

*NTT DoCoMo's
Deployment Strategies of
Third-Generation Mobile Services*

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Agenda

Growth Strategies

Strong Core Business

3G(FOMA) Services

Beyond 3G

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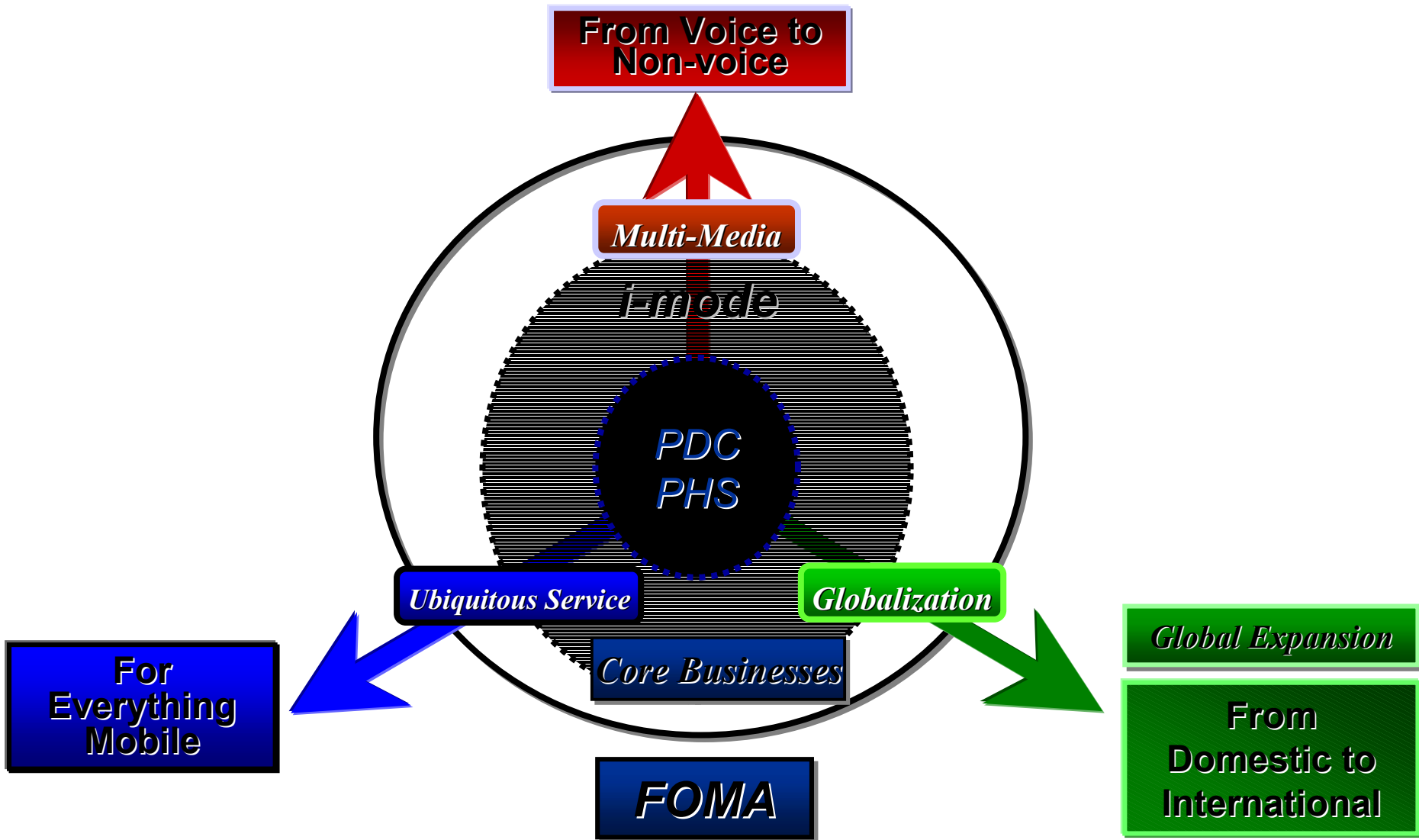
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DoCoMo's Growth Strategies



Potential Demand for Mobile Services <2010>



Potential demand for mobile services continues to expand (570 mil units)

Vision 2010

(Unit: 1mil)

People	120
Automobiles	100
Bicycles	60
Portable PCs	50
Motorcycles, Vessels, Vending Machines, etc.	10
Pets (cats, dogs)	20
Total	360 ^{*1}

Intelligent household appliances, etc.

(Unit: 1mil)

TVs, Set-top Boxes	90
Digital Cameras	30
Video Cameras	20
Refrigerators	40

180

Others

Parcel, Carrier Services	30
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Total

210^{*2}

* 1 DoCoMo's projections based on data provided in the "Consumer Confidence Survey" by the Economic and Social Research Institute and data provided by the Pet Food Industry Association

* 2 Projections provided by the InfoCom Research, Inc.

DoCoMo's Global Expansion

MM service

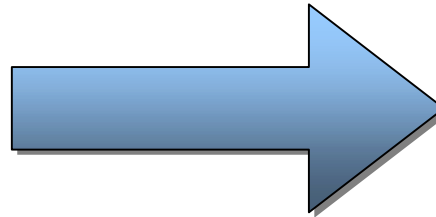
i-mode subscribers
26.09 millions
(July 31, 2001)



Experience and expertise in W-CDMA

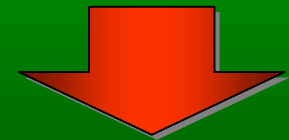
May 2001: Commencement of introductory service
October 2001: Commencement of expanded service

