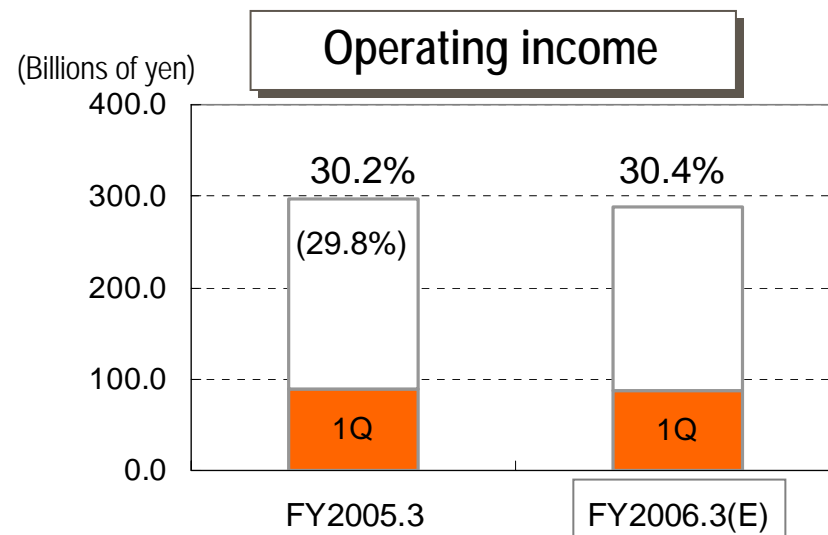
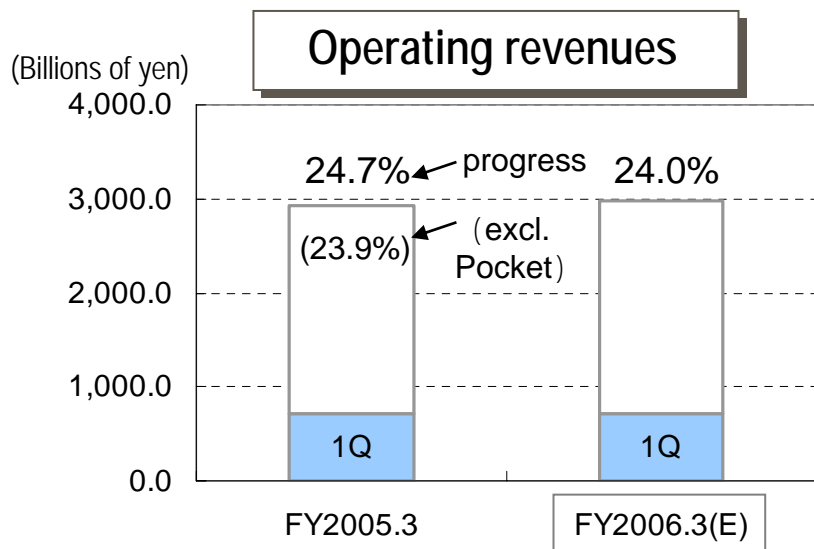


