

NTT DOCOMO INC
Form 6-K
October 26, 2012
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 6-K

**REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16 OR
15d-16 UNDER THE SECURITIES EXCHANGE ACT OF 1934**

For the month of October, 2012

Commission File Number: 001-31221

Total number of pages: 87

NTT DOCOMO, INC.

(Translation of registrant's name into English)

Sanno Park Tower 11-1, Nagata-cho 2-chome

Chiyoda-ku, Tokyo 100-6150

Japan

(Address of principal executive offices)

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

Form 20-F x **Form 40-F** "

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

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

SIGNATURES

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

NTT DOCOMO, INC.

Date: October 26, 2012

By: /s/ MUTSUO YAMAMOTO
Mutsuo Yamamoto

Head of Investor Relations

Information furnished in this form:

1. Earnings release for the six months ended September 30, 2012
2. Results for the first six months of the fiscal year ending March 31, 2013

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For the Six Months Ended September 30, 2012

October 26, 2012

[U.S. GAAP]

Name of registrant:	NTT DOCOMO, INC. (URL http://www.nttdocomo.co.jp/)
Code No.:	9437
Stock exchange on which the Company's shares are listed:	Tokyo Stock Exchange-First Section
Representative:	Kaoru Kato, Representative Director, President and Chief Executive Officer
Contact:	Ken Takeuchi, Senior Manager, General Affairs Department / TEL +81-3-5156-1111
Scheduled date for filing of quarterly report:	November 1, 2012
Scheduled date for dividend payment:	November 19, 2012
Supplemental material on quarterly results:	Yes
Presentation on quarterly results:	Yes (for institutional investors and analysts)

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

1. Consolidated Financial Results for the Six Months Ended September 30, 2012 (April 1, 2012 - September 30, 2012)**(1) Consolidated Results of Operations**

(Millions of yen, except per share amounts)

	Operating Revenues		Operating Income		Income before Income Taxes	Net Income Attributable to NTT DOCOMO, INC.		
Six months ended September 30, 2012	2,207,320	4.5%	471,109	(7.4)%	465,586	(9.0)%	285,884	(4.4)%
Six months ended September 30, 2011	2,112,982	(1.2)%	508,501	(4.3)%	511,871	(2.9)%	299,018	(3.5)%

(Note) Comprehensive income attributable to NTT DOCOMO, INC.:	For the six months ended September 30, 2012:	297,553 million yen	3.4%
	For the six months ended September 30, 2011:	287,678 million yen	(0.4)%

	Basic Earnings per Share Attributable to NTT DOCOMO, INC.	Diluted Earnings per Share Attributable to NTT DOCOMO, INC.
Six months ended September 30, 2012	6,894.15 (yen)	
Six months ended September 30, 2011	7,210.88 (yen)	

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

(2) Consolidated Financial Position

(Millions of yen, except per share amounts)

	Total Assets	Total Equity (Net Assets)	NTT DOCOMO, INC. Shareholders Equity	Shareholders Equity Ratio	NTT DOCOMO, INC. Shareholders Equity per Share
September 30, 2012	7,005,342	5,289,674	5,243,916	74.9%	126,458.15 (yen)
March 31, 2012	6,948,082	5,108,771	5,062,527	72.9%	122,083.91 (yen)

2. Dividends

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Date of Record	Cash Dividends per Share (yen)				
	End of the First Quarter	End of the Second Quarter	End of the Third Quarter	Year End	Total
Year ended March 31, 2012		2,800.00		2,800.00	5,600.00
Year ending March 31, 2013		3,000.00			
Year ending March 31, 2013 (Forecasts)				3,000.00	6,000.00

(Note) Revisions to the forecasts of dividends: None

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3. Forecasts of Consolidated Financial Results for the Fiscal Year Ending March 31, 2013 (April 1, 2012 - March 31, 2013)

(Millions of yen, except per share amounts)

	Operating Revenues		Operating Income		Income before Income Taxes		Net Income Attributable to NTT DOCOMO, INC.		Basic Earnings per Share Attributable to NTT DOCOMO, INC.
Year ending March 31, 2013	4,520,000	6.6%	820,000	(6.2)%	814,000	(7.2)%	507,000	9.3%	12,226.41 (yen)

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

(Note) Revisions to the forecasts of consolidated financial results: Yes

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* Notes:

(1) Changes in significant subsidiaries (Changes in significant subsidiaries for the six months ended September 30, 2012 which resulted in changes in scope of consolidation)		None
(2) Application of simplified or exceptional accounting		None
(3) Changes in accounting policies		
i. Changes due to revision of accounting standards and other regulations:		None
ii. Others: (Refer to 2. (3) Changes in Accounting Policies on page 12, contained in the attachment for more information.)		None
(4) Number of issued shares (common stock)		
i. Number of issued shares (inclusive of treasury stock):	As of September 30, 2012:	43,650,000 shares
	As of March 31, 2012:	43,650,000 shares
ii. Number of treasury stock:	As of September 30, 2012:	2,182,399 shares
	As of March 31, 2012:	2,182,399 shares
iii. Number of weighted average common shares outstanding:	For the six months ended September 30, 2012:	41,467,601 shares
	For the six months ended September 30, 2011:	41,467,601 shares
* Presentation on the status of quarterly review procedure:		

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

* Explanation for forecasts of operations and other notes:

Forward-looking statements in this earnings release, such as forecasts of results of operations, are based on the information currently available and certain assumptions that we regard as reasonable, and therefore actual results may differ materially from those contained in, or suggested by, any forward-looking statements. With regard to the assumptions and other related matters concerning forecasts for the fiscal year ending March 31, 2013, refer to 1. (3) Prospects for the Fiscal Year Ending March 31, 2013 on page 11 and 5. Special Note Regarding Forward-Looking Statements on page 21, contained in the attachment.

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Earnings Release for the Six Months Ended September 30, 2012

1. Information on Consolidated Results

(1) Operating Results

i. Business Overview

As Japan's mobile telecommunications market continues to mature, competition among operators remains intense with user movements using the Mobile Number Portability system becoming increasingly active amid a major market transition caused by changes such as the rapid expansion in the adoption of smartphones.

Under these market conditions, we developed our corporate vision for 2020, "Pursuing Smart Innovation: HEART", with the goal of achieving further growth and proposing new values to society. To establish the clear steps toward this goal, we also developed our "Medium-Term Vision 2015" and implemented various measures for "Evolution of services by pursuing innovation" and "New value creation through convergence" under the slogan of "Speed and Challenge".

For the fiscal year ending March 31, 2013, we adopted a business management policy focusing on the "Increase in net additions of subscribers by promoting smartphones and Xi services", "Provision of cloud-based services", "Further improvement of customer satisfaction and reinforcement of safety/security measures" and "Transformation into an Integrated Service Company placing mobile at the core".

