

# Earnings Results for the Year Ended March 31, 2011

## Analyst Meeting



May 10, 2011

**SOFTBANK CORP.**

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## Application of “Accounting Standard for Disclosures about Segments of an Enterprise and Related Information”

The “Accounting Standard for Disclosures about Segments of an Enterprise and Related Information” and related “Guidance on the Accounting Standard for Disclosures about Segments of an Enterprise and Related Information” are being applied from FY2010 and are hereafter referred to as the “new standard.” Segment financial results for FY2009 are shown based on the new standard for comparison purposes only and have neither been audited nor reviewed by our independent auditors. All segment financial information for FY2009 presented herein based on the new standard are subject to our audited and reviewed financial reports for the relevant corresponding periods.

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# Accounting



Kazuko Kimiwada

General Manager

Accounting, Internal Control

SOFTBANK CORP.

## Consolidated P/L Analysis

# Consolidated P/L Summary

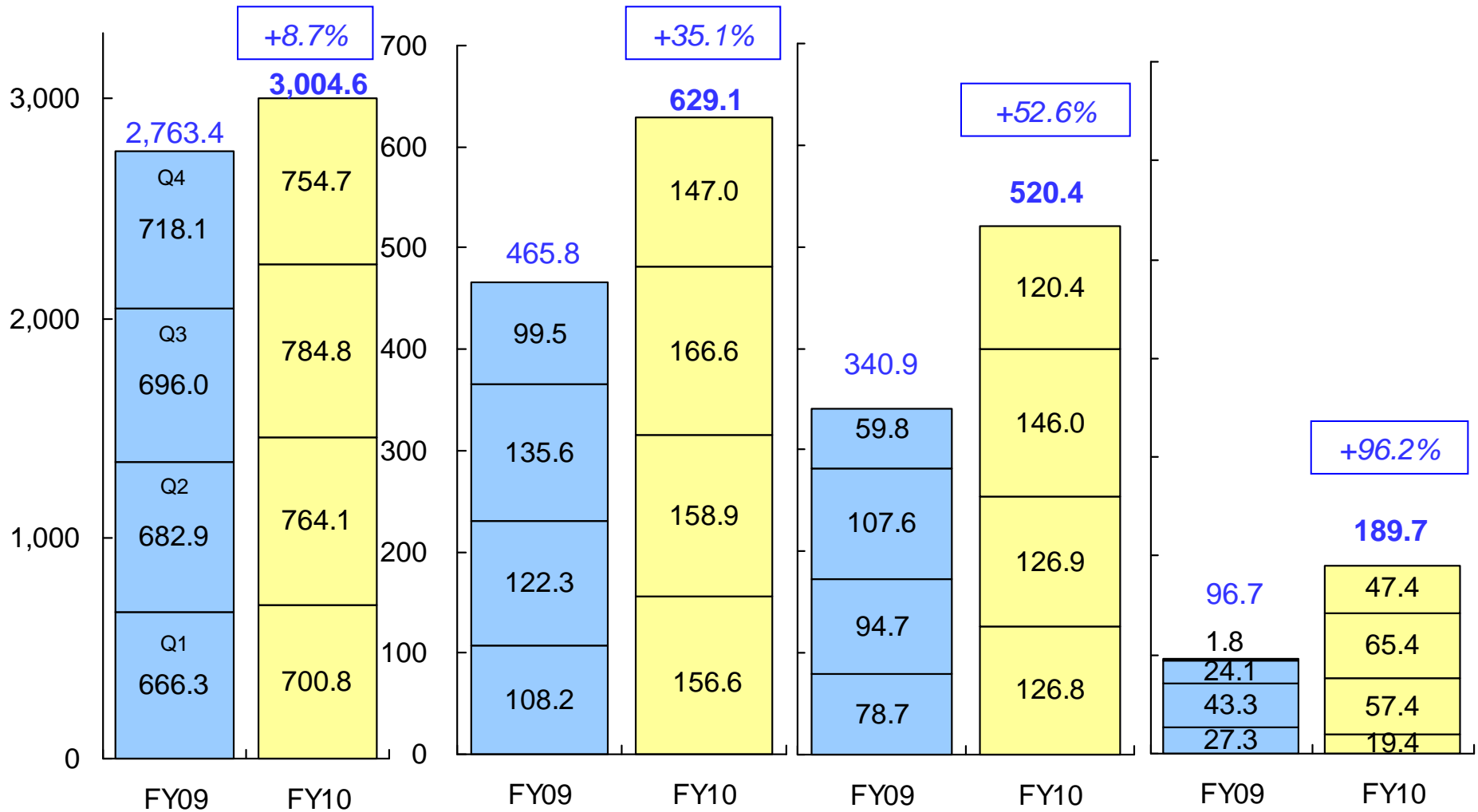
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Net Sales

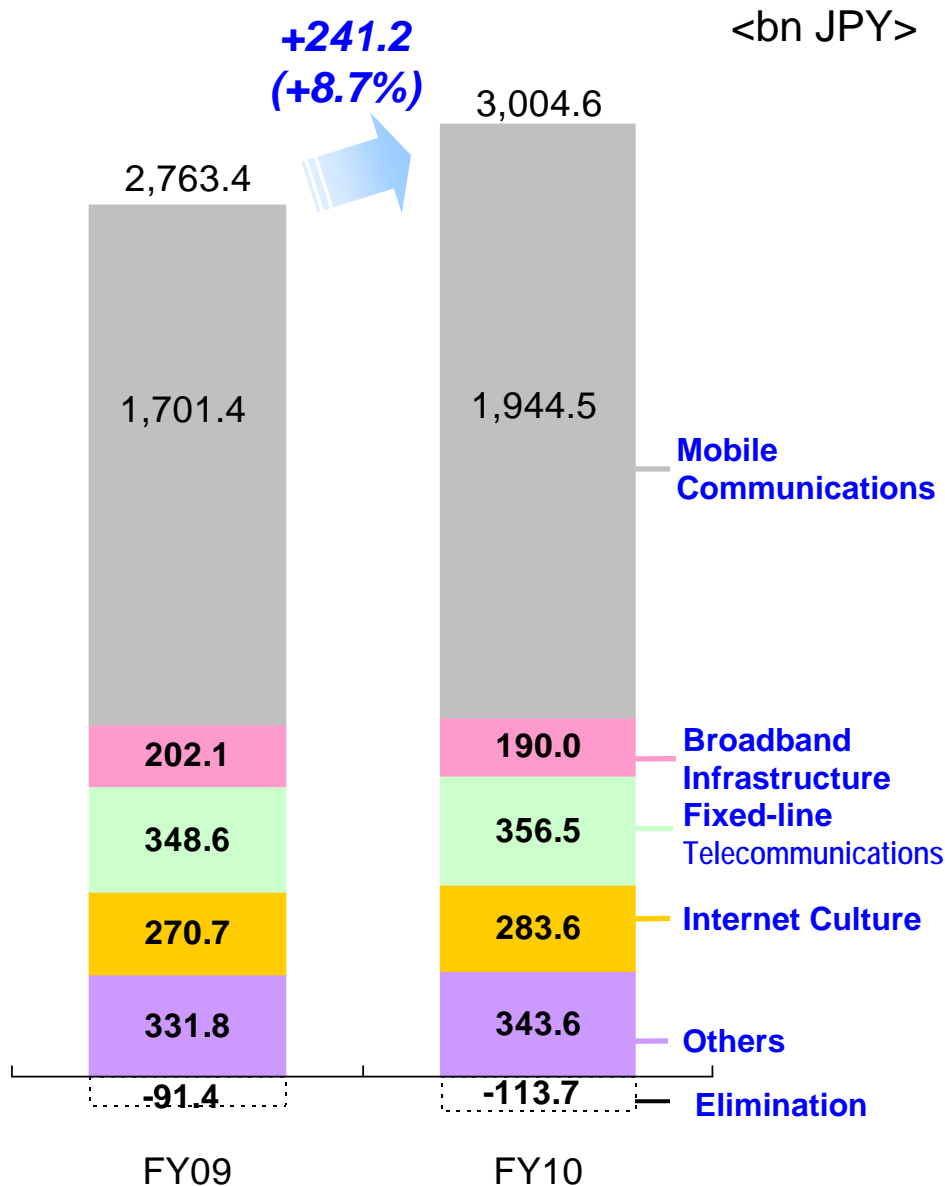
Operating Income

Ordinary Income

Net Income



# Consolidated Net Sales



## Mobile Communications +243.1bn

- Increase in telecom service revenue +149.7bn
- ( Increase in subscribers +106.2bn )
- ( Increase in ARPU +38.8bn )
- Increase in revenue from sales of mobile handsets and accessories +97.5bn

## Broadband Infrastructure -12.0bn

- Main factors for the change
- ( Decrease in the number of *Yahoo! BB ADSL* charged lines )
- ( Increase in *Yahoo! BB Hikari with FLET'S* sales )

## Fixed-line Telecommunications +7.8bn

- Main factors for the change
- ( Increase in *OTOKU Line* sales )
- ( Decrease in *MYLINE* sales )
- ( Increase in revenue from network provision to Group companies such as SBM (inter-segment sales) )

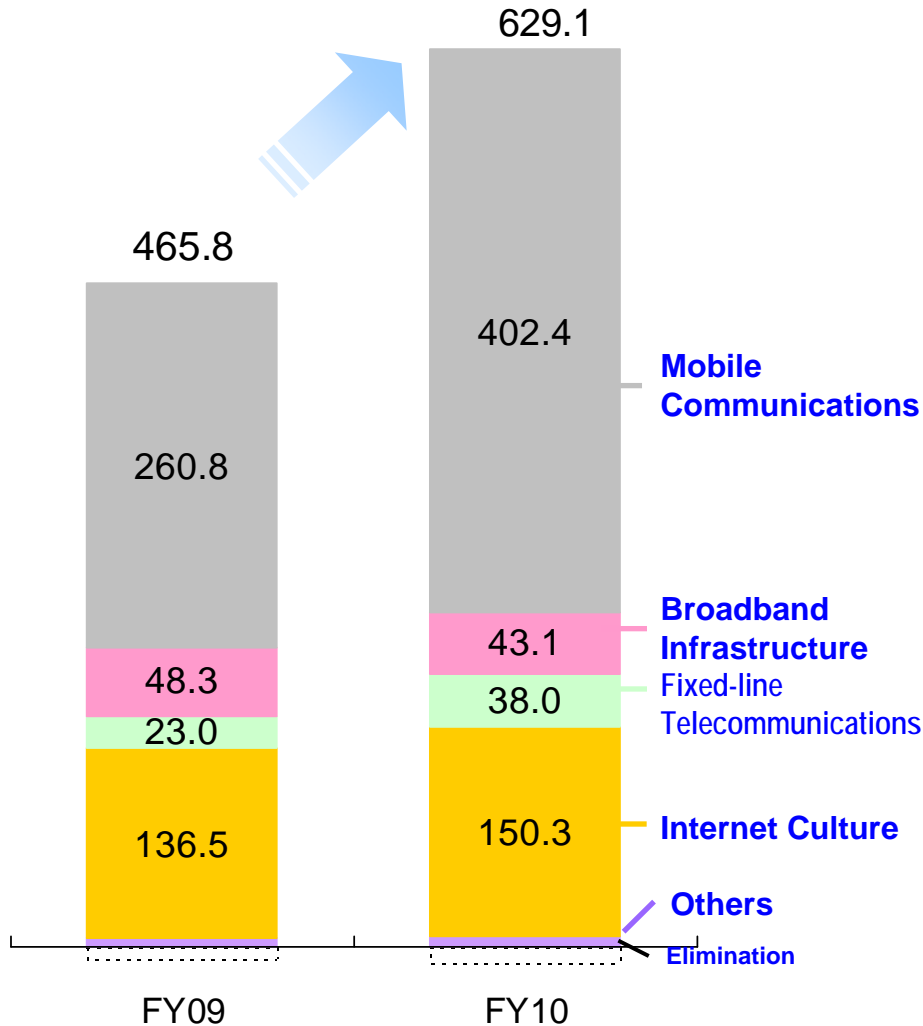
## Internet Culture +12.8bn

- Main factors for the change
- ( Revenue increase from greater advertising amount )
- ( Increase in revenue from information listing services, etc. )

# Consolidated Operating Income

**+163.2**  
**(+35.1%)**

<bn JPY>



## Mobile Communications **+141.5bn**

- Increase in net sales +243.1bn
  - Increase in COS, SGA -101.6bn
- (main factors for the change)
- Increase in COS on the increase in the number of handsets shipped
  - Decrease in depreciation mainly as a result of 2G service termination
  - Increase in sales commission and sales promotion expense as a result of increased number of handsets sold

## Broadband Infrastructure **-5.2bn**

- Decrease in net sales -12.0bn
  - Decrease in COS, SGA +6.8bn
- (main factors for the change)
- Decrease in COS reflecting the net sales decrease
  - Increase in sales commission and sales promotion expense

## Fixed-line Telecommunications **+14.9bn**

- Increase in net sales +7.8bn
  - Decrease in COG, SGA +7.0bn
- (main factors for the change)
- Decrease in lease payments on equipment for *OTOKU Line*
  - Decrease in sales commission and sales promotion expense

## Internet Culture **+13.7bn**

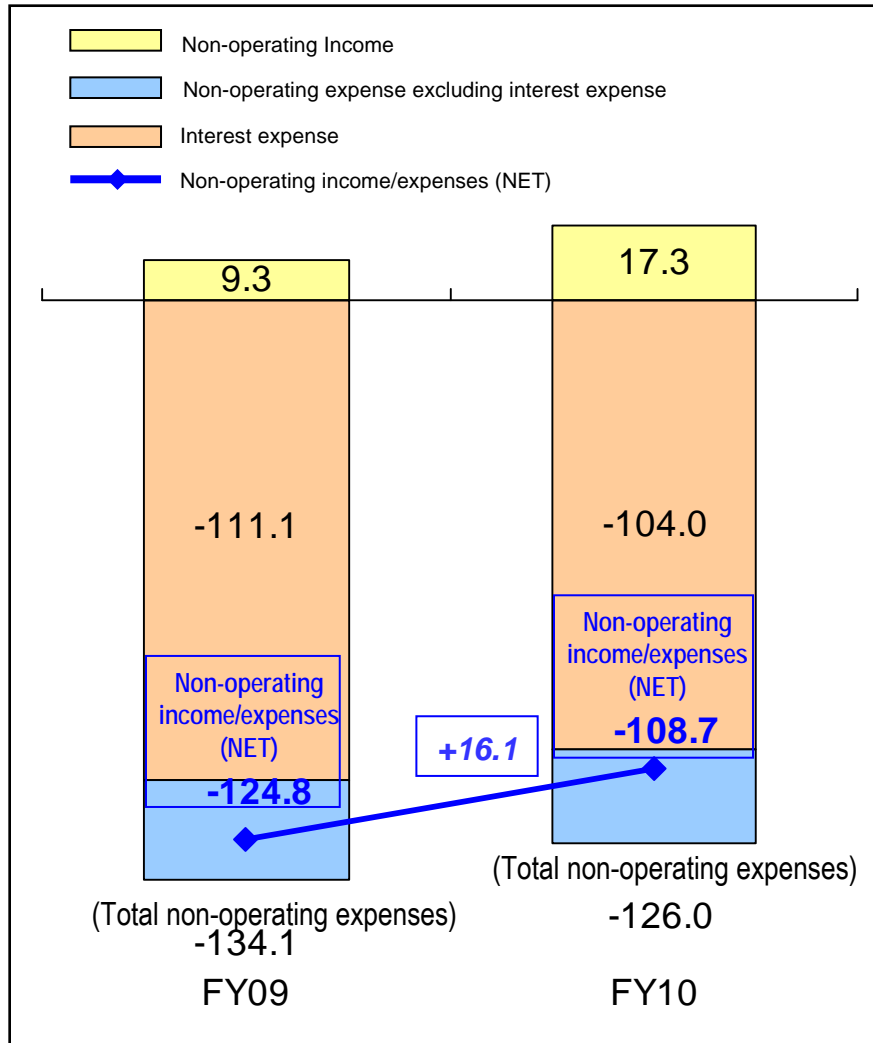
- Increase in net sales +12.8bn



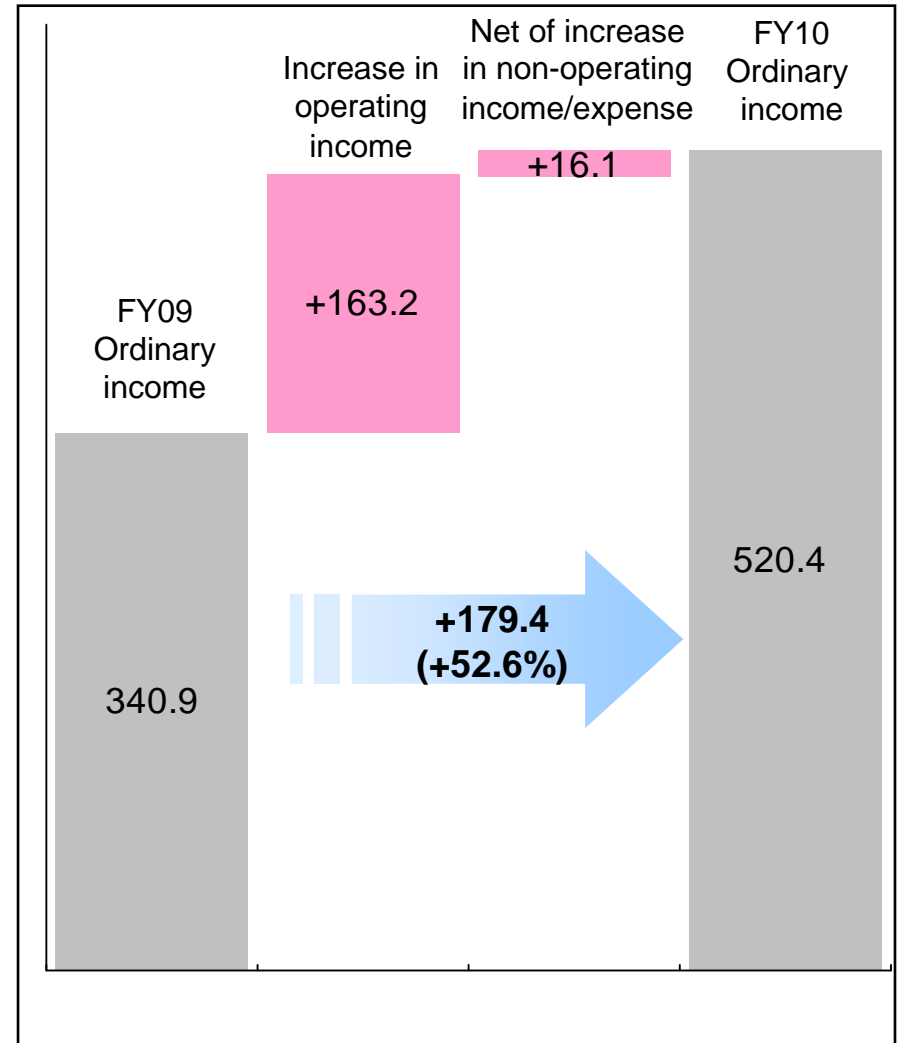
# Non-operating Income/Expense and Ordinary Income

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## Non-operating Income/Expense



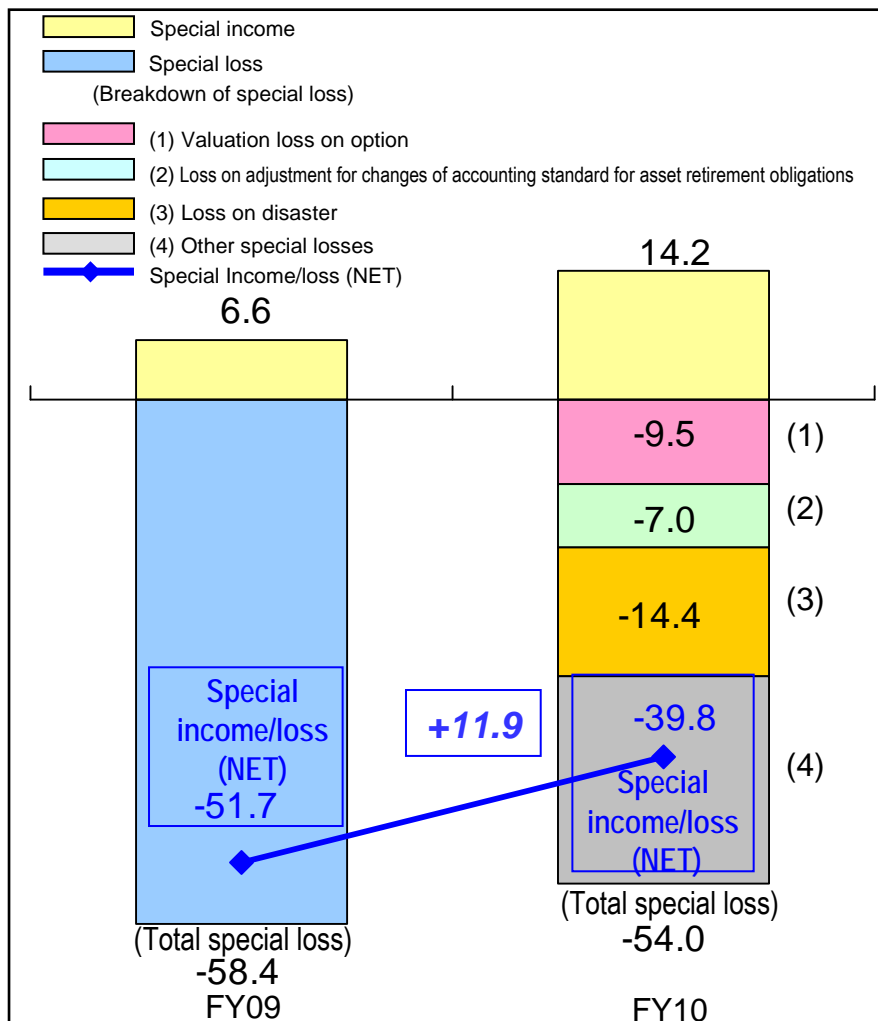
## Ordinary Income



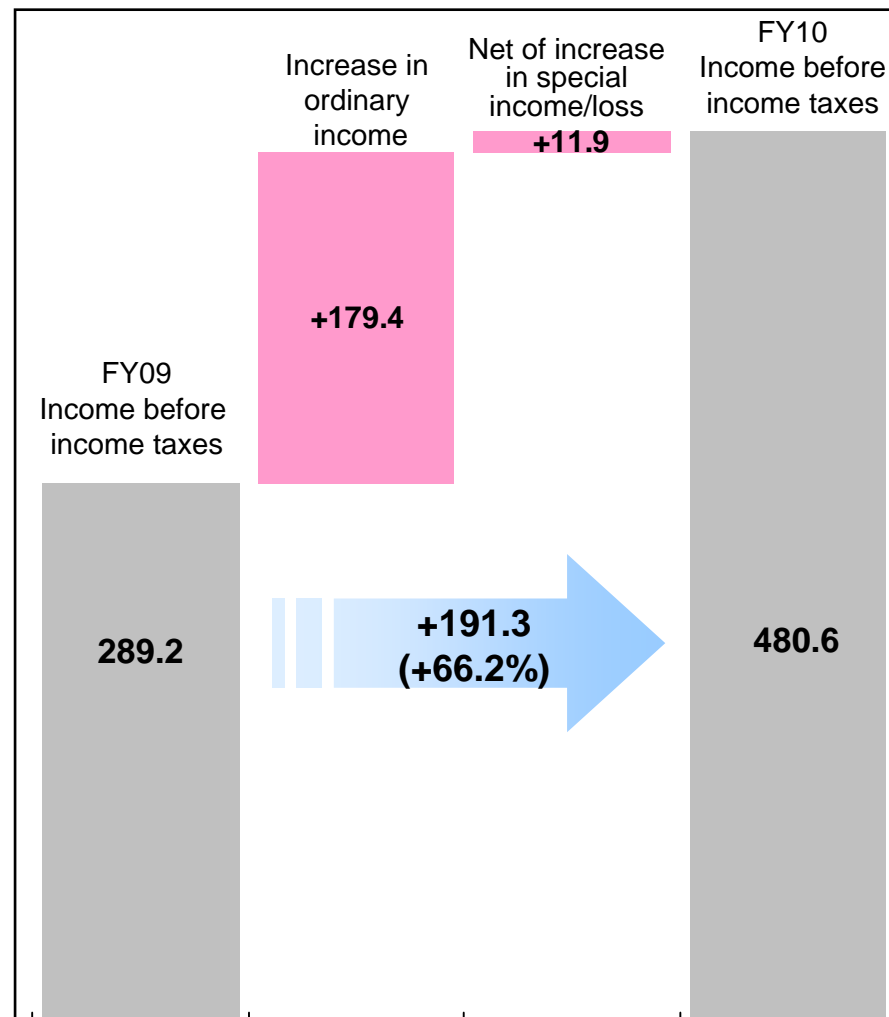
# Special Income/Loss and Income Before Income Taxes

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## Special Income/Loss



## Income Before Income Taxes and Minority Interests

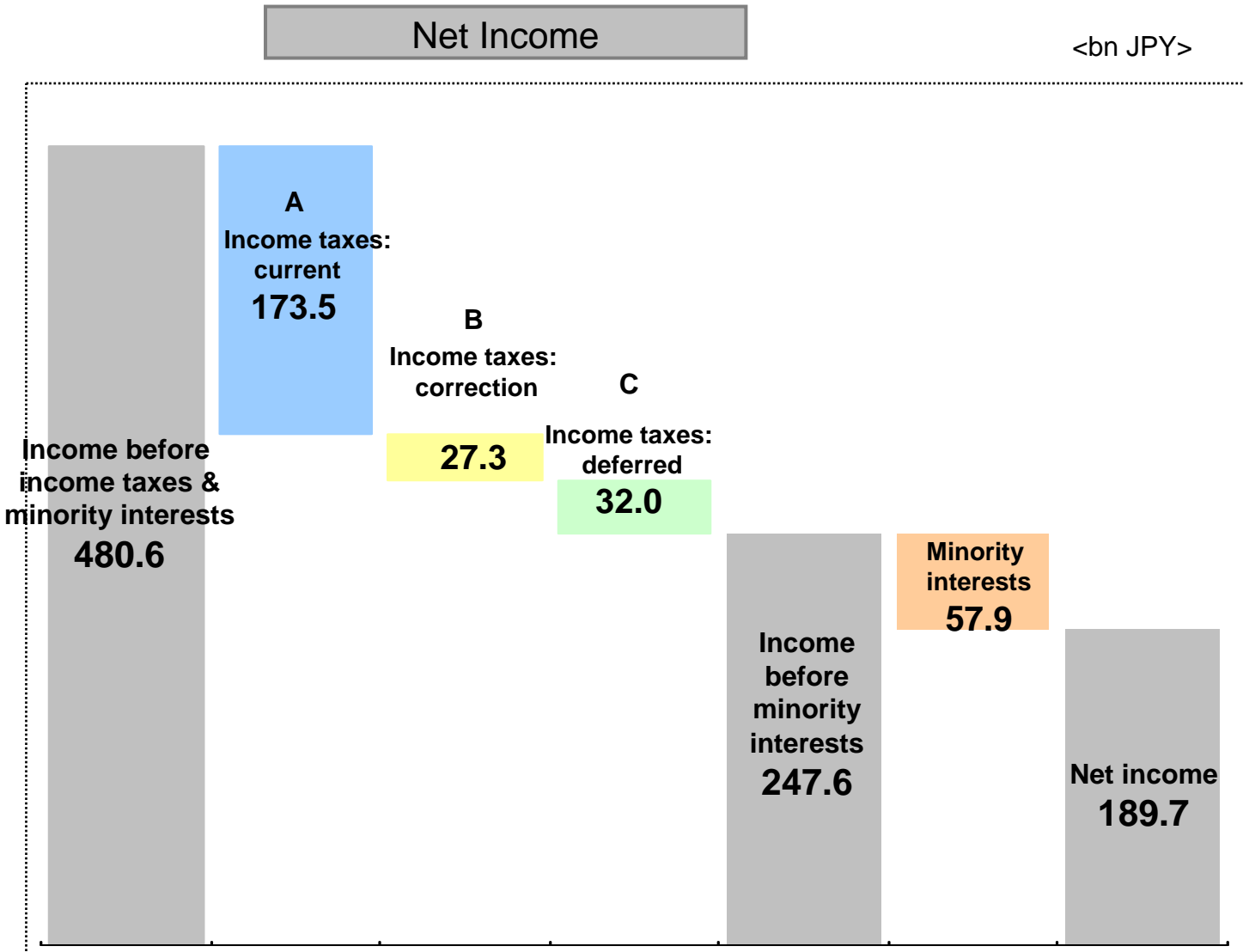


# (Reference) Impact from Great East Japan Earthquake

Special loss recorded in relation to  
Great East Japan Earthquake occurred in March 2011

Item	Amount (bn JPY)	Details
Loss on damage and restoration expenses for telecommunications network	6.2	Loss on retirement and demolition of telecommunications network such as base stations due to the earthquake Removal, restoration, and check up expenses for the assets described above
Loss on exemption of receivables from customers and additional allowance for doubtful accounts	3.6	Exemption of receivables from customers afflicted by the disaster Additional allowance for doubtful accounts deemed to be uncollectable
Loss on non cancelable advertisement contracts which were already ordered	2.0	TV and newspaper ads, etc.
Others	2.5	Lending of mobile phone handsets free of charge and replacement expenses of customer premises equipment Business consignment expenses for call centers to support customers corresponding to the earthquake disaster Supporting expenses for damaged agencies, and others
Total loss on disaster	14.4	

# Net Income



# (Reference) Comprehensive Income

Comprehensive income:

“the change in equity [net assets] of a business enterprise during a period from transactions and other events and circumstances from non-owner sources. It includes all changes in equity during a period except those resulting from investments by owners and distributions to owners”

>>Change in equity other than investments by owners & distributions to owners

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	B/S FY09/Q4 Balance a	Movement during FY10			B/S FY10/Q4 Balance (a + b - c + d)	PL (b - c)
		Compre- hensive Income b	(Adjustment) Reversal of minority interest equivalent c	(Adjustment) Deduction of share of other comprehensive income of associates accounted for using equity method d		
Income before minority interests		247.6	57.9			189.7
Other comprehensive income			Minority Interests in Net Income		Net Income	
Unrealized gain on available-for-sale securities	43.8	-6.8	1.8	-0.2	34.9	
Deferred gain on derivatives under hedge accounting	14.5	-3.1	0.1	-	11.2	
Foreign currency translation adjustment	-32.5	-10.1	0.2	-7.2	-50.2	
Share of other comprehensive income of associates accounted for using equity method*1		-7.5		+7.5	-	
Total other comprehensive income	25.8	-27.7	2.2	-	-4.0	
Comprehensive income		219.9	60.1			159.7

\*1. Separately indicates the share of other comprehensive income of associates accounted for using equity method included in other accounts of comprehensive income

Comprehensive income attributable to minority interests

Comprehensive income attributable to owners of the parent

# Tax and Other Adjustments

## FY10 Main Breakdown of Tax Expenses

< bn JPY >

<b>A</b>	<b>Income taxes: current</b>		173.5
	(main breakdown)		
	1. Yahoo Japan	58.7	
	2. SBM local taxes (out of scope for BBM consolidated tax return)	38.9	
	3. BBM income taxes under consolidated tax return (all loss carryforwards fully utilized in the previous fiscal year)	61.0	
<b>B</b>	<b>Income taxes: correction</b> (mainly Yahoo Japan)		27.3
<b>C</b>	<b>Income taxes: deferred</b>		32.0
	(main breakdown)		
	4. SBM decrease in temporary difference (mainly depreciation)	28.2	
	5. SBB decrease in temporary difference, utilization of loss carryforwards	12.8	
	6. SBM depreciation and amortization adjustments (occurred at time of SBM acquisition)	11.2	
	7. SBTM differed tax assets	-17.0	
	8. Other temporary difference	-3.1	
	<b>Total income taxes (A+B+C)</b>		232.9

# Difference in Tax Rate & Loss Carryforwards (Ref.)

## FY10 Reconciliation Between Statutory Tax Rate and Effective Tax Rate

	Rate (%)	<ref.> Amount (bn JPY)
Income before income tax		480.6
Statutory income tax rate	40.7%	195.5
(main factors of difference)		
- Income taxes: correction	5.7%	27.3
- Amortization of goodwill (mainly SOFTBANK MOBILE)	5.1%	24.4
- Change in valuation allowance	-5.1%	-24.2
- Consolidation adjustments resulting from gain on sale of investments in consolidated subsidiaries	4.2%	20.0
- Others	-2.1%	-10.2
Effective income tax rate	48.5%	232.9

### <Reference> Loss Carryforwards (March 2011)

<bn JPY>

Company Name	FY09/Q4 Balance (taxable income based)	Occurred During FY10 (taxable income based)	Utilized During FY10 (taxable income based)	Other Variances	FY10/Q4 Balance (taxable income based)	Deferred Tax Assets (tax based)	Expiry Date
SOFTBANK TELECOM	79.5	-	-3.5	-	75.9	31.9	Mar 2013-Mar 2016
SOFTBANK BB	22.0	-	-11.5	-	10.5	4.3	Mar 2013-Mar 2018
Others	117.5	21.4	-25.0	-5.1	108.7	42.9	Mar 2012-Mar 2018
Total	219.1	21.4	-40.1	-5.1	195.2	79.1	

Valuation allowance

-45.9

Deferred tax assets relating to loss carryforwards on B/S (total amount)

33.2

# Scope of Consolidation/Scope of Equity Method

	Number of Companies	Name of Core Companies
Consolidated subsidiaries	117	SOFTBANK MOBILE, SOFTBANK BB, SOFTBANK TELECOM, Yahoo Japan, SOFTBANK Holdings Inc., etc.
Newly consolidated subsidiaries	12	* Impacts by the changes in scope of consolidation of SAIF (SAIF and its 6 consolidated subsidiaries )
Subsidiaries excluded from consolidation	4	
Non-consolidated subsidiaries (3=1+2)	61	Insignificant small companies
Non-consolidated subsidiaries under the equity method (1)	4	
Entities newly accounted under the equity method	-	
Entities newly excluded from the equity method	2	
Affiliated companies under the equity method	69	Gung Ho Online Entertainment, Alibaba Group Holding Limited, Renren Inc. (former Oak Pacific Interactive), etc.
Entities newly accounted under the equity method	24	*Impact of the changes in scope of consolidation of SAIF (SAIF and its 12 affiliated companies under the equity method ), USTREAM, Inc., Wireless City Planning Inc., PPLive Corporation (former Synacast Corporation), etc.
Entities no longer accounted under the equity method	13	*SAIF
Non-consolidated subsidiaries not under the equity method (2)	57	Insignificant small companies
Affiliated companies not under the equity method (4)	23	Insignificant small companies

## Net loss, interest-bearing debt at non-consolidated subsidiaries and affiliates not accounted for under the equity method

	Number of Companies	Net Loss (after consideration of economic interest)	Interest-bearing Debt (not within the SB Group)
Non-consolidated subsidiaries (3)	61	JPY 0.00bn	JPY 0.34bn
Affiliates not accounted for by the equity method (4)	23	JPY -0.24bn	-

Note 1: the impact of changes in scope of consolidation of SB Asia Infrastructure Fund L.P. (SAIF):

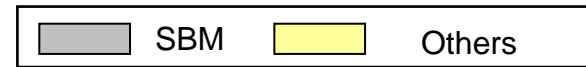
Effective April 1, 2010, certain subsidiaries of the Company that apply generally accepted accounting principles in the United States of America adopted Accounting Standards Codification (ASC) 810, Consolidations. As a result of the application of the accounting standard, the scope of SAIF changed from an affiliate under equity method to a consolidated subsidiary. The number of companies moved due to this change was; 7 newly consolidated companies, 12 companies newly accounted under the equity method, and 1 company no longer accounted under the equity method.

