

NTT DOCOMO INC
Form 6-K
October 30, 2006
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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, 2006.

Commission File Number: 001-31221

Total number of pages: 84

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)

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):

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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-

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Information furnished in this form:

1. Earnings release dated October 27, 2006 announcing the company's results for The Six Months ended September 30, 2006.
2. Materials presented in conjunction with the earnings release dated October 27, 2006 announcing the company's results for The first Six Months ended September 30, 2006.

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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 30, 2006

By:

/s/ YOSHIKIYO SAKAI
Yoshikiyo Sakai

Head of Investor Relations

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3:00 P.M. JST, October 27, 2006

NTT DoCoMo, Inc.

Earnings Release for the Six Months Ended September 30, 2006

Consolidated financial results of NTT DoCoMo, Inc. (the Company) and its subsidiaries (collectively we or DoCoMo) for the six months ended September 30, 2006 (April 1, 2006 to September 30, 2006), are summarized as follows.

<< Highlights of Financial Results >>

For the six months ended September 30, 2006, operating revenues were ¥2,383.4 billion (up 0.4% compared to the same period of the prior year), operating income was ¥516.9 billion (down 7.4% compared to the same period of the prior year), income before income taxes was ¥520.3 billion (down 17.8% compared to the same period of the prior year) and net income was ¥309.8 billion (down 19.6% compared to the same period of the prior year).

Earnings per share were ¥7,005.67 and EBITDA margin* was 36.9%, down 1.3 point compared to the same period of the prior year, and ROCE* was 10.7%, down 0.8 point compared to the same period of the prior year.

Operating revenues, operating income, income before income taxes and net income for the fiscal year ending March 31, 2007, are forecasted to be ¥4,799.0 billion (up 0.7% year-on-year), ¥810.0 billion (down 2.7% year-on-year), ¥815.0 billion (down 14.4% year-on-year) and ¥488.0 billion (down 20.1% year-on-year), respectively.

Notes:

1. Consolidated financial statements in this release are unaudited.
2. Amounts in this release are rounded off, excluding non-consolidated financial statements, where amounts are truncated.
3. With regard to the assumptions and other related matters concerning the forecasts of consolidated financial results for the fiscal year ending March 31, 2007, please refer to page 10-12.

* 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 EBITDA, see the reconciliations to the most directly comparable financial measures calculated and presented in accordance with GAAP on page 42. See page 42 for the definition of ROCE.

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In the first six months of the fiscal year ending March 31, 2007, we have worked continuously to strengthen our overall service offerings, for example, by enriching our handset lineup, improving FOMA's network coverage to a level superior to mova's, and reinforcing our music related service through the launch of Music Channel service in the run-up to the introduction of Mobile Number Portability. The favorable results delivered by these actions are visible in such metrics as the significantly improved cellular churn rate.

We secured gains in operating revenues, which grew to ¥2,383.4 billion due to an increase in our core cellular services revenues, while operating income for the first six months decreased from the same period of last fiscal year to ¥516.9 billion. For the full year operating income, we will strive to achieve our target, which remains unchanged from our initial guidance at ¥810.0 billion. Also, we revised our projected capital expenditures to ¥916.0 billion, up ¥11.0 billion from our initial guidance, to further reinforce the quality of our FOMA network.

In the second half, we plan to introduce over 20 new models in total to respond to the diverse needs of customers, including the release of the latest 903i series phones featuring significantly upgraded music, game and Osaifu Keitai* functions in the fall, and the subsequent introduction of HSDPA-compatible models and one-segment broadcast phones. At the same time, we will work to accelerate the uptake of DCMX credit payment service and enhance the convenience of i-mode service leveraging the new search function commenced on October 5, 2006, in an effort to expand new revenue sources.

While the competitive environment is expected to become increasingly fierce, we aim to build up our competitiveness by responding swiftly to the changes in the market from a customer-centric viewpoint, and thereby maximize our corporate value.

* *Osaifu-Keitai* refers to mobile phones equipped with a contact less IC card, as well as the useful function and services enabled by the IC card. With this function, a mobile phone can be utilized as electronic money, a credit card, an electronic ticket, a membership card and an airline ticket, among other things.

<<Operating Results and Financial Position >>

<Results of operations>

	(UNAUDITED)		Billions of yen		Year ended March 31, 2006
	Six months ended	Six months ended	Increase		
	September 30, 2006	September 30, 2005	(Decrease)		
Operating revenues	¥ 2,383.4	¥ 2,373.5	¥ 9.9	0.4%	¥ 4,765.9
Operating expenses	1,866.5	1,815.1	51.4	2.8	3,933.2
Operating income	516.9	558.4	(41.5)	(7.4)	832.6
Other income (expense)	3.4	74.7	(71.3)	(95.5)	119.7
Income before income taxes	520.3	633.1	(112.8)	(17.8)	952.3
Income taxes	210.5	246.7	(36.2)	(14.7)	341.4
Equity in net income (losses) of affiliates	0.1	(1.1)	1.2		(0.4)
Minority interests in consolidated subsidiaries	(0.0)	0.0	(0.0)		(0.1)
Net income	¥ 309.8	¥ 385.3	¥ (75.5)	(19.6)%	¥ 610.5

Table of Contents**1. Business Overview**

(1) Operating revenues totaled ¥2,383.4 billion (up 0.4% compared to the same period of the prior year).

Cellular (FOMA+mova) services revenues increased to ¥2,112.4 billion (up 1.3% compared to the same period of the prior year). Despite some negative effects from our strategic billing arrangements introduced in the past, revenues grew due to acquisition of new subscribers and continued improvement in our churn rate through our customer-oriented operations.

Voice revenues from FOMA services increased to ¥844.2 billion (up 66.7% compared to the same period of the prior year) and packet communications revenues from FOMA services increased to ¥447.2 billion (up 72.9% compared to the same period of the prior year) owing to a significant increase in the number of FOMA services subscribers to 29.1 million (up 73.5% compared to the same period of the prior year). The increase in the number of FOMA subscribers resulted from factors such as the release of new handsets including as the FOMA 902iS/702iS series, further improvements in our network quality and an increase in the number of billing plans that can be combined with pake-hodai, a flat-rate packet billing plan for unlimited i-mode usage.

Equipment sales revenues decreased to ¥209.1 billion (down 6.0% compared to the same period of the prior year). While the number of handset sold increased due to steady migration of subscribers from mova services to FOMA services, the amount accounted for as sales revenue per handset decreased.

<Breakdown of operating revenues>

	(UNAUDITED)		Billions of yen (UNAUDITED)	
	Six months ended	Six months ended	Increase	
	September 30, 2006	September 30, 2005	(Decrease)	
Wireless services	¥2,174.2	¥2,151.0	¥23.3	1.1%
Cellular (FOMA+mova) services revenues (i)	2,112.4	2,085.6	26.8	1.3
- Voice revenues (ii)	1,504.9	1,539.2	(34.3)	(2.2)
Including: FOMA services	844.2	506.6	337.6	66.7
- Packet communications revenues	607.5	546.4	61.1	11.2
Including: FOMA services	447.2	258.7	188.5	72.9
PHS services revenues	13.0	23.2	(10.2)	(43.9)
Other revenues	48.8	42.2	6.6	15.6
Equipment sales	209.1	222.5	(13.3)	(6.0)
Total operating revenues	¥2,383.4	¥2,373.5	¥ 9.9	0.4%

Notes:

(i) Cellular (FOMA+mova) services revenues for the six months ended September 30, 2006 reflect the impact of including the portion of Nikagetsu Kurikoshi (2-months carry over) allowances that are projected to expire.

(ii) Voice revenues include data communications revenues through circuit switching system.

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(2) Operating expenses were ¥1,866.5 billion (up 2.8% compared to the same period of the prior year).

Personnel expenses were ¥124.5 billion (up 1.5% compared to the same period of the prior year). The number of employees as of September 30, 2006 was 22,165.

Non-personnel expenses increased to ¥1,179.0 billion (up 3.8% compared to the same period of the prior year) mainly due to an increase in expenses related to our service enhancement, such as upgrade of FOMA network and point loyalty programs, as well as an increase in cost of equipment sold.

Depreciation and amortization increased by 2.4% to ¥347.7 billion compared to the same period of the prior year due to an increase in capital expenditures for expansion and quality improvement of FOMA network.

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<Breakdown of operating expenses>

	(UNAUDITED)		Billions of yen (UNAUDITED)	
	Six months ended		Six months ended	
	September 30, 2006	September 30, 2005		Increase (Decrease)
Personnel expenses	¥ 124.5	¥ 122.7	¥ 1.8	1.5%
Non-personnel expenses	1,179.0	1,135.5	43.5	3.8
Depreciation and amortization	347.7	339.5	8.2	2.4
Loss on disposal of property, plant and equipment and intangible assets	18.1	11.8	6.3	53.1
Communication network charges	178.9	186.9	(8.0)	(4.3)
Taxes and public dues	18.3	18.6	(0.3)	(1.6)
Total operating expenses	¥ 1,866.5	¥ 1,815.1	¥ 51.4	2.8%

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Notes:

For the period starting from April 1, 2006, the amount of impairment loss related to PHS assets, which was separately stated in the past, is included in Depreciation and amortization. As the result thereof, certain reclassifications are made to the operating results for the six months ended September 30, 2005.

- (3) Operating income decreased to ¥516.9 billion (down 7.4% compared to the same period of the prior year). In addition, due principally to the effect of a gain we recognized on the sale of Hutchison 3G UK Holdings Limited shares (¥62.0 billion) in the same period of the prior year, income before income taxes decreased to ¥520.3 billion (down 17.8% compared to the same period of the prior year).
- (4) Net income was ¥309.8 billion (down 19.6% compared to the same period of the prior year).

2. Segment Information

- (1) Mobile phone business
Operating revenues were ¥2,349.7 billion and operating income was ¥527.2 billion.

The aggregate number of cellular (FOMA+mova) services subscribers increased to 52.10 million as of September 30, 2006 (up 1.9% compared to the same period of the prior year).

Voice ARPU, packet ARPU, and aggregate ARPU of cellular (FOMA+mova) services for the six months ended September 30, 2006 were ¥4,830 (down 6.2% compared to the same period of the prior year), ¥1,980 (up 7.0% compared to the same period of the prior year), and ¥6,810 (down 2.7% compared to the same period of the prior year), respectively.

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Churn rate for cellular (FOMA+mova) services for the three months and six months ended September 30, 2006 were 0.60% (an improvement of 0.21 point compared to the same period of the prior year) and 0.62% (an improvement of 0.19 point compared to the same period of the prior year), respectively.

Cellular (FOMA) services

Reinforcement of network coverage and launch of HSDPA (High-Speed Downlink Packet Access) ahead of the Mobile Number Portability (MNP)

Ahead of the MNP, during October, we have completed FOMA network coverage nationwide for heavy-traffic facilities such as JR stations, educational institutes, and public service areas for automobiles. We have also implemented opinion survey regarding service areas to improve quality of radio reception and been involved in an active PR campaign for our involvement. In August we launched HSDPA services, which provide packet download speed of up to 3.6Mbps, approximately 10 times faster than current FOMA services, first in Metropolitan Tokyo areas and to be expanded gradually in the future.

Enriched variety of handset lineup

We released various handsets including our high-end model, the FOMA 902iS series, which are equipped with the state-of-the-art functions, our standard model, the FOMA 702iS series, which feature unique designs and the SIMPURE series, which are compatible with international roaming functions. As for terminal compatible with HSDPA services, we released FOMA N902iX HIGH-SPEED handset, capable of both voice and data communication, and FOMA M2501 HIGH-SPEED , a PC card type terminal dedicated to data communication.

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Providing various security services and music services

For security purpose of our subscribers, we equipped FOMA 902iS series handsets with bio-authentication functions which identify face or voice of a registered person. We also launched a new service which enables our subscribers to lock the IC card functions including Osaifu-Keitai by just calling to our customer service center in case of loss of their handset. Furthermore, we also reinforced our competitiveness in music download services when we launched the Chaku-Uta Full service, which enables downloading of a complete music track and Music Channel service, which provides a longer and high-quality music program downloaded through the HSDPA network.

Corporate marketing

We have been continuously involved in billing-consulting and mobile system solution for our corporate accounts. In response to a demand of our customers, we added two handsets, both of which feature PC-like operability and international roaming function, to our system solution alternatives; hTc Z handset, which is supplied by High Tech Computer Corporation in Taiwan and BlackBerry 8707h, which is supplied by Research In Motion Limited in Canada. We also launched a new service which enables our corporate customers to remotely lock a lost handset and delete its internal data through a website.

Voice ARPU, packet ARPU and aggregate ARPU of cellular (FOMA) services for the six months ended September 30, 2006 were ¥5,290 (down 11.5% compared to the same period of the prior year), ¥2,840 (down 8.1% compared to the same period of the prior year) and ¥8,130 (down 10.4% compared to the same period of the prior year), respectively.

Cellular (mova) services

Due to the continuous migration of the subscribers from mova services to FOMA services, the proportion of mova services subscribers to the aggregate cellular (FOMA+mova) subscribers as of September 30, 2006 decreased to 44.2%.

Voice ARPU, i-mode ARPU and aggregate ARPU of cellular (mova) services for the six months ended September 30, 2006 were ¥4,340 (down 9.8% compared to the same period of the prior year), ¥1,060 (down 22.1% compared to the same period of the prior year) and ¥5,400 (down 12.5% compared to the same period of the prior year), respectively.

i-mode services

Usage promotion

In order to increase usage volume among a wide range of subscribers, we continued to promote our i-channel, push-type information casting service, by setting our handsets i-channel compatible as a default function. In addition, for further convenience of our subscribers, we upgraded our network to enable our subscribers to transmit a decorated i-mode email to those of other network operators including au, TU-KA, and Vodafone (SoftBank).

Global development

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GLOBUL (Cosmo Bulgaria Mobile EAD), a mobile operator in Bulgaria, launched the i-mode services in September 2006. The i-mode services are rolled out in 16 countries and areas including Japan as of September 30, 2006 and the number of i-mode services subscribers of all foreign carriers increased steadily.

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International services

Addition of handsets compatible with international roaming-out service

To promote usage of our international roaming-out service, we increased the series of compatible handset such as the SIMPURE series.

Expansion of the service area

We steadily expanded the service area of international roaming-out services for voice calls and SMS to 145 countries and areas; for packet communications to 90 countries and areas; and for videophone calls to 29 countries and areas as of September 30, 2006.

Note:

ARPU: Average monthly revenue per unit

Average monthly revenue per unit, or ARPU, is used to measure average monthly operating revenues attributable to designated services on a per user basis. ARPU is calculated by dividing various revenue items included in operating revenues from our wireless services, such as monthly charges, voice transmission charges and packet transmission charges, from designated services which are incurred consistently each month, by the number of active subscribers to the relevant services. Accordingly, the calculation of ARPU excludes revenues that are not representative of monthly average usage such as activation fees. We believe that our ARPU figures provide useful information to analyze the average usage of our subscribers and the impacts of changes in our billing arrangements. The revenue items included in the numerators of our ARPU figures are based on our U.S. GAAP results of operations. This definition applies to all ARPU figures hereinafter. See page 41 for the details of the calculation methods.

<Number of subscribers by services>

	Thousand subscribers		Increase	
	September 30, 2006	March 31, 2006	(Decrease)	
Cellular (FOMA) services	29,098	23,463	5,635	24.0%
Cellular (mova) services	23,004	27,680	(4,676)	(16.9)
i-mode services	47,186	46,360	827	1.8

Note:

Number of i-mode subscribers as of September 30, 2006

= Cellular (FOMA) i-mode subscribers (28,199 thousand) + Cellular (mova) i-mode subscribers (18,987 thousand)

Number of i-mode subscribers as of March 31, 2006

= Cellular (FOMA) i-mode subscribers (22,914 thousand) + Cellular (mova) i-mode subscribers (23,446 thousand)

<Operating results>

(UNAUDITED)

Billions of yen

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	Six months ended September 30, 2006	(UNAUDITED) Six months ended September 30, 2005	Increase (Decrease)	
Mobile phone business operating revenues	¥ 2,349.7	¥ 2,332.7	¥ 17.0	0.7%
Mobile phone business operating income	527.2	559.1	(32.0)	(5.7)

(2) PHS business

Operating revenues were ¥13.2 billion and operating loss was ¥4.0 billion.

Ahead of the termination of the service during the three months ending December 31, 2007, we are continuously engaged in a campaign to encourage current PHS subscribers to migrate to FOMA services.

PHS ARPU for the six months ended September 30, 2006 was ¥3,130 (down 5.4% compared to the same period of the prior year).

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Note:

See page 41 for the details of the ARPU calculation methods.

<Number of subscribers>	Thousand subscribers		Increase (Decrease)	
	September 30, 2006	March 31, 2006		
PHS services	606	771	(165)	(21.4)%

<Operating results>	(UNAUDITED)		Billions of yen		Increase (Decrease)
	Six months ended	September 30, 2006	(UNAUDITED)		
			Six months ended	September 30, 2005	
PHS business operating revenues	¥ 13.2	¥ 23.7	¥ (10.5)	(44.3)%	
PHS business operating loss	(4.0)	(1.0)	(3.0)	(291.1)%	

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(3) Miscellaneous businesses

Operating revenues were ¥20.5 billion and operating loss was ¥6.3 billion.

Credit business

Promotion of credit platform iD

To spread our mobile credit platform iD, we agreed with other electronic commerce service providers on the establishment of the common infrastructure (common reader/writer and common usage center) where electronic payment becomes available for users of iD, Suica, QUICPay, and Edy.

Launch of DCMX

We launched DCMX mini and DCMX, our credit payment services based on our iD platform, from this fiscal year. The FOMA 902iS series handsets are equipped with the pre-installed i-appli application software for our DCMX. The aggregated number of DCMX and DCMX mini subscribers increased to 810 thousand as of September 30, 2006.

The number of the Osaifu-Keitai service subscribers increased to 16.00 million as of September 30, 2006.