In particular, to facilitate the "Transformation into an Integrated Service Company placing mobile at the core" for further revenues expansion, in the medical/healthcare business, we established docomo Healthcare, Inc. jointly with OMRON HEALTHCARE Co., Ltd., a company with a proven track record in the healthcare business, and moved ahead with the preparations for the launch of new healthcare support services. In addition, with respect to the aggregation/platform business, we acquired the shares in Buongiorno S.p.A., one of the leading mobile service providers in Europe, and turned it into a consolidated subsidiary with the aim of solidifying the structure for the operating platform business in markets outside Japan. Further, as part of our initiatives in the field of commerce business, we acquired additional shares in Tower Records Japan, Inc. and turned it into a subsidiary to promote the sales of CD/DVD and other products on our "dmarket" portal.

We extend our deepest apologies for inconveniencing many customers with the service interruptions reported in July and August 2012. Learning also from the lessons of the series of malfunctions that occurred in and after June 2011, we have been implementing a number of measures to prevent recurrence of the problem.

To prepare against possible earthquakes and other disasters in the future, we have moved ahead with the dispersion of important facilities, opening a new backup center in Kyushu in July 2012. In addition, we are continuing the verification of green base stations that utilize large-capacity batteries and solar power generation with the aim of putting them into commercial use as quickly as possible.

As a provider of social infrastructure, we are committed to steadily implementing the above-mentioned measures to maintain communication services and constructing a safe, secure and high-quality network.

For the six months ended September 30, 2012, in our cellular services revenues, while voice revenues decreased by ¥133.9 billion due mainly to the impacts of penetration of the "Monthly Support" discount program and a decrease in MOU (Minutes of Use), packet revenues increased by ¥69.1 billion due to a growth in the user base of smartphones as a result of our active sales promotion. Other revenues grew by ¥31.9 billion owing mainly to an expansion of our new businesses and an increase in the subscriptions to "Mobile Phone Protection & Delivery Service". Equipment sales revenues grew by ¥127.2 billion due to an increase in wholesale price per unit and an increase in the number of handsets sold to agent resellers. Consequently, we recognized operating revenues of ¥2,207.3 billion (an increase of ¥94.3 billion from the same period of the previous fiscal year). Despite our ongoing cost-cutting efforts, operating expenses increased by ¥131.7 billion from the same period of the previous fiscal year.

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to ¥1,736.2 billion as a result of costs for measures aimed to strengthen our cloud businesses and to expand new businesses as well as increased costs of equipment sold due to an increase in the purchase price per handset and the number of handset sold to agent resellers. As a result of the foregoing, we recorded operating income of ¥471.1 billion (a decrease of ¥37.4 billion from the same period of the previous fiscal year). Income before income taxes was ¥465.6 billion and net income attributable to NTT DOCOMO, INC. was ¥285.9 billion.

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DOCOMO Earnings Release

Six Months Ended September 30, 2012

Consolidated results of operations for the six months ended September 30, 2011 and 2012 were as follows:

<Results of operations>

	Billions of yen			
	Six months ended September 30, 2011	Six months ended September 30, 2012	Increase (Decrease)	
Operating revenues	¥ 2,113.0	¥ 2,207.3	¥ 94.3	4.5%
Operating expenses	1,604.5	1,736.2	131.7	8.2
Operating income	508.5	471.1	(37.4)	(7.4)
Other income (expense)	3.4	(5.5)	(8.9)	
Income before income taxes and equity in net income (losses) of affiliates	511.9	465.6	(46.3)	(9.0)
Income taxes	207.6	184.2	(23.4)	(11.3)
Income before equity in net income (losses) of affiliates	304.3	281.4	(22.9)	(7.5)
Equity in net income (losses) of affiliates	(5.8)	(0.5)	5.3	90.8
Net income	298.5	280.9	(17.6)	(5.9)
Less: Net (income) loss attributable to noncontrolling interests	0.5	5.0	4.5	821.4
Net income attributable to NTT DOCOMO, INC.	¥ 299.0	¥ 285.9	¥ (13.1)	(4.4)%
EBITDA margin*	39.5%	36.5%	(3.0) point	
ROCE before tax effect*	9.6%	8.7%	(0.9) point	
ROCE after tax effect*	5.7%	5.4%	(0.3) point	

* EBITDA and EBITDA margin, as we use them in this earnings release, are different from EBITDA as used in Item 10(e) of Regulation S-K and may not be comparable to similarly titled measures used by other companies. For an explanation of our definitions of EBITDA, EBITDA margin, ROCE before tax effect and ROCE after tax effect, see 4. (3) Reconciliations of the Disclosed Non-GAAP Financial Measures to the Most Directly Comparable GAAP Financial Measures on page 20.

<Operating revenues>

	Billions of yen			
	Six months ended September 30, 2011	Six months ended September 30, 2012	Increase (Decrease)	
Wireless services	¥ 1,877.8	¥ 1,845.0	¥ (32.8)	(1.7)%

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Cellular services revenues	1,708.8	1,644.1	(64.8)	(3.8)
- Voice revenues	802.4	668.5	(133.9)	(16.7)
- Packet communications revenues	906.5	975.6	69.1	7.6
Other revenues	168.9	200.9	31.9	18.9
Equipment sales	235.2	362.4	127.2	54.1
Total operating revenues	¥ 2,113.0	¥ 2,207.3	¥ 94.3	4.5%

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

<Operating expenses>

	Billions of yen			
	Six months ended September 30, 2011	Six months ended September 30, 2012	Increase (Decrease)	
Personnel expenses	¥ 135.5	¥ 138.0	¥ 2.5	1.8%
Non-personnel expenses	990.8	1,123.5	132.7	13.4
Depreciation and amortization	318.4	324.2	5.8	1.8
Loss on disposal of property, plant and equipment and intangible assets	11.6	22.5	10.9	94.2
Communication network charges	128.9	108.5	(20.4)	(15.9)
Taxes and public dues	19.3	19.5	0.2	1.2
Total operating expenses	¥ 1,604.5	¥ 1,736.2	¥ 131.7	8.2%

Table of Contents**DOCOMO Earnings Release****Six Months Ended September 30, 2012****ii. Segment Results****Mobile phone business**

We have been moving ahead with our customer-centric business transformation initiatives in an effort to offer customers with products and services that can meet their diverse requirements.

During the six months ended September 30, 2012, we were awarded the No. 1 ranking in the mobile data devices customer satisfaction survey by Nikkei BP Consulting, Inc.*¹ and the 2012 Japan Business Mobile Phone Service Satisfaction Study by J.D. Power Asia Pacific, Inc.², both for the fourth straight year.

