

NTT DOCOMO INC  
Form 6-K  
November 08, 2002

**FORM 6-K**  
**U.S. SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**REPORT OF FOREIGN PRIVATE ISSUER  
PURSUANT TO RULE 13A-16 OR 15D-16 OF  
THE SECURITIES EXCHANGE ACT OF 1934**

For the month of November, 2002.

Commission File Number: 001-31221

Total number of pages: 46

**NTT DoCoMo, Inc.**  
(Translation of registrant's name into English)

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**Sanno Park Tower 11-1, Nagata-cho 2-chome**  
**Chiyoda-ku, Tokyo 100-6150**  
**Japan**  
(Address of principal executive offices)

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

**Form 20-F**       **Form 40-F**

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

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

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

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

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

**Yes**       **No**

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

Information furnished on this form:

**EXHIBITS**

**Exhibit Number**

1. Press release dated November 7, 2002 announcing the company's Consolidated Semi-annual Financial Statements for the six months ended September 30, 2002. NTT DoCoMo, Inc. filed the Japanese language version of this press release with the Tokyo Stock Exchange on November 7, 2002.
2. Press release dated November 7, 2002 announcing NTT DoCoMo's operational data for the second quarter of fiscal 2002.

**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: November 8, 2002

By:

/s/ MASAYUKI HIRATA

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**Masayuki Hirata**  
**Executive Vice President and**  
**Chief Financial Officer**

**Consolidated Semi-annual Financial Statements**

November 7, 2002

For the Six Months Ended September 30, 2002

**[U.S. GAAP]**

Name of registrant: **NTT DoCoMo, Inc.**  
Code No.: 9437  
Stock exchange on which the Company's shares are listed: Tokyo Stock Exchange-First Section  
Address of principal executive office: Tokyo, Japan  
(URL <http://www.nttdocomo.co.jp/>)  
Representative: Keiji Tachikawa, Representative Director, President and Chief Executive Officer  
Contact: Ken Takeuchi, Senior Manager, General Affairs Department / TEL (03) 5156-1111  
Date of the meeting of the Board of Directors for approval of consolidated semi-annual financial statements: November 7, 2002  
Name of Parent Company: Nippon Telegraph and Telephone Corporation (Code No. 9432)  
Percentage of ownership interest in NTT DoCoMo, Inc. held by parent company: 63.0%  
Adoption of US GAAP: Yes

**1. Consolidated Financial Results for the Six Months Ended September 30, 2002 (April 1, 2002 - September 30, 2002)****(1) Consolidated Results of Operations**

Amounts are rounded off per 1 million yen throughout this report.

|                                     | Operating Revenues                          |         | Operating Income          |       | Income before Income Taxes |       |
|-------------------------------------|---|---------|---------------------------|-------|----------------------------|-------|
|                                     | (Millions of yen, except per share amounts) |         |                           |       |                            |       |
| Six months ended September 30, 2002 | 2,384,264                                   | 1.9%    | 639,983                   | 17.5% | 627,967                    | 22.3% |
| Six months ended September 30, 2001 | 2,338,745                                   | 18.6%   | 544,609                   | 30.0% | 513,324                    | 25.4% |
| Year ended March 31, 2002           | 4,659,254                                   |         | 1,000,887                 |       | 956,391                    |       |
|                                     | Net Income (Loss)                           |         | Earnings (Loss) per Share |       | Diluted Earnings per Share |       |
| Six months ended September 30, 2002 | 4,174                                       | (95.3%) | 83.68                     | (yen) |                            | (yen) |
| Six months ended September 30, 2001 | 89,207                                      | (59.9%) | 1,777.74                  | (yen) |                            | (yen) |
| Year ended March 31, 2002           | (116,191)                                   |         | (2,315.48)                | (yen) |                            | (yen) |

Notes: 1. Equity in net losses of affiliates For the six months ended September 30, 2002: (309,559) million yen  
For the six months ended September 30, 2001: (184,962) million yen  
For the fiscal year ended March 31, 2002: (643,962) million yen

2. Earnings (loss) per share information is adjusted to reflect a five-for-one stock split that took effect on May 15, 2002. Treasury shares are not included in the calculation of the weighted average number of shares outstanding.

Weighted average number of shares outstanding: For the six months ended September 30, 2002: 49,882,337 shares  
For the six months ended September 30, 2001: 50,180,000 shares  
For the fiscal year ended March 31, 2002: 50,180,000 shares

3. Change in accounting policy: Yes (Adoption of new accounting principle)

4. Percentages above represent changes compared to corresponding previous semi-annual period.

**(2) Consolidated Financial Position**

| Total Assets | Shareholders Equity | Equity Ratio (Ratio of Shareholders Equity to Total Assets) | Shareholders Equity per Share |
|--------------|---------------------|---|-------------------------------|
|--------------|---------------------|---|-------------------------------|

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|                    | (Millions of yen, except per share amounts) |           |       |                 |
|--------------------|---|-----------|-------|-----------------|
| September 30, 2002 | 5,682,819                                   | 3,009,985 | 53.0% | 61,042.08 (yen) |
| September 30, 2001 | 6,068,964                                   | 3,405,023 | 56.1% | 67,856.18 (yen) |
| March 31, 2002     | 6,067,225                                   | 3,291,883 | 54.3% | 65,601.49 (yen) |

Note: Shareholders' equity per share information is adjusted to reflect a five-for-one stock split that took effect on May 15, 2002. Treasury shares are not included in the number of shares outstanding at the end of the period.

|  |                     |                   |
|--|---------------------|-------------------|
| Number of shares outstanding at end of period: | September 30, 2002: | 49,310,000 shares |
|  | September 30, 2001: | 50,180,000 shares |
|  | March 31, 2002:     | 50,180,000 shares |

(3) Consolidated Cash Flows

|                                     | Cash Flows from<br>Operating Activities | Cash Flows from<br>Investing Activities | Cash Flows from<br>Financing Activities | Cash and Cash<br>Equivalents at<br>End of Period |
|-------------------------------------|---|---|---|--|
| (Millions of yen)                   |   |   |   |  |
| Six months ended September 30, 2002 | 846,156                                 | (489,843)                               | (219,867)                               | 437,488  |
| Six months ended September 30, 2001 | 606,537                                 | (587,287)                               | (27,092)                                | 110,582  |
| Year ended March 31, 2002           | 1,341,088                               | (1,125,093)                             | (33,372)                                | 301,048  |

(4) Number of Consolidated Subsidiaries and Companies Accounted for Using the Equity Method

|  |    |
|--|----|
| The number of consolidated companies:  | 36 |
| The number of unconsolidated subsidiaries accounted for using the equity method: | 27 |
| The number of affiliated companies accounted for using the equity method:        | 12 |

(5) Change of Reporting Entities

|   |   |   |   |
|---|---|---|---|
| The number of consolidated companies added:         | 2 | The number of consolidated companies removed:         | 0 |
| The number of companies on the equity method added: | 2 | The number of companies on the equity method removed: | 1 |

2. Consolidated Financial Results Forecasts for the Fiscal Year Ending March 31, 2003 (April 1, 2002-March 31, 2003)

|   | Operating<br>Revenues | Income before<br>Income Taxes | Net Income |
|---|-----------------------|-------------------------------|------------|
| (Millions of yen, except per share amounts) |                       |                               |            |
| Year ending March 31, 2003                  | 4,676,000             | 998,000                       | 182,000    |

(Reference) Expected Earnings per Share (Fiscal year ending March 31, 2003): 3,643.60 yen

- Notes:
1. With regard to the assumptions and other related matters concerning the above estimated results, please refer to page 12 in the Consolidated Semi-annual Financial Statements.
  2. Pursuant to revision of rules in regard to domestic statutory reporting, NTT DoCoMo, Inc. has elected to prepare and disclose consolidated financial statements in accordance with U.S. GAAP. Information on the prior period and fiscal year has also been presented to show U.S. GAAP information.
  3. Consolidated semi-annual financial statements as of and for the six months ended September 30, 2001 and 2002 were unaudited.

1. Conditions of the Corporate Group

NTT DoCoMo, Inc., (the Company) principally provides wireless telecommunications services as a member of the NTT Group, which is controlled by Nippon Telegraph and Telephone Corporation (NTT), parent holding company.

The Company, its 63 subsidiaries and its 12 affiliates (collectively DoCoMo or DoCoMo group) constitute the largest wireless telecommunications services provider in Japan.

The business segments of DoCoMo and the corporate position of each group company in DoCoMo are described below.

[Business Segment Information]

| <u>Businesses</u>      | <u>Main service lines</u>   |
|------------------------|---|
| Mobile phone business  | Cellular services, FOMA services, packet communications services, satellite mobile communications services, in-flight telephone service, and equipment sales for each service |
| PHS business           | PHS service and PHS equipment sales   |
| Quickcast business     | Quickcast (radio paging) service and Quickcast equipment sales  |
| Miscellaneous business | International dialing service and other miscellaneous businesses  |

[Position of Each Group Company]

- (1) The Company conducts cellular, PHS, Quickcast and other operations in the Kanto-Koshinetsu region of Japan. The Company also provides nationwide services such as satellite mobile communications service, in-flight telephone service and international dialing service. The Company is solely responsible for overall DoCoMo Group R&D activities for basic wireless telecommunications technology, the development of services for the wireless telecommunications business and the development of information processing systems. The Company provides the results of such research and development to the eight regional subsidiaries of the Company, each of which operates in a region of Japan (DoCoMo Regional Subsidiaries).
- (2) Each of the DoCoMo Regional Subsidiaries conducts cellular (excluding satellite mobile communications service and in-flight telephone service), PHS and Quickcast operations in their respective regions.
- (3) Twenty-eight other subsidiaries of the Company, each of which is entrusted with certain services by the Company and/or DoCoMo Regional Subsidiaries, have separate and independent specialties and are responsible for their own operational efficiencies. They are entrusted with a part of the services provided by, or give assistance to, the Company and DoCoMo Regional Subsidiaries.
- (4) There are 27 other subsidiaries and 12 affiliates including, among others, some foreign-based corporations established for the purpose of global deployment of the third-generation mobile communications system (IMT-2000), and joint venture companies established for the purpose of developing new businesses.

The following chart summarizes the above descriptions (as of September 30, 2002).

FOMA, QUICKCAST, i-mode, i-appli, mova, i-shot, Dual Network, musea, DLP Service, Posiseek, M-stage, P-p@c, P-in, M-stage visual, Lookwalk, MOBILER S CHECK, WORLD CALL, WORLD WALKER and Mzone are trademarks or registered trademarks of NTT DoCoMo, Inc.



## 2. Management Policies

### 1. Basic Management Policies

The basic management policies of DoCoMo, which are based on its corporate principle of creating a new world of communications culture, are to expand DoCoMo's businesses and contribute to realizing a rich and vigorous society by emphasizing and strengthening its current core business of voice communications services as well as assertively promoting mobile multimedia services to the public. Pursuing these goals, DoCoMo intends to maximize its enterprise value and retain the confidence of its customers and shareholders.

### 2. Mid-to Long Term Management Strategies

The Japanese wireless telecommunications market has recently entered a transition phase to stable growth, as the combined penetration rate of cellular and PHS services reached a high level after a remarkable expansion during the last several years.

Against this backdrop, DoCoMo intends to realize additional growth with its three major mid-to-long term strategies that have been implemented in response to the growing trend for IT utilization and globalization of the society and economy: from voice to non-voice as its multimedia strategy, to anything mobile as its ubiquity strategy, and from domestic to global as its globalization strategy. DoCoMo will also simultaneously reinforce its core businesses. DoCoMo seeks to enhance its enterprise value by implementing the following measures.

#### (1) Multimedia

To further disseminate mobile multimedia services, DoCoMo intends to develop and offer a variety of advanced non-voice services, including the distribution of music, video and text information. DoCoMo also plans to accelerate the uptake of mobile multimedia capitalizing on the fast-speed, large-volume data transmission capability of its third-generation network ( FOMA ).

DoCoMo is also committed to continuing its research and development on the fourth-generation mobile communications system in order to further enhance services.

#### (2) Ubiquity

With the development of mobile multimedia services, the business boundaries of mobile communications have extended from conventional person-to-person communications to person-to-machine communication services, most typically represented by data access to i-mode. In order to further expand its business domain, DoCoMo intends to equip anything mobile with transmission capabilities, including remote control of intelligent home appliances, distributing information to vehicles (telematics services), or electronic commerce services on mobile information devices (mobile e-commerce). DoCoMo also plans to expand the usage of mobile communications to machine-to-machine communications services such as monitoring the inventory level of vending machines.

#### (3) Globalization

To globalize its businesses, DoCoMo, through alliances with its investee partners, is steadily facilitating an early deployment of i-mode service, IMT-2000 systems based on W-CDMA technology, and mobile multimedia services overseas. At the same time, DoCoMo will continue to explore various opportunities in a bid to flexibly implement its global strategies depending on circumstances, which includes alliances that may not involve equity participation.

### 3. Basic Policies for Profit Distribution

The basic principles of the Company are to strengthen its financial position and maintain internal reserves in



order to build a highly advanced network, offer high-quality and stable services, and promote mobile multimedia. At the same time, the Company aims to continue stable dividend payments taking into account its business performance and business environment.

The internal reserves will be allocated for research and development, capital expenditure, and investment activities in order to respond to the rapid movements in the market. The Company seeks to enhance its enterprise value by introducing new technologies, offering new services, and deploying businesses overseas through alliances with new business partners.

#### 4. Organizational Changes to Reinforce Management Control

The Company established an Advisory Board in February 1999 to receive objective opinions and proposals of knowledgeable persons from various fields concerning managerial challenges facing DoCoMo. The Advisory Board was renewed and commenced its second term in May 2001. Similarly, to receive advice from a more global perspective, a US Advisory Board was created in December 2000. The opinions and proposals from the advisors are reflected in the Company's business management.

#### 5. Relationship with the Parent Company

- (1) The Company operates its business mainly in the field of wireless telecommunications under its own managerial responsibilities within the NTT Group. Currently, NTT owns 63.0% of the outstanding shares of the Company, and NTT may be in a position to influence the Company's direction by exercising its appointment and dismissal right with respect to directors as the majority shareholder of the Company.
- (2) On July 1, 1999 the Company reached an agreement with NTT relating to the basic research and development undertaken by NTT, the content of services, benefits and appropriate compensation. NTT is being compensated for the basic research and development it provides to the Company. In addition, the Company and NTT reached an agreement on April 1, 2002, relating to group management/operation, the content of services, benefits and appropriate compensation. Under the agreement, NTT is being compensated for the group management/operation services that it provides to the DoCoMo group. Prior to March 31, 2002, each of the Company and its eight Regional Subsidiaries had concluded individual management agreements with NTT.

#### 6. Target Management Index

Now that the Japanese mobile communications market has entered a period of stable growth, DoCoMo, from the viewpoint of emphasizing profitability, considers EBITDA margin an important index for corporate management. DoCoMo targets to achieve an EBITDA margin of at least 30% and will try to improve it every year in an effort to maximize its enterprise value.

(Note) EBITDA margin = EBITDA/ operating revenues

EBITDA: operating income + depreciation and amortization +loss on sale or disposal of property, plant and equipment

#### 7. Others

Recognizing that one of the most important issues facing the company is to support the building of environment conservation-oriented social systems, DoCoMo is committed to continue its efforts to alleviate its burden on the environment. Along with its endeavors to achieve ISO14001 certification at all levels of the group, DoCoMo has also actively encouraged green procurement and purchasing in order to reduce its environmental impact, and collected and recycled cellular phones and accessories in order to promote a recycling-oriented society.

### 3. Business Review and Financial Position

#### 1. Overview of the First Six Months of the Fiscal Year Ending March 31, 2003 (Fiscal 2002)

##### (1) Business Overview

The general business climate remained severe during the first six months of the fiscal year ending March 31, 2003, despite growing exports to other Asian countries, with low corporate earnings, a high rate of unemployment, and consumers' continued reluctance for spending.

The growth of the wireless communications market in Japan has slowed down as the penetration rate of mobile communications services has already reached a high level and the market has entered a transition phase from rapid expansion to stable growth. The wireless communications market in Japan has continued to expand, however, and the combined number of net additional subscribers for cellular phones and PHS during this period was 2.89 million. The aggregate number of cellular and PHS subscriptions in Japan as of September 30, 2002, was 77.71 million, and the penetration rate has reached 61% of the population. In the meantime, competition among wireless carriers has intensified as each carrier continuously introduced various new services.

To swiftly respond to these changes in the market, the Company shifted its managerial focus to attach more emphasis on profits rather than revenues, and has endeavored to expand into new business domains by steadfastly deploying businesses based on the three growth strategies of multimedia, ubiquity and globalization, while reinforcing its core business.

