

Review of Operations

Performance Overview

Operating Revenues

Voice revenues in fiscal 2011 fell ¥170.3 billion, or 9.9%, year on year to ¥1,541.9 billion due to the greater uptake of the *Value Plan*. Packet communications revenues rose ¥148.9 billion, or 8.8%, year on year to ¥1,843.9 billion due to strong smartphone sales and *Xi* services development. Cellular services revenues therefore fell ¥21.4 billion, or 0.6%, year on year to ¥3,385.7 billion. Other revenues rose ¥15.7 billion, or 4.6%, year on year to ¥355.4 billion, partly due to an increase in *Mobile Phone Protection & Delivery*

Service subscriptions. As a result, wireless service revenues fell just ¥5.8 billion, or 0.2%, year on year to ¥3,741.1 billion.

Equipment sales revenues rose ¥21.5 billion, or 4.5%, year on year to ¥498.9 billion, due mainly to an increase in the number of handsets sold to agent resellers.

As a result, operating revenues in fiscal 2011 rose ¥15.7 billion, or 0.4%, year on year to ¥4,240.0 billion.

Operating Revenues

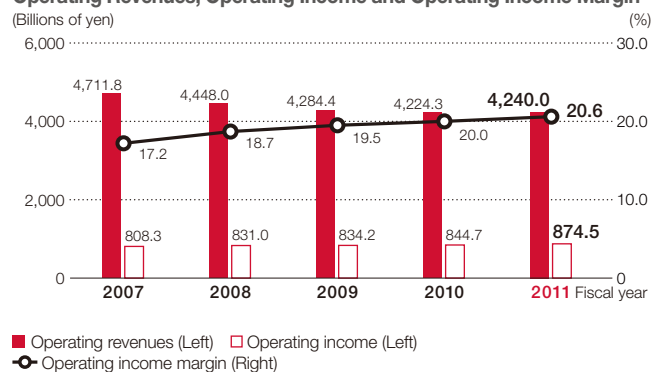
Fiscal year	(Billions of yen)		
	2010	2011	Increase (Decrease)
Wireless services	3,746.9	3,741.1	(0.2)%
Cellular services revenues	3,407.1	3,385.7	(0.6)%
Voice revenues	1,712.2	1,541.9	(9.9)%
Packet communications revenues	1,694.9	1,843.9	8.8 %
Other revenues	339.7	355.4	4.6 %
Equipment sales	477.4	498.9	4.5 %
Total operating revenues	4,224.3	4,240.0	0.4 %

Operating Expenses and Operating Income

Non-personnel expenses increased ¥40.0 billion, or 1.9%, year on year to ¥2,117.6 billion. In contrast, communication network charges were sharply lower, declining ¥50.1 billion, or 19.2%, year on year to ¥211.2 billion. Depreciation and amortization declined ¥8.3 billion, or 1.2%, to ¥684.8 billion due to more effective capital expenditure. As a result, operating expenses fell ¥14.0 billion, or 0.4%, year on year to ¥3,365.5 billion.

Operating income therefore rose ¥29.7 billion, or 3.5%, to ¥874.5 billion. Income before income taxes was ¥877.0 billion and net income attributable to NTT DOCOMO, INC. after income taxes was ¥463.9 billion, down ¥26.6 billion, or 5.4%, from the previous fiscal year.

Operating Revenues, Operating Income and Operating Income Margin



Operating Expenses

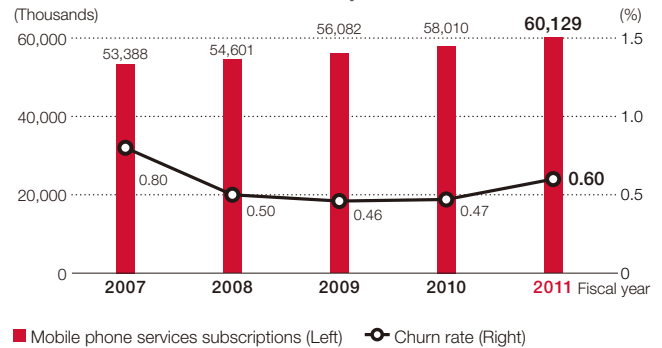
Fiscal year	(Billions of yen)		
	2010	2011	Increase (Decrease)
Personnel expenses	264.6	272.9	3.1 %
Non-personnel expenses	2,077.6	2,117.6	1.9 %
Depreciation and amortization	693.1	684.8	(1.2)%
Loss on disposal of property, plant and equipment and intangible assets	44.3	40.3	(9.1)%
Communication network charges	261.3	211.2	(19.2)%
Taxes and public dues	38.7	38.8	0.3 %
Total operating expenses	3,379.5	3,365.5	(0.4)%

Subscriptions

Mobile phone services subscriptions were strong at the end of March 2012. Credit goes primarily to growth in smartphone penetration and stimulation of demand for a second device—mainly *Xi*-compatible data communication devices and tablets. Greater use of the *Otayori Photo Service*, prepaid data-only billing plans for portable gaming consoles, and other services also provided a boost. Subscriptions rose 2.12 million, or 3.7%, year on year to 60.13 million. Of this, 2.22 million subscriptions were for *Xi* service and 57.9 million for *FOMA* service.

In addition, the churn rate in fiscal 2011 was 0.60%, up 0.13 points year on year due to impacts from Mobile Number Portability and compulsory cancellations stemming from the termination of *moVa* services on March 31, 2012.

