



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, 2025 [IFRS]

November 6, 2025

Company name: **KDDI CORPORATION** URL <https://www.kddi.com>
 Stock listing: Tokyo Stock Exchange - Prime Market
 Code number: 9433
 Representative: Hiromichi Matsuda, President and Chief Executive Officer
 Scheduled date of semiannual securities report filing: November 14, 2025
 Dividend payment date (as planned): December 8, 2025
 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, 2025 (April 1, 2025 - September 30, 2025)

(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, 2025	2,963,161	3.8	577,156	0.7	585,550	3.9	415,280	6.7	377,723	7.6	425,950	28.6
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)

	Basic earnings per share		Diluted earnings per share	
	Yen		Yen	
Six-month period ended September 30, 2025	96.95		96.93	
Six-month period ended September 30, 2024	85.60		85.58	

Note: The Company conducted a two-for-one stock split on April 1, 2025. Basic earnings per share and diluted earnings per share are calculated as if the stock split had been conducted at the beginning of the previous fiscal year.

(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, 2025	18,019,211	5,475,126	4,966,920	27.6
As of March 31, 2025	16,876,219	5,650,572	5,128,072	30.4

2. Dividends

	Dividends per share				
	1st Quarter End	2nd Quarter End	3rd Quarter End	Fiscal Year End	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2025	-	70.00	-	75.00	145.00
Year ending March 31, 2026	-	40.00			
Year ending March 31, 2026 (forecast)			-	40.00	80.00

Note: Changes in the latest forecasts released : No

Note: The Company conducted a two-for-one stock split on April 1, 2025. For the fiscal year ended March 31, 2025, the actual pre-stock split dividend figures are presented. For the fiscal year ending March 31, 2026, the post-stock split figures are presented.

3. Consolidated Financial Results Forecast for Year ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(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	6,330,000 7.0	1,178,000 5.3	748,000 9.1	194.38

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, 2025 : None

Addition: None

Exclusion: None

(2) Changes in accounting policies and estimates

1) Changes in accounting policies required under IFRSs: Yes

2) Other changes in accounting policies: None

3) Changes in accounting estimates: None

Please refer to P.23 “2. Condensed Interim Consolidated Financial Statements (7) Notes to Condensed Interim Consolidated Financial Statements 3. Material Accounting Policies” for details.

(3) Numbers of outstanding shares (Common Stock)

1) Number of shares outstanding (inclusive of treasury stock) As of September 30, 2025 4,187,847,474

As of March 31, 2025 4,383,692,832

2) Number of treasury stock As of September 30, 2025 380,768,956

As of March 31, 2025 405,237,732

3) Number of weighted average common stock outstanding For the six-month period ended September 30, 2025 3,895,926,257
(cumulative for all quarters) For the six-month period ended September 30, 2024 4,102,678,300

Note: The 1,495,908 shares as of September 30, 2025 and the 1,875,394 shares as of March 31, 2025 of KDDI's stock owned by the executive compensation BIP Trust account are included in the total number of treasury stock.

Note: The Company conducted a two-for-one stock split on April 1, 2025. The number of shares outstanding, number of treasury stock, and number of weighted average common stock outstanding are calculated as if the stock split had been conducted at the beginning of the previous fiscal year.

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.13 “1. Overview of Operating Results and Financial Position (3) Explanation Regarding Future Forecast Information of Consolidated Financial Results” under [the Attachment] for the assumptions used and other notes.

2. On November 6, 2025, 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.

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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, the Company updated its business strategy, naming it the 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 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). With a focus on stable and high-quality telecommunications and AI, we provide customers with services that they value and use the consideration arising from that value for returns and investments in partners, perpetuating a beneficial economic cycle.

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.

Furthermore, the Company 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 Satellite Growth Strategy.



In addition, the Company relocated its headquarters to THE LINK PILLAR 1 NORTH in TAKANAWA GATEWAY CITY in July 2025. In the new headquarters, we set up collaboration spaces that encourage internal and external co-creation, areas where private events involving Group companies can be held, office spaces with flexible layouts can be easily changed accommodate workstyle changes, and more. These moves will spur active commingling and generate new ideas and innovation. We also opened the LAWSON TAKANAWA GATEWAYCITY store, the first Real × Tech LAWSON store, a convenience store of the future combining the warmth of a real space with the power of technology. Going forward, we aim to reflect the results of pilot tests in Takanawa as we expand Lawson's Real × Tech Convenience to other stores. Continuing to work together to transform the Lawson chain into the convenience stores of the future, we will promote the expansion and stimulation of the Ponta economic zone and the enhancement of marketing by utilizing the data gathered.

The Company 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., with the aim of making Japan more resilient and competitive on the world stage.

Regarding our transformation into a company that puts human resources first, we evolved our 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 are promoting the transformation of workstyles and initiatives to further support employee career-building and growth.

