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# **FY2021/2Q**

# **Financial Results**

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**November 10, 2021**

# FY2021/1H Results Highlights

IFRS

(Billions of yen)	FY2020/1H (1)	FY2021/1H (2)	Changes (2) – (1)	Changes (%)
Operating revenues	2,282.5	<b>2,316.2</b>	+33.7	+1.5%
Operating profit	563.6	<b>496.3</b>	-67.3	-11.9%
Profit attributable to shareholders of NTT DOCOMO, INC.	391.3	<b>344.9</b>	-46.4	-11.9%
Adjusted free cash flow	307.1	<b>569.3</b>	+262.2	+85.4%
Capital expenditures	206.1	<b>248.7</b>	+42.7	+20.7%

◆ Adjusted free cash flow is calculated excluding the effects of changes in investment derived from purchases, redemption at maturity and disposals of financial instruments held for cash management purposes with original maturities of longer than three months.

# Results by Segment

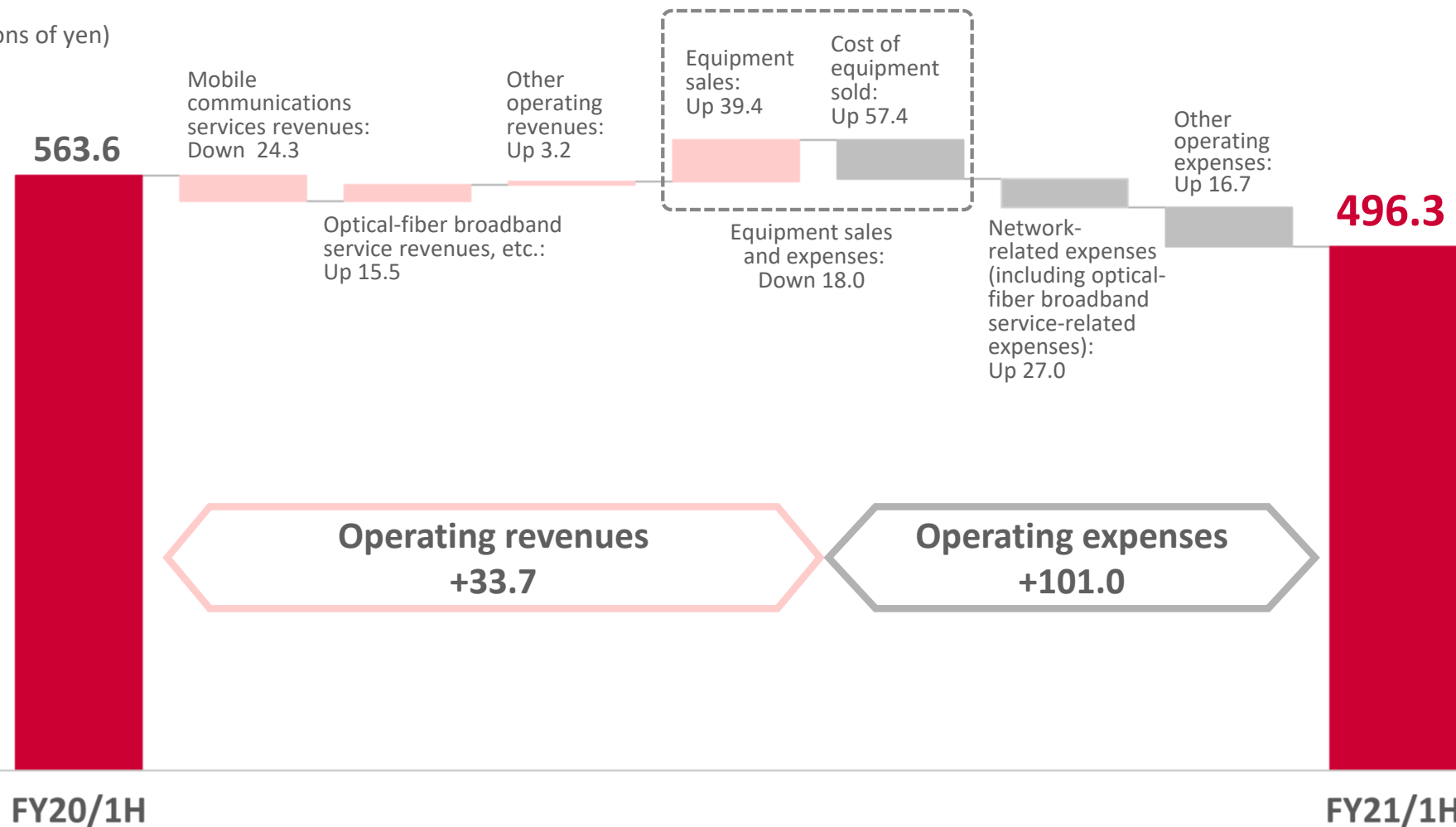
IFRS

(Billions of yen)		FY2020/1H (1)	FY2021/1H (2)	Changes (2) – (1)
<b>Telecommunications business</b>	Operating revenues	1,762.5	<b>1,798.0</b>	<b>+35.5</b>
	Operating profit	433.6	<b>372.9</b>	<b>-60.7</b>
<b>Smart life business</b>	Operating revenues	317.2	<b>307.5</b>	<b>-9.7</b>
	Operating profit	61.8	<b>45.1</b>	<b>-16.6</b>
<b>Other businesses</b>	Operating revenues	222.2	<b>231.1</b>	<b>+8.8</b>
	Operating profit	68.2	<b>78.3</b>	<b>+10.1</b>
<Ref.> Smart life business and Other businesses	Operating revenues	539.4	<b>538.6</b>	<b>-0.9</b>
	Operating profit	130.0	<b>123.4</b>	<b>-6.6</b>

# Key Factors behind Changes in Operating Profit

IFRS

(Billions of yen)



- ◆ Network-related expenses represent the sum of depreciation/amortization, loss on disposal of property, plant and equipment and intangible assets, and communication network charges.
- ◆ FY2020/1H results include irregular factors caused by accounting treatment of approx. 27.0 billion yen.

# Key Operational Indicators (1)

	FY2020/1H	FY2021/1H	Changes
“d POINT CLUB” members (Million)	78.15	85.54	+9%
“d POINT CARD” registrants	46.76	54.33	+16%
