This translation is to be used solely as reference and only the Japanese original texts of the Statements Summary have legal effect and the consolidated financial statements in this release are unaudited.

Financial Statements Summary for the Six Months Ended September 30, 2009

October 23, 2009

Company Name **KDDI CORPORATION**
Stock Listing Tokyo Stock Exchange-First Section
Code No. 9433 URL http://www.kddi.com
Representative Tadashi Onodera, President and Chairman
Scheduled date for filing of quarterly report October 30, 2009
Scheduled date for dividend payment November 20, 2009

(Amount Unit : Millions of yen, unless otherwise stated)
(Amounts are rounded down to nearest million yen)

1. Consolidated Financial Results for the Six Months Ended September 30, 2009 (April 1, 2009 – September 30, 2009)

(1) Consolidated Results of Operation (Percentage represents comparison change to the corresponding previous quarterly period)

	Operating Revenues	%	Operating Income	%	Ordinary Income	%	Net Income	%
Six months ended September 30, 2009	1,723,086	(1.4)	250,982	(4.5)	241,511	(7.9)	145,292	(3.9)
Six months ended September 30, 2008	1,747,333	-	262,881	-	262,230	-	151,117	-

	Net Income per Share (Yen)	Diluted Net Income per Share (Yen)
Six months ended September 30, 2009	32,619.78	-
Six months ended September 30, 2008	33,886.68	-

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio (%)	Total Net Assets per Share (Yen)
As of September 30, 2009	3,420,389	2,013,603	57.6	442,415.75
As of March 31, 2009	3,429,132	1,881,329	53.7	413,339.32

(Reference) Shareholder's Equity As of September 30, 2009 : 1,970,569 million yen As of March 31, 2009 : 1,841,060 million yen

2. Dividends

	Dividends per Share				
	1st Quarter End (Yen)	2nd Quarter End (Yen)	3rd Quarter End (Yen)	Fiscal Year End (Yen)	Total (Yen)
Fiscal Year ended March 31, 2009	-	5,500.00	-	5,500.00	11,000.00
Fiscal Year ending March 31, 2010	-	6,500.00			
Fiscal Year ending March 31, 2010 (forecast)				5,500.00	12,000.00

Note: Changes in forecasts during the three months ended September 30,2009 : Yes
Details of the dividend: Commemorative dividend ¥1,000.00

3. Consolidated Financial Results Forecast for FY Ending March 31, 2010 (April 1,2009 – March 31, 2010)

(Percentage represents comparison to previous fiscal year)

	Operating Revenues	%	Operating Income	%	Ordinary Income	%	Net Income	%	Net Income per Share (Yen)
Entire Fiscal Year	3,480,000	(0.5)	470,000	6.0	450,000	2.2	255,000	14.5	57,250.46

Note: Changes in forecasts during the three months ended September 30,2009 : None

4. Other

(1) Changes in significant consolidated subsidiaries during the six months ended September 30, 2009 (which resulted in changes in scope of consolidation) : None

(2) Application of accounting methods which are simplified or exceptional for quarterly consolidated financial statements: : Yes

Note: Please refer to page 11 “4. Others” under “Qualitative Information / Financial Statements, Etc.” for details.

(3) Changes in significant accounting policies, procedures and presentation in quarterly consolidated financial statements (Items to be disclosed in “Significant Changes in the Basis of Presenting Quarterly Consolidated Financial Statements”)

1) Changes resulting from the revision of the accounting standards and other regulations : Yes

2) Others : None

Note: Please refer to page 11 “4. Others” under “Qualitative Information / Financial Statements, Etc.” for details.

(4) Numbers of Outstanding Shares (common shares)

1) Number of shares outstanding (inclusive of treasury stock)	As of September 30, 2009	4,484,818
	As of March 31,2009	4,484,818
2) Number of treasury stock	As of September 30, 2009	30,705
	As of March 31,2009	30,705
3) Number of weighted average common shares outstanding (cumulative for all quarters)	For the six months ended September 30, 2009	4,454,113
	For the six months ended September 30, 2008	4,459,500

Explanation for Appropriate Use of Forecasts and Other Notes

The forward-looking statements such as operational forecasts contained in this statements summary are based on the information currently available to KDDI and certain assumptions which are regarded as legitimate. Large discrepancies may be seen in the actual results due to various factors. Please refer to page 10 “3. Qualitative Information on Consolidated Operating Results Forecast, (1) Outlook for the Fiscal Year Ending March 31, 2010” under “Qualitative Information / Financial Statements, Etc.” for the assumptions used and other notes.

Qualitative Information / Financial Statements, Etc.

1. Qualitative Information on Consolidated Operating Results

The financial position and operation performance of KDDI Group for the six months ended September 30, 2009 (April 1, 2009 – September 30, 2009) and for the three months ended September 30, 2009 (July 1, 2009 – September 30, 2009) is as follows.
For the three months ended June 30, 2009 (April 1, 2009 – June 30, 2009), please see “Financial Statements Summary for the Three Month Ended June 30, 2009” issued as of July 23, 2009.

(1) Results Overview

For the six months ended September 30, 2009 (Amount Unit: Millions of yen)

	Six months ended September 30, 2008	Six months ended September 30, 2009	Increase (Decrease)	Increase (Decrease) %
Operating Revenues	1,747,333	1,723,086	(24,246)	(1.4)
Operating Expenses	1,484,451	1,472,104	(12,347)	(0.8)
Operating Income	262,881	250,982	(11,899)	(4.5)
Non-operating Income (Expense)	(651)	(9,471)	(8,819)	-
Ordinary Income	262,230	241,511	(20,719)	(7.9)
Extraordinary Profit (Loss)	(876)	5,660	6,537	-
Income before Income Taxes and Minority Interests	261,353	247,171	(14,181)	(5.4)
Income Taxes	108,990	99,167	(9,822)	(9.0)
Minority Interests	1,245	2,711	1,466	117.7
Net Income	151,117	145,292	(5,825)	(3.9)

For the three months ended September 30, 2009 (Amount Unit: Millions of yen)

	Three months ended September 30, 2008	Three months ended September 30, 2009	Increase (Decrease)	Increase (Decrease) %
Operating Revenues	876,813	869,356	(7,456)	(0.9)
Operating Expenses	738,305	760,200	21,895	3.0
Operating Income	138,508	109,156	(29,351)	(21.2)
Non-operating Income (Expense)	(1,104)	(6,092)	(4,987)	-
Ordinary Income	137,403	103,063	(34,339)	(25.0)
Extraordinary Profit (Loss)	(524)	34	559	-
Income before Income Taxes and Minority Interests	136,878	103,098	(33,780)	(24.7)
Income Taxes	57,538	42,740	(14,798)	(25.7)
Minority Interests	677	1,482	805	118.8
Net Income	78,661	58,874	(19,787)	(25.2)

Operating revenues in the six months ended September 30, 2009 amounted to ¥1,723,086 million, down 1.4% year on year. Contributing factors included the increased uptake of low-rate plans in the Mobile Business, as well as a decrease in voice revenue in the Fixed-line Business. Although operating expenses declined due to decreases in sales commissions and handsets procurement cost and other factors in the Mobile Business, operating income decreased 4.5% year on year to ¥250,982 million, ordinary income fell 7.9% year on year to ¥241,511 million, and net income was down 3.9% year on year to ¥145,292 million.

