



**Earnings Results for the  
Fiscal Year Ended  
March 31, 2011**

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**May 9, 2011  
SOFTBANK CORP.**

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\* Please refer to the last page for details relating to the application of new accounting standards, definition of terms, trademarks and registered trademarks used in this material.

\* From page 61 to page 66 are not included in this material.

# Highlights

**1) Net sales >JPY 3 t; first time ever**

**2) Operating income JPY 629.1bn  
35% YoY increase**

# Results Exceed Forecast Significantly

(JPY bn)

	Forecast at Beginning of Period	Actual
<b>Consolidated Operating Income</b>	<b>500.0</b>	<b>629.1</b>

# Summary of Consolidated Earnings Results

(JPY bn)

	FY09	FY10	Increment	YoY
<b>Net sales</b>	2,763.4	3,004.6	+241.2	109%
<b>EBITDA</b>	787.6	930.7	+143.0	118%
<b>Operating income</b>	465.8	629.1	+163.2	135%
<b>Ordinary income</b>	340.9	520.4	+179.4	153%
<b>Net income</b>	96.7	189.7	+92.9	196%

# Comparison to Competitors

## (FY2010 YoY)

(JPY bn)

	<b>SOFTBANK</b>	<b>NTT DOCOMO</b>	<b>KDDI</b>
<b>Consolidated net sales</b>	<b>+241.2</b>	<b>(60.1)</b>	<b>(7.6)</b>
<b>Consolidated operating income</b>	<b>+163.2</b>	<b>+10.5</b>	<b>28.0</b>

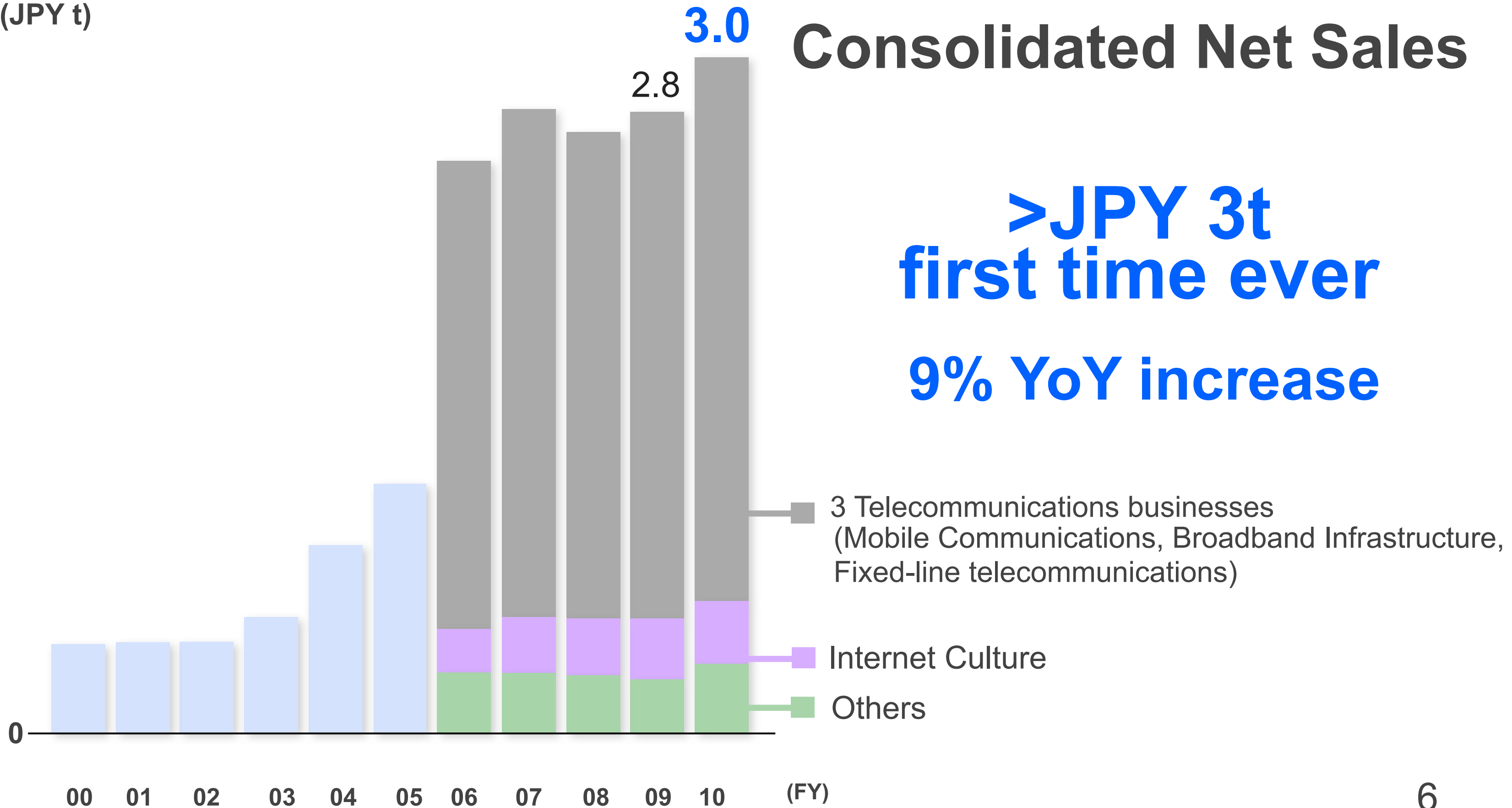
**Revenue and profit increases**

**Revenue decrease and profit increase**

**Revenue decrease and profit increase**

(JPY t)

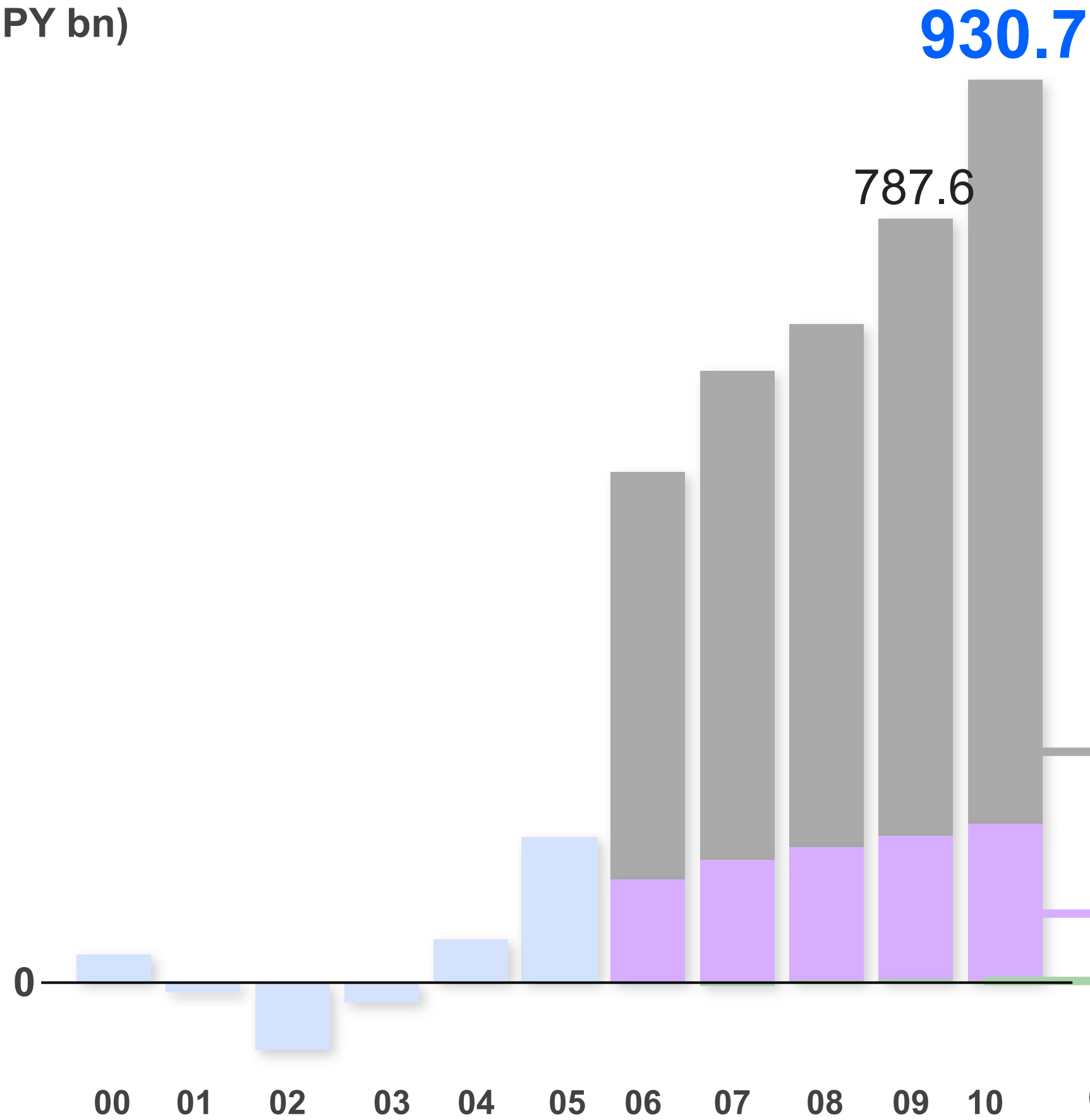
# Consolidated Net Sales



(JPY bn)

# Consolidated EBITDA

**Record high for 6 consecutive periods**  
**18% YoY increase**



- 3 Telecommunications businesses  
(Mobile Communications, Broadband Infrastructure, Fixed-line telecommunications)
- Internet Culture
- Others

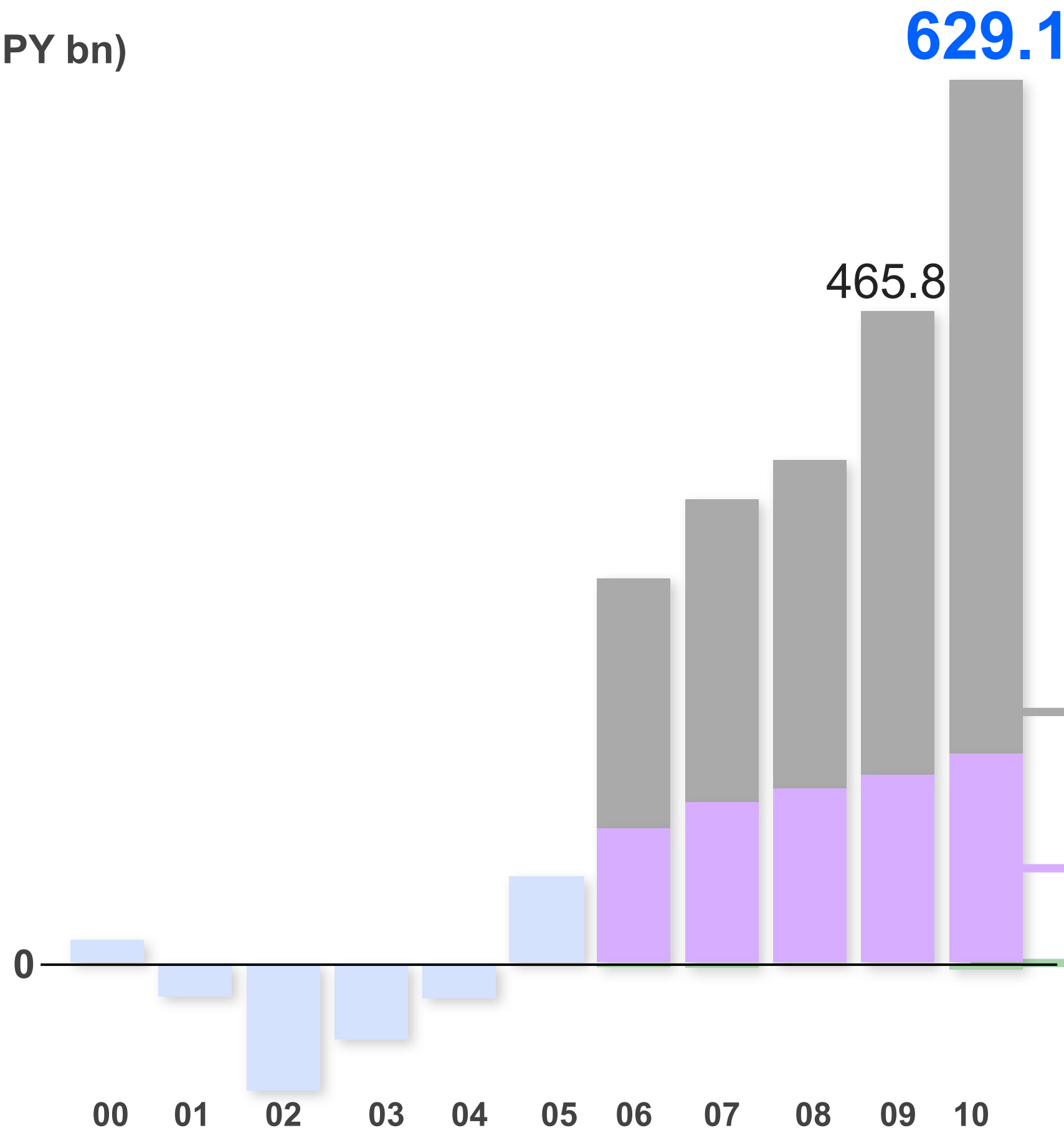


(JPY bn)

# Consolidated Operating Income

**Record high for 6 consecutive periods**

**35% YoY increase**



- 3 Telecommunications businesses (Mobile Communications, Broadband Infrastructure, Fixed-line telecommunications)
- Internet Culture
- Others

(JPY bn)

# Consolidated Operating Income

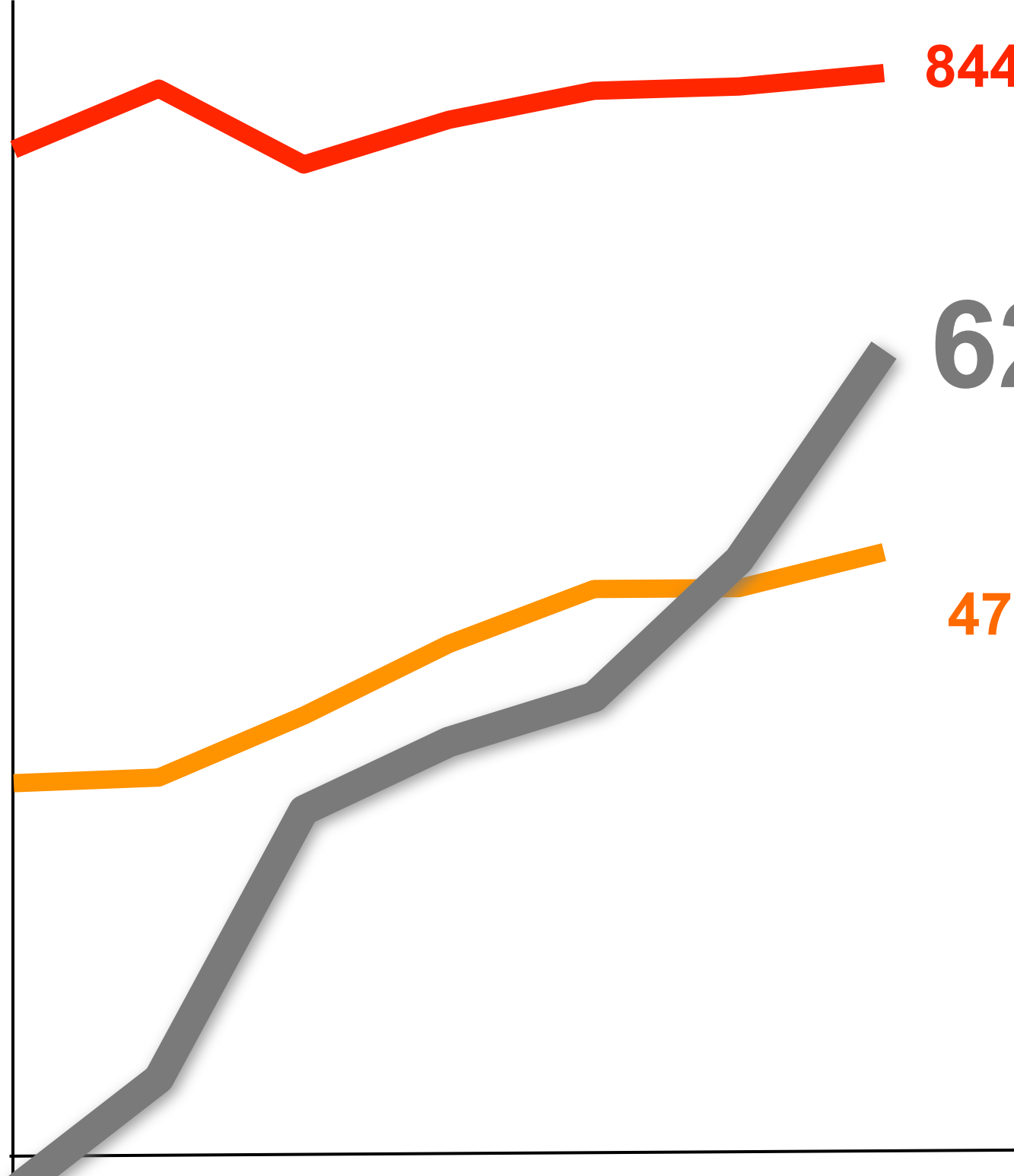
844.7 NTT DOCOMO

629.1 SOFTBANK

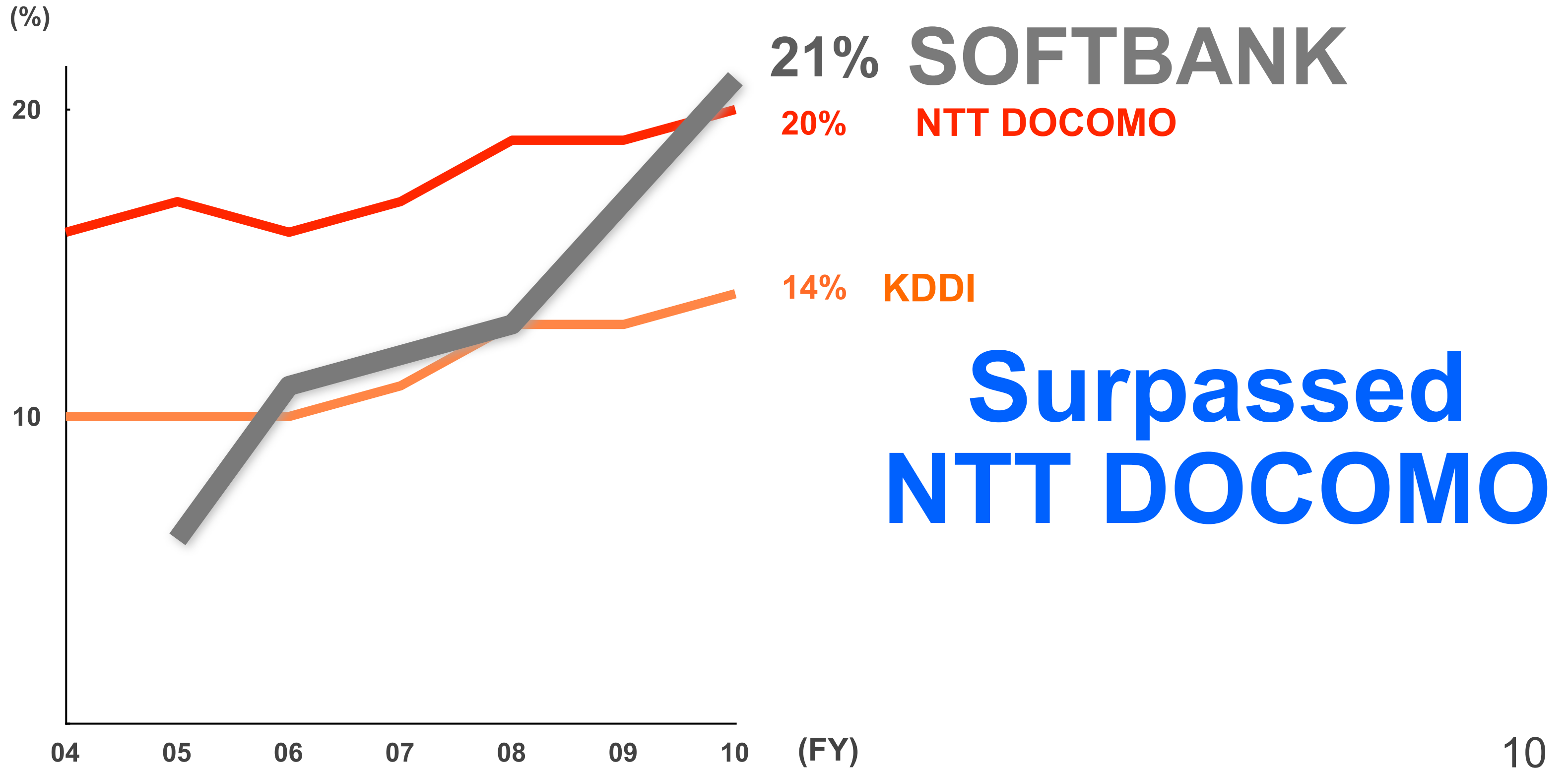
471.9 KDDI

0

04 05 06 07 08 09 10 (FY)



