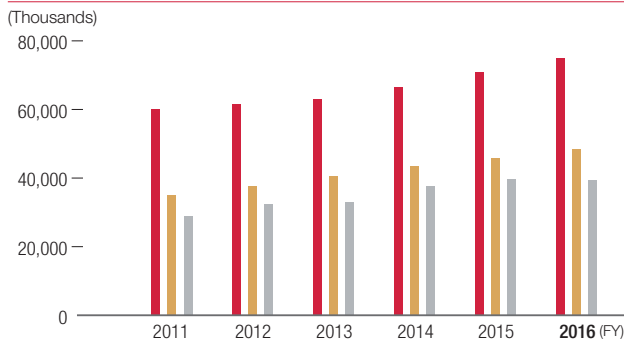


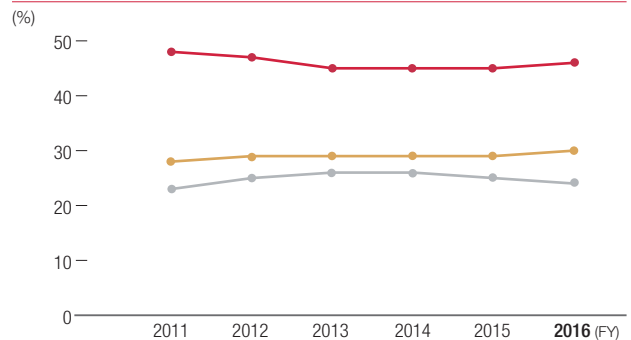
# Operating Data (As of and for fiscal years ended March 31)

## Number of mobile phone subscriptions Source: Telecommunications Carriers Association



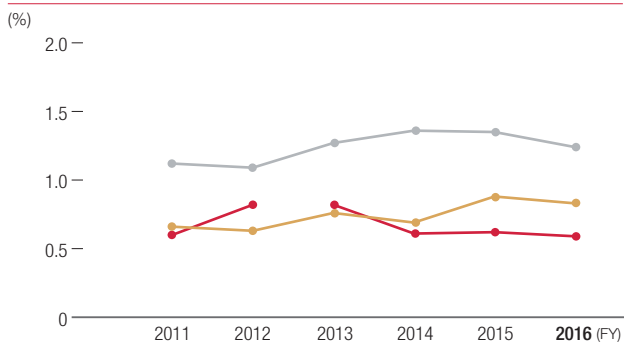
■ DCOMO	60,130	61,536	63,105	66,596	70,964	74,880
■ au	35,109	37,709	40,522	43,478	45,910	48,540
■ SoftBank <sup>2</sup>	28,949	32,480	32,925	37,766	39,586	39,310

## Share of mobile phone subscriptions Source: Telecommunications Carriers Association



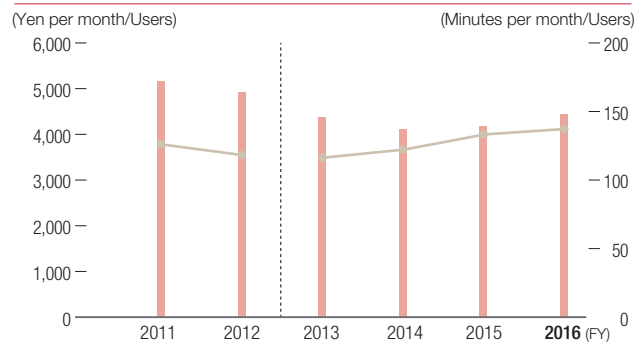
■ DCOMO	48	47	45	45	45	46
■ au	28	29	29	29	29	30
■ SoftBank <sup>2</sup>	23	25	26	26	25	24

## Churn rate Source: Figures announced by each company



■ DCOMO <sup>1</sup>	0.60	0.82	0.82	0.61	0.62	0.59
■ au	0.66	0.63	0.76	0.69	0.88	0.83
■ SoftBank <sup>2</sup>	1.12	1.09	1.27	1.36	1.35	1.48

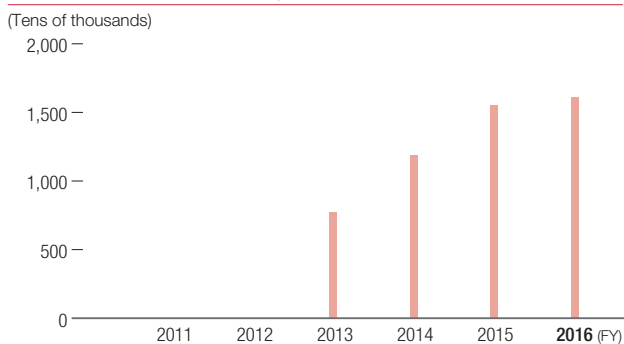
## ARPU<sup>3</sup>/MOU<sup>4</sup>



■ ARPU	5,140	4,900	4,370	4,100	4,170	4,430
● MOU	126	118	116	122	133	137

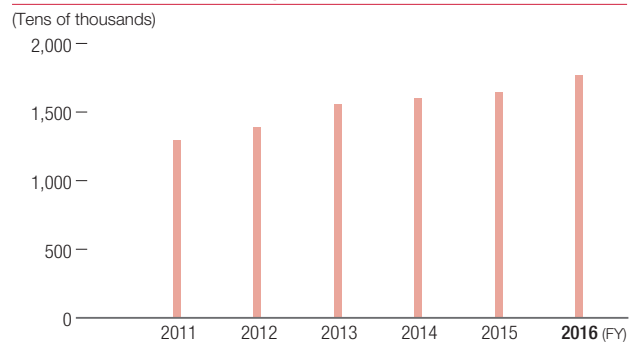
Note: The method of calculating ARPU and MOU changed from FY2015. Accordingly, the figures for FY2013 and FY2014 have been adjusted.

## Number of "dmarket" subscriptions



■ Number of subscriptions		769	1,188	1,554	1,608
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## Number of "d CARD" subscriptions<sup>5</sup>



■ Number of subscriptions	1,295	1,385	1,557	1,599	1,643	1,767
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1. The definition of churn rate changed from FY2015, and MVNO subscription and cancellation numbers are no longer included. Accordingly, the figures for FY2013 and FY2014 have been adjusted.

2. The figures for SoftBank from FY2011-2014 do not include EMOBILE (currently Y!mobile). The figures for FY2015 and FY2016 include Y!mobile.

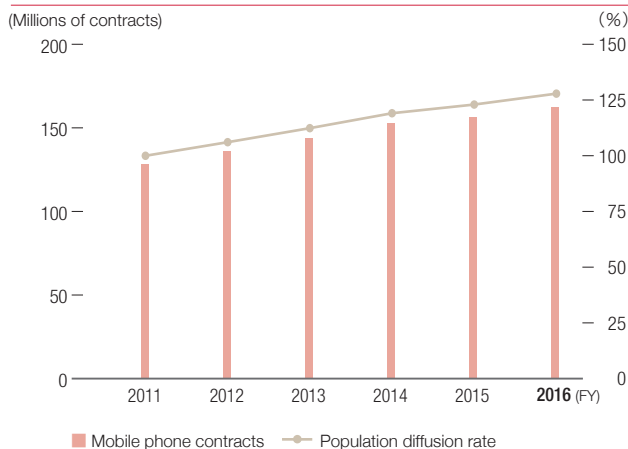
3. ARPU: Average monthly revenue per unit

4. MOU: Average monthly communication time per user

5. The number of "d CARD" subscriptions is the total of "d CARD" and "d CARD mini" members.

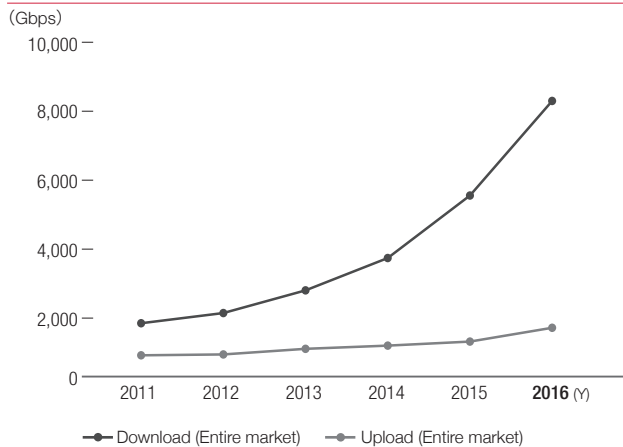
### Number of mobile phone contracts/Population diffusion rate in Japan

Source: MIC, Information & Communications Statistics Database



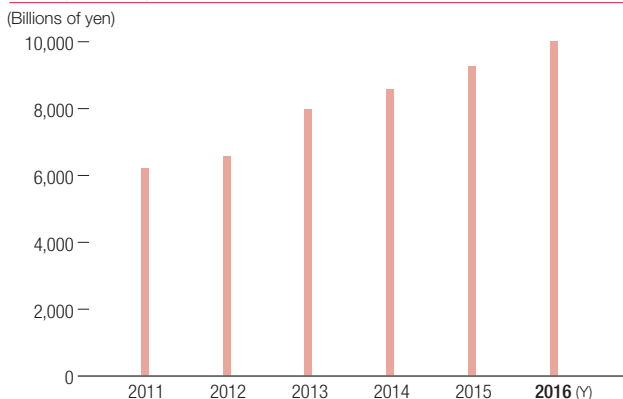
### Mobile communications traffic in Japan

Source: Ministry of Internal Affairs and Communications (MIC), Statistics and Estimates Regarding Internet Traffic in Japan, released on February 7, 2017 (Aggregate results for November 2016)



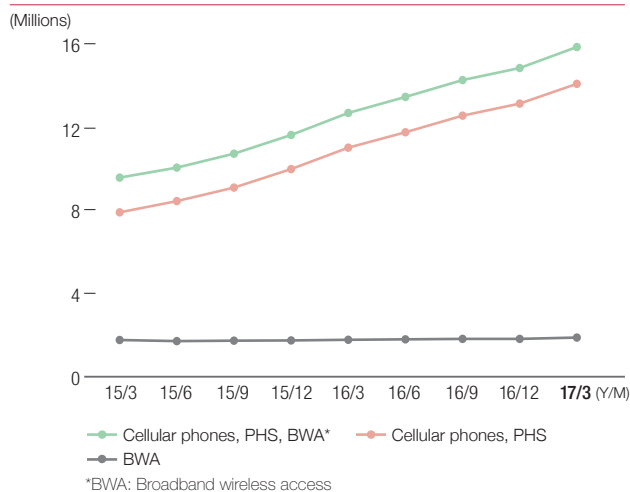
### Credit card shopping transaction volume

