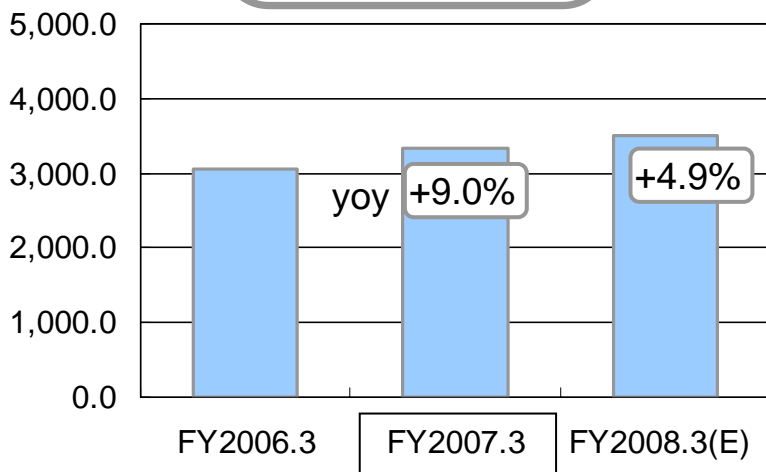


2. Consolidated Financial Results

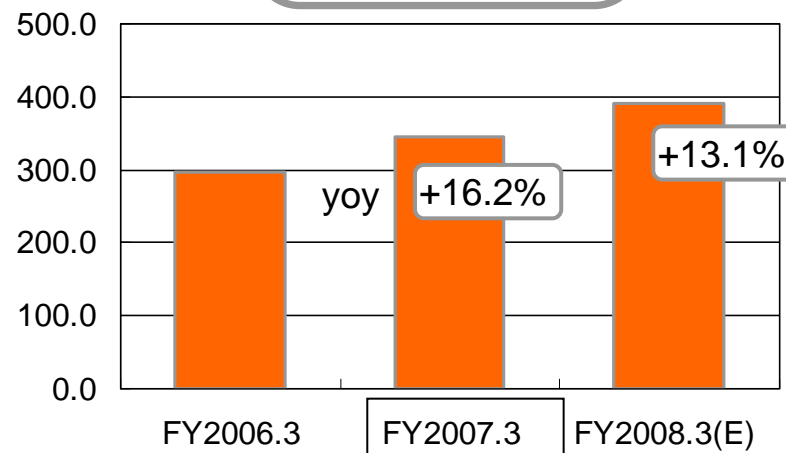
(Billions of yen)

Operating revenues



(Billions of yen)

Operating income



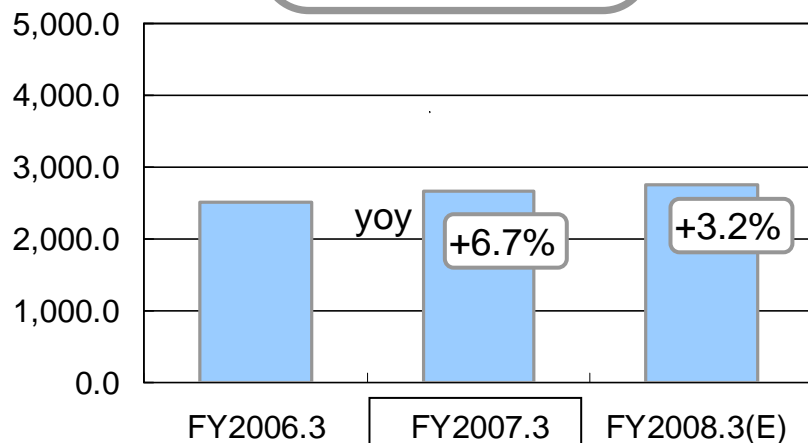
(Billions of yen)

	FY2006.3	FY2007.3	FY2008.3(E)		
			yoy	yoy	
Operating revenues	3,060.8	3,335.3	9.0%	3,500.0	4.9%
Operating income	296.6	344.7	16.2%	390.0	13.1%
<i>Operating margin</i>	9.7%	10.3%	-	11.1%	-
Ordinary income	294.0	350.9	19.4%	390.0	11.1%
Net income	190.6	186.7	-2.0%	220.0	17.8%
Free Cash Flow	139.6	296.5	112.4%	2.0	-99.3%
EBITDA	654.4	691.7	5.7%	770.0	11.3%
<i>EBITDA margin</i>	21.4%	20.7%	-	22.0%	-