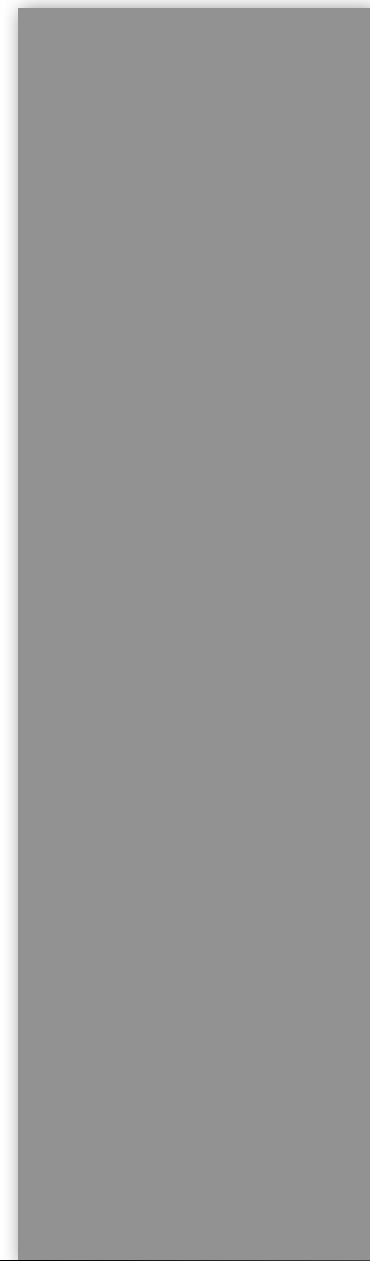
# Consolidated Operating Margin



\*Created by SOFTBANK CORP. based on respective companies' publicly available information.

# Operating Income Growth Mobile Communications

+54%



+1%

-9%

au

NTT  
DOCOMO

SOFTBANK

Significant  
profit  
increase

\*Created by SOFTBANK CORP. based on respective companies' publicly available information.  
\*FY2010 actual figures.

# Operating Income Ranking (FY2010)

Rank	Company Name	Amount
1	NTT	JPY 1,180.0bn (Forecast)
2	NTT DOCOMO	JPY 844.7bn
<b>3</b>	<b>SOFTBANK</b>	<b>JPY 629.1 bn</b>
4	Honda R&D	JPY 569.7bn
5	TOYOTA MOTOR	JPY 550.0bn (Forecast)
6	NISSAN MOTOR	JPY 535.0bn (Forecast)
7	INPEX	JPY 488.0bn (Forecast)
8	KDDI	JPY 471.9bn
9	Hitachi	JPY 440.0bn (Forecast)
10	Canon	JPY 387.5bn

**Toward  
domestic #3**

\*As of May 6, 2011 created by SOFTBANK CORP.  
based on respective companies' publicly available  
information. Excluding financial institutions.

(JPY bn)

# 520.4 Consolidated Ordinary Income

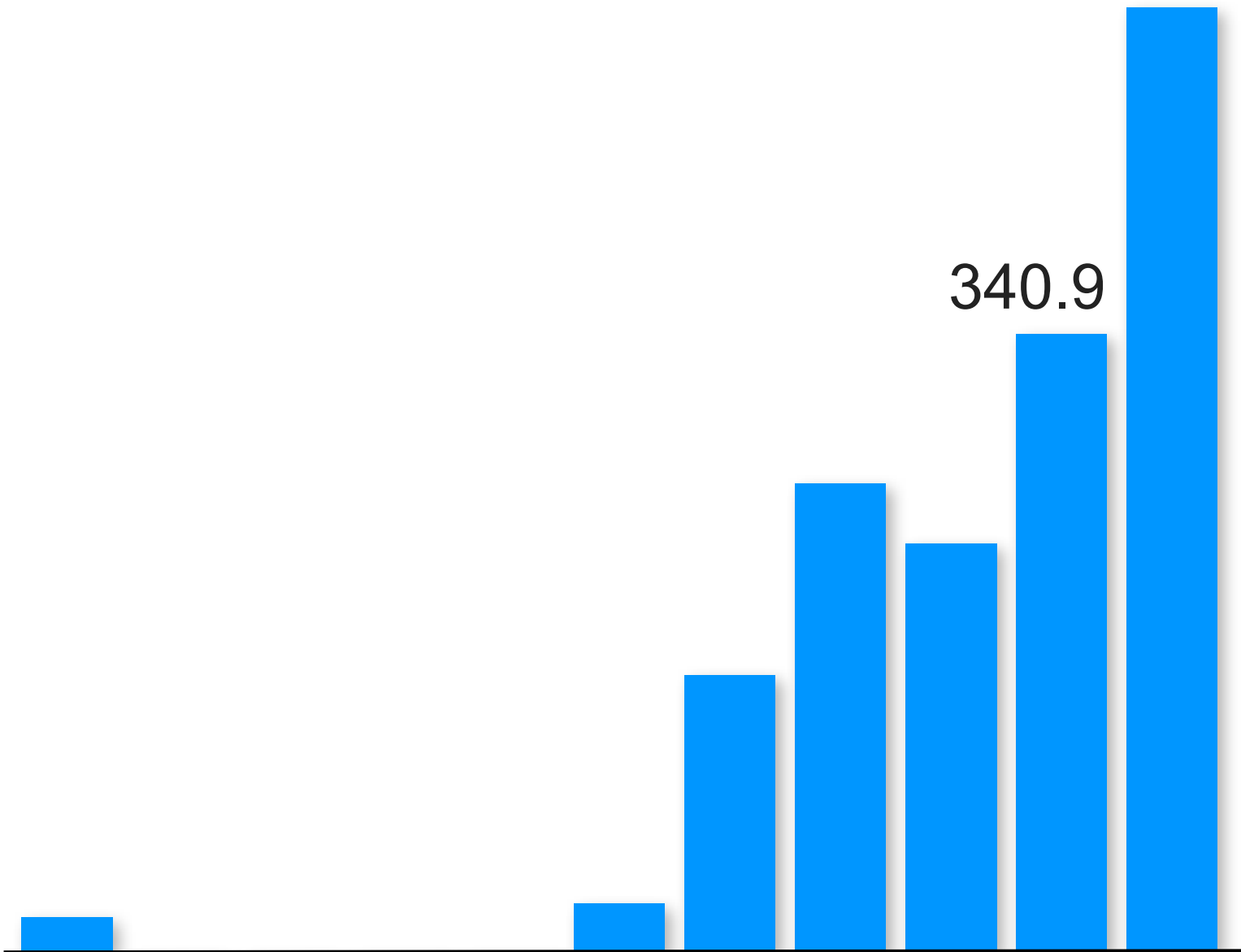
**Record high for 2 consecutive periods**

**53% YoY increase**

0

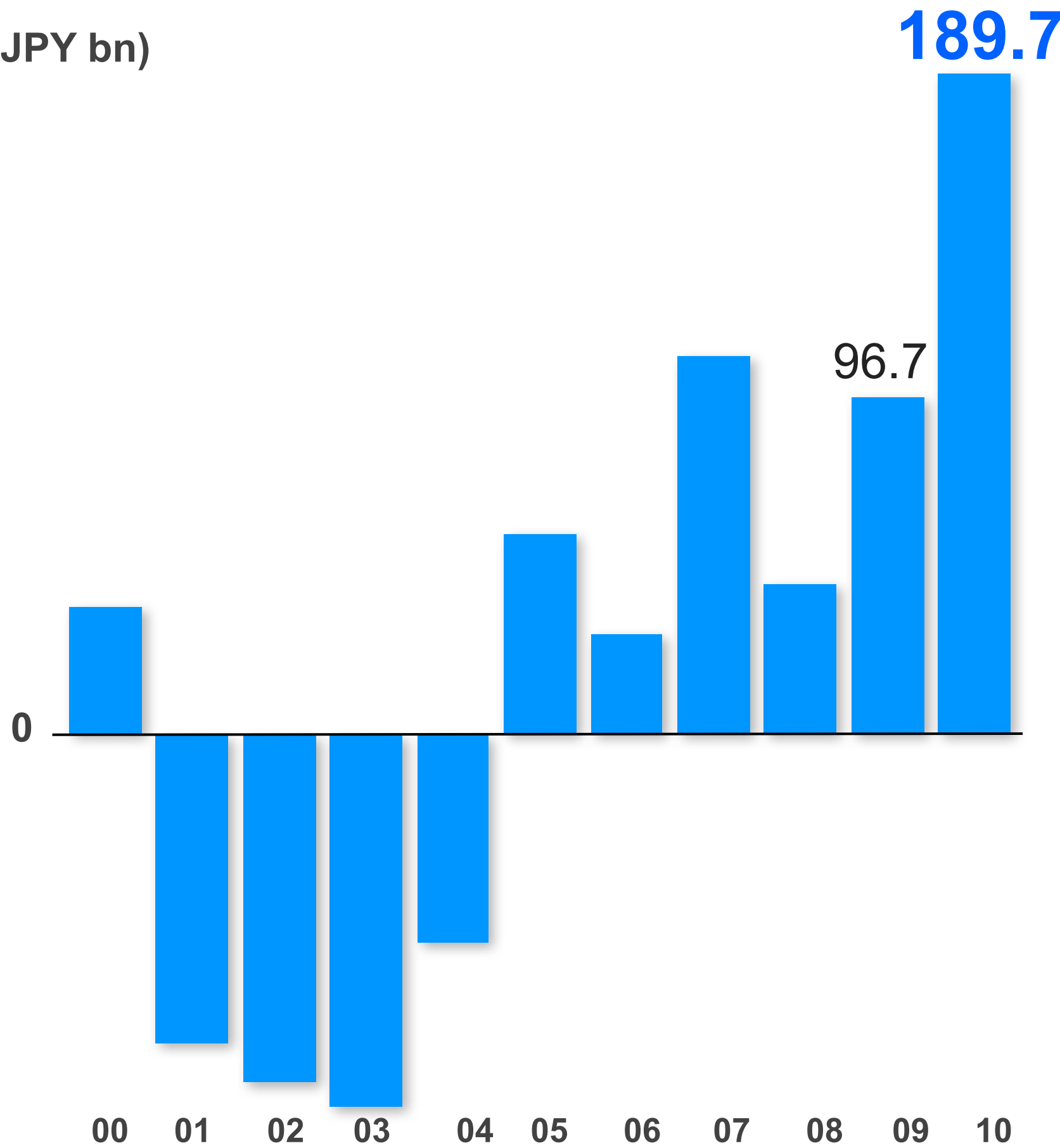
00 01 02 03 04 05 06 07 08 09 10 (FY)

13



(JPY bn)

# Consolidated Net Income



(Reference)  
FY2010 Special loss (loss on disaster)  
JPY (14.4bn)

# Consolidated Operating Cash Flow

(JPY bn)

825.8

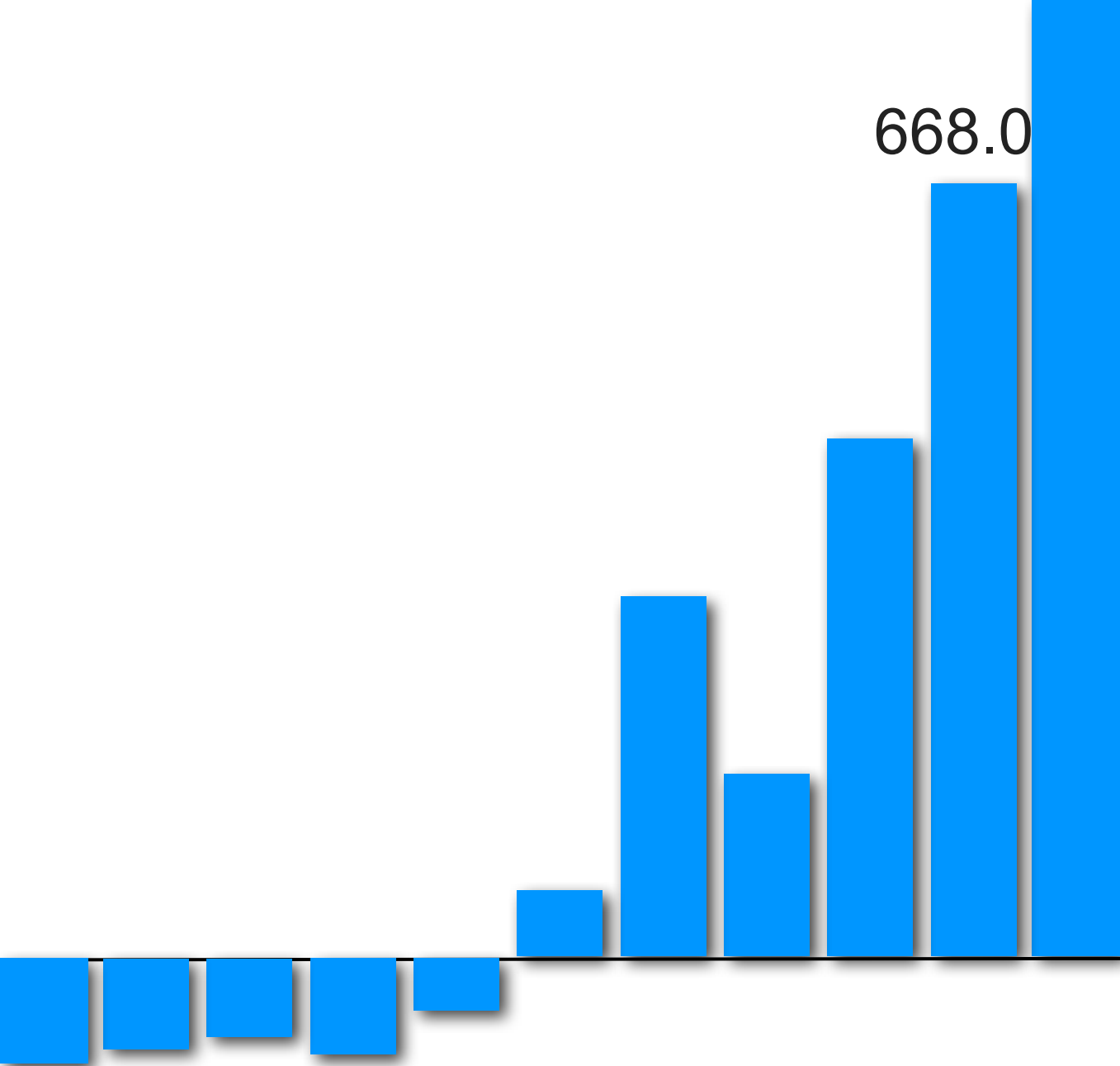
668.0

**Steady increase**  
**24% YoY increase**

0

00 01 02 03 04 05 06 07 08 09 10

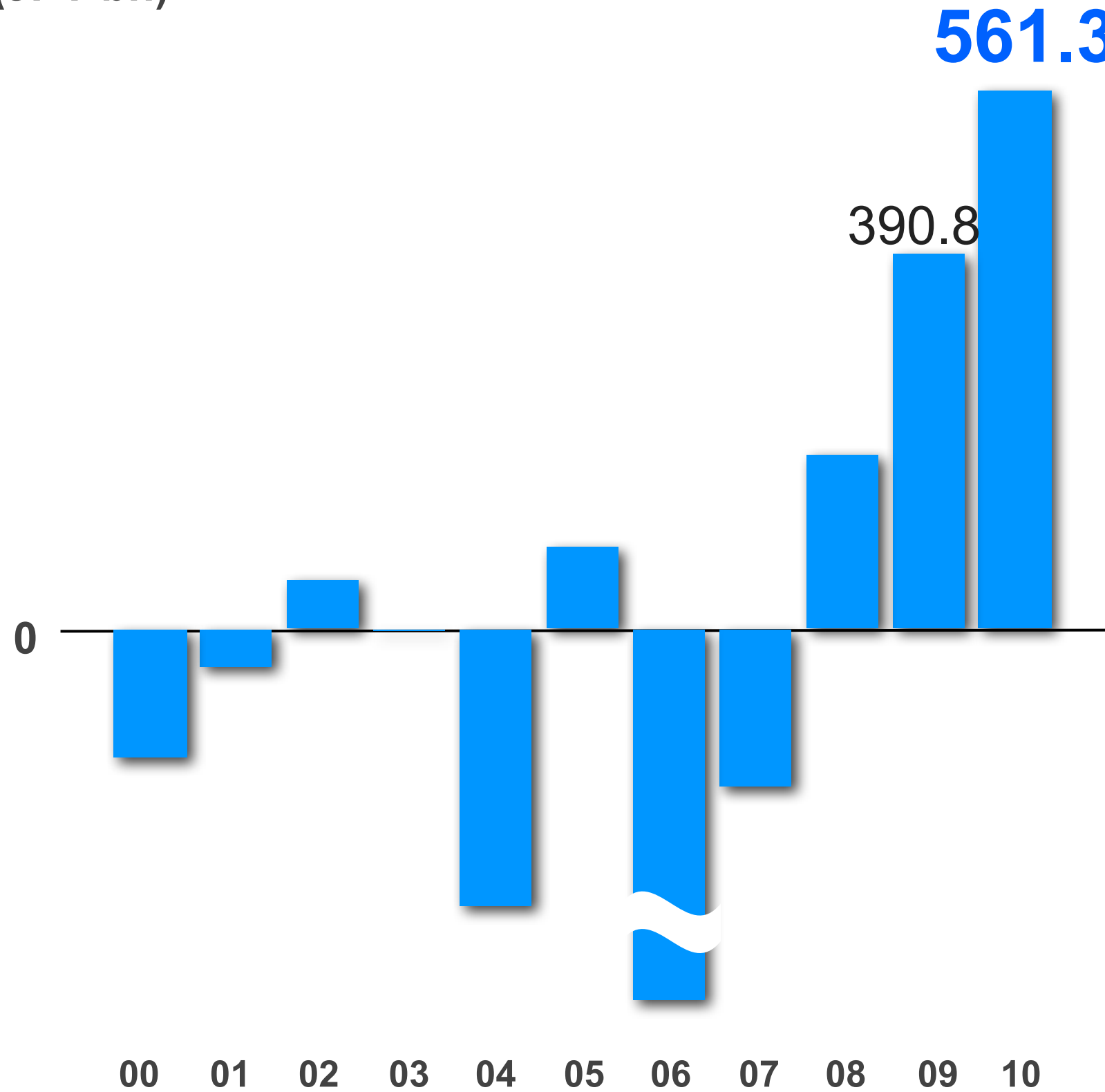
(FY)





