SoftBank

This English translation of the financial report was prepared for reference purposes only and is qualified in its entirety by the original Japanese version. The financial information contained in this report is derived from our unaudited consolidated financial statements appearing in item 4 of this report.

SOFTBANK CORP.
CONSOLIDATED FINANCIAL REPORT
For the fiscal year ended March 31, 2011

Tokyo, May 9, 2011

1. FINANCIAL HIGHLIGHTS

(Percentages are shown as year-on-year changes)

(1) Results of Operations

(Millions of yen; amounts less than one million yen are omitted.)

	Net sales		Operating income		Ordinary income		Net income	
	Amount	%	Amount	%	Amount	%	Amount	%
Fiscal year ended March 31, 2011	**¥3,004,640**	**8.7**	**¥629,163**	**35.1**	**¥520,414**	**52.6**	**¥189,712**	**96.2**
Fiscal year ended March 31, 2010	¥2,763,406	3.4	¥465,871	29.7	¥340,997	51.1	¥96,716	124.0

Note: Comprehensive income
Fiscal year ended March 31, 2011: ¥ 219,942 million (51.4%)
Fiscal year ended March 31, 2010: ¥ 145,265 million (-%)

	Net income per share―basic (yen)	Net income per share―diluted (yen)	Return on Equity (%)	Ordinary income / Total assets (%)	Operating income / Net sales (%)
Fiscal year ended March 31, 2011	**¥175.28**	**¥168.57**	**34.8**	**11.4**	**20.9**
Fiscal year ended March 31, 2010	¥89.39	¥86.39	22.9	7.7	16.9

Note: Equity in earnings (losses) of affiliated companies
Fiscal year ended March 31, 2011: ¥ 2,874 million
Fiscal year ended March 31, 2010: ¥(3,616) million

(2) Financial Condition

(Millions of yen; amounts less than one million yen are omitted.)

	Total assets	Total equity	Equity ratio (%)	Shareholders' equity per share (yen)
As of March 31, 2011	**¥4,655,725**	**¥879,618**	**13.3**	**¥572.14**
As of March 31, 2010	¥4,462,875	¥963,971	10.5	¥434.74

Note: Shareholders' equity (consolidated)
As of March 31, 2011: ¥619,252 million
As of March 31, 2010: ¥470,531 million

(3) Cash Flows

(Millions of yen; amounts less than one million yen are omitted.)

	Operating activities	Investing activities	Financing activities	Cash and cash equivalents at the end of the year
Fiscal year ended March 31, 2011	**¥825,837**	**¥(264,447)**	**¥(397,728)**	**¥847,155**
Fiscal year ended March 31, 2010	¥668,050	¥(277,162)	¥(159,563)	¥687,681

SoftBank

2. Dividends

Fiscal years ended March 31	Dividends per share: First quarter end	Second quarter end	Third quarter end	Fiscal year end	Total	Total Amount of dividends (Annual)	Payout ratio (Consolidated)	Dividends on equity (Consolidated)
	(yen)	(yen)	(yen)	(yen)	(yen)	(millions of yen)	%	%
FY 2010	-	0.00	-	5.00	5.00	5,411	5.6	1.3
FY 2011	-	0.00	-	5.00	5.00	5,411	2.9	1.0
FY 2012 (Forecasted)	-	-	-	-	-		-	

Note: Dividend for the fiscal year ending March 31, 2012 is planned to be increased from ¥5 for the fiscal year ended March 31, 2011, however it is not determined at this point. The concrete amount of dividend will be announced promptly upon resolution.

3. Forecasts on the consolidated operation results for the fiscal year ending in March 2012 (April 1, 2011 – March 31, 2012)

The SOFTBANK Group is forecasting an increase in revenue and profit, however it is difficult to disclose numerical earnings forecasts. This is because the customer acquisition initiatives need to be planned and adjusted flexibly according to circumstances involving numerous unconfirmed elements which could impact revenue and profit. On the other hand an increase in consolidated CAPEX (acceptance basis) has been resolved up to approximately ¥500.0 billion. To improve disclosure of information for shareholders and investors, the earnings forecasts will be disclosed when deemed to be reasonable.

4. Others

(1) Significant Changes in Scope of Consolidation (Changes in Scope of Consolidation of Specified Subsidiaries): No

(2) Changes in accounting principles, procedures, disclosure methods, etc., used in the presentation of the consolidated financial statements

[1] Changes due to revisions in accounting standards: Yes

[2] Changes other than those in [1]: No

(3) Number of shares issued (Common stock)

[1] Number of shares issued (including treasury stock):

As of March 31, 2011: 1,082,530,408 shares
As of March 31, 2010: 1,082,503,878 shares

[2] Number of treasury stock:

As of March 31, 2011: 180,503 shares
As of March 31, 2010: 174,775 shares

[3] Weighted average number of common stock:

As of March 31, 2011: 1,082,345,444 shares
As of March 31, 2010: 1,081,990,217 shares

[For Reference]

FINANCIAL HIGHLIGHTS (Non-Consolidated)

1. Non-Consolidated Results of Operations

(Millions of yen; amounts less than one million yen are omitted.)

	Net sales		Operating income		Ordinary income (loss)		Net income (loss)	
	Amount	%	Amount	%	Amount	%	Amount	%
Fiscal year ended March 31, 2011	¥35,161	172.6	¥23,296	903.0	¥24,653	-	¥(2,296)	-
Fiscal year ended March 31, 2010	¥12,900	4.5	¥2,322	(24.2)	¥(20,581)	-	¥33,095	-

	Net income (loss) per share－basic (yen)	Net income (loss) per share－diluted (yen)
Fiscal year ended March 31, 2011	¥(2.12)	¥ -
Fiscal year ended March 31, 2010	¥30.59	¥ 30.13

2. Non-Consolidated Financial Condition

(Millions of yen; amounts less than one million yen are omitted.)

	Total assets	Net Assets	Equity ratio (%)	Shareholders' equity per share (yen)
As of March 31, 2011	¥2,185,506	¥419,752	19.2	¥387.72
As of March 31, 2010	¥1,491,232	¥435,211	29.2	¥402.11

Note: Shareholders'equity (non-consolidated)
As of March 31, 2011: ¥419,652 million
As of March 31, 2010: ¥435,211 million

* Implementation status of audit procedures

This consolidated financial report is not subject to audit procedures based on Financial Instruments and Exchange Act and the audit procedures for the consolidated financial statements were being conducted when this report was disclosed.

* Note to forecasts on the consolidated operating results and other items

The forecast figures are estimated based on the information which SOFTBANK CORP. is able to obtain at the present point and assumptions which are deemed to be reasonable. However, actual results may be different due to various factors. Please refer to page 12 "1. Results of Operations (1) Analysis of Consolidated Results of Operations 3. Earnings Forecasts" for details of forecasts on the consolidated operating results.

(Appendix)

Content

Qualitative Information/Financial Statements

1. Results of Operations

(1) Analysis of Consolidated Results of Operations

1. Consolidated Results of Operations

<Overview of results for the fiscal year from April 1, 2010 to March 31, 2011>

For the fiscal year from April 1, 2010 to March 31, 2011 (hereafter "this fiscal year"), the SOFTBANK Group (hereafter "the Group") achieved consolidated net sales of ¥3,004,640 million, a ¥241,234 million (8.7%) increase compared with the same period of the previous fiscal year (April 1, 2009 to March 31, 2010, hereafter "year on year"), with a ¥163,291 million (35.1%) increase in operating income to ¥629,163 million. This consolidated revenue and profit growth was driven by strong performance at the Mobile Communications segment. Ordinary income grew ¥179,416 million (52.6%) to ¥520,414 million. Net income rose ¥92,996 million (96.2%) to ¥189,712 million.

Note:
Definition of terms: as used in this consolidated financial report for the fiscal year ended March 31, 2011, references to "the Company," "the Group" and "the SOFTBANK Group" are to SOFTBANK CORP. and its consolidated subsidiaries except as the context otherwise requires or indicates.

The main factors affecting earnings for this fiscal year were as follows:

(a) Net Sales

Net sales totaled ¥3,004,640 million, for a ¥241,234 million (8.7%) year-on-year increase. This was mainly the result of strong growth in the number of mobile phone subscribers, combined with a rise in ARPU[1] and the number of mobile handsets shipped,[2] in the Mobile Communications segment.

Notes:
1. Average Revenue Per User.
2. Handsets shipped: handsets shipped (sold) to agents.

(b) Cost of Sales

Cost of sales rose ¥47,045 million (3.5%) year on year to ¥1,373,617 million. This was mainly due to higher cost of goods on the increase in the number of mobile handsets shipped, while depreciation and amortization expenses relating to the 2G mobile phone service decreased due to termination of this service in March 2010, in the Mobile Communications segment.

(c) Selling, General and Administrative Expenses

Selling, general and administrative expenses grew ¥30,896 million (3.2%) year on year to ¥1,001,859 million. This was mainly because of increased sales commissions[3] associated with the increase in the number of mobile handsets sold[4] in the Mobile Communications segment.

Notes:
3. Sales commissions paid to sales agents per new subscription and upgrade purchase.
4. Handsets sold: total of new subscriptions and handset upgrades.

(d) Operating Income

As a result, operating income totaled ¥629,163 million, for a ¥163,291 million (35.1%) year-on-year increase. The operating margin rose 4.1 percentage points year on year, to 20.9%.

(e) Non-operating Income / Expenses

Non-operating income totaled ¥17,320 million, a ¥8,001 million year-on-year increase. Non-operating expenses stood at ¥126,069 million, a ¥8,122 million year-on-year decrease. The primary item of non-operating expenses was interest expense, which totaled ¥104,019 million.

(f) Ordinary Income

Ordinary income therefore totaled ¥520,414 million, for a ¥179,416 million (52.6%) year-on-year increase.

(g) Special Income

Special income totaled ¥14,252 million, the main components were a ¥6,623 million gain on sale of investment securities and a ¥4,187 million gain on repurchase of minority interests and long-term debt.

Gain on repurchase of minority interests and long-term debt was the result of an acquisition made by the Company during this fiscal year, amounting to a total of ¥412,500 million. This acquisition was of all class 1 preferred stock series 1 and stock acquisition rights issued by BB Mobile Corp. (hereafter "BB Mobile") to Vodafone International Holdings B.V. and the entire amount of the principal and accrued interest of a long-term loan receivable, which was recorded as long-term debt in the Company's consolidated balance sheets, from SOFTBANK MOBILE Corp. (hereafter "SOFTBANK MOBILE") to Vodafone Overseas Finance Limited.

(h) Special Loss

Special loss was ¥54,053 million, which included a ¥14,416 million loss on disaster, a ¥9,521 million valuation loss on option, a ¥8,739 million valuation loss on investment securities, and a ¥7,099 million loss on adjustment for changes of the accounting standard for asset retirement obligations.

Loss on disaster was recorded in connection with the Great East Japan Earthquake that occurred in March 2011. Refer to page 43, "4. Consolidated Financial Statements – (9) Notes to Consolidated Statements of Income – 4. Loss on disaster" for details.

The Company has entered into agreements containing a put option[5] and a call option[6] for shares of Wireless City Planning Inc. (hereafter "WCP"), which is the Company's affiliate under equity method, with its shareholders other than the Company. These options are measured at fair value and the valuation loss is recorded as described above.

Notes:

5. Put option: the right of the other shareholders of WCP to sell the WCP shares to the Company.
6. Call option: the Company's right to buy the WCP shares from the other shareholders of WCP.

(i) Income Taxes

Provisions for current income taxes were ¥173,509 million, provisions for deferred income taxes were ¥32,047 million, and additional tax expenses of ¥27,391 million were recorded as income taxes – correction. The income taxes – correction includes additional income taxes paid by Yahoo Japan Corporation (hereafter “Yahoo Japan”) in response to a correction and ruling notice which it received from the Tokyo Regional Taxation Bureau. Refer to page 43, “4. Consolidated Financial Statements – (9) Notes to Consolidated Statements of Income – 6. Income taxes – corrections” for details.

(j) Minority Interests in Net Income

Minority interests in net income totaled ¥57,950 million. This was mainly the portion of net income recorded at Yahoo Japan and SB Asia Infrastructure Fund L.P., a consolidated subsidiary from this fiscal year, attributable to the shareholders other than the Company.

(k) Net Income

As a result of the above, net income totaled ¥189,712 million, for a ¥92,996 million (96.2%) year-on-year increase.

(l) Comprehensive Income

Comprehensive income was ¥219,942 million. Of this, comprehensive income attributable to owners of the parent was ¥159,777 million and comprehensive income attributable to minority interests came to ¥60,165 million.

2. Results by Business Segment

The "Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Statement No.17, March 27, 2009) and the "Guidance on the Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Guidance No.20, May 21, 2008) are being applied from this fiscal year.

Net sales and operating income for the previous fiscal year are also shown based on the new standard.

Note:
Principal operational data is shown on pages 9-10 "(Reference 1: Principal Operational Data)."

(a) Mobile Communications

(Millions of yen)

	Fiscal Year Ended March 31, 2010	**Fiscal Year Ended March 31, 2011**	(Reference) Change	(Reference) Change %
Net sales	1,701,414	**1,944,551**	243,136	14.3%
Operating income	260,895	**402,411**	141,516	54.2%

- **3,532,100 cumulative net subscriber additions[7] for this fiscal year**
- **ARPU[8] for this fiscal year was ¥4,210, a ¥140 year-on-year increase. Out of this, data ARPU amounted to ¥2,310, a ¥290 year-on-year increase**

Notes:

7. The number of net subscriber additions includes prepaid mobile phones and communication module service subscribers.
   Net communication module service subscriber additions for this fiscal year totaled 771,100.
8. Average Revenue Per User (rounded to the nearest ¥10).
   Revenue and number of mobile phone subscribers include prepaid mobile phones and communication module service subscribers.
   For the Mobile Communications segment, the term "ARPU" used alone indicates the total of the basic monthly charge plus voice ARPU plus data ARPU.

< Overview of Operations >

The segment's net sales increased by ¥243,136 million (14.3%) year on year to ¥1,944,551 million. The revenue growth was driven by continued strong upward trend of mobile phone subscribers combined with increases in ARPU and the number of mobile handsets shipped. Operating income increased by ¥141,516 million (54.2%) year on year to ¥402,411 million.

<Number of Mobile Phone Subscribers>

Net subscriber additions (new subscribers minus cancellations) for this fiscal year totaled 3,532,100. This net increase was primarily the result of strong sales of iPhone.[9] As a result, the cumulative number of subscribers[10] at the end of this fiscal year stood at 25,408,700, raising SOFTBANK MOBILE's cumulative subscriber share by 1.8 of a percentage point year on year, to 21.3%.[11]

Notes:

9. iPhone is a trademark of Apple Inc.
   The iPhone trademark is used under license from Aiphone K.K.
10. The number of cumulative subscribers includes prepaid mobile phones and communication module service subscribers. The cumulative number of communication module service subscribers at the end of this fiscal year was 1,308,600.
11. Calculated by the Company based on Telecommunications Carriers Association statistical data.

< Number of Mobile Handsets Sold/ Shipped >

The number of mobile handsets sold and handsets shipped for this fiscal year increased by 1,108,000 year on year to 10,242,000 and 1,199,000 year on year to 10,016,000, respectively. These increases were mainly the result of a favorable sales and shipment trend of mobile handsets especially iPhone and communication modules.

<ARPU>

ARPU for this fiscal year rose ¥140 year on year to ¥4,210. Out of this, the sum of the basic monthly charge and voice ARPU declined ¥160 year on year to ¥1,890, reflecting an increase in devices which do not have voice communication functionality, and revised access charges between carriers. On the other hand, data ARPU rose ¥290 year on year to ¥2,310. This was mainly the result of an increase in the number of data-intensive iPhone subscribers, combined with the after-effect of the termination of the non-data-intensive 2G service in March 2010.

<Churn Rate and Upgrade Rate>

The churn rate[12] for this fiscal year was 0.98%, which was 0.39 of a percentage point lower year on year. This was primarily because the churn rate was no longer inflated by the termination of the 2G service, and there was a decline in the churn rate of customers who have completed their installment handset payments.

The upgrade rate[12] for this fiscal year was 1.40%, which was 0.31 of a percentage point lower year on year. The upgrade rate was no longer inflated by upgrades from 2G to 3G, in association with the termination of the 2G service completed in March 2010, while the number of upgrades to iPhone 4 increased.

Note:

12. Calculated with prepaid mobile phones and communication module service subscribers included in the number of subscribers, churn and upgrades, respectively.

<Average Acquisition Cost per Subscriber>

The average acquisition cost per subscriber[13] for this fiscal year declined ¥3,600 year on year to ¥36,900. This was primarily because of the increase in the number of mobile handsets shipped, especially for those handsets without voice communication functionality whose acquisition cost per subscriber is lower.

Note:

13. Average commission paid to sales agents per new subscription.
    New subscriptions include prepaid mobile phones and communication modules.

(b) Broadband Infrastructure

(Millions of yen)

	Fiscal Year Ended March 31, 2010	**Fiscal Year Ended March 31, 2011**	(Reference) Change	(Reference) Change %
Net sales	202,127	**190,055**	(12,072)	(6.0%)
Operating income	48,399	**43,154**	(5,245)	(10.8%)

<Overview of Operations>

The segment's net sales decreased by ¥12,072 million (6.0%) year on year to ¥190,055 million. This was mainly because of the continued decreasing trend in revenue, on a decline in the number of charged lines[14] for the ADSL service. Operating income decreased by ¥5,245 million (10.8%) year on year to ¥43,154 million. This was primarily due to a decrease in net sales, and an increase in sales-related expenses led by customer acquisition for *Yahoo! BB hikari with FLET'S*.[15]

Net subscriber additions for *Yahoo! BB hikari with FLET'S* for this fiscal year totaled 695,000, bringing the cumulative number of contracts at the end of this fiscal year to 932,000. Combined with installed lines[16] for the ADSL service, this brought the total number of users to 4,082,000.

Notes:

14. Number of installed lines excluding customers whose basic monthly charge is free under promotion campaigns or other promotional initiatives.
15. A broadband connection service that combines the Internet connection service *Yahoo! BB* and the *FLET'S HIKARI* fiber-optic connection provided by NIPPON TELEGRAPH AND TELEPHONE EAST CORPORATION ("NTT East") and NIPPON TELEGRAPH AND TELEPHONE WEST CORPORATION ("NTT West"). *FLET'S* and *FLET'S HIKARI* are registered trademarks of NTT East and NTT West.
16. Number of lines for which connection construction for ADSL line at central office of NTT East or NTT West is complete.

