Cautionary Statement Regarding Forward Looking Statements

This document includes “forward-looking statements” within the meaning of the securities laws. The words “may,” “could,” “should,” “estimate,” “project,” “forecast,” “intend,” “expect,” “anticipate,” “believe,” “target,” “plan,” “providing guidance” and similar expressions are intended to identify information that is not historical in nature.

This document contains forward-looking statements relating to the proposed transactions between Sprint Nextel Corporation (“Sprint”) and SoftBank Corp. (“SoftBank”) and its group companies, including Starburst II, Inc. (“Starburst II”), and the proposed acquisition by Sprint of Clearwire Corporation (“Clearwire”). All statements, other than historical facts, including, but not limited to: statements regarding the expected timing of the closing of the transactions; the ability of the parties to complete the transactions considering the various closing conditions; the expected benefits of the transactions such as improved operations, enhanced revenues and cash flow, growth potential, market profile and financial strength; the competitive ability and position of SoftBank or Sprint; and any assumptions underlying any of the foregoing, are forward-looking statements. Such statements are based upon current plans, estimates and expectations that are subject to risks, uncertainties and assumptions. The inclusion of such statements should not be regarded as a representation that such plans, estimates or expectations will be achieved. You should not place undue reliance on such statements. Important factors that could cause actual results to differ materially from such plans, estimates or expectations include, among others, that (1) there may be a material adverse change of SoftBank; (2) the proposed financing may involve unexpected costs, liabilities or delays or may not be completed on terms acceptable to SoftBank, if at all; and (3) other factors as detailed from time to time in Sprint’s, Starburst II’s and Clearwire’s filings with the Securities and Exchange Commission (“SEC”), including Sprint’s and Clearwire’s Annual Reports on Form 10-K for the year ended December 31, 2012 and Quarterly Reports on Form 10-Q for the quarter ended March 31, 2013, and other factors that are set forth in the proxy statement/prospectus contained in Starburst II’s Registration Statement on Form S-4, which was declared effective by the SEC on May 1, 2013, and in other materials that will be filed by Sprint, Starburst II and Clearwire in connection with the transactions, which will be available on the SEC’s web site (www.sec.gov). There can be no assurance that the transactions will be completed, or if completed, that such transactions will close within the anticipated time period or that the expected benefits of such transactions will be realized.

All forward-looking statements contained in this document and the documents referenced herein are made only as of the date of the document in which they are contained, and none of Sprint, SoftBank or Starburst II undertakes any obligation to update any forward-looking statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events except as required by law. Readers are cautioned not to place undue reliance on any of these forward-looking statements.

To All Our Shareholders:

Disclosed information on the Internet at the Time of Notifying Convocation of the 33rd Annual General Meeting of Shareholders

June 3, 2013

SoftBank Corp.

Table of Contents

All matters above are provided to shareholders of the Company on the website of the Company on the Internet (http://www.softbank.co.jp/) in accordance with all laws and Article 14 of the Articles of Incorporation of the Company.

Status of the Company

(5)System to ensure appropriateness of the operation

The content of the basic policy of SoftBank Corp. (here after “the Company”) that was formulated according to the resolution by the Board of Directors of the Company to ensure the appropriateness of the operation is explained below. The basic policy was partially revised at the Board of Directors meeting on April 17, 2013 to reflect actual situation along with discontinuance of an internal meeting and review of the process for self-assessments of internal controls. The revision also included format change such as terms used in this basic policy and styles. The revised basic policy is stated below.

1. System to ensure that the execution of the duties of directors and employees is in compliance with laws, regulations, and the Articles of Incorporation of the Company

The Company has established the SoftBank Group Officer and Employee Code of Conduct to prescribe the code of conduct to be followed by all directors and employees to ensure that corporate activities are appropriate based not only on regulatory compliance, but also on high ethical standards, and has established the following structure to continuously reinforce the compliance system:

(1) A chief compliance officer (CCO) is appointed. In addition to proposing and carrying out measures required to establish and enhance the Company’s compliance system, the CCO regularly reports to the Board of Directors on compliance-related issues and the status of addressing those issues.

(2) Internal and external hotlines are established for direct reporting and consultations by directors and employees, to quickly identify, rectify, and prevent the reoccurrence of any inappropriate issues in corporate activities.

(3) The Internal Audit Department carries out audits to ensure that execution of duties complies with laws, regulations, and the Articles of Incorporation, and the results of those audits are reported to the CEO and director in charge. The Internal Audit Department also works in cooperation with the Audit & Supervisory Board Members by providing them with the results of those audits.

2. System for the storage and management of information regarding the execution of duties by directors

The Company has established the following system to appropriately store and maintain documents and other important information related to the execution of duties by directors including minutes and proposals of the Board of Directors meetings and requests for approval:

(1) The Company determines retention periods and methods and measures to prevent accidents, based on the Information Management Regulations, and classifies and appropriately stores these documents according to their degree of confidentiality.

(2) In addition to the appointment of a chief information security officer (CISO) as the person responsible for information security, based on the Information Security Basic Regulations, an Information Security Committee, chaired by the CISO, has been established to promote activities related to information security.

3. Regulations and system relating to managing the risk of loss

The Company has established the following system to avoid and minimize risk and to implement necessary measures related to the variety of risks in its business operations:

(1) Responsible departments are designated to address various risks, manage risks in each responsible department and work to reduce risks and prevent the occurrence of risk events based on the Risk Management Regulations. In addition, when an emergency situation arises, an Emergency Response Department will be established according to the designated escalation flow, and efforts will be made to minimize the damage (loss) based on the instructions of the Emergency Response Department.

(2) The General Administration Department will summarize the status of risk evaluation, analysis and response at each responsible department, and regularly report its findings to the Board of Directors.

(3) The Internal Audit Department carries out internal audits of the risk management system.

4. System to ensure the efficiency of directors in the execution of their duties

The Company has established the following structure to maintain an efficient management system:

(1) The Company has set out the Regulations of the Board of Directors to clarify matters to be decided and reported on by the Board of Directors, and the Internal Approval Regulations and other regulations relating to institutional decision-making to clarify decision-making authority.

(2) To strengthen functions for overseeing the execution of duties and enhance objectivity in management, the Board of Directors includes external directors who are independent of the Company.

(3) To ensure that the directors, including external directors, can discuss matters fully at Board of Directors meetings, they are provided with materials for the meeting in advance, and with additional or supplementary materials upon their request.

(4) The scope of operations, authority and responsibilities necessary for operations are clearly defined in the Regulations on Segregation and Authority of Duties.

5. System to ensure appropriateness of the Group operations

The Company has formulated the SoftBank Group Charter, which spells out regulations on matters related to strengthening the governance and compliance system, to promote fundamental concepts and policies shared throughout the Group. In addition, the following have been established to determine a common code of conduct for directors and employees of Group companies:

(1) A group compliance officer (GCO) has been appointed to promote the establishment and reinforcement of Group-wide compliance systems, as the person ultimately responsible for compliance throughout the Group. A Group Hotline has also been established to receive reports and provide

consultation to all directors and employees of Group companies to quickly identify, rectify, and prevent the reoccurrence of any inappropriate issues in corporate activities.

(2) The representative of each Group company must submit a Representative Oath pertaining to the financial reports submitted to the Company, thereby ensuring the accuracy of the annual securities report and other reports submitted by the Group.

(3) The Internal Audit Department comprehensively judges the results of past internal audits, financial position, and carries out internal audits of Group companies deemed as having high risk.

(4) A group chief information security officer (GCISO) has been appointed to promote the establishment and reinforcement of Group-wide information security systems, as the person ultimately responsible for information security throughout the Group.

6. <u>System for excluding antisocial forces</u>

The Company clearly states in the SoftBank Group Officer and Employee Code of Conduct its policy of having absolutely no association with antisocial forces that pose a threat to public order and safety. The General Administration Department is responsible for dealing with inappropriate requests from antisocial forces and will firmly refuse those requests in a resolute manner in cooperation with the police and other external specialist institutions.

7. <u>System relating to support staff that assists the Audit & Supervisory Board Members, and matters relating to the independence of the relevant employees from the directors</u>

The Company has established the Assistant to Audit Department as an organization to support the work of the Audit & Supervisory Board Members, and has assigned dedicated staff to this department. Directions and instructions to the support staff are issued by the Audit & Supervisory Board Members and any personnel changes, evaluations, or other such actions, require the agreement of the Audit & Supervisory Board Members.

8. <u>System for reporting to the Audit & Supervisory Board Members</u>

Directors and employees of the Company will report the following matters to the Audit & Supervisory Board Members:

(1) Important matters related to the management, finances, or business execution of the Company or the Group companies.

(2) Matters related to the compliance system or use of the hotlines.

(3) The development status of internal control systems.

(4) Matters which could cause significant damage to the Company.

(5) Matters relating to violations of laws, regulations, or the Articles of Incorporation.

(6) Results of audits conducted by the Internal Audit Department.

(7) Other matters that the Audit & Supervisory Board Members have decided that need to be reported in order for them to execute their duties.

