

Please note that the following is an English translation of the original Japanese version, prepared only for the convenience of shareholders residing outside Japan. In the case of any discrepancy between the translation and the Japanese original, the latter shall prevail.

TSE Code 9433

May 24, 2006

To Our Shareholders

3-10-10, Iidabashi, Chiyoda-ku, Tokyo
(Headquarters: 2-3-2, Nishishinjuku, Shinjuku-ku, Tokyo)
KDDI Corporation
President and Chairman: Tadashi Onodera

NOTICE OF THE 22ND ANNUAL MEETING OF SHAREHOLDERS

Dear Shareholders,

You are cordially invited to attend the 22nd Annual Meeting of Shareholders.

If you are unable to attend the meeting, you may vote by mail or on the Internet, or other means. In order to exercise your rights by mail or on the Internet, please review the attached reference materials, indicate your approval or disapproval of the proposals on the enclosed document, then sign and return it, or vote at the Exercise of Voting Rights site (<http://www.evotep.jp/>).

Notice of Meeting

- Date:** Thursday, June 15, 2006 at 10:00 a.m.
- Place:** Shinagawa Prince Hotel, Main Banquet Hall, on the 5th floor of Executive Tower 4-10-30, Takanawa, Minato-ku, Tokyo
(The place has been changed this year.)
- Objectives of meeting:**
 - Reporting:**
 - Presentation of the Business Report, Consolidated Balance Sheet, Consolidated Statement of Income, and Report of the Consolidated Financial Documents audited by the accounting auditors and the board of auditors for the 22nd Business Period (from April 1, 2005 to March 31, 2006)
 - Presentation of the Balance Sheet and Statement of Income for the 22nd Business Period (from April 1, 2005 to March 31, 2006)

Agenda:

Proposal 1: Appropriation of Retained Earnings for the 22nd Business Period

Proposal 2: Partial Changes to the Articles of Incorporation

For the gist of the proposal, please refer to the "Reference Documents for the Meeting of Shareholders" (pages 3-9).

Proposal 3: Election of 11 Members of the Board

Proposal 4: Election of 2 Auditors

Proposal 5: Decision of the Revision of the Compensation using the Stock Options for the Members of the Board

Proposal 6: Delegation of Decision-making on Issues Relating to the Offering of the Equity Warrants as Stock Options Issued to Employees, Etc. to the Board of Directors

For the gist of the proposal, please refer to the "Reference Documents for the Meeting of Shareholders" (pages 16-17).

[Financial Documents, Consolidated Financial Documents and the copy of the auditing report to be attached to this notice are listed on the "Report for the 22nd Business Period" (pages 2-30) provided separately.]

If you plan to attend the meeting, please submit the enclosed Exercise of Voting Rights forms to the receptionist at the meeting.

If you exercise your voting rights from the site of Exercise of Voting Rights, please refer to "Procedure for Exercising Voting Rights on the Internet" on pages 18-19.

Reference Documents for the Meeting of Shareholders

1. Number of voting rights of all shareholders: 4,360,732

2. Proposals and References

Proposal 1: Appropriation of Retained Earnings for the 22nd Business Period

The proposed appropriation of profits of KDDI (the Company) for this period is described as follows, by giving overall consideration to reinforcing corporate standing and preparing for future business development.

The Company has been recognizing that returning our profits to our shareholders is important matter to our business, and so the Company's basic policy is to continue paying stable dividends, while maintaining the fiscal health.

Regarding our business performance, although the fixed-line business is still in a difficult situation, it is making good progress supported by favorable condition of the mobile communication business.

As for the profit distribution proposal for this period, it is proposed that the year-end dividend be increased by 1,000 yen per share to 4,500 yen (The annual dividend will be 8,000 yen per share including the interim dividend of 3,500 yen per share paid in November 2005.), in order to promote profit-sharing with our shareholders and to express our deep gratitude to your everyday support while considering the business development to improve business performance in the future.

In addition, regarding the bonus for this period, the bonus of 82,800,000 yen for Members of the Board (including 12,700,000 yen for Auditors) is proposed to pay for 11 Members of the Board and 4 Auditors holding office at the end of this period.

Appropriation of Retained Earnings

(Unit: Yen)

Abstract	Amount
Unappropriated retained earnings at the end of this period	138,801,516,834
Disposition of reserve for special depreciation	652,657,662
Total	139,454,174,496
These profits are appropriated as follows:	
Dividends (4,500 yen per share)	19,668,095,370
Total bonuses paid to directors and auditors (Bonus paid to auditors)	82,800,000 (12,700,000)
Reserve for special depreciation	569,683,200
Other reserves	79,700,000,000
Surplus profit carried over to the following period	39,433,595,926

Note: An interim dividend payment of 14,624,913,310 yen (3,500 yen per share) was executed on November 24, 2005.

