

---

**Data Book**  
**The Financial Results for the 3rd Quarter of FY 3/2004**

January 30, 2004

KDDI Corporation

---

# The Financial Results for the 3rd Quarter of FY 3/2004

Millions of Yen

		FY 3/03					FY 3/04			FY 3/04
		1H	2H		Full year	1H + 3Q	1H	3Q	1H + 3Q	Full Year (E)
			3Q							
Consolidated	Operating revenues	1,393,212	695,083	1,392,131	2,785,343	2,088,295	1,386,560	717,763	2,104,323	2,848,000
	Telecommunications business	1,093,611	554,012	1,098,276	2,191,887	1,647,623	1,125,444	573,514	1,698,958	2,274,000
	Voice communications	809,227	397,713	765,282	1,574,509	1,206,940	743,932	370,051	1,113,983	N.A.
	Didital data transmission	202,880	114,080	247,778	450,658	316,960	297,576	161,675	459,251	N.A.
	Leased circuits	46,793	24,351	47,148	93,941	71,144	43,302	20,225	63,527	N.A.
	Other	34,709	17,868	38,070	72,779	52,577	40,634	21,563	62,197	N.A.
	Other business	299,601	141,070	293,855	593,456	440,671	261,116	144,249	405,365	574,000
	Operating income	59,763	56,798	80,889	140,652	116,561	158,230	76,449	234,679	285,000
	Ordinary income	42,439	51,885	70,772	113,211	94,324	148,239	72,959	221,198	267,000
	Extraordinary income (loss)	(2,490)	2,095	5	(2,485)	(395)	(4,766)	(16,811)	(21,577)	N.A.
	Net income	20,446	30,869	36,913	57,359	51,315	85,855	37,549	123,404	117,000
	Total assets *	2,924,883	2,977,033	-	2,782,038	-	2,701,108	2,760,072	-	N.A.
	Shareholders' equity *	856,503	888,534	-	894,711	-	987,153	1,015,902	-	N.A.
	Shareholders' equity ratio *	29.3%	29.8%	-	32.1%	-	36.5%	36.8%	-	N.A.
	Shareholders' equity per share *	¥203,130	¥210,771	-	¥212,222	-	¥234,270	241,084円	-	N.A.
	Free cash flows	80,851	155,692	224,483	305,334	236,543	246,818	137,753	384,571	393,000
	Depreciation	192,689	99,685	196,271	388,968	292,374	183,255	90,929	274,184	364,000
	Capex (cash flow basis)	126,281	40,239	119,919	246,200	166,520	73,810	72,411	146,221	260,000
	EBITDA	257,466	159,922	306,025	563,491	417,388	349,354	172,839	522,193	674,000
	EBITDA margin	18.5%	23.0%	22.0%	20.2%	20.0%	25.2%	24.1%	24.8%	23.7%
	Interest bearing debt *	1,675,290	1,592,503	-	1,497,020	-	1,298,483	1,229,108	-	1,180,000
	Net debt *	1,610,509	1,459,006	-	1,375,165	-	1,134,997	1,002,382	-	N.A.

\* The figures as of the end of each periods.

