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# **FY2020/3Q**

# **Financial Results**

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**NTT**  
**docomo**

**February 5, 2021**

**NTT DOCOMO was delisted from  
the Tokyo Stock Exchange on December 25, 2020.**

**We would like to express our sincere gratitude  
to our valued shareholders and investors  
for your warm understanding and support over the years.**

**Hereafter, we will announce our quarterly results  
simultaneously with NTT to continue information disclosure and  
maintain opportunities of dialogue with the media and investors.**

**We will strive to transform and evolve ourselves as a core entity of  
the NTT group, thereby making contributions to solving  
social challenges and development of our corporate group.**

**Please look forward to our new chapter of growth.**

# FY2020/1-3Q Results Highlights

IFRS

(Billions of yen)	FY2019/1-3Q (cumulative) (1)	FY2020/1-3Q (cumulative) (2)	Changes (2) – (1)	Changes (%)
Operating revenues	3,516.0	3,513.1	-2.9	-0.1%
Operating profit	787.9	821.8	+33.9	+4.3%
Profit attributable to shareholders of NTT DOCOMO, INC.	542.3	566.9	+24.6	+4.5%
Adjusted free cash flow	484.8	383.6	-101.2	-20.9%
Capital expenditures	338.1	360.5	+22.4	+6.6%

◆ Adjusted free cash flow is calculated excluding the effects of 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.

