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# **Data Book**

## **Financial Results for the 1st Quarter of FY 3/2009**

**July 22, 2008**

**KDDI Corporation**

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# Financial Results for the 1st Quarter of FY 3/09

Unit: Millions of Yen

Consolidated Statement		FY 3/08					FY 3/09		
		1Q	2Q	3Q	4Q	Total	1Q	Progress	Total (Forecast)
Operating revenues		844,084	890,182	904,400	957,618	3,596,284	870,520	23.5%	3,700,000
	Telecommunications business	685,626	695,260	689,261	679,750	2,749,897	685,209	25.3%	2,704,000
	Other business	158,457	194,922	215,139	277,868	846,387	185,311	18.6%	996,000
Operating income		140,904	108,702	121,365	29,480	400,452	124,374	28.1%	443,000
Ordinary income		142,726	109,684	123,041	32,475	407,927	124,827	28.4%	440,000
Extraordinary income (loss)		0	209	0	(28,930)	(28,721)	(352)	-	0
Net income		82,492	63,247	69,026	3,021	217,786	72,456	29.0%	250,000
Total assets *		2,753,013	2,858,098	2,853,745	-	2,879,275	3,004,530	-	-
Shareholders' equity *		1,604,824	1,670,789	1,719,159	-	1,715,731	1,768,786	-	-
Shareholders' equity ratio *		57.2%	57.3%	59.1%	-	58.5%	57.5%	-	-
Shareholders' equity per share (Yen) *		352,762	367,230	377,786	-	377,278	387,571	-	-
Free cash flows		(60,496)	120,274	34,789	(107,021)	(12,454)	(74,899)	-	(17,000)
Depreciation		82,630	86,572	88,513	93,553	351,269	94,310	22.6%	418,000
Capex (cash flow basis)		88,776	101,853	127,711	198,662	517,002	129,982	22.0%	590,000
EBITDA		225,300	199,424	215,193	129,291	769,209	223,388	25.4%	881,000
EBITDA margin		26.7%	22.4%	23.8%	13.5%	21.4%	25.7%	-	23.8%
Interest bearing debt *		617,796	572,197	508,680	-	571,945	722,765	-	-
Net debt *		520,609	400,677	388,908	-	496,399	648,371	-	-
Debt / EBITDA Ratio		-	-	-	-	0.7	-	-	-
Debt / Equity Ratio		0.39	0.35	0.30	-	0.34	0.42	-	-

\* These figures are as of the end of each financial year.

# Financial Results for the 1st Quarter of FY 3/09

Unit: Millions of Yen

Mobile Business		FY 3/08					FY 3/09		
		1Q	2Q	3Q	4Q	Total	1Q	Progress	Total (Forecast)
	Operating revenues	674,832	706,350	719,216	762,200	2,862,599	679,763	23.4%	2,911,000
	Sales outside the group	672,505	703,214	716,404	759,557	2,851,679	676,963	-	-
	Telecommunications business	536,978	545,678	538,812	527,740	2,149,208	529,850	-	-
	Other business	135,526	157,536	177,592	231,817	702,471	147,113	-	-
	Sales within the group	2,328	3,137	2,812	2,643	10,920	2,800	-	-
	Operating income	151,297	122,035	138,031	43,681	455,044	139,155	28.0%	497,000
	Ordinary income	153,186	123,541	140,510	46,251	463,488	141,260	28.1%	503,000
	Extraordinary income (loss)	0	0	0	(8,030)	(8,030)	0	-	0
	Net income	88,182	71,851	82,382	24,057	266,472	82,780	28.3%	292,000
	Free cash flows	(28,572)	122,995	59,560	(71,569)	82,414	(16,499)	-	127,000
	Depreciation	54,786	55,651	56,876	60,733	228,046	63,357	22.2%	285,000
	Capex (cash flow basis)	60,964	80,157	95,621	154,982	391,725	95,996	22.0%	436,000
	EBITDA	207,151	179,674	197,361	108,053	692,239	205,102	25.8%	794,000
	EBITDA margin	30.7%	25.4%	27.4%	14.2%	24.2%	30.2%	-	27.3%