Wireless LAN service

We completed coverage of our wireless LAN service in Tsukuba Express train. The number of our domestic hotspots increased to 1,358 as of September 30, 2006.

Quickcast service

Ahead of the termination of the service on March 31, 2007, we continued to correspond with current subscribers of the service.

<Operating results>

	Billions of yen			Increase (Decrease)
	(UNAUDITED)	(UNAUDITED)		
	Six months ended	Six months ended		
	September 30, 2006	September 30, 2005		
Miscellaneous businesses operating revenues	¥ 20.5	¥	17.0	¥ 3.4 20.2%
Miscellaneous businesses operating income (loss)	(6.3)		0.3	(6.5)

3. Capital Expenditures

Total capital expenditures were ¥462.8 billion.

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For reinforcement of our competitiveness prior to the introduction of the MNP, we built base stations at a record-high pace, expanded the coverage areas of FOMA services, improved network quality, and reinforced our FOMA network to meet the increase in traffic demand. We also continued our efforts to make capital expenditures more efficient and less costly by saving on equipment purchase costs and improving our design and construction process. Total capital expenditures during the six months ended September 30, 2006 increased by 14.0% compared to the same period of the prior year.

<Breakdown of capital expenditures>

	(UNAUDITED)		Billions of yen (UNAUDITED)		
	Six months ended	September 30, 2006	Six months ended	September 30, 2005	Increase (Decrease)
Mobile phone business	¥ 406.2	¥	345.9	¥ 60.2	17.4%
PHS business	0.7		0.4	0.3	70.8
Other (including information systems)	55.9		59.6	(3.7)	(6.2)
Total capital expenditures	¥ 462.8	¥	405.9	¥ 56.9	14.0%

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Net cash provided by operating activities was ¥259.0 billion (down 69.9% compared to the same period of the prior year). The combination of an increase in income tax payment and a decrease in refund of income taxes resulted in increase in cash payment by ¥230.3 billion (we paid ¥81.1 billion for income taxes and received ¥93.1 billion as a refund of income taxes in the same period of the prior year, when deferred tax assets from the impairment of our investment in AT&T Wireless Services, Inc. were realized). The decrease in net cash provided by operating activities is also due to the effect of a bank holiday at the end of September, which deferred our cash reception of ¥222.0 billion including cellular revenues to the following month.

Net cash used in investing activities was ¥530.1 billion (down 11.5% compared to the same period of the prior year). Increase in capital expenditures was more than offset by a decrease in acquisition of long-term investments and a decrease in payment of cash from changes in investments for cash management purposes.

Net cash used in financing activities, including repurchase of our own stock, dividend payment, repayment of outstanding long-term debt, was ¥323.2 billion (down 5.1% compared to the same period of the prior year). Increase in repayment of outstanding long-term debt and dividend payment was more than offset by a decrease in payment for repurchase of our own stock. We spent ¥90.0 billion during the six months ended September 30, 2006 to repurchase our own stock.

Free cash flows were negative ¥271.1 billion. Free cash flows excluding irregular factors and changes in investments for cash management purposes were negative ¥48.4 billion.

<Statements of cash flows>

	(UNAUDITED)		Billions of yen (UNAUDITED)	
	Six months ended	September 30, 2006	Six months ended	September 30, 2005
				Increase
			(Decrease)	
Net cash provided by operating activities	¥ 259.0	¥ 858.9	¥ (600.0)	(69.9)%
Net cash used in investing activities	(530.1)	(598.7)	68.7	11.5%
Net cash used in financing activities	(323.2)	(340.5)	17.3	5.1%
Free cash flows	(271.1)	260.2	(531.3)	
Free cash flows excluding irregular factors and changes in investments for cash management purposes +	(48.4)	360.2	(408.6)	

	Six months ended	September 30, 2006	Six months ended	September 30, 2005	Increase
					(Decrease)
					(Decrease)
<Financial measures>					
Equity ratio	69.0%	64.5%	4.5pt		
Market equity ratio +	140.8%	160.7%	(19.9pt)		
Debt ratio	13.5%	19.1%	(5.6pt)		
Debt payout period (years)	0.7	0.5	0.2		
Interest coverage ratio	157.2	203.0	(45.8)		

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Notes:

Free cash flows = Net cash provided by (used in) operating activities + Net cash provided by (used in) investing activities

Irregular factors = the effects of uncollected revenues due to a bank holiday at the end of the fiscal period.

Changes in investments for cash management purposes = Changes by purchases, redemptions and disposal of financial instruments for cash management purposes with original maturities of longer than 3 months.

Equity ratio = Shareholders' equity / Total assets

Market equity ratio = Market value of total share capital / Total assets

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

Debt payout period (years) = Interest bearing liabilities / Cash flows from operating activities *

* To annualize, the amounts of Cash flows from operating activities are doubled.

Interest coverage ratio = Cash flows from operating activities / Interest expense**

** Interest expense is cash interest paid, which is disclosed in Supplemental disclosures of cash flow information for consolidated statement of cash flows on page 22.

+ See the reconciliations to the most directly comparable financial measures calculated and presented in accordance with GAAP on page 42.

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5. Profit Distribution

The Company plans to pay ¥2,000 per share as an interim dividend for the six months ended September 30, 2006.

Note:

The Company plans to begin paying an interim dividend from November 22, 2006.

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Competition in the Japanese cellular phone market is expected to become increasingly fierce in the future, with the introduction of the Mobile Number Portability system on October 24, 2006, and market entry by new entrants, in addition to the increase of cellular phone penetration rates and diversifying user needs.

In view of these market conditions, the trend of churn rate, which had been maintained at low levels in the first half of this fiscal year, and the decrease in the number of handsets sold, we have decided to revise the consolidated results forecasts for our corporate group as below.

Operating revenues forecast has been revised downwards by ¥39.0 billion from the initial guidance to ¥4,799.0 billion, due mainly to a projected decline in equipment sales revenues of ¥33.0 billion. Operating expenses, on the other hand, were revised downwards by a total of ¥39.0 billion, as a result of a ¥23.0 billion decline in revenue-linked expenses owing to reduced handset sales, and various cost-cutting measures, including savings in communication network charges to be achieved through improving the efficiency of circuit utilization. Accordingly, our operating income forecast remains unchanged from the initial guidance of ¥810.0 billion.

Against this backdrop, we will strive even harder to reinforce our core business, and at the same time, work to create new revenue sources by accelerating the uptake of our DCMX credit service and linking our cellular phones with the services provided by related external partners, with the goal to transform cellular phones into convenient multifunctional tools for everyday life and business.

We will also continue our efforts to enhance the efficiency of our operations by reviewing our business process to solidify our managerial foundation, and try to maximize our enterprise value thereby.

	Billions of yen			
	Year ending	Year ended		
		March 31, 2007	March 31, 2006	
	(Forecasts)	(Actual results)	Increase (Decrease)	
Operating revenues	¥ 4,799.0	¥ 4,765.9	¥ 33.1	0.7%
Operating income	810.0	832.6	(22.6)	(2.7)%
Income before income taxes	815.0	952.3	(137.3)	(14.4)%
Net income	488.0	610.5	(122.5)	(20.1)%
Capital expenditures	916.0	887.1	28.9	3.3%
Free cash flows excluding irregular factors and changes in investments for cash management purposes	290.0	510.9	(220.9)	(43.2)%
EBITDA *	1,601.0	1,606.8	(5.8)	(0.4)%
EBITDA margin *	33.4%	33.7%	(0.3pt)	
ROCE *	16.7%	17.2%	(0.5pt)	
ROCE after tax effect *	9.9%	10.1%	(0.2pt)	

* 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 and ROCE after tax effect, see the reconciliations to the most directly comparable financial measures calculated and presented in accordance with GAAP on the page 42.

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The financial forecasts for the year ending March 31, 2007, are based on the forecasts of the following operation data.

	March 31, 2007	March 31, 2006			
	(Forecasts)	(Actual results)		Increase (Decrease)	
Number of cellular (FOMA) services subscribers (Thousands)	34,800	23,463	11,337	48.3%	
Number of cellular (mova) services subscribers (Thousands)	18,200	27,680	(9,480)	(34.2)%	
Number of i-mode subscribers (Thousands)	47,900	46,360	1,540	3.3%	
Number of PHS subscribers (Thousands)	390	771	(381)	(49.4)%	
Aggregate ARPU (cellular (FOMA and mova) services)	¥ 6,670	¥ 6,910	¥ (240)	(3.5)%	
Voice ARPU	4,700	5,030	(330)	(6.6)%	
Packet ARPU	1,970	1,880	90	4.8%	

Note:

Number of i-mode subscribers includes numbers of cellular (FOMA) and cellular (mova) i-mode subscribers.

* See page 41 for the details of ARPU calculation methods.

DoCoMo expects to pay a total annual dividend of ¥4,000 per share for the year ending March 31, 2007, consisting of an interim dividend of ¥2,000 per share and a year-end dividend of ¥2,000 per share.

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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 expected number of subscribers, and 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 report 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:

As competition in the market is expected to become more fierce due to changes in the business environment caused by the introduction of Mobile Number Portability and new market entrants, competition from other cellular service providers or other technologies could limit our acquisition of new subscribers, retention of existing subscribers and average revenue per unit (ARPU), or may lead to an increase in our costs and expenses.

The new services and usage patterns introduced by our corporate group may not develop as planned, which could limit our growth.

The introduction or change of various laws or regulations or the application of such laws and regulations to our corporate group may adversely affect our financial condition and results of operations.

Limitations in the amount of frequency spectrum or facilities made available to us could negatively affect our ability to maintain and improve our service quality and level of customer satisfaction.

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

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

As electronic payment capability and many other new features are built into our cellular phones, and services of parties other than those belonging to our corporate group are provided through our cellular handsets, potential problems resulting from malfunctions, defects, or missing of handsets or imperfection of services provided by such other parties may arise, which could have an adverse effect on our financial condition and results of operations.

Social problems that could be caused by misuse or misunderstanding of our products and services may adversely affect our credibility or corporate image.

Inadequate handling of subscriber information by our corporate group or contractors may adversely affect our credibility or corporate image.

Owners of intellectual property rights that are essential for our business execution may not grant us the right to license or otherwise use such intellectual property rights on acceptable terms or at all, which may limit our ability to offer certain technologies, products and/or services, and we may also be held liable for damage compensation if we infringe the intellectual property rights of others.

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Earthquakes, power shortages, malfunctioning of equipment, and software bugs, computer viruses, cyber attacks, hacking, unauthorized access and other problems could cause systems failures in the networks required for the provision of service, disrupting our ability to offer services to our subscribers and may adversely affect our credibility or corporate image.

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

Our parent company, Nippon Telegraph and Telephone Corporation (NTT), could exercise influence that may not be in the interests of our other shareholders.

The products or company names shown in this Earnings Release are trademarks or registered trademarks of each corresponding company.

Table of Contents**Consolidated Semi-annual Financial Statements**

October 27, 2006

[U.S. GAAP]

For the Six Months Ended September 30, 2006

Name of registrant: **NTT DoCoMo, Inc.**
Code No.: 9437
Stock exchange on which the Company's shares are listed: Tokyo Stock Exchange-First Section
Address of principal executive office: Tokyo, Japan
(URL <http://www.nttdocomo.co.jp/>)
Representative: Masao Nakamura, Representative Director, President and Chief Executive Officer
Contact: Masahiko Yamada, Senior Manager, General Affairs Department / TEL +81-3-5156-1111
Date of the meeting of the Board of Directors for approval of the consolidated financial statements: October 27, 2006
Name of Parent Company: Nippon Telegraph and Telephone Corporation (Code No. 9432)
Percentage of ownership interest in NTT DoCoMo, Inc. held by parent company: 62.9%
Adoption of US GAAP: Yes

1. Consolidated Financial Results for the Six Months Ended September 30, 2006 (April 1, 2006 - September 30, 2006)

(1) Consolidated Results of Operations

Amounts are rounded off to the nearest 1 million yen.

	(Millions of yen, except per share amounts)					
	Operating Revenues		Operating Income		Income before Income Taxes	
Six months ended September 30, 2006	2,383,373	0.4%	516,889	(7.4)%	520,267	(17.8)%
Six months ended September 30, 2005	2,373,455	(3.2)%	558,368	2.4%	633,090	16.1%
Year ended March 31, 2006	4,765,872		832,639		952,303	
	Net Income		Basic Earnings per Share		Diluted Earnings per Share	
Six months ended September 30, 2006	309,820	(19.6)%	7,005.67(yen)		7,005.67(yen)	
Six months ended September 30, 2005	385,276	14.9%	8,387.80(yen)		8,387.80(yen)	
Year ended March 31, 2006	610,481		13,491.28(yen)		13,491.28(yen)	

Notes: 1. Equity in net income (losses) of affiliates for the six months ended September 30, 2006, 2005 and for the fiscal year ended March 31, 2006 was 131 million yen, (1,097) million yen and (364) million yen, respectively.

2. The weighted average number of shares outstanding for the six months ended September 30, 2006, 2005 and for the fiscal year ended March 31, 2006 was 44,224,198 shares, 45,932,905 shares and 45,250,031 shares, respectively.

3. Change in accounting policy: No

4. Percentages above represent changes compared to corresponding previous semi-annual period.

(2) Consolidated Financial Position

(Millions of yen, except per share amounts)
Equity Ratio

	Total Assets	Shareholders Equity	(Ratio of Shareholders Equity to Total Assets)	Shareholders Equity per Share
September 30, 2006	6,050,267	4,176,127	69.0%	95,005.38(yen)
September 30, 2005	6,120,270	3,948,184	64.5%	88,507.23(yen)
March 31, 2006	6,365,257	4,052,017	63.7%	91,109.33(yen)

Note: The number of shares outstanding as of September 30, 2006, 2005 and March 31, 2006 was 43,956,742 shares, 44,608,603 shares and 44,474,227 shares, respectively.

(3) Consolidated Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	(Millions of yen) Cash and Cash Equivalents at End of Period
Six months ended September 30, 2006	258,953	(530,053)	(323,200)	246,457
Six months ended September 30, 2005	858,939	(598,711)	(340,534)	693,503
Year ended March 31, 2006	1,610,941	(951,077)	(590,621)	840,724

(4) Number of consolidated companies and companies accounted for using the equity method

The number of consolidated subsidiaries:	97
The number of affiliated companies accounted for using the equity method:	13

(5) Change of reporting entities

The number of consolidated companies added:	2	The number of consolidated companies removed:	4
The number of companies on equity method added:	0	The number of companies on equity method removed:	0

2. Consolidated Financial Results Forecasts for the Fiscal Year Ending March 31, 2007 (April 1, 2006 - March 31, 2007)

	Operating Revenues	Income Taxes	Net Income
Year ending March 31, 2007	4,799,000	815,000	488,000
(Reference) Expected Earnings per Share:	11,101.82 yen		

Note: With regard to the above forecasts, please refer to page 10-12.

* Consolidated semi-annual financial statements are unaudited.

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<< Condition of the Corporate Group >>

NTT DoCoMo, Inc. primarily engages in mobile telecommunications services as a member of the NTT group, with Nippon Telegraph and Telephone Corporation (NTT) as the holding company.

The Company, its 97 subsidiaries and 13 affiliates constitute the NTT DoCoMo group (DoCoMo group), the largest mobile telecommunications services provider in Japan.

The business segments of the DoCoMo group and the corporate position of each group company are as follows.

[Business Segment Information]

Business	Main service lines
Mobile phone business	Cellular (FOMA) services, cellular (mova) services, packet communications services, international services, satellite mobile communications services, and sales of handsets and equipment for each service
PHS business	PHS services and sales of PHS handsets and equipment
Miscellaneous businesses	Credit business, wireless LAN services, radio paging (Quickcast) service and other miscellaneous businesses

Notes: We have decided to terminate Quickcast services on March 31, 2007, and PHS services around the third quarter of the year ending March 31, 2008.

[Position of Each Group Company]

- (1) The Company engages in Mobile phone, PHS and other businesses in the Kanto-Koshinetsu region of Japan. The Company also provides nationwide services such as satellite mobile communications. The Company is solely responsible for DoCoMo group's overall research and development activities in the area of mobile telecommunications business as well as the development of services and information processing systems. The Company provides the results of such research and development to its eight regional subsidiaries, each of which operates in one of eight regions in Japan (DoCoMo Regional Subsidiaries).
- (2) Each of the DoCoMo Regional Subsidiaries engages in Mobile phone (excluding satellite mobile communications services), PHS and other businesses in their respective regions.
- (3) Twenty-nine other subsidiaries of the Company, each of which is entrusted with certain services by the Company and/or DoCoMo Regional Subsidiaries, operate independently to maximize their expertise and efficiency. They are entrusted with part of the services provided by, or give assistance to, the Company and DoCoMo Regional Subsidiaries.
- (4) There are 60 other subsidiaries and 13 affiliates, including, among others, some overseas units established for the purpose of global expansion of the third-generation mobile communications system based on W-CDMA, and joint ventures established to launch new business operations.

The following chart summarizes the above.

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<< Management Policies >>

1. Basic Management Policies

Under the corporate philosophy of creating a new world of communications culture, DoCoMo aims to contribute to the realization of a rich and vigorous society by reinforcing its core business with a focus on popularizing FOMA services, and promoting mobile multimedia services by offering services that are useful for customers' daily lives and businesses. It also seeks to maximize its corporate value in order to be greatly trusted and highly valued by its shareholders and customers.

2. Medium- and Long-Term Management Strategies

The competition amongst carriers in the Japanese mobile communications market is expected to intensify even further due to increases in the market penetration rate, diversification of customer needs and the introduction of Mobile Number Portability system on October 24, 2006, and scheduled market entry by new entrants in the future. Under these circumstances, we plan to run our business focusing on the following three goals; (1) strengthening our core business even further, (2) creating new revenue sources, and (3) facilitating cost reduction.

(1) Strengthening our core business even further

We aim to react swiftly and adequately to the diversifying needs of customers, and improve every aspect of our offerings, including our handsets, services, billing plans, service area quality and after-sales support to reinforce our comprehensive strength.

