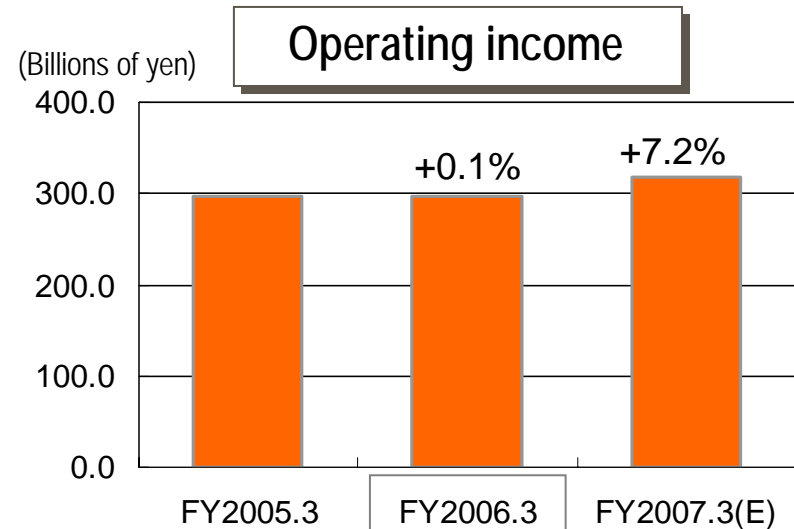
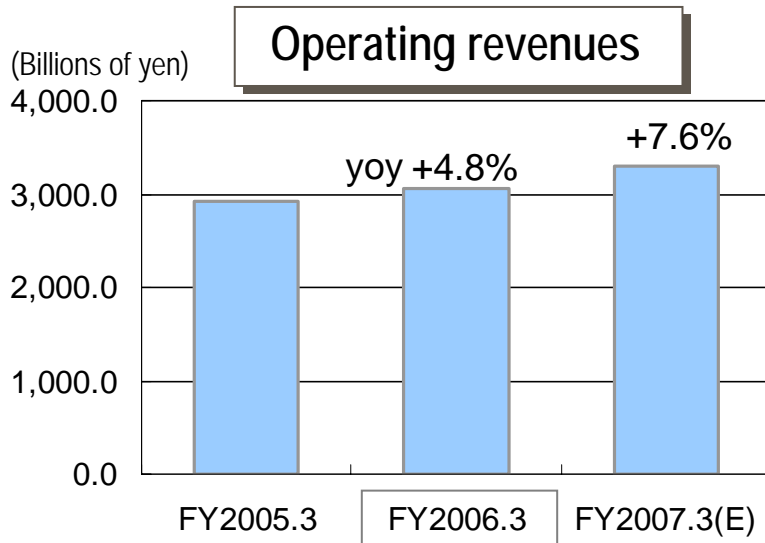


# 2. Consolidated Financial Results



(Billions of yen)

	FY2005.3	FY2006.3		FY2007.3(E)	
			yoy		yoy
Operating revenues	2,920.0	3,060.8	4.8%	3,293.0	7.6%
Operating income	296.2	296.6	0.1%	318.0	7.2%
<i>Operating margin</i>	10.1%	9.7%	-	9.7%	-
Ordinary income	286.3	294.0	2.7%	315.0	7.1%
Net income	200.6	190.6	-5.0%	186.0	-2.4%
Free Cash Flow	402.2	139.6	-65.3%	235.0	68.3%
EBITDA	664.3	654.4	-1.5%	668.0	2.1%
<i>EBITDA margin</i>	22.7%	21.4%	-	20.3%	-

