

FY2018/2Q
Results Presentation
(excerpted version)

Medium-Term Management Strategy



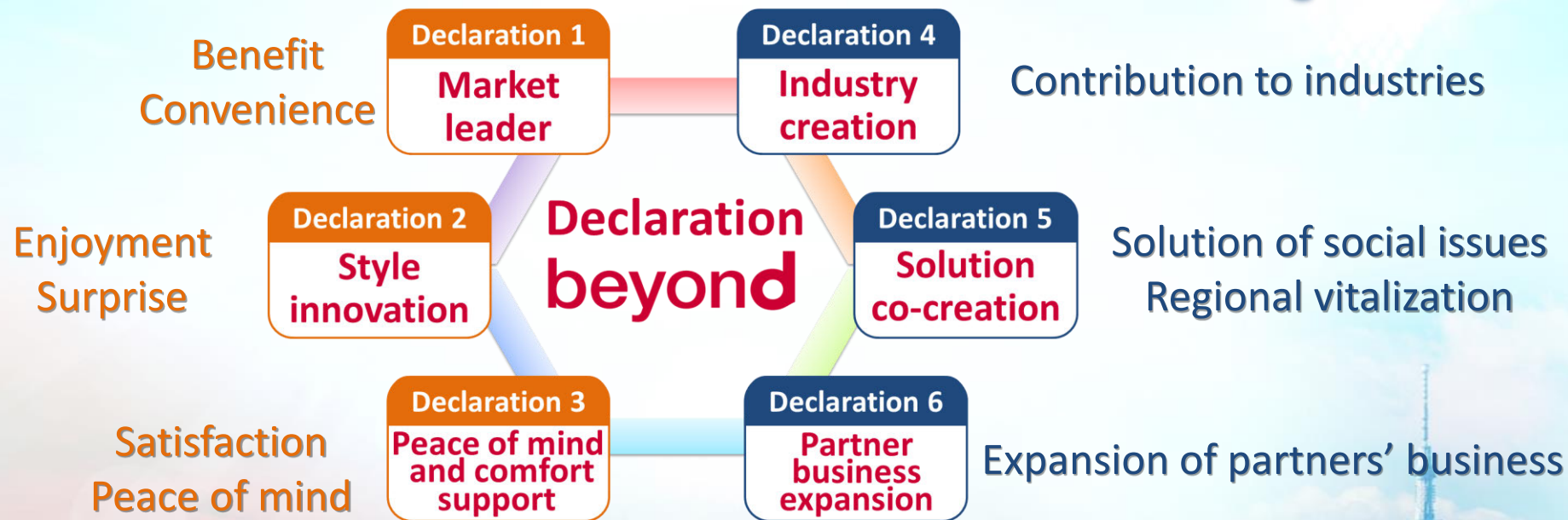
October 31, 2018

beyond

Connecting dreams, for a richer future with 5G

Value and excitement
to customers

Value co-creation
with partners



 +  =  Sustainable

Promote ESG management and strive to realize sustainable development of society by addressing the two aspects of "Innovative docomo" and "Responsible docomo"

For Sustainable Growth in 2020s

- **Transformation into business management
pivoted on membership base**
 - **5G rollout and business creation**

Revenue opportunity creation centered on customer base

- Expansion of customer base and promotion of “+d”
- Growth of Smart life business
- Growth of Enterprise business

Growth driven by 5G

- Construction of 5G network
- Creation of 5G services and solutions

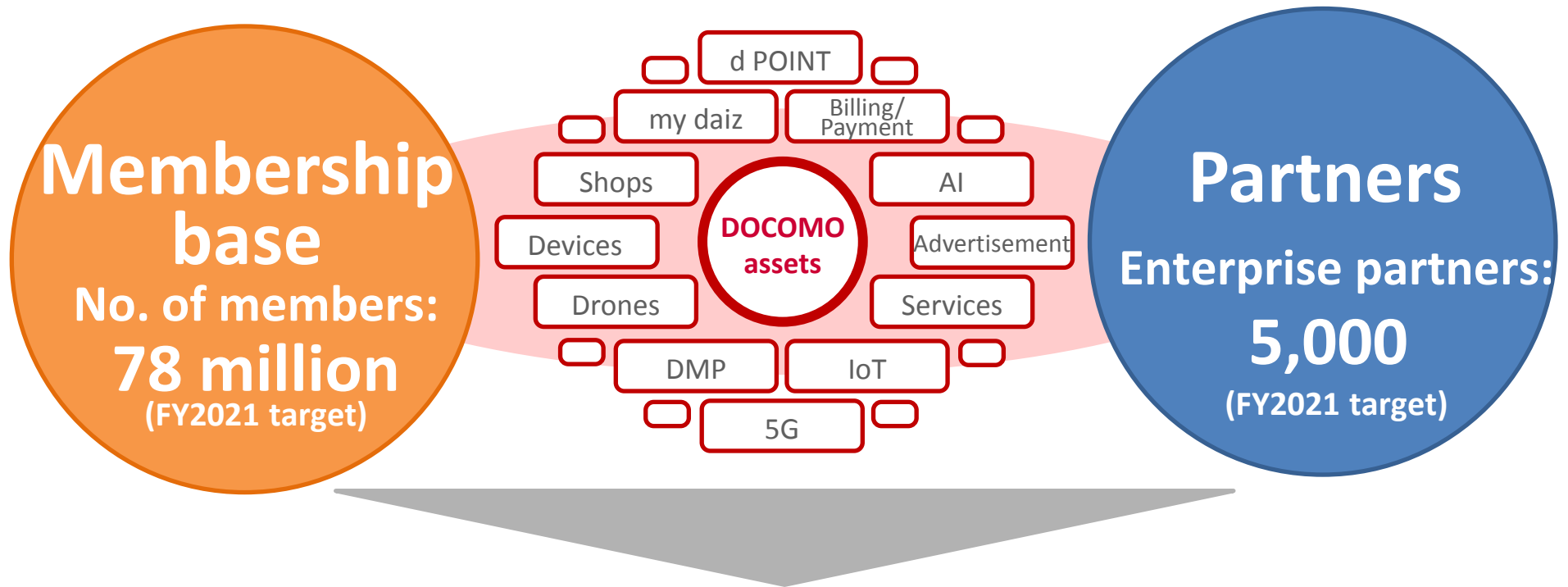
Execution of customer returns and evolution of customer touchpoints