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, 2025

(yen in millions)

	Six Months Ended			
	September 30, 2024	September 30, 2025	Change	Percentage Change
Operating revenue	2,855,713	2,963,161	107,449	3.8%
Cost of sales	1,592,190	1,678,999	86,808	5.5%
Gross profit	1,263,522	1,284,163	20,640	1.6%
Selling, general and administrative expenses	708,218	733,958	25,740	3.6%
Other income (expense), net	3,924	5,155	1,231	31.4%
Share of profit (loss) of investments accounted for using the equity method	13,857	21,797	7,940	57.3%
Operating income	573,086	577,156	4,071	0.7%
Finance income (cost), net	(11,460)	6,158	17,618	-
Other non-operating profit (loss), net	1,928	2,236	308	16.0%
Profit for the period before income tax	563,554	585,550	21,996	3.9%
Income tax	174,290	170,270	(4,019)	(2.3)%
Profit for the period	389,264	415,280	26,016	6.7%
Attributable to owners of the parent	351,202	377,723	26,521	7.6%
Attributable to non-controlling interests	38,062	37,557	(505)	(1.3)%

Beginning in the six-month period ended September 30, 2025, we have reassessed certain operating segments of our consolidated subsidiaries and affiliates based on organizational changes. Accordingly, the segment information for the six-month period ended September 30, 2024 is presented based on the segment classification after this change.

During the six-month period ended September 30, 2025, operating revenue increased by 3.8% year on year to ¥2,963,161 million mainly due to an increase in revenue from finance business, in addition to mobile revenue based on communication, as well as an increase in revenue attributable to an expansion in growth fields comprising IoT-related services, data centers, and other similar businesses.

Operating income increased by 0.7% year on year to ¥577,156 million mainly due to factors such as the impact of temporary promotional expenses contributed to the decline, although there was an increase in sales.

Profit for the period attributable to owners of the parent increased by 7.6% on year to ¥377,723 million.

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 business know-how cultivated in Japan to provide telecommunication, financial, and entertainment services, such as videos, to individual customers in Mongolia and to support local telecommunication operators in Myanmar. 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

- Centered on the power of telecommunications to connect people, the Company aims to realize a sustainable, beneficial economic cycle by continuing to provide services that have value to customers, securing consideration equivalent to that value, making telecommunications more sophisticated, and investing in new technologies, including AI and energy.
In line with this approach, in August 2025, we further strengthened our unlimited data*1 plans, “au Value Link Plan” and “au Money Activity Value Link Plan,” which allow the use of five services, including the satellite and au smartphone direct telecommunication service “au Starlink Direct.” As well as adopting “au Starlink Direct” for satellite data telecommunications, we added Google One to the scope of “Subscription Plus Point,” which awards up to 20% more Ponta Points for joining eligible entertainment services. We also became the first*2 domestic telecommunications operator to handle Google Ai Pro.
Also, within the year, we plan to provide Earthquake Preparation Support,*3 which makes customers eligible for ¥30,000 in insurance in the event of a magnitude 7 earthquake.
Moreover, from September 2025, we began offering three new pricing plans aligned with unique life stages: the “U12 Value Plan,” a secure first smart phone service for children 12 and under; the “U16 Value Plan,” a service offering discounted fees depending on data usage for children 16 and under; and the “Senior Value Plan,” a service for people 60 and older that offers unlimited domestic phone calls of up to five minutes each as well as spam call countermeasures.
Going forward, we will strive to provide services that customers feel are valuable by providing even higher added value while maintaining the basic value of connecting people through telecommunications.
As for UQ mobile, given the recent increases in various expenses due to soaring inflation, we decided to increase monthly data usage volumes for new UQ mobile pricing plans that have completed the set-up process from November 2025 while also revising monthly fees. After the revision, the monthly fee for the “au Starlink Direct-only Plan”*4 will be ¥550 per month (Monthly fee: ¥1,650).
As for povo, we are developing various pricing plans and services aligned with customer use styles.
Customers who currently use povo2.0 as their main line have raved about the “One Year Topping Plan,” which offers a deal when purchasing a long-term portion of data. In July, we began providing “povo AI,” which introduces a lifestyle support AI function to the povo app.
These flexible fee structures and service offerings have been well received, povo was ranked No.1 in overall satisfaction for the second consecutive year in the online-only brand/plan category of the Mobile Phone Service Satisfaction Survey by J.D. Power Japan, Inc.
We are promoting collaboration with partners who use “povo SDK,” which enables service operators to incorporate povo telecommunication services into their own offerings. From July 2025, we began providing povo data telecommunication functions for mobile computers sold by HP Japan Inc. through the installation of “ConnectIN povo.”
In August 2025, we upgraded “Japan SIM” purchase options for foreign visitors to Japan provided via the “Welcome Suica Mobile” app offered by East Japan Railway Company. We are striving to enhance tourism experiences by providing high-speed and stable mobile telecommunications to domestic and inbound overseas visitors.
We will continue striving to provide higher experience value for customers by developing a business model that embeds data telecommunication functions into the services of partner companies.
- As an initiative to expand the au service footprint, the Company has proactively established service areas in high traffic areas, such as train lines and commercial areas, to connect customers as they go about day-to-day life with the aim of providing customers with the highest quality telecommunication service. In addition, to connect customers on their more extraordinary days, we push the boundaries of telecommunication by using mobile base stations to provide connection during outdoor events and in mountainous areas, where laying optical cables is difficult. As a result of efforts to realize everyday

quality improvements, au clinched the No.1 spot in February 2025 in Opensignal's "Connection Experience" global ranking.*5

