

Integrated Report 2019

Year Ended March 31, 2019



Integrated Report 2019

Editorial Policy

Integrated Report 2019 was prepared with reference to The International Integrated Reporting Framework released by the International Integrated Reporting Council (IIRC) and the Guidance for Collaborative Value Creation formulated by the Ministry of Economy, Trade and Industry in order to convey DOCOMO's sustainable corporate value, from both financial and non-financial perspectives, to shareholders, investors and other stakeholders in a manner that is easier to understand.

Specifically, we used the framework of the Guidance for Collaborative Value Creation to give a comprehensive picture of DOCOMO's business and to express management policy and strategy based on our medium- to long-term vision, in particular through the section "[Top Commitment](#)." In the "[Value Creation Story](#)" section, we lay out our framework for the value of DOCOMO seeks to create and our medium- to long-term roadmap to achieve this. In the "[Value Creation Action](#)" section, we introduce the various initiatives we are undertaking to provide new value under our Medium-Term Strategy 2020 "Declaration beyond" and CSR Policy, as well as indices and items related to the disclosure standards set forth by the Sustainability Accounting Standards Board (SASB).

We hope that through this report many more people gain a better understanding of DOCOMO.



Presentation of Names of Companies and Products

In principle, information in this report is accurate as of March 31, 2019. As used in this report, "DOCOMO," "DOCOMO Group," "the Company," "the Group," "we," "our" and "us" refer to NTT DOCOMO, INC. and its consolidated subsidiaries. Names of companies or products presented in this report are the trademarks or registered trademarks of their respective organizations.

Definition of Fiscal Year (FY)

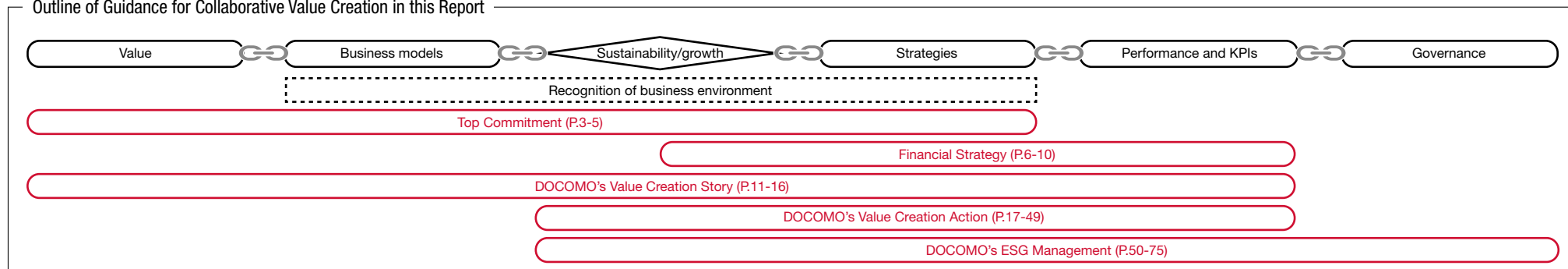
"FY2018" refers to the fiscal year ended March 31, 2019, and other fiscal years are referred to in a corresponding manner.

Forward-Looking Statements

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 report. 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 Reports and Quarterly Securities Reports.

Transcription or reproduction of this report without permission is strictly prohibited.

Outline of Guidance for Collaborative Value Creation in this Report



Integrated Report 2019

Contents

Corporate Philosophy	P.1	DOCOMO's Value Creation Action		DOCOMO's ESG Management	
Overview of DOCOMO's Businesses	P.2	Topics Over the Year	P.18	Message from Outside Director	P.51
Top Commitment	P.3	Value and excitement to our customers		Management Team	P.53
Financial Strategy		Special Feature 1		Reasons for Appointment and Insights of Outside Directors and Outside Audit & Supervisory Board Members	P.55
CFO Message	P.6	Expanding Our Membership Base and Businesses of Our Partners by Leveraging Digital Marketing	P.22	Corporate Governance	P.57
FY2018 Financial Review	P.9	Becoming the Market Leader Offering Visible Benefits and Convenience		Status of Board of Directors Meetings Held and Other Matters	P.59
		Finance/Payment Businesses Based on d POINTs	P.24	Dialogue with Shareholders and Investors	P.61
		Co-Creation with Partners	P.27	Supply Chain Management	P.62
DOCOMO's Value Creation Story		Style Innovation for a Richer Future for All		Status of Audits by the Audit & Supervisory Board and Internal Audits	P.63
DOCOMO's History	P.12	R&D and Innovation	P.28	Internal Control	P.64
Management Strategies toward Sustainable Growth	P.13	Lifestyle Innovation	P.30	Risk Management	P.65
Value Creation Process	P.14	Innovation for Customer Experiences	P.32	Initiatives for Society	P.66
Roadmap for Value Creation	P.15	Peace of Mind and Comfort Support Always by Our Customers' Side		Initiatives for the Environment	P.74
Response to Risks and Opportunities Surrounding DOCOMO	P.16	Provision of Network Service	P.33		
		Enhancing Customer Satisfaction	P.36		
		Customer Enlightenment and Customer Protection	P.38		
		Value and co-creation with +d partners		Data Section	
		Special Feature 2		5-Year Summary of Selected Financial and Non-Financial Data	P.76
		Regional Vitalization and New Business Creation Using Advanced Technologies	P.41	Subsidiaries	P.79
		Creation of Innovative Industry with 5G		Affiliates	P.80
		Example of a Demonstration Test Leveraging 5G Characteristics	P.45	Organizational Structure	P.81
		Discussion		Corporate Information/External Evaluations	P.82
		Inside Story of a "Top Gun" Initiative	P.46	Stock Information	P.84
		Partner Business Expansion Leveraging Business Platforms		Usage Guide	P.85
		Example of Resolving Social Issues	P.48		
		Expanding Partner Business	P.49		

Corporate Philosophy

To realize “the creation of a new world of communications culture,” DOCOMO will maximize the potential held by each individual to provide highly personalized communication solutions that truly satisfy customers.

The new of today, the norm of tomorrow

NTT
docomo

● Satisfying Customers

DOCOMO strives to fulfill the expectations of its customers through industry leadership in service quality, advanced networks, functionality and service area coverage. In addition, diversifying customer needs are being satisfied with an increasingly broad range of upgraded services at competitive rates.

We satisfy our customers.

We create a new communication culture.

We fully utilize individual potential.

Concept Tree

● Creating a New Communication Culture

DOCOMO is working to deliver and strengthen these benefits by improving service quality, aggressively moving forward with the development of new services and researching and developing more user-friendly communications interfaces. In addition, services and technologies are being provided in a diversifying range of business fields and platforms.

● Utilizing Human Resources

DOCOMO empowers individuals to achieve their utmost capabilities and thereby discover new potential. The Company motivates employees not only by providing a dynamic workplace, but also by offering enlightened labor conditions and enhanced health and welfare benefits.

Overview of DOCOMO's Businesses

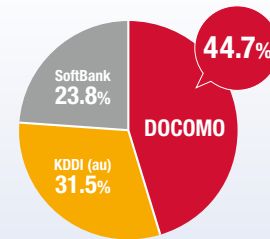
DOCOMO aims to create a new world of communications culture by providing telecommunications services that can be easily utilized anytime, anywhere and with peace of mind, and by developing diverse businesses in the smart life business and other businesses segment in support of affluent lifestyles.



Telecommunications Business

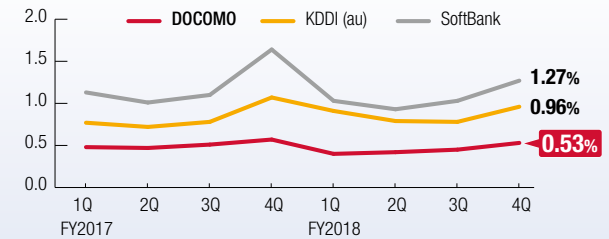
DOCOMO is the largest cellular network operator in Japan with a total subscription of 78.45 million, which represents 44.7% of all cellular subscriptions in Japan. In addition, the churn rate has improved from the previous fiscal year and is being maintained at a low level. In this business, we provide smooth telecommunications services that can be used anywhere, anytime and with peace of mind.

No. 1 in Domestic Market Share Number of mobile phone subscriptions

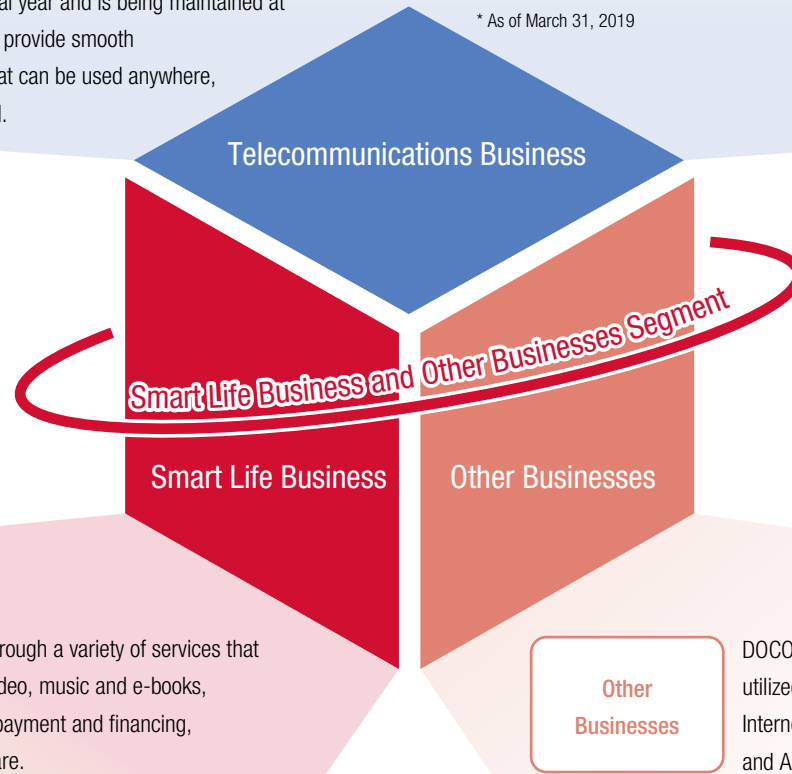


* Source: Telecommunications Carriers Association
* As of March 31, 2019

Best-in-Class Low Churn Rate Globally Handset churn rate



* Data from figures announced by each company
* Churn rate for DOCOMO in Basic Plans (excluding Data Plans and Device Plus 500), Xi/FOMA Billing Plans and Type Limit Value/Type Limit for smartphones and feature phones, etc.



Smart Life Business

DOCOMO supports the daily lives of people through a variety of services that include entertainment with content such as video, music and e-books, smart-life solutions, credit card and barcode payment and financing, insurance, investment, shopping and healthcare.



Other Businesses

DOCOMO provides support to ensure that our products and services can be utilized easily and with peace of mind such as corporate solutions based on the Internet of Things (IoT) and other technology, mobile device protection service and Anshin Remote Support.

Top Commitment

Through Open Innovation, We will Create “New Value” Uniquely Available with DOCOMO.

Japan’s telecommunications industry is now undergoing a sea change with the market entry by a new player, revision of the Telecommunications Business Act and launch of 5G (the 5th generation mobile communications system). Let me explain our business strategies that we are pursuing in this environment to achieve an unprecedented transformation for our sustainable growth in the 2020s.



President & CEO

Delivered Revenue and Profit Growth in FY2018 with Operating Profit Exceeding ¥1 Trillion for the First Time in 15 Years

Our FY2018 results outperformed our guidance with both operating revenues and profit recording a year-on-year increase for the fourth consecutive year: operating revenues grew by ¥78.6 billion from the previous fiscal year to ¥4,840.8 billion and operating profit by ¥26.7 billion to ¥1,013.6 billion. We have also made steady progress toward the achievement of our medium-term operational targets, i.e., the indicators that we have committed to deliver by FY2021.

This profit growth was driven mainly by the increase in telecommunications service subscriptions and the expansion of the

Smart life business and Other businesses comprising content/lifestyle, finance/payment services as well as enterprise solutions, etc., which we are promoting to provide new value to customers through the value co-creation initiatives with external partners.

Particularly, the finance/payment services showed strong performance. We started tackling the “transformation into a business foundation centered on our membership base” from FY2018 and have strived to reinforce our offerings that are centered around our point program. As a result of these undertakings, we successfully increased the total number of “d POINT CLUB” members to over 70 million.

Meanwhile, we increased the variety of payment methods by newly



FY2019 is the Execution of Change to Propel Our Future Growth.

adding barcode (QR code) payment and “d Payment” service to our conventional service lineup of “iD” (electronic money) and “d CARD” (credit card), and at the same time integrated these payment services with our “d POINT” program to enable customers to earn and use points much more easily than before. The favorable performance of our finance/payment services was underpinned by customers appreciation of the value of the “benefits and convenience” we offer. While Japan lags other countries in the adoption of cashless payments, the market has started to gain traction with the entry by a wide variety of players. For our solid membership base and our ability to roll out services leveraging our point scheme, we believe we have a strong presence that will allow us to compete favorably in this market.



Setting “Change” as the Main Theme of Our FY2019 Business Management Policy

In April 2017, we developed our Medium-Term Strategy 2020 “Declaration beyond” in which we presented our vision of the era beyond 2020. However, the world is changing moment by moment and the speed of change is particularly fast in the telecommunications industry. In order to deliver on what we envisaged in “Declaration beyond,” we must anticipate and prepare for future changes and alter our conventional approaches and offerings accordingly.

Therefore, our focus for FY2019 is the execution of “change” to propel our further growth. In accordance with this theme, we will specifically work on (i) boosting our competitiveness to continue to be chosen by customers, (ii) creation of new revenue opportunities through marketing model transformation, and (iii) further expansion of Smart life business and Other businesses and acceleration of 5G commercialization. We will provide returns to customers leveraging our newly launched rate plans and deliver new values jointly with partners through the promotion of digital marketing, thereby transforming ourselves at the same time.

Make FY2019 the Bottom Year and Aim for Sustainable Growth in the 2020s

In FY2019, we plan to execute customer returns worth approximately ¥200 billion through the introduction of new rate plans, which were designed paying close attention to customer requirements to offer improved “value and convenience” for customers. Accordingly, we project a decline in both operating revenues and profit to ¥4,580 billion (down ¥260.8 billion year-on-year) and ¥830 billion (down ¥183.6 billion year-on-year), respectively.

Although a temporary drop is expected for this fiscal year, toward our sustainable growth in the future, we will actively pursue the basic policies of our medium-term business strategy, i.e., “revenue opportunity creation centered on customer base,” “growth driven by 5G” and “evolution of customer touchpoints.” We are determined to make FY2019 the bottom year and recover our performance by FY2023.

As a foundation of our recovery, we will strive to further develop our Smart life business and Other businesses by expanding our membership base to over 100 million as quickly as possible. Leveraging this solid membership base, we will accelerate commercial transactions and strengthen our ties with customers by rolling out marketing automation and creating new solutions and revenue models for other businesses in collaboration with various external partners. We already started providing data that can be used by consumer goods manufacturers for their own marketing activities through a packaged solution developed jointly with our partner, a large-scale retail business operator. The solution combines the data owned by DOCOMO and the partner and makes it possible for businesses to identify and approach members who are likely to make a purchase.

For the commercialization of 5G, we are moving forward with the construction of network infrastructure in parallel with the preparation for service deployment. We heard some skeptical opinions concerning the necessity of a high-speed network when we introduced 3G and 4G services in the past. However, there is a breadth of new businesses that can only be realized with the faster-speed and larger-capacity transmission capabilities of the 5G network. We intend to roll out a wide array of services as part of our pre-commercial offerings, e.g., solutions for construction machines, remote medicine and education,

Partners are Essential for Making Innovation Together.

joining forces with various business partners. With the growing expectations for 5G around the prospects of new industry creation and solution of social issues, many people are expressing their understanding and support towards 5G.

In FY2019, we expect to create 100 different use cases for our pre-commercial offerings. Toward the full-commercial launch scheduled for spring of 2020, we will start implementing services in earnest taking the opportunity of the Rugby World Cup 2019 games. We plan to push forward the commercialization of 5G as well as IoT, AI and other advanced technologies through what is known as the Top Gun project, where the three parties of customer, our Corporate Sales and Marketing team and R&D unit join forces to solve various challenges.

DOCOMO's CSR Activities Shapes the Foundation of "Declaration beyond"

Medium-Term strategy 2020 "Declaration beyond" was the first thing I tackled after I was appointed CEO. Our fundamental philosophy toward CSR lies at the bottom of this strategy, because "Declaration beyond" sets out "WHAT we aim for" while CSR defines "HOW we address" these targets.

We are pursuing CSR along the two fronts of [Responsible docomo], in which we aim to create a company that can earn the trust and confidence of customers by fulfilling our responsibilities, and [Innovative docomo], in which we aspire to solve social issues through the delivery of new value. Based upon these two pillars, we will promote ESG management and make tangible contributions toward the achievement of the Sustainable Development Goals (SDGs) and solution of other social challenges.

We believe our businesses are synonymous with people's livelihood

and social infrastructure. As such, we must never cause a disruption of telecommunications services; continuous operation is the most important mission we are required to fulfill. The importance of telecommunications is especially highlighted when disasters strike. Under [Responsible docomo], we are required to ensure the availability of telecommunications services at all times, and in the event of a disaster or other anomalies, a robust response to achieve the earliest possible recovery of service.

Meanwhile, innovation is indispensable to enhance the value of our lives and society. This is what we aspire to realize with [Innovative docomo]. We believe we can invent new things by undertaking value creation activities jointly with partners and integrating partners' assets and technologies with ours. This is our approach to open innovation, and this is what we pursue under [Innovative docomo].

Build Our Own Strengths While Recognizing Risks and Challenges

DOCOMO is well positioned to exert its strength primarily in the area of technology such as 5G, IoT and AI, but we cannot change the world with technology alone. For making innovation, human talent and partners are required to translate technology into tangible businesses and services. We are aware that we need to make further efforts to cultivate these resources.

Global business expansion continues to be one of our challenges. Going forward, we will focus on how to expand the Smart life business domain that we developed in Japan leveraging our membership base to other markets.

However, new businesses or value can hardly be developed only by ourselves, so we must work together with partners mutually bringing ideas to develop a concrete solution. We will continue to deepen our

collaboration with a wide variety of partners, to make our customers' lives more comfortable and contribute to the development of the industry through healthy business management. By creating "new value" we will help shape a brighter future.



CFO Message

Executing “Change” for Our Sustained Growth in the 2020s



Osamu Hirokado
Chief Financial Officer and
General Manager of Accounts and
Finance Department

FY2018 marked the fourth consecutive year of achieving year-on-year gains in both revenues and profit, with operating revenues growing by ¥78.6 billion to ¥4,840.8 billion and operating profit by ¥26.7 billion to ¥1,013.6 billion, surpassing the ¥1 trillion-mark for the first time in 15 years.

With respect to the performance by segment, in telecommunications business, although we recorded a decline in mobile telecommunications services revenues due to the expansion of returns provided to customers, we secured an increase in both revenues and profit owing mainly to the growth of “docomo Hikari” optical-fiber service subscriptions and other factors. For the Smart life business, despite a decrease in revenues caused by the sale of our stake in Radishbo-ya Co. Ltd. in February 2018 and other factors, we recorded an increase in profit driven mainly by the favorable performance of our finance/payment services. Adjusted free cash flows dropped by ¥243.4 billion yen from the previous fiscal year due primarily to the impact of the receipt of arbitration award payment from Tata Sons Limited in FY2017 as well as the increase in installment receivables and income tax, etc. in FY2018.

DOCOMO positions FY2019 as the year to “execute ‘change’ to propel further growth.” While we expect to see a significant change in market conditions in FY2019, we still imposed a task to transform ourselves during this year to sustain our future growth. Specifically, we will provide returns to customers leveraging our new rate plans and propose the optimal plan for each user with the aim of further strengthening our ties with customers, thereby solidifying our customer base and boosting our revenues. Although we project a temporary drop in profit as a result of the stepped-up customer returns, we will aim for the earliest possible recovery making FY2019 the bottom year of profit.

	FY2017	FY2018		FY2019
	Results	Results	Year-on-year comparison	Forecast
Operating revenues	¥4,762.3 billion	¥4,840.8 billion	+¥78.6 billion (+1.7%)	¥4,580.0 billion
Operating profit	¥987.0 billion	¥1,013.6 billion	+¥26.7 billion (+2.7%)	¥830.0 billion
Profit attributable to shareholders of NTT DOCOMO, INC.	¥790.8 billion	¥663.6 billion	-¥127.2 billion (-16.1%)	¥575.0 billion

* With the goal of improving the international comparability of financial information in the capital markets, among other reasons, we have adopted International Financial Reporting Standards (IFRS) in place of U.S. Generally Accepted Accounting Principles (U.S. GAAP) beginning with the fiscal year ended March 31, 2019 (FY2018). The results for FY2017 are also presented based on IFRS.

Scenario for Recovery

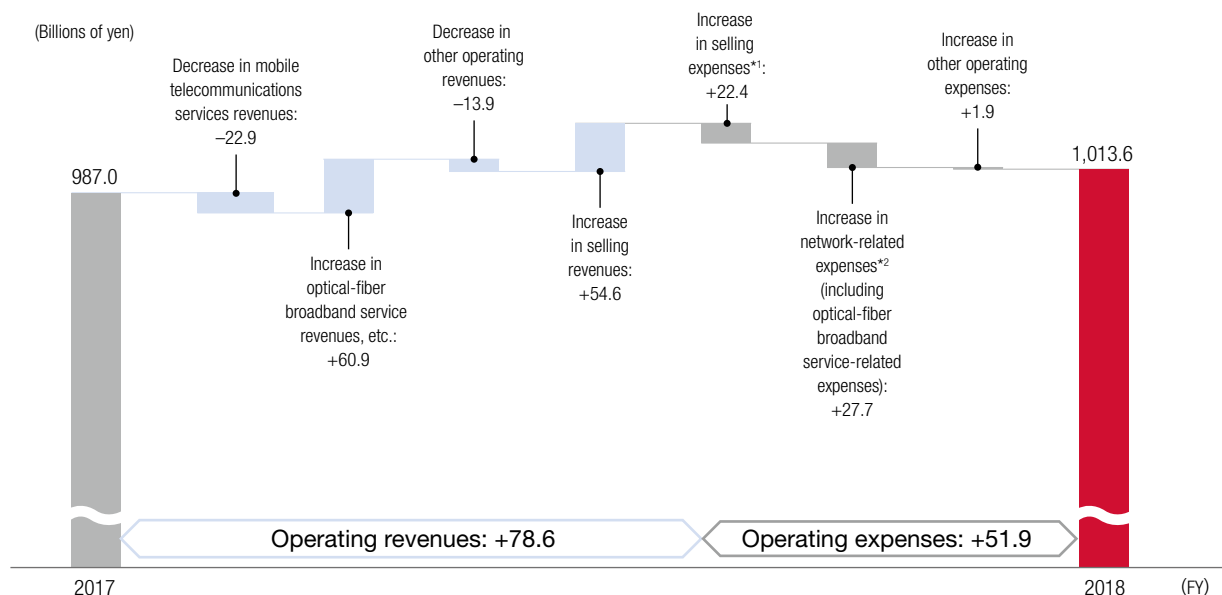
In October 2018, we unveiled our medium-term management strategy that is grounded in the two basic policies of “transformation into a business foundation centered on our membership base” and “5G rollout and business creation.” Through strategy, we will strive to expand our membership base, promote digital marketing, create revenue opportunities in the areas of smart life business, enterprise business and 5G business, while continuously addressing cost efficiency improvement toward the goal of achieving ¥5 trillion in operating revenues by FY2021 and ¥990 billion in operating profit by FY2023.

We launched our new rate plans, “Gigaho” and “Gigalight” in June 2019. The stepped-up customer return measures including this price revision are expected to cause a negative revenue impact of approximately ¥200 billion in FY2019. However, we will endeavor to recover the profit from telecommunications business by abolishing “Monthly Support”—a program that we introduced in the past to provide customers with discounts on their monthly communications charges, facilitating upsell by boosting data usage through the provision of compelling content services and accelerating users’ migration from feature phones to smartphones to solidify our customer base.

In our Smart life business and Other businesses, we will work to further expand our finance/payment offerings as well as our enterprise IoT and other solutions, and enrich our portfolio of services that capitalize on the strengths of 5G.

Meanwhile, by executing marketing enhancement and operational reform leveraging AI, Big Data and other technologies, we will aim to deliver a ¥400 billion cost efficiency improvement by FY2023 compared to the level of FY2017 to secure funds for our future growth investments. Through these undertakings, we will aim to achieve the operating profit target for FY2023 stated in our medium-term management strategy at the earliest possible timing.

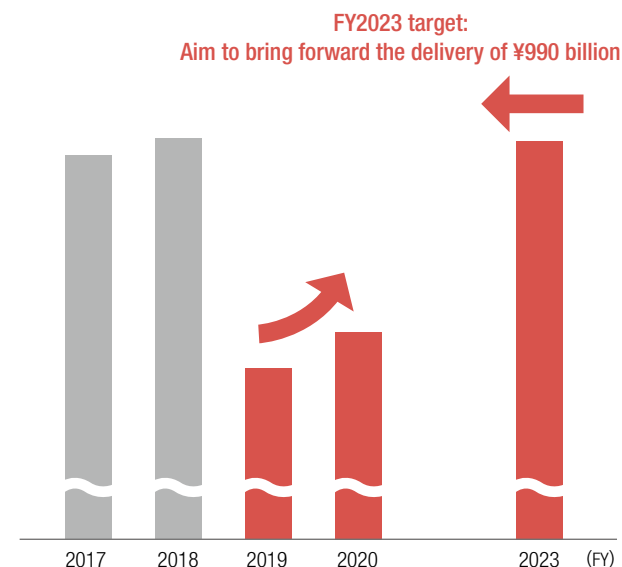
Key Factors behind Changes in Operating Profit (FY2017-FY2018)



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

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

Planned Recovery of Operating Profit (Illustrative)



FY2023 target:
Aim to bring forward the delivery of ¥990 billion

Mid- to Long-Term Investment and Capital Policies

Our basic capital policy is to achieve a sustained growth in our enterprise value by pursuing financial soundness, improved capital efficiency and reinforcement of shareholder returns in a well-balanced manner. For shareholder returns, as stated in our medium-term management strategy announced in October 2018, we set out a policy to accelerate the returns to shareholders through continuous increase in dividends and opportunistic share repurchases.

Meanwhile, we plan to maintain our annual capital expenditures at the current level. We will ensure proper management by proactively making investments required for our sustainable growth in the 2020s, while consciously monitoring their efficiency using ROI and other indicators.

As for the prospects of free cash flows, because of the negative impacts from the new rate plans and other measures aimed at strengthening our customer returns as well as the projected increase in working capital associated with the growth of credit card business, we forecast a temporary reduction in free cash flows for FY2019. However, we aim to achieve a recovery thereafter in line with the improvement of profits.

Over the last five years, we repurchased shares worth over ¥1,800 billion in aggregate without increasing our interest-bearing liabilities. We also plan to redeem our interest-bearing liabilities sequentially at maturity in order to secure flexibility in our future financing activities. This is expected to significantly benefit us in terms of our agility in business execution and become one of our strengths for our sustained

growth in the 2020s.

If the need for considerable financing arises in the future, we will look into the possibility of using conventional means of borrowings as well as the option of using cash made available by improving the efficiency of our balance sheet through securitization of receivables or other methods.

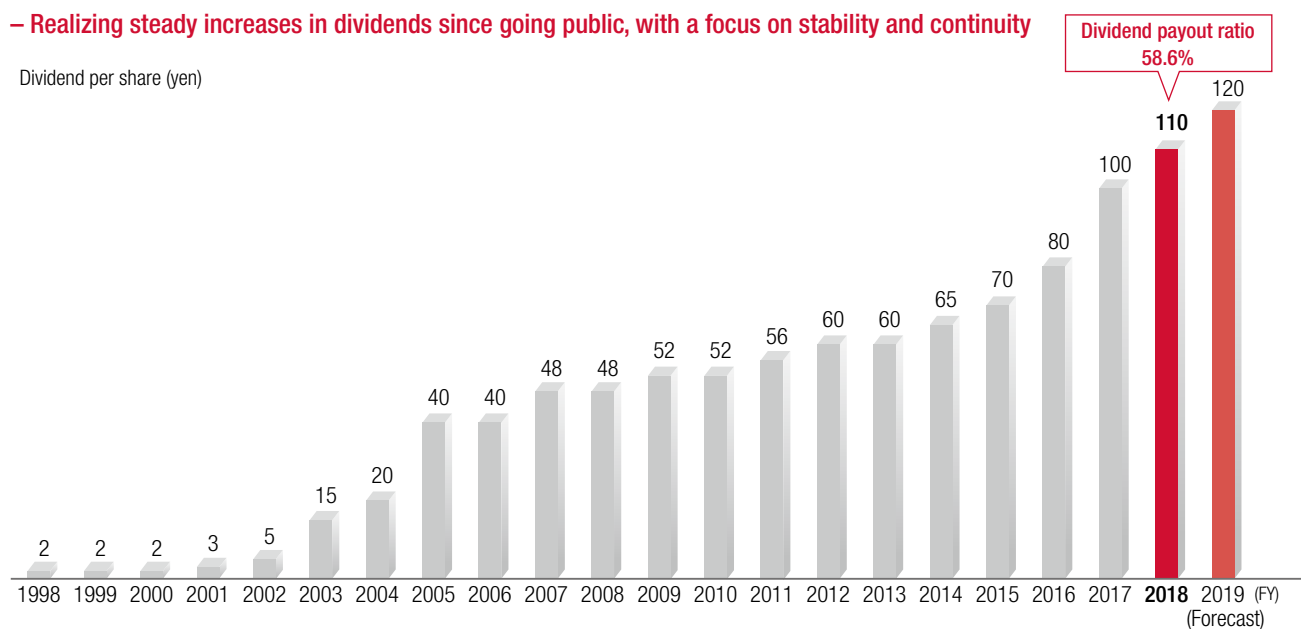
Continuous Returns to Shareholders

We will strive to live up to the expectations of our shareholders attaching a strong emphasis on continuity and stability of our shareholder returns. We raised the annual dividend for FY2018 by ¥10 from the previous fiscal year to ¥110 per share and we are planning on another ¥10 increase in FY2019 to ¥120 per share. We aim to continuously raise our dividends with a view to achieving a moderate linear increase going forward.

Historical Trends of Dividends

– Realizing steady increases in dividends since going public, with a focus on stability and continuity

Dividend per share (yen)



* Amounts of dividend are adjusted for the stock splits carried out in FY1999, FY2002 and FY2013

Dialogue with Investors

In our dialogue with investors, analysts and shareholders, I try to hold interactive communications as much as possible putting myself at the forefront so I can engage with them in good faith to hear their various requests and opinions.

Recently, it has become necessary to provide opportunities to explain not only our financial data but also our enterprise value that is not directly expressed on the balance sheet. In the future, to respond adequately to the questions and requests from investors and analysts, we plan to more proactively communicate the enterprise value of DOCOMO by disclosing, for example, our human resource strategy and other non-financial information in close coordination with relevant business departments.

FY2018 Financial Review

Performance by Segment

•Telecommunications Business

Operating revenues from telecommunications business grew by ¥82.7 billion, or 2.1%, from the previous fiscal year to ¥3,977.1 billion, due primarily to the reduction of discounts provided under the “Monthly Support” program, increase in optical-fiber broadband service revenues achieved from the expansion of “docomo Hikari” subscriptions, increase in equipment sales revenues and other factors, which outweighed the negative revenue impact caused by the expanded returns to customers.

Operating expenses also recorded an increase over the previous fiscal year due mainly to a rise in revenue-linked expenses including communication network charges and cost of equipment sold, despite our ongoing cost efficiency improvement efforts and a one-off reduction in depreciation/amortization in the previous fiscal year resulting from an irregular factor. Because the revenue growth more than offset the increase in expenses, operating profit increased by ¥12.1 billion, or 1.4%, from the previous fiscal year to ¥866.3 billion.

•Smart life business

Operating revenues from Smart life business dropped by ¥2.0 billion, or 0.4%, from the previous fiscal year to ¥448.8 billion. This was due mainly to the decrease in revenues caused by the sale of Radishbo-ya Co. Ltd. in February 2018 and a reduction in content services revenues, which outweighed the growth of finance/payment services revenues.

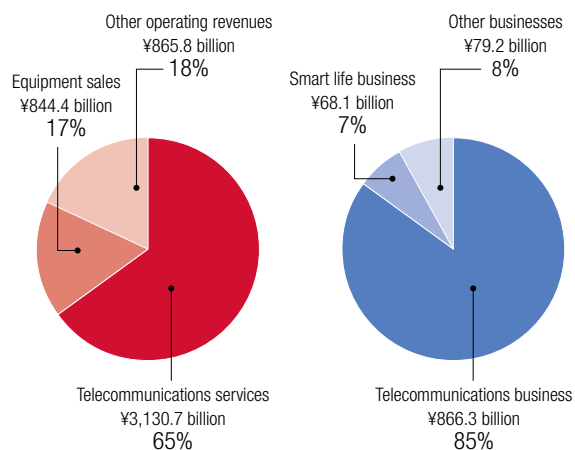
Meanwhile, operating expenses recorded a year-on-year decrease because the reduction in expenses incurred at Radishbo-ya and those linked with content services revenues was greater than the growth of expenses associated with finance/payment services revenues. Consequently, operating profit from Smart life business grew by ¥7.8 billion, or 12.8%, to ¥68.1 billion.

•Other businesses

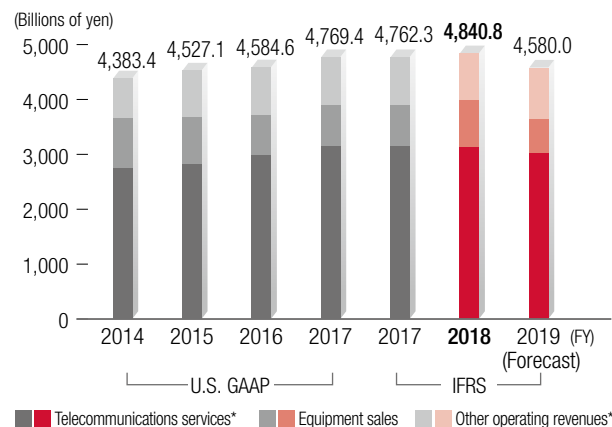
Operating revenues from Other businesses increased by ¥0.9 billion, or 0.2%, from the previous fiscal year to ¥440.7 billion. This was driven mainly by the expansion of revenues from IoT and other enterprise services as well as the growth in revenues resulting from the increase in the proportion of high-end smartphone users to total “Mobile Device Protection Service” subscriptions, which more than cancelled out the decrease in content service revenues from an overseas subsidiary.

On the other hand, operating expenses from Other businesses recorded a year-on-year decline because the savings achieved through cost efficiency improvement initiatives overwhelmed the impairment losses recorded for the content services operated by our overseas subsidiary. Consequently, operating profit posted a growth of ¥6.8 billion, or 9.4%, compared to the previous fiscal year to ¥79.2 billion.

Operating revenues (FY2018) Operating profit (FY2018)

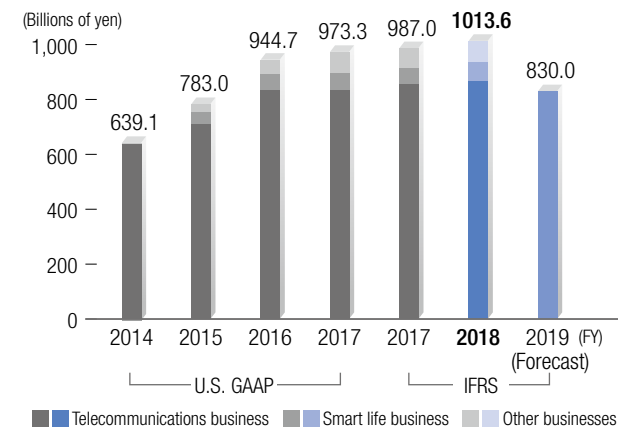


Operating revenues



* Certain revenue items that had previously been included in “Other Revenues” (revenues from satellite mobile communications, overseas cable TV and other services) were reclassified into optical-fiber broadband service revenues and other telecommunications services revenues effective FY2014.

Operating profit



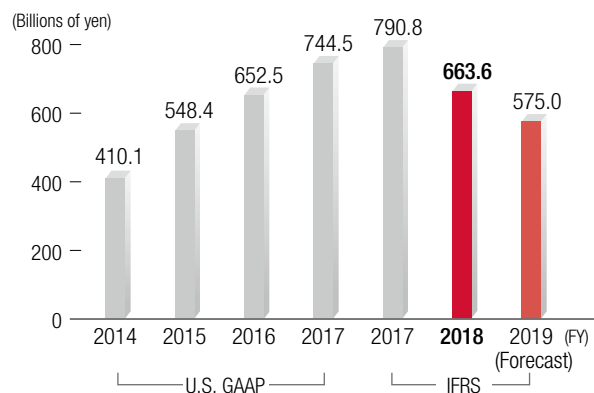
Profit Attributable to Shareholders of NTT DOCOMO, INC.

