



NTT DoCoMo, Inc.

IR Presentation

September, 2006

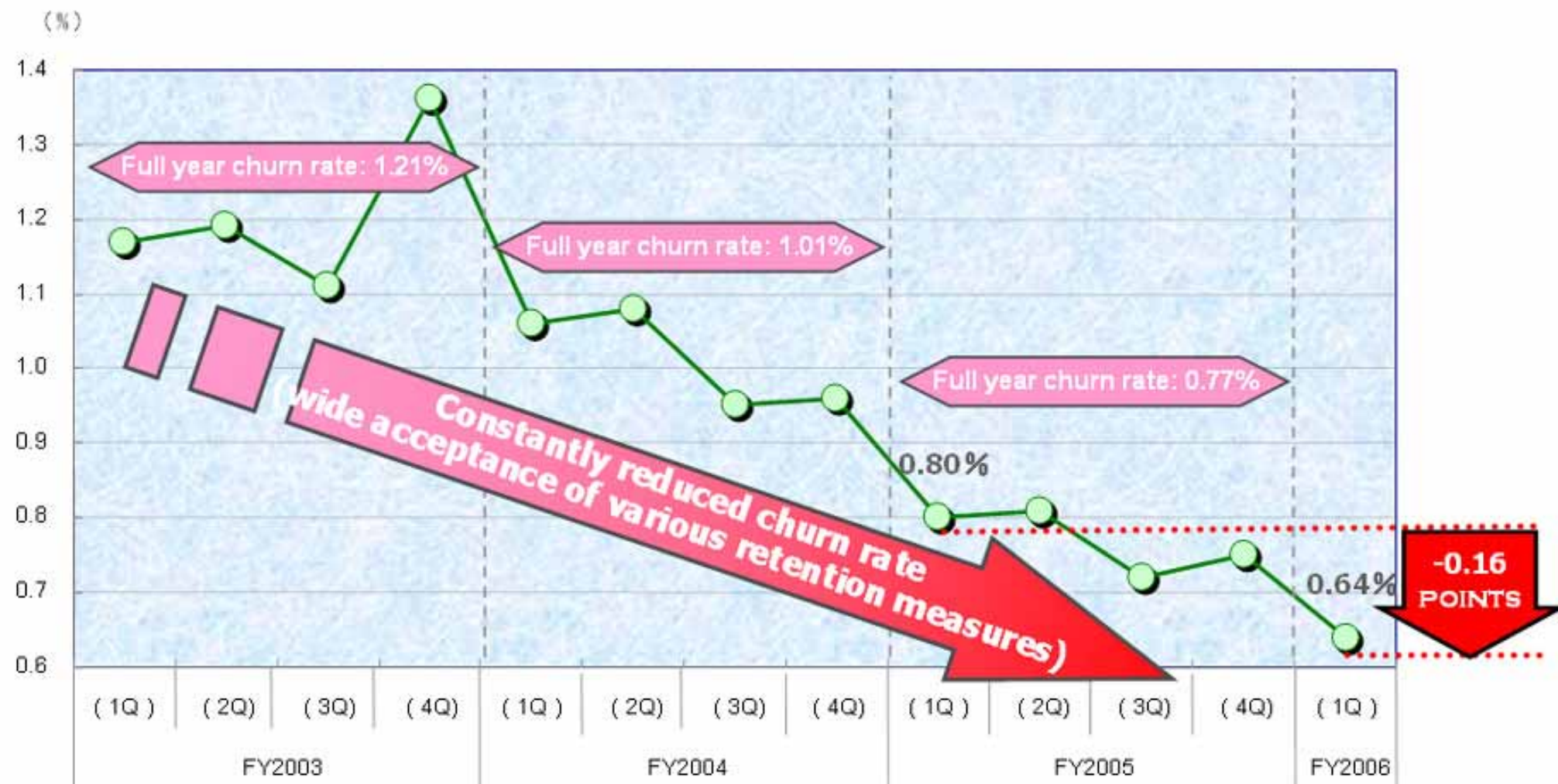
Forward-Looking Statements

The forecasts presented herein are forward-looking statements within the meaning of Section 27A of the U.S. Securities Act of 1933 and Section 21E of the U.S. Securities Act of 1934. Statements made in this presentation with respect to DoCoMo's plans, objectives, projected financials, operational figures, beliefs and other statements that are not historical facts are forward-looking statements about the future performance of DoCoMo which are based on management's expectations, assumptions, estimates, projections and beliefs in light of information currently available to it. These forward-looking statements, such as statements regarding the introduction of new products and services or termination or suspension of existing services, financial and operational forecasts, dividend payments, the growth of the Japanese cellular market and the ubiquitous services market, the growth of data usage, the growth of DoCoMo's cellular phone business, the migration of users to DoCoMo's 3G services and associated improvements in 3G services, improvements in 3G and 2G coverage area, the potential growth in the Japanese credit card business and DoCoMo's credit business, and managements goals are subject to various risks and uncertainties that could cause actual results to be materially different from and worse than as described in the forward-looking statements. Potential risks and uncertainties include, without limitation, as competition in the market is expected to become more fierce due to changes in the business environment caused by the introduction of mobile number portability and new market entrants, competition from other cellular service providers or other technologies could limit our acquisition of new subscribers, retention of existing subscribers and average revenue per unit (ARPU), or may lead to an increase in our costs and expenses; the new services and usage patterns introduced by our corporate group may not develop as planned, which could limit our growth; the introduction or change of various laws or regulations or the application of such laws and regulations to our corporate group may adversely affect our financial condition and results of operations; 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; the W-CDMA technology that we use for our 3G system and/or mobile multimedia services may not be introduced by other overseas operators, which could limit our ability to offer international services to our subscribers; our domestic and international investments, alliances and collaborations may not produce the returns or provide the opportunities we expect; as electronic payment capability and many other new features are built into our cellular phones, and services of parties other than those belonging to our corporate group are provided through our cellular handsets, potential problems resulting from malfunctions, defects, or missing of handsets 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; social problems that could be caused by misuse or misunderstanding of our products and services may adversely affect our credibility or corporate image; inadequate handling of subscriber information by our corporate group or contractors may adversely affect our credibility or corporate image; 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; earthquakes, power shortages, malfunctioning of equipment, and software bugs, computer viruses, cyber attacks, hacking, unauthorized access and other problems could cause system failures in the networks required for the provision of service, disrupting our ability to offer services to our subscribers and may adversely affect our credibility or corporate image; concerns about wireless telecommunications health risks may adversely affect our financial condition and results of operations; our parent, NTT, could exercise influence that may not be in the interests of our other shareholders.

Further information about the factors that could affect the company's results is included in "Item 3.D: Risk Factors" of its annual report on Form 20-F filed with the U.S. Securities and Exchange Commission on June 27, 2006, which is available in the investor relations section of the company's web page at www.nttdocomo.com and also at the SEC's web site at www.sec.gov.

Successful Reduction of Churn Rate

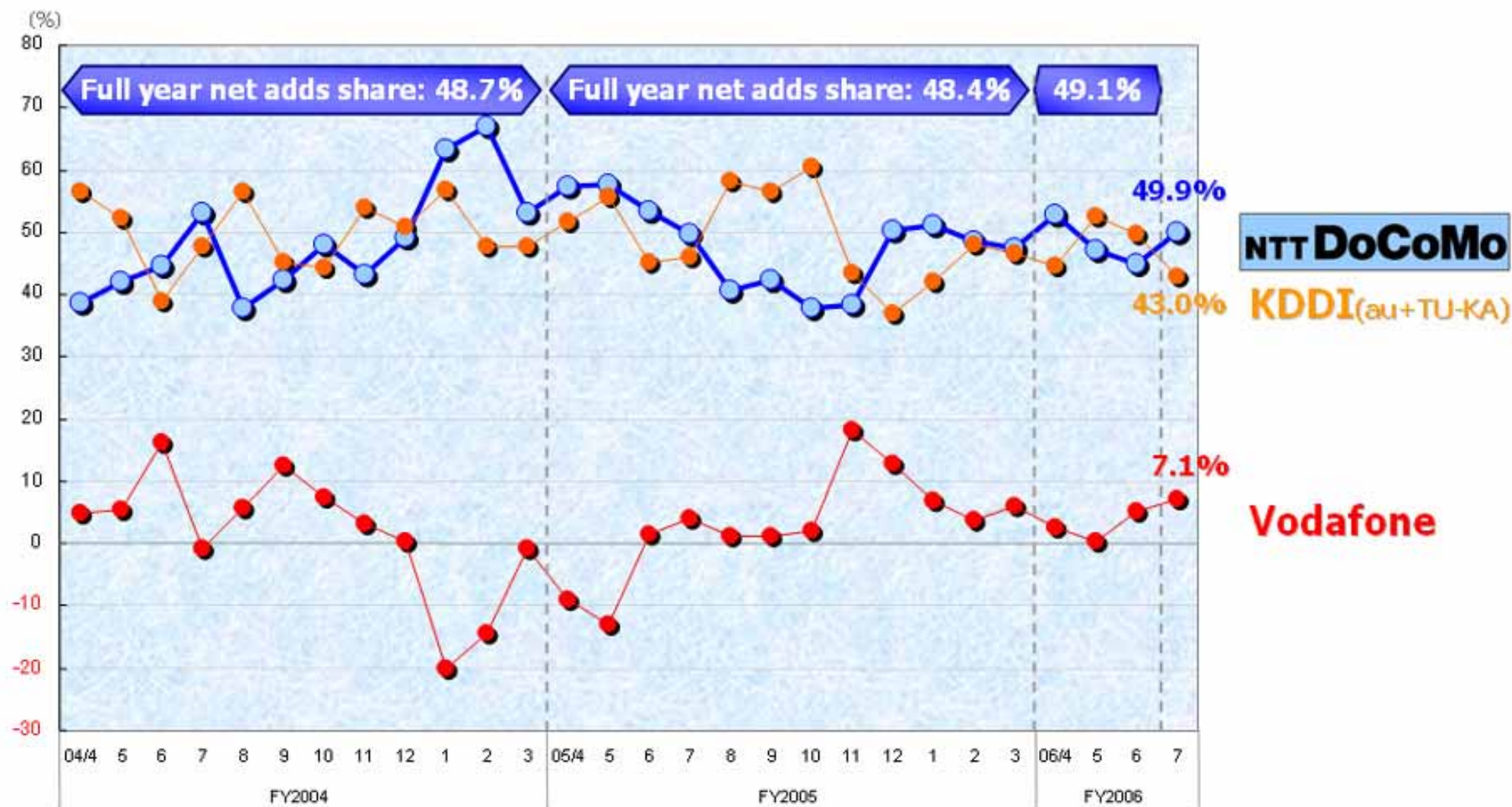
Successfully maintained low churn rate at **0.64%** in FY2006/1Q



◆ Inclusive of Communication Module Service subscribers

Monthly Market Share of Net Additions

DoCoMo was **No.1** in market share of net additions in FY2006/1Q, acquiring **49.1%** of total.



◆ Source of data used in calculation: Telecommunications Carriers Association (TCA)

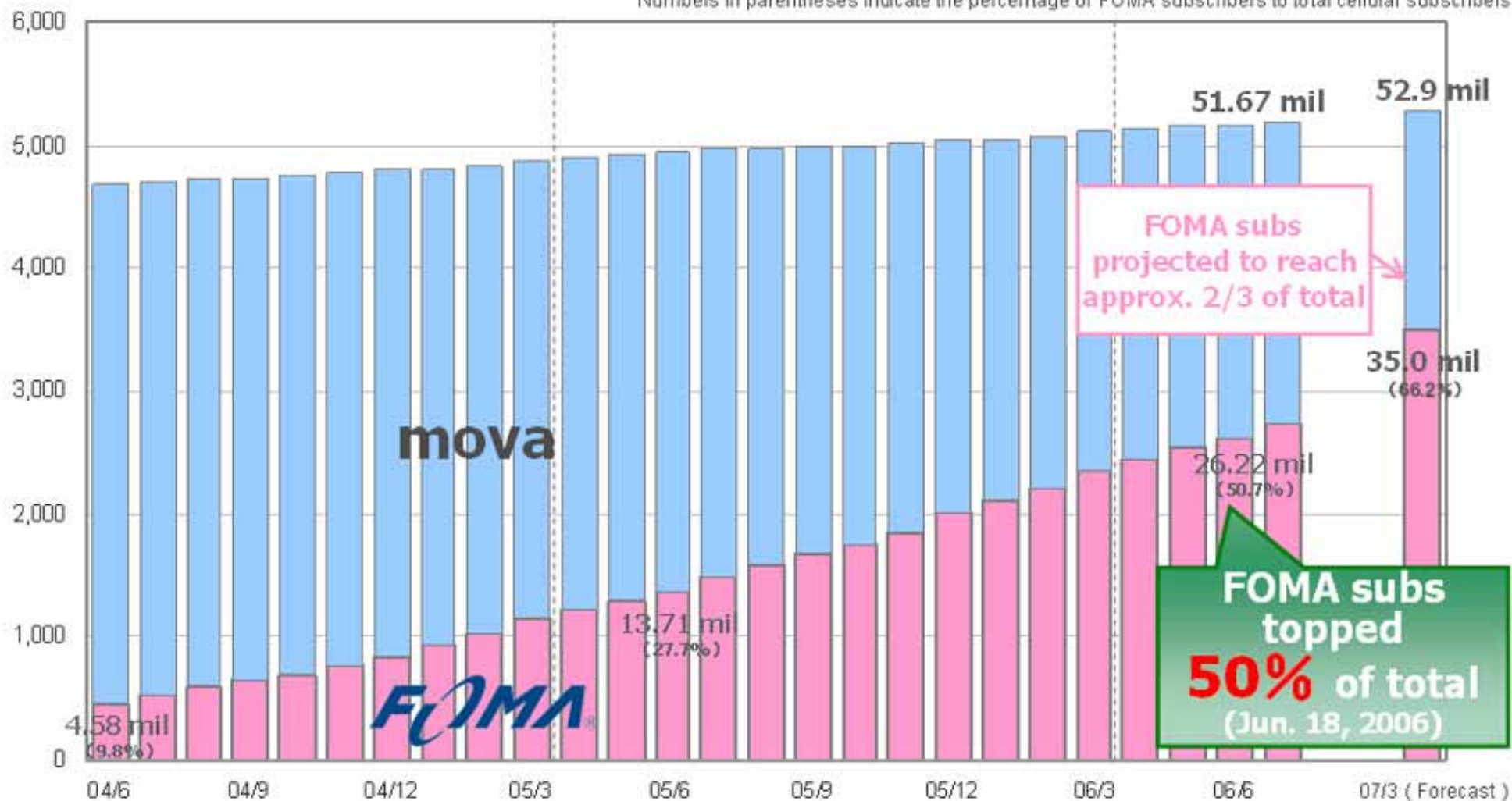
Subscriber Migration to FOMA

- FOMA subscribers topped 50% of total DoCoMo subs in June 06
- Migration to FOMA contributed to boosting data ARPU.