In order to implement business and capital strategies together with the eight DoCoMo Regional Subsidiaries in a more integrated manner and enhance the enterprise value of the total DoCoMo Group, the Company decided to acquire all the publicly held shares of its Regional Subsidiaries by way of share exchanges. The Company completed the repurchase of 870,000 shares of its own stock (at a total of 234.5 billion yen) required for the equity swap in August 2002. As of November 1, 2002, the Company completed its acquisition of all the publicly held shares of its Regional Subsidiaries.

In July 2002, the Company celebrated its 10<sup>th</sup> anniversary of its inauguration on July 1, 1992. Commemorating this event, special discounts were provided to customers for a limited period, commemorative dividends were paid to shareholders as a year-end dividend for the fiscal year ended March 31, 2002 and various civic-minded programs were implemented.

The business results of the first six months of the fiscal year ending March 31, 2003 are summarized below.

Results for the first six months of the fiscal year ending March 31, 2003 (billions of yen,%)

|                            | <u>Result of FY2002 1H</u> | <u>Changes from FY2001 1H</u><br>(%) |
|----------------------------|----------------------------|--------------------------------------|
| Operating revenues         | 2,384.3                    | 1.9                                  |
| Operating income           | 640.0                      | 17.5                                 |
| Income before income taxes | 628.0                      | 22.3                                 |
| Net income                 | 4.2                        | (95.3)                               |
| EBITDA                     | 981.3                      | 15.4                                 |
| EBITDA margin              | 41.2%                      | Up 4.8 points                        |

##### [Operating Revenues]

Cellular service revenues were 1,640.4 billion (up 0.2% compared to the same six months period of the previous fiscal year), a slight increase due primarily to changes in customers' usage behavior, e.g., migration

from voice messages to i-mode mail. Packet communications service revenues were 417.3 billion (up 23.8% compared to the same period of the previous fiscal year), due to an increase of i-mode subscribers. Consequently, Operating Revenues for the first six months of fiscal year ending March 31, 2003 were 2,384.3 billion yen, up 1.9% compared to the same period of the previous fiscal year.

[Operating Expenses]

As the market entered a period of stable growth and the growth in the number of subscribers slowed, the cost of handset sales, such as the aggregate cost of handset equipment and the aggregate commissions to sales agencies, has been reduced.

As a result of the foregoing, despite the increase of depreciation and amortization by 44.9 billion yen due to the commencement of FOMA service, overall operating expenses fell to 1,744.3 billion yen, down 2.8% compared to the same six months period of the previous fiscal year.

[Impairment losses from investments in overseas affiliates]

As a result of an appraisal of the market price or fair value of the shares of all of the overseas investee affiliates, DoCoMo decided to recognize and post impairment losses on its investments in AT&T Wireless Services, Inc. of the United States (AT&T Wireless), KPN Mobile N.V., of the Netherlands (KPN Mobile), and Hutchison 3G UK Holdings Limited of the United Kingdom (H3G UK). DoCoMo recognized impairment charges of 307.8 billion yen (167.6 billion yen on AT&T Wireless, 67.9 billion yen on KPN Mobile, and 72.2 billion yen on H3G UK, respectively), net of deferred taxes of 217.5 billion yen.

The results for each business segment are summarized below.

[Mobile Phone Business]

As for the second-generation mobile phone service, the packet communication speed was enhanced (to maximum 28.8kbps downlink) and the i-appli content size was expanded in an effort to increase i-mode ARPU (the monthly average revenue per unit from data transmission). Measures to improve the convenience to customers were undertaken, including the introduction of i-appli standby screen feature, which allows users to receive an incoming call or mail even when i-appli function is activated. New products introduced during this period include the mova 504i cellular phone series that supports enhanced i-mode features and infrared data connection capability, and the mova 251i cellular phone series with a built-in camera compatible with picture mail service i-shot. To further increase the variety of products, a new model mova F671iS ( Raku Raku Phone IIS ), a model especially tailored for use by a wider range of age groups, was also released.

Despite these efforts, the voice ARPU from cellular service declined 9.7% compared to the same six months period of the previous year to 6,490 yen, due largely to an increase of low-usage customers and a continuing change in customers usage behavior, e.g., migration from voice messages to i-mode mail. Consequently, although the monthly i-mode ARPU rose to 1,670 yen (up 12.1% compared to the same period of the previous fiscal year) as a result of further increase in the number of i-mode subscribers and the efforts to promote usage by offering enhanced capabilities, the aggregate ARPU (the monthly average revenue per unit) decreased by 6.0% to 8,160 yen as of September 30, 2002

In the meantime, DoCoMo has gradually expanded the coverage of its FOMA network to cover 77% of the populated areas in Japan as of September 30, 2002. Dual Network service, which enables users to use

both second-generation 800MHz digital handsets and FOMA handsets with a single phone number, has started to improve the convenience to customers. Furthermore, a PDA type device with videophone capability, FOMA SH2101V, and a new handset model FOMA T2101V that offers significantly longer battery hours, were also introduced. Despite these endeavors, however, sales of the FOMA handsets remained sluggish, as customers' demand for richer content offerings, among other things, was not completely satisfied.

In April, i-mode service was launched in the Netherlands by KPN Mobile, and in June in Taiwan by KG Telecommunications Co., Ltd. (KG Telecom). The Company also entered into technical alliance agreements on i-mode service with Bouygues Telecom S.A. (Bouygues Telecom) of France, and Telefonica Moviles S.A. (Telefonica Moviles) of Spain to facilitate its global expansion plans.

On the other hand, DoCoMo continued its efforts to counter and eradicate unsolicited bulk e-mails and the problem of companies calling mobile phones and then hanging up after one ring in a scam to solicit business, by upgrading the function to allow mail reception only from designated domains, and providing a new function to reject calls from pre-designated numbers. DoCoMo is committed to do its utmost as a telecommunications carrier so that customers can use its services in a more comfortable manner.

Additionally, to respond to customers' diverse needs for mobile multimedia, DoCoMo introduced new products such as musea, a Pocket PC 2002-compatible PDA, and Posiseek R, a terminal for DoCoMo's GPS-based location information service DLP.

As a result of the foregoing, the number of subscribers to DoCoMo's principal services, and the revenues at the end of first six months of Fiscal 2002, were as follows:

Number of Subscribers for Main Services

|   | As of Sept. 30, 2002      | Changes from March 31, 2002<br>(%) |
|---|---------------------------|------------------------------------|
|   | (thousand subscribers, %) |                                    |
| Cellular services                       | 42,026                    | 3.3                                |
| FOMA services                           | 136                       | 51.8                               |
| i-mode service*                         | 34,883                    | 8.5                                |
| Satellite mobile communications service | 28                        | 1.4                                |

\* The number of i-mode subscribers is the aggregate of PDC i-mode subscribers (34,761 thousand subscribers) and FOMA i-mode subscribers (123 thousand subscribers).

Operating Revenues for Main Services

|  | Results of Fiscal 2002 1H | Changes from FY2001 1H<br>(%) |
|--|---------------------------|-------------------------------|
|  | (billion yen, %)          |                               |
| Cellular service revenues                        | 1,640.4                   | 0.2                           |
| FOMA service revenues*                           | 5.5                       |                               |
| Packet communication service revenues            | 417.3                     | 23.8                          |
| Satellite mobile communications service revenues | 3.6                       | (25.3)                        |

\* Inclusive of packet data transmission revenues from FOMA subscribers.

Results for the First Six months of the Year Ending March 31, 2003

|  | Results of Fiscal 2002 1H |
|--|---------------------------|
|  | (billions of yen)         |
| Mobile phone business revenues         | 2,325.8                   |
| Mobile phone business operating income | 656.1                     |

\* Result for each business segment (Mobile phone business, PHS business, Quickcast business and Miscellaneous business) is prepared based on U.S. GAAP starting this interim period ended September 30, 2002.

1) ARPU: Average monthly revenue per unit

Aggregate ARPU: Cellular phone service ARPU (Voice ARPU) + i-mode ARPU

2) i-mode ARPU: i-mode ARPU purely generated from i-mode multiplied by (number of active i-mode users / number of active cellular phone users)

Number of active users: (number of subscribers at the end of previous fiscal year + number of subscribers at the end of this fiscal half or at the end of this fiscal year) / 2 multiplied by number of months.

3) These definitions are applicable throughout 3. Business Review and Financial Position .

[PHS Business]

As for the PHS service, DoCoMo took different measures to promote data communication service. Promotion of the P-p@c service, a discount service for data communication, and the sales of P-in series, data-card type PHS, that are linked to P-p@c service was one measure. Another was the introduction of various new products including Lookwalk P751v , a handset with videophone capability supporting DoCoMo's video distribution service M-stage visual . DoCoMo also expanded the use of DoCoMo Telephone Card MOBILER S CHECK , a prepaid phone card, to PHS subscribers to pay PHS service charges in advance. In spite of these efforts, the number of PHS subscribers declined and the ARPU from PHS service fell 9.2 % compared to the same six months period of the previous year to 3,550 yen as severe business conditions persisted.

However, the losses from the PHS business were considerably trimmed to 15.6 billion yen for the first six months of Fiscal 2002 as a result of continued efforts for cost reduction and efficient facility utilization.

As a consequence of the foregoing, the PHS subscriber count and revenues amounted to the following:

Number of PHS subscribers as at September 30, 2002

|             | <u>Subscriber count<br/>as at Sept. 30, 2002</u> | <u>Changes from<br/>March 31, 2002 (%)</u> |
|-------------|--|--|
|             | (thousand subscribers, %)                        |  |
| PHS service | 1,829  | (4.8)                                      |

Results for the First Six Months of the Fiscal Year Ending March 31, 2003

|                                  | <u>Fiscal 2002 1H</u> |
|----------------------------------|-----------------------|
|                                  | (billions of yen)     |
| PHS business revenues            | 43.6                  |
| Operating loss from PHS business | (15.6)                |

[Quickcast Business]

Despite attempts to boost system sales to corporate users and municipal governments by emphasizing Quickcast's multicast feature and information distribution capability to electronic bulletin boards, the Quickcast business suffered from a constant decline in subscriptions as the market for pager services in Japan continued to shrink. To decrease costs and improve its profitability, the number of personnel engaged in this business was reduced.

The number of subscribers and the results for the first six months of Fiscal 2002 are summarized below:

Number of Quickcast subscribers as at September 30, 2002

|                   | <u>Subscriber count<br/>as at Sept. 30, 2002</u> | <u>Changes from<br/>March 31, 2002 (%)</u> |
|-------------------|--|--|
|                   | (thousand subscribers, %)                        |  |
| Quickcast service | 709  | (14.2)                                     |

Results for the First Six Months of the Year Ending March 31, 2003

|  | <b>Fiscal 2002 1H</b>    |
|--|--------------------------|
|  | <b>(billions of yen)</b> |
| Quickcast business revenues            | 4.3                      |
| Operating loss from Quickcast business | (1.0)                    |

[Miscellaneous Business]

The user count for DoCoMo's WORLD CALL service, an international dialing service from cellular phones, increased in the first six months of Fiscal 2002 as DoCoMo enabled users to use this service without having to apply in advance to use this service, and started providing the service to subscribers of satellite telephones. As for international roaming service, WORLD WALKER, DoCoMo added a new service for the United States, and made endeavors to allow users to use the service at a more reasonable price.

DoCoMo also launched public wireless LAN service, Mzone, with a goal to cultivate new markets by interconnecting this service with FOMA.

Leveraging their own technologies and know-how, the subsidiaries in the DoCoMo Group have expanded into new business areas, including systems development and consulting.

The results for the first six months of the fiscal year ending March 2003 are summarized below:

Results for the First Six Months of the Fiscal Year Ending March 31, 2003

|  | <b>Results of Fiscal 2002 1H</b> |
|--|----------------------------------|
|  | <b>(billions of yen)</b>         |
| Miscellaneous business revenues              | 10.6                             |
| Operating income from Miscellaneous business | 0.4                              |

(2) Cash Flow Conditions

Certain information about DoCoMo's cash flows on a consolidated basis for the first six months of fiscal 2002 are summarized as follows. Despite the decrease in income before income taxes for the first six months of fiscal 2002, net cash provided by operating activities was 846.2 billion yen, up 239.6 billion yen (or 39.5%) compared to the same six months period of the previous year due largely to the increase in non-cash expenses such as depreciation and write-downs of investments in affiliates, as well as to the fact that payments of telephone bills for the previous fiscal year which normally would have been due on March 31, 2002 were collected during the first six months of fiscal 2002 because the last day of March 2002 coincided with a bank holiday. Net cash used in investing activities was 489.8 billion yen, down 97.4 billion yen (or 16.6%) compared to the same period of the previous fiscal year due to a decrease in purchase of property/plant and equipment. Net cash used in financing activities was 219.9 billion yen, increased by 192.8 billion yen compared to the same period of the previous fiscal year due primarily to DoCoMo's repurchase of its own shares of 234.5 billion yen.

(3) Profit Distribution for the First Six Months of Fiscal 2002

As noted in the report of consolidated financial statements dated May 8, 2002, the Company will suspend the interim dividend payment for the first six months of Fiscal 2002 because the Company is unable to satisfy the conditions set forth in the Commercial Code of Japan after the repurchase of its own shares which was required for the share exchanges with DoCoMo Regional Subsidiaries, as approved at the 11<sup>th</sup> regular annual shareholders meeting.

The Company intends to pay a total annual dividend of 500 yen per share as a year-end dividend.

2. Prospects for the Entire Fiscal Year Ending March 31, 2003

(1) Business Outlook

The Japanese mobile communications market is currently undergoing a major transition to a period of stable growth, with rising penetration rates and rapidly growing demand for data communications services. Against this backdrop, DoCoMo has decided to run its business with a stronger focus on profits instead of revenues. To this end, DoCoMo will expand its business fields by pursuing the three major strategies set forth in its management policies, and reinforce its financial position through measures including company-wide cost reduction while strengthening its existing core businesses.

To reinforce the core businesses and thereby its competitive edge, DoCoMo plans to offer new services and products catering to customer needs, provide diversified billing plans, acquire new subscribers, curb churns, and encourage usage by customers. DoCoMo continues to provide electronic commerce services that will realize cash-free shopping on mobile phones as well as services to remotely control intelligent home appliances in a bid to expand usage of mobile communications. While the voice ARPU from cellular phones is expected to decline further due primarily to the increase of low-usage customers and the change in customers' usage behavior, DoCoMo aims to increase i-mode ARPU by further disseminating i-mode service and enhancing its functionality to stimulate usage in order to maintain aggregate ARPU at a high level. The aggregate ARPU as at March 31, 2003, is estimated to be 7,980 yen, down 5.9% year-on-year, of which voice ARPU accounts for 6,290 yen (down 9.4% year-on-year), and i-mode ARPU 1,690 yen (up 9.7% year-on-year).

In view of the slow uptake of FOMA service, which is considered largely due to the limitations in coverage area, battery hours and handset availability, DoCoMo revised the handset sales target downwards to 320,000 subscribers as at March 31, 2003, and will undertake the following measures to achieve the target. The group plans to expand FOMA coverage to 90% of the populated areas in Japan by March 31, 2003, and introduce indoor base stations, while continuously improving the communication quality. New handsets that are smaller, lighter and have longer standby battery hours are planned for release. New services that take advantage of features unique to FOMA, such as the visual mail service and enriched M-stage service are also expected for launch. In addition, the Group plans to reinforce solution-marketing activities targeted at corporate customers to facilitate the use of FOMA services among this segment.

To accelerate the deployment of mobile multimedia overseas, i-mode service is planned for launch in France, following Germany, the Netherlands, Taiwan and Belgium. To facilitate the introduction of IMT-2000 systems at an early date, the Company plans to transfer its technology and know-how acquired through the deployment of FOMA service in Japan to its overseas investee partners. Going forward, the Company intends to continue exploring investment opportunities primarily in the Asian region, and also flexibly look into other options including alliances that do not involve equity participations depending on the circumstances.

With regard to PHS, Quickcast, satellite mobile communications, and other services, DoCoMo will continue its efforts to reduce costs and improve its financial performance to achieve efficient operations. In the event that the user base of services including cellular phone services suffers a significant drop, DoCoMo intends to carry out a review of such service and may suspend the acceptance of new subscribers and decrease the variety of billing plans.

Furthermore, in an effort to increase the enterprise value of the group as a whole, DoCoMo will reinforce the group management with the Regional Subsidiaries and promote an efficient group management by transferring some operations to subsidiaries while preserving the strategic unity of the group.

As a result of the foregoing, the number of subscribers for DoCoMo's main services and the business results for the entire fiscal year ending March 31, 2003 are forecast as below.

