



3:00 P.M. JST, July 27, 2007
NTT DoCoMo, Inc.

Earnings Release for the Three Months Ended June 30, 2007

Consolidated financial results of NTT DoCoMo, Inc. and its subsidiaries (collectively “we” or “DoCoMo”) for the three months ended June 30, 2007 (April 1, 2007 to June 30, 2007), are summarized as follows.

<< Highlights of Financial Results >>

- For the three months ended June 30, 2007, operating revenues were ¥1,182.9 billion (down 2.9% compared to the same period of the prior year), operating income was ¥203.9 billion (down 25.2% compared to the same period of the prior year), income before income taxes was ¥205.5 billion (down 25.1% compared to the same period of the prior year) and net income was ¥122.8 billion (down 24.9% compared to the same period of the prior year).
- Earnings per share were ¥ 2,825.21 (down 23.3 % compared to the same period of the prior year) and EBITDA margin* was 32.7% (down 3.8 point compared to the same period of the prior year).

Notes:

1. Consolidated financial statements in this release are unaudited.
2. Amounts in this release are rounded off.

* 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 17.

<< Comment from Masao Nakamura, President and CEO >>

Amid intensified competition following the launch of Mobile Number Portability (MNP) last year, we embarked on the “DoCoMo 2.0” campaign during the first quarter of this fiscal year, and implemented various measures with a goal to create new values for cellular services. As a part of these efforts, we released FOMA 904i series handsets equipped with various new advanced features including, among others, the “2in1” service, which allows users to carry two phone numbers and two mail addresses with a single handset, and “Chokkan Game” that is played using intuitive motion. Meanwhile, the subscriber base of our “pake-hodai” flat-rate packet access service grew steadily, topping the 10 million mark in May 2007. Operating revenues and operating income for the first three months of this fiscal year ending March 31, 2008 were ¥1,182.9 billion and ¥203.9 billion, respectively, posting a decrease compared to the same period of last fiscal year due mainly to the impact of the accounting change during the same period of the prior year to initially recognize as revenues the portion of “Nikagetsu Kurikoshi (two-month carry-over)” allowances that are estimated to expire, and growth in operating expenses resulting from an increase in the number of handsets sold.

In the second quarter, more models of the “slim and compact” FOMA 704i series handsets offering a wide range of convenient features will go on sale, and new billing plans such as “Fami-wari MAX 50” and “Hitoridemo Discount 50” are planned for introduction. With the aim to further enhance DoCoMo’s brand and reinforce our marketing capability, we decided to newly establish Corporate Branding Division. We have also reorganized our existing DCMX credit business by setting up DCMX Business Department to accelerate the uptake of DCMX subscriptions, which reached 2.85 million as of June 30, 2007.

Going forward, we will step up our efforts to improve our handsets, network, services, billing plans and after-sales support, to enhance the level of satisfaction of every single customer, and at the same time, take up the challenge to create new values placing cellular phones in the center of the hub, through, for example, collaboration with other companies.

<< 1. Operating Results >>

1. Business Overview

(1) Results of operations

	Billions of yen					
	(UNAUDITED) Three months ended June 30, 2006	(UNAUDITED) Three months ended June 30, 2007	Increase (Decrease)		Year ended March 31, 2007	
Operating revenues	¥ 1,218.6	¥ 1,182.9	¥ (35.7)	(2.9)%	¥ 4,788.1	
Operating expenses	945.8	979.0	33.2	3.5	4,014.6	
Operating income	272.7	203.9	(68.8)	(25.2)	773.5	
Other income (expense)	1.7	1.6	(0.1)	(4.3)	(0.6)	
Income before income taxes	274.4	205.5	(68.9)	(25.1)	772.9	
Income taxes	110.7	82.6	(28.2)	(25.5)	313.7	
Equity in net income (losses) of affiliates	(0.1)	(0.1)	0.0	36.5	(1.9)	
Minority interests in consolidated subsidiaries	(0.0)	(0.0)	(0.0)	(188.9)	(0.0)	
Net income	¥ 163.5	¥ 122.8	¥ (40.7)	(24.9)%	¥ 457.3	

(2) Operating revenues

<Breakdown of operating revenues>	Billions of yen			
	(UNAUDITED)	(UNAUDITED)	Increase	
	Three months ended June 30, 2006	Three months ended June 30, 2007	(Decrease)	
Wireless services	¥ 1,094.9	¥ 1,062.3	¥ (32.7)	(3.0)%
Cellular services revenues	1,065.4	1,032.7	(32.8)	(3.1)
- Voice revenues	764.1	702.8	(61.2)	(8.0)
Including: FOMA services	409.2	521.3	112.1	27.4
- Packet communications revenues	301.4	329.8	28.5	9.5
Including: FOMA services	215.0	291.1	76.1	35.4
PHS services revenues	7.0	3.8	(3.1)	(45.1)
Other revenues	22.5	25.8	3.2	14.4
Equipment sales	123.6	120.6	(3.0)	(2.5)
Total operating revenues	¥ 1,218.6	¥ 1,182.9	¥ (35.7)	(2.9)%

Notes:

- Cellular services revenues for the three months ended June 30, 2006 reflect the impact of changes in estimates regarding initially recognizing as revenues the portion of “Nikagetsu Kurikoshi” (two-month carry-over) allowances that are estimated to expire.
- Voice revenues include data communications revenues through circuit switching systems.

- Operating revenues totaled ¥1,182.9 billion (down 2.9% compared to the same period of the prior year).
- Cellular services revenues decreased to ¥1,032.7 billion (down 3.1% compared to the same period of the prior year), due to the impact of changes in estimates regarding initially recognizing as revenues during the same period of the prior year the portion of “Nikagetsu Kurikoshi (two-month carry-over)” allowances that are estimated to expire.
- Voice revenues from FOMA services increased to ¥521.3 billion (up 27.4% compared to the same period of the prior year) and packet communications revenues from FOMA services increased to ¥291.1 billion (up 35.4% compared to the same period of the prior year) owing to a significant increase in the number of FOMA services subscriptions to 37.85 million (up 44.4% compared to the same period of the prior year).
- Equipment sales totaled ¥120.6 billion (down 2.5% compared to the same period of the prior year), as the amount accounted for as sales revenue per handset decreased while the number of handsets sold increased.

