



3:00 P.M. JST, January 29, 2008
NTT DoCoMo, Inc.

Earnings Release for the Nine Months Ended December 31, 2007

Consolidated financial results of NTT DoCoMo, Inc. and its subsidiaries (collectively “we” or “DoCoMo”) for the nine months ended December 31, 2007 (April 1, 2007 to December 31, 2007), are summarized as follows.

<< Highlights of Financial Results >>

- For the nine months ended December 31, 2007, operating revenues were ¥3,522.0 billion (down 2.1% compared to the same period of the prior year), operating income was ¥625.0 billion (down 7.7% compared to the same period of the prior year), income before income taxes was ¥628.7 billion (down 7.6% compared to the same period of the prior year) and net income was ¥376.5 billion (down 6.7% compared to the same period of the prior year).
- Earnings per share were ¥8,714.79 (down 4.8% compared to the same period of the prior year) and EBITDA margin* was 34.3% (down 0.3 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 and EBITDA margin, see the reconciliations to the most directly comparable financial measures calculated and presented in accordance with GAAP on page 18.

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

In the third quarter of the fiscal year ending March 31, 2008, we introduced new handset purchase methods, the “Value Course” and “Basic Course”, in conjunction with the release of our latest “FOMA 905i” series phones, in an effort to encourage customers to migrate to the new purchase methods, which we believe are more appropriate for the current state of the Japanese cellular phone market. The “Value Course”, in particular, got off to a good start, with more than two million customers choosing to buy a handset using this method in just two months after its launch. The new discount services, “Fami-wari MAX 50”, “Hitoridemo Discount 50” and “Office-wari MAX 50”, which were introduced in the summer of 2007, have also been received favorably, and their combined subscription count reached approximately 17.6 million as of December 31, 2007, accounting for over 30% of our total cellular subscriptions. Meanwhile, our cellular churn rate for the third quarter dropped to 0.74%, demonstrating that these new measures are beginning to deliver tangible results.

As for the financial results for the first three quarters of the fiscal year ending March 31, 2008, both operating revenues and operating income decreased compared to the same period of the last fiscal year to ¥3,522.0 billion and ¥625.0 billion, respectively, despite the reduction in distributor commissions achieved by the introduction of new handset purchase methods and other measures. This decline is mainly attributable to the decrease in cellular services revenues, which were impacted by the new discount services launched simultaneously with the new purchase methods and other factors.

In the coming spring, we plan to release 13 new models in the “FOMA 705i” lineup comprising a wide variety of handsets featuring distinctive designs and functionality. By introducing these new models after our “FOMA 905i” handsets, which are equipped with a full range of state-of-the-art functions, for instance, high-speed data access, international roaming and one-segment TV capabilities, we intend to further enrich our handset portfolio to cater to the demands of broader user segments and accelerate the uptake of the new purchase methods and discount services. On the service front, we have endeavored to improve customer satisfaction, for example, by expanding the coverage of FOMA High-Speed service that provides transmission speeds of up to 3.6Mbps to 97% of the populated areas in Japan, so that our customers can download video, music and other large-capacity contents more comfortably.

While the competitive environment is expected to remain harsh, we are committed to taking up the challenge to create new values and move “one step ahead” by undertaking various measures, including the option to collaborate with external partners, with the goal to transform cellular phones into a “lifestyle infrastructure” closely tied to people’s everyday lives.

<< 1. Operating Results >>

1. Business Overview

(1) Results of operations

	Billions of yen					
	(UNAUDITED) Nine months ended December 31, 2006	(UNAUDITED) Nine months ended December 31, 2007	Increase (Decrease)		Year ended March 31, 2007	
Operating revenues	¥ 3,597.0	¥ 3,522.0	¥ (75.0)	(2.1)%	¥ 4,788.1	
Operating expenses	2,920.1	2,897.0	(23.1)	(0.8)	4,014.6	
Operating income	676.9	625.0	(51.9)	(7.7)	773.5	
Other income (expense)	3.8	3.7	(0.1)	(1.8)	(0.6)	
Income before income taxes	680.7	628.7	(52.0)	(7.6)	772.9	
Income taxes	276.7	253.3	(23.5)	(8.5)	313.7	
Equity in net income (losses) of affiliates	(0.2)	1.2	1.4	—	(1.9)	
Minority interests in consolidated subsidiaries	(0.0)	(0.1)	(0.1)	(254.3)	(0.0)	
Net income	¥ 403.7	¥ 376.5	¥ (27.2)	(6.7)%	¥ 457.3	

(2) Operating revenues

	Billions of yen			
	(UNAUDITED) Nine months ended December 31, 2006	(UNAUDITED) Nine months ended December 31, 2007	Increase (Decrease)	
Wireless services	¥ 3,248.8	¥ 3,158.7	¥ (90.1)	(2.8)%
Cellular services revenues	3,157.6	3,060.5	(97.1)	(3.1)
- Voice revenues	2,238.5	2,041.6	(196.9)	(8.8)
Including: FOMA services	1,308.3	1,582.6	274.2	21.0
- Packet communications revenues	919.1	1,018.9	99.8	10.9
Including: FOMA services	697.5	921.1	223.6	32.1
PHS services revenues	18.4	9.4	(9.0)	(49.1)
Other revenues	72.8	88.9	16.1	22.1
Equipment sales	348.3	363.3	15.1	4.3
Total operating revenues	¥ 3,597.0	¥ 3,522.0	¥ (75.0)	(2.1)%