2: SOFTBANK CORP. 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 and not included in any of the above figures.



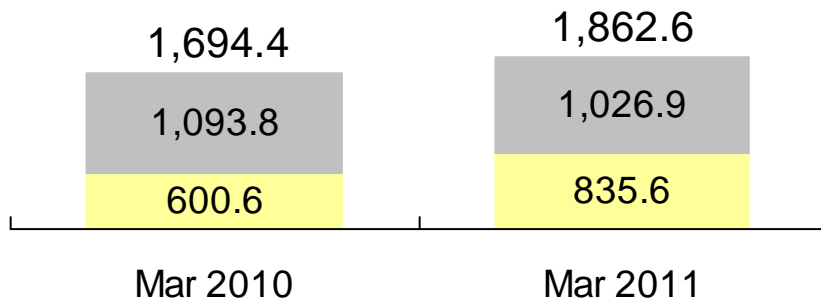
## Consolidated B/S Analysis

# Consolidated B/S Summary

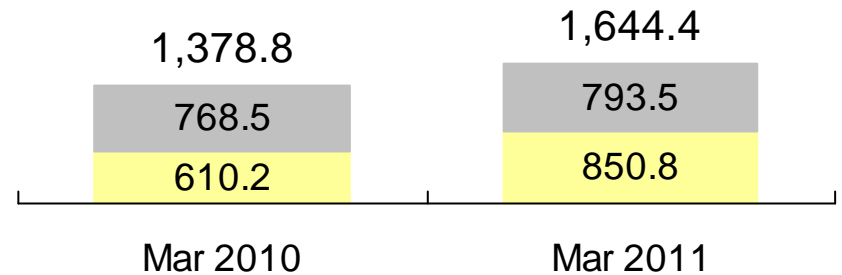


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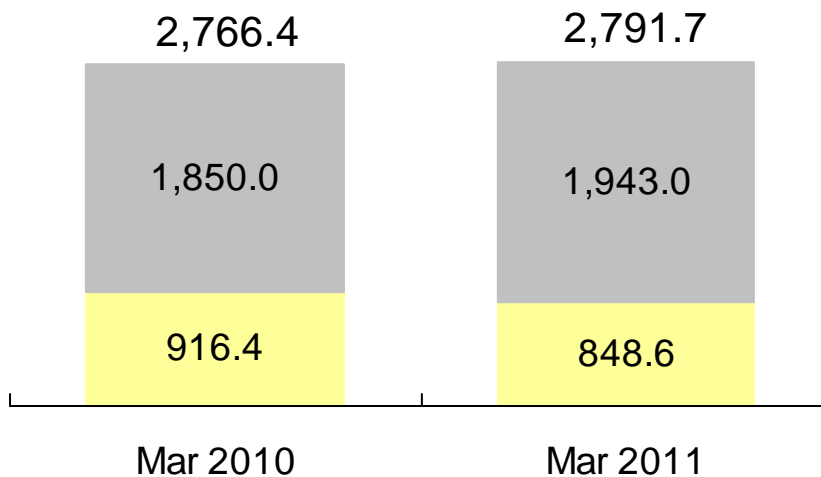
Current Assets



Current Liabilities



Fixed Assets



Long-term Liabilities



# Consolidated B/S (1) Current Assets

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Assets	Mar 2010	Mar 2011	Variance	Outline
Current assets	1,694.4	1,862.6	168.1	
SBM	1,093.8	1,026.9	-66.8	
Others	600.6	835.6	235.0	
Cash and deposits	690.0	861.6	171.6	
SBM	360.1	408.0	47.9	Increase provided by operating activities (+624.1), outlay due to acquisition of fixed assets (-145.0) repayment of SBM loan(-214.1) Securitization of installment sales receivables (procured +10.0, repaid -179.9) Payment of additional entrustment for debt assumption (-75.0) Sale and lease back of equipment newly acquired (procured +86.4, repaid -138.9)
Others	329.9	453.5	123.6	SB Non-consolidated: Mar 10 (125.8) >> Mar 11 (199.0) Breakdown: 31 <sup>st</sup> to 35 <sup>th</sup> Unsecured Straight Corporate Bond issue (+233.9), Borrowings (+217.0), CP (+25.0), Redemption of 22 <sup>th</sup> & 24 <sup>th</sup> Unsecured Straight Corporate Bond and Euro-denominated Senior Notes Due 2013 (-105.5) Purchase of marketable and investment securities (-64.8), acquisition of BBM preferred stock and Vodafone subordinated loan (-212.5), Yahoo Japan: Mar 10 (126.9) >> Mar 11 (173.8)
Notes and accounts receivable-trade	816.5	657.7	-158.7	
SBM	642.1	498.1	-144.0	Mobile handset installment sales receivables Mar 10 (432.2) >> Mar 11 (252.1) including sale of installment sales receivables (-239.9) Telecom revenue receivables Mar 10 (141.4) >> Mar 11 (172.3) Mobile handsets sales receivables (to sales agents) Mar 10 (62.7) >> Mar 11 (68.0)
Others	174.3	159.6	-14.7	SBB: Mar 10 (67.3) >> Mar 11 (58.5), SBTM: Mar 10 (49.5) >> Mar 11 (44.8)
Marketable securities	4.3	78.0	73.7	
SBM	-	-	-	
Others	4.3	78.0	73.7	SBH: transfer of Yahoo! Inc shares from Investment Securities (+73.5)*
Merchandise and finished products	37.0	49.8	12.8	
SBM	25.9	38.6	12.6	
Others	11.0	11.2	0.1	
Deferred tax assets	74.2	90.9	16.6	
SBM	49.7	45.2	-4.4	
Others	24.5	45.6	21.0	
Others	106.7	162.0	55.3	
SBM	44.1	68.9	24.8	
Others	62.6	93.1	30.5	SBH: transfer of derivative assets from fixed assets (+22.2)*
Allowance for doubtful accounts	-34.5	-37.7	-3.2	
SBM	-28.3	-32.0	-3.7	
Others	-6.2	-5.6	0.5	

SB Non-consolidated: SOFTBANK SBM: SOFTBANK MOBILE BBM: BB Mobile SBB: SOFTBANK BB SBTM: SOFTBANK TELECOM SBH: SOFTBANK Holdings Inc.

\*Please refer to page 13 of SOFTBANK CORP. Consolidated Financial Report For the fiscal year ended March 31, 2011.

# Consolidated B/S (2) Tangible Assets

<bn JPY>

Assets	Mar 2010	Mar 2011	Variance	Outline
Fixed assets	2,766.4	2,791.7	25.2	
SBM	1,850.0	1,943.0	92.9	
Others	916.4	848.6	-67.7	
Property and equipment, net	950.7	1,113.4	162.7	
SBM	660.0	809.6	149.5	
Others	290.6	303.8	13.1	
Building and structures	68.1	74.8	6.6	
SBM	26.4	26.3	-0.0	
Others	41.7	48.4	6.7	
Telecommunications equipment	706.2	840.8	134.5	
SBM	577.9	713.5	135.5	Acquisition of telecommunications equipment (+230.9) Acquisition of antenna equipment (+14.0) Depreciation etc. (-86.8)
Others	128.2	127.2	-1.0	SBTM: Mar 10 (96.1) >> Mar 11 (98.1) SBB: Mar 10 (26.5) >> Mar 11 (23.3)
Telecommunications service lines	72.9	68.8	-4.1	
SBM	8.0	7.4	-0.6	
Others	64.8	61.3	-3.5	SBTM: Mar 10 (64.8) >> Mar 11 (61.3)
Land	22.4	22.8	0.4	
SBM	10.7	10.9	0.1	
Others	11.6	11.9	0.3	
Construction in progress	34.6	55.6	21.0	
SBM	17.0	34.5	17.4	
Others	17.6	21.1	3.5	
Other	46.2	50.3	4.1	
SBM	19.7	16.7	-2.9	
Others	26.4	33.5	7.0	

# Consolidated B/S (3) Intangible Assets

<bn JPY>

Assets	Mar 2010	Mar 2011	Variance	Outline
Fixed assets	2,766.4	2,791.7	25.2	
Intangible assets, net	1,152.3	1,120.3	-32.0	
SBM	1,021.3	1,002.0	-19.2	
Others	131.0	118.3	-12.7	
Goodwill	900.7	839.2	-61.5	
SBM	827.1	775.7	-51.4	Decrease due to regular amortization
Others	73.6	63.5	-10.1	Decrease due to regular amortization
Software	208.9	248.8	39.9	
SBM	177.3	220.3	43.0	
Others	31.5	28.4	-3.1	
Other	42.7	32.2	-10.4	
SBM	16.8	5.9	-10.9	
Others	25.8	26.2	0.4	
Investments and other assets	663.3	557.9	-105.4	
SBM	168.6	131.3	-37.2	
Others	494.7	426.5	-68.1	
Investment securities and Investment In unconsolidated sub & affiliates	370.0	340.4	-29.5	
SBM	1.4	0.8	-0.5	
Others	368.5	339.5	-29.0	SBH: transfer of Yahoo! Inc shares to current assets (-81.6)*, Impacts by the changes in scope of consolidation of SAIF (+22.2) Additional investments in Renren Inc. and investment in PPLive Corporation, Zynga Game Network Inc.
Deferred tax assets	152.6	109.1	-43.5	
SBM	124.3	90.7	-33.5	
Others	28.3	18.4	-9.9	
Other	164.9	123.3	-41.5	
SBM	60.0	49.3	-10.7	
Others	104.8	73.9	-30.8	SBH: transfer of derivative assets to current assets (-25.9) *
Allowance for doubtful accounts (long-term)	-24.2	-15.0	9.2	
SBM	-17.1	-9.5	7.6	
Others	-7.0	-5.4	1.6	
Deferred charges	1.9	1.3	-0.5	
SBM	-	-	-	
Others	1.9	1.3	-0.5	

SBM: SOFTBANK MOBILE SBH: SOFTBANK Holdings Inc. SAIF: SB Asia Infrastructure Fund L.P., PPLive Corporation: changed from Synacast Corporation in April 2011

\*Please refer to page 14 of SOFTBANK CORP. Consolidated Financial Report For the fiscal year ended March 31, 2011.

# Consolidated B/S (4) Current Liabilities

<bn JPY>

Liabilities	Mar 2010	Mar 2011	Variance	Outline
Long-term liabilities	1,378.8	1,644.4	265.5	
SBM	768.5	793.5	24.9	
Others	610.2	850.8	240.5	
Accounts payable-trade	158.9	193.6	34.7	
SBM	93.1	133.9	40.8	
Others	65.8	59.7	-6.1	SBB: Mar 10 (43.4) >> Mar 11 (39.3) SBTM: Mar 10 (3.9) >> Mar 11 (4.2)
Short-term borrowings	437.9	410.9	-27.0	
SBM	175.4	49.9	-125.5	Repayment of installment sales receivables
Others	262.4	361.0	98.5	SB Non-consolidated: Mar 10 (243.2) >> Mar 11 (263.6) Yahoo Japan: Mar 10 (10.0) >> Mar 11 (-) SBH: transfer of borrowings premised on delivery of Yahoo! Inc. shares from long-term borrowings (+92.7) *
Commercial paper	-	25.0	25.0	
SBM	-	-	-	
Others	-	25.0	25.0	SB Non-consolidated: Mar 10 (-) >> Mar 11 (25.0)
Current portion of corporate bonds	54.4	128.5	74.1	
SBM	-	-	-	
Others	54.4	128.5	74.1	SB Non-consolidated: transfer from long-term account of 25 <sup>th</sup> &27 <sup>th</sup> Unsecured Straight Corporate Bond (+113.5) Redemption of 22 <sup>th</sup> & 24 <sup>th</sup> Unsecured Straight Corporate Bond (-54.4) SBTM: transfer of 2nd series Unsecured Straight Bond from long-term account (+15.0)
Accounts payable-other	451.4	561.4	110.0	
SBM	358.5	453.3	94.8	Payment of additional entrustment for debt assumption (-75.0) Accounts payable related to facilities (+177.0)
Others	92.8	108.0	15.1	
Current portion of lease obligations	109.7	131.3	21.5	
SBM	100.4	111.4	11.0	
Others	9.3	19.8	10.4	
Other	166.3	193.5	27.1	
SBM	41.0	44.8	3.8	Income taxes payable etc. (local taxes) Mar 11 (29.6)
Others	125.3	148.7	23.3	Income taxes payable etc. at BBM: Mar 11 (50.9), Yahoo Japan: Mar 11 (32.4)

SB Non-consolidated: SOFTBANK SBM: SOFTBANK MOBILE SBB: SOFTBANK BB SBTM: SOFTBANK TELECOM SBH: SOFTBANK Holdings Inc. BBM: BB Mobile

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\*Please refer to page 14 of SOFTBANK CORP. Consolidated Financial Report For the fiscal year ended March 31, 2011.

# Consolidated B/S (5) Long-term Liabilities

<bn JPY>

Liabilities	Mar 2010	Mar 2011	Variance	Outline
Long-term liabilities	2,120.0	2,131.6	11.6	
SBM	1,426.4	1,058.8	-367.6	
Others	693.5	1,072.8	379.2	
Corporate bonds	448.5	507.3	58.8	
SBM	-	-	-	
Others	448.5	507.3	58.8	SB Non-consolidated: 31 <sup>st</sup> to 35 <sup>th</sup> Unsecured Straight Corporate Bond issue (+235.0) Transfer to current account of 25 <sup>th</sup> & 27 <sup>th</sup> Unsecured Straight Corporate Bond (-113.5) Early redemption of Euro-denominated Senior Notes due 2013 (-47.6) SBTM: transfer of 2 <sup>nd</sup> Series Unsecured Straight Corporate Bond (-15.0)
Long-term debt	1,281.5	1,030.9	-250.6	
SBM	1,115.7	772.5	-343.1	SBM loan Mar 10 (986.7) >> Mar 11 (772.5) Vodafone subordinated loan Mar 10 (84.5) >> Mar 11 (-) Installment sales receivables securitization borrowings Mar 10 (44.4) >> Mar 11 (-)
Others	165.8	258.3	92.5	SB Non-consolidated: Mar 10 (61.3) >> Mar 11 (257.9), SBH: transfer of borrowings premised on delivery of Yahoo! Inc. shares to current liabilities (-100.0)*
Long-term accounts payable	47.5	265.1	217.6	
SBM	45.7	63.7	18.0	Long-term accounts payable for capital expenditure(+42.3)
Others	1.8	201.3	199.5	Acquisition of Preferred Stock, etc. Issued to Vodafone Group (+200.0)
Deferred tax liabilities	30.4	26.5	-3.9	
SBM	-	-	-	
Others	30.4	26.5	-3.9	
Allowance for point mileage	47.2	41.9	-5.2	
SBM	47.2	41.9	-5.2	Point service for customers
Others	-	-	-	
Lease obligations	224.4	199.7	-24.7	
SBM	213.4	173.4	-40.0	
Others	11.0	26.3	15.3	
Other	40.1	59.9	19.7	
SBM	4.3	7.1	2.8	Asset retirement obligations (+3.1)
Others	35.8	52.7	16.8	Asset retirement obligations (+16.0)

**Acquisition of Preferred Stock, etc. Issued to Vodafone Group: total JPY 412.5bn**  
 JPY 200.0bn to be paid in Apr 2012 recorded as long-term accounts payable (1st payment of JPY 212.5bn was done in Q3)

**Acquisition of Preferred Stock, etc. Issued to Vodafone Group**  
 Loan receivable from SBM to Vodafone Overseas Finance Limited (acquired by SB) was eliminated in consolidation

Note: Vodafone Group indicates Vodafone International Holdings B.V. and Vodafone Overseas Finance Limited

SB Non-consolidated: SOFTBANK SBM: SOFTBANK MOBILE SBH: SOFTBANK Holdings Inc.

\*Please refer to page 15 of SOFTBANK CORP. Consolidated Financial Report For the fiscal year ended March 31, 2011.

# Consolidated B/S (6) Equity

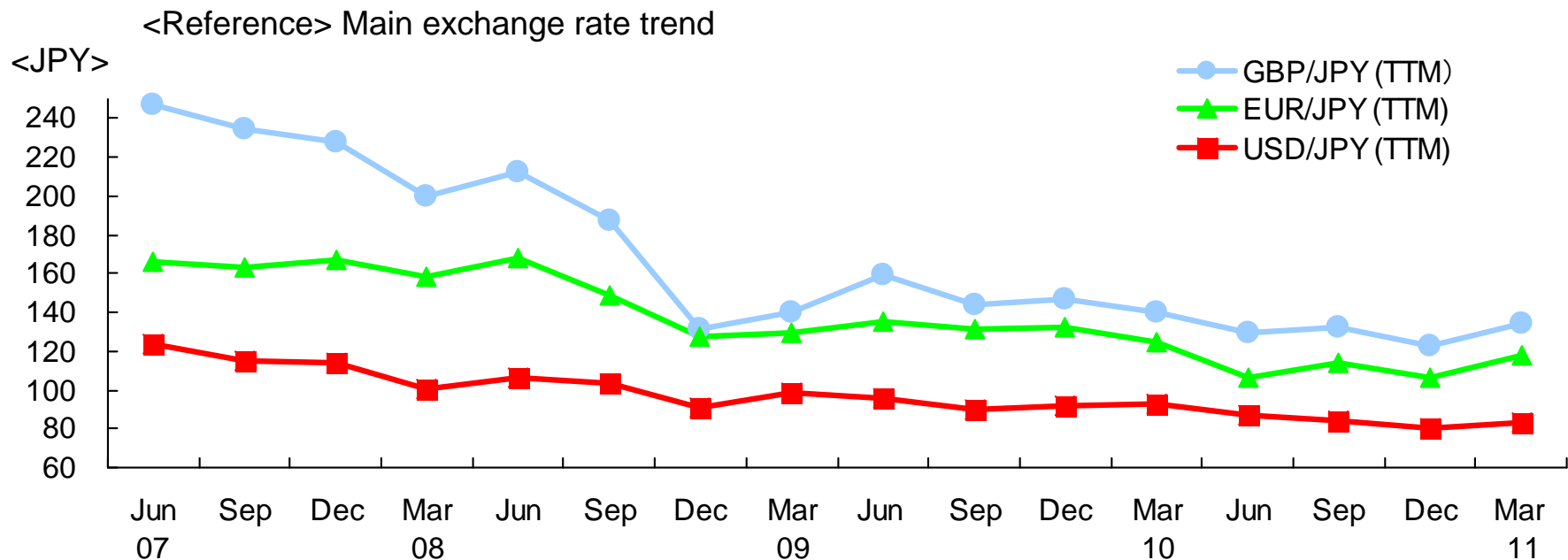
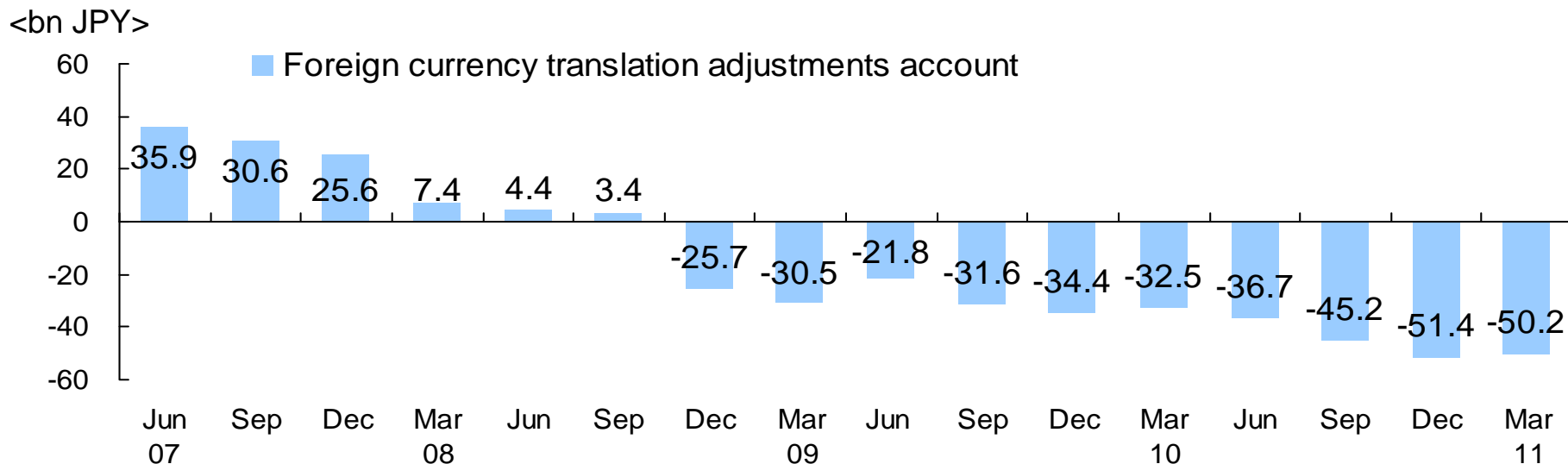
<bn JPY>

Equity	Mar 2010	Mar 2011	Variance	Outline
Equity	963.9	879.6	-84.3	
Shareholders' equity	444.6	623.3	178.6	
Common stock	188.7	188.7	0.0	
Additional paid-in capital	213.0	212.5	-0.5	
Accumulated deficit/retained earnings	43.0	222.2	179.2	Net income (+189.7), dividend (-5.4)
Treasury stock	-0.2	-0.2	-0.0	
Valuation and translation adjustments	25.8	-4.0	-29.9	
Unrealized gain on available-for-sale securities	43.8	34.9	-8.9	Shares of Yahoo! Inc. Mar 11 (36.7)
Deferred gain on derivatives under hedge accounting	14.5	11.2	-3.3	
Foreign currency translation adjustments	-32.5	-50.2	-17.6	
Stock acquisition rights	0.4	0.7	0.2	
Minority interests	492.9	259.6	-233.3	BBM: preferred stock issued to Vodafone International Holdings B.V. (acquired by SB) was eliminated in consolidation (-300.0) Yahoo Japan: Mar 10 (174.3) >> Mar 11 (215.6) Impacts by the changes in scope of consolidation of SAIF (+25.2)

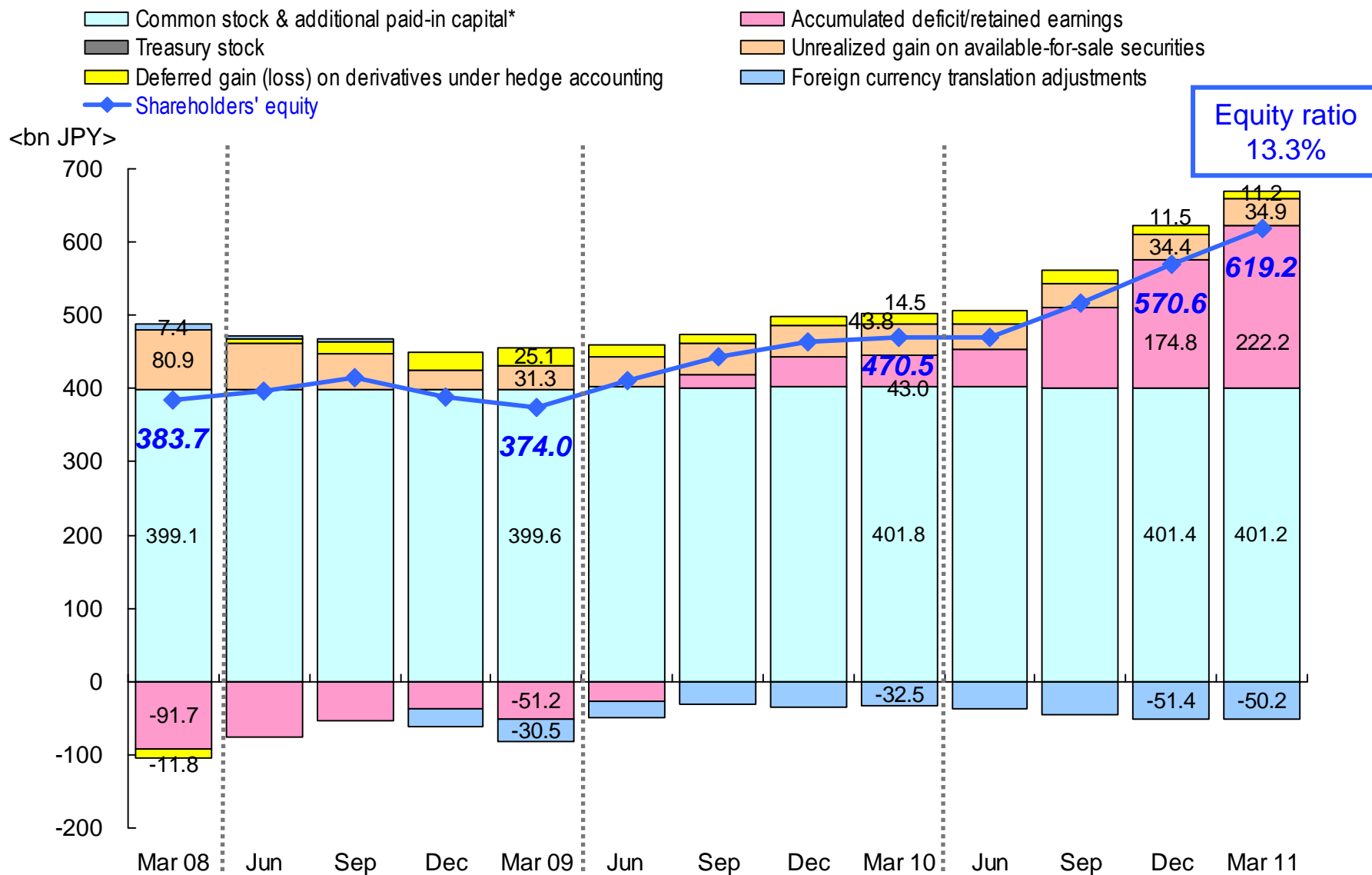
SB: SOFTBANK  BBM: BB Mobile  SAIF: SB Asia Infrastructure Fund L.P.



# [Equity] Foreign Currency Translation Adjustments



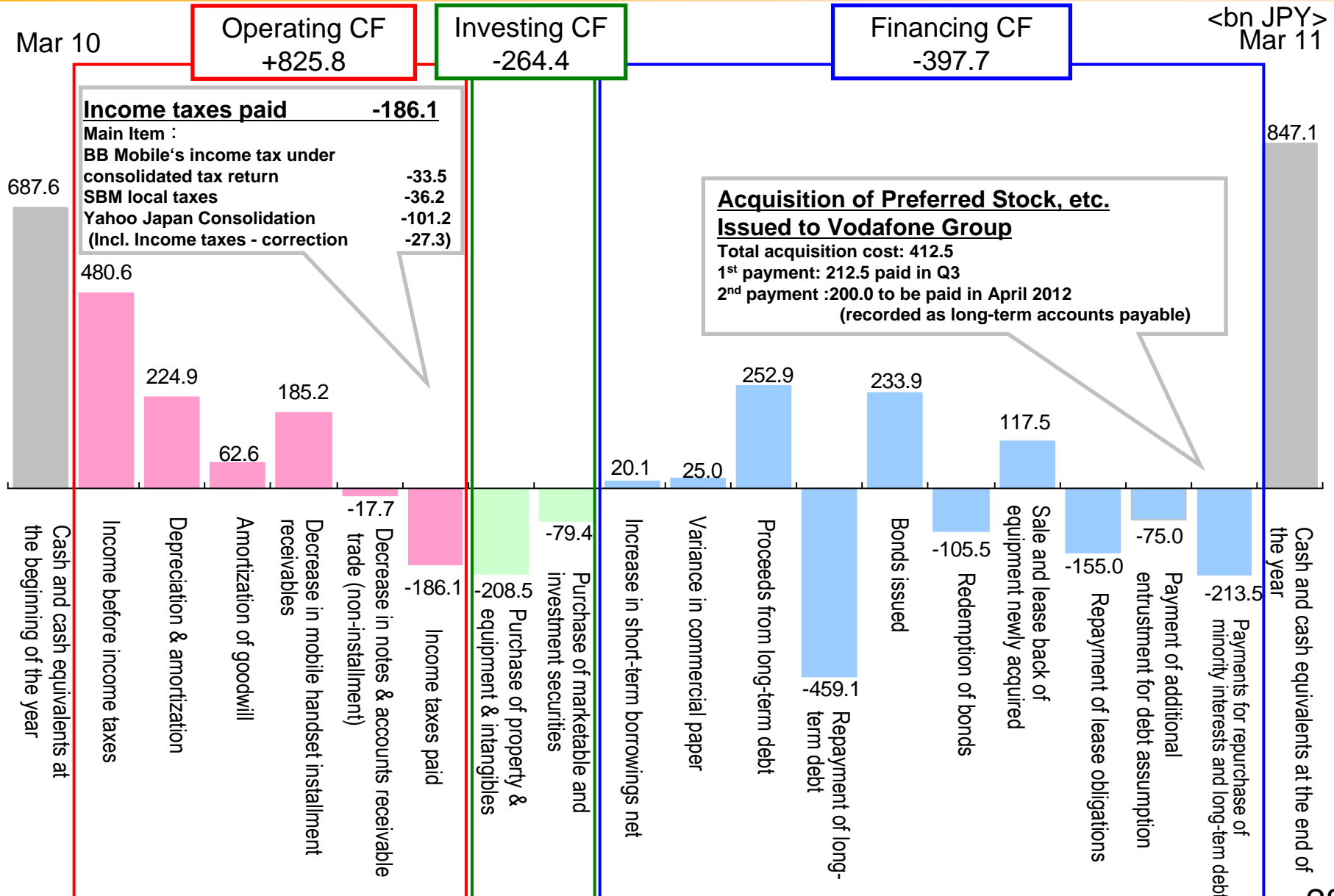
# [Equity] Shareholders' Equity



\*Including cash receipts for new stock subscriptions.