To accelerate the adoption of smartphones, we released a total of 21 new models, including GALAXY S III and many other Xi LTE-enabled smartphone models, in the six months ended September 2012 in a continued effort to enrich our product lineup. In August 2012, we released Raku Raku Smartphone, a new smartphone series featuring easy-to-use touch-screen and large fonts for improved readability, and started offering a dedicated billing plan for its users, Raku Raku Pake-hodai. As a result of the foregoing, we sold a total of 6.44 million units of smartphones during the first six months of the fiscal year ending March 31, 2013, and the total number of Xi subscriptions topped 6.00 million in September 2012.

To enhance the convenience of customers using data communications services, we expanded the coverage of docomo Wi-Fi public wireless LAN service, which enables high-speed, large-capacity access to the internet, and launched a promotional campaign that grants subscribers lifetime free access to Wi-Fi service. Going forward, we will continue the roll-out of Wi-Fi access points in railway stations, cafes, convenience stores and other locations frequented by customers to create an environment where users can utilize our services even more conveniently. In addition, we launched WORLD WING Wi-Fi service for the users of Overseas Pake-hodai flat-rate billing plan.

As for the services offered via docomo cloud, we launched Photo Collection service that provides users with cloud storage of photos and videos in September 2012. Meanwhile, our Shabette Concier voice agent function garnered approximately 4 million downloads and 180 million accesses on a cumulative basis in September 2012.

With respect to our directly operated content market, dmarket, we added the ANIME Store in July 2012, and started support for multi-device access in August 2012 to allow users to share the same content over multiple devices such as smartphones and tablets. We will continually strive to enrich services with the planned launch of gaming and online shopping platforms in the future.

During the six months ended September 30, 2012, the number of cellular subscriptions as of September 2012 increased by 1.79 million to 60.79 million from the previous fiscal year due to solid sales of smartphones. On the other hand, competition in the Japanese cellular market for net additions remained intense, while the impact of the Mobile Number Portability system contributed to an increase in our churn rate for the six months ended September 2012 by 0.27 points to 0.77% from the previous fiscal year.

Although packet revenues recorded an increase of ¥69.1 billion from the same period of the previous fiscal year due to increased packet usage resulting from the expanded uptake of smartphones and other factors, voice revenues posted a decrease of ¥133.9 billion due to factors such as the penetration of Monthly Support discount programs and a decrease in MOU. As a result, cellular services revenues for the six months ended September 30, 2012 decreased by ¥64.8 billion from the same period of the previous fiscal year to ¥1,644.1 billion.

With regard to equipment sales, equipment sales revenues and cost of equipment sold increased from the same period of the previous fiscal year due mainly to an increase in wholesale and purchase prices per unit, respectively, as well as an increase in the number of handsets sold to agent resellers.

As a result of the foregoing, operating revenues and operating income from the mobile phone business for the six months ended September 30, 2012 were ¥2,128.7 billion (an increase of ¥77.9 billion from the same period of the previous fiscal year) and ¥486.8 billion (a decrease of ¥26.1 billion from the same period of the previous fiscal year), respectively.

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DOCOMO Earnings Release

Six Months Ended September 30, 2012

- *1: Nikkei BP Consulting ㊦ Mobile data devices customer satisfaction survey , a customer satisfaction survey on mobile data communications devices (3G, LTE, WiMAX) of Japanese mobile operators conducted in March 2012.
<http://consult.nikkeibp.co.jp/consult/news/2012/0423md/>
- *2: J.D. Power Asia Pacific, Inc. 2009-2012 Japan Business Mobile Phone Service Satisfaction StudiesSM.
2012 Study based on a total of 3,646 responses from 2,764 companies with 100 or more employees (up to two responses from one company) about telecommunications firms who supply a mobile telephone / PHS service. <http://jdpower.co.jp/>

Table of Contents**DOCOMO Earnings Release****Six Months Ended September 30, 2012**

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

<Number of subscriptions by services>

	Thousand subscriptions		Increase	
	September 30, 2011	September 30, 2012	(Decrease)	
Cellular services	58,993	60,787	1,793	3.0%
Cellular (Xi) services	389	6,198	5,810	
Cellular (FOMA) services	57,862	54,588	(3,274)	(5.7)
packet flat-rate services	34,267	37,781	3,515	10.3
i-mode services	46,183	37,356	(8,828)	(19.1)
sp-mode services	5,375	14,289	8,914	165.8
i-channel services	15,886	15,172	(714)	(4.5)
i-concier services	6,007	7,480	1,473	24.5

Notes:

1. Number of Cellular services subscriptions as of September 30, 2011 includes subscriptions to Cellular (mova) services.
2. Number of subscriptions to Cellular services and Cellular (FOMA) services includes Communication Module services subscriptions.
3. Effective March 3, 2008, FOMA subscription became mandatory for subscription to 2in1 services, and those FOMA subscriptions are included in the number of FOMA subscriptions.

<Number of handsets sold and churn rate>

	Thousand units		Increase	
	Six months ended September 30, 2011	Six months ended September 30, 2012	(Decrease)	
Number of handsets sold	10,345	11,837	1,492	14.4%
Cellular (Xi) services				
New Xi subscription	373	1,157	784	210.5
Change of subscription from FOMA	3	2,994	2,991	
Xi handset upgrade by Xi subscribers	2	176	174	
Cellular (FOMA) services				
New FOMA subscription	2,354	2,280	(74)	(3.1)
Change of subscription from Xi	383	10	(374)	(97.5)
FOMA handset upgrade by FOMA subscribers	7,229	5,220	(2,009)	(27.8)
Churn Rate	0.50%	0.77%	0.27 point	

Notes:

1. Number of handsets sold and churn rate for the six months ended September 30, 2011 includes number of mova handset sold and churn of subscriptions to Cellular (mova) services.

Table of Contents**DOCOMO Earnings Release****Six Months Ended September 30, 2012**

ARPU and MOU

As we disclose results of operations for the six months ended September 2012, in order to show the continuous growth that we aim to achieve by the Transformation into an Integrated Service Company placing mobile at the core, we newly introduced "Smart ARPU" as a performance indicator which captures particularly revenues from new businesses such as dmarket, in addition to conventional Voice ARPU and Packet ARPU.

<Trend of ARPU and MOU>

	Six months ended September 30, 2011	Yen Six months ended September 30, 2012	Increase (Decrease)	
Aggregate ARPU*	¥ 5,230	¥ 4,900	¥ (330)	(6.3)%
Voice ARPU	2,310	1,850	(460)	(19.9)
Packet ARPU	2,570	2,660	90	3.5
Smart ARPU	350	390	40	11.4
MOU* (minutes)	128	119	(9)	(7.0)%

Notes:

1. ARPU and MOU data for the six months ended September 30, 2011 include ARPU and MOU for Cellular (mova) services.
2. With the introduction of "Smart ARPU", Aggregate ARPU contains Smart ARPU. Some elements (revenues from content, cloud services and other services) included in conventional Packet ARPU for the six months ended September 30, 2011 have been retroactively reclassified into Smart ARPU. The impact of the reclassification is ¥80.

