



# **NTT DOCOMO, INC.**

**Results for the First Three Months  
of the Fiscal Year Ending March 31, 2012**

**July 29, 2011**

*Copyright (C) 2011 NTT DOCOMO, INC. All rights reserved.*

# 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, businesses or other technologies caused by Mobile Number Portability, new market entrants and other factors, or the expansion of the areas of competition 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 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) Events and incidents caused by natural disasters, social infrastructure paralysis such as power shortages, proliferation of harmful substances, terror or other destructive acts, the malfunctioning of equipment or software bugs, deliberate incidents induced by computer viruses, cyber attacks, hacking, unauthorized access and other problems could cause failure in our networks, distribution channels and/or other factors necessary for the provision of service, disrupting our ability to offer services to our subscribers, and may adversely affect our credibility and/or corporate image, or lead to a reduction of revenues and/or increase of costs.
- (12) Concerns about adverse health effects arising from wireless telecommunications may spread and consequently 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.



**FY2011/1Q**  
**Financial Results Highlights**

## FY2011/1Q Financial Results

	2010/4-6 (1Q) (1)	2011/4-6 (1Q) (2)	Changes (1)→(2)	FY2011 (Full-Year Forecast) (3)	Progress to Forecast (2) / (3)
<b>Operating revenues</b> (Billions of yen)	1,089.2	1,047.3	-3.9%	4,230.0	24.8%
<b>Cellular Services Revenues</b> (Billions of yen)	864.2	850.6	-1.6%	3,368.0	25.3%
<b>Operating Expenses</b> (Billions of yen)	848.7	779.6	-8.1%	3,380.0	23.1%
<b>Operating Income</b> (Billions of yen)	240.5	267.7	+11.3%	850.0	31.5%
<b>Income Before Income Taxes</b> (Billions of yen)	240.6	270.3	+12.3%	854.0	31.6%
<b>Net Income Attributable to NTT DOCOMO, INC.</b> (Billions of yen)	142.2	158.7	+11.7%	502.0	31.6%
<b>EBITDA Margin</b> (%)*	36.9	40.8	+3.9 Points	37.2	-
<b>Adjusted Free Cash Flow</b> (Billions of yen)*	47.2	82.5	+75.0%	480.0	17.2%

◆ Consolidated financial statements in this document are unaudited.

◆ Adjusted free cash flow excludes the effects of uncollected revenues due to bank holidays at the end of the fiscal year and changes in investments for cash management purposes with original maturities of longer than three months.

\* For an explanation of the calculation processes of these numbers, please see the reconciliations to the most directly comparable financial measures calculated and presented in accordance with U.S. GAAP and the IR page of our website, [www.nttdocomo.co.jp](http://www.nttdocomo.co.jp)

# FY2011/1Q Results Highlights (1)

## ■ FY2011/1Q Results Highlights

**Disaster restoration/  
Disaster preparedness measures**



**Steadfast restoration of base stations  
Early implementation of new  
disaster preparedness measures**

**Customer satisfaction  
improvement**



**Mobile data devices customer satisfaction  
survey<sup>\*1</sup> "Overall satisfaction score"  
No. 1 ranking for 3 straight years (May 16, 2011)**

**Promotion of smartphones**



**FY2011/1Q sales: 1.30 million units**  
Sold smartphone units exceeding 50%  
of FY2010 annual sales in 3 months

**Increased packet ARPU**



**Achieved steadfast YOY growth**  
FY11/1Q packet ARPU: Up ¥110 (4.4%)  
FY11/1Q packet revenues: Up ¥30.3 billion (7.3%)

**Xi service deployment**

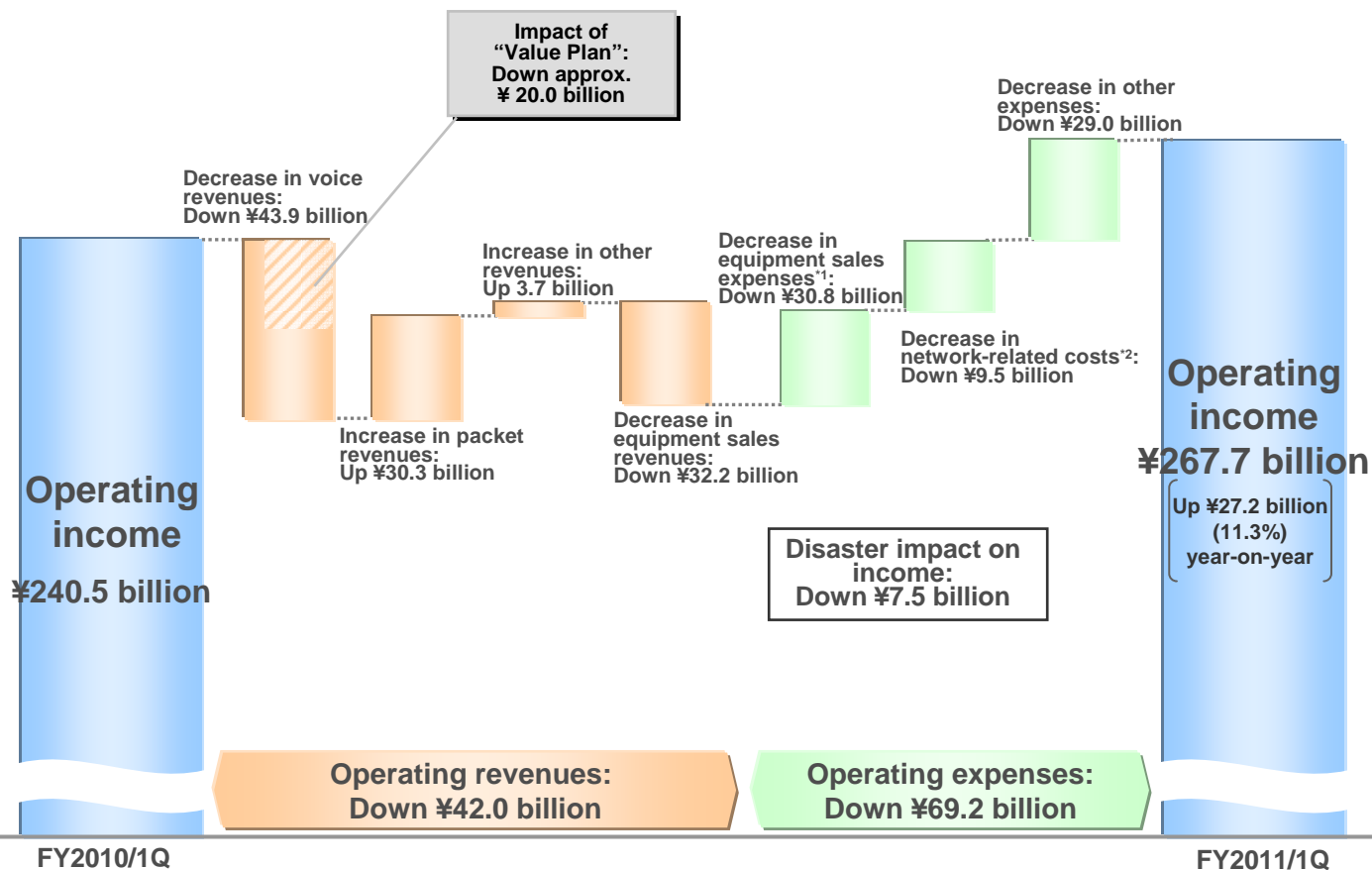


**Area expansion**  
(Launched service in 6 major cities on Jul. 1, 2011  
following Tokyo, Osaka, Nagoya)  
**Released Wi-Fi router**

1: Nikkei BP Consulting "3rd Mobile data devices customer satisfaction survey", which evaluates the overall satisfaction level of users using mobile data communications services offered by carriers (LTE, 3G, WiMAX, etc). Ranking results were derived from the following scores: overall satisfaction score, area coverage (outdoor), area coverage (indoor), communications quality (connection time), communications quality (disruption of connection), performance/features/ease of use of devices, responsiveness of retailer/shop attendants, after-sales support scores"

# FY2011/1Q Results Highlights (2)

## Key factors behind YOY changes in operating income



\*1: Sum of cost of equipment sold and distributor commissions

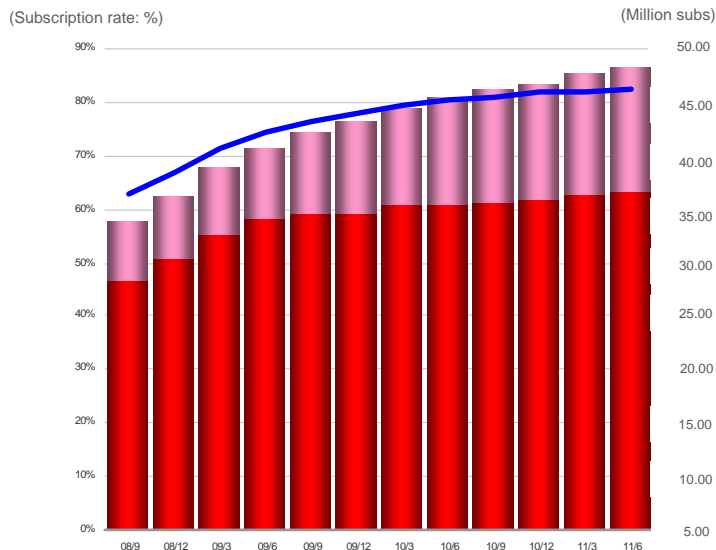
\*2: Sum of communication networks charges, depreciation and amortization, loss on disposal of property, plant and equipment, and other costs

# 50%-OFF Monthly Charge Discount Plans/“Value Plan”

- Subscription rate of billing plans offering 50% discount on basic monthly charge grew to over 80% → Negative impact on revenues became insignificant
- No. of “Value Plan” subs continues to expand after topping 40.00 million (70% subscription rate)

## 50%-Off Monthly Charge Discount Plans No. of subs & subscription rate

- : 50%-OFF monthly charge discount plan subscription rate
- : No. of users subscribing to “Family Discount”<sup>\*1</sup>+“Ichinen Discount” for over 10 years
- : No. of “MAX Discount”<sup>\*2</sup> subscriptions

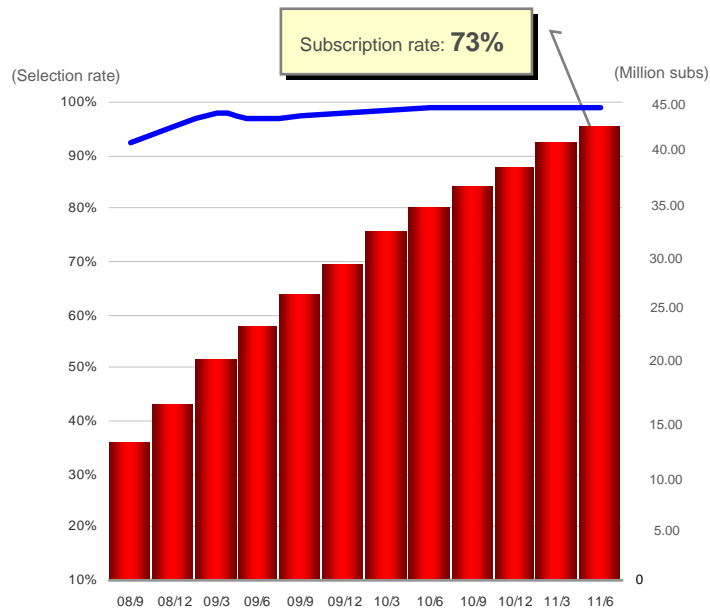


\*1: Inclusive of “Office Discount” and “Business Discount” subscriptions

\*2: “Fami-wari MAX 50”, “Hitoridemo Discount 50” and “Office-wari MAX 50”

