

1.2. 2H/FY2006.3 Challenges

- 1** Secure new customers to strengthen business foundations and drive sustainable growth.
 - Build up brand strength, enhance customer satisfaction and ensure compliance.
 - Develop FMC (Fixed & Mobile Convergence) services by exploiting KDDI's competitive advantages.

- 2** “au” Business
 - Promote sales of unique “au” services such as EZ Chaku-uta Full[®] and navigation etc. along with flat-rate plan.
 - Reinforce customer acquisition in wide range of agegroups together with their family members, by “Family Discount -Wide Support-” plan for MNP (Mobile Number Portability).
 - Strengthen retention measures such as expanded family and yearly discount plans, and point service for battery pack replacement.
 - Mobile Solutions: Enhance product development capability and promote sales along with solutions

- 3** TU-KA Business
 - Promote smooth migration of TU-KA users to “au”

- 4** Fixed-line Business
 - Swiftly activate Metal Plus lines by steadily expanding sales area.
 - Prepare for planned merger with POWEREDCOM and integrated FTTH service with TEPCO.