

(Amended) KDDI's Equity Participation in J:COM

KDDI Corporation (TSE 1st: 9433)
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On February 12, 2010, KDDI Corporation ("KDDI") entered into an amendment to the sales and purchase agreement dated January 25, 2010 (the "Amendment Agreement") between KDDI and LGI International Inc. ("LGI International"), a wholly-owned subsidiary of Liberty Global, Inc. ("LGI"). KDDI's Board of Directors approved the Amendment Agreement on February 12, 2010.

1. Amendment

In order to reflect an arrangement under which LGI group will entrust to a trust bank a portion of its stakes in Jupiter Telecommunications Co., Ltd. ("J:COM") representing 6.7% of J:COM's total voting rights, KDDI and LGI International have entered into the Amendment Agreement to amend the relevant portions of the sales and purchase agreement dated January 25, 2010 between KDDI and LGI. KDDI's Board of Directors approved the Amendment Agreement on February 12, 2010.

Pursuant to this arrangement, LGI group's ownership interests in J:COM, which KDDI will assume from LGI group, will be 31.1% of J:COM's shares (on a voting rights basis).

Under this arrangement, it is unchanged that (i) KDDI will acquire the entire ownership interests in Liberty Global Japan II, LLC, Liberty Japan, Inc. and Liberty Jupiter, Inc (collectively, the "Three LGI Intermediary Holding Companies"), (ii) the aggregate purchase price of those interests will be JPY 361.7 billion, and (iii) KDDI will consolidate J:COM as an equity method affiliate. The transaction is contemplated to be completed on February 19, 2010.

* Underlined sentences below indicate revisions from the original press release dated January 25, 2010 (the "Original Press Release"), and in the diagrams dotted lines indicate revisions.

2. Reason for Amendment

After KDDI's announcement in the Original Press Release, taking into the consideration of concern raised by the Financial Service Agencies and results of consultation with the Financial Services Agency in connection with KDDI's proposed equity participation in J:COM, the contemplated transaction structure was changed upon discussion between KDDI and LGI.

3. Overview of Amended Transaction Structure

(1) Current ownership structure of J:COM

The limited partnership agreement between LGI and Sumitomo Corporation (“Sumitomo”) provides that their joint holding structure of LGI/Sumisho Super Media L.P. (“SM”) will expire as of February 18, 2010 and it is contemplated that Sumitomo will receive its attributable J:COM shares from SM and Sumitomo will continue to hold such shares directly thereafter (Please refer to Figure #2 below).

It is expected that an aggregate of 6.7% of the J:COM shares (on a voting rights basis; the same applies hereafter), 2.2% of which are held by Liberty Global Japan II, LLC (“LGJII”) and 4.5% of which are held by SM, will be entrusted to a trust bank on February 18, 2010. The 2.2% portion will be entrusted into a management trust account and will not be sold; the 4.5% portion will be sold by the trust bank, via either on-market or off-market trades, based upon the disposition rules set forth in the trust agreement and SM will not take part in such disposition. The trust bank will reserve its right of reconsignment with regard to the 4.5% portion (Please refer to Figure #2 below).

