
Data Book

Financial Results for the 1st Quarter of FY 2011.3

July 23, 2010

KDDI Corporation

Financial Results for the 1st Quarter of FY 2011.3

Unit: Millions of Yen

Consolidated Statement		FY 2010.3					FY 2011.3		
		1Q	2Q	3Q	4Q	Total	1Q	Progress	Total (Forecast)
Operating revenues		853,730	869,357	862,221	856,840	3,442,147	866,019	25.2%	3,440,000
Telecommunications business		665,734	665,217	656,251	618,964	2,606,165	637,381	25.0%	2,550,000
Other business		187,996	204,140	205,970	237,876	835,982	228,639	25.7%	890,000
Operating income		141,826	109,156	125,830	67,050	443,862	129,297	29.1%	445,000
Ordinary income		138,447	103,064	121,315	60,044	422,870	122,580	29.2%	420,000
Extraordinary income (loss)		5,626	34	(2,055)	(57,850)	(54,244)	5,556	-	5,000
Net income		86,417	58,875	67,353	118	212,764	71,921	30.0%	240,000
Total assets *1		3,365,197	3,420,390	3,514,038	-	3,819,537	3,749,352	-	-
Shareholders' equity *1		1,950,710	2,013,603	2,067,867	-	2,078,451	2,119,433	-	-
Shareholders' equity ratio *1		56.7%	57.6%	57.2%	-	52.8%	54.9%	-	-
Shareholders' equity per share (Yen) *1		428,683	442,416	451,523	-	453,003	461,831	-	-
Free cash flows		(76,530)	126,076	82,116	(316,112)	(184,450)	(1,210)	-	230,000
Depreciation		108,435	113,543	117,443	121,519	460,940	106,113	23.3%	455,000
Capex (cash flow basis)		135,157	117,353	128,054	137,470	518,034	110,392	22.5%	490,000
EBITDA		252,326	226,774	250,416	197,738	927,253	236,636	26.0%	910,000
EBITDA margin		29.6%	26.1%	29.0%	23.1%	26.9%	27.3%	-	26.5%
Interest bearing debt *1		899,428	834,070	833,833	-	1,096,778	1,075,226	-	-
Net debt *1		780,628	657,508	608,033	-	931,301	963,309	-	-
Debt / EBITDA Ratio		-	-	-	-	1.2	-	-	-
Debt / Equity Ratio		0.47	0.42	0.41	-	0.54	0.52	-	-

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

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Mobile Business		FY 2010.3					FY 2011.3		
		1Q	2Q	3Q	4Q	Total	1Q	Progress	Total (Forecast)
Operating revenues		663,182	674,693	663,505	648,756	2,650,135	663,711	26.1%	2,545,000
Sales outside the group		660,034	671,220	659,966	646,586	2,637,806	661,208	-	-
Telecommunications business		514,542	515,942	505,487	468,950	2,004,921	486,762	-	-
Other business		145,492	155,279	154,479	177,636	632,886	174,446	-	-
Sales within the group		3,148	3,472	3,539	2,170	12,329	2,503	-	-
Operating income		152,545	119,490	135,877	75,831	483,742	133,323	31.0%	430,000
Ordinary income		154,799	120,629	138,225	76,938	490,590	131,628	31.7%	415,000
Extraordinary income (loss)		1,839	110	(49)	(52)	1,848	5	-	0
Net income		95,886	70,922	80,618	45,750	293,175	75,058	31.9%	235,000
Free cash flows		(25,230)	140,461	84,992	76,270	276,493	18,148	-	235,000
Depreciation		76,102	80,100	84,181	87,602	327,985	75,668	23.1%	328,000
Capex (cash flow basis)		100,367	85,982	94,223	96,233	376,806	79,283	22.0%	360,000
EBITDA		230,145	202,373	224,951	169,366	826,834	209,813	27.4%	765,000
EBITDA margin		34.7%	30.0%	33.9%	26.1%	31.2%	31.6%	-	30.1%