(2) Creating new revenue sources

We will strive to expand our business domains pursuing the three key growth strategies of multimedia, ubiquity and globalization. Specifically, to further expand the use of i-mode and FOMA services, which enable the transmission of large amounts of data at high speeds, we plan to add more handsets tailored to users' needs in our product lineup, and work to develop and provide a wide array of sophisticated non-voice services, including visual communications and music/video/text delivery services.

In August 2006, we launched a new High-Speed Downlink Packet Access (HSDPA) system to provide new services leveraging the higher packet transmission speeds, in an effort to boost the usage of our cellular phones. We will also work to link our services with those offered by our partner companies through an active use of external interface capabilities embedded in cellular handsets, such as contactless IC chips with the goal to create new businesses which generate income independently of traffic income. Furthermore, as the arena of competition in mobile communications business expands to a global scale, we intend to enhance users' convenience and increase our revenue opportunities by offering W-CDMA-based global handsets and further reinforcing the i-mode alliance. Also, in view of global competition, we will widely look into opportunities for revenue growth, including the possibility of making investments in or forming alliances with not only telecommunications carriers, but also enterprises owning promising technologies as well as companies engaged in mobile communications-related peripheral businesses, while taking into consideration the overall synergy effect from such alliances.

(3) Facilitating cost reduction

We will work to improve the efficiency of our operations by further cutting handset procurement and network costs, and making a more efficient allocation of sales commissions.

To keep abreast with and react dynamically to the intensified competition and changes in the market, we plan to advance our cellular services placing customers in the center of our strategies to provide innovative solutions that can contribute to our users' safety and security, as part of our continual efforts to transform cellular phones into convenient tools for everyday life and business.

Table of Contents**3. Basic Policies for Profit Distribution**

Believing that providing adequate returns to shareholders is one of the most important issues in corporate management, the Company plans to pay dividends by taking into account its consolidated results and operating environment based on the principle of stable dividend payments, while striving to strengthen its financial position and secure internal reserves. The Company will also continue to take a flexible approach regarding share repurchases in order to plow back profits to shareholders. The Company intends to keep the repurchased shares as treasury shares and in principle to limit the amount of such treasury shares to approximately 5% of its total issued shares, and will consider retiring any treasury shares held in excess of this limit around the end of the fiscal year or at other appropriate times. During the first six months of the year ending March 31, 2007, based on an authorization by a resolution adopted at the Ordinary General Meetings of Shareholders, the Company repurchased 517,483 shares of its own common stock at an aggregate price of ¥90.0 billion.

In addition, the Company will allocate internal reserves to active research and development efforts, capital expenditures and other investments in response to the rapidly changing market environment. The Company will endeavor to boost its corporate value by introducing new technologies, offering new services and expanding its business domains through alliances with new partners.

4. Target Management Indicators

Now that the Japanese mobile telecommunications market has entered a period of stable growth, DoCoMo regards EBITDA margin* as an important management indicator, from the aspect of profitability, to further enhance its management effectiveness. DoCoMo also considers ROCE* an important management indicator in terms of efficiency in its invested capital (shareholders' equity + interest bearing liabilities). DoCoMo will make its utmost efforts to achieve an EBITDA margin* of at least 35% and an ROCE* of at least 20% as its medium-term targets and attempt to maximize its corporate value.

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Notes:

$$\text{EBITDA margin}^* = \text{EBITDA}^* / \text{Operating revenues}$$

$$\text{EBITDA}^* = \text{Operating income} + \text{Depreciation and amortization} + \text{Losses on sale or disposal of property, plant and equipment}$$

$$\text{ROCE}^* = \text{Operating income} / (\text{Shareholders' equity} + \text{Interest bearing liabilities})$$

Shareholders' equity and interest bearing liabilities are the average of the amounts as of March 31, 2006 and September 30, 2006

* 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 EBITDA, see the reconciliations to the most directly comparable financial measures calculated and presented in accordance with GAAP on page 42. See page 42 for the definition of ROCE.

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5. Relationship with the Parent Company

(1) Trade Name of the Parent Company, etc.

(As of September 30, 2006)

Parent company	Parent company's ownership of voting rights	Securities exchanges where shares issued by the parent company are listed
Nippon Telegraph and Telephone Corporation	62.9%	Tokyo Stock Exchange, Inc. (First Section)
		Osaka Stock Exchange, Co. Ltd. (First Section)
		Nagoya Stock Exchange, Inc. (First Section)
		Fukuoka Stock Exchange
		Sapporo Stock Exchange
		New York Stock Exchange
		London Stock Exchange

(2) Positions of Listed Companies in the Corporate Group Led by the Parent Company

The corporate group led by our parent company, NTT, operates a wide array of telecommunications services, including local, long-distance, international, and mobile and data telecommunications services.

The Company operates independently within the NTT group, mainly in the field of mobile telecommunications. NTT, which currently owns 62.9% of the voting rights of the Company, can influence the managerial decisions of the Company by exercising its directorship rights as majority shareholder, although we conduct our day-to-day operations independently of NTT, based on our own decisions with our own managerial responsibility.

The Company and NTT concluded a contract for basic research and development conducted by NTT. Under the contract, NTT offers services and benefits to the Company concerning basic research and development, and the Company pays compensation to NTT for such services and benefits. The Company and NTT also entered into a contract regarding group management and operations run by NTT. Under the contract, NTT provides services and benefits regarding group management and operations to DoCoMo group, and the Company pays compensation to NTT for such services and benefits.

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6. Corporate Social Responsibility (CSR)

Due to the wide adoption and advancement of mobile communications services, cellular phones have become indispensable tools for people's daily activities. The rapid growth in its uptake, on the other hand, has also caused some negative social problems, such as unwanted bulk emails and crimes involving the use of cellular handsets. Meanwhile, people's concerns against earthquakes and other natural disasters as well as global environment have heightened in the recent years.

To address these issues, we have worked to improve the reliability of our communications facilities and network and reinforced countermeasures against disasters, strongly aware of our mission to fulfill our corporate social responsibility (CSR). As a part of our measures to tackle social problems resulting from the use of cellular phones, we have continuously worked to prevent unsolicited bulk emails, and responded to the issues addressed in the surveys and research programs conducted by the Mobile Society Research Institute. In addition, we have actively promoted various environmental conservation and social contribution activities on a continual basis, including the collection and recycling of used mobile phone handsets and accessories, saving on paper resources by offering an e-billing service which provides customers' bills through our website or by e-mail message, the DoCoMo Woods' forestation campaign, and encouraging our employees to take part in various community works as volunteers.

At DoCoMo group, we believe that it is our social mission to help shape a safer and more peaceful world. To realize this goal, we set forth DoCoMo Anshin Mission during the fiscal year ended March 31, 2006, under which the whole corporate group implemented various measures and promoted technical innovations in a comprehensive and unified approach.

The concrete actions undertaken under DoCoMo Anshin Mission during the first six months of the fiscal year ending March 31, 2007, include the following:

Provisions against natural disasters

To secure an important communication method when there is a risk of network troubles due to use which exceeds the processing capability of our facilities, we introduced and began the operation of a new system for FOMA service, which separately controls voice and packet communication, allowing users to use the i-mode Disaster Message Board service and i-mode mail more easily in the event of a disaster.

Decided to add a new item of Disaster/Crime Prevention and Medical Service on i-mode menu list through which relevant contents will be made available. When the i-mode Disaster Message Board service is activated, a link to this menu item will be created on the message board, allowing users to find necessary information more easily in emergencies.

Universal design products and services

Released FOMA Raku Raku Phone III, a universal design mobile phone equipped with a one-touch alarm button to notify the user's emergency such as sudden illness to people nearby, and a function to automatically make a call to a pre-registered emergency contact number at the same time, etc.

Released a bone conduction receiver microphone, dubbed Sound Leaf, equipped with the two features of bone conduction and telephone coil (T-coil) as an effective communications tool for the auditory handicapped.

Care and Protection for Children

Held approximately 500 sessions of DoCoMo Keitai Safety School seminars in elementary, junior and senior high schools and local communities nationwide to provide children with tips on safe and proper phone usage manners.

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

	(UNAUDITED)		Millions of yen (UNAUDITED)				
	September 30, 2006		September 30, 2005		March 31, 2006		
ASSETS							
Current assets:							
Cash and cash equivalents	¥	246,457	¥	693,503	¥	840,724	
Short-term investments		152,005		300,010		51,237	
Accounts receivable		813,781		602,272		609,837	
Allowance for doubtful accounts		(14,151)		(15,453)		(14,740)	
Inventories		206,329		156,352		229,523	
Deferred tax assets		90,889		91,288		111,795	
Prepaid expenses and other current assets		169,054		111,942		98,382	
Total current assets		1,664,364	27.5%	1,939,914	31.7%	1,926,758	30.3%
Property, plant and equipment:							
Wireless telecommunications equipment		4,983,479		4,556,618		4,743,136	
Buildings and structures		758,298		705,347		736,660	
Tools, furniture and fixtures		618,480		598,395		610,759	
Land		198,546		196,827		197,896	
Construction in progress		142,195		180,162		134,240	
Accumulated depreciation and amortization		(3,815,423)		(3,495,061)		(3,645,237)	
Total property, plant and equipment, net		2,885,575	47.7%	2,742,288	44.8%	2,777,454	43.6%
Non-current investments and other assets:							
Investments in affiliates		177,832		146,541		174,121	
Marketable securities and other investments		309,970		224,035		357,824	
Intangible assets, net		537,115		534,289		546,304	
Goodwill		140,912		140,348		141,094	
Other assets		214,606		215,530		264,982	
Deferred tax assets		119,893		177,325		176,720	
Total non-current investments and other assets		1,500,328	24.8%	1,438,068	23.5%	1,661,045	26.1%
Total assets	¥	6,050,267	100.0%	¥ 6,120,270	100.0%	¥ 6,365,257	100.0%

LIABILITIES AND SHAREHOLDERS' EQUITY**Current liabilities:**

Current portion of long-term debt	¥	149,600	¥	276,785	¥	193,723
Short-term borrowings		104				152
Accounts payable, trade		567,741		559,318		808,136
Accrued payroll		39,027		38,221		41,799
Accrued interest		1,011		1,617		1,264
Accrued income taxes		121,476		151,783		168,587
Other current liabilities		134,812		153,359		154,638

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Total current liabilities	1,013,771	16.8%	1,181,083	19.3%	1,368,299	21.5%
Long-term liabilities:						
Long-term debt (exclusive of current portion)	504,813		655,008		598,530	
Liability for employees' retirement benefits	139,084		142,809		135,511	
Other long-term liabilities	215,319		192,237		209,780	
Total long-term liabilities	859,216	14.2%	990,054	16.2%	943,821	14.8%
Total liabilities	1,872,987	31.0%	2,171,137	35.5%	2,312,120	36.3%
Minority interests in consolidated subsidiaries	1,153	0.0%	949	0.0%	1,120	0.0%
Shareholders' equity:						
Common stock	949,680		949,680		949,680	
Additional paid-in capital	1,311,013		1,311,013		1,311,013	
Retained earnings	2,433,610		2,439,410		2,212,739	
Accumulated other comprehensive income	20,017		34,936		26,781	
Treasury stock, at cost	(538,193)		(786,855)		(448,196)	
Total shareholders' equity	4,176,127	69.0%	3,948,184	64.5%	4,052,017	63.7%
Total liabilities and shareholders' equity	¥ 6,050,267	100.0%	¥ 6,120,270	100.0%	¥ 6,365,257	100.0%

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

	(UNAUDITED)		Millions of yen (UNAUDITED)			
	Six months ended		Six months ended		Year ended	
	September 30, 2006		September 30, 2005		March 31, 2006	
Operating revenues:						
Wireless services	¥ 2,174,239		¥ 2,150,988		¥ 4,295,856	
Equipment sales	209,134		222,467		470,016	
Total operating revenues	2,383,373	100.0%	2,373,455	100.0%	4,765,872	100.0%
Operating expenses:						
Cost of services (exclusive of items shown separately below)	354,567		345,259		746,099	
Cost of equipment sold (exclusive of items shown separately below)	552,274		511,518		1,113,464	
Depreciation and amortization	347,685		339,530		738,137	
Selling, general and administrative	611,958		618,780		1,335,533	
Total operating expenses	1,866,484	78.3%	1,815,087	76.5%	3,933,233	82.5%
Operating income	516,889	21.7%	558,368	23.5%	832,639	17.5%
Other income (expense):						
Interest expense	(2,807)		(4,338)		(8,420)	
Interest income	644		3,399		4,659	
Gain on sale of affiliate shares			61,962		61,962	
Gain on sale of other investments	5				40,088	
Other, net	5,536		13,699		21,375	
Total other income (expense)	3,378	0.1%	74,722	3.2%	119,664	2.5%
Income before income taxes	520,267	21.8%	633,090	26.7%	952,303	20.0%
Income taxes:						
Current	130,605		169,341		293,707	
Deferred	79,938		77,379		47,675	
Total income taxes	210,543	8.8%	246,720	10.4%	341,382	7.2%
Equity in net income (losses) of affiliates	131	0.0%	(1,097)	(0.1)%	(364)	(0.0)%
Minority interests in consolidated subsidiaries	(35)	(0.0)%	3	0.0%	(76)	(0.0)%
Net Income	¥ 309,820	13.0%	¥ 385,276	16.2%	¥ 610,481	12.8%
Other comprehensive income (loss):						
Unrealized holding gains (losses) on available-for-sale securities, net of applicable taxes	(5,768)		(2,389)		7,662	
Net revaluation of financial instruments, net of applicable taxes	10		153		121	
Foreign currency translation adjustment, net of applicable taxes	(1,075)		(20,589)		(42,597)	
Minimum pension liability adjustment, net of applicable taxes	69		152		3,986	
Comprehensive income:	¥ 303,056	12.7%	¥ 362,603	15.3%	¥ 579,653	12.2%

PER SHARE DATA

Weighted average common shares outstanding basic and diluted (shares)	44,224,198	45,932,905	45,250,031
Basic and diluted earnings per share (Yen)	¥ 7,005.67	¥ 8,387.80	¥ 13,491.28

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

	(UNAUDITED)	Millions of yen (UNAUDITED)	Year ended
	Six months ended September 30, 2006	Six months ended September 30, 2005	March 31, 2006
Common stock:			
At beginning of period	¥ 949,680	¥ 949,680	¥ 949,680
At end of period	949,680	949,680	949,680
Additional paid-in capital:			
At beginning of period	1,311,013	1,311,013	1,311,013
At end of period	1,311,013	1,311,013	1,311,013
Retained earnings:			
At beginning of period	2,212,739	2,100,407	2,100,407
Cash dividends	(88,949)	(46,273)	(135,490)
Retirement of treasury stock			(362,659)
Net income	309,820	385,276	610,481
At end of period	2,433,610	2,439,410	2,212,739
Accumulated other comprehensive income:			
At beginning of period	26,781	57,609	57,609
Unrealized holding gains (losses) on available-for-sale securities	(5,768)	(2,389)	7,662
Net revaluation of financial instruments	10	153	121
Foreign currency translation adjustment	(1,075)	(20,589)	(42,597)
Minimum pension liability adjustment	69	152	3,986
At end of period	20,017	34,936	26,781
Treasury stock, at cost:			
At beginning of period	(448,196)	(510,777)	(510,777)
Purchase of treasury stock	(89,997)	(276,078)	(300,078)
Retirement of treasury stock			362,659
At end of period	(538,193)	(786,855)	(448,196)
Total shareholders' equity	¥ 4,176,127	¥ 3,948,184	¥ 4,052,017

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

	(UNAUDITED) Six months ended September 30, 2006	Millions of yen (UNAUDITED) Six months ended September 30, 2005	Year ended March 31, 2006
I Cash flows from operating activities:			
1. Net income	¥ 309,820	¥ 385,276	¥ 610,481
2. Adjustments to reconcile net income to net cash provided by operating activities			
(1) Depreciation and amortization	347,685	339,530	738,137
(2) Deferred taxes	79,922	77,722	49,101
(3) Loss on sale or disposal of property, plant and equipment	14,200	7,600	36,000
(4) Gain on sale of affiliate shares		(61,962)	(61,962)
(5) Gain on sale of other investments	(5)		(40,088)
(6) Expense associated with sale of other investments			14,062
(7) Equity in net (income) losses of affiliates	(390)	754	(1,289)
(8) Minority interests in consolidated subsidiaries	35	(3)	76
(9) Changes in assets and liabilities:			
(Increase) decrease in accounts receivable, trade	(203,944)	27,656	21,345
Decrease in allowance for doubtful accounts	(589)	(2,078)	(3,623)
Decrease (Increase) in inventories	23,194	74	(73,094)
(Increase) decrease in prepaid expenses and other current assets	(70,384)	95,321	109,192
(Decrease) increase in accounts payable, trade	(191,336)	(135,733)	45,108
(Decrease) increase in accrued income taxes	(47,111)	94,340	111,141
(Decrease) increase in other current liabilities	(19,640)	16,530	17,641
Increase (decrease) in liability for employees' retirement benefits	3,573	4,135	(3,378)
Increase in other long-term liabilities	6,792	8,469	24,725
Other, net	7,131	1,308	17,366
Net cash provided by operating activities	258,953	858,939	1,610,941
II Cash flows from investing activities:			
1. Purchases of property, plant and equipment	(414,117)	(329,192)	(638,590)
2. Purchases of intangible and other assets	(97,847)	(91,224)	(195,277)
3. Purchases of non-current investments	(17,221)	(103,344)	(292,556)
4. Proceeds from sale of non-current investments	48	24,064	25,142
5. Purchases of short-term investments	(2,157)	(250,000)	(252,474)
6. Redemption of short-term investments	1,436	200,000	501,433
7. Collection of loan advances		228	229
8. Long-term bailment for consumption to a related party		(50,000)	(100,000)
9. Other, net	(195)	757	1,016
Net cash used in investing activities	(530,053)	(598,711)	(951,077)
III Cash flows from financing activities:			
1. Repayment of long-term debt	(142,323)	(15,842)	(150,304)
2. Proceeds from short-term borrowings	8,228	19,500	27,002
3. Repayment of short-term borrowings	(8,276)	(19,500)	(27,010)
4. Principal payments under capital lease obligations	(1,882)	(2,340)	(4,740)
5. Payments to acquire treasury stock	(89,997)	(276,078)	(300,078)
6. Dividends paid	(88,949)	(46,273)	(135,490)
7. Other, net	(1)	(1)	(1)
Net cash used in financing activities	(323,200)	(340,534)	(590,621)

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IV	Effect of exchange rate changes on cash and cash equivalents	33	3,857	1,529
V	Net (decrease) increase in cash and cash equivalents	(594,267)	(76,449)	70,772
VI	Cash and cash equivalents at beginning of period	840,724	769,952	769,952
VII	Cash and cash equivalents at end of period	¥ 246,457	¥ 693,503	¥ 840,724

Supplemental disclosures of cash flow information:

Cash received during the period for:

Income taxes	¥ 910	¥ 93,103	¥ 93,103
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Cash paid during the period for:

Interest	3,060	4,231	8,666
Income taxes	219,149	81,069	182,914

Non-cash investing and financing activities:

Assets acquired through capital lease obligations	1,952	2,223	5,038
Retirement of treasury stock			362,659

Table of Contents**Notes to Unaudited Consolidated Financial Statements****Basis of Presentation:**

The accompanying unaudited consolidated financial information of NTT DoCoMo, Inc. and its subsidiaries (collectively DoCoMo) has been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

1. Summary of significant accounting and reporting policies:**(1) Adoption of new accounting standards****Inventory Pricing**

Effective April 1, 2006, DoCoMo adopted Statement of Financial Accounting Standards (SFAS) No. 151, Inventory Costs -an amendment of Accounting Research Bulletin (ARB) No. 43, Chapter 4 issued by the Financial Accounting Standards Board (FASB). SFAS No. 151 amends the guidance in ARB No. 43, Chapter 4, Inventory Pricing, to clarify the accounting for abnormal amounts of idle facility expense, freight, handling costs, and wasted material (spoilage). ARB No. 43, Chapter 4 previously stated that such costs might be so abnormal as to require treatment as current period charges. SFAS No. 151 requires that those items be recognized as current-period charges regardless of whether they meet the criterion of so abnormal. In addition, SFAS No. 151 requires that allocation of fixed production overheads to the costs of conversion be based on the normal capacity of the production facilities. The adoption of SFAS No. 151 did not have any impact on DoCoMo's results of operations and financial position.

