
Data Book
The Financial Results for the 1st Quarter of FY 3/2005

July 29, 2004
KDDI Corporation

The Financial Results for the 1st Quarter of FY 3/05

millions of Yen

Consolidated	FY 3/04				FY 3/05 ^{*2}			
	1Q	1H	2H	Full year	Full year (E)		Effect of selling PHS business	Full year (E) ^{*3}
					Includes the effect of selling PHS business	Excludes the effect of selling PHS business		
Operating revenues	689,668	1,386,560	1,459,538	2,846,098	720,075	2,899,000	(83,000)	2,982,000
Telecommunications business	557,052	1,125,444	1,143,282	2,268,726	582,353	2,304,000	(74,000)	2,378,000
Voice communications	371,829	743,932	725,029	1,468,961	*4 359,634	—	—	—
Digital data transmission	143,103	297,576	337,746	635,322	185,455	—	—	—
Leased circuits	22,032	43,302	39,200	82,502	17,211	—	—	—
Other	20,088	40,634	41,307	81,941	20,052	—	—	—
Other business	132,616	261,116	316,256	577,372	137,722	595,000	(9,000)	604,000
Operating income	85,060	158,230	133,874	292,105	89,557	309,000	(11,000)	320,000
Ordinary income	81,198	148,239	126,309	274,548	87,171	300,000	(11,000)	311,000
Extraordinary income (loss)	(6,841)	(4,766)	(77,681)	(82,447)	0	29,000	31,000	-2,000
Net income	43,932	85,855	31,170	117,025	51,663	213,000	23,000	190,000
Total assets ^{*1}	2,732,674	2,701,108	—	2,639,581	2,560,557	N.A.	N.A.	N.A.
Shareholders' equity ^{*1}	943,896	987,153	—	1,009,391	1,050,644	N.A.	N.A.	N.A.
Shareholders' equity ratio ^{*1}	34.5%	36.5%	—	38.2%	41.0%	N.A.	N.A.	N.A.
Shareholders' equity per share ^{*1}	¥223,908	¥234,270	—	¥239,515	¥249,320	N.A.	N.A.	N.A.
Free cash flows	112,708	246,818	157,414	404,232	32,855	427,000	176,000	251,000
Depreciation	92,248	183,255	182,445	365,700	92,013	359,000	(19,000)	378,000
Capex (cash flow basis)	33,766	73,810	179,447	253,257	42,128	312,000	(11,000)	323,000
EBITDA	178,389	349,354	338,673	688,027	183,174	684,000	(30,000)	714,000
EBITDA margin	25.9%	25.2%	23.2%	24.2%	25.4%	23.6%	—	23.9%
Interest bearing debt ^{*1}	1,423,561	1,298,483	—	1,179,764	1,116,906	871,000	(31,000)	902,000
Net debt ^{*1}	1,266,028	1,134,997	—	983,246	960,089	N.A.	N.A.	N.A.
Debt / EBITDA Ratio	-	-	-	1.7	—	1.3	-	1.3
Debt / Equity Ratio	1.51	1.32	-	1.17	1.06	0.75	-	0.76

*1 The figures as of the end of each periods.

*2 Includes the effect of selling PHS business (operated by DDI Pocket Inc.).

*3 Excludes the effect of selling PHS business.

*4 From FY 3/05, KDDI quit disclosing "Telecommunications business" revenues by segment, like "Voice communications", "Digital data transmission", "Leased circuits" and "Other", by its new accounting policy. Those figures for FY 3/05 are as references (only for consolidated basis).

The Financial Results for the 1st Quarter of FY 3/05

millions of Yen

au Business	FY 3/04				FY 3/05	
	1Q	1H	2H	Full year	Full year (E)	
					1Q	
Operating revenues	425,615	864,740	960,334	1,825,074	486,229	2,007,000
Telecommunications business	324,179	663,898	710,234	1,374,132	377,264	1,532,000
Voice communications	205,375	414,314	419,484	833,798	*1 -	-
Digital data transmission	118,786	249,537	290,715	540,253	-	-
Other	18	46	35	81	-	-
Other business	101,435	200,842	250,100	450,942	108,966	475,000
Operating income	64,582	128,898	110,570	239,469	79,892	279,000
Ordinary income	61,920	122,968	106,146	229,114	79,069	274,000
Extraordinary income (loss)	-	0	1	1	-	N.A.
Net income (loss)	35,236	70,466	59,528	129,995	46,607	165,000
Free cash flows	51,646	131,937	75,314	207,251	2,523	165,000
Depreciation	45,227	91,049	93,808	184,857	50,084	202,000
Capex (cash flow basis)	16,679	41,233	119,948	161,181	26,560	200,000
EBITDA	110,021	222,098	215,553	437,651	130,586	488,000
EBITDA margin	25.8%	25.7%	22.4%	24.0%	26.9%	24.3%

*1 From FY 3/05, KDDI quit disclosing "Telecommunications business" revenues by segment, like "Voice communications", "Digital data transmission", and "Other", by its new accounting policy.