(10,000 subscribers)

◆ Inclusive of Communication Module Service subscribers

Numbers in parentheses indicate the percentage of FOMA subscribers to total cellular subscribers

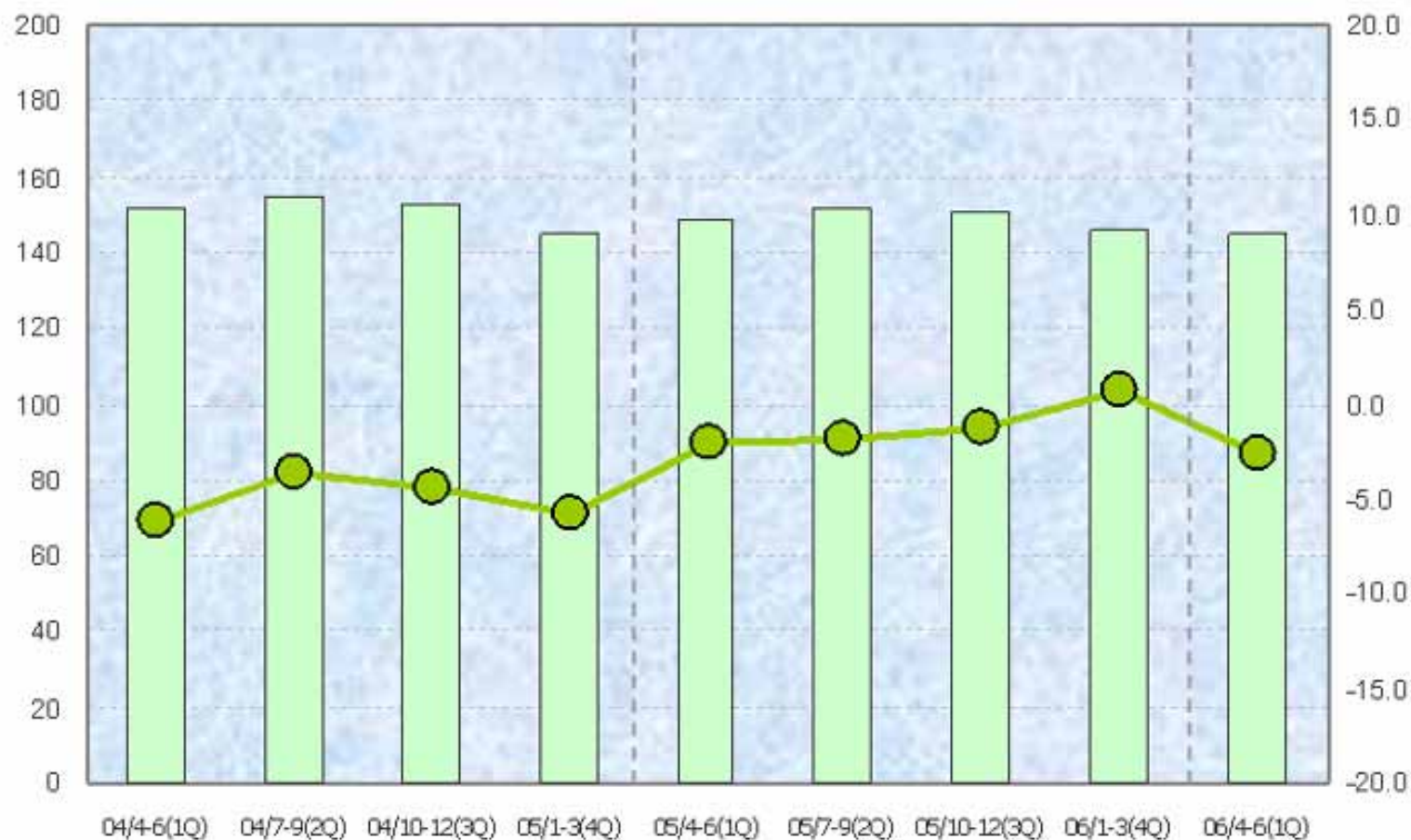


Cellular (FOMA+mova) MOU

MOU for FY2006/1Q was **145** minutes (Down **-2.7%** year-on-year)

(Minutes)

(%)



MOU (Left axis)

152

155

153

145

149

152

151

146

145

Year-on-year changes in MOU (Right axis)

-6.2

-3.7

-4.4

-5.8

-2.0

-1.9

-1.3

0.7

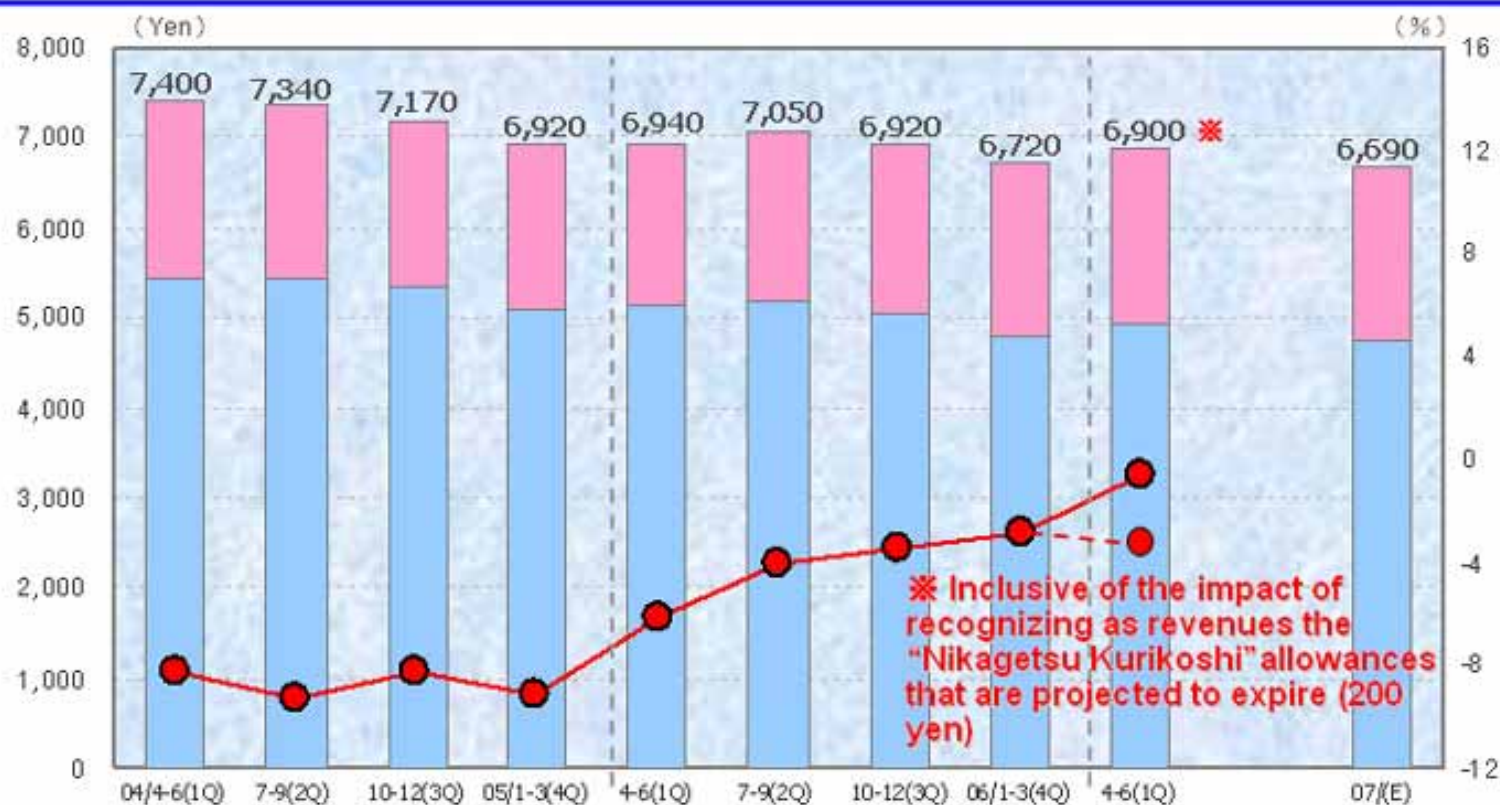
-2.7

◆ For an explanation of MOU, see Slide 36 of this document, "Definition and Calculation Methods of MOU and ARPU".

Cellular (FOMA+mova) ARPU

ARPU for FY2006/1Q was **6,900 yen** (**Down 0.6%** year-on-year)

Impact from recognizing as revenues the portion of "Nikagetsu Kurikoshi" (2-month carry over) allowances that are projected to expire : **200 yen**



Packet ARPU (Left axis)	1,950	1,900	1,820	1,830	1,820	1,880	1,880	1,940	1,970	1,930
(Incl.) mode ARPU	1940	1890	1810	1820	1,810	1,870	1,860	1,920	1,950	1,910
Voice ARPU (Left axis)	5,450	5,440	5,350	5,090	5,120	5,170	5,040	4,780	4,930	4,760
International service ARPU	20(Excl.)	20(Excl.)	30(Excl.)	30(Excl.)	30(Incl.)	40(Incl.)	40(Incl.)	40(Incl.)	50(Incl.)	60(Incl.)
YOY decline in aggregate ARPU (right axis)	-8.2	-9.3	-8.3	-9.1	-6.2	-4	-3.5	-2.9	-0.6	-
- - - Year-on-year changes in aggregate ARPU (Excluding the impact of incurring in revenues the portion of Nikagetsu Kurikoshi allowances that are projected to expire)										

◆ International service-related revenues, which had not been included in previous reports, have been included in the ARPU data calculations from the fiscal year ended Mar. 31, 2006, in view of their growing contribution to total revenues.

◆ For an explanation of ARPU, see Slide 36 of this document, "Definition and Calculation Methods of MOU and ARPU".

Three Main Pillars of Business Operations

Run business centering on the three main pillars below, with the aim to reinforce competitiveness in view of Mobile Number Portability (MNP) and to achieve sustainable growth for the future

**Strengthen
core business
even further**

**Create new
revenue
sources**

Cost reduction

8 Strengthen Core Business Even Further (1) Pricing Measures-1

Enriched discount services led to enhanced price competitiveness
(Powerful customer retention effects)

Family Discount

25% discount on basic monthly charge for both main/sub circuits

Discount applicable to family members living apart
(Discounts can be applied to separate phone bills/separate addresses)

Two-Month Carry Over

Unused free communication allowances are automatically carried over

- Allowances can be used for both voice/packet communications

Can be shared with family members

Up to **50%** discount on basic monthly charges by combining the new "Ichinen Discount" with "Family Discount"

NEW Ichinen Discount

Up to 25% discount on basic monthly charge, depending on length of subscription

pake-hodai Packet Flat-Rate Service

Flat-rate service for unlimited use of i-mode/e-mail

- Can be combined with any FOMA "new billing plans"

