

Earnings Results for the Third Quarter Ended December 31, 2008



February 5, 2009

SOFTBANK CORP.

February 25, 2010 Version

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<Highlights>

1. Operating income: highest ever

2. FY2008 free cash flow forecast raised (free cash flow: JPY 150.0bn)

Summary of Consolidated Earnings (9 months)

	<bn JPY>		
	Q1-3/FY08 (Apr-Dec 2008)	Q1-3/FY07 (Apr-Dec 2007)	YoY
Net sales	1,982.2	2,058.7	(76.5)
EBITDA	508.4	483.7	24.7
Operating income	274.6	260.1	14.5
Ordinary income	174.4	231.9	(57.5)
Income before income taxes and minority interests	174.0	217.2	(43.1)
Net income	58.1	93.1	(35.0)
Free cash flow	47.6	(216.3)	264.0

FY2008 Forecast Raised

<bn JPY>

	FY2007	FY2008 (latest forecast)	FY2009 (forecast)
Operating income	324.2	340.0	420.0
Free cash flow	(164.2)	140.0	250.0

FY2008 Forecast Raised

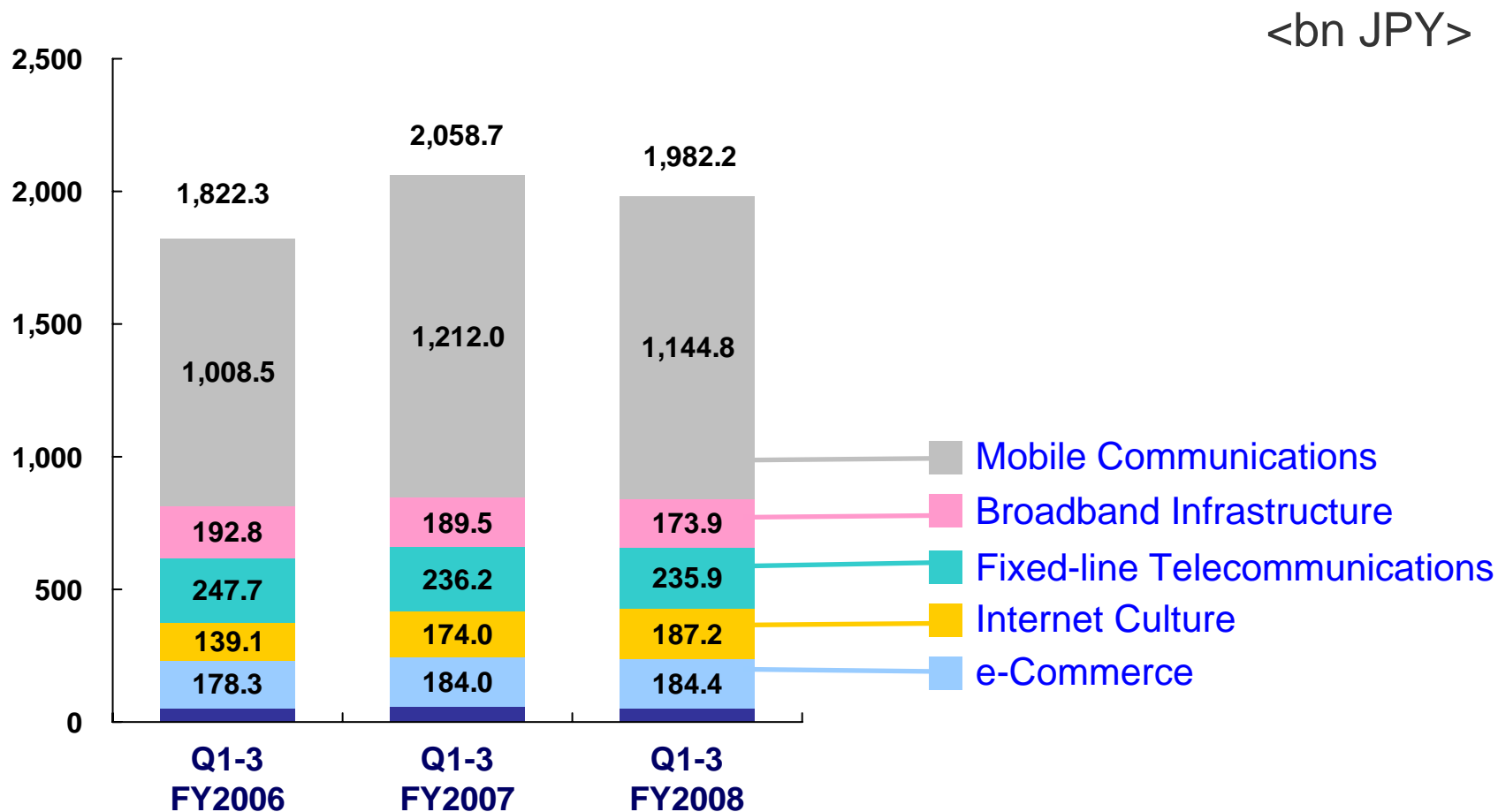
<bn JPY>

	FY2007	FY2008 (latest forecast)	FY2009 (forecast)
Operating income	324.2	340.0	420.0
Free cash flow	(164.2)	150.0	250.0

Forecast raised
from JPY 140.0bn

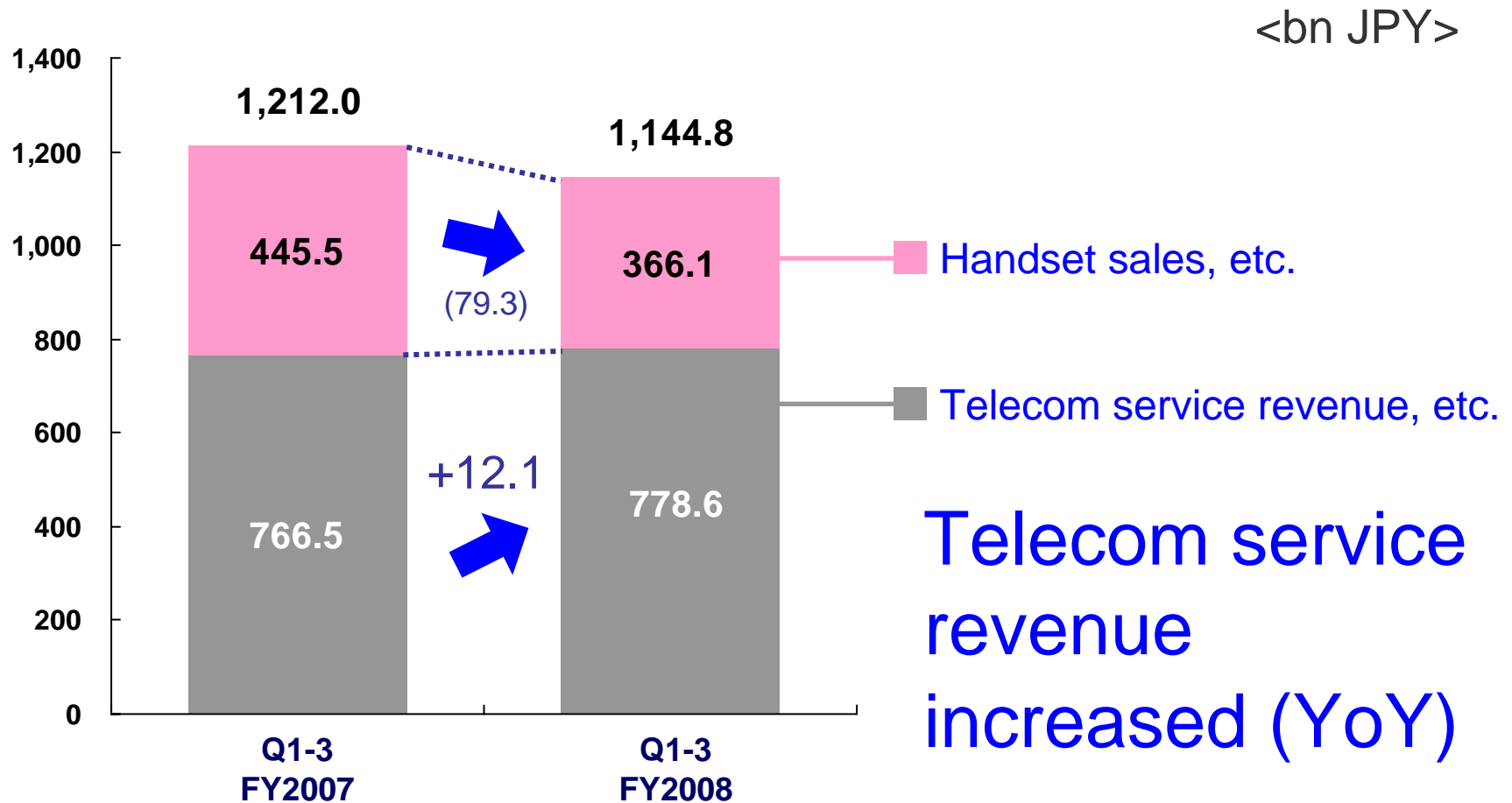
Consolidated Earnings Results

Consolidated Net Sales (9 months)



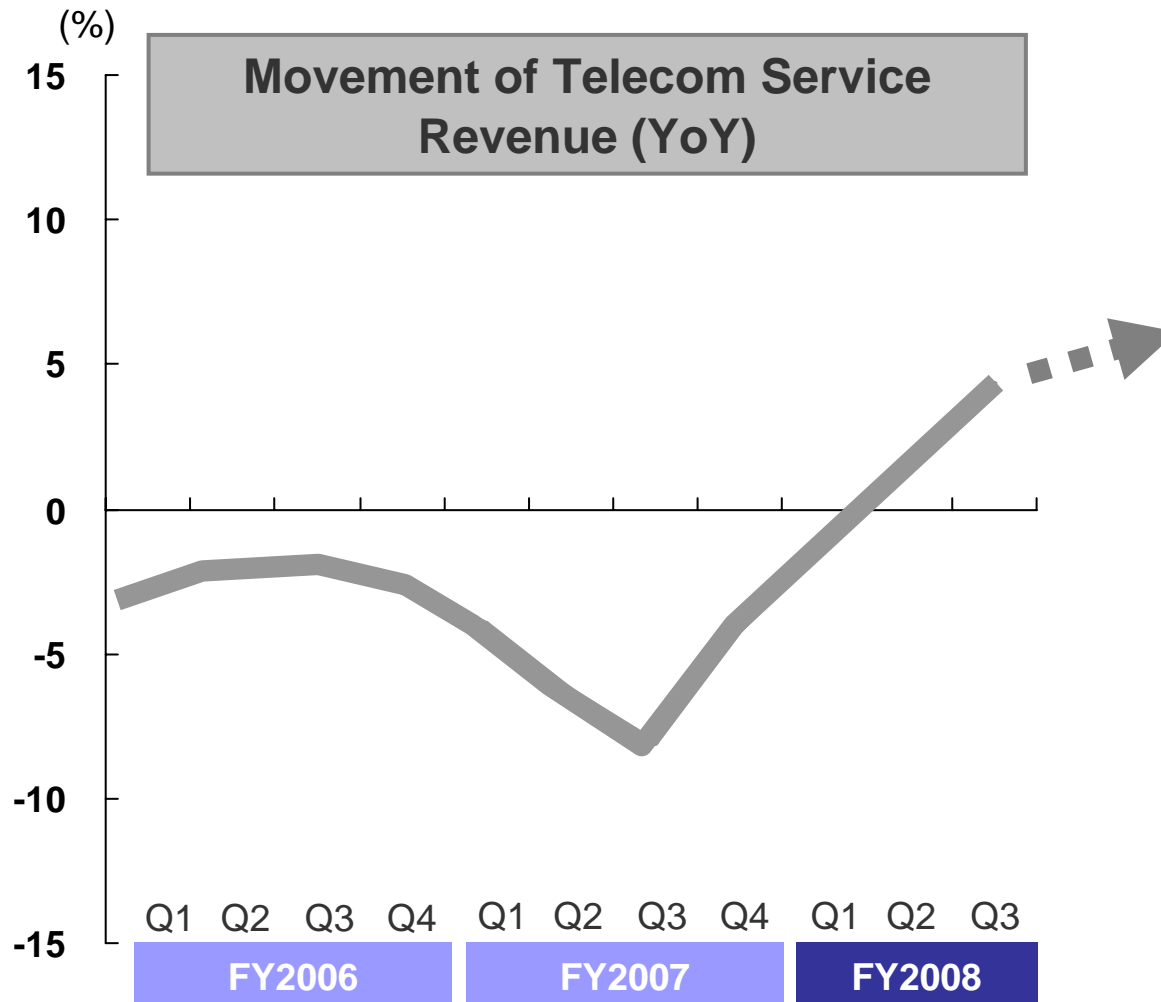
* Operating results of SOFTBANK MOBILE Corp. were consolidated from May 1, 2006

Mobile Communications Segment Net Sales (9 months)



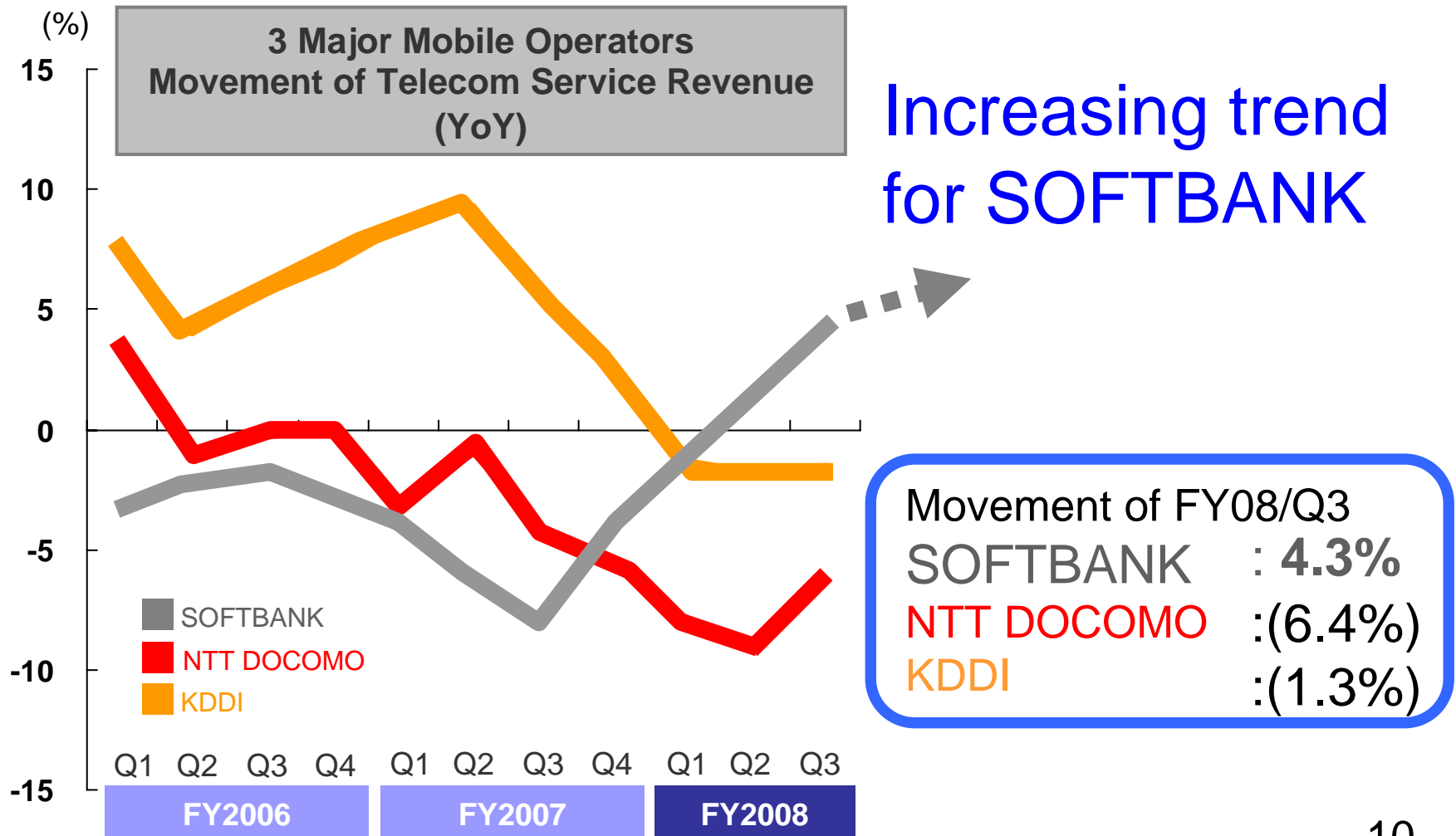
Mobile Communications Segment

Increasing Trend in Telecom Service Revenue



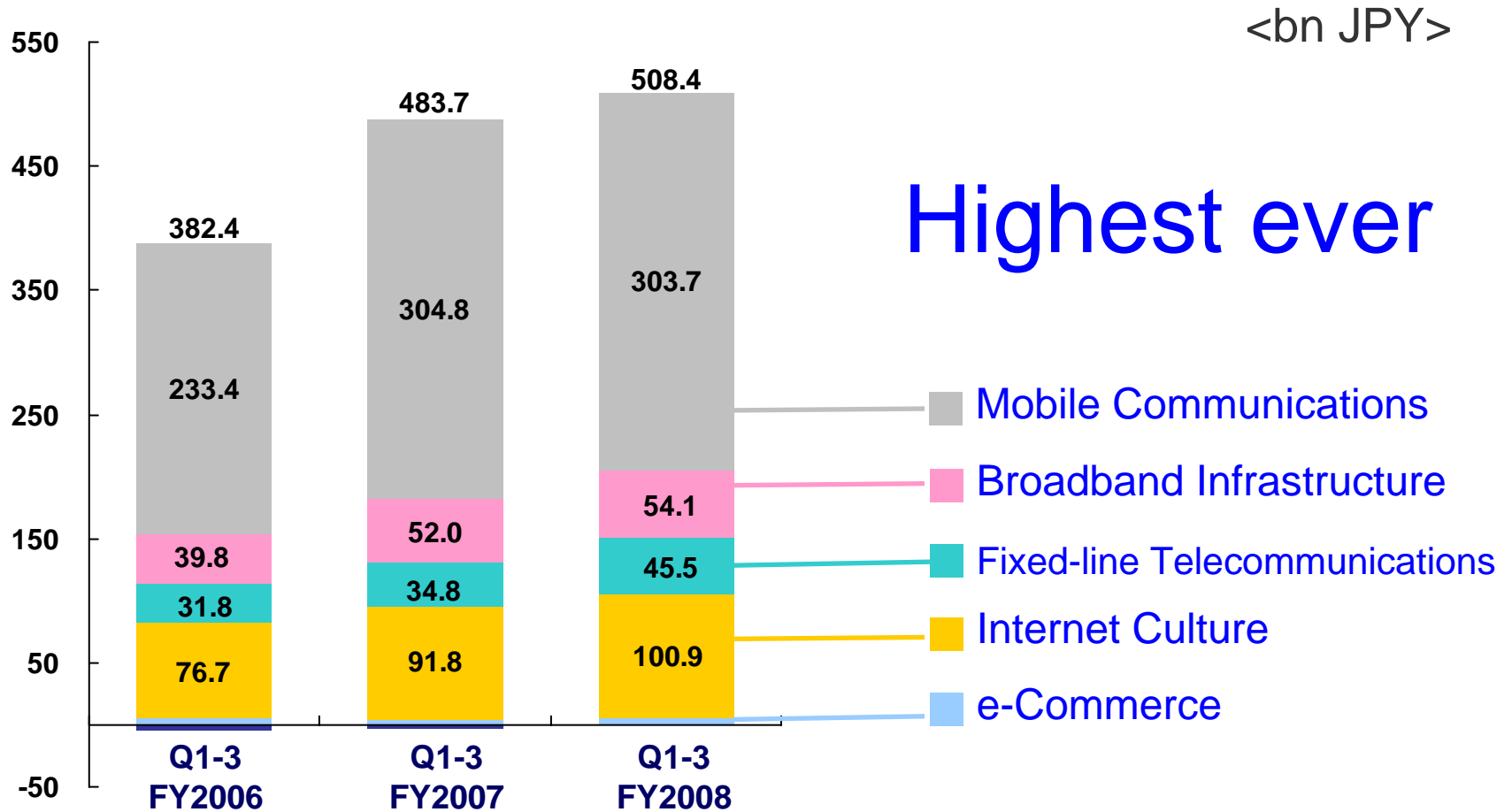
Revenue increase is expected in FY2009

Mobile Communications Segment Increasing Trend in Telecom Service Revenue



Source: Calculated by SOFTBANK based on the quarterly disclosed material by each company

