Miller Joan Elizabeth
Form 4
June 14, 2011

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
Miller Joan Elizabeth

(Last) (First) (Middle)

C/O QUEST DIAGNOSTICS INCORPORATED, 3 GIRALDA FARMS

(Street)

MADISON, NJ 07940

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
QUEST DIAGNOSTICS INC [DGX]

3. Date of Earliest Transaction (Month/Day/Year)
06/13/2011

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

_____ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
SVP-Oncology & Neurology Srvcs

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	06/13/2011		S (1)		10,615	D	$ 59.2	86,066 (2)	D	
Common Stock								1,039 (3)	I	401(k)/SDCP

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(*e.g.*, puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene Owne Follo Repo Trans (Instr
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares		

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Miller Joan Elizabeth C/O QUEST DIAGNOSTICS INCORPORATED 3 GIRALDA FARMS MADISON, NJ 07940			SVP-Oncology & Neurology Srvcs	

Signatures

/s/ William J. O'Shaughnessy, Jr., Attorney in Fact for Joan Elizabeth Miller	06/14/2011
**Signature of Reporting Person	Date

Explanation of Responses:

*	If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
**	Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
(1)	The sale reported was effected pursuant to a Rule 10b5-1 sales plan adopted by the reporting person on May 19, 2011.
(2)	The amount includes exempt purchases made under the Company's stock purchase plan since the date of the last filing on Form 4.
(3)	These underlying shares were acquired on a periodic basis by the trustee of the Company's tax qualified Profit Sharing (401(k)) and/or Supplemental Deferred Compensation Plan. The information was obtained from the plan administrator as of a current date. The number of shares is based on the account balance of the Company stock fund under each Plan (which includes some money market instruments) divided by the market price of the Company stock as of that date.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
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Total non-current assets

2,575,406 **58.3%** 3,017,682 66.9% (442,276)

Current assets:

Cash and bank deposits

981,159 801,596 179,563

Notes receivable

6 6

Accounts receivable, trade

347,877 358,778 (10,900)

Accounts receivable, other

323,287 184,998 138,288

Inventories and supplies

84,065 51,099 32,966

Advances

3,722 2,387 1,334

Prepaid expenses

5,440 5,634 (193)

Deferred income taxes

82,628 28,910 53,718

Short-term loans

20,750 65,000 (44,250)

Other current assets

2,405 5,689 (3,283)

Allowance for doubtful accounts

(7,226) (8,483) 1,256

Total current assets

1,844,118 **41.7%** 1,495,611 33.1% 348,506

Total assets

¥4,419,525	**100.0%**	¥4,513,294	100.0%	¥(93,769)

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	Millions of yen				
	(UNAUDITED) March 31, 2005		March 31, 2004		Increase (Decrease)
LIABILITIES					
Long-term liabilities:					
Bonds	**¥ 615,885**		¥ 745,969		¥ (130,084)
Long-term borrowings	**175,000**		191,067		(16,067)
Liability for employees severance payments	**60,889**		60,658		230
Reserve for directors and corporate auditors retirement benefits	**495**				495
Reserve for point loyalty programs	**36,024**		36,945		(920)
Reserve for loss on PHS business	**20,355**				20,355
Other long-term liabilities	**19,197**		195		19,001
Total long-term liabilities	**927,848**	**21.0%**	1,034,836	22.9%	(106,987)
Current liabilities:					
Current portion of long-term debt	**136,000**		110,019		25,980
Accounts payable, trade	**272,813**		258,761		14,052
Accounts payable, other	**223,324**		192,928		30,395
Accrued expenses	**6,074**		6,694		(619)
Accrued taxes on income	**920**		172,250		(171,330)
Advances received	**10,298**		5,697		4,601
Deposits received	**458,935**		372,149		86,785
Other current liabilities	**46,694**		12,475		34,219
Total current liabilities	**1,155,061**	**26.1%**	1,130,977	25.1%	24,084
Total liabilities	**¥ 2,082,910**	**47.1%**	¥ 2,165,813	48.0%	¥ (82,902)
SHAREHOLDERS EQUITY					
Common stock	**¥ 949,679**	**21.5%**	¥ 949,679	21.0%	¥
Capital surplus					
Additional paid-in capital	**292,385**		292,385		
Other paid-in capital	**971,190**		971,190		
Total capital surplus	**1,263,575**	**28.6%**	1,263,575	28.0%	
Earned surplus					
Legal reserve	**4,099**		4,099		
Voluntary reserve	**367,925**		157,000		210,925
Unappropriated retained earnings	**245,706**		360,266		(114,560)
Total earned surplus	**617,732**	**14.0%**	521,366	11.6%	96,365
Net unrealized gains on securities	**16,403**	**0.4%**	9,759	0.2%	6,643
Treasury stock	**(510,776)**	**(11.6%)**	(396,900)	(8.8%)	(113,875)
Total shareholders equity	**¥ 2,336,614**	**52.9%**	¥ 2,347,481	52.0%	¥ (10,867)
Total liabilities and shareholders equity	**¥ 4,419,525**	**100.0%**	¥ 4,513,294	100.0%	¥ (93,769)

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2. Non-consolidated Statements of Income

	Millions of yen				
	(UNAUDITED)				
	Year ended March 31, 2005		Year ended March 31, 2004		Increase (Decrease)
Recurring profits and losses:					
Operating revenues and expenses					
Telecommunication businesses					
Operating revenues	**¥ 2,034,124**	**79.1%**	¥ 2,123,155	80.6%	¥ (89,030)
Voice transmission services	**1,329,689**		1,404,548		(74,858)
Data transmission services	**454,773**		457,301		(2,527)
Other	**249,661**		261,305		(11,643)
Operating expenses	**1,634,338**	**63.6%**	1,599,157	60.7%	35,180
Business expenses	**982,284**		947,773		34,510
Administrative expenses	**55,790**		51,783		4,006
Depreciation	**376,939**		370,762		6,177
Loss on disposal of property, plant and equipment and intangible assets	**28,162**		24,421		3,741
Communication network charges	**175,909**		188,826		(12,917)
Taxes and public dues	**15,252**		15,589		(337)
Operating income from telecommunication businesses	**399,786**	**15.5%**	523,997	19.9%	(124,211)
Supplementary businesses					
Operating revenues	**537,086**	**20.9%**	510,039	19.4%	27,047
Operating expenses	**528,620**	**20.5%**	506,740	19.3%	21,880
Operating income from supplementary businesses	**8,466**	**0.4%**	3,299	0.1%	5,167
Total operating income	**¥ 408,252**	**15.9%**	¥ 527,297	20.0%	¥ (119,044)
Non-Operating revenues and expenses					
Non-operating revenues	**55,798**	**2.1%**	26,916	1.0%	28,882
Interest income and discounts	**1,822**		1,990		(168)
Interest income-securities	**42**				42
Dividend income	**43,605**		13,789		29,816
Gain on sale of investment securities			1,416		(1,416)
Foreign exchange gains	**3,888**		482		3,405
Lease and rental income	**1,719**		1,732		(12)
Miscellaneous income	**4,720**		7,503		(2,783)
Non-operating expenses	**18,099**	**0.7%**	20,669	0.7%	(2,570)
Interest expense and discounts	**2,154**		5,065		(2,910)
Interest expense-bonds	**6,624**		8,061		(1,437)
Loss on write-off of inventories	**6,117**		2,767		3,349
Impairment of investment securities	**694**		675		18
Miscellaneous expenses	**2,509**		4,099		(1,590)
Recurring profit	**¥ 445,952**	**17.3%**	¥ 533,544	20.3%	¥ (87,591)
Special profits and losses:					
Special profits	**431,700**	**16.8%**			431,700
Gain on liquidation of a subsidiary	**431,700**				431,700
Special losses	**36,323**	**1.4%**	18,682	0.7%	17,640
Provision for loss on PHS business	**20,355**				20,355