- Great value and simple rate plans
- Shorten customers' wait and attendance time

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-  **Revenue opportunity creation centered on customer base**
 -  **Growth driven by 5G**
 -  **Execution of customer returns and evolution of customer touchpoints**

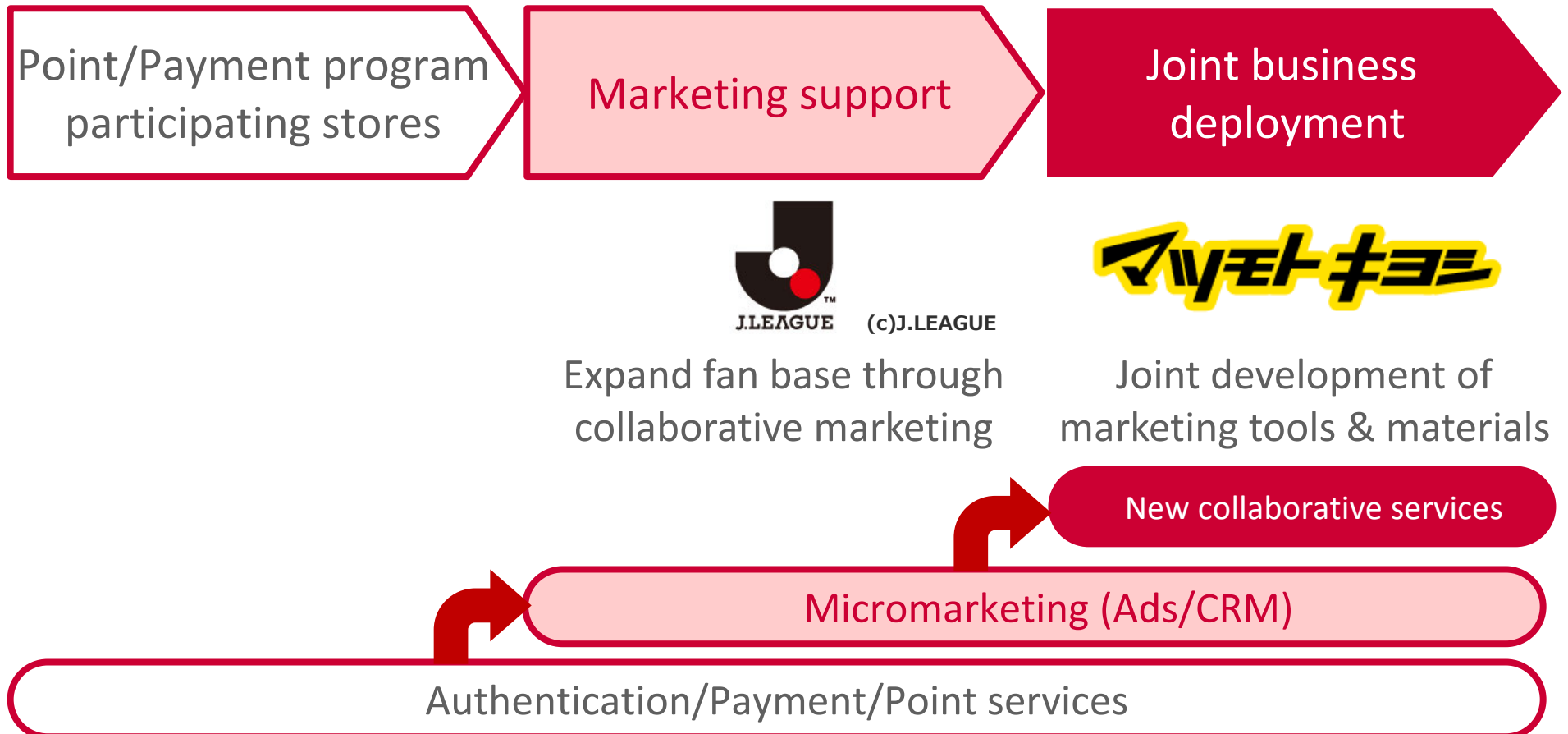
Promotion of +d

Offer new value to customers and partners
Create revenue opportunities



Create new added value

Advance business models by deepening our ties with partners



Growth of Finance/Payment Business ^{NTT} docomo

Expand the payment ecosystem

No. of locations where payment/
point services can be used

Approx.
900,000 → **2 million** (FY2021 target)