Operating revenues in the three months ended September 30, 2009 amounted to ¥869,356 million, down 0.9% year on year. Contributing factors included the increased uptake of low-rate plans in the Mobile Business, as well as a decrease in voice revenue in the Fixed-line Business. Operating expenses rose year on year as a result of increased depreciation and amortization and higher sales commissions in the Mobile Business. Operating income declined 21.2% year on year to ¥109,156 million, ordinary income fell 25.0% year on year to ¥103,063 million, and net income was down 25.2% year on year to ¥58,874 million.

The Company holds a basic policy of making stable dividend payouts while retaining financial strength based on a full recognition that a return to shareholders is of utmost importance in the management agenda.
As the Company marked the 25th anniversary of its establishment on June 1, 2009, it has been decided to make interim payment of commemorative dividend in order to extend the Company’s gratitude to the shareholders’ continuous support. The dividend per share is ¥6,500 including ¥1,000 commemorative dividend.

Overview of Economic Conditions

The global economy, which has seen impacts on the real economy from the financial uncertainty that began in the United States appears to be bottoming out as a result of the policy coordination of various governments, however there is a lingering sense of uncertainty about what the future holds.

In Japan, meanwhile, there are signs of a partial recovery. These include slower declines in certain areas of individual consumption as fiscal stimulus measures to generate an economic boost take effect, and a rally in production following inventory adjustments. However, employment conditions remain serious, and careful attention to the outcomes of policies under the new political administration will be essential.

Industry Trends

In the mobile communications market, pricing plans that separate tariffs from handset prices are now mainstream. Competition for customers is intensifying further in areas such as provision of inexpensive pricing plans, handset variety, and provision of music, video, e-books and other content services. In the fixed-line market, meanwhile, the expansion of broadband services, centered around FTTH, is accompanied by an ongoing convergence between fixed-line and mobile communications, as well as between communications and broadcasting. As a result, competition between services is entering a new phase.

KDDI's Position

In the Mobile Business, KDDI worked to enhance its services targeting individual and corporate clients in order to meet diversifying customer needs by developing and launching enhanced lineup of handsets and accesories, including the new "iida" brand launched in April 2009 as well as devising and offering new pricing plans.

In the Fixed-line Business, KDDI worked to enhance ease-of-use for its services and expand access lines, particularly FTTH services, while offering more solutions services for corporate clients. The Company also strove to bolster its systems for supporting corporate clients' international business development by increasing its overseas locations.

⑵ Results by Business Segment

The consolidated financial results of the KDDI Group for the six months ended September 30, 2009 in each business segment are as follows;

1) Results Summary

For the six months ended September 30, 2009 (Amount Unit: Millions of yen)

	Six months ended September 30, 2008	Six months ended September 30, 2009	Increase (Decrease)	Increase (Decrease) %
Mobile Business				
Operating Revenues	1,360,670	1,337,874	(22,795)	(1.7)
Operating Expenses	1,072,748	1,065,840	(6,907)	(0.6)
Operating Income	287,922	272,034	(15,888)	(5.5)
Fixed-line Business				
Operating Revenues	423,107	414,853	(8,254)	(2.0)
Operating Expenses	448,309	437,171	(11,138)	(2.5)
Operating Income	(25,202)	(22,317)	2,884	-
Other Business				
Operating Revenues	32,308	42,682	10,373	32.1
Operating Expenses	32,788	41,751	8,962	27.3
Operating Income	(479)	931	1,411	-

For the three months ended September 30, 2009 (Amount Unit: Millions of yen)

	Three months ended September 30, 2008	Three months ended September 30, 2009	Increase (Decrease)	Increase (Decrease) %
Mobile Business				
Operating Revenues	680,907	674,692	(6,214)	(0.9)
Operating Expenses	532,139	555,203	23,063	4.3
Operating Income	148,767	119,489	(29,278)	(19.7)
Fixed-line Business				
Operating Revenues	215,871	207,685	(8,185)	(3.8)
Operating Expenses	226,197	219,285	(6,911)	(3.1)
Operating Income	(10,326)	(11,600)	(1,274)	-
Other Business				
Operating Revenues	17,019	23,618	6,599	38.8
Operating Expenses	17,306	22,639	5,332	30.8
Operating Income	(286)	979	1,266	-

2) Total Subscriptions

(Unit : Thousand line)

	As of September 30, 2008	As of September 30, 2009	Increase (Decrease)	Increase (Decrease) %
au[1]	30,452	31,233	781	2.6
CDMA 1X WIN	21,096	24,391	3,295	15.6
FTTH	967	1,319	352	36.4
Metal-plus	3,251	3,000	(251)	(7.7)
Cable-plus phone	429	778	349	81.4
CATV[2]	697	896	199	28.6
Fixed access lines[3]	5,178	5,700	522	10.1

Note 1 : Inclusive of module-type contracts

Note 2 : Number of households which subscribe any of broadcast, internet or telephone service

Note 3 : Total access lines of FTTH, Metal-plus phone, Cable-plus phone and CATV excluding crossover.

Mobile Business

Operating revenues in the six months ended September 30, 2009 amounted to ¥1,337,874 million, down 1.7% year on year. Contributing factors included the decrease in voice revenue caused by the increased uptake of low-rate plans. Operating expenses declined due to decreases in sales commissions and handsets procurement cost due to the decrease in handset sales unit. As a result, operating income decreased 5.5% year on year to ¥272,034 million.

Operating revenues in the three months ended September 30, 2009 amounted to ¥674,692 million, down 0.9% year on year. Contributing factors included the decrease in voice revenue caused by the increased uptake of low-rate plans. Operating expenses rose year on year as a result of increased depreciation and amortization and higher sales commissions, operating income declined 19.7% year on year to ¥119,489 million.

Key Topics

< Overall >

- The number of au mobile phone subscriptions was 31.233 million as of September 30, 2009.
- On August 9, KDDI stopped accepting new applications for the CDMA 1X service and applications to change from existing CDMA 1X WIN service to CDMA 1X service.[1]

Note 1: Includes cdmaOne service. Does not include CDMA Prepaid service and modules.

< Mobile Handsets >

- For au-brand products, on July 30, the Company launched the "Mobile Hi-Vision CAM Wooo," the first[1] mobile phone in Japan capable of recording and playing back true high-definition video. Another au product, the "Simple Phone K003," which is designed to offer ease of use on every function and operation alongside a sophisticated design, went on sale on August 7.
  Other summer models include the “biblio”, optimized for reading with a high-capacity data folder, the suitable-for-sports “Sportio water beat,” and the “SOLAR PHONE SH002” which is chargeable by solar power, the waterproof, Global Passport-enabled “T002;” the “G'zOne CA002,“ the "tough phone" series, and the stylish and slim 1seg-enabled “K002.” These new offerings add to the broad lineup of handset models from which a wide range of customers can choose.
  For iida brand, sale of three works of Art Editions by internationally acclaimed avant-garde artist Yayoi Kusama was started on July 30. On September 17, the Company also released the “PLY” featuring a new design and colors and by the end of 2009, plans to launch sales of the “PRISMOID”, which combines simple functionality with a newness.
  In addition to mobile phones, from October 13, the Company also released a series of LIFESTYLE PRODUCTS.
  Meanwhile, “Polaris,” a product that is both a mobile phone and learning robot, was introduced as a concept model.