## Consolidated CF Analysis

# Consolidated Cash Flow Main Breakdown



Note: significant items from the consolidated cash flow statement are shown here.

Vodafone Group indicates Vodafone International Holdings B.V. and Vodafone Overseas Finance Limited

SoftBank

SoftBank

# Finance



Yoshimitsu Goto  
General Manager Finance  
SOFTBANK CORP.

# Achievements to FY2010 Financial Strategies

## Towards “ZERO net interest-bearing debt”

### 1. Further strengthening of financial base

- Thoroughness towards debt reduction through sustained high level FCF.
- Appropriate distribution of investment CF (CAPEX or investment in business).
- Improve corporate value as result of accelerated cultivation of group companies.

- FCF JPY 561.3bn (144% YoY)
- Net interest-bearing debt reduction approx. JPY 300.0bn (reduced approx. JPY 1.2t from Jun 06)
- CAPEX JPY 420.5bn
- Investments in Businesses; PPlive, Zynga, Renren, etc.

### 2. Realization of appropriate credit spread

- Continue conservative financial planning and operation regardless of financial market.
- Expand disclosure content of financials and provide appropriate guidance.
- Measures to improve credit rating (improvement of various financial indexes, concrete consideration of WBS refinance).

- Return to the first A range rating in 11 yrs  
JCR (BBB+ >> A-)
- Large improvement of bond spread
- Enhance flexibility of WBS refinance through BBM preferred stock acquisition

### 3. Investor-oriented (financial institutions and markets) financial activities

- Continue to enhance relationships with domestic and international financial institutions.
- Maintain various procurement methods (loan, corporate bonds, lease, securitization, etc.).
- Achieve bond price and issuance spread appropriately reflecting SOFTBANK's credit.
- Approach all layers of investors through IR activities.

- Procurement through bonds: JPY 235.0bn (incl. JPY 130.0bn issued to individuals)
- Focus on IR activities with domestic/ international investors



# Main Financing Activities of FY2010

## <Main Financing Activities>

<bn JPY>

Date	Content	Amount
2010 June	Issue 31 <sup>st</sup> Unsecured Straight Corporate Bond	25.0
June	Issue 32 <sup>nd</sup> Unsecured Straight Corporate Bond	25.0
Sep	Issue 33 <sup>rd</sup> Unsecured Straight Corporate Bond (Fukuoka SoftBank HAWKS Bond)	130.0
Sep	Renewal of credit line facility, etc.	314.2
Dec	Acquisition of preferred stock, etc. issued by BB Mobile Corp. (from Vodafone Group)	412.5 <sup>*1</sup>
2011 Jan	Issue 34 <sup>th</sup> Unsecured Straight Corporate Bond	45.0
Jan	Issue 35 <sup>th</sup> Unsecured Straight Corporate Bond	10.0

## <Main Investments in Businesses>

Company Name	Invested Amount
Zynga Game Network Inc.	USD150mil (JPY 13.7bn)
Renren Inc. (former Oak Pacific Interactive) *Listed on the New York Stock Exchange on May 4, 2011. Market capitalization of approx. JPY 600.0bn (USD 7.2bn on May 4, 2011).	JPY 16.4bn (accumulated total JPY 41.8bn) investment ratio: 33.4% <sup>*2</sup>
PPLive Corporation (former Synacast Corporation)	investment ratio: 35% <sup>*3</sup>

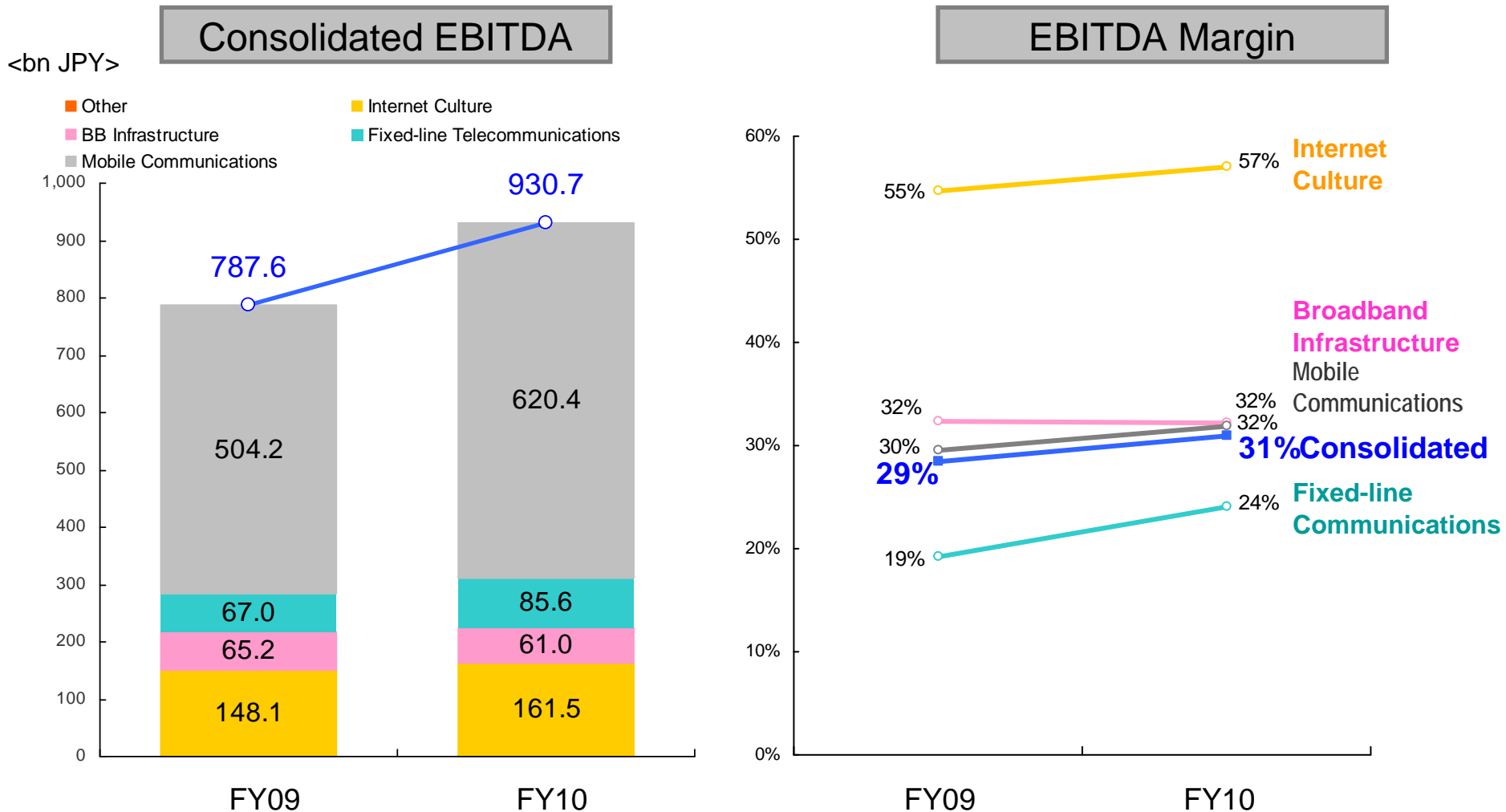
Note: Vodafone Group indicates Vodafone International Holdings B.V. and Vodafone Overseas Finance Limited

\*1. The amount includes JPY 212.5bn paid in Dec 2010. The remains are scheduled to be paid in Apr 2012.

\*2. Ratio based on voting rights before dilution basis. \*3. Ratio based on voting rights after dilution basis.

# EBITDA and EBITDA Margin (by segment)

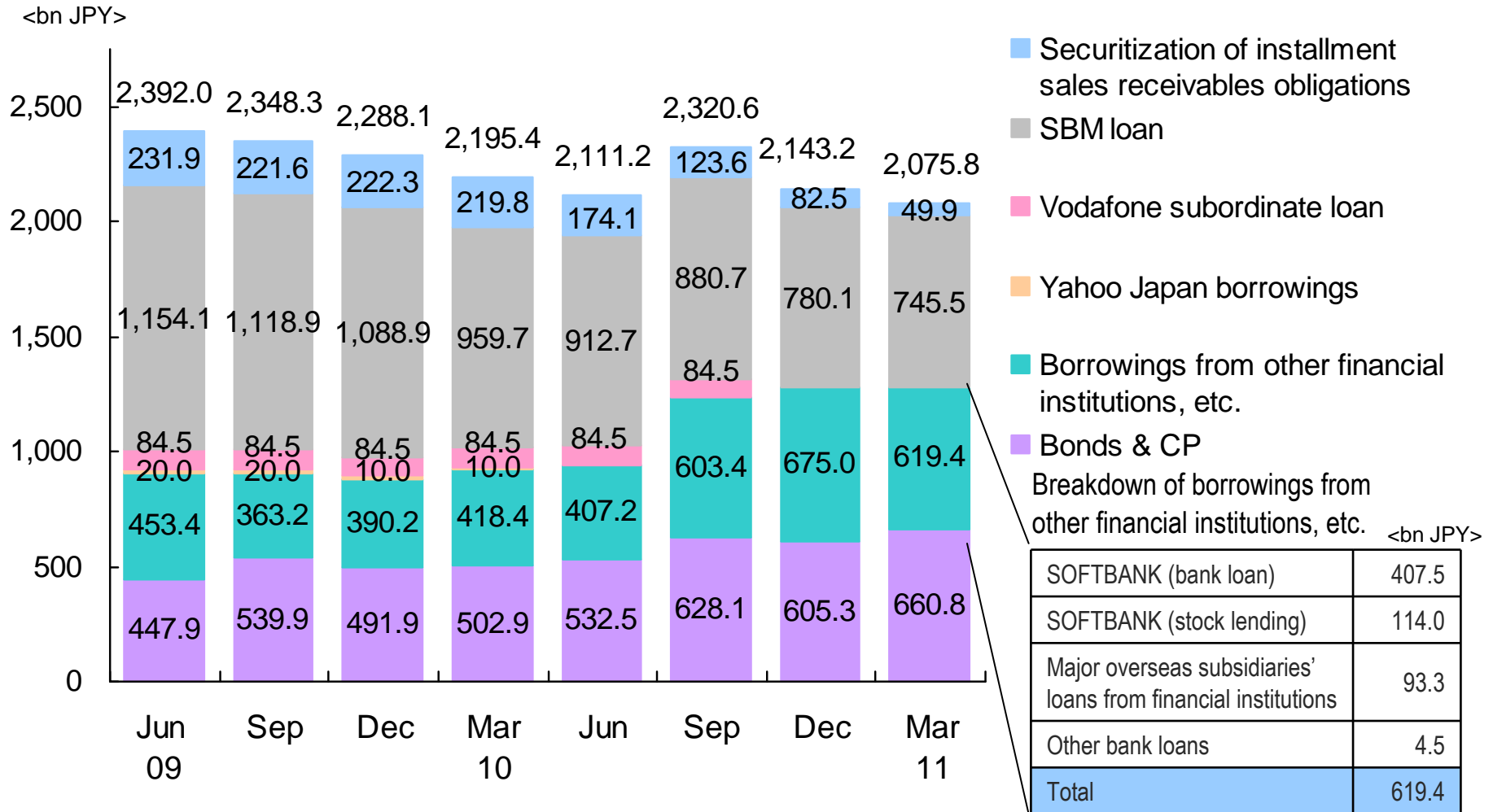
➤ Consolidated EBITDA margin exceeded 30%.



Note: 1. EBITDA = operating income (loss) + depreciation and amortization (including amortization of goodwill), and loss on disposal of fixed assets included in operating expenses.

2. Segment financial results for FY2009 are shown based on the new standard for comparison purposes only.

# Interest-bearing Debt (by procurement method)



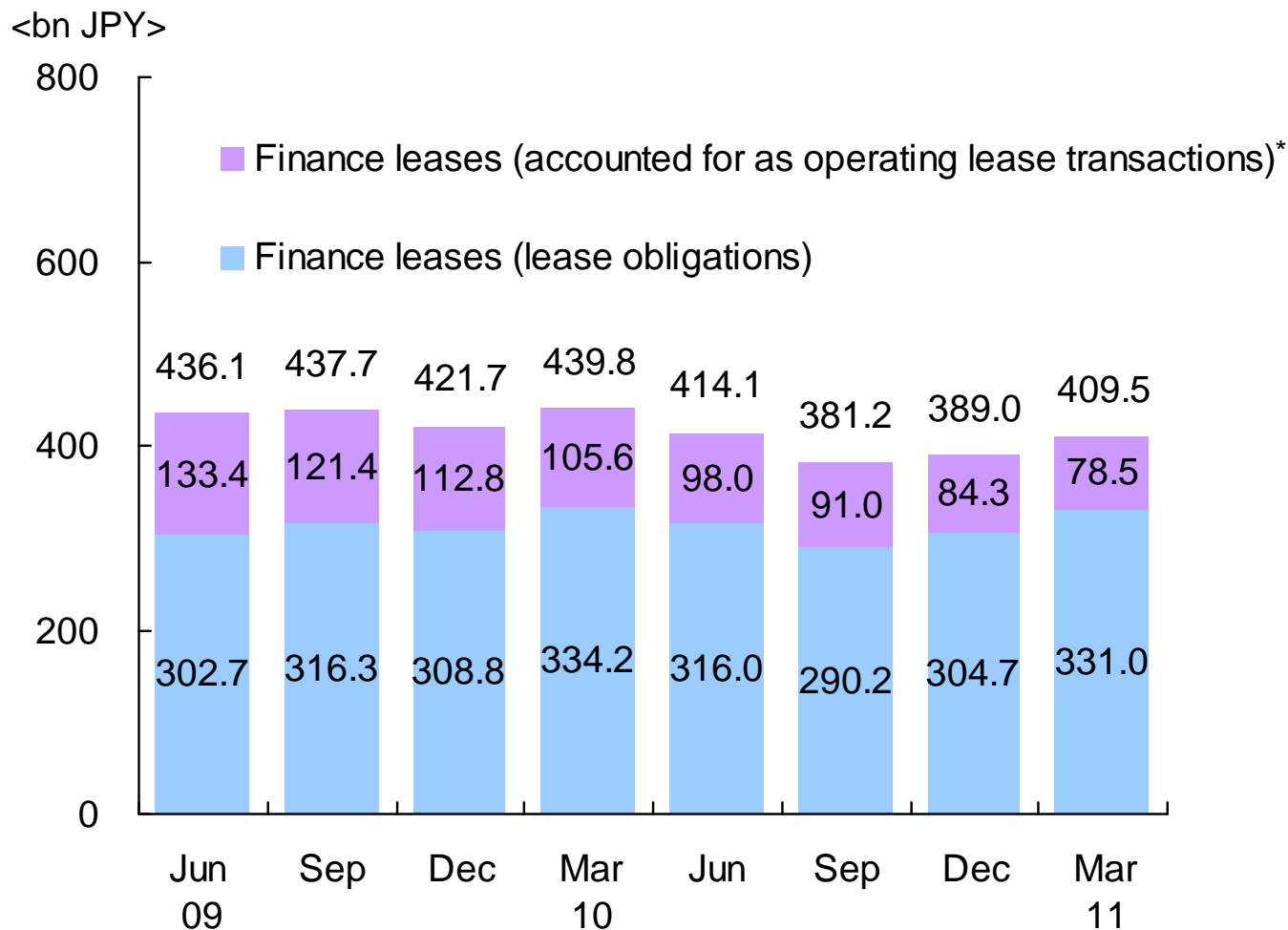
Note: 1. Interest-bearing debt= short-term borrowings + commercial paper + bonds due for redemption within 1 year + bonds + long-term borrowings.

Lease obligations are not included.

2. SBM loan: from March 2010, this excludes the corporate bonds (WBS Class B2 Funding Notes, issued by J-WBS Funding K.K.), which was substantially a part of SBM loan, with a face value of JPY 27.0bn acquired by SOFTBANK CORP. that were issued under the whole business securitization scheme associated with the acquisition of Vodafone K.K.

# Lease Obligations

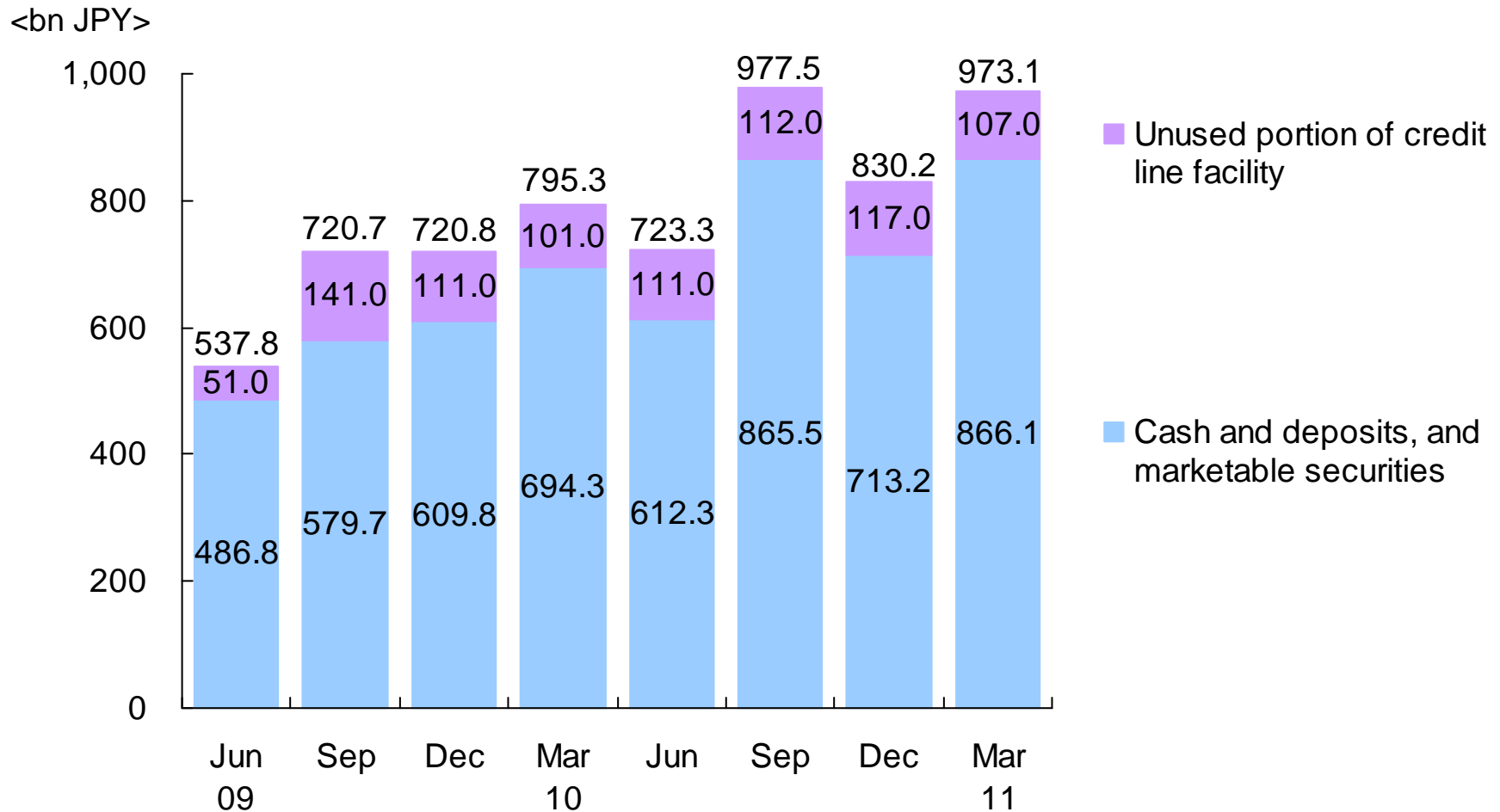
- Lease balance remains stable.



\*Finance lease transactions in which the ownership of leased assets was not transferred to lessees and contracted before April 1, 2008.

# Cash Position

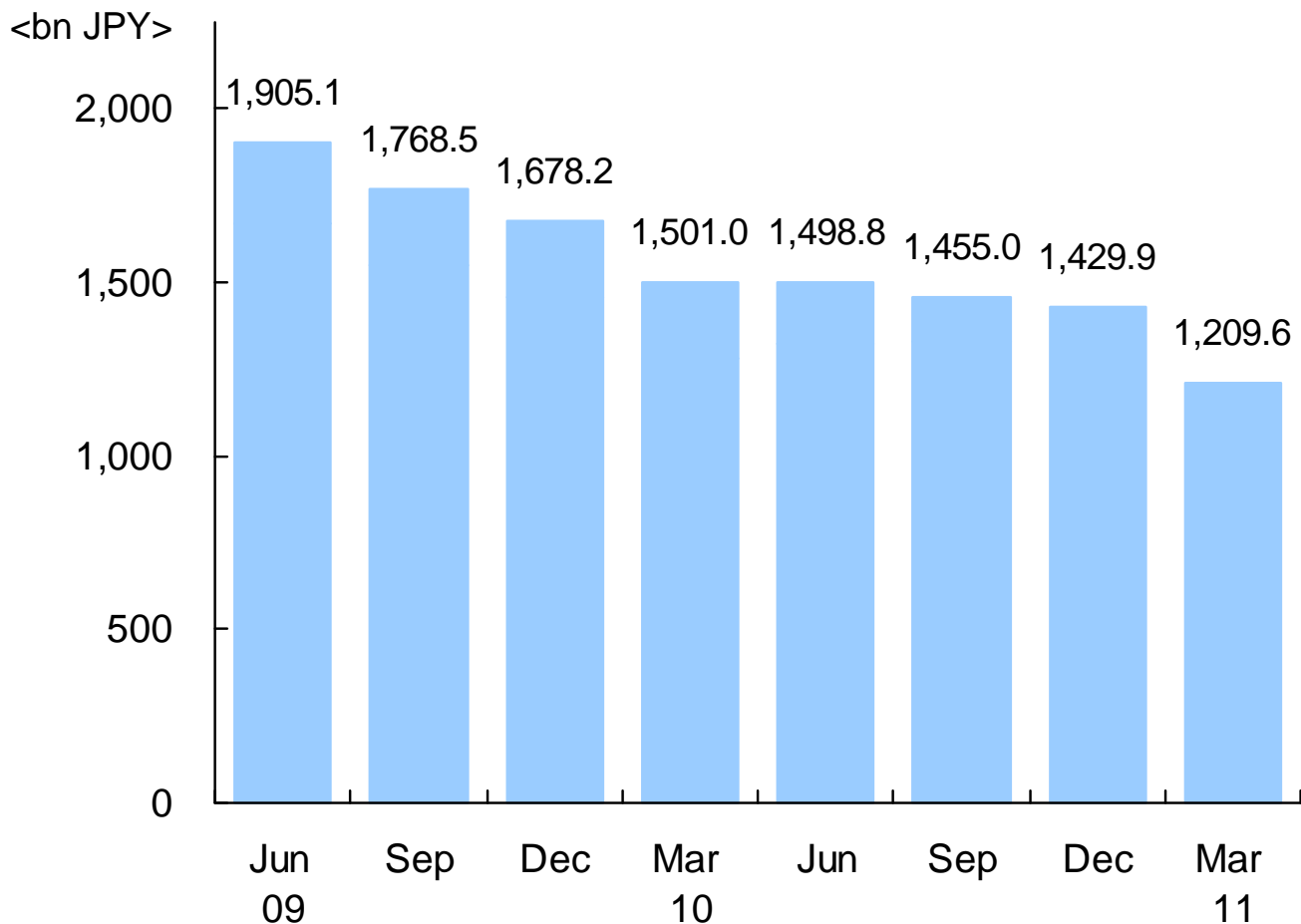
- Sustain abundant cash position.



Note:1. Cash position = cash and cash deposits + marketable securities included in current assets.  
 (excludes Yahoo! Inc. shares held by a subsidiary of SOFTBANK CORP. in the United States of America).  
 2. Unused portion of credit line facility = credit line facility size - credit line borrowings.

# Net Interest-bearing Debt

- Steady reduction of approx. JPY 300.0bn YoY.



Note: 1. Net interest-bearing debt = interest-bearing debt - cash position.

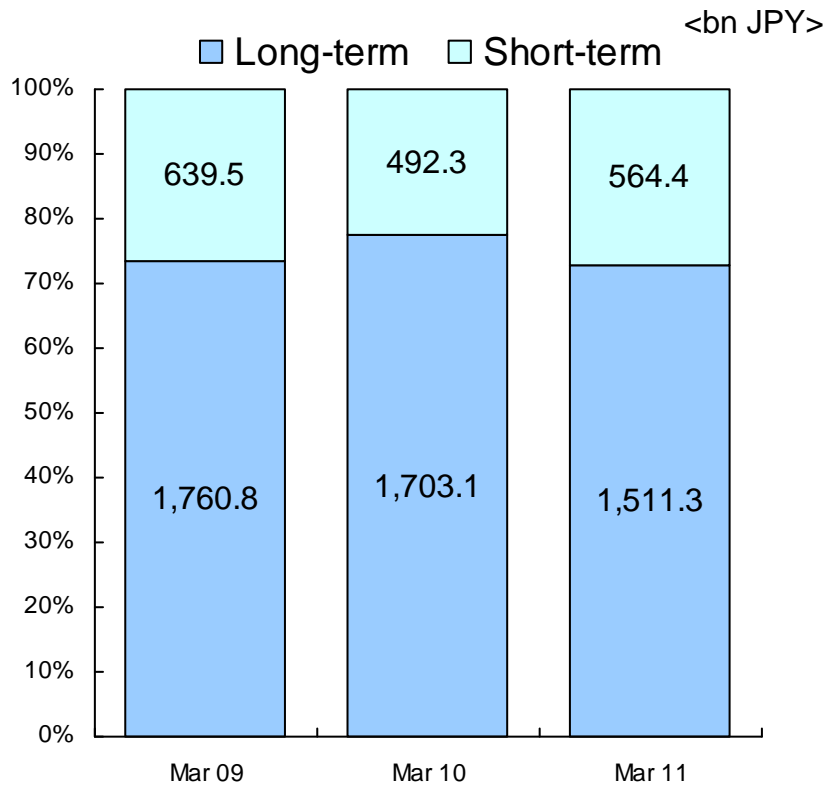
2. Interest-bearing debt: short-term borrowings + commercial paper + bonds due for redemption within 1 year + bonds + long-term borrowings.  
Lease obligations are not included.

From March 2010, this excludes the corporate bonds (WBS Class B2 Funding Notes, issued by J-WBS Funding K.K.) with a face value of JPY 27.0bn acquired by SOFTBANK CORP. that were issued under the whole business securitization scheme associated with the acquisition of Vodafone K.K.

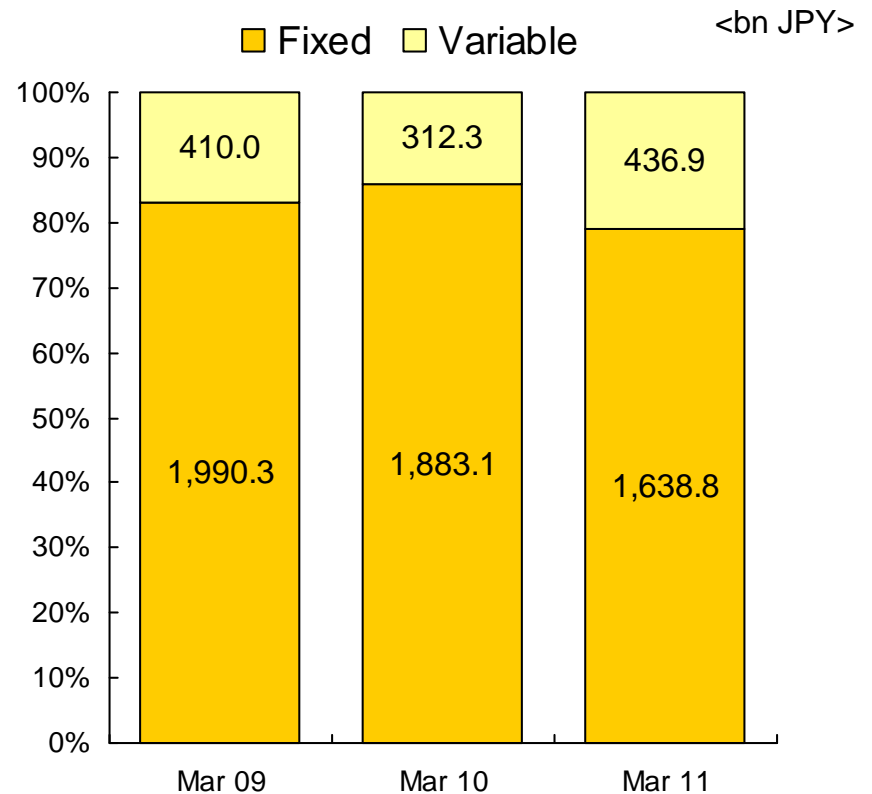
3. Cash position = cash and cash deposits + marketable securities included in current assets. (excludes Yahoo! Inc. shares held by a subsidiary of SOFTBANK CORP. in the United States of America).

# Interest-bearing Debt Long/Short and Fixed/Variable Ratio Trend

Interest-bearing Debt  
Long/Short Ratio



Interest-bearing Debt  
Fixed/Variable Ratio



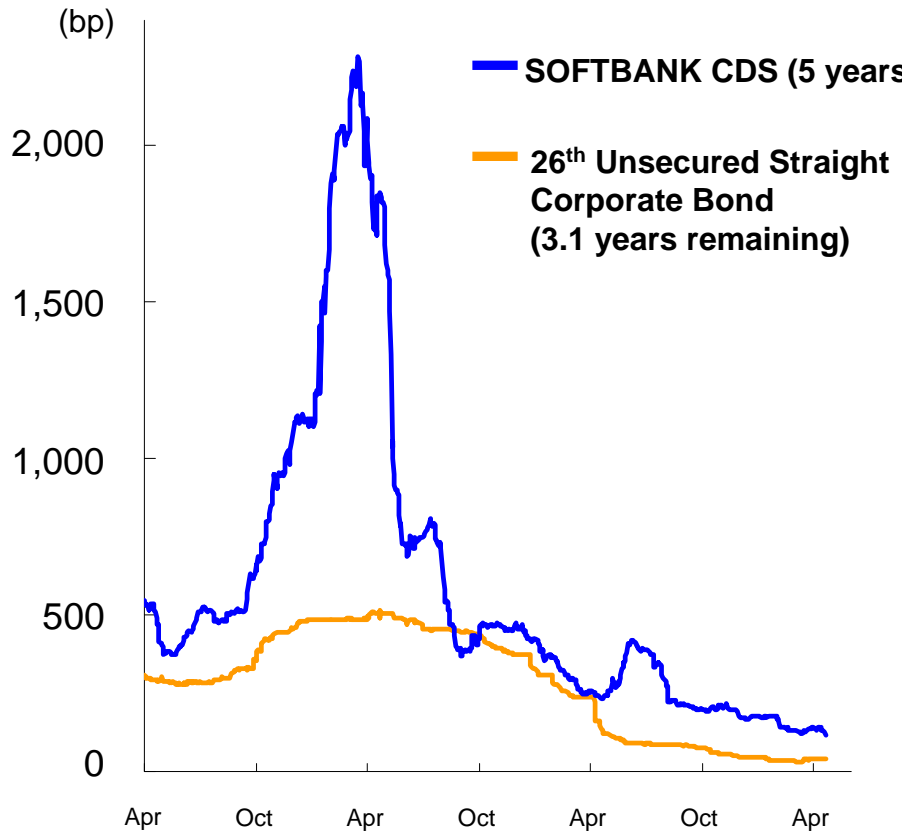
Note: interest-bearing debt: short-term borrowings + commercial paper + bonds due for redemption within 1 year + bonds + long-term borrowings.

