

# Notice of the 32nd Annual General Meeting of Shareholders

(April 1, 2011 to March 31, 2012)

## Information of the Meeting

Date and Time: 10:00 AM, Friday, June 22, 2012  
(Reception will start at 9:00 AM)

Venue: Hall A, Tokyo International Forum  
5-1, Marunouchi 3-chome, Chiyoda-ku, Tokyo

Agenda of the Meeting: Appropriation of Surplus

SOFTBANK CORP.

Stock code: 9984

June, 2012

## To our shareholders

It is my great pleasure to present you the Notice of the 32<sup>nd</sup> Annual General Meeting of Shareholders.

Starting from this year's Notice, in order to further enhance your understanding of our business, we have added more photos and graphs and included the content of "Reports to shareholders." This leaflet was conventionally distributed after the Annual General Meeting of Shareholders. I hope you will find these changes useful, and I appreciate your candid feedback on these changes.

One year has passed since the Great East Japan Earthquake; however, we still face many challenges such as decontaminating radioactive materials and lifting evacuation orders. The severe economic climate also continues amid concerns about Europe's debt crisis and financial issues, and the unprecedented strong Japanese Yen.

Under these circumstances, the SOFTBANK Group continuously strives toward sustainable growth, guided by our corporate philosophy of "Information Revolution - Happiness for everyone."

I would like to ask all our shareholders for your continued support.



Masayoshi Son  
Chairman & CEO, SOFTBANK CORP.

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Masayoshi Son  
Chairman & CEO  
**SOFTBANK CORP.**

9-1, Higashi Shimbashi 1-chome, Minato-ku, Tokyo  
Stock code: 9984

June 4, 2012

To All Our Shareholders:

## **Notice of the 32nd Annual General Meeting of Shareholders**

The shareholders of SOFTBANK CORP. (hereafter “the Company”) are invited to participate in the 32nd Annual General Meeting of Shareholders, the details of which are set forth below.

If you are unable to attend, you may exercise your voting rights by following method 2 or 3, described below. In this case, please review the Reference Materials for the Annual General Meeting of Shareholders mentioned below, and exercise your voting rights **by no later than 5:45 PM on Thursday, June 21, 2012.**

### **Exercising your voting rights**

#### **1. If you are attending the Meeting:**

Please submit the enclosed voting form at the reception (a stamp is not required). As reference materials for the proceedings, you are asked to bring this booklet to the Meeting.

#### **2. Exercising your voting rights in writing:**

Please return the enclosed voting form upon clearly indicating your approval or disapproval of the proposals.

#### **3. Exercising your voting rights via the Internet:**

Upon reading page 43 in the following, please access the Company's designated website for voting (<http://www.evotep.jp>) on your PC, smartphone or mobile phone, follow the instructions on the screen and indicate your approval or disapproval of the proposals.

- 1. Date and time:** 10:00 AM, Friday, June 22, 2012
- 
- 2. Venue:** Hall A, Tokyo International Forum  
5-1, Marunouchi 3-chome, Chiyoda-ku, Tokyo
- 
- 3. Agenda of the Meeting:**
- Matters for reporting:**
1. Business Report, Consolidated Financial Statements for the fiscal year ended March 31, 2012 (April 1, 2011 to March 31, 2012) and results of audits by the Independent Auditor and the Board of Corporate Auditors of Consolidated Financial Statements
  2. Non-consolidated Financial Statements for the fiscal year ended March 31, 2012 (April 1, 2011 to March 31, 2012)
- Matters for approval:      Proposal:      Appropriation of Surplus**

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**4. Arrangements in convening the Meeting:**

Please see page 43 "Guide to Exercising Voting Rights via the Internet."

- \* The Company will post any revisions made to the Reference Materials for the Annual General Meeting of Shareholders, the Business Report, or Consolidated Financial Statements and Non-consolidated Financial Statements on its website.
- \* The following matters are not stated in this Notice nor the Appendix, as they are made available to the shareholders on the Company's website pursuant to applicable laws and Article 14 of the Articles of Incorporation of the Company.  
[Business Report] Status of the Company, (5) System to ensure appropriateness of business  
[Consolidated Financial Statements] Notes to Consolidated Financial Statements  
[Non-consolidated Financial Statements] Notes to Non-consolidated Financial Statements  
<Website of the Company> <http://www.softbank.co.jp/>

## ■ Business Report (From April 1, 2011 to March 31, 2012)

### Status of the SOFTBANK Group

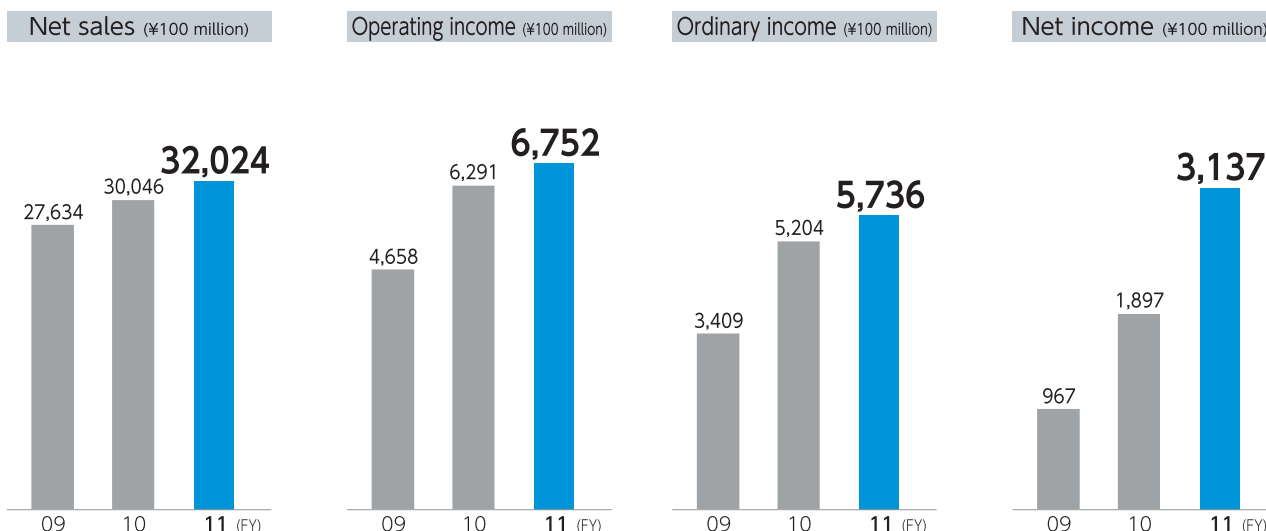
#### (1) Overview of operations for this fiscal year

##### 1) Progress and results of operations

Despite fierce competition, the SOFTBANK Group (hereafter “the Group”) achieved strong results for FY2011 and set new records for net sales, operating income, ordinary income, and net income. Operating income nearly doubled in three years since FY2008 of ¥359.1 billion, and net income for FY2011 exceeded ¥300.0 billion.

The consolidated results growth was driven by strong performance in the Mobile Communications segment. Increased sales of smartphones such as iPhone and others contributed to the significant increases in revenue and profit.

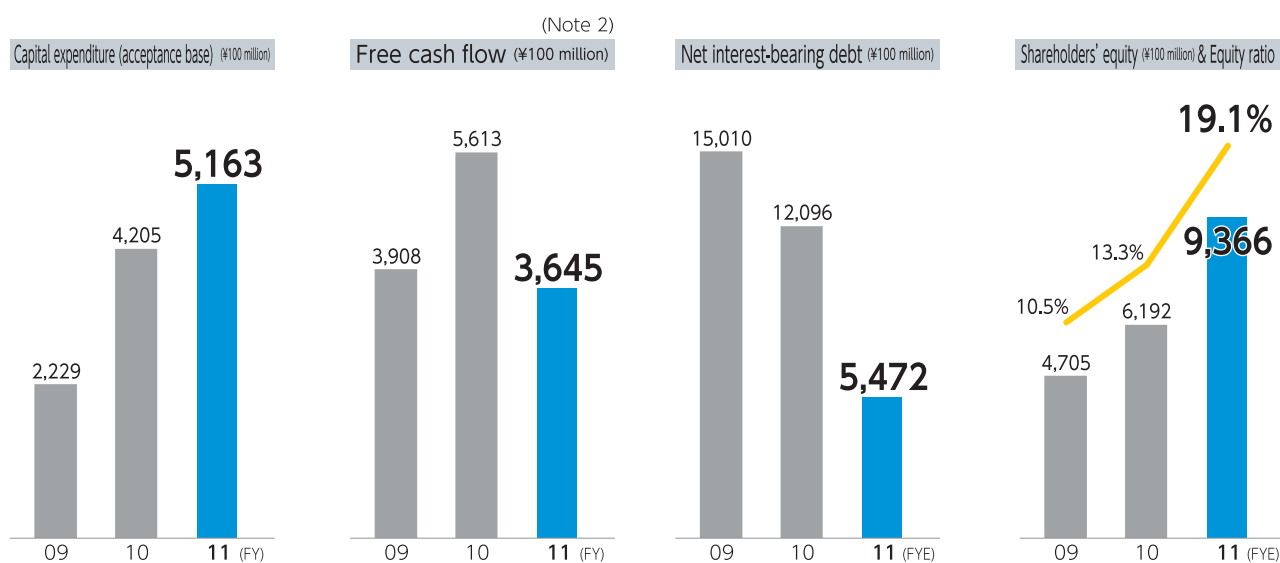
While investing actively in network enhancement for the mobile communications service, the Group has steadily reduced its net-interest bearing debt<sup>1</sup>, supported by the accumulating profits.