Note 1: According to manufacturer research (as of May 2009).

< Pricing Plans >

- KDDI launched the "Double-Teigaku-Super Light" packet flat-rate service from August 1, 2009, starting at ¥390 per month (tax inclusive). From August 10, the company also launched the "Call Designation Flat Rate" discount service, which allows users to designate up to three au mobile phone numbers for 24-hour free calls, also for ¥390 per month.
  In addition to the popular "Double-Teigaku-Light" and "Double-Teigaku" plans, the Company launched

make use of EZweb, e-mail and other packet services.

- International calls are now eligible for free calling credit in all au mobile phone pricing plans in order to make international calling more convenient for subscribers. Previously, customers were not able to apply their free calling credits to international calls.
  From September 1, "au International Call Service"[1] calling charges became eligible for free calling credits; starting December 1, customers will be able to apply their credits to "GLOBAL PASSPORT"[2] calling and packet transmission charges as well.
  Going forward, the Company will further enhance its international calling services in order to meet diversifying customer needs and offer greater convenience to customers.

  Note 1: Service allowing users to easily make international calls from au mobile phones without pre-registration by simply dialing the prefix number 001.

  Note 2: International roaming service that enables users to use their au mobile phones overseas.

< Corporate Services>

- The In-premise PHS Card 01, which allows business users to use the E05SH mobile handset model for calls between internal extensions, was launched on July 14, followed by the Wireless LAN Card 01 on August 5.
  Combined with the E05SH, OFFICE FREEDOM, KDDI Business Call Direct and fixed-line services such as "KDDI Hikari Direct" and "KDDI Metal-Plus," these new products provide internal extension solutions capable of flexibly responding to customer needs.
- On August 6 the Company launched the E06SH mobile handset for corporate clients. Equipped with a barcode and 2-dimensional code reader, this new model can be used as a hand-held terminal.
  The E06SH maintains the size and usability of a mobile phone, while combining this with a 2-dimensional code reader and BREW® applications to enable a greater variety of business processes. It is also waterproof, and features fingerprint authentication and various other access control functions.

< Key Services in the Third Quarter and Beyond >

- From November 9, the Company starts offering new price plans “Plan E Simple” and “Plan E,” nicknamed as “GUN-GUN Mail.” Combined with the “EZ WIN Course,” subscribers can send/receive e-mails from au mobile phone for free no matter with whom or whether it has attachment file such as picture or video or not.
- KDDI has developed Japan's first data transmission terminal that can be used in both WiMAX and CDMA coverage areas. Sales will begin in December. This terminal is equipped with a handover function that allows it to switch automatically between WiMAX and CDMA signals depending on reception conditions and provides constantly effective mobile data communication environment.

Note Wooo is a registered trademark of Hitachi Consumer Electronics Co., Ltd.
Note BREW® is a registered trademark of QUALCOMM Incorporated
Note G'zOne is a registered trademark of Casio Computer Co., Ltd.

Fixed-line Business

Operating revenues in the Fixed-line Business for the six months ended September 30, 2009 amounted to ¥414,853 million, 2.0% decrease year on year, mainly due to decline in voice service revenue. Operating expenses declined mainly due to lower access charges for services. The Fixed-line Business posted an operating loss of ¥22,317 million, showed ¥2,884 million recovery year on year.

Operating revenues in the Fixed-line Business for the three months ended September 30, 2009 amounted to ¥207,685 million, 3.8% decrease year on year, mainly due to decline in voice service revenue. Although operating expenses declined mainly due to lower access charges for services, the Fixed-line Business posted an operating loss of ¥11,600 million, ¥1,274 million increase year on year.

Key Topics

< Overall >

- The number of FTTH service subscriptions, consisting of “HIKARI-one” and consolidated subsidiary Chubu Telecommunications Co., Inc.’s “Commuf@-hikari” service, reached 1.319 million as of September 30, 2009.

- As of September 30, 2009, the number of "Metal-plus" subscriptions totaled 3.000 million.
- "Cable-plus phone" saw steady expansion of the alliance with cable television companies, which reached 75 companies and 0.778 million subscriptions as of September 30, 2009.
- Consolidated subsidiary JCN Group, which oversees 17 cable companies primarily in the Tokyo metropolitan area, counted 0.896 million cable television subscriptions as of September 30, 2009.
- Starting from August 9, 2009, problems with several undersea cables off the shore of Taiwan led to interruptions in Global Passport CDMA/GSM service in parts of Asia, as well as in certain international telephone services and corporate lines. However, measures were taken to remedy the situation, and all services were restored to full operation as of September 11, with all repairs to the major undersea cables completed. KDDI apologizes sincerely to all customers for any inconvenience caused by this service interruption.

< Consumer Services >

- Starting August 1, Cable-plus phone subscribers can make calls to other subscribers free of charge.
- With respect to VOD[1] services provided to CATV stations throughout Japan, distribution of NHK on Demand began in September for a total of 16 stations, including JCN Group stations (13 stations that have introduced VOD).

  Note 1: VOD (Video On Demand): A service enabling viewers to choose from a wide selection of video content when they want to watch.

< Corporate Services >

- On August 24, the Company began providing "PC Remote Management Service," a new SaaS[1]-type service for corporate clients that enables integrated management of computers that employees use to conduct business (client PCs).
  The service offers two functions: PC Asset Management, which provides consolidated information about computing assets, and PC Operating Log, which strengthens security for use outside the office. Because the service is provided for a flat monthly fee, it does not require expensive initial investment such as systems construction. It also enables management of remote client PCs located at branch offices and other business locations, allowing companies to overcome the once challenging problems of adapting their own conventional, off-the-shelf or custom-built systems to manage mobile PCs or PCs for telecommuting use.

  Note 1: Abbreviation for Software as a Service. Refers to the model of providing software as a service via the lines of a telecommunications operator.
- On September 1, the Company began providing the Iridium OpenPort Service, which uses a small shipboard antenna and main device to enable simultaneous use of three telephone lines and up to 128 kbps of data transmission, a first ever for Iridium satellite communications.
- On July 1, 2009, as a MVNO of UQ Communications Inc., KDDI began offering a mobile WiMAX Internet service for corporate clients that leverages the excellence of communications speed and the convenience of anytime connectivity without the need for dial-up that WiMAX affords.
- On September 10, the Company agreed to form a strategic alliance with Hong Kong-based infrastructure enabler and digital media services provider DMX Technologies Group Limited. (CEO: Jismyl Teo Chor Khin; "DMX").
  Pursuant to this agreement, the Company, subject to approval from DMX's shareholders and other regulatory approvals, will pay approximately SGD 188.4 million (approx. ¥12.37 billion)[1]to subscribe to new shares via a third-party allocation, which would constitute 52.56%[2] of the issued share capital of DMX. DMX will become a consolidated subsidiary of KDDI following the completion of this transaction.

