

Great East Japan Earthquake: Damage and Restoration Status



NTT DOCOMO, INC.

Apr. 27, 2011

Forward-Looking Statements

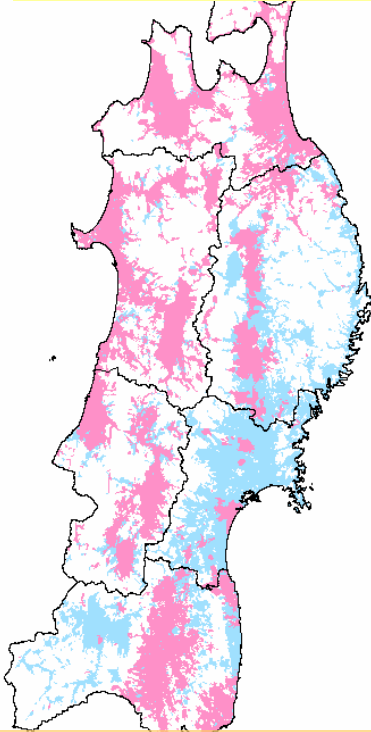
This presentation contains forward-looking statements such as forecasts of results of operations, management strategies, objectives and plans, forecasts of operational data such as the expected number of subscriptions, and the expected dividend payments. All forward-looking statements that are not historical 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 presentation 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.

Damage and Restoration Status

Restoration Status of Service Areas

As of Mar. 12



4,900 base station equipments disrupted in Tohoku

Principal reasons for service disruption

Direct damage from earthquake/tsunami (physical damage/submersion, etc.)

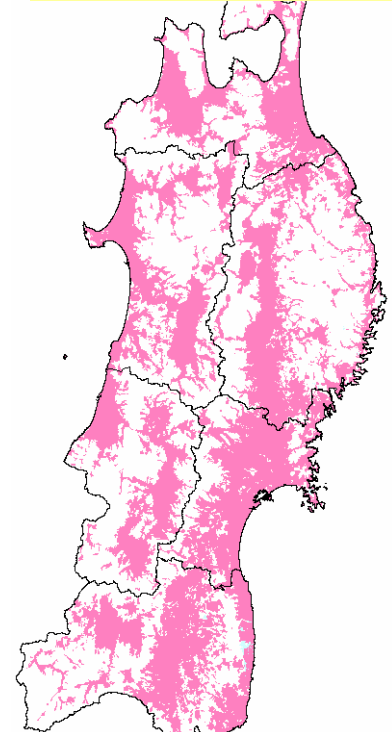
Transmission line disruption due to earthquake (optical fiber, etc.)