Consolidated EBITDA (9 months)

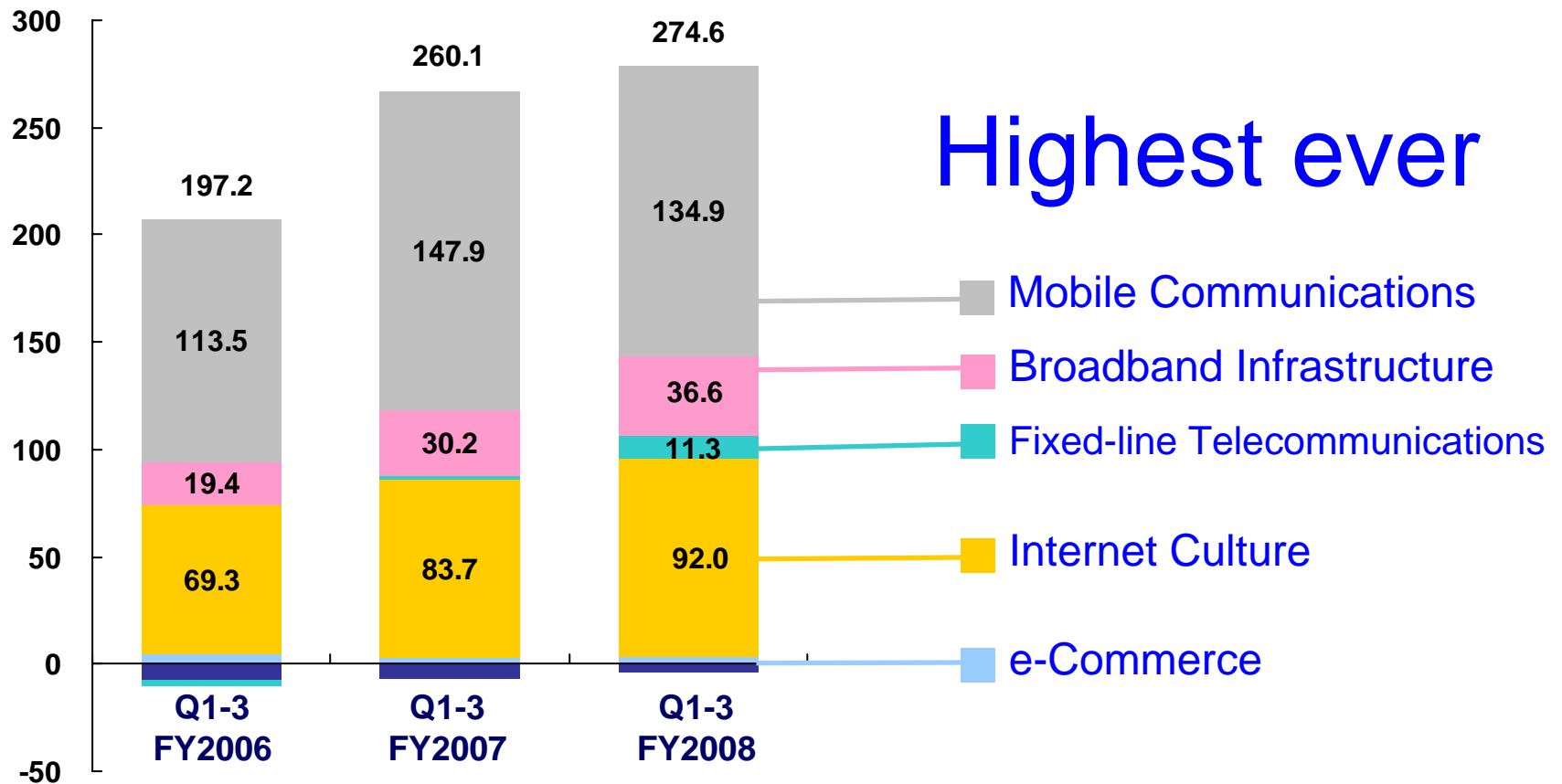


* EBITDA = Operating income (loss) + depreciation, amortization, loss on disposal of fixed assets included in operating income

* Operating results of SOFTBANK MOBILE Corp. were consolidated from May 1, 2006

Consolidated Operating Income (9 months)

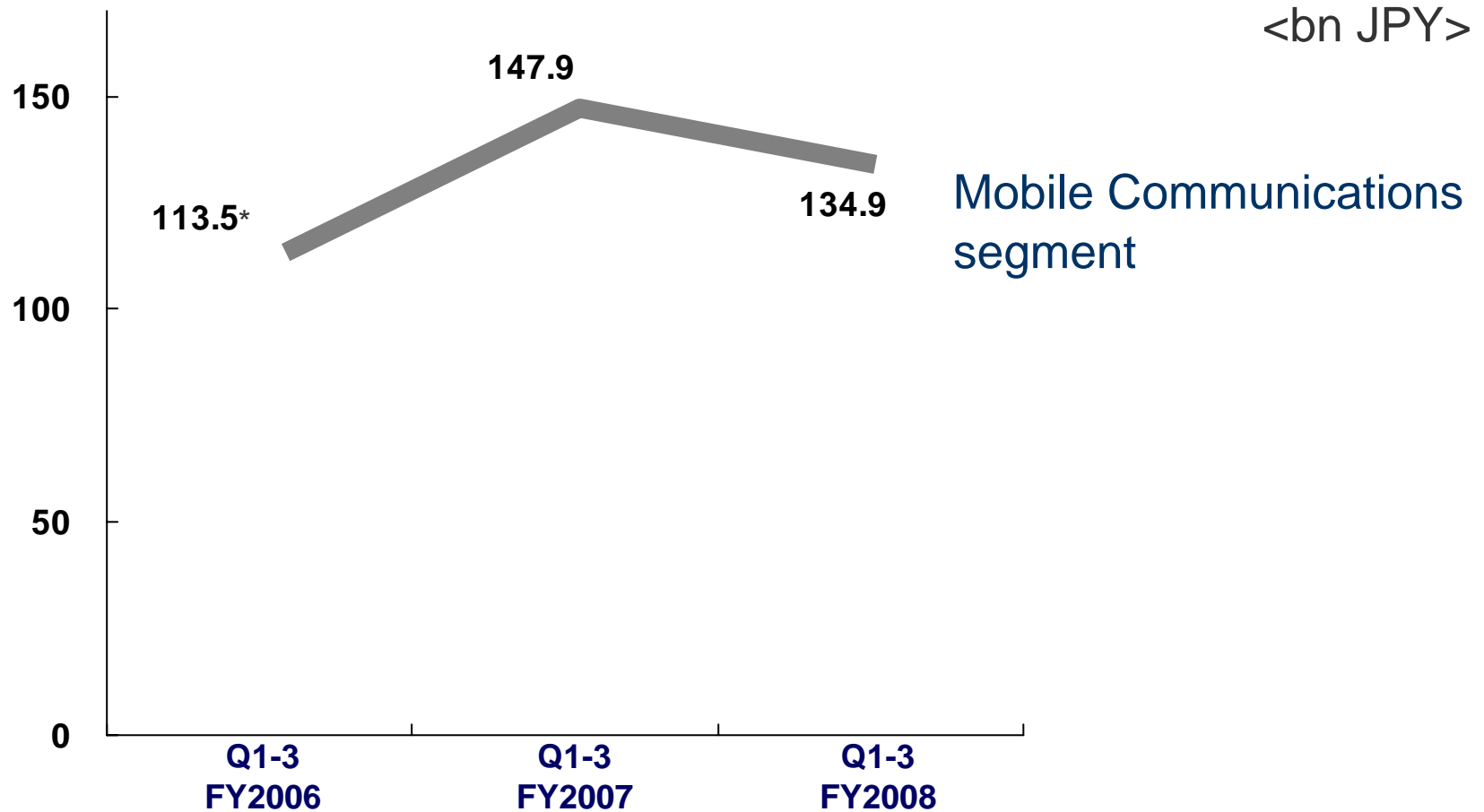
<bn JPY>



* Operating results of SOFTBANK MOBILE Corp. were consolidated from May 1, 2006

Mobile Communications Segment/SOFTBANK MOBILE Consolidated

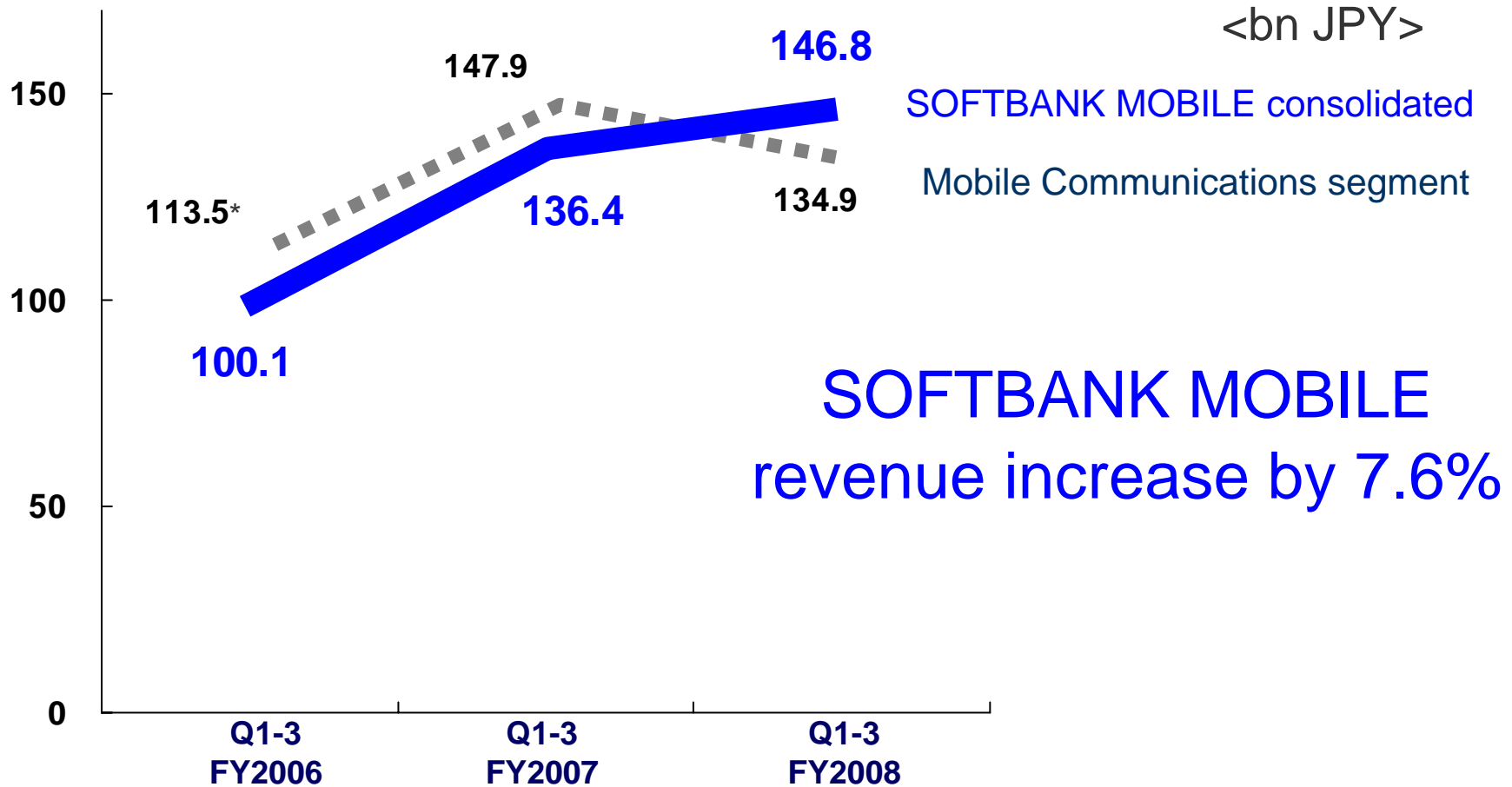
Comparison of Operating Income



*Operating results of Mobile Communications segment from Q1 to Q3 of FY2006 reflect 8 months results from May 2006 when the consolidation of SOFTBANK MOBILE Corp. started.

Mobile Communications Segment/SOFTBANK MOBILE Consolidated

Comparison of Operating Income



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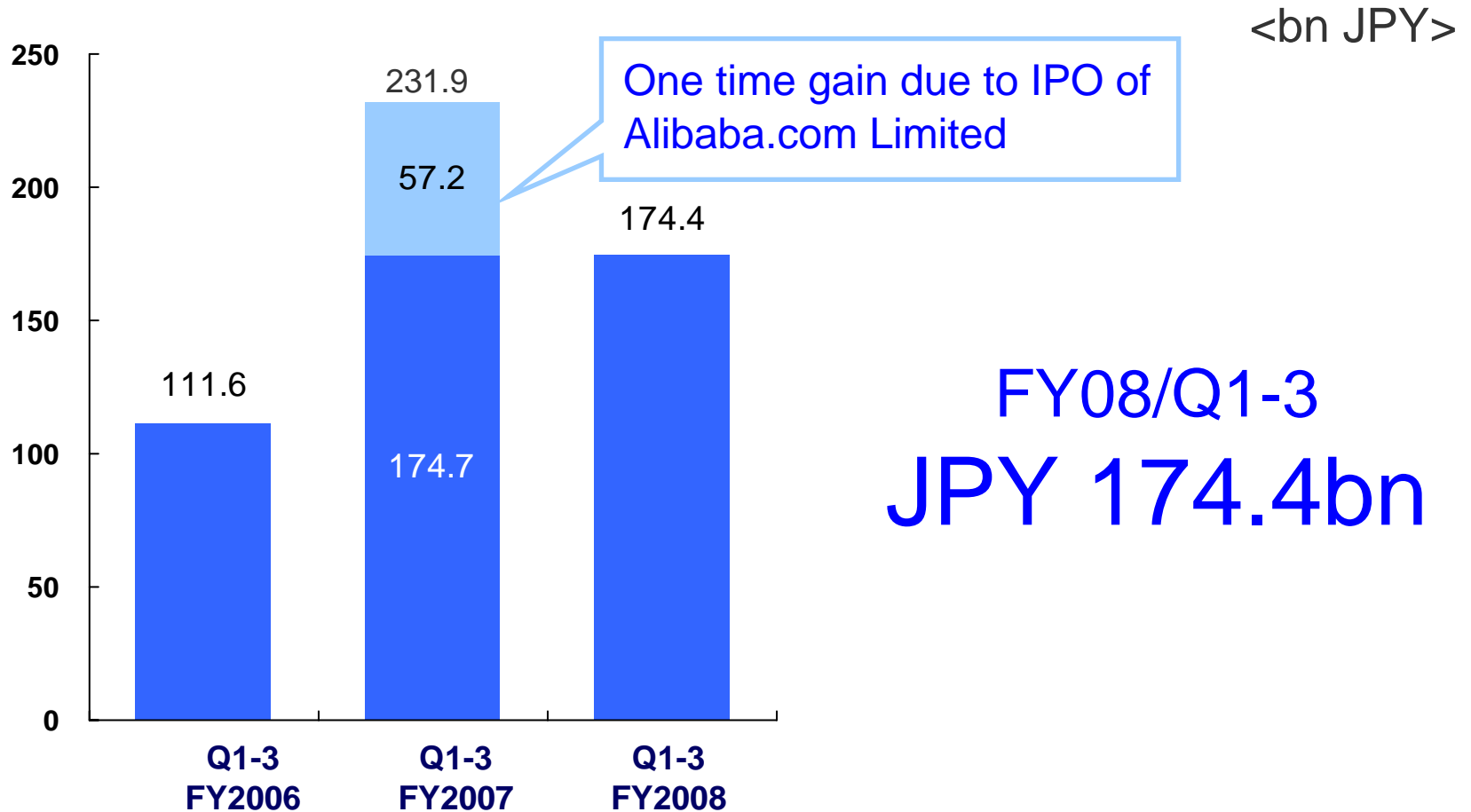
Details of Variance in Operating Income

	FY06 Q1-3	FY07 Q1-3	FY08 Q1-3	<bn JPY>
SOFTBANK MOBILE Consolidated operating income	100.1 (9 months)	136.4	146.8	
Consolidation adjustment				
Amortization of goodwill	(37.6)	(38.5)	(38.5)	
Variance of depreciation*	59.7	44.0	22.1	
Others	(8.7)	6.0	4.4	
Mobile Communications segment Operating income	113.5 (8 months**)	147.9	134.9	

* Includes loss of disposal of fixed assets included in operating expense.