9. **<u>Other systems to ensure that the audits by the Audit & Supervisory Board Members are conducted effectively</u>**

When the Audit & Supervisory Board Members deem it necessary, opportunities shall be provided for them to interview directors or employees. In addition, the Audit & Supervisory Board Members periodically meet with the independent auditor and the Audit & Supervisory Board Members of major subsidiaries and other entities for an exchange of information and to ensure cooperation. At the same time, the Full-time Audit & Supervisory Board Member attends meetings of major committees including the Departmental Liaison Committee, which is made up of department managers of the Company.

Notes to Consolidated Financial Statements

(Basis of Presentation of Consolidated Financial Statements)

1. Changes in scope of consolidation

Number of Consolidated subsidiaries: 150

Name of main consolidated subsidiaries

SoftBank Mobile Corp., SoftBank Telecom Corp. SoftBank BB Corp., Yahoo Japan Corporation, and SoftBank Holdings Inc.

<Increase> 24

Significant changes:

Starburst I, Inc.	Newly established
Starburst II, Inc.	Newly established

<Decrease> 7

85 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 Corp. Consolidated Financial Statements.

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

Number of Non-consolidated subsidiaries: 3

Number of Affiliates: 80

<Increase> 16

Significant changes:

eAccess Ltd.	New acquisition

<Decrease> 7

82 non-consolidated subsidiaries and 28 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.

3. Fiscal year ends of consolidated subsidiaries

19 consolidated subsidiaries whose closing dates differ from a consolidated closing date use their own financial statements as closing date variance is within three months.

All significant intercompany balances and transactions which occurred between 19 consolidated subsidiaries' closing date and consolidated closing date have been eliminated in consolidation.

21 consolidated subsidiaries whose closing dates differ from a consolidated closing date use their financial statements based on provisional closing as closing date variance is over three months.

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

Foreign subsidiaries of the Company applying IFRS (International Financial Reporting Standards) evaluate "available-for-sale securities" by fair value and record unrealized gain (loss) as "Unrealized gain (loss) on available-for-sale securities." Embedded derivatives that should be accounted for separately are accounted for according to the accounting treatment of derivative. 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.

(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 Corp., SoftBank Telecom Corp., 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 Corp. and SoftBank Telecom Corp. 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, there is no service cost under the defined benefit pension plans at SoftBank Mobile Corp. and SoftBank Telecom Corp.

<Allowance for point mileage >

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

(4) Accounting for significant hedge transactions

[1] Foreign currency forward contract

(a) <Hedge accounting>

Receivables and obligations denominated in foreign currencies for which foreign currency 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.

(b) <Derivative instruments for hedging and hedged items>

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

(c) <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.

(d) < 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

(a) <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.

(b) <Derivative instruments for hedging and hedged items>

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

(c) <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.

(d) < 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.

(5) 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 Corp.) is amortized over a 20-year-period.

(6) Accounting method for consumption taxes

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

(7) Application of consolidated taxation system

BB Mobile Corp., as a parent company of the consolidated tax return, SoftBank Mobile Corp., and other two companies, adopted the consolidated taxation system.

5. Additional information

Acquisition of Sprint Nextel Corporation

On October 15, 2012, the Company and Sprint Nextel Corporation ("Sprint") in the U.S. entered into a series of definitive agreements under which the Company will invest approximately $20.1 billion (the "transaction") in Sprint, consisting of approximately $12.1 billion to be paid to Sprint shareholders and $8.0 billion of new capital to be used, amongst other purposes, to strengthen Sprint's balance sheet.

The transaction, which has been approved by the Boards of Directors of both the Company and Sprint, is subject to approval at a meeting of the Sprint shareholders (to be held on June 12, 2013 in Kansas, U.S.), customary antitrust, Federal Communications Commission and other regulatory approvals and the satisfaction or waiver of other closing conditions, including accuracy of representations and warranties. The Company expects the closing of the transaction to occur on July 1, 2013. As a result of the transaction the Company will own approximately 70% of the fully-diluted (as used herein, not giving effect to out-of-the-money options) shares of New Sprint (as defined below), which will own 100% of the shares of Sprint.

(1) Purposes of acquisition

[1] Enables the Company to establish an operating base as one of the largest mobile Internet companies in the world. The combined subscriber base will be one of the largest[1] between the U.S. and Japan, and the combined mobile telecom service revenue will rank third[2] amongst global operators.

[2] Enables the Company to leverage its deep expertise in smartphones and next-generation mobile networks, and its track record of success in competing in mature markets with large incumbents, to enhance Sprint's competitiveness in the U.S.

[3] Provides Sprint $8.0 billion of new capital for its mobile network, strategic investments, and balance sheet as part of its continued efforts to fortify its operating base towards future growth.

Notes:

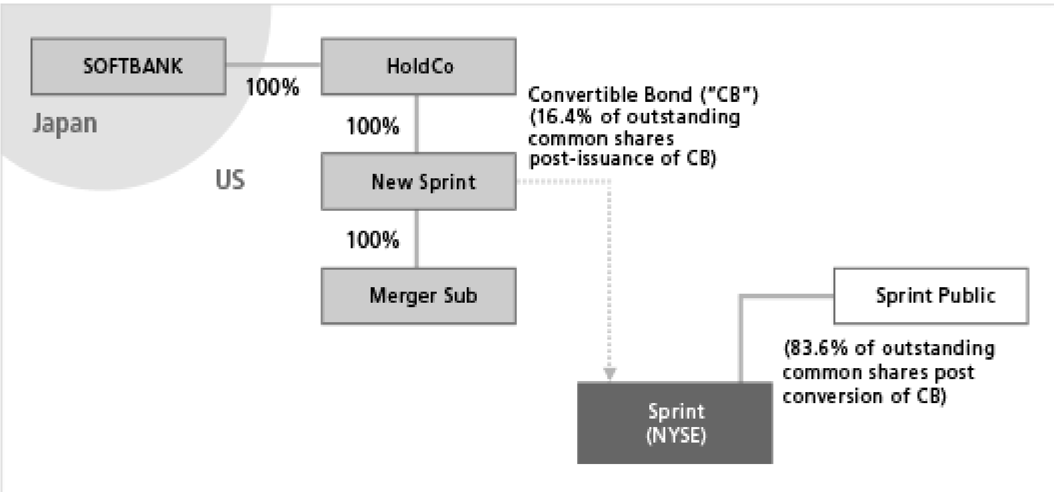
1. Based on Wireless Intelligence data, TCA data, and disclosed material by relevant companies. U.S. as of June 2012, and Japan as of September (eAccess Ltd. data as of August 2012).
2. Based on disclosures by global mobile operators such as China Mobile and Verizon Wireless (January to June 2012).

(2) Outline of acquisition

[1] Establishment of subsidiaries

The Company has formed a new U.S. holding company, Starburst I, Inc. (HoldCo), and two further subsidiaries, Starburst II, Inc. (New Sprint), which is owned directly by HoldCo, and Starburst III, Inc. (Merger Sub), which is owned directly by New Sprint and indirectly by HoldCo.

Via New Sprint, the Company invested $3.1 billion in Sprint in the form of a newly - issued convertible bond (Bond) on October 22, 2012 (EST). The Bond has a 1.0% coupon rate with a seven-year maturity and, if the merger agreement is terminated prior to completion of the merger (as defined in [2] below), subject to regulatory approval, will be convertible, or if the merger (as defined in [2] below) is completed, will be converted, at $5.25 per share into 16.4% of outstanding Sprint common shares on a post-issuance basis (subject to customary adjustments).



[2] Merger

Following receipt of Sprint shareholders and regulatory approvals and the satisfaction or waiver of the other closing conditions to the transaction, the Company will capitalize, through HoldCo, New Sprint with an additional approximately $17.0 billion. Approximately $12.1 billion will be distributed to Sprint shareholders as merger consideration. Merger Sub will merge with and into Sprint as a result of which:

(a) Sprint will become a wholly-owned subsidiary of New Sprint.

(b) In aggregate, Sprint shareholders will receive, in exchange for their Sprint shares approximately 30% of the fully-diluted equity of New Sprint and approximately $12.1 billion cash.

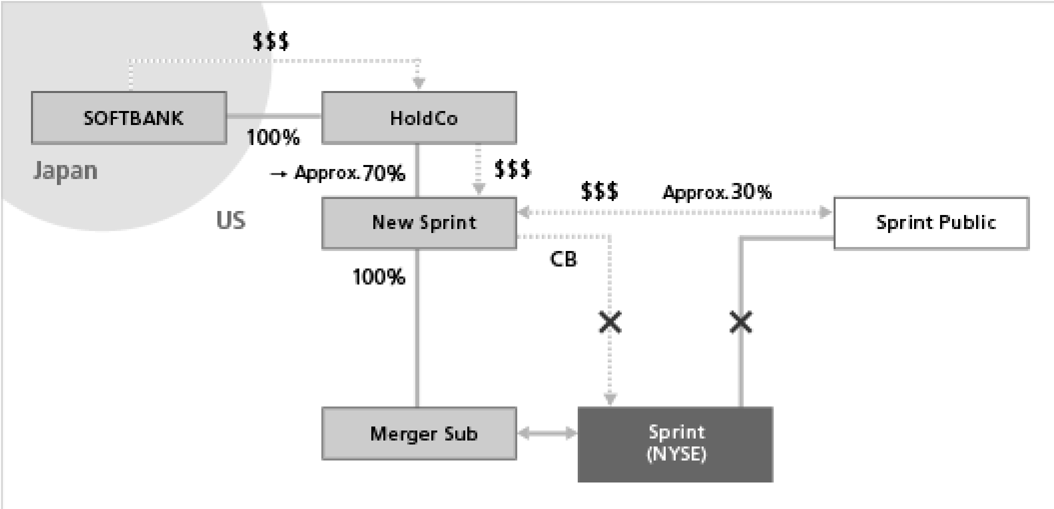
(c) Individual Sprint shareholders will have the right to elect to receive, for each share of Sprint that they own, either (i) $7.30 in cash or (ii) one share of New Sprint stock, subject to proration if shareholders in the aggregate elect more than the total amount of cash or stock consideration, as applicable (which would result in the receipt of a mix of cash and stock).