Source: Japan Consumer Credit Association, Credit Statistics of Japan: Trends in Consumer Credit Balance (2016 edition)



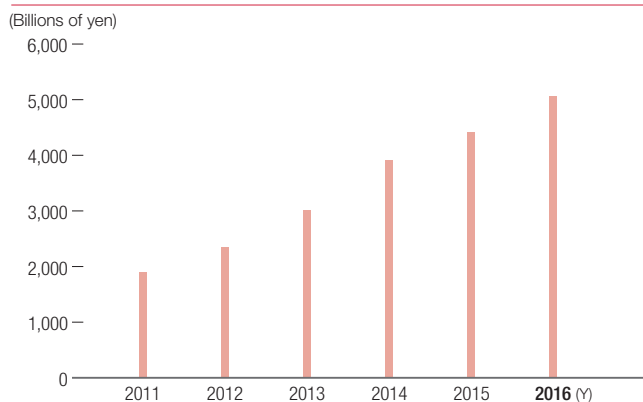
### Number of MVNO service subscriptions in Japan

Source: MIC, Quarterly Data on the Number of Telecommunications Service Subscriptions and Market Shares (FY2014 Q3 (End of March 2017))



### Scale of market for mobile content industry

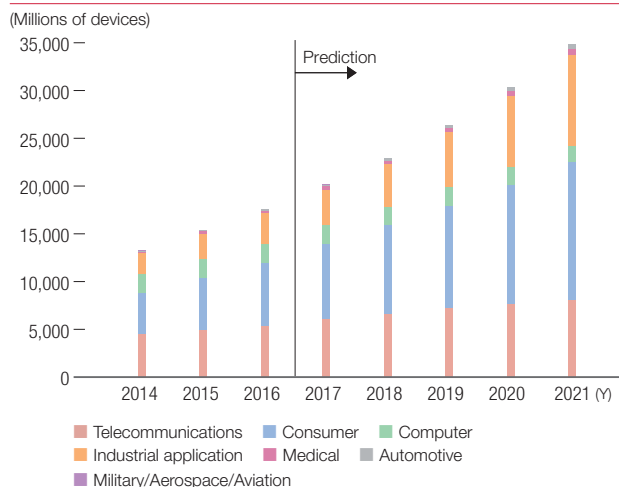
Source: MIC, White Paper on Information and Communications in Japan 2017



<http://www.soumu.go.jp/johotsusintokei/whitepaper/ja/h29/pdf/index.html>

### Global trend and prediction of IoT devices

Source: MIC, White Paper on Information and Communications in Japan 2017



<http://www.soumu.go.jp/johotsusintokei/whitepaper/ja/h29/pdf/index.html>

# 11-Year Summary of Selected Financial and Non-Financial Data NTT DOCOMO, INC. and Subsidiaries

	2006	2007	2008	2009
<b>Operating results:</b>				
Operating revenues	4,788,093	4,711,827	4,447,980	4,284,404
Telecommunications services <sup>1, 2</sup>	4,201,090	4,008,267	3,631,391	3,462,783
Equipment sales <sup>2</sup>	473,953	546,593	606,898	507,495
Other operating revenues <sup>1, 2</sup>	113,050	156,967	209,691	314,126
Operating expenses	4,014,569	3,903,515	3,617,021	3,450,159
Operating income	773,524	808,312	830,959	834,245
Net income attributable to NTT DOCOMO, INC. <sup>3</sup>	457,278	491,202	471,873	494,781
Comprehensive income attributable to NTT DOCOMO, INC. <sup>3</sup>	448,214	478,738	405,774	523,091
Total assets <sup>3</sup>	6,116,215	6,210,834	6,488,220	6,756,775
Total interest-bearing liabilities	602,965	478,464	639,233	610,347
Total shareholders' equity <sup>3</sup>	4,161,303	4,276,496	4,341,585	4,635,877
Debt-to-equity ratio (Times) <sup>3, 4</sup>	0.145	0.112	0.147	0.132
Shareholders' equity ratio <sup>3</sup>	68.0%	68.9%	66.9%	68.6%
Net cash provided by operating activities	980,598	1,560,140	1,173,677	1,182,818
Net cash used in investing activities	(947,651)	(758,849)	(1,030,983)	(1,163,926)
Adjusted free cash flows <sup>5, 6</sup>	192,237	442,410	93,416	416,878
Capital expenditures	934,423	758,743	737,606	686,508
Research and development expenses	99,315	100,035	100,793	109,916
Depreciation and amortization	745,338	776,425	804,159	701,146
Operating income margin	16.2%	17.2%	18.7%	19.5%
EBITDA <sup>6, 7</sup>	1,574,570	1,639,096	1,678,422	1,568,126
EBITDA margin <sup>6, 7</sup>	32.9%	34.8%	37.7%	36.6%
Operating FCF <sup>8</sup>	640,147	880,353	940,816	881,618
ROE	11.1%	11.6%	11.0%	11.0%
Price-earnings ratio (Times)	20.97	13.26	11.97	12.00
Payout ratio <sup>3</sup>	38.5%	42.1%	43.0%	43.8%
<b>Per share data (Yen):<sup>9</sup></b>				
Earnings per share attributable to NTT DOCOMO, INC. <sup>3</sup>	103.96	113.91	111.72	118.64
Shareholders' equity per share <sup>3</sup>	954.57	1,003.21	1,039.66	1,114.24
Cash dividends declared per share <sup>10</sup>	40	48	48	52
<b>Shares:<sup>9</sup></b>				
Average common shares outstanding	4,398,508,200	4,312,058,600	4,223,871,500	4,170,573,800
<b>Non-financial data:</b>				
Number of directors (of which independent outside directors) <sup>11</sup>	12 (0)	13 (0)	13 (0)	13 (0)
Number of consolidated employees (of which NTT DOCOMO, INC.) <sup>12, 13</sup>	21,591 (5,947)	22,100 (5,843)	21,831 (11,463)	22,297 (11,053)
Ratio of female officers and managers (NTT DOCOMO, INC.) <sup>12, 13, 14</sup>	—	—	—	—
Greenhouse gas emissions (t-CO <sub>2</sub> ) <sup>15</sup>	1,111,156	1,090,169	1,243,286	1,249,456
Electricity usage (MWh)	2,655,428	2,762,238	2,766,979	2,735,061
Paper usage (t) <sup>16</sup>	—	—	35,142	35,770

1. In fiscal 2012, some elements that had previously been included in "Wireless services" were reclassified into "Other operating revenues," and the title "Wireless services" was changed to "Mobile communications services." Accordingly, data from fiscal years 2006 to 2011 have been reclassified in the same manner.

2. In fiscal 2014, "Mobile communications services" are presented as "Telecommunications services," and some elements that were previously included in "Other operating revenues" (revenues from satellite communications, overseas cable TV, and other services) are included in "Telecommunications services." Accordingly, data from fiscal 2006 to 2013 have been reclassified in the same manner.

3. The consolidated financial statements for fiscal 2012 have been revised due to the reinstatement of the equity method for an investee.

4. Debt-to-equity ratio = Interest-bearing liabilities ÷ Shareholders' equity

5. Adjusted free cash flows exclude the effects of uncollected revenues due to bank holidays at the end of the period, the effects of the uncollected amounts of transferred receivables of telephone charges to NTT FINANCE CORPORATION, and changes in investment derived from purchases, redemption at maturity and disposals of financial instruments held for cash management purposes with original maturities of longer than three months.

6. For the reconciliations of these Non-GAAP Financial Measures, see page 80.

7. In previous consolidated statements of income, impairment loss associated with goodwill and unamortized intangible assets was included under the item "Selling,

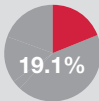
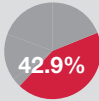
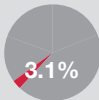

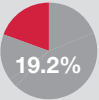
(Millions of yen)


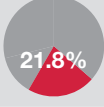


2010	2011	2012	2013	2014	2015	2016
4,224,273	4,240,003	4,470,122	4,461,203	4,383,397	4,527,084	4,584,552
3,361,235	3,334,036	3,176,931	2,963,980	2,747,155	2,815,507	2,985,094
477,404	498,889	758,093	872,000	904,089	860,486	719,161
385,634	407,078	535,098	625,223	732,153	851,091	880,297
3,379,544	3,365,543	3,632,942	3,642,004	3,744,326	3,744,060	3,639,814
844,729	874,460	837,180	819,199	639,071	783,024	944,738
490,485	463,912	491,026	464,729	410,093	548,378	652,538
450,909	436,338	546,443	523,431	453,102	510,667	662,281
6,791,593	6,948,082	7,169,725	7,508,030	7,146,340	7,214,114	7,453,074
428,378	256,680	253,766	230,346	222,651	222,164	221,880
4,850,436	5,062,527	5,368,475	5,643,366	5,380,072	5,302,248	5,530,629
0.088	0.051	0.047	0.041	0.041	0.042	0.040
71.4%	72.9%	74.9%	75.2%	75.3%	73.5%	74.2%
1,287,037	1,110,559	932,405	1,000,642	962,977	1,209,131	1,312,418
(455,370)	(974,585)	(701,934)	(703,580)	(651,194)	(375,251)	(943,094)
589,777	503,479	225,589	257,209	295,590	598,744	664,531
668,476	726,833	753,660	703,124	661,765	595,216	597,078
109,108	108,474	111,294	102,039	96,997	83,315	83,050
693,063	684,783	700,206	718,694	659,787	625,934	452,341
20.0%	20.6%	18.7%	18.4%	14.6%	17.3%	20.6%
1,565,728	1,583,298	1,569,264	1,572,196	1,369,092	1,463,176	1,463,444
37.1%	37.3%	35.1%	35.2%	31.2%	32.3%	31.9%
897,252	856,465	815,604	869,072	707,327	867,960	866,366
10.3%	9.4%	9.4%	8.4%	7.4%	10.3%	12.0%
12.39	12.28	12.00	14.53	20.54	18.06	14.80
44.1%	50.1%	50.7%	53.5%	64.0%	49.5%	45.7%
117.97	111.87	118.41	112.07	101.55	141.30	175.12
1,169.69	1,220.84	1,294.62	1,360.91	1,386.09	1,409.94	1,492.91
52	56	60	60	65	70	80
4,157,685,900	4,146,760,100	4,146,760,100	4,146,760,100	4,038,191,678	3,880,823,341	3,726,266,553
13 (0)	13 (0)	14 (1)	15 (1)	14 (1)	15 (2)	15 (2)
22,954 (11,062)	23,289 (11,053)	23,890 (10,903)	24,860 (10,973)	25,680 (7,344)	26,129 (7,616)	26,734 (7,609)
—	—	2.4%	2.7%	3.0%	3.6%	4.4%
1,210,437	1,266,880	1,454,815	1,628,381	1,694,763	1,598,434	1,593,638
2,814,866	2,944,856	2,866,617	2,873,781	3,013,666	2,887,216	2,970,041
29,934	33,026	33,086	21,314	15,601	10,498	11,859

general and administrative," but as of FY2016, it is recorded as "Impairment loss." Thus, in the above statements, "Impairment loss" for FY2014 and FY2015, has been reclassified in accordance with the presentation method for FY2016.

