

NTT DOCOMO INC  
Form 6-K  
February 02, 2012

**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 February 2012.**

**Commission File Number: 001-31221**

**Total number of pages: 14**

**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)**

## Edgar Filing: NTT DOCOMO INC - Form 6-K

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):

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):

### 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: February 2, 2012

By: /S/ OSAMU HIROKADO  
**Osamu Hirokado**  
**Head of Investor Relations**

Information furnished in this form:

1. Report filed on February 2, 2012 with the Director of the Kanto Local Finance Bureau of Japan pursuant to the Financial Instruments and Exchange Act of Japan

**NTT DOCOMO, INC. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS (UNAUDITED)**  
**MARCH 31, 2011 and DECEMBER 31, 2011**

|   | September 30,<br>Millions of yen<br>March 31, 2011 | September 30,<br>December 31, 2011 |
|---|--|------------------------------------|
| <b>ASSETS</b>   |  |                                    |
| <b>Current assets:</b>                                |  |                                    |
| Cash and cash equivalents                             | ¥ 765,551  | ¥ 348,814                          |
| Short-term investments                                | 141,028  | 342,235                            |
| Accounts receivable                                   | 762,411  | 922,669                            |
| Credit card receivables                               | 160,446  | 194,187                            |
| Allowance for doubtful accounts                       | (18,021)   | (21,986)                           |
| Inventories   | 146,357  | 181,962                            |
| Deferred tax assets                                   | 83,609   | 71,438                             |
| Prepaid expenses and other current assets             | 113,918  | 119,666                            |
| <b>Total current assets</b>                           | <b>2,155,299</b>                                   | <b>2,158,985</b>                   |
| <b>Property, plant and equipment:</b>                 |  |                                    |
| Wireless telecommunications equipment                 | 5,569,818  | 5,706,998                          |
| Buildings and structures                              | 845,588  | 856,588                            |
| Tools, furniture and fixtures                         | 507,914  | 510,592                            |
| Land  | 198,842  | 199,685                            |
| Construction in progress                              | 95,251   | 137,715                            |
| Accumulated depreciation and amortization             | (4,694,094)  | (4,895,901)                        |
| <b>Total property, plant and equipment, net</b>       | <b>2,523,319</b>                                   | <b>2,515,677</b>                   |
| <b>Non-current investments and other assets:</b>      |  |                                    |
| Investments in affiliates                             | 525,456  | 498,156                            |
| Marketable securities and other investments           | 128,138  | 119,138                            |
| Intangible assets, net                                | 672,256  | 677,581                            |
| Goodwill  | 205,573  | 197,396                            |
| Other assets  | 249,919  | 237,753                            |
| Deferred tax assets                                   | 331,633  | 296,007                            |
| <b>Total non-current investments and other assets</b> | <b>2,112,975</b>                                   | <b>2,026,031</b>                   |
| <b>Total assets</b>                                   | <b>¥ 6,791,593</b>                                 | <b>¥ 6,700,693</b>                 |
| <b>LIABILITIES AND EQUITY</b>                         |  |                                    |
| <b>Current liabilities:</b>                           |  |                                    |
| Current portion of long-term debt                     | ¥ 173,102  | ¥ 15,034                           |
| Short-term borrowings                                 | 276  | 1,215                              |
| Accounts payable, trade                               | 609,337  | 631,785                            |
| Accrued payroll                                       | 54,801   | 41,759                             |
| Accrued interest                                      | 916  | 379                                |
| Accrued income taxes                                  | 162,032  | 82,798                             |
| Other current liabilities                             | 122,704  | 147,588                            |
| <b>Total current liabilities</b>                      | <b>1,123,168</b>                                   | <b>920,558</b>                     |

Edgar Filing: NTT DOCOMO INC - Form 6-K

|   |                    |                    |
|---|--------------------|--------------------|
| <b>Long-term liabilities:</b>                 |                    |                    |
| Long-term debt (exclusive of current portion) | 255,000            | <b>240,000</b>     |
| Accrued liabilities for point programs        | 199,587            | <b>177,938</b>     |
| Liability for employees' retirement benefits  | 152,647            | <b>159,103</b>     |
| Other long-term liabilities                   | 183,597            | <b>166,015</b>     |
| Total long-term liabilities                   | 790,831            | <b>743,056</b>     |
| <b>Total liabilities</b>                      | <b>1,913,999</b>   | <b>1,663,614</b>   |
| <b>Equity:</b>                                |                    |                    |
| NTT DOCOMO, INC. shareholders' equity         |                    |                    |
| Common stock                                  | 949,680            | <b>949,680</b>     |
| Additional paid-in capital                    | 732,914            | <b>732,592</b>     |
| Retained earnings                             | 3,621,965          | <b>3,792,662</b>   |
| Accumulated other comprehensive income (loss) | (76,955)           | <b>(107,245)</b>   |
| Treasury stock, at cost                       | (377,168)          | <b>(377,168)</b>   |
| Total NTT DOCOMO, INC. shareholders' equity   | 4,850,436          | <b>4,990,521</b>   |
| Noncontrolling interests                      | 27,158             | <b>46,558</b>      |
| <b>Total equity</b>                           | <b>4,877,594</b>   | <b>5,037,079</b>   |
| <b>Commitments and contingencies</b>          |                    |                    |
| <b>Total liabilities and equity</b>           | <b>¥ 6,791,593</b> | <b>¥ 6,700,693</b> |

See accompanying notes to consolidated financial statements (unaudited).