Battery run-out due to long hours of power outage

Service available

Service interrupted

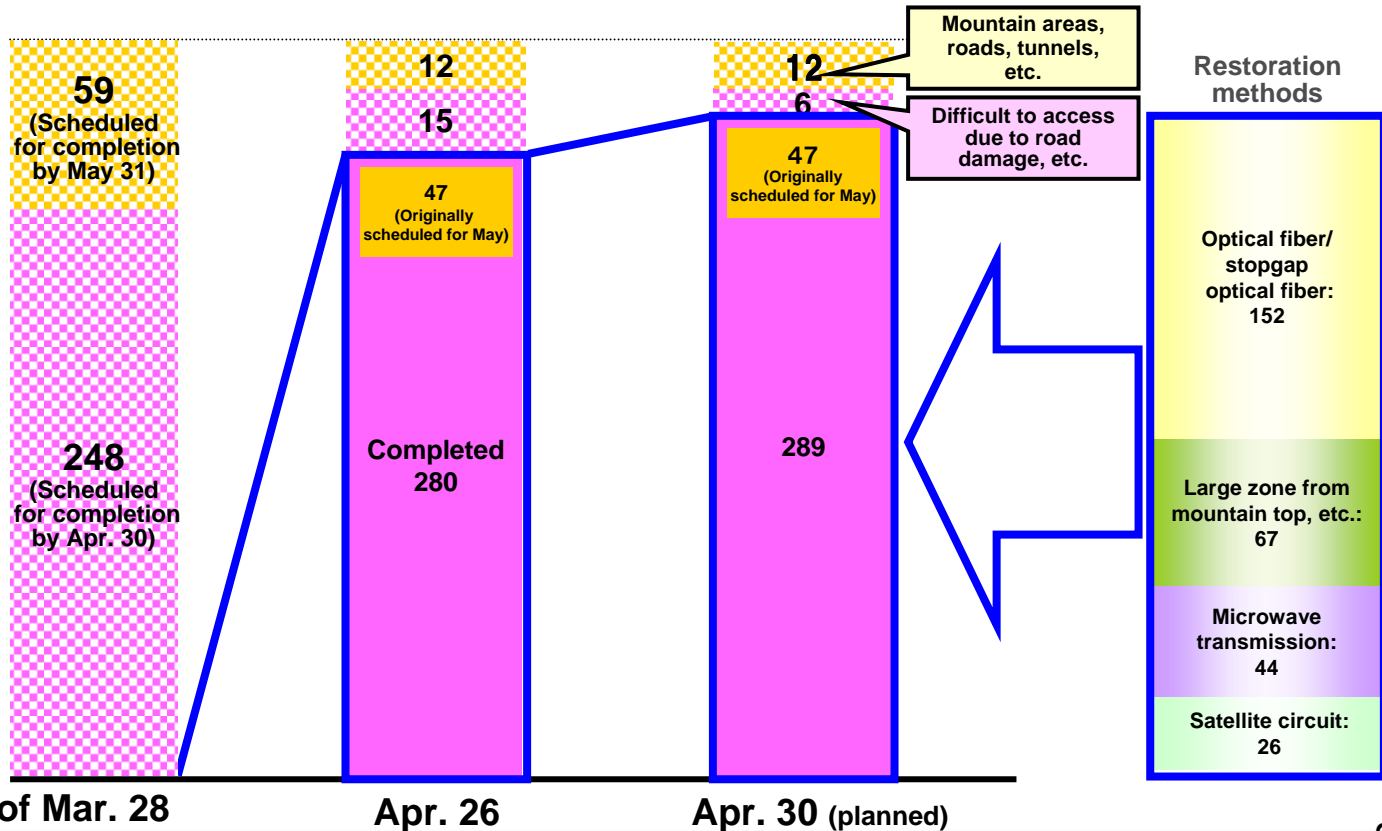
As of Apr. 26



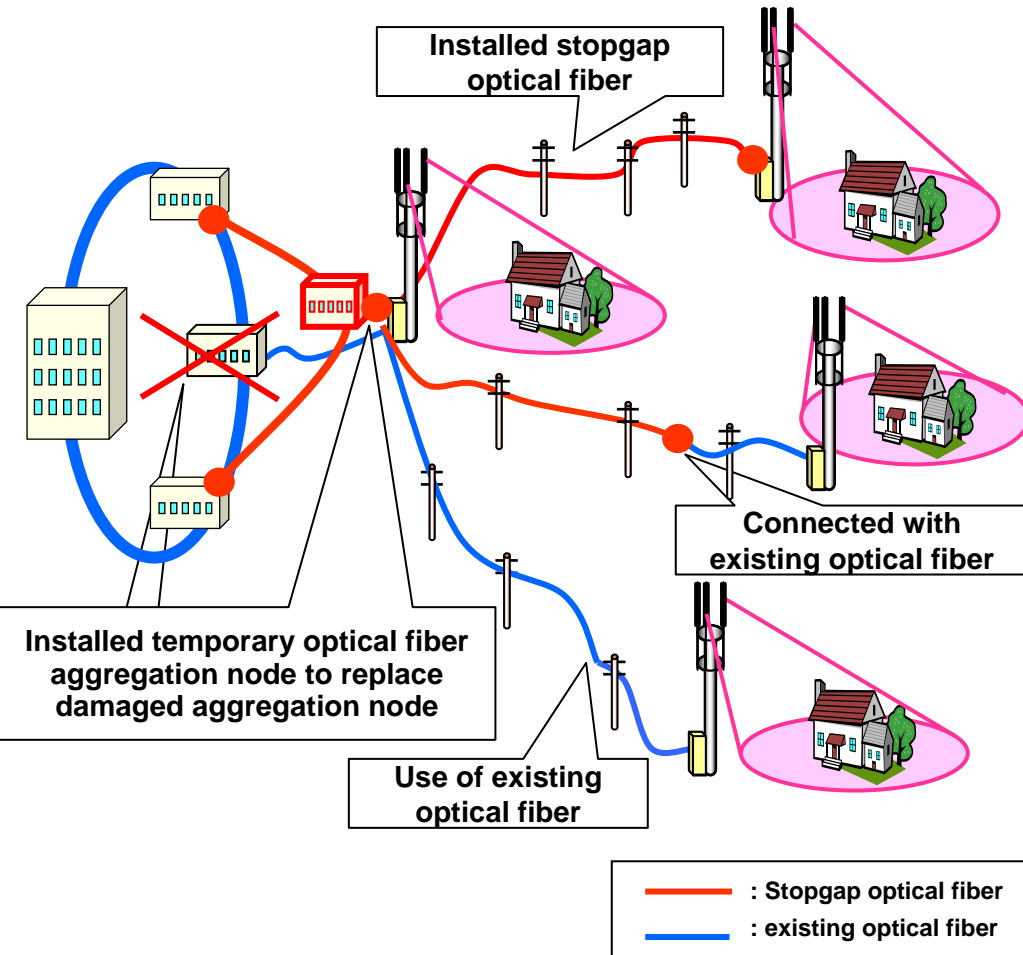
Restored service areas to almost pre-earthquake levels

Restoration Progress & Outlook (Excluding areas within 30km radius of Fukushima Daiichi Nuclear Plant)

- Schedule for restoration: 248 stations by April 30, 2011; 59 stations by May 31, 2011; total 307 stations
- Complete restoration of 242 stations out of 248 stations planned to be restored by Apr. 30, 2011 (98%)
- Complete restoration of 289 stations out of total 307 stations to be restored (94%)
- Aim to complete restoration of remaining 18 stations by May 31, 2011