(d) Holders of Sprint stock options will receive stock options in the New Sprint.

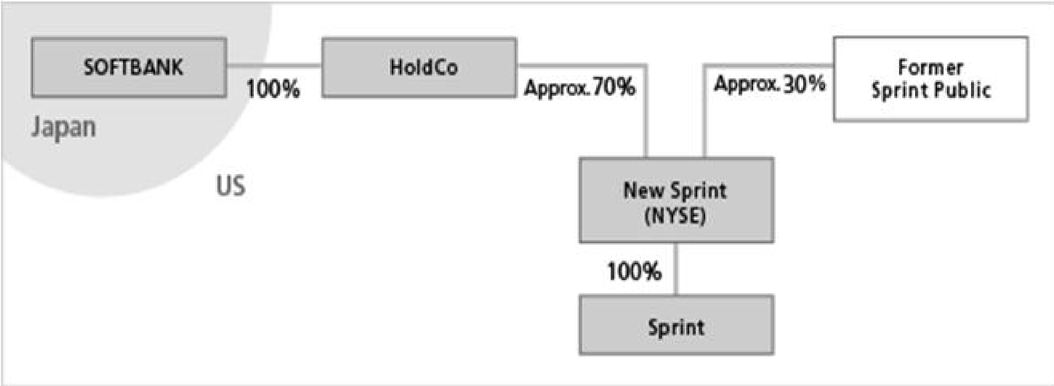
(e) The Bond will be converted into shares of Sprint, with the value of such shares reflected (together with the Company's additional investment) in the approximately 70% of the fully-diluted equity of New Sprint which HoldCo will hold after consummation of the merger.

(f) New Sprint will issue a 5 year warrant for approximately 55 million shares of New Sprint with an exercise price of $5.25 per share (Warrant) to HoldCo.
(g) New Sprint is expected to succeed Sprint's New York Stock Exchange listing as a publicly traded company in the US.

Other key terms include:
(a) The Company must pay Sprint a termination fee of $600 million if the merger does not close because the Company does not obtain financing.
(b) Sprint must pay the Company a termination fee of $600 million if the merger does not close because Sprint accepts a superior offer by a third party.
(c) Sprint must pay up to $75 million of the Company's expenses if Sprint's shareholders do not approve the transaction at their shareholder meeting.



[3] Post-transaction (fully-diluted basis)
Post-transaction:
(a) The Company will own, through HoldCo, approximately 70% of New Sprint shares and Sprint shareholders will own approximately 30% of New Sprint shares in aggregate on a fully-diluted basis.
(b) New Sprint will retain $4.9 billion of the $17.0 billion contribution by the Company, which, in combination with the $3.1 billion purchase price for the Bond, represents an $8.0 billion dollar contribution to the New Sprint balance sheet.
(c) Sprint's current CEO Dan Hesse will be the CEO of New Sprint.
(d) New Sprint will have a 10-member board of directors, including three members from the current Sprint Board of Directors as well as the CEO.
(e) Sprint's headquarters will continue to be in Overland Park, Kansas.



(3) New Sprint's number of shares to be acquired, acquisition price and state of share ownership before and after acquisition

[1] Number of shares held before transfer	0 shares (number of voting rights: 0) (voting rights holding ratio: 0.0%)
[2] Number of shares to be acquired	3,241,403,146 shares*
[3] Acquisition price	Total amount invested: approximately $20.1 billion Advisory fees and others: to be determined
[4] Number of shares held after transfer	3,241,403,146 shares* (number of voting rights: 3,241,403,146) (voting rights holding ratio: 70.0%)

Note:
* Based on Sprint's fully-diluted shares (as of October 15, 2012, calculated not giving effect to out-of-the-money options) and giving effect to full exercise of the warrant.

(4) Financing

In order to raise necessary funds for the transaction, on December 18, 2012, the Company entered into a bridge loan agreement (hereafter "the bridge loan") for the maximum amount of ¥1.65 trillion with financial institutions. The Company raised the total amount of ¥370.0 billion by issuing the 42nd Unsecured Straight Corporate Bond on March 1, 2013 and the 41st Unsecured Straight Corporate Bond on March 12, 2013. Funds procured by the issuance of those corporate bonds are planned to be used as part of the investment of the transaction.

With the issuances of the 41st and the 42nd Unsecured Straight Corporate Bonds, the Company reduced the maximum amount of the bridge loan from ¥1.65 trillion to ¥1 trillion 284.9 billion, decreasing the maximum amount by ¥365.1 billion. The loan procured by the bridge loan is planned to be refinanced by medium and long term loans.

The Company also raised $2,485 million and €625 million by issuing USD-denominated Senior Notes due year 2020 and Euro-denominated Senior Notes due year 2020 respectively on April 23, 2013. The funds are planned to be used for refinancing the Company's loans and operating capital, as well as for part of the investment for the transaction.

The summaries of the bridge loan, the 41st and the 42nd Unsecured Straight Corporate Bonds, USD-denominated Senior Notes due year 2020 and Euro-denominated Senior Notes due year 2020 are as follows:

Summary of the bridge loan

[1] Borrower	The Company
[2] Mandated lead arrangers (MLAs)	Mizuho Corporate Bank, Ltd. Sumitomo Mitsui Banking Corporation The Bank of Tokyo-Mitsubishi UFJ, Ltd. Deutsche Bank AG, Tokyo Branch
[3] Date of contract	December 18, 2012 (last date of amendment March 27, 2013)
[4] Maximum total amount of borrowing	¥1 trillion 284.9 billion (after the reduction of maximum total amount of borrowing) (Breakdown) Facility A: ¥250 billion (cash already borrowed) Facility B: ¥1 trillion 34.9 billion (after the reduction of maximum total amount of borrowing)
[5] Loan drawdown date	Facility A:December 21, 2012 Facility B: At the time of the Sprint acquisition
[6] Use of loan proceeds	Facility A: Investment in Sprint in the form of newly-issued convertible bonds (restore balance of cash on hand used for the investment in Sprint in the form of newly-issued convertible bonds in October 2012) Facility B: Investment in and resulting acquisition of Sprint
[7] Maturity	December 17, 2013
[8] Collateral	(a) Shares of Starburst I, Inc. held by the Company (b) Shares of Starburst II, Inc. and all other assets held by Starburst I, Inc. (c) Sprint convertible bonds and all other assets held by Starburst II, Inc.*
[9] Guarantors	(a) Pre-transaction: Starburst I, Inc. and Starburst II, Inc. (b) Post-transaction: Starburst I, Inc., SoftBank Mobile Corp., SoftBank BB Corp. and SoftBank Telecom Corp.

Note:
* Until immediately prior to, but subject to the occurrence of, the Company's acquisition of Sprint.

Summary of the 41st and the 42nd Unsecured Straight Corporate Bonds

	The 41st Unsecured Straight Corporate Bonds	The 42nd Unsecured Straight Corporate Bonds
[1] Total amount of issue	¥300.0 billion	¥70.0 billion
[2] Payment amount	¥100 per ¥100 in each corporate bond	
[3] Coupon rate	1.47% per annum	1.467% per annum
[4] Redemption	The bonds will be redeemed in full upon maturity. The bonds may also be repurchased and redeemed at any time commencing from the first day following the closing date, subject to requirements of the book-entry transfer institution.	
[5] Maturity date	March 10, 2017	March 1, 2017
[6] Issue date	March 12, 2013	March 1, 2013
[7] Collateral	None	
[8] Guarantors	None	
[9] Use of proceeds	Planned to use for part of the investment for the acquisition of Sprint.	

Summary of USD-denominated Senior Notes due year 2020 and Euro-denominated Senior Notes due year 2020

	USD-denominated Senior Notes due year 2020	Euro-denominated Senior Notes due year 2020
[1] Total amount of issue	$2,485 million (¥244.1 billion)	€625 million (¥80.2 billion)
[2] Issue price	100% of the par value	
[3] Interest rate	4.500% per annum	4.625% per annum
[4] Redemption	Lump-sum redemption at maturity	
[5] Maturity date	April 15, 2020	
[6] Issue date	April 23, 2013	
[7] Collateral	None	
[8] Guarantors	SoftBank Mobile Corp., SoftBank Telecom Corp.	
[9] Use of proceeds	Planned to use for the investment for the acquisition of Sprint, refinancing loan or operating capital.	