8. Operating free cash flow = EBITDA – Capital expenditures
9. In the calculation of per share data, treasury stocks are not included in the number of issued shares during or at the end of the year. As we conducted a 1:100 stock split with an effective date of October 1, 2013, "Per share data" and "Shares" for FY2006 to FY2013 are based on the number of shares after the stock split.
10. Cash dividends declared per share are presented in the fiscal year to which each record date for the dividends belongs.
11. The data on the numbers of directors are as of July 1 of the following fiscal year.
12. Includes employees on loan from other companies; does not include employees of DOCOMO temporarily transferred to other companies
13. Due to the effect of employees seconded to DOCOMO CS, Inc., which was established in July 2014, the number of employees for the fiscal year ended March 31, 2015 declined on a non-consolidated basis.
14. The data on the ratios of female officers and managers prior to FY2012 are not disclosed.
15. Some of the calculation methods were changed in FY2008.
16. In FY2016, we revised the calculation method for some of the items. The results from FY2008 and onward have been reclassified accordingly.

# FY2016 Financial Review

Operating revenues			Principal components of revenues	Results of fiscal year ended March 2017 and percentage of consolidated revenues
Telecommunications services	Mobile communications services revenues	Voice revenues	<ul style="list-style-type: none"> <li>Basic monthly charges</li> <li>Calling charges</li> <li>Packet communications charges</li> </ul>	<b>¥875.2 billion</b> (Increased 3.0% YOY) 
		Packet communications revenues		<b>¥1,968.8 billion</b> (Increased 2.6% YOY) 
	Optical-fiber broadband service and other telecommunications services revenues		<ul style="list-style-type: none"> <li>Revenues from optical-fiber broadband service, satellite communications services, and overseas cable TV service</li> </ul>	<b>141.1 billion</b> (Increased 194.5% YOY) 
Equipment sales			<ul style="list-style-type: none"> <li>Revenues from sales of mobile phone handsets that the Company purchases from manufacturers and sells to its agent resellers</li> </ul>	<b>¥719.2 billion</b> (Decreased 16.4% YOY) 
Other operating revenues			<ul style="list-style-type: none"> <li>Revenues from content and services provided for smartphones and tablets through "dmarket" operated by DOCOMO</li> <li>"Mobile Device Protection Service"-related revenues</li> <li>Revenues from services developed on platforms built for mobile communications devices, such as education and healthcare services</li> <li>Revenues from various smart life business developed by subsidiaries</li> <li>Revenues from "iD," a payment system, and "d CARD," a credit card business</li> </ul>	<b>¥880.3 billion</b> (Increased 3.4% YOY) 

Operating expenses	Principal components of expenses	Results of fiscal year ended March 2017 and percentage of consolidated expenses
Cost of services	Costs that are directly incurred by providing telecommunications services and other services <ul style="list-style-type: none"> <li>▪ Telecommunications equipment charges</li> <li>▪ Telecommunications equipment maintenance cost</li> <li>▪ Insurance premiums associated with the provision of mobile device protection service (compensation cost lost or damaged handsets), etc.</li> </ul>	<b>¥1,335.5 billion</b> (Increased 7.0% YOY) 
Cost of equipment sold	Purchase cost of equipment that the Company wholesales to sales agents, etc.	<b>¥792.1 billion</b> (decreased 10.1% YOY) 
Depreciation and amortization / Impairment loss*	<ul style="list-style-type: none"> <li>▪ Depreciation and amortization</li> <li>▪ Impairment loss (property, plant and equipment; depreciable intangible assets; goodwill; unamortizable intangible assets), etc.</li> </ul>	<b>¥464.5 billion</b> (decreased 27.8% YOY) 
Selling, general and administrative*	Primarily, expenses associated with acquiring new subscriptions and retaining existing subscribers <ul style="list-style-type: none"> <li>▪ Commission to sales agents</li> <li>▪ Point service expenses</li> <li>▪ Expenses associated with after-sales services such as repair of damaged handsets</li> <li>▪ Advertising expenses, etc.</li> </ul>	<b>¥1,047.7 billion</b> (increased 8.0% YOY) 

\* In previous consolidated statements of income, impairment loss associated with goodwill and unamortizable intangible assets was included under the item "Selling, general and administrative," but as of FY2016, it is recorded as "Impairment loss."

## ► DOCOMO's Revenue Structure

DOCOMO's revenue base in the telecommunications business is comprised of communications revenues received from customers, such as charges for voice communications, packet communications, and optical-fiber broadband services. In this business, DOCOMO invests in network equipment on a continuing basis, and expenses include depreciation and maintenance operation. For sales of equipment, DOCOMO records equipment sales revenues, and it also records revenue-linked expenses such as cost of equipment sold and commissions to agent resellers. In the smart life business segment, which comprises the smart life business and other businesses, DOCOMO provides services such as content distribution through "dmarket," finance/payment services, and a "Mobile Device Protection Service" offering compensation for customer handsets lost or damaged by water exposure. DOCOMO records expenses accompanying these services.

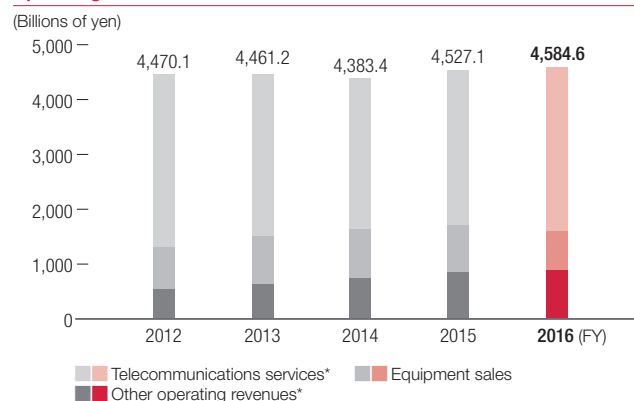
## ► Operating Revenues

Having positioned the current fiscal year as "a vibrant leap towards further growth beyond income recovery," DOCOMO endeavored to deliver further value to customers. To this end, we are strengthening the telecommunications business while simultaneously developing the smart life business and

other businesses segment based on "+d" initiatives, which are designed to drive the evolution of open collaboration with various partners and provide new added value.

Operating revenues increased ¥57.5 billion, or 1.3%, year on year to ¥4,584.6 billion. While being negatively affected by the strengthening of shareholder returns, operating revenues benefitted from recovery in the telecommunications business and profit growth in the smart life business segment.

### Operating revenues



\* In the fiscal year ended March 31, 2015, some elements that were previously included in other operating revenues (revenues from satellite telephone, overseas cable TV, and other services) are included in optical-fiber broadband service and other telecommunications services revenues. Accordingly, other operating revenues for the fiscal year ended March 31, 2014, have been reclassified, and the amount of the reclassification is ¥8.2 billion.

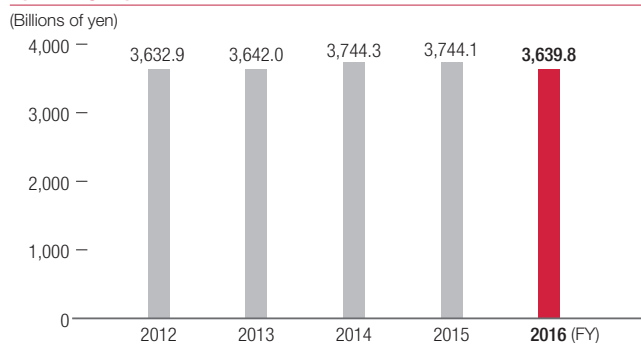
► Operating Expenses

Operating expenses decreased ¥104.2 billion year, or 2.8%, on year to ¥3,639.8 billion. Despite a rise in expenses linked to the increase in operating revenues, operating expenses decreased on the whole because of a decline in depreciation and amortization expenses following a change in the method for calculating depreciation of property, plant, and equipment. The result also reflected our ongoing efforts to improve cost efficiency.

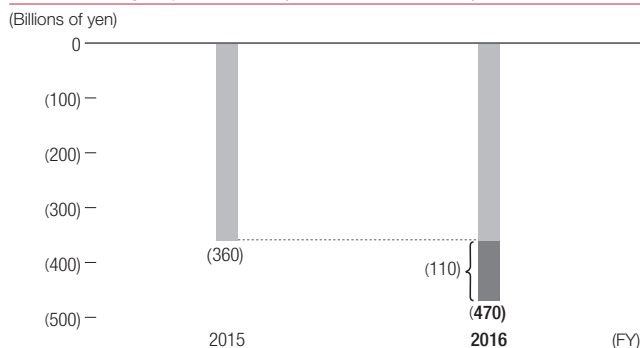
DOCOMO's efforts to improve cost efficiency have yielded ¥110 billion in cost reductions, exceeding the initial forecast.

Under the medium-term plan, which positioned FY2017 as the final year of the plan, DOCOMO aimed for ¥400 billion cumulative cost efficiency (compared with FY2013). We already surpassed this figure by the end of FY2016 by achieving ¥470 billion in cost reductions. This achievement reflects our efforts to broadly improve the efficiency of capital expenditures, maintenance outsourcing costs, and other costs related to networks, marketing, R&D, and information systems.

Operating expenses



Cost efficiency improvement\* (cumulative amounts)



\* Cumulative amounts are in comparison with the level of FY2013.

