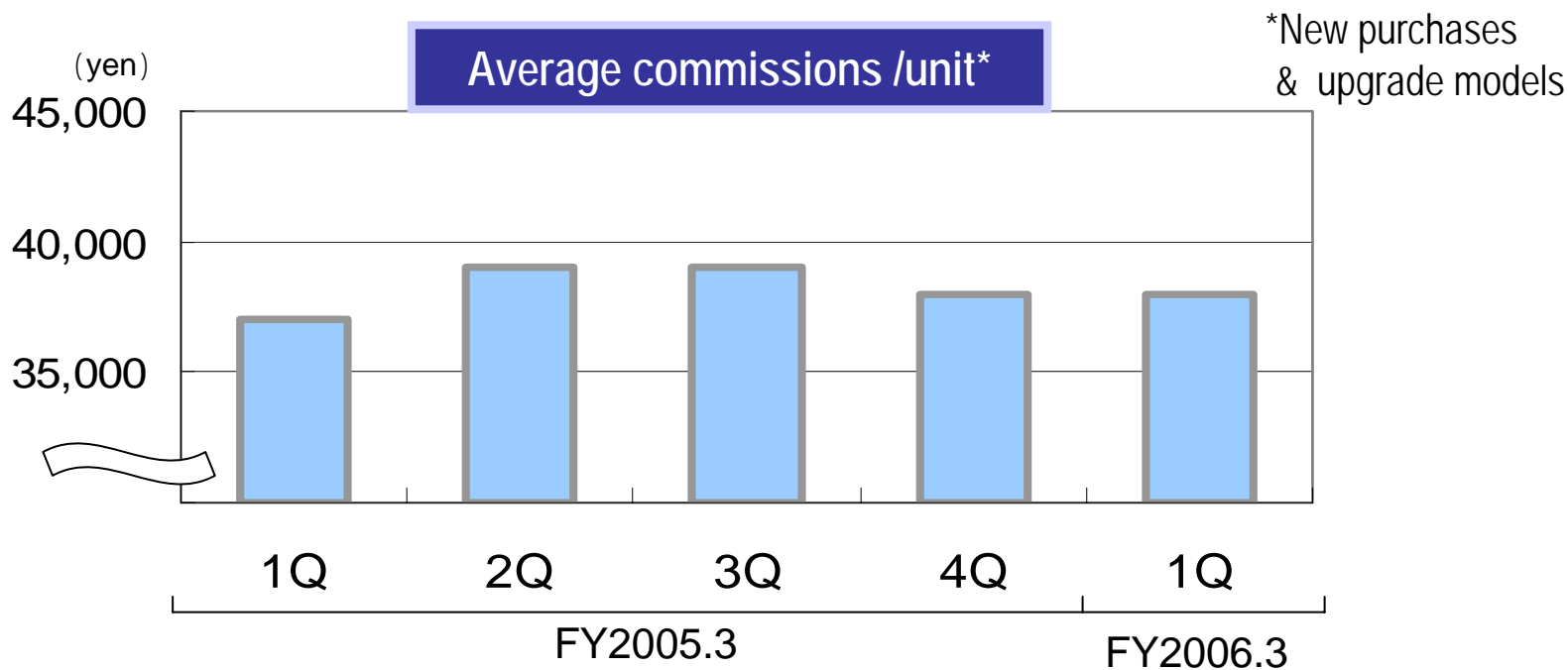


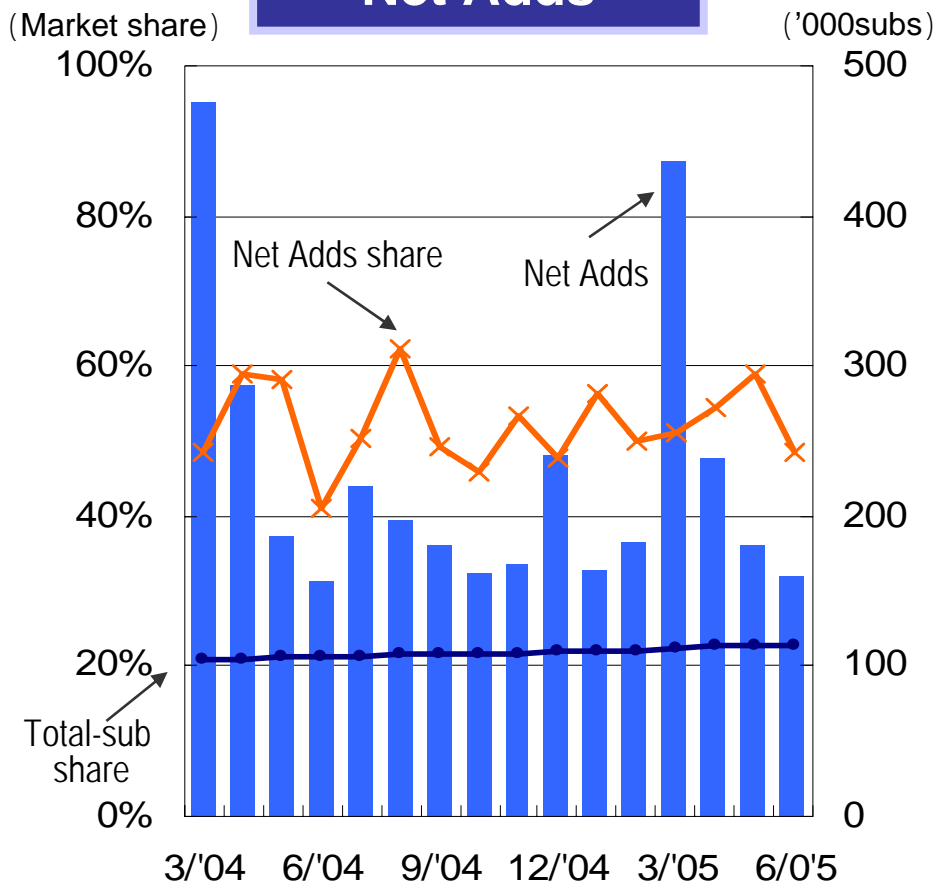
# 1.1. Sales Commissions



	FY2005.3					FY2006.3(E)	
	1Q	2Q	3Q	4Q		1Q	
Sales commissions (Billions of yen)	94.0	114.0	112.0	124.0	444.0	102.0	457.0