“d POINTS” used (Billion points)	115.3	136.1	+18%
“d POINTS” used at partners’ stores, etc.	80.5	103.3	+28%
<b>Mobile telecommunications service subscriptions (Million subs)</b>	<b>80.99</b>	<b>83.45</b>	<b>+3%</b>
5G subscriptions	3.8	6.94	-
(Incl.) home 5G subscriptions	-	0.08	-
Churn rate (%)	0.46	0.56	+0.10pt
Handset churn rate	0.38	0.47	+0.09pt
“docomo Hikari” subscriptions (Million subs)	6.80	7.21	+6%

- ◆ “d POINT CARD” registrants indicate the no. of users who can earn and use “d POINTS” at participating stores by registering their personal information.
- ◆ “d POINTS” used and churn rate represent the cumulative data for FY2021/1H.
- ◆ Handset churn rate indicates the combined churn rate for smartphones and feature phones.

# Key Operational Indicators (2)

	FY2020/1H	FY2021/1H	Changes
<b>Finance/Payment transactions handled</b> (Billions of yen)	<b>3,180.0</b>	<b>4,090.0</b>	<b>+29%</b>
<b>“d CARD” transactions</b>	<b>2,410.0</b>	<b>3,060.0</b>	<b>+27%</b>
<b>“d Payment” transactions</b>	<b>332.0</b>	<b>548.0</b>	<b>+65%</b>
<b>“d CARD” members</b> (Million members)	<b>13.55</b>	<b>15.07</b>	<b>+11%</b>
<b>“d CARD GOLD”</b>	<b>7.34</b>	<b>8.48</b>	<b>+15%</b>
<b>“d Payment” users</b> (Millions)	<b>29.99</b>	<b>39.43</b>	<b>+31%</b>
<b>Locations where payment/point service can be used</b> (Million locations)	<b>2.66</b>	<b>3.71</b>	<b>+39%</b>

- ◆ The amount of transactions handled represent the cumulative amount for FY2021/1H, which includes the transactions handled with "d CARD," "iD," "d Payment," direct carrier billing and "DOCOMO Mobile Payment Service," etc.
- ◆ The amount of transactions processed with "d Payment" represents the cumulative amount of payments made with "d Payment" (code and online payment) and "d Payment (iD)".
- ◆ The number of "d Payment" users represents the sum of total number of "d Payment" app downloads and "d Payment (iD)" members.
- ◆ Locations where payment/point service can be used represents the combined no. of locations where "d POINT," "iD," and "d Payment" (code and online payment) services can be used.