**NTT DOCOMO, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF INCOME**  
**AND COMPREHENSIVE INCOME (UNAUDITED)**  
**NINE MONTHS ENDED DECEMBER 31, 2010 and 2011**

|   | September 30,<br>Millions of yen<br>Nine Months Ended<br>December 31,<br>2010 | September 30,<br>Millions of yen<br>Nine Months Ended<br>December 31, 2011 |
|---|---|--|
| <b>Operating revenues:</b>  |   |  |
| Wireless services   | ¥ 2,850,116   | ¥ 2,819,222  |
| Equipment sales   | 359,013   | 354,932  |
| Total operating revenues  | 3,209,129   | 3,174,154  |
| <b>Operating expenses:</b>  |   |  |
| Cost of services (exclusive of items shown separately below)                      | 687,578   | 683,712  |
| Cost of equipment sold (exclusive of items shown separately below)                | 482,552   | 477,291  |
| Depreciation and amortization   | 496,112   | 488,590  |
| Selling, general and administrative   | 784,386   | 780,777  |
| Total operating expenses  | 2,450,628   | 2,430,370  |
| <b>Operating income</b>   | 758,501   | 743,784  |
| <b>Other income (expense):</b>  |   |  |
| Interest expense  | (3,638)   | (2,386)  |
| Interest income   | 1,024   | 1,000  |
| Other, net  | (7,250)   | 1,685  |
| Total other income (expense)  | (9,864)   | 299  |
| <b>Income before income taxes and equity in net income (losses) of affiliates</b> | 748,637   | 744,083  |
| <b>Income taxes:</b>  |   |  |
| Current   | 289,489   | 270,378  |
| Deferred  | 13,881  | 72,113   |
| Total income taxes  | 303,370   | 342,491  |
| <b>Income before equity in net income (losses) of affiliates</b>                  | 445,267   | 401,592  |
| Equity in net income (losses) of affiliates, net of applicable taxes              | 375   | (7,901)  |
| <b>Net income</b>   | 445,642   | 393,691  |
| Less: Net (income) loss attributable to noncontrolling interests                  | (1,659)   | 931  |
| <b>Net income attributable to NTT DOCOMO, INC.</b>                                | ¥ 443,983   | ¥ 394,622  |

Edgar Filing: NTT DOCOMO INC - Form 6-K

|   |   |            |   |                   |
|---|---|------------|---|-------------------|
| <b>Net income</b>   | ¥ | 445,642    | ¥ | <b>393,691</b>    |
| <b>Other comprehensive income (loss):</b>   |   |            |   |                   |
| Unrealized holding gains (losses) on available-for-sale securities, net of applicable taxes |   | (3,449)    |   | <b>(3,550)</b>    |
| Change in fair value of derivative instruments, net of applicable taxes                     |   | (14)       |   | <b>(12)</b>       |
| Foreign currency translation adjustment, net of applicable taxes                            |   | (19,050)   |   | <b>(27,053)</b>   |
| Pension liability adjustment, net of applicable taxes                                       |   | (30)       |   | <b>313</b>        |
| Total other comprehensive income (loss)   |   | (22,543)   |   | <b>(30,302)</b>   |
| <b>Comprehensive income</b>   |   | 423,099    |   | <b>363,389</b>    |
| Less: Comprehensive (income) loss attributable to noncontrolling interests                  |   | (1,621)    |   | <b>943</b>        |
| <b>Comprehensive income attributable to NTT DOCOMO, INC.</b>                                | ¥ | 421,478    | ¥ | <b>364,332</b>    |
| <b><u>PER SHARE DATA</u></b>  |   |            |   |                   |
| Weighted average common shares outstanding Basic and Diluted (shares)                       |   | 41,604,852 |   | <b>41,467,601</b> |
| Basic and Diluted earnings per share attributable to NTT DOCOMO, INC. (yen)                 | ¥ | 10,671.42  | ¥ | <b>9,516.39</b>   |

See accompanying notes to consolidated financial statements (unaudited).