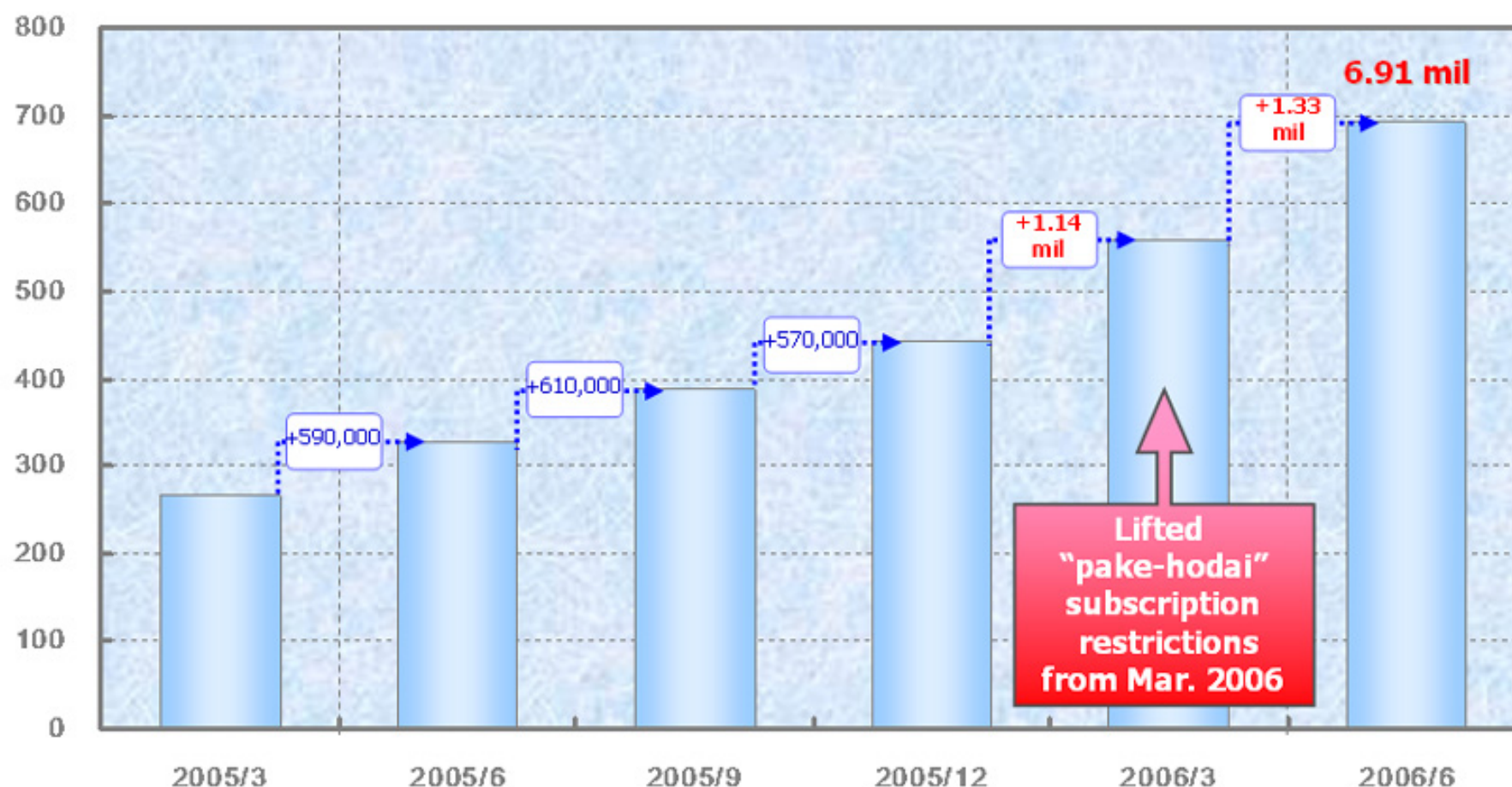
9 Strengthen Core Business Even Further (1) Pricing Measures-2

- The growth of “pake-hodai” flat-rate subscribers accelerated after lifting the subscription restrictions.

pake-hodai Packet Flat-Rate Service

As of Jun. 30, 2006 **6.91 million subs** (26% of total FOMA subs)

(10,000 subscribers)



Strengthen Core Business Even Further (2) Products

Enriched products lineup, e.g., "902iS" series equipped with more powerful credit payment/music capabilities, and "702iS" series featuring unique and stylish designs, etc.

902iS series

High-spec models



- Preinstalled with DCMX-appli
- Enhanced music capabilities
- Powerful security features (Biometric authentication "Omakase Lock", etc.)

Concept models

- "Kid's PHONE" (SA800i) designed for child's use and safety protection
- Int'l roaming-enabled "SIMPURE" series
- One-segment broadcast-enabled model (P901iTV)



SA800i



SIMPURE series



P901iTV

702iS series

Unique and stylish designs

new **7**
series
debut!



Mobile devices for businesses

Mobile solutions

"hTc Z" (T/HTC) and "Blackberry" (RIM)



hTc Z

11 Strengthen Core Business Even Further (3) Music-related Services

Rich portfolio of music-related services, e.g., "Chaku-Uta Full", "music player" and "Music Channel", etc.

Chaku-Uta Full® ※

Downloading of full music tracks

"avex Chaku-Uta Full mu-mo"

"Reco-choku♪ Full" (Label Mobile, Inc.)



© LABEL MOBILE INC.

【Compatible Models】



P902iS
(Photo)

N902iX HIGH-SPEED

P702iD

*More models to be added in the future.

HSDPA



Music Player

Downloading of music of choice from a rich variety of stores

- Long-hour playback
- Large external memory
- Compatible with a wide array of music stores

(Japan's first WMA ※ -enabled phone (F902iS))

The new series are compatible with 17 sites of music stores ※



F902iS

No. of sites compatible with WMA and SD Audio (As of July 24, 2006)

Music Channel

A new service leveraging higher data speeds

- Automatic download during night
- Long-hour playback/ High quality sound
- Wide variety of music programs

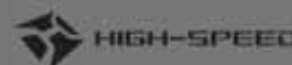


N902iX HIGH-SPEED



Music Channel™

HSDPA



※ Chaku-Uta Full® is a registered trademark of Sony Computer Entertainment, Inc.

※ Windows Media® is a registered trademark of Microsoft Corporation in the United States and other countries.

Network

【Transmission speed】

3.6Mbps (downlink)
(Possible to upgrade to
max. **14M**bps)

【POP coverage (Forecast)】

Mar. 31, 2007 : **70%**

Mar. 31, 2008 : **over90%**

【Launch】

Aug 31, 2006

Handsets

【Initially】

Plan to offer 2 models

N902iX HIGH-SPEED / **M2501 HIGH-SPEED**
(Released Aug 31, 2006) (Plan to release)

【Future plans】

Add 2 more models around spring/2007

Embed HSPDA as a standard feature in
future 90X series phones

Services

Provide services that leverage HSDPA's higher download speeds

【Services uniquely available on mobile phones】

- "Music Channel"
- Large-capacity i-motion, etc.

【Broadband content originally
developed for PCs (planned)】

- Animation
- Short films
- Music videos, etc.

■ **Improve ease of i-mode's search function** (Planned for launch in Oct. 2006)

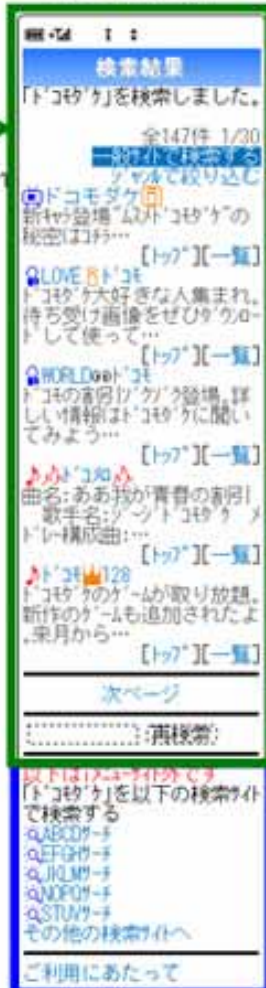
[【Top page】](#)

Input keyword on top page, and search

Search results
are shown



keyword search



Menu Site Search

- Improve ease of use of iMenu's **rich official sites**
- DoCoMo's proprietary search function

Genre narrow-down function

Intra-site search function

Tie-ups for General Site Search

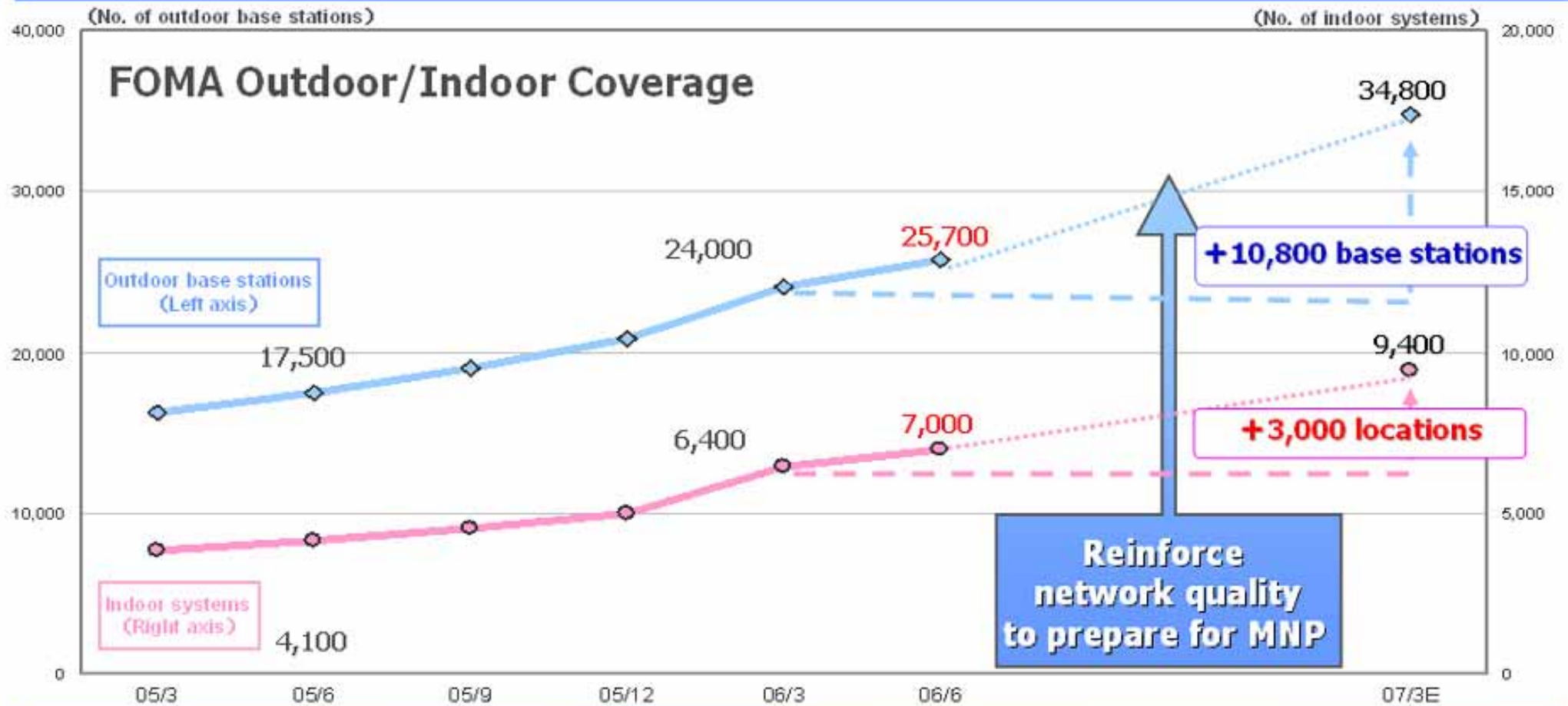
- Tie up with a wide range of search engines based on an **open model** to improve users' convenience



*Presented in Japanese kana order

14 Strengthen Core Business Even Further (6) Network

- Installed base stations and systems at the fastest pace in our history, to build up competitiveness prior to MNP ⇒ No. of base stations as of Mar. 31, 2007 expected to increase to 1.5 times the number as of Mar. 31, 2006.



Expand FOMA coverage to a level superior to mova's by 2006/fall

- Comprehensive coverage in buildings/underground areas
- Plan to cover all JR stations and highway service areas

Area quality improvement catered to customer requests

⇒ "We value your comments on FOMA quality" campaign*, etc.

Proactive PR campaigns

⇒ "We'll increase FOMA antennas declaration"*, etc.