# The Financial Results for the 3rd Quarter of FY 3/2004

Millions of Yen

		FY 3/03					FY 3/04			FY 3/04
		1H	2H		Full year	1H + 3Q	1H	3Q	1H + 3Q	Full Year (E)
			3Q							
<b>au</b>	Operating revenues	806,533	407,801	819,740	1,626,273	1,214,334	864,740	465,984	1,330,724	1,817,000
	Telecommunications business	584,995	305,967	612,249	1,197,244	890,962	663,898	350,875	1,014,773	1,372,000
	Voice communications	428,789	213,642	415,436	844,225	642,431	414,314	212,797	627,111	N.A.
	Digital data transmission	156,148	92,306	196,777	352,925	248,454	249,537	138,069	387,606	N.A.
	Other	56	21	38	94	77	46	8	54	N.A.
	Other business	221,537	101,834	207,492	429,029	323,371	200,842	115,109	315,951	445,000
	Operating income	12,866	34,182	40,920	53,786	47,048	128,898	60,565	189,463	232,000
	Ordinary income	6,108	31,309	35,707	41,815	37,417	122,968	58,338	181,306	222,000
	Extraordinary income (loss)	(4,131)	0	(119)	(4,250)	(4,131)	0	0	0	N.A.
	Net income (loss)	1,175	18,060	19,830	21,005	19,235	70,466	34,871	105,337	129,000
	Free cash flows	40,063	59,155	47,490	96,571	99,218	131,937	86,954	218,891	214,000
	Depreciation	89,289	44,893	86,679	175,968	134,182	91,049	46,588	137,637	186,000
	Capex (cash flow basis)	82,728	27,295	84,572	167,300	110,023	41,233	48,638	89,871	160,000
	EBITDA	104,204	81,432	140,888	245,092	185,636	222,098	110,309	332,407	429,000
	EBITDA margin	12.9%	20.0%	17.2%	15.1%	15.3%	25.7%	23.7%	25.0%	23.6%

# The Financial Results for the 3rd Quarter of FY 3/2004

Millions of Yen

		FY 3/03					FY 3/04			FY 3/04
		1H	2H		Full year	1H + 3Q	1H	3Q	1H + 3Q	Full Year (E)
			3Q							
BBC& Solutions	Operating revenues	308,452	150,411	293,422	601,874	458,863	275,433	134,242	409,675	545,000
	Telecommunications business	288,647	137,943	267,399	556,046	426,590	255,237	123,397	378,634	501,000
	Other business	19,804	12,468	26,023	45,827	32,272	20,196	10,844	31,040	44,000
	Operating income	38,789	15,648	21,501	60,290	54,437	10,797	5,507	16,304	18,000
	Ordinary income	37,802	16,395	22,557	60,359	54,197	10,278	5,514	15,792	17,000
	Extraordinary income (loss)	(1,852)	0	(1,219)	(3,071)	(1,852)	(1,307)	(16,592)	(17,899)	N.A.
	Net income (loss)	21,007	9,258	11,257	32,264	30,265	5,208	(3,715)	1,493	(29,000)
	Free cash flows	31,200	58,926	87,621	116,927	90,126	39,007	21,252	60,259	60,000
	Depreciation	49,749	27,912	55,648	105,397	77,661	43,611	20,325	63,936	80,000
	Capex (cash flow basis)	19,308	6,030	21,492	40,800	25,338	17,099	14,900	31,999	60,000
EBITDA	89,828	44,178	86,981	176,809	134,006	58,162	27,533	85,695	109,000	
EBITDA margin	29.1%	29.4%	29.6%	29.4%	29.2%	21.1%	20.5%	20.9%	20.0%	

Millions of Yen

BBC&Solutions		FY 3/03					FY 3/04			FY 3/04
		1H	2H		Full year	1H + 3Q	1H	3Q	1H + 3Q	Full Year (E)
			3Q							
Telecommunications business revenues										
Voice service		195,415	92,272	175,833	371,248	287,687	166,297	79,593	245,890	324,000
	Local call	31,534	14,873	28,775	60,309	46,407	27,202	12,925	40,127	N.A.
	Long distance call	113,925	52,651	99,797	213,722	166,576	93,174	44,973	138,147	N.A.
	International call	49,956	24,748	47,261	97,217	74,704	45,921	21,695	67,616	N.A.
Data service		90,950	44,725	90,104	181,054	135,675	88,190	43,568	131,758	176,000
	Data transmission	45,180	22,291	44,590	89,770	67,471	44,124	22,414	66,538	90,000
	Frame relay / cell relay	9,723	4,453	8,784	18,507	14,176	8,395	3,929	12,324	N.A.
	Internet	34,807	17,532	35,249	70,056	52,339	35,187	18,232	53,419	N.A.
	Other data transmission	650	306	557	1,207	956	542	254	796	N.A.
	Leased circuits	32,546	14,268	27,929	60,475	46,814	23,583	10,437	34,020	44,000
	IP-VPN	13,225	8,166	17,584	30,809	21,391	20,483	10,717	31,200	42,000
Others		2,283	942	1,462	3,745	3,225	750	237	987	1,000