Average commissions/unit (yen)	37,000	39,000	39,000	38,000	38,000	38,000	38,000
Number of units sold ('000 units)	2,550	2,930	2,870	3,230	11,590	2,700	12,100

# 1.2. Net Adds & Churn Rate

## Net Adds



full-year/FY2005.3

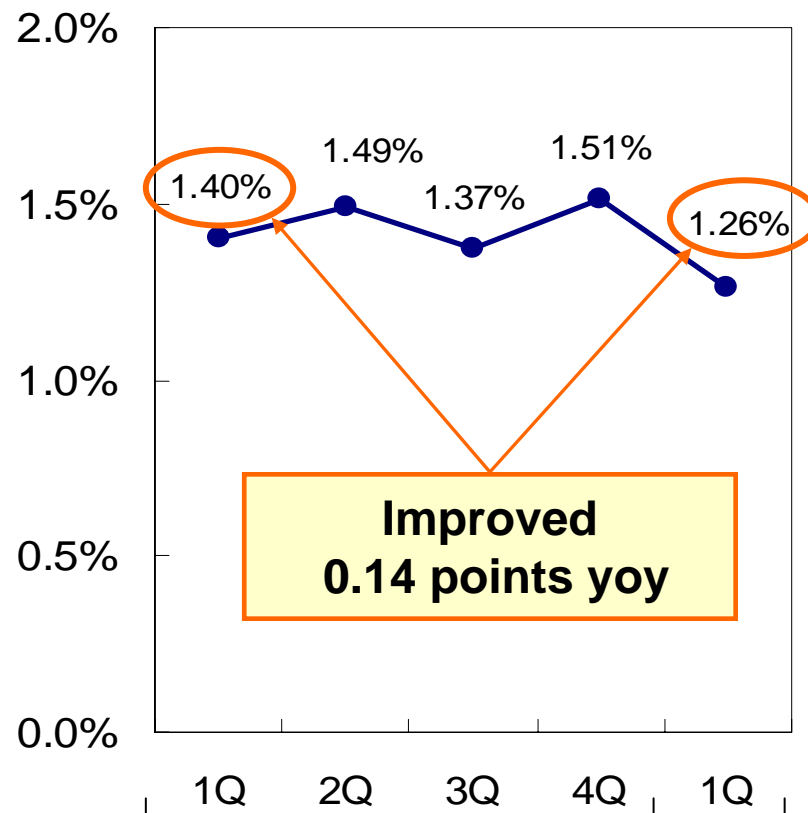
1Q/FY2006.3

Share of :