## 2. Consolidated Financial Results



(ref.) Results excluding Pocket

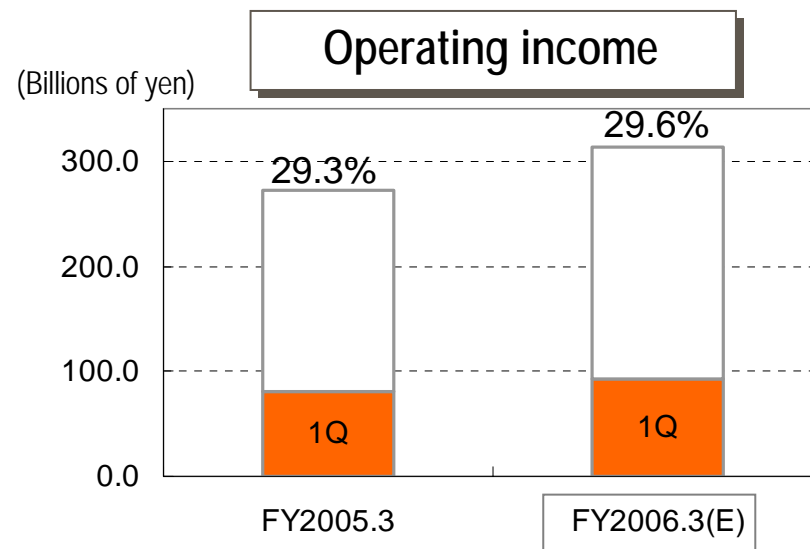
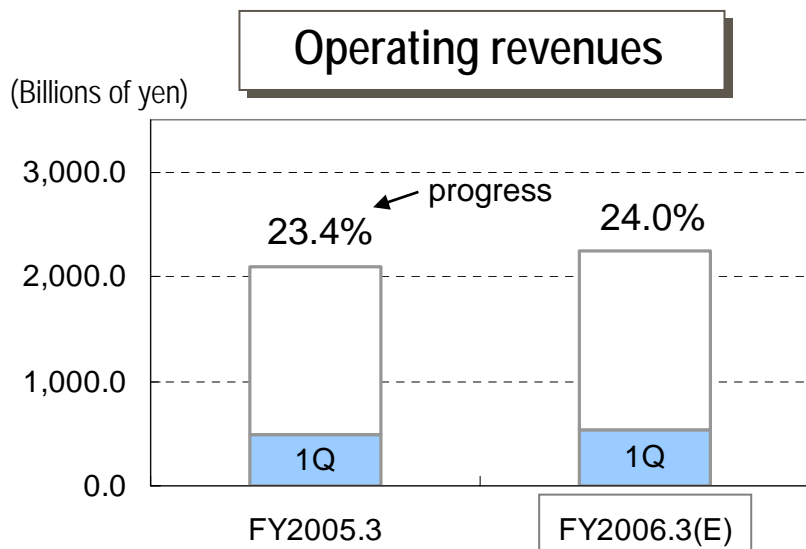
(Billions of yen)

	FY2005.3		FY2006.3(E)			
	1Q		1Q	yoy	progress	
Operating revenues	720.1	2,920.0	714.3	-0.8%	24.0%	2,976.0
Operating income	89.6	296.2	87.8	-1.9%	30.4%	289.0
<i>Operating margin</i>	12.4%	10.1%	12.3%	-	-	9.7%
Ordinary income	87.2	286.3	88.0	0.9%	30.6%	287.0
Net income	51.7	200.6	52.6	1.8%	-	187.0
