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# **Data Book**

## **Financial Results for the 3rd Quarter of FY 3/2009**

**January 23, 2009**

**KDDI Corporation**

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# Financial Results for the 3rd Quarter of FY 3/2009

Unit: Millions of Yen

Consolidated Statement		FY 3/08						FY 3/09						Original Forecast (Apr. 24, 2008)
		1Q	2Q	3Q	4Q	Total	1Q-3Q	1Q	2Q	3Q	Revised Forecast (Jan. 23, 2009)	1Q-3Q	Progress	
Operating revenues		844,084	890,182	904,400	957,618	3,596,284	2,638,666	870,520	876,813	882,365	3,500,000	2,629,699	75.1%	3,700,000
	Telecommunications business	685,626	695,260	689,261	679,750	2,749,897	2,070,147	685,209	692,854	687,172	2,704,000	2,065,235	76.4%	2,704,000
	Other business	158,457	194,922	215,139	277,868	846,387	568,519	185,311	183,960	195,193	796,000	564,464	70.9%	996,000
	Operating income	140,904	108,702	121,365	29,480	400,452	370,972	124,374	138,508	143,849	443,000	406,731	91.8%	443,000
	Ordinary income	142,726	109,684	123,041	32,475	407,927	375,451	124,827	137,403	143,588	440,000	405,818	92.2%	440,000
	Extraordinary income (loss)	0	209	0	(28,930)	(28,721)	209	(352)	(525)	35,395	0	34,518	-	0
	Net income	82,492	63,247	69,026	3,021	217,786	214,765	72,456	78,662	102,804	250,000	253,922	101.6%	250,000
	Total assets *1	2,753,013	2,858,098	-	-	2,879,275	2,853,745	3,004,530	3,220,041	-	-	3,398,174	-	-
	Shareholders' equity *1	1,604,824	1,670,789	-	-	1,715,731	1,719,159	1,768,786	1,846,617	-	-	1,922,076	-	-
	Shareholders' equity ratio *1	57.2%	57.3%	-	-	58.5%	59.1%	57.5%	56.1%	-	-	55.3%	-	-
	Shareholders' equity per share (Yen) *1	352,762	367,230	-	-	377,278	377,786	387,571	404,920	-	-	422,091	-	-
	Free cash flows	(60,496)	120,274	34,789	(107,021)	(12,454)	94,567	(74,899)	68,806	(65,580)	(164,000)	(71,673)	-	*2 (224,000)
	Depreciation	82,630	86,572	88,513	93,553	351,269	257,716	94,310	100,780	107,269	418,000	302,358	72.3%	418,000
	Capex (cash flow basis) *3	88,776	101,853	127,711	198,662	517,002	318,340	129,982	136,133	152,883	590,000	418,997	71.0%	590,000
	EBITDA	225,300	199,424	215,193	129,291	769,209	639,917	223,388	244,146	255,323	881,000	722,857	82.0%	881,000
	EBITDA margin	26.7%	22.4%	23.8%	13.5%	21.4%	24.3%	25.7%	27.8%	28.9%	25.2%	27.5%	-	23.8%
	Interest bearing debt *1	617,796	572,197	-	-	571,945	508,680	722,765	783,351	-	-	828,142	-	-
	Net debt *1	520,609	400,677	-	-	496,399	388,908	648,371	582,805	-	-	678,154	-	-
	Debt / EBITDA Ratio	-	-	-	-	0.7	-	-	-	-	-	-	-	-
	Debt / Equity Ratio	0.39	0.35	-	-	0.34	0.30	0.42	0.43	-	-	0.44	-	-

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

\*2 Changed FCF forecast from (¥17,000M) to (¥224,000M) in 2Q due to a planned buy-back of 4 buildings upon the expiration of secularization period.

\*3 Excludes ¥207,100M cost for buy-back of 4 buildings in the results and forecast of FY 3/09.