As for other initiatives, in July, we began providing "au 5G Fast Lane," which offers more comfortable access to 5G services during high-traffic events, such as at crowded venues, and in August 2025, we strengthened "au Starlink Direct," kicking off the world's first satellite data transmissions.*6 In addition to the sending and receiving of messages, which was already possible, some devices can now use data telecommunications, including apps for maps, weather, emergency preparedness, outdoor sports, news, social media, and hiking information. Through these initiatives, the Company will expand au coverage to all of Japan and continue providing experiences that connect customers as they go about day-to-day life, on their more extraordinary days, and in a spot where they can see the sky.

- As for Ponta Pass, from July 2025 we began offering monthly rewards that make shopping at LAWSON Ticket and HMV stores even more of a deal. With a limit set at a maximum of ¥495 (tax included) per ticket, we provide Ponta Points to cover fees incurred when purchasing eligible tickets through Lawson Ticket (processing fees/system use fees/in-store ticket processing fees). Users also receive a ¥300 discount coupon every month that can be used when making a purchase of ¥3,000 or more at eligible HMV&Books and HMV stores as well as the HMV&BOOKs online store.

In addition, we conducted a time-limited theater discount summer campaign that covered the price of a ¥1,200 adult movie ticket for Ponta Pass members for use at any time from July 18 to August 28, 2025.

We also began providing a new reward called "Ponta Pass Point Up Select" for Ponta Pass members from August 2025. This reward provides a maximum of 50% more points on purchases of select products, which change every week, to Ponta Pass members. In addition, members can also participate every week in the "Point Up Select Reward Lottery," which can provide a maximum discount coupon of ¥3,000 and guarantees at least some reward. Going forward, we will continue to create experience value every day that is more exciting and more of a deal through Ponta Pass.

- The financial business steadily expanded its operations, with checking accounts at au Jibun Bank reaching 7.02 million in September 2025 and au PAY Card memberships exceeding 10.46 million. In June 2025, au Jibun Bank received first place overall for the second year in a row in the Internet Bank category of the 2025 Oricon Customer Satisfaction™ Survey presented by Oricon Inc. In addition, from October 2025, we launched the yen-denominated preferential interest rate program "Premium Preferential Interest Rate" for customers at the highest premium stage of "Jibun Plus." au Payment Co., Ltd. and au Financial Services Co., Ltd. decided to merge on July 1, 2026 (planned) to consolidate their settlement business strategies and accelerate business promotion. From July 2025, au Insurance Co., Ltd. began handling "au Motorcycle Insurance," providing three Ponta points for every ¥100 used when paying for insurance with the au PAY Card. Going forward, we will continue to realize connective finances that make finances more personal for all people while working closely with customers to effect fun changes in their lives by creating connections between telecommunications and financial services.

- In the energy business, we have a project involving customers who have contracts with the "Home Power Plant Service." This involves projecting time periods when there will be excess solar and other renewable energy and then requesting customers to draw on their own home power generation source. This project was adopted in July 2025 as one of Tokyo prefecture's Home Environmental Action Promotion Projects. We began providing the "Home Power Plant Service" in the Kansai area in July 2025 and in the Chubu area in August in addition to the original Kanto area. Also in July 2025, we established a new solar power plant in line with Tokyo Environmental Public Service Corporation's Renewable Energy Extra-prefectural Procurement Project to promote au Renewable Energy Co., Ltd.'s business. The electricity generated by this power plant is supplied to KDDI base stations, telecommunication stations, and data centers within Tokyo prefecture. In August 2025, we launched a storage battery business to conduct power market trades at the Oyama Storage Battery Facility within the KDDI Oyama Network Center, which was constructed by au Renewable Energy and Tokyo Electric Power Holdings, Inc. In addition, KDDI, au Energy Holdings, ENERES, and Lawson decided from November 2025 to begin conducting pilot tests supplying electric power from solar power and storage battery facilities installed at certain Lawson stores in Gunma prefecture to 32 of the chain's stores with the aim of reducing their CO2 emissions and stabilizing the balance of supply and demand. This effort to install storage battery facilities and three types of solar power facilities (solar car ports, vertical bifacial panels, and rooftop panels) and to share the power provided among multiple stores is the first of its kind in Japan's convenience store industry. *7

In addition, from October 2025, we began offering the all-electric home plan in "au Denki" for customers in the Kanto, Chubu, and Kansai areas.*8 As a result, customers residing in all-electric homes who had previously not been able to register with "au Denki" can now do so. This plan will be eligible for UQ mobile's Home Set Discount, and customers with eligible UQ mobile plans will receive a maximum discount of ¥1,100 (tax included).*9 Going forward, we will continue aiming to

realize a sustainable society and abundant lifestyles for customers by creating new value through the integration of the Group's unique telecommunication and energy services.

