

NTT DOCOMO INC
Form 6-K
October 26, 2017
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 6-K
REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16 OR
15d-16 UNDER THE SECURITIES EXCHANGE ACT OF 1934
For the month of October, 2017
Commission File Number: 001-31221
Total number of pages: 41

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
(Address of principal executive offices)

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Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F **Form 40-F**

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

NTT DOCOMO, INC.

Date: October 26, 2017

By: /s/ KEISUKE YOSHIZAWA
Keisuke Yoshizawa

**Managing Director, Investor Relations
Department**

Information furnished in this form:

1. Earnings release for the six months ended September 30, 2017
2. Results presentation for the first half of the fiscal year ending March 31, 2018

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For the Six Months Ended September 30, 2017

October 26, 2017

[U.S. GAAP]

Name of registrant: **NTT DOCOMO, INC.** (URL <https://www.nttdocomo.co.jp/>)
Code No.: 9437
Stock exchange on which the Company's shares are listed: Tokyo Stock Exchange-First Section
Representative: Kazuhiro Yoshizawa, Representative Director, President and Chief Executive Officer
Contact: Hideki Maeda, Senior Manager, General Affairs Department / TEL +81-3-5156-1111
Scheduled date for filing of quarterly report: November 1, 2017
Scheduled date for dividend payment: November 21, 2017
Supplemental material on quarterly results: Yes
Presentation on quarterly results: Yes (for institutional investors and analysts)
(Amounts are rounded off to the nearest 1 million yen.)

1. Consolidated Financial Results for the six Months Ended September 30, 2017 (April 1, 2017 - September 30, 2017)

(1) Consolidated Results of Operations

(Millions of yen, except per share amounts)

| | Operating Revenues | | Operating Income | | Income Before Income Taxes and Equity in Net Income | | Net Income Attributable to | |
|--------------------|--------------------|------------------|------------------|------------------|---|-------------------------------|-------------------------------|-------------------------------|
| | NTT DOCOMO, INC. | | | | | | | |
| | Operating Revenues | Operating Income | Operating Income | Operating Income | Income (Losses) of Affiliates | Income (Losses) of Affiliates | Income (Losses) of Affiliates | Income (Losses) of Affiliates |
| Six months ended | | | | | | | | |
| September 30, 2017 | 2,300,131 | 0.5% | 548,776 | (6.3)% | 554,506 | (4.6)% | 373,911 | (7.8)% |
| Six months ended | | | | | | | | |
| September 30, 2016 | 2,288,344 | 3.3% | 585,597 | 26.6 % | 581,164 | 28.4 % | 405,407 | 27.8 % |

(Percentages above represent changes compared to the corresponding period of the previous year)

| | | | | |
|--------|--|--|---------------------|--------|
| (Note) | Comprehensive income attributable to NTT DOCOMO, INC.: | For the six months ended September 30, 2017: | 377,800 million yen | 2.3 % |
| | | For the six months ended September 30, 2016: | 369,362 million yen | 19.6 % |

Basic Earnings per Share **Diluted Earnings per Share**
Attributable to **Attributable to**

| | | |
|--|-------------------------|-------------------------|
| | NTT DOCOMO, INC. | NTT DOCOMO, INC. |
|--|-------------------------|-------------------------|

| | | |
|-------------------------------------|--------------|--|
| Six months ended September 30, 2017 | 100.93 (yen) | |
|-------------------------------------|--------------|--|

| | | |
|-------------------------------------|--------------|--|
| Six months ended September 30, 2016 | 108.32 (yen) | |
|-------------------------------------|--------------|--|

(2) Consolidated Financial Position

(Millions of yen, except per share amounts)

| | NTT DOCOMO, INC. | | | | | |
|--------------------|-------------------------|--------------------------------------|--|---------------|--------------------------------------|--|
| | Total Assets | Total Equity (Net Assets) | NTT DOCOMO, INC. Shareholders | Equity | Shareholders Equity Ratio | Shareholders Equity per Share |
| September 30, 2017 | 7,641,723 | 5,791,384 | 5,760,300 | | 75.4% | 1,554.91 (yen) |
| March 31, 2017 | 7,453,074 | 5,561,146 | 5,530,629 | | 74.2% | 1,492.91 (yen) |

2. Dividends

| | Cash Dividends per Share (yen) | | | | | Total |
|--|---------------------------------------|--------------------------------------|-------------------------------------|-----------------|--------|--------------|
| | End of the First Quarter | End of the Second Quarter | End of the Third Quarter | Year End | | |
| | Year ended March 31, 2017 | | 40.00 | | 40.00 | |
| Year ending March 31, 2018 | | 50.00 | | | | |
| Year ending March 31, 2018 (Forecasts) | | | | 50.00 | 100.00 | |