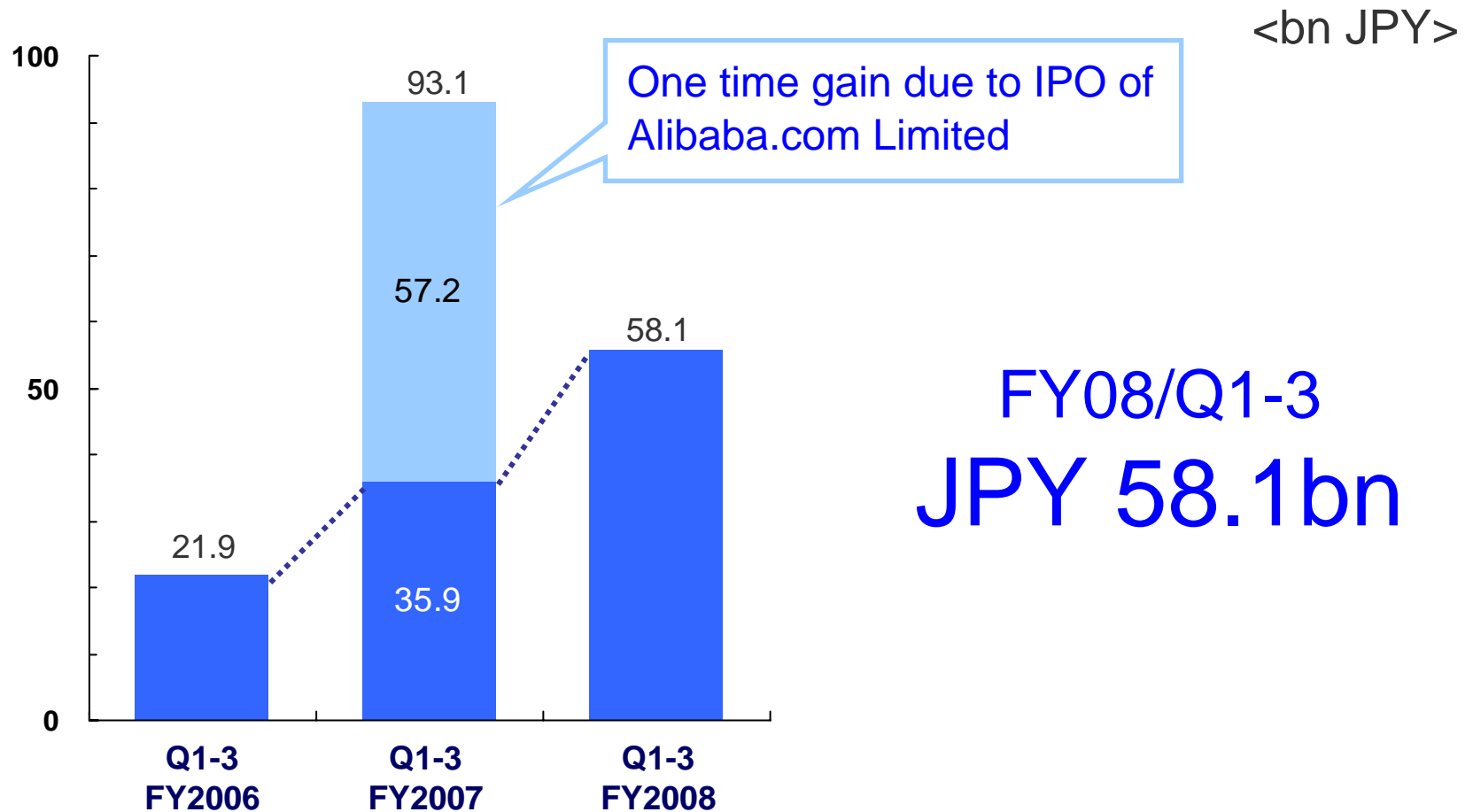
** Operating results of Mobile Communications segment from Q1 to Q3 of FY2006 reflects 8 months of results from May 2006 when the consolidation of SOFTBANK MOBILE Corp. started. Variance with the SOFTBANK MOBILE consolidated results (April, 2006) has been adjusted in the 'Others' item.

Consolidated Ordinary Income (9 months)



*Operating results of SOFTBANK MOBILE Corp. were consolidated from May 2006

Consolidated Net Income (9 months)



*Operating results of SOFTBANK MOBILE Corp. were consolidated from May 2006

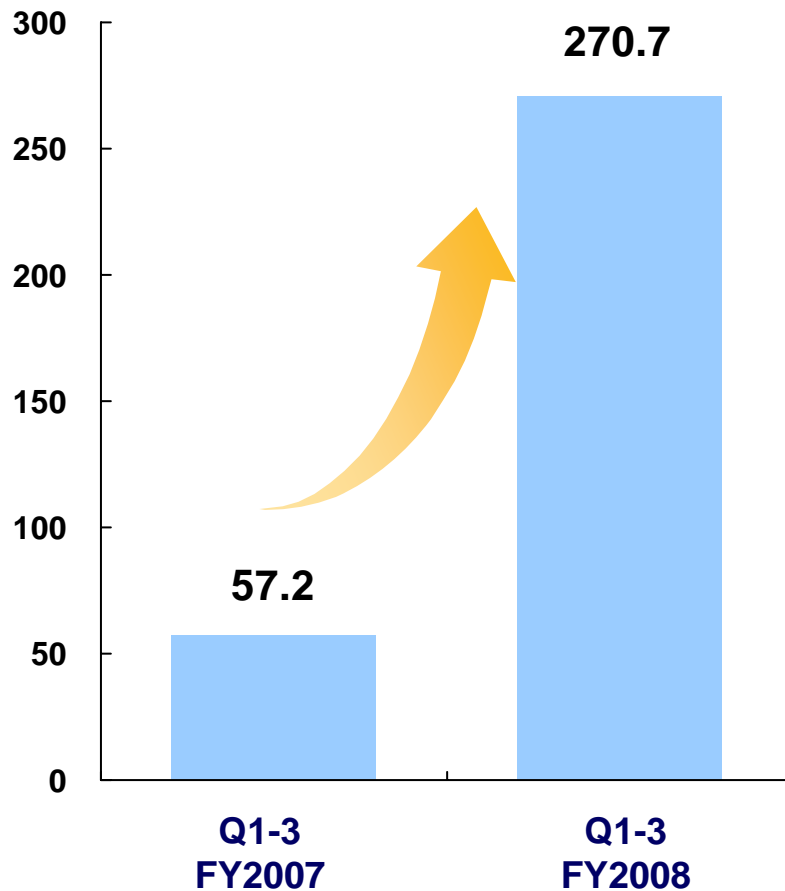
Consolidated Net Income (9 months)

<bn JPY>

	Q1-3/FY08 (Apr-Dec 2008)	Q1-3/FY07 (Apr-Dec 2007)	Notes
Ordinary income	174.4	231.9	
Special income/loss (net)	(0.3)	(14.7)	
Income before income taxes and minority interests	174.0	217.2	
Income tax: Current	53.2	30.2	
Income tax: Deferred	29.3	63.8	BB Mobile, SOFTBANK MOBILE, etc.
Minority interests	33.3	29.9	Mainly Yahoo Japan Corporation
Net income	<u>58.1</u>	<u>93.1</u>	

Operating Cash Flow (9 months)

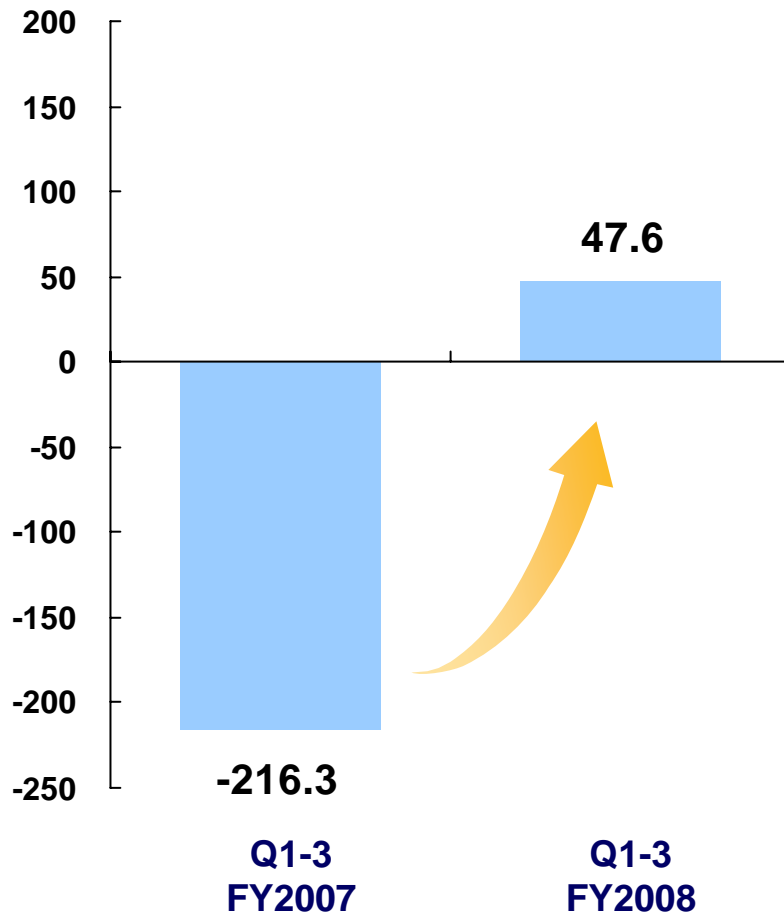
<bn JPY>



Improved by
JPY 213.5bn YoY

Free Cash Flow (9 months)

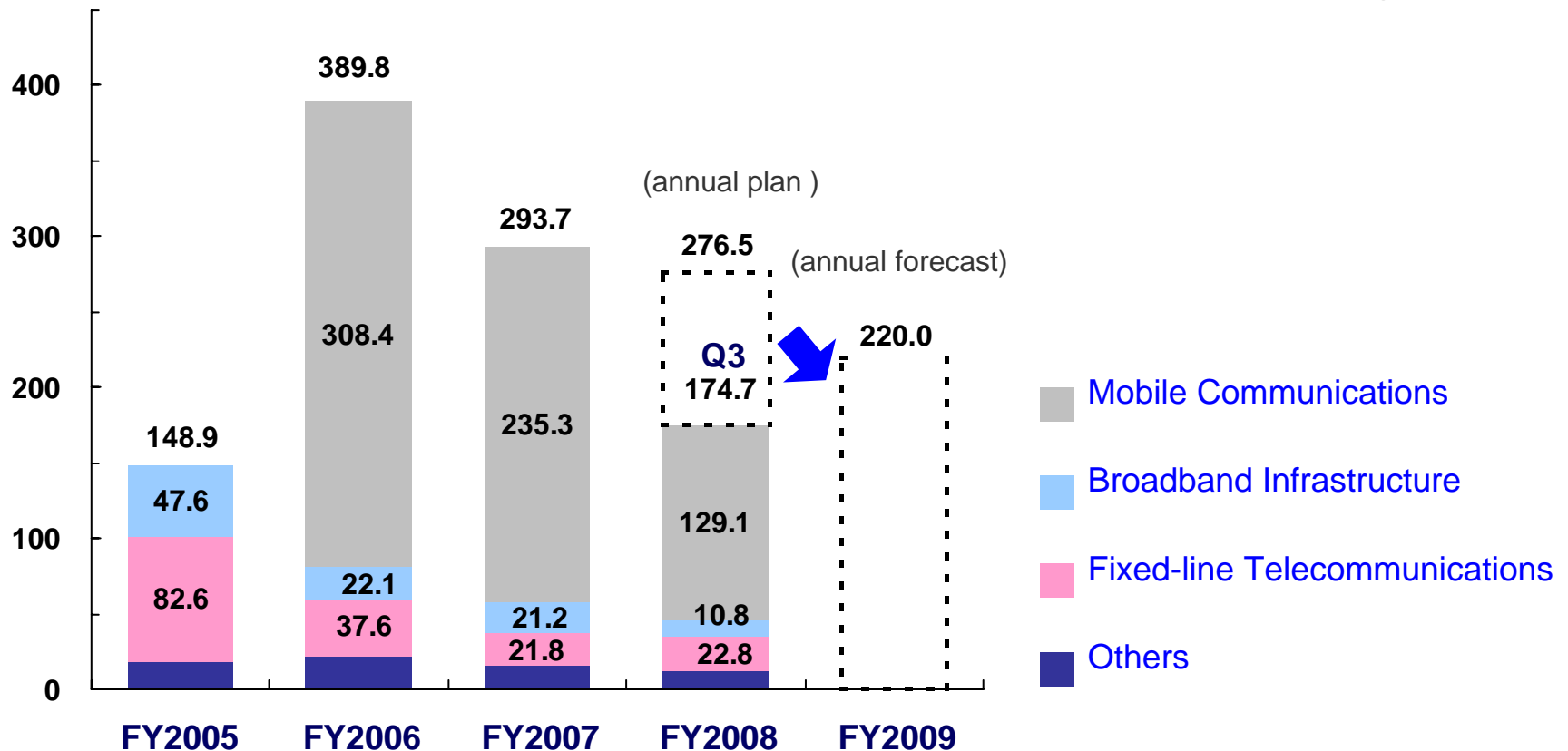
<bn JPY>



Improved by
JPY 264.0bn YoY

CAPEX (acquisition base/annual)

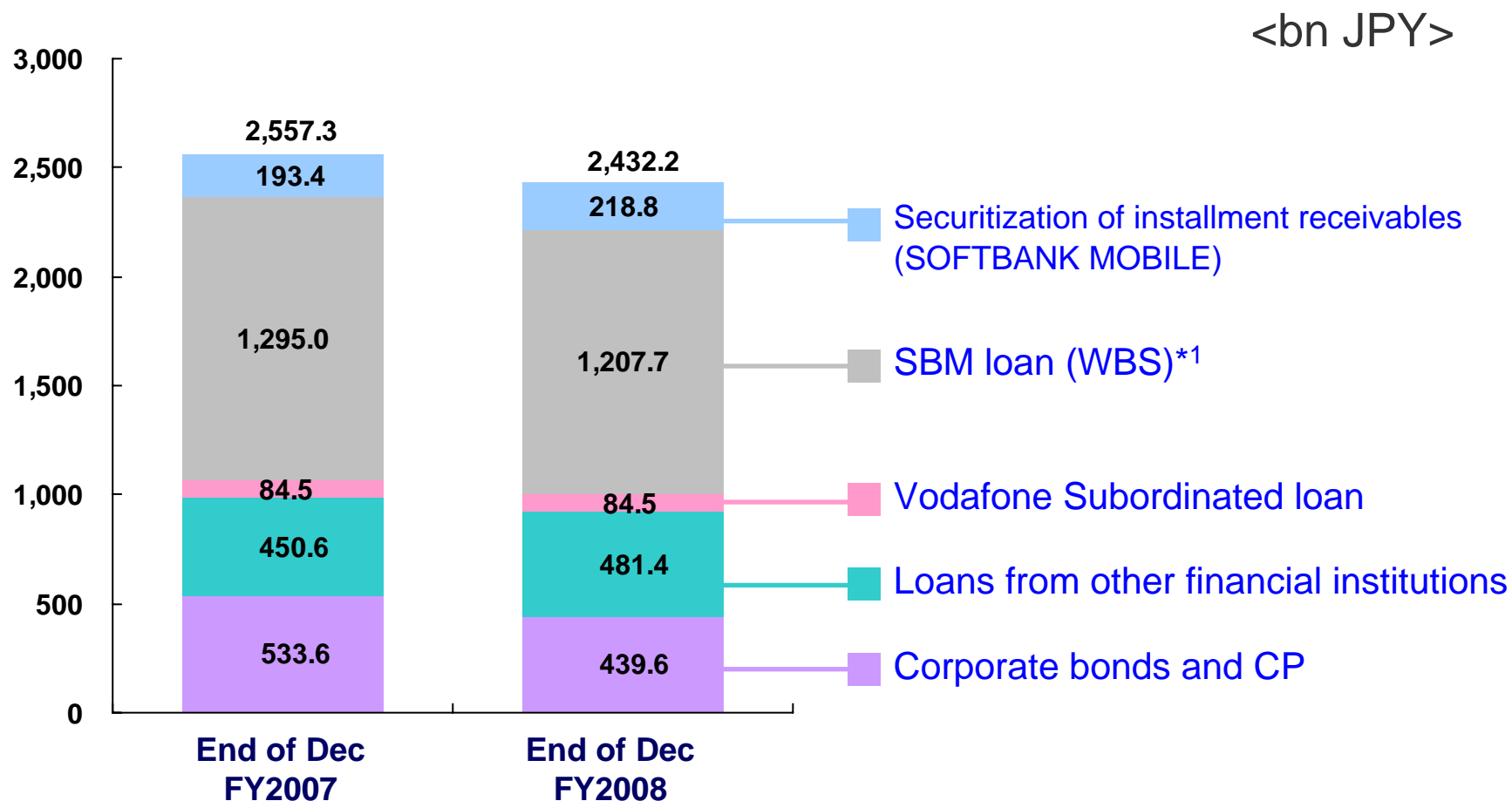
<bn JPY>



*Amounts above include on- and off-balance lease transactions.

Interest-bearing Debt Status

Consolidated Interest-bearing Debt



* Loans from other financial institutions at the end of December 2007 are calculated with retroactive adjustments by adding the cash receipts as collateral relating to marketable security lending transactions.

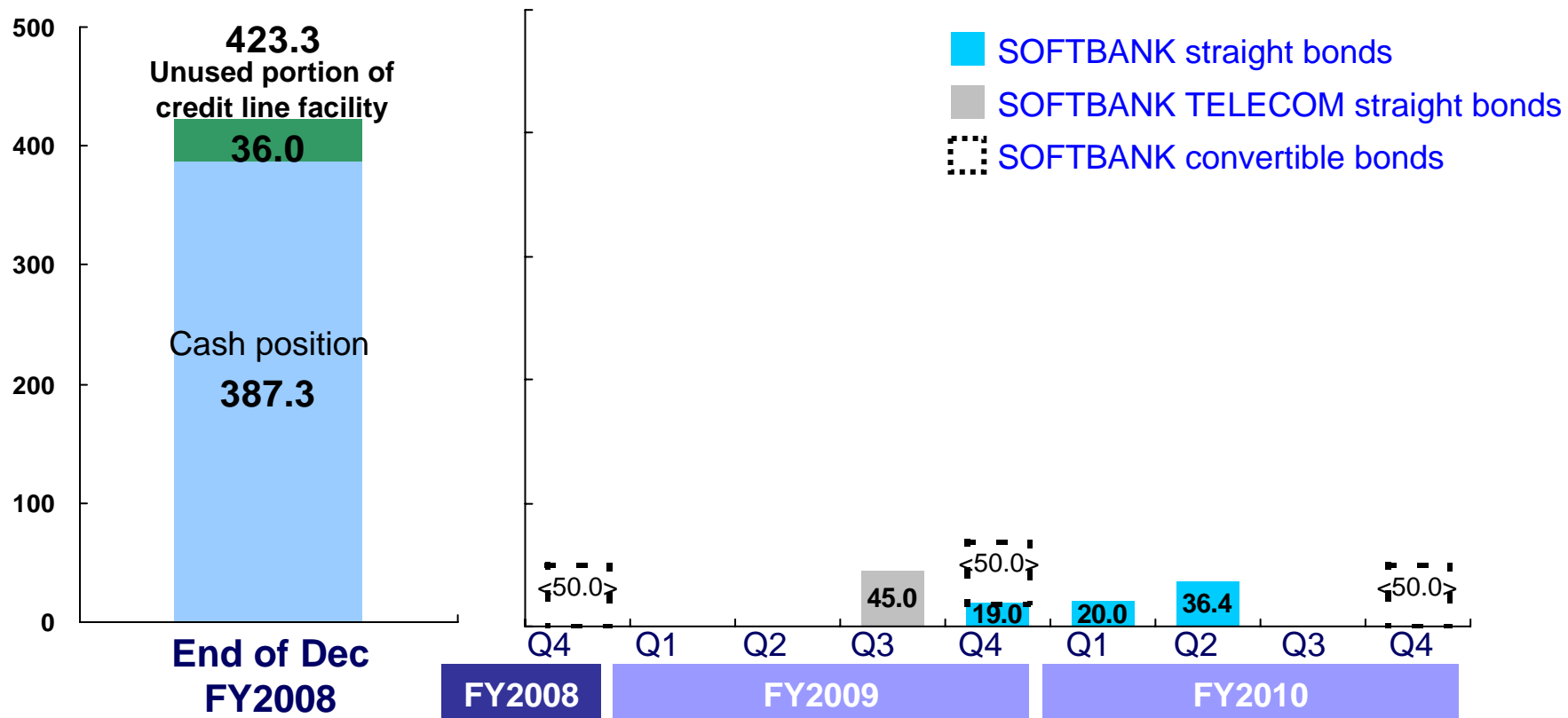
** Lease obligations are not included in the interest-bearing debt.