Proposal 2: Partial Changes to the Articles of Incorporation

This proposal is for partially revising the current regulations. Details of this proposal (reasons for and contents of changes) are as follows:

(1) Reasons for change

- 1) The “Law on the Partial Revision of the Law for the Railway Business Enterprise” (Law No. 77 of 2002) went into effect and it changes the law name and terms of the “Freight Transport Handling Business Law”. Therefore, the Article 2 (Purposes) will be amended in accordance with such changes.
- 2) The “Company Law” (Law No. 86 of 2005) and the “Law Concerning the Coordination, Etc., of Associated Laws in Connection with the Enforcement of the Company Law” (Law No. 87 of 2005, hereinafter the “Coordination Law”) went into effect, and with the enforcement of the Laws, the Articles of Incorporation will be amended as follows:
 - () The Article 4 (Bodies) is newly established to stipulate the bodies to be placed in the Company in accordance with the Article 326 Paragraph 2 of the Company Law.
 - () The Article 7 (Issuance of Share Certificate) is newly established to stipulate the issuance of shares in accordance with the Article 214 of the Company Law.
 - () The Article 15 (Provision of Reference Documents, Etc. for Meetings of Shareholders by Using the Internet as Disclosure) is newly established to adopt the Internet disclosure system of reference documents and others for Meetings of Shareholders in accordance with the Article 94 and Article 133 Paragraph 3 of the “Enforcement Regulation of the Company Law” (Ministry of Justice Ordinance No. 12 of 2006) and the Article 161 Paragraph 4 and Article 162 Paragraph 4 of the “Company Account Regulation” (Ministry of Justice Ordinance No. 13 of 2006).
 - () The current Article 15 (Voting by Proxy) is changed to clarify the method of proving its proxy and the number of proxies regarding the execution of voting rights by proxy in shareholder’s meetings in accordance with the Article 310 of the Company Law and the Article 63 Paragraph 5 of the Enforcement Regulation of the Company Law.
 - () The Article 25 (Omission of Resolution of the Board of Directors) is newly established to exercise the resolution of the Board of Directors faster, if need arises, by in writing or by electromagnetic means in accordance with the Article 370 of the Company Law.
 - () In accordance with the enforcement of the Company Law, Articles as well as terms of the old Commercial Code quoted in the current Articles of Incorporation are changed to ones used in the Company Law along with necessary changes such as alterations in some of the expressions and wording.
 - () Upon enforcement of the Company Law, the system for fractional shares has been abolished and interim measure for fractional shares is stipulated in the Article 86 of the Coordination Law. In response to it, the Supplementary Provision is established to handle existing fractional shares.
- 3) Renumbering and rearrangement of Articles as a result of the changes mentioned above.

(2) Contents of change

The contents of changes are as follows.

(Changes are underlined.)

Present	New articles (Draft)
<p>Article 2 (Purposes) The Company aims to run the following business operations. (26) First class use transport business based on the <u>Freight Transport Handling Business Law</u> (Newly established)</p> <p>Article 4 (Means of Announcement) The Company's announcements <u>are made electronically</u>. However, in case of problems or other unavoidable circumstances which preclude <u>electronic announcements</u>, the announcements are made in the Nihon Keizai Shimbun.</p> <p>Article 5 (Number of Shares to be Issued) The total number of <u>shares the Company issues</u> shall be 7,000,000 shares. (Newly established)</p> <p>Article 6 (Treasury Share Acquisition) The Company can acquire <u>the treasury share</u> on the basis of resolutions from the Board meeting in accordance with the regulations of Article 211-3, Section 1, No. 2 of the <u>Commercial Code</u>.</p> <p><u>Article 7 (Claim for Additional Purchasing of Fractional Shares)</u> <u>In accordance with the provision on shares, those who own fractional shares of the Company can demand that the Company sell them enough fractional shares to make their total holdings equal one share.</u></p> <p><u>Article 8 (Eligible Date)</u> <u>The Company's shareholders (including beneficial shareholders, hereinafter same), who are entered or recorded in the register of shareholders and the register of beneficial shareholders (hereinafter the "register of shareholders") at the end of March 31 of each year, shall be shareholders entitled to execute their rights at the Annual Meeting of Shareholders for the settlement term.</u></p>	<p>Article 2 (Purposes) The Company aims to run the following business operations. (26) First class <u>freight</u> use transport business base on the <u>Freight Use Transportation Business Law</u></p> <p><u>Article 4 (Bodies)</u> <u>The Company shall place the following bodies other than Shareholder's Meeting and Member of the Board (Director):</u> <u>(1) Board of Directors</u> <u>(2) Auditor</u> <u>(3) Board of Auditors</u> <u>(4) Accounting Auditor</u></p> <p>Article 5 (Means of Announcement) The Company's announcement <u>method shall be an electronic announcement</u>. However, in case of problems or other unavoidable circumstances which preclude <u>announcements by electronic announcement</u>, the announcements are made <u>by publishing them</u> in the Nihon Keizai Shimbun.</p> <p>Article 6 (Number of Issuable Shares) The total number of <u>issuable shares of the Company</u> shall be 7,000,000 shares.</p> <p><u>Article 7 (Issuance of Share Certificate)</u> <u>The Company issues certificates relating to the shares.</u></p> <p>Article 8 (Acquisition of Own Shares) The Company can acquire <u>own shares in market transactions and others</u> on the basis of resolutions from the Board meeting in accordance with the regulations of Article 165, Paragraph 2 of the <u>Company Law</u>.</p> <p>(Deleted)</p> <p>(Deleted)</p>