Finance/Payment transactions
handled

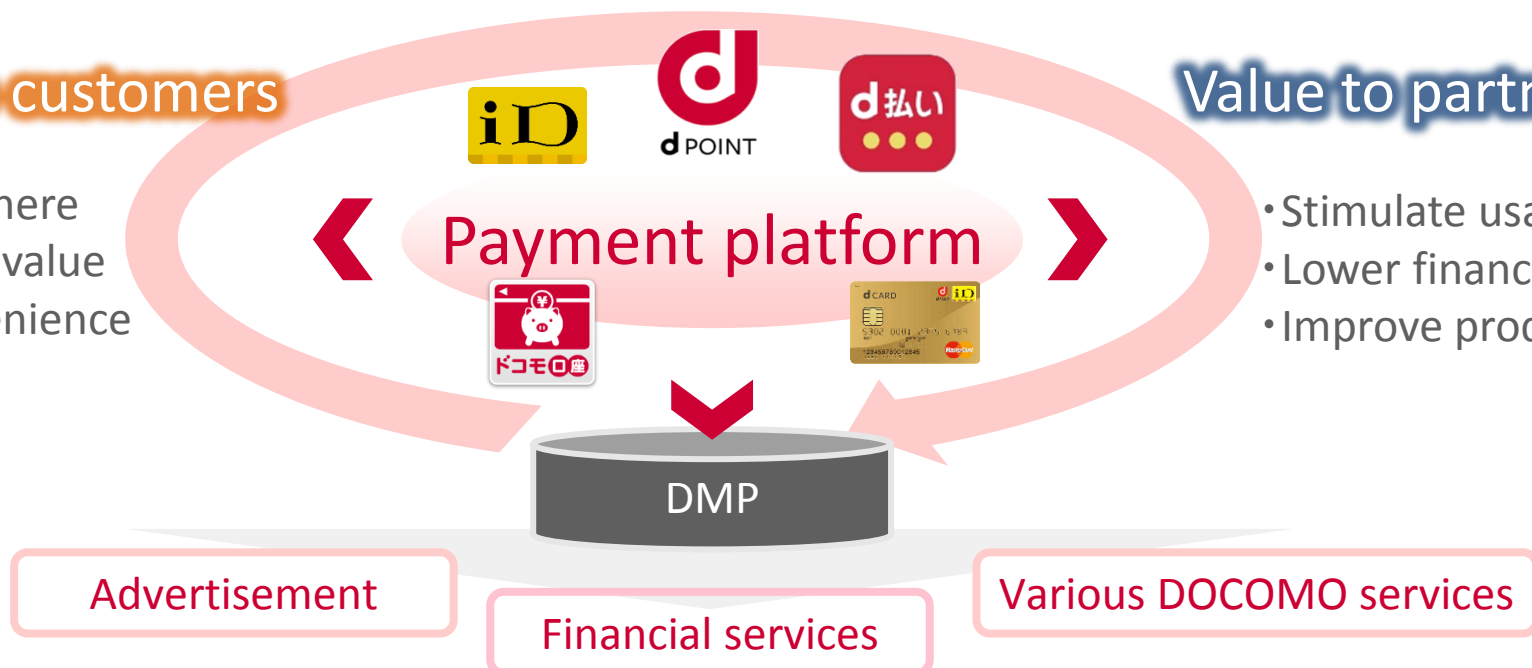
Approx.
¥3.2 trillion → **¥6 trillion** (FY2021 target)