* See 4. (2) Definition and Calculation Methods of ARPU and MOU on page 19 for definition and calculation methods.

Results of operations are as follows:

<Results of operations>

	Six months ended September 30, 2011	Billions of yen Six months ended September 30, 2012	Increase (Decrease)	
Operating revenues from mobile phone business	¥ 2,050.8	¥ 2,128.7	¥ 77.9	3.8%
Operating income (loss) from mobile phone business	512.8	486.8	(26.1)	(5.1)

Table of Contents**DOCOMO Earnings Release****Six Months Ended September 30, 2012****All other businesses**

For the six months ended September 30, 2012, we undertook initiatives to expand the customer base of NOTTV, the first-ever broadcasting station specifically for smartphones, which we launched in April 2012, through which customers can enjoy high sound-quality, high definition broadcasting services. The initiatives include measures such as an increase in the number of NOTTV enabled-handsets to 7 models, an increase in the program/content offerings and expansion of service areas. Also, we have continuously strived to increase our revenues from credit services, music and video software sales business, home shopping services provided primarily through TV media, premium home-delivery services offering organic and preservative-free food, high-speed internet connection services for hotel facilities, advertisement services and development, sales and maintenance of IT systems.

Operating revenues from all other businesses for the six months ended September 30, 2012 were ¥78.6 billion, which represented 3.6% of total operating revenues. Operating expenses from all other businesses were ¥94.3 billion, and as a result, operating loss from all other businesses was ¥15.7 billion.

Results of operations are as follows:

<Results of operations>

	Billions of yen			
	Six months ended September 30, 2011	Six months ended September 30, 2012		Increase (Decrease)
Operating revenues from all other businesses	¥ 62.1	¥ 78.6	¥ 16.5	26.5%
Operating income(loss) from all other businesses	(4.3)	(15.7)	(11.3)	(260.6)

iii. Trend of Capital Expenditures

We are taking measures to expand the network coverage of Xi service in an effective manner, to reinforce our network capacity in response to an increase in data traffic demand as well as to disperse key business facilities for packet communication platforms and customer information management systems. As a result of these initiatives, total capital expenditures for the six months ended September 30, 2012 were ¥361.0 billion (an increase of 15.8% compared to the same period of the previous fiscal year).

<Capital expenditures>

	Billions of yen			
	Six months ended September 30, 2011	Six months ended September 30, 2012		Increase (Decrease)
Total capital expenditures	¥ 311.6	¥ 361.0	¥ 49.4	15.8%
Mobile phone business	251.7	293.2	41.5	16.5
Other (including information systems)	59.9	67.8	7.9	13.1

Table of Contents**DOCOMO Earnings Release****Six Months Ended September 30, 2012****(2) Financial Review****i. Financial Position**

	Billions of yen				
	September 30, 2011	September 30, 2012	Increase (Decrease)		(Reference) March 31, 2012
Total assets	¥ 6,794.0	¥ 7,005.3	¥ 211.4	3.1%	¥ 6,948.1
NTT DOCOMO, INC. shareholders' equity	5,030.3	5,243.9	213.6	4.2	5,062.5
Liabilities	1,735.8	1,715.7	(20.1)	(1.2)	1,839.3
Including: Interest bearing liabilities	324.3	254.0	(70.3)	(21.7)	256.7
Shareholders' equity ratio (1)	74.0%	74.9%	0.9 point		72.9%
Debt ratio (2)	6.1%	4.6%	(1.5) point		4.8%

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

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

ii. Cash Flow Conditions

For the six months ended September 30, 2012, net cash provided by operating activities was ¥387.0 billion, a decrease of ¥237.4 billion (38.0%) from the same period of the previous fiscal year. This was mainly due to an increase of fund-provision in relation to installment receivables for subscribers' handset purchases under the installment method.

Net cash used in investing activities was ¥458.2 billion, a decrease of uses by ¥203.6 billion (30.8%) from the same period of the previous fiscal year. This was mainly due to an increase of proceeds from redemption of short-term investments of more than three months for cash management purposes and an increase of proceeds from redemption of short-term bailment for consumption to a related party.

Net cash used in financing activities was ¥130.2 billion, a decrease of uses by ¥82.0 billion (38.6%) from the same period of the previous fiscal year. This was mainly due to a decrease in repayment of long-term debt.

The balance of cash and cash equivalents was ¥320.7 billion as of September 30, 2012, a decrease of ¥201.4 billion (38.6%) from the previous fiscal year end.

	Billions of yen			
	Six months ended September 30, 2011	Six months ended September 30, 2012	Increase (Decrease)	
Net cash provided by operating activities	¥ 624.4	¥ 387.0	¥ (237.4)	(38.0)%
Net cash used in investing activities	(661.8)	(458.2)	203.6	30.8
Net cash provided by (used in) financing activities	(212.1)	(130.2)	82.0	38.6
Free cash flows (1)	(37.4)	(71.2)	(33.8)	(90.3)
Free cash flows excluding the effects of irregular factors (2), the effect of transfer of receivables (3), and changes in investments for cash management purposes (4)*	272.8	56.2	(216.6)	(79.4)

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- Notes: (1) Free cash flows = Net cash provided by operating activities + Net cash used in investing activities
(2) Irregular factors = Effects of uncollected revenues due to bank closures at the end of the fiscal period
(3) Effect of transfer of receivables = Effect caused by the uncollected amounts of transferred receivables of telephone charges to NTT FINANCE CORPORATION
(4) Changes in investments for cash management purposes = Changes by purchases, redemption at maturity and disposals of financial instruments held for cash management purposes with original maturities of longer than three months

* See 4. (3) Reconciliations of the Disclosed Non-GAAP Financial Measures to the Most Directly Comparable GAAP Financial Measures on page 20.

Table of Contents**DOCOMO Earnings Release****Six Months Ended September 30, 2012****(3) Prospects for the Fiscal Year Ending March 31, 2013**

Competition in Japan's mobile telecommunications market is expected to remain intense in such areas as acquisition of subscribers and further improvement of service offerings. Under these market conditions, we revise our forecasts as follows.

We expect that there will be 20 million users of our smartphones as of March 2013 with strong uptakes in the number of smartphone users. We revise our operating revenues forecasts upward by ¥70.0 billion to ¥4,520.0 billion from the original forecast due to an increase in equipment sales revenues that more than offsets a decrease in voice revenues due to impacts of penetration of VoIP* and other factors. Operating revenue will post an increase of ¥280.0 billion from the previous fiscal year.

