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# **Data Book**

## **Financial Results for the 3rd Quarter of FY 2011.3**

**January 24, 2011**

**KDDI Corporation**

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# Financial Results for the 3rd Quarter of FY 2011.3

Unit: Millions of Yen

Consolidated Statement		FY 2010.3						FY 2011.3					
		1Q	2Q	3Q	4Q	Total	1Q-3Q	1Q	2Q	3Q	Total Forecast	1Q-3Q	Progress
Operating revenues		853,730	869,357	862,221	856,840	3,442,147	2,585,307	866,019	852,418	853,419	3,440,000	2,571,856	74.8%
Telecommunications business		665,734	665,217	656,251	618,964	2,606,165	1,987,201	637,381	637,981	623,131	2,550,000	1,898,493	74.5%
Other business		187,996	204,140	205,970	237,876	835,982	598,106	228,639	214,437	230,288	890,000	673,363	75.7%
Operating income		141,826	109,156	125,830	67,050	443,862	376,813	129,297	118,558	124,195	445,000	372,050	83.6%
Ordinary income		138,447	103,064	121,315	60,044	422,870	362,827	122,580	111,462	115,631	420,000	349,673	83.3%
Extraordinary income (loss)		5,626	34	(2,055)	(57,850)	(54,244)	3,605	5,556	(180)	554	5,000	5,931	-
Net income		86,417	58,875	67,353	118	212,764	212,646	71,921	65,053	65,667	240,000	202,642	84.4%
Total assets * 1		3,365,197	3,420,390	-	-	3,819,537	3,514,038	3,749,352	3,801,770	-	-	3,741,568	-
Shareholders' equity * 1		1,950,710	2,013,603	-	-	2,078,451	2,067,867	2,119,433	2,182,097	-	-	2,126,689	-
Shareholders' equity ratio * 1		56.7%	57.6%	-	-	52.8%	57.2%	54.9%	55.7%	-	-	55.1%	-
Shareholders' equity per share (Yen) * 1		428,683	442,416	-	-	453,003	451,523	461,831	475,514	-	-	482,832	-
Free cash flows		(76,530)	126,076	82,116	(316,112)	(184,450)	131,663	(1,210)	138,146	84,609	230,000	221,545	-
Depreciation		108,435	113,543	117,443	121,519	460,940	339,420	106,113	110,335	114,495	455,000	330,943	72.7%
Capex (cash flow basis)		135,157	117,353	128,054	137,470	518,034	380,564	110,392	105,350	103,507	490,000	319,249	65.2%
EBITDA		252,326	226,774	250,416	197,738	927,253	729,515	236,636	230,788	242,715	910,000	710,139	78.0%
EBITDA margin		29.6%	26.1%	29.0%	23.1%	26.9%	28.2%	27.3%	27.1%	28.4%	26.5%	27.6%	-
Interest bearing debt * 1		899,428	834,070	-	-	1,096,778	833,833	1,075,226	1,034,795	-	-	988,211	-
Net debt * 1		780,628	657,508	-	-	931,301	608,033	963,309	827,509	-	-	873,918	-
Debt / EBITDA Ratio		-	-	-	-	1.2	-	-	-	-	-	-	-
Debt / Equity Ratio		0.47	0.42	-	-	0.54	0.41	0.52	0.49	-	-	0.48	-

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

# Financial Results for the 3rd Quarter of FY 2011.3

Unit: Millions of Yen

Mobile Business		FY 2010.3					1Q-3Q	FY 2011.3				1Q-3Q	Progress
		1Q	2Q	3Q	4Q	Total		1Q	2Q	3Q	Total Forecast		
Operating revenues		663,182	674,693	663,505	648,756	2,650,135	2,001,380	663,711	641,445	647,172	2,545,000	1,952,327	76.7%
Sales outside the group		660,034	671,220	659,966	646,586	2,637,806	1,991,221	661,208	638,721	644,426	-	1,944,356	-
Telecommunications business		514,542	515,942	505,487	468,950	2,004,921	1,535,971	486,762	483,059	473,151	-	1,442,972	-
Other business		145,492	155,279	154,479	177,636	632,886	455,250	174,446	155,662	171,276	-	501,384	-
Sales within the group		3,148	3,472	3,539	2,170	12,329	10,159	2,503	2,723	2,745	-	7,972	-
Operating income		152,545	119,490	135,877	75,831	483,742	407,911	133,323	114,342	111,938	430,000	359,603	83.6%
Ordinary income		154,799	120,629	138,225	76,938	490,590	413,653	131,628	111,954	109,478	415,000	353,060	85.1%
Extraordinary income (loss)		1,839	110	(49)	(52)	1,848	1,900	5	(108)	518	0	415	-
Net income		95,886	70,922	80,618	45,750	293,175	247,425	75,058	65,805	62,601	235,000	203,464	86.6%
Free cash flows		(25,230)	140,461	84,992	76,270	276,493	200,223	18,148	119,444	68,959	235,000	206,551	-
Depreciation		76,102	80,100	84,181	87,602	327,985	240,383	75,668	79,139	83,007	328,000	237,814	72.5%
Capex (cash flow basis)		100,367	85,982	94,223	96,233	376,806	280,573	79,283	82,223	81,234	360,000	242,740	67.4%
EBITDA		230,145	202,373	224,951	169,366	826,834	657,468	209,813	194,803	197,857	765,000	602,473	78.8%
EBITDA margin		34.7%	30.0%	33.9%	26.1%	31.2%	32.9%	31.6%	30.4%	30.6%	30.1%	30.9%	-