# Expansion of Customer Base

## Enriched lineup of rate plans from a customer-first perspective

Freely selectable plans from large to small capacity

Large capacity	<p><b>》5G キガホプレミア</b> 5G Gigaho Premier</p> <p><b>キガホプレミア</b> Gigaho Premier</p>
Middle capacity	<p><b>ahamo</b></p> <p><b>キガライト</b> Gigalight</p> <p><b>はじめてスマホプラン</b> Hajimete Sumaho Plan</p>
Small capacity	<p><b>ドコモの エコノミ-MVNO</b> DOCOMO's Economy MVNO</p>

Enriched rate plans for young users



U15 Hajimete Sumaho Plan



U30 Long Wari

5G-enabled home router service



# Growth of Smart Life/Other Businesses

-Medical Domain-

## Propelling growth of medical business through promotion of medical/health care DX centered on online treatment

Online treatment

Promote adequate proliferation of online treatment through joint operation of CLINICS

Medical care utilization support services

Aim for early rollout of new services through collaboration

Online treatment/medication guidance



NTT docomo

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MEDLEY

E-commerce of general pharmaceuticals  
Online support



Started free-of-charge provision of online treatment system to COVID-19 patients treated at home from September 2021



\*Jointly acquired shares of minacolor, inc. on October 29, 2021.

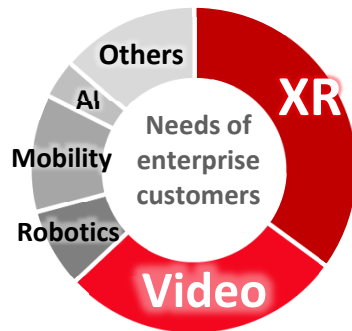
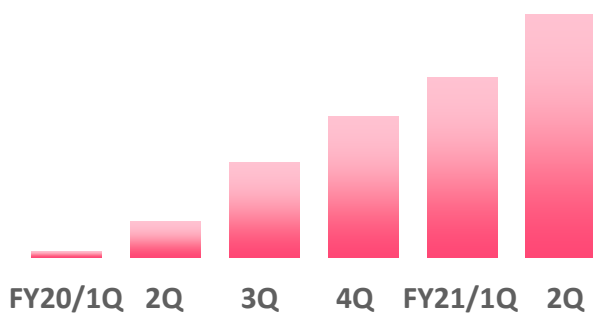


# Expansion of Enterprise Business **docomo**<sup>NTT</sup>

## Enrichment of 5G solutions and DX support for local communities

Received over 400 orders for 5G solutions

Approx. **400** projects  
(cumulative from commercial launch)



Expand services mainly around “XR” and “Video” and respond to requirements of remote style society

Medical

Tourism

Education



Remote medical support using smart glasses

Online VR sightseeing tour

Remote classes using multi-perspective video

Marketplace for businesses to start in December

(To be announced shortly)

Strengthen proposal-making/support for SMEs, and assist business management reform through DX

Peace of mind



Simple and easy-to-use offerings

Good value



Accessible prices also for SMEs

User friendly



Total support from introduction to mastering use

Examples of selected lineup that assists DX

Online sales	Web conference, meetings
Work from home	Remote desk top
Labor management	Attendance management/ Payroll accounting etc.
Employee benefits	Discount/privileges, etc.

Partners

**Aidma Holdings**

**SUPPORT**

**jinjer**

**RELO CLUB**

Common authentication ID for enterprise customers

Convenient & secure

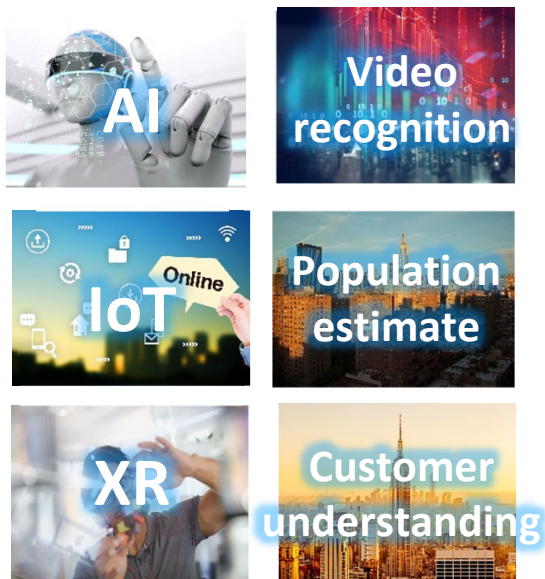
“Business d Account”

# R&D for Expansion of Growth Areas

**Create new lifestyles with state-of-the-art technologies.  
Co-create richer everyday life experience through  
virtual/physical convergence**