(c) Fixed-line Telecommunications

(Millions of yen)

	Fiscal Year Ended March 31, 2010	**Fiscal Year Ended March 31, 2011**	(Reference) Change	(Reference) Change %
Net sales	348,692	**356,561**	7,869	2.3%
Operating income	23,065	**38,006**	14,941	64.8%

<Overview of Operations>

The segment's net sales increased by ¥7,869 million (2.3%) year on year to ¥356,561 million. Inter-segment sales increased due to network provision to the Group telecommunication companies such as SOFTBANK MOBILE, and contributed to the overall segment's revenue growth. On the other hand, net sales to third-parties decreased, primarily as a result of the continued decrease in revenue from relay connection voice services such as *MYLINE*, and despite an increase in revenue from the *OTOKU Line*, a direct connection voice service.

Operating income increased by ¥14,941 million (64.8%) to ¥38,006 million. This was mainly due to an increase in net sales, combined with a decrease in lease expenses on equipment for the *OTOKU Line* service.

(d) Internet Culture

(Millions of yen)

	Fiscal Year Ended March 31, 2010	**Fiscal Year Ended March 31, 2011**	(Reference) Change	(Reference) Change %
Net sales	270,755	**283,615**	12,860	4.7%
Operating income	136,585	**150,305**	13,719	10.0%

<Overview of Operations>

The segment's net sales increased by ¥12,860 million (4.7%) year on year to ¥283,615 million. This was mainly due to revenue growth at Yahoo Japan on an increase in listing and display advertising. Operating income increased by ¥13,719 million (10.0%) year on year to ¥150,305 million. This was primarily a result of the growth in net sales, in addition to a decrease in communications expenses in connection with the improved operational efficiency as a result of direct ownership of data centers.

(Reference 1: Principal Operational Data)

(a) Mobile Communications

SoftBank mobile phones

	Fiscal Year Ended March 31, 2010					**Fiscal Year Ended March 31, 2011**				
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3	**Q4**	**Full Year**
										(Thousands)
Net additions[1]	323.3	360.7	350.3	209.4	1,243.7	696.6	901.0	925.7	**1,008.8**	**3,532.1**
(Postpaid)	359.5	394.9	383.3	506.8	1,644.5	645.3	833.6	865.4	**975.3**	**3,319.6**
(Prepaid)	(36.2)	(34.2)	(33.0)	(297.4)	(400.8)	51.3	67.4	60.3	**33.5**	**212.5**
Market share[2] (%)	32.3	31.5	35.6	13.4	26.5	45.4	53.5	55.8	**40.8**	**48.0**
Cumulative subscribers[1]	20,956.2	21,316.9	21,667.2		21,876.6	22,573.2	23,474.2	24,399.9		**25,408.7**
(3G)	19,455.0	20,237.7	20,885.4		21,876.6	22,573.2	23,474.2	24,399.9		**25,408.7**
(2G)	1,501.2	1,079.2	781.8		-	-	-	-		-
Market share[2] (%)	19.3	19.4	19.6		19.5	19.9	20.3	20.8		**21.3**
										(Thousands)
Number of handsets sold[3]	2,059	2,300	2,078	2,697	9,134	2,162	2,712	2,605	**2,763**	**10,242**
Number of handsets shipped[4]	2,001	2,101	2,215	2,500	8,817	2,051	2,687	2,736	**2,542**	**10,016**
										(Yen per month)
ARPU[5]	4,030	4,150	4,200	3,890	4,070	4,290	4,300	4,310	**3,940**	**4,210**
(Basic monthly charge + voice)	2,150	2,160	2,150	1,750	2,050	2,030	2,020	1,980	**1,570**	**1,890**
(Data)	1,880	1,990	2,060	2,140	2,020	2,250	2,290	2,330	**2,370**	**2,310**
										(Yen)
Average acquisition cost per subscriber[6]	50,100	35,900	37,400	40,200	40,500	37,200	37,500	37,800	**35,400**	**36,900**
										(% per month)
Churn rate[7]	1.05	1.24	1.16	2.01	1.37	1.02	0.96	0.91	**1.02**	**0.98**
(3G postpaid)	0.87	1.07	0.99	1.28	1.06	0.99	0.92	0.86	**0.98**	**0.94**
Upgrade rate[7]	1.73	1.81	1.53	1.78	1.71	1.18	1.67	1.43	**1.33**	**1.40**

Notes:
1. Includes the number of prepaid mobile phones and communication module service subscribers.
2. Calculated by the Company based on Telecommunications Carriers Association statistical data.
3. Handsets sold: total of new subscriptions and handset upgrades.
4. Handsets shipped: handsets shipped (sold) to agents.
5. Average Revenue Per User (rounded to the nearest ¥10).
   Revenue and number of mobile phone subscribers include prepaid mobile phones and communication modules.
   For the Mobile Communications segment, the term “ARPU” used alone indicates the total of the basic monthly charge plus voice ARPU plus data ARPU.
6. Average commissions paid to sales agents per new subscription.
   New subscriptions include prepaid mobile phones and communication modules.
7. Calculated with prepaid mobile phones and communication module service subscribers included in the number of subscribers, churn and upgrades, respectively.

(b) Broadband Infrastructure

Yahoo! BB ADSL

(Thousands)

	Fiscal Year Ended March 31, 2010					**Fiscal Year Ended March 31, 2011**				
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3	**Q4**	**Full Year**
Installed lines[8]	4,158	4,040	3,908		3,769	3,609	3,457	3,291		**3,150**
Charged lines[9]	3,769	3,657	3,533		3,389	3,221	3,066	2,903		**2,752**

(Yen per month)

	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3	**Q4**	**Full Year**
Average user payment per charged line[10]	4,260	4,260	4,250	4,210		4,200	4,200	4,160	**4,120**	

(% per month)

	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3	**Q4**	**Full Year**
Churn rate[11]	2.12	1.80	1.96	2.20	2.02	2.26	2.32	2.47	**2.43**	**2.37**

Notes:

8. Number of lines for which connection construction for ADSL line at central office of NTT East or NTT West is complete.
9. Number of installed lines excluding customers whose basic monthly charge is free under campaigns or other promotional initiatives.
10. Rounded to the nearest ¥10.
11. Average ratio of customer lines with a history of payment, for which a cancellation application has been filed during the relevant period.

(c) Fixed-line Telecommunications

OTOKU Line

(Thousands)

	Fiscal Year Ended March 31, 2010					**Fiscal Year Ended March 31, 2011**				
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3	**Q4**	**Full Year**
Lines	1,631	1,652	1,657		1,669	1,668	1,667	1,662		**1,671**

(Yen per month)

	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3	**Q4**	**Full Year**
ARPU[12]	6,390	6,280	6,450	6,830		6,600	6,570	6,610	**6,930**	

Note:

12. Average Revenue Per User: average revenue per line (rounded to the nearest ¥10).

(d) Internet Culture

(Millions)

	Fiscal Year Ended March 31, 2010					**Fiscal Year Ended March 31, 2011**				
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3	**Q4**	**Full Year**
Yahoo! JAPAN										
Total monthly page views[13]	46,445	46,378	42,779	46,882		48,722	49,671	46,756	**54,631**	
Unique browsers[14]	229	189	197	209		224	226	222	**238**	
Yahoo! Auctions										
Average number of total listed items[15]	20	20	23	23		22	22	22	**22**	

Notes:

13. Number of accesses to *Yahoo! JAPAN* Group websites during the last month of each quarter.
14. Number of browsers accessing a *Yahoo! JAPAN* service during the last month of each quarter.
15. Daily average number of items posted during the last month of each quarter.

(Reference 2: Capital Expenditure and Depreciation)[16]

(a) Capital Expenditure (acceptance basis)

(Millions of yen)

	Fiscal Year Ended March 31, 2010					**Fiscal Year Ended March 31, 2011**				
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3	**Q4**	**Full Year**
Mobile Communications	32,408	39,148	47,921	65,291	184,770	25,987	65,387	116,324	**143,826**	**351,525**
Broadband Infrastructure	1,588	1,590	2,095	4,068	9,343	3,319	3,294	5,076	**5,160**	**16,850**
Fixed-line Telecommunications	3,710	3,939	3,436	6,893	17,979	5,112	6,362	9,095	**15,665**	**36,236**
Internet Culture	1,085	1,264	1,450	2,327	6,128	1,906	1,908	2,783	**4,114**	**10,713**
Others	1,571	915	678	1,528	4,693	1,216	1,559	1,148	**1,340**	**5,265**
Consolidated total	40,364	46,858	55,582	80,109	222,915	37,542	78,513	134,428	**170,107**	**420,591**

(b) Depreciation (excluding amortization of goodwill)

(Millions of yen)

	Fiscal Year Ended March 31, 2010					**Fiscal Year Ended March 31, 2011**				
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3	**Q4**	**Full Year**
Mobile Communications	42,732	43,377	44,656	45,569	176,337	36,636	37,636	40,051	**42,668**	**156,993**
Broadband Infrastructure	4,373	4,366	4,095	4,188	17,023	4,234	3,968	3,965	**3,672**	**15,840**
Fixed-line Telecommunications	8,982	8,837	8,669	8,803	35,292	9,104	9,242	9,290	**8,997**	**36,634**
Internet Culture	2,366	2,441	2,492	2,563	9,864	2,169	2,307	2,412	**2,533**	**9,422**
Others	1,353	1,243	1,401	1,427	5,426	1,445	1,482	1,608	**1,508**	**6,045**
Consolidated total	59,809	60,266	61,314	62,553	243,944	53,590	54,637	57,329	**59,379**	**224,937**

Note:

16. Capital expenditure and Depreciation for this fiscal year ended March 31, 2010 are calculated based on the new standard. Capital expenditure and Depreciation for the e-Commerce segment for the fiscal year ended March 31, 2010 are included in “Others.”

3. Earnings Forecasts

(a) Forecast for fiscal year ending March 2012 to fiscal year ending March 2014

The Group is forecasting continuous increasing trend in consolidated net sales and consolidated operating income year on year for both the fiscal year ending March 2012 and March 2014, however the earnings growth rate is expected to be below that of the fiscal year ended March 2011. This is due to enhanced initiatives on network expansion and customer acquisition over the two fiscal years to come in the Group's core business the Mobile Communications segment, aimed at medium-term growth, which may increase the expense and decrease the profit. The Group expects to finish these initiatives by the fiscal year ending March 2014, and profit to turn to a new growth path.

(b) Forecast for fiscal year ending 2012

The Group is planning to focus on network expansion and customer acquisition in the Mobile Communications segment. The Group is forecasting an increase in revenue and profit, however it is difficult to disclose numerical earnings forecasts. This is because the customer acquisition initiatives need to be planned and adjusted flexibly according to circumstances and this involves numerous unconfirmed elements which could impact revenue and profit. On the other hand an increase in consolidated CAPEX (acceptance basis) has been resolved up to approximately ¥500.0 billion.

To improve disclosure of information for shareholders and investors, the earnings forecast will be disclosed when deemed to be reasonable.

Reference: trend (actual figures) of the Company's consolidated CAPEX (acceptance base)

・Fiscal year ended March 2009: ¥259.0 billion
・Fiscal year ended March 2010: ¥222.9 billion
・Fiscal year ended March 2011: ¥420.5 billion

(2) Analysis of Financial Position

1. Assets, Liabilities and Equity

Assets, liabilities and equity at the end of this fiscal year were as follows:

(Millions of yen)

	As of March 31, 2010	**As of March 31, 2011**	YoY	YoY %
Total assets	4,462,875	4,655,725	192,850	4.3 %
Total liabilities	3,498,903	3,776,107	277,203	7.9%
Total equity	963,971	879,618	(84,353)	(8.8%)

(a) Current Assets

Current assets at the end of this fiscal year totaled ¥1,862,617 million, for a ¥168,176 million (9.9%) increase from the previous fiscal year-end. The primary components of the change were as follows:

- Notes and accounts receivable–trade decreased by ¥158,776 million. This was mainly because of sales of installment sales receivables at SOFTBANK MOBILE.
- Marketable securities increased by ¥73,757 million from the previous fiscal year-end. This was mainly from the transfer of shares of Yahoo! Inc. that were previously recorded as investment securities under fixed assets, to current assets. In February 2004, one of the Company's U.S. subsidiaries entered into a loan involving a portion of the proceeds from a forward contract under which its Yahoo! Inc. shares are expected to be delivered in August 2011. Because the subsidiary intends to deliver these shares in accordance with the settlement of the forward contract beginning August 2011 or within one year, the corresponding shares of Yahoo! Inc. were transferred to current assets.
- Other current assets increased by ¥55,335 million from the previous fiscal year-end, primarily from increases in derivative assets and accrued revenue included in other current assets. A derivative contract ("collar transaction") was concluded with regard to the shares of Yahoo! Inc. to limit the risk from market price fluctuations of those shares for this fiscal year until the repayment. However, with the remaining period until the repayment having become less than one year, the corresponding derivative assets were transferred to current assets during this fiscal year.

(b) Fixed Assets

Fixed assets totaled ¥2,791,726 million at the end of this fiscal year, for a ¥25,243 million (0.9%) increase from the previous fiscal year-end. The primary components of the change were as follows:

- Total property and equipment increased ¥162,744 million from the previous fiscal year-end, primarily on a ¥315,955 million increase from new acquisitions of telecommunications equipment. The increase, reflecting the adjustment for changes of accounting standard for asset retirement obligations as of April 1, 2010, amounted to ¥10,595 million.
- Investments and other assets decreased by ¥105,460 million from the previous fiscal year-end. This was mainly because of a ¥43,508 million decrease in deferred tax assets, ¥41,590 million decrease in other assets, and a

¥29,591 million decrease in investment securities. Other assets decreased due to the transfer of derivative assets related to the shares of Yahoo! Inc. to current assets. The decrease in investment securities is attributed to the transfer of shares of Yahoo! Inc. to current assets which outweighed additional investments in Renren inc.[1] and investment in PPLive Corporation[2] among others.

- Total intangible assets decreased ¥32,041 million from the previous fiscal year-end. This was mainly because of a ¥61,530 million decrease resulting from regular amortization of the goodwill recorded when the Company acquired SOFTBANK MOBILE and SOFTBANK TELECOM Corp. (hereafter "SOFTBANK TELECOM"). On the other hand, software increased by ¥39,957 million as a result of new acquisitions of telecommunications equipment.

Notes:
1. Changed from Oak Pacific Interactive in December 2010.
2. Changed from Synacast Corporation in April 2011.

(c) Current Liabilities

Current liabilities at the end of this fiscal year totaled ¥1,644,407 million, for a ¥265,529 million (19.3%) increase from the previous fiscal year-end. The primary components of the change were as follows:

- Accounts payable-other and accrued expenses increased by ¥110,012 million from the previous fiscal year-end. This was mainly the result of an increase of ¥177,038 million in equipment-related payables, while a decrease of ¥75,000 million came from the payment of additional entrustment for debt assumption, at SOFTBANK MOBILE.
- The current portion of corporate bonds increased by ¥74,100 million from the previous fiscal year-end. Transfers were made from corporate bonds under long-term liabilities in the amounts of ¥53,500 million for the 25th Unsecured Straight Corporate Bond, ¥60,000 million for the 27th Unsecured Straight Corporate Bond, and ¥15,000 million for SOFTBANK TELECOM's 2nd series Unsecured Straight Corporate Bond, as the redemption dates came to be within one year. On the other hand, payments of ¥54,400 million in total were made for the redemptions of the 22nd Unsecured Straight Corporate Bond and the 24th Unsecured Straight Corporate Bond.
- Accounts payable-trade increased by ¥34,701 million from the previous fiscal year-end. This was mainly due to an increase in purchases of mobile phones for resale.
- Short-term borrowings decreased by ¥27,010 million from the previous fiscal year-end. This was mainly because SOFTBANK MOBILE continued to repay borrowings procured via the securitization of installment sales receivables. On the other hand, there was an increase in the Company's short-term borrowings, and the borrowings at one of the Company's U.S. subsidiaries were transferred to current liabilities as the redemption dates came to be within one year.
- The balance of commercial paper at the end of this fiscal year totaled ¥25,000 million (recorded as ¥0 at the previous fiscal year-end).

(d) Long-term Liabilities

Long-term liabilities totaled ¥2,131,699 million at the end of this fiscal year, for a ¥11,674 million (0.6%) increase from the previous fiscal year-end. The primary components of the change were as follows:

- Long-term borrowings decreased by ¥250,626 million. This was mainly because of SOFTBANK MOBILE's ongoing repayment of its SBM loan,[3] and the elimination in consolidation of the long-term loan receivable acquired by the Company from Vodafone Overseas Finance Limited, which was long-term debt owed by SOFTBANK MOBILE to Vodafone Overseas Finance Limited, and the long-term debt of SOFTBANK MOBILE (refer to page 3, "(1) Results of Operations – 1. Consolidated Results of Operations – (g) Special Income"). In addition, long-term borrowings at the Company's U.S. subsidiaries and SOFTBANK MOBILE that came to be payable within one year were transferred to current liabilities. On the other hand, there was an increase in the Company's long-term borrowings.

- Long-term accounts payable increased ¥217,600 million from the previous fiscal year-end. The increase chiefly represents the recording of a scheduled payment of ¥200,000 million as long-term accounts payable. This amount is scheduled to be paid to Vodafone International Holdings B.V. and Vodafone Overseas Finance Limited (hereafter "the Vodafone Group") in April 2012, in relation to the transaction with the Vodafone Group which was carried out in December 2010 (refer to page 3, "(1) Results of Operations – 1. Consolidated Results of Operations – (g) Special Income").
- Corporate bonds increased ¥58,866 million from the previous fiscal year-end. This increase mainly reflects a total of ¥235,000 million from the issuance of the 31st to 35th Unsecured Straight Corporate Bond. On the other hand, the transfers were made for corporate bonds from long-term to current liabilities in the amounts of ¥53,500 million for the 25th Unsecured Straight Corporate Bond, ¥60,000 million for the 27th Unsecured Straight Corporate Bond, and ¥15,000 million for SOFTBANK TELECOM's 2nd series Unsecured Straight Corporate Bond, as the redemption dates came to be within one year. Payments of ¥47,625 million were also made for the accelerated redemption of Euro-denominated Senior Notes due 2013, "refer to (Reference: Major Financing Activities)" on page 18 for the main items in this early redemption.

Note:
3. The funds procured for the acquisition of Vodafone K.K. were refinanced in November 2006 via a whole business securitization program.

