

NTT DOCOMO INC  
Form 6-K  
February 05, 2004  
Table of Contents

**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 February, 2004.**

**Commission File Number: 001-31221**

**Total number of pages: 20**

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**NTT DoCoMo, Inc.**

**(Translation of registrant's name into English)**

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

**Chiyoda-ku, Tokyo 100-6150**

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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

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):

*Note:* Regulation S-T Rule 101(b)(1) only permits the submission in paper of a Form 6-K if submitted solely to provide an attached annual report to security holders.

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):

*Note:* Regulation S-T Rule 101(b)(7) only permits the submission in paper of a Form 6-K if submitted to furnish a report or other document that the registrant foreign private issuer must furnish and make public under the laws of the jurisdiction in which the registrant is incorporated, domiciled or legally organized (the registrant's home country), or under the rules of the home country exchange on which the registrant's securities are traded, as long as the report or other document is not a press release, is not required to be and has not been distributed to the registrant's security holders, and, if discussing a material event, has already been the subject of a Form 6-K submission or other Commission filing on EDGAR.

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes  No

If Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-

**Table of Contents**

Information furnished in this form:

1. Press release, dated February 4, 2004, announcing the company's results for the nine months ended December 31.

**Table of Contents**

**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: February 5, 2004

By:

/s/ MASAYUKI HIRATA

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**Masayuki Hirata**

**Executive Vice President and**

**Chief Financial Officer**

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**Table of Contents**

[Logo]

3:00 P.M. JST, February 4, 2004

NTT DoCoMo, Inc.

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**Earnings Release for the Nine Months Ended December 31, 2003**

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**DoCoMo's Performance on Pace with Annual Targets**

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i-mode subscribers exceed 40 million and FOMA subscribers grow faster

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Consolidated financial results of NTT DoCoMo, Inc. and its subsidiaries (collectively "we" or "DoCoMo") for the nine months ended December 31, 2003 (April 1, 2003 to December 31, 2003), are summarized as follows.

**<< Highlights of Financial Results >>**

For the nine months ended December 31, 2003, operating revenues were ¥3,828.3 billion, operating income was ¥843.0 billion, income before income taxes was ¥836.0 billion and net income was ¥494.2 billion.

Earnings per share were ¥9,914.38 and EBITDA margin\* was 36.5%.

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Notes:

1. DoCoMo did not prepare consolidated financial statements as of and for the nine months ended December 31, 2002.
2. Consolidated financial statements in this release are unaudited.
3. Amounts in this release are rounded off.

\* EBITDA and EBITDA margin, as we use them, are different from EBITDA as defined in Item 10(e) of Regulation S-K and may not be comparable to similarly titled measures used by other companies. For an explanation of our definition of EBITDA, see the reconciliations to the most directly comparable financial measures calculated and presented in accordance with GAAP on page 15.

**Table of Contents**<< Comment by Keiji Tachikawa, President and CEO >>

During the first three quarters of the fiscal year ending March 31, 2004, the number of cellular phone subscribers in Japan grew by a net of 4.13 million, of which DoCoMo acquired 1.5 million. Despite the increasing competition, we achieved ¥3,828.3 billion in operating revenues, ¥843.0 billion in operating income and ¥494.2 billion in net income in the nine months ended December 31, 2003.

With our FOMA service reaching 1.88 million subscribers at the end of December 2003 (exceeding 2 million subscribers as of January 29, 2004), we revised the target number of subscribers as of March 31, 2004 upwards to 2.4 million. Building upon our progress to date, we aim to achieve a leap forward in the FOMA business in the year 2004. To this end, we plan to further increase FOMA's product line-up with the release of FOMA 900i series handsets, improve both outdoor and indoor coverage including subway stations, and enhance the quality of services and applications in an effort to ensure subscribers' smooth migration to FOMA.

As of December 31, 2003, the number of i-mode subscribers grew to 40.33 million, or approximately 88.9% of our total cellular subscriber base. Meanwhile, the number of subscribers using i-appli and i-shot-compatible handsets exceeded 20 million in both cases. We believe the popularity of these advanced handsets indicates that our multimedia strategy is making tangible progress.

We intend to make further innovations and enhancements to our i-mode services, which will increase convenience in users' daily lives, while offering even more attractive rate packages, in order to reinforce our competitiveness and thereby solidify our business foundation.

<< Business Results and Financial Position >>

|   | Billions of yen      |                |
|---|----------------------|----------------|
|   | (UNAUDITED)          |                |
|   | Nine months ended    | Year ended     |
| <Results of operations>                     | December<br>31, 2003 | March 31, 2003 |
| Operating revenues (i)                      | ¥ 3,828.3            | ¥ 4,809.1      |
| Operating expenses                          | 2,985.3              | 3,752.4        |
| Operating income                            | 843.0                | 1,056.7        |
| Other expense, net                          | 7.0                  | 13.8           |
| Income before income taxes                  | 836.0                | 1,043.0        |
| Income taxes                                | 338.0                | 454.5          |
| Equity in net losses of affiliates          | (3.6)                | (324.2)        |
| Minority interests                          | (0.0)                | (16.0)         |
| Cumulative effect of accounting change (ii) |                      | (35.7)         |
| Net income                                  | ¥ 494.2              | ¥ 212.5        |

Notes:

- (i) In November 2003, we commenced a new billing arrangement called Nikagetsu Kurikoshi, in which the subscribers can carry over their unused allowances (free minutes and/or packets) included in the base monthly charges up to the following two months. For the nine months ended December 31, 2003, we deferred revenues from the base monthly charges with respect to the unused allowances that are carried over to January 2004 and the following month. The deferred revenues were ¥19.5 billion at December 31, 2003.
  
- (ii) Effective April 1, 2002, DoCoMo adopted Emerging Issues Task Force ( EITF ) Issue No. 01-09, Accounting for Consideration Given by a Vendor to a Customer or a Reseller of the Vendor's Products. The initial adoption of EITF 01-09 resulted in the recognition of cumulative effect of an accounting change in the year ended March 31, 2003.

**Table of Contents****1. Business Overview**

- (1) Operating revenues totaled ¥3,828.3 billion.

Cellular (mova) services revenues were ¥2,414.3 billion.

Despite our efforts to increase the number of cellular (mova) services subscribers by promoting handsets with sophisticated features such as mega-pixel cameras and providing new services such as Melody Call, the number of cellular (mova) services subscribers decreased mainly due to progress in the migration of subscribers from mova services to FOMA services.

Cellular (FOMA) services revenues were ¥82.0 billion.

The number of cellular (FOMA) services subscribers increased as a result of strengthening both our lineup of handsets and our service functions as well as improving the coverage area by introducing micro base stations.

Packet communications services revenues were ¥772.8 billion.

