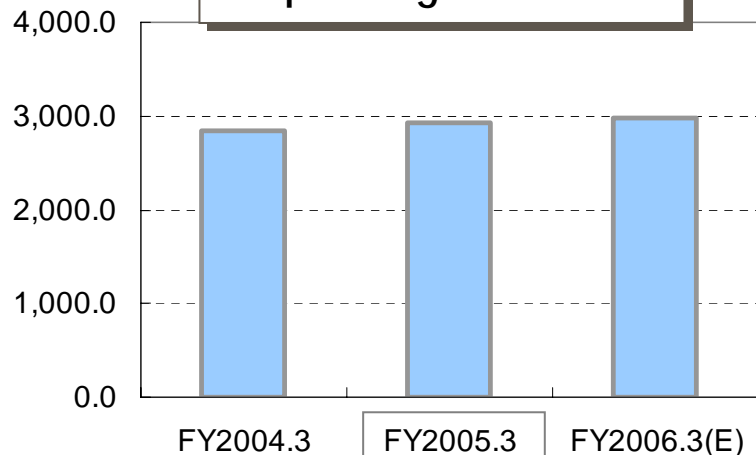


2. Consolidated Financial Results

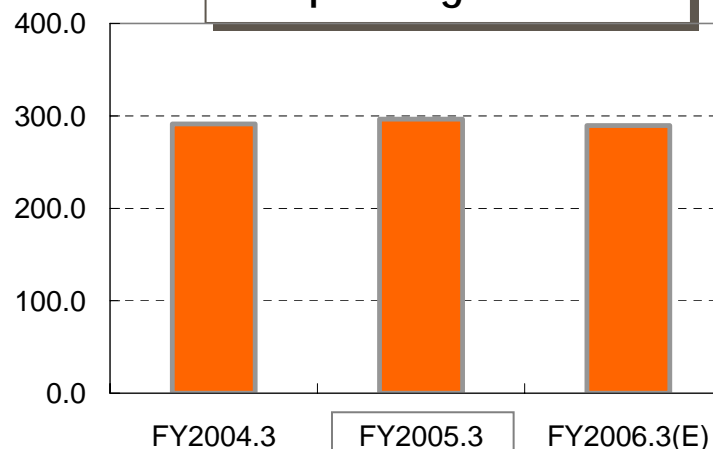
(Billions of yen)

Operating revenues



(Billions of yen)

Operating income



(Billions of yen)