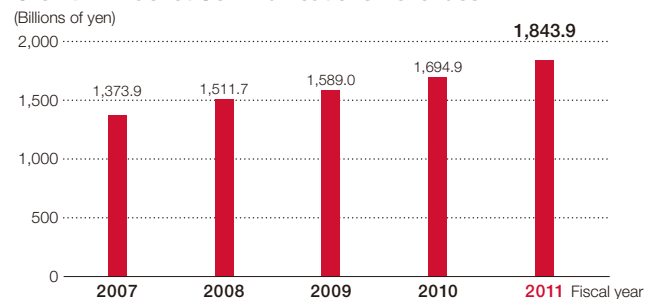
Mobile Phone Services Subscriptions and Churn Rate



Packet Communications Revenues

Packet communications revenues are steadily expanding. The explosive uptake of smartphones is fueling a rise in packet ARPU and net additions, mainly for *Xi* compatible data communications devices and tablets. As a result, packet communications revenues grew ¥148.9 billion year on year, or 8.8%, to ¥1,843.9 billion.

Growth in Packet Communications Revenues



At a Glance

CORE BUSINESS: “EVOLUTION OF MOBILE SERVICES”

Services

page 32

In November 2011, we launched the *dmenu* portal and *dmarket* content market for smartphones. As of the end of March 2012 *dmenu* had around 900 content providers offering roughly 4,600 sites. Further, subscriptions to *dmarket*'s VIDEO store surpassed 1 million just five months after its launch. We also made available for smartphones the popular *i-mode* services like *i-channel*, *i-concier*, as well as the *Area Mail* service offering simultaneous distribution of emergency disaster information. Moreover, we introduced the *docomo Anshin Scan* smartphone antivirus service.

Handsets

page 32

So that each customer can select the best handset for their lifestyle, we are developing our smartphone lineup through the *docomo with series* and the *docomo NEXT series*, starting with 2011–2012 Winter-Spring models. In addition, we worked to enhance our lineup of *Xi*-compatible devices, adding new smartphones and tablets to our existing data-communications device offerings.

Billing Plans

page 33

We offered billing plans suited to a wide variety of usage patterns to promote *Xi* service uptake. In November 2011, we rolled out the *Xi Talk 24* voice plan offering domestic calls to DOCOMO subscribers around the clock for a flat rate. We also offered packet flat-rate services for *Xi*-compatible smartphones—*Xi Pake-hodai Flat* and *Xi Pake-hodai Double*. Further, we enhanced our billing plans to stimulate demand for a second device, such as encouraging customers with a smartphone to buy a tablet.

Networks

page 34

We took various steps to provide customers with a stable telecommunications environment. We expanded the *Xi* service area to all of Japan's 47 prefectures, with a focus mainly on prefectural capital cities, by the end of January 2012, and achieved general population coverage of 30% and 100% population coverage in all ordinance-designated cities across Japan as of March 2012. We worked on several fronts to address problems stemming from traffic growth. We promoted migration from *FOMA* services to *Xi* services with higher frequency usage efficiency, while controlling transmission speeds (dynamic control) for especially heavy users of data communications and utilizing “*docomo Wi-Fi*” public wireless LAN services to offload data. Aside from this, we implemented measures in response to the series of service interruptions that arose in fiscal 2011.

Great East Japan Earthquake Restoration and New Disaster Preparedness Measures

page 36

DOCOMO established a Disaster Countermeasures Office at its Head Office and at the Tohoku Regional Office right after the Great East Japan Earthquake, and quickly took steps to restore damaged communications equipment. In addition to restoration activities, we proactively worked toward recovery of the affected areas, including by establishing the *docomo Disaster Relief Charity Website*. Further, we formulated *new disaster preparedness measures* by April 2011, putting to use the lessons learned from our restoration activities.

NEW BUSINESS: “CONVERGENCE OF INDUSTRIES AND SERVICES”

Media/Content Business

page 38

Japan's first broadcasting station for smartphones, *NOTTV*, came on the air in April 2012. *NOTTV* offers both real-time and storage-type broadcasting services. Going forward, we will work to increase service uptake by developing robust programming and content that will excite viewers, quickly expanding the broadcast area, and bringing *NOTTV*-enabled devices into widespread use.

Finance/Payment Business

page 39

DOCOMO is working to encourage the spread of its credit brand *iD* for use with the *OsaiFu-Keitai* service, as well as the *iD* compatible credit service *DCMX*.

At the end of March 2012, *iD* members totaled 16.88 million, and *DCMX* subscriptions grew 630,000 year on year to 12.95 million.

Commerce Business

page 39

In March 2012, DOCOMO entered into a capital alliance with Radishbo-ya Co., Ltd., provider of a home-delivery service for organic and low-pesticide vegetables and additive-free foods. With this tie-up, DOCOMO's true expansion into commerce business will gain speed.

Medical/Healthcare Business

In December 2011, we introduced our *docomo Healthcare* service offering health management and disease prevention assistance to smartphone and other users.

In the same month, we also entered into a basic agreement with OMRON HEALTHCARE Co., Ltd. concerning a business and capital alliance; this culminated in the establishment of a joint venture in July 2012.

Machine-to-Machine (M2M) Business

In December 2011, we launched prepaid data billing plans wherein use of 3G communications for a specified amount of time during a certain period can be gained by paying a fee in advance.

We first offered the plans for Sony Computer Entertainment Inc.'s PlayStation® Vita (3G/Wi-Fi model), which was launched in the same month.

Aggregation/Platforms Business

page 40

As part of efforts to bolster our platform business foundation overseas, we invested in Vietnam's biggest mobile content provider—VMG Media Joint Stock Company. In addition, German mobile content distribution platform business operator net mobile AG, a DOCOMO subsidiary, became the largest shareholder of Germany-based net-m privatbank 1891 AG, an entity with its own banking business license, as we look to expand the scope of our finance and payment operations.