- In Mongolia, the consolidated subsidiary MobiCom Corporation LLC is maintaining the position of No. 1 in domestic market share,*10 and the business is progressing smoothly. In September 2025, we launched the new Mobilife life insurance service, which customers can apply for using a smartphone app, and began providing cancer insurance. Going forward, we will continue to contribute to the development of the country by providing services closely aligned with various aspects of customers' lives. In Myanmar, KDDI Summit Global Myanmar Co., Ltd. provides support for the telecommunication business operations of Myanma Posts & Telecommunications (MPT). In addition, we are striving to maintain the telecommunication services that are indispensable to the citizens' lives while being careful to protect the safety of relevant parties and carefully monitoring local conditions.

*1. Tethering and data sharing are capped at 60 GB per month. If more than 200 GB are used in a month, data speed up to the end of the month will be restricted to a range that does not impact normal use (5 Mbps at most). Moreover, depending on the status of the Company's equipment and other factors, the restrictions may be delayed or not imposed at all. During busy times, speeds may be restricted.

*2. Based on the Company's own research as of August 28, 2025.

*3. KDDI is the insurance contractor for "Earthquake Prevention Support," which is the alternative name of the magnitude-linked earthquake expense insurance underwritten by Aioi Nissay Dowa Insurance Co., Ltd. Insurance payouts to customers are made by the underwriter.

*4. Customers must apply through either the au IC Card (SIM card) or an eSIM.

*5. Global ranking No. 1 in "Connection Experience" refers to realizing comfortable and stable support for customers when connecting to the network through au lines, the evaluation of which is based in part on the "Reliability Experience" assessment included in Opensignal's Global Mobile Network Experience Report. For details, please see Opensignal's website.

*6. The world's first app data transmission through direct communication between SpaceX satellites and smartphones. In addition to the messaging app that could already be used, it is now possible to use data transmission for some apps on eligible devices (as of September 2025).

*7. Based on research by ENERES Co., Ltd. as of August 1, 2025.

*8. Coverage includes:

Kanto area: Tochigi prefecture, Gunma prefecture, Ibaraki prefecture, Saitama prefecture, Chiba prefecture, Tokyo prefecture, Kanagawa prefecture, Yamanashi prefecture, and Shizuoka prefecture (from Fujikawa and east)

Chubu area: Aichi prefecture, Gifu prefecture (excluding some parts), Mie prefecture (excluding some parts), Shizuoka prefecture (from Fujikawa and west), and Nagano prefecture

Kansai area: Shiga prefecture, Kyoto prefecture, Osaka prefecture, Nara prefecture, Wakayama prefecture, Hyogo prefecture (excluding some parts) prefecture, some parts of Fukui prefecture, some parts of Gifu prefecture, and some parts of Mie prefecture

*9. For details on eligible plans and discounts, please see: <https://www.uqwimax.jp/mobile/newplan/setwari/> (Japanese only)

*10. As of September 30, 2025. Source: GSMA Intelligence

Operating performance in the Personal Services segment for the six-month period ended September 30, 2025 is described below.

Results

For the six-month period ended September 30, 2025

(yen in millions)

	Six Months Ended			Percentage Change
	September 30, 2024	September 30, 2025	Change	
Operating Revenue	2,321,965	2,383,698	61,733	2.7%
Operating Income	455,473	455,232	(242)	(0.1)%

During the six-month period ended September 30, 2025, operating revenue increased by 2.7% year on year to ¥2,383,698 million mainly due to an increase in revenue from finance business, in addition to mobile revenue based on communication.

Operating income decreased by 0.1% year on year to ¥455,232 million mainly due to factors such as the impact of temporary promotional expenses contributed to the decline, although there was an increase in sales.