Profit before taxes for FY2018 decreased by ¥139.1 billion, or 12.2%, from the previous fiscal year to ¥1,002.6 billion. This was due mainly to the receipt of ¥147.6 billion in arbitration award payment from Tata Sons Limited of India in the previous fiscal year, which was recorded in non-operating revenues, and also because we recorded losses of ¥12.0 billion as share in investments accounted for using the equity method owing primarily to the losses incurred by our affiliate overseas telecommunications carrier.

Due to the decline in profit before taxes, income taxes decreased by ¥11.5 billion, or 3.3%, from the previous fiscal year to ¥337.8 billion.

As a result of the foregoing, profit attributable to shareholders of NTT DOCOMO, INC. dropped by ¥127.2 billion, or 16.1%, from the previous fiscal year to ¥663.6 billion.

Profit Attributable to Shareholders of NTT DOCOMO, INC.



Cash Flows

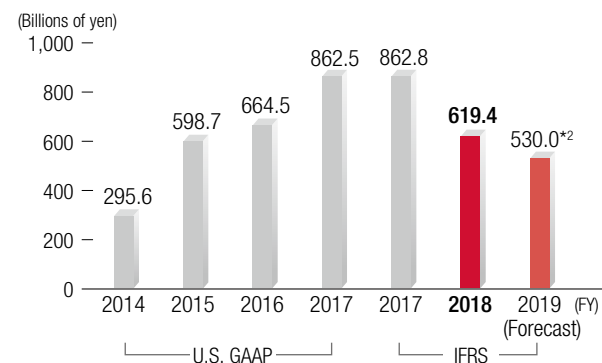
For FY2018, cash flows from operating activities was ¥1,216.0 billion, a decrease of ¥282.6 billion, or 18.9%, from the previous fiscal year. The main reasons behind this drop include the receipt of arbitration award payment from Tata Sons Limited in the previous fiscal year and an increase in cash outflows for income taxes.

Cash flows from investing activities was ¥296.5 billion, a decrease of ¥409.1 billion, or 58.0%, from the previous fiscal year. This was mainly due to a decrease in cash outflows for purchases of short-term investments.

Cash flows from financing activities were ¥1,090.1 billion, an increase of ¥399.3 billion, or 57.8%, from the previous fiscal year. This was primarily attributable to an increase in cash outflows for share repurchase, payments of long-term debt and an increase in dividends paid.

Free Cash Flows

(Excluding the effects of changes in investment*1 and adoption of IFRS 16)



*1 Free cash flows are 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.

*2 In association with the adoption of IFRS 16 (Lease) effective April 1, 2019, lease-related expense items are reclassified into "depreciation/amortization" from previously "cost of equipment sold and services, and other expenses" and "communication network charges." The projected amount of free cash flows inclusive of this impact is estimated to be ¥630 billion yen.

Consequently, the balance of cash and cash equivalents was ¥220.0 billion as of March 31, 2019, a decrease of ¥170.5 billion, or 43.7%, from the previous fiscal year end.

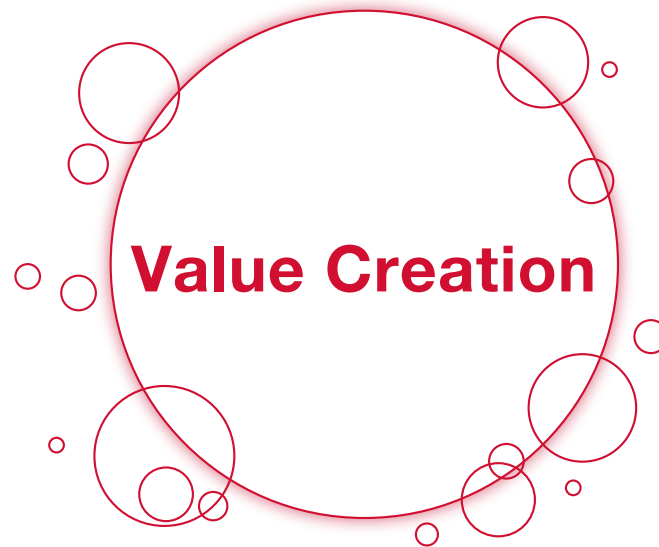
Long-Term Debt

As of March 31, 2019, we had ¥50.0 billion in outstanding long-term interest-bearing liabilities including the current portion, which were in bonds due in the fiscal year ending March 31, 2024 with a weighted average coupon rate of 0.7% per annum. Our long-term debt obligations were rated AA- by Standard & Poor's and Aa3 by Moody's, indicating that our financial soundness has received the highest level of evaluation in the global telecommunications sector.

DOCOMO's Ratings

Rating agencies	Type of rating	Rating	Outlook
Moody's	Long-term obligation rating	Aa3	Stable
Standard & Poor's	Long-term obligation rating	AA-	Stable
Japan Credit Rating Agency, Ltd.	Long-term obligation rating	AAA	Stable
Rating and Investment Information, Inc.	Issuer rating	AA+	Stable

DOCOMO's Value Creation Story



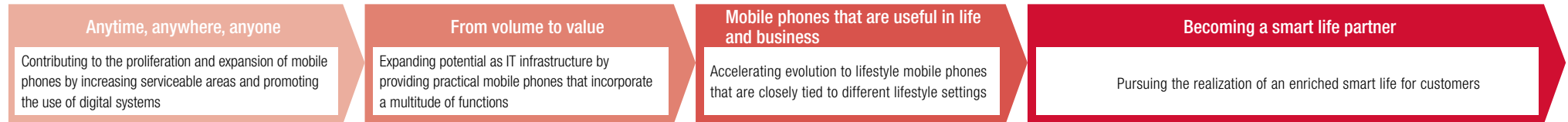
DOCOMO's History	P.12
Management Strategies toward Sustainable Growth	P.13
Value Creation Process	P.14
Roadmap for Value Creation	P.15
Response to Risks and Opportunities Surrounding DOCOMO	P.16



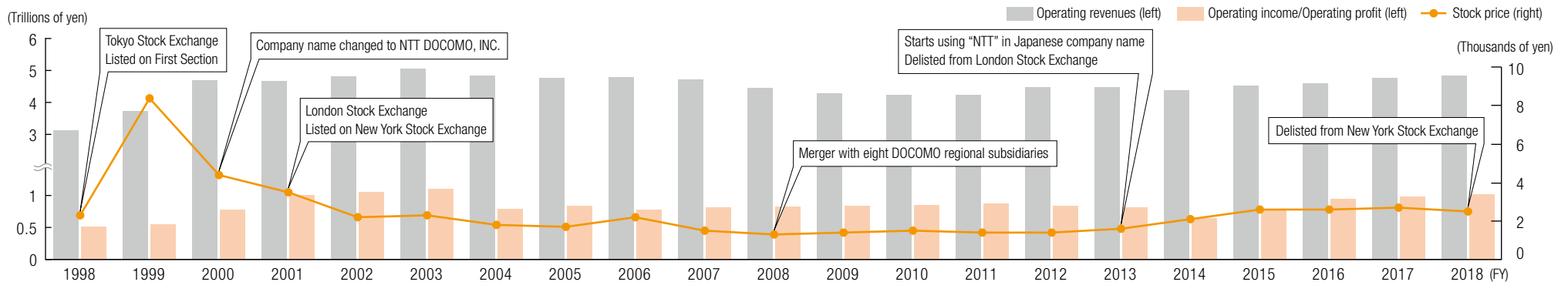
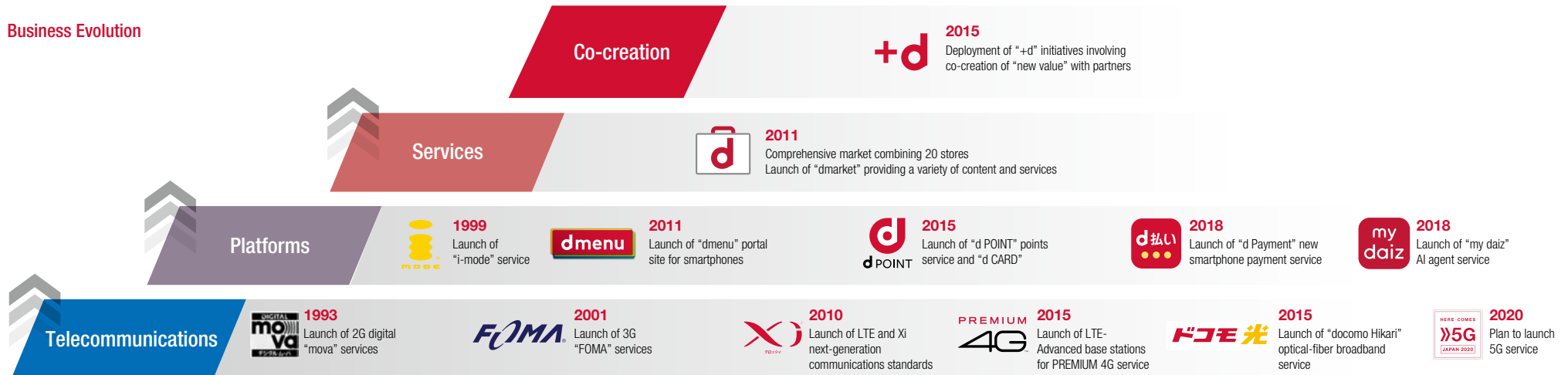
DOCOMO's History

1991 ▶ 2019

Value Delivered by DOCOMO



Business Evolution



* Stock price takes into consideration the stock splits conducted in FY1999, FY2002 and FY2013.

Management Strategies toward Sustainable Growth

2019 ▶ 2020s

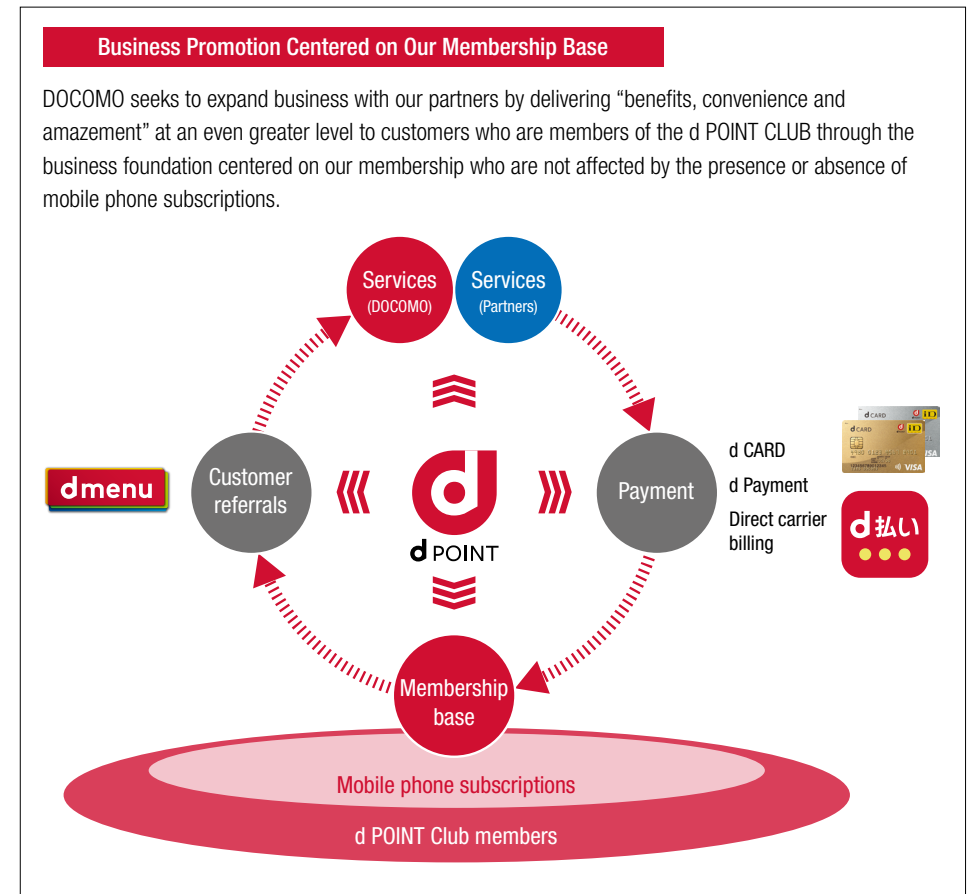
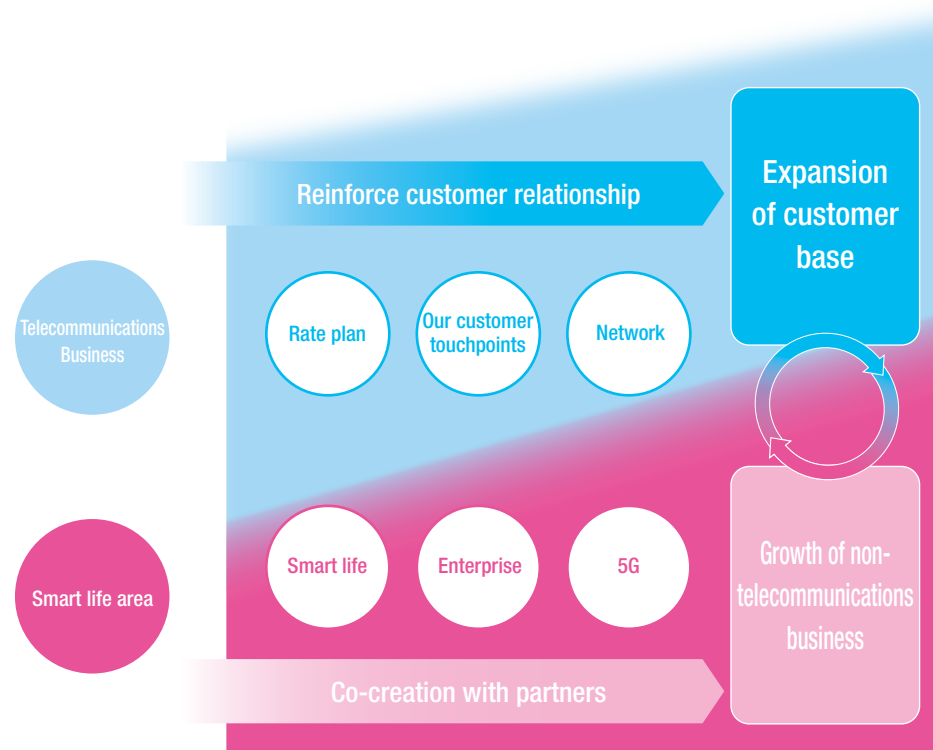
DOCOMO aims to drive change and therefore sustainable growth by realizing new value for customers and partners through efforts to commercialize advanced technologies such as 5G and to create new business models and expand business fields.

Future Business Model Due to Revenue Structure

DOCOMO aims to expand our customer base by reinforcing connections with customers and will provide new value by creating new revenue opportunities and expanding the smart life area through co-creation with members and partners.

Initiatives toward Expansion of Business Fields

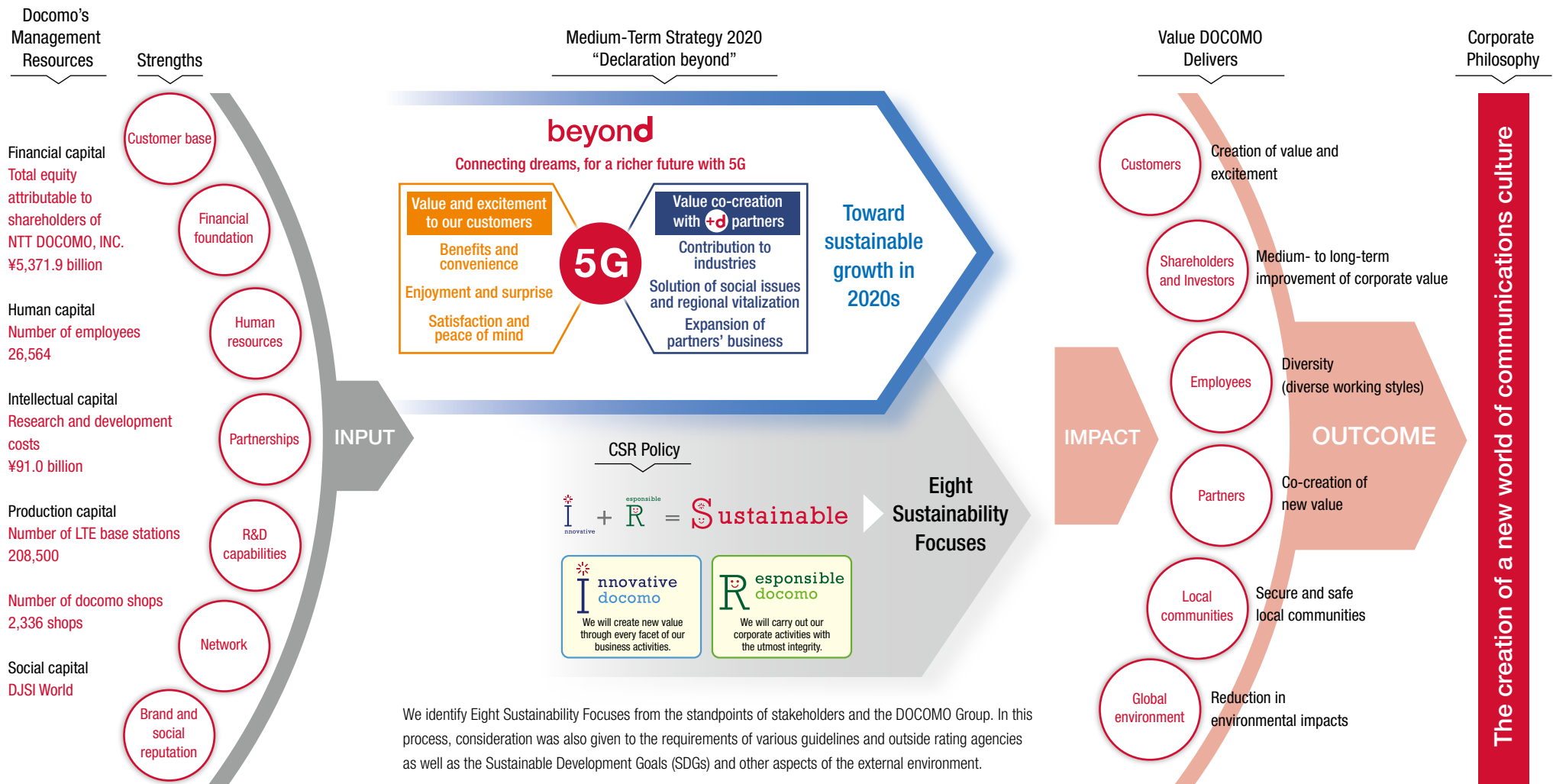
DOCOMO is working to expand business fields from various perspectives in order to boost our customer base centered on members and strengthen the value we provide to them.



Value Creation Process

2019 ▶ 2020s

To realize “the creation of a new world of communications culture,” DOCOMO promotes a business model aimed at driving sustainable growth in the 2020s and in the process provides a variety of value to stakeholders. This business model is based on the strengths that we have built up throughout our history and on our CSR Policy, the bedrock of all of our corporate activities.

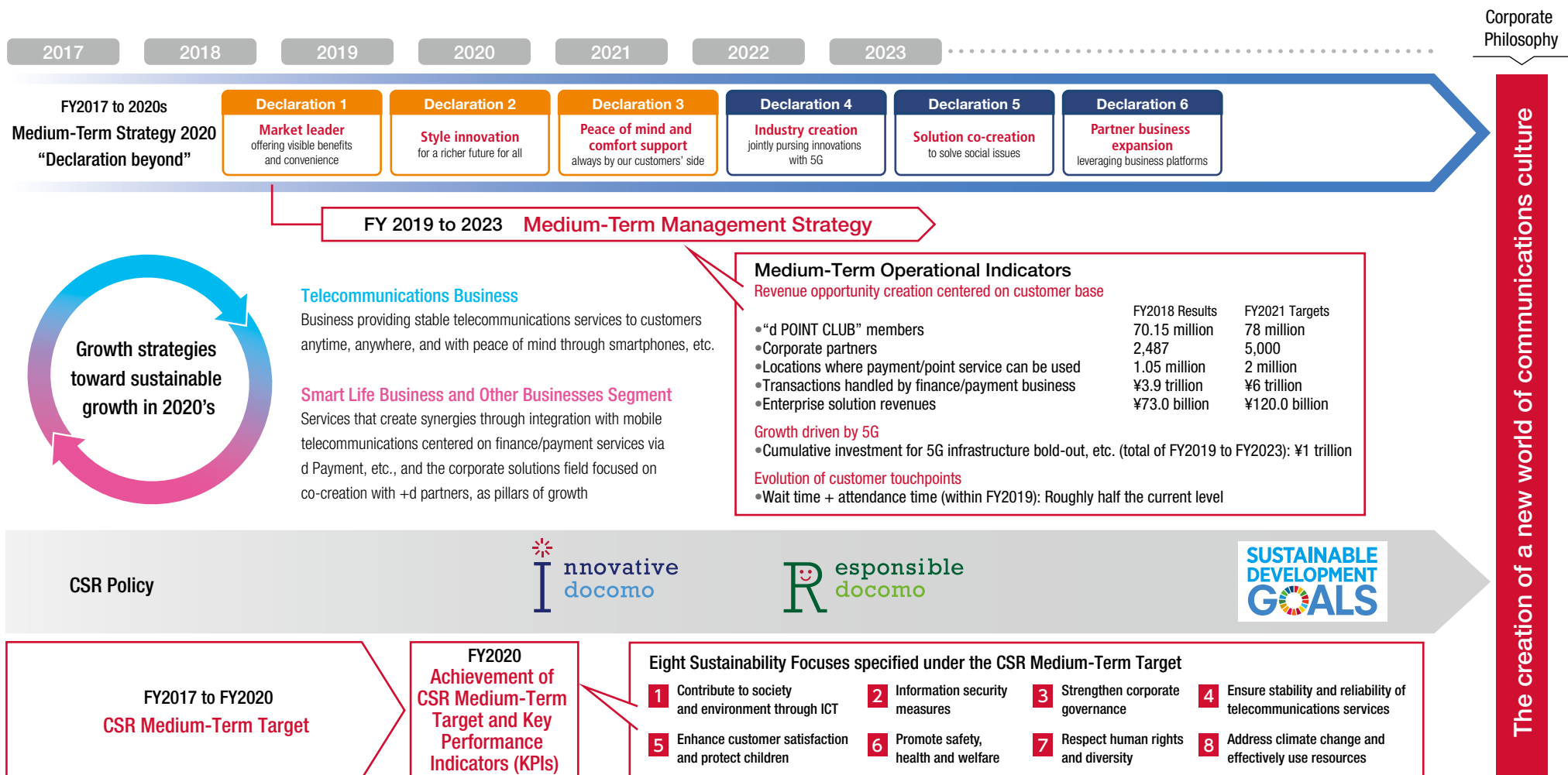


We identify Eight Sustainability Focuses from the standpoints of stakeholders and the DOCOMO Group. In this process, consideration was also given to the requirements of various guidelines and outside rating agencies as well as the Sustainable Development Goals (SDGs) and other aspects of the external environment.

Roadmap for Value Creation

2019 ▶ 2023 and...

DOCOMO is making steady progress along our roadmap toward “the creation of a new world of communications culture” by setting specific strategies and quantitative medium-term targets based on our Medium-Term Strategy 2020 “Declaration beyond” and further solidifying corporate foundations through initiatives relating to Sustainability Focuses.



Response to Risks and Opportunities Surrounding DOCOMO

2019

To realize our medium-term management strategy for sustainable growth in the 2020s, DOCOMO has selected five major risks from a comprehensive list created based on an analysis of the business environment. We are taking various steps to provide new value as measures to address these risks.

 For more details about business risks, please refer to the Company's Annual Securities Reports. <https://www.nttdocomo.co.jp/english/corporate/ir/library/report/index.html>

Major Risks in FY2019

1. Risk associated with intensifying competition due to new market entrants

The market environment is changing dramatically due to such factors as new market entrants and an increase in users choosing low-cost services provided by Mobile Virtual Network Operators (MVNOs). This could limit the acquisition of new subscriptions and the retention of existing subscriptions by the Group, or it may lead to average revenue per user (ARPU) diminishing at a greater than expected rate.

2. Risk associated with the smart life area and 5G business

If current and new services and usage patterns proposed and introduced by the Group cannot be developed as planned, or if higher than expected expenses arise, the ensuing intensifying competition with other operators could affect the financial condition of our corporate group and limit our growth.

3. Risk associated with the use of personal data and other information

Inadequate handling of confidential business information including personal information by the Group, partners and otherwise may adversely affect our credibility or corporate image.

4. Risk associated with the provision of stable network and other factors

Natural and manmade disasters and other events and incidents could cause failure in our networks, distribution channels and other business necessary for the provision of service, which may adversely affect our credibility or corporate image or lead to a reduction of revenues or an increase of costs.

5. Risk associated with laws, regulations and systems

The introduction or revision of various laws, regulations or systems inside and outside of Japan, or the application of such laws and regulations to the Group, could restrict our business operations, which may adversely affect our financial condition and results of operations.

Measures to Reduce Risks and Create Opportunities

- We will aim to be a company continually chosen by customers through new rate plans started in June 2019; the quality of our networks and services, including after-sales services; and our comprehensive capability to utilize various assets such as our membership base.
- We will maintain and reinforce our customer base by further bolstering our competitiveness through new rate plans and swiftly offering great value to DOCOMO customers.

- We will steadily grow the smart life business by creating new markets in line with the introduction of 5G and becoming a market leader in addition to focusing on fields with remarkable growth in recent years, particularly finance/payment services and enterprise solutions services.
- We will accelerate commercial transactions, strengthen relationships with customers, provide solutions to other companies in collaboration with partners and create a new revenue model by promoting digital marketing based on our membership base.

- We will conduct comprehensive company-wide security management that includes the thorough management of confidential information such as personal information, employee education and the supervision of subcontractors and business partners.
- We will formulate and publicize the NTT DOCOMO Personal Data Charter with the aim of clarifying the appropriate handling of personal data to our customers and enabling them to use our services with peace of mind. We will also make our privacy policy easier to follow in terms of composition and expressions used, and provide tools enabling our customers to design to a certain degree their own policy regarding the internal use and third-party provision of personal information.

- We will endeavor to achieve reliability and stability, expand service area, inspect and improve reception quality, and enhance telecommunications speed. We will also make preparations for wide-area protracted power outages, ensure essential telecommunications and improve reliability, rapidly restore telecommunications services and reinforce our support of disaster-stricken areas.
- We will refine quality in 5G services we will start to provide in 2020 in the same manner as always.
- We will identify trends in cyberattacks, examine our preparations to counter such attacks, strengthen measures against unauthorized access and notify our customers of such problems so they can use our services safely and with peace of mind.

- We will present public comment gathered by the relevant authorities and work to build understanding of the Groups' opinions among stakeholders with regard to changes in administrative and legislative policies and other matters, and the economic climate affecting our business operations.

DOCOMO's Value Creation Action

Topics Over the Year P.18

Value and excitement to our customers

Special Feature 1

Expanding Our Membership Base and Businesses of Our Partners by Leveraging Digital Marketing P.22

Becoming the Market Leader Offering Visible Benefits and Convenience

Finance/Payment Businesses Based on d POINTs P.24

Co-Creation with Partners P.27

Style Innovation for a Richer Future for All

R&D and Innovation P.28

Lifestyle Innovation P.30

Innovation for Customer Experiences P.32

Peace of Mind and Comfort Support Always by Our Customers' Side

Provision of Network Service P.33

Enhancing Customer Satisfaction P.36

Customer Enlightenment and Customer Protection P.38

Value and co-creation with +d partners

Special Feature 2

Regional Vitalization and New Business Creation Using Advanced Technologies P.41

Creation of Innovative Industry with 5G

Example of a Demonstration Test Leveraging 5G Characteristics P.45

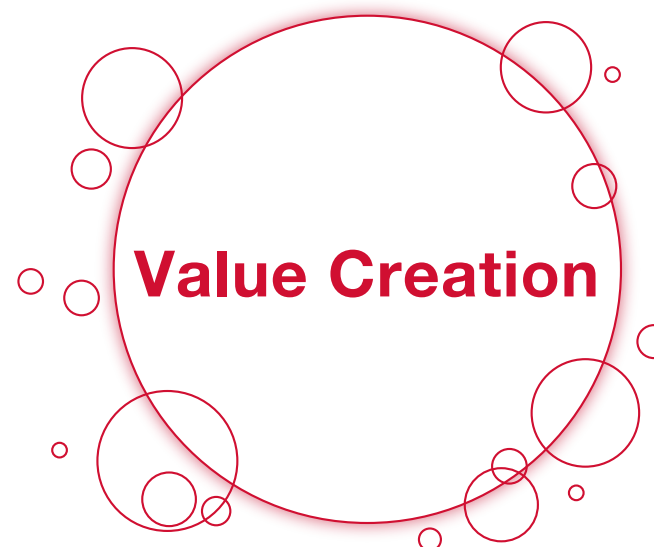
Discussion

Inside Story of a "Top Gun" Initiative P.46

Partner Business Expansion Leveraging Business Platforms

Example of Resolving Social Issues P.48

Expanding Partner Business P.49



Topics Over the Year

2018 ➔ 2019

DOCOMO perceives ESG (Environment, Social, Governance)-related activities as integral to management and aims to drive the continuous development of society by realizing sustainable growth in the 2020s and achieving the goals of our Sustainability Focuses through implementation of such activities under “Declaration beyond.” Herein, we introduce major activities during the year for “Declaration beyond” and to achieve the goals of our Sustainability Focuses.

Major Activities in FY2018 to Realize the Goals of Our Medium-Term Strategy 2020 “Declaration beyond”

			1Q 2018 Apr.–Jun.	2Q Jul.–Sep.	3Q Oct.–Dec.	4Q 2019 Jan.–Mar.	
Declaration beyond	Value and excitement to our customers	Benefits and convenience	<p>Declaration 1</p> <p>Market leader offering visible benefits and convenience</p> <ul style="list-style-type: none"> ● “Basic Pack”/ “Basic Share Pack” 	<ul style="list-style-type: none"> ● “docomo Hikari Renewal Loyalty Points” 	<ul style="list-style-type: none"> ● “Welcome Sumaho Wari” discount 	<ul style="list-style-type: none"> ● Disney DELUXE ● Official launch of Packet Pack Kaigai Option: Limited Area plan P.34 ➔ ● “DOCOMO Smartphone program for over 60” 	
		Enjoyment and surprise	<p>Declaration 2</p> <p>Style innovation for a richer future for all</p> <ul style="list-style-type: none"> ● “my daiz” ● “d Payment” P.24 ➔ 	<ul style="list-style-type: none"> ● “Hikari TV for docomo” 		<ul style="list-style-type: none"> ● AI-operated bus (Started Apr. 1, 2019) P.44 ➔ ● New live performance experience “Shintaikan Live” P.32 ➔ 	
		Satisfaction and peace of mind	<p>Declaration 3</p> <p>Peace of mind and comfort support always by our customers’ side</p>	<ul style="list-style-type: none"> ● Improved service offerings of online shop 	<ul style="list-style-type: none"> ● Full-scale introduction of shop visit reservation ● Lowered max. repair fee of Mobile Device Protection Service 	<ul style="list-style-type: none"> ● “Mieru Denwa” P.30 ➔ 	
	Value and co-creation with +d partners	Contributions to industries	<p>Declaration 4</p> <p>Industry creation jointly pursuing innovations with 5G</p>	<ul style="list-style-type: none"> ● DOCOMO 5G Open Lab YOTSUYA P.42 ➔ ● PLAY5G 	<ul style="list-style-type: none"> ● DOCOMO 5G Open Lab OSAKA P.42 ➔ ● DOCOMO 5G Open Cloud P.42 ➔ 		<ul style="list-style-type: none"> ● DOCOMO 5G Open Lab OKINAWA P.42 ➔ ● DOCOMO 5G Open Lab GUAM P.42 ➔
		Solution of social issues and regional vitalization	<p>Declaration 5</p> <p>Solution co-creation to solve social issues</p>			<ul style="list-style-type: none"> ● LTE-M ● “Conversion of a window into a base station” P.34 ➔ ● DOCOMO Open House P.29 ➔ 	<ul style="list-style-type: none"> ● Establishment of empehal, Inc.
		Expansion of partners’ business	<p>Declaration 6</p> <p>Partner business expansion leveraging business platforms</p>		<ul style="list-style-type: none"> ● Globiot 	<ul style="list-style-type: none"> ● Ad Wi-Fi 	<ul style="list-style-type: none"> ● Establishment of LIVE BOARD, Inc.

Topics Over the Year



Major Activities in FY2018 to Realize the Goals of Our Sustainability Focuses

Sustainability Focuses	Mid-Term Goals	KPI toward FY2020		Key Achievements of FY2018	Evaluations	Related SDGs
① Contribute to society and environment through ICT	Provide ICT services that contribute to resolving social issues	A: Cases in which ICT services contribute to resolving social issues	Monitor cases	Gather and report examples of solutions to social issues that are directly linked to “Innovative docomo” under our CSR Policy.	—*1	
② Information security measures	Protect customer information assets by addressing increasingly sophisticated and serious security risks	A: Number of information security incidents	0 cases	0 cases	★★★★	
		B: Conduct information security training	At least once a year for all employees	Conducted for all employees		
		C: Information security management carried out by subcontractors	Monitor the situation	Prescribed a manual on information security for outsourcing and thoroughly implemented management		
③ Strengthen corporate governance	Establish a corporate culture that society trusts	A: Organize more stakeholder dialogues	More than in the previous year	Number of meetings with shareholders and investors through executive management: 42 times (39 times*3 in FY2017)	★★★★	
		B: Appoint two or more independent outside directors	Two or more	Two		
		C: Percentage of participation in compliance training	Monitor the situation	Percentage of participation: 92.2% Conducted for all employees		
		D: Number of compliance violations	Monitor the situation	Number of compliance violations: 114 Number of consultations on compliance: 56		
④ Ensure stability and reliability of telecommunications services	Provide stable telecommunications services and promptly resume operations in the event of a disaster or other emergencies	A: Stable service provision rate	100%	100%	★★★★	
		B: Number of major accidents	0 cases	0 cases		
		C: Percentage of population covered by LTE than in the previous year	Higher than in the previous year	99.8% (99.8% in FY2017)		
		D: Large-zone base stations coverage of prefectural capital cities	100%	100%		

*1 Outside the scope of evaluation since the situation is still being monitored

*2 Related to all 17 goals

*3 The figure for FY2017 has been revised due to a change in calculation method.

★★★★ : Goal attained/Producing results. ★★★ : Working toward goal/Some results achieved. ★ : Working toward goals/No results achieved yet.

Topics Over the Year



Sustainability Focuses	Mid-Term Goals	KPI toward FY2020		Key Achievements of FY2018	Evaluations	Related SDGs
⑤ Enhance customer satisfaction and protect children	Enhance customer satisfaction and protect children from problems related to smartphone and mobile phone use	A: Customer satisfaction and quality of customer service surveys	Monitor the results*1	Number of “customer’s voice” comments collected: Approximately 5.1 million Number of service improvements made based on “Perceptive Feedback”: Approximately 300	★★★	
		B: Number of Smartphone and Mobile Phone Safety Classes attendees	1.3 million attendees	Approximately 1.39 million attendees		
⑥ Promote safety, health and welfare	Promote employee safety and wellness to maintain vigorous business operations	A: Level of employee satisfaction*2	Target 7.7 points	Motivation 7.2 points	★★	
		B: Total annual hours worked	1,800 hours	1,827.9 hours		
		C: Number of serious industrial accidents during construction work	0 cases	3 cases		
		D: Implementation rate of specific health guidance	60% ⇒ 37%*3	28.4%		
		E: Implementation rate of stress checks	95%	97.0%		
⑦ Respect human rights and diversity	Respect the human rights of all stakeholders across all aspects of business activities	A: Ratio of female managers	7.5%	5.9%	★★	
		B: Ratio of persons with disabilities	2.2%	2.38%*4		
		C: Number of confirmed human rights violations	Monitor cases	15 cases		
		D: Percentage of participation in human rights training	Monitor cases	88.7%		
⑧ Address climate change and effectively use resources	Steadily implement Green Action Plan 2030 and pursue the most advanced environmental management	A: Amount of contribution to the reduction of CO2 emissions	39 million tons	38.40 million tons	★★	
		B: Electrical efficiency of telecommunications services	Sevenfold increase	7.9 times		
		C: Final disposal ratio of waste	Under 1.4%	1.6%		
		D: Used mobile phone collection	16 million units (cumulative total for FY2017–FY2020)	10.56 million units (cumulative total for FY2017–FY2018)		

*1 Collect and analyze “customer’s voice” and use the information to develop and enhance products and services, and improve the quality of response.