- (Notes) 1. 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 fiscal year ended March 31, 2010 that were issued under the whole business securitization 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 which were held by a subsidiary of SOFTBANK CORP. in the United States of America.

The Group achieved the target of reducing its ¥1.9 trillion yen of net interest-bearing debt as of the end of March 2009 by half over three years, lowering it to ¥547.2 billion at the end of FY2011. As a result, interest expense also decreased significantly. The Group's financial status, once suffered a setback due to the acquisition of Vodafone K.K. (currently SOFTBANK MOBILE Corp.), has improved drastically, and the equity ratio as of the end of FY2011 rose to 19.1%.

As one of its investment activities, the Group has invested in InMobi Pte. Ltd. ("InMobi," head office: Singapore), a global mobile advertising network, and also established a joint venture with Bharti Enterprises, which includes India's largest mobile services provider. This partnership will endeavor to develop new markets and promising players for the mobile Internet in India.



(Note) 2. Free cash flow: cash flows from operating activities + cash flows from investing activities.

## 2) Results by reportable segment

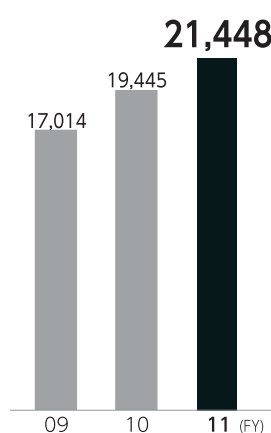
### Mobile Communications

#### Main business

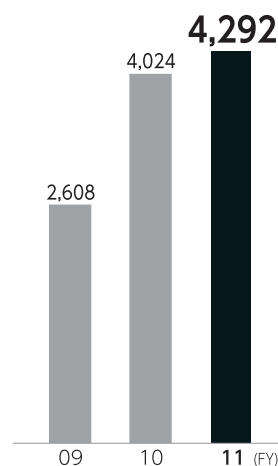
- ▶ Provision of mobile communication service
- ▶ Sale of mobile handsets, etc.

Net sales grew to ¥2,144.8 billion (a year-on-year increase of 10.3%) due to increased telecom service revenue resulting from steady growth in the number of mobile phone subscribers. Higher expenses, including an increase in sales commissions, were absorbed by the increased revenue, resulting in ¥429.2 billion in operating income (an increase of 6.7%).

Net sales (¥100 million)



Operating income (¥100 million)

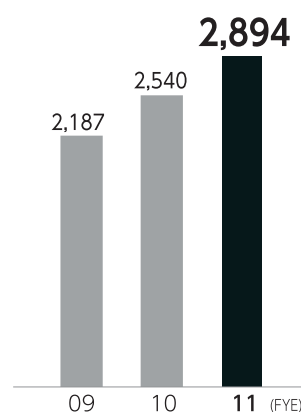


#### Overview of operations

#### Cumulative number of subscribers and Average Revenue Per User ("ARPU")

The cumulative number of subscribers stood at 28,940,000 (an increase of 13.9%), primarily because of increased sales of smartphones such as iPhone, as well as higher sales of iPad, mobile data communications devices, and handsets with security buzzers for kids and the elderly. ARPU decreased ¥60 year on year to ¥4,150. This decline was the result of a decrease in basic monthly charge and voice revenue, while data telecom service revenue grew due to the continued increase in the number of smartphone users.

Cumulative number of subscribers (10 thousand)



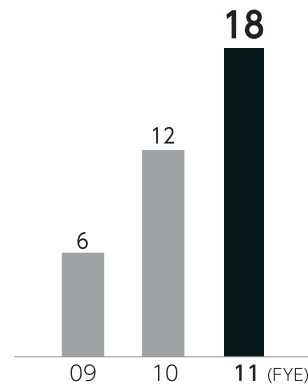


## Network

Various initiatives were implemented for the enhancement of the network to address connection difficulties, while coping with the sharp rise in data traffic accompanying the uptake of smartphones. The number of base stations increased from around 60,000 at the end of March 2011 to 185,881, and the number of Internet access points in our public wireless LAN service is about 250,000.

The segment has also launched high-speed data communication service, "*SoftBank 4G*", providing the industry's fastest maximum downlink speed of 110Mbps.

Number of base stations (10 thousand)



## Mobile handsets

In addition to iPhone 4S in October 2011, Android™ smartphones for "*ULTRA SPEED*" high-speed data communication service and mobile Wi-Fi routers for "*SoftBank 4G*" were also launched.

### AQUOS PHONE SoftBank 104SH

Smartphone with the latest Android 4.0.  
Enhanced response time for touchscreen operation.  
"*ULTRA SPEED*" is also available.



### ULTRA WiFi 4G SoftBank 101SI

Mobile Wi-Fi router with a maximum downlink speed of 76 Mbps, available for *SoftBank 4G* and *ULTRA SPEED*.  
Simultaneous connection with up to 10 smartphones or PCs.



# TOPICS

Reference



Press conference on the allocation of "Platinum Band" (March 1, 2012)

## PANTONE® 4

SoftBank 105SH



## Allocation of "Platinum Band"

- SOFTBANK from Anywhere -

In March 2012, the 900MHz band, also known as the "Platinum Band," was allocated to SOFTBANK MOBILE Corp. This band will enable more efficient and wider coverage compared to the existing band, and allow us to address connection difficulties, which have been a weak point in our services, and improve connectivity.

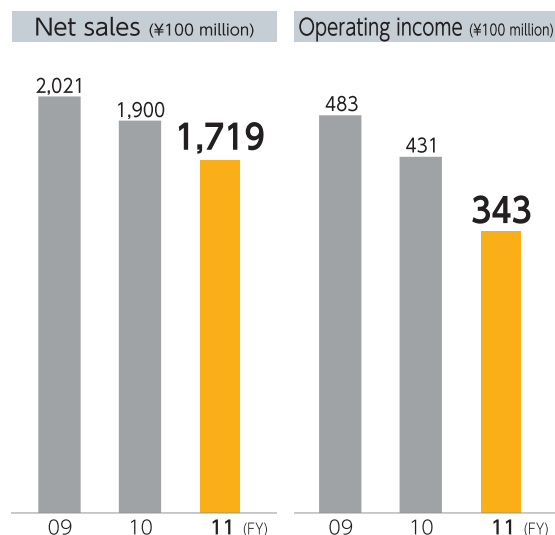
Communication services using the 900MHz band are expected to launch on July 25, 2012. Currently 900MHz compatible handsets are iPhone 4, iPhone 4S, iPad 2, the new iPad, and PANTONE® 4 105SH. All of the new handset models to be launched in the summer of 2012 are expected to be 900MHz compatible.

## Broadband Infrastructure

### Main business

- ▶ Provision of ADSL service and ISP service
- ▶ Provision of IP telephony service and wireless LAN service

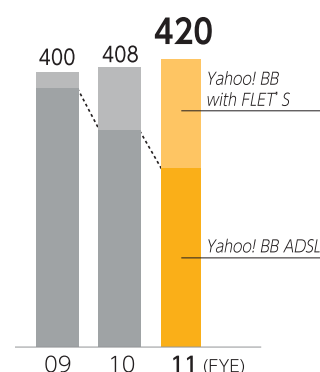
Net sales decreased to ¥171.9 billion (a decrease of 9.6%). This was due to a decrease in the number of installed lines for the ADSL service, a core business of the segment, while the ISP service saw steady growth. Operating income decreased to ¥34.3 billion (a decrease of 20.5%), mainly due to the decrease in net sales and an increase in marketing sales commissions for the ISP service.



### Overview of operations

Total of number of installed lines for the ADSL service and the number of contracts for the ISP service which combines with fiber-optic connection provided by NIPPON TELEGRAPH AND TELEPHONE EAST CORPORATION and NIPPON TELEGRAPH AND TELEPHONE WEST CORPORATION increased to 4,200,000, an increase of 120,000 year on year, while the number of installed lines for the ADSL service continued to decline. Although various efforts were made to improve the subscription ratio for optional services and enhancing lineups, and to reduce acquisition cost per subscriber by optimizing distribution channels, revenue and profit decreased, partially affected by lower ARPU in the ISP service than the ADSL service.

### Number of ADSL & ISP services users (10 thousand)



## Fixed-line Telecommunications

### Main business

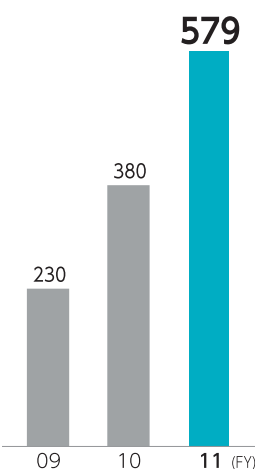
- ▶ Provision of fixed-line telecommunications
- ▶ Provision of network to the Group's telecommunication companies

Net sales increased to ¥367.6 billion (an increase of 3.1%) due to increased provision of the network to the Group's telecommunication companies. Operating income was ¥57.9 billion (an increase of 52.5%) due to an increase in net sales, combined with lower telecommunications equipment fees and marketing sales commissions.

