

NTT DOCOMO INC  
Form 20-F  
June 26, 2015  
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As filed with the Securities and Exchange Commission on June 26, 2015

# SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

## FORM 20-F

.. REGISTRATION STATEMENT PURSUANT TO SECTION 12(B) OR (G) OF THE SECURITIES EXCHANGE ACT OF 1934  
OR

x ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934  
For the fiscal year ended March 31, 2015

OR

.. TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934  
OR

.. SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934  
Date of event requiring this shell company report

Commission file number: 1-31221

## **Kabushiki Kaisha NTT DOCOMO**

*(Exact name of registrant as specified in its charter)*

## **NTT DOCOMO, INC.**

*(Translation of registrant's name into English)*

**Sanno Park Tower**

**11-1, Nagata-cho 2-chome**

**Chiyoda-ku, Tokyo 100-6150**

**Japan**

*(Jurisdiction of incorporation or organization)*

**Japan**

*(Address of principal executive offices)*

**Kenji Higashigaito, Ayano Tamada or Yu Kunita, Investor Relations**

**TEL: +81-3-5156-1111 / FAX: +81-3-5156-0271**

**Sanno Park Tower, 2-11-1 Nagata-cho, Chiyoda-ku, Tokyo 100-6150 Japan**

*(Name, Telephone, E-mail and /or Facsimile number and Address of Company Contact Person)*

Securities registered or to be registered pursuant to Section 12(b) of the Act.

**Title of each class  
Common Stock\***

**Name of each exchange on which registered  
New York Stock Exchange**

Securities registered or to be registered pursuant to Section 12(g) of the Act.

**None**

*(Title of Class)*

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act.

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None

*(Title of Class)*

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report.

As of March 31, 2015, 3,881,483,855 shares of common stock were outstanding, comprised of 3,859,718,543 shares and 21,765,312 ADSs.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes  No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934. Yes  No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer  Accelerated filer  Non-accelerated filer

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP  International Financial Reporting Standards as issued by the International Accounting Standards Board  Other

If Other has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow.

Item 17  Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

\*Not for trading, but only in connection with the listing of the American Depositary Shares.

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*As used in this annual report, references to **DOCOMO**, **the Company**, **we**, **our**, **our group** and **us** are to **NTT DOCOMO, INC.** and its subsidiaries except as the context otherwise requires.*

*As used in this annual report, reference to **NTT** is to our parent company, **NIPPON TELEGRAPH AND TELEPHONE CORPORATION**.*

*As used in this annual report, **Xi** refers to our **LTE** network service and **FOMA** refers to our **W-CDMA** network service.*

*Fiscal year 2014 refers to our fiscal year ended March 31, 2015, and other fiscal years are referred to in a corresponding manner.*

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### **Special Note Regarding Forward-looking Statements**

This annual report contains forward-looking statements such as forecasts of results of operations, management strategies, objectives and plans, forecasts of operational data such as the expected number of subscriptions, and the expected dividend payments. All forward-looking statements that are not historical facts are based on management's current plans, expectations, assumptions and estimates based on the information currently available. 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. Potential risks and uncertainties include, without limitation, the following:

1. Changes in the market environment in the telecommunications industry, such as intensifying competition from other businesses or other technologies caused by Mobile Number Portability, development of appealing new handsets, new market entrants, mergers among other service providers and other factors, or the expansion of the areas of competition could limit the acquisition of new subscriptions and retention of existing subscriptions by our corporate group, or it may lead to ARPU diminishing at a greater than expected rate, an increase in our costs, or an inability to optimize costs as expected.
2. If current and new services, usage patterns, and sales schemes proposed and introduced by our corporate group cannot be developed as planned, or if unanticipated expenses arise the financial condition of our corporate group could be affected and our growth could be limited.
3. The introduction or change of various laws or regulations inside and outside of Japan, or the application of such laws and regulations to our corporate group, could restrict our business operations, which may adversely affect our financial condition and results of operations.
4. Limitations in the amount of frequency spectrum or facilities made available to us could negatively affect our ability to maintain and improve our service quality and level of customer satisfaction and could increase our costs.
5. Other mobile service providers in the world may not adopt the technologies and the frequency bands that are compatible with those used by our corporate group's mobile communications system on a continuing basis, which could affect our ability to sufficiently offer international services.
6. Our domestic and international investments, alliances and collaborations, as well as investments in new business fields, may not produce the returns or provide the opportunities we expect.
7. Malfunctions, defects or imperfections in our products and services or those of other parties may give rise to problems.
8. Social problems that could be caused by misuse or misunderstanding of our products and services may adversely affect our credibility or corporate image.
9. Inadequate handling of confidential business information including personal information by our corporate group, contractors and others may adversely affect our credibility or corporate image.
- 10.

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Owners of intellectual property rights that are essential for our business execution may not grant us a license or other use of such intellectual property rights, which may result in our inability to offer certain technologies, products and/or services, and our corporate group may also be held liable for damage compensation if we infringe the intellectual property rights of others. In addition, the illicit use by a third party of the intellectual property rights owned by our corporate group could reduce our license revenues actually obtained and may inhibit our competitive superiority.

11. Events and incidents caused by natural disasters, social infrastructure paralysis such as power shortages, the proliferation of harmful substances, terror or other destructive acts, the malfunctioning of equipment, software bugs, deliberate incidents induced by computer viruses, cyber-attacks, equipment misconfiguration, hacking, unauthorized access and other problems could cause failure in our networks,

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distribution channels, and/or other factors necessary for the provision of service, disrupting our ability to offer services to our subscribers and such incidents may adversely affect our credibility or corporate image, or lead to a reduction of revenues and/or increase of costs.