Value to customers

- Anywhere
- Great value
- Convenience

Value to partners

- Stimulate usage
- Lower financing burden
- Improve productivity



docomo AI insurance



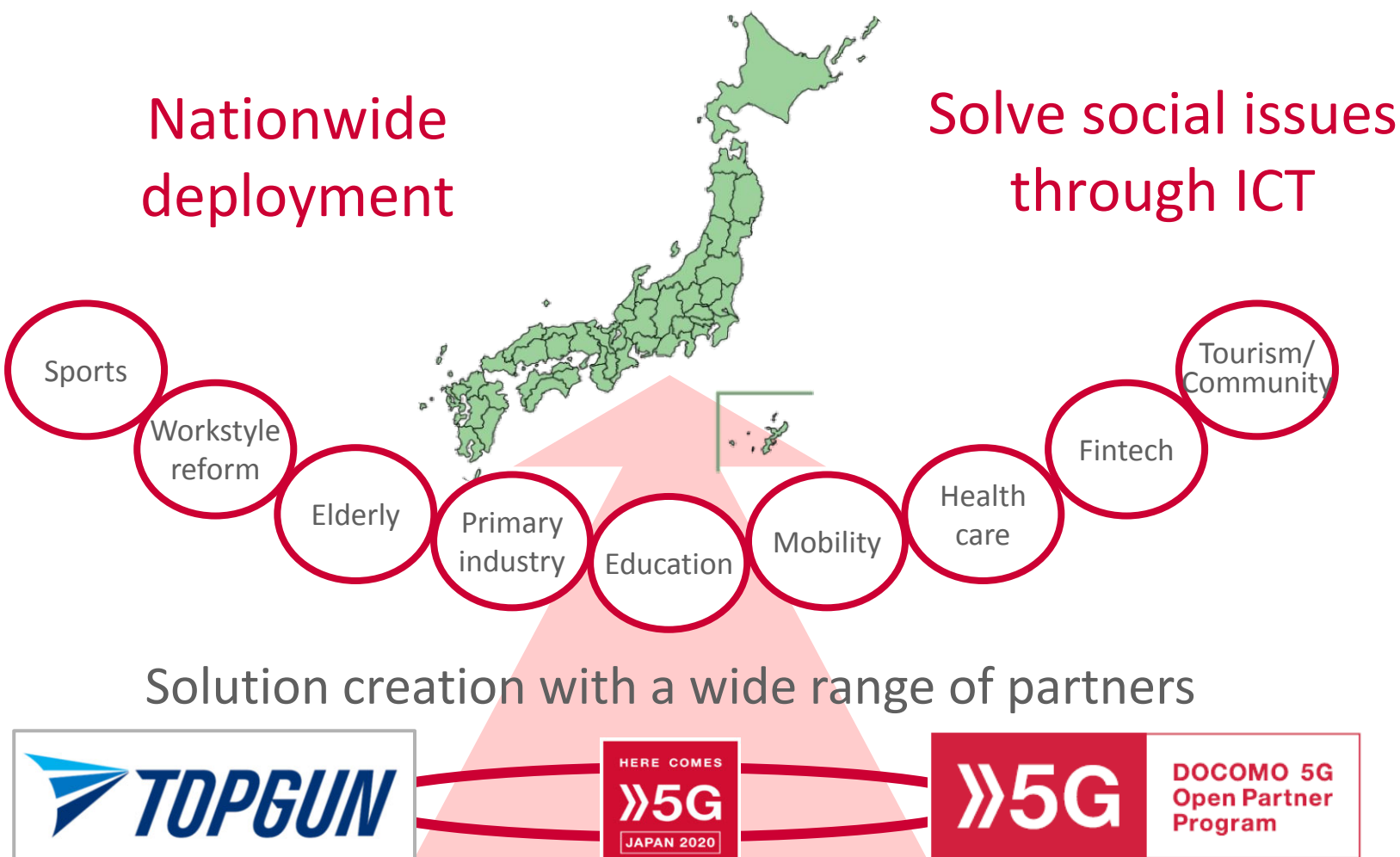
Lending
platform






THEO+ ^{NTT} docomo
(ファイナンス)

Growth of Enterprise Business

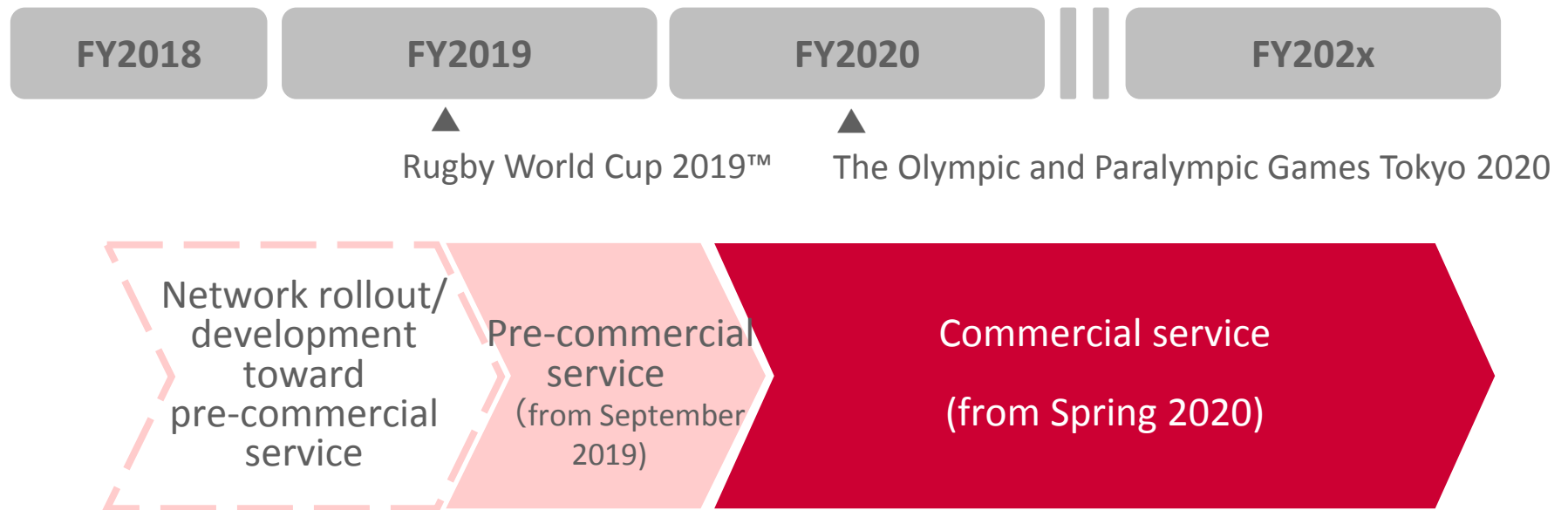
**Create and expand new solutions
to generate ¥120 billion in revenues (FY2021 target)**