Lease obligations are not included.

From March 2010, this excludes the corporate bonds (WBS Class B2 Funding Notes, issued by J-WBS Funding K.K.) with a face value of JPY 27.0bn acquired by SOFTBANK CORP. that were issued under the whole business securitization scheme associated with the acquisition of Vodafone K.K.

# Credit Spread

## CDS



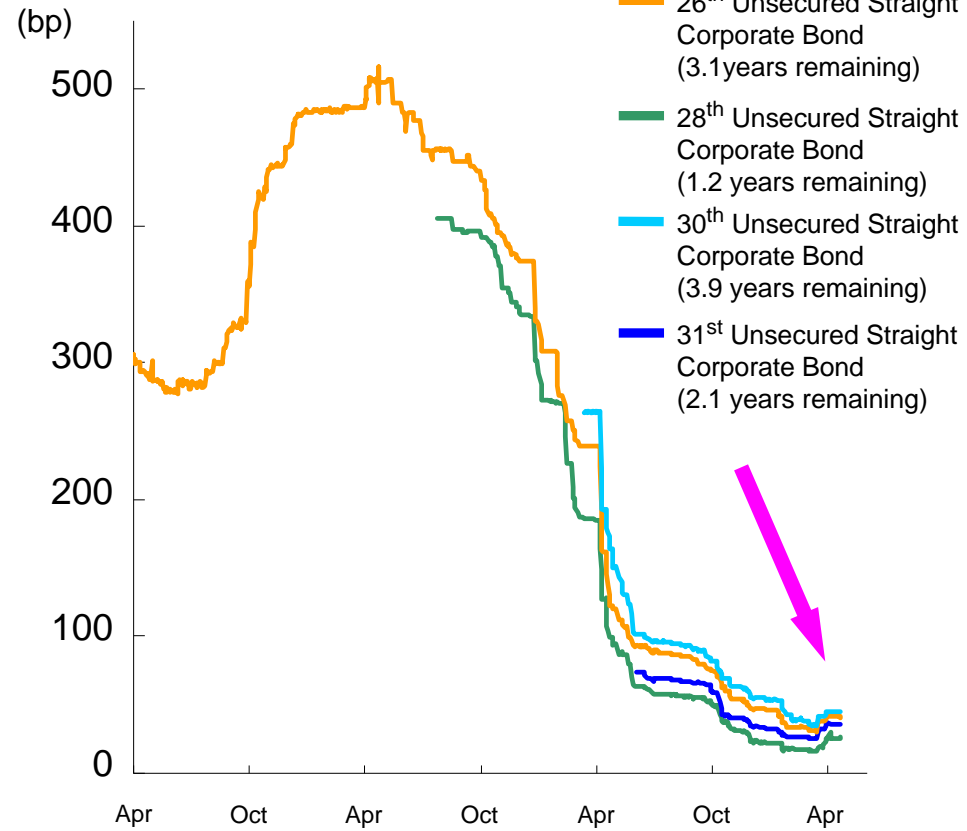
FY08

FY09

FY10

FY11

## Bond Spread



FY08

FY09

FY10

FY11

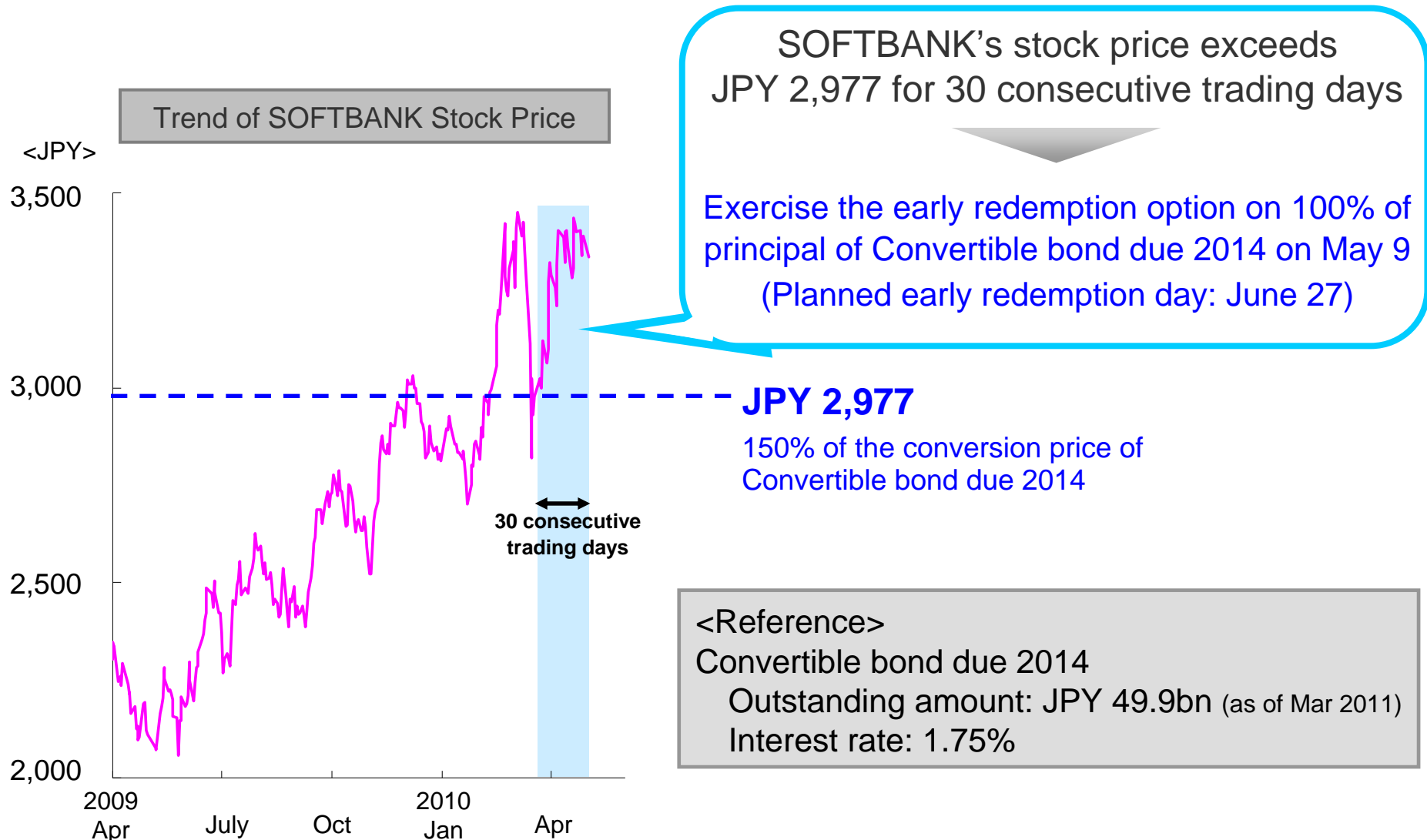
Source: CDS; Bloomberg data

Bond spread data; calculated by SOFTBANK CORP. based on Japan Securities Dealers Association data.

CDS: Credit Default Swap



# Early Redemption of Euro-Yen Denominated Convertible Bond

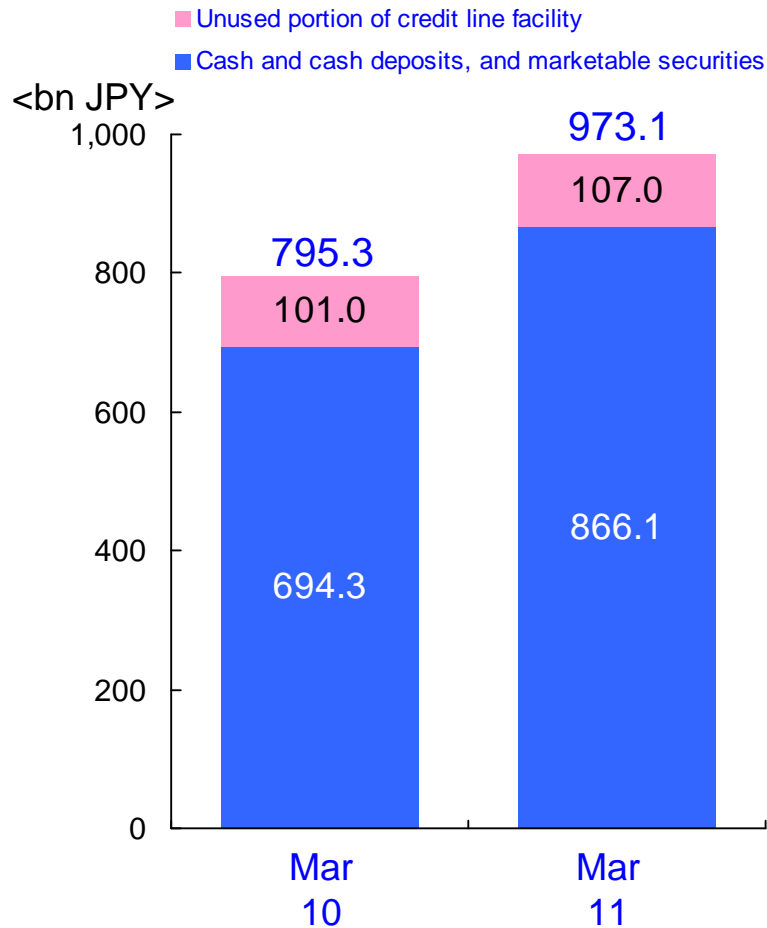


SOFTBANK may, having given prior irrevocable notice to the bondholders, redeem all of the convertible bonds then outstanding at 100 per cent. of their principal amount, together with the interest accrued to the date fixed for such redemption, provided that the closing stock price exceeds 150% of conversion price for 30 consecutive trading days.

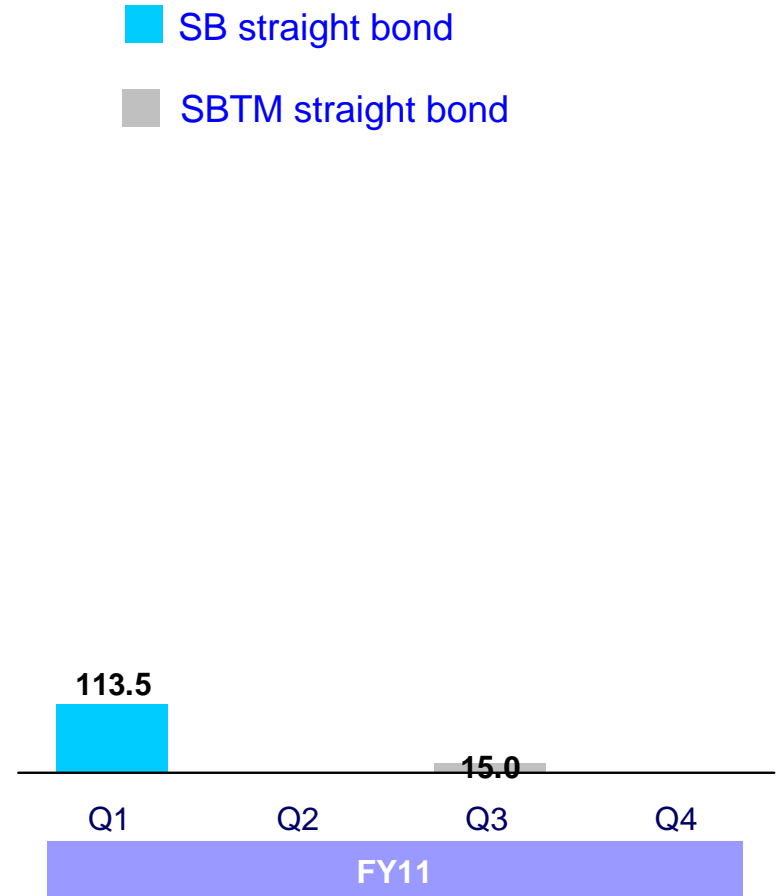
# Bond Redemption Schedule

➤ Sustain sufficient repayment resources.

## Repayment Capability



## Corporate Bonds Redemption Schedule

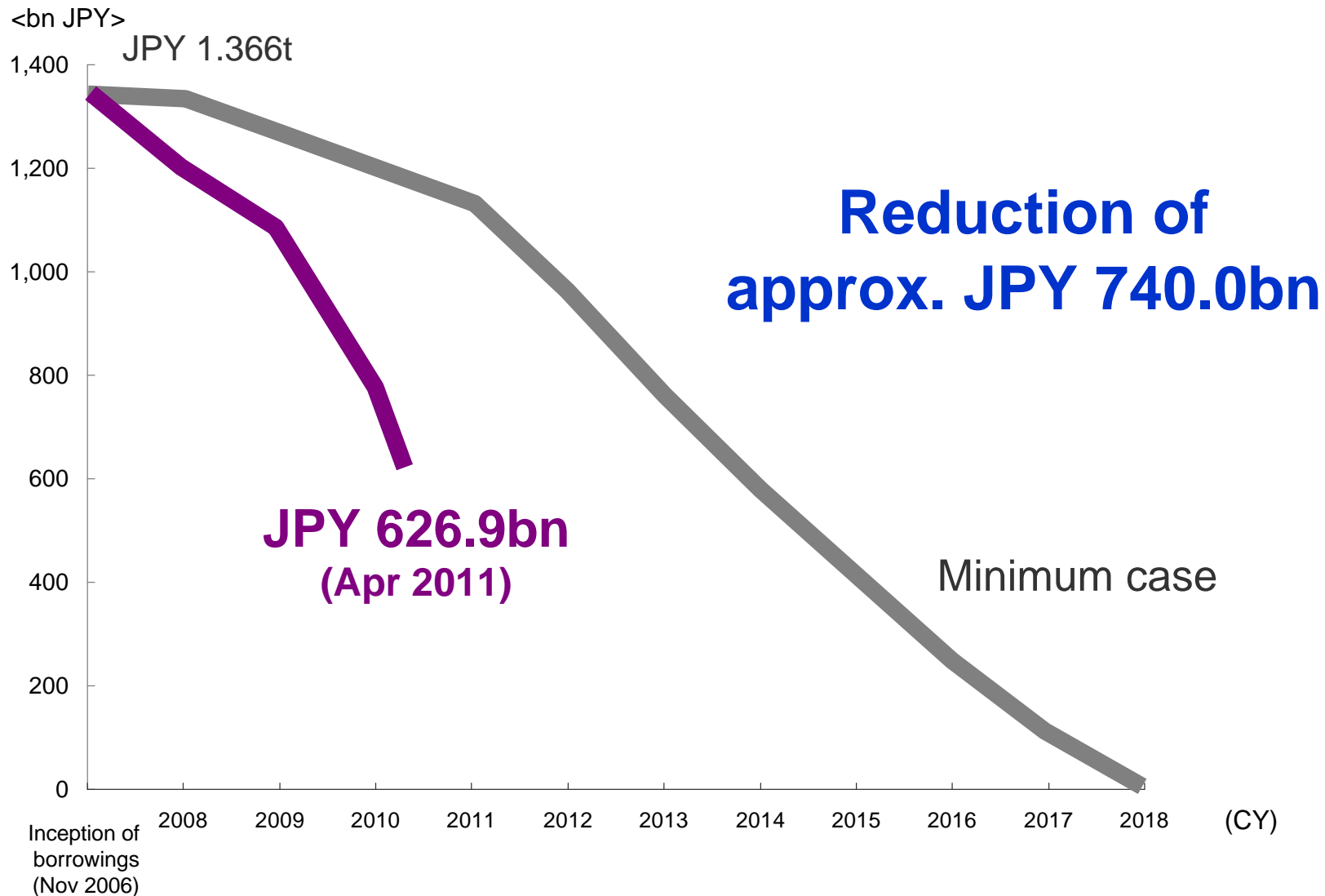


SB: SOFTBANK SBTM: SOFTBANK TELECOM

Note: 1. Unused portion of credit line facility = credit line facility size - credit line borrowings.

2. Cash position = cash and cash deposits + marketable securities included in current assets (excludes Yahoo! Inc. shares held by a subsidiary of SOFTBANK CORP. in the United States of America).

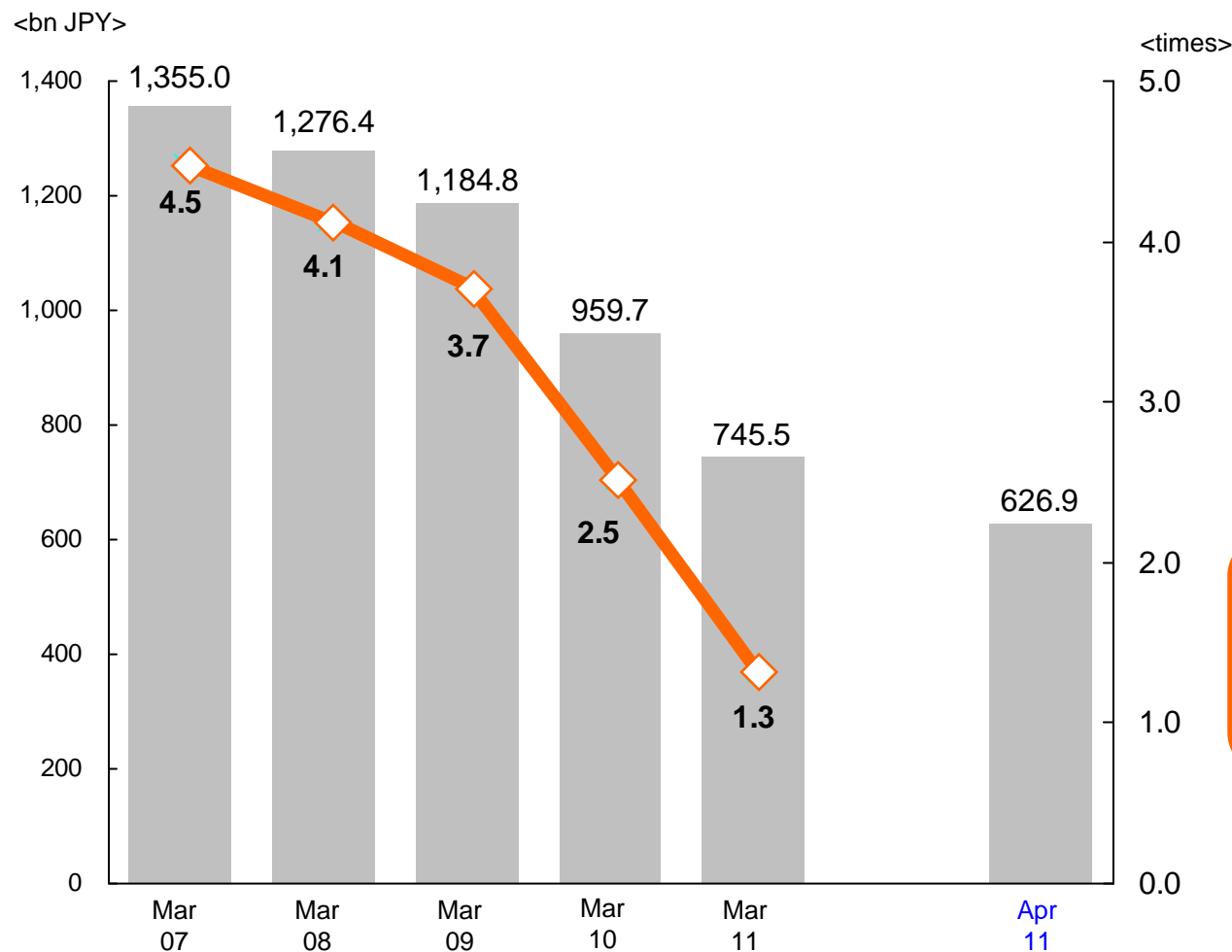
# Outstanding Balance of SBM Loan



Note: SBM Loan: from March 2010, this excludes the corporate bonds (WBS Class B2 Funding Notes, issued by J-WBS Funding K.K.), which was substantially a part of SBM loan, with a face value of JPY 27.0bn acquired by SOFTBANK CORP. that were issued under the whole business securitization scheme associated with the acquisition of Vodafone K.K.

# Outstanding Balance of SBM Loan

➤ Approx. JPY 120.0bn was repaid in April .



Mobile  
Communications  
leverage ratio  
**1.3 times**  
(Mar 2011)

Net interest-bearing  
debt basis  
**0.6 times**

Note: 1. SBM loan: from March 2010, this excludes the corporate bonds (WBS Class B2 Funding Notes, issued by J-WBS Funding K.K.), which was substantially a part of SBM loan, with a face value of JPY 27.0bn acquired by SOFTBANK CORP.

2. Leverage ratio= interest-bearing debt (Mobile Communications) / EBITDA (Mobile Communications).

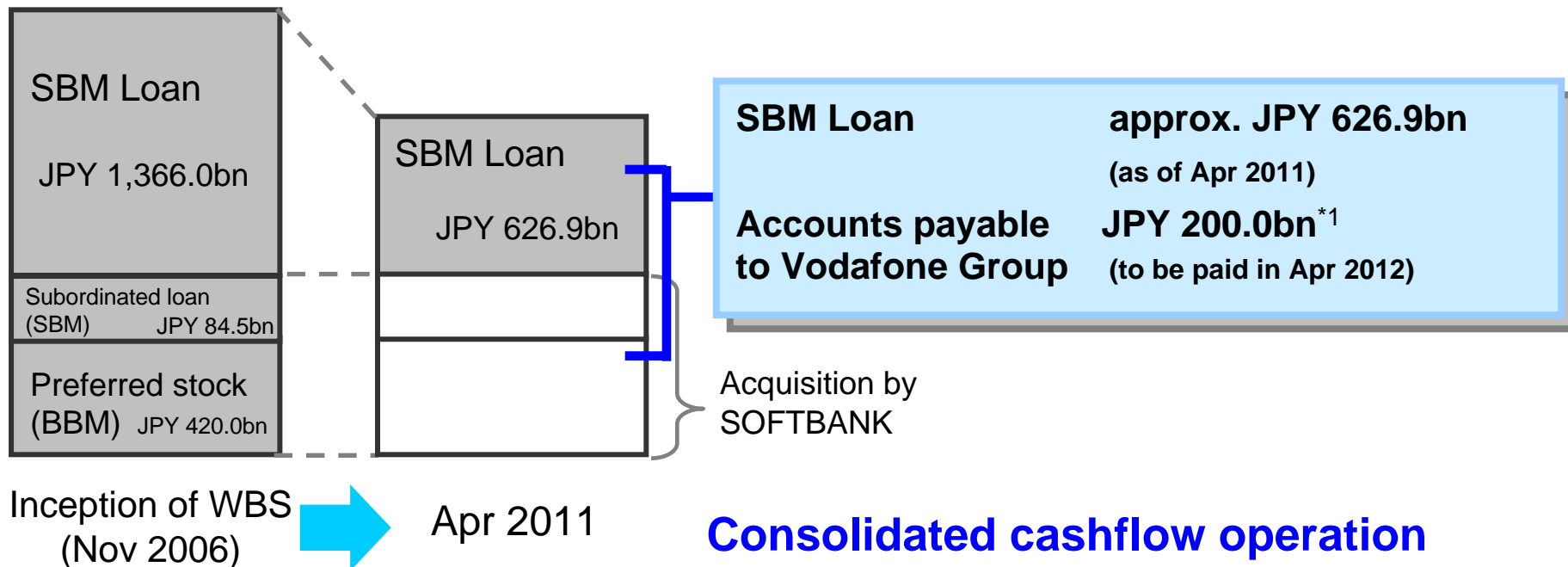
3. Net interest-bearing debt = interest-bearing debt - cash position.

Interest-bearing debt: short-term borrowings + commercial paper + bonds due for redemption within 1 year + bonds + long-term borrowings. Lease obligations are not included.

Cash position = cash and cash deposits + marketable securities included in current assets. (excludes Yahoo! Inc. shares held by a subsidiary of SOFTBANK CORP. in the United States of America).

# WBS Refinance

Instruments of WBS debt and preferred stock, etc.  
(image)



**Consolidated cashflow operation becomes possible after full repayment of non recourse loan**

Note: Vodafone Group indicates Vodafone International Holdings B.V. and Vodafone Overseas Finance Limited

SBM: SOFTBANK MOBILE, BBM: BB Mobile

\*1. SOFTBANK acquired proffered stock, etc. issued by BBM, from Vodafone Group, on December 2010.

JPY 200.0bn out of the acquisition amount is scheduled to be paid on April 2012.

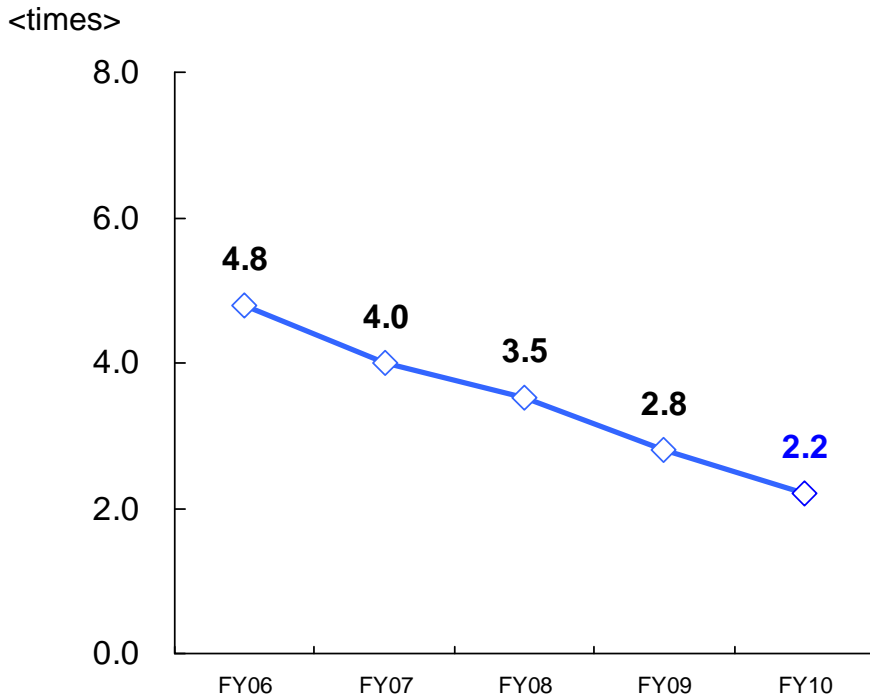
2. WBS: whole business securitization scheme associated with the acquisition of Vodafone K.K.

3. From March 2010, this excludes the corporate bonds (WBS Class B2 Funding Notes, issued by J-WBS Funding K.K.), which was substantially a part of SBM loan, with a face value of JPY 27.0bn acquired by SOFTBANK CORP.

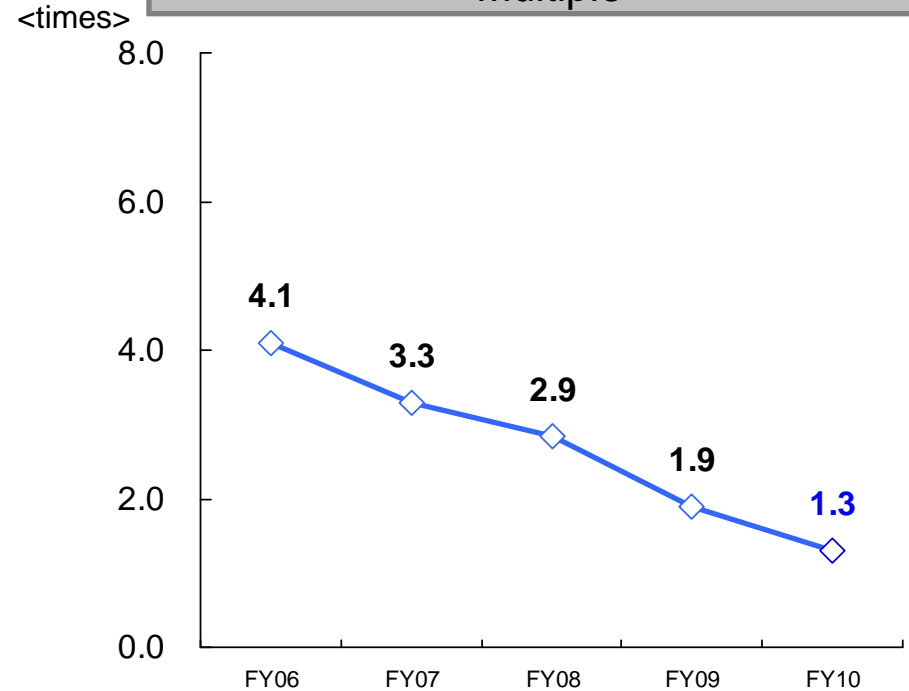
# Improve Indexes: (1) Interest-bearing Debt/EBITDA Multiple

- Net interest-bearing debt/EBITDA Multiple to mark below 1.0

Interest-bearing Debt/EBITDA Multiple



(Ref.) Net Interest-bearing Debt/EBITDA Multiple



Note: 1. Net interest-bearing debt = interest-bearing debt - cash position.

2. Interest-bearing debt= short-term borrowings + commercial paper + bonds due for redemption within 1 year + bonds + long-term borrowings.

Lease obligations are not included. From March 2010, this excludes the corporate bonds (WBS Class B2 Funding Notes, issued by J-WBS Funding K.K.) with a face value of JPY 27.0bn acquired by SOFTBANK CORP.

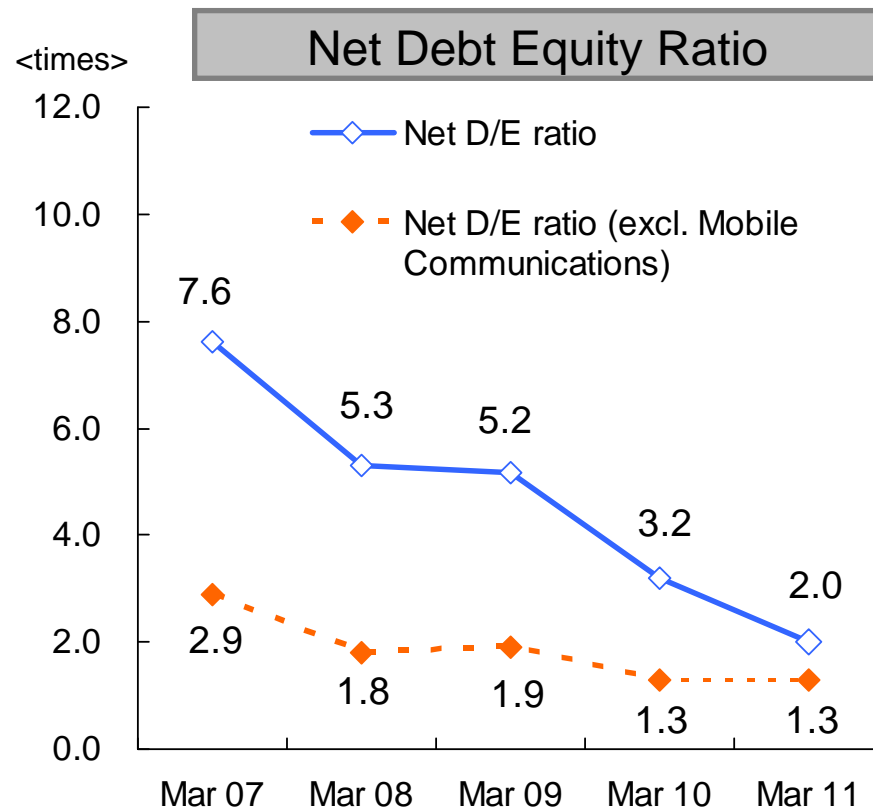
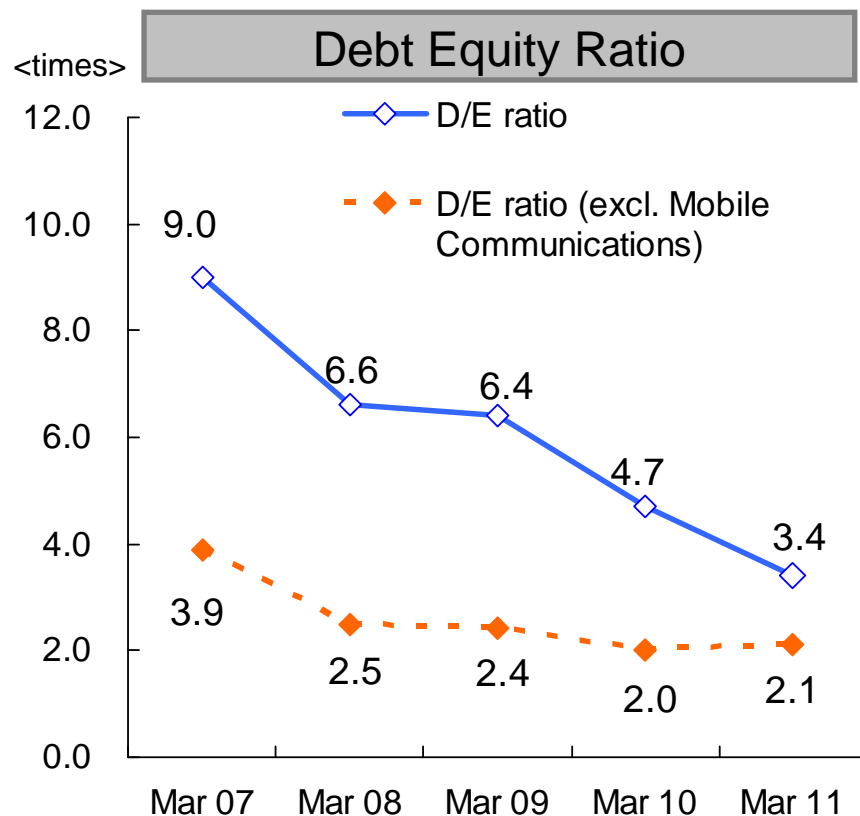
3. Cash position = cash and cash deposits + marketable securities included in current assets. (excludes Yahoo! Inc. shares held by a subsidiary of SOFTBANK CORP. in the United States of America).

