

NTT DOCOMO INC  
Form 6-K  
July 30, 2010

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
FORM 6-K  
REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16 OR  
15d-16 UNDER THE  
SECURITIES EXCHANGE ACT OF 1934  
For the month of July, 2010.  
Commission File Number: 001-31221  
Total number of pages: 64**

**NTT DOCOMO, INC.**  
(Translation of registrant's name into English)

**Sanno Park Tower 11-1, Nagata-cho 2-chome  
Chiyoda-ku, Tokyo 100-6150  
Japan  
(Address of principal executive offices)**

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.  
**Form 20-F**  **Form 40-F**

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

NTT DOCOMO, INC.

Date: July 30, 2010

By: /s/ OSAMU HIROKADO  
**Osamu Hirokado**  
**Head of Investor Relations**

Information furnished in this form:

1. Earnings release dated July 29, 2010 announcing the company's results for the three months ended June 30, 2010
2. Presentation material

**Table of Contents****Earnings Release**

For the Three Months Ended June 30, 2010

July 29, 2010

**[U.S. GAAP]**

of registrant: **NTT DOCOMO, INC. (URL <http://www.nttdocomo.co.jp/>)**  
No.: 9437  
Exchange on which the Company's shares are listed: Tokyo Stock Exchange-First Section  
Representative: Ryuji Yamada, Representative Director, President and Chief Executive Officer  
Ken Takeuchi, Senior Manager, General Affairs Department / TEL +81-3-5156-1  
ct:  
Scheduled date for filing of quarterly report: August 4, 2010  
Scheduled date for dividend payment:  
Supplemental material on quarterly results: Yes  
Information on quarterly results: Yes (for institutional investors and analysts)

(Amounts are rounded off to the nearest 1 million yen.)

**1. Consolidated Financial Results for the Three Months Ended June 30, 2010 (April 1, 2010 - June 30, 2010)****(1) Consolidated Results of Operations**

(Millions of yen, except per share amount)

	<b>Operating Revenues</b>		<b>Operating Income</b>		<b>Income before Income Taxes</b>		<b>Net Income Attributable to NTT DOCOMO, INC.</b>	
Three months ended June 30, 2010	1,089,244	0.4%	240,518	(4.5)%	240,559	(2.8)%	142,152	(3.5)%
Three months ended June 30, 2009	1,084,754	(7.3)%	251,819	(15.1)%	247,464	(14.2)%	147,377	(15.1)%

	<b>Basic Earnings per Share Attributable to NTT DOCOMO, INC.</b>		<b>Diluted Earnings per Share Attributable to NTT DOCOMO, INC.</b>	
Three months ended June 30, 2010	3,416.64 (yen)			
Three months ended June 30, 2009	3,529.16 (yen)			

(Percentages above represent changes compared to the corresponding previous quarterly period)

**(2) Consolidated Financial Position**

(Millions of yen, except per share amounts)

	<b>Total Assets</b>	<b>Total Equity (Net Assets)</b>	<b>NTT DOCOMO, INC. Shareholders Equity</b>	<b>Shareholders Equity Ratio</b>	<b>NTT DOCOMO, INC. Shareholders Equity per Share</b>
June 30, 2010	6,652,748	4,695,640	4,669,930	70.2%	112,242.44 (yen)

March 31, 2010	6,756,775	4,662,446	4,635,877	68.6%	111,423.97 (yen)
----------------	-----------	-----------	-----------	-------	---------------------

**2. Dividends**

Date of record	Cash dividends per share (yen)				
	End of the first quarter	End of the second quarter	End of the third quarter	Year-end	Total
Year ended March 31, 2010		2,600.00		2,600.00	5,200.00
Year ending March 31, 2011					
Year ending March 31, 2011 (Forecasts)		2,600.00		2,600.00	5,200.00

Changes in forecasts of dividends during the three months ended June 30, 2010: None

**3. Forecasts of Consolidated Financial Results for the Fiscal Year Ending March 31, 2011 (April 1, 2010 March 31, 2011)**

(Millions of yen, except per share amounts)

	Operating Revenues	Operating Income	Income before Income Taxes	Net Income	Basic Earnings per Share
				Attributable to NTT DOCOMO, INC.	Attributable to NTT DOCOMO, INC.
Six months ending September 30, 2010					
Year ending March 31, 2011	4,222,000	840,000	843,000	497,000	11,945.47
	(1.5)%	0.7%	0.8%	0.4%	

(Percentages above represent changes compared to the corresponding previous year)

Changes in earnings forecasts for the fiscal year ending March 31, 2011 during the three months ended June 30, 2010: None

**Table of Contents****4. Others**

(1) Changes in significant subsidiaries for the three months ended June 30, 2010 (Changes in significant subsidiaries for the three months ended June 30, 2010 which resulted in changes in scope of consolidation)			None
(2) Application of simplified or exceptional accounting (Application of simplified or exceptional accounting for quarterly consolidated financial statements)			None
(3) Changes in significant accounting policies, procedures and presentation			None
(i) Changes due to revision of accounting standards and other regulations:			
(ii) Others:			None
(See more information 2. Other information in the attachment page 10)			
(4) Number of issued shares (common stock)			
(i) Number of issued shares (inclusive of treasury stock):	As of June 30, 2010:	43,790,000 shares	
	As of March 31, 2010:	43,790,000 shares	
(ii) Number of treasury stock:	As of June 30, 2010:	2,184,258 shares	
	As of March 31, 2010:	2,184,258 shares	
(iii) Number of weighted average common shares outstanding:	For the three months ended June 30, 2010:	41,605,742 shares	
	For the three months ended June 30, 2009:	41,759,807 shares	

## \* Presentation on the status of quarterly review process:

This earnings release is not subject to the quarterly review process as required by the Financial Instruments and Exchange Act of Japan. As of the date when this earnings release was issued, the review process on quarterly financial statements as required by the Financial Instruments and Exchange Act had not been finished.

## \* Explanation for forecasts of operation and other notes:

Forward-looking statements in this earnings release, such as forecasts of results of operations, are based on the information currently available and the certain assumptions that we regard as reasonable, and therefore actual results may differ materially from those contained in or suggested by any forward-looking statements. With regard to the assumptions and other related matters concerning forecasts for the fiscal year ending March 31, 2011, please refer to the attachment pages 9 and 18.