The number of i-mode services subscribers increased due to wider penetration of handsets equipped with i-appli and built-in cameras. Furthermore, the usage of i-mode services was boosted mainly through a further increase of content utilizing new functions of mova 505iS series handsets and content utilizing i-appli DX.

| <Breakdown of operating revenues>                       | Billions of yen   |         |                |   |         |        |
|---|-------------------|---------|----------------|---|---------|--------|
|   | (UNAUDITED)       |         |                |   |         |        |
|   | Nine months ended |         | Year ended     |   |         |        |
|   | December 31, 2003 |         | March 31, 2003 |   |         |        |
| Wireless services                                       | ¥                 | 3,386.2 | 88.5%          | ¥ | 4,350.9 | 90.5%  |
| [Including] Cellular (mova) services revenues (i)       |                   | 2,414.3 | 63.1%          |   | 3,286.4 | 68.3%  |
| [Including] Cellular (FOMA) services revenues (i)(ii)   |                   | 82.0    | 2.1%           |   | 13.6    | 0.3%   |
| [Including] Packet communications services revenues (i) |                   | 772.8   | 20.2%          |   | 886.3   | 18.4%  |
| [Including] PHS services revenues                       |                   | 53.4    | 1.4%           |   | 79.3    | 1.6%   |
| [Including] Quickcast services revenues                 |                   | 4.5     | 0.1%           |   | 7.7     | 0.2%   |
| Equipment sales (iii)                                   |                   | 442.1   | 11.5%          |   | 458.2   | 9.5%   |
| Total operating revenues                                | ¥                 | 3,828.3 | 100.0%         | ¥ | 4,809.1 | 100.0% |

## Notes:

- (i) Due to a new billing arrangement called Nikagetsu Kurikoshi, ¥17.3 billion, ¥2.1 billion and ¥0.1 billion were deferred from cellular (mova) services revenues, cellular (FOMA) services revenues and packet communications services revenues, respectively.
- (ii) Cellular (FOMA) services revenues include packet communications services revenues from FOMA subscribers, which amounted to ¥26.7 billion and ¥4.7 billion for the nine months ended December 31, 2003 and the year ended March 31, 2003, respectively.
- (iii) Due to the adoption of EITF 01-09, equipment sales for the nine months ended December 31, 2003, and the year ended March 31, 2003, decreased by ¥495.5 billion and ¥558.9 billion, respectively.

- (2) Operating expenses were ¥2,985.3 billion.

Personnel expenses were ¥187.5 billion.

DoCoMo had 22,021 employees as of December 31, 2003, representing an increase of 1,229 employees since March 31, 2003.

Non-personnel expenses were ¥1,919.6 billion.

Revenue-linked variable expenses, including cost of equipment sold, sales commissions paid to agent resellers and costs related to



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point loyalty programs, represented the largest portion of non-personnel expenses and accounted for approximately 70% of the non-personnel expenses.

Depreciation and amortization expenses were ¥533.5 billion.

Capital expenditures\* for the nine months ended December 31, 2003, were ¥521.9 billion.

\* See the reconciliations to the most directly comparable financial measures calculated and presented in accordance with GAAP on page 15.

**Table of Contents**

| <Breakdown of operating expenses>                                       | Billions of yen   |                |               |                |                |               |
|---|-------------------|----------------|---------------|----------------|----------------|---------------|
|   | (UNAUDITED)       |                |               |                |                |               |
|   | Nine months ended |                |               | Year ended     |                |               |
|   | December 31, 2003 |                |               | March 31, 2003 |                |               |
| Personnel expenses  | ¥                 | 187.5          | 6.3%          | ¥              | 243.3          | 6.5%          |
| Non-personnel expenses (i)  |                   | 1,919.6        | 64.3%         |                | 2,297.9        | 61.2%         |
| Depreciation and amortization   |                   | 533.5          | 17.9%         |                | 749.2          | 20.0%         |
| Loss on disposal of property, plant and equipment and intangible assets |                   | 26.8           | 0.9%          |                | 38.6           | 1.0%          |
| Communication network charges   |                   | 291.7          | 9.8%          |                | 387.7          | 10.3%         |
| Taxes and public dues   |                   | 26.2           | 0.8%          |                | 35.7           | 1.0%          |
| <b>Total operating expenses</b>   | <b>¥</b>          | <b>2,985.3</b> | <b>100.0%</b> | <b>¥</b>       | <b>3,752.4</b> | <b>100.0%</b> |

Note:

- (i) Due to the adoption of EITF 01-09, non-personnel expenses for the nine months ended December 31, 2003, and the year ended March 31, 2003, decreased by ¥466.5 billion and ¥571.2 billion, respectively.
- (3) As a result, operating income was ¥843.0 billion and income before income taxes was ¥836.0 billion.
- (4) Net income was ¥494.2 billion.  
Equity in net losses of affiliates was ¥3.6 billion.

## 2. Segment Information

- (1) Mobile phone business

Operating revenues were ¥3,747.4 billion and operating income was ¥870.8 billion.

### Cellular (mova) services

The number of cellular (mova) services subscribers as of December 31, 2003, decreased to 43.48 million (down 0.1% compared to the number of subscribers as of March 31, 2003). We implemented several initiatives such as reinforcing the lineup of the products by releasing the mova 505iS series handsets featuring mega-pixel cameras and the mova 252i series handsets, and enriching our network services such as our Melody Call service that enables subscribers to set their preferred music or voice contents as ring back tones. However, due to progress in migration of subscribers from mova services to FOMA services, the number of cellular (mova) services subscribers began to decrease in September 2003. Voice ARPU, i-mode ARPU and aggregate ARPU of cellular (mova) services were ¥6,040, ¥1,960 and ¥8,000, respectively.

### Cellular (FOMA) services

The number of cellular (FOMA) services subscribers as of December 31, 2003, increased to 1.88 million (up 470.0% compared to the number of subscribers as of March 31, 2003), as we expanded the coverage of our FOMA network (approximately 98% nationwide population coverage as of December 31, 2003), reinforced indoor coverage areas in buildings and underground malls, and strengthened the handsets lineup and service features by adding new color variations on FOMA

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P2102V handsets featuring videophone capability, releasing the compact flash card type terminal, FOMA P2402, improving the receiving function of e-mails under our Dual Network Service, and reinforcing the functions related to sending and receiving e-mails with photos attached through the i-shot service between FOMA and mova subscribers. Voice ARPU, packet ARPU and aggregate ARPU of cellular (FOMA) services were ¥6,850, ¥3,360 and ¥10,210, respectively.

**Table of Contents**

i-mode services

We actively implemented initiatives to boost the usage of our i-mode services subscribers such as enabling subscribers to link with other platforms through i-mode services by equipping the mova 505iS series handsets with a bar code reader function.

To nurture a sound mobile internet environment, we started an access control service that enables i-mode users to limit their mobile internet surfing to sites listed on the official i-mode menu, reinforced our measures against unsolicited bulk e-mailers including suspension of their services and termination of their contracts, and enabled i-mode users to block all e-mails from user-selected domains of other cellular or PHS companies.

As a result of these initiatives, the number of i-mode services subscribers reached 40.33 million (up 6.8% compared to the number of subscribers as of March 31, 2003).

Overseas expansion of i-mode services has progressed and the number of i-mode users worldwide has been increasing as we signed an i-mode license agreement with COSMOTE Mobile Telecommunications S.A., a Greek carrier, in November 2003, Telefónica Móviles España, S.A., a Spanish carrier, began i-mode service as a part of Movistar e-moción service in June 2003, and Wind Telecomunicazioni S.p.A., an Italian carrier, began i-mode services in November 2003.

Notes:

ARPU: Average monthly revenue per unit

Average monthly revenue per unit, or ARPU, is used to measure average monthly operating revenues attributable to designated services on a per user basis. ARPU is calculated by dividing various revenue items included in operating revenues from our Wireless services, such as monthly charges, voice transmission charges and packet transmission charges, from designated services, by number of active subscribers to the relevant services. We believe that our ARPU figures provide useful information regarding the average usage of our subscribers. 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.