# Consolidated Free Cash Flow

(JPY bn)



**Steady increase**

**44% YoY increase**

# Consolidated Free Cash Flow

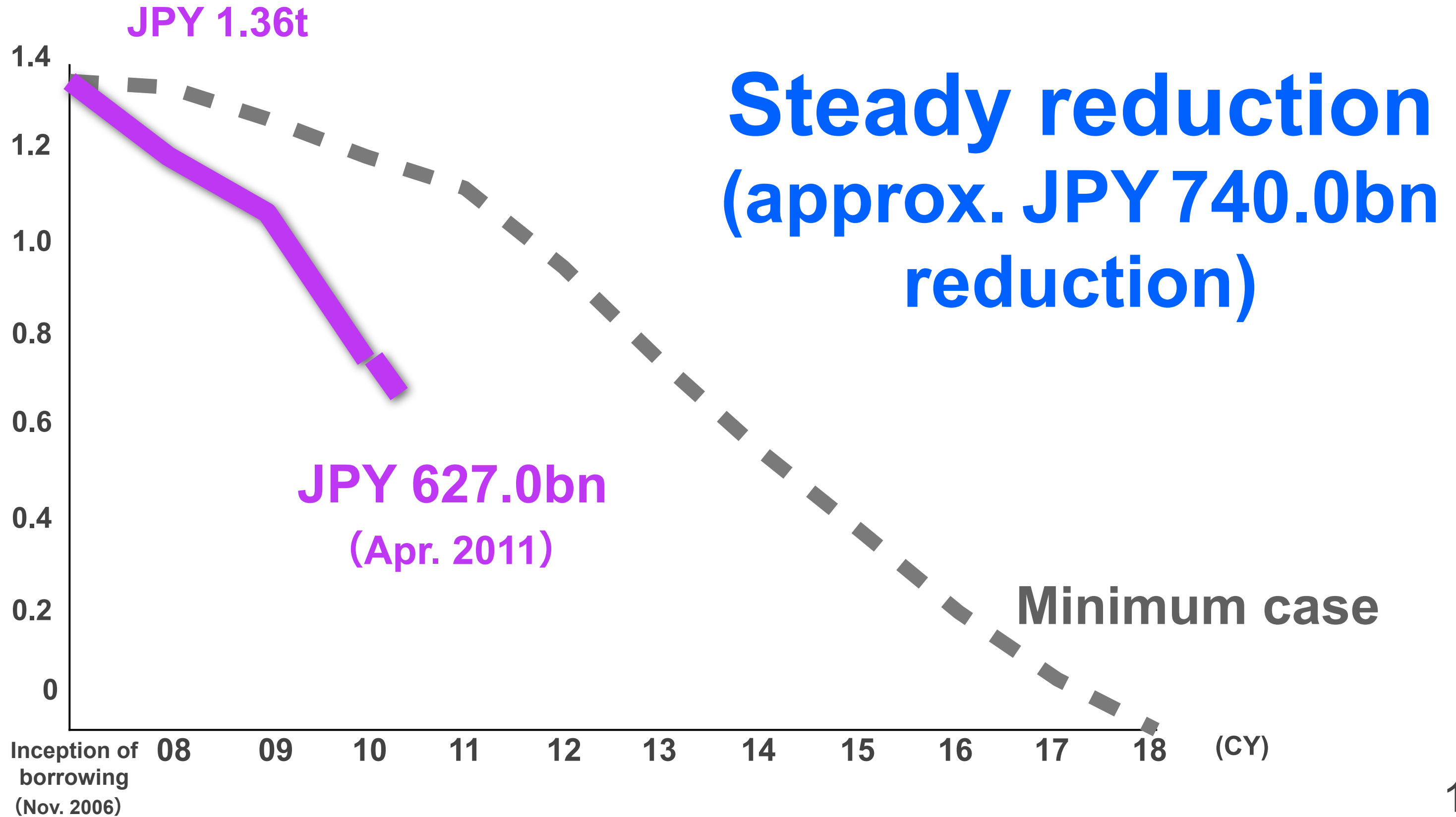
3 year aggregate  
JPY 1t



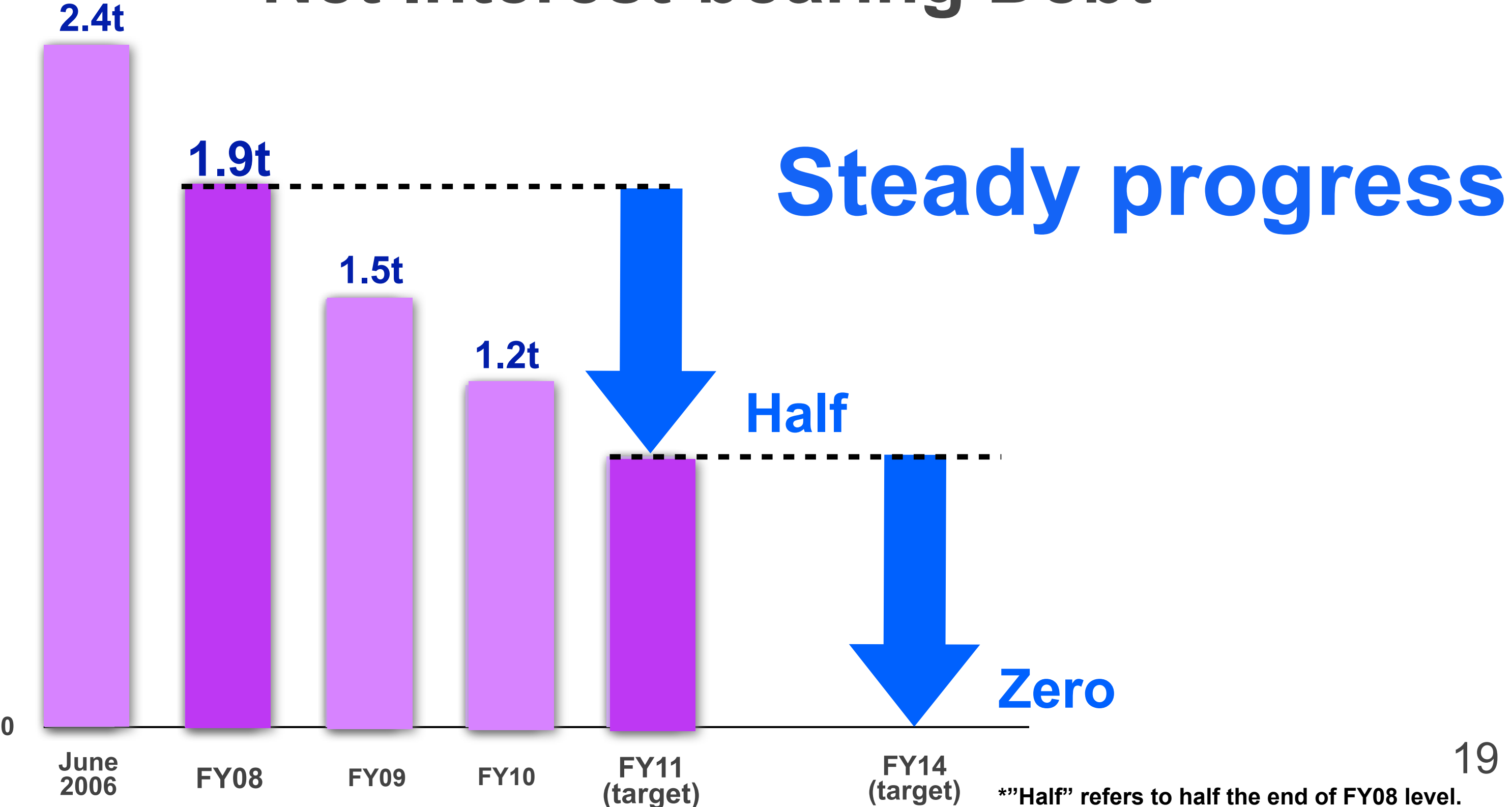
**Commitment to be  
reached imminently**

2 year aggregate  
JPY 952.2bn

# SBM Loan Balance

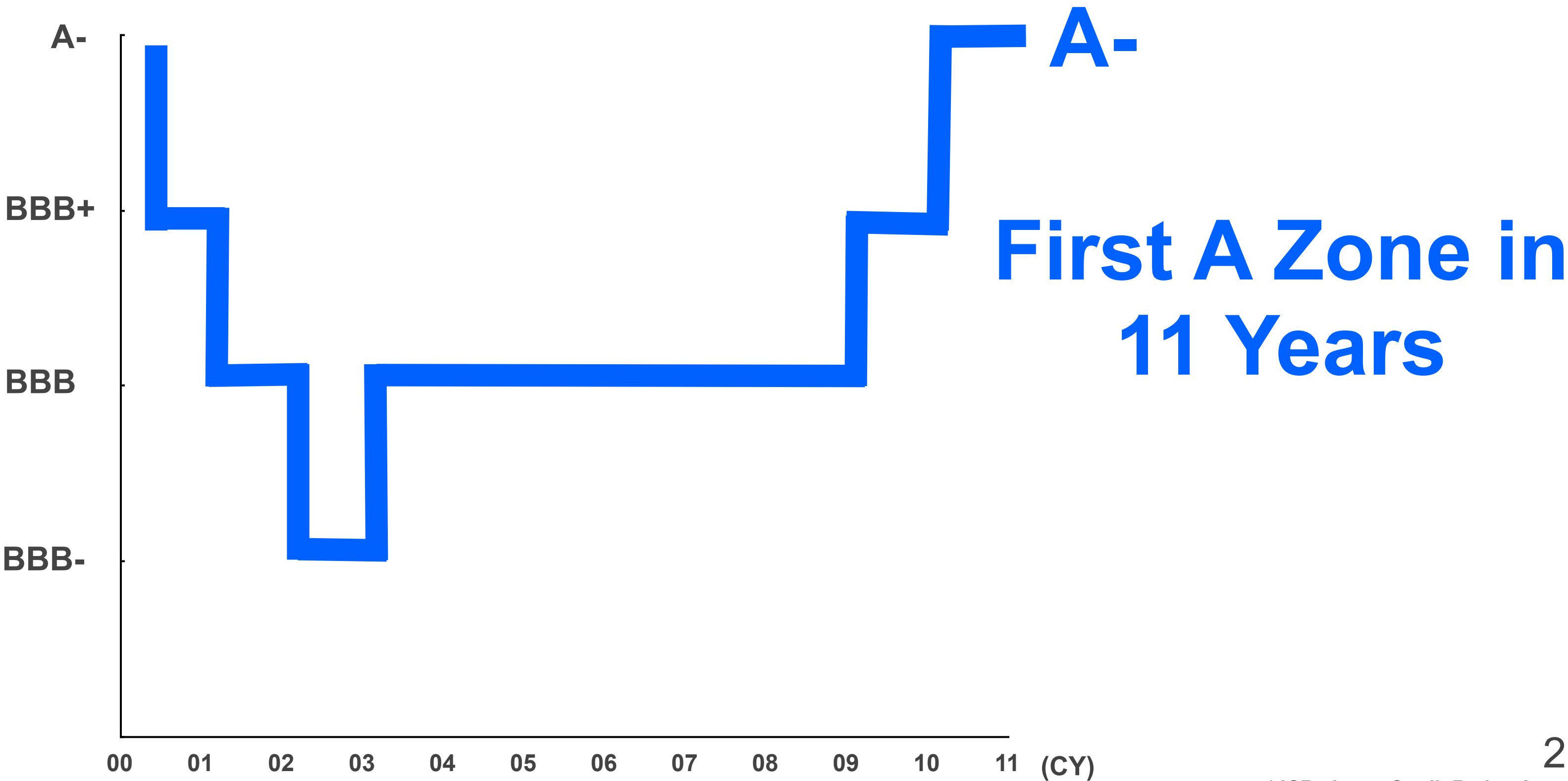


# Commitment to Reduce Net Interest-bearing Debt



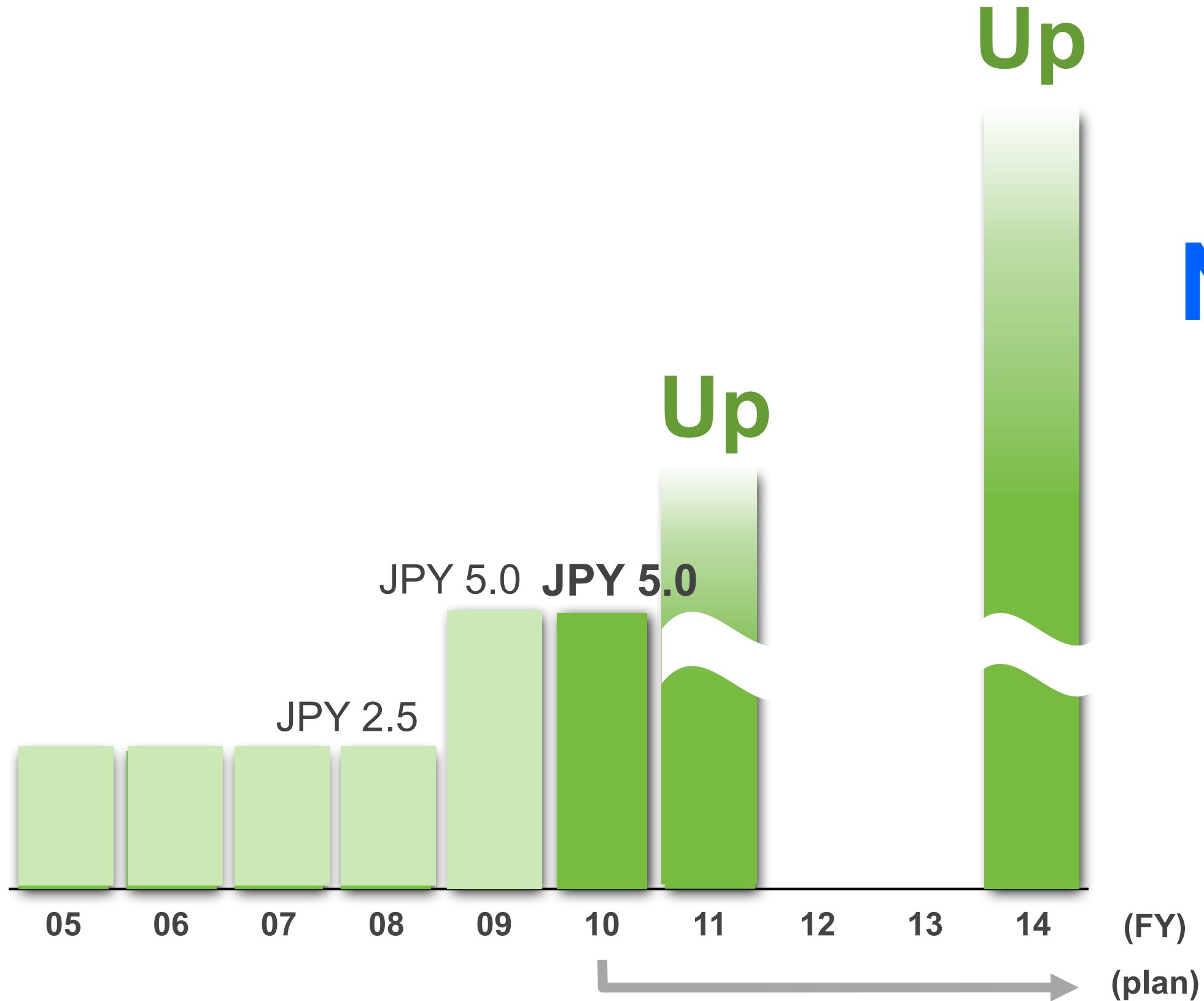
\*\*"Half" refers to half the end of FY08 level.

# JCR Rating



\*JCR: Japan Credit Rating Agency

# Dividend per Share



**No changes to  
the dividend  
increase  
policy**

\*Amount after FY2011 has not been determined yet.