Present	New articles (Draft)
<p><u>2. Regardless of the previous Paragraph or other Articles in the Articles of Incorporation of the Company, when necessary, the Company’s shareholders or registered share pledgees who are entered or recorded in the last register of shareholders on a given date, or shareholders of fractional shares who are entered or recorded in the last register of fractional shareholders on the same date shall be entitled to execute their rights by resolution of the Board of Directors upon prior publication of notice.</u></p> <p>Article 9 (Share Handling Regulations)</p> <p>The procedures involved in <u>share certificate type, and split, merge and re-issuance of the share certificates and changing of ownership in the register of shareholders, and other procedures concerning shares and the fees</u> shall be handled in accordance with the Share Handling Regulations established by the Board of Directors of the Company.</p> <p>Article 10 (<u>Transfer Agent</u>)</p> <p>The Company shall have <u>a transfer agent for its shares.</u></p> <p>2. The <u>transfer agent</u> and the location of its office shall be <u>selected</u> by resolution of the Board of Directors, and shall be announced publicly.</p> <p>3. Not this company but the <u>transfer agent shall transfer the stock, make entries or records into the fractional stock register and substantial shareholder list, perform the share certificate loss registration procedure, and do other clerical work involving the stock.</u></p> <p>Article 11 (Notice of Meeting)</p> <p>The Annual Meeting of Shareholders of the Company shall be held within three (3) months from the <u>closing of accounts in each year.</u></p> <p>2. Besides the previous Paragraph, an Extraordinary Meeting of Shareholders may be called <u>as needed when it is necessary.</u></p> <p>(Newly established)</p> <p>(Newly established)</p> <p>Article <u>12</u> (Omitted)</p>	<p>(Deleted)</p> <p>Article 9 (Share Handling Regulations)</p> <p>The procedures involved in <u>equity warrants, and the procedures and the fees involved in the execution of right of shareholders</u> shall be handled in accordance with <u>laws, ordinances and the Articles of Incorporation of the Company as well as</u> the Share Handling Regulations established by the Board of Directors of the Company.</p> <p>Article 10 (<u>Administrator for Register of Shareholders</u>)</p> <p>The Company shall have <u>an administrator for register of shareholders.</u></p> <p>2. The <u>administrator for register of shareholders</u> and the location of its office shall be <u>designated</u> by resolution of the Board of Directors, and shall be announced publicly.</p> <p>3. Not this company but the <u>administrator for register of shareholders shall be delegated to create and maintain the register of shareholders (including beneficial shareholders, hereinafter the same), the original register of equity warrants and the register of lost certificates of the Company, and to handle other procedures relating to the register of shareholders, the original register of equity warrants and the register of lost certificates.</u></p> <p>Article 11 (Notice of Meeting)</p> <p>The Annual Meeting of Shareholders of the Company shall be held within three (3) months from the <u>end of each business year.</u></p> <p>2. Besides the previous Paragraph, an Extraordinary Meeting of Shareholders may be called <u>when necessary.</u></p> <p><u>Article 12 (Eligible Date for the Annual Meeting of Shareholders)</u></p> <p><u>The Company’s shareholders (including beneficial shareholders, hereinafter same), who are entered or recorded in the register of shareholders at the end of March 31 of each year, shall be shareholders entitled to execute their rights at the Annual Meeting of Shareholders for the business year.</u></p> <p><u>2. Regardless of the previous Paragraph, when necessary, the Company’s shareholders or registered share pledgees who are entered or recorded in the last register of shareholders on a given date shall be entitled to execute their rights by resolution of the Board of Directors upon prior publication of notice.</u></p> <p>Article <u>13</u> (Not changed)</p>

Present	New articles (Draft)
<p>Article <u>13</u> (Omitted) (Newly established)</p> <p>Article <u>14</u> (Method of Resolution) Unless otherwise provided for by laws or ordinances or in the Article of Incorporation of the Company, the resolution of the Annual Meeting of Shareholders shall be made by a majority of voting rights of the attending shareholders.</p> <p>2. The resolution of the Annual Meeting of Shareholders which <u>should follow the regulations of Article 343 of the Commercial Code</u> shall be made by at least 2/3 of the voting rights of shareholders attending the Annual Meeting of Shareholders attended by the shareholders having at least 1/3 of the voting rights of <u>all</u> shareholders.</p> <p>Article <u>15</u> (Voting by Proxy) A shareholder may authorize <u>other</u> person to execute his voting right for him as a proxy in a shareholder's meeting, provided, however, that such person is a shareholder of the Company.</p> <p>(Newly established)</p> <p>Article <u>16</u> (Omitted)</p> <p>Article <u>17</u> (Election of Directors) Directors shall be elected <u>at</u> a Meeting of Shareholders.</p> <p>2. Regarding the resolution for the election of the previous Paragraph, the election shall be determined by a majority of voting rights of the shareholders attending the Annual Meeting of Shareholders attended by the shareholders having at least 1/3 of the voting rights of <u>all</u> shareholders. Resolution for the election of Directors shall not be subject to cumulative voting.</p> <p>Article <u>18</u> (Term of Directors) The term of office of each Director expires at the close of the <u>last Annual Meeting of Shareholders coming in one year after becoming a Director.</u></p>	<p>Article <u>14</u> (Not changed)</p> <p><u>Article 15 (Provision of Reference Documents, Etc. for Meetings of Shareholders by Using the Internet as Disclosure)</u> <u>The Company shall be deemed to provide the information relating to the items to be entered and indicated in shareholder meeting reference documents, business reports, financial reports, consolidated financial reports regarding convocation of a Meeting of Shareholders to the shareholders by disclosing them using the Internet as stipulated by Ministry of Justice.</u></p> <p>Article <u>16</u> (Method of Resolution) Unless otherwise provided for by laws or ordinances or in the Article of Incorporation of the Company, the resolution of the Annual Meeting of Shareholders shall be made by a majority of voting rights of the attending shareholders <u>who are entitled to vote.</u></p> <p>2. The resolution of the Annual Meeting of Shareholders which <u>follows the Article 309, Paragraph 2 of the Company Law</u> shall be made by at least 2/3 of the voting rights of shareholders attending the Annual Meeting of Shareholders attended by the shareholders having at least 1/3 of the voting rights of shareholders <u>who are entitled to vote.</u></p> <p>Article <u>17</u> (Voting by Proxy) A shareholder may authorize <u>one person who is entitled to execute the rights</u> to execute his voting right for him as a proxy in a shareholder's meeting, provided, however, that such person is a shareholder of the Company.</p> <p><u>2. The shareholder or his proxy shall submit a written proxy to the Company to evidence his authorization to act on behalf of the principal at each shareholder's meeting.</u></p> <p>Article <u>18</u> (Not changed)</p> <p>Article <u>19</u> (Election of Directors) Directors shall be elected <u>by resolution of</u> a Meeting of Shareholders.</p> <p>2. Regarding the resolution for the election of the previous Paragraph, the election shall be determined by a majority of voting rights of the shareholders attending the Annual Meeting of Shareholders attended by the shareholders having at least 1/3 of the voting rights of shareholders <u>who are entitled to vote.</u> Resolution for the election of Directors shall not be subject to cumulative voting.</p> <p>Article <u>20</u> (Term of Directors) The term of office of each Director expires at the close of the <u>Annual Meeting of Shareholders of the last business year ended within one year after being elected.</u></p>

