
Data Book

Financial Results for the 1st Quarter of FY 3/2006

July 25, 2005

KDDI Corporation

Financial Results for the 1st Quarter of FY 3/06

Unit: Millions of Yen

Consolidated Statement		FY 3/05			FY 3/06			
		1Q	1H	2H	Total	1Q	Progress	Total (Forecast)
Operating revenues		720,075	1,471,324	1,448,716	2,920,039	714,267	24.0%	2,976,000
Telecommunications business		582,353	1,179,127	1,121,439	2,300,566	576,454	24.8%	2,326,000
Voice traffic		*2 359,634	725,473	679,623	1,405,096	-	-	-
Digital and data transmission		185,455	379,518	395,058	774,576	-	-	-
Leased circuits		17,211	33,298	29,438	62,736	-	-	-
Others		20,052	40,838	17,320	58,158	-	-	-
Other business		137,722	292,197	327,277	619,473	137,814	21.2%	650,000
Operating income		89,557	162,427	133,749	296,176	87,818	30.4%	289,000
Ordinary income		87,171	156,275	130,069	286,344	87,962	30.6%	287,000
Extraordinary income (loss)		0	(20,763)	27,950	7,187	152	-	0
Net income		51,663	77,842	122,750	200,592	52,587	28.1%	187,000
Total assets		*1 2,560,557	2,521,547	-	2,472,322	2,369,586	-	-
Shareholders' equity		*1 1,050,644	1,078,698	-	1,162,192	1,209,046	-	-
Shareholders' equity ratio		*1 41.0%	42.8%	-	47.0%	51.0%	-	-
Shareholders' equity per share		*1 ¥249,320	¥255,642	-	¥278,170	¥289,394	-	-
Free cash flows		32,855	113,140	289,027	402,167	24,230	56.3%	43,000
Depreciation		92,013	183,308	166,599	349,907	84,480	25.2%	335,000
Capex (cash flow basis)		42,128	115,543	226,848	342,391	77,673	17.7%	440,000
EBITDA		183,174	351,777	312,478	664,255	174,125	27.1%	643,000
EBITDA margin		25.4%	23.9%	21.6%	22.7%	24.4%	-	0
Interest bearing debt		*1 1,116,906	1,010,574	-	864,627	776,041	-	-
Net debt		*1 960,089	878,178	-	642,095	631,466	-	-
Debt / EBITDA Ratio		-	-	-	1.3	-	-	-
Debt / Equity Ratio		1.06	0.94	-	0.74	0.64	-	-

*1 These figures are as of the end of each financial year.

*2 From FY 2005, KDDI no longer classifies profit according to "Voice traffic", "Digital and Data transmission", "Leased circuits" and "Others". For reference, however, we have included these figures in the consolidated statements shown here on FY2005.

Financial Results for the 1st Quarter of FY 3/06

Unit: Millions of Yen

au business		FY 3/05			FY 3/06			
		1Q	1H	2H	Total	1Q	Progress	Total (Forecast)
	Operating revenues	489,645	1,012,329	1,080,373	2,092,702	539,523	24.0%	2,245,000
	Sales outside the group	484,211	1,001,270	1,066,573	2,067,843	531,068	-	-
	Telecommunications business	375,388	765,959	792,445	1,558,404	415,826	-	-
	Other business	108,823	235,310	274,128	509,439	115,242	-	-
	Sales within the group	5,434	11,059	13,800	24,859	8,454	-	-
	Operating income	79,982	143,619	129,487	273,106	93,096	29.6%	314,000
	Ordinary income	79,069	141,293	128,614	269,907	93,287	29.8%	313,000
	Extraordinary income (loss)	-	(44)	(24)	(68)	-	-	-
	Net income	46,607	83,297	77,860	161,157	54,603	29.4%	186,000
	Free cash flows	2,523	43,985	88,576	132,561	17,565	14.8%	119,000
	Depreciation	50,084	100,147	101,510	201,657	53,223	26.5%	201,000
	Capex (cash flow basis)	26,560	87,017	146,484	233,501	52,026	18.6%	280,000
	EBITDA	130,586	246,549	234,838	481,387	147,410	28.1%	524,000
	EBITDA margin	26.7%	24.5%	21.7%	23.0%	27.3%	-	23.3%

Financial Results for the 1st Quarter of FY 3/06

Unit: Millions of Yen

Fixed - line business		FY 3/05			FY 3/06			
		1Q	1H	2H	Total	1Q	Progress	Total (Forecast)
	Operating revenues	146,824	296,846	299,195	596,041	144,954	23.7%	612,000
	Sales outside the group	121,386	244,421	250,308	494,729	119,566	-	-
	Telecommunications business	112,944	226,542	225,090	451,632	110,682	-	-
	Other business	8,442	17,879	25,217	43,096	8,884	-	-
	Sales within the group	25,438	52,425	48,887	101,312	25,387	-	-
	Operating income (loss)	579	2,429	(2,739)	(310)	(11,550)	27.5%	(42,000)
	Ordinary income (loss)	913	2,997	(3,367)	(370)	(10,476)	24.4%	(43,000)
	Extraordinary income (loss)	(301)	(18,022)	(96)	(18,118)	152	-	0
	Net income (loss)	673	(8,001)	3,588	(4,413)	(4,909)	22.3%	(22,000)
	Free cash flows	7,561	16,466	(19,532)	(3,066)	(3,834)	3.4%	(114,000)
	Depreciation	19,783	38,593	40,126	78,719	19,933	21.7%	92,000
	Capex (cash flow basis)	9,286	17,222	69,382	86,605	24,084	16.1%	150,000
	EBITDA	20,867	42,566	44,929	87,494	8,972	15.2%	59,000
	EBITDA margin	14.2%	14.3%	15.0%	14.7%	6.2%	-	9.6%

