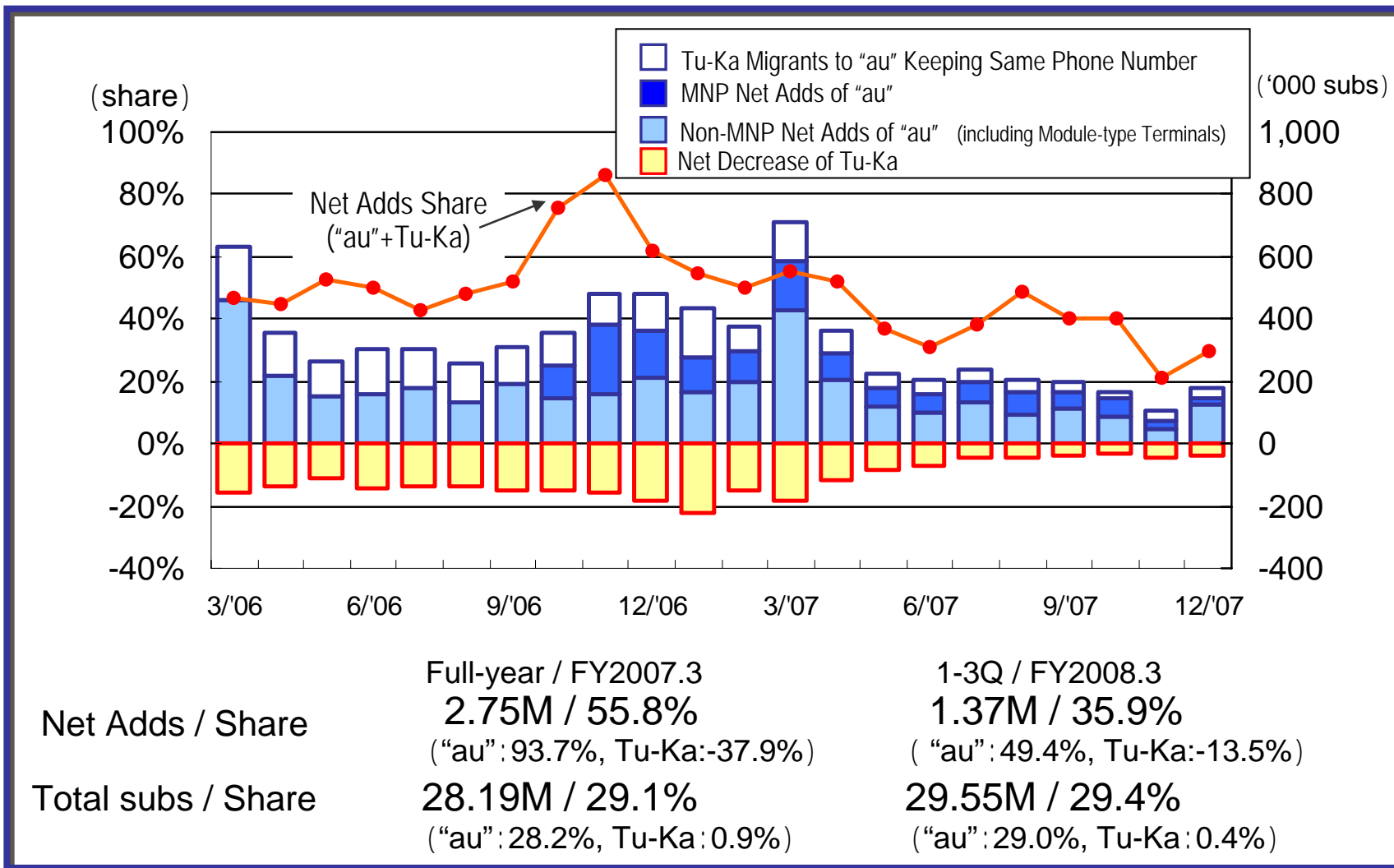


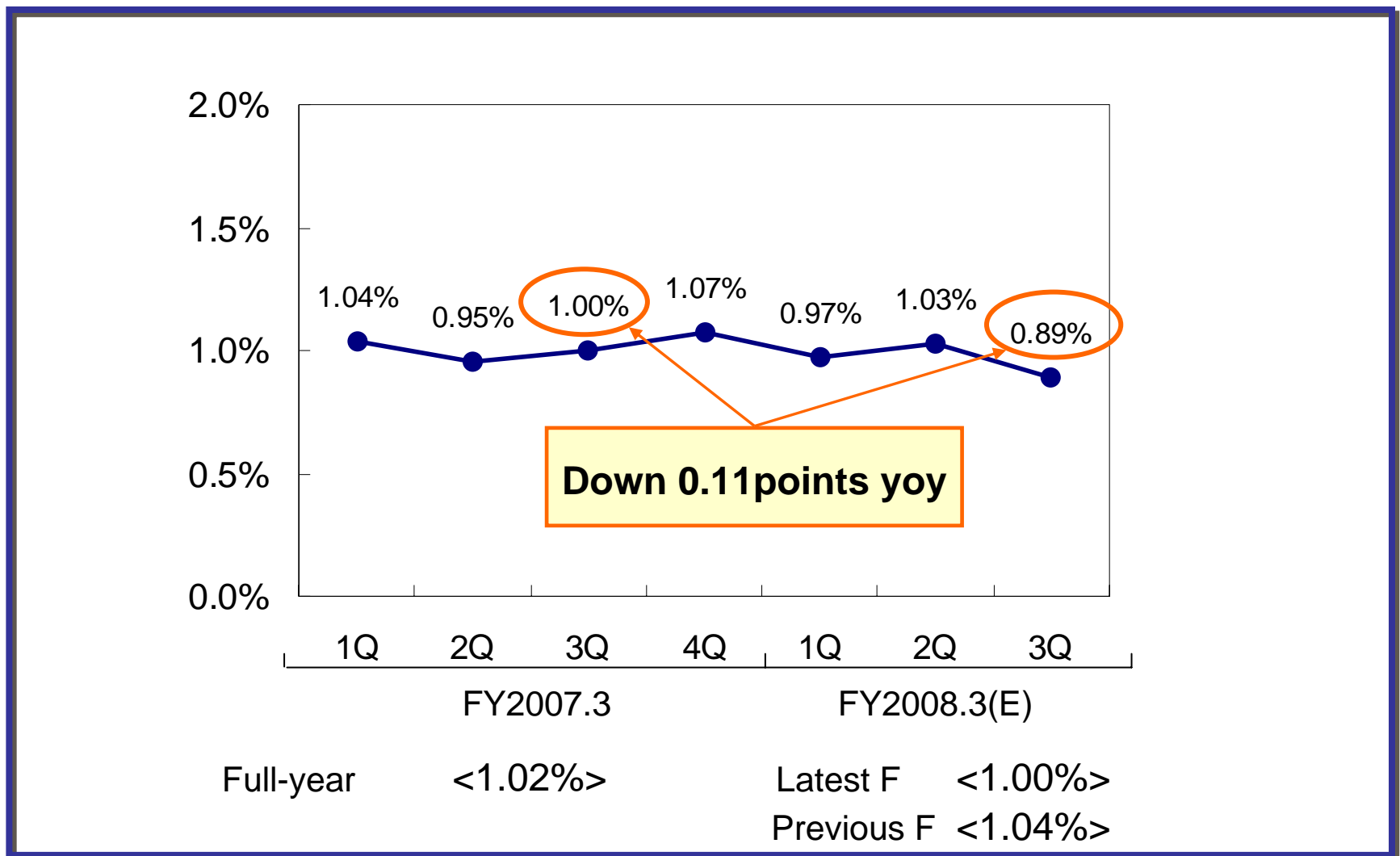
1.1. Net Additions of KDDI("au" + Tu-Ka)

Net additions of 1.37M in 1-3Q, making solid progress towards the March-end target of 30M "au" customers.