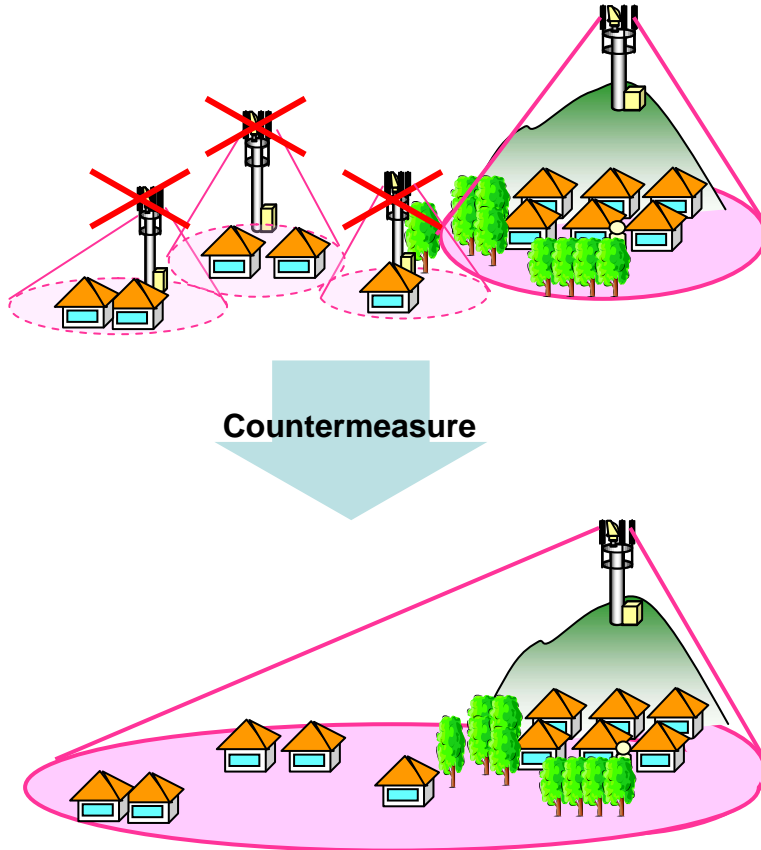
Restoration Using Optical Fiber/Stopgap Optical Fiber



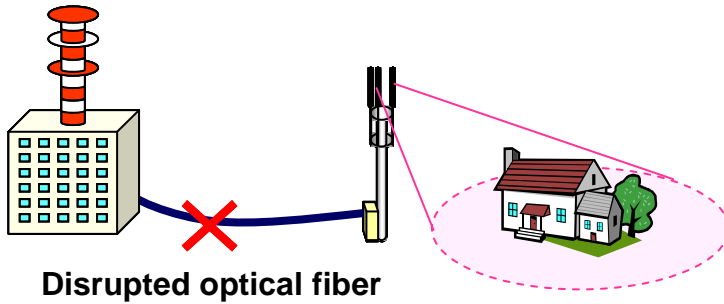
Restoration Using Large Zone Scheme

Actively apply large zone scheme* in high-elevation base stations

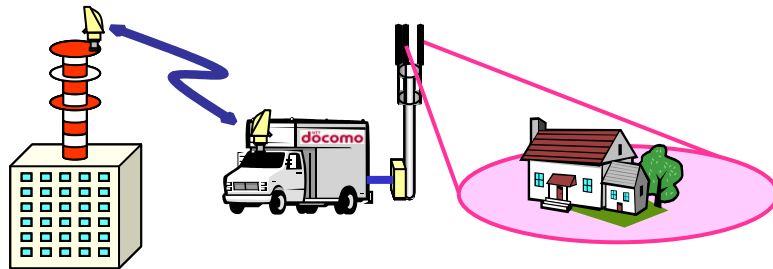
* a method that covers areas normally covered by multiple stations with a single station



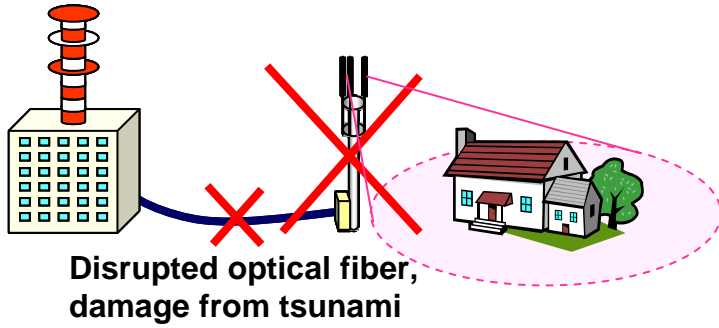
Restoration Using Microwave Transmission