Financial Results for the 1st Quarter of FY 3/06

Unit: Millions of Yen

Fixed - line business Details of Operating revenues	FY 3/05			FY 3/06		
		1H	2H	Total		Total
	1Q				1Q	Progress (Forecast)
KDDI Corporation	115,834	233,836	233,395	467,231	114,633	24.4% 469,000
Voice Services	70,843	141,974	135,725	277,699	66,116	23.7% 278,500
Local call	11,014	21,429	19,352	40,781	8,560	-
Long distance call	40,457	80,867	76,369	157,236	37,937	-
International call	19,372	39,678	40,004	79,682	19,620	-
Data Services	45,052	91,666	97,272	188,939	48,299	25.4% 190,000
Data Transmissions	21,032	43,890	49,650	93,540	24,641	25.3% 97,300
Frame relay / Cell relay	1,949	3,863	3,488	7,351	1,864	-
Internet	19,008	39,822	45,974	85,795	22,724	-
Other data transmission	75	205	188	393	54	-
Leased circuits	11,257	22,020	19,533	41,553	9,195	24.6%
IP-VPN	10,684	21,439	22,316	43,755	10,871	25.8%
Ether VPN	2,079	4,318	5,773	10,091	3,591	27.4%
Others	(60)	195	398	593	218	43.6%
KNSL	19,717	40,358	38,740	79,097	19,447	33.5% 58,000

Financial Results for the 1st Quarter of FY 3/06

Unit: Millions of Yen

TU-KA Business		FY 3/05			FY 3/06			
		1Q	1H	2H	Total	1Q	Progress	Total (Forecast)
	Operating revenues	60,858	119,200	112,197	231,396	51,257	25.1%	204,000
	Sales outside the group	59,315	116,148	109,535	225,682	49,939	-	-
	Telecommunication business	50,670	99,774	92,875	192,649	43,890	-	-
	Other business	8,645	16,373	16,660	33,034	6,049	-	-
	Sales within the group	1,543	3,052	2,662	5,714	1,318	-	-
	Operating income	5,852	11,266	7,166	18,431	5,469	39.1%	14,000
	Nonoperating income (loss)	(939)	(1,834)	(1,388)	(3,223)	(517)	51.7%	(1,000)
	Ordinary income	4,913	9,431	5,777	15,209	4,952	38.1%	13,000
	Extraordinary income (loss)	0	(91)	(93)	(184)	(13)	-	0
	Net income	3,019	5,347	5,194	10,541	3,058	38.2%	8,000
	Free cash flows	11,161	27,859	30,216	58,075	9,216	22.5%	41,000
	Depreciation	11,616	23,554	23,091	46,645	10,401	26.7%	39,000
	Capex (cash flow basis)	2,016	3,053	4,600	7,653	503	12.6%	4,000
	EBITDA	17,897	35,997	30,815	66,811	16,015	29.7%	54,000
	EBITDA margin	29.4%	30.2%	27.5%	28.9%	31.2%	-	26.5%

Financial Results for the 1st Quarter of FY 3/06

Unit: Millions of Yen

Other Business		FY 3/05				FY 3/06		
		1Q	1H	2H	Total	1Q	Progress	Total (Forecast)
	Operating revenues	19,083	38,451	42,930	81,381	22,826	21.3%	107,000
	Sales outside the group	11,744	24,099	22,300	46,399	13,692	-	-
	Sales within the group	7,339	14,352	20,631	34,982	9,134	-	-
	Operating income (loss)	656	(200)	1,151	951	1,528	38.2%	4,000
	Ordinary income (loss)	643	(234)	953	719	1,318	33.0%	4,000
	Extraordinary income (loss)	163	(3,011)	5,104	2,093	0	0.0%	32,000
	Net income (loss)	360	(3,994)	5,559	1,565	781	2.2%	35,000

Details of Mobile Business

Subscribers (Thousand)		Jun-04	Sep-04	Mar-05
au		17,591	18,189	19,542
	CDMA 1X WIN	573	1,191	3,252
	CDMA 1X	14,131	14,667	14,683
	cdmaOne	2,887	2,331	1,608
TU-KA		3,606	3,588	3,590
EZweb		16,330	16,965	18,259
	au	14,520	15,125	16,469
	TU-KA	1,810	1,848	1,790

