage use of renewable energy, create a sustainable society, conserve the environment, and solve local issues.
- In Mongolia, the consolidated subsidiary MobiCom Corporation LLC is maintaining the position as No. 1 in domestic market share,\*3 and the business is progressing smoothly. In July 2024, continuing on from 2021, MobiCom began the fourth part of the Smart Education Project, providing equal education opportunities to children through the free upgrading of digital classrooms, including electronic blackboards. In addition, in Myanmar,\*4 when floods occurred with the arrival of Typhoon 11 in September 2024, we continued locally aligned activities, such as providing aid, including necessities, providing free telephone and text messaging services to those affected are striving to maintain the telecommunication services that are indispensable to the citizens' lives while being careful to protect the safety of relevant parties.

\*1. Source: J.D. Power Japan, Inc.'s 2024 Smartphone Finance and Payment Linked Plan Customer Satisfaction Survey. Responses were collected from 1,152 users of finance and payment linked plans provided by mobile phone service companies. <https://japan.jdpower.com/awards>

\*2. A comparison of 5G (4G transfer) and 5G (Sub6) in terms of general real-world speeds. As of May 2024. KDDI's own research.

\*3. As of September 30, 2024. Source: GSMA Intelligence

\*4. KDDI Summit Global Myanmar Co., Ltd., a consolidated subsidiary, supports the telecommunications business operations of Myanma Posts & Telecommunications (MPT).

Operating performance in the Personal Services segment for the six-month period ended September 30, 2024 is described below.

## **Results**

### **For the six-month period ended September 30, 2024**

(yen in millions)

	Six Months Ended			
	September 30, 2023	September 30, 2024	Change	Percentage Change
Operating Revenue	2,325,787	<b>2,323,922</b>	(1,866)	(0.1)%
Operating Income	455,817	<b>455,191</b>	(626)	(0.1)%

During the six-month period ended September 30, 2024, operating revenue decreased by 0.1% year on year to ¥2,323,922 million mainly due to an increase in revenue from handset sales and the finance business, which was offset by a decrease in revenue from the energy business due to a change in the commercial distribution of some subsidiary transactions from gross to net accounting, as well as a decrease in roaming revenue.

Operating income decreased by 0.1% year on year to ¥455,191 million mainly due to an increase in gross handset sale profit, net energy business profit, and communication ARPU income, however, this was offset by a decrease in roaming revenue.

## **Business Services**

The Business Services segment mainly provides a wide range of corporate customers in Japan and overseas with a variety of solutions encompassing smartphones and other devices, network and cloud services, and Telehouse brand data center services. In addition to this, we established the new business platform WAKONX for the AI era. We are working to solve industry-specific problems faced by corporate customers and contributing to customers' business growth and social issue solutions. We continue to provide global one-stop solutions that contribute to the development and expansion of our customers' businesses through IoT and DX centered on 5G communications in collaboration with our partners.

### **First-Half Highlights**

- KDDI developed the Contact Center Operation Specialization LLM Application, which enhances data analysis and operational efficiency, with Altius Link and ELYZA. In September 2024, we began providing Altius ONE for Support, a service for contact centers provided by Altius Link, as a standard function. Through the LLM app features like dialogue summaries and text generation, we can make operations more efficient and expect to reduce operational burden and enhance service quality. Going forward, we will promote LLM app development and synchronization with peripheral systems related to various contact centers, such as voice recognition engines. We will utilize this app to evaluate engagement quality and analyze the reasons customers call in. We will continue enhancing the quality of the contact center operation services and the sophistication of data analysis offered by Altius Link. Going forward, we will further accelerate collaboration among the three companies and promote the BPO business, which contributes to customers' business growth and social issue solutions through WAKONX.
- In August 2024, Nexa Ware, a joint venture between KDDI and Tsubakimoto Chain, began providing the Nexa Warehouse-Optimizer data analysis service for distribution warehouses to help solve labor shortages and 2024 distribution problems. This service analyzes and utilizes warehouse data to optimize operational processes. It also automatically creates worker shifts that give due consideration to people, workload, and time. Through digitalization using the web dashboard, we visualize and propose shifts that will ensure more efficient warehouse operations. In advance of wider market distribution, KDDI introduced the service in August 2024 at its own distribution centers and will roll it out going forward as an asset of WAKONX Logistics. We promote warehouse DX that realizes total integration from efficient operations using robots to optimization using data analysis. This will not only aid warehouse operations, it will also make deliveries more efficient by optimizing the use of the physical internet\*1 and contribute to optimization across the entire supply chain.
- In September 2024, we began providing Facility Solutions, which supports everything from the formulation of new office concepts to management. These solutions do everything from providing electronic telecommunications installations, such as KDDI's provision of LANs, to holding hearings about issues, aiding in the formulation of new office concepts, setting device specs, and offering post office installment management support, for example, helping accommodate layout changes. By offering comprehensive services, Facility Solutions makes it unnecessary to contract individual operators, such as movers, designers, and engineers, when constructing offices and enables the centralized management of schedules and costs. Moreover, KDDI plans to relocate its headquarters to TAKANAWA GATE CITY in spring 2025. By utilizing its knowledge of smart buildings and smart cities gained from this relocation, we will continue to further enhance customer value, such as making workplace tasks more efficient and optimizing costs.