Notes:

- Cellular services revenues for the nine months ended December 31, 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 ¥3,522.0 billion (down 2.1% compared to the same period of the prior year).
- Cellular services revenues decreased to ¥3,060.5 billion (down 3.1% compared to the same period of the prior year), due to the penetration of expanded discount programs called "Fami-wari MAX 50" and "Hitoridemo Discount 50", both of which were introduced in August 2007, and the adverse 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 ¥1,582.6 billion (up 21.0% compared to the same period of the prior year) and packet communications revenues from FOMA services increased to ¥921.1 billion (up 32.1% compared to the same period of the prior year) owing to a significant increase in the number of FOMA services subscriptions to 42.08 million (up 31.0% compared to the same period of the prior year).
- Equipment sales totaled ¥363.3 billion (up 4.3% compared to the same period of the prior year), due to the introduction of new handset-purchase methods called "Value Course" and "Basic Course" in November 2007.

(3) Operating expenses

	Billions of yen			
	(UNAUDITED) Nine months ended December 31, 2006	(UNAUDITED) Nine months ended December 31, 2007	Increase (Decrease)	
Personnel expenses	¥ 188.8	¥ 186.7	¥ (2.1)	(1.1)%
Non-personnel expenses	1,860.4	1,815.6	(44.8)	(2.4)
Depreciation and amortization	537.4	558.0	20.6	3.8
Loss on disposal of property, plant and equipment and intangible assets	35.5	43.5	8.0	22.7
Communication network charges	270.7	264.1	(6.6)	(2.4)
Taxes and public dues	27.4	29.2	1.8	6.4
Total operating expenses	¥ 2,920.1	¥ 2,897.0	¥ (23.1)	(0.8)%

- Operating expenses were ¥2,897.0 billion (down 0.8% compared to the same period of the prior year).
- Personnel expenses were ¥186.7 billion (down 1.1% compared to the same period of the prior year). The number of employees as of December 31, 2007 was 22,027.

- Non-personnel expenses decreased to ¥1,815.6 billion (down 2.4% compared to the same period of the prior year). The introduction of new handset-purchase methods resulted in a decrease in commissions paid to sales agents while a decrease in procurement cost per handset reduced the total cost of equipment sold.
- Depreciation and amortization increased to ¥558.0 billion (up 3.8% compared to the same period of the prior year) following intensive capital expenditures for expansion of FOMA service areas in the prior fiscal year.

(4) Operating income

- Operating income decreased to ¥625.0 billion (down 7.7% compared to the same period of the prior year).

(5) Income before income taxes

- Income before income taxes decreased to ¥628.7 billion (down 7.6% compared to the same period of the prior year), due to a decrease in operating income.

(6) Net income

- Net income was ¥376.5 billion (down 6.7% compared to the same period of the prior year).

2. Key Performance Indicators

(1) Number of subscriptions and other indicators

<Number of subscriptions by services>	Ten thousand subscriptions			
	March 31, 2007	December 31, 2007	Increase (Decrease)	
Cellular (FOMA+mova) services	5,262	5,315	53	1.0%
Cellular (FOMA) services	3,553	4,208	655	18.4
Cellular (mova) services	1,709	1,107	(602)	(35.2)
i-mode services	4,757	4,783	26	0.5
PHS services	45	16	(30)	(65.7)

Note:

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

<Number of handsets sold and Churn rate>	Ten thousand units/%			
	Nine months ended December 31, 2006	Nine months ended December 31, 2007	Increase (Decrease)	
Cellular (FOMA+mova) services	1,868	1,932	64	3.4%
Cellular (FOMA) services				
New FOMA subscription	377	439	62	16.5
FOMA subscription by mova subscribers	692	514	(179)	(25.8)
Handset upgrade by FOMA subscribers	623	941	318	51.0
Cellular (mova) services				
New mova subscription	73	17	(56)	(77.0)
Handset upgrade by mova subscribers	103	21	(82)	(79.4)
Churn Rate	0.72%	0.85%	0.13point	—

Note:

Number of handsets sold includes the number of subscriptions with unsubscribed handsets brought by the subscribers.

- The aggregate number of cellular (FOMA+mova) services subscriptions was 53.15 million as of December 31, 2007, an increase of 0.53 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 expanded discount programs such as “Fami-wari MAX 50”, the introduction of a new handset-purchase method called “Value Course” and a discounted billing plan called “Value Plan”, the enrichment of our handset lineup and network services and the 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 42.08 million, up 6.55 million since March 31, 2007, and the proportion of FOMA services subscriptions to the aggregate cellular (FOMA+mova) subscriptions increased to 79.2% as of December 31, 2007.

- The number of handsets sold (FOMA+mova) increased to 19.32 million units (up 3.4% compared to the same period of the prior year).
- The churn rate for cellular (FOMA+mova) services for the nine months ended December 31, 2007 was 0.85% (up 0.13 point compared to the same period of the prior year), due to the impact of the Mobile Number Portability.

