

NTT DOCOMO INC
Form 6-K
February 03, 2011

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 6-K**

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

**For the month of February, 2011.
Commission File Number: 001-31221
Total number of pages: 13**

**NTT DOCOMO, INC.
(Translation of registrant's name into English)**

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

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

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

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

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

SIGNATURES

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

NTT DOCOMO, INC.

Date: February 3, 2011

By: /s/ OSAMU HIROKADO
Osamu Hirokado
Head of Investor Relations

Information furnished in this form:

1. Report filed on February 3, 2011 with the Director of the Kanto Local Finance Bureau of Japan pursuant to the Financial Instruments and Exchange Law of Japan
-

NTT DOCOMO, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS (UNAUDITED)
DECEMBER 31, 2010 and MARCH 31, 2010

	Millions of yen	
	December 31, 2010	March 31, 2010
ASSETS		
Current assets:		
Cash and cash equivalents	¥ 367,189	¥ 357,715
Short-term investments	371,437	403,010
Accounts receivable	934,527	838,226
Credit card receivables	167,272	126,009
Allowance for doubtful accounts	(17,966)	(15,633)
Inventories	174,635	141,277
Deferred tax assets	70,159	100,545
Prepaid expenses and other current assets	122,735	109,829
Total current assets	2,189,988	2,060,978
Property, plant and equipment:		
Wireless telecommunications equipment	5,559,996	5,478,833
Buildings and structures	840,944	830,921
Tools, furniture and fixtures	518,116	516,084
Land	199,126	199,018
Construction in progress	94,949	83,608
Accumulated depreciation and amortization	(4,667,975)	(4,500,874)
Total property, plant and equipment, net	2,545,156	2,607,590
Non-current investments and other assets:		
Investments in affiliates	547,304	578,095
Marketable securities and other investments	137,901	151,026
Intangible assets, net	653,623	628,691
Goodwill	209,018	198,436
Other assets	264,377	257,911
Deferred tax assets	301,226	274,048
Total non-current investments and other assets	2,113,449	2,088,207
Total assets	¥ 6,848,593	¥ 6,756,775
LIABILITIES AND EQUITY		
Current liabilities:		
Current portion of long-term debt	¥ 353,928	¥ 180,716
Short-term borrowings	41	78
Accounts payable, trade	584,451	632,437
Accrued payroll	40,331	54,580

Edgar Filing: NTT DOCOMO INC - Form 6-K

Accrued interest	1,101	995
Accrued income taxes	97,730	185,890
Other current liabilities	142,891	133,466
Total current liabilities	1,220,473	1,188,162
Long-term liabilities:		
Long-term debt (exclusive of current portion)	255,037	429,553
Accrued liabilities for point programs	206,502	151,628
Liability for employees' retirement benefits	144,351	138,447
Other long-term liabilities	157,008	186,539
Total long-term liabilities	762,898	906,167
Total liabilities	1,983,371	2,094,329
Equity:		
NTT DOCOMO, INC. shareholders' equity		
Common stock	949,680	949,680
Additional paid-in capital	757,109	757,109
Retained earnings	3,575,463	3,347,830
Accumulated other comprehensive income (loss)	(59,884)	(37,379)
Treasury stock, at cost	(384,532)	(381,363)
Total NTT DOCOMO, INC. shareholders' equity	4,837,836	4,635,877
Noncontrolling interests	27,386	26,569
Total equity	4,865,222	4,662,446
Commitments and contingencies		
Total liabilities and equity	¥ 6,848,593	¥ 6,756,775

See accompanying notes to consolidated financial statements (unaudited).

NTT DOCOMO, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
AND COMPREHENSIVE INCOME (UNAUDITED)
NINE MONTHS ENDED DECEMBER 31, 2009 and 2010