  Note 1: Based on the following conversions as of September 7, 2009: 1 Singapore dollar = ¥65.64, US$1 = ¥94.08.

  Note 2: Equity holdings are calculated based on the current number of issued shares, and do not take into account the 11,764,705 new ordinary shares of DMX to be issued in relation to the acquisition of 1MP Limited in June 2009.

< Key Services in the Third Quarter and Beyond >

- The "KDDI Internet" Internet connection service for corporate clients became compatible with next-generation Internet protocol IPv6 as of October 1. This upgrade provides customers with an environment for moving ahead into the IPv6 era while continuing to use IPv4.
- In the Chinese market, the Company has established KDDI SHANGHAI CORPORATION, which began business on October 15. KDDI SHANGHAI aims to create optimum ICT environments for Japanese

its role as a one-stop, comprehensive access point for a wide range of ICT solutions and services.

- On November 10 the Company will launch "au Collective Line," a service offering for NTT telephone line subscribers with discounted calling charges for a monthly fee of ¥420 (tax inclusive). When subscribers register for four categories of My Line service, their monthly fee is reduced to ¥210 per line, which increases in increments of ¥210 per bill for the subscription to “au Collective Billing,” making the total discount of ¥420, equivalent to the monthly fee, when the both conditions are fulfilled.
- From November 9, KDDI will begin commercial provision of "KDDI Secure PC Access," which is currently being provided on a trial basis as the Remote Access Thin Client Service. This service ensures the security of transferring from external PCs using a mobile or fixed Internet connection for authentication. Thus users at remote locations can work within the same operating environment as if they were using their office PCs.

Note: NHK on Demand is a registered trademark of NHK(Japan Broadcasting Corporation)

Other Business

Operating revenues in the Other Business segment for the six months ended September 30, 2009 increased 32.1% year on year to ¥42,682 million. Operating income increased ¥1,411 million to ¥931 million.

Operating revenues in the Other Business segment for the three months ended September 30, 2009 increased 38.8% year on year to ¥23,618 million mainly due to the improvement in the revenues from call center business and content business. Operating income increased ¥1,266 million to ¥979 million.

(3) Status of major affiliates

UQ Communications Inc. was established through investment by KDDI, Intel Capital Corporation, East Japan Railway Company, Kyocera Corporation, Daiwa Securities Group Inc. and The Bank of Tokyo-Mitsubishi UFJ Ltd. In February 2009, UQ began “UQ WiMAX” services in Tokyo’s 23 wards, in Yokohama, and in parts of Kawasaki. On July 1, 2009 it expanded the service area beyond the Tokyo metropolitan area to include Nagoya, Osaka, Kyoto, and Kobe and launched commercial services.

Jibun Bank was established with equity investments from KDDI Corporation and the Bank of Tokyo-Mitsubishi UFJ, Ltd. Since commencing services in July 2008, the bank has steadily increased its lineup of service offerings, adding insurance products (car, medical, and cancer), as well as foreign currency accounts since April 2009. Both the number of accounts and the balance of deposits are growing firmly, and the bank is looking toward expanding its customer base and achieving early profitability.

2. Qualitative Information on Consolidated Financial Position

Consolidated total assets as of September 30, 2009 amounted to ¥3,420,389 million, a decrease of ¥8,742 million from March 31, 2009. This decline was primarily attributable to factors such as decreases in supplies and accounts receivable-other.

Total liabilities amounted to ¥1,406,786 million, a decline of ¥141,016 million from March 31, 2009. The major factors contributing to this decline were decreases in repayment of loans payable and accounts payable-other.

Net assets increased to ¥2,013,603 million mainly due to an increase in retained earnings. As a result of these factors, the shareholders' equity ratio rose from 53.7% to 57.6%.

The following describes the cash flow situation.

During the six months ended September 30, 2009, operating activities provided net cash of ¥334,657 million, up ¥37,034 million year on year. The primary reasons for this year-on-year increase were a decrease in inventories and an increase in depreciation and amortization.

Investing activities used net cash of ¥285,110 million, down ¥18,605 million year on year. This year-on-year decline was attributable mainly to decreases in outlays for purchase of property, plant and equipment.

As a result, free cash flows increased ¥55,640 million year on year to plus ¥49,546 million.

Financing activities used net cash of ¥74,116 million, down ¥206,108 million year on year mainly due to the repayment of long-term loans payable.

As a result of the above, cash and cash equivalents as of September 30, 2009 was ¥176,562 million, down ¥23,748 million from March 31, 2009.

Note Free cash flows are calculated as the sum of "cash flows from operating activities" and "cash flows from investing activities."

3. Qualitative Information on Consolidated Operating Results Forecast

(1) Outlook for the Fiscal Year Ending March 31, 2010

Overview

- KDDI is strengthening its business foundation to by responding the rapid changes in its operating environment in order to achieve sustainable growth.
- The Company will strive to be No. 1 in customer satisfaction in all services and tackle the challenge of new value creation.
- KDDI, by promoting more assertively total customer satisfaction (TCS) activities in order to raise satisfaction among all stakeholders, will endeavor to boost corporate value further and strengthen its brand competitiveness.
- Regarding information security, the Company will pursue extensive information management and compliance, and promote adoption of a more robust risk management structure.
- With an emphasis on harmony with the natural environment, KDDI will contribute to the creation of a more humane and prosperous society through vigorous environmental conservation activities, including energy and resource conservation, recycling, and 'green' purchasing.
- KDDI has positioned support for all socioeconomic activities through the provision of safe and secure information and communications services as the principle underlying its CSR activities, and will work from this vantage to actively contribute to a prosperous communications society.

Mobile Business

In a bid to lift the level of customer satisfaction even higher, the Company will take steps to expand its business domains while pushing to strengthen overall product appeal and deliver a more secure mobile environment than ever before. To this end, the Company will develop and offer attractive handsets, new services, and new content that match customers' diverse needs, in addition to extending its service area and improving quality through customer home visits and other measures.
With respect to corporate clients, the Company will develop and provide converged services of the areas of mobile and fixed-line communications, and other offerings, in an effort to improve customer convenience.

Fixed-Line Business

Along with efforts to promote sales of the "HIKARI-one" and "Commuf@-hikari" FTTH services, KDDI will seek ties with cable television companies with the goal of expanding its access lines, including for "Cable-plus phone" and cable television services.

With respect to corporate clients, KDDI, guided by the slogan "Maximize Your Corporate Strength," will assist clients in developing their businesses anywhere in the world using data centers as a core leverage point to offer services that encompass everything from network lines and IT equipment to sophisticated operation and maintenance services.