# Financial Results for the 3rd Quarter of FY 3/2009

Unit: Millions of Yen

Mobile Business		FY 3/08						FY 3/09						Original Forecast (Apr. 24, 2008)
		1Q	2Q	3Q	4Q	Total	1Q-3Q	1Q	2Q	3Q	Revised Forecast (Jan. 23, 2009)	1Q-3Q	Progress	
Operating revenues		674,832	706,350	719,216	762,200	2,862,599	2,100,399	679,763	680,908	688,870	2,711,000	2,049,540	75.6%	2,911,000
Sales outside the group		672,505	703,214	716,404	759,557	2,851,679	2,092,122	676,963	678,121	685,773	-	2,040,857	-	-
Telecommunications business		536,978	545,678	538,812	527,740	2,149,208	1,621,469	529,850	535,804	530,910	-	1,596,564	-	-
Other business		135,526	157,536	177,592	231,817	702,471	470,654	147,113	142,317	154,863	-	444,293	-	-
Sales within the group		2,328	3,137	2,812	2,643	10,920	8,277	2,800	2,787	3,097	-	8,683	-	-
Operating income		151,297	122,035	138,031	43,681	455,044	411,363	139,155	148,768	154,669	497,000	442,592	89.1%	497,000
Ordinary income		153,186	123,541	140,510	46,251	463,488	417,237	141,260	150,611	157,045	503,000	448,916	89.2%	503,000
Extraordinary income (loss)		0	0	0	(8,030)	(8,030)	0	0	(33)	7,673	0	7,640	-	0
Net income		88,182	71,851	82,382	24,057	266,472	242,415	82,780	88,798	96,074	292,000	267,652	91.7%	292,000
Free cash flows		(28,572)	122,995	59,560	(71,569)	82,414	153,983	(16,499)	72,379	87,136	127,000	143,016	-	127,000
Depreciation		54,786	55,651	56,876	60,733	228,046	167,313	63,357	68,972	74,822	285,000	207,151	72.7%	285,000
Capex (cash flow basis)		60,964	80,157	95,621	154,982	391,725	236,742	95,996	108,221	115,250	436,000	319,467	73.3%	436,000
EBITDA		207,151	179,674	197,361	108,053	692,239	584,185	205,102	220,737	231,879	794,000	657,718	82.8%	794,000
EBITDA margin		30.7%	25.4%	27.4%	14.2%	24.2%	27.8%	30.2%	32.4%	33.7%	29.3%	32.1%	-	27.3%

Details of Operating revenues		FY 3/08					
		1Q	2Q	3Q	4Q	Total	1Q-3Q
au		669,997	703,134	717,204	761,354	2,851,691	2,090,336
TU-KA		4,835	3,216	2,012	845	10,908	10,063

# Financial Results for the 3rd Quarter of FY 3/2009

Unit: Millions of Yen

Fixed-line Business		FY 3/08						FY 3/09					
		1Q	2Q	3Q	4Q	Total	1Q-3Q	1Q	2Q	3Q	Total (Forecast)	1Q-3Q	Progress
	Operating revenues	176,534	178,055	179,709	184,347	718,646	534,299	207,236	215,871	212,146	855,000	635,253	74.3%
	Sales outside the group	155,550	156,007	156,640	161,450	629,647	468,197	187,524	191,782	189,056	-	568,362	-
	Telecommunications business	141,288	141,146	141,404	141,494	565,331	423,838	154,973	156,655	155,852	-	467,481	-
	Other business	14,263	14,861	15,236	19,956	64,316	44,360	32,550	35,127	33,204	-	100,881	-
	Sales within the group	20,984	22,048	23,069	22,897	88,999	66,102	19,713	24,089	23,090	-	66,891	-
	Operating income (loss)	(13,064)	(16,418)	(18,325)	(16,861)	(64,668)	(47,806)	(14,876)	(10,326)	(11,186)	(58,000)	(36,389)	-
	Ordinary income (loss)	(12,843)	(16,625)	(17,956)	(17,332)	(64,756)	(47,424)	(15,815)	(11,582)	(12,161)	(62,000)	(39,558)	-
	Extraordinary income (loss)	0	(95)	(575)	(18,557)	(19,227)	(670)	(599)	(1,087)	27,734	0	26,048	-
	Net income (loss)	(7,437)	(9,665)	(12,888)	(21,740)	(51,731)	(29,991)	(9,829)	(8,882)	8,072	(38,000)	(10,639)	-
	Free cash flows	(8,476)	(4,145)	(13,995)	(27,280)	(53,897)	(26,616)	(53,063)	(4,513)	49,149	(117,000)	(8,428)	-
	Depreciation	27,660	28,364	28,924	30,073	115,021	84,947	30,533	31,578	32,108	131,000	94,220	71.9%
	Capex (cash flow basis)	24,520	18,977	27,120	39,032	109,649	70,617	32,924	27,654	37,137	150,000	97,716	65.1%
	EBITDA	15,278	14,032	13,426	15,392	58,129	42,736	17,764	23,109	22,731	81,000	63,605	78.5%
	EBITDA margin	8.7%	7.9%	7.5%	8.3%	8.1%	8.0%	8.6%	10.7%	10.7%	9.5%	10.0%	-