(Note) Revisions to the forecasts of dividends: None

3. Forecasts of Consolidated Financial Results for the Fiscal Year Ending March 31, 2018 (April 1, 2017 - March 31, 2018)

(Millions of yen, except per share amounts)

| | Operating Revenues | Operating Income | Income Before Income Taxes and Equity in Net Income (Losses) of Affiliates | Net Income Attributable to NTT DOCOMO, INC. | Basic Earnings per Share Attributable to NTT DOCOMO, INC. | | | | |
|----------------|---------------------------|-------------------------|---|--|--|------|---------|------|--------------|
| Year ending | | | | | | | | | |
| March 31, 2018 | 4,750,000 | 3.6% | 960,000 | 1.6% | 966,000 | 1.7% | 655,000 | 0.4% | 178.24 (yen) |

(Percentages above represent changes compared to the corresponding previous year)

(Note) Revisions to the forecasts of consolidated financial results: None

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* Notes:

| | | |
|---|--|----------------------|
| (1) Changes in significant subsidiaries: (Changes in significant subsidiaries for the six months ended September 30, 2017 which resulted in changes in scope of consolidation) | | None |
| (2) Application of simplified or exceptional accounting: | | None |
| (3) Changes in accounting policies | | |
| i. Changes due to revision of accounting standards and other regulations: | | Yes |
| ii. Others: (Refer to 2. (3) Changes in Accounting Policies on page 3) | | None |
| (4) Number of issued shares (common stock) | | |
| i. Number of issued shares (inclusive of treasury stock): | As of September 30, 2017: | 3,899,563,000 shares |
| | As of March 31, 2017: | 3,899,563,000 shares |
| ii. Number of treasury stock: | As of September 30, 2017: | 194,977,467 shares |
| | As of March 31, 2017: | 194,977,467 shares |
| iii. Number of weighted average common shares outstanding: | For the six months ended September 30, 2017: | 3,704,585,533 shares |
| | For the six months ended September 30, 2016: | 3,742,803,807 shares |

* This earnings release is not subject to the quarterly review by independent auditors.

* Explanation for forecasts of operations and other notes:

Forecast of results

This earning release 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 available as of the filing date of this document. Some of the projected numbers in this report were derived using certain assumptions that were indispensable for making such projections in addition to historical facts. These forward-looking statements are subject to various known and unknown risks, uncertainties and other factors that could cause our actual results to differ materially from those contained in or suggested by any forward-looking statement. With regard to various known and unknown risks, uncertainties and other factors, please see our latest Annual reports on Form 20-F submitted to the U.S. Securities and Exchange Commission.

(Resolution of share repurchase up to prescribed maximum limit)

The forecasts of Basic Earnings per Share Attributable to NTT DOCOMO, INC. for the fiscal year ending March 31, 2017 are based on the assumption that DOCOMO will repurchase up to 120,000,000 shares for an amount in total not to exceed ¥300,000 million, as resolved at the board of directors' meeting held on October 26, 2017.

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Earnings Release for the Six Months Ended September 30, 2017

1. Summary Information

Prospects for the Fiscal Year Ending March 31, 2018

None

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DOCOMO Earnings Release

Six Months Ended September 30, 2017

2. Summary Information (notes)

(1) Changes in Significant Subsidiaries

None

(2) Application of Simplified or Exceptional Accounting

None

(3) Change in Accounting Policies

Balance sheet classification of deferred taxes

On November 20, 2015, the Financial Accounting Standards Board issued Accounting Standards Update (ASU) 2015-17 Balance Sheet Classification of Deferred Taxes. Effective April 1, 2017, DOCOMO adopted prospectively ASU 2015-17 Balance Sheet Classification of Deferred Taxes. This ASU requires that all deferred tax liabilities and assets be classified as noncurrent on the consolidated balance sheet.

Table of Contents**DOCOMO Earnings Release****Six Months Ended September 30, 2017****3. Consolidated Financial Statements****(1) Consolidated Balance Sheets**