* 1 WBS balance mainly borrowed by SOFTBANK MOBILE

Corporate Bonds Redemption Schedule

Abundant repayment resources available

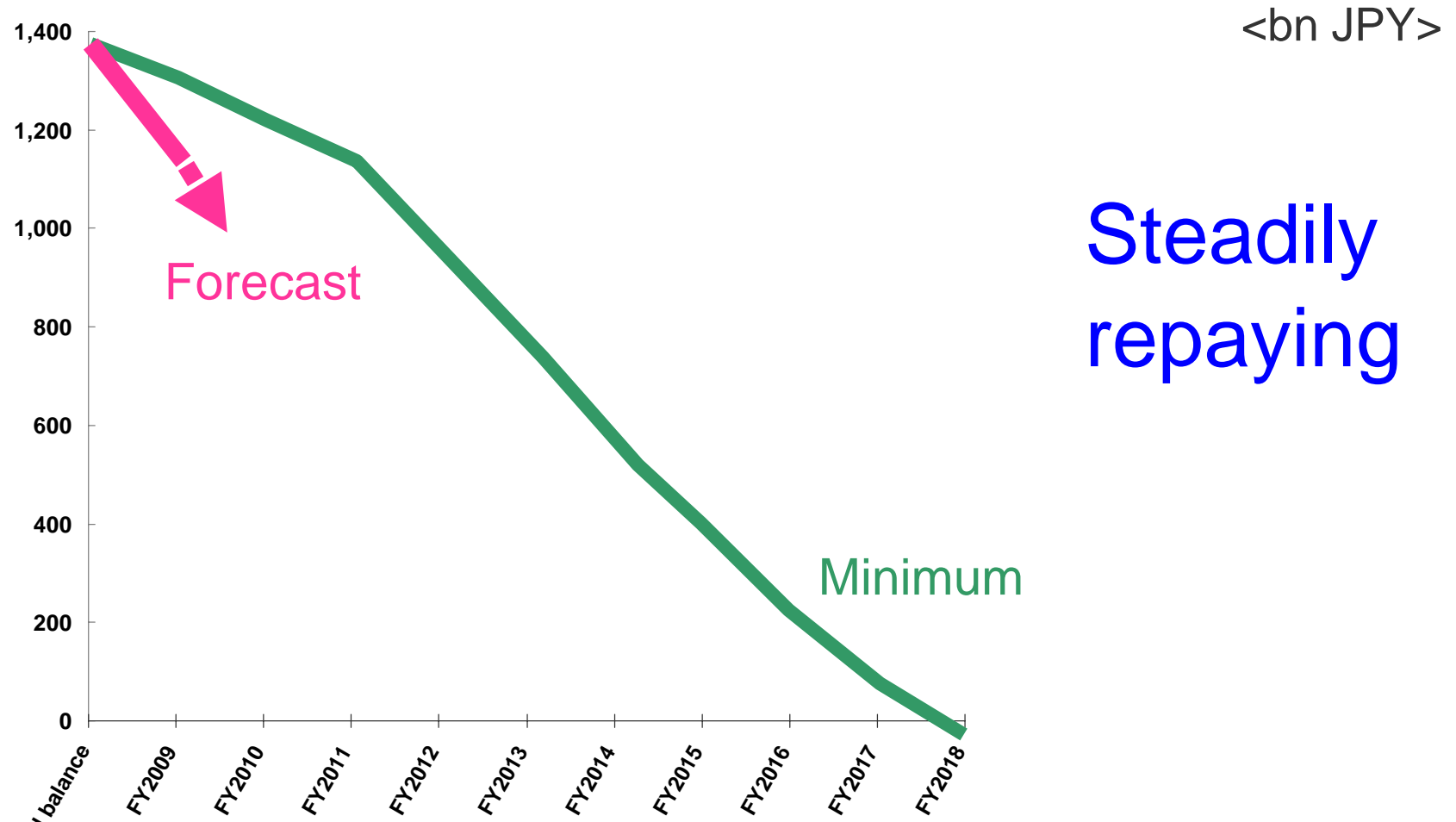
<bn JPY>



*The convertible bonds with subscription warrant issued in December 2003 are included in the chart above assuming the case where bond holders exercise their put options.

SBM Debt Status

Debt Balance After Mobile Business Acquisition



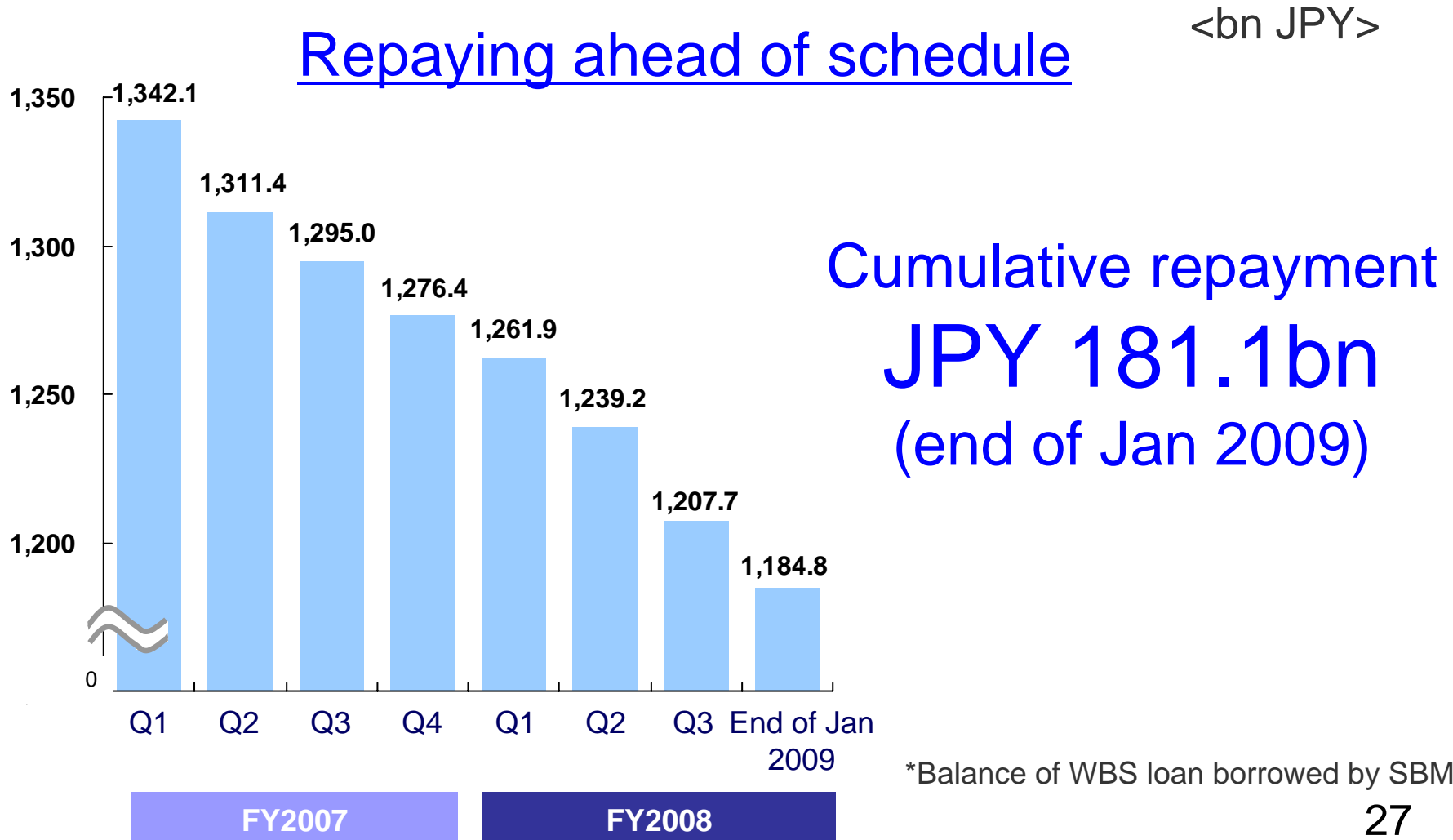
Steadily repaying

Minimum

* Loan started: :November 2006





*WBS balance mainly borrowed by SBM

Balance of Loans of SBM



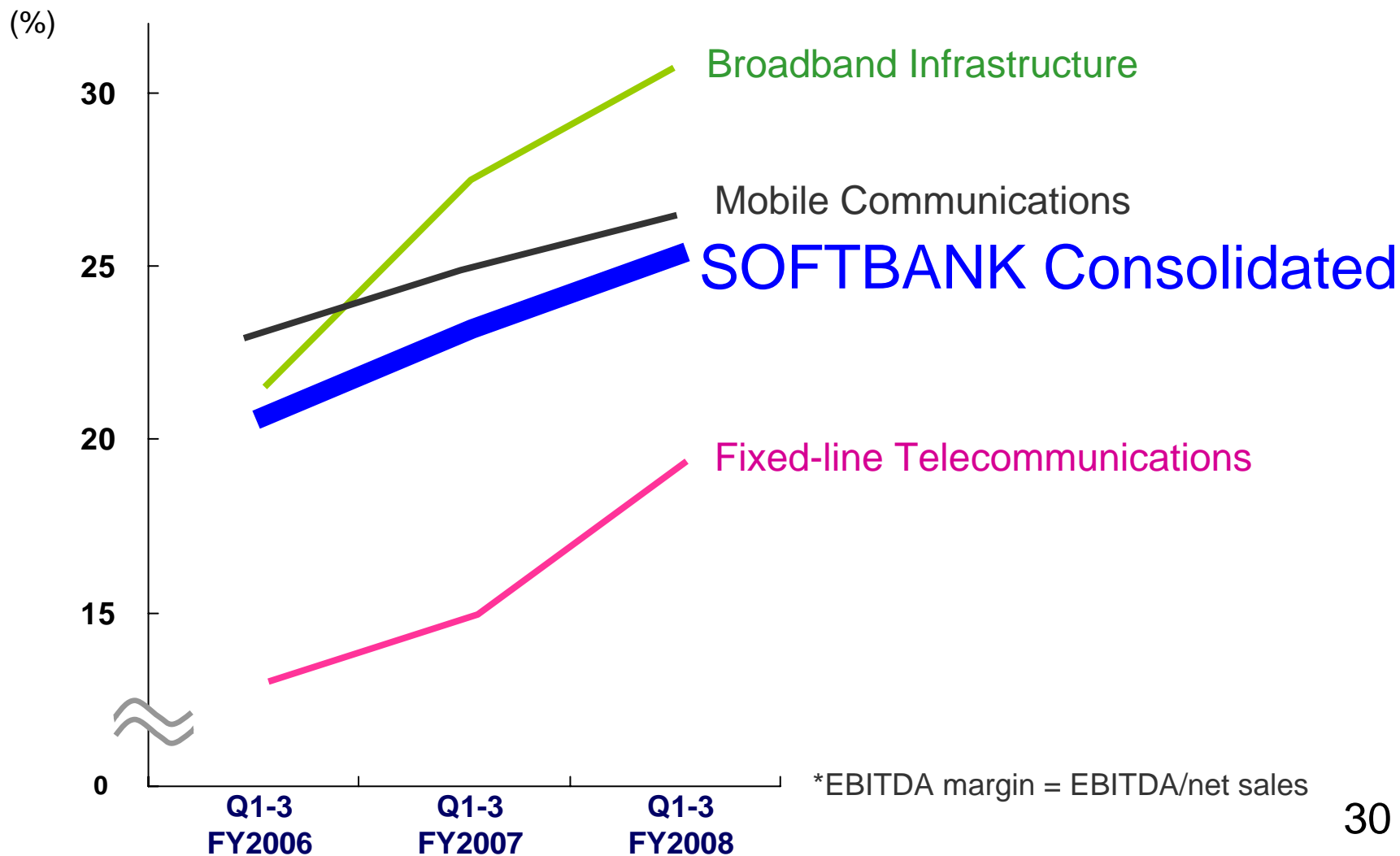
Financial Indexes

Improvement of Key Financial Indexes

	Q1-3/FY08 (Apr-Dec 2008)	Q1-3/FY07 (Apr-Dec 2007)	Improvement rate
EBITDA margin (EBITDA/net sales)	25.7%	23.5%	+9% 
Equity ratio (total shareholders' equity/total assets)	9.0%	8.7%	+3.9% 
D/E ratio (interest-bearing debt/total shareholders' equity)	6.3 times	6.6 times	+4.6% 
Net D/E ratio (net interest-bearing debt/total shareholders' equity)	5.3 times	5.4 times	+1.7% 

*Q3/FY2007 interest-bearing debt is calculated using retroactive adjustments to add the cash received from marketable security lending of collateral.

EBITDA Margin by Segment



In-Substance Redemption Before Maturity (in-substance defeasance) of Bonds Issued by Former Vodafone K.K.

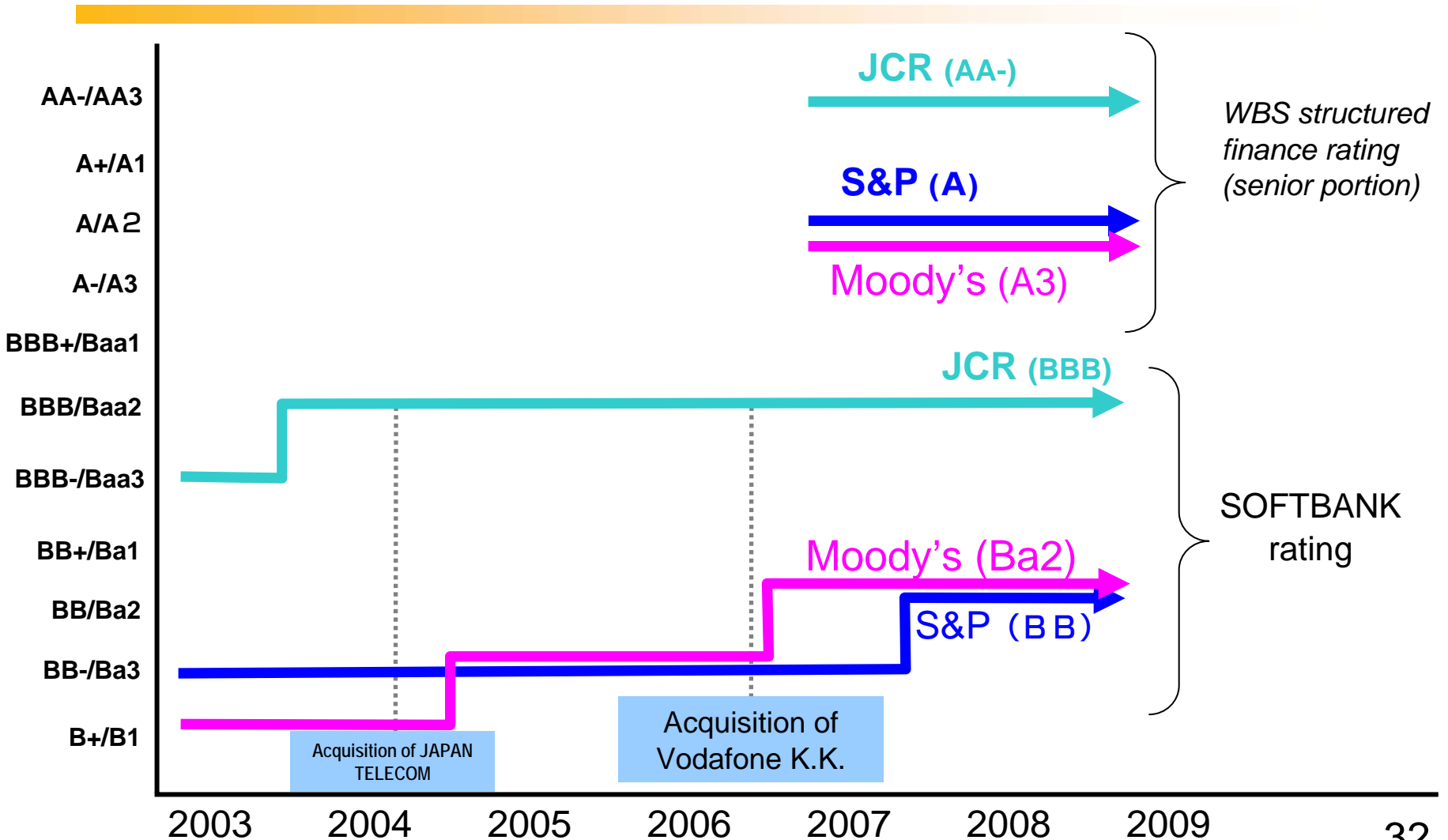
Status of collateralized debt obligations (CDO)

No change after the announcement of earnings results for Q2

Currently 6 default names

No loss incurred (as of February 5)