(2) Trend of ARPU and other operation data

	Yen/Minutes/Ten thousand subscriptions		
	Nine months ended December 31, 2006	Nine months ended December 31, 2007	Increase (Decrease)
Aggregate ARPU* (FOMA+mova)	¥ 6,760	¥ 6,470	¥ (290) (4.3)%
Voice ARPU	4,780	4,290	(490) (10.3)
Packet ARPU	1,980	2,180	200 10.1
Aggregate ARPU (FOMA)	8,000	7,160	(840) (10.5)
Voice ARPU	5,200	4,510	(690) (13.3)
Packet ARPU	2,800	2,650	(150) (5.4)
MOU* (FOMA+mova) (minutes)	146	140	(6) (4.1)

	December 31, 2006	December 31, 2007	Increase (Decrease)
Number of i-channel subscriptions (ten thousand)	812	1,495	683 84.1%
Number of subscriptions for flat-rate billing plans for unlimited i-mode usage (ten thousand)	856	1,195	338 39.5%

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 17 for details of definitions and calculation methods of ARPU and MOU.

- Aggregate ARPU of cellular (FOMA+mova) services decreased to ¥6,470 for the nine months ended December 31, 2007 (down 4.3% compared to the same period of the prior year) due to the penetration of expanded discount programs such as "Fami-wari MAX 50" and the adverse 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 expenditures

<Breakdown of capital expenditures>	Billions of yen		
	(UNAUDITED) Nine months ended December 31, 2006	(UNAUDITED) Nine months ended December 31, 2007	Increase (Decrease)
Mobile phone business	¥ 583.5	¥ 403.7	¥ (179.8) (30.8)%
PHS business	0.9	0.3	(0.7) (73.3)
Other (including information systems)	94.8	84.2	(10.6) (11.2)
Total capital expenditures	¥ 679.3	¥ 488.2	¥ (191.1) (28.1)%

<Approximate number of base stations installed>	Units/Facilities		
	March 31, 2007	December 31, 2007	Increase (Decrease)
Outside base stations (units)	35,700	40,600	4,900 13.7%
Facilities with indoor systems (facilities)	10,400	13,300	2,900 27.9

- We were involved in enhancement of network quality and acceleration of network speed reflecting requests from our customers while we continued our efforts to save on equipment procurement costs. As a result, total capital expenditures during the nine months ended December 31, 2007 decreased to ¥488.2 billion (down 28.1% compared to the same period of the prior year).
- The aggregate number of outside base stations installed was approximately 40,600, an increase of 4,900 from March 31, 2007, and the aggregate number of facilities with indoor systems was approximately 13,300, an increase of 2,900 from March 31, 2007.

(4) Segment information

<Results of operations by segment>	Billions of yen				
	(UNAUDITED) Nine months ended December 31, 2006	(UNAUDITED) Nine months ended December 31, 2007	Increase (Decrease)		
Operating revenues					
Mobile phone business	¥ 3,547.9	¥ 3,476.8	¥ (71.1)	(2.0)%	
PHS business	18.7	9.7	(9.0)	(48.1)	
Miscellaneous businesses	30.5	35.6	5.1	16.8	
Total operating revenues (consolidated)	¥ 3,597.0	¥ 3,522.0	¥ (75.0)	(2.1)%	
Operating expenses					
Mobile phone business	¥ 2,853.0	¥ 2,812.6	¥ (40.3)	(1.4)%	
PHS business	26.1	29.1	3.0	11.6	
Miscellaneous businesses	41.1	55.3	14.3	34.7	
Total operating expenses (consolidated)	¥ 2,920.1	¥ 2,897.0	¥ (23.1)	(0.8)%	
Operating income (losses)					
Mobile phone business	¥ 694.9	¥ 664.1	¥ (30.8)	(4.4)%	
PHS business	(7.4)	(19.4)	(12.0)	(162.0)	
Miscellaneous businesses	(10.6)	(19.7)	(9.1)	(86.1)	
Total operating income (consolidated)	¥ 676.9	¥ 625.0	¥ (51.9)	(7.7)%	

< Topics in the three months ended December 31, 2007 >

Mobile phone business	<<Handsets>>	<ul style="list-style-type: none"> Eleven new models of FOMA handset were released, including seven of the latest "FOMA 905i" series.
	<<Services>>	<ul style="list-style-type: none"> The point program of "DoCoMo Premier Club" was expanded to further reward long-term subscribers. "DoCoMo Premier Club" started to provide its membership with various privileges in Guam and Saipan. Three security services, "Omakase Lock", "Keitai-Osagashi Service" and "Data Security Service", were packaged into "Keitai-Anshin Package" with a discounted monthly fee. "imadoco search" service, which enables a subscriber to locate another subscriber on an electronic map via i-mode or PC, was launched. "area mail" service, which enables subscribers to receive emergency information from the Japan Meteorological Agency or municipalities in the case of a disaster, was launched. "i-channel" service was launched in Italy by Wind Telecomunicazioni S.p.A. We agreed with KT Freetel Co., Ltd. to jointly invest in U Mobile Sdn. Bhd., a new Malaysian 3G mobile operator. We expanded the service area of international roaming-out services (for voice calls and SMS to 155 countries and areas, for packet communications to 107 countries and areas, and for videophone calls to 41 countries and areas as of December 31, 2007).
	<<Billing>>	<ul style="list-style-type: none"> Two new handset-purchase methods called "Value Course" and "Basic Course", and a discounted billing plan called "Value Plan" were introduced. (The aggregate number of subscriptions to the "Value plan" surpassed 2 million as of January 15, 2008.)
	<<Other>>	<ul style="list-style-type: none"> DoCoMo's involvement in the universal design of handsets and services was publicly recognized by the Japanese government when we won "the prime minister's prize for the promotion of Barrier-free handicap access".
PHS business		<ul style="list-style-type: none"> PHS services were terminated on January 7, 2008.
Miscellaneous businesses		<ul style="list-style-type: none"> interTouch Pte. Ltd., a DoCoMo's wholly-owned subsidiary, agreed to fully acquire MagiNet Pte. Ltd., a broadband internet service provider for hotel facilities. The number of "iD" membership surpassed 5 million as of the end of November 2007.