Note:
With regards to above USD-denominated Senior Notes and Euro-denominated Senior Notes, the Company has entered into currency swap contracts with financial institutions and the amount of principal by redemption and interest payments in JPY is fixed. The amount of redemption after the currency swap contracts are ¥244.1 billion for USD-denominated Senior Notes due year 2020 and ¥80.2 billion for Euro-denominated Senior Notes due year 2020.

(5) Foreign currency forward contracts

Following receipt of Sprint shareholders and regulatory approvals and the satisfaction or waiver of the other closing conditions to the transaction, in addition to a $3.1 billion convertible bond subscribed on October 22, 2012, the Company will capitalize, through HoldCo, New Sprint with an additional approximately $17.0 billion. The Company entered into foreign currency forward contracts to hedge the foreign exchange risk related to the additional investment and hedge accounting is applied to the contracts. Please refer "(Financial Instruments), Notes 1. Fair value measurement of financial instruments, Derivative Transactions" for details.

(6) Outline of Sprint

[1] Name	Sprint Nextel Corporation
[2] Address	6200 Sprint Parkway, Overland Park, Kansas
[3] Name and title of representative	Daniel R. Hesse, Chief Executive Officer and President
[4] Business description	Telecommunications
[5] Common shares	$6,019 million（as of December 31, 2012）
[6] Date of foundation	November 15, 1938

Notes

(Consolidated Balance Sheets)

1. Secured loans

(1) Assets pledged as collateral for secured liabilities

For short-term borrowings and long-term debt

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

Assets pledged as collateral:

Cash and deposits	2,656	million yen
Accounts receivable - other	1,579	
Buildings and structures	229	
Investment securities	291,871	
Total	296,336	million yen

Secured liabilities:

Short-term borrowings	250,030	million yen
Long-term debt	95	
Total	250,125	million yen

Note:

*With regard to ¥250,000 million of the short-term bridge loan for the acquisition of Sprint, shares of Starburst I, Inc. owned by the Company and the shares of Starburst II, Inc. owned by Starburst I, Inc. are pledged as collateral in addition to the above assets. Starburst I, Inc. and Starburst II, Inc. are both consolidated subsidiaries.

(2) 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:

Short-term borrowings	93,000million yen

(3) 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:

Assets of which ownership is not transferred:

Buildings and structures	72	million yen
Telecommunications equipment	96,200	
Construction in progress	277	
Other property and equipment	5	
Software	34,601	
Other intangibles	38	
Investments and other assets – other assets	234	
Total	131,430	million yen

Installment payables:

Accounts payable – other and accrued expenses	31,958	
Long-term liabilities-other liabilities	104,828	
Total	136,787	million yen

2. Guarantee obligation

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 claims and reorganization security interests (total amount ¥41,000 million) amounting to ¥ 27,373 million as of March 31, 2013.

3. Accumulated depreciation of property and equipment 1,304,478million yen

4. Financial covenants

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, 2013, 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) The consolidated balance sheets of the Company and BB Mobile Corp. at the end of the year and the first half of the year must not show a net capital deficiency. The balance sheets of SoftBank Mobile Corp., SoftBank BB Corp. and SoftBank Telecom Corp. at the end of the year and the first half of the year, must not show a net capital deficiency.

5. Asset retirement obligation

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 condition is extremely low, and therefore, the asset retirement obligations are not recorded as of March 31, 2013.

(Consolidated Statements of Income)

1. Financing related expenses

It is primarily associated with a bridge loan agreement for a maximum amount of ¥1.65 trillion, which was entered into on December 18, 2012, in order to raise the necessary funds for the acquisition of Sprint. The Company reduced the maximum amount of the bridge loan to ¥1 trillion 284.9 billion, decreasing the maximum amount by ¥365.1 billion.

2. Unrealized appreciation (loss) 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 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 (loss) 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 (loss) on valuation of investments and loss on sale of investments included in unrealized appreciation (loss) 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:

Unrealized appreciation (loss) on valuation of investments at subsidiaries in the U.S., net	(167)
Loss on sale of investments at subsidiaries in the U.S., net	(1,356)
Total	(1,524)million yen

(Consolidated Statements of Changes in Equity)

1. Class and number of outstanding shares as of March 31, 2013

Number of common stocks 1,200,660,365

2. 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 22, 2012	Common stocks	43,940	¥40.00	March 31, 2012	June 25, 2012
Directors' meeting, November 15, 2012	Common stocks	22,104	¥20.00	Sep 30, 2012	Dec 14, 2012

(2) Dividends of which record date is in the fiscal year ended March 31, 2013 and effective date for payment is in the fiscal year ending March 31, 2014

Resolution	Class of shares	Amount of dividend Millions of yen	Dividend per share	Record date	Effective date
Ordinary general meeting of shareholders, June 21, 2013	Common stocks	23,829	¥20.00	March 31, 2013	June 24, 2013

3. Number of shares for stock acquisition rights as of March 31, 2013

Number of common stocks 3,281,100

(Financial Instruments)

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 leases, 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 Corp. 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.

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.

Interest rate swap transactions and foreign currency forward contracts are used with regards to derivative transactions. Interest rate swap transactions are used to hedge interest rate risks associated with financial liabilities. Foreign currency forward contracts are used to hedge foreign exchange risk associated with assets, liabilities and scheduled transactions denominated in foreign currencies. The scheduled transaction is mainly the investment denominated in foreign currencies associated with the acquisition of Sprint.

Hedge accounting is applied for certain derivative transactions. Hedging instruments and hedged items, hedging policy, and effectiveness of hedge transactions are described in “Basis of Presentation of Consolidated Financial Statements 4. Summary of significant accounting policies (4) 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 values 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 “(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 are as follows.

(Millions of yen)

	As of March 31, 2013		
	Carrying amount	Fair value	Differences
Assets			
(1) Cash and deposit	1,369,134	1,369,134	-
(2) Notes and accounts receivable-trade	662,186		
Allowance for doubtful accounts*1	(28,330)		
Notes and accounts receivable-trade, net	633,856	633,856	-
(3) Marketable securities and investment securities			
[1]Held-to-maturity debt securities	400	400	
[2]Investments in unconsolidated subsidiaries and affiliated companies	97,945	245,480	147,535
[3]Available-for-sale securities	360,984	360,984	-
Total	2,462,322	2,609,857	147,535
Liabilities			
(1) Accounts payable-trade	194,653	194,653	-
(2) Short-term borrowings	813,490	813,490	-
(3) Current portion of corporate bonds	205,000	205,000	-
(4) Accounts payable-other and accrued expenses	751,690	751,690	-
(5) Income taxes payable	179,558	179,558	-
(6) Current portion of lease obligations	192,603	192,603	-
(7) Corporate bonds	734,900	733,164	(1,736)
(8) Long-term debt	354,290	353,334	(955)
(9) Lease obligations	526,738	527,620	881
Total	3,952,926	3,951,116	(1,809)
Derivative transactions *2			
[1]Hedge accounting is not applied	5,900	5,900	-
[2]Hedge accounting is applied	188,838	188,838	-
Total	194,739	194,739	-

Notes:
*1. Allowance for doubtful accounts associated with notes and accounts receivable-trade are deducted.
*2. Derivative assets and liabilities are disclosed on a 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 foreign subsidiaries applying IFRS (International Financial Reporting Standards) and subsidiaries in the United States of America applying ASC 946 are evaluated at fair value.

Liabilities

(1) Accounts payable-trade, (4) Accounts payable-other and accrued expenses, 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.

(8) Long-term debt

Fair value of long-term debts is based on 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

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

1.Currency Related

(Millions of yen)

	Nature of transaction	March 31, 2013 Contract amounts	Over 1 year	Fair value	Unrealized gain(loss)
Off-market transactions	Forward exchange contracts to- ・ Purchase U.S. dollars and sell Japanese yen	¥51,963	-	¥5,900	¥5,900
	・ Purchase Euro and sell Japanese yen	10	-	(0)	(0)
	Total	¥51,973	-	¥5,900	¥5,900

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

(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[2]
Deferral hedge accounting	Foreign currency forward contracts : to buy:				
	U.S. dollars	Scheduled transactions for investment denominated in foreign currencies[1]	¥1,411,990	-	¥189,357
	U.S. dollars	Scheduled transactions for expenses denominated in foreign currencies	¥239	-	(¥6)
	Foreign currency forward contracts: to sell:				
	U.S. dollars	Scheduled transactions for sales denominated in foreign currencies	¥108	-	¥3
Alternative method	Foreign currency forward contracts: to buy:				
	U.S. dollars	Accounts payable - other[3]	¥175	-	-
	Euro	Accounts payable - trade[3]	¥1,154	-	-
	Foreign currency forward contracts: to sell:				
	U.S. dollars	Accounts receivable - trade[3]	¥88	-	-
Total			¥1,413,756	-	¥189,353

Notes:
1. Foreign currency forward contract is for a scheduled additional investment of $17.0 billion in New Sprint through HoldCo in the U.S. regarding the acquisition of Sprint.
2. Fair value is based on information provided by financial institutions.
3. For certain accounts payable - other, accounts payable - trade, and accounts receivable - trade denominated in foreign currencies for which foreign currency forward contracts are used to hedge the foreign currency fluctuations, fair value of the derivative financial instrument is included in fair value of the accounts payable - other, accounts payable - trade, and accounts receivable - trade 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	¥94,000	¥10,000	(¥514)