*Equity participation/
Alliance*



Build global common infrastructure

Global expansion



Capture new growth opportunities

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Growth Strategies

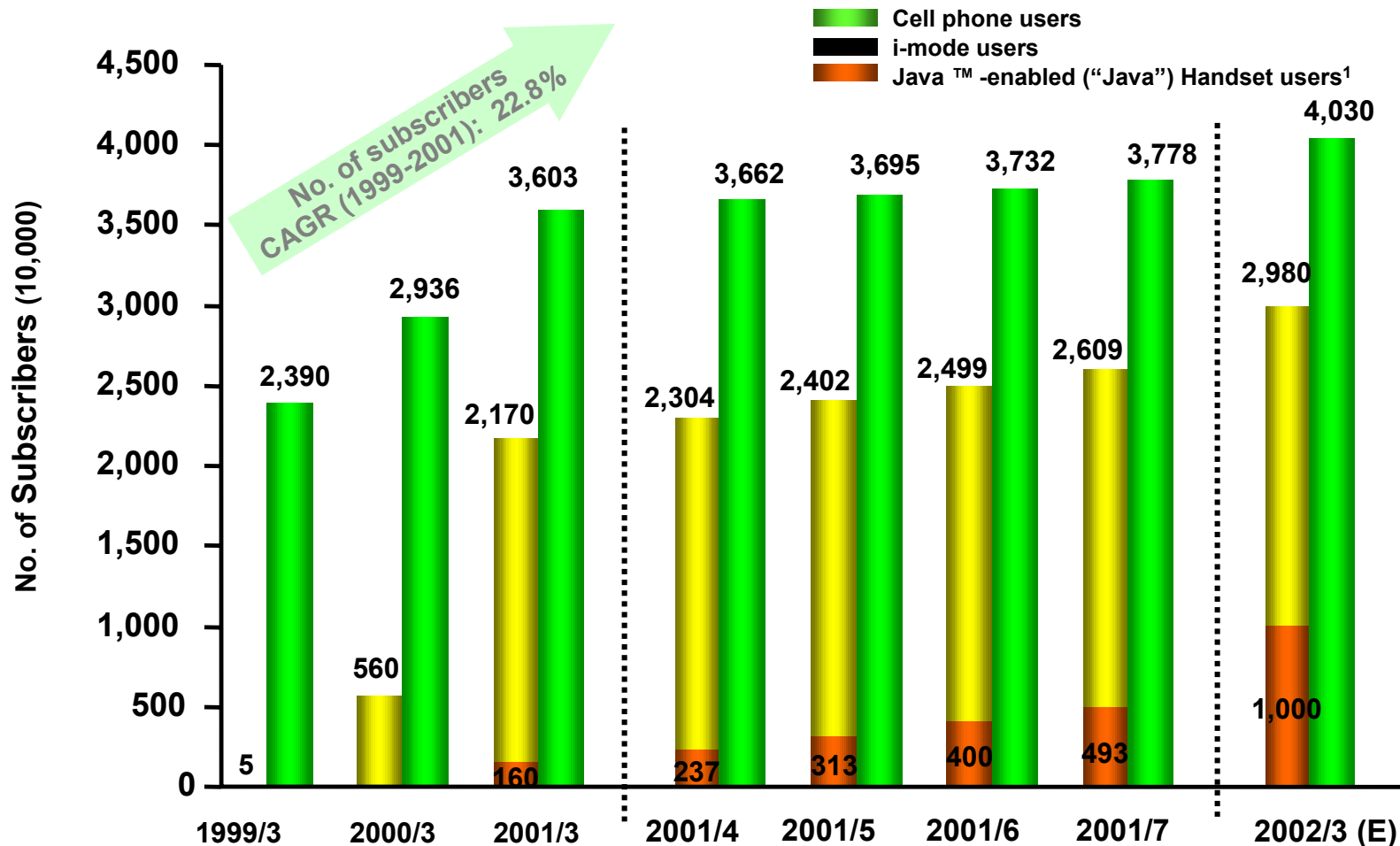
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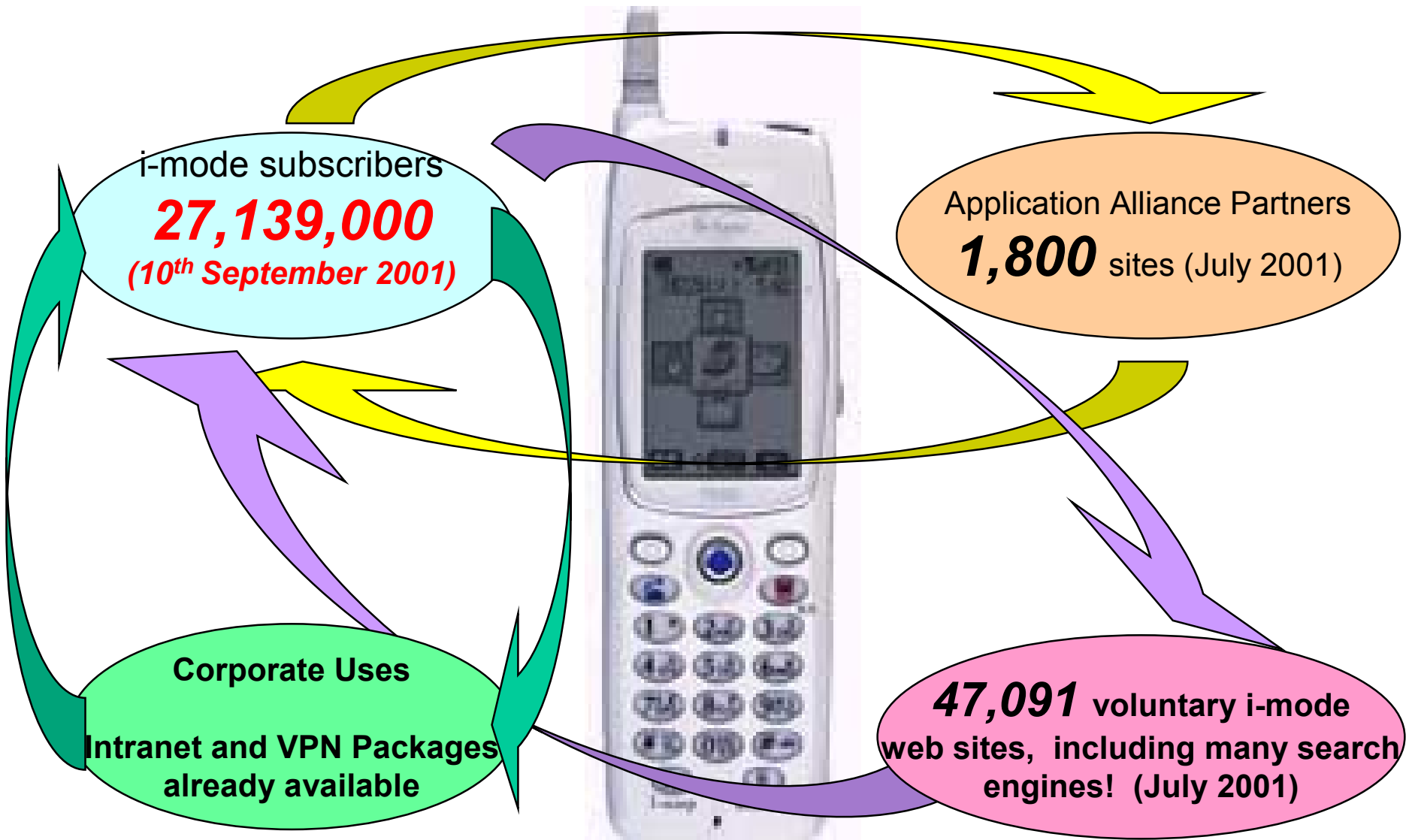
Growth in Subscriber Numbers