**Table of Contents**

**CONTENTS OF THE ATTACHMENT**

	page
Contents of the Attachment	1
1. Information on Consolidated Results	2
(1) Operating Results	2~7
(2) Financial Review	8
(3) Prospects for the Fiscal Year Ending March 31, 2011	9
2. Other Information	10
(1) Changes in Significant Subsidiaries	10
(2) Application of Simplified or Exceptional Accounting	10
(3) Changes in Significant Accounting Policies, Procedures and Presentation	10
3. Consolidated Financial Statements	11
(1) Consolidated Balance Sheets	11
(2) Consolidated Statements of Income and Comprehensive Income	12
(3) Consolidated Statements of Cash Flows	13
(4) Going Concern Assumption	14
(5) Segment Information	14
(6) Significant Changes in NTT DOCOMO, INC. Shareholders' Equity	14
4. Appendices	15
(1) Operating Data for 1st Quarter of Fiscal Year Ending March 31, 2011	15
(2) Definition and Calculation Methods of ARPU and MOU	16
(3) Reconciliations of the Disclosed Non-GAAP Financial Measures to the Most Directly Comparable GAAP Financial Measures	17
5. Special Note Regarding Forward-Looking Statements	18

**Table of Contents**

**Earnings Release for the Three Months Ended June 30, 2010**

**1. Information on Consolidated Results**

**(1) Operating Results**

**i. Business Overview**

As Japan's mobile phone market continues to mature in line with the rise in cellular penetration rate, competition among operators remains intense in such areas as acquisition of subscribers and further improvement of service offerings.

Under these market conditions, we have moved ahead with our customer satisfaction improvement initiatives based on our "Change and Challenge" action plan. Positioning this fiscal year as "a year to enter the execution phase" to realize the goals of our "Challenge" programs, we have swiftly and steadily implemented various measures to achieve an increase in packet ARPU (average monthly revenue per unit) and ensure a smooth roll-out of the LTE system.

For the three months ended June 30, 2010, we recognized operating revenues of ¥1,089.2 billion, which increased by ¥4.5 billion from the same period of the prior fiscal year due to the increase of ¥23.7 billion in packet communications revenues through our endeavors to boost subscribers' packet usage and expand the uptake of packet flat-rate services and the increase of ¥19.8 billion in other revenues by the increase of subscriptions to "Mobile Phone Protection & Delivery Service" and other factors, although voice revenues declined by ¥41.4 billion due to the decrease in voice ARPU. While we reduced our network costs through efficient use of capital expenditures and made ongoing cost-cutting efforts, we recognized operating expense of ¥848.7 billion (an increase of ¥15.8 billion from the same period of the prior fiscal year) due to the implementation of various measures aimed for future revenue expansion and further improvement of customer satisfaction. As a result, we recorded an operating income of ¥240.5 billion (a decrease of ¥11.3 billion from the same period of the prior fiscal year). Income before income taxes was ¥240.6 billion and net income attributable to NTT DOCOMO, INC. was ¥142.2 billion.

Notes: 1. The information in this earnings release is unaudited.

2. Amounts in this earnings release are rounded off.

**Table of Contents****DOCOMO Earnings Release****Three Months Ended June 30, 2010**

Consolidated results of operations for the three months ended June 30, 2009 and 2010 were as follows:

&lt;Results of operations&gt;

	Billions of yen				
	Three months ended June 30, 2009	Three months ended <b>June 30, 2010</b>		Increase  (Decrease)	
Operating revenues	¥ 1,084.8	¥ <b>1,089.2</b>	¥	4.5	0.4%
Operating expenses	832.9	<b>848.7</b>		15.8	1.9
Operating income	251.8	<b>240.5</b>		(11.3)	(4.5)
Other income (expense)	(4.4)	<b>0.0</b>		4.4	
Income before income taxes	247.5	<b>240.6</b>		(6.9)	(2.8)
Income taxes	100.2	<b>97.1</b>		(3.2)	(3.2)
Equity in net income (losses) of affiliates	0.8	<b>(0.9)</b>		(1.7)	
Net Income	148.0	<b>142.6</b>		(5.5)	(3.7)
Less: Net (income) loss attributable to noncontrolling interests	(0.7)	<b>(0.4)</b>		0.2	34.9
Net income attributable to NTT DOCOMO, INC.	¥ 147.4	¥ <b>142.2</b>	¥	(5.2)	(3.5)%
EBITDA margin*	39.3%	<b>36.9%</b>		(2.4)point	
ROCE before tax effect*	5.0%	<b>4.6%</b>		(0.4)point	
ROCE after tax effect*	2.9%	<b>2.7%</b>		(0.2)point	

\* EBITDA and EBITDA margin, as we use them in this earnings release, are different from EBITDA as used in Item 10(e) of Regulation S-K and may not be comparable to similarly titled measures used



by other companies. For an explanation of our definitions of EBITDA, EBITDA margin, ROCE before tax effect and ROCE after tax effect, see 4.

(3)

Reconciliations of the Disclosed Non-GAAP Financial Measures to the Most Directly Comparable GAAP Financial Measures on page 17.

<Operating revenues>

	Billions of yen				
	Three months ended June 30, 2009	Three months ended June 30, 2010		Increase (Decrease)	
Wireless services	¥ 941.8	¥ 943.9	¥ 2.1	0.2%	
Cellular services revenues	881.9	864.2	(17.7)	(2.0)	
- Voice revenues	490.6	449.2	(41.4)	(8.4)	
Including: FOMA services	450.3	431.2	(19.1)	(4.2)	
- Packet communications revenues	391.3	414.9	23.7	6.0	
Including: FOMA services	381.6	410.1	28.6	7.5	
Other revenues	59.9	79.7	19.8	33.1	
Equipment sales	143.0	145.3	2.4	1.7	
Total operating revenues	¥ 1,084.8	¥ 1,089.2	¥ 4.5	0.4%	

Note: Voice revenues include data communications revenues through circuit switching systems.

<Operating expenses>

Billions of yen

	Three months ended June 30, 2009	Three months ended <b>June 30, 2010</b>		Increase  (Decrease)	
Personnel expenses	¥ 64.4	¥ <b>65.8</b>	¥	1.5	2.3%
Non-personnel expenses	503.7	<b>539.3</b>		35.6	7.1
Depreciation and amortization	169.0	<b>158.1</b>		(11.0)	(6.5)
Loss on disposal of property, plant and equipment and intangible assets	8.3	<b>5.5</b>		(2.7)	(33.2)
Communication network charges	77.7	<b>70.3</b>		(7.5)	(9.6)
Taxes and public dues	9.9	<b>9.8</b>		(0.1)	(1.3)
Total operating expenses	¥ 832.9	¥ <b>848.7</b>	¥	15.8	1.9%

**Table of Contents****DOCOMO Earnings Release****Three Months Ended June 30, 2010****ii. Segment Results****Mobile phone business**

During the three months ended June 30, 2010, as part of our customer loyalty enhancement programs, we integrated the Pake-hodai double and Biz-hodai double billing plans in pursuit of a simpler and easier-to-understand rate structure. We also released the docomo Smartphone Xperia™ and unveiled our FY2010 summer model handset lineup comprising 20 different models, of which 14 models were released before June 30, 2010. As a result of these undertakings, we were able to maintain our low cellular churn rate on par with the level of the same period of the prior fiscal year at 0.44%.

To boost our packet ARPU, we increased the variety of handsets with built-in access point mode capabilities that can function as mobile Wi-Fi router\*1, and also revised the communication charges of Pake-hodai double to make them more affordable for users making connections to our network via external devices. In addition, we proposed new usage methods using mobile Wi-Fi router devices compatible with our network, and launched discount campaigns with the aim of boosting packet communication usage.