# Financial Results for the 3rd Quarter of FY 2011.3

Unit: Millions of Yen

Fixed-line Business		FY 2010.3					1Q-3Q	FY 2011.3				1Q-3Q	Progress
		1Q	2Q	3Q	4Q	Total		1Q	2Q	3Q	Total Forecast		
	Operating revenues	207,168	207,686	208,906	215,419	839,178	623,759	214,108	224,376	221,548	940,000	660,032	70.2%
	Sales outside the group	185,954	185,816	187,711	191,714	751,196	559,482	192,318	201,290	197,785	-	591,393	-
	Telecommunications business	150,901	148,993	150,489	149,753	600,135	450,383	150,356	154,672	149,980	-	455,008	-
	Other business	35,053	36,824	37,222	41,961	151,060	109,099	41,961	46,618	47,805	-	136,384	-
	Sales within the group	21,214	21,869	21,194	23,705	87,982	64,278	21,790	23,086	23,763	-	68,640	-
	Operating income (loss)	(10,718)	(11,600)	(12,474)	(9,426)	(44,217)	(34,792)	(5,376)	1,707	10,507	10,000	6,839	-
	Ordinary income (loss)	(13,018)	(16,207)	(15,172)	(12,376)	(56,773)	(44,397)	(8,347)	(2,360)	5,710	0	(4,998)	-
	Extraordinary income (loss)	3,272	(209)	(2,674)	(56,394)	(56,006)	388	5,757	(146)	(194)	5,000	5,416	-
	Net income (loss)	(6,421)	(10,311)	(11,188)	(40,464)	(68,383)	(27,919)	(2,087)	(2,254)	2,945	0	(1,396)	-
	Free cash flows	(36,660)	(14,735)	6,043	(30,322)	(75,673)	(45,351)	(19,381)	20,562	15,006	0	16,187	-
	Depreciation	32,041	33,125	32,916	33,672	131,754	98,082	30,293	31,039	31,290	127,000	92,622	72.9%
	Capex (cash flow basis)	34,248	30,856	33,180	40,378	138,662	98,284	30,708	22,584	21,689	127,000	74,981	59.0%
	EBITDA	21,888	22,766	22,681	27,334	94,669	67,335	25,313	33,289	42,750	140,000	101,352	72.4%
	EBITDA margin	10.6%	11.0%	10.9%	12.7%	11.3%	10.8%	11.8%	14.8%	19.3%	14.9%	15.4%	-