Present	New articles (Draft)
<p>2. The term of office of each Director elected to fill a vacancy expires at the expiration of the term <u>that the retired Director was supposed to have</u>.</p>	<p>2. The term of office of each Director elected to fill a vacancy expires at the expiration of the term <u>of</u> the retired Director.</p>
<p>3. The term of office of each Director elected to increase the number of Directors expires at the expiration of the term <u>that the other current Directors have</u>.</p>	<p>3. The term of office of each Director elected to increase the number of Directors expires at the expiration of the term <u>of</u> the other current Directors.</p>
<p>Article <u>19</u> (Election of Executive Directors and Delegation of Supreme Advisors and Advisors)</p>	<p>Article <u>21</u> (Selection of Executive Directors and Delegation of Supreme Advisors and Advisors)</p>
<p>The <u>Company</u> may <u>appoint</u> a Chairman of the Board, a President and some Vice-chairmen of the Board by resolution made at a meeting of the Board of Directors.</p>	<p>The <u>Board of Directors</u> may <u>select</u> a Chairman of the Board, a President and some Vice-chairmen of the Board by resolution made at a meeting of the Board of Directors.</p>
<p>2. The Board of Directors may delegate Supreme Advisors and Advisors <u>upon</u> resolution made at a meeting of the Board of Directors.</p>	<p>2. The Board of Directors may delegate Supreme Advisors and Advisors <u>by</u> resolution made at a meeting of the Board of Directors.</p>
<p>Article <u>20</u> (Representative Directors)</p>	<p>Article <u>22</u> (Representative Directors)</p>
<p>A President of the Company shall be a Representative Director.</p>	<p>A President of the Company shall be a Representative Director.</p>
<p>2. Besides the previous Paragraph, the <u>Company</u> may <u>appoint</u> the Representative Directors among the Directors by resolution of the Board of Directors.</p>	<p>2. Besides the previous Paragraph, the <u>Board of Directors</u> may <u>select</u> the Representative Directors among the Directors by resolution of the Board of Directors.</p>
<p>Article <u>21</u> (Compensation of the Members of the Board)</p>	<p>Article <u>23</u> (Compensation <u>and others</u> of the Members of the Board)</p>
<p>The compensation <u>of</u> the Members of the Board is determined <u>at a</u> Meeting of Shareholders.</p>	<p>The compensation, <u>bonus and other asset benefits (hereinafter referred to as "compensation and others") that the Members of the Board receive from the Company as compensation for exercising its task</u> is determined <u>by resolution of a</u> Meeting of Shareholders.</p>
<p>Article <u>22</u> (Omitted) (Newly established)</p>	<p>Article <u>24</u> (Not changed) <u>Article 25 (Omission of Resolution of the Board of Directors)</u> <u>If all Members of the Board (only who can join the resolution of said item) agree with a resolution item of the Board of Directors in writing or by electromagnetic record, the said resolution item shall be deemed to be passed by the Board of Directors.</u> <u>If any objections are expressed by any Auditors, however, this may not be the case.</u></p>
<p>Article <u>23</u> (Omitted)</p>	<p>Article <u>26</u> (Not changed)</p>
<p>Article <u>24</u> (Omitted)</p>	<p>Article <u>27</u> (Not changed)</p>
<p>Article <u>25</u> (Election of Auditors)</p>	<p>Article <u>28</u> (Election of Auditors)</p>
<p>Auditors shall be elected <u>at</u> a Meeting of Shareholders.</p>	<p>Auditors shall be elected <u>by resolution of a</u> Meeting of Shareholders.</p>
<p>2. Regarding the resolution for the election of the previous Paragraph, the election shall be determined by a majority of voting rights of the shareholders attending the Annual Meeting of Shareholders attended by the shareholders having at least 1/3 of the voting rights of <u>all</u> shareholders.</p>	<p>2. Regarding the resolution for the election of the previous Paragraph, the election shall be determined by a majority of voting rights of the shareholders attending the Annual Meeting of Shareholders attended by the shareholders having at least 1/3 of the voting rights of shareholders <u>who are entitled to vote</u>.</p>