# 5 Years Since Entered Mobile Business



5



**Profit**

x **5**

**Base  
stations**

x **6**

**Subscribers**

+ **7** 0%

# JPY 402.4bn Mobile Communications Business

## Operating Income

SOFTBANK

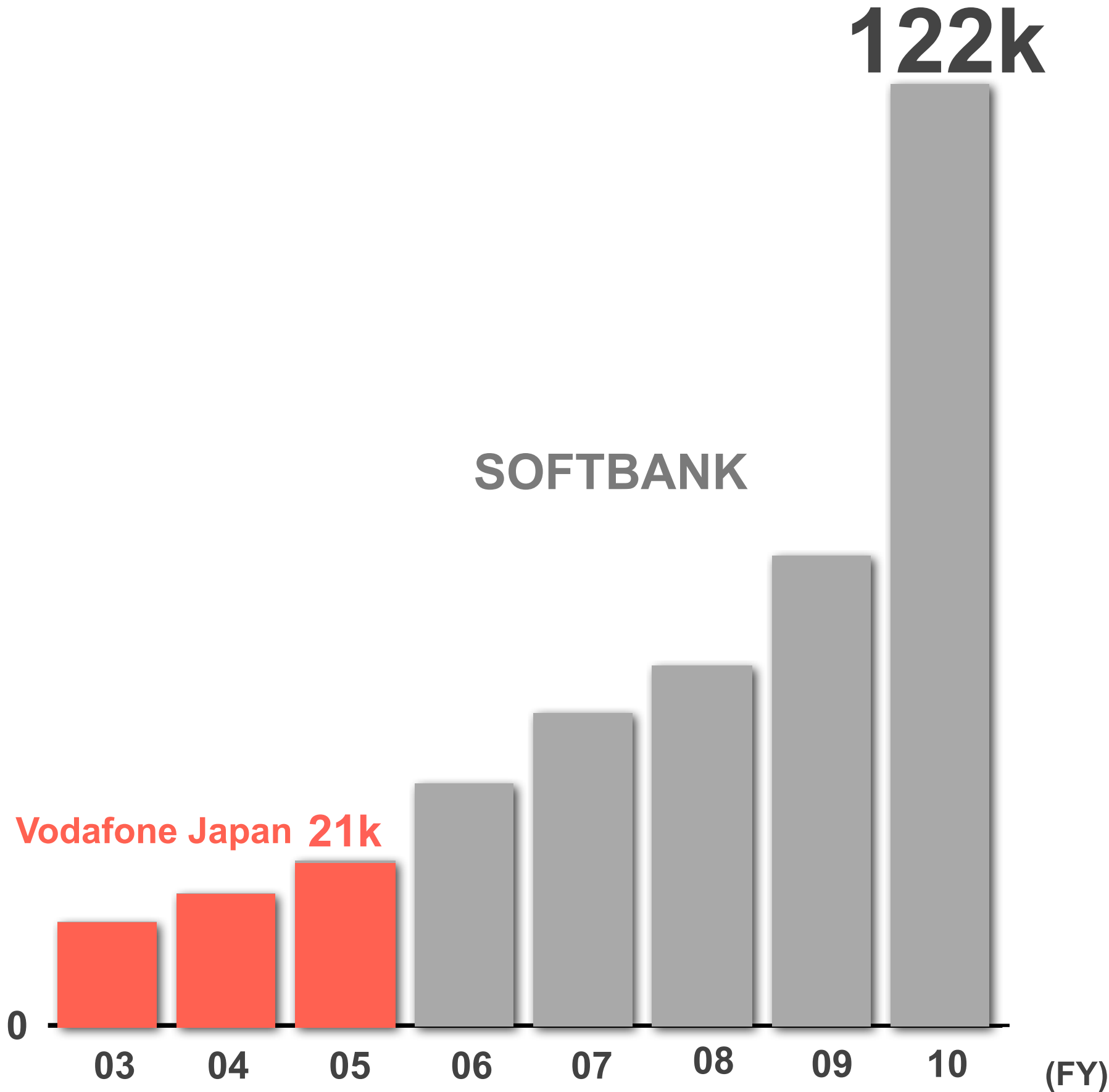
Vodafone Japan

JPY 76.3bn

0 02 03 04 05 06 07 08 09 10 (FY)

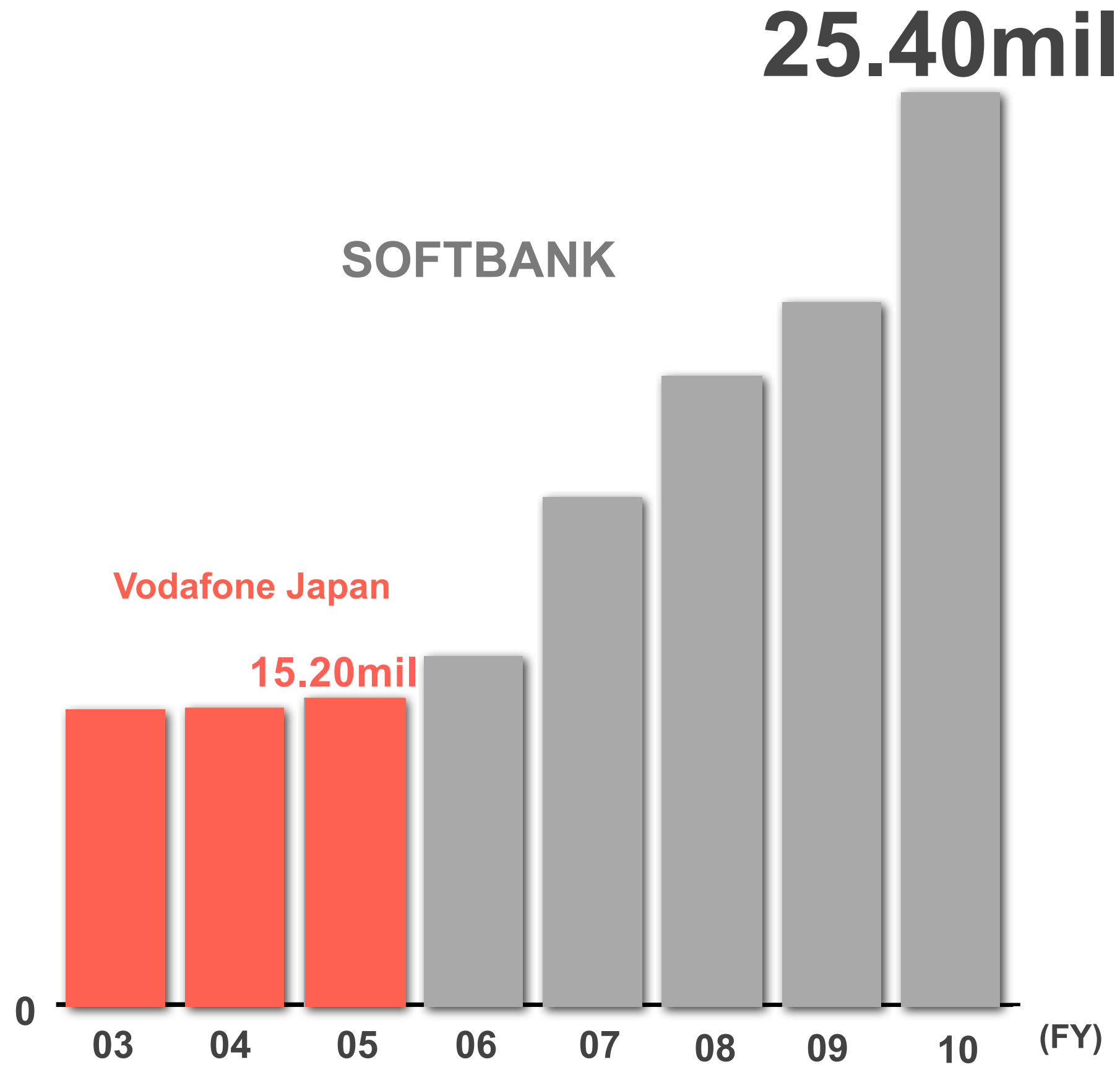
x 5

# Number of base stations



x6

\*Excludes home femtocell and home repeaters.



**Cumulative subscribers**

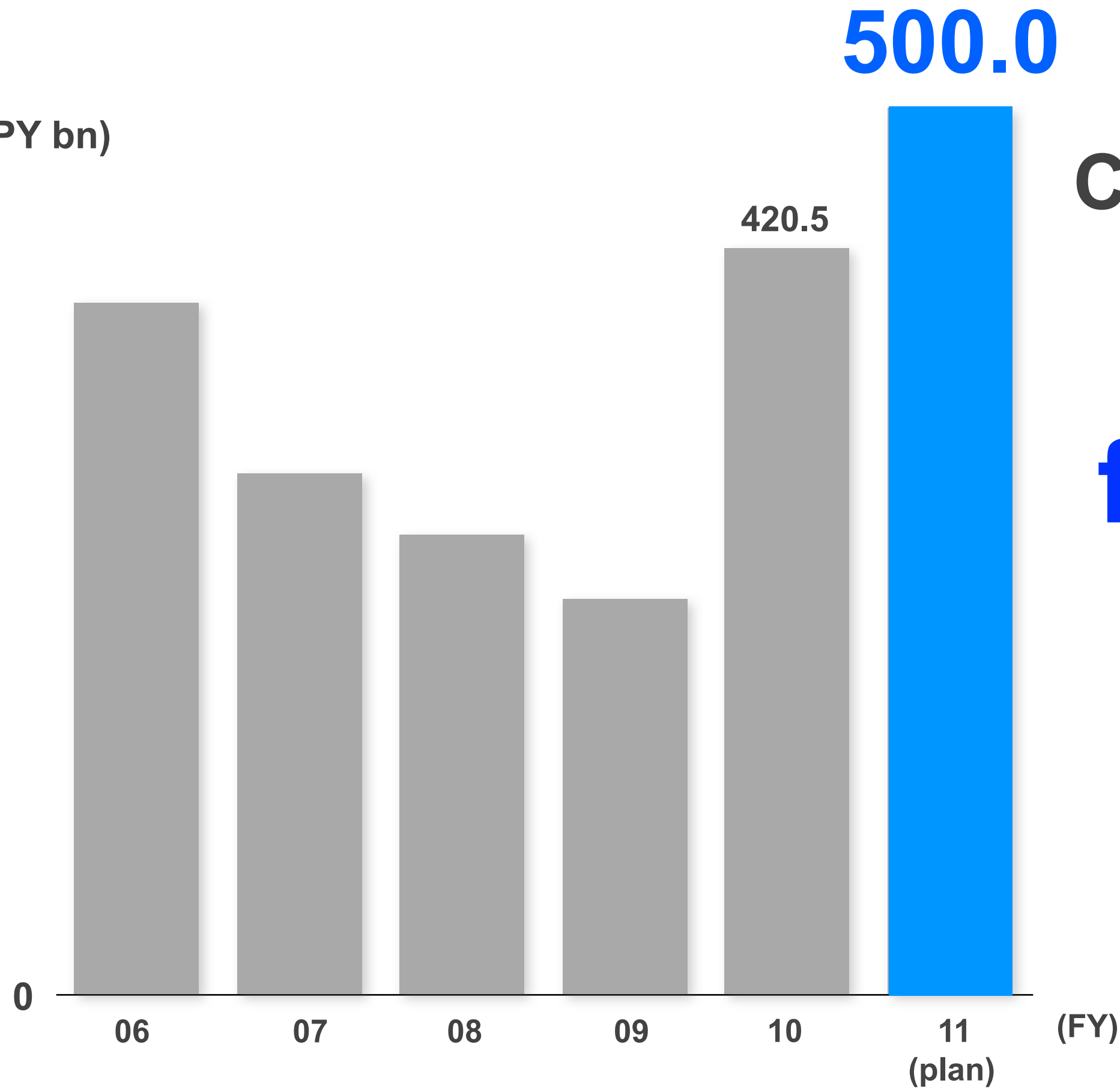
**+70%**

# **Strategies for Further Growth**

**Increase CAPEX**

**Enhance customer acquisition**

(JPY bn)

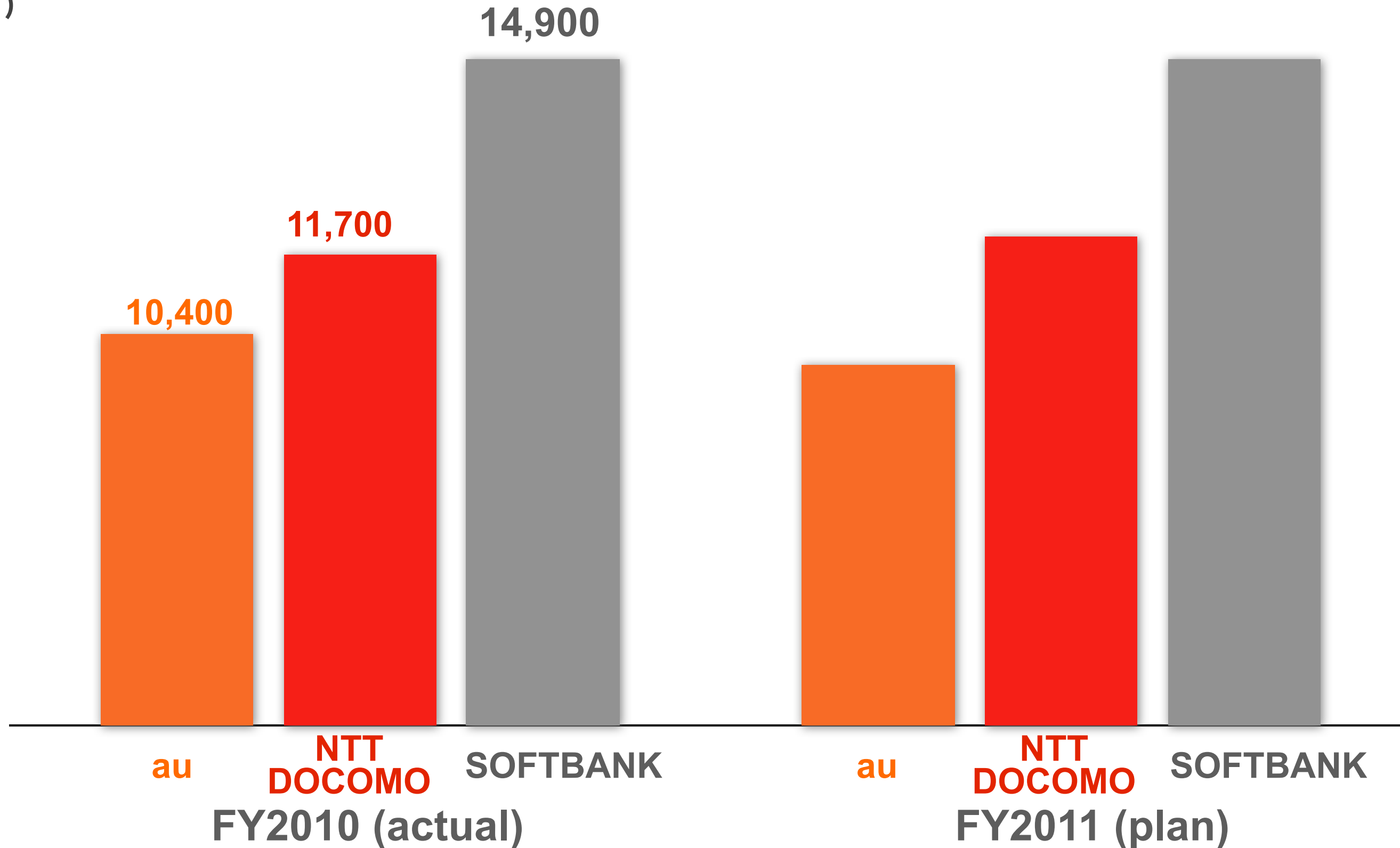


**Consolidated CAPEX**

**Next step for  
further growth**

# CAPEX per Subscriber (mobile)

(JPY)



\*Created by SOFTBANK CORP. based on respective companies' publicly available information.

\*Calculation based on CAPEX/average number of subscribers during the period ((subscribers at beginning of the period+subscribers at end of the period)/2).

# Frequency Allocation

(Total: uplink+downlink)

NTT DOCOMO



130  
MHz

KDDI



90  
MHz

SOFTBANK



60  
MHz



**Information = Lifeline**

# Base Station Restoration After the Disaster



**Restore base stations**

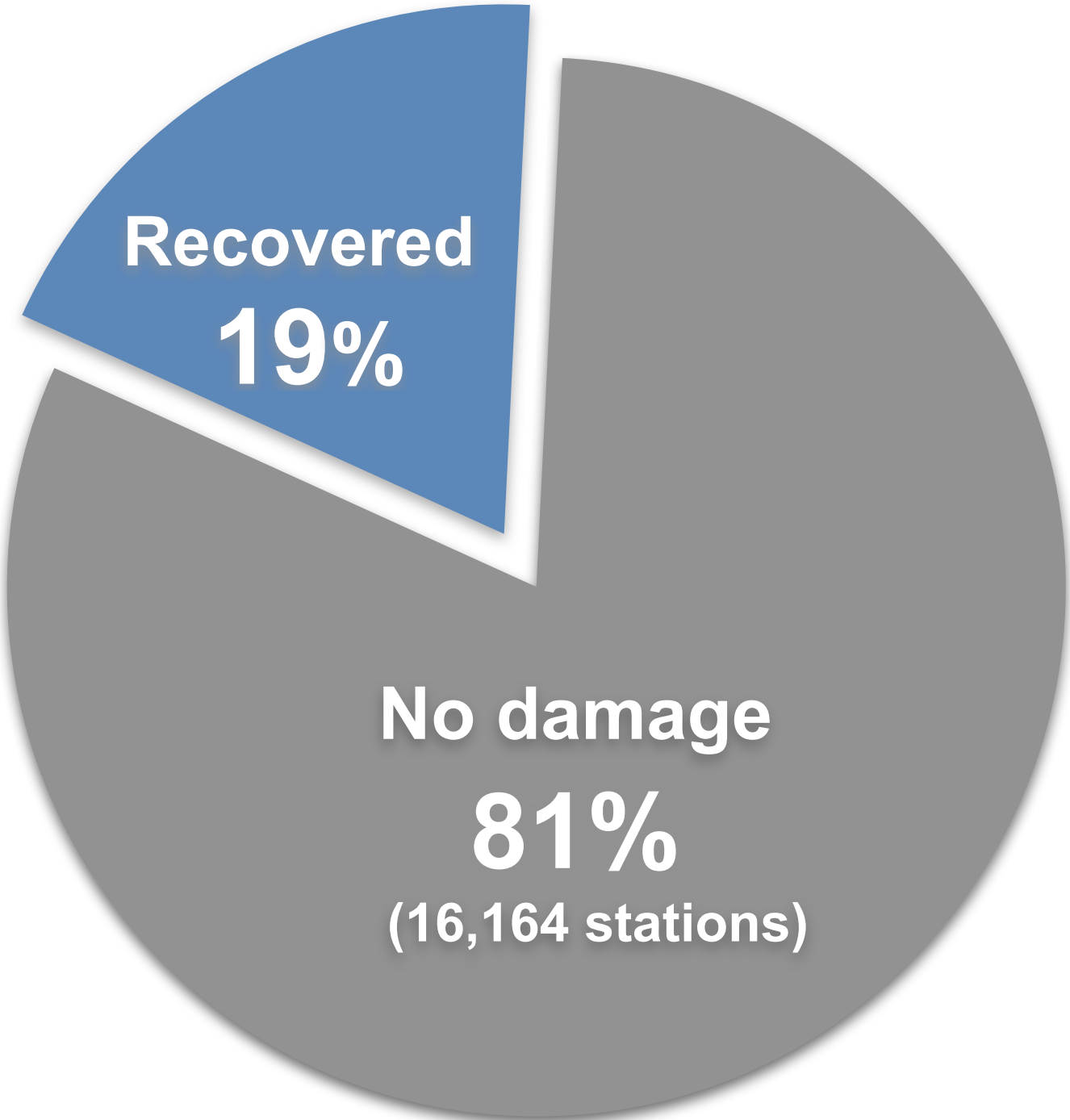


**Satellite base stations**



**Placement of power generators**

# Network Recovery Status (Tohoku and Kanto)



**Total 19,950  
base stations**

## Completely recovered



\*Affected area as of Mar. 12 2011.  
\*Excluding base stations within 20km zone of nuclear power plant, 1.5GHz bandwidth, recovered base stations without power, 82 base stations of the Japan Tunneling Association (as of May 9).



**@masason**  
Masayoshi  
Son

# Status of Reconstruction Support “Let’s Do It”

Currently **26** / 36 items

**Completed**

Free mobile phone rental to evacuation centers and volunteers

**Completed**

Increase available messages on Disaster Message Board from 3 to 80

**Completed**

Relief supply management system

**Completed**

Expand types of handsets enabled with emergency earthquake alert system



\*As of May 6, 2011.