Net Adds <50.4%> <53.8%>

Total subs <22.5%> <22.8%>

## Churn Rate

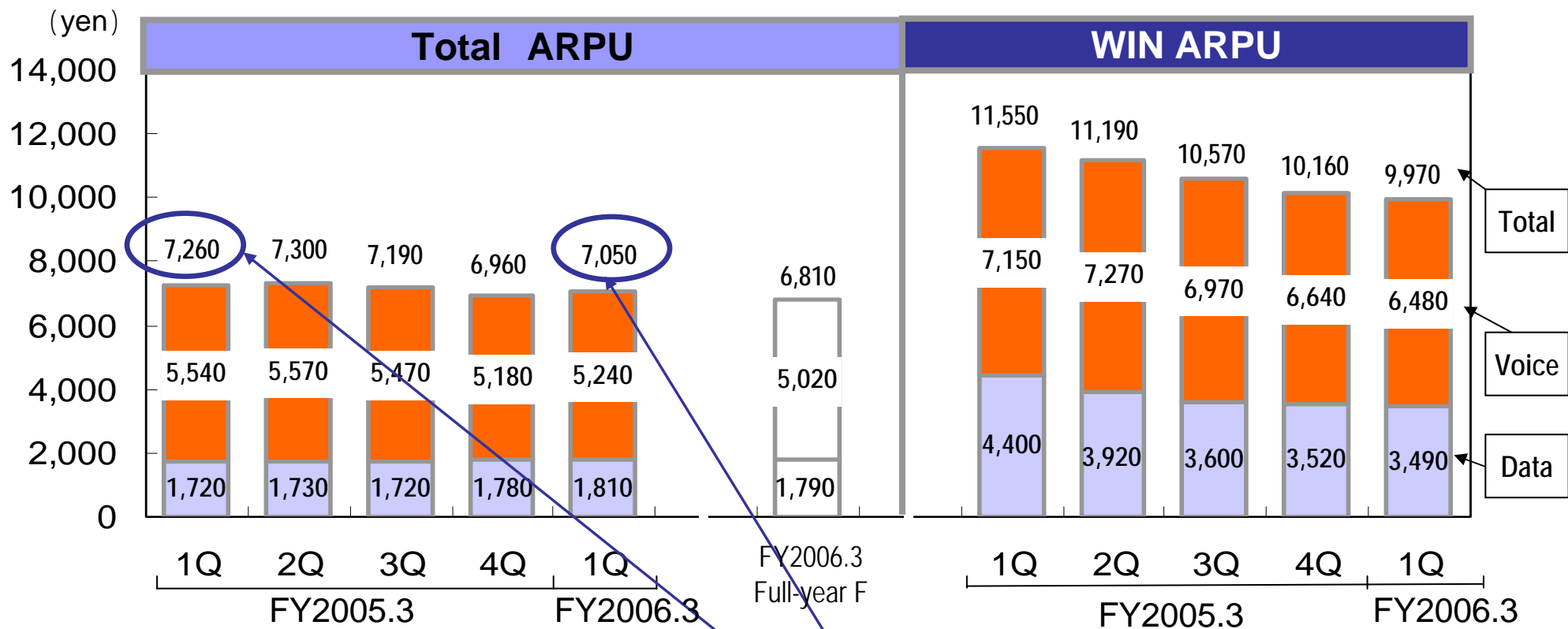


FY2005.3

FY2006.3

Full-year <1.44%>

# 1.3. Trend of ARPU



Full-year total ARPU <¥ 7,170>  
of Voice <¥ 5,430>  
of Data <¥ 1,740>

yoy change  
total ¥ 210 ( 2.9%)  
of Voice ¥ 300 ( 5.4%)  
of Data + ¥ 90 ( + 5.2%)

### Infrastructure



- ✓ Planned EV-DO service coverage  
End-Sept. 2005: 99.9% nationwide
- ✓ EV-DO Rev.A: commercial launch  
planned during CY2006

### Handsets



Expanded lineup

More WIN models  
in the total lineup

Broadband keitai

CDMA 1X

**WIN**

### Charges

(Double Teigaku)