Exchanges of Non-monetary Assets

Effective April 1, 2006, DoCoMo adopted SFAS No. 153, Exchanges of Non-monetary Assets -an amendment of Accounting Principles Board (APB) Opinion No. 29 issued by the FASB. The amendment eliminates the exception for non-monetary exchanges of similar productive assets and replaces it with a general exception for exchanges of non-monetary assets that do not have commercial substance. The adoption of SFAS No. 153 did not have any impact on DoCoMo's results of operations and financial position.

Accounting Changes and Error Corrections

Effective April 1, 2006, DoCoMo adopted SFAS No. 154, Accounting Changes and Error Corrections -a replacement of APB Opinion No.20 and the FASB statement No.3 issued by the FASB. SFAS No. 154 replaces APB Opinion No. 20 (APB No. 20), Accounting Changes, and SFAS No. 3, Reporting Accounting Changes in Interim Financial Statements, and changes the requirements for the accounting for and reporting of a change in accounting principle. APB No. 20 previously required that most voluntary changes in accounting principle be recognized by including in net income of the period of the change the cumulative effect of changing to the new accounting principle. SFAS No. 154 requires retrospective application to prior periods financial statements of changes in accounting principle. The adoption of SFAS No. 154 did not have any impact on DoCoMo's results of operations and financial position. DoCoMo will continue to apply the requirements of SFAS No. 154 to any future accounting changes and error corrections.

(2) Significant accounting policies**Use of estimates**

The preparation of DoCoMo's consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities, as well as the reported amounts of revenues and expenses. Actual results could differ from those estimates.

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Allowance for doubtful accounts

The allowance for doubtful accounts is principally computed based on the historical bad debt experience and the estimated uncollectible amount based on the analysis of certain individual accounts, including claims in bankruptcy.

Inventories

Inventories are stated at the lower of cost or market. The cost of equipment sold is determined by the first-in, first-out method.

Property, plant and equipment

Property, plant and equipment is stated at cost and includes capitalized interest expense incurred during construction periods. It is depreciated over the estimated useful lives of respective assets using the declining-balance method with the exception of buildings that are depreciated using the straight-line method.

Investments in affiliates

The equity method of accounting is applied for investments in affiliates where DoCoMo owns an aggregate interest of 20% to 50% and/or is able to exercise significant influence over the affiliate.

DoCoMo evaluates the recoverability of the carrying value of its investments in affiliates, which includes investor level goodwill, when there are indicators that a decline in value below its carrying amount may be other than temporary. In the event of a determination that a decline in value is other than temporary, the amount of the loss is recognized in earnings, and a new cost basis in the investment is established.

Marketable securities and other investments

DoCoMo accounts for its marketable securities in accordance with SFAS No. 115, Accounting for Certain Investments in Debt and Equity Securities.

Equity securities, whose fair values are not readily determinable, and restricted stocks are carried at cost. Other than temporary declines in value are charged to earnings. Realized gains and losses are determined using the average cost method and are reflected currently in earnings.

Goodwill and other intangible assets

DoCoMo accounts for goodwill and other intangible assets in accordance with SFAS No. 142, Goodwill and Other Intangible Assets, SFAS No. 86, Accounting for the Costs of Computer Software to Be Sold, Leased, or Otherwise Marketed, and American Institute of Certified Public Accountants (AICPA) Statement of Position 98-1, Accounting for the Costs of Computer Software Developed or Obtained for Internal Use.

Impairment of long-lived assets

In accordance with SFAS No. 144, Accounting for the Impairment or Disposal of Long-Lived Assets, DoCoMo's long-lived assets other than goodwill, including property, plant and equipment, software and other intangibles, are reviewed for impairment, and if the asset is determined to be impaired, the amount of the loss is recognized.

Hedging activities

DoCoMo accounts for derivative instruments in accordance with SFAS No. 133, Accounting for Derivative Instruments and Hedging Activities, as amended by SFAS No. 138 and No. 149.

Employees' retirement benefit plans

Pension benefits earned during the year, as well as interest on projected benefit obligations, are accrued currently. Prior service costs and credits resulting from changes in plan benefits are amortized over the average remaining service period of the employees expected to receive benefits.

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Revenue recognition

Base monthly service charges and airtime charges are recognized as revenues as service is provided to the subscribers. DoCoMo's monthly billing plans for cellular (FOMA and mova) services generally include a certain amount of allowances (free minutes and/or packets), and the used amount of the allowances is subtracted from total usage in calculating the airtime revenue from a subscriber for the month. Prior to November 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. In November 2003, DoCoMo introduced a billing arrangement, called Nikagetsu Kurikoshi (two-month carry over), in which the unused allowances are automatically carried over up to the following two months. In addition, DoCoMo introduced an arrangement which enables the unused allowances offered in and after December 2004 that have been carried over for two months to be automatically used to cover the airtime and/or packet fees exceeding the allowances of the other lines in the Family Discount group, a discount billing arrangement for families with between two and ten DoCoMo subscriptions. Until the year ended March 31, 2006, DoCoMo had deferred revenues based on the portion of all unused allowances at the end of the period. The deferred revenues are recognized as revenues as the subscribers make calls or data communications, similar to the way airtime revenues are recognized, or as the allowance expires. As DoCoMo developed sufficient empirical evidence to reasonably estimate the portion of allowance that will be forfeited as unused, DoCoMo started to recognize the revenue attributable to such forfeited allowances ratably as the remaining allowances are utilized, effective April 1, 2006. The effect of this accounting change was not material for DoCoMo's results of operations and financial position.

Certain commissions paid to purchasers (primarily agent resellers) are recognized as a reduction of revenue upon delivery of the equipment to the purchasers (primarily agent resellers) in accordance with Emerging Issues Task Force Issue No. 01-09, Accounting for Consideration Given by a Vendor to a Customer (Including a Reseller of the Vendor's Products) .

Non-recurring upfront fees such as activation fees are deferred and recognized as revenues over the estimated average period of the customer relationship for each service. The related direct costs are deferred only to the extent of the upfront fee amount and are amortized over the same period.

Income taxes

Income taxes are accounted for under the asset and liability method in accordance with SFAS No.109 Accounting for Income Taxes .

(2) Reclassifications

Certain reclassifications have been made to the prior periods' consolidated financial statements to conform to the presentation used for the six months ended September 30, 2006.

Table of Contents**Other notes to unaudited consolidated financial statements:****1. Business segments:**

	Millions of yen			Consolidated
	Mobile phone business	PHS business	Miscellaneous businesses	
Six months ended September 30, 2006				
Operating revenues	¥ 2,349,677	¥ 13,221	¥ 20,475	¥ 2,383,373
Operating expenses	1,822,494	17,253	26,737	1,866,484
Operating income (loss)	¥ 527,183	¥ (4,032)	¥ (6,262)	¥ 516,889

	Millions of yen			Consolidated
	Mobile phone business	PHS business	Miscellaneous businesses	
Six months ended September 30, 2005				
Operating revenues	¥ 2,332,680	¥ 23,745	¥ 17,030	¥ 2,373,455
Operating expenses	1,773,533	24,776	16,778	1,815,087
Operating income (loss)	¥ 559,147	¥ (1,031)	¥ 252	¥ 558,368

	Millions of yen			Consolidated
	Mobile phone business	PHS business	Miscellaneous businesses	
Year ended March 31, 2006				
Operating revenues	¥ 4,683,002	¥ 41,741	¥ 41,129	¥ 4,765,872
Operating expenses	3,838,567	51,210	43,456	3,933,233
Operating income (loss)	¥ 844,435	¥ (9,469)	¥ (2,327)	¥ 832,639

DoCoMo does not disclose geographical segments, since operating revenues generated outside Japan are immaterial.

Table of Contents**2. Marketable securities and other investments:**

Marketable securities and other investments as of September 30, 2006 and 2005, and March 31, 2006 comprised the following:

	Millions of yen		
	September 30, 2006	September 30, 2005	March 31, 2006
Marketable securities:			
Available-for-sale	¥ 317,469	¥ 203,743	¥ 249,943
Held-to-maturity			
Other investments	92,541	20,292	157,866
Total	¥ 410,010	¥ 224,035	¥ 407,809

Debt securities, which were classified as Short-term investments of the current assets because the maturities at the end of fiscal periods were one year or less, were included in the above table in addition to marketable securities recorded as a non-current item, Marketable securities and other investments, on the consolidated balance sheets.

DoCoMo has no debt securities classified as held to maturities at September 30, 2006.

Maturities of debt securities classified as available for sale at September 30, 2006 are as follows:

	Millions of yen	
	September 30, 2006	September 30, 2006
	Carrying amounts	Fair value
Due within 1 year	¥ 100,040	¥ 100,040
Due after 1 year through 5 years	49,885	49,885
Due after 5 years through 10 years		
Due after 10 years		
Total	¥ 149,925	¥ 149,925

Actual maturities may differ from contractual maturities because some issuers have the right to call or prepay obligations.

The cost, gross unrealized holding gains and losses and aggregate fair value by type of marketable security at September 30, 2006 and 2005, and March 31, 2006 are as follows:

	Millions of yen			
	September 30, 2006			
	Cost /	Gross unrealized	Gross unrealized	Fair value
	Amortized cost	holding gains	holding losses	
Available-for-sale:				
Equity securities	¥ 129,379	¥ 39,571	¥ 1,406	¥ 167,544
Debt securities	150,184	0	259	149,925
Held-to-maturity:				
Debt securities				

	Millions of yen		
	September 30, 2005		
	Cost /	Gross unrealized	Gross unrealized
		unrealized	unrealized
			Fair value

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	Amortized cost	holding gains	holding losses	
Available-for-sale:				
Equity securities	¥ 21,764	¥ 32,287	¥ 603	¥ 53,448
Debt securities	150,398		103	150,295
Held-to-maturity:				
Debt securities				

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	Millions of yen March 31, 2006			
	Cost /	Gross unrealized holding gains	Gross unrealized holding losses	Fair value
	Amortized cost			
Available-for-sale:				
Equity securities	¥ 52,784	¥ 47,685	¥ 311	¥ 100,158
Debt securities	150,290		505	149,785
Held-to-maturity:				
Debt securities				

The proceeds and gross realized gains (losses) from the sale of available-for-sale securities and other investments are as follows:

	Millions of yen		
	Six months ended	Six months ended	Year ended
	September 30, 2006	September 30, 2005	March 31, 2006
Proceeds	¥ 53	¥ 275	¥ 14,902
Gross realized gains	12	227	40,454
Gross realized losses	(118)		

Other investments include long-term investments in various privately held companies and restricted stocks. The aggregate carrying amount of DoCoMo's cost method investments included in other investments totaled ¥92,516 million, ¥16,512 million and ¥157,843 million as of September 30, 2006 and 2005, and March 31, 2006, respectively.

3. Subsequent event:

There was no significant subsequent event.

Table of Contents**Non-consolidated Semi-annual Financial Statements**

October 27, 2006

[Japanese GAAP]

For the Six Months Ended September 30, 2006

Name of registrant:	NTT DoCoMo, Inc.
Code No.:	9437
Stock exchange on which the Company's shares are listed:	Tokyo Stock Exchange-First Section
Address of principal executive office: (URL http://www.nttdocomo.co.jp/)	Tokyo, Japan
Representative:	Masao Nakamura, Representative Director, President and Chief Executive Officer
Contact:	Masahiko Yamada, Senior Manager, General Affairs Department / TEL +81-3-5156-1111
Date of the meeting of the Board of Directors for approval of the non-consolidated financial statements:	October 27, 2006
Interim dividends plan:	Yes
Date of beginning an interim dividend payment:	November 22, 2006
Adoption of the Unit Share System:	No

1. Non-consolidated Financial Results for the Six Months Ended September 30, 2006 (April 1, 2006 - September 30, 2006)

(1) Non-consolidated Results of Operations
Amounts are truncated to nearest 1 million yen.

	(Millions of yen, except per share amounts)					
	Operating Revenues		Operating Income		Recurring Profit	
Six months ended September 30, 2006	1,274,960	1.1%	248,187	(3.6)%	489,238	25.4%
Six months ended September 30, 2005	1,260,878	(2.6)%	257,366	0.4%	390,206	45.5%
Year ended March 31, 2006	2,554,026		379,017		525,742	
	Net Income		Earnings per Share			
Six months ended September 30, 2006	403,705	37.8%	9,128.61(yen)			
Six months ended September 30, 2005	292,972	66.7%	6,378.28(yen)			
Year ended March 31, 2006	412,566		9,115.17(yen)			

Notes: 1. Weighted average number of shares outstanding: For the six months ended September 30, 2006: 44,224,198 shares
For the six months ended September 30, 2005: 45,932,905 shares
For the year ended March 31, 2006: 45,250,031 shares

2. Change in accounting policy: No

3. Percentages above represent annual changes compared to corresponding previous semi-annual period.

(2) Non-consolidated Financial Position

Total Assets	Net Assets	(Millions of yen, except per share amounts)	
		Equity Ratio	Net Assets

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			(Ratio of Shareholders	per Share
			Equity to Total Assets)	
September 30, 2006	4,019,845	2,549,204	63.4%	57,993.49(yen)
September 30, 2005	4,296,507	2,303,755	53.6%	51,643.74(yen)
March 31, 2006	4,515,663	2,323,036	51.4%	52,230.97(yen)

Notes: 1. Number of shares outstanding at end of period:

September 30, 2006: 43,956,742 shares
 September 30, 2005: 44,608,603 shares
 March 31, 2006: 44,474,227 shares

2. Number of treasury shares:

September 30, 2006: 2,853,258 shares
 September 30, 2005: 4,091,397 shares
 March 31, 2006: 2,335,773 shares

2. Non-consolidated Financial Results Forecasts for the Fiscal Year Ending March 31, 2007 (April 1, 2006 - March 31, 2007)

	Operating Revenues	Recurring Profit	(Millions of yen) Net Income
Year ending March 31, 2007	2,586,000	668,000	533,000
(Reference) Expected Earnings per Share: 12,125.56 yen			

Note: With regard to the assumptions and other related matters concerning the above estimated results, please refer to page 12.

3. Dividends

	End of the semi-annual period	End of the annual period	Dividends per Share (yen) Annual
Year ending March 31, 2006	2,000(yen)	2,000(yen)	4,000(yen)
Year ending March 31, 2007 (Actual result)	2,000(yen)		4,000(yen)
Year ending March 31, 2007 (Forecasts)		2,000(yen)	

* Non-consolidated semi-annual financial statements are unaudited.