<< 2. Financial Position >>

(1) Financial position

	Billions of yen/%			
	(UNAUDITED) December 31, 2006	(UNAUDITED) December 31, 2007	Increase (Decrease)	
Total Assets	¥ 6,053.1	¥ 6,043.7	¥ (9.4)	(0.2)%
Shareholders' equity	4,128.3	4,222.5	94.2	2.3
Liabilities	1,923.6	1,819.9	(103.7)	(5.4)
Interest bearing liabilities	654.0	506.2	(147.8)	(22.6)
Equity ratio (1)	68.2%	69.9%	1.7 point	—
Debt ratio (2)	13.7%	10.7%	(3.0) point	—

Notes:

(1) Equity ratio = Shareholders' equity / Total assets

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

(2) Cash flow conditions

	Billions of yen			
	(UNAUDITED) Nine months ended December 31, 2006	(UNAUDITED) Nine months ended December 31, 2007	Increase (Decrease)	
Net cash provided by operating activities	¥ 582.0	¥ 1,027.4	¥ 445.3	76.5%
Net cash used in investing activities	(717.8)	(509.5)	208.3	29.0
Net cash used in financing activities	(462.1)	(414.2)	47.9	10.4
Free cash flows (1)	(135.7)	517.9	653.7	—
Adjusted free cash flows* excluding the effects of irregular factors (2) and changes in investments for cash management purposes (3)	31.9	361.2	329.3	—

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 sales 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 18.

- Net cash provided by operating activities was ¥1,027.4 billion (up 76.5% compared to the same period of the prior year). The increase in net cash provided by operating activities resulted mainly from a decrease in the net payment of income taxes to ¥179.5 billion from ¥358.5 billion in the same period of the prior year, after the deferred tax asset from the impairment of our investment in Hutchison 3G UK Holdings Limited was realized during the prior fiscal year. During the same period of the prior year, when banks were closed on the last day of December, the cash reception of ¥217.0 billion, including cellular revenues, was deferred to January 2007. As banks were also closed at the last day of both March and December 2007, cash in the amount of ¥210.0 billion, including cellular revenues, which would have been received by March 31, 2007, was actually received in April 2007 while the reception of cash in the amount of ¥201.0 billion, which would have been received by December 31, 2007, was deferred to January 2008.
- Net cash used in investing activities decreased to ¥509.5 billion (down 29.0% 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 ¥414.2 billion (down 10.4% compared to the same period of the prior year) due mainly to a decrease of repayments for outstanding long-term debt. We spent ¥123.0 billion in the nine months ended December 31, 2007 to repurchase our own stock in the market.



- Free cash flows were ¥517.9 billion. Free cash flows excluding the effects of irregular factors and changes in investments for cash management purposes were ¥361.2 billion.

Financial Statements

For the Nine Months Ended December 31, 2007

January 29, 2008

[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
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1. Consolidated Financial Results for the Nine Months Ended December 31, 2007 (April 1, 2007 - December 31, 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	
Nine months ended December 31, 2007	3,522,034	(2.1)%	624,998	(7.7)%	628,720	(7.6)%	376,497	(6.7)%
Nine months ended December 31, 2006	3,597,020	0.4%	676,912	(2.4)%	680,704	(16.1)%	403,692	(21.8)%
(Reference) Year ended March 31, 2007	4,788,093	-	773,524	-	772,943	-	457,278	-

	Basic Earnings per Share	Diluted Earnings per Share
Nine months ended December 31, 2007	8,714.79 (yen)	-
Nine months ended December 31, 2006	9,154.91 (yen)	-
(Reference) Year ended March 31, 2007	10,396.21 (yen)	-

Notes: Percentage indications for operating revenues, 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
December 31, 2007	6,043,652	4,222,494	69.9%	98,318.80 (yen)
December 31, 2006	6,053,063	4,128,324	68.2%	94,515.76 (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
Nine months ended December 31, 2007	1,027,393	(509,457)	(414,151)	446,631
Nine months ended December 31, 2006	582,048	(717,781)	(462,076)	243,330
(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	2,400.00		
(Forecasts) Year ending March 31, 2008		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, except per share amount)

	Operating Revenues		Operating Income		Income before Income Taxes		Net Income		Expected earnings per share	
Year ending March 31, 2008	4,667,000	(2.5)%	780,000	0.8%	785,000	1.6%	476,000	4.1%	11,083.44	(yen)

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

Notes: We did not revise our consolidated financial results forecasts for the fiscal year ending March 31, 2008. (The amounts above are the same as we announced as of October 26, 2007 on "Financial Statements for the Six Months Ended September 30, 2007".)