Write-downs of investments in affiliated companies	**15,967**		18,682		(2,715)
Income before income taxes	**841,329**	**32.7%**	514,861	19.6%	326,467
Income taxes-current	**61**	**0.0%**	174,000	6.6%	(173,938)
Income taxes-deferred	**338,049**	**13.1%**	7,010	0.3%	331,039
Net income	**¥ 503,218**	**19.6%**	¥ 333,851	12.7%	¥ 169,367
Retained earnings brought forward	**100,596**		51,143		49,453
Retirement of treasury stock	**311,371**				311,371
Interim dividends	**46,737**		24,728		22,009
Unappropriated retained earnings	**¥ 245,706**		¥ 360,266		¥ (114,560)

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

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3. Proposal for Appropriation of Retained Earnings

	Millions of yen			
	Year ended March 31, 2005		Year ended March 31, 2004	
Unappropriated retained earnings	¥	**245,706**	¥	360,266
Reversal of appropriation for accelerated depreciation on tax		**2,981**		
Sub-total		**248,688**		360,266
The above shall be appropriated as follows:				
Cash dividends		**46,272**		48,596
		[¥1,000 per share]		[¥1,000 per share Ordinary dividend ¥500 Commemorative dividend ¥500]
Bonuses to directors and corporate auditors		**126**		147
[(including) Bonuses to corporate auditors]		**[23]**		[22]
Appropriation for accelerated depreciation on tax		**7,918**		9,925
General reserve				201,000
Retained earnings carried forward	¥	**194,371**	¥	100,596

Notes:

On November 22, 2004, DoCoMo paid ¥46,737 million (¥1,000 per share) as an interim dividend.

Appropriation for accelerated depreciation on tax is based on the Special Taxation Measures Law of Japan.

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Accounting Basis for the Non-Consolidated Financial Statements

Basis of Presentation:

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

1. Depreciation and amortization of non-current assets

(1) Property, plant and equipment

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

(2) Intangible assets

Intangible assets are amortized on a straight-line basis.

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

2. Valuation of securities

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

(2) Available-for-sale securities whose fair value is readily determinable are stated at fair value as of the end of the fiscal year with unrealized gains and losses, net of applicable deferred tax assets/liabilities, not reflected in earnings, but directly reported as a separate component of shareholders equity. The cost of equity securities sold is determined by the moving-average method, and the cost of debt securities sold is determined by the first-in, first-out method. Available-for-sale securities whose fair value is not readily determinable are stated primarily at moving-average cost.

3. Valuation of derivative instruments

Derivative instruments are stated at fair value as of the end of the fiscal year.

4. Valuation of inventories

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

5. Foreign currency translation

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

6. Allowance for doubtful accounts, liability for employees severance payments, reserve for directors corporate auditors retirement benefits, reserve for point loyalty programs and reserve for loss on PHS business

(1) Allowance for doubtful accounts

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

(2) Liability for employees severance payments

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

Actuarial losses (gains) are recognized as incurred.

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

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(3) Reserve for directors and corporate auditors retirement benefits

The Company allocates the amount necessary for payment as of the end of the fiscal year based on our internal regulations, so as to prepare for the payment of retirement benefits to directors and corporate auditors.

This reserve is stipulated by Article 43 of the Enforce Regulation of the Commercial Code of Japan.

(Change in Accounting Policy)

Effective from the fiscal year ended March 31, 2005, the Company changed its method of accounting for its directors and corporate auditors retirement benefits, which were previously recognized as cost at the time of payment, to record a reserve for the benefits to the amount necessary for payment as of the end of the fiscal year based on our internal regulations.

The purpose of this change is to allocate periodic cost appropriately and disclose the Company s financial position more properly, considering the increase in significance of the future retirement benefits which reflect expected terms of appointment for directors and corporate auditors.

The effect of this change was recorded as an increase of operating expenses of telecommunication businesses by ¥495 million for the year ended March 31, 2005. As a result thereof, operating income, recurring profit and income before income taxes decreased by ¥495 million compared with those accounted for under the previous method for the year ended March 31, 2005.

(4) Reserve for point loyalty programs

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

(5) Reserve for loss on PHS business

In order to provide for the loss resulting from the changes in direction of PHS business, the Company allocates the amount recognized to be necessary to prepare for the estimated future loss.

This reserve is stipulated by Article 43 of the Enforce Regulation of the Commercial Code of Japan.

7. Leases

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

8. Hedge accounting

(1) Hedge accounting

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

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

In addition, when any of foreign currency swap contracts and forward foreign exchange contracts meets certain conditions, it is accounted for in the following manner:

(i) The difference between the Japanese yen nominal amounts of the foreign currency swap contract or the forward exchange contract translated using the spot rate at the transaction date of the hedged item and the spot rate at the date of inception of the contract, if any, is recognized in the non-consolidated statement of income in the period which includes the inception date of the contract; and

(ii) The discount or premium on the contract (for instance, the difference between the Japanese yen amounts of the contract translated using the contracted forward rate and the spot rate at the date of inception of the contract) is recognized over the term of the contract.

(2) Hedging instruments and hedged items

Hedging instruments:	Hedged items:
Interest rate swap contracts	Corporate bonds
Foreign currency swap contracts	Bonds in foreign currency

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(3) Hedging policy

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

(4) Assessment method of hedge effectiveness

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

9. Consumption tax

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

Change in Presentation

In accordance with Article 2-2 of the amended Securities and Exchange Law of Japan, the investments in limited liability investment partnerships, which were included in Investment in capital in previous fiscal years, is included in investment in securities for the year ended March 31, 2005.

The amount of investments in limited liability investment partnerships, which was included in Investment in capital, was ¥392 million for the year ended March 31, 2004.

Gain on sale of investment securities, which was individually stated in the non-consolidated statement of income for the year ended March 31, 2004, was immaterial in the amount (¥0 million) and included in Miscellaneous income for the year ended March 31, 2005.

Additional Information

The company recorded the non-consolidated balance sheet and the non-consolidated statement of income in accordance with the amended Telecommunications Business Accounting Regulation, as provided in Article 3 of the Supplementary Provision of Telecommunications Business Accounting Regulation.

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Notes to Non-consolidated Balance Sheets:

1. Non-current assets for telecommunication businesses include those used in supplementary businesses, because these amounts are not significant.

2. Accumulated depreciation of property, plant and equipment

	Millions of yen	
	March 31, 2005	**March 31, 2004**
Accumulated depreciation	**¥ 1,448,357**	¥ 1,298,784

3. Assets or liabilities due from or to subsidiaries and affiliates, the amounts of which exceed one percent of total assets or total liabilities and shareholders equity of the Company, are as follows:

	Millions of yen	
	March 31, 2005	**March 31, 2004**
Accounts receivable, trade	**¥ 81,509**	¥ 92,782
Accounts receivable, other	**198,426**	157,518
Accounts payable	**53,423**	
Deposits receive	**456,562**	369,311
Short-term loans		65,000

4. Common stock

	Shares	
	March 31, 2005	**March 31, 2004**
Authorized	**190,020,000**	191,500,000
Issued	**48,700,000**	50,180,000

As a result of the retirement of treasury stock, authorized common stock and issued common stock both decreased by 1,480,000 from March 31, 2004 to March 31, 2005.

5. Share repurchase

The treasury stocks the Company had at March 31, 2005 and 2004 amounted to 2,427,792.17 shares and 1,583,635.82 shares, respectively.

6. Unrealized gains on marketable securities as of March 31, 2005 and 2004 as stipulated in Paragraph 3 of Article 124 of the Enforce Regulations of the Commercial Code of Japan was ¥16,403 million and ¥9,759 million, respectively.

7. Guarantee

The Company provides a counter indemnity of a performance guarantee up to HK$24,099 thousand (¥331 million) guaranteeing performance by Hutchison Telephone Company Limited, an affiliate of the Company, with respect to certain contracts or obligations owed to its governmental authorities in relation to its business. The Company had HK$919thousand (¥12 million) and HK$1,293 thousand indemnity outstanding as of March 31, 2005 and 2004, respectively.