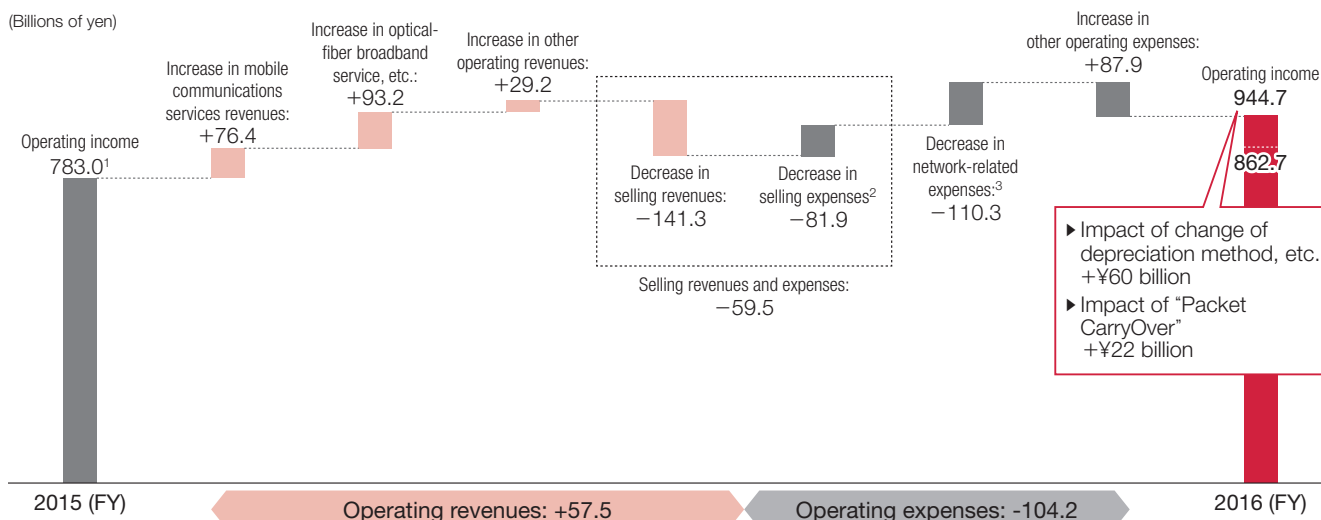
► Operating Income

As a result of the above initiatives, operating income in FY2016 increased ¥161.7 billion, or 20.7%, year on year to ¥944.7 billion, exceeding the mid-year revised operating

revenues forecast of ¥940.0 billion. EBITDA\* increased slightly year on year to ¥1,463.4 billion.

\* As of FY2016, DOCOMO changed the definition of EBITDA. Unlike in previous years, EBITDA now includes impairment loss associated with goodwill and unamortizable intangible assets.

Operating Income in FY2016



1. Including impact of change in "Zutto CarryOver," etc. (-¥18 billion)

2. Sum of cost of equipment sold, commissions to agent resellers

3. Sum of depreciation and amortization, loss on disposal of property, and usage cost of telecommunications equipment

## ▶ Performance by Segment

### Telecommunications Business

Operating revenues in the telecommunications business increased ¥21.4 billion, or 0.6%, year on year to ¥3,711.2 billion. Revenues from equipment sales declined and there was also a decline in revenues from mobile communications services after DOCOMO enhanced its billing plan “Kake-hodai & Pake-aeru” with the aim of strengthening shareholder returns. However, this negative impact was outweighed by an increase in packet use by subscribers to the billing plan above, an increase in smartphone use and demand for second devices such as tablets, and the fact that “docomo Hikari” subscribers increased to 3.4 million.

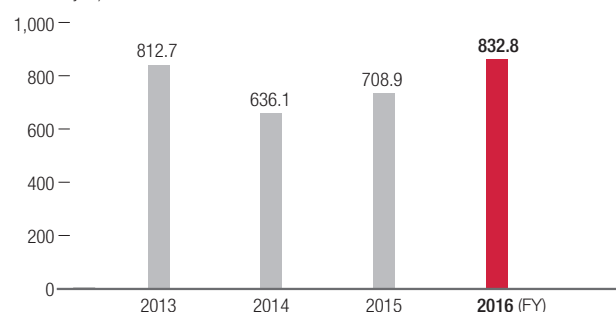
Operating expenses in the telecommunications business declined ¥102.6 billion, or 3.4%, year on year to ¥2,878.4 billion. Costs for the use of telecommunications equipment increased, and there was an increase in costs associated with initiatives to strengthen returns to our customers, including “Renewal Points” and “Child Raising Support Program.” However, expenses

decreased on the whole because of a decline in depreciation and amortization expenses following a change in the method for calculating depreciation of property, plant, and equipment, a decline in the cost of equipment sold, and ongoing efforts to improve cost efficiency.

As a result, operating income in the telecommunications business increased ¥123.9 billion, or 17.5%, year on year to ¥832.8 billion.

### Telecommunications business/Operating income

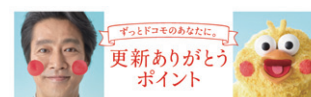
(Billions of yen)



### [ Telecommunications Business ] Key Topics

#### Ongoing efforts to strengthen returns to our customers based on the billing plan “Kake-hodai & Pake-aeru”

- We enhanced “Zutto DOCOMO Discount,” which offers greater value to long-term users, and introduced “Renewal Points.”
- We started offering the “Ultra pack” to customers who frequently use data transmission services.
- We started offering “Kake-hodai Light Plan (for feature phones),” a billing plan allowing unlimited domestic voice calls of less than five minutes for a flat rate, to customers who use an LTE-enabled docomo Feature Phone.
- The number of subscribers to “Kake-hodai & Pake-aeru” increased 7.36 million year on year to 37.07 million.



“Renewal Points”

#### Promoting further usage of smartphones

- We started offering “Smartphone Debut Discount,” a discount on basic monthly charges applied up to two years, to new users of smartphones.
- We enhanced our handset lineup; for example, we started marketing “MONO MO-01J,” DOCOMO’s first original smartphone, which is simple and easy to use.



“MONO MO-01J”

#### Enhancing and expanding use of optical-fiber broadband service “docomo Hikari”

- We started marketing “docomo Hikari Denwa” and “docomo Hikari TV Option.” In this way, we started providing integrated support, from application to after-sales support, for fixed-line phones and TV viewing services in addition to the optical-fiber broadband service.
- We pursued sales promotion initiatives, such as the promotional gift campaign “d POINT.”
- The number of subscribers to “docomo Hikari” increased 1.84 million year on year to 3.4 million.



“docomo Hikari”



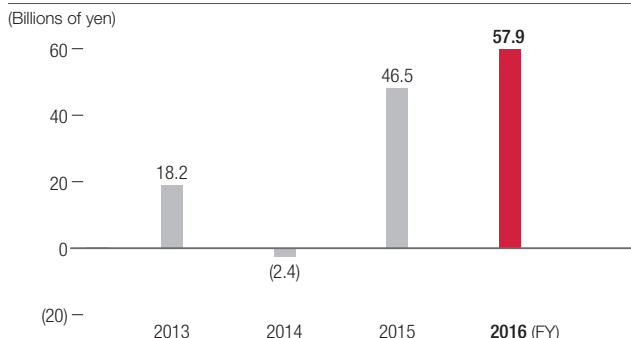
**Smart Life Business**

Operating revenues in the smart life business declined ¥2.2 billion, or 0.4%, year on year to ¥501.9 billion because of lower revenues from Group companies, which outweighed the increase in revenues from content services such as “dmarket.”

Operating expenses in the smart life business declined ¥13.7 billion, or 3.0%, year on year to ¥444.0 billion because of a decrease in expenses associated with Group company revenues, which outweighed the increase in expenses associated with the content services revenues.

As a result, operating income in the smart life business increased ¥11.5 billion, or 24.7%, year on year to ¥57.9 billion.

**Smart life business/Operating income**



[ Smart Life Business ] Key Topics

**Enhancing “dmarket” lineup**

- We started providing health-related services under “d healthcare pack,” including “Aruiteotoku,” a service that enables users to earn “d POINTs” just by walking with a smartphone. We also introduced “d living,” a service that assists users in daily lives.
- The enhancement of the “dmarket” lineup, coupled with brisk sales of “d magazine,” brought the number of subscribers\* to 16.08 million.

\* The total number of users using “dTV,” “d anime store,” “d hits,” “d kids,” “d magazine,” “d gourmet,” “d healthcare pack” and “d living” services under a monthly subscription arrangement



“d healthcare pack”



“d living”

**Introducing new sports content service “DAZN for docomo”**

- In collaboration with the Perform Group, we launched a new sports content service, “DAZN for docomo.” The service offers both live and on-demand video with unlimited viewing access to Meiji Yasuda J. League soccer games and other popular sports programs from Japan and overseas.



“DAZN for docomo”

**Expanding “d CARD”**

- We made the credit card service “d CARD,” and the non-contact card payment service “iD,” available for Apple Pay.
- We started offering “d CARD PREPAID,” which combines the functions of a pre-paid card and “d POINT CARD,” and can be used in all iD-accepting stores in Japan as well as in MasterCard member stores worldwide.



“d CARD”



“d CARD GOLD”

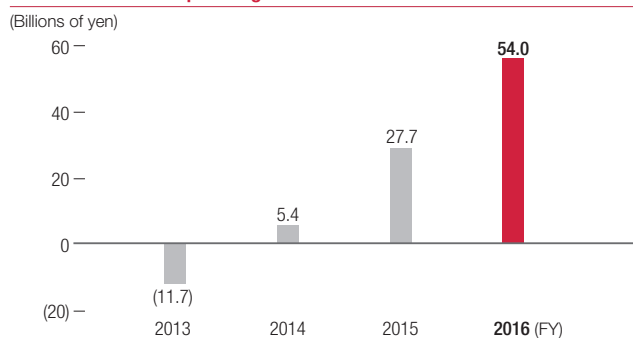
## Other Businesses

Operating revenues in other businesses increased ¥41.1 billion, or 11.4%, year on year to ¥400.4 billion because of an increase in “Mobile Device Protection Service” subscriptions and service revenue related to the IoT business.

Operating expenses in other businesses increased ¥14.8 billion, or 4.5%, year on year to ¥346.4 billion because of a rise in costs associated with the increase in revenues from the “Mobile Device Protection Service” and other services.

As a result, operating income in other businesses increased ¥26.3 billion, or 94.9%, year on year to ¥54.0 billion.

## Other businesses/Operating income



### [ Other Businesses ] Key Topics

#### Expanding IoT

- We started marketing LTE-enabled ubiquitous communication module “UM04-KO.” The module enables remote control for applications such as remote video surveillance, and IoT solutions in areas such as business support, which require high speed and large capacity.