Furthermore, with the ambition to create new revenue sources, we started to offer the docomo one-time insurance\*2 and i Bodym\*3 services.

As of June 30, 2010, the total number of our cellular services subscriptions was 56.51 million (an increase of 1.65 million compared to the number as of June 30, 2009). The aggregate number of subscriptions to Fami-wari MAX50 and other MAX discount programs introduced in August 2007 reached approximately 35.40 million, while the number of subscriptions to the Value Plan launched in November 2007 grew to approximately 35.10 million as of June 30, 2010. Although the packet ARPU posted a increase from the same period of the prior fiscal year, the aggregate cellular ARPU decreased by 4.6% year-on-year to ¥5,190 due to a drop in voice ARPU, which was negatively affected by the expanded uptake of Value Plan and other factors.

With regard to equipment sales, while the equipment sales revenues increased due to the increase in the total number of handsets sold in the three months ended June 30, 2010, by 0.27 million units from the same period of the prior fiscal year to 4.61 million units, cost of equipment sold decreased from the prior fiscal year due to the decrease in cost of purchase. Consequently, the equipment sales income improved from the same period of the prior fiscal year.

As a result of the foregoing, operating revenues and operating income from mobile phone business for the three months ended June 30, 2010, were ¥1,054.0 billion (a decrease of ¥3.9 billion from the same period of the prior fiscal year) and ¥242.0 billion (a decrease of ¥13.3 billion from the same period of the prior fiscal year), respectively.

\*1: An equipment that interconnects devices compatible with Wi-Fi (wireless LAN standard specification) and other networks.

\*2: DOCOMO's insurance service that allows a user to easily make on-the-spot

applications to various insurance services suitable for the occasion, e.g., travel or sports insurance, on an as-needed basis.

\*3: A mobile health-support service that turns mobile phone into a handy tool for monitoring daily physical activity and food intake, based on which the service provides health advice and tips.

**Table of Contents****DOCOMO Earnings Release****Three Months Ended June 30, 2010**

Number of subscriptions by services, trend of ARPU and other operating data are as follows:

&lt;Number of subscriptions by services&gt;

	Thousand subscriptions			
	June 30, 2009	June 30, 2010	Increase (Decrease)	
Cellular services	54,864	<b>56,515</b>	1,650	3.0%
Cellular (FOMA) services	50,246	<b>54,162</b>	3,916	7.8
Including: i-channel services	16,607	<b>16,757</b>	150	0.9
Including: i-concier services	1,558	<b>4,783</b>	3,225	207.0
Including: packet flat-rate services	19,817	<b>27,491</b>	7,674	38.7
Cellular (mova) services	4,618	<b>2,352</b>	(2,266)	(49.1)
i-mode services	48,597	<b>49,061</b>	464	1.0

Notes: 1. Number of subscriptions to Cellular services, Cellular (FOMA) services and Cellular (mova) services includes Communication Module services subscriptions.

2. Effective March 3, 2008, FOMA subscription became mandatory for subscription to 2in1 \* services, and those FOMA subscriptions are included in the number of FOMA subscriptions.

3. Number of subscriptions to packet flat-rate services includes subscriptions to Pake-hodai

double,  
 Pake-hodai  
 simple,  
 Pake-hodai,  
 Pake-hodai full,  
 Biz-hodai,  
 Flat-rate data plan  
 Standard,  
 Flat-rate data plan  
 64k and Flat-rate  
 data plan  
 HIGH-SPEED .  
 (Number as of  
 June 30 2009  
 includes  
 subscriptions to  
 Biz-hodai double  
 in addition to the  
 aforementioned  
 plans.)

4. Number of  
 i-mode  
 subscriptions  
 includes Cellular  
 (FOMA) i-mode  
 subscriptions and  
 Cellular  
 (mova) i-mode  
 subscriptions.

\* 2in1 refers to an  
 optional network  
 service which  
 enables a  
 subscriber to  
 subscribe to an  
 additional phone  
 number and an  
 e-mail address for  
 a single  
 compatible  
 handset.

<Number of handsets sold and churn rate>

	Thousand units	
Three months ended June 30, 2009	<b>Three months ended June 30, 2010</b>	Increase  (Decrease)

Edgar Filing: NTT DOCOMO INC - Form 6-K

Cellular services	4,344	<b>4,615</b>	271	6.2%
Cellular (FOMA) services				
New FOMA subscription	986	<b>1,167</b>	180	18.3
Change of subscription from mova to FOMA	813	<b>453</b>	(360)	(44.2)
FOMA handset upgrade by FOMA subscribers	2,538	<b>2,991</b>	453	17.9
Cellular (mova) services				
New mova subscription	4	<b>2</b>	(2)	(44.7)
mova handset upgrade by mova subscribers and change of subscription from FOMA to mova	2	<b>1</b>	(1)	(56.9)
Churn Rate	0.44%	0.44%		

**Table of Contents****DOCOMO Earnings Release**

&lt;Trend of ARPU and MOU&gt;

**Three Months Ended June 30, 2010**

	Three months ended June 30, 2009	Yen		Increase	
		Three months ended <b>June 30, 2010</b>		(Decrease)	
Aggregate ARPU* (FOMA+mova)	¥ 5,440	¥ <b>5,190</b>	¥ (250)	(4.6)%	
Voice ARPU	3,010	<b>2,680</b>	(330)	(11.0)	
Packet ARPU	2,430	<b>2,510</b>	80	3.3	
Aggregate ARPU (FOMA)	5,610	<b>5,260</b>	(350)	(6.2)	
Voice ARPU	3,010	<b>2,670</b>	(340)	(11.3)	
Packet ARPU	2,600	<b>2,590</b>	(10)	(0.4)	
Aggregate ARPU (mova)	3,550	<b>3,330</b>	(220)	(6.2)	
Voice ARPU	2,940	<b>2,770</b>	(170)	(5.8)	
i-mode ARPU	610	<b>560</b>	(50)	(8.2)	
MOU* (FOMA+mova) (minutes)	135	<b>133</b>	(2)	(1.5)%	

\* See 4.  
(2) Definition  
and Calculation  
Methods of  
ARPU and  
MOU on page  
16 for definition  
and calculation  
methods.  
<Results of operations>

	Three months ended June 30, 2009	Billions of yen		Increase	
		Three months ended <b>June 30, 2010</b>		(Decrease)	
Operating revenues from mobile phone business	¥ 1,057.9	¥ <b>1,054.0</b>	¥ (3.9)	(0.4)%	
Operating income from mobile phone business	255.2	<b>242.0</b>	(13.3)	(5.2)	



Table of Contents**DOCOMO Earnings Release****Three Months Ended June 30, 2010****Miscellaneous businesses**

Operating revenues from miscellaneous businesses for the three months ended June 30, 2010 were ¥35.2 billion, which represented 3.2% of total operating revenues. The revenues derived mainly from home shopping services provided mainly through TV media, high-speed internet connection for hotel facilities, advertisement services, development, sales and maintenance of IT systems and credit services. Operating expenses and operating loss from miscellaneous businesses were ¥36.7 billion and ¥1.5 billion, respectively.