# Financial Results for the 3rd Quarter of FY 3/2009

Unit: Millions of Yen

Fixed-line Business	FY 3/08						FY 3/09					
	1Q	2Q	3Q	4Q	Total	1Q-3Q	1Q	2Q	3Q	Total (Forecast)	1Q-3Q	Progress
Details of total operating revenues												
Total operating revenues	176,534	178,055	179,709	184,347	718,646	534,299	207,236	215,871	212,146	855,000	635,253	74.3%
Telecommunications Business of KDDI Corporation	143,353	143,401	144,348	144,094	575,195	431,101	141,350	142,041	140,544	572,000	423,935	74.1%
Voice Services	76,034	75,501	75,997	75,899	303,431	227,532	73,534	73,571	71,091	294,000	218,195	74.2%
Local call	7,812	7,561	7,405	7,079	29,857	22,777	6,782	6,444	6,141	-	19,368	-
Long distance call	49,951	50,780	51,531	51,673	203,934	152,261	49,740	49,155	48,347	-	147,241	-
International call	18,271	17,161	17,061	17,146	69,640	52,494	17,012	17,972	16,603	-	51,586	-
Data Services	67,248	67,806	68,244	68,091	271,389	203,298	67,749	68,307	69,410	278,000	205,467	73.9%
Data Transmissions	30,451	30,394	30,253	29,819	120,917	91,098	29,154	28,839	29,442	120,000	87,435	72.9%
Internet * 1	29,555	29,569	29,473	29,137	117,734	88,597	28,594	28,390	29,159	-	86,143	-
Frame relay, Cell relay and Other data transmission	897	825	780	682	3,183	2,501	560	449	283	-	1,291	-
Leased circuits	13,269	13,116	12,880	12,650	51,915	39,264	11,896	12,182	12,012	50,000	36,090	72.2%
IP-VPN	8,398	8,631	8,510	9,104	34,643	25,539	9,215	9,174	9,178	38,000	27,567	72.5%
Wide-area Ethernet	15,130	15,666	16,601	16,518	63,914	47,396	17,484	18,112	18,779	70,000	54,375	77.7%
Telegraph and other telecommunications services	71	94	106	104	376	272	67	162	43	-	272	-
Telecommunications Business of KNSL	12,121	11,647	7,979	55	31,802	31,747	* 4 -	-	-	-	-	-
JCN Group	-	-	-	-	-	-	13,783	14,227	14,375	55,000	42,385	77.1%
CTC	-	-	-	-	-	-	9,163	9,604	9,939	39,000	28,706	73.6%
Others * 2	21,061	23,007	27,382	40,198	111,649	71,451	42,940	50,000	47,288	189,000	140,228	74.2%
Details : Metal-plus (Voice+Data) * 3	28,389	30,219	31,920	32,323	122,851	90,528	33,683	33,184	32,663	-	99,530	-
Details : FTTH (Data+Voice+TV)	8,480	8,998	9,417	9,713	36,609	26,896	12,151	13,100	14,233	-	39,483	-

\*1 We includes the internet revenues of Metal-plus (including ADSL one) and FTTH on "Internet" and show the TV service of FTTH in the "Other Business".