(3) Operating expenses

<Breakdown of operating expenses>	Billions of yen			
	(UNAUDITED)	(UNAUDITED)	Increase	
	Three months ended June 30, 2006	Three months ended June 30, 2007	(Decrease)	
Personnel expenses	¥ 62.9	¥ 62.8	¥ (0.1)	(0.1)%
Non-personnel expenses	609.3	633.5	24.2	4.0
Depreciation and amortization	169.3	177.1	7.8	4.6
Loss on disposal of property, plant and equipment and intangible assets	4.3	7.6	3.3	77.5
Communication network charges	90.7	88.1	(2.6)	(2.9)
Taxes and public dues	9.3	9.8	0.5	5.5
Total operating expenses	¥ 945.8	¥ 979.0	¥ 33.2	3.5%

- Operating expenses were ¥979.0 billion (up 3.5% compared to the same period of the prior year).
- Personnel expenses were ¥62.8 billion (down 0.1% compared to the same period of the prior year). The number of employees as of June 30, 2007 was 22,049.
- Non-personnel expenses increased to ¥633.5 billion (up 4.0% compared to the same period of the prior year) mainly due to an increase in cost of equipment sold, reflecting the increased number of

handsets sold as well as the proportional growth in sales of FOMA handsets to the aggregate number of handsets sold.

- Depreciation and amortization increased to ¥177.1 billion (up 4.6% compared to the same period of the prior year) following active capital expenditures in the prior fiscal year.

(4) Operating income

- Operating income decreased to ¥203.9 billion (down 25.2% compared to the same period of the prior year).

(5) Income before income taxes

- Income before income taxes decreased to ¥205.5 billion (down 25.1% compared to the same period of the prior year), due to a decrease in operating income.

(6) Net income

- Net income was ¥122.8 billion (down 24.9% compared to the same period of the prior year).

2. Key Performance Indicators

(1) Number of subscriptions

<Number of subscriptions by services>	Thousand subscriptions				
	March 31, 2007	June 30, 2007	Increase (Decrease)		
Cellular (FOMA+mova) services	52,621	52,846	225	0.4%	
Cellular (FOMA) services	35,529	37,854	2,325	6.5	
Cellular (mova) services	17,092	14,991	(2,100)	(12.3)	
i-mode services	47,574	47,725	151	0.3	
PHS services	453	374	(79)	(17.5)	

Note:

Number of i-mode subscriptions = Cellular (FOMA) i-mode subscriptions + Cellular (mova) i-mode subscriptions

<Number of handsets sold>	Thousand units				
	Three months ended June 30, 2006	Three months ended June 30, 2007	Increase (Decrease)		
Cellular (FOMA+mova) services	5,703	6,238	535	9.4%	
Cellular (FOMA) services					
New FOMA subscription	1,190	1,492	302	25.4	
FOMA subscription by mova subscribers	2,117	1,780	(337)	(15.9)	
Handset upgrade by FOMA subscribers	1,583	2,791	1,208	76.3	
Cellular (mova) services					
New mova subscription	345	78	(267)	(77.3)	
Handset upgrade by mova subscribers	468	97	(372)	(79.4)	
Churn Rate	0.64%	0.85%	0.21point	—	

- The aggregate number of cellular (FOMA+mova) services subscriptions was 52.85 million as of June 30, 2007, an increase of 0.22 million compared to the number as of March 31, 2007. The increase derived from our continued efforts to strengthen total competitiveness from a customer-centric viewpoint, including the offering of subscriber-friendly billing arrangements, enrichment of our handset lineup and network services and enhancement of network quality.
- Due to the steady migration of subscribers from mova services to FOMA services, the number of FOMA services subscriptions increased to 37.85 million, up 2.32 million from the number as of March 31, 2007, and the proportion of FOMA services subscriptions to the aggregate cellular (FOMA+mova) subscriptions increased to 71.6% as of June 30, 2007.
- The number of handsets sold (FOMA+mova) increased to 6.24 million units (up 9.4% compared to the same period of the prior year), owing to an increase in the number of handsets sold for new FOMA subscriptions and handset upgrades by FOMA subscribers.
- Churn rate for cellular (FOMA+mova) services for the three months ended June 30, 2007 was 0.85% (up 0.21 point compared to the same period of the prior year), due to the influence of the MNP. The

churn rate for the three months ended June 30, 2007 decreased by 0.12 point from 0.97% for the three months ended March 31, 2007.

(2) Trend of ARPU

<ARPU and other operation data>	Yen/Minutes/Thousand subscriptions			
	Three months ended June 30, 2006	Three months ended June 30, 2007	Increase (Decrease)	
Aggregate ARPU (FOMA+mova)	¥ 6,900	¥ 6,560	¥ (340)	(4.9)%
Voice ARPU	4,930	4,440	(490)	(9.9)
Packet ARPU	1,970	2,120	150	7.6
Aggregate ARPU (FOMA)	8,300	7,370	(930)	(11.2)
Voice ARPU	5,420	4,710	(710)	(13.1)
Packet ARPU	2,880	2,660	(220)	(7.6)
MOU (FOMA+mova) (minutes)	145	140	(5)	(3.4)
Number of i-channel subscriptions (thousand)	3,624	12,272	8,648	238.6%
Number of subscriptions for flat-rate billing plans for unlimited i-mode usage (thousand)	6,912	10,455	3,543	51.3%

Note:

Number of subscriptions for flat-rate billing plans for unlimited i-mode usage: “pake-hodai” subscriptions + “pake-hodai full” subscriptions

*See “Definition and Calculation Methods of ARPU and MOU” on page 16 for details of definitions and calculation methods of ARPU and MOU.