#### Promoting global platform business

- We regard the global financial platform business as a pillar of future growth. We are expanding this business by providing service providers and mobile phone operators around the world with a financial platform in which customers can pay for any content they may purchase (such as payable smartphone apps) together with their monthly mobile phone charges.

## Operating Revenues, Operating Income (Loss) and Assets by Segment for FY2016

(Millions of yen)

	Telecommunications business	Smart life business	Other businesses	Total	Elimination	Consolidated
Segment operating revenues:						
External customers	3,709,947	486,547	388,058	4,584,552		4,584,552
Intersegment	1,209	15,371	12,342	28,922	(28,922)	—
Subtotal	3,711,156	501,918	400,400	4,613,474	(28,922)	4,584,552
Segment operating income (loss)	832,798	57,919	54,021			944,738

(Millions of yen)

	Telecommunications business	Smart life business	Other businesses	Total	Elimination	Corporate	Consolidated
Segment assets	5,243,470	677,182	258,531	6,179,183	(1,381)	1,275,272	7,453,074
Depreciation and amortization	418,669	16,190	17,482	452,341			452,341
Capital expenditure	576,151	14,391	6,536	597,078			597,078

► **Financial Position**

Total assets as of March 31, 2017, increased ¥239.0 billion, or 3.3%, year on year to ¥7,453.1 billion. This result was due mainly to increases in short-term investments and in total property, plant and equipment (net), the latter of which reflected the decline in depreciation and amortization expenses following a change in the method for calculating depreciation of property, plant and equipment.

Total liabilities as of March 31, 2017, decreased ¥14.2 billion, or 0.8%, year on year to ¥1,869.0 billion. This result was due mainly to decreases in accrued income taxes and long-term debt, which offset an increase in the current portion of long-term debt. Interest-bearing liabilities totaled ¥221.9 billion, a year-on-year decrease of ¥300 million, or 0.1%.

DOCOMO's long-term debt obligations have been rated AA- by Standard and Poor's and Aa3 by Moody's, giving the Company's financial position a high-level rating, even when compared to global telecommunication operators.

► **Cash Flows**

Net cash provided by operating activities increased ¥103.3 billion, or 8.5%, year on year to ¥1,312.4 billion. This result was due to factors such as a decline in receivables held for sale, which reflected the decreased proceeds from customers in relation to the collection of installment receivables for customers' handset purchases.

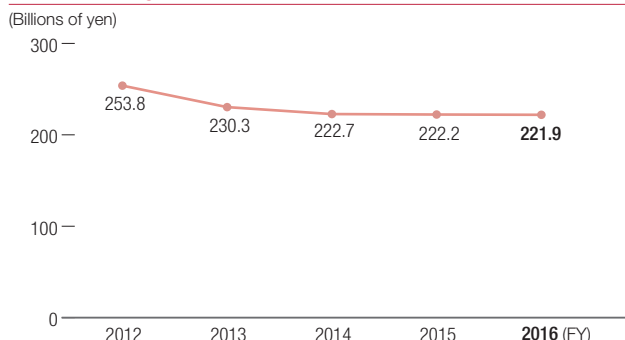
Net cash used in investing activities increased ¥567.8 billion, or 151.3%, year on year to ¥943.1 billion. This increase was mainly attributable to an increase in short-term bailment for consumption to a related party and a decline in proceeds from redemption of long-term bailment for consumption to a related party.

Net cash used in financing activities decreased ¥150.5 billion, or 25.8%, year on year to ¥433.1 billion. This result was due to a decrease in expenditures for share repurchases.

As a result, the balance of cash and cash equivalents totaled ¥289.6 billion as of March 31, 2017, a decrease of ¥64.8 billion, or 18.3%, from the previous fiscal year-end. Also, free cash flows\* in FY2016 increased ¥65.8 billion, or 11.0%, to ¥664.5 billion.

\*Free cash flows = Net cash provided by operating activities + Net cash used in investing activities (excluding changes in investments derived from purchases, redemption at maturity and disposals of financial instruments held for cash management purposes with original maturities of longer than three months.)

**Interest-bearing liabilities**

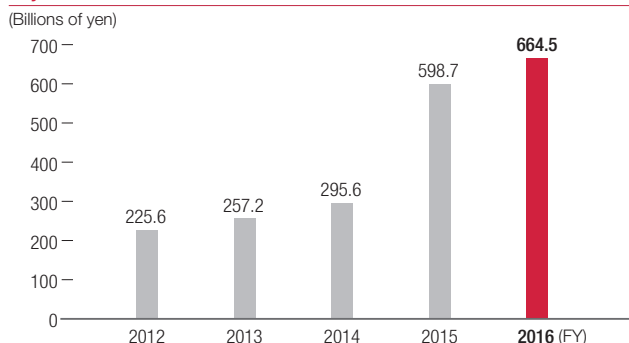


**DOCOMO's ratings**

(As of January 20, 2015)

Rating agency	Long-term bonds	Short-term bonds
Moody's	Aa3	P-1
Standard and Poor's (S&P)	AA-	A-1+
Japan Credit Rating Agency, Ltd. (JCR)	AAA	-
Rating & Investment Information, Inc. (R&I)	-	a-1+

**Adjusted free cash flows\***



\* Adjusted free cash flows exclude the effects of uncollected revenues due to bank holidays at the end of the period, the effects of the uncollected amounts of transferred receivables of telephone charges to NTT FINANCE CORPORATION, and changes in investment derived from purchases, redemption at maturity and disposals of financial instruments held for cash management purposes with original maturities of longer than three months.

## ► Outlook for FY2017

For fiscal 2017, we are forecasting increases in operating revenues and operating income. The environment surrounding our business has changed significantly. In Japan's telecommunications market, competition has intensified due to the government's pro-competition policy, the rise of low-cost smartphones offered by Mobile Virtual Network Operators (MVNOs) and other factors. In addition, we have seen technical advancements in areas such as artificial intelligence (AI), IoT and drones, as well as an expansion of customer touchpoints by various service providers leveraging shared loyalty point programs and other means. These changes have brought about both active competition in the telecommunications market and collaboration with new players from other industries, accelerating competition in new markets that transcend the conventional boundaries of the telecommunications business.

We position the fiscal year ending March 31, 2018 as the year to "tackle evolution," taking the first steps towards the delivery of our Medium-Term Strategy 2020 "Declaration beyond." We will do so by moving forward with the creation and evolution of services, business evolution with "+d," and reinforcement & evolution of all foundations. Under the Medium-Term Strategy 2020 "Declaration beyond," we will maintain customer returns by improving cost efficiency, and aim to achieve the management indicator of ¥910.0 billion in operating FCF\* by developing broadband services such as "docomo Hikari" and integrating and evolving added value. In addition, with a view to strengthening shareholder returns, we have set an estimated dividend of ¥100 per year.

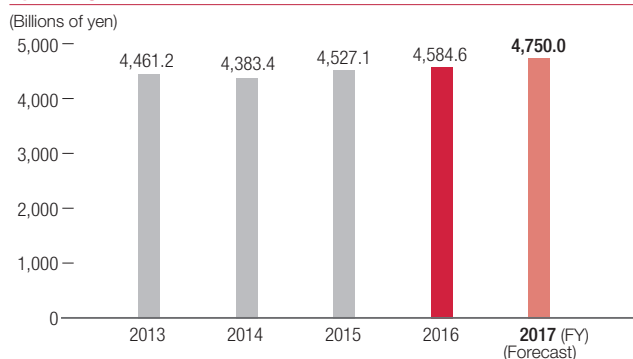
We estimate our operating revenues will increase ¥165.4 billion, or 3.6%, from the previous fiscal year to ¥4,750.0 billion, driven by an increase in optical-fiber broadband service and other telecommunications service revenues due to the projected growth of "docomo Hikari" users, an increase in mobile communications services revenues due to the reduction of negative impact from "Monthly Support" discount program, and other factors.

On the expenses side, we estimate our operating expenses will increase ¥150.2 billion, or 4.1%, to ¥3,790.0 billion, due to an increase in expenses associated with the growth of revenues from "docomo Hikari," an increase in depreciation expenses, and other factors.

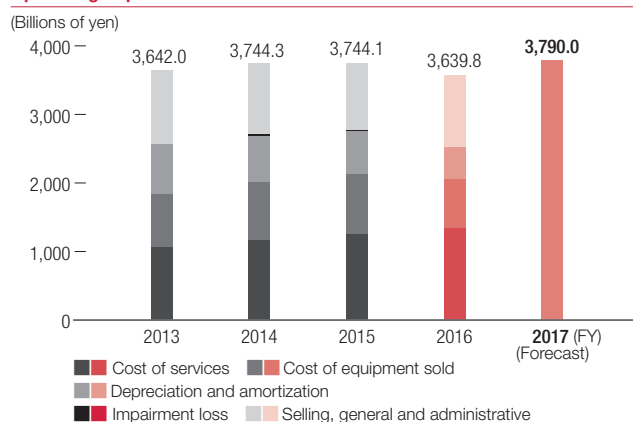
Accordingly, we estimate our operating income for the fiscal year ending March 31, 2018 will be ¥960.0 billion, an increase of ¥15.3 billion, or 1.6%, from the previous fiscal year.