(e) Equity

Equity totaled ¥879,618 million at the end of this fiscal year, for a ¥84,353 million (8.8%) decline from the previous fiscal year-end. While retained earnings increased ¥179,205 million, totaling ¥222,277 million at the end of this fiscal year, minority interests came to ¥259,661 million, for a decrease of ¥233,301 million. This was primarily due to the elimination in consolidation of ¥300,000 million of minority interests caused by the Company's acquisition of class 1 preferred stock series 1 issued by BB Mobile to Vodafone International Holdings B.V (refer to page 3, "(1) Results of Operations – 1. Consolidated Results of Operations – (g) Special Income"). On the other hand, there were increases in minority interests of ¥41,346 million from the recording of earnings by Yahoo Japan and ¥24,839 million from a change in the scope of consolidation of SB Asia Infrastructure Fund L.P. from an equity method affiliate to a consolidated subsidiary.[4]

Note:
4. This change reflects the adoption of Accounting Standards Codification Topic (ASC) 810, Consolidations formerly SFAS No.167, Amendments to FASB Interpretation No. 46 (R) (SFAS 167) applied at certain overseas subsidiaries of the Company in the United States of America.

2. Cash Flows

Cash flow activities during this fiscal year were as follows:

Cash and cash equivalents at the end of this fiscal year totaled ¥847,155 million, for a ¥159,473 million increase from the previous fiscal year-end.

(Millions of yen)

	Fiscal year ended March 31, 2010	**Fiscal year ended March 31, 2011**	YoY
Cash flows from operating activities	668,050	**825,837**	157,786
Cash flows from investing activities	(277,162)	**(264,447)**	12,714
(Reference) Free cash flow	390,888	**561,389**	170,501
Cash flows from financing activities	(159,563)	**(397,728)**	(238,165)

(a) Cash Flows from Operating Activities

Net cash provided by operating activities totaled ¥825,837 million (compared with ¥668,050 million provided in the previous fiscal year).

Income before income taxes and minority interests totaled ¥480,612 million and non-cash items were recorded as positive. The main components of non-cash items are ¥224,937 million in depreciation and amortization and ¥62,688 million in amortization of goodwill. Receivables–trade decreased (increase in cash flow) by ¥167,452 million mainly due to sales of installment sales receivables at SOFTBANK MOBILE.

In addition, income taxes paid of ¥186,162 million were recorded, for a ¥146,971 million year-on-year increase. This was mainly because of increased income tax payments for BB Mobile's income tax under consolidated tax return and at Yahoo Japan, and includes ¥26,450 million of additional income taxes paid by Yahoo Japan in response to a correction and ruling notice it received.

(b) Cash Flows from Investing Activities

Net cash used in investing activities was ¥264,447 million (compared with ¥277,162 million used in the previous fiscal year).

Capital expenditures, mainly at telecommunications-related businesses, resulted in outlays of ¥208,553 million for property and equipment and intangibles. Purchases of marketable and investment securities resulted in ¥79,441 million in cash outlays.

As a result, free cash flow (the combined net cash flows from operating activities and investing activities) was a positive ¥561,389 million (compared with a positive ¥390,888 million in the previous fiscal year), for a year-on-year increase of ¥170,501 million.

(c) Cash Flows from Financing Activities

Net cash used in financing activities was ¥397,728 million (compared with ¥159,563 million used in the previous fiscal year).

Outlays were recorded in the amounts of ¥459,165 million for repayments of long-term borrowings, ¥213,564 million for the repurchase of minority interests and long-term borrowings, ¥155,063 million for the repayment of lease obligations, ¥105,508 million for the redemption of corporate bonds, and ¥75,000 million as payment for additional entrustment for debt assumption. The outlay for repurchase of minority interests and long-term debt represents the portion of the transaction with the Vodafone Group (refer to page 3, "(1) Results of Operations – 1. Consolidated Results of Operations – (g) Special Income"), carried out during this fiscal year, which was paid to the Vodafone Group during this fiscal year in addition to acquisition-related expenses. On the other hand, long-term borrowings raised ¥252,900 million and corporate bond issues generated ¥233,936 million, in addition to ¥117,596 million recorded as proceeds from the sale and lease back of equipment newly acquired.

(d) Trends in Cash Flow-related Indicators

A summary of trends in cash flow related indicators is presented below.

	Fiscal year Ended March 31, 2009	Fiscal year Ended March 31, 2010	**Fiscal year Ended March 31, 2011**
Equity ratio	8.5 %	10.5 %	**13.3%**
Equity ratio (Market cap.)	30.9 %	55.9 %	**77.2%**
Debt repayment period	3.5 years	2.7 years	**2.2 years**
Interest coverage ratio	6.0	7.0	**8.9**

Notes:

1. The above indicators are calculated using the following formulas based on consolidated figures:
   Equity ratio: shareholders' equity divided by total assets.
   Equity ratio (market cap.): market capitalization divided by total assets.
   Debt repayment period: interest-bearing debt divided by EBITDA.
   Interest coverage ratio: EBITDA divided by interest expenses.
2. EBITDA: operating income (loss) + depreciation and amortization (including amortization of goodwill), and loss on disposal of fixed assets included in operating expenses.
3. Market capitalization is calculated based on the number of shares outstanding, net of treasury stock.
4. Interest-bearing debt: short-term borrowings + commercial paper + current portion of corporate bonds + corporate bonds + long-term borrowings. Lease obligations are excluded.
   This also excludes the corporate bonds (WBS Class B2 Funding Notes, issued by J-WBS Funding K.K.) with a face value of ¥27,000 million acquired by the Company during this fiscal year that were issued under the whole business securitization scheme associated with the acquisition of Vodafone K.K.
5. Interest expense is the corresponding figure on the Consolidated Statements of Income

A summary of cash flow-related indicators excluding the Mobile Communications Segment is shown below.

	Fiscal year Ended March 31, 2009	Fiscal year Ended March 31, 2010	**Fiscal year Ended March 31, 2011**
Debt repayment period	3.1 years	3.0 years	3.5 years
Interest coverage ratio	10.2	9.8	11.7

(Reference: Major Financing Activities)
The major financing activities in this fiscal year were as follows:

Item	Company Name	Details	Summary
Bond issuances	SOFTBANK CORP.	31st Unsecured Straight Corporate Bond	Issue date: June 2, 2010 Redemption date: May 31, 2013 Procured amount: ¥25,000 million Interest rate: 1.17%/year Use: redemption of bonds which will mature by the end of June 2011
		32nd Unsecured Straight Corporate Bond	Issue date: June 2, 2010 Redemption date: June 2, 2015 Procured amount: ¥25,000 million Interest rate: 1.67%/year Use: redemption of bonds which will mature by the end of June 2011
		33rd Unsecured Straight Corporate Bond (Fukuoka SoftBank HAWKS Bond)	Issue date: September 17, 2010 Redemption date: September 17, 2013 Procured amount: ¥130,000 million Interest rate: 1.24%/year Use: redemption of bonds which will mature by the end of June 2011
		34th Unsecured Straight Corporate Bond	Issue date: January 25, 2011 Redemption date: January 25, 2016 Procured amount: ¥45,000 million Interest rate: 1.10%/year Use: redemption of bonds which will mature by the end of June 2011 and acquisition of proffered stock issued by a consolidated subsidiary
		35th Unsecured Straight Corporate Bond	Issue date: January 25, 2011 Redemption date: January 25, 2018 Procured amount: ¥10,000 million Interest rate: 1.66%/year Use: redemption of bonds which will mature by the end of June 2011 and acquisition of proffered stock issued by a consolidated subsidiary
Bond redemption	SOFTBANK CORP.	24th Unsecured Straight Corporate Bond (Fukuoka SoftBank HAWKS Bond)	Redemption date: April 26, 2010 Redeemed amount: ¥20,000 million
		22nd Unsecured Straight Corporate Bond	Redemption date: September 14, 2010 Redeemed amount: ¥34,400 million
		Euro-denominated Senior Notes Due 2013 (redeemed before maturity)	Redemption date: October 15, 2010 Redeemed amount: ¥47,269 million (€352 million)
Securitization of receivables (recorded as borrowings)	SOFTBANK MOBILE Corp.	Procurement of funds totaling ¥10,000 million accompanying securitization of mobile handsets installment sales receivables	Procurement date: June 29, 2010 Redemption method: monthly pass-through repayment Use: capital expenditure and repayment of funds procured via the whole business securitization program
Repayment of securitization of receivables	SOFTBANK MOBILE Corp.	Repayment of ¥179,910 million	Repayment of funds procured via securitization of mobile handsets installment sales receivables
Increase or decrease in debt (excluding securitization of receivables)	SOFTBANK CORP.	Increase of ¥217,000 million	Mainly increase of long-term borrowings
	SOFTBANK MOBILE Corp.	Decrease of ¥214,124 million	Repayment of funds raised via the whole business securitization financing scheme
	Yahoo Japan Corporation	Decrease of ¥10,000 million	
Capital expenditure by financial lease	SOFTBANK MOBILE Corp. etc.	New capital expenditure via leases	Funds newly procured during this fiscal year: ¥117,596 million
Additional entrustment for debt assumption	SOFTBANK MOBILE Corp.	Payment of ¥75,000 million	Bonds in scope: Former Vodafone K.K. corporate bonds 3rd Unsecured Straight Corporate Bond ¥25,000 million (redeemed on August 19, 2010) 5th Unsecured Straight Corporate Bond ¥25,000 million (redeemed on August 25, 2010) 7th Unsecured Straight Corporate Bond ¥25,000 million (redeemed on September 22, 2010)

Acquisition of preferred stock etc., issued by the Company's consolidated subsidiary and held by the Vodafone Group	SOFTBANK CORP.	Payment of ¥212,500 million (refer to page 3, "(1) Results of Operations - 1. Consolidated Results of Operations - (g) Special Income")	Acquisition cost: ¥412,500 million in total Payment date: December 10, 2010 ¥212,500 million April 2012 (tentative) ¥200,000 million

(3) Fundamental Policy for Distribution of Profit, and Dividends for Current and Following Years

The Company strives to increase returns to shareholders by raising corporate value and has a fundamental policy of returning appropriate amounts of profit to shareholders and other stakeholders. The Company's policy regarding dividends to shareholders is to balance the strengthening of the financial base by reducing interest-bearing debt while maintaining a stable dividend over the medium- to long-term.

Based on this policy the dividend for this fiscal year is scheduled to be the same as the previous fiscal year at ¥5 per share.

The Company intends to increase the dividend for the fiscal year ending March 2012 from ¥5 per share and increase it further in the fiscal year ending March 2015. The concrete amount of dividend will be announced promptly upon resolution.

2. The SOFTBANK Group

As of March 31, 2011, the Group's business segments were comprised of the following consolidated subsidiaries and equity method companies. The segments' main businesses were as follows.

WILLCOM, Inc. is in the process of reorganization under the Corporate Reorganization Act and the Company does not have effective control over WILLCOM, Inc. Therefore, WILLCOM, Inc. is not treated as a subsidiary.

Business Segments		Consolidated Subsidiaries	Equity Method Non-consolidated Subsidiaries and Affiliates	Main Business of Segment and Name of Business
Reportable segments	Mobile Communications	3	1	Provision of mobile communication services and sale of mobile phones accompanying the services etc. (Core company: SOFTBANK MOBILE Corp.)
	Broadband Infrastructure	3	—	Provision of high-speed Internet connection service, IP telephony service, and provision of content etc. (Core company: SOFTBANK BB Corp.[1])
	Fixed-line Telecommunications	2	—	Provision of fixed-line telecommunications etc. (Core company: SOFTBANK TELECOM Corp.[1])
	Internet Culture	13	9	Internet-based advertising operations, e-commerce site operations such as *Yahoo! Auctions* and *Yahoo! Shopping*, membership services, etc. (Core company: Yahoo Japan Corporation[1])
Others		96	63	Distribution of PC software and peripherals, Fukuoka SOFTBANK HAWKS related businesses, etc.
Total		117	73	

Note:
1. Although SOFTBANK BB Corp., SOFTBANK TELECOM Corp. and Yahoo Japan Corporation are included as consolidated subsidiaries in the Broadband Infrastructure, Fixed-line Telecommunications and Internet Culture segments, respectively, SOFTBANK BB Corp., SOFTBANK TELECOM Corp. and Yahoo Japan Corporation operate multiple businesses and therefore their operating results are allocated to multiple business segments.

［Listed Companies］

The Company's five following consolidated subsidiaries were listed on domestic stock exchanges as of March 31, 2011:

Company Name	Listed Exchange
Yahoo Japan Corporation	Tokyo Stock Exchange First section Osaka Stock Exchange JASDAQ (Standard)
SOFTBANK TECHNOLOGY CORP.	Tokyo Stock Exchange First section
Vector Inc.	Osaka Stock Exchange JASDAQ (Standard)
ITmedia Inc.	Tokyo Stock Exchange Mothers
Carview Corporation	Tokyo Stock Exchange Mothers

3. Management Policies

(1) Basic Management Approach

1. Fundamental Management Policy

Since its establishment, the SOFTBANK Group has consistently operated under the fundamental management policy of "endeavoring to benefit society and the economy and to maximize enterprise value by fostering the sharing of wisdom and knowledge gained through the IT revolution."

2. Next 30-Year Vision

As last year marked the 30th year since its founding, the Group announced "SOFTBANK's Next 30-Year Vision." The vision is a statement of what the Group aims to achieve over the next 30 years, and what the Group aims to look like after this period. Through its various businesses the Group will strive to achieve the stated goal of this vision: to be a group that provides the technologies and services most needed by people around the world.

(2) Medium- to Long-Term Strategies

1. Forming and Expanding a Strategic Synergy Group Focused on Asia

The information industry in which the Group's businesses operate sees a steady stream of new technologies and business models. The industry's ups and downs will likely become more pronounced going forward. The Group seeks to provide lifestyle-changing services on a continuous basis in this fluctuating environment. The strategy the Group has adopted to achieve this is to be flexible in implementing technologies or business models and to invest in or form joint ventures with companies that have the best technologies or business models at the time, eventually forming and expanding a "strategic synergy group" focused on Asia. Each company in the strategic synergy group will make decisions autonomously, enabling it to continue to grow while creating synergies with other group companies.

2. Focus on Mobile Internet

Forecasts for trends in Japan five years from now suggest the number of smartphones shipped will have increased almost five-fold, and that of tablet PC will have increased more than seven-fold.[1] These trends point to a world-wide shift toward using these mobile devices as a means for accessing the Internet, in preference to PCs. The Group's strategy is to develop its businesses focused on the domain of mobile internet, which will expand in line with this change.

In line with this strategy, the Group will work to strengthen the network in the mobile communications business, provide high speed telecommunications services, and enhance its lineup of smartphones and tablet PCs. It will also provide a full array of mobile content including video, electronic books, and games.

Note:
1. Mobile Computing Promotion Consortium forecast (November 26, 2010).
   Comparison of the forecast for one year from April 2010 to March 2011 and from April 2015 to March 2016.

(3) Important Management Issues for the Company

1. Reduction of Net Interest-bearing Debt

The Group recognizes the importance of reducing its net interest-bearing debt,[2] and has set a target of reducing its ¥1,939,520 million of net interest-bearing debt as of the end of March 2009 by half over three years (as of the end of March 2012), and to zero over six years (as of the end of March 2015). Net interest-bearing debt at the end of this fiscal year was ¥1,209,635 million, down 37.6% from the end of March 2009.

To achieve this target, the Group plans to generate an aggregate total of at least ¥1 trillion in free cash flow[3] over the three years from the fiscal year ended March 2010 through the fiscal year ending March 2012, in order to obtain funds to repay the interest-bearing debt. To generate the free cash flow, the Group will focus on improving operating cash flow, mainly in its core telecommunications-related businesses.

Notes:

2. Net interest-bearing debt: interest-bearing debt minus cash position.
   Interest-bearing debt: short-term borrowings + commercial paper + current portion of corporate bonds + corporate bonds + long-term debt. Lease obligations are excluded.
   This excludes the corporate bonds (WBS Class B2 Funding Notes, issued by J-WBS Funding K.K.) with a face value of ¥27,000 million acquired by the Company during the previous fiscal year that were issued under the whole business securitization financing scheme associated with the acquisition of Vodafone K.K.
   Cash position: cash and cash deposits + marketable securities recorded as current assets (excludes Yahoo! Inc. shares held by a subsidiary of the Company in the United States of America).
3. Free cash flow: cash flows from operating activities + cash flows from investing activities.

2. Mobile Communications Enhancement

In relation to the mobile phone services provided by SOFTBANK MOBILE, the Group recognizes the need to enhance its network. In March 2010, SOFTBANK MOBILE announced the SoftBank Network Enhancement Initiative, and in one year doubled the number of mobile phone base stations from around 60,000 at the end of April 2010, to 122,508 as of the end of March 2011.

To further increase service area and improve communications quality, the Group plans to increase the number of base stations to 140,000 by the end of September 2011. At the same time, the Group will continue efforts to improve the users' convenience by providing small base stations (femtocells) and Wi-Fi routers free of charge in users' homes and in stores.

3. Response to the Great East Japan Earthquake and Revision of BCP in Preparation for Disasters

The Great East Japan Earthquake of March 11, 2011 left some regions unable to use the Group's telecommunication services. The Group is making every effort to restore its services and network as quickly as possible, as it recognizes these services are important lifelines.

Regarding the mobile communications service, on the morning of March 12th, 2011, the day after the earthquake occurred, 3,786 base stations were rendered inoperative. The Group deployed vehicle-mounted base stations, auxiliary telecommunications facilities, and other response measures and had restored the service area to nearly the pre-disaster equivalent[4] by April 14, 2011. At present the Group is working to restore the rest of the inoperative base stations and continuing efforts to provide pre-disaster levels of communications quality across the entire service area by the end of May 2011.

Meanwhile, for fixed-line telecommunications service and broadband service, the Group had restored around 97% of the total of around 178,000[5] affected subscriber lines as of May 6, 2011.

Moving ahead, the Group will look at countermeasures to allow it to continue providing telecommunications services even in the event of a major disaster, and for speeding recovery from service disruptions caused by damage. It will also review its business continuity plan to prepare for disasters of a larger scale than previously imagined.