\*2 "Others" includes the revenues of other business of the KDDI parent company, sales within the KDDI parent company, other subsidiaries and adjustments in the Fixed-line Business.

\*3 Including ADSL one.

\*4 We includes the Telecommunications Business of KNSL in the "Others" for the 1st Quarter of FY 3/09.

# Financial Results for the 3rd Quarter of FY 3/2009

Unit: Millions of Yen

Other Business		FY 3/08					FY 3/09						
		1Q	2Q	3Q	4Q	Total	1Q-3Q	1Q	2Q	3Q	Total (Forecast)	1Q-3Q	Progress
	Operating revenues	28,061	43,297	44,456	51,345	167,159	115,814	15,289	17,020	18,782	69,000	51,090	74.0%
	Sales outside the group	16,029	30,962	31,356	36,611	114,958	78,346	6,034	6,911	7,536	-	20,480	-
	Sales within the group	12,032	12,335	13,100	14,734	52,201	37,467	9,255	10,109	11,246	-	30,610	-
	Operating income (loss)	2,259	2,930	1,426	2,400	9,014	6,614	(193)	(287)	396	3,000	(84)	-
	Ordinary income (loss)	2,429	2,435	1,800	2,223	8,887	6,665	(137)	(396)	310	3,000	(224)	-
	Extraordinary income (loss)	(7)	41	13	(3,047)	(3,000)	47	(26)	(8)	(15)	0	(50)	-
	Net income (loss)	1,861	275	368	(1,257)	1,247	2,505	(178)	(375)	224	1,000	(330)	-

# Business Details: Mobile

Subscribers (Thousand)		FY 3/08				FY 3/09			
		Jun-07	Sep-07	Dec-07	Mar-08	Jun-08	Sep-08	Dec-08	Mar-09 (Forecast)
KDDI Total		28,709	29,217	29,555	30,339	30,305	30,452	30,550	31,600
au		28,110	28,744	29,196	30,105	30,305	30,452	30,550	31,600
CDMA 1X WIN		15,753	17,063	18,126	19,695	20,473	21,096	21,799	24,000
CDMA 1X		11,805	11,177	10,613	9,993	9,444	8,980	8,405	-
cdmaOne		552	503	456	417	389	375	347	-
TU-KA		600	473	359	234	0	0	0	0
EZweb		24,086	24,567	24,891	25,512	25,704	25,834	25,913	27,000
au		23,945	24,472	24,841	25,505	25,704	25,834	25,913	27,000
TU-KA		140	95	50	8	0	0	0	0

ARPU, MOU, Churn		FY 3/08					FY 3/09			
		1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	Total (Forecast)
au	ARPU (Yen)	6,430	6,400	6,230	5,990	6,260	5,900	5,940	5,870	5,660
	Voice (Yen)	4,350	4,270	4,090	3,820	4,130	3,710	3,730	3,650	3,480
	Data (Yen)	2,080	2,130	2,140	2,170	2,130	2,190	2,210	2,220	2,180
	MOU (Minutes)	139	139	137	132	137	136	139	140 * 1	127
	Churn rate (%)	0.97	1.03	0.89	0.90	0.95	0.87	0.75	0.65	0.91
TU-KA	ARPU (Yen)	2,170	1,900	1,520	810	1,750	-	-	-	-
	MOU (Minutes)	44	39	30	14	35	-	-	-	-
	Churn rate (%)	11.8	7.6	8.7	13.2	10.2	-	-	-	-

\*1 Forecast does not include the effect of the introduction of free calls to family members.