- Aggregate ARPU of cellular (FOMA+mova) services decreased to ¥6,560 for the three months ended June 30, 2007 (down 4.9% compared to the same period of the prior year) due mainly to the impact of changes in estimates regarding initially recognizing as revenues during the same period of the prior year the portion of “Nikagetsu Kurikoshi (two-month carry-over)” allowances that are estimated to expire.

(3) Trend of capital expenditure

<Breakdown of capital expenditures>	Billions of yen			
	(UNAUDITED) Three months ended June 30, 2006	(UNAUDITED) Three months ended June 30, 2007	Increase (Decrease)	
Mobile phone business	¥ 187.3	¥ 126.2	¥ (61.1)	(32.6)%
PHS business	0.2	0.1	(0.1)	(69.8)
Other (including information systems)	27.1	24.9	(2.2)	(8.2)
Total capital expenditures	¥ 214.7	¥ 151.2	¥ (63.5)	(29.6)%

<Approximate number of base stations installed>

	Units/Facilities		
	March 31, 2007	June 30, 2007	Increase (Decrease)
Outside base stations (units)	35,700	37,300	1,600 4.5%
Facilities with indoor systems (facilities)	10,400	11,300	900 8.7

- After focusing on the geographical expansion of FOMA network coverage in the prior fiscal year, we were involved more in enhancement of its network quality reflecting requests from our customers so far this fiscal year, while we continued our efforts to save on equipment procurement costs. As a result, total capital expenditure during the three months ended June 30, 2007 decreased to ¥151.2 billion (down 29.6% compared to the same period of the prior year).
- The aggregate number of outside base stations installed was approximately 37,300, an increase by 1,600 from the number as of March 31, 2007, and the aggregate number of facilities with indoor systems was approximately 11,300, an increase by 900 from the number as of March 31, 2007.

(4) Segment information

<Results of operations by segment>	Billions of yen					
	(UNAUDITED) Three months ended June 30, 2006		(UNAUDITED) Three months ended June 30, 2007		Increase (Decrease)	
Operating revenues						
Mobile phone business	¥	1,202.5	¥	1,168.9	¥	(33.6) (2.8)%
PHS business		7.1		3.9		(3.1) (44.5)
Miscellaneous businesses		9.0		10.0		1.0 11.3
Total operating revenues (consolidated)	¥	1,218.6	¥	1,182.9	¥	(35.7) (2.9)%
Operating expenses						
Mobile phone business	¥	923.6	¥	955.7	¥	32.2 3.5%
PHS business		9.3		7.7		(1.6) (17.3)
Miscellaneous businesses		12.9		15.5		2.6 20.2
Total operating expenses (consolidated)	¥	945.8	¥	979.0	¥	33.2 3.5%
Operating income						
Mobile phone business	¥	278.9	¥	213.2	¥	(65.7) (23.6)%
PHS business		(2.3)		(3.8)		(1.5) (67.5)
Miscellaneous businesses		(3.9)		(5.5)		(1.6) (40.6)
Total operating income (consolidated)	¥	272.7	¥	203.9	¥	(68.8) (25.2)%

<Topics in the three months ended June 30, 2007>

Mobile phone business	<<Handsets>>	<ul style="list-style-type: none"> • Nine new FOMA handsets were released, including the latest “FOMA 904i” series. • The aggregate number of “FOMA Raku Raku Phone” series handsets sold exceeded 10 million.
	<<Services>>	<ul style="list-style-type: none"> • “2in1” service, which enables a single handset to contain the capabilities of two separate handsets and subscriptions, was launched. • “Business mopera internet” services were launched. • PBX connection capability was added to “OFFICEED” services. • “Emerge cast” services, which enables corporate and municipal customers to send emergency messages to pre-registered members all at once in case of a disaster, was introduced. • It was announced that “CITYPHONE”, a 1.5GHz digital mobile service will be terminated on June 30, 2008. • i-mode services were launched in Romania and Hong Kong. • We expanded the service area of international roaming-out services (for voice calls and SMS to 153 countries and areas, for packet communications to 101 countries and areas, and for videophone calls to 37 countries and areas as of June 30, 2007).
	<<Billing>>	<ul style="list-style-type: none"> • A new optional packet billing plan called “Biz-hodai”, which enables users of FOMA smart phones without i-mode capability to utilize packet communications at a flat rate, was introduced. • A new discount program for corporate subscribers called “Office Discount” was introduced and the discount rate of “Business Discount” was expanded. • The aggregate number of subscriptions to the flat-rate packet billing plans surpassed 10 million (to reach 10.46 million as of June 30, 2007).
PHS business		<ul style="list-style-type: none"> • We were continuously engaged in a campaign to encourage current PHS subscribers to migrate to FOMA services. (PHS services will be terminated on January 7, 2008 as already announced.)
Miscellaneous business		<ul style="list-style-type: none"> • Settlement capability via Internet was added to “iD” services. • We started offering “DCMX GOLD” mobile credit cards. • We started issuing “DCMX” MasterCard credit cards as an addition to the “DCMX” mobile credit cards.

<< 2. Financial Position >>

(1) Financial position

<Financial position>	Billions of yen				
	June 30, 2006	June 30, 2007	Increase (Decrease)		
Total Assets	¥ 6,022.3	¥ 5,923.4	¥ (98.8)	(1.6)%	
Shareholders' equity	4,065.5	4,125.2	59.7	1.5	
Liabilities	1,955.6	1,797.0	(158.6)	(8.1)	
Interest bearing liabilities	650.1	502.7	(147.4)	(22.7)	
Equity ratio (1)	67.5%	69.6%	2.1 point	—	
Debt ratio (2)	13.8%	10.9%	(2.9) point	—	

Notes:
(1) Equity ratio = Shareholders' equity / Total assets
(2) Debt ratio = Interest bearing liabilities / (Shareholders' equity + Interest bearing liabilities)

(2) Cash flow conditions

<Cash flow>	Billions of yen				
	(UNAUDITED) Three months ended June 30, 2006	(UNAUDITED) Three months ended June 30, 2007	Increase (Decrease)		
Net cash provided by operating activities	¥ 98.4	¥ 300.7	¥ 202.4	205.7%	
Net cash used in investing activities	(264.6)	(157.8)	106.7	40.3	
Net cash used in financing activities	(282.4)	(259.3)	23.2	8.2	
Free cash flows (1)	(166.2)	142.9	309.1	—	
Adjusted free cash flows excluding the effects of irregular factors (2) and changes in investments for cash management purposes (3)	(165.9)	49.2	215.0	—	

Notes:
(1) Free cash flows = Net cash provided by operating activities + Net cash used in investing activities
(2) Irregular factors = the effects of uncollected revenues due to bank closures at the end of the fiscal period
(3) 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.
*See the reconciliations to the most directly compatible financial measures calculated and presented in accordance with GAAP on page 17.