Environment/Ecology Business

page 40

Bicycle sharing is garnering attention as a transportation system with a small ecological footprint. Since 2010, DOCOMO has been involved in pilot bicycle sharing programs in various locations as part of the environmental/ecology business. In May 2011, we developed and introduced new services with an eye to gaining further traction.

R&D

page 41

On the research and development front, we developed smartphone services, including a translator phone service and our voice-agent application *Shabette-Concier*, while forging ahead with technological development aimed at future commercial viability, such as green base stations, and mobile spatial statistics.

We also continued to carry out field experiments of LTE-Advanced, a fourth-generation mobile communication technology.

Main Initiatives

CORE BUSINESS: “EVOLUTION OF MOBILE SERVICES”

Services

We are enriching our smartphone services to enhance the customer experience, thereby encouraging further smartphone uptake.

We began offering our *dmenu* and *dmarket* services in November 2011.

Smartphone Portal Site *dmenu*

This portal site offers customers easy access to large amounts of content and services from content providers, including content that has evolved from *i-mode* and information relative to the user's present location.



New content business has gathered steam as the site enables content providers to manage membership, offer contents by monthly charge via smartphones.

DOCOMO-Operated Content Market for Smartphone *dmarket*

This content market comprises four stores—the pre-existing *VIDEO Store*, *BOOK Store*, and *MUSIC Store*, and the newly added *ANIME Store*—and an *App & Review* area providing information on applications. We aim to grow user numbers and content revenue by providing and introducing useful and fun content that capitalizes on smartphone features. Starting in August 2012, we will realize a multiple device framework. For instance, a book purchased

at the *BOOK Store* via a smartphone during a commute can be picked up from the last page bookmarked later on a tablet device at home.

In addition, we strove to increase customer convenience by making available for smartphones popular *i-mode* services like *i-channel*, *i-concier*, and *Keitai Data Oazukari Service*, Data Security Service, and providing free of charge the *docomo Anshin Scan* smartphone antivirus service.

CORE BUSINESS: “EVOLUTION OF MOBILE SERVICES”

Handsets

We revamped our smartphone offerings and rolled out *Xi*-compatible smartphones and tablets as part of initiatives to reinforce our handset lineup to meet diverse customer needs.

New smartphone series

<p>docomo NEXT series</p>	<p>Concept Expand your horizons by being on the cutting edge</p> <p>Values provided</p> <div style="display: flex; justify-content: space-around;"> <div style="border: 1px solid #ccc; padding: 5px; background-color: #e0e0e0;">Surprising sophistication</div> <div style="border: 1px solid #ccc; padding: 5px; background-color: #e0e0e0;">Smart work</div> <div style="border: 1px solid #ccc; padding: 5px; background-color: #e0e0e0;">Mastery-driven satisfaction</div> </div>	
<p>docomo with series</p>	<p>Concept Familiarity and more fun every day</p> <p>Values provided</p> <div style="display: flex; justify-content: space-around;"> <div style="border: 1px solid #ccc; padding: 5px; background-color: #e0e0e0;">Widespread enjoyment</div> <div style="border: 1px solid #ccc; padding: 5px; background-color: #e0e0e0;">Welcoming familiarity</div> <div style="border: 1px solid #ccc; padding: 5px; background-color: #e0e0e0;">Reassuring ease of use</div> </div>	

We devoted efforts to enhancing our lineup of handsets and devices, focusing on smartphones.

Revamping of Smartphone Offerings

We set out to rework our smartphone lineup, starting with 2011–2012 Winter-Spring models. We are developing our lineup through the *docomo with series*

focused on delivering “widespread enjoyment,” “welcoming familiarity,” and “reassuring ease of use,” as well as the *docomo NEXT series* focused on delivering “surprising sophistication,” “smart work,” and “mastery-driven satisfaction.” In doing this, we look to offer a handset that is suited to each customer’s lifestyle.

More smartphones equipped with popular *i-mode* features

We aggressively introduced smartphones equipped with popular *i-mode* features such as *Osaifu-Keitai* (e-wallet), *One-Seg* terrestrial digital television, water resistance, and infrared communication.

More *Xi*-compatible smartphones

In fiscal 2011, we shored up our lineup by releasing four *Xi*-compatible smartphones, three tablets, and four data communications devices. In fiscal 2012, we aim to

bring the share of *Xi*-compatible smartphone sales to around 60%.

Launch of *Disney Mobile on docomo*

In February 2012, as the first round of collaboration with The Walt Disney Company (Japan) Ltd., we rolled out *Disney Mobile on docomo smartphones*, spotlighting the Disney brand.

CORE BUSINESS: “EVOLUTION OF MOBILE SERVICES”

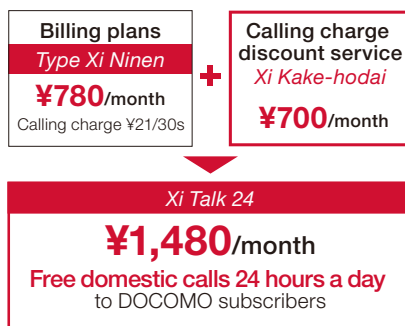
Billing Plans

We expanded our billing plans, focusing on *Xi* services to promote more widespread use of *Xi*-compatible devices. In doing this, we look to offer customers greater choice of billing plans and tap into demand for a second device.

Voice flat-rate service for *Xi*

In November 2011, we began offering our *Xi Talk 24* voice flat-rate service. The service offers domestic calls to DOCOMO subscribers anytime 24 hours a day for a fixed rate. At ¥1,480 per month, it has been well received by customers for its simple, easy-to-understand rate structure.