Details of Operating revenues		FY 3/08				
		1Q	2Q	3Q	4Q	Total
	au	669,997	703,134	717,204	761,354	2,851,691
	TU-KA	4,835	3,216	2,012	845	10,908

# Financial Results for the 1st Quarter of FY 3/09

Unit: Millions of Yen

Fixed-line Business		FY 3/08					FY 3/09		
		1Q	2Q	3Q	4Q	Total	1Q	Progress	Total (Forecast)
	Operating revenues	176,534	178,055	179,709	184,347	718,646	207,236	24.2%	855,000
	Sales outside the group	155,550	156,007	156,640	161,450	629,647	187,524	-	-
	Telecommunications business	141,288	141,146	141,404	141,494	565,331	154,973	-	-
	Other business	14,263	14,861	15,236	19,956	64,316	32,550	-	-
	Sales within the group	20,984	22,048	23,069	22,897	88,999	19,713	-	-
	Operating income (loss)	(13,064)	(16,418)	(18,325)	(16,861)	(64,668)	(14,876)	-	(58,000)
	Ordinary income (loss)	(12,843)	(16,625)	(17,956)	(17,332)	(64,756)	(15,815)	-	(62,000)
	Extraordinary income (loss)	0	(95)	(575)	(18,557)	(19,227)	(599)	-	0
	Net income (loss)	(7,437)	(9,665)	(12,888)	(21,740)	(51,731)	(9,829)	-	(38,000)
	Free cash flows	(8,476)	(4,145)	(13,995)	(27,280)	(53,897)	(53,063)	-	(117,000)
	Depreciation	27,660	28,364	28,924	30,073	115,021	30,533	23.3%	131,000
	Capex (cash flow basis)	24,520	18,977	27,120	39,032	109,649	32,924	21.9%	150,000
	EBITDA	15,278	14,032	13,426	15,392	58,129	17,764	21.9%	81,000
	EBITDA margin	8.7%	7.9%	7.5%	8.3%	8.1%	8.6%	-	9.5%

# Financial Results for the 1st Quarter of FY 3/09

Unit: Millions of Yen

Fixed-line Business	FY 3/08					FY 3/09		
	1Q	2Q	3Q	4Q	Total	1Q	Progress	Total (Forecast)
Details of total operating revenues								
Total operating revenues	176,534	178,055	179,709	184,347	718,646	207,236	24.2%	855,000
Telecommunications Business of KDDI Corporation	143,353	143,401	144,348	144,094	575,195	141,350	24.7%	572,000
Voice Services	76,034	75,501	75,997	75,899	303,431	73,534	25.0%	294,000
Local call	7,812	7,561	7,405	7,079	29,857	6,782	-	-
Long distance call	49,951	50,780	51,531	51,673	203,934	49,740	-	-
International call	18,271	17,161	17,061	17,146	69,640	17,012	-	-
Data Services	67,248	67,806	68,244	68,091	271,389	67,749	24.4%	278,000
Data Transmissions	30,451	30,394	30,253	29,819	120,917	29,154	24.3%	120,000
Internet * 1	29,555	29,569	29,473	29,137	117,734	28,594	-	-
Frame relay, Cell relay and Other data transmission	897	825	780	682	3,183	560	-	-
Leased circuits	13,269	13,116	12,880	12,650	51,915	11,896	23.8%	50,000
IP-VPN	8,398	8,631	8,510	9,104	34,643	9,215	24.3%	38,000
Wide-area Ethernet	15,130	15,666	16,601	16,518	63,914	17,484	25.0%	70,000
Telegraph and other telecommunications services	71	94	106	104	376	67	-	-
Telecommunications Business of KNSL	12,121	11,647	7,979	55	31,802	* 4 -	-	-
JCN Group	-	-	-	-	-	13,783	25.1%	55,000
CTC	-	-	-	-	-	9,163	23.5%	39,000
Others * 2	21,061	23,007	27,382	40,198	111,649	42,940	22.7%	189,000
Details : Metal-plus (Voice+Data) * 3	28,389	30,219	31,920	32,323	122,851	33,683	-	-
Details : FTTH (Data+Voice+TV)	8,480	8,998	9,417	9,713	36,609	12,151	-	-