## NTT DOCOMO, INC. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF INCOME

## AND COMPREHENSIVE INCOME (UNAUDITED)

## THREE MONTHS ENDED DECEMBER 31, 2010 and 2011

|   | September 30,<br>Millions of yen           |  |
|---|--|--|
|   | Three Months Ended<br>December 31,<br>2010 | Three Months Ended<br>December 31,<br>2011 |
| <b>Operating revenues:</b>  |  |  |
| Wireless services   | ¥ 951,121                                  | ¥ 941,444                                  |
| Equipment sales   | 119,856                                    | 119,727                                    |
| Total operating revenues  | 1,070,977                                  | 1,061,171                                  |
| <b>Operating expenses:</b>  |  |  |
| Cost of services (exclusive of items shown separately below)                      | 235,767                                    | 247,125                                    |
| Cost of equipment sold (exclusive of items shown separately below)                | 161,722                                    | 159,461                                    |
| Depreciation and amortization   | 174,146                                    | 170,206                                    |
| Selling, general and administrative   | 272,311                                    | 249,096                                    |
| Total operating expenses  | 843,946                                    | 825,888                                    |
| <b>Operating income</b>   | <b>227,031</b>                             | <b>235,283</b>                             |
| <b>Other income (expense):</b>  |  |  |
| Interest expense  | (1,114)                                    | (706)                                      |
| Interest income   | 333  | 328  |
| Other, net  | (4,621)                                    | (2,693)                                    |
| Total other income (expense)  | (5,402)                                    | (3,071)                                    |
| <b>Income before income taxes and equity in net income (losses) of affiliates</b> | <b>221,629</b>                             | <b>232,212</b>                             |
| <b>Income taxes:</b>  |  |  |
| Current   | 84,968                                     | 74,750                                     |
| Deferred  | 5,199                                      | 60,155                                     |
| Total income taxes  | 90,167                                     | 134,905                                    |
| <b>Income before equity in net income (losses) of affiliates</b>                  | <b>131,462</b>                             | <b>97,307</b>                              |
| Equity in net income (losses) of affiliates, net of applicable taxes              | 3,353                                      | (2,091)                                    |
| <b>Net income</b>   | <b>134,815</b>                             | <b>95,216</b>                              |
| Less: Net (income) loss attributable to noncontrolling interests                  | (579)                                      | 388  |
| <b>Net income attributable to NTT DOCOMO, INC.</b>                                | <b>¥ 134,236</b>                           | <b>¥ 95,604</b>                            |

Edgar Filing: NTT DOCOMO INC - Form 6-K

|   |   |            |   |                   |
|---|---|------------|---|-------------------|
| <b>Net income</b>   | ¥ | 134,815    | ¥ | <b>95,216</b>     |
| <b>Other comprehensive income (loss):</b>   |   |            |   |                   |
| Unrealized holding gains (losses) on available-for-sale securities, net of applicable taxes |   | 4,137      |   | <b>5,829</b>      |
| Change in fair value of derivative instruments, net of applicable taxes                     |   | 40         |   | <b>(2)</b>        |
| Foreign currency translation adjustment, net of applicable taxes                            |   | (5,715)    |   | <b>(24,853)</b>   |
| Pension liability adjustment, net of applicable taxes                                       |   | (40)       |   | <b>80</b>         |
| Total other comprehensive income (loss)   |   | (1,578)    |   | <b>(18,946)</b>   |
| <b>Comprehensive income</b>   |   | 133,237    |   | <b>76,270</b>     |
| Less: Comprehensive (income) loss attributable to noncontrolling interests                  |   | (557)      |   | <b>385</b>        |
| <b>Comprehensive income attributable to NTT DOCOMO, INC.</b>                                | ¥ | 132,680    | ¥ | <b>76,655</b>     |
| <b><u>PER SHARE DATA</u></b>  |   |            |   |                   |
| Weighted average common shares outstanding Basic and Diluted (shares)                       |   | 41,603,083 |   | <b>41,467,601</b> |
| Basic and Diluted earnings per share attributable to NTT DOCOMO, INC. (yen)                 | ¥ | 3,226.59   | ¥ | <b>2,305.51</b>   |

See accompanying notes to consolidated financial statements (unaudited).