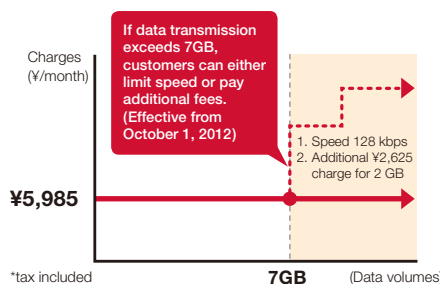
Xi Talk 24 billing plans



Packet flat-rate services for *Xi*

In November 2011, we introduced new packet flat-rate services for *Xi*-compatible smartphones—*Xi Pake-hodai Flat* and *Xi Pake-hodai Double*. If data transmission volume exceeds 7GB, customers can choose either or avoid additional charges by changing to a maximum transmission speed of 128 kbps or continue to use high-speed transmission by paying additional fees.

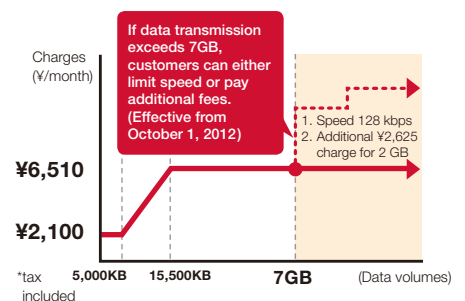
Xi Pake-hodai Flat



Second Device Discount Campaigns

To make it easier for customers to use a second device such as a *Xi*-compatible tablet, or a dedicated data device, we launched the *Xi² Discount* in March 2012 *Plus Xi-wari Discount* in May 2012. For a limited time, these campaigns offer discount rates on monthly service for a second device.

Xi Pake-hodai Double



CORE BUSINESS: "EVOLUTION OF MOBILE SERVICES"

Networks

We are building high-quality networks to deliver safety and security in response to increasing traffic driven by the spread of smartphones.

Acceleration of Xi service area expansion

We are striving to expand the Xi service area with the goal of increasing Xi service uptake.

We initially offered Xi service in the Tokyo, Nagoya, and Osaka areas, but are gradually accelerating service area expansion beginning with regions with large communications volume. In July 2011, we began offering service in six additional major cities. By January 2012, the service area had been extended to all of Japan's 47 prefectures, centered on cities hosting

prefectural offices. By March 2012, we had achieved general population coverage for Xi service of 30%, with 100% population coverage for all ordinance-designated cities across Japan. By March 31, 2012, we had installed 7,000 Xi service base stations nationwide.

We are enlarging the service area more quickly than we initially planned. We aim to increase population coverage to 70% in major cities by the end of March 2013 and to achieve roughly 98% population coverage by the end of March 2015.

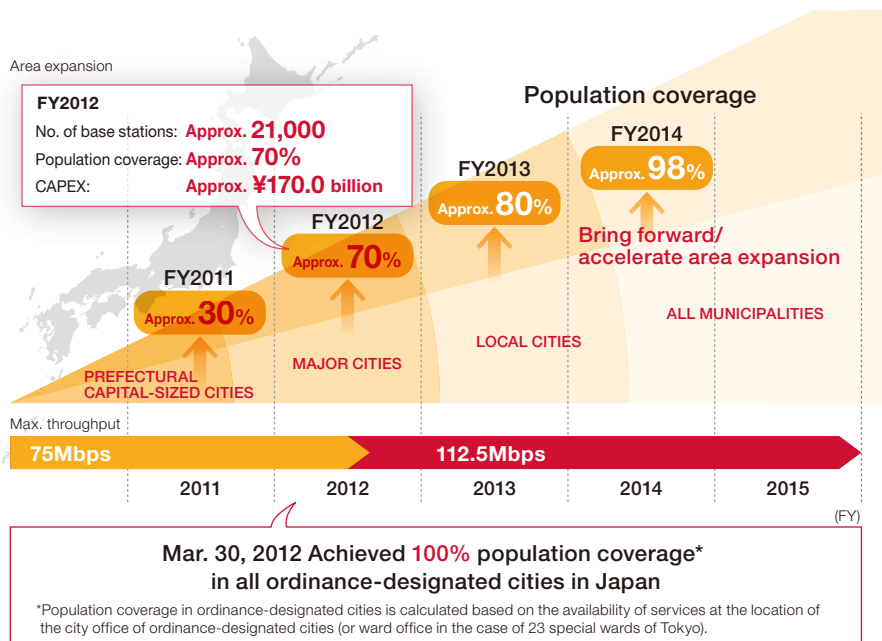
Implementation of transmission speed controls (dynamic control)

The characteristics of mobile phones are such that it is sometimes difficult to maintain high-quality service when there is localized congestion of data communications.

We therefore utilize transmission speed controls (dynamic control) for especially heavy users of data communications when and where there is communications gridlock.

This enables us to ensure the fair use of networks and provide more customers with a stable and comfortable communications environment.

Xi Area Expansion Plans



Enhancement of docomo Wi-Fi public wireless LAN services

Amid growing data communications traffic, we are also concentrating on data offloading. This involves diverting a portion of mobile phone traffic from cellular to other networks.

One effective means is to offload data to our "docomo Wi-Fi" public wireless LAN services at places like stations, airports, coffee shops, and fast food outlets.

DOCOMO has been running a campaign since October 2011 waving monthly fees for its public wireless LAN services in a move to increase their use. In addition, we began offering the service at stores of the Seven & i Holdings Co., Ltd. Group in December 2011. This is one of the steps we have been taking to rapidly increase access points, targeting growth to between 60,000 and 70,000 hot spots during the first half of fiscal 2012 and to more than 100,000 hot spots during the second half of the year.