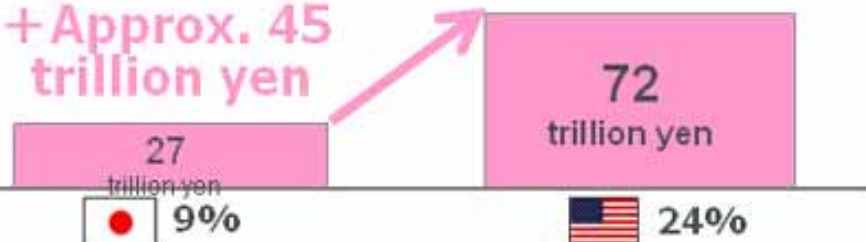
* Examples of measures implemented in Kanto-Koshinetsu region

15 Create New Revenue Sources (1) Credit Card Business-1

Japan's credit card market offers great potential for further expansion

If credit card usage rises to the US level of 24% of total consumer spending, Japan's credit card market expands by

+ Approx. 45 trillion yen



(Ref.) Size of small payment market in Japan:

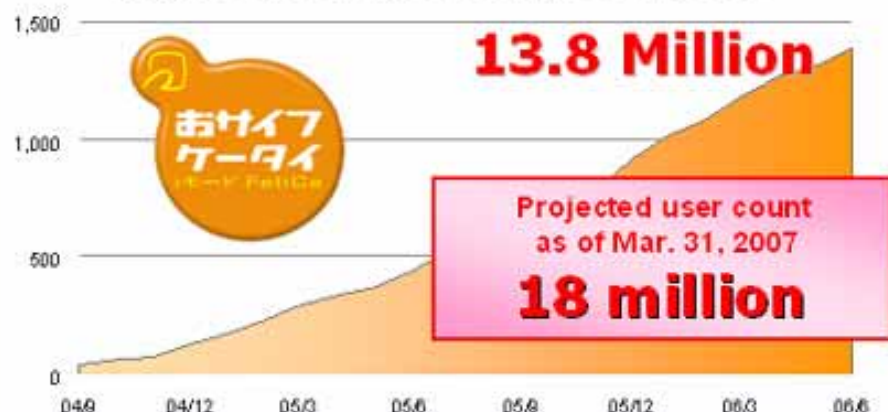
Approx. 57 trillion yen

(Market size of small amount payments of 3,000 yen or less)

◆Source: NTT DoCoMo press release material,
"DoCoMo launches Mobile Credit Services" (Apr. 4, 2006)

Growing uptake of i-mode Felica

■ No. of i-mode Felica-enabled handset users (As of Jun. 30, 2006)



Targets of Credit Card Business

New service deployment (Promotion, advertisement, etc)

Increase uptake of i-mode
FeliCa-enabled phones

Increase installation
of payment terminals

Credit Card Business

iD

No. of installed
payment terminals
as of Mar. 31, 2007
150,000 (forecast)

DCMX

Near-term goal:
Acquire
10 million
mobile credit
users

FeliCa
Networks

Sumitomo
Mitsui Card

UC Card

Investee's business

Synergies to Core Business

- Reinforce competitiveness (customer retention, etc)
- Prolong handset replacement cycle

16 Create New Revenue Sources (1) Credit Card Business-2

DCMX mini (Launched Apr. 28, 2006)

- Easy application from i-mode (3 steps)
- Shopping credit line: Up to ¥10,000/month
- Pay together with phone bill
- Usage log can be confirmed via i-mode

Provided only on mobile phones (iD)

DCMX (Started card issuance in late June 2006)

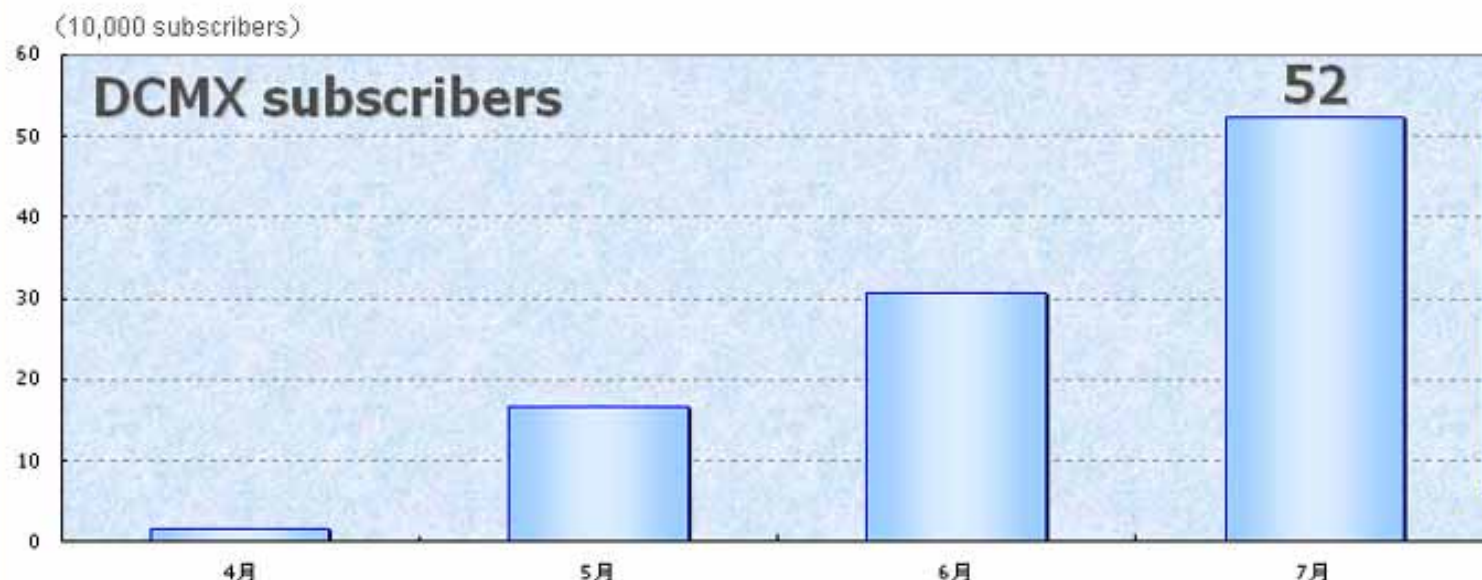
- Higher credit lines (from ¥200,000)
- Cashing function also available
- Linked with "DoCoMo Point" program

Provided on mobile phones (iD)

as well as Plastic cards

Credit service made a favorable start

■ No. of DCMX subscribers **520,000** (As of Jul. 31, 2006)



No. of installed payment terminals

iD

Approx. 30,000

(As of Jun. 31, 2006)

Approx. 150,000

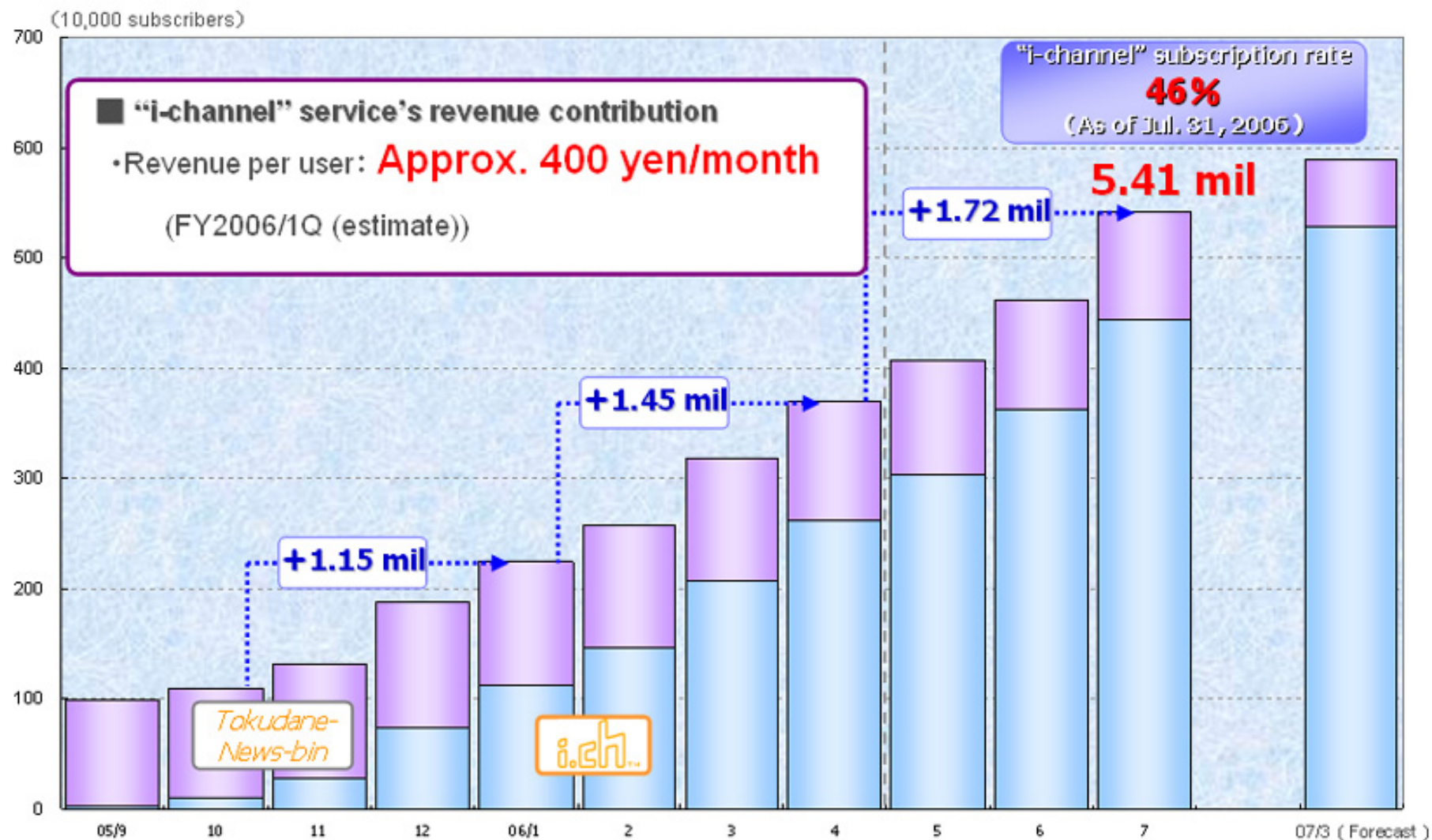
(Forecast)

(As of Mar. 31, 2007)

17 Create New Revenue Sources (2) Boost Usage

Uptake of push information delivery services (“i-channel”+“Tokudane-News-bin”) has been growing at a rapid pace.

Boost usage through push information delivery service

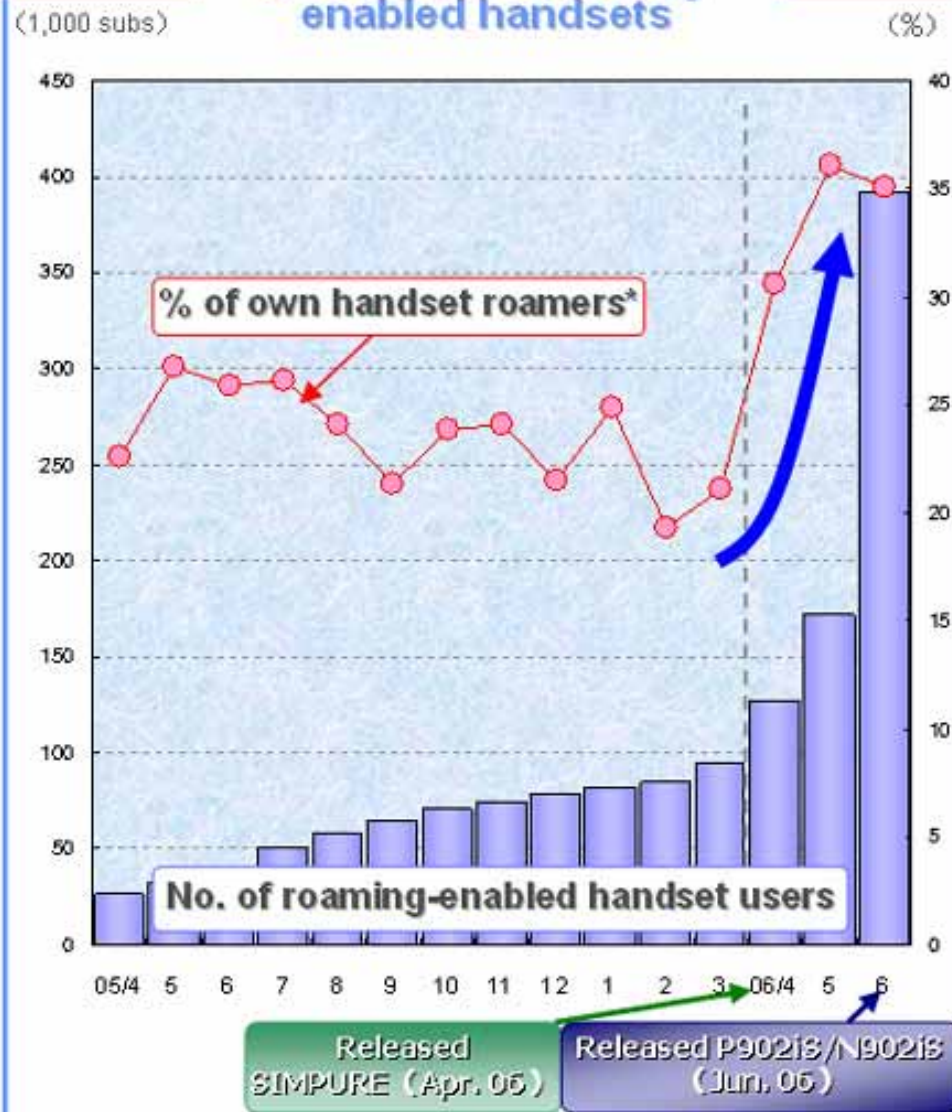


* “i-channel” subscription rate: No. of “i-channel” subscribers/Total users of compatible handsets