Free Cash Flow	32.9	402.2	24.2	-26.3%	-	43.0
EBITDA	183.2	664.3	174.1	-4.9%	27.1%	643.0
<i>EBITDA margin</i>	25.4%	22.7%	24.4%	-	-	21.6%

	FY2005.3	FY2006.3(E)
	1Q	yoy
	675.9	5.7%
	86.8	1.2%
	12.8%	-
	84.6	4.0%
	49.8	5.6%
	20.8	16.3%
	170.9	1.9%
	25.3%	-

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

# 3. "au" Business



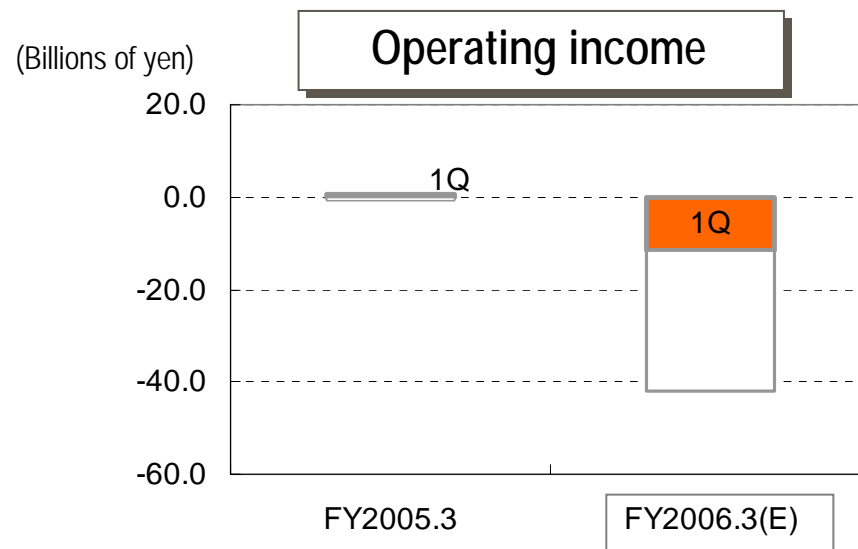
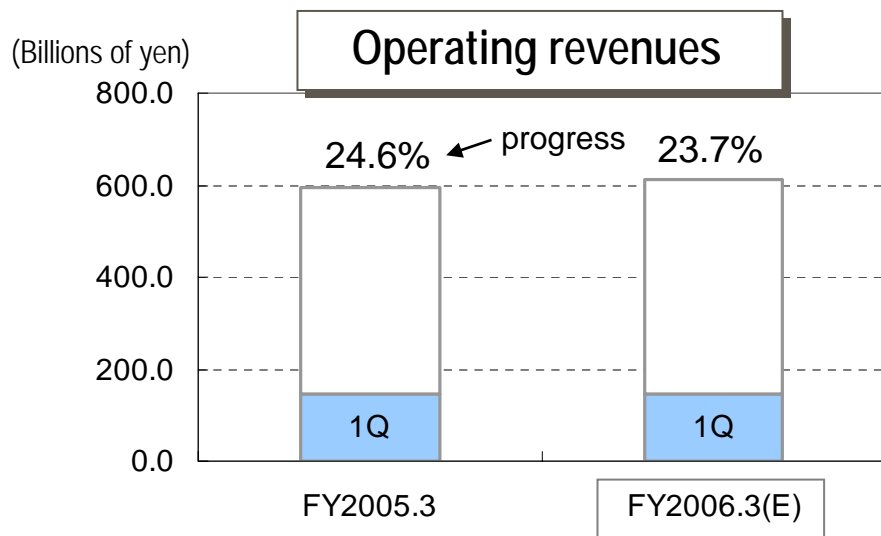
(Billions of yen)