# Results by Segment

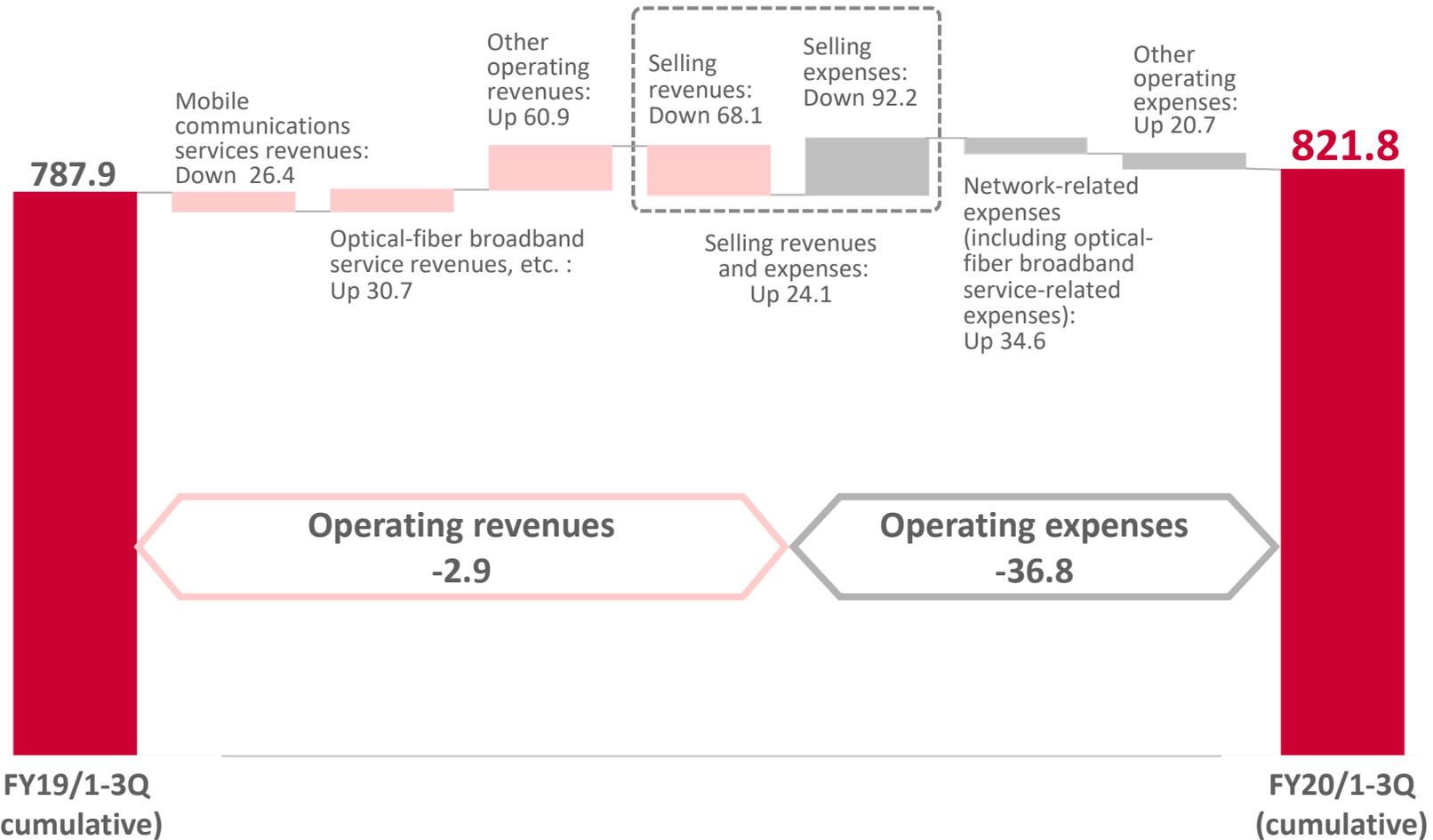
IFRS

(Billions of yen)		FY2019/1-3Q cumulative (1)	FY2020/1-3Q cumulative (2)	Changes (2) – (1)
<b>Telecommunications business</b>	Operating revenues	2,805.9	2,735.2	-70.7
	Operating profit	651.4	644.0	-7.4
<b>Smart life business</b>	Operating revenues	397.5	470.6	+73.1
	Operating profit	47.7	79.2	+31.5
<b>Other businesses</b>	Operating revenues	335.2	337.4	+2.2
	Operating profit	88.7	98.5	+9.8
<Ref.> Smart life business and Other businesses	Operating revenues	732.8	808.0	+75.2
	Operating profit	136.4	177.8	+41.3

# Key Factors behind Changes in Operating Profit

IFRS

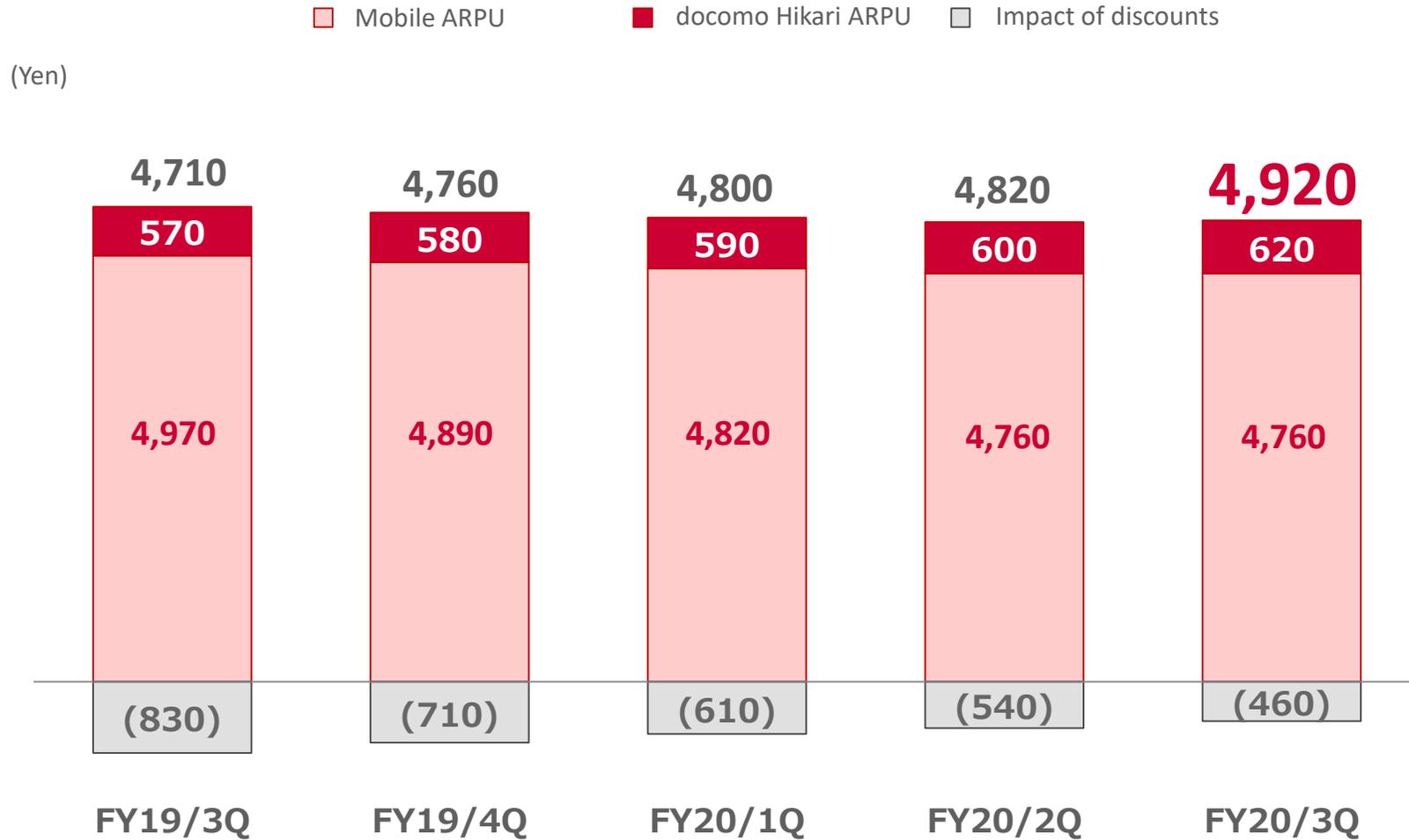
(Billions of yen)