*2 Survey all employees on such areas as awareness (motivation) and work environment (pleasantness).

*3 Change KPI (FY2020) in FY2019 in line with a change to target values issued by the Ministry of Health, Labour and Welfare

*4 As of June 1, 2019

★★★ : Goal attained/Producing results. ★★ : Working toward goal/Some results achieved. ★ : Working toward goals/No results achieved yet.

Topics Over the Year



Sustainability Focuses	Mid-Term Goals	KPI toward FY2020		Key Achievements of FY2018	Evaluations	Related SDGs
①～⑧ Items common to all the Sustainability Focuses (for customers and local communities)	Develop DOCOMO's image as a company that actively engages in CSR activities	A: CSR-related corporate rankings in Japan	Maintain high position	<ul style="list-style-type: none"> No. 1 overall in Toyo Keizai CSR Company Ranking Received 5-star rating in the NIKKEI Smart Work Survey 	★★	
		B: Community investment	1% of profit	0.87% (Approximately ¥8.83 billion)		
		C: Number of employees participating in volunteer activities	More than in the previous year	Number of participants: 31,493 (FY2017: 34,944)		
①～⑧ Items common to all the Sustainability Focuses (for shareholders and investors)	Earn high marks from investors and other stakeholders in Japan and abroad by meeting the growing needs of ESG investment	A: Major ESG investment indexes*	Selection to indexes	<ul style="list-style-type: none"> DJSI World FTSE4Good Index Series MSCI ESG Leaders Indexes FTSE Blossom Japan Index MSCI Japan ESG Select Leaders Index MSCI Japan Empowering Women Index S&P/JPX Carbon Efficient Index 	★★★	

* Integrates indices from Japan and overseas in light of recent ESG investment trends.

★★★ : Goal attained/Producing results. ★★ : Working toward goal/Some results achieved. ★ : Working toward goals/No results achieved yet.

Special Feature 1

Expanding Our Membership Base and Businesses of Our Partners by Leveraging Digital Marketing

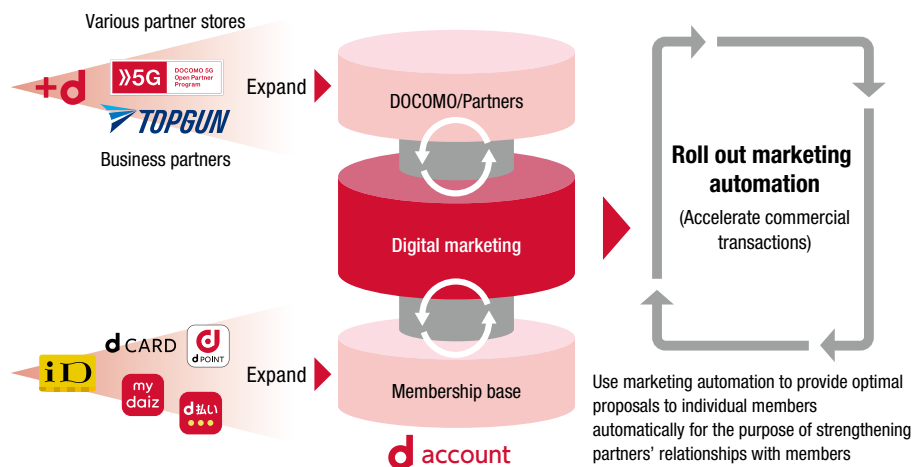
Leveraging Digital Marketing to Make Optimal Proposals to Each Customer

By transforming to a business foundation centered on our membership base, DOCOMO seeks to increase the number of members to 78 million and that of corporate partners to 5,000 in FY2021. The number of members, in particular, has been growing steadily on the back of our wealth of assets, including “d POINTs,” and has already exceeded 70 million as of the end of April 2019.

Going ahead, we will increase customers who earn and use points on a daily basis, and at the same time, will leverage digital marketing to continuously approach each customer in a manner tailored to each and create new revenue opportunities.

Promotion of Digital Marketing

Expand Business Jointly with Partners by Leveraging DOCOMO's Membership Base

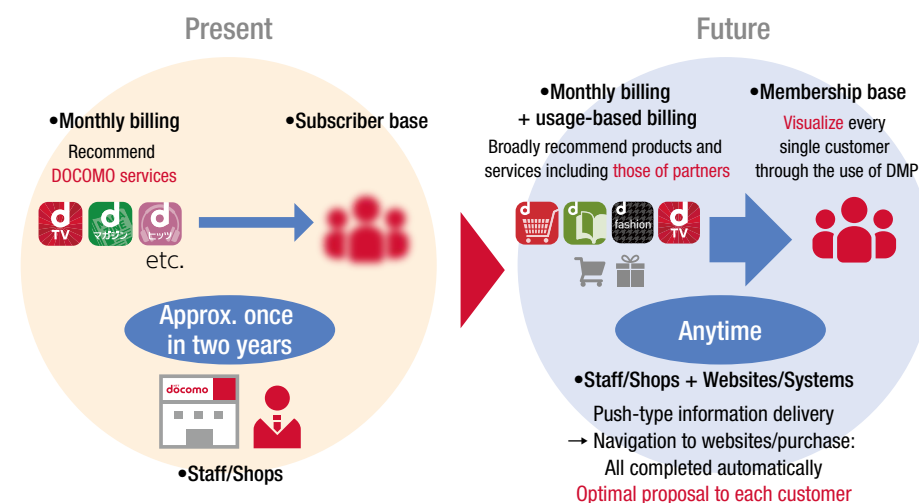


DOCOMO announced its medium-term management strategy in October 2018 and took a new direction focusing on a transformation to a business foundation centered on our membership base. Under the strategy, we will increase members and partners by utilizing our abundant assets and link the two through digital marketing in order to establish a lasting relationship with customers and providing new value to them.

For example, we will analyze the mobile phone usage of each customer and propose a billing plan best suited to each. We will also compile readily usable data on customers' reactions to our proposals in real time and increase the accuracy of these proposals.

Moreover, as an effort to provide better, more enjoyable services and content to customers, we will identify members matched to each service or content and deliver information beneficial to them through websites, SNS and various other means in addition to e-mail.

Further Accelerate Digital Marketing by Leveraging Our Reinforced Membership Base



Special Feature 1 Expanding Our Membership Base and Businesses of Our Partners by Leveraging Digital Marketing

Collaborating with Partners to Create a New Revenue Model

In collaboration with our partners, we are also proactively engaging in efforts to create a new revenue model designed to provide solutions to third parties.

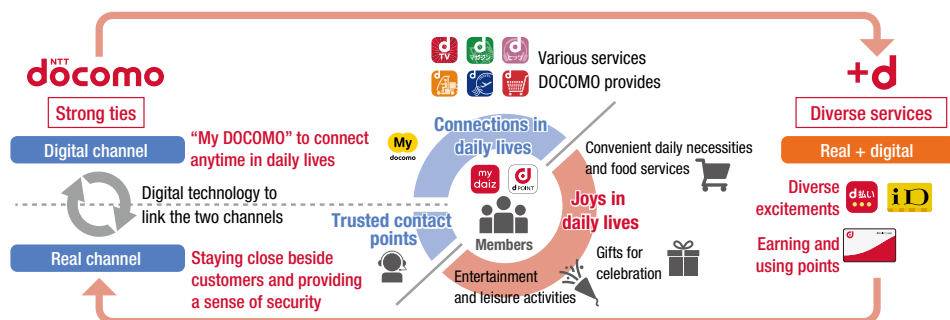
Examples include the “Restaurant Data Cloud,” a service we rolled out jointly with Toreta, Inc. in July 2019. This service combines Toreta’s data on use of eateries and DOCOMO’s anonymized statistical data and provides the resulting marketing solutions to third parties, such as eateries as well as food and beverage manufacturers.

As another example, we are undertaking marketing support activities, in which artificial intelligence (AI) constantly picks out, from the past payment and points-related data, members who are potential customers of each partner store to identify a target of a particular sales promotion campaign. The outcome of our marketing support activities for several partners, including collaboration with the J.League (Japan Professional Football League), has already been highly recognized.

In terms of partner stores and other places where members can earn and use “d POINTs,” the number has grown to 1.11 million as of the end of June 2019. In the future, we will proactively work to develop more opportunities for members to use our new payment service “d Payment,” in order to create new value by utilizing diverse stores and services of our partners and expand a new revenue model directly linked to the daily lives of member customers.

Additionally, in handling customers’ personal data, we believe it is our important mission to give due consideration to them and protect their privacy. With a view to exercising optimal privacy protection on an ongoing basis and providing secure services for customers, we have formulated and announced the NTT DOCOMO Personal Data Charter. We will continue to meet customers’ trust by ensuring the appropriate handling of personal data and constantly offer new value to customers and society.

Always Staying Close Beside Our Customers – Cycle of Experience Created with Partners



Becoming More Closely and Deeply Connected to Spread “Happiness”

Kikuko Shirakawa
Senior Vice President
General Manager of Digital & Marketing Department

Mobile devices have now become a tool that spends the longest hours with people. As such, in utilizing the Big Data thus collected, we believe it essential to integrate digital technology with human elements. AI is good at finding a particular piece of information best matched to each customer from a vast quantity of past data; however this alone does not bring a new excitement. What we aspire is to create new excitement and valuable and joyful moments for customers. Toward this goal, we will fully draw on both digital technology and human emotion and sensibility, and then continue to strengthen our ties with customers.

The key to further expanding our membership base and promoting a business ecosystem will be to facilitate digital transformation (DX). Our three major DX promotion efforts are: encouraging the use of data in actual operations; increasing our customer analysis capability; and reinforcing system infrastructure. Under the first effort, along with activities undertaken at offices throughout Japan to acquire members, we will build and promote the use of a data visualization platform that supports a business plan-do-check-act (PDCA) cycle. The second effort aims to deepen our understanding of customers by leveraging Big Data, AI and other technologies now widely in use. As part of the third effort, we will work to establish a marketing automation platform that underpins DX promotion in the workplace (first effort) and provision of proposals tailored to individual customers based on our better understanding of customers (second effort).

Through these efforts, we will pursue proposals matching to every single customer jointly with our partners and intend to build a business ecosystem that brings “happiness” to customers, partners and DOCOMO.

Becoming the Market Leader Offering Visible Benefits and Convenience

Finance/Payment Businesses Based on d POINTs

Reinforcing Our Membership Base by Expanding Ecosystem Centered on Finance/Payment Businesses

d Payment, a New, Simple and Convenient Payment Service Also Available in Actual Stores

DOCOMO has been providing a carrier billing service for online shopping since 1999 when we started providing the “i-mode” service. To make this billing service also available in actual stores, we launched d Payment, a new smartphone payment service, in April 2018.

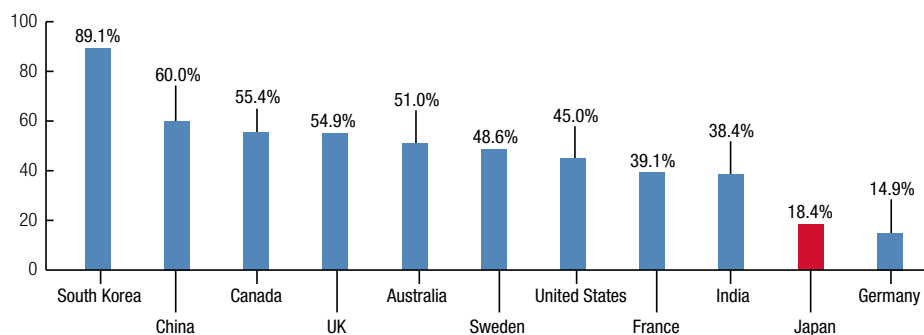
In the same month, Japan’s Ministry of Economy, Trade and Industry (METI) announced its vision to nearly double the current ratio of consumers using cashless settlement in Japan to 40% by 2025 because Japan’s cashless settlement ratio is only 18.4% as of 2015, which is low in comparison with around the world.

Our d Payment service is an easy and highly convenient payment service for both online and location shopping. At locations, including restaurants, customers just need to pay by showing a barcode displayed on

Ratio of Cashless Settlement in Japan

METI announced a vision to nearly double the current ratio of consumers using cashless settlement to 40% by 2025 in April 2018.

Ratio of cashless settlement by country (2015)



Source: Calculated based on the annual non-cash payments amounts taken from data on household final consumption expenditure (the World Bank, 2015) and Red Book statistics (the Bank for International Settlements, 2015). (For China, the figure was taken from a report of the Better Than Cash Alliance as a reference.)

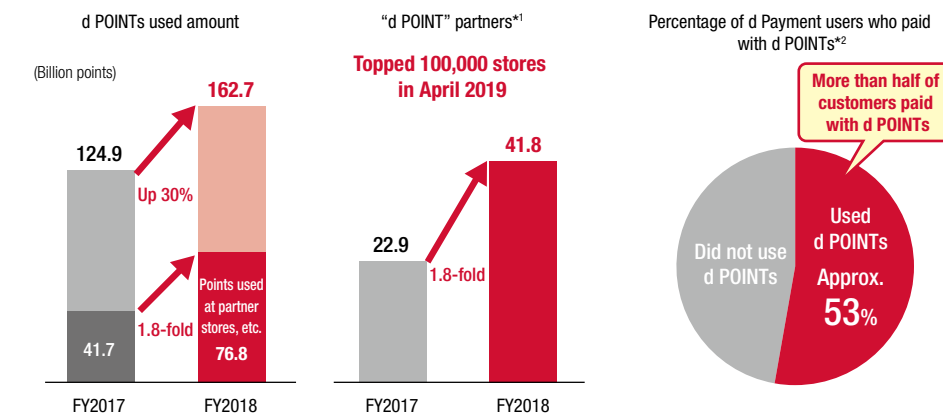


the d Payment app on their smartphones.

In July 2019, users of the service increased drastically in just over one year since its launch, and the number of downloads of the d Payment app exceeded 7 million. The number of d POINTs used also grew 30% in one year from FY2017, with the annual total amount of points used reaching some 160 billion points. Additionally, the number of d POINT partners showed a sharp increase, 1.8 times the number just a year ago in 2017, and the number of partner stores topped 100,000 in April 2019.

Customers actively use their earned points at partner stores of d POINTs and d Payment, thus the service provides significant benefits to stores implementing these systems. We are further promoting the use of points at these stores by referring customers through the dedicated app and e-mail newsletters.

Data on “d POINTs” (a Benefit of “d Payment”)



*1 d POINT partners represent the total number of brands/sites where users can earn or use d POINTs.

*2 Period: From the launch of the service in 2018 to March 31, 2019

Becoming the Market Leader Offering Visible Benefits and Convenience

Finance/Payment Businesses Based on d POINTs

Our d Payment service provides customers with an easy, convenient and best deal buying environment. For partner stores, it will serve to increase customers and sales, and through its simple payment procedures, increase the productivity of the store itself. In this way, our d Payment service offers benefits to both customers and partner stores and adds convenience to all aspects of a shopping experience.

From Employees

d Payment to Provide Greater Convenience to Daily Lives

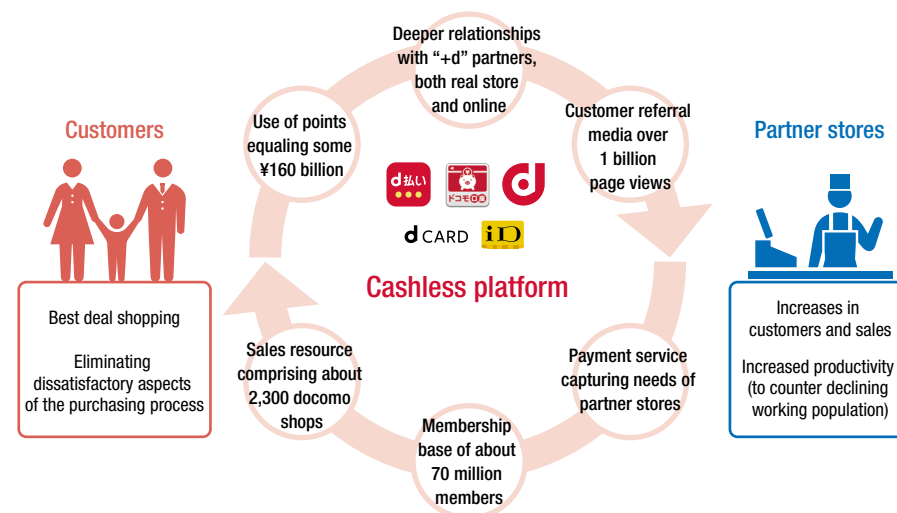
The number of d POINT partners and the total amount of d POINTs used have been growing each year. An increase in the number of partner stores, where customers can collect and use points in their daily shopping, has led to an increase in the amount of points in circulation and a further expansion of the “d Payment” service. One strength point of the service is that it is easy to subscribe to. If customers choose to settle payments with their monthly phone bill, they do not have to register their credit cards or bank accounts. All they need to provide is a four-digit password. The service’s another major strength is that it provides benefits to both customers and partner stores: a simple and best deal shopping experience for customers and increased customers and sales for partners and partner stores. In the future, we will work to create a service that offers convenience throughout customers’ daily lives by combining various payment services.

What we seek is a cashless platform, not just a simple payment means.



Sayo Yoshihara
Wallet Business Office
Platform Business Department

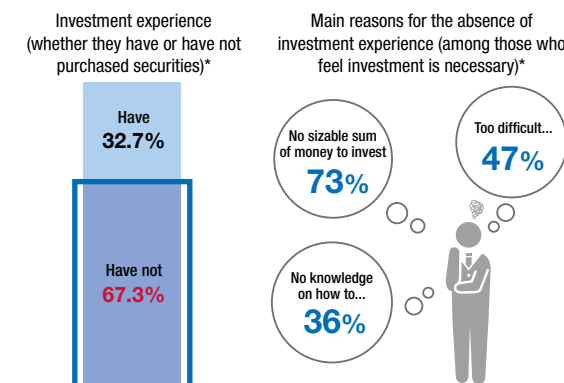
Cashless Platform Offering Benefits to Both Customers and Partner Stores



Eliminating an Entry Barrier of Actual Asset Investment through the “Point Investment” Service Experience

Household assets in Japan are mostly made up of cash, deposits, insurance and other relatively “safe” assets, and putting money into investment is still not common. Among Japanese citizens, approximately 67% have no investment experience mainly because they have “no sizable sum of money to invest” and “no knowledge on how to” and feel investment is “too difficult” for them. Against this backdrop, DOCOMO is offering the “Point Investment” service that allows customers to experience investment using d POINTs as an effort to capture latent customers who have not invested in assets but are interested in doing and ultimately solicit them to the actual asset management service.

Background of the Investment Service



* Based on the Flow of Funds Accounts Statistics (Bank of Japan) and the results of the Questionnaire on the Use of NISA among Japanese Citizens (Financial Service Agency, February 2016)

Becoming the Market Leader Offering Visible Benefits and Convenience

Finance/Payment Businesses Based on d POINTs

Our “Point Investment” service using d POINTs is a fun and easy way that enables those persons with no investment experience. Customers invest d POINTs that fluctuate daily in line with the price movements of investment funds and exchange-traded funds (ETF) and receive d POINTs as investment returns. They can gain a better understanding of as well as know-how and tips on investment through the service, and based on this experience, will move on to the actual asset building stage. The aim of the service is to lower a barrier of entry into the asset management field and change ways of asset management in Japan. In recognition of this aim, the service was awarded a Nikkei Superior Products and Services Award in 2018. As of May 2019, the number of users of the service grew to more than 500,000, largely exceeding our target.

Smartphone Screen of the “Point Investment” Service



Customers can invest their points in fields they prefer, categorized by individual themes such as health care.

In a questionnaire survey conducted by DOCOMO in October 2018, 42% of the customers who have used the “Point Investment” service said that “they want to start investment,” with 66% of whom comment the reason “because the service made investment more familiar” to them. Through the “Point Investment” service, we intend to make more customers feel familiar with investment, encourage a shift from savings to asset building and help to resolve relevant social issues toward the creation of a society in which individuals build assets in a stable manner.

From Employees

Hoping to Provide an Easy Way for Everyone to Start Asset Management

In expectation of an age of 100-year life, we launched two services with an aspiration to provide an opportunity for customers to start asset management. One is the “Point Investment” service to offer easy investment experience for d POINT CLUB members, and the other is the “THEO + docomo*” service that enables novice investors to engage in professional-level asset management. The “Point Investment” service has been used by many more customers than anticipated, and we have received comments that the service provided the opportunity to start asset investment. In the future as well, we will continue to remain close by our customers and work to provide better services to them.

This is a whole new service created through an alliance with financial institutions.

* Asset management service provided by Money Design Co., Ltd. Customers just need to answer five questions (age, savings, etc.), and a robot adviser will propose the optimum combination of investment destinations chosen from some 6,000 ETFs in the world. It is an advanced technique that has been provided to institutional investors. Customers can also start asset management in a small amount (minimum of ¥10,000).



Takeshi Kurashima
Nanami Ryuu
FinTech Office
Financial Business Department

Becoming the Market Leader Offering Visible Benefits and Convenience

Co-Creation with Partners

Deploying Digital Marketing That Leverages the Mutual Strengths of J.League and DOCOMO

Contributing to Increased Sales by Identifying Potential Customers

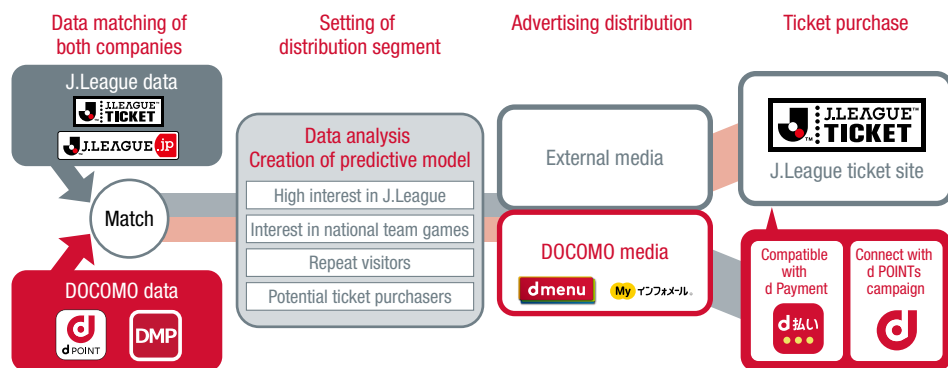
Based on our mission to co-create with our various partners, DOCOMO is taking actions to expand and identify mutual business by making use of d POINTs, our finance/payment services and customers' marketing data.

As part of this initiative, we entered into a top partnership agreement with Japan Professional Football League (J.League) in June 2017 in the digital field by leveraging the respective strengths of both companies.

It is now possible to identify, and analyze from different angles, customer attributes and usage patterns by combining the data of customers who visit J.League's official website with DOCOMO's unique database, location information and information from our d POINTs program, which is accessed through a d account. Visualizing an overall picture of customers who visit the J.League site, a picture that was only partially visible previously leads to the identification of potential customers, thereby contributing to increased sales.

Deploying digital marketing that integrates the data of both companies enables the effective targeted pursuit of ticket sales while the number of new subscriptions to the "J.League ID"* is on the rise as well. Coupled with the introduction of d Payment and the implementation of a d POINT campaign, ticket sales have been growing year upon year, with the overall number and ratio of people purchasing tickets via d Payment also increasing.

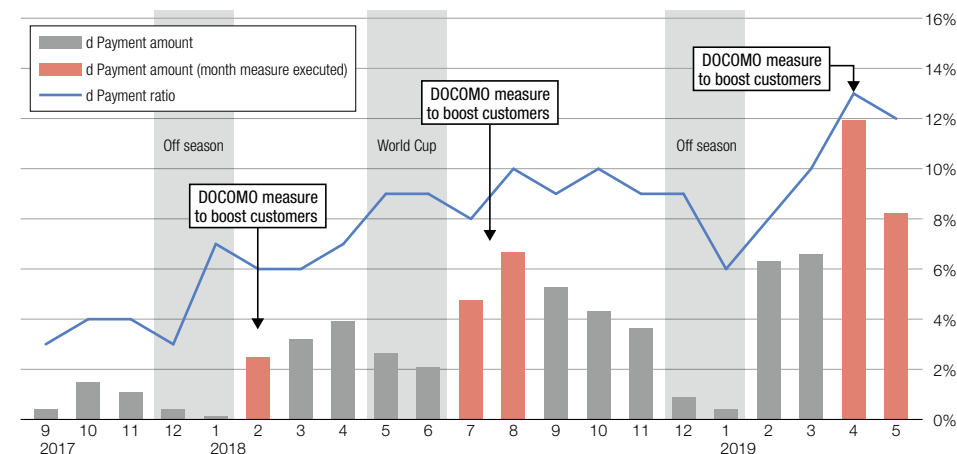
System for Promoting J.League Ticket Sales



Now roughly one in every eight ticket purchasers choose d Payment, an extremely high figure that exceeds even that of the general d Payment ratio.

* This refers to a member ID service for J.League, which comprises a total of 55 clubs from J1 to J3. Ticket purchases and other services provided by J.League can be accessed using the same ID.

d Payment Amount and Ratio in J.League Ticket Sales



J.League and DOCOMO are seeking to further strengthen collaboration for d POINTs services through the official "Club J.LEAGUE" app released in February 2019 that allows use of the J.League ID. Enhancing the circulation of d POINTs through such means as providing points as gifts is expected to increase ticket purchases and lead to greater use of DOCOMO services. DOCOMO will continue reinforcing initiatives for its customers.

In terms of co-creation with the sports industry, a major aim in addition to the aforementioned digital marketing support is in the field of new visual experience over 5G communications, including high-presence public viewing, virtual reality (VR) and the sharing experience as social viewing. DOCOMO intends to develop services offering new value for media as well as fans, supporters and many more people.

Style Innovation for a Richer Future for All

R&D and Innovation

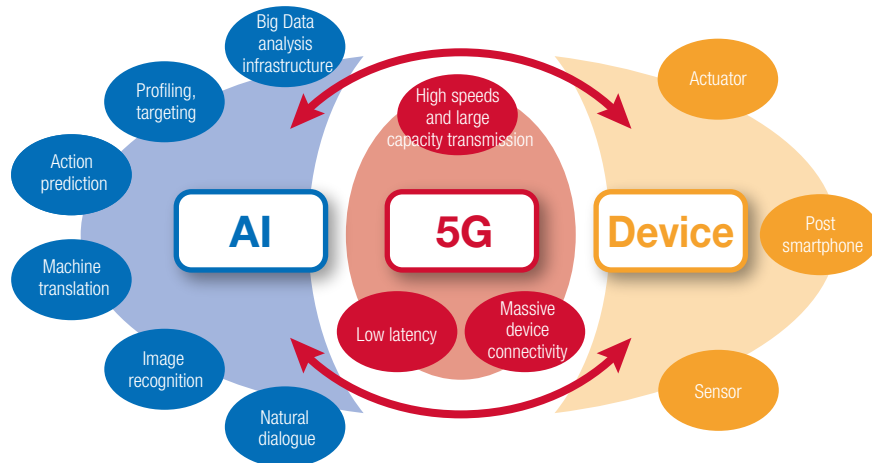
Aiming for Social and Industrial Development by Providing New Value

R&D Medium-Term Strategy

Innovation in industry and technology, known as the fourth industrial revolution, continues apace around the world, particularly in the realms of the Internet of Things (IoT), Big Data, artificial intelligence (AI) and robotics, leading to the generation of new economic value.

DOCOMO has been delivering innovation to society since commencing sales. In addition to the area of mobile telecommunications central to our business, such as devices and networks, we have created a variety of services that enhance customer convenience and industrial efficiency. To realize our Medium-Term Strategy 2020 "Declaration beyond," we are pursuing R&D in three key areas: the 5th generation mobile communications system (5G); AI, which is gaining in prominence for use as a personal agent; and the next new device to smartphones. Also, we are pushing ahead with open innovation together with external corporate partners and working to create new value by connecting all people, things, customers and partner companies. Through these activities, we aim to realize social and industrial development through information and communication technology (ICT) while providing valued services for customers and our partner companies.

Three Key R&D Themes under the Medium-Term Strategy

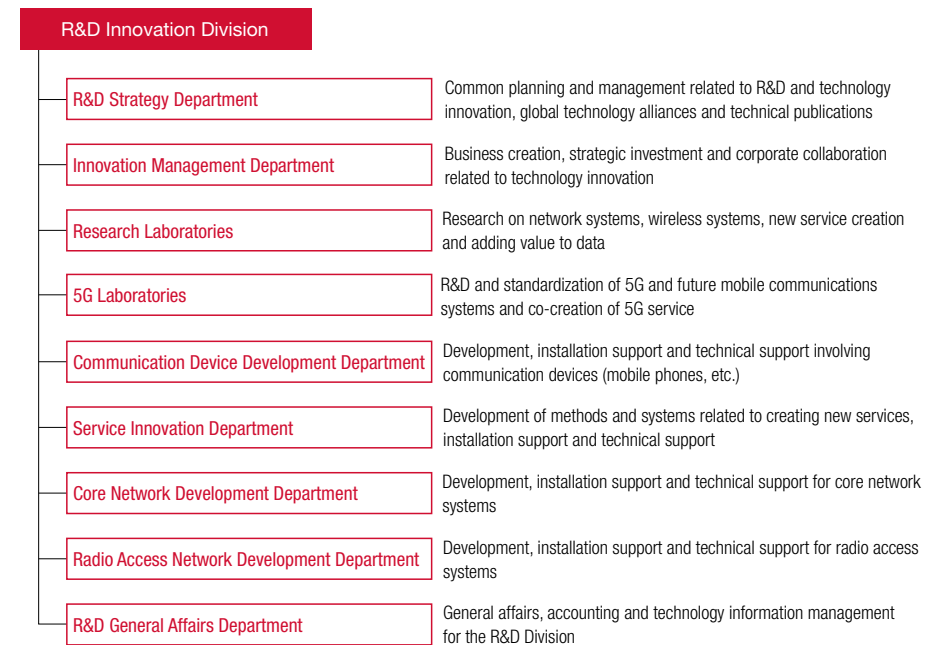


Proactive Approach to R&D Worldwide

DOCOMO conducts R&D on mobile communications systems and diverse products and services primarily at the Yokosuka Research Park (Yokosuka City, Kanagawa Prefecture). The R&D Strategy Department is in charge of overall oversight. As part of our ongoing R&D efforts, each R&D division collaborates with product development staff in other DOCOMO divisions with the aim of enhancing the Group's devices, networks and services.

In response to global technological innovations, we established DOCOMO Innovations, Inc. in the United States, DOCOMO Communications Laboratories Europe GmbH in Germany and DOCOMO Beijing Communications Laboratories Co., Ltd. in China as our R&D bases around the world. These R&D bases promote programs that contribute to international standardization of 5G and virtual network technology in collaboration with the R&D Division at the DOCOMO head office.

R&D System (Japan)



Style Innovation for a Richer Future for All

R&D and Innovation

DOCOMO Open House 2018: 5G Innovation and Collaboration

In December 2018, we held DOCOMO Open House 2018 at the Tokyo International Exhibition Center (Tokyo Big Sight) to publicize the co-creation initiatives being undertaken in conjunction with diverse partners.

The Open House was visited by roughly 14,000 people, where we had 239 exhibits and lectures on the latest technology and business solutions based on this technology. Specifically, our exhibits included the smooth remote operation of the humanoid robot “T-HR3^{®*1}” using 5G technology, “Mobile SCOT^{®*2}” technology enabling advanced, safe medical treatment anytime, anywhere, and a glass antenna, which realizes the world’s first “conversion of a window into a base station” that can be installed without interfering with the view.

Going forward, DOCOMO will continue pursuing co-creation to create new value for the 5G era with others through open innovation.

*1 T-HR3 is a registered trademark of Toyota Motor Corporation.

*2 SCOT (Smart Cyber Operating Theater) is a registered trademark of Tokyo Women’s Medical University (TWMU).



Venue at Tokyo Big Sight



Exhibition Booth for Mobile SCOT[®] Remote Advanced Medical Treatment Using 5G

* This medical technology, created from joint research between DOCOMO and Tokyo Women’s Medical University (TWMU), enables advanced medical treatment anytime, anywhere via communication with an experienced specialist physician in a remote location by transmission of high-resolution images in real-time. This is only possible due to the high-speeds, low-latency capability of 5G.

Mirai Translator: Realizing High-Precision Translation through AI Technology

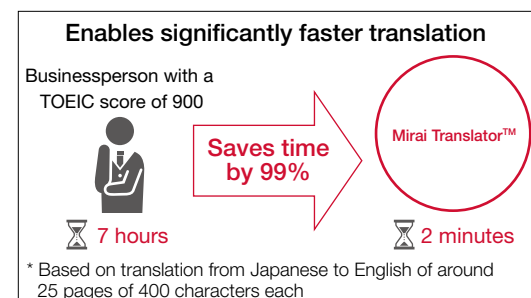
Mirai Translate, Inc. is a machine translation company established by DOCOMO in October 2014 based on expectations that more tourists will visit Japan and a larger number of Japanese companies will expand their business overseas. We are currently providing machine translation solutions, leveraging ongoing tuning by professional engineers, and our handsets development capabilities and sales network, as well as a large volume of translation corpus in which NTT DOCOMO, NTT Communications Corporation, Panasonic Corporation and Honyaku Center Inc. all maintain strengths. In addition, joint research with the National Research and Development Agency’s National Institute of Information and Communications Technology (NICT) focuses on the development and improvement of translation engines.

Mirai Translator[™] is a web browser-based cloud machine translation service equipped with the Neural Machine Translation (NMT) engine* developed by Mirai Translate. This engine is capable of translating from Japanese to English at a professional level, translating from English to Japanese at the same level as a person with a TOEIC score of 960 and translating between Japanese and Chinese at a level equivalent to manual translation (as of April 2019). Further growth is expected in this area in FY2019 on the back of sales of Mirai Translator, the machine translation engine, and audio translation solutions, as well as the provision of a machine translation platform service and related consulting services.

These innovations also allow translation in a shorter period time while maintaining the original layout of Microsoft Office files and PDF files in such formats as PowerPoint, Word and Excel in addition to text translation simply by dragging and dropping the target data. This is helpful in realizing stress-free communication between different languages in various business settings, including daily conversations and documents with many technical terms, such as agreements and internal documents.

Going forward, we will continue promoting our machine translation platform service, which is safe and scalable and can be customized for the business domains of our customers, thereby helping to globalize Japan.

* Machine translation technology using a neural network, which refers to a machine learning technique inspired by the information processing mechanism of biological neural networks



Style Innovation for a Richer Future for All

Lifestyle Innovation

“Mieru Denwa” Service Displaying Spoken Words as Text in Real Time

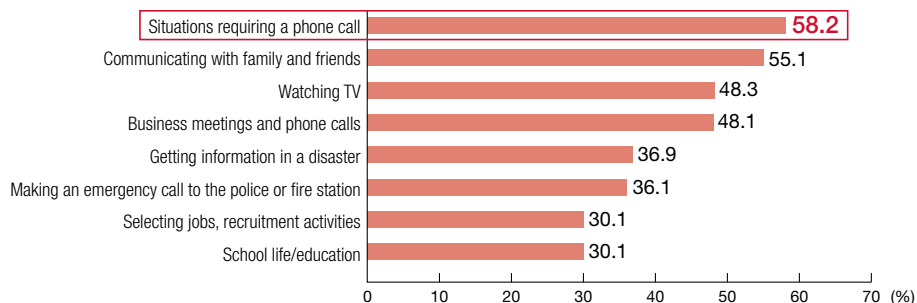
Making a Call without the Anxiety of “Not Catching the Other’s Words”

For hearing-impaired persons, communicating over a phone without being able to see the other party or his or her facial expression poses a significant challenge. In our questionnaire survey asking respondents what challenges they face as being hearing-impaired, the top answer was “situations requiring a phone call.” Such situations include “having no one around or being unable to reach anyone to ask to make a phone call,” “making an inquiry when losing something or facing a problem” and “making a doctor’s appointment or contacting shops or companies offering no website or e-mail contact points.” These situations, where a means of communication is almost limited to a phone, need an immediate solution.

Our “Mieru Denwa” service has been developed to respond to this need. It is an innovative service that displays words spoken over a phone in real time as text on a smartphone screen and can be conveniently used by those who have difficulty catching what the other party says. With another feature to deliver to the other party synthesized speech converted from text, the service provides convenience to deaf and hearing-impaired users as well as elderly users around the clock.

Questionnaire for Persons with Hearing Impairment

–“What Challenges Do You Face as Being Hearing-Impaired?”