Voice ARPU (cellular (mova) services):  $\text{Voice ARPU (cellular (mova) services) Related Revenues (monthly charges and voice transmission charges) / Number of active subscribers (cellular (mova) services)}$

Voice ARPU (cellular (FOMA) services):  $\text{Voice ARPU (cellular (FOMA) services) Related Revenues (monthly charges and voice transmission charges) / Number of active subscribers (cellular (FOMA) services)}$

i-mode ARPU (cellular (mova) services):  $\text{i-mode ARPU (cellular (mova) services) Related Revenues (monthly charges and packet transmission charges) / Number of active subscribers (cellular (mova) services)}$

Packet ARPU (cellular (FOMA) services):  $\text{Packet ARPU (cellular (FOMA) services) Related Revenues (monthly charges and packet transmission charges) / Number of active subscribers (cellular (FOMA) services)}$

Aggregate ARPU (cellular (mova) services):  $\text{Voice ARPU (cellular (mova) services) + i-mode ARPU (cellular (mova) services)}$

Aggregate ARPU (cellular (FOMA) services):  $\text{Voice ARPU (cellular (FOMA) services) + Packet ARPU (cellular (FOMA) services)}$

Number of active subscribers (cellular (mova) services):  $\text{(Number of subscribers at the end of March 2003 + number of subscribers at the end of December 2003) / 2 x 9 months}$

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Number of active subscribers (cellular (FOMA) services): Sum of number of active subscribers ((Number of subscribers at the end of previous month + number of subscribers at the end of current month) / 2) for each month from April to December 2003

|  | <b>Thousand subscribers</b> |                       |
|--|-----------------------------|-----------------------|
| < Number of subscribers by services >    | <b>December 31, 2003</b>    | <b>March 31, 2003</b> |
| Cellular (mova) services                 | <b>43,485</b>               | 43,531                |
| Cellular (FOMA) services                 | <b>1,881</b>                | 330                   |
| i-mode services                          | <b>40,335</b>               | 37,758                |
| Satellite mobile communications services | <b>30</b>                   | 29                    |

Notes:

Number of i-mode subscribers as of December 31, 2003 = Cellular (mova) i-mode subscribers (38,489 thousand) + Cellular (FOMA) i-mode subscribers (1,846 thousand)

Number of i-mode subscribers as of March 31, 2003 = Cellular (mova) i-mode subscribers (37,456 thousand) + Cellular (FOMA) i-mode subscribers (303 thousand)

**Table of Contents**

| <Operating results>                      | Billions of yen                        |                              |
|--|--|------------------------------|
|  | (UNAUDITED)                            |                              |
|  | Nine months ended<br>December 31, 2003 | Year ended<br>March 31, 2003 |
| Mobile phone business operating revenues | ¥ 3,747.4                              | ¥ 4,690.4                    |
| Mobile phone business operating income   | 870.8                                  | 1,087.2                      |

## (2) PHS business

Operating revenues were ¥57.7 billion and operating loss was ¥28.1 billion.

The number of PHS subscribers decreased to 1.63 million (down 3.6% compared to as of March 31, 2003). The number of data-card-type PHS subscribers increased as a result of our initiatives to primarily promote usage of a fixed-fee service for data communications, including our efforts to increase system integrators (SI) and internet service providers (ISP) as an access provider for our fixed-fee data-communication service, @FreeD, and the optimization of the fixed-fee network in accordance with the data traffic. However, the net decrease in the number of handset-type PHS subscribers exceeded the net increase in the number of data-card-type PHS subscribers.

PHS ARPU was ¥3,490.

## Notes:

PHS ARPU: PHS ARPU Related Revenues (monthly charges and voice and data transmission charges) / Number of active subscribers (PHS services)

Number of active subscribers (PHS services): (Number of subscribers at the end of March 2003 + number of subscribers at the end of December 2003) / 2 x 9 months

| <Number of subscribers> | Thousand subscribers |                |
|-------------------------|----------------------|----------------|
|                         | December 31, 2003    | March 31, 2003 |
| PHS services            | 1,627                | 1,688          |

| <Operating results>             | Billions of yen         |                              |
|---------------------------------|-------------------------|------------------------------|
|                                 | (UNAUDITED)             |                              |
|                                 | Nine months ended       |                              |
|                                 | December<br>31,<br>2003 | Year ended<br>March 31, 2003 |
| PHS business operating revenues | ¥ 57.7                  | ¥ 85.0                       |
| PHS business operating loss     | (28.1)                  | (28.3)                       |

## (3) Quickcast business

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Operating revenues were ¥4.7 billion and operating loss was ¥1.3 billion.

As the market for pager services in Japan and our subscriber numbers continued to shrink, we continued to reduce costs by reviewing our services.

|                         | Thousand subscribers |                |
|-------------------------|----------------------|----------------|
| <Number of subscribers> | December 31, 2003    | March 31, 2003 |
| Quickcast services      | 492                  | 604            |

|                                       | Billions of yen         |                              |
|---------------------------------------|-------------------------|------------------------------|
|                                       | (UNAUDITED)             |                              |
|                                       | Nine months ended       |                              |
| <Operating results>                   | December<br>31,<br>2003 | Year ended<br>March 31, 2003 |
| Quickcast business operating revenues | ¥ 4.7                   | ¥ 8.1                        |
| Quickcast business operating loss     | (1.3)                   | (6.5)                        |

**Table of Contents**

## (4) Miscellaneous business

Operating revenues were ¥18.5 billion and operating income was ¥1.5 billion.

We started an international videophone call service between our FOMA videophone users and videophone users of Hutchison 3G UK Ltd., a UK carrier, in October 2003.

We expanded the service area of Mzone, a public wireless LAN service, which had 218 hot spots as of December 31, 2003 and introduced a daily plan, under which users can connect up to 24 hours with a fixed daily fee, in addition to an existing monthly plan.

|   | Billions of yen         |                              |
|---|-------------------------|------------------------------|
|   | (UNAUDITED)             |                              |
|   | Nine months ended       |                              |
| <Operating results>                       | December<br>31,<br>2003 | Year ended<br>March 31, 2003 |
| Miscellaneous business operating revenues | ¥ 18.5                  | ¥ 25.5                       |
| Miscellaneous business operating income   | 1.5                     | 4.3                          |

**3. Capital Expenditures**

Total capital expenditures\* were ¥521.9 billion.

We expanded both the indoor and outdoor coverage areas of our FOMA services (approximately 98% nationwide population coverage as of December 31, 2003) through the introduction of economical micro base stations and promoted the construction of fiber-optic transit networks and IP router networks. In addition, we implemented various measures to make our capital expenditures more efficient by reducing acquisition costs of equipment and improving the design and construction process.

|  | Billions of yen      |                              |
|--|----------------------|------------------------------|
|  | (UNAUDITED)          |                              |
|  | Nine months ended    |                              |
| <Breakdown of capital expenditures>                | December<br>31, 2003 | Year ended<br>March 31, 2003 |
| Mobile phone business                              | ¥ 393.3              | ¥ 600.8                      |
| PHS business                                       | 7.5                  | 8.4                          |
| Quickcast business                                 | 0.0                  | 0.2                          |
| Other (including buildings for telecommunications) | 121.1                | 244.6                        |
| Total capital expenditures                         | ¥ 521.9              | ¥ 854.0                      |



\* See the reconciliations to the most directly comparable financial measures calculated and presented in accordance with GAAP on page 15.

**Table of Contents****4. Cash Flow Conditions**

Net cash provided by operating activities was ¥927.6 billion. Net income, depreciation and amortization and loss on sale or disposal of property, plant and equipment totaled ¥1,048.9 billion and collection of tax refunds receivable amounted to ¥107.2 billion. However, cash transactions that would normally be settled on December 31, 2003 were actually settled in 2004 due to a bank holiday on December 31, which had a net negative impact of approximately ¥260 billion on cash flows from operating activities for the period.

Net cash used in investing activities was ¥605.2 billion due to purchases of property, plant and equipment of ¥567.8 billion, including investments related to expansion of FOMA facilities, and loan advances of ¥38.3 billion, including a shareholder loan to Hutchison 3G UK Holdings Limited.

Net cash used in financing activities was ¥451.5 billion. We repurchased ¥294.9 billion of our own shares, reduced interest bearing liabilities by ¥102.7 billion and paid dividends of ¥49.8 billion. Of the ¥294.9 billion in share repurchases, ¥100.0 billion was repurchased through a tender offer during the three months ended December 31, 2003.