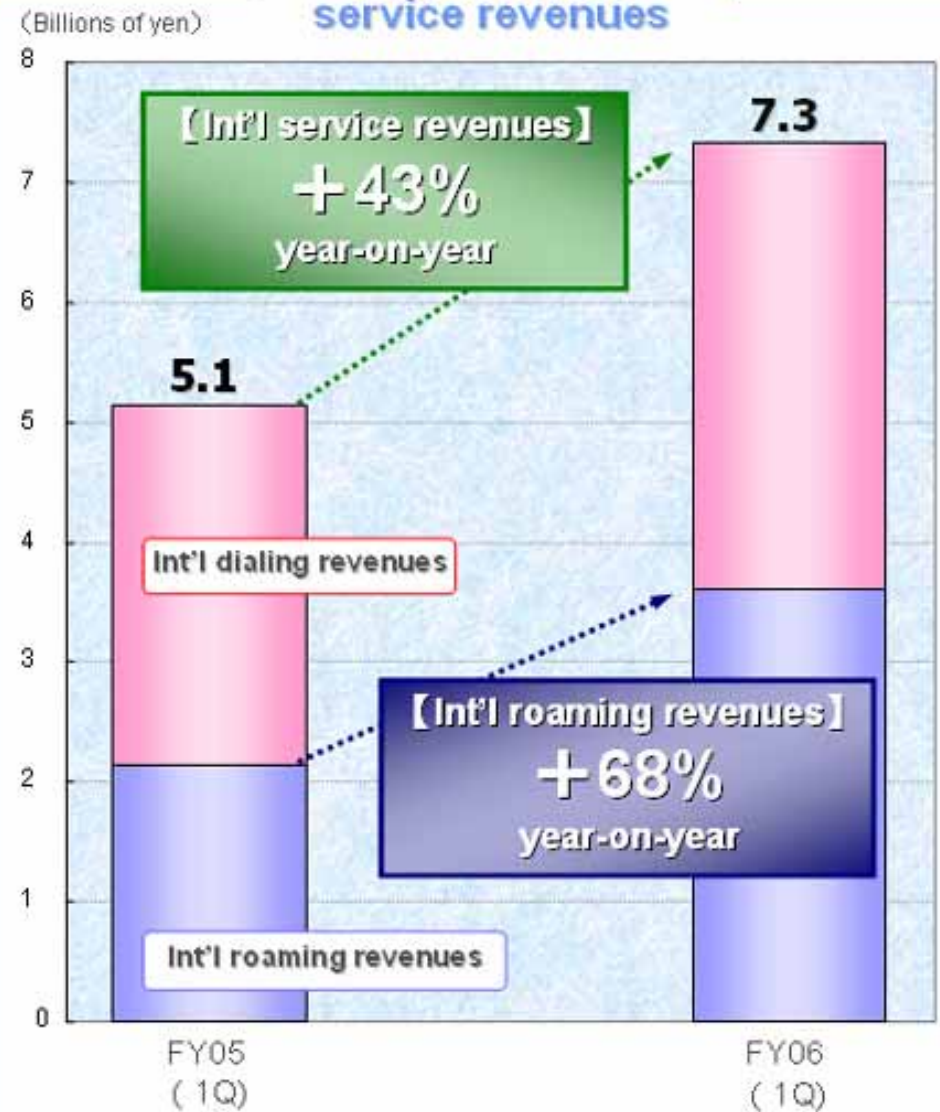
SLIDE No. 18 Create New Revenue Sources (3) International Services

- No. of roaming subscribers using their own handset has grown sharply after the release of "SIMPURE" and "902iS" models
- International service revenues posted favorable growth in FY2006/1Q (up 43% year-on-year)

User base of roaming-enabled handsets



International service revenues



* % of own handset roamers: No. of "World Wing" roaming users using own handset/ Total roaming users

19 Facilitate Cost Reduction (1) Distributor Commissions

Lower FOMA handset costs

- Single-chip CPUs, common platform, etc.
- Introduce foreign vendors' handsets
- Utilize committed purchase volume

Optimize product mix

- Offer handset models tailored to different user segments

High-end : 90X series

Standard : 70X series

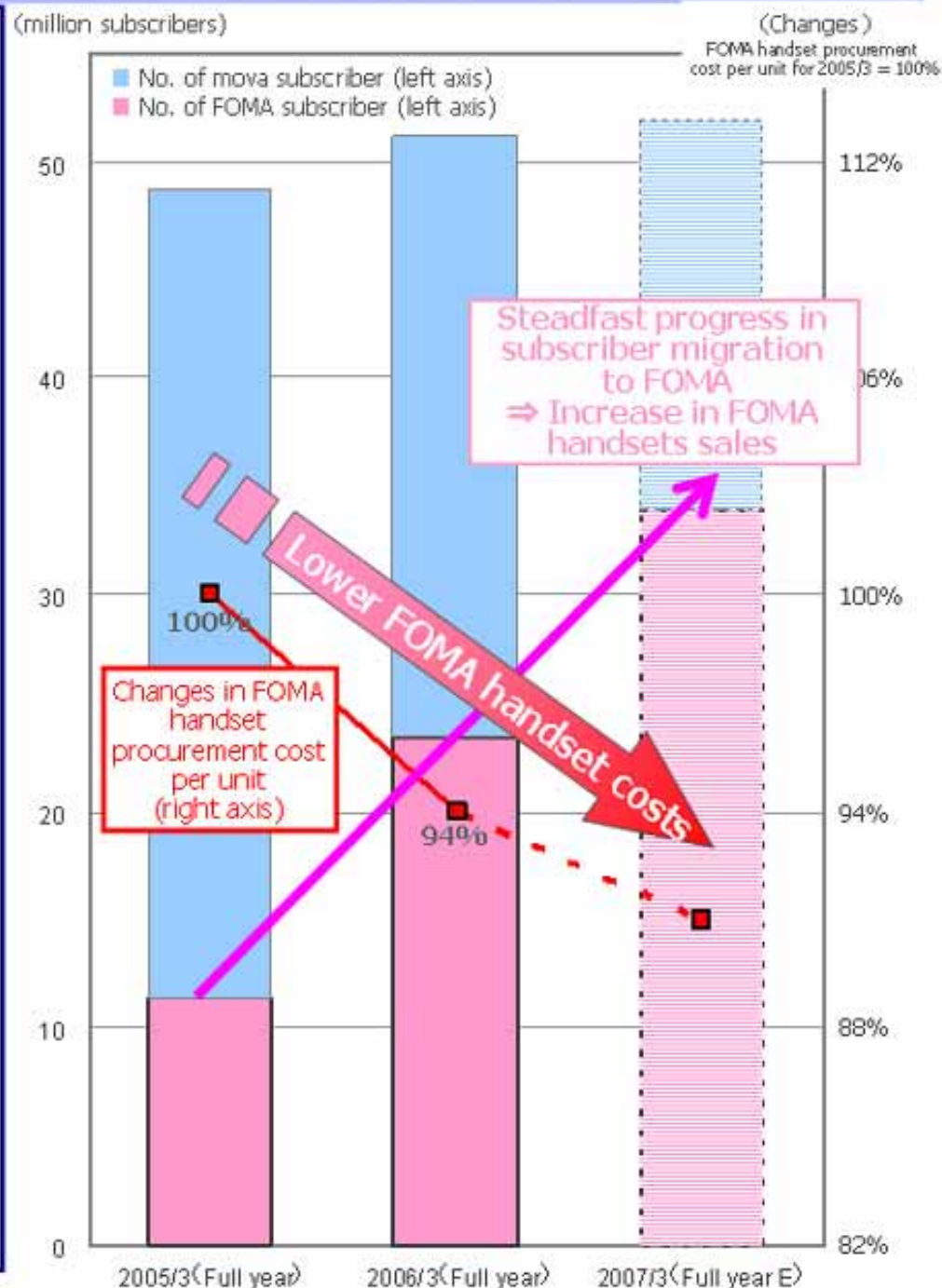
Simple : "SIMPURE" series

Prolong replacement cycle

- Improve after-sales service to DoCoMo Premier Club members, e.g., free-of-charge battery packs, etc.
- Promote use of i-mode FeliCa

Streamline distribution channel

- Improve efficiency of logistics, review shop distribution, etc.



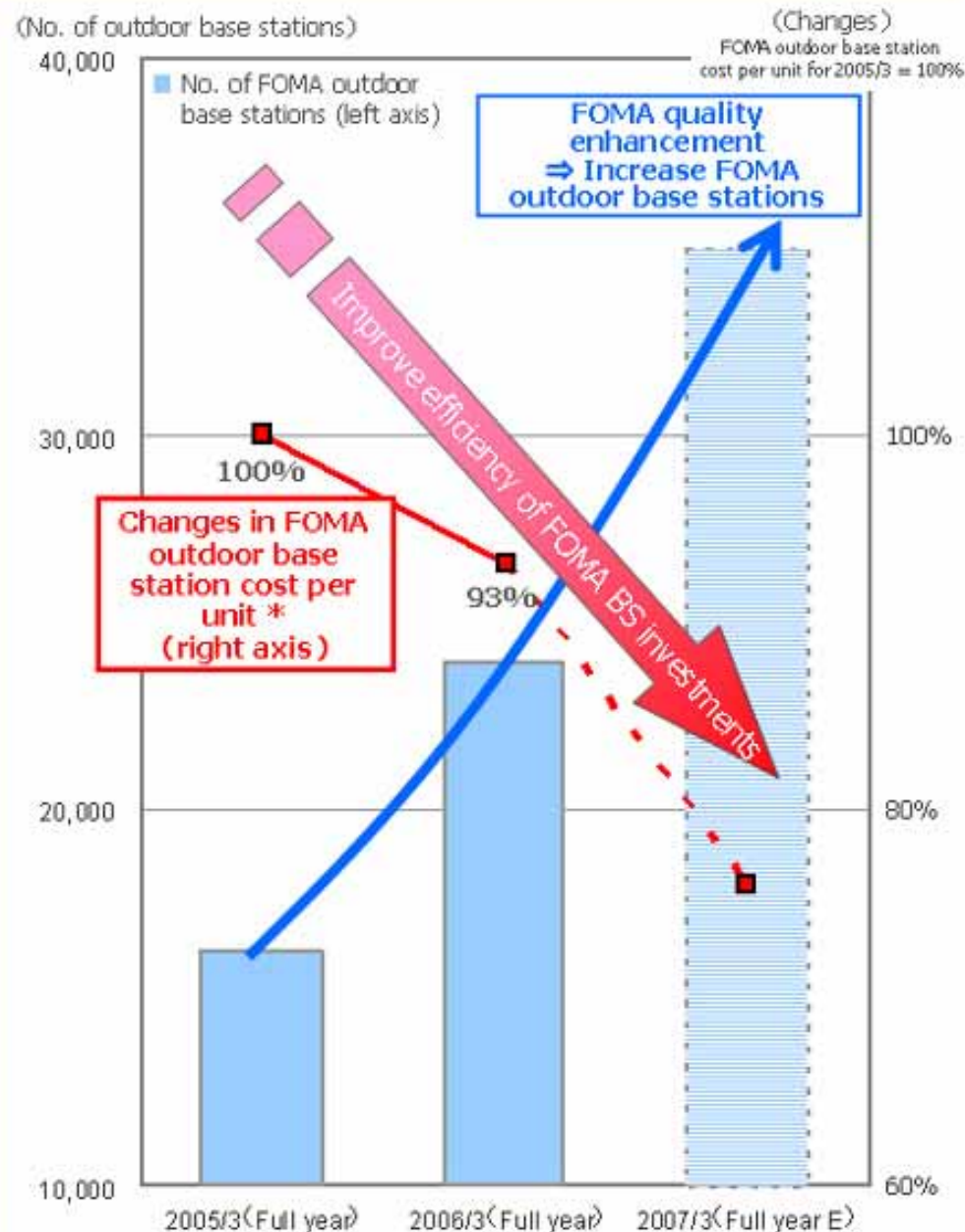
Facilitate Cost Reduction (2) Network

Improve efficiency of access network

- Reduce equipment costs
- Use more economical equipment
(Diversify lineup of base station equipment)
- Reduce engineering entrustment costs

Improve efficiency of core network

- Convert network into IP-based
- Integrate network equipment
- Expand capacity of network equipment



* FOMA outdoor base station cost per unit :
 Total FOMA outdoor base station investment in applicable year (new contraction) /
 Total no. of FOMA outdoor base stations installed in applicable year



Introduction Details

○ Date of introduction : Oct. 24, 2006

Applicable to cellular phone service only

(PHS, satellite telephone and data communications services, etc., are out of the scope of MNP)

○ Notes :

- Mail address, discount services, and handset hardware cannot be transferred
- Content, electronic money values, etc., in some cases may not be transferred
- Extra costs for contract cancellation may be required, if user has entered into an annual discount contract with current carrier.



Significance to Carriers

○ MNP is not a one-time event, but will continue to be in force

○ Possible increase in subscriber liquidity



Need to improve
comprehensive
attractiveness



Appendices

FY2006 1Q Financial Results Highlights

US GAAP

	2005/4-6 (1Q) (1)	2006/4-6 (1Q) (2)	Changes (1) → (2)	2007/3 Full-Year Forecast (3)	Progress to Forecast (2) / (3)
Operating Revenues (Billions of Yen)	1,187.1	1,218.6	+2.7 %	4,838.0	25.2 %
Cellular Services Revenues (Billions of Yen)	1,029.0	1,065.4	+3.5 %	4,176.0	25.5 %
Operating Income (Billions of Yen)	287.6	272.7	-5.2 %	810.0	33.7 %
Income Before Income Taxes (Billions of Yen)	353.4	274.4	-22.4 %	815.0	33.7 %
1Q/Full-year Net Income (Billions of Yen)	207.9	163.5	-21.3 %	488.0	33.5 %
EBITDA (Billions of Yen) *	455.0	445.0	-2.2 %	1,601.0	27.8 %
EBITDA Margin (%) *	38.3	36.5	-1.8 points	33.1	—
Adjusted Free Cash Flows (Billions of Yen) *	135.2	-165.9	—	280.0	—

◆ Consolidated financial statements in this document are unaudited.

◆ Adjusted free cash flows exclude the effects of irregular factors and changes in investments for cash management purposes.

- Irregular Factors represent the effects of uncollected revenues due to bank holidays at the end of the fiscal year.

- Changes in investment 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.

*For an explanation of the calculation process of these numbers, see the reconciliations to the most directly comparable financial measures calculated and presented in accordance with GAAP on Slide 37 and the IR page of our web site, www.nttdocomo.co.jp.