Subscriber growth as at fiscal year ends and monthly growth during April-July 2001



1) All Java and Java related trademarks are registered by Sun Microsystems Inc. in the United States and other countries

Current Status of "i-mode" (as of 10th September 2001)



List of "i-mode" Service

Mail

Web
Access

Transaction

- Mobile Banking
- Credit Card Bill Inquiry
- Mobile Trading
- Purchasing Books

Information

- Transportation Information
- Rental Openings
- NEWS

Database

- Restaurant Guide
- Mobile Telephone Directory
- Mobile Recipes
- Dictionary Search

Entertainment

- Karaoke
- FM On-air Information
- Network Game
- Fortune-telling

Voice Transmission

Measures to Expand Core Businesses

PDC

- Introduce 800MHz/1.5GHz dual band handsets: Autumn 2001~

i-mode/MM

- Promote use of Java-enabled handsets: Spring 2001~
- Higher performance i-mode (504 series: Downlink = 9.6K → 28.8K): Spring 2002~
- Develop highly practical i-APPLI contents that go beyond games
- Utilize i-mode to get any information (maps, tickets etc.) and purchase without any cash from vending machines (trial launch of Cmode with Coca-Cola (Japan) Co., Ltd.)

PHS

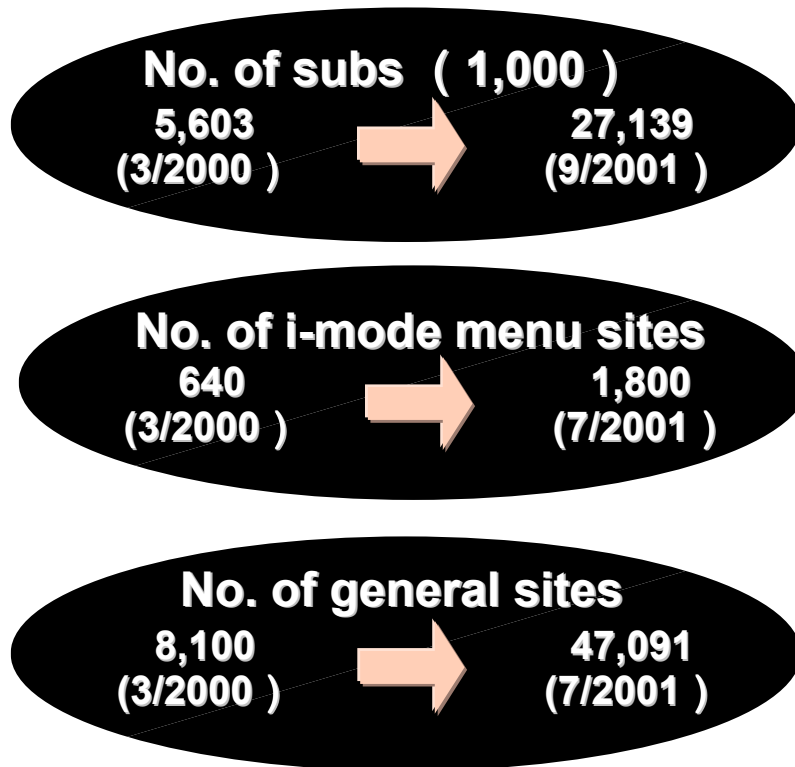
- Introduce P-in card equipped with Flash Memory :Autumn 2001~
- Introduce Bluetooth-enabled terminals :Winter 2001~Spring 2002

Corporate

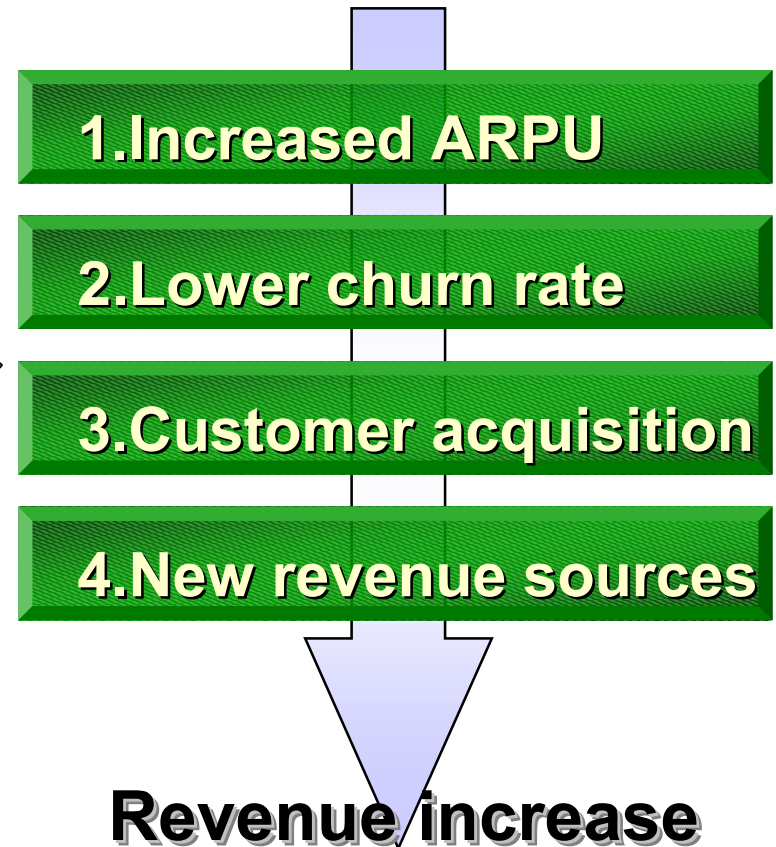
- Strengthen system sales, e.g., Intranet systems utilizing SSL
- Further strengthen marketing organization to cover corporate customers (staff count 1,400 → 1,800)

i-mode's Explosive Growth and Effects

Growth of i-mode



i-mode Effects



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Objectives of FOMA Introductory Services



To ensure a stable, nationwide deployment, DoCoMo launches FOMA services with an “introductory phase” so as to:

- further improve the service quality based on the track record of system operation and the responses obtained from customers; and
- further enhance the services through obtaining users’ evaluations on, e.g., ease of use.