Credit Rating



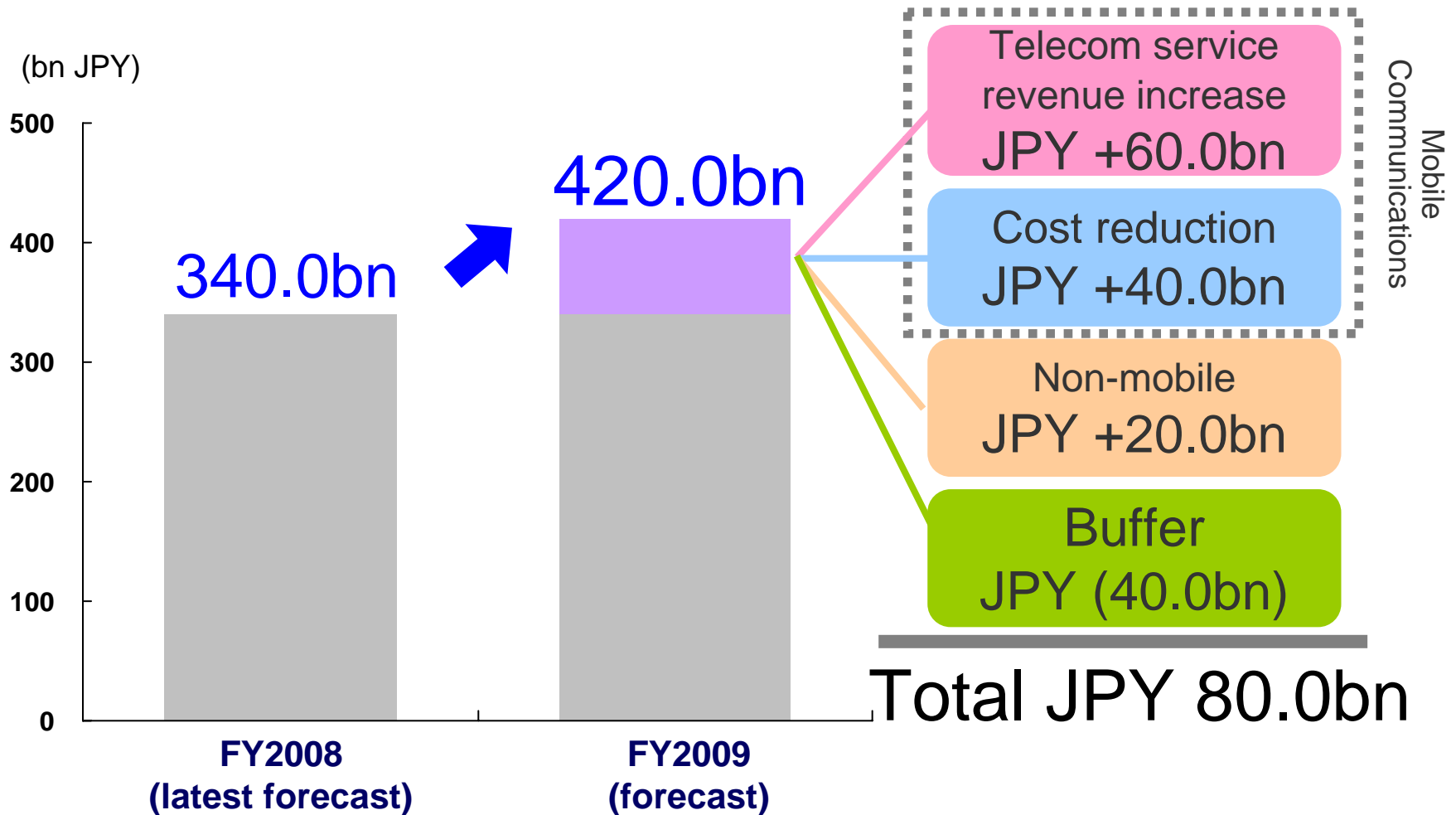
Consolidated Earnings Forecasts

FY2009 Consolidated Earnings Forecast

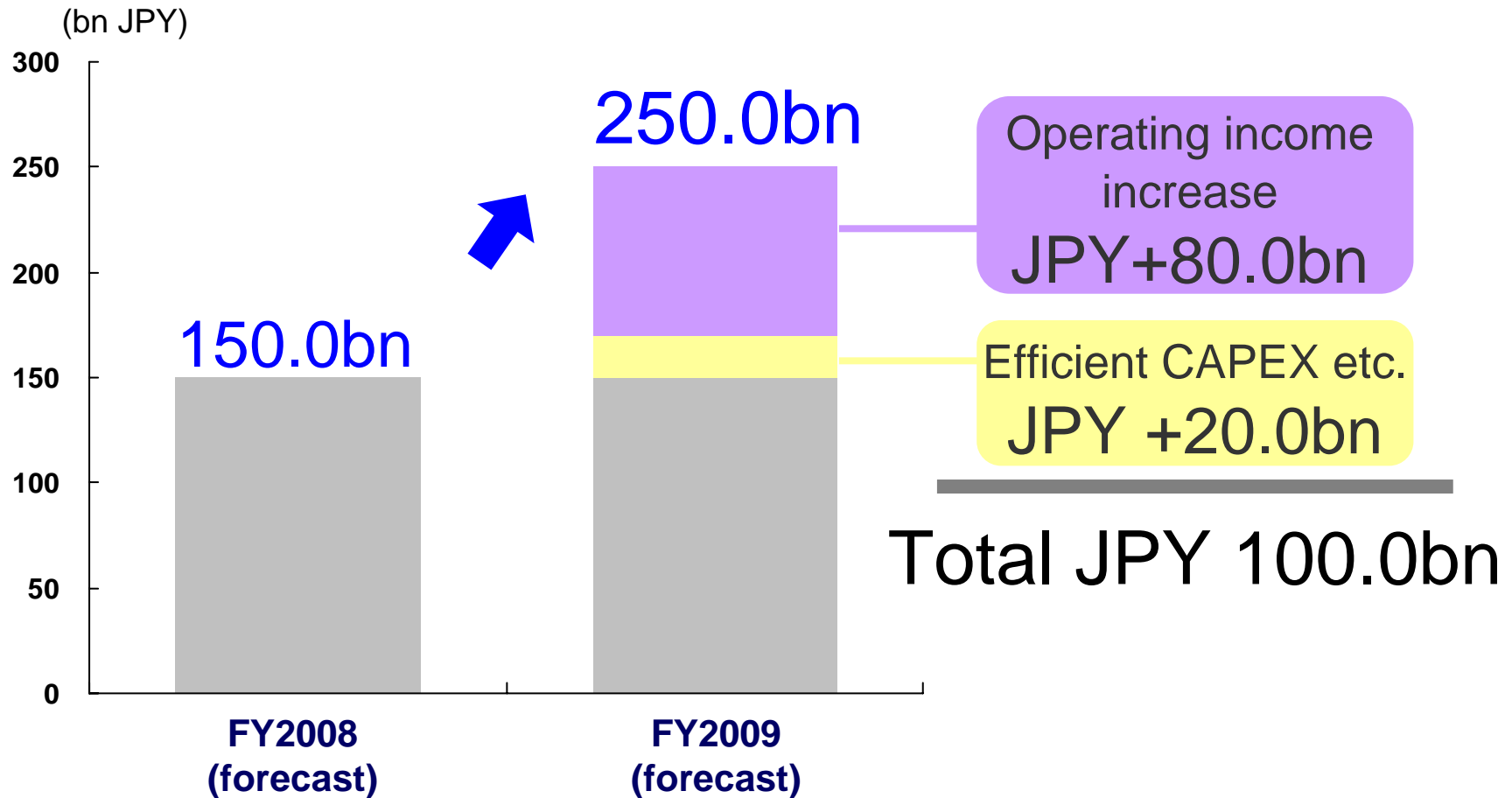
<bn JPY>

	FY2007	FY2008 (latest forecast)	FY2009 (forecast)
Operating income	324.2	340.0	420.0
Free cash flow	(164.2)	150.0	250.0

FY2009 Operating Income Increase Forecast



FY2009 Free Cash Flow Increase Drivers



FY2009 Operating Income Increase Forecast

FY2009 Income Increase Drivers (forecast)

(1) Telecom service revenue increase JPY +60.0bn

(2) Cost reduction JPY +40.0bn

(3) Non-mobile JPY +20.0bn

Buffer JPY (40.0bn)

Commitment JPY +80.0bn

(1) Telecom Service Revenue Increase

FY2009 Income Increase Drivers (forecast)

(1) Telecom service revenue increase JPY +60.0bn

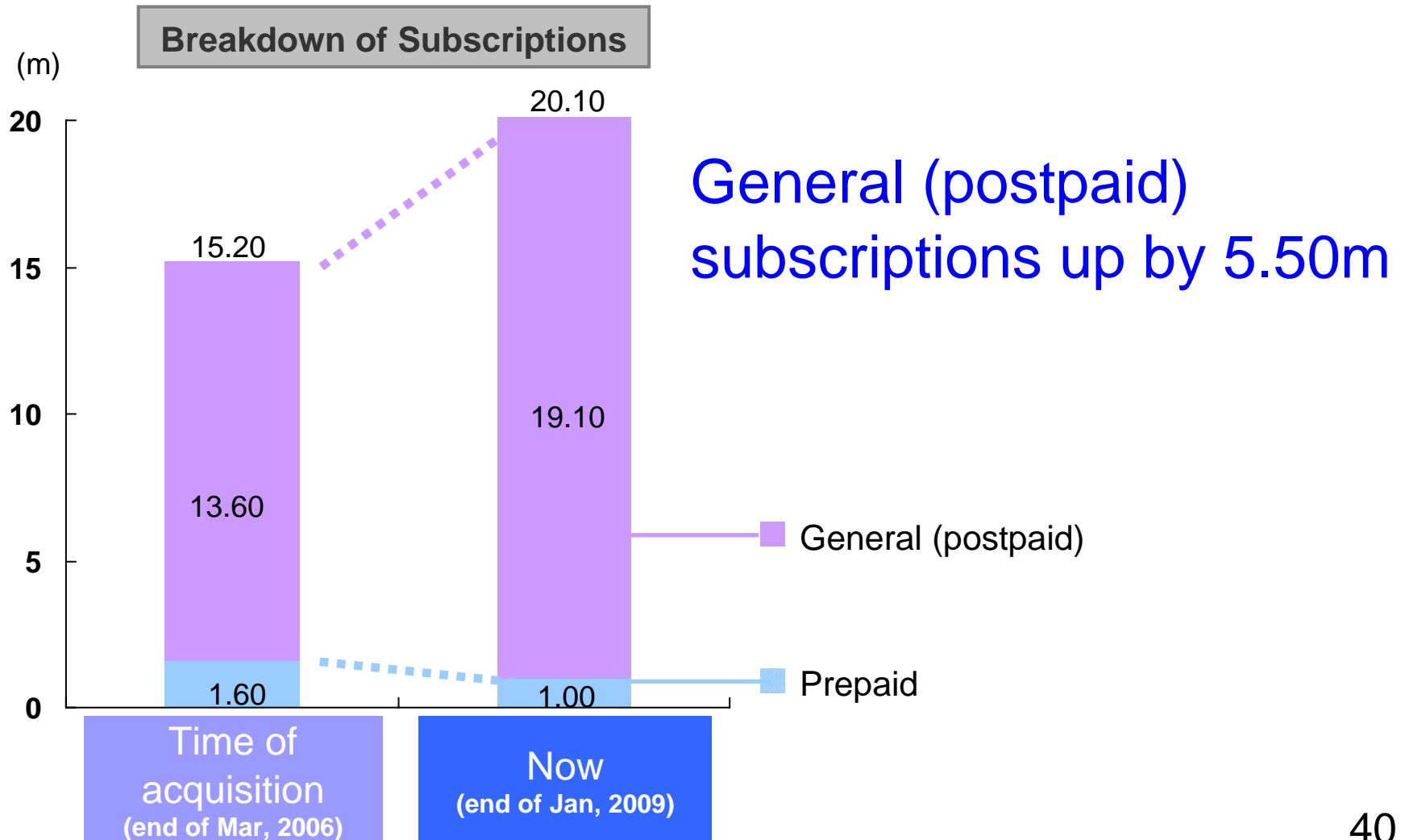
(1) Telecom Service Revenue Increase Drivers

FY2009 Income Increase Drivers (forecast)

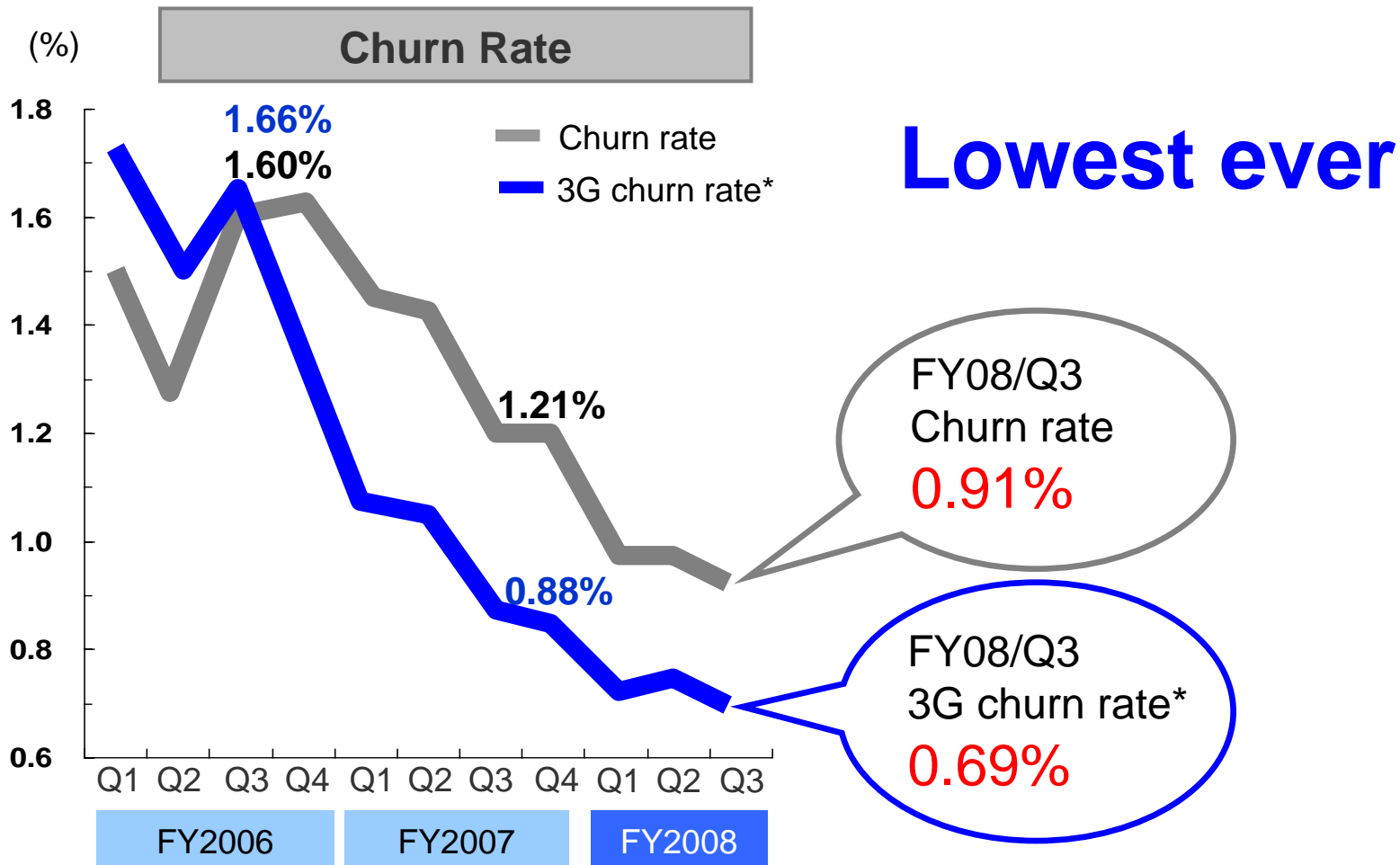
(1) Telecom service revenue increase JPY +60.0bn

- Subscriber increase
- Smaller impact of '*Monthly Discounts*'
- Data ARPU increase

(1) Telecom Service Revenue Increase (subscription increase)



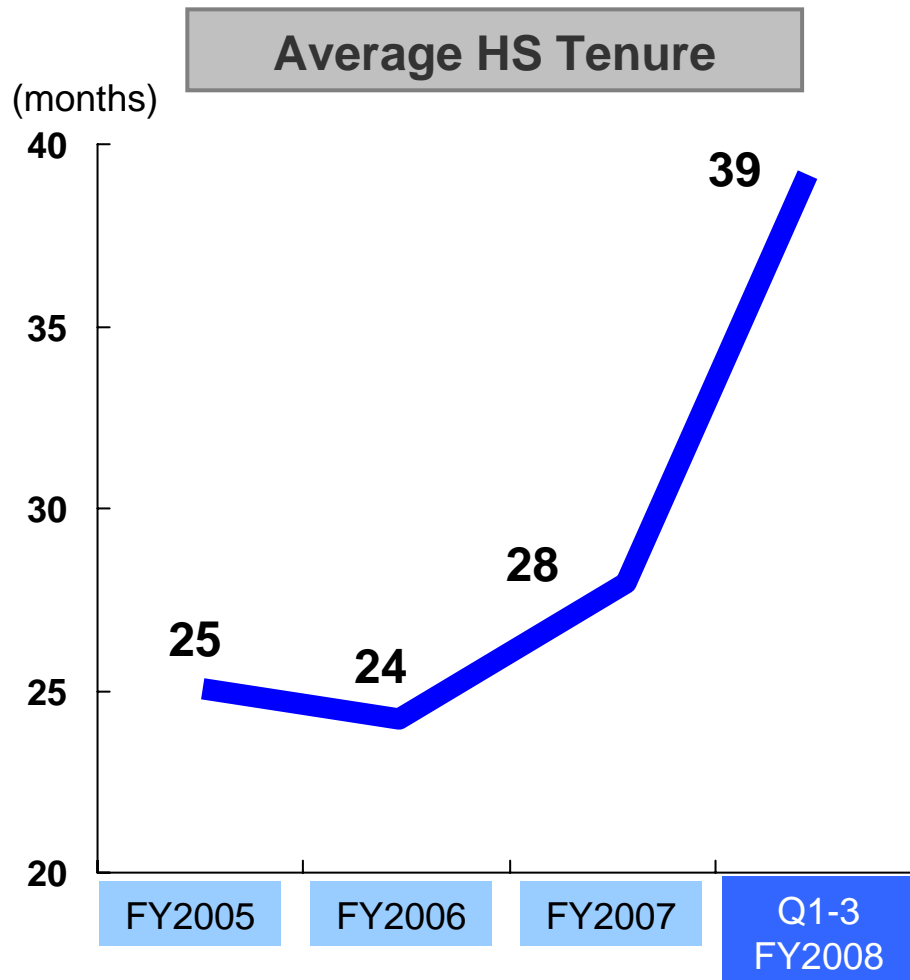
(1) Telecom Service Revenue Increase (lower churn rate)



* Excluding prepaid.