The Financial Results for the 1st Quarter of FY 3/05

millions of Yen

BBC & Solutions Business		FY 3/04				FY 3/05	
		1Q	1H	2H	Full year	Full year (E)	
						1Q	
Operating revenues	139,155	275,433	267,029	542,462	123,919	515,000	
Telecommunications business	128,447	255,237	241,774	497,010	115,834	473,700	
Other business	10,708	20,196	25,256	45,452	8,085	41,300	
Operating income	10,442	10,797	5,584	16,381	14	3,000	
Ordinary income	11,359	10,278	5,538	15,817	422	3,000	
Extraordinary income (loss)	0	(1,307)	(72,516)	(73,823)	-	N.A.	
Net income (loss)	6,542	5,208	(34,011)	(28,803)	876	4,000	
Free cash flows	16,446	39,007	35,225	74,232	8,328	1,000	
Depreciation	22,701	43,611	40,509	84,120	19,853	86,000	
Capex (cash flow basis)	9,579	17,099	38,026	55,126	9,286	82,000	
EBITDA	33,444	58,162	54,199	112,361	20,372	96,000	
EBITDA margin	24.0%	21.1%	20.3%	20.7%	16.4%	18.6%	

millions of Yen

BBC & Solutions Business		FY 3/04				FY 3/05	
		1Q	1H	2H	Full year	Full year (E)	
						1Q	
Telecommunications business revenues							
Voice service	84,147	166,297	154,285	320,581	70,843	288,200	
Local call	13,914	27,202	24,682	51,884	11,014	N.A.	
Long distance call	46,969	93,174	87,504	180,678	40,457	N.A.	
International call	23,263	45,921	42,099	88,019	19,372	N.A.	
Data service	43,931	88,190	86,701	174,891	45,052	184,300	
Data transmission	21,816	44,124	45,158	89,282	23,111	104,200	
Frame relay / cell relay	4,268	8,395	7,978	16,372	4,028	N.A.	
Internet	17,265	35,187	36,886	72,073	19,008	N.A.	
Other data transmission	283	542	295	837	75	N.A.	
Leased circuits	12,119	23,583	20,229	43,812	11,257	36,000	
IP-VPN	9,995	20,483	21,314	41,796	10,684	44,100	
Others	369	750	788	1,538	(61)	1,200	

The Financial Results for the 1st Quarter of FY 3/05

millions of Yen

TU-KA Business	FY 3/04				FY 3/05	
	1Q	1H	2H	Full year	Full year (E)	
					1Q	
Operating revenues	72,064	141,809	134,648	276,457	61,124	254,000
Telecommunications business	60,171	118,542	111,892	230,435	52,455	211,000
Voice communications	54,477	108,350	104,626	212,976	*1 -	-
Digital data transmission	5,694	10,193	7,266	17,459	-	-
Other business	11,892	23,266	22,756	46,022	8,669	43,000
Operating income	4,701	7,884	7,506	15,390	5,691	16,000
Ordinary income	3,495	5,704	5,680	11,384	4,979	14,000
Extraordinary income (loss)	(205)	721	384	1,104	-	N.A.
Net income	2,478	4,871	4,186	9,057	3,430	9,000
Free cash flows	11,371	27,175	27,776	54,951	11,161	52,000
Depreciation	13,455	26,763	27,064	53,827	11,616	48,000
Capex (cash flow basis)	3,129	5,467	9,246	14,713	2,016	9,000
EBITDA	18,467	35,772	35,412	71,184	17,737	65,000
EBITDA margin	25.6%	25.2%	26.3%	25.7%	29.0%	25.6%

*1 From FY 3/05, KDDI quit disclosing "Telecommunications business" revenues by segment, like "Voice communications", "Digital data transmission", by its new accounting policy.