1.2. "au" Churn Rate

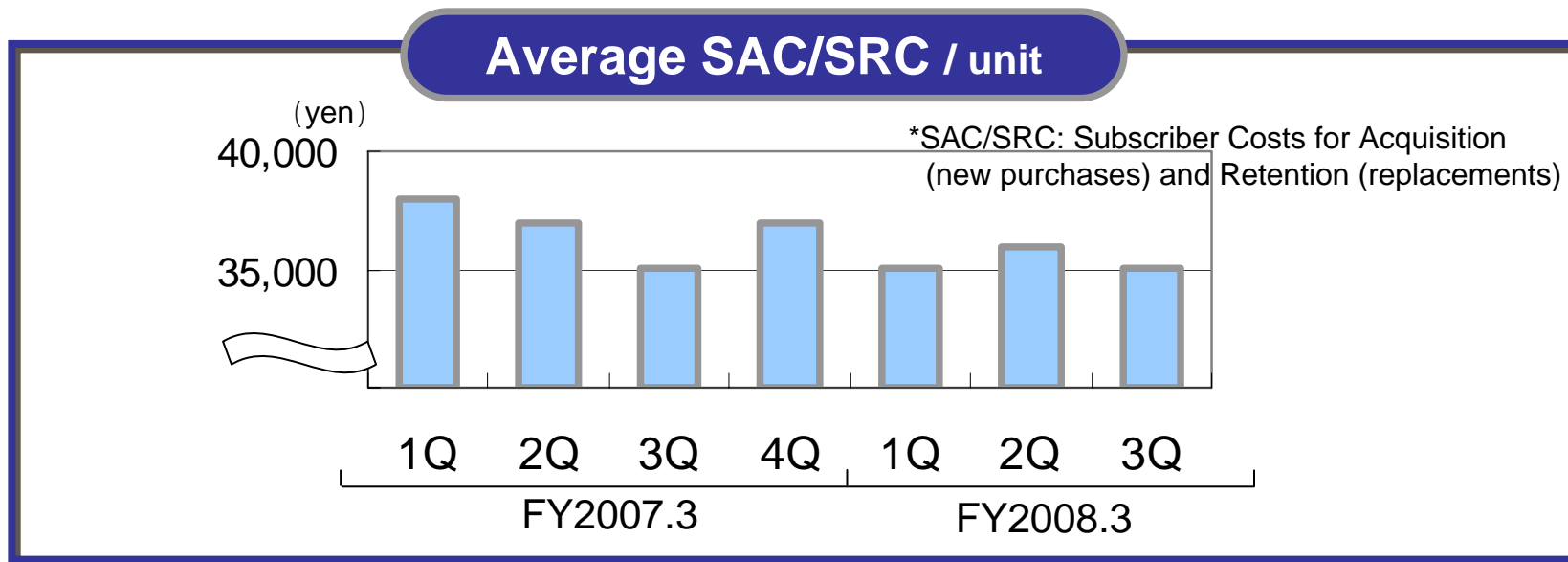
Churn rate in 3Q was 0.89%, down 0.11points yoy.



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

1.3. "au" SAC/SRC

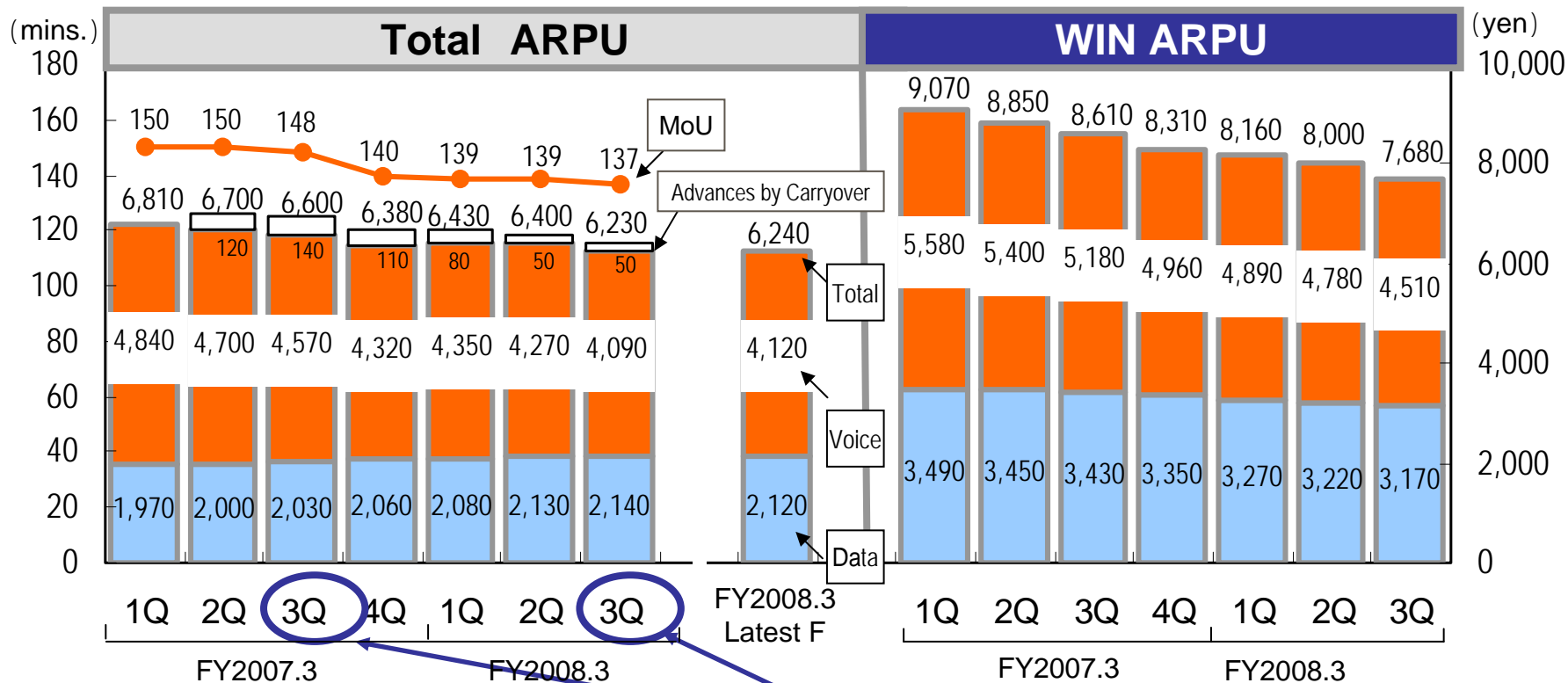
SAC/SRC in 3Q was ¥35,000, which was lower than in 2Q.