Full-Year Results

The estimated consolidated financial results for FY ending March 2010 for full-year basis disclosed in the Financial Statements Summary for FY ended March 2009 were as follows; Operating Revenues: ¥3,480,000 million, Operating Income: ¥470,000 million, Ordinary Income: ¥450,000 million, Net Income: ¥255,000 million. There is no change to these figures.

(2) Business Risks

As KDDI Group pursues its business, there are various risks involved. The Group takes every effort to reduce these risks by preventing and hedging them.

However, there are various uncertainties which could have negative impacts on the Group's brand image, liability, financial position and/or earnings performance such as;

- subscription growth trends out of line with the Group expectations due to competition, rival technologies and rapid market shifts
- breach of obligations regarding communications security and protection of customer privacy
- revision or repeal of laws and ordinances governing telecommunications, together with related government policies
- general legal and regulatory, litigation and patents, personnel retention and training, retirement benefits, asset-impairment accounting, telecommunications sector consolidation and business restructuring in the KDDI Group

4. Others

(1) Changes in significant consolidated subsidiaries during the six months ended September 30, 2009 (which resulted in changes in scope of consolidation)

None

(2) Application of accounting methods which are simplified or exceptional for quarterly consolidated financial statements

1) Simplified accounting methods

Calculation of depreciation expense for fixed assets

The depreciation expense for fixed assets that are depreciated by the declining-balance method is calculated by proportionally allocating the depreciation expense for the consolidated fiscal year.

Calculation of income taxes, deferred tax assets and deferred tax liabilities

The collectability of deferred tax assets is determined based on the future earnings projections and tax planning used in the previous fiscal year, when the business environment and temporary differences are not considered to have changed significantly from the end of the previous fiscal year.

2) Exceptional accounting method for quarterly consolidated financial statements

None

(3) Changes in significant accounting policies, procedures and presentation in quarterly consolidated financial statements

Change in accounting standard for completed construction and completed construction cost

The Company previously applied the completed-construction accounting standard for recognizing revenues associated with construction contracts. However, from April 1, 2009 the Company has applied the “Accounting Standard for Construction Contracts” (ASBJ Statement No.15, December 27, 2007) and the “Implementation Guidance on the Accounting Standard for Construction Contracts” (ASBJ Guidance No.18, December 27, 2007). As a result, the percentage-of-completion method (cost-comparison method using primarily estimate of construction progress) is applied for construction contracts for which construction started in the three months ended June 30, 2009 and for which the progress of the constraction by the end of September 30, 2009 is deemed certain to be achieved. The completed-contract method is applied to other construction contracts.

This change has minor impact on the quarterly consolidated financial statements.

5. Consolidated Financial Statements

(1) Consolidated balance sheets

(Amount Unit :Millions of yen)

	As of September 30, 2009	As of March 31, 2009
Assets		
Noncurrent assets		
Noncurrent assets-telecommunications business		
Property, plant and equipment		
Machinery, net	713,115	717,513
Antenna facilities, net	303,193	285,974
Local line facilities, net	129,837	120,642
Long-distance line facilities, net	34,824	38,552
Engineering facilities, net	39,872	40,782
Submarine line facilities, net	15,827	18,337
Buildings, net	228,797	227,678
Structures, net	30,544	29,972
Land	240,827	240,895
Construction in progress	106,588	111,723
Other intangible assets, net	42,689	44,121
Total property, plant and equipment [1]	1,886,117	1,876,195
Intangible assets		
Right of using facilities	7,328	6,920
Software	218,817	223,190
Goodwill	21,740	24,371
Other intangible assets	7,739	7,971
Total intangible assets	255,625	262,454
Total noncurrent assets-telecommunications business	2,141,743	2,138,649
Incidental business facilities		
Property, plant and equipment [1]	94,581	75,866
Intangible assets	57,476	49,606
Total noncurrent assets-incidental business	152,058	125,472
Investments and other assets		
Investment securities	51,441	40,566
Stocks of subsidiaries and affiliates	33,772	23,961
Investments in capital of subsidiaries and affiliates	197	169
Long-term prepaid expenses	78,691	77,584
Deferred tax assets	97,063	111,400
Lease and guarantee deposits	39,292	39,623
Other investment and other assets	9,093	12,609
Allowance for doubtful accounts	(7,597)	(11,143)
Total investments and other assets	301,954	294,772
Total noncurrent assets	2,595,755	2,558,894
Current assets		
Cash and deposits	83,764	94,242
Notes and accounts receivable-trade	491,698	476,633
Accounts receivable-other	23,433	36,762
Short-term investment securities	93,998	106,964
Supplies	48,562	77,394
Deferred tax assets	60,748	72,001
Other current assets	35,345	20,673
Allowance for doubtful accounts	(12,916)	(14,433)
Total current assets	824,634	870,237
Total assets	3,420,389	3,429,132

(Amount Unit :Millions of yen)

	As of September 30, 2009	As of March 31, 2009
Liabilities		
Noncurrent liabilities		
Bonds payable [3]	314,962	307,753
Long-term loans payable	438,251	418,084
Provision for retirement benefits	18,698	17,839
Provision for point card certificates	71,651	62,655
Other noncurrent liabilities	30,777	31,355
Total noncurrent liabilities	874,340	837,688
Current liabilities		
Current portion of noncurrent liabilities [3]	70,825	60,710
Notes and accounts payable-trade	45,265	61,837
Short-term loans payable	107	80,951
Accounts payable-other	200,680	265,578
Accrued expenses	13,032	12,918
Income taxes payable	88,092	117,887
Advances received	74,075	70,292
Provision for bonuses	15,763	18,583
Other current liabilities	24,602	21,355
Total current liabilities	532,446	710,115
Total liabilities	1,406,786	1,547,803
Net assets		
Shareholders' equity		
Capital stock	141,851	141,851
Capital surplus	367,091	367,091
Retained earnings	1,468,431	1,347,637
Treasury stock	(25,244)	(25,244)
Total shareholders' equity	1,952,130	1,831,336
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	24,986	18,529
Foreign currency translation adjustment	(6,546)	(8,805)
Total valuation and translation adjustments	18,439	9,723
Subscription rights to shares	1,235	991
Minority interests	41,798	39,278
Total net assets	2,013,603	1,881,329
Total liabilities and net assets	3,420,389	3,429,132

(2) Consolidated statements of income (Six months)

(Amount Unit :Millions of yen)

