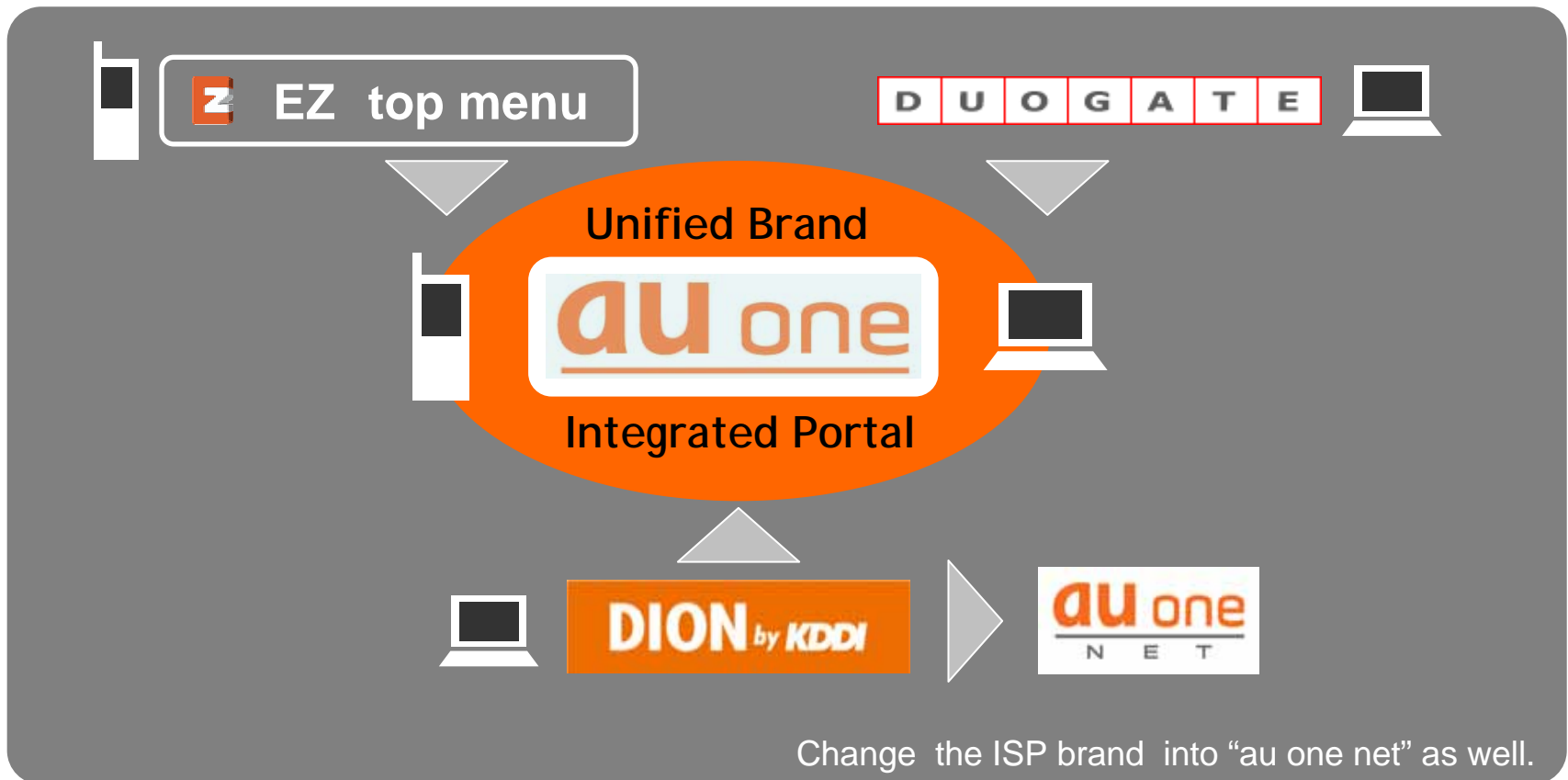


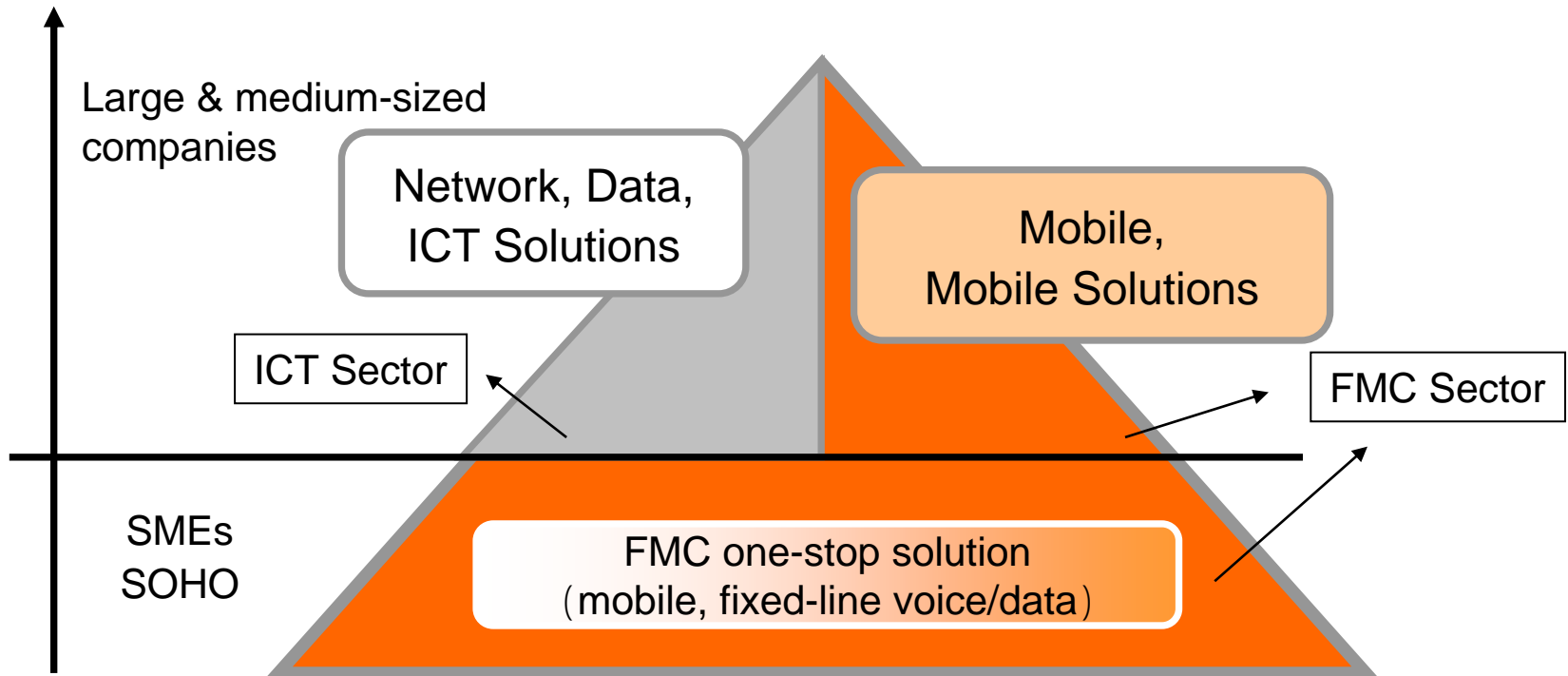
FMBC Initiatives for Consumer Market

- Reorganize sales forces of “au” and BBC into Consumer Sales Sector (October 1).
- Integrate mobile and PC portal sites as a big step toward KDDI’s envisaged FMBC world. Add the “au” brand to the new portal to cultivate a sense of unity.



FMC Initiatives to Corporate Market

- Reorganize three forces of Mobile Solution, Network Solution and KNSL (for SMEs) to meet the needs of corporate customers (October 1).
 - Both FMC and ICT Sector are responsible for large companies depending on the customer needs of mobile/fixed-line services.
 - FMC Sector is all responsible for SMEs with one-stop solutions.
- Enhance mobile sales to SMEs including linkage with “au” shops.



License Application for the 2.5GHz Frequency

- Applied for the license of 2.5GHz frequency through a planning company to provide wireless broadband service based upon mobile WiMAX technology.

Company Outline

<Company Name>

Wireless Broadband Planning K.K.