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Notes to Non-consolidated Statements of Income:

1. The total amounts of research and development expenses included in operating expenses of telecommunication businesses and supplementary businesses are as follows:

Year ended March 31, 2005	**¥ 101,560 million**	Year ended March 31, 2004	¥ 122,357 million

2. Major components of non-operating revenues:

	Millions of yen	
	Year ended March 31, 2005	**Year ended March 31, 2004**
Dividends received from subsidiaries and affiliates	**¥ 42,967**	¥ 13,625

4. Gain on liquidation of a subsidiary represents the distribution of assets upon liquidation of DCM Capital USA (UK) Limited.

5. For the years ended March 31, 2005 and 2004, Write-downs of investments in affiliated companies relates to the impairment charges recognized on the investments in the following subsidiaries.

	Millions of yen	
	Year ended March 31, 2005	**Year ended March 31, 2004**
Tecworld Limited [Ultimate investee: Hutchison Telephone Company Limited]	**¥ 14,606**	¥
DoCoMo Machine Com, Inc.	**1,360**	
DCM Capital LDN (UK) Limited [Ultimate investee: Hutchison 3G UK Holdings Limited]		16,842
Mobimagic Co., Ltd.		1,840

Marketable Securities:

For the years ended March 31, 2005 and 2004, there were no subsidiaries and affiliates shares directly owned by the Company that had readily determinable market value.

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Income tax accounting:

1. Significant components of deferred tax assets and liabilities at March 31, 2005 and 2004 are as follows:

		Millions of yen
		March 31, 2005
Deferred tax assets:		
Write-down of Investments in affiliates	¥	**78,629**
Loss carryforwards		**73,867**
Liability for employee benefits		**23,766**
Tax credit carryforwards		**23,526**
Depreciation and amortization		**21,581**
Allowance for loyalty programs		**14,636**
Nikagetsu Kurikoshi service		**10,402**
Reserve for loss on PHS business		**8,270**
Write-off of inventories		**2,467**
Other		**5,449**
Subtotal gross deferred tax assets	¥	**262,598**
Less valuation allowance		**(35,116)**
Total gross deferred tax assets	¥	**227,481**
Deferred tax liabilities:		
Other securities due to differences in revaluation	¥	**(11,225)**
Appropriation for accelerated depreciation on tax		**(10,171)**
Enterprise tax refunds receivable		**(8,556)**
Total gross deferred tax liabilities	¥	**(29,953)**
Net deferred tax assets	¥	**197,528**

		Millions of yen
		March 31, 2004
Deferred tax assets:		
Write-down of Investments in affiliates	¥	451,289
Depreciation and amortization		29,707
Liability for employee benefits		22,711
Accrued enterprise tax		18,161
Allowance for loyalty programs		15,018
Nikagetsu Kurikoshi service		5,435
Marketable securities and other investments		4,911
Other		6,366

Total gross deferred tax assets	¥	553,601
Deferred tax liabilities:		
Appropriation for accelerated depreciation on tax	¥	(6,798)
Other securities due to differences in revaluation		(6,684)
Total gross deferred tax liabilities	¥	(13,483)
Net deferred tax assets	¥	540,118

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2. The Company omitted to state the components of the difference between the statutory income tax rate and the effective income tax rate for the year ended March 31, 2005, because the difference was less than 5% of the statutory income tax rate and was immaterial. Significant components of the difference for the year ended March 31, 2004 were as follows:

	March 31, 2004
Statutory income tax rate	42.0%
Adjustment:	
Income not taxable, such as dividends received	(1.1%)
Tax credits concerning IT investment promotion tax system	(4.0%)
Tax credits concerning research and development	(2.0%)
Other	0.3%
Effective income tax rate	35.2%

Subsequent events:

Discontinuance of Quickcast business

In April 2005, the board of directors of the Company decided to cease providing Quickcast services on March 31, 2007 in the view that the improvement of profitability of Quickcast business is unlikely considering downward trend in the number of subscribers.

Purchase of the shares of Sumitomo Mitsui Card Company, Limited

On April 27, 2005, the Company entered into an agreement with Sumitomo Mitsui Card Company, Limited (Sumitomo Mitsui Card), Sumitomo Mitsui Financial Group, Inc. and Sumitomo Mitsui Banking Corporation that the Company and these companies would jointly promote the new credit transaction services which use the Mobile Wallet phones and the Company would form a capital alliance with Sumitomo Mitsui Card. Based on the agreement, the Company plans to acquire 34% of Sumitomo Mitsui Card s common shares for approximately \98 billion, including new shares to be issued by Sumitomo Mitsui Card.

Sale of the shares of Brilliant Design Limited

The Company agreed to sell its entire shares of Brilliant Design Limited (BD), which has 20% ownership of Hutchison 3G UK Holdings Limited (H3G UK), to Hutchison Whampoa Limited (HWL) for a total consideration of £120 million in a Sale and Purchase Agreement signed between the Company and HWL. Under the terms of the agreement, the Company will receive the payment in three installments, final installment of which is expected to be made in December 2006. On May 9, 2005, the Company received a notice from HWL that HWL exercises its right to accelerate completion of the payment. In accordance with the agreement, the Company will complete the sale of BD shares to HWL on June 23, 2005. The Company is in the process of determining the impact of the completion of the transaction on the prospects for the fiscal year ending March 31, 2006.

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<< Change of Board of Directors>>

The change of the board of directors, if any, will be decided at the board meeting to be held in May 2005, which is planned to be made public thereafter.

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(APPENDIX 1)

Operation Data for FY2004

		[Ref.]Fiscal 2003 (Ended Mar. 31, 2004) (full-year result)	Fiscal 2004 (Ended Mar. 31, 2005) (full-year result)	First Quarter (Apr.-Jun.) Results	Second Quarter (Jul.-Sept.) Results	Third Quarter (Oct.-Dec.) Results	Fourth Quarter (Jan.-Mar.2005) Results	[Ref.]Fiscal 2005 (Ending Mar. 31, 2006) full-year forecast
Cellular								
Subscribers	thousands	46,328	**48,825**	46,834	47,363	47,914	**48,825**	**50,700**
FOMA	thousands	3,045	**11,501**	4,583	6,488	8,499	**11,501**	**24,100**
Mova	thousands	43,283	**37,324**	42,250	40,875	39,415	**37,324**	**26,600**
DoPa Single Service Subscribers	thousands	401	**544**	426	476	516	**544**	**730**
i-shot compatible	thousands	24,272	**25,411**	25,681	26,359	26,306	**25,411**	
Market share [1] [2]	%	56.6	**56.1**	56.3	56.2	56.1	**56.1**	
Net increase from previous period [2]	thousands	2,180	**2,497**	505	529	552	**911**	**1,875**
FOMA	thousands	2,715	**8,456**	1,538	1,904	2,012	**3,001**	**12,599**
Aggregate ARPU (FOMA+mova) [3]	yen/month/contract	7,890	**7,200**	7,400	7,340	7,170	**6,920**	**6,770**
Voice ARPU [4]	yen/month/contract	5,920	**5,330**	5,450	5,440	5,350	**5,090**	**4,990**
Packet ARPU	yen/month/contract	1,970	**1,870**	1,950	1,900	1,820	**1,830**	**1,780**
i-mode ARPU	yen/month/contract	1,970	**1,870**	1,940	1,890	1,810	**1,820**	**1,770**
ARPU generated purely from i-mode (FOMA+mova) [3]	yen/month/contract	2,240	**2,060**	2,170	2,100	2,000	**2,000**	**1,930**
Aggregate ARPU (FOMA)	yen/month/contract	10,280	**9,650**	10,240	9,890	9,650	**9,280**	**8,550**
Voice ARPU	yen/month/contract	6,900	**6,380**	6,580	6,610	6,460	**6,110**	**5,700**
Packet ARPU	yen/month/contract	3,380	**3,270**	3,660	3,280	3,190	**3,170**	**2,850**
i-mode ARPU	yen/month/contract	3,240	**3,220**	3,590	3,230	3,150	**3,130**	**2,820**
ARPU generated purely from i-mode (FOMA)	yen/month/contract	3,330	**3,260**	3,640	3,270	3,190	**3,170**	**2,870**
Aggregate ARPU (mova)[3]	yen/month/contract	7,830	**6,800**	7,150	6,990	6,710	**6,300**	**5,800**
Voice ARPU [4]	yen/month/contract	5,890	**5,160**	5,350	5,280	5,150	**4,830**	**4,600**
i-mode ARPU	yen/month/contract	1,940	**1,640**	1,800	1,710	1,560	**1,470**	**1,200**
ARPU generated purely from i-mode (mova) [3]	yen/month/contract	2,200	**1,850**	2,020	1,920	1,760	**1,660**	**1,360**

