

**Earnings Results for the
Six-month Period
Ended September 30, 2012
(April to September 2012)**

Supplemental Material



**October 31, 2012
SOFTBANK CORP.**

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<Regarding Revenue Recognition In the Mobile Communications Segment>

In the Mobile Communications segment, net sales are mainly generated through telecom service revenue and sales of mobile handsets. The telecom services consist of voice and data services and are recognized as revenue when services are provided to customers, based upon basic flat-rate monthly charges plus usage of traffic in accordance with price plans subjected to discounts.

Sales of mobile handsets are recognized when merchandise is shipped to sales agents. The agents sell the mobile handsets to the customers mainly by installment payments over a period of 24 months. SOFTBANK MOBILE Corp. purchases the installment sales receivables from the agents and collects the installment sales receivables during the 24 months.

Activation fees from new customers are recognized as revenue when services are activated.

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Accounting

Consolidated P/L Analysis

Consolidated P/L Summary

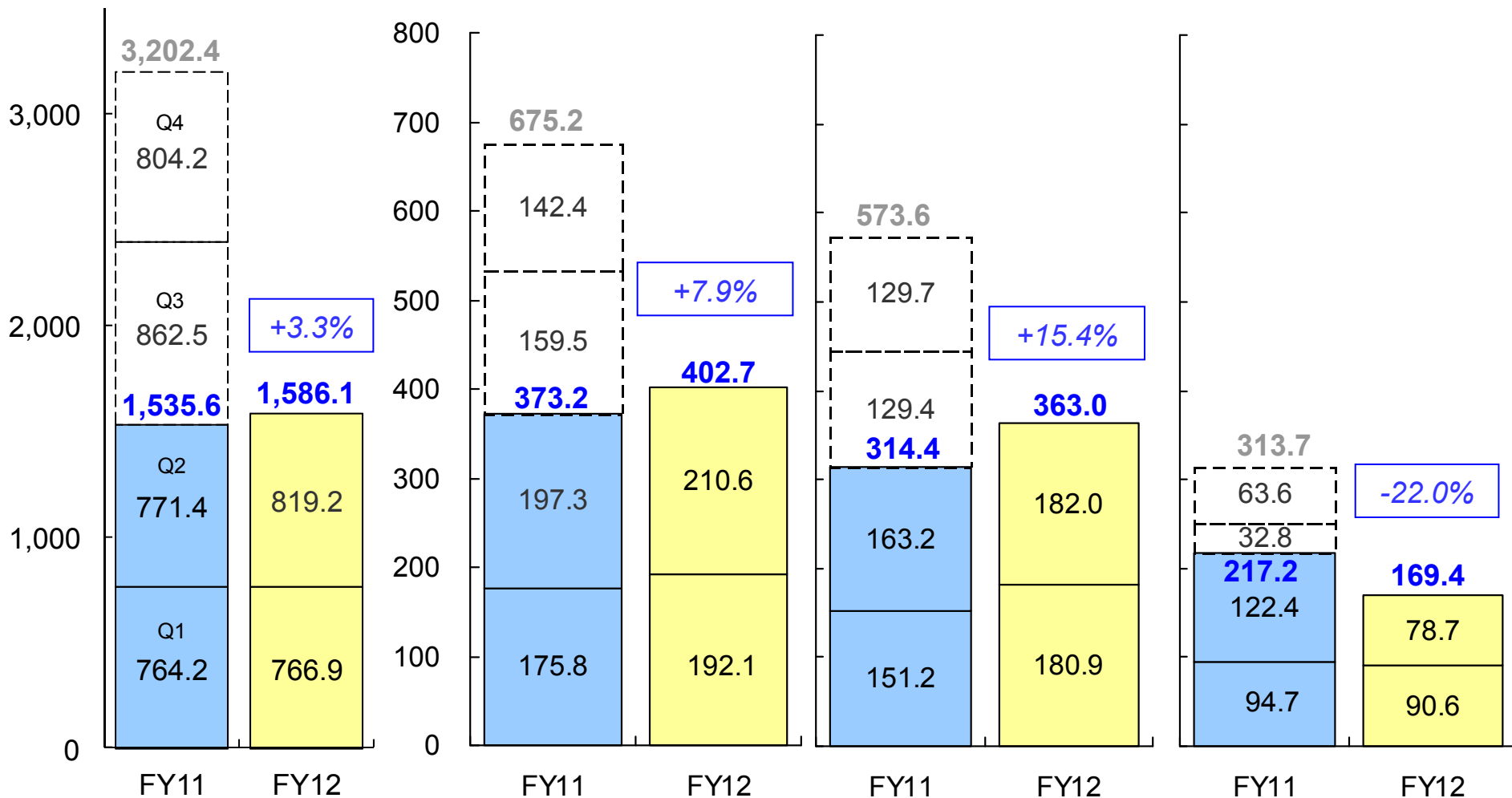
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Net Sales