# Financial Results for the 3rd Quarter of FY 2011.3

Unit: Millions of Yen

Fixed-line Business Details of total operating revenues	FY 2010.3						FY 2011.3				1Q-3Q	Progress
	1Q	2Q	3Q	4Q	Total	1Q-3Q	1Q	2Q	3Q	Total Forecast		
<b>Total operating revenues</b>	207,168	207,686	208,906	215,419	839,178	623,759	214,108	224,376	221,548	940,000	660,032	70.2%
Telecommunications Business of KDDI	136,553	134,003	133,987	132,583	537,126	404,543	130,397	130,872	130,255	548,000	391,525	71.4%
Voice Services	67,821	65,595	65,250	64,000	262,666	198,666	62,914	63,590	62,399	264,000	188,903	71.6%
Local call	5,466	5,283	5,148	4,777	20,674	15,897	4,669	4,528	4,390	-	13,587	-
Long distance call	47,240	46,048	44,883	44,837	183,008	138,171	44,312	45,083	45,006	-	134,401	-
International call	15,115	14,263	15,219	14,386	58,984	44,598	13,934	13,978	13,003	-	40,916	-
Data Services	68,732	68,408	68,737	68,583	274,460	205,877	67,483	67,283	67,856	284,000	202,622	71.3%
Internet	29,899	29,769	30,609	30,887	121,164	90,277	31,007	31,360	32,580	137,000	94,947	69.3%
Wide-area Ethernet	19,147	19,161	19,164	19,266	76,738	57,472	19,300	19,386	19,338	80,000	58,024	72.5%
Leased circuits	10,600	10,517	10,136	9,800	41,054	31,254	8,924	8,708	8,415	37,000	26,046	70.4%
IP-VPN	8,922	8,720	8,681	8,395	34,719	26,323	8,077	7,688	7,391	30,000	23,157	77.2%
Other Data Services * 1	163	240	148	235	786	551	175	140	132	-	447	-
JCN Group	18,157	18,455	19,014	20,131	75,757	55,627	20,774	22,411	22,641	85,000	65,827	77.4%
CTC	10,645	11,313	12,010	12,574	46,542	33,968	12,740	13,264	13,863	54,000	39,868	73.8%
Other Fixed-line Business * 2	41,813	43,915	43,895	50,131	179,753	129,622	50,197	57,829	54,788	253,000	162,814	64.4%
<b>Details : Metal-plus</b>	30,863	30,217	29,499	28,421	119,000	90,578	27,332	26,552	25,667	-	79,550	-
Voice Services	24,056	23,554	23,035	22,193	92,839	70,646	21,412	20,879	20,307	-	62,599	-
Data Services	5,251	5,147	4,997	4,816	20,211	15,395	4,581	4,385	4,137	-	13,103	-
Non-Telecommunications Business Services	1,556	1,516	1,466	1,412	5,950	4,538	1,339	1,287	1,222	-	3,848	-
<b>Details : FTTH</b>	17,843	18,582	20,217	21,333	77,975	56,642	22,704	23,916	26,166	-	72,787	-
Voice Services of KDDI Corporation	2,043	2,316	2,609	2,828	9,795	6,968	3,059	3,346	3,565	-	9,970	-
Data Services of KDDI Corporation	11,714	11,786	12,690	13,186	49,375	36,189	13,842	14,323	15,750	-	43,916	-
Non-Telecommunications Business Services of KDDI +CTC+OCT+OTNet	4,087	4,480	4,918	5,319	18,804	13,485	5,803	6,247	6,851	-	18,901	-
<b>Cable-plus phone</b>	4,161	4,731	5,267	5,598	19,757	14,159	6,162	6,937	7,497	-	20,596	-

\*1 Includes Frame relay, Cell relay and Telegraph.

\*2 Includes non-telecommunications business services of the KDDI parent company, inter-segment sales within the KDDI parent company, other Fixed-line Business subsidiaries except JCN and CTC and adjustments.

# Financial Results for the 3rd Quarter of FY 2011.3

Unit: Millions of Yen

Other Business		FY 2010.3						FY 2011.3					
		1Q	2Q	3Q	4Q	Total	1Q-3Q	1Q	2Q	3Q	Total Forecast	1Q-3Q	Progress
	Operating revenues	19,064	23,619	32,411	37,154	112,247	75,093	28,716	28,763	26,566	115,000	84,045	73.1%
	Sales outside the group	7,742	12,320	14,543	18,540	53,145	34,605	12,494	12,407	11,207	-	36,108	-
	Sales within the group	11,321	11,298	17,868	18,614	59,102	40,488	16,222	16,356	15,359	-	47,937	-
	Operating income (loss)	(48)	979	2,170	405	3,506	3,101	1,179	2,424	1,725	5,000	5,328	106.6%
	Ordinary income (loss)	(62)	895	2,159	364	3,356	2,992	1,210	1,454	1,943	5,000	4,607	92.1%
	Extraordinary income (loss)	(6)	(59)	(27)	(347)	(439)	(92)	0	(177)	(402)	0	(579)	-
	Net income (loss)	(313)	454	1,203	(109)	1,234	1,344	349	880	717	3,000	1,946	64.9%

# Business Details: Mobile

Subscriptions (Thousand)	FY 2010.3					FY 2011.3			
	Jun-09	Sep-09	Dec-09		Mar-10	Jun-10	Sep-10	Dec-10	Mar-11 (Forecast)
au	30,996	31,233	31,393		31,872	32,091	32,291	32,527	32,800
CDMA 1X WIN	23,440	24,391	25,149		26,174	27,147	27,989	28,716	29,900
CDMA 1X	7,257	6,558	5,974		5,451	4,734	4,116	3,649	-
cdmaOne	299	284	271		247	211	186	162	-
UQ WiMAX	-	22	64		150	214	337	524	800
au + UQ WiMAX	30,996	31,255	31,457		32,022	32,305	32,628	33,052	33,600
EZweb / IS NET	26,319	26,510	26,597		26,974	27,118	27,165	27,204	27,470