	Millions of yen	
	Nine Months Ended December 31, 2009	Nine Months Ended December 31, 2010
Operating revenues:		
Wireless services	¥ 2,859,472	¥ 2,850,116
Equipment sales	382,892	359,013
Total operating revenues	3,242,364	3,209,129
Operating expenses:		
Cost of services (exclusive of items shown separately below)	682,777	687,578
Cost of equipment sold (exclusive of items shown separately below)	510,168	482,552
Depreciation and amortization	511,529	496,112
Selling, general and administrative	835,237	784,386
Total operating expenses	2,539,711	2,450,628
Operating income	702,653	758,501
Other income (expense):		
Interest expense	(4,108)	(3,638)
Interest income	969	1,024
Other, net	2,173	(7,250)
Total other income (expense)	(966)	(9,864)
Income before income taxes and equity in net income (losses) of affiliates	701,687	748,637
Income taxes:		
Current	291,393	289,489
Deferred	(7,586)	13,881
Total income taxes	283,807	303,370
Income before equity in net income (losses) of affiliates	417,880	445,267
Equity in net income (losses) of affiliates, net of applicable taxes	3,186	375
Net income	421,066	445,642

Edgar Filing: NTT DOCOMO INC - Form 6-K

Less: Net (income) loss attributable to noncontrolling interests	(1,720)		(1,659)
Net income attributable to NTT DOCOMO, INC.	¥ 419,346	¥	443,983
Net income	¥ 421,066	¥	445,642
Other comprehensive income (loss):			
Unrealized holding gains (losses) on available-for-sale securities, net of applicable taxes	4,527		(3,449)
Change in fair value of derivative instruments, net of applicable taxes	(72)		(14)
Foreign currency translation adjustment, net of applicable taxes	(8,678)		(19,050)
Pension liability adjustment, net of applicable taxes	446		(30)
Total other comprehensive income (loss)	(3,777)		(22,543)
Comprehensive income	417,289		423,099
Less: Comprehensive (income) loss attributable to noncontrolling interests	(1,704)		(1,621)
Comprehensive income attributable to NTT DOCOMO, INC.	¥ 415,585	¥	421,478
PER SHARE DATA			
Weighted average common shares outstanding Basic and Diluted (shares)	41,738,464		41,604,852
Basic and Diluted earnings per share attributable to NTT DOCOMO, INC. (yen)	¥ 10,046.99	¥	10,671.42

See accompanying notes to consolidated financial statements (unaudited).

NTT DOCOMO, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
AND COMPREHENSIVE INCOME (UNAUDITED)
THREE MONTHS ENDED DECEMBER 31, 2009 and 2010

	Millions of yen	
	Three Months Ended December 31, 2009	Three Months Ended December 31, 2010
Operating revenues:		
Wireless services	¥ 966,207	¥ 951,121
Equipment sales	130,349	119,856
Total operating revenues	1,096,556	1,070,977
Operating expenses:		
Cost of services (exclusive of items shown separately below)	233,160	235,767
Cost of equipment sold (exclusive of items shown separately below)	169,291	161,722
Depreciation and amortization	173,720	174,146
Selling, general and administrative	302,956	272,311
Total operating expenses	879,127	843,946
Operating income	217,429	227,031
Other income (expense):		
Interest expense	(1,119)	(1,114)
Interest income	302	333
Other, net	5,194	(4,621)
Total other income (expense)	4,377	(5,402)
Income before income taxes and equity in net income (losses) of affiliates	221,806	221,629
Income taxes:		
Current	80,506	84,968
Deferred	9,178	5,199
Total income taxes	89,684	90,167
Income before equity in net income (losses) of affiliates	132,122	131,462
Equity in net income (losses) of affiliates, net of applicable taxes	2,894	3,353
Net income	135,016	134,815

Edgar Filing: NTT DOCOMO INC - Form 6-K

Less: Net (income) loss attributable to noncontrolling interests		(388)		(579)
Net income attributable to NTT DOCOMO, INC.	¥	134,628	¥	134,236
Net income	¥	135,016	¥	134,815
Other comprehensive income (loss):				
Unrealized holding gains (losses) on available-for-sale securities, net of applicable taxes		(9,555)		4,137
Change in fair value of derivative instruments, net of applicable taxes		(37)		40
Foreign currency translation adjustment, net of applicable taxes		(20,369)		(5,715)
Pension liability adjustment, net of applicable taxes		150		(40)
Total other comprehensive income (loss)		(29,811)		(1,578)
Comprehensive income		105,205		133,237
Less: Comprehensive (income) loss attributable to noncontrolling interests		(358)		(557)
Comprehensive income attributable to NTT DOCOMO, INC.	¥	104,847	¥	132,680

PER SHARE DATA

Weighted average common shares outstanding	Basic and Diluted (shares)	41,696,009		41,603,083
Basic and Diluted earnings per share attributable to NTT DOCOMO, INC. (yen)		¥ 3,228.80	¥	3,226.59

See accompanying notes to consolidated financial statements (unaudited).