Subscriber Forecast for Main Services as at March 31, 2003

|                   | As at March 31, 2003   | Changes from March 31, 2002<br>(%) |
|-------------------|------------------------|------------------------------------|
|                   | (thousand subscribers) |                                    |
| Cellular service  | 43,300                 | 6.4                                |
| FOMA service      | 320                    | 257.8                              |
| i-mode service*   | 36,700                 | 14.1                               |
| PHS service       | 1,690                  | (12.1)                             |
| Quickcast service | 590                    | (28.6)                             |

\* Figures for i-mode include FOMA i-mode subscribers (290 thousand subscribers).

Results Forecast for the Year Ending March 31, 2003

|                            | Fiscal 2002          | Changes from<br>Fiscal 2001<br>(%) |
|----------------------------|----------------------|------------------------------------|
|                            | (billions of yen, %) |                                    |
| Operating revenues         | 4,676.0              | 0.4                                |
| Operating income           | 1,012.0              | 1.1                                |
| Income before income taxes | 998.0                | 4.4                                |
| Net income                 | 182.0                |                                    |
| EBITDA                     | 1,777.0              | 5.7                                |
| EBITDA margin              | 38.0%                | Up 1.9 points                      |

(2) Profit Distribution Outlook for Fiscal 2002

The Company intends to pay a total annual dividend of 500 yen per share as a year-end dividend.

Special Note Regarding Forward-Looking Statements

These consolidated financial statements contain forward-looking statements such as forecasts of results of operation, policies, management strategies, objectives, plans, recognition and evaluation of facts, expected number of subscribers or financial results, and prospects of dividend payment. All forward-looking statements that are not historical facts are based on management's current expectations, assumptions, estimates, projections, plans, recognition and evaluations based on the information currently available. The projected numbers in this report were derived using certain assumptions that are indispensable for making projections in addition to historical facts that have been acknowledged accurately. These forward-looking statements are subject to various risks and uncertainties. Known and unknown risks, uncertainties and other factors could cause the actual results to differ materially from those contained in or suggested by any forward-looking statement. DoCoMo cannot promise that its assumptions, expectations, projection, anticipated estimates or other information expressed in these forward-looking statements will turn out to be correct. Potential risks and uncertainties include, without limitation:

DoCoMo's ability to continue to attract and retain subscribers to its services;

The monthly minutes of use (MOU) per user and the monthly average revenue per user (ARPU) are maintained within levels projected by DoCoMo;

DoCoMo's ability to add capacity to its existing wireless networks;

DoCoMo's ability to expand its third-generation (3G) wireless services ( FOMA ) as planned, and acquire and retain subscribers to it;

DoCoMo's ability to successfully expand internationally through international alliances and investment outside of Japan;

Regulatory developments and changes, in particular in the areas of telecommunications and radio wave transmission, and DoCoMo's ability to respond to and adapt to those changes;



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DoCoMo's ability to continue to win acceptance of its services and products, which are offered in highly competitive markets characterized by continuous introduction of new services and products, rapid developments in technology and subjective and changing consumer preferences;

Volatility and changes in the economic conditions and securities market in Japan and other countries, and DoCoMo's ability to respond to and adapt to those changes; and

DoCoMo's ability to maintain the current state of affairs between communication carriers with regard to DoCoMo's right to set tariffs and forms of interconnection.

**4. CONSOLIDATED FINANCIAL STATEMENTS:****(1) CONSOLIDATED BALANCE SHEETS (UNAUDITED)**

|  | September 30, 2002 |              | September 30, 2001 |              | March 31, 2002   |              |
|--|--------------------|--------------|--------------------|--------------|------------------|--------------|
|  | Amount             | %            | Amount             | %            | Amount           | %            |
| (Millions of yen)                                |                    |              |                    |              |                  |              |
| <b>ASSETS</b>                                    |                    |              |                    |              |                  |              |
| <b>Current assets:</b>                           |                    |              |                    |              |                  |              |
| Cash and cash equivalents                        | 437,488            |              | 110,582            |              | 301,048          |              |
| Accounts receivable, net                         | 526,782            |              | 803,531            |              | 844,816          |              |
| Inventories                                      | 121,720            |              | 163,113            |              | 96,000           |              |
| Deferred tax assets                              | 73,473             |              | 38,070             |              | 44,056           |              |
| Prepaid expenses and other current assets        | 93,764             |              | 122,387            |              | 98,985           |              |
| Total current assets                             | 1,253,227          | 22.1         | 1,237,683          | 20.4         | 1,384,905        | 22.8         |
| <b>Property, plant and equipment:</b>            |                    |              |                    |              |                  |              |
| Wireless telecommunications equipment            | 3,595,916          |              | 3,074,024          |              | 3,361,066        |              |
| Buildings and structures                         | 489,362            |              | 399,426            |              | 439,171          |              |
| Tools, furniture and fixtures                    | 551,019            |              | 471,627            |              | 529,532          |              |
| Land   | 183,600            |              | 166,520            |              | 173,867          |              |
| Construction in progress                         | 209,910            |              | 312,266            |              | 195,389          |              |
| Accumulated depreciation                         | (2,323,759)        |              | (1,891,374)        |              | (2,080,033)      |              |
| Total property, plant and equipment, net         | 2,706,048          | 47.6         | 2,532,489          | 41.7         | 2,618,992        | 43.2         |
| <b>Non-current investments and other assets:</b> |                    |              |                    |              |                  |              |
| Investments in affiliates                        | 404,123            |              | 1,575,816          |              | 997,331          |              |
| Marketable securities and other investments      | 12,364             |              | 24,066             |              | 17,758           |              |
| Intangible assets, net                           | 440,453            |              | 384,022            |              | 434,690          |              |
| Other assets                                     | 139,792            |              | 135,480            |              | 135,411          |              |
| Deferred tax assets                              | 726,812            |              | 179,408            |              | 478,138          |              |
| Total non-current investments and other assets   | 1,723,544          | 30.3         | 2,298,792          | 37.9         | 2,063,328        | 34.0         |
| <b>TOTAL ASSETS</b>                              | <b>5,682,819</b>   | <b>100.0</b> | <b>6,068,964</b>   | <b>100.0</b> | <b>6,067,225</b> | <b>100.0</b> |

|  | September 30, 2002 |              | September 30, 2001 |              | March 31, 2002   |              |
|--|--------------------|--------------|--------------------|--------------|------------------|--------------|
|  | Amount             | %            | Amount             | %            | Amount           | %            |
| (Millions of yen)                                      |                    |              |                    |              |                  |              |
| <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>            |                    |              |                    |              |                  |              |
| <b>Current liabilities:</b>                            |                    |              |                    |              |                  |              |
| Current portion of long-term debt                      | 173,587            |              | 184,544            |              | 212,934          |              |
| Short-term borrowings                                  | 60,150             |              | 227,060            |              | 81,050           |              |
| Accounts payable, trade                                | 431,710            |              | 556,607            |              | 557,851          |              |
| Accrued payroll  | 23,170             |              | 36,752             |              | 42,728           |              |
| Accrued interest                                       | 3,586              |              | 3,418              |              | 3,226            |              |
| Accrued taxes on income                                | 271,005            |              | 248,713            |              | 293,410          |              |
| Other current liabilities                              | 102,739            |              | 71,507             |              | 86,693           |              |
| Total current liabilities                              | 1,065,947          | 18.7         | 1,328,601          | 21.9         | 1,277,892        | 21.0         |
| <b>Long-term liabilities:</b>                          |                    |              |                    |              |                  |              |
| Long-term debt   | 1,224,462          |              | 1,014,050          |              | 1,135,348        |              |
| Employee benefits                                      | 112,849            |              | 94,730             |              | 105,728          |              |
| Other long-term liabilities                            | 151,926            |              | 134,633            |              | 152,749          |              |
| Total long-term liabilities                            | 1,489,237          | 26.2         | 1,243,413          | 20.5         | 1,393,825        | 23.0         |
| <b>TOTAL LIABILITIES</b>                               | <b>2,555,184</b>   | <b>44.9</b>  | <b>2,572,014</b>   | <b>42.4</b>  | <b>2,671,717</b> | <b>44.0</b>  |
| <b>Minority interests in consolidated subsidiaries</b> | <b>117,650</b>     | <b>2.1</b>   | <b>91,927</b>      | <b>1.5</b>   | <b>103,625</b>   | <b>1.7</b>   |
| <b>Shareholders' equity:</b>                           |                    |              |                    |              |                  |              |
| Common stock   | 949,680            |              | 949,680            |              | 949,680          |              |
| Additional paid-in capital                             | 1,262,672          |              | 1,262,672          |              | 1,262,672        |              |
| Retained earnings                                      | 951,037            |              | 1,167,315          |              | 956,899          |              |
| Accumulated other comprehensive income                 | 81,058             |              | 25,356             |              | 122,632          |              |
| Treasury stock   | (234,462)          |              |                    |              |                  |              |
| <b>TOTAL SHAREHOLDERS' EQUITY</b>                      | <b>3,009,985</b>   | <b>53.0</b>  | <b>3,405,023</b>   | <b>56.1</b>  | <b>3,291,883</b> | <b>54.3</b>  |
| <b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>      | <b>5,682,819</b>   | <b>100.0</b> | <b>6,068,964</b>   | <b>100.0</b> | <b>6,067,225</b> | <b>100.0</b> |

**(2) CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)****(UNAUDITED)**

|  | Six months ended<br>September 30, 2002 |               | Six months ended<br>September 30, 2001 |              | Year ended<br>March 31, 2002 |               |
|--|--|---------------|--|--------------|------------------------------|---------------|
|  | Amount                                 | %             | Amount                                 | %            | Amount                       | %             |
| (Millions of yen)  |  |               |  |              |                              |               |
| <b>Operating revenues:</b>   |  |               |  |              |                              |               |
| Wireless services  | 2,142,183                              |               | 2,060,670                              |              | 4,153,459                    |               |
| Equipment sales  | 242,081                                |               | 278,075                                |              | 505,795                      |               |
| Total operating revenues   | 2,384,264                              | 100.0         | 2,338,745                              | 100.0        | 4,659,254                    | 100.0         |
| <b>Operating expenses:</b>   |  |               |  |              |                              |               |
| Personnel expenses   | 120,032                                |               | 114,479                                |              | 231,237                      |               |
| Non-personnel expenses   | 1,067,434                              |               | 1,146,843                              |              | 2,300,207                    |               |
| Depreciation, amortization and loss on sale or disposal of property, plant and equipment | 342,510                                |               | 305,224                                |              | 690,994                      |               |
| Other, net   | 214,305                                |               | 227,590                                |              | 435,929                      |               |
| Total operating expenses   | 1,744,281                              | 73.2          | 1,794,136                              | 76.7         | 3,658,367                    | 78.5          |
| <b>Operating income</b>  | <b>639,983</b>                         | <b>26.8</b>   | <b>544,609</b>                         | <b>23.3</b>  | <b>1,000,887</b>             | <b>21.5</b>   |
| <b>Other expense (income):</b>   |  |               |  |              |                              |               |
| Interest expense   | 8,837                                  |               | 8,221                                  |              | 17,229                       |               |
| Interest income  | (57)                                   |               | (82)                                   |              | (154)                        |               |
| Other, net   | 3,236                                  |               | 23,146                                 |              | 27,421                       |               |
| Total other expense (income)   | 12,016                                 | 0.5           | 31,285                                 | 1.3          | 44,496                       | 1.0           |
| <b>Income before income taxes</b>  | <b>627,967</b>                         | <b>26.3</b>   | <b>513,324</b>                         | <b>22.0</b>  | <b>956,391</b>               | <b>20.5</b>   |
| <b>Income taxes:</b>   |  |               |  |              |                              |               |
| Current  | 271,068                                |               | 248,281                                |              | 453,914                      |               |
| Deferred   | (6,719)                                |               | (23,399)                               |              | (54,271)                     |               |
| Total income taxes   | 264,349                                | 11.1          | 224,882                                | 9.7          | 399,643                      | 8.6           |
| <b>Equity in net losses of affiliates</b>  | <b>(309,559)</b>                       | <b>(12.9)</b> | <b>(184,962)</b>                       | <b>(7.9)</b> | <b>(643,962)</b>             | <b>(13.8)</b> |
| <b>Minority interests in earnings of consolidated subsidiaries</b>                       | <b>(14,169)</b>                        | <b>(0.6)</b>  | <b>(14,273)</b>                        | <b>(0.6)</b> | <b>(28,977)</b>              | <b>(0.6)</b>  |
| <b>Income (loss) before cumulative effect of accounting change</b>                       | <b>39,890</b>                          | <b>1.7</b>    | <b>89,207</b>                          | <b>3.8</b>   | <b>(116,191)</b>             | <b>(2.5)</b>  |
| <b>Cumulative effect of accounting change</b>  | <b>(35,716)</b>                        | <b>(1.5)</b>  |  |              |                              |               |
| <b>Net income (loss)</b>   | <b>4,174</b>                           | <b>0.2</b>    | <b>89,207</b>                          | <b>3.8</b>   | <b>(116,191)</b>             | <b>(2.5)</b>  |
| <b>Other comprehensive income (loss):</b>  |  |               |  |              |                              |               |
| Unrealized loss on available-for-sale securities   | (1,323)                                |               | (2,411)                                |              | (2,136)                      |               |
| Net revaluation of financial instruments   | 67                                     |               |  |              | (90)                         |               |
| Foreign currency translation adjustments   | (40,579)                               |               | 3,711                                  |              | 105,147                      |               |
| Minimum pension liability adjustment   | 261                                    |               | 947                                    |              | (3,398)                      |               |
| <b>Comprehensive income (loss)</b>   | <b>(37,400)</b>                        | <b>(1.6)</b>  | <b>91,454</b>                          | <b>3.9</b>   | <b>(16,668)</b>              | <b>(0.4)</b>  |

(Note) The denominator used to calculate the percentage figures is the amount of total operating revenues.

|   | Six months ended<br>September 30, 2002 | Six months ended<br>September 30, 2001 | Year ended<br>March 31, 2002 |
|---|--|--|------------------------------|
|   | (Yen)                                  |  |                              |
| <b>EARNINGS PER SHARE DATA</b>  |  |  |                              |
| Weighted average common shares outstanding Basic and diluted (shares)         | 49,882,337                             | 50,180,000                             | 50,180,000                   |
| Basic and diluted income (loss) before cumulative effect of accounting change | 799.68                                 | 1,777.74                               | (2,315.48)                   |
| Basic and diluted cumulative effect of accounting change                      | (716.00)                               |  |                              |
| Basic and diluted earnings (loss) per share                                   | 83.68                                  | 1,777.74                               | (2,315.48)                   |

**(3) CONSOLIDATED STATEMENTS OF SHAREHOLDERS EQUITY (UNAUDITED)**

|  | Six months ended<br>September 30, 2002 | Six months ended<br>September 30, 2001 | Year ended<br>March 31, 2002 |
|--|--|--|------------------------------|
|  | Amount                                 | Amount                                 | Amount                       |
| (Millions of yen)                                  |  |  |                              |
| <b>Common stock:</b>                               |  |  |                              |
| At the beginning of the year                       | 949,680                                | 949,680                                | 949,680                      |
| At the end of the period                           | 949,680                                | 949,680                                | 949,680                      |
| <b>Additional paid-in capital:</b>                 |  |  |                              |
| At the beginning of the year                       | 1,262,672                              | 1,262,672                              | 1,262,672                    |
| At the end of the period                           | 1,262,672                              | 1,262,672                              | 1,262,672                    |
| <b>Retained earnings:</b>                          |  |  |                              |
| At the beginning of the year                       | 956,899                                | 1,083,126                              | 1,083,126                    |
| Cash dividends                                     | (10,036)                               | (5,018)                                | (10,036)                     |
| Net income (loss)                                  | 4,174                                  | 89,207                                 | (116,191)                    |
| At the end of the period                           | 951,037                                | 1,167,315                              | 956,899                      |
| <b>Accumulated other comprehensive income:</b>     |  |  |                              |
| At the beginning of the year                       | 122,632                                | 23,109                                 | 23,109                       |
| Unrealized losses on available-for-sale securities | (1,323)                                | (2,411)                                | (2,136)                      |
| Net revaluation of financial instruments           | 67                                     |  | (90)                         |
| Foreign currency translation adjustment            | (40,579)                               | 3,711                                  | 105,147                      |
| Minimum pension liability adjustment               | 261                                    | 947                                    | (3,398)                      |
| At the end of the period                           | 81,058                                 | 25,356                                 | 122,632                      |
| <b>Treasury stock:</b>                             |  |  |                              |
| At the beginning of the year                       |  |  |                              |
| Acquisition of treasury stock                      | (234,462)                              |  |                              |
| At the end of the period                           | (234,462)                              |  |                              |
| <b>TOTAL SHAREHOLDERS EQUITY</b>                   | <b>3,009,985</b>                       | <b>3,405,023</b>                       | <b>3,291,883</b>             |