Table of Contents<< Non-consolidated Financial Statements >>**1. Non-consolidated Balance Sheets**

	(UNAUDITED) September 30, 2006	Millions of yen (UNAUDITED) September 30, 2005	March 31, 2006			
ASSETS						
Non-current assets:						
Non-current assets for telecommunication businesses						
Property, plant and equipment	¥ 1,144,744	¥ 1,123,849	¥ 1,108,407			
Machinery and equipment	480,788	444,883	440,939			
Antenna facilities	156,612	135,533	139,329			
Satellite mobile communications facilities	5,273	6,813	5,945			
Buildings	221,952	229,947	226,617			
Tools, furniture and fixtures	109,466	115,931	112,299			
Land	101,106	101,057	101,030			
Construction in progress	35,774	56,510	49,931			
Other fixed assets	33,769	33,171	32,313			
Intangible assets	493,892	479,449	495,466			
Computer software	448,024	405,916	426,910			
Other intangible assets	45,868	73,532	68,556			
Total non-current assets for telecommunication businesses	1,638,637	1,603,299	1,603,873			
Investments and other assets						
Investment securities	323,291	216,332	360,242			
Investments in affiliated companies	643,875	642,087	660,310			
Deferred tax assets	41,696	113,662	113,460			
Other investments and other assets	89,932	86,941	142,647			
Allowance for doubtful accounts	(498)	(188)	(237)			
Total investment and other assets	1,098,297	1,058,835	1,276,423			
Total non-current assets	2,736,934	68.1%	2,662,134	62.0%	2,880,296	63.8%
Current assets:						
Cash and bank deposits	210,916	952,626	780,558			
Notes receivable			25			
Accounts receivable, trade	429,115	333,655	331,924			
Accounts receivable, other	220,101	181,553	267,443			
Inventories and supplies	114,844	103,414	135,309			
Deferred tax assets	24,852	20,028	41,356			
Other current assets	288,575	49,571	84,426			
Allowance for doubtful accounts	(5,494)	(6,477)	(5,678)			
Total current assets	1,282,910	31.9%	1,634,372	38.0%	1,635,366	36.2%
Total assets	¥ 4,019,845	100.0%	¥ 4,296,507	100.0%	¥ 4,515,663	100.0%

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	(UNAUDITED)		Millions of yen (UNAUDITED)				
	September 30, 2006		September 30, 2005		March 31, 2006		
LIABILITIES							
Long-term liabilities:							
Bonds	¥	388,485	¥	536,685	¥	486,685	
Long-term borrowings		114,000		115,000		114,000	
Liability for employees' retirement benefits		58,072		60,559		56,975	
Reserve for directors' and corporate auditors' retirement benefits				319		373	
Reserve for point loyalty programs		48,515		40,024		44,406	
Provision for loss on PHS business		2,064		475		2,435	
Other long-term liabilities		2,000		2,171		3,558	
Total long-term liabilities		613,138	15.3%	755,235	17.6%	708,433	15.7%
Current liabilities:							
Current portion of long-term borrowings		149,200		269,200		190,200	
Accounts payable, trade		206,099		229,638		356,051	
Accounts payable, other		181,058		184,882		246,962	
Accrued income taxes		6,612		14,690		47,932	
Deposits received		265,155		484,304		581,828	
Other current liabilities		49,377		54,800		61,218	
Total current liabilities		857,502	21.3%	1,237,516	28.8%	1,484,193	32.9%
Total liabilities		¥ 1,470,640	36.6%	¥ 1,992,752	46.4%	¥ 2,192,627	48.6%
SHAREHOLDERS' EQUITY							
Common stock				¥ 949,679	22.1%	¥ 949,679	21.0%
Capital surplus							
Additional paid-in capital				292,385		292,385	
Other paid-in capital				971,190		971,190	
Total capital surplus				1,263,575	29.4%	1,263,575	28.0%
Earned surplus							
Legal reserve				4,099		4,099	
Voluntary reserve				372,862		372,862	
Unappropriated retained earnings				487,343		155,060	
Total earned surplus				864,306	20.1%	532,023	11.8%
Net unrealized holding gains on securities				13,048	0.3%	25,952	0.5%
Treasury stock				(786,855)	(18.3)%	(448,195)	(9.9)%
Total shareholders' equity				¥ 2,303,755	53.6%	¥ 2,323,036	51.4%
Total liabilities and shareholders' equity				¥ 4,296,507	100.0%	¥ 4,515,663	100.0%

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	(UNAUDITED) September 30, 2006	Millions of yen (UNAUDITED) September 30, 2005 March 31, 2006
NET ASSETS		
Shareholders' equity		
Common stock	¥ 949,679	23.6%
Capital surplus		
Capital legal reserve	292,385	
Other capital surplus	971,190	
Total capital surplus	1,263,575	31.4%
Earned surplus		
Earned legal reserve	4,099	
Other earned surplus		
Accelerated depreciation reserve	16,488	
General reserve	358,000	
Earned surplus brought forward	468,088	
Total earned surplus	846,676	21.1%
Treasury stock	(538,192)	(13.4)%
Total shareholders' equity	2,521,739	62.7%
Valuation and translation adjustments		
Net unrealized holding gains or losses on securities	26,858	0.7%
Deferred gains or losses on hedges	607	0.0%
Total valuation and translation adjustments	27,465	0.7%
Total net assets	¥ 2,549,204	63.4%
Total liabilities and net assets	¥ 4,019,845	100.0%

Table of Contents**2. Non-consolidated Statements of Income**

	(UNAUDITED)		Millions of yen (UNAUDITED)		Year ended	
	Six months ended September 30, 2006		Six months ended September 30, 2005		March 31, 2006	
Telecommunication businesses						
Operating revenues	¥ 1,015,306	79.6%	¥ 1,014,396	80.5%	¥ 2,020,226	79.1%
Operating expenses	772,797	60.6%	763,709	60.6%	1,651,354	64.7%
Operating income from telecommunication businesses	242,508	19.0%	250,686	19.9%	368,871	14.4%
Supplementary businesses						
Operating revenues	259,654	20.4%	246,482	19.5%	533,800	20.9%
Operating expenses	253,975	19.9%	239,802	19.0%	523,654	20.5%
Operating income from supplementary businesses	5,678	0.5%	6,680	0.5%	10,145	0.4%
Total operating income	¥ 248,187	19.5%	¥ 257,366	20.4%	¥ 379,017	14.8%
Non-operating revenues	251,726	19.7%	138,420	11.0%	178,926	7.0%
Non-operating expenses	10,675	0.8%	5,580	0.4%	32,201	1.2%
Recurring profit	¥ 489,238	38.4%	¥ 390,206	31.0%	¥ 525,742	20.6%
Special profits	17,298	1.4%				
Gain on liquidation of subsidiaries	17,298					
Income before income taxes	506,537	39.8%	390,206	31.0%	525,742	20.6%
Income taxes-current	15,600	1.2%	31,100	2.5%	77,000	3.0%
Income taxes-deferred	87,231	6.9%	66,133	5.3%	36,176	1.4%
Net income	¥ 403,705	31.7%	¥ 292,972	23.2%	¥ 412,566	16.2%
Retained earnings brought forward			194,371		194,371	
Retirement of treasury stock					362,658	
Interim dividends					89,217	
Unappropriated retained earnings			¥ 487,343		¥ 155,060	

Note: The denominator used to calculate the percentage figures is the aggregate amount of operating revenues from telecommunication businesses and supplementary businesses.

Table of Contents**3. Non-consolidated Statement of Changes in Net Assets**

Six months ended September 30, 2006 (April 1, 2006 - September 30, 2006)

(Millions of yen)

	Capital surplus			Shareholders equity			Earned surplus			Total	Treasury stock	Total shareholders equity
	Common stock	Capital	Other	Earned	Other earned Surplus		Total	earned surplus				
		legal reserve	capital surplus		capital surplus	Accelerated depreciation reserve			General reserve			
Balance as of March 31, 2006	949,679	292,385	971,190	1,263,575	4,099	14,862	358,000	155,060	532,023	Δ448,195	2,297,083	
Changes during the semi-annual period												
Addition for accelerated depreciation reserve (*)						6,502		Δ6,502				
Reversal of accelerated depreciation reserve (*)						Δ4,876		4,876				
Dividends from surplus (*)								Δ88,948	Δ88,948		Δ88,948	
Directors and corporate auditors bonus (*)								Δ104	Δ104		Δ104	
Net income								403,705	403,705		403,705	
Acquisition of treasury stock										Δ89,996	Δ89,996	
Net changes other than shareholders equity												
The total amount of changes during the semi-annual period						1,625		313,027	314,652	Δ89,996	224,655	
Balance as of September 30, 2006	949,679	292,385	971,190	1,263,575	4,099	16,488	358,000	468,088	846,676	Δ538,192	2,521,739	

Valuation and translation adjustments
Deferred

	Net unrealized holding gains or losses on securities	gains or losses on hedges	Total valuation and translation adjustments	Total net assets
Balance as of March 31, 2006	25,952		25,952	2,323,036
Changes during the semi-annual period				
Addition for accelerated depreciation reserve (*)				

Reversal of accelerated depreciation reserve (*)				
Dividends from surplus (*)				Δ88,948
Directors and corporate auditors bonus (*)				Δ104
Net income				403,705
Acquisition of treasury stock				Δ89,996
Net changes other than shareholders equity	905	607	1,512	1,512
The total amount of changes during the semi-annual period	905	607	1,512	226,168
Balance as of September 30, 2006	26,858	607	27,465	2,549,204

(*) Items approved in the shareholders meeting held on June 20, 2006.

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Accounting Basis for the Non-Consolidated Financial Statements

Basis of Presentation:

The accompanying unaudited non-consolidated financial statements of NTT DoCoMo, Inc. (the Company) have been prepared in accordance with accounting principles generally accepted in Japan.

1. Depreciation and amortization of non-current assets

(1) Property, plant and equipment

Depreciation of property, plant and equipment is computed by the declining balance method with the exception of buildings, which are depreciated on a straight-line basis.

(2) Intangible assets

Intangible assets are amortized on a straight-line basis.

Internal-use software is amortized over the estimated useful lives (5 years or less) on a straight-line basis.

2. Valuation of certain assets

(1) Securities

Investments in subsidiaries and affiliates are stated at cost, which is determined by the moving average method.

Available-for-sale securities whose fair value is readily determinable are stated at fair value as of the end of the semi-annual period. The holding gains and losses, net of applicable deferred tax assets/liabilities, are not reflected in earnings, but directly reported as a separate component of net assets. The cost of securities sold is determined by the moving-average method with the exception of the cost of debt securities sold, which are determined by the first-in, first-out method.

Available-for-sale securities whose fair value is not readily determinable are stated at moving-average cost.

(2) Derivative instruments

Derivative instruments are stated at fair value as of the end of the semi-annual period.

(3) Inventories

Inventories are stated at cost. The cost of terminal equipment to be sold is determined by the first-in, first-out method. The cost of other inventories is determined by the specific identification method.

3. Accounting for allowances

(1) Allowance for doubtful accounts

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The Company provides for doubtful accounts principally in an amount computed based on the historical bad debt ratio during a certain reference period and the estimated uncollectible amount based on the analysis of certain individual accounts, including claims in bankruptcy.

(2) Liability for employees' retirement benefits

In order to provide for employees' retirement benefits, the Company accrues the liability as of the end of semi-annual period in an amount calculated based on the estimated projected benefit obligation and plan assets at the end of the fiscal year.

Actuarial losses (gains) are recognized as incurred at the end of the fiscal year.

Prior service cost is amortized on a straight-line basis over the average remaining service periods of employees at the time of occurrence.

(3) Reserve for point loyalty programs

The costs of awards under the point loyalty programs called DoCoMo Point Service and DoCoMo Premium Club that are reasonably estimated to be redeemed by the customers in the future based on historical data are accounted for as reserve for point loyalty programs.

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(4) Provision for loss on PHS business

In order to provide for the loss resulting from PHS business, the Company reserves necessary provision for the estimated future loss.

4. Foreign currency translation

Foreign currency monetary assets and liabilities are translated into Japanese yen at the current spot rate at the end of the semi-annual period and the resulting translation gains or losses are included in net income.

5. Leases

Finance leases other than those deemed to transfer ownership of properties to lessees are not capitalized and are accounted for in a similar manner as operating leases.

6. Hedge accounting

(1) Hedge accounting

Japanese GAAP provides for two general accounting methods for hedging financial instruments. One method is to recognize the changes in fair value of a hedging instrument in net income in the period of the change as gain or loss together with the offsetting loss or gain on the hedged item attributable to the risk being hedged. The other method is to defer the gain or loss over the period of the hedging contract together with offsetting loss or gain deferral of the hedged items. The Company has adopted the latter accounting method.

However, when an interest rate swap contract meets certain conditions, the net amount to be paid or received under the contract is added to or deducted from the interest on the hedged items.

In addition, when any of foreign currency swap contracts meet certain conditions, they are accounted for in the following manner:

- (a) The difference between the Japanese yen nominal amounts of the foreign currency swap contract translated using the spot rate at the transaction date of the hedged item and the spot rate at the date of inception of the contract, if any, is recognized in the non-consolidated statement of income in the period which includes the inception date of the contract; and
- (b) The discount or premium on the contract (for instance, the difference between the Japanese yen amounts of the contract translated using the contracted forward rate and the spot rate at the date of inception of the contract) is recognized over the term of the contract.

(2) Hedging instruments and hedged items

Hedging instruments:

Interest rate swap contracts
Foreign currency swap contracts

Hedged items:

Corporatebonds
Bonds in foreign currency

(3) Hedging policy

The Company uses financial instruments to hedge risks such as market fluctuation risks in accordance with its internal policies and procedures.

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(4) Assessment method of hedge effectiveness

The Company periodically evaluates hedge effectiveness by comparing cumulative changes in cash flows from hedged items or changes in fair value of hedged items, and the corresponding changes in the hedging instruments. However, the Company automatically assumes that the hedge will be highly effective at achieving offsetting changes in cash flows or in fair value for any transaction where important terms and conditions are identical between hedging instruments and hedged items.

7. Consumption tax

Consumption tax is separately accounted for by excluding it from each transaction amount.

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Change in Accounting Policy

(Accounting standard for directors' bonus)

Effective from the six months ended September 30, 2006, the Company adopted Accounting Standard for Directors' Bonus (Accounting Standards Board of Japan (ASBJ) Statement No.4 issued by the ASBJ on November 29, 2005).

The adoption of this standard had no impact on the Company's results of operations for the six months ended September 30, 2006.

(Accounting standard for presentation of net assets in the balance sheet)

Effective from the six months ended September 30, 2006, the Company adopted Accounting Standard for Presentations of Net Assets in the Balance Sheet (ASBJ Statement No.5 issued by the ASBJ on December 9, 2005) and Guidance on Accounting Standard for Presentation of Net Assets in the Balance Sheet (ASBJ Guidance No.8 issued by the ASBJ on December 9, 2005).

The amount of what is previously presented as Shareholders' Equity was ¥2,548,597 million as of September 30, 2006.

Due to the amendment of the Interim Financial Statements Regulations, the Company prepares the presentation of net assets in the balance sheet as of September 30, 2006, based on the amended Interim Financial Statements Regulations.

(Accounting standard for treasury shares and appropriation of legal reserve)

Effective from the six months ended September 30, 2006, the Company adopted revised Accounting Standard for Treasury Shares and Appropriation of Legal Reserve (ASBJ revised Statement No.1 issued by the ASBJ on August 11, 2006) and Guidance on Accounting Standard for Treasury Shares and Appropriation of Legal Reserve (ASBJ revised Guidance No.2 issued by the ASBJ on August 11, 2006).

Additional Information

The Company had recorded a reserve for its directors' and corporate auditors' retirement benefits as of the end of the fiscal year based on our internal regulations. However, it was approved in the shareholders' meeting held on June 20, 2006 to abolish the retirement benefits payment system and to award the accumulated retirement benefits to qualified directors and corporate auditors. The Company reversed the remaining balance of the reserve for the directors' and corporate auditors' retirement benefits and classified the unpaid portion of accumulated retirement benefits as other long-term liabilities.

Table of Contents**Notes to Non-consolidated Balance Sheets:**

1. Non-current assets for telecommunication businesses include those used in supplementary businesses, because these amounts are not significant.
2. Accumulated depreciation of property, plant and equipment

	September 30, 2006	Millions of yen September 30, 2005	March 31, 2006
Accumulated depreciation	1,689,120	1,527,151	1,603,315

3. Due to the effect of a bank holiday which fell on the end of this semi-annual period, a portion of cash transfer to and among the Company and its eight regional subsidiaries, as well as settlement of access charges between the Company and other network operators, was processed on October 2, 2006. As a result, accounts receivable (trade) decreased by ¥111,806 million, accounts payable (trade) increased by ¥21,587 million, deposits received decreased by ¥121,081 million, and cash and bank deposits decreased by 211,300 million as of September 30, 2006.
4. Accounts payable, other, as of September 30, 2006, and September 30, 2005 includes consumption tax payable, net, of ¥7,698 million and ¥6,339 million, respectively.
5. Guarantee
The Company provides a counter indemnity of a performance guarantee up to HK\$24,099 thousand (¥364 million) guaranteeing performance by Hutchison Telephone Company Limited, an affiliate of the Company, with respect to certain contracts or obligations owed to its governmental authorities in relation to its business. The Company had HK\$308 thousand (¥4 million), HK\$919 thousand and HK\$488 thousand indemnity outstanding as of September 30, 2006 and 2005, and March 31, 2006, respectively.

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Notes to Non-consolidated Statements of Income:

1. Depreciation and amortization expense included in operating expenses:

	Six months ended	Millions of yen Six months ended	Year ended
	September 30, 2006	September 30, 2005	March 31, 2006
Property, plant and equipment	102,975	108,665	239,334
Intangible assets	86,212	76,667	166,473

2. Major components of non-operating revenues:

	Six months ended	Millions of yen Six months ended	Year ended
	September 30, 2006	September 30, 2005	March 31, 2006
Dividends received	249,593	120,731	156,431
Interest income	*	3,260	4,265

* The amount of interest income during six months ended September 30, 2006 was immaterial.

3. Major components of non-operating expenses:

	Six months ended	Millions of yen Six months ended	Year ended
	September 30, 2006	September 30, 2005	March 31, 2006
Loss on write-off of inventories	6,928	*	22,418
Interest expenses (including bond interest)	2,816	4,008	7,792

* The amount of loss on write-off of inventory during six months ended September 30, 2005 was immaterial.

4. Income taxes

Current and deferred income taxes for this semi-annual period were calculated considering addition and reversal of accelerated depreciation reserve which are expected to implement at the end of the fiscal year ending March 31, 2007.

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Notes to Non-consolidated Statement of Changes in Net Assets:

The class and number of the treasury stock (six months ended September 30, 2006)

Class of treasury stock	Common stock
Number of shares as of March 31, 2006	2,335,772 shares
Number of shares increased during the six months ended September 30, 2006	517,484 shares
Number of shares decreased during the six months ended September 30, 2006	
Number of shares as of September 30, 2006	2,853,257 shares

-

Note: Increase in the number of shares was due to share repurchase in the market and repurchase of fractional shares. Less than one unit shares are rounded off.