NTT DOCOMO, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)
NINE MONTHS ENDED DECEMBER 31, 2009 and 2010

	Millions of yen	
	Nine Months Ended December 31, 2009	Nine Months Ended December 31, 2010
Cash flows from operating activities:		
Net income	¥ 421,066	¥ 445,642
Adjustments to reconcile net income to net cash provided by operating activities-		
Depreciation and amortization	511,529	496,112
Deferred taxes	(5,335)	13,371
Loss on sale or disposal of property, plant and equipment	20,386	13,672
Equity in net (income) losses of affiliates	(5,150)	376
Changes in assets and liabilities:		
(Increase) / decrease in accounts receivable	(151,584)	(96,694)
(Increase) / decrease in credit card receivables	(24,080)	(20,986)
Increase / (decrease) in allowance for doubtful accounts	2,062	2,396
(Increase) / decrease in inventories	(51,135)	(33,477)
(Increase) / decrease in prepaid expenses and other current assets	(4,241)	(13,503)
(Increase) / decrease in non-current installment receivable for handsets	5,212	3,155
Increase / (decrease) in accounts payable, trade	(63,170)	(19,876)
Increase / (decrease) in accrued income taxes	(143,278)	(88,114)
Increase / (decrease) in other current liabilities	(13,857)	5,564
Increase / (decrease) in accrued liabilities for point programs	66,724	54,874
Increase / (decrease) in liability for employees' retirement benefits	8,002	5,906
Increase / (decrease) in other long-term liabilities	18,893	(30,744)
Other, net	52	16,849
Net cash provided by operating activities	592,096	754,523
Cash flows from investing activities:		
Purchases of property, plant and equipment	(369,476)	(318,769)
Purchases of intangible and other assets	(183,670)	(193,996)
Purchases of non-current investments	(9,617)	(4,765)
Proceeds from sale of non-current investments	9,262	794
Acquisitions of new subsidiaries, net of cash acquired	(29,209)	(7,678)
Purchases of short-term investments	(136,656)	(744,825)
Redemption of short-term investments	38,310	686,335
Long-term bailment for consumption to a related party		(20,000)
Short-term bailment for consumption to a related party	(10,000)	(20,000)
Proceeds from redemption of short-term bailment for consumption to a related party		110,000
Other, net	(9,335)	(6,994)

Edgar Filing: NTT DOCOMO INC - Form 6-K

Net cash used in investing activities	(700,391)		(519,898)
Cash flows from financing activities:			
Repayment of long-term debt	(15,000)		(32)
Proceeds from short-term borrowings	138,149		367
Repayment of short-term borrowings	(138,149)		(395)
Principal payments under capital lease obligations	(2,461)		(3,249)
Payments to acquire treasury stock	(20,000)		(3,169)
Dividends paid	(208,488)		(216,088)
Other, net	(3)		(1,243)
Net cash provided by (used in) financing activities	(245,952)		(223,809)
Effect of exchange rate changes on cash and cash equivalents	77		(1,342)
Net increase (decrease) in cash and cash equivalents	(354,170)		9,474
Cash and cash equivalents at beginning of period	599,548		357,715
Cash and cash equivalents at end of period	¥ 245,378	¥	367,189
Supplemental disclosures of cash flow information:			
Cash received during the period for:			
Income tax refunds	¥ 679	¥	301
Cash paid during the period for:			
Interest, net of amount capitalized	4,050		3,533
Income taxes	436,076		378,858

See accompanying notes to consolidated financial statements (unaudited).

NTT DOCOMO, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

1. Basis of presentation:

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

2. Summary of significant accounting and reporting policies:

(1) Adoption of new accounting standards

Financing Receivables

Effective October 1, 2010, DOCOMO adopted Accounting Standards Update (ASU) 2010-20 Receivables (Topic 310): Disclosures about the Credit Quality of Financing Receivables and the Allowance for Credit Losses issued by Financial Accounting Standards Board (FASB) in July 2010. ASU2010-20 requires enhanced disclosures regarding the nature of the credit risk inherent in the entity 's financing receivables, how that credit risk is analyzed and assessed, and the reasons for the change in the allowance for credit losses. The adoption of ASU2010-20 did not have any impact on DOCOMO 's results of operations and financial position. The disclosure required by ASU2010-20 was omitted.