# The Financial Results for the 3rd Quarter of FY 3/2004

Millions of Yen

		FY 3/03					FY 3/04			FY 3/04
		1H	2H		Full year	1H + 3Q	1H	3Q	1H + 3Q	Full Year (E)
			3Q							
TU-KA	Operating revenues	161,992	79,653	156,078	318,070	241,645	141,809	68,815	210,624	277,000
	Telecommunications business	129,449	64,122	125,963	255,412	193,571	118,542	57,282	175,824	230,000
	Voice communications	121,180	61,170	113,801	234,981	182,350	108,350	53,188	161,538	N.A.
	Digital data transmission	8,268	2,952	12,163	20,431	11,220	10,193	4,094	14,287	N.A.
	Other business	32,543	15,531	30,115	62,658	48,074	23,266	11,533	34,799	47,000
	Operating income (loss)	(1,000)	1,463	7,200	6,200	463	7,884	4,832	12,716	14,000
	Ordinary income (loss)	(4,375)	176	4,519	144	(4,199)	5,704	3,824	9,528	10,000
	Extraordinary income (loss)	(1,695)	(8)	(18)	(1,713)	(1,703)	721	388	1,109	N.A.
	Net income (loss)	(7,105)	(468)	3,878	(3,227)	(7,573)	4,871	3,433	8,304	8,000
	Free cash flows	21,543	13,921	30,594	52,137	35,464	27,175	15,037	42,212	52,000
Depreciation	29,788	15,032	30,191	59,979	44,820	26,763	13,464	40,227	54,000	
Capex (cash flow basis)	9,371	2,277	9,629	16,200	11,648	5,467	3,482	8,949	15,000	
EBITDA	28,950	16,618	37,521	66,471	45,568	35,772	18,380	54,152	70,000	
EBITDA margin	17.9%	20.9%	24.0%	20.9%	18.9%	25.2%	26.8%	25.7%	25.3%	
Pocket(PHS)	Operating revenues	100,325	49,224	97,254	197,579	149,549	95,680	44,964	140,644	185,000
	Telecommunications business	92,237	45,393	89,754	181,991	137,630	86,831	41,595	128,426	169,000
	Other business	8,087	3,832	7,501	15,588	11,919	8,849	3,369	12,218	16,000
	Operating income (loss)	9,098	6,038	11,169	20,267	15,136	11,031	5,984	17,015	21,000
	Ordinary income (loss)	7,685	5,417	10,057	17,742	13,102	10,075	5,522	15,597	19,000
	Extraordinary income (loss)	(649)	0	0	(649)	(649)	218	0	218	N.A.
	Net income (loss)	7,011	5,405	10,019	17,030	12,416	10,258	5,507	15,765	19,000
	Free cash flows	14,388	18,511	28,627	43,015	32,899	25,224	14,751	39,975	43,000
	Depreciation	19,472	10,013	20,111	39,583	29,485	19,431	9,653	29,084	39,000
	Capex (cash flow basis)	7,472	3,120	8,528	11,700	10,592	4,005	3,519	7,524	14,000
EBITDA	30,070	16,169	32,178	62,248	46,239	31,092	15,917	47,009	61,000	
EBITDA margin	30.0%	32.8%	33.1%	31.5%	30.9%	32.5%	35.3%	33.4%	33.0%	
Others	Operating revenues	91,979	47,324	104,677	196,656	139,303	87,817	45,737	133,554	183,000
	Telecommunications business	46,911	24,117	49,585	96,496	71,028	54,627	27,973	82,600	108,000
	Other business	45,066	23,205	55,093	100,159	68,271	33,190	17,764	50,954	75,000
	Operating income (loss)	(182)	(161)	(820)	(1,002)	(343)	(861)	28	(833)	(1,000)
	Ordinary income (loss)	(3,401)	(339)	(2,014)	(5,415)	(3,740)	(1,170)	(391)	(1,561)	(2,000)
Extraordinary income (loss)	1,752	(58)	(4,759)	(3,007)	1,694	2,249	240	2,489	N.A.	
Net income (loss)	(2,513)	(798)	(7,355)	(9,868)	(3,311)	642	(379)	263	(6,000)	