Major Conditions of FOMA Introductory Services

Services to be provided to monitors

- **Service period:** May 30, 2001 ~ Sept. 30, 2001
- **Services offered:**
 - Voice service, TV-phone, 64K digital, Packet communications, Short messages, Multi-Access
 - i-mode, Video distribution service, mopera, Voice message service, Call forwarding service, Call waiting service
- **Service areas:** 23 Special Wards of Tokyo, limited areas in Yokohama and Kawasaki
- **Handsets:** Rental (free of charge)
(standard type, visual type, data-card type)
- **Tariff:**
 - Monthly subscription charge: free
 - Voice communication charges: equivalent to existing cellular service
 - Packet-mode communication charges: cheaper than existing i-mode
- **No. of monitors:** Approximately 4,000 subscribers
- **Entitled monitors:** Those people within the service areas for the introductory phase

FOMA Communication Charges

<Introductory Service >



1 . Voice Mode Tariff

- Equivalent to existing cellular voice charges

2 . 64K Digital Communication Mode Tariff

- Approximately 1.8 times as much as the voice mode tariff
(as 64K mode occupies more radio bandwidth than voice mode)

3 . Packet Communications Mode Tariff

- 10.05 / packet
(After the start of the expansion-phase service, according to current assumptions, this tariff will be offered to users who pay a fixed monthly rate in addition)

FOMA Handset Line-up

< Upon Introductory Service Launch >

Select from three types depending on usage style

Standard Type



FOMA N200
1

Visual Type



FOMA P210
1V

Data-Card Type



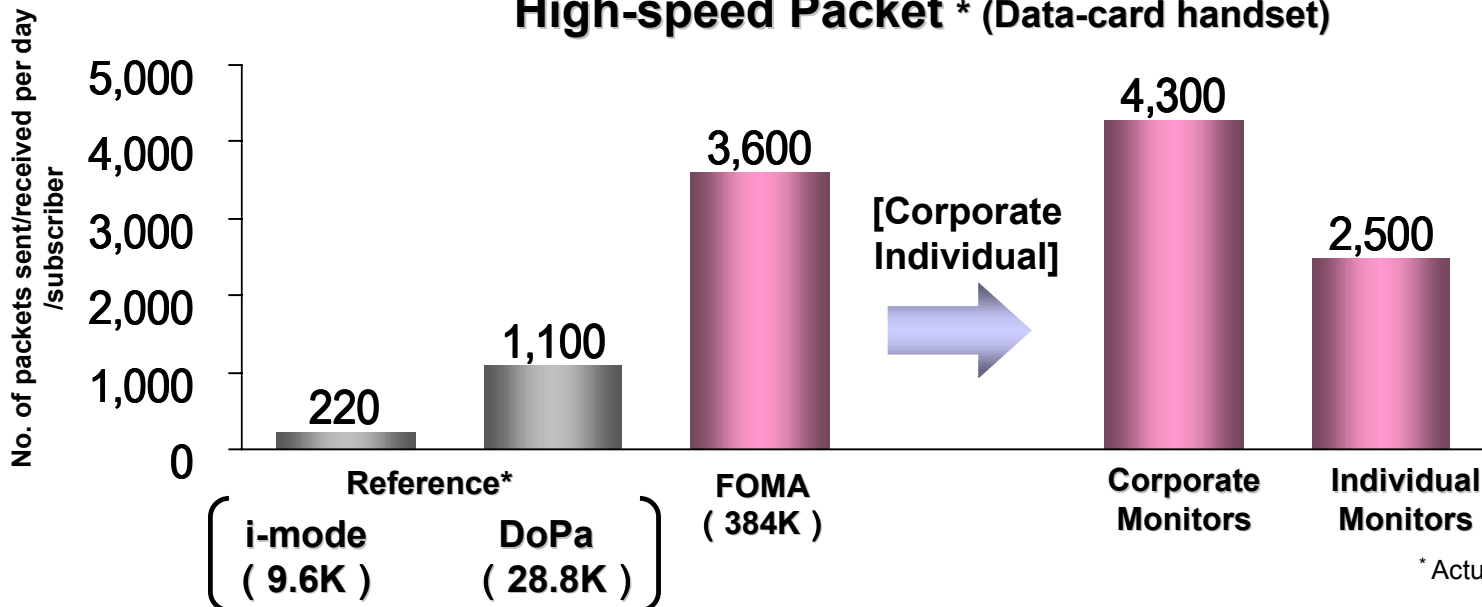
FOMA P240 1

Service Usage

During the Introductory Phase

- FOMA is mainly used for high-speed data access.
 - Accounts for about 80% of circuit switched connections, and 90% of packet connections
 - Average daily packet consumption of high-speed packet users (July): about 3,600 packets (approximately 450KB)
(Approximately 3 times of Dopa (28.8K) and 16 times of i-mode (9.6K) usage)
- Notably high usage of high-speed packet access has been reported among corporate monitors.
 - ⇒ Expanded usage due to the provision of high-speed data access
(Large-volume data download, Internet access, etc.)

High-speed Packet * (Data-card handset)



* Actual usage in July 2001

FOMA's Tariff Structure

- A comprehensive usage plan allowing the use of all communication modes, and a data-only plan for users using data services only.
- Users are able to choose the plan most suited for their individual needs by combining the “Packet Pack” and/or various discount packages.

Basic charges

Comprehensive Usage Plan

(5 plans)

Data-only Plan
(1 plan)

+

Communication charges

Voice mode

64kbps digital communication mode

Packet mode

○ Packet Pack (3 plans)

○ No pack

Short message mode

+

Various discount schemes

Long-Term Subscriber Discount, Family Discount, etc.

Additional services

i-mode,

e t c .

Basic Charge

- To cater to the needs of multimedia era, users will be able to use all communication modes with a single subscription agreement if they choose to sign up for the Comprehensive Plan.
- Communication tariff can be used for all communication modes.
- To facilitate the use of data services, a Data-only Plan dedicated for data communications will be newly added.
- To promote usage, a special limited-period charge will be provided up to the end of March 2002. (No contract handling charges, Extra bundled free call)

<Comprehensive Usage Plan>

Plan Name	Basic Charge	Bundled free call	Special limited-period charge
FOMA Plan 39	\3,900	\700	Bundled free call \1,000
FOMA Plan 49	\4,900	\2,000	
FOMA Plan 67	\6,700	\4,000	
FOMA Plan 100	\10,000	\7,300	
FOMA Plan 150	\15,000	\11,600	

<Data-only Plan>

Plan Name	Basic Charge	Bundled free call	Special limited-period charge
FOMA data plan 22	¥2,200	\0	Bundled free call \1,000

Communication Tariff

- Voice mode tariff is equivalent to the existing cellular service's.
- Outbound calls from FOMA handsets will be billed every 30 seconds.
- Two time zones for outbound calls from FOMA; standard and discount time zones.
- Tariff for voice calls from NTT landline phones to FOMA handsets is the same as the calls made to existing cellular phones.