MOU (FOMA+mova) [3] [5]	minute/month/ contract	159	**151**	152	155	153	**145**	
MOU (FOMA) [3] [5]	minute/month/ contract	219	**229**	230	239	234	**219**	
MOU (mova) [3] [5]	minute/month/ contract	158	**138**	145	143	138	**126**	
Churn Rate [2]	%	1.21	**1.01**	1.06	1.08	0.95	**0.96**	
i-mode								
Subscribers	thousands	41,077	**44,021**	41,723	42,362	43,027	**44,021**	**46,200**
FOMA	thousands	2,997	**11,353**	4,526	6,414	8,403	**11,353**	
i-appli™ compatible [6]	thousands	23,416	**29,989**	25,009	26,731	28,130	**29,989**	
i-mode Subscription Rate [2]	%	88.7	**90.2**	89.1	89.4	89.8	**90.2**	**91.1**
Net increase from previous period	thousands	3,319	**2,944**	646	638	666	**994**	**2,179**
i-Menu Sites (FOMA)	sites	3,930	**4,780**	4,181	4,444	4,622	**4,780**	
i-Menu Sites (mova)	sites	4,144	**4,573**	4,245	4,381	4,482	**4,573**	
Access Percentage by Content Category								
Ringing tone/Screen	%	35	**30**	32	31	30	**28**	
Game/Horoscope	%	18	**22**	18	21	23	**23**	
Entertainment Information	%	23	**24**	25	23	24	**24**	
Information	%	13	**12**	13	14	12	**11**	
Database	%	5	**4**	4	4	4	**5**	
Transaction	%	6	**8**	8	7	7	**9**	
Independent Sites [7]	sites	74,605	**85,013**	77,550	79,583	81,970	**85,013**	
Percentage of Packets Transmitted								
Web	%	87	**94**	91	93	95	**95**	
Mail	%	13	**6**	9	7	5	**5**	
PHS								
Subscribers	thousands	1,592	**1,314**	1,537	1,460	1,392	**1,314**	**800**
Market Share [1]	%	31.0	**29.4**	30.6	30.4	29.6	**29.4**	
Net increase from previous period	thousands	-96	**-278**	-55	-77	-68	**-78**	**-514**
ARPU [4]	yen/month/contract	3,430	**3,360**	3,330	3,370	3,370	**3,350**	
MOU [5] [8]	minute/month/ contract	100	**82**	85	82	81	**79**	
Data transmission rate (time) [8][9]	%	76.4	**74.7**	74.1	74.3	74.8	**76.2**	
Churn Rate	%	3.49	**3.23**	3.38	3.23	3.08	**3.22**	
Others								
Prepaid Subscribers [10]	thousands	97	**76**	93	88	81	**76**	

* International service-related revenues, which had not been included in previous reports, have been included in the ARPU data calculation from the forecasts for the fiscal year ending Mar. 31, 2006, due to its growing contribution to total revenues.

[Notes associated with the above-mentioned change]

International service-related ARPU included in the ARPU forecasts for the fiscal year ending Mar. 31, 2006, are as below:

Aggregate ARPU (FOMA+mova): 40 yen Aggregate ARPU (FOMA): 60 yen Aggregate ARPU (mova) : 30 yen

ARPU data in previous reports do not include International service-related revenues. ARPU generated from International services, derived from the revenues thereof, for the relevant periods are as below:

	FY2003 (Ended Mar. 31, 2004) Full-year result	FY2003 (Ended Mar. 31, 2005) Full-year result	First Quarter (Apr-Jun) Result	Second Quarter [Jul-Sep] Result	Third Quarter [Oct-Dec] Result	Fourth Quarter (Jan-Mar] Result
Aggregate ARPU (FOMA+mova)	20 yen	20 yen	20 yen	20 yen	30 yen	30 yen

* No. of DoPa Single Service subscribers has been included in the number of mova subscribers starting with the results for the first six months of the fiscal year ended Mar. 31, 2005 in order to standardize the definition of subscribers used by all mobile operators in Japan.

[Notes associated with the above-mentioned change]

Market share, net increase from the previous period and churn rate data are all calculated inclusive of DoPa Single Service subscribers.

ARPU and MOU data are calculated without including DoPa Single Service subscribers and DoPa Single Service-related revenues.

Please refer to the attached sheet (P.46) for an explanation of the methods used to calculate ARPU, and the number of active subscribers used in calculating ARPU, MOU and Churn Rate.

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(1) Source for other cellular telecommunications operators: Data announced by Telecommunications Carriers Association.

(2) DoPa Single Service subscribers are included in the calculation.

(3) Calculation does not include DoPa Single Service-related revenues and DoPa Single Service subscribers.

(4) Inclusive of circuit-switched data communications

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

(6) Sum of FOMA handsets and mova handsets

(7) Data on independent sites are from OH!NEW? by Digital Street Inc.

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

(9) Percentage of data traffic to total outbound call time

(10) Included in total cellular subscribers.

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(APPENDIX 2)

ARPU Calculation Methods

1. ARPU (Average monthly revenue per unit)[*1]

i) **ARPU (FOMA + mova)**

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

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

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

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

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

ii) **ARPU (FOMA)**

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

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

Packet ARPU (FOMA) : Packet ARPU (FOMA) Related Revenues (monthly charges, packet transmission charges) / No. of active cellular phone subscribers (FOMA) i-mode ARPU[*2] (FOMA) : i-mode ARPU (FOMA) Related Revenues (monthly charges, packet transmission charges) / No. of active cellular phone subscribers (FOMA)

ARPU generated purely from i-mode (FOMA) [*3] : i-mode ARPU (FOMA) Related Revenues (monthly charges, packet transmission charges) / No. of active i-mode subscribers (FOMA)

iii) **ARPU (mova)**

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

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

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

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

iv) **ARPU (PHS)**

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

2. Active Subscribers Calculation Methods[*1]

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

*1 DoPa single service subscribers and the revenues thereof are not included in the ARPU and MOU calculations.

*2 The denominator used in calculating i-mode ARPU (FOMA+mova, FOMA, mova) is the aggregate number of cellular subscribers to each service (FOMA+mova, FOMA, mova, respectively), regardless of whether i-mode service is activated or not.

*3 ARPU generated purely from i-mode (FOMA+mova, FOMA, mova) is calculated using only the number of active i-mode subscribers as a denominator.

*4 active subscribers = (No. of subscribers at the end of previous month + No. of subscribers at the end of current month) / 2

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(APPENDIX 3)

Reconciliations of the Disclosed Non-GAAP Financial Measures to

the Most Directly Comparable GAAP Financial Measures

The reconciliations for the year ending March 31, 2006 (forecasts) are provided to the extent available without unreasonable efforts.