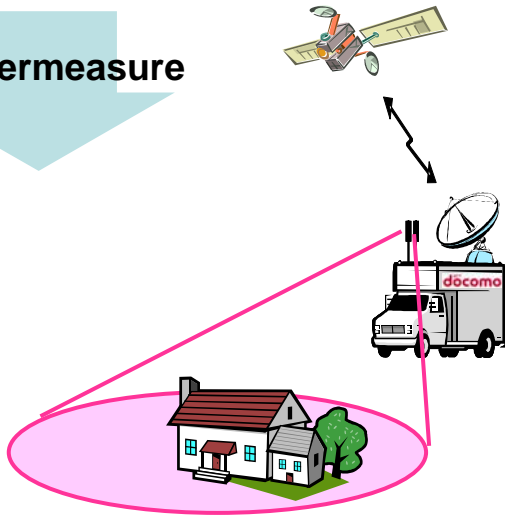
Countermeasure



Restoration Using Satellite Circuits

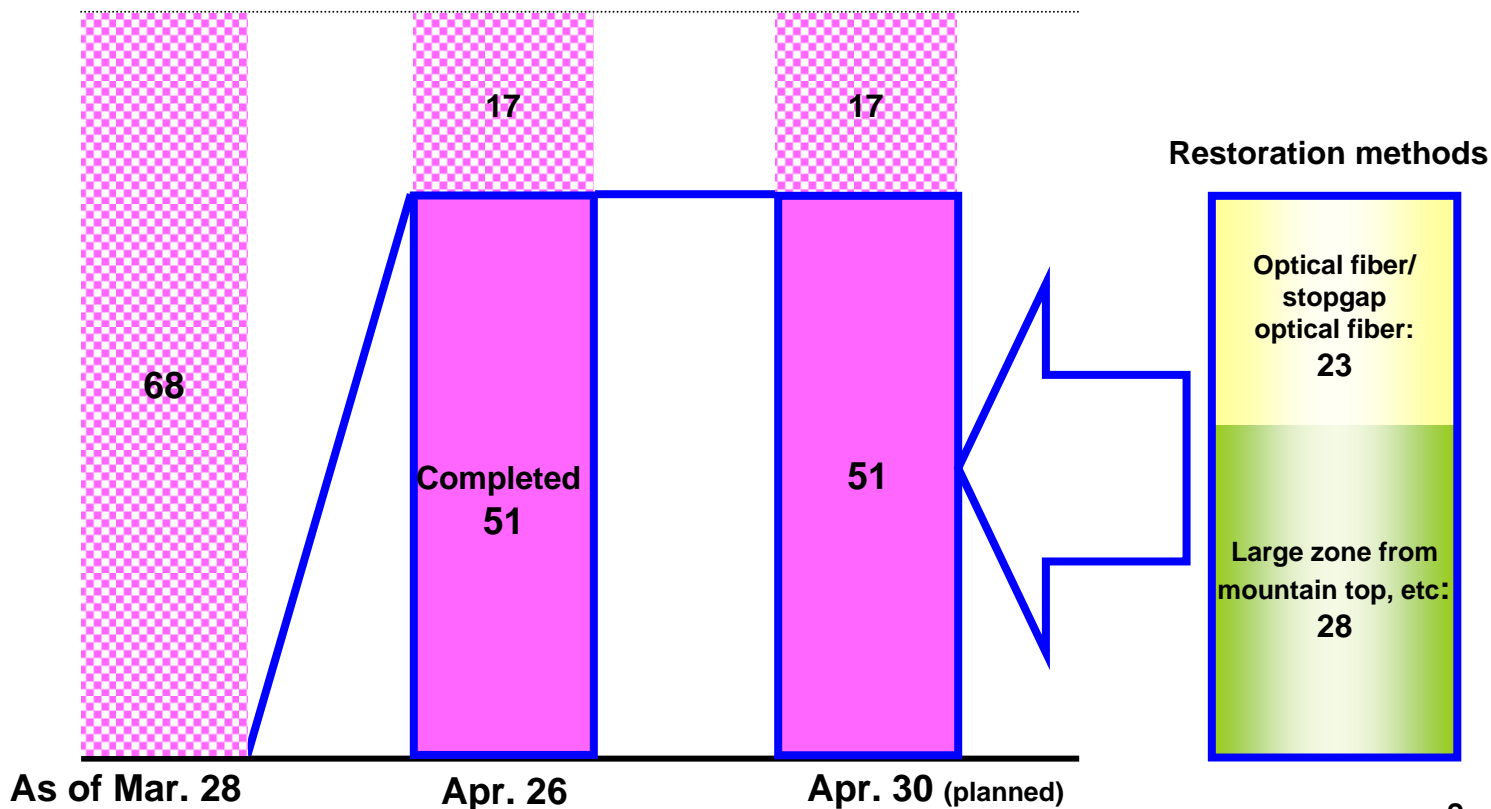


Countermeasure



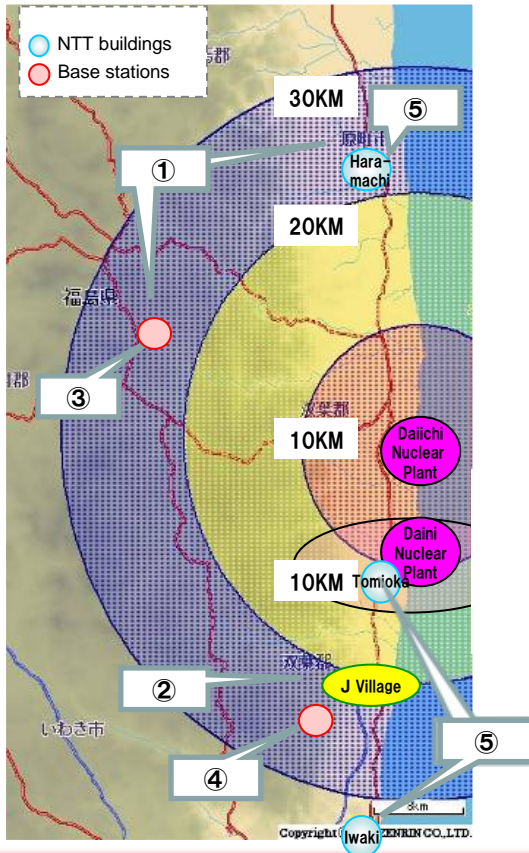
Restoration Status (Areas within 30km radius of Fukushima Daiichi Nuclear Plant)

- Completed restoration of 51 stations out of total 68 stations located within 30km radius of Fukushima Daiichi Nuclear Plant (75%)



Restoration Status (Areas near Fukushima Daiichi Nuclear Plant)