Response to Series of Service Interruptions

Recognizing the gravity of a series of service interruptions that arose in fiscal 2011 and administrative guidance from the Ministry of Internal Affairs and Communications (MIC), we established the Task Force for Improvement of Network Infrastructure in December 2011. Headed by the president and CEO, the task force swiftly led a companywide investigation into the causes of the interruptions and implementation of steps to prevent their recurrence, so as to regain customer confidence. In addition, we reported on the steps we took to MIC at the end of March 2012.

We will continue working to upgrade our network infrastructure so that it can accommodate 50 million smartphones, setting our sights on even higher communications equipment reliability.

Response to Service Interruptions and Measures to Prevent Recurrence

DOCOMO's planning and design, maintenance, and development departments joined forces to determine the causes of and countermeasures for service interruptions. We have finished taking steps to address the reported problems. Additionally, we upgraded our network infrastructure and improved processing capacity and processing systems to prevent recurrence, and revised construction procedures and implemented other measures toward accident-free construction.

Full Inspection of Network Infrastructure and Operations

Along with implementing measures, we conducted a sweeping review of network infrastructure and operations throughout the entire organization, covering 145 categories and 256,966 items. We verified our network's operating stability through this full inspection. We are also working to bolster our network infrastructure to support future smartphone traffic, including by addressing the increasing number of control signals.

Keeping Customers Abreast of Network Status

To provide information as quickly as possible, we shored up our internal frameworks and customer service procedures as well as reinforced initial communication of such information within the company.

Furthermore, to relay information on operational status to customers more intuitively, faster and more accurately, we have increased the speed with which information is posted to our website. We also provide related information to media outlets and other sources, and have improved the notices on our website about construction by adding maps showing the areas where work is scheduled.

Response to Series of Service Interruptions

Category		Details	Completion Date (tentative)
Measures for processing capabilities	Packet switching equipment	Add packet switching equipment based on results of comprehensive inspection of processing capabilities	2012 Apr.
		Further improve processing capabilities for new packet switching equipment models	2012 Aug.
	<i>Sp-mode</i> systems	Introduce newly developed mail information servers	2012 Feb.
		Make software improvements and add network devices in response to smartphone growth	2012 Dec.
	Traffic overload	Change processing approach during connection route malfunction	2012 Apr.
		Change processing approach when service control system switches over to backup	2012 Aug.
Increase in control signals	Change wireless connection protocol to enable communication from multiple applications at once	2012 Dec.	
Measures for processing formats		Change in <i>sp-mode</i> and <i>mopera</i> connection protocols (Change to connection protocol where IP address mismatches do not occur)	2012 Mar.
Measures concerning software quality		Introduce function to prevent problems with identification information during processing	2012 Jan.
Measures for construction quality		Prepare development documents and bolster testing	2012 Mar.
Measures for construction quality		Assess construction impact on customers, share construction information in-house, confirm in advance recovery procedures for unforeseen contingencies during construction work	2012 Feb.
		Depending on construction work specifics, set rules for implementation time slots, etc., to minimize impact on customers	2012 Feb.

Great East Japan Earthquake Restoration and New Disaster Preparedness Measures

DOCOMO worked to restore communications equipment damaged by the Great East Japan Earthquake as quickly as possible. In addition, we drew up new disaster preparedness measures in April 2011 based on what we learned from the earthquake, and had finished putting most of them into effect as of the end of February 2012. Moreover, we reviewed our disaster response manual, including our business continuity plan (BCP), and thoroughly verified operational procedures for new disaster preparedness equipment and measures for responding to a major disaster.

Restoration Measures

We established a Disaster Countermeasures Office at the Head Office and at the Tohoku Regional Office right after the March 2011 earthquake, and we worked with the help of other NTT Group companies and communications construction firms to get damaged communications equipment back in service as soon as possible.

Specifically, we deployed around 30 vehicles with portable base stations, 30 power supply vehicles, and 400 portable power generators immediately following the earthquake as a stopgap measure. Additionally, we provided Restoration Area Maps to inform those affected by the earthquake of the status of communications restoration work, the re-opening of DOCOMO shops, and other vital information.

Further, we mobilized some 4,000 people to temporarily repair transmission



A Disaster Countermeasures Office meeting



Using high-performance antennas DOCOMO extended its service area to cover the exclusion zone around the Fukushima Daiichi Nuclear Power Plant

lines and recover power supplies in order of precedence. We completed emergency fixes by the end of April 2011 and real restoration by the end of September 2011.

Reconstruction Support Initiatives

We launched the *docomo Disaster Relief Charity Website* to provide assistance to affected areas, collecting roughly ¥1 billion

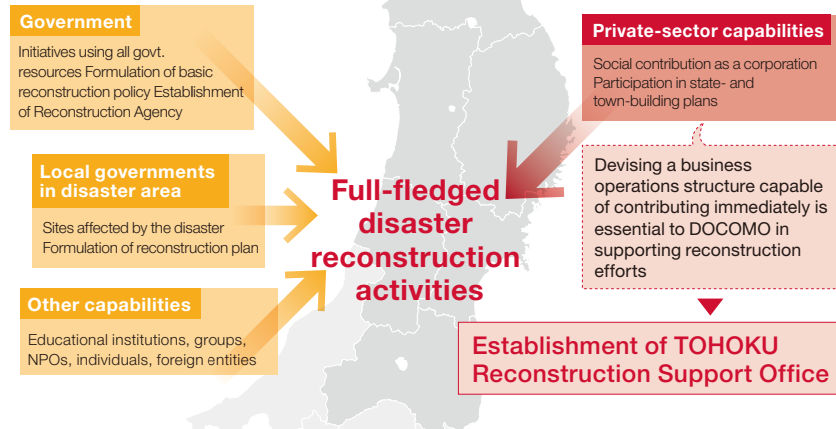
in donations from customers. Additionally, the NTT Group donated a total of ¥1 billion, including a ¥500 million donation from DOCOMO.