4. Others

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

※Explanation for forecasts of operation and other notes.

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 19.

Consolidated financial statements in this earnings release are unaudited.

<< Consolidated Financial Statements >>

1. Consolidated Balance Sheets

	Millions of yen				
	(UNAUDITED) December 31, 2006	(UNAUDITED) December 31, 2007	Increase (Decrease)		March 31, 2007
ASSETS					
Current assets:					
Cash and cash equivalents	¥ 243,330	¥ 446,631	¥ 203,301	83.5%	¥ 343,062
Short-term investments	152,110	52,741	(99,369)	(65.3)	150,543
Accounts receivable	890,572	866,474	(24,098)	(2.7)	872,323
Allowance for doubtful accounts	(13,147)	(14,465)	(1,318)	(10.0)	(13,178)
Inventories	168,713	131,154	(37,559)	(22.3)	145,892
Deferred tax assets	82,227	88,178	5,951	7.2	94,868
Prepaid expenses and other current assets	161,898	132,417	(29,481)	(18.2)	138,403
Total current assets	1,685,703	1,703,130	17,427	1.0	1,731,913
Property, plant and equipment:					
Wireless telecommunications equipment	5,050,226	5,292,303	242,077	4.8	5,149,132
Buildings and structures	766,361	792,739	26,378	3.4	778,638
Tools, furniture and fixtures	615,499	537,844	(77,655)	(12.6)	613,945
Land	198,660	199,644	984	0.5	199,007
Construction in progress	131,353	108,052	(23,301)	(17.7)	114,292
Accumulated depreciation and amortization	(3,878,783)	(4,117,291)	(238,508)	(6.1)	(3,954,361)
Total property, plant and equipment, net	2,883,316	2,813,291	(70,025)	(2.4)	2,900,653
Non-current investments and other assets:					
Investments in affiliates	187,046	182,478	(4,568)	(2.4)	176,376
Marketable securities and other investments	269,218	340,209	70,991	26.4	261,456
Intangible assets, net	547,917	542,257	(5,660)	(1.0)	551,029
Goodwill	141,083	147,381	6,298	4.5	147,821
Other assets	216,299	190,664	(25,635)	(11.9)	219,271
Deferred tax assets	122,481	124,242	1,761	1.4	127,696
Total non-current investments and other assets	1,484,044	1,527,231	43,187	2.9	1,483,649
Total assets	¥ 6,053,063	¥ 6,043,652	¥ (9,411)	(0.2)%	¥ 6,116,215
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities:					
Current portion of long-term debt	¥ 149,600	¥ 107,615	¥ (41,985)	(28.1)%	¥ 131,005
Short-term borrowings	108	108	(0)	(0.0)	102
Accounts payable, trade	706,560	664,915	(41,645)	(5.9)	761,108
Accrued payroll	28,067	28,868	801	2.9	46,584
Accrued interest	1,378	1,507	129	9.4	809
Accrued income taxes	35,558	113,797	78,239	220.0	68,408
Other current liabilities	140,918	177,377	36,459	25.9	154,909
Total current liabilities	1,062,189	1,094,187	31,998	3.0	1,162,925
Long-term liabilities:					
Long-term debt (exclusive of current portion)	504,289	398,482	(105,807)	(21.0)	471,858
Liability for employees' retirement benefits	141,357	142,219	862	0.6	135,890
Other long-term liabilities	215,753	184,980	(30,773)	(14.3)	183,075
Total long-term liabilities	861,399	725,681	(135,718)	(15.8)	790,823
Total liabilities	1,923,588	1,819,868	(103,720)	(5.4)	1,953,748
Minority interests in consolidated subsidiaries	1,151	1,290	139	12.1	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	2,439,569	2,679,109	239,540	9.8	2,493,155
Accumulated other comprehensive income	16,280	11,113	(5,167)	(31.7)	12,874
Treasury stock, at cost	(588,218)	(553,366)	34,852	5.9	(430,364)
Total shareholders' equity	4,128,324	4,222,494	94,170	2.3	4,161,303
Total liabilities and shareholders' equity	¥ 6,053,063	¥ 6,043,652	¥ (9,411)	(0.2)%	¥ 6,116,215