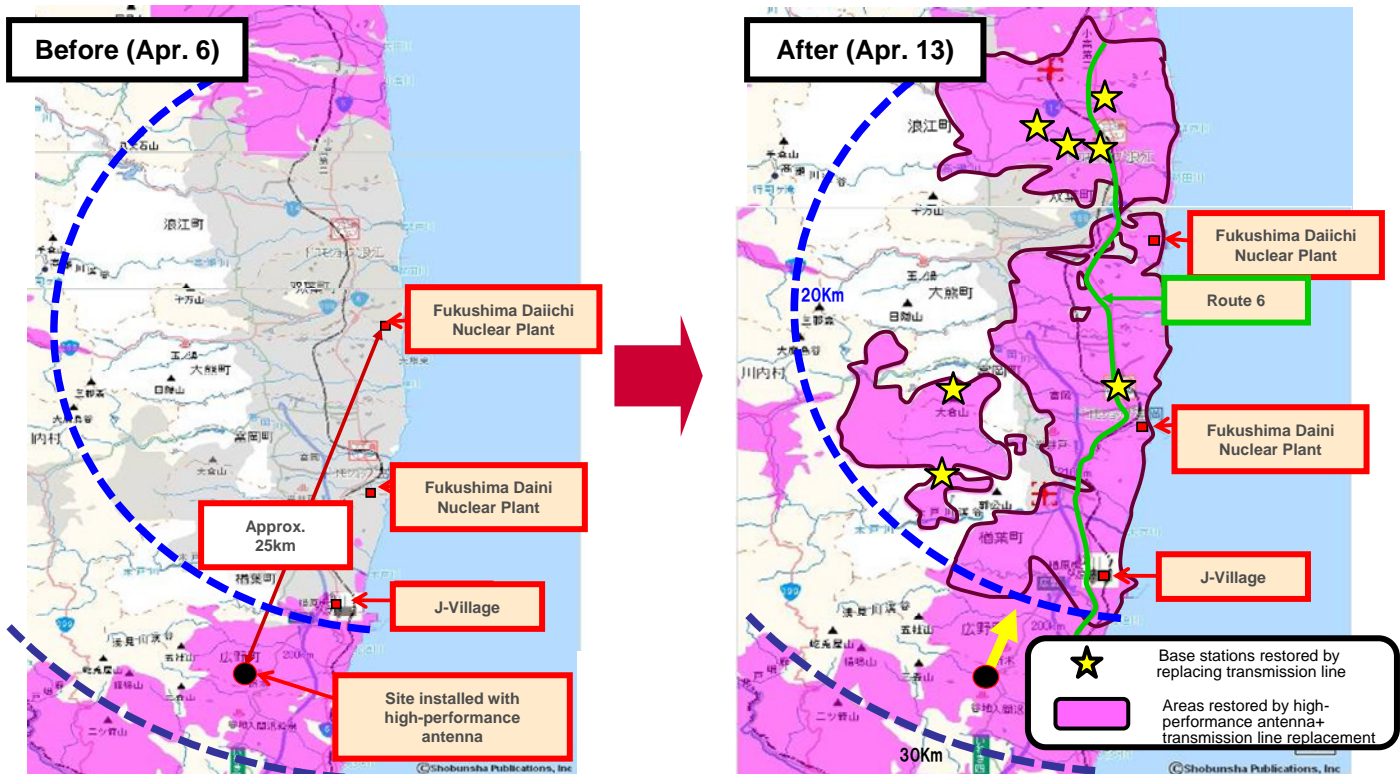
• Initiatives for restoring coverage in areas within 30km radius of Fukushima Daiichi Nuclear Plant



Initiatives	Date	Outcome
① On-site inspection of disrupted base stations within 20-30km radius	Mar. 31- Apr. 1	Inspected 7 base stations (status of equipment, conditions of nearby areas)
② Deployment of satellite mobile base station vehicle to J-Village (Taruha-cho, Fukushima)	Apr. 1	Restored coverage including indoors for the base camp of nuclear plant task force in J-Village (approx. 500 responders)
③ Resetting of base station transmission equipment (in Katsurao-mura, Fukushima)	Apr. 6	Restored services of 2 base stations
④ Installation of high-performance antenna for areas close to Fukushima Daiichi Nuclear Plant (Iwaki, Fukushima)	Apr. 13	Restored coverage in areas near Fukushima Nuclear Plant and along Route 6
⑤ Replacement of transmission lines for areas along Joban Expressway (sections between Iwaki, Banjo-Tomioka and Haramachi)	Apr. 13	Restored service of 13 base stations through optical fiber connection

Restoration of Areas (within 20km from Fukushima Daiichi Nuclear Plant)

- Installed a high-performance antenna in a base station approx. 25km away from Fukushima Daiichi Nuclear Plant to restore coverage in areas close to the nuclear plant and along Route 6
- Replaced transmission line to restore service



Restoration of Areas (within 20km from Fukushima Daiichi Nuclear Plant)

Coverage restoration at J-Village (Taruha-cho)
(Deployed satellite mobile base station vehicle on Apr. 1)



Base station restoration by replacement of transmission line
(Exchange office in Tomioka-city: Replaced on Apr. 13)



Coverage restoration by using high-performance antenna
(Base station site in Iwaki-city: Installed on Apr. 13)



DOCOMO Group Organization for Restoration

- Mobilized a total of some 4,000 people, mainly from the Tohoku Regional Office with help from DOCOMO headquarters, other Regional Offices, other group companies and partner companies, to make an all-out effort to restore communication services.
- Employed stopgap repair measures deploying mobile base station vehicles and satellite circuits, and provided evacuation shelters with satellite phones and other mobile handsets and devices to secure communication in areas where service was disrupted.