3. Mobile Business/ "au"+Tu-Ka(PDC)

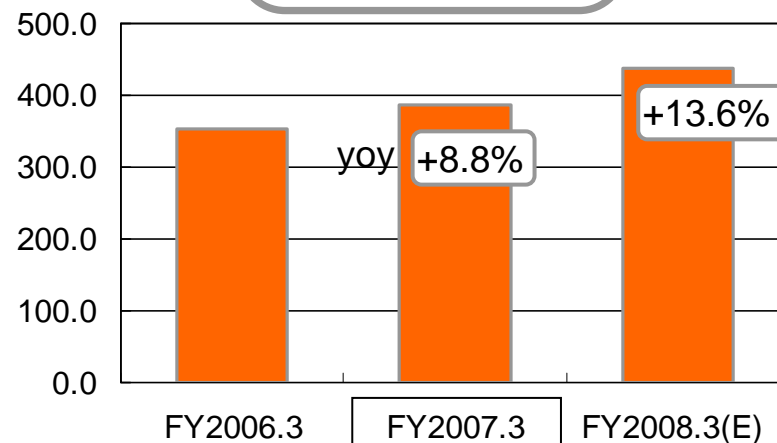
(Billions of yen)

Operating revenues



(Billions of yen)

Operating income



(Billions of yen)

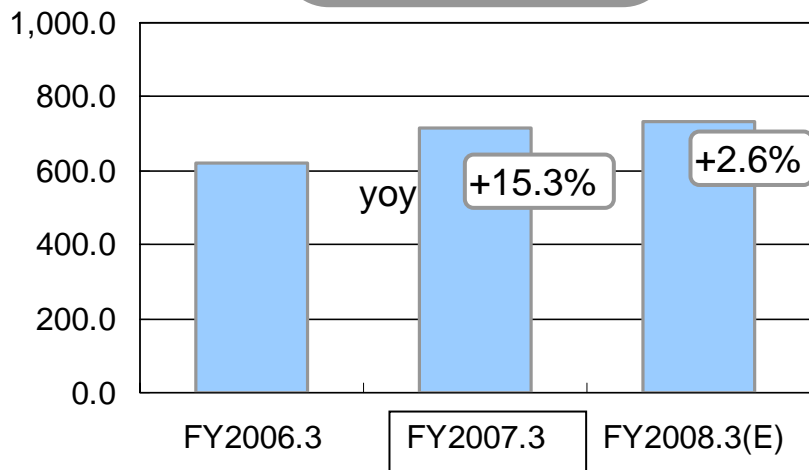
	FY2006.3	FY2007.3		FY2008.3(E)	
			yoy		yoy
Operating revenues	2,510.4	2,677.4	6.7%	2,763.0	3.2%
"au"	2,335.2	2,610.6	11.8%	2,756.0	5.6%
Tu-Ka	175.2	66.8	-61.9%	7.0	-89.5%
Operating income	354.4	385.7	8.8%	438.0	13.6%
<i>Operating margin</i>	14.1%	14.4%	-	15.9%	-
Ordinary income	352.8	393.5	11.6%	443.0	12.6%
Net income	145.3	209.5	44.2%	253.0	20.8%
Free Cash Flow	266.2	294.8	10.8%	126.0	-57.3%
EBITDA	605.2	598.1	-1.2%	681.0	13.9%
<i>EBITDA margin</i>	24.1%	22.3%	-	24.6%	-

	FY2006.3	FY2007.3	FY2008.3(E)
('000)			
Total Subs	25,439	28,188	30,000
of module-type	586	699	740
"au" total	22,699	27,317	30,000
WIN(EV-DO)	8,280	14,549	18,750
1X	13,548	12,170	-
cdmaOne	871	597	-
Tu-Ka(PDC)	2,739	872	0

4. Fixed-line Business

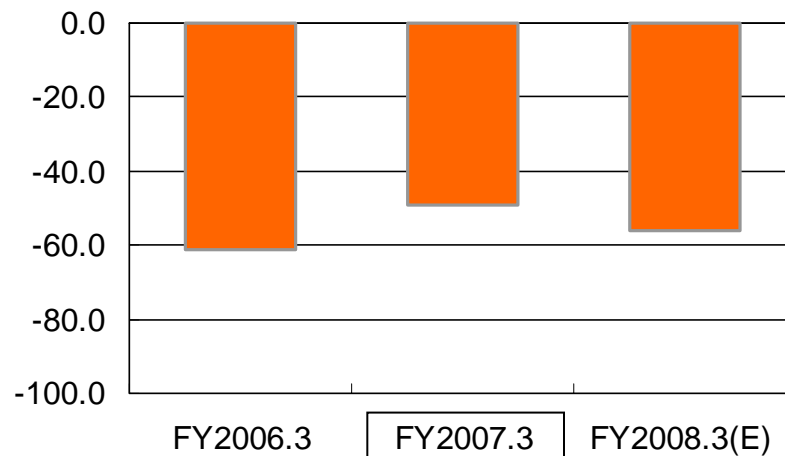
(Billions of yen)

Operating revenues



(Billions of yen)

Operating income



* yoy comparison are not available as figures are negative.