		FY 2010.3					FY 2011.3			
		1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	Total (Forecast)
ARPU	(Yen)	5,600	5,600	5,470	5,000	5,410	5,160	5,100	4,980	5,010
Voice	(Yen)	3,350	3,330	3,210	2,730	3,150	2,860	2,790	2,660	2,690
Data	(Yen)	2,250	2,270	2,260	2,270	2,260	2,300	2,310	2,320	2,320
MOU	(minutes)	138	142	150	148	144	152	154	154	150
Churn rate	(%)	0.64	0.72	0.67	0.85	0.72	0.75	0.73	0.68	0.69
Number of units sold * 1	(Thousand)	2,210	2,560	2,330	3,100	10,200	2,810	2,830	2,700	10,600
Number of units shipped * 2	(Thousand)	2,170	2,360	2,590	3,100	10,210	2,960	2,560	2,760	10,210

\*1 Number of units sold to users.(new+upgrade)

\*2 Number of units shipped to retailers from KDDI.

## Business Details: Fixed - line

Subscriptions	FY 2010.3					FY 2011.3			
	Jun-09	Sep-09	Dec-09	Mar-10	Mar-11 (Forecast)	Jun-10	Sep-10	Dec-10	Mar-11 (Forecast)
ADSL (Thousand)	1,181	1,135	1,087	1,031	840	982	932	880	840
FTTH (Thousand)	1,211	1,319	1,426	1,513	2,040	1,637	1,741	1,833	2,040
Metal-plus (Thousand)	3,065	3,000	2,927	2,852	2,570	2,775	2,702	2,622	2,570
Cable-plus phone (Thousand)	697	778	871	960	1,280	1,062	1,152	1,250	1,280
CATV * 1 (Thousand)	882	896	913	972	1,040	1,019	1,042	1,065	1,040
<b>Fixed access lines * 2 (Thousand)</b>	<b>5,587</b>	<b>5,700</b>	<b>5,813</b>	<b>5,944</b>	<b>6,480</b>	<b>6,109</b>	<b>6,220</b>	<b>6,326</b>	<b>6,480</b>
Myline Registration * 3 (Thousand)	3,890	3,750	3,560	3,440	-	3,320	3,220	3,110	-
Local (Thousand)	2,517	2,436	2,318	2,250	-	2,189	2,138	2,076	-
In-prefecture Long Distance (Thousand)	3,125	3,018	2,867	2,770	-	2,679	2,605	2,523	-
Out-prefecture Long Distance (Thousand)	3,461	3,339	3,174	3,060	-	2,955	2,868	2,778	-
International (Thousand)	3,708	3,577	3,405	3,285	-	3,173	3,078	2,978	-
Voice Domestic Active Line * 4 (Thousand)	2,700	2,593	2,480	2,334	-	2,247	2,188	2,121	-
Voice International Active Line * 4 (Thousand)	158	149	141	133	-	125	119	111	-
KDDI Internet (Corporate use) (Thousand)	70	72	74	90	-	78	80	87	-
IP-VPN (Thousand)	73	74	74	73	-	74	74	74	-
Wide-area Ethernet (Thousand)	59	60	60	59	-	64	67	70	-

ARPU for Fixed-line	FY 2010.3					FY 2011.3			
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	Total (Forecast)
FTTH (Yen)	4,560	4,410	4,480	4,420	4,460	4,340	4,310	4,350	-
Metal-plus (Yen)	3,310	3,310	3,300	3,260	3,300	3,220	3,220	3,190	-
Voice Domestic Active Line * 4 (Yen)	1,310	1,240	1,150	1,190	1,230	1,180	1,180	1,170	-
Voice International Active Line * 4 (Yen)	3,940	3,700	3,930	4,250	3,940	3,820	4,260	3,780	-

\* 1 Cable TV subs includes number of households with at least one contract via broadcasting, Internet, or telephone.

\* 2 Fixed Access Lines is total of FTTH, direct-revenue telephone (Metal-plus, Cable-plus) and Cable TV, counting multiple lines as one access line.

\* 3 Each individual access circuit to the network is counted here.

\* 4 Excludes figures of Metal-plus, FTTH, 050-prefix IP phone, etc and lines with which no calls made.