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

- In July 2025, in collaboration with JR East, Lawson, and other co-creation partners, the Company began pilot testing in TAKANAWA GATEWAY CITY for “attractive communities built by everyone.” The testing uses the Company’s digital twin platform*1 WAKONX SmartCity*2 to provide hyper personal experience and hyper performance experience based on AI and data analysis to people visiting and working in these communities. Specifically, we offer Japan’s first*3 “touch trigger” technology, which sends data personalized to user hobbies and tastes to an app when they pass through train station or office building gates. We also introduced robots that deliver products based on attribute data, “Real × Tech Lawson” unmanned automated stores for office buildings, and robots that automatically deliver internal mail and company meals. We aim to enhance community-wide operational efficiency and visitor satisfaction by providing community business operators with a data dashboard that enables them to simulate the flow of people during events and propose improvement measures based on AI. Taking advantage of our headquarters move in July 2025, we will promote this test with around 13,000 Group employees as a model case. Leveraging these insights, we began providing KDDI Smart Space Design from August 2025 to provide a one-stop service for everything from concept creation to design, construction, maintenance, and operation for customers considering building, moving to, or renovating working spaces and visiting spaces. Going forward, we will continue to enhance the productivity of workers and to realize experience value for visitors by providing appropriate spaces paired with experience value created by leading-edge technologies.
- In July 2025, in collaboration with LAC Co. Ltd., a leading cybersecurity company, we began full-scale efforts on a global rollout of security solutions aimed at combating cyberattacks. Recently, cyberattacks have been expanding not just in Japan but around the world. In particular, it has become easier to target overseas local subsidiaries where security measures do not extend as well as affiliates not incorporated into the supply chain. Our efforts have resulted in the construction of a system that enables rapid and appropriate responses to security incidents, including those at overseas bases, through a combination of the expertise of LAC, the operator of Japan’s largest security monitoring service base, and the network of KDDI, which operates globally. As a first step, we established an English-capable help desk for overseas bases and strengthened global responses for security monitoring and operating services. Going forward, we will continue to steadily expand services, such as providing monthly reports in English and offering diagnostic and restoration support in multiple languages. In September 2025, the two companies held Security Fes 2025 and widely promoted efforts aimed at strengthening global security measures. Going forward, we will work to achieve greater sophistication in our security consulting, operational support, and global governance for domestic and overseas companies. We will also continue to focus on upgrading security bases to ensure readiness for the AI era and providing services that support sustainable corporate growth.
- In September 2025, we began providing the new services “ELYZA Works with KDDI” and “KDDI Conata Data Agent,” helping to accelerate the corporate adoption of generative AI. “ELYZA Works with KDDI” is a set of services that provide the Company’s internally developed and utilized sample AI apps along with “ELYZA Works,” which is ELYZA, Inc.’s generative AI service that can automatically generate an AI app without the need for specialized prompt skills or UI design knowledge. Based on case studies of around 100 types of AI apps developed and utilized in advance within KDDI, the Company is able to support corporate customers’ efforts to enhance operational efficiency and productivity. One internal use case study is about the security assessment report creation process in our corporate consulting department. We reduced the number of steps required for report creation, unified and standardized documents, and reduced 80% creation time from the existing average of five hours down to one hour. Thanks to this, the sales support department, was able to identify and automatically analyze needs based on around 600 inquiries per month from agencies, making visual inspections, manual input, and other operations unnecessary and reducing operational time by around 750 hours per year. “KDDI Conata Data Agent” combines the Company’s “KDDI Wide Area Virtual Switch2” private network service with FLYWHEEL, Inc.’s “Conata Data Agent,” a data utilization assistant that uses generative AI and information search technology. The service enables users to search a wide range of data lying dormant in-house within a secure environment using AI. Our internal pilot test confirmed the effectiveness of the technology in reducing the operational work burden, including the effort of searching for internal materials, conducting analyses, and creating materials, which usually takes

around eight hours per person, by around 30%. Based on the results of the test, we introduced the service to our internal corporate sales department in advance, realizing more efficient operations in analyzing customer needs, creating outlines for proposed materials, and other actions. Going forward, based on the internal and external use results, we will continue offering corporate customers support for DX acceleration using generative AI

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. Digital twin platform refers to city OS (data platform to collect and analyze data related to community facilities and people).

*2. "WAKONX SmartCity" is an initiative of WAKONX to promote sustainable urban development by collecting and analyzing data and utilizing AI.

Going forward, we will roll out to other communities the solutions provided in this test, such as community apps, robot services, and a dash board, in order to continue helping solve common issues among business in urban development, generate excitement, and stimulate the local economy.

*3. This is the first system in Japan to work with an app as a trigger for information when passing through a building's entrance gate using a touch trigger provided by JR East. As of July 2025, based on the Company's own research.

Operating performance in the Business Services segment for the six-month period ended September 30, 2025, is described below.

Results

For the six-month period ended September 30, 2025

(yen in millions)

	Six Months Ended			
	September 30, 2024	September 30, 2025	Change	Percentage Change
Operating Revenue	675,362	717,707	42,346	6.3%
Operating Income	114,762	118,691	3,929	3.4%

During the six-month period ended September 30, 2025, operating revenue increased by 6.3% year on year to ¥717,707 million mainly due to an increase in revenue attributable to an expansion in growth fields comprising IoT-related services, data centers, and other similar businesses.

Operating income increased by 3.4% year on year to ¥118,691 million mainly due to an increase in operating revenue.

(2) Overview of Financial Position

1. Financial Position

	March 31, 2025	September 30, 2025	(yen in millions) Change
Total assets	16,876,219	18,019,211	1,142,991
Total liabilities	11,225,648	12,544,085	1,318,437
Total equity	5,650,572	5,475,126	(175,446)
Equity attributable to owners of the parent	5,128,072	4,966,920	(161,152)
Ratio of equity attributable to owners of the parent to total assets	30.4%	27.6%	(2.8)%

(Assets)

Total assets increased by \1,142,991 million from the previous fiscal year-end to \18,019,211 million as of September 30, 2025 mainly due to an increase in loans for financial business and right-of-use assets and other assets despite a decrease in accounts receivable and other receivables.

(Liabilities)

Total liabilities increased by \1,318,437 million from the previous fiscal year-end to \12,544,085 million as of September 30, 2025 mainly due to an increase in deposits for financial business and borrowings and bonds payable despite a decrease in accounts payables and other liabilities.

(Equity)

Total equity amounted to \5,475,126 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 30.4% as of March 31, 2025, to 27.6% as of September 30, 2025.