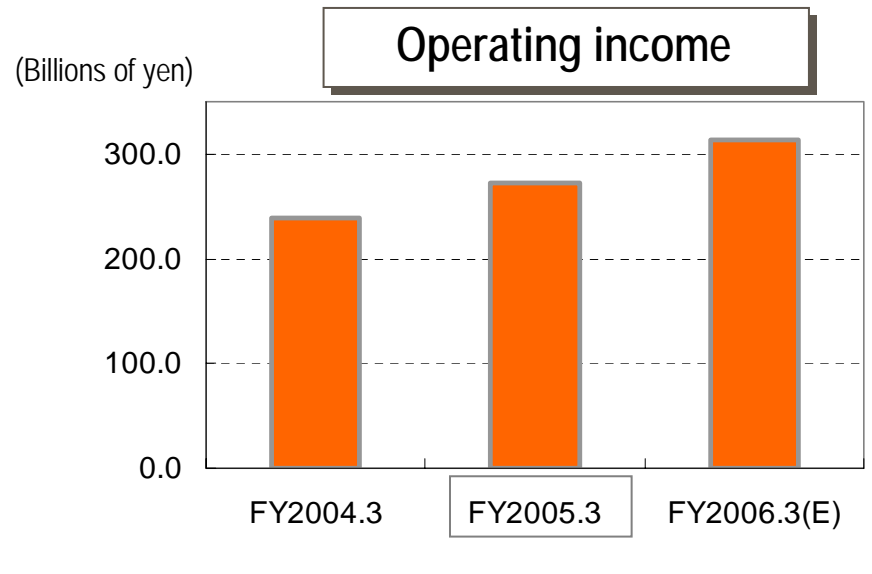
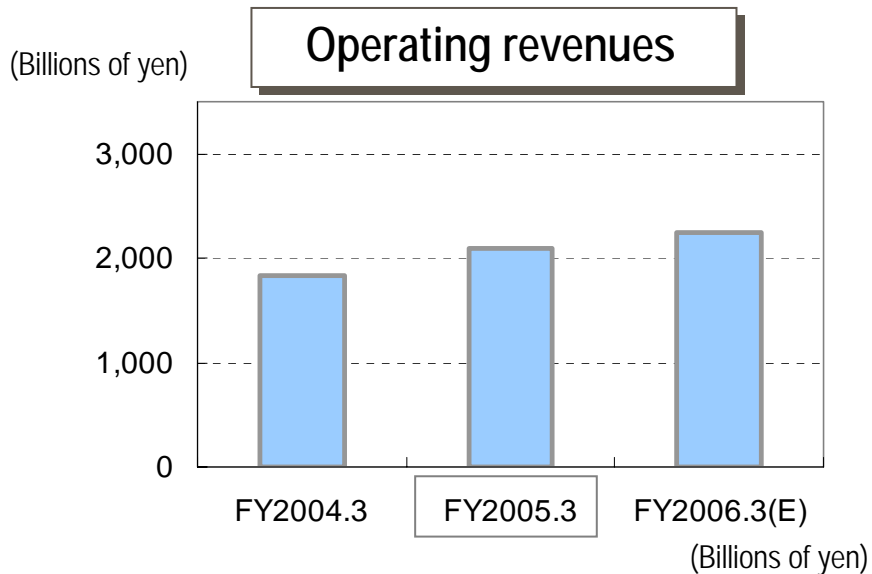
	FY2004.3	FY2005.3		FY2006.3(E)	
			yoy		yoy
Operating revenues	2,846.1	2,920.0	2.6%	2,976.0	1.9%
Operating income	292.1	296.2	1.4%	289.0	-2.4%
<i>Operating margin</i>	10.3%	10.1%	-	9.7%	-
Ordinary income	274.5	286.3	4.3%	287.0	0.2%
Net income	117.0	200.6	71.4%	187.0	-6.8%
Free Cash Flow	404.2	402.2	-0.5%	43.0	-89.3%
EBITDA	688.0	664.3	-3.5%	643.0	-3.2%
<i>EBITDA margin</i>	24.2%	22.7%	-	21.6%	-

(ref.) Results excluding Pocket

	FY2005.3	FY2006.3(E)	
			yoy
	2,833.2		5.0%
	290.7		-0.6%
<i>Operating margin</i>	10.3%		-
	281.4		2.0%
	169.0		10.7%
	198.5		-78.3%
	639.6		0.5%
<i>EBITDA margin</i>	22.6%		-

Note: For FY 2005.3 results excluding Pocket, 1H results and effect of divestiture of PHS Business have been deducted from the consolidated figures.