4. Interest-bearing debt and net interest-bearing debt of FY2006 are calculated with retroactive adjustments by adding the cash receipts as collateral relating to marketable security lending transactions.

5. EBITDA = operating income (loss) + depreciation and amortization (including amortization of goodwill), and loss on disposal of fixed assets included in operating expenses.

# Improve Indexes: (2) Debt/Equity Ratio

## ➤ Solid improvement.



Note: 1. D/E ratio = interest-bearing debt/shareholders' equity.

2. Net D/E ratio = interest-bearing debt/shareholders' equity.

3. Net interest-bearing debt = interest-bearing debt - cash position.

4. Interest-bearing debt= short-term borrowings + commercial paper + bonds due for redemption within 1 year + bonds + long-term borrowings. Lease obligations are not included. From March 2010, this excludes the corporate bonds (WBS Class B2 Funding Notes, issued by J-WBS Funding K.K.) with a face value of JPY 27.0bn acquired by SOFTBANK CORP.

5. Cash position = cash and cash deposits + marketable securities included in current assets. (excludes Yahoo! Inc. shares held by a subsidiary of SOFTBANK CORP. in the United States of America).

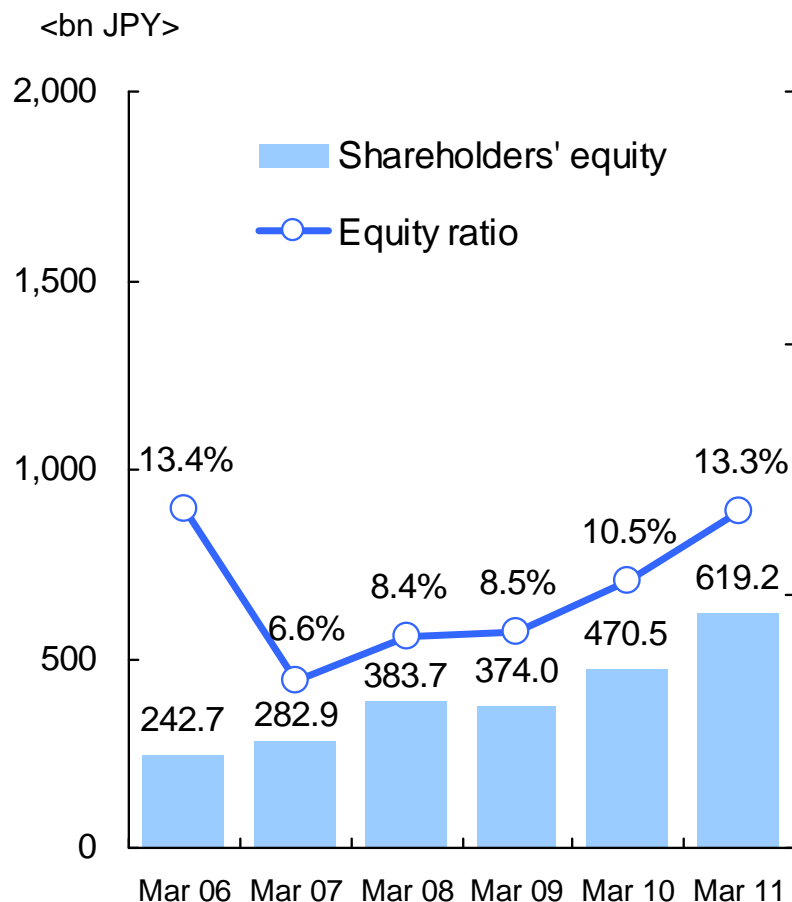
6. Excluding Mobile communications: balances relating to Mobile communications business have been deducted from consolidated interest-bearing debt and net interest-bearing debt balance respectively.

7. Interest-bearing debt and net interest-bearing debt of March 2007 are calculated with retroactive adjustments by adding the cash receipts as collateral relating to marketable security lending transactions.

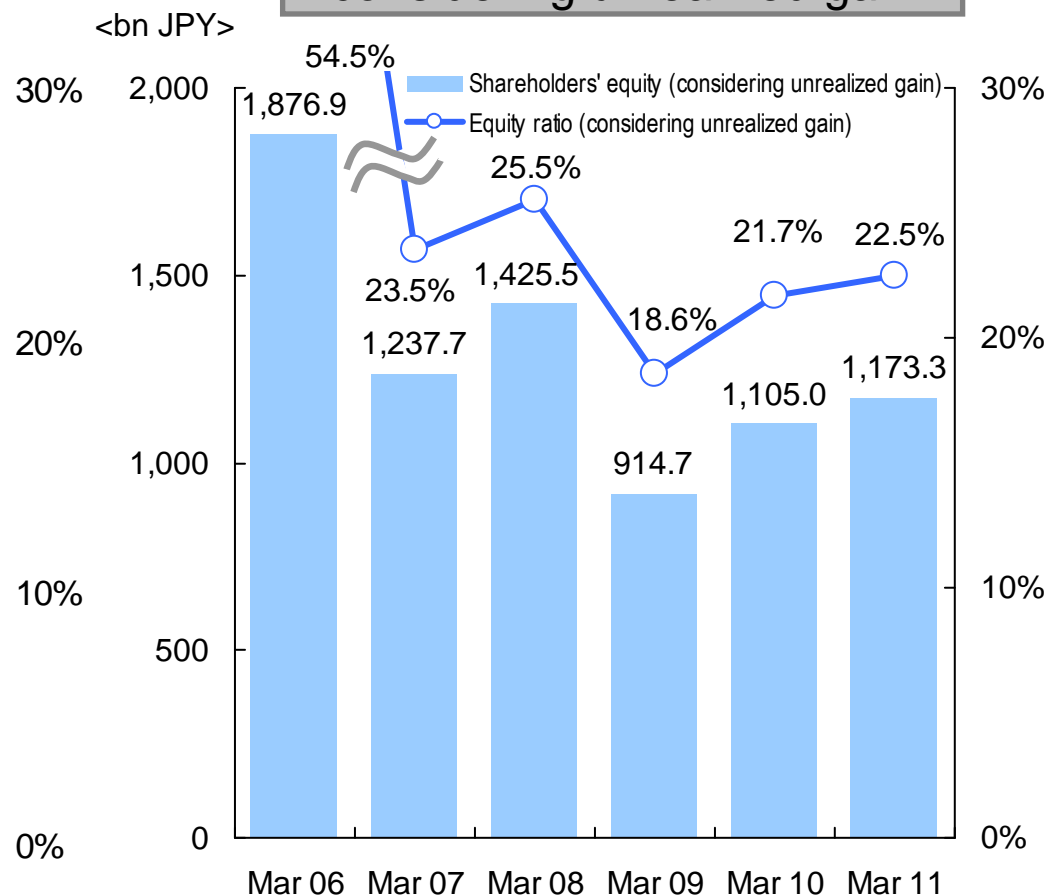
# Improve Indexes: (3) Equity Ratio

- Equity ratio recovered to level before acquisition of Mobile Communications business.

Equity Ratio



(Ref.) Equity Ratio\*  
<considering unrealized gain>



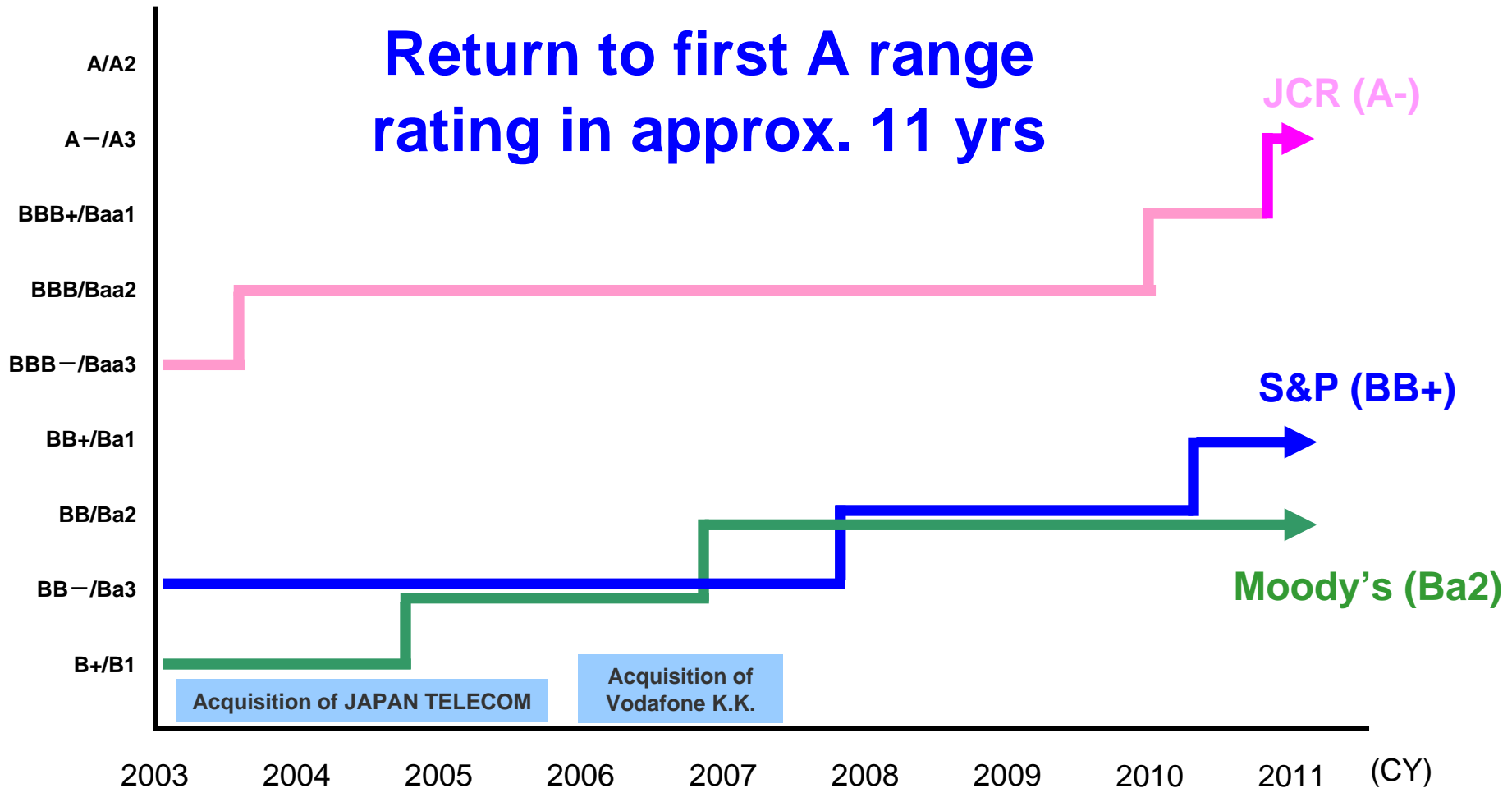
Note: shareholders' equity and equity ratio considering unrealized gain are calculated by SOFTBANK CORP. based on the share price of investment securities (listed & public companies only) directly held by SOFTBANK CORP. and its domestic overseas wholly-owned subsidiaries, etc. at each fiscal year-end. Refer to the page 8 of FY2010 Analyst Meeting Supplemental Data for calculation basis.



# Trend of Credit Rating of SOFTBANK

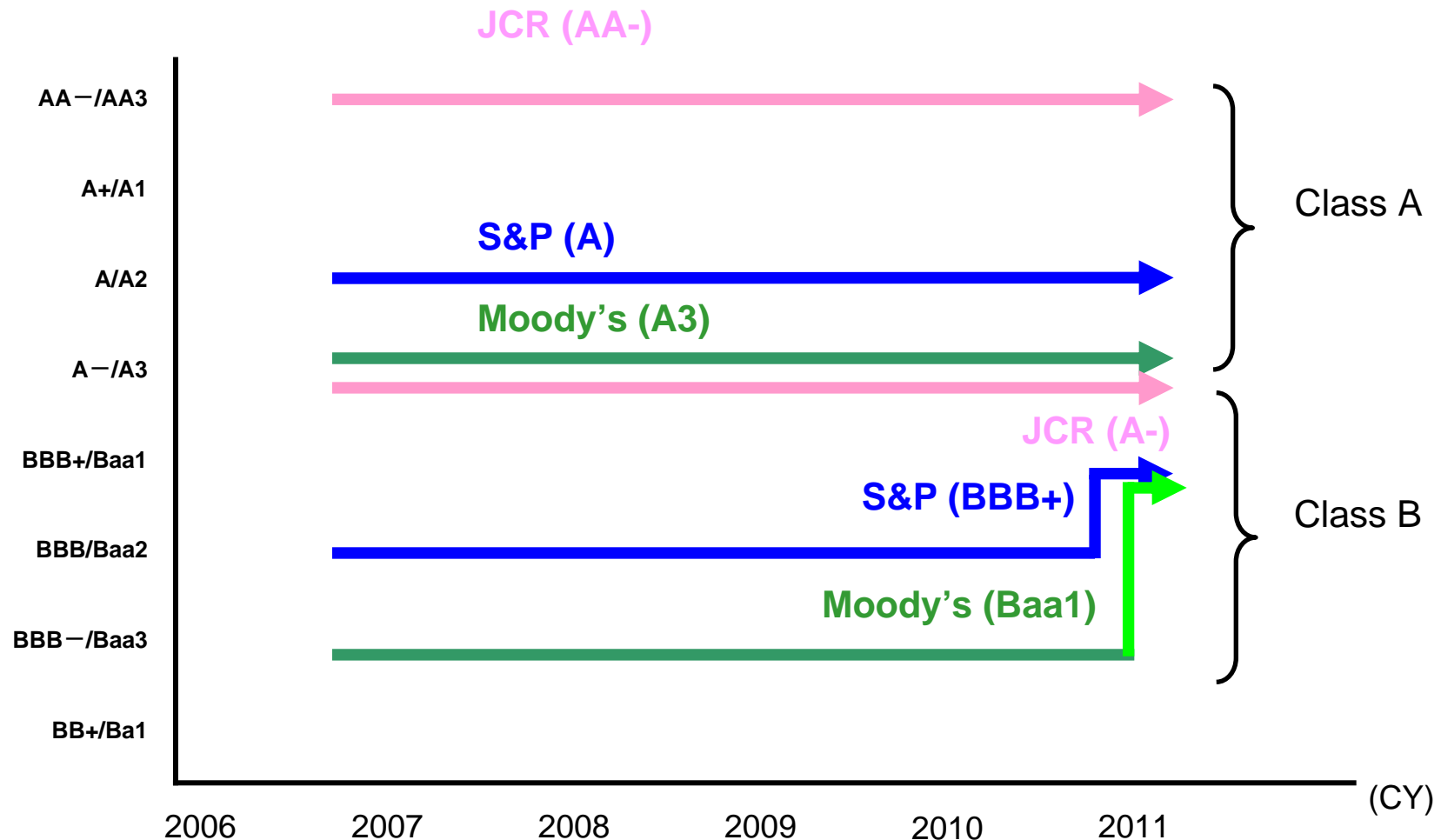
➤ Upgraded by JCR (BBB+ → A-)

**Return to first A range rating in approx. 11 yrs**



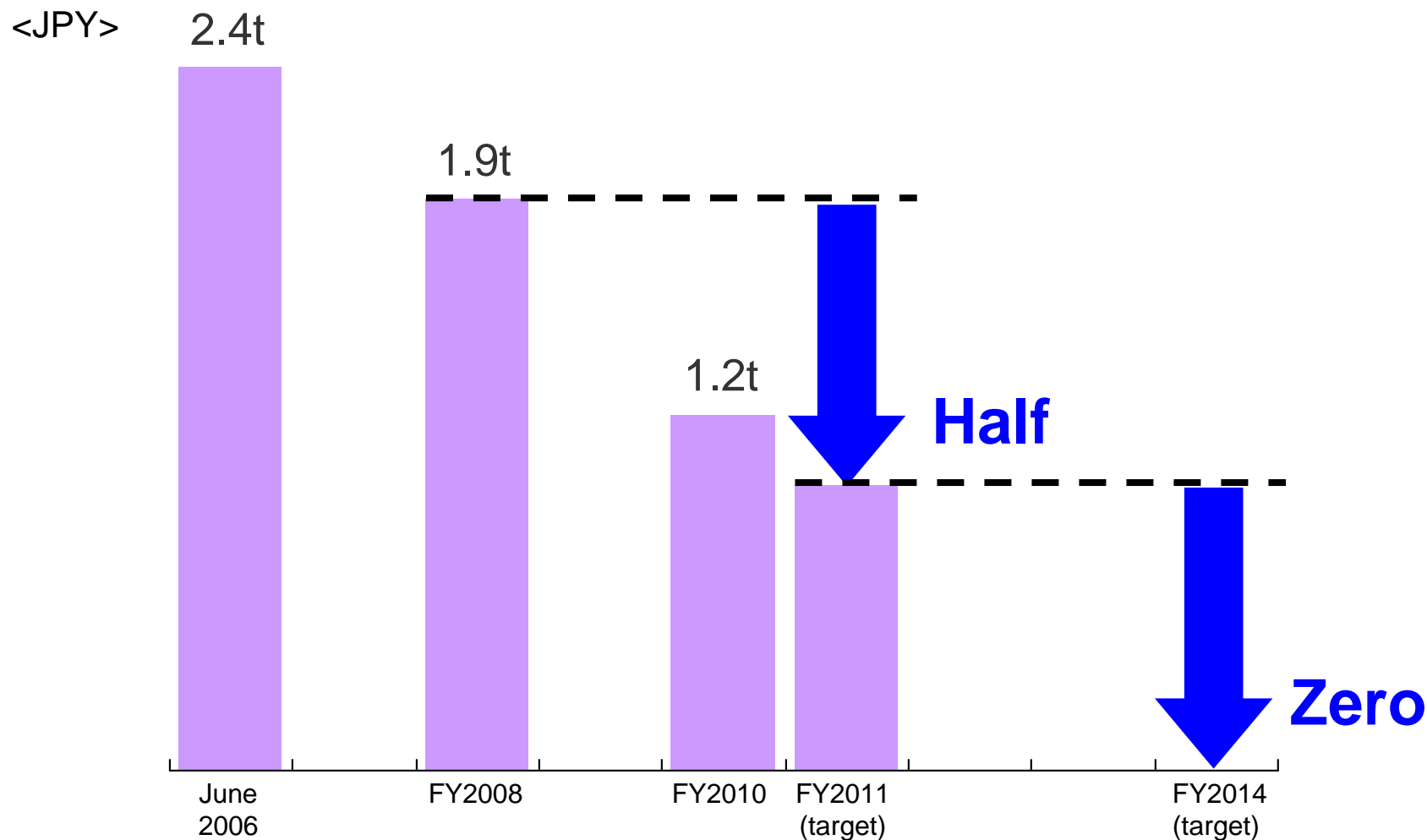
# Trend of Credit Ratings of WBS

- Class B: upgraded by Moody's (Baa3 → Baa1)



Note: WBS stands for Whole Business Securitization scheme associated with the acquisition of Vodafone K.K.

# Net Interest-bearing Debt Reduction Target



Note: 1. Net interest-bearing debt = interest-bearing debt - cash position.

2. Interest-bearing debt: short-term borrowings + commercial paper + bonds due for redemption within 1 year + bonds + long-term borrowings.  
Lease obligations are not included.

From March 2010, this excludes the corporate bonds (WBS Class B2 Funding Notes, issued by J-WBS Funding K.K.) with a face value of JPY 27.0bn acquired by SOFTBANK CORP. that were issued under the whole business securitization scheme associated with the acquisition of Vodafone K.K.

3. Cash position = cash and cash deposits + marketable securities included in current assets. (excludes Yahoo! Inc. shares held by a subsidiary of SOFTBANK CORP. in the United States of America).

4. Half: half the end of FY2008 level.

# Commitments Unchanged

**Cumulative 3 years FCF\* : at least JPY 1t** (FY2009-2011)

**Net Interest-bearing debt\* to half** (by end of FY2011)

**Net Interest-bearing debt\* to zero** (by end of FY2014)

**No major investments until the achievement of the commitments**

- Notes: 1. Free cash flow (FCF, cash and deposits) = cash flows from operating activities + cash flows from investing activities.  
2. Net interest-bearing debt = interest-bearing debt – cash position.  
3. Interest-bearing debt: short-term borrowings + commercial papers + bonds due for redemption within 1 year + bonds + long-term debt.  
Lease obligations are not included.  
From March 2010 this excludes the corporate bonds (WBS Class B2 Funding Notes, issued by J-WBS Funding K.K.) with a face value of JPY 27.0bn acquired by SOFTBANK CORP. that were issued under the whole business securitization scheme associated with the acquisition of Vodafone K.K.  
4. Cash position = cash and cash deposits + marketable securities included in current assets (excludes Yahoo! Inc. shares held by a subsidiary of SOFTBANK CORP. in the United States of America).

# FY2011 Financial Strategies

## Balance between growth strategy and strengthening financial base

### 1. Gain foothold for further growth

- Prioritized distribution of FCF to CAPEX
- Support strategic business investments actively
- Focus on value improvement of companies invested in

### 2. New phase of credit improvement

- Full repayment of non recourse loan after WBS refinance
- Solid reduction of debt towards zero net interest-bearing debt
- Improve credit rating by strengthening financial base and WBS refinance

### 3. Thorough focus on investors and market

- Continue to pursue various & flexible procurement methods
- Continue to enhance relationships with domestic and international financial institutions, access main markets

# (Reference) Corporate Bond Details

< mil JPY >

Company name	Bond	Issue date	Maturity date	Interest rate (%/year)	Collateral	Mar 10 balance	Mar. 11 balance	Change
SOFTBANK CORP.	24 <sup>th</sup> series Unsecured Straight Bond (Fukuoka SoftBank HAWKS bond)	2007/4/26	2010/4/26	2.72	None	20,000	—	-20,000
	22 <sup>nd</sup> series Unsecured Straight Bond	2005/9/14	2010/9/14	1.98	None	34,400	—	-34,400
	27 <sup>th</sup> series Unsecured Straight Bond (Fukuoka SoftBank HAWKS bond)	2009/6/11	2011/6/10	5.10	None	60,000	60,000	—
	25 <sup>th</sup> series Unsecured Straight Bond	2007/6/19	2011/6/17	3.39	None	53,500	53,500	—
	28 <sup>th</sup> series Unsecured Straight Bond	2009/7/24	2012/7/24	4.72	None	30,000	30,000	—
	29 <sup>th</sup> series Unsecured Straight Bond (Fukuoka SoftBank HAWKS bond)	2009/9/18	2012/9/18	4.52	None	65,000	65,000	—
	Convertible Bond due 2013 *	2003/12/30	2013/3/31	1.50	None	49,998	49,998	—
	31 <sup>th</sup> series Unsecured Straight Bond	2010/6/2	2013/5/31	1.17	None	—	25,000	25,000
	33 <sup>th</sup> series Unsecured Straight Bond	2010/9/17	2013/9/17	1.24	None	—	130,000	130,000
	Euro-denominated Senior Notes due 2013	2006/10/12	2013/10/15	7.75	None	47,625 (Eur 355mil)	—	-47,625 (-Eur 355mil)
	Convertible Bond due 2014 *	2003/12/30	2014/3/31	1.75	None	50,000	49,992	-8
	26 <sup>th</sup> series Unsecured Straight Bond	2007/6/19	2014/6/19	4.36	None	14,900	14,900	—
	30 <sup>th</sup> series Unsecured Straight Bond	2010/3/11	2015/3/11	3.35	None	30,000	30,000	—
	32 <sup>th</sup> series Unsecured Straight Bond	2010/6/2	2015/6/2	1.67	None	—	25,000	25,000
	34 <sup>th</sup> series Unsecured Straight Bond	2011/1/25	2016/1/25	1.10	None	—	45,000	45,000
35 <sup>th</sup> series Unsecured Straight Bond	2011/1/25	2018/1/25	1.66	None	—	10,000	10,000	
SOFTBANK TELECOM	2 <sup>nd</sup> series Unsecured Straight Bond	2004/12/7	2011/12/7	2.88	None	15,000	15,000	—
Phoenix JT	Subordinated Notes Due 2016	2004/12/24	2016/12/15	5.95	None	32,400	32,400	—
Other corporate bonds	-	-	-	-	-	100	100	—
Total	-	-	-	-	-	502,923	635,890	132,966

\* Early redemption is possible on SOFTBANK's request for Convertible bond due 2013 and Convertible bond due 2014, in case certain conditions are met.

SoftBank

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# Operation

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## Kazuhiko Fujihara

Senior Vice President, CFO, Director of the Board  
SOFTBANK MOBILE Corp.

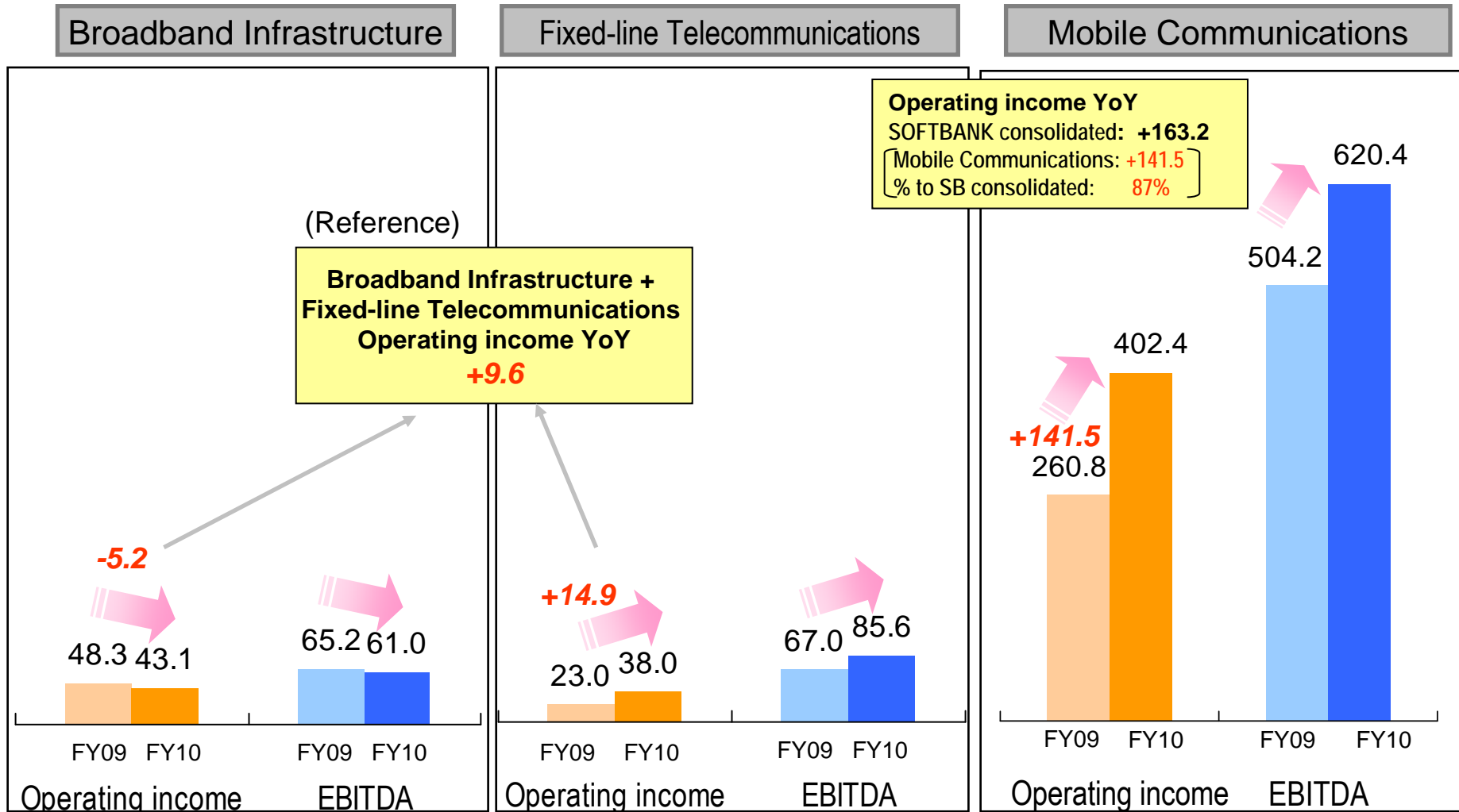
Senior Vice President & CFO, Director  
SOFTBANK BB Corp.

Director  
SOFTBANK TELECOM Corp.

# Overview of 3 Telecommunications Businesses

- Large increase in profit in Mobile Communications led consolidated operating income to reach record high.

<bn JPY>



Note 1. Segment financial results for FY2009 are shown based on the new standard for comparison purposes only.

Note 2. EBITDA = operating income (loss) + depreciation and amortization (including amortization of goodwill), and loss on disposal of fixed assets included in operating expenses.

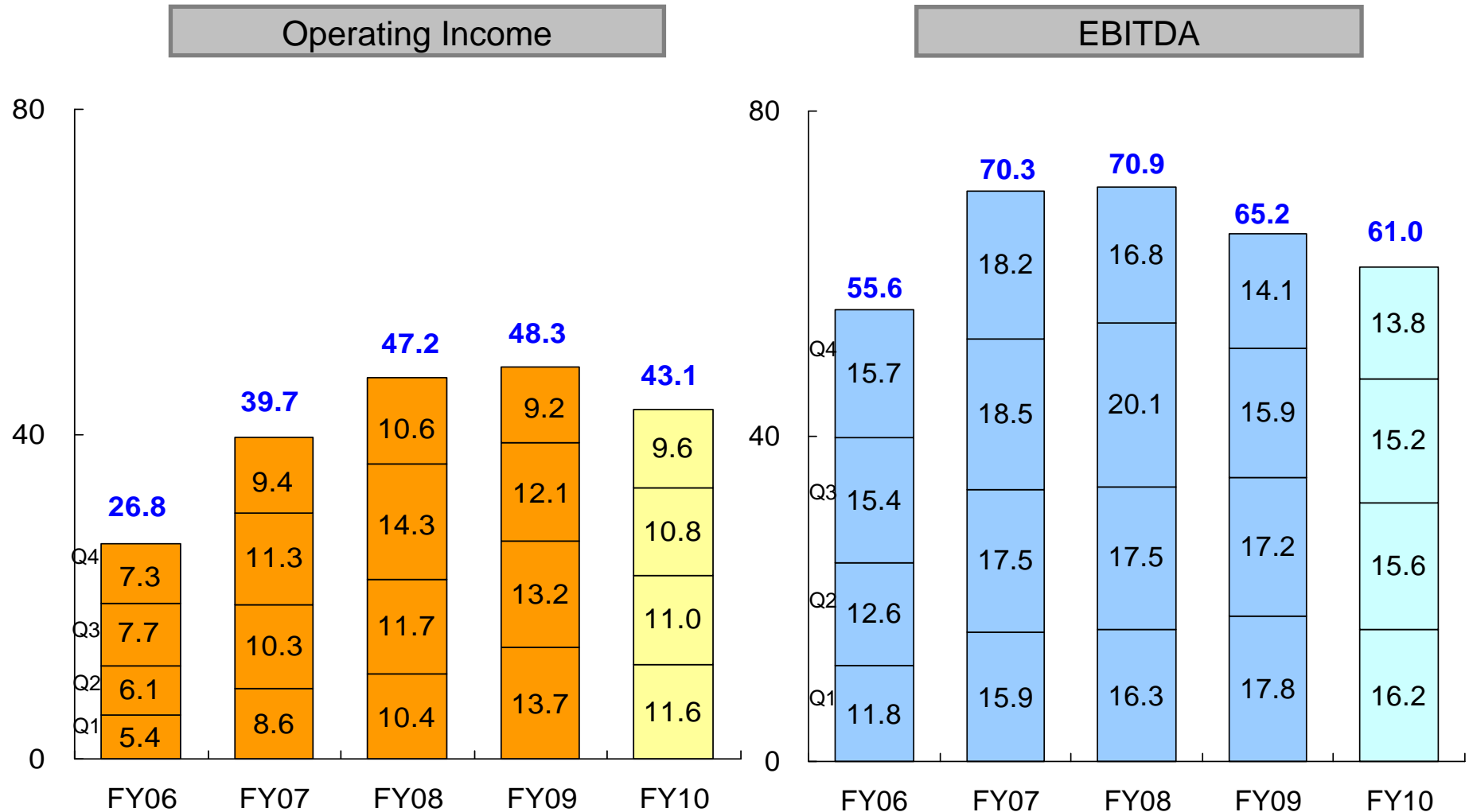
## Broadband Infrastructure Business

# Operating Income, EBITDA

<BB>

➤ Profit decreased YoY. Efforts continued to increase lines.