Free cash flows\* were ¥322.5 billion. Adjusted free cash flows\* excluding the effects of a bank holiday (approximately ¥(260) billion) were ¥582.5 billion.

Both our equity ratio and our debt ratio improved compared to the ratios as of March 31, 2003, because of an increase in shareholders equity and a decrease in interest bearing liabilities.

|   | Billions of yen      |                |
|---|----------------------|----------------|
|   | (UNAUDITED)          |                |
|   | Nine months ended    | Year ended     |
|   | December<br>31, 2003 | March 31, 2003 |
| <b>&lt;Statements of cash flows&gt;</b>                 |                      |                |
| Net cash provided by operating activities               | ¥ 927.6              | ¥ 1,584.6      |
| Net cash used in investing activities                   | (605.2)              | (871.4)        |
| Net cash used in financing activities                   | (451.5)              | (333.3)        |
| Free cash flows*  | 322.5                | 712.7          |
| Adjusted free cash flows (excluding irregular factors)* | 582.5                | 468.7          |
|   | Nine months ended    | Year ended     |
|   | December 31, 2003    | March 31, 2003 |
| <b>&lt;Financial measures&gt;</b>                       |                      |                |
| Equity ratio  | 58.7%                | 57.4%          |
| Debt ratio  | 25.6%                | 28.0%          |

Notes:

Free cash flows \* = Cash flows from operating activities + Cash flows from investing activities (excluding net payments for short-term loans and deposits)

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Irregular factors represent the effects of uncollected revenues due to a bank holiday at the end of periods.

Equity ratio = Shareholders' equity / Total assets

Debt ratio = Interest bearing liabilities / (Shareholders' equity + Interest bearing liabilities)

- \* See the reconciliations to the most directly comparable financial measures calculated and presented in accordance with GAAP on page 15.

**Table of Contents****Consolidated Financial Statements**

For the Nine Months Ended December 31, 2003

February 4, 2004  
**[U.S. GAAP]**

|  |   |
|--|---|
| Name of registrant:  | <b>NTT DoCoMo, Inc.</b>   |
| Code No.:  | 9437  |
| Stock exchange on which the Company's shares are listed:<br>(URL <a href="http://www.nttdocomo.co.jp/">http://www.nttdocomo.co.jp/</a> ) | Tokyo Stock Exchange-First Section  |
| Representative:  | Keiji Tachikawa, Representative Director, President and Chief Executive Officer     |
| Contact:   | Yasujuji Kajimura, Senior Manager, General Affairs Department / TEL +81-3-5156-1111 |

**1. Notes Related to the Preparation of the Quarterly Consolidated Financial Statements**

(1) Difference in the method of accounting recognition from the most recent fiscal year: Yes  
Income taxes are calculated using an estimated annual income tax rate based on the statutory income tax rate.

|  |   |   |   |
|--|---|---|---|
| (2) Change of reporting entities           |   |   |   |
| Number of consolidated companies added:    | 0 | Number of consolidated companies removed:     | 0 |
| Number of companies on equity method added | 7 | Number of companies on equity method removed: | 2 |

**2. Consolidated Financial Results for the Nine Months Ended December 31, 2003 (April 1, 2003 - December 31, 2003)**

(1) Consolidated Results of Operations  
Amounts are rounded off to the nearest 1 million yen. (Millions of yen, except per share amounts)

|                                     | <u>Operating Revenues</u> | <u>Operating Income</u>         | <u>Income before Income Taxes</u> |
|-------------------------------------|---------------------------|---------------------------------|-----------------------------------|
| Nine months ended December 31, 2003 | 3,828,273                 | 842,978                         | 835,964                           |
| Year ended March 31, 2003           | 4,809,088                 | 1,056,719                       | 1,042,968                         |
|                                     | <u>Net Income</u>         | <u>Basic Earnings per Share</u> | <u>Diluted Earnings per Share</u> |
| Nine months ended December 31, 2003 | 494,248                   | 9,914.38 (yen)                  | 9,914.38 (yen)                    |
| Year ended March 31, 2003           | 212,491                   | 4,253.83 (yen)                  | 4,253.83 (yen)                    |

Notes: 1. Since the consolidated financial statements for the nine months ended December 31, 2002 were not prepared, year-on-year comparisons are not available.  
2. The weighted average number of shares outstanding for the nine months ended December 31, 2003 and for the fiscal year ended March 31, 2003 was 49,851,607 shares and 49,952,907 shares, respectively.

| (2) Consolidated Financial Position | (Millions of yen, except per share amounts) |                             |                         |                             |
|-------------------------------------|---|-----------------------------|-------------------------|-----------------------------|
|                                     | <u>Total Assets</u>                         | <u>Shareholders' Equity</u> | <u>Equity Ratio</u>     | <u>Shareholders' Equity</u> |
|                                     |   |                             | (Ratio of Shareholders  | per Share                   |
|                                     |   |                             | Equity to Total Assets) |                             |

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|                   |           |           |       |                 |
|-------------------|-----------|-----------|-------|-----------------|
| December 31, 2003 | 6,174,412 | 3,626,392 | 58.7% | 73,960.00 (yen) |
| March 31, 2003    | 6,058,007 | 3,475,514 | 57.4% | 69,274.19 (yen) |

Note: The number of shares outstanding as of December 31, 2003 and March 31, 2003 was 49,031,795 shares and 50,170,406 shares, respectively.

### (3) Consolidated Cash Flows

(Millions of yen)

|                                     | <u>Cash Flows from<br/>Operating Activities</u> | <u>Cash Flows from<br/>Investing Activities</u> | <u>Cash Flows from<br/>Financing Activities</u> | <u>Cash and Cash<br/>Equivalents at<br/>End of Period</u> |
|-------------------------------------|---|---|---|---|
| Nine months ended December 31, 2003 | 927,645   | (605,166)                                       | (451,488)                                       | 551,944   |
| Year ended March 31, 2003           | 1,584,610                                       | (871,430)                                       | (333,277)                                       | 680,951   |

### 3. Consolidated Financial Results Forecasts for the Fiscal Year Ending March 31, 2004 (April 1, 2003 - March 31, 2004)

(Millions of yen, except per share amount)

|                            | <b>Income before</b>      |                     |                   |                           |
|----------------------------|---------------------------|---------------------|-------------------|---------------------------|
|                            | <u>Operating Revenues</u> | <u>Income Taxes</u> | <u>Net Income</u> | <u>Earnings per Share</u> |
| Year ending March 31, 2004 | 5,034,000                 | 1,082,000           | 621,000           | 12,473.83 (yen)           |

Notes: 1. There has been no change in our forecasts for the fiscal year ending March 31, 2004 since we announced the forecasts on October 30, 2003.

2. With regard to the above forecasts, please refer to page 16.

\* Consolidated financial statements are unaudited.