Financial Results for the 1st Quarter of FY 2011.3

Unit: Millions of Yen

Fixed-line Business		FY 2010.3					FY 2011.3		
		1Q	2Q	3Q	4Q	Total	1Q	Progress	Total (Forecast)
	Operating revenues	207,168	207,686	208,906	215,419	839,178	214,108	22.8%	940,000
	Sales outside the group	185,954	185,816	187,711	191,714	751,196	192,318	-	-
	Telecommunications business	150,901	148,993	150,489	149,753	600,135	150,356	-	-
	Other business	35,053	36,824	37,222	41,961	151,060	41,961	-	-
	Sales within the group	21,214	21,869	21,194	23,705	87,982	21,790	-	-
	Operating income (loss)	(10,718)	(11,600)	(12,474)	(9,426)	(44,217)	(5,376)	-	10,000
	Ordinary income (loss)	(13,018)	(16,207)	(15,172)	(12,376)	(56,773)	(8,347)	-	0
	Extraordinary income (loss)	3,272	(209)	(2,674)	(56,394)	(56,006)	5,757	-	5,000
	Net income (loss)	(6,421)	(10,311)	(11,188)	(40,464)	(68,383)	(2,087)	-	0
	Free cash flows	(36,660)	(14,735)	6,043	(30,322)	(75,673)	(19,381)	-	0
	Depreciation	32,041	33,125	32,916	33,672	131,754	30,293	23.9%	127,000
	Capex (cash flow basis)	34,248	30,856	33,180	40,378	138,662	30,708	24.2%	127,000
	EBITDA	21,888	22,766	22,681	27,334	94,669	25,313	18.1%	140,000
	EBITDA margin	10.6%	11.0%	10.9%	12.7%	11.3%	11.8%	-	14.9%

Financial Results for the 1st Quarter of FY 2011.3

Unit: Millions of Yen

Fixed-line Business Details of total operating revenues	FY 2010.3					FY 2011.3		
	1Q	2Q	3Q	4Q	Total	1Q	Progress	Total (Forecast)
Total operating revenues	207,168	207,686	208,906	215,419	839,178	214,108	22.8%	940,000
Telecommunications Business of KDDI	136,553	134,003	133,987	132,583	537,126	130,397	23.8%	548,000
Voice Services	67,821	65,595	65,250	64,000	262,666	62,914	23.8%	264,000
Local call	5,466	5,283	5,148	4,777	20,674	4,669	-	-
Long distance call	47,240	46,048	44,883	44,837	183,008	44,312	-	-
International call	15,115	14,263	15,219	14,386	58,984	13,934	-	-
Data Services	68,732	68,408	68,737	68,583	274,460	67,483	23.8%	284,000
Internet	29,899	29,769	30,609	30,887	121,164	31,007	22.6%	137,000
Wide-area Ethernet	19,147	19,161	19,164	19,266	76,738	19,300	24.1%	80,000
Leased circuits	10,600	10,517	10,136	9,800	41,054	8,924	24.1%	37,000
IP-VPN	8,922	8,720	8,681	8,395	34,719	8,077	26.9%	30,000
Other Data Services * 1	163	240	148	235	786	175	-	-
JCN Group	18,157	18,455	19,014	20,131	75,757	20,774	24.4% * 3	85,000
CTC	10,645	11,313	12,010	12,574	46,542	12,740	23.6%	54,000
Other Fixed-line Business * 2	41,813	43,915	43,895	50,131	179,753	50,197	19.8% * 3	253,000
Details : Metal-plus	30,863	30,217	29,499	28,421	119,000	27,332	-	-
Voice Services	24,056	23,554	23,035	22,193	92,839	21,412	-	-
Data Services	5,251	5,147	4,997	4,816	20,211	4,581	-	-
Non-Telecommunications Business Services	1,556	1,516	1,466	1,412	5,950	1,339	-	-
Details : FTTH	17,843	18,582	20,217	21,333	77,975	22,704	-	-
Voice Services of KDDI Corporation	2,043	2,316	2,609	2,828	9,795	3,059	-	-
Data Services of KDDI Corporation	11,714	11,786	12,690	13,186	49,375	13,842	-	-
Non-Telecommunications Business Services of KDDI +CTC+OCT+OTNet	4,087	4,480	4,918	5,319	18,804	5,803	-	-
Cable-plus phone	4,161	4,731	5,267	5,598	19,757	6,162	-	-

*1 Includes Frame relay, Cell relay and Telegraph.

*2 Includes non-telecommunications business services of the KDDI parent company, inter-segment sales within the KDDI parent company, other Fixed-line Business subsidiaries except JCN and CTC and adjustments.

*3 Corrections from 4Q of FY 2010.3 results report. JCN Group 81,000 → 85,000 Other Fixed-line Business 257,000 → 253,000

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Other Business		FY 2010.3					FY 2011.3		
		1Q	2Q	3Q	4Q	Total	1Q	Progress	Total (Forecast)
Operating revenues		19,064	23,619	32,411	37,154	112,247	28,716	25.0%	115,000
Sales outside the group		7,742	12,320	14,543 * 1	18,540 * 1	53,145	12,494	-	-
Sales within the group		11,321	11,298	17,868 * 1	18,614 * 1	59,102	16,222	-	-
Operating income (loss)		(48)	979	2,170	405	3,506	1,179	-	5,000
Ordinary income (loss)		(62)	895	2,159	364	3,356	1,210	-	5,000
Extraordinary income (loss)		(6)	(59)	(27)	(347)	(439)	0	-	0
Net income (loss)		(313)	454	1,203	(109)	1,234	349	-	3,000

*1 Corrections from 4Q of FY 2010.3 results report.