◆ Selling expenses represent the sum of cost of equipment sold and commissions to agent resellers.

◆ Network-related expenses represent the sum of depreciation/amortization, loss on disposal of property, plant and equipment and intangible assets, and communication network charges.

# ARPU



- ◆ For an explanation of ARPU, please see the Appendix.
- ◆ Mobile ARPU and docomo Hikari ARPU exclude the impact of discounts.
- ◆ The impact of discounts include those from “Monthly Support,” “docomo with” and “docomo Hikari set discount.”

# Key Operational Indicators (1)

	FY2019/3Q (1)	FY2020/3Q (2)	Changes
“d POINT CLUB” members (Million)	73.45	79.67	+8%
“d POINT CARD” registrants	40.65	48.52	+19%
“d POINTS” used (Billion points)	145.9	182.4	+25%
“d POINTS” used at partners’ stores, etc.	86.4	127.9	+48%
<b>Mobile telecommunications service subscriptions (Million subs)</b>	<b>79.67</b>	<b>81.75</b>	<b>+3%</b>
5G subscriptions	—	1.41	—
Churn rate (%)	0.54%	0.47%	▲ 0.07pt
Handset churn rate	0.43%	0.39%	▲ 0.04pt
Total smartphone/tablet users (Million)	41.46	42.97	+4%
“docomo Hikari” subscriptions (Million subs)	6.33	6.93	+10%

◆ “d POINT CARD” registrants indicate the no. of users who can earn and use “d POINTS” at participating stores by registering their personal information.

◆ “d POINTS” used and churn rate represent the cumulative data for FY2020/1-3Q.

◆ Handset churn rate indicates the combined churn rate for smartphones and feature phones

# Key Operational Indicators (2)

	FY2019/3Q (1)	FY2020/3Q (2)	Changes
<b>Finance/Payment transactions handled</b> (Billions of yen)	<b>3,820.0</b>	<b>5,080.0</b>	<b>+33%</b>
<b>“d CARD” transactions</b>	<b>2,990.0</b>	<b>3,830.0</b>	<b>+28%</b>
<b>“d Payment” transactions</b>	<b>260.0</b>	<b>568.0</b>	<b>+119%</b>
<b>“d CARD” members</b> (Million members)	<b>12.47</b>	<b>13.91</b>	<b>+12%</b>
<b>“d CARD GOLD”</b>	<b>6.40</b>	<b>7.62</b>	<b>+19%</b>
<b>“d Payment” users</b> (Million)	<b>21.98</b>	<b>32.55</b>	<b>+48%</b>
<b>Locations where payment/point service can be used</b> (Million locations)	<b>1.43</b>	<b>2.87</b>	<b>+101%</b>

- ◆ The amount of transactions handled represent the cumulative amount for FY20/1-3Q, which includes the transactions handled with "d CARD", "iD," "d Payment," "direct carrier billing and "DOCOMO Mobile Payment Service," etc.
- ◆ The amount of transactions processed with "d Payment" represents the cumulative amount of payments made with "d Payment" (code and online payment) and "d Payment (iD)".
- ◆ The number of "d Payment" users represents the sum of total number of "d Payment" app downloads and "d Payment (iD)" members.
- ◆ Locations where payment/point service can be used represents the combined no. of locations where "d POINT," "iD" and "d Payment" (code and online payment) services can be used.