**ダブル/定額**

August 1, 2004~

May 1, 2005~

**Double Teigaku “Light”**

“ ~

**PCSV flat-rate**

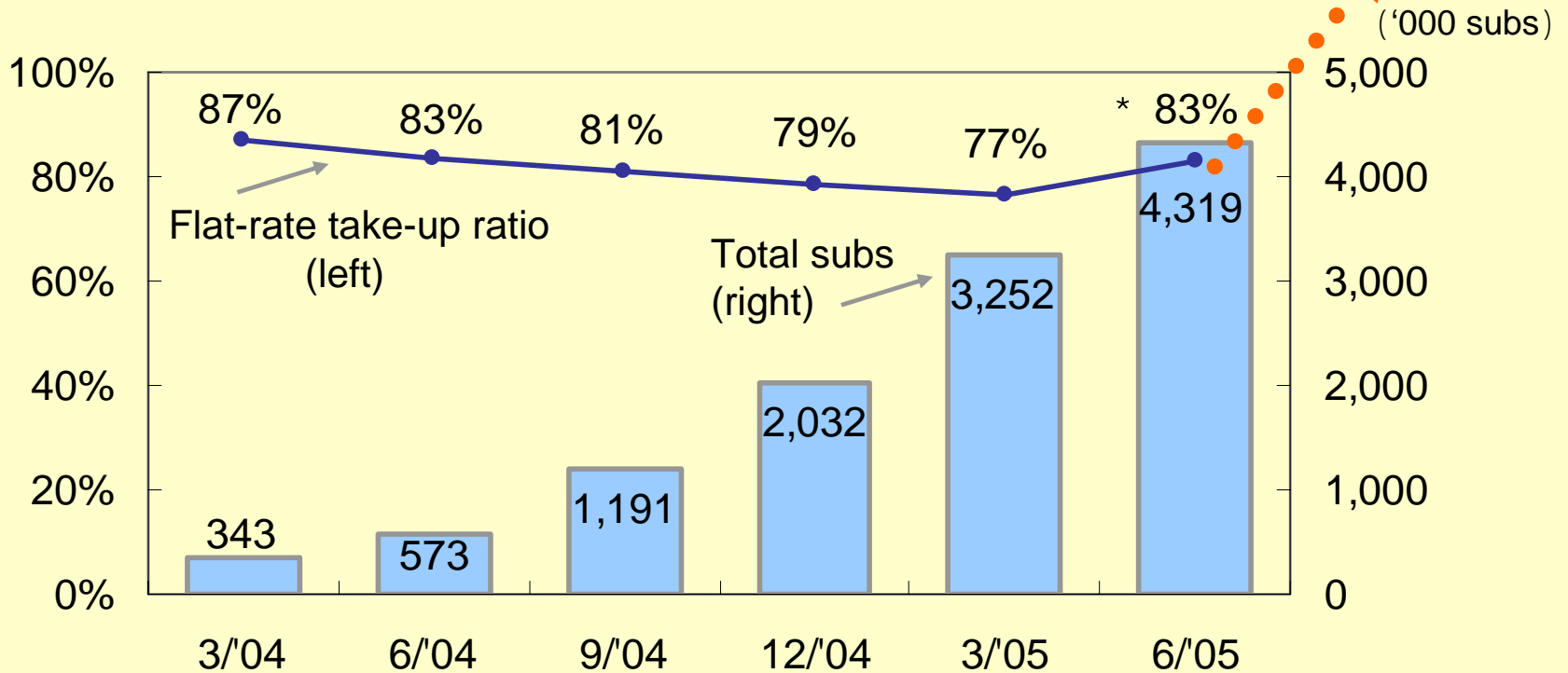
### Content & Applications

- ✓ Late Nov. 2004~: EZ Chaku Uta Full™
- ✓ Mid-June 2005~: EZ-TV
- ✓ Sept. 2005 planned: EZ FeliCa  
(in all WIN handsets after FY2006)

# 3. Update on WIN(1)

Expanded flat-rate plan to even wider customer base through commencement of Double Teigaku “Light” in May 2005.

**Growth of WIN & Flat-rate Subs**



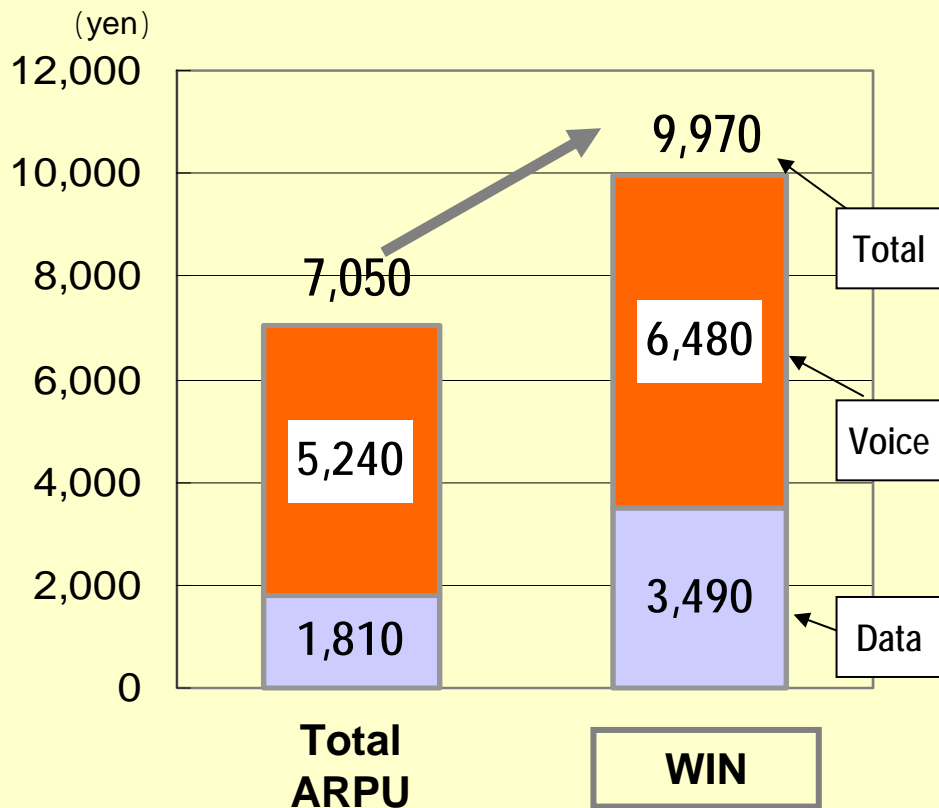
**3/06 Target**  
approx. 7,660k

Note: Flat-rate take-up ratio at end-June includes Double Teigaku “Light” subs in line with the launch of service in May 2005. Former Packet-Discount WIN subs, who were automatically shifted into Double Teigaku “Light” after May 2005, account for 6% at end-March 2005.

# 3. Update on WIN (2)

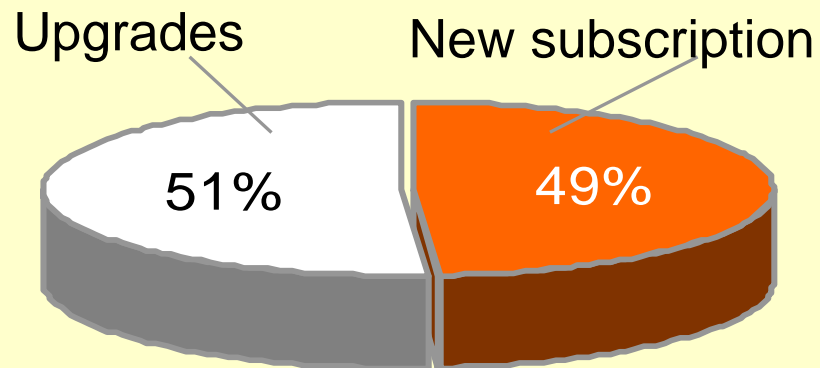
WIN has continued to capture high-end users from other companies with proportion of new subscriptions at around half.