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

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	¥370,240
Unlisted equity securities	37,717
Investments in partnerships	8,023
Total	¥415,981

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, 2013 to March 31, 2014	April 1, 2014 to March 31, 2018	April 1, 2018 to March 31, 2023	April 1, 2023 and thereafter
Cash and deposits	¥1,369,134	¥ -	¥ -	¥ -
Notes and accounts receivable-trade	601,129	61,057	-	-
Marketable and investment securities				
Held-to-maturity debt securities (corporate bonds)	400	-	-	-
Available-for-sale securities with maturity date (corporate bonds)	500	5,432	291,955	-
Available-for-sale securities with maturity date (other)	630	-	-	-
Sub-total	1,530	5,432	291,955	-
Total	¥1,971,794	¥66,489	¥291,955	-

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, 2013 to March 31, 2014	April 1, 2014 to March 31, 2015	April 1, 2015 to March 31, 2016	April 1, 2016 to March 31, 2017
Corporate bonds	¥205,000	¥74,900	¥70,000	¥470,000
Long-term debt	359,322	267,125	64,278	22,886
Lease obligations	192,603	170,204	213,582	105,438
Total	¥756,926	¥512,230	¥347,861	¥598,324

Classification	April 1, 2017 to March 31, 2018	April 1, 2018 to March 31, 2023	April 1, 2023 and thereafter
Corporate bonds	¥120,000	-	-
Long-term debt	-	-	-
Lease obligations	37,512	0	-
Total	¥157,512	¥0	-

(Per share data)

Shareholders’ equity per share	¥1,316.90
Net income per share	¥258.35

(Significant Subsequent Events)

Consolidation of GungHo Online Entertainment, Inc. as a subsidiary

GungHo Online Entertainment, Inc. ("GungHo"), an equity method affiliate of the Company, became a consolidated subsidiary of the Company on May 7, 2013 (deemed acquisition date: April 1, 2013). As GungHo became a subsidiary and the Company re-evaluated the ordinary shares of GungHo (the "shares of GungHo"), held by the SoftBank Group, at fair value based on paragraph 25 (2) of "Accounting Standard for Business Combinations" (Accounting Standards Board of Japan Statement No.21), ¥150,119 million, which is the difference between the book value on a consolidation basis at the time of obtaining control and the fair value, will be recorded as special income in the first quarter of fiscal year ending March 31, 2014.

1. Overview of Consolidation

   A subsidiary of the Company, SoftBank Mobile Corp. (the "SoftBank Mobile"), has resolved at its board of directors meeting on March 25, 2013, to acquire by tender offer (the "Tender Offer") the shares of GungHo by cash. Accordingly, SoftBank Mobile undertook the Tender Offer from April 1, 2013 to April 26, 2013 and acquired the shares of GungHo on May 7, 2013 by this Tender Offer. In connection with the Tender Offer, SoftBank Mobile entered into an agreement to tender shares in the Tender Offer (the "Share Tender Agreement") on March 25, 2013, with ASIAN GROOVE GOUDOU GAISHA ("Asian Groove"; number of shares held: 166,710 shares[1] ; percentage of voting interest: 14.47% [2]), which is the third largest shareholder of GungHo and of which Taizo Son, the chairman of GungHo, is the representative partner. Under the Share Tender Agreement, Asian Groove has agreed to tender 73,400 shares (percentage of voting interest: 6.37%) of the shares of GungHo, which are a portion of the shares of GungHo held by it.

   In addition, the Company is notified that Masayoshi Son, chairman and CEO of the Company as well as chairman and CEO of SoftBank Mobile, has entered into a Memorandum of Understanding on Exercise of Voting Rights for Deferment of Execution of Pledges (the "MOU") with respect to the shares of GungHo on April 1, 2013, with Heartis Inc. (the "Heartis"; number of shares held: 213,080 shares; percentage of voting interest: 18.5%), which is the second largest shareholder of GungHo and Taizo Son's asset management company and of which Taizo Son, chairman of GungHo, is the representative director. The Company is notified that, under the MOU, in order to have Son Holdings Inc. (the "Son Holdings"), of which Masayoshi Son is a director and which is a Masayoshi Son's asset management company, defer the execution of pledges over the shares of GungHo held by Heartis, Heartis has agreed, effective as of April 1, 2013, to the effect that at the shareholders meeting of GungHo, Heartis will exercise the voting rights for all of the shares of GungHo it holds in accordance with Masayoshi Son's directions. Consequently, GungHo became a consolidated subsidiary of the Company from an equity method affiliate.

Notes:

1. GungHo has resolved to execute a share split, effective April 1, 2013, at a ratio of ten shares for every one share ("GungHo Share Split"). As a result, the number of shares held is set out using the figure calculated by multiplying the number of shares before the GungHo Share Split by ten and converting that quotient to the number of shares after the GungHo Share Split (the "Number of Shares After GungHo's Share Split"), and the number of voting rights for the number of shares held is set out to that effect with respect to the Number of Shares After GungHo's Share Split.

2. Percentage of voting interest is calculated using the number of voting rights (1,152,010 rights) relating to the Number of Shares After GungHo's Share Split (1,152,010 shares) as the denominator, which is based on the number of shares (115,201 shares; the Number of Shares After GungHo's Share Split: 1,152,010 shares) calculated by adding (i) the total number of the GungHo's outstanding shares as of December 31, 2012 (114,981 shares; the Number of Shares After GungHo's Share Split: 1,149,810 shares) set out in the 16th Securities Report filed by GungHo on March 22, 2013, to (ii) the number of GungHo's Shares (220 shares; the Number of Shares After GungHo's Share Split: 2,200 shares) that are subject to the number of the Series 1 Options as of December 31, 2012 (44 options) that are set out in that Securities Report.

2. Purpose of the Tender Offer

The Company recognized the importance of enhancing mobile content by combining smartphone-focused development capability and infrastructure held by SoftBank Mobile and planning and creating capability in the smartphone game industry held by GungHo to further improve the efficiency in operation of the mobile communications business, profitability and competitiveness. As a result, the Company came to the conclusion that it is necessary to establish a direct capital relationship between SoftBank Mobile and GungHo. In addition, it is important not only for SoftBank Mobile but also for the SoftBank Group, which has based its business growth on the Internet, to address the environmental change caused by online devices, enhance the content lineup catering to the market's various needs, and strengthen the content distribution capability of the SoftBank Group. This also led to the decision to enhance the capital relationship with GungHo.

It is also expected that enhancing the capital relationship with GungHo and utilizing the global management resources held by the SoftBank Group will contribute to the revenue and the expansion of distribution channels of online and smartphone games, and allow GungHo, SoftBank Mobile and the SoftBank Group to enhance their revenue base and enterprise value.

3. Overview of the business combination

(1) Outline of GungHo

[1] Name	GungHo Online Entertainment, Inc.
[2] Address	3-8-1 Marunouchi, Chiyoda-ku, Tokyo
[3] Name and title of representative	Kazuki Morishita, Representative director, President and CEO
[4] Business description	Plan, development, operation and distribution of Internet online game Plan and development of mobile content Plan, development and sales of character goods Plan, development and distribution of other entertainment content
[5] Common stock	¥5,332,504 thousand (as of December 31, 2012)
[6] Date of foundation	July 1, 1998

(2) Date of business combination

May 7, 2013 (deemed acquisition date: April 1, 2013)

(3) The number of shares held and percentage of voting interest

[1] Before the Tender Offer

Shareholder	Number of shares held	Number of voting rights	Percentage of voting interest
SoftBank BB Corp.	387,440 shares	387,440	33.63%

[2] Additional Shares acquired by the Tender Offer

Shareholder	Number of shares held	Number of voting rights	Percentage of voting interest
SoftBank Mobile Corp.	73,400 shares	73,400	6.37%

[3] After the Tender Offer

Shareholder	Number of shares held	Number of voting rights	Percentage of voting interest
SoftBank BB Corp.	387,440 shares	387,440	33.63%
SoftBank Mobile Corp.	73,400 shares	73,400	6.37%
Total	460,840 shares	460,840	40.00%

Note:
Combined with shares held by Heartis, which has agreed with Masayoshi Son, chairman and CEO of the Company, who has a close relationship with the Company that at the shareholders meeting of GungHo, Heartis will exercise the voting rights for all of the shares of GungHo it holds in accordance with Masayoshi Son’s directions, the number of shares held will be 673,920 shares (number of voting rights 673,920, percentage of voting interest 58.50%).

(4) Basis of acquisition cost

The breakdown of the acquisition cost is SoftBank Mobile’s additional acquisition of ¥24,976 million (excluding the related expenses) by the Tender Offer and the fair value of shares of ¥153,619 million, held by SoftBank BB Corp. The total is ¥178,596 million.

(5) Purchase price allocation of acquisition cost

Purchase price allocation of acquisition cost is not determined yet.

Notes to Financial Statements

(Summary of significant accounting policies)

1. Evaluation standards and methods for major assets

(1) Marketable securities and investment securities

Investments in subsidiaries and affiliated companies	: Carried at cost, based on the moving-average method
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 based on the moving-average method
(2) Derivative instruments	: Stated at fair value

2. Depreciation and amortization

(1) Property and equipment	: Computed using the straight-line method
(2) Intangible assets	: Computed using the straight-line method Software for the company's use is amortized using the straight-line method based on internal availability period (five years).