<Example: Case of "FOMA Plan 67" (within DoCoMo business area, standard time zone)>

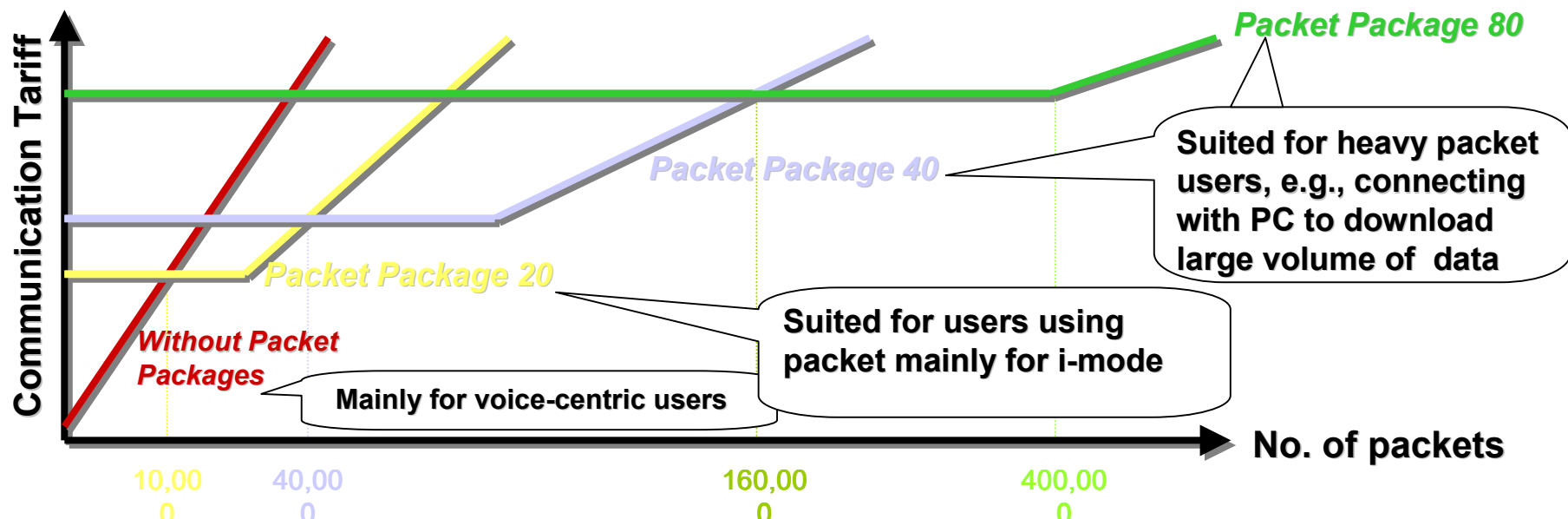
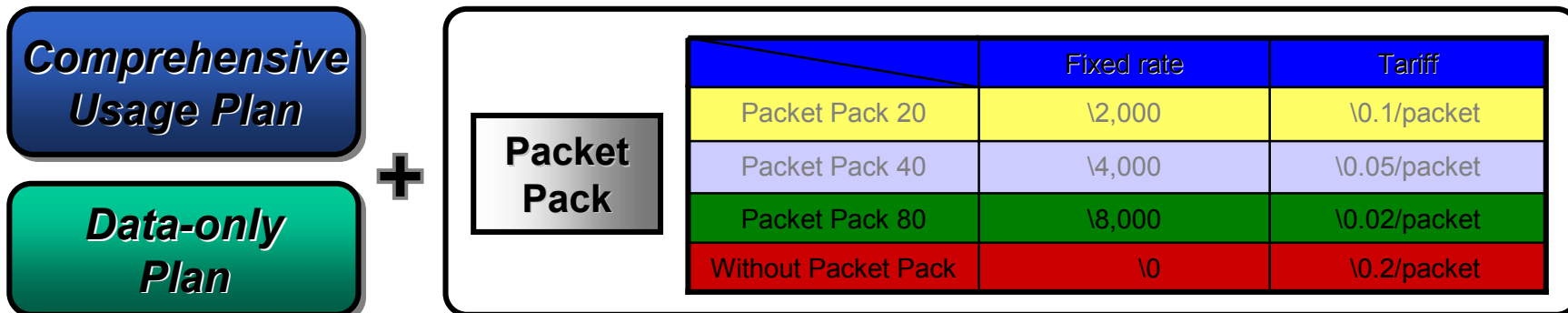
Mode	Voice mode		64K digital mode (including TV phone)	
outbound	Outbound call from FOMA handset			
inbound	inbound call to FOMA/cellular phone	to NTT phone	to FOMA	to NTT phone
tariff	\ 14.5 / 30 sec	\ 13.0 / 30sec	\ 26.0 / 30 sec	\ 23.5 / 30 sec

※Standard time zone : Weekdays 0:00-1:00, 8:00-24:00 Discount time zone: Weekdays 1:00-8:00 all day on weekends/holidays

※"within DoCoMo business area " includes neighboring prefectures of the operation area