Extensive resource mobilization

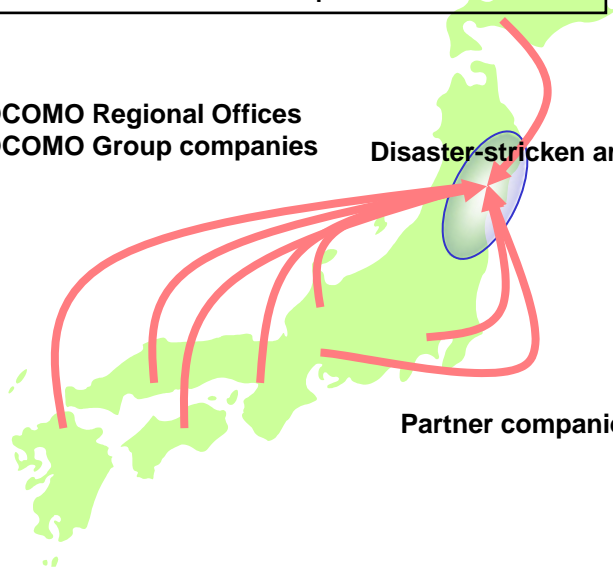
(Principal support activities)

- Deployment of satellite mobile base station vehicles
- Deployment of mobile power supply vehicles
- Provision of satellite mobile phones

DOCOMO Regional Offices
DOCOMO Group companies

Disaster-stricken areas

Partner companies



Human resources mobilized for restoration

	No. of personnel
Disaster restoration	4,000
Support for affected areas	2,300
Wide-area support	1,000
Logistics support	1,700
Disaster Countermeasures Office	200

Equipment mobilized for restoration

	No. of units	No. of locations (total)
Satellite mobile base station vehicle	10	30
Mobile base station vehicle	21	31
Mobile power supply vehicle	30	64

Restoration Area Maps (in Japanese only)





- Indicating areas where service is available or disrupted, and the restoration schedule of disrupted areas
- Displaying information such as locations where free mobile phone/satellite phone and battery recharging services are provided, docomo Shop opening hours, etc.
- Commenced on Mar. 20, 2011 after being urgently developed, and updated on a daily basis

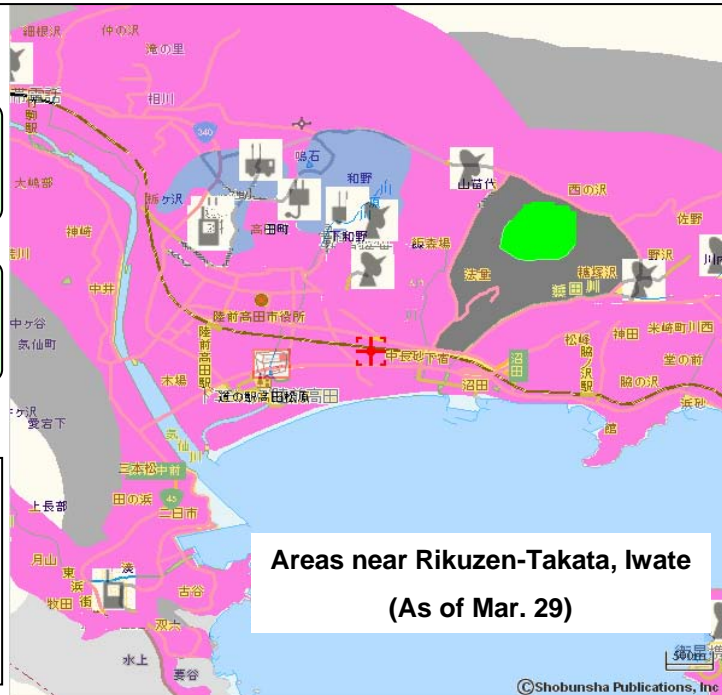
Map image

Possible to perform search by address, keywords

Flexible size levels through zoom in/out

Restoration schedule

-  Areas to be restored by next day
-  Areas to be restored by mid-April
-  Areas to be restored by late-April
-  Areas to be restored in May or beyond



Cumulative accesses:

Approx. 200,000 accesses in first 10 days of operation

Customer comments

- It is very useful that I can see the restoration status of service areas that changes everyday
- Very convenient, because I can check the availability of services in areas I visit for relief activities!
- It was very significant that DOCOMO played a leading role in active disclosure of restoration status

Support to Evacuation Shelters, etc.

■ Rental of free mobile phones, etc.

- Free-of-charge rental of mobile phones and free battery recharging stations to secure communication in disaster-stricken areas

◆ Free rental of satellite mobile phones: 900 units ◆ Free rental of mobile phones: 2,100 units

Portable satellite phone 01



◆ Internet access stations with tablets: 670 units



◆ Free battery recharging stations: 410 locations



Multi-chargers: 130 units



AC adaptors: 6,500 units
Solar chargers: 3,150 units

Support to Various Organizations/Companies

■ Cooperation/support to various institutions

- Provided tablet devices, data cards, etc., as a means of communication to assist various institutions engaged in relief/restoration activities in disaster-stricken areas

	Provided (13 projects)	Planned
GALAXY Tab	420 units*	320 units
Data card, Wi-Fi router	210 units	1,000 units
Mobile Phone	18 units*	—