## “Value Plan” subscriptions/ “Value Course” selection rate

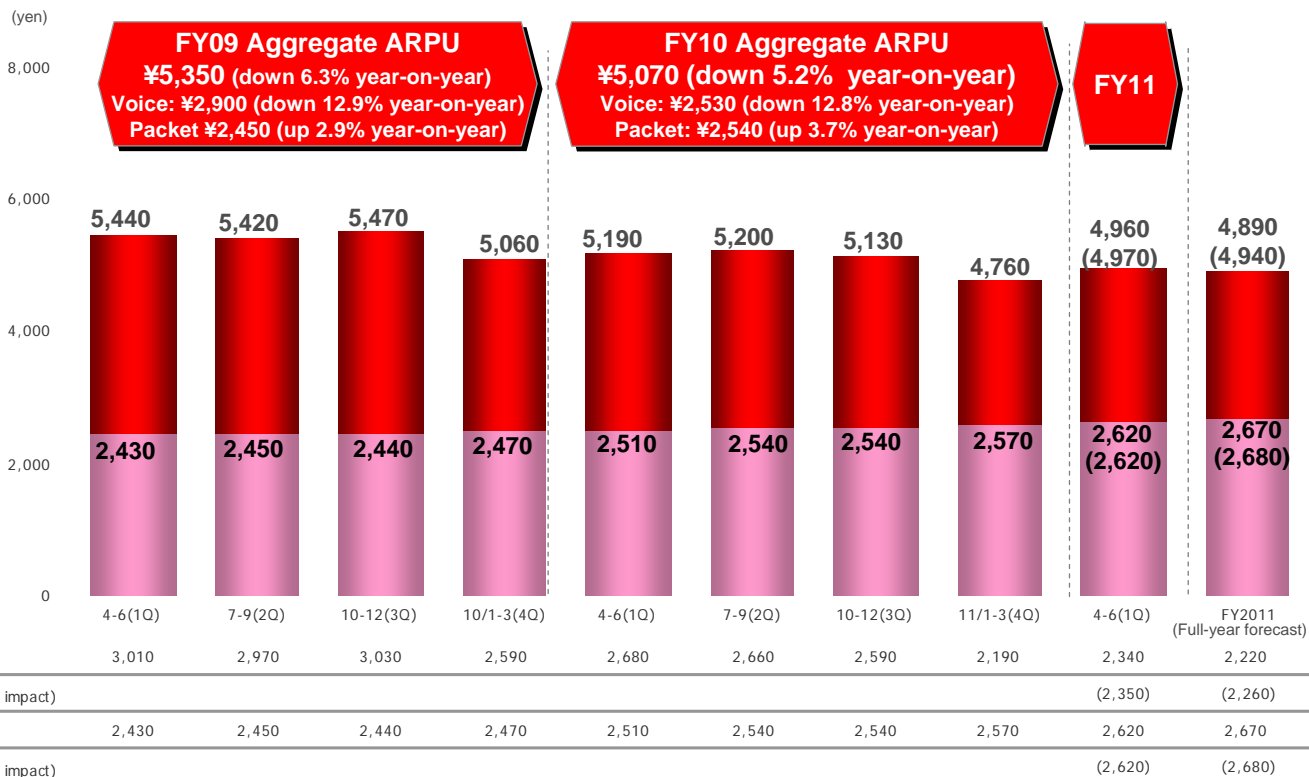
- : “Value Course” selection rate<sup>\*3</sup>
- : No. of “Value Plan” subscriptions



\*3: Percentage of users who chose “Value Course” among total users who purchased a handset using new handset purchase methods

# Cellular (Xi+FOMA+mova) ARPU

- FY2011/1Q aggregate ARPU: ¥4,960 (down 4.4% year-on-year)  
packet ARPU: ¥2,620 (up 4.4% year-on-year)



◆ Numbers in parentheses indicate the ARPU amounts excluding the impact of Monthly Support discounts.

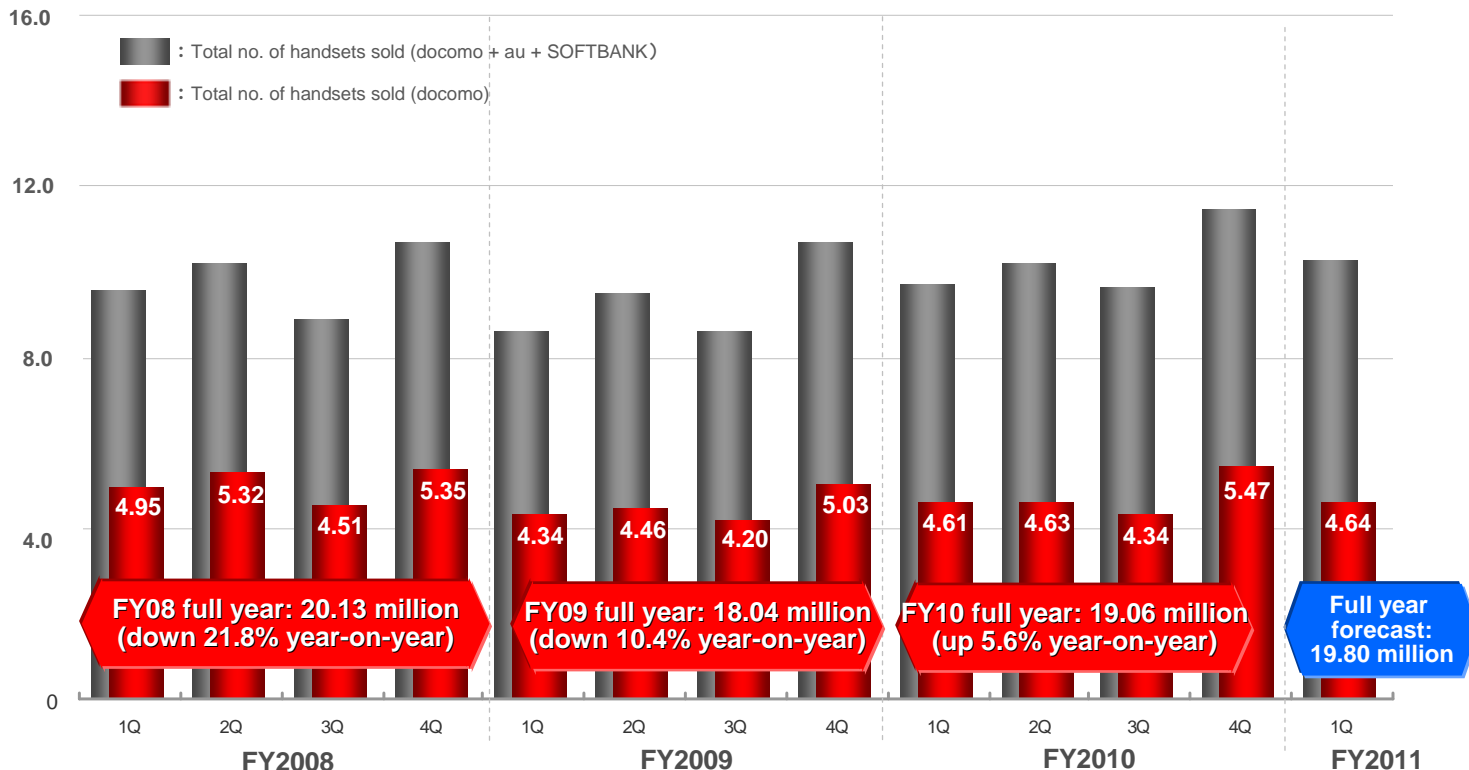
◆ For an explanation on ARPU, please see slide "Definition and Calculation Methods of MOU and ARPU" in this document



# Total Handset Sales

- Total number of handsets sold in FY2011/1Q: 4.64 million units (Up 0.6% year-on-year)

(Million units)

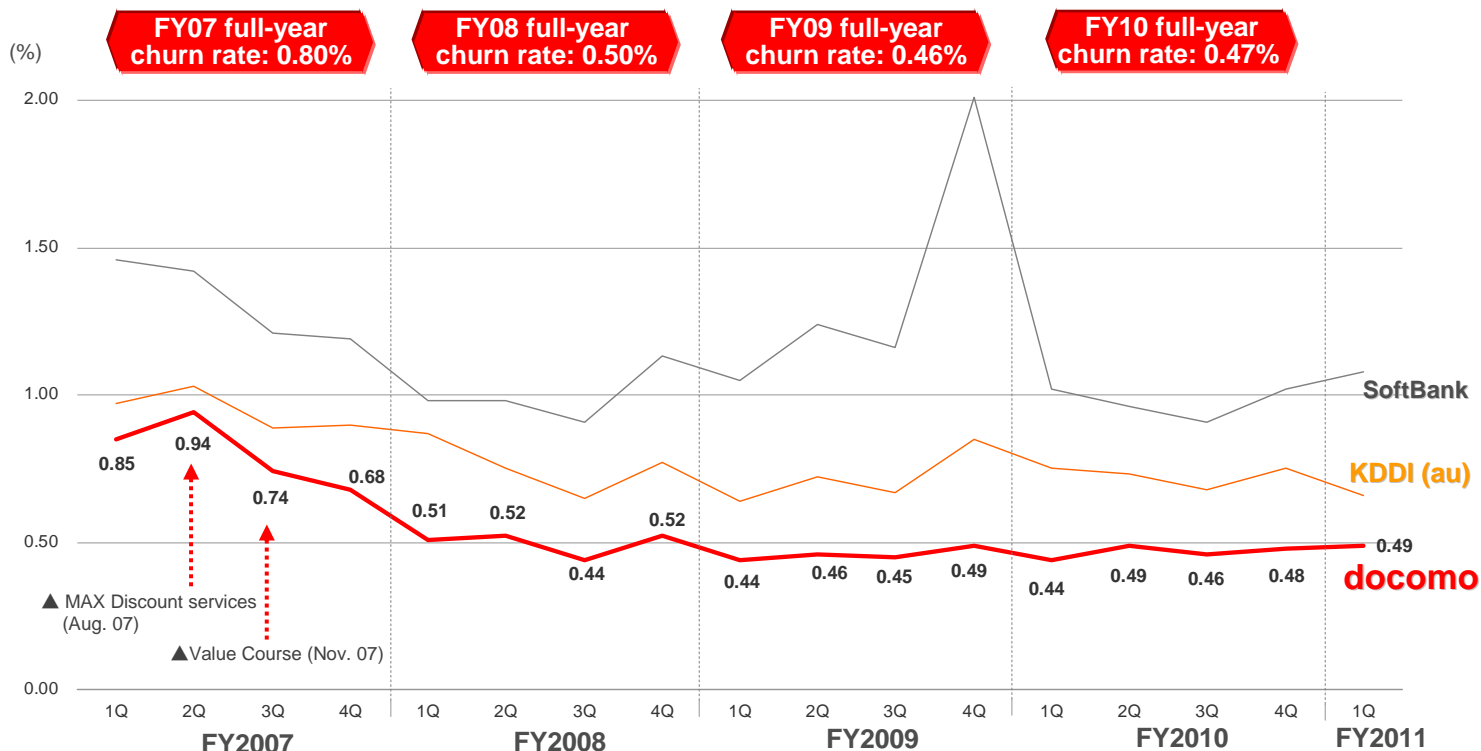


◆ Calculated based on financial results materials of each company ◆ Handsets sold by TU-KA and EMOBILE are not included