Going forward, we will continue to expand our business with the aim of being customers' true first choice of business partner and helping develop and expand the business of corporate customers.

\*1. A system for sharing data on deliveries, warehouses, and vehicle loads with companies across industries and for selecting optimal transportation routes while engaging in the efficient joint delivery of cargo.

Operating performance in the Business Services segment for the six-month period ended September 30, 2024, is described below.

## **Results**

### **For the six-month period ended September 30, 2024**

(yen in millions)

	Six Months Ended			
	September 30, 2023	September 30, 2024	Change	Percentage Change
Operating Revenue	594,663	<b>672,430</b>	77,767	13.1%
Operating Income	102,301	<b>113,669</b>	11,368	11.1%

During the six-month period ended September 30, 2024, operating revenue increased by 13.1% year on year to ¥672,430 million mainly due to an increase in revenue attributable to an expansion in growth fields comprising IoT-related services, data centers, digital BPO, and other similar businesses.

Operating income increased by 11.1% year on year to ¥113,669 million mainly due to an increase in operating revenue.

## (2) Overview of Financial Position

### 1. Financial Position

	March 31, 2024	September 30, 2024	(yen in millions) Change
Total assets	14,146,060	15,808,645	1,662,585
Total liabilities	8,348,833	10,150,244	1,801,411
Total equity	5,797,226	5,658,400	(138,826)
Equity attributable to owners of the parent	5,253,362	5,132,055	(121,307)
Ratio of equity attributable to owners of the parent to total assets	37.1%	32.5%	(4.7)%

#### (Assets)

Total assets increased by ¥1,662,585 million from the previous fiscal year-end to ¥15,808,645 million as of September 30, 2024 mainly due to an increase in loans for financial business and investments accounted for using the equity method despite a decrease in long-term financial assets and other assets.

#### (Liabilities)

Total liabilities increased by ¥1,801,411 million from the previous fiscal year-end to ¥10,150,244 million as of September 30, 2024 mainly due to an increase in deposits for financial business and borrowings and bonds payable despite a decrease in call money.

#### (Equity)

Total equity amounted to ¥5,658,400 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 37.1% as of March 31, 2024, to 32.5% as of September 30, 2024.

## 2. Consolidated Cash Flows

(yen in millions)

	Six Months Ended		
	September 30, 2023	September 30, 2024	Change
Net cash provided by (used in) operating activities	706,657	892,073	185,415
Net cash provided by (used in) investing activities	(475,897)	(715,007)	(239,110)
Free cash flows (Note)	230,760	177,066	(53,694)
Net cash provided by (used in) financing activities	(218,467)	74,056	292,522
Effect of exchange rate changes on cash and cash equivalents	7,434	(4,195)	(11,629)
Net increase (decrease) in cash and cash equivalents	19,728	246,926	227,199
Cash and cash equivalents at the beginning of the period	480,252	887,207	406,955
Cash and cash equivalents at the end of the period	499,979	1,134,133	634,154

Note: 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 increased ¥185,415 million year on year to ¥892,073 million mainly due to a significant increase in deposits for financial business.