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-  Revenue opportunity creation centered on customer base
 -  **Growth driven by 5G**
 -  Execution of customer returns and evolution of customer touchpoints

5G Network Rollout

**Steadily build coverage in areas
where 5G is considered necessary**



¥1 trillion investment for 5G infrastructure buildout, etc.
(FY2019-2023 cumulative)

5G Services & Solutions

Creation underway in cooperation with a wide range of partners toward full-scale launch of 5G

New sensory experience services



Stadium solutions



VR/AR/MR



New sensory live events

High presence

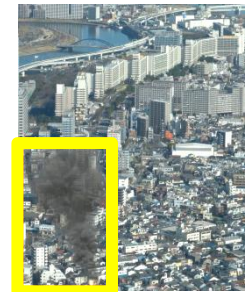


Interactive

Solutions for social issues/ Regional vitalization



Remote medicine



Anomaly detection
through video analysis
(Disaster prevention/
mitigation)



Remote operation of
construction equipment, etc.

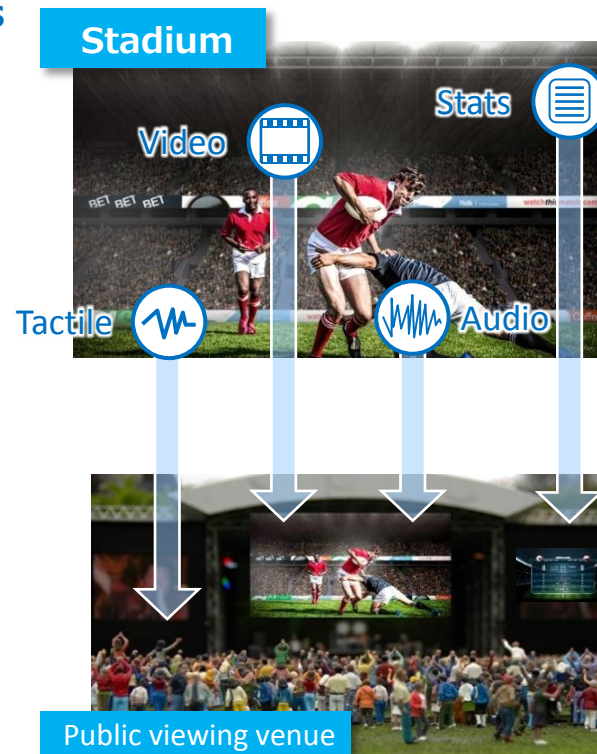
Case-1: Stadium Solutions

Delivery of new sport-viewing styles

Stadium viewing



Public viewing



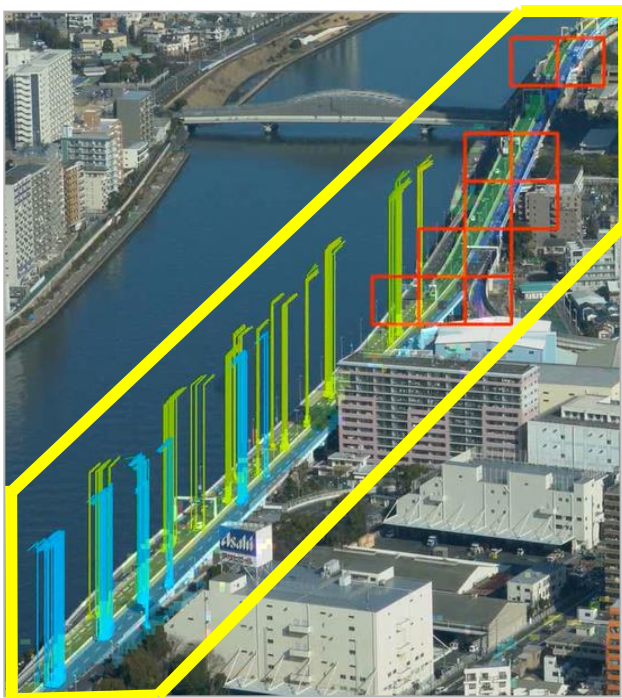
Experience sharing



Case-2: Disaster Prevention & Mitigation

Anomaly detection using AI analytics of city video/image feeds

Congestion detection



Fire detection