Moreover, we established the TOHOKU Reconstruction Support Office as an operational structure to facilitate swift contribution to reconstruction activities in affected areas and participation in urban



Power supply vehicles

Reconstruction of Japan's Tohoku Region



development as a company. With this in place, we set up an information distribution system for the affected areas and implemented various measures utilizing tablets.

Other ways in which we are contributing to reconstruction include employee volunteer activities in the affected areas and established a call center on July 2012 to promote job creation in the affected areas.

New Disaster Preparation Measures Securing communication for key areas

There were numerous communication disruptions due to direct as well as indirect damage from the Great East Japan Earthquake. Learning from this experience, we installed large-zone base stations at 104 locations throughout Japan. One of these base stations can be used to cover several areas should multiple ordinary base stations sustain damage from a disaster.

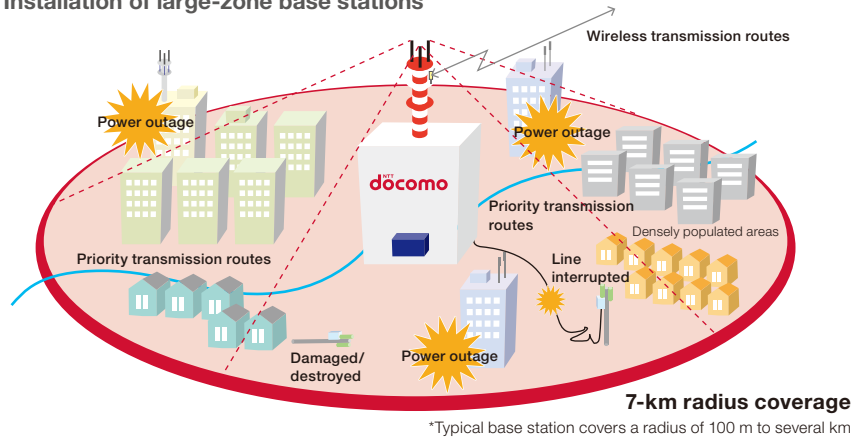
In addition to conventional steps to address power outages, we provided 721 base stations nationwide with uninterrupted power through the installation of in-house power generators. Further, we enabled service continuation for at least 24 hours after any power outage at 1,070 base stations across Japan by equipping them with large-capacity batteries.

Swift response to disaster-stricken areas

We are making ongoing efforts to deploy additional satellite mobile phones to facilitate rapid establishment of communication services at shelters and public institutions when there is a disaster.

In addition, we worked toward rapid recovery in areas with service disruptions by doubling the number of vehicle-mounted mobile base stations with satellite connectivity to 19 nationwide, and deploying an additional 24 portable base stations. This enables us to provide

Installation of large-zone base stations



network services using satellite entrance circuits in the event that our terrestrial communications equipment is damaged.

Offer our customers greater convenience in times of disaster

We made available for smartphones our *Area Mail* service, which offers simultaneous distribution of emergency alerts such as disaster and evacuation information and tsunami warnings. We also took steps to enhance the functions of the Restoration Area Maps posted on our website, including issuing shortening release times and increasing legibility. Moreover, we began offering our *Disaster Voice Messaging* service in March 2012. The service enables users to send spoken messages using

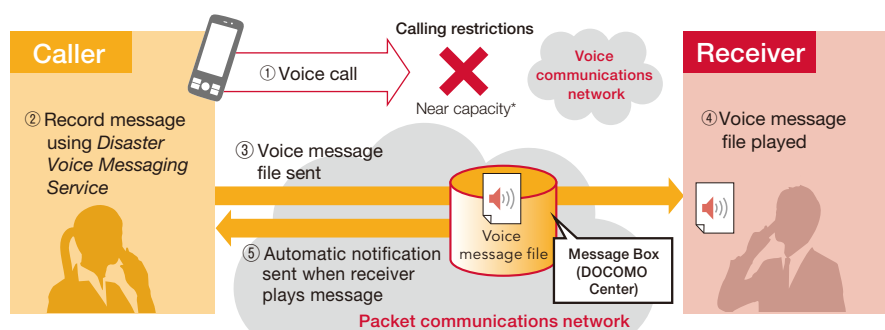
packet communications to convey information about their well-being to family and friends in the event of a major disaster.

We are also decentralizing important facilities as an additional precaution, and will continue with our disaster preparedness initiatives going forward.

Impact on performance

In fiscal 2011, we posted expenses of ¥22.0 billion, including outlays to restore communications equipment and support customers in quake-affected areas, and made capital expenditures of roughly ¥24.0 billion for new disaster preparedness measures and full-fledged restoration.

Disaster Voice Messaging Service



*Condition in which voice communications become difficult due to line congestion following a disaster.

NEW BUSINESS: “CONVERGENCE OF INDUSTRIES AND SERVICES”

Media/Content Business

Launch of *NOTTV*, Japan’s first broadcasting station for smartphones. *NOTTV* offers broadcasting services linking mobile, TV and social media together as never before.

Overview of *NOTTV*

NOTTV is Japan’s first broadcasting station for smartphones. It was launched in April 2012 by DOCOMO’s subsidiary mmbi, Inc. Viewers can enjoy high-quality audio, high-definition real-time and storage-type broadcasting services. *NOTTV* offers new services like that never experienced before, bringing TV, mobile and social media together.