(1) Telecom Service Revenue Increase

(longer HS tenure)

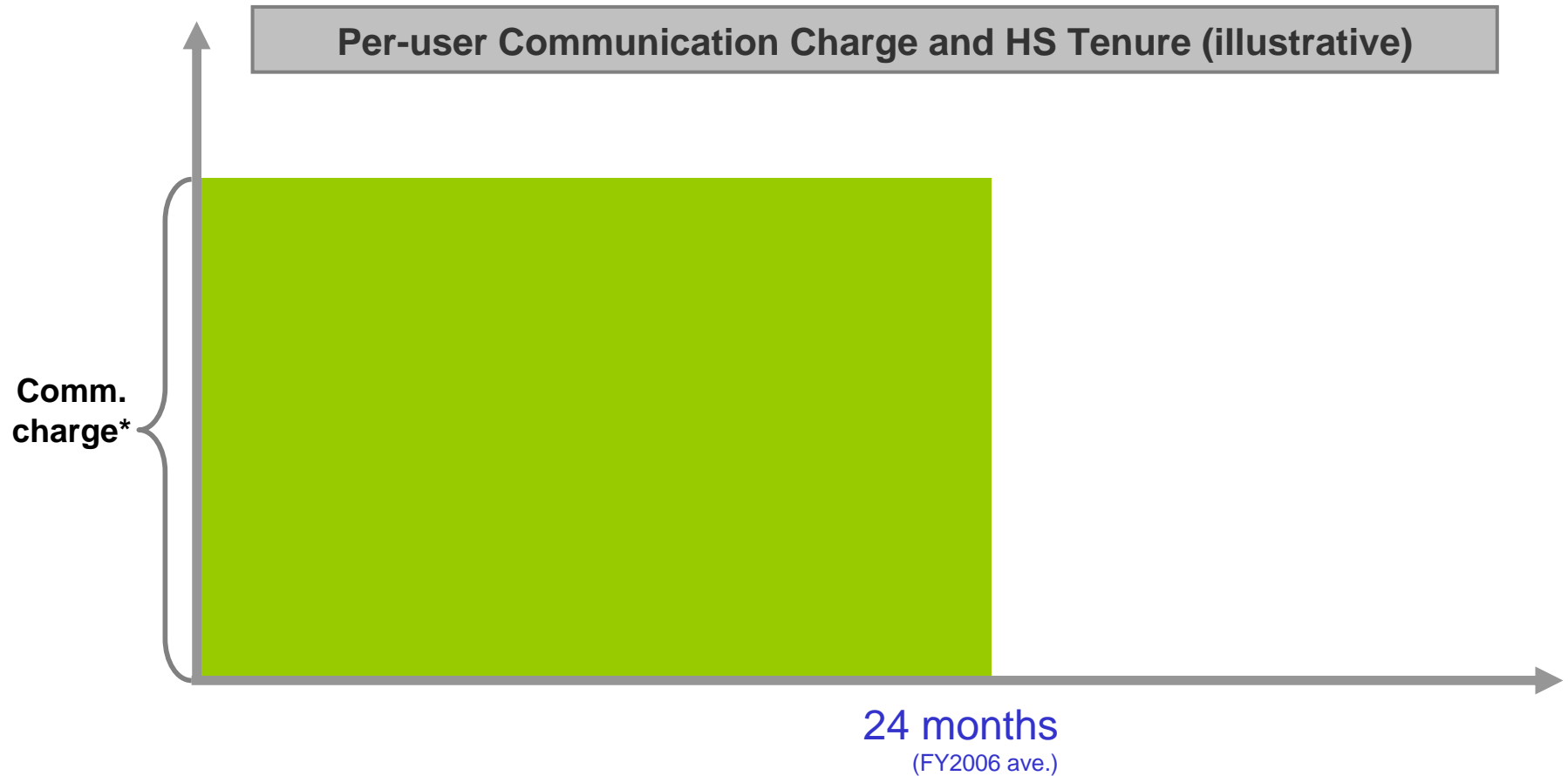


Average HS tenure exceeds 3 years

* Average HS tenure = $1 / (\text{Upgrade rate} + \text{Churn rate})$

(1) Telecom Service Revenue Increase

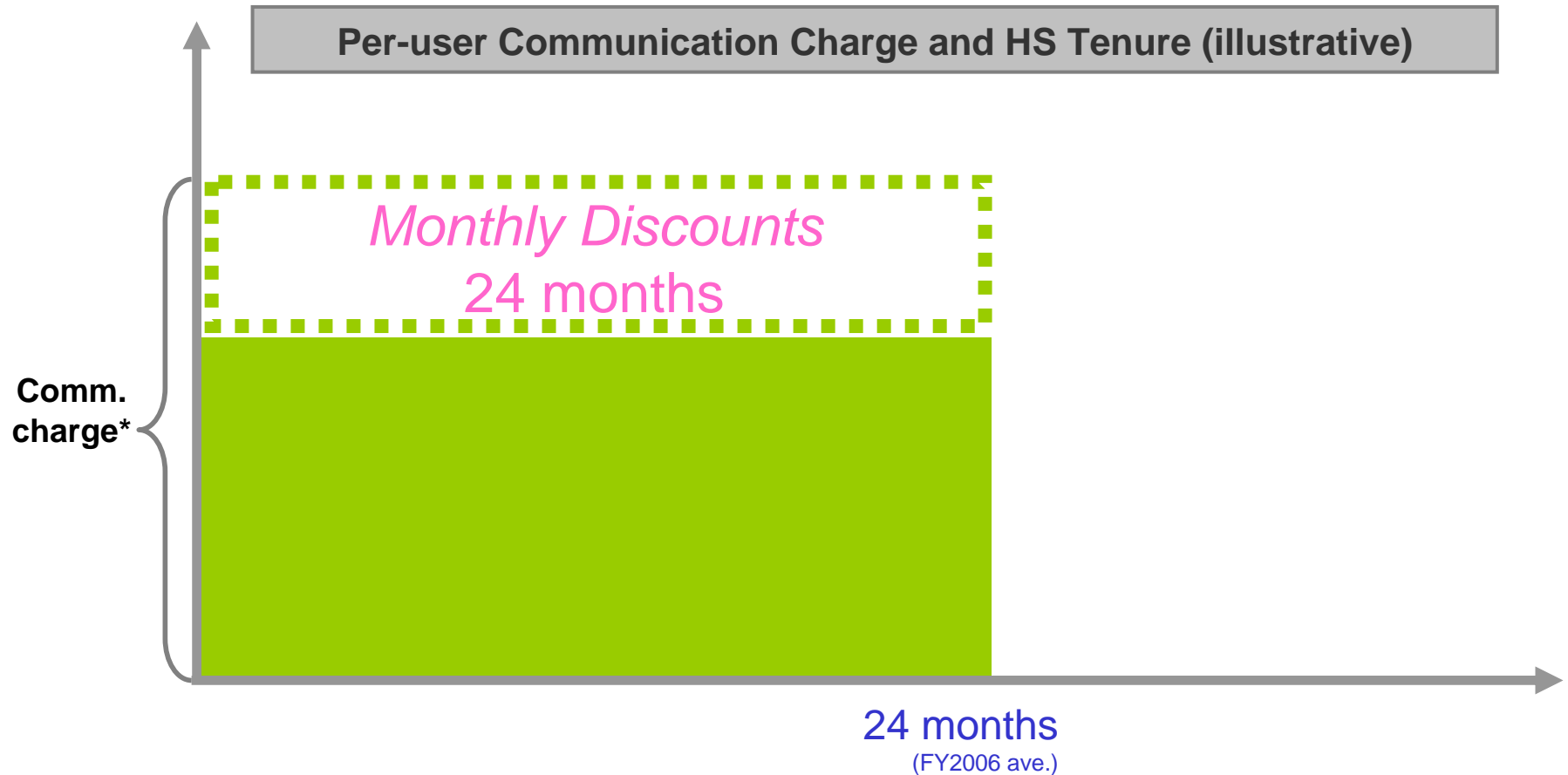
(smaller impact of *Monthly Discounts*)



*Monthly fee including basic monthly charge, voice call charge, communication charge, etc.

(1) Telecom Service Revenue Increase

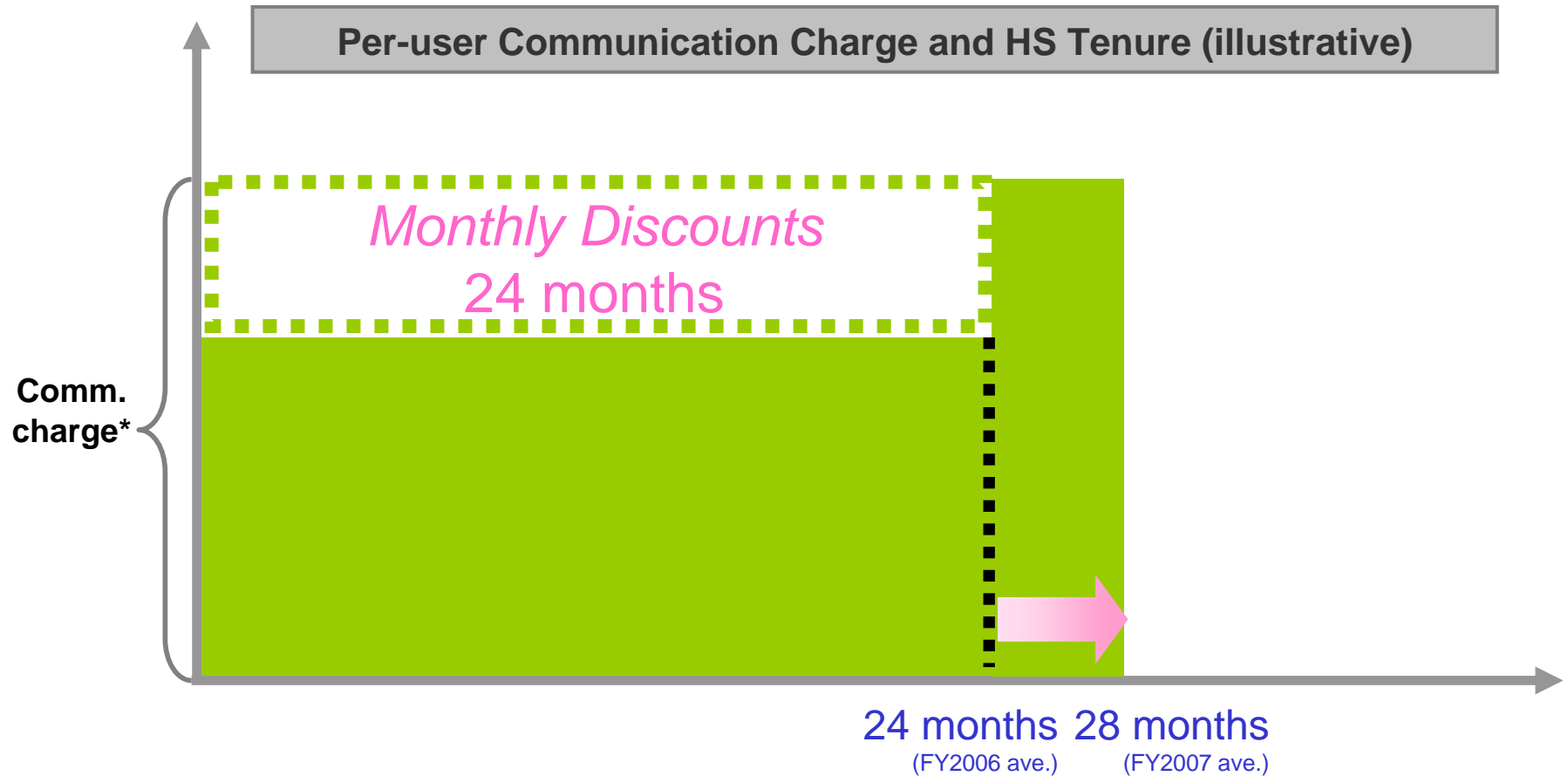
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(1) Telecom Service Revenue Increase

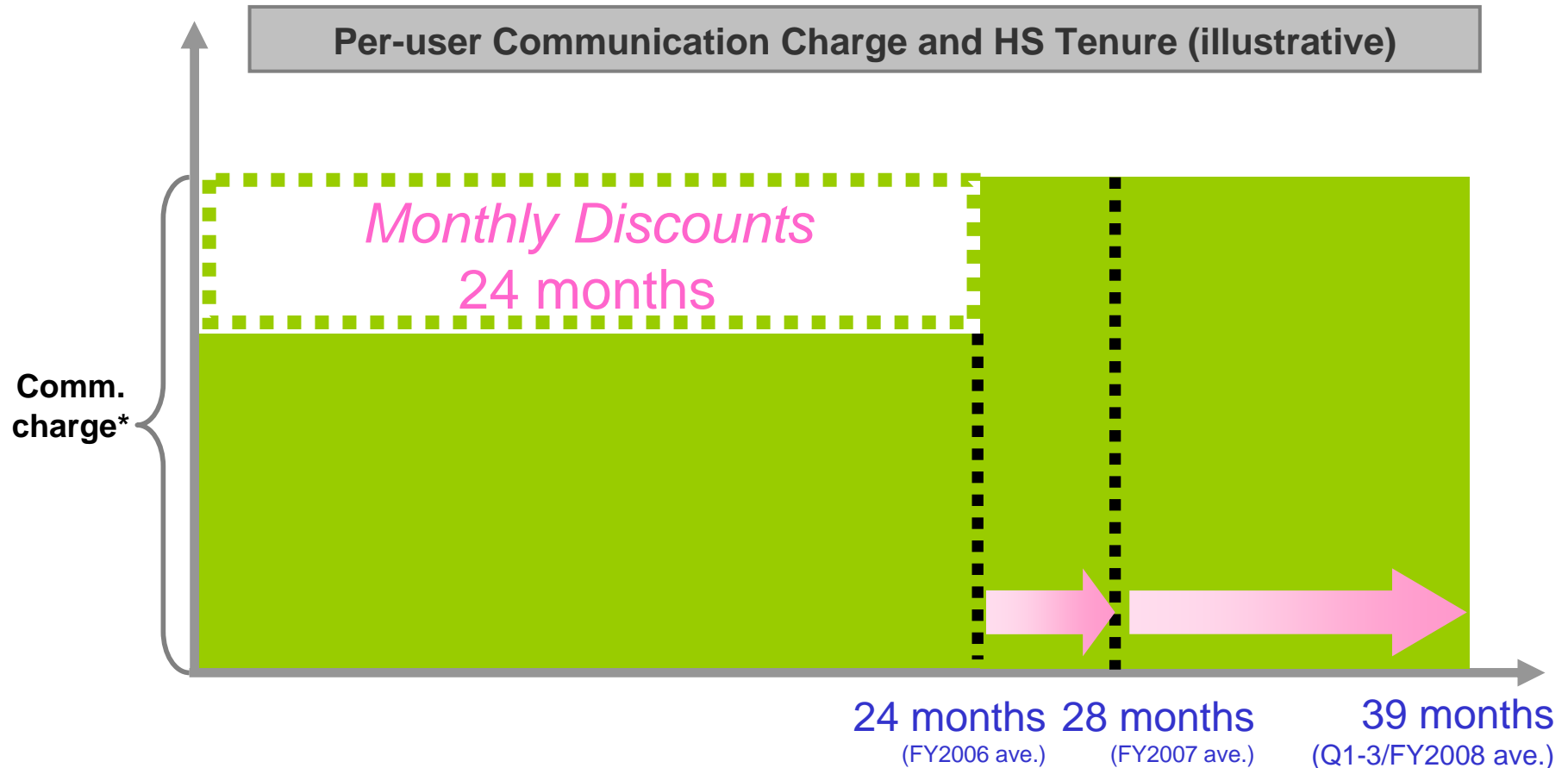
(smaller impact of *Monthly Discounts*)



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(1) Telecom Service Revenue Increase

(smaller impact of *Monthly Discounts*)



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(2) Cost Reduction

FY2009 Income Increase Drivers (forecast)

(1) Telecom service revenue increase JPY +60.0bn

(2) Cost reduction JPY +40.0bn

(2) Cost Reduction Drivers

FY2009 Income Increase Drivers (forecast)

(1) Telecom service revenue increase JPY +60.0bn

(2) Cost reduction JPY +40.0bn

HS related cost cuts

- Acquisition cost cut
- HS procurement cost cut

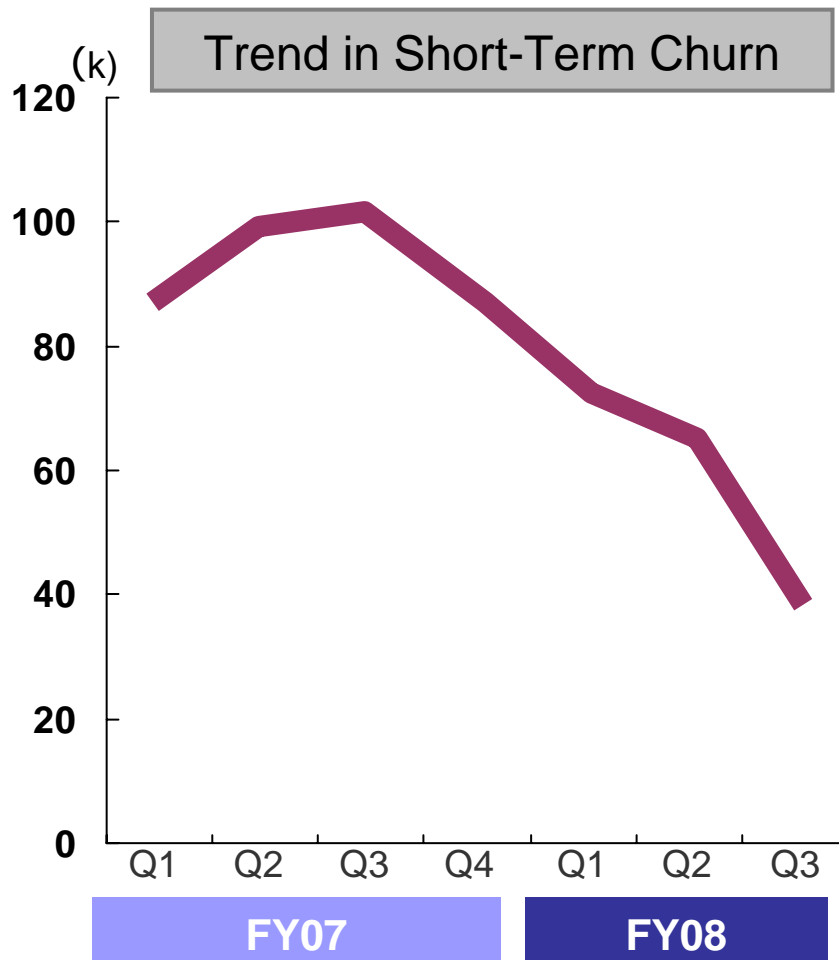
Doubtful accounts improvement

- Eliminate fraud
- Stricter credit screening

Other cost cuts

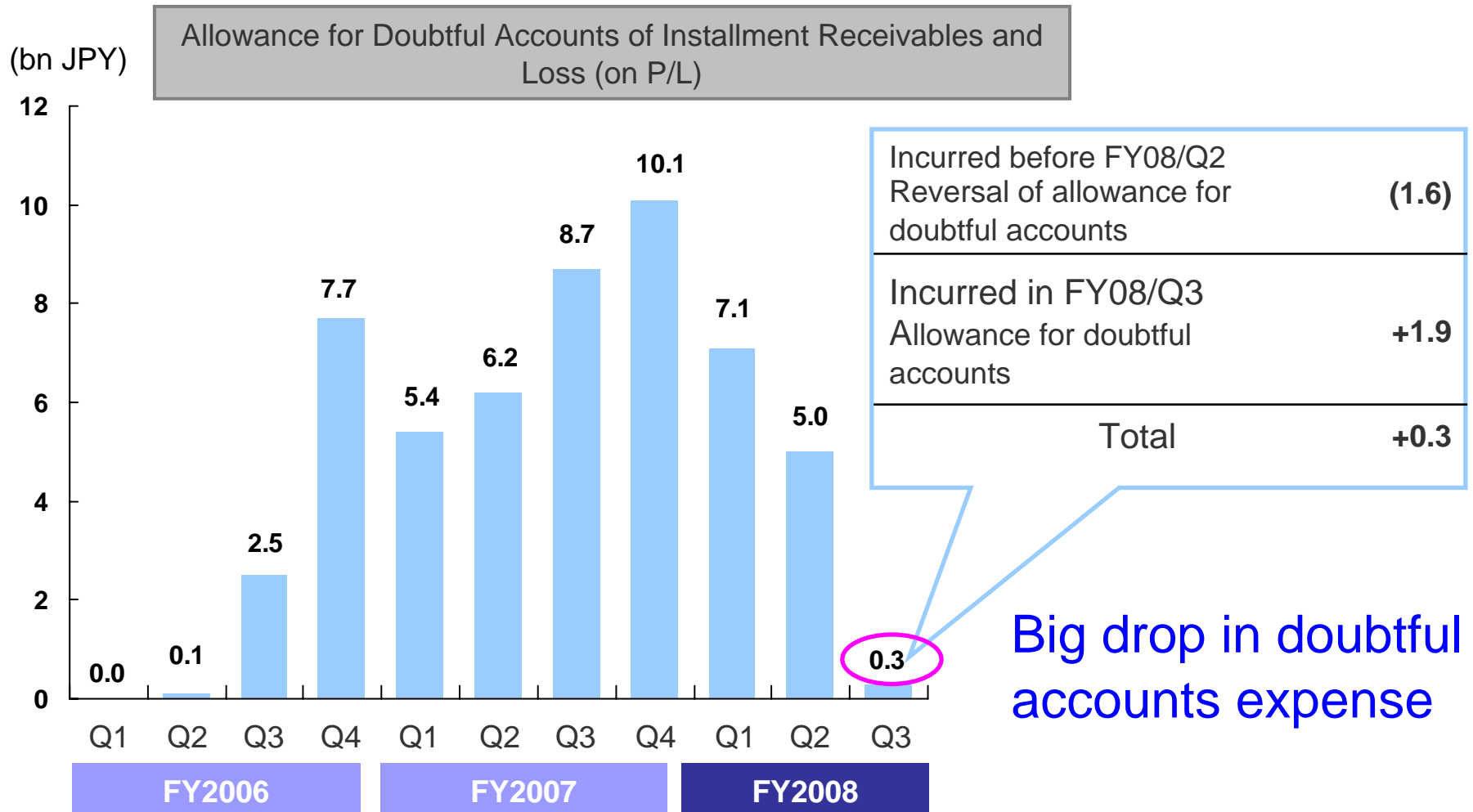
- Synergies among three telecommunication companies, etc.