	FY2007.3				FY2008.3(E)				FY2008.3
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	Latest F	Previous F
Total SAC/SRC (Billions of yen)	124.0	129.0	145.0	170.0	124.0	149.0	130.0	565.0	565.0
Average SAC/SRC / unit (yen)	38,000	37,000	35,000	37,000	35,000	36,000	35,000	36,000	36,000
Number of units sold ('000 units)	3,270	3,520	4,110	4,650	3,530	4,080	3,700	15,700	15,700

1.4. Trend of "au" ARPU

Rise in the percentage of high-ARPU WIN subs is supporting overall ARPU.



Full-year	FY2007.3	FY2008.3(E)	
		Previous F	Latest F
Total ARPU	¥6,610	¥6,150	¥6,240
of Voice	¥4,590	¥4,100	¥4,120
of Data	¥2,020	¥2,050	¥2,120

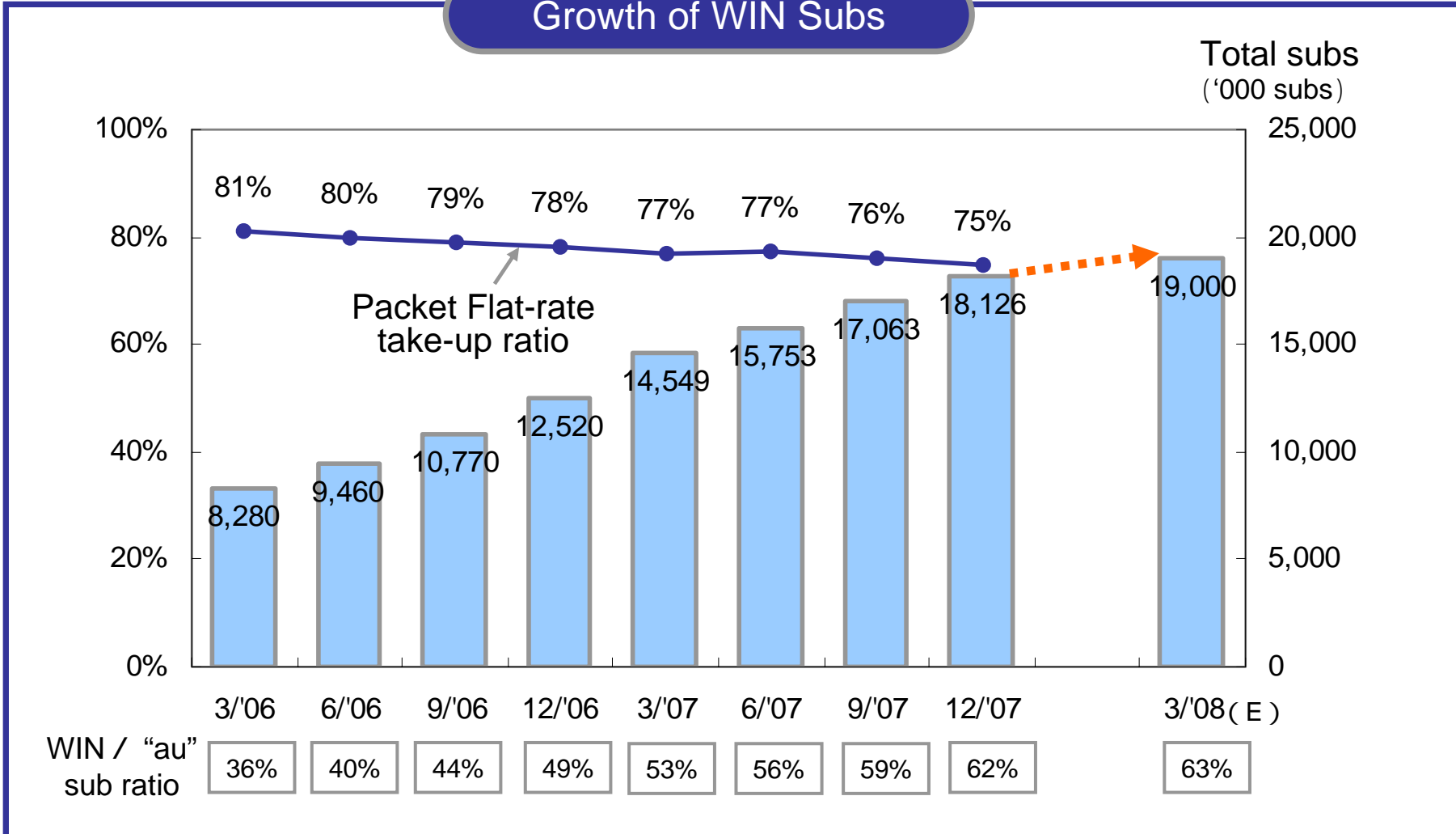
yoy change	
Total ARPU	¥370 (5.6%)
of Voice	¥480 (10.5%)
of Data	+ ¥110 (+ 5.4%)