Marketable Securities:

For the six months ended September 30, 2006 and 2005, and for the year ended March 31, 2006, there were no subsidiaries and affiliates shares directly owned by the Company that had readily determinable fair value.

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(APPENDIX 1)

Operation Data for First Six Months of FY2006

		[Ref.]		[Ref.]		[Ref.]
		Fiscal 2005	Fiscal 2006	First Quarter	Second Quarter	Fiscal 2006
		(Ended Mar. 31, 2006)	First Six Months	(Apr.-Jun.2006)	(Jul.-Sep.2006)	(Ending Mar. 31, 2007)
		Full-year results	Results	Results	Results	Full-year forecast
						[Revised]
Cellular						
Subscribers	thousands	51,144	52,103	51,672	52,103	53,000
FOMA	thousands	23,463	29,098	26,217	29,098	34,800
mova	thousands	27,680	23,004	25,456	23,004	18,200
Market share ⁽¹⁾⁽²⁾	%	55.7	55.5	55.6	55.5	
Net increase from previous period ⁽²⁾	thousands	2,319	959	529	431	1,856
FOMA ⁽²⁾	thousands	11,963	5,635	2,753	2,882	11,337
mova ⁽²⁾	thousands	-9,644	-4,676	-2,225	-2,451	-9,480
Aggregate ARPU (FOMA+mova) ⁽³⁾	yen/month/contract	6,910	6,810	6,900	6,720	6,670
Voice ARPU ⁽⁴⁾	yen/month/contract	5,030	4,830	4,930	4,740	4,700
Packet ARPU	yen/month/contract	1,880	1,980	1,970	1,980	1,970
i-mode ARPU	yen/month/contract	1,870	1,960	1,950	1,960	1,950
ARPU generated purely from i-mode (FOMA+mova) ⁽³⁾	yen/month/contract	2,040	2,130	2,120	2,140	2,120
Aggregate ARPU (FOMA) ⁽³⁾	yen/month/contract	8,700	8,130	8,300	7,970	7,810
Voice ARPU ⁽⁴⁾	yen/month/contract	5,680	5,290	5,420	5,180	5,080
Packet ARPU	yen/month/contract	3,020	2,840	2,880	2,790	2,730
i-mode ARPU	yen/month/contract	2,980	2,800	2,840	2,760	2,690
ARPU generated purely from i-mode (FOMA) ⁽³⁾	yen/month/contract	3,040	2,870	2,910	2,840	2,770
Aggregate ARPU (mova) ⁽³⁾	yen/month/contract	5,970	5,400	5,540	5,240	5,200
Voice ARPU ⁽⁴⁾	yen/month/contract	4,680	4,340	4,460	4,220	4,220
i-mode ARPU	yen/month/contract	1,290	1,060	1,080	1,020	980
ARPU generated purely from i-mode (mova) ⁽³⁾	yen/month/contract	1,460	1,230	1,260	1,190	1,150
MOU (FOMA+mova) ⁽³⁾⁽⁵⁾	minute/month/contract	149	145	145	146	
MOU (FOMA) ⁽³⁾⁽⁵⁾	minute/month/contract	202	181	181	180	
MOU (mova) ⁽³⁾⁽⁵⁾	minute/month/contract	122	108	110	106	
Churn Rate ⁽²⁾	%	0.77	0.62	0.64	0.60	
i-mode						

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Subscribers	thousands	46,360	47,186	46,823	47,186	47,900
FOMA	thousands	22,914	28,199	25,511	28,199	
i-appli TM						
compatible ⁽⁶⁾	thousands	36,058	38,540	37,314	38,540	
i-mode						
Subscription Rate						
⁽²⁾	%	90.6	90.6	90.6	90.6	90.4
Net increase from						
previous period	thousands	2,339	827	463	364	1,540
i-Menu Sites						
(FOMA) ⁽⁷⁾	sites	6,028	7,271	6,590	7,271	
i-Menu Sites						
(mova) ⁽⁷⁾	sites	5,043	5,340	5,158	5,340	
Access Percentage						
by Content						
Category						
Ringing						
tone/Screen	%	21	14	15	12	
Game/Horoscope	%	24	22	23	21	
Entertainment						
Information	%	27	33	31	34	
Information	%	12	14	14	15	
Database	%	5	6	6	7	
Transaction	%	11	11	11	11	
Percentage of						
Packets						
Transmitted						
Web	%	96	97	97	97	
Mail	%	4	3	3	3	
PHS						
Subscribers	thousands	771	606	679	606	390
Market Share ⁽¹⁾	%	16.4	12.4	14.2	12.4	
Net increase from						
previous period	thousands	-543	-165	-92	-74	-381
ARPU ⁽⁴⁾	yen/month/contract	3,280	3,130	3,170	3,080	
MOU ^{(5) (8)}	minute/month/contract	72	61	62	58	
Data transmission						
rate (time) ⁽⁸⁾⁽⁹⁾	%	76.2	76.9	76.7	77.2	
Churn Rate	%	4.64	4.08	4.28	3.85	
Others						
Prepaid						
Subscribers ⁽¹⁰⁾	thousands	53	47	49	47	
Communication						
Module Service						
Subscribers ⁽¹⁰⁾	thousands	665	799	733	799	990
FOMA Ubiquitous						
plan ⁽¹¹⁾	thousands	1	82	40	82	
DoPa Single						
Service ⁽¹²⁾	thousands	665	717	693	717	

* International service-related revenues have been included in the ARPU data calculation from the fiscal year ended March 31, 2006, due to its growing contribution to total revenues.

[Notes associated with the above-mentioned change]

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International service-related ARPU included in the results for FY2005 and the full-year forecasts and the first quarter, the second quarter and the first six months results of FY2006 are as below:

	FY2005	FY2006	First Quarter	Second Quarter	FY2006
	(Ended Mar. 31, 2006)	First Six Months	(Apr.-Jun. 2006)	(Jul.-Sep. 2006)	(Ending Mar. 31, 2007)
	Full-year results	Results	Results	Results	Full-year forecasts
					[Revised]
Aggregate ARPU (FOMA+mova)	40 yen	50 yen	50 yen	50 yen	60 yen
Aggregate ARPU (FOMA)	70 yen	70 yen	70 yen	80 yen	80 yen
Aggregate ARPU (mova)	30 yen	20 yen	20 yen	20 yen	20 yen

* Please refer to the attached sheet (P.41) for an explanation of the methods used to calculate ARPU, and the number of active subscribers used in calculating ARPU, MOU and Churn Rate.

- (1) Source for other cellular telecommunications operators: Data announced by Telecommunications Carriers Association
- (2) Data are calculated including Communication Module Service subscribers.
- (3) Data are calculated excluding Communication Module Services-related revenues and Communication Module Services subscribers.
- (4) Inclusive of circuit-switched data communications
- (5) MOU (Minutes of Usage): Average communication time per one month per one user
- (6) Sum of FOMA handsets and mova handsets
- (7) The number of i-menu Sites charged per view are added to the existing number of i-menu Sites charged with fixed monthly fee.
- (8) Not inclusive of data communication time via @FreeD service
- (9) Percentage of data traffic to total outbound call time
- (10) Included in total cellular subscribers
- (11) Included in FOMA subscribers
- (12) Included in mova subscribers

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(APPENDIX 2)

ARPU Calculation Methods

I. ARPU (Average monthly Revenue Per Unit)*¹

i) ARPU (FOMA + mova)

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

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

i-mode ARPU (FOMA+mova) ^{*2} : i-mode ARPU (FOMA+mova) Related Revenues (monthly charges, packet transmission charges) / No. of active cellular phone subscribers (FOMA+mova)

ARPU generated purely from i-mode (FOMA+mova) ^{*3} : i-mode ARPU (FOMA+mova) Related Revenues (monthly charges, packet transmission charges) / No. of active i-mode subscribers (FOMA+mova)

ii) ARPU (FOMA)

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 ^{*2} (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) ^{*3} : i-mode ARPU (FOMA) Related Revenues (monthly charges, packet transmission charges) / No. of active i-mode subscribers (FOMA)

iii) ARPU (mova)

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

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

i-mode ARPU (mova) ^{*2} : i-mode ARPU (mova) Related Revenues (monthly charges, packet transmission charges) / No. of active cellular phone subscribers (mova)

ARPU generated purely from i-mode (mova) ^{*3} : i-mode ARPU (mova) Related Revenues (monthly charges, packet transmission charges) / No. of active i-mode subscribers (mova)

iv) **ARPU (PHS)**

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

2. Active Subscribers Calculation Methods

No. of active subscribers used in ARPU/MOU/Churn Rate calculations are sum of No. of active subscribers^{*4} for each month.

- *1 Communication Module service subscribers and the revenues thereof are not included in the ARPU and MOU calculations.
- *2 The denominator used in calculating i-mode ARPU (FOMA+mova, FOMA, mova) is the aggregate number of cellular subscribers to each service (FOMA+mova, FOMA, mova, respectively), regardless of whether i-mode service is activated or not.
- *3 ARPU generated purely from i-mode (FOMA+mova, FOMA, mova) is calculated using only the number of active i-mode subscribers as a denominator.
- *4 active subscribers = (No. of subscribers at the end of previous month + No. of subscribers at the end of current month) / 2

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(APPENDIX 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, 2007 (forecasts) are provided to the extent available without unreasonable efforts.

1. EBITDA and EBITDA margin

	Billions of yen			
	Year ending March 31, 2007 (Forecasts)	Year ended March 31, 2006	Six months ended September 30, 2006	Six months ended September 30, 2005
a. EBITDA	¥ 1,601.0	¥ 1,606.8	¥ 878.8	¥ 905.5
Depreciation and amortization	(746.0)	(738.1)	(347.7)	(339.5)
Losses on sale or disposal of property, plant and equipment	(45.0)	(36.0)	(14.2)	(7.6)
Operating income	810.0	832.6	516.9	558.4
Other income (expense)	5.0	119.7	3.4	74.7
Income taxes	(327.0)	(341.4)	(210.5)	(246.7)
Equity in net income (losses) of affiliates		(0.4)	0.1	(1.1)
Minority interests in earnings of consolidated subsidiaries		(0.1)	(0.0)	0.0
b. Net income	488.0	610.5	309.8	385.3
c. Total operating revenues	4,799.0	4,765.9	2,383.4	2,373.5
EBITDA margin (=a/c)	33.4%	33.7%	36.9%	38.2%
Net income margin (=b/c)	10.2%	12.8%	13.0%	16.2%

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

2. ROCE after tax effect

	Billions of yen			
	Year ending March 31, 2007 (Forecasts)	Year ended March 31, 2006	Six months ended September 30, 2006	Six months ended September 30, 2005
a. Operating income	¥ 810.0	¥ 832.6	¥ 516.9	¥ 558.4
b. Operating income after tax effect {=a*(1-effective tax rate)} (effective tax rate:40.9%)	478.7	492.1	305.5	330.0
c. Capital employed	4,857.7	4,850.4	4,837.5	4,868.2

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ROCE before tax effect (=a/c)	16.7%	17.2%	10.7%	11.5%
ROCE after tax effect (=b/c)	9.9%	10.1%	6.3%	6.8%

Note: Capital employed = Two period ends average of (Shareholders' equity + Interest bearing liabilities)

Interest bearing liabilities = Current portion of long-term debt + short-term borrowings + Long-term debt

3. Free cash flows excluding irregular factors and changes in investments for cash management purpose

	Billions of yen			
	Year ending March 31, 2007 (Forecasts)	Year ended March 31, 2006	Six months ended September 30, 2006	Six months ended September 30, 2005
Free cash flows excluding irregular factors and changes in investments for cash management purpose	¥ 290.0	¥ 510.9	¥ (48.4)	¥ 360.2
Irregular factors (1)	(220.0)		(222.0)	
Changes of investments for cash management purpose (2)		149.0	(0.7)	(100.0)
Free cash flows	70.0	659.9	(271.1)	260.2
Net cash used in investing activities	(943.0)	(951.1)	(530.1)	(598.7)
Net cash provided by operating activities	1,013.0	1,610.9	259.0	858.9

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

(2) Changes in investments for cash management purpose were derived from purchases, redemption at maturity and disposals of financial instruments held for cash management purpose with original maturities of longer than three months. Net cash used in investing activities for the six months ended September 30, 2006 and 2005 and the year ended March 31, 2006 includes changes in investments for cash management purpose. However, the effect of changes in investments for cash management purpose is not taken into account when we forecasted net cash used in investing activities for the year ending March 31, 2007 due to the difficulties in forecasting such effect.

4. Market equity ratio

	Billions of yen			
	Year ending March 31, 2007 (Forecasts)	Year ended March 31, 2006	Six months ended September 30, 2006	Six months ended September 30, 2005
a. Shareholders' equity		¥ 4,052.0	¥ 4,176.1	¥ 3,948.2
b. Market value of total share capital		8,144.9	8,519.4	9,837.4
c. Total assets		6,365.3	6,050.3	6,120.3
Equity ratio (=a/c)		63.7%	69.0%	64.5%
Market equity ratio (=b/c)		128.0%	140.8%	160.7%

Note: Market equity ratio is not forecasted because it is difficult to estimate the market value of total share capital in the future.

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(APPENDIX 4)

Summary of the Company and Regional Subsidiaries (Japanese GAAP)

	Billions of yen			
	Operating revenues	Operating income	Recurring profit	Net income
NTT DoCoMo Hokkaido, Inc.	¥ 111.1	¥ 15.4	¥ 15.6	¥ 9.3
NTT DoCoMo Tohoku, Inc.	174.2	31.9	32.1	19.1
NTT DoCoMo, Inc.	1,274.9	248.1	489.2	403.7
NTT DoCoMo Tokai, Inc.	302.4	50.1	50.7	30.1
NTT DoCoMo Hokuriku, Inc.	58.5	10.1	10.3	6.1
NTT DoCoMo Kansai, Inc.	439.5	71.8	71.8	42.5
NTT DoCoMo Chugoku, Inc.	152.3	27.8	27.7	16.4
NTT DoCoMo Shikoku, Inc.	85.2	16.3	16.6	9.8
NTT DoCoMo Kyushu, Inc.	305.0	52.4	52.3	31.0

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NTT DoCoMo, Inc.
Results for the First Six Months of the Fiscal Year
Ending Mar. 31, 2007
Oct. 27, 2006
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1

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The

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Section

27A

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Securities

Act

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1933

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Section

21E

of

the

U.S.

Securities

Act

of

1934.

Statements

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DoCoMo's

plans,

objectives,
projected
financials,
operational
figures,
beliefs
and
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statements
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are
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historical
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about
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future
performance
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DoCoMo
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expectations,
assumptions,
estimates,
projections
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services,
financial
and
operational
forecasts,
dividend
payments,
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growth
of
the
Japanese
cellular
market
and
the
ubiquitous
services
market,
the
growth
of
data
usage,
the
growth
of
DoCoMo's
cellular
phone
business,
the
migration
of
users
to
DoCoMo's
3G

services
and
associated
improvements
in
3G
services,
improvements
in
3G
and
2G
coverage
area,
the
potential
growth
in
the
Japanese
credit
card
business
and
DoCoMo's
credit
business,
and
managements
goals
are
subject
to
various
risks
and
uncertainties
that
could
cause
actual
results
to
be
materially
different
from
and
worse
than

as
described
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the
forward-looking
statements.
Potential
risks
and
uncertainties
include,
without
limitation,
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competition
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market
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become
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fierce
due
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entrants,
competition
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other
cellular
service
providers
or

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technologies
could
limit
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acquisition
of
new
subscribers,
retention
of
existing
subscribers
and
average
revenue
per
unit
(ARPU),
or
may
lead
to
an
increase
in
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costs
and
expenses;
the
new
services
and
usage
patterns
introduced
by
our
corporate
group
may
not
develop
as
planned,
which
could
limit
our

growth;
the
introduction
or
change
of
various
laws
or
regulations
or
the
application
of
such
laws
and
regulations
to
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corporate
group
may
adversely
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our
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amount
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spectrum
or
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affect
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ability

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maintain
and
improve
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service
quality
and
level
of
customer
satisfaction;
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W-CDMA
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3G
system
and/or
mobile
multimedia
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which
could
limit
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to
our
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and
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investments,
alliances
and
collaborations
may
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produce
the
returns
or
provide
the
opportunities
we
expect;
as
electronic
payment
capability
and
many
other
new
features
are
built
into
our
cellular
phones,
and
services
of
parties
other
than
those
belonging
to
our
corporate
group
are
provided
through
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cellular
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potential
problems

resulting
from
malfunctions,
defects,
or
missing
of
handsets
or
imperfection
of
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other
parties
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adverse
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on
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financial
condition
and
results
of
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social
problems
that
could
be
caused
by
misuse
or
misunderstanding
of
our
products
and
services
may
adversely

affect
our
credibility
or
corporate
image;
inadequate
handling
of
subscriber
information
by
our
corporate
group
or
contractors
may
adversely
affect
our
credibility
or
corporate
image;
owners
of
intellectual
property
rights
that
are
essential
for
our
business
execution
may
not
grant
us
the
right
to
license
or
otherwise
use
such
intellectual

property
rights
on
acceptable
terms
or
at
all,
which
may
limit
our
ability
to
offer
certain
technologies,
products
and/or
services,
and
we
may
also
be
held
liable
for
damage
compensation
if
we
infringe
the
intellectual
property
rights
of
others;
earthquakes,
power
shortages,
malfunctioning
of
equipment,
and
software
bugs,
computer
viruses,

cyber
attacks,
hacking,
unauthorized
access
and
other
problems
could
cause
system
failures
in
the
networks
required
for
the
provision
of
service,
disrupting
our
ability
to
offer
services
to
our
subscribers
and
may
adversely
affect
our
credibility
or
corporate
image;
concerns
about
wireless
telecommunications
health
risks
may
adversely
affect
our
financial

condition
and
results
of
operations;
our
parent,
NTT,
could
exercise
influence
that
may
not
be
in
the
interests
of
our
other
shareholders.