<bn JPY>



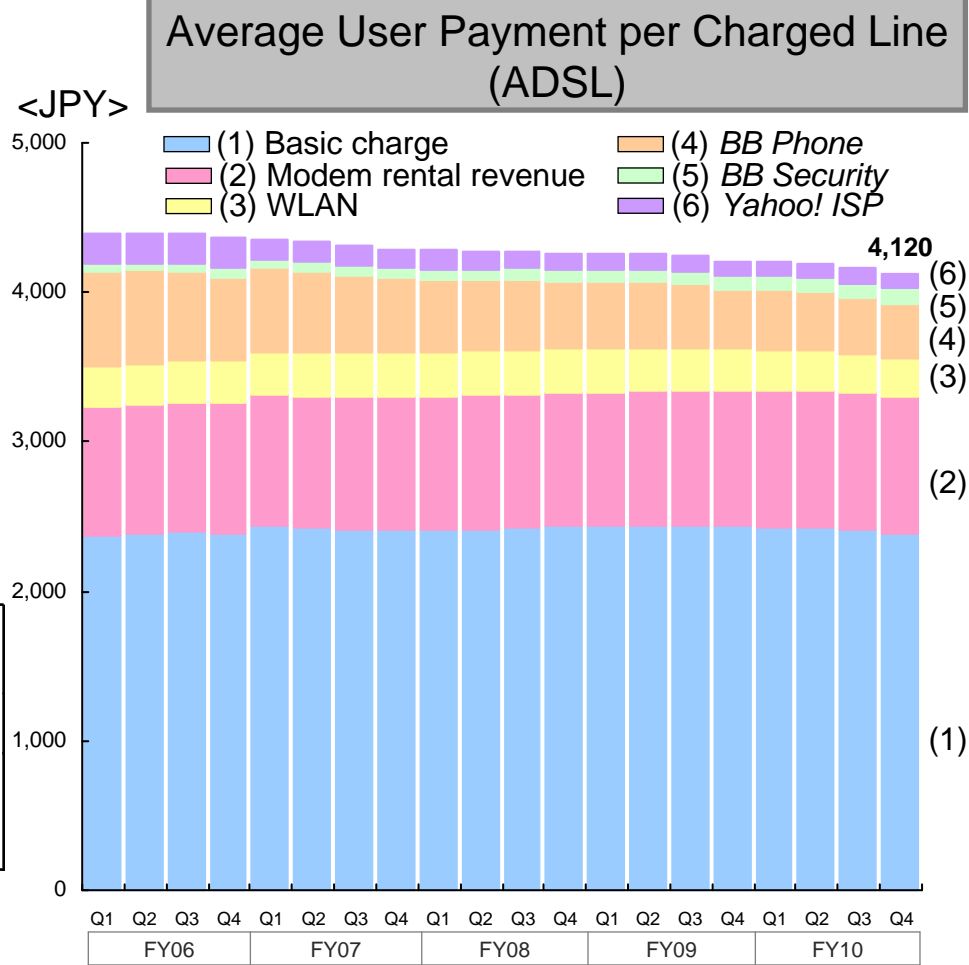
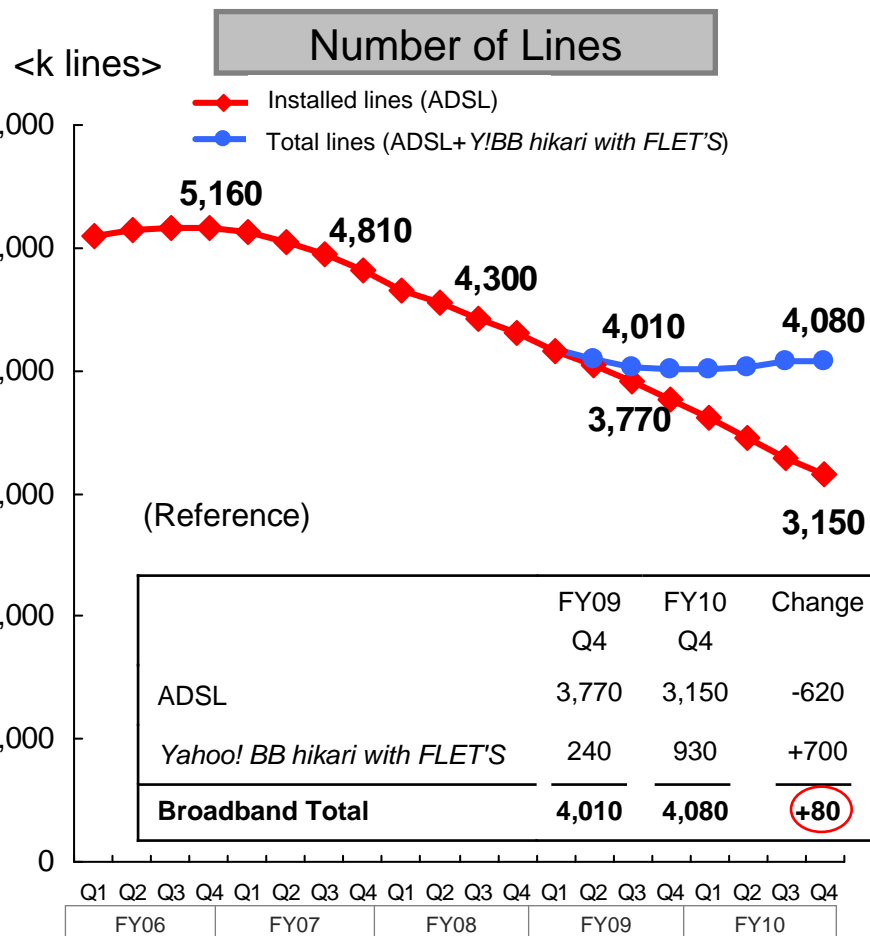
Note: 1. Segment financial results for FY2009 are shown based on the new standard for comparison purposes only.

2. EBITDA = operating income (loss) + depreciation and amortization (including amortization of goodwill), and loss on disposal of fixed assets included in operating expenses. 60

# Yahoo! BB ADSL Lines and average payment per changed line

<BB>

- The number of lines of *Yahoo! BB hikari with FLET'S* increased, leading to a YoY increase of total broadband. ADSL decreased.

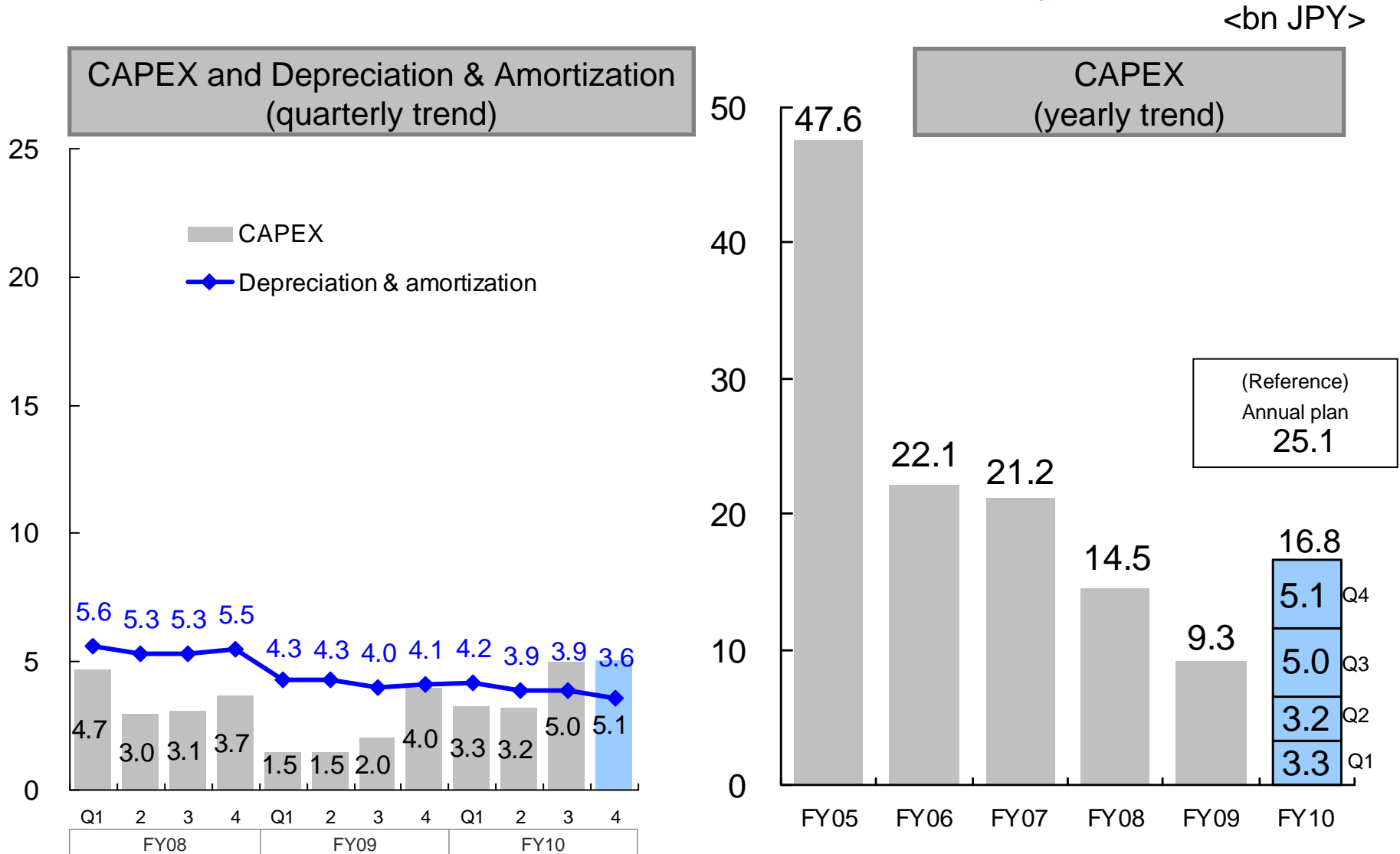


Note: 1. Installed lines: number of lines for which connection construction for ADSL line at central office of NIPPON TELEGRAPH AND TELEPHONE EAST CORPORATION ("NTT East") or NIPPON TELEGRAPH AND TELEPHONE WEST CORPORATION ("NTT West") is complete.  
 Charged lines: installed lines excluding customers whose basic monthly charge is free under campaigns or other promotional initiatives.  
 2. ISP : Internet Service Provider.  
 3. *Yahoo! BB hikari with FLET'S*: a broadband connection service that combines the Internet connection service *Yahoo! BB* and the *FLET'S HIKARI* fiber-optic connection provided by NTT East and NTT West. *FLET'S* and *FLET'S HIKARI* are registered trademarks of NTT East and NTT West.  
 4. Average user payment per charged line: rounded to the nearest JPY 10. From FY07/Q1 part of *Yahoo! ISP* revenue was recorded as basic charge, based on changed contract with Yahoo Japan (no impact on user's payment).

# CAPEX (acceptance basis)

<BB>

➤ The annual result was JPY 16.8bn; JPY 8.3bn below the plan.



Note: segment financial results for FY2009 are shown based on the new standard for comparison purposes only.

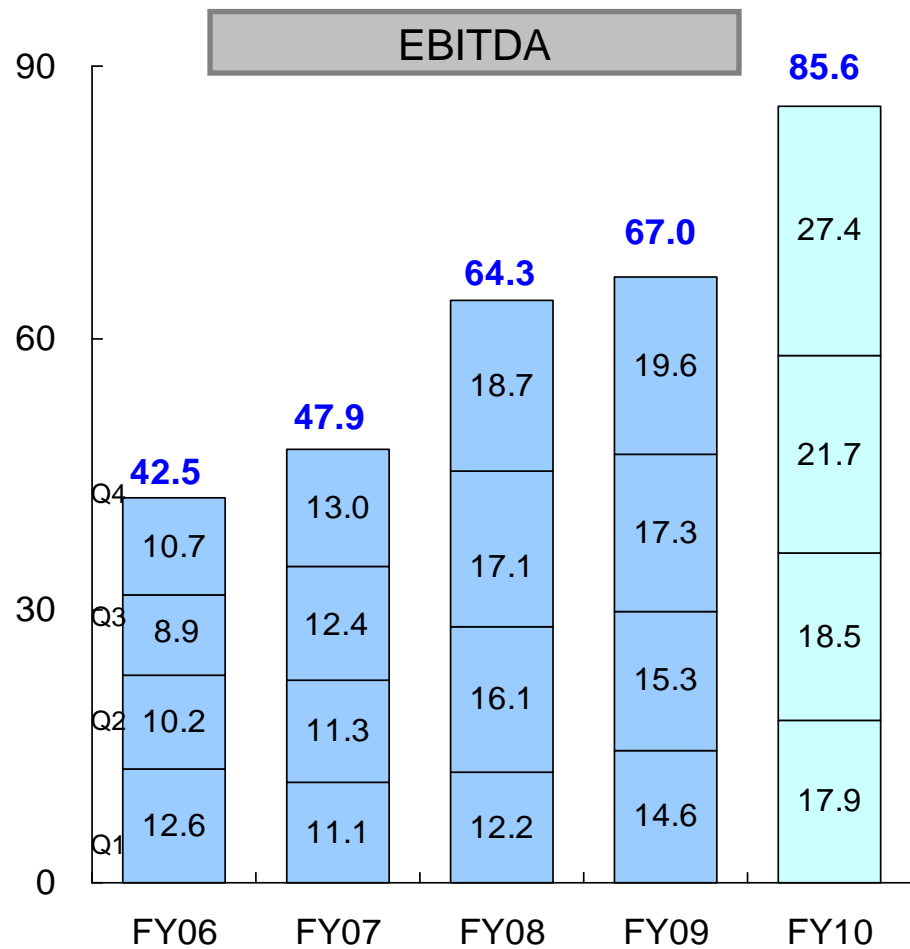
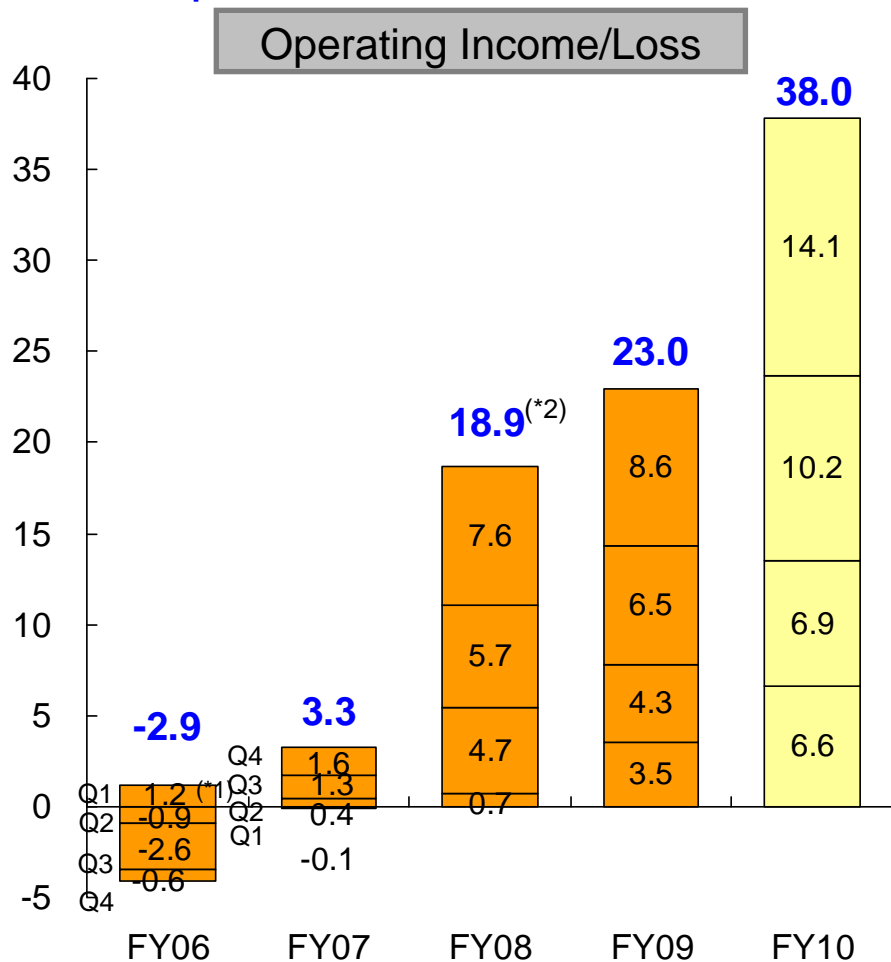
## Fixed-line Telecommunications

# Operating Income, EBITDA

<Fixed>

- Sustain trend of profit increase through enhancement of corporate lines and efficient management.

<bn JPY>



\*1. FY06/Q1: including one-off event (reversal of JPY 2.5bn for retirement benefits).

\*2. FY2008: includes operating income of JPY 2.0bn of SOFTBANK IDC Solutions Corp. (merged with Yahoo Japan at the end of FY08).

\*3. EBITDA = operating income (loss) + depreciation and amortization (including amortization of goodwill), and loss on disposal of fixed assets included in operating expenses.

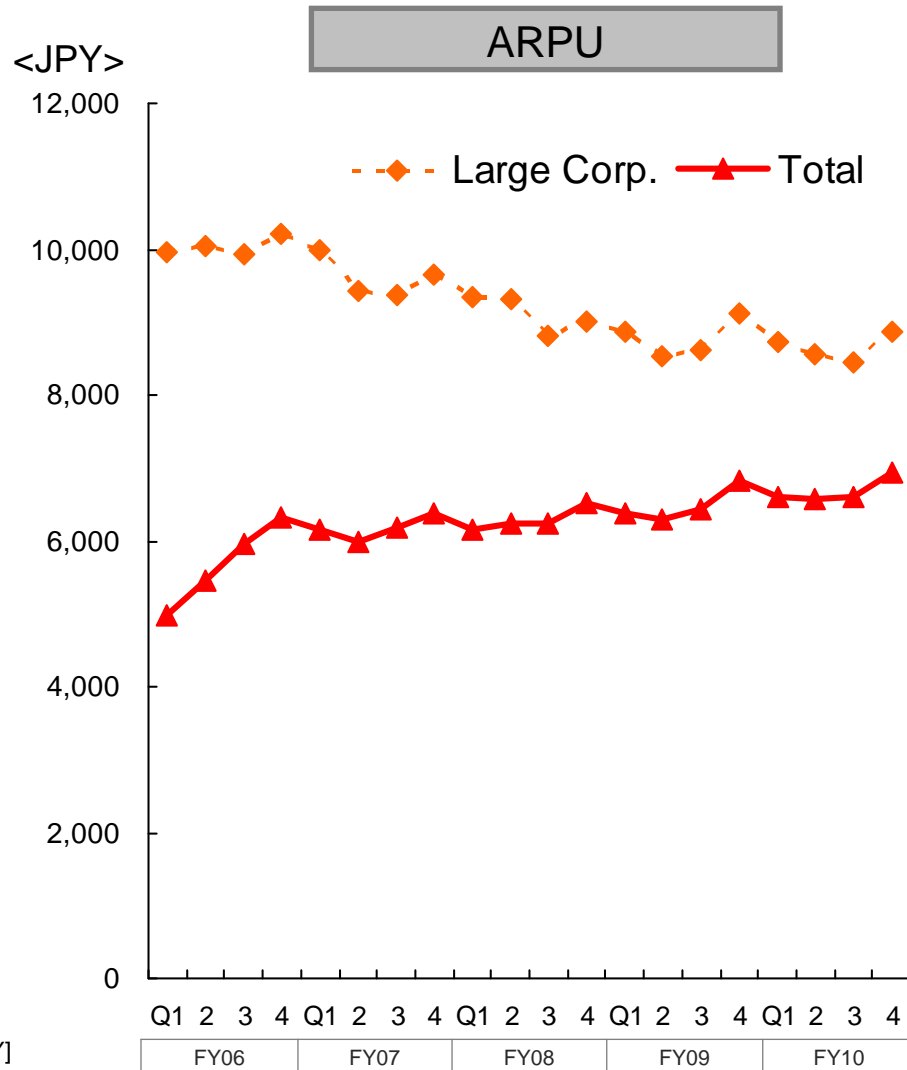
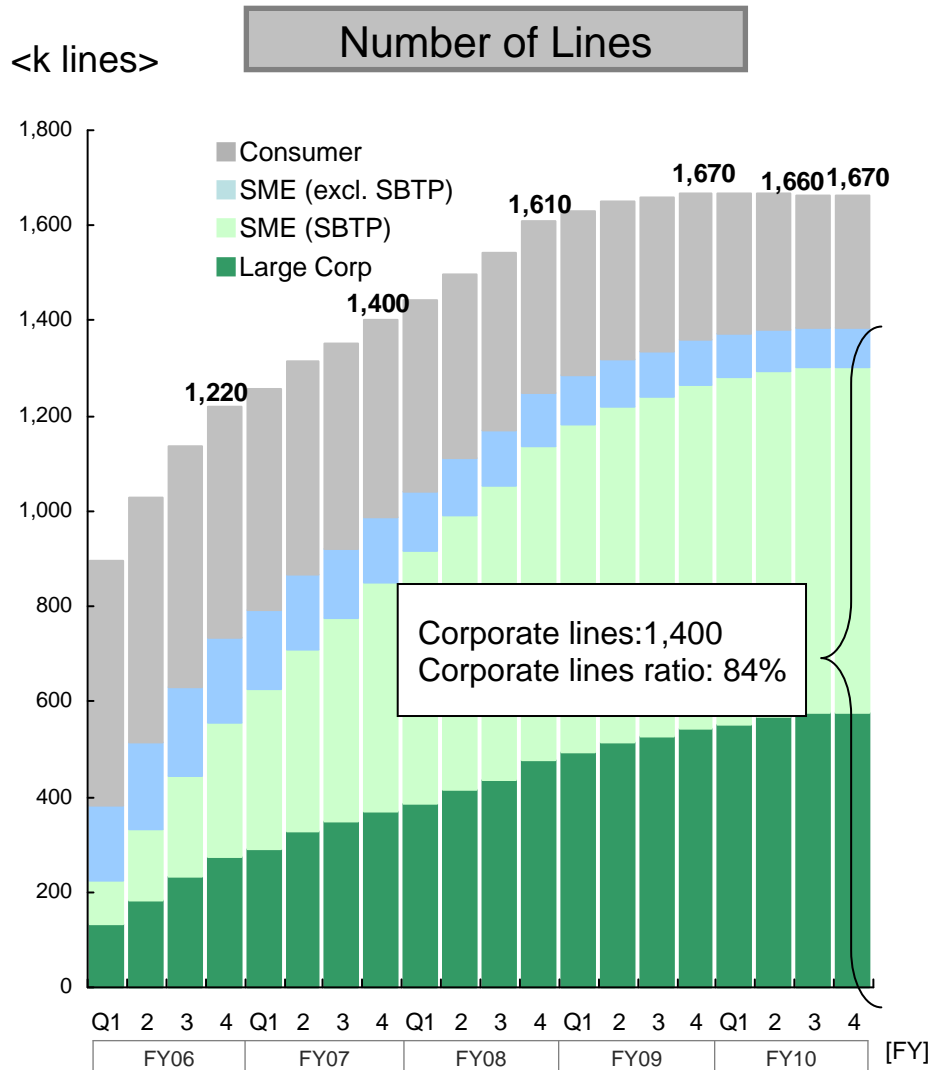
\*4. Segment financial results for FY2009 are shown based on the new standard for comparison purposes only.



# Number of Lines and ARPU for *OTOKU Line*

<Fixed>

➤ Sustain number of lines and ARPU on enhancement of corporate lines.

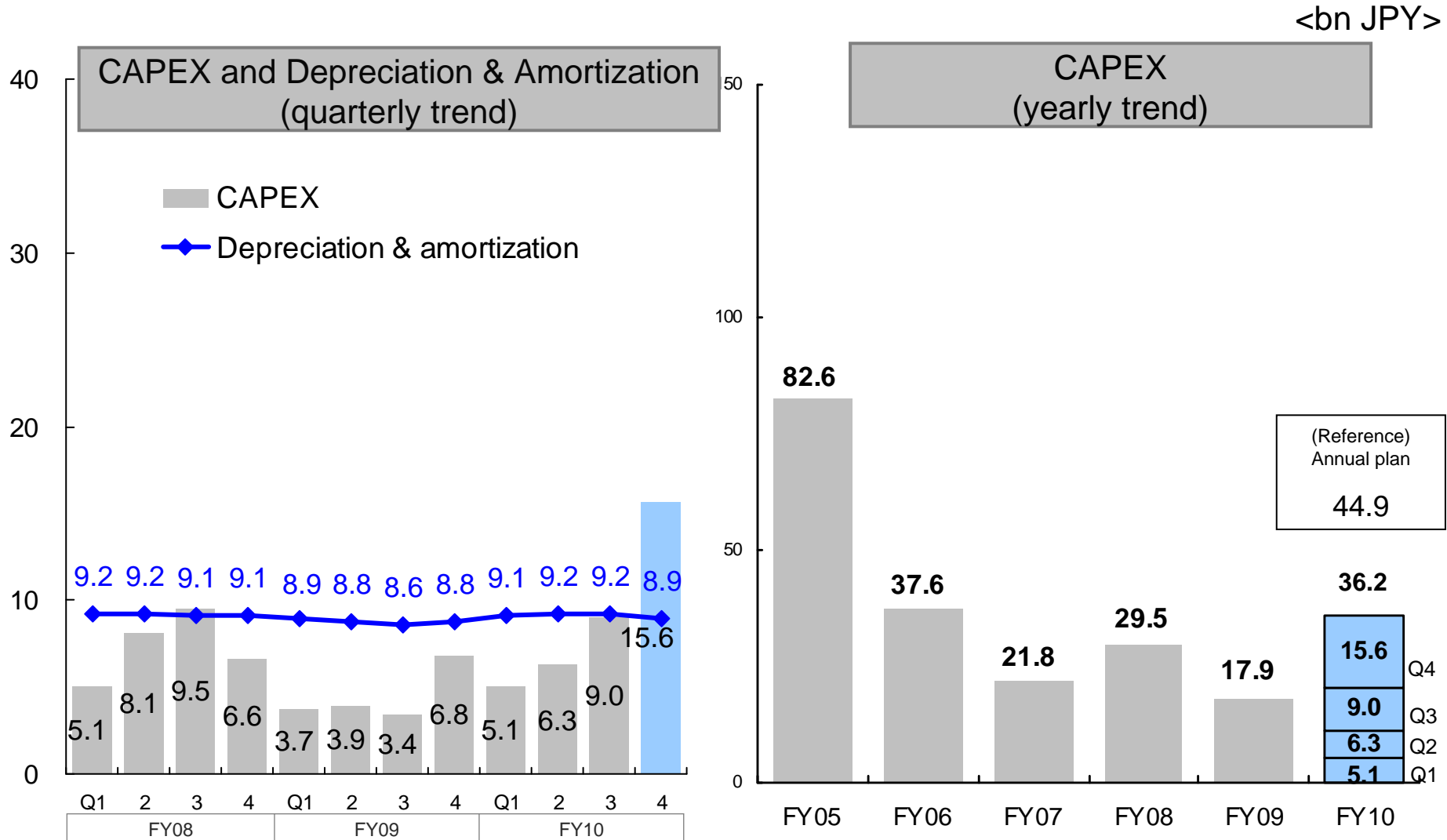


Note: 1. ARPU: Average Revenue Per line (rounded to the nearest JPY 10)  
2. SBTP: SOFTBANK TELECOM PARTNERS

# CAPEX (acceptance basis)

<Fixed>

➤ The annual result was JPY 36.2bn; JPY 8.6bn below the plan.



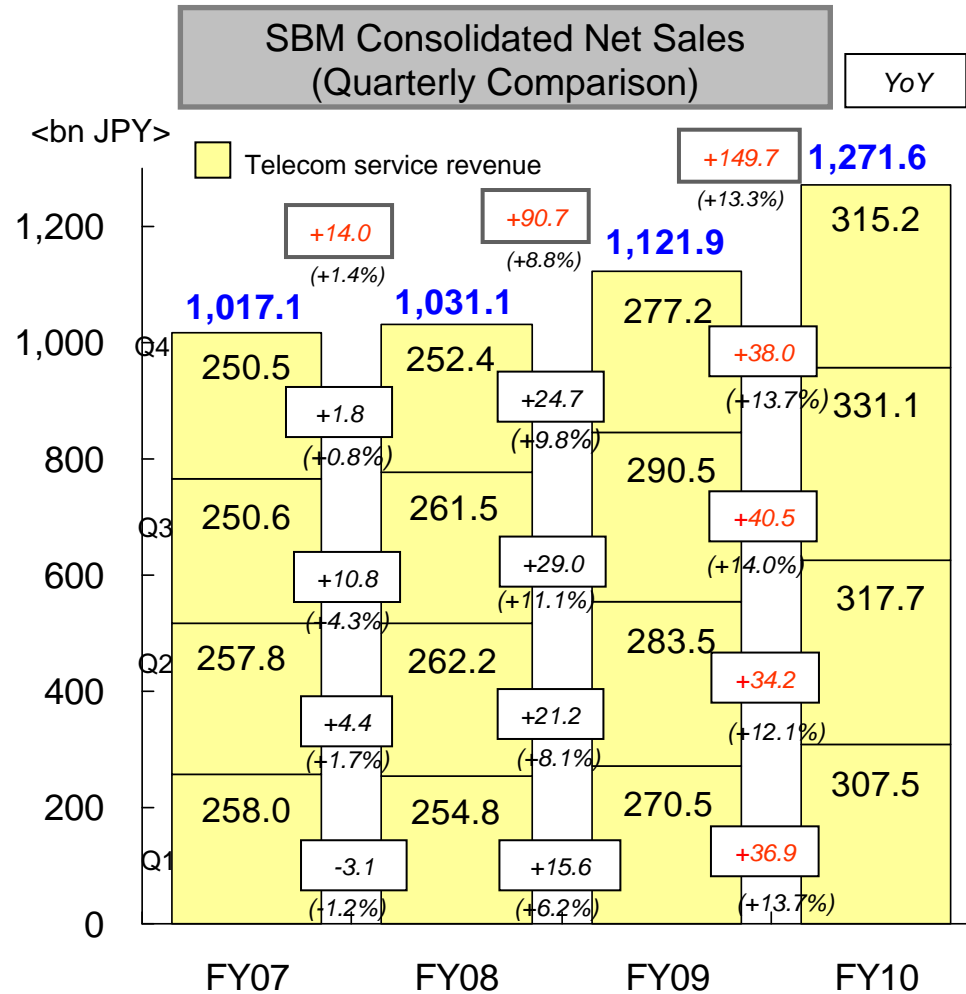
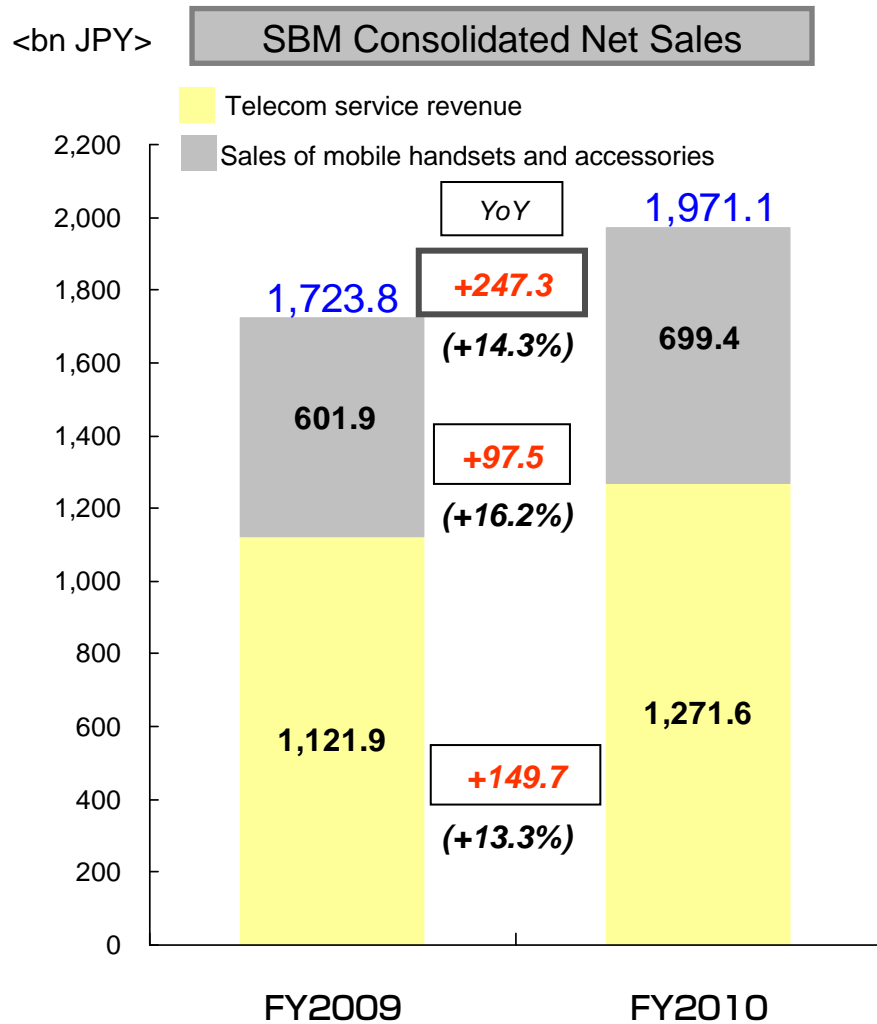
Note: segment financial results for FY2009 are shown based on the new standard for comparison purposes only.