Net cash used in investing activities increased ¥239,110 million year on year to ¥715,007 million mainly due to an increase in expenditures for the acquisition of shares in affiliated companies such as Lawson, Inc.

Net cash provided by financing activities increased ¥292,522 million year on year to ¥74,056 million mainly due to the increase in revenue from bond issuance and long-term borrowings, etc.

Reflecting these factors and a decrease of ¥4,195 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, 2024, increased by ¥246,926 million from March 31, 2024 to ¥1,134,133 million.

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

For the fiscal year ending March 31, 2025, the Group forecasts operating revenue of ¥5,770,000 million, operating income of ¥1,110,000 million, and profit for the year attributable to owners of the parent of ¥690,000 million. No changes have been made from the details stated in the Summary of Financial Results for the fiscal year ended March 31, 2024 (disclosed on May 10, 2024).

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

	March 31, 2024	September 30, 2024
(yen in millions)		
<b>ASSETS</b>		
Non-current assets :		
Property, plant and equipment	2,786,933	2,814,152
Right-of-use assets	425,173	411,348
Goodwill	568,134	579,266
Intangible assets	1,062,683	1,035,014
Investments accounted for using the equity method	301,037	821,278
Long-term loans for financial business	3,200,059	4,051,775
Securities for financial business	413,767	423,294
Other long-term financial assets	391,453	347,623
Retirement benefit assets	5,096	5,746
Deferred tax assets	17,948	18,532
Contract costs	685,310	685,426
Other non-current assets	36,678	38,668
Total non-current assets	9,894,271	11,232,121
Current assets :		
Inventories	91,290	108,167
Trade and other receivables	2,702,152	2,728,347
Short-term loans for financial business	367,593	299,989
Call loans	28,237	90,472
Other short-term financial assets	30,662	29,309
Income tax receivables	2,384	68
Other current assets	142,263	186,039
Cash and cash equivalents	887,207	1,134,133
Total current assets	4,251,789	4,576,524
Total assets	14,146,060	15,808,645

	March 31, 2024	(yen in millions) September 30, 2024
<b>LIABILITIES AND EQUITY</b>		
<b>Liabilities</b>		
Non-current liabilities :		
Borrowings and bonds payable	1,577,370	2,088,109
Long-term deposits for financial business	112,730	163,004
Lease liabilities	292,003	282,695
Other long-term financial liabilities	10,166	8,748
Retirement benefit liabilities	11,801	12,383
Deferred tax liabilities	235,723	229,188
Provisions	47,800	42,085
Contract liabilities	81,674	84,204
Other non-current liabilities	11,804	12,250
Total non-current liabilities	2,381,071	2,922,667
Current liabilities :		
Borrowings and bonds payable	407,013	1,291,567
Trade and other payables	899,125	968,664
Short-term deposits for financial business	3,713,407	4,089,747
Call money	37,972	1,199
Cash collateral received for securities lent	263,157	249,872
Lease liabilities	118,016	108,589
Other short-term financial liabilities	7,762	7,861
Income taxes payables	161,152	162,377
Provisions	21,953	23,419
Contract liabilities	84,947	94,861
Other current liabilities	253,257	229,423
Total current liabilities	5,967,762	7,227,578
Total liabilities	8,348,833	10,150,244
<b>Equity</b>		
Equity attributable to owners of the parent		
Common stock	141,852	141,852
Capital surplus	310,587	309,759
Treasury stock	(845,093)	(689,957)
Retained earnings	5,522,578	5,301,987
Accumulated other comprehensive income	123,438	68,415
Total equity attributable to owners of the parent	5,253,362	5,132,055
Non-controlling interests	543,864	526,345
Total equity	5,797,226	5,658,400
Total liabilities and equity	14,146,060	15,808,645

## (2) Condensed Interim Consolidated Statement of Income

(yen in millions)