## Innovation co-creation platform

**DOCOMO's technology assets**  
+ NTT-Gr's technology assets



Verify base technologies in field

Feedback data/insights

## Lifestyle co-creation lab

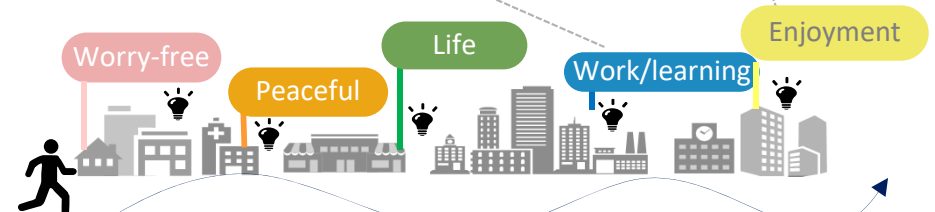
### Value verification in field

Co-creation with partners

Promotion of intrapreneurship forming teams using AI



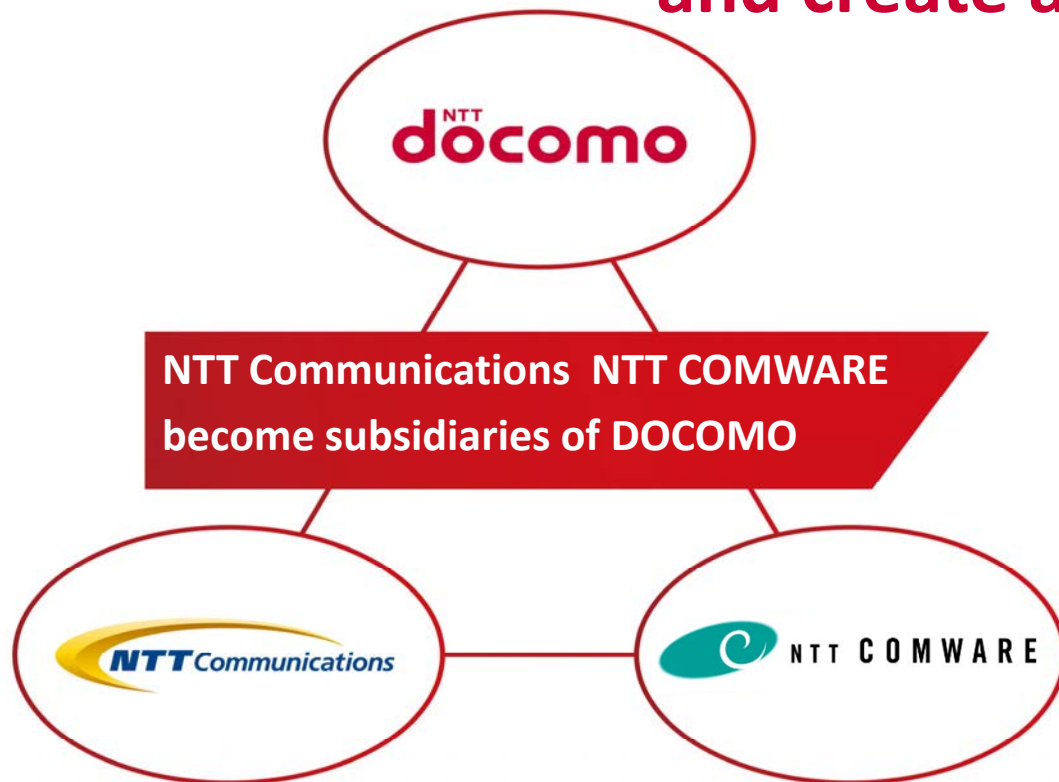
Experience shopping/events in "virtual Ginza"



Enhanced value in various scenes of life

# Challenge of New DOCOMO Group

**As the New DOCOMO Group, we are expanding our business domain to encompass mobile, services, and solutions and create a new world**



Integration of the three companies

Clear business responsibilities

Structural reform of telecommunications business and expansion of enterprise/ smart life businesses

**STEP1** (January 2022): **Two companies become subsidiaries of DOCOMO**

**STEP2** (around FY2022/2Q) : **Integration and clear business responsibilities**

Changing worlds with you.

**NTT**  
**docomo**

# Appendix

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

## Telecommunications business

### Mobile communications services

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

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

## Smart life business

### Content/ Lifestyle services

- “dTV” “d hits” “d magazine” “d shopping” “d healthcare” etc.

- NTT Plala Inc. • Oak Lawn Marketing, Inc. • Tower Records Japan Inc. etc.
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### Finance/Payment services

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

## Other businesses

### Support services for customers peace of mind

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

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

# Special Note Regarding Forward-Looking Statements

All forward-looking statements and projected figures concerning our future performance contained or referred to in this document are based on a series of assumptions, projections, estimates, judgments and beliefs of the management that have been made in light of the information currently available to it. 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 projections and estimates may be affected by our future business operations, the state of the economy in Japan and abroad, possible fluctuations in the securities markets or other changes in circumstances that could cause the actual results to differ materially from the forecasts contained or referred to herein.

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