(2) Recent accounting pronouncements

In October 2009, FASB issued ASU2009-13 Revenue Recognition (Topic 605): Multiple-Deliverable Revenue Arrangements . ASU2009-13 will require allocation of the overall consideration to each deliverable in an arrangement with multiple deliverables using the estimated selling price in the absence of vendor-specific objective evidence or third-party evidence of selling price for deliverables and eliminate residual method of allocation. ASU2009-13 is effective for fiscal years beginning on or after June 15, 2010. DOCOMO is currently evaluating the impact of adopting ASU2009-13 on DOCOMO 's result of operations and financial position.

(3) Reclassifications

Certain reclassifications have been made to the prior periods ' consolidated financial statements to conform to the presentation used for the nine months ended December 31, 2010.

3. Equity:

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

NTT DOCOMO, INC. AND SUBSIDIARIES**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (Continued)**

In the general meeting of shareholders held on June 18, 2010, the shareholders approved cash dividends of ¥108,175 million or ¥2,600 per share, payable to shareholders recorded as of March 31, 2010, which were declared by the board of directors on April 28, 2010. The source of dividends was Retained earnings. DOCOMO started paying the dividends on June 21, 2010.

On October 28, 2010, the board of directors declared cash dividends of ¥108,175 million or ¥2,600 per share, payable to shareholders recorded as of September 30, 2010. The source of dividends was Retained Earnings. DOCOMO started paying the dividends on November 19, 2010.

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

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

Issued shares and treasury stock

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

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

	Number of issued shares	Number of treasury stock
As of March 31, 2009	43,950,000	2,190,193
As of September 30, 2009	43,950,000	2,190,193
Acquisition of treasury stock based on the resolution of the board of directors		154,065
As of December 31, 2009	43,950,000	2,344,258
Retirement of treasury stock	(160,000)	(160,000)
As of March 31, 2010	43,790,000	2,184,258
As of September 30, 2010	43,790,000	2,184,258
Acquisition of treasury stock based on the resolution of the board of directors		22,155
As of December 31, 2010	43,790,000	2,206,413

The general meeting of shareholders approved stock repurchase plans as follows:

Date of the general meeting of shareholders	Term of repurchase	Approved maximum number of treasury stock to be repurchased (Shares)	Approved maximum budget for share repurchase (Millions of yen)
June 20, 2008	June 21, 2008 – June 20, 2009	900,000	¥ 150,000

NTT DOCOMO, INC. AND SUBSIDIARIES**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (Continued)**

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

Date of the meeting of the board of directors	Term of repurchase	Approved maximum number of treasury stock to be repurchased (Shares)	Approved maximum budget for share repurchase (Millions of yen)
November 9, 2009	November 10, 2009 - November 30, 2009	160,000	¥ 20,000
December 17, 2010	December 20, 2010 - January 28, 2011	160,000	20,000

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

	Share/Millions of yen	
	Nine months ended December 31, 2009	Nine months ended December 31, 2010
Aggregate number of shares repurchased	154,065	22,155
Aggregate price of shares repurchased	¥ 20,000	¥ 3,169

	Share/Millions of yen	
	Three months ended December 31, 2009	Three months ended December 31, 2010
Aggregate number of shares repurchased	154,065	22,155
Aggregate price of shares repurchased	¥ 20,000	¥ 3,169

In January 2011, DOCOMO repurchased total of 115,986 shares for ¥16,831 million based on the resolution of the board of directors on December 17, 2010. Aggregate number and price of shares repurchased based on this resolution were 138,141 shares and ¥20,000 million, respectively, and DOCOMO concluded the share repurchase on January 26, 2011.