\*1 We includes the internet revenues of Metal-plus (including ADSL one) and FTTH on "Internet" and show the TV service of FTTH in the "Other Business".

\*2 "Others" includes the revenues of other business of the KDDI parent company, sales within the KDDI parent company, other subsidiaries and adjustments in the Fixed-line Business.

\*3 Including ADSL one.

\*4 We includes the Telecommunications Business of KNSL in the "Others" for the 1st Quarter of FY 3/09.

# Financial Results for the 1st Quarter of FY 3/09

Unit: Millions of Yen

Other Business		FY 3/08					FY 3/09		
		1Q	2Q	3Q	4Q	Total	1Q	Progress	Total (Forecast)
	Operating revenues	28,061	43,297	44,456	51,345	167,159	15,289	22.2%	69,000
	Sales outside the group	16,029	30,962	31,356	36,611	114,958	6,034	-	-
	Sales within the group	12,032	12,335	13,100	14,734	52,201	9,255	-	-
	Operating income (loss)	2,259	2,930	1,426	2,400	9,014	(193)	-	3,000
	Ordinary income (loss)	2,429	2,435	1,800	2,223	8,887	(137)	-	3,000
	Extraordinary income (loss)	(7)	41	13	(3,047)	(3,000)	(26)	-	0
	Net income (loss)	1,861	275	368	(1,257)	1,247	(178)	-	1,000

# Business Details: Mobile

Subscribers (Thousand)		FY 3/08					FY 3/09	
		Jun-07	Sep-07	Dec-07		Mar-08	Jun-08	Mar-09 (Forecast)
KDDI Total		28,709	29,217	29,555			30,339	30,305
au		28,110	28,744	29,196		30,105	30,305	31,600
CDMA 1X WIN		15,753	17,063	18,126		19,695	20,473	24,000
CDMA 1X		11,805	11,177	10,613		9,993	9,444	-
cdmaOne		552	503	456		417	389	-
TU-KA		600	473	359		234	0	0
EZweb		24,086	24,567	24,891		25,512	25,704	27,000
au		23,945	24,472	24,841		25,505	25,704	27,000
TU-KA		140	95	50		8	0	0

ARPU, MOU, Churn			FY 3/08					FY 3/09	
			1Q	2Q	3Q	4Q	Total	1Q	Total (Forecast)
au	ARPU (Yen)		6,430	6,400	6,230	5,990	6,260	5,900	5,660
		Voice (Yen)	4,350	4,270	4,090	3,820	4,130	3,710	3,480
		Data (Yen)	2,080	2,130	2,140	2,170	2,130	2,190	2,180
		MOU (Minutes)	139	139	137	132	137	136	* 1 127
		Churn rate (%)	0.97	1.03	0.89	0.90	0.95	0.87	0.91
TU-KA	ARPU (Yen)		2,170	1,900	1,520	810	1,750	-	-
		MOU (Minutes)	44	39	30	14	35	-	-
		Churn rate (%)	11.8	7.6	8.7	13.2	10.2	-	-

\*1 Forecast does not include the effect of the introduction of free calls to family members.