# Churn Rate

- FY2011/1Q churn rate: 0.49%

## ■ Cellular (Xi+FOMA+mova) Churn Rate



◆ Based on financial results materials, etc. of each company

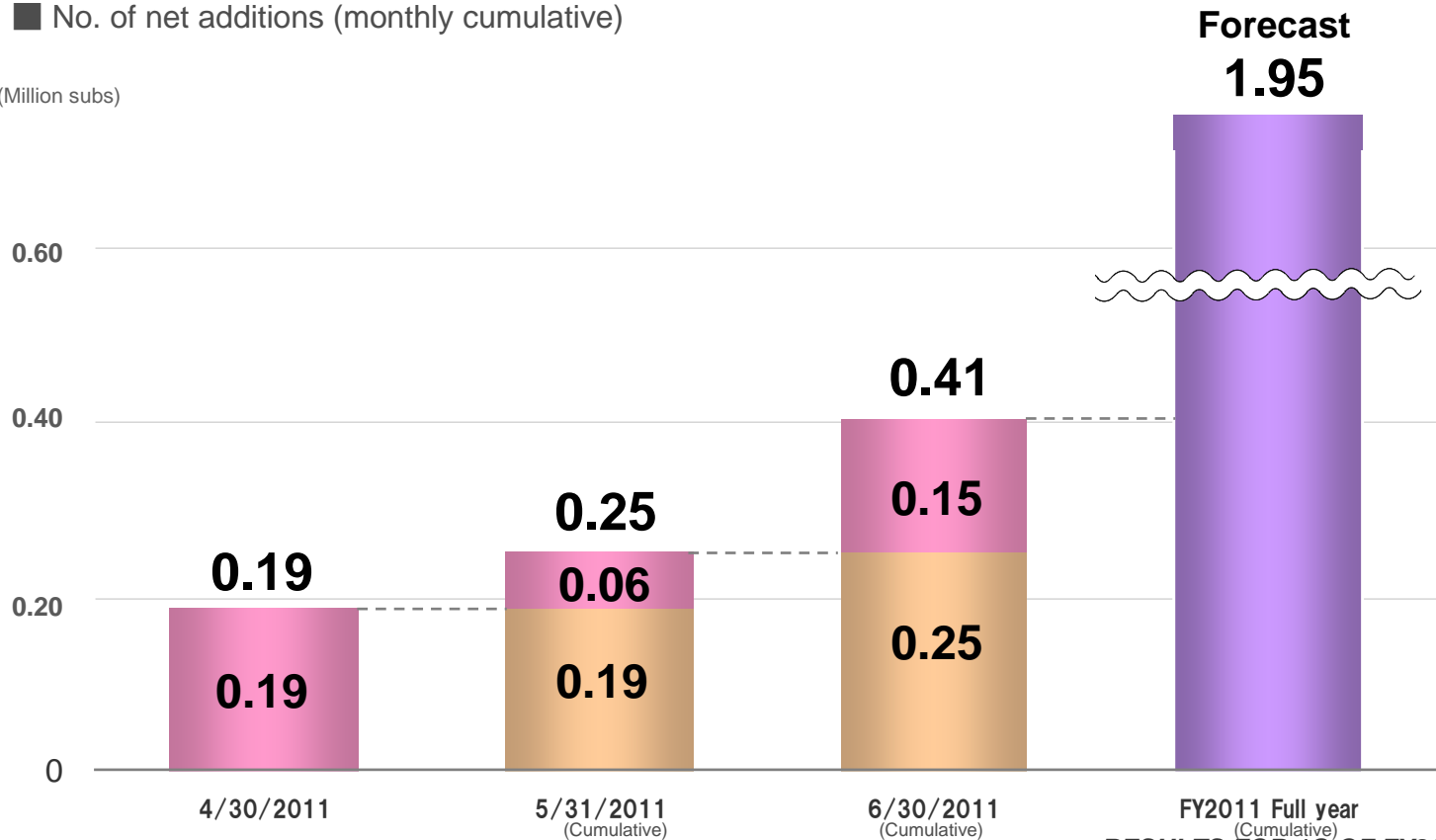
RESULTS FOR 1Q OF FY2011

# No. of Net Additions

- No. of net additions acquired in FY2011/1Q: 410,000
- Full-year forecast: 1.95 million

■ No. of net additions (monthly cumulative)

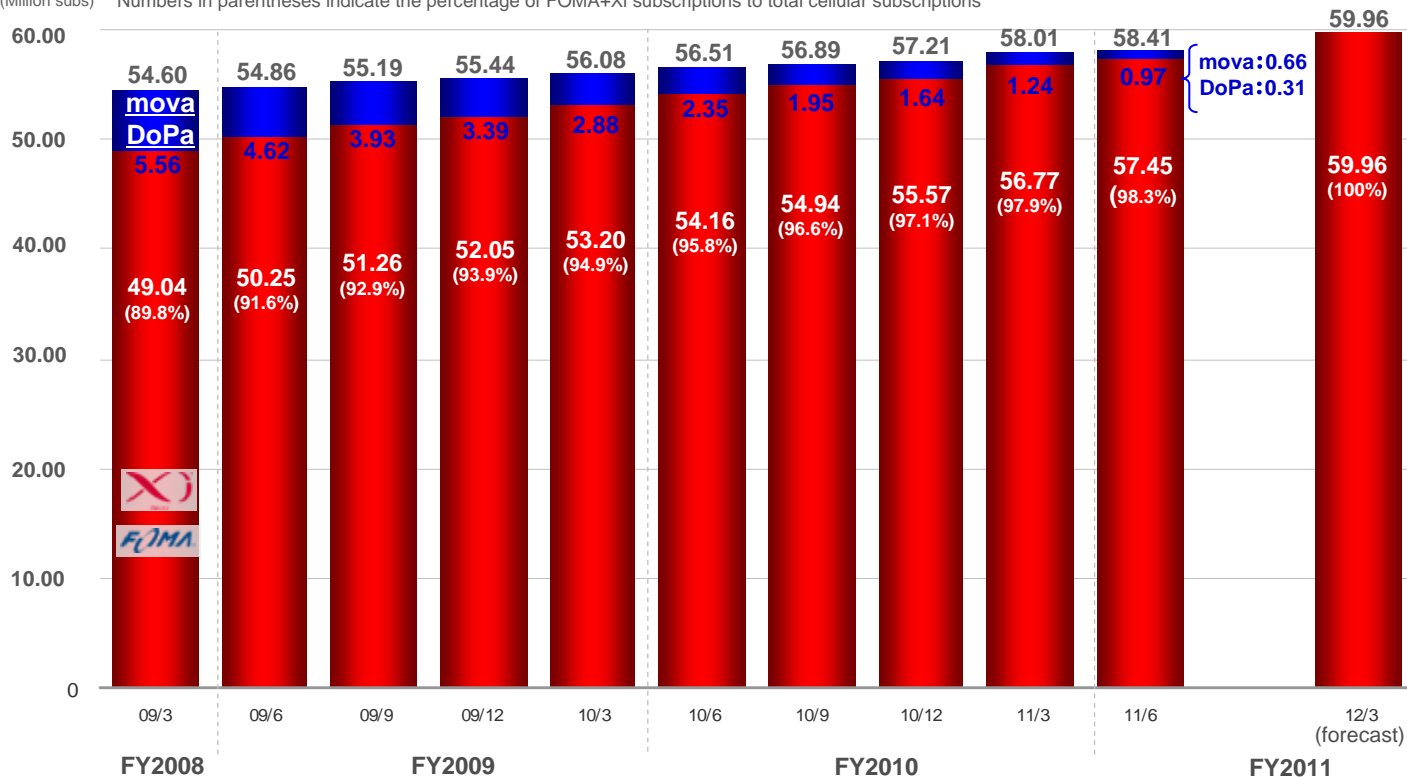
(Million subs)



# Subscriber Migration to FOMA/Xi

- No. of subscribers who have migrated to FOMA/Xi in FY2011/1Q: 210,000
- No. of remaining mova/DoPa subscriptions: 970,000

(Million subs) Numbers in parentheses indicate the percentage of FOMA+Xi subscriptions to total cellular subscriptions



◆ Inclusive of communication module service subscriptions



## Principal Actions and Results

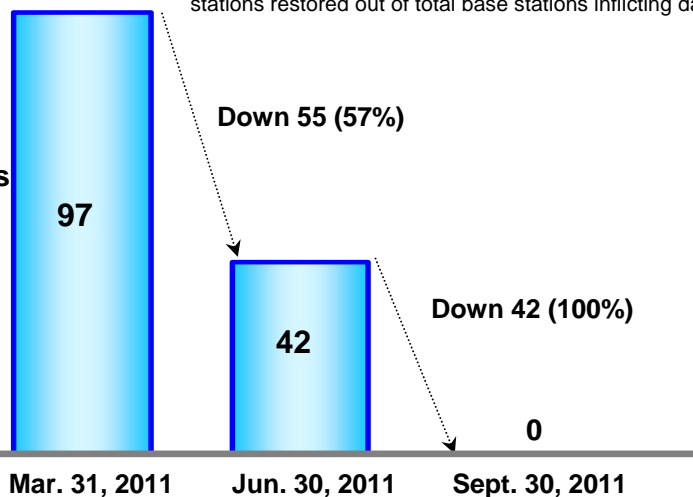
# Full-Scale Restoration Status

- Base stations with damage to facilities: full-scale restoration to be completed by Sept. 30, 2011, to recover network area quality to pre-disaster levels

## Progress of full-scale restoration

\* Numbers in parentheses indicate the percentage of base stations restored out of total base stations inflicting damage

• No. of base stations with damage to facilities



Complete full-scale restoration by Sept. 30, 2011









- Restoration of submerged/physically damaged base stations to be carried out in coordination with the revival of each region

【Submerged/physically damaged base stations】

97 (As of Mar. 31, 2011) ▶ 87 (As of Jun. 30, 2011) ▶ 82 (As of Sept. 30, 2011)

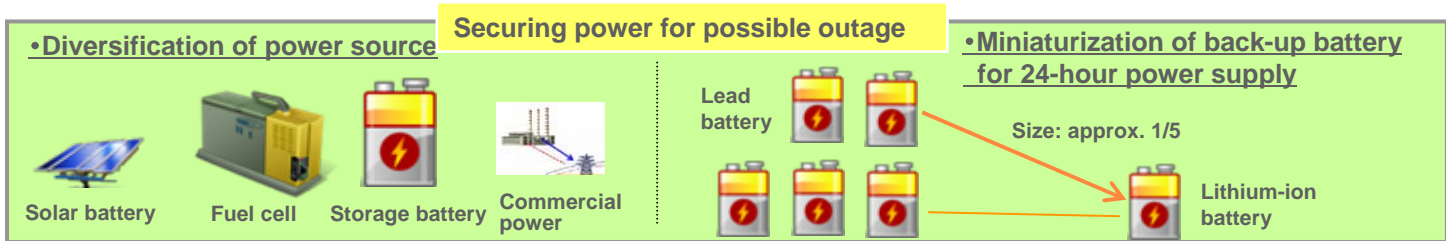
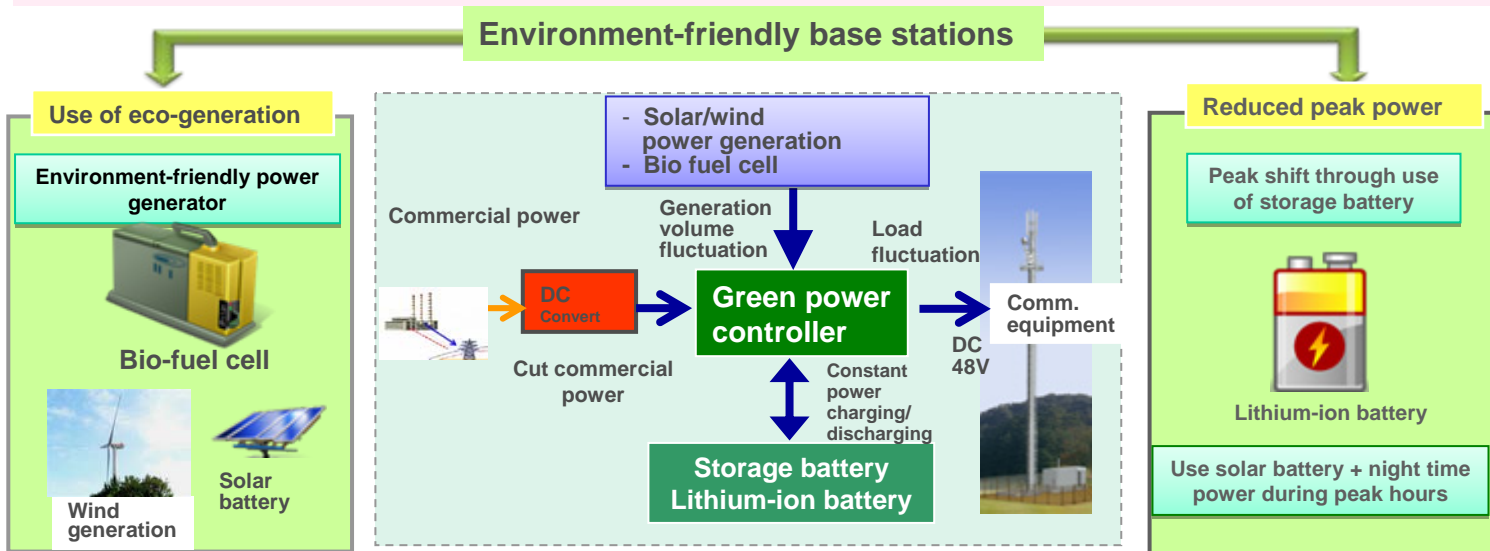
# 14 New Disaster Preparedness Measures: Progress