## NTT DOCOMO, INC. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

## NINE MONTHS ENDED DECEMBER 31, 2010 and 2011

|  | September 30,<br>Millions of yen                              |   |
|--|---|---|
|  | September 30,<br>Nine Months<br>Ended<br>December 31,<br>2010 | September 30,<br>Nine Months<br>Ended<br>December 31,<br>2011 |
| <b>Cash flows from operating activities:</b>                                       |   |   |
| Net income   | ¥ 445,642   | ¥ 393,691   |
| Adjustments to reconcile net income to net cash provided by operating activities   |   |   |
| Depreciation and amortization  | 496,112   | 488,590   |
| Deferred taxes   | 13,371  | 65,486  |
| Loss on sale or disposal of property, plant and equipment                          | 13,672  | 12,460  |
| Equity in net (income) losses of affiliates  | 376   | 14,526  |
| Changes in assets and liabilities:   |   |   |
| (Increase) / decrease in accounts receivable                                       | (96,694)  | (160,584)   |
| (Increase) / decrease in credit card receivables                                   | (20,986)  | (16,463)  |
| Increase / (decrease) in allowance for doubtful accounts                           | 2,396   | 4,004   |
| (Increase) / decrease in inventories   | (33,477)  | (35,634)  |
| (Increase) / decrease in prepaid expenses and other current assets                 | (13,503)  | (7,453)   |
| (Increase) / decrease in non-current installment receivables for handsets          | 3,155   | 298   |
| Increase / (decrease) in accounts payable, trade                                   | (19,876)  | 29,132  |
| Increase / (decrease) in accrued income taxes                                      | (88,114)  | (79,207)  |
| Increase / (decrease) in other current liabilities                                 | 5,564   | 25,957  |
| Increase / (decrease) in accrued liabilities for point programs                    | 54,874  | (21,649)  |
| Increase / (decrease) in liability for employees' retirement benefits              | 5,906   | 6,455   |
| Increase / (decrease) in other long-term liabilities                               | (30,744)  | (16,636)  |
| Other, net   | 16,849  | 5,643   |
| Net cash provided by operating activities  | 754,523   | 708,616   |
| <b>Cash flows from investing activities:</b>                                       |   |   |
| Purchases of property, plant and equipment   | (318,769)   | (343,102)   |
| Purchases of intangible and other assets   | (193,996)   | (180,656)   |
| Purchases of non-current investments   | (4,765)   | (34,069)  |
| Proceeds from sale of non-current investments                                      | 794   | 2,219   |
| Acquisitions of subsidiaries, net of cash acquired                                 | (7,678)   |   |
| Purchases of short-term investments  | (744,825)   | (883,596)   |
| Redemption of short-term investments   | 686,335   | 692,285   |
| Long-term bailment for consumption to a related party                              | (20,000)  |   |
| Short-term bailment for consumption to a related party                             | (20,000)  |   |
| Proceeds from redemption of short-term bailment for consumption to a related party | 110,000   |   |
| Other, net   | (6,994)   | 31  |
| Net cash used in investing activities  | (519,898)   | (746,888)   |
| <b>Cash flows from financing activities:</b>                                       |   |   |
| Repayment of long-term debt  | (32)  | (171,837)   |
| Proceeds from short-term borrowings  | 367   | 3,210   |
| Repayment of short-term borrowings   | (395)   | (2,177)   |
| Principal payments under capital lease obligations                                 | (3,249)   | (3,308)   |
| Payments to acquire treasury stock   | (3,169)   |   |

Edgar Filing: NTT DOCOMO INC - Form 6-K

|  |           |           |
|--|-----------|-----------|
| Dividends paid   | (216,088) | (223,671) |
| Proceeds from noncontrolling interests                       |           | 21,331    |
| Other, net   | (1,243)   | (1,280)   |
| Net cash provided by (used in) financing activities          | (223,809) | (377,732) |
| Effect of exchange rate changes on cash and cash equivalents | (1,342)   | (733)     |
| Net increase (decrease) in cash and cash equivalents         | 9,474     | (416,737) |
| Cash and cash equivalents at beginning of period             | 357,715   | 765,551   |
| Cash and cash equivalents at end of period                   | ¥ 367,189 | ¥ 348,814 |

**Supplemental disclosures of cash flow information:**

**Cash received during the period for:**

|                    |       |       |
|--------------------|-------|-------|
| Income tax refunds | ¥ 301 | ¥ 247 |
|--------------------|-------|-------|

**Cash paid during the period for:**

|                                     |         |         |
|-------------------------------------|---------|---------|
| Interest, net of amount capitalized | 3,533   | 2,923   |
| Income taxes                        | 378,858 | 351,819 |

See accompanying notes to consolidated financial statements (unaudited).

---

**NTT DOCOMO, INC. AND SUBSIDIARIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

**1. Basis of presentation:**

The accompanying consolidated financial statements of NTT DOCOMO, INC. and its subsidiaries ( **DOCOMO** ) were prepared in accordance with U.S. generally accepted accounting principles ( **U.S. GAAP** ). Certain disclosures required by U.S. GAAP have been omitted. Since **DOCOMO**'s American Depositary Shares were listed on the New York Stock Exchange in March 2002, **DOCOMO** has prepared its consolidated financial statements pursuant to the terminology, forms and preparation methods required in order to issue American Depositary Shares, which are registered with the Securities and Exchange Commission of the United States of America.

**2. Summary of significant accounting and reporting policies:**

**(1) Adoption of new accounting standards**

**Multiple-Deliverable Revenue Arrangements**

Effective April 1, 2011, **DOCOMO** adopted Accounting Standards Update ( **ASU** ) 2009-13 Revenue Recognition (Topic 605): Multiple-Deliverable Revenue Arrangements issued by the Financial Accounting Standards Board ( **FASB** ) in October 2009. **ASU2009-13** requires allocation of the overall consideration to each deliverable in an arrangement with multiple deliverables using the estimated selling price in the absence of vendor-specific objective evidence or third-party evidence of selling price for deliverables and eliminates residual method of allocation. The adoption of **ASU2009-13** did not have a material impact on **DOCOMO**'s results of operations and financial position.