	Six months ended September 30, 2008	Six months ended September 30, 2009
Operating income and loss from telecommunications		
Operating revenue		
Total operation revenue	1,378,062	1,330,950
Operating expenses		
Business expenses	345,520	354,286
Operating expenses	196	144
Facilities maintenance expenses	113,307	112,488
Common expenses	1,300	886
Administrative expenses	50,650	55,829
Experiment and research expenses	4,092	3,646
Depreciation	187,506	212,084
Noncurrent assets retirement cost	12,967	8,581
Communication facility fee	226,718	211,722
Taxes and dues	14,512	14,695
Total operation expenses	956,772	974,363
Net operating income from telecommunication	421,289	356,586
Operating income and loss from incidental business		
Operating revenue	369,271	392,136
Operating expenses	527,679	497,740
Net operating loss from incidental business	(158,408)	(105,604)
Operating income	262,881	250,982
Non-operating income		
Interest income	558	284
Gain on bad debts recovered	159	-
Gain on investments in silent partnership	3,556	-
Miscellaneous income	4,563	3,181
Total non-operating income	8,837	3,465
Non-operating expenses		
Interest expenses	5,846	6,403
Equity in losses of affiliates	649	3,638
Miscellaneous expenses	2,993	2,894
Total non-operating expenses	9,489	12,936
Ordinary income	262,230	241,511
Extraordinary income		
Gain on sales of noncurrent assets	556	232
Gain on sales of investment securities	-	320
Reversal of allowance for doubtful accounts	-	5,309
Total extraordinary income	556	5,862
Extraordinary loss		
Loss on sales of noncurrent assets	131	-
Impairment loss	949	-
Loss on valuation of investment securities	351	201
Total extraordinary losses	1,432	201
Income before income taxes and minority interests	261,353	247,171
Income taxes-current	110,540	81,960
Income taxes-deferred	(1,549)	17,206
Total income taxes	108,990	99,167
Minority interests in income	1,245	2,711
Net income	151,117	145,292

Consolidated statements of income (Three months)

(Amount Unit :Millions of yen)

	Three months ended September 30, 2008	Three months ended September 30, 2009
Operating income and loss from telecommunications		
Operating revenue		
Total operation revenue	692,853	665,216
Operating expenses		
Business expenses	176,602	185,111
Operating expenses	99	68
Facilities maintenance expenses	57,296	56,480
Common expenses	712	456
Administrative expenses	26,154	28,621
Experiment and research expenses	2,505	2,335
Depreciation	97,195	108,793
Noncurrent assets retirement cost	6,901	5,084
Communication facility fee	113,758	106,477
Taxes and dues	6,890	6,876
Total operation expenses	488,116	500,305
Net operating income from telecommunication	204,737	164,911
Operating income and loss from incidental business		
Operating revenue	183,959	204,139
Operating expenses	250,188	259,895
Net operating loss from incidental business	(66,229)	(55,755)
Operating income	138,508	109,156
Non-operating income		
Interest income	369	117
Gain on bad debts recovered	73	-
Gain on investments in silent partnership	2,111	-
Miscellaneous income	1,778	1,021
Total non-operating income	4,333	1,139
Non-operating expenses		
Interest expenses	3,101	3,273
Equity in losses of affiliates	672	1,947
Miscellaneous expenses	1,664	2,010
Total non-operating expenses	5,438	7,231
Ordinary income	137,403	103,063
Extraordinary income		
Gain on sales of noncurrent assets	556	232
Gain on sales of investment securities	-	2
Reversal of allowance for doubtful accounts	-	0
Total extraordinary income	556	235
Extraordinary loss		
Loss on sales of noncurrent assets	131	-
Impairment loss	949	-
Loss on valuation of investment securities	-	201
Total extraordinary losses	1,081	201
Income before income taxes and minority interests	136,878	103,098
Income taxes-current	64,371	42,609
Income taxes-deferred	(6,832)	131
Total income taxes	57,538	42,740
Minority interests in income	677	1,482
Net income	78,661	58,874

(3) Consolidated statements of cash flows

(Amount Unit :Millions of yen)

	Six months ended September 30, 2008	Six months ended September 30, 2009
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	261,353	247,171
Depreciation and amortization	195,089	221,977
Impairment loss	949	-
Amortization of goodwill and negative goodwill	4,867	5,407
Loss (gain) on sales of noncurrent assets	(426)	(215)
Loss on retirement of noncurrent assets	9,562	6,139
Increase (decrease) in allowance for doubtful accounts	(29)	(5,108)
Increase (decrease) in provision for retirement benefits	(31)	356
Interest and dividends income	(1,202)	(914)
Interest expenses	5,846	6,403
Equity in (earnings) losses of affiliates	649	3,638
Loss (gain) on sales of investment securities	8	(320)
Loss (gain) on valuation of investment securities	351	201
Increase (decrease) in provision for point card certificates	9,825	8,995
Decrease (increase) in prepaid pension costs	1,436	1,965
Decrease (increase) in notes and accounts receivable-trade	(1,498)	4,078
Decrease (increase) in inventories	(35,112)	27,899
Increase (decrease) in notes and accounts payable-trade	(33,283)	(17,311)
Increase (decrease) in accounts payable-other	(33,572)	(50,833)
Increase (decrease) in accrued expenses	(920)	(813)
Increase (decrease) in advances received	7,887	5,892
Other, net	(13,414)	(14,750)
Subtotal	378,335	449,859
Interest and dividends income received	2,321	1,969
Interest expenses paid	(5,640)	(6,242)
Income taxes paid	(77,394)	(110,928)
Net cash provided by (used in) operating activities	297,622	334,657
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	(217,974)	(197,733)
Proceeds from sales of property, plant and equipment	1,003	251
Purchase of intangible assets	(38,530)	(43,973)
Purchase of investment securities	(1)	(151)
Proceeds from sales of investment securities	104	403
Purchase of stocks of subsidiaries and affiliates	(5,003)	(15,312)
Purchase of investments in subsidiaries and affiliates resulting in change in scope of consolidation	(36,027)	(17,090)
Purchase of long-term prepaid expenses	(8,613)	(11,854)
Other, net	1,327	350
Net cash provided by (used in) investing activities	(303,715)	(285,110)

(Amount Unit :Millions of yen)

	Six months ended September 30, 2008	Six months ended September 30, 2009
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	28,701	(80,941)
Proceeds from long-term loans payable	150,000	29,500
Repayment of long-term loans payable	(58,662)	(26,245)
Proceeds from issuance of bonds	70,000	50,000
Redemption of bonds	(30,000)	(19,800)
Purchase of treasury stock	(3,145)	-
Cash dividends paid	(24,533)	(24,502)
Cash dividends paid to minority shareholders	(479)	(544)
Other, net	110	(1,583)
Net cash provided by (used in) financing activities	131,991	(74,116)
Effect of exchange rate change on cash and cash equivalents	(898)	822
Net increase (decrease) in cash and cash equivalents	124,999	(23,748)
Cash and cash equivalents at beginning of period	75,545	200,310
Cash and cash equivalents at end of period [Note]	200,545	176,562

(4) Note for the assumption of going concern

None

(5) Segment information

[Business segment information]

For the three months ended September 30, 2008 (July 1, 2008 to September 30, 2008)

(Unit Amount :Millions of yen)

	Mobile Business	Fixed-line Business	Other Business	Total	Elimination and corporate	Consoli-dation
Sales and Operating Income (Loss)						
Sales						
1) Outside sales	678,120	191,782	6,910	876,813	-	876,813
2) Intersegment sales	2,787	24,089	10,109	36,985	(36,985)	-
Total	680,907	215,871	17,019	913,798	(36,985)	876,813
Operating expenses	532,139	226,197	17,306	775,643	(37,338)	738,305
Operating income (loss)	148,767	(10,326)	(286)	138,154	353	138,508