- Aggressively accelerate and complete implementation of individual measures in view of possible occurrence of a large-scale earthquake in Tokai

Measure	Progress					Investment amount
	Apr. 2011	Jun. 30, 2011	Sept. 30, 2011	Dec. 31, 2011	Mar. 31, 2012	
Large-zone base station roll-out						¥3.0 billion
	Complete roll-out of total 100 stations in Dec. 2011. <b>Prioritize deployment in Tokyo and Tokai aiming for completion by Oct. 31, 2011 (Tokyo: 5 stations, Tokai: 8 stations)</b>					
Uninterruptible power supply systems						¥14.0 billion
	Almost completed installation in approx. 800 stations by Jun. 30, 2011					
24-hour battery supply						¥1.0 billion
	Installation in approx. 1,100 stations to be completed by Dec. 31, 2011. <b>Prioritize deployment in Tokai</b>					
Swift provision of satellite mobile phones						¥1.0 billion
	Complete deployment of 2,000 units within Oct. 2011 and total 3,000 units within Feb. 2012					
Increase of satellite entrance circuits						¥1.0 billion
	Completed deployment of total 24 units of portable type. Start introduction of car-mount type from Oct. 2011 and complete deployment of total 9 units within Dec. 2011					
Deployment of emergency microwave facilities						¥1.0 billion
	Plan to complete deployment in total 100 sections within Sept. 2011					
Provision of disaster voice message service						¥0.5 billion
	Plan to launch service within FY2011 after completing development and roll-out of facilities.					
Further utilization of "Area Mail"	 Free provision of Area Mail for use by national/local governments for delivery of information Started free provision of "Area Mail" (Jul. 1, 2011)					-

# 15 DOCOMO's Next-Generation Green Base Stations

- Facilitate development of disaster-resilient, environment-friendly base stations, aiming for commercial introduction in FY2012 in limited sites



**Disaster-resilient base stations**

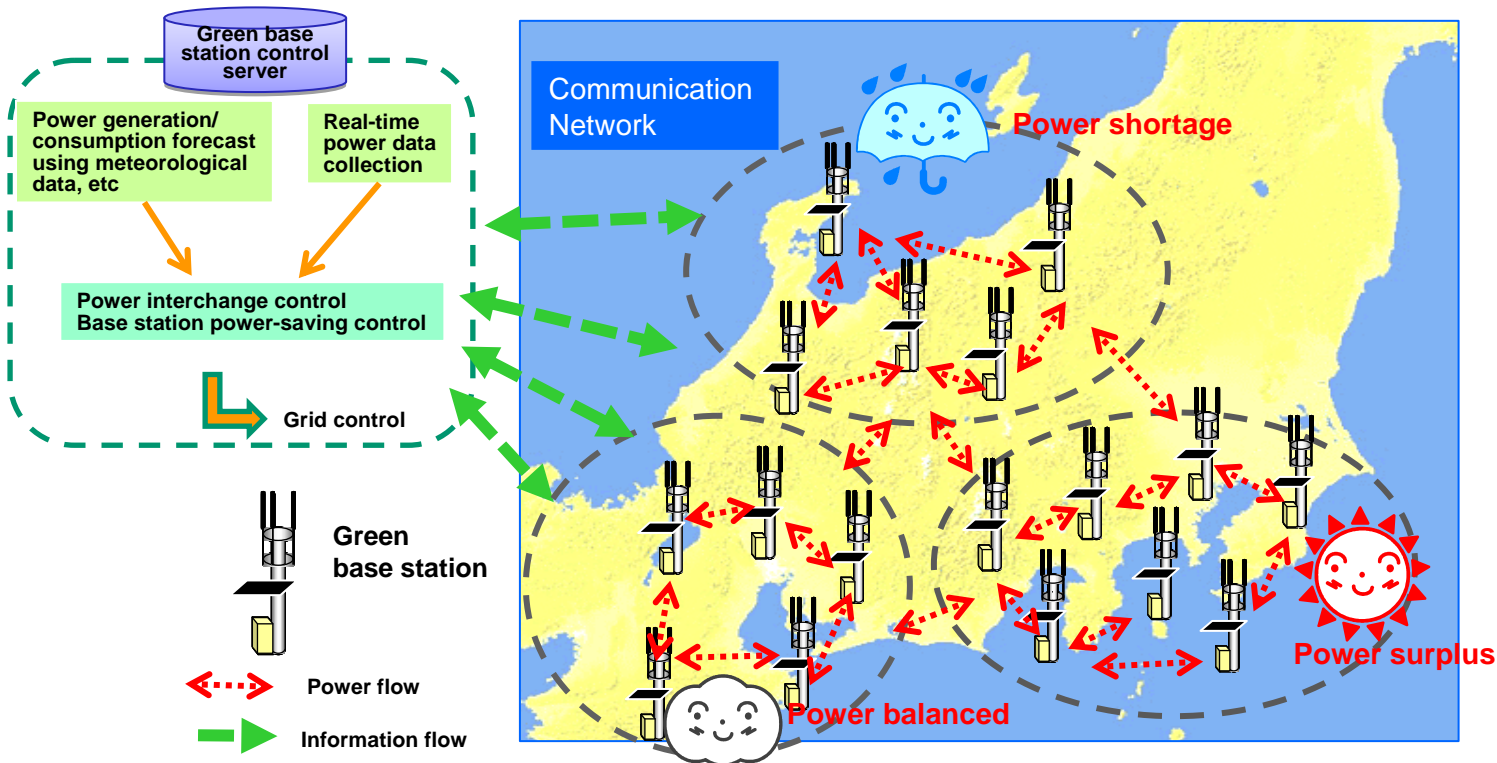
**[Development/system evaluation in FY2011]**  
**[Planned commercial introduction in limited base stations in FY2012]**

**RESULTS FOR 1Q OF FY2011**



# Future Deployment of Green Base Stations

- Construct a mechanism that allows power interchange between base stations with power surplus/shortage



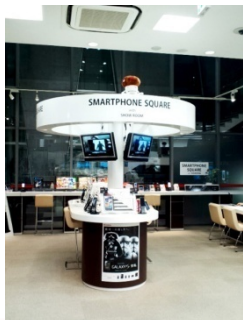
**Maximize use of renewable energy  
at green base stations through smart grid**

# 17 Customer Satisfaction Improvement (Smartphones)

- Reinforcement of customer contacts aimed at improving satisfaction of users even after switching to smartphones
- Opened smartphone lounges in various locations  
Held “smartphone classes” and assigned “Smartphone Meisters” at docomo Shops

## Expansion of smartphone lounges

- At least 1 lounge in each Regional Office (planned)
- Newly opened 4 lounges in April/May 2011  
(Sapporo, Kyoto, Umeda, Kobe)
- Plan to open a new lounge in Aug. 2011 (Fukuoka)



## “Smartphone Class” at docomo Shop



**【Example of lecture topics】**  
“For first-time smartphone users”  
(Program for beginners)

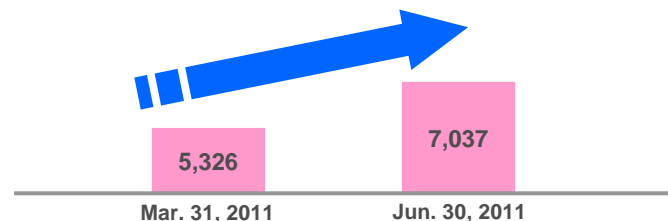
**【No. of attendees for FY2011】**

**Approx. 55,000**  
(As of Jun. 30, 2011)

## “Smartphone Meister”

Experts capable of providing detailed information on smartphones

■ No. of “Smartphone Meisters” at docomo Shops

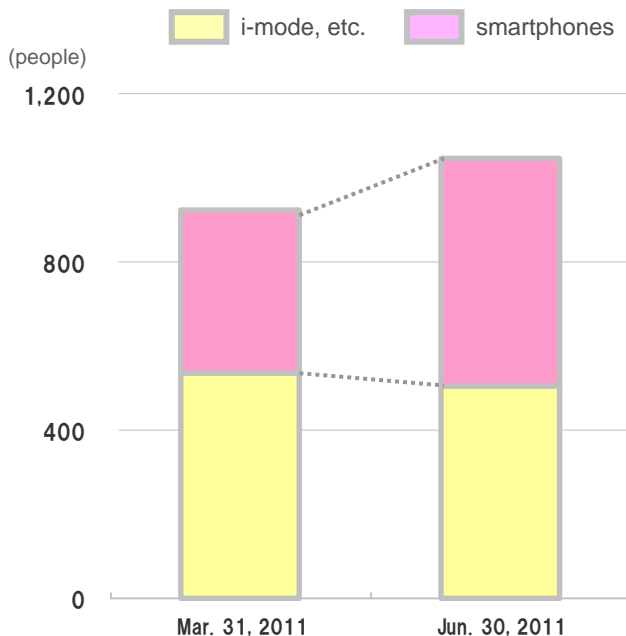


# 18 Customer Satisfaction Improvement (Call Center)

- Improved response rate as a result of reinforcing smartphone-related operations at call center

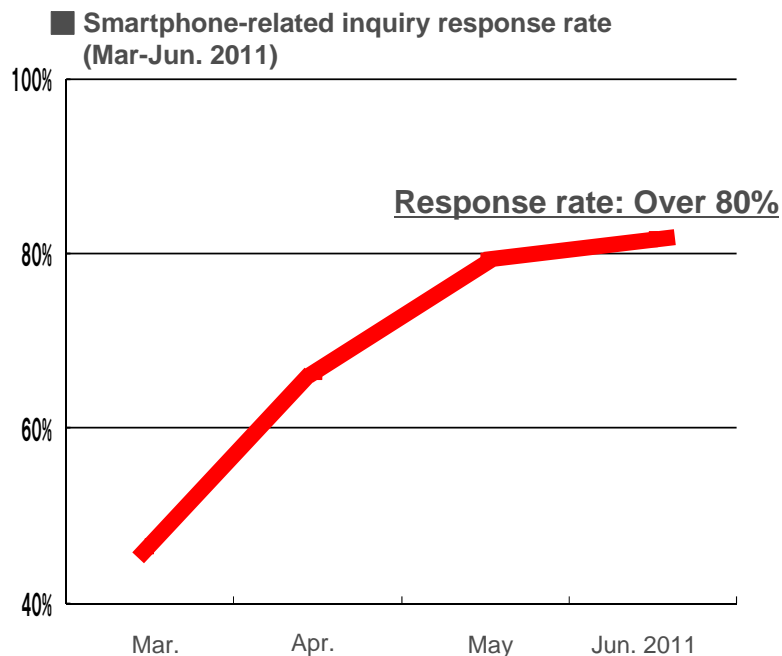
## No. of operators

Increased no. of operators handling smartphone-related inquiries



## Response rate of smartphone-related inquiries

Response rate rose to over 80%



# 19 Customer Satisfaction Improvement (Safety/Security)

- Free provision of “docomo Anshin Scan” virus detection service to smartphone users
- Development of kid’s PHONE equipped with limited set of features required for children, e.g., voice calling, location search, etc.