On the expense side, we also revised our operating expenses forecasts upward by ¥150.0 billion to ¥3,700.0 billion from the original forecast. Despite our ongoing efforts aimed at further cost efficiency, we expect an increase in expenses due to the implementation of measures aimed at Xi service area expansion, construction of a more reliable communication network and regaining our competitiveness.

Accordingly, operating income is forecasted to be ¥820.0 billion, a decrease of ¥80.0 billion from the original forecasts.

* VoIP (Voice over Internet Protocol) is a technology that allows voice data to be transmitted over networks such as the Internet

	Billions of yen				
	Year ending March 31, 2013 (Original Forecasts)	Year ending March 31, 2013 (Revised Forecasts)	Increase (Decrease)		Year ended March 31, 2012 (Actual Results)
Operating revenues	¥ 4,450.0	¥ 4,520.0	¥ 70.0	1.6%	¥ 4,240.0
Operating income	900.0	820.0	(80.0)	(8.9)	874.5
Income before income taxes	903.0	814.0	(89.0)	(9.9)	877.0
Net income attributable to NTT DOCOMO, INC.	557.0	507.0	(50.0)	(9.0)	463.9
Capital expenditures	735.0	749.0	14.0	1.9	726.8
Adjusted free cash flows excluding the effects of irregular factors, the effect of transfer of receivables, and changes in investments for cash management purposes*	440.0	240.0	(200.0)	(45.5)	503.5
EBITDA*	1,626.0	1,546.0	(80.0)	(4.9)	1,583.3
EBITDA margin*	36.5%	34.2%	(2.3) point		37.3%
ROCE before tax effect*	16.5%	15.1%	(1.4) point		16.5%
ROCE after tax effect*	10.2%	9.4%	(0.8) point		9.8%

* 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. For an explanation of our definition of free cash flows excluding irregular factors and changes in investments for cash management purposes, EBITDA, EBITDA margin, ROCE before tax effect and ROCE after tax effect, see 4. (3) Reconciliations of the Disclosed Non-GAAP Financial Measures to the Most Directly Comparable GAAP Financial Measures on page 20.

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DOCOMO Earnings Release

Six Months Ended September 30, 2012

2. Other Information

(1) Changes in Significant Subsidiaries

None

(2) Application of Simplified or Exceptional Accounting

None

(3) Changes in Accounting Policies

None

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DOCOMO Earnings Release

Six Months Ended September 30, 2012

3. Consolidated Financial Statements**(1) Consolidated Balance Sheets**

	Millions of yen	
	March 31, 2012	September 30, 2012
ASSETS		
Current assets:		
Cash and cash equivalents	¥ 522,078	¥ 320,710
Short-term investments	371,504	391,884
Accounts receivables	963,001	218,600
Receivables held for sale		562,330
Credit card receivables	189,163	188,477
Allowance for doubtful accounts	(23,550)	(26,090)
Other receivables	47,014	337,020
Inventories	146,563	187,622
Deferred tax assets	76,858	76,395
Prepaid expenses and other current assets	65,630	81,984
Total current assets	2,358,261	2,338,932
Property, plant and equipment:		
Wireless telecommunications equipmen	5,700,951	5,597,047
Buildings and structures	867,553	874,634
Tools, furniture and fixtures	520,469	524,284
Land	199,802	199,829
Construction in progress	133,068	155,213
Accumulated depreciation and amortization	(4,885,546)	(4,786,918)
Total property, plant and equipment, net	2,536,297	2,564,089
Non-current investments and other assets:		
Investments in affiliates	480,111	471,986
Marketable securities and other investments	128,389	133,772
Intangible assets, net	680,831	683,033
Goodwill	204,890	222,998
Other assets	255,747	304,723
Deferred tax assets	303,556	285,809
Total non-current investments and other assets	2,053,524	2,102,321
Total assets	¥ 6,948,082	¥ 7,005,342
LIABILITIES AND EQUITY		
Current liabilities:		
Current portion of long-term debt	¥ 75,428	¥ 62,959
Short-term borrowings	733	7,427

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Accounts payable, trade	738,783	629,101
Accrued payroll	55,917	54,475
Accrued interest	767	710
Accrued income taxes	150,327	158,626
Other current liabilities	132,048	142,531
Total current liabilities	1,154,003	1,055,829
Long-term liabilities:		
Long-term debt (exclusive of current portion)	180,519	183,586
Accrued liabilities for point programs	173,136	155,064
Liability for employees' retirement benefits	160,107	165,876
Other long-term liabilities	171,546	155,313
Total long-term liabilities	685,308	659,839
Total liabilities	1,839,311	1,715,668
Equity:		
NTT DOCOMO, INC. shareholders' equity		
Common stock	949,680	949,680
Additional paid-in capital	732,592	732,537
Retained earnings	3,861,952	4,031,727
Accumulated other comprehensive income (loss)	(104,529)	(92,860)
Treasury stock, at cost	(377,168)	(377,168)
Total NTT DOCOMO, INC. shareholders' equity	5,062,527	5,243,916
Noncontrolling interests	46,244	45,758
Total equity	5,108,771	5,289,674
Total liabilities and equity	¥ 6,948,082	¥ 7,005,342

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DOCOMO Earnings Release

Six Months Ended September 30, 2012

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income**Consolidated Statements of Income**

	Millions of yen	
	Six Months Ended September 30, 2011	Six Months Ended September 30, 2012
Operating revenues:		
Wireless services	¥ 1,877,776	¥ 1,844,952
Equipment sales	235,206	362,368
Total operating revenues	2,112,982	2,207,320
Operating expenses:		
Cost of services (exclusive of items shown separately below)	436,585	475,705
Cost of equipment sold (exclusive of items shown separately below)	317,830	374,282
Depreciation and amortization	318,384	324,216
Selling, general and administrative	531,682	562,008
Total operating expenses	1,604,481	1,736,211
Operating income	508,501	471,109
Other income (expense):		
Interest expense	(1,680)	(910)
Interest income	672	728
Other, net	4,378	(5,341)
Total other income (expense)	3,370	(5,523)
Income before income taxes and equity in net income (losses) of affiliates	511,871	465,586
Income taxes:		
Current	195,627	164,771
Deferred	11,958	19,388
Total income taxes	207,585	184,159
Income before equity in net income (losses) of affiliates	304,286	281,427
Equity in net income (losses) of affiliates, net of applicable taxes	(5,810)	(537)
Net income	298,476	280,890
Less: Net (income) loss attributable to noncontrolling interests	542	4,994