| | Millions of yen | |
|---|------------------|--------------------|
| | March 31, 2017 | September 30, 2017 |
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | ¥ 289,610 | ¥ 527,546 |
| Short-term investments | 301,070 | 310,757 |
| Accounts receivable | 239,137 | 191,012 |
| Receivables held for sale | 936,748 | 888,377 |
| Credit card receivables | 347,557 | 384,051 |
| Other receivables | 398,842 | 395,571 |
| Allowance for doubtful accounts | (19,517) | (20,157) |
| Inventories | 153,388 | 142,847 |
| Deferred tax assets | 81,025 | |
| Prepaid expenses and other current assets | 108,412 | 119,015 |
| Total current assets | 2,836,272 | 2,939,019 |
| Property, plant and equipment: | | |
| Wireless telecommunications equipment | 5,084,923 | 5,120,594 |
| Buildings and structures | 906,177 | 910,603 |
| Tools, furniture and fixtures | 441,513 | 449,560 |
| Land | 198,980 | 199,088 |
| Construction in progress | 204,413 | 224,720 |
| Accumulated depreciation and amortization | (4,295,111) | (4,343,703) |
| Total property, plant and equipment, net | 2,540,895 | 2,560,862 |
| Non-current investments and other assets: | | |
| Investments in affiliates | 373,758 | 382,549 |
| Marketable securities and other investments | 198,650 | 189,711 |
| Intangible assets, net | 608,776 | 597,307 |
| Goodwill | 230,971 | 231,637 |
| Other assets | 434,312 | 424,612 |
| Deferred tax assets | 229,440 | 316,026 |
| Total non-current investments and other assets | 2,075,907 | 2,141,842 |

| | | | | |
|--|---|------------------|---|------------------|
| Total assets | ¥ | 7,453,074 | ¥ | 7,641,723 |
| LIABILITIES AND EQUITY | | | | |
| Current liabilities: | | | | |
| Current portion of long-term debt | ¥ | 60,217 | ¥ | 170,100 |
| Short-term borrowings | | 1,623 | | 1,628 |
| Accounts payable, trade | | 853,538 | | 708,589 |
| Accrued payroll | | 59,187 | | 60,558 |
| Accrued income taxes | | 105,997 | | 172,551 |
| Other current liabilities | | 194,494 | | 225,343 |
| Total current liabilities | | 1,275,056 | | 1,338,769 |
| Long-term liabilities: | | | | |
| Long-term debt (exclusive of current portion) | | 160,040 | | 50,000 |
| Accrued liabilities for point programs | | 94,639 | | 86,879 |
| Liability for employees' retirement benefits | | 193,985 | | 198,500 |
| Other long-term liabilities | | 145,266 | | 152,952 |
| Total long-term liabilities | | 593,930 | | 488,331 |
| Total liabilities | | 1,868,986 | | 1,827,100 |
| Redeemable noncontrolling interests | | 22,942 | | 23,239 |
| Equity: | | | | |
| NTT DOCOMO, INC. shareholders' equity | | | | |
| Common stock | | 949,680 | | 949,680 |
| Additional paid-in capital | | 326,621 | | 326,595 |
| Retained earnings | | 4,656,139 | | 4,881,867 |
| Accumulated other comprehensive income (loss) | | 24,631 | | 28,600 |
| Treasury stock | | (426,442) | | (426,442) |
| Total NTT DOCOMO, INC. shareholders' equity | | 5,530,629 | | 5,760,300 |
| Noncontrolling interests | | 30,517 | | 31,084 |
| Total equity | | 5,561,146 | | 5,791,384 |
| Total liabilities and equity | ¥ | 7,453,074 | ¥ | 7,641,723 |

Table of Contents**DOCOMO Earnings Release****Six Months Ended September 30, 2017****(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income****Consolidated Statements of Income**

| | Millions of yen | |
|---|--|--|
| | Six Months Ended September 30, 2016 | Six Months Ended September 30, 2017 |
| Operating revenues: | | |
| Telecommunications services | ¥ 1,474,493 | ¥ 1,568,774 |
| Equipment sales | 380,108 | 303,520 |
| Other operating revenues | 433,743 | 427,837 |
| Total operating revenues | 2,288,344 | 2,300,131 |
| Operating expenses: | | |
| Cost of services (exclusive of items shown separately below) | 632,236 | 656,431 |
| Cost of equipment sold (exclusive of items shown separately below) | 364,123 | 336,420 |
| Depreciation and amortization | 220,538 | 240,023 |
| Selling, general and administrative | 485,850 | 518,481 |
| Total operating expenses | 1,702,747 | 1,751,355 |
| Operating income | 585,597 | 548,776 |
| Other income (expense): | | |
| Interest expense | (357) | (135) |
| Interest income | 291 | 270 |
| Other, net | (4,367) | 5,595 |
| Total other income (expense) | (4,433) | 5,730 |
| Income before income taxes and equity in net income (losses) of affiliates | 581,164 | 554,506 |
| Income taxes: | | |
| Current | 129,670 | 182,774 |
| Deferred | 49,025 | (9,368) |
| Total income taxes | 178,695 | 173,406 |

| | | |
|---|-----------|------------------|
| Income before equity in net income (losses) of affiliates | 402,469 | 381,100 |
| Equity in net income (losses) of affiliates (including impairment charges of investments in affiliates) | 3,340 | (6,019) |
| Net income | 405,809 | 375,081 |
| Less: Net (income) loss attributable to noncontrolling interests | (402) | (1,170) |
| Net income attributable to NTT DOCOMO, INC. | ¥ 405,407 | ¥ 373,911 |