Present	New articles (Draft)
<p>Article <u>26</u> (Term of Auditors) The term of office of each Auditor expires at the close of the <u>last Annual Meeting of Shareholders coming in four years after becoming an Auditor.</u></p> <p>2. The term of office of each Auditor elected to fill a vacancy expires at the expiration of the term <u>that the retired Auditor was supposed to have.</u></p> <p>Article <u>27</u> (Full-time Auditors) The Auditors shall <u>appoint</u> one or more full-time Auditors by mutual vote.</p> <p>Article <u>28</u> (Compensation of the Auditors) The compensation of the Auditors is determined <u>at</u> a Meeting of Shareholders.</p> <p>Article <u>29</u> (Omitted)</p> <p>Article <u>30</u> (Omitted)</p> <p>Article <u>31</u> (Fiscal Year) The <u>fiscal</u> year of the Company shall be from the 1st day of April in each year to the 31st day of March of the following year, <u>and the date of closing of the Company's accounts shall be the last day of each fiscal year.</u></p> <p>Article <u>32</u> (Profit Dividends) <u>Profit Dividends</u> of the Company shall <u>be paid</u> to the shareholders or registered pledgees who are entered or recorded in the last register of shareholders, <u>etc.</u> as of March 31 of each year, <u>and to the shareholders of fractional shares who are entered or recorded in the last register of fractional shareholders as of March 31 of each year.</u></p> <p>Article <u>33</u> (Interim Dividends) The Company may, <u>upon</u> resolution of a meeting of the Board of Directors, <u>distribute</u> moneys (interim dividend) <u>pursuant to</u> the provisions of Article <u>293-5 of the Commercial Code</u> to the shareholders or registered pledgees who are entered or recorded in the last register of shareholders, <u>etc.</u> as of September 30 of each year, <u>and to the shareholders of fractional shares who are entered or recorded in the last register of fractional shareholders as of September 30 of each year.</u></p> <p>Article <u>34</u> (Statute of Limitation of Dividends, etc.) If <u>profit</u> dividends and interim dividends have not been claimed for more than three (3) years after the date of <u>offer</u> of the payment thereof, the Company shall be exempted from the payment thereof.</p>	<p>Article <u>29</u> (Term of Auditors) The term of office of each Auditor expires at the close of the Annual Meeting of Shareholders <u>of the last business year ended within four years after being elected.</u></p> <p>2. The term of office of each Auditor elected to fill a vacancy <u>for an Auditor who has retired before the end of his term</u> expires at the expiration of the term <u>of</u> the retired Auditor.</p> <p>Article <u>30</u> (Full-time Auditors) The <u>Board of Auditors</u> shall <u>select</u> one or more full-time Auditors by mutual vote <u>among all the Auditors by resolution of the Board of Auditors.</u></p> <p>Article <u>31</u> (Compensation <u>and others</u> of the Auditors) The compensation <u>and others</u> of the Auditors is determined <u>by resolution of</u> a Meeting of Shareholders.</p> <p>Article <u>32</u> (Not changed)</p> <p>Article <u>33</u> (Not changed)</p> <p>Article <u>34</u> (Business Year) The <u>business</u> year of the Company shall be from the 1st day of April in each year to the 31st day of March of the following year.</p> <p>Article <u>35</u> (Year-end Dividends) The Company shall <u>pay dividends of surplus (hereinafter called the "year-end dividends") in money</u> to the shareholders or registered <u>share</u> pledgees who are entered or recorded in the last register of shareholders as of March 31 of each year <u>by resolution of a Meeting of Shareholders.</u></p> <p>Article <u>36</u> (Interim Dividends) The Company may, <u>by</u> resolution of a meeting of the Board of Directors, <u>pay dividends of surplus</u> moneys (<u>hereinafter referred to as the "interim dividend"</u>) <u>defined in</u> the provisions of Article <u>454, Paragraph 5 of the Company Law</u> to the shareholders or registered <u>share</u> pledgees who are entered or recorded in the last register of shareholders as of September 30 of each year.</p> <p>Article <u>37</u> (Statute of Limitation of <u>Year-end</u> Dividends, etc.) If <u>year-end</u> dividends and interim dividends have not been claimed for more than three (3) years after the date of the <u>start</u> of the payment thereof, the Company shall be exempted from the payment thereof.</p>

Present	New articles (Draft)
(Newly established)	<p data-bbox="815 129 1082 159"><u>(Supplementary Provision)</u></p> <p data-bbox="815 174 1469 353"><u>Article 1 In accordance with the Share Handling Regulations, a shareholder holding fractional unit shares shall be entitled to demand that the Company sell to the shareholder such number of shares equal to one full unit of share by combining with the number of such fractional unit shares.</u></p> <p data-bbox="815 371 1458 439"><u>Article 2 The Company shall have a transfer agent for fractional shares.</u></p> <p data-bbox="847 456 1442 562"><u>2. The transfer agent and the location of its office shall be designated by resolution of the Board of Directors, and shall be announced publicly.</u></p> <p data-bbox="847 580 1481 759"><u>3. The creation and maintenance of the original register of shareholders of fractional shares and other procedures concerning the original register of fractional shares shall be delegated to the transfer agent and not handled by the Company.</u></p> <p data-bbox="815 777 1474 956"><u>Article 3 The procedures involved in fractional shares of the Company and the fees shall be defined in accordance with laws, ordinances and the Articles of Incorporation of the Company as well as the Share Handling Regulations established by the Board of Directors of the Company.</u></p> <p data-bbox="815 974 1481 1153"><u>Article 4 The Company shall pay the year-end dividends to the shareholders of fractional shares who are entered or recorded in the last original register of shareholders of fractional shares as of March 31 of each year by resolution of a Meeting of Shareholders.</u></p> <p data-bbox="815 1171 1437 1350"><u>Article 5 The Company may pay the interim dividends to the shareholders of fractional shares who are entered or recorded in the last original register of shareholders of fractional shares as of September 30 of each year by resolution of the Board of Directors.</u></p> <p data-bbox="815 1368 1465 1473"><u>Article 6 Articles 1 to 6 of the Supplementary Provision shall be deleted when fractional shares of the Company no longer exist.</u></p>

Proposal 3: Election of 11 Members of the Board

The term of office of all the 11 current Members of the Board expires at the close of this Annual Meeting of Shareholders.