**(2) Recent accounting pronouncements**

In May 2011, the **FASB** issued **ASU2011-04** Fair Value Measurement (Topic 820): Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs. **ASU2011-04** is intended to develop common requirements for measuring fair value and for disclosing information about fair value measurements in accordance with U.S. GAAP and International Financial Reporting Standards. To achieve this objective, **ASU2011-04** clarifies existing fair value measurement and disclosure requirements and changes a particular principle or requirement regarding fair value measurement and disclosure. **ASU2011-04** is effective during interim and annual periods beginning after December 15, 2011. **DOCOMO** currently estimates that the adoption of **ASU2011-04** will not have a material impact on **DOCOMO**'s results of operations and financial position. **DOCOMO** is currently considering the additional disclosures in accordance with **ASU2011-04**.

In September 2011, the **FASB** issued **ASU2011-08** Intangibles Goodwill and Other (Topic 350): Testing Goodwill for Impairment. **ASU2011-08** will permit an entity to first assess qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount before applying the two-step goodwill impairment test. If an entity concludes that it is not more likely than not that the fair value of a reporting unit is less than its carrying amount, it would not be required to perform the two-step impairment test for that reporting unit. **ASU2011-08** is effective for annual and interim goodwill impairment tests performed for fiscal years beginning after December 15, 2011. **DOCOMO** is currently considering changing the process of impairment tests in accordance with **ASU2011-08**. The adoption of **ASU2011-08** will not have any impact on **DOCOMO**'s results of operations and financial position.

---

NTT DOCOMO, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) - (Continued)

In September 2011, the FASB issued ASU2011-09 Compensation Retirement Benefits Multiemployer Plans (Subtopic 715-80): Disclosures about an Employer's Participation in a Multiemployer Plan. ASU2011-09 will require that an employer provides more detailed information about an employer's involvement in multiemployer pension plans, including the names of the significant multiemployer plans and the level of an employer's participation in the significant multiemployer plans. ASU2011-09 is effective for annual periods for fiscal years ending after December 15, 2011. The adoption of ASU2011-09 will not have any impact on DOCOMO's results of operations and financial position. DOCOMO is currently considering the additional disclosures in accordance with ASU2011-09.

**3. Equity:**

Effective May 1, 2006, the Corporate Law of Japan provides that (i) dividends of earnings require approval at a general meeting of shareholders, (ii) interim cash dividends can be distributed upon the approval of the board of directors, if the articles of incorporation provide for such interim cash dividends and (iii) an amount equal to at least 10% of decrease in retained earnings by dividends payment be appropriated from retained earnings to a legal reserve up to 25% of capital stock. The legal reserve is available for distribution upon approval of the shareholders.

In the general meeting of shareholders held on June 17, 2011, the shareholders approved cash dividends of ¥107,816 million or ¥2,600 per share, payable to shareholders recorded as of March 31, 2011, which were declared by the board of directors on April 28, 2011. The source of dividends was Retained earnings. DOCOMO started paying the dividends on June 20, 2011.

On November 2, 2011, the board of directors declared cash dividends of ¥116,109 million or ¥2,800 per share, payable to shareholders recorded as of September 30, 2011. The source of dividends was Retained earnings. DOCOMO started paying the dividends on November 18, 2011.

In order to improve capital efficiency and to implement flexible capital policies in accordance with the business environment, DOCOMO acquires treasury stock.

With regard to the acquisition of treasury stock, the Corporate Law of Japan provides that (i) it can be done according to the resolution of the general meeting of shareholders, and (ii) the acquisition of treasury stock through open market transactions can be done according to the resolution of the board of directors if the articles of incorporation contain such a provision. The provision is stipulated in DOCOMO's articles of incorporation.

## NTT DOCOMO, INC. AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) - (Continued)

**Issued shares and treasury stock**

The changes in the number of issued shares and treasury stock were as follows.

DOCOMO has not issued shares other than shares of its common stock.

|   | September 30,<br>Number of<br>issued shares | September 30,<br>Number of<br>treasury stock |
|---|---|--|
| As of March 31, 2010  | 43,790,000                                  | 2,184,258                                    |
| As of September 30, 2010  | 43,790,000                                  | 2,184,258                                    |
| Acquisition of treasury stock based on the resolution of the board of directors |   | 22,155                                       |
| As of December 31, 2010   | 43,790,000                                  | 2,206,413                                    |
| Acquisition of treasury stock based on the resolution of the board of directors |   | 115,986                                      |
| Retirement of treasury stock  | (140,000)                                   | (140,000)                                    |
| As of March 31, 2011  | 43,650,000                                  | 2,182,399                                    |
| <b>As of December 31, 2011</b>  | <b>43,650,000</b>                           | <b>2,182,399</b>                             |