\*Operating FCF = EBITDA - Capital expenditures

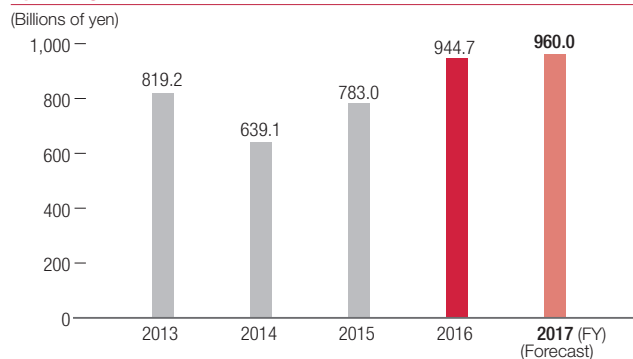
## Operating revenues



## Operating expenses



## Operating income



# Consolidated Balance Sheets

NTT DOCOMO, INC. and Subsidiaries  
March 31, 2016 and 2017

ASSETS	2016	2017
Millions of yen		
<b>Current assets:</b>		
Cash and cash equivalents	354,437	289,610
Short-term investments		
Third parties	5,872	41,070
Related parties	—	260,000
Accounts receivable		
Third parties	230,125	230,361
Related parties	6,915	8,776
Receivables held for sale	972,851	936,748
Credit card receivables	276,492	347,557
Other receivables		
Third parties	61,334	62,926
Related parties	319,762	335,916
Total accounts receivable, receivables held for sale, credit card receivables and other receivables	1,867,479	1,922,284
Less: Allowance for doubtful accounts	(17,427)	(19,517)
Total accounts receivable, receivables held for sale, credit card receivables and other receivables, net	1,850,052	1,902,767
Inventories	153,876	153,388
Deferred tax assets	107,058	81,025
Prepaid expenses and other current assets		
Third parties	101,790	102,055
Related parties	7,108	6,357
Total current assets	2,580,193	2,836,272
<b>Property, plant and equipment:</b>		
Wireless telecommunications equipment	5,084,416	5,084,923
Buildings and structures	896,815	906,177
Tools, furniture and fixtures	468,800	441,513
Land	199,054	198,980
Construction in progress	190,261	204,413
Sub-total	6,839,346	6,836,006
Accumulated depreciation and amortization	(4,398,970)	(4,295,111)
Total property, plant and equipment, net	2,440,376	2,540,895
<b>Non-current investments and other assets:</b>		
Investments in affiliates	411,395	373,758
Marketable securities and other investments	182,905	198,650
Intangible assets, net	615,013	608,776
Goodwill	243,695	230,971
Other assets		
Third parties	468,895	426,797
Related parties	10,208	7,515
Deferred tax assets	261,434	229,440
Total non-current investments and other assets	2,193,545	2,075,907
<b>Total assets</b>	7,214,114	7,453,074

Millions of yen

LIABILITIES AND EQUITY	2016	2017
<b>Current liabilities:</b>		
Current portion of long-term debt	200	60,217
Short-term borrowings	1,764	1,623
Accounts payable, trade		
Third parties	610,502	612,349
Related parties	182,582	241,189
Accrued payroll	53,837	59,187
Accrued income taxes	165,332	105,997
Other current liabilities		
Third parties	198,292	188,092
Related parties	7,310	6,402
<b>Total current liabilities</b>	<b>1,219,819</b>	<b>1,275,056</b>
<b>Long-term liabilities:</b>		
Long-term debt (exclusive of current portion)	220,200	160,040
Accrued liabilities for point programs	75,182	94,639
Liability for employees' retirement benefits	201,604	193,985
Other long-term liabilities		
Third parties	136,602	144,277
Related parties	1,381	989
<b>Total long-term liabilities</b>	<b>634,969</b>	<b>593,930</b>
<b>Total liabilities</b>	<b>1,854,788</b>	<b>1,868,986</b>
<b>Redeemable noncontrolling interests</b>	<b>16,221</b>	<b>22,942</b>
<b>Equity:</b>		
NTT DOCOMO, INC. shareholders' equity		
Common stock, without a stated value-	949,680	949,680
Authorized shares		
17,460,000,000 shares as of March 31, 2016 and 2017		
Issued shares		
3,958,543,000 shares as of March 31, 2016		
3,899,563,000 shares as of March 31, 2017		
Outstanding shares		
3,760,616,750 shares as of March 31, 2016		
3,704,585,533 shares as of March 31, 2017		
Additional paid-in capital	330,482	326,621
Retained earnings	4,413,030	4,656,139
Accumulated other comprehensive income (loss)	14,888	24,631
Treasury stock	(405,832)	(426,442)
197,926,250 shares as of March 31, 2016		
194,977,467 shares as of March 31, 2017		
<b>Total NTT DOCOMO, INC. shareholders' equity</b>	<b>5,302,248</b>	<b>5,530,629</b>
Noncontrolling interests	40,857	30,517
<b>Total equity</b>	<b>5,343,105</b>	<b>5,561,146</b>
<b>Commitments and contingencies</b>		
<b>Total liabilities and equity</b>	<b>7,214,114</b>	<b>7,453,074</b>

# Consolidated Statements of Income

NTT DOCOMO, INC. and Subsidiaries  
Years ended March 31, 2015, 2016 and 2017

Millions of yen

	2015	2016	2017
<b>Operating revenues:</b>			
Telecommunications services			
Third parties	2,724,753	2,780,377	2,939,594
Related parties	22,402	35,130	45,500
Equipment sales			
Third parties	903,231	859,875	718,557
Related parties	858	611	604
Other operating revenues			
Third parties	682,967	806,491	828,198
Related parties	49,186	44,600	52,099
Total operating revenues	4,383,397	4,527,084	4,584,552
<b>Operating expenses:</b>			
Cost of services (exclusive of items shown separately below)			
Third parties	876,285	933,027	939,426
Related parties	283,229	315,526	396,031
Cost of equipment sold (exclusive of items shown separately below)	853,062	881,471	792,145
Depreciation and amortization	659,787	625,934	452,341
Impairment loss	30,161	17,683	12,205
Selling, general and administrative			
Third parties	835,882	798,006	872,829
Related parties	205,920	172,413	174,837
Total operating expenses	3,744,326	3,744,060	3,639,814
<b>Operating income</b>	639,071	783,024	944,738
<b>Other income (expense):</b>			
Interest expense	(797)	(512)	(277)
Interest income	1,283	987	608
Other, net	4,326	(5,478)	4,494
Total other income (expense)	4,812	(5,003)	4,825
<b>Income before income taxes and equity in net income (losses) of affiliates</b>	643,883	778,021	949,563
<b>Income taxes:</b>			
Current	218,552	267,249	238,172
Deferred	19,515	(55,530)	49,507
Total income taxes	238,067	211,719	287,679
<b>Income before equity in net income (losses) of affiliates</b>	405,816	566,302	661,884
Equity in net income (losses) of affiliates (including impairment charges of investments in affiliates)	(7,782)	(5,060)	(11,273)
<b>Net income</b>	398,034	561,242	650,611
Less: Net (income) loss attributable to noncontrolling interests	12,059	(12,864)	1,927
<b>Net income attributable to NTT DOCOMO, INC.</b>	410,093	548,378	652,538
<b>Per share data:</b>			
Weighted average common shares outstanding – Basic and Diluted (Shares)	4,038,191,678	3,880,823,341	3,726,266,553
Basic and Diluted earnings per share attributable to NTT DOCOMO, INC. (Yen)	101.55	141.30	175.12

# Consolidated Statements of Comprehensive Income

Data Section

NTT DOCOMO, INC. and Subsidiaries  
Years ended March 31, 2015, 2016 and 2017

	Millions of yen		
	2015	2016	2017
<b>Net income</b>	398,034	561,242	650,611
<b>Other comprehensive income (loss):</b>			
Unrealized holding gains (losses) on available-for-sale securities, net of applicable taxes	22,468	(4,715)	12,821
Less: Reclassification of realized gains and losses, net of applicable taxes included in net income	120	(1,278)	(1,082)
Unrealized gains (losses) on cash flow hedges, net of applicable taxes	(20)	(148)	37
Less: Reclassification of realized gains and losses, net of applicable taxes included in net income	16	31	48
Foreign currency translation adjustment, net of applicable taxes	29,678	(10,324)	(13,557)
Less: Reclassification of realized gains and losses, net of applicable taxes included in net income	—	(263)	582
Pension liability adjustment, net of applicable taxes			
Actuarial gains (losses) arising during period, net	(9,159)	(21,634)	8,313
Less: Amortization of prior service cost	(894)	(824)	(742)
Less: Amortization of actuarial gains and losses	1,104	1,417	3,105
Less: Amortization of transition obligation	72	33	33
Total other comprehensive income (loss)	43,385	(37,705)	9,558
<b>Comprehensive income</b>	441,419	523,537	660,169
Less: Comprehensive (income) loss attributable to noncontrolling interests	11,683	(12,870)	2,112
<b>Comprehensive income attributable to NTT DOCOMO, INC.</b>	453,102	510,667	662,281



# Consolidated Statements of Changes in Equity

NTT DOCOMO, INC. and Subsidiaries  
Years ended March 31, 2015, 2016 and 2017

Millions of yen

	NTT DOCOMO, INC. shareholders' equity							Total equity
	Common stock	Additional paid-in capital	Retained earnings	Accumulated other comprehensive income (loss)	Treasury stock	Total NTT DOCOMO, INC. shareholders' equity	Noncontrolling interests	
Balance as of March 31, 2014	949,680	732,875	4,328,389	9,590	(377,168)	5,643,366	35,278	5,678,644
Purchase of treasury stock					(473,036)	(473,036)		(473,036)
Retirement of treasury stock		(393,092)	(97,894)		490,986	—		—
Cash dividends declared (¥60 per share)			(243,360)			(243,360)		(243,360)
Cash distributions to noncontrolling interests						—	(1,061)	(1,061)
Acquisition of new subsidiaries						—	732	732
Others						—	(2)	(2)
Net income			410,093			410,093	(12,777)	397,316
Other comprehensive income (loss)				43,009		43,009	374	43,383
Balance as of March 31, 2015	949,680	339,783	4,397,228	52,599	(359,218)	5,380,072	22,544	5,402,616
Purchase of treasury stock					(307,486)	(307,486)		(307,486)
Retirement of treasury stock			(260,872)		260,872	—		—
Cash dividends declared (¥70 per share)			(271,704)			(271,704)		(271,704)
Cash distributions to noncontrolling interests						—	(2,390)	(2,390)
Acquisition of new subsidiaries						—	22	22
Changes in interest in subsidiaries		(9,301)				(9,301)	8,489	(812)
Others						—	(46)	(46)
Net income			548,378			548,378	12,232	560,610
Other comprehensive income (loss)				(37,711)		(37,711)	6	(37,705)
Balance as of March 31, 2016	949,680	330,482	4,413,030	14,888	(405,832)	5,302,248	40,857	5,343,105
Purchase of treasury stock					(149,607)	(149,607)		(149,607)
Retirement of treasury stock			(128,997)		128,997	—		—
Cash dividends declared (¥75 per share)			(280,432)			(280,432)		(280,432)
Cash distributions to noncontrolling interests						—	(3,500)	(3,500)
Acquisition of new subsidiaries						—	49	49
Changes in interest in subsidiaries		(3,861)				(3,861)	(4,095)	(7,956)
Net income			652,538			652,538	(2,610)	649,928
Other comprehensive income (loss)				9,743		9,743	(184)	9,559
Balance as of March 31, 2017	949,680	326,621	4,656,139	24,631	(426,442)	5,530,629	30,517	5,561,146

\* Changes in the redeemable noncontrolling interest are not included in the table.