2. Consolidated Statements of Income and Comprehensive Income

	Millions of yen				
	(UNAUDITED) Nine months ended December 31, 2006	(UNAUDITED) Nine months ended December 31, 2007	Increase (Decrease)		Year ended March 31, 2007
Operating revenues:					
Wireless services	¥ 3,248,760	¥ 3,158,694	¥ (90,066)	(2.8)%	¥ 4,314,140
Equipment sales	348,260	363,340	15,080	4.3	473,953
Total operating revenues	3,597,020	3,522,034	(74,986)	(2.1)	4,788,093
Operating expenses:					
Cost of services (exclusive of items shown separately below)	545,157	586,032	40,875	7.5	766,960
Cost of equipment sold (exclusive of items shown separately below)	892,223	870,534	(21,689)	(2.4)	1,218,694
Depreciation and amortization	537,362	557,972	20,610	3.8	745,338
Selling, general and administrative	945,366	882,498	(62,868)	(6.7)	1,283,577
Total operating expenses	2,920,108	2,897,036	(23,072)	(0.8)	4,014,569
Operating income	676,912	624,998	(51,914)	(7.7)	773,524
Other income (expense):					
Interest expense	(4,292)	(4,614)	(322)	(7.5)	(5,749)
Interest income	1,036	1,691	655	63.2	1,459
Other, net	7,048	6,645	(403)	(5.7)	3,709
Total other income (expense)	3,792	3,722	(70)	(1.8)	(581)
Income before income taxes	680,704	628,720	(51,984)	(7.6)	772,943
Income taxes	276,730	253,264	(23,466)	(8.5)	313,679
Equity in net income (losses) of affiliates	(247)	1,165	1,412	—	(1,941)
Minority interests in consolidated subsidiaries	(35)	(124)	(89)	(254.3)	(45)
Net income	¥ 403,692	¥ 376,497	¥ (27,195)	(6.7)%	¥ 457,278
Other comprehensive income (loss):					
Unrealized holding gains (losses) on available-for-sale securities, net of applicable taxes	(10,675)	314	10,989	—	(15,763)
Net revaluation of financial instruments, net of applicable taxes	18	(7)	(25)	—	34
Foreign currency translation adjustment, net of applicable taxes	104	(1,522)	(1,626)	—	1,103
Pension liability adjustment, net of applicable taxes	—	(546)	(546)	—	—
Minimum pension liability adjustment, net of applicable taxes	52	—	(52)	(100.0)	5,562
Comprehensive income	¥ 393,191	¥ 374,736	¥ (18,455)	(4.7)%	¥ 448,214
PER SHARE DATA					
Weighted average common shares outstanding					
– basic and diluted (shares)	44,095,706	43,202,063	(893,643)	(2.0)	43,985,082
Basic and diluted earnings per share (Yen)	¥ 9,154.91	¥ 8,714.79	¥ (440.12)	(4.8)%	¥ 10,396.21

3. Consolidated Statements of Shareholders' Equity

	Millions of yen				
	(UNAUDITED) Nine months ended December 31, 2006	(UNAUDITED) Nine months ended December 31, 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	(176,862)	(190,543)	(13,681)	(7.7)	(176,862)
Net income	403,692	376,497	(27,195)	(6.7)	457,278
At end of period	2,439,569	2,679,109	239,540	9.8	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	(10,675)	314	10,989	—	(15,763)
Net revaluation of financial instruments	18	(7)	(25)	—	34
Foreign currency translation adjustment	104	(1,522)	(1,626)	—	1,103
Pension liability adjustment	—	(546)	(546)	—	—
Minimum pension liability adjustment	52	—	(52)	(100.0)	5,562
Adjustment to initially apply SFAS No.158	—	—	—	—	(4,843)
At end of period	16,280	11,113	(5,167)	(31.7)	12,874
Treasury stock, at cost:					
At beginning of period	(448,196)	(430,364)	17,832	4.0	(448,196)
Purchase of treasury stock	(140,022)	(123,002)	17,020	12.2	(157,223)
Retirement of treasury stock	—	—	—	—	175,055
At end of period	(588,218)	(553,366)	34,852	5.9	(430,364)
Total shareholders' equity	¥ 4,128,324	¥ 4,222,494	¥ 94,170	2.3%	¥ 4,161,303

4. Consolidated Statements of Cash Flows

	Millions of yen		
	(UNAUDITED) Nine months ended December 31, 2006	(UNAUDITED) Nine months ended December 31, 2007	Year ended March 31, 2007
I Cash flows from operating activities:			
1. Net income	¥ 403,692	¥ 376,497	¥ 457,278
2. Adjustments to reconcile net income to net cash provided by operating activities-			
(1) Depreciation and amortization	537,362	557,972	745,338
(2) Deferred taxes	89,443	8,168	74,987
(3) Loss on sale or disposal of property, plant and equipment	28,605	23,949	55,708
(4) Equity in net (income) losses of affiliates	(13)	(1,884)	2,791
(5) Minority interests in consolidated subsidiaries	35	124	45
(6) Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	(280,735)	5,849	(262,032)
(Decrease) increase in allowance for doubtful accounts	(1,593)	1,287	(1,600)
Decrease in inventories	60,810	14,738	83,716
(Increase) decrease in prepaid expenses and other current assets	(63,047)	10,108	(39,254)
(Decrease) in accounts payable, trade	(60,216)	(29,987)	(42,013)
(Decrease) increase in accrued income taxes	(133,029)	45,389	(100,197)
(Decrease) increase in other current liabilities	(13,528)	22,478	534
Increase in liability for employees' retirement benefits	5,846	6,329	379
Increase (decrease) in other long-term liabilities	8,345	2,983	(26,241)
Other, net	71	(16,607)	31,159
Net cash provided by operating activities	582,048	1,027,393	980,598
II Cash flows from investing activities:			
1. Purchases of property, plant and equipment	(570,680)	(389,900)	(735,650)
2. Purchases of intangible and other assets	(163,408)	(170,859)	(213,075)
3. Purchases of non-current investments	(24,418)	(93,822)	(41,876)
4. Proceeds from sale and redemption of non-current investments	50,051	100,827	50,594
5. Purchases of short-term investments	(3,158)	(5,490)	(3,557)
6. Redemption of short-term investments	2,533	3,238	4,267
7. Proceed from redemption of long-term bailment for consumption to a related party	—	50,000	—
8. Other, net	(8,701)	(3,451)	(8,354)
Net cash used in investing activities	(717,781)	(509,457)	(947,651)
III Cash flows from financing activities:			
1. Repayment of long-term debt	(142,323)	(98,200)	(193,723)
2. Proceeds from short-term borrowings	17,288	4,739	18,400
3. Repayment of short-term borrowings	(17,332)	(4,733)	(18,450)
4. Principal payments under capital lease obligations	(2,823)	(2,410)	(3,621)
5. Payments to acquire treasury stock	(140,022)	(123,002)	(157,223)
6. Dividends paid	(176,862)	(190,543)	(176,862)
7. Other, net	(2)	(2)	(2)
Net cash used in financing activities	(462,076)	(414,151)	(531,481)
IV Effect of exchange rate changes on cash and cash equivalents	415	(216)	872
V Net increase (decrease) in cash and cash equivalents	(597,394)	103,569	(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	¥ 243,330	¥ 446,631	¥ 343,062
Supplemental disclosures of cash flow information:			
Cash received during the period for:			
Income taxes	¥ 920	¥ 20,346	¥ 925
Cash paid during the period for:			
Interest	4,177	3,916	6,203
Income taxes	359,458	199,864	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.