* Included in the no. of rental phones on P. 14

◆ Principal support activities

Support offered to:	Overview	Support from DOCOMO
“Evacuation Shelter Surveillance System” (Support for research/medical institutions) 【Period】 From Mar. 31, 2011	Local government officials and nurses utilize the Tab to record information regarding the occurrence of infectious disease at evacuation shelters. The recorded information contributes to a more efficient medical system and distribution of medicines.	GALAXY Tab: 300 units Basic monthly charge, communication charge: Free (Mar. 31 – Jun. 30, 2011)
National Research Institute for Earth Science and Disaster Prevention (NIED) 【Period】 From Mar. 23, 2011	“Disaster Risk Information Platform” developed by NIED provides map data and related information to isolated municipalities. Data cards from DOCOMO provide a means of communication.	Data cards: 100 units Basic monthly charge, communication charge: Free (Mar. 23 – Jun. 30, 2011)
Elementary/junior high schools in Iwate Prefecture 【Period】 From Apr. 25, 2011	DOCOMO has been assisting information sharing between prefectural authorities and 60 elementary/ junior schools in Iwate where network environment was destroyed. Mobile Wi-Fi routers were provided as a means of data communications.	Mobile Wi-Fi routers: 60 units Basic monthly charge, communication charge: Free (Apr. 25 – Jul. 31, 2011)
Japan Primary Care Association 【Period】 From Apr. 12, 2011	Devices from DOCOMO provide means for communication between evacuation shelters and doctors who are able to practice in the disaster-affected areas or doctors volunteering in remote rural areas.	GALAXY Tab : 42 units Data cards: 3 units Basic monthly charge, communication charge: Free (Apr. 12 –Jul. 31, 2011)
The Japan Chamber of Commerce and Industry (JCCI) 【Period】 From Apr. 11, 2011	Because the local chambers of commerce in Iwate, Miyagi and Fukushima prefectures were affected by the disaster, members of JCCI are working to assist in the restoration of small & medium sized enterprises. DOCOMO devices provide them a means for communication.	Data cards: 30 units Mobile phones: 10 units Basic monthly charge, communication charge: Free (Apr. 11 – Mid-July, 2011)
Japan Meteorological Agency (JMA) 【Period】 From Mar. 23, 2011	Provision of data monitored by DOCOMO’s environmental sensor network to assist the JMA’s observation activities due to disruption of some AMeDAS observation points	Provision of environment sensor network observation data (temperature, rainfall, wind)

Payment-Related Support Measures

Items	Content
Extension of payment deadline	March bills (For use in Feb. 2011) April bills (For use in March 2011) ⇒ May bills (For use in April 2011) Payment deadline extended to Jun. 30, 2011
Refund of charges	Refund of basic monthly fee, optional service charges and flat-rate packet charges, for the periods when the service was unavailable due to failure of DOCOMO facilities or mobile phones damaged by water exposure
Waiver of cancellation charges	Waiver of cancellation fees for customers who request cancellations on subscriptions due to disruption of service
Free data restoring service for damaged by water exposure	Waiver of data restoring service fee (regularly ¥5,250)
Waiver of commission	Waiver of commission for reissuing FOMA cards and phone number storage
Special discount for purchase of mobile phone	Special discount of up to ¥10,500 to be provided for purchase of a new mobile phone (some models can be purchased virtually for ¥0)
Reduced mobile phone repair charges	50% discount of repair charges of damaged phones

Launch of Charity Drive Website

- Collected donations totaling ¥944 million (As of Apr. 26, 2011)

Donations	Donations collected (As of Apr. 26, 2011)	
	No. of cases	Amount
By sale of charity content	64,048	¥ 12,449,410
Through the “DOCOMO mobile remittance service”	190,534	¥558,657,877
Of “DOCOMO Points”	181,663	¥370,417,700
By DCMX (credit card)	(To be confirmed after payment is made)	
Of DCMX points (As of Apr. 26, 2011)	305	¥ 541,200
By sale of charity apps on docomo market (i-mode)	7,168	¥ 1,915,450
TOTAL	443,718	¥944,031,637

Support by DOCOMO Group Companies

1. Support offered by DOCOMO Group companies

Company name	Content	Donations, etc.
Oak Lawn Marketing, Inc.	<ul style="list-style-type: none"> Established disaster-relief fund and collected donations by calling for cooperation from overseas partners, etc. Delivery of own products (low-resilience mattresses, blankets) and other relief supplies (baby formula, diapers, medical and sanitary products) directly to evacuation shelters Support of sales of local specialty products through OLM's order receipt/payment/delivery system 	¥150 million
D2 COMMUNICATIONS INC	<ul style="list-style-type: none"> Donation 	Approx. ¥10.40 million
net mobile AG (Germany)	<ul style="list-style-type: none"> Collection of donation using SMS 	(in progress)
DOCOMO PACIFIC, INC (Guam/Saipan)	<ul style="list-style-type: none"> Joint fund-raising with other companies Donation collection using SMS and charity auctions Donated 15% of revenues from sales of prepaid handsets/SIM cards, etc. 	Approx. US\$ 50,000
NTT DOCOMO USA, INC. (USA)	<ul style="list-style-type: none"> Partial waiver of international call charges to Japan, and waiver of international roaming charges during stay in Japan 	—
Weather Service, Inc.	<ul style="list-style-type: none"> Free provision of information site containing detailed weather information of disaster-stricken areas 	—

2. Cooperation from manufacturers

Samsung Japan Corporation	<ul style="list-style-type: none"> Provision of GALAXY Tab for free 	2,400 units
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Support to docomo Shops