12. Concerns about adverse health effects arising from wireless telecommunications may spread and consequently adversely affect our financial condition and results of operations.

13. Our parent company, NTT, could exercise influence that may not be in the interests of our other shareholders. Our actual results could be materially different from and worse than as described in the forward-looking statements. Important risks and factors that could have a material impact on our actual results are set forth in **D. Risk Factors** in Item 3 and elsewhere in this annual report.



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**PART I**

**Item 1. Identity of Directors, Senior Management and Advisers**

Not applicable.

**Item 2. Offer Statistics and Expected Timetable**

Not applicable.

**Item 3. Key Information**

**A. Selected Financial Data**

The following tables include selected historical financial data as of and for each of the years ended March 31, 2011 through 2015. The data in the table is derived from our audited consolidated financial statements prepared in accordance with U.S. Generally Accepted Accounting Principles ( U.S. GAAP ). The consolidated balance sheets for the years ended March 31, 2014 and 2015, the related consolidated statements of income, comprehensive income, changes in equity and cash flows for each of the years ended March 31, 2013 through 2015, and notes thereto appear elsewhere in this annual report.

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Millions of yen, except per share data  
As of and for the year ended March 31,

|  | 2011          | 2012          | 2013          | 2014          | 2015          |
|--|---------------|---------------|---------------|---------------|---------------|
| <b>Income Statement Data</b>   |               |               |               |               |               |
| <b>Operating revenues:</b>   |               |               |               |               |               |
| Telecommunications services *1   | ¥ 3,361,235   | ¥ 3,334,036   | ¥ 3,176,931   | ¥ 2,963,980   | ¥ 2,747,155   |
| Equipment sales  | 477,404       | 498,889       | 758,093       | 872,000       | 904,089       |
| Other operating revenues   | 385,634       | 407,078       | 535,098       | 625,223       | 732,153       |
| Total  | 4,224,273     | 4,240,003     | 4,470,122     | 4,461,203     | 4,383,397     |
| <b>Operating expenses</b>  |               |               |               |               |               |
| Operating income   | 844,729       | 874,460       | 837,180       | 819,199       | 639,071       |
| Other income (expense) *2  | (9,391)       | 2,498         | (3,838)       | 13,850        | 4,812         |
| <b>Income before income taxes and equity in net income of affiliates *2</b>                                  |               |               |               |               |               |
| Income taxes *2  | 332,806       | 391,798       | 323,059       | 307,979       | 238,067       |
| <b>Income before equity in net income of affiliates *2</b>   |               |               |               |               |               |
| Equity in net income (losses) of affiliates (including impairment charges of investments in affiliates) *2*3 | (10,539)      | (24,208)      | (29,570)      | (69,117)      | (7,782)       |
| Net Income *2  | 491,993       | 460,952       | 480,713       | 455,953       | 398,034       |
| Less: Net (income) loss attributable to noncontrolling interests   | (1,508)       | 2,960         | 10,313        | 8,776         | 12,059        |
| <b>Net income attributable to NTT DOCOMO, INC. *2</b>  |               |               |               |               |               |
|  | ¥ 490,485     | ¥ 463,912     | ¥ 491,026     | ¥ 464,729     | ¥ 410,093     |
| <b>Per Share Data</b>  |               |               |               |               |               |
| Basic and diluted earnings per share attributable to NTT DOCOMO, INC. *4                                     | ¥ 117.97      | ¥ 111.87      | ¥ 118.41      | ¥ 112.07      | ¥ 101.55      |
| Dividends declared and paid per share *4   | ¥ 52          | ¥ 54          | ¥ 58          | ¥ 60          | ¥ 65          |
| Dividends declared and paid per share *4*5   | \$ 0.6283     | \$ 0.6553     | \$ 0.6160     | \$ 0.5826     | \$ 0.5418     |
| <b>Weighted average common shares</b>  |               |               |               |               |               |
| Outstanding Basic and Diluted (shares) *   | 4,157,685,900 | 4,146,760,100 | 4,146,760,100 | 4,146,760,100 | 4,038,191,678 |
| <b>Balance Sheet Data</b>  |               |               |               |               |               |
| Working capital *6   | ¥ 1,032,131   | ¥ 1,204,258   | ¥ 1,105,642   | ¥ 1,320,776   | ¥ 1,301,074   |
| Total property, plant and equipment, net   | 2,523,319     | 2,536,297     | 2,560,284     | 2,557,766     | 2,511,067     |
| Total assets *2  | 6,791,593     | 6,948,082     | 7,169,725     | 7,508,030     | 7,146,340     |
| Total debt *7  | 428,378       | 256,680       | 253,766       | 230,346       | 222,651       |
| Total liabilities  | 1,913,999     | 1,839,311     | 1,759,160     | 1,814,517     | 1,728,135     |
| Common stock   | 949,680       | 949,680       | 949,680       | 949,680       | 949,680       |
| Total NTT DOCOMO, INC. shareholders equity *2  | 4,850,436     | 5,062,527     | 5,368,475     | 5,643,366     | 5,380,072     |
| Total Equity *2  | 4,877,594     | 5,108,771     | 5,410,565     | 5,678,644     | 5,402,616     |
| <b>Other Financial Data</b>  |               |               |               |               |               |
| Depreciation and amortization expenses and loss on sale or disposal of property, plant and equipment         | 720,999       | 708,838       | 731,632       | 752,997       | 699,860       |
| Net cash provided by operating activities  | 1,287,037     | 1,110,559     | 932,405       | 1,000,642     | 962,977       |
| Net cash used in investing activities  | (455,370)     | (974,585)     | (701,934)     | (703,580)     | (651,194)     |