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. Other footnotes to unaudited financial statements

Disbursement of substitutional portion of the National Welfare Pension Plan

Under the Defined-Benefit Corporate Pension Law, NTT Kosei-Nenkin-Kikin, a contributory defined benefit welfare pension plan sponsored by the NTT group ("NTT Plan"), was granted approvals by the Japanese government which permitted the NTT Plan to be released from the future obligation and past obligation to disburse the NTT Plan benefits covering the substitutional portion of the National Welfare Pension Plan. The approvals for future and past obligations were granted in September 2003 and July 2007, respectively. As a result, the NTT Plan converted to the NTT Kigyuu-Nenkin-Kikin, a defined-benefit corporate pension plan, from July 1, 2007.

Although the NTT Plan was granted approvals by the Japanese government 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 accurate 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 ¥25.0 billion.

3. Subsequent event

Additional acquisition of shares in Philippine Long Distance Telephone Company

DoCoMo acquired approximately 7% of outstanding common stock of Philippine Long Distance Telephone Company (PLDT), a telecommunication operator in the Philippines, from NTT Communications Corporation ("NTT Com") in March 2006. Additional acquisition of approximately 7% of PLDT common stock for approximately ¥86.7 billion by DoCoMo since March 2007 resulted in a total of approximately 20% equity held by DoCoMo and NTT Com as of January 22, 2008. DoCoMo will reclassify PLDT as an affiliate and account for the investment by retroactively applying the equity method from January 22, 2008.

Operation Data for First Nine Months of Fiscal Year Ending March 31, 2008

Full year forecast: as revised at Oct.26, 2007

		[Ref.] Fiscal Year Ended Mar. 31, 2007 Full-year Results	Fiscal Year Ending Mar. 31, 2008 First Nine Months (Apr.-Dec. 2007) Results	First Quarter (Apr.-Jun. 2007) Results	Second Quarter (Jul.-Sep. 2007) Results	Third Quarter (Oct.-Dec. 2007) Results	[Ref.] Fiscal Year Ending Mar. 31, 2008 Full-year Forecast
Cellular							
Subscriptions	thousands	52,621	53,151	52,846	52,942	53,151	53,480
FOMA	thousands	35,529	42,078	37,854	40,043	42,078	43,980
mova	thousands	17,092	11,073	14,991	12,899	11,073	9,490
Market share (1) (2)	%	54.4	52.9	53.9	53.3	52.9	-
Net increase from previous period (2)	thousands	1,477	529	225	96	209	850
FOMA (2)	thousands	12,066	6,548	2,325	2,188	2,035	8,450
mova (2)	thousands	(10,589)	(6,019)	(2,100)	(2,092)	(1,826)	(7,600)
Aggregate ARPU (FOMA+mova) (3)	yen/month/contract	6,700	6,470	6,560	6,550	6,290	6,430
Voice ARPU (4)	yen/month/contract	4,690	4,290	4,440	4,340	4,090	4,210
Packet ARPU	yen/month/contract	2,010	2,180	2,120	2,210	2,200	2,220
i-mode ARPU	yen/month/contract	1,990	2,150	2,090	2,180	2,170	2,190
ARPU generated from international services (5)	yen/month/contract	50	70	60	70	70	70
ARPU generated purely from i-mode (FOMA+mova) (3)	yen/month/contract	2,160	2,330	2,270	2,360	2,350	2,370
Aggregate ARPU (FOMA) (3)	yen/month/contract	7,860	7,160	7,370	7,270	6,870	7,070
Voice ARPU (4)	yen/month/contract	5,070	4,510	4,710	4,570	4,260	4,400
Packet ARPU	yen/month/contract	2,790	2,650	2,660	2,700	2,610	2,670
i-mode ARPU	yen/month/contract	2,750	2,620	2,630	2,660	2,580	2,630
ARPU generated from international services (5)	yen/month/contract	80	90	80	90	90	90
ARPU generated purely from i-mode (FOMA) (3)	yen/month/contract	2,830	2,730	2,730	2,770	2,690	2,740
Aggregate ARPU (mova) (3)	yen/month/contract	5,180	4,440	4,600	4,440	4,200	4,360
Voice ARPU (4)	yen/month/contract	4,190	3,670	3,800	3,660	3,490	3,600
i-mode ARPU	yen/month/contract	990	770	800	780	710	760
ARPU generated from international services (5)	yen/month/contract	20	10	10	10	10	20
ARPU generated purely from i-mode (mova) (3)	yen/month/contract	1,160	950	970	960	890	940
MOU (FOMA+mova) (3)	minute/month/contract	144	140	140	140	139	-
MOU (FOMA) (3)	minute/month/contract	175	159	161	159	156	-
MOU (mova) (3)	minute/month/contract	104	85	89	84	80	-
Churn Rate (2)	%	0.78	0.85	0.85	0.94	0.74	-
2in1 Subscriptions (6)	thousands	-	211	67	152	211	-
Communication Module Service Subscriptions (7)	thousands	1,027	1,360	1,140	1,247	1,360	1,390
FOMA Ubiquitous plan (8)	thousands	277	618	392	509	618	-
DoPa Single Service (9)	thousands	750	742	748	738	742	-
Prepaid Subscriptions (9)	thousands	45	41	43	42	41	-
i-mode							
Subscriptions	thousands	47,574	47,831	47,725	47,759	47,831	48,170
FOMA	thousands	34,052	39,654	36,089	37,972	39,654	-
i-appli compatible (10)	thousands	38,800	39,856	39,206	39,523	39,856	-
i-mode Subscription Rate (2)	%	90.4	90.0	90.3	90.2	90.0	90.1
Net increase from previous period	thousands	1,214	257	151	34	72	590
i-mode Flat-rate Packet Communication Plan Subscriptions (11)	thousands	9,563	11,945	10,455	11,267	11,945	-
i-channel Subscriptions	thousands	10,580	14,953	12,272	13,874	14,953	-
Percentage of Packets Transmitted							
Web	%	98	98	98	98	98	-
Mail	%	2	2	2	2	2	-
Others							
PHS Subscriptions	thousands	453	155	374	310	155	-
DCMX Subscriptions (12)	thousands	2,090	4,660	2,850	3,750	4,660	5,170