**Table of Contents**<< Consolidated Financial Statements >>**1. Consolidated Balance Sheets**

|   | Millions of yen    |               |                |        |
|---|--------------------|---------------|----------------|--------|
|   | (UNAUDITED)        |               |                |        |
|   | December 31, 2003  |               | March 31, 2003 |        |
| <b>ASSETS</b>   |                    |               |                |        |
| <b>Current assets:</b>                                |                    |               |                |        |
| Cash and cash equivalents                             | ¥ 551,944          |               | ¥ 680,951      |        |
| Accounts receivable, net                              | 864,277            |               | 617,499        |        |
| Inventories   | 149,969            |               | 67,315         |        |
| Deferred tax assets                                   | 79,691             |               | 58,501         |        |
| Prepaid expenses and other current assets             | 111,052            |               | 214,753        |        |
| <b>Total current assets</b>                           | <b>1,756,933</b>   | <b>28.5%</b>  | 1,639,019      | 27.0%  |
| <b>Property, plant and equipment:</b>                 |                    |               |                |        |
| Wireless telecommunications equipment                 | 4,012,879          |               | 3,792,361      |        |
| Buildings and structures                              | 595,186            |               | 546,267        |        |
| Tools, furniture and fixtures                         | 566,066            |               | 565,601        |        |
| Land  | 186,488            |               | 185,031        |        |
| Construction in progress                              | 169,806            |               | 151,419        |        |
| Accumulated depreciation                              | (2,869,521)        |               | (2,564,551)    |        |
| <b>Total property, plant and equipment, net</b>       | <b>2,660,904</b>   | <b>43.1%</b>  | 2,676,128      | 44.2%  |
| <b>Non-current investments and other assets:</b>      |                    |               |                |        |
| Investments in affiliates                             | 367,032            |               | 381,290        |        |
| Marketable securities and other investments           | 31,632             |               | 21,131         |        |
| Intangible assets, net                                | 466,480            |               | 487,816        |        |
| Goodwill  | 133,354            |               | 133,196        |        |
| Other assets  | 192,269            |               | 150,272        |        |
| Deferred tax assets                                   | 565,808            |               | 569,155        |        |
| <b>Total non-current investments and other assets</b> | <b>1,756,575</b>   | <b>28.4%</b>  | 1,742,860      | 28.8%  |
| <b>Total assets</b>                                   | <b>¥ 6,174,412</b> | <b>100.0%</b> | ¥ 6,058,007    | 100.0% |
| <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>           |                    |               |                |        |
| <b>Current liabilities:</b>                           |                    |               |                |        |
| Current portion of long-term debt                     | ¥ 185,475          |               | ¥ 126,741      |        |
| Short-term borrowings                                 |                    |               | 10,000         |        |
| Accounts payable, trade                               | 591,461            |               | 638,670        |        |
| Accrued payroll                                       | 27,424             |               | 45,367         |        |
| Accrued interest                                      | 2,927              |               | 2,893          |        |
| Accrued taxes on income                               | 230,119            |               | 131,845        |        |

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|  |                    |               |             |        |
|--|--------------------|---------------|-------------|--------|
| Other current liabilities                              | 116,291            |               | 96,824      |        |
| <b>Total current liabilities</b>                       | <b>1,153,697</b>   | <b>18.7%</b>  | 1,052,340   | 17.4%  |
| <b>Long-term liabilities:</b>                          |                    |               |             |        |
| Long-term debt   | 1,059,320          |               | 1,211,627   |        |
| Employee benefits                                      | 162,617            |               | 149,700     |        |
| Other long-term liabilities                            | 172,331            |               | 168,351     |        |
| <b>Total long-term liabilities</b>                     | <b>1,394,268</b>   | <b>22.6%</b>  | 1,529,678   | 25.2%  |
| <b>Total liabilities</b>                               | <b>2,547,965</b>   | <b>41.3%</b>  | 2,582,018   | 42.6%  |
| <b>Minority interests in consolidated subsidiaries</b> | <b>55</b>          | <b>0.0%</b>   | 475         | 0.0%   |
| <b>Shareholders equity:</b>                            |                    |               |             |        |
| Common stock   | 949,680            |               | 949,680     |        |
| Additional paid-in capital                             | 1,311,029          |               | 1,306,128   |        |
| Retained earnings                                      | 1,603,789          |               | 1,159,354   |        |
| Accumulated other comprehensive income                 | 58,795             |               | 62,937      |        |
| Treasury stock, at cost                                | (296,901)          |               | (2,585)     |        |
| <b>Total shareholders equity</b>                       | <b>3,626,392</b>   | <b>58.7%</b>  | 3,475,514   | 57.4%  |
| <b>Total liabilities and shareholders equity</b>       | <b>¥ 6,174,412</b> | <b>100.0%</b> | ¥ 6,058,007 | 100.0% |

**Table of Contents****2. Consolidated Statements of Operations and Comprehensive Income**

|  | Millions of yen   |               |                  |               |
|--|-------------------|---------------|------------------|---------------|
|  | (UNAUDITED)       |               |                  |               |
|  | Nine months ended |               | Year ended       |               |
|  | December 31, 2003 |               | March 31, 2003   |               |
| <b>Operating revenues:</b>   |                   |               |                  |               |
| Wireless services  | ¥ 3,386,194       |               | ¥ 4,350,861      |               |
| Equipment sales  | 442,079           |               | 458,227          |               |
| Total operating revenues   | 3,828,273         | 100.0%        | 4,809,088        | 100.0%        |
| <b>Operating expenses:</b>   |                   |               |                  |               |
| Personnel expenses   | 187,547           |               | 243,254          |               |
| Non-personnel expenses   | 1,919,582         |               | 2,297,933        |               |
| Depreciation, amortization and loss on disposal of property, plant and equipment and intangible assets | 560,239           |               | 787,772          |               |
| Other, net   | 317,927           |               | 423,410          |               |
| Total operating expenses   | 2,985,295         | 78.0%         | 3,752,369        | 78.0%         |
| <b>Operating income</b>  | <b>842,978</b>    | <b>22.0%</b>  | <b>1,056,719</b> | <b>22.0%</b>  |
| <b>Other expense (income):</b>   |                   |               |                  |               |
| Interest expense   | 11,118            |               | 16,870           |               |
| Interest income  | (1,267)           |               | (100)            |               |
| Other, net   | (2,837)           |               | (3,019)          |               |
| Total other expense (income)   | 7,014             | 0.2%          | 13,751           | 0.3%          |
| <b>Income before income taxes</b>  | <b>835,964</b>    | <b>21.8%</b>  | <b>1,042,968</b> | <b>21.7%</b>  |
| <b>Income taxes</b>  | <b>338,034</b>    | <b>8.8%</b>   | <b>454,487</b>   | <b>9.5%</b>   |
| <b>Equity in net losses of affiliates</b>  | <b>(3,645)</b>    | <b>(0.1%)</b> | <b>(324,241)</b> | <b>(6.7%)</b> |
| <b>Minority interests in earnings of consolidated subsidiaries</b>                                     | <b>(37)</b>       | <b>(0.0%)</b> | <b>(16,033)</b>  | <b>(0.3%)</b> |
| <b>Income before cumulative effect of accounting change</b>  | <b>494,248</b>    | <b>12.9%</b>  | <b>248,207</b>   | <b>5.2%</b>   |
| <b>Cumulative effect of accounting change</b>  |                   |               | <b>(35,716)</b>  | <b>(0.8%)</b> |
| <b>Net Income</b>  | <b>¥ 494,248</b>  | <b>12.9%</b>  | <b>¥ 212,491</b> | <b>4.4%</b>   |
| <b>Other comprehensive income (loss):</b>  |                   |               |                  |               |
| Unrealized gains (losses) on available-for-sale securities   | 7,864             |               | (727)            |               |
| Revaluation of financial instruments   | (23)              |               | 257              |               |
| Foreign currency translation adjustment  | (14,099)          |               | (39,315)         |               |
| Minimum pension liability adjustment   | 2,116             |               | (19,910)         |               |
| <b>Comprehensive income:</b>   | <b>¥ 490,106</b>  | <b>12.8%</b>  | <b>¥ 152,796</b> | <b>3.2%</b>   |



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**PER SHARE DATA**

|  |                   |            |
|--|-------------------|------------|
| Weighted average common shares outstanding basic and diluted (shares)                    | <b>49,851,607</b> | 49,952,907 |
| Basic and diluted earnings per share before cumulative effect of accounting change (Yen) | <b>¥ 9,914.38</b> | ¥ 4,968.82 |
| Basic and diluted cumulative effect per share of accounting change (Yen)                 |                   | (714.99)   |
| Basic and diluted earnings per share (Yen)   | <b>¥ 9,914.38</b> | ¥ 4,253.83 |