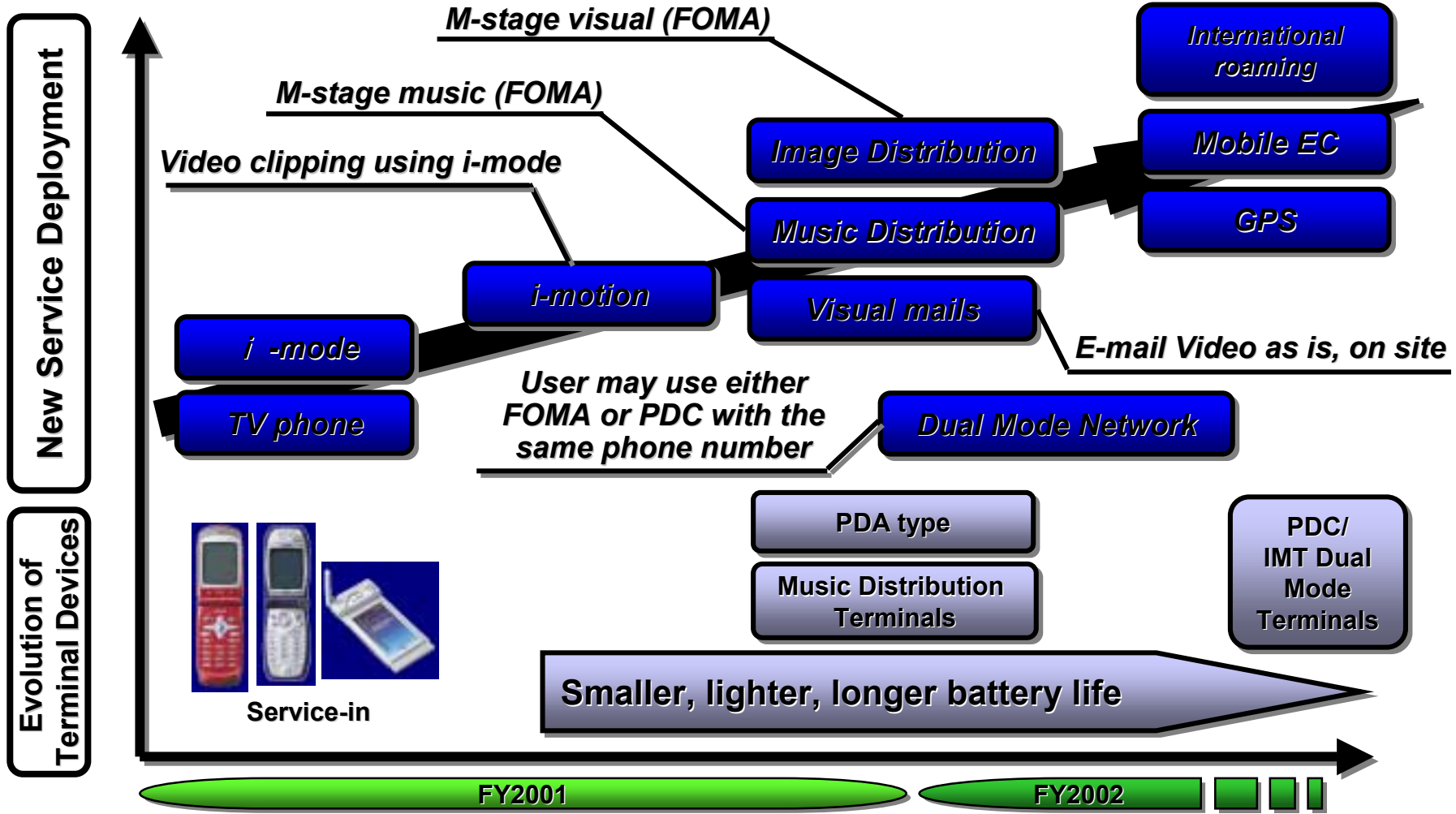
Communication Tariff (Packet Pack)

- By using Packet Pack, the packet tariff can be reduced to 1/10 at maximum.
- Users are able to choose a tariff scheme most suited for their usage by combining the Comprehensive Usage Plan/Data-only Plan with the Packet Pack.
- The Fixed Rates in the Packet Pack can be used for all communication modes.



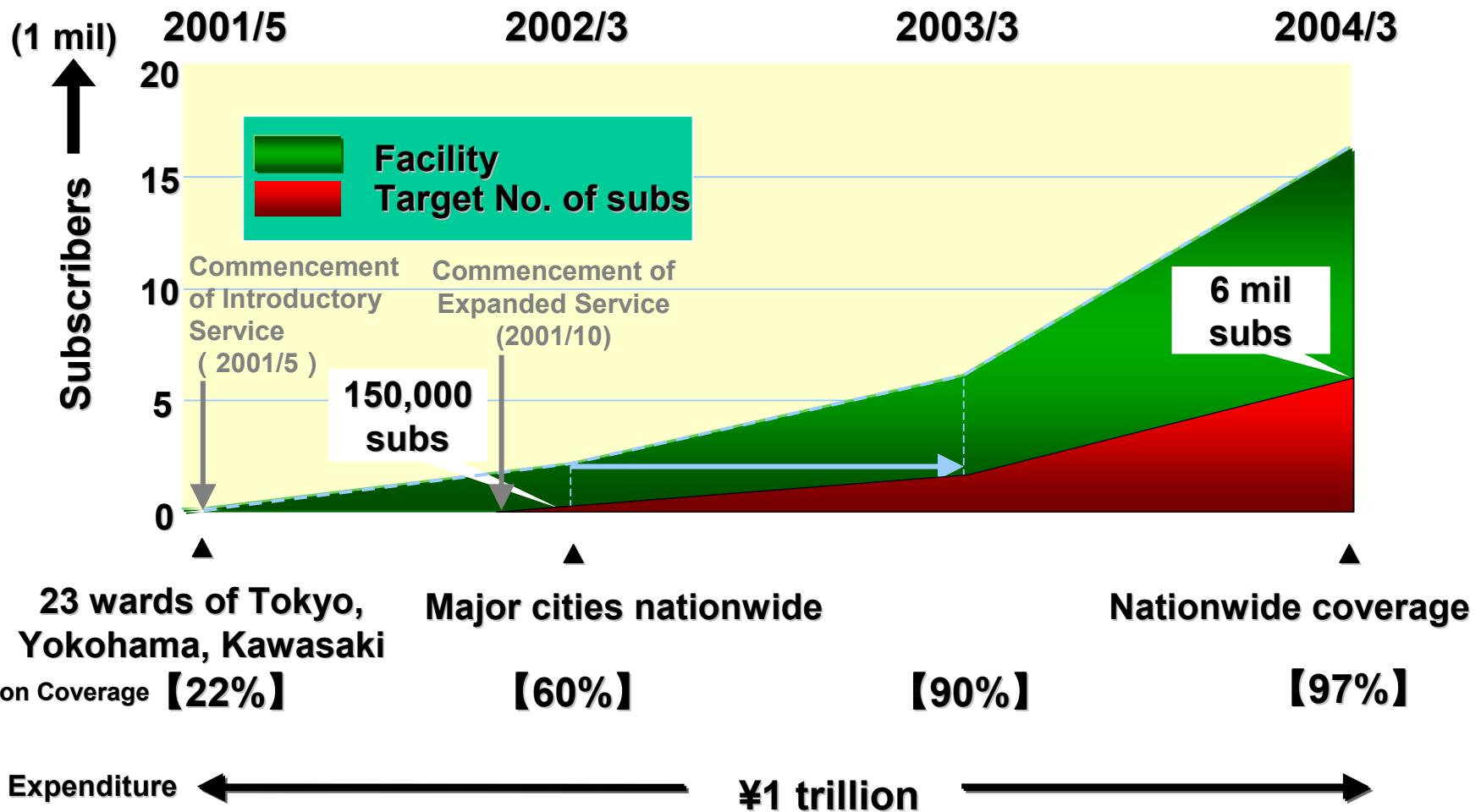
FOMA's Growing Possibilities

FOMA continues to evolve as new functions are added



FOMA Roll-out Plan

Nationwide area coverage in about three years after commencement of service (97% Population Coverage)