Human movement detection



Case-3: Remote Medicine

Eliminate inequality in access to healthcare by leveraging 5G

Next-generation mobile clinic vehicles



Specialist at
general hospital

Real-time sharing of
high-resolution
diagnostic imaging



Treatment advice

Real-time
communication
via high-resolution
TV conferencing



General practitioner






DOCOMO
Open House 2018

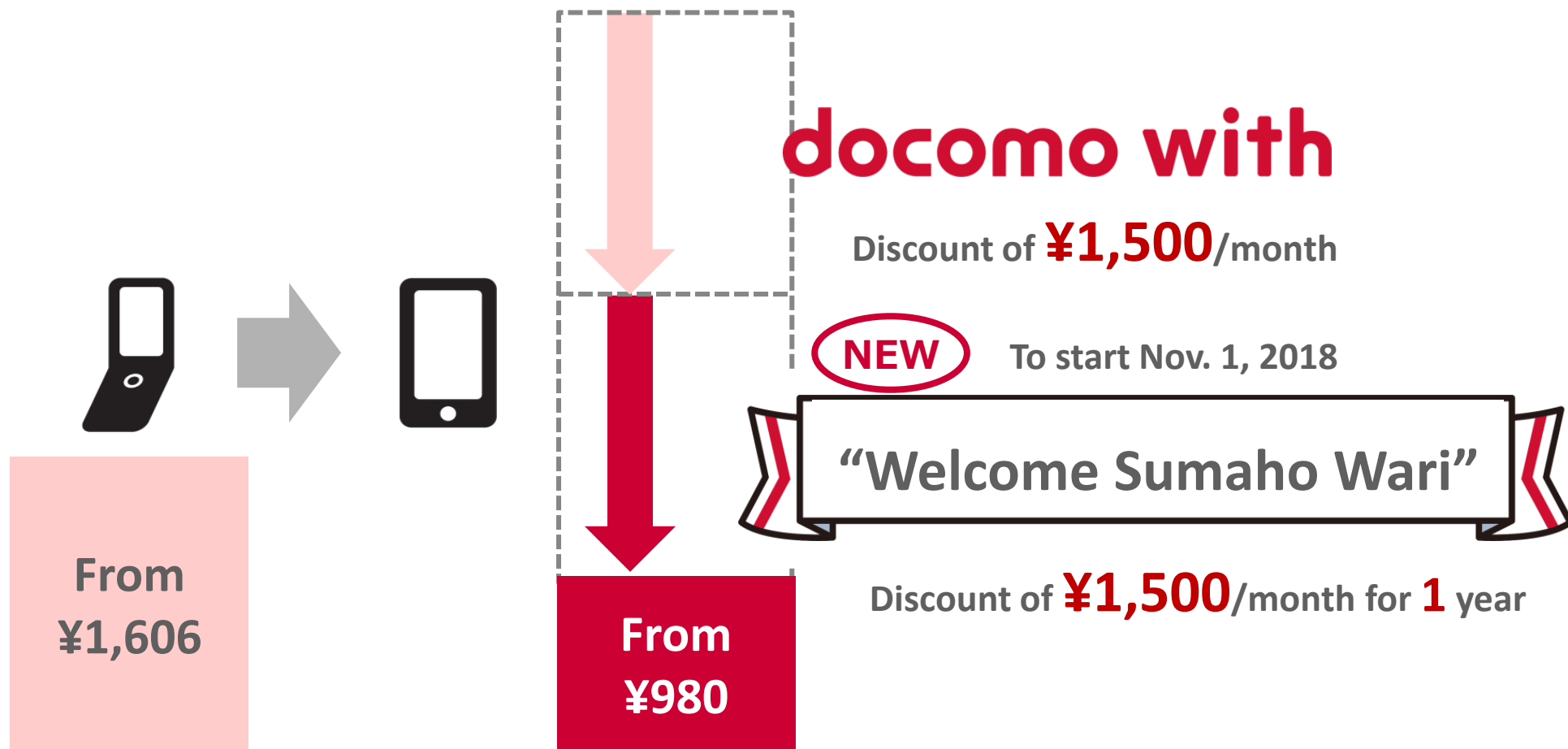
5G Innovation and Collaboration
Dec. 6-7 (Thu & Fri), 2018 @Tokyo Big Sight



To be showcased
in December

-  Revenue opportunity creation centered on customer base
-  Growth driven by 5G
-  Execution of customer returns and evolution of customer touchpoints

Affordable Rates for First-Time Smartphone Users



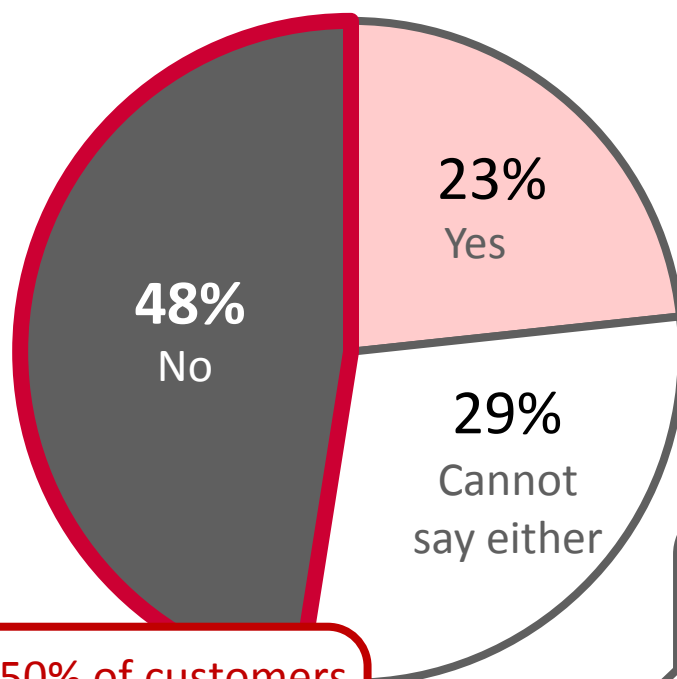
- ◆ The rates above do not include taxes.
- ◆ Rates applied for use of feature phone (“Type SS Value” + i-mode monthly fee + “Pake-hodai Double”)
- ◆ Rates applied for use of smartphone (“Simple Plan” + sp-mode monthly fee + “Basic Pack” + “Zutto DOCOMO Wari Plus(Platinum Stage)” + “docomo with” + “Welcome Sumaho Wari”)

Great Value & Simple Rate Plans

Pursue customers' ease of understanding

Survey on DOCOMO's rate plans

Q: Are our rate plans easy to understand?