- Net cash provided by operating activities was ¥300.7 billion (up 205.7% compared to the same period of the prior year). The increase in net cash provided by operating activities resulted mainly from a decrease in payment of income taxes to ¥95.1 billion from ¥218.6 billion in the same period of the prior year, after the deferred tax assets from the impairment of our investment in Hutchison 3G UK Holdings Limited was realized during the prior fiscal year. As the bank was closed both on the end of March and June 2007, which fell on weekends, cash in the amount of ¥210.0 billion including cellular revenues, which had been earned during the prior fiscal year, was received during the three months ended June 30, 2007, while the cash reception of ¥214.0 billion including cellular revenues, which were earned during the three months ended June 30, 2007, was deferred to July 2007.
- Net cash used in investing activities decreased to ¥157.8 billion (down 40.3% compared to the same period of the prior year). An increase in acquisition of long-term investments was more than offset by a combination of a decrease in acquisitions of tangible and intangible assets and an increase in net cash inflows from changes of investments for cash management purposes.
- Net cash used in financing activities decreased to ¥259.3 billion (down 8.2% compared to the same period of the prior year). An increase in payment for repurchase of our own stock was more than offset by a decrease of repayments for outstanding long-term debt. We spent ¥73.0 billion in the three months ended June 30, 2007 to repurchase our own stock in the market.
- Free cash flows were ¥142.9 billion. Free cash flows excluding the effects of irregular factors and changes in investments for cash management purposes were ¥49.2 billion.

Financial Statements

For the Three Months Ended June 30, 2007

July 27, 2007
[U.S. GAAP]



Name of registrant: **NTT DoCoMo, Inc.** (URL <http://www.nttdocomo.co.jp/>)
 Code No.: 9437
 Stock exchange on which the Company's shares are listed: Tokyo Stock Exchange-First Section
 Representative: Masao Nakamura, Representative Director, President and Chief Executive Officer
 Contact: Shinya Hasegawa, Senior Manager, General Affairs Department / TEL +81-3-5156-1111

1. Consolidated Financial Results for the Three Months Ended June 30, 2007 (April 1, 2007 - June 30, 2007)

(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		Net Income	
Three months ended June 30, 2007	1,182,864	(2.9)%	203,881	(25.2)%	205,466	(25.1)%	122,810	(24.9)%
Three months ended June 30, 2006	1,218,560	2.7%	272,727	(5.2)%	274,383	(22.4)%	163,512	(21.3)%
(Reference) Year ended March 31, 2007	4,788,093	0.5%	773,524	(7.1)%	772,943	(18.8)%	457,278	(25.1)%

	Basic Earnings per Share	Diluted Earnings per Share
Three months ended June 30, 2007	2,825.21 (yen)	-
Three months ended June 30, 2006	3,684.23 (yen)	-
(Reference) Year ended March 31, 2007	10,396.21 (yen)	-

Notes: Percentage indications for operating revenue, operating income, income before income taxes, and net income were the rate of changes compared with the same period of the prior year.

(2) Consolidated Financial Position

(Millions of yen, except per share amounts)

	Total Assets	Shareholders' Equity	Equity Ratio (Ratio of Shareholders' Equity to Total Assets)	Shareholders' Equity per Share
June 30, 2007	5,923,446	4,125,232	69.6%	95,395.94 (yen)
June 30, 2006	6,022,271	4,065,546	67.5%	91,999.59 (yen)
(Reference) March 31, 2007	6,116,215	4,161,303	68.0%	95,456.65 (yen)

(3) Consolidated Cash Flows

(Millions of yen)

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at End of Period
Three months ended June 30, 2007	300,736	(157,840)	(259,284)	226,966
Three months ended June 30, 2006	98,381	(264,584)	(282,441)	391,992
(Reference) Year ended March 31, 2007	980,598	(947,651)	(531,481)	343,062

2. Dividends

Date of record	Cash dividends per share (yen)		
	September 30	March 31	Total
Year ended March 31, 2007	2,000.00	2,000.00	4,000.00
Year ending March 31, 2008			
(Forecasts) Year ending March 31, 2008	2,400.00	2,400.00	4,800.00

3. Consolidated Financial Results Forecasts for the Fiscal Year Ending March 31, 2008 (April 1, 2007 - March 31, 2008)

(Millions of yen)

	Operating Revenues		Operating Income		Income before Income Taxes		Net Income	
Year ending March 31, 2008	4,728,000	(1.3)%	780,000	0.8%	788,000	1.9%	476,000	4.1%

(Reference) Expected earnings per share is 11,007.49 yen.

Notes: We did not revise our earnings forecasts for the fiscal year ending March 31, 2008. (The amounts above are the same as we announced as of April 27, 2007 on "Financial Statements for the Fiscal Year Ended March 31, 2007".)

4. Others

- | | |
|---|------|
| (1) Change of reporting entities (Change of condition of significant consolidated subsidiaries) | None |
| (2) Adoption of simplified accounting and reporting policies | None |
| (3) Change of significant accounting and reporting policies for consolidated financial statements | None |

※Explanation for forecasts of operation and other notes.