## Provision of “docomo Anshin Scan”

# ドコモあんしんスキャン

Launched Jul. 1, 2011

Virus detection service for smartphones equipped with Android OS

Monthly charge: free

Application: not required

### POINT 1

Automatic virus detection  
(real-time scan)

From app

When installed

From external  
memory/SMS

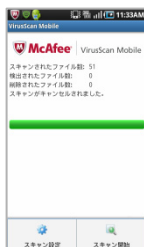
When inserted/received



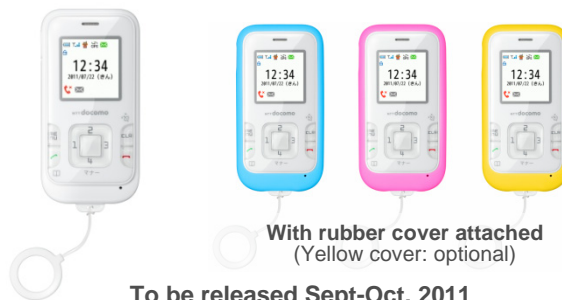
### POINT 2

Automatic virus detection  
at predefined intervals  
(scheduled scan)

At predefined time



## Development of kid’s PHONE (HW-02C)



With rubber cover attached  
(Yellow cover: optional)

To be released Sept-Oct. 2011

### Principal features

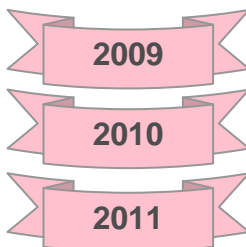
- Limited features to only those required for children (voice call, GPS-based location search, loud alarm, SMS)
- Mail transmit restriction (Up to 10 addresses)
- Possible to use “Imadoko-Search” service without i-mode subscription
- Compatibility with emergency earthquake alerts planned to be introduced (December 2011)

# 20 Customer Satisfaction Improvement (External Evaluations)

- Ranked No. 1 in Nikkei BP Consulting mobile data devices customer satisfaction survey three years in a row\*

## Mobile data devices customer satisfaction survey

Won highest satisfaction scores in 8 out of 15 survey items including “overall satisfaction” (May 16, 2011)



**No. 1 ranking for 3 straight years**

Highest satisfaction scores in 8 out of 15 items including “overall satisfaction” for 2011

Overall satisfaction

Performance/features/  
ease of use of devices

Area coverage  
(indoor)

Area coverage  
(outdoor)

Communication  
quality  
(connection disruption)

Communication  
quality  
(connection time)

Responsiveness of  
retailer/shop attendants

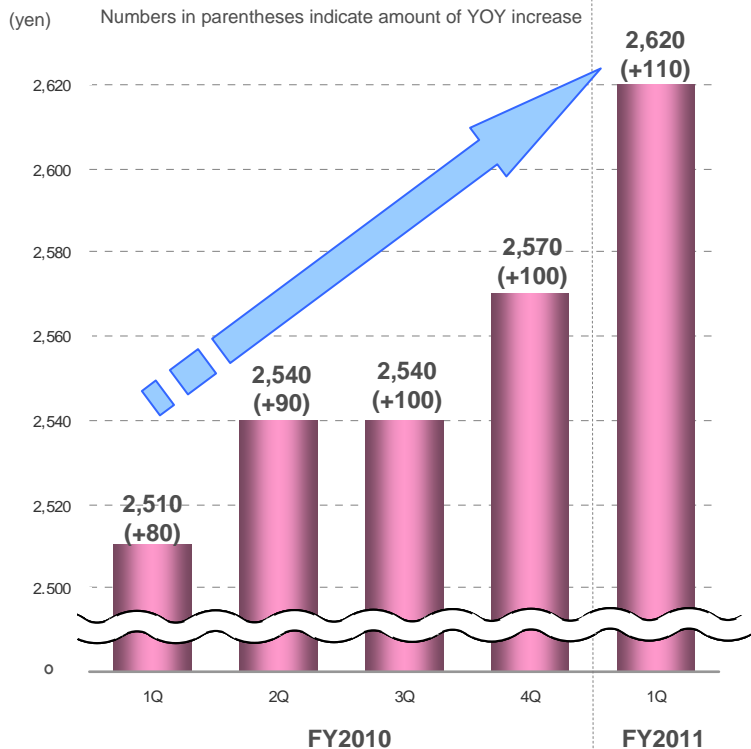
After-sales support

\* Nikkei BP Consulting “3<sup>rd</sup> Mobile data devices customer satisfaction survey”, which evaluates the overall satisfaction level of users using mobile data communications services offered by carriers (LTE, 3G, WiMAX, etc). Ranking results derived from the following scores: overall satisfaction score, area coverage (outdoor), area coverage (indoor), communications quality (connection time), communications quality (disruption of connection), performance/features/ease of use of devices, responsiveness of retailer/shop attendants, after-sales support scores\*\*

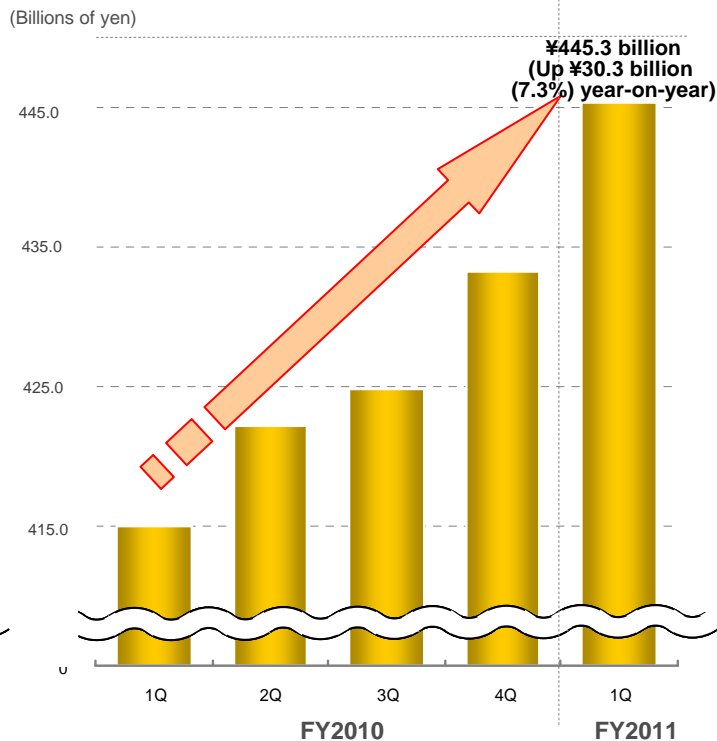
# Growth of Packet ARPU/Revenues

- FY2011/1Q packet ARPU: Up ¥110 (4.4%) year-on-year
- FY2011/1Q packet revenues: Up ¥30.3 billion (7.3%) year-on-year

## YOY changes in packet ARPU



## Historical growth of packet revenues



# Smartphones (Product Lineup)

- Released 9 models of smartphones as part of 2011 summer product lineup

2011 summer lineup: 9 models



**GALAXY S II**

Released  
Jun. 23



**MEDIASWP**

Released  
Jun. 24



**Xperia  
acro**

Released  
Jul. 9



**AQUOS  
Phone**

Released  
May 20



**F-12C**

Planned for  
release in Aug.



**P-07C**

Planned for  
release in Aug.



**Optimus  
bright**

Released  
Jun. 18



**AQUOS  
PHONE f**

Planned for  
release in Aug.



**BlackBerry  
Bold 9780**

Released  
Jun. 29

Android 2.3

8

models

FOMA max. speed  
14Mbps

6

models

“Osaifu-Keitai”  
e-wallet

5

models

One-seg  
broadcasting

5

models

Infrared data  
transfer

6

models

Waterproof

3

models

Tethering

7

models

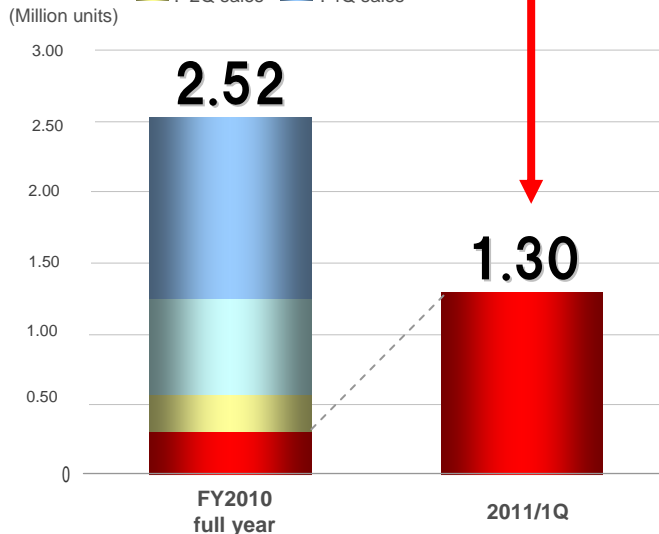
# Smartphones (No. of Units Sold)

- No. of smartphones sold in FY2011/1Q: 1.30 million units
- Achieving steadfast progress toward full-year smartphone sales target (6.00 million units)

## Smartphone sales

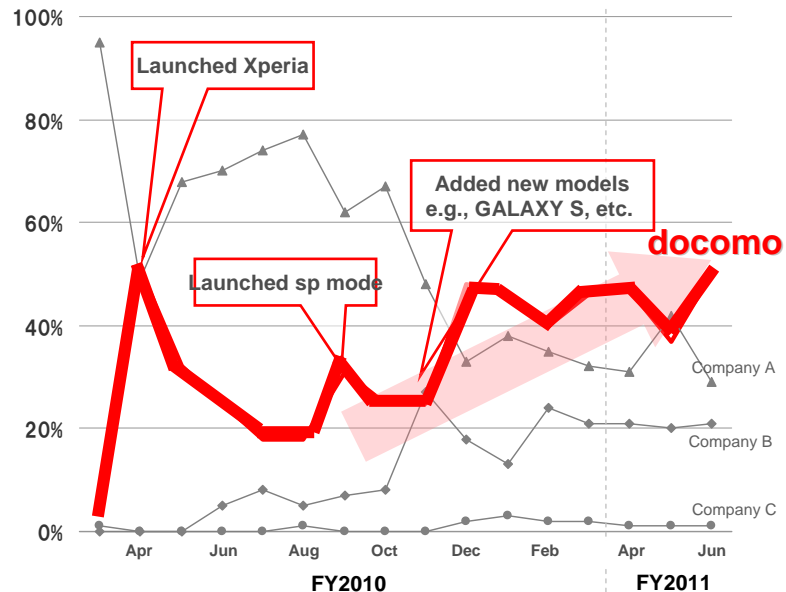
Sold smartphone units exceeding 50% of FY2010 annual sales in FY2011/1Q

■ : 1Q sales   ■ : 3Q sales  
■ : 2Q sales   ■ : 4Q sales



## Historical changes in market share of smartphones sold at mass retailers\*

(Based on survey by GfK Japan)

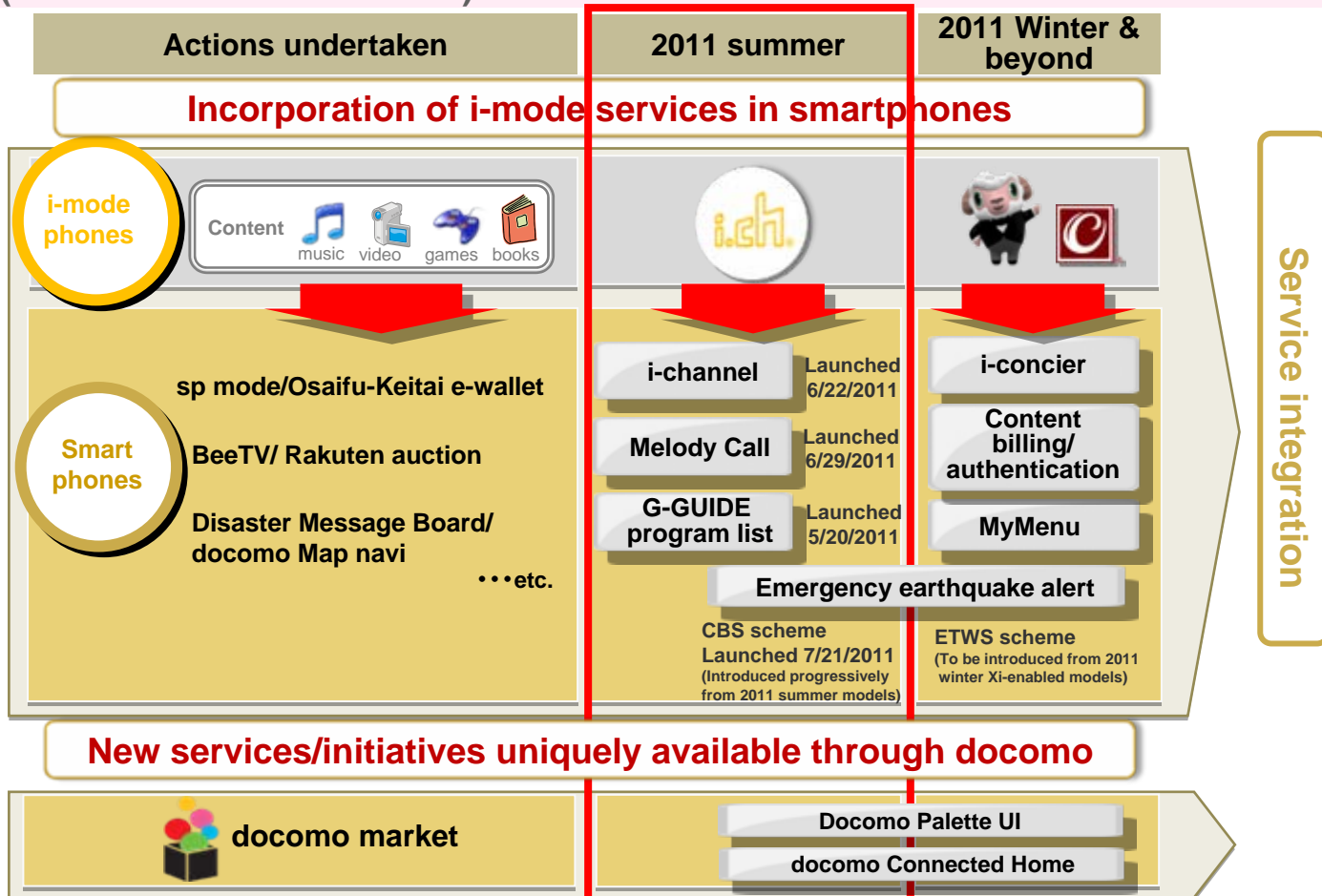


\* Market share comparison of mobile carriers in mobile phone sales category. Based on survey by GfK Japan that aggregates the sales records of devices installing either of the 4 OSs (Android/i OS/Windows Mobile/BlackBerry: tablet-type devices not included) at major mass retailers across Japan.