Approx. 50% of customers think the rate plans are difficult to understand

Customers' voices

The rate plans are **hard to understand**. "Make them **simpler**."

"The **structure** of the rate plans is **too complex**. **Cannot fully understand** even if I read your home page or other material."

"Cannot understand the rate plan just by using the service on a daily basis."

"**Cannot perceive savings or great value** from user's perspective."

Bold Review of Rate Plans

**To be announced and launched
in FY2019/1Q**

Low-cost plan

**Approx. 20-40%
rate reduction**

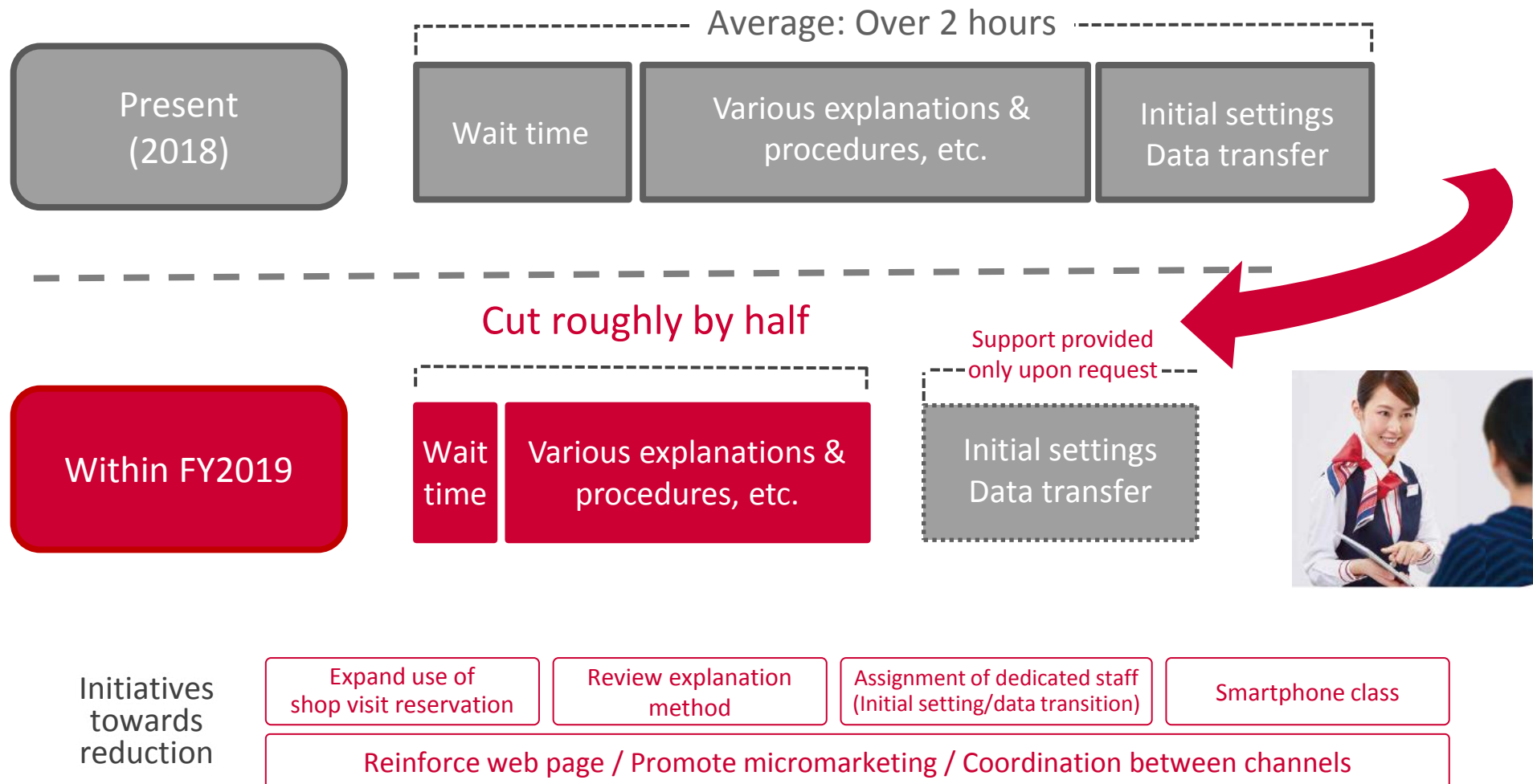


Customer returns (per annum)