&lt;Results of operations&gt;

	Billions of yen					
	Three months ended June 30, 2009	Three months ended June 30, 2010			Increase (Decrease)	
Operating revenues from miscellaneous businesses	¥ 26.9	¥	<b>35.2</b>	¥	8.4	31.1%
Operating income (loss) from miscellaneous businesses	(3.4)		<b>(1.5)</b>		2.0	57.4

**iii. Trend of Capital Expenditures**

We strived to improve the quality of our FOMA service area thoroughly and appropriately reinforced our network capacity to meet an increase in traffic demand. Since we efficiently implemented these initiatives, total capital expenditures for the three months ended June 30, 2010 were ¥140.9 billion (down 8.0% compared to the same period of prior year).

&lt;Breakdown of capital expenditures&gt;

	Billions of yen					
	Three months ended June 30, 2009	Three months ended June 30, 2010			Increase (Decrease)	
Mobile phone business	¥ 122.3	¥	<b>116.6</b>	¥	(5.7)	(4.7)%
Other (including information systems)	30.8		<b>24.3</b>		(6.5)	(21.1)
Total capital expenditures	¥ 153.1	¥	<b>140.9</b>	¥	(12.2)	(8.0)%

Table of Contents**DOCOMO Earnings Release****Three Months Ended June 30, 2010****(2) Financial Review****i. Financial Position**

	June 30, 2009	June 30, 2010	Billions of yen Increase (Decrease)		(Reference) March 31, 2010
Total assets NTT DOCOMO, INC.	¥ 6,499.0	¥ 6,652.7	¥ 153.8	2.4%	¥ 6,756.8
shareholders equity	4,408.2	4,669.9	261.7	5.9	4,635.9
Liabilities	2,085.2	1,957.1	(128.1)	(6.1)	2,094.3
Including: Interest bearing liabilities	762.6	610.0	(152.6)	(20.0)	610.3
Shareholders equity ratio (1)	67.8%	70.2%	2.4 point		68.6%
Debt ratio (2)	14.7%	11.6%	(3.1) point		11.6%

Notes: (1) Shareholders equity ratio =  
NTT  
DOCOMO,  
INC.  
shareholders  
equity / Total  
assets

(2) Debt ratio =  
Interest bearing  
liabilities /  
(NTT  
DOCOMO,  
INC.  
shareholders  
equity + Interest  
bearing  
liabilities)

**ii. Cash Flow Conditions**

For the three months ended June 30, 2010, net cash provided by operating activities was ¥241.3 billion, an increase of ¥86.8 billion (56.2%) compared to the same period of the prior year, mainly due to a decrease in income tax payment. Net cash used in investing activities was ¥2.3 billion, a decrease of ¥239.9 billion (99.0%) compared to the same period of the prior year. This was mainly due to an increase of proceeds from redemption of short-term investments, an increase of proceeds from redemption of short-term bailment for consumption to a related party and a decrease in purchases of non-current assets, which were partially offset by an increase in purchases of short-term investments of more than three months for cash management purpose.

Net cash used in financing activities was ¥108.3 billion, an increase of ¥132.7 billion compared to the same period of the prior year. This was mainly due to a decrease of proceeds from short-term borrowings, which was partially offset by a decrease in repayment of long-term debt.

Edgar Filing: NTT DOCOMO INC - Form 6-K

The balance of cash and cash equivalents was ¥488.2 billion as of June 30, 2010, an increase of ¥130.5 billion (36.5%) from the prior fiscal year end.

	Billions of yen				
	Three months ended June 30, 2009	Three months ended June 30, 2010		Increase (Decrease)	
Net cash provided by operating activities	¥ 154.5	¥ 241.3	¥	86.8	56.2%
Net cash used in investing activities	(242.2)	(2.3)		239.9	99.0
Net cash provided by (used in) financing activities	24.3	(108.3)		(132.7)	
Free cash flows (1)	(87.6)	239.0		326.6	
Free cash flows excluding changes in investments for cash management purposes (2)*	(90.8)	47.2		138.0	

Notes: (1) Free cash flows = Net cash provided by operating activities + Net cash used in investing activities

(2) Changes in investments for cash management purposes = Changes by purchases, redemption at maturity and disposals of financial instruments held for cash management purposes with original maturities of longer than three months

\* See 4. (3) Reconciliations of the Disclosed Non-GAAP Financial Measures to the Most Directly Comparable GAAP

Financial Measures  
on page 17.

**Table of Contents**

**DOCOMO Earnings Release**

**Three Months Ended June 30, 2010**

**(3) Prospects for the Fiscal Year Ending March 31, 2011**

As Japan's mobile phone market continues to mature in line with the rise in cellular penetration rate, competition among operators remains intense in such areas as acquisition of subscribers and further improvement of service offerings.

Under these market conditions, although the promotion of loyalty marketing is expected to curb churns and packet ARPU is projected to increase as a result of our efforts to boost subscribers' packet usage and expand the adoption of flat-rate service for unlimited packet access, operating revenues for the fiscal year ending March 31, 2011 are estimated to be ¥4,222.0 billion, primarily because of the projected decline in voice ARPU due to the penetration of new sales methods.

On the expense side, while the actions aimed for expanding future revenues and enhancing customer satisfaction are expected to be implemented, factors such as a projected decrease in network costs resulting from lower capital expenditures and on-going cost cutting efforts are expected to contribute to cost reductions. Accordingly, operating income is estimated to be ¥840.0 billion.

As we are currently not aware of any factors that may have a material impact on our projected results of operations, we have not revised our guidance announced on April 28, 2010.

**Table of Contents**

**DOCOMO Earnings Release**

**Three Months Ended June 30, 2010**

**2. Other information**

**(1) Changes in Significant Subsidiaries**

None

**(2) Application of Simplified or Exceptional Accounting**

None

**(3) Changes in Significant Accounting Policies, Procedures and Presentation**

None

**Table of Contents****DOCOMO Earnings Release****Three Months Ended June 30, 2010****3. Consolidated Financial Statements****(1) Consolidated Balance Sheets**

	Millions of yen	
	March 31, 2010	June 30, 2010
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and cash equivalents	¥ 357,715	¥ 488,211
Short-term investments	403,010	211,161
Accounts receivable	838,226	785,489
Allowance for doubtful accounts	(15,633)	(15,173)
Credit card receivables	126,009	139,160
Inventories	141,277	158,301
Deferred tax assets	100,545	87,337
Prepaid expenses and other current assets	109,829	117,201
Total current assets	2,060,978	1,971,687
<b>Property, plant and equipment:</b>		
Wireless telecommunications equipment	5,478,833	5,498,248
Buildings and structures	830,921	833,358
Tools, furniture and fixtures	516,084	517,669
Land	199,018	199,131
Construction in progress	83,608	97,435
Accumulated depreciation and amortization	(4,500,874)	(4,562,448)
Total property, plant and equipment, net	2,607,590	2,583,393
<b>Non-current investments and other assets:</b>		
Investments in affiliates	578,095	590,014
Marketable securities and other investments	151,026	138,084
Intangible assets, net	628,691	635,895
Goodwill	198,436	198,429
Other assets	257,911	254,555
Deferred tax assets	274,048	280,691
Total non-current investments and other assets	2,088,207	2,097,668
<b>Total assets</b>	<b>¥ 6,756,775</b>	<b>¥ 6,652,748</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current liabilities:</b>		
Current portion of long-term debt	¥ 180,716	¥ 186,709
Short-term borrowings	78	73
Accounts payable, trade	632,437	556,175