Notes:

4. Excludes the exclusion zone around the Fukushima Nuclear power plant and areas with restricted access due to immense earthquake and tsunami damages.
5. Total number of lines for SOFTBANK TELECOM fixed-line communication services and SOFTBANK BB broadband service (Yahoo! BB service and SOFTBANK broadband service) including the number of lines in the exclusion zone around the Fukushima Nuclear power plant.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2010	**As of March 31, 2011**
	Amount	**Amount**
ASSETS		
Current assets:		
Cash and deposits	¥690,053	**¥861,657**
Notes and accounts receivable - trade	816,550	**657,774**
Marketable securities	4,342	**78,099**
Merchandise and finished products	37,030	**49,887**
Deferred tax assets	74,290	**90,907**
Other current assets	106,733	**162,068**
Less: Allowance for doubtful accounts	(34,559)	**(37,778)**
Total current assets	1,694,440	**1,862,617**
Fixed assets:		
Property and equipment, net:		
Buildings and structures	68,182	**74,867**
Telecommunications equipment	706,283	**840,839**
Telecommunications service lines	72,983	**68,856**
Land	22,401	**22,882**
Construction in progress	34,634	**55,663**
Other property and equipment	46,218	**50,339**
Total property and equipment	950,703	**1,113,447**
Intangible assets, net:		
Goodwill	900,768	**839,238**
Software	208,915	**248,872**
Other intangibles	42,702	**32,233**
Total intangible assets	1,152,386	**1,120,345**
Investments and other assets:		
Investment securities and investments in unconsolidated subsidiaries and affiliated companies	370,027	**340,436**
Deferred tax assets	152,654	**109,145**
Other assets	164,950	**123,360**
Less: Allowance for doubtful accounts	(24,238)	**(15,008)**
Total investments and other assets	663,394	**557,933**
Total fixed assets	2,766,483	**2,791,726**
Deferred charges	1,951	**1,381**
Total assets	¥4,462,875	**¥4,655,725**

Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2010 Amount	**As of March 31, 2011** **Amount**
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable - trade	¥158,942	**¥193,644**
Short-term borrowings	437,960	**410,950**
Commercial paper	-	**25,000**
Current portion of corporate bonds	54,400	**128,500**
Accounts payable - other and accrued expenses	451,408	**561,421**
Income taxes payable	100,483	**115,355**
Deferred tax liabilities	-	**7,104**
Current portion of lease obligations	109,768	**131,305**
Other current liabilities	65,914	**71,125**
Total current liabilities	1,378,878	**1,644,407**
Long-term liabilities:		
Corporate bonds	448,523	**507,390**
Long-term debt	1,281,586	**1,030,959**
Long-term accounts payable - other	47,541	**265,141**
Deferred tax liabilities	30,482	**26,582**
Liability for retirement benefits	15,557	**14,414**
Allowance for point mileage	47,215	**41,947**
Lease obligations	224,484	**199,769**
Other liabilities	24,634	**45,494**
Total long-term liabilities	2,120,024	**2,131,699**
Total liabilities	3,498,903	**3,776,107**
Equity:		
Common stock	188,750	**188,775**
Additional paid-in capital	213,068	**212,510**
Retained earnings	43,071	**222,277**
Less: Treasury stock	(225)	**(240)**
Total shareholders' equity	444,665	**623,321**
Unrealized gain on available-for-sale securities	43,864	**34,920**
Deferred gain on derivatives under hedge accounting	14,528	**11,224**
Foreign currency translation adjustments	(32,525)	**(50,213)**
Total valuation and translation adjustments	25,866	**(4,068)**
Stock acquisition rights	476	**703**
Minority interests	492,963	**259,661**
Total equity	963,971	**879,618**
Total liabilities and equity	¥4,462,875	**¥4,655,725**

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

Consolidated Statements of Income (Millions of yen)

	Fiscal year ended March 31, 2010	**Fiscal year ended March 31, 2011**
	April 1, 2009 to March 31, 2010	**April 1, 2010 to March 31, 2011**
	Amount	**Amount**
Net sales	¥2,763,406	**¥3,004,640**
Cost of sales	1,326,571	**1,373,617**
Gross Profit	1,436,834	**1,631,022**
Selling, general and administrative expenses	970,963	**1,001,859**
Operating income	465,871	**629,163**
Interest income	1,024	**2,228**
Foreign exchange gain, net	1,707	**1,808**
Equity in earnings of affiliated companies	-	**2,874**
Gain on investments in partnership	-	**2,088**
Other non-operating income	6,586	**8,320**
Non-operating income	9,318	**17,320**
Interest expense	111,152	**104,019**
Equity in losses of affiliated companies	3,616	-
Loss on investments in partnership	1,529	-
Other non-operating expenses	17,893	**22,049**
Non-operating expenses	134,192	**126,069**
Ordinary income	340,997	**520,414**
Gain on sale of investment securities	4,758	**6,623**
Dilution gain from changes in equity interest	1,407	**2,879**
Gain on repurchase of minority interests and long-term debt	-	**4,187**
Unrealized appreciation on valuation of investments and loss on sale of investments at subsidiaries in the U.S.,net	-	**263**
Other special income	489	**298**
Special income	6,655	**14,252**
Valuation loss on investment securities	5,167	**8,739**
Unrealized appreciation on valuation of investments and loss on sale of investments at subsidiaries in the U.S.,net	303	-
Loss on retirement of non current assets	48,786	**6,542**
Loss on disaster	-	**14,416**
Valuation loss on option	-	**9,521**
Loss on adjustment for changes of accounting standard for asset retirement obligations	-	**7,099**
Other special losses	4,145	**7,734**
Special loss	58,403	**54,053**
Income before income taxes and minority interests	289,249	**480,612**
Income taxes:		
Current	117,876	**173,509**
Correction	-	**27,391**
Deferred	26,683	**32,047**
Total income taxes	144,559	**232,949**
Income before minority interests	-	**247,663**
Minority interests in net income	47,973	**57,950**
Net income	¥96,716	**¥189,712**

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Fiscal year ended March 31, 2010	**Fiscal year ended March 31, 2011**
	April 1, 2009 to March 31, 2010	**April 1, 2010 to March 31, 2011**
	Amount	**Amount**
Income before minority interests	¥ -	**¥247,663**
Other comprehensive income		
Unrealized gain on available-for-sale securities	-	**(6,822)**
Deferred gain on derivatives under hedge accounting	-	**(3,176)**
Foreign currency translation adjustment	-	**(10,195)**
Share of other comprehensive income of associates accounted for using equity method	-	**(7,526)**
Total other comprehensive income	-	**(27,720)**
Comprehensive income	-	**219,942**
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	-	**159,777**
Comprehensive income attributable to minority interests	-	**60,165**

(3)Consolidated Statements of Changes in Equity

Fiscal year from April 1, 2009 to March 31, 2010:

(Millions of yen)

	Shareholders' equity					Valuation and translation adjustments				Stock acquisition rights	Minority interests	Total equity
	Common stock	Additional paid-in capital	Retained earnings (accumulated deficit)	Treasury stock	Total	Unrealized gain on available-for-sale securities	Deferred gain on derivatives under hedge accounting	Foreign currency translation adjustments	Total			
Balance at April 1, 2009	¥187,681	¥211,999	¥(51,269)	¥(214)	¥348,197	¥31,334	¥ 25,117	¥(30,554)	¥25,897	¥289	¥450,414	¥824,798
Changes of items during the year												
Exercise of warrants	1,069	1,069	-	-	2,138	-	-	-	-	-	-	2,138
Cash dividends	-	-	(2,702)	-	(2,702)	-	-	-	-	-	-	(2,702)
Net income	-	-	96,716	-	96,716	-	-	-	-	-	-	96,716
Purchase of treasury stock	-	-	-	(11)	(11)	-	-	-	-	-	-	(11)
Adjustments of retained earnings (accumulated deficit) due to change in scope of the consolidation	-	-	327	-	327	-	-	-	-	-	-	327
Items other than changes in shareholders' equity, net	-	-	-	-	-	12,530	(10,589)	(1,971)	(30)	187	42,548	42,705
Total changes in the year	1,069	1,069	94,341	(11)	96,468	12,530	(10,589)	(1,971)	(30)	187	42,548	139,173
Balance at March 31, 2010	¥188,750	¥213,068	¥43,071	¥(225)	¥444,665	¥43,864	¥ 14,528	¥(32,525)	¥25,866	¥476	¥492,963	¥963,971

Fiscal year from April 1, 2010 to March 31, 2011:

(Millions of yen)

	Shareholders' equity					Valuation and translation adjustments				Stock acquisition rights	Minority interests	Total equity
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Total	Unrealized gain on available-for-sale securities	Deferred gain on derivatives under hedge accounting	Foreign currency translation adjustments	Total			
Balance at April 1, 2010	¥188,750	¥213,068	¥43,071	¥(225)	¥444,665	¥43,864	¥ 14,528	¥(32,525)	¥25,866	¥476	¥492,963	¥963,971
Decrease in retained earnings due to adoption of practical solution on unification of accounting policies applied to associates accounted for using the equity method	-	-	(4,510)	-	(4,510)	-	-	-	-	-	-	(4,510)
Changes of items during the year												
Exercise of warrants	24	24	-	-	49	-	-	-	-	-	-	49
Cash dividends	-	-	(5,411)	-	(5,411)	-	-	-	-	-	-	(5,411)
Net income	-	-	189,712	-	189,712	-	-	-	-	-	-	189,712
Purchase of treasury stock	-	-	-	(15)	(15)	-	-	-	-	-	-	(15)
Adjustments of retained earnings due to change in scope of the consolidation	-	-	(585)	-	(585)	-	-	-	-	-	-	(585)
Changes in foreign affiliate's interests in its subsidiary	-	(582)	-	-	(582)	-	-	-	-	-	-	(582)
Items other than changes in shareholders' equity, net	-	-	-	-	-	(8,943)	(3,303)	(17,687)	(29,935)	226	(233,301)	(263,010)
Total changes in the year	24	(558)	183,715	(15)	183,166	(8,943)	(3,303)	(17,687)	(29,935)	226	(233,301)	(79,843)
Balance at March 31, 2011	¥188,775	¥212,510	¥222,277	¥(240)	¥623,321	¥34,920	¥ 11,224	¥(50,213)	¥(4,068)	¥703	¥259,661	¥879,618

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2010	**Fiscal year ended March 31, 2011**
	April 1, 2009 to March 31, 2010	**April 1, 2010 to March 31, 2011**
Cash flows from operating activities:		
Income before income taxes and minority interests	¥289,249	**¥480,612**
Adjustments for:		
Depreciation and amortization	243,944	**224,937**
Amortization of goodwill	61,070	**62,688**
Loss on retirement of non current assets	48,786	**6,542**
Equity in losses (earnings) of affiliated companies	3,616	**(2,874)**
Dilution gain from changes in equity interest, net	(327)	**(2,045)**
Valuation loss on investment securities	5,167	**8,739**
Unrealized appreciation on valuation of investments and loss on sale of investments at subsidiaries in the U.S., net	303	**(263)**
Gain on sale of marketable and investment securities, net	(4,621)	**(5,972)**
Foreign exchange gain, net	(1,818)	**(1,587)**
Interest and dividend income	(1,370)	**(3,856)**
Interest expense	111,152	**104,019**
Changes in operating assets, and liabilities		
Decrease in receivables - trade	59,637	**167,452**
(Decrease) increase in payables - trade	(1,038)	**33,679**
Other, net	(10,447)	**30,735**
Sub-total	803,304	**1,102,806**
Interest and dividends received	1,234	**3,900**
Interest paid	(97,297)	**(94,708)**
Income taxes paid	(39,191)	**(186,162)**
Net cash provided by operating activities	668,050	**825,837**

- Continued -

Consolidated Statements of Cash Flows (Continued)

(Millions of yen)

	Fiscal year ended March 31, 2010	**Fiscal year ended March 31, 2011**
	April 1, 2009 to March 31, 2010	**April 1, 2010 to March 31, 2011**
Cash flows from investing activities:		
Purchase of property and equipment, and intangibles	¥ (223,818)	**¥ (208,553)**
Purchase of marketable and investment securities	(56,686)	**(79,441)**
Proceeds from sale of marketable and investment securities	19,040	**31,492**
Acquisition of interests in subsidiaries newly consolidated, net of cash acquired	(20,880)	**(701)**
Other, net	5,183	**(7,243)**
Net cash used in investing activities	(277,162)	**(264,447)**
Cash flows from financing activities:		
(Decrease) increase in short-term borrowings, net	(112,910)	**20,129**
Increase in commercial paper, net	-	**25,000**
Proceeds from long-term debt	337,929	**252,900**
Repayment of long-term debt	(516,051)	**(459,165)**
Proceeds from issuance of bonds	183,433	**233,936**
Redemption of bonds	(70,675)	**(105,508)**
Exercise of warrants	2,138	**41**
Proceeds from issuance of shares to minority shareholders	1,493	**1,684**
Cash dividends paid	(2,678)	**(5,387)**
Cash dividends paid to minority shareholders	(4,618)	**(16,009)**
Proceeds from sale and lease back of equipment newly acquired	135,941	**117,596**
Repayment of lease obligations	(103,052)	**(155,063)**
Payments for additional entrustment for debt assumption	-	**(75,000)**
Payments for repurchase of minority interests and long-tem debt	-	**(213,564)**
Other, net	(10,512)	**(19,316)**
Net cash used in financing activities	(159,563)	**(397,728)**
Effect of exchange rate changes on cash and cash equivalents	(606)	**(4,203)**
Net increase in cash and cash equivalents	230,718	**159,457**
Increase in cash and cash equivalents due to newly consolidated subsidiaries	126	**1,919**
Decrease in cash and cash equivalents due to exclusion of previously consolidated subsidiaries	(807)	**(64)**
Decrease in cash and cash equivalents resulting from corporate separation	-	**(1,837)**
Cash and cash equivalents, beginning of the year	457,644	**687,681**
Cash and cash equivalents, end of the year	¥687,681	**¥847,155**

(5) Significant Doubt about Going Concern Assumption

There are no applicable items.

(6) Basis of Presentation of Consolidated Financial Statements

1. Changes in scope of consolidation

As of March 31, 2011, SOFTBANK CORP. (the “Company”) consolidated 117 subsidiaries (together, the “Group”). 61 subsidiaries were not consolidated as the individual and aggregate amounts were not considered material in relation to the consolidated total assets, net sales, net income and retained earnings of the SOFTBANK Consolidated Financial Statements.

Changes in scope of consolidation are as follows:

<Increase>

12 companies

Significant changes:

SB Asia Infrastructure Fund L.P. and its 6 consolidated subsidiaries

<Decrease>

4 companies

The Company owns 100% shares issued by WILLCOM, Inc. However, WILLCOM, Inc. is in the process of reorganization under the Corporate Reorganization Act and the Company does not have effective control over WILLCOM, Inc. Therefore, WILLCOM, Inc. is not treated as a subsidiary.

2. Changes in scope of equity method

As of March 31, 2011, the Company held 4 non-consolidated subsidiaries and 69 affiliates, all of which were accounted for under the equity method. 57 non-consolidated subsidiaries and 23 affiliates were not accounted for under the equity method, as the individual and aggregate amounts were not considered material in relation to the net income and retained earnings of the SOFTBANK Consolidated Financial Statements.

Changes in scope of equity method are as follows:

<Increase>

24 companies

Significant changes:

Synacast Corporation (Synacast Corporation has changed its name to PPLive Coproration at April 5, 2011.)
SB Asia Infrastructure Fund L.P.’s 12 affiliates under equity method
Wireless City Planning Inc.
USTREAM, Inc.

<Decrease>

15 companies

Significant changes:

SB Asia Infrastructure Fund L.P.

3. Fiscal year end

Fiscal year ends of consolidated subsidiaries for both domestic and overseas entities are as follows:

<Fiscal year end>	<Domestic>	<Overseas>
March end (same as the consolidated balance sheet date)	48	35
July end	-	8
December end	2	21
January end	-	1
February end	2	-

4. Summary of significant accounting policies

(1) Evaluation standards and methods for major assets

[1] Marketable securities and investment securities

Held-to-maturity debt securities: Stated at amortized cost

Available-for-sale securities:

With market quotations: Stated at fair value, which represents the market prices at the balance sheet date (unrealized gain/loss is included as a separate component in equity, net of tax, while cost is primarily determined using the moving-average method)

Without market quotations: Carried at cost, primarily based on the moving-average method

Certain subsidiaries of the Company in the United States of America qualify as investment companies under the provisions set forth in Financial Services – Investment Companies of the FASB Accounting Standards Codification Topic 946 (ASC 946) and account for the investment securities in accordance with the ASC 946. The investment securities are carried at fair value, and net changes in fair value are recorded in the consolidated statements of income under the application of the ASC 946.

[2] Derivative instruments: Stated at fair value

[3] Inventories (merchandise): Carried at cost, primarily net selling value determined by the moving-average method

(2) Depreciation and amortization

[1] Property and equipment:

Buildings and structures: Computed primarily using the straight-line method

Telecommunications equipment: Computed using the straight-line method

Telecommunications service lines: Computed using the straight-line method

Others: Computed primarily using the straight-line method

[2] Intangible assets: Computed using the straight-line method

Finance leases in which the ownership of leased assets is not transferred to lessees at the end of lease periods are computed using the straight-line method over the period of the finance leases. Finance lease transactions in which the ownership of leased assets was not transferred to lessees and contracted before April 1, 2008 are accounted for as operating lease transactions and "as if capitalized" information is disclosed in the notes to the Company's consolidated financial statements.

(3) Accounting principles for major allowances and accruals

<Allowance for doubtful accounts>

To prepare for uncollectible credits, allowance for doubtful accounts is calculated based on the actual bad debt ratio, and specific allowance for doubtful accounts deemed to be uncollectible is calculated considering its collectability.

<Accrued retirement benefits>

SOFTBANK MOBILE, SOFTBANK TELECOM, and certain other subsidiaries have defined benefit pension plans for their employees. These companies account for the obligation for retirement benefits based on the projected benefit obligations at the end of the fiscal year.

SOFTBANK MOBILE and SOFTBANK TELECOM amended the pension plans by suspending the defined benefit pension plans at the end of March 2007 and March 2006, respectively, and implementing defined contribution pension plans. The retirement benefits existed and calculated under the benefit pension plan were fixed and will be paid at the retirement of applicable employees, and the projected benefit obligations are calculated based on these fixed retirement benefits. As a result, service cost under the defined benefit pension plans at SOFTBANK MOBILE and SOFTBANK TELECOM did not occur for the fiscal year ended March 31, 2011.

<Allowance for point mileage >

SOFTBANK MOBILE has an allowance for point mileage which is accrued based on the estimated future obligation arising from point service, based on past experience.

(4) Translation of foreign currency transactions and accounts

All assets and liabilities in foreign currencies are translated at the foreign currency exchange rates prevailing at the respective balance sheet dates. Foreign currency exchange gains or losses are charged to net income when incurred.

The translation of foreign currency denominated revenues and expenses in the financial statements of foreign consolidated subsidiaries into Japanese yen is performed by using the average exchange rate for the period. Assets and liabilities are translated using the foreign currency exchange rates prevailing at the balance sheet dates, and capital stock is translated using the historical foreign currency exchange rates. Foreign currency financial statement translation differences are presented as a separate component of “Equity,” and the portion pertaining to minority shareholders, which is included in “Minority interests.”