	Six Months Ended	
	September 30, 2023	September 30, 2024
Operating revenue	2,778,967	2,855,713
Cost of sales	1,556,562	1,592,190
Gross profit	1,222,405	1,263,522
Selling, general and administrative expenses	685,193	708,218
Other income	25,751	4,945
Other expense	5,977	1,021
Share of profit of investments accounted for using the equity method	3,288	13,857
Operating income	560,274	573,086
Finance income	16,470	4,654
Finance cost	4,750	16,113
Other non-operating profit (loss)	11,219	1,928
Profit for the period before income tax	583,213	563,554
Income tax	176,149	174,290
Profit for the period	407,064	389,264
Profit for the period attributable to:		
Owners of the parent	368,680	351,202
Non-controlling interests	38,383	38,062
Profit for the period	407,064	389,264
Earnings per share attributable to owners of the parent		
Basic earnings per share (yen)	171.75	171.21
Diluted earnings per share (yen)	171.71	171.17

### (3) Condensed Interim Consolidated Statement of Comprehensive Income

(yen in millions)

	Six Months Ended	
	September 30, 2023	September 30, 2024
Profit for the period	407,064	389,264
Other comprehensive income		
Items that will not be transferred subsequently to profit or loss		
Remeasurements of defined benefit pension plans	—	(706)
Changes measured in fair value of financial assets through other comprehensive income	12,232	(42,762)
Share of other comprehensive income of investments accounted for using the equity method	148	(120)
Total	12,379	(43,588)
Items that may be subsequently reclassified to profit or loss		
Changes in fair value of cash flow hedge	2,280	(1,925)
Translation differences on foreign operations	33,477	(14,306)
Share of other comprehensive income of investments accounted for using the equity method	1,214	1,864
Total	36,971	(14,367)
Total other comprehensive income	49,351	(57,956)
Total comprehensive income for the period	456,414	331,308
Total comprehensive income for the period attributable to:		
Owners of the parent	409,112	295,856
Non-controlling interests	47,302	35,452
Total	456,414	331,308

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, 2023

(yen in millions)

	Equity attributable to owners of the parent						Non-controlling interests	Total equity
	Common stock	Capital surplus	Treasury stock	Retained earnings	Accumulated other comprehensive income	Total		
Balance at April 1, 2023	141,852	279,371	(545,833)	5,220,504	32,394	5,128,288	542,370	5,670,659
<b>Comprehensive income</b>								
Profit for the period	—	—	—	368,680	—	368,680	38,383	407,064
Other comprehensive income	—	—	—	—	40,431	40,431	8,919	49,351
Total comprehensive income	—	—	—	368,680	40,431	409,112	47,302	456,414
<b>Transactions with owners and other transactions</b>								
Cash dividends	—	—	—	(151,081)	—	(151,081)	(31,575)	(182,656)
Transfer from accumulated other comprehensive income to retained earnings	—	—	—	938	(938)	—	—	—
Purchase and disposal of treasury stock	—	(24)	(250,134)	—	—	(250,158)	—	(250,158)
Changes due to business combination	—	46,544	—	—	—	46,544	30,358	76,902
Changes in ownership interests in subsidiaries	—	(18,344)	—	—	—	(18,344)	5,909	(12,435)
Other	—	(402)	739	—	—	337	—	337
Total transactions with owners and other transactions	—	27,774	(249,395)	(150,142)	(938)	(372,702)	4,692	(368,009)
Balance at September 30, 2023	141,852	307,145	(795,227)	5,439,042	71,887	5,164,699	594,365	5,759,064

For the six-month period ended September 30, 2024

(yen in millions)