It is proposed that 11 Members of the Board be elected.

The candidates for Member of the Board are as follows:

Candidate Number	Name (Date of birth)	Primary Position and Profile, and Current Title at Other Company	Number of KDDI Corporation Shares Owned
1	Sadanori Amano (June 19, 1944)	<p>January 2001: Supervisory Deputy Director-General of Ministry of Internal Affairs and Communications</p> <p>February 2002: Advisor of Japan Data Communications Association</p> <p>April 2002: Executive President of Postal Life Insurance Welfare Corporation</p> <p>August 2002: Executive President of Postal Service Center Foundation</p> <p>April 2003: Executive President of Research Institute of Telecommunications and Economics</p> <p>January 2004: Advisor of Daiwa Institute of Research Ltd.</p> <p>July 2004: Special Adviser</p> <p>June 2005: Vice Chairman, Member of the Board (Current position)</p>	21.00 Shares
2	Tadashi Onodera (February 3, 1948)	<p>June 1989: Member of the Board</p> <p>June 1995: Managing Director</p> <p>June 1997: Executive Vice President</p> <p>June 2001: President Member of the Board</p> <p>June 2005: President and Chairman (Current position)</p>	393.10 Shares
3	Masahiro Yamamoto (January 4, 1942)	<p>June 1997: Member of the Board</p> <p>April 2000: Senior Managing Director</p> <p>June 2001: Executive Vice President, Member of the Board (Current position)</p> <p>June 2005: Officer, Group Strategy and Corporate Administration</p> <p>April 2006: Officer, Group Strategy, Corporate Administration and Human Resources (Current position)</p>	90.00 Shares
4	Nobuhiko Nakano (October 12, 1945)	<p>June 1995: Member of the Board</p> <p>June 1997: Managing Director</p> <p>June 2001: Associate Senior Vice President</p> <p>April 2003: Senior Vice President</p> <p>June 2003: Member of the Board Senior Vice President</p> <p>April 2005: Chief Sales Officer</p> <p>June 2005: Executive Vice President, Member of the Board (Current position)</p> <p>Chief Marketing and Sales Officer (Current position)</p>	17.00 Shares

Candidate Number	Name (Date of birth)	Primary Position and Profile, and Current Title at Other Company	Number of KDDI Corporation Shares Owned
5	Yasuhiko Ito (December 21, 1945)	<p>October 2000: Member of the Board</p> <p>June 2001: Associate Senior Vice President</p> <p>April 2003: Senior Vice President</p> <p>June 2003: Member of the Board Senior Vice President</p> <p>April 2005: Chief Technology Officer and General Manager, Office of CTO</p> <p>June 2005: Executive Vice President, Member of the Board (Current position)</p> <p>December 2005: Chief Technology Officer (Current position)</p>	17.34 Shares
6	Satoshi Nagao (October 29, 1946)	<p>June 2001: Associate Senior Vice President</p> <p>April 2003: Senior Vice President</p> <p>June 2003: Member of the Board Senior Vice President</p> <p>June 2005: Executive Vice President, Member of the Board (Current position) Officer, Finance and Public Relations</p> <p>April 2006: Officer, Finance (Current position)</p>	22.00 Shares
7	Hirofumi Morozumi (May 2, 1956)	<p>June 1995: Member of the Board</p> <p>June 2001: Vice President</p> <p>April 2003: Associate Senior Vice President</p> <p>June 2003: Member of the Board Associate Senior Vice President (Current position)</p> <p>April 2005: General Manager, “au” Business Sector</p> <p>December 2005: General Manager, Consumer Business Sector (Current position)</p>	29.00 Shares
8	Jiro Ushio (February 12, 1931)	<p>April 1979: Chairman and Chief Executive Officer of USHIO, INC. (Current position)</p> <p>June 1984: The Company was established, Member of the Board</p> <p>April 2000: Chairman Member of the Board</p> <p>June 2003: Member of the Board (Current position)</p>	25.00 Shares
9	Noboru Nakamura (October 6, 1944)	<p>June 1991: Director of Kyocera Corporation</p> <p>June 1995: Executive Director of Kyocera Corporation</p> <p>June 1997: Senior Executive Representative Director of Kyocera Corporation</p> <p>June 1999: Vice President and Representative Director of Kyocera Corporation</p> <p>August 2002: Vice President and Representative Director of KYOCERA Chemical Corporation</p> <p>June 2003: Director of Kyocera Corporation</p> <p>June 2005: President and Representative Director of KYOCERA Chemical Corporation</p> <p>September 2005: President and Representative Director of Japan Medical Materials Corporation (Current position)</p> <p>April 2006: Chairman of the Board and Representative Director of Kyocera Corporation (Current position) Chairman and Representative Director of KYOCERA Chemical Corporation (Current position)</p>	1.00 Shares

Candidate	Name	Primary Position and Profile, and Current Title at Other Company	Number of KDDI Corporation Shares Owned
10	Hiroshi Okuda (December 29, 1932)	August 1995: President of Toyota Motor Corporation December 1998: Director of KDD Corporation June 1999: Chairman, Member of the Board of Toyota Motor Corporation (Current position) October 2000: Auditor June 2001: Member of the Board (Current position)	5.00 Shares
11	Tsunehis Katsumata (March 29, 1940)	June 1996: Director of Tokyo Electric Power Company June 1998: Managing Director of Tokyo Electric Power Company June 1999: Executive Vice President of Tokyo Electric Power Company October 2002: President of Tokyo Electric Power Company (Current position)	0 Share

Notes: 1. Mr. Tsunehis Katsumata is the President of Tokyo Electric Power Company, and the Company has a competitive relationship with Tokyo Electric Power Company involving the fiber optic business.