3. "au" Business



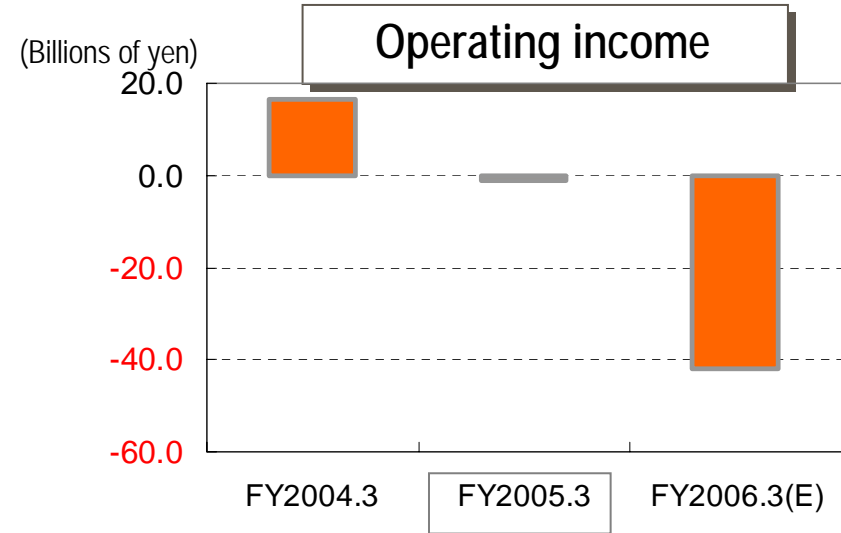
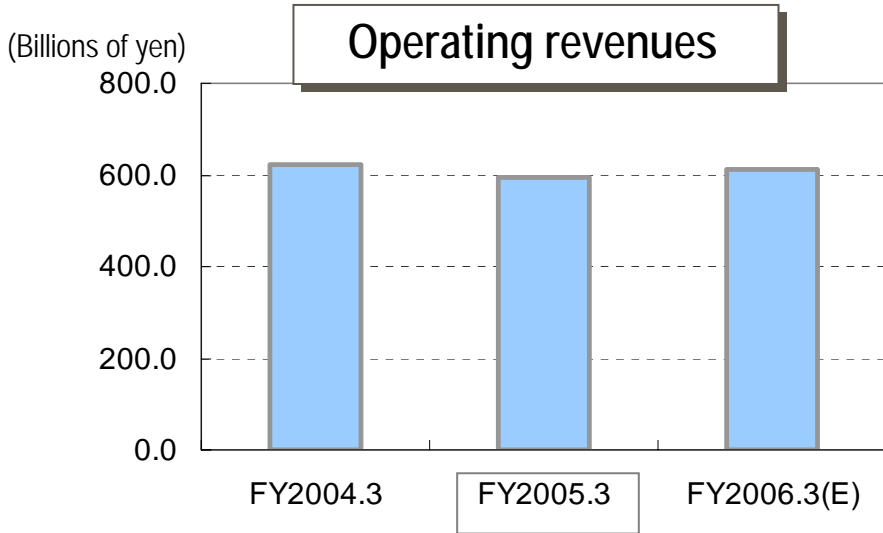
	FY2004.3	FY2005.3	FY2006.3(E)
Operating revenues	1,831.8	2,092.7	2,245.0
Operating income	239.5	273.1	314.0
<i>Operating margin</i>	13.1%	13.1%	14.0%
Ordinary income	229.1	269.9	313.0
Net income	130.0	161.2	186.0
Free Cash Flow	207.3	132.6	119.0
EBITDA	437.7	481.4	524.0
<i>EBITDA margin</i>	23.9%	23.0%	23.3%

	FY2004.3	FY2005.3	FY2006.3(E)
Subs ('000)	16,959	19,542	21,540
of module-type	361	487	610
WIN(EV-DO)	343	3,252	7,660
1X	13,166	14,683	-
cdmaOne	3,450	1,608	-
ARPU (yen)	7,440	7,170	6,810
Voice	5,800	5,430	5,020
Data	1,640	1,740	1,790

Note 1. ARPU is calculated for ordinary handsets which exclude module-type terminals.

Note 2. To be consistent with segmentation used in IR presentations and financial statements, KDDI has made double-ledger for the sales and cost of sales of transactions between "au" and Fixed-line business segments at KDDI principle only, which used to be cancelled out. This change has no effect on operating income. Figures for FY 2004.3 have also been stated this way for the purpose of comparison.

4. Fixed-line Business



(Billions of yen)

	FY2004.3	FY2005.3	FY2006.3(E)
Operating revenues	623.1	596.0	612.0
Operating income	16.4	-0.3	-42.0
<i>Operating margin</i>	2.6%	-0.1%	-6.9%
Ordinary income	15.9	-0.4	-43.0
Net income	-29.9	-4.4	-22.0
Free Cash Flow	68.6	-3.1	-114.0
EBITDA	112.2	87.5	59.0
<i>EBITDA margin</i>	18.0%	14.7%	9.6%

	FY2004.3	FY2005.3	FY2006.3(E)
DION subs('000) _(Note1)	2,687	2,885	2,880
of ADSL	1,109	1,494	1,500
FTTH subs('000)	23	91	180
of Hikari Plus	9	79	-
Metal Plus subs('000)	0	(Note2) 41	2,200

Note 1: DION subs of Hikari Plus have been included in the number of DION subs from FY 2005.3.

Note 2: No. of Metal Plus line subscriptions (incl. those not yet activated) at end-March 2005 was 417,000.