みんなで  
がんばろう  
日本●

# Reconstruction Support Portal



Information bridge  
between victims and  
supporters

# Broadcasted the Disaster Related News Worldwide

USTREAM



**Total access over 68mil people**





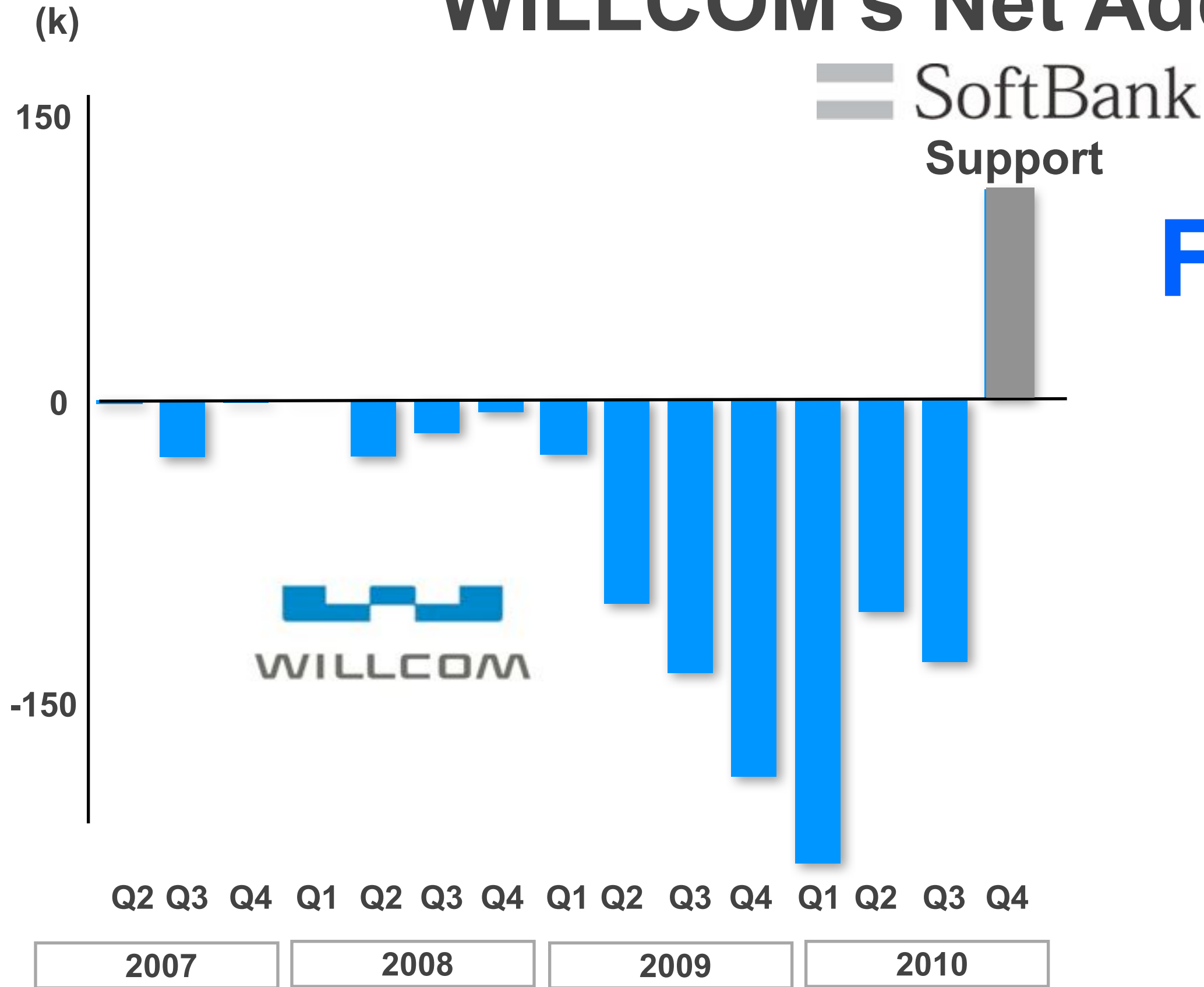
# Means of communication during disaster

**PHS performed better than mobile phone**





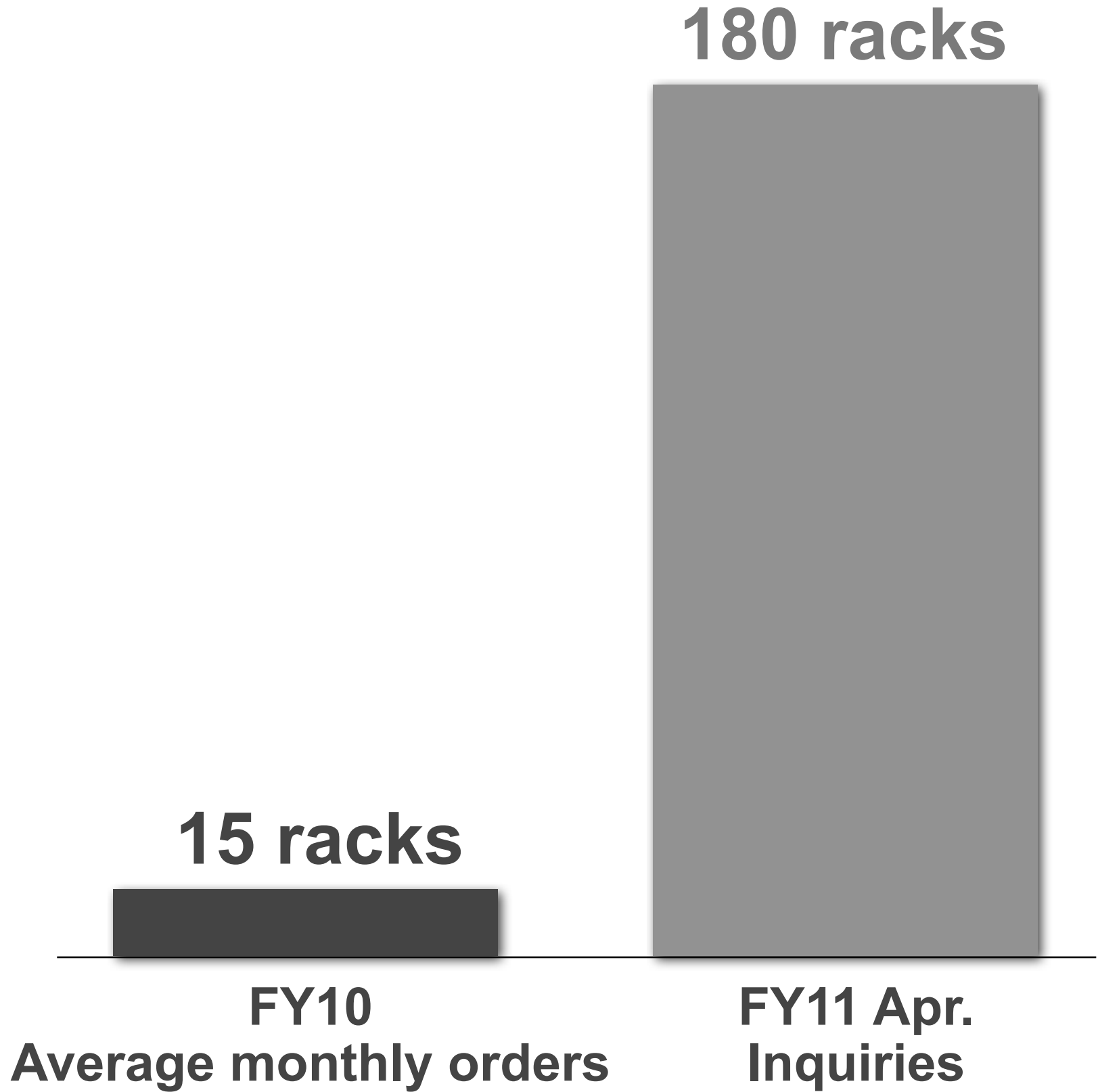
# WILLCOM's Net Additions



**First increase in 4 years**



# Rapid Increase in Demand for Datacenters



**Dispersion of risk during disaster or blackouts**



\*SOFTBANK TELECOM research.

# Datacenter and Cloud Business Alliance



**Support Japan's industry recovery**

# SOFTBANK Group Power Saving Efforts



Virtual desktop

SoftBank

Roll out work from home solutions to all (20k) employees



Toward 30% power saving



\*All employees of SOFTBANK 3 telecommunications companies + Willcom + SOFTBANK CORP. (including irregular employees).

# **Donation of Relief Money & Aid**

**SOFTBANK Group**

**JPY 1bn**



## **Donation**

**(Japanese Red Cross Society and  
The Central Community Chest of Japan)**

**Support for children  
orphaned by disaster**

**NPO & volunteer support**



# Pleasing - Appealing Companies (Apr.)

	Company Name
<b>1st</b>	<b>SOFTBANK</b>
<b>2nd</b>	<b>UNIQLO</b>
<b>3rd</b>	<b>SUNTORY</b>
<b>4th</b>	<b>YAMATO TRANSPORT</b>
<b>5th</b>	<b>LAWSON</b>

**Swift response to the disaster recognized**



# **Towards No.1 Mobile Internet**

# Number of Computer Terminals Shipped (world)

(mil)  
700  
600  
500  
400  
300  
200  
100  
0



## Full-fledged mobile Internet

- Smartphone
- Tablet
- Notebook PC
- Desktop PC

'95 '96 '97 '98 '99 00 01 02 03 04 05 06 07 08 09 10

(Source) "Tablet Demand and Disruption" issued by Morgan Stanley on Feb. 14, 2011.



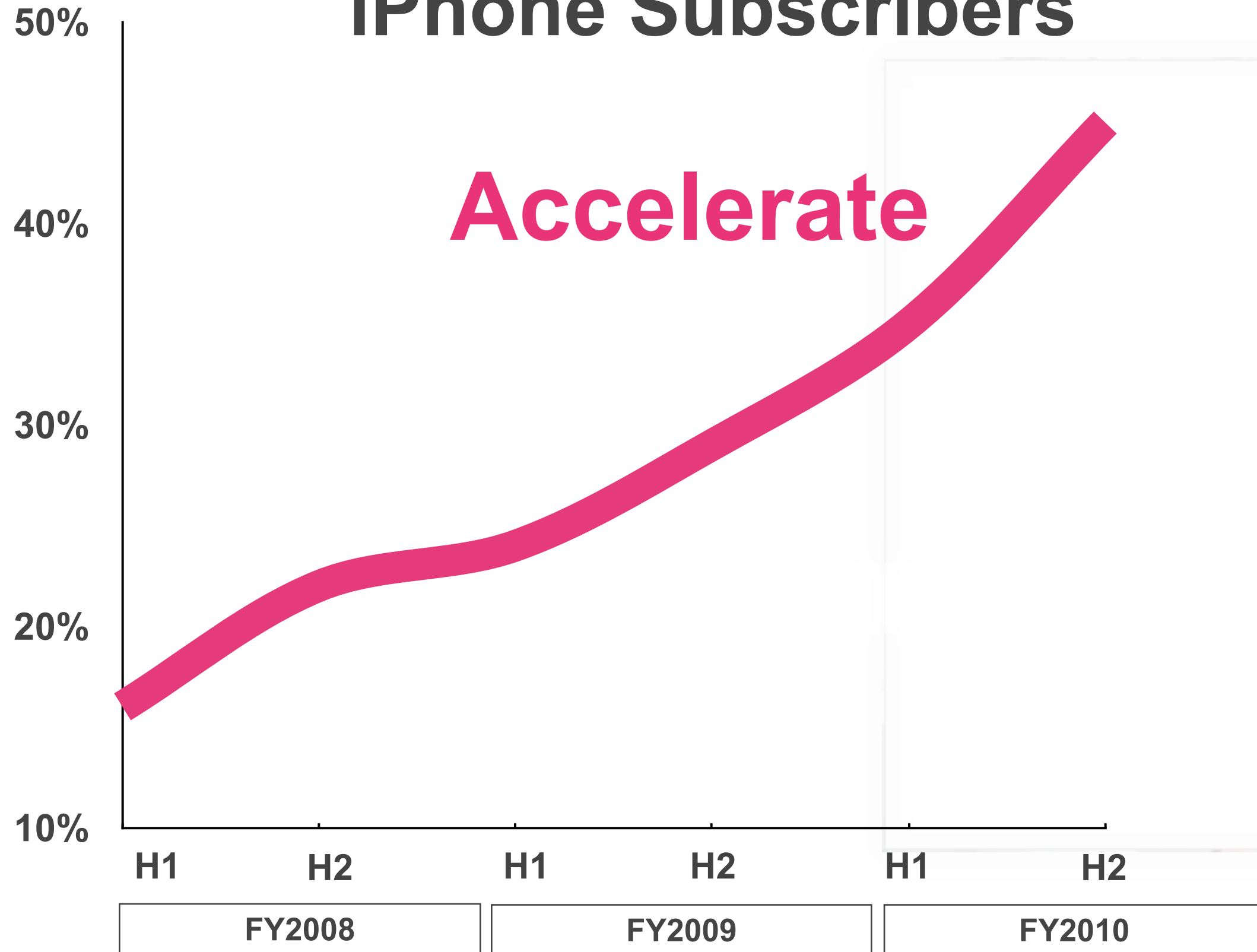
# Thanks for waiting

## iPhone 4 in white

### Launched Apr. 28



# Female Users Among New iPhone Subscribers



# iPad 2

Launched Apr. 28





## iPad 2



## iPad

**Faster**

**1GHz dual core  
Apple A5**

**Processor**

**1GHz  
Apple A4**

**Thinner**

**8.8mm**

**Thickness**

**13.4mm**

**Lighter**

**613g**

**Weight**

**730g**

**2**

**Camera**

**0**

# iPad 2 for everybody.

Actual payment

0 JPY

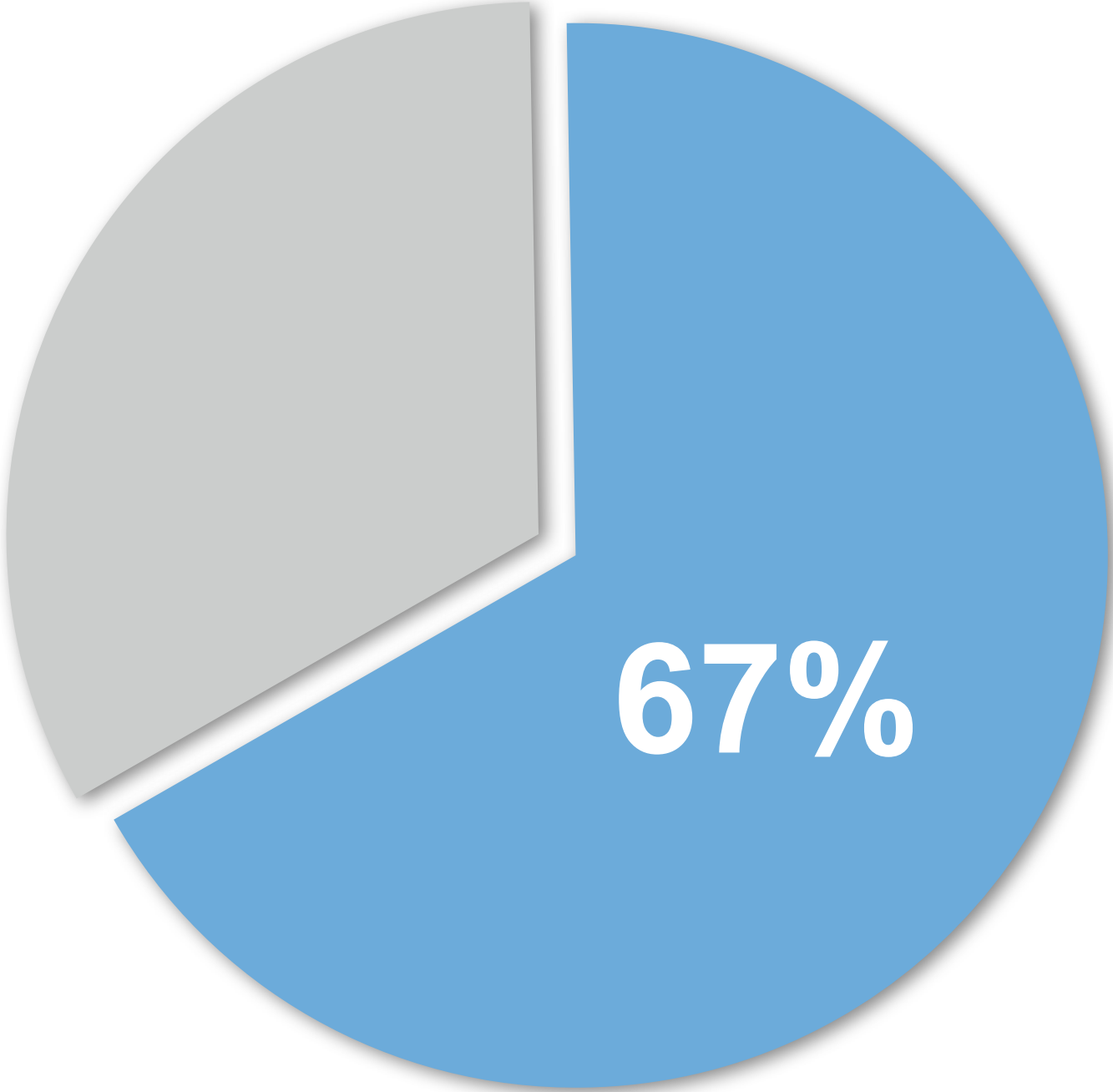
iPad 2 Wi-Fi+3G (16GB)



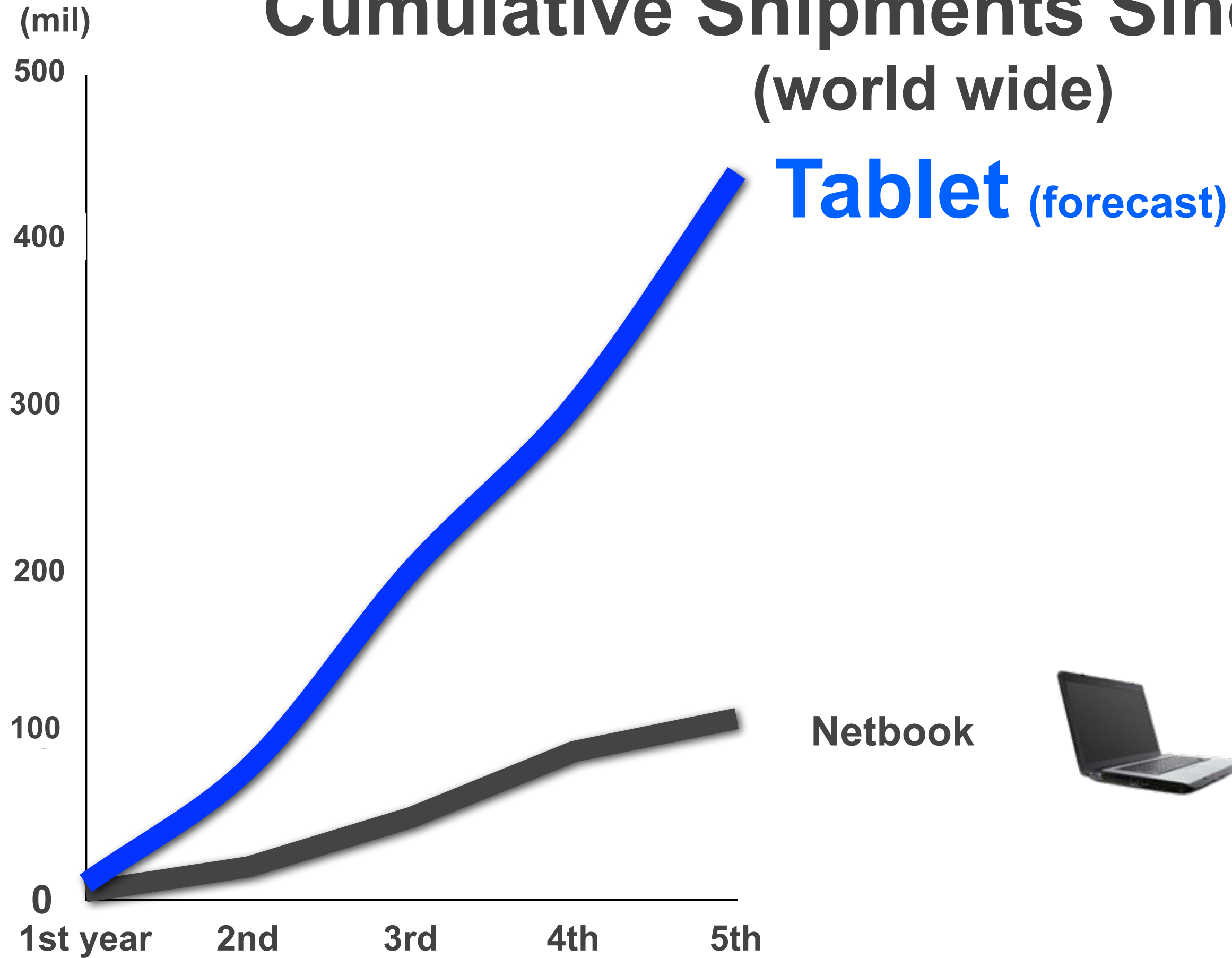
\*Campaign period: Apr. 28 - Sept. 30, 2011.

