

Key Concepts for Understanding DOCOMO

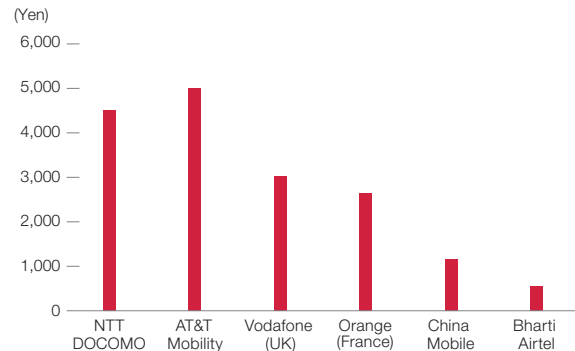
Number of Subscriptions × ARPU

The most fundamental type of revenues in the mobile communications business can be calculated by multiplying the number of customer subscriptions by the average usage charges per subscription. The average usage charges are expressed as average monthly revenue per unit (ARPU).

ARPU comprises Voice ARPU, which reflects voice calls using a mobile device, and Packet ARPU, which reflects data communications using a mobile device. In comparison with other markets, a high level of ARPU is a distinctive feature of the Japanese market.

In addition, DOCOMO has introduced Smart ARPU as a quantitative indicator of revenues from new business areas. Smart ARPU principally reflects DOCOMO's revenues from *dmarket*.

ARPU of major mobile telecommunications operators



Source: Calculated by DOCOMO based on data released by each company at the exchange rate prevailing on December 31, 2013

Smart Life

DOCOMO has announced its commitment to being a Smart Life Partner. Smart Life refers to new lifestyles enriched by the application of mobile technologies.









As a mobile telecommunications operator, our fundamental mission is to establish mobile communications environments that enable customers to use mobile devices without stress or worry. In addition, DOCOMO supports more convenient, more fulfilling lifestyles through the use of mobile technologies in a reassuring, appropriate security environment to discover sources of delight and enjoyment that match each customer's individual tastes. DOCOMO will become an integral part of the daily lifestyles of customers and fill the role of a concierge that anticipates needs and proposes solutions.



New Business Areas

DOCOMO's eight new business areas, which are listed on the right, are closely related to the mobile communications business. Aiming to generate revenues of ¥1 trillion from these new business areas in fiscal 2015, we are enhancing our lineup of services that help customers to realize a Smart Life.

These new business areas are generating tangible results in promoting the uptake of services for mobile devices. For example, *dmarket* had reached a total of 7.69 million monthly billing subscriptions by March 2014. *dmarket* is already contributing to DOCOMO's revenues. In addition, the services that we provide through subsidiaries, such as commerce and healthcare, are recording steady growth. And due to the related growth in data usage, the expansion in new business areas is also having a positive effect on Smart ARPU and Packet ARPU.

-  Commerce
-  Media / content
-  Finance / payment
-  M2M
-  Aggregation / platform
-  Environment / ecology
-  Safety / security / education
-  Medical / healthcare