Edgar Filing: NTT DOCOMO INC - Form 6-K

Accrued payroll	54,580	<b>40,105</b>
Accrued interest	995	<b>1,137</b>
Accrued income taxes	185,890	<b>87,129</b>
Other current liabilities	133,466	<b>169,093</b>
<b>Total current liabilities</b>	<b>1,188,162</b>	<b>1,040,421</b>
<b>Long-term liabilities:</b>		
Long-term debt (exclusive of current portion)	429,553	<b>423,239</b>
Accrued liabilities for point programs	151,628	<b>152,257</b>
Liability for employees' retirement benefits	138,447	<b>140,397</b>
Other long-term liabilities	186,539	<b>200,794</b>
<b>Total long-term liabilities</b>	<b>906,167</b>	<b>916,687</b>
<b>Total liabilities</b>	<b>2,094,329</b>	<b>1,957,108</b>
<b>Equity:</b>		
NTT DOCOMO, INC. shareholders' equity		
Common stock	949,680	<b>949,680</b>
Additional paid-in capital	757,109	<b>757,109</b>
Retained earnings	3,347,830	<b>3,381,807</b>
Accumulated other comprehensive income (loss)	(37,379)	<b>(37,303)</b>
Treasury stock, at cost	(381,363)	<b>(381,363)</b>
Total NTT DOCOMO, INC. shareholders' equity	4,635,877	<b>4,669,930</b>
Noncontrolling interests	26,569	<b>25,710</b>
<b>Total equity</b>	<b>4,662,446</b>	<b>4,695,640</b>
<b>Total liabilities and equity</b>	<b>¥ 6,756,775</b>	<b>¥ 6,652,748</b>



**Table of Contents**

<b>DOCOMO Earnings Release</b>	<b>Three Months Ended June 30, 2010</b>	
<b>(2) Consolidated Statements of Income and Comprehensive Income</b>		
	Millions of yen	
	Three Months Ended June 30, 2009	Three Months Ended  June 30, 2010
<b>Operating revenues:</b>		
Wireless services	¥ 941,795	¥ 943,896
Equipment sales	142,959	145,348
Total operating revenues	1,084,754	1,089,244
<b>Operating expenses:</b>		
Cost of services (exclusive of items shown separately below)	219,331	222,191
Cost of equipment sold (exclusive of items shown separately below)	190,826	184,513
Depreciation and amortization	169,005	158,050
Selling, general and administrative	253,773	283,972
Total operating expenses	832,935	848,726
<b>Operating income</b>	251,819	240,518
<b>Other income (expense):</b>		
Interest expense	(1,614)	(1,327)
Interest income	318	357
Other, net	(3,059)	1,011
Total other income (expense)	(4,355)	41
<b>Income before income taxes</b>	247,464	240,559
<b>Income taxes:</b>		
Current	89,531	89,666
Deferred	10,712	7,396
Total income taxes	100,243	97,062
<b>Equity in net income (losses) of affiliates, net of applicable taxes</b>	821	(912)
<b>Net income</b>	148,042	142,585
Less: Net (income) loss attributable to noncontrolling interests	(665)	(433)
<b>Net income attributable to NTT DOCOMO, INC.</b>	¥ 147,377	¥ 142,152

<b>Net income</b>	¥	148,042	¥	<b>142,585</b>
<b>Other comprehensive income (loss):</b>				
Unrealized holding gains (losses) on available-for-sale securities, net of applicable taxes		10,462		<b>(8,957)</b>
Change in fair value of derivative instruments, net of applicable taxes		(27)		<b>(25)</b>
Foreign currency translation adjustment, net of applicable taxes		8,887		<b>9,100</b>
Pension liability adjustment, net of applicable taxes		149		<b>(36)</b>
Total other comprehensive income (loss)		19,471		<b>82</b>
<b>Comprehensive income</b>		167,513		<b>142,667</b>
Less: Comprehensive (income) loss attributable to noncontrolling interests		(681)		<b>(439)</b>
<b>Comprehensive income attributable to NTT DOCOMO, INC.</b>	¥	166,832	¥	<b>142,228</b>
<b>PER SHARE DATA</b>				
Weighted average common shares outstanding Basic and Diluted (shares)		41,759,807		<b>41,605,742</b>
Basic and Diluted earnings per share attributable to NTT DOCOMO, INC. (yen)	¥	3,529.16	¥	<b>3,416.64</b>

**Table of Contents****DOCOMO Earnings Release****Three Months Ended June 30, 2010****(3) Consolidated Statements of Cash Flows**

	Millions of yen	
	Three Months Ended June 30, 2009	Three Months Ended  June 30, 2010
<b>Cash flows from operating activities:</b>		
Net income	¥ 148,042	¥ 142,585
Adjustments to reconcile net income to net cash provided by operating activities-		
Depreciation and amortization	169,005	158,050
Deferred taxes	11,225	6,582
Loss on sale or disposal of property, plant and equipment	5,620	2,971
Equity in net (income) losses of affiliates	(1,306)	1,705
Changes in assets and liabilities:		
(Increase) / decrease in accounts receivable	8,911	52,737
Increase / (decrease) in allowance for doubtful accounts	406	(460)
(Increase) / decrease in credit card receivables	(8,949)	(8,039)
(Increase) / decrease in inventories	(50,888)	(17,024)
(Increase) / decrease in prepaid expenses and other current assets	(11,634)	(6,047)
(Increase) / decrease in non-current installment receivable for handsets	9,214	(733)
Increase / (decrease) in accounts payable, trade	4,303	(34,929)
Increase / (decrease) in accrued income taxes	(152,187)	(98,761)
Increase / (decrease) in other current liabilities	17,792	34,324
Increase / (decrease) in accrued liabilities for point programs	5,175	629
Increase / (decrease) in liability for employees retirement benefits	2,532	1,950
Increase / (decrease) in other long-term liabilities	8,370	12,392
Other, net	(11,095)	(6,618)
Net cash provided by operating activities	154,536	241,314
<b>Cash flows from investing activities:</b>		
Purchases of property, plant and equipment	(123,547)	(113,936)
Purchases of intangible and other assets	(91,400)	(75,760)
Purchases of non-current investments	(2,309)	(2,216)
Proceeds from sale of non-current investments	0	447
Acquisitions of new subsidiaries, net of cash acquired	(24,900)	
Purchases of short-term investments	(1,662)	(160,577)
Redemption of short-term investments	4,843	282,431
Proceeds from redemption of short-term bailment for consumption to a related party		70,000
Other, net	(3,204)	(2,697)
Net cash used in investing activities	(242,179)	(2,308)