	FY2005.3		FY2006.3(E)		
	1Q		1Q	progress	
Operating revenues	489.6	2,092.7	539.5	24.0%	2,245.0
Operating income	80.0	273.1	93.1	29.6%	314.0
<i>Operating margin</i>	16.3%	13.1%	17.3%	-	14.0%
Ordinary income	79.1	269.9	93.3	29.8%	313.0
Net income	46.6	161.2	54.6	-	186.0
Free Cash Flow	2.5	132.6	17.6	-	119.0
EBITDA	130.6	481.4	147.4	28.1%	524.0
<i>EBITDA margin</i>	26.7%	23.0%	27.3%	-	23.3%

	FY2005.3		FY2006.3(E)	
	1Q		1Q	
Subs ('000)	17,591	19,542	20,123	21,540
of module-type	393	487	527	610
WIN(EV-DO)	573	3,252	4,319	7,660
1X	14,131	14,683	14,404	-
cdmaOne	2,887	1,608	1,400	-
ARPU (yen)	7,260	7,170	7,050	6,810
Voice	5,540	5,430	5,240	5,020
Data	1,720	1,740	1,810	1,790

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

# 4. Fixed-line Business



Progress is not available as full-year figures are negative.

(Billions of yen)

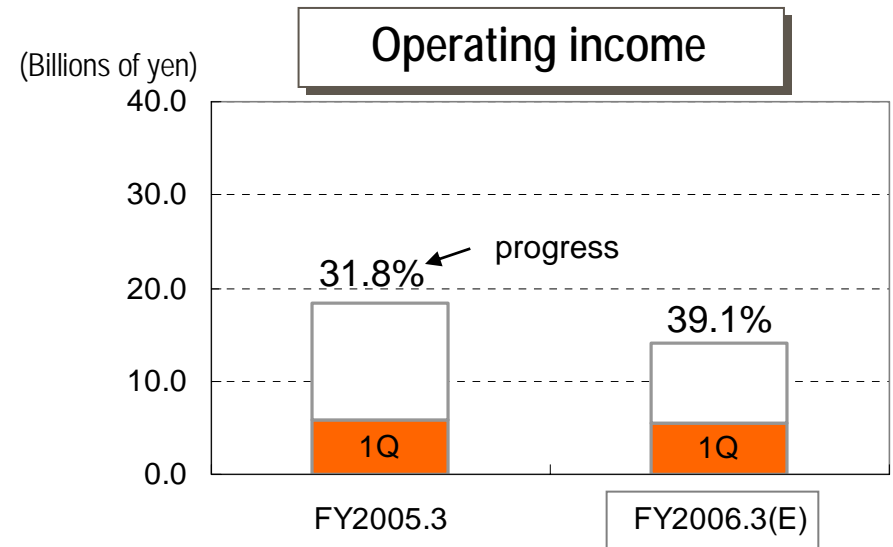
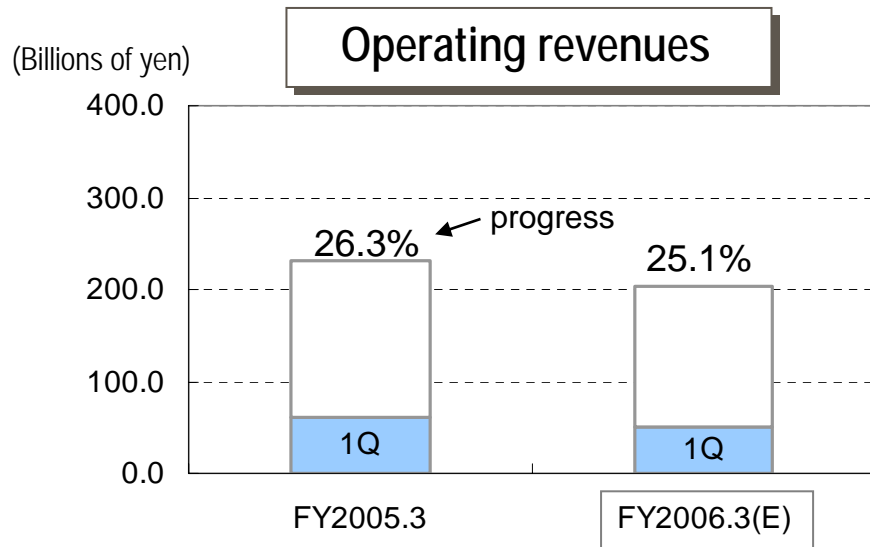
	FY2005.3		FY2006.3(E)		
	1Q		1Q	progress	
Operating revenues	146.8	596.0	145.0	23.7%	612.0
Operating income	0.6	-0.3	-11.6	-	-42.0
<i>Operating margin</i>	<i>0.4%</i>	<i>-0.1%</i>	<i>-8.0%</i>	-	<i>-6.9%</i>
Ordinary income	0.9	-0.4	-10.5	-	-43.0
Net income	0.7	-4.4	-4.9	-	-22.0
Free Cash Flow	7.6	-3.1	-3.8	-	-114.0
EBITDA	20.9	87.5	9.0	15.2%	59.0
<i>EBITDA margin</i>	<i>14.2%</i>	<i>14.7%</i>	<i>6.2%</i>	-	<i>9.6%</i>

	FY2005.3		FY2006.3(E)	
	1Q		1Q	
DION subs('000) (Note1)	2,760	2,885	2,870	2,880
of ADSL	1,251	1,494	1,494	1,500
FTTH subs('000)	43	91	118	180
of Hikari Plus	28	79	112	-
Metal Plus subs('000)	0	41	(Note2) 408	2,200

Note 1: DION subs of Hikari Plus are included in the number of DION subs from end-March 2005.

Note 2: No. of Metal Plus line subscriptions (incl. those not yet activated) at end-June 2005 was 919,000.