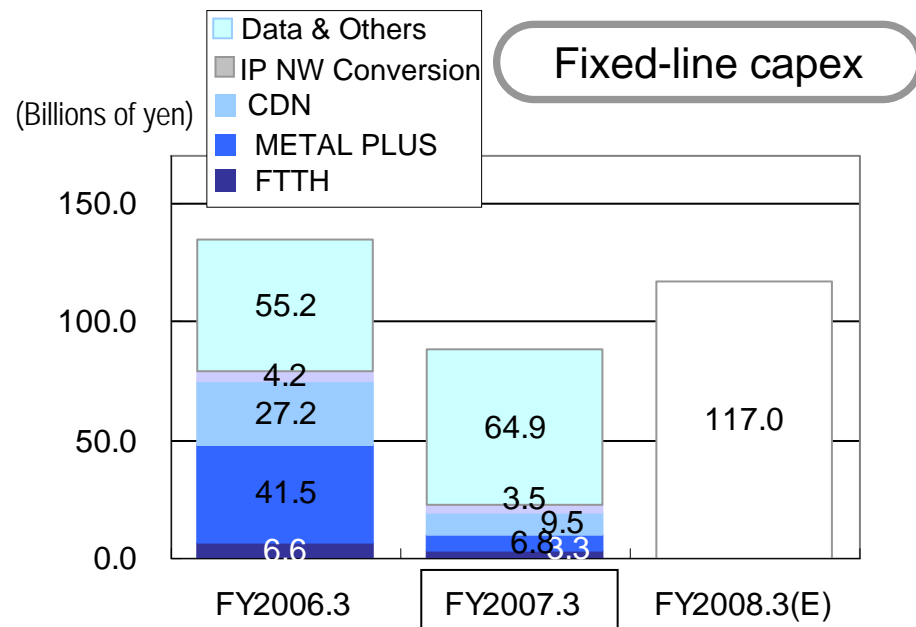
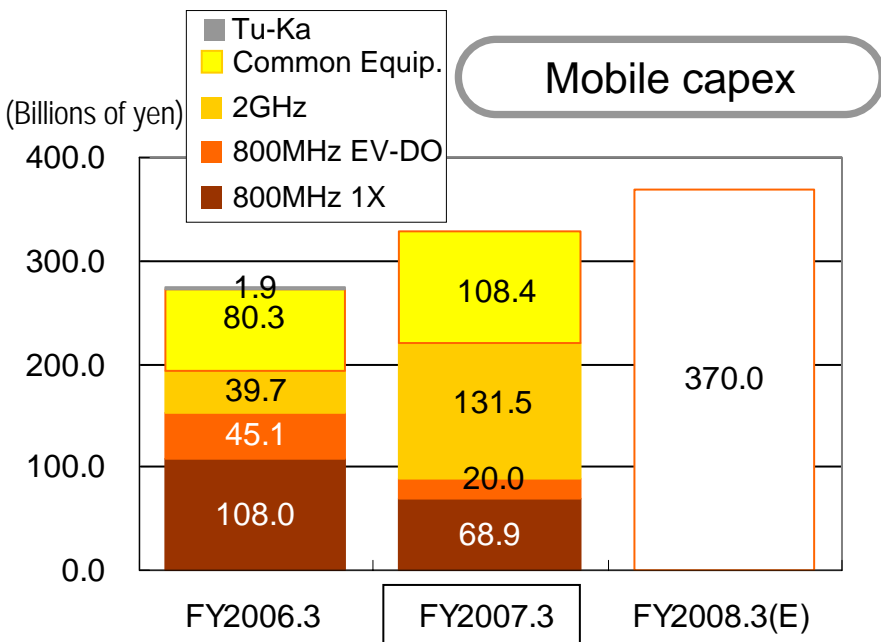
(Billions of yen)

	FY2006.3	FY2007.3		FY2008.3(E)	
			yoy		yoy
Operating revenues	619.3	714.4	15.3%	733.0	2.6%
Operating income	-61.3	-49.0	-	-56.0	-
<i>Operating margin</i>	-9.9%	-6.9%	-	-7.6%	-
Ordinary income	-62.2	-47.2	-	-60.0	-
Net income	26.4	-23.4	-	-35.0	-
Free Cash Flow	-102.3	6.3	-	-95.0	-
EBITDA	41.5	80.9	95.1%	73.0	-9.8%
<i>EBITDA margin</i>	6.7%	11.3%	-	10.0%	-

Subs	('000)	FY2006.3	FY2007.3	FY2008.3(E)
ADSL		1,516	1,512	1,500
FTTH		167	* 592	900
METAL PLUS		1,799	2,813	3,200

Note: FTTH includes TEPCO Hikari lines from March 2007.

5. Capital Expenditures



(Billions of yen)

		FY2006.3	FY2007.3	FY2008.3(E)
CAPEX (Cash basis)	Consolidated	414.7	438.5	500.0
	Mobile	275.1	328.9	370.0
	Fixed-line	134.7	88.0	117.0