	Equity attributable to owners of the parent						Non-controlling interests	Total equity
	Common stock	Capital surplus	Treasury stock	Retained earnings	Accumulated other comprehensive income	Total		
Balance at April 1, 2024	141,852	310,587	(845,093)	5,522,578	123,438	5,253,362	543,864	5,797,226
<b>Comprehensive income</b>								
Profit for the period	—	—	—	351,202	—	351,202	38,062	389,264
Other comprehensive income	—	—	—	—	(55,346)	(55,346)	(2,610)	(57,956)
Total comprehensive income	—	—	—	351,202	(55,346)	295,856	35,452	331,308
<b>Transactions with owners and other transactions</b>								
Cash dividends	—	—	—	(145,800)	—	(145,800)	(53,918)	(199,718)
Transfer from accumulated other comprehensive income to retained earnings	—	—	—	(323)	323	—	—	—
Purchase and disposal of treasury stock	—	(26)	(270,849)	—	—	(270,875)	—	(270,875)
Retirement of treasury stock	—	(425,672)	425,672	—	—	—	—	—
Transfer from retained earnings to capital surplus	—	425,672	—	(425,672)	—	—	—	—
Changes due to business combination	—	—	—	—	—	—	3,572	3,572
Changes in ownership interests in subsidiaries	—	(714)	—	—	—	(714)	(2,703)	(3,417)
Other	—	(88)	313	—	—	225	78	304
Total transactions with owners and other transactions	—	(828)	155,136	(571,794)	323	(417,163)	(52,971)	(470,134)
Balance at September 30, 2024	141,852	309,759	(689,957)	5,301,987	68,415	5,132,055	526,345	5,658,400

## (5) Condensed Interim Consolidated Statement of Cash Flows

(yen in millions)

	Six Months Ended	
	September 30, 2023	September 30, 2024
Cash flows from operating activities		
Profit for the period before income tax	583,213	563,554
Depreciation and amortization	340,566	343,446
Impairment losses	5	321
Loss allowance	(1,546)	(4,404)
Share of (profit) loss of investments accounted for using the equity method	(3,288)	(13,857)
Loss (gain) on sales of non-current assets	(45)	2
Interest and dividends income	(4,334)	(4,408)
Interest expenses	3,839	7,277
(Increase) decrease in trade and other receivables	(16,838)	(27,856)
Increase (decrease) in trade and other payables	7,678	(34,516)
(Increase) decrease in loans for financial business	(495,540)	(784,134)
Increase (decrease) in deposits for financial business	326,133	426,614
Increase (decrease) in borrowings for financial business	30,000	790,000
(Increase) decrease in Call loans	(372)	(62,234)
Increase (decrease) in Call money	120,000	(36,773)
Increase (decrease) in cash collateral received for securities lent	3,549	(13,286)
(Increase) decrease in inventories	(3,040)	(17,097)
(Increase) decrease in retirement benefit assets	(1,729)	(650)
Increase (decrease) in retirement benefit liabilities	683	582
Other	(44,747)	(84,497)
Cash generated from operations	844,188	1,048,085
Interest and dividends received	6,835	7,496
Interest paid	(3,765)	(5,846)
Income tax paid	(140,601)	(157,662)
Net cash provided by (used in) operating activities	706,657	892,073

(yen in millions)

	Six Months Ended	
	September 30, 2023	September 30, 2024
Cash flows from investing activities		
Purchases of property, plant and equipment	(304,754)	(187,458)
Proceeds from sales of property, plant and equipment	441	52
Purchases of intangible assets	(100,888)	(107,429)
Purchases of securities for financial business	(298,852)	(52,320)
Proceeds from sales and redemption of securities for financial business	265,176	72,474
Purchases of other financial assets	(55,596)	(25,130)
Proceeds from sales and redemption of other financial assets	2,347	3,641
Payments for acquisition of subsidiaries	(6,659)	(8,915)
Proceeds from acquisition of subsidiaries	27,438	4,069
Purchases of stocks of affiliates	(1,847)	(406,446)
Proceeds from sales of stocks of subsidiaries and affiliates	—	791
Other	(2,704)	(8,336)
Net cash provided by (used in) investing activities	(475,897)	(715,007)
Cash flows from financing activities		
Net increase (decrease) of short-term borrowings	143,728	93,031
Proceeds from issuance of bonds and long-term borrowings	200,000	580,000
Payments from redemption of bonds and repayments of long-term borrowings	(44,288)	(67,198)
Repayments of lease obligations	(72,631)	(72,499)
Payments from purchase of subsidiaries' equity from non-controlling interests	(895)	(3,475)
Proceeds from stock issuance to non-controlling interests	2	1
Repayments to non-controlling interests	(11,434)	—
Payments from purchase of treasury stock	(250,134)	(270,849)
Cash dividends paid	(151,051)	(145,782)
Cash dividends paid to non-controlling interests	(31,765)	(39,172)
Other	(0)	(1)
Net cash provided by (used in) financing activities	(218,467)	74,056
Effect of exchange rate changes on cash and cash equivalents	7,434	(4,195)
Net increase (decrease) in cash and cash equivalents	19,728	246,926
Cash and cash equivalents at the beginning of the period	480,252	887,207
Cash and cash equivalents at the end of the period	499,979	1,134,133

## **(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, 2024 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 “Personal Services” and “Business Services.”

