

President's Interview

The business foundation that we have built together with our customers is a strength that we will use to grow as a company that continues to inspire confidence as we seek to bring our Medium-Term Vision 2015 announced in November 2011 to fruition.



1 ON MY APPOINTMENT AS PRESIDENT AND CEO

“ Driven by a spirit of “speed and challenge,” the DOCOMO Group is coordinating its efforts in a determined push to make a “smart life” a reality for every customer. ”

The explosive popularity of smartphones today marks a major turning point in the market, and competition remains fierce. As the uptake of mobile phones approaches its limits, the pressure is on to deliver appealing products and services in a timely manner, all in an environment that is more open than ever. Motivated by a spirit of “speed and challenge,” DOCOMO is committed to leading the market. Above all else, we will move with speed in the fast-changing mobile world and stand ever ready to passionately take on new challenges.

Having worked on mobile communications and mobile phone development and popularization since the market's inception, I have seen people become more connected and their lives and society change dramatically as a result of advancements in mobile communications. Through this experience, I strongly feel that “Mission” and “Aspiration” are words that define DOCOMO as a company. Our mission, as a vital social infrastructure, is to ensure the communications that connect people. By “aspiration,” I refer to the dream shared by our customers, myself and every DOCOMO Group employee—to bring greater convenience and fulfillment to everyday life through the mobile phones and smartphones we hold in the palms of our hands.

As we celebrate our 20th anniversary, the entire DOCOMO Group is staunchly committed to fulfilling its mission and making this shared aspiration a reality. By continuing steadily to provide attractive and easy-to-use mobile devices and services, and to develop a more reliable network infrastructure, we aim to achieve our Medium-Term Vision 2015, along with new growth and greater levels of customer satisfaction.

Also, we will work anew to fulfill our mission of delivering true safety and security to customers, taking to heart lessons learned from the Great East Japan Earthquake last year and the series of service interruptions that greatly inconvenienced our customers. As a company responsible for vital social infrastructure, we will follow through on our commitments so that we will remain a loved and trusted company for years to come.



2 DOCOMO'S BUSINESS ENVIRONMENT AND FISCAL 2011 INITIATIVES

“ We achieved increases in both revenues and income for the first time in eight fiscal years by aggressively expanding smartphone usage and developing our LTE service *Xi*. ”

Competition remains fierce in the mobile communications market as it approaches maturation due to increased population coverage. However, smartphone market growth is expanding possibilities for delivering new value to customers.

In fiscal 2011, DOCOMO strove to increase smartphone uptake and developed the LTE service *Xi*.

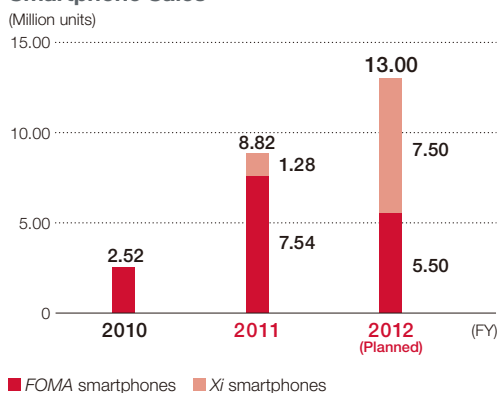
With an eye to greater smartphone penetration, we introduced new smartphone services like the *dmenu* portal site, the *dmarket* content market, and the *Shabette-Concier* application enabling control of mobile phone functions with voice commands, as well as enhanced our handset lineup and billing plan. Our efforts grew smartphone sales to 8.82 million in fiscal 2011, up 3.5 times on a year-on-year basis.

As for *Xi* service development, we began providing voice services in addition to data communications, expanded the service area, enriched the *Xi*-compatible device lineup, and offered new user-friendly billing plans. We succeeded in selling 2.3 million *Xi*-compatible mobile devices in fiscal 2011, up 87.9 times on a year-on-year basis.

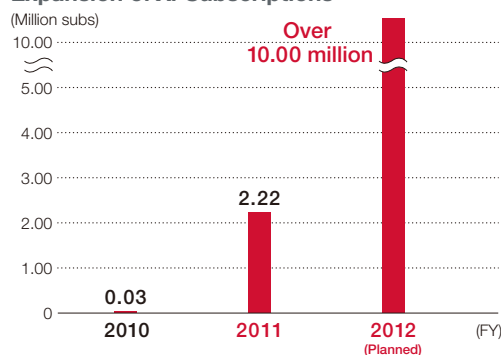
In addition, as part of initiatives to become an Integrated Service Company, we rolled out *NOTTV*, a broadcasting station for smartphones, began providing prepaid data billing plans for portable game consoles, forged a business alliance with OMRON HEALTHCARE Co., Ltd. in the medical and healthcare business, and entered into a tie-up with Radishbo-ya Co., Ltd. in the commerce business.