1.5. Update on WIN



62% of "au" users are with WIN at end-December, of which as high as 75% of customers sign up for Packet Flat-rate plans.

Growth of WIN Subs

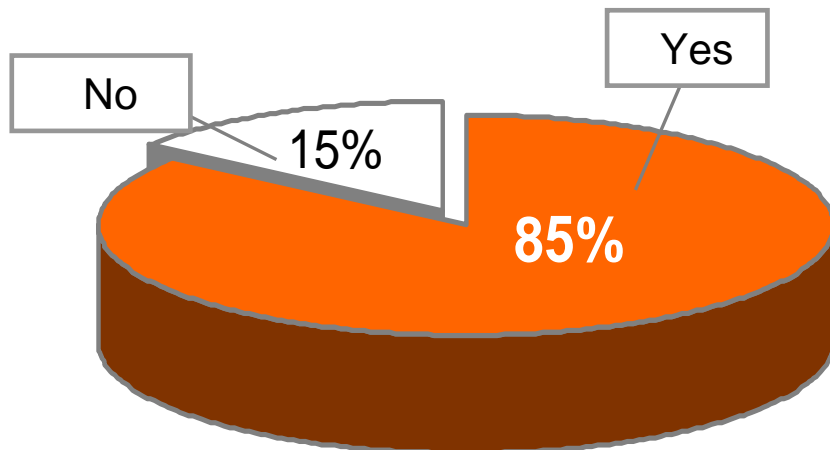


2. au Purchase Program - Initial Situation (1)

The new "au Purchase Program" started on November 12. As it is only one and a half months since its launch, it is still too early for evaluation, but during this initial period more than 90% of customers have chosen the Full Support Course.

A high percentage of customers (over 80%) also chose the optional "Keitai Guarantee Service" (¥315/month tax incl.), creating a new source of revenue.

Subscription of **安心ケータイサポート**
 "Keitai Guarantee Service"