For the details, please refer to “(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 six-month period ended September 30, 2024.

#### **(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 in this condensed interim consolidated financial statements are consistent with those of the annual financial statements, as described in the consolidated financial statements for the previous fiscal year ended. Also, income tax expenses on condensed interim consolidated statement of income are calculated based on the estimated average annual effective income tax rate. In addition, KDDI and some of its domestic consolidated subsidiaries have adopted the Group tax sharing system from the six-month period ended September 30, 2024.

## 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.

The Group has the two reportable segments of Personal Services and Business Services as well as operating segments.

The Personal Services segment provides services to individual customers.

In Japan, we aim to provide new added value and experience value by expanding 5G telecommunication services and other services such as finance, energy, and LX in a coordinated manner through our multi-brands “au,” “UQ mobile,” and “povo,” and are also working with local partners to eliminate the digital divide and achieve regional co-creation.

Overseas, we are leveraging our business know-how cultivated in Japan to provide telecommunication services and financial and entertainment services such as video and games to individual customers in Myanmar, Mongolia, and other Asian regions.

The Business Services segment mainly provides a wide range of corporate customers in Japan and overseas with a variety of solutions encompassing smartphones and other devices, network and cloud services, and Telehouse brand data center services.

In addition to this, to encourage digitalization in Japan, we established the new business platform WAKONX.

We continue to provide global one-stop solutions that contribute to the development and expansion of our customers' businesses through IoT and DX centered on 5G communications in collaboration with our partners.

Beginning in the six-month period ended September 30, 2024, we have reassessed certain operating segments of our company, consolidated subsidiaries, and associated companies based on organizational changes. Accordingly, the segment information for the six-month period ended September 30, 2023 is presented based on the segment reclassification by this change.

In the fourth quarter of the fiscal year ended March 31, 2024, the Company established provisional accounting procedures related to business combinations. The figures for the interim period of the fiscal year ended March 31, 2024 reflect the application of provisional accounting procedures.

### (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.”

Income of the reportable segments is based on the operating income.

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, 2023

(yen in millions)

	Reportable segments			Other (Note 1)	Total	Adjustment (Note 2)	Amounts on the consolidated financial statements
	Personal	Business	Sub-total				
Revenue							
Revenue from external customers	2,287,074	482,370	2,769,445	9,522	2,778,967	—	2,778,967
Inter-segment revenue or transfers	38,713	112,293	151,006	42,723	193,729	(193,729)	—
Total	2,325,787	594,663	2,920,450	52,246	2,972,696	(193,729)	2,778,967
Segment income	455,817	102,301	558,118	2,409	560,527	(253)	560,274
Finance income and finance cost (Net)							11,720
Other non-operating profit and loss (Net)							11,219
Profit for the period before income tax							583,213

For the six-month period ended September 30, 2024

(yen in millions)

	Reportable segments			Other (Note 1)	Total	Adjustment (Note 2)	Amounts on the consolidated financial statements
	Personal	Business	Sub-total				
Revenue							
Revenue from external customers	2,292,260	552,220	2,844,480	11,233	2,855,713	—	2,855,713
Inter-segment revenue or transfers	31,662	120,211	151,873	46,893	198,765	(198,765)	—
Total	2,323,922	672,430	2,996,352	58,126	3,054,478	(198,765)	2,855,713
Segment income	455,191	113,669	568,860	4,995	573,855	(770)	573,086
Finance income and finance cost (Net)							(11,460)
Other non-operating profit and loss (Net)							1,928
Profit for the period before income tax							563,554

Note 1: "Other" is a segment not included in reportable segment, and includes construction and maintenance of facilities, and research and development of leading-edge technology.