Operating Revenues

US GAAP

(billions of yen)

FY2006 1Q
Operating revenues
◆ compared to FY2005
+2.7%
(Cellular services revenues)
Compared to FY2005 +3.5%
(Equipment sales revenues)
Compared to FY2005 -2.9%
1,187.1
1,218.6
4,838.0

(billions of Yen)

2005/4-6(1Q)

2006/4-6(1Q)

2007/3(Full-year forecast)

 Equipment sales

127.3

123.6

527.0

 Other revenues

18.3

22.5

114.0

 PHS revenues

12.4

7.0

21.0

 Cellular services revenues (voice, packet)

1,029.0

1,065.4

4,176.0

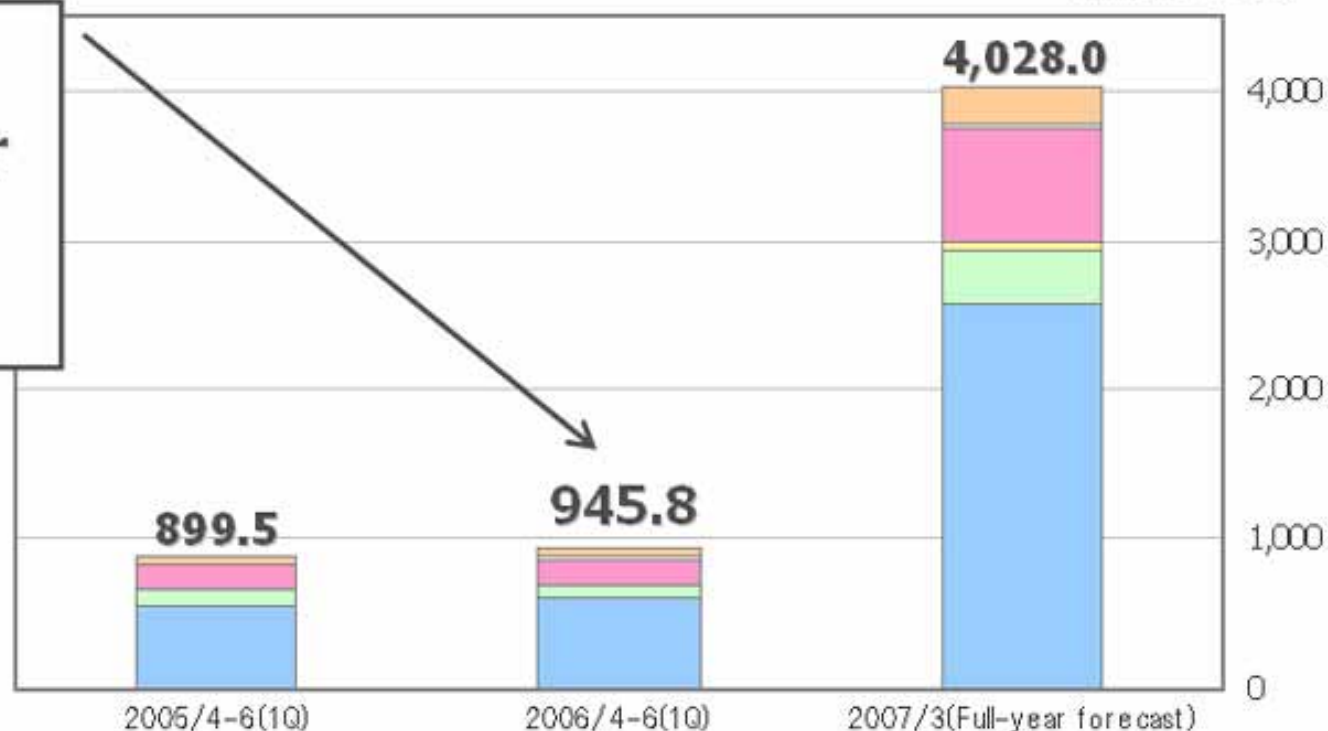
◆ "Quickcast revenues" are included in "Other revenues". "International services revenues" are included in "Cellular services revenues".

Operating Expenses

US GAAP

(billions of yen)

FY2006 1Q
Operating expenses for
◆ Compared to FY2005
+5.2%



(billions of yen)

Personnel expenses	62.0	62.9	252.0
Taxes and public dues	9.2	9.3	37.0
Depreciation and amortization	165.5	169.3	753.0
Loss on disposal of property, plant and equipment and intangible assets	2.8	4.3	52.0
Communication network charges	93.7	90.7	370.0
Non-personnel expenses	566.2	609.3	2,564.0
(incl) Revenue-linked expenses*	411.8	447.1	1,826.0
(incl) Other non-personnel expenses	154.4	162.3	738.0

*Revenue-linked expenses: cost of equipment sold + distributor commissions + cost of DoCoMo Point Service

◆ Impairment loss from the disposal of PHS assets, which had been stated individually in "impairment loss" in previous reports, has been included in "depreciation and amortization" from FY2006/1 Q.

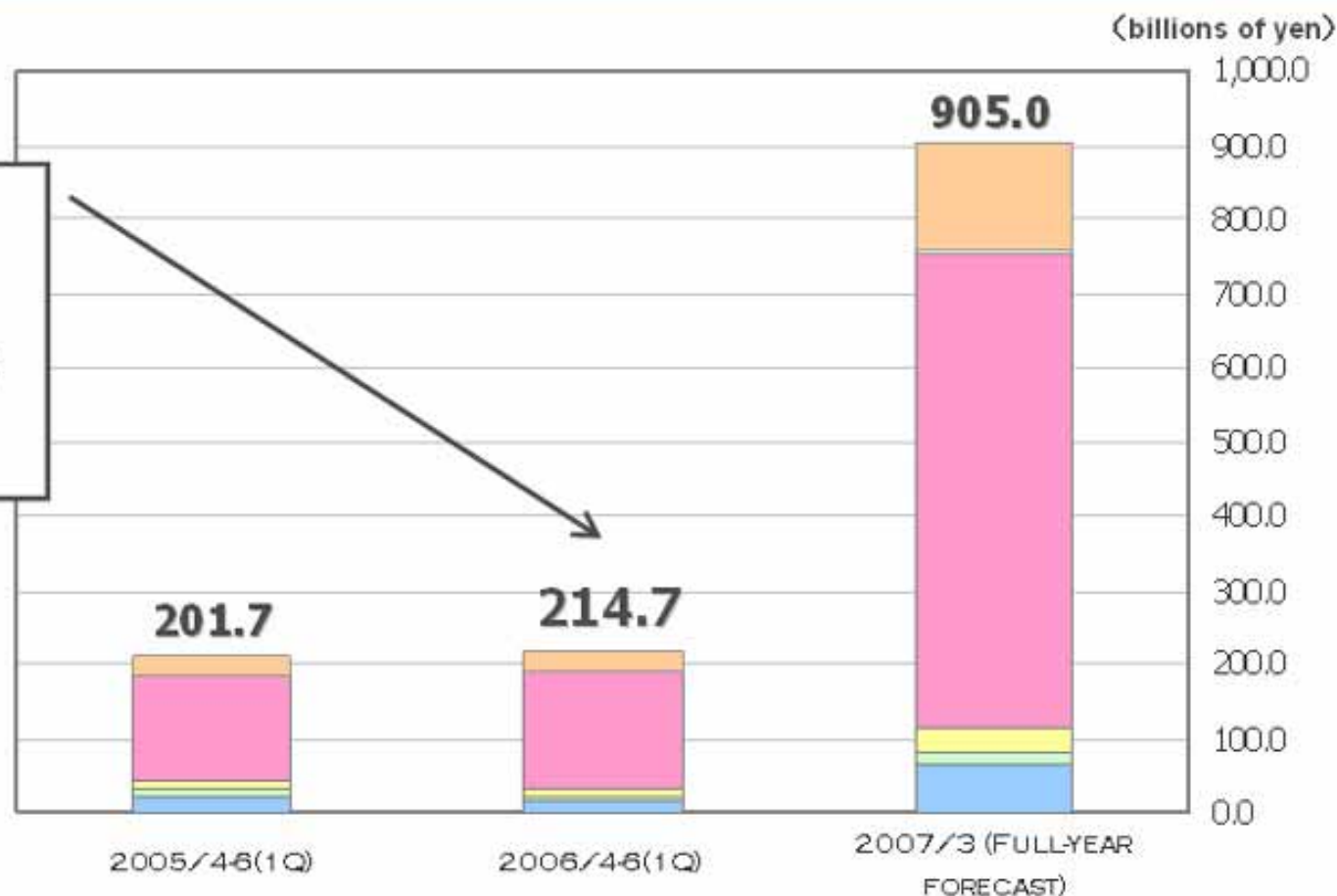
Capital Expenditures

FY2006 1Q

CAPEX

◆ Compared to FY2005

+1.9%



OTHER (INFORMATION SYSTEMS, ETC.)	25.0	27.1	150.0
PHS BUSINESS	0.2	0.2	1.0
MOBILE PHONE BUSINESS (FOMA)	142.2	156.4	639.0
MOBILE PHONE BUSINESS (i-MODE, ETC.)	9.6	9.4	32.0
MOBILE PHONE BUSINESS (MOVA)	10.9	6.5	17.0
MOBILE PHONE BUSINESS (TRANSMISSION LINE)	22.9	15.1	66.0

◆ "Quickcast business" is included in "Other (information systems, etc)"

Operational Results

SLIDE No. 27

				2005/4-6 (1Q) (1)	2006/4-6 (1Q) (2)	Changes (1) →(2)	2007/3 (Full-year forecast)
Cellular phone	No. of Subscribers (1,000)			49,430	51,672	4.5 %	52,900
	mova			35,719	25,456	-28.7 %	17,900
	FOMA			13,710	26,217	91.2 %	35,000
	i-mode			44,659	46,823	4.8 %	47,900
	Communication Module Service			582	733	25.9%	990
	Market share (%)			56.1	55.6	-0.5 points	-
	Handsets sold (1,000) (Including handsets sold without involving sales by DoCoMo)	mova	New	945	345	-63.5 %	-
			Replace	1,525	468	-69.3 %	-
		FOMA	New	898	1,190	32.5 %	-
			Migration from mova	1,701	2,117	24.5 %	-
Other*			514	1,583	208.0 %	-	
Churn rate (%)			0.80	0.64	-0.16 points	-	
PHS	No. of subscribers (1,000)			1,150	679	-41.0 %	320
	ARPU (yen)			3,320	3,170	-4.5 %	-
	MOU (minutes)			74	62	-16.2 %	-

*Other includes purchase of additional handsets by existing FOMA subscribers.

◆ Communication Module Service subscribers are included in the no. of cellular subscribers to align the calculation method of subscribers with other cellular phone carriers.
(Market share, the no. of handsets sold and churn rate are calculated inclusive of Communication Module Service subscribers).

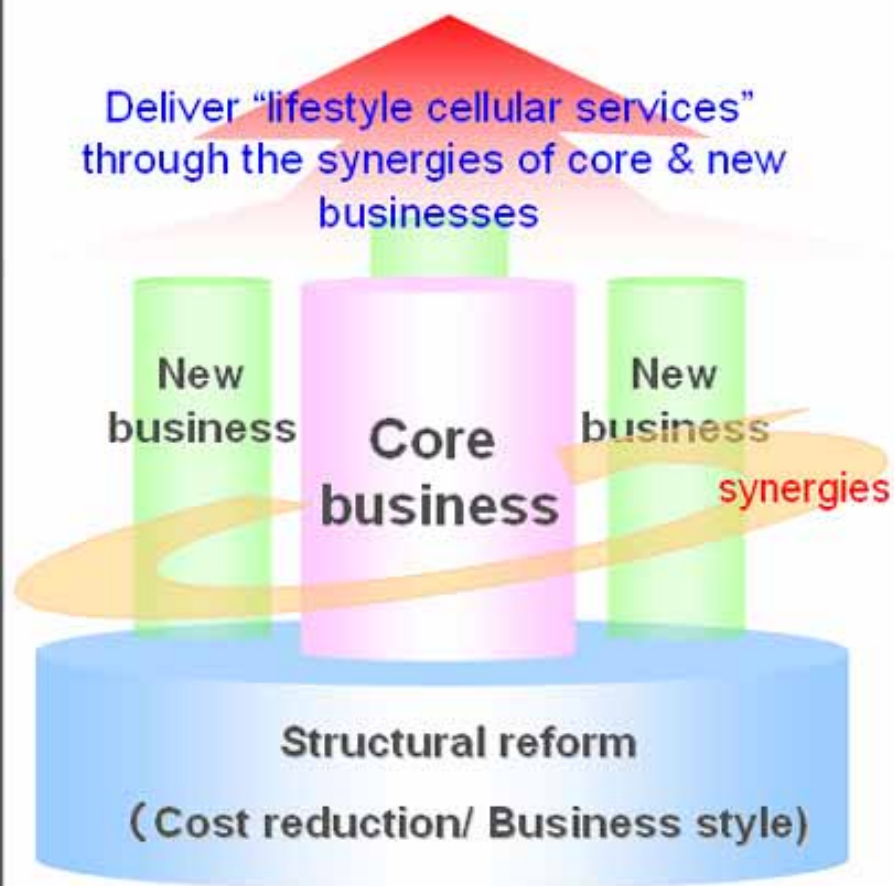
◆ For an explanation of MOU and ARPU, see Slide 36 of this document, "Definition and Calculation Method of MOU and ARPU".

