

Introduction

DOCOMO is always at the forefront of the times, in tune with the mobile phone market and with our customers. The progress of the mobile phone and the building of DOCOMO's unique strengths and solid business base are one and the same story. DOCOMO's progress has been a process of finding opportunities for growth by reading the changes in the market, and using them as the means to leverage the assets we have cultivated. This section explains the businesses that DOCOMO is focused on, and how we will develop in the years ahead.

DOCOMO and the Mobile Phone Market

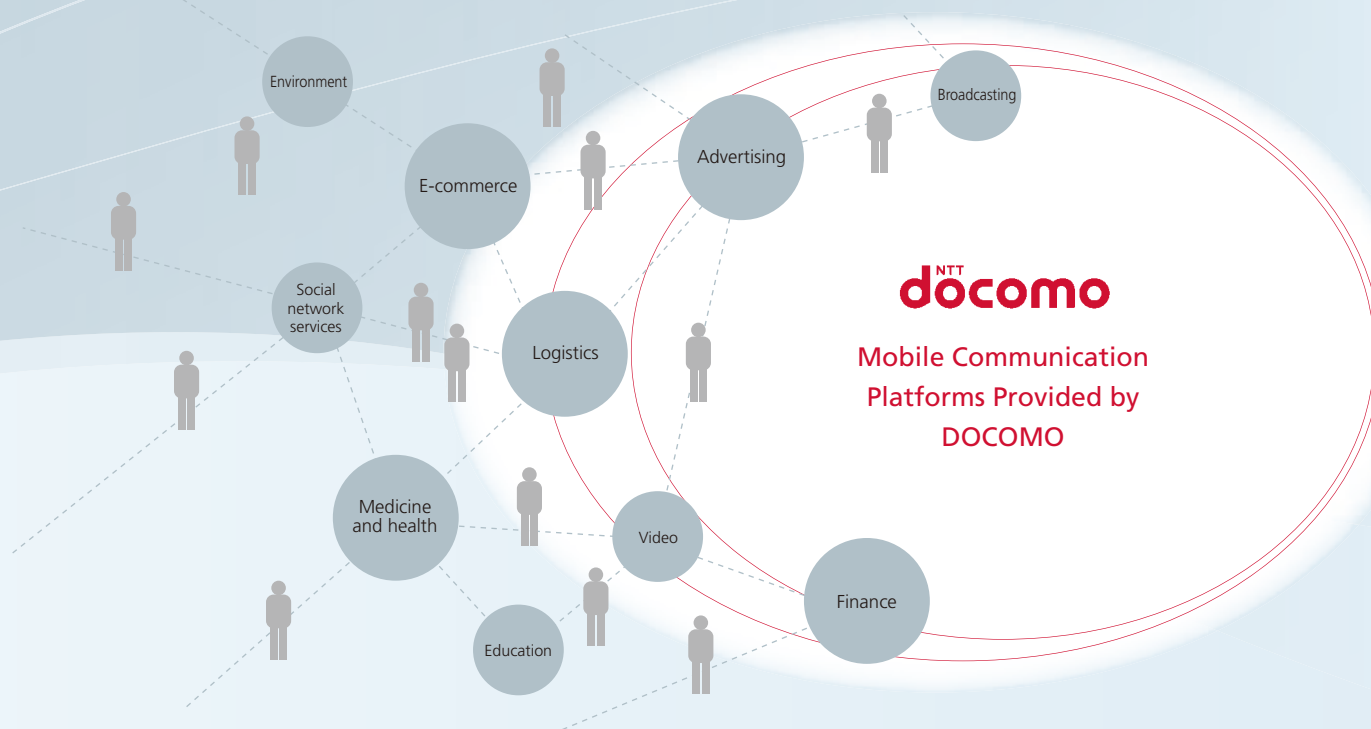
The mobile phone started with an idea—being able to converse with people anytime, anywhere. DOCOMO's pursuit of the potential of the mobile phone has driven Japan's mobile phone market. In the 30 or so years since mobile phone services were launched in Japan, people's lifestyles have undergone dramatic changes, becoming more convenient and comfortable in step with the times. How should mobile phones evolve to fit more closely with the lifestyles of our customers? DOCOMO has been actively proposing lifestyles enhanced by mobile phones, focusing on their ability to connect users with others, and their characteristic of being a personalized item carried by each individual. Through a continued determination to meet challenges head-on, DOCOMO has realized a level of mobile phone utility that society had once only dreamed of, providing services and information tailored to individual customers including *i-mode*, giving customers access to email and the internet, *Osai-fu-Keitai*, with a function for making payments using a mobile phone handset, and enabling customers to transmit video or watch TV. Drawing forth the full potential of the mobile phone to create new high-value-added services—this is the unchanging axis of DOCOMO's business.

Current Strength to Further Strength

DOCOMO's Strengths

DOCOMO continues to move at the head of the times and take on new challenges. What gives us the power to do this? As a company that supports the abundant lifestyles of its customers that are enabled by mobile phones, we believe it is important to have a business perspective that looks beyond the mobile phone business. We are promoting a business model that includes handset manufacturers, content providers, and other peripheral business fields, all connected to the central pillar of DOCOMO. By advancing this model, we have established a sort of business eco-system in an environment that encourages participation from a variety of players. This has allowed DOCOMO to propose diversified services. The model has also enabled us to build mobile communication platforms such as *i-mode*, thereby leading the world in creating a revenue platform in the field of data communications.

DOCOMO is currently working hard to fuse mobile phones with a host of lifestyle tools, taking this business model as the base. The mobile phone is also realizing its potential for expanded application as a platform for credit, e-commerce and logistics services, and is soon to fulfill a role in the field of healthcare as a means of providing social support services. To make the mobile-connected society even more abundant and secure, we will continue to grow our business hand-in-hand with society, as a core industry in cooperation with other industries and business fields. The ability to nurture this kind of new business eco-system is an unchanging strength of DOCOMO.



DOCOMO continues to look to the future and engage in new challenges. Our resultant growth is made possible by our solid foundation as a mobile network operator with a strong customer base.

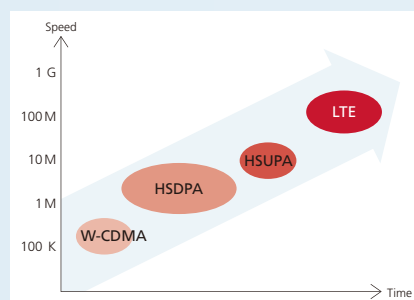
Extensive Customer Base

DOCOMO has approximately 56 million subscriptions, equivalent to around half of Japan's population. Individual customers differ by generation, tastes, and lifestyle. What do these differing people desire from us? We have built up this extensive customer base by working to answer this question, not just once, but every day. We also believe that providing a full range of services encourages customers to use more of the services, contributing to our growth as a company. That is why we have made the difficult task of "improving customer satisfaction" one of our business strategies—to ensure that we respect the customer's perspective as we step up the pace of challenge and change.

Ratio of DOCOMO Users to Population of Japan



Stepwise Evolution of Wireless Network



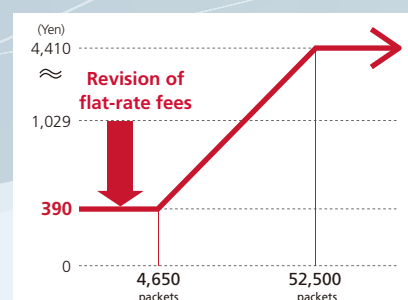
High Quality Network

Although mobile phones now offer diverse uses, voice and data communications are still the core functions of mobile phones. Since we started 19 years ago, our business has been based on providing customers with high-quality networks. Each era has brought its own challenges, and we have tackled each in turn. Our initial challenge was to expand our coverage area as much as possible, and realize seamless voice communication without cut-offs. Then, going into the age of data communication in recent years, we worked to maximize data communication speeds (throughput). The past few years have seen a sharp rise in the use of data communication. We remain committed to providing DOCOMO's signature quality to customers, allowing them to enjoy the smooth and comfortable use of our services.

Worry-Free Billing Plans

To expand the areas of life where mobile phones can play an active role, it is important to meet customers' expectations with reasonable fee structures to complement the various services and enriched content that we offer. DOCOMO has responded to the rising use of data communication by introducing flat-rate services that free users from worrying about data communication fees. In 2008, we introduced a two-tier packet flat-rate service, *Pake-hodai double*, to suit the needs of customers who use data communication services infrequently, or whose usage varies from month to month. Currently over half of our customers are using the packet flat-rate services. We will continue our efforts to make it easier for customers to use our services with worry-free billing plans.

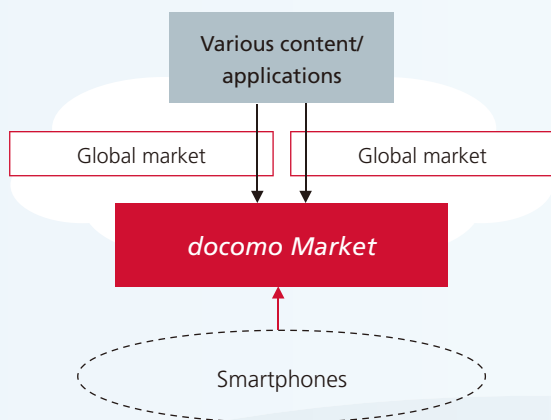
Revised *Pake-hodai double*



Markets in and outside of Japan are experiencing powerful changes. DOCOMO welcomes these changes as opportunities to leverage its strengths to achieve new growth.

Our Next Phase of Growth

Application Distribution Platform for Open OS Devices



Global Shift to Mobile Content Business

The mobile content business has been developing on a global scale, straddling various industries and seeing the ongoing participation of players from other fields who are not mobile network operators. These trends are expanding the market for mobile data communication outside of Japan. The interesting point here is that this business, like the business that DOCOMO has been promoting up until now, is one that forms a single great eco-system by encouraging participation from a multitude of players, thereby creating a business model for growth. We see these trends as a chance for DOCOMO to leverage the know-how it has cultivated in Japan to develop this business globally.

Opportunities in Japan to Leverage DOCOMO's Business Base

In Japan meanwhile, the mobile phone market has matured in terms of scale with the penetration rate currently at around 90%. We believe that this is exactly the time when demand for quality will present DOCOMO with opportunities for further growth. By leveraging our solid business base to offer fuller services, more reliable quality, and greater refinement in billing plans, we aspire to remain in competition. We also believe that with almost everyone now carrying a mobile phone, the time is now ripe for us to create new high-value-added services that are only possible with DOCOMO, such as social support services including health management support, converged services that work in tandem with various lifestyle tools such as information appliances, and personalized services.