2. Consolidated Cash Flows

(yen in millions)

	Six Months Ended		
	September 30, 2024	September 30, 2025	Change
Net cash provided by (used in) operating activities	892,073	822,657	(69,415)
Net cash provided by (used in) investing activities	(715,007)	(481,267)	233,740
Free cash flows *1	177,066	341,391	164,325
Net cash provided by (used in) financing activities	74,056	(348,982)	(423,038)
Effect of exchange rate changes on cash and cash equivalents	(4,195)	(3,133)	1,062
Net increase (decrease) in cash and cash equivalents	246,926	(10,724)	(257,651)
Cash and cash equivalents at the beginning of the period	887,207	921,175	33,969
Cash and cash equivalents at the end of the period	1,134,133	910,451	(223,682)

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

Net cash provided by operating activities decreased ¥69,415 million year on year to ¥822,657 million mainly due to a decrease in income in a rate of increase in deposits in the financial business.

Net cash used in investing activities decreased ¥233,740 million year on year to ¥481,267 million mainly due to an decrease in expenditures for the acquisition of shares in affiliated companies such as Lawson, Inc in previous year.

Net cash used in financing activities increased by ¥423,038 million year on year to ¥348,982 million mainly due to the decrease in revenue from issuance of bonds and long-term borrowings.

Reflecting these factors and a decrease of ¥3,133 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, 2025, decreased by ¥10,724 million from March 31, 2025 to ¥910,451 million.

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

For the fiscal year ending March 31, 2026, the Group forecasts operating revenue of ¥6,330,000 million, operating income of ¥1,178,000 million, and profit for the year attributable to owners of the parent of ¥748,000 million. No changes have been made from the details stated in the Summary of Financial Results for the fiscal year ended March 31, 2025 (disclosed on May 14, 2025).

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

2. Condensed Interim Consolidated Financial Statements

(1) Condensed Interim Consolidated Statement of Financial Position

	(yen in millions)	
	March 31, 2025	September 30, 2025
ASSETS		
Non-current assets:		
Property, plant and equipment	2,878,516	2,896,783
Right-of-use assets	416,862	530,499
Goodwill	595,829	597,477
Intangible assets	1,076,984	1,062,862
Investments accounted for using the equity method	731,949	710,755
Long-term loans for financial business	4,734,825	5,146,533
Securities for financial business	442,499	615,083
Other long-term financial assets	405,161	467,996
Retirement benefit assets	6,179	6,556
Deferred tax assets	25,106	23,412
Contract costs	716,415	732,429
Other non-current assets	43,118	52,076
Total non-current assets	12,073,443	12,842,462
Current assets:		
Inventories	132,743	130,219
Trade and other receivables	3,040,998	3,121,897
Short-term loans for financial business	412,619	545,307
Call loans	101,516	237,515
Other short-term financial assets	30,467	32,939
Income tax receivables	373	1,235
Other current assets	162,885	197,186
Cash and cash equivalents	921,175	910,451
Total current assets	4,802,776	5,176,748
Total assets	16,876,219	18,019,211

	March 31, 2025	(yen in millions) September 30, 2025
LIABILITIES AND EQUITY		
Liabilities		
Non-current liabilities:		
Borrowings and bonds payable	2,297,564	2,191,982
Long-term deposits for financial business	155,913	207,109
Lease liabilities	292,893	386,187
Other long-term financial liabilities	20,864	19,028
Retirement benefit liabilities	11,191	11,455
Deferred tax liabilities	244,156	257,976
Provisions	39,856	42,550
Contract liabilities	87,463	95,645
Other non-current liabilities	15,417	15,641
Total non-current liabilities	3,165,318	3,227,573
Current liabilities:		
Borrowings and bonds payable	1,734,528	2,310,126
Trade and other payables	996,315	933,139
Short-term deposits for financial business	4,407,474	4,998,092
Call money	879	2,114
Cash collateral received for securities lent	256,679	388,491
Lease liabilities	112,577	121,077
Other short-term financial liabilities	1,625	2,226
Income taxes payables	167,755	162,079
Provisions	40,887	54,916
Contract liabilities	93,864	102,424
Other current liabilities	247,747	241,829
Total current liabilities	8,060,329	9,316,512
Total liabilities	11,225,648	12,544,085
Equity		
Equity attributable to owners of the parent		
Common stock	141,852	141,852
Capital surplus	259,047	258,084
Treasury stock	(819,072)	(822,073)
Retained earnings	5,495,689	5,325,120
Accumulated other comprehensive income	50,556	63,937
Total equity attributable to owners of the parent	5,128,072	4,966,920
Non-controlling interests	522,500	508,205
Total equity	5,650,572	5,475,126
Total liabilities and equity	16,876,219	18,019,211

(2) Condensed Interim Consolidated Statement of Income

(yen in millions)