# Consolidated Statements of Cash Flows

Data Section

NTT DOCOMO, INC. and Subsidiaries  
Years ended March 31, 2015, 2016 and 2017

Millions of yen

	2015	2016	2017
<b>Cash flows from operating activities:</b>			
Net income	398,034	561,242	650,611
Adjustments to reconcile net income to net cash provided by operating activities—			
Depreciation and amortization	659,787	625,934	452,341
Deferred taxes	19,515	(55,530)	49,507
Loss on sale or disposal of property, plant and equipment	40,073	36,535	54,160
Inventory write-downs	13,716	18,880	11,043
Impairment loss	30,161	17,683	12,205
Impairment loss on marketable securities and other investments	902	636	2,305
Loss on sale of a subsidiary	—	13,117	—
Equity in net (income) losses of affiliates (including impairment charges of investments in affiliates)	7,782	5,060	11,273
Dividends from affiliates	17,591	13,929	10,401
Changes in assets and liabilities:			
(Increase) / decrease in accounts receivable	17,489	22,406	(2,690)
(Increase) / decrease in receivables held for sale	(110,540)	(74,852)	36,103
(Increase) / decrease in credit card receivables	(7,497)	(22,551)	(34,410)
(Increase) / decrease in other receivables	(13,467)	(46,331)	(17,735)
Increase / (decrease) in allowance for doubtful accounts	2,931	3,884	7,240
(Increase) / decrease in inventories	32,270	13,125	(10,565)
(Increase) / decrease in prepaid expenses and other current assets	(10,565)	(4,966)	(767)
(Increase) / decrease in non-current receivables held for sale	(55,468)	(13,601)	57,626
Increase / (decrease) in accounts payable, trade	5,278	(32,544)	58,680
Increase / (decrease) in accrued income taxes	(107,166)	97,176	(59,290)
Increase / (decrease) in other current liabilities	16,964	31,638	(11,925)
Increase / (decrease) in accrued liabilities for point programs	(23,072)	(14,747)	19,457
Increase / (decrease) in liability for employees' retirement benefits	13,209	27,752	(7,608)
Increase / (decrease) in other long-term liabilities	11,925	11,488	9,804
Other, net	3,125	(26,232)	14,652
Net cash provided by operating activities	962,977	1,209,131	1,312,418
<b>Cash flows from investing activities:</b>			
Purchases of property, plant and equipment	(493,189)	(434,919)	(450,826)
Purchases of intangible and other assets	(170,203)	(179,010)	(192,625)
Purchases of non-current investments	(5,107)	(3,465)	(2,155)
Proceeds from sale of non-current investments	1,753	9,345	6,452
Purchases of short-term investments	(34,613)	(9,523)	(156,779)
Redemption of short-term investments	50,806	4,659	121,572
Proceeds from redemption of long-term bailment for consumption to a related party	—	240,000	—
Short-term bailment for consumption to a related party	—	—	(380,000)
Proceeds from redemption of short-term bailment for consumption to a related party	—	—	120,000
Other, net	(641)	(2,338)	(8,733)
Net cash used in investing activities	(651,194)	(375,251)	(943,094)
<b>Cash flows from financing activities:</b>			
Proceeds from short-term borrowings	221,606	146,880	25,094
Repayment of short-term borrowings	(229,065)	(147,022)	(25,214)
Principal payments under capital lease obligations	(1,729)	(1,389)	(1,167)
Payments to acquire treasury stock	(473,036)	(307,486)	(149,607)
Dividends paid	(243,349)	(271,643)	(280,527)
Cash distributions to noncontrolling interests	(1,061)	(2,390)	(3,500)
Other, net	(7,623)	(558)	1,824
Net cash provided by (used in) financing activities	(734,257)	(583,608)	(433,097)
Effect of exchange rate changes on cash and cash equivalents	1,107	(1,388)	(1,054)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(421,367)</b>	<b>248,884</b>	<b>(64,827)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>526,920</b>	<b>105,553</b>	<b>354,437</b>
<b>Cash and cash equivalents at end of year</b>	<b>105,553</b>	<b>354,437</b>	<b>289,610</b>
<b>Supplemental disclosures of cash flow information:</b>			
<b>Cash received during the fiscal year for:</b>			
Income tax refunds	1,539	8,241	758
<b>Cash paid during the fiscal year for:</b>			
Interest, net of amount capitalized	876	400	46
Income taxes	326,107	176,806	297,765
<b>Non-cash investing and financing activities:</b>			
Assets acquired through capital lease obligations	940	965	1,138
Assets of wireless telecommunications equipment acquired through exchanges of similar equipment	3,605	3,844	6,581
Retirement of treasury stock	490,986	260,872	128,997

# Reconciliations of the Disclosed Non-GAAP Financial Measures to the Most Directly Comparable GAAP Financial Measures

NTT DOCOMO, INC. and Subsidiaries  
Years ended March 31, 2013 to 2017

## EBITDA and EBITDA Margin

Years ended March 31	Billions of yen				
	2013	2014	2015	2016	2017
<b>a. EBITDA<sup>1,2</sup></b>	1,569.3	1,572.2	1,369.1	1,463.2	<b>1,463.4</b>
Depreciation and amortization <sup>4</sup>	(699.8)	(718.7)	(659.8)	(625.9)	<b>(452.3)</b>
Loss on sale or disposal of property, plant and equipment	(31.9)	(34.3)	(40.1)	(36.5)	<b>(54.2)</b>
Impairment loss <sup>2</sup>	(0.5)	—	(30.2)	(17.7)	<b>(12.2)</b>
Operating income	837.2	819.2	639.1	783.0	<b>944.7</b>
Other income (expense) <sup>3</sup>	(3.8)	13.9	4.8	(5.0)	<b>4.8</b>
Income taxes <sup>3</sup>	(323.1)	(308.0)	(238.1)	(211.7)	<b>(287.7)</b>
Equity in net income (losses) of affiliates, net of applicable taxes <sup>3</sup>	(29.6)	(69.1)	(7.8)	(5.1)	<b>(11.3)</b>
Less: Net (income) loss attributable to noncontrolling interests <sup>3</sup>	10.3	8.8	12.1	(12.9)	<b>1.9</b>
<b>b. Net income attributable to NTT DOCOMO, INC.</b>	<b>491.0</b>	<b>464.7</b>	<b>410.1</b>	<b>548.4</b>	<b>652.5</b>
<b>c. Operating revenues</b>	<b>4,470.1</b>	<b>4,461.2</b>	<b>4,383.4</b>	<b>4,527.1</b>	<b>4,584.6</b>
<b>EBITDA margin (= a/c)<sup>1,2</sup></b>	<b>35.1%</b>	<b>35.2%</b>	<b>31.2%</b>	<b>32.3%</b>	<b>31.9%</b>
<b>Net income margin (= b/c)(%)<sup>3</sup></b>	<b>11.0%</b>	<b>10.4%</b>	<b>9.4%</b>	<b>12.1%</b>	<b>14.2%</b>

- Fiscal years up to and including the fiscal year ended March 31, 2014: EBITDA = Operating income + Depreciation and amortization + Loss on sale or disposal of property, plant and equipment + Impairment loss (property, plant and equipment; depreciable intangible assets)  
Fiscal year ended March 31, 2015, and onward: EBITDA = Operating income + Depreciation and amortization + Loss on sale or disposal of property, plant and equipment + Impairment loss (property, plant and equipment; depreciable intangible assets; goodwill; unamortizable intangible assets)
- EBITDA and EBITDA margin, as we use them, are different from EBITDA as used in Item 10 (e) of regulation S-K and may not be comparable to similarly titled measures used by other companies.  
Impairment loss associated with goodwill and unamortizable intangible assets was previously included under the item "Selling, general and administrative," but as of the year ended March 31, 2017, it is recorded as "Impairment loss." Thus, in the above statements, "Impairment loss" for the year ended March 31, 2015 and 2016, have been reclassified in accordance with the presentation method for the year ended March 31, 2017.
- Consolidated financial statements for the fiscal year ended March 31, 2013 have been revised due to the reinstatement of the equity method for an investee.
- While historically the Group has principally used the declining-balance method for calculating the depreciation of property, plant and equipment, from the fiscal year ended March 31, 2017, we began using the straight-line method for calculating the depreciation of property, plant and equipment in all cases.

## Adjusted Free Cash Flows (excluding irregular factors, effect of transfer of receivables and changes in investments for cash management purposes)

Years ended March 31	Billions of yen				
	2013	2014	2015	2016	2017
Net cash provided by operating activities	932.4	1,000.6	963.0	1,209.1	<b>1,312.4</b>
Net cash used in investing activities <sup>1</sup>	(701.9)	(703.6)	(651.2)	(375.3)	<b>(943.1)</b>
Free cash flows <sup>2</sup>	230.5	297.1	311.8	833.9	<b>369.3</b>
Irregular factors <sup>3</sup>	147.0	—	—	—	<b>—</b>
Effect of transfer of receivables <sup>4</sup>	(242.0)	—	—	—	<b>—</b>
Changes in investments for cash management purposes <sup>5</sup>	99.9	39.9	16.2	235.1	<b>(295.2)</b>
<b>Adjusted free cash flows (excluding irregular factors, effect of transfer of receivables and changes in investments for cash management purposes)</b>	<b>225.6</b>	<b>257.2</b>	<b>295.6</b>	<b>598.7</b>	<b>664.5</b>

- Net cash used in investing activities includes changes in investments for cash management purposes.
- Net cash provided by operating activities + Net cash used in investing activities
- Irregular factors represent the effects of uncollected revenues due to a bank closure at the end of periods.
- Effect of transfer of receivables represents the effect caused by the uncollected amounts of transferred receivables of telephone charges to NTT FINANCE CORPORATION.
- Changes in investments for cash management purposes were derived from purchases, redemption at maturity and disposals of financial instruments held for cash management purposes with original maturities of longer than three months.