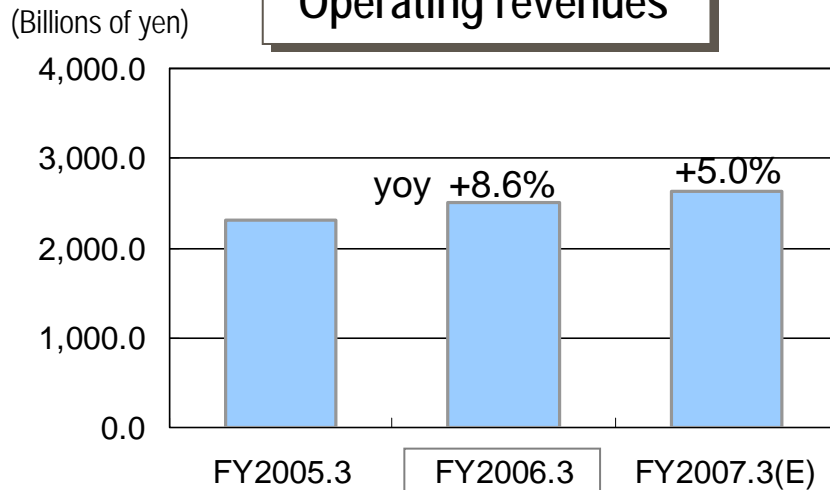
(ref.) FY2005.3-results excluding Pocket

	FY2005.3	FY2006.3	
			yoy
Operating revenues	2,833.2		8.0%
Operating income	290.7		2.0%
<i>Operating margin</i>	10.3%		-
Ordinary income	281.4		4.5%
Net income	169.0		12.8%
Free Cash Flow	198.5		-29.7%
EBITDA	639.6		2.3%
<i>EBITDA margin</i>	22.6%		-

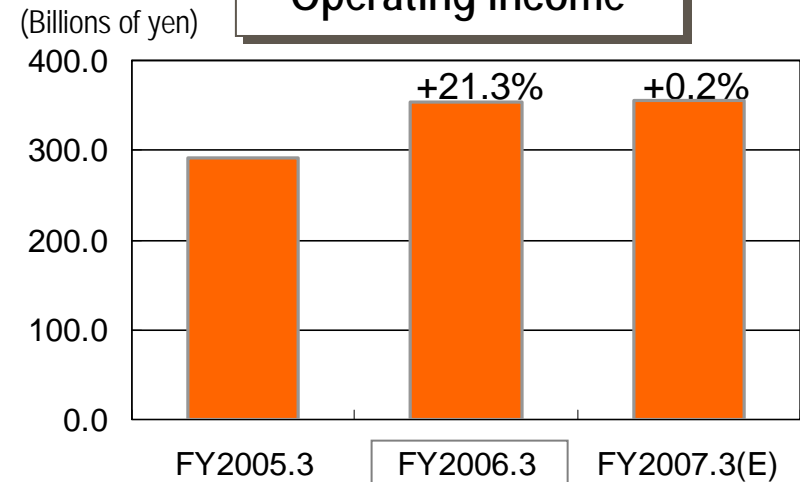
Note: For FY 2005.3 results excluding Pocket, 1H results and effect of divestiture of PHS Business are deducted from the consolidated figures.

# 3. Mobile Business/ "au"+TU-KA(PDC)

**Operating revenues**



**Operating income**



(Billions of yen)