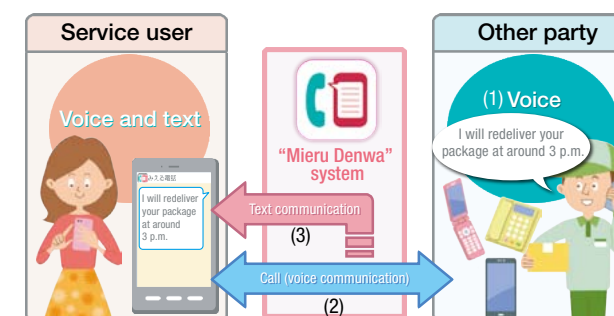


(Survey by DOCOMO; 360 respondents)



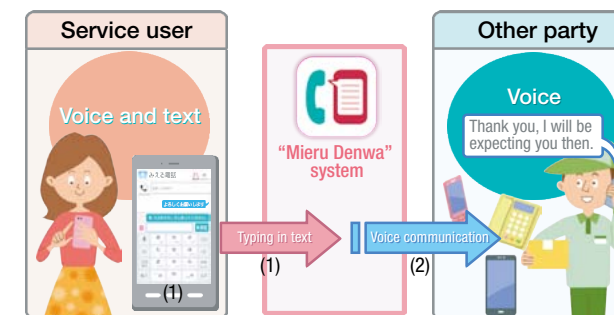
Basic Features of “Mieru Denwa” Service

Along with delivering spoken words, the service displays a real-time text transcription on a smartphone screen.



- (1) The other party talks.
- (2) Spoken words are exchanged as is between the user and the other party.
- (3) Words spoken by the other party are also displayed as text on the user’s screen.

The service also converts text typed from the keyboard into synthesized speech and delivers it to the other party.



- (1) The user types in text.
- (2) The text is converted into synthesized speech and delivered to the other party.

Style Innovation for a Richer Future for All

Lifestyle Innovation

Our “Mieru Denwa” service has originated from an idea of an employee with a hearing impairment. After the two and a half years of a trial period, we started a commercial service in March 2019 with the cooperation and support from many parties, including hearing-impaired persons as well as related organizations and companies assumed to be in frequent communication with them.

The “Mieru Denwa” service would not be possible without the understanding and cooperation from the other party of a call. In order to increase recognition of the service among these parties and gain public understanding more broadly, we will continue to undertake various awareness-raising activities, improve the speech recognition accuracy and add even greater convenience to the service.

Voice of “Mieru Denwa” Users

Female, 30s	“Mieru Denwa” is my dream-come-true phone I’ve waited for so long. It would be very helpful if you could increase the speech recognition accuracy.
Male, 40s	I think this service makes a huge difference in the lives of hearing-impaired persons and how we communicate. I still use e-mail because not all people and companies use “Mieru Denwa,” but if it becomes recognized more broadly as a common service, persons with hearing impairment can use the service feeling more secure.
Female, 20s	I felt that the service is particularly useful in an emergency. I didn’t have a habit of using a phone because I can’t use it, but the service helps me do more things on my own, and that will increase my self-confidence. I believe having such self-confidence should be a natural right in the future. I’m looking forward to seeing future developments of the service.
Male, 60s	My hearing is heavily impaired. A phone call is a big challenge for me, and I’m desperate for any help. I know it is very difficult to improve the speech recognition accuracy. I still want to use “Mieru Denwa” even if there is some problem with the accuracy.
Male, 50s	Not having to worry about available hours of the service is a great help. Its feature to convert spoken words of the other party into text is also great. I think the speech recognition accuracy is at a moderate level of usability.

From Employees

Idea Generated from Being Hearing-Impaired A Service to Provide More Options in Daily Life

I was born with impaired hearing. As such, a phone call has been a challenge since I was a small child, and I have always felt a bit lonely seeing my other friends chatting over the phone when I was in school. Especially after entering university, I had to make a phone call on many occasions, for example, to my part-time job employer or to a real estate agent, and experienced inconveniences each time.

Hoping to create services based on my own experience, I chose to work in a department engaging in the planning and development of services for persons with disabilities after joining DOCOMO.

“Mieru Denwa” represents my aspiration to “display text just like movie subtitles.” Even though the use of e-mail and websites is spreading, people still use a phone on many occasions in their daily lives such as when someone has lost their credit card or wants to ask about small things.

Immediately following the start of the trial service in 2016, we received many positive comments from customers. Some persons used a phone for the first time in more than a decade. Others regarded the service as just what they needed, with some saying it became a source of self-confidence that they are fine on their own. I, as a developer of the service and being one of them, was thrilled by these comments. Going forward, I would like to work toward the development of smartphone apps and the improvement of services so as to bring more options to the daily lives of persons with disabilities.

I hope customers will lead happier and more “smart” daily lives with mobile phones.



Noriko Aoki
Smart-life Business Division

Style Innovation for a Richer Future for All

Innovation for Customer Experiences

Offering a Whole New Video Experience by Strengthening the Video Distribution Business

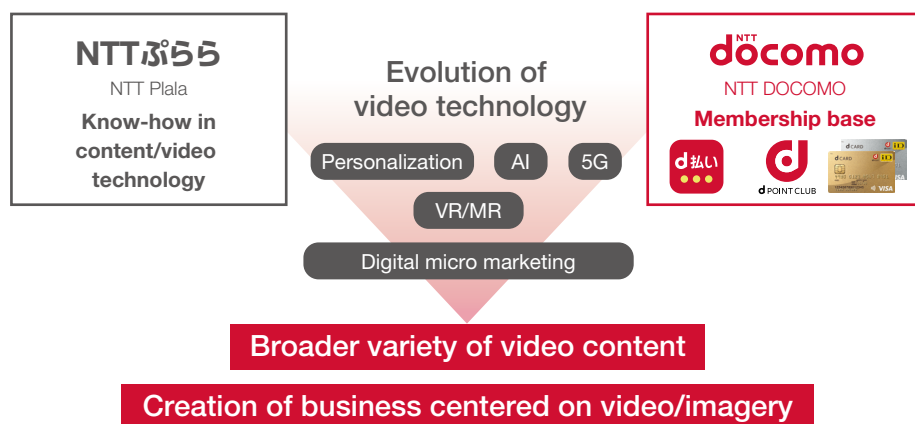
Making NTT Plala Inc. into a Subsidiary

Anticipating the era of 5G, there are growing expectations not just for superior image quality but also for greater value added to content through virtual reality (VR) and augmented reality (AR)*1 technologies and for more diverse viewing styles. DOCOMO has been working to strengthen its video distribution business in order to offer a more attractive video experience to customers. As part of this effort, we announced the acquisition of NTT Plala Inc. in February 2019.

By combining DOCOMO's strong membership base with NTT Plala's large-scale video distribution platform, abilities to purchase and produce content and technological capabilities, we intend to enhance our video distribution services, lineup of content and content itself and seek to create new businesses centered on videos, such as video-related intellectual property rights business and advertising business.

*1 Technology to superimpose electronic information on real world imagery as if they really exist

Creation of Businesses by NTT Plala Centered on Video/Imagery



Launching New Live Performance Experience Service “Shintaikan Live”

As an initiative in the content/lifestyle*2 area of the smart life business, DOCOMO rolled out “Shintaikan Live,” a new live performance experience service, in January 2019.

“Shintaikan Live” is a service to enable customers to view music live at anytime and anywhere from their smartphones and personal computers. It offers a new sensory experience of advanced digital content through various features, including “Multi-Angle Live” to view music live from preferred angles; “AR Figure” in which customers hold their smartphones over AR goods to see miniature, 3D computer graphics (CG) of artists pop up and to view their CG imagery and music performance on the screen of a dedicated smartphone app from every angle covering 360 degrees. The service also integrates touch-based interactive video technology (TIG), which enables customers to intuitively access desired information just by touching an object in a video.

Through these new styles of viewing music live, DOCOMO will propose a whole new way of enjoying videos, and together with customers, create value with new live experience. In the future as well, we will continue to leverage 5G and other advanced technologies and deliver new entertainment experiences to customers.

*2 One of the main priority areas of DOCOMO's smart life business. DOCOMO reorganized its smart life business in FY2019 and integrated the existing “contents/commerce” and “lifestyle” categories into “contents/lifestyle.”

Key Features of “Shintaikan Live”



Multi-angle live
Selectable views from preferred angles



AR figure
Programs featuring miniature CG artists



TIG
Touch-based interactive video technology

- Live feeds of music performances can only be viewed in real time.
- Features provided vary from artist to artist.
- Content can be purchased individually for each live event performed by each artist.
- Some content is available only as single-angle live distributions.
- TIG is a technology developed by PARONYM Inc. used for promotional videos of content.

Peace of Mind and Comfort Support Always by Our Customers' Side

Provision of Network Service

To Bring about a High-Quality Telecommunications Environment

A Telecommunications Environment That Can Be Easily Utilized Anytime, Anywhere and with Peace of Mind

DOCOMO is constantly striving to offer a better network, which in turn will bring about a telecommunications environment that can be easily utilized anytime, anywhere and with peace of mind. We maintain our network 24 hours a day, seven days a week, and with the provision of large-zone base stations and the introduction of virtual technology, we achieve reliability and stability that allow customers to connect “anytime,” not only under normal conditions, but also when special events or disasters lead to heavy mobile phone usage. By setting up more base stations, we also seek to expand our service area so that customers can truly connect “anywhere,” in cities, on subway trains and inside buildings. Through such a strong network that gives customers the ability to connect anytime, anywhere, we offer a continuous sense of security. We also rolled out a process to enhance area quality through area planners* in April 2018. Across Japan, area planners are conducting detailed network investigations and improvements based on customers' mobile phone usage patterns in an effort to provide a stress-free network environment both on land and at sea.

Activity Examples of Area Planners



Area planners work to improve and refine their assigned areas according local characteristics and provide a high-quality network both on land and at sea.

On land

In densely populated railway service areas in the Greater Tokyo Area, such as the area covered by JR East's busy Yamanote Line, area planners adjust the network settings based on the frequent and routine mobile phone usage locations and time periods.

They ensure connections on land (e.g., inside trains).



At sea

In the Seto Inland Sea and other sea areas crowded with ships, area planners monitor the connectivity and adjust the network settings.

They ensure more uninterrupted connections at sea.

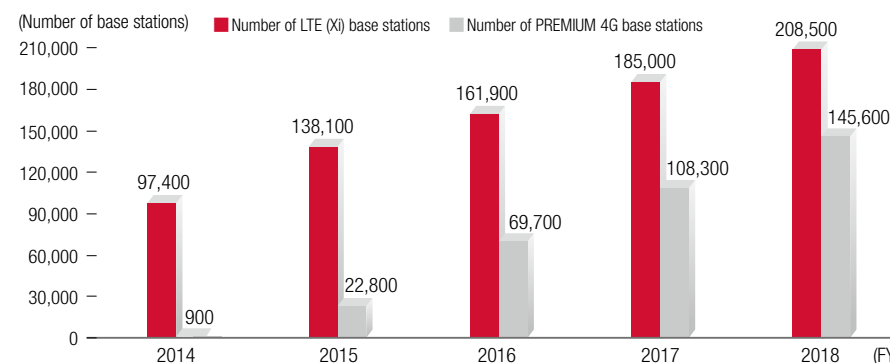


* An area planner refers to an expert who is tasked with designing an area (town or district) that he or she has been assigned and is very familiar with in order to maintain a comfortable telecommunications environment at all times. This includes responding quickly to changes in the townscape and to customers' mobile phone usage patterns. The expert employs a diverse array of techniques to improve and refine the area.

Expansion of Service Area

We are proactively building base stations to further enhance voice communication and data transmission as well as to expand our service area. The number of base stations has been increasing every year, with a total of 145,600 PREMIUM 4G base stations and 208,500 LTE base stations in operation at the end of FY2018.

Number of LTE/PREMIUM 4G Base Stations



Achievement of Reliability and Stability

Since its founding, DOCOMO has been continuously working to secure telecommunications during disasters in accordance with its Three Principles of Disaster Preparedness: enhance system reliability, ensure essential telecommunications and rapidly restore telecommunications services.



DOCOMO's disaster preparedness (in Japanese only)
<https://www.nttdocomo.co.jp/corporate/csr/disaster/>

Network Investigations and Improvement

We solicit customer feedback on connectivity as part of our efforts to maintain telecommunications quality and expand our service area. At customers' requests, we propose ways to optimize their connectivity (Number of door-to-door surveys in FY2018: Approximately 18,000).



Service Area (in Japanese only)
<https://www.nttdocomo.co.jp/support/area/feedback/>

Peace of Mind and Comfort Support Always by Our Customers' Side

Provision of Network Service

Realizing “Conversion of a Window into a Base Station”

We have been making various efforts to prepare ourselves for a surge in telecommunications traffic, which exceeds the processing capacity of our base stations and causes an interruption of connectivity.

As part of these efforts, DOCOMO collaborated with AGC Inc. and developed the world's first*¹ glass antenna that can be attached to an existing window from inside and is able to send and receive radio waves through glass.

This antenna combines a transparent conductive material and glass substrates, is unobtrusive and can be installed without impairing the view from the window or interior decor. It also features a newly developed Glass Interface Layer*² that reduces attenuation and reflection of radio waves passing through a glass window. These features allow the installation of the glass antenna at locations that had been difficult and enable us to form a small service area outside the window from within a building.

Jointly with AGC, DOCOMO has been installing this glass antenna at its currently mainstay LTE base stations. Looking ahead, the two companies are considering the development of another glass antenna compatible with 5G with a view to building a telecommunications environment with an even greater stability and connectivity.

*¹ Survey by DOCOMO and AGC

*² A technology to draw on the inherent performance of an antenna by mitigating the effects on performance, which occur when the glass antenna is in close proximity to a glass window



Glass antenna attached to an existing window

Improvement in Telecommunications Speed

Toward the introduction of 5G in 2020, we are striving to further increase the level of sophistication of our network. In enhancing multiple input multiple output (MIMO), we have employed 4x4 MIMO that provides quadruple multiplexing (at a maximum) at the time of data transmission and nearly doubled transmission speed. To enhance quadrature amplitude modulation (QAM), we have employed 256 QAM, which increases the amount of data carried at one time, and raised transmission speed by approximately 1.33 times. By combining carrier aggregation technology, which bundles multiple frequencies together, with 4x4 MIMO and 256 QAM,

DOCOMO has realized telecommunications services boasting Japan's fastest download speed* of 1,288Mbps. At the same time, we have been installing base stations for our PREMIUM 4G service that utilizes LTE-Advanced technology.

* As of August 2019. Among mobile phone carriers in Japan (Survey by DOCOMO)

Global Telecommunications Services

To ensure the stress-free use of DOCOMO's telecommunications services overseas, we provide an international roaming service, in which customers can take their mobile phones and use the same phone number and e-mail address in service areas of our partner overseas telecommunications carriers. This roaming service is currently available in some 210 countries and regions, covering 99.9% of customers' travel destinations. We also provide international telecommunications services to make voice calls or send short messages from Japan, and in this way, support customers' activities globally.

Our “Packet Pack Kaigai Option” is an overseas flat-rate packet service launched in March 2018. Responding to growing overseas data communications needs, the service allows customers to use the data allowance of their “Packet Pack” and other plans in Japan at a flat rate and in a safe and simple manner. The service provides a sense of security to those who are concerned about overseas packet communication fees, as it automatically terminates packet communication at the expiration of the usage time of a particular rate plan, and the use of the service can be resumed easily from the dedicated app. Anticipating diverse needs arising during overseas travel, the service offers different rate plans, including a one-hour plan convenient for short-term use and a multi-day plan that allows customers to start using the service for multiple days with one action. As of August 2019, the number of subscriptions to the service has exceeded 1.25 million, and the service has satisfied 90%* of the customers who have used it.

Foreign tourists visiting Japan are also enjoying DOCOMO's high-quality network via overseas telecommunications carriers. To make the Olympics and Paralympic Games Tokyo 2020 more stress-free, enjoyable experience, we are working to both improve the basic quality of our network and create and provide new value.

* Survey by DOCOMO

**パケットパック
海外オプション**

Peace of Mind and Comfort Support Always by Our Customers' Side

From Employees

“Packet Pack Kaigai Option,” a Service Paying Meticulous Attention to Customer Needs

Our “Packet Pack Kaigai Option” service is linked to services provided in Japan, and that makes it distinguishable from our conventional services. We first thought “standalone” rate plans specifically designed for our international roaming service were sufficient, but to attract more customers to the roaming service, we repeated discussions and came up with plans linked to domestic services customers already use and pay for. However, using the international roaming service requires additional fees to overseas telecommunications carriers, and besides making these new rate plans attractive to customers, we also needed to increase the number of available countries and regions by more than 100. We persistently negotiated with telecommunications carriers in each country and were able to reduce the required costs.

As one feature of the “Packet Pack Kaigai Option” service, customers can smartly combine our various rate plans based on usage scenes to save communication costs. For example, customers who mainly use free Wi-Fi connections at hotels and restaurants can choose a one-hour plan to cover no Wi-Fi situations as necessary, such as when they are traveling within a city, or customers can combine a basic 24-hour plan and a multi-day plan depending on the length of their stay. The availability of the service in multiple countries and regions without additional fees, for example, for touring around Europe, has also been well received by customers. We are entering an era, in which we can unlimitedly use apps and watch videos on our smartphones outside Japan without having to worry about data quantity. Using the “Packet Pack Kaigai Option” service as a springboard, we will focus on improving customer experiences and achieving functional enhancement and intend to create a world where “Roam like Home” is commonplace.

From when customers start planning an overseas trip to when they actually travel overseas, we always stay close beside them, and while anticipating their diverse needs, are promoting our “Packet Pack Kaigai Option” service in a timely manner and at the optimum customer contact point.

One task we are facing now is that our service is not as well-known as competing services. Our service has a proven record of repeated use because its convenience is recognizable from the very first use. As such, our major effort will be to make the “Packet Pack Kaigai Option” service known among customers and solicit them to use it by disseminating information through TV commercials and websites, participating in exhibition events and conducting promotion campaigns. We will continue to implement multi-faceted measures so that we can contact customers at various occasions.



We hope many more customers will use our international roaming service.

Shingo Aihara
International Service Strategy
Global Business Division



We provide optimal rate plans to customers.

Zhou Jie
International Service Technologies
Global Business Division

We will take a multi-faceted approach to increasing the recognition of the “Packet Pack Kaigai Option” service.

Erika Sayanagi
International Service Strategy
Global Business Division



Peace of Mind and Comfort Support Always by Our Customers' Side

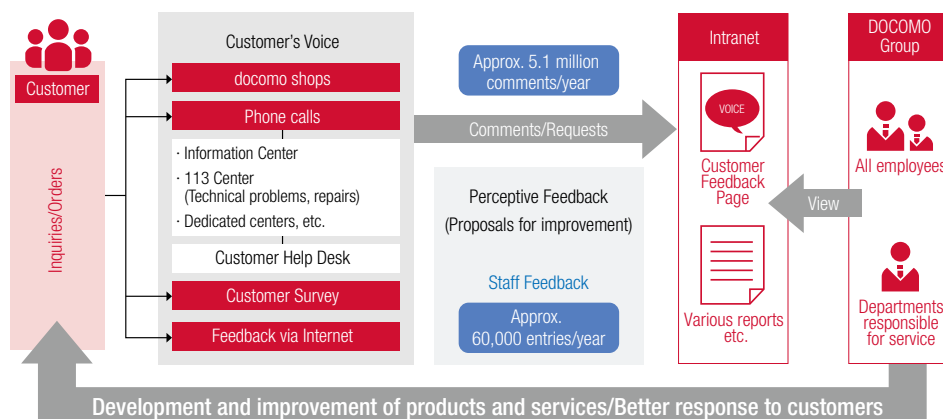
Enhancing Customer Satisfaction

Aiming to Comprehensively Boost Customer Satisfaction

Initiatives through Customer Points of Contact

With the evolution in mobile equipment such as smartphones, new services for mobile phones are constantly being generated, which has led to an increase in the number of customers contacting us to confirm or inquire about various aspects of our services as well as to share opinions and requests. In order to meet these needs, at shops, information centers, on the Internet and other sources, DOCOMO has various customer touchpoints. Through these points of contact, we collect information from nearly 5.1 million "Customer's voice" comments and around 60,000 "Perceptive Feedback" entries from DOCOMO staff in the course of the year. DOCOMO employees can check this information at any time, and the information is also transmitted virtually in real time to all employees in the DOCOMO Group. As a result, each and every employee has the opportunity to get an accurate understanding of what our customers are saying. DOCOMO members can use this information to develop and improve the products and services we offer to our customers while improving the way we respond to our customers' needs. Not only do we listen directly to what our customers are saying; DOCOMO delves into issues using quantitative and qualitative data at all times. We aim to maintain and expand the number of mobile phone subscriptions by working to comprehensively enhance customer satisfaction.

DOCOMO Group System for Collecting Customer's Voice



Enhancing Customer Response

We are revamping docomo shops to make them places where we can interact with customers wherever they are. We are also installing tablets that have a new customer reception system. These systems are creating new ways to support our customers – right there on the shop floor. By getting rid of shop counters, we are able to eliminate customer wait times in shops. We can provide our customers with a one-stop experience, from the moment they come into the shop to receive information, to get explanations of products and services or to get advice. DOCOMO staff demonstrate our products and services on tablets, making recommendations that suit each customer, in an effort to promote customer understanding.

Further, starting January 2018, we enhanced the “docomo Smartphone classes” organized by docomo shops to dispel customers' anxieties about smartphones and allow them to use the devices more conveniently, enjoyably and fully. In addition to updating the curriculum, we increased the number of classes to make it easier for customers to participate.



docomo shops around Japan serve as customer points of contact (docomo shop Tokyo Station Otemachi)



“docomo Smartphone class” (docomo shop Fujiidera in Osaka)

Peace of Mind and Comfort Support Always by Our Customers' Side

Enhancing Customer Satisfaction

24 Hours a Day, 365 Days of the Year Support with "Otasuke Robot"

DOCOMO provides "Otasuke Robot™," a chatbot that can be consulted about customer problems with smartphones or "docomo Hikari" 24 hours a day, 365 days of the year*.

The service provides an automated response in chat format with the best solution when a customer is having trouble installing an app, connecting to Wi-Fi or other such problems, and it feels just like talking directly with an operator at a call center. The service is free of charge and the customer only needs to access the dedicated site and select the button corresponding to the pertinent inquiry content or enter a simple question.

For common inquiries concerning such areas as spam email settings and recovery of backup data for one's contact list, guidance is provided in video format so the solution can be easily understood visually. Illustrations are also used to show how to confirm device name, how to restart the Wi-Fi router and other matters.

The service also provides One-Point Advice and disaster-related information from DOCOMO's corporate website when a customer is temporarily unable to access the Internet using docomo Hikari service due to equipment failure or disaster.

Using "Otasuke Robot" helps to easily solve customer problems when docomo shops or the DOCOMO Information Center are congested or closed. We will continue working to make further improvements to the service.


* Service may be unavailable due to system maintenance, etc.



"Otasuke Robot" website



Screenshot of a chat from the "Otasuke Robot" website

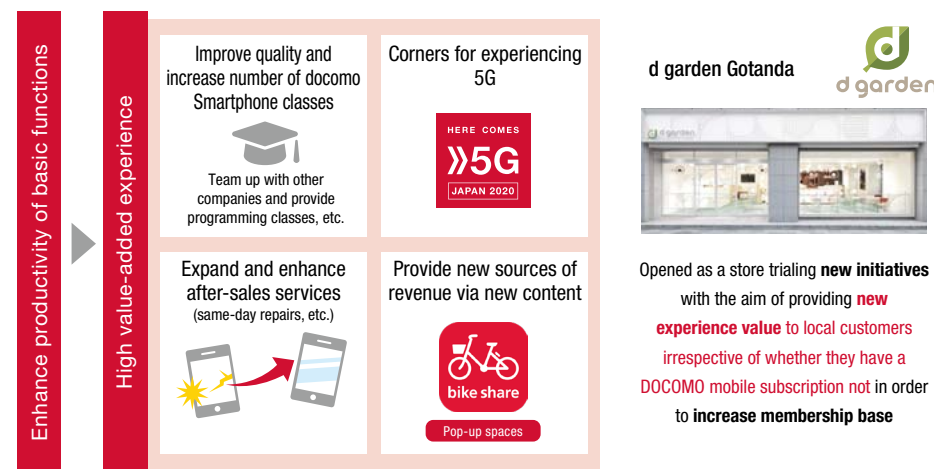
 "Otasuke Robot" website (in Japanese only)
<https://www.otasuke-robot.jp/>

Further Evolution in Customer Points of Contact through Optimized Use of Resources

DOCOMO is aiming to halve wait and attendance times at docomo shops during FY2019 in order to increase added value to customer experience.

In addition to shortening wait times by expanding the scope of reservations for shop visits, DOCOMO is implementing a number of other measures that include assigning dedicated staff to help with initial smartphone setup and usage, as well as increasing efficiency of inventory management through the introduction of RFID (Radio Frequency Identification) digital tags.

The personnel, time and space resources freed up by reducing wait and attendance times will be channeled into further enhancing customer points of contact. We are currently examining the viability of and actually implementing new initiatives in this regard such as corners where customers can experience 5G and the establishment of pop-up spaces in collaboration with other companies. DOCOMO opened "d garden Gotanda" in April 2019 as a place for these kinds of trial experiments. The idea behind the facility is to provide a fun, friendly and open space that anyone can drop into irrespective of whether they have a DOCOMO mobile subscription or not. During FY2019, DOCOMO plans to open a number of these experimental stores, thereby strengthening our approach to people who may not have ever visited a docomo shop before.



Peace of Mind and Comfort Support Always by Our Customers' Side

Customer Enlightenment and Customer Protection

Bringing Shape to Initiatives for Peace of Mind and Safety

Protecting Customers from Accidents and Other Problems

Research has found that over half of young people use their smartphone to connect to the Internet*1. In a pioneering move, DOCOMO has been dispatching instructors to schools and learning centers nationwide since FY2004 to provide Smartphone and Mobile Phone Safety Classes free of charge to ensure safe use of the devices.

Approximately 12.11 million persons had taken the classes on roughly 78,900 occasions as of March 31, 2019. In FY2018, around 1.39 million people took the classes on around 7,600 occasions.

*1 Source: "Survey on Internet Use Environment among Adolescents in FY2018" issued by the Cabinet Office



To protect users against the dangers and other problems associated with smartphone and mobile phone use, DOCOMO holds Smartphone and Mobile Phone Safety Classes nationwide. The classes are provided free of charge and are mainly for elementary/junior high schools, high schools and special needs schools.

Smartphone-distracted walking has been a growing public concern in recent years. In FY2012, DOCOMO embarked on an initiative though which we established the "smartphone manner mark" and developed a design manual to promote safe, more considerate use of smartphones. We stress this point in advertising materials and shop promotional tools as well as in posters aimed at raising the awareness of customers and employees. In 2013, we began offering a function that prevents smartphone-distracted walking*2.

*2 "Anshin Filter for docomo" function provided to youth



Using a smartphone while walking is dangerous.

"smartphone manner mark"

Promoting Safe Charging

A terminal may generate an abnormal amount of heat when the connector on the phone being charged is wet or coated with foreign particles. We are therefore issuing special precautions in the manuals on the DOCOMO website and on labels displayed on mobile phones, warning users to charge their phones properly and safely.

An industry-wide effort led by the Mobile Computing Promotion Consortium is underway to raise consumer awareness and promote proper charging. Additionally, a video and logo have been created to alert customers to the issue.



Do Not Charge Phone When It Is Wet!

Measures against Fraud

DOCOMO is taking steps to prevent bank transfer scams, which are becoming increasingly sophisticated every year, in conjunction with relevant authorities and other mobile phone operators to combat a spate of such illegal activities committed using mobile phones.

Main Measures to Prevent Remittance Soliciting Fraud

Overview	Details
Tougher screening upon subscription	Payment methods for usage charges for individual subscriptions are limited to credit card or direct account withdrawal in principle. Applicable credit cards and ATM cards can be confirmed at a docomo shop or other outlets.
	Information on customers who fail to confirm their identity when requested by the police, and to whom services are discontinued, is commonly shared among all mobile providers and utilized in screening procedures.
	In order to prevent large volumes of fraudulent subscriptions under the same name, individual subscriber lines under the same name have been limited. In addition, tougher screening measures are being applied to corporate subscribers. Failure to meet the standards results in restricting the maximum number of lines they can use.
Cooperation with the police	Information is provided to the police when there is suspicion of fraudulent identification, such as a fake driver's license, after informing the customer in advance.
	At the request of the police, we cancel the subscription of, or reject for a certain period, any additional subscription requested by a rental operator who is found to have violated the Act for the Prevention of Illegal Mobile Phone Use.
Implementation of "network use restriction"	We use the "network use restriction" system as a means for preventing the criminal use of mobile phones that have been stolen from docomo shops or other retail outlets or obtained through fraud or other criminal behavior; or by forging identification or submitting applications with false information (name, address, birthdate, etc.)

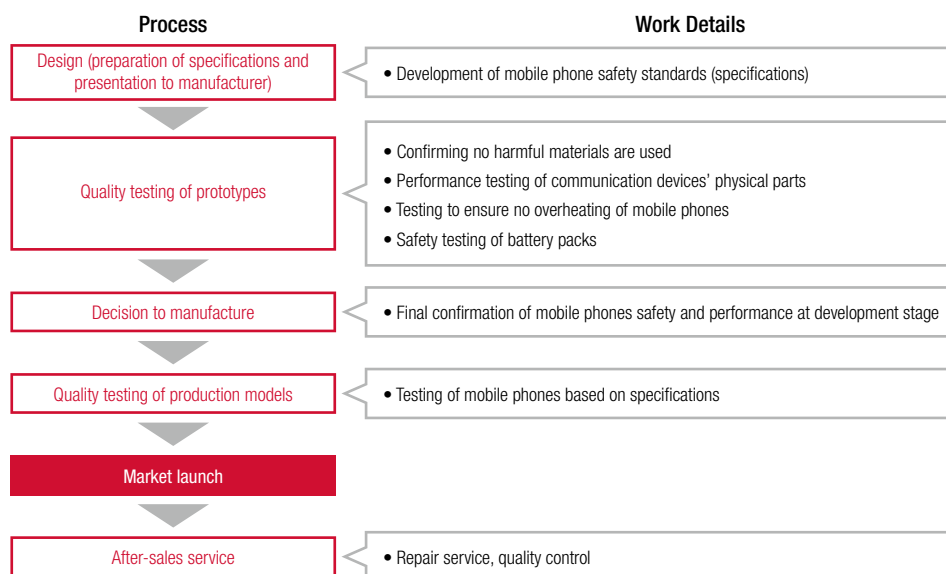
Peace of Mind and Comfort Support Always by Our Customers' Side

Customer Enlightenment and Customer Protection

Corporate Responsibility for Products and Services

DOCOMO is dedicated to maintaining the quality of products with due consideration for safety at every stage, from design to after-sales service. We formulate our own standards concerning the safety of mobile phones from the design stage, examine the safety of the products by testing prototypes and make a final decision on the launch of a product only after safety is confirmed. We stand by the quality of our products even after they are purchased by providing after-sales services.

Standard Product Quality Flow



Moreover, docomo shops have videophones supporting sign language and different languages* as well as writing boards available for the hearing impaired in an effort to improve service to customers. We carry out activities under the banner DOCOMO Hearty Style based on the universal design concept so that all people, including elderly persons and persons with disabilities, can use our services with peace of mind.

* Service available in English, Portuguese, Chinese and Spanish

DOCOMO Hearty Style Products and Services Based on Customer Opinions

DOCOMO conducts activities for universal design from the three standpoints of promoting product and service development, enhancing customer support and disseminating safe and secure use under the banner DOCOMO Hearty Style.

As an example, in promoting product and service development, DOCOMO, with a firm awareness of universal design, is focused on developing products and services that are easy for everyone to use. In light of Japan's aging population, we continue to develop products that respond to customers' diversifying interests, including the Raku-Raku PHONE series and functions on other models, such as easy-to-read enlarged text menus. Going forward, DOCOMO will continue making products and services that are easy to use for all people, enhancing customer support and disseminating safe and secure use.

DOCOMO Hearty Style Three Initiatives

Principles	Initiatives
Promote product and service development	Develop and provide products and services that are easy to use for all customers (1) Develop and provide products incorporating universal design, such as the Raku-Raku PHONE series (2) Offer Hearty Discounts and other discount services on subscriptions (3) Issue Braille phone charge statements (4) Provide apps and services designed for persons with disabilities such as "Mieru Denwa," Simple Flick and Move&Flick
Enhance customer support	Establish customer service desks that are easy to use for all users and enhance response to customers (1) Make docomo shops barrier-free (2) Operate docomo Hearty Plaza (Marunouchi) (3) Install videophones supporting sign language (4) Conduct training for docomo shop staff
Disseminate safe and secure use	Provide opportunities for all customers to use smartphones and other products with peace of mind and safety (1) Hold DOCOMO Hearty Class lectures for organizations serving persons with disabilities (2) Organize nationwide Smartphone and Mobile Phone Safety Classes for special needs schools and other organizations (3) Participate in events and exhibitions for persons with disabilities

Peace of Mind and Comfort Support Always by Our Customers' Side

Customer Enlightenment and Customer Protection

Security Countermeasure Services

There have been problems occurring in recent years associated with such things as the spread of spam mails, computer viruses, malware and harmful websites. Also, there are countless other scam operations that take advantage of new policies and regulations as well as current social developments, including those that surface after a major natural disaster and request donations or other financial contributions, or those that claim to be about the My Number (social security number) system, the upcoming Tokyo Olympic Games or electronic money. In this way, we have been seeing growing threats to Internet and telephone communications. Since more people are suffering from problems caused by such nuisances, DOCOMO is proactively working to provide countermeasure services to deal with them. These security services include detecting viruses, blocking harmful websites, anti-spam mail, distinguishing suspicious incoming calls and Anshin Security to safeguard smartphones from various threats. In addition, a setting to reject emails sent from a suspicious address such as phishing scams and a setting to delete emails with viruses attached help provide a safe communication environment for our customers.

Anshin Security



* iPhone and iPad not covered

Continuing with Efforts Related to Radio Wave Safety

The health effects of radio waves from mobile devices have been researched for over 50 years in Japan and abroad. As a safety standard, the World Health Organization has published its recommended guidelines, while the Radio-Radiation Protection Guidelines serve as their equivalent in Japan. DOCOMO complies with related laws and regulations and ensures that the level of radio wave emissions from base stations and mobile phones remains below the limits specified in the Radio-Radiation Protection Guidelines.

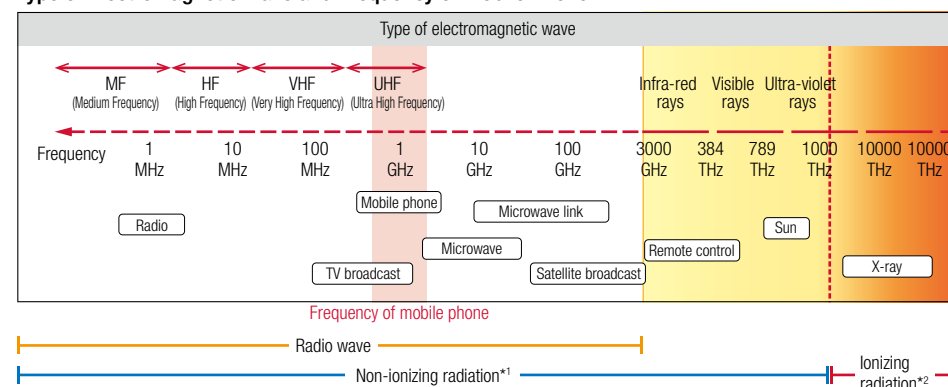
Furthermore, DOCOMO discloses the Specific Absorption Rate (the rate at which energy emitted by radio waves is absorbed by the human body) for each mobile phone on its corporate website, and it strives to make mobile phones safe for customers to use.

In addition, DOCOMO has conducted experiments in collaboration with KDDI CORPORATION and SoftBank Corp. related to the possible impacts of radio waves on the human body at cellular and genetic levels and released a final report in 2007 stating that the research had identified no impact. DOCOMO supports the surveys and research concerning the safety of mobile phone radio waves being conducted by the Electromagnetic Environment Committee of the Association of Radio Industries and Businesses (ARIB) and is actively involved in these initiatives as a regular member.