Middle-Term Business Directions

- Facilitate business structural reform, to transform cellular into a “lifestyle infrastructure” through the synergies of core and new businesses
- Deliver “cellular services useful for everyday life and business” to offer innovative & secure solutions

From “telecommunications infrastructure”
to “lifestyle infrastructure”

Deliver “lifestyle cellular services”
through the synergies of core & new
businesses



Directions of service development:

“innovative” “safe & secure”

Innovative

- FeliCa services
 - Payment, mobile credit
 - Commuter pass (Mobile Suica)
- New communication services
 - PushTalk
 - I-channel
- Music services
- Broadcast-linked
- Video distribution/ Videophone
- Corporate services
- International services
- Fuel cell

Safe & Secure

- Children safety protection
 - Kid's PHONE
 - imadoco search
- Personal data protection
 - Remote lock
 - Data security
- Disaster communication
 - I-mode disaster message board
- NW quality enhancement
- Handset troubleshoot
 - Over-the-air download
- Spam countermeasures
- Premier Club
 - Free handset repair
 - Free extra battery pack service



Create New Revenue Sources

Accelerate cellular service's transformation into a "lifestyle infrastructure" leveraging the synergies of core and new businesses

⇒ Achieve "third growth" after first and second phases of growth led by telecommunications/IT infrastructure businesses

(1) Payment/Commerce

-Sumitomo Mitsui Card
-UC Card

-am/pm
-Lawson

-AEON*
-FamilyMart*
-East Japan Railway (LLP)

(2) Broadcast

-Fuji television
-Nippon television(LLP)

(3) Content / Internet business

-Rakuten Auction
-CA Mobile
-Tower Records

(4) Global business

-KT Freetel
-Guam Cellular
Guam Wireless
-PLDT
※ Asia Pacific Mobile Alliance
(tentative name)

(5) Mobile-related peripheral business

•ACCESS
•Aplix

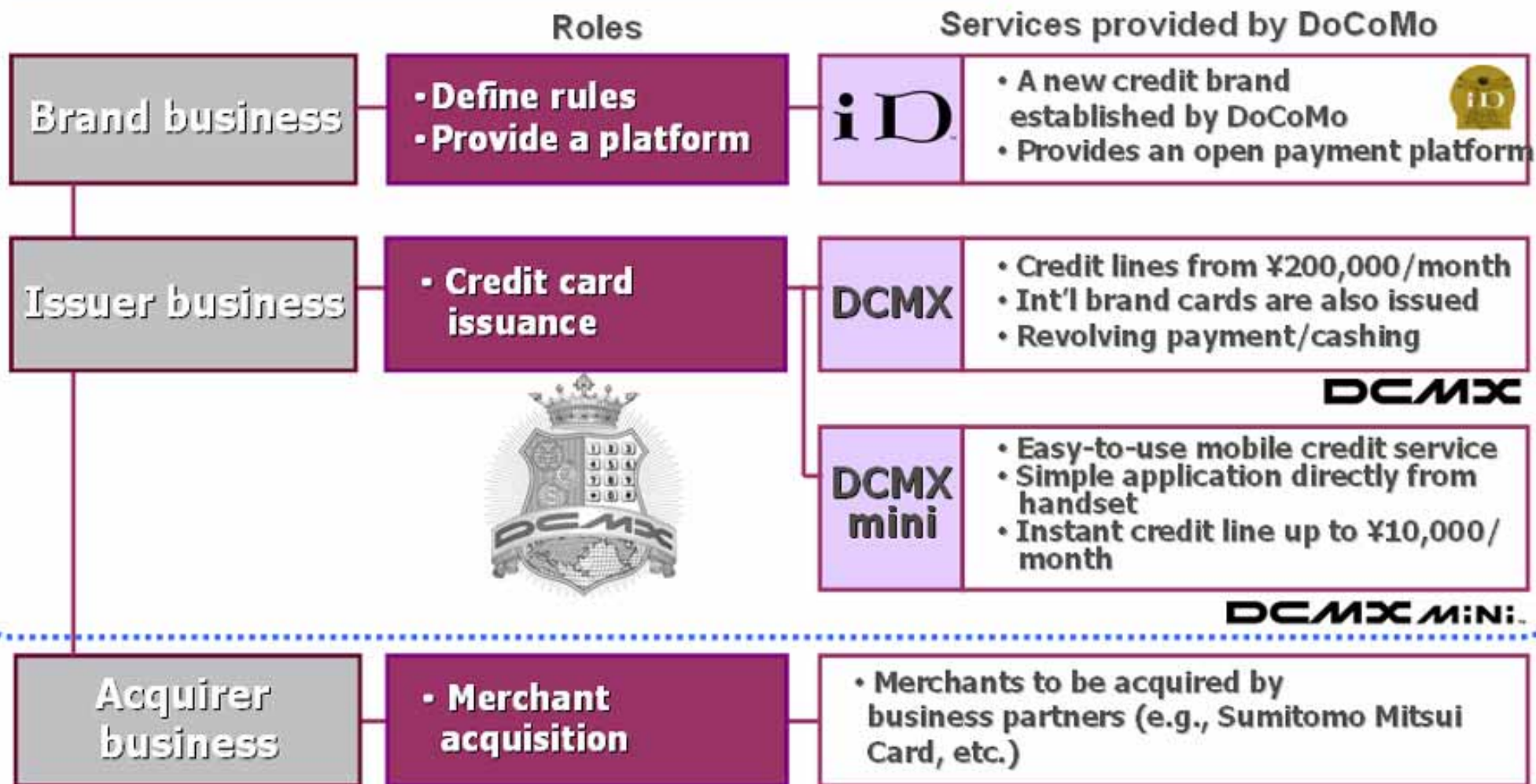
•Renesas Technology*
•Texas Instruments*

•FueTrek

* non-invested alliance

DoCoMo is engaged in brand business (iD) and issuer business (DCMX and DCMX mini)

Domains of DoCoMo's Credit Business



Enriched International Services

■ Added variety of GSM/FOMA dual-mode handsets

(As of Aug. 31, 2006)

- **GSM roaming-enabled: 5 models**
(N900iG, M1000, NW850iG, SIMPURE series)
- **3G roaming-enabled: 2 models** (P902iS, N902iS)

■ Expanded roaming destinations

- **Voice roaming: 142 countries/regions**
- **i-mode roaming : 81 countries/regions**
(As of Aug. 31, 2006)

■ Increased rental counters/Easy-to-use billing plans

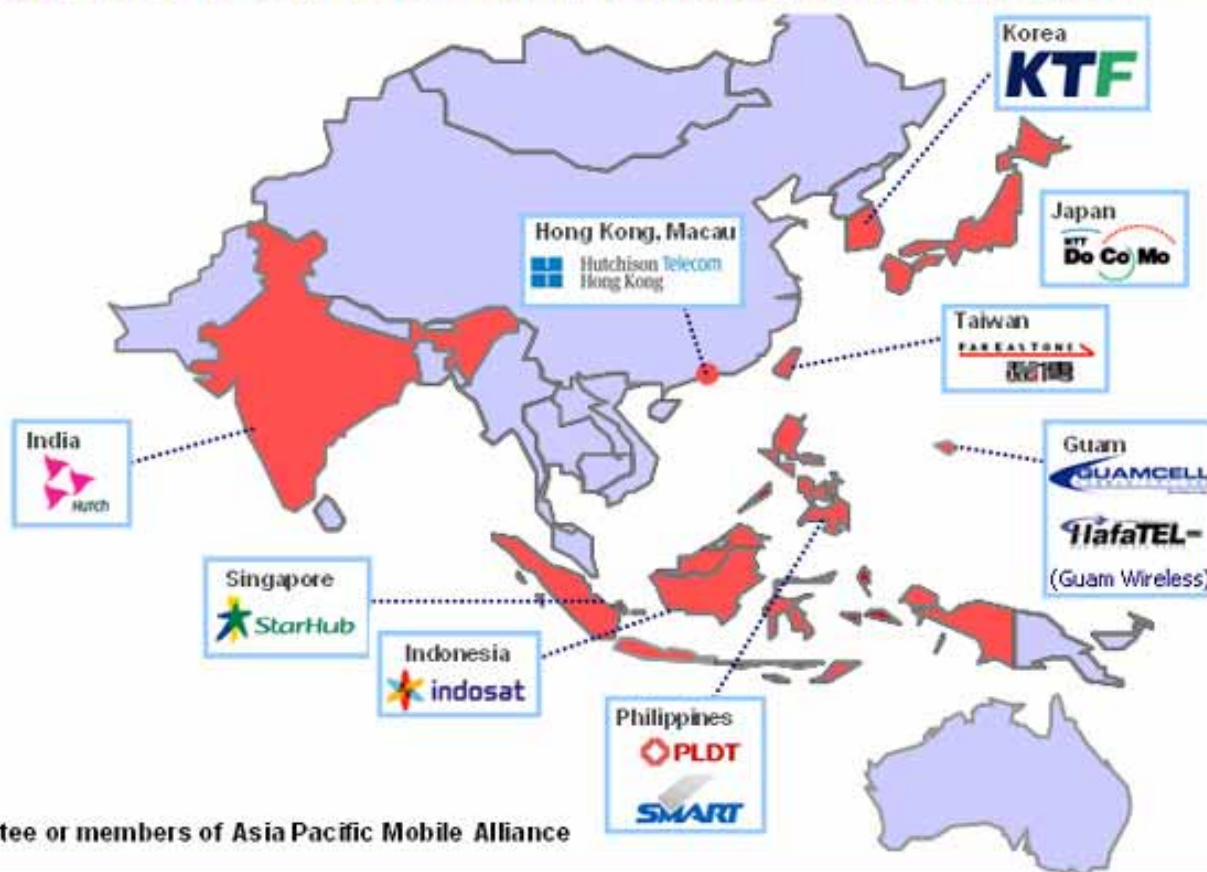
- **Nationwide DoCoMo Shops / DoCoMo World Counter Hawaii**
- **Discounted "WORLDCALL" charges, etc.**

■ Established Asia Pacific Mobile Alliance

(Tentative name)

- **To collaborate in the fields of international roaming and corporate services**