The Financial Results for the 1st Quarter of FY 3/05

millions of Yen

Pocket Business		FY 3/04				FY 3/05 *1			
		1H		Full year	Half year (E)		Effect of selling PHS business	Full year (E)	
		1Q	2H		1Q	Includes the effect of selling PHS business			Excludes the effect of selling PHS business
Operating revenues	48,451	95,680	88,337	184,017	44,137	181,000	(91,000)	181,000	
Telecommunications business	43,974	86,831	81,576	168,407	38,719	163,000	(82,000)	163,000	
Other business	4,477	8,849	6,760	15,609	5,418	18,000	(9,000)	18,000	
Operating income	5,500	11,031	10,062	21,093	2,802	19,000	(11,000)	19,000	
Ordinary income	5,089	10,075	8,936	19,010	2,571	17,000	(10,000)	17,000	
Extraordinary income (loss)	273	218	(989)	(771)	-	N.A.	N.A.	N.A.	
Net income	5,344	10,258	8,806	19,064	2,301	17,000	(10,000)	17,000	
Free cash flows	10,076	25,224	21,982	47,206	12,026	38,000	(16,000)	38,000	
Depreciation	9,719	19,431	19,275	38,707	9,315	38,000	(19,000)	38,000	
Capex (cash flow basis)	3,035	4,005	8,904	12,909	2,854	18,000	(11,000)	18,000	
EBITDA	15,413	31,092	30,271	61,363	12,258	58,000	(30,000)	58,000	
EBITDA margin	31.8%	32.5%	34.3%	33.3%	27.8%	32.0%	-	32.0%	

*1 Includes the effect of selling PHS business (operated by DDI Pocket Inc.).

*2 Excludes the effect of selling PHS business.

millions of Yen

Other Businesses		FY 3/04				FY 3/05	
		1H		Full year	Full year (E)		
		1Q	2H		1Q		
Operating revenues	43,030	87,817	98,718	186,533	42,447	182,000	
Telecommunications business	27,024	54,627	54,998	109,625	26,481	103,000	
Other business	16,006	33,190	43,719	76,908	15,966	79,000	
Operating income (loss)	(507)	(861)	1,657	797	979	4,000	
Ordinary income (loss)	(401)	(1,170)	1,253	83	854	3,000	
Extraordinary income (loss)	(30)	2,249	(6,956)	(4,707)	128	N.A.	
Net income (loss)	(653)	642	(6,072)	(5,431)	204	2,000	

Mobile Business Data

Subscribers (Thousand)		Jun. 03	Sep.03	Mar.04		Jun. 04	Mar.05
au		14,674	15,263	16,959		17,591	19,150
	CDMA 1X WIN	-	-	343		573	N.A.
	CDMA 1X	8,572	10,203	13,166		14,131	N.A.
	cdmaOne	6,101	5,059	3,450		2,887	N.A.
TU-KA		3,740	3,699	3,632		3,606	3,550
EZweb		13,270	13,940	15,700		16,330	17,840
	au	11,534	12,164	13,886		14,520	16,000
	TU-KA	1,736	1,776	1,814		1,810	1,840
Pocket(PHS)		2,959	2,938	2,897		2,913	3,000
	AIR H"	830	890	990		1,060	1,300
	Data Transmission Users	1,450	1,510	1,622		1,707	N.A.

ARPU, MOU, Churn rate			FY 3/04				FY 3/05	
			1Q	1H	2H	Full year	1Q	Full year (E)
au	ARPU(Total) (Yen)		7,480	7,510	7,380	7,440	7,260	7,140
		Voice	5,930	5,920	5,690	5,800	5,540	5,340
		Data	1,550	1,590	1,690	1,640	1,720	1,800
	CDMA 1X *1 (Yen)		8,810	8,720	8,240	8,440	7,820	N.A.
		Voice	6,630	6,550	6,190	6,340	5,870	N.A.
		Data	2,180	2,170	2,050	2,100	1,950	N.A.
	MOU (Minutes)		178	178	174	176	169	N.A.
Churn rate (%)		1.6	1.55	1.44	1.49	1.40	1.4	
TU-KA	ARPU (Yen)		5,150	5,100	4,930	5,020	4,690	4,710
	MOU (Minutes)		150	150	140	145	133	N.A.
	Churn rate (%)		2.5	2.5	2.2	2.4	2.1	2.2
Pocket (PHS)	ARPU (Yen)		4,880	4,840	4,660	4,750	4,430	4,610
	MOU (minutes)		189	192	195	193	201	N.A.
	Churn rate (%)		2.8	2.7	2.5	2.6	2.5	2.4

*1 CDMA 1X ARPU includes CDMA 1X WIN ARPU.