(5) Accounting for significant hedge transactions

[1] Forward-exchange contract

① <Hedge accounting>

Receivables and obligations denominated in foreign currencies for which foreign exchange forward contracts are used to hedge the foreign currency fluctuation are translated at the contracted rate, if the forward contracts qualify for hedge accounting. For forecasted transactions denominated in foreign currencies, recognitions of gains or losses resulting from changes in fair value of derivative instruments for hedging are deferred until the related gains and losses on hedged items are recognized.

② <Derivative instruments for hedging and hedged items>

Derivative instruments for hedging: Forward-exchange contract
Hedged items: Foreign currency-denominated receivables, obligations and forecasted transactions

③ <Hedging policy>

In accordance with the Group’s policy, derivative financial instruments are used to hedge foreign exchange risk associated with hedged items denominated in foreign currencies.

④ < Effectiveness of hedge transactions >

For receivables and obligations denominated in foreign currencies, effectiveness of the hedge transaction is omitted due to qualifying for hedge accounting. For forecasted transaction denominated in foreign currencies, the effectiveness of hedge transaction is assessed by measuring high correlation between the variability of cash flows associated with the foreign currency fluctuation of hedged items and variability of cash flows of hedge instruments.

[2] Interest rate swap

① <Hedge accounting>

Recognitions of gains or losses resulting from changes in fair value of derivative instruments for hedging are deferred until the related gains and losses on hedged items are recognized.

② <Derivative instruments for hedging and hedged items>

Derivative instruments for hedging: Interest rate swap contracts
Hedged items: Interest expense on borrowings

③ <Hedging policy>

In accordance with the Group’s policy, derivative financial instruments are used to hedge the risk of exposures to fluctuations in interest rates in accordance with its internal policies, regarding the authorization and credit limit amount.

④ < Effectiveness of hedge transactions >

The effectiveness of hedge transaction is assessed by measuring high correlation between the variability of cash flows associated with the interest rate of hedged items and variability of cash flows of hedge instruments.

[3] Collar transaction

① <Hedge accounting>

Unrealized gains and losses, net of tax, on a collar transaction that qualifies as an effective cash flow hedge at consolidated subsidiaries in the United States of America are reported as a separate component of "Equity" in the Company's consolidated balance sheets. As such, unrealized gains and losses associated with the collar transaction will be recognized into earnings in the same period during which the hedged assets and liabilities are recognized in earnings.

② <Derivative instruments for hedging and hedged items>

Derivative instruments for hedging: Prepaid variable share forward contract (the collar transaction)
Hedged items: Equity security

③ <Hedging policy>

The purpose of the collar transaction is to hedge the variability of cash flows associated with the future market price of the underlying equity security, which is used for the settlement of loans at maturity.

④ <Effectiveness of hedge transactions>

The effectiveness of hedge transaction is assessed by measuring high correlation between the variability of cash flows associated with the market price of hedged items and variability of cash flows of hedge instruments.

(6) Amortization of goodwill

"Goodwill" is amortized on a straight-line basis over reasonably estimated periods in which economic benefits are expected to be realized. Immaterial goodwill is expensed as incurred. The goodwill resulted from acquisition of Vodafone K.K. (currently SOFTBANK MOBILE) is amortized over a 20-year-period.

(7) Scope of cash and cash equivalents in the consolidated statements of cash flows

"Cash and cash equivalents" are comprised of cash on hand, bank deposits withdrawable on demand and highly liquid investments with initial maturities of three months or less and a low risk of fluctuation in value.

(8) Other

[1] Accounting method for consumption taxes

Consumption taxes are accounted for using the net method of reporting.

[2] Application of consolidated taxation system

BB Mobile Corp., as a parent company of the consolidated tax return, SOFTBANK MOBILE, and Telecom Express Co.,Ltd. adopted the consolidated taxation system.

(7) Changes in Basis of Presentation of Consolidated Financial Statements

1. Application of accounting standards codification (ASC) 810, consolidations, formerly SFAS No. 167, amendments to FASB interpretation No. 46 (R) (SFAS 167)
   Effective April 1, 2010, certain subsidiaries of the Company that apply generally accepted accounting principles in the United States of America adopted ASC 810.
   As a result of the application of the accounting standard, the scope of SB Asia Infrastructure Fund L.P. changed from an affiliate under equity method to a consolidated subsidiary. The effect of this change is not material for the fiscal year ended March 31, 2011.

2. Application of accounting standard for equity method of accounting for investments
   "Accounting Standard for Equity Method of Accounting for Investments" (Accounting Standards Board of Japan (ASBJ) Statement No. 16, March 10, 2008) and "Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method" (Practical Issues Task Force (PITF) No. 24, March 10, 2008) were applied and necessary adjustments for the consolidated accounting were made for the fiscal year ended March 31, 2011. The effect of this change is not material for the fiscal year ended March 31, 2011.

3. Application of accounting standard for asset retirement obligations
   "Accounting Standard for Asset Retirement Obligations" (ASBJ Statement No. 18, March 31, 2008) and "Guidance on Accounting Standard for Asset Retirement Obligations" (ASBJ Guidance No. 21, March 31, 2008) were applied as of April 1, 2010. The effect of this change in operating income and ordinary income is not material and income before income taxes and minority interests decreased by ¥8,596 million for the fiscal year ended March 31, 2011.

   (1) Asset retirement obligations which are recorded in the consolidated balance sheets
   The Group reasonably estimated removal costs and recorded the asset retirement obligations mainly for the corporate head quarter building, certain data and network centers located in the rental properties under the rental contracts. Useful periods of 2 years to 33 years and discount rates from 0.1% to 2.3% are applied for the estimation of asset retirement obligations.

   (2) Asset retirement obligations which are not recorded in the consolidated balance sheets
   The Group has obligations to restore mobile phone base stations and telephone line facilities for transmission to their original conditions under the rental contracts. However, considering business continuity, the removal of these facilities is difficult and the possibility of executing the obligation to restore these facilities to their original conditions is extremely low, and therefore, the asset retirement obligations are not recorded at the fiscal year ended March 31, 2011.

(8) Additional information

"Accounting Standard for Presentation of Comprehensive Income" (ASBJ Statement No. 25, June 30, 2010) was applied for the fiscal year ended March 31, 2011.

(9) Notes

(Consolidated Balance Sheets)

1. Accumulated depreciation of property and equipment

	As of March 31, 2010	**As of March 31, 2011**
	1,048,584 million yen	**1,113,677 million yen**

2. Investments in non-consolidated subsidiaries and affiliates

	As of March 31, 2010	**As of March 31, 2011**
Investment securities and investments in partnerships	149,025 million yen	**192,046 million yen**

3. Additional entrustment for debt assumption of bonds (As of March 31, 2010)

SOFTBANK MOBILE has entrusted cash for the repayment of the straight bonds listed in the following table based on debt assumption agreements with a financial institution. The bonds are derecognized in the Company's consolidated balance sheets.

The trust had collateralized debt obligations ("CDO") issued by a Cayman Islands based Special-Purpose Company ("SPC"). The SPC contracted a credit default swap agreement secured by debt securities (corporate bonds), which referred to a certain portion of the portfolio consisting of 160 referenced entities. Since defaults (credit events under the agreement) of more than a certain number of referenced entities occurred, ¥75,000 million in total was reduced from the redemption amount of the CDO in April 2009 and an additional entrustment was required for the reduced amount.

As a result, for the amount required as the additional entrustment of ¥75,000 million, a long term accounts payable was recognized as a recognized subsequent event (Type I subsequent event) and included in "Other liabilities" of long-term liabilities in the consolidated balance sheets, and it was recorded as special loss in the consolidated statement of income for the fiscal year ended March 31, 2009.

As of March 31, 2010, since the maturity for the additional entrustment was within one year, the accounts payable was included in "Accounts payable-other and accrued expenses" of current liabilities in the consolidated balance sheets.

Mizuho Corporate Bank, Ltd and the Company set up a credit line facility contract in order to support the repayments of the bonds issued by SOFTBANK MOBILE.

As of March 31, 2010

Subject Bonds	Issue date	Maturity date	**Amount of transferred bond**
Third Series Unsecured Bond	August 19, 1998	August 19, 2010	**25,000**
Fifth Series Unsecured Bond	August 25, 2000	August 25, 2010	**25,000**
Seventh Series Unsecured Bond	September 22, 2000	September 22, 2010	**25,000**
Total			**75,000 million yen**

4. Secured loans

(1) Assets pledged as collateral for secured liabilities

[1] For short-term borrowings and long-term debt

Assets pledged as collateral and secured liabilities by consolidated subsidiaries are as follows:

	As of March 31, 2010		**As of March 31, 2011**	
Assets pledged as collateral:				
Cash and deposits	213,098		**222,613**	
Notes and accounts receivable - trade	273,231		**306,527**	
Marketable securities[1]	-		**73,592**	
Buildings and structures	12,133		**11,694**	
Telecommunications equipment	182,945		**281,936**	
Telecommunications service lines	86		**71**	
Land	10,633		**10,747**	
Investment securities and investments in unconsolidated subsidiaries and affiliated companies	81,701		**-**	
Investments and other assets - other assets	17,225		**9,554**	
Total	791,054	million yen	**916,738**	**million yen**

	As of March 31, 2010		**As of March 31, 2011**	
Secured liabilities:				
Accounts payable - trade	1,674		**964**	
Short-term borrowings	1,928		**93,686**	
Long - term debt[2]	1,086,707		**772,577**	
Total	1,090,310	million yen	**867,227**	**million yen**

Notes:

1. Shares of Yahoo! Inc. placed as collateral for a loan procured by a subsidiary of the Company in the United States of America were transferred to “Marketable securities” since the maturity for the loan was within one year. These shares were recorded as “Investment securities and investments in unconsolidated subsidiaries and affiliated companies” as of March 30, 2010.
2. Consolidated subsidiaries shares owned by SOFTBANK MOBILE, SOFTBANK MOBILE shares owned by BB Mobile Corp. and BB Mobile Corp. shares owned by Mobiletech Corporation are pledged as collateral for long-term debt (totaled to ¥986,702 million and ¥772,577 million, as of March 31, 2010 and March 31, 2011, respectively) resulting from the acquisition of SOFTBANK MOBILE, in addition to the assets pledged as collateral above.

[2] For borrowings of investee

Assets pledged as collateral for third party’s liability are as follows:

	As of March 31, 2010		**As of March 31, 2011**	
Assets pledged as collateral:				
Investment securities and investments in unconsolidated subsidiaries and affiliated companies	2,000	million yen	**-**	**million yen**

(2) Borrowings by securitization of receivables

[1] The securitization of installment sales receivable of SOFTBANK MOBILE

Cash proceeds through the securitization of installment sales receivables of SOFTBANK MOBILE, excluding that qualify for derecognition criteria of a financial asset, were included in "Short-term borrowings" (¥175,359 million and ¥49,903 million, as of March 31, 2010 and March 31, 2011, respectively) and "Long-term debt" (¥44,454 million, as of March 31, 2010). The amounts of the senior portion of the securitized installment sales receivables (¥219,813 million and ¥49,903 million, as of March 31, 2010 and March 31, 2011, respectively) were included in "Notes and account receivable-trade", along with the subordinated portion held by the SOFTBANK MOBILE. The trustee raised the funds through asset backed loans based on the receivables.

[2] The securitization of receivables for ADSL services of SOFTBANK BB

SOFTBANK BB transferred its senior portion of the securitized present and future receivables for ADSL services* to a SPC (a consolidated subsidiary), and the SPC raised the funds through asset backed loans based on the receivables (¥10,504 million and ¥2,920 million, as of March 31, 2010 and March 31, 2011, respectively) from a financial institution. Cash proceeds through the asset backed loans are included in the "Short-term borrowings" (¥6,660 million and ¥2,920 million, as of March 31, 2010 and March 31, 2011, respectively) and "Long-term debt" (¥3,844 million, as of March 31, 2010).

Note:* A certain portion of present and future (through March 2012) receivables realized through the ADSL services provided by SOFTBANK BB.

(3) Borrowings by security lending agreements

Cash receipts as collateral from financial institutions, to whom the Company lent a portion of shares in its subsidiary under security lending agreements are presented as follows:

	As of March 31, 2010		**As of March 31, 2011**	
Short-term borrowings	114,000	million yen	**114,000**	**million yen**

(4) Others

A consolidated subsidiary purchased assets by installments, and the assets of which ownership was not transferred to the consolidated subsidiary and its installment payables are as follows:

	As of March 31, 2010		**As of March 31, 2011**	
Assets of which ownership is not transferred:				
Buildings and structures	35		**60**	
Telecommunications equipment	16,710		**55,075**	
Construction in progress	1,538		**186**	
Other property and equipment	-		**1**	
Software	4,755		**14,055**	
Other intangibles	12		**179**	
Investments and other assets - other assets	240		**328**	
Total	23,292	million yen	**69,886**	**million yen**

	As of March 31, 2010		**As of March 31, 2011**	
Installment payables:				
Accounts payable - other and accrued expenses	4,148		**9,906**	
Long- term accounts payable - other	20,741		**63,086**	
Total	24,889	million yen	**72,993**	**million yen**

5. Guarantee obligation (As of March 31, 2011)

The Company has entered into a sponsor agreement with WILLCOM, Inc. Under the sponsor agreement, the Company provides necessary financial support to WILLCOM, Inc. for business operation and execution of the rehabilitation plan. The agreement is effective until WILLCOM, Inc. completes the payment of its reorganization clams and reorganization security interests amounting to ¥41,000 million.

6. Line of credit as a creditor (not used)

As of March 31, 2010	**As of March 31, 2011**
16,846 million yen	**15,894 million yen**

7. Financial covenants (As of March 31, 2011)

The Group's interest-bearing debt includes financial covenants, with which the Group is in compliance. The major financial covenants are as follows. If the Group fails to comply with the following covenants, creditors may require repayment of all debt. (Where the covenants set several conditions, the strictest condition is presented below.)
As of March 31, 2011, there is no infringement of the debt covenants.

(1) The amount of the Company's net assets at the end of the year and the first half of the year must not fall below 75% of the Company's net assets at the end of the previous year.

(2) At the end of the year and the first half of the year, balance sheets of SOFTBANK BB and SOFTBANK TELECOM must not show a net capital deficiency. The consolidated balance sheets of BB Mobile Corp. at the end of the year and the first half of the year must not show a net capital deficiency.

(3) SOFTBANK MOBILE received a loan (the "SBM loan") from Mizuho Trust & Banking Co., Ltd. (the "lender"), which, as the Tokutei Kingai Trust Trustee, was entrusted with the proceeds by WBS Funding[1]. Under the terms of the SBM loan agreement, SOFTBANK MOBILE is allowed a certain degree of flexibility in its business operations, as a general rule. However, in the event that the loan agreement's financial performance targets (reduction in cumulative debt, adjusted EBITDA[2], leverage ratio[3]) or operational performance targets (number of subscribers) are not met, depending on the importance and the timing of the issue, the influence of the lender on the operations of SOFTBANK MOBILE might be increased. It is possible that limits will be placed on capital investment, that prior approval will be required for development of new services, that a majority of the board directors will be appointed, and that rights to assets pledged as collateral, including shares of SOFTBANK MOBILE, will be exercised.

Notes:

1. WBS Funding (Whole Business Securitization Funding)
   A special-purpose company for the purpose of allocating the total amount raised from domestic and foreign financial institutions--¥1,441.9 billion--under the WBS scheme through the Tokutei Kingai Trust Trustee for the SBM loan to SOFTBANK MOBILE. SOFTBANK MOBILE borrowed from Tokutei Kingai Trust Trustee an amount of ¥1,366 billion, representing the total amount of ¥1,441.9 billion raised by WBS Funding less such items as interest hedge costs and interest reserve.
2. Adjusted EBITDA
   Lease payments which are included in operating expenses are added back to EBITDA.
3. Leverage ratio
   Leverage ratio = Debt / Adjusted EBITDA. The balance of debt does not include capital financing, subordinated loans from the SOFTBANK Group.

(Consolidated Statements of Income)

1. Selling, general and administrative expenses

	Fiscal year ended March 31, 2010		**Fiscal year ended March 31, 2011**	
Sales commission and sales promotion expense	471,920	million yen	**513,482**	**million yen**
Payroll and bonuses	125,798		**126,883**	
Provision for allowance for doubtful accounts	8,499		**14,646**	

2. Unrealized appreciation on valuation of investments and loss on sale of investments at subsidiaries in the United States of America, net

Certain subsidiaries of the Company in the United States of America qualify as investment companies under the provisions set forth in Financial Services – Investment Companies of the FASB Accounting Standards Codification Topic 946(ASC 946) and account for investment securities in accordance with ASC 946.

The net changes in the fair value of the investments are recorded as unrealized appreciation on valuation of investments and loss on sale of investments at subsidiaries in the U.S., net and loss on sale of investments, computed based on the acquisition cost, is also included in this account. The unrealized appreciation on valuation of investments and loss on sale of investments included in unrealized appreciation on valuation of investments and loss on sale of investments at subsidiaries in the U.S., net in the consolidated statements of income are as follows:

	Fiscal year ended March 31, 2010		**Fiscal year ended March 31, 2011**	
Unrealized appreciation on valuation of investment at subsidiaries in the U.S.,net	1,927		**1,041**	
Loss on sale of investments at subsidiaries in the U.S.,net	(2,230)		**(777)**	
Total	(303)	million yen	**263**	**million yen**

3. Loss on retirement of non current assets (For the fiscal year ended March 31, 2010)

(1) Loss on retirement of non current assets related to the termination of second-generation mobile phone services

Certain pieces of telecommunications equipment being used exclusively for second-generation (2G) mobile phone services in the Mobile communications business are to be removed upon termination of 2G mobile phone services in March, 2010. These pieces of telecommunications equipment were depreciated under the straight-line method over the period commencing from the acquisition of Vodafone K.K. (currently SOFTBANK MOBILE) in April 2006 to the termination of 2G services in March, 2010.

In June 2009, a new frequency for the next generation mobile phone services was assigned to SOFTBANK MOBILE. The telecommunications equipment being used for 2G mobile phone services except for the aforementioned equipment was reviewed to determine which pieces would be used for the next generation mobile phone services and which pieces will be removed. For the year ended March 31, 2010, loss on retirement of non current assets was recorded for the assets to be additionally removed. As the assets to be removed upon termination of 2G services were specified, it became possible to reasonably estimate the removal costs. These removal costs were included in loss on retirement of non current assets in the consolidated statements of income for the fiscal year ended March 31, 2010.