**ARPU**



Note: ARPU of 1Q/FY06.3.

**Breakdown of WIN Subs**

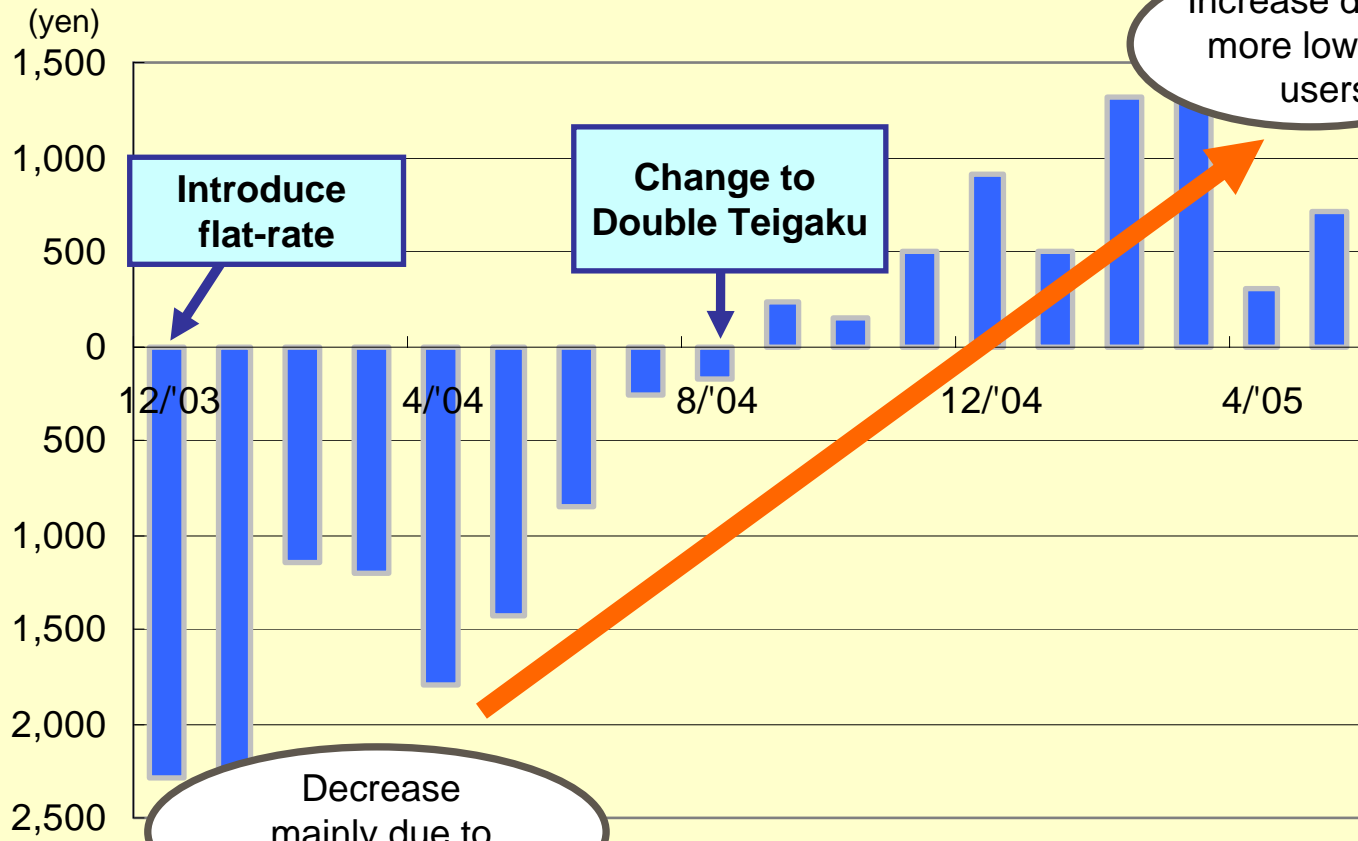


Note: Percentage of the simple total of subs who sign up in 1Q/FY06.3.

### 3. Update on WIN (3)

During launching period, WIN had a negative effect with data high-end users shifting to flat-rate but post-switched ARPU turns to be on an upward trend since DoubleTeigaku (Two-tiered flat-rate plan) was introduced.