(2) Cost Reduction (improvement in doubtful accounts)



Big drop in
short-term churn

(2) Cost Reduction (improvement in doubtful accounts)



FY2009 Operating Income Increase Forecast

FY2009 Income Increase Drivers (forecast)

(1) Telecom revenue increase JPY +60.0bn

(2) Cost cut JPY +40.0bn

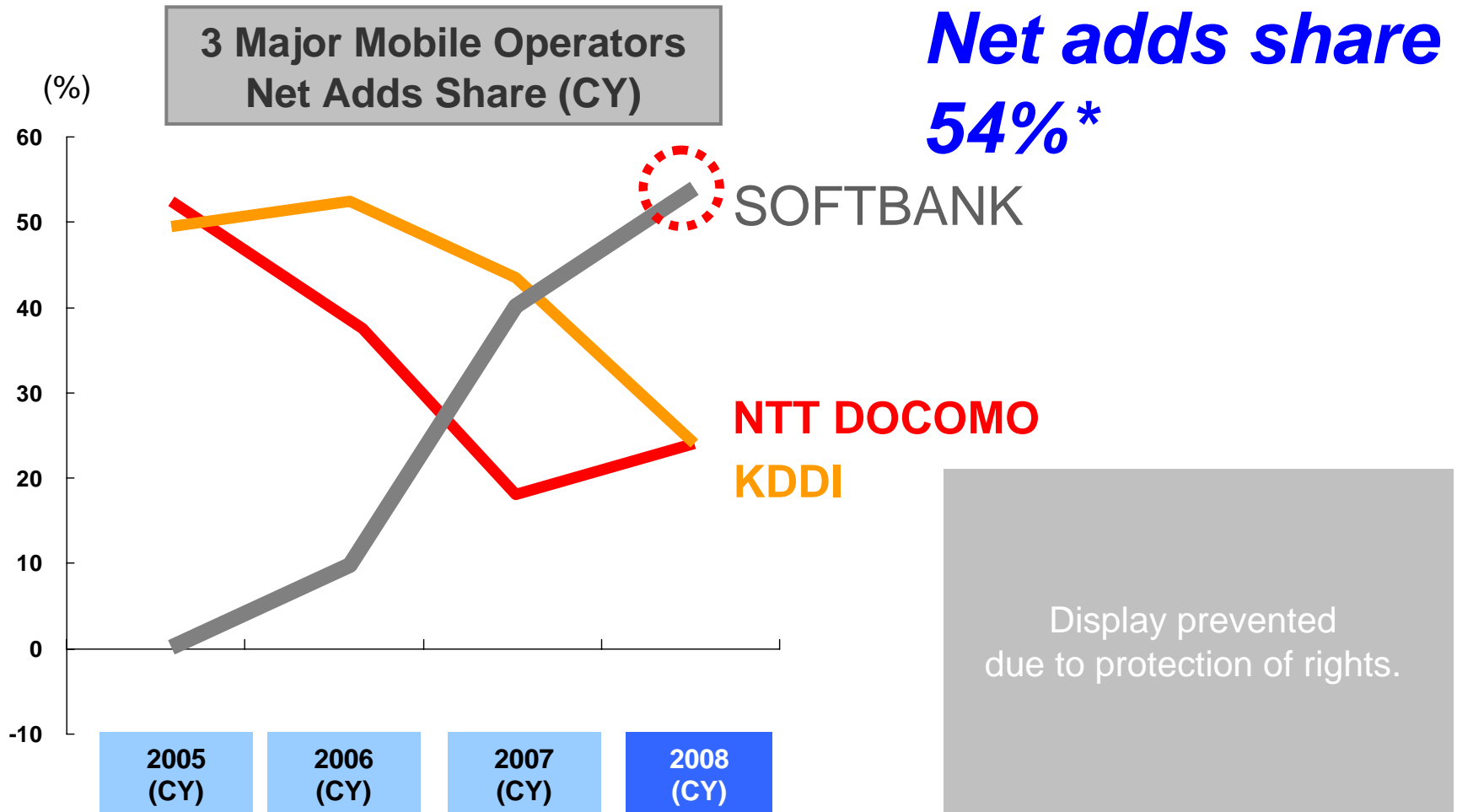
(3) Non-mobile JPY +20.0bn

Buffer JPY (40.0bn)

Commitment JPY +80.0bn

Mobile Business

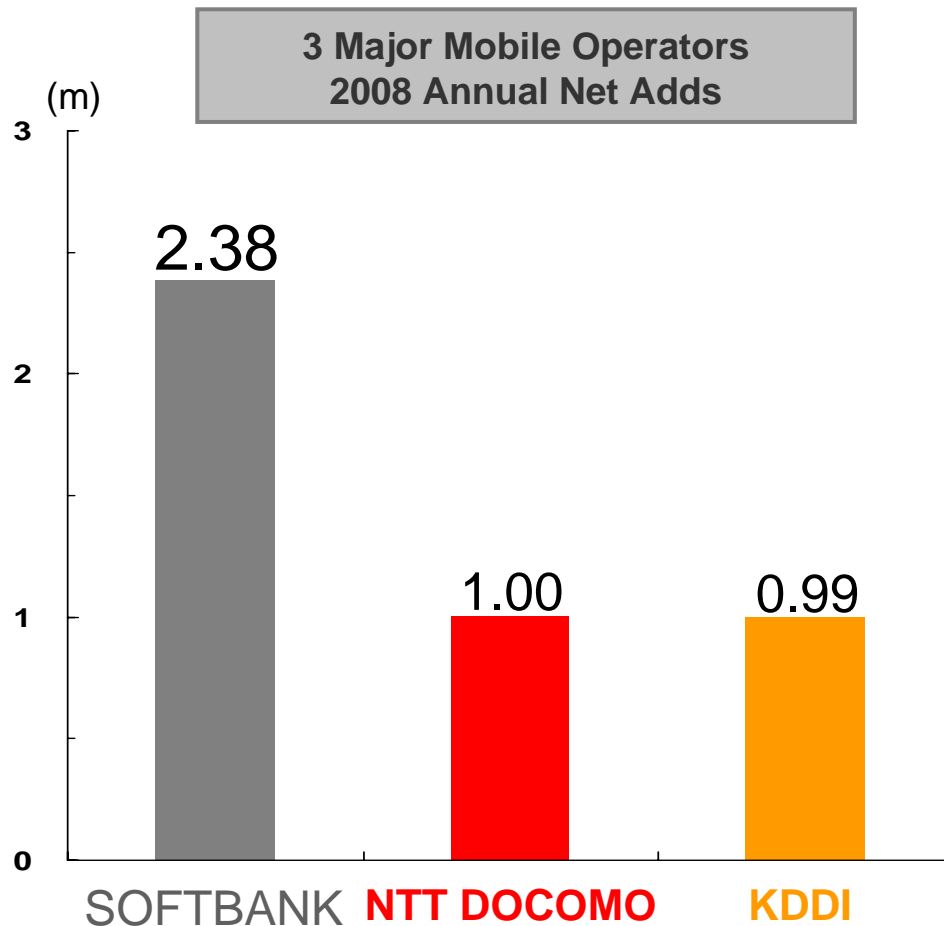
Net Adds Share (by calendar year)



Source: Created by the Company based on Telecommunications Carriers Association data

* Calculated by the Company based on Telecommunications Carriers Association data

2008 Net Increase in Subscriptions (calendar year)



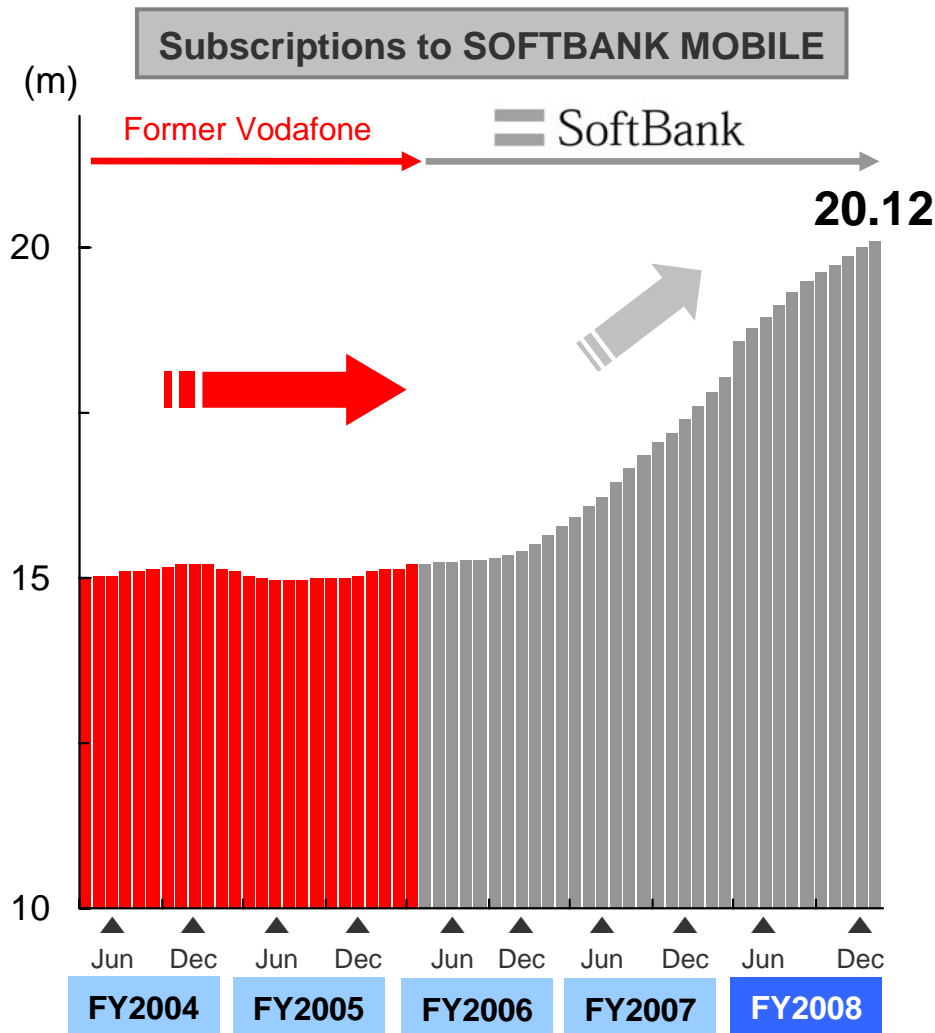
Achieved No.1* in annual net adds for 2008, first time in SOFTBANK history

Display prevented due to protection of rights.

Source: Created by the Company based on Telecommunications Carriers Association data

* Calculated by the Company based on Telecommunications Carriers Association data

Subscriptions Trend



Exceeded 20 million subscribers on Jan 1, 2009 !

Display prevented due to protection of rights.

Continue High Preference in TVCM

	By company	By TVCM	By brand
Jan, 2008	1st (Among 1,276 companies)	1st (Among 4,767 pieces)	1st (Among 3,294 brands)
Feb, 2008	1st (Among 1,167 companies)	1st (Among 4,324 pieces)	1st (Among 2,991 brands)
Mar, 2008	1st (Among 1,149 companies)	1st (Among 4,366 pieces)	1st (Among 2,990 brands)
Apr, 2008	2nd (Among 1,218 companies)	1st (Among 4,705 pieces)	1st (Among 3,204 brands)
May, 2008	3rd (Among 1,085 companies)	1st (Among 4,198 pieces)	1st (Among 2,906 brands)
Jun, 2008	1st (Among 1,085 companies)	1st (Among 4,281 pieces)	1st (Among 2,949 brands)
Jul, 2008	1st (Among 1,111 companies)	1st (Among 4,561 pieces)	1st (Among 3,148 brands)
Aug, 2008	1st (Among 1,150 companies)	2nd (Among 4,524 pieces)	1st (Among 3,126 brands)
Sep, 2008	1st (Among 1,151 companies)	1st (Among 4,491 pieces)	1st (Among 3,060 brands)
Oct, 2008	1st (Among 1,177 companies)	1st (Among 4,568 pieces)	1st (Among 3,114 brands)
Nov, 2008	1st (Among 1,101 companies)	1st (Among 4,405 pieces)	1st (Among 3,049 brands)
Dec, 2008	1st (Among 1,198 companies)	1st (Among 4,437 pieces)	1st (Among 3,079 brands)

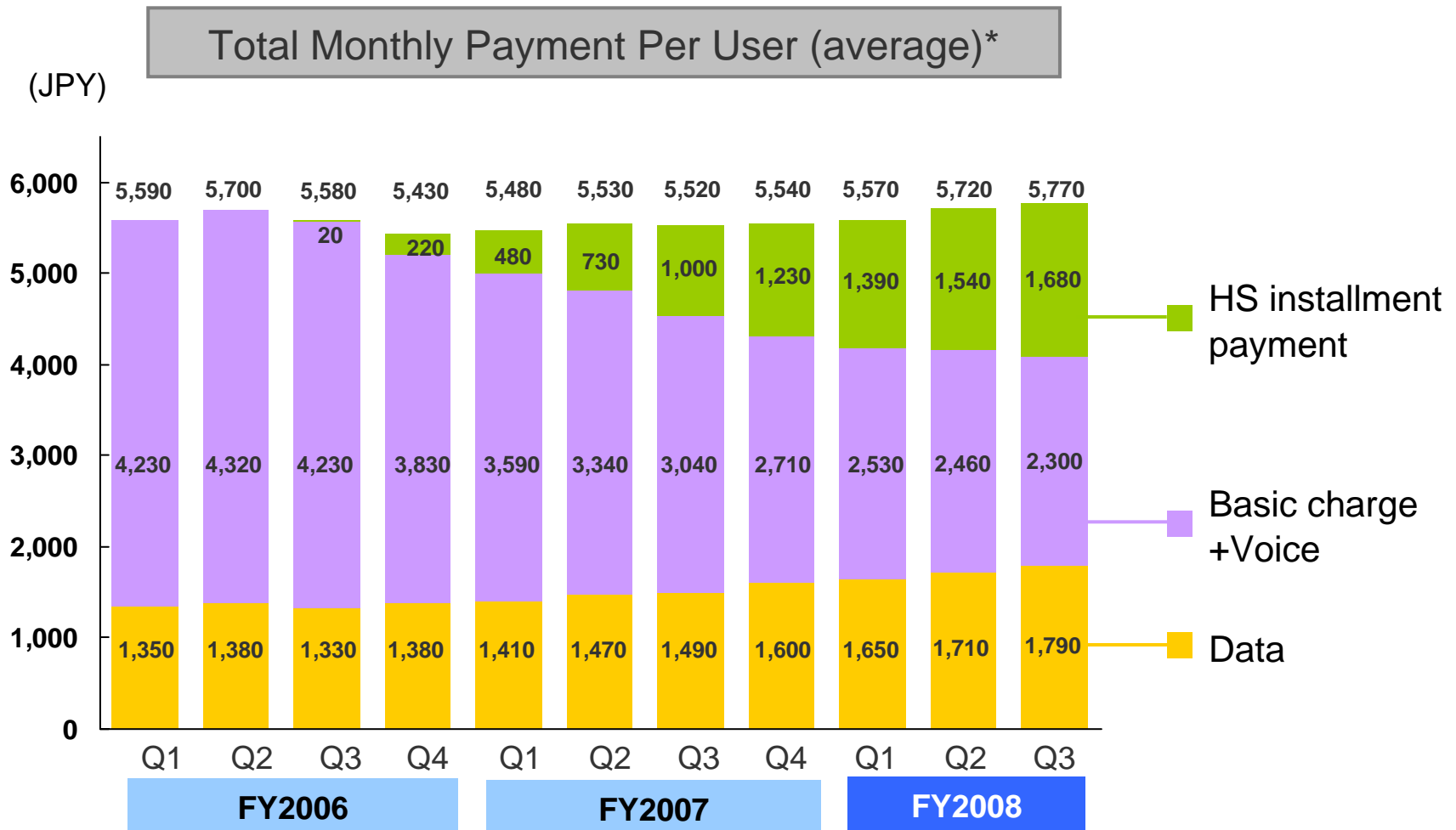
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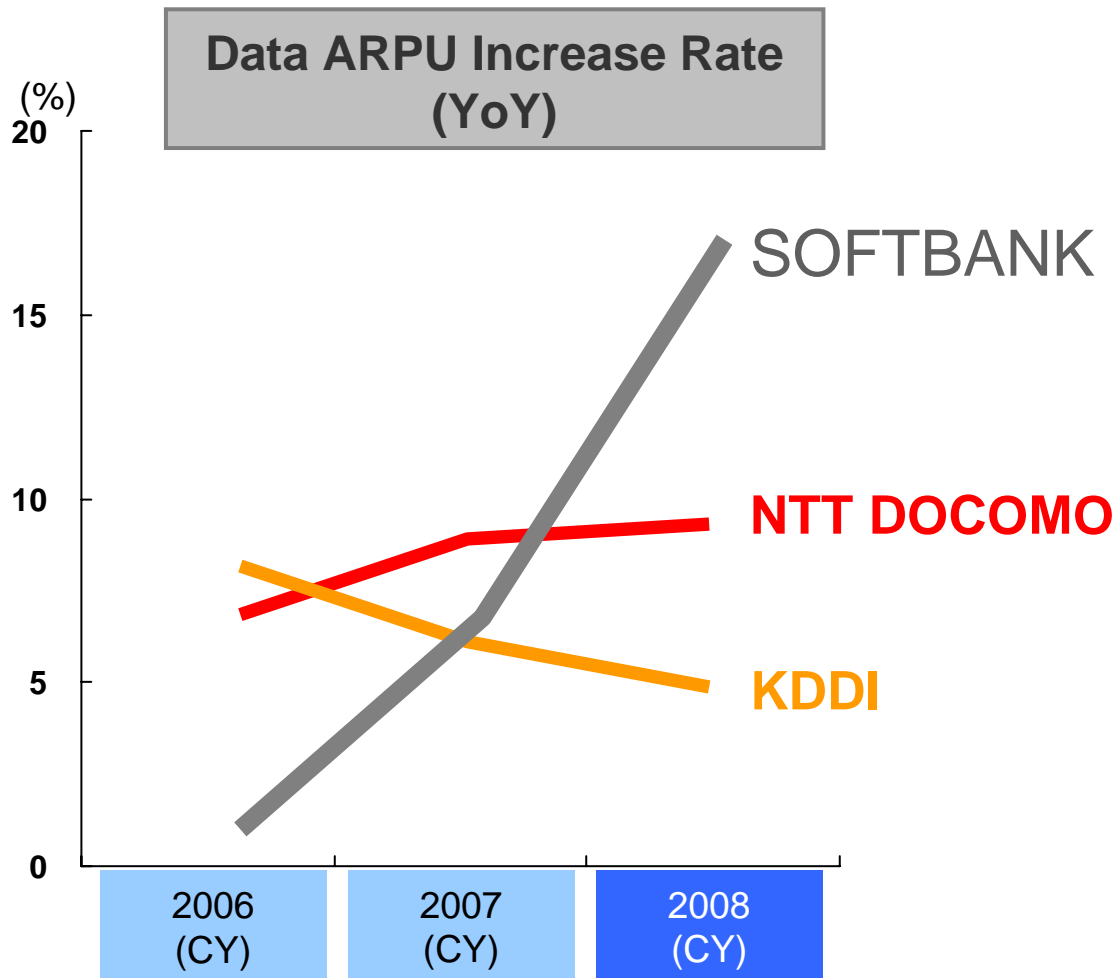
Source: CM DATABANK, monthly survey targeting 3,000 consumers for TV commercial preferences.