The loss on retirement of non current assts of ¥23,011 million consists of ¥16,544 million for equipment removal cost and ¥6,467 million for loss on retirement of telecommunications equipment.

(2) Loss on retirement of non current assets related to the telecommunications equipment for third-generation mobile phone

SOFTBANK MOBILE replaced certain pieces of existing wireless network equipment in order to increase efficiency of the future capital expenditures and reduce maintenance costs. As a result, the previously used wireless network equipment for third-generation mobile phone services was retired, and the total carrying amounts of the retired assets and the related removal costs were recorded as loss on retirement of non current assets in the consolidated statements of income for the fiscal year ended March 31, 2010. The loss on retirement of non current assets of ¥22,493 million consists of ¥13,726 million for telecommunications equipment, ¥8,689 million for software, and ¥77 million for removal costs.

4. Loss on disaster (For the fiscal year ended March 31, 2011)

Loss on disaster was recorded due to the Great East Japan Earthquake occurred in March 2011.

The details are as follows:

Loss on damage and restoration expenses for telecommunications network	6,243	million yen
– Loss on retirement and demolition of telecommunications network such as base stations due to the earthquake		
– Removal, restoration, and check up expenses for the assets described above		
Loss on exemption of receivables from customers and additional allowance for doubtful accounts	3,636	
– Exemption of receivables from customers afflicted by the disaster		
– Additional allowance for doubtful accounts deemed to be uncollectable		
Loss on non cancelable advertisement contracts which were already ordered	2,005	
Others	2,530	
– Lending of mobile phone handsets free of charge and replacement expenses of customer premises equipment		
– Business consignment expenses for call centers to support customers corresponding to the earthquake disaster		
– Supporting expenses for damaged agencies, and others		
Total	14,416	million yen

5. Valuation loss on option (For the fiscal year ended March 31, 2011)

The Company has entered into agreements containing a put option and a call option for shares of Wireless City Planning Inc., which is the Company's affiliate under equity method, with its shareholders other than the Company. The put option is the other shareholders' right to sell the shares to the Company and the call option is the Company's right to buy the shares from the other shareholders. These options are measured at fair value and the valuation loss is recorded.

6. Income taxes – corrections (For the fiscal year ended March 31, 2011)

Yahoo Japan received a correction notice from Tokyo Regional Taxation Bureau on June 30, 2010. Yahoo Japan acquired all the shares of SOFTBANK IDC Solutions Corp. from the Company in February 2009 and merged it in March 2009. At the merger, loss carryforwards held by SOFTBANK IDC Solutions Corp. were carried and utilized by Yahoo Japan. The notice corrects this tax treatment insisting that the treatment was to reduce Yahoo Japan's income taxes inappropriately. Additional income taxes of ¥ 26,450 million were included in income taxes - correction and paid for the fiscal year ended March 31, 2011. Yahoo Japan submitted a request for reconsideration to the national tax tribunal and brought legal suit in April 2011.

(Consolidated Statements of Comprehensive Income)

(Additional information)
“Accounting Standard for Presentation of Comprehensive Income” (ASBJ Statement No. 25, June 30, 2010) was applied for the fiscal year ended March 31, 2011.

Fiscal year from April 1, 2010 to March 31, 2011

1. Comprehensive Income attributable for the last fiscal year ended March 31, 2010

Comprehensive income attributable to owners of the parent	96,685	million yen
Comprehensive income attributable to minority interests	48,579	
Total	145,265	million yen

2. Other Comprehensive income for the last fiscal year end March 31, 2010

Unrealized gain on available-for-sale securities	12,806	million yen
Deferred gain on derivatives under hedge accounting	(10,788)	
Foreign currency translation adjustment	(3,618)	
Share of other comprehensive income of associates accounted for using equity method	2,176	
Total	575	million yen

(Consolidated Statements of Changes in Equity)

Fiscal year from April 1, 2009 to March 31, 2010

1. Class and number of outstanding shares

(shares in thousands)

	March 31, 2009	Increase	Decrease	March 31, 2010
Number of common stocks	1,081,023	1,479	-	1,082,503

Note: Increase resulted from the exercise of stock acquisition rights.

2. Class and number of treasury stocks

(shares in thousands)

	March 31, 2009	Increase	Decrease	March 31, 2010
Number of common stocks	169	5	-	174

Note: Increase resulted from the acquisition of the fractional shares.

3. Stock acquisition rights

(1) Stock acquisition rights as stock options

Type	Detail of stock acquisition rights	Class of shares	Number of shares for stock acquisition rights (in thousands)				Millions of yen
			March 31, 2009	Increase	Decrease	March 31, 2010	March 31, 2010
Consolidated Subsidiaries	-	-					450
Total		-					450

(2) Stock acquisition rights other than above

Type	Detail of stock acquisition rights	Class of shares	Number of shares for stock acquisition rights (in thousands)				Millions of yen
			March 31, 2009	Increase	Decrease	March 31, 2010	March 31, 2010
Consolidated Subsidiaries	-	-					25
Total		-					25

4. Dividends

(1) Dividend paid

Resolution	Class of shares	Amount of dividend (Millions of yen)	Dividend per share	Record date	Effective date
Ordinary general meeting of shareholders, June 24, 2009	Common stocks	2,702	¥2.50	March 31, 2009	June 25, 2009

(2) Dividends which recorded date is in the fiscal year ended March 31, 2010 and effective date for payment is in the fiscal year ended March 31, 2011

Resolution	Class of shares	Amount of dividend (Millions of yen)	Source of dividend	Dividend per share	Record date	Effective date
Ordinary general meeting of shareholders, June 25, 2010	Common stocks	5,411	Retained earnings	¥5.00	March 31, 2010	June 28, 2010

Fiscal year from April 1, 2010 to March 31, 2011

1. Class and number of outstanding shares

(shares in thousands)

	March 31, 2010	Increase	Decrease	March 31, 2011
Number of common stocks	1,082,503	26	-	1,082,530

Note: Increase resulted from the exercise of stock acquisition rights.

2. Class and number of treasury stocks

(shares in thousands)

	March 31, 2010	Increase	Decrease	March 31, 2011
Number of common stocks	174	5	-	180

Note: Increase resulted from the acquisition of the fractional shares.

3. Stock acquisition rights

(1) Stock acquisition rights as stock options

Type	Detail of stock acquisition rights	Class of shares	Number of shares for stock acquisition rights (in thousands)				Millions of yen
			March 31, 2010	Increase	Decrease	March 31, 2011	March 31, 2011
The Company	-	-					100
Consolidated Subsidiaries	-	-					585
Total		-					685

(2) Stock acquisition rights other than above

Type	Detail of stock acquisition rights	Class of shares	Number of shares for stock acquisition rights (in thousands)				Millions of yen
			March 31, 2010	Increase	Decrease	March 31, 2011	March 31, 2011
Consolidated Subsidiaries	-	-					18
Total		-					18

4. Dividends

(1) Dividend paid

Resolution	Class of shares	Amount of dividend (Millions of yen)	Dividend per share	Record date	Effective date
Ordinary general meeting of shareholders, June 25, 2010	Common stocks	5,411	¥5.00	March 31, 2010	June 28, 2010

(2) Dividends which recorded date is in the fiscal year ended March 31, 2011 and effective date for payment is in the fiscal year ending March 31, 2012

Resolution	Class of shares	Amount of dividend (Millions of yen)	Source of dividend	Dividend per share	Record date	Effective date
Ordinary general meeting of shareholders, June 24, 2011	Common stocks	5,411	Retained earnings	¥5.00	March 31, 2011	June 27, 2011

(Consolidated Statements of Cash Flows)

1. Reconciliation of cash and cash equivalents to the amounts presented in the accompanying consolidated balance sheets

	As of March 31, 2010		**As of March 31, 2011**	
Cash and deposits	690,053	million yen	**861,657**	**million yen**
Marketable securities	4,342		**78,099**	
Time deposits with original maturity over three months	(2,733)		**(14,832)**	
Stocks and bonds with original maturity over three months	(3,980)		**(77,769)**	
Cash and cash equivalents	687,681	million yen	**847,155**	**million yen**

2. Assets and liabilities of newly consolidated subsidiaries by acquisition (For the fiscal year ended March 31, 2010)

The estimated fair values of the assets acquired and liabilities assumed of a new consolidated subsidiary at the acquisition date are as follows:

BB Modem Rental Yugen Kaisha

	As of March 31, 2010	
Current assets	13,685	million yen
Non-current assets	9,618	
Goodwill	4,679	
Current liabilities	(7,142)	
Acquisition cost [2]	20,840	
Cash and cash equivalents of newly consolidated subsidiary	-	
Payment for the acquisition	(20,840)	million yen

Notes:

1. SOFTBANK BB spun off its modem rental business in order to concentrate on its core broadband business and established BB Modem Rental Yugen Kaisha ("BB Modem rental") in 2005. SOFTBANK BB sold its modem rental business (the sale of all BB Modem Rentals' whole ownership interest) to Yugen Kaisha Gemini BB in 2005.
   On February 16, 2010, SOFTBANK BB acquired all shares of BB Modem Rental from Gemini BB Holdings, as a result of reconsideration of significance of its modem rental business after the Group's entry into Mobile Communications business in 2006. SOFTBANK BB merged BB Modem Rental on March 31, 2010, effectively.
2. Loan payable to SOFTBANK BB of ¥20,827 million was included.

3. Income taxes paid

Payment for income taxes-corrections of ¥26,450 million based on the receipt of the correction notice described in "(9) Notes (Consolidated Statements of Income) 6. Income taxes-corrections" are included in "Income taxes paid" in the consolidated statements of cash flows for the fiscal year ended March 31, 2011.

4. Scope of Purchase of property and equipment, and intangibles in the consolidated statements of cash flows

"Purchase of property and equipment, and intangibles" are comprised of cash outflows from purchasing property and equipment, and intangible assets (excluding goodwill) and long-term prepaid expenses.

5. Proceeds from sale and lease back of equipment newly acquired

Once SOFTBANK MOBILE and others purchase telecommunications equipment for the purpose of assembly, installation and inspection, SOFTBANK MOBILE and others sell the equipment to lease companies for sale and lease back purposes. The leased asset and lease obligation are recorded in the consolidated balance sheets.

The cash outflows from the purchase of the equipment from vendors are included in "Purchase of property and equipment, and intangibles" and the cash inflows from the sale of the equipment to lease companies are included in "Proceeds from sale and lease back of equipment newly acquired."

6. Payments for additional entrustment for debt assumption

Additional entrustment of ¥75,000 million recorded as special loss in the consolidated statements of income for the fiscal year ended March 31, 2009 reached its maturity date for the fiscal year ended March 31, 2011. The amount of payment was recorded as "Payments for additional entrustment for debt assumption" in the consolidated statements of cash flows.

7. Payments for repurchase of minority interests and long-tem debt

The Company acquired all class 1 preferred stock-series 1, stock acquisition rights issued by BB Mobile Corp. to Vodafone International Holdings B.V. and all principal and accrued interest of a long-term loan receivable, which was recorded as "Long-term debt" in the Company's consolidated balance sheets, from SOFTBANK MOBILE Corp. to Vodafone Overseas Finance Limited for the total amount of ¥412,500 million during the fiscal year ended March 31, 2011. Of the total amount of the acquisition, the amount paid during the fiscal year ended March 31, 2011 amounting to ¥212,500 million, together with related expenses associated with the acquisition were recorded as "Payments for repurchase of minority interest and long-tem debt." The remaining amount of ¥200,000 million is scheduled to be paid in April 2012.

8. Non-cash investing and financing transaction

Acquisitions of fixed assets by installments were ¥23,695 million and ¥51,347 million, respectively for the fiscal year ended March 31, 2010 and March 31, 2011.

(Leases)

1. Finance lease transactions

(As a lessee)

(1) Finance leases in which the ownership of leased assets is transferred to lessees at the end of lease periods

[1] Details of lease assets are as follows:

Tangible assets, mainly telecommunications equipment in the Mobile Communications segment.

[2] Depreciation method for lease assets

The depreciation method is the same as the method used for fixed assets possessed by each subsidiary and the Company.

(2) Finance leases in which the ownership of leased assets is not transferred to lessees at the end of lease periods

[1] Details of lease assets are as follows:

Tangible assets, mainly telecommunications equipment in the Fixed-line Telecommunications segment.

[2] Depreciation method for lease assets

The straight-line method is adopted over the period of the finance leases, assuming no residual value.

Lease transactions contracted before April 1, 2008 are continuously permitted to be accounted for as operating lease transactions, and as if capitalized information is as follows:

(1) Amounts equivalent to acquisition costs, accumulated depreciation, and accumulated impairment loss of leased property for each year:

	As of March 31, 2010		**As of March 31, 2011**	
Telecommunications equipment and telecommunications service lines				
Acquisition cost	141,093		**124,132**	
Accumulated depreciation	(67,776)		**(73,353)**	
Accumulated impairment loss	(33,232)		**(24,743)**	
Net leased property	40,084	million yen	**26,035**	**million yen**
Buildings and structures				
Acquisition cost	46,730		**46,715**	
Accumulated depreciation	(11,909)		**(14,238)**	
Accumulated impairment loss	-		**-**	
Net leased property	34,820	million yen	**32,477**	**million yen**
Property and equipment - others				
Acquisition cost	16,113		**13,072**	
Accumulated depreciation	(10,223)		**(9,859)**	
Accumulated impairment loss	(1,242)		**(1,078)**	
Net leased property	4,647	million yen	**2,134**	**million yen**
Intangible assets				
Acquisition cost	9,070		**8,597**	
Accumulated depreciation	(6,669)		**(8,004)**	
Accumulated impairment loss	(290)		**(171)**	
Net leased property	2,110	million yen	**421**	**million yen**
Total				
Acquisition cost	213,007		**192,518**	
Accumulated depreciation	(96,579)		**(105,455)**	
Accumulated impairment loss	(34,765)		**(25,992)**	
Net leased property	81,662	million yen	**61,069**	**million yen**

Current portion of long-term prepaid expenses related to a lease contract, in which the contract term and payment term are different, in the amount of ¥670 million and ¥583 million as of March 31, 2010 and March 31, 2011 are included in "Other current assets" in the consolidated balance sheets. Long-term prepaid expenses relating to the lease contract as of March 31, 2010 and March 31, 2011 were ¥25,157 million and ¥26,073 million, respectively and are included in "Other assets" of investments and other assets in the consolidated balance sheets.

(2) Obligations under finance lease at the end of each year:

	As of March 31, 2010		**As of March 31, 2011**	
Due within one year	26,191		**15,678**	
Due after one year	79,431		**62,845**	
Total	105,623	million yen	**78,523**	**million yen**
Balance of allowance for impairment loss on leased property	10,776	million yen	**4,530**	**million yen**

(3) Lease payments, payment of the lease obligation for impaired leased property, amounts equivalent to depreciation, and interest expense for each year:

	Fiscal year ended March 31, 2010		**Fiscal year ended March 31, 2011**	
Lease payments	36,752	million yen	**30,830**	**million yen**
Payment of the lease obligation for impaired leased property	8,416		**6,246**	
Depreciation expense	23,960		**20,989**	
Interest expense	8,654		**6,735**	
Impairment loss	383		**-**	

(4) Calculation method used to determine the amount equivalent to depreciation and interest expense:

The amount equivalent to depreciation is computed using the straight-line method over the period of the finance leases, assuming no residual value.

The amount equivalent to interest expense is calculated by subtracting acquisition costs from the total lease payments and allocated over the lease periods based on the interest method.

(Financial Instruments)

Fiscal year ended March 31, 2010

(Additional information)

"Accounting Standard for Financial Instruments" (ASBJ Statement No. 10, March 10, 2008) and its "Implementation Guidance on Disclosures about Fair Value of Financial Instruments" (ASBJ Guidance No. 19 Guidance, March 10, 2008) were applied for the fiscal year ended March 31, 2010.

1. Conditions of Financial instruments

(1) Management policy

The Group utilizes diversified financing methods of raising funds through both indirect financing, such as bank loans, and direct financing, such as issuance of bonds and commercial paper and borrowings through securitization, taking market conditions and current/non-current debts ratio into consideration. The Group makes short-term deposits for fund management purposes. The Group also utilizes derivative financial instruments to hedge various risks as described in detail below and does not enter into derivatives for trading or speculative purposes.

(2) Financial instruments, risks, and risk management

The notes and accounts receivable-trade are exposed to credit risk of customers. To minimize the credit risk, the Group performs due date controls and balance controls for each customer in accordance with internal customer credit management rules, and regularly screens major customers' credit status. For credit risk associated with installment sales receivables of mobile handsets, SOFTBANK MOBILE screens customers' credit in accordance with internal screening standards for new subscriber contracts as well as refers to an external institution for customers' credit status.

Marketable and investment securities are exposed to stock market fluctuation risk and foreign currency exchange risk. For those risks, the Group is continuously monitoring investees' financial condition, stock market fluctuation, and foreign currency exchange risk. The Group enters into a variable share prepaid forward contract (collar transaction) utilizing its shares of Yahoo! Inc. The purpose of this collar transaction is to hedge the variability of cash flows associated with the future market price of the underlying security, which will be used for the settlement of loans at their maturity.

Maturities of accounts payable-trade and accounts payable-other are mostly within one year. Loan payables with variable interest rate are exposed to interest rate risk, and interest rate swaps are used for certain loan payables in order to hedge this risk. Corporate bonds are mainly issued by the Company and corporate bonds denominated in foreign currency are exposed to foreign currency exchange risk. Foreign exchange forward contracts are used to hedge this risk.

In order to hedge the cash flow fluctuation risk associated with the future market price of underlying securities for sale, interest rate risk associated with financial assets and liabilities, and foreign currency exchange risk associated with assets and liabilities denominated in foreign currencies, derivative transactions such as a collar transaction, interest rate swap transactions, and foreign exchange forward contracts are used.

Hedge accounting is applied for certain derivative transactions. Hedging instruments and hedged items, hedging policy, and effectiveness of hedge transactions are described in "(6) Basis of Presentation of Consolidated Financial Statements 4. Summary of significant accounting policies (5) Accounting for significant hedge transactions." Derivative transactions entered into by the Company are implemented and controlled based on the Company's internal polices and are limited to the extent of actual demand. Balance and fair value of derivative transactions are reported regularly to the board of directors. Consolidated subsidiaries also manage the derivative transactions based on the Company's policies.