	Six Months Ended	
	September 30, 2024	September 30, 2025
Operating revenue	2,855,713	2,963,161
Cost of sales	1,592,190	1,678,999
Gross profit	1,263,522	1,284,163
Selling, general and administrative expenses	708,218	733,958
Other income	4,945	6,073
Other expense	1,021	917
Share of profit (loss) of investments accounted for using the equity method	13,857	21,797
Operating income	573,086	577,156
Finance income	4,654	21,474
Finance cost	16,113	15,316
Other non-operating profit (loss)	1,928	2,236
Profit for the period before income tax	563,554	585,550
Income tax	174,290	170,270
Profit for the period	389,264	415,280
Profit for the period attributable to:		
Owners of the parent	351,202	377,723
Non-controlling interests	38,062	37,557
Profit for the period	389,264	415,280
Earnings per share attributable to owners of the parent		
Basic earnings per share (yen)	85.60	96.95
Diluted earnings per share (yen)	85.58	96.93

(3) Condensed Interim Consolidated Statement of Comprehensive Income

(yen in millions)

	Six Months Ended	
	September 30, 2024	September 30, 2025
Profit for the period	389,264	415,280
Other comprehensive income		
Items that will not be transferred subsequently to profit or loss		
Remeasurements of defined benefit pension plans	(706)	(1,060)
Changes measured in fair value of financial assets through other comprehensive income	(42,762)	15,589
Share of other comprehensive income of investments accounted for using the equity method	(120)	437
Total	(43,588)	14,966
Items that may be subsequently reclassified to profit or loss		
Changes in fair value of cash flow hedge	(1,925)	312
Translation differences on foreign operations	(14,306)	(2,866)
Share of other comprehensive income of investments accounted for using the equity method	1,864	(1,742)
Total	(14,367)	(4,296)
Total other comprehensive income	(57,956)	10,670
Total comprehensive income for the period	331,308	425,950
Total comprehensive income for the period attributable to:		
Owners of the parent	295,856	389,661
Non-controlling interests	35,452	36,289
Total	331,308	425,950

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, 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
Comprehensive income								
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
Transactions with owners and other transactions								
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

For the six-month period ended September 30, 2025

(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, 2025	141,852	259,047	(819,072)	5,495,689	50,556	5,128,072	522,500	5,650,572
Comprehensive income								
Profit for the period	-	-	-	377,723	-	377,723	37,557	415,280
Other comprehensive income	-	-	-	-	11,938	11,938	(1,268)	10,670
Total comprehensive income	-	-	-	377,723	11,938	389,661	36,289	425,950
Transactions with owners and other transactions								
Cash dividends	-	-	-	(149,283)	-	(149,283)	(41,579)	(190,862)
Transfer from accumulated other comprehensive income to retained earnings	-	-	-	(1,443)	1,443	-	-	-
Purchase and disposal of treasury stock	-	(64)	(400,004)	-	-	(400,068)	-	(400,068)
Retirement of treasury stock	-	(396,515)	396,515	-	-	-	-	-
Transfer from retained earnings to capital surplus	-	396,515	-	(396,515)	-	-	-	-
Changes due to business combination	-	-	-	-	-	-	369	369
Changes in ownership interests in subsidiaries	-	(733)	-	-	-	(733)	(9,459)	(10,192)
Other	-	(166)	488	(1,050)	-	(728)	86	(642)
Total transactions with owners and other transactions	-	(963)	(3,001)	(548,292)	1,443	(550,813)	(50,583)	(601,396)
Balance at September 30, 2025	141,852	258,084	(822,073)	5,325,120	63,937	4,966,920	508,205	5,475,126

(5) Condensed Interim Consolidated Statement of Cash Flows

(yen in millions)

	Six Months Ended	
	September 30, 2024	September 30, 2025
Cash flows from operating activities		
Profit for the period before income tax	563,554	585,550
Depreciation and amortization	343,446	345,061
Impairment losses	321	53
Loss allowance	(4,404)	1,254
Share of (profit) loss of investments accounted for using the equity method	(13,857)	(21,797)
Loss (gain) on sales of non-current assets	2	(30)
Interest and dividend income	(4,408)	(4,458)
Interest expenses	7,277	12,212
(Increase) decrease in trade and other receivables	(27,856)	(82,988)
Increase (decrease) in trade and other payables	(34,516)	(60,963)
(Increase) decrease in loans for financial business	(784,134)	(544,512)
Increase (decrease) in deposits for financial business	426,614	641,814
Increase (decrease) in borrowings for financial business	790,000	135,000
(Increase) decrease in Call loans	(62,234)	(135,999)
Increase (decrease) in Call money	(36,773)	1,235
Increase (decrease) in cash collateral received for securities lent	(13,286)	131,812
(Increase) decrease in inventories	(17,097)	2,410
(Increase) decrease in retirement benefit assets	(650)	(377)
Increase (decrease) in retirement benefit liabilities	582	264
Other	(84,497)	(47,984)
Cash generated from operations	1,048,085	957,559
Interest and dividends received	7,496	45,656
Interest paid	(5,846)	(12,164)
Income tax paid	(157,662)	(168,393)
Net cash provided by (used in) operating activities	892,073	822,657

(yen in millions)