## Subsidiaries and Affiliates

Data Section

(As of July 1, 2017)

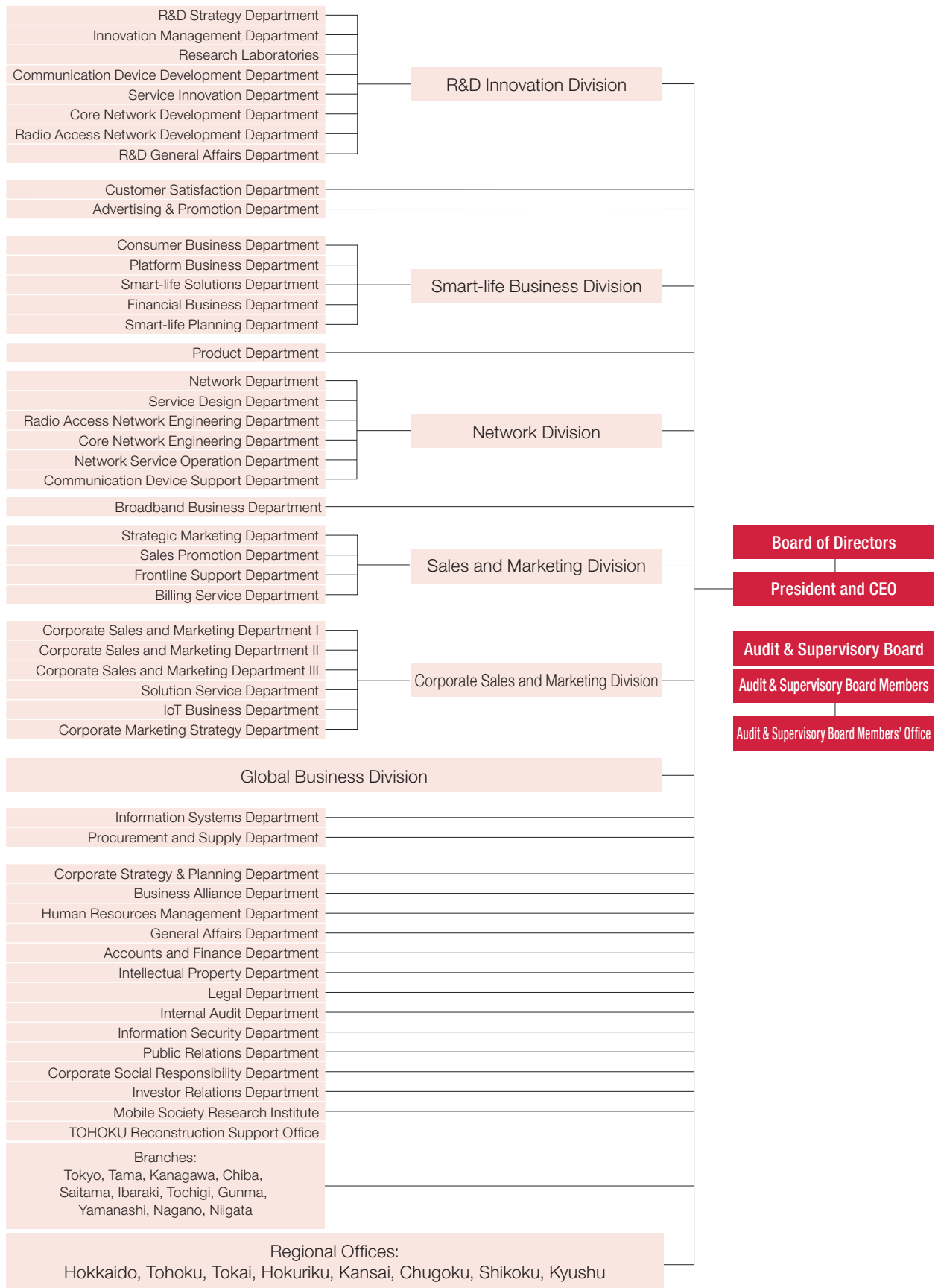
### Subsidiaries: 116

Company name	Voting rights ownership	Business activities
DOCOMO CS, Inc.	100.00%	Network construction; marketing support
DOCOMO Support, Inc.	100.00%	Marketing support
DOCOMO Systems, Inc.	100.00%	System development
DOCOMO Technology, Inc.	100.00%	Research and development business
DOCOMO CS Hokkaido, Inc.	100.00%	Network construction; marketing support
DOCOMO CS Tohoku, Inc.	100.00%	Network construction; marketing support
DOCOMO CS Tokai, Inc.	100.00%	Network construction; marketing support
DOCOMO CS Hokuriku, Inc.	100.00%	Network construction; marketing support
DOCOMO CS Kansai, Inc.	100.00%	Network construction; marketing support
DOCOMO CS Chugoku, Inc.	100.00%	Network construction; marketing support
DOCOMO CS Shikoku, Inc.	100.00%	Network construction; marketing support
DOCOMO CS Kyushu, Inc.	100.00%	Network construction; marketing support
ABC Cooking Studio Co., Ltd.	51.00%	Cooking classroom business
OAK LAWN MARKETING, INC.	55.75%	TV mail-order business
Tower Records Japan Inc.	50.25%	Sales of music, video software, and music-related merchandise
D2C Inc.	51.00%	Production and operation of advertising through mobile contents websites
DOCOMO ANIME STORE, INC.	60.00%	Production of anime video distribution service
DOCOMO Datacom, Inc.	66.24%	System development
docomo Healthcare, Inc.	66.00%	Provision of platform for managing, using, and sharing health-related data
Nihon Ultramarc INC.	100.00%	Construction and sales of doctor and medical facility database
MAGASseek Corporation	75.00%	Fashion e-commerce business
Radishbo-ya Co., Ltd.	100.00%	Membership-based home delivery service of organic and low-chemical agricultural products as well as additive-free foods
DCM Reinsurance Company, Inc.	100.00%	Reinsurance business
DOCOMO Communications Laboratories Europe GmbH	100.00%	Research and development business
DOCOMO Digital Limited	100.00%	Management of platforms related to mobile content distribution and billing
DOCOMO Innovations, Inc.	100.00%	Investing in and gathering data on start-ups that develop promising technologies
DOCOMO PACIFIC, INC.	100.00%	Mobile communications, cable TV, and internet business in Guam
and 89 other companies		

### Affiliates: 23

Company name	Voting rights ownership	Business activities
Avex Broadcasting & Communications Inc.	30.00%	Mobile video distribution business
NTT Broadband Platform, Inc.	22.00%	Wi-Fi network business
NTT Resonant Incorporated	33.33%	Communications business; portal business
ZENRIN DataCom CO., LTD.	18.09%	Map and net navigation businesses for mobile phones
Nippon Telecommunications Network Co., Ltd.	37.43%	Network services business
FeliCa Networks, Inc.	38.00%	Development and licensing of Mobile FeliCa IC chip
Sumitomo Mitsui Card Company, Limited	34.00%	Credit card business
RecoChoku Co., Ltd.	34.17%	Music distribution business
NTT Plala Inc.	33.33%	Video distribution service, internet connection service
Hutchison Telephone Company Limited	24.10%	Mobile communications business in Hong Kong and Macau
PLDT Inc.	8.56%	Fixed and mobile communications business in the Philippines
Tata Teleservices Limited	21.63%	Fixed and mobile communications business in India
VMG Media Joint Stock Company	24.52%	Development and management of content applications and platforms in Vietnam
and 10 other companies		

# Organizational Structure NTT DOCOMO, INC. (As of July 1, 2017)



## Corporate Information (As of March 31, 2017)

**Company Name**  
NTT DOCOMO, INC.

**Address**  
Head Office:  
Sanno Park Tower  
11-1, Nagata-cho 2-chome, Chiyoda-ku, Tokyo  
100-6150, Japan  
Tel: +81-3-5156-1111

**Date of Establishment**  
August 1991

**Capital**  
¥949,679,500,000

**Fiscal Year-End**  
March 31

**Number of Employees (Consolidated)**  
26,734

**Corporate Website**  
<https://www.nttdocomo.co.jp/english/>

**IR Information**  
<https://www.nttdocomo.co.jp/english/corporate/ir/>

**Independent Registered Public Accounting Firm**  
KPMG AZSA LLC  
(the Japan member firm of KPMG International)

## Stock Information (As of March 31, 2017)

**Stock Listings**  
Tokyo Stock Exchange, First Section listed October 1998  
(Securities code: 9437)  
New York Stock Exchange listed March 2002  
(Ticker symbol: DCM)

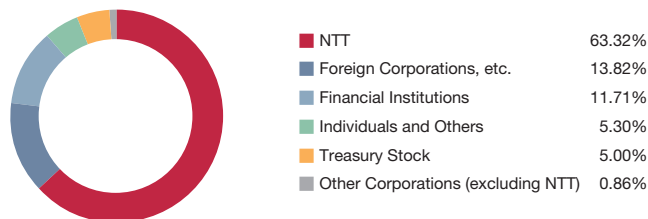
**Transfer Agent**  
Mitsubishi UFJ Trust and Banking Corporation,  
Corporate Agency Department  
4-5, Marunouchi 1-chome, Chiyoda-ku, Tokyo 100-8212, Japan  
Tel: +81-3-3212-1211  
Inquiries about procedures of stock: +81-120-232-711

**Depository for American Depositary Receipts (“ADRs”)**  
The Bank of New York Mellon Corporation  
BNY Mellon Shareowner Services  
PO Box 30170, College Station, TX 77842-3170, U.S.A.  
U.S. Callers: (888) BNY ADRS  
Non-U.S. Callers: +1-201-680-6825

**Number of Shares**  
Total Number of Authorized Shares: 17,460,000,000  
Total Number of Issued Shares: 3,899,563,000

**Number of Shareholders**  
251,169

### Distribution of Ownership among Shareholders



\* The figures are based on the list of shareholders as of March 31, 2017.

### Principal Shareholders

Company	Number of shares held	Percentage of total issued shares (%)
NIPPON TELEGRAPH AND TELEPHONE CORPORATION	2,469,084,400	63.32
THE MASTER TRUST BANK OF JAPAN, LTD. (TRUST ACCOUNT)	72,187,700	1.85
JAPAN TRUSTEE SERVICES BANK, LTD. (TRUST ACCOUNT)	65,400,700	1.68
BARCLAYS CAPITAL INC.	40,000,000	1.03
STATE STREET BANK AND TRUST COMPANY	33,113,565	0.85
JAPAN TRUSTEE SERVICES BANK, LTD. (TRUST ACCOUNT 5)	27,095,600	0.69
STATE STREET BANK WEST CLIENT - TREATY 505234	22,470,637	0.58
THE BANK OF NEW YORK MELLON AS DEPOSITARY BANK FOR DR HOLDERS	21,129,496	0.54
JAPAN TRUSTEE SERVICES BANK, LTD. (TRUST ACCOUNT 9)	21,098,200	0.54
JAPAN TRUSTEE SERVICES BANK, LTD. (TRUST ACCOUNT 1)	20,146,000	0.52
Total	2,791,726,298	71.59

\* Treasury stocks are not included in the above list.