1. EBITDA and EBITDA margin

	Billions of yen		
	Year ending March 31, 2006 (Forecasts)	Year ended March 31, 2005	Year ended March 31, 2004
a. EBITDA	¥ 1,580.0	¥ **1,625.7**	¥ 1,858.9
Depreciation and amortization	(740.0)	**(735.4)**	(721.0)
Losses on sale or disposal of property, plant and equipment	(30.0)	**(45.7)**	(35.0)
Impairment loss		**(60.4)**	
Operating income	810.0	**784.2**	1,102.9
Other income (expenses), net	2.0	**504.1**	(1.8)
Income taxes	(313.0)	**(527.7)**	(429.1)
Equity in net losses of affiliates	(2.0)	**(12.9)**	(22.0)
Minority interests in earnings of consolidated subsidiaries		**(0.1)**	(0.0)
b. Net income	497.0	**747.6**	650.0
c. Total operating revenues	4,805.0	**4,844.6**	5,048.1
EBITDA margin (=a/c)	32.9%	**33.6%**	36.8%
Net income margin (=b/c)	10.3%	**15.4%**	12.9%

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

2. ROCE after tax effect

	Billions of yen		
	Year ending March 31, 2006 (Forecasts)	Year ended March 31, 2005	Year ended March 31, 2004
a. Operating income	¥ 810.0	**¥ 784.2**	¥ 1,102.9
b. Operating income after tax effect {=a*(1-effective tax rate)}	478.7	**463.4**	639.7
c. Capital employed	4,961.2	**4,826.4**	4,810.1
ROCE before tax effect (=a/c)	16.3%	**16.2%**	22.9%
ROCE after tax effect (=b/c)	9.6%	**9.6%**	13.3%

Note: Capital employed = Two period ends average of (Shareholders equity + Interest bearing liabilities)
Interest bearing liabilities = Current portion of long-term debt + Short-term borrowings + Long-term debt

Effective tax rate : Year ending March 31, 2006 (Forecasts) and Year ended March 31, 2005 = 40.9% Year ended March 31,

2004 = 42%

3. Free cash flows excluding the changes in investments for cash management purpose

	Billions of yen		
	Year ending March 31, 2006 (Forecasts)	Year ended March 31, 2005	Year ended March 31, 2004
Free cash flows excluding the changes in investments for cash management purpose	¥ 590.0	**¥ 1,003.6**	¥ 862.9
Changes in investments for cash management purpose		**(400.3)**	
Free cash flows	590.0	**603.3**	862.9
Net cash used in investing activities	(946.0)	**(578.3)**	(847.3)
Net cash provided by operating activities	1,536.0	**1,181.6**	1,710.2

Note: Changes in investments for cash management purpose were derived from purchases, redemption at maturity and disposals of financial instruments held for cash management purpose with original maturities of longer than three months. Net cash used in investing activities for the year ending March 31, 2006 are mainly capital expenditures and an investment in credit-card business, and are not taking into account the effect of changes in investments for cash management purpose due to difficulties in forecasting the effect.

4. Market equity ratio

Billions of yen

	Year ending March 31, 2006 (Forecasts)	Year ended March 31, 2005	Year ended March 31, 2004
a. Shareholders equity		¥ **3,907.9**	¥ 3,704.7
b. Market value of total share capital		**8,766.0**	11,541.4
c. Total assets		**6,136.5**	6,262.3
Equity ratio (=a/c)		**63.7%**	59.2%
Market equity ratio (=b/c)		**142.8%**	184.3%

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

5. Capital expenditures

	Billions of yen		
	Year ending March 31, 2006 (Forecasts)	Year ended March 31, 2005	Year ended March 31, 2004
Capital expenditures	¥ 848.0	¥ **861.5**	¥ 805.5
Effects of timing differences between acquisition dates and payment dates		**49.6**	(2.6)
Purchases of property, plant and equipment		**(668.4)**	(625.3)
Purchases of intangible and other assets		**(242.7)**	(177.6)

Note: Capital expenditures are calculated on an accrual basis for the purchases of property, plant and equipment, and intangible assets. In preparing the forecasts for the year ending March 31, 2006, capital expenditures are not broken down into purchases of property, plant and equipment and purchases of intangible and other assets. In addition, effects of timing differences between acquisition dates and payment dates are not estimated for the year ending March 31, 2006.

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(APPENDIX 4)

Summary of the Company and Regional Subsidiaries (Japanese GAAP)

	Billions of yen			
	Operating revenues	**Operating income**	**Recurring profit**	**Net income**
NTT DoCoMo Hokkaido, Inc.	¥ 226.4	¥ 26.6	¥ 26.7	¥ 14.9
NTT DoCoMo Tohoku, Inc.	365.0	52.7	52.3	29.8
NTT DoCoMo, Inc.	**2,571.2**	**408.2**	**445.9**	**503.2**
NTT DoCoMo Tokai, Inc.	586.0	83.4	83.7	47.8
NTT DoCoMo Hokuriku, Inc.	117.6	15.6	15.7	8.7
NTT DoCoMo Kansai, Inc.	864.3	114.1	114.1	65.2
NTT DoCoMo Chugoku, Inc.	310.5	46.6	47.2	27.1
NTT DoCoMo Shikoku, Inc.	177.5	24.0	24.2	13.4
NTT DoCoMo Kyushu, Inc.	617.9	82.8	82.5	46.4

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Forward-Looking Statements

The forecasts presented herein are forward-looking statements within the meaning of Section 27A of the U.S. Securities Act of 1933 and Section 21E of the U.S. Securities Act of 1934. Statements made in this presentation with respect to DoCoMo s plans, objectives, projected financials, operational figures, beliefs and other statements that are not historical facts are forward-looking statements about the future performance of DoCoMo which are based on management s expectations, assumptions, estimates, projections and beliefs in light of information currently available to it. These forward-looking statements, such as statements regarding the introduction of new products and services or termination or suspension of existing services, financial and operational forecasts, dividend payments, the growth of the Japanese cellular market and the ubiquitous services market, the growth of data usage, the growth of DoCoMo s cellular phone business, the migration of users to DoCoMo s 3G services and associated improvements in 3G services, improvements in 3G and 2G coverage area, and management goals are subject to various risks and uncertainties that could cause actual results to be materially different from and worse than as described in the forward-looking statements. Potential risks and uncertainties include, without limitation, competition from other cellular service providers or other technologies could limit our acquisition of new subscribers, retention of existing subscribers and average revenue per unit (ARPU), or may lead to an increase in our costs and expenses; the new services and usage patterns introduced by our corporate group may not develop as planned, which could limit our growth; the introduction or change of various laws or regulations or the application of such laws and regulations to our corporate group may adversely affect our financial condition and results of operations; the introduction of number portability in Japan may increase our expenses, and may lead to a decrease in our number of subscribers if our subscribers choose to switch to other cellular service providers; limitations in the amount of frequency spectrum or facilities made available to us could negatively affect our ability to maintain and improve our service quality and level of customer satisfaction; the W-CDMA technology that we use for our 3G system and/or mobile multimedia services may not be introduced by other overseas operators, which could limit our ability to offer international services to our subscribers; our domestic and international investments, alliances and collaborations may not produce the returns or provide the opportunities we expect; our PHS business, which is expected to operate at a loss until the service is terminated, may incur greater losses than we project; as electronic payment capability and many other new features are built into our cellular phones, and services of parties other than those belonging to our corporate group are provided through our cellular handsets, potential problems resulting from malfunctions, defects, or missing of handsets or imperfection of services provided by such other parties may arise, which could have an adverse effect on our financial condition and results of operations; social problems that could be caused by misuse or misunderstanding of our products and services may adversely affect our credibility or corporate image; inadequate handling of subscriber information by our corporate group or contractors may adversely affect our credibility or corporate image; earthquakes, power shortages, malfunctioning of equipment, and software bugs, computer viruses, cyber attacks and other problems could cause systems failures in our networks, handsets or other networks required for the provision of service, disrupting our ability to offer services to our subscribers; concerns about wireless telecommunications health risks may adversely affect our financial condition and results of operations; our parent, NTT, could exercise influence that may not be in the interests of our other shareholders.Further information about the factors that could affect the company s results is included in Item 3.D: Risk Factors of its annual report on Form 20-F filed with the U.S. Securities and Exchange Commission on June 28, 2004, which is available in the investor relations section of the company s web page at www.nttdocomo.com and also at the SEC s web site at www.sec.gov.