For the three months ended September 30, 2009 (July 1, 2009 to September 30, 2009)

(Unit Amount :Millions of yen)

	Mobile Business	Fixed-line Business	Other Business	Total	Elimination and corporate	Consoli-dation
Sales and Operating Income (Loss)						
Sales						
1) Outside sales	671,220	185,816	12,320	869,356	-	869,356
2) Intersegment sales	3,472	21,869	11,298	36,640	(36,640)	-
Total	674,692	207,685	23,618	905,997	(36,640)	869,356
Operating expenses	555,203	219,285	22,639	797,128	(36,927)	760,200
Operating income (loss)	119,489	(11,600)	979	108,868	287	109,156

For the six months ended September 30, 2008 (April 1, 2008 to September 30, 2008)

(Unit Amount :Millions of yen)

	Mobile Business	Fixed-line Business	Other Business	Total	Elimination and corporate	Consoli-dation
Sales and Operating Income (Loss)						
Sales						
1) Outside sales	1,355,083	379,305	12,944	1,747,333	-	1,747,333
2) Intersegment sales	5,586	43,801	19,364	68,753	(68,753)	-
Total	1,360,670	423,107	32,308	1,816,086	(68,753)	1,747,333
Operating expenses	1,072,748	448,309	32,788	1,553,846	(69,394)	1,484,451
Operating income (loss)	287,922	(25,202)	(479)	262,240	641	262,881

For the six months ended September 30, 2009 (April 1, 2009 to September 30, 2009)

(Unit Amount :Millions of yen)

	Mobile Business	Fixed-line Business	Other Business	Total	Elimination and corporate	Consoli-dation
Sales and Operating Income (Loss)						
Sales						
1) Outside sales	1,331,254	371,770	20,062	1,723,086	-	1,723,086
2) Intersegment sales	6,620	43,083	22,619	72,323	(72,323)	-
Total	1,337,874	414,853	42,682	1,795,410	(72,323)	1,723,086
Operating expenses	1,065,840	437,171	41,751	1,544,762	(72,658)	1,472,104
Operating income (loss)	272,034	(22,317)	931	250,647	334	250,982

Note 1: Business segments and principal services/operations of each segment

Business Segment	Principal Services/Operations
Mobile Business	Mobile phone services, sales of mobile phone handsets, mobile solutions services, etc.
Fixed-line Business	Local, long-distance, and international telecommunications services, internet services, solutions services, data center services, cable television services, etc.
Other Business	Call center business, content business, research and advanced development, and other mobile phone services, etc.

Note 2: Change in accounting policy
For the six months ended September 30, 2008
As noted in “Changes in significant accounting policies, procedures and presentation in quarterly consolidated financial statements” under “4. Others,” from the three months ended June 30, 2008, the Company changed its accounting method for depreciation of material depreciable assets. As a result of this change, the depreciation cost in the Mobile Business increased ¥22,943 million for the six months ended September 30, 2008, while operating income decreased by the equal amount.

Note 3: Change in period of use of life
For the six months ended September 30, 2009
As noted in “Changes in significant accounting policies, procedures and presentation in quarterly consolidated financial statements” under “4. Others,” from the three months ended June 30, 2008, the Company has extended the useful life of assets. As a result of this change, the depreciation cost in the Mobile Business decreased ¥21,212 million for the six months ended September 30, 2008 and ¥6,210 million in the Fixed-line Business, while operating income in both segments increased by the equal amount.

Note 4: Change in business segments
For the six months ended September 30, 2008
The cable television business, other fixed-line services, other data center services, and related services, which used to have been classified in the Other segment, have been switched to the Fixed-line segment.
Note: other fixed-line services / other data center services: Overseas Fixed-line Business
The KDDI Group has clarified the strategies and scope of the Fixed-line Business. In Japan, amid a competitive business environment where broadband accounts for a growing portion of the fixed-line communications market, the Group will develop the access line business, including “Metal-plus”, FTTH and cable television, to seek stable expansion of the customer base. In the Overseas Fixed-line Business, the Group will seek growth in overseas businesses by providing global ICT (Information and Communication Technology) solutions, with the global data center TELEHOUSE as the central company.
In line with these measures, the Group has revised the scope of the previous Fixed-line Business, and from the three months ended June 30, 2008 has adopted profitability management in accordance with internal controls and these business strategies. From the standpoint of disclosures well business segments have been reorganized to match the categories adopted for internal controls, and so provide for more accurate disclosure of the Group’s business operations.
Taking advantage of the change in scope of the Fixed-line Business, the method of distributing the assets of the filling company has been changed to further clarify the taxable capacity of each business segment.
The information for each of the business segments for the six months ended September 30, 2008 when the business segmentation and asset distribution method before the reclassification is as follows.

For the six months ended September 30, 2008 (April 1, 2008 to September 30, 2008)

(Unit Amount :Millions of yen)

	Mobile Business	Fixed-line Business	Other Business	Total	Elimination and corporate	Consoli-dation
Sales and Operating Income (Loss)						
Sales						
1) Outside sales	1,355,083	322,474	69,775	1,747,333	-	1,747,333
2) Intersegment sales	5,586	47,488	26,364	79,439	(79,439)	-
Total	1,360,670	369,962	96,140	1,826,773	(79,439)	1,747,333
Operating expenses	1,072,748	398,885	92,914	1,564,547	(80,096)	1,484,451
Operating income (loss)	287,922	(28,922)	3,225	262,225	656	262,881

Business segments and principal services/operations of each segment

Business Segment	Principal Services/Operations
Mobile Business	Mobile phone services, sales of mobile phone handsets, mobile solutions services, etc.
Fixed-line Business	Local, long-distance, and international telecommunications services, internet services, solutions services, data center services, etc.
Other Business	Call center business, content business, cable television services, research and advanced development, other fixed-line services, other mobile phone services and other data center service, etc.

[Geographic segment information]

For the three months ended September 30, 2008 (July 1, 2008 to September 30, 2008), the three months ended September 30, 2009 (July 1, 2009 to September 30, 2009), the six months ended September 30, 2008 (April 1, 2008 to September 30, 2008) and the six months ended September 30, 2009 (April 1, 2009 to September 30, 2009)

Information by geographic segment is not shown since net sales in Japan accounted for over 90% of total net sales in all business segments.

[Net sales from overseas operations]

For the three months ended September 30, 2008 (July 1, 2008 to September 30, 2008), the three months ended September 30, 2009 (July 1, 2009 to September 30, 2009), the six months ended September 30, 2008 (April 1, 2008 to September 30, 2008) and the six months ended September 30, 2009 (April 1, 2009 to September 30, 2009)

Net sales from overseas operations are not shown since they account for less than 10% of consolidated net sales.