## Business Details: Fixed - line (Part 1)

Active Lines *1	FY 3/08					FY 3/09	
	1Q	2Q	3Q	4Q	Total	1Q	Total (Forecast)
Voice Domestic Active Line (Thousand)	4,048	3,869	3,538	3,454	3,727	3,294	-
Voice International Active Line (Thousand)	286	272	251	231	260	214	-

ARPU for Active Lines *1	FY 3/08					FY 3/09	
	1Q	2Q	3Q	4Q	Total	1Q	Total (Forecast)
Voice Domestic Active Line (Yen)	1,370	1,350	1,420	1,470	1,400	1,340	-
Voice Int'l Active Line (Yen)	3,840	3,490	3,850	3,900	3,760	3,870	-

\* 1 Does not include revenue from DDL direct lines, Metal-plus phone, FTTH, FreeCall DX/S, DOD or other direct connections.

Number of Subscribers to Fixed Line Services	FY 3/08					FY 3/09	
	Jun-07	Sep-07	Dec-07	Mar-08	Jun-08	Mar-09 (Forecast)	
Myline Registration *2 (Thousand)	5,520	5,280	5,050	4,850	4,650	-	
Local (Thousand)	3,528	3,381	3,232	3,106	2,984	-	
In-prefecture Long Distance (Thousand)	4,412	4,226	4,042	3,882	3,728	-	
Out-prefecture Long Distance (Thousand)	4,931	4,722	4,504	4,323	4,148	-	
International (Thousand)	5,271	5,050	4,821	4,628	4,443	-	
KDDI Internet (Corporate use) (Thousand)	61	62	64	65	65	-	
IP-VPN (Thousand)	61	65	68	70	68	-	
Wide-area Ethernet (Thousand)	47	49	51	53	53	-	
au one net (Thousand)	2,702	2,671	2,626	2,590	2,504	-	
of which ADSL (Thousand)	1,495	1,471	1,437	1,396	1,347	1,280	
FTTH (Thousand)	635	668	698	710	916	1,140	
Metal Plus *3 (Thousand)	3,010	3,172	3,271	3,279	3,269	3,080	
Cable-plus phone (Thousand)	-	-	-	286	355	580	
CATV *4 (Thousand)	-	-	-	667	683	700	
Fixed access lines *5 (Thousand)	-	-	-	4,827	5,082	5,300	

\* 2 Each individual access circuit to the network is counted here.

\* 3 Including ADSL one.(ADSL used over Metal-plus)

\* 4 Cable TV subs includes number of households with at least one contract via broadcasting, Internet, or telephone.

\* 5 Fixed Access Lines is total of FTTH, direct-revenue telephone (Metal-plus, Cable-plus) and Cable TV, counting multiple lines as one access line.



## Business Details: Fixed - line (Part 2)

ARPU for Fixed Line	FY 3/08					FY 3/09
	1Q	2Q	3Q	4Q	Total	1Q
au one net (Yen)	2,340	2,380	2,400	2,430	2,390	2,430
FTTH (Data+Voice+TV) (Yen)	4,600	4,600	4,590	4,590	4,600	4,560
Metal-plus (Voice+Data) *1 (Yen)	3,390	3,400	3,430	3,440	3,420	3,430

\* 1 Including ADSL one.(ADSL used over Metal-plus)

Local call traffic *2	FY 3/08					FY 3/09
	1Q	2Q	3Q	4Q	Total	1Q
Calls (million)	524	494	486	443	1,947	431
Minutes (million)	931	860	831	769	3,391	742

Long-distance calls traffic *2	FY 3/08					FY 3/09
	1Q	2Q	3Q	4Q	Total	1Q
Calls (million)	2,484	2,490	2,287	1,739	9,000	1,276
Minutes (million)	2,271	2,217	2,135	1,966	8,589	1,878

International call traffic *3	FY 3/08					FY 3/09
	1Q	2Q	3Q	4Q	Total	1Q
Calls (million)	140	160	198	195	693	212
Minutes (million)	760	886	870	890	3,406	975

\* 2 Domestic (local and long-distance) call traffic figures include those for direct connections such as DDL direct line, Free Call DX/S and DOD.

\* 3 International call traffic includes figures for services such as DDL direct lines, Super World Card and international calls made from mobile phones over the KDDI network.  
( Does not include figures from Metal-plus phone and FTTH)