**Changes of ARPU : 1X WIN**



Decrease mainly due to high-end users

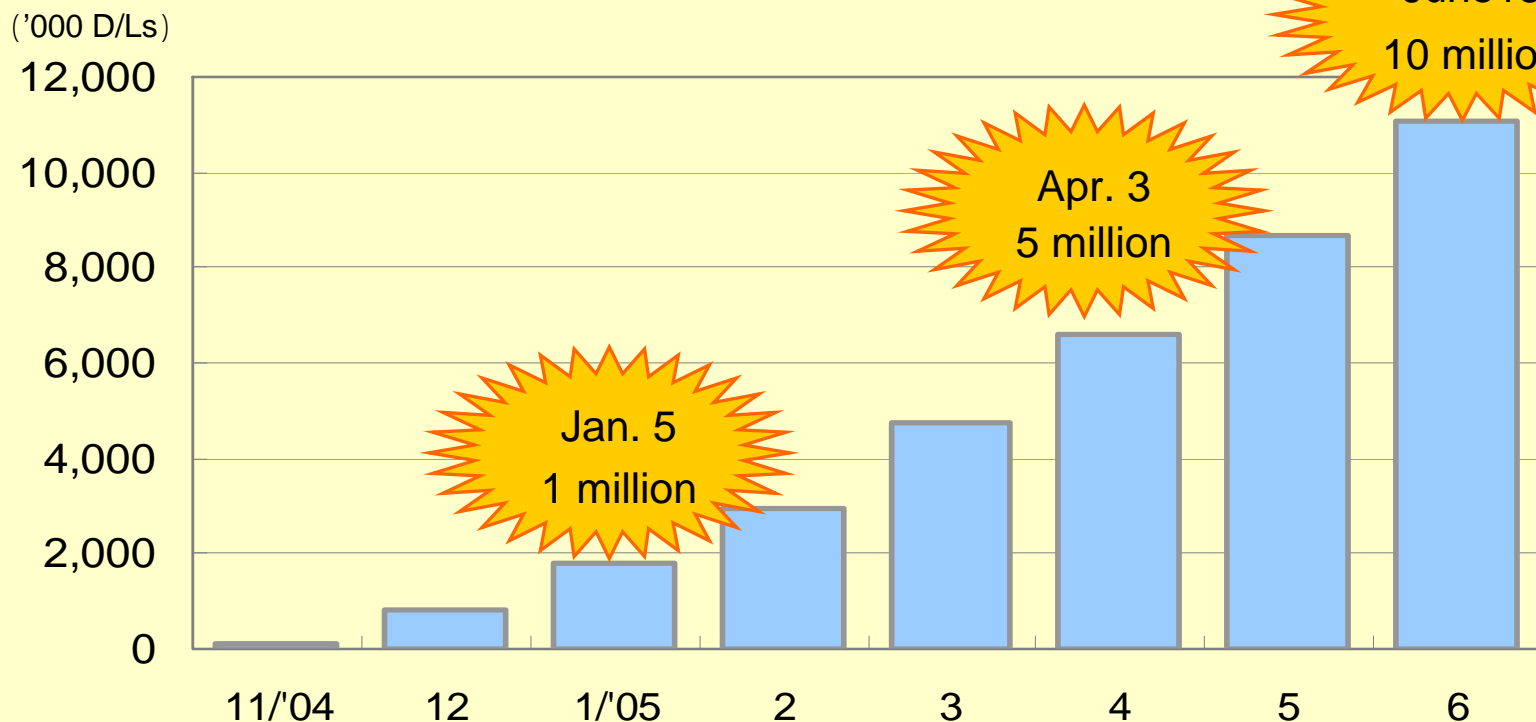
Increase due to more low-end users

Note: Comparison of pre- and post-switch monthly ARPU for the month when users switched to WIN.

# 4. Provision of Attractive Content (1)

Steady growth in Chaku-uta Full™; total downloads topped 10 million on June 15.