# New Rate Plans

  
**New**  
ニュー

## Medium-sized bucket

A simple rate plan  
offered only online

**Great value  
for money!**

**ahamo**

**To start March 26, 2021**

Compatible models  
planned for announce  
March 1, 2021

- 20GB: ¥2,980/month
- Eligible for Family Discount

  
**Premier**  
プレミア

Full support for varying  
family usage needs  
ranging from  
small allowances to  
unlimited data  
access

## 5G Gigaho Premier

**》5G キガホ プレミア**

Unlimited data access:  
¥4,480/month ◆<sup>1</sup>

## Gigaho Premier

**キガホ プレミア**

60GB: ¥4,380/month ◆<sup>1</sup>

## Hajimete Sumaho Plan

**はじめてスマホ プラン**

1GB: ¥1,480/month ◆<sup>2</sup>  
(Free domestic calling of up to  
5 minutes/call) ◆<sup>3</sup>

**To start April 1, 2021**

◆1: Rate after applying discounts of ¥1,000 from “Minna DOCOMO Wari” (3 lines or more), ¥1000 from “docomo Hikari set discount” and ¥170 from “d CARD Oshiharai Wari” discount program.

◆2: Rate after applying ¥170 discount from “d CARD Oshiharai Wari”.

◆3: Calls longer than 5 minutes will incur a charge of ¥20 for every 30 seconds in excess of 5 minutes.

## 5G implementation making steady progress

### Joint initiatives with new partners

#### XR City SHINJUKU

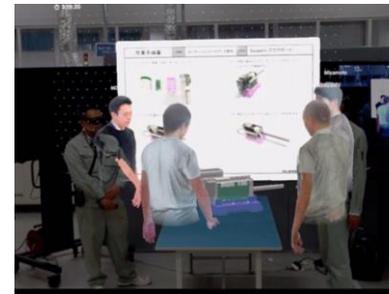


#### New viewing experience for T.LEAGUE

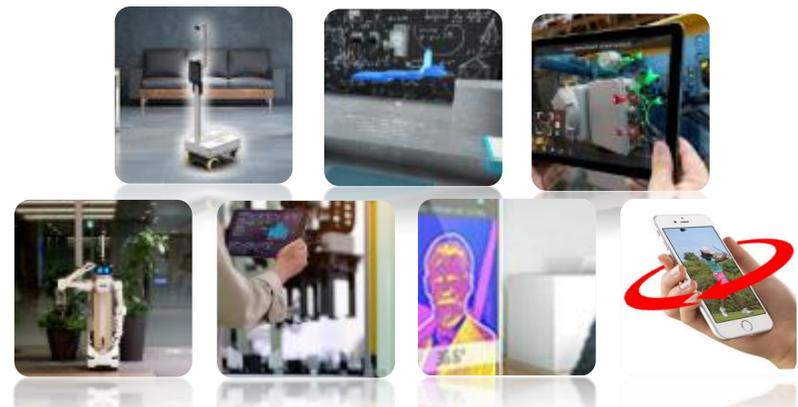


### Social implementation of 5G solutions

#### 5G-enabled smart factory realizing "human"-centered DX



#### Provision of 7 new solutions



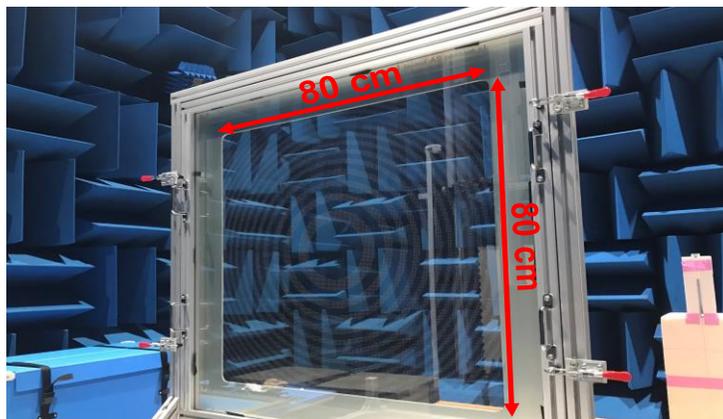
# Key R&D Initiatives



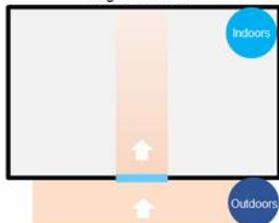
## docomo Open House 2021 Currently in progress in a fully online format (February 4-7, 2021)