Jun-05	Mar-06 (Forecast)
20,123	21,540
4,319	7,660
14,404	-
1,400	-
3,557	3,490
18,775	20,130
17,032	18,450
1,742	1,680

ARPU, MOU, Churn			FY3/05			
			1Q	1H	2H	Total
au	ARPU (Total)	(Yen)	7,260	7,280	7,070	7,170
		Voice	5,540	5,560	5,320	5,430
		Data	1,720	1,720	1,750	1,740
	CDMA 1X ARPU *1	(Yen)	7,820	7,780	7,450	7,600
		Voice	5,870	5,860	5,580	5,710
		Data	1,950	1,920	1,874	1,900
	MOU	(Minutes)	169	170	162	166
	Churn rate	(%)	1.40	1.45	1.44	1.44
	TU-KA	ARPU	(Yen)	4,690	4,630	4,310
MOU		(Minutes)	133	131	120	126
Churn rate		(%)	2.1	2.1	2.0	2.0

FY 3/06	
1Q	Total (Forecast)
7,050	6,810
5,240	5,020
1,810	1,790
7,320	-
5,410	-
1,910	-
159	152
1.26	1.35
4,100	4,040
112	-
2.2	2.3

*1 CDMA 1X ARPU includes figures for CDMA 1X WIN.

Details of Fixed - line Business (Part 1)

Figures of Active Line *1	FY 3/05				FY 3/06	
	1 Q	1H	2H	Total	1 Q	Total (Forecast)
Voice Domestic Active Line (Thousand)	7,941	7,855	7,368	7,612	6,764	-
Voice International Active Line (Thousand)	594	590	548	569	495	-

*1 Includes any line making a minimum of one call. (Figures shown are the average monthly figures over the period).

ARPU for Fixed Line	FY 3/05				FY 3/06	
	1 Q	1H	2H	Total	1 Q	Total (Forecast)
Voice Domestic Active Line *2 (Yen)	1,520	1,510	1,440	1,470	1,380	-
Voice Int'l Active Line *3 (Yen)	3,860	3,810	3,660	3,770	3,730	-
DION (includes ADSL) *4 (Yen)	1,950	2,000	2,240	2,120	2,310	-

*2 Does not include revenue from DDL direct lines, FreeCall DX/S, DOD or other direct connections.

*3 Does not include services such as DDL direct lines, Super World Card or International mobile.

*4 ARPU from KDDI's consumer ISP.

Number of Subscribers for Fixed Line Services	Jun-04	Sep-04	Mar-05	Jun-05	Mar-06 (Forecast)
Myline Registration *5 (Thousand)	9,340	9,200	8,690	8,250	-
Local (Thousand)	6,241	6,143	5,768	5,449	-
In-prefecture Long Distance (Thousand)	7,693	7,572	7,108	6,708	-
Out-prefecture Long Distance (Thousand)	8,361	8,224	7,770	7,366	-
International (Thousand)	8,896	8,756	8,280	7,862	-
Metal Plus (Thousand)	-	-	41	408	2,200
DION (Thousand)	2,760	2,873	2,885	2,870	2,880
of which ADSL (Thousand)	1,251	1,428	1,494	1,494	1,500
FTTH (Thousand)	43	60	91	118	180
of which KDDI Hikari Plus (Thousand)	28	44	79	112	-
KDDI Internet (Corporate use) (Thousand)	33	37	42	44	-
FR/CR *6 (Thousand)	13	11	9	9	-
VPN (IP-VPN, Ether-VPN) *6 (Thousand)	64	63	70	70	-

*5 Each individual access circuit to the network is counted here.

*6 Each local access circuit to the network is counted here.

*7 DION subs of Hikari Plus have been included in the number of DION from end of Mar-05

*8 Ether-VPN access circuits have been included in the number of VPN from end of Mar-05

We had a mistake the figure of "VPN (IP-VPN, Ether VPN)" on March - 05.

Original 76

Revised 70

Details of Fixed - line Business (Part 2)

Local calls traffic *1	FY 3/05				FY 3/06
	1Q	1H	2H	Total	1Q
Call units (million)	927	1,838	1,729	3,567	781
Call minutes (million)	2,204	4,247	3,755	8,002	1,654

Long-distance calls traffic *1	FY 3/05				FY 3/06
	1Q	1H	2H	Total	1Q
Call units (million)	2,490 *3	4,847	4,661	9,508	2,324
Call minutes (million)	3,728	7,317	6,692	14,009	3,152

International calls traffic *2	FY 3/05				FY 3/06
	1Q	1H	2H	Total	1Q
Call units (million)	139	282	307	589	136
Outgoing	48	96	91	187	45
Incoming	67	139	142	281	56
Relayed	24	47	74	121	34
Call minutes (million)	666	1,352	1,510	2,862	696
Outgoing	237	476	477	953	240
Incoming	302	628	645	1,273	252
Relayed	127	248	388	636	204

*1 Domestic (local and long-distance) call traffic figures include those for direct connections such as DDL direct line, Free Call DX/S and DOD.

*2 International call traffic includes figures for services such as DDL direct lines, Super World Card and international calls made from mobile phones over the KDDI network.