Six Months Ended

	September 30, 2024	September 30, 2025
Cash flows from investing activities		
Purchases of property, plant and equipment	(187,458)	(153,795)
Proceeds from sales of property, plant and equipment	52	171
Purchases of intangible assets	(107,429)	(120,591)
Purchases of securities for financial business	(52,320)	(196,059)
Proceeds from sales and redemption of securities for financial business	72,474	21,082
Purchases of other financial assets	(25,130)	(36,972)
Proceeds from sales and redemption of other financial assets	3,641	6,610
Payments for acquisition of subsidiaries	(8,915)	(2,592)
Proceeds from acquisition of subsidiaries	4,069	372
Purchases of stocks of affiliates	(406,446)	(7)
Proceeds from sales of stocks of subsidiaries and affiliates	791	2,626
Other	(8,336)	(2,111)
Net cash provided by (used in) investing activities	(715,007)	(481,267)
Cash flows from financing activities		
Net increase (decrease) of short-term borrowings	93,031	315,600
Net increase (decrease) of commercial papers	-	84,953
Proceeds from issuance of bonds and long-term borrowings	580,000	-
Payments from redemption of bonds and repayments of long-term borrowings	(67,198)	(68,504)
Repayments of lease obligations	(72,499)	(77,579)
Payments from purchase of subsidiaries' equity from non-controlling interests	(3,475)	(2,470)
Proceeds from stock issuance to non-controlling interests	1	7
Repayments to non-controlling interests	-	(10,182)
Payments from purchase of treasury stock	(270,849)	(400,004)
Cash dividends paid	(145,782)	(149,279)
Cash dividends paid to non-controlling interests	(39,172)	(41,524)
Other	(1)	(0)
Net cash provided by (used in) financing activities	74,056	(348,982)
Effect of exchange rate changes on cash and cash equivalents	(4,195)	(3,133)
Net increase (decrease) in cash and cash equivalents	246,926	(10,724)
Cash and cash equivalents at the beginning of the period	887,207	921,175
Cash and cash equivalents at the end of the period	1,134,133	910,451

(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, 2025 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 applies IAS 21 — The Effects of Changes in Foreign Exchange Rates (amended and issued August 2023) from the first quarter of the consolidated fiscal year under review. Information related to the effects of changes in accounting policies is included in 3. Material Accounting Policies.

(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

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

(Changes to Accounting Policies)

The standards and analysis indicators applied by the Group from the year under review are as follows:

IFRS		New or amended content
IAS21	The Effects of Changes in Foreign Exchange Rates	Sets out accounting procedures and disclosures related to currencies that are not exchangeable into another currency

The Group has adopted IAS 21, the Effects of Changes in Foreign Exchange Rates (amended and issued August 2023), from the first quarter of the fiscal year under review.

The amendment sets out a consistent approach for assessing whether a currency is exchangeable into another currency and, when it is not, for determining the exchange rate to use and the disclosures to provide for readers of financial statements.

In April 2022, the Central Bank of Myanmar put in place restrictions requiring that approval be obtained for all conversions to foreign currency from the Myanmar kyat.

In Myanmar, the Company's consolidated subsidiary KDDI Summit Global Myanmar Co., Ltd. provides support for the telecommunication business operations of Myanma Posts & Telecommunications (MPT). The subsidiary maintains Myanmar kyat-denominated deposits, accounts payable, and more.

Due to the restrictions, some limitations have been placed on the use of cash and cash equivalents, but the amendment has no significant effect on the Company's quarterly consolidated financial statements.

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(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.

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.

Beginning in the six-month period ended September 30, 2025, we have reassessed certain operating segments of our consolidated subsidiaries and affiliates based on organizational changes and review of performance management categories. Accordingly, the segment information for the six-month period ended September 30, 2024 is presented based on the segment classification after this change.

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

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

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, 2024

	Reportable segments					(yen in millions)	Amounts on the consolidated financial statements
	Personal	Business	Sub-total	Other*1	Total	Adjustment*2	
Revenue							
Revenue from external customers	2,290,156	555,049	2,845,205	10,508	2,855,713	-	2,855,713
Inter-segment revenue or transfers	31,809	120,313	152,122	46,855	198,977	(198,977)	-
Total	2,321,965	675,362	2,997,326	57,363	3,054,689	(198,977)	2,855,713
Segment income	455,473	114,762	570,236	3,620	573,855	(770)	573,086
Finance income (cost), net							(11,460)
Other non-operating profit (loss), net							1,928
Profit for the period before income tax							563,554

For the six-month period ended September 30, 2025

	Reportable segments					(yen in millions)	Amounts on the consolidated financial statements
	Personal	Business	Sub-total	Other*1	Total	Adjustment*2	
Revenue							
Revenue from external customers	2,353,867	599,513	2,953,380	9,781	2,963,161	-	2,963,161
Inter-segment revenue or transfers	29,830	118,194	148,025	46,693	194,718	(194,718)	-
Total	2,383,698	717,707	3,101,405	56,475	3,157,879	(194,718)	2,963,161
Segment income	455,232	118,691	573,923	4,272	578,195	(1,039)	577,156
Finance income (cost), net							6,158
Other non-operating profit (loss), net							2,236
Profit for the period before income tax							585,550

*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.

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