Net sales (¥100 million)



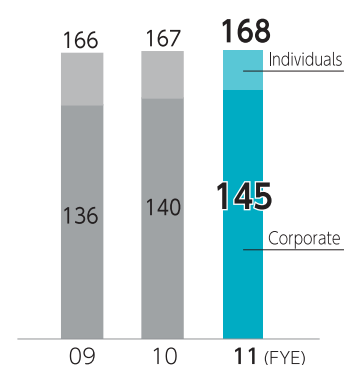
Operating income (¥100 million)



### Overview of operations

The segment has been actively working to capture corporate market share with solutions to transform the work style in combination with a variety of the Group's services including direct connection voice service, data transmission service, PHS service, and cloud computing service. The segment also made efforts to expand its business through partnerships with leading companies in the Asian market where it shows continuing high growth. In FY2012, it is planned to launch the cloud computing service to Japanese companies expanding into China as a distributor of a partner company, one of the major data centers in China.

Number of lines for direct connection voice service (10 thousand)

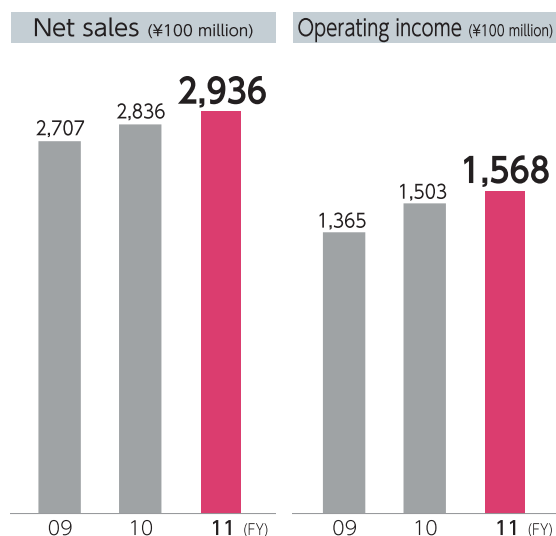


## Internet Culture

### Main business

- ▶ Internet-based advertising operation
- ▶ Operation of *Yahoo! JAPAN* portal
- ▶ E-commerce site operation such as *Yahoo! Shopping*

Net sales increased to ¥293.6 billion (an increase of 3.5%) mainly due to revenue growth in Internet advertisement, the main business of this segment, as well as game-related services and other operations. Operating income increased to ¥156.8 billion (an increase of 4.3%), primarily the result of a decrease in communications expenses due to connection efficiency improvements in the operating system for data centers.

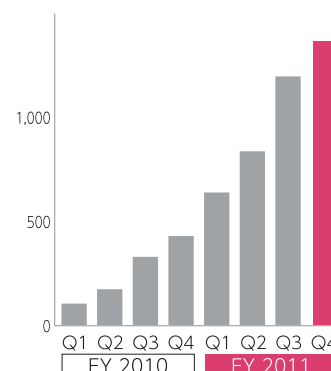


### Overview of operations

Various services of *Yahoo! JAPAN* were optimized for smartphones, and a number of applications were launched, including *Yahoo! JAPAN* applications, for Android smartphones.

Commerce transactions via smartphone increased significantly, primarily attributable to a promotion that offered additional points to customers who purchased items on certain days at *Yahoo! Shopping* via smartphones. Game-related services such as *Sengoku IXA* and *Yahoo! Mobage* also showed strong performance.

### Commerce transactions using smartphones



(Note) Indexed at Q1/FY2010 = 100

### 3) Corporate Social Responsibility (CSR)

The SOFTBANK Group Fundamental CSR Policy sets forth the Group's aspirations to develop along with all stakeholders, including customers, shareholders, employees, and business partners for its CSR activities.

Ever since the Great East Japan Earthquake, the Group has worked to restore communications networks, which serve as the people's lifeline, and also examined what it could and should do to help people in the affected areas through its operations as a corporate citizen, and implemented a range of initiatives. The Group conducts these activities from a medium- to long-term perspective, and they are still continuing today, more than one year after the earthquake.

#### ■ *Charity White*

##### **Program for collecting continuous donations**

SOFTBANK MOBILE Corp. had offered *Charity White* that allows subscribers to make donations together with their monthly mobile phone charges, with the goal of providing ongoing assistance to the Tohoku area. Under this program, SOFTBANK MOBILE Corp. provides a matching donation (¥10) for every monthly donation received from a *Charity White* subscriber (¥10 a month per subscriber). Together, SOFTBANK MOBILE Corp. provides a monthly donation of ¥20 per subscriber which is used to support children in the Tohoku area. As of March 31, 2012, the number of *Charity White* subscription applications had surpassed approximately 110,000.



"ARIGATO" LIVE, partly funded by *Charity White*, with members from elementary, middle, and high schools in the Tohoku area

#### ■ **Supporting study abroad program in the U.S. for Japanese high school students from affected areas**

##### **TOMODACHI Summer 2012 SoftBank Leadership Program**

The Company has provided operating funds for the TOMODACHI Summer 2012 SoftBank Leadership Program. This reflects the Company's support for the purpose and intent of the U.S.-Japan TOMODACHI Educational Exchange programs led by the U.S. Embassy in Tokyo and the U.S.-Japan Council, an NPO based in the U.S. Under this program, about 300 Japanese high school students will study global leadership and community service at the University of California, Berkeley. The Company hopes that students will become people who can contribute to the recovery of their home towns in future.



Press conference on "TOMODACHI" (February 3, 2012)

#### 4) Capital expenditure

During FY2011, the Group made capital expenditure (including software) to expand businesses such as the Mobile Communications segment, the Broadband Infrastructure segment and the Fixed-line Telecommunications segment.

The breakdown of the capital expenditure by segment is as follows.

Name of segment		Amount invested (¥ million)
Reportable segments	Mobile Communications	422,766
	Broadband Infrastructure	26,762
	Fixed-line Telecommunications	39,877
	Internet Culture	15,921
Others		5,342
Company-wide (in common)		5,705
Total		516,375

- (Notes)
1. Amounts indicate the amount of assets accepted.
  2. Amounts do not include consumption taxes.
  3. The amount of capital expenditure includes investments in property and equipment, intangible assets, and long-term prepaid expenses associated with equipment.

The breakdown of major capital expenditure by reportable segment is as follows.

##### Mobile Communications segment

- Base station facilities
- Switching facilities

##### Fixed-line Telecommunications segment

- Facilities for voice transmission service
- Facilities for data transmission and dedicated line service
- Facilities for other fixed-line telecommunications service

##### Broadband Infrastructure segment

- Customer premises equipment for access networks
- Central office facilities for data transmission

##### Internet Culture segment

- Network-related equipment such as servers

## 5) Fund procurement activities

### 1. Status of interest-bearing debt

The amount of consolidated interest-bearing debt of the Group decreased by ¥507,674 million in FY2011. This decrease is mainly attributable to a decrease of ¥478,672 million in borrowings and a decrease of ¥31,002 million in corporate bonds by redemption and others. The gist of major transactions is as follows.

#### (1) Borrowings

The amount of borrowings by the Group from financial institutions decreased by ¥478,672 million in FY2011. Increase and decrease of debt by the Company and its subsidiaries are as follows.

Company name	Description	Summary
The Company	Increase of ¥439,400 million	Primarily increase of long-term borrowings related to refinancing of the funds procured by SOFTBANK MOBILE Corp. via whole business securitization
SOFTBANK MOBILE Corp.	Decrease of ¥772,577 million	Repayment of funds raised via whole business securitization financing scheme
SOFTBANK MOBILE Corp.	Decrease of ¥49,903 million	Reduction in balance of funds raised via securitization of mobile handset installment sales receivables (recorded as borrowings)
SB Broadband Investments	Decrease of ¥93,370 million	Repayment of borrowings through the sale of Yahoo! Inc. shares

#### Status of the commitment lines

On the expiration of the term of the commitment line agreement structured in the previous fiscal year, a new commitment line agreement was newly executed between the Company and a group of financial institutions including Mizuho Corporate Bank, Ltd. and Citibank Japan Ltd. as the arrangers for a total amount of ¥180,000 million in September 2011. As of the end of FY2011, there was no outstanding loan drawn on the commitment line.

#### (2) Corporate bonds

The Company issued corporate bonds amounting to ¥180,000 million in FY2011. The amount of redemption of corporate bonds by the Group totaled ¥161,000 million in FY2011, and the Company's Convertible Bond Due 2014 (balance at the previous fiscal year-end: ¥49,992 million) was converted into common stock of the Company. Issuance of corporate bonds and redemption of major corporate bonds by the Group are as follows:



Date of issue	Company name	Description	Issue value (¥ million)
June 10, 2011	SOFTBANK CORP.	37 <sup>th</sup> Unsecured Straight Corporate Bond	30,000
June 17, 2011	SOFTBANK CORP.	36 <sup>th</sup> Unsecured Straight Corporate Bond (Fukuoka SOFTBANK HAWKS Bond)	100,000
January 27, 2012	SOFTBANK CORP.	38 <sup>th</sup> Unsecured Straight Corporate Bond	50,000

Date of redemption	Company name	Description	Redemption value (¥ million)
June 10, 2011	SOFTBANK CORP.	27 <sup>th</sup> Unsecured Straight Corporate Bond (Fukuoka SOFTBANK HAWKS Bond)	60,000
June 17, 2011	SOFTBANK CORP.	25 <sup>th</sup> Unsecured Straight Corporate Bond	53,500
December 7, 2011	SOFTBANK TELECOM Corp.	2 <sup>nd</sup> Unsecured Straight Corporate Bond	15,000
December 15, 2011	Phoenix JT Limited	Subordinated Notes Due 2016 (early redemption)	32,400

## 2. Other major fund raising

### Capital lease with ownership transfer

The Group procured the total amount of ¥338,705 million in FY2011 for new capital investment mainly for the mobile communications business.