The meeting of the board of directors approved stock repurchase plans as follows:

| Date of the meeting of the<br>board of directors | September 30,<br>Term of repurchase  | September 30,<br>Approved maximum<br>number<br>of treasury stock to<br>be repurchased<br>(Shares) | September 30,<br>Approved maximum<br>budget for share<br>repurchase<br>(Millions of yen) |
|--|--------------------------------------|---|--|
| December 17, 2010                                | December 20, 2010 - January 28, 2011 | 160,000   | ¥ 20,000   |

Aggregate number and price of shares repurchased are summarized as follows:

|  | September 30,<br>Share/Millions of yen<br>Nine months<br>ended<br>December 31,<br>2010 | September 30,<br>Nine months<br>ended<br>December 31,<br>2011 |
|--|--|---|
| Aggregate number of shares repurchased | 22,155   |   |
| Aggregate price of shares repurchased  | ¥ 3,169  | ¥   |

Edgar Filing: NTT DOCOMO INC - Form 6-K

|  | September 30,<br>Share/Millions of yen<br>Three months<br>ended<br>December 31,<br>2010 | September 30,<br>Three months<br>ended<br>December 31,<br>2011 |
|--|---|--|
| Aggregate number of shares repurchased | 22,155  |  |
| Aggregate price of shares repurchased  | ¥ 3,169   | ¥  |
| <b>Per share data</b>                  |   |  |

Per share data is as follows:

|   | September 30,<br>Yen<br>Nine months<br>ended<br>December 31,<br>2010 | September 30,<br>Nine months<br>ended<br>December 31,<br>2011 |
|---|--|---|
| Basic and Diluted earnings per share attributable to NTT DOCOMO, INC. | ¥ 10,671.42  | ¥ 9,516.39  |

NTT DOCOMO, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) - (Continued)

|   | September 30,<br>Three months<br>ended<br>December 31,<br>2010 | Yen | September 30,<br>Three months<br>ended<br>December 31,<br>2011 |
|---|--|-----|--|
| Basic and Diluted earnings per share attributable to NTT DOCOMO, INC. | ¥ 3,226.59   |     | ¥ 2,305.51   |

|  | September 30,<br>March 31, 2011 | Yen | September 30,<br>December 31, 2011 |
|--|---------------------------------|-----|------------------------------------|
| NTT DOCOMO, INC. shareholders equity per share | ¥ 116,969.29                    |     | ¥ 120,347.47                       |

## NTT DOCOMO, INC. AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) - (Continued)

**4. Segment reporting:**

DOCOMO's management uses the following segment financial information to make decisions on the allocation of management resources and to evaluate business performance. Accounting policies used to determine segment profit or loss and segment assets are consistent with those used to prepare the consolidated financial statements in accordance with U.S. GAAP.

DOCOMO has two operating segments. The mobile phone business segment includes Xi services, FOMA services, mova services, packet communications services, satellite mobile communications services, international services and the equipment sales related to these services. The miscellaneous businesses segment includes home shopping services provided primarily through TV media, high-speed internet connection services for hotel facilities, advertisement services, development, sales and maintenance of IT systems, credit services and other miscellaneous services, which in the aggregate are not significant in amount. DOCOMO plans to terminate mova services on March 31, 2012.

DOCOMO identifies its reportable segments based on the nature of services included, as well as the characteristics of the telecommunications networks used to provide those services. DOCOMO's management monitors and evaluates the performance of its segments based on the information derived from DOCOMO's management reports.

|                         | September 30,            | September 30,               | September 30, |
|-------------------------|--------------------------|-----------------------------|---------------|
|                         | Millions of yen          |                             |               |
| Three months ended      |                          |                             |               |
| December 31, 2010       | Mobile phone<br>business | Miscellaneous<br>businesses | Consolidated  |
| Operating revenues      | ¥ 1,035,015              | ¥ 35,962                    | ¥ 1,070,977   |
| Operating expenses      | 803,372                  | 40,574                      | 843,946       |
| Operating income (loss) | ¥ 231,643                | ¥ (4,612)                   | ¥ 227,031     |

|                         | September 30,            | September 30,               | September 30, |
|-------------------------|--------------------------|-----------------------------|---------------|
|                         | Millions of yen          |                             |               |
| Three months ended      |                          |                             |               |
| December 31, 2011       | Mobile phone<br>business | Miscellaneous<br>businesses | Consolidated  |
| Operating revenues      | ¥ 1,027,758              | ¥ 33,413                    | ¥ 1,061,171   |
| Operating expenses      | 790,576                  | 35,312                      | 825,888       |
| Operating income (loss) | ¥ 237,182                | ¥ (1,899)                   | ¥ 235,283     |

|                         | September 30,            | September 30,               | September 30, |
|-------------------------|--------------------------|-----------------------------|---------------|
|                         | Millions of yen          |                             |               |
| Nine months ended       |                          |                             |               |
| December 31, 2010       | Mobile phone<br>business | Miscellaneous<br>businesses | Consolidated  |
| Operating revenues      | ¥ 3,106,817              | ¥ 102,312                   | ¥ 3,209,129   |
| Operating expenses      | 2,342,048                | 108,580                     | 2,450,628     |
| Operating income (loss) | ¥ 764,769                | ¥ (6,268)                   | ¥ 758,501     |