\*Actual payment: payment for handset born by user when signing up for a 25 month contract .

# Companies That Will Introduce Tablets Within 1 Year



# Cumulative Shipments Since Launch (world wide)

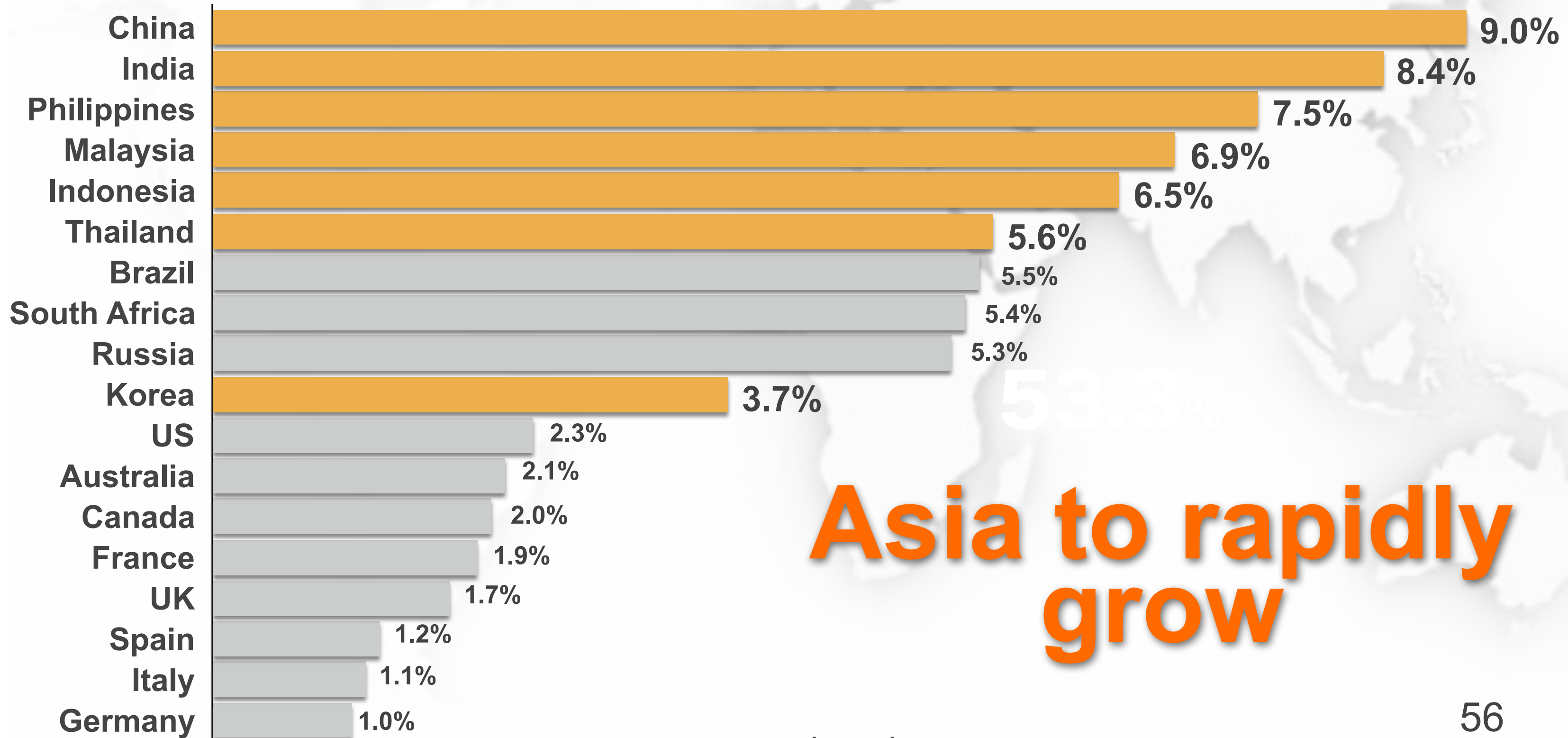


# **Towards No.1 Internet in Asia**



# GDP Growth Forecast in Next 20 Years

(annual basis)



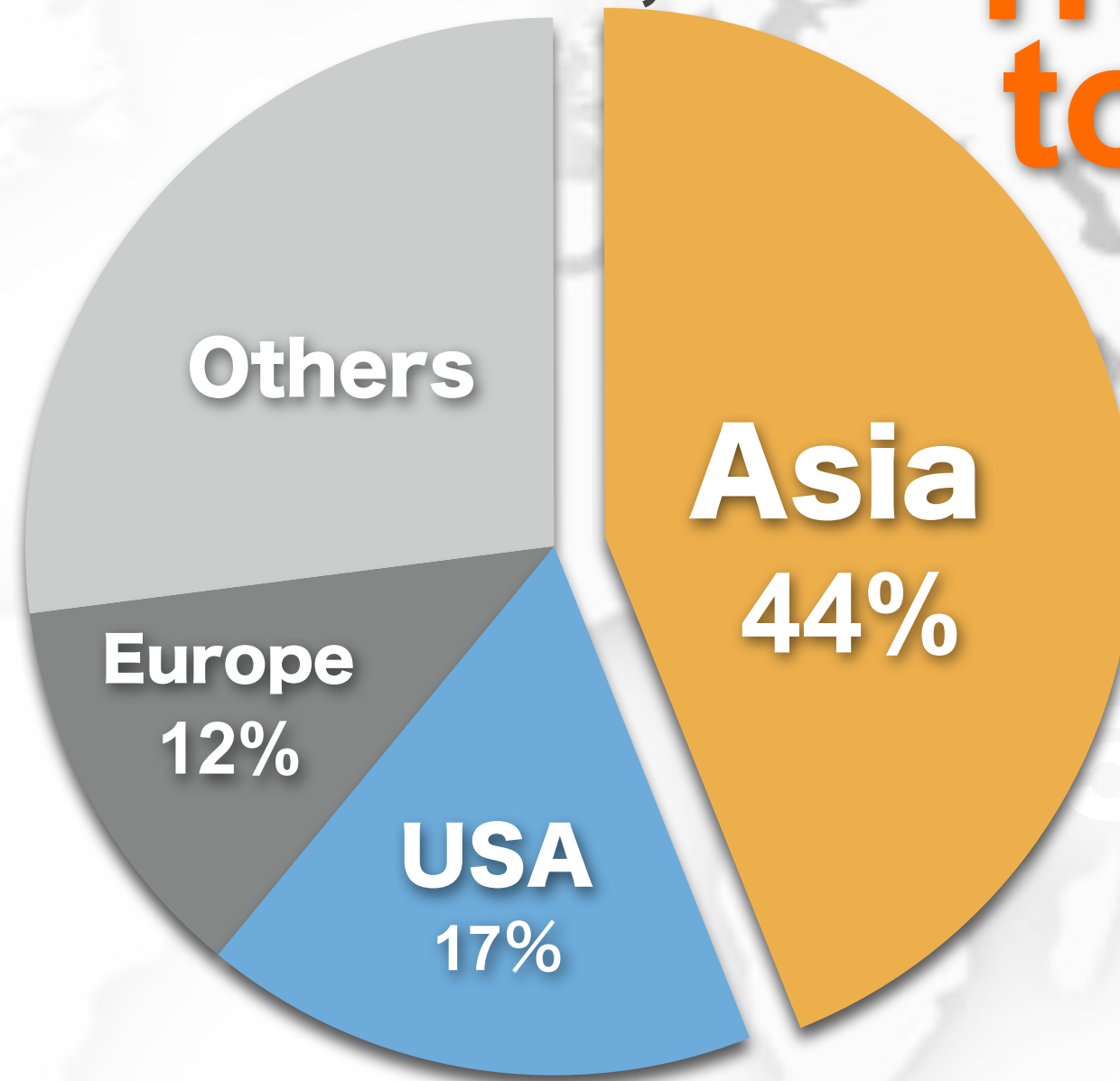
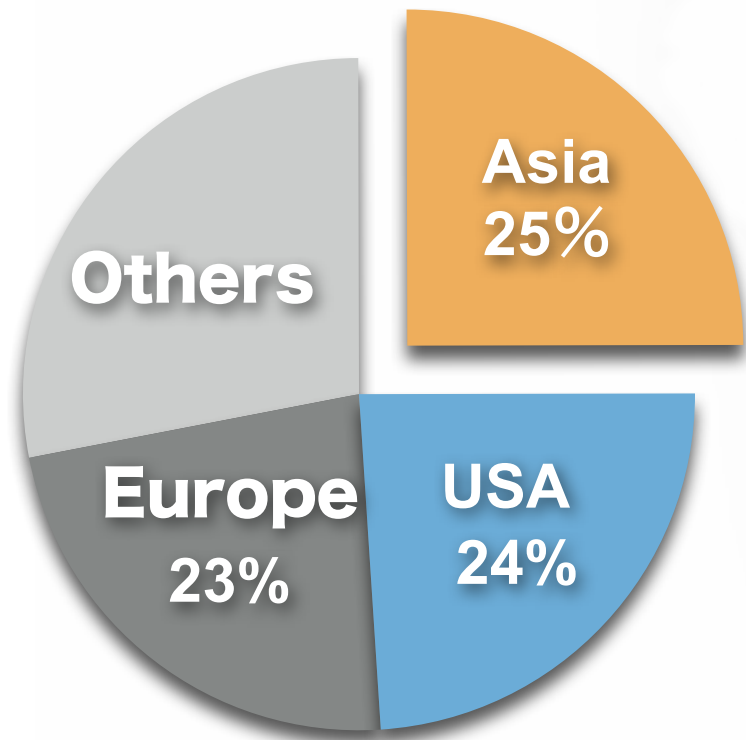
**Asia to rapidly grow**

# GDP Share by Area (forecast)

2030  
JPY 11,400t

**Transitioning  
to Asian era**

2010  
JPY 5,100t



53.3%

# SOFTBANK Asian Internet Group



May 4, 2011

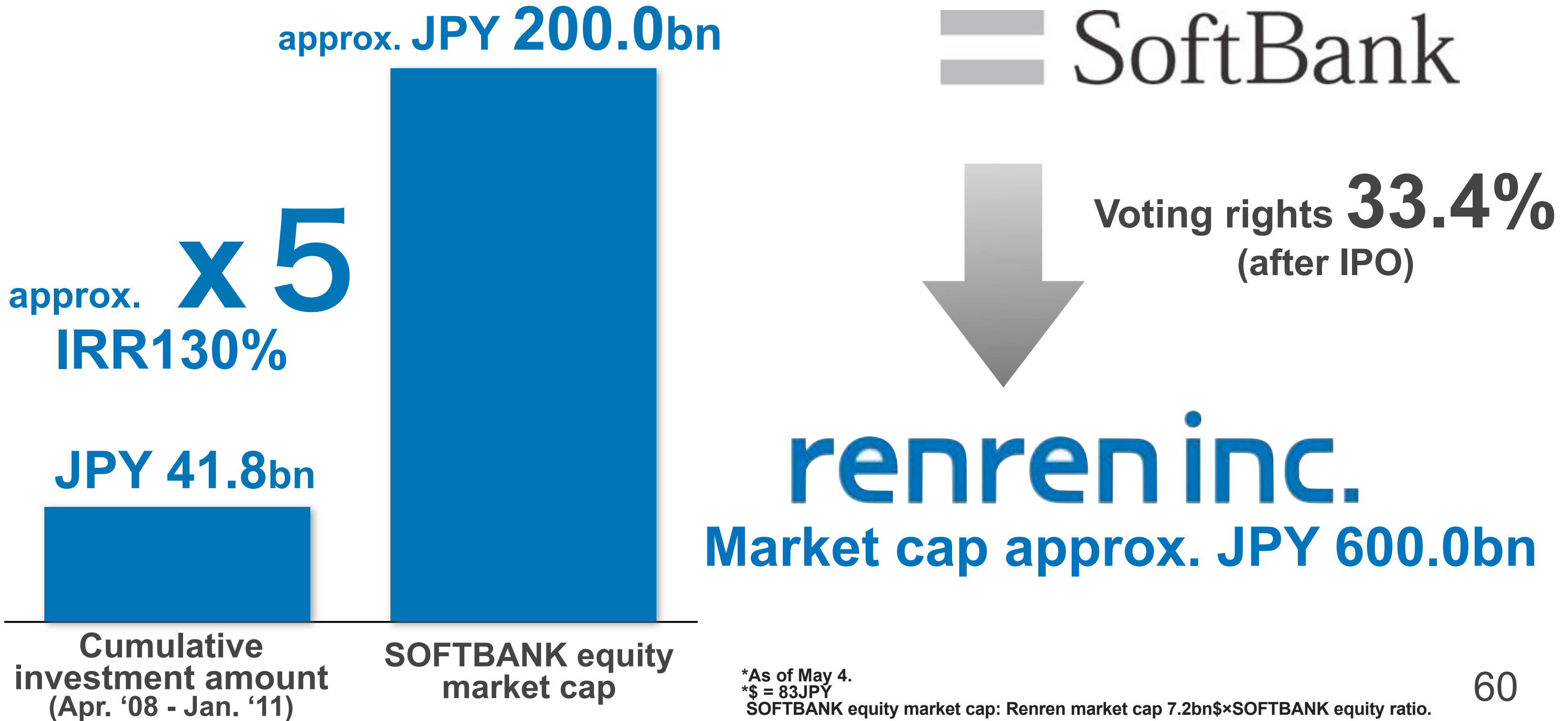
renren inc.