**Table of Contents****3. Consolidated Statements of Shareholders' Equity**

|  | Millions of yen      |                    |
|--|----------------------|--------------------|
|  | (UNAUDITED)          |                    |
|  | Nine months ended    | Year ended         |
|  | December<br>31, 2003 | March 31, 2003     |
| <b>Common stock:</b>                                       |                      |                    |
| At beginning of period                                     | ¥ 949,680            | ¥ 949,680          |
| At end of period   | 949,680              | 949,680            |
| <b>Additional paid-in capital:</b>                         |                      |                    |
| At beginning of period                                     | 1,306,128            | 1,262,672          |
| Share exchanges  | (14)                 | 43,456             |
| Increase in additional paid-in capital of an affiliate     | 4,915                |                    |
| At end of period   | 1,311,029            | 1,306,128          |
| <b>Retained earnings:</b>                                  |                      |                    |
| At beginning of period                                     | 1,159,354            | 956,899            |
| Cash dividends   | (49,813)             | (10,036)           |
| Net income   | 494,248              | 212,491            |
| At end of period   | 1,603,789            | 1,159,354          |
| <b>Accumulated other comprehensive income:</b>             |                      |                    |
| At beginning of period                                     | 62,937               | 122,632            |
| Unrealized gains (losses) on available-for-sale securities | 7,864                | (727)              |
| Revaluation of financial instruments                       | (23)                 | 257                |
| Foreign currency translation adjustment                    | (14,099)             | (39,315)           |
| Minimum pension liability adjustment                       | 2,116                | (19,910)           |
| At end of period   | 58,795               | 62,937             |
| <b>Treasury stock, at cost:</b>                            |                      |                    |
| At beginning of period                                     | (2,585)              |                    |
| Purchase of treasury stock                                 | (294,903)            | (234,470)          |
| Share exchanges  | 587                  | 231,885            |
| At end of period   | (296,901)            | (2,585)            |
| <b>Total shareholders' equity</b>                          | <b>¥ 3,626,392</b>   | <b>¥ 3,475,514</b> |

**Table of Contents****4. Consolidated Statements of Cash Flows**

|   | Millions of yen      |                |
|---|----------------------|----------------|
|   | (UNAUDITED)          |                |
|   | Nine months ended    | Year ended     |
|   | December<br>31, 2003 | March 31, 2003 |
| <b>I Cash flows from operating activities:</b>                                      |                      |                |
| 1. Net income   | ¥ 494,248            | ¥ 212,491      |
| 2. Adjustments to reconcile net income to net cash provided by operating activities |                      |                |
| (1) Depreciation and amortization   | 533,460              | 749,197        |
| (2) Deferred taxes  | (17,843)             | (57,569)       |
| (3) Loss on sale or disposal of property, plant and equipment                       | 21,142               | 30,348         |
| (4) Equity in net losses of affiliates  | 3,645                | 550,691        |
| (5) Minority interests in earnings of consolidated subsidiaries                     | 37                   | 16,033         |
| (6) Cumulative effect of accounting change  |                      | 35,716         |
| (7) Changes in current assets and liabilities:                                      |                      |                |
| (Increase) decrease in accounts receivable, trade                                   | (248,016)            | 229,061        |
| Increase (decrease) in allowance for doubtful accounts                              | 1,238                | (1,744)        |
| (Increase) decrease in inventories  | (82,654)             | 28,685         |
| (Decrease) increase in accounts payable, trade                                      | (6,158)              | 27,820         |
| Increase in other current liabilities   | 19,467               | 10,131         |
| Increase (decrease) in accrued taxes on income                                      | 98,274               | (161,565)      |
| Increase in liability for employee benefits   | 12,917               | 43,972         |
| Decrease (increase) in tax refunds receivable                                       | 106,308              | (106,308)      |
| Other, net  | (8,420)              | (22,349)       |
| Net cash provided by operating activities   | 927,645              | 1,584,610      |
| <b>II Cash flows from investing activities:</b>                                     |                      |                |
| 1. Purchases of property, plant and equipment                                       | (463,544)            | (700,468)      |
| 2. Purchases of intangible and other assets   | (104,276)            | (164,238)      |
| 3. Purchases of investments   | (4,297)              | (10,312)       |
| 4. Loan advances  | (38,307)             | (161)          |
| 5. Other, net   | 5,258                | 3,749          |
| Net cash used in investing activities   | (605,166)            | (871,430)      |
| <b>III Cash flows from financing activities:</b>                                    |                      |                |
| 1. Issuance of long-term debt   |                      | 202,274        |
| 2. Repayment of long-term debt  | (92,653)             | (212,934)      |
| 3. Payments to acquire treasury stock   | (294,903)            | (234,470)      |
| 4. Principal payments under capital lease obligations                               | (4,106)              | (6,908)        |
| 5. Dividends paid   | (49,813)             | (10,036)       |
| 6. Proceeds from short-term borrowings  | 151,300              | 339,912        |
| 7. Repayment of short-term borrowings   | (161,300)            | (410,962)      |
| 8. Other, net   | (13)                 | (153)          |
| Net cash used in financing activities   | (451,488)            | (333,277)      |

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|   |   |                  |                  |
|---|---|------------------|------------------|
| <b>IV</b>   | <b>Effect of exchange rate changes on cash and cash equivalents</b>                 | <b>2</b>         | <b>0</b>         |
| <b>V</b>  | <b>Net (decrease) increase in cash and cash equivalents</b>                         | <b>(129,007)</b> | <b>379,903</b>   |
| <b>VI</b>   | <b>Cash and cash equivalents at beginning of period</b>                             | <b>680,951</b>   | <b>301,048</b>   |
| <b>VII</b>  | <b>Cash and cash equivalents at end of period</b>                                   | <b>¥ 551,944</b> | <b>¥ 680,951</b> |
| <b>Supplemental disclosures of cash flow information:</b> |   |                  |                  |
| <b>Cash received during the period for:</b>               |   |                  |                  |
|   | Tax refunds   | <b>¥ 107,200</b> | <b>¥</b>         |
| <b>Cash paid during the period for:</b>                   |   |                  |                  |
|   | Interest  | <b>12,058</b>    | <b>19,874</b>    |
|   | Income taxes  | <b>259,883</b>   | <b>558,084</b>   |
| <b>Non-cash investing and financing activities:</b>       |   |                  |                  |
|   | Purchase of minority interests of consolidated subsidiaries through share exchanges | <b>439</b>       | <b>275,341</b>   |

## **Table of Contents**

### **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

The accompanying unaudited consolidated financial information of DoCoMo has been prepared in accordance with accounting principles generally accepted in the United States of America.

The followings are explanations regarding the adoption of new accounting principles and the accounting policy for our new billing arrangement.

#### **1. Adoption of new accounting principles:**

##### **Accounting for asset retirement obligations**

Effective April 1, 2003, DoCoMo adopted Statement of Financial Accounting Standards ( SFAS ) No. 143, Accounting for Asset Retirement Obligations. SFAS No. 143 requires that legal obligations associated with the retirement of tangible long-lived assets be recorded as a liability and measured at fair value, when those obligations are incurred if a reasonable estimate of fair value can be made. Upon initially recognizing a liability for an asset retirement obligation, an entity must capitalize the cost by recognizing an increase in the carrying amount of the related long-lived asset.

DoCoMo's asset retirement obligations subject to SFAS No. 143 primarily relate to its obligations to restore leased land and buildings for DoCoMo's wireless telecommunications equipment to their original state. DoCoMo estimates the fair value of the liability for those obligations.