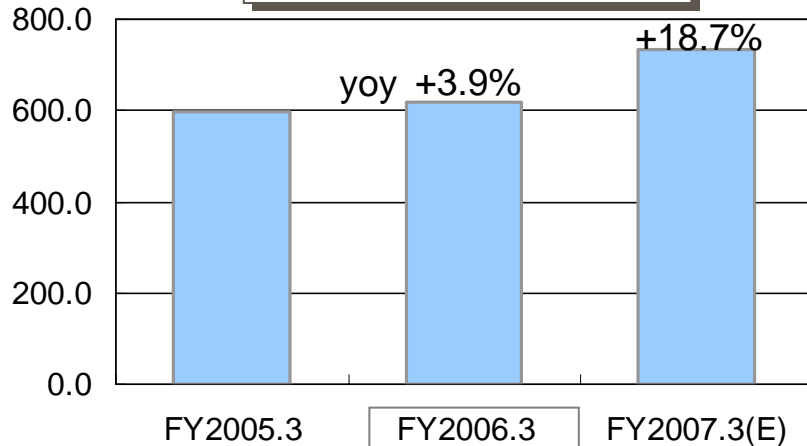
	FY2005.3	FY2006.3		FY2007.3(E)	
				yoy	yoy
Operating revenues	2,312.5	2,510.4	8.6%	2,636.0	5.0%
"au"	2,085.9	2,335.2	12.0%	2,567.0	9.9%
TU-KA	226.6	175.2	-22.7%	69.0	-60.6%
Operating income	292.3	354.4	21.3%	355.0	0.2%
<i>Operating margin</i>	12.6%	14.1%	-	13.5%	-
Ordinary income	285.1	352.8	23.7%	357.0	1.2%
Net income	171.7	145.3	-15.4%	211.0	45.2%
Free Cash Flow	190.6	266.2	39.6%	256.0	-3.8%
EBITDA	548.9	605.2	10.3%	582.0	-3.8%
<i>EBITDA margin</i>	23.7%	24.1%	-	22.1%	-

	FY2005.3	FY2006.3	FY2007.3(E)
Subs ('000)	23,132	25,439	27,440
of module-type	487	586	670
"au" total	19,542	22,699	26,210
WIN(EV-DO)	3,252	8,280	14,330
1X	14,683	13,548	-
cdmaOne	1,608	871	-
TU-KA(PDC)	3,590	2,739	1,230

# 4. Fixed-line Business

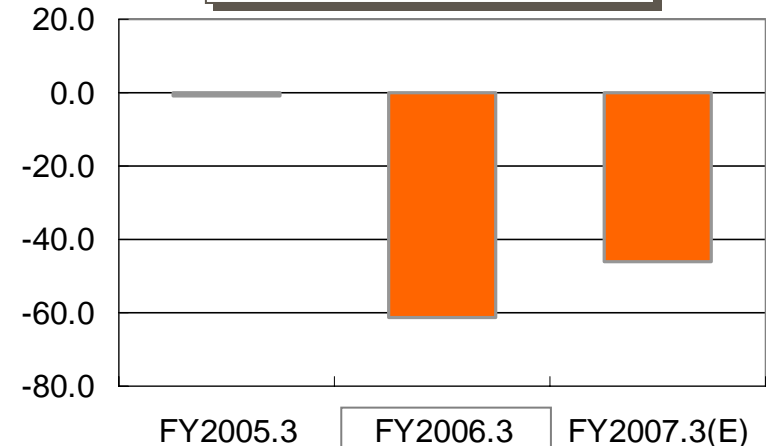
(Billions of yen)

## Operating revenues



(Billions of yen)