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Net income attributable to NTT DOCOMO, INC. ¥ 299,018 ¥ 285,884

PER SHARE DATA

Weighted average common shares outstanding Basic and Diluted (shares) 41,467,601 41,467,601

Basic and Diluted earnings per share attributable to NTT DOCOMO, INC. (yen) ¥ 7,210.88 ¥ 6,894.15

Consolidated Statements of Comprehensive Income

	Millions of yen	
	Six Months Ended September 30, 2011	Six Months Ended September 30, 2012
Net income	¥ 298,476	¥ 280,890
Other comprehensive income (loss):		
Unrealized holding gains (losses) on available-for-sale securities, net of applicable taxes	(9,379)	9,022
Change in fair value of derivative instruments, net of applicable taxes	(9)	13
Foreign currency translation adjustment, net of applicable taxes	(2,201)	2,446
Pension liability adjustment, net of applicable taxes	234	214
Total other comprehensive income (loss)	(11,355)	11,695
Comprehensive income	287,121	292,585
Less: Comprehensive (income) loss attributable to noncontrolling interests	557	4,968
Comprehensive income attributable to NTT DOCOMO, INC.	¥ 287,678	¥ 297,553

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DOCOMO Earnings Release

Six Months Ended September 30, 2012

Consolidated Statements of Income

	Millions of yen	
	Three Months Ended September 30, 2011	Three Months Ended September 30, 2012
Operating revenues:		
Wireless services	¥ 943,673	¥ 921,515
Equipment sales	122,021	213,524
Total operating revenues	1,065,694	1,135,039
Operating expenses:		
Cost of services (exclusive of items shown separately below)	218,134	244,108
Cost of equipment sold (exclusive of items shown separately below)	168,142	216,198
Depreciation and amortization	162,596	166,744
Selling, general and administrative	276,036	299,507
Total operating expenses	824,908	926,557
Operating income	240,786	208,482
Other income (expense):		
Interest expense	(774)	(449)
Interest income	354	356
Other, net	1,250	(7,617)
Total other income (expense)	830	(7,710)
Income before income taxes and equity in net income (losses) of affiliates	241,616	200,772
Income taxes:		
Current	103,507	86,030
Deferred	(5,314)	(3,911)
Total income taxes	98,193	82,119
Income before equity in net income (losses) of affiliates	143,423	118,653
Equity in net income (losses) of affiliates, net of applicable taxes	(3,636)	306
Net income	139,787	118,959
Less: Net (income) loss attributable to noncontrolling interests	484	2,626
Net income attributable to NTT DOCOMO, INC.	¥ 140,271	¥ 121,585

PER SHARE DATA

Weighted average common shares outstanding Basic and Diluted (shares)	41,467,601	41,467,601
Basic and Diluted earnings per share attributable to NTT DOCOMO, INC. (yen)	¥ 3,382.66	¥ 2,932.05

Consolidated Statements of Comprehensive Income

	Millions of yen	
	Three Months Ended	Three Months Ended
	September 30, 2011	September 30, 2012
Net income	¥ 139,787	¥ 118,959
Other comprehensive income (loss):		
Unrealized holding gains (losses) on available-for-sale securities, net of applicable taxes	(9,629)	10,748
Change in fair value of derivative instruments, net of applicable taxes	(2)	7
Foreign currency translation adjustment, net of applicable taxes	(8,879)	(19,290)
Pension liability adjustment, net of applicable taxes	86	107
Total other comprehensive income (loss)	(18,424)	(8,428)
Comprehensive income	121,363	110,531
Less: Comprehensive (income) loss attributable to noncontrolling interests	508	2,665
Comprehensive income attributable to NTT DOCOMO, INC.	¥ 121,871	¥ 113,196

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DOCOMO Earnings Release

Six Months Ended September 30, 2012

(3) Consolidated Statements of Cash Flows

	Millions of yen	
	Six Months Ended September 30, 2011	Six Months Ended September 30, 2012
Cash flows from operating activities:		
Net income	¥ 298,476	¥ 280,890
Adjustments to reconcile net income to net cash provided by operating activities-		
Depreciation and amortization	318,384	324,216
Deferred taxes	7,127	17,853
Loss on sale or disposal of property, plant and equipment	7,173	11,293
Impairment loss on marketable securities and other investments	129	10,175
Equity in net (income) losses of affiliates	10,565	1,619
Changes in assets and liabilities:		
(Increase) / decrease in accounts receivables	57,226	746,920
(Increase) / decrease in receivables held for sale		(562,330)
(Increase) / decrease in credit card receivables	(10,790)	(5,281)
Increase / (decrease) in allowance for doubtful accounts	3,393	2,346
(Increase) / decrease in other receivables	15,444	(276,867)
(Increase) / decrease in inventories	(28,215)	(29,672)
(Increase) / decrease in prepaid expenses and other current assets	(10,468)	(12,306)
(Increase) / decrease in non-current installment receivables for handsets	(2,764)	88,075
(Increase) / decrease in non-current receivables held for sale		(124,958)
Increase / (decrease) in accounts payable, trade	(63,925)	(69,598)
Increase / (decrease) in accrued income taxes	19,139	7,526
Increase / (decrease) in other current liabilities	17,849	5,992
Increase / (decrease) in accrued liabilities for point programs	(15,661)	(18,072)
Increase / (decrease) in liability for employees' retirement benefits	4,094	4,246
Increase / (decrease) in other long-term liabilities	(12,095)	(21,412)
Other, net	9,292	6,344
Net cash provided by operating activities	624,373	386,999
Cash flows from investing activities:		
Purchases of property, plant and equipment	(217,795)	(285,564)
Purchases of intangible and other assets	(122,357)	(125,615)
Purchases of non-current investments	(11,037)	(6,793)
Proceeds from sale of non-current investments	2,138	1,344
Acquisitions of subsidiaries, net of cash acquired		(18,626)
Purchases of short-term investments	(551,462)	(492,620)
Redemption of short-term investments	241,268	382,279
Proceeds from redemption of short-term bailment for consumption to a related party		90,000
Other, net	(2,543)	(2,593)
Net cash used in investing activities	(661,788)	(458,188)
Cash flows from financing activities:		
Repayment of long-term debt	(104,037)	(15,819)

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Proceeds from short-term borrowings	1,439	7,352
Repayment of short-term borrowings	(702)	(5,656)
Principal payments under capital lease obligations	(2,226)	(1,631)
Dividends paid	(107,792)	(116,088)
Other, net	1,170	1,680
Net cash provided by (used in) financing activities	(212,148)	(130,162)
Effect of exchange rate changes on cash and cash equivalents	(60)	(17)
Net increase (decrease) in cash and cash equivalents	(249,623)	(201,368)
Cash and cash equivalents at beginning of period	765,551	522,078
Cash and cash equivalents at end of period	¥ 515,928	¥ 320,710
Supplemental disclosures of cash flow information:		
Cash received during the period for:		
Income tax refunds	¥ 228	¥ 1,012
Cash paid during the period for:		
Interest, net of amount capitalized	1,724	967
Income taxes	176,913	158,081