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FY2004 Financial Results Highlights *(US GAAP)*

n Consolidated financial statements in this document are unaudited.

*1: For an explanation of these numbers, see the reconciliations to the most directly comparable financial measures calculated and presented in accordance with GAAP on Slide 37 and the IR page of our website, www.nttdocomo.co.jp.

*2: If variance from purchase, redemption and disposal of financial instruments for cash management purpose with maturity of longer than three months is reflected, free cash flow decreases by 400.3 billion yen.

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Financial Results Forecast for FY2005 *(US GAAP)*

n Consolidated financial statements in this document are unaudited.

*1: For an explanation of these numbers, see the reconciliations to the most directly comparable financial measures calculated and presented in accordance with GAAP on Slide 37 and the IR page of our website, www.nttdocomo.co.jp.

*2: If variance from purchase, redemption and disposal of financial instruments for cash management purpose with maturity of longer than three months is reflected, free cash flow decreases by 400.3 billion yen.

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Financial Results Forecasts for FY2005

n **Operating Revenues**

Effects of various discount plans introduced in FY2004, which contributed to improved competitiveness, and changes in usage behavior are factored into the forecast.

- Net additional cellular subscribers: 2.5 million subs (FY2004) 1.88 million subs (FY2005 forecast)

- Cellular (FOMA+mova) ARPU: 6,770 yen (down 430 yen year-on-year) (FY2005 forecast)

n **Operating Expenses**

Aims to boost cost efficiency, through efficient network operation, improving efficiency of distributor commissions, and reviewing business processes, etc., in light of projected growth in FOMA handset sales.

Financial Results Forecasts for FY2005

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Reduced Churn Rate

- **As a result of various discount packages, our cellular churn rate for FY2004/4Q dropped sharply to 0.96%, down 0.4 points year-on-year. Our full-year churn rate also improved by 0.2 point to 1.01%.**

- **The number of net additional subscribers in the market decreased from the previous year, but DoCoMo s net adds increased by approx. 320,000 (or 14.6%) to approx. 2.5 million in FY2004.**

- **We are working continuously to maintain our churn rate at low levels in FY2005, fully aware of the importance of churn rate reduction for DoCoMo, with a total cellular subscriber base of 48 million.**

Quarterly Churn Rate Trends

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Favorable Progress of Subscriber Migration to FOMA

- **DoCoMo acquired the largest no. of net additional 3G subscribers among Japanese mobile carriers in FY2004.**
- **No. of FOMA subscribers topped 11.5 million as of Mar. 31, 2005**
- **Estimated no. of FOMA subscribers as of Mar. 31, 2006: 24.1 million**

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Customer-Oriented Management

- **Stepped up our customer consultation/support services and improved after-sales services in FY2004, in pursuit of a customer-centric management.**

After-sales support

- **Provision of free-of-charge battery pack* (from Feb. 22, 2005)**
- **Extended free warranty period of handsets* (1 year→3 years) (from Oct. 1, 2004)**
- **Established a 24-hour mail inquiry response center**
- **Increased trouble-shooting acceptance counters, etc.**

* Privilege services offered to DoCoMo Premier Club members

- **In FY2005, we will continue our customer-oriented approach, by studying or implementing the following initiatives;**

- Offer products and services tailored to customer needs;
- Early expansion of FOMA coverage, and network quality enhancement based on customers perspective; and
- Review of service offerings to improve contacts with customers, etc.

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Pricing Measures

- **During FY2004, we expanded the discount rates for our Family Discount service (effective Apr. 1, 2004), introduced pake-houdai flat-rate service for i-mode access (Jun. 1, 2004), and allowed family members to share unused allowances for up to two months (effective Feb. 1, 2005), etc.**

- **These rate revisions are expected to contribute to maintaining our competitiveness in FY2005.**

Family Discount subscription rate	**Up 8 points year-on-year** (As of Mar. 31, 2005)	**pake-houdai subscribers**	**Approx. 2.7 million** (As of Mar. 31,2005)

- **Family Discount subscription rate is still rising as a result of making mail transmission between family members free of charge, and enabling family members to share unused allowances for up to two months (started Feb. 2005).**

- **Despite slower growth of net additional subscribers, the user base of pake-houdai increased steadily to 2.7 million as of Mar. 31, 2005.**

- **The percentage of new subscribers (inclusive of contract cancellation of existing subs for a new subscription) remains high.**

- **Number and percentage of users subscribing to Plan 67 or more expensive rate plans continues to rise.**

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Enriched Handset Lineup

n **Various new models were added to our handset lineup in FY2004, including the FOMA 900 and 901 series (high-end), FOMA 700 series (standard), and niche models for PDC, etc.**

n **Because FOMA s user base is projected to grow to 47.5% of our total cellular subscribers by Mar. 31, 2006, further functional upgrades are planned for FOMA handsets during FY2005.**

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FOMA Coverage Expansion

- **Aggressively expanded FOMA coverage to a total of 16,200 outdoor base stations and 3,800 indoor systems during FY2004, attaching priority to customer satisfaction.**

- **In FY2005, both indoor and outdoor coverage will be improved further to cater to users needs, through an efficient roll-out using more economical new equipment.**

FOMA Coverage: No. of Outdoor BTSs and Indoor Systems Installed

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Basic Policies of Future Initiatives

1. **Reinforce core business**

2. **Cost Reduction**

3. **Secure new revenue sources**

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1. Reinforce core business

Customer-oriented management	n Promote customer-oriented approach n Improve consultation/support and after-sales services offered to customers
Pricing measures	n Maintain and reinforce our competitiveness enhanced by the pricing measures introduced in FY2004.
Enrichment of handset lineup	n Enhance handset functionality, and study ways to reduce costs, e.g., by procuring handsets from foreign vendors, etc.
Coverage expansion	n Aggressively expand network coverage, both indoors and outdoors, efficiently satisfying users needs through the use of more economical new equipment, etc.

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2. Cost Reduction

Distributor Commissions	n Implement various measures in view of increased FOMA handset sales - Release less expensive models by procuring from foreign vendors, etc., optimize product mix, and lower procurement cost by committing purchase quantity in advance. - Efficient use of commissions targeted at specific market segments.
Network Costs	n Improve quality to strengthen competitiveness, and reduce costs at the same time. - Transform network structure and improve operational efficiency, e.g., by migrating to IP network, separating voice and packet networks, and boosting efficiency of entrance circuits. - Efficient FOMA coverage roll-out using more economical new equipment (800MHz base stations, remote optical TRX extensions, etc). - Improve efficiency of operation by completing the integration of operation centers (previously 9 locations nationwide → 2 locations) - Cut equipment procurement and contractor costs.
General Non-Personnel Expenses	n Cut costs through an extensive review of business processes, despite projected subscriber growth and other factors that could potentially increase costs. - Improve efficiency of operation/maintenance of information systems, integrate distribution centers, enhance efficiency of entrusted business, review day-to-day office expenses, as part of wide-ranging measures.
Review of Loss-Making Business	n Stopped accepting new PHS subscribers (as of Apr. 30, 2005) n Terminate QUICKCAST service (planned for Mar. 31, 2007)

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3. Secure New Revenue Sources (1)-1

Accelerate uptake of services linked with brick-and-mortar business

No. of i-mode FeliCa handset users	**3 Million** (As of Apr. 7, 2005)	**No. of shops where service is available**	**Approx. 20,000** (As of Apr. 1, 2005)

n **Develop Mobile Wallet service into a convenient lifestyle infrastructure serving people s daily needs in life**