(3) Supplemental explanation regarding fair value of financial instruments

Fair value of financial instruments are measured based on the quoted market price, if available, or reasonably assessed value if a quoted market price is not available. Fair value of financial instruments which quoted market price is not available is calculated based on certain assumptions, and the fair value might differ if different assumptions are used. In addition, the contract amount of the derivative transactions described below in "(9) Notes (Derivative Transactions)" does not represent the market risk of the derivative transactions.

2. Fair value of financial instruments

The carrying amounts on the consolidated balance sheets, fair value, and differences as of March 31, 2010 are as follows.
In addition, financial instruments, of which it is extremely difficult to measure the fair value, are not included. (Please see “Notes 2. Financial instruments of which the fair value is extremely difficult to measure”)

(Millions of yen)

	As of March 31, 2010		
	Carrying Amount	Fair value	Differences
Assets			
(1) Cash and deposit	¥690,053	¥690,053	¥ -
(2) Notes and accounts receivable-trade	816,550		
Allowance for doubtful accounts[1]	(32,801)		
Notes and accounts receivable-trade, net	783,748	783,748	-
(3) Marketable securities and investment securities			
[1]Held-to-maturity debt securities	1,499	1,344	(155)
[2]Investments in unconsolidated subsidiaries and affiliated companies	8,639	19,274	10,635
[3]Other securities	148,777	148,777	-
Total	1,632,718	1,643,198	10,480
Liabilities			
(1) Accounts payable-trade	158,942	158,942	-
(2) Short-term borrowings	437,960	437,960	-
(3) Current portion of corporate bonds	54,400	54,400	-
(4) Accounts payable-other and accrued expenses	451,408	451,408	-
(5) Income taxes payable	100,483	100,483	-
(6) Current portion of lease obligations	109,768	109,768	-
(7) Corporate bonds	448,523	488,877	40,353
(8) Long-term debt	1,281,586	1,364,076	82,490
(9) Lease obligations	224,484	224,922	438
Total	3,267,557	3,390,840	123,282
Derivative transactions[2]			
[1]Hedge accounting is not applied	1,324	1,324	-
[2]Hedge accounting is applied	25,701	25,701	-
Total	¥27,025	¥27,025	¥ -

Notes:
1. Allowance for doubtful accounts associated with notes and accounts receivable-trade are deducted.
2. Derivative assets and liabilities are on net basis.

Notes 1. Fair value measurement of financial instruments

Assets

(1) Cash and deposits

The carrying amount approximates fair value because of the short maturity of these instruments.

(2) Notes and accounts receivable-trade

The carrying amount of installment sales receivables approximates fair value, which is based on the present value of future cash flows through maturity discounted using an estimated credit-risk-adjusted interest rate. The carrying amount of notes and accounts receivable-trade other than installment sales receivables approximates fair value because of the short maturity of these instruments.

(3) Marketable and investment securities

The fair value of equity securities equals quoted market price, if available. The fair value of debt securities equals quoted market price or provided price by financial institutions. The investment securities held by certain subsidiaries in the United States of America which apply ASC 946 are carried at fair value (Please see "(9) Notes (Investment in Debt and Equity Securities) 5. Investment securities evaluated at fair value under the provisions set forth in Financial Services – Investment Companies of the FASB Accounting Standards Codification"). Marketable and investment securities based on holding purpose are described in "(9) Notes (Investment in Debt and Equity Securities)."

Liabilities

(1) Accounts payable-trade, (4) Accounts payable-other, and (5) Income taxes payable

The carrying amount approximates fair value because of the short maturity of these instruments.

(2) Short-term borrowings

The carrying amount of the current portion of long-term debt approximates fair value since the carrying amount was equivalent to the present value of future cash flows discounted using the current borrowing rate for similar debt of a comparable maturity. Borrowings other than the current portion of long-term debt, the carrying amount approximates fair value because of the short maturity of these instruments.

(3) Current portion of corporate bonds

The carrying amount approximates fair value because the carrying amount was equivalent to the quoted market price.

(6) Current portion of lease obligations

The carrying amount approximates fair value since the carrying amount was equivalent to the present value of future cash flows discounted using the current interest rate for similar lease contracts of comparable maturities and contract conditions.

(7) Corporate bonds

Fair value equals the quoted market price or the price provided by a financial institution. For certain corporate bonds denominated in foreign currencies, for which foreign exchange forward contracts are used to hedge the foreign currency fluctuations, fair value includes fair value of the derivative financial instrument.

(8) Long-term debt

Fair value of long-term debts is based on the price provided by a financial institution or the present value of future cash flows discounted using the current borrowing rate for similar debt of a comparable maturity.

(9) Lease obligations

Fair value equals to the present value of future cash flows discounted using the current interest rate for similar lease contracts of comparable maturities and contract conditions.

Derivative Transactions

Contract amount, fair value, unrealized gain or loss, and others are described in "(9) Notes (Derivative Transactions)."

Notes 2. Financial instruments of which the fair value is extremely difficult to measure.

(Millions of yen)

Classification	Carrying Amounts
Unlisted investment securities of unconsolidated subsidiaries and affiliated companies	¥140,386
Unlisted equity securities	68,241
Investments in partnerships	6,827
Total	¥215,454

Above are not included in "Assets (3) Marketable and investment securities" because there is no market value and it is extremely difficult to measure the fair value.

Notes 3. The redemption schedule for money claim and held-to-maturity debt securities with maturity date subsequent to the consolidated balance sheets date.

(Millions of yen)

Classification	April 1, 2010 to March 31, 2011	April 1, 2011 to March 31, 2015	April 1, 2015 to March 31, 2020	April 1, 2020 and thereafter
Cash and deposits	¥690,053	¥ -	¥ -	¥ -
Notes and accounts receivable-trade	693,406	123,144	-	-
Marketable and investment securities				
Held-to-maturity debt securities (corporate bonds)	800	100	-	600
Other securities with maturity date (corporate bonds)	0	503	27,000	-
Other securities with maturity date (other)	300	-	-	-
Sub-total	1,100	603	27,000	600
Total	¥1,384,559	¥123,747	¥27,000	¥600

Notes 4. The redemption schedule for corporate bonds, long-term debt, and lease obligations subsequent to the consolidated balance sheets date.

(Millions of yen)

Classification	April 1, 2010 to March 31, 2011	April 1, 2011 to March 31, 2012	April 1, 2012 to March 31, 2013	April 1, 2013 to March 31, 2014
Corporate bonds	¥54,400	¥128,500	¥144,998	¥97,625
Long-term debt	229,653	184,804	136,691	250,200
Lease obligations	109,768	79,639	77,552	39,726
Total	¥393,821	¥392,943	¥359,241	¥387,552

Classification	April 1, 2014 to March 31, 2015	April 1, 2015 to March 31, 2020	April 1, 2020 and thereafter
Corporate bonds	¥44,900	¥32,500	¥ -
Long-term debt	232,581	477,308	-
Lease obligations	24,715	2,850	-
Total	¥302,197	¥512,658	¥ -

Fiscal year ended March 31, 2011

1. Conditions of Financial instruments

(1) Management policy

The Group utilizes diversified financing methods of raising funds through both indirect financing, such as bank loans, and direct financing, such as issuance of bonds and commercial paper and borrowings through securitization, taking market conditions and current/non-current debts ratio into consideration. The Group makes short-term deposits for fund management purposes. The Group also utilizes derivative financial instruments to hedge various risks as described in detail below and does not enter into derivatives for trading or speculative purposes.

(2) Financial instruments, risks, and risk management

The notes and accounts receivable-trade are exposed to credit risk of customers. To minimize the credit risk, the Group performs due date controls and balance controls for each customer in accordance with internal customer credit management rules, and regularly screens major customers' credit status. For credit risk associated with installment sales receivables of mobile handsets, SOFTBANK MOBILE screens customers' credit in accordance with internal screening standards for new subscriber contracts as well as refers to an external institution for customers' credit status.

Marketable and investment securities are exposed to stock market fluctuation risk and foreign currency exchange risk. For those risks, the Group is continuously monitoring investees' financial condition, stock market fluctuation, and foreign currency exchange risk. The Group enters into a variable share prepaid forward contract (collar transaction) utilizing its shares of Yahoo! Inc. The purpose of this collar transaction is to hedge the variability of cash flows associated with the future market price of the underlying security, which will be used for the settlement of loans at their maturity.

Maturities of accounts payable-trade and accounts payable-other are mostly within one year. Loan payables with variable interest rate are exposed to interest rate risk, and interest rate swaps are used for certain loan payables in order to hedge this risk. Corporate bonds are mainly issued by the Company and corporate bonds denominated in foreign currency are exposed to foreign currency exchange risk. Foreign exchange forward contracts are used to hedge this risk.

In order to hedge the cash flow fluctuation risk associated with the future market price of underlying securities for sale, interest rate risk associated with financial assets and liabilities, and foreign currency exchange risk associated with assets and liabilities denominated in foreign currencies, derivative transactions such as a collar transaction, interest rate swap transactions, and foreign exchange forward contracts are used.

Hedge accounting is applied for certain derivative transactions. Hedging instruments and hedged items, hedging policy, and effectiveness of hedge transactions are described in "(6) Basis of Presentation of Consolidated Financial Statements 4. Summary of significant accounting policies (5) Accounting for significant hedge transactions." Derivative transactions entered into by the Company are implemented and controlled based on the Company's internal polices and are limited to the extent of actual demand. Balance and fair value of derivative transactions are reported regularly to the board of directors. Consolidated subsidiaries also manage the derivative transactions based on the Company's policies.

(3) Supplemental explanation regarding fair value of financial instruments

Fair value of financial instruments are measured based on the quoted market price, if available, or reasonably assessed value if a quoted market price is not available. Fair value of financial instruments which quoted market price is not available is calculated based on certain assumptions, and the fair value might differ if different assumptions are used. In addition, the contract amount of the derivative transactions described below in "(9) Notes (Derivative Transactions)" does not represent the market risk of the derivative transactions.

2. Fair value of financial instruments

The carrying amounts on the consolidated balance sheets, fair value, and differences as of March 31, 2011 are as follows.
In addition, financial instruments, of which it is extremely difficult to measure the fair value, are not included. (Please see "Notes 2. Financial instruments of which the fair value is extremely difficult to measure")

(Millions of yen)

	As of March 31, 2011		
	Carrying Amount	Fair value	Differences
Assets			
(1) Cash and deposit	¥861,657	¥861,657	¥ -
(2) Notes and accounts receivable-trade	657,774		
Allowance for doubtful accounts[1]	(36,063)		
Notes and accounts receivable-trade, net	621,710	621,710	-
(3) Marketable securities and investment securities			
[1]Held-to-maturity debt securities	1,587	1,487	(100)
[2]Investments in unconsolidated subsidiaries and affiliated companies	15,937	30,947	15,009
[3]Other securities	160,025	160,025	-
Total	1,660,919	1,675,827	14,908
Liabilities			
(1) Accounts payable-trade	193,644	193,644	-
(2) Short-term borrowings	410,950	410,950	-
(3) Commercial paper	25,000	25,000	-
(4) Current portion of corporate bonds	128,500	128,500	-
(5) Accounts payable-other and accrued expenses	561,421	561,421	-
(6) Income taxes payable	115,355	115,355	-
(7) Current portion of lease obligations	131,305	131,305	-
(8) Corporate bonds	507,390	584,477	77,087
(9) Long-term debt	1,030,959	1,102,328	71,368
(10) Long-term accounts payable-other	265,141	265,085	(56)
(11) Lease obligations	199,769	203,113	3,343
Total	3,569,439	3,721,182	151,742
Derivative transactions[2]			
[1]Hedge accounting is not applied	(216)	(216)	-
[2]Hedge accounting is applied	20,856	20,856	-
Total	¥ 20,640	¥ 20,640	¥ -

Notes:
1. Allowance for doubtful accounts associated with notes and accounts receivable-trade are deducted.
2. Derivative assets and liabilities are on net basis. Net liabilities are disclosed in brackets.

Notes 1. Fair value measurement of financial instruments

Assets

(1) Cash and deposits

The carrying amount approximates fair value because of the short maturity of these instruments.

(2) Notes and accounts receivable-trade

The carrying amount of installment sales receivables approximates fair value, which is based on the present value of future cash flows through maturity discounted using an estimated credit-risk-adjusted interest rate. The carrying amount of notes and accounts receivable-trade other than installment sales receivables approximates fair value because of the short maturity of these instruments.

(3) Marketable and investment securities

The fair value of equity securities equals quoted market price, if available. The fair value of debt securities equals quoted market price or provided price by financial institutions. The investment securities held by certain subsidiaries in the United States of America which apply ASC 946 are carried at fair value (Please see "(9) Notes (Investment in Debt and Equity Securities) 5. Investment securities evaluated at fair value under the provisions set forth in Financial Services – Investment Companies of the FASB Accounting Standards Codification"). Marketable and investment securities based on holding purpose are described in "(9) Notes (Investment in Debt and Equity Securities)."

Liabilities

(1) Accounts payable-trade, (3) Commercial paper, (5) Accounts payable-other, and (6) Income taxes payable

The carrying amount approximates fair value because of the short maturity of these instruments.

(2) Short-term borrowings

The carrying amount of the current portion of long-term debt approximates fair value since the carrying amount was equivalent to the present value of future cash flows discounted using the current borrowing rate for similar debt of a comparable maturity. Borrowings other than the current portion of long-term debt, the carrying amount approximates fair value because of the short maturity of these instruments.

(4) Current portion of corporate bonds

The carrying amount approximates fair value because the carrying amount was equivalent to the quoted market price.

(7) Current portion of lease obligations

The carrying amount approximates fair value since the carrying amount was equivalent to the present value of future cash flows discounted using the current interest rate for similar lease contracts of comparable maturities and contract conditions.

(8) Corporate bonds

Fair value equals the quoted market price or the price provided by a financial institution.

(9) Long-term debt

Fair value of long-term debts is based on the price provided by a financial institution or the present value of future cash flows discounted using the current borrowing rate for similar debt of a comparable maturity.

(10) Long-term accounts payable - other

Fair value of long-tem accounts payable - other is based on the present value of future cash flows discounted using the rate with consideration for period up to payment date and credit risk.

(11) Lease obligations

Fair value equals to the present value of future cash flows discounted using the current interest rate for similar lease contracts of comparable maturities and contract conditions.

Derivative Transactions

Contract amount, fair value, unrealized gain or loss, and others are described in "(9) Notes (Derivative Transactions)."

Notes 2. Financial instruments of which the fair value is extremely difficult to measure.

(Millions of yen)

Classification	Carrying Amounts
Unlisted investment securities of unconsolidated subsidiaries and affiliated companies	¥176,108
Unlisted equity securities	55,297
Investments in partnerships	9,579
Total	¥240,985

Above are not included in "Assets (3) Marketable and investment securities" because there is no market value and it is extremely difficult to measure the fair value.

Notes 3. The redemption schedule for money claim and held-to-maturity debt securities with maturity date subsequent to the consolidated balance sheets date.

(Millions of yen)

Classification	April 1, 2011 to March 31, 2012	April 1, 2012 to March 31, 2016	April 1, 2016 to March 31, 2021	April 1, 2021 and thereafter
Cash and deposits	¥861,657	¥ -	¥ -	¥ -
Notes and accounts receivable-trade	566,564	91,210	-	-
Marketable and investment securities				
Held-to-maturity debt securities (corporate bonds)	1,100	-	-	600
Other securities with maturity date (corporate bonds)	117	400	27,200	-
Other securities with maturity date (other)	-	109	-	-
Sub-total	1,217	509	27,200	600
Total	¥1,429,438	¥91,719	¥27,200	¥600

Notes 4. The redemption schedule for corporate bonds, long-term debt, lease obligations, and other interest bearing debt subsequent to the consolidated balance sheets date.

(Millions of yen)

Classification	April 1, 2011 to March 31, 2012	April 1, 2012 to March 31, 2013	April 1, 2013 to March 31, 2014	April 1, 2014 to March 31, 2015
Corporate bonds	¥128,500	¥144,998	¥204,992	¥44,900
Long-term debt	182,694	124,100	268,825	232,581
Lease obligations	131,305	85,325	55,599	40,919
Accounts payable – other by installment purchase	9,906	13,921	13,921	13,921
Total	¥452,407	¥368,345	¥543,338	¥332,322

Classification	April 1, 2015 to March 31, 2016	April 1, 2016 to March 31, 2021	April 1, 2021 and thereafter
Corporate bonds	¥70,000	¥42,500	¥-
Long-term debt	230,000	175,452	-
Lease obligations	17,861	63	-
Accounts payable – other by installment purchase	13,921	7,401	-
Total	¥331,782	¥225,417	¥ -

(Investment in Debt and Equity Securities)

For the fiscal year ended March 31, 2010

1. Held-to-maturity debt securities

(Millions of yen)

Classification	As of March 31, 2010		
	Carrying Amount	Fair value	Differences
Fair value > Carrying Amount			
Corporate bonds	¥199	¥199	¥0
Fair value≦Carrying Amount			
Corporate bonds	1,300	1,144	(155)
Total	¥1,499	¥1,344	¥(155)

2. Marketable and investment securities at fair value

(Millions of yen)

Classification	As of March 31, 2010		
	Carrying Amount	Investment Cost	Differences
Carrying Amount > Investment Cost			
(1)Equity securities	¥93,084	¥19,014	¥74,070
(2)Debt securities	28,680	26,397	2,283
(3)Others	2,718	2,359	358
Sub-total	124,483	47,771	76,712
Carrying Amount≦Investment Cost			
(1)Equity securities	8,010	11,337	(3,326)
(2)Debt securities	276	276	-
(3)Others	690	704	(14)
Sub-total	8,976	12,317	(3,340)
Total	¥133,460	¥60,089	¥73,371

Note: Investment securities held by certain subsidiaries in the United States of America which apply ASC 946 are described in below "5. Investment securities evaluated at fair value under the provisions set forth in Financial Services– Investment Companies of the FASB Accounting Standards Codification."

3. Marketable and investment securities sold during the fiscal year ended March 31, 2010

(Millions of yen)

Securities	Sales Price	Gain on sales	Loss on sales
(1)Equity securities	¥1,437	¥803	¥226
(2)Others	3,049	56	-
Total	¥4,487	¥860	¥226

Note: Sales price of ¥760 million, gain on sales of ¥580 million, and loss on sales of ¥57 million for financial instruments of which the fair value is extremely difficult to measure are included in the amounts above.

4. Marketable and investment securities impaired

Certain marketable and investment securities are impaired, and valuation loss on investment securities of ¥5,167 million (valuation loss on investment securities, of which the fair value is extremely difficult to measure, of ¥3,183 million is included) is recorded for the fiscal year ended March 31, 2010.