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None

(5) Segment Reporting

	Millions of yen		
	Mobile phone business	All other businesses	Consolidated
Three months ended September 30, 2011			
Operating revenues	¥ 1,035,034	¥ 30,660	¥ 1,065,694
Operating expenses	792,469	32,439	824,908
Operating income (loss)	¥ 242,565	¥ (1,779)	¥ 240,786

	Millions of yen		
	Mobile phone business	All other businesses	Consolidated
Three months ended September 30, 2012			
Operating revenues	¥ 1,092,873	¥ 42,166	¥ 1,135,039
Operating expenses	876,898	49,659	926,557
Operating income (loss)	¥ 215,975	¥ (7,493)	¥ 208,482

	Millions of yen		
	Mobile phone business	All other businesses	Consolidated
Six months ended September 30, 2011			
Operating revenues	¥ 2,050,844	¥ 62,138	¥ 2,112,982
Operating expenses	1,537,997	66,484	1,604,481
Operating income (loss)	¥ 512,847	¥ (4,346)	¥ 508,501

	Millions of yen		
	Mobile phone business	All other businesses	Consolidated
Six months ended September 30, 2012			
Operating revenues	¥ 2,128,701	¥ 78,619	¥ 2,207,320
Operating expenses	1,641,921	94,290	1,736,211
Operating income (loss)	¥ 486,780	¥ (15,671)	¥ 471,109

There were no transactions between the operating segments. DOCOMO does not disclose geographical information since the amounts of operating revenues generated outside Japan are immaterial.

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

None

(7) Subsequent Event

In October 2012, Philippine Long Distance Telephone Company (PLDT), an investee company of DOCOMO, issued voting preferred stock in response to the final resolution by the Supreme Court of the Philippines regarding the computation of Filipino-alien equity requirement of public utilities companies. Accordingly, DOCOMO s voting interest in PLDT decreased to approximately 9%. As DOCOMO could not exercise significant influence over PLDT, DOCOMO plans to exclude PLDT from the scope of equity method application in and after the financial quarter ending December 31, 2012.

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DOCOMO Earnings Release

Six Months Ended September 30, 2012

4. Appendices**(1) Operating Data for 2nd Quarter of the Fiscal Year Ending March 31, 2013**

Full-year Forecasts: as revised on October 26, 2012

		Fiscal Year Ended Mar. 31, 2012		Fiscal Year Ending Mar. 31, 2013		[Ref.] Fiscal Year Ended Mar. 31, 2012	[Ref.] Fiscal Year Ending Mar. 31, 2013
		Six Months (Apr. - Sep. 2011) Results	Second Quarter (Jul.-Sep. 2011) Results	Six Months (Apr. - Sep. 2012) Results	Second Quarter (Jul.-Sep. 2012) Results	Full-year Results	Full-year Forecasts
Number of Subscriptions and Other Operating Data							
Cellular Subscriptions (1)	thousands	58,993	58,993	60,787	60,787	60,129	62,140
Xi	thousands	389	389	6,198	6,198	2,225	11,720
FOMA (2)	thousands	57,862	57,862	54,588	54,588	57,905	50,420
Communication Module Service (1)	thousands	2,125	2,125	2,680	2,680	2,330	
Prepaid Subscriptions	thousands	12	12	133	133	256	
Packet Flat-rate Services Subscriptions	thousands	34,267	34,267	37,781	37,781	36,295	
Net Increase from Previous Period (1) (3)	thousands	983	578	657	391	2,120	2,010
Xi	thousands	363	267	3,973	2,881	2,199	9,490
FOMA (2)	thousands	1,116	538	(3,316)	(2,491)	1,159	(7,480)
Churn Rate (3)	%	0.50	0.50	0.77	0.79	0.60	
Number of Handsets Sold (4)	thousands	10,345	5,701	11,837	6,670	22,089	
i-mode Subscriptions	thousands	46,183	46,183	37,356	37,356	42,321	32,920
sp-mode Subscriptions	thousands	5,375	5,375	14,289	14,289	9,586	19,000
i-channel Subscriptions	thousands	15,886	15,886	15,172	15,172	16,124	
i-concier Subscriptions	thousands	6,007	6,007	7,480	7,480	5,672	
DCMX Subscriptions (5)	thousands	12,686	12,686	13,430	13,430	12,949	13,520
ARPU and MOU							
Aggregate ARPU (6) (7)	yen/month/subscription	5,230	5,240	4,900	4,870	5,140	4,850
Voice ARPU (8)	yen/month/subscription	2,310	2,280	1,850	1,810	2,200	1,710
Packet ARPU (7)	yen/month/subscription	2,570	2,610	2,660	2,670	2,590	2,740
Smart ARPU	yen/month/subscription	350	350	390	390	350	400
MOU (9)	minute/month/subscription	128	129	119	119	126	

* Please refer to 4. (2) Definition and Calculation Methods of ARPU and MOU for the definition of ARPU and MOU on page 19, and an explanation of the methods used to calculate ARPU and the number of active subscriptions.

- (1) Fiscal year ended March 31, 2012 full-year results, six months (April to September 2011) results and second quarter (July to September 2011) results are included mova service which was terminated at the end of March 2012.
- (2) Effective March 3, 2008, FOMA subscription became mandatory for subscription to 2in1 services, and those FOMA subscriptions are included in the number of FOMA subscribers.
- (3) Data are calculated including communication module services subscriptions.

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- (4) Sum of new subscriptions, change of subscription from FOMA to Xi, Xi to FOMA, Xi handset upgrade by Xi subscribers, FOMA handset upgrade by FOMA subscribers.
- (5) Inclusive of DCMX mini subscriptions
- (6) Data are calculated excluding revenues and subscriptions to communication module services, Phone Number Storage and Mail Address Storage.
- (7) With the introduction of Smart ARPU in the second quarter of the fiscal year ending March 31, 2013, Aggregate ARPU contains Smart ARPU . In addition, some elements (revenues from content and cloud services, etc.) included in conventional Packet ARPU of the fiscal year ended March 31, 2012 full-year results, six months (April to September 2012) results and second quarter (July to September 2012) results have been retroactively reclassified into Smart ARPU . The impact of the reclassification of those periods are ¥80 each.
- (8) Inclusive of circuit-switched data communication
- (9) Data are calculated excluding subscriptions to communication module services, Phone Number Storage and Mail Address Storage.