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 lessee's financial statements.

3. Accounting principles for major allowances and accruals

(1) Allowance for doubtful accounts

To prepare for uncollectible credits, allowance for doubtful accounts (excluding receivables from subsidiaries) is calculated based on the actual bad debt ratio, and specific allowance for doubtful accounts deemed to be uncollectible and receivable from subsidiaries are calculated considering its collectability.

(2) Allowance for bonus

Allowance for bonus is calculated based on the Company's computation method for expected payment.

4. Other basis of presentation of financial statements

(1) Deferred charges

Stock issuance cost	: Amortized by the month over three years
Bond issuance cost	: Amortized by the month over redemption period

(2) Accounting for significant hedge transactions

[1] Foreign currency forward contract

① <Hedge accounting>

Receivables and obligations denominated in foreign currencies for which foreign currency 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	:	Foreign currency forward contract
Hedged items	:	Foreign currency-denominated receivables, obligations, and forecasted transactions

③ <Hedging policy>

In accordance with the Company's policy, the Company uses derivatives 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 Company's policy, the Company uses derivative financial instruments to hedge the risk of exposures to fluctuations in interest rates, 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) Accounting method for consumption taxes

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

5. Additional Information

Acquisition of Sprint Nextel Corporation

On October 15, 2012, the Company and Sprint Nextel Corporation ("Sprint") in the U.S. entered into a series of definitive agreements under which the Company will invest approximately $20.1 billion (the "transaction") in Sprint, consisting of approximately $12.1 billion to be paid to Sprint shareholders and $8.0 billion of new capital to be used, amongst other purposes, to strengthen Sprint's balance sheet.

The transaction, which has been approved by the Boards of Directors of both the Company and Sprint, is subject to approval at a meeting of the Sprint shareholders (to be held on June 12, 2013 in Kansas, U.S.), customary antitrust, Federal Communications Commission and other regulatory approvals and the satisfaction or waiver of other closing conditions, including accuracy of representations and warranties. The Company expects the closing of the transaction to occur on July 1, 2013. As a result of the transaction the Company will own approximately 70% of the fully-diluted (as used herein, not giving effect to out-of-the-money options) shares of New Sprint (as defined below), which will own 100% of the shares of Sprint.

(1) Purposes of acquisition

[1] Enables the Company to establish an operating base as one of the largest mobile Internet companies in the world. The combined subscriber base will be one of the largest[1] between the U.S. and Japan, and the combined mobile telecom service revenue will rank third[2] amongst global operators.

[2] Enables the Company to leverage its deep expertise in smartphones and next-generation mobile networks, and its track record of success in competing in mature markets with large incumbents, to enhance Sprint's competitiveness in the U.S.

[3] Provides Sprint $8.0 billion of new capital for its mobile network, strategic investments, and balance sheet as part of its continued efforts to fortify its operating base towards future growth.

Notes:

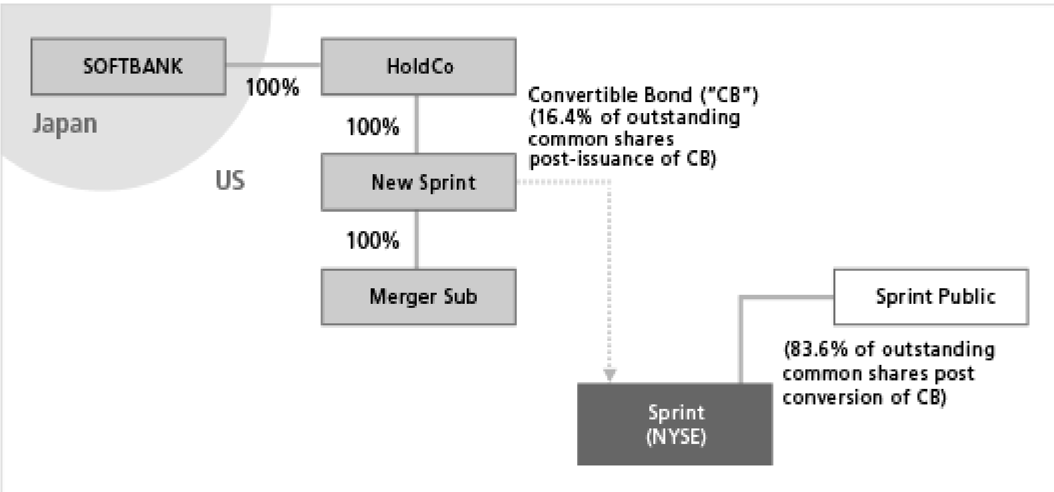
1. Based on Wireless Intelligence data, TCA data, and disclosed material by relevant companies. U.S. as of June 2012, and Japan as of September (eAccess Ltd. data as of August 2012).
2. Based on disclosures by global mobile operators such as China Mobile and Verizon Wireless (January to June 2012).

(2) Outline of acquisition

[1] Establishment of subsidiaries

The Company has formed a new U.S. holding company, Starburst I, Inc. (HoldCo), and two further subsidiaries, Starburst II, Inc. (New Sprint), which is owned directly by HoldCo, and Starburst III, Inc. (Merger Sub), which is owned directly by New Sprint and indirectly by HoldCo.

Via New Sprint, the Company invested $3.1 billion in Sprint in the form of a newly - issued convertible bond (Bond) on October 22, 2012 (EST). The Bond has a 1.0% coupon rate with a seven-year maturity and, if the merger agreement is terminated prior to completion of the merger (as defined in [2] below), subject to regulatory approval, will be convertible, or if the merger (as defined in [2] below) is completed, will be converted, at $5.25 per share into 16.4% of outstanding Sprint common shares on a post-issuance basis (subject to customary adjustments).

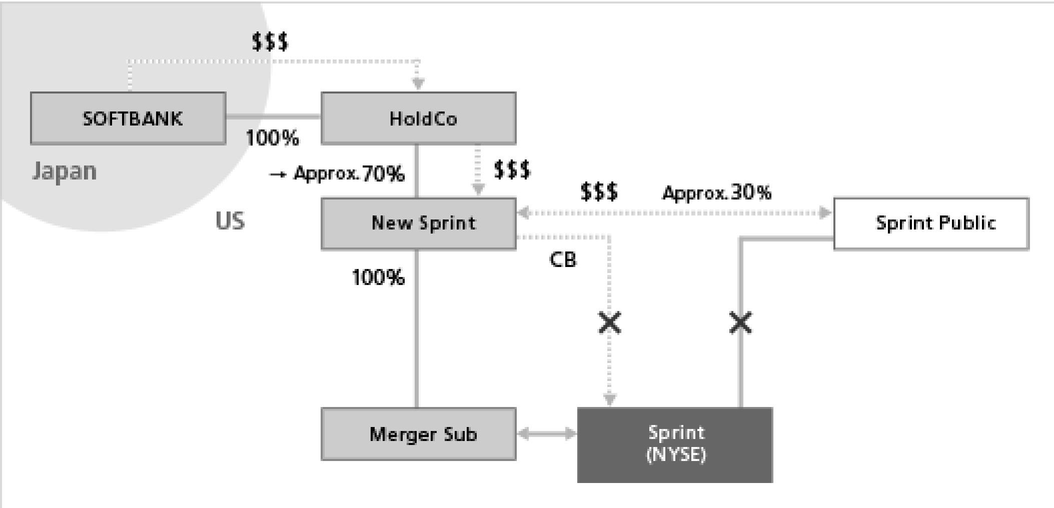


[2] Merger

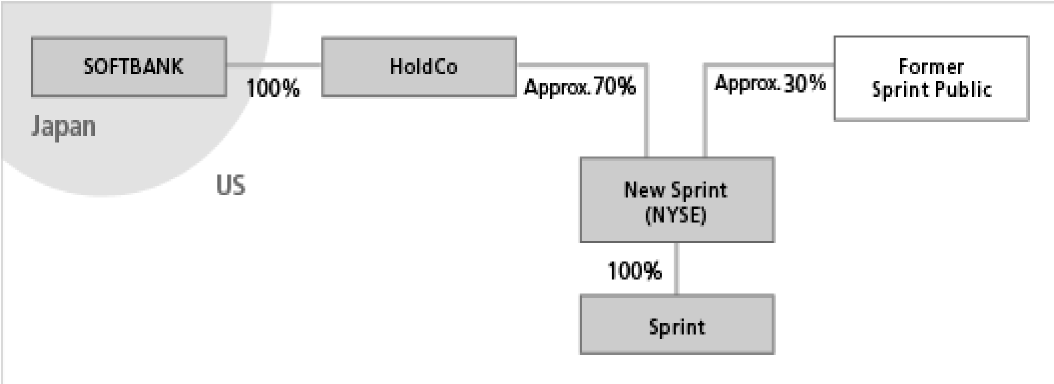
Following receipt of Sprint shareholders and regulatory approvals and the satisfaction or waiver of the other closing conditions to the transaction, the Company will capitalize, through HoldCo, New Sprint with an additional approximately $17.0 billion. Approximately $12.1 billion will be distributed to Sprint shareholders as merger consideration. Merger Sub will merge with and into Sprint as a result of which:

(a) Sprint will become a wholly-owned subsidiary of New Sprint.
(b) In aggregate, Sprint shareholders will receive, in exchange for their Sprint shares approximately 30% of the fully-diluted equity of New Sprint and approximately $12.1 billion cash.
(c) Individual Sprint shareholders will have the right to elect to receive, for each share of Sprint that they own, either (i) $7.30 in cash or (ii) one share of New Sprint stock, subject to proration if shareholders in the aggregate elect more than the total amount of cash or stock consideration, as applicable (which would result in the receipt of a mix of cash and stock).
(d) Holders of Sprint stock options will receive stock options in the New Sprint.
(e) The Bond will be converted into shares of Sprint, with the value of such shares reflected (together with the Company's additional investment) in the approximately 70% of the fully-diluted equity of New Sprint which HoldCo will hold after consummation of the merger.
(f) New Sprint will issue a 5 year warrant for approximately 55 million shares of New Sprint with an exercise price of $5.25 per share (Warrant) to HoldCo.
(g) New Sprint is expected to succeed Sprint's New York Stock Exchange listing as a publicly traded company in the US.