Features of *NOTTV*

NOTTV offers real-time viewing as with traditional TV broadcasts and time-shifted viewing enabling stored programs and content in a wealth of genres to be enjoyed anytime. *NOTTV*’s entertainment

palette also includes a variety of digital content, from newspapers to magazines. Further, *NOTTV* can respond flexibly to situations such as when sports matches go into overtime, since original programming accounts for around 60% of live broadcasting. Also on offer are 24-hour news channels and broadcasts of pertinent information during disasters. Moreover, *NOTTV* delivers a whole new range of broadcasting services to enjoy, with interactive programming linking broadcasts and communications, and programming combining real-time viewing and social media. In this way, we will bring more fun and convenience to everyday life for *NOTTV* viewers.

Initiatives to Promote Service Uptake

Our initiatives to increase *NOTTV* uptake include creating attractive programs and content, expanding the broadcasting area and lineup of *NOTTV*-enabled devices, and setting affordable rates.

We are gradually expanding the broadcasting area with a view to nationwide coverage.

We plan to add another five compatible devices in the first half of fiscal 2012 to the two devices we launched in fiscal 2011.

For ¥420 (tax included) a month, users can access programming and content across a wide range of genres. In the future, we plan to also offer premium programming and content for additional fees.

In addition, we are running a trial campaign through early September 2012 for customers who want to see what *NOTTV* is like before signing up.

Through such efforts, we aim to grow subscriptions to 1 million by the end of fiscal 2012.



Real-time viewing
Hear high-quality audio and view live, high-definition images while receiving broadcasts

Concert

Sports

News

Link with
SNS via mobile
communications

Twitter

Facebook

Shift-time viewing, digital content
Provision of various types of content, including newspapers, magazines, e-books and games

Movie

Music

Newspaper

Novel

Ticket



Program name: Music Bank
Channel name: KBS World

NEW BUSINESS: “CONVERGENCE OF INDUSTRIES AND SERVICES”

Finance/Payment Business

Credit brand *iD* membership is up to 16.88 million, with *DCMX* credit service subscriptions up to 12.95 million. DOCOMO will strive to promote uptake, with an eye to further boosting convenience.

DOCOMO worked to encourage the spread of its credit brand *iD* for use with the *Osafu-Keitai* service, as well as the *iD*-compatible credit service *DCMX*.

We strove to enlist new credit brand *iD* member stores, bringing the service to the nationwide Skylark Group of family restaurants with around 2,600 outlets as of

February 2012. As a result, we had installed 550,000 *iD* reader terminals and had 16.88 million *iD* members at the end of fiscal 2011.

We worked to win members and promote use of our credit service *DCMX*, in part by revising our *DCMX GOLD* service to enhance the service menu, and by offering

a multitude of campaigns. These included special bonus incentives for new memberships and upgrades. As a result, *DCMX* subscriptions totaled 12.95 million at the end of fiscal 2011.

NEW BUSINESS: “CONVERGENCE OF INDUSTRIES AND SERVICES”

Commerce Business

DOCOMO will launch its full-scale expansion into the commerce business, which offers synergies with its mobile efforts. By bringing the world of mobile to food, a field at the root of everyday life, DOCOMO will deliver high-value-added services that increase customer satisfaction for companies in both sectors.

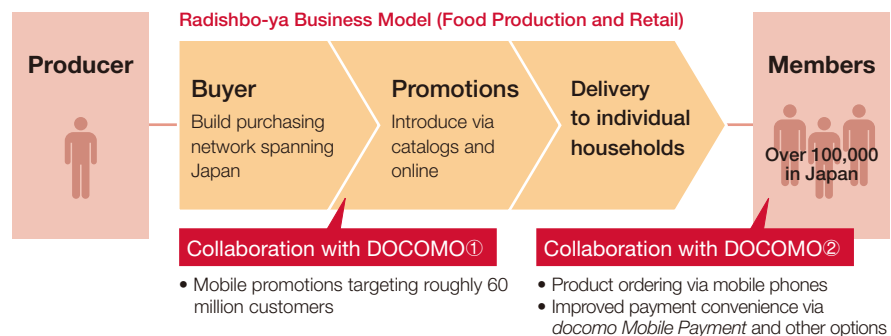
In January 2012, DOCOMO, Lawson, Inc., and Radishbo-ya Co., Ltd. agreed to move toward business and capital alliances. Soon thereafter, Radishbo-ya became a subsidiary of DOCOMO in March 2012.

Radishbo-ya operates a membership-based home-delivery service for organic and low-pesticide vegetables. It provides customers with safe, high-quality produce and products that inspire confidence. This tie-up with the strong and trusted names of LAWSON and Radishbo-ya will accelerate DOCOMO's full-scale expansion into

commerce business in the field of food, where synergies with mobile communications can be generated. We will collaborate on marketing leveraging DOCOMO's customer base and product purchasing

platforms such as smartphones. We will also take steps to address social issues like food safety and confidence, providing solutions for the aging society, and environmental protection and agricultural problems.

Business Model and Collaboration with DOCOMO



NEW BUSINESS: “CONVERGENCE OF INDUSTRIES AND SERVICES”

Aggregation/Platforms Business

On a global scale, DOCOMO is accelerating businesses targeting the development of aggregation and platforms for a range of content. As one element of this, DOCOMO invested in VMG, Vietnam’s largest mobile content provider, followed by entry into finance and payment services in Europe through the net mobile AG.

As part of initiatives to reinforce our platform business base overseas, we acquired a roughly 25% stake in Vietnam’s largest mobile content provider—VMG Media Joint Stock Company. Our goal is to leverage the content distribution and other know-how that we have amassed to date in Japan and overseas to bolster VMG’s operating foundation, and to promote our value-added services such as platform and

content distribution abroad. In addition, DOCOMO’s subsidiary net mobile AG—a German mobile content distribution platform business operator—became the largest shareholder of net-m privatbank 1891 AG*1—which holds banking and credit card business licenses and will incorporate the company’s service platform and main systems. This will expand the scope of our finance and payment services. Beyond

enabling us to newly add debit and credit card payment options for mobile phone content and application offerings, we can now move forward with developing a variety of other payment options as well.

