

NTT DOCOMO INC
Form 6-K
July 31, 2007
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 6-K

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

For the month of July, 2007.

Commission File Number: 001-31221

Total number of pages: 50

NTT DoCoMo, Inc.

(Translation of registrant's name into English)

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

Chiyoda-ku, Tokyo 100-6150

Japan

(Address of principal executive offices)

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

Form 20-F **Form 40-F**

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

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

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

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

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

Yes **No**

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

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Information furnished in this form:

1. Earnings release dated July 27, 2007 announcing the company's results for the three months ended June 30, 2007.
2. Materials presented in conjunction with the earnings release dated July 27, 2007 announcing the company's results for the three months ended June 30, 2007.

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SIGNATURES

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

NTT DoCoMo, Inc.

Date: July 30, 2007

By:

/s/ YOSHIKIYO SAKAI
Yoshikiyo Sakai

Head of Investor Relations

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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.

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<< 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 Nikageitsu 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.

Table of Contents<< 1. Operating Results >>**1. Business Overview**

(1) Results of operations

Billions of yen

	(UNAUDITED)		(UNAUDITED)		Year ended March 31, 2007
	Three months ended		Increase		
	June 30, 2006	June 30, 2007	(Decrease)		
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

Billions of yen

<Breakdown of operating revenues>

	(UNAUDITED)		(UNAUDITED)		Increase (Decrease)
	Three months ended		Increase		
	June 30, 2006	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)	

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Total operating revenues	¥ 1,218.6	¥ 1,182.9	¥ (35.7)	(2.9)%
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Notes:

1. 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.
2. 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)	
	Three months ended		Three months ended	
	June 30, 2006	June 30, 2007	Increase (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%

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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).

Table of Contents**2. Key Performance Indicators**

(1) Number of subscriptions

<Number of subscriptions by services>	Thousand subscriptions			
				Increase
	March 31, 2007	June 30, 2007	(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		Increase	
	June 30, 2006	June 30, 2007	(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.

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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.

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(2) Trend of ARPU

<ARPU and other operation data>	Yen/Minutes/Thousand subscriptions			
	Three months ended		Increase	
	June 30, 2006	June 30, 2007	(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)		(UNAUDITED)	
	Three months ended		Increase	
	June 30, 2006	June 30, 2007	(Decrease)	
Mobile phone business	¥ 187.3	¥ 126.2	¥ (61.1)	(32.6)%
PHS business	0.2	0.1	(0.1)	(69.8)

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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			Increase	
	March 31, 2007	June 30, 2007		(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.

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(4) Segment information

<Results of operations by segment>	Billions of yen			
	(UNAUDITED)		(UNAUDITED)	
	Three months ended	Three months ended	Increase	
	June 30, 2006	June 30, 2007	(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>>

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>>

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.

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Emergency 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>>

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

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

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.

Table of Contents<< 2. Financial Position >>

(1) Financial position

<Financial position>	Billions of yen			
			Increase	
	June 30, 2006	June 30, 2007	(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)		(UNAUDITED)	
	Three months ended		Three months ended	
	June 30, 2006	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:

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- (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.

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July 27, 2007

For the Three Months Ended June 30, 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 (Reference)	1,218,560	2.7%	272,727	(5.2)%	274,383	(22.4)%	163,512	(21.3)%
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 (Reference)	3,684.23 (yen)	
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

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(Millions of yen, except per share amounts)

	Equity Ratio			
	Total Assets	Shareholders Equity	(Ratio of Shareholders	Shareholders Equity
			Equity to Total Assets)	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	Cash Flows from	Cash Flows from	Cash and Cash
	Operating Activities	Investing Activities	Financing Activities	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	Total
		31	
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

Table of Contents**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	
	Amount	Change (%)	Amount	Change (%)	Amount	Change (%)	Amount	Change (%)
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.

Table of Contents<< 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