**(4) CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)**

|  | Six months<br>ended<br>September 30,<br>2002 | Six months<br>ended<br>September 30,<br>2001 | Year ended<br>March 31,<br>2002 |
|--|--|--|---------------------------------|
|  | (Millions of yen)                            |  |                                 |
| <b>I. Cash flows from operating activities:</b>  |  |  |                                 |
| 1. Net Income (loss)   | 4,174  | 89,207                                       | (116,191)                       |
| 2. Adjustments to reconcile net income (loss) to net cash provided by operating activities   |  |  |                                 |
| (1) Depreciation and amortization  | 336,570                                      | 291,646                                      | 640,505                         |
| (2) Deferred taxes   | (224,173)                                    | (149,710)                                    | (524,549)                       |
| (3) Loss on sale or disposal of property, plant and equipment  | 4,726  | 14,245                                       | 39,204                          |
| (4) Equity in net losses of affiliates (including write-downs of ¥525,221 million, ¥320,481 million and ¥1,077,879 million in investments in affiliates in the period ended September 30, 2002 and 2001 and the year ended March 31, 2002, respectively) | 527,013                                      | 311,273                                      | 1,114,240                       |
| (5) Minority interest in earnings of consolidated subsidiaries   | 14,169                                       | 14,273                                       | 28,977                          |
| (6) Cumulative effect of accounting change   | 35,716                                       |  |                                 |
| (7) Changes in current assets and liabilities:   |  |  |                                 |
| Decrease in accounts receivable, trade   | 319,082                                      | 81,236                                       | 42,336                          |
| (Decrease) increase in allowance for doubtful accounts   | (1,048)                                      | 511  | (1,874)                         |
| (Increase ) decrease in inventories  | (25,720)                                     | (55,717)                                     | 11,404                          |
| Decrease in accounts payable, trade  | (134,435)                                    | (71,550)                                     | (99,689)                        |
| Increase (decrease) in other current liabilities   | 16,046                                       | (24,792)                                     | 8,483                           |
| (Decrease) increase in accrued taxes on income   | (22,404)                                     | 44,897                                       | 89,594                          |
| Increase in liability for employee benefits, net of deferred pension costs   | 7,121  | 3,619  | 18,933                          |
| Other  | (10,681)                                     | 57,399                                       | 89,715                          |
| Net cash provided by operating activities  | 846,156                                      | 606,537                                      | 1,341,088                       |
| <b>II. Cash flows from investing activities:</b>   |  |  |                                 |
| 1. Purchases of property, plant and equipment  | (412,423)                                    | (482,119)                                    | (863,184)                       |
| 2. Purchases of intangible and other assets  | (76,969)                                     | (93,070)                                     | (199,517)                       |
| 3. Purchases of investments  | (2,682)                                      | (14,194)                                     | (68,189)                        |
| 4. Other   | 2,231  | 2,096  | 5,797                           |
| Net cash used in investing activities  | (489,843)                                    | (587,287)                                    | (1,125,093)                     |
| <b>III. Cash flows from financing activities:</b>  |  |  |                                 |
| 1. Issuance of long-term debt  | 140,705                                      | 151,721                                      | 395,238                         |
| 2. Repayment of long-term debt   | (91,232)                                     | (82,373)                                     | (177,686)                       |
| 3. Payments to acquire treasury stock  | (234,462)                                    |  |                                 |
| 4. Principal payments under capital lease obligation   | (3,789)                                      | (4,110)                                      | (8,418)                         |
| 5. Dividends paid  | (10,036)                                     | (5,018)                                      | (10,036)                        |
| 6. Proceeds from short-term borrowings   | 214,712                                      | 572,410                                      | 957,619                         |
| 7. Repayment of short-term borrowings  | (235,612)                                    | (659,550)                                    | (1,190,769)                     |
| 8. Other   | (153)  | (172)  | 680                             |
| Net cash used in financing activities  | (219,867)                                    | (27,092)                                     | (33,372)                        |
| <b>IV. Effect of exchange rate changes on cash and cash equivalents</b>  | <b>(6)</b>                                   | <b>(1)</b>                                   |                                 |
| <b>V. Net increase (decrease) in cash and cash equivalents</b>   | <b>136,440</b>                               | <b>(7,843)</b>                               | <b>182,623</b>                  |
| <b>VI. Cash and cash equivalents at beginning of period</b>  | <b>301,048</b>                               | <b>118,425</b>                               | <b>118,425</b>                  |
| <b>VII. Cash and cash equivalents at end of period</b>   | <b>437,488</b>                               | <b>110,582</b>                               | <b>301,048</b>                  |
| <b>Supplemental disclosures of cash flow information</b>   |  |  |                                 |
| <b>Cash paid during the period for:</b>  |  |  |                                 |
| Interest   | 10,030                                       | 9,633  | 20,165                          |
| Income taxes   | 293,472                                      | 203,384                                      | 364,321                         |
| <b>Non-cash financing activities</b>   |  |  |                                 |
| Assets acquired through capital lease obligations  | 3,747  | 2,778  | 5,376                           |

**Basis of Presentation:**

The accompanying interim consolidated financial information of NTT DoCoMo, Inc. (the Company) and its subsidiaries (collectively DoCoMo) has been prepared in accordance with accounting principles generally accepted in the United States.

**(1) Adoption of new accounting principle:**

**Accounting for commissions paid to agents**

Effective April 1, 2002, DoCoMo adopted Emerging Issues Task Force (EITF) 01-09, Accounting for Consideration Given by a Vendor to a Customer or a Reseller of the Vendor's Products. The adoption results in the reclassification of certain amounts previously included in non-personnel expenses as a reduction of equipment sales. Consequently, both net equipment sales and non-personnel expenses decreased by ¥267,900 million for the six months ended September 30, 2001, and ¥507,900 million for the year ended March 31, 2002. EITF01-09 also requires that reduction of revenue and corresponding expenses be recognized at the time of sales, in lieu of the date of payment, which resulted in reduction of net equipment sales and non-personnel expenses by ¥255,000 million and ¥245,000 million, respectively, for the six months ended September 30, 2002. These effects resulted in an adjustment as of April 1, 2002 for the cumulative effect of accounting change in DoCoMo's statement of operations and comprehensive income (loss) by ¥35,700 million (net of taxes).

**(2) Significant accounting policies:**

**Inventories**

Inventories are stated at the lower of cost or market. The cost of equipment sold is determined by the first-in, first-out method.

**Property, plant and equipment**

Property, plant and equipment is stated at cost and includes capitalized interest expense incurred during construction periods. Depreciation is computed by the declining-balance method at rates based on the estimated useful lives of the respective assets with the exception of buildings that are depreciated on a straight-line basis.

**Investments in affiliates**

The equity method of accounting is applied for investments in affiliates where DoCoMo either owns an aggregate interest of 20% to 50% or is able to exercise significant influence over the affiliate.

DoCoMo evaluates its investments in affiliates for impairment due to declines in value considered to be other than temporary. In the event of a determination that a decline in value is other than temporary, a charge to earnings is recorded for the loss, and a new cost basis in the investment is established.

**Marketable securities**

Marketable securities consist of investments in debt and equity securities which DoCoMo accounts for in accordance with Statement of Financial Accounting Standards ( SFAS ) No. 115, Accounting for Certain Investments in Debt and Equity Securities.

**Goodwill and other intangible assets**

DoCoMo accounts for goodwill and other intangible assets in accordance with SFAS No. 142, Goodwill and Other Intangible Assets .

**Impairment of long-lived assets**

In accordance with SFAS No. 144, DoCoMo s long-lived assets other than goodwill, including property, plant and equipment, software and other intangibles, are reviewed for impairment, and if the asset is determined to be impaired, amount of loss is recognized in earnings.

**Derivative financial instruments**

DoCoMo accounts for derivative instruments in accordance with SFAS No. 133, Accounting for Derivatives and Hedging Activities , as amended by SFAS No. 138. All derivative instruments are recorded on the balance sheet at fair value, with the change in the fair value recognized either in other comprehensive income or in net income depending on whether the derivative instrument qualifies as a hedge for accounting purposes, and if so, the nature of hedging activity.

**Employee benefit plans**

Pension benefits earned during the period, as well as interest on projected benefit obligations, are accrued currently. Prior service costs and credits resulting from changes in plan benefits are amortized over the average remaining service period of the employees expected to receive benefits.

**Revenue recognition**

Base monthly service and airtime are recognized as revenues as service is provided to the subscribers. Equipment sales are recognized as revenue upon delivery of the equipment to the customer (agent resellers).

Upfront activation fees are being deferred and recognized as revenue over the expected term of customer relationship of each service. The related direct costs are also being deferred only to the extent of the related upfront fee amount and are being amortized over the same periods.

**Income taxes**

Income taxes are provided based on the asset and liability method of income tax accounting. Deferred income taxes are recorded to reflect the tax consequences in future years of differences between the tax basis of assets and liabilities and the amount reported in the balance sheet.



(Other footnotes to consolidated financial statements)

1. Equity in net losses of affiliates

For the six months ended September 30, 2002, Equity in net losses of affiliates includes the recognition of impairment charges related to the investments in the following affiliates:

|                                  |                   |
|----------------------------------|-------------------|
| AT&T Wireless Services, Inc.     | ¥ 167,584 million |
| KPN Mobile N.V.                  | ¥ 67,949 million  |
| Hutchison 3G UK Holdings Limited | ¥ 72,233 million  |

2. Share repurchase

The Company acquired some of its shares during the six months ended September 30, 2002 in order to perform the share exchanges described below in the subsequent events.

|   |  |
|---|--|
| (1) Class of shares repurchased:            | Shares of Common Stock of the Company        |
| (2) Aggregate number of shares repurchased: | 870,000 shares (1.73% of outstanding shares) |
| (3) Aggregate amount of repurchase price:   | ¥234,462 million                             |
| (4) Method of repurchase:                   | Repurchase in the market                     |

3. Subsequent events

The Company completed the share exchanges and made the regional subsidiaries wholly-owned on November 1, 2002. As a result, treasury stock of ¥234,462 million in the accompanying consolidated balance sheet as of September 30, 2002 was decreased by ¥231,885 million.

**SEGMENT INFORMATION**

## 1. Business segment information

|                                 | Six months ended<br>September 30, 2002 |       | Six months ended<br>September 30, 2001 |       | Year ended<br>March 31, 2002 |       |
|---------------------------------|--|-------|--|-------|------------------------------|-------|
|                                 |  | %     |  | %     |                              | %     |
| (Millions of yen)               |  |       |  |       |                              |       |
| <b>Operating Revenues</b>       |  |       |  |       |                              |       |
| Mobile phone business           | 2,325,758                              | 97.6  | 2,536,913                              | 97.1  | 5,022,108                    | 97.1  |
| PHS business                    | 43,585                                 | 1.8   | 58,274                                 | 2.2   | 114,512                      | 2.2   |
| Quickcast business              | 4,271                                  | 0.2   | 5,971                                  | 0.2   | 10,976                       | 0.2   |
| Miscellaneous business          | 10,650                                 | 0.4   | 11,804                                 | 0.5   | 23,949                       | 0.5   |
| Consolidated operating revenues | 2,384,264                              | 100.0 | 2,612,963                              | 100.0 | 5,171,546                    | 100.0 |
| <b>Operating income (loss)</b>  |  |       |  |       |                              |       |
| Mobile phone business           | 656,145                                |       | 581,103                                |       | 1,067,585                    |       |
| PHS business                    | (15,640)                               |       | (27,680)                               |       | (58,710)                     |       |
| Quickcast business              | (971)                                  |       | (3,528)                                |       | (6,393)                      |       |
| Miscellaneous business          | 449                                    |       | 513                                    |       | 370                          |       |
| Consolidated operating income   | 639,983                                |       | 550,407                                |       | 1,002,852                    |       |

## Notes:

1. Segment information for the six months ended September 30, 2002 is prepared in accordance with U.S. GAAP. Segment information for the six months ended September 30, 2001, and for the year ended March 31, 2002 are prepared in accordance with Japanese GAAP.
2. The Company segments its businesses internally as follows:
  - a. Mobile phone business      Cellular service, FOMA service, packet communications service, satellite mobile communications service, in-flight telephone service and equipment sales for each service
  - b. PHS business                      PHS service and PHS equipment sales
  - c. Quickcast business              Quickcast service and Quickcast equipment sales (formerly paging service and paging equipment sales)
  - d. Miscellaneous business        International dialing service and other miscellaneous businesses

**Non-consolidated Semi-annual Financial Statements**

November 7, 2002

For the Six Months Ended September 30, 2002

**[Japanese GAAP]**

|  |   |
|--|---|
| Name of registrant:  | <b>NTT DoCoMo, Inc.</b>   |
| Code No.:  | 9437  |
| Stock exchange on which the Company's shares are listed:   | Tokyo Stock Exchange-First Section  |
| Address of principal executive office:   | Tokyo, Japan  |
| (URL <a href="http://www.nttdocomo.co.jp/">http://www.nttdocomo.co.jp/</a> )                                     |   |
| Representative:  | Keiji Tachikawa, Representative Director, President and Chief Executive Officer |
| Contact:   | Ken Takeuchi, Senior Manager, General Affairs Department / TEL (03) 5156-1111   |
| Date of the meeting of the Board of Directors for approval of non-consolidated semi-annual financial statements: | November 7, 2002  |
| Interim dividends plan:  | Yes   |
| Adoption of the Unit Share System:   | No  |

**1. Non-consolidated Financial Results for the Six Months Ended September 30, 2002 (April 1, 2002-September 30, 2002)****(1) Non-consolidated Results of Operations**

Amounts are truncated to the nearest 100 million yen throughout this report.

|                                     | <u>Operating Revenues</u>                   |       | <u>Operating Income</u> |       | <u>Recurring Profit</u> |       |
|-------------------------------------|---|-------|-------------------------|-------|-------------------------|-------|
|                                     | (Millions of yen, except per share amounts) |       |                         |       |                         |       |
| Six months ended September 30, 2002 | 1,206,683                                   | 2.2%  | 288,367                 | 12.5% | 281,780                 | 11.6% |
| Six months ended September 30, 2001 | 1,180,339                                   | 15.9% | 256,274                 | 42.3% | 252,468                 | 44.5% |
| Year ended March 31, 2002           | 2,355,760                                   |       | 420,159                 |       | 406,471                 |       |

|                                     | <u>Net Income (Loss)</u> | <u>Earnings (Loss) per Share</u> |
|-------------------------------------|--------------------------|----------------------------------|
| Six months ended September 30, 2002 | (168,351)                | (3,374.97) (yen)                 |
| Six months ended September 30, 2001 | (27,805)                 | (554.12) (yen)                   |
| Year ended March 31, 2002           | (310,720)                | (6,192.11) (yen)                 |

Notes: 1. Earnings (loss) per share information is adjusted to reflect a five-for-one stock split that took effect on May 15, 2002. Treasury shares are not included in the calculation of the weighted average number of shares outstanding.

Weighted average number of shares outstanding:

|  |                   |
|--|-------------------|
| For the six months ended September 30, 2002: | 49,882,337 shares |
| For the six months ended September 30, 2001: | 50,180,000 shares |
| For the fiscal year ended March 31, 2002:    | 50,180,000 shares |

2. Change in accounting policy:

None

3. Percentages above represent changes compared to corresponding previous semi-annual period.

**(2) Dividends**

|                                     | <u>Interim Dividends per Share</u> | <u>Yearly Dividends per Share</u> |
|-------------------------------------|------------------------------------|-----------------------------------|
| Six months ended September 30, 2002 | 0.00 (yen)                         |                                   |
| Six months ended September 30, 2001 | 500.00 (yen)                       |                                   |
| Year ended March 31, 2002           |                                    | 1,500.00 (yen)                    |

Notes: As announced on May 8, 2002 in NTT DoCoMo, Inc.'s earnings release for the year ended March 31, 2002, NTT DoCoMo, Inc. will suspend the payment of interim dividends for the fiscal year ending March 31, 2003, because NTT DoCoMo, Inc. is not able to satisfy the conditions for the payment of interim dividends set forth in the Commercial Code of Japan after the repurchase of its own shares which was required for the share exchanges with DoCoMo Regional Subsidiaries, as approved at the 11th regular annual shareholders' meeting.