Web On radio wave safety (in Japanese only)
<https://www.nttdocomo.co.jp/corporate/csr/network/radio/index.html>

Web On Specific Absorption Rate (SAR) for mobile phones (in Japanese only)
<https://www.nttdocomo.co.jp/product/sar/index.html>

Type of Electromagnetic Wave and Frequency of Mobile Phone



*1 Electromagnetic waves with low frequency that do not have ionizing effects

*2 Electromagnetic waves with extremely high frequency such as X-ray and gamma ray

Special Feature 2

Regional Vitalization and New Business Creation Using Advanced Technologies



Kouji Tsubouchi
Executive Vice
President and Executive
General Manager of
Corporate Sales and
Marketing Division

Overview of Medium-Term Strategy for Corporate Sales

Regional vitalization/New business creation

Regional vitalization through solution co-creation/
Work innovation and other new business creation

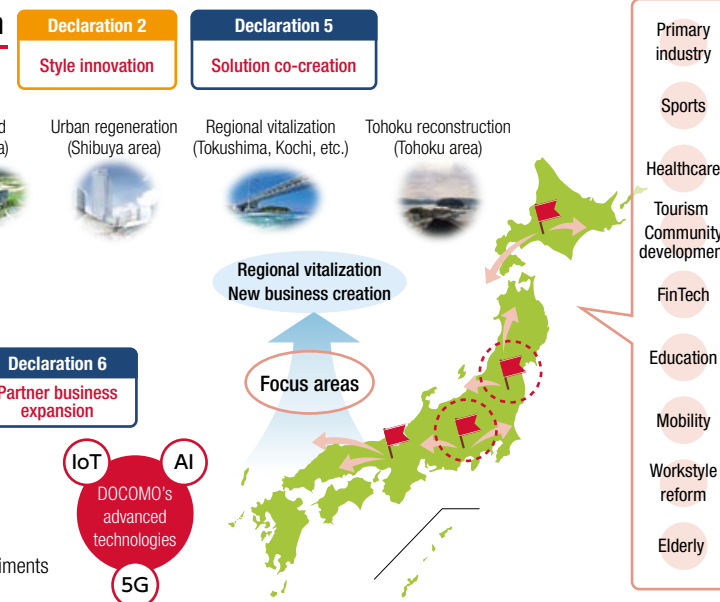
- Strengthen the creation of a **business to business to X (B2B2X)** model in strategic areas
- Accelerate the nationwide horizontal deployment of **created businesses**
- Promote the shift to information and communications technology (ICT) among small and medium-sized enterprises
- Develop globally mainly through the Internet of Things (IoT)



Advanced technologies (IoT, AI, 5G)

Contribute to various industries using
DOCOMO's technology

- Strengthen provision of high value-added services such as the IoT platform and data analysis platform
- Promote solutions co-created with partners through 5G trial experiments
- Implement "Top Gun" initiative and other technical sales programs



In FY2018, DOCOMO pushed ahead with initiatives related to the “+d” concept in which we add DOCOMO assets to those of our partners, regional vitalization and the commercialization of 5G (the 5th generation mobile communications system), enabling the overall achievement of targets under business plans of the Corporate Sales and Marketing team.

DOCOMO's Advanced Technologies

Innovation in industry and technology, known as the fourth industrial revolution, continues apace around the world, particularly in the realms of the Internet of Things (IoT), artificial intelligence (AI) and robotics, leading to the generation of new economic value.

DOCOMO has been delivering innovation to society since we started business. In addition to the area of mobile telecommunications central to our business, such as devices and networks, we have created a variety of services that enhance customer convenience and industrial efficiency. To realize our Medium-Term Strategy 2020 “Declaration beyond,” we are pursuing R&D in three key areas: “5G,” “AI,” which is gaining in prominence for use as a personal agent, and the next new “device” to smartphones.

Aiming to Drive New Business That Goes beyond Conventional Frameworks

To accelerate these trends, the Corporate Sales and Marketing team in charge of services for enterprises formulated the Medium-Term Strategy for Corporate Sales aimed at realizing our medium-term management strategy. By promoting DOCOMO's advanced technologies and co-creation with various partners, and by making maximum use of our nationwide sales network, we proactively seek to create new businesses.

Previously, the business model for customers of the Corporate Sales and Marketing team focused on companies using DOCOMO's mobile services. Going forward, we will provide solutions that target more customers irrespective of whether they have a DOCOMO mobile subscription or not. Key themes associated with these solutions will be contributing to the resolution of social issues and regional vitalization. To give an example, mixing and matching customer data that has been digitized in the process of creating solutions with data on population demographics based on DOCOMO's mobile spatial statistics is expected to create new additional value to business and to lead to new business that goes beyond conventional frameworks.

Special Feature 2 Regional Vitalization and New Business Creation Using Advanced Technologies

Promoting Solutions Co-Created with Partners

By utilizing accumulated advanced technologies, promoting co-creation with diverse partners and deftly leveraging a nationwide sales network, DOCOMO seeks to resolve social issues such as slumping regional economies and workforces caused by an aging population and dwindling birthrate with the aim of driving regional vitalization and creating new businesses.

We will look to generate flagship cases of new businesses through co-creation with partners in strategic areas (Okinawa, Tokushima, Kochi, Tokyo/Shibuya, Tohoku) and centered on nine focus fields (workstyle reform, FinTech (Finance & Technology), healthcare, primary industry, education, mobility, sports, the elderly, and tourism/community development) by combining the assets of DOCOMO and these partners, and expand the scale of business nationwide.

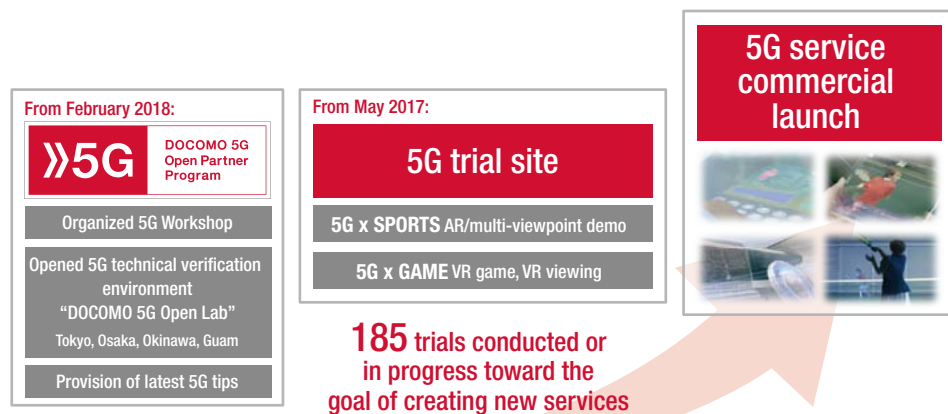
To create new usage settings based on 5G with a wide range of partners, we started deploying the DOCOMO

5G Open Partner Program in February 2018, thereby accelerating initiatives to create solutions by providing the space for workshops to provide information and exchange opinions on 5G technology and specifications. As of June 30, 2019, over 2,800 companies/organizations had participated, with 185 trial projects already underway. In March 2019, we held the 5G BUSINESS CAMP for companies taking part in the program as a place for examining the viability of actual solutions ahead of 5G pre-service.

Further, we set up DOCOMO 5G Open Labs in Tokyo, Osaka and Okinawa. Leveraging the DOCOMO 5G Open Cloud, these labs provide the latest technology in such areas as image recognition and AI agent platform developed by DOCOMO. The labs are used as places to verify 5G technology for DOCOMO's solution for connecting to cloud infrastructure remotely and demonstrate solutions that include gathering technologies of partners and DOCOMO in the cloud. In March 2019, we opened labs in Guam (the United States), helping us respond to the global expansion of companies.

Service for the 5G Era

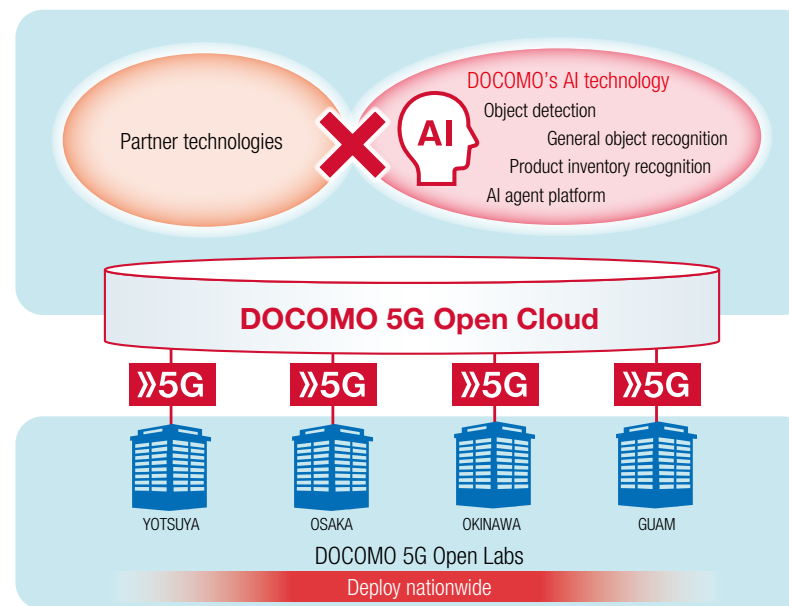
“Co-Creation” of 5G Services Jointly with External Partners



Over 2,800 companies/organizations announced intent to join the program

Platform for Co-Creation in the 5G Era

Accelerating Solutions to Social Issues through Co-Creation



Special Feature 2 Regional Vitalization and New Business Creation Using Advanced Technologies

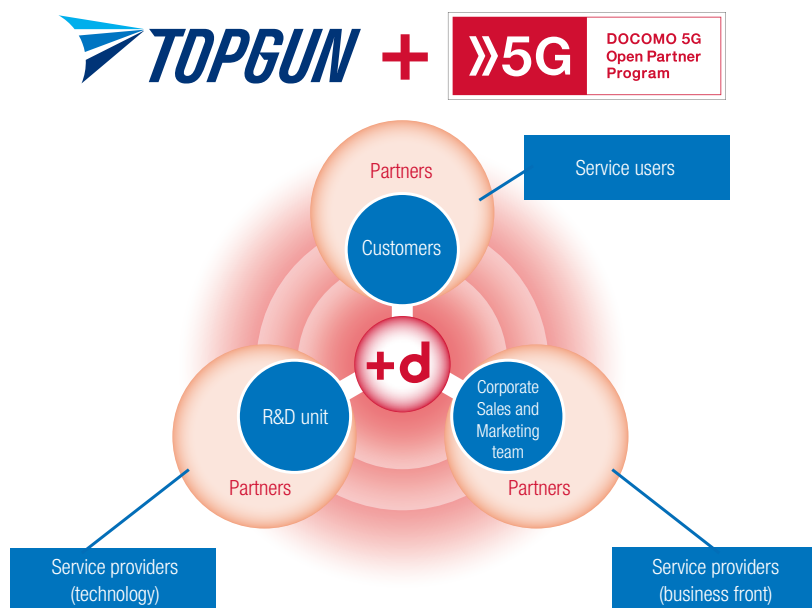
Business System to Accelerate the Co-Creation of Solutions

DOCOMO expanded its nationwide team for the co-creation of solutions and established the 5G & IoT Solution Office at its head office in April 2019 to promote the co-creation of solutions with partners. Going forward, a co-creation model devised mainly at the head office will be deployed in each branches and offices across Japan.

Ahead of this initiative, DOCOMO began its “Top Gun” program in October 2017, in which the Corporate Sales and Marketing team and R&D unit work as one with customers to implement projects aimed at swiftly resolving issues. This involves identifying potential customer needs and leveraging advanced technologies from the R&D and partners to devise and test hypothetical proposals, thereby speeding up the provision of services.

Three-Party Team of Customers, Corporate Sales and Marketing Team and R&D Unit (Image of Top Gun system)

Promoting Co-Creation of Solutions with Partners



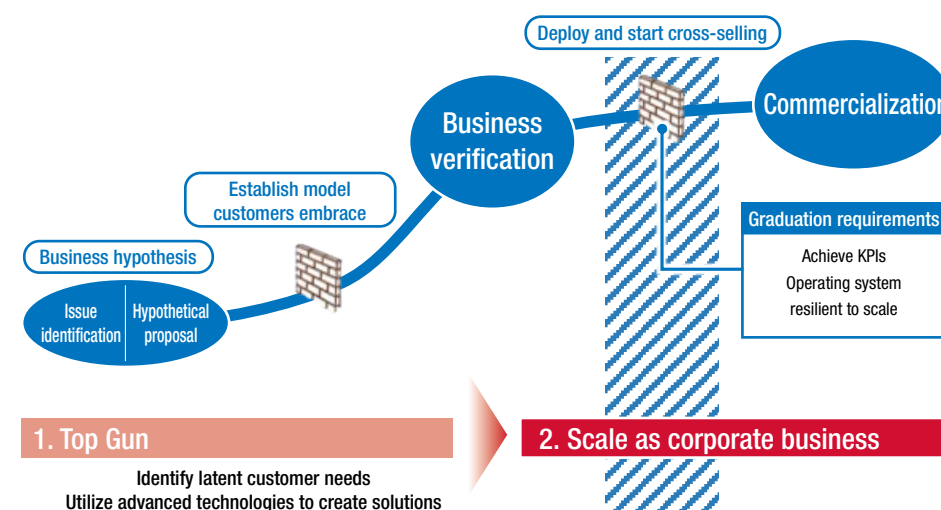
“Top Gun” collaborations are not limited to the departments at the head office. Corporate Sales and Marketing staff at DOCOMO’s regional offices and branches in Japan can voluntarily join the initiative. Each project will be implemented upon setting of a rough schedule and clarification of the timing and conditions of commercialization.

In addition, DOCOMO has established a system to share information among regional office branches and the head office about “Top Gun” nationwide and at the head office we provide opportunities where staff working at that location can meet for discussions. As the projects progress, DOCOMO will look to generate new businesses in collaboration with other companies and local governments in each region based on these ties.

The “Top Gun” initiative has encouraged greater interaction and collaboration nationwide. DOCOMO will support the launch of new businesses never seen before by actively utilizing new human resources.

Business Stage Aimed for by Top Gun

Form a Portfolio from Idea Inception to Commercialization and Launch Multiple Projects



Special Feature 2 Regional Vitalization and New Business Creation Using Advanced Technologies

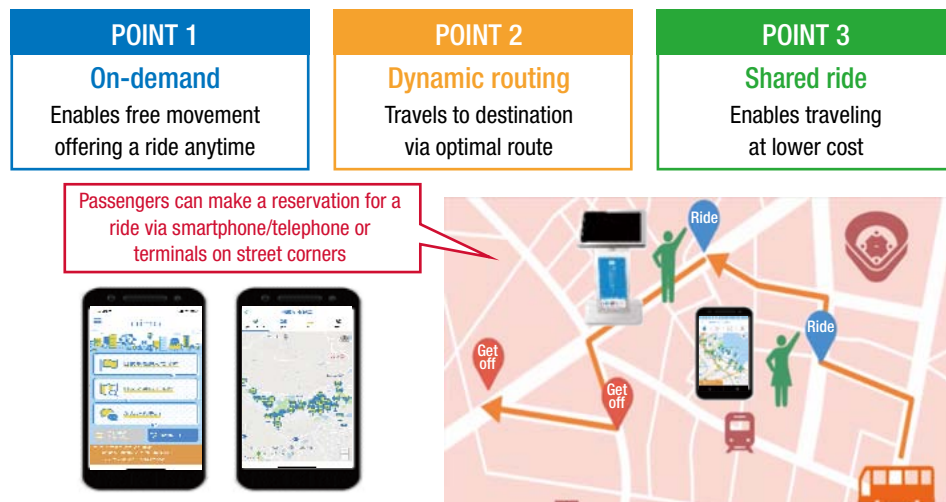
Aiming to Create Community-Oriented Business

DOCOMO is devising a co-creation business model for different regions in Japan by reinforcing relationships with local governments and partner companies through seminars on regional revitalization and 5G based on the idea that demand for 5G, IoT and AI exists outside of major urban centers. In FY2019, DOCOMO plans to hold such seminars all around the country.

As part of this project, teams have been formed with multiple members from local governments, regional financial institutions, universities and other facilities to work on the promotion of Okinawa and Tohoku, urban regeneration and co-existence with the community. The solutions generated in each field are being deployed throughout Japan.

As one example, a demonstration test for an “AI-operated bus” got underway at Kyushu University in conjunction with local government and related business enterprises in July 2016, with actual services commencing nationwide in April 2019. With extremely high needs for the application of public transportation necessary for daily life in regional locations, DOCOMO decided to conduct the demonstration tests in the Kita Ward, Kobe City and in Maebashi City. AI-operated buses can be used to replace and reorganize existing community bus systems and previous generation transportation systems in areas where the residential population is low and it is difficult to maintain and establish bus routes. This will contribute to the resolution of the social issue of ensuring transportation means in an aging society. It will also help enhance and expand

Started Nationwide Service of AI-Operated Us in Collaboration with Local Governments and Relevant Private Enterprises



secondary transportation and resolve tourist-related traffic congestion in sightseeing regions. AI-operated buses are expected to have the added effect of bringing in customers as well by connecting the buses with services and taking advantage of the community-based freedom of movement they offer to even provide excursion trips for visitors.

In addition, the potential for primary industry is high in regional locations while such areas are faced with the problem of dwindling populations, driving the heightened need for labor-saving and efficiency-boosting measures in agriculture and fisheries. DOCOMO believes that devising proposals for remote monitoring and unmanned operation using 5G and drones to swiftly meet these challenges will bolster Japan’s primary industries and contribute to the revitalization of society.

Further, DOCOMO is conducting demonstration tests for video streaming and remote operational assistance using 5G in different parts of Japan in collaboration with various partners with the aim of creating business.

Through these initiatives, DOCOMO aims to resolve social issues by creating 100 cases of 5G pre-commercial services, our target for FY2019.

Aiming to Create New Businesses Using 5G



* Abbreviation of X Reality, a general term for such technologies as virtual reality (VR), augmented reality (AR) and mixed reality (MR)

Creation of Innovative Industry with 5G

Example of a Demonstration Test Leveraging 5G Characteristics

Toward an Enriched Society for More People

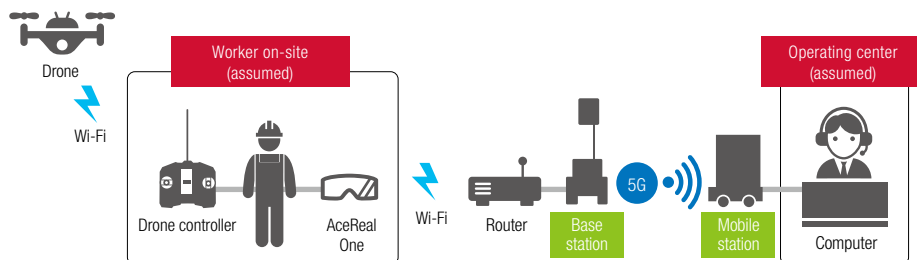
Remote Assistance for Drones Using 5G and AR Smart Glasses

DOCOMO has joined forces with SUNCORPORATION to conduct demonstration tests mainly for remote assistance via drones using that SUNCORPORATION's AR smart glasses AceReal One. The aim of the tests is to check the viability of providing real-time support and guidance from a remote location in such instances as the inspection of plant facilities or relief in a disaster. This is achieved by combining AceReal One and 5G network to enable images taken with a drone camera to be displayed vividly and without delay on a computer.

In addition, images taken with the drone camera can be shown on the see-through display of the AceReal One smart glasses via Wi-Fi, allowing both a visual check of equipment and confirmation of image content. This also serves to enhance drone operability by reducing vertical fluctuation in the line of sight and ensuring a fixed direction.

The two companies are looking into and planning a variety of future demonstration tests using 5G that go beyond remote assistance via drones and hope to contribute to the resolution of customer issues by working together on proposals for other business solutions.

Conceptual Configuration of Advanced Demonstration Test for Remote Assistance via Drone



Success in 5G Demonstration Test Using the World's First 360-Degree 8K VR Live Video Streaming and Viewing System

DOCOMO has conducted a 5G demonstration test using the world's first 360-degree 8K virtual reality (VR) live video streaming and viewing system at one of Japan's largest dance festivals, Niigata total dance, held in September 2018.

The system comprises equipment that stitches together high-resolution videos taken from multiple cameras at the venue into 360-degree 8K video, compresses them in real time and broadcasts them over 5G, taking advantage of the ability of 5G to send high-speeds, large capacity transmission. A specially erected booth provided people the opportunity to view the powerful video through a head-mounted viewing system creating highly realistic VR experiences that allow viewers to feel as if they had front-row seats at the event. This is believed to be the world's first* field test of 360-degree 8K VR live video streaming and viewing provided wirelessly over 5G.

Niigata is taking steps to revitalize the region by way of promoting industry through the use of advanced technology and is taking part in the DOCOMO 5G Open Partner Program. Application of the technology is expected in a wide array of fields, including industry, entertainment, education and disaster prevention in addition to showcasing the beauty of the Niigata total dance festival to people from the region and abroad in real time.

Going forward, DOCOMO aims to create a variety of 5G usage settings and realize different solutions based on 5G together with partners.

* As of September 18, 2018 (Survey by DOCOMO)



Niigata total dance festival



VR experience

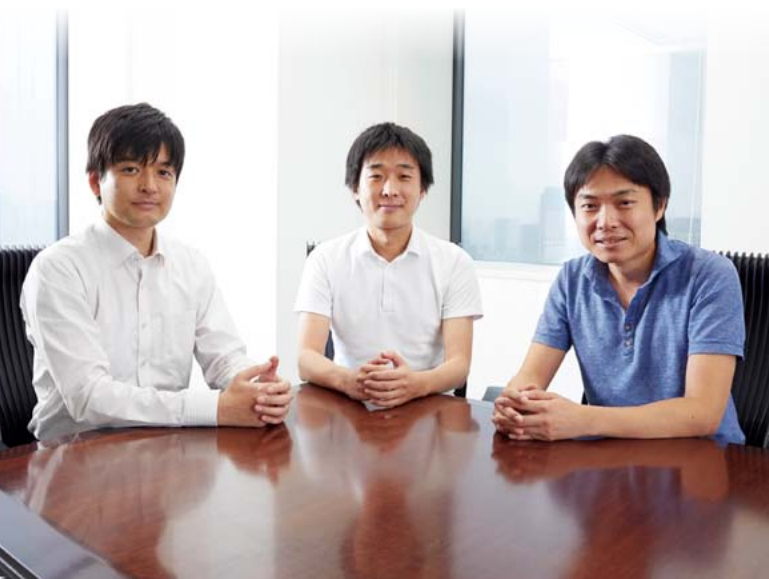
Discussion

Inside Story of a “Top Gun” Initiative

“TANA SCAN®-AI” Integrating DOCOMO’s Image Recognition Technology and a Partner’s Image Database of Retail Products

“TANA SCAN®-AI” is a system to capture product and position information from images of store shelves taken by smartphones and other devices and utilize the captured information as a database. Its applications include comparative analysis of products on the shelf and their sales, and the system is expected to help invigorate sales in retail stores.

As an example project under DOCOMO’s “Top Gun” initiative, which is designed to encourage three-party teamwork of our Corporate Sales and Marketing team, R&D unit and partners, we asked members of the “TANA SCAN®-AI” project to talk about what they started the undertaking, how the system was developed and what they aspire for the future.



Kou: The “TANA SCAN®-AI” project literally began when a customer told me about a similar system operating overseas. I know DOCOMO has image recognition technology to analyze imagery with artificial intelligence (AI) and talked to the relevant R&D unit.

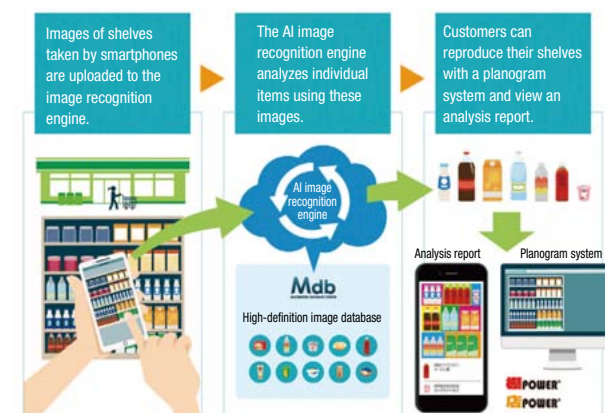
Akatsuka: At the R&D unit, we verified and confirmed such a system was possible and decided to give it a try first as an internal project of DOCOMO. As many companies have expertise in image recognition, the first challenge we faced was deciding how to differentiate the system and make it unique to DOCOMO. Also, an image recognition capability needs images of retail products to distinguish them individually. In Japan’s retail market, products are replaced very frequently, so the key to success was finding an efficient way to manage a huge database of retail product images.

Kou: To overcome these challenges, we settled with an idea to join hands with a company having an image database of retail products. We thought we can create an original one-stop solution by integrating our unique image recognition technology and another company’s high-quality database that can make the most of our technology. We then contacted CYBERLINKS.

Ushimi: Actually, we felt somewhat dubious when we first heard about the project. But we gained confidence as we met with Mr. Kou and heard his business plan. Based on the plan, we were able to envision a service in concrete terms, which combines DOCOMO’s technology, our image database and planogram system to automate data input and aggregation, previously done by customers manually, and save labor.

We have another ongoing business with DOCOMO, and knowing each other as a reliable partner had a positive impact when working as one team.

How “TANA SCAN®-AI” Works



Akatsuka: After going through feasibility tests with CYBERLINKS, we successfully developed the “TANA SCAN®-AI” system with a practical-level store shelf image recognition capability. Currently, it has been adopted by several beverage, processed food and other companies willingly engaging in the development of an advanced logistics system. In addition, our “TANA SCAN®-AI” won the Excellence Award at the 19th Automatic Identification Systems Awards* in 2017.

* Award program hosted by the Japan Automatic Identification Systems Association to recognize leading-edge automatic recognition technologies and systems having outstanding performance, with the aim of promoting the development, use and public recognition of these technologies and systems

Seeking a New Solution Surpassing Customers' Expectations through the New Project Launched under "Top Gun"

The "Top Gun" framework has made it easier to start something new than before.



*Corporate
Sales and
Marketing*

Masaaki Kou
Solution Service Department
Corporate Sales and Marketing
Division

Kou: Starting the project under the "Top Gun" initiative has greatly increased its speed. When launching a product or service, we usually need to perform many surveys and prepare a lot of materials to show the marketability and profitability in an objective manner. In contrast, our project started with a simple idea of an individual, as in "Why don't we try this?" All we did was to consult the relevant R&D unit and take a try-and-see approach. "Top Gun" has made it easier to start something new.

Akatsuka: Previously, I had felt it takes too long for a new idea to overcome the first obstacle and reach commercialization. Another good thing about "Top Gun" is that the division of roles has become clearer. We were able to concentrate on the development of image recognition technology, which was the key enabler of the system's commercialization.

Ushimi: I was surprised by the speed at which DOCOMO does business. I feel especially thankful for your quick and to-the-point improvement advice provided in our daily communications in response to customers' requests and issues.

Kou: To promote the service of the "TANA SCAN®-AI" system further, I plan to increase the public recognition of the system by offering as many opportunities as possible for customers to actually see how it works. This includes demonstrating its capability at exhibitions.

Akatsuka: We are working to refine the system according to various comments from customers. We do so with a sense of speed. For example, we aim to change the specifications, if necessary, within two weeks after receiving customer feedback.

As an example of improvement made through communicating with customers, we upgraded the system, which was initially based on black-and-white images, to recognize colors using AI.

Ushimi: Our efforts also include further reducing the working hours of customers. Shelves of retailers are often called a black box, but we can make shelving allocations "visible" if we compile accurate data and associate it with sales data.

Close collaboration enabled us to understand the issues facing the partner and concentrate our efforts on development.



R&D

Hayato Akatsuka
Innovation Management
Department
R&D Innovation Division

I was surprised by the speed at which DOCOMO does business.



*Business
Partner*

Shintaro Ushimi
Chief, No. 3 Sales Section
Sales Department
Logistics Cloud Division
CYBERLINKS CO., LTD.

Kou: In the future, we aim to extend the scope of our system from beverage and food items, our current target, to all categories of items on the shelf. As 80% of purchases made at a supermarket are said to be spur-of-the-moment purchases, not preplanned, there should be many more markets needing the "TANA SCAN®-AI" system than we imagine. As an additional effort, we would like to cover these markets as well.

Akatsuka: The "TANA SCAN®-AI" system's image recognition capability to directly monitor the shelves of retail stores has led to automation of customers' related work. Going ahead, we hope to turn the system into a solution that could vitalize stores based on local characteristics by utilizing the data in the system and DOCOMO's mobile spatial statistics (demographic) data.

Partner Business Expansion Leveraging Business Platforms

Example of Resolving Social Issues

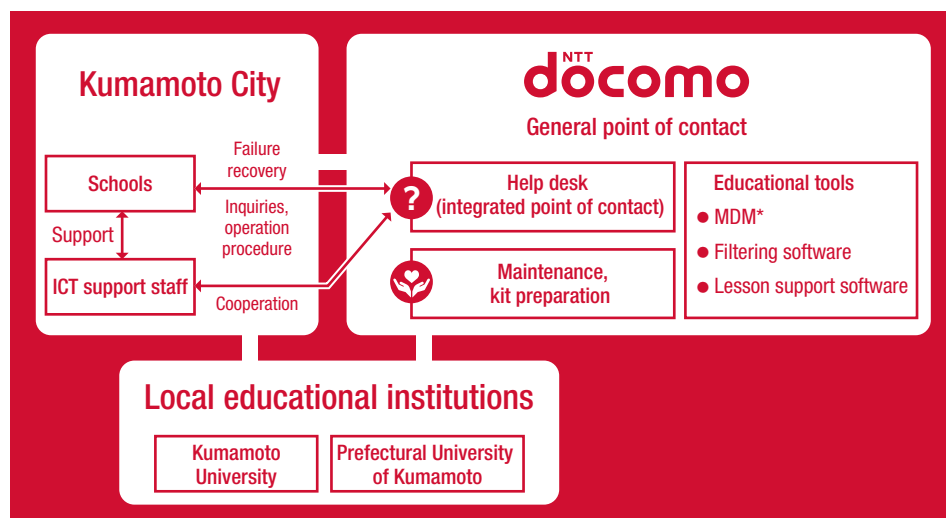
The Future of Education Nurtured with “+d”

DOCOMO's Educational ICT Project with Kumamoto City

Human resources requirements are changing in society in line with rapid shifts in globalization, informatization and an aging society coupled with a declining birthrate. In order to develop the capabilities necessary to survive in the 21st century, there are growing calls for the application of information and communications technology (ICT) including in elementary, junior high and senior high school education as part of new educational guidelines gradually being brought into effect from FY2020.

Against this backdrop, DOCOMO has initiated a project to co-create an educational ICT environment in Kumamoto City together with city officials. The aim of the project is to enhance the city's educational ICT

Outline of Kumamoto's ICT



* Mobile Device Management (MDM) refers to tools (or services) aimed at protecting information when a smartphone, tablet or other mobile device is lost or stolen by remotely locking devices, initializing systems, temporarily suspending communications and deleting data.

environment to the highest level of any government-designated city by providing 23,460 iPads to all 134 public schools and leveraging DOCOMO's stable, high-quality Long Term Evolution (LTE) network.

In addition, in October 2018, DOCOMO signed a partnership agreement with Kumamoto City, Kumamoto University and Prefectural University of Kumamoto with regard to promoting the informatization of education. The industry-academia-government collaboration seeks to develop a new educational curriculum using ICT and implement various training courses for teachers and school administration staff as part of efforts to improve children's learning and build up Kumamoto's educational ICT foundations.

DOCOMO's educational ICT solutions extend beyond the introduction of equipment and networks. We are providing total support for the project, from initial proposal for use of our resources to consultation, encouraging practical application and follow-up. Integrating all points of contact into DOCOMO relieves the burden on the customer and enables the establishment and operation of an educational ICT environment.

DOCOMO will consider taking what it has learned from this project and apply the exceptional potential of ICT to the resolution of other social issues and regional revitalization with the aim of advancing local communities. We also accumulate knowledge gained by implementing educational ICT as critical know-how and contribute to the evolution of the field.

In the future, we aim to realize an environment in which every person can learn anytime and anywhere using a tablet terminal.



The use of tablet terminals increases children's interest in education and appetite for learning. (Kumamoto Municipal Kusunoki Elementary School)



Teachers from Kumamoto City share experiences and knowledge during a training session organized by DOCOMO.

Partner Business Expansion Leveraging Business Platforms

Expanding Partner Business

Aiming to Create Business with Partner Companies to Help Achieve the SDGs

Launch of IoT × 5G × SDGs Partner Co-Creation Project

The Sustainable Development Goals (SDGs) have been adopted as global common goals and the market associated with the SDGs, traditionally focused on CSR, has now been gaining attention as a new business market expected to create demand of approximately ¥70 trillion in Japan by 2030. Early efforts to tackle the SDGs are expected to lead to the opportunity to generate new value and revenue by driving innovation and leading the development of related businesses and services. The social issues highlighted by the SDGs are extremely massive, however, and require collaboration between industry, government and the private sector to bring about resolution. This fits with DOCOMO's management policy to create new value through co-creation with partners.

Against this background, in December 2018 DOCOMO launched the IoT × 5G × SDGs Partner Co-Creation Project that examines the viability of creating new business by connecting the Internet of Things (IoT) and 5G with the SDGs for partners participating in the DOCOMO 5G Open Partner Program. The project aims to resolve social issues and create new sustainable businesses by integrating the various fields of expertise held by multiple partners framed around such “connecting technologies” as 5G and IoT.

DOCOMO's Aim to Connect IoT and 5G and the SDGs

- 1 Resolve social issues** Contribute to the achievement of the SDGs through co-creation of solutions based on IoT and AI and 5G
- 2 Create new businesses** Aim to create new businesses that lead to revenue for partners
- 3 Promote co-creation with partners** Encourage participation by various partner companies and promote co-creation that transcends industries



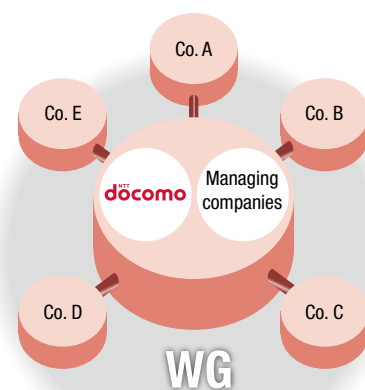
Creating an Effective Co-Creation Scheme

In terms of concrete initiatives, DOCOMO established three working groups to work on advance themes aimed at achieving the various goals of the SDGs, namely: Increased medical costs and burden on nursing care due to the aging population and dwindling birthrate; workforce shortage in the manufacturing industry and difficulties in skills transfer; and ensuring safety and security following the trend toward the nuclear household and dual-income families. Each group sets its sights on creating new businesses. The groups also get together for events to help share information.

Companies that play a central role in the running of the working groups are positioned as joint leaders along with DOCOMO in an effort to create an effective co-creation scheme that encourages the participation of multiple companies. DOCOMO provides support to working group members through the advance provision of a test environment and telecommunications equipment, expansion of sales channels using corporate channels, publication on its corporate site and joint exhibition at trade shows and other events.

Going forward, DOCOMO will strengthen ties with a wide range of industries by promoting the participation of various companies and organizations in the project, which is expected to accelerate initiatives toward the creation of new IoT solutions for the 5G era and achievement of the SDGs.

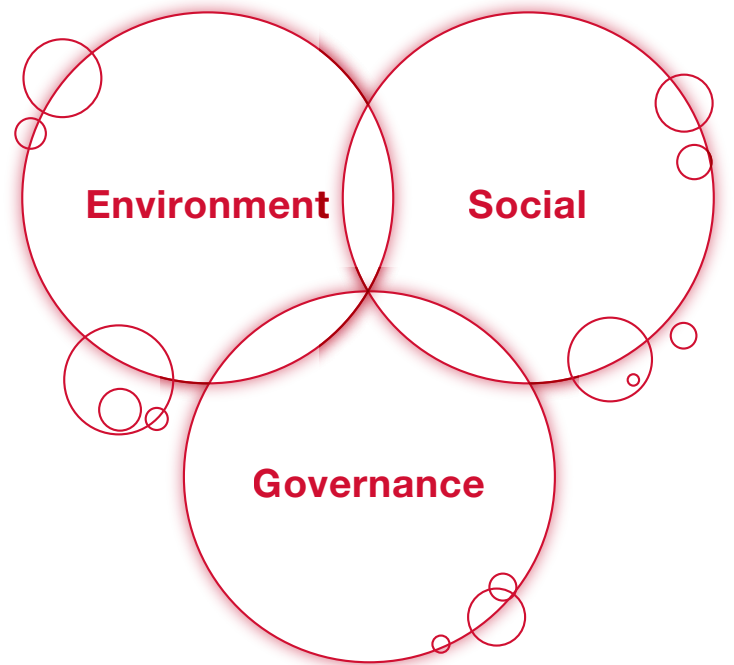
Project Format



- | | |
|--------------------------|--|
| Partner companies | <ul style="list-style-type: none"> • Examination of business models • Development and testing for test demonstrations • Test demonstrations and verification using 5G open cloud networks |
|--------------------------|--|

- | | |
|---------------|---|
| DOCOMO | <ul style="list-style-type: none"> • Examination of business models • Advance provision of testing environment and telecommunications equipment • Expansion of sales channels using corporate channels • Joint exhibition at trade shows and other events, etc. |
|---------------|---|

DOCOMO's ESG Management



Message from Outside Director	P. 51
Management Team	P. 53
Reasons for Appointment and Insights of Outside Directors and Outside Audit & Supervisory Board Members	P. 55
Corporate Governance	P. 57
Status of Board of Directors Meetings Held and Other Matters	P. 59
Dialogue with Shareholders and Investors	P. 61
Supply Chain Management	P. 62
Status of Audits by the Audit & Supervisory Board and Internal Audits	P. 63
Internal Control	P. 64
Risk Management	P. 65
Initiatives for Society	P. 66
Initiatives for the Environment	P. 74



Message from Outside Director



Expectations and Proposals for NTT DOCOMO

Teruyasu Murakami
Member of the Board of Directors
Director of Research Institute for Industrial Strategy

DOCOMO's Governance Structure

DOCOMO's corporate governance has a somewhat unique characteristic stemming from having a parent company in which the state owns a meaningful percentages of equity shares, and is also a majority shareholder of NTT DOCOMO. Because of this structure, it can be said that DOCOMO is applied with "two layers of governance." However, in my six-year tenure as an outside director, I have never seen the government nor the parent company exerting force directly on DOCOMO's decision making, and I believe DOCOMO's Board of Directors has been able to make decisions freely with their own managerial responsibility.