The mobile communications market in Japan is characterized by rapid changes in the market environment due to technical innovations, market entry by new competitors and other factors. To respond to such changes, our corporate group may introduce new billing plans or other measures that could potentially have a significant impact on our revenues and income. The timing of introduction of such measures will be decided after comprehensively taking into consideration our operational circumstances and the actions of our competitors, and therefore, is not necessarily decided beforehand. Such measures, depending on the timing of implementation, may significantly affect our results forecasts to be made at the time of our first-half results announcement. Providing such prospects on a half-year basis, therefore, may not be adequate or useful as information to be disclosed to investors. Accordingly, we will provide prospects for the full year only, and report the progress vis-à-vis the projected full-year forecasts by disclosing actual results on a quarterly basis.

With regard to the assumptions and other related matters concerning consolidated financial results forecasts for the fiscal year ending March 31, 2008, please refer to page 18.

Consolidated financial statements in this earnings release are unaudited.

<< Consolidated Financial Statements >>

1. Consolidated Balance Sheets

	Millions of yen				
	(UNAUDITED) June 30, 2006	(UNAUDITED) June 30, 2007	Increase (Decrease)		March 31, 2007
ASSETS					
Current assets:					
Cash and cash equivalents	¥ 391,992	¥ 226,966	¥(165,026)	(42.1)%	¥ 343,062
Short-term investments	151,747	102,783	(48,964)	(32.3)	150,543
Accounts receivable	612,228	862,382	250,154	40.9	872,323
Allowance for doubtful accounts	(14,258)	(13,010)	1,248	8.8	(13,178)
Inventories	252,098	168,772	(83,326)	(33.1)	145,892
Deferred tax assets	95,773	88,438	(7,335)	(7.7)	94,868
Prepaid expenses and other current assets	148,825	152,133	3,308	2.2	138,403
Total current assets	1,638,405	1,588,464	(49,941)	(3.0)	1,731,913
Property, plant and equipment:					
Wireless telecommunications equipment	4,824,010	5,223,631	399,621	8.3	5,149,132
Buildings and structures	744,284	783,452	39,168	5.3	778,638
Tools, furniture and fixtures	616,688	616,940	252	0.0	613,945
Land	198,128	199,227	1,099	0.6	199,007
Construction in progress	174,381	107,301	(67,080)	(38.5)	114,292
Accumulated depreciation and amortization	(3,743,584)	(4,066,484)	(322,900)	(8.6)	(3,954,361)
Total property, plant and equipment, net	2,813,907	2,864,067	50,160	1.8	2,900,653
Non-current investments and other assets:					
Investments in affiliates	177,207	177,364	157	0.1	176,376
Marketable securities and other investments	300,150	291,896	(8,254)	(2.7)	261,456
Intangible assets, net	550,412	554,355	3,943	0.7	551,029
Goodwill	141,055	147,696	6,641	4.7	147,821
Other assets	214,129	169,747	(44,382)	(20.7)	219,271
Deferred tax assets	187,006	129,857	(57,149)	(30.6)	127,696
Total non-current investments and other assets	1,569,959	1,470,915	(99,044)	(6.3)	1,483,649
Total assets	¥ 6,022,271	¥ 5,923,446	¥ (98,825)	(1.6)%	¥ 6,116,215
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities:					
Current portion of long-term debt	¥ 149,607	¥ 59,326	¥ (90,281)	(60.3)%	¥ 131,005
Short-term borrowings	160	110	(50)	(31.3)	102
Accounts payable, trade	715,526	716,746	1,220	0.2	761,108
Accrued payroll	28,053	31,094	3,041	10.8	46,584
Accrued interest	1,044	1,198	154	14.8	809
Accrued income taxes	69,747	53,951	(15,796)	(22.6)	68,408
Other current liabilities	141,599	163,116	21,517	15.2	154,909
Total current liabilities	1,105,736	1,025,541	(80,195)	(7.3)	1,162,925
Long-term liabilities:					
Long-term debt (exclusive of current portion)	500,300	443,253	(57,047)	(11.4)	471,858
Liability for employees' retirement benefits	137,344	137,799	455	0.3	135,890
Other long-term liabilities	212,218	190,429	(21,789)	(10.3)	183,075
Total long-term liabilities	849,862	771,481	(78,381)	(9.2)	790,823
Total liabilities	1,955,598	1,797,022	(158,576)	(8.1)	1,953,748
Minority interests in consolidated subsidiaries	1,127	1,192	65	5.8	1,164
Shareholders' equity:					
Common stock	949,680	949,680	—	—	949,680
Additional paid-in capital	1,311,013	1,135,958	(175,055)	(13.4)	1,135,958
Retained earnings	2,287,302	2,528,778	241,476	10.6	2,493,155
Accumulated other comprehensive income	15,745	14,178	(1,567)	(10.0)	12,874
Treasury stock, at cost	(498,194)	(503,362)	(5,168)	(1.0)	(430,364)
Total shareholders' equity	4,065,546	4,125,232	59,686	1.5	4,161,303
Total liabilities and shareholders' equity	¥ 6,022,271	¥ 5,923,446	¥ (98,825)	(1.6)%	¥ 6,116,215