# Business Details: Fixed - line (Part 1)

Active Lines *1	FY 3/08				
	1Q	2Q	3Q	4Q	Total
Voice Domestic Active Line (Thousand)	4,048	3,869	3,538	3,454	3,727
Voice International Active Line (Thousand)	286	272	251	231	260

FY 3/09			
1Q	2Q	3Q	Total (Forecast)
3,294	3,164	3,008	-
214	200	186	-

ARPU for Active Lines *1	FY 3/08				
	1Q	2Q	3Q	4Q	Total
Voice Domestic Active Line (Yen)	1,370	1,350	1,420	1,470	1,400
Voice Int'l Active Line (Yen)	3,840	3,490	3,850	3,900	3,760

FY 3/09			
1Q	2Q	3Q	Total (Forecast)
1,340	1,320	1,310	-
3,870	4,320	3,800	-

\* 1 Does not include figures of Metal-plus, FTTH, 050-prefix IP phone, etc.

Number of Subscribers to Fixed Line Services	FY 3/08				
	Jun-07	Sep-07	Dec-07	Mar-08	
Myline Registration *2 (Thousand)	5,520	5,280	5,050	4,850	
Local (Thousand)	3,528	3,381	3,232	3,106	
In-prefecture Long Distance (Thousand)	4,412	4,226	4,042	3,882	
Out-prefecture Long Distance (Thousand)	4,931	4,722	4,504	4,323	
International (Thousand)	5,271	5,050	4,821	4,628	
KDDI Internet (Corporate use) (Thousand)	61	62	64	65	
IP-VPN (Thousand)	61	65	68	70	
Wide-area Ethernet (Thousand)	47	49	51	53	

FY 3/09			
Jun-08	Sep-08	Dec-08	Mar-09 (Forecast)
4,650	4,460	4,270	-
2,984	2,866	2,743	-
3,728	3,573	3,417	-
4,148	3,976	3,802	-
4,443	4,262	4,079	-
65	65	66	-
68	69	71	-
53	55	57	-

au one net (Thousand)	2,702	2,671	2,626	2,590
of which ADSL (Thousand)	1,495	1,471	1,437	1,396
FTTH (Thousand)	635	668	698	710
Metal Plus *3 (Thousand)	3,010	3,172	3,271	3,279
Cable-plus phone (Thousand)	-	-	-	286
CATV *4 (Thousand)	-	-	-	667

2,504	2,407	2,373	-
1,347	1,303	1,265	1,280
916	967	1,025	1,140
3,269	3,251	3,201	3,080
355	429	517	580
683	697	712	700

Fixed access lines *5 (Thousand)	-	-	-	4,827
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5,082	5,178	5,265	5,300
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\* 2 Each individual access circuit to the network is counted here.

\* 3 Includes ADSL one.(ADSL used over Metal-plus)

\* 4 Cable TV subs includes number of households with at least one contract via broadcasting, Internet, or telephone.

\* 5 Fixed Access Lines is total of FTTH, direct-revenue telephone (Metal-plus, Cable-plus) and Cable TV, counting multiple lines as one access line.

## Business Details: Fixed - line (Part 2)

ARPU for Fixed Line	FY 3/08					FY 3/09		
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q
au one net (Yen)	2,340	2,380	2,400	2,430	2,390	2,430	2,500	2,580
FTTH (Data+Voice+TV) (Yen)	4,600	4,600	4,590	4,590	4,600	4,560	4,630	4,770
Metal-plus (Voice+Data) *1 (Yen)	3,390	3,400	3,430	3,440	3,420	3,430	3,390	3,370

\* 1 Including ADSL one.(ADSL used over Metal-plus)

Local call traffic *2	FY 3/08					FY 3/09		
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q
Calls (million)	524	494	486	443	1,947	431	369	399
Minutes (million)	931	860	831	769	3,391	742	704	667

Long-distance calls traffic *2	FY 3/08					FY 3/09		
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q
Calls (million)	2,484	2,490	2,287	1,739	9,000	1,276	1,243	1,162
Minutes (million)	2,271	2,217	2,135	1,966	8,589	1,878	1,805	1,709

International call traffic *3	FY 3/08					FY 3/09		
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q
Calls (million)	140	160	198	195	693	212	209	209
Minutes (million)	760	886	870	890	3,406	975	997	936

\* 2 Domestic (local and long-distance) call traffic figures include those for direct connections such as DDL direct line, Free Call DX/S and DOD.

\* 3 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.  
( Does not include figures from Metal-plus phone and FTTH)