When I talk about DOCOMO's governance, I sometimes hear concerns that DOCOMO could be influenced by the comments made by the administration in office at the time. However, it is the state and not the administration in charge at the time that we are held accountable for concerning the management of the Company. Still, if rules or other matters are discussed at councils or other fora participated by third parties and are eventually adopted as laws or rules, we respect such decisions and take the lead in abiding by them. In this way, DOCOMO

fulfills its responsibilities to the state or the parent company.

Outside directors undertake a basic mission to represent the position of general shareholders. In the context of requiring businesses to deliver the highest level of managerial efficiency and adequate returns to shareholders, outside directors' role can be considered very similar to that of a parent organization.

Having said that, however, as an outside director, I always endeavor to collect information and stay vigilant in supervising the Company, so that, for example, in the parent company's basic R&D activities that are partly financed by DOCOMO, adequate allocation is given to wireless-related R&D programs avoiding a disproportionate concentration on only fixed-line technology. I hope this shows that "two layers of governance" at DOCOMO does not affect the free and open-minded activities of outside directors.

DOCOMO's Board of Directors is carefully designed to ensure that there are plenty interactive discussions between the outside directors and the executive team. In such circumstances, the outside director of DOCOMO voluntarily started in June 2016 to explain the latest situation of the activities undertaken by the Board at the annual general meeting

of shareholders, and outside directors deliver on the self-imposed task to make comments on all agendas that are viewed important by, or could potentially impact the interest of, general shareholders or other stakeholders. We strive to enhance the quality of, our managerial decision making by constantly checking on whether the Board of Directors is fulfilling its accountability through these practices.

Dr. Endo has become increasingly active in her engagement ever since joining the Board as our second outside director in June 2016. I believe we have seen truly animated discussions in our recent Board sessions, with members of the Audit & Supervisory Board making comments not only from the perspective of audits but also from the angle of corporate management, sharing their respective insights and experiences. In view of these engagements, in our Board appraisal we unanimously confirmed the effectiveness of DOCOMO's Board of Directors.

On the other hand, as a researcher of industrial strategy, I believe a deliberate scientific approach must be adopted to evaluate the relationship between formal reinforcement of governance and management quality of Japanese firms. The consensus view of researchers specializing in this field seems to be that "while there are some cases that suggest the existence of a correlation between reinforcement of the formal structure of governance and improvement of business performance, no evidence has been found to prove the causal relationship between the two," and unquestioningly pressing ahead with an idea that is not backed by solid evidence does not benefit shareholders either. We must avoid governance for governance's sake. While maintaining a position that we put proper governance in place to enhance our business management, we aim to keep an appropriate distance between the generally accepted governance framework and a governance structure suited for the current state of DOCOMO.

Management Participation Making Full Use of Own Insights

To improve the effectiveness of the Board, DOCOMO has introduced a system called the "after-school" system, in which all members of the Board take part in free and open-minded discussions on important managerial issues without being constrained by their respective positions. This system was established immediately after I first joined the Board as an outside director by the decision of the CEO back then, which was triggered by my comment pointing to "a lack of sufficient discussion by the Board to mobilize the corporate management resources to tackle smart life business despite its designation as a priority area for the entire organization, because the actual initiatives are undertaken only at individual department levels."

At the "after-school" system meetings, we actively discuss issues pertaining to "investments for the Company's future," including the creation of new businesses, R&D agenda and human resource development. This culture of attaching emphasis on "investments for the Company's future" affected many tangible results, including the formulation of "Top Gun" sales & marketing approach where members of the Corporate Sales and Marketing team and R&D unit join forces for solution development (see [P.43](#) for more details) and our new carrier development scheme "Junior Professional System" (see [P.68](#) for more details), and reinforcement of the "Senior Professional System" (see [P.68](#) for more details). DOCOMO is now pushing forward the transition into a business management pivoted on our membership base from the subscriber base in accordance with our Medium-Term Business Strategy. Investment in human resources is essential as people play a central role for the accomplishment of this transition.

The environment surrounding our business has changed dramatically after we unveiled our Medium-Term Strategy 2020 "Declaration beyond" in 2017. I highly appreciate that the Company kept the flag flying, steadily implementing various measures toward the realization of "Declaration beyond" despite the emergence of new factors such as the price revisions and market entry by a new player. I believe we will head for a new paradigm of autonomization* of the 2020s where AI, IoT, autonomous vehicles, service robots and many other things will be connected to the network. As we go through this change, it is important that we, for the short term, survive the severe competition in the telecommunications market, and for the longer

term, maintain or even further expand our market share in the world of next-generation autonomous communications while making necessary preparations to secure reasonable grounds in the service domains that will be deployed on platforms. What is required for DOCOMO at present is to develop close ties with businesses that are expected to utilize autonomous technologies. Our undertakings aimed at establishing partnerships with many businesses through our "+d" strategy and DOCOMO 5G Open Partner Program will serve as a very important foundation toward this goal. We must accelerate the initiatives for further value co-creation maintaining these relationships going forward. This can present both risks and opportunities for us depending on how properly we can manage this process.

* Autonomization: ICT systems that are designed to operate at a certain distance from the user and behave independently, as if they had a will of their own, for the purpose of providing advanced services to the environment and the user

For Our Sustainable Growth in the 2020s

In our past rollout of new services and businesses, DOCOMO often relied on the innovativeness of technology or our scale advantage in database or other assets. In addition, there were cases where we only made concentrated allocation of resources in the start-up phase and have not made sufficient efforts to continue and expand our managerial efforts to deliver sustainable innovation over the medium to long term.

In the report "Transition to the Smart Economy in the Age of Diminishing Workforce" published by the Japan Productivity Center last year under my chairpersonship, it is advocated that "full-fledged implementation of service innovation" is indispensable for the future of the Japanese economy, and Japan should also adopt insights from "serviceology" and "service design"—the idea of taking a scientific or an engineering approach to innovation based on a deep understanding on the essence of each service. I hope that DOCOMO will also scientifically support the visualization, structuration, optimization and implementation of a new service model for our customers. I also look forward that DOCOMO will take leadership for a sustainable and "full-fledged implementation of service innovation" by not only pursuing the expansion of scale but also making efforts to improve productivity tracking KPIs.

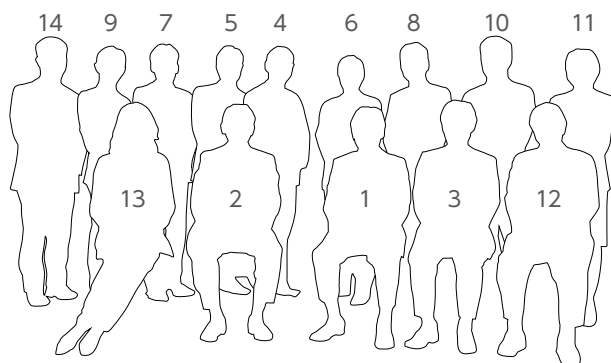


DOCOMO generated the highest amount of added value among the 1,400 publicly traded companies in the service sector in Japan (excluding holding companies) in FY2018. In fact, approximately 0.3% of Japan's GDP was produced by DOCOMO. Further, DOCOMO is not only large in its scale but also boasts very high productivity, and ranked No.2 in Japan in the total added value delivered per employee, i.e., an indicator that proves our superior labor productivity.

Despite these favorable results, our personnel expenses remained unchanged for the last several years and there is a significant difference between our R&D spending with that of GAFA. For DOCOMO to survive in the field of non-telecommunications services, we must appropriate higher amount of investments for the future. Striking a good balance between continued shareholder returns and "investments for the Company's future" requires a high-level management decision. An important role that I am required to fulfill as an outside Board member is to help the Company find the optimal avenue while continuing the dialogue with our shareholders.

Management Team (As of July 1, 2019)

Members of the Board of Directors

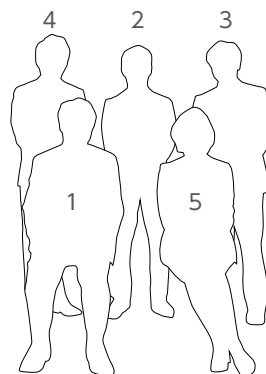


- 1 Kazuhiro Yoshizawa**
President and Chief Executive Officer (CEO)
Representative Member of the Board of Directors
- 2 Hiroshi Tsujigami**
Senior Executive Vice President (CCO, CLO, CRO)
Representative Member of the Board of Directors
Executive General Manager of Sales and Marketing Division
Responsible for Global business and Corporate
- 3 Seiji Maruyama**
Senior Executive Vice President (CDO, CIO, CISO, CPO)
Representative Member of the Board of Directors
Responsible for Technology, Devices, Information Strategy and Membership Base
- 4 Hiroshi Nakamura**
Executive Vice President (CTO)
Member of the Board of Directors
Executive General Manager of R&D Innovation Division
- 5 Hozumi Tamura**
Executive Vice President
Member of the Board of Directors
Executive General Manager of Network Division
- 6 Osamu Hirokado***
Executive Vice President (CFO)
Member of the Board of Directors
General Manager of Accounts and Finance Department
Responsible for Finance and Business Alliance
- 7 Shigeto Torizuka**
Executive Vice President
Member of the Board of Directors
General Manager of Human Resources Management Department
- 8 Kenichi Mori**
Executive Vice President
Member of the Board of Directors
Executive General Manager of Smart-life Business Division
- 9 Kouji Tsubouchi**
Executive Vice President
Member of the Board of Directors
Executive General Manager of Corporate Sales and Marketing Division and General Manager of TOHOKU Reconstruction Support Office
- 10 Michio Fujiwara**
Executive Vice President
Member of the Board of Directors
General Manager of Corporate Strategy & Planning Department
Responsible for Mobile Society Research Institute and Preparation for 2020
- 11 Mayumi Tateishi**
Senior Vice President
Member of the Board of Directors
General Manager of General Affairs Department and General Manager of Improvement Action Office
- 12 Teruyasu Murakami**
Outside Member of the Board of Directors
- 13 Noriko Endo**
Outside Member of the Board of Directors
- 14 Katsumi Kuroda**
Member of the Board of Directors

* Responsible for Investor Relations

Management Team (As of July 1, 2019)

Audit & Supervisory Board Members



- 1 **Shoji Suto**
Full-time Audit & Supervisory Board Member
- 2 **Hironobu Sagae**
Full-time Outside Audit & Supervisory Board Member
- 3 **Mikio Kajikawa**
Full-time Outside Audit & Supervisory Board Member
- 4 **Katsumi Nakata**
Full-time Outside Audit & Supervisory Board Member
- 5 **Eiko Tsujiyama**
Outside Audit & Supervisory Board Member

Executive Officers

Executive Vice President

Yasuo Sakamoto Responsible for CSR

Senior Vice Presidents

Toshiaki Sakurai	Executive General Manager of Hokkaido Regional Office
Takanori Ashikawa	Executive General Manager of Tohoku Regional Office
Katsuyuki Takagi	Executive General Manager of Tokai Regional Office
Hiroko Kawasaki	Executive General Manager of Hokuriku Regional Office
Koichi Takahara	Executive General Manager of Kansai Regional Office
Tomohisa Ueno	Executive General Manager of Chugoku Regional Office
Tetsuya Mikajiri	Executive General Manager of Shikoku Regional Office
Taku Yamazaki	Executive General Manager of Kyushu Regional Office
Hikaru Kawachiyama	General Manager of Tokyo Branch
Tomoyoshi Oono	General Manager of Innovation Management Department
Takehiro Nakamura	General Manager of 5G Laboratories
Kikuko Shirakawa	General Manager of Digital & Marketing Department
Yoshiaki Maeda	General Manager of Platform Business Department
Tooru Atarashi	General Manager of Financial Business Department
Hiroshi Kobayashi	General Manager of Radio Access Network Engineering Department
Kan Takamoto	General Manager of Sales Promotion Department
Takeshi Saito	General Manager of Corporate Sales and Marketing Department I
Shinji Kume	General Manager of Corporate Sales and Marketing Department II
Seiichi Oka	General Manager of Corporate Sales and Marketing Department III
Naoki Tani	General Manager of IoT Business Department
Taku Hasegawa	General Manager of Information Systems Department

Reasons for Appointment and Insights of Outside Directors and Outside Audit & Supervisory Board Members

The reasons for appointment and insights of the two outside directors and four outside audit & supervisory board members are as follows.

Outside Directors



Teruyasu Murakami (Independent Director)

Mr. Murakami has rich experience and insights pertaining to corporate management and information industry. He has been elected as an outside director due to the Company's expectations that, in view of his excellent character and wealth of knowledge, he will contribute to strengthening the supervisory function over business execution and provide advice from a broad managerial perspective.

Apr. 1968 Joined Nomura Research Institute, Ltd. ("NRI")
Apr. 2002 Chief Corporate Counselor of NRI
Jun. 2008 Outside Director of Benesse Holdings, Inc.
Apr. 2012 Director of Research Institute for Industrial Strategy (To the present)
Jun. 2013 Outside Member of the Board of Directors of the Company (To the present)



Noriko Endo (Independent Director)

Dr. Noriko Endo has rich experience and insights accumulated through her news gathering activities as an editor of an economic magazine and research on public policies. She has been elected as an outside director due to the Company's expectations that, in view of her excellent character and wealth of knowledge, she will contribute to strengthening the supervisory function over business execution and provide broad and diverse advice from both a customer perspective and female perspective, and will be able to properly fulfill the role of an outside director.

Jun. 1994 Joined DIAMOND, Inc.
Apr. 2006 Deputy Editor of Diamond Weekly, DIAMOND, Inc.
Sep. 2013 Visiting Researcher at Policy Alternatives Research Institute, University of Tokyo
Apr. 2015 Project Professor, Graduate School of Media and Governance, Keio University (To the present)
Apr. 2015 Adjunct Researcher, Environmental Research Institute, Waseda University
Jun. 2016 Outside Member of the Board of Directors of the Company (To the present)
Jul. 2018 Outside Director of AIN HOLDINGS INC. (To the present)
Jun. 2019 Outside Director of Hankyu Hanshin Holdings, Inc. (To the present)

Reasons for Appointment and Insights of Outside Directors and Outside Audit & Supervisory Board Members

Outside Audit & Supervisory Board Members



Hironobu Sagae

Mr. Sagae has experience in corporate management and has considerable knowledge pertaining to finance and accounting gained through his experience in the Finance Department of NTT DATA Corporation. He has been elected as an outside audit & supervisory board member due to the Company's expectations that he will conduct audits based on his experience and knowledge.

- Apr. 1981 Joined NTT Public Corporation
- Jun. 2012 Senior Vice President, General Manager of Accounts and Finance Department, Member of the Board of Directors of NTT DATA Corporation
- Jun. 2014 Executive Vice President, General Manager of Accounts and Finance Department, Member of the Board of Directors of NTT DATA Corporation
- Jun. 2016 President, Member of the Board of Directors of NTT DATA MANAGEMENT SERVICE Corporation
- Jun. 2017 Full-time Outside Audit & Supervisory Board Member of the Company (To the present)



Katsumi Nakata

Mr. Nakata has experience in corporate management and has long been engaged in businesses pertaining to telecommunications. He has been elected as an outside audit & supervisory board member due to the Company's expectations that he will conduct audits based on his experience and knowledge.

- Apr. 1980 Joined NTT Public Corporation
- Jun. 2015 Senior Executive Vice President, Head of Global Business, Member of the Board of Directors of NTT Communications Corporation
- Jun. 2016 Senior Executive Vice President, Member of the Board of Directors of NTT Communications Corporation
- Jun. 2018 CEO of NTT Security Corporation
- Jun. 2019 Full-time Outside Audit & Supervisory Board Member of the Company (To the present)



Mikio Kajikawa (Independent Audit & Supervisory Board Member)

Mr. Kajikawa had a long career in the Ministry of Finance, and has been elected as an outside audit & supervisory board member due to the Company's expectations that he will conduct audits based on his rich experience and insights as a specialist accumulated through his career experience.

- Apr. 1982 Joined the Ministry of Finance
- Jul. 2014 Executive Director of the International Monetary Fund (IMF)
- Jun. 2016 Director-General of the Customs and Tariff Bureau of the Ministry of Finance
- Dec. 2017 Advisor of Tokio Marine & Nichido Fire Insurance Co., Ltd.
- Jun. 2018 Full-time Outside Audit & Supervisory Board Member of the Company (To the present)



Eiko Tsujiyama (Independent Audit & Supervisory Board Member)

Ms. Tsujiyama has been elected as an outside audit & supervisory board member due to the Company's expectations that she will conduct audits from the perspective of her extensive knowledge pertaining to finance and accounting as a certified public accountant and accumulated through her years of experience as a university professor and an outside director on corporate boards.

- Jun. 2010 Outside Director of ORIX Corporation (To the present)
- May 2011 Outside Corporate Auditor of Lawson, Inc. (To the present)
- Jun. 2011 Outside Audit & Supervisory Board Member of the Company (To the present)
- Jun. 2012 Outside Audit & Supervisory Board Member of Shiseido Company, Limited (To the present)
- Apr. 2018 Professor emeritus, Waseda University (To the present)

Corporate Governance

Basic Policies and Philosophy

Guided by our corporate philosophy of “the creation of a new world of communications culture” and our Medium-Term Strategy 2020 “Declaration beyond,” we are aiming to contribute to the realization of a rich and vigorous society and to improve our corporate value in order to win greater trust and reputation from our shareholders and customers.

Under this management policy, we recognize that to maximize corporate value while meeting the expectations of our various stakeholders including our shareholders, customers, employees, partners and local communities. It is essential that we ensure the effective function of corporate governance through the reinforcement of the governance structure in line with the objectives of each principle of the “Corporate Governance Code.”

Based on this approach, we have established the “NTT DOCOMO Basic Policy on Corporate Governance” for the purpose of attaining the sustained growth of our corporate group and the medium- to long-term improvement of corporate value.

The basic policy was revised in December 2018 in response to the revision of the “Corporate Governance Code” in June 2018.

 [NTT DOCOMO Basic Policy on Corporate Governance \(in Japanese only\)](https://www.nttdocomo.co.jp/corporate/ir/binary/pdf/management/governance/governance_rule_181221.pdf)
https://www.nttdocomo.co.jp/corporate/ir/binary/pdf/management/governance/governance_rule_181221.pdf

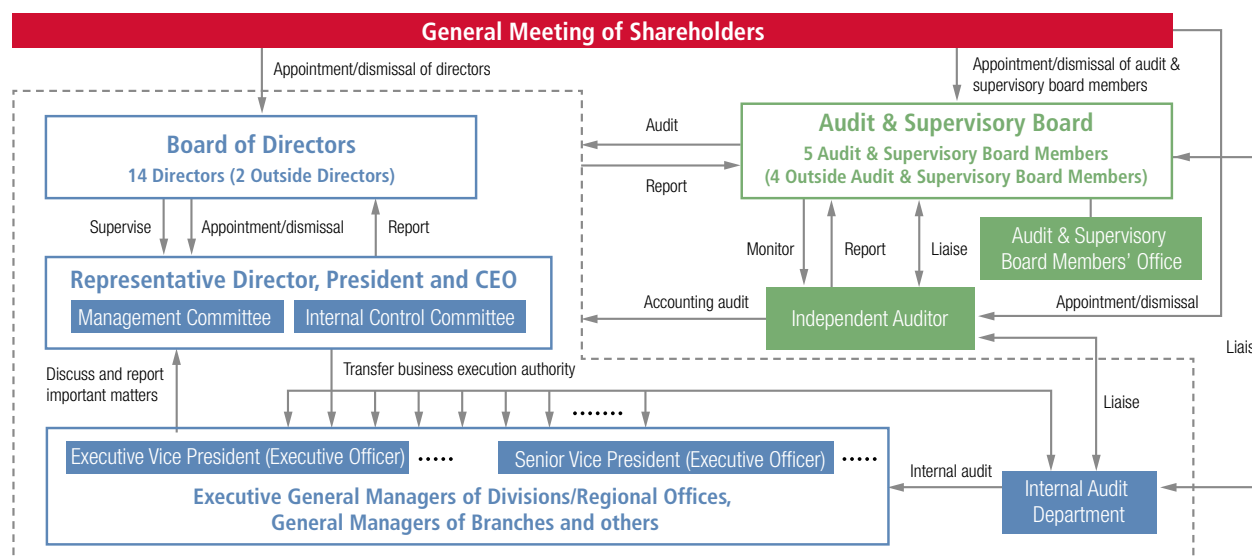
Overview of the Corporate Governance Structure

We have adopted a corporate governance structure consisting of the Board of Directors, audit & supervisory board members and the Audit & Supervisory Board, aiming both to realize consistent and stable business operations and to bolster monitoring and auditing functions, while striving to boost management speed. The reason why we adopt this structure, and we consider this structure reflects a desire for directors to play a key role in important business execution matters from the standpoint of realizing consistent and stable business operations through the effective utilization of management resources. From the perspective of ensuring sound and efficient management, this configuration also reflects a desire for a structure in which Directors who concurrently serve as executive officers supervise each other for their respective actions, while audit & supervisory board members perform audits of overall management.

The monitoring function of the Board of Directors is strengthened through the framework in which independent outside directors are appointed and

encouraged to fulfill their ability and insight, under the supportive arrangements such as in-depth prior briefing on the proposals to be discussed at the Board of Directors meetings and holding of periodical meetings with representative directors and internal officers. With respect to the auditing function, all audit & supervisory board members (including independent outside audit & supervisory board members) attend important meetings such as the Board of Directors meetings, while conducting effective audits over directors’ execution of duties in coordination with the independent auditor and internal audit staff, to ensure management soundness. In addition, we have introduced the executive officer system (27 men and 3 women serve as executive officers and 8 executive officers concurrently hold the post of director) to clearly delineate the roles of business execution and monitoring, and to better reinforce business execution functions. This system enables us to speedily respond to changes in the operating environment.

The Company's Corporate Governance System



Corporate Governance

Support System That Ensures the Effectiveness of Outside Officers

The Company has established the following framework so that outside directors and outside audit & supervisory board members can perform their duties, drawing on their management skills and insight as they participate in constructive discussions.

- Providing explanations and materials prior to meetings by the Board of Directors
- Building a system of support in which independent outside directors advise directors and other members of the management team with the opinions of general shareholders and other stakeholders in mind
- Allowing independent outside directors to participate in management training and various company activities
- Inspecting various sites (research centers, branches, docomo shops, wireless base stations, etc.)

- Providing opportunities for independent outside directors, directors and executive officers to exchange opinions on the direction of our corporate strategies, etc.
- Creating opportunities to exchange opinions with mid-career and young employees
- Establishing the Audit & Supervisory Board Members' Office as a dedicated organizational unit to assist in audits by audit & supervisory board members, and assigning full-time personnel to that office
- Having dialogue with current and potential institutional investors (when there are requests from investors or directors/audit & supervisory board members)
- Holding regular meetings between the independent outside directors and audit & supervisory board members

Changes in the Corporate Governance System

		Number of Members (Board of Directors)		Number of Members (Audit & Supervisory Board)	
		Total	Of which, outside directors	Total	Of which, outside audit & supervisory board members
February 1999	Establishment of Advisory Board From experts in various fields, we receive objective opinions and proposals in such areas as management issues and the role of telecommunications technology in society.	23	0	4	0
December 2000	Establishment of U.S. Advisory Board We receive opinions and proposals from a global viewpoint in regard to the role of telecommunications technology in society and information technology trends.	28	0	4	2
June 2002	Appointment of outside director The Company appointed one outside director from within the NTT Group.	27	1	4	2
June 2003	Outside members account for a majority of audit & supervisory board members The Company exceeded the stipulations of the Companies Act, which calls for outside members to account for half or more of audit & supervisory board members, when outside members became a majority of audit & supervisory board members.	27	1	5	4
June 2005	Introduction of the executive officer system Reduced the number of members of the Board of Directors in the Articles of Incorporation by more than half in accordance with the introduction of the executive officer system.	13	1	5	3
June 2013	Number of outside directors on Board of Directors increased by one The Company appointed the first independent outside director from outside the NTT Group.	14	2 (Of which, 1 is an independent director)	5	3 (Of which, 2 are independent audit & supervisory board members)
June 2016	System with two independent outside directors The number of independent outside directors increased to two.	15	2 (Of which, 2 are independent directors)	5	4 (Of which, 2 are independent audit & supervisory board members)

Status of Board of Directors Meetings Held and Other Matters

Status of Meetings of the Board of Directors Held

The Board of Directors, in principle, meets once a month and renders decisions on important management matters. Extraordinary meetings are convened as necessary. The Board of Directors also receives status reports as needed from directors, serving concurrently as executive officers responsible for business execution, thereby monitoring management.

For decision-making on important matters related to business execution, the Company has established the Management Committee, which consists of the Representative Director, President and Chief Executive Officer, Representative Director, Senior Executive Vice Presidents, Executive Vice Presidents and Full-Time Audit & Supervisory Board Members, among others. The Management Committee meets, in principle, once a week, with extraordinary meetings convened as necessary, to facilitate flexible, swift decision making by the Representative Director, President and Chief Executive Officer.

Meetings of the Board of Directors (FY2018)

15 meetings were held.

Attendance

Directors: 99.5%; Outside Directors: 100%

Audit & Supervisory Board Members: 98.7%; Outside Audit & Supervisory Board Members: 98.3%

Discussion by the Board of Directors and Other Structures

The Board of Directors is charged with making decisions on such agenda items as basic management policy and medium-term management plans. The Board of Directors also endeavors to reflect these policies and plans in its decision making when conducting important business execution matters. The Medium-Term Strategy 2020 “Declaration beyond” announced in 2017, and the medium-term management strategy announced in October 2018 were debated in detail by the Board of Directors and in other situations that included input from independent outside directors, with decisions made in light of the opinions made.

Main agenda items discussed by the Board of Directors in FY2018

- Medium-term management strategy
- Making NTT Plala Inc. into a subsidiary
- Implementation of Medium-Term Strategy 2020 “Declaration beyond”
- Investment in M3, Inc.
- Business innovation centered on membership base
- Acquisition of treasury stocks

Analysis and Evaluation of the Effectiveness of the Board of Directors

With the aim of achieving sustainable enhancement of its corporate value, the Company conducts an analysis and evaluation of the effectiveness of the Board of Directors in an ongoing effort to make improvements by identifying issues or points to be improved with respect to the responsibilities, operation, composition, etc., of the Board of Directors.

■ Evaluation Method

- “Directors’ Self-Assessment Questionnaire” completed by all directors and audit & supervisory board members (conducted from December 2018 to January 2019)
- Discussions based on the results of Directors’ Self-Assessment Questionnaire during a meeting by the “Corporate Governance Council,” which consists of all members of the Board of Directors and the Audit & Supervisory Board (held in March 2019)

■ Evaluation Results and Future Operation Policy

We verified the effectiveness of the Board of Directors and the appropriateness of its responsibilities, operation, composition, etc.

Furthermore, it was confirmed that the effectiveness of the Board of Directors was improved as a result of regular verification of the state of measures used to implement the Medium-Term Strategy 2020 “Declaration beyond” and “business foundation centered on our membership base,” which had been identified as issues requiring improvement during the previous effectiveness evaluation, as well as the enhancement of governance functions, reflecting the revisions to the Corporate Governance Code.

In order to further increase our corporate value, we will continue to implement the Medium-Term Strategy 2020 “Declaration beyond” and “business foundation centered on our membership base,” and will also promote the medium-term management strategy we announced in October 2018. To this end, the Board of Directors will regularly verify the state of measures used to achieve these aims, the allocation of management resources and our responses to changes in the management environment, and will also create governance functions appropriate for the Company.

Status of Board of Directors Meetings Held and Other Matters

Compensation of Directors and Audit & Supervisory Board Members

The upper limit on total compensation for directors of the Company was set at ¥600 million annually at the 15th Ordinary General Meeting of Shareholders held on June 20, 2006. The Board of Directors determines compensation for directors for each fiscal year by comprehensively taking into account factors such as the scope of roles and responsibilities of each director, and the Company's achievement based on performance indicators such as operating profit for the current fiscal year. In addition, the Company explains the details of compensation to the parent company and independent outside directors to receive appropriate advice prior to the meeting of the Board of Directors.

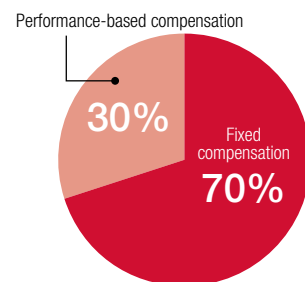
The determination of individual compensation for each director is entrusted to Representative Director, President and Chief Executive Officer by the Board of Directors. Representative Director, President and Chief Executive Officer determines the amount in accordance with the following policies and regulations on compensation for directors specified by a resolution of the Board of Directors.

i. Compensation of directors (excluding independent outside directors) consists of a monthly salary and bonuses. The Company pays monthly salaries based on the scope of roles and responsibilities of each director, and bonuses by taking into account the Company's achievement based on performance indicators such as operating profit for the current fiscal year. In addition, from the perspective of reflecting medium- to long-term business results, directors with executive authority over operations make monthly contributions of at least a certain amount, out of their monthly salaries and bonuses, for the purchase of the Company's shares through the Director Shareholding Association, and all purchased shares are held by the directors during their terms in office. In the case of standard business performance, compensation is composed of "approximately 70% fixed compensation and 30% performance-based compensation."

The Company will also consider expanding the percentage of performance-based compensation, including stock-based compensation, in total compensation for the purpose of fostering stronger awareness with regard to achieving the medium-term management strategy and sustained growth, as well as enhancing medium- to long-term corporate value.

ii. In order to ensure a high level of independence, the Company pays only monthly salaries as compensation for independent outside directors with no links to business results.

Percentage of Fixed Compensation and Performance-Based Compensation



Compensation of audit & supervisory board members is determined through consultation with the members, and in order to ensure a high level of independence, only monthly salaries are paid with no links to business results. Total amount of compensation for audit & supervisory board members of the Company was set an upper limit at ¥150 million annually at the 15th ordinary general meeting of shareholders held on June 20, 2006.

Total Compensation by Position, Breakdown of Compensation and Number of Recipients

(Millions of yen, unless otherwise stated)

Directors/Audit & Supervisory Board Members	Total compensation	Total compensation by type			Number of recipients (Persons)
		Base salary	Performance-based compensation	Retirement benefits	
Directors (excluding outside directors)	481	336	145	0	16
Audit & supervisory board members (excluding outside audit & supervisory board members)	30	30	0	0	1
Outside directors and outside audit & supervisory board members	126	126	0	0	7
Total	637	492	145	0	24

Notes: 1. As there is no director or audit & supervisory board member with consolidated compensation of ¥100 million or more in total, the information is not provided.

2. Directors include five directors who retired at the conclusion of the 27th ordinary general meeting of shareholders held on June 19, 2018.

3. Outside directors and outside audit & supervisory board members include one outside audit & supervisory board member who retired at the conclusion of the 27th ordinary general meeting of shareholders held on June 19, 2018.

Dialogue with Shareholders and Investors

DOCOMO is proactively expanding our investor relations (IR) activities by appointing an executive responsible for IR overall and establishing a designated IR department as well as engaging in information disclosure and dialogue with shareholders and investors as part of our efforts to realize sustainable growth and increase our corporate value over the medium and long term. DOCOMO also releases explanatory materials and minutes of financial results presentations and small meetings in English on our website while financial results presentations with simultaneous English interpretation are streamed live on our website to promote

Status of Activities

Event	Number of times
Individual meetings for securities analysts and institutional investors	373
Results presentations for securities analysts and institutional investors	4
Small meetings following financial results for securities analysts and institutional investors	4
Small meetings based on different themes for securities analysts and institutional investors	6
Conferences for securities analysts and institutional investors (Japan, overseas)	11
Roadshows for securities analysts and institutional investors (Japan, overseas)	12
Presentations for individual investors	11
Shareholder events (tours of network operation centers, etc.)	14

IR Site Awards History

DOCOMO's IR site has received high praise from third-party organizations.



Grand Prize in the Internet IR Award
2018 presented by Daiwa Investor
Relations Co., Ltd.



Silver Prize in Gomez IR Site Ranking 2018 for
companies with outstanding IR sites

fair disclosure that includes expanding and enhancing the information disseminated to overseas investors. In addition, we provide the views expressed by our shareholders and investors as feedback to top management every quarter and share them not only among the management team but across the company, as these views help us to improve our services and business performance.

Presentation for individual investors

(Presentation by Kazuhiro Yoshizawa, President and
Chief Executive Officer)



Tour of a network operation center, one of DOCOMO's many shareholder events



Supply Chain Management

Promoting CSR Procurement in View of Responsibilities to Society

DOCOMO values our relationship with suppliers and other business partners and strives to undertake CSR procurement in view of our responsibilities to society. We conduct procurement activities in accordance with our Basic Procurement Policies and have formulated items to be addressed in seven domains related to CSR based on the NTT DOCOMO Guidelines for CSR in Supply Chain (revised in December 2013). We revised our guidelines for Green Procurement in January 2018 and are urging consideration of the environment.

In particular, we request that all tier-one suppliers submit an NTT Group CSR Promotion Check Sheet. In the event of possible high risk, DOCOMO will dispatch its employee to the supplier to check status and formulate corrective actions together. Every year we provide feedback to each supplier on the content of the check sheet without revealing the company name and regularly provide education for our procurement staff.

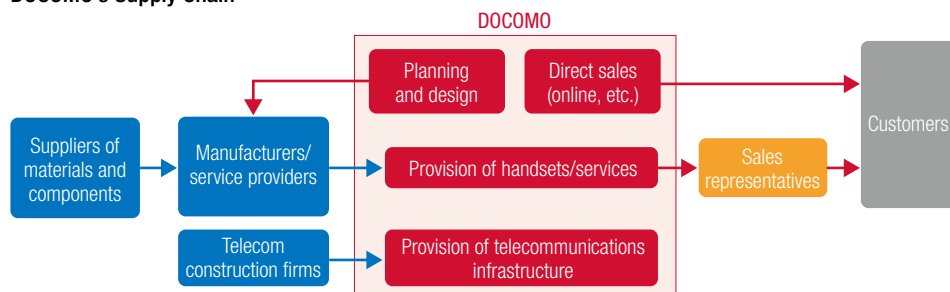
In addition, through social gatherings with suppliers we can listen to each other's requests and recommendations, which helps create a better partnership.



Business Partner Kickoff party

Web NTT DOCOMO Guidelines for CSR in Supply Chain
https://www.nttdocomo.co.jp/english/binary/pdf/corporate/procure/policy/supply_chain.pdf

DOCOMO's Supply Chain



Basic Procurement Policies

1. DOCOMO will strive to provide competitive opportunities with fairness to both domestic and foreign suppliers, and to build mutual trust and understanding.
2. DOCOMO will conduct economically rational procurement of competitive goods and services that meet its business needs, deciding on suppliers based on quality, price, delivery times and stable supply in a comprehensive manner.
3. DOCOMO will conduct procurement in a manner that follows laws and regulations as well as social norms, and takes the environment, human rights and other issues into account, to contribute to society.

Conflict Minerals

Some of the minerals produced in the Democratic Republic of the Congo and other areas subject to ongoing conflict are believed to be funding inhuman activities by armed groups and thereby extending conflict or are thought to be otherwise implicated in human rights violations. The Dodd-Frank Act passed in the U.S. in July 2010 requires companies publicly listed in the U.S.*1 to make disclosures regarding their usage of conflict minerals*2 produced in the Democratic Republic of the Congo or neighboring countries.

In order to meet its procurement-related social responsibilities, the DOCOMO Group works with its suppliers to ensure supply chain transparency and, in view of the provisions of the Dodd-Frank Act, advances initiatives aimed at preventing the use of conflict minerals that would fund the activities of armed groups.

In FY2018, we surveyed tier-one suppliers regarding the country of origin for minerals contained in their products in response to demands from our business partners. Additionally, we used the Conflict Minerals Reporting Template (CMRT) and obtained a response rate of 100%.