## Mobile Communications

# SBM Consolidated Net Sales

<Mobile>

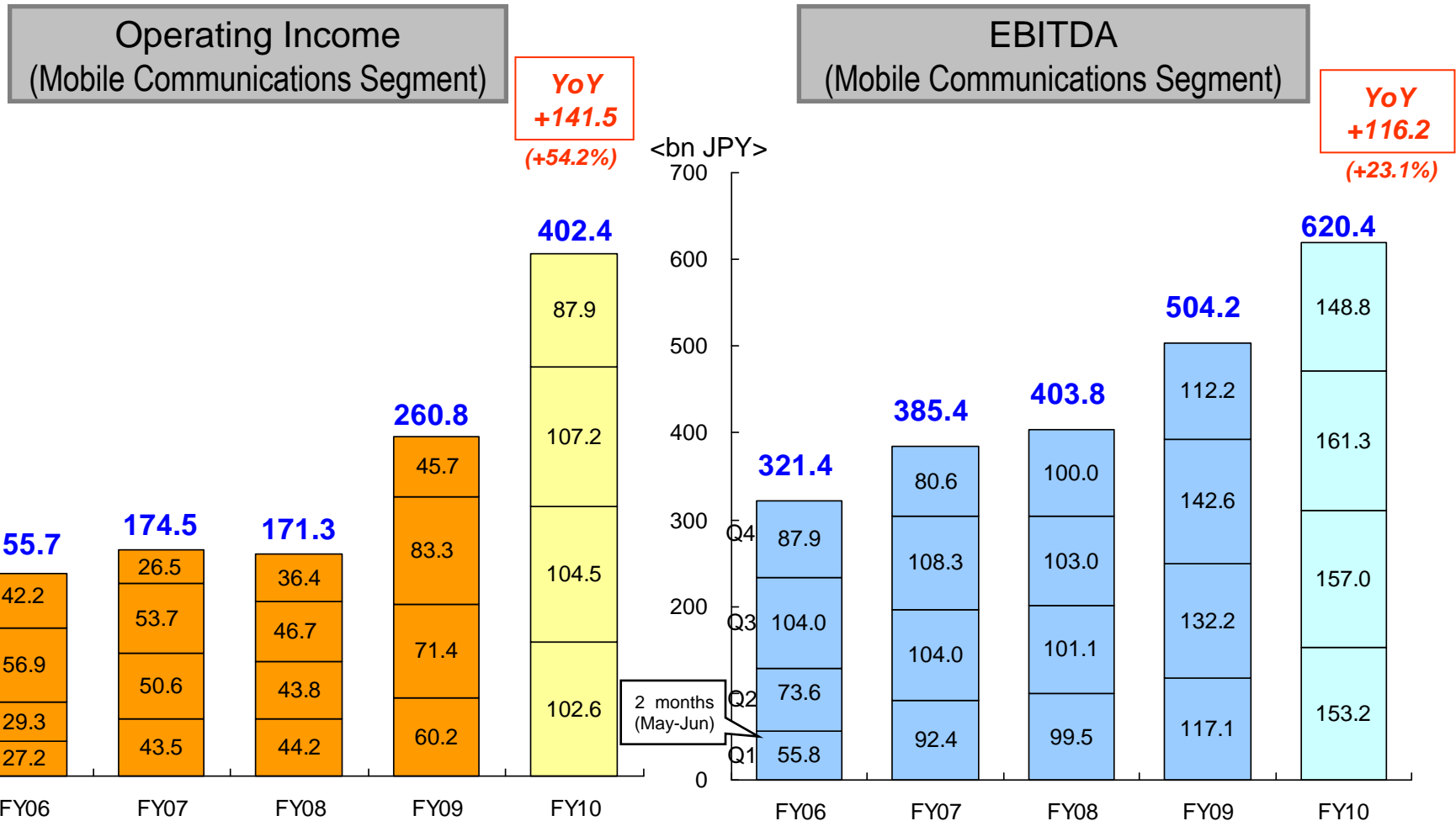
- Net sales increased by 14% (large revenue increase both in telecom service and sales of mobile handsets and accessories).



# Operating Income/ EBITDA (SB Consolidated)

<Mobile>

- Revenue and profit increased;  
operating income increased 54% YoY to reach record high\*.



\*Since SOFTBANK CORP. established the Mobile Communications segment in FY2006.

Note 1. Segment financial results for FY2009 are shown based on the new standard for comparison purposes only.

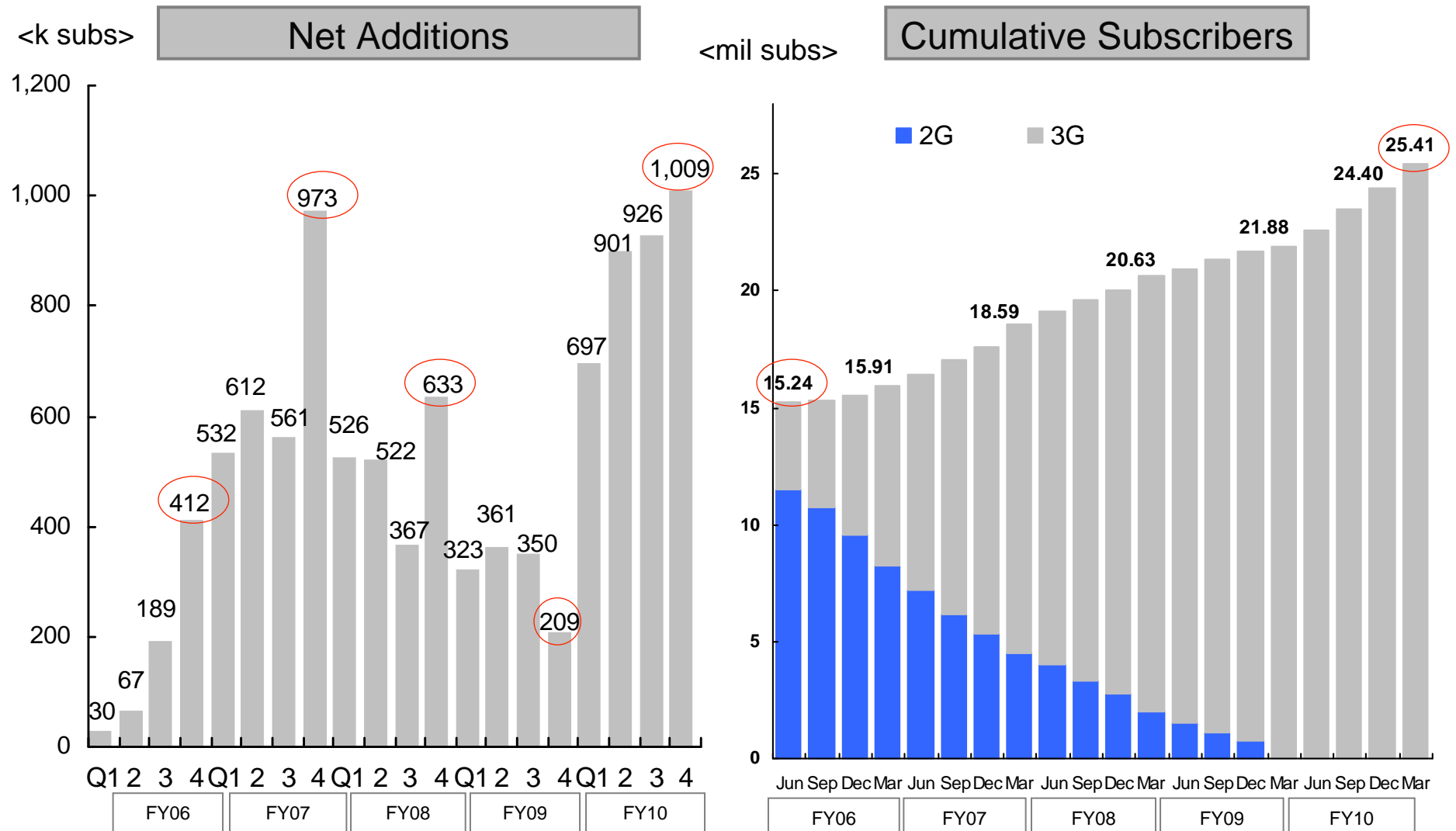
2. EBITDA = operating income (loss) + depreciation and amortization (including amortization of goodwill), and loss on disposal of fixed assets included in operating expenses.

SB: SOFTBANK

# Number of Subscribers (quarterly net additions/cumulative)

<Mobile>

➤ Large increase in net additions (surpassed 1 million on quarterly basis for the first time).

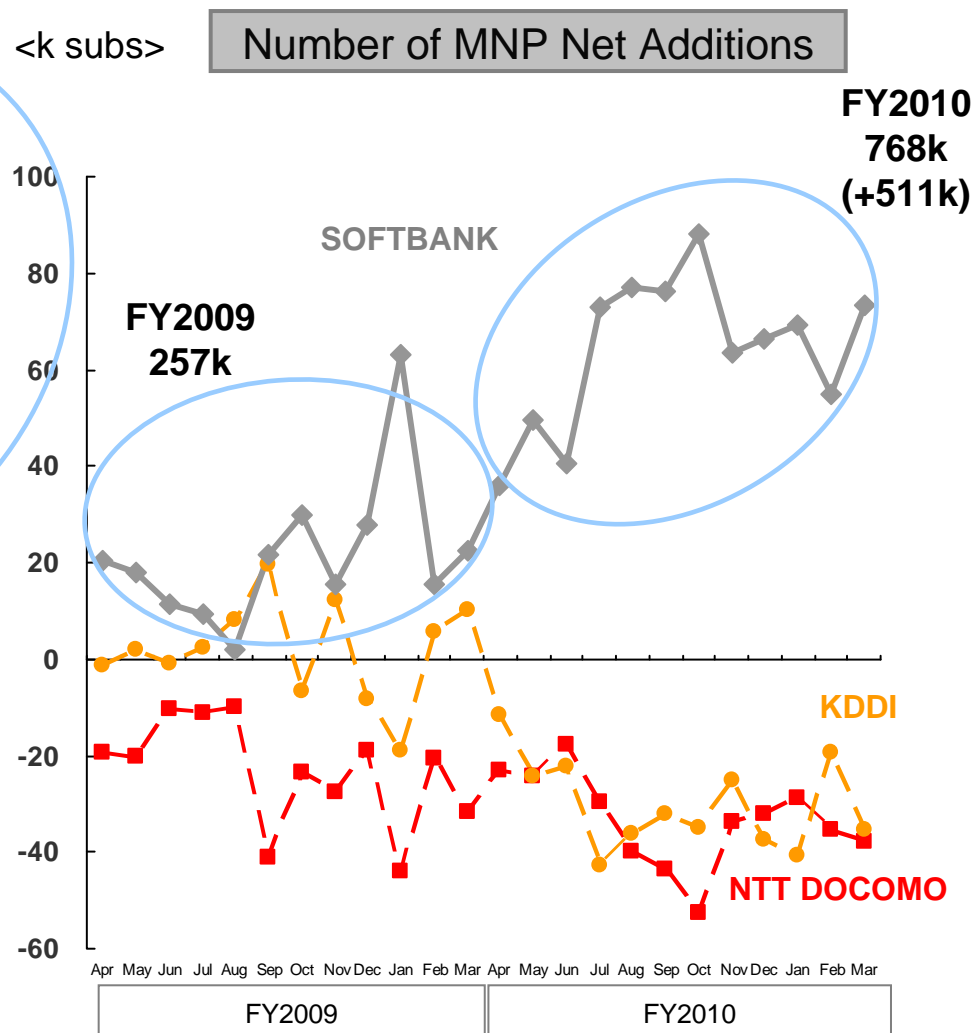
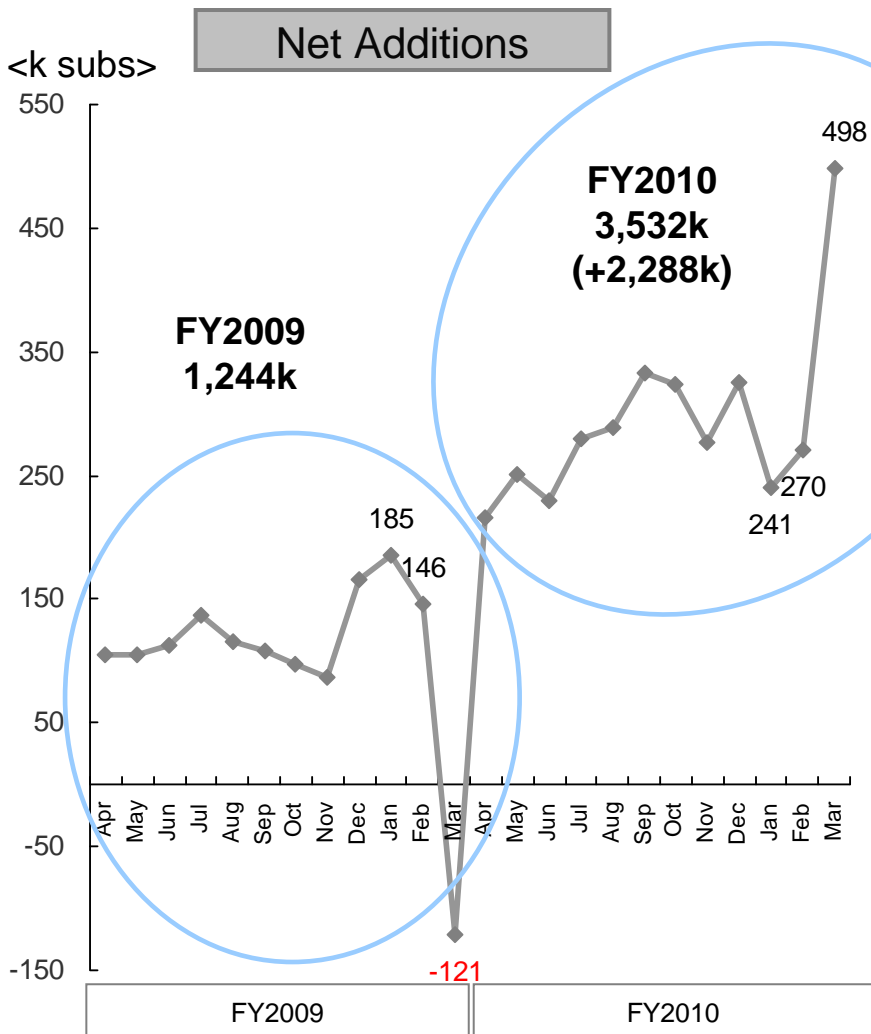


Note: the number of net subscriber additions and the number of cumulative subscribers include prepaid mobile phones and communication module service subscribers.

# Number of Monthly Net Additions

<Mobile>

➤ Large increase both in number of net additions (2.8x) and MNP net additions (3.0x). (YoY)



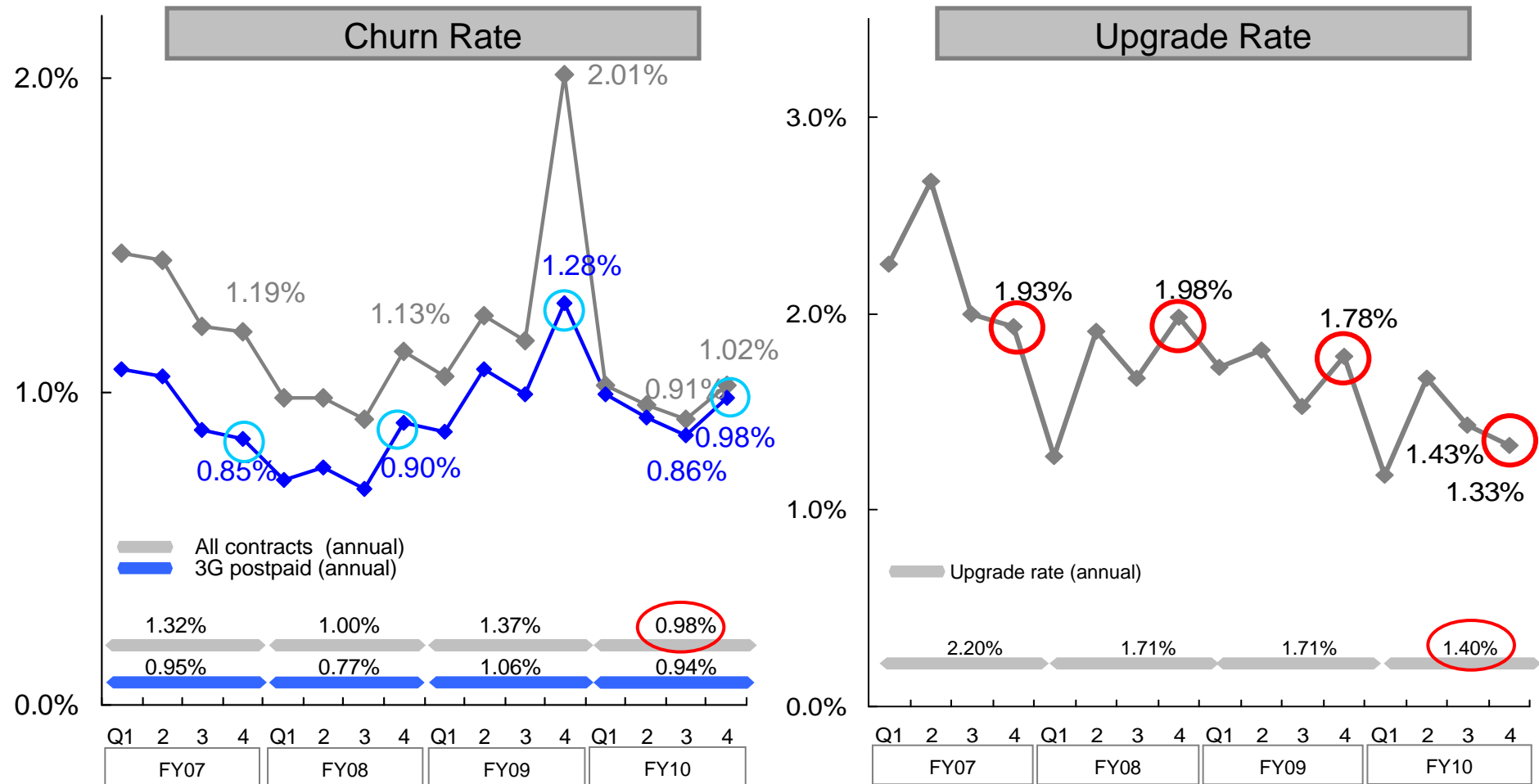
Note 1. The number of net subscriber additions include prepaid mobile phones and communication module service subscribers.

Note 2. MNP Net Additions: net of port-in/out through Mobile Number Portability. Created by SOFTBANK CORP.

# Churn Rate & Upgrade Rate

<Mobile>

- Churn rate improving; less impact from churns after HS installment payments.
- Upgrade rate decreased YoY.
- (Both were inflated by 2G termination till FY09.)



Note 1: Churn rate (all contracts) and upgrade rate is calculated with prepaid mobile phones and communication module service subscribers included in the number of subscribers, churn, and upgrades, respectively.

Note 2: Churn rate (3G postpaid): calculated with communication module service subscribers included in the number of subscribers and churn.

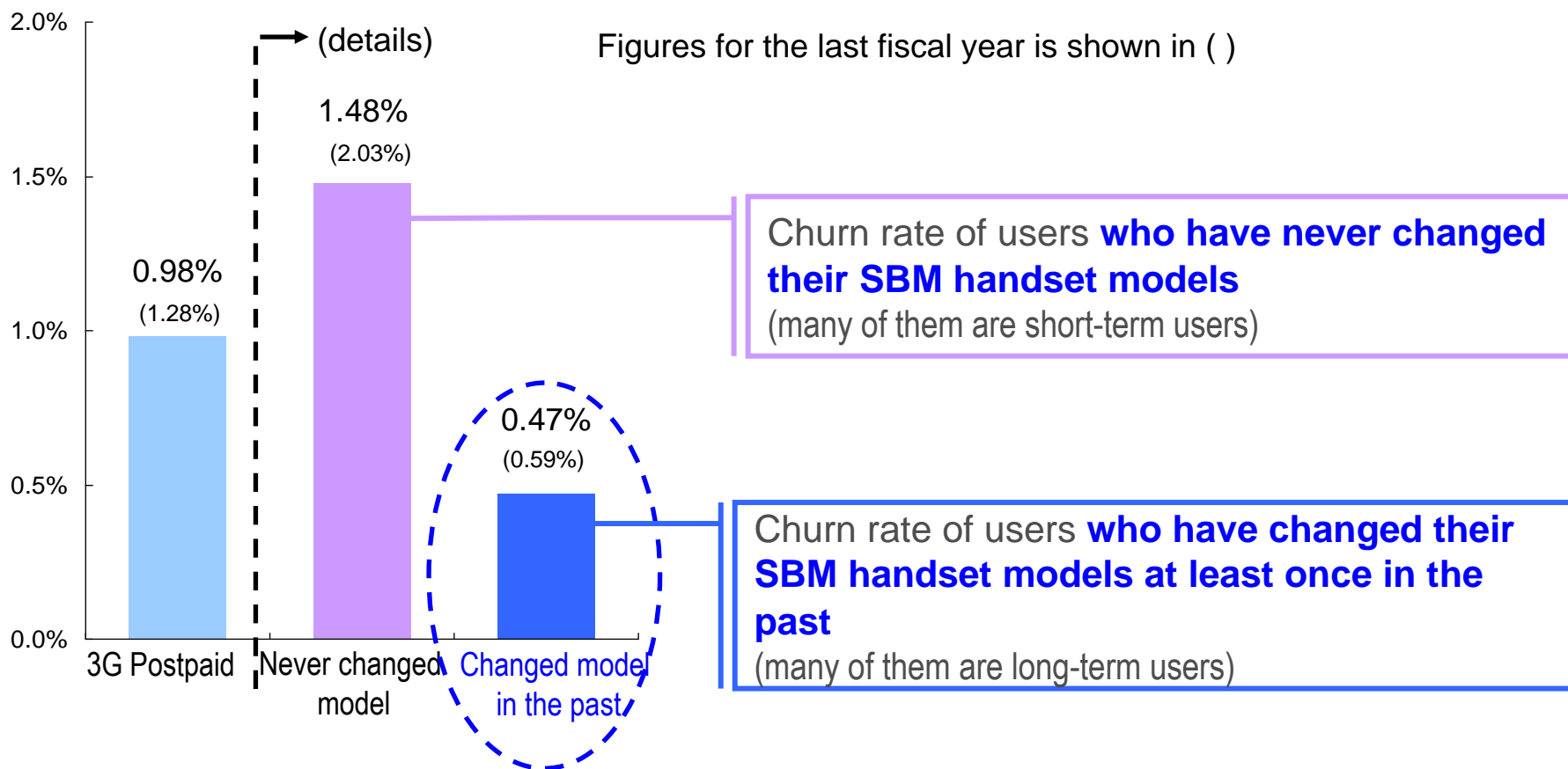


# Churn Rate Details (FY10/Q4)

<Mobile>

- Churn rate largely varies according to type of history of model changes; both are improving.

Churn Rate of 3G Postpaid (FY10/Q4)  
<by history of model changes>



Note: calculated with communication module service subscribers included in the number of subscribers and churn.

SBM: SOFTBANK MOBILE

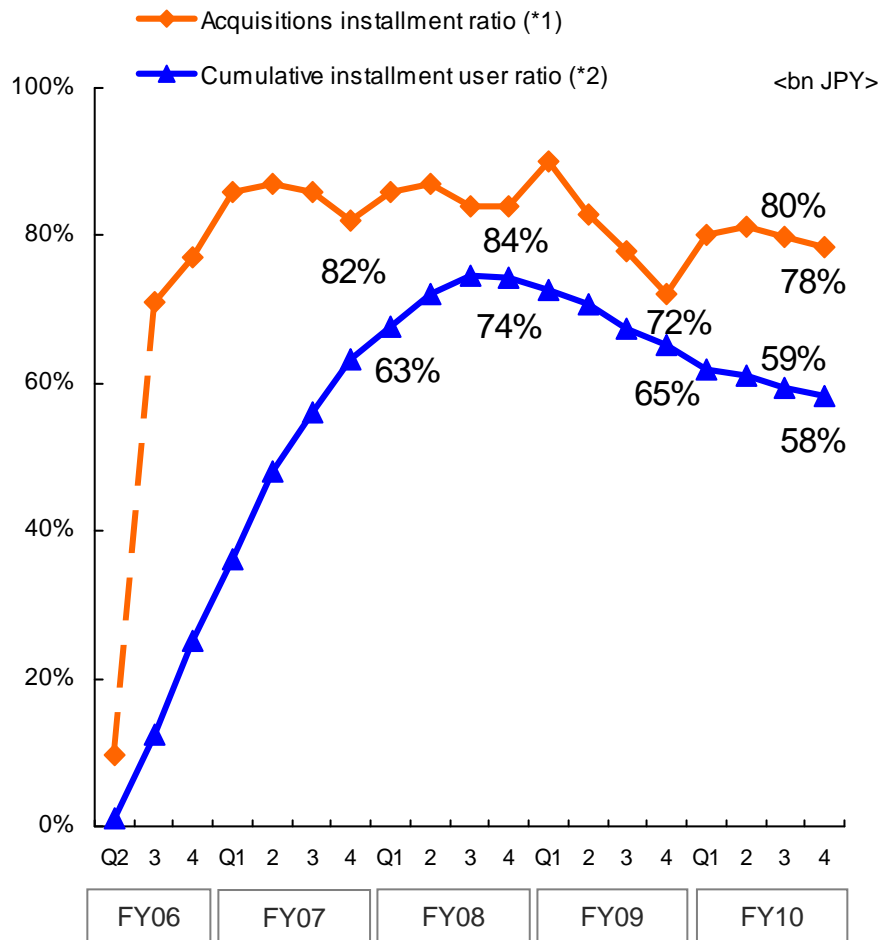
# New Super Bonus Ratio and Installment Sales Receivables Balance

<Mobile>

➤ The balance largely decreased, impacted by the sale of installment sales receivables.

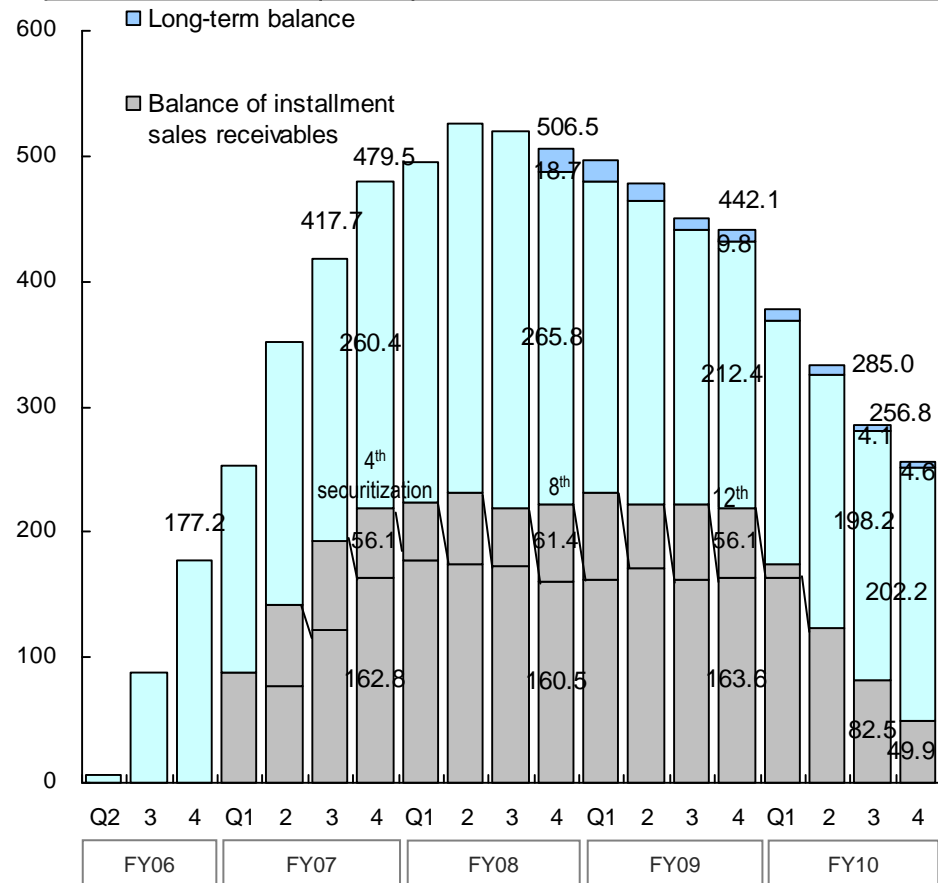
## New Super Bonus Subscription Ratio

(include Super Bonus)



## Installment Sales Receivables Balance

(Ref.) Installment sales receivables sold (bn JPY)	FY09 Q2	FY09 Q3	FY09 Q4	FY10 Q1	FY10 Q2	FY10 Q3	FY10 Q4
	10.3	10.3	-	55.7	57.9	63.3	62.8



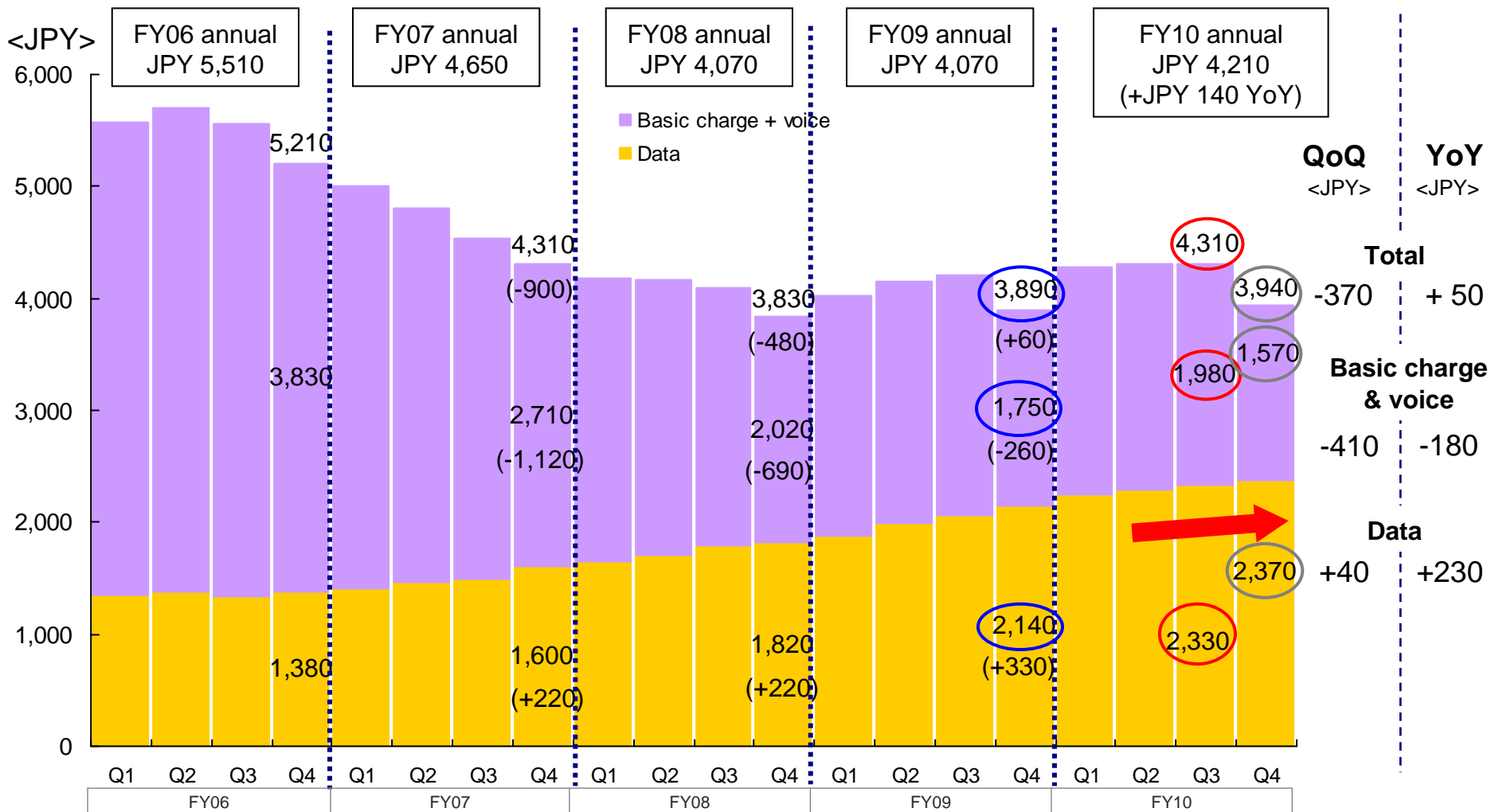
\*1 Acquisitions installment ratio: ratio of New Super Bonus subscribers to postpaid subscribers (new/upgrade).