# Mobile Business Data

Subscribers (Thousands)		Sep.02	Dec.02	Mar.03		Sep.03	Dec.03	Mar.04
au		13,054		14,049		15,263	15,977	16,820
	CDMA 1X WIN	-	-	-		-	47	N.A.
	CDMA 1X	2,652		6,806		10,203	11,717	N.A.
	cdmaOne	9,955		7,208		5,059	4,213	N.A.
	PDC	447		35		-	-	-
TU-KA		3,864		3,783		3,699	3,670	3,640
EZweb		11,150		12,541		13,940	14,700	15,560
	au	9,585		10,854		12,164	12,899	13,700
	TU-KA	1,565		1,687		1,776	1,801	1,860
Pocket(PHS)		2,953		2,975		2,938	2,914	2,920
	AIR H"	568		765		890	936	1,000
	Data Transfer Users	1,186		1,390		1,510	1,564	N.A.

ARPU, MOU, Churn rate			FY 3/03				FY 3/04		FY 3/04
			1H	3Q	2H	Full Year	2H	3Q	Full Year (E)
au	ARPU(Total)	(Yen)	7,610	7,640	7,530	7,570	7,510	7,490	7,440
		Voice	6,420	6,320	6,150	6,280	5,920	5,830	5,790
		Data	1,190	1,320	1,380	1,290	1,590	1,660	1,650
	CDMA 1X *1	(Yen)	9,840	9,240	8,990	9,190	8,720	8,400	N.A.
		Voice	7,000	6,830	6,650	6,740	6,550	6,330	N.A.
		Data	2,840	2,410	2,340	2,450	2,170	2,070	N.A.
	MOU	(Minutes)	184	184	181	182	178	178	N.A.
Churn rate	(%)	1.9	1.7	1.8	1.8	1.6	1.4	1.5	
TU-KA	ARPU	(Yen)	5,370	5,360	5,290	5,330	5,100	5,020	5,010
	MOU	(Minutes)	152	155	152	152	150	145	N.A.
	Churn rate	(%)	2.5	2.2	2.4	2.4	2.5	2.2	2.4
Pocket (PHS)	ARPU	(Yen)	5,080	4,990	4,940	5,010	4,840	4,730	4,770
	MOU	(minutes)	179	178	176	177	192	198	N.A.
	Churn rate	(%)	2.7	2.5	2.6	2.7	2.7	2.4	2.6

\*1 About CDMA 1X ARPU, the figures for FY 3/03 are reference figures for Kanto and Chubu regions only. For FY 3/04 are nation-wide basis.  
CDMA 1X ARPU includes CDMA 1X WIN ARPU.

au EZweb Packet traffic *2		FY 3/03				FY 3/04	
		1H	3Q	2H	Full Year	2H	3Q
Total packet traffic (million packets)		397,703	266,376	594,018	991,721	887,349	522,843
Number of packets per EZweb user per day		244	295	323	286	420	455

\*2 au Ezweb packet traffic doesn't include the figures for CDMA 1X WIN.

# BBC & Solutions Business Data (1)

Number of Active Line	*1	FY 3/03				FY 3/04	
		1H	2H		Full year	1H	3Q
			3Q				
Voice Domestic Active Line	(Thousand)	9,435	9,127	8,994	9,214	8,493	8,304
Voice International Active Line	(Thousand)	932	831	808	870	687	655

\*1 "Active line" means the number of fixed lines that had made one call at least per month  
(The figures are monthly average.)