Our endeavors delivered results. Operating revenues edged up 0.4% year on year to ¥4.24 trillion, and operating income rose 3.5% year on year to ¥874.5 billion. For the first time in eight fiscal years, we grew both operating revenues and operating income.

Smartphone Sales



Expansion of *Xi* Subscriptions



3 RESTORATION OF NETWORK INFRASTRUCTURE DAMAGED BY THE GREAT EAST JAPAN EARTHQUAKE, NEW DISASTER PREPAREDNESS MEASURES AND PREVENTIVE MEASURES FOR SERVICE INTERRUPTIONS

“ We worked steadily to repair communications equipment, implemented new disaster preparedness measures, and strove to improve our network infrastructure. ”

During the Great East Japan Earthquake, in addition to direct damage in the form of destroyed and submerged communications equipment, transmission links were severed and emergency backup power was depleted as power outages dragged on. The damage was unprecedented. Immediately after the earthquake and tsunami, we established a Disaster Countermeasures Office and worked to restore damaged communications equipment as quickly as possible. We finished emergency fixes by the end of April 2011 and full-scale restoration by the end of September 2011.

We applied the lessons from the earthquake and tsunami to establish new disaster preparedness measures in April 2011. The measures aim to 1) secure communications in important areas, 2) ensure swift response to disaster-stricken areas, and 3) offer our customers greater convenience in times of disaster. We had implemented most of the new steps as of the end of February 2012. We will continue to strive to build a highly-reliable, disaster-resistant network.

Regrettably, there was also a series of service interruptions in fiscal 2011 that greatly inconvenienced our customers. The disturbances were primarily due to a surge in communications traffic from smartphone growth that triggered malfunctions of communication equipment used for the *sp-mode* system, which provides smartphone ISP service, and packet switching. We rapidly responded to this serious situation, establishing the Task Force for Improvement of Network Infrastructure and launching a company-wide investigation to uncover the causes and implement measures to prevent recurrence. We had key countermeasures in effect by March 2012, and we have verified our networks' stability. Moving ahead, we will keep working to bring our network infrastructure to a level where it can accommodate 50 million smartphones, envisioning even more reliable mobile communications equipment.

New Disaster Preparedness Measures

Securing communication in key areas	(1) Construction of base stations using a large-zone scheme
	(2) Uninterruptible power supply, 24-hour battery supply
Swift response to disaster-stricken areas	(3) Increase of satellite mobile phones
	(4) Increase of satellite entrance circuits
	(5) Deployment of emergency microwave entrance facilities
Offer our customers greater convenience in times of disaster	(6) Disaster voice messaging service
	(7) Improvement of Restoration Area Maps
	(8) Support of voice guidance in the Disaster Message Board
	(9) Further utilization of Area Mail
	(10) Further utilization of ICT through convergence with SNS, etc.

page 36

Please refer to page 36 for more details about restoration efforts following the Great East Japan Earthquake and new disaster preparedness measures.

4 MEDIUM-TERM ACTION PLAN “CHANGE AND CHALLENGE” PROGRESS AND FISCAL 2012 EARNINGS OUTLOOK

“ We aim to achieve the “Change and Challenge” operating income target of ¥900 billion and a second consecutive year of both operating revenue and operating income growth. ”

We have been carrying out our medium-term action plan “DOCOMO’s Change and Challenge to Achieve New Growth” (hereinafter “Change and Challenge”) since fiscal 2008. Under this plan, we pressed ahead with various measures to further increase customer satisfaction, earning a No. 1 ranking in customer satisfaction in the 2010–2011 Japan Mobile Telephone Service Satisfaction Study conducted by J.D. Power Asia Pacific for the second straight year.

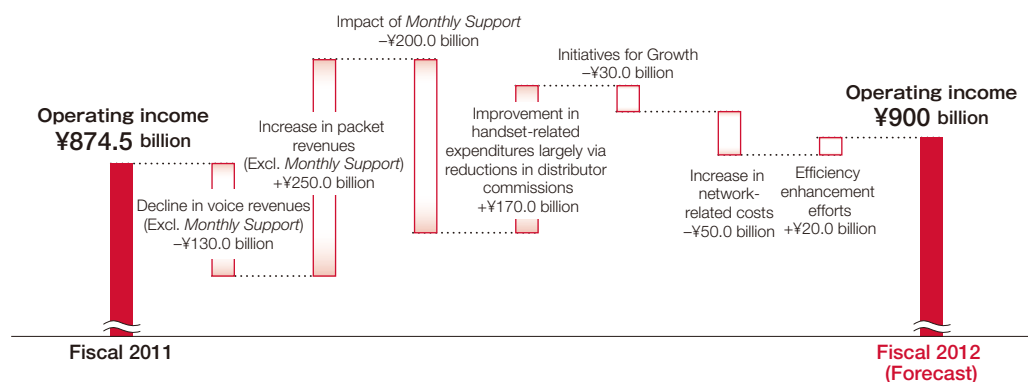
In fiscal 2012, we will continue to strive to elevate customer satisfaction. We will also work to achieve an operating income of ¥900 billion, as the final year target for “Change and Challenge” and the fruit of our efforts over the past five years. Further, we will strive to grow both operating revenues and operating income for the second year in a row. We aim to make it a year that puts DOCOMO on a growth trajectory.