*1 NTT DOCOMO, INC. delisted itself from the New York Stock Exchange in April 2018.

*2 Under the Dodd-Frank Act, conflict minerals include tantalum, zinc, gold, tungsten and other minerals specified by the U.S. Secretary of State.

Web NTT DOCOMO Group's Approaches to Conflict Minerals
https://www.nttdocomo.co.jp/english/corporate/procure/policy/csr_procurement/index.html

Status of Audits by the Audit & Supervisory Board and Internal Audits

Status of Meetings of the Audit & Supervisory Board Held

The Audit & Supervisory Board holds meetings in principle once a month, and makes decisions about the auditing policy, plan and methodology, as well as other important matters related to audits. Based on the auditing policy and auditing plan decided by the Audit & Supervisory Board, the audit & supervisory board members appropriately conduct audits of the status of execution of duties by directors by attending the Board of Directors meetings and other important meetings, hearing reports from directors and others, examining important documents and other materials, and conducting onsite investigations at the Headquarters, main business offices and subsidiaries, etc., and report to the Board of Directors on the status of implementation of audits. In addition, the audit & supervisory board members ensure the effectiveness of audits through close collaboration with the audit & supervisory board members at subsidiaries based on mutual understanding and exchanges of information.

Status of Internal Audit

The Internal Audit Department conducts internal audits from a position independent of other business execution. Audits are conducted over the status of business operations at the departments of Headquarters, regional offices, etc., to ensure compliance with laws and regulations, the effectiveness and efficiency of operations and the reliability of financial reporting. Setting unified audit items for high-risk matters for our corporate group, audits are performed at each group company. The Internal Audit Department carries out audit quality reviews to enhance the quality of audits performed by the audit departments of group companies. The department also evaluates the effectiveness of the internal control systems based on the Companies Act and of internal control related to financial reporting based on the Financial Instruments and Exchange Act of Japan, and works to strengthen internal control.

Coordination to Strengthen Internal Control

The audit & supervisory board members strive to strengthen collaboration with the independent auditor through timely exchanges of opinions by receiving a report on the auditing plan, holding preliminary discussions regarding any significant changes in accounting policies for each quarterly fiscal period, receiving reports on the quarterly audit results and attending audits by the independent auditor. They also receive explanations and make confirmation regarding the independent auditor's audit quality system. In addition, the audit & supervisory board members receive reports from the Internal Audit Department regarding the plan and results of internal audits, and hold regular meetings in principle once a month to strengthen mutual collaboration by exchanging opinions on the status of implementation of internal audits.

In terms of relationship with the Internal Control Group, the audit & supervisory board members monitor and verify the establishment and status of the internal control systems and give advice and instructions to the Internal Control Group as necessary. The Internal Audit Department also evaluates the effectiveness of the internal control systems and reports the results to the Board of Directors and the Internal Control Group. Based on these advice, instructions and reports, etc., the Internal Control Group makes improvements to the internal control systems as needed.

Internal Control

Basic Policies and Philosophy

In accordance with the Basic Policy on Fortifying Internal Control Systems, as approved by the Board of Directors, we maintain a system for the purpose of securing rigorous compliance with laws and regulations, business effectiveness and efficiency, and financial reporting reliability. These initiatives are carried out primarily by the Internal Control Committee. Furthermore, the Company's Internal Audit Department implements audits with the objective of contributing to the minimization of risks and the maximization of corporate value for the entire DOCOMO Group (head office, branches and Group companies worldwide). The department's work includes evaluating the effectiveness of the internal control system.

Compliance (Ethics and Legal Compliance)

The foundation of our compliance management is to promote strict observance of the NTT DOCOMO Group Code of Ethics among all employees while continuing to meet the steadily increasing demands and expectations of society based on high ethical standards, including respect for human rights. Accordingly, we have built a compliance management system, which is centered on the Compliance Committee. Specifically, we have implemented rules that require employees to make a report if they notice any illegal or fraudulent incidents, and we have established channels within and outside the Company for consulting on related issues. In addition, all divisions have employees with responsibility for compliance promotion, and we implement education and training in ethics and legal compliance for all employees. In these ways, we are implementing a range of compliance-related initiatives. Moreover, we have conducted a compliance and human rights awareness survey of every employee, the results of which have been reflected in our various measures to ensure compliance. Through such efforts, we are working to further advance ethical views.

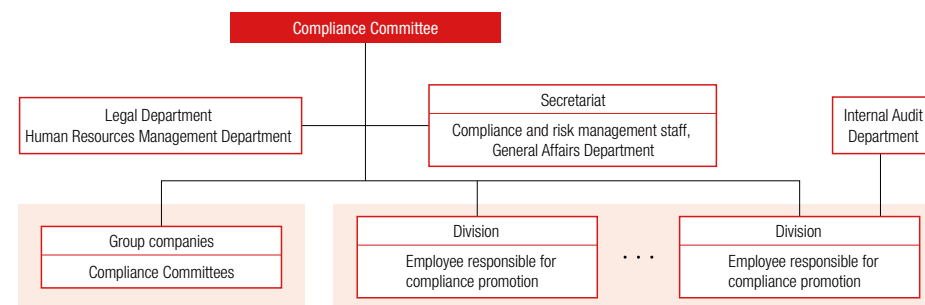
 NTT DOCOMO Group Code of Ethics
https://www.nttdocomo.co.jp/english/corporate/about/group_ethic/index.html

Compliance Management System

DOCOMO has established the Compliance Committee at its head office and each branch and Group company to ensure that employees know and understand the NTT DOCOMO Group Code of Ethics. The committee decides on policies related to legal and ethical compliance and identifies issues and areas in need of improvement in terms of compliance management. It also monitors the progress of activities that promote compliance.

The committee at DOCOMO's head office is chaired by the president and CEO and comprises the executive vice president, executive general manager of regional offices, general manager of each division and audit & supervisory board members and others appointed by the chairperson as needed.

Compliance Management System



Ensuring Reliability of Financial Reporting

To meet the requirements of the Financial Instruments and Exchange Act of Japan, DOCOMO uses as our standard for the design, operation and evaluation of our internal control system related to financial reporting the basic framework set forth in "On the Setting of the Standards and Practice Standards for Management Assessment and Audit concerning Internal Control Over Financial Reporting (Council Options)" published by the Business Accounting Council. In FY2018, we evaluated the Company and 13 major consolidated subsidiaries and concluded that internal control over financial reporting was effective.

Risk Management

Basic Policies and Philosophy

DOCOMO strives to strengthen risk management under the basic policy of identifying and responding to business risk as quickly as possible. We define risks as situations that may adversely affect our credibility or corporate image or lead to a reduction of revenues and/or increase of costs, such as natural and human-caused disasters, including natural calamities and power shortages; inadequate handling of confidential business information, including personal information; changes in the market environment for the telecommunications industry; and intensifying competition from other businesses. We are making our best efforts to prevent and mitigate such risks.

Risk Management Mechanism

In accordance with our Risk Management Principles, business risks are regularly identified, and the Internal Control Committee, headed by the President and CEO, designates risks that require Company-wide management. Management policies for the identified risks are formulated and appropriate efforts are made to prevent such risks from materializing and to prepare to quickly respond should they occur.

In addition, the Internal Audit Department conducts an audit to monitor the status of our response to risk and follow-up surveys as necessary. Environmental and social considerations, including regulatory compliance, have been incorporated into our operational regulations and are also subject to an internal audit for monitoring.

Furthermore, we implement sound risk management for aspects related to information management and compliance by establishing internal regulations and encouraging collaboration between relevant committees.

Risk Identification Process

DOCOMO reviews the potential risks and its methods for managing such risks on an annual basis to keep abreast of changes in the social environment. The first step in identifying risks is considering both internal and external circumstances in order to incorporate social change into an assessment of the current status and thereby extract new potential risks. We identify risks for the entire Group through evaluation and analysis based on the level of impact and frequency of occurrence, and a materiality assessment. Group-wide risks are reflected in the Risk Factors disclosed in the Annual Securities Report and other documents in view of their impact on financial performance.

In recent years, we have expanded consideration of the risks DOCOMO should address to encompass our response to issues associated with the realization of our Medium-Term Strategy 2020 and efforts to provide 5G, intensifying competition due to new entrants to the market, and policy changes and demands in laws and regulations.

P.16 

Initiatives for Society

Respect for Human Rights

Creating a Corporate Culture Opposed to Any Form of Discrimination

Respecting the Human Rights of All Stakeholders

DOCOMO upholds the NTT Group Human Rights Charter established by the NTT Group in 2014 and based on the Universal Declaration of Human Rights and the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work. The charter also incorporates ideas from the Guiding Principles on Business and Human Rights.

As a member of the NTT Group, DOCOMO is working to ensure that the background and purpose of establishing the NTT Group Human Rights Charter are understood, embraced and practiced by employees. Moreover, the NTT DOCOMO Group formulated its Basic Policies on Human Rights to define a more concrete policy for its initiatives and raise human rights awareness.

In conjunction with Human Rights Day and Human Rights Week, the senior executive vice president and chair of the Human Rights Committee sends a message of respect for human rights to all employees every year. We also conduct training to raise human rights awareness for all employees, including temporary workers.

NTT DOCOMO Group's Basic Policies on Human Rights (revised in 2016)

Recognizing the importance of human rights, all NTT DOCOMO Group officers and employees are committed to taking the lead in creating a corporate culture that respects the human rights of all stakeholders while adhering to the NTT DOCOMO Group Code of Ethics, NTT Group Human Rights Charter and our CSR Policy with the aim of building a safer, more secure and richer society.

1. We will, through our business activities, strive for a solution on the Dowa issue* and other human rights issues.
2. We will respect diversity and strive to create a healthy working environment that is free of harassment issues by deepening communication and fostering a sense of mutual gratitude.
3. We will, from the standpoint of respect for human rights, review our operations as needed and adapt and improve our business activities.
4. We will cooperate with other NTT DOCOMO Group companies in constructing a proper structure to initiate and execute employee-focused human rights practices, including the establishment of the Human Rights Committee.

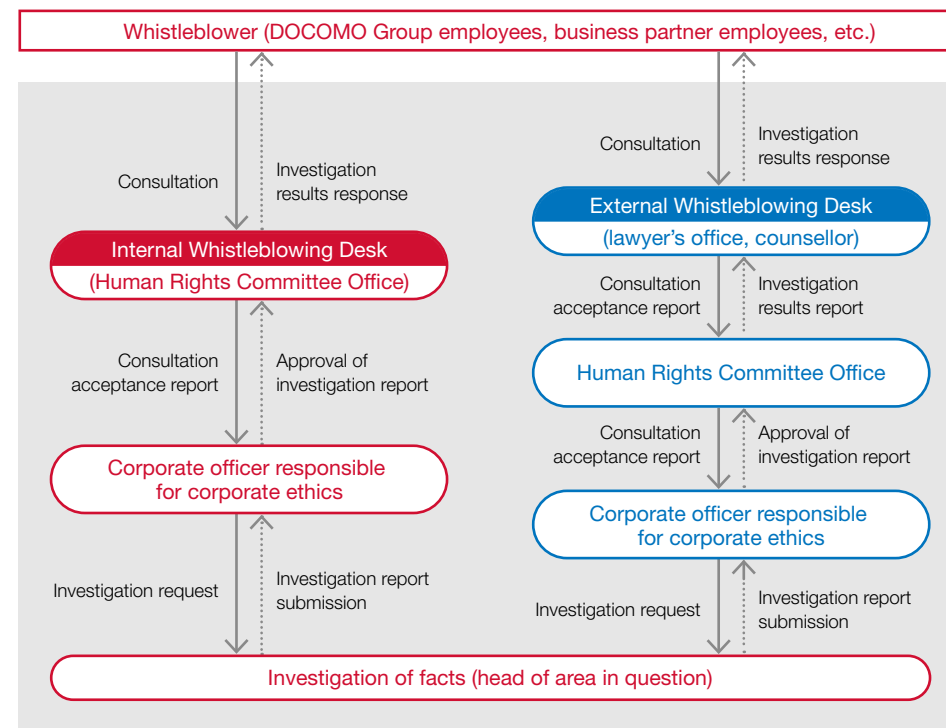
* Owing to discrimination which had been formed based on the structure of social status in the course of the historical development of Japanese society, some Japanese people have been forced to accept a lower status economically, socially and culturally, and they are subject to various kinds of discrimination in their daily lives even today. This is the Dowa issue, a human rights problem in Japan.

Whistleblowing Desks for Human Rights and Harassment

DOCOMO has established points of contact inside and outside Company channels for all employees, including temporary employees and employees of business partners to consult with when they have problems or concerns related to human rights or harassment. These whistleblowing desks protect the privacy of the employees who consult with them and provide protection for whistleblowers while taking appropriate steps to resolve problems and concerns. Employees can also consult the point of contact outside Company channels, which is manned by counselors affiliated with an outside, specialized organization so as to ensure an environment where employees can have complete peace of mind and know that they will not receive any disadvantageous treatment as a result of engaging in consultation or whistleblowing.

In FY2018, there were 15 cases of violations of human rights and harassment. All 15 cases were associated with harassment and none with the violation of any other human rights.

Compliance Whistleblowing Desk System



Initiatives for Society

Human Resource Strategy and Development

Developing Human Resources to Implement “Declaration beyond”

Drawing Out Each Employee’s Ability and Motivation

As part of our Medium-Term Strategy 2020 “Declaration beyond,” DOCOMO seeks to provide excitement and inspiration to customers and realize the co-creation of new value with partners. In order to implement “Declaration beyond,” we aim to develop employees with high aspirations who seek growth, build relationships with enthusiasm and modesty, and boldly take on challenges. With this in mind, we encourage each employee to strive for personal growth and develop his or her skills. To achieve this, DOCOMO is enhancing and expanding its internal systems, for example, by assigning the right jobs to the right people, promoting skill development and conducting appropriate performance assessments.

Additionally, we strive for equal opportunity and fair compensation. By promoting diversity management in its myriad forms—diversity of gender, age, nationality and values—we strive to create a corporate culture in which all employees can feel comfortable and secure in their jobs and demonstrate their aptitude regardless of their diverse attributes, as this leads to corporate growth. Our overall aim is to create new value. In addition to steadily offering more options in working styles to enhance productivity, we also pursue health and productivity management initiatives for raising the vitality and productivity of our organization by ensuring the mental and physical soundness of our employees.

Human Resource Development Policy

■ An individual with high aspirations who thinks deeply and takes action independently

Personal growth is a prerequisite for organizational growth. It is therefore important that each individual pursues self-improvement toward achieving their goals while also viewing corporate challenges as personal issues.

■ An individual who is both curious and modest, and is capable of working with others to create new value

To create new value for society through collaboration with “+d” partner companies, it is important to relate to others with interest and modesty.

■ An individual who strives for change and boldly takes on challenges without fear of failure

Since the Company’s growth currently depends on bolstering its telecommunications business and further expanding its smart life business and other businesses, we now need personnel who can bring change and take on new challenges more than ever before.

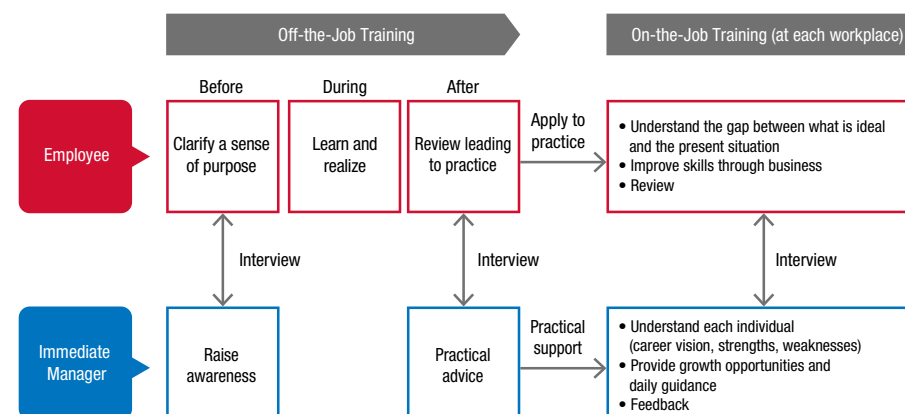
Management of Human Resource Development

In employee education, we emphasize a PDCA cycle that begins with learning and understanding through training and is followed by practice and review. In all our training programs, supervisors seek to raise employee awareness of their roles and then follow up with post-training interviews in which practical advice is offered. By linking off-the-job training and self-improvement with on-the-job training, we have created an environment where the effects of training are enhanced, and employees can apply at their respective worksites what they have learned.

In FY2016, we introduced “active learning,” which boosts learning and understanding during seminars. To maximize the effects of group-based training, participants prepare for the topic in advance and engage in a discussion on that topic or take part in a demonstration on the day of the seminar.

By reinforcing group-based training and on-the-job training at each workplace, we provide opportunities for appropriately evaluating the attitudes and behavior of employees. It also serves to improve the quality of work and support employees in realizing their dreams, which leads to personal growth.

Connection between Off-the-Job Training and On-the-Job Training



Initiatives for Society

Human Resource Strategy and Development

System Supporting Employees Making Bold Challenges

DOCOMO established a job posting system to provide opportunities for ambitious employees. The jobs that come up tend to require specific skills or are associated with new business activities. A total of 1,720 employees had applied by March 31, 2019, and of this total, 314 are currently working in their department of choice.

DOCOMO also started the “DOCOMO Degeiko Project” (on-the-job training at companies in different industries) in April 2016, whereby employees are dispatched to companies in different industries, in principle, for a one-year period, based on the idea of creating new value through co-creation with partner companies. This provides them with the chance to learn leading-edge skills with a view to the future, beginning with the use of Big Data and IoT. The 27 employees who have been dispatched to date pass on the fresh perspectives and skills to DOCOMO through the in-house system and at meetings for reporting on their activities. DOCOMO also promotes participation in joint training among several companies from different industries. The joint training offers valuable opportunities for employees to engage in friendly rivalry while learning the distinct culture and philosophy of each company and exchanging information. In FY2018, we organized eight types of joint training with 57 participants.

In addition, since 2015, DOCOMO has been continuously offering a practical development program within the R&D Innovation Division to bolster the generation of fresh ideas that serve as the basis of new products and services. Going forward, DOCOMO will seek to remain an enterprise that provides new value for society with a sense of speed by continuing to focus its efforts on developing human resources that can consistently generate innovation.



Training in progress

Employing and Developing Strategic Human Resources

DOCOMO established a senior professional system in April 2019 for the purpose of hiring human resources with advanced expertise. When recruiting, DOCOMO targets people with exceptional talents in specific job categories such as the smart life business and other businesses and AI in the R&D field and digital marketing, as well as people who will lead these areas of growth, with the objective of creating new businesses. The compensation offered is in line with market value, particularly the external human resource market.

In FY2018, DOCOMO started a junior professional system that recognizes those human resources in its ranks who can exercise their expertise in specific fields and job categories. The employees who have been selected are given the opportunity to develop a specialized career as a professional in their field. Those human resources with particularly exceptional talents are presented with special conditions and recognized as senior professionals. Their fields of expertise are designated based on our medium-term strategy and revised in line with management policy.

To respond to the globalized needs of our domestic operations, we are striving to develop global human resources. We promote a program with more emphasis on practical skills such as cooperation and negotiation with overseas vendors and over-the-top (OTT) players, and conduct employee exchange gatherings, which help to boost motivation. In addition to daily training, we also support overseas study by sending employees in at least their sixth year with DOCOMO to enroll in MBA/LLM courses at top schools for one to two years. Employees with at least four years work experience at DOCOMO are eligible for the Global OJT program, in which they are dispatched to overseas local affiliates, subsidiaries, investee companies and corporate partners. Besides developing foreign language skills, the program is intended to nurture business skills such as international sensitivity and business practices. The program is provided across a wide area that includes sales, service planning and development, depending on the background of each employee, and offers an opportunity to gain valuable experience that cannot be obtained in Japan. Looking ahead, we plan to continue offering the program by reviewing the companies to which employees are dispatched, with close attention given to the prevailing business environment and trends.

Initiatives for Society

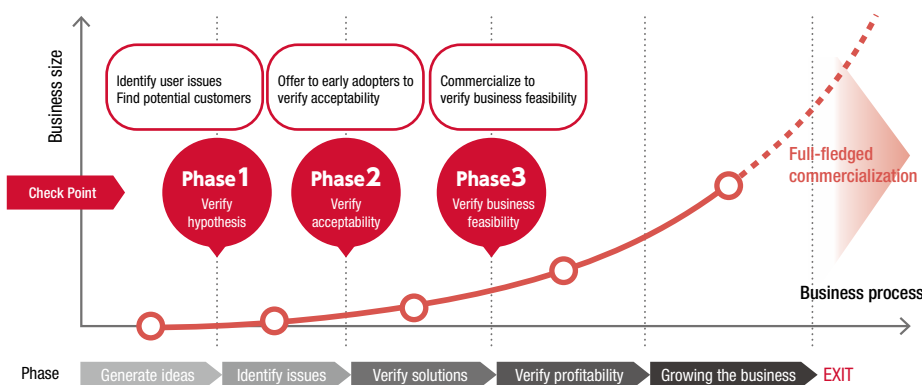
Human Resource Strategy and Development

docomo LAUNCH CHALLENGE

DOCOMO seeks to drive innovation through Small Starts, in which a business starts off small in scale with limited functions and services, in order to develop services that swiftly contribute to the resolution of social issues. As societal and customer issues become more diversified and complex, and business competition intensifies, it is becoming increasingly important to identify latent challenges and needs in order to quickly create and monetize solutions.

With docomo LAUNCH CHALLENGE, shape is given to ideas for new businesses, devised by DOCOMO Group employees, with a diverse team of mentors possessing various fields of expertise, such as entrepreneurs and designers. Different phases are implemented to identify the issue the business seeks to resolve, whether there is an actual need for the business and which solution would work best while taking into account opinions in the market. The ultimate goal is to give each employee the confidence to challenge the creation of businesses that will generate new revenue for DOCOMO and have an impact on society. In FY2018, DOCOMO continued to test some of the 186 ideas submitted with a view to future commercialization.

Process for the docomo LAUNCH CHALLENGE



From Employees

Unique Idea for Business Promoting "Communication through Art"

I majored in western art when I was a college student and always wanted to try something new using ICT in the art domain. After seeing a new art-related business proposal had been selected for docomo LAUNCH CHALLENGE in the company newsletter, I just had to take part. The business proposal was for ArtScouter, a platform for objectively choosing the best art for a space, particularly an office space, through the use of AI and including start-to-finish support right up to the presentation and introduction of the artworks. Japanese companies traditionally have minimal understanding of the benefits of art, so the challenge was getting them to fully appreciate the value that art can bring.

We faced numerous issues in the course of the project and found solutions to these through interviews held with galleries, artists and office managers. Once the project was finished, we secured a budget to conduct a demonstration test to verify the actual need for art in the office as well as business feasibility. Following the introduction of ART HOURS, owned media conveying the appeal of art, ArtScouter was launched by a partner company in May 2019 and concerted

efforts are currently being made to expand business in conjunction with various people inside and outside DOCOMO. The docomo LAUNCH CHALLENGE initiative provides an excellent opportunity to realize one's unique ideas. I hope more employees take up the challenge to broaden their horizons and their possibilities with this program.

This platform allows people to experience the benefits of art in the office.



Nagi Kamahara
Business Development & Investment
Innovation Management Department

Initiatives for Society

Employee Safety and Wellness

Creating a Vibrant and Motivating Workplace for Everyone

Employee Satisfaction

DOCOMO conducts an employee attitude survey every year to clarify current issues and understand the state of the workplace as well as employee awareness or job satisfaction.

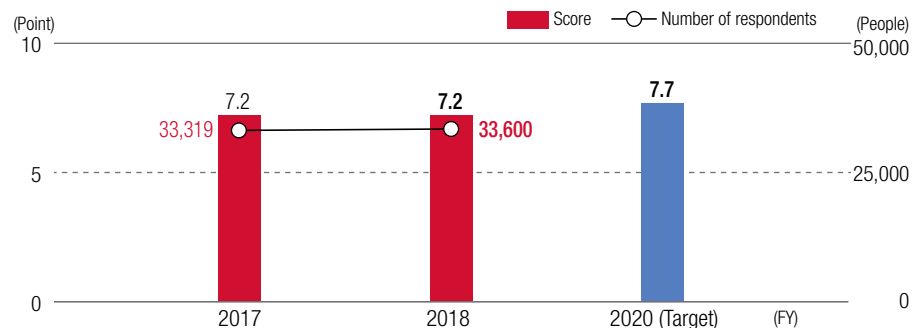
Since 2017, we have regularly improved the content of the survey as necessary, reviewing the questions and answer choices. As an example, we increased the number of questions regarding job satisfaction and a comfortable working environment, and enabled attribution analysis.

We consider the decline in results for job satisfaction and/or a comfortable working environment as a risk. Through the survey, we get a clearer picture of employee satisfaction/dissatisfaction and visualize the results to conduct an attribute analysis on an organizational basis, such as at the level of Group, company or company group, in order to make improvements. In addition, we respect LGBT respondents by including an "other/no response" option to the gender question in the questionnaire in addition to the "male" and "female" options.

Overview of Employee Attitude Survey

Frequency	Once a year (conducted between October and November in FY2018)
Respondents	All employees in DOCOMO Group and its 12 shared services subsidiaries
Method	In principle, survey format via our website (on a 10-point scale)

Job Satisfaction Results for FY2018 and Target for FY2020 (on a 10-Point Scale)



Promoting Women's Careers

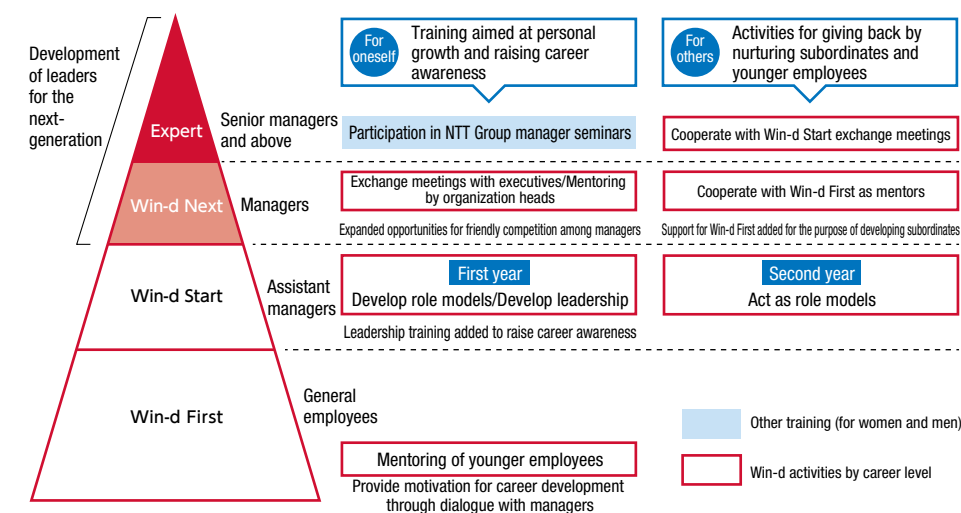
Among all of our diversity-related efforts, we have been making a particularly forceful drive to promote women's careers toward achieving our goal of increasing the ratio of female employees in managerial positions to 7.5% by the end of FY2020.

Over the years, we have organized various activities such as the Win-d* framework created in 2006 to provide support for the professional development of women at each stage of their career in order to raise their awareness of career development and develop an environment in which they can fully demonstrate their abilities. Additionally, we set up Win-d Next for female senior managers in FY2015 and Win-d First for younger employees in FY2016 to raise career awareness and build a strong vertical pipeline.

Moreover, we took the initiative to raise the awareness of supervisors overseeing female staff members in order to focus on each individual when developing employee careers. We did this by implementing a training program for supervisors through which they could learn and practice how to support career designing and skill building for career development support.

* Women's innovation network in DOCOMO (programs for promoting the careers of female managers)

Win-d Activities by Career Level



Initiatives for Society

Information Security Measures

For Protecting Customers' Important Information Assets

Dealing with Increasingly Sophisticated and Serious Security Threats

Amid the growing need for information security measures, DOCOMO complies with its Information Security Policy in order to ensure that customers can use its services with peace of mind. In addition, our Privacy Policy has been adopted by all Group companies in an effort to protect personal information.

DOCOMO implements vulnerability countermeasures for its internal systems based on these information management systems to prevent the incidence of unauthorized access, destruction, leak and falsification of information assets and endeavors to minimize damage in the event of such incident.

If an information-related incident does occur, it is reported to the Information Security Department or the General Affairs Department upon identification of the details and degree of impact. Depending on the severity of the incident, DOCOMO will look at setting up a committee chaired by the President and CEO to investigate.

DOCOMO also conducts training that simulates a cyberattack to combat the growing threat of increasingly complex and serious attacks on a company's confidential information. Personal, organizational and technical countermeasures are also being taken, including the establishment of a dedicated division which enables Internet monitoring and detection, as well as multilayer protection to shore up the protection system.

Strenuous efforts are being made to strengthen information security throughout the DOCOMO Group, including the introduction of thorough security measures at docomo shops and our contractors.

 Information Security Policy
<https://www.nttdocomo.co.jp/english/utility/security/>

Information Security Education

DOCOMO strives to improve the information security literacy of all employees and provides continuous education on information security to ensure the suitable management of information assets.

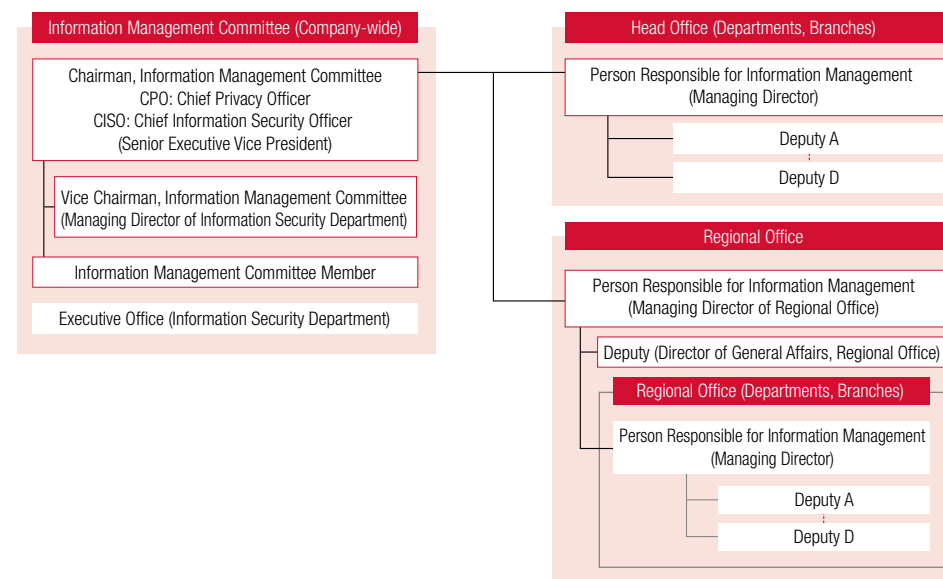
As part of a program aimed at enhancing awareness of information security and cyber security, e-learning and group training is provided, with lectures for executives, managers and employees set as mandatory. In FY2018, the training centered on trends related to the growing risk associated with changes in the environment, ways to handle pertinent laws and regulations, and information security, with a focus on targeted attacks and information management rules.

In addition, November of each year is designated as "Information Security Awareness Month" aimed at boosting each individual's consciousness concerning information security, which includes placing posters showing top management's commitment in all internal departments and all docomo shops.



A poster showing top management's commitment to information security (at all docomo shops and DOCOMO's internal departments)

Information Management System



(As of July 1, 2019)

Initiatives for Society

Disaster Preparedness

To Connect with the People You Care about in a Disaster

Initiatives for Disaster Preparedness

Since its founding, DOCOMO has been striving to provide telecommunications services that are resilient even in a disaster in accordance with its Three Principles of Disaster Preparedness: enhance system reliability, ensure essential communications and rapidly restore telecommunications services.

With the Great East Japan Earthquake, however, telecommunications facilities were impacted in unprecedented ways, including destruction and submersion of telecommunications facilities, the failure of communications equipment resulting from power outages and the depletion of emergency power resources (batteries) from widespread and long-term scheduled power outages. In light of these lessons, DOCOMO formulated 10 new disaster preparedness as its basic policy based on the Three Principles of Disaster Preparedness and completed their implementation by the end of FY2012.

In addition, following initiatives in 2011, DOCOMO also announced and started implementing additional disaster preparedness measures in the amount of ¥20 billion over two years in 2018 to shore up measures for Japan's frequent natural disasters. This preparedness take into consideration the internal and external environment, including making DOCOMO's network more sophisticated and catering to customers' changing mobile phone usage patterns.

New Disaster Preparedness in Light of the Great East Japan Earthquake

<p>Securing communication for key areas</p> <p>Securing communication for densely populated areas and administrative centers</p>	<ol style="list-style-type: none"> (1) Install large-zone base stations throughout the nation in a total of 106 locations, covering 35% of the national population to secure communication in the event of a disaster. (2) Provide base stations with uninterruptible power supply (UPS) or 24 hours of battery power, covering 65% of the national population and 50% of the hospitals in a given area (about total 1,900 stations) to secure communication in prefectural and local town/city ward offices and other locations.
<p>Swift response to disaster-stricken areas</p>	<ol style="list-style-type: none"> (3) Quickly build mobile phone service using satellite systems. Increase number of satellite entrance base stations. (car-mounted type: 36 units and portable type: 45 units*1). (4) Broaden service recovery using emergency microwave entrance systems (159 areas). (5) Immediate distribution of satellite mobile phones to secure communication in evacuation centers, etc. (3,000 units).
<p>Further improvement of customer convenience during disasters</p>	<ol style="list-style-type: none"> (6) Provide Disaster Voice Messaging services using packet communications resilient in a disaster. (7) Upgrade Restoration Area Map. (8) Enable voice interface for Disaster Message Board to enhance operability. (9) Expand Early Warning Area Mail service features (expand to tsunami warnings, etc.). (10) Increased use of ICT through SNS and other platforms for emergency communication.

*1 As of March 31, 2019

Swift Response Following Torrential Rains in Western Japan and the Hokkaido Eastern Iburi Earthquake of 2018

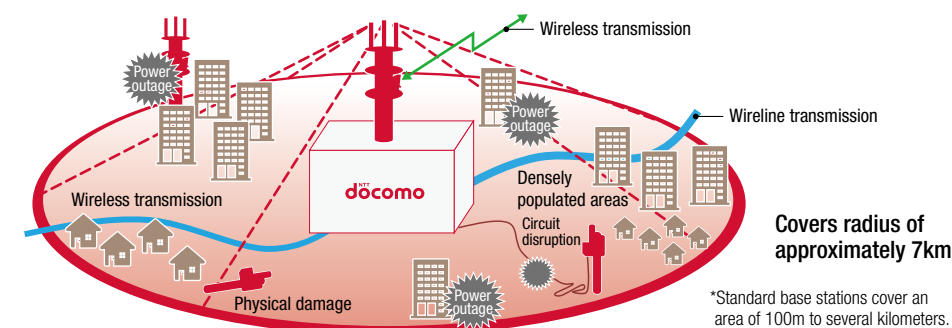
During the torrential rains and storms in western Japan, Kansai and the Tokai region of Honshu as well as the Hokkaido Eastern Iburi Earthquake that struck between July and September 2018, DOCOMO did its utmost to minimize the impact of these disasters on telecommunications services by deploying mobile base station vehicles and portable power supply vehicles to disaster areas and lending mobile phones to local governments and other entities in addition to our usual disaster response and prevention activities such as ensuring uninterrupted power and 24 hours of battery power to critical base stations.

Wide Area Relief through Large-zone Base Stations

Following the Hokkaido Eastern Iburi Earthquake in September 2018, DOCOMO activated large-zone base stations*2 for the first time to restore communications over a wide area in Kushiro City due to interruption of base station service over a wide area caused by prolonged power outages in the center of the city.

*2 Base stations solely for use in an emergency that cover a wider area (radius of approximately 7km) than standard base stations

Activation Image of Large-zone Base Station



Additional Disaster Preparedness

In response to the series of severe, wide-area natural disasters that struck different regions of Japan in 2018, DOCOMO will implement additional disaster preparedness such as further reinforcing its network, preparation for disaster on docomo shops and enhancing the sophistication of its systems preparedness for relief of disaster zones. As part of these additional disaster preparedness and given the possibility of simultaneous large-scale disasters, DOCOMO placed storage batteries in all docomo shops in preparation for wide-area, protracted power outages, an initiative that was completed in June 2019. DOCOMO also accelerated the provision of a restoration area map as part of efforts to strengthen support in disaster-stricken areas.