DoCoMo's Investees or Members of Asia Pacific Mobile Alliance

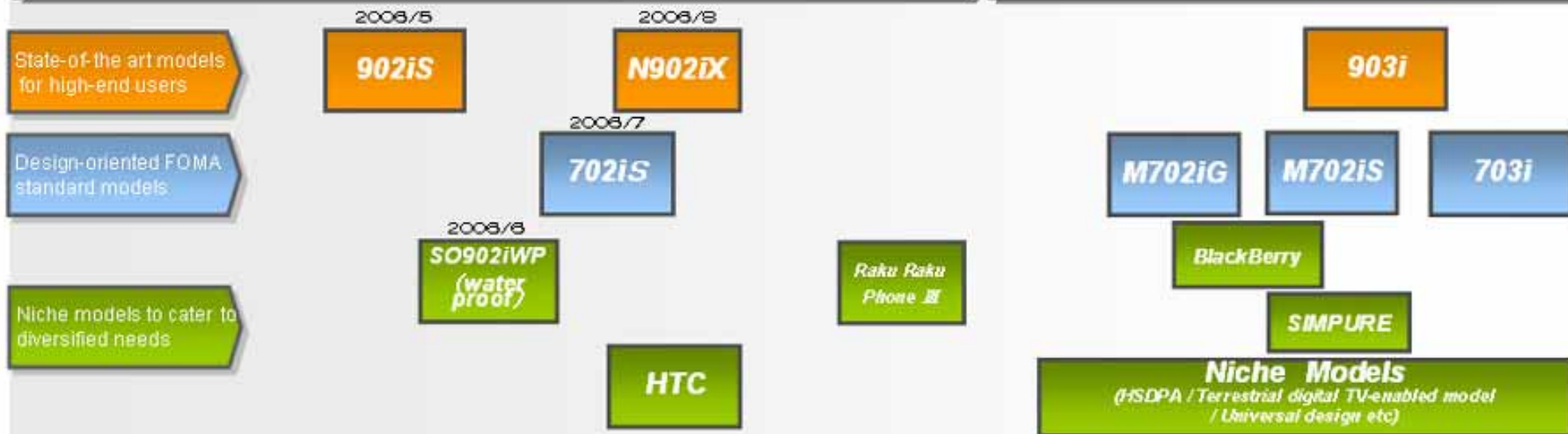


Enriched FOMA Handset Lineup

Plan to offer a wide array of handsets tailored to diverse user needs

FY2006 FIRST HALF

FY2006 SECOND HALF AND BEYOND



Breakdown of FOMA Handsets Sold

FY2005/1Q

70X series 90X series

FY2006/1Q

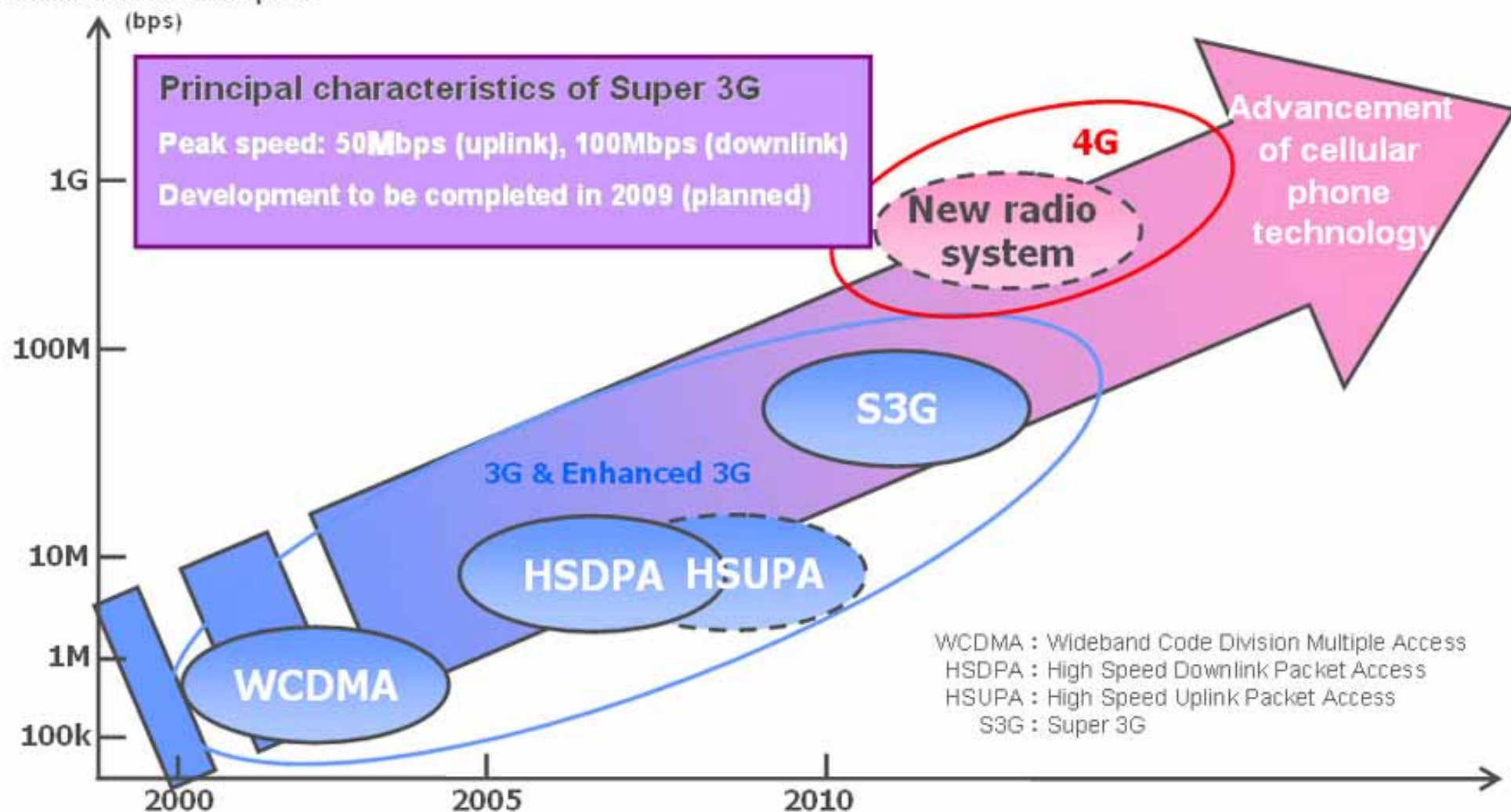
- Add more international roaming-enabled phones (M702iG/M702iS)
- Mobile information device for corporate users (HTC/BlackBerry)
- Enrich lineup of foreign vendors handsets (LG, Nokia) (to lower procurement costs)
- Enrich variety of terrestrial digital broadcast-enabled models

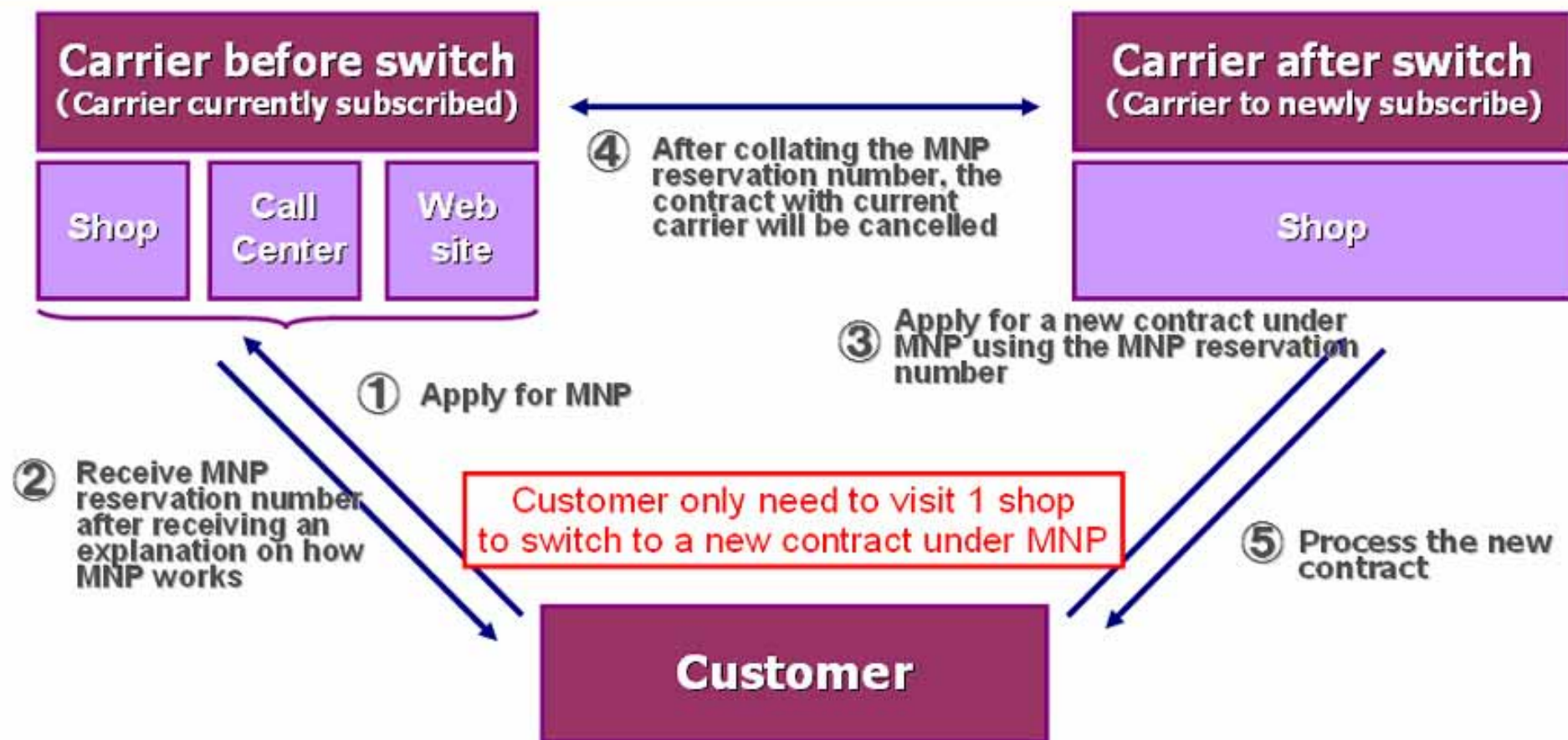
Planned Network Evolution

Evolve mobile phone service by upgrading network capabilities

- ⇒ Boost competitiveness by further enriching service portfolio, and offering richer content and more attractive handsets
- ⇒ Cost reduction and more efficient use of radio resources by improving the efficiency of radio network

Downlink transmission speeds
(bps)





【Cautions relating to use of MNP】

• If customers switch carriers using the MNP system, the existing contract with the current carrier will be canceled. Customers are required to be aware of the following conditions resulting from the cancellation of the existing contract.

- ① Mail address/handset hardware cannot be transferred.
- ② Current billing plans/discount services, etc., will be terminated upon the cancellation of contract.
- ③ Content/electronic money, etc., provided by third-party content providers may not be transferred.
- ④ Extra charges may be incurred in relation to the cancellation of contract, if user has entered into certain discount contract with existing carrier, e.g., annual discounts, etc.

Return to Shareholders

Returning profits to shareholders is considered one of the most important issues in our corporate agenda

Track record

	FY ended Mar. 31, 2004	FY ended Mar. 31, 2005	FY ended Mar. 31, 2006
Total dividend (Billions of yen) (1)	73.3	93.0	178.2*
(dividend per share)	(1,500 yen) <small>Incl. ¥500 commemorative dividend</small>	(2,000 yen)	(4,000 yen)*
Repurchase of own shares (Billions of yen) (2)	394.9	425.2	300.1
(No. of shares repurchased)	(1.58 mil shares)	(2.32 mil shares)	(1.8mil shares)
Total (Billions of yen) (1)+(2)	468.2	518.3	478.2*
* Planned			
No. of canceled treasury shares	- 1.48 mil shares		1.89 mil shares

FY ending Mar. 31, 2007

Dividend per share: 4,000 yen

(Maintain a level comparable to the dividend for FY ended Mar. 31, 2006, when it was doubled from the previous fiscal year)

Repurchase of own shares: Authorized to repurchase up to 1.4 million shares for up to 250 billion yen at 15th ordinary meeting of shareholders in Jun. 2006.

36 Definition and Calculation Methods of MOU and ARPU

◆ **MOU (Minutes of usage) : Average communication time per one month per one user.**

◆ **ARPU (Average monthly Revenue Per Unit) :**

Average monthly revenue per unit, or ARPU, is used to measure average monthly operating revenues attributable to designated services on a per user basis. ARPU is calculated by dividing various revenue items included in operating revenues from our wireless services, such as monthly charges, voice transmission charges and packet transmission charges, from designated services which are incurred consistently each month, by number of active subscribers 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 of our subscribers 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.

◆ **Aggregate ARPU (FOMA+mova) : Voice ARPU (FOMA+mova) + Packet ARPU (FOMA+mova)**

◇ **Voice ARPU (FOMA+mova) :** Voice ARPU (FOMA+mova) Related Revenues (monthly charges, voice transmission charges) / No. of active cellular phone subscribers (FOMA+mova)

◇ **Packet ARPU (FOMA+mova) :** {Packet ARPU (FOMA) Related Revenues (monthly charges, packet transmission charges) + i-mode ARPU (mova) Related Revenues (monthly charges, packet transmission charges)} / No. of active cellular phone subscribers (FOMA+mova)

◇ **i-mode ARPU (FOMA+mova) :** i-mode ARPU (FOMA+mova) Related Revenues (monthly charges, packet transmission charges) / No. of active cellular phone subscribers (FOMA+mova)

◆ **Aggregate ARPU (FOMA) : Voice ARPU (FOMA) + Packet ARPU (FOMA)**

◇ **Voice ARPU (FOMA) :** Voice ARPU (FOMA) Related Revenues (monthly charges, voice transmission charges) / No. of active cellular phone subscribers (FOMA)

◇ **Packet ARPU (FOMA) :** Packet ARPU (FOMA) Related Revenues (monthly charges, packet transmission charges) / No. of active cellular phone subscribers (FOMA)

◇ **i-mode ARPU (FOMA) :** i-mode ARPU (FOMA+) Related Revenues (monthly charges, packet transmission charges) / No. of active cellular phone subscribers (FOMA)

◆ **Aggregate ARPU (mova) : Voice ARPU (mova) + i-mode ARPU (mova)**

◇ **Voice ARPU (mova) :** Voice ARPU (mova) Related Revenues (monthly charges, voice transmission charges) / No. of active cellular phone subscribers (mova)

◇ **i-mode ARPU (mova) :** i-mode ARPU (mova+) Related Revenues (monthly charges, packet transmission charges) / No. of active cellular phone subscribers (mova)

◆ **Number of active subscribers used in ARPU and MOU calculations are as follows:**

◇ Quarterly data: sum of "No. of active subscribers in each month"* of the current quarter

◇ Half-year data: sum of "No. of active subscribers in each month"* of the current half

◇ Full-year data: sum of "No. of active subscribers in each month"* of the current fiscal year

* "No. of active subscribers in each month": (No. of subs at end of previous month+No. of subs at end of current month)/2

※The revenues and no. of subscribers of Communication Module Service are not included in the above calculation of ARPU and MOU.

Reconciliation of the Disclosed Non-GAAP Financial Measures to the Most Directly Comparable GAAP Financial Measures

1. EBITDA and EBITDA margin

	Billions of yen	
	Three months ended June 30, 2006	Three months ended June 30, 2005
a. EBITDA	¥ 445.0	¥ 455.0
Depreciation and amortization	(169.3)	(165.5)
Losses on sale or disposal of property, plant and equipment	(3.0)	(1.9)
Operating income	272.7	287.6
Other income (expense)	1.7	65.8
Income taxes	(110.7)	(144.8)
Equity in net losses of affiliates	(0.1)	(0.8)
Minority interests in consolidated subsidiaries	(0.0)	0.0
b. Net income	163.5	207.9
c. Total operating revenues	1,218.6	1,187.1
EBITDA margin (=a/c)	36.5%	38.3%
Net income margin (=b/c)	13.4%	17.5%

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

2. Free cash flows excluding changes in investments for cash management purpose

	Billions of yen	
	Three months ended June 30, 2006	Three months ended June 30, 2005
Free cash flows excluding changes in investments for cash management purpose	(¥ 165.9)	¥ 135.2
Changes in investments for cash management purpose	(0.4)	50.0
Free cash flows	(166.2)	185.2
Net cash used in investing activities	(264.6)	(141.2)
Net cash provided by operating activities	98.4	326.3

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