The adoption of SFAS No. 143 did not have a significant impact on the results of operations or the financial position of DoCoMo.

##### **Amendment of SFAS No. 133 on derivative instruments and hedging activities**

Effective July 1, 2003, DoCoMo adopted SFAS No. 149, Amendment of Statement 133 on Derivative Instruments and Hedging Activities. SFAS No. 149 amends and clarifies financial accounting and reporting for derivative instruments, including certain derivative instruments embedded in other contracts (collectively referred to as derivatives) and for hedging activities under SFAS No. 133, Accounting for Derivative Instruments and Hedging Activities.

The adoption of SFAS No. 149 did not have a significant impact on the results of operations or the financial position of DoCoMo.

#### **2. Accounting policy for a new billing arrangement:**

##### **Revenue recognition regarding Nikagetsu Kurikoshi (two-month carry over) billing arrangement**

DoCoMo's monthly rate plans for cellular ( mova and FOMA ) services generally include a certain amount of allowances (free minutes and/or packets), and the used amount of the allowances is credited against total usage in calculating the airtime revenue from a subscriber for the month. Prior to November 1, 2003, the total amount of the base monthly charges was recognized as revenues in the month they were charged as the subscribers could not carry over the unused allowances to the following months. On November 1, 2003, DoCoMo introduced a new billing arrangement, called Nikagetsu Kurikoshi (two-month carry over), in which the subscribers can carry over their unused allowances up to the following two months. Beginning with the introduction of this new billing arrangement, DoCoMo has started to defer revenues based on the portion of unused allowances that are estimated to be utilized during the following two months. The deferred revenues are recognized as revenues as the subscribers make calls or data communications, similar to the way airtime revenues are recognized.



**Table of Contents****Operation Data for 3rd Quarter of 2003**

(APPENDIX 1)

February 4, 2004

NTT DoCoMo, Inc.

|  |                       | 3rd Quarter of 2003              | Nine months<br>ended December 31, 2003 | [Ref.] Fiscal 2002<br>ended March 31, 2003 |
|--|-----------------------|----------------------------------|--|--|
|  |                       | (from October to December, 2003) | (from April to December, 2003)         | (full year results)                        |
| <b>Cellular</b>                                  |                       |                                  |  |  |
| Subscribers                                      | thousands             | 45,366                           | 45,366                                 | 43,861                                     |
| FOMA   | thousands             | 1,881                            | 1,881                                  | 330  |
| i-shot compatible (1)                            | thousands             | 21,851                           | 21,851                                 | 8,825                                      |
| Market share (2)                                 | %                     | 56.9                             | 56.9                                   | 58.0                                       |
| Net Increase from previous period                | thousands             | 324                              | 1,505                                  | 3,078                                      |
| FOMA   | thousands             | 878                              | 1,551                                  | 241  |
| Aggregate ARPU (PDC) (3) i                       | yen/month/contract    | 7,730                            | 8,000                                  | 8,120                                      |
| Voice ARPU (4)                                   | yen/month/contract    | 5,800                            | 6,040                                  | 6,370                                      |
| i-mode ARPU                                      | yen/month/contract    | 1,930                            | 1,960                                  | 1,750                                      |
| ARPU generated purely from i-mode (PDC) (3) i    | yen/month/contract    | 2,190                            | 2,250                                  | 2,110                                      |
| Aggregate ARPU (FOMA) (3) ii                     | yen/month/contract    | 10,270                           | 10,210                                 | 7,740                                      |
| Voice ARPU (4)                                   | yen/month/contract    | 7,010                            | 6,850                                  | 5,050                                      |
| Packet ARPU                                      | yen/month/contract    | 3,260                            | 3,360                                  | 2,690                                      |
| i-mode ARPU                                      | yen/month/contract    | 3,150                            | 3,180                                  | 2,120                                      |
| ARPU generated purely from i-mode (FOMA) (3) i   | yen/month/contract    | 3,220                            | 3,290                                  | 2,340                                      |
| MOU (PDC) (5)                                    | minute/month/contract | 157                              | 161                                    | 168  |
| MOU (FOMA) (5)                                   | minute/month/contract | 227                              | 210                                    | 109  |
| Churn Rate (6)                                   | %                     | 1.11                             | 1.16                                   | 1.22                                       |
| <b>i-mode</b>                                    |                       |                                  |  |  |
| Subscribers                                      | thousands             | 40,335                           | 40,335                                 | 37,758                                     |
| FOMA   | thousands             | 1,846                            | 1,846                                  | 303  |
| i-appli compatible (7)                           | thousands             | 21,608                           | 21,608                                 | 17,130                                     |
| i-mode Subscription Rate                         | %                     | 88.9                             | 88.9                                   | 86.1                                       |
| Net Increase from previous period                | thousands             | 596                              | 2,577                                  | 5,602                                      |
| i-Menu Sites                                     | sites                 | 3,986                            | 3,986                                  | 3,462                                      |
| i-appli  | sites                 | 871                              | 871                                    | 550  |
| <b>Access Percentage by Content Category (1)</b> |                       |                                  |  |  |
| Ringing tone/Screen                              | %                     | 37                               | 39                                     | 38   |
| Game/Horoscope                                   | %                     | 17                               | 16                                     | 19   |
| Entertainment Information                        | %                     | 22                               | 23                                     | 22   |
| Information                                      | %                     | 13                               | 12                                     | 12   |
| Database   | %                     | 5                                | 4                                      | 5  |
| Transaction                                      | %                     | 6                                | 6                                      | 4  |
| Independent Sites                                | sites                 | 71,700                           | 71,700                                 | 64,207                                     |
| <b>Percentage of Packets Transmitted (1)</b>     |                       |                                  |  |  |
| Web  | %                     | 87                               | 86                                     | 86   |
| Mail   | %                     | 13                               | 14                                     | 14   |
| <b>PHS</b>                                       |                       |                                  |  |  |
| Subscribers                                      | thousands             | 1,627                            | 1,627                                  | 1,688                                      |
| Market Share (2)                                 | %                     | 31.1                             | 31.1                                   | 30.9                                       |
| Net Increase from previous period                | thousands             | -39                              | -61                                    | -234                                       |
| ARPU (3) iii (4)                                 | yen/month/contract    | 3,430                            | 3,490                                  | 3,530                                      |
| MOU (5) (9)                                      | minute/month/contract | 95                               | 102                                    | 116  |
| Data Transmission Rate (time) (8) (9)            | %                     | 75.1                             | 76.8                                   | 77.6                                       |
| Churn Rate (6)                                   | %                     | 3.31                             | 3.58                                   | 3.47                                       |

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| Others                               |           |     |     |     |
|--------------------------------------|-----------|-----|-----|-----|
| Prepaid Subscribers (10)             | thousands | 106 | 106 | 125 |
| DoPa Single Service Subscribers (11) | thousands | 369 | 369 | 287 |

\* **We revised the FOMA subscribers target for March 31, 2004 upwards to 2.4 million on February 4, 2004. The Cellular subscribers target for March 31, 2004 has not been revised.**

\* "PDC" is described as "Cellular (mova) service" in some contexts.