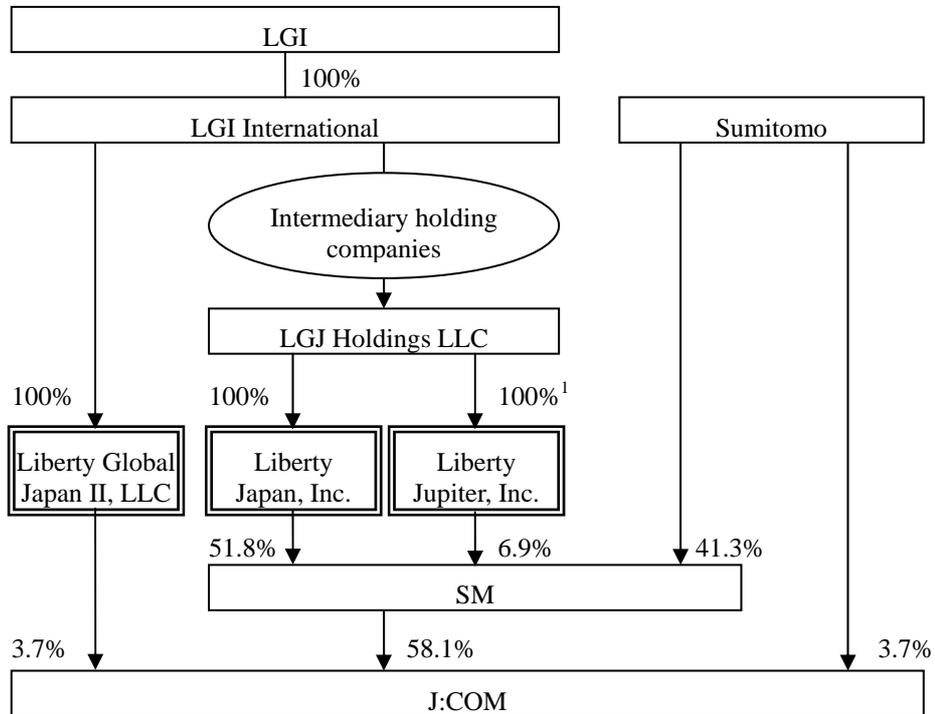
(2) KDDI’s equity participation

KDDI will acquire the entire ownership of Liberty Japan, Inc. (“Liberty Japan”) and Liberty Jupiter Inc. (“Liberty Jupiter”), both of which hold ownership interests in SM, and of LGJII, which directly holds a 1.5% stake in J:COM, and KDDI will thereby assume LGI’s indirect ownership of a 31.1% stake in J:COM shares.

SM and LGJII will be unable to exercise the voting rights (or directing the trust bank to exercise the voting rights) in connection with the entrusted 6.7% of J:COM shares pursuant to the trust agreement, which will become effective prior to KDDI’s acquisition of the Three LGI Intermediary Holding Companies; KDDI therefore will not be involved in any voting exercise in connection with the entrusted J:COM shares but will hold a beneficial economic interest (including receipt of dividends) in those entrusted J:COM shares. (Please refer to Figure #3 below).

Note: Any ownership percentages set out herein are based on a voting right basis.

Figure #1: Current holding structure (Unchanged)



Note:

- (1) Certain LGI executives and employees hold 14.25% ownership of Liberty Jupiter; LGJ Holdings LLC will acquire those ownership interests in Liberty Jupiter from the executives and employees prior to the closing of the Transaction.

Figure #2: Holding structure after SM expiration

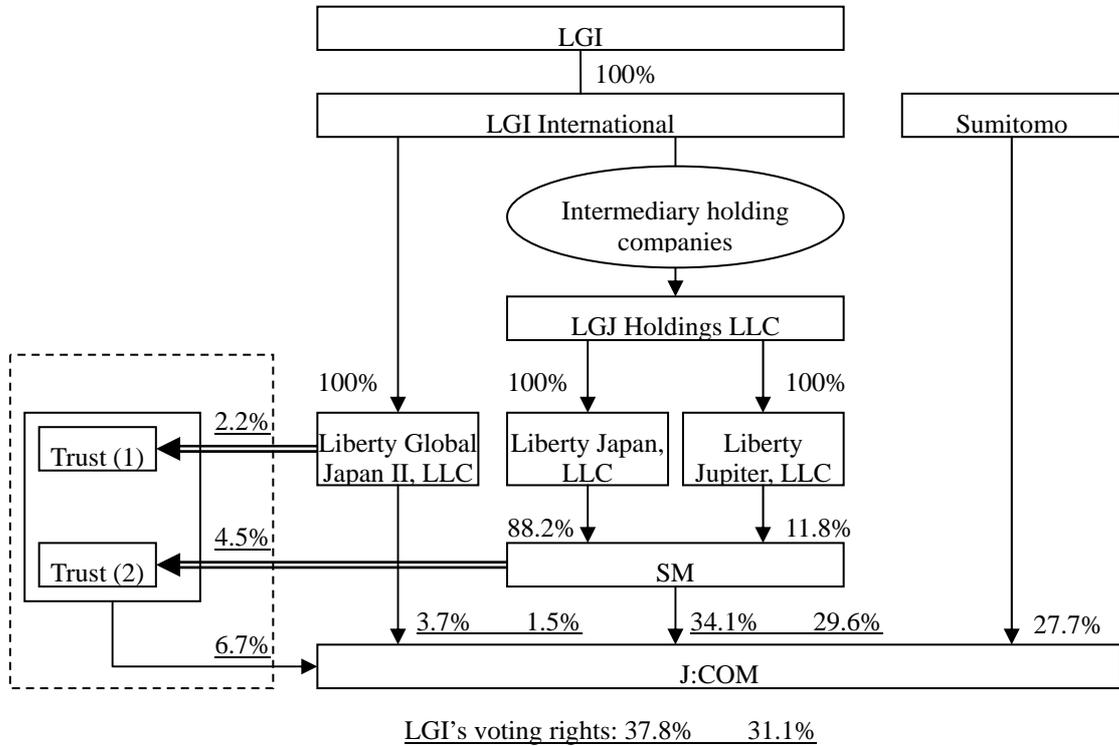


Figure #3: Holding structure after KDDI's equity participation in J:COM