Edgar Filing: NTT DOCOMO INC - Form 6-K

| Nine months ended       | September 30,            | September 30,               | September 30, |
|-------------------------|--------------------------|-----------------------------|---------------|
|                         | Millions of yen          |                             |               |
| December 31, 2011       | Mobile phone<br>business | Miscellaneous<br>businesses | Consolidated  |
| Operating revenues      | ¥ 3,078,603              | ¥ 95,551                    | ¥ 3,174,154   |
| Operating expenses      | 2,328,574                | 101,796                     | 2,430,370     |
| Operating income (loss) | ¥ 750,029                | ¥ (6,245)                   | ¥ 743,784     |

DOCOMO does not disclose geographical information since the amounts of operating revenues generated outside Japan are immaterial.

**NTT DOCOMO, INC. AND SUBSIDIARIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) - (Continued)**

**5. Contingencies:**

**Litigation**

DOCOMO is involved in litigation and claims arising in the ordinary course of business and at least quarterly reviews them. DOCOMO believes that no litigation or claims outstanding, pending or threatened against which in the opinion of management would have a materially adverse effect on its results of operations or financial position.

**Guarantees**

DOCOMO enters into agreements in the normal course of business that provide guarantees for counterparties. These counterparties include subscribers, related parties, foreign wireless telecommunications service providers and other business partners.

DOCOMO provides subscribers with guarantees for product defects of cellular phone handsets sold by DOCOMO, but DOCOMO is provided with similar guarantees by the handset vendors and no liabilities were recognized for these guarantees.

Though the guarantees or indemnifications provided in transactions other than those with the subscribers are different in each contract, the likelihood of almost all of the performance of these guarantees or indemnifications are remote and amount of payments DOCOMO could be claimed for is not specified in almost all of the contracts. Historically, DOCOMO has not made any significant guarantee or indemnification payments under such agreements. DOCOMO estimates the fair value of the obligations related to these agreements is not significant. Accordingly, no liabilities were recognized for these obligations.

## NTT DOCOMO, INC. AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) - (Continued)

**6. Fair value measurements:**

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. U.S. GAAP establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value according to observability. The inputs are described as follows:

Level 1 quoted prices in active markets for identical assets or liabilities

Level 2 inputs other than quoted prices included within Level 1 that are observable for the asset or liability

Level 3 unobservable inputs for the asset or liability

DOCOMO also distinguishes assets and liabilities measured at fair value every period on a recurring basis from those measured on a nonrecurring basis under specific situation (for example, impaired assets).

**(1) Assets and liabilities measured at fair value on a recurring basis**

DOCOMO's assets and liabilities measured at fair value on a recurring basis include available-for-sale securities and derivatives.

DOCOMO's assets and liabilities that were measured at fair value on a recurring basis at March 31, 2011 and December 31, 2011 were as follows:

|                                     | September 30,<br>Total | September 30,<br>Level 1 | September 30,<br>Level 2 | September 30,<br>Level 3 |
|-------------------------------------|------------------------|--------------------------|--------------------------|--------------------------|
| <b>Assets:</b>                      |                        |                          |                          |                          |
| Available-for-sale securities       |                        |                          |                          |                          |
| Equity securities (domestic)        | ¥ 46,631               | ¥ 46,631                 | ¥                        | ¥                        |
| Equity securities (foreign)         | 71,128                 | 71,128                   |                          |                          |
| Debt securities (foreign)           | 4                      | 4                        |                          |                          |
| Total available-for-sale securities | 117,763                | 117,763                  |                          |                          |
| <b>Derivatives</b>                  |                        |                          |                          |                          |
| Interest rate swap agreements       | 1,232                  |                          | 1,232                    |                          |
| Total derivatives                   | 1,232                  |                          | 1,232                    |                          |
| Total                               | ¥ 118,995              | ¥ 117,763                | ¥ 1,232                  | ¥                        |
| <b>Liabilities:</b>                 |                        |                          |                          |                          |
| <b>Derivatives</b>                  |                        |                          |                          |                          |
| Foreign exchange forward contracts  | ¥ 154                  | ¥                        | ¥ 154                    | ¥                        |
| Foreign currency option contracts   | 1,859                  |                          | 1,859                    |                          |
| Total derivatives                   | 2,013                  |                          | 2,013                    |                          |

Edgar Filing: NTT DOCOMO INC - Form 6-K

|       |   |       |   |   |       |   |
|-------|---|-------|---|---|-------|---|
| Total | ¥ | 2,013 | ¥ | ¥ | 2,013 | ¥ |
|-------|---|-------|---|---|-------|---|

There were no significant transfers between Level 1 and Level 2.