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

## 5. Significant Subsequent Events

### Stock Split

KDDI's Board of Directors met on November 1, 2024 and resolved to conduct a stock split and to amend part of the Articles of Incorporation following the stock split.

#### 1. Stock Split

##### (1) Purpose of the Stock Split

The Company recognizes returning profit to shareholders as a key matter for management and has striven to enhance shareholder returns in part by maintaining stable dividends (with regard to the dividends for the fiscal year ending March 2025, plans call for a 23rd consecutive year of increase) while also dynamically conducting share buybacks that take into consideration investments in sustainable growth. As a result, KDDI shareholders currently encompass a wide range of generations. However, due to the new NISA system (tax-exempt, small-figure investment system) coming into effect in 2024, as part of long-term asset formation, we expect the expansion in investors to continue going forward.

In light of these conditions, we will reduce the size of our investment unit to make it easier and more attractive to invest in KDDI's stock. We also plan to conduct a stock split with the aim of further expanding the pool of investors who support the Company's sustainable growth.

##### (2) Overview of the Stock Split

###### A. Method of the Split

Effective March 31, 2025, the Company will conduct a two-for-one stock split of the common shares held by shareholders recorded in the shareholder registry at the end of day on the effective date.

###### B. Increase in the Number of Shares Due to the Split

Total number of shares issued before the stock split	2,191,846,416
Increase in the number of shares due to the stock split	2,191,846,416
Total number of shares issued after the stock split	4,383,692,832
Total number of issuable shares after the stock split	8,400,000,000

##### (3) Schedule of the Stock Split

Public notice of the record date	Friday, March 14, 2025 (scheduled)
Record date	Monday, March 31, 2025
Effective date	Tuesday, April 1, 2025

#### 2. Effects on the Per-Share Information

Estimated values for per-share information if the stock split had been conducted at the start of the previous fiscal year are as follows.

	Previous Interim Fiscal Period From April 1, 2023 To September 30, 2023	Current Interim Fiscal Period From April 1, 2024 To September 30, 2024
Basic interim profit per share	¥85.88	¥85.60
Diluted interim profit per share	¥85.86	¥85.58

#### 3. Change to Part of the Articles of Incorporation

##### (1) Reason for the Change

Following this stock split, based on the rules laid out in Article 184, Paragraph 2 of the Companies Act, on April 1, 2025 the

Company will change the total number of issuable shares as stated in Article 6 of KDDI's Articles of Incorporation.

(2) Content of the Change

The content of the change is as follows.

Current Articles of Incorporation	Proposed Change
Article 6 (total number of issuable shares) The number of total issuable shares of the Company is <u>4,200,000,000.</u>	Article 6 (total number of issuable shares) The number of total issuable shares of the Company is <u>8,400,000,000.</u>

(3) Schedule

Effective date of the change to the Articles of Incorporation: April 1, 2025 (Tuesday)

4. Others

(1) Change to the amount of shareholders' capital

When the stock split is conducted, there will be no change in the amount of shareholders' capital.

(2) Dividends

Because the effective date of the stock split is April 1, 2025, the year-end dividend for the fiscal year ending March 2025, for which the base date is March 31, 2025, will be paid for the total number of shares before the stock split. Moreover, regarding the year-end dividend forecast for the fiscal year ending March 2025, there will be no change in the amount of ¥75.00 per share.

Repurchase of treasury stocks

At the board meeting held on November 1, 2024, the Company's Board of Directors resolved that the Company would repurchase its own shares pursuant to Article 156 of the Companies Act of Japan, which applies pursuant to Article 165, Paragraph 3, of that law.

(1) Reason for repurchase of the Company's own shares

To implement flexible capital policies in response to the change in the business environment and to provide shareholders return.

(2) Details for repurchase of the Company's own shares

- (a) Type of shares to be repurchased: Shares of common stock
- (b) Total number of shares to be repurchased: Up to 28,000,000 shares
- (c) Repurchase period: From November 5, 2024 to March 24, 2025
- (d) Total amount of repurchase price: Up to ¥100 billion