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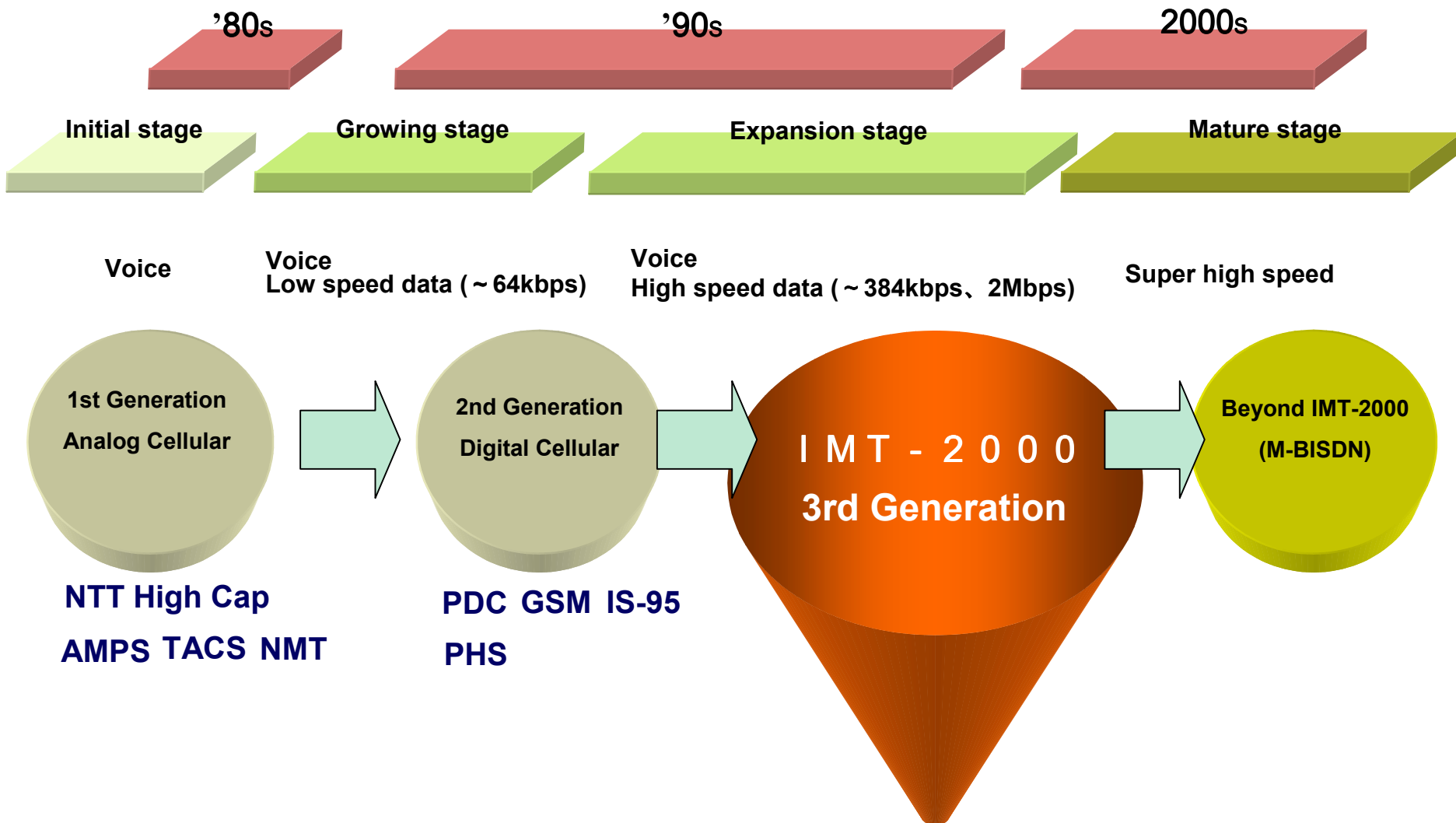
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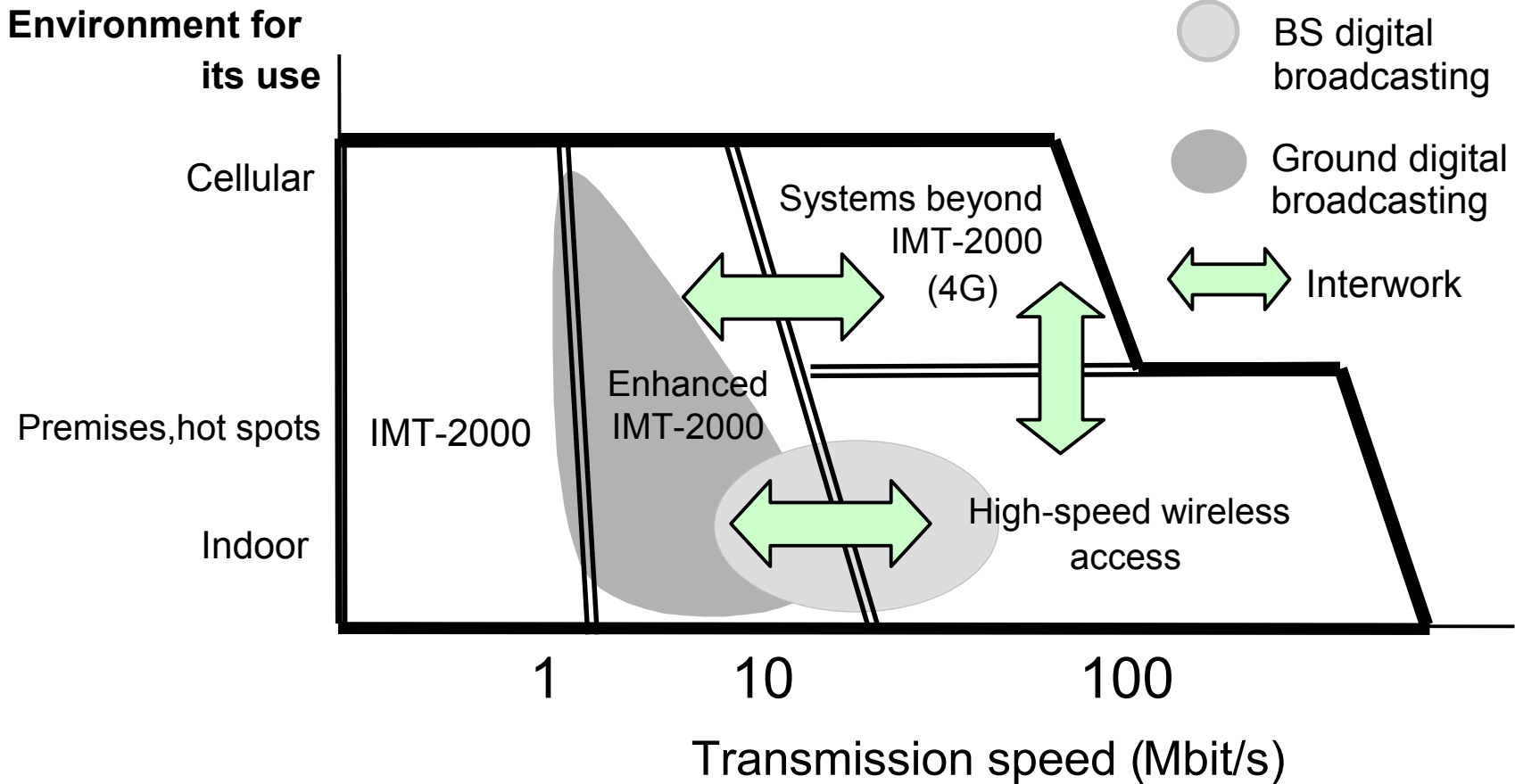
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Evolution Scenario towards IMT-2000