Further
information
about
the
factors
that
could
affect
the
company's
results
is
included
in

Item
3.D:
Risk
Factors
of
its
annual
report
on
Form
20-F
filed
with
the

U.S.
Securities
and
Exchange
Commission
on
June
27,
2006,
which
is
available
in
the
investor
relations
section
of
the
company's
web
page
at
www.nttdocomo.com
and
also
at
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SEC's
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www.sec.gov.
Forward-Looking Statements

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FY2006 First Half Results Highlights

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FY2006 1H Financial Results

US GAAP

Consolidated

financial

statements

in

this

document
are
unaudited.
Adjusted
free
cash
flows
exclude
the
effects
of
uncollected
revenues
due
to
bank
holidays
at
the
end
of
the
fiscal
year,
and
changes
in
investment
for
cash
management
purposes
with
original
maturities
of
longer
than
three
months.
*
For
an
explanation
of
the
calculation
process
of
these

numbers,
see
the
reconciliations
to
the
most
directly
comparable
financial
measures
calculated
and
presented
in
accordance
with
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and
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IR
page
of
our
web
site,
www.nttdocomo.co.jp
-
33.4
-1.3
36.9
38.2
EBITDA
Margin*
(%)
-
290
-408.6
-48.4
360.2
Adjusted Free Cash Flow*
(Billions of yen)
50.6%
4,174
26.8
2,112.4
2,085.6

Cellular Services Revenues
 (Billions of yen)
 Progress to
 forecast
 (2)/(3)
 2007/3
 (Full-year forecast)
 (3)
 Revised
 Changes
 (1)
 (2)
 2006/4-9
 (1H)
 2005/4-9
 (1H) (1)
 1,601
 488
 815
 810
 4,799
 63.8%
 -112.8
 520.3
 633.1
 Income before Income Taxes
 (Billions of yen)
 63.8%
 -41.5
 516.9
 558.4
 Operating Income
 (Billions of yen)
 49.7%
 9.9
 2,383.4
 2,373.5
 Operating revenues
 (Billions of yen)
 54.9%
 -26.7
 878.8
 905.5
 EBITDA*
 (Billions of yen)
 63.5%
 -75.5
 309.8
 385.3
 Net Income

(Billions of yen)

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RESULTS FOR 1H OF FY2006

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FY2006 1H Financial Results Highlights

Operating Income: 516.9 billion yen

(Down 41.5 billion year-on-year)

(Progress to full-year forecast: 63.8%)

Operating Revenues: Up 9.9 billion yen year-on-year

Cellular services revenues grew by 26.8 billion yen

(Inclusive of the impact of including in revenues the portion of Nikagetsu

Kurikoshi

(2-month carry over) allowances that are projected to expire)

Operating Expenses: Up 51.4 billion yen year-on-year

Cost of equipment sold rose 40.8 billion yen, due to the growth in the percentage of FOMA handsets to total handsets sold.

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RESULTS FOR 1H OF FY2006

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5

5

/34

-40

-20

0

20
40
60
80
04/4
5
6
7
8
9
10
11
12
05/1
2
3
05/4
5
6
7
8
9
10
11
12
06/1
2
3
06/4
5
6
7
8
9

Monthly Market Share of Net Additions

SoftBank

SoftBank

KDDI(au+TU-KA)

(%)

DoCoMo s

market share of net additions in FY2006/1H: 47.5%

FY2006/1H 47.5%

FY2004

Full year net adds share: 48.7%

Full year net adds share: 48.4%

Source

of

data

used

in

calculation:
Telecommunications
Carriers
Association
(TCA)
FY2005
FY2006

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RESULTS FOR 1H OF FY2006

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6

/34

0.40

0.50

0.60
0.70
0.80
0.90
1.00
1.10
1.20
04/4-6(1Q)
7-9(2Q)
10-12(3Q)
05/1-3(4Q)
05/4-6(1Q)
7-9(2Q)
10-12(3Q)
06/1-3(4Q)
06/4-6(1Q)
7-9(2Q)

Successful Reduction of Churn Rate

Inclusive

of

Communication

Module

Service

subscribers

(%)

Successfully maintained churn rate at a record low level of 0.60%

in FY2006/2Q

Full year churn rate: 1.01%

Full year churn rate: 0.77%

FY2004

FY2005

FY2006

-0.21

points

0.81%

0.60%

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RESULTS FOR 1H OF FY2006

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7

/34

0

1,000

2,000

3,000

4,000

5,000

6,000

04/9

04/12

05/3

05/6

05/9

05/12

06/3

06/6

06/9

Subscriber Migration to FOMA

5,210

5,300

Inclusive of Communication Module Service subscribers

1,677

(33.6%)

649

(13.7%)

2,910

(55.8%)

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

movia

FOMA subs.

projected

to reach

2/3 of total

(10,000 subscribers)

Total FOMA subs as of Sept. 30, 2006: 29.1 million (55.8% of total)

Growing FOMA subs continues to boost data ARPU

07/3

(Forecast)

3,480

(65.7%)

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8
/34
Cellular
(FOMA+mova)
MOU

(%)

(Minutes)

MOU for FY2006/2Q was 146

minutes

(Down -3.9%

year-on-year)

For an explanation of MOU, see Slide 33

of this document, Definition and Calculation Methods of MOU and ARPU .

0

20

40

60

80

100

120

140

160

180

200

-20.0

-15.0

-10.0

-5.0

0.0

5.0

10.0

15.0

20.0

MOU (Left axis)

152

155

153

145

149

152

151

146

145

146

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

-6.2

-3.7

-4.4

-5.8

-2.0

-1.9

-1.3

0.7

-2.7

-3.9

04/4-
6(1Q)
04/7-
9(2Q)
04/10-
12(3Q)
05/1-
3(4Q)
05/4-
6(1Q)
05/7-
9(2Q)
05/10-
12(3Q)
06/1-
3(4Q)
06/4-
6(1Q)
06/7-
9(2Q)

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RESULTS FOR 1H OF FY2006
SLIDE No.
9
9
/34
Cellular

(FOMA+mova)

ARPU

YOY

changes

in

aggregate

ARPU

(Excluding

the

impact

of

incurring

revenues

the

portion

of

Nikagetstu

Kurikoshi

allowances

that

are

projected

to

expire)

ARPU

for

FY2006/2Q

was

6,720

yen

(Down

4.7%

year-on-year)

International service-related revenues, which had not been included in previous reports, have been included in the ARPU data view of their growing contribution to total revenues.

For

an

explanation

of

ARPU,

see

Slide

33

of

this

document,

Definition

and

Calculation

Methods
of
MOU
and
ARPU .

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Expanded FOMA coverage to a level
superior to movas

FOMA base stations added in
FY2006/1H

Outdoor: +5,300 BSs
Indoor: +1,700 systems
Network
Network
902iS Series: 8 models
702iS Series: 7 models
SIMPURE
Series: 2 models
Concept Models: 2 models
Handsets
Handsets
Actions Implemented in FY2006/1H
Growing acceptance of various billing
Growing acceptance of various billing
plans
plans
pake-houdai: 7.82
mil subs (subscription rate 27%)
Family discount: subscription rate 70%
Ichinen
discount*: subscription rate 87%
*Inclusive
of
New
Ichinen
discount
Launched DCMX
credit service
Expanded uptake of i-channel
service
Significantly reinforced music-related
services
Launched i-mode search
service
(Oct. 5, 06)
Released 19 new FOMA models to enrich
Released 19 new FOMA models to enrich
product lineup
product lineup
Services
Services
Billing Plans
Billing Plans

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FY2006 Business Outlook and Planned Actions

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Operating revenues

:

4,799

billion yen

(Down 39 billion from initial guidance)

Revised equipment sales revenues in view of reduction in the number of handsets sold

(Down 33 billion yen)

Operating expenses

:

3,989 billion yen

(Down 39 billion from initial guidance)

Revised revenue-linked expenses due to reduction in no. of handsets sold

(Down 23 billion yen)

Cut

communication

network

charges

by

improving

the

efficiency

of

circuit

utilization

and

other

non-personnel

expenses

(Down

16

billion

yen)

FY2006 Results Forecasts (Revised)

US GAAP

-2

4,174

4,176

Cellular services revenues

(Billions of yen)

Changes

(1)

(2)

2007/3

(Full year)

Revised

(2)

2007/3

(Full year)

Initial forecast **(1)**

(Announced Apr. 28, 2006)

±0

810

810

Operating Income
(Billions of yen)
-39
4,799
4,838
Operating Revenues
(Billions of yen)
Highlights of Revisions

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903i Series

903i Series

(F903i)

(D903i)
(N903i)
(P903i)
(SH903i)
(SO903i)
Entertainment
Entertainment
Gear
Gear
Life
Life
Kit
Kit
Communication Tool
Communication Tool
All 903i models are compatible with
Chaku-Uta
Full ®
Napster -enabled (5 models)
(D903i/F903i/SH903i/D903iTV/F903iX HIGH-SPEED)
Music
Game
Strengthen
Core
Business
Even
Further
(1)
Products
-1-

Flagship 903i series, the premium , featuring wide array of full-spec capabilities
To offer the most entertaining, useful and enjoyable handset series

Chip capacity expanded by 3-fold
compared to former models

Keitai-Osagashi
handset
search service
Osaiifu
Keitai
e-wallet
Security
GPS/Navigation

Increased 3G roaming enabled
models (+6
models)

Over 240 Deco-Mail icons
preinstalled

Up to 2MB data attachable

Kisekae
Tool , Machi-chara
International Services
Mail
New Contents
Powerful Mega Games ,
with expanded program
size of up to 1MB

Navigation apps preinstalled in
all models

*

Chaku-Uta

Full ®

is

a registered trademark of Sony Computer Entertainment, Inc.

* Napster

is a trademark of Napster, LLC in the United States and other countries.

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System, Inc. ©BANDAI NETWORKS

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Added

more

variety
to
handset
lineup,
e.g.
HSDPA
and
one-segment
broadcast
phones

Plan
to
release
over
20
new
models
in
FY2006/2H,
to
offer
the
widest
variety
of
handsets
in
our
history
HSDPA
(P903iX
HIGH-SPEED)
(F903iX
HIGH-SPEED)
OTHERS
OTHERS
(D903iTV)
(P903iTV)
(SH903iTV)
(SIMPURE L¹)
(SIMPURE N¹)
(M702iG)
One-segment TV phone
Int 1 roaming-enabled
Lightest FOMA
model
Int 1 roaming-enabled
Japan's slimmest
TV phone

19.8mm

Longest playback

hours in Japan

5-hour continuous viewing

Most powerful TV phone lineup

comprising models featuring Japan's slimmest,

longest playback hours, and largest screen size

The most powerful handset incorporating

state-of-the-art technologies

Full-spec music phone

Multi-rich contents phone

Windows Media Video-enabled

Large capacity i-motion (10MB)

2 Music Channel podcasts

programmable for

automatic downloading

Strengthen Core Business Even Further (1)

Products -2-

Japan's largest

3.0-inch wide LCD

(As of Oct. 12, 2006:

DoCoMo

survey)

Built-in music player

compatible with Windows

Media®

Audio

*

Windows

Media®

is

a

registered

trademark

of

Microsoft

Corporation

in

the

United

States

and

other

countries.

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RESULTS FOR 1H OF FY2006

SLIDE No.

15

15

/34

Uptake of Chaku-Uta Full[®] , Music Channel services have grown favorably

Aim to create a new music environment with Napster[™] , which offers unlimited access to music for a flat rate

Strengthen Core Business Even Further (1) Services -1-

Usage rate*: **Approx. 40%**

Average downloads:

4.4

songs/month

Chaku-Uta Full[®]

Music service usage

Music Services

Music Services

Music

Channel

*Usage rate: No. of users/No. of compatible handset subscribers

avex

UtaFull

mu-mo

©avexnetwork

inc.

(For Sept. 2006)

Over 1.5 million foreign and Japanese songs

Unlimited access for a flat monthly

rate of 1,980 yen (tax included)

More compatible models to be added in the future

[Compatible models:

F903i, D903i, SH903i, F902iS, D903iTV, F903iX HIGH-SPEED]

DoCoMo

phones allow users to carry music after transferring from PCs

*

Chaku-Uta FULL®

is a registered trademark of Sony Computer Entertainment, Inc.

* Napster™

is a trademark of Napster LLC in the United States and other countries.

Napster™

for unlimited access to music at flat-rate

No. of Music Channel

subs:

14,800

Subscription rate: **Approx. 30%**

* Subscription rate: No. of Music Channel subs/No. of compatible handset users

(As of Oct. 19, 2006)

(For Sept. 2006)

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RESULTS FOR 1H OF FY2006

SLIDE No.

16

16

/34

The newly launched i-mode search capability has contributed to boost usage

Further enriched safe and secure *Anshin*
services leveraging advanced security
techniques

P903i

Study to expand into new business domains

Study to expand into new business domains

linked with search function, e.g.,

linked with search function, e.g.,

advertisement, sale promotion, etc.

advertisement, sale promotion, etc.

D903i

D903iTV

Strengthen Core Business Even Further

(1)

Services -2-

Keitai Osagashi

handset search service

Supported by :

903i (6 models)

All GPS-enabled handsets

Enables to locate lost

handset from PC using GPS

Biometric

Biometric

authentication

authentication

Voice

Voice

authentication

authentication

Fingerprint

Fingerprint

authentication

authentication

Facial

Facial

authentication

authentication

9 models

Japanese

syllabary

order

Launched i-mode search (Oct. 5)

Advanced security features

Anshin

Anshin

Services

Services

Search Service

Search Service

ANSHIN KEY

F903

i

F903 i X HIGH-SPEED

N903i

P903i

SH903i

P903iX HIGH-SPEED

P903iTV

In addition to official site search, 13 other search sites are made available

Handset is automatically locked

when separated by a certain

distance from the ANSHIN KEY

carried by user

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RESULTS FOR 1H OF FY2006

SLIDE No.

17

17

/34

The
growth

of
pake-hodai
flat-rate
subscribers
accelerated
after
lifting
the
subscription
restrictions.
0
200
400
600
800
2005/3
2005/6
2005/9
2005/12
2006/3
2006/6
2006/9
As
of
Sept.
30,
2006
7.82
million
subscribers
(pake-houdai
subscription
rate:
27%)
(10,000 subscribers)
7.82
million
Lifted
pake-houdai
subscription
restrictions
from March 2006
Strengthen
Core
Business
Even
Further
(3)
Billing
Plans

+590,000
+610,000
+570,000
+1.14 mil
+1.33 mil
+950,000

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RESULTS FOR 1H OF FY2006

SLIDE No.

18

18

/34

Aim

to
create
a
network
that
is
most
connectible
and
at
higher
speeds .
Expand
FOMA
coverage
to
a
level
superior
to
movas.
HSDPA
coverage
to
be
expanded
to
major
cities
nationwide
from
Oct.
2006.
05/3
05/6
05/9
05/12
06/3
06/6
06/9
07/3(Forecast)
16,200
16,200
17,500
17,500
19,000
19,000
20,800
20,800
24,000

24,000
25,700
25,700
29,300
29,300
35,200
35,200
3,800
3,800
4,100
4,100
4,500
4,500
5,000
5,000
6,400
6,400
7,000
7,000
8,100
8,100
9,500
9,500
+11.0
Changes
(1)
(2)
916.0
905.0
CAPEX
(Billions of yen)
2007/3
(Full year)
Revised Forecast (2)
(Announced Oct. 27, 2006)
2007/3
(Full year)
Initial forecast
(1)
(Announced Apr. 28, 2006)
(Outdoor base stations)
(Indoor systems)
Strengthen
Core
Business
Even
Further
(4)
Network
No. of outdoor base stations and indoor

systems to increase to 1.5 times the number as of Mar. 31, 2006

Reflected
the
requests
gathered
in

We
value
your
comments
on
FOMA
quality
campaign
Meticulous
FOMA
coverage
construction

Completed
FOMA
roll-out
in
all
JR
stations,
universities
and
highway
parking
areas, etc.
nationwide
in

October
2006.

{FY2006/1H installations}

Indoor
: +1,700systems

Outdoor
: +5,300

BSs
400 more BSs
than initially planned
100 more systems than initially planned

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RESULTS FOR 1H OF FY2006

SLIDE No.

19

19

/34

DCMX

subscribers
topped
900,000.

User
base
of
Osaiifu

Keitai
e-wallet
(i-mode
FeliCa)
phones
exceeded
16
million.

Expanded
alliances
to
enlarge
mobile
credit
payment
market.

0
20
40
60
80
100
06/4
06/5
06/6
06/7
06/8
06/9

From
Nov.
1,
2006

Affiliated
cards,
e.g.,
SATY and VIVRE
cards, to be covered in future

From
Oct.

20,
2006

Payment
by
iD
is
now
possible
at Tokyo Dome Spa LaQua

User
base
of
Osaifu

Keitai
e-wallet
phones:

16
million
(As of Sept. 30, 2006)

Projected user count
as of Mar. 31, 2007

20
million
million

DCMX mini usage
DCMX mini usage

Used primarily in convenience stores &
Used primarily in convenience stores &

electronics mass retailers
electronics mass retailers

Market acceptance expanding from
Market acceptance expanding from

small amount payment
small amount payment

(10,000
subscribers)

DCMX
subscribers
(DCMX,DCMX
mini)

As of Oct. 22, 2006
Over 900,000

Alliances
to

promote
credit

business
Further expansion of mobile

credit market
Create New Revenue Sources (1) Credit Business -1-
UC Card started iD
service at merchants
AEON Credit Service to launch iD
Companies
providing
iD
service
(As
of
Sept.
30,
2006)
Sumitomo Mitsui Card and 42 JVA member
companies

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RESULTS FOR 1H OF FY2006

SLIDE No.