#### 6) Status of transfer of business, absorption by corporate split-up or establishment by corporate split-up

Not applicable.

#### 7) Status of acquisition of business of other companies

Not applicable.

#### 8) Status of succession of rights and obligations regarding other corporate business through merger by absorption or absorption by corporate split-up

Not applicable.

#### 9) Status of holding of shares of other companies and acquisition and disposition of stock acquisition rights

Not applicable.

## 10) Important management issues

The Group recognizes the need to enhance its network for the mobile communications services provided by SOFTBANK MOBILE Corp. SOFTBANK MOBILE Corp. has increased the number of mobile phone base stations from 122,508 at the end of March 2011, to 185,881 as of the end of March 2012.

In March 2012, SOFTBANK MOBILE Corp. received an allocation for the 900MHz band, known as the “platinum band.” This band will enable SOFTBANK MOBILE Corp. to make comprehensive improvements to its communication

environment. Initially, these include coping with traffic increase and introducing new technologies such as Long Term Evolution (LTE). Moreover, SOFTBANK MOBILE Corp. will build a robust and disaster-proof communication environment and lifeline network taking advantage of the greater efficiency and wider coverage of the platinum band.

At the same time, the Group will continue efforts to improve user convenience by providing small base stations (femtocells) and Wi-Fi routers free of charge in users’ homes and in stores.

### Two reasons for better coverage by use of the 900MHz band

#### Wider area



- 1) Radio waves reach farther away.
- 2) Better signal reception for indoors.

#### Diffraction

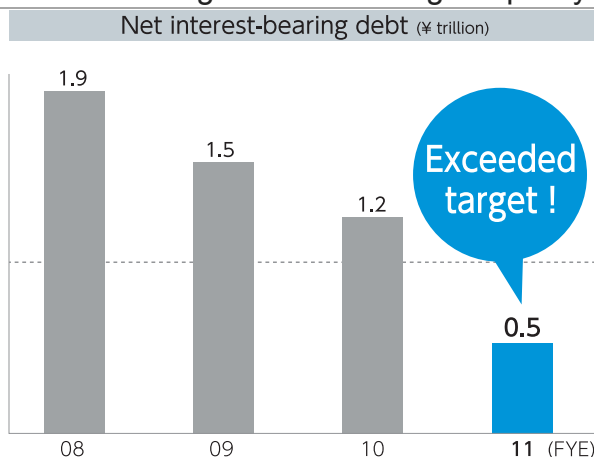


- 1) Better signal reception around obstacles such as behind building by diffracted radio waves.

## (Reference) Progress in reduction of net interest-bearing debt and change of policy

In order to improve its financial status, the Group prioritized reducing net interest-bearing debt by setting a target of reducing ¥1,939,520 million of net interest-bearing debt as of the end of March 2009 by half over three years (by the end of March 2012), and to zero over six years (by the end of March 2015). Net interest-bearing debt at the end of March 2012 had been reduced by far more than the target of reducing net interest-bearing debt by half. It stood at ¥547,298 million, down 71.8% from the end of March 2009. As a result of these efforts, the Company's credit ratings have been raised substantially.

In light of this improvement in the Group's financial status, growth potential of businesses and other factors, the Company has decided to change its policy. The Group will no longer pursue the target of reducing net interest-bearing debt to zero by the end of March 2015, but will focus on investing actively for sustained growth and returning profits to shareholders, while maintaining a sound financial status.



## (2) Status of asset and profit and loss

Item	Unit	FY2008	FY2009	FY2010	FY2011 (this fiscal year)
Net Sales	¥mil	2,673,035	2,763,406	3,004,640	<b>3,202,435</b>
Ordinary income	¥mil	225,661	340,997	520,414	<b>573,651</b>
Net income	¥mil	43,172	96,716	189,712	<b>313,752</b>
Net income per share – basic	¥	39.95	89.39	175.28	<b>285.78</b>
Net income per share – diluted	¥	38.64	86.39	168.57	<b>278.75</b>
Total assets	¥mil	4,386,672	4,462,875	4,655,725	<b>4,899,705</b>
Net assets	¥mil	824,798	963,971	879,618	<b>1,435,640</b>
Shareholders' equity per share	¥	346.11	434.74	572.14	<b>852.69</b>

(Note) The earnings results of this fiscal year are as set out in “Status of the SOFTBANK Group, (1) Overview of operations for this fiscal year, 1) Progress and results of operations.”

### (3) Major subsidiaries (as of March 31, 2012)

Company name	Capital amount	Percentage of voting rights	Outline of major business
SOFTBANK MOBILE Corp.	¥177,251 million	100% [100%]	Provision of mobile communication service, sales of mobile handsets
SOFTBANK BB Corp.	¥100,000 million	100%	Provision of ADSL service, provision of IP telephony service, distribution and sales of IT-related products
SOFTBANK TELECOM Corp.	¥100 million	100% [18.3%]	Provision of fixed-line telecommunications, data transmission and leased line service
Yahoo Japan Corporation	¥7,959 million	42.2% [6.6%]	Operation of <i>Yahoo! JAPAN</i> portal, sales of Internet advertising, operation of e-commerce site, provision of membership service
SOFTBANK Holdings Inc.	US\$7 thousand	100%	Holding company of overseas subsidiaries, etc.

(Note) The figures in brackets represent percentage of indirectly owned voting rights.

### (4) Major businesses (as of March 31, 2012)

Name of Segment		Major operations of each segment
Reportable Segments	Mobile Communications	Provision of mobile communication service, and sales of mobile handset related to the service, etc.
	Broadband Infrastructure	High-speed Internet connection service, IP telephony service, provision of content, etc.
	Fixed-line Telecommunications	Provision of fixed-line telecommunications, etc.
	Internet Culture	Internet-based advertising operation, e-commerce site operations such as <i>Yahoo! Auctions</i> and <i>Yahoo! Shopping</i> , membership services, etc.
Others		Distribution of PC software and peripherals, Fukuoka SOFTBANK HAWKS related business, etc.

(5) Major business offices (as of March 31, 2012)

Company name	Major offices, etc.	
The Company	Head office:	Minato-ku, Tokyo
SOFTBANK MOBILE Corp.	Head office: Sales office:	Minato-ku, Tokyo Chuo-ku, Sapporo; Aoba-ku, Sendai; Nakamura-ku, Nagoya; Kita-ku, Osaka; Kanazawa, Ishikawa Pref; Naka-ku, Hiroshima; Takamatsu, Kagawa Pref; Hakata-ku, Fukuoka
SOFTBANK BB Corp.	Head office: Sales office:	Minato-ku, Tokyo Kita-ku, Sapporo; Aoba-ku, Sendai; Naka-ku, Nagoya; Kita-ku, Osaka; Naka-ku, Hiroshima; Hakata-ku, Fukuoka
SOFTBANK TELECOM Corp.	Head office: Sales office:	Minato-ku, Tokyo Kita-ku, Sapporo; Aoba-ku, Sendai; Nakamura-ku, Nagoya; Kita-ku, Osaka; Naka-ku, Hiroshima; Hakata-ku, Fukuoka
Yahoo Japan Corporation	Head office:	Minato-ku, Tokyo
SOFTBANK Holdings Inc.	Head office:	Massachusetts, USA

(6) Employees (as of March 31, 2012)

Name of Segment		Number of employees (person)
Reportable Segments	Mobile Communications	6,955 [590]
	Broadband Infrastructure	1,872 [709]
	Fixed-line Telecommunications	4,995 [403]
	Internet Culture	5,125 [218]
Others		3,588 [1,590]
Company-wide (in common) <sup>(*)3</sup>		175 [12]
Total		22,710 [3,522]

- (Notes) 1. The number of employees is the number of persons at work.  
2. The number in brackets in the "Number of employees" column shows the annual average number of temporary employees hired.  
3. The number of persons at work in the Company.

(7) Status of major lenders (as of March 31, 2012)

Lenders	Amount of loans (¥ million)
Mizuho Corporate Bank, Ltd.	234,117
Sumitomo Mitsui Banking Corporation	154,500
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	100,000
S-lender General Incorporated Association	93,000
Mitsubishi UFJ Trust and Banking Corporation	47,200
The Sumitomo Trust and Banking Co., Ltd. (*)	40,000
Mizuho Trust & Banking Co., Ltd	33,000
Shinsei Bank, Limited	25,000
Development Bank of Japan Inc.	25,000

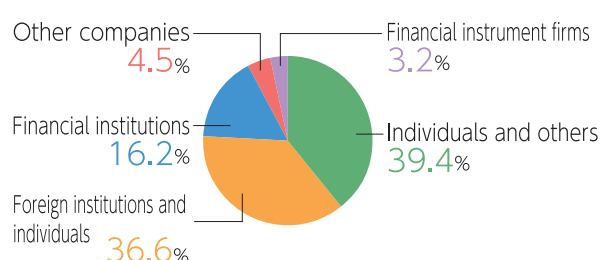
(Note) As of April 1, 2012, The Sumitomo Trust and Banking Co., Ltd. merged with The Chuo Mitsui Trust and Banking Company, Limited and Chuo Mitsui Asset Trust and Banking Company, Limited, and changed its trade name to Sumitomo Mitsui Trust Bank, Limited.