## Operating income



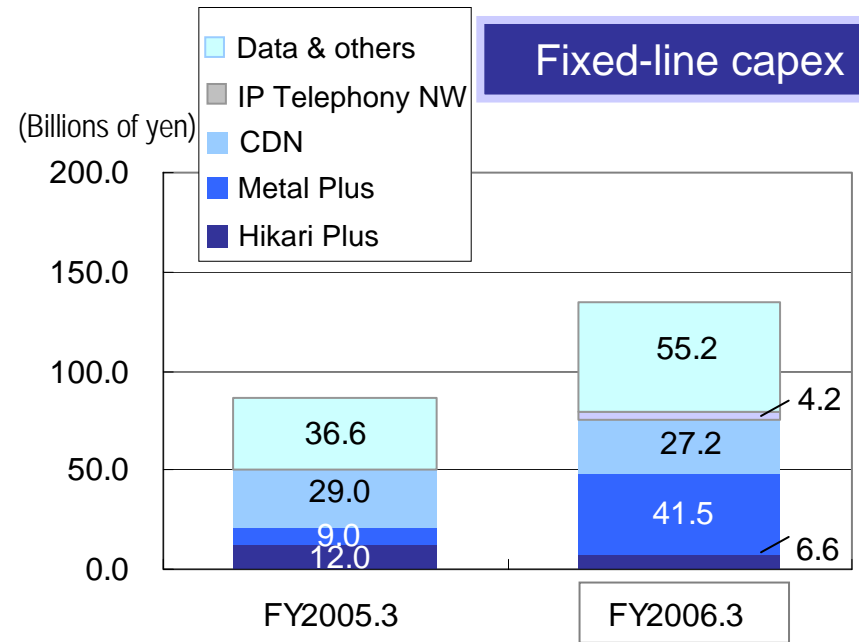
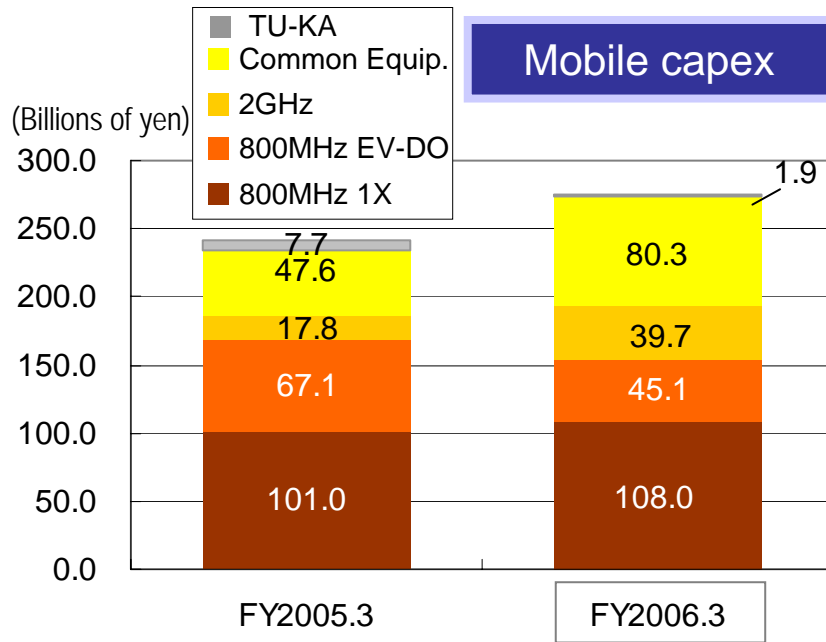
\* yoy comparison is not available as figures are negative.

(Billions of yen)

	FY2005.3	FY2006.3		FY2007.3(E)	
			yoy		yoy
Operating revenues	596.0	619.3	3.9%	735.0	18.7%
Operating income	-0.3	-61.3	-	-46.0	-
Operating margin	-0.1%	-9.9%	-	-6.3%	-
Ordinary income	-0.4	-62.2	-	-48.0	-
Net income	-4.4	26.4	-	-28.0	-
Free Cash Flow	-3.1	-102.3	-	-9.0	-
EBITDA	87.5	41.5	-52.6%	72.0	73.7%
EBITDA margin	14.7%	6.7%	-	9.8%	-

	FY2005.3	FY2006.3	FY2007.3(E)
DION subs ('000)	2,885	2,847	2,680
of ADSL	1,494	1,516	1,470
FTTH subs	91	167	290
of Hikari Plus	79	165	-
Metal Plus subs	41	1,799	2,750

# 5. Capital Expenditures and others



(Billions of yen)

		FY2005.3	FY2006.3	FY2007.3(E)
CAPEX (Cash basis)	Consolidated	342.4	414.7	450.0
	Mobile	241.2	275.1	333.0
	"au"	233.5	273.1	333.0
	TU-KA	7.7	1.9	-
	Fixed-line	86.6	134.7	88.0
Depreciation	Consolidated	349.9	335.7	333.0
	Mobile	248.2	237.5	218.0
	"au"	201.7	-	-
	TU-KA	46.6	-	-
	Fixed-line	78.7	94.2	111.0