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(3) Non-consolidated Financial Position

|                    | <u>Total Assets</u>                         | <u>Shareholders Equity</u> | <u>Equity Ratio<br/>(Ratio of Shareholders<br/>Equity to Total Assets)</u> | <u>Shareholders Equity<br/>Per Share</u> |
|--------------------|---|----------------------------|--|--|
|                    | (Millions of yen, except per share amounts) |                            |  |  |
| September 30, 2002 | 3,970,450                                   | 1,991,606                  | 50.2%  | 40,389.50 (yen)                          |
| September 30, 2001 | 4,393,451                                   | 2,693,143                  | 61.3%  | 53,669.65 (yen)                          |
| March 31, 2002     | 4,252,097                                   | 2,405,426                  | 56.6%  | 47,935.97 (yen)                          |

Notes: 1. Shareholders equity per share information is adjusted to reflect a five-for-one stock split that took effect on May 15, 2002. Treasury shares are not included in the number of shares outstanding at the end of the period.

|  |                     |                   |
|--|---------------------|-------------------|
| Number of shares outstanding at end of period: | September 30, 2002: | 49,310,000 shares |
|  | September 30, 2001: | 50,180,000 shares |
|  | March 31, 2002:     | 50,180,000 shares |
| 2. Number of treasury shares:                  | September 30, 2002: | 870,000 shares    |
|  | September 30, 2001: |                   |
|  | March 31, 2002:     |                   |

2. Non-consolidated Financial Results Forecasts for the Fiscal Year Ending March 31, 2003 (April 1, 2002-March 31, 2003)

|                            | <u>Operating Revenues</u>                   | <u>Recurring Profit</u> | <u>Net Income</u> | <u>Total Dividends per Share</u>    |        |
|----------------------------|---|-------------------------|-------------------|-------------------------------------|--------|
|                            |   |                         |                   | <u>Year-End Dividends per Share</u> |        |
|                            | (Millions of yen, except per share amounts) |                         |                   |                                     |        |
| Year ending March 31, 2003 | 2,426,000                                   | 640,000                 | 125,000           | 500.00                              | 500.00 |

(Reference) Expected Earnings per Share (Fiscal year ending March 31, 2003): 2,502.47 yen

Notes: 1. With regard to the assumptions and other related matters concerning the above estimated results, please refer to page 12 in the Consolidated Semi-annual Financial Statements.  
2. Non-consolidated semi-annual financial statements as of and for the six months ended September 30, 2002 were unaudited.

**1. NON-CONSOLIDATED FINANCIAL STATEMENTS:****(1) NON-CONSOLIDATED BALANCE SHEETS (UNAUDITED)**

|  | September 30, 2002 |              | September 30, 2001          |       | March 31, 2002 |       |
|--|--------------------|--------------|-----------------------------|-------|----------------|-------|
|  | Amount             | %            | Amount<br>(Millions of yen) | %     | Amount         | %     |
| <b>ASSETS</b>  |                    |              |                             |       |                |       |
| <b>Fixed assets</b>  |                    |              |                             |       |                |       |
| <b>Fixed assets for telecommunication businesses</b>       |                    |              |                             |       |                |       |
| <b>Property, plant and equipment</b>                       | <b>1,231,075</b>   |              | 1,159,988                   |       | 1,201,569      |       |
| Machinery and equipment                                    | 476,446            |              | 480,336                     |       | 506,864        |       |
| Antenna facilities   | 137,143            |              | 128,686                     |       | 138,151        |       |
| Satellite mobile communications facilities                 | 18,502             |              | 5,234                       |       | 4,567          |       |
| Terminal equipment   | 147                |              | 2,709                       |       | 2,453          |       |
| Buildings  | 192,241            |              | 148,959                     |       | 169,214        |       |
| Tools, furniture and fixtures                              | 159,388            |              | 146,161                     |       | 167,325        |       |
| Land   | 100,642            |              | 93,139                      |       | 93,268         |       |
| Construction in progress                                   | 114,930            |              | 127,016                     |       | 87,496         |       |
| Other fixed assets   | 31,633             |              | 27,745                      |       | 32,228         |       |
| <b>Intangible fixed assets</b>                             | <b>386,713</b>     |              | 335,067                     |       | 381,672        |       |
| Computer software  | 364,518            |              | 297,982                     |       | 331,659        |       |
| Other intangible fixed assets                              | 22,194             |              | 37,084                      |       | 50,012         |       |
| <b>Total fixed assets for telecommunication businesses</b> | <b>1,617,788</b>   |              | 1,495,056                   |       | 1,583,241      |       |
| <b>Investments and other assets</b>                        |                    |              |                             |       |                |       |
| Investments in affiliated companies                        | 659,887            |              | 1,825,242                   |       | 1,231,029      |       |
| Deferred tax assets  | 698,138            |              | 177,062                     |       | 458,301        |       |
| Other investments  | 59,905             |              | 42,339                      |       | 60,203         |       |
| Allowance for doubtful accounts                            | (389)              |              | (311)                       |       | (372)          |       |
| <b>Total investments and other assets</b>                  | <b>1,417,542</b>   |              | 2,044,333                   |       | 1,749,160      |       |
| <b>Total fixed assets</b>                                  | <b>3,035,330</b>   | <b>76.4</b>  | 3,539,389                   | 80.6  | 3,332,401      | 78.4  |
| <b>Current assets</b>                                      |                    |              |                             |       |                |       |
| Cash and bank deposits                                     | 306,572            |              | 50,655                      |       | 220,025        |       |
| Accounts receivable, trade                                 | 359,939            |              | 471,774                     |       | 491,107        |       |
| Accounts receivable, other                                 | 185,876            |              | 217,010                     |       | 141,061        |       |
| Supplies   | 53,852             |              | 69,349                      |       | 51,653         |       |
| Deferred tax assets  | 14,810             |              | 13,779                      |       | 15,425         |       |
| Other current assets                                       | 21,573             |              | 39,971                      |       | 7,695          |       |
| Allowance for doubtful accounts                            | (7,503)            |              | (8,479)                     |       | (7,273)        |       |
| <b>Total current assets</b>                                | <b>935,120</b>     | <b>23.6</b>  | 854,061                     | 19.4  | 919,695        | 21.6  |
| <b>TOTAL ASSETS</b>  | <b>3,970,450</b>   | <b>100.0</b> | 4,393,451                   | 100.0 | 4,252,097      | 100.0 |

|   | September 30, 2002 |              | September 30, 2001 |              | March 31, 2002   |              |
|---|--------------------|--------------|--------------------|--------------|------------------|--------------|
|   | Amount             | %            | Amount             | %            | Amount           | %            |
| (Millions of yen)                                 |                    |              |                    |              |                  |              |
| <b>LIABILITIES</b>                                |                    |              |                    |              |                  |              |
| <b>Long-term liabilities</b>                      |                    |              |                    |              |                  |              |
| Bonds   | 708,000            |              | 424,000            |              | 608,000          |              |
| Long-term borrowings                              | 444,396            |              | 427,962            |              | 418,705          |              |
| Liability for employees' severance payments       | 60,348             |              | 50,335             |              | 58,069           |              |
| Reserve for point loyalty programs                | 31,284             |              | 24,417             |              | 31,913           |              |
| Other long-term liabilities                       | 372                |              | 495                |              | 372              |              |
| Total long-term liabilities                       | 1,244,401          | 31.3         | 927,210            | 21.1         | 1,117,061        | 26.3         |
| <b>Current liabilities</b>                        |                    |              |                    |              |                  |              |
| Current portion of long-term debt                 | 85,565             |              | 84,812             |              | 118,712          |              |
| Accounts payable, trade                           | 183,604            |              | 288,015            |              | 207,536          |              |
| Accounts payable, other                           | 175,909            |              | 178,511            |              | 242,898          |              |
| Accrued income taxes                              | 115,738            |              | 113,028            |              | 123,522          |              |
| Deposits received                                 | 164,537            |              | 25,568             |              | 28,618           |              |
| Other current liabilities                         | 9,087              |              | 83,162             |              | 8,320            |              |
| Total current liabilities                         | 734,443            | 18.5         | 773,097            | 17.6         | 729,608          | 17.1         |
| <b>TOTAL LIABILITIES</b>                          | <b>1,978,844</b>   | <b>49.8</b>  | <b>1,700,307</b>   | <b>38.7</b>  | <b>1,846,670</b> | <b>43.4</b>  |
| <b>SHAREHOLDERS' EQUITY</b>                       |                    |              |                    |              |                  |              |
| Common stock                                      |                    |              | 949,679            | 21.6         | 949,679          | 22.4         |
| Additional paid-in capital                        |                    |              | 1,292,385          | 29.4         | 1,292,385        | 30.4         |
| Legal reserve                                     |                    |              | 4,099              | 0.1          | 4,099            | 0.1          |
| Retained earnings                                 |                    |              |                    |              |                  |              |
| Voluntary reserve                                 |                    |              | 463,000            |              | 463,000          |              |
| Unappropriated deficit                            |                    |              | 16,653             |              | 304,585          |              |
| Total retained earnings                           |                    |              | 446,346            | 10.2         | 158,414          | 3.7          |
| Common stock                                      | 949,679            | 23.9         |                    |              |                  |              |
| Capital surplus                                   |                    |              |                    |              |                  |              |
| Additional paid-in capital                        | 292,385            |              |                    |              |                  |              |
| Other capital surplus                             | 1,000,000          |              |                    |              |                  |              |
| Total capital surplus                             | 1,292,385          | 32.6         |                    |              |                  |              |
| Earned surplus                                    |                    |              |                    |              |                  |              |
| Legal reserve                                     | 4,099              |              |                    |              |                  |              |
| Voluntary reserve                                 |                    |              |                    |              |                  |              |
| Other reserve                                     | 123,000            |              |                    |              |                  |              |
| Unappropriated deficit                            | 142,972            |              |                    |              |                  |              |
| Total earned surplus                              | (15,872)           | (0.4)        |                    |              |                  |              |
| Net unrealized gains (losses) on securities       | (123)              | (0.0)        | 632                | 0.0          | 848              | 0.0          |
| Treasury stock                                    | (234,461)          | (5.9)        |                    |              |                  |              |
| <b>TOTAL SHAREHOLDERS' EQUITY</b>                 | <b>1,991,606</b>   | <b>50.2</b>  | <b>2,693,143</b>   | <b>61.3</b>  | <b>2,405,426</b> | <b>56.6</b>  |
| <b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b> | <b>3,970,450</b>   | <b>100.0</b> | <b>4,393,451</b>   | <b>100.0</b> | <b>4,252,097</b> | <b>100.0</b> |

**(2) NON-CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)**

|   | Six months ended<br>September 30, 2002 |             | Six months ended<br>September 30, 2001 |             | Year ended<br>March 31, 2002 |             |
|---|--|-------------|--|-------------|------------------------------|-------------|
|   | Amount                                 | %           | Amount                                 | %           | Amount                       | %           |
| (Millions of yen)   |  |             |  |             |                              |             |
| <b>Recurring profits and losses</b>                       |  |             |  |             |                              |             |
| <b>Operating revenues and expenses</b>                    |  |             |  |             |                              |             |
| <b>Telecommunication businesses</b>                       |  |             |  |             |                              |             |
| Operating revenues  | 1,000,450                              | 82.9        | 957,814                                | 81.1        | 1,925,866                    | 81.8        |
| Operating expenses  | 718,594                                | 59.5        | 708,076                                | 59.9        | 1,516,957                    | 64.4        |
| <b>Operating income from telecommunication businesses</b> | <b>281,855</b>                         | <b>23.4</b> | <b>249,737</b>                         | <b>21.2</b> | <b>408,908</b>               | <b>17.4</b> |
| <b>Supplementary businesses</b>                           |  |             |  |             |                              |             |
| Operating revenues  | 206,232                                | 17.1        | 222,525                                | 18.9        | 429,894                      | 18.2        |
| Operating expenses  | 199,720                                | 16.6        | 215,988                                | 18.3        | 418,643                      | 17.8        |
| <b>Operating income from supplementary businesses</b>     | <b>6,512</b>                           | <b>0.5</b>  | <b>6,536</b>                           | <b>0.6</b>  | <b>11,250</b>                | <b>0.4</b>  |
| <b>Total operating income</b>                             | <b>288,367</b>                         | <b>23.9</b> | <b>256,274</b>                         | <b>21.8</b> | <b>420,159</b>               | <b>17.8</b> |
| <b>Non-operating revenues and expenses</b>                |  |             |  |             |                              |             |
| Non-operating revenues                                    | 3,522                                  | 0.3         | 3,957                                  | 0.3         | 6,923                        | 0.3         |
| Non-operating expenses                                    | 10,109                                 | 0.8         | 7,762                                  | 0.7         | 20,611                       | 0.8         |
| <b>Recurring profit</b>                                   | <b>281,780</b>                         | <b>23.4</b> | <b>252,468</b>                         | <b>21.4</b> | <b>406,471</b>               | <b>17.3</b> |
| <b>Special profits and losses</b>                         |  |             |  |             |                              |             |
| Special losses  | 572,850                                | 47.5        | 300,883                                | 25.5        | 947,441                      | 40.2        |
| Write-down of investments in<br>affiliated companies      | 572,850                                |             | 300,883                                |             | 947,441                      |             |
| Loss before income taxes                                  | 291,069                                | (24.1)      | 48,414                                 | (4.1)       | 540,969                      | (22.9)      |
| Income taxes current                                      | 115,800                                | 9.6         | 113,200                                | 9.6         | 186,600                      | 7.9         |
| Income taxes deferred                                     | (238,518)                              | (19.7)      | (133,808)                              | (11.3)      | (416,849)                    | (17.6)      |
| Net loss  | 168,351                                | (14.0)      | 27,805                                 | (2.4)       | 310,720                      | (13.2)      |
| Retained earnings brought forward                         | 25,378                                 |             | 11,152                                 |             | 11,152                       |             |
| Interim dividends   |  |             |  |             | 5,018                        |             |
| Unappropriated deficit                                    | 142,972                                |             | 16,653                                 |             | 304,585                      |             |

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

## Accounting Basis for the Non-Consolidated Financial Statements

### Basis of Presentation:

The accompanying interim non-consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in Japan.

#### 1. Depreciation of fixed 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 fixed assets

Intangible fixed assets are amortized on a straight-line basis.

Computer software for internal use is amortized over the estimated useful life on a straight-line basis.

#### 2. Valuation of certain assets

##### (1) Securities

Investments in subsidiaries and affiliates are stated at cost, which is determined by the moving average method. Available-for-sale securities whose fair value is readily determinable are stated at fair value as of the end of the semi-annual period 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 securities sold is determined by the moving-average method. Available-for-sale securities whose fair value is not readily determinable are stated primarily at moving-average cost except for debt securities, which are stated at amortized cost.

##### (2) Inventories

Inventories are stated at cost. The cost of telecommunications 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.

#### 3. Allowance for doubtful accounts, liability for employees' severance payments, and reserve for point loyalty programs

##### (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 the employees' retirement benefits, the Company accrues the liability as of the end of the semi-annual period in an amount calculated based on the estimated projected benefit obligation and plan assets at the end of the fiscal year.

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

##### (3) Reserve for point loyalty programs

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

#### 4. Foreign currency translation

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



5. 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.

6. Hedge accounting

a. 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 earnings 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 a forward foreign exchange contract meets certain conditions, it is accounted for in the following manner:

- (i) The difference between the Japanese yen amounts of 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 income statement in the period which includes the inception date of the contract; and
- (ii) The discount or premium on the contract (that is, 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.

In addition, 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.

b. Hedging instruments and hedged items

Hedging instruments:

Foreign exchange forward contracts

Interest rate swap contracts

Hedged items:

Foreign currency transactions

Interest expense on borrowings

c. Hedging policy

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

d. Assessment method of hedge effectiveness

The Company does not assess hedge effectiveness, because all its forward foreign exchange contracts and interest rate swap contracts are accounted for in the manner described in 6. a. (i) and (ii) above, respectively.

7. Consumption tax

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

**Additional Information**

1. Accounting for treasury stock and reversal of legal reserves

Effective April 1, 2002, the Company adopted Accounting Standard on Treasury Stock and Reversal of Legal Reserves, which was issued on February 21, 2002 by Accounting Standard Board of Japan. The effect of adoption to the Company's net income is insignificant.

Due to revision of Regulations Concerning the Terminology, Forms and Preparation Methods of Interim Financial Statements, the Company discloses shareholders' equity section of its balance sheet as of September 30, 2002 in accordance with the revised regulation.

**Notes to Non-consolidated Balance Sheets**

1. Fixed assets for telecommunications businesses include those used in General Type II Telecommunications Carrier business, Special Type II Telecommunications Carrier business and supplementary businesses, because these amounts are not significant. (General Type II Telecommunications business started in November 2001.)