Other key terms include:
(a) The Company must pay Sprint a termination fee of $600 million if the merger does not close because the Company does not obtain financing.
(b) Sprint must pay the Company a termination fee of $600 million if the merger does not close because Sprint accepts a superior offer by a third party.
(c) Sprint must pay up to $75 million of the Company's expenses if Sprint's shareholders do not approve the transaction at their shareholder meeting.



[3] Post-transaction (fully-diluted basis)
Post-transaction:
(a) The Company will own, through HoldCo, approximately 70% of New Sprint shares and Sprint shareholders will own approximately 30% of New Sprint shares in aggregate on a fully-diluted basis.
(b) New Sprint will retain $4.9 billion of the $17.0 billion contribution by the Company, which, in combination with the $3.1 billion purchase price for the Bond, represents an $8.0 billion dollar contribution to the New Sprint balance sheet.
(c) Sprint's current CEO Dan Hesse will be the CEO of New Sprint.
(d) New Sprint will have a 10-member board of directors, including three members from the current Sprint Board of Directors as well as the CEO.
(e) Sprint's headquarters will continue to be in Overland Park, Kansas.



(3) New Sprint's number of shares to be acquired, acquisition price and state of share ownership before and after acquisition

[1] Number of shares held before transfer	0 shares (number of voting rights: 0) (voting rights holding ratio: 0.0%)
[2] Number of shares to be acquired	3,241,403,146 shares*
[3] Acquisition price	Total amount invested: approximately $20.1 billion Advisory fees and others: to be determined
[4] Number of shares held after transfer	3,241,403,146 shares* (number of voting rights: 3,241,403,146) (voting rights holding ratio: 70.0%)

Note:
* Based on Sprint's fully-diluted shares (as of October 15, 2012, calculated not giving effect to out-of-the-money options) and giving effect to full exercise of the warrant.

(4) Financing

In order to raise necessary funds for the transaction, on December 18, 2012, the Company entered into a bridge loan agreement (hereafter "the bridge loan") for the maximum amount of ¥1.65 trillion with financial institutions. The Company raised the total amount of ¥370.0 billion by issuing the 42nd Unsecured Straight Corporate Bond on March 1, 2013 and the 41st Unsecured Straight Corporate Bond on March 12, 2013. Funds procured by the issuance of those corporate bonds of ¥365.1 billion, excluding the related approximate issuance cost, are planned to be used as part of the investment of the transaction.

With the issuances of the 41st and the 42nd Unsecured Straight Corporate Bonds, the Company reduced the maximum amount of the bridge loan from ¥1.65 trillion to ¥1 trillion 284.9 billion, decreasing the maximum amount by ¥69.7 billion on March 19, 2013 and by ¥295.4 billion on March 27, 2013 respectively. The loan procured by the bridge loan is planned to be refinanced by medium and long term loans.

The Company also raised $2,485 million and €625 million by issuing USD-denominated Senior Notes due year 2020 and Euro-denominated Senior Notes due year 2020 respectively on April 23, 2013. The funds are planned to be used for refinancing the Company's loans and operating capital, as well as for part of the investment for the transaction.

The summaries of the bridge loan, the 41st and the 42nd Unsecured Straight Corporate Bonds, USD-denominated Senior Notes due year 2020 and Euro-denominated Senior Notes due year 2020 are as follows:

Summary of the bridge loan

[1] Borrower	The Company
[2] Mandated lead arrangers (MLAs)	Mizuho Corporate Bank, Ltd. Sumitomo Mitsui Banking Corporation The Bank of Tokyo-Mitsubishi UFJ, Ltd. Deutsche Bank AG, Tokyo Branch
[3] Date of contract	December 18, 2012 (last date of amendment March 27, 2013)
[4] Maximum total amount of borrowing	¥1 trillion 284.9 billion (after the reduction of maximum total amount of borrowing) (Breakdown) Facility A: ¥250 billion (cash already borrowed) Facility B: ¥1 trillion 34.9 billion (after the reduction of maximum total amount of borrowing)
[5] Loan drawdown date	Facility A:December 21, 2012 Facility B: At the time of the Sprint acquisition
[6] Use of loan proceeds	Facility A: Investment in Sprint in the form of newly-issued convertible bonds (restore balance of cash on hand used for the investment in Sprint in the form of newly-issued convertible bonds in October 2012) Facility B: Investment in and resulting acquisition of Sprint
[7] Maturity	December 17, 2013
[8] Collateral	(a) Shares of Starburst I, Inc. held by the Company (b) Shares of Starburst II, Inc. and all other assets held by Starburst I, Inc. (c) Sprint convertible bonds and all other assets held by Starburst II, Inc.*
[9] Guarantors	(a) Pre-transaction: Starburst I, Inc. and Starburst II, Inc. (b) Post-transaction: Starburst I, Inc., SoftBank Mobile Corp., SoftBank BB Corp. and SoftBank Telecom Corp.

Note:
* Until immediately prior to, but subject to the occurrence of, the Company’s acquisition of Sprint.

Summary of the 41st and the 42nd Unsecured Straight Corporate Bonds

	The 41st Unsecured Straight Corporate Bonds	The 42nd Unsecured Straight Corporate Bonds
[1] Total amount of issue	¥300.0 billion	¥70.0 billion
[2] Payment amount	¥100 per ¥100 in each corporate bond	
[3] Coupon rate	1.47% per annum	1.467% per annum
[4] Redemption	The bonds will be redeemed in full upon maturity. The bonds may also be repurchased and redeemed at any time commencing from the first day following the closing date, subject to requirements of the book-entry transfer institution.	
[5] Maturity date	March 10, 2017	March 1, 2017
[6] Issue date	March 12, 2013	March 1, 2013
[7] Collateral	None	
[8] Guarantors	None	
[9] Use of proceeds	Planned to use for part of the investment for the acquisition of Sprint.	

Summary of USD-denominated Senior Notes due year 2020 and Euro-denominated Senior Notes due year 2020

	USD-denominated Senior Notes due year 2020	Euro-denominated Senior Notes due year 2020
[1] Total amount of issue	$2,485 million (¥244.1 billion)	€625 million (¥80.2 billion)
[2] Issue price	100% of the par value	
[3] Interest rate	4.500% per annum	4.625% per annum
[4] Redemption	Lump-sum redemption at maturity	
[5] Maturity date	April 15, 2020	
[6] Issue date	April 23, 2013	
[7] Collateral	None	
[8] Guarantors	SoftBank Mobile Corp., SoftBank Telecom Corp.	
[9] Use of proceeds	Planned to use for the investment for the acquisition of Sprint, refinancing loan or operating capital.	

Note:
With regards to above USD-denominated Senior Notes and Euro-denominated Senior Notes, the Company has entered into currency swap contracts with financial institutions and the amount of principal by redemption and interest payments in JPY is fixed. The amount of redemption after the currency swap contracts are ¥244.1 billion for USD-denominated Senior Notes due year 2020 and ¥80.2 billion for Euro-denominated Senior Notes due year 2020.

(5) Foreign currency forward contracts

Following receipt of Sprint shareholders and regulatory approvals and the satisfaction or waiver of the other closing conditions to the transaction, in addition to a $3.1 billion convertible bond subscribed on October 22, 2012, the Company will capitalize, through HoldCo, New Sprint with an additional approximately $17.0 billion. The Company entered into foreign currency forward contracts to hedge the foreign exchange risk related to the additional investment and hedge accounting is applied to the contracts. Please refer "Consolidated Financial Statements, Notes, (Financial Instruments), Notes 1. Fair value measurement of financial instruments, Derivative Transactions" for details.