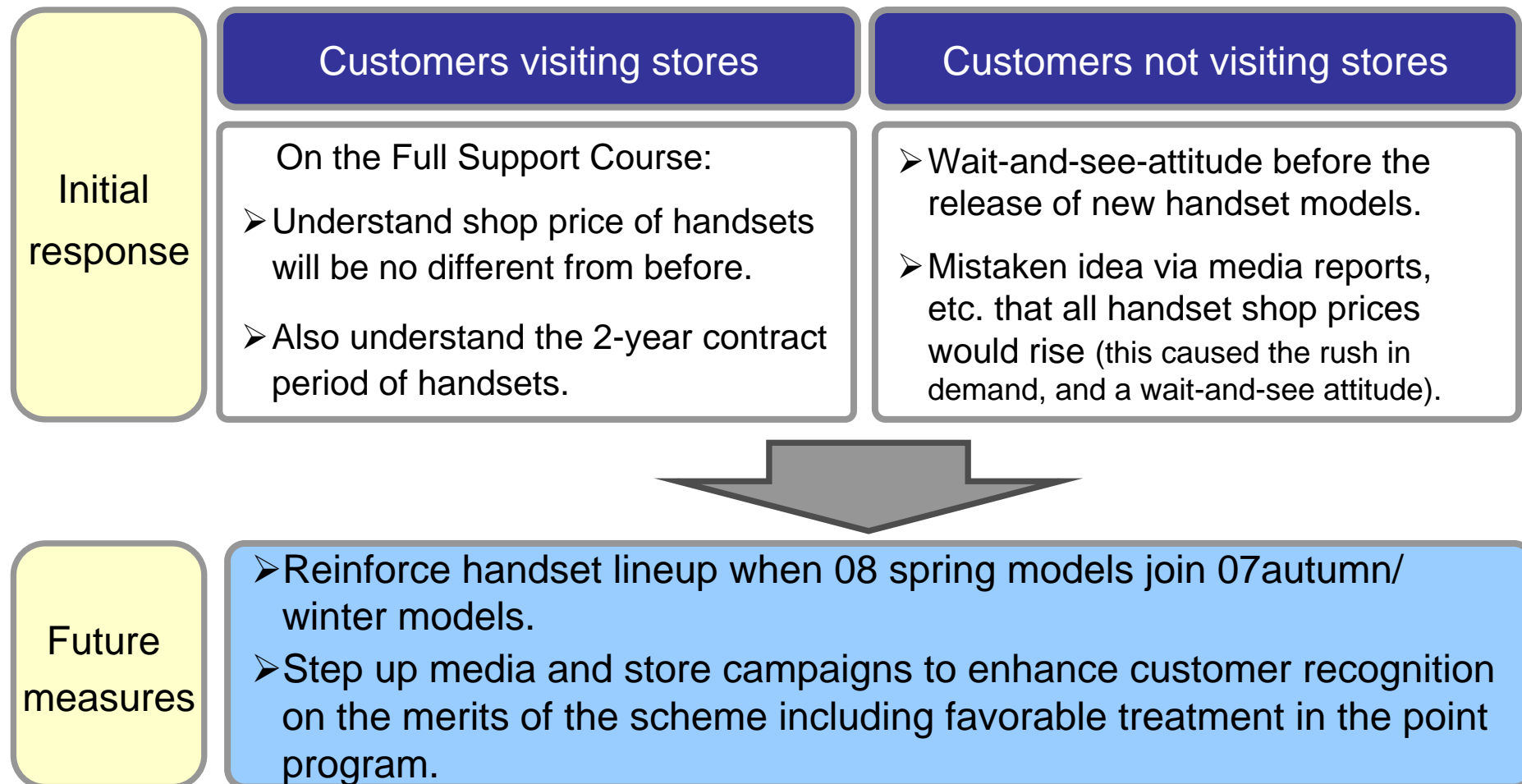


- 5 Year Warranty
- Repair Cost Discount
- Refurbishing Service for Water Damage or Total Loss
- Security Service for Loss or Theft
- Free Battery Pack Replacement
- Point Refund for No Claims

Note: Contract ratio to the total subs of the Full Support Course and Simple Course during 2007.11.12 —12.31

Ref. : The Full Support Course (New scheme based on incentive model) is suitable for those customers who wish to keep the initial cost of their handset purchase low, while the Simple Course (Separation model without subsidy) is for customers who consider a lower monthly bill is more important than upgrading a handset.

After start of "au Purchase Program", KDDI observed both customers waiting for the release of new handset models and an adverse reaction to the rush in demand, resulting in a slight decline in the no. of customers visiting stores. KDDI will strengthen handset lineup and promote customer awareness of the scheme toward the fiscal-year-end selling season.



3. Termination of Tu-Ka Service

Tu-Ka customers who switched to “au” were 0.36M in 1-3Q, making aggregate total of 2.50M (since October 2005).

Reinforce marketing efforts by home visit or telephone to mainly post-paid customers to ensure understanding about their migration to “au” and service termination toward the planned closure at end-March 2008.

Tu-Ka Total Subs