2. There are no special interests between other candidates and the Company.

3. Messrs. Noboru Nakamura, Hiroshi Okuda and Tsunehis Katsumata satisfy the requirements for external directors.

Proposal 4: Election of 2 Auditors

To improve its auditing system, it is proposed that Mr. Nobuo Nezu be elected as an Auditor to increase the number of Auditors.

Also, Mr. Yoshiaki Tsuji will resign for personal reasons and retire as Auditor at the closing of this Annual Meeting of Shareholders. It is proposed that Mr. Takashi Yonezawa be elected as an alternate.

For selection of candidate, the person who has the ability and insight for auditing from the independent position of the Members of the Board to audit appropriately is selected. As for the submission of this proposal, the agreement of the Board of Auditors has been obtained.

The candidates for Auditors are as follows:

Candidate Number	Name (Date of birth)	Primary Position and Profile, and Current Title at Other Company	Number of KDDI Corporation Shares Owned
1	Nobuo Nezu (February 3, 1945)	October 2000: Member of the Board June 2001: Vice President April 2003: Associate Senior Vice President June 2003: Member of the Board Associate Senior Vice President, (Current position) January 2005: General Manager, Broadband & Consumer Business Sector and General Manager, "Metal Plus" Business Management Division December 2005: Officer, Corporate Risk Management (Current position)	39.51 Shares
2	Takashi Yonezawa (May 4, 1942)	July 1993: Deputy Director General for Minister of National Land Agency (Regional Development Bureau) July 1994: Attached to the Minister's Secretariat for Ministry of Construction July 1994: Director of Foundation of River & Basin Integrated Communications July 1998: Executive Director of Condominium Management Companies Association April 2001: Executive Director of Bicycle Parking Facilities Development and Management Foundation (Current position)	0 Share

Notes: 1. There are no special interests between the above-mentioned candidates and the Company.

2. The candidate for Auditor Mr. Takashi Yonezawa satisfies the requirements for external auditors.

Proposal 5: Decision of the Revision of the Compensation using the Stock Options for the Members of the Board

(1) Reason for the proposal

The Company has issued equity warrants to the Members of the Board free of charge as stock options to improve incentives to fulfill their duties and to enhance business achievements.

Before the Company Law took effect, the Company has issued the equity warrants to persons other than shareholders with advantages as stock options and the issuance of such rights has been performed under the approval of a special resolution. After the Company Law took effect, however, the equity warrants issued to the Members of the Board as stock options are now deemed as their compensation, and therefore the compensations of the Members of the Board will be changed in accordance with this change.

(2) Details of the proposal

The 17th Annual Meeting of Shareholders held on June 26, 2001 has approved that the Members of the Board of the Company be paid within 40 million yen (not including salary as an employee if a person is both an employee and a Member of the Board of the Company) per month for the compensation, however, aside from said compensation, an approval is required to set the compensation given to the Members of the Board of the Company by issuing the equity warrants to them as stock options be within 40 million yen per year.

There are currently 11 Members of the Board, and if the Proposal 3 is approved as it is, the Board will consist of 11 members (among them, 7 members will be subject to the grant of the equity warrants of this proposal).

Meanwhile, in the future, the Company will change the issuance of such equity warrants as stock options so that the Company issues the equity warrants as stock options by resolution of the Board of Directors of the Company under the condition that, on the supposition that the fair value of the equity warrants is the amount to be paid, such amount is offset with the compensation of the Members of the Board due to the Company.

Details of the equity warrants issued to the Members of the Board as stock options are as follows:

1) Type of stock and number of shares eligible for by equity warrants

Up to 200 shares of common stock of the Company shall be issued by executing equity warrants issued within one year from the day after the Annual Meeting of Shareholders of each business year.

When the Company splits or merges stocks, the number of shares shall be adjusted as shown below. This adjustment shall be made only for the number of shares eligible for the equity warrants that are not exercised as of the time of splitting or merging. Any fraction less than one share shall be discarded if occurring after the adjustment.

Number of shares after adjustment = Number of shares before adjustment × Split (or merge) ratio

2) Total number of equity warrants issued

Up to 200 of equity warrants shall be issued within one year from the day after the Annual Meeting of Shareholders of each business year.

(The number of shares eligible for one equity warrant shall be one share of stock. If the number of shares is adjusted as provided in 1), however, a similar adjustment shall be carried out.)

3) Amount of money to be paid at the exercise of equity warrants

The amount to be paid per equity warrants shall be the product of the following amount to be paid per share multiplied by the number of shares eligible for one equity warrant provided in 2).

The amount to be paid per share shall be the average of the daily closing price of the Company's stock on the Tokyo Stock Exchange (excluding days when there is no trading) for the past one month from the issue date of the equity warrants multiplied by 1.05, with any fraction below 1,000 yen rounded up.

However, if the price falls below the closing price on the issue date of the equity warrants (closing price immediately before if transactions fail), the closing price shall be multiplied by 1.05, with any fraction below 1,000 yen rounded up.