**Cash flows from financing activities:**

Repayment of long-term debt	(15,000)	
Proceeds from short-term borrowings	137,949	<b>105</b>
Repayment of short-term borrowings		<b>(109)</b>
Principal payments under capital lease obligations	(919)	<b>(943)</b>
Dividends paid	(98,061)	<b>(106,144)</b>
Other, net	372	<b>(1,243)</b>
Net cash provided by (used in) financing activities	24,341	<b>(108,334)</b>
Effect of exchange rate changes on cash and cash equivalents	947	<b>(176)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(62,355)</b>	<b>130,496</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>599,548</b>	<b>357,715</b>
<b>Cash and cash equivalents at end of period</b>	<b>¥ 537,193</b>	<b>¥ 488,211</b>

**Supplemental disclosures of cash flow information:****Cash received during the period for:**

Income tax refunds	¥ 27	¥ 3
--------------------	------	-----

**Cash paid during the period for:**

Interest, net of amount capitalized	1,453	<b>1,187</b>
Income taxes	241,612	<b>188,401</b>

**Table of Contents****DOCOMO Earnings Release****Three Months Ended June 30, 2010****(4) Going Concern Assumption**

None

**(5) Segment Information**

Segment information is as follows:

	Millions of yen		
	Mobile phone business	Miscellaneous businesses	Consolidated
Three months ended June 30, 2009			
Operating revenues	¥ 1,057,893	¥ 26,861	¥ 1,084,754
Operating expenses	802,662	30,273	832,935
Operating income (loss)	¥ 255,231	¥ (3,412)	¥ 251,819

	Millions of yen		
	Mobile phone business	Miscellaneous businesses	Consolidated
<b>Three months ended June 30, 2010</b>			
Operating revenues	¥ <b>1,054,016</b>	¥ <b>35,228</b>	¥ <b>1,089,244</b>
Operating expenses	<b>812,046</b>	<b>36,680</b>	<b>848,726</b>
Operating income (loss)	¥ <b>241,970</b>	¥ <b>(1,452)</b>	¥ <b>240,518</b>

DOCOMO does not disclose geographical information, since the amounts of operating revenues generated outside Japan are immaterial.

**(6) Significant Changes in NTT DOCOMO, INC. Shareholders' Equity**

None

Table of Contents

## DOCOMO Earnings Release

Three Months Ended June 30, 2010

## 4. Appendices

## (1) Operating Data for 1st Quarter of Fiscal Year Ending March 31, 2011

		Full-year Forecast: as announced at April 28, 2010			
		[Ref.]	[Ref.]	Fiscal	[Ref.]
		Fiscal	First	Year	Fiscal
		Year	Quarter	Ending	Year
		Ended		Mar.	Ending
		Mar.	(Apr.-Jun.)	31,	Mar.
		2010	(Apr.-Jun.)	2011	2011
		Full-year	Results	Full-year	Forecast
		Results	Results	Results	Forecast
<b>Number of Subscriptions and Other Operating Data</b>					
<b>Cellular</b>					
Subscriptions	thousands	<b>56,082</b>	54,864	<b>56,515</b>	57,450
FOMA (1)	thousands	<b>53,203</b>	50,246	<b>54,162</b>	56,220
Communication Module Service (FOMA)	thousands	<b>1,081</b>	897	<b>1,212</b>	
mova	thousands	<b>2,879</b>	4,618	<b>2,352</b>	1,230
Communication Module Service (DoPa)	thousands	<b>521</b>	621	<b>482</b>	
Prepaid	thousands	<b>37</b>	38	<b>36</b>	
Packet Flat-rate Services Subscriptions (2)	thousands	<b>25,767</b>	19,817	<b>27,491</b>	
Market Share (3) (4)	%	<b>50.0</b>	50.6	<b>49.7</b>	
Net Increase from Previous Period (4)	thousands	<b>1,481</b>	263	<b>432</b>	1,370
FOMA (1)	thousands	<b>4,163</b>	1,206	<b>959</b>	3,020
mova	thousands	<b>(2,682)</b>	(942)	<b>(526)</b>	(1,650)
Churn Rate (4)	%	<b>0.46</b>	0.44	<b>0.44</b>	
Number of Handsets (FOMA+mova) Sold (5)	thousands	<b>18,037</b>	4,344	<b>4,615</b>	
<b>i-mode</b>					
Subscriptions	thousands	<b>48,992</b>	48,597	<b>49,061</b>	49,170
FOMA	thousands	<b>47,330</b>	45,682	<b>47,758</b>	48,530
i-mode Subscription Rate (4)	%	<b>87.4</b>	88.6	<b>86.8</b>	85.6
Net Increase from Previous Period	thousands	<b>518</b>	123	<b>69</b>	180
i-channel Subscriptions	thousands	<b>16,818</b>	16,607	<b>16,757</b>	
i-concier Subscriptions	thousands	<b>4,200</b>	1,558	<b>4,783</b>	
<b>ARPU and MOU</b>					
<b>ARPU</b>					
Aggregate ARPU (FOMA+mova) (6)	yen/month/subscription	<b>5,350</b>	5,440	<b>5,190</b>	5,110
Voice ARPU (7)	yen/month/subscription	<b>2,900</b>	3,010	<b>2,680</b>	2,550
Packet ARPU	yen/month/subscription	<b>2,450</b>	2,430	<b>2,510</b>	2,560
i-mode ARPU	yen/month/subscription	<b>2,380</b>	2,380	<b>2,390</b>	2,440

Edgar Filing: NTT DOCOMO INC - Form 6-K

ARPU Generated from International Services (8)	yen/month/subscription	<b>80</b>	70	<b>80</b>	80
ARPU Generated Purely from i-mode (FOMA+mova) (6)	yen/month/subscription	<b>2,620</b>	2,610	<b>2,670</b>	2,730
Aggregate ARPU (FOMA) (6)	yen/month/subscription	<b>5,480</b>	5,610	<b>5,260</b>	5,170
Voice ARPU (7)	yen/month/subscription	<b>2,900</b>	3,010	<b>2,670</b>	2,550
Packet ARPU	yen/month/subscription	<b>2,580</b>	2,600	<b>2,590</b>	2,620
i-mode ARPU	yen/month/subscription	<b>2,500</b>	2,540	<b>2,460</b>	2,490
ARPU Generated from International Services (8)	yen/month/subscription	<b>80</b>	80	<b>90</b>	80
ARPU Generated Purely from i-mode (FOMA) (6)	yen/month/subscription	<b>2,720</b>	2,740	<b>2,720</b>	2,780
Aggregate ARPU (mova) (6)	yen/month/subscription	<b>3,460</b>	3,550	<b>3,330</b>	3,230
Voice ARPU (7)	yen/month/subscription	<b>2,870</b>	2,940	<b>2,770</b>	2,710
i-mode ARPU	yen/month/subscription	<b>590</b>	610	<b>560</b>	520
ARPU Generated from International Services (8)	yen/month/subscription	<b>0</b>	0	<b>0</b>	10
ARPU Generated Purely from i-mode (mova) (6)	yen/month/subscription	<b>820</b>	840	<b>810</b>	760
<b>MOU</b>					
MOU (FOMA+mova) (6)	minute/month/subscription	<b>136</b>	135	<b>133</b>	
MOU (FOMA) (6)	minute/month/subscription	<b>142</b>	143	<b>137</b>	
MOU (mova) (6)	minute/month/subscription	<b>51</b>	54	<b>45</b>	
<b>Others</b>					
DCMX Subscriptions (9)	thousands	<b>11,260</b>	9,630	<b>11,640</b>	13,090

\* Please refer to  
(2) Definition and Calculation Methods of ARPU and MOU for the definition of ARPU and MOU, and an explanation of the methods used to calculate ARPU and the number of active subscriptions.