- Relief money totaling ¥38.00 million for disaster-stricken docomo Shop operators
- Joint call for cooperation in financial aid to all docomo Shop operators in Japan by primary 10 distributors and DOCOMO. Financial aid from DOCOMO matched the total sum collected from nationwide shop operators
- Assistance in rebuilding shops and on financing expenses for products, etc.
- Zero-interest loans upon the request from shop operators



**docomo Shop
(Ishinomaki-Higashi, Miyagi)**



docomo Shop (Ishinomaki-Higashi, Miyagi: Interior)



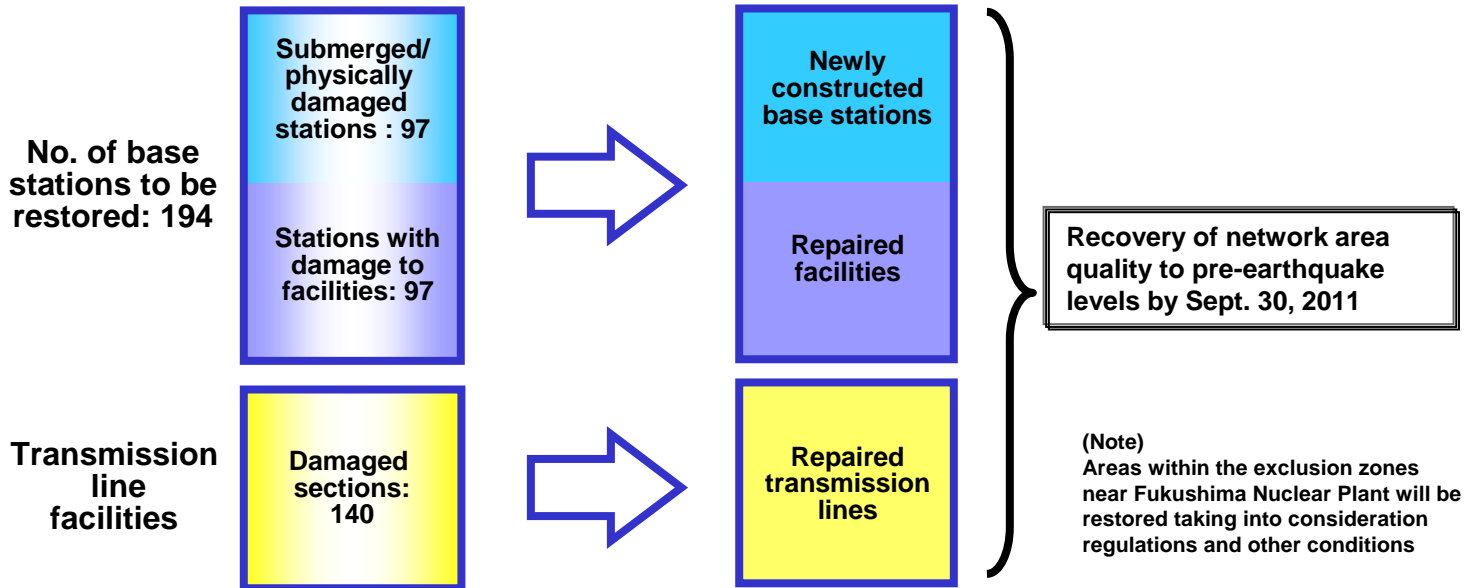
**Remains of docomo Shop
(Rikuzen-Takata, Iwate)**

Full-Scale Restoration Plan

- Full-scale restoration will be carried out to replace stop-gap/temporary repair measures to recover **network area quality to pre-earthquake levels** by Sept. 30, 2011

Full-scale restoration works for regions that suffered enormous devastation (e.g., entire town destroyed by tsunami, etc.) will be carried out in coordination with each region's revival

Full-scale restoration



Great East Japan Earthquake-Related Restoration/Support Expenses

Overview		Estimated impact	
		CAPEX	Profit/ Loss
Stop gap/ temporary repairs	Temporary facility construction subcontract, etc.	—	¥5.5 billion
Removal of damaged facilities	Removal of submerged/ physically damaged facilities, etc.	—	¥4.5 billion
Customer support	Financial support for handset repairs/purchases, etc.	—	¥4.0 billion
Full-scale recovery	Installment of new base stations, transmission lines, etc.	¥10.0 billion	¥2.0 billion
TOTAL		¥10.0 billion	¥16.0 billion

New Disaster Preparedness Measures: Basic Approach

- **Securing communication in key areas**
(e.g., densely populated areas, administrative centers, etc)

- (1) Deploy base stations with large zone scheme in densely populated location, to provide coverage in the event of a disaster or a power outage affecting large areas. (Approx. 100 stations)
- (2) Use uninterruptable power supply systems or ensure 24-hour battery supply in base stations covering prefectural and municipal government offices (Approx. 1,900 stations)

- **Swift response to disaster-stricken areas**

- (3) Swift provision communication using satellite mobile phones (3,000 units)
- (4) Quick construction of service areas using satellite system
 - Increase no. of satellite-entrance base stations installed (car-mount type: double from current level to 19 units, portable type: 24 new units)
- (5) Flexible area construction using entrance microwave system
 - Deployment of emergency microwave facilities (100 sections)

- **Further improvement of customer convenience**

- (6) Development of voice message service using disaster-resilient packet communications technology
- (7) Enrichment of “Restoration Area Maps”
- (8) Support of voice guidance in “Disaster Message Board” service
- (9) Further utilization of “Area Mail”
- (10) Further utilization of ICT through the collaboration with SNS