(1) Calculation does not include FOMA

(2) Source: Telecommunications Carriers Association

(3) ARPU (Average monthly revenue per unit)

i) Aggregate ARPU (PDC)=Voice ARPU (PDC) + i-mode ARPU (PDC)

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

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

ARPU generated purely from i-mode (PDC) : i-mode ARPU (PDC) Related Revenues (monthly charges, packet transmission charges) / No. of active i-mode subscribers (PDC)

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

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

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

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

ARPU generated purely from i-mode (FOMA) : i-mode ARPU (FOMA) Related Revenues (monthly charges, packet transmission charges) / No. of active i-mode subscribers (FOMA)

\* i-mode ARPU (PDC, FOMA) is based on the number of all subscribers who have active cellular phones, regardless of whether the i-mode service is activated. ARPU generated purely from i-mode (PDC, FOMA) is based on the number of active subscribers to the i-mode service only.

iii) ARPU (PHS) : ARPU (PHS) Related Revenues (monthly charges, voice transmission charges) / No. of active PHS subscribers

(4) Inclusive of circuit switched data communications

(5) MOU (Minutes of Usage) : Average communication time per one month per one user

(6) Churn Rate:

3Q Results : Total cancellations for 3rd quarter / {(No. of subscribers at Sep. 30 + No. of subscribers at Dec. 31) / 2 x 3 months}

Results for the first nine months : Total cancellations for nine months / {(No. of subscribers at the end of previous fiscal year + No. of subscribers at Dec. 31) / 2 x 9 months}

FY : Total cancellations for one year / {(No. of subscribers at the end of previous fiscal year + No. of subscribers at the end of current fiscal year) / 2 x 12 months}

(7) Inclusive of FOMA handsets

(8) Percent of data traffic in total outbound call time

(9) Not inclusive of data communication time via @FreeD service

(10) Included in total cellular subscribers

(11) Not included in total cellular subscribers

\* No. of active subscribers used in ARPU/MOU calculation are as below:

PDC, i-mode (PDC), PHS:

3Q Results : {(No. of subscribers at Sep. 30 + No. of subscribers at Dec. 31) / 2} x 3 months

Results for the first nine months : {(No. of subscribers at the end of previous fiscal year + No. of subscribers at Dec. 31) / 2} x 9 months

FY : {(No. of subscribers at the end of previous fiscal year + No. of subscribers at the end of current fiscal year) / 2} x 12 months

FOMA, i-mode (FOMA):

3Q Results : Sum of No. of subscribers\*\* for each month from October to December

Results for the first nine months : Sum of No. of subscribers\*\* for each month from April to December

FY : Sum of No. of subscribers\*\* for each month from April to March

\*\* subscribers =



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

14

**Table of Contents**

(APPENDIX 2)

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

|  | Billions of yen                        |                              |
|--|--|------------------------------|
|  | Nine months ended<br>December 31, 2003 | Year ended<br>March 31, 2003 |
| <b>1. EBITDA margin</b>  |  |                              |
| <b>a. EBITDA</b>   | ¥ 1,397.6                              | ¥ 1,836.3                    |
| Depreciation and amortization expenses and Losses on sale or disposal of property, plant and equipment | (554.6)                                | (779.5)                      |
| <b>Operating income</b>  | <b>843.0</b>                           | <b>1,056.7</b>               |
| Other expenses, net  | (7.0)                                  | (13.8)                       |
| Income taxes   | (338.0)                                | (454.5)                      |
| Equity in net losses of affiliates   | (3.6)                                  | (324.2)                      |
| Minority interests in earnings of consolidated subsidiaries  | (0.0)                                  | (16.0)                       |
| Cumulative effect of accounting change   |  | (35.7)                       |
| <b>b. Net income</b>   | <b>494.2</b>                           | <b>212.5</b>                 |
| <b>c. Total operating revenues</b>   | <b>3,828.3</b>                         | <b>4,809.1</b>               |
| <b>EBITDA margin (=a/c)</b>  | <b>36.5%</b>                           | <b>38.2%</b>                 |
| <b>Net income margin (=b/c)</b>  | <b>12.9%</b>                           | <b>4.4%</b>                  |

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

|   | Billions of yen                        |                              |
|---|--|------------------------------|
|   | Nine months ended<br>December 31, 2003 | Year ended<br>March 31, 2003 |
| <b>2. Free cash flows and Adjusted free cash flows (excluding irregular factors)</b>            |  |                              |
| <b>Adjusted free cash flows (excluding irregular factors)</b>                                   | ¥ 582.5                                | ¥ 468.7                      |
| <b>Irregular factors</b>  | (260.0)                                | 244.0                        |
| <b>Free cash flows</b>  | <b>322.5</b>                           | <b>712.7</b>                 |
| Cash flows from investing activities (excluding net payments for short-term loans and deposits) | (605.2)                                | (871.9)                      |

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|  |         |         |
|--|---------|---------|
| Net payments for short-term loans and deposits | (0.0)   | 0.5     |
| Cash flows from investing activities           | (605.2) | (871.4) |
| Cash flows from operating activities           | 927.6   | 1,584.6 |

Note: Irregular factors represent the effects of uncollected revenues due to a bank holiday at the end of the fiscal year ended March 31, 2002 and nine months ended December 31, 2003.

| 3. Capital expenditures   | Billions of yen                        |                              |
|---|--|------------------------------|
|   | Nine months ended<br>December 31, 2003 | Year ended<br>March 31, 2003 |
| <b>Capital expenditures</b>   | <b>¥ 521.9</b>                         | <b>¥ 854.0</b>               |
| Effects of timing differences between acquisition dates and payment dates | 45.9                                   | 10.8                         |
| Purchases of property, plant and equipment                                | (463.5)                                | (700.5)                      |
| Purchases of intangible and other assets                                  | (104.3)                                | (164.2)                      |

Note: Capital expenditures are calculated on an accrual basis for the purchases of property, plant and equipment, and intangible assets.

**Table of Contents**

**Special Note Regarding Forward-Looking Statements**

This Earnings Release contains forward-looking statements such as forecasts of results of operations, policies, management strategies, objectives, plans, recognition and evaluation of facts, expected number of subscribers, financial results and prospects of dividend payments. All forward-looking statements that are not historical facts are based on management's current expectations, assumptions, estimates, projections, plans, recognition and evaluations based on the information currently available. The projected numbers in this report were derived using certain assumptions that are indispensable for making projections in addition to historical facts that have been acknowledged accurately. These forward-looking statements are subject to various risks and uncertainties. Known and unknown risks, uncertainties and other factors could cause the actual results to differ materially from those contained in or suggested by any forward-looking statement. DoCoMo cannot promise that its assumptions, expectations, projections, anticipated estimates or other information expressed in these forward-looking statements will turn out to be correct. Potential risks and uncertainties include, without limitation:

The successful development of our 3G services is subject to market demand.

The introduction or change of various laws or regulations could have an adverse effect on our financial condition and results of operations.

Changes in the current system for setting tariffs and forms of communications between the telecommunications carriers may negatively affect our profitability.

Increasing competition from other cellular services providers or other technologies, or rapid changes in market trends, could have an adverse effect on our financial condition and results of operations.

Our acquisition of new subscribers, retention of existing subscribers and revenue per unit may not be as high as we expect.

Subscribers may experience reduced quality of services because we have only a limited amount of spectrum and facilities available for our services.

The W-CDMA technology that we use for our 3G system may not be introduced by other operators, which could limit our ability to offer international services to our subscribers.

Our international investments, alliances and collaborations may not produce the returns or provide the opportunities we expect.

The performance of our PHS business may not improve as we expect and the business may continue to operate at a loss in the future.

Our i-mode system is subject to various inappropriate uses, such as unsolicited bulk e-mail, which could decrease customer satisfaction with our services, congest our system and adversely affect our financial results.

Our parent, NTT, could exercise influence that may not be in the interests of our other shareholders.

Concerns about wireless telecommunications health risks may adversely affect our financial condition and results of operations.

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System failures caused by earthquakes, power shortages or software and hardware malfunctions may adversely affect our financial condition and results of operations.

Computer viruses and cyber attacks may harm our network systems and other communication systems using cellular phones.

Volatility and changes in the economic conditions and securities market in Japan and other countries may have an adverse effect on our financial condition and results of operations.

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