# Status of the Company

## (1) Status of shares (as of March 31, 2012)

1) Shares authorized	3,600,000,000 shares
2) Shares issued	1,107,728,781 shares (Including 9,213,962 of treasury stock)
3) Number of shareholders	269,120

## Distribution of ownership among shareholders



## 4) Principal shareholders

Name of shareholders	Number of shares held (Thousands)	Percentage of total shares issued (%)
Masayoshi Son	231,704	21.09%
Japan Trustee Services Bank, Ltd. (Trust Account)	99,379	9.05 %
JP Morgan Chase Bank 380055	61,531	5.60 %
The Master Trust Bank of Japan, Ltd. (Trust Account)	46,679	4.25 %
State Street Bank and Trust Company	31,660	2.88 %
Trust & Custody Services Bank, Ltd. (Trust Account)	22,350	2.03 %
SSBT OD05 OMNIBUS ACCOUNT-TREATY CLIENTS	21,222	1.93 %
THE CHASE MANHATTAN BANK, N.A. LONDON SECS LENDING OMNIBUS ACCOUNT	20,956	1.91 %
State Street Bank and Trust Company 505225	9,536	0.87 %
JPMorgan Securities Japan Co., Ltd.	9,082	0.83 %

(Note) The above table excludes 9,213,962 shares of treasury stock held by the Company. Percentage of shareholding is calculated by deducting treasury stock.



## (2) Status of Stock Acquisition Rights

### 1) Status of Stock Acquisition Rights held by the Company's Directors (as of March 31, 2012)

Not applicable.

### 2) Status of Stock Acquisition Rights issued to employees as a remuneration for discharge of duties in this fiscal year

Not applicable.

### 3) Status of other Stock Acquisition Rights (as of the end of March 2012)

#### 1. Convertible Bond Due 2013 issued based on the resolution of the Board of Directors' Meeting held on December 11, 2003

Number of Stock Acquisition Rights	24,994
Number of shares to be purchased with Stock Acquisition Rights	23,094,479 shares
Type of shares to be purchased with Stock Acquisition Rights	Common stock
Issue price of Stock Acquisition Rights	Free of charge
Amount of capital paid per share when exercising the right	¥2,164.50
Exercise period	January 13, 2004 to March 15, 2013
Balance of bonds with Stock Acquisition Rights	¥49,988 million

#### 2. Convertible Bond Due 2014 issued based on the resolution of the Board of Directors' Meeting held on December 11, 2003

All Stock Acquisition Rights on Convertible Bond Due 2014 were exercised during this fiscal year.

### (3) Status of Corporate Officers

#### 1) Status of Directors and Corporate Auditors (as of March 31, 2012)

Name	Position and area of responsibility	Status of important concurrent post
Masayoshi Son	Chairman & CEO	Chairman & CEO, SOFTBANK MOBILE Corp. Chairman & CEO, SOFTBANK BB Corp. Chairman & CEO, Representative Director, SOFTBANK TELECOM Corp.
Ken Miyauchi	Director	Senior Executive Vice President & COO, SOFTBANK MOBILE Corp. Senior Executive Vice President & COO, SOFTBANK BB Corp. Senior Executive Vice President & COO, Representative Director, SOFTBANK TELECOM Corp.
Kazuhiko Kasai	Director	Director, SOFTBANK MOBILE Corp. Director, SOFTBANK TELECOM Corp. President, Fukuoka SOFTBANK HAWKS Corp.
Masahiro Inoue	Director	President and CEO, Yahoo Japan Corporation
Ronald Fisher	Director	Director and President, SOFTBANK Holdings Inc.
Yun Ma	Director	Chairman and CEO, Alibaba Group Holding Limited
Tadashi Yanai	Director	Chairman, President and CEO, FAST RETAILING CO., LTD Chairman, President and CEO, UNIQLO CO., LTD.
Mark Schwartz	Director	Chairman, MissionPoint Capital Partners, LLC Director, MasterCard Incorporated
Sunil Bharti Mittal	Director	Chairman and Managing Director, Bharti Airtel Limited Director, Unilever N.V. Director, Unilever PLC.
Mitsuo Sano	Full-time Corporate Auditor	Certified public accountant
Soichiro Uno	Corporate Auditor	Partner, Nagashima Ohno & Tsunematsu
Koichi Shibayama	Corporate Auditor	Certified public accountant / Certified public tax accountant Advisor, PricewaterhouseCoopers (Tax practice)
Hidekazu Kubokawa	Corporate Auditor	Certified public accountant / Certified public tax accountant Representative partner, Yotsuya Partners Accounting Firm External Corporate Auditor, TAKE AND GIVE. NEEDS Co., Ltd External Corporate Auditor, KASUMI CO., LTD., External Corporate Auditor, Kyoritsu Printing Group

- (Notes)
1. Mr. Sunil Bharti Mittal was elected and assumed the position of Director at the 31st Annual General Meeting of Shareholders held on June 24, 2011.
  2. Dr. Jun Murai retired from the position of Director, as his term of office expired at the conclusion of the 31st Annual General Meeting of Shareholders held on June 24, 2011.
  3. Directors, Messrs. Tadashi Yanai, Mark Schwartz, and Sunil Bharti Mittal are External Directors.
  4. Corporate Auditors, Messrs. Soichiro Uno, Koichi Shibayama, and Hidekazu Kubokawa are External Corporate Auditors.
  5. Directors, Messrs. Tadashi Yanai and Mark Schwartz, and Corporate Auditors, Messrs. Kouichi Shibayama and Hidekazu Kubokawa, are independent directors/auditors as stipulated by the Tokyo Stock Exchange, and the Company has notified the Exchange accordingly.
  6. Full-time Corporate Auditor, Mr. Mitsuo Sano is a certified public accountant, Corporate Auditors, Messrs. Koichi Shibayama and Hidekazu Kubokawa are certified public accountants and certified public tax accountants, and they have considerable knowledge for finance and accounting.

## 2) Amount of remuneration paid to Directors and Corporate Auditors

Title	Number of people	Amount of remuneration for this fiscal year
Directors	7 people	¥296 million
Corporate Auditors	4 people	¥70 million
Total	11 people	¥367 million

- (Notes)
1. The number of Directors above includes one Director who retired at the conclusion of the 31st Annual General Meeting of Shareholders held on June 24, 2011.
  2. Of the amount above, the aggregate remuneration paid to External Directors and External Corporate Auditors for this fiscal year was ¥59 million for 7 people.
  3. In addition to the above, the remuneration paid to External Directors and External Corporate Auditors as directors and corporate auditors of the subsidiaries of the Company for this fiscal year was ¥1 million.
  4. Pursuant to the resolution of the 10th Annual General Meeting of Shareholders held on June 28, 1990, the annual aggregate remuneration paid to Directors shall not exceed ¥800 million, and that for Corporate Auditors shall not exceed ¥80 million.

## 3) Items on External Directors

### 1. Relationship with companies where External Directors hold an important concurrent post

The Company has transactions relating to tax consulting and other matters with PricewaterhouseCoopers, which is one of the important concurrent posts of Corporate Auditor, Mr. Koichi Shibayama.

### 2. Relationship with specific parties such as major business partners

Not applicable.

### 3. Major activities for this fiscal year

Title	Name	Attendance to Board of Directors'/Corporate Auditors' meeting	Major activities
Director	Tadashi Yanai	Attended 8 out of 9 meetings of the BOD held in this fiscal year.	Makes remarks to support business judgments and decision making from a view point of CEO of the world's leading apparel manufacturer and retailer with extensive knowledge of and broad experience in corporate management and business strategies.
Director	Mark Schwartz	Attended 9 out of 9 meetings of the BOD held in this fiscal year.	Makes remarks to support business judgments and decision making based on his extensive knowledge and experience in the financial sector acquired from having served in key positions at Goldman Sachs & Co., a global investment bank, and its affiliates.
Director	Sunil Bharti Mittal	Attended 2 out of 6 meetings of the BOD held in this fiscal year after assuming his term of office on June 24, 2011.	Makes remarks to support business judgments and decision making based on his extensive knowledge and experience in corporate management and business strategies as chairman of India's largest mobile phone provider.
Corporate Auditor	Soichiro Uno	Attended 8 out of 9 meetings of the BOD, and 15 out of 15 meetings of the Board of Corporate Auditors held in this fiscal year.	Makes remarks based on his extensive knowledge and experience as a lawyer.
Corporate Auditor	Koichi Shibayama	Attended 9 out of 9 meetings of the BOD, and 15 out of 15 meetings of the Board of Corporate Auditors held in this fiscal year.	Makes remarks based on his extensive knowledge and experience as a certified public accountant and tax accountant.
Corporate Auditor	Hidekazu Kubokawa	Attended 9 out of 9 meetings of the BOD, and 14 out of 15 meetings of the Board of Corporate Auditors held in this fiscal year.	Makes remarks based on his extensive knowledge and experience as a certified public accountant and tax accountant.