\*2 Cumulative installment ratio: ratio of New Super Bonus subscribers to total subscribers (excluding subscribers whose Monthly Discounts ended).

# ARPU (Average Revenue Per User)

<Mobile>

- QoQ: ARPU decreased by JPY 370, data ARPU increased by JPY 40.
- YoY: ARPU increased by JPY 50, data ARPU increased by JPY 230.



Note: ARPU: Average Revenue Per User (rounded to the nearest JPY 10). Revenue and number of mobile phone subscribers include prepaid mobile phones and communication modules.

ARPU = basic monthly charge + monthly usage charge + voice, data, etc. - Monthly Discounts (New Super Bonus Special Discount). For the Mobile Communications segment, the term "ARPU" used alone indicates the total of the basic monthly charge plus voice ARPU plus data ARPU. Annual ARPU for FY08 and FY09 before rounding is JPY4,065 and JPY4,068, respectively.

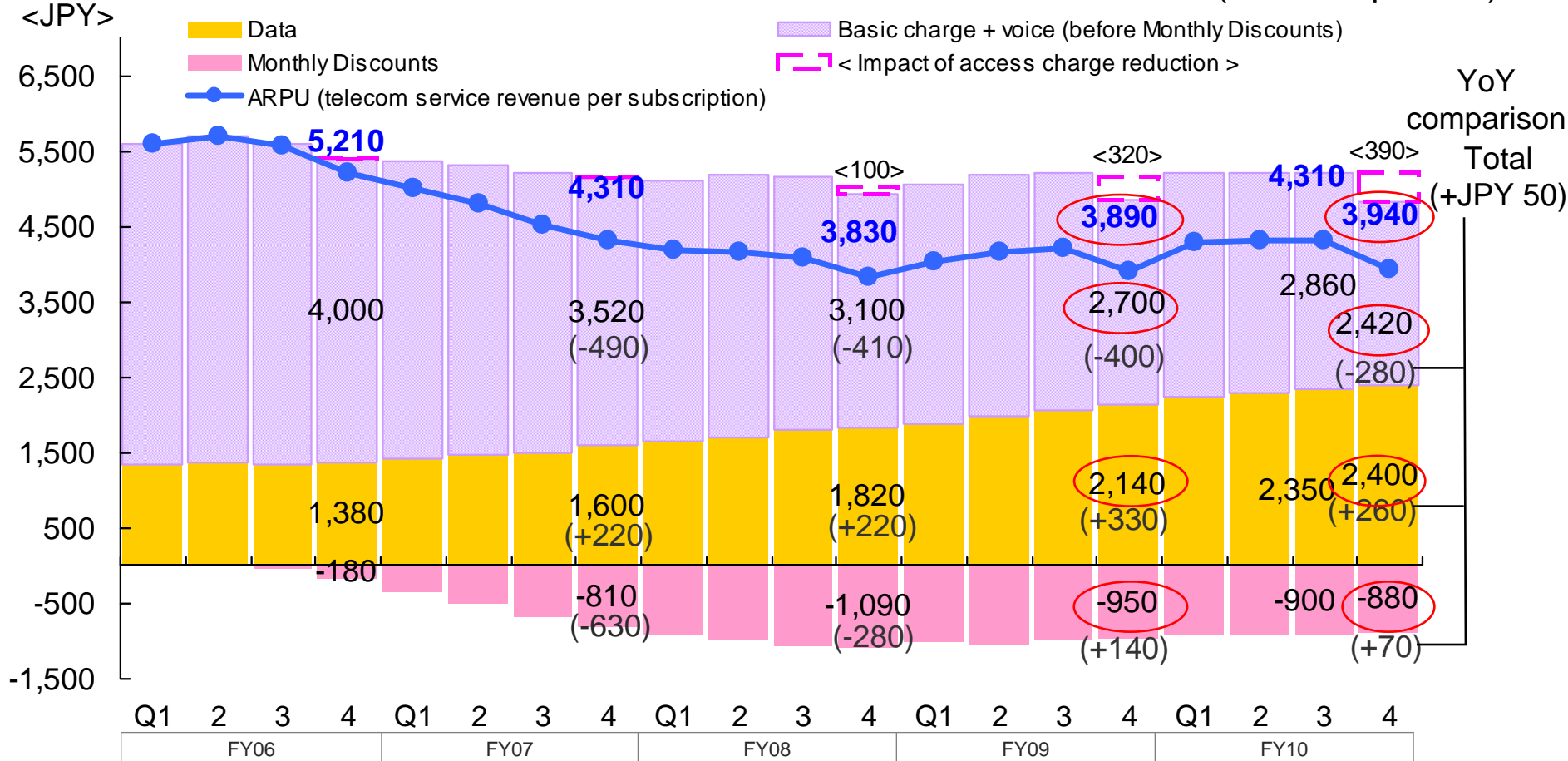
# ARPU (Average Revenue Per User)

<Mobile>

➤ YoY (*Monthly Discounts* referred to separately)

Basic monthly charge plus voice ARPU: JPY -280, data ARPU: JPY +260  
 impact of *Monthly Discounts*: JPY +70.

(YoY comparison)



Note: ARPU: Average Revenue Per User (rounded to the nearest JPY 10). Revenue and number of mobile phone subscribers include prepaid mobile phones and communication modules.

ARPU = basic monthly charge + monthly usage charge + voice, data, etc. - *Monthly Discounts* (New Super Bonus Special Discount).

The term "ARPU" used alone indicates the total of the basic monthly charge plus voice ARPU plus data ARPU.

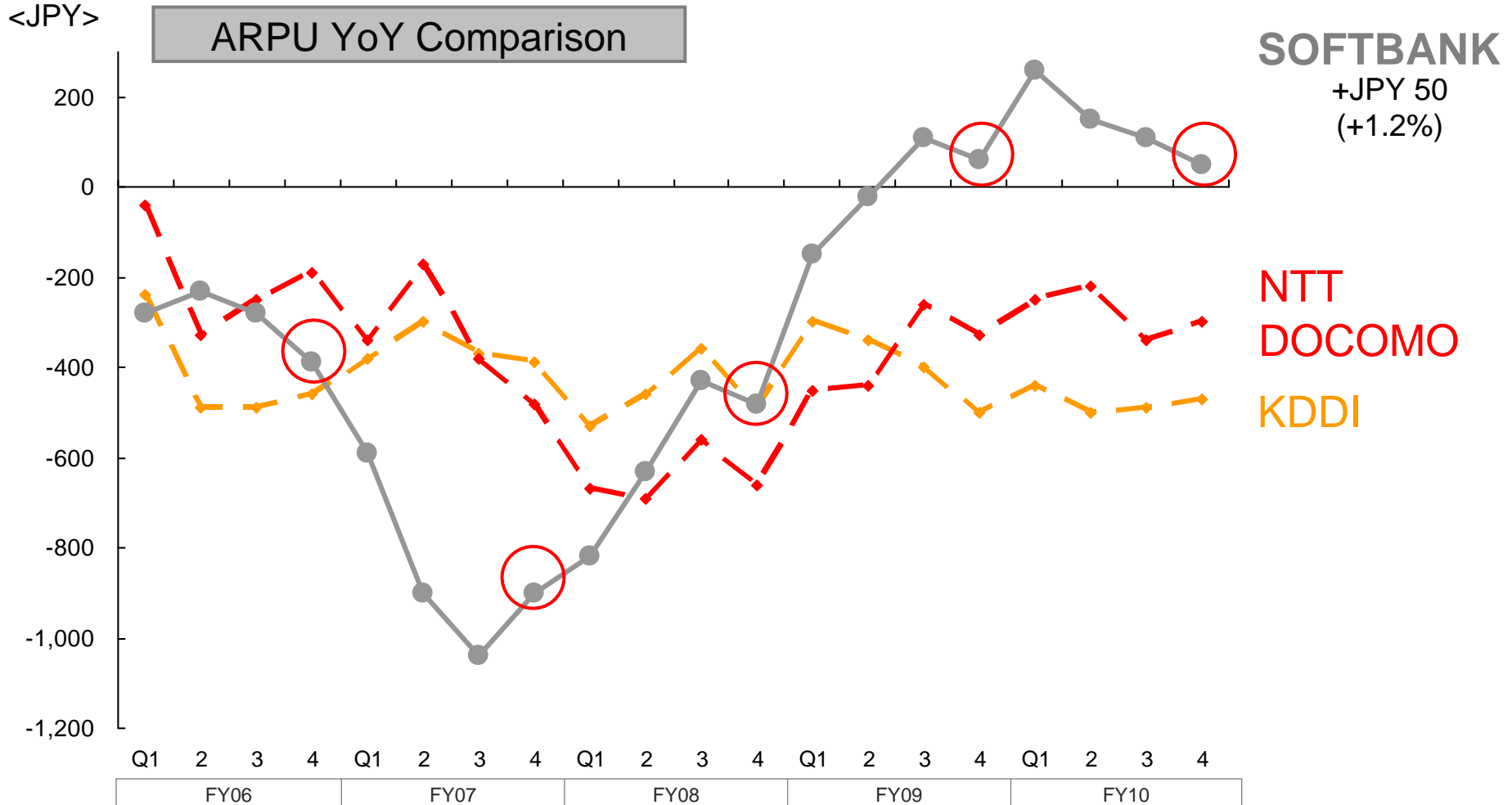
Basic charge + voice (before monthly discounts) is before deducting monthly discounts from basic charge + voice ARPU.

Impact of access charge reduction : indicates impacts of reduction relating to revised access charges between carriers (showing 12 month amount collectively)

# ARPU (average telecom service revenue per subscription) Comparison

<Mobile>

➤ YoY increase continued.



Note 1. ARPU: Average Revenue Per User (rounded to the nearest JPY 10). Revenue and number of mobile phone subscribers include prepaid mobile phones and communication modules.  
ARPU = basic monthly charge + monthly usage charge + voice, data, etc. - Monthly Discounts (New Super Bonus Special Discount).

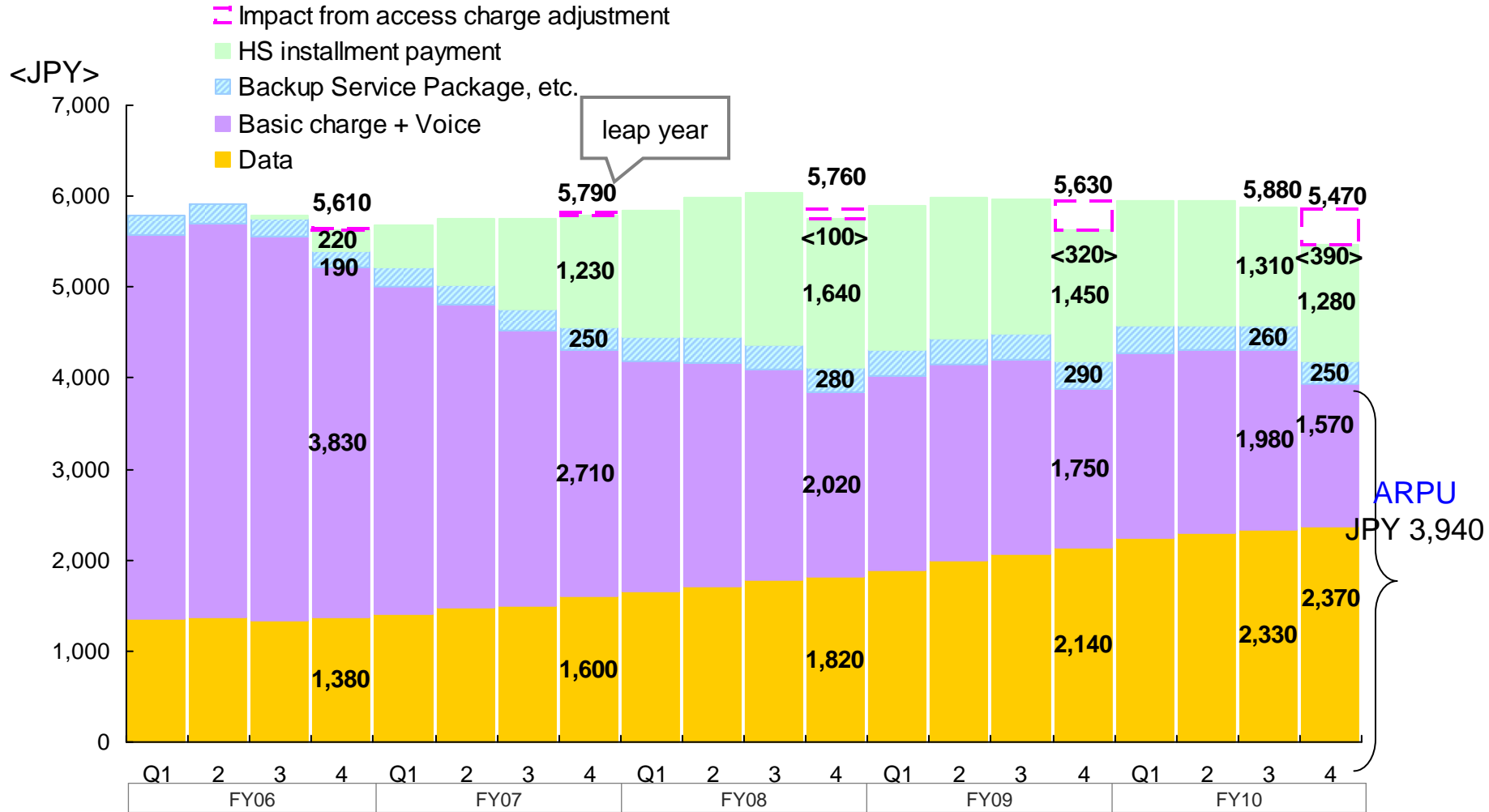
The term "ARPU" used alone indicates the total of the basic monthly charge plus voice ARPU plus data ARPU.

2. Calculated by SOFTBANK CORP. based on respective companies' publicly available information.

# Average Cash Income Per Subscription (including HS installment payment)

<Mobile>

➤ Cash income per subscription decreased due to installments, etc.



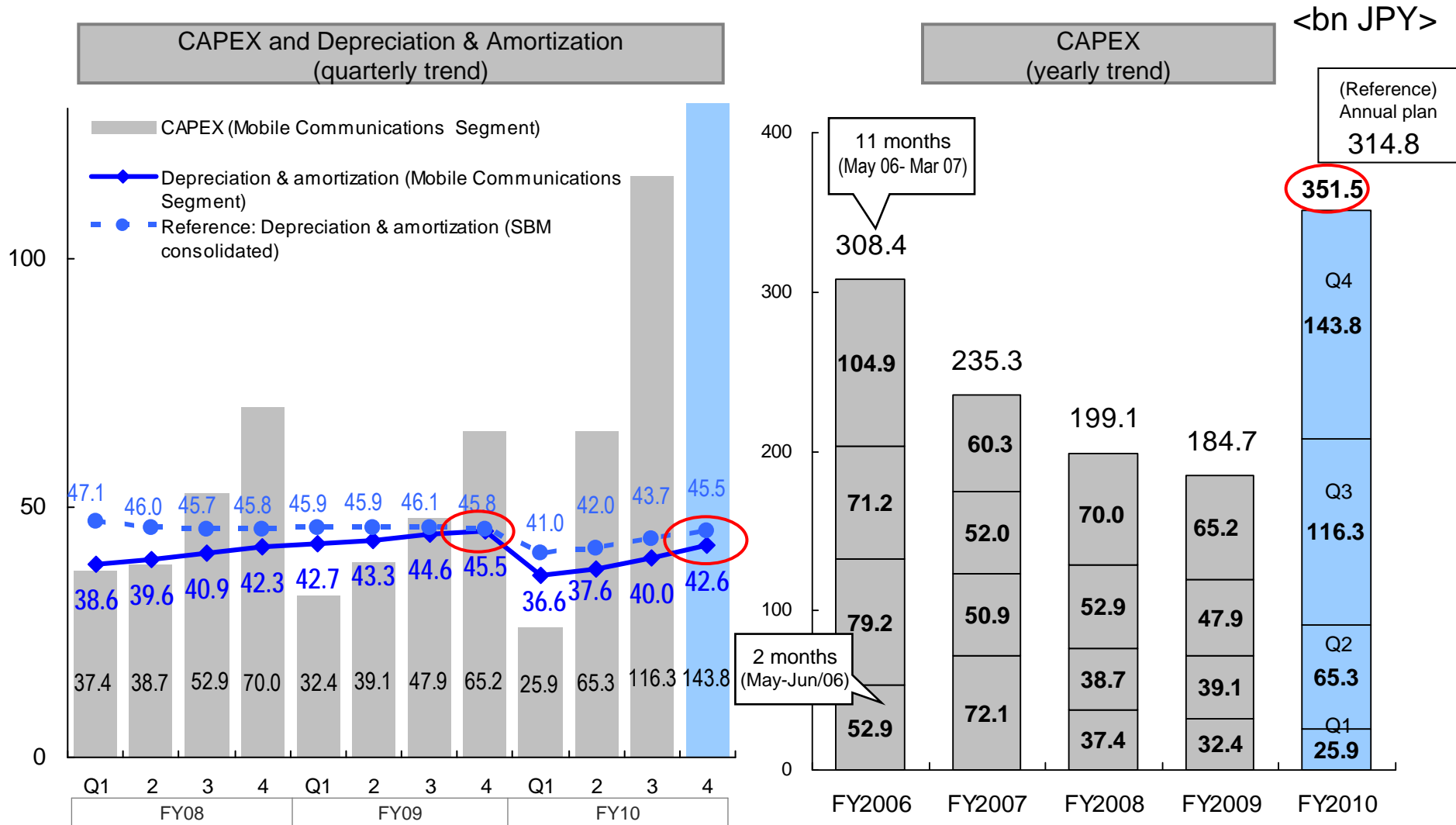
Note: cash income per subscription = ARPU (basic monthly charge plus voice ARPU + data ARPU) + handset installment payment + backup service package, etc (rounded to the nearest JPY10).

Impact of access charge reduction : indicates impacts of reduction relating to revised access charges between carriers (showing 12 month amount collectively )

# CAPEX (acceptance basis)

<Mobile>

➤ The annual result was JPY 351.5bn; JPY 36.6bn above the plan.



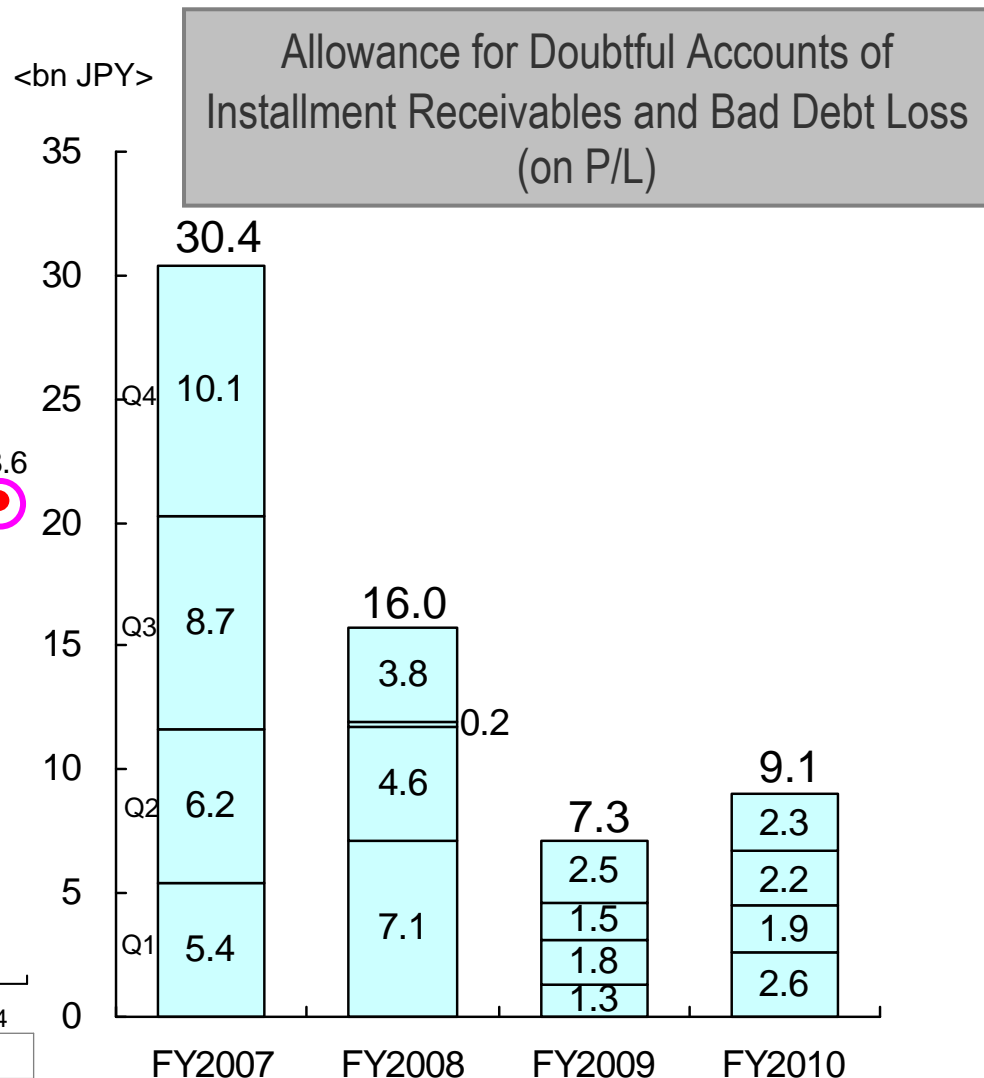
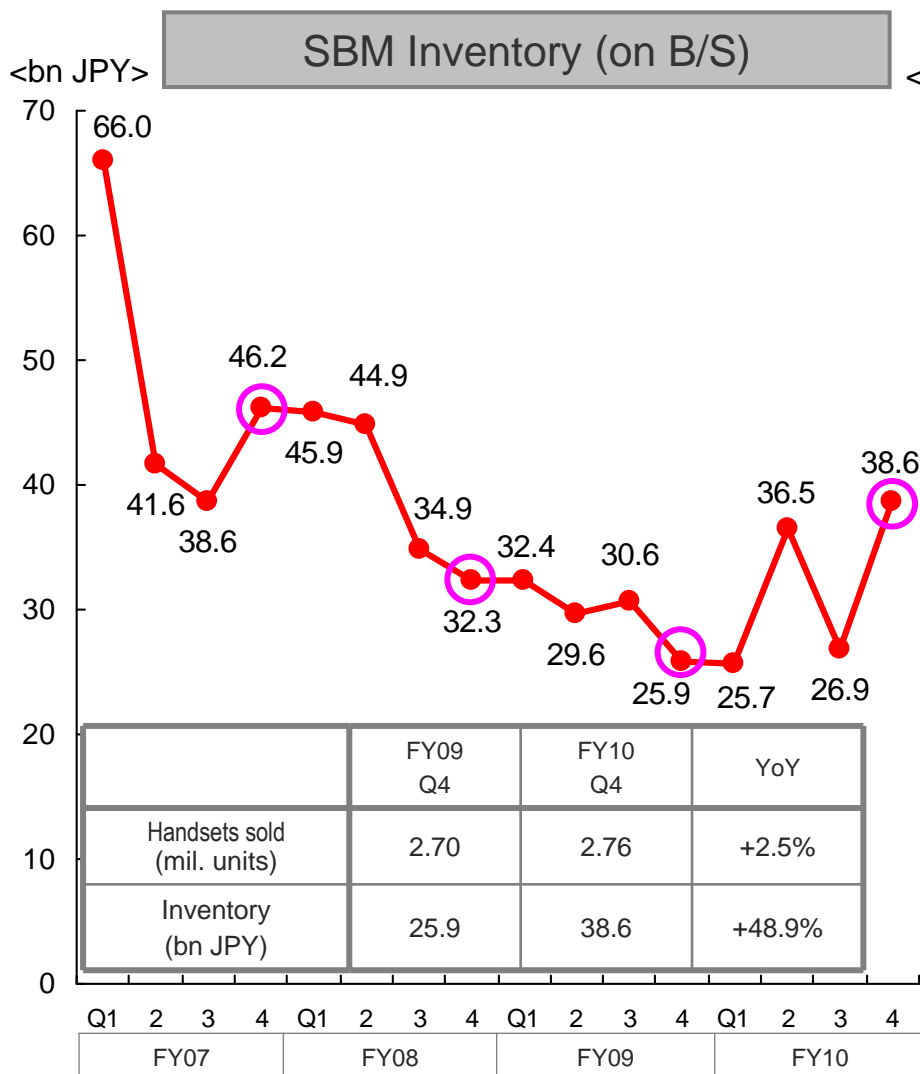
Note: segment financial results for FY2009 are shown based on the new standard for comparison purposes only.  
SBM: SOFTBANK, MOBILE SB: SOFTBANK

# Improvement in Management Efficiency

<Mobile>

➤ Temporary inventory increase.

➤ Allowances sustain steady trend.



\*Handsets sold: total of new subscriptions and handset upgrades SBM: SOFTBANK MOBILE

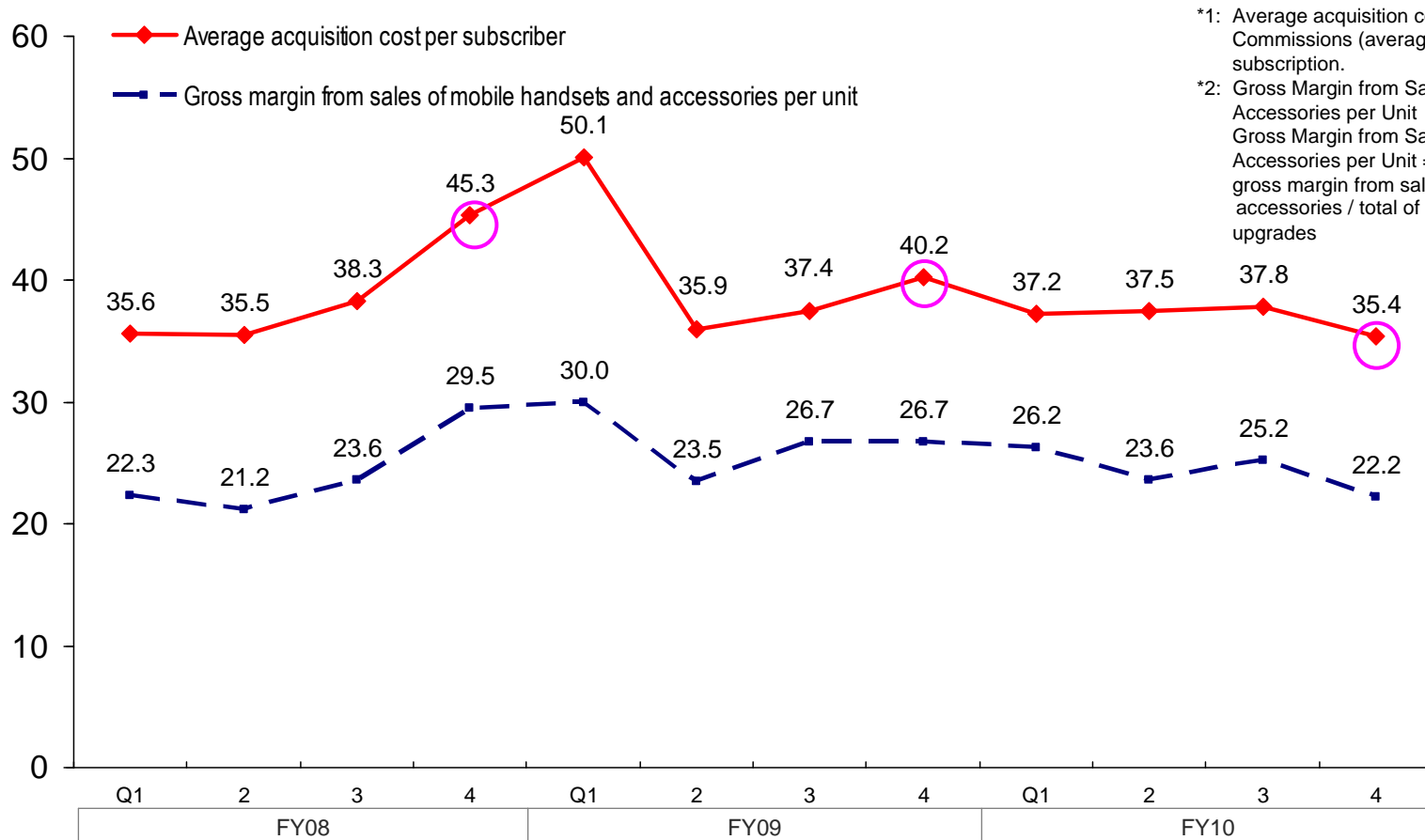


# Average Acquisition Cost per Subscriber and Gross Margin from Sales of Mobile Handsets and Accessories <Mobile>

➤ Average acquisition cost sustains solid trend.

SBM Average Acquisition Cost per Subscriber\*1 and Gross Margin from Sales of Mobile Handsets and Accessories per Unit\*2

<k JPY>



\*1: Average acquisition cost per subscriber = Commissions (average) paid to sales agents per new subscription.

\*2: Gross Margin from Sales of Mobile Handsets and Accessories per Unit is based on a rough estimate. Gross Margin from Sales of Mobile Handsets and Accessories per Unit = gross margin from sales of mobile handsets and accessories / total of new subscriptions and handset upgrades

Note:\*Handsets sold: total of new subscriptions and handset upgrades  
new subscriptions include prepaid mobile phones and communication modules.

SBM: SOFTBANK MOBILE



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