<Shareholders>

KDDI	32.26%
Intel Capital	17.65%
East Japan Railway Company	17.65%
Kyocera Corporation	17.65%
Daiwa Securities Group Inc.	9.80%
The Bank of Tokyo-Mitsubishi UFJ	5.00%

Business Concept

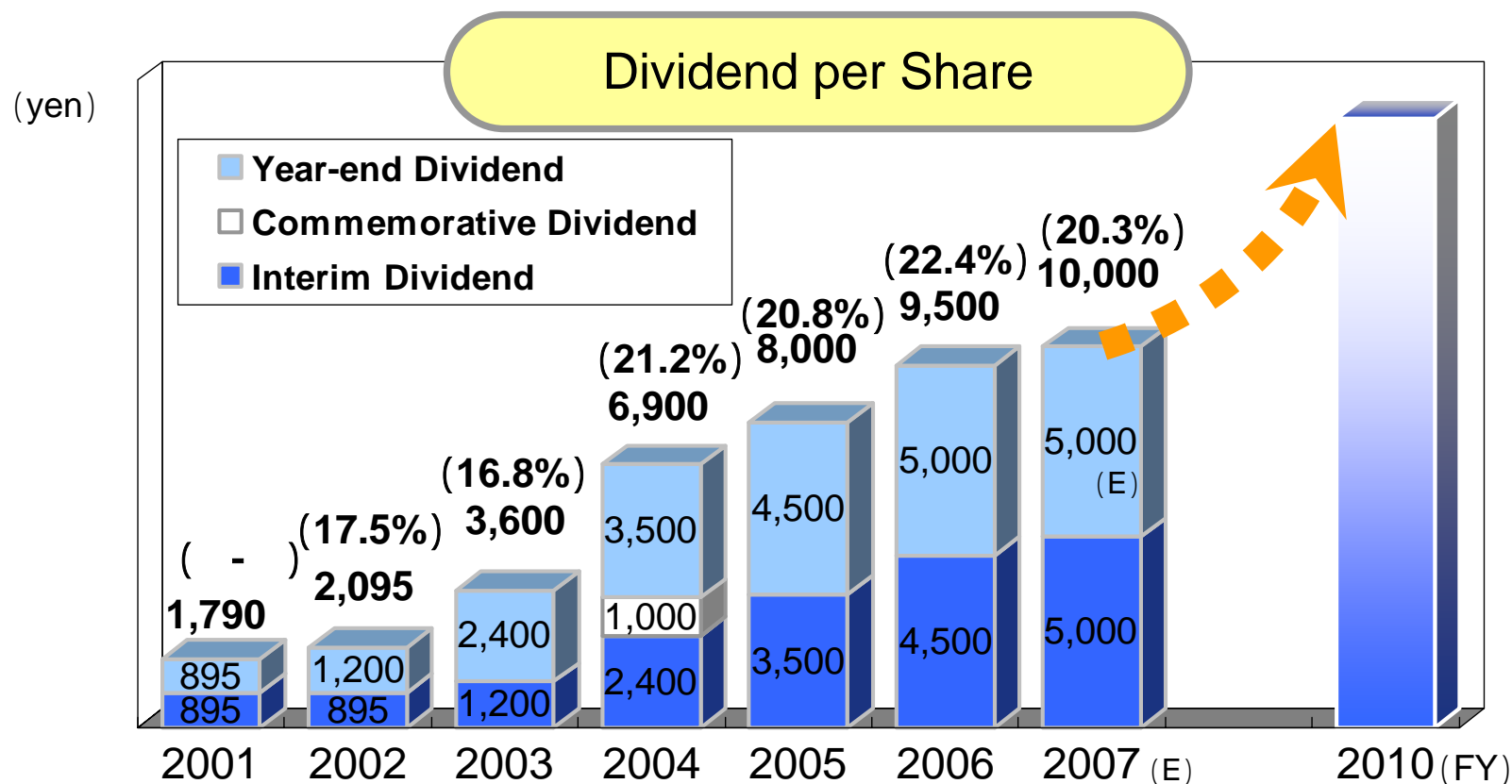
- Expand popular uptake of embedded devices and enhance the utilization value of the WiMAX.
- Strongly promote open model and expand the WiMAX market together with MVNOs.

Expansion of devices



Shareholder Returns

- Maintain stable dividend – aim for consolidated payout ratio of 20% or more, taking investments for sustainable growth into consideration.



Note: () refers to payout ratio, which shows on a company basis until FY2005 and on a consolidated basis in FY2006 and onwards. FY2001 posted net loss, therefore, shown as (-).