2. Accumulated depreciation of property, plant and equipment

|                          | <u>September 30, 2002</u> | <u>September 30, 2001</u> | <u>March 31, 2002</u> |
|--------------------------|---------------------------|---------------------------|-----------------------|
|                          | (Millions of yen)         |                           |                       |
| Accumulated depreciation | 1,039,966                 | 841,126                   | 927,804               |

3. As financial institutions in Japan were closed on September 30, 2001 and March 31, 2002, amounts that would normally be settled on these days were collected or paid on the following business days, October 1, 2001 and April 1, 2002, respectively. The effects of the settlements on following business days instead of the end of reporting periods were as follows:

|                            | <u>September 30, 2001</u> | <u>March 31, 2002</u> |
|----------------------------|---------------------------|-----------------------|
|                            | (Billions of yen)         |                       |
| Cash and bank deposits     | Approx. (237)             | Approx. (234)         |
| Accounts receivable, trade | Approx. 131               | Approx. 127           |
| Accounts payable, other    | Approx. 21                | Approx. 20            |
| Deposits received          | Approx. (127)             | Approx. (127)         |

The deposits received were related to intercompany funds transfer with eight regional subsidiaries (such as NTT DoCoMo Kansai, Inc.).

4. Accounts payable, other, as of September 30, 2002, and September 30, 2001 includes consumption taxes payable of ¥11,341 million and ¥6,220 million, respectively.

5. Guarantee

The Company provides a counter indemnity of a performance guarantee up to HK\$25,370 thousand (¥398 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 has a HK\$2,027 thousand (¥31 million) indemnity outstanding as of September 30, 2002.

6. Reduction of additional paid-in capital

In order to secure a source for repurchase of treasury stocks and payment of dividends, and to develop more flexible financing strategy, the Company reduced its additional paid-in capital by ¥1,000,000 million, and transferred such amount to other capital surplus pursuant to Paragraph 2 of Article 289 of the Commercial Code of Japan.

7. Share repurchase

The Company acquired some of its shares during the six months ended September 30, 2002 in order to transfer treasury stocks to the shareholders of the regional subsidiaries in lieu of issuing new shares in the share exchanges effected on November 1, 2002.

|   |  |
|---|--|
| (1) Class of shares repurchased:            | Shares of Common Stock of the Company        |
| (2) Aggregate number of shares repurchased: | 870,000 shares (1.73% of outstanding shares) |
| (3) Aggregate amount of repurchase price:   | ¥234,461 million                             |
| (4) Method of repurchase:                   | Repurchase in the market                     |

**Notes to Non-consolidated Statements of Income**

1. Depreciation expense included in operating expenses:

|                               | <u>Six months ended<br/>September 30, 2002</u> | <u>Six months ended<br/>September 30, 2001</u> | <u>Year ended<br/>March 31, 2002</u> |
|-------------------------------|--|--|--------------------------------------|
|                               | (Millions of yen)                              |  |                                      |
| Property, plant and equipment | 126,932  | 116,401  | 258,818                              |
| Intangible fixed assets       | 57,965   | 45,205   | 94,817                               |

2. Revenues and expenses related to General Type II and Special Type II Telecommunications Carrier businesses are included in supplementary businesses, because these amounts are not significant.

3. Major components of non-operating revenues:

|                    | <u>Six months ended<br/>September 30, 2002</u> | <u>Six months ended<br/>September 30, 2001</u> | <u>Year ended<br/>March 31, 2002</u> |
|--------------------|--|--|--------------------------------------|
|                    | (Millions of yen)                              |  |                                      |
| Dividends received | 1,784  | 1,749  | 1,763                                |
| Interest income    | 51   | 68   | 136                                  |

4. Major components of non-operating expenses:

|   | <u>Six months ended<br/>September 30, 2002</u> | <u>Six months ended<br/>September 30, 2001</u> | <u>Year ended<br/>March 31, 2002</u> |
|---|--|--|--------------------------------------|
|   | (Millions of yen)                              |  |                                      |
| Interest expenses (including bond interest) | 8,001  | 6,337  | 13,688                               |

5. Write-down of investments in affiliated companies:

For the six months ended September 30, 2002, Write-down of investments in affiliated companies relates to the impairment charges recognized on the investments in the following subsidiaries that have overseas investments in affiliated companies.

|   |                  |
|---|------------------|
| DCM Capital USA (UK) Limited<br>[Ultimate investee: AT&T Wireless Services, Inc.]     | ¥338,908 million |
| DCM Capital NL (UK) Limited<br>[Ultimate investee: KPN Mobile N.V.]                   | ¥107,863 million |
| DCM Capital LDN (UK) Limited<br>[Ultimate investee: Hutchison 3G UK Holdings Limited] | ¥126,078 million |

**2. LEASES**

1. Finance lease transactions which do not transfer ownership to the lessee

(1) Purchase price equivalent, accumulated depreciation equivalent, and book value equivalent of the leased items are as follows:

**September 30, 2002**

|                               | <u>Purchase price<br/>equivalent</u> | <u>Accumulated depreciation<br/>equivalent</u> | <u>Book value<br/>equivalent</u> |
|-------------------------------|--------------------------------------|--|----------------------------------|
|                               | (Millions of yen)                    |  |                                  |
| Vehicles                      | 889                                  | 521  | 368                              |
| Tools, furniture and fixtures | 13,365                               | 9,305  | 4,060                            |
| Computer software             | 230                                  | 187  | 42                               |
| Total                         | 14,486                               | 10,014   | 4,471                            |

**September 30, 2001**

|                               | <u>Purchase price<br/>equivalent</u> | <u>Accumulated depreciation<br/>equivalent</u> | <u>Book value<br/>equivalent</u> |
|-------------------------------|--------------------------------------|--|----------------------------------|
|                               | (Millions of yen)                    |  |                                  |
| Vehicles                      | 1,150                                | 621  | 528                              |
| Tools, furniture and fixtures | 17,008                               | 11,561   | 5,447                            |
| Computer software             | 213                                  | 99   | 114                              |
| Total                         | 18,372                               | 12,282   | 6,089                            |

**March 31, 2002**

|                               | <u>Purchase price<br/>equivalent</u> | <u>Accumulated depreciation<br/>equivalent</u> | <u>Book value<br/>equivalent</u> |
|-------------------------------|--------------------------------------|--|----------------------------------|
|                               | (Millions of yen)                    |  |                                  |
| Vehicles                      | 1,035                                | 580  | 454                              |
| Tools, furniture and fixtures | 12,252                               | 8,054  | 4,198                            |
| Computer software             | 298                                  | 134  | 164                              |
| Total                         | 13,586                               | 8,769  | 4,816                            |

Note: The purchase price equivalent is reported as the total amount of lease payments through the life of each lease, including the amount representing interest, because the total amount of future lease payments is not significant in relation to the total property, plant and equipment at the end of each period.

(2) Future minimum lease payments equivalent:

|                     | <u>September 30, 2002</u> | <u>September 30, 2001</u> | <u>March 31, 2002</u> |
|---------------------|---------------------------|---------------------------|-----------------------|
|                     | (Millions of yen)         |                           |                       |
| Due within one year | 2,737                     | 3,594                     | 2,685                 |
| Due after one year  | 1,734                     | 2,495                     | 2,131                 |
| Total               | 4,471                     | 6,089                     | 4,816                 |

Note: The future minimum lease payments equivalent is reported as the total amount of future minimum lease payments, including the amount representing interest, because the total amount of future minimum lease payments is not significant in relation to the total property, plant and equipment at the end of each period.

(3) Lease expense and depreciation expense equivalent:

|  | <u>Six months ended<br/>September 30, 2002</u> | <u>Six months ended<br/>September 30, 2001</u> | <u>Year ended<br/>March 31, 2002</u> |
|--|--|--|--------------------------------------|
|  | (Millions of yen)                              |  |                                      |

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|                                 |       |       |       |
|---------------------------------|-------|-------|-------|
| Lease expense                   | 1,860 | 2,644 | 3,517 |
| Depreciation expense equivalent | 1,860 | 2,644 | 3,517 |

(4) Method of calculating depreciation expense equivalent:

Depreciation expense equivalent is computed on a straight-line basis over the lease period with no residual value.

2. Operating Lease Transactions

Future operating lease payments:

|                     | <u>September 30, 2002</u> | <u>September 30, 2001</u> | <u>March 31, 2002</u> |
|---------------------|---------------------------|---------------------------|-----------------------|
|                     |                           | (Millions of yen)         |                       |
| Due within one year | 7                         | 7                         | 8                     |
| Due after one year  | 9                         | 11                        | 13                    |
| Total               | 17                        | 18                        | 21                    |

3. Marketable Securities

For the six months ended September 30, 2002, and 2001, and for the year ended March 31, 2002, there were no subsidiaries and affiliates shares directly owned by the Company that had readily determinable market value.

Subsequent Events

Share exchanges

The Company completed the share exchanges and made the regional subsidiaries wholly-owned on November 1, 2002. As a result, treasury stock of ¥234,461 million in the accompanying balance sheet as of September 30, 2002 was decreased by ¥231,885 million.

November 7, 2002  
 NTT DoCoMo, Inc.  
 [U.S. GAAP]

## Consolidated Financial Report for the Six Months Ended September 30, 2002

From April 1, 2002 to September 30, 2002

### 1. CONSOLIDATED SUMMARY STATEMENTS OF OPERATIONS

|   | Six months ended<br>September 30, 2002 | Six months ended<br>September 30, 2001 | Increase/(Decrease) | % Change |
|---|--|--|---------------------|----------|
|   | (100 millions of yen)                  |  |                     |          |
| Operating revenues  | 23,843                                 | 23,387                                 | 455                 | 1.9%     |
| Operating expenses  | 17,443                                 | 17,941                                 | (499)               | (2.8%)   |
| Operating income  | 6,400                                  | 5,446                                  | 954                 | 17.5%    |
| Other expense, net  | 120                                    | 313                                    | (193)               | (61.6%)  |
| Income before income taxes                                  | 6,280                                  | 5,133                                  | 1,146               | 22.3%    |
| Income taxes  | 2,643                                  | 2,249                                  | 395                 | 17.6%    |
| Equity in net losses of affiliates                          | (3,096)                                | (1,850)                                | (1,246)             | (67.4%)  |
| Minority interests in earnings of consolidated subsidiaries | (142)                                  | (143)                                  | 1                   | 0.7%     |
| Cumulative effect of accounting changes                     | (357)                                  |  | (357)               |          |
| Net income (loss)   | 42                                     | 892                                    | (850)               | (95.3%)  |

Note 1 The consolidated financial statements have been prepared in accordance with the accounting principles generally accepted in the United States (U.S. GAAP). The figures for the six months ended September 30, 2001 and year ended March 31, 2002 are also restated in accordance with U.S. GAAP.

Note 2 NTT DoCoMo, Inc. ( DoCoMo ) adopted Emerging Issues Task Force 01-09 ( EITF01-09 ), Accounting for Consideration Given by a Vendor to a Customer or a Reseller of the Vendor's Products from the six months ended September 30, 2002, which decreased operating revenues and expenses for the period by 255.0 billion yen and 245.0 billion yen, respectively. Figures for the six months ended September 30, 2001 were also reclassified and operating revenues and expenses for that period were both decreased by 267.9 billion yen. The adoption also resulted in recognition of cumulative effect of accounting change of 35.7 billion yen in DoCoMo's statement of operations for the six months ended September 30, 2002.

Note 3 Amounts are rounded off per 100 millions of yen throughout this report.

### 2. CONSOLIDATED SUMMARY BALANCE SHEETS

|  | September 30, 2002    | March 31, 2002 | Increase/(Decrease) | % Change |
|--|-----------------------|----------------|---------------------|----------|
|  | (100 millions of yen) |                |                     |          |
| Assets                                   | 56,828                | 60,672         | (3,844)             | (6.3%)   |
| Liabilities                              | 25,552                | 26,717         | (1,165)             | (4.4%)   |
| [Including] Interest bearing liabilities | 14,582                | 14,293         | 289                 | 2.0%     |
| Minority interests                       | 1,177                 | 1,036          | 140                 | 13.5%    |
| Shareholders' equity                     | 30,100                | 32,919         | (2,819)             | (8.6%)   |

### 3. ESTIMATED RESULTS FOR THE FISCAL YEAR ENDING MARCH 31, 2003

|                            | Year ending<br>March 31, 2003 | Year ending<br>March 31, 2002 | Increase/(Decrease) | % Change |
|----------------------------|-------------------------------|-------------------------------|---------------------|----------|
|                            | (100 millions of yen)         |                               |                     |          |
| Operating revenues         | 46,760                        | 46,593                        | 167                 | 0.4%     |
| Operating income           | 10,120                        | 10,009                        | 111                 | 1.1%     |
| Income before income taxes | 9,980                         | 9,564                         | 416                 | 4.4%     |
| Net income (loss)          | 1,820                         | (1,162)                       | 2,982               |          |

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- Note 1 With regard to the assumptions and other related matters concerning the above estimated results, please refer to page 12 of separately released Consolidated Semi-annual Financial Statements.
- Note 2 As a result of the adoption of EITF01-09 noted above, operating revenues for the year ending March 31, 2003 and 2002 are reduced by 561.0 billion yen and 507.9 billion yen, respectively.



**4. BREAKDOWN OF CONSOLIDATED REVENUES AND EXPENSES**

[U.S. GAAP]

**(1) Operating Revenues:**

|   | <u>Six months ended<br/>September 30, 2002</u> | <u>Six months ended<br/>September 30, 2001</u> | <u>Increase/(Decrease)</u> | <u>% Change</u> |
|---|--|--|----------------------------|-----------------|
| (100 millions of yen)                     |  |  |                            |                 |
| Wireless services                         | 21,422   | 20,607   | 815                        | 4.0%            |
| [including] Cellular service              | 16,404   | 16,368   | 36                         | 0.2%            |
| [including] FOMA service                  | 55   | 0  | 54                         |                 |
| [including] Packet communications service | 4,173  | 3,371  | 802                        | 23.8%           |
| [including] PHS service                   | 413  | 448  | (36)                       | (8.0%)          |
| [including] Quickcast service             | 41   | 58   | (17)                       | (28.7%)         |
| Equipment sales                           | 2,421  | 2,781  | (360)                      | (12.9%)         |
| Total operating revenues                  | 23,843   | 23,387   | 455                        | 1.9%            |

Note 1 FOMA service revenue includes packet communications service revenue from FOMA subscribers.

Note 2 As a result of the adoption of EITF01-09 noted above, the equipment sales for the six months ended September 30, 2002 and 2001 are reduced by 255.0 billion yen and 267.9 billion yen, respectively.

**(2) Operating Expenses:**

|   | <u>Six months ended<br/>September 30, 2002</u> | <u>Six months ended<br/>September 30, 2001</u> | <u>Increase/(Decrease)</u> | <u>% Change</u> |
|---|--|--|----------------------------|-----------------|
| (100 millions of yen)                                     |  |  |                            |                 |
| Personnel expenses  | 1,200  | 1,145  | 56                         | 4.9%            |
| Non-personnel expenses                                    | 10,674   | 11,468   | (794)                      | (6.9%)          |
| Depreciation and amortization                             | 3,366  | 2,916  | 449                        | 15.4%           |
| Loss on sale or disposal of property, plant and equipment | 59   | 136  | (76)                       | (56.2%)         |
| Communication network charges                             | 1,978  | 2,132  | (154)                      | (7.2%)          |
| Taxes and public dues                                     | 165  | 144  | 21                         | 14.4%           |
| Total operating expenses                                  | 17,443   | 17,941   | (499)                      | (2.8%)          |

Note As a result of the adoption of EITF01-09 noted above, non-personnel expenses for the six months ended September 30, 2002 and 2001 are reduced by 245.0 billion yen and 267.9 billion yen, respectively.