5. Investment securities evaluated at fair value under the provisions set forth in Financial Services – Investment Companies of the FASB Accounting Standards Codification

Certain subsidiaries of the Company in the United States of America qualify as investment companies under the provisions set forth in Financial Services – Investment Companies of the FASB Accounting Standards Codification Topic 946(ASC 946) and account for investment securities in accordance with ASC 946.

Proceeds from sales and the carrying amounts of the investment securities at fair value recorded in the consolidated balance sheets as of March 31, 2010 were as follows:

	As of March 31, 2010
Proceeds from sales:	1,864 million yen
Carrying amounts of investment securities at fair value :	15,316 million yen

Regarding net changes in fair value of the investment securities and gain on sale of the investment securities, please see "(9) Notes (Consolidated Statements of Income) 2. Unrealized appreciation on valuation of investments and loss on sale of investments at subsidiaries in the United States of America, net."

For the fiscal year ended March 31, 2011

1. Held-to-maturity debt securities

(Millions of yen)

Classification	As of March 31, 2011		
	Carrying Amount	Fair value	Differences
Fair value > Carrying Amount			
Corporate bonds	¥197	¥199	¥1
Fair value≦Carrying Amount			
Corporate bonds	1,390	1,288	(102)
Total	¥1,587	¥1,487	¥(100)

2. Marketable and investment securities at fair value

(Millions of yen)

Classification	As of March 31, 2011		
	Carrying Amount	Investment Cost	Differences
Carrying Amount > Investment Cost			
(1)Equity securities	¥92,582	¥19,151	¥73,430
(2)Debt securities	31,060	26,587	4,473
(3)Others	2,390	2,298	91
Sub-total	126,033	48,038	77,995
Carrying Amount≦Investment Cost			
(1)Equity securities	20,185	27,667	(7,481)
(2)Debt securities	693	702	(9)
(3)Others	632	636	(4)
Sub-total	21,510	29,005	(7,494)
Total	¥147,544	¥77,043	¥70,500

Note: Investment securities held by certain subsidiaries in the United States of America which apply ASC 946 are described in below "5. Investment securities evaluated at fair value under the provisions set forth in Financial Services– Investment Companies of the FASB Accounting Standards Codification."

3. Marketable and investment securities sold during the fiscal year ended March 31, 2011

(Millions of yen)

Securities	Sales Price	Gain on sales	Loss on sales
(1)Equity securities	¥13,650	¥1,971	¥598
(2)Others	3,767	105	1
Total	¥17,418	¥2,076	¥600

Note: Sales price of ¥371 million, gain on sales of ¥173 million, and loss on sales of ¥123 million for financial instruments of which the fair value is extremely difficult to measure are included in the amounts above.

4. Marketable and investment securities impaired

Certain marketable and investment securities are impaired, and valuation loss on investment securities of ¥8,739 million (valuation loss on investment securities, of which the fair value is extremely difficult to measure, of ¥6,168 million is included) is recorded for the fiscal year ended March 31, 2011.

5. Investment securities evaluated at fair value under the provisions set forth in Financial Services – Investment Companies of the FASB Accounting Standards Codification

Certain subsidiaries of the Company in the United States of America qualify as investment companies under the provisions set forth in Financial Services – Investment Companies of the FASB Accounting Standards Codification Topic 946(ASC 946) and account for investment securities in accordance with ASC 946.

Proceeds from sales and the carrying amounts of the investment securities at fair value recorded in the consolidated balance sheets as of March 31, 2011 were as follows:

	As of March 31, 2011
Proceeds from sales:	1,550 million yen
Carrying amounts of investment securities at fair value :	12,480 million yen

Regarding net changes in fair value of the investment securities and gain on sale of the investment securities, please see “(9) Notes (Consolidated Statements of Income) 2. Unrealized appreciation on valuation of investments and loss on sale of investments at subsidiaries in the United States of America, net.”

(Derivative Transactions)

As of March 31, 2010

(1) Derivative transactions to which the Company did not apply hedge accounting

1. Currency Related

(Millions of yen)

	Nature of transaction	March 31, 2010			
		Contract amounts		Fair value	Unrealized gain(loss)
			Over 1 year		
Off-market transactions	Forward exchange contracts to-				
	– Purchase U.S. dollars and sell Japanese yen	¥81,567	¥-	¥1,357	¥1,357
	– Purchase Euro and sell Japanese yen	657	-	(33)	(33)
	Total	¥82,225	¥-	¥1,324	¥1,324

Note: Fair value is based on information provided by financial institutions at the end of the fiscal year.

2. Interest Related

There are no applicable items.

3. Securities Related

There are no applicable items.

(2) Derivative transactions to which the Company applied hedge accounting

1. Currency Related

(Millions of yen)

Hedge accounting method	Nature of transaction	Hedged items	Contract amount		Fair value
				Over 1 year	
Deferral hedge accounting	Forward-exchange contracts: Purchased option to buy				
	U.S. dollars	Forecasted transactions for expenses denominated in foreign currencies	¥843	¥-	¥43
	Euro	Forecasted transactions for expenses denominated in foreign currencies	13	-	(0)
Alternative method (Note 2)	Forward-exchange contracts: Purchased option to buy				
	U.S. dollars	Accounts payable-trade and other	545	-	(Note 3)
	Euro	Accounts payable- trade, and corporate bonds	49,120	47,807	(Note 3)
Total			¥50,522	¥47,807	¥43

Notes:

1. Fair value is based on information provided by financial institutions at the end of the fiscal year.
2. Foreign monetary obligations denominated in foreign currencies for which foreign exchange forward contracts are used to hedge the foreign currency fluctuation are translated at the contracted rate, if the forward contracts qualify for hedge accounting.
3. For certain accounts payable-trade, accounts payable-other and corporate bonds denominated in foreign currencies for which foreign exchange forward contracts are used to hedge the foreign currency fluctuations, fair value of derivative financial instrument is included in fair value of the accounts payable-trade, accounts payable-other and corporate bonds as hedged items.

2. Interest Related

(Millions of yen)

Hedge accounting method	Nature of transaction	Hedged items	Contract amount		Fair value
				Over 1 year	
Deferral hedge accounting	Interest swap: Receiving floating rate and paying fix rate	Interest for loan	¥15,000	¥10,000	¥(260)
Total			¥15,000	¥10,000	¥(260)

Note: Fair value is based on information provided by financial institutions at the end of the fiscal year.

3. Securities Related

(Millions of yen)

Hedge accounting method	Nature of transaction	Hedged items	Contract amount		Fair value
				Over 1 year	
Deferral hedge accounting	Collar transaction: A variable share prepaid forward contract consisting of a purchased put option and a sold call option	Equity securities	¥105,697	¥105,697	¥25,918
Total			¥105,697	¥105,697	¥25,918

Note: Fair value is based on information provided by financial institutions at the end of the fiscal year.

As of March 31, 2011

(1) Derivative transactions to which the Company did not apply hedge accounting

1. Currency Related

(Millions of yen)

	Nature of transaction	March 31, 2011			
		Contract amounts		Fair value	Unrealized gain(loss)
			Over 1 year		
Off-market transactions	Forward exchange contracts to-				
	– Purchase U.S. dollars and sell Japanese yen	¥52,791	¥-	¥(217)	¥(217)
	– Purchase U.S. dollars and sell Korean won	353	-	1	1
	Total	¥53,144	¥-	¥(216)	¥(216)

Note: Fair value is based on information provided by financial institutions at the end of the fiscal year.

2. Interest Related

There are no applicable items.

3. Securities Related

There are no applicable items.

(2) Derivative transactions to which the Company applied hedge accounting

1. Currency Related

(Millions of yen)

Hedge accounting method	Nature of transaction	Hedged items	Contract amount	Over 1 year	Fair value
Deferral hedge accounting	Forward-exchange contracts: Purchased option to buy				
	U.S. dollars	Forecasted transactions for expenses denominated in foreign currencies	¥205	¥-	¥(3)
	Euro	Forecasted transactions for expenses denominated in foreign currencies	1,181	-	(1)
Total			¥1,387	¥-	¥(5)

Note: Fair value is based on information provided by financial institutions at the end of the fiscal year.

2. Interest Related

(Millions of yen)

Hedge accounting method	Nature of transaction	Hedged items	Contract amount	Over 1 year	Fair value
Deferral hedge accounting	Interest swap: Receiving floating rate and paying fix rate	Interest for loan	¥104,000	¥99,000	¥(1,418)
Total			¥104,000	¥99,000	¥(1,418)

Note: Fair value is based on information provided by financial institutions at the end of the fiscal year.

3. Securities Related

(Millions of yen)

Hedge accounting method	Nature of transaction	Hedged items	Contract amount	Over 1 year	Fair value
Deferral hedge accounting	Collar transaction: A variable share prepaid forward contract consisting of a purchased put option and a sold call option	Equity securities	¥94,461	¥-	¥22,280
Total			¥94,461	¥-	¥22,280

Note: Fair value is based on information provided by financial institutions at the end of the fiscal year.

(Income Taxes)

For the fiscal year ended March 31, 2010

1. Significant components of deferred tax assets and liabilities

(Million yen)	
Deferred tax assets	
Depreciation / Amortization	¥99,676
Loss carryforwards	88,229
Revaluation of acquired consolidated subsidiary at the respective fair market value	54,774
Allowances for doubtful accounts	39,377
Investment securities	32,106
Accounts payable-other and accrued expenses	29,302
Allowances for point mileage	19,211
Others	52,860
Gross deferred tax assets	415,538
Less: valuation allowance	(174,215)
Total deferred tax assets	241,323
Deferred tax liabilities	
Unrealized gains on other securities	(30,504)
Deferred gain on derivatives under hedge accounting	(10,251)
Others	(4,106)
Total deferred tax liabilities	(44,862)
Net deferred tax assets	¥196,461

2. Reconciliation between the statutory income tax rate and effective income tax rate:

Statutory tax rate	40.69	%
(Reconciliation)		
Change in valuation allowance	(8.64)	%
Amortization of goodwill	8.40	
Consolidation adjustments resulting from gain on sale of investments in consolidated subsidiaries	7.26	
Equity in losses of affiliated companies	1.00	
Others	1.26	
Income tax rate per statements of income	49.97	%

For the fiscal year ended March 31, 2011

1. Significant components of deferred tax assets and liabilities

(Million yen)	
Deferred tax assets	
Loss carryforwards	**¥79,172**
Depreciation / Amortization	**64,682**
Investment securities	**48,450**
Revaluation of acquired consolidated subsidiary at the respective fair market value	**43,560**
Accounts payable-other and accrued expenses	**31,520**
Allowances for doubtful accounts	**19,903**
Allowances for point mileage	**17,068**
Others	**64,275**
Gross deferred tax assets	**368,633**
Less: valuation allowance	**(141,498)**
Total deferred tax assets	**227,135**
Deferred tax liabilities	
Unrealized gains on other securities	**(27,844)**
Deferred taxable gain on a sale of shares of a subsidiary to a 100% owned subsidiary under Japanese group taxation regime	**(13,294)**
Deferred gain on derivatives under hedge accounting	**(7,642)**
Others	**(11,987)**
Total deferred tax liabilities	**(60,768)**
Net deferred tax assets	**¥166,366**

2. Reconciliation between the statutory income tax rate and effective income tax rate:

Statutory tax rate	**40.69**	**%**
(Reconciliation)		
Income taxes, current, correction, and deferred	**5.70**	**%**
Amortization of goodwill	**5.09**	
Change in valuation allowance	**(5.05)**	
Consolidation adjustments resulting from gain on sale of investments in consolidated subsidiaries	**4.18**	
Others	**(2.14)**	
Income tax rate per statements of income	**48.47**	**%**

(Segment Information)

1. Segment information

(Additional Information)

"Accounting Standard for Disclosures about Segments of an Enterprise and Related information" (ASBJ Statement No. 17, March 27, 2009) and "Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related information" (ASBJ Guidance No. 20, March 21, 2008) (hereafter "the new standards") were applied for the fiscal year ended March 31, 2011.

(1) Over view of reportable segments

Reportable segments of the Company are components of an entity about which separate financial information is available and such information is evaluated regularly by the board of directors in deciding how to allocate resources and in assessing performance.

The Company as a pure holding company assigns core operating companies to primary businesses. The core operating companies develop comprehensive business strategies for the products and services and perform business activities.

Accordingly, the Company's segments are separated based on the products and services provided by the core operating companies, and 4 segments, "Mobile Communications," "Broadband Infrastructure," "Fixed-line Telecommunications," and "Internet Culture" are treated as reportable segments.

"Mobile Communications" business provides mobile communication services and sale of mobile phones accompanying the services. "Broadband Infrastructure" business provides high-speed Internet connection service, IP telephony service, and contents. "Fixed-line Telecommunications" business provides fixed-line telecommunication services. "Internet Culture" business provides Internet-based advertising operations, e-commerce site operations such as Yahoo! Auctions and Yahoo! Shopping.

(2) Calculation for net sales, segment income or loss, and others of reportable segments

Accounting treatment for reportable segments is the same as the treatment described in "Basis of Presentation of Consolidated Financial Statements". Income of reportable segments is based on operating income. Internal net sales between segments are under general business condition which is applied for external customers. Assets are not allotted in the reportable segments.

(3) Net sales, segment income or loss, and others of reportable segments

For the fiscal year ended March 31, 2010 (Millions of yen)

	Reportable segments					Other [2]	Total	Reconciliations to consolidated statement of income [3]	Amounts in consolidated statement of income [4]
	Mobile Communications	Broadband Infrastructure	Fixed-line Telecommunications	Internet Culture	Subtotal				
Net sales									
Customers	¥1,692,326	¥198,262	¥304,182	¥265,938	¥2,460,709	¥302,696	¥2,763,406	¥-	¥2,763,406
Inter-segment	9,088	3,865	44,509	4,816	62,280	29,152	91,433	(91,433)	-
Total	1,701,414	202,127	348,692	270,755	2,522,989	331,849	2,854,839	(91,433)	2,763,406
Segment income	260,895	48,399	23,065	136,585	468,945	5,878	474,824	(8,953)	465,871
Others: Depreciation and amortization	¥176,337	¥17,023	¥35,292	¥9,864	¥238,517	¥4,667	¥243,184	¥759	¥243,944

Notes:

1. Segment information is disclosed based on the new standards.
2. The PC software and peripherals distribution business and Fukuoka SOFTBANK HAWKS related business are included in "Other."
3. Amounts in the column "Reconciliations to consolidated statement of income" of ¥(8,953) million represents elimination of intersegment transactions and expenses of the corporate division of the Company, which totaled ¥1,624 million and ¥(10,577) million, respectively.
4. Segment income is adjusted with operating income in the consolidated statements of income.

For the fiscal year ended March 31, 2011 (Millions of yen)

	Reportable segments					Other[1]	Total	Reconciliations to consolidated statement of income[2]	Amounts in consolidated statement of income[3]
	Mobile Communications	Broadband Infrastructure	Fixed-line Telecommunications	Internet Culture	Subtotal				
Net sales									
Customers	¥1,936,093	¥183,070	¥297,090	¥279,232	¥2,695,486	¥309,153	¥3,004,640	¥-	¥3,004,640
Inter-segment	8,458	6,984	59,471	4,382	79,297	34,481	113,778	(113,778)	-
Total	1,944,551	190,055	356,561	283,615	2,774,783	343,635	3,118,419	(113,778)	3,004,640
Segment income	402,411	43,154	38,006	150,305	633,877	7,092	640,970	(11,806)	629,163
Others: Depreciation and amortization	¥156,993	¥15,840	¥36,634	¥9,422	¥218,891	¥4,833	¥223,725	¥1,211	¥224,937

Notes:

1. The PC software and peripherals distribution business and Fukuoka SOFTBANK HAWKS related business are included in "Other."
2. Amounts in the column "Reconciliations to consolidated statement of income" of ¥(11,806) million represents elimination of intersegment transactions and expenses of the corporate division of the Company, which totaled ¥57 million and ¥(11,864) million, respectively.
3. Segment income is adjusted with operating income in the consolidated statements of income.

2. Information on impairment loss on fixed assets of reportable segments

Fiscal year ended March 31, 2011

There are no applicable items.

3. Information on amortization of goodwill and balance of goodwill of reportable segments

Fiscal year ended March 31, 2011

(Millions of yen)

	Reportable segments					Other[1]	Elimination or corporate	Total
	Mobile Communications	Broadband Infrastructure	Fixed-line Telecommunications	Internet Culture	Subtotal			
Amortization of goodwill	¥51,427	¥1,560	¥7,283	¥1,817	¥62,088	¥599	¥-	¥62,688
Balance of goodwill	¥775,700	¥3,119	¥35,203	¥21,515	¥835,539	¥3,699	¥-	¥839,238

Notes:

1. Fukuoka SOFTBANK HAWKS related business is included in "Other."
2. Negative goodwill which occurred from a business combination before April 1, 2010 is offset by goodwill.

4. Information on gain on negative goodwill of reportable segments

Fiscal year ended March 31, 2011

There are no applicable items.

(Per Share Data)

	Fiscal year ended March 31, 2010	**Fiscal year ended March 31, 2011**
Shareholders' equity per share (yen)	¥434.74	**¥572.14**
Net income per share - primary (yen)	89.39	**175.28**
Net income per share - diluted (yen)	86.39	**168.57**

Basic data for computation of the per share data	Fiscal year ended March 31, 2010	**Fiscal year ended March 31, 2011**
1. Net income (in millions of yen)	96,716	**189,712**
2. Net income allocated to common stock outstanding (in millions of yen)	96,716	**189,712**
3. Amounts not allocated to shareholders (in millions of yen)	-	**-**
4. Weighted average number of common stock outstanding during each year (unit: shares)	1,081,990,217	**1,082,345,444**
5. Adjustment for net income used to calculate net income per share – diluted (in millions of yen)		
– Interest expense (net of tax)	963	**963**
– Adjustments for net income used to calculate diluted net income per share in consolidated subsidiaries and affiliated companies	(30)	**(87)**
– Total	933	**875**
6. Increase of common stock used to calculate net income per share – diluted (unit: shares)		
– Corporate bonds with stock acquisition rights	48,297,825	**48,296,643**
– Stock acquisition rights	74,184	**712**
– Total	48,372,009	**48,297,355**
7. Residual securities which do not dilute net income per share	Stock acquisition rights agreement on June 22, 2005 in accordance with special resolution at general shareholders' meeting	**Stock acquisition rights agreement on June 22, 2005 in accordance with special resolution at general shareholders' meeting and July 29, 2010 in accordance with resolution at board meeting**

(Significant Subsequent Events)

Fiscal year ended March 31, 2010
There are no applicable items.

Fiscal year ended March 31, 2011
There are no applicable items.