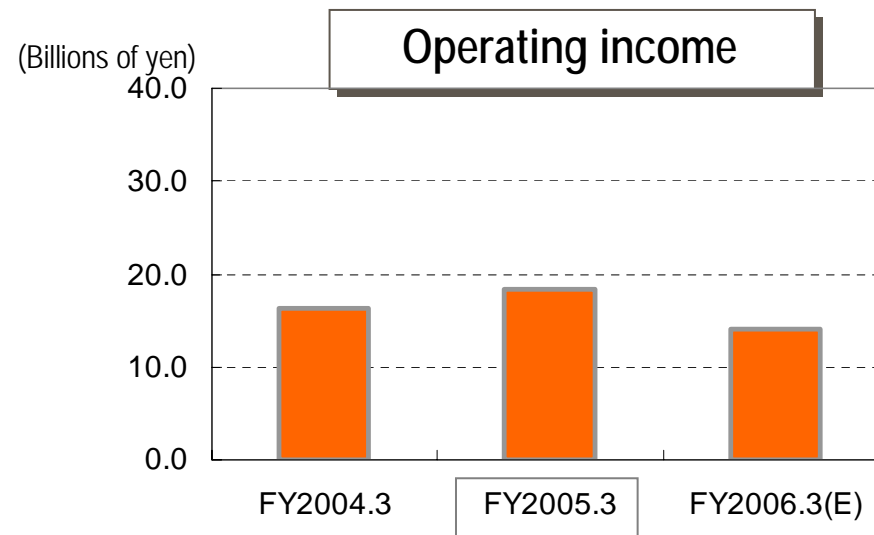
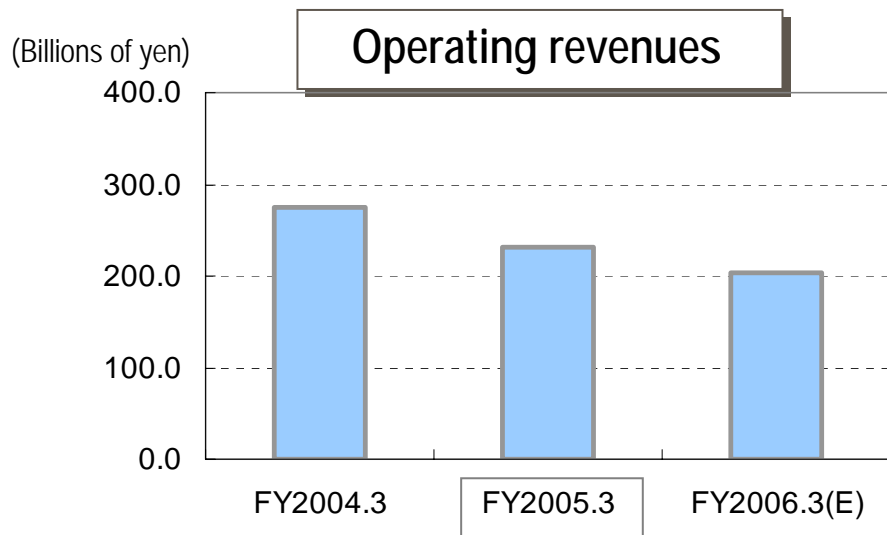
Note 3: Refer page 5 note (2).

4. Fixed-line Business

Expand sales of direct access services, led by Metal Plus, to rebuild Fixed-line Business.

	FY05.3	FY06.3(E)	Change	main reasons
Revenues	¥596.0B	¥612.0B	+ ¥16.0B	Sales outside the group approx. + ¥5.0B · Voice : + ¥0.8B · Data Comm. : + ¥1.1B · KNSL/Other : + ¥ 3.0B [incl.] Metal Plus : + ¥47.0B Sales within the group approx. + ¥11.0B
Operating Expenses	¥596.3B	¥654.0B	+ ¥57.7B	· Telecom facility Chg. : + ¥21.0B · Depreciation : + ¥13.0B · Others : + ¥24.0B
Operating Income	¥0.3B	¥42.0B	¥41.7B	

5. TU-KA Business



(Billions of yen)

	FY2004.3	FY2005.3	FY2006.3(E)
Operating revenues	274.3	231.4	204.0
Operating income	16.3	18.4	14.0
<i>Operating margin</i>	<i>5.9%</i>	<i>8.0%</i>	<i>6.9%</i>
Ordinary income	11.4	15.2	13.0
Net income	8.0	10.5	8.0
Free Cash Flow	55.0	58.1	41.0
EBITDA	72.1	66.8	54.0
<i>EBITDA margin</i>	<i>26.3%</i>	<i>28.9%</i>	<i>26.5%</i>