**(3) Other (income) expense:**

|                       | <u>Six months ended<br/>September 30, 2002</u> | <u>Six months ended<br/>September 30, 2001</u> | <u>Increase/(Decrease)</u> | <u>% Change</u> |
|-----------------------|--|--|----------------------------|-----------------|
| (100 millions of yen) |  |  |                            |                 |
| Interest income       | (1)  | (1)  | 0                          | 30.5%           |
| Interest expense      | 88   | 82   | 6                          | 7.5%            |
| Other, net            | 32   | 231  | (199)                      | (86.0%)         |
| Other expense, net    | 120  | 313  | (193)                      | (61.6%)         |

## 5. CONSOLIDATED STATEMENTS OF CASH FLOWS

|   | Six Months<br>ended<br>September 30,<br>2002   | Six Months<br>ended<br>September 30,<br>2001 |
|---|--|--|
| (100 millions of yen)   |  |  |
| 1. Cash flows from operating activities:  |  |  |
| Net Income  | 42   | 892  |
| Depreciation and amortization   | 3,366  | 2,916  |
| Deferred taxes  | (2,242)  | (1,497)                                      |
| Loss on sale or disposal of property, plant and equipment                                       | 47   | 142  |
| Equity in net losses of affiliates  | 5,270  | 3,113  |
| Minority interests in earnings of consolidated subsidiaries                                     | 142  | 143  |
| Cumulative effect of accounting change  | 357  |  |
| Decrease in notes and accounts receivable, trade  | 3,191  | 812  |
| Increase in inventories   | (257)  | (557)  |
| Decrease in accounts payable, trade   | (1,344)  | (716)  |
| (Decrease) increase in accrued taxes on income  | (224)  | 449  |
| Increase in liability for employee benefits, net of deferred pension costs                      | 71   | 36   |
| Other, net  | 43   | 332  |
| Net cash provided by operating activities   | 8,462  | 6,065  |
| 2. Cash flows from investing activities:  |  |  |
| Purchases of property, plant and equipment and other fixed assets                               | (4,894)  | (5,752)                                      |
| Purchases of investments  | (27)   | (142)  |
| Other, net  | 22   | 21   |
| Net cash used in investing activities   | (4,898)  | (5,873)                                      |
| 3. Cash flows from financing activities:  |  |  |
| Net change in borrowings and other  | 286  | (178)  |
| Payments to acquire treasury stock  | (2,345)  |  |
| Principal payments under capital lease obligation   | (38)   | (41)   |
| Dividends paid  | (100)  | (50)   |
| Other, net  | (2)  | (2)  |
| Net cash used in financing activities   | (2,199)  | (271)  |
| 4. Net increase (decrease) in cash and cash equivalents (1+2+3)                                 | 1,364  | (78)   |
| 5. Cash and cash equivalents at beginning of period   | 3,010  | 1,184  |
| 6. Cash and cash equivalents at end of period (4+5)   | 4,375  | 1,106  |
| Free cash flows   | 3,564  | 182  |
| Note  | Free cash flows = Cash flows from operating activities + Cash flows from investing activities (excluding netpayments for loans, deposits, and other investments) |  |
| Adjusted free cash flows (excluding the effects of non-business days of financial institutions) | 1,124  | 422  |

Note The effects of non-business days of financial institutions represent effects of uncollected revenues due to bank holidays on March 31, 2002 and September 30, 2001. The effect for the six months ended September 30, 2002 was 244 billion yen. The effect for the six months ended September 30, 2001 was (24) billion yen, offset by the effect of March 31, 2001 being a bank holiday.

## 6. SEGMENT INFORMATION

[U.S. GAAP]

|                                 | Six months ended<br>September 30, 2002 | %             | <Reference><br>Six months ended<br>September 30, 2001<br>(JPN GAAP) | %      |
|---------------------------------|--|---------------|---|--------|
| (100 millions of yen)           |  |               |   |        |
| <b>Operating Revenues</b>       |  |               |   |        |
| Mobile phone business           | 23,258                                 | 97.6%         | 25,369  | 97.1%  |
| PHS business                    | 436                                    | 1.8%          | 582   | 2.2%   |
| Quickcast business              | 43                                     | 0.2%          | 59  | 0.2%   |
| Miscellaneous business          | 106                                    | 0.4%          | 118   | 0.5%   |
| Consolidated operating revenues | <b>23,843</b>                          | <b>100.0%</b> | 26,129  | 100.0% |
| <b>Operating Income</b>         |  |               |   |        |
| Mobile phone business           | 6,561                                  |               | 5,811   |        |
| PHS business                    | (156)                                  |               | (276)   |        |
| Quickcast business              | (10)                                   |               | (35)  |        |
| Miscellaneous business          | 4                                      |               | 5   |        |
| Consolidated operating income   | <b>6,400</b>                           |               | 5,504   |        |

Note 1 Segment information for the six months ended September 30, 2002 is based on U.S. GAAP.

Note 2 Major services of each segment :

- |                             |   |
|-----------------------------|---|
| (1) Mobile phone business:  | Cellular service, FOMA service, packet communications service, satellite mobile communications service, in-flight telephone service and equipment sales in each service |
| (2) PHS business:           | PHS service and PHS equipment sales   |
| (3) Quickcast business:     | Quickcast service and Quickcast equipment sales (formerly paging service and Paging equipment sales)  |
| (4) Miscellaneous business: | International dialing service, etc.   |

[Japanese GAAP]

**Non-consolidated Financial Report for the Six Months Ended September 30, 2002**

From April 1, 2002 to September 30, 2002

**1. NON-CONSOLIDATED SUMMARY STATEMENTS OF INCOME**

|   | Six months ended<br>September 30, 2002 | Six months ended<br>September 30, 2001 | Increase/(Decrease) | % Change |
|---|--|--|---------------------|----------|
| (100 millions of yen)                           |  |  |                     |          |
| Operating revenues                              | 12,066                                 | 11,803                                 | 263                 | 2.2%     |
| Operating expenses                              | 9,183                                  | 9,240                                  | (57)                | (0.6%)   |
| Operating income                                | 2,883                                  | 2,562                                  | 320                 | 12.5%    |
| Non-operating revenues                          | 35                                     | 39                                     | (4)                 | (11.0%)  |
| Non-operating expenses                          | 101                                    | 77                                     | 23                  | 30.2%    |
| Recurring profit                                | 2,817                                  | 2,524                                  | 293                 | 11.6%    |
| Special losses                                  | 5,728                                  | 3,008                                  | 2,719               | 90.4%    |
| Income taxes current                            | 1,158                                  | 1,132                                  | 26                  | 2.3%     |
| Income taxes deferred                           | (2,385)                                | (1,338)                                | (1,047)             | (78.3%)  |
| Net loss  | (1,683)                                | (278)                                  | (1,405)             |          |
| Retained earnings brought forward               | 253                                    | 111                                    | 142                 | 127.6%   |
| Unappropriated retained deficit carried forward | (1,429)                                | (166)                                  | (1,263)             |          |

Note Amounts are truncated to the nearest 100 million yen throughout this report.

**2. NON-CONSOLIDATED SUMMARY BALANCE SHEETS**

|  | September 30, 2002 | March 31, 2002 | Increase/(Decrease) | % Change |
|--|--------------------|----------------|---------------------|----------|
| (100 millions of yen)                    |                    |                |                     |          |
| Assets                                   | 39,704             | 42,520         | (2,816)             | (6.6%)   |
| Liabilities                              | 19,788             | 18,466         | 1,321               | 7.2%     |
| [including] Interest bearing liabilities | 12,379             | 11,454         | 925                 | 8.1%     |
| Shareholders equity                      | 19,916             | 24,054         | (4,138)             | (17.2%)  |

**3. ESTIMATED RESULTS FOR THE FISCAL YEAR ENDING MARCH 31, 2003**

|                       | Year ending<br>March 31, 2003 | Year ended<br>March 31, 2002 | Increase/(Decrease) | % Change |
|-----------------------|-------------------------------|------------------------------|---------------------|----------|
| (100 millions of yen) |                               |                              |                     |          |
| Operating revenues    | 24,260                        | 23,557                       | 702                 | 3.0%     |
| Operating income      | 4,560                         | 4,201                        | 358                 | 8.5%     |
| Recurring profit      | 6,400                         | 4,064                        | 2,335               | 57.5%    |
| Net income (loss)     | 1,250                         | (3,107)                      | 4,357               |          |

Note With regard to the assumptions and other related matters concerning the above estimated results, please refer to page 12 of separately released Consolidated Semi-annual Financial Statements.

## 4. BREAKDOWN OF NON-CONSOLIDATED REVENUES AND EXPENSES

[Japanese GAAP]

## (1) Operating Revenues:

|  | Six months ended<br>September 30, 2002 | Six months ended<br>September 30, 2001 | Increase/(Decrease) | % Change    |
|--|--|--|---------------------|-------------|
| (100 millions of yen)                                |  |  |                     |             |
| Operating revenues from telecommunication businesses | 10,004                                 | 9,578                                  | 426                 | 4.5%        |
| [including] Cellular service                         | 6,888                                  | 6,930                                  | (42)                | (0.6%)      |
| [including] FOMA service                             | 45                                     | 0                                      | 45                  |             |
| [including] Packet communications service            | 1,751                                  | 1,359                                  | 392                 | 28.9%       |
| [including] PHS service                              | 202                                    | 216                                    | (14)                | (6.6%)      |
| [including] Quickcast service                        | 15                                     | 21                                     | (6)                 | (28.2%)     |
| Operating revenues from supplementary business       | 2,062                                  | 2,225                                  | (162)               | (7.3%)      |
| <b>TOTAL OPERATING REVENUES</b>                      | <b>12,066</b>                          | <b>11,803</b>                          | <b>263</b>          | <b>2.2%</b> |

Note FOMA service revenue includes packet communications service revenue from FOMA subscribers.

## (2) Operating Expenses:

|   | Six months ended<br>September 30, 2002 | Six months ended<br>September 30, 2001 | Increase/(Decrease) | % Change      |
|---|--|--|---------------------|---------------|
| (100 millions of yen)                                     |  |  |                     |               |
| Personnel expenses  | 319                                    | 307                                    | 11                  | 3.8%          |
| Non-personnel expenses                                    | 5,960                                  | 6,100                                  | (140)               | (2.3%)        |
| Depreciation and amortization                             | 1,848                                  | 1,616                                  | 232                 | 14.4%         |
| Loss on sale or disposal of property, plant and equipment | 25                                     | 59                                     | (34)                | (57.9%)       |
| Communication network charges                             | 953                                    | 1,094                                  | (140)               | (12.9%)       |
| Taxes and public dues                                     | 75                                     | 62                                     | 13                  | 21.8%         |
| <b>TOTAL OPERATING EXPENSES</b>                           | <b>9,183</b>                           | <b>9,240</b>                           | <b>(57)</b>         | <b>(0.6%)</b> |

## (3) Non-operating revenues and expenses:

|  | Six months ended<br>September 30, 2002 | Six months ended<br>September 30, 2001 | Increase/(Decrease) | % Change |
|--|--|--|---------------------|----------|
| (100 millions of yen)                        |  |  |                     |          |
| Non-operating revenues                       | 35                                     | 39                                     | (4)                 | (11.0%)  |
| [including] Dividends income                 | 17                                     | 17                                     | 0                   | 2.0%     |
| [including] Rental revenue                   | 6                                      | 6                                      | 0                   | 4.4%     |
| Non-operating expenses                       | 101                                    | 77                                     | 23                  | 30.2%    |
| [including] Interest expense                 | 80                                     | 63                                     | 16                  | 26.3%    |
| [including] Loss on write-off of inventories | 10                                     | 4                                      | 6                   | 137.3%   |

**(APPENDIX 1)****Comparison of financial results between U.S. GAAP and Japanese GAAP (Consolidated)**

|                            | Consolidated          |   |   |   |                              |                      |        |                      |
|----------------------------|-----------------------|---|---|---|------------------------------|----------------------|--------|----------------------|
|                            | GAAP differences      |   |   |   |                              |                      |        |                      |
|                            | U.S. GAAP             | Accounting for commissions paid to agents | Impairment write-downs of investments in affiliates | Deferral of operating revenues and expenses | Employee retirement benefits | Capitalized interest | Others | <Estimates> JPN GAAP |
|                            | (100 millions of yen) |   |   |   |                              |                      |        |                      |
| Operating revenues         | 23,843                | 2,550                                     |   | 25  |                              |                      | 0      | 26,420               |
| Operating expenses         | 17,443                | 2,450                                     |   | 25  | (11)                         | (13)                 | (30)   | 19,860               |
| Operating income           | 6,400                 | 100                                       |   |   | 11                           | 13                   | 30     | 6,550                |
| Other expense, net /       |                       |   |   |   |                              |                      |        |                      |
| Non operating expenses     | 120                   |   | 62  |   |                              | 16                   | 10     | 210                  |
| Recurring profit           |                       | 100                                       | (62)  |   | 11                           | (3)                  | 20     | 6,350                |
| Income before income taxes | 6,280                 | 100                                       | (5,681)   |   | 11                           | (3)                  | 20     | 730                  |
| Net income                 | 42                    | 389                                       | (205)   |   | 6                            | (2)                  | 10     | 240                  |

**Accounting for commissions paid to agents, Accounting for Consideration Given by a Vendor to a Customer or a Reseller of the Vendor's Products (EITF01-09)**

Commissions paid by DoCoMo to its agents are recognized as operating expenses as incurred under Japanese GAAP. Under U.S. GAAP, such expenses are presumed to be a reduction of equipment sales and the amount paid to the agents is reclassified as the reduction of equipment sales.

**Impairment write-downs of investments in affiliates**

Foreign investments are translated at year end exchange rates under Japanese GAAP, except for embedded goodwill which is translated at historical rates. Under U.S. GAAP, investments in equity affiliates are translated at the exchange rate as of the date of the most recent available financial statements of the investee. Translation adjustments are reversed for impairment write-downs or sales of the investments under Japanese GAAP. Under U.S. GAAP, reversals of translation adjustments are only reflected for sale or substantial liquidation of the investment. In addition, under Japanese GAAP, equity in profit/loss of affiliates and impairment of investments in affiliates are booked as non-operating expenses and special losses, respectively, and these amounts are included in pretax income. However, under U.S. GAAP, both of these amounts are booked as equity in net losses of affiliates and the net of tax amounts are included in income after tax.

**Deferral of operating revenues and expenses (SEC Staff Accounting Bulletin No.101)**

Under Japanese GAAP, registration or new activation revenues for contracts are recognized as operating revenues when they are billed and the relevant direct costs are charged as operating expenses when they are incurred. Under U.S. GAAP, such revenues are deferred and recognized over the period of the services rendered to customers.

**Employee retirement benefits**

The differences in accounting for costs of employee retirement benefits between U.S. GAAP and Japanese GAAP represent those in actuarial calculations and timing recognition of components thereof including primarily transition adjustment, prior service costs and actuarial gains and losses.

**Capitalized interest**

Interest costs on borrowings for construction of facilities are not capitalized under Japanese GAAP. U.S. GAAP requires that interest costs for certain qualifying assets incurred during the construction period be capitalized as part of the cost of an asset and expensed over the useful life of the asset as part of the depreciation charge.



## (APPENDIX 2)

## REVISION OF ESTIMATED RESULTS FOR THE YEAR ENDING MARCH 31, 2003

## [Consolidated]

|                            | Previous<br>estimated<br>results | Adjustments |  |                         | Revised<br>estimated<br>results |
|----------------------------|----------------------------------|-------------|--|-------------------------|---------------------------------|
|                            |                                  | Impairment  | Adjustment of expected<br>business performance | U.S. GAAP<br>adjustment |                                 |
| (100 millions of yen)      |                                  |             |  |                         |                                 |
| Operating revenues         | 53,740                           | (6,980)     | (1,350)  | (5,630)                 | 46,760                          |
| Operating expenses         | 43,290                           | (6,650)     | (1,350)  | (5,300)                 | 36,640                          |
| Operating income           | 10,450                           | (330)       |  | (330)                   | 10,120                          |
| Other expense, net         | 740                              | (600)       | (30)   | (570)                   | 140                             |
| Income before income taxes | 9,710                            | 270         | (5,590)  | 5,860                   | 9,980                           |
| Net income                 | 5,110                            | (3,290)     | (3,180)  | 130                     | 1,820                           |

## [Non-Consolidated]

|                                   | Previous<br>estimated<br>results | Adjustments |  |                         | Revised<br>estimated<br>results |
|-----------------------------------|----------------------------------|-------------|--|-------------------------|---------------------------------|
|                                   |                                  | Impairment  | Adjustment of expected<br>business performance | U.S. GAAP<br>adjustment |                                 |
| (100 millions of yen)             |                                  |             |  |                         |                                 |
| Operating revenues                | 24,860                           | (600)       | (600)  |                         | 24,260                          |
| Operating expenses                | 20,420                           | (720)       | (720)  |                         | 19,700                          |
| Operating income                  | 4,440                            | 120         | 120  |                         | 4,560                           |
| Non-operating expenses (revenues) | 120                              | (1,960)     | (1,960)  |                         | (1,840)                         |
| Recurring profit                  | 4,320                            | 2,080       | 2,080  |                         | 6,400                           |
| Income before income taxes        | 4,320                            | (3,650)     | (5,730)  | 2,080                   | 670                             |
| Net income                        | 2,520                            | (1,270)     | (3,320)  | 2,050                   | 1,250                           |

Note With regard to the assumptions and other related matters concerning the above estimated results, please refer to page 12 of the separately released Consolidated Semi-annual Financial Statements.