US IPO

Listing on NYSE



# Investment in Renren

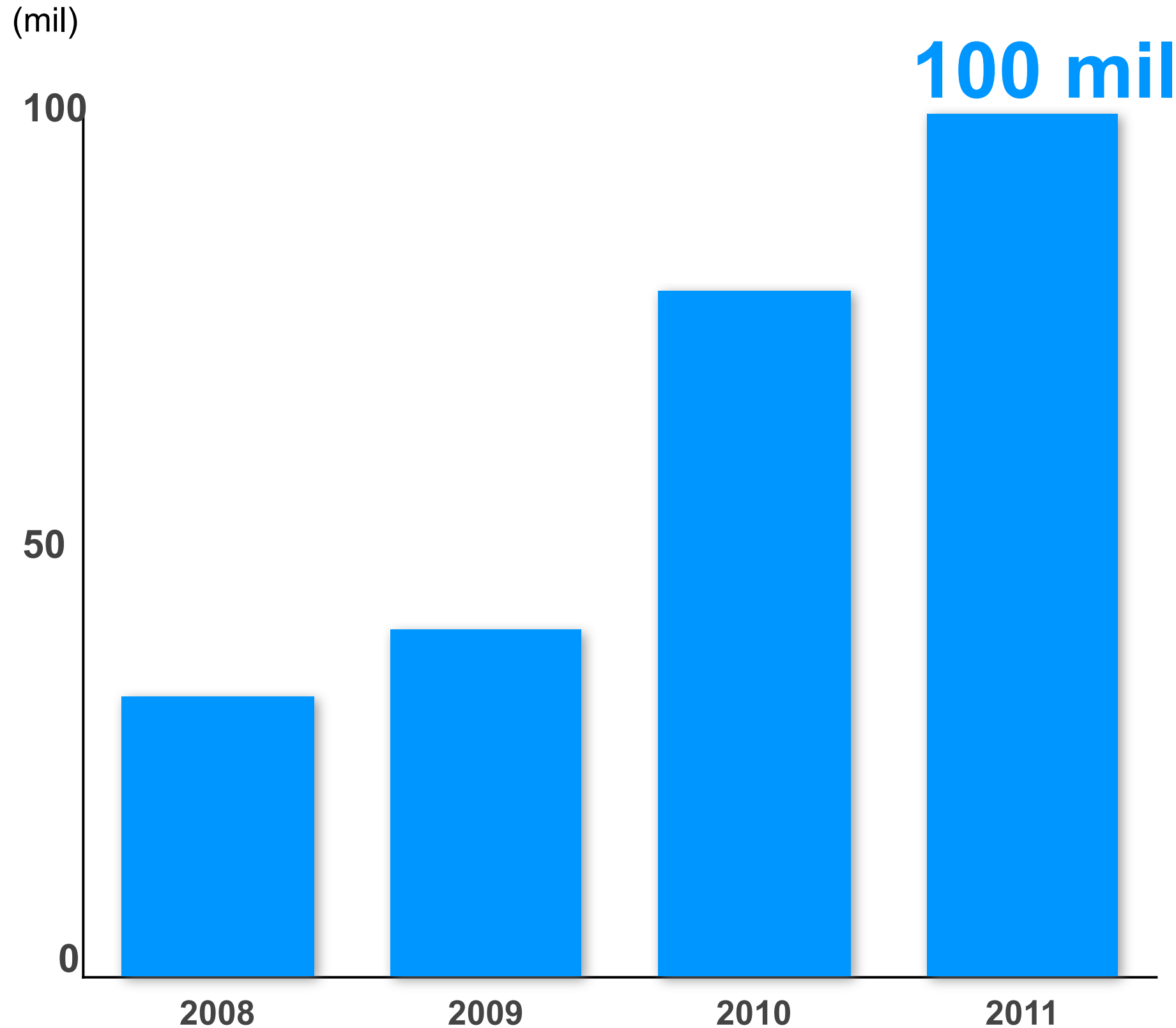




No.1 Online TV  
in China



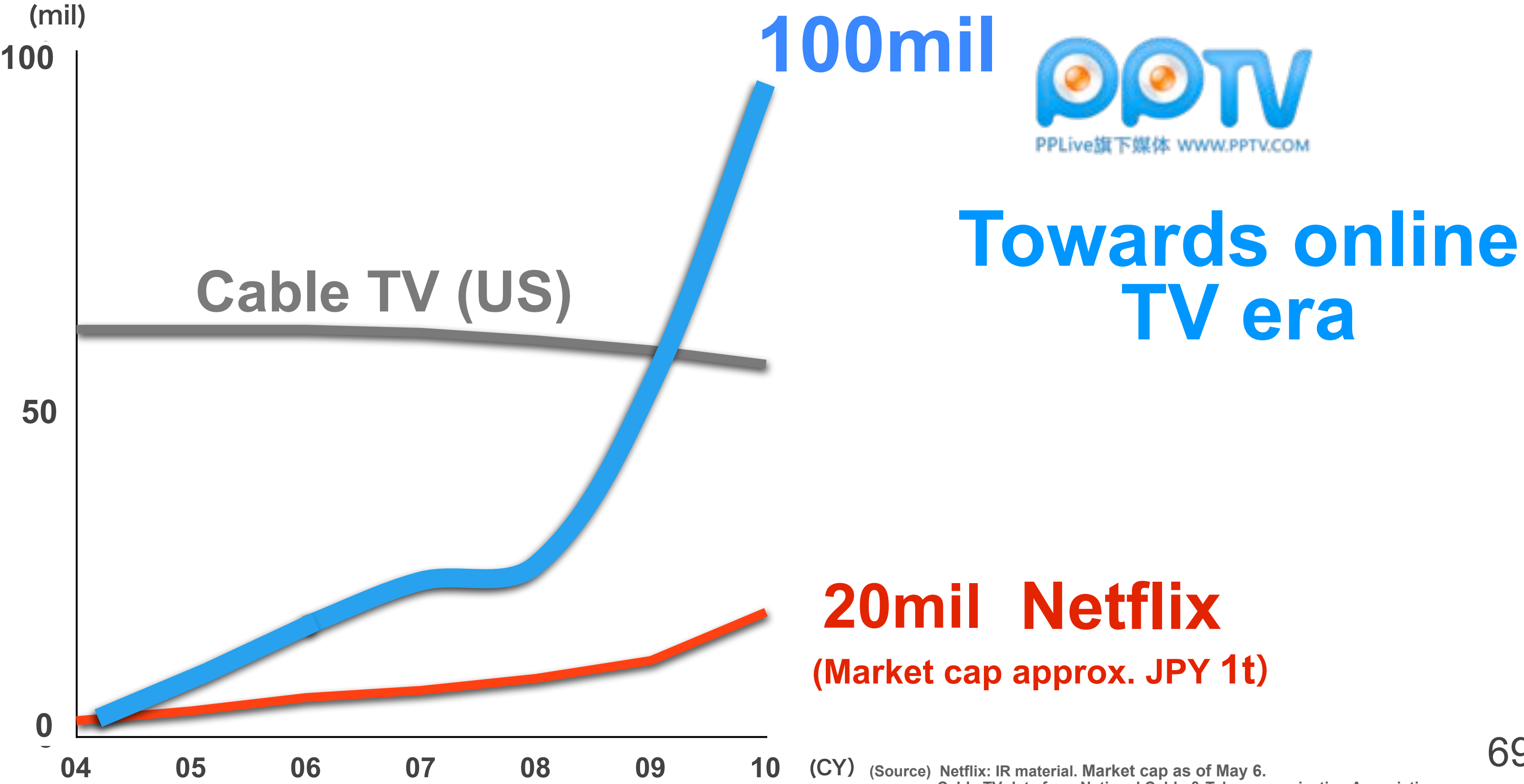
# Number of Monthly Active Users



**Steadily increasing**



# User Comparison



(Source) Netflix: IR material. Market cap as of May 6.  
Cable TV data from National Cable & Telecommunication Association.



# Internet TV Comparison



Average daily viewing time

16hrs 29min

x3

PPTV

5hrs 35min

Hulu

10mil

x10

100mil

Monthly unique viewers

70

(Source) PPTV data PPLive, Hulu data Nielsen (Jan. 2011).

**Feb. 2011**  
**Launched PPTV for iPad**

**Internet TV for iPad**

**First in China**





# Chinese Soccer League Exclusive live broadcast

2011 Super League

**Further user  
expansion**

**Today's announcement**



吉本興業株式会社


**Japan's Leading  
Talent Agency and  
Content Production**

**Goes Global**



# Establish Joint Venture

 SoftBank

 吉本興業株式会社

60%

40%

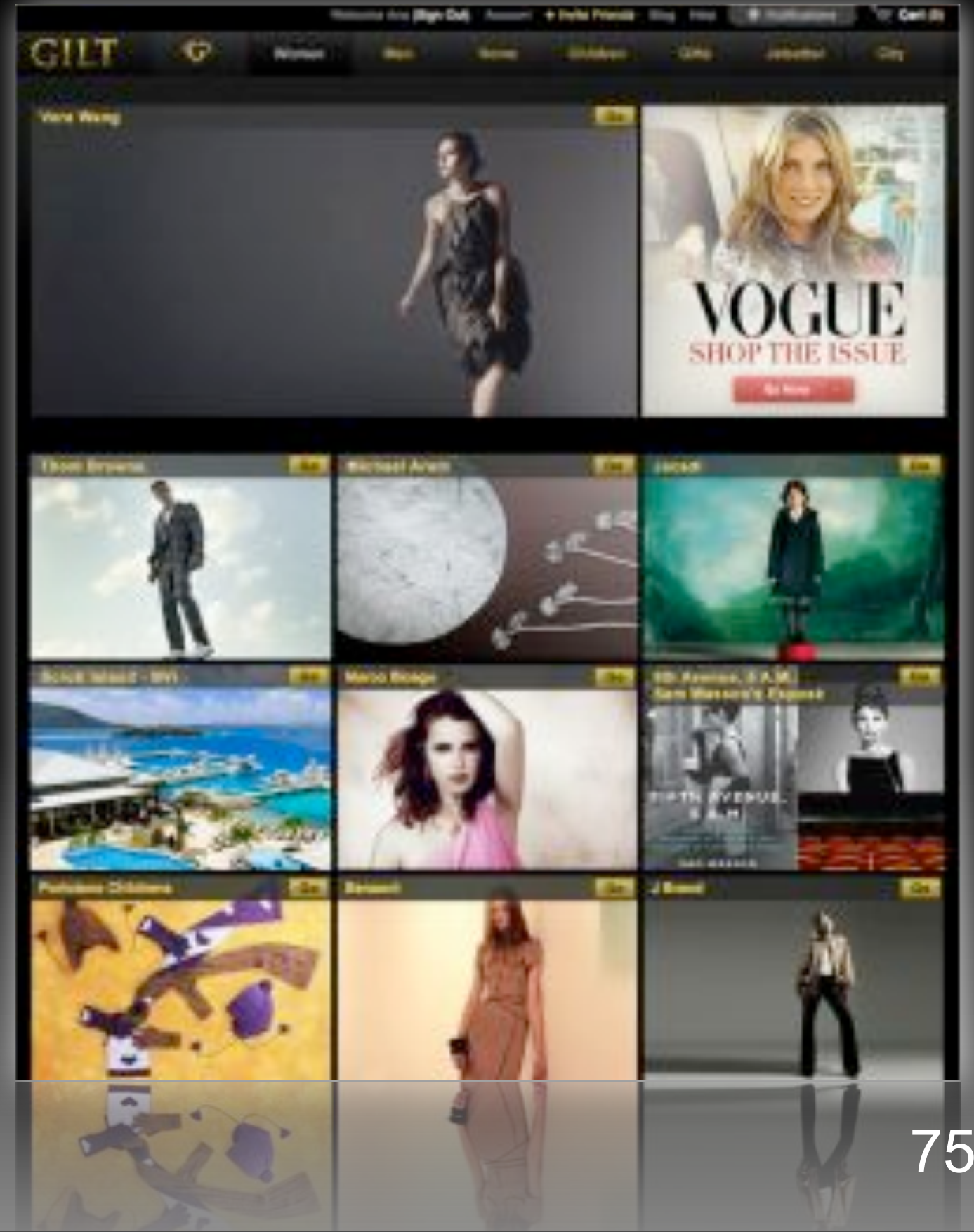
**Contents Bank**

# Today's announcement

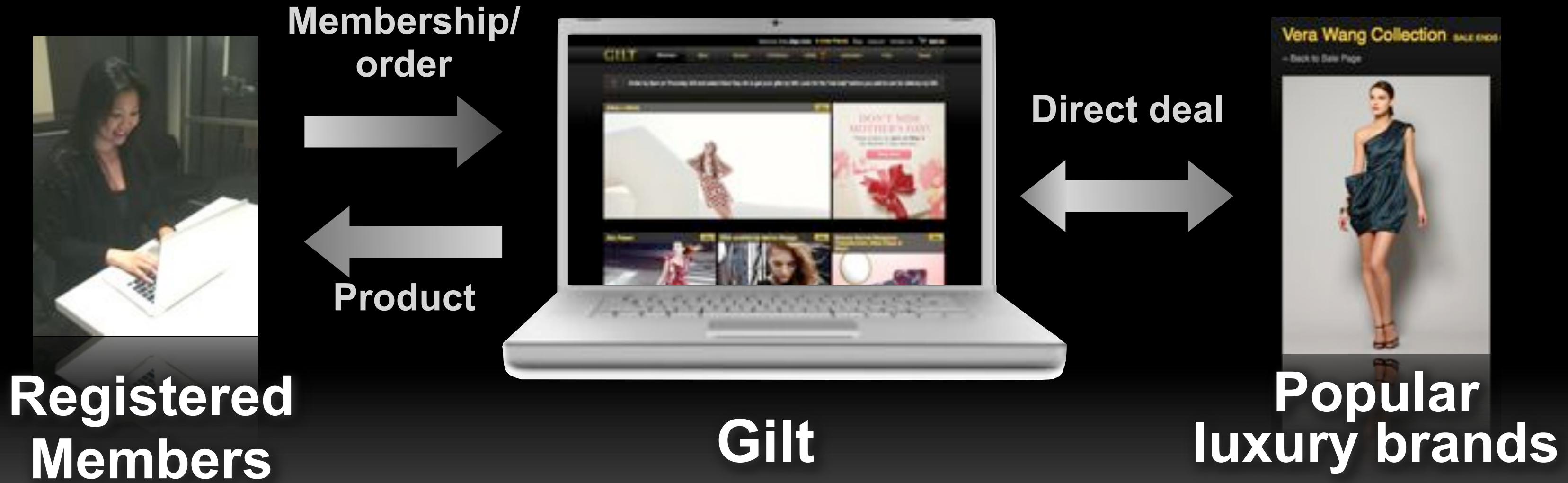
**GILT**  
G R O U P E

An Innovative  
Online Shopping Destination

**Creation of  
Joint Venture**



# Innovative Online Shopping Destination



**Sales of coveted brands at discounted prices**

# Example of Partner Brands (US)



**Emporio Armani**

**sergio rossi**

**Brooks Brothers**

**Paul & Joe Sisters**

**CELINE**

**Swarovski**

**FRENCH CONNECTION**

**Chloe**

**BCBG MAXAZRIA**

**dunhill**

**MARC JACOBS**

**Hugo Boss**

**Calvin Klein**

**JILL STUART**

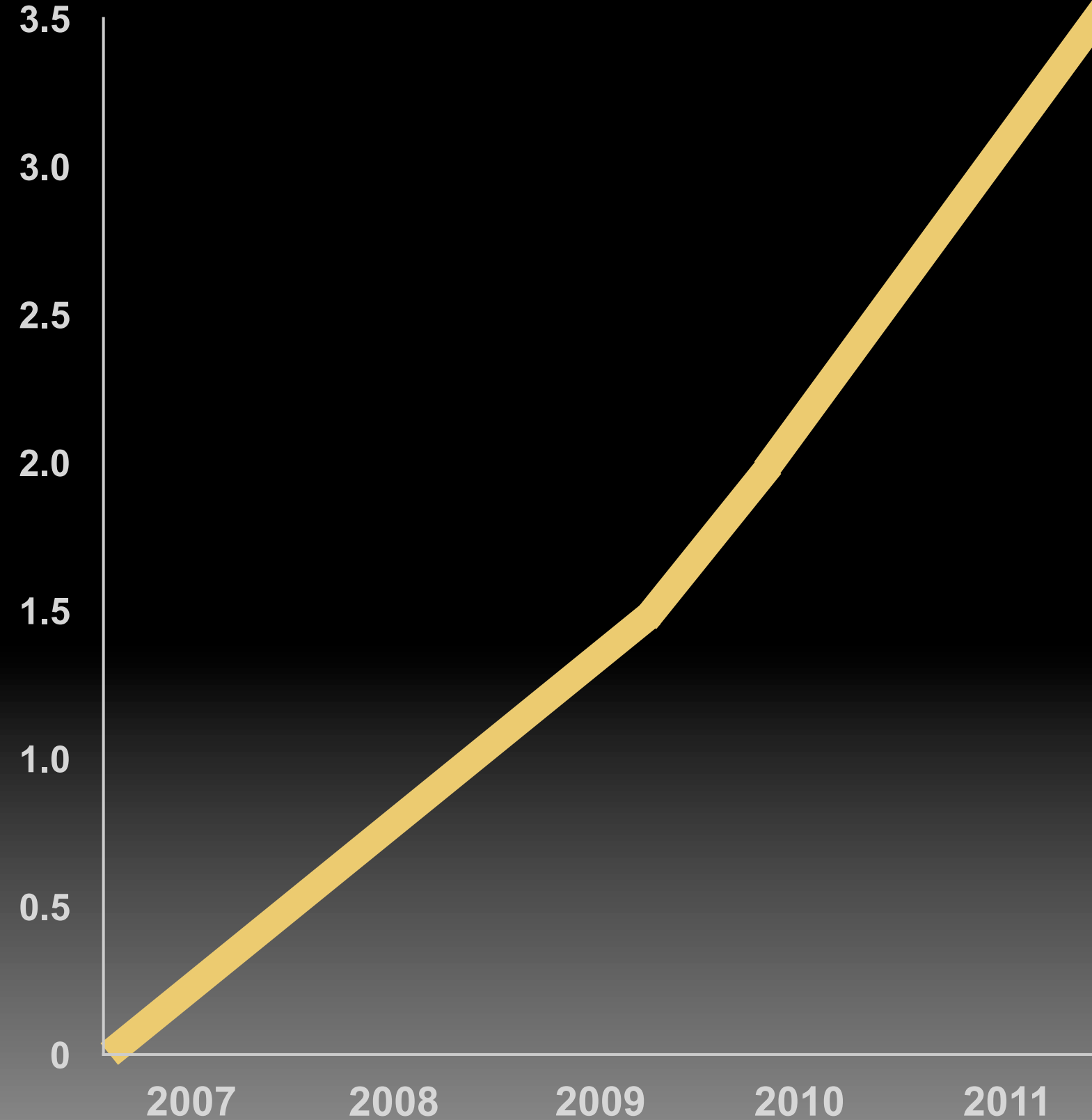
**LAMB**



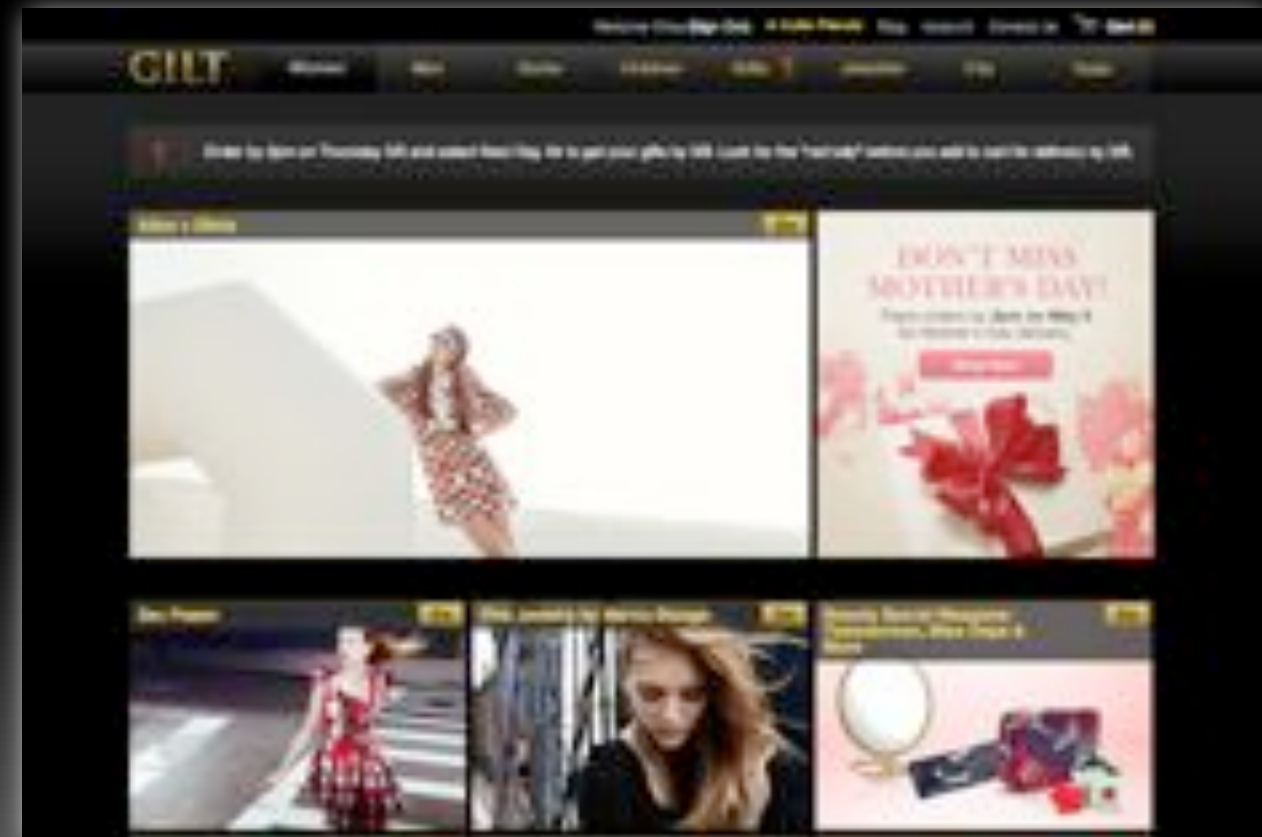
# Number of Gilt Groupe Members (world)



(mil)