# Smartphones (Services)

- Started support of “i-channel” “Melody Call” and other services on smartphones (from 2011 summer models)



# 25 Smartphones (Content Billing/Authentication)

- Develop content billing/authentication platform targeting implementation in winter 2011, to allow customers to continue to use the same content even after migrating from an i-mode handset to a smartphone

Platform  
development

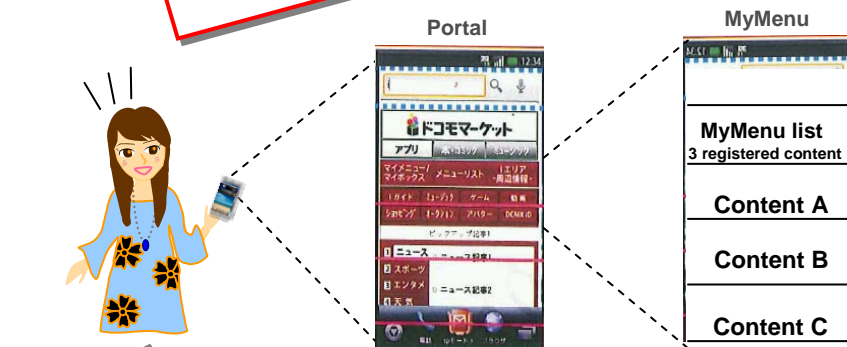
2011 Winter

Introduce  
i-mode mechanism  
for billing,  
authentication, etc.

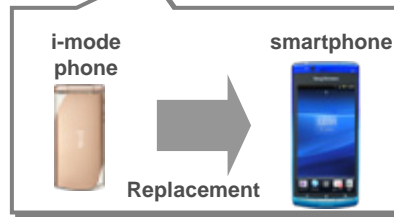


Customers switching to a smartphone

MyMenu will be carried over, allowing customers to continue to use i-mode content even more easily on smartphones



Same content as those accessed  
via i-mode phone



Content providers can continue  
offering the same service using our  
easy-to-use billing system

# 26 Measures for Boosting i-mode Packet Usage

- Worked to boost packet usage of medium/light and elderly users through promotion of “i-mode Kantan Mail” and launch of “Tsunagari Hotto Support”, etc.

## “i-mode Kantan Mail”

A service that allows users to easily view news, weather and other iMenu sites via a mail delivered to their handsets after subscribing to the service based on recommendation at docomo Shop counters

Shop counter recommendation using sales sheet

Stepped up recommendation from July 2011

Read QR code + Register for mail delivery

Mail delivery  
(around noon everyday)

You can easily fetch news or weather information using your ordinary mail service!



## “Tsunagari Hotto Support”

A service that notifies the subscriber’s mobile phone usage status automatically without any manual operations to family or other preregistered members using “message R” or a dedicated site, so that subscriber’s safety can be confirmed and opportunities for communication can be expanded

つなかり  
ほっとサポート  
Launched Apr. 22, 2011

Subscriber  
(Raku-Raku PHONE Basic 3)

“Tsunagari Member”  
(preregistered)



“Tsunagari Center”



Automatic upload of mobile phone usage status\*



Notify by “message R” or dedicated site

\* Pedometer step counts, no. of times mobile phone screen was flipped open, etc.

# Data Communications

- Sold 260,000 data communication devices in FY2011/1Q as a result of release of Xi-enabled mobile Wi-Fi routers, etc.
- Awarded No. 1 ranking in Nikkei BP Consulting overall customer satisfaction survey for three years in a row\*1

## Data device sales

FY2011/1Q      **Approx.  
260,000 units**

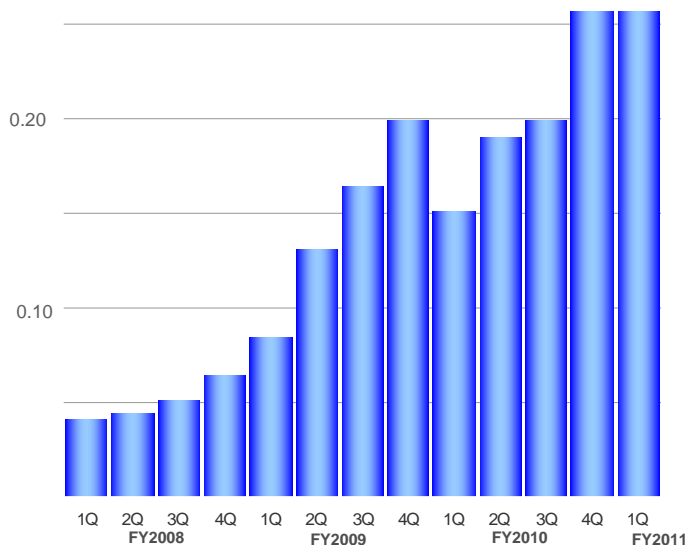


## Data plan\*2 subscriptions

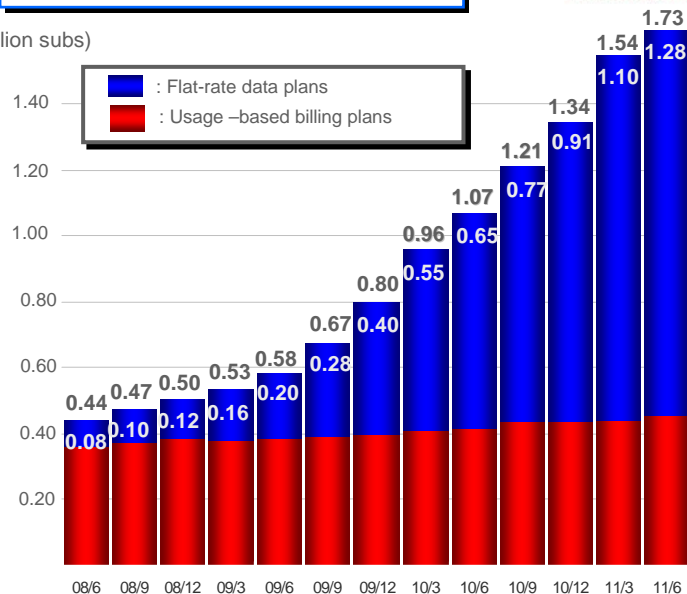
FY2011/1Q      **1.73 million**



(Million units)



(Million subs)



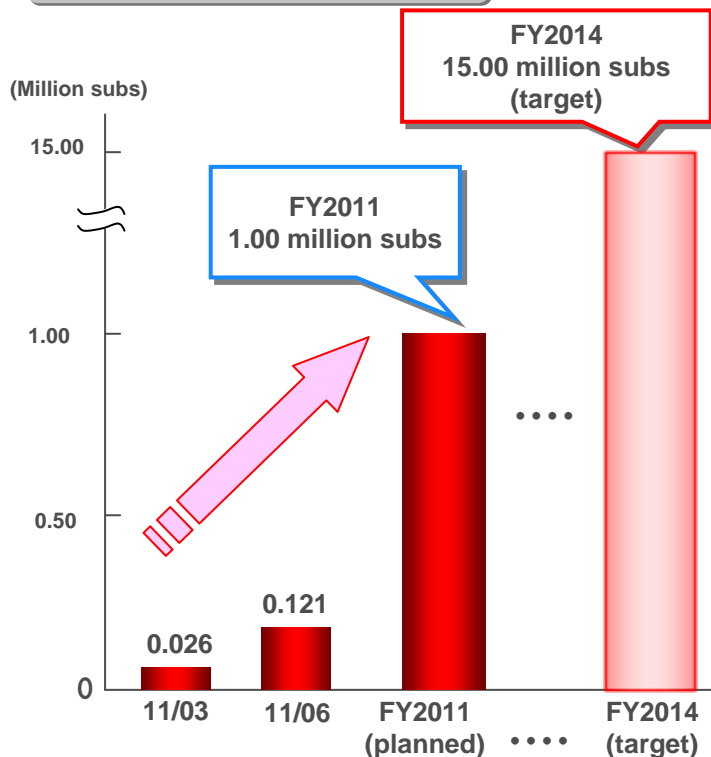
\*1: Nikkei BP Consulting "3rd Mobile data devices customer satisfaction survey": overall satisfaction score, area coverage (outdoor), area coverage (indoor), communications quality (connection time), communications quality (disruption of connection), performance/features/ease of use of devices, responsiveness of retailer/shop attendants, after-sales support scores"

\*2: Total number of subscriptions to usage-based billing plans, "Flat-Rate Data Plan Standard", "Flat-Rate Data Plan Flat", "Flat-Rate Data Plan 64K, and Xi data plan (including "Value Plans")

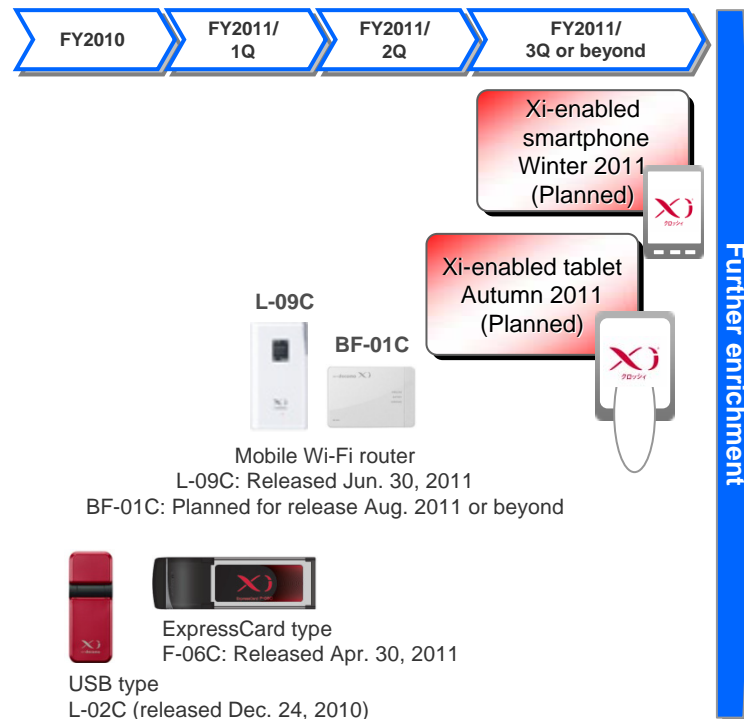
# LTE Service: Xi

- Xi subscriptions as of Jun. 30, 2011 was 121,000 (Xi accounted for approx. 50% of total net additional data plan subscriptions)
- Expanded coverage launching the service in 6 major cities in July 2011