**Up to approx.
¥400 billion**


For Customers' Comfortable Experience


Reduction of wait/attendance time



Medium-Term Operational Indices

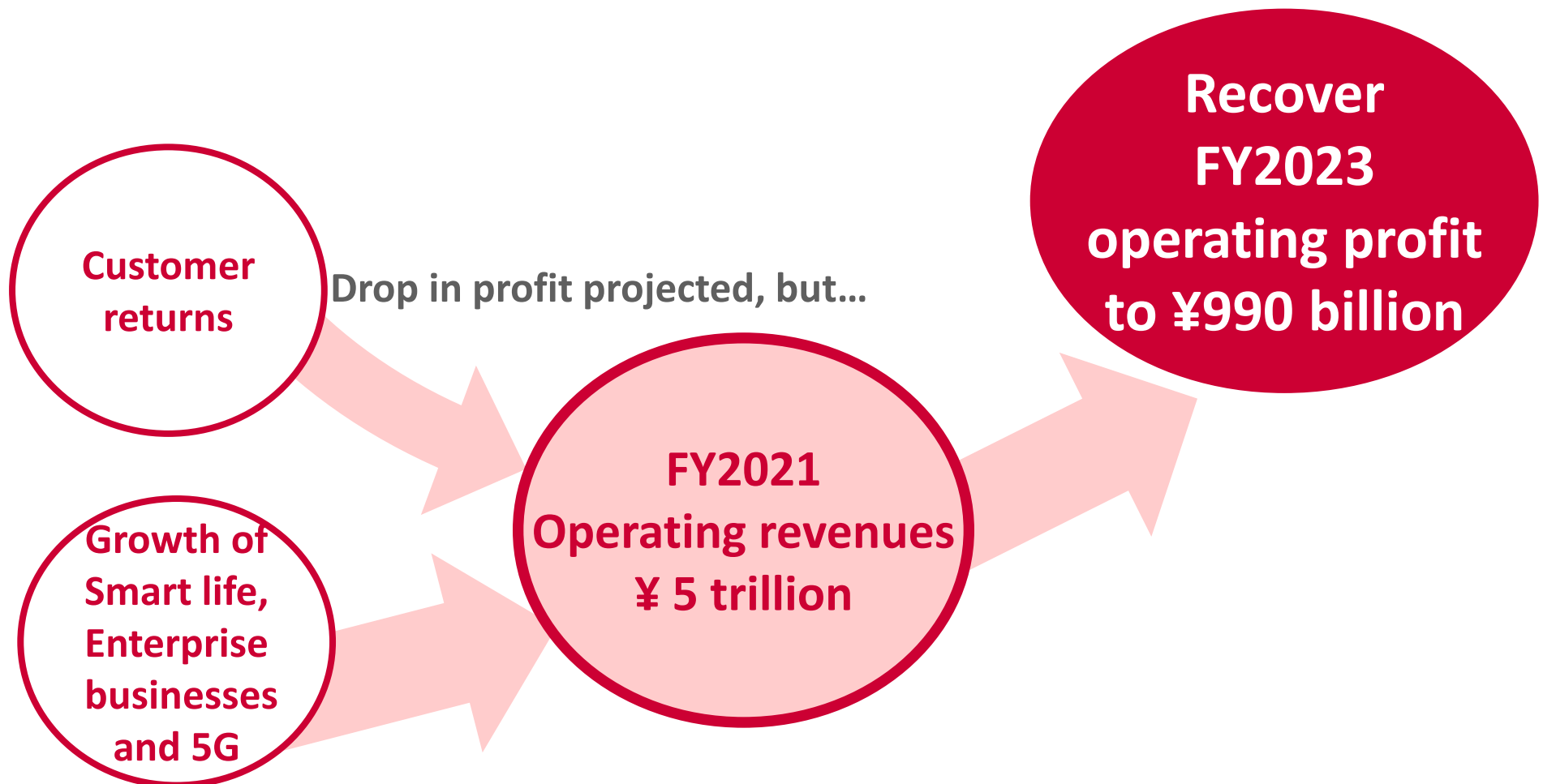
	Revenue opportunity creation centered on customer base (FY2021 target)	“d POINT CLUB” members:	78 million
		Enterprise partners:	5,000
		Locations where payment/point service can be used:	2 million
		Transactions handled by Finance/Payment business:	¥6 trillion
		Enterprise solution revenues:	¥120 billion

	Growth driven by 5G	Cumulative investment for 5G infrastructure build-out, etc.: (FY2019-FY2023)	¥ 1 trillion
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	Evolution of customer touchpoints	Wait time + attendance time: (Within FY2019)	Roughly half the current level
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Financial Targets

**Execute customer returns and growth investments
to achieve sustainable growth**



Medium-Term Management Strategy: Summary

- ▶ The basic policy of medium-term management strategy is to clearly shift the Company's direction to **“transformation into business management pivoted on membership base”** and **“5G rollout and business creation.”**
- ▶ As concrete initiatives, in response to customer voices, we will execute **customer returns through simple rate plans that offer great value.**
- ▶ By connecting our membership base—which will be strengthened through the customer return measures—with our partners, we will create revenue opportunities for **Smart life, Enterprise and 5G businesses, etc.**
- ▶ By undertaking the above, we aim to **recover our operating profit for FY2023 to a level comparable to FY2017** and realize sustained growth in the 2020s.

The new of today, the norm of tomorrow