(Note) Number of attendance excludes the number of the Board of Directors' meetings held in writing or electronically.

### 4. Description of agreement on liability limitation

The Company, its External Directors and its External Corporate Auditors have concluded a contract to limit liability for damage stipulated in Paragraph 1, Article 423 of the Companies Act in accordance with Paragraph 1, Article 427 of the Companies Act.

The amount of limit of liability for damage is stipulated in the relevant contract as ¥10 million or the minimum amount of limit of liability that the relevant laws and ordinances stipulate, whichever is higher.

#### (4) Status of Independent Auditors

##### 1) Name

Deloitte Touche Tohmatsu LLC

##### 2) Amount of remuneration to be paid

Amount of remuneration that the Company should pay in the fiscal year	
a. Amount of remuneration for the services pursuant to Paragraph 1, Article 2 of the Certified Public Accountant Law	¥180 million
b. Amount of remuneration for the services in addition to the services pursuant to Paragraph 1, Article 2 of the Certified Public Accountant Law	¥119 million
Aggregate amount of cash and other profits to be paid by the Company and its subsidiaries	¥966 million

- (Notes)
1. As the audit agreement between the independent auditors and the Company does not stipulate that the remuneration for auditing services be classified into remuneration for the audit based on the Financial Instruments and Exchange Act and the remuneration for the audit based on the Companies Act, there is no classification practically between the two kinds of remuneration. Therefore the amount described in a. is the aggregate amount of the aforementioned remuneration.
  2. Description of services in addition to the services pursuant to Paragraph 1, Article 2 of the Certified Public Accountant Law  
Mainly advice service on financial research related with M&A items, and application of International Financial Reporting Standards.
  3. Deloitte&Touche LLP audits SOFTBANK Holdings Inc. out of important subsidiaries of the Company.

##### 3) Decision-making policy of dismissal or not reappointing of independent auditors

The independent auditors may be dismissed by the Board of Corporate Auditors' meeting with unanimity of corporate auditors when the independent auditors correspond to any of Article 340-1 of the Companies Act.

Other than those cases above, the Board of Directors' meeting shall submit a proposal on dismissal or not reappointing the independent auditors to the Annual General Meeting of Shareholders with the consensus of the Board of Corporate Auditors' meeting or a request from the Board of Corporate Auditors' meeting when it is acknowledged that the execution of appropriate audit is difficult due to the occurrence of an event which impairs the qualification or independency of the independent auditors.

##### 4) Liability limitation agreement

Not applicable.

#### (5) System to ensure appropriateness of business

The system to ensure appropriateness of business is made available on the Company's website (<http://www.softbank.co.jp/>), pursuant to the applicable laws and Article 14 of the Articles of Incorporation of the Company.

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(Note) Within this business report amounts less than stated units are omitted, and ratios less than stated units are rounded.

# Consolidated Financial Statements

## Consolidated Balance Sheets

(As of March 31, 2012)

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

	Amount		Amount
<b>&lt;ASSETS&gt;</b>		<b>&lt;LIABILITIES&gt;</b>	
<b>Current assets</b>	<b>¥1,910,452</b>	<b>Current liabilities</b>	<b>¥1,923,725</b>
Cash and deposits	1,016,251	Accounts payable-trade	190,532
Notes and accounts receivable - trade	661,287	Short-term borrowings	403,167
Marketable securities	4,575	Current portion of corporate bonds	144,988
Merchandise and finished products	42,618	Accounts payable-other and accrued expenses	835,053
Deferred tax assets	56,469	Income taxes payable	125,116
Other current assets	168,264	Current portion of lease obligations	152,682
Less: Allowance for doubtful accounts	(39,014)	Other current liabilities	72,184
<b>Fixed assets</b>	<b>2,983,553</b>	<b>Long-term liabilities</b>	<b>1,540,339</b>
<b>Property and equipment, net</b>	<b>1,296,393</b>	Corporate bonds	459,900
Buildings and structures	77,404	Long-term debt	560,070
Telecommunications equipment	988,541	Deferred tax liabilities	20,370
Telecommunications services lines	65,213	Liability for retirement benefits	14,953
Land	23,175	Allowance for point mileage	32,074
Construction in progress	80,501	Lease obligations	347,699
Other property and equipment	61,555	Other liabilities	105,272
<b>Intangible assets, net</b>	<b>1,126,514</b>	<b>Total liabilities</b>	<b>3,464,065</b>
Goodwill	780,242	<b>&lt;EQUITY&gt;</b>	
Software	310,151	<b>Shareholders' equity</b>	<b>957,947</b>
Other intangibles	36,120	Common stock	213,797
<b>Investments and other assets</b>	<b>560,644</b>	Additional paid in capital	236,562
Investment securities	338,198	Retained earnings	530,534
Deferred tax assets	104,327	Less: Treasury stock	(22,947)
Other assets	134,076	<b>Valuation and translation adjustments</b>	<b>(21,253)</b>
Less: Allowance for doubtful accounts	(15,957)	Unrealized gain on available-for-sale securities	10,566
		Deferred loss on derivatives under hedge accounting	(993)
		Foreign currency translation adjustments	(30,826)
		<b>Stock acquisition rights</b>	<b>898</b>
		<b>Minority interests</b>	<b>498,047</b>
<b>Deferred charges</b>	<b>5,699</b>	<b>Total equity</b>	<b>1,435,640</b>
<b>Total assets</b>	<b>¥4,899,705</b>	<b>Total liabilities and equity</b>	<b>¥4,899,705</b>

# Consolidated Statements of Income

(Fiscal year from April 1, 2011 to March 31, 2012)

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

	Amount	
<b>Net sales</b>		<b>¥3,202,435</b>
<b>Cost of sales</b>		<b>1,485,750</b>
<b>Gross Profit</b>		<b>1,716,685</b>
<b>Selling, general and administrative expenses</b>		<b>1,041,401</b>
<b>Operating income</b>		<b>675,283</b>
<b>Non-operating income</b>		<b>11,308</b>
Interest income	1,829	
Dividends income	2,570	
Other non-operating income	6,908	
<b>Non-operating expenses</b>		<b>112,940</b>
Interest expense	62,206	
Equity in losses of affiliated companies	2,947	
Refinancing related expense	24,956	
Other non-operating expenses	22,831	
Ordinary income		<b>573,651</b>
<b>Special income</b>		<b>117,765</b>
Gain on sale of investment securities	88,368	
Dilution gain from changes in equity interest	20,185	
Unrealized appreciation on valuation of investments and loss on sale of investments at subsidiaries in the U.S., net	1,985	
Other special income	7,225	
<b>Special loss</b>		<b>59,160</b>
Valuation loss on investment securities	13,971	
Premium on advanced redemption of debt security	21,875	
Loss from liquidation of subsidiaries and affiliates	19,071	
Other special losses	4,242	
<b>Income before income taxes and minority interest</b>		<b>632,256</b>
Income taxes:		
Current		<b>196,509</b>
Deferred		<b>58,203</b>
<b>Income before minority interests</b>		<b>377,543</b>
<b>Minority interests in net income</b>		<b>63,790</b>
<b>Net income</b>		<b>¥313,752</b>



# Consolidated Statements of Changes in Equity

(Fiscal year from April 1, 2011 to March 31, 2012)

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

	Shareholders' equity				
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Total
Balance at April 1, 2011	¥188,775	¥212,510	¥222,277	¥(240)	¥623,321
Changes of items during the year					
Exercise of warrants	25,022	24,979	—	—	50,002
Cash dividends	—	—	(5,411)	—	(5,411)
Net income	—	—	313,752	—	313,752
Purchase of treasury stock	—	—	—	(22,706)	(22,706)
Adjustments of retained earnings due to change in scope of consolidation	—	—	12	—	12
Adjustments of retained earnings due to change in scope of equity method	—	—	(96)	—	(96)
Changes in foreign affiliate's interests in its subsidiary	—	(927)	—	—	(927)
Items other than changes in shareholders' equity, net	—	—	—	—	—
Total changes in the year	25,022	24,052	308,257	(22,706)	334,625
Balance at March 31, 2012	¥213,797	¥236,562	¥530,534	¥(22,947)	¥957,947

	Valuation and translation adjustments				Stock acquisition rights	Minority interests	Total equity
	Unrealized gain (loss) on available-for-sale securities	Deferred gain(loss) on derivatives under hedge accounting	Foreign currency translation adjustments	Total			
Balance at April 1, 2011	¥34,920	¥11,224	¥(50,213)	¥(4,068)	¥703	¥259,661	¥879,618
Changes of items during the year							
Exercise of warrants	—	—	—	—	—	—	50,002
Cash dividends	—	—	—	—	—	—	(5,411)
Net income	—	—	—	—	—	—	313,752
Purchase of treasury stock	—	—	—	—	—	—	(22,706)
Adjustments of retained earnings due to change in scope of consolidation	—	—	—	—	—	—	12
Adjustments of retained earnings due to change in scope of equity method	—	—	—	—	—	—	(96)
Changes in foreign affiliate's interests in its subsidiary	—	—	—	—	—	—	(927)
Items other than changes in shareholders' equity, net	(24,354)	(12,217)	19,387	(17,184)	195	238,385	221,396
Total changes in the year	(24,354)	(12,217)	19,387	(17,184)	195	238,385	556,021
Balance at March 31, 2012	¥10,566	¥(993)	¥(30,826)	¥(21,253)	¥898	¥498,047	¥1,435,640