* Please refer to the attached sheet (P.17) for the definition of ARPU and MOU, and an explanation of the methods used to calculate ARPU and the number of active subscriptions used in calculating ARPU, MOU and Churn Rate.

- (1) Source for other cellular telecommunications operators: Data announced by Telecommunications Carriers Association
(2) Data is calculated including Communication Module Services subscriptions.
(3) Data is 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) Sum of "pake-hodai" subscriptions and "pake-hodai full" subscriptions
(12) 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 subscription 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 subscriptions to the relevant services. Accordingly, the calculation of ARPU excludes revenues that are not representative of monthly average usage such as activation fees. We believe that our ARPU figures provide useful information to analyze the average usage per subscription and the impacts of changes in our billing arrangements. The revenue items included in the numerators of our ARPU figures are based on our U.S. GAAP results of operations. This definition applies to all ARPU figures hereinafter.

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

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 subscriptions (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 subscriptions (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 subscriptions (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 subscriptions (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 subscriptions (FOMA)

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

i-mode ARPU² (FOMA): i-mode ARPU (FOMA) Related Revenues (monthly charges, packet communication charges) / No. of active cellular phone subscriptions (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 subscriptions (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 subscriptions (mova)

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

iv) **ARPU (PHS)**

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

3. Active Subscriptions Calculation Methods

No. of active subscriptions used in ARPU/MOU/Churn Rate calculations is as follows:

No. of active subscriptions for each month:

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

No. of active subscriptions for full-year results/forecasts:

Sum of No. of active subscriptions for each month from April to March

1 Communication Module service subscriptions 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 subscriptions 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 subscriptions as a denominator.

(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	
	Nine months ended December 31, 2006	Nine months ended December 31, 2007
a. EBITDA	¥ 1,242.9	¥ 1,206.9
Depreciation and amortization	(537.4)	(558.0)
Losses on sale or disposal of property, plant and equipment	(28.6)	(23.9)
Operating income	676.9	625.0
Other income (expense)	3.8	3.7
Income taxes	(276.7)	(253.3)
Equity in net income (losses) of affiliates	(0.2)	1.2
Minority interests in consolidated subsidiaries	(0.0)	(0.1)
b. Net income	403.7	376.5
c. Total operating revenues	3,597.0	3,522.0
EBITDA margin (=a/c)	34.6%	34.3%
Net income margin (=b/c)	11.2%	10.7%

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	
	Nine months ended December 31, 2006	Nine months ended December 31, 2007
Free cash flows excluding irregular factors and changes in investments for cash management purposes	¥ 31.9	¥ 361.2
Irregular factors (1)	(217.0)	9.0
Changes of investments for cash management purposes (2)	49.4	147.7
Free cash flows	(135.7)	517.9
Net cash used in investing activities	(717.8)	(509.5)
Net cash provided by operating activities	582.0	1,027.4

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 nine months ended December 31, 2007 were the net effect of bank closures as of March 31, 2007 and December 31, 2007.

(2) Changes in investments for cash management purposes were derived from purchases, redemption at maturity and sales 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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