Other Service lines		9/02	12/02	3/03		9/03	12/03
DION	(Thousand)	2,270	2,300	2,373		2,489	2,559
ADSL	(Thousand)	265	374	498		777	914
KDDI Internet (for corporations)	(Thousand)	17	18	21		25	28
FR/CR	*2 (Thousand)	43	37	32		22	18
IP-VPN	*2 (Thousand)	42	47	54		62	64
Domestic Leased Circuits (64k)	(Thousand)	346	466	695		1,390	1,481
International Leased Circuits (64k)	(Thousand)	100	83	74		105	163

\*2 Make a count of each access lines.

ARPU for Fixed Line		FY 3/03				FY 3/04	
		1H	2H		Full year	1H	3Q
			3Q				
Voice Domestic Active Line	*3 (Yen)	1,930	1,860	1,800	1,860	1,760	1,710
Voice International Active Line	*4 (Yen)	4,340	3,820	3,790	4,060	4,130	3,990
DION (included ADSL)	*5 (Yen)	2,160	2,100	2,090	2,130	2,010	2,040

\*3 ARPU does not include, DDL-direct, free call DX/S, DOD and interconnection revenue.

\*4 ARPU does not include DDL-direct, Super World Card and international mobile calls.

\*5 ARPU in relation to the ISP connection revenue.

## Myline Registration Shares

		9/02	12/02	3/03		9/03	12/03
KDDI	Local	13.2%	13.1%	13.3%		13.3%	13.4%
	In-prefecture Long Distance	16.2%	16.1%	16.3%		16.4%	16.4%
	Out prefecture Long Distance	20.9%	20.5%	20.6%		20.5%	20.5%
	International	25.1%	24.7%	24.8%		24.6%	24.4%
NTT Group	Local	73.8%	73.8%	73.6%		73.4%	72.8%
	In-prefecture Long Distance	66.5%	66.3%	66.0%		65.9%	65.8%
	Out prefecture Long Distance	57.0%	57.2%	57.1%		57.6%	57.6%
	International	53.2%	53.4%	53.4%		53.9%	53.9%
Others	Local	13.0%	13.1%	13.1%		13.3%	13.8%
	In-prefecture Long Distance	17.3%	17.6%	17.7%		17.7%	17.8%
	Out prefecture Long Distance	22.1%	22.3%	22.3%		21.9%	21.9%
	International	21.7%	21.9%	21.8%		21.5%	21.7%

## BBC & Solutions Business Data (2)

Local calls traffic *1	FY 3/03				FY 3/04	
	1H	2H		Full year	1H	3Q
		3Q				
Call units (in millions)	2,315	1,117	2,158	4,473	2,093	1,019
Call minutes (in millions)	6,978	3,216	6,248	13,226	5,833	2,721

Long-distance calls traffic *1	FY 3/03				FY 3/04	
	1H	2H		Full year	1H	3Q
		3Q				
Call units (in millions)	6,075	2,912	5,626	11,701	5,376	2,651
Call minutes (in millions)	10,354	4,849	9,297	19,651	8,632	4,166

International calls traffic *2	FY 3/03				FY 3/04	
	1H	2H		Full year	1H	3Q
		3Q				
Call units (in millions)	280	146	282	562	298	148
Outgoing	96	49	98	194	93	48
Incoming	138	70	140	278	150	78
Relayed	46	27	44	90	55	22
Call minutes (in millions)	1,320	686	1,361	2,681	1,440	694
Outgoing	460	239	490	950	472	238
Incoming	620	314	627	1,247	680	338
Relayed	240	133	244	484	287	118

\*1 Domestic calls (local and long distance calls) traffic includes DDL-direct revenue, free call DX/S, DOD and interconnection.

\*2 International calls traffic includes DDL direct, Super World Card and international mobile devices.