

March 15, 2006

KDDI Corp.

Conclusion of Agreement of Share Transfer on Acquisition of Shares of JAPAN CABLENET HOLDINGS LIMITED and JAPAN CABLENET LIMITED

KDDI Corporation ("KDDI") today has reached a final agreement of the share transfer with SECOM CO., LTD. ("SECOM") and Marubeni Corporation ("Marubeni") concerning the acquisition of shares held by SECOM and Marubeni in JAPAN CABLENET HOLDINGS LIMITED ("JCNH") and JAPAN CABLENET LIMITED ("JCN") based upon the basic agreement of February 26, 2006. Details of the agreement follow.

1. Purpose of the share acquisition

Over the years, KDDI has forged relationships with cable TV stations via the provision of such services as "cable plus phone." In addition to these services, KDDI has now decided to participate in the management of JCN Group in collaboration with existing shareholders by acquiring shares of JCNH and JCN for the purpose of expanding its customer base as optical business evolves. The acquisition will give JCN Group the ability to become a quadruple player, whereby "au" mobile phones can link to its multi-channel television, internet and telephone services by way of fixed to mobile convergence (FMC) technology. By providing even more appealing services to customers, KDDI aims to significantly increase its corporate value.

2. Outline of the share acquisition

(1) Number of shares held and percentage ownership before and after acquisition

Shares before acquisition	JCNH	0.00 shares	(Ownership 0.00%)
	JCN	756.80 shares	(0.08%)
Shares to be acquired	JCNH	303,959.00 shares	
	JCN	44,387.00 shares	
Shares after acquisition	JCNH	303,959.00 shares	(46.76%)
	JCN	45,143.80 shares	(5.00%)

The aggregate sum of KDDI's direct and indirect stake in JCN is 38.18%.

Subsequent to the acquisition of shares from SECOM and Marubeni, KDDI plans to acquire shares from minority shareholders. The aggregate sum of KDDI's direct and indirect ownership in JCN may therefore increase to 47.30% at an overall acquisition cost of ¥33.5 billion.

(2) The estimated timetable for the share acquisition is as follows

March 15 ,2006	Signing of share transfer agreement
March 30 ,2006 (Planned)	Share acquisition (closing)

3. Directors (Panned)

Based upon the final agreement, KDDI will delegate new directors to JCNH and JCN, which will be decided at their special shareholders meeting and board meeting scheduled on April 3, 2006.

[JCNH]

Name	New Title	date
Ryousuke Yamazoe	Member of the Board	April 3, 2006 (Planned)
Hiroyuki Oosawa	Member of the Board	April 3, 2006 (Planned)
Shigeyuki Koizumi	Standing Statutory Auditor	April 3, 2006 (Planned)

[JCN]

Name	New Title	date
Ryousuke Yamazoe	Executive Vice President Member of the Board	April 3, 2006 (Planned)
Hiroyuki Oosawa	Member of the Board	April 3, 2006 (Planned)
Hiroki Honda	Member of the Board	April 3, 2006 (Planned)
Yuuji Fujimoto	Member of the Board	April 3, 2006 (Planned)
Shigeyuki Koizumi	Standing Statutory Auditor	April 3, 2006 (Planned)

4. Impact on financial results

The deal will not affect earnings performance in the current business year ending March 2006.

5. Outline of companies

(1) Corporate name	KDDI Corporation	SECOM CO., LIMITED	Marubeni Corporation
(2) Business description	Telecommunications business	Security business	General trader
(3) Established	June 1, 1984	July 7, 1962	December 1, 1949
(4) Head office	2-3-2, Nishishinjuku, Shinjuku-ku, Tokyo, Japan	1-5-1, Jingumae, Shibuya-ku, Tokyo, Japan	1-4-2, Otemachi, Chiyoda-ku, Tokyo, Japan
(5) Representative	Tadashi Onodera	Kanemasa Haraguchi	Nobuo Katsumata
(6) Capital	141,851 million yen	63,300 million yen	231,789 million yen
(7) Sales (FY05 estimate)	3,041,000 million yen (consolidated)	572,000 million yen (consolidated)	8,700,000 million yen (consolidated)
(8) Employees (only full timers)*	Approx. 10,000	Approx. 12,500	Approx. 3,600

* Number of full-time employees as of January 1, 2006 for KDDI, as of March 31, 2005 for SECOM and as of September 30, 2005 for Marubeni.

(1) Corporate name	JAPAN CABLENET HOLDINGS LIMITED	JAPAN CABLENET LIMITED
(2) Business description	Cable TV operator	Cable TV operator; telecommunications business
(3) Established	March 8, 2001	March 22, 2001
(4) Head office	5-1, Kabuto-cho, Nihonbashi, Chuo-ku, Tokyo, Japan	5-1, Kabuto-cho, Nihonbashi, Chuo-ku, Tokyo, Japan
(5) Representative	Hiroaki Kurokawa	Atsushi Higuchi
(6) Capital	32,500 million yen	34,872 million yen
(7) Sales (FY05 estimate)	0 million yen (non-consolidated)	13,763 million yen (non-consolidated)
(8) Employees**	0	Approx. 500
(9) Other	-	No. of stations (group-wide): 14 No. of serviceable households: Approx. 1.3 million No. of multi-channel subscribers: Approx. 410,000

** Number of full-time employees (including dispatched employees) for JCNH and JCN as of February 1, 2006. The number of employees for JCN is for the entire JCN Group.