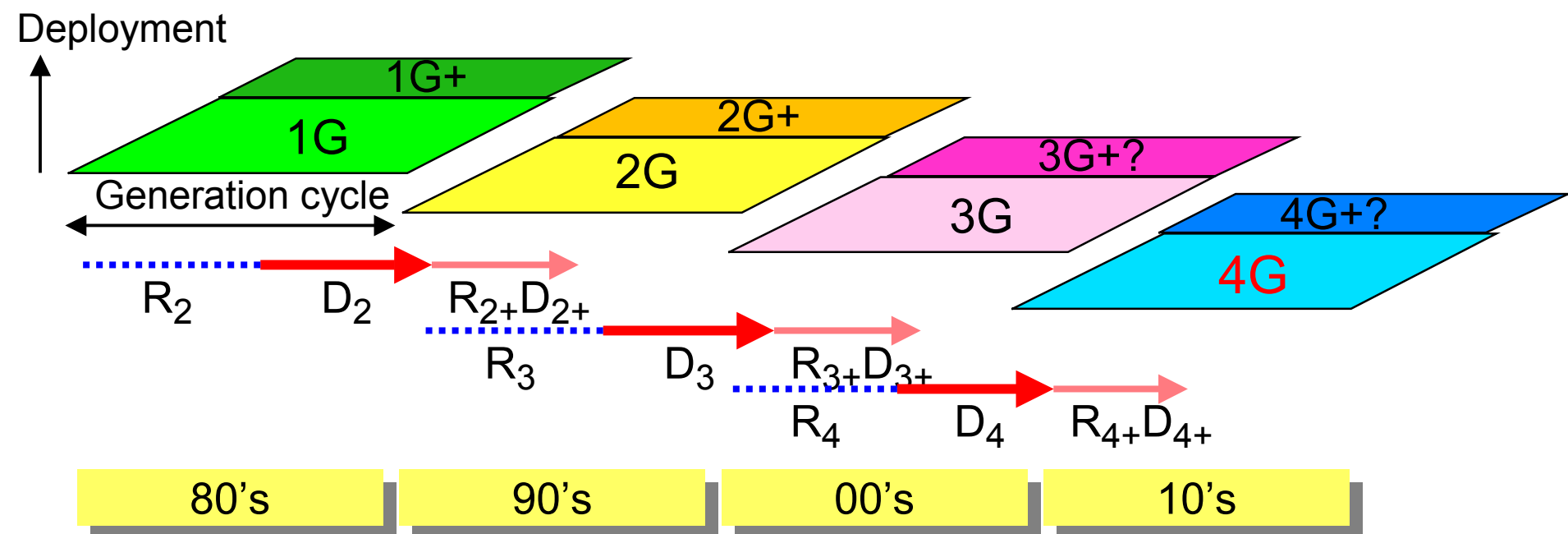
Relations among the Future Mobile Communications Systems



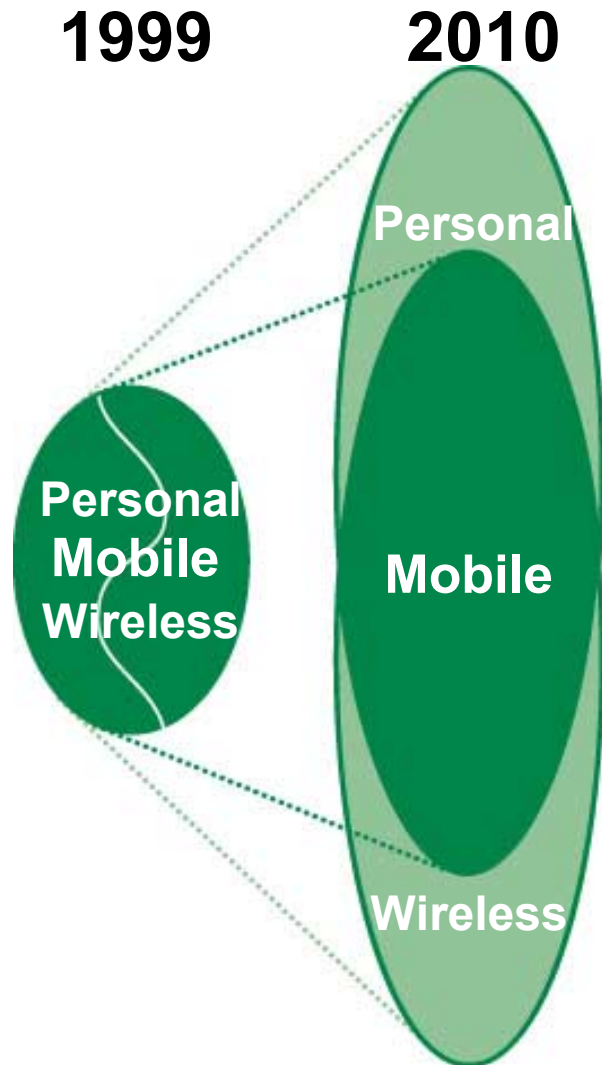
Integration/ seamless-ness/ inter-working

Deployment Scenario Beyond IMT-2000

- Generations change every 10 years, and each generation has “Enhancement phase”.
 - 1G+ : High Capacity Analog Sys. with diversity. (Japan)
 - 2G+ : Half rate CODEC / Packet (GSM/PDC)
- It's time to start research for “Systems beyond IMT-2000 ”



DoCoMo Vision 2010



Mobile Multimedia

Anytime, Anywhere, Anyone

Global Mobility Support

Integrated Wireless Solution

Customized Personal Service



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