2. Consolidated Statements of Income and Comprehensive Income

	Millions of yen				
	(UNAUDITED) Three months ended June 30, 2006	(UNAUDITED) Three months ended June 30, 2007	Increase (Decrease)		Year ended March 31, 2007
Operating revenues:					
Wireless services	¥ 1,094,933	¥ 1,062,279	¥(32,654)	(3.0)%	¥ 4,314,140
Equipment sales	123,627	120,585	(3,042)	(2.5)	473,953
Total operating revenues	1,218,560	1,182,864	(35,696)	(2.9)	4,788,093
Operating expenses:					
Cost of services (exclusive of items shown separately below)	170,022	184,855	14,833	8.7	766,960
Cost of equipment sold (exclusive of items shown separately below)	300,667	315,727	15,060	5.0	1,218,694
Depreciation and amortization	169,288	177,071	7,783	4.6	745,338
Selling, general and administrative	305,856	301,330	(4,526)	(1.5)	1,283,577
Total operating expenses	945,833	978,983	33,150	3.5	4,014,569
Operating income	272,727	203,881	(68,846)	(25.2)	773,524
Other income (expense):					
Interest expense	(1,438)	(1,557)	(119)	(8.3)	(5,749)
Interest income	267	455	188	70.4	1,459
Other, net	2,827	2,687	(140)	(5.0)	3,709
Total other income (expense)	1,656	1,585	(71)	(4.3)	(581)
Income before income taxes	274,383	205,466	(68,917)	(25.1)	772,943
Income taxes	110,736	82,550	(28,186)	(25.5)	313,679
Equity in net losses of affiliates	(126)	(80)	46	36.5	(1,941)
Minority interests in consolidated subsidiaries	(9)	(26)	(17)	(188.9)	(45)
Net income	¥ 163,512	¥ 122,810	¥(40,702)	(24.9)%	¥ 457,278
Other comprehensive income (loss):					
Unrealized holding gains (losses) on available-for-sale securities, net of applicable taxes	(10,852)	2,068	12,920	—	(15,763)
Net revaluation of financial instruments, net of applicable taxes	(98)	20	118	—	34
Foreign currency translation adjustment, net of applicable taxes	(205)	(602)	(397)	(193.7)	1,103
Pension liability adjustment, net of applicable taxes	—	(182)	(182)	—	—
Minimum pension liability adjustment, net of applicable taxes	119	—	(119)	(100.0)	5,562
Comprehensive income	¥ 152,476	¥ 124,114	¥(28,362)	(18.6)%	¥ 448,214
PER SHARE DATA					
Weighted average common shares outstanding					
– basic and diluted (shares)	44,381,601	43,469,272	(912,329)	(2.1)	43,985,082
Basic and diluted earnings per share (Yen)	¥ 3,684.23	¥ 2,825.21	¥(859.02)	(23.3)%	¥ 10,396.21

3. Consolidated Statements of Shareholders' Equity

	Millions of yen				
	(UNAUDITED) Three months ended June 30, 2006	(UNAUDITED) Three months ended June 30, 2007	Increase (Decrease)		Year ended March 31, 2007
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	1,135,958	(175,055)	(13.4)	1,311,013
Retirement of treasury stock	—	—	—	—	(175,055)
At end of period	1,311,013	1,135,958	(175,055)	(13.4)	1,135,958
Retained earnings:					
At beginning of period	2,212,739	2,493,155	280,416	12.7	2,212,739
Cash dividends	(88,949)	(87,187)	1,762	2.0	(176,862)
Net income	163,512	122,810	(40,702)	(24.9)	457,278
At end of period	2,287,302	2,528,778	241,476	10.6	2,493,155
Accumulated other comprehensive income:					
At beginning of period	26,781	12,874	(13,907)	(51.9)	26,781
Unrealized holding gains (losses) on available-for-sale securities, net of applicable taxes	(10,852)	2,068	12,920	—	(15,763)
Net revaluation of financial instruments, net of applicable taxes	(98)	20	118	—	34
Foreign currency translation adjustment, net of applicable taxes	(205)	(602)	(397)	(193.7)	1,103
Pension liability adjustment, net of applicable taxes	—	(182)	(182)	—	—
Minimum pension liability adjustment, net of applicable taxes	119	—	(119)	(100.0)	5,562
Adjustment to initially apply SFAS No.158, net of applicable taxes	—	—	—	—	(4,843)
At end of period	15,745	14,178	(1,567)	(10.0)	12,874
Treasury stock, at cost:					
At beginning of period	(448,196)	(430,364)	17,832	4.0	(448,196)
Purchase of treasury stock	(49,998)	(72,998)	(23,000)	(46.0)	(157,223)
Retirement of treasury stock	—	—	—	—	175,055
At end of period	(498,194)	(503,362)	(5,168)	(1.0)	(430,364)
Total shareholders' equity	¥ 4,065,546	¥ 4,125,232	¥ 59,686	1.5%	¥ 4,161,303

4. Consolidated Statements of Cash Flows

	Millions of yen		
	(UNAUDITED) Three months ended June 30, 2006	(UNAUDITED) Three months ended June 30, 2007	Year ended March 31, 2007
I Cash flows from operating activities:			
1. Net income	¥ 163,512	¥ 122,810	¥ 457,278
2. Adjustments to reconcile net income to net cash provided by operating activities-			
(1) Depreciation and amortization	169,288	177,071	745,338
(2) Deferred taxes	12,253	3,467	74,987
(3) Loss on sale or disposal of property, plant and equipment	2,981	5,661	55,708
(4) Equity in net losses (income) of affiliates	(189)	21	2,791
(5) Minority interests in consolidated subsidiaries	9	26	45
(6) Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	(2,391)	9,941	(262,032)
Decrease in allowance for doubtful accounts	(482)	(168)	(1,600)
Increase in inventories	(22,575)	(22,880)	83,716
Increase in prepaid expenses and other current assets	(50,431)	(13,560)	(39,254)
(Decrease) increase in accounts payable, trade	(58,341)	28,963	(42,013)
Decrease in accrued income taxes	(98,840)	(14,457)	(100,197)
(Decrease) increase in other current liabilities	(13,039)	8,200	534
Increase in liability for employees' retirement benefits	1,833	1,909	379
Increase (decrease) in other long-term liabilities	4,419	7,722	(26,241)
Other, net	(9,626)	(13,990)	31,159
Net cash provided by operating activities	98,381	300,736	980,598
II Cash flows from investing activities:			
1. Purchases of property, plant and equipment	(185,941)	(143,705)	(735,650)
2. Purchases of intangible and other assets	(63,391)	(80,927)	(213,075)
3. Purchases of non-current investments	(15,017)	(31,259)	(41,876)
4. Proceeds from sale and redemption of non-current investments	36	50,452	50,594
5. Purchases of short-term investments	(762)	(2,416)	(3,557)
6. Redemption of short-term investments	411	141	4,267
7. Long-term bailment for consumption to a related party	—	50,000	—
8. Other, net	80	(126)	(8,354)
Net cash used in investing activities	(264,584)	(157,840)	(947,651)
III Cash flows from financing activities:			
1. Repayment of long-term debt	(142,316)	(98,200)	(193,723)
2. Proceeds from short-term borrowings	160	60	18,400
3. Repayment of short-term borrowings	(152)	(52)	(18,450)
4. Principal payments under capital lease obligations	(1,185)	(905)	(3,621)
5. Payments to acquire treasury stock	(49,998)	(72,998)	(157,223)
6. Dividends paid	(88,949)	(87,187)	(176,862)
7. Other, net	(1)	(2)	(2)
Net cash used in financing activities	(282,441)	(259,284)	(531,481)
IV Effect of exchange rate changes on cash and cash equivalents	(88)	292	872
V Net increase (decrease) in cash and cash equivalents	(448,732)	(116,096)	(497,662)
VI Cash and cash equivalents at beginning of period	840,724	343,062	840,724
VII Cash and cash equivalents at end of period	¥ 391,992	¥ 226,966	¥ 343,062
Supplemental disclosures of cash flow information:			
Cash received during the period for			
Income taxes	¥ 5	¥ 6	¥ 925
Cash paid during the period for:			
Interest	1,659	1,169	6,203
Income taxes	218,557	95,078	359,861
Non-cash investing and financing activities:			
Retirement of treasury stock	—	—	175,055