(1) Effective March 3, 2008, FOMA subscription became mandatory for subscription to 2in1 services, and those FOMA subscriptions are included in the number of FOMA subscribers.

(2) Sum of Pake-hodai double, Pake-hodai simple, Pake-hodai, Pake-hodai full, Biz-hodai, Flat-rate data plan Standard, Flat-rate data plan

64k and Flat-rate  
data plan  
HIGH-SPEED  
(Number of  
subscriptions for the  
fiscal year ended  
March 31, 2010  
includes  
subscriptions to  
Biz-hodai double and  
Biz-hodai simple in  
addition to the  
aforementioned  
plans.)

- (3) Source for other  
cellular  
telecommunications  
operators: Data  
announced by  
Telecommunications  
Carriers Association
- (4) Data are calculated  
including  
communication  
module services  
subscriptions.
- (5) Sum of new  
FOMA/mova  
subscriptions, change  
of subscription from  
mova to FOMA,  
FOMA handset  
upgrade by FOMA  
subscribers, mova  
handset upgrade by  
mova subscribers,  
and change of  
subscription from  
FOMA to mova
- (6) Data are calculated  
excluding  
communication  
module  
services-related  
revenues and  
communication  
module services



subscriptions.

- (7) Inclusive of circuit-switched data communication
- (8) Inclusive of voice communication and packet communication
- (9) Inclusive of DCMX mini subscriptions

**Table of Contents****DOCOMO Earnings Release****Three Months Ended June 30, 2010****(2) Definition and Calculation Methods of ARPU and MOU****1. Definition of ARPU and MOU**

- i) ARPU (Average monthly Revenue Per Unit)<sup>1</sup>:

Average monthly revenue per unit, or ARPU, is used to measure average monthly operating revenues attributable to designated services on a per subscription basis. ARPU is calculated by dividing various revenue items included in operating revenues from our wireless services, such as basic monthly charges, voice communication charges and packet communication charges, from designated services which are incurred consistently each month, by the number of active subscriptions to the relevant services. Accordingly, the calculation of ARPU excludes revenues that are not representative of monthly average usage such as activation fees. We believe that our ARPU figures provide useful information to analyze the average usage per subscription and the impacts of changes in our billing arrangements. The revenue items included in the numerators of our ARPU figures are based on our U.S. GAAP results of operations. This definition applies to all ARPU figures hereinafter.

- ii) MOU (Minutes of Use): Average monthly communication time per subscription.

**2. ARPU Calculation Methods**

- i) **ARPU (FOMA+mova)**

Aggregate ARPU (FOMA+mova) = Voice ARPU (FOMA+mova) + Packet ARPU (FOMA+mova)

Voice ARPU (FOMA+mova): Voice ARPU (FOMA+mova) Related Revenues (basic monthly charges, voice communication charges) / No. of active subscriptions (FOMA+mova)

Packet ARPU (FOMA+mova): {Packet ARPU (FOMA) Related Revenues (basic monthly charges, packet communication charges) + i-mode ARPU (mova) Related Revenues (basic monthly charges, packet communication charges)} / No. of active subscriptions (FOMA+mova)

i-mode ARPU (FOMA+mova)<sup>2</sup>: i-mode ARPU (FOMA+mova) Related Revenues (basic monthly charges, packet communication charges) / No. of active subscriptions (FOMA+mova)

ARPU generated purely from i-mode (FOMA+mova)<sup>3</sup>: i-mode ARPU (FOMA+mova) Related Revenues (basic monthly charges, packet communication charges) / No. of active subscriptions (i-mode (FOMA+mova))

- ii) **ARPU (FOMA)**

Aggregate ARPU (FOMA) = Voice ARPU (FOMA) + Packet ARPU (FOMA)

Voice ARPU (FOMA): Voice ARPU (FOMA) Related Revenues (basic monthly charges, voice communication charges) / No. of active subscriptions (FOMA)

Packet ARPU (FOMA):	Packet ARPU (FOMA) Related Revenues (basic monthly charges, packet communication charges) / No. of active subscriptions (FOMA)
i-mode ARPU (FOMA) <sup>2</sup> :	i-mode ARPU (FOMA) Related Revenues (basic monthly charges, packet communication charges) / No. of active subscriptions (FOMA)
ARPU generated purely from i-mode (FOMA) <sup>3</sup> :	i-mode ARPU (FOMA) Related Revenues (basic monthly charges, packet communication charges) / No. of active subscriptions (i-mode (FOMA))
iii) <b>ARPU (mova)</b>	
Aggregate ARPU (mova) =	Voice ARPU (mova) + i-mode ARPU (mova)
Voice ARPU (mova):	Voice ARPU (mova) Related Revenues (basic monthly charges, voice communication charges) / No. of active subscriptions (mova)
i-mode ARPU (mova) <sup>2</sup> :	i-mode ARPU (mova) Related Revenues (basic monthly charges, packet communication charges) / No. of active subscriptions (mova)
ARPU generated purely from i-mode (mova) <sup>3</sup> :	i-mode ARPU (mova) Related Revenues (basic monthly charges, packet communication charges) / No. of active subscriptions (i-mode (mova))

**3. Active Subscriptions Calculation Methods**

No. of active subscriptions used in ARPU/MOU/Churn Rate calculations is as follows:

No. of active subscriptions for each month:

(No. of subscriptions at the end of previous month + No. of subscriptions at the end of current month) / 2

No. of active subscriptions for full-year results/forecasts:

Sum of No. of active subscriptions for each month from April to March

1 Communication module services subscriptions and the revenues thereof are not included in the ARPU and MOU calculations.

2 The denominator used in calculating i-mode ARPU (FOMA+mova, FOMA, mova)

is the aggregate number of subscriptions to each service (FOMA+mova, FOMA, mova, respectively), regardless of whether i-mode service is activated or not.

- 3 ARPU generated purely from i-mode (FOMA+mova, FOMA, mova) is calculated using only the number of i-mode subscriptions as a denominator.