## Subscriber expansion plan



## Enrichment of Xi product lineup

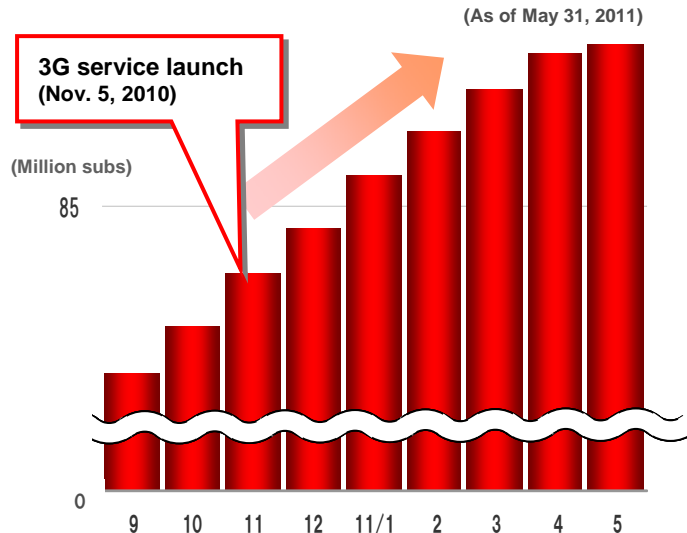


# Global Expansion

- Total subscriptions of India's TTSL increased steadily
- Continue global business deployment taking adequate approaches for growth/mature markets
- International service: Launched overseas remittance service to grow revenues by capturing new user segments

## TTSL (India)

**Total subscriptions: 90.77 million**  
**Market share: 10.8%\***



## Directions of global expansion

Content/  
platform  
domain

Continually address growth markets  
mainly in Asia/Pacific region

Expand platform business and  
enhance added value of  
network business

Global-level collaboration  
with various partners

Mutually coordinated

Network  
domain

## Overseas remittance service

Service launched  
on Jul. 7, 2011

docomo

**MoneyTransfer™** (“docomo Money Transfer”)

No need to open  
bank account

Overseas money  
remittance from  
mobile phone

Swift and  
secure  
remittance

(Remittance destinations initially limited to:  
the Philippines, Brazil, Korea and China)

\*: No. of subscriptions and market share are the total of GSM and CDMA services of TTSL and TTML (Source: TRAI)

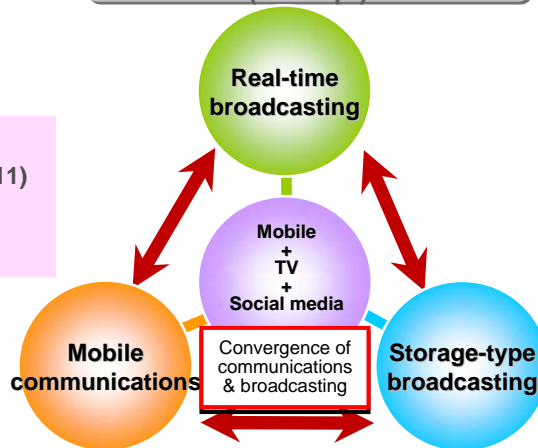
- mmbi to apply for authorization of key broadcasting business operator based on the authorization policies published on Jul. 13, 2011

【 Authorized key broadcasting business operator (planned) 】

- Plan to apply for authorization of key broadcasting business operator (Aug. 2011)

⇒ Application period:  
Aug. 3 – Sept. 2, 2011

Multimedia broadcasting service (concept)



Viewer can communicate with other viewers using Twitter and other social media linked with real-time broadcasting



JAPAN MOBILECASTING

【 Facility-supplying key broadcaster 】

- License granted (Sept. 9, 2010)
- Company established (Jan. 11, 2011)

Household coverage

FY2012

Approx. 73%  
Area deployment mainly in  
Tokyo/Osaka/Nagoya

FY2014

Approx. 91%  
Area expansion to other  
major cities across Japan

Receiver device

- Receivers to be installed in smartphones upon initial service launch
- Aim to increase adoption of compatible devices to 50 million in 5<sup>th</sup> year after service launch

# New Initiatives

- Launched and expanded new businesses that leverage mobile's unique properties (real-time immediacy, personal authentication, locating capabilities)
- Seek further commercial implementation to cultivate new revenue sources

## Bike sharing



Jointly developed with  
**PEDAL Ltd.**

Launched Jun. 1, 2011

## docomo one-time insurance: Menu enrichment

Plan to start offering a new "one-day car insurance" service. Allow users to subscribe to auto insurance on a per-day basis



### 1日自動車保険

Planned for  
launch  
Oct. 2011

## docomo energy-saving support service

Started a trial service covering  
1,000 households across Japan  
(Visualization of power consumption of  
home appliances using smart tap)  
3 months from Aug. 2011

### Basic service

Real-time power  
consumption check/  
trend analysis

Advice on energy-  
saving methods  
(daily)

Target setting  
Alert mail transmit

Energy-savings  
diagnosis report  
(weekly)

## Launched docomo medical insurance

Offers affordable medical insurance package  
to docomo Premier Club members



Launched  
July 21, 2011



## Renewed docomo mobile remittance

Improved convenience of mobile phone-based  
money remittance through the addition of  
"docomo account" feature leveraging the  
"Electronic Fund Transfer Act"



Launched  
May 27, 2011

## Prescription drug info. delivery

Trial prescription drug information  
delivery service to smartphones

3 months from Jul. 15, 2011

- Started provision of cycling application  
("coroado Cycles plus")



Launched Jointly developed with  
May 24, 2011 **WingStyle Co. Ltd.**

- ◆ "Michikusa Navi" feature that displays route guidance to nearby spots (free)

- ◆ Graph display of speed, altitude, elevation climb, calories burnt and lap time recording feature (some features require usage fee)



ラップ	タイム	距離
1	00:05:23	1.00km
2	00:05:18	1.00km
3	00:05:24	1.00km
4	00:05:33	1.00km
5	00:05:54	1.00km
6	00:05:47	1.00km
7	00:05:40	1.00km
8	00:05:32	1.00km
9	00:05:20	1.00km
10	00:05:18	1.00km
11	00:05:10	1.00km
12	00:02:58	0.52km



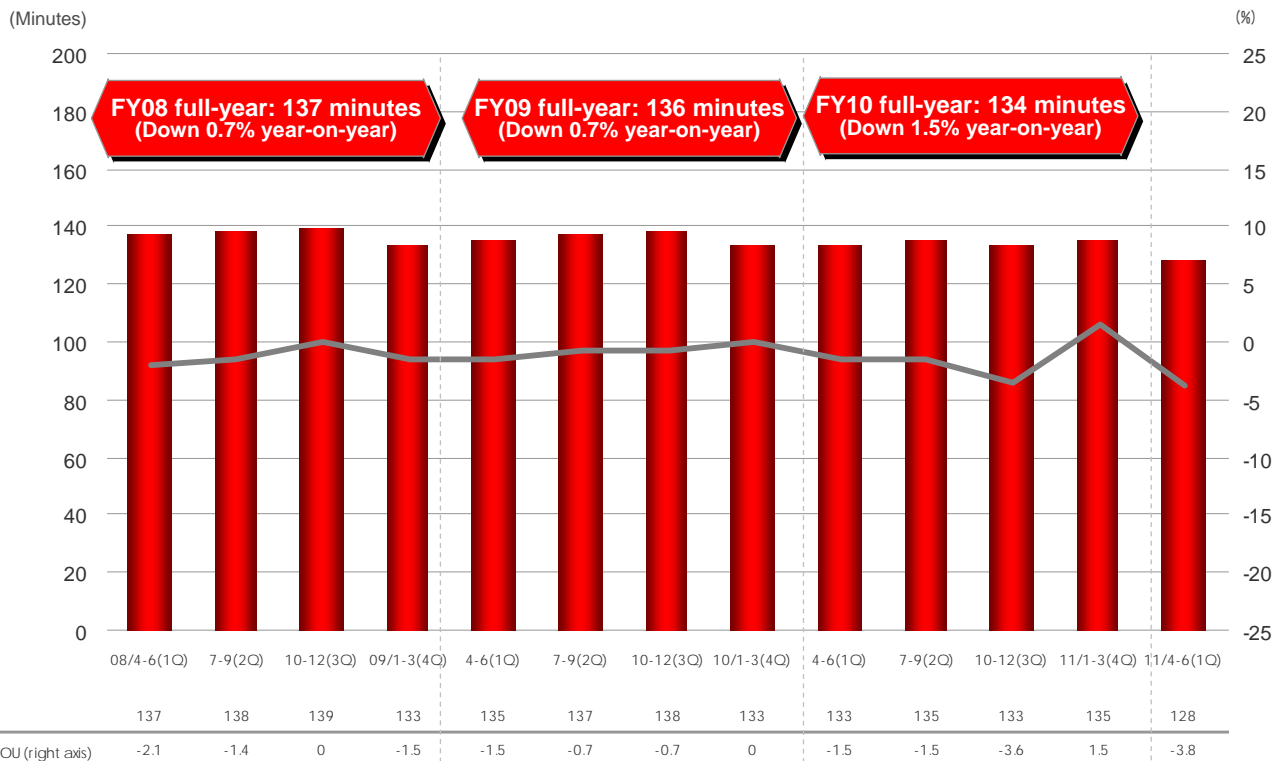
**NTT**  
**docomo**



# Appendices

# Cellular (Xi+FOMA+mova) MOU

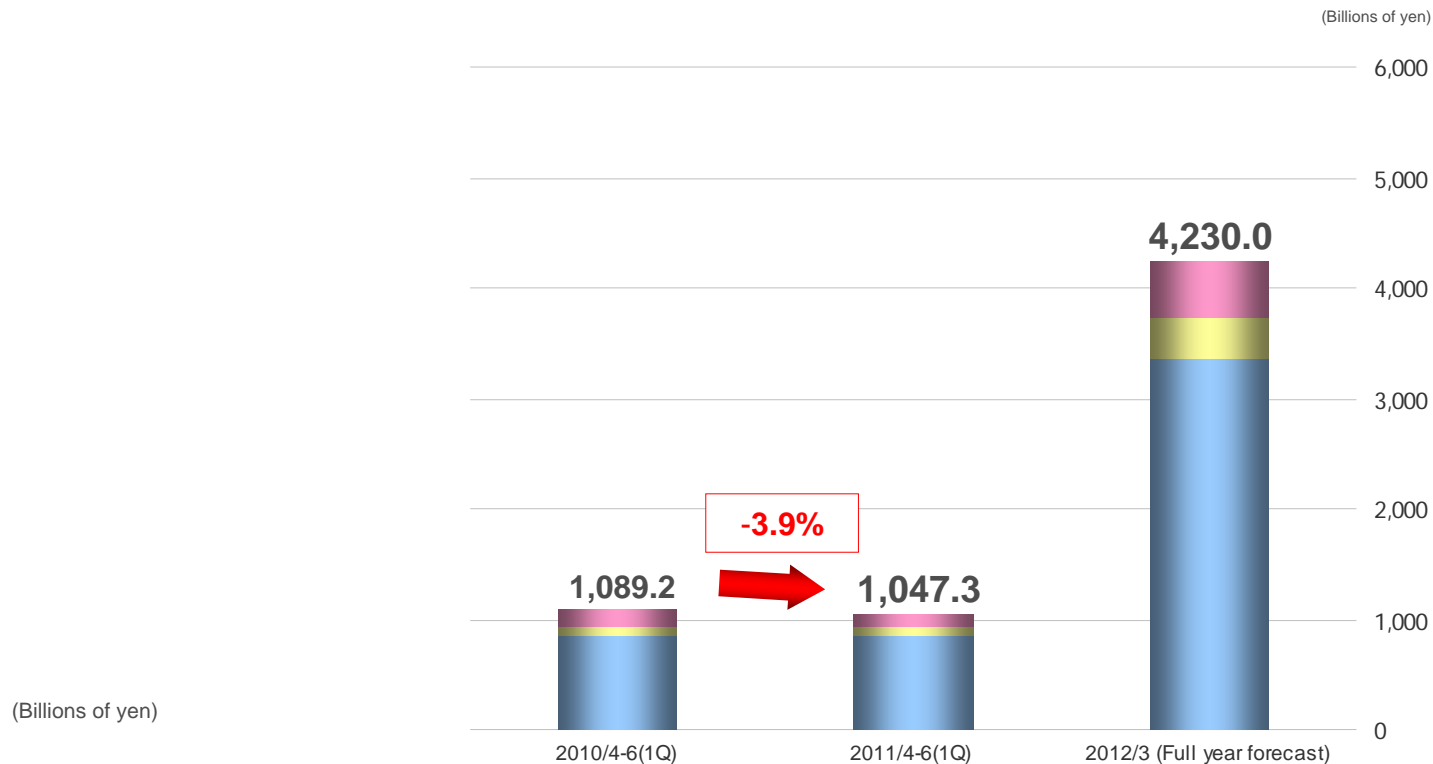
- FY2011/1Q MOU: 128 minutes (down 3.8% year-on-year)



◆ For an explanation on MOU, please see "Definition and Calculation Methods of MOU and ARPU" in this presentation.