When the Company splits or merges stock after the issue of equity warrants, the amount to be paid per share shall be adjusted as follows and any fraction below 1,000 yen shall be rounded up.

$$\text{Amount to be paid after adjustment} = \text{Amount to be paid before adjustment} \times \frac{1}{\text{Split or merge ratio}}$$

Moreover, when a new stock is issued at a price below the current stock price after the issue of equity warrants (except for the cases of the capital increase through public offerings at market price, the allocation of new stocks to a third party, or the issue of new stock by exercising the equity warrants), the amount to be paid shall be adjusted as follows and any fraction below 1,000 yen shall be rounded up.

$$\begin{array}{l} \text{Amount to be paid after adjustment} \\ = \text{Amount to be paid before adjustment} \times \frac{\text{Number of shares already issued} + \frac{\text{Number of shares newly issued} \times \text{Amount to be paid per share}}{\text{Stock price before the issue of new stock}}}{\text{Number of shares already issued} + \text{Number of shares increased by new issue}} \end{array}$$

4) Exercisable period of equity warrants

For two years from October 1 after two years from the year of the equity warrants allocation.

5) Restriction of acquisition of equity warrants by transfer

An approval from the Board of Directors is required for the acquisition of equity warrants by transfer.

6) Regarding other contents of equity warrants, they are stipulated by the Board of Directors that decides issues relating to the offering of the equity warrants of this case.

Proposal 6: Delegation of Decision-making on Issues Relating to the Offering of the Equity warrants as Stock Options Issued to Employees, Etc. to the Board of Directors

Based on the regulations of the Articles 236, 238 and 239 of the Company Law, an approval is required to issue equity warrants with advantages as stock options to the Vice Presidents, Executive Directors, Advisors, employees of the Company and its affiliated companies, and the Members of the Board of its affiliated companies by using the following procedures, as well as to delegate decision-making on issues relating to the offering of the equity warrants of this proposal to the Board of Directors.

(1) Reasons for issuing equity warrants with advantages

Equity warrants will be allocated free of charge to the Vice Presidents, Executive Directors, Advisors, and employees of the Company and its affiliated companies, and to the Members of the Board of its affiliated companies to improve incentives to fulfill their duties and to enhance business achievements.

(2) The contents and the limit number of the equity warrants

1) Type of stock and number of shares eligible for equity warrants

Up to 4,800 shares of common stock of the Company

When the Company splits or merges stocks, the number of shares shall be adjusted as shown below. This adjustment shall be made only for the number of shares eligible for the equity warrants that are not exercised as of the time of splitting or merging. Any fraction less than one share shall be discarded if occurring after the adjustment.

Number of shares after adjustment = Number of shares before adjustment × Split (or merge) ratio

2) Total number of equity warrants issued

Up to 4,800

(The number of shares eligible for one equity warrant shall be one share of stock. If the number of shares is adjusted as provided in 1), however, a similar adjustment shall be carried out.)

3) Amount of money to be paid at the exercise of equity warrants

The amount to be paid per equity warrants shall be the product of the following amount to be paid per share multiplied by the number of shares eligible for one equity warrant provided in 2).

The amount to be paid per share shall be the average of the daily closing price of the Company's stock on the Tokyo Stock Exchange (excluding days when there is no trading) for the past one month from the issue date of the equity warrants multiplied by 1.05, with any fraction below 1,000 yen rounded up.

However, if the price falls below the closing price on the issue date of the equity warrants (closing price immediately before if transactions fail), the closing price shall be multiplied by 1.05, with any fraction below 1,000 yen rounded up.

When the Company splits or merges stock after the issue of equity warrants, the amount to be paid per share shall be adjusted as follows and any fraction below 1,000 yen shall be rounded up.

$$\text{Amount to be paid after adjustment} = \frac{1}{\text{Amount to be paid before adjustment} \times \text{Split or merge ratio}}$$

Moreover, when a new stock is issued at a price below the current stock price after the issue of equity warrants (except for the cases of the capital increase through public offerings at market price, the allocation of new stocks to a third party, or the issue of new stock by exercising the equity warrants), the amount to be paid shall be adjusted as follows and any fraction below 1,000 yen shall be rounded up.

$$\begin{aligned} & \text{Number of shares already issued} + \frac{\text{Number of shares newly issued} \times \text{Amount to be paid per share}}{\text{Stock price before the issue of new stock}} \\ \text{Amount to be paid after adjustment} &= \text{Amount to be paid before adjustment} \times \frac{\text{Number of shares already issued} + \text{Number of shares increased by new issue}}{\text{Number of shares already issued} + \text{Number of shares increased by new issue}} \end{aligned}$$

4) Exercisable period of equity warrants

From October 1, 2008 to September 30, 2010

5) Matters concerning the capital and capital reserves increased by issuing new shares by exercise of equity warrants

The amount of capital to be increased by issuing new shares by exercise of equity warrants shall be one-half of the maximum amount for the capital increase calculated by following the Article 40 Paragraph 1 of the Company Account Regulation, and if the result of the calculation is a fraction less than one yen, such fraction shall be rounded up. The remaining amount shall be deposited into the capital reserves.

6) Restriction of acquisition of equity warrants by transfer

An approval from the Board meeting is required for the acquisition of equity warrants by transfer.

7) Conditions of acquisition of equity warrants

- (i) If a person who has a equity warrants or his successor no longer fulfills the conditions for exercising such right, the Company can acquire said equity warrants free of charge.
 - (ii) If a merger contract under which the Company ceases to exist is approved at a meeting of shareholders of the Company, or if a stock exchange contract proposal or a stock transfer proposal under which the Company becomes a wholly-owned subsidiary is approved at a meeting of shareholders of the Company, the Company can acquired equity warrants free of charge.
- 8) Omission of fractional share occurred by exercising equity warrants
Any fraction less than one share shall be discarded if occurred by issuing shares to a person who has a equity warrants.
- (3) Issue price of equity warrants
No payment required
- (4) Regarding other contents of equity warrants, they are stipulated by the Board of Directors that decides issues relating to the offering of the equity warrants of this case.