Table of Contents**DOCOMO Earnings Release****Three Months Ended June 30, 2010****(3) Reconciliations of the Disclosed Non-GAAP Financial Measures to the Most Directly Comparable GAAP Financial Measures****i. EBITDA and EBITDA margin**

	Billions of yen	
	Three months ended June 30, 2009	Three months ended  June 30, 2010
a. EBITDA	¥ 426.4	¥ <b>401.5</b>
Depreciation and amortization	(169.0)	<b>(158.1)</b>
Loss on sale or disposal of property, plant and equipment	(5.6)	<b>(3.0)</b>
Operating income	251.8	<b>240.5</b>
Other income (expense)	(4.4)	<b>0.0</b>
Income taxes	(100.2)	<b>(97.1)</b>
Equity in net income (losses) of affiliates	0.8	<b>(0.9)</b>
Less: Net (income) loss attributable to noncontrolling interests	(0.7)	<b>(0.4)</b>
b. Net income attributable to NTT DOCOMO, INC.	147.4	<b>142.2</b>
c. Operating revenues	1,084.8	<b>1,089.2</b>
EBITDA margin (=a/c)	39.3%	<b>36.9%</b>
Net income margin (=b/c)	13.6%	<b>13.1%</b>

Note: EBITDA and EBITDA margin, as we use them, are different from EBITDA as used in Item 10(e) of regulation S-K and may not be comparable to similarly titled measures used by other companies.

**ii. ROCE after tax effect**

	Billions of yen			
	Three months ended June 30, 2009		Three months ended June 30, 2010	
a. Operating income	¥	251.8	¥	<b>240.5</b>
b. Operating income after tax effect {=a*(1-effective tax rate)}		149.1		<b>142.4</b>
c. Capital employed		5,075.8		<b>5,263.1</b>
ROCE before tax effect (=a/c)		5.0%		<b>4.6%</b>
ROCE after tax effect (=b/c)		2.9%		<b>2.7%</b>

Notes: Capital employed = Two period ends average of (NTT DOCOMO, INC. shareholders equity + Interest bearing liabilities) Interest bearing liabilities = Current portion of long-term debt + Short-term borrowings + Long-term debt Effective tax rate:40.8%

### iii. Free cash flows excluding changes in investments for cash management purposes

	Billions of yen			
	Three months ended June 30, 2009		Three months ended June 30, 2010	
Free cash flows excluding changes in investments for cash management purposes	¥	(90.8)	¥	<b>47.2</b>
Changes in investments for cash management purposes*		3.2		<b>191.9</b>

Free cash flows	(87.6)	<b>239.0</b>
Net cash used in investing activities	(242.2)	<b>(2.3)</b>
Net cash provided by operating activities	154.5	<b>241.3</b>

Note: \*Changes in investments for cash management purposes were derived from purchases, redemption at maturity and disposals of financial instruments held for cash management purposes with original maturities of longer than three months.

**Table of Contents****DOCOMO Earnings Release****Three Months Ended June 30, 2010****5. Special Note Regarding Forward-Looking Statements**

This earnings release contains forward-looking statements such as forecasts of results of operations, management strategies, objectives and plans, forecasts of operational data such as the expected number of subscriptions, and the expected dividend payments. All forward-looking statements that are not historical facts are based on management's current plans, expectations, assumptions and estimates based on the information currently available. Some of the projected numbers in this earnings release were derived using certain assumptions that are indispensable for making such projections in addition to historical facts. These forward-looking statements are subject to various known and unknown risks, uncertainties and other factors that could cause our actual results to differ materially from those contained in or suggested by any forward-looking statement. Potential risks and uncertainties include, without limitation, the following:

- (1) Changes in the business environment in the telecommunications industry, such as intensifying competition from other service providers or other technologies caused by Mobile Number Portability, new market entrants and other factors, could limit our acquisition of new subscriptions and retention of existing subscriptions, or may lead to diminishing ARPU or an increase in our costs and expenses.
- (2) Current and new services, usage patterns, and sales schemes introduced by our corporate group may not develop as planned, which could affect our financial condition and limit our growth.
- (3) The introduction or change of various laws or regulations or the application of such laws and regulations to our corporate group could restrict our business operations, which may adversely affect our financial condition and results of operations.
- (4) Limitations in the amount of frequency spectrum or facilities made available to us could negatively affect our ability to maintain and improve our service quality and level of customer satisfaction.
- (5) Other mobile service providers in the world may not adopt the technologies that are compatible with those used by our corporate group's mobile communications system on a continual basis, which could affect our ability to sufficiently offer international services.
- (6) Our domestic and international investments, alliances and collaborations may not produce the returns or provide the opportunities we expect.
- (7) As electronic payment capability and many other new features are built into our cellular phones/devices, and services of parties other than those belonging to our corporate group are provided through our cellular handsets/devices, potential problems resulting from malfunctions, defects or loss of handsets/devices, or imperfection of services provided by such other parties may arise, which could have an adverse effect on our financial condition and results of operations.
- (8) Social problems that could be caused by misuse or misunderstanding of our products and services may adversely affect our credibility or corporate image.
- (9) Inadequate handling of confidential business information including personal information by our corporate group, contractors and others, may adversely affect our credibility or corporate image.
- (10) Owners of intellectual property rights that are essential for our business execution may not grant us the right to license or otherwise use such intellectual property rights on acceptable terms or at all, which may limit our ability to offer certain technologies, products and/or services, and we may also be held liable for damage



compensation if we infringe the intellectual property rights of others.

- (11) Natural disasters, power shortages, malfunctioning of equipment, software bugs, computer viruses, cyber attacks, hacking, unauthorized access and other problems could cause failures in the networks, distribution channel and/or other factors required for the provision of service, disrupting our ability to offer services to our subscribers and may adversely affect our credibility or corporate image.
- (12) Concerns about wireless telecommunication health risks may adversely affect our financial condition and results of operations.
- (13) Our parent company, NIPPON TELEGRAPH AND TELEPHONE CORPORATION (NTT), could exercise influence that may not be in the interests of our other shareholders.

\* Names of companies, products, etc., contained in this release are the trademarks or registered trademarks of their respective organizations.

**Table of Contents**

---

**Table of Contents**



**Table of Contents**

---

**Table of Contents**

---

**Table of Contents**

---

**Table of Contents**

---

**Table of Contents**

---



**Table of Contents**

---

**Table of Contents**

---

**Table of Contents**

---

**Table of Contents**

---

**Table of Contents**

---

**Table of Contents**

---

**Table of Contents**

---

**Table of Contents**

---



**Table of Contents**

---

**Table of Contents**

---

**Table of Contents**

---

**Table of Contents**

---

**Table of Contents**

---

**Table of Contents**

---

**Table of Contents**

---

**Table of Contents**

---



**Table of Contents**

---

**Table of Contents**

---

**Table of Contents**

---

**Table of Contents**

---

**Table of Contents**

---

**Table of Contents**

---

**Table of Contents**

---

**Table of Contents**

---



**Table of Contents**

---

**Table of Contents**

---

**Table of Contents**

---

**Table of Contents**

---

**Table of Contents**

---

**Table of Contents**

---

**Table of Contents**

---

**Table of Contents**

---



**Table of Contents**



**Table of Contents**



**Table of Contents**

---

**Table of Contents**