# Operating Revenues

U.S. GAAP



■ Equipment sales revenues

145.3

113.2

493.0

■ Other revenues

79.7

83.5

369.0

■ Cellular services revenues (voice, packet)

864.2

850.6

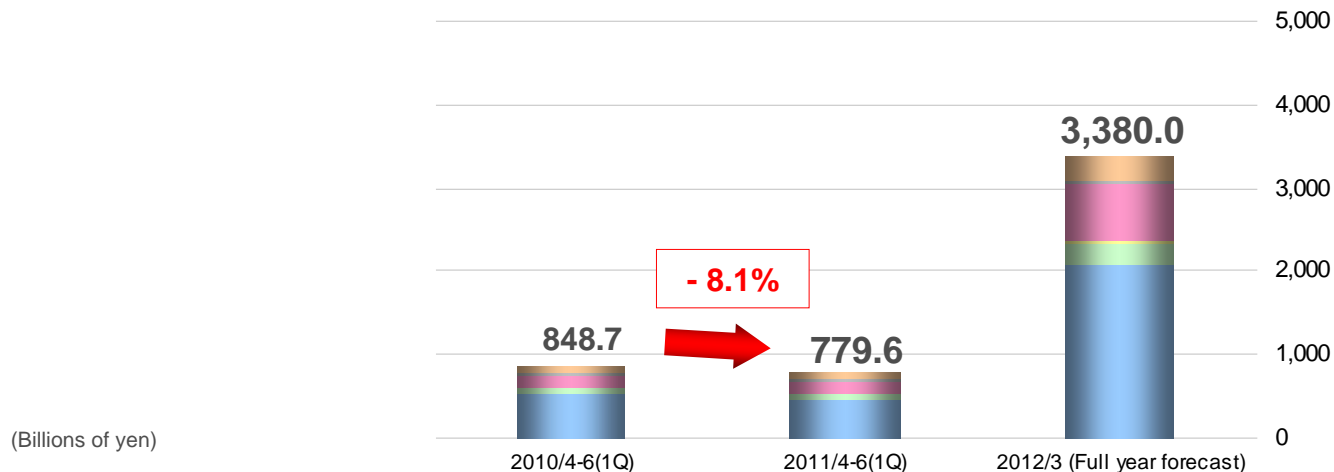
3,368.0

◆ "International services revenues" are included in "Cellular services revenues (voice, packet)".

# Operating Expenses

U.S. GAAP

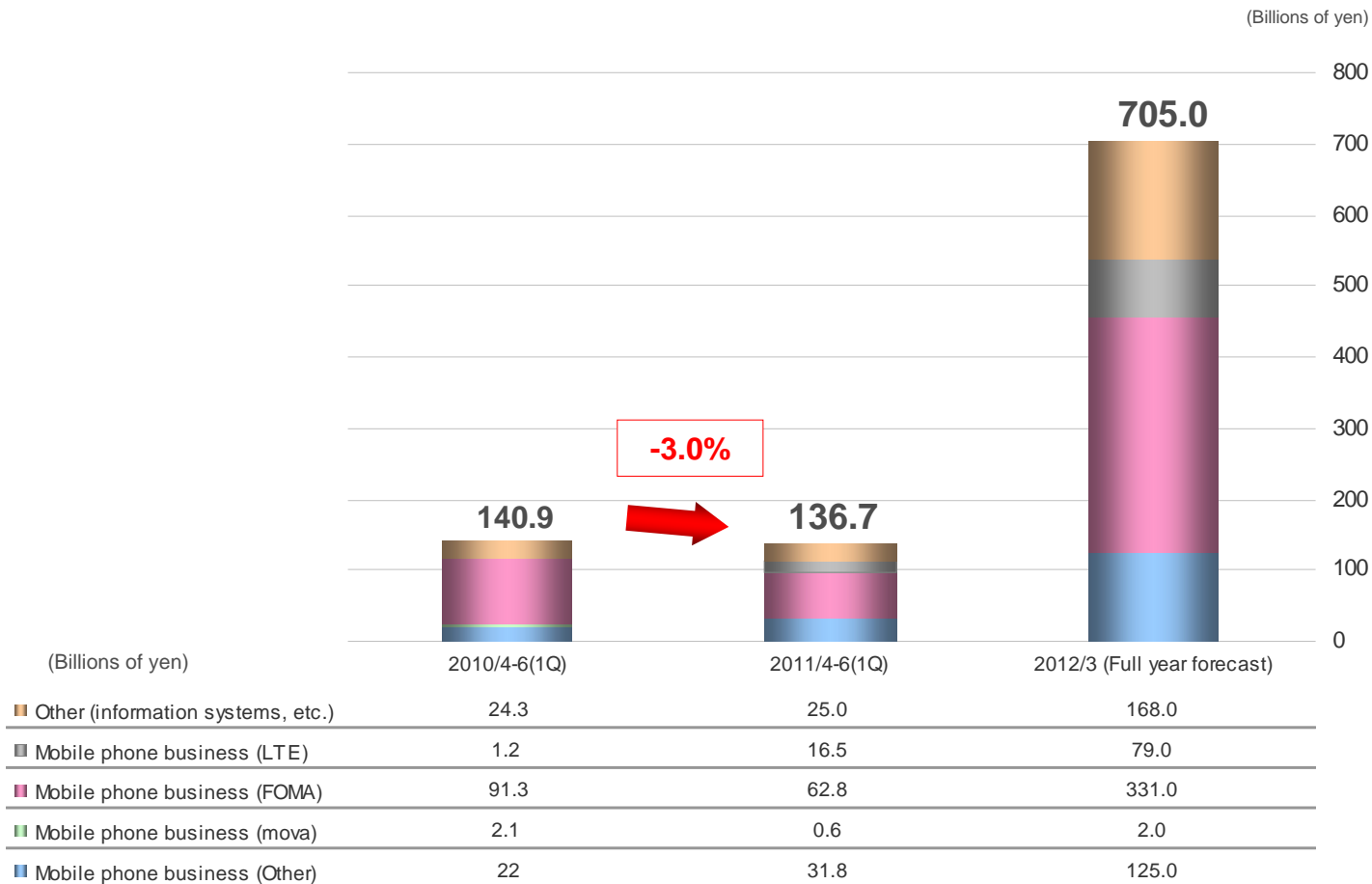
(Billions of yen)



	2010/4-6(1Q)	2011/4-6(1Q)	2012/3 (Full year forecast)
■ Personnel expenses	65.8	68.1	275.0
■ Taxes and public duties	9.8	9.5	39.0
■ Depreciation and amortization	158.1	155.8	687.0
■ Loss on disposal of property, plant and equipment and intangible assets	5.5	4.9	54.0
■ Communication network charges	70.3	63.7	223.0
■ Non-personnel expenses	539.3	477.7	2,102.0
(Incl.) Revenue-linked expenses*	323.7	265.7	1,117.0
(Incl.) Other non-personnel expenses	215.6	212.0	98.5

\* Revenue-linked expenses: Cost of equipment sold + distributor commissions + cost of docomo point service

# Capital Expenditure



# Operational Results and Forecasts

			2010/4-6 (1)	2011/4-6 (2)	Changes (1) → (2)	2012/3 (Full-year forecast)	
Cellular Phone	No. of Subscriptions (thousands)* <sup>1</sup>		56,515	58,415	+3.4%	59,960	
		mova	2,352	969	-58.8%	-	
		FOMA	54,162	57,324	+5.8%	58,930	
		Xi	-	121	-	1,030	
		i-mode	49,061	47,450	-3.3%	44,440	
		sp-mode	-	3,296	-	7,230	
		Communication Module Services	1,694	2,030	+19.8%	2,410	
	Market share (%)		49.7	48.2	-1.5 Points	-	
	Handsets sold (thousands) (Including handsets sold without involving sales by DOCOMO)	Total handsets sold		4,615	4,645	+0.6%	-
		mova	New	2	0	-76.9%	-
			Replacement	1	0	-69.1%	-
		FOMA	New	1,167	1,161	-0.5%	-
			Migration from mova	453	208	-54.2%	-
	Other* <sup>2</sup>		2,991	3,176	+6.2%	-	
	Churn rate (%)		0.44	0.49	+0.05 Points	-	
ARPU (Xi+FOMA+mova) (yen)* <sup>3</sup>		5,190	4,960	-4.4%	4,890		
MOU (Xi+FOMA+mova) (minutes)* <sup>3</sup>		133	128	-3.8%	-		

\*1 Communication Module Service subscriptions are included in the number of cellular phone subscriptions in order to align the calculation method of subscribers with that of other cellular phone carriers. (Market share, the number of handsets sold and churn rate are calculated inclusive of Communication Module Service subscriptions.)

\*2 Other includes purchases of additional handsets by existing FOMA subscribers.

\*3 For an explanation of MOU and ARPU, please see "Definition and Calculation Methods of MOU and ARPU" in this presentation. **RESULTS FOR 1Q OF FY2011**

# 39 Definition and Calculation Methods of MOU and ARPU

◆ **MOU (Minutes of Use): Average monthly communication time per subscription.**

◆ **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 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.

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

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

◇ **Packet ARPU (Xi+FOMA+mova):** Packet ARPU (Xi+FOMA+mova) Related Revenues (basic monthly charges, packet communication charges) /  
No. of active subscriptions (Xi+FOMA+mova)

◆ **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)

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

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

◇ **Packet ARPU (mova):** Packet ARPU (mova) Related Revenues (basic monthly charges, packet communication charges) /  
No. of active subscriptions (mova)

◆ **Active Subscriptions Calculation Methods:**

Sum of 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) during the relevant period

Note: Subscriptions and revenues for communication module service, Phone Number Storage and Mail Address Storage service are not included in the ARPU and MOU calculations.



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

## i. EBITDA and EBITDA margin

	Billions of yen	
	Three months ended June 30, 2010	Three months ended June 30, 2011
a. EBITDA	¥ 401.5	¥ 427.1
Depreciation and amortization	(158.1)	(155.8)
Loss on sale or disposal of property, plant and equipment	(3.0)	(3.6)
Operating income	240.5	267.7
Other income (expense)	0.0	2.5
Income taxes	(97.1)	(109.4)
Equity in net income (losses) of affiliates	(0.9)	(2.2)
Less: Net (income) loss attributable to noncontrolling interests	(0.4)	0.1
b. Net income attributable to NTT DOCOMO, INC.	142.2	158.7
c. Operating revenues	1,089.2	1,047.3
EBITDA margin (=a/c)	36.9%	40.8%
Net income margin (=b/c)	13.1%	15.2%

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, 2010	Three months ended June 30, 2011
a. Operating income	¥ 240.5	¥ 267.7
b. Operating income after tax effect {=a*(1-effective tax rate)}	142.4	158.5
c. Capital employed	5,263.1	5,304.9
ROCE before tax effect (=a/c)	4.6%	5.0%
ROCE after tax effect (=b/c)	2.7%	3.0%

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, 2010	Three months ended June 30, 2011
Free cash flows excluding changes in investments for cash management purposes	¥ 47.2	¥ 82.5
Changes in investments for cash management purposes*	191.9	(169.7)
Free cash flows	239.0	(87.2)
Net cash used in investing activities	(2.3)	(359.4)
Net cash provided by operating activities	241.3	272.2

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.



**NTT**  
**docomo**