## (APPENDIX 3)

## Selected Financial Data &amp; Ratios (Consolidated)

|   | March 31, 2003<br>(Forecasts) (a) | March 31,<br>2002 (b) | Increase /<br>(Decrease)<br>(a) (b) | September<br>30, 2002 (c) | September<br>30, 2001 (d) | Increase /<br>(Decrease)<br>(c) (d) |
|---|-----------------------------------|-----------------------|-------------------------------------|---------------------------|---------------------------|-------------------------------------|
| Earnings (loss) per Share                         | 3,644 yen                         | (2,315 yen)           | 5,959 yen                           | 84 yen                    | 1,778 yen                 | (1,694 yen)                         |
| Shareholders' Equity per Share                    | 67,988 yen                        | 65,601 yen            | 2,387 yen                           | 61,042 yen                | 67,856 yen                | (6,814 yen)                         |
| Return on Assets (ROA)                            | 16.8%                             | 15.8%                 | 1.0 Points                          | 10.7%                     | 8.5%                      | 2.2 Points                          |
| Operating Margin                                  | 21.6%                             | 21.5%                 | 0.1 Points                          | 26.8%                     | 23.3%                     | 3.5 Points                          |
| Return on Capital Employed<br>(ROCE)              | 21.3%                             | 21.1%                 | 0.2 Points                          | 13.9%                     | 11.4%                     | 2.5 Points                          |
| < ROCE after tax effect >                         | < 12.4% >                         | < 12.2 % >            | < 0.2 Points >                      | < 8.1% >                  | < 6.6% >                  | < 1.5 Points >                      |
| Return on Equity<br>(ROE)                         | 5.4%                              | (3.5%)                | 8.9 Points                          | 0.1%                      | 2.7%                      | (2.6) Points                        |
| Debt Ratio  | 28.4%                             | 30.3%                 | (1.9) Points                        | 32.6%                     | 29.5%                     | 3.1 Points                          |
| Equity Ratio                                      | 58.7%                             | 54.3%                 | 4.4 Points                          | 53.0%                     | 56.1%                     | (3.1) Points                        |
| EBITDA (100 millions of yen)                      | 17,770                            | 16,806                | 964                                 | 9,813                     | 8,505                     | 1,308                               |
| EBITDA Margin                                     | 38.0%                             | 36.1%                 | 1.9 Points                          | 41.2%                     | 36.4%                     | 4.8 Points                          |
| Free Cash Flows<br>(100 millions of yen)          | Approx. 6,170                     | 2,133                 | 4,037                               | 3,564                     | 182                       | 3,382                               |
| Adjusted Free Cash Flows<br>(100 millions of yen) | Approx. 3,730                     | 2,333                 | 1,397                               | 1,124                     | 422                       | 702                                 |

Notes 1 The denominators to calculate earnings per share are 49,950,584 shares (estimated results), 50,180,000 shares, 49,882,337 shares and 50,180,000 shares for the year ending March 31, 2003, for the year ended March 31, 2002, for the six months ended September 30, 2002 and for the six months ended September 30, 2001, respectively.

2 The denominators to calculate shareholders' equity per share are 50,170,441 shares (estimated results), 50,180,000 shares, 49,310,000 shares and 50,180,000 shares for the year ending March 31, 2003, for the year ended March 31, 2002, for the six months end September 30, 2002 and for the six months ended September 30, 2001, respectively.

3 ROCE = Operating Income / (Shareholders' Equity + Interest Bearing Liabilities)\*\*

\*\* Shareholders' Equity and Interest Bearing Liabilities are the average of two fiscal year ends.

4 Debt Ratio = Interest Bearing Liabilities / (Interest Bearing Liabilities + Shareholders' Equity)

5 EBITDA = operating income + depreciation and amortization expenses + losses on sale or disposal of property, plant and equipment.  
EBITDA Margin = EBITDA / total operating revenues.

6 Free cash flows = Cash flows from operating activities + Cash flows from investing activities (excluding net payments for loans, deposits, and other investments)

7 Adjusted Free Cash Flows exclude cash flows related to the effect of estimate and actual uncollected revenues due to bank holidays at the end of periods. These effects are 244.0 billion yen (estimated results), (20.0) billion yen, 244.0 billion yen and (24.0) billion yen for the year ending March 31, 2003, for the year ended March 31, 2002, for the six months ended September 30, 2002 and for the six months ended September 30, 2001, respectively.

8 With regard to the assumptions and other related matters concerning the above estimated results, please refer to page 12 of separately released Consolidated Semi-annual Financial Statements.

**(APPENDIX 4)****Results for the six months ended September 30, 2002****1. NUMBER OF SUBSCRIBERS**

|                           | <u>As of<br/>September 30,<br/>2002</u> | <u>As of<br/>September 30,<br/>2001</u> | <u>Increase/(Decrease)</u> | <u>% Change</u> |
|---------------------------|---|---|----------------------------|-----------------|
| (10 thousand subscribers) |   |   |                            |                 |
| <b>Cellular</b>           |   |   |                            |                 |
| Consolidated              | 4,203                                   | 3,844                                   | 359                        | 9.3%            |
| Non-consolidated          | 1,721                                   | 1,578                                   | 142                        | 9.0%            |
| <b>FOMA</b>               |   |   |                            |                 |
| Consolidated              | 14                                      |   | 14                         |                 |
| Non-consolidated          | 9                                       |   | 9                          |                 |
| <b>i-mode*</b>            |   |   |                            |                 |
| Consolidated              | 3,488                                   | 2,777                                   | 711                        | 25.6%           |
| Non-consolidated          | 1,409                                   | 1,076                                   | 333                        | 31.0%           |
| <b>PHS</b>                |   |   |                            |                 |
| Consolidated              | 183                                     | 189                                     | (6)                        | (3.3%)          |
| Non-consolidated          | 90                                      | 90                                      | (0)                        | (0.5%)          |
| <b>Quickcast</b>          |   |   |                            |                 |
| Consolidated              | 71                                      | 95                                      | (24)                       | (25.5%)         |
| Non-consolidated          | 26                                      | 34                                      | (9)                        | (25.0%)         |

\* This includes the number of i-mode subscribers under the FOMA service.

(Consolidated: 120 thousand subscribers, Non-Consolidated: 90 thousand subscribers as of September 30, 2002)

**2. CAPITAL EXPENDITURES**

|                             | <u>Six months ended<br/>September 30, 2002</u> | <u>Six months ended<br/>September 30, 2001</u> | <u>Increase/(Decrease)</u> | <u>% Change</u> |
|-----------------------------|--|--|----------------------------|-----------------|
| (100 millions of yen)       |  |  |                            |                 |
| <b>Capital expenditures</b> |  |  |                            |                 |
| Consolidated                | 4,368  | 5,283  | (915)                      | (17.3%)         |
| Non-consolidated            | 2,238  | 2,788  | (549)                      | (19.7%)         |

**Estimates for the year ending March 31, 2003****1. NUMBER OF SUBSCRIBERS**

|                           | <u>As of<br/>March 31, 2003</u> | <u>As of<br/>March 31, 2002</u> | <u>Increase/(Decrease)</u> | <u>% Change</u> |
|---------------------------|---------------------------------|---------------------------------|----------------------------|-----------------|
| (10 thousand subscribers) |                                 |                                 |                            |                 |
| <b>Cellular</b>           |                                 |                                 |                            |                 |
| Consolidated              | 4,330                           | 4,069                           | 261                        | 6.4%            |
| Non-consolidated          | 1,762                           | 1,665                           | 97                         | 5.8%            |
| <b>FOMA</b>               |                                 |                                 |                            |                 |
| Consolidated              | 32                              | 9                               | 23                         | 257.8%          |
| Non-consolidated          | 21                              | 8                               | 13                         | 161.3%          |
| <b>i-mode*</b>            |                                 |                                 |                            |                 |
| Consolidated              | 3,670                           | 3,216                           | 454                        | 14.1%           |
| Non-consolidated          | 1,479                           | 1,281                           | 198                        | 15.4%           |
| <b>PHS</b>                |                                 |                                 |                            |                 |
| Consolidated              | 169                             | 192                             | (23)                       | (12.1%)         |
| Non-consolidated          | 83                              | 92                              | (9)                        | (9.3%)          |

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|                  |    |    |      |         |
|------------------|----|----|------|---------|
| Quickcast        |    |    |      |         |
| Consolidated     | 59 | 83 | (24) | (28.6%) |
| Non-consolidated | 21 | 30 | (8)  | (28.4%) |

\* This includes the number of i-mode subscribers under the FOMA service.  
 (Consolidated: 290 thousand subscribers, Non-consolidated: 190 thousand subscribers as of March 31, 2003. Consolidated: 80 thousand subscribers, Non-consolidated: 70 thousand subscribers as of March 31, 2002)

**2. CAPITAL EXPENDITURES**

|                       | <u>Year ending<br/>March 31, 2003</u> | <u>Year ended<br/>March 31, 2002</u> | <u>Increase/<br/>(Decrease)</u> | <u>% Change</u> |
|-----------------------|---------------------------------------|--------------------------------------|---------------------------------|-----------------|
| (100 millions of yen) |                                       |                                      |                                 |                 |
| Capital expenditures  |                                       |                                      |                                 |                 |
| Consolidated          | 8,910                                 | 10,323                               | (1,413)                         | (13.7%)         |
| Non-consolidated      | 4,900                                 | 5,768                                | (868)                           | (15.1%)         |

## (APPENDIX 5)

[Japanese GAAP]

## Summary statements of income of the company and regional subsidiaries

| Company name              | <u>Operating revenues</u> | <u>Operating income</u> | <u>Recurring profit</u> | <u>Net income (loss)</u> |
|---------------------------|---------------------------|-------------------------|-------------------------|--------------------------|
|                           | (100 millions of yen)     |                         |                         |                          |
| NTT DoCoMo Hokkaido, Inc. | 1,095                     | 242                     | 241                     | 140                      |
| NTT DoCoMo Tohoku, Inc.   | 1,760                     | 437                     | 436                     | 253                      |
| NTT DoCoMo, Inc.          | 12,066                    | 2,883                   | 2,817                   | (1,683)                  |
| NTT DoCoMo Tokai, Inc.    | 2,784                     | 659                     | 658                     | 383                      |
| NTT DoCoMo Hokuriku, Inc. | 570                       | 143                     | 143                     | 83                       |
| NTT DoCoMo Kansai, Inc.   | 4,408                     | 951                     | 946                     | 549                      |
| NTT DoCoMo Chugoku, Inc.  | 1,467                     | 277                     | 276                     | 160                      |
| NTT DoCoMo Shikoku, Inc.  | 887                       | 196                     | 196                     | 110                      |
| NTT DoCoMo Kyushu, Inc.   | 2,990                     | 674                     | 676                     | 393                      |

## Exhibit 2

## Operation Data for 2nd Quarter of 2002

November 7, 2002  
NTT DoCoMo, Inc.Fiscal 2002 ending  
March 31, 2003  
(Revised full year  
forecasts, as of  
November 7, 2002)

|  |                       | 2nd Quarter of 2002<br>(from July 1, 2002 to<br>September 30, 2002) | First Half of 2002<br>(from April 1, 2002 to<br>September 30, 2002) | Fiscal 2001 ended<br>March 31, 2002<br>(full year results) |        |
|--|-----------------------|---|---|--|--------|
| <i>Cellular</i>                                      |                       |   |   |  |        |
| Subscribers  | thousands             | 42,162  | 42,162  | 40,783   | 43,620 |
| FOMA   | thousands             | 135.7   | 135.7   | 89.4   | 320    |
| Market Share <sup>(1)</sup>                          | %                     | 58.5  | 58.5  | 59.0   |        |
| Net Increase   | thousands             | 700   | 1,379   | 4,757  | 2,840  |
| FOMA   | thousands             | 21  | 46  | 89   | 230    |
| Aggregate ARPU (PDC) <sup>(2)</sup>                  | yen/month/ contract   | 8,170   | 8,160   | 8,480  | 7,980  |
| Voice ARPU   | yen/month/ contract   | 6,460   | 6,490   | 6,940  | 6,290  |
| i-mode ARPU <sup>(3)</sup>                           | yen/month/ contract   | 1,710   | 1,670   | 1,540  | 1,690  |
| ARPU (FOMA)  | yen/month/ contract   | 7,250   | 7,500   | 8,750  |        |
| MOU <sup>(4)</sup>                                   | minute/month/contract | 171   | 170   | 178  | 167    |
| Churn Rate <sup>(5)</sup>                            | %                     | 1.21  | 1.19  | 1.18   | 1.18   |
| <i>i-mode</i>  |                       |   |   |  |        |
| Subscribers  | thousands             | 34,883  | 34,883  | 32,156   | 36,700 |
| i-appli(TM) compatible (PDC)                         | thousands             | 15,020  | 15,020  | 12,540   |        |
| i-mode Subscription Rate                             | %                     | 82.7  | 82.7  | 78.8   | 84.1   |
| Net Increase   | thousands             | 1,390   | 2,727   | 10,461   | 4,540  |
| iMenu Sites  | sites                 | 3,240   | 3,240   | 2,994  |        |
| i-appli  | sites                 | 432   | 432   | 270  |        |
| Access percentage by content category <sup>(6)</sup> |                       |   |   |  |        |
| Ringing tone/Screen                                  | %                     | 39  | 37  | 37   |        |
| Game/Horoscope                                       | %                     | 19  | 19  | 20   |        |
| Entertainment Info                                   | %                     | 21  | 22  | 21   |        |
| Information  | %                     | 13  | 13  | 12   |        |
| Database   | %                     | 5   | 5   | 5  |        |
| Transaction  | %                     | 3   | 4   | 5  |        |
| Independent Sites*                                   | sites                 | 58,835  | 58,835  | 53,534   |        |
| Percentage of packets transmitted <sup>(6)</sup>     |                       |   |   |  |        |
| Web  | %                     | 86  | 85  | 83   |        |
| Mail   | %                     | 14  | 15  | 17   |        |
| ARPU generated purely from                           |                       |   |   |  |        |
| i-mode (PDC)   | yen/month/ contract   | 2,100   | 2,070   | 2,200  | 2,070  |
| <i>PHS</i>   |                       |   |   |  |        |
| Subscribers  | thousands             | 1,829   | 1,829   | 1,922  | 1,690  |
| Market Share <sup>(1)</sup>                          | %                     | 32.5  | 32.5  | 33.7   |        |
| Net Increase   | thousands             | -67   | -93   | 110  | -230   |
| ARPU   | yen/month/ contract   | 3,480   | 3,550   | 3,830  | 3,450  |
| MOU  | minute/month/contract | 115   | 116   | 121  | 110    |
| Data Transmission Rate <sup>(7)</sup>                | %                     | 77.1  | 76.7  | 72.5   |        |
| Churn Rate <sup>(5)</sup>                            | %                     | 3.46  | 3.36  | 3.58   | 3.50   |

(1) Source: Telecommunications Carriers Association

(2) ARPU (Average monthly Revenue Per Unit)

Aggregate ARPU (PDC) = Cellular Phone Service ARPU (Voice ARPU) + i-mode ARPU

(3) i-mode ARPU = ARPU generated purely from i-mode x (no. of active i-mode users/no. of active cellular phone users)

No. of active users = (no. of subscribers at the end of previous quarter + no. of subscribers at the end of current quarter)/2 x no. of months

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

(5) Churn Rate:

FY: Total number of cancellations for one year/Total subscribers at the end of each month, from March in previous fiscal year to February in current Fiscal year

Q1: Total cancellations for first quarter/Total subscribers at end of each month, from March 2002 to May 2002

(6) Calculation does not include i-mode access via FOMA

(7) Percent of data traffic in total outbound call time

\* Formerly called Voluntary Websites

Cautionary Statement

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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 Exchange Act of 1934. The full year forecasts of operational data for fiscal 2002 ending March 31, 2003 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 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, DoCoMo's ability to continue to attract and retain subscribers to its services in a wireless communications market experiencing slowing growth; DoCoMo's ability to continue to generate usage among customers; DoCoMo's ability to add capacity to its existing networks; DoCoMo's ability to smoothly expand, acquire subscribers and add capacity as necessary for its FOMA 3G network; DoCoMo's ability to successfully expand internationally through international alliances and investments outside of Japan and achieve expected financial returns; changes in the economic or regulatory environment and DoCoMo's ability to respond and adapt to such changes; DoCoMo's ability to continue to win acceptance of its products and services, which are offered in highly competitive markets characterized by continual new product introductions, rapid developments in technology, subjective and changing consumer preferences; DoCoMo's ability to maintain minutes of use and average monthly revenue per unit at the expected levels; DoCoMo's ability to respond and adapt to volatility and changes in the economic conditions and securities market in Japan and other countries; and DoCoMo's ability to maintain the current state of affairs between communication carriers with regard to DoCoMo's right to set tariffs and forms of interconnection. 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 July 10, 2002, which is available in the investor relations section of the company's web page at [www.nttdocomo.com](http://www.nttdocomo.com) and also at the SEC's Public Reference Room at 450 Fifth Street, N.W., Washington, D.C. 20549, about which you may obtain further information by calling 1-800-SEC-0330. The annual report filed on July 10, 2002 is also available at the SEC's web site at [www.sec.gov](http://www.sec.gov).