To achieve this end, we will harness our comprehensive strengths in handsets, networks, services, and billing plans to make smartphones more widespread and expand migration to *Xi* service. Specifically, we plan to grow smartphone sales by 47% year on year to 13 million units. Accordingly, we expect to increase fiscal 2012 operating revenues by ¥210 billion year on year to ¥4.45 trillion, primarily through growth in packet revenues and equipment sales revenues.

Although we will push forward with realizing greater cost efficiency, operating expenses are projected to be ¥3,550.0 billion, up ¥184.5 billion from the previous fiscal year. This increase will largely reflect growth in expenses for creating more sophisticated network infrastructure and for future revenue expansion. Another likely contributor will be a higher cost of equipment sold, tracking growth in sales volume.

As a result, we expect to grow operating income by ¥25.5 billion year on year to ¥900 billion.

Fiscal 2012 Performance Forecast Highlights



5 OVERVIEW OF MEDIUM-TERM VISION 2015 AND FISCAL 2012 ACTIONS

“ We will evolve into an “Integrated Service Company with mobile services at its core” to achieve our Corporate Vision for 2020. ”

In November 2011, DOCOMO formulated the new “Medium-Term Vision 2015—Shaping a Smart Life,” (hereinafter “Medium-Term Vision 2015”) aimed at evolving into an Integrated Service Company with mobile services at its core, and clarifying its medium-term strategy.

We created “Medium-Term Vision 2015” to accelerate “Change and Challenge” so that we can realize our Corporate Vision for 2020 “Pursuing Smart Innovation: HEART.” From this time forward, we will shore up measures to achieve “Medium-Term Vision 2015.”

By accelerating efforts in mobile service innovation and the convergence of industries and services with “DOCOMO clouds,” we will aim to offer enhanced safety and security and deliver more convenient and efficient solutions to everyday life and business. Our goal here is to help people enjoy fulfilling, smart lives.

In fiscal 2012, we will work toward realizing our medium-term vision for 2015 by focusing on the four objectives below as we carry out operations.

1. Grow net additions by promoting smartphones and Xi

We will leverage DOCOMO’s comprehensive strengths to improve Mobile Number Portability and grow net additions.

2. Provide cloud-based services

We will provide value-added services by utilizing DOCOMO’s cloud technologies enabling sophisticated information processing.

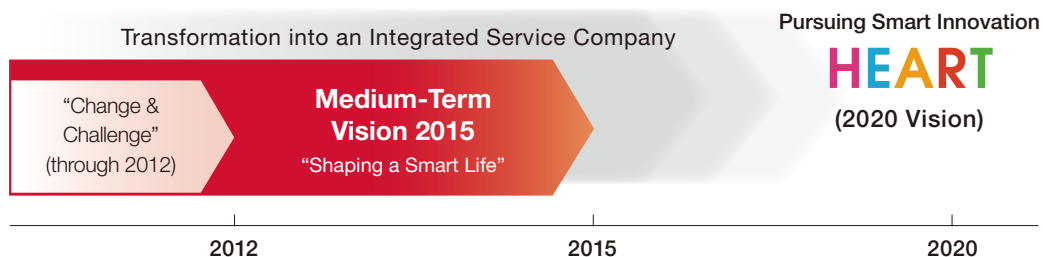
3. Evolve into an Integrated Service Company with mobile services at its core

We will work to deliver innovations through the convergence of mobile with various industries and services.

4. Improve customer satisfaction and ensure safety and security

We will aim to remain No. 1 in customer satisfaction and build high-quality, safe, secure networks.

Positioning of “Medium-Term Vision 2015”



page 21

Please refer to the “Medium-Term Vision 2015—Shaping a Smart Life” feature on page 21 for more details.



6 POLICY ON PROFIT ALLOCATION TO SHAREHOLDERS

“ We will take a flexible, nimble approach to shareholder returns, taking into account our financial standing and our shareholders' expectations. ”

DOCOMO regards returning profits to shareholders as a management priority. In fiscal 2011, we increased the annual dividend by ¥400 from the previous fiscal year to ¥5,600 per share. We plan to raise the annual dividend by ¥400 to ¥6,000 per share in fiscal 2012, making a dividend payout ratio of 44.7%.

Going forward, we will keep working to maintain a stable dividend and one of the highest dividend payout ratios in Japan, while endeavoring to bolster our financial position and secure internal reserves.

Regarding the acquisition of treasury stock, we will continue to utilize the measures in place providing the Board of Directors with the flexibility to execute such acquisitions of treasury stock as they see fit. Along with continuing our commitment to a stable dividend, we intend to prioritize funds on hand for investment in growth fields, working to ensure adequate returns to shareholders.

Cash Dividends per Share

(Yen/Share)