	4Q	Total
Sales outside the group	21,402 → 18,540	56,007 → 53,145
Sales within the group	15,752 → 18,614	56,240 → 59,102

Business Details: Mobile

Subscriptions (Thousand)	FY 2010.3					FY 2011.3	
	Jun-09	Sep-09	Dec-09	Mar-10	Jun-10	Mar-11 (Forecast)	
au	30,996	31,233	31,393	31,872	32,091	32,800	
CDMA 1X WIN	23,440	24,391	25,149	26,174	27,147	29,900	
CDMA 1X	7,257	6,558	5,974	5,451	4,734	-	
cdmaOne	299	284	271	247	211	-	
UQ WiMAX	-	22	64	150	214	800	
au + UQ WiMAX	30,996	31,255	31,457	32,022	32,305	33,600	
EZweb / IS NET	26,319	26,510	26,597	26,974	27,118	27,470	

		FY 2010.3					FY 2011.3	
		1Q	2Q	3Q	4Q	Total	1Q	Total (Forecast)
ARPU	(Yen)	5,600	5,600	5,470	5,000	5,410	5,160	5,010
Voice	(Yen)	3,350	3,330	3,210	2,730	3,150	2,860	2,690
Data	(Yen)	2,250	2,270	2,260	2,270	2,260	2,300	2,320
MOU	(minutes)	138	142	150	148	144	152	150
Churn rate	(%)	0.64	0.72	0.67	0.85	0.72	0.75	0.69
Number of units sold	* 1 (Thousand)	2,210	2,560	2,330	3,100	10,200	2,810	10,600
Number of units shipped	* 2 (Thousand)	2,170	2,360	2,590	3,100	10,210	2,960	10,210

*1 Number of units sold to users.(new+upgrade)

*2 Number of units shipped to retailers from KDDI.

Business Details: Fixed - line

Subscriptions	FY 2010.3					FY 2011.3	
	Jun-09	Sep-09	Dec-09	Mar-10	Jun-10	Mar-11 (Forecast)	
ADSL (Thousand)	1,181	1,135	1,087	1,031	982	840	
FTTH (Thousand)	1,211	1,319	1,426	1,513	1,637	2,040	
Metal-plus (Thousand)	3,065	3,000	2,927	2,852	2,775	2,570	
Cable-plus phone (Thousand)	697	778	871	960	1,062	1,280	
CATV *1 (Thousand)	882	896	913	972	1,019	1,040	
Fixed access lines *2 (Thousand)	5,587	5,700	5,813	5,944	6,109	6,480	
Myline Registration *3 (Thousand)	3,890	3,750	3,560	3,440	3,320	-	
Local (Thousand)	2,517	2,436	2,318	2,250	2,189	-	
In-prefecture Long Distance (Thousand)	3,125	3,018	2,867	2,770	2,679	-	
Out-prefecture Long Distance (Thousand)	3,461	3,339	3,174	3,060	2,955	-	
International (Thousand)	3,708	3,577	3,405	3,285	3,173	-	
Voice Domestic Active Line *4 (Thousand)	2,700	2,593	2,480	2,334	2,247	-	
Voice International Active Line *4 (Thousand)	158	149	141	133	125	-	
KDDI Internet (Corporate use) (Thousand)	70	72	74	90	78	-	
IP-VPN (Thousand)	73	74	74	73	74	-	
Wide-area Ethernet (Thousand)	59	60	60	59	64	-	

ARPU for Fixed-line	FY 2010.3					FY 2011.3	
	1Q	2Q	3Q	4Q	Total	1Q	Total (Forecast)
FTTH (Yen)	4,560	4,410	4,480	4,420	4,460	4,340	-
Metal-plus (Yen)	3,310	3,310	3,300	3,260	3,300	3,220	-
Voice Domestic Active Line *4 (Yen)	1,310	1,240	1,150	1,190	1,230	1,180	-
Voice International Active Line *4 (Yen)	3,940	3,700	3,930	4,250	3,940	3,820	-

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

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

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

* 4 Excludes figures of Metal-plus, FTTH, 050-prefix IP phone, etc and lines with which no calls made.

* 5 Corrections from 4Q of FY 2010.3 results report. 3,380 → 3,440