Initiatives for Society

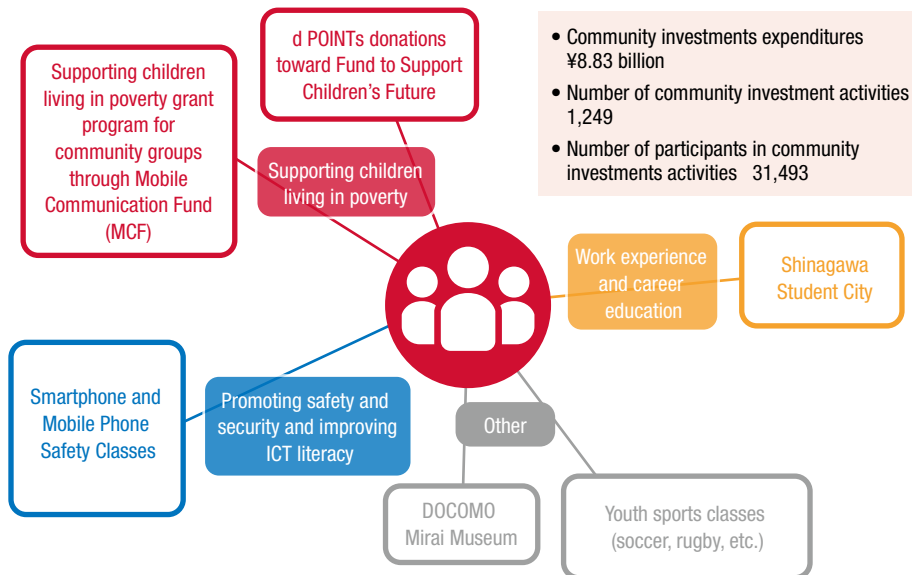
Community Involvement and Development For Local Communities in Which People Can Live with Greater Security, Safety and Affluence

Community Investments

As a good corporate citizen, the DOCOMO Group actively undertakes community investment initiatives toward the realization of a comfortable, prosperous society by cooperating and collaborating with diverse stakeholders. We have established a system for promoting CSR that is unique to the DOCOMO Group, in which DOCOMO's head office sets out basic policies and the overall direction of activities and a CSR officer at each Group company develops activities tailored specifically to the business operation and regional characteristics of each company and regularly exchanges information.

We believe that facilitating dialogue with local communities through our community investments will eventually benefit us in terms of business opportunities and risk avoidance. With this in mind, we are undertaking a variety of initiatives that include promoting the safe and secure use of smartphones and mobile phones, providing work experience and career education to the next generation, supporting children living in poverty, supporting the lives of people living in disaster zones and helping with reconstruction, and assisting with industrial development and regional revitalization.

Community Investments in FY2018



phones, providing work experience and career education to the next generation, supporting children living in poverty, supporting the lives of people living in disaster zones and helping with reconstruction, and assisting with industrial development and regional revitalization.

Disaster Relief Provided by DOCOMO

DOCOMO has been raising funds to support the people and communities of disaster-stricken areas by setting up a charity site and encouraging people to donate through DOCOMO. Our online fundraising site also accepts d POINTs to raise additional funds from more people. In FY2018, we ran three disaster fundraising campaigns for the Northern Osaka Prefecture Earthquake, the torrential rains in July and the Hokkaido Eastern Iburi Earthquake, raising a total of around ¥115 million. DOCOMO added another ¥10 million on top of the donations to interim support groups who dispatch volunteers and provide disaster relief.

Contribution to the Local Economy and Reconstruction of Industry through Business

In December 2011, nine months after the Great East Japan Earthquake struck, DOCOMO set up the TOHOKU Reconstruction Support Office (Team Rainbow) to construct a system for business management that would enable us to contribute more promptly to the reconstruction of affected regions, taking actions aimed at the recovery and rebirth of mainly the Iwate, Miyagi and Fukushima regions.

Team Rainbow is characteristic in the way it harnesses DOCOMO's business assets as an ICT company. Its members make frequent visits to the disaster-stricken area so they can think about the true needs of the region, and it maintains its activities by exploring solutions together with local people. DOCOMO aspires to provide support aimed at recovery and rebirth of the entire region with an eye on the long-term future and seek to ensure the continuity and sustainability of its activities by offering support through its business.

Web Rainbow Project for the Recovery and Rebirth of Tohoku (in Japanese only)
<http://rainbow.nttdocomo.co.jp/>



Supporting Sasanishiki brand rice through paddy sensors without the use of any fertilizer or pesticide



DOCOMO held a fair supporting the rehabilitation of the Tohoku region.

Initiatives for the Environment

Aiming to Be at the Forefront of Environmental Management

Steady Implementation of the Green Action Plan 2030

Initiatives to Resolve Environmental Issues through Provision of ICT Services

The DOCOMO Group believes that our mission as a corporate citizen is to acknowledge environmental impacts associated with our business activities and make the utmost effort to reduce this burden on society by working together with our customers. We formulated the DOCOMO Group Environmental Charter as a guideline to achieve this goal and are striving to resolve global environmental issues by providing information and communication (ICT) services.

ICT can help to curb the generation of CO₂ by reducing the consumption of materials and energy for the production of books and music as well as visual media; reducing work processes through increased operational efficiency; reducing the movement of people through network utilization; and reducing the movement and storage of goods through information digitization. All of these factors contribute to a reduction in environmental burden.

We also formulated the DOCOMO Group's Environmental Declaration, with the aim of leading successful environmental management systems, and Green Action Plan 2030, which summarizes our environmental targets through to 2030.

DOCOMO Group's Environmental Declaration

DOCOMO will lead successful environmental management systems for the future of people, society and the Earth.

We will create new value for environmental protection by providing mobile ICT services.

We will ensure that our businesses are conducted with honesty in harmony with the global environment.

Themes of Our Initiatives and Actions

The DOCOMO Group takes on challenges to achieve environmental goals for 2030 with three focuses.

Realizing a Low Carbon Future We are contributing to the reduction of CO ₂ emissions and facilitating adaptation to climate change.	Implementing Closed-Loop Recycling We are working toward more effective resource allocation.	Planning a Future of Natural Harmony We are contributing to the conservation of biodiversity.
--	--	---

DOCOMO Group's Environmental Targets— Green Action Plan 2030

DOCOMO formulated the Green Action Plan 2030, which summarizes the Group's environmental targets through to 2030, and is challenging five targets from the perspectives of "Innovative docomo" and "Responsible docomo," which are the DOCOMO Group's CSR Policy. These targets include contributing to society by reducing CO₂ emissions by at least 40 million tons and bringing about at least a tenfold increase in power efficiency in the telecommunications business compared with FY2013. We will announce the results of the Green Action Plan 2030 for each fiscal year and consider taking measures such as improvements concerning the initiatives and target values of the plan based on the results every five years.

Green Action Plan 2030

Targets to be achieved by 2030 are set on the basis of our CSR Policy of "Innovative docomo" and "Responsible docomo."

<p>Green Actions of Innovative docomo</p> <p>We will contribute to create a low-carbon society and minimize climate change risks by providing DOCOMO's services to customers.</p> <p>Quantitative Target</p> <ul style="list-style-type: none"> Amount of contribution to the reduction of CO₂ emissions across society: at least 40 million tons <p>Qualitative Target</p> <ul style="list-style-type: none"> We will promote various initiatives to contribute to adaptation to climate change. We will also make collaborative efforts with our stakeholders. <p>Main Actions</p> <ul style="list-style-type: none"> Development and provision of the services and technologies contributing to the reduction of CO₂ emissions Development and provision of the services and technologies contributing to the adaptation to climate change 	<p>Green Actions of Responsible docomo</p> <p>We will fulfill our responsibility to reduce environmental impact. We will also actively participate in environmental contribution activities as a corporate citizen.</p> <p>Quantitative Target</p> <ul style="list-style-type: none"> Electrical efficiency of telecommunications services: at least a tenfold increase compared with FY2013 Final disposal ratio of waste: achieve zero emissions (under 1%) <p>Qualitative Target</p> <ul style="list-style-type: none"> We will promote initiatives through various activities for conservation of biodiversity. We will also make collaborative efforts with our stakeholders. <p>Main Actions</p> <ul style="list-style-type: none"> Energy conservation for telecommunications network facilities Promoting 3R activities Promoting activities for conservation of biodiversity such as tree planting, promoting employee training
--	---

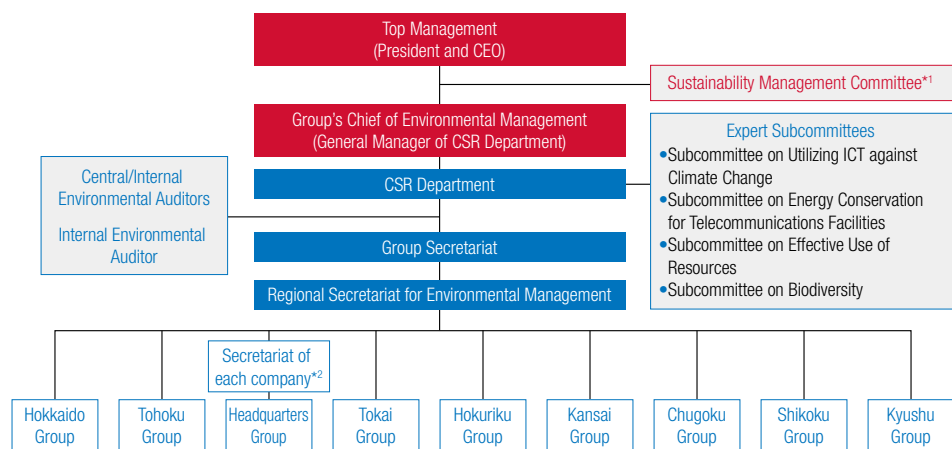
Initiatives for the Environment

Aiming to Be at the Forefront of Environmental Management

Environmental Management System

DOCOMO has created an environmental management system (EMS) to promote environmental preservation activities throughout the Group and conducts internal environmental audits to ensure the effective implementation of the EMS. In FY2018, we sought to implement more practical auditing for key audit items in line with ISO 14001 (FY2015 edition). As a result, the audits found that every company was in compliance with the requirements of ISO 14001 and that activities were generally being conducted appropriately in conformance with environmental procedure manuals and other guidelines.

Organizational Structure for Environmental Management



*1 Including meetings attended by top management and executives

*2 Each of DOCOMO CS, Inc., DOCOMO Support, Inc., DOCOMO Systems, Inc. and DOCOMO Technology, Inc.

(As of April 2019)

Management Process for Risks and Opportunities Associated with Climate Change

DOCOMO regularly identifies business risk each year in accordance with our Risk Management Principles, and the Internal Control Committee chaired by the President & CEO designates risks that require company-wide management.

The CSR Department, which is exclusively responsible for promoting environmental measures throughout the Group, monitors changes in the external and internal environments caused by climate change, and identifies risks and opportunities associated with climate change that may impact business. The Internal

Control Committee then specifies those risks and opportunities with a high degree of impact and frequency of occurrence as company-wide risk.

Strengthening Initiatives to Mitigate Climate Change Risks through the Endorsement of TCFD

DOCOMO has endorsed the Task Force on Climate-related Financial Disclosures (TCFD)*. During the period of November 2018 to March 2019, we trialed analysis based on two scenarios: a physical scenario (a future where the average temperature increases by 4 degrees Celcius) and a transition scenario (a future where global temperature rises are limited to below 2 degrees Celcius, such as 1.5 degrees). We then specified the phenomena that impact our operations. As a result, it was deemed that appropriate measures are being undertaken on the whole to combat the future potential impact of climate change on DOCOMO, as derived from the trial scenario analysis, through DOCOMO's initiatives to achieve our Medium-Term Strategy 2020 "Declaration beyond" and the DOCOMO Group's environmental targets under Green Action Plan 2030. Based on the findings of the trial scenario analysis, we will examine the financial impact of climate change on DOCOMO.



* The TCFD refers to a task force established by the Financial Stability Board (FSB) based on a request from the G20 with the aim of creating an information disclosure framework to help the financial sector appropriately evaluate climate change-related risks and opportunities. As of September 2, 2019, the number of organizations that had endorsed the TCFD had risen to over 800 worldwide and over 180 in Japan.

For details of DOCOMO's trial scenario analysis, refer to NTT DOCOMO Group Sustainability Report 2019.



<https://www.nttdocomo.co.jp/english/corporate/csr/about/pdf/index.html>

Tokyo 2020 Medal Project: Towards an Innovative Future for All

DOCOMO, a Gold Partner in the Tokyo 2020 Olympic and Paralympic Games, has been participating in the "Tokyo 2020 Medal Project: Towards an Innovative Future for All*," an initiative that has been fully underway since April 2017. We are nearing the end of our goal of securing the metal required to produce the medals for the Games. Accordingly, we ceased collecting the items that were used to source the metal on March 31, 2019. DOCOMO will continue with recycling efforts to contribute to the realization of a sustainable society.

FY2018 Statistics	
• Mobile phones:	4.68 million
• Batteries:	3.4 million
• Chargers:	0.97 million

* The Tokyo Organizing Committee of the Olympic and Paralympic Games will produce nearly 5,000 gold, silver and bronze medals, which will be used in the Tokyo 2020 Games. Metals will be sourced from collected old mobile phones, computers and other small appliances. Moreover, this will be the first such experiment in all of history.

5-Year Summary of Selected Financial and Non-Financial Data (FY2014-FY2018)

NTT DOCOMO, INC. and Consolidated subsidiaries
(FY)

* With the goal of improving the international comparability of financial information in the capital markets, among other reasons, we have adopted International Financial Reporting Standards (IFRS) in place of U.S. Generally Accepted Accounting Principles (U.S. GAAP) beginning with the fiscal year ended March 31, 2019 (FY2018). The results for FY2017 are also presented based on IFRS.

Financial Data

(Billions of yen)

U.S. GAAP/IFRS	U.S. GAAP				IFRS	
	2014	2015	2016	2017	2017	2018
Operating results:						
Operating revenues	4,383.4	4,527.1	4,584.6	4,769.4	4,762.3	4,840.8
Telecommunications services	2,747.2	2,815.5	2,985.1	3,137.9	3,092.7	3,130.7
Equipment sales	904.1	860.5	719.2	755.1	789.8	844.4
Other operating revenues	732.2	851.1	880.3	876.4	879.7	865.8
Operating expenses	3,744.3	3,744.1	3,639.8	3,796.1	3,775.3	3,827.2
Operating income/Operating profit	639.1	783.0	944.7	973.3	987.0	1,013.6
Net income/Profit	398.0	561.2	650.6	746.6	792.5	664.9
Per share information*1:						
Earnings per share attributable to NTT DOCOMO, INC./Earnings per share attributable to shareholders of NTT DOCOMO, INC.	101.55 yen	141.30 yen	175.12 yen	201.73 yen	214.27 yen	187.79 yen
NTT DOCOMO, INC. shareholders' equity per share/Equity attributable to shareholders of NTT DOCOMO, INC. per share	1,386.09 yen	1,409.94 yen	1,492.91 yen	1,580.88 yen	1,576.63 yen	1,610.64 yen
Cash dividends per share*2	65 yen	70 yen	80 yen	100 yen	100 yen	110 yen
Total assets	7,146.3	7,214.1	7,453.1	7,748.3	7,654.9	7,340.5
Total NTT DOCOMO, INC. shareholders' equity/Total equity attributable to shareholders of NTT DOCOMO, INC.	5,380.1	5,302.2	5,530.6	5,680.4	5,665.1	5,371.9
Debt-to-equity ratio*3	0.041 times	0.042 times	0.040 times	0.028 times	0.028 times	0.009 times
NTT DOCOMO, INC. shareholders' equity ratio/Ratio of equity attributable to shareholders of NTT DOCOMO, INC. to total assets	75.3%	73.5%	74.2%	73.3%	74.0%	73.2%
Cash flows from operating activities	963.0	1,209.1	1,312.4	1,511.5	1,498.6	1,216.0
Cash flows from investing activities	(651.2)	(375.3)	(943.1)	(718.4)	(705.5)	(296.5)
Adjusted free cash flows excluding changes in investments for cash management purposes	295.6	598.7	664.5	862.5	862.8	619.4

5-Year Summary of Selected Financial and Non-Financial Data (FY2014-FY2018)

NTT DOCOMO, INC. and Consolidated subsidiaries
(FY)

(Billions of yen)

	U.S. GAAP				IFRS	
	2014	2015	2016	2017	2017	2018
Capital expenditures	661.8	595.2	597.1	576.4	577.0	593.7
Research and development costs	97.0	83.3	83.1	91.8	89.6	91.0
Depreciation and amortization	659.8	625.9	452.3	485.5	486.6	470.9
Total interest-bearing liabilities	222.7	222.2	221.9	161.6	161.2	50.0
Total number of issued shares (as of March 31, 2019)	4,085,772,000 shares	3,958,543,000 shares	3,899,563,000 shares	3,782,299,000 shares	3,782,299,000 shares	3,335,231,094 shares
Indicators:						
Operating income margin/Operating profit margin	14.6%	17.3%	20.6%	20.4%	20.7%	20.9%
EBITDA*4	1,369.1	1,463.2	1,463.4	1,509.9	1,525.1	1,559.0
EBITDA margin*4	31.2%	32.3%	31.9%	31.7%	32.0%	32.2%
ROE	7.4%	10.3%	12.0%	13.3%	14.2%	12.0%
Payout ratio	64.0%	49.5%	45.7%	49.6%	46.7%	58.6%

Non-financial data

	2014	2015	2016	2017	2018
Number of directors (of which, independent outside directors)*5 (persons)	14 (1)	15 (2)	15 (2)	14 (2)	14 (2)
Number of consolidated employees (of which, NTT DOCOMO, INC.)*6 (persons)	25,680 (7,344)	26,129 (7,616)	26,734 (7,609)	27,464 (7,767)	26,564 (7,884)
Ratio of female officers and managers (NTT DOCOMO, INC.)*6 (%)	3.0	3.6	4.4	5.3	5.9
Greenhouse gas emissions (t-CO ₂)	1,694,763	1,598,434	1,593,638	1,585,502	1,552,568
Electricity usage (thousand kWh)	3,013,666	2,887,216	2,970,041	3,037,221	3,084,765
Paper usage (t)*7	15,601	10,498	11,859	11,280	13,905

5-Year Summary of Selected Financial and Non-Financial Data (FY2014-FY2018)

Notes

1. In the calculation of per share information, the number of treasury stocks are not included in the number of issued shares during or at the end of the year.
2. Cash dividends per share are presented in the fiscal year to which each record date for the dividends belongs.
3. Debt-to-equity ratio (IFRS) = Interest-bearing liabilities ÷ total equity attributable to shareholders of NTT DOCOMO, INC.
Debt-to-equity ratio (U.S. GAAP) = Interest-bearing liabilities ÷ NTT DOCOMO, INC. shareholders' equity
4. EBITDA (IFRS) = Operating profit + Depreciation and amortization + Loss on sale or disposal of property, plant and equipment + impairment loss (property, plant and equipment; intangible assets; goodwill).
EBITDA (U.S. GAAP) = 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)
In previous consolidated statements of income, impairment loss associated with goodwill and unamortized intangible assets was included under the item "Selling, 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.
5. The data on the numbers of directors are as of July 1 of the following fiscal year.
6. Includes employees on loan from other companies; does not include employees of NTT DOCOMO, INC. temporarily transferred to other companies.
7. In FY2016, we revised the calculation method for some of the items. The results from FY2014 and onward have been reclassified accordingly.

Subsidiaries (As of March 31, 2019)

102 companies * The company names followed by () are overseas locations.

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
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
OAK LAWN MARKETING, INC.	55.75%	TV mail-order business
Tower Records Japan Inc.	50.61%	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 InsightMarketing, INC.	51.00%	Mobile research and marketing support
DOCOMO Datacom, Inc.	66.24%	System development
docomo Healthcare, Inc.	66.00%	Provision of platform for managing, using and sharing health-related data
Nihon Ultmarc INC.	100.00%	Construction and sales of doctor and medical facility database
MAGASseek Corporation	75.00%	Fashion e-commerce business
DCM Reinsurance Company, Inc. (Honolulu, U.S.)	100.00%	Reinsurance business
DOCOMO Digital Limited (London, U.K.)	100.00%	Management of overseas platforms related to mobile content distribution and billing
DOCOMO Innovations, Inc. (Palo Alto, U.S.)	100.00%	Investment in and information gathering on overseas start-ups that develop promising technology
DOCOMO PACIFIC, INC. (Guam, U.S.)	100.00%	Overseas mobile telecommunications, cable TV and Internet business

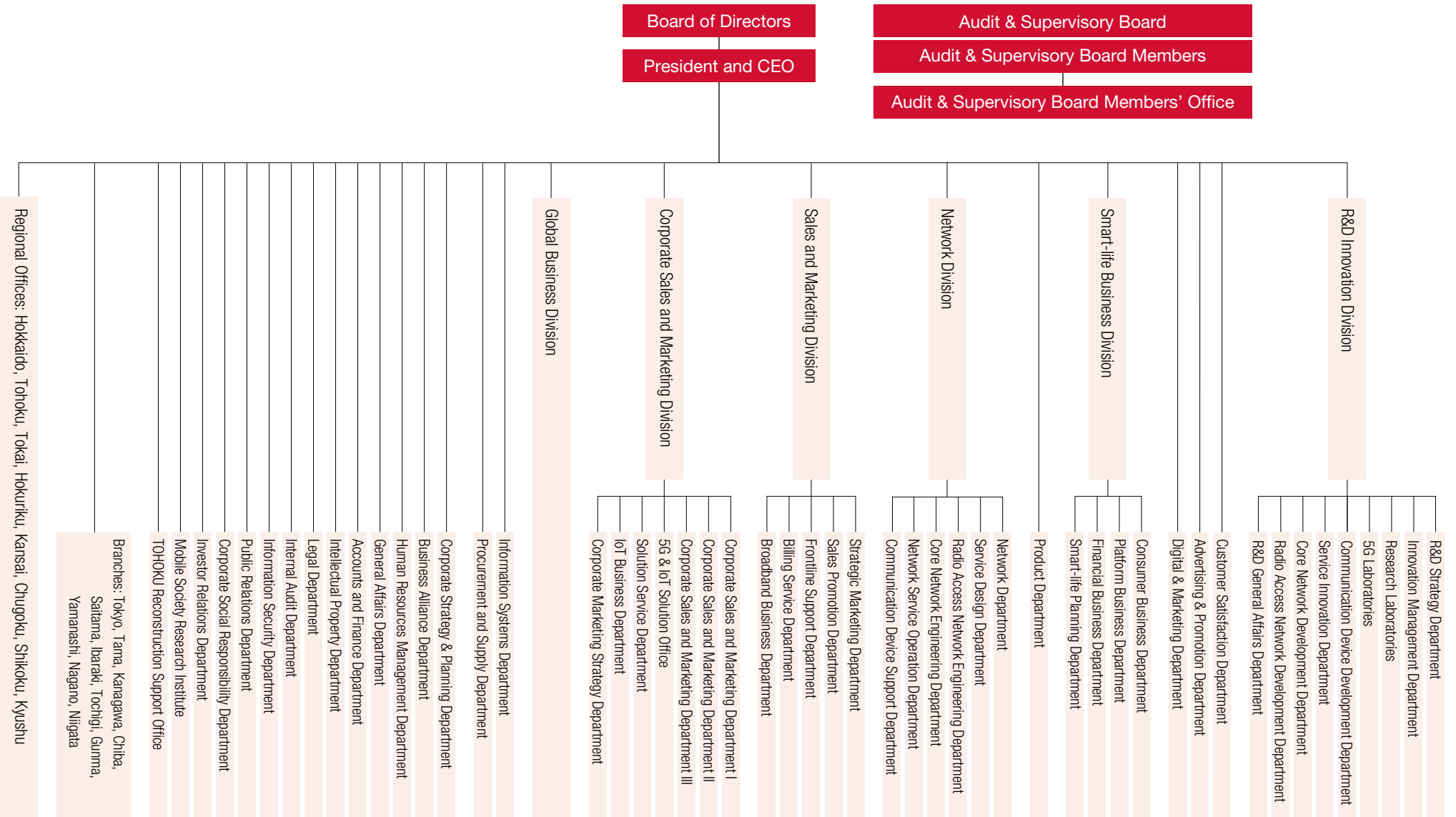
other 77 subsidiaries

Affiliates (As of March 31, 2019)

23 companies * The company names followed by () are overseas locations.

Company name	Voting rights ownership	Business activities
Avex Broadcasting & Communications Inc.	30.00%	Mobile video distribution business
NTT Plala Inc.	33.33%	Video distribution service; Internet connection service 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.	34.00%	Development and licensing of Mobile FeliCa IC chip
RecoChoku Co., Ltd.	34.17%	Music distribution business
PLDT Inc. (Manila, Philippines)	8.56%	Fixed and mobile telecommunications business in the Philippines
other 14 affiliates		

Organizational Structure (As of July 1, 2019)



Corporate Information (As of March 31, 2019)

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 sales start	July 1, 1992
Capital	¥949,679,500,000
Fiscal Year-End	March 31
Number of Employees (Consolidated)	26,564
Corporate Website	https://www.nttdocomo.co.jp/english/
IR Information	https://www.nttdocomo.co.jp/english/corporate/ir/
Independent Public Accounting Firm	KPMG AZSA LLC (the Japan member firm of KPMG International)

External Evaluations

DOCOMO's CSR and ESG initiatives have earned high marks from research organizations in Japan and overseas.

[Domestic]

■ **DOCOMO ranked first in the Toyo Keizai CSR Corporate Ranking 2019**

The CSR Corporate Ranking published by Toyo Keizai, Inc. identifies reliable companies in terms of adequacy of CSR initiatives and financial performance. DOCOMO ranked first FY2018 for the second straight year in recognition of the way we utilize our human resources and care for the environment in addition to our corporate governance/social contribution and financial performance.

■ **DOCOMO received a 5-star rating in the second NIKKEI Smart Work Survey**

DOCOMO was certified with a 5-star rating in the second NIKKEI Smart Work Survey, which selects leading companies actively promoting productivity revolutions through work style reforms. The NIKKEI Smart Work Survey has been conducted since 2017 by Nikkei Inc., which comprehensively evaluates the four areas of utilization of human resources, innovations, market development and management foundation in a 5-star rating system. DOCOMO's innovations were particularly highly acclaimed.



■ **DOCOMO selected as a constituent for the SNAM Sustainability Index**

DOCOMO was selected as a constituent for the SNAM Sustainability Index, an index which Sampo Japan Nipponkoa Asset Management Co., Ltd. (SNAM) sets independently. This index consists of about 300 brands excelling in ESG (Environment, Society, Governance) and is utilized by SNAM in its SNAM Sustainable Investment Fund.



■ **DOCOMO selected for the first time as a "Nadeshiko Brand" for promoting the advancement of females**

DOCOMO selected for the first time as a "Nadeshiko Brand," a program jointly instituted by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange that recognizes companies that are outstanding in terms of encouraging the empowerment of women in the workplace. In addition to efforts aimed at enhancing women's working environment, DOCOMO was recognized for supporting work-family balance and promoting a better understanding of diverse work styles, as well as for promoting childcare leave as a company-wide initiative for both female and male employees.



■ **Received highest evaluation rank of Level 3 "Eruboshi" certification**

In accordance with the Act on Promotion of Women's Participation and Advancement in the Workplace, DOCOMO was certified in February 2019 as an "Eruboshi" company with the highest evaluation rank of Three Stars. The fact that DOCOMO satisfies all five certified items of employment, continuation of employment, ways of working (such as working hours), ratio of managers and a variety of career courses, led to its certification.



External Evaluations

[Global]

Having been acclaimed highly for its reliability of networks, operational eco-efficiency and human resource development, DOCOMO has been selected for the third consecutive year as a constituent for the DJSI World of Dow Jones Sustainability Indices (DJSI), the world's leading ESG investment index.



DOCOMO received Silver Class distinction in RobecoSAM Sustainability Award 2019, which presents awards to companies by industry sector for their excellence in sustainable initiatives from the three aspects of economy, environment and society.



DOCOMO is a constituent of the MSCI ESG Leaders Indexes, globally recognized indexes created by U.S.-based MSCI.*



DOCOMO is a constituent of the MSCI Japan ESG Select Leaders Index of companies selected by U.S.-based MSCI for excellence in ESG performance from each industry.*



DOCOMO is included in the MSCI Japan Empowering Women Index selected by U.S. based MSCI, representing Japanese companies that are leading their respective industries in seeking participation and promotion of women as well as diversity, and promoting gender diversity in the workforce.*



* The Inclusion of NTT DOCOMO, INC. in any MSCI Index, and the use of MSCI Logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement or promotion of NTT DOCOMO, INC. by MSCI or any of its affiliates. The MSCI Indexes are the exclusive property of MSCI. MSCI and the MSCI Index names and Logos are trademarks or service marks of MSCI or its affiliates.

DOCOMO is selected as a designated company for the FTSE4Good Index Series, a share index of socially responsible investments created by U.K.-based FTSE Russell. Having excellent response for ESG, DOCOMO is also selected for the FTSE Blossom Japan Index among Japanese corporations.



DOCOMO is rated as "Prime" in the "ESG Corporate Rating" by ISS ESG (Responsible Investment Department of Institutional Shareholder Services).



DOCOMO is a constituent of the STOXX Global ESG Leaders Index created by STOXX, a Swiss-based subsidiary of the German stock exchange operator Deutsche Borse AG and one of the world's leading developers and providers of indexes.



DOCOMO has been selected for the S&P/JPX Carbon Efficient Index, an index which S&P DOW Jones Indices Co., Ltd. constitutes, based on carbon emission data provided by Trucost Co., Ltd., which carries out environmental assessment.



DOCOMO received a score of A- in climate change from CDP (headquarters: London, U.K.), which is a nonprofit organization carrying out environmental assessment of major companies and cities worldwide.



DOCOMO was selected as a constituent for the Bloomberg Gender-Equality Index, which evaluates excellent companies based on their efforts to build working environments of gender-equality for their employees, encompassing areas such as information disclosure, policies and achievements.



DOCOMO is a constituent of the ETHIBEL PIONEER and ETHIBEL EXCELLENCE indices for socially responsible investment created by the Belgium-based SRI advisory agency forum ETHIBEL.



DOCOMO has been included in the Euronext Vigeo World 120 Index, a leading stock investment index focused on environmental, social and governance (ESG) factors. The index was jointly developed by U.S.-based NYSE Euronext, Inc., an organization operating multiple security exchanges in the United States and Europe, and France- and U.K.-based Vigeo Eiris, a research company for ESG factors, and selects companies exhibiting excellence in ESG areas.



Stock Information (As of March 31, 2019)

Stock Listings

Tokyo Stock Exchange, First Section listed October 1998
(Securities code: 9437)
* DOCOMO delisting from the NYSE was completed on April 13, 2018.

Transfer Agent

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

Depository for American Depository Receipts (“ADRs”)

The Bank of New York Mellon
240 Greenwich Street
New York, NY 10286, U.S.A.

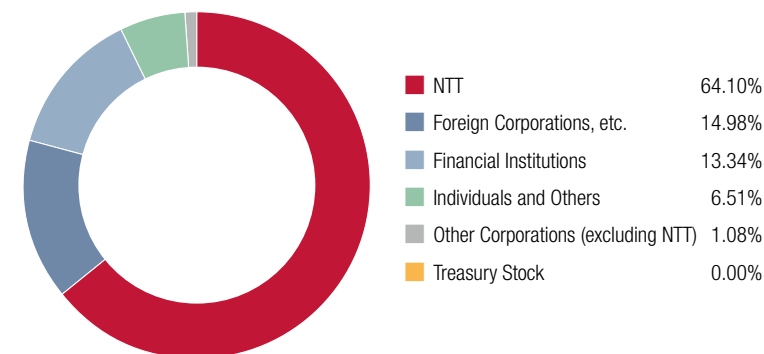
Number of Shares

Total Number of Authorized Shares: 17,460,000,000
Total Number of Issued Shares: 3,335,231,094

Number of Shareholders

286,836

Distribution of Ownership among Shareholders

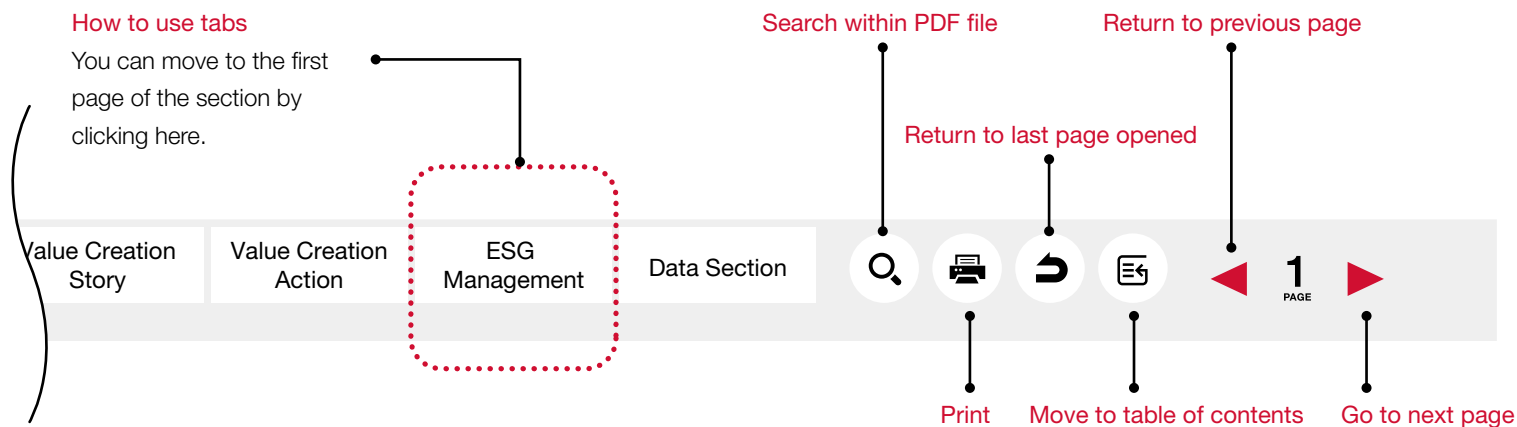


* The figures are based on the list of shareholders as of March 31, 2019.

Principal Shareholders

Shareholders	Number of Shares Held (Shares)	Percentage of Total Issued Shares (Excluding Treasury Stock) (%)
NIPPON TELEGRAPH AND TELEPHONE CORPORATION	2,137,733,200	64.10
THE MASTER TRUST BANK OF JAPAN, LTD. (TRUST ACCOUNT)	90,191,400	2.70
JAPAN TRUSTEE SERVICES BANK, LTD. (TRUST ACCOUNT)	71,257,400	2.14
STATE STREET BANK WEST CLIENT – TREATY 505234 (Standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department)	28,598,152	0.86
JP MORGAN CHASE BANK 380055 (Standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department)	25,000,196	0.75
JAPAN TRUSTEE SERVICES BANK, LTD. (TRUST ACCOUNT 7)	24,911,700	0.75
JAPAN TRUSTEE SERVICES BANK, LTD. (TRUST ACCOUNT 5)	24,380,600	0.73
JPMorgan Securities Japan Co., Ltd.	22,617,446	0.68
JAPAN TRUSTEE SERVICES BANK, LTD. (TRUST ACCOUNT 9)	21,357,300	0.64
JAPAN TRUSTEE SERVICES BANK, LTD. (TRUST ACCOUNT 1)	18,153,000	0.54
Total	2,464,200,394	73.88

Usage
Guide



Organization of Information Tool

This Integrated Report summarizes primarily high-priority information directly related to enhancing corporate value, taken from the financial and non-financial content of the DOCOMO Group. The information has been put in a form that is easy to understand and relate to for shareholders, investors and other stakeholders.



Integrated Report

- DOCOMO Tsushin (in Japanese only)**
This refers to the magazine delivered to our shareholders and individual investors. It mainly covers the latest topics and performance trends.
Web <https://www.nttdocomo.co.jp/corporate/ir/library/docotsu/index.html>
- Management Plan Presentation Materials**
Presentation materials outlining NTT DOCOMO's aspirations, plans and initiatives.
Web <https://www.nttdocomo.co.jp/english/corporate/ir/management/strategy/>
- Sustainability Report**
We compiled data based on boundaries related to our core telecommunications business to provide a comprehensive report on our CSR Policy and various initiatives in accordance with the GRI *Sustainability Reporting Guidelines*.
Web <https://www.nttdocomo.co.jp/english/corporate/csr/about/pdf/index.html>
- CSR Communication Book (in Japanese only)**
This book compiles key information related to DOCOMO's philosophy on and initiatives for CSR in an easy-to-understand way.
Web https://www.nttdocomo.co.jp/special_contents/forones/

For more detailed IR-related information:
Investor Relations website

Web <https://www.nttdocomo.co.jp/english/corporate/ir/>

- Earnings releases
- Timely disclosure materials
- Management policy
- Message from the CEO
- Information for individual investors
- Stock-related information, etc.

For more detailed CSR-related information:
CSR website

Web <https://www.nttdocomo.co.jp/english/corporate/csr/>

- Sustainability Report
- DOCOMO's CSR
- Commitment to Mobile Telecommunications Services
- Environment/Community Investment, etc.