# Non-consolidated Financial Statements

## Balance Sheet

(As of March 31, 2012)

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

	Amount		Amount
<b>&lt;ASSETS&gt;</b>		<b>&lt;LIABILITIES&gt;</b>	
<b>Current assets</b>	<b>¥711,569</b>	<b>Current liabilities</b>	<b>¥1,175,217</b>
Cash and deposits	644,583	Short-term borrowings	398,956
Accounts receivable - trade	45,863	Current portion of long term debt	298,900
Prepaid expense	404	Current portion of corporate bonds	95,000
Deferred tax assets	4,200	Current portion of warrant bonds	49,988
Short-term loan receivable	5,429	Accounts payable - other	324,714
Other current assets	11,088	Accrued expenses	5,876
<b>Fixed assets</b>	<b>2,271,884</b>	Income taxes payable	5
<b>Property and equipment, net</b>	<b>13,797</b>	Allowance for bonus	471
Assets for rent	6,737	Other current liabilities	1,305
Buildings	2,437	<b>Long-term liabilities</b>	<b>1,316,853</b>
Aircraft	3,395	Corporate bonds	459,900
Tools, equipment and fixtures	53	Long-term debt	809,722
Land	336	Deferred tax liabilities	19,978
Other	837	Assets retirement obligations	4,497
<b>Intangible assets, net</b>	<b>422</b>	Other liabilities	22,755
Trademark	77	<b>Total liabilities</b>	<b>2,492,071</b>
Software	266		
Other intangibles	78	<b>&lt;EQUITY&gt;</b>	
<b>Investments and other assets</b>	<b>2,257,663</b>	<b>Shareholders' equity</b>	<b>490,029</b>
Investment securities	26,011	Common stock	213,797
Investments in subsidiaries and affiliated companies	1,567,950	Additional paid-in capital	227,743
Investments in consolidated and affiliated partnerships	2,318	Capital reserve	227,743
Long-term loan receivable	646,488	Retained earnings	71,435
Other assets	18,595	Earned surplus reserve	1,414
Less: Allowance for doubtful accounts	(3,700)	Other retained earnings	70,021
<b>Deferred charges</b>	<b>1,619</b>	Retained earnings carried forward	70,021
Stock issuance cost	162	Less: Treasury stock	(22,947)
Bond issuance cost	1,457	<b>Valuation and translation adjustments</b>	<b>2,875</b>
		Unrealized gain on available-for-sale securities	3,868
		Deferred loss on derivatives under hedge accounting	(993)
		<b>Stock acquisition rights</b>	<b>98</b>
		<b>Total equity</b>	<b>493,002</b>
<b>Total assets</b>	<b>¥2,985,073</b>	<b>Total liabilities and equity</b>	<b>¥2,985,073</b>

# Statement of Income

(Fiscal year from April 1, 2011 to March 31, 2012)

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

	Amount	
<b>Net sales</b>		<b>¥43,700</b>
<b>Cost of sales</b>		<b>—</b>
<b>Gross Profit</b>		<b>43,700</b>
<b>Selling, general and administrative expenses</b>		<b>13,674</b>
<b>Operating income</b>		<b>30,026</b>
<b>Non-operating income</b>		<b>60,410</b>
Interest income	19,473	
Dividend income	37,305	
Foreign exchange gain, net	263	
Other non-operating income	3,367	
<b>Non-operating expenses</b>		<b>53,802</b>
Interest expense	21,015	
Bond interest	11,722	
Loss on investments in partnerships	8,888	
Refinancing related expense	7,343	
Other non-operating expenses	4,833	
Ordinary income		<b>36,634</b>
<b>Special income</b>		<b>13,080</b>
Gain on sale of investment securities	1,955	
Gain on sale of investments in subsidiaries and affiliated companies	14	
One-time recognition of unrecognized loan interest income from subsidiaries and affiliates	6,925	
Premium on advanced redemption of debt security	4,185	
<b>Special loss</b>		<b>25,949</b>
Valuation loss on investment securities	288	
Valuation loss on subsidiaries and affiliated companies	8,752	
Loss on liquidation of subsidiaries and affiliates	16,608	
Other special losses	300	
<b>Income before income taxes</b>		<b>23,765</b>
Income taxes		5
Income taxes deferred		(1,578)
<b>Net income</b>		<b>¥25,339</b>

# Statement of Changes in Equity

(Fiscal year from April 1, 2011 to March 31, 2012)

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

	Shareholders' equity						
	Common stock	Additional paid-in capital	Retained earnings			Treasury stock	Total
		Capital reserve	Earned surplus reserve	Other retained earnings Retained earnings carried forward	Total retained earnings		
Balance at April 1, 2011	¥188,775	¥202,764	¥1,414	¥50,093	¥51,507	¥(240)	¥442,806
Changes of items during the year							
Exercise of warrants	25,022	24,979	—	—	—	—	50,002
Cash dividends	—	—	—	(5,411)	(5,411)	—	(5,411)
Net income	—	—	—	25,339	25,339	—	25,339
Purchase of treasury stock	—	—	—	—	—	(22,706)	(22,706)
Items other than changes in shareholders' equity, net	—	—	—	—	—	—	—
Total changes in the year	25,022	24,979	—	19,927	19,927	(22,706)	47,223
Balance at March 31, 2012	¥213,797	¥227,743	¥1,414	¥70,021	¥71,435	¥(22,947)	¥490,029

	Valuation and translation adjustments			Stock acquisition rights	Total equity
	Unrealized gain(loss) on available-for-sale securities	Deferred gain(loss) on derivatives under hedge accounting	Total valuation and translation adjustments		
Balance at April 1, 2011	¥(21,734)	¥(1,418)	¥(23,153)	¥100	¥419,752
Changes of items during the year					
Exercise of warrants	—	—	—	—	50,002
Cash dividends	—	—	—	—	(5,411)
Net income	—	—	—	—	25,339
Purchase of treasury stock	—	—	—	—	(22,706)
Items other than changes in shareholders' equity, net	25,603	425	26,028	(1)	26,027
Total changes in the year	25,603	425	26,028	(1)	73,250
Balance at March 31, 2012	¥3,868	¥(993)	¥2,875	¥98	¥493,002

## INDEPENDENT AUDITOR'S REPORT

May 11, 2012

To the Board of Directors of  
SOFTBANK CORP.:

Deloitte Touche Tohmatsu LLC

Designated Unlimited Liability Partner,  
Engagement Partner,  
Certified Public Accountant:

Yoshitaka Asaeda

Designated Unlimited Liability Partner,  
Engagement Partner,  
Certified Public Accountant:

Akemi Mochizuki

Designated Unlimited Liability Partner,  
Engagement Partner,  
Certified Public Accountant:

Nozomu Kunimoto

Pursuant to the fourth paragraph of Article 444 of the Companies Act, we have audited the consolidated financial statements, namely, the consolidated balance sheet as of March 31, 2012 of SOFTBANK CORP. (the "Company"), the related consolidated statement of income and changes in equity, and the notes to consolidated financial statements for the fiscal year from April 1, 2011 to March 31, 2012.

### **Management's Responsibility for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of these consolidated financial statements in conformity with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Audit Opinion**

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company and consolidated subsidiaries as of March 31, 2012, and the results of their operations for the year then ended in conformity with accounting principles generally accepted in Japan.

**Interest**

Our firm and the engagement partners do not have any interest in the Company for which disclosure is required under the provisions of the Certified Public Accountants Law.

The above represents a translation, for convenience only, of the original report issued in the Japanese language.

(Note) Consolidated Financial Statements provided with the Notice as Reference are a subset of the Consolidated Financial Statements utilized by the Independent Auditors during the course of preparing the Independent Auditor's Report. Notes to Consolidated Financial Statements are made available on our website (<http://www.softbank.co.jp/>), pursuant to the applicable laws and Article 14 of the Articles of Incorporation of the Company. Accordingly, these notes are not provided in the Notice or the Appendix.

## INDEPENDENT AUDITOR'S REPORT

May 11, 2012

To the Board of Directors of  
SOFTBANK CORP.:

Deloitte Touche Tohmatsu LLC

Designated Unlimited Liability Partner,  
Engagement Partner,  
Certified Public Accountant:

Yoshitaka Asaeda

Designated Unlimited Liability Partner,  
Engagement Partner,  
Certified Public Accountant:

Akemi Mochizuki

Designated Unlimited Liability Partner,  
Engagement Partner,  
Certified Public Accountant:

Nozomu Kunimoto

Pursuant to the first item, second paragraph of Article 436 of the Companies Act, we have audited the non-consolidated financial statements, namely, the balance sheet as of March 31, 2012 of SOFTBANK CORP. (the "Company"), and the related statement of income and changes in equity, and the related notes for the fiscal year from April 1, 2011 to March 31, 2012, and the accompanying supplemental schedules.