## NTT DOCOMO, INC. AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) - (Continued)

|   | September 30,                        | September 30, | September 30, | September 30, |
|---|--------------------------------------|---------------|---------------|---------------|
|   | Total                                | Level 1       | Level 2       | Level 3       |
|   | Millions of yen<br>December 31, 2011 |               |               |               |
| <b>Assets:</b>                          |                                      |               |               |               |
| Available-for-sale securities           |                                      |               |               |               |
| Equity securities (domestic)            | ¥ 46,056                             | ¥ 46,056      | ¥             | ¥             |
| Equity securities (foreign)             | 61,200                               | 61,200        |               |               |
| Debt securities (foreign)               | 4                                    | 4             |               |               |
| Total available-for-sale securities     | 107,260                              | 107,260       |               |               |
| Total                                   | ¥ 107,260                            | ¥ 107,260     | ¥             | ¥             |
| <b>Liabilities:</b>                     |                                      |               |               |               |
| <b>Derivatives</b>                      |                                      |               |               |               |
| Foreign exchange forward contracts      | ¥ 0                                  | ¥             | ¥ 0           | ¥             |
| Non-deliverable forward contracts (NDF) | 1                                    |               | 1             |               |
| Foreign currency option contracts       | 1,650                                |               | 1,650         |               |
| Total derivatives                       | 1,651                                |               | 1,651         |               |
| Total                                   | ¥ 1,651                              | ¥             | ¥ 1,651       | ¥             |

There were no significant transfers between Level 1 and Level 2.

#### Available-for-sale securities

Available-for-sale securities include marketable equity securities and debt securities, which are valued using quoted prices in active markets for identical assets. Therefore, these securities are classified as Level 1.

#### Derivatives

Derivative instruments are interest rate swap agreements, foreign exchange forward contracts, non-deliverable forward contracts (NDF) and foreign currency option contracts, which are measured using valuation provided by financial institutions based on observable market data. Therefore, these derivatives are classified as Level 2.

#### (2) Assets and liabilities measured at fair value on a nonrecurring basis

Certain assets and liabilities are measured at fair value on a nonrecurring basis and are not included in the table above. Changes of fair value in such assets and liabilities typically result from impairments.

DOCOMO may be required to measure fair value of long-lived assets, equity securities whose fair values are not readily determinable, and other assets or liabilities on a nonrecurring basis.

DOCOMO's assets and liabilities that were measured at fair value on a nonrecurring basis for the nine months ended December 31, 2010 were immaterial.

Edgar Filing: NTT DOCOMO INC - Form 6-K

DOCOMO's assets that were measured at fair value on a nonrecurring basis for the nine and three months ended December 31, 2011 were as follows.

## NTT DOCOMO, INC. AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) - (Continued)

|                   | September 30, |         |         |         |                |
|-------------------|---------------|---------|---------|---------|----------------|
|                   | Total         | Level 1 | Level 2 | Level 3 | gains (losses) |
| Assets:           |               |         |         |         |                |
| Goodwill          | ¥ 3,897       | ¥       | ¥       | ¥ 3,897 | ¥ (6,310)      |
| Long-lived assets | 353           |         |         | 353     | (706)          |

|                   | September 30, |         |         |         |                |
|-------------------|---------------|---------|---------|---------|----------------|
|                   | Total         | Level 1 | Level 2 | Level 3 | gains (losses) |
| Assets:           |               |         |         |         |                |
| Goodwill          | ¥ 3,897       | ¥       | ¥       | ¥ 3,897 | ¥ (6,310)      |
| Long-lived assets | 353           |         |         | 353     | (706)          |

## Goodwill

Fair value of the reporting unit is measured based on discount cash flow method using unobservable inputs. Therefore, it is classified as Level 3.

## Long-lived assets

With the recognition of impairment loss, fair value is measured based on discount cash flow method using unobservable inputs. Therefore, it is classified as Level 3.

**7. Income taxes:**

The amendments to the Japanese corporate tax law were enacted on November 30, 2011, and the corporate tax rate will be changed. The aggregate statutory income tax rate will decline from 40.8% to 38.1% or 35.8% for deferred tax assets and liabilities resulting from temporary differences that are expected to be recovered or settled in the fiscal years from April 1, 2012 to March 31, 2015, or April 1, 2015 and thereafter. Due to the expected change in the enacted tax rates, net deferred tax assets decreased by ¥36,454 million, and net income attributable to NTT DOCOMO, INC. decreased by ¥36,582 million for the nine months ended December 31 2011.

**8. Subsequent event:**

There were no significant subsequent events to be disclosed.