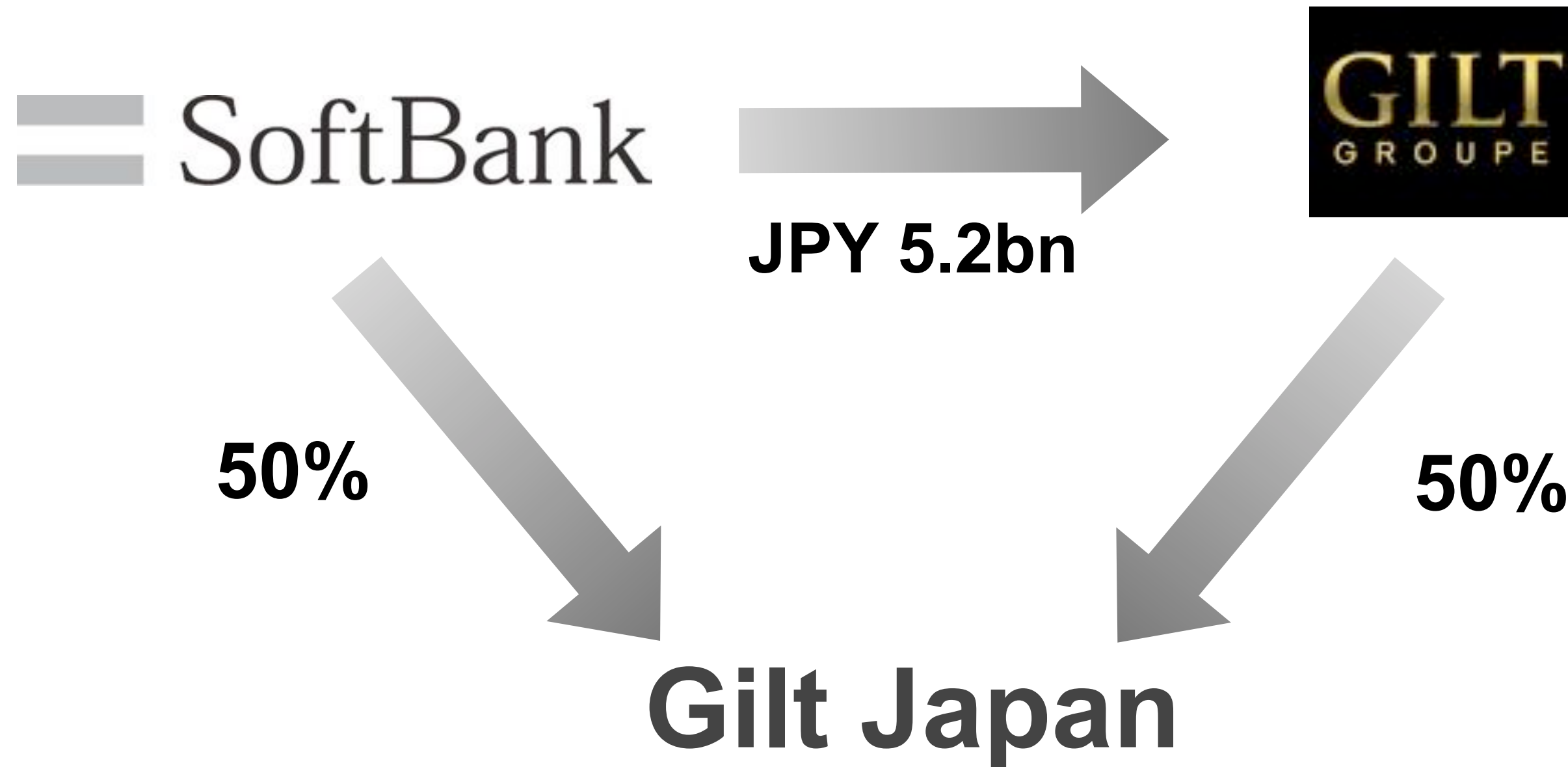


**3.5+ mil**



\*Press release of Gilt Groupe.

# Establish Joint Venture



\* Total investment amount of SOFTBANK Group.  
\* JPY 5.2bn : 62.5mil\$ converted at \$=83JPY.

# Synergy Generation in SOFTBANK Group



**GILT**  
G R O U P E



**Mobile Internet**



**Cooperation with Yahoo! ID etc**



# ZOZOTOWN

One of the largest shopping sites in Japan

Into China



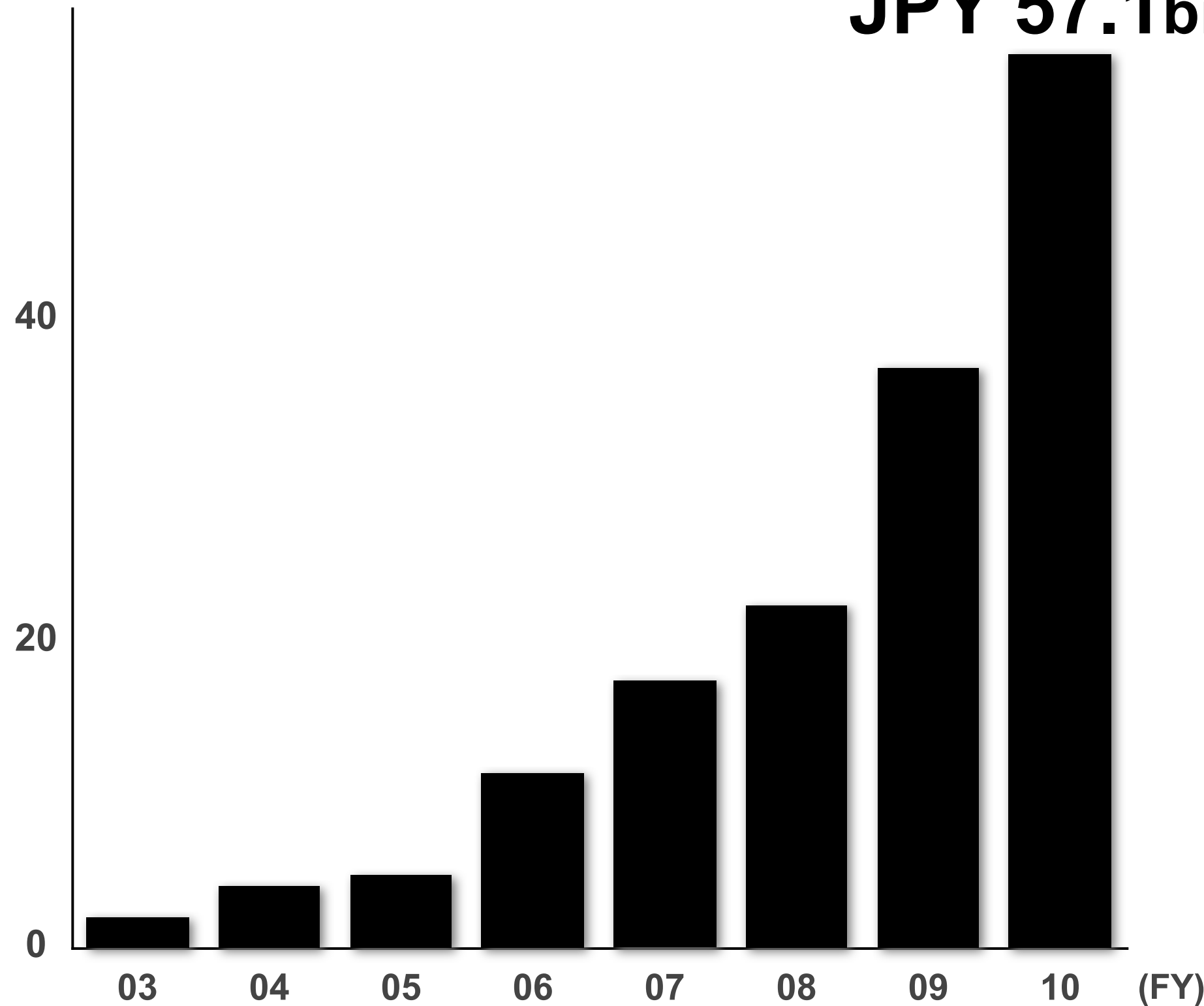


# Transaction Value

## JPY 57.1bn

# One of the largest in Japan

(JPY bn)

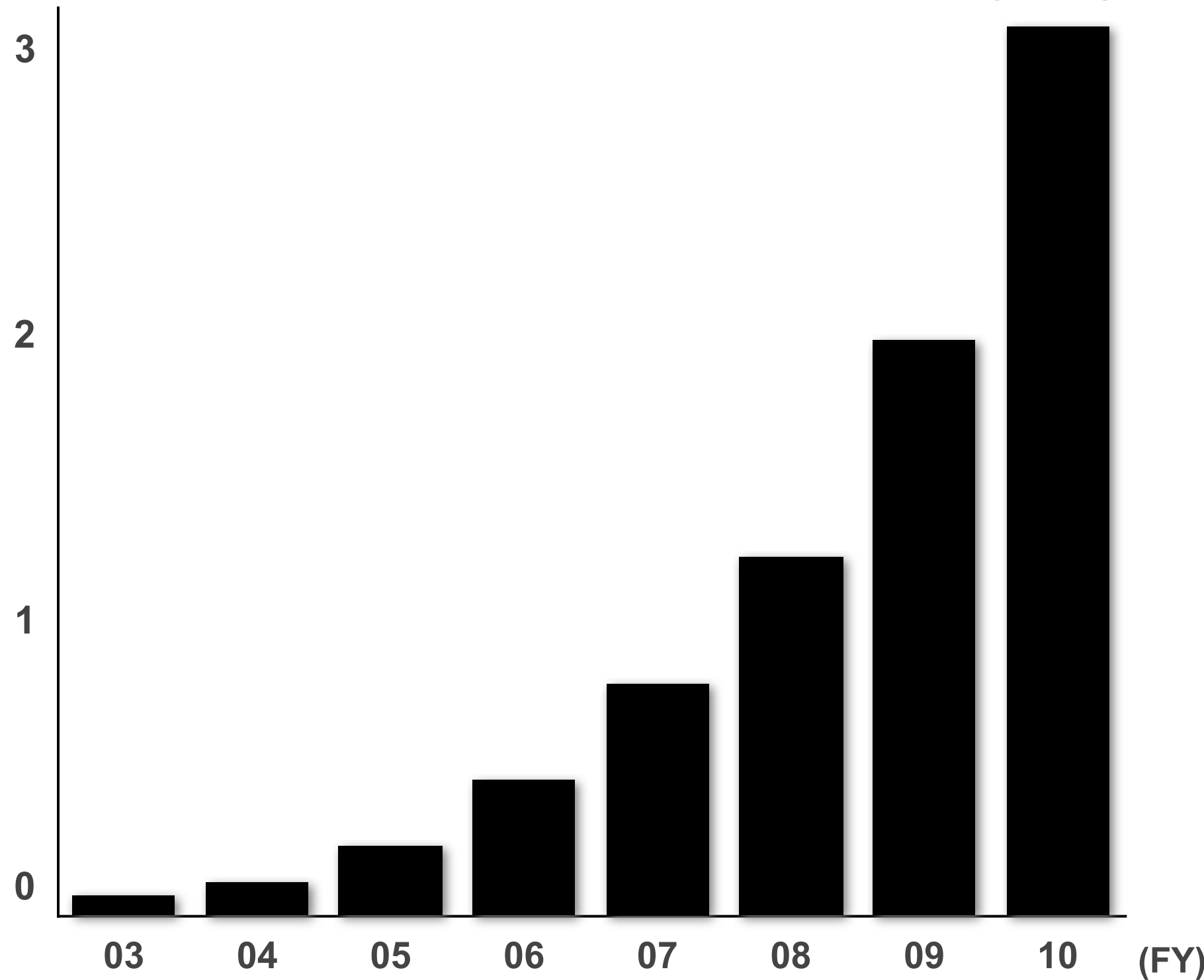


# Number of Members

(mil)

3.13

## One of the largest in Japan



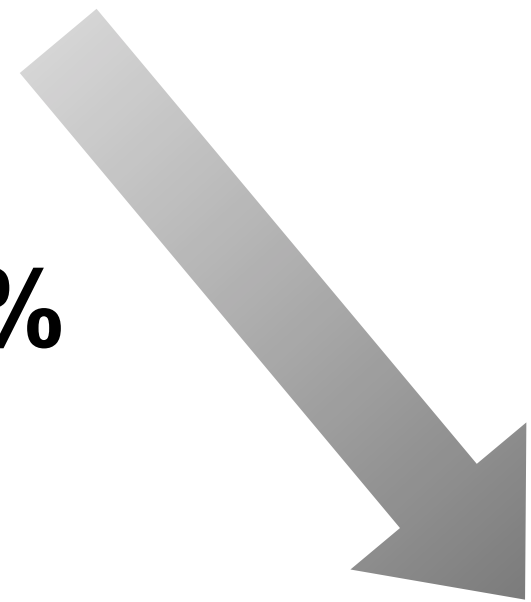
# Establish Joint Venture

 SoftBank

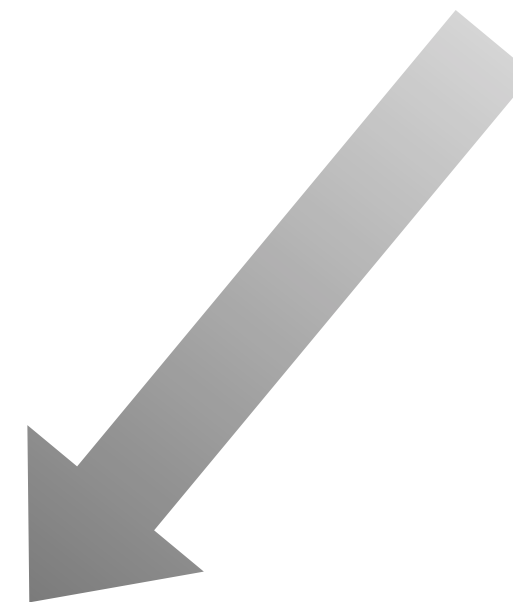


START TODAY CO.,LTD.

49.9%



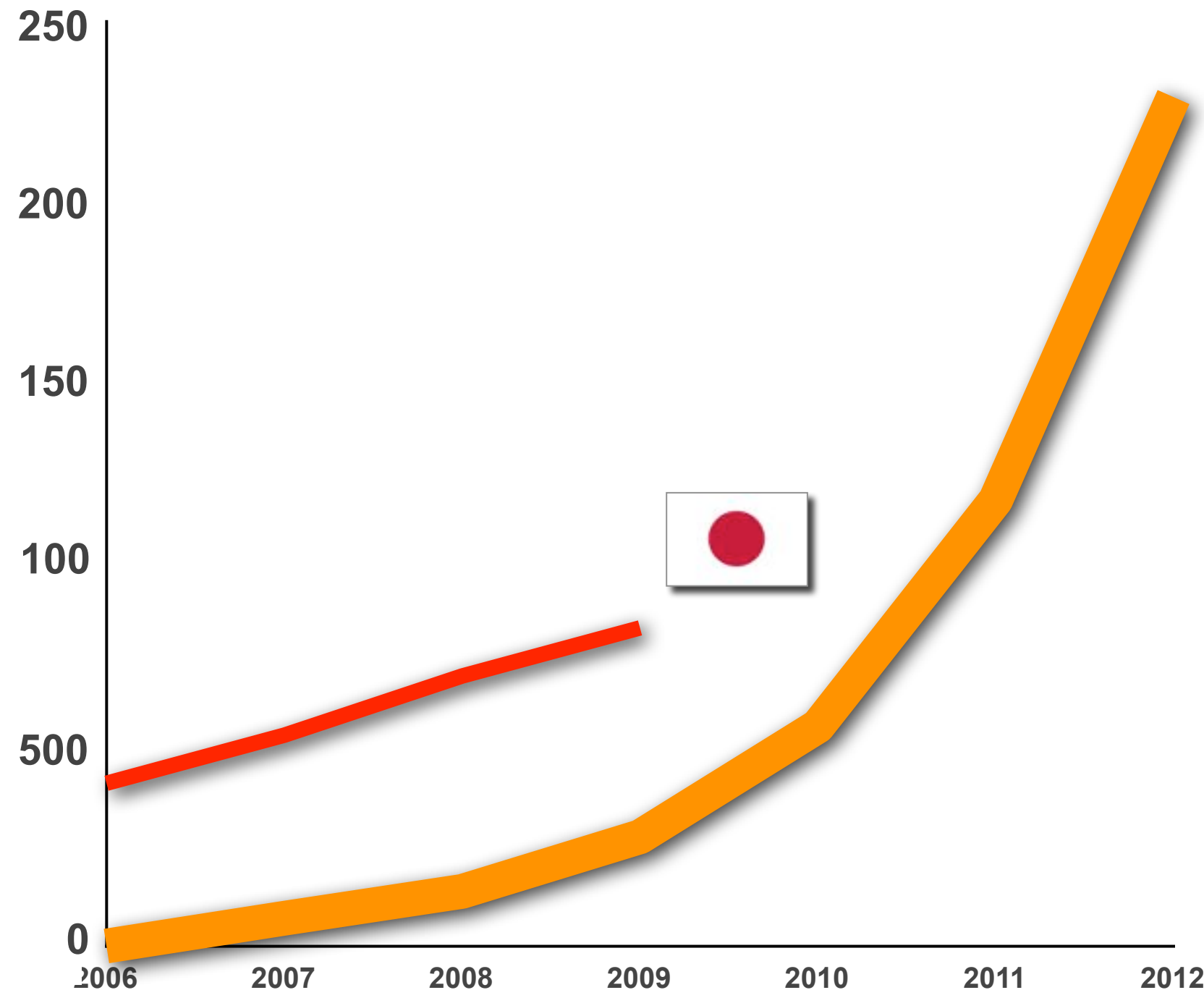
50.1%



**START TODAY HONG KONG CO. LTD.**  
(tentative name)

# Market Size of Online Fashion Shopping Sites

(JPY bn)



**Toward  
expansion**

(Source) Japan: Results of "FY2009 Research on Infrastructure Development in Japan's Information Economy Society (E-Commerce Market Survey)" issued by Ministry of Economy, Trade and Industry.

China: 中国服装B2C网络购物研究报告 from 2009 to 2010



# ZOZOTOWN Expand to China

**Taobao Mall**



**TaoBao platform**  
**ZOZOTOWN**  
**Chinese e-Commerce site**

**ZOZOTOWN**  
**1,555 brands**



# Synergy Generation in SOFTBANK Group

**ZOZOTOWN** × = SoftBank

**Customer attraction & promotion**

淘宝网  
Taobao.com

人人网  
renren.com

PPTV  
PPLive旗下媒体 WWW.PPTV.COM

**Business support in China**

Alibaba  
JAPAN

# Connect People Globally With Information



# Summary

- 1) Prioritize CAPEX & customer acquisition while continuing revenue & profit growth**
- 2) Internet expansion in Asia  
Renren IPO**

**Make people happy through  
information revolution**

The logo consists of two horizontal grey bars stacked vertically, positioned to the left of the company name.

SoftBank

## 1. Application of accounting standard for disclosure on segments

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 applied from FY2010/Q1. 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 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.

## 2. Definition of terms etc. in this material.

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

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

Net interest-bearing debt: interest-bearing debt - cash position

Interest-bearing debt: short-term borrowings + commercial paper + current portion of corporate bonds + corporate bonds + long-term borrowings. Lease obligations are not included. 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. during FY2009 that were issued under the whole business securitization financing scheme associated with the acquisition of Vodafone K.K.

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

SBM loan: the funds procured for the acquisition of Vodafone K.K. were refinanced in November 2006 via a whole business securitization program. 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. during FY2009 that were issued under the whole business securitization financing scheme associated with the acquisition of Vodafone K.K.

Record high, record high revenue: since SOFTBANK CORP. applied consolidated accounting in FY1994.

The mobile communications business operating income from FY2002 - 2005 is based on Vodafone K.K. (current SOFTBANK MOBILE Corp.)’s annual report. For FY2002 - 2003 this material is based on Vodafone K.K. (at the time Nippon Telecom Holdings)’s mobile communications segment’s operating income.

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.

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