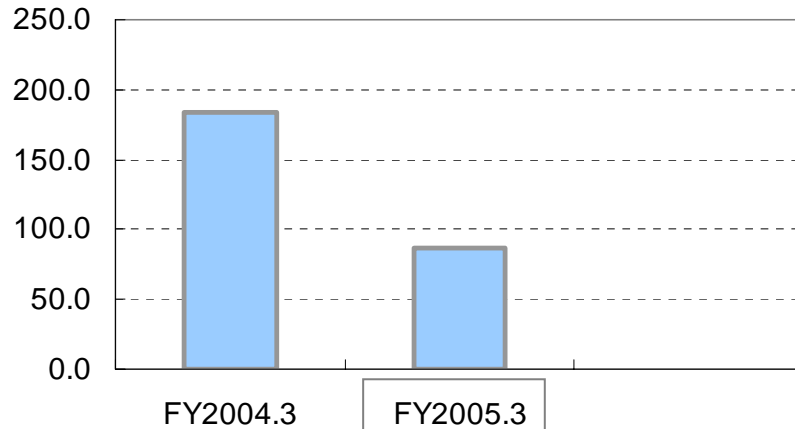
	FY2004.3	FY2005.3	FY2006.3(E)
Subs ('000)	3,632	3,590	3,490
ARPU (yen)	5,020	4,470	4,040

Note: To be consistent with segmentation used in IR presentations and financial statements, we have changed for a simple sum of results for each individual TU-KA company to fully consolidated figures. Figures for FY 2004.3 have also been stated this way for the purpose of comparison.

6. Pocket Business

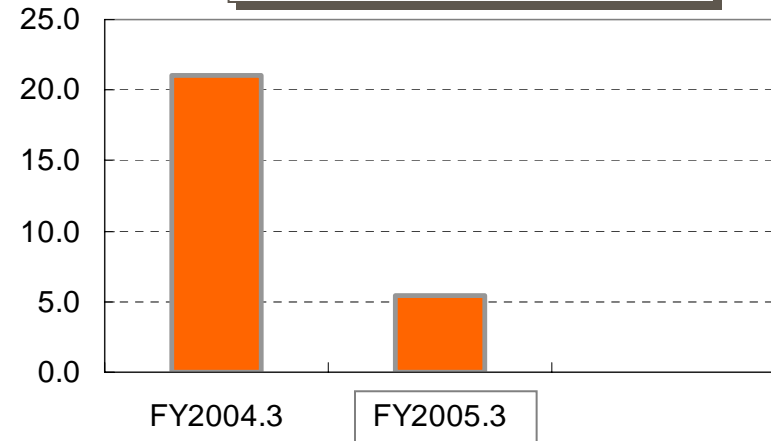
Operating revenues

(Billions of yen)



Operating income

(Billions of yen)



(Billions of yen)

	FY2004.3	FY2005.3 1H	FY2006.3(E)
Operating revenues	184.0	86.9	-
Operating income	21.1	5.5	-
<i>Operating margin</i>	<i>11.5%</i>	<i>6.3%</i>	-
Ordinary income	19.0	4.9	-
Net income	19.1	4.0	-
Free Cash Flow	47.2	20.9	-
EBITDA	61.3	24.6	-
<i>EBITDA margin</i>	<i>33.3%</i>	<i>28.3%</i>	-

	FY2004.3	FY2005.3 1H	FY2006.3(E)
Subs ('000)	2,897	2,926	-
<i>of Air H"</i>	990	1,101	-
ARPU (yen)	4,750	4,430	-

Note: Pocket Business has only 1H results for FY2005.3 due to the divestiture in October.

7. Capital Expenditures and others

(Billions of yen)

		FY2004.3	FY2005.3	FY2006.3 (E)
CAPEX (Cash basis)	Consolidated	253.3	342.4	440.0
	au	161.2	233.5	280.0
	Fixed-line	55.1	86.6	150.0
	TU-KA	14.7	7.7	4.0
	Pocket (ref.) (Note)	12.9	5.0	-
Depreciation	Consolidated	365.7	349.9	335.0
	au	184.9	201.7	201.0
	Fixed-line	83.9	78.7	92.0
	TU-KA	53.8	46.6	39.0
	Pocket (ref.) (Note)	38.7	18.7	-
Debts	Consolidated	1,179.8	864.6	-
Debt / EBITDA multiple		1.7	1.3	-
Debt / Equity ratio		1.17	0.74	-

Note: Pocket Business has only 1H results for FY2005.3 due to the divestiture in October.