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DOCOMO Earnings Release

Six Months Ended September 30, 2012

(2) Definition and Calculation Methods of ARPU and MOU

i. Definition of ARPU and MOU

a. 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 and other services that accompany our wireless services by the number of active subscriptions to our wireless services in the relevant periods. 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.

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

ii. ARPU Calculation Methods

Aggregate ARPU = Voice ARPU + Packet ARPU + Packet ARPU + Smart ARPU

- Voice ARPU : Voice ARPU Related Revenues (basic monthly charges, voice communication charges) / No. of active subscriptions
- Packet ARPU : Packet ARPU Related Revenues (basic monthly charges, packet communication charges) / No. of active subscriptions
- Smart ARPU : Revenues from providing services that accompany our wireless services (revenues from content and cloud services, collection of charges, mobile phone insurance service, advertising and others) / No. of active subscriptions

iii. 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 services, Phone Number Storage and Mail Address Storage services are not included in the ARPU and MOU calculations.

Table of Contents**DOCOMO Earnings Release****Six Months Ended September 30, 2012****(3) Reconciliations of the Disclosed Non-GAAP Financial Measures to the Most Directly Comparable GAAP Financial Measures**

The reconciliations for the year ending March 31, 2013 (Revised Forecasts) are provided to the extent available without unreasonable efforts.

i. EBITDA and EBITDA margin

	Billions of yen			
	Year ending March 31, 2013 (Revised Forecasts)	Year ended March 31, 2012	Six months ended September 30, 2011	Six months ended September 30, 2012
a. EBITDA	¥ 1,546.0	¥ 1,583.3	¥ 834.1	¥ 806.6
Depreciation and amortization	(697.0)	(684.8)	(318.4)	(324.2)
Loss on sale or disposal of property, plant and equipment	(29.0)	(24.1)	(7.2)	(11.3)
Operating income	820.0	874.5	508.5	471.1
Other income (expense)	(6.0)	2.5	3.4	(5.5)
Income taxes	(310.0)	(402.5)	(207.6)	(184.2)
Equity in net income (losses) of affiliates	(5.0)	(13.5)	(5.8)	(0.5)
Less: Net (income) loss attributable to noncontrolling interests	8.0	3.0	0.5	5.0
b. Net income attributable to NTT DOCOMO, INC.	507.0	463.9	299.0	285.9
c. Operating revenues	4,520.0	4,240.0	2,113.0	2,207.3
EBITDA margin (=a/c)	34.2%	37.3%	39.5%	36.5%
Net income margin (=b/c)	11.2%	10.9%	14.2%	13.0%

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			
	Year ending March 31, 2013 (Revised Forecasts)	Year ended March 31, 2012	Six months ended September 30, 2011	Six months ended September 30, 2012
a. Operating income	¥ 820.0	¥ 874.5	¥ 508.5	¥ 471.1
b. Operating income after tax effect {=a*(1-effective tax rate)}	507.6	517.7	301.0	291.6
c. Capital employed	5,416.6	5,299.0	5,316.7	5,408.5

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ROCE before tax effect (=a/c)	15.1%	16.5%	9.6%	8.7%
ROCE after tax effect (=b/c)	9.4%	9.8%	5.7%	5.4%

Notes: Capital employed (for annual period) = The average of (NTT DOCOMO, INC. shareholders' equity + Interest bearing liabilities), each as of March 31, 2012 (or 2011) and 2013 (or 2012)

Capital employed (for six months) = The average of (NTT DOCOMO, INC. shareholders' equity + Interest bearing liabilities), each as of March 31, 2012 (or 2011) and September 30, 2012 (or 2011)

Interest bearing liabilities = Current portion of long-term debt + Short-term borrowings + Long-term debt The effective tax rate for the years ended March 31, 2012 and the six months ended September 30, 2011 was 40.8%.

The effective tax rate for the six months ended September 30, 2012 was 38.1%.

The effective tax rate for the year ending March 31, 2013 (Forecasts) is 38.1%.

ii. Free cash flows excluding irregular factors and effect by transfer of receivables and changes in investments for cash management purposes

	Billions of yen			
	Year ending March 31, 2013 (Revised Forecasts)	Year ended March 31, 2012	Six months ended September 30, 2011	Six months ended September 30, 2012
Free cash flows excluding irregular factors and effect by transfer of receivables and changes in investments for cash management purposes	¥ 240.0	¥ 503.5	¥ 272.8	¥ 56.2
Irregular factors (1)	147.0	(147.0)		147.0
Effect of transfer of receivables(2)	(246.0)			(254.0)
Changes in investments for cash management purposes(3)		(220.5)	(310.2)	(20.3)
Free cash flows	141.0	136.0	(37.4)	(71.2)
Net cash used in investing activities	(776.0)	(974.6)	(661.8)	(458.2)
Net cash provided by operating activities	917.0	1,110.6	624.4	387.0

Note: (1) Irregular factors represent the effects of uncollected revenues due to a bank closure at the end of the fiscal period.

(2) Effect of transfer of receivables represents the effect caused by the uncollected amounts of transferred receivables of telephone charges to NTT FINANCE CORPORATION. Since the payment conditions of the consideration of claims transferred to NTT FINANCE CORPORATION are set approximately equivalent to our cash collection cycle history, an impact derived from the transfer of receivables is not significant.

(3) 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. Net cash used in investing activities includes changes in investments for cash management purposes except for the year ending March 31, 2013. The effect of changes in investments for cash management purposes is not taken into account when we forecasted net cash used in investing activities for the year ending March 31, 2013 due to the difficulties in forecasting such effect.

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DOCOMO Earnings Release

Six Months Ended September 30, 2012

5. Special Note Regarding Forward-Looking Statements

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

- (1) Changes in the business environment in the telecommunications industry, such as intensifying competition from other service providers, businesses or other technologies caused by Mobile Number Portability, development of appealing new handsets, 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 ARPU diminishing at a greater than expected rate 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 inside and outside of Japan, 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 and could increase our costs.
- (5) Other mobile service providers in the world may not adopt the technologies and the frequency bands that are compatible with those used by our corporate group's mobile communications system on a continuing 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) Malfunctions, defects or imperfection in our products and services or those of other parties may give rise to problems.
- (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)

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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, software bugs, deliberate incidents induced by computer viruses, cyber attacks, equipment misconfiguration, 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 such incidents may adversely affect our credibility or corporate image, or lead to a reduction of revenues and/or increase of costs.
- (12) Concerns about adverse health effects arising from wireless telecommunication may spread and consequently adversely affect our financial condition and results of operations.
- (13) Our parent company, NIPPON TELEGRAPH AND TELEPHONE CORPORATION (NTT), could exercise influence that may not be in the interests of our other shareholders.

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

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