(6) Outline of Sprint

[1] Name	Sprint Nextel Corporation
[2] Address	6200 Sprint Parkway, Overland Park, Kansas
[3] Name and title of representative	Daniel R. Hesse, Chief Executive Officer and President
[4] Business description	Telecommunications
[5] Common shares	$6,019 million（as of December 31, 2012）
[6] Date of foundation	November 15, 1938

Notes

(Balance Sheet)

1. Secured loans

Assets pledged as collateral and secured liabilities

	Millions of yen
(1) Assets pledged for collateral:	
Investments in subsidiaries and affiliated companies	¥250,101
(2) Secured liabilities:	
Short-term borrowings	250,000

	Millions of yen
2. Accumulated depreciation of property and equipment	¥6,834

3. Borrowings by security lending agreements

Cash receipts as collateral from financial institutions, to whom the Company lent a portion of shares in its subsidiaries and affiliated companies of ¥800 million under security lending agreements are presented as follows:

	Millions of yen
Short-term borrowings	¥93,000

4. Guarantee obligation

Guarantee（Nature of guarantee obligation）	Millions of yen	
[Guarantee obligation]		
SFJ Capital Limited (preferred securities)	¥200,000	
Shiodome Estate Corporation (lease transaction and purchase contract of the trust beneficiary interest)	85,405	(Note1)
WILLCOM, Inc.(Sponsor agreement)	41,000	(Note2)
Fukuoka SoftBank HAWKS Marketing Corp.(Borrowing)	281	
Fukuoka SoftBank HAWKS Corp.（Borrowing）	85	
Subtotal	326,772	

(Notes) 1. The Company guarantees the lease transaction related to FUKUOKA YAFUOKU! DOME and the acquisition of the trust beneficiary interest in July 2015.
After the acquisition of the trust beneficiary interest, Shiodome Estate Corporation will transfer the trust beneficiary interest to Fukuoka SoftBank HAWKS Marketing Corp.

2. 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 claims and reorganization security interests (total amount of ¥41,000 million) amounting to ¥27,373 million as of March 31, 2013.

[Letter of awareness for management service]

SoftBank BB Corp.（Lease）	2,397
Subtotal	2,397
Total	¥329,169

5. Monetary receivables and liabilities for subsidiaries and affiliated companies

	Millions of yen
Short-term monetary receivables	¥67,525
Long-term monetary receivables	643,896
Short-term monetary liabilities	503,314
Long-term monetary liabilities	269,427

6. Monetary receivables and liabilities for board members and corporate auditors

	Millions of yen
Monetary receivables	¥22
Monetary liabilities	177

(**Statement of Income**)

Transactions with subsidiaries and affiliated companies

	Millions of yen
Net sales	¥46,020
Selling, general and administrative expenses	4,418
Non-operating transactions	156,747

(**Statement of Changes in Equity**)

Class and number of treasury stocks as of March 31, 2013

Number of common stocks	9,160,493 shares

(Income taxes)

Significant components of deferred tax assets and liabilities

Deferred tax assets

	Millions of yen
Loss on sales price adjustments of investments in subsidiaries and affiliates	¥10,446
Investments in subsidiaries and affiliated companies	9,885
Loss carryforwards	6,348
Others	19,235
Gross deferred tax assets	45,885
Less: valuation allowance	(45,885)
Total deferred tax assets	¥－

Deferred tax liabilities

	Millions of yen
Deferred gain on derivatives under hedge accounting	¥(71,974)
Deferred taxable gain on a sale of shares of a subsidiary to a 100% owned subsidiary under Japanese group taxation regime	(11,644)
Unrealized gains on other securities	(195)
Others	(3,993)
Total deferred tax liabilities	(87,747)
Net deferred tax liabilities	¥(87,747)

(**Leases**)

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 of leased property

	Millions of yen		
	Tools, equipment and fixtures	Other	Total
Acquisition cost	¥70	¥618	¥689
Accumulated depreciation	67	618	685
Net leased property	¥3	¥—	¥3

2. Obligations under finance lease

	Millions of yen
Due within one year	¥4
Due after one year	—
Total	¥4

3. Lease payments, amounts equivalent to depreciation, interest expense

	Millions of yen
Lease payments	¥111
Depreciation expense	85
Interest expense	4

4. Calculation method used to determine the amount equivalent to depreciation

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

5. Calculation method used to determine the amount equivalent to interest expense

   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.

(**Related Party Transactions with the Company**)

1. Subsidiaries and affiliated companies

Category	Name	Voting rights (%)	Nature of transaction	Note	Amount of transaction (Note7)	Account	Balance at March 31, 2013 (Note7)
					Millions of yen		Millions of yen
Subsidiary	SoftBank Mobile Corp.	Indirect 100%	Brand royalty revenue		¥36,503	Accounts receivable - trade	¥38,328
			Borrowing of short-term loans (net of repayment)		160,423	Short-term borrowings	315,423
			Interest payment	1	703	Accrued expense	—
Subsidiary	SoftBank BB Corp.	Direct 100%	Brand royalty revenue		3,465	Accounts receivable - trade	3,639
			Borrowing of short-term loans (net of repayment)		16,032	Short-term borrowings	85,353
			Interest payment	1	281	Accrued expense	—
			Guarantee obligation	2	2,397		
Subsidiary	SoftBank Telecom Corp.	Direct 81.7% Indirect 18.3%	Brand royalty revenue		5,815	Accounts receivable - trade	6,106
			Borrowing of short-term loans (net of repayment)		15,938	Short-term borrowings	73,320
			Interest payment	1	338	Accrued expense	—
			Dividends receipt		59,203		
Subsidiary	Starburst I, Inc.	Direct 100%	Capital Contribution		246,349		
Subsidiary	SFJ Capital Limited	Direct 100%	Guarantee obligation	2	200,000		
Subsidiary	Yahoo Japan Corporation	Direct 35.9% Indirect 6.7%	Payment for equity securities		120,000	Accounts payable - other	—
			Interest payment	1	1,190	Accrued expense	—
			Dividends receipt		7,156		

Subsidiary	Siodome Estate Corporation	Direct 100%	Guarantee obligation	2	85,405		
Subsidiary	Mobiletech Corporation	Direct 100%	Dividends receipt		50,002	Other current assets	8,404
Subsidiary	BB Mobile Corp.	Indirect 100%	Lendings of long-term loan receivable (net of receipt)		5,553	Long-term loan receivable	610,974
			Interest receipt	3	16,965	Other current assets	—
Subsidiary	SB Pan Pacific Corporation	Direct 100%	Capital Contribution		6,303		
			Sale of equity securities	6	6,297		
Subsidiary	SBBM Corporation	Direct 100%	Collection of long-term loan receivable (net of loans)		8,630	Long-term loan receivable	19,150
			Interest receipt	3	767	Other current assets	—
Subsidiary	Galilei Japan KK	Indirect 100%			—	Long-term debt	200,000
			Interest payment	1	4,120	Accrued expense	1,476
Subsidiary	Fukuoka SoftBank HAWKS Marketing Corp.	Direct 100%	Payment of advertising expense	4	3,600	Accounts payable - other	315
Subsidiary	SB Holdings (Europe) Ltd.	Indirect 100%	—	5	—	Long-term debt	57,486 (611,231 thousands of U.S.dollars)
			Interest payment	1	853	Accrued expense	5 (56 thousands of U.S.dollars)
Affiliate	eAccess Ltd.	Direct 33.3%	Capital Contribution		49,000		

The terms of transactions and the policies

(Notes)1. Interest rate on loan payable is determined taking market interest rate into account.

2. Please refer to Note 4 “Guarantee obligation” for Balance Sheet for the detail.

3. Interest rate on loan receivable is determined taking market interest rate into account.

4. Payments of advertising expense to Fukuoka SoftBank HAWKS Marketing Corp. are for advertising effect for SoftBank group which management of the Fukuoka SoftBank HAWKS provides.

5. The exchange rate for the translation of Japanese yen into U.S. dollar at March 31, 2013 is ¥ 94.05 to $1.

6. Sales price of investment security was determined by taking net asset value immediately prior to the deal into account. Loss on the sale of the investment security to SB Pan Pacific Corporation is ¥12,783 million.

7. Consumption taxes are included in the amount of the year-end balance, but not in the amount of the transaction.

2. Directors and major individual shareholders

<table>
<tr><th rowspan="2">Category</th><th rowspan="2">Name</th><th rowspan="2">Voting rights (%)</th><th rowspan="2">Nature of transaction</th><th rowspan="2">Note</th><th>Amount of transaction (Note3)</th><th rowspan="2">Account</th><th>Balance at March 31, 2013 (Note3)</th></tr>
<tr><th>Millions of yen</th><th>Millions of yen</th></tr>
<tr><td rowspan="4">Director and shareholder</td><td rowspan="4">Masayoshi Son（Son Assets Management, LLC)</td><td rowspan="4">Direct 20.2%</td><td>Temporary advance for expenses on behalf of Son Assets Management, LLC</td><td></td><td>¥220</td><td>Other current asset</td><td>¥22</td></tr>
<tr><td>Office facility usage</td><td>1</td><td>45</td><td rowspan="3">Long-term liabilities - Other liabilities</td><td rowspan="3">177</td></tr>
<tr><td>—</td><td></td><td>—</td></tr>
<tr><td>Sale of fixed asset</td><td>2</td><td>3,825</td></tr>
</table>

The terms of transactions and the policies

(Notes) 1.“Office facility usage” is determined based on the percentage of facility used as with the case of subsidiaries and affiliated companies.

2. Sold at book value as this transaction was conducted after the purchase.

3 .Consumption taxes are included in the amount of the year-end balance, but not in the amount of the transaction.

(Per share data）

Shareholders’ equity per share	¥743.21
Net income per share	¥67.84