Per share data

| | | | |
|---|-------------------|---------------|----------------------|
| Weighted average common shares outstanding | Basic and Diluted | 3,742,803,807 | 3,704,585,533 |
| Basic and Diluted earnings per share attributable to NTT DOCOMO, INC. | | ¥ 108.32 | ¥ 100.93 |

Consolidated Statements of Comprehensive Income

| | Millions of yen | |
|---|--------------------------|--------------------------|
| | Six Months | Six Months |
| | Ended September 30, 2016 | Ended September 30, 2017 |
| Net income | ¥ 405,809 | ¥ 375,081 |
| Other comprehensive income (loss): | | |
| Unrealized holding gains (losses) on available-for-sale securities, net of applicable taxes | (5,316) | 561 |
| Unrealized gains (losses) on cash flow hedges, net of applicable taxes | (58) | (25) |
| Foreign currency translation adjustment, net of applicable taxes | (31,736) | 2,958 |
| Pension liability adjustment, net of applicable taxes | 640 | 599 |
| Total other comprehensive income (loss) | (36,470) | 4,093 |
| Comprehensive income | 369,339 | 379,174 |
| Less: Comprehensive (income) loss attributable to noncontrolling interests | 23 | (1,294) |
| Comprehensive income attributable to NTT DOCOMO, INC. | ¥ 369,362 | ¥ 377,880 |

Table of Contents**DOCOMO Earnings Release****Six Months Ended September 30, 2017****(3) Notes to Consolidated Financial Statements****i. Note to Going Concern Assumption**

There is no corresponding item.

ii. Significant Changes in NTT DOCOMO, INC. Shareholders' Equity

None

iii. Segment Information

DOCOMO's chief operating decision maker (the CODM) is its Board of Directors. The CODM evaluates the performance and makes resource allocations of its segments based on the information provided by DOCOMO's internal management reports.

DOCOMO has three operating segments, which consist of telecommunications business, smart life business and other businesses.

The telecommunications business includes mobile phone services (LTE(Xi) services and FOMA services), optical-fiber broadband service, satellite mobile communications services, international services and the equipment sales related to these services. The smart life business includes video and music distribution, electronic books and other services offered through DOCOMO's dmarket portal, as well as finance/payment services, shopping services and various other services to support our customers' daily lives. The other businesses primarily includes Mobile Device Protection Service, as well as development, sales and maintenance of IT systems.

Accounting policies used to determine segment operating revenues and operating income (loss) are consistent with those used to prepare the consolidated financial statements in accordance with U.S. GAAP.

Segment operating revenues:

| | Millions of yen | |
|------------------------------|--|--|
| | Six months ended September 30, 2016 | Six months ended September 30, 2017 |
| Telecommunications business- | | |
| External customers | ¥ 1,856,239 | ¥ 1,870,119 |
| Intersegment | 384 | 657 |
| Subtotal | 1,856,623 | 1,870,776 |
| Smart life business- | | |

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| | | |
|--------------------|-------------|--------------------|
| External customers | 243,488 | 221,605 |
| Intersegment | 6,880 | 8,592 |
| Subtotal | 250,368 | 230,197 |
| Other businesses- | | |
| External customers | 188,617 | 208,407 |
| Intersegment | 4,788 | 6,770 |
| Subtotal | 193,405 | 215,177 |
| Segment total | 2,300,396 | 2,316,150 |
| Elimination | (12,052) | (16,019) |
| Consolidated | ¥ 2,288,344 | ¥ 2,300,131 |

Table of Contents**DOCOMO Earnings Release****Six Months Ended September 30, 2017****Segment operating income (loss):**

| | Millions of yen | |
|-----------------------------|--|---|
| | Six months ended September 30, 2016 | Six months ended September 30, 2017 |
| Telecommunications business | ¥ 524,737 | ¥ 474,384 |
| Smart life business | 36,975 | 33,491 |
| Other businesses | 23,885 | 40,901 |
| Consolidated | ¥ 585,597 | 548,776 |

Segment operating income (loss) is segment operating revenues less segment operating expenses.

DOCOMO does not disclose geographical information because the amounts of operating revenues generated outside Japan are immaterial.

iv. Subsequent Event**Resolution of share repurchase up to prescribed maximum limit**

On October 26, 2017, the Board of Directors resolved that NTT DOCOMO, INC. may repurchase up to 120 million outstanding shares of its common stock for an amount in total not exceeding ¥ 300,000 million during the period from October 27, 2017 through March 31, 2018.

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