### **Management's Responsibility for the Non-consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of these non-consolidated financial statements and the accompanying supplemental schedules in conformity with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of non-consolidated financial statements and the accompanying supplemental schedules that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these non-consolidated financial statements and the accompanying supplemental schedules based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the non-consolidated financial statements and the accompanying supplemental schedules are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the non-consolidated financial statements and the accompanying supplemental schedules. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the non-consolidated financial statements and the accompanying supplemental schedules, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation and fair presentation of the non-consolidated financial statements and the accompanying supplemental schedules in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the non-consolidated financial statements and the accompanying supplemental schedules.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Audit Opinion**

In our opinion, the non-consolidated financial statements and the accompanying supplemental schedules referred to above present fairly, in all material respects, the financial position of the Company as of March 31, 2012, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in Japan.

**Interest**

Our firm and the engagement partners do not have any interest in the Company for which disclosure is required under the provisions of the Certified Public Accountants Law.

The above represents a translation, for convenience only, of the original report issued in the Japanese language and “accompanying supplemental schedules” referred to in this report are not included in the attached financial statements.

(Note) Non-consolidated Financial Statements provided with the Notice as Reference are a subset of the Non-consolidated Financial Statements utilized by the Independent Auditors during the course of preparing the Independent Auditor’s Report. Notes to Non-consolidated Financial Statements are made available on our website (<http://www.softbank.co.jp/>), pursuant to the applicable laws and Article 14 of the Articles of Incorporation of the Company. Accordingly, these notes are not provided in the Notice or the Appendix.



## Audit Report

With respect to the Directors' performance of their duties during the business year from April 1, 2011 to March 31, 2012, the Board of Corporate Auditors has prepared this audit report after deliberations, as unanimous opinion of all Corporate Auditors based on the audit reports prepared by each Corporate Auditor, and hereby report as follows:

### 1. Method and Contents of Audit by Corporate Auditors and the Board of Corporate Auditors

The Board of Corporate Auditors has established the audit policies in this fiscal year, audit plan, etc. and received a report from each Corporate Auditor regarding the status of implementation of their audits and results thereof. In addition, the Board of Corporate Auditors has received reports from the Directors, etc. and the Independent Auditors regarding the status of performance of their duties, and requested explanations as necessary.

In conformity with the Corporate Auditors auditing standards established by the Board of Corporate Auditors, and in accordance with the audit policies in this fiscal year, audit plan, etc., each Corporate Auditor endeavored to facilitate a mutual understanding with the Directors, the Internal Audit and other employees, etc., endeavored to collect information and maintain and improve the audit environment, has attended the meetings of the Board of Directors and other important meetings, received reports on the status of performance of duties from the Directors and other employees and requested explanations as necessary, examined important approval/decision documents, and inspected the status of the corporate affairs and assets. Also, each Corporate Auditor received regular reports from Directors and employees concerning the architecture and implementation of (i) the contents of the Board of Directors' resolutions regarding the development and maintenance of the system to ensure that the Directors listed within the Business Report, during the performance of their duties, complied with all laws, regulations and the articles of incorporation of the company and other systems that are set forth in Article 100, paragraphs 1 and 3 of the Ordinance for Enforcement of the Companies Act of Japan as being necessary for ensuring the appropriateness of the corporate affairs of a joint stock company (*kabushiki kaisha*), and (ii) the systems (internal control systems) based on such resolutions, and requested further information as necessary, making remarks when appropriate. With respect to the subsidiaries, each Corporate Auditor endeavored to facilitate a mutual understanding and exchanged information with the Directors and Corporate Auditors, etc. of each subsidiary and received from subsidiaries reports on their respective business as necessary. Based on the above-described methods, each Corporate Auditor examined the business report and annexed specifications for the business year under consideration.

In addition, each Corporate Auditor monitored and verified whether the Independent Auditors maintained its independence and properly conducted its audit, received a report from the Independent Auditors on the status of its performance of duties, and requested explanations as necessary. Each Corporate Auditor was notified by the Independent Auditors that it had established a "system to ensure that the performance of the duties of the Independent Auditors was properly conducted" (the matters listed in the items of Article 131 of the Company Accounting Regulations) in accordance with the "Quality Control Standards for Audits" (Business Accounting Council on October 28, 2005), and requested explanations as necessary. Based on the above-described methods, each Corporate Auditor examined the consolidated financial statements (the consolidated balance sheet, the related consolidated statement of income and changes in equity, and notes to consolidated financial statements) as well as, the non-consolidated financial statements (the balance sheet, the related statement of income and changes in equity, and notes to non-consolidated financial statements) and the accompanying supplemental schedules thereto, for the business year under consideration.

### 2. Results of Audit

#### (1) Results of Audit of Business Report, etc.

- (i) We acknowledge that the business report and the accompanying supplemental schedules thereto fairly present the status of the Company in conformity with the applicable laws and regulations and the articles of incorporation of the company.
- (ii) We acknowledge that no misconduct or material fact constituting a violation of any law or regulation or the articles of incorporation of the company was found with respect to the Directors' performance of their duties.
- (iii) We acknowledge that the Board of Directors' resolutions with respect to the internal control systems are appropriate. We did not find any matter to be mentioned with respect to the information provided in the Business Report or the Directors' performance of their duties concerning the internal control systems.

#### (2) Results of Audit of Consolidated Financial Statements

We acknowledge that the methods and results of audit performed by the Independent Auditors, Deloitte Touche Tohmatsu LLC, are appropriate.

#### (3) Results of Audit of Non-consolidated Financial Statements and their Accompanying Supplemental Schedules

We acknowledge that the methods and results of audit performed by the Independent Auditors, Deloitte Touche Tohmatsu LLC, are appropriate.

May 11, 2012

Board of Corporate Auditors of SOFTBANK CORP.

Full-time Corporate Auditor: Mitsuo Sano (Seal)  
External Corporate Auditor: Soichiro Uno (Seal)  
External Corporate Auditor: Koichi Shibayama (Seal)  
External Corporate Auditor: Hidekazu Kubokawa (Seal)

(Note) Corporate Auditors: Soichiro Uno, Koichi Shibayama, and Hidekazu Kubokawa are External Corporate Auditors set forth in Article 2, item 16 and Article 335, paragraph 3 of the Companies Act of Japan.

(Note) Business Reports, Consolidated Financial Statements and Non-consolidated Financial Statements provided with the Notice as Reference are a subset of statements utilized by the Board of Auditors during the course of preparing the Auditors' Report. "System to ensure appropriateness of business," Notes to Consolidated Financial Statements and Notes to Non-consolidated Financial Statements are made available on our website (<http://www.softbank.co.jp/>), pursuant to the applicable laws and Article 14 of the Articles of Incorporation of the Company. Accordingly, these notes are not provided in the Notice or the Appendix.

# Reference Materials for the Annual General Meeting of Shareholders

## ▼ Proposal: Appropriation of Surplus

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The Company has prioritized reduction of its net interest-bearing debt in order to improve the Group's financial status after the acquisition of Vodafone K.K. (currently SOFTBANK MOBILE Corp.) The Company has steadily reduced its net interest-bearing debt, supported by strong results in the Mobile Communications segment. Net interest-bearing debt has been reduced to under 30% of the level at March 31, 2009 over three years. As a result of these efforts, the Company's credit ratings have been raised substantially.

In light of this improvement in the Group's financial status, growth potential of businesses and other factors, the Company has decided to change its policy. The Group will focus on investing actively for sustained growth and returning profits to shareholders, while maintaining a sound financial status.

Under this new policy, the Company proposes raising the year-end dividend per share for the fiscal year as follows.

1. **Type of dividend property:**

Cash

2. **Matters concerning allotment of dividend property to shareholders and its total amount:**

¥40.00 per common share of the Company, for a total of ¥43,940,592,760.

3. **Effective date of dividend of surplus:**

June 25, 2012

# Guide to Exercising Voting Rights via the Internet

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If you wish to exercise your voting rights, please access the Company's designated website for voting (<http://www.evotep.jp>) on your PC, smartphone or mobile phone and follow the instructions on the screen.

If smartphone or mobile handset is capable with the QR code, access to the website can be made by reading the QR code on the right.



## Important notes

- (1) If you exercise your voting rights twice by returning the voting form and through the Internet, etc., the Company will treat the exercise of your voting right through the Internet, etc. as effective.
- (2) If you exercise your voting rights more than once through the Internet, etc., the last exercise of your voting rights shall be deemed to be effective.
- (3) The Company does not issue a voting form or other documents for those shareholders who have approved the receipt of notice of convocation by electromagnetic means unless those shareholders request for a voting form or other documents. If shareholders who approved the receipt of notice of convocation by electromagnetic means would like to request a voting form or other documents, please ask Helpdesk as shown below.

## Method for receiving a notice of convocation

If you wish to receive a notice of convocation by e-mail, please follow the procedure on the voting website on a PC.

You will be able to exercise your voting rights through the Internet up to 5:45 PM on June 21, 2012 (Thursday). Exercise of your voting rights at the earliest timing is appreciated.

## Electronic Voting Platform

Nominee shareholders such as managing trust banks and others (including standing proxies) will be able to use the electronic voting platform as a method to electronically exercise voting rights at the Annual General Meeting of Shareholders of the Company in addition to the method to exercise voting rights through the Internet stated in the above, if the shareholders have applied in advance for the use of the electronic voting platform operated by a joint venture established by Tokyo Stock Exchange, Inc. and other parties.

### For inquiries regarding the system, please contact:

Helpdesk

(Transfer Agent Division, Mitsubishi UFJ Trust and Banking Corporation)

Phone: **0120-173-027** (Toll free)

(Business hours: 9:00-21:00)

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