**No. of Cumulative D/Ls of Chaku-uta Full™**

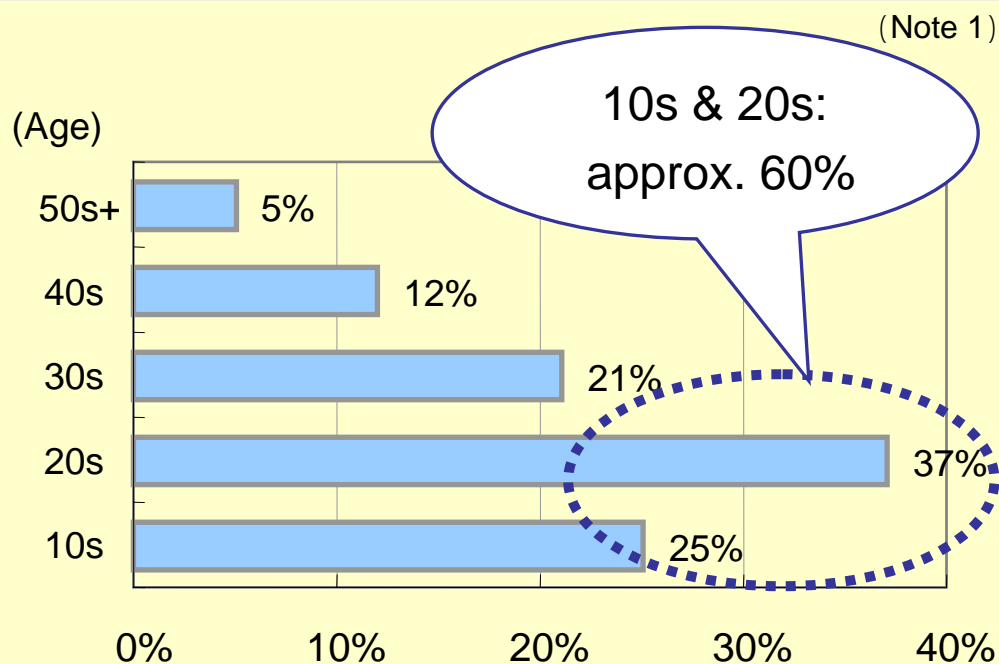




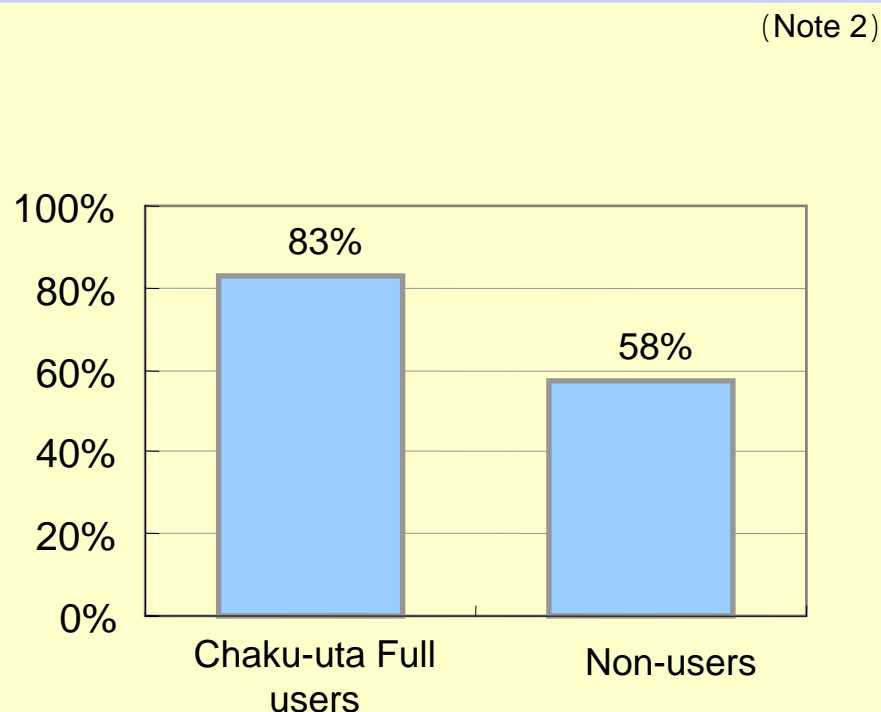
# 4. Provision of Attractive Content (2)

Promote churn-in to “au” and increased data ARPU through rich downloadable content such as Chaku-uta Full™, which is popular among younger agegroups.

## Breakdown of Chaku-uta Full™ Subs



## Subs Using Upper Limit of Double Teigaku



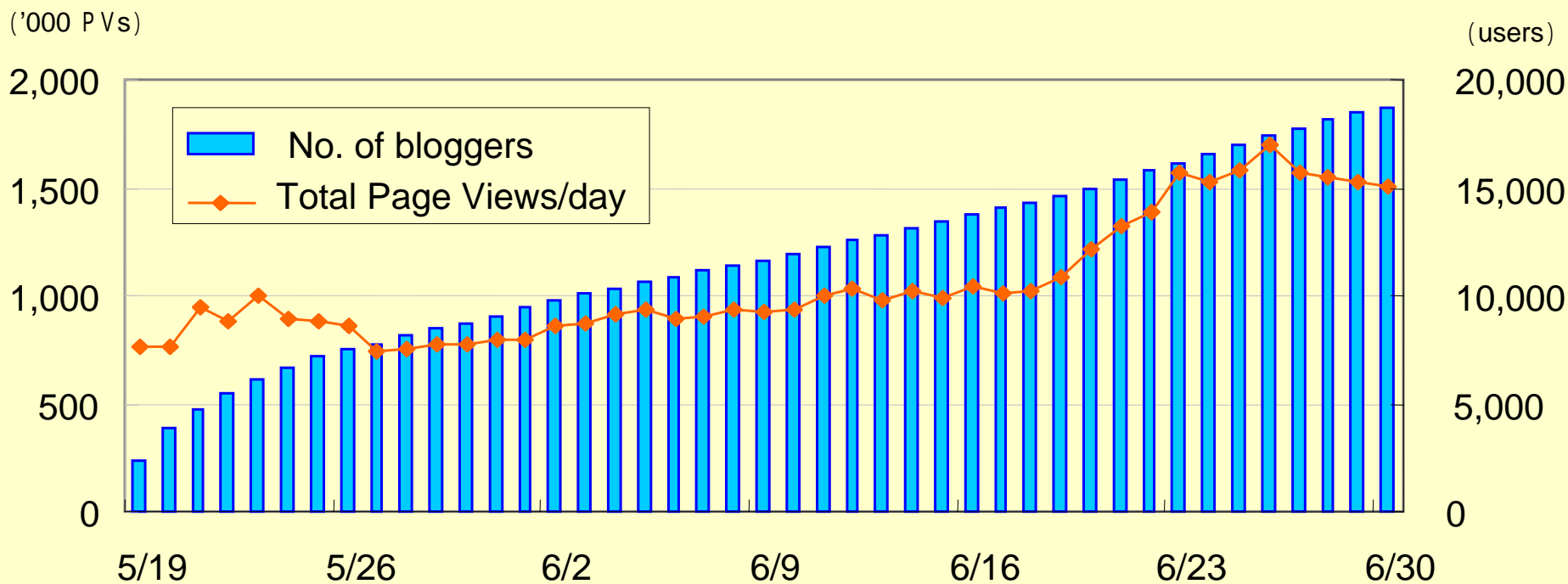
Note 1: June 2005 results.