(6) Material changes in shareholders' equity

None

6. Other Information

Notes

Quarterly consolidated financial statements are prepared under the "Regulations concerning the terms, forms and preparation methods for quarterly consolidated financial statements" (Rule No. 64 of the Cabinet Office, Government of Japan of 2007, herein after "Regulations for quarterly consolidated financial statements"), and in accordance with these regulations and the "Rules for telecommunications business accounting" (Ministerial Ordinance of Ministry of Posts and Telecommunications No. 26 of 1985).

The consolidated financial statements for the three months ended September 30, 2008 (July 1, 2008 to September 30, 2008) and six months ended September 30, 2008 (April 1, 2008 to September 30, 2008) were prepared under the pre-revision Regulations for quarterly consolidated financial statements and Rules for telecommunications business accounting. The consolidated financial statements for the three months ended September 30, 2009 (July 1, 2009 to September 30, 2009) and the six months ended September 30, 2009 (April 1, 2009 to September 30, 2009) are prepared under the revised Regulations for quarterly consolidated financial statements and Rules for telecommunications business accounting.

(Related to Consolidated Balance Sheets)

As of September 30, 2009			As of March 31, 2009		
Note 1	The accumulated depreciation on property, plant and equipment was ¥2,885,956 million.		Note 1	The accumulated depreciation on property, plant and equipment was ¥2,767,559 million.	
2	Contingent liabilities		2	Contingent liabilities	
	(1) Guarantor liabilities, etc			(1) Guarantor liabilities, etc	
	[As a guarantor for office lease contract of:]			[As a guarantor for office lease contract of:]	
	KDDI America, Inc. etc.	¥383M		KDDI America, Inc. etc.	¥459M
	(liabilities denominated in foreign currencies included)	US$4M		(liabilities denominated in foreign currencies included)	US$4M
	[As a guarantor for loans of:]			[As a guarantor for loans of:]	
	Kita Cable Network, Inc.	¥289M		Kita Cable Network, Inc.	¥328M
	(2) Contingent liabilities existing in cable system supply contract	¥4,510M		(2) Contingent liabilities existing in cable system supply contract	¥4,958M
	(liabilities denominated in foreign currencies included)	US$50M		(liabilities denominated in foreign currencies included)	US$50M
	(3) Contingent liabilities resulting from the liquidation of Minex Corporation	¥520M		(3) Contingent liabilities resulting from the liquidation of Minex Corporation	¥566M
	(liabilities denominated in foreign currencies included)	US$5M		(liabilities denominated in foreign currencies included)	US$5M
Note 3	Assets pledged as collateral and liabilities with collateral: In compliance with the provisions of Article 4 of the Supplementary Provisions to the Law Concerning the Rationalization of Regulations in the Telecommunications Field, the total assets of the Company have been pledged as general collateral for corporate bonds issued.		Note 3	Assets pledged as collateral and liabilities with collateral: In compliance with the provisions of Article 4 of the Supplementary Provisions to the Law Concerning the Rationalization of Regulations in the Telecommunications Field, the total assets of the Company have been pledged as general collateral for corporate bonds issued.	
	Bonds	¥20,000M		Bonds	¥20,000M
				Current portion of noncurrent liabilities	¥19,800M

(Related to Consolidated Statement of Cash Flows)

Six months ended September 30, 2008			Six months ended September 30, 2009		
Note	Relationship between quarter-end balance of cash and cash equivalents and items presented in quarterly consolidated balance sheets as of September 30, 2008		Note	Relationship between quarter-end balance of cash and cash equivalents and items presented in quarterly consolidated balance sheets as of September 30, 2009	
	Cash and deposits account	¥70,359M		Cash and deposits account	¥83,764M
	Securities account	¥130,699M		Securities account	¥93,998M
	Total	¥201,059M		Total	¥177,762M
	Certificates of Deposit with terms exceeding 3 month	(¥513M)		Certificates of Deposit with terms exceeding 3 month	(¥1,200M)
	Cash and cash equivalents	¥200,545M		Cash and cash equivalents	¥176,562M

(Related to Stock Option)

Details of the stock option granted during the three months ended September 30, 2009

	August 2009 8th Stock Option
Category and number of grantees	Members of the Board 7 Vice Presidents 18 Executive Directors 32 Employees 2,951 directors of wholly owned subsidiaries 7
Type and number of stock granted	Common stock 5,189
Date of grant	August 10, 2009
Vesting conditions	(1) The grantee of stock options must be, at the time of exercise of options, a director, vice president, executive director, senior advisor, auditor or employee of the Company and/or its subsidiaries. However, when there are appropriate grounds, such as resignation due to completion of term of office or reaching the age of retirement, it will be permitted for the grantee to exercise these options within six months from the start of the applicable period or resignation or retirement, whichever is later, provided the exercise period is not exceeded. (2) In the event of the death of a stock option grantee, his or her heirs may, within six months from the date of death (until the expiration of the exercise period), exercise the options for up to the maximum number of shares of stock available as of the time of death. (3) In special cases where it is permitted by the Company's Stock Option Committee, the grantee of stock options may exercise their options under conditions different from those described in (1) and (2).
Vesting period	From August 10, 2009 to September 30, 2011
Exercise period	From October 1, 2011 to September 30, 2013
Exercise price	¥539,000
Fair value unit price (Date of grant)	¥111,281

(Related to per Share Information)

1. Net assets per share

As of September 30, 2009		As of March 31, 2009	
Net assets per share	¥442,415.75	Net assets per share	¥413,339.32

2. Net income per share etc.

Six months ended September 30, 2008		Six months ended September 30, 2009	
Net income per share	¥33,886.68	Net income per share	¥32,619.78
Diluted net income per share is not given as the Company has no potential stocks with dilution effect.		Diluted net income per share is not given as the Company has no potential stocks with dilution effect.	

Note: The following shows the basis of calculating net income per share.

	Six months ended September 30, 2008	Six months ended September 30, 2009
Net income per share for the quarter		
Net income for the quarter (millions of yen)	151,117	145,292
Amount not belonging to common shareholders (millions of yen)	-	-
Net income for the quarter related to common stock (millions of yen)	151,117	145,292
Number of weighted average common shares outstanding during the quarter	4,459,500	4,454,113
Overview of potential stock not included in calculation of diluted net income per share because the stock have no dilution effect, despite material changes since the end of the previous fiscal year.	-	-

Three months ended September 30, 2008	Three months ended September 30, 2009
Net income per share ¥17,642.82 Diluted net income per share is not given as the Company has no potential stocks with dilution effect.	Net income per share ¥13,218.10 Diluted net income per share is not given as the Company has no potential stocks with dilution effect.

Note: The following shows the basis of calculating net income per share.

	Three months ended September 30, 2008	Three months ended September 30, 2009
Net income per share for the quarter		
Net income for the quarter (millions of yen)	78,661	58,874
Amount not belonging to common shareholders (millions of yen)	-	-
Net income for the quarter related to common stock (millions of yen)	78,661	58,874
Number of weighted average common shares outstanding during the quarter	4,458,583	4,454,113
Overview of potential stock not included in calculation of diluted net income per share because the stock have no dilution effect, despite material changes since the end of the previous fiscal year.	-	-