*1 Name changed from Bankverein Werther AG in July 2012.

NEW BUSINESS: “CONVERGENCE OF INDUSTRIES AND SERVICES”

Environment/Ecology Business

We have engaged in pilot programs for eco-friendly bicycle sharing in a move toward mainstreaming and commercializing the concept in Japan. In May 2011, we developed and introduced new services designed to further increase use.

Cycle sharing is gaining attention as a transportation system with low environmental impact, where users can pick up and return bicycles for rent anywhere within a fixed area. As part of its environment/ecology business, DOCOMO has conducted pilot programs in the cities of Sapporo, Fujisawa and Yokohama since 2010. In May 2011, we developed and introduced new services designed to further increase use.

Development of a General-purpose Cycle Sharing System

This system developed jointly with PEDAL LTD., enables up to 30 cycle ports to be arranged freely for each terminal installed. Anticipated use of the system ranges from

large-scale usage by local government to use within condominium complexes and other defined areas. Further, it can be used with an IC card (FeliCa card), saving the trouble of issuing a membership card.

Launch of Bicycling Application *cosoado Cycles plus*

This bicycling support application for smartphones with the Android operating system was developed jointly with WingStyle Co., Ltd. It offers a multitude of functions, including the display of cycling distance and routes, recommended spots of interest along a more scenic route to the intended destination called “michikusa-navi,” as well as calories burned.

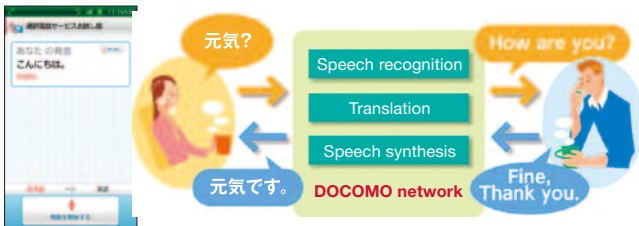


General-purpose cycle sharing system

R&D

DOCOMO is pursuing R&D into technologies that will help realize its Medium-Term Vision 2015. In development of LTE-Advanced, the 4th generation mobile communications format, DOCOMO is conducting transmission tests under actual wireless environment conditions.

Translator Phone Service



Smartphone-Related Development

On the smartphone front, we forged forward with development of *Shabette-Concier*, a voice-agent application that makes it easy to use diverse services and functions by simply speaking into a smartphone; *Translator Phone Service*, which provides real-time interpretation of voice communications without relying on mobile phone handset processing power by using DOCOMO's network for things like speech recognition, translation, and speech synthesis; and *Memory Collection*, a service that gives users access to automatic sorting and categorization of photographs and videos taken with smartphones and digital cameras just by uploading their data to the Internet.

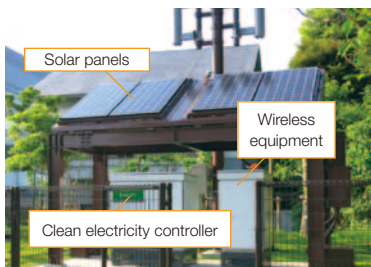
Technological Development Targeting Commercialization

We are also pressing ahead with the development of an assortment of technologies that we look to commercialize in the near future.

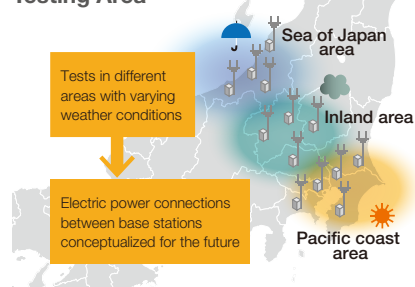
As for development of a disaster-resilient, green base station, we built a unit for testing equipped with solar panels, a lithium-ion battery, and a green power controller, and began outdoor tests at the DOCOMO R&D Center with the aim of starting commercial trials in fiscal 2012.

Aside from this, we conducted research on mobile spatial statistics—population statistics compiled via statistical processing of positional, attribute, and other data necessary for mobile phone service. Further, we worked to develop an ultra-quick battery charger offering a full charge in approximately 1/10 to 1/15 the time of a conventional product, and interchangeable sensor jackets.

Green Base Station Test System (at DOCOMO R&D Center)



Green Base Station Commercial Testing Area



LTE-Advanced Testing

LTE-Advanced is a fourth-generation (4G) wireless communications protocol. It is a more sophisticated version of the Long Term Evolution (LTE) platform that DOCOMO brought into service under the brand Xi. DOCOMO developed a testing system for LTE-Advanced in 2010, achieving a download speed of roughly 1 Gbps and an upload speed of roughly 200 Mbps in an indoor signal transmission test in a simulated environment with a wired connection.

In fiscal 2011, we verified the performance of LTE-Advanced's key technologies in the field. Specifically, we used our testing system to conduct wireless transmission tests under actual usage conditions at the DOCOMO R&D Center, and in Kanagawa Prefecture's Yokosuka and Sagami-hara cities. By May 2011, we had achieved a download speed of 600 Mbps and upload speeds of at least 200 Mbps in an outdoor moving signal transmission test under real conditions using one mobile station. In addition, in November 2011, we reached total transmission speed of at least 1 Gbps on the downlink in an indoor signal transmission test under real conditions with simultaneous transmission with two mobile stations.

DOCOMO will continue to conduct research and development on LTE-Advanced in pursuit of faster, higher-capacity networks as well as promote global standardization.



Car mobile station measurement