Note 2: May 2005 results for Double Teigaku subs who have Chaku-uta Full compatible handsets.

# 4. Provision of Attractive Content (3)

Commenced DUOBLOG on May 19; the number of bloggers is on the rise, reaching 19,000 users on a cumulative basis at end-June.

**Growth of DUOBLOG**

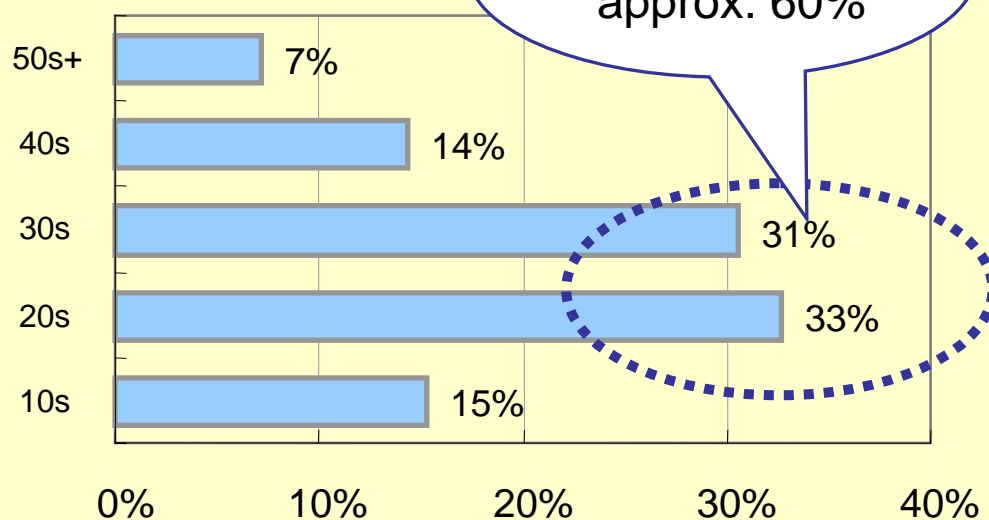


# 4. Provision of Attractive Content (4)

Increase chance of contact with mobile phones among larger agegroups and boost data ARPU by enhancing communication-oriented content such as blog.

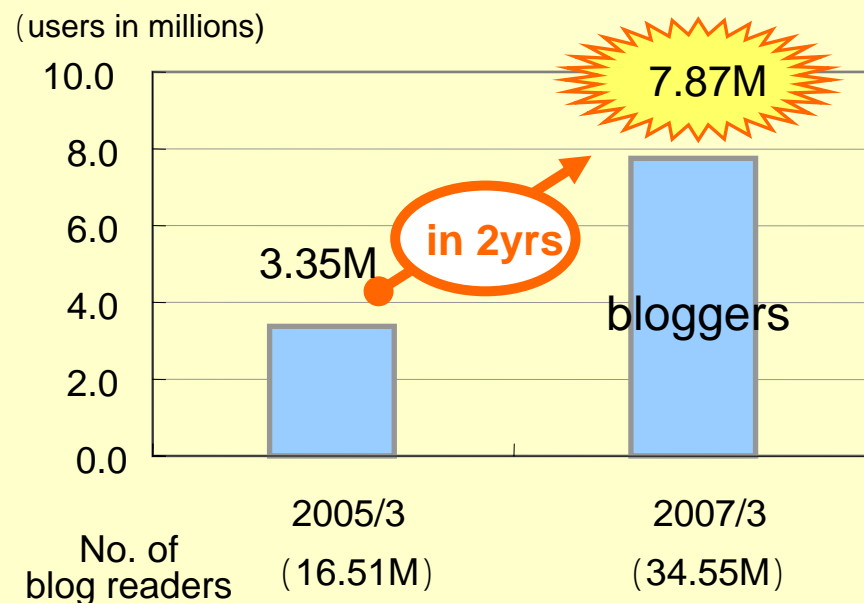
## DUOBLOG Readers

(Note 1)



## Blog Market Forecast

(Note 2)



Note 1: Results during May 19 - June 12, 2005 (based on unique users).

Note 2: Source: “Analysis on Current Status and Forecast on Blogs/SNS” issued by MIC on May 17, 2005.  
(SNS: Social Networking Service).