

KDDI announces outlook of interim financial results and revises full-year forecasts for fiscal year ending March 2004

KDDI has revised its full-year forecasts of financial results for fiscal year ending March 2004 (April 1, 2003 through March 31, 2004) announced on May 8, 2003 based on its recent operating performances and announced its interim financial results on a preliminary basis.

1. Non-Consolidated Financial Results

(1) Outlook of Interim Financial Results for FY2004.3 (April 1 through September 30, 2003)

(yen in millions, %)

	Operating Revenues	Ordinary Profit	Net Income
FY2004.3 Interim Results(E)	1,124,000	127,000	69,000
FY2003.3 Interim Results(A)	1,102,740	41,151	21,196
Increase (Decrease)	21,260	85,849	47,804
Change (%)	1.9	208.6	225.5

For the interim financial results for FY2004.3, KDDI has disclosed its operating revenues at 1,124 billion yen, ordinary profit at 127 billion yen and net income at 69 billion yen on a preliminary basis.

(2) Revised Full-year Forecasts for FY2004.3 (April 1, 2003 through March 31, 2004)

(yen in millions, %)

	Operating Revenues	Ordinary Profit	Net Income
Previous Forecasts (announced May 8, 2003)	2,247,000	160,000	51,000
Revised Forecasts	2,298,000	203,000	70,000
Increase (Decrease)	51,000	43,000	19,000
Change (%)	2.3	26.9	37.3

KDDI earlier projected its operating revenues at 2,247 billion yen, ordinary profit at 160 billion yen and net income at 51 billion yen, which was announced on May 8, 2003 along with FY2003.3 results. The company has factored in additional costs of access charges based on the retroactive settlement system for NTT East and West. Whereas in "au" business, its acquisitions of CDMA2000 1x new subscribers is likely to significantly overshoot its initial target and forecast of ARPU is also on an increase against its earlier estimate. The company, therefore, has revised its previous full-year forecasts for FY2004.3 up to 2,298 billion yen for its operating revenues, 203 billion yen for ordinary profit and 70 billion yen for net income.

2.Consolidated Financial Results

(1) Outlook of Interim Financial Results for FY2004.3 (April 1 through September 30, 2003)

(yen in millions, %)

	Operating Revenues	Ordinary Profit	Net Income
FY2004.3 Interim Results(E)	1,388,000	144,000	83,000
FY2003.3 Interim Results(A)	1,393,212	42,439	20,446
Increase (Decrease)	(5,212)	101,561	62,554
Change (%)	(0.4)	239.3	305.9

For the interim financial results for FY2004.3, KDDI has disclosed its operating revenues at 1,388 billion yen, ordinary profit at 144 billion yen and net income at 83 billion yen on a preliminary basis.

(2) Revised Full-year Forecasts for FY2004.3 (April 1, 2003 through March 31, 2004)

(yen in millions, %)

	Operating Revenues	Ordinary Profit	Net Income
Previous Forecasts (announced May 8, 2003)	2,780,000	195,000	71,000
Revised Forecasts	2,820,000	240,000	95,000
Increase (Decrease)	40,000	45,000	24,000
Change (%)	1.4	23.1	33.8

KDDI earlier projected its operating revenues at 2,780 billion yen , ordinary profit at 195 billion yen and net income at 71 billion yen, which was announced on May 8, 2003 along with FY2003.3 results. The company has revised its previous full-year forecasts for FY2004.3 up to 2,820 billion yen for its operating revenues, 240 billion yen for ordinary profit, and 95 billion yen for net income as these operating revenues, ordinary profit, and net income on a non-consolidated basis are all expected to exceed its previous forecasts.

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