### Metasurface lens for millimeter wave

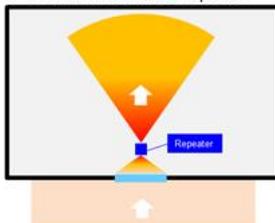
Efficiently guides millimeter wave signals transmitted from outdoor base station antennas to indoors using metasurface lens attached to windows



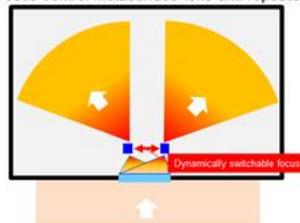
Regular window



Metasurface lens and repeater



Focus-control metasurface lens and repeater



### Virtual Event Platform

Allows users to participate in events using their own avatar to enjoy an immersive experience in virtual space through DOCOMO's technologies and solutions



**Always chosen  
to sustain connections  
as your robust ICT service partner**



The new of today, the norm of tomorrow



# Appendix

# Principal Services, etc., Included in Each Reportable Segment

## Telecommunications business

### Mobile communications services

- 5G services • LTE (Xi) services • FOMA services (3G) • International services • Sales of handset/equipment for each service etc.
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### Optical fiber broadband service and other telecommunications services

- Optical-fiber broadband services • Satellite communications services etc.

## Smart life business

### Content/ Lifestyle services

- “dTV” “d hits” “d magazine” “d shopping” “d healthcare” etc.
  - NTT Plala Inc. • Oak Lawn Marketing, Inc. • Tower Records Japan Inc. etc.
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### Finance/Payment services

- d CARD • d CARD GOLD • iD • d Payment • Fintech etc.

## Other businesses

### Support services for customers peace of mind

- “Mobile Device Protection Service” • “Anshin Remote Support” etc.
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### Enterprise solutions

- Enterprise IoT solutions • System development/sales/maintenance services etc.

# Definition and Calculation Methods of ARPU

## i. Definition of ARPU

### ARPU (Average monthly Revenue Per Unit):

Average monthly revenue per unit, or ARPU, is used to measure average monthly operating revenues attributable to designated services on a per user basis. ARPU is calculated by dividing telecommunications services revenues (excluding certain revenues) by the number of active users of our wireless services in the relevant periods, as shown below under “ARPU Calculation Method.” We believe that our ARPU figures provide useful information to analyze the average usage per user and the impacts of changes in our billing arrangements.

## ii. ARPU Calculation Methods

Aggregate ARPU = Mobile ARPU + “docomo Hikari” ARPU

- Mobile ARPU : Mobile ARPU Related Revenues (basic monthly charges, voice charges, communication charges) / No. of active users
- “docomo Hikari” ARPU : “docomo Hikari”-Related Revenues (basic monthly charges, voice communication charges) / Number of active users

\*ARPU excluding the impact of discounts are calculated without including the amounts of discounts applied in the relevant revenues.

## iii. Active Users Calculation Method

Sum of Number of active users for each month ((Number of users at the end of previous month + Number of users at the end of current month) / 2) during the relevant period

## iv.

1. The number of “users” used to calculate ARPU is the total number of subscriptions, excluding the subscriptions listed below:

- a. Subscriptions of communication modules services, “Phone Number Storage,” “Mail Address Storage,” “docomo Business Transceiver” and wholesale telecommunications services and interconnecting telecommunications facilities that are provided to Mobile Virtual Network Operators (MVNOs); and
- b. Data Plan subscriptions in the case where the customer contracting for such subscription in his/her name also has a subscription for “5G,” “Xi” or “FOMA” services in his/her name.

2. Revenues from communication module services, “Phone Number Storage,” “Mail Address Storage,” “docomo Business Transceiver” and wholesale telecommunications services and interconnecting telecommunications facilities that are provided to Mobile Virtual Network Operators (MVNOs) , and impact on revenues from "d POINT" program, etc.,are not included in the ARPU calculation.

# Special Note Regarding Forward-Looking Statements

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All forward-looking statements that are not historical facts are based on management's current plans, expectations, assumptions and estimates based on the information available as of the filing date of this document. Some of the projected numbers in this report were derived using certain assumptions that were indispensable for making such projections in addition to historical facts. These forward-looking statements are subject to various known and unknown risks, uncertainties and other factors that could cause our actual results to differ materially from those contained in or suggested by any forward-looking statement. With regard to various known and unknown risks, uncertainties and other factors, please see our latest Annual Securities Report and Quarterly Securities Reports.

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