Increase in Total Monthly Payment Per User



* Total monthly payment per user=ARPU (average revenue per user)+handset Installment payment

Faster Growth in Data ARPU



Display prevented due to protection of rights.

Display prevented due to protection of rights.

Source: created by SOFTBANK based on the disclosed quarterly materials of each company. Comparison after converting data ARPU information on a quarterly basis to a calendar year basis.

Theme of 2009 Mobile Internet Content

Efforts Up to 2008

Up to 2008



Yahoo! Keitai



Internet Machine

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Making Mobile Internet More Fun

Up to 2008

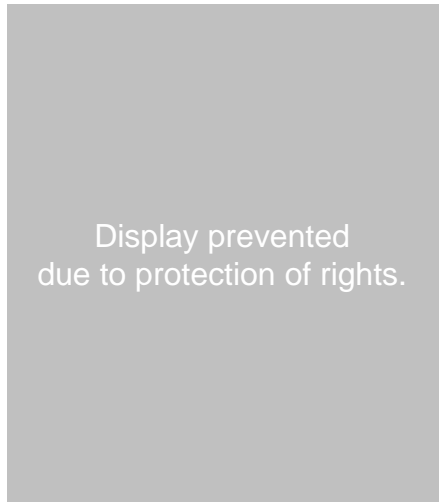
From 2009



Yahoo! Keitai



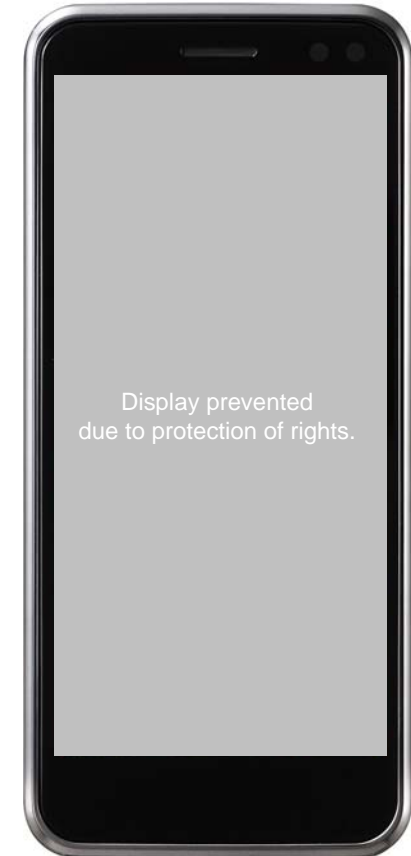
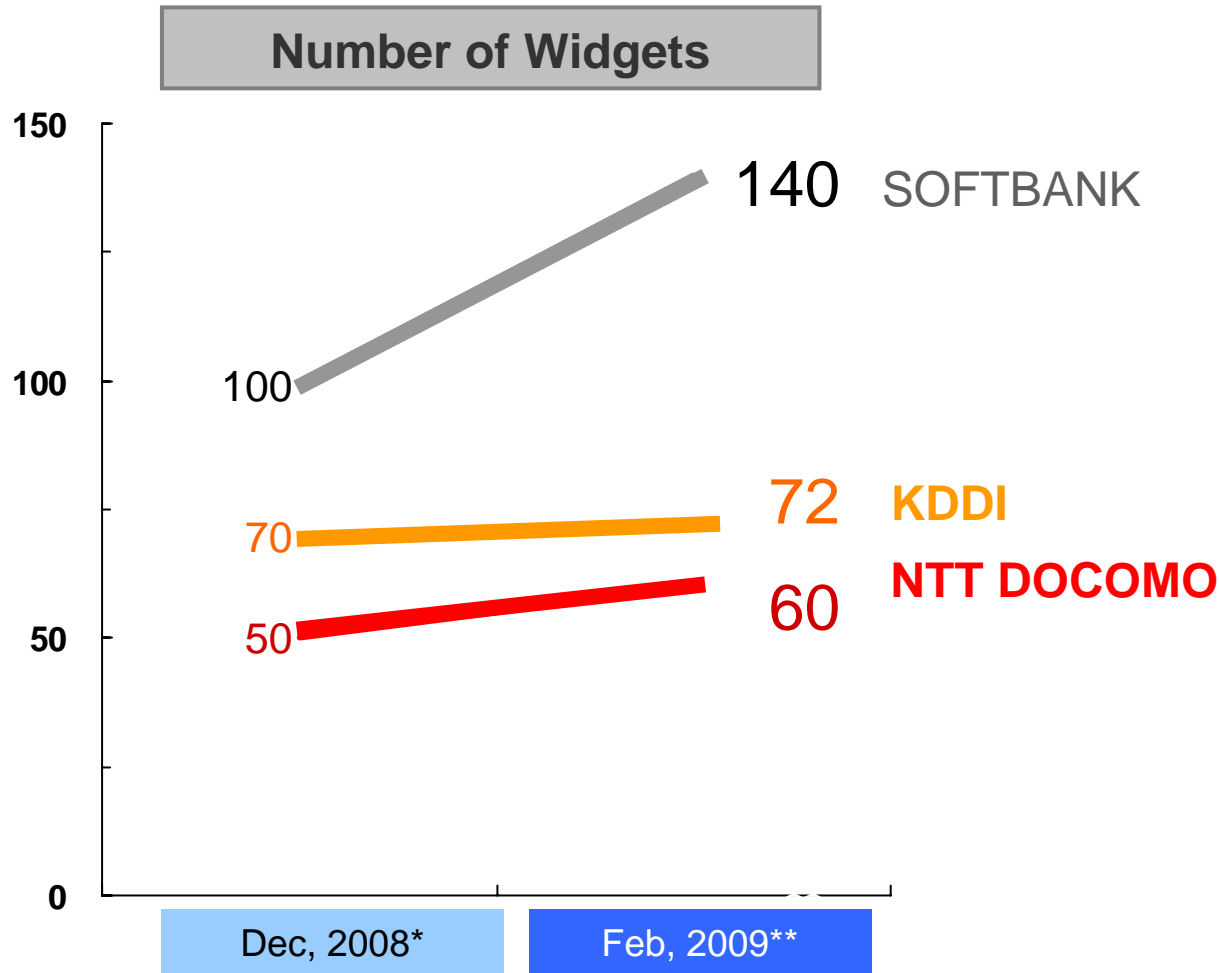
Internet Machine



MOBILE WIDGET

S-1 BATTLE

Overwhelming Others in Widget Volume



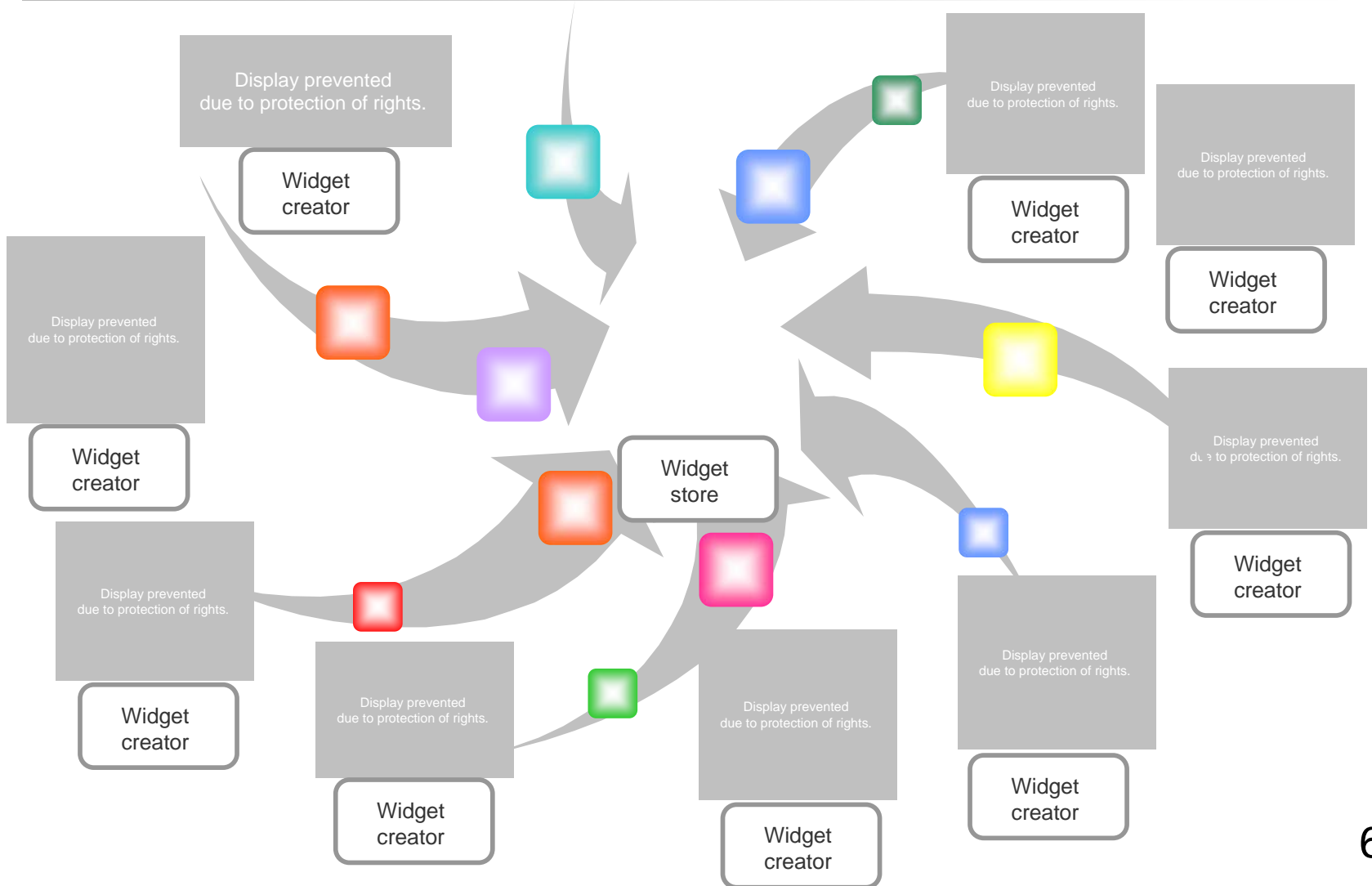
* Compared the number of 'Mobile Widget' for SOFTBANK MOBILE, the number of 'i-widget' for NTT DOCOMO and the number of 'au one gadget' for KDDI.
 ** Nikkei Communication, January 1, 2009 issue (As of December 2008)
 *** Surveyed by SOFTBANK MOBILE (as of Feb 3, 2009)

What is Widget?

Display prevented
due to protection of rights.

Application you can place on the standby screen, which allows access to information you want with a single touch

More New Widgets Coming



Show a Video Clip



FY2008 Consolidated Earnings Forecasts

<bn JPY>

	FY2007	FY2008 (latest forecast)	FY2009 (forecast)
Operating income	324.2	340.0	420.0
Free cash flow	(164.2)	150.0	250.0

Forecast raised
from 140.0bn

FY2009 Consolidated Earnings Forecast

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	FY2007	FY2008 (latest forecast)	FY2009 (forecast)
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No change in FY2009
earnings forecast



Lifestyle Company in the 21st Century



Broadband available to all living people everywhere



SOFTBANK'S Fundamental Management Policy



Endeavoring to benefit society and the economy and maximize enterprise value by fostering the sharing of wisdom and knowledge gained through the IT revolution



 SoftBank

FY2008/Q3 Appendix to the Earnings Result

(Amounts less than one billion yen are omitted. / Net Sales to external customers)

Business segment	unit	FY2006				FY2007				FY2008			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	
Mobile Communications (*1) (Core company : SOFTBANK MOBILE Corp.)	Net sales	bn JPY	231.5	350.3	426.6	422.2	389.0	419.8	403.1	406.8	370.6	399.4	374.6
	Operating income	bn JPY	27.2	29.3	56.9	42.2	43.5	50.6	53.7	26.5	44.2	43.8	46.7
	EBITDA	bn JPY	55.8	73.6	104.0	87.9	92.4	104.0	108.3	80.6	99.5	101.0	103.0
	Operating margin	%	11.7%	8.3%	13.2%	9.9%	11.1%	12.0%	13.2%	6.5%	11.9%	10.9%	12.4%
	EBITDA margin	%	24.0%	20.9%	24.2%	20.6%	23.6%	24.6%	26.7%	19.7%	26.7%	25.2%	27.3%
	Total number of subscribers	thousand	15,240	15,307	15,497	15,909	16,441	17,053	17,614	18,586	19,112	19,633	20,000
Broadband Infrastructure (Core company : SOFTBANK BB Corp.)	Net sales	bn JPY	62.7	64.6	65.3	65.9	64.3	62.4	62.8	61.7	58.7	58.1	56.9
	Operating income	bn JPY	5.4	6.1	7.7	7.3	8.6	10.3	11.3	9.4	10.4	11.7	14.3
	EBITDA	bn JPY	11.8	12.6	15.4	15.7	15.9	17.5	18.5	18.2	16.3	17.4	20.1
	Operating margin	%	8.7%	9.4%	11.5%	10.9%	13.2%	16.1%	17.6%	14.7%	17.4%	19.7%	24.6%
	EBITDA margin	%	18.7%	19.2%	22.9%	23.2%	24.3%	27.3%	28.9%	28.6%	27.3%	29.1%	34.5%
	Number of Yahoo! BB ADSL lines installed	thousand	5,089	5,146	5,161	5,164	5,134	5,042	4,943	4,809	4,653	4,551	4,427
Fixed-line Telecommunications (*2) (Core company : SOFTBANK TELECOM Corp.)	Net sales	bn JPY	81.8	84.3	81.4	84.4	77.8	80.0	78.4	88.4	78.1	78.5	79.3
	Operating (loss) income	bn JPY	1.2	(0.9)	(2.6)	(0.6)	(0.1)	0.4	1.3	1.6	0.7	4.7	5.7
	EBITDA	bn JPY	12.6	10.2	8.9	10.7	11.1	11.3	12.4	13.0	12.2	16.4	17.1
	Operating margin	%	1.4%	-	-	-	-	0.5%	1.5%	1.6%	0.9%	5.3%	6.4%
	EBITDA margin	%	14.3%	11.0%	9.5%	10.9%	12.3%	12.5%	13.8%	13.2%	13.8%	18.3%	19.0%
	number of lines installed for direct connection voice service (*2)	thousand	1,020	1,077	1,136	1,221	1,257	1,315	1,351	1,401	1,443	1,498	1,544
Internet Culture (Core company : Yahoo Japan Corporation)	Net sales	bn JPY	44.4	45.2	49.4	52.3	51.8	56.9	65.1	69.8	61.5	62.5	63.1
	Operating income	bn JPY	21.6	22.7	25.0	27.1	27.1	27.7	28.8	31.4	30.5	30.6	30.8
	EBITDA	bn JPY	23.9	25.2	27.6	29.4	29.6	30.5	31.7	34.5	33.0	33.6	34.1
	Operating margin	%	48.5%	48.7%	50.0%	51.5%	51.4%	48.2%	43.4%	44.5%	49.0%	48.4%	48.1%
	EBITDA margin	%	53.6%	54.1%	55.2%	55.7%	56.1%	53.1%	47.7%	48.9%	53.1%	53.3%	53.2%
	e-Commerce	Net sales	bn JPY	55.8	61.1	61.2	78.5	58.2	60.2	65.5	71.6	59.6	62.6
	Operating income	bn JPY	1.4	1.3	2.0	1.8	1.1	0.9	0.8	0.2	1.0	1.7	1.0
Others	Net sales	bn JPY	17.6	20.1	18.0	18.1	21.7	22.1	18.8	18.9	18.4	20.3	16.9
	Operating (loss) income	bn JPY	(0.7)	0.5	(4.0)	(0.5)	(0.6)	0.0	(2.6)	(1.8)	(0.7)	3.3	(2.8)
Elimination or corporate		bn JPY	(2.0)	(1.0)	(0.3)	(3.5)	(0.9)	(1.2)	(1.0)	(3.3)	(1.2)	(1.2)	(1.2)
Total	Net sales	bn JPY	494.2	625.9	702.1	721.8	663.0	701.6	694.0	717.4	647.2	681.7	653.2
	Operating income	bn JPY	54.3	58.1	84.7	73.7	78.7	89.0	92.4	64.0	85.0	94.9	94.6
	EBITDA	bn JPY	104.3	124.0	154.0	143.0	149.7	164.4	169.4	142.9	161.4	174.0	172.8
	Operating margin	%	11.0%	9.3%	12.1%	10.2%	11.9%	12.7%	13.3%	8.9%	13.1%	13.9%	14.5%
	EBITDA margin	%	21.1%	19.8%	21.9%	19.8%	22.6%	23.4%	24.4%	19.9%	24.9%	25.5%	26.5%

*1 : SOFTBANK CORP. ("SOFTBANK") acquired SOFTBANK MOBILE Corp. (former Vodafone K.K., "SOFTBANK MOBILE") in April 2006, and the Mobile Communications business segment was established at this time.
The financial results of SOFTBANK MOBILE were consolidated from May 2006 on.

*2 : SOFTBANK TELECOM started the "Otoku-line" direct fixed-line voice service. In June 2006, SOFTBANK TELECOM acquired the direct connection voice services of HEISEI DENDEN CO., LTD.

*3 : SOFTBANK applied the "Practical solution on accounting for revenue recognition of software" from FY2006/Q1.