Per share data

Per share data is as follows:

	Yen	
	Nine months ended December 31, 2009	Nine months ended December 31, 2010
Basic and Diluted earnings per share attributable to NTT DOCOMO, INC.	¥ 10,046.99	¥ 10,671.42

	Three months ended December 31, 2009	Yen Three months ended December 31, 2010
Basic and Diluted earnings per share attributable to NTT DOCOMO, INC.	¥ 3,228.80	¥ 3,226.59

	December 31, 2010	Yen March 31, 2010
NTT DOCOMO, INC. shareholders equity per share	¥ 116,340.04	¥ 111,423.97

NTT DOCOMO, INC. AND SUBSIDIARIES**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (Continued)****4. Segment information:**

The operating segments reported below are those for which segment-specific financial information is available. DOCOMO's management uses this financial information to make decisions on the allocation of management resources and to evaluate business performance. Accounting policies used to determine segment profit or loss and segment assets are consistent with those used to prepare the consolidated financial statements in accordance with U.S. GAAP.

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

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

Segment information is as follows:

	Millions of yen		
Three months ended December 31, 2009	Mobile phone business	Miscellaneous businesses	Consolidated
Operating revenues	¥ 1,067,046	¥ 29,510	¥ 1,096,556
Operating expenses	846,429	32,698	879,127
Operating income (loss)	¥ 220,617	¥ (3,188)	¥ 217,429

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

	Millions of yen		
Nine months ended December 31, 2009	Mobile phone business	Miscellaneous businesses	Consolidated
Operating revenues	¥ 3,156,079	¥ 86,285	¥ 3,242,364
Operating expenses	2,445,959	93,752	2,539,711
Operating income (loss)	¥ 710,120	¥ (7,467)	¥ 702,653

Millions of yen

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

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

NTT DOCOMO, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (Continued)

5. Contingencies:

Litigation

As of December 31, 2010, DOCOMO had no litigation or claims outstanding, pending or threatened against which in the opinion of management would have a materially adverse effect on its results of operations or financial position.

Guarantees

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

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

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

NTT DOCOMO, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (Continued)

6. Fair value measurements:

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

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

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

Level 3 unobservable inputs for the asset or liability

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

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

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

DOCOMO's assets and liabilities that were measured at fair value on a recurring basis at December 31, 2010 and March 31, 2010 were as follows:

	Millions of yen			
	December 31, 2010			
	Total	Level 1	Level 2	Level 3
Assets:				
Available-for-sale securities				
Equity securities (domestic)	¥ 50,585	¥ 50,585	¥	¥
Equity securities (foreign)	74,246	74,246		
Debt securities (foreign)	4	4		
Total available-for-sale securities	124,835	124,835		
Derivatives				
Interest rate swap agreements	2,054		2,054	
Non-deliverable forward contracts (NDF)	1		1	
Total derivatives	2,055		2,055	
Total assets	¥ 126,890	¥ 124,835	¥ 2,055	¥
Liabilities:				
Derivatives				
Foreign exchange forward contracts	¥ 0	¥	¥ 0	¥
Foreign currency option contracts	2,301		2,301	
Total derivatives	2,301		2,301	
Total liabilities	¥ 2,301	¥	¥ 2,301	¥

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

NTT DOCOMO, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (Continued)

	Millions of yen March 31, 2010			
	Total	Level 1	Level 2	Level 3
Assets:				
Available-for-sale securities				
Equity securities (domestic)	¥ 53,029	¥ 53,029	¥	¥
Equity securities (foreign)	83,598	83,598		
Debt securities (foreign)	4	4		
Total available-for-sale securities	136,631	136,631		
Derivatives				
Interest rate swap agreements	3,297		3,297	
Total derivatives	3,297		3,297	
Total assets	¥ 139,928	¥ 136,631	¥ 3,297	¥
Liabilities:				
Derivatives				
Foreign exchange forward contracts	¥ 108	¥	¥ 108	¥
Foreign currency option contracts	1,552		1,552	
Total derivatives	1,660		1,660	
Total liabilities	¥ 1,660	¥	¥ 1,660	¥

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

Available-for-sale securities

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

Derivatives

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

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

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

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

DOCOMO omitted the disclosure about assets and liabilities measured on a nonrecurring basis because of its immateriality.

NTT DOCOMO, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (Continued)

7. Subsequent event:

There had been no significant subsequent event to be disclosed other than those described in other footnotes that occurred subsequent to the balance sheet date through the date when the accompanying quarterly consolidated financial statements were issued.