- Edy service was launched in approx. 6,300 Circle K Sunkus convenience stores nationwide (Apr. 1, 2005)
- Mobile Wallet service to be provided in 680 Matsumoto Kiyoshi drug stores nationwide (Scheduled for launch in summer 2005)
- Mobile Suica service by JR East (Scheduled for launch in Jan. 2006)

Commenced field test for passing through station gates, shopping service (Mar. 2005)

n **Joint Promotion of New Credit-Payment Service using Mobile-Wallet Handsets**

No. of QR-code enabled handset users	**Approx. 21 Million** (As of Mar. 31, 2005)	**No. of handset with Infrared transmission**	**Approx. 30 Million** (As of Mar. 31, 2005)

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3. Secure New Revenue Sources (1)-2

New Credit-Payment Service

n **Introduce a new credit service based on Mobile Wallet handsets, to respond to diverse needs of users.**

- Create a new brand and a platform for credit payment service

- Launch a new credit service

n **Plan to acquire 34% of Sumitomo Mitsui Card s common shares for approx. 98 billion yen, by underwriting shares offered for capital increase, etc.**

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3. Secure New Revenue Sources (2)

Create new usage opportunities

- **Improve users convenience, and provide services that could entice increased usage**
- **Propose and create various new usage scenes leveraging DoCoMo handsets**

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3. Secure New Revenue Sources (3)

Expansion of audio-visual traffic

n **Promotions and measures targeted at specific segments (particularly close communication between users in their 20 s & 30 s)**

n **Expand opportunities to use videophone service**

- Conducted a visual communication service on a trial basis connecting FOMA and PCs from Oct. 5, 2004 (jointly with NTT Communications Corp. and NTT Resonant Inc.)

- Commenced commercial service OCN.Phone Business V on Mar. 8, 2005

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3. Secure New Revenue Sources (4)

Promote global service - roaming

- **No. of World Wing subscribers and usage of roaming service has been increasing steadily.**

- **Concluded a memorandum of understanding to conduct verification tests of intranet systems using N900iG handsets (jointly with Hitachi IT and Ricoh Co. Ltd.)**
  - To roll-out Japan s first overseas i-mode-enabled intranet systems for corporate clients
  - Verification tests to be carried out for six months from Feb. 24, 2005

- **Added new W-CDMA/GSM dual-mode handsets, e.g., Motorola s model M1000 etc.**

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Reinforcement of Corporate Governance

n **Reduce the size of the Board of Directors by half, and introduce a corporate officer system**

- Clarify the Board s role as a body for management supervision

- Further strengthen business execution capability

n **Actions undertaken in the past**

- Strengthened supervision mechanism:

Increased the number of Corporate Auditors from 4 in Jun. 2003 to currently 5.

Among the 5 Corporate Auditors, majority (3 auditors) are external auditors (appointed Jun. 2003)

- Reduced no. of Board Directors: from 28 (Jun. 2003) to 24 (currently)

- Established Advisory Boards (from Feb. 1999)

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Return to Shareholders

- **Returning profits to shareholders is considered one of the most important issues in our corporate management**

Repurchase of own shares

- **Repurchased 2.28 million shares (91.2%) of the possible 2.5 million shares authorized at the 13th ordinary meeting of shareholders in Jun. 2004. The aggregate price of the shares repurchased was 416.8 billion yen (or 69.5% of the authorized budget of 600 billion yen)**

- **A total of 1.48 million shares (approx. 2.9% of aggregate issued shares prior to cancellation) were canceled on Mar. 31, 2005**

  ð Shares repurchased will be kept as treasury shares, and plan to limit such treasury shares to approx. 5% of total outstanding shares.

  Any shares kept in excess will in principle be canceled once every year (around end of fiscal year).

- **Plan to seek a resolution to authorize repurchase up to 2.2 million shares for up to 400 billion yen at the 14th ordinary meeting of shareholders in Jun. 2005.**

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Operating Revenues *(US GAAP)*

n **FY2004 Track Record**

§ **Decreased 4% year-on-year to 4,844.6 billion yen, as a result of expansion of Family Discount package and introduction of various other rate reductions.**

n **FY2005 Forecast**

§ **Estimated at 4,805 billion yen, down 0.8% year-on-year, due to a projected decline in cellular service revenues because the various discounts commenced in FY2004 will have a full-year impact, etc.**

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FOMA ARPU/MOU

- n **FY2004 Track Record**

  - § **FOMA ARPU dropped 630 yen year-on-year to 9,650 yen. FOMA MOU was 229 minutes, up 10 minutes.**

- n **FY2005 Forecast**

  - § **FOMA ARPU is forecast at 8,550 yen, down 1,100 yen from the previous fiscal year, due to the migration of middle and low-usage subscribers to FOMA and the full-year impact of the discounts started in FY2004.**

- n International service-related revenues, which had not been included in previous reports, have been included in the ARPU data calculations from the forecasts for the fiscal year ending Mar. 31, 2006, in view of their growing contribution to total revenues. [Notes associated with the above-mentioned change] § International service-related ARPU included in ARPU (FOMA) forecast for FY2005: 60 y en. § ARPU data in previous reports have been calculated without including international service-related revenues. n MOU(Minutes of usage):Average communication time per one month per one user.

- n Average monthly revenue per unit, or ARPU, is used to measure average monthly revenues attributable to designated services on a per user basis. ARPU is calculated by dividing various revenue items included in operating revenues, such as monthly charges, voice transmission charges and packet transmission charges from designated services, 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 calculated in the above way provide useful information regarding the monthly average usage of our subscribers. The revenue items included in the numerators of our ARPU figures are based on our US GAAP results of operations. This definition applies to all ARPU figures hereinafter.

- n Aggregate ARPU (FOMA)=Voice ARPU (FOMA) + Packet ARPU (FOMA) ·Voice ARPU (FOMA):

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

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

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

- n No. of active subscribers used in ARPU (FOMA) and MOU (FOMA) calculations are as follows;
  - § FOMA quarterly: sum of No. of active subs. in each month of the current quarter n FOMA full year: sum of No. of active subs. in each month of current fiscal year.
  - * No. of active subs. in each month : (No. of subs. at end of previous month + no. of subs. at end of current month)/2

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Cellular Phone(FOMA+mova)ARPU/MOU

- **FY2004 Track Record**
  - **ARPU (FOMA+mova) decreased by 690 yen year-on-year to 7,200 yen. MOU (FOMA+mova) was 151 minutes, down 8 minutes.**

- **FY2005 Forecast**
  - ARPU (FOMA+mova) is estimated at 6,770 yen, down 430 yen year-on-year, due to the full-year impact of various discounts launched in FY2004.

- International service-related revenues, which had not been included in previous reports, have been included in the ARPU data calculations from the forecasts for the fiscal year ending Mar. 31, 2006, in view of their growing contribution to total revenues. [Notes associated with the above-mentioned change] § International service-related ARPU included in ARPU (FOMA+mova) forecast for FY2005: 40 y en. ARPU data in previous reports have been calculated without including international service-related revenues. The contributions of international service-related revenues to the ARPU (FOMA+mova) for the relevant fiscal periods, derived from the revenues generated from international services, are described by the numbers in parenthesis in the chart above.

- DoPa Single Service subscribers are not included in the above calculation of ARPU, MOU, revenues and no. of subscribers.

- MOU(Minutes of usage):Average communication time per one month per one user. n For an explanation of Average Revenue Per Unit (ARPU), see footnote on page 28 of this presentation.

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

- No. of active subscribers used in ARPU (FOMA+mova) and MOU (FOMA+mova) calculations are as follows;
  - Cellular Phone quarterly: sum of No. of active subs. in each month of the current quarter n Cellular Phone full year: sum of No. of active subs. in each month of current fiscal year.