20

20

/34

Measures
aimed at accelerating the uptake of mobile credit service have

made
favorable progress
As of Sept. 30, 2006

:
Approx. 60,000
As of Mar. 31, 2007

:
Approx. 150,000 (planned)

[Ref]

No. of terminals decided to be installed: Approx. 350,000

Actions to proliferate mobile credit service

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

No. of iD

No. of iD

payment

payment

terminals installed

terminals installed

-

AEON

-

am/pm

-

Circle K Sunkus

-

DAIICHIKOSHO

-

TOWER

RECORDS

-

Checker Cab

(Checker Taxi)

* Names of companies are listed in Japanese alphabetical order

-

Tokyo Dome

Spa LaQua

-

Tokyo Radio Taxi Assn.

(Tokyo Musen

Taxi)

-

Coca-Cola (Japan)

-

Family

Mart

-

REINS

International

(Gyu-Kaku/ONYASAI/DOMA-DOMA, etc.)

-

LAWSON

Plan to start operating common

Plan to start operating common

infrastructure around Jan. 2007

infrastructure around Jan. 2007

Common terminal for Suica

Edy

QUICPay

and iD

Common payment terminal

Common payment terminal

Growth of merchants

Growth of merchants

Retail outlets supporting iD

to expand further

Note)

Above

lists

the

principal

companies/outlets

where

iD

payment

is

already

supported

or

planned

to

be

supported

in

the

future

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RESULTS FOR 1H OF FY2006

SLIDE No.

21

21

/34

Create New Revenue Sources (2) Boost Usage

Push information delivery service

*

i-channel
subscription
rate:
No.
of
i-channel
subscribers/
Total
users
of
compatible
handset
(10,000 subscribers)

Combined subscriber base of push information delivery service (i-channel +
Tokudane-News-bin
) topped 6 million, contributing to the increase of data ARPU

0
200
400
600
800
1,000
05/9
05/10
05/11
05/12
06/1
06/2
06/3
06/4
06/5
06/6
06/7
06/8
06/9
07/3
(E)
6.59
6.59
mil
mil
+1.8 mil
+1.5 mil
+1.3
mil
i-channel subscription rate
47%

(As of Sept. 30, 2006)
Tokudane-

News-bin

(FY2006/1H (estimate))

Revenue per user:

Approx. 380 yen/month

i-channel

revenue contribution

Renewal of basic channels

Renewal of basic channels

Renewed on Aug. 25, 2006

Enriched content and improved ease of use

+900,000

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RESULTS FOR 1H OF FY2006

SLIDE No.

22

22

/34

User base of roaming-enabled handsets topped 1 million.

International

roaming revenues grew sharply, by 57% year-on-year in FY2006/1H.

5.1

6.5

8.0

7.8

11.6

15.8

Create New Revenue Sources (3) International Services

% of own handset roamers*

User base of roaming-enabled handsets

International Services

Revenues

(Billions of yen)

FY2006

Int 1

Service

Revenues

(forecast)

:

36

billion yen

Increase of roaming-enabled models

{Mar./2007 (planned)

}

10

models

Over 20 models

(1,000 subs)

(%)

** %

of

own

handset

roamers:

No.

of

World

Wing

roaming

users

using

own

handset/

Total

roaming

users

Int 1 roaming revenues

Int'l dialing revenues
[Int'l roaming revenues]
+ 57%

year-on-year

[
Int'l services revenues

]

+

36%

year-on-year

FY2005/1H

Fy2006/1H

{As of Oct. 27, 2006}

0

200

400

600

800

1,000

1,200

05/4

5

6

7

8

9

10

11

12

06/1

2

3

06/4

5

6

7

8

9

10

20

30

40

50

No. of roaming-enabled handset users

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RESULTS FOR 1H OF FY2006

SLIDE No.

23

23

/34

Lower procurement costs by integrating communications capabilities/ applications into a single chip.

Strengthen price/service competitiveness even further through platform development

Cost Reduction

OS/Driver

Communication

control software

:

Scope of integration into

single-chip LSI

:

Scope of common platform

Procurement

cost reduction

Communication

system

chip

Applications

chip

<Single-Chip LSI>

<Common Platform Development>

Applications

chip

Single-chip LSI

OS/Driver

Middleware

Implement HSDPA functions

in single-chip LSI

Joint development of

common platform for cellular phones

Further reduce

Further reduce

procurement

procurement

cost

cost

Targeted for introduction inFY2007

Communication

system

chip

Start implementing single-chip

LSI from some 903i handsets

HSDPA

functions

Reduced chip size to enable

Handset miniaturization

Shorten time

for development

Handset

functionality

enhancement

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Appendices

*

*

*

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RESULTS FOR 1H OF FY2006
SLIDE No.
25
25
/34
US GAAP
0
1,000

2,000
 3,000
 4,000
 5,000
 Equipment sales
 222.5
 209.1
 494.0
 527.0
 Other revenues
 42.2
 48.8
 109.0
 114.0
 PHS revenues
 23.2
 13.0
 22.0
 21.0
 Cellular services revenues (voice, packet)
 2,085.6
 2,112.4
 4,174.0
 4,176.0
 2005/4-9(1H)
 2006/4-9(1H)
 2007/3(full year
 forecast)
 2007/3(full year
 forecast)
 2,373.5
 FY2006 full year
 Operating Revenues
 (revised forecast)
 Compared to
 initial guidance
 -0.8%
 (Cellular services revenues)
 compared to initial forecast -0.0%
 (Equipment sales revenues)
 compared to initial forecast -6.3%
 (Billions of yen)
 (Billions of yen)
 Quickcast
 revenues
 are included in Other revenues . International services revenues
 are included in Cellular services revenues .
 2,383.4
 4,799.0
 (Ref.)

4,838.0

(Announced 4/28/2006)

(Announced 10/27/2006)

Operating Revenues

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RESULTS FOR 1H OF FY2006

SLIDE No.

26

26

/34

US GAAP

(Ref)

4,028

FY2006 full year
 Operating Expenses
 (Revised forecast)
 Compared to initial
 guidance
 -1.0%
 (Billions of yen)
 (Announced 4/28/2006)

*
 Revenue-linked
 expenses:
 cost
 of
 equipment
 sold
 +
 distributor
 commissions
 +
 cost
 of
 DoCoMo
 Point
 Service
 1,815.1
 (Announced 10/27/2006)

1,866.5
 3,989
 (Billions of yen)
 Operating Expenses
 Impairment loss from the disposal of PHS assets, which had been stated individually in impairment loss
 in previous reports, has been included in depreciation and
 amortization
 from FY2006/1Q.

0
 1,000
 2,000
 3,000
 4,000
 Personnel expenses
 122.7
 124.5
 253.0
 252.0
 Taxes and public duties
 18.6
 18.3
 36.0
 37.0
 Depreciation and amortization

339.5
347.7
746.0
753.0
Loss on disposal of property, plant and equipment and
intangible assets
11.8
18.1
59.0
52.0
Communication network charges
186.9
178.9
359.0
370.0
Non-personnel expenses
1,135.5
1,179.0
2,536.0
2,564.0
(Incl.) Revenue-linked expenses *
820.8
849.5
1803.0
1,826.0
(Incl.) Other non-personnel expenses
314.6
329.5
733.0
738.0
2005/4-9(1H)
2006/4-9(1H)
2007/3(Full year forecast)
2007/3(Full year forecast)

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RESULTS FOR 1H OF FY2006

SLIDE No.

27

27

/34

(Billions of yen)

Quickcast

business

is included in Other (information systems, etc.)

FY2006 full year

Capital Expenditures

(Revised forecast)

Compared to initial

guidance

+1.2%

405.9

462.8

(Announced 4/28/2006)

(Announced 10/27/2006)

Capital Expenditures

916.0

(Billions of yen)

0

100

200

300

400

500

600

700

800

900

1,000

Other (Information systems, etc.)

59.6

55.9

152.0

150.0

PHS business

0.4

0.7

1.0

1.0

Mobile phone business (FOMA)

270.9

345.3

645.0

639.0

Mobile phone business (i-mode, etc.)

15.5

17.9

34.0

32.0

Mobile phone business (mova)

20.5

12.0

18.0

17.0

Mobile phone business (transmission line)

39.0

31.0

66.0

66.0

2005/4-9(1H)

2006/4-9(1H)

2007/3(Full year
forecast)

2007/3(Full year
forecast)

(Ref)

905.0

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RESULTS FOR 1H OF FY2006

SLIDE No.

28

28

/34

Operational Results

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

Communication Module Service subscribers are included in the number of cellular subscribers to align the calculation method

cellular phone carriers. (Market share, the no. of handsets sold and churn rate are calculated inclusive of Communication Mod
For
an
explanation
of
MOU
and
ARPU,
see
Slide
33
of
this
document,
Definition
and
Calculation
Method
of
MOU
and
ARPU .
47,900
+4.5%
47,186
45,139
i-mode
Other*
Migration
from mova
New
Replace
New
PHS
FOMA
mova
Communication Module Service
FOMA
mova
MOU
(minutes)
ARPU
(yen)
No. of Subscribers (1,000)
Churn rate (%)
Handsets sold
(1,000)
(including handsets
sold without
involving sales by

DoCoMo)
 Market share (%)
 No. of Subscribers (1,000)
 -
 -71.1%
 808
 2,794
 -
 -65.3%
 558
 1,609
 -
 -0.5
 points
 55.5
 56.0
 990
 +31.2%
 799
 609
 34,800
 +73.5%
 29,098
 16,770
 18,200
 -30.6%
 23,004
 33,134
 53,000
 +4.4%
 52,103
 49,904
 -
 -5.4%
 3,130
 3,310
 2007/3
 (Full year forecast)
 Announced
 10/27/2006
 Changes
 (1)
 (2)
 2006/4-9
 (1H)
 (2)
 2005/4-9
 (1H)
 (1)
 -

390
-
-
-
+170.0%
3,678
1,362
+6.2%
4,422
4,165
+19.2%
2,355
1,976
-16.4%
61
73
-38.6%
606
987
-0.19 points
0.62
0.81

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RESULTS FOR 1H OF FY2006

SLIDE No.

29

29

/34

Facilitate
business
structural
reform,
to
transform
cellular
into
a
lifestyle
infrastructure
through
the
synergies
of

core
and
new
businesses

Deliver
cellular
services
useful
for
everyday
life
and
business
to
offer
innovative

&
secure
solutions

New
business

New
business

Core
business

synergies

Structural reform

Structural reform

(Cost reduction/ Business style)

(Cost reduction/ Business style)

From **telecommunications infrastructure**

to **lifestyle infrastructure**

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

Directions of service development:

innovative safe & secure

Safe

& Secure

Safe

& Secure

& Secure

Innovative

Innovative

Innovative

Personal data

protection

Remote lock

Data security

Spam countermeasures
NW quality
enhancement
New communication services
PushTalk
[i-channel](#)
AV
AV
Bar code reader
Bar code reader
TV radio
TV radio
GPS
GPS
FeliCa
FeliCa
music
music
i-mode
i-mode
voice
voice
Dual-mode
Dual-mode
W-LAN
W-LAN
Handset troubleshoot
Over-the-air download
Disaster
communication
i-mode disaster
message board
Children safety protection
Kid s PHONE
imadoco
search
FeliCa
services
Payment, mobile credit
Commuter pass (Mobile Suica)
Music services
Corporate services
Fuel cell
Fuel cell
International services
International services
Premier Club
Free handset repair
Free extra battery pack service
Broadcast-linked

Video distribution/
Videophone
Middle-Term Business Directions
Lifestyle
cellular

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RESULTS FOR 1H OF FY2006

SLIDE No.

30

30

/34

Create New Revenue Sources

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

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

-Rakuten

Auction

-CA

Mobile

-Tower Records

* non-invested alliance

-KT Freetel

-Guam Cellular

Guam Wireless

-PLDT

Asia Pacific Mobile Alliance

(tentative name)

-Sumitomo Mitsui Card

-UC Card

-Fuji television

-Nippon television (LLP)

-AEON*

-FamilyMart*

-East Japan Railway

(LLP)

-am/pm

-Lawson

.

ACCESS

.

Aplix

.

Renesas

Technology*

.

Texas Instruments*

.

FueTrek

.

AQUA

FAIRY

Current

Core Business

(1) Payment/Commerce

(3)

Content /

Internet business

(2) Broadcast

(4)

Global business

(5)

Mobile-related peripheral business

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RESULTS FOR 1H OF FY2006
SLIDE No.
31
31
/34
Enriched FOMA Handset Lineup
902iS
2006/5

2006/7
702iS
M702iG
903i
703i
N902iX
2006/8
BlackBerry
HTC
2006/6
M702iS
SIMPURE
903iX
HIGH-SPEED
Concept
Models
(Terrestrial digital TV-enabled model
/ Universal design etc)
Raku
Raku
Phone III
SO902iWP
(
proof)
FY2006 First Half
FY2006 Second Half and Beyond
.
Flagship model offering full-spec features
(903i series)
.
HSDPA phones (903iX
HIGH-SPEED)
.
One-segment TV phones featuring slimmest size,
longest playback hours and largest screen in
Japan (903iTV series)
Breakdown of
FOMA Handsets Sold
FY2005/1H
FY2006/1H
70X series
90X series
Prepared a lineup of handsets offering enhanced competitiveness in every aspect
Concept phones
7 0 X Series
9 0 X Series

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RESULTS FOR 1H OF FY2006

SLIDE No.

32

32

/34

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

Return to Shareholders

-

Dividend per share: 4,000 yen

(Maintain the same dividend level as FY ended Mar. 31, 2006, when it was doubled from the previous fiscal year)

-

Repurchase of own shares:

Study to repurchase up to 1.4 million shares for up to 250 billion yen

(Treasury shares kept in excess of 5% of total issued shares are planned for cancellation

once a year)

FY ending Mar. 31, 2007 (Planned)

No. of shares repurchased

(million shares)

Budget (billions of yen)

1.4

2.2

Max. authorized

0.23

(As of Sept. 30, 2006)

40

(As of Sept. 30, 2006)

250

Repurchase authorized at 15th ordinary general shareholder mtg

1.98

(90.0%)

333.2

(83.3%)

400

Repurchase authorized at 14th ordinary general shareholder mtg

Actual no. of shares

repurchased

Actual amount

spent

Max. authorized

<<

Repurchase

of

own shares

>>

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

ARPU (Average
monthly Revenue Per Unit):

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

charges,
from
designated
services
which
are
incurred
consistently
each
month,
by
number
of
active
subscribers
to
the
relevant
services.
Accordingly,
the
calculation
of
ARPU
excludes
revenues
that
are
not
representative
of
monthly
average
usage
such
as
activation
fees.
We
believe
that
our
ARPU
figures
provide
useful
information
to
analyze
the

average
usage
of
our
subscribers
and
the
impacts
of
changes
in
our
billing
arrangements.

The
revenue
items
included
in
the
numerators
of
our
ARPU
figures
are
based
on
our
U.S.
GAAP
results
of
operations.

This
definition
applies
to
all
ARPU
figures
hereinafter.

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

Voice ARPU (FOMA+mova) :

Voice
ARPU
(FOMA+mova)

Related
Revenues
(monthly

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

transmission
charges)

/

No.
of
active
cellular
phone
subscribers
(FOMA)

Packet ARPU (FOMA):

Packet
ARPU
(FOMA)
Related
Revenues
(monthly
charges,
packet
transmission
charges)

/

No.
of
active
cellular
phone
subscribers
(FOMA)

i-mode ARPU (FOMA) :

i-mode
ARPU
(FOMA+)

Related
Revenues
(monthly
charges,
packet
transmission
charges)

/

No.
of
active
cellular
phone
subscribers
(FOMA)

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

Voice

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

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

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

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

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

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

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

Definition and Calculation Methods of MOU and ARPU

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

1.

EBITDA and EBITDA margin

Billions of yen

Year ending

March 31, 2007
 (Forecasts)
 Year ended
 March 31, 2006
 Six months ended
 March 31, 2006
 Six months ended
 March 31, 2005
 a. EBITDA
 ¥
 1,601.0
 ¥
 1,606.8
 ¥
 878.8
 ¥
 905.5
 (746.0)
 (738.1)
 (347.7)
 (339.5)
 (45.0)
 (36.0)
 (14.2)
 (7.6)
 810.0
 832.6
 516.9
 558.4
 5.0
 119.7
 3.4
 74.7
 (327.0)
 (341.4)
 (210.5)
 (246.7)
 -
 (0.4)
 0.1
 (1.1)
 -
 (0.1)
 (0.0)
 0.0
 488.0
 610.5
 309.8
 385.3
 4,799.0

4,765.9
 2,383.4
 2,373.5
 33.4%
 33.7%
 36.9%
 38.2%
 10.2%
 12.8%
 13.0%
 16.2%

Note:

2.

Free cash flows excluding changes in investments for cash management purpose

Billions of yen

Year ending

March 31, 2007

(Forecasts)

Year ended

March 31, 2006

Six months ended

March 31, 2006

Six months ended

March 31, 2005

¥

290.0

¥

510.9

(¥

48.4)

¥

360.2

(220.0)

-

(222.0)

-

-

149.0

(0.7)

(100.0)

70.0

659.9

(271.1)

260.2

(943.0)

(951.1)

(530.1)

(598.7)

1,013.0

1,610.9

259.0

858.9

Free cash flows

Minority interests in earnings of consolidated subsidiaries

c. Total operating revenues

EBITDA margin (=a/c)

Equity in net losses of affiliates

b. Net income

(2) Changes in investments for cash management purpose were derived from purchases, redemption at maturity and disposals of investments for cash management purpose with original maturities of longer than three months. Net cash used in EBITDA and EBITDA margin, as we use them, are different from EBITDA as used in Item 10(e) of regulation S-K and may include other

companies.

Changes of investments for cash management purpose (2)

Free cash flows excluding changes in investments for cash management purpose

Irregular factors (1)

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

Note:

Net cash used in investing activities

Net cash provided by operating activities

Net income margin (=b/c)

Depreciation and amortization

Operating income

Other income (expense)

Income taxes

Losses on sale or disposal of property, plant and equipment

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FOMA
, mova , Quickcast , i-mode , pake-houdai
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