# 5. TU-KA Business

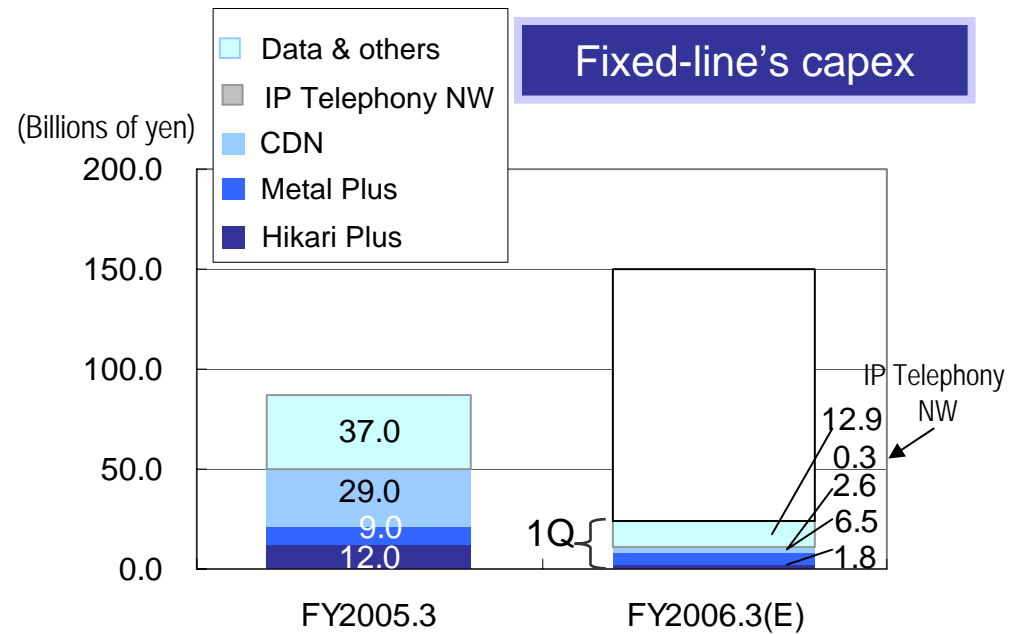
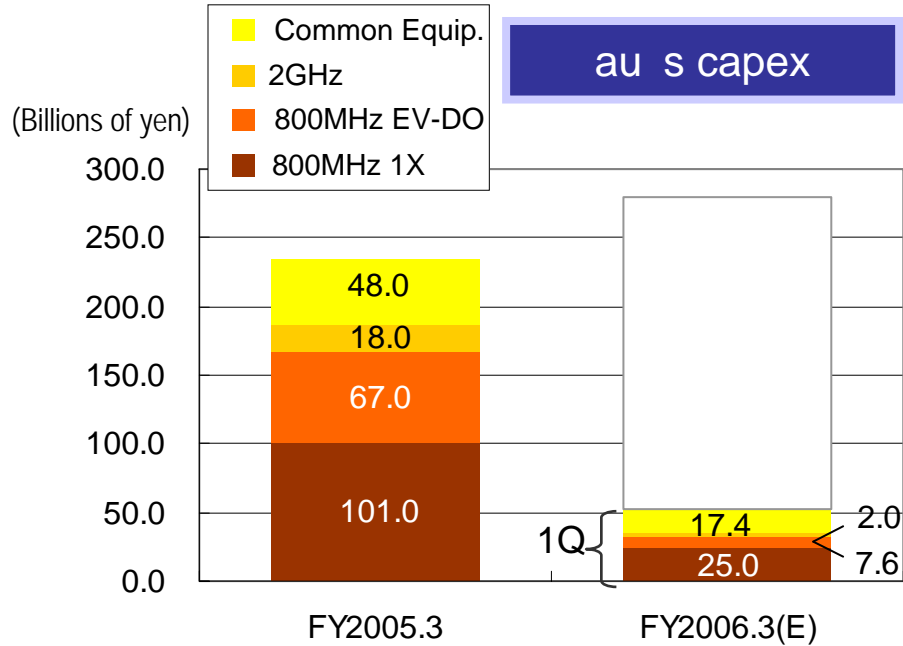


(Billions of yen)

	FY2005.3		FY2006.3(E)		
	1Q		1Q	progress	
Operating revenues	60.9	231.4	51.3	25.1%	204.0
Operating income	5.9	18.4	5.5	39.1%	14.0
<i>Operating margin</i>	<i>9.6%</i>	<i>8.0%</i>	<i>10.7%</i>	-	<i>6.9%</i>
Ordinary income	4.9	15.2	5.0	38.1%	13.0
Net income	3.0	10.5	3.1	-	8.0
Free Cash Flow	11.2	58.1	9.2	-	41.0
EBITDA	17.9	66.8	16.0	29.7%	54.0
<i>EBITDA margin</i>	<i>29.4%</i>	<i>28.9%</i>	<i>31.2%</i>	-	<i>26.5%</i>

	FY2005.3		FY2006.3(E)	
	1Q		1Q	
Subs ('000)	3,606	3,590	3,557	3,490
ARPU (yen)	4,690	4,470	4,100	4,040

# 6. Capital Expenditures and others



(Billions of yen)

		FY2005.3		FY2006.3(E)		
		1Q		1Q	Progress	
CAPEX (Cash basis)	Consolidated	42.1	342.4	77.7	17.7%	440.0
	au	26.6	233.5	52.0	18.6%	280.0
	Fixed-line	9.3	86.6	24.1	16.1%	150.0
	TU-KA	2.0	7.7	0.5	12.6%	4.0
Depreciation	Consolidated	92.0	349.9	84.5	25.2%	335.0
	au	50.1	201.7	53.2	26.5%	201.0
	Fixed-line	19.8	78.7	19.9	21.7%	92.0
	TU-KA	11.6	46.6	10.4	26.7%	39.0