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

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Operating Expenses *(US GAAP)*

- **FY2004 Track Record**
  - **Increased by 2.9% year-on-year to 4,060.4 billion yen, due to growth in revenue- linked expenses and recognizing impairment losses from PHS business.**
- **FY2005 Forecast**
  - **Estimated at 3,995 billion yen, down 1.6% from the previous fiscal year.**

(Billions of Yen)

* Revenue-linked expenses =

cost of equipment sold + distributor commissions + cost of DoCoMo Point Service

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Capital Expenditures*

- **FY2004 Track Record**

  - **Increased by 7% year-on-year to 861.5 billion yen, as a result of FOMA coverage expansion and capacity build-up to accommodate demand growth, mitigated through efficient use of CAPEX and cost-cutting, e.g., by introducing more economical new equipment and lowering equipment procurement costs.**

- **FY2005 Forecast**

  - **Plan to aggressively improve quality both indoors and outdoors to build a network tailored to customers usage requirements, and work simultaneously to boost efficiency and achieve further cost reduction through the use of less expensive new equipment, etc. Estimated at 848.0 billion yen, down 1.6% year-on-year.**

(Billions of Yen)

* For an explanation of these numbers, see the reconciliations to the most directly comparable financial measures calculated and presented in accordance with GAAP on Slide 37 and the IR page of our web site, www.nttdocomo.co.jp

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Operational Results and Forecasts

* Number of handsets sold above include handsets activated without involving sales by DoCoMo.
** Other includes purchase of additional handsets by existing FOMA subs.

n No. of DoPa Single Service subscribers, which had not been included in previous reports, has been included in no. of mova subscribers since the earnings release for the first half of the year ending Mar. 31, 2005. [Notes associated with the above-mentioned change] § Market share, no. of handsets sold and churn rate are calculated inclusive of DoPa Single Service subscribers. § Relevant items in full-year results for the year ending Mar. 31, 2004 have been modified by adding DoPa Single Service subs. to previously announced numbers.

n MOU(Minutes of usage): Average communication time per one month per one user. n For an explanation of Average Revenue Per Unit (ARPU), see footnote on page 28 of the presentation.

♦ No. of active subscribers used in cellular phone/PHS churn rates, aggregate ARPU (PHS) and MOU (PHS) calculations are as follows;

§ Sum of No. of active subs in each month {(No. of active subs at end of previous month + No. of active subs at end of current month) ÷2} from April to March.

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Historical Growth of Japan s Cellular Phone Market

- **The number of net additional subscribers in Japan decreased year-on-year in FY2004, but DoCoMo s net additions grew by 14.6% from the previous fiscal year.**

- **The percentage of i-mode subscribers to our total cellular subscribers grew to 90.2% as of March 31, 2005.**

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Overseas i-mode Deployment

n **i-mode license agreements concluded with overseas operators**

- O2 (UK): Nov. 2004, MTS (Russia): Dec. 2004, StarHub (Singapore): Jan. 2005

n **Functional enhancement and enriched lineup of overseas i-mode handsets**

- i-mode handset compatible with 3D, standby i-appli feature (released in Dec. 2004)
- Entry of foreign vendors: Samsung (Sept. 2004), LG (Nov. 2004), Motorola (Apr. 2005), etc.

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Corporate Social Responsibility

- **Promotes CSR programs unique to DoCoMo to ensure a sustainable development.**
- **Aims to help create a safe and secure society, keenly aware of our responsibility as a good corporate citizen.**
- **Reorganized organizational structure and established Corporate Citizenship Department to accelerate CSR activities and fulfill accountability (May 1, 2005)**

Actions Undertaken in Disasters, etc

- i-mode Disaster Message Board service
- Provision of free mobile phones & chargers
- Donations to earthquake-stricken areas in Niigata

Environment Conservation Activities

- Acquired ISO14001 international certification for environmental management at all levels of DoCoMo Group.
- Promotion of recollection and recycling of used cellular handsets and accessories.
- Reduced power consumption in handsets/equipment

Social Contribution Activities

- Supports childhood education by sponsoring sports camps for youth, multimedia training for parents and children, and music concerts for children, etc.
- Environment protection through DoCoMo Woods program.
- Support for employees volunteer activities

International Contribution Activities

- Assisted school construction in Thailand and reforestation programs in Indonesia.
- Provided donations and commodities to areas hit by the Sumatra earthquake/Indian Ocean tsunami.
- Supports children s cultural exchange program between France and Japan.

Promotion of Universal Design

- Established DoCoMo Hearty Plaza
- Development of user-friendly handsets and services
- Provision of Hearty Discounts

Actions for cellular-related social issues

- DoCoMo Classroom for safe use of mobile phones
- Countermeasures against unsolicited bulk emails and education on usage manners.

n Establishment of Mobile Society Research Institute and its research activities:

- Viewing the phenomena caused by cellular phones as a sign of social change, research themes that are expected to invigorate people s communication behavior will be continued in FY2005.

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Reconciliations of the Disclosed Non-GAAP Financial Measures to

the Most Directly Comparable GAAP Financial Measures

1. EBITDA and EBITDA margin

	Billions of yen		
	Year ended March 31, 2004	**Year ended March 31, 2005**	**Year ending March 31, 2006**
			(Forecasts)
a. EBITDA	¥ 1,858.9	¥ **1,625.7**	¥ 1,580.0
Depreciation and amortization	(721.0)	**(735.4)**	(740.0)
Losses on sale or disposal of property, plant and equipment	(35.0)	**(45.7)**	(30.0)
Impairment loss		**(60.4)**	
Operating income	1,102.9	**784.2**	810.0
Other income (expenses), net	(1.8)	**504.1**	2.0
Income taxes	(429.1)	**(527.7)**	(313.0)
Equity in net losses of affiliates	(22.0)	**(12.9)**	(2.0)
Minority interests in earnings of consolidated subsidiaries	(0.0)	**(0.1)**	
b. Net income	650.0	**747.6**	497.0
c. Total operating revenues	5,048.1	**4,844.6**	4,805.0
EBITDA margin (=a/c)	36.8%	**33.6%**	32.9%
Net income margin (=b/c)	12.9%	**15.4%**	10.3%

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

2. Free cash flows excluding the changes in investments for cash management purpose

	Billions of yen		
	Year ended March 31, 2004	**Year ended March 31, 2005**	**Year ending March 31, 2006**
			(Forecasts)
Adjusted free cash flows	¥ 862.9	¥ **1,003.6**	¥ 590.0
Changes of investments for cash management purpose		**(400.3)**	

Free cash flows	862.9	**603.3**	590.0
Net cash used in investing activities	(847.3)	**(578.3)**	(946.0)
Net cash provided by operating activities	1,710.2	**1,181.6**	1,536.0

Note: Changes in investments for cash management purpose were derived from purchases, redemption at maturity and disposals of financial instruments held for cash management purpose with original maturities of longer than three months. Net cash used in investing activities for the year ending March 31, 2006 are mainly capital expenditures and an investment in credit-card business, and are not taking into account the effect of changes in investments for cash management purpose due to difficulties in forecasting the effect.

3. Capital expenditures

	Billions of yen		
	Year ended March 31, 2004	**Year ended March 31, 2005**	**Year ending March 31, 2006**
			(Forecasts)
Capital expenditures	¥ 805.5	**¥ 861.5**	¥ 848.0
Effects of timing differences between acquisition dates and payment dates	(2.6)	**49.6**	
Purchases of property, plant and equipment	(625.3)	**(668.4)**	
Purchases of intangible and other assets	(177.6)	**(242.7)**	

Note: Capital expenditures are calculated on an accrual basis for the purchases of property, plant and equipment, and intangible assets. In preparing the forecasts for the year ending March 31, 2006, capital expenditures are not broken down into purchases of property, plant and equipment and purchases of intangible and other assets. In addition, effects of timing differences between acquisition dates and payment dates are not estimated for the year ending March 31, 2006.

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