*2 The churn rate estimate of TU-KA for FY 3/05 has been corrected from the figure disclosed on April 28, 2004.

au EZweb Packet traffic *3	FY 3/04				FY 3/05
	1Q	1H	2H	Full year	1Q
Total packet traffic (million packets)	405,065	887,349	1,087,604	1,974,953	558,380
Number of packets per EZweb user per day	397	420	464	443	445

*3 au Ezweb packet traffic doesn't include the figures for CDMA 1X WIN.

BBC & Solutions Business Data (1)

Number of Active Line *1	FY 3/04				FY 3/05
	1Q	1H	2H	Full year	1Q
Voice Domestic Active Line (Thousand)	8,551	8,493	8,195	8,344	7,941
Voice International Active Line (Thousand)	694	687	640	663	594

*1 "Active line" means the number of fixed lines that had made one call at least per month (The figures are monthly average.)

Other Service lines		9/03	3/04		6/04
DION (Thousand)		2,430	2,489		2,760
ADSL (Thousand)		662	777		1,251
FTTH (Thousand)		-	-	23	43
KDDI Hikari Plus (Thousand)		-	-	9	28
KDDI Internet (for corporations) (Thousand)		23	25	31	33
FR/CR *2 (Thousand)		26	22	15	13
IP-VPN *2 (Thousand)		58	62	65	64

*2 Make a count of each access lines.

ARPU for Fixed Line	FY 3/04				FY 3/05
	1Q	1H	2H	Full year	1Q
Voice Domestic Active Line *3 (Yen)	1,830	1,760	1,660	1,710	1,520
Voice International Active Line *4 (Yen)	4,210	4,130	3,980	4,060	3,860
DION (included ADSL) *5 (Yen)	1,990	2,010	2,030	2,020	1,950

*3 ARPU does not include, DDL-direct, free call DX/S, DOD and interconnection revenue.

*4 ARPU does not include DDL-direct, Super World Card and international mobile calls.

*5 ARPU in relation to the ISP connection revenue.

Myline Registration Shares

		6/03	9/03	3/04		6/04
KDDI	Local	13.3%	13.3%	13.4%		13.2%
	In-prefecture Long Distance	16.3%	16.4%	16.5%		16.2%
	Out prefecture Long Distance	20.5%	20.5%	20.4%		20.1%
	International	24.7%	24.6%	24.3%		23.8%
NTT Group	Local	73.5%	73.4%	72.4%		72.5%
	In-prefecture Long Distance	66.0%	65.9%	65.6%		65.9%
	Out prefecture Long Distance	57.3%	57.6%	57.5%		58.0%
	International	53.7%	53.9%	53.9%		54.3%
Others	Local	13.2%	13.3%	14.2%		14.3%
	In-prefecture Long Distance	17.7%	17.7%	17.9%		17.9%
	Out prefecture Long Distance	22.2%	21.9%	22.1%		21.9%
	International	21.6%	21.5%	21.8%		21.9%

BBC & Solutions Business Data (2)

Local calls traffic *1	FY 3/04				FY 3/05
	1Q	1H	2H	Full year	1Q
Call units (million)	1,064	2,093	1,967	4,060	927
Call minutes (million)	2,988	5,833	5,145	10,978	2,204

Long-distance calls traffic *1	FY 3/04				FY 3/05
	1Q	1H	2H	Full year	1Q
Call units (million)	2,717	5,376	5,204	10,580	2,490
Call minutes (million)	4,417	8,632	8,088	16,720	3,728

International calls traffic *2	FY 3/04				FY 3/05
	1Q	1H	2H	Full year	1Q
Call units (million)	144	298	289	587	139
Outgoing	46	93	96	189	48
Incoming	72	150	150	300	67
Relayed	26	55	43	98	24
Call minutes (million)	706	1,440	1,352	2,792	666
Outgoing	231	472	478	950	237
Incoming	326	680	646	1,326	302
Relayed	149	287	228	516	127

*1 Domestic calls (local and long distance calls) traffic includes DDL-direct revenue, free call DX/S, DOD and interconnection.

*2 International calls traffic includes DDL direct, Super World Card and international mobile devices.