Notes to Unaudited Consolidated Financial Statements

The accompanying unaudited consolidated financial statements of NTT DoCoMo, Inc. and its subsidiaries (collectively "DoCoMo") have been prepared in accordance with accounting principles generally accepted in the United States of America.

The adoption of a new accounting standard and a subsequent event for the three months ended June 30, 2007 are as follows:

1. Adoption of a new accounting standard

Accounting for Uncertainty in Income Taxes

Effective April 1, 2007, DoCoMo applied the Financial Accounting Standards Board Interpretation No. 48 "Accounting for Uncertainty in Income Taxes – an interpretation of Statement of Financial Accounting Standards ("SFAS") No. 109" ("FIN 48"). FIN 48 clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements in accordance with SFAS No. 109. FIN 48 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return as well as provides guidance on de-recognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. The application of FIN 48 did not have a material impact on DoCoMo's results of operations and financial position.

2. Subsequent event

Disbursement of substitutional portion to the NTT Plan

DoCoMo participates in a contributory defined benefit welfare pension plan sponsored by the NTT group ("NTT Plan"). On July 1, 2007, the NTT plan was granted an approval by the Japanese government, which permitted the NTT plan to be released from the past obligation to disburse the NTT Plan benefits covering the substitutional portion. No accounting should be recognized until the completion of the entire transfer. It is undetermined when the transfer of the benefit obligations and related plan assets will take place and what the net effect of settlement on DoCoMo's result of operations and financial position will be. If the amount equivalent to the substitutional portion had been repaid on March 31, 2007, the estimated amount of such effect on DoCoMo's results of operations would have been approximately ¥25 billion.

(APPENDIX 1)

Operation Data for 1st Quarter of Fiscal Year Ending March 31, 2008

			[Ref.] Fiscal Year Ended Mar. 31, 2007 Full-year Results	[Ref.] First Quarter (Apr.-Jun.2006) Results	Fiscal Year Ending Mar. 2008 First Quarter (Apr.-Jun. 2007) Results	[Ref.] Fiscal Year Ending Mar. 31, 2008 Full-year Forecast
Cellular						
Subscriptions	thousands		52,621	51,672	52,846	53,890
FOMA	thousands		35,529	26,217	37,854	44,420
mova	thousands		17,092	25,456	14,991	9,470
Market share (1) (2)	%		54.4	55.6	53.9	-
Net increase from previous period (2)	thousands		1,477	529	225	1,269
FOMA (2)	thousands		12,066	2,753	2,325	8,891
mova (2)	thousands		(10,589)	(2,225)	(2,100)	(7,622)
Aggregate ARPU (FOMA+mova) (3)	yen/month/contract		6,700	6,900	6,560	6,480
Voice ARPU (4)	yen/month/contract		4,690	4,930	4,440	4,330
Packet ARPU	yen/month/contract		2,010	1,970	2,120	2,150
i-mode ARPU	yen/month/contract		1,990	1,950	2,090	2,130
ARPU generated from international services (5)	yen/month/contract		50	50	60	70
ARPU generated purely from i-mode (FOMA+mova) (3)	yen/month/contract		2,160	2,120	2,270	2,310
Aggregate ARPU (FOMA) (3)	yen/month/contract		7,860	8,300	7,370	7,150
Voice ARPU (4)	yen/month/contract		5,070	5,420	4,710	4,540
Packet ARPU	yen/month/contract		2,790	2,880	2,660	2,610
i-mode ARPU	yen/month/contract		2,750	2,840	2,630	2,570
ARPU generated from international services (5)	yen/month/contract		80	70	80	80
ARPU generated purely from i-mode (FOMA) (3)	yen/month/contract		2,830	2,910	2,730	2,680
Aggregate ARPU (mova) (3)	yen/month/contract		5,180	5,540	4,600	4,370
Voice ARPU (4)	yen/month/contract		4,190	4,460	3,800	3,650
i-mode ARPU	yen/month/contract		990	1,080	800	720
ARPU generated from international services (5)	yen/month/contract		20	20	10	20
ARPU generated purely from i-mode (mova) (3)	yen/month/contract		1,160	1,260	970	890
MOU (FOMA+mova) (3)	minute/month/contract		144	145	140	-
MOU (FOMA) (3)	minute/month/contract		175	181	161	-
MOU (mova) (3)	minute/month/contract		104	110	89	-
Churn Rate (2)	%		0.78	0.64	0.85	-
2in1 Subscriptions (6)	thousands		-	-	67	-
Communication Module Service Subscriptions (7)	thousands		1,027	733	1,140	1,310
FOMA Ubiquitous plan (8)	thousands		277	40	392	-
DoPa Single Service (9)	thousands		750	693	748	-
Prepaid Subscriptions (9)	thousands		45	49	43	-
i-mode						
Subscriptions	thousands		47,574	46,823	47,725	48,590
FOMA	thousands		34,052	25,511	36,089	-
i-appli compatible (10) (11)	thousands		38,800	36,000	39,206	-
i-mode Subscription Rate (2)	%		90.4	90.6	90.3	90.2
Net increase from previous period	thousands		1,214	463	151	1,016
i-mode Flat-rate Packet Communication Plan Subscriptions (12)	thousands		9,563	6,912	10,455	-
i-channel Subscriptions	thousands		10,580	3,624	12,272	-
Percentage of Packets Transmitted						
Web	%		98	97	98	-
Mail	%		2	3	2	-
Others						
PHS Subscriptions	thousands		453	679	374	-
DCMX Subscriptions (13)	thousands		2,090	310	2,850	4,000

* Please refer to the attached sheet (P.16) for the definition of ARPU and MOU, and 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 subscriptions.
- (3) Data are calculated excluding Communication Module Services-related revenues and Communication Module Services subscriptions.
- (4) Inclusive of circuit-switched data communications
- (5) Inclusive of Voice Communications and Packet Communications
- (6) Not included in Cellular subscriptions nor FOMA subscriptions
- (7) Included in total cellular subscriptions
- (8) Included in FOMA subscriptions
- (9) Included in mova subscriptions
- (10) Sum of FOMA handsets and mova handsets
- (11) The number of subscribers prior to the third quarter results of Fiscal Year ended March 31, 2007 are revised due to the change of calculation method.
- (12) Sum of "pake-hodai" subscriptions and "pake-hodai full" subscriptions
- (13) Inclusive of DCMX mini subscriptions

Definition and Calculation Methods of ARPU and MOU

1. Definition of ARPU and MOU

i) ARPU (Average monthly Revenue Per Unit)¹:

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 communication charges and packet communication 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.

ii) MOU (Minutes of Usage): Average monthly communication time per user.

2. ARPU Calculation Methods

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 communication charges) / No. of active cellular phone subscribers (FOMA+mova)

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

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

i-mode ARPU (FOMA)²: i-mode ARPU (FOMA) Related Revenues (monthly charges, packet communication 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 communication 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 communication charges) / No. of active cellular phone subscribers (mova)

i-mode ARPU (mova)²: i-mode ARPU (mova) Related Revenues (monthly charges, packet communication 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 communication charges) / No. of active i-mode subscribers (mova)

iv) **ARPU (PHS)**

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

3. Active Subscribers Calculation Methods

No. of active subscribers used in ARPU/MOU/Churn Rate calculations is the sum of No. of active subscribers⁴ 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

(APPENDIX 3)

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

1. EBITDA and EBITDA margin

	Billions of yen	
	Three months ended June 30, 2006	Three months ended June 30, 2007
a. EBITDA	¥ 445.0	¥ 386.6
Depreciation and amortization	(169.3)	(177.1)
Losses on sale or disposal of property, plant and equipment	(3.0)	(5.7)
Operating income	272.7	203.9
Other income (expense)	1.7	1.6
Income taxes	(110.7)	(82.6)
Equity in net losses of affiliates	(0.1)	(0.1)
Minority interests in consolidated subsidiaries	(0.0)	(0.0)
b. Net income	163.5	122.8
c. Total operating revenues	1,218.6	1,182.9
EBITDA margin (=a/c)	36.5%	32.7%
Net income margin (=b/c)	13.4%	10.4%

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

	Billions of yen	
	Three months ended June 30, 2006	Three months ended June 30, 2007
Free cash flows excluding irregular factors and changes in investments for cash management purposes	¥ (165.9)	¥ (49.2)
Irregular factors (1)	-	(4.0)
Changes of investments for cash management purposes (2)	(0.4)	97.7
Free cash flows	(166.2)	142.9
Net cash used in investing activities	(264.6)	(157.8)
Net cash provided by operating activities	98.4	300.7

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

Irregular factors during the three months ended June 30, 2007 was net effects of bank closures as of March 31, 2007 and June 30, 2007.

(2) Changes in investments for cash management purposes were derived from purchases, redemption at maturity and disposals of financial instruments held for cash management purposes with original maturities of longer than three months.

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:

1. As competition in the market becomes more fierce due to changes in the business environment caused by the Mobile Number Portability, new market entrants, competition from other cellular service providers or other technologies, and other factors, could limit our acquisition of new subscribers, retention of existing subscribers and ARPU, or may lead to an increase in our costs and expenses.
2. The new services and usage patterns introduced by our corporate group may not develop as planned, which could limit our growth.
3. The introduction or change of various laws or regulations or the application of such laws and regulations to our corporate group could restrict our business operations, which may adversely affect our financial condition and results of operations.
4. Limitations in the amount of frequency spectrum or facilities made available to us could negatively affect our ability to maintain and improve our service quality and level of customer satisfaction.
5. 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.
6. Our domestic and international investments, alliances and collaborations may not produce the returns or provide the opportunities we expect.
7. As electronic payment capability and many other new features are built into our cellular phones, 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 loss 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.
8. Social problems that could be caused by misuse or misunderstanding of our products and services may adversely affect our credibility or corporate image.
9. Inadequate handling of confidential business information including personal information by our corporate group, contractors and other factors, may adversely affect our credibility or corporate image.
10. Owners of intellectual property rights that are essential for our business execution may not grant us the right to license or otherwise use such intellectual property rights on acceptable terms or at all, which may limit our ability to offer certain technologies, products and/or services, and we may also be held liable for damage compensation if we infringe the intellectual property rights of others.
11. Earthquakes, power shortages, malfunctioning of equipment, 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.
12. Concerns about wireless telecommunications health risks may adversely affect our financial condition and results of operations.
13. Our parent company, Nippon Telegraph and Telephone Corporation (NTT), could exercise influence that may not be in the interests of our other shareholders.

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