

A full-page photograph of a middle-aged man with dark hair, smiling, standing in a modern office hallway. He is wearing a dark blue pinstripe suit, a white shirt, and a red tie. His hands are clasped in front of him. The hallway has large windows on the left and a carpeted floor with a geometric pattern. The text "Leveraging Our Strength for Growth" is overlaid in red.

Leveraging Our Strength for Growth

To Our Shareholders

In October 2008, DOCOMO announced its medium-term vision "Change and Challenge," along with measures to achieve its goals of obtaining the "No.1 ranking in customer satisfaction in fiscal 2010" and reaching an "operating income of more than ¥900 billion in fiscal 2012." We designated fiscal 2009 as "a year for loading the pipeline," for concentrating on launching and sowing the seeds of new businesses in order to generate new sources of revenue outside the mobile phone business. As a result of the concerted efforts of our employees to improve customer satisfaction, we achieved the top net annual subscriber increase in fiscal 2009 and other advances, making fiscal 2009 a definitive step forward toward realizing our medium-term vision.

DOCOMO recorded a decline in revenues with an increase in earnings for the third consecutive year in fiscal 2009. This is actually in line with our initial expectations for our new business model implemented in fiscal 2008. We anticipated declining income from voice revenues offset by our efforts to reduce network-related costs and other costs. Revenue is forecast to decline again in fiscal 2010 due to the continued effects of this new business model, but we anticipate a much narrower decline than in fiscal 2009 thanks to efforts to improve packet ARPU, among other measures. We also plan to secure higher earnings again by continuing to implement measures to enhance cost efficiency. Over the medium term, we are determined to return to a trend of increasing revenues and earnings by working to further improve packet ARPU and generate new revenue sources.

We will continue striving to increase our corporate value, and to make steady progress toward sustainable growth. The return of profits to shareholders has long been a priority issue for management, and we will maintain a progressive stance toward the matter, weighing it against the operating income target presented in our medium-term vision. Regarding dividends in particular, we will strive to pay a stable dividend, while maintaining one of the leading payout ratios in Japan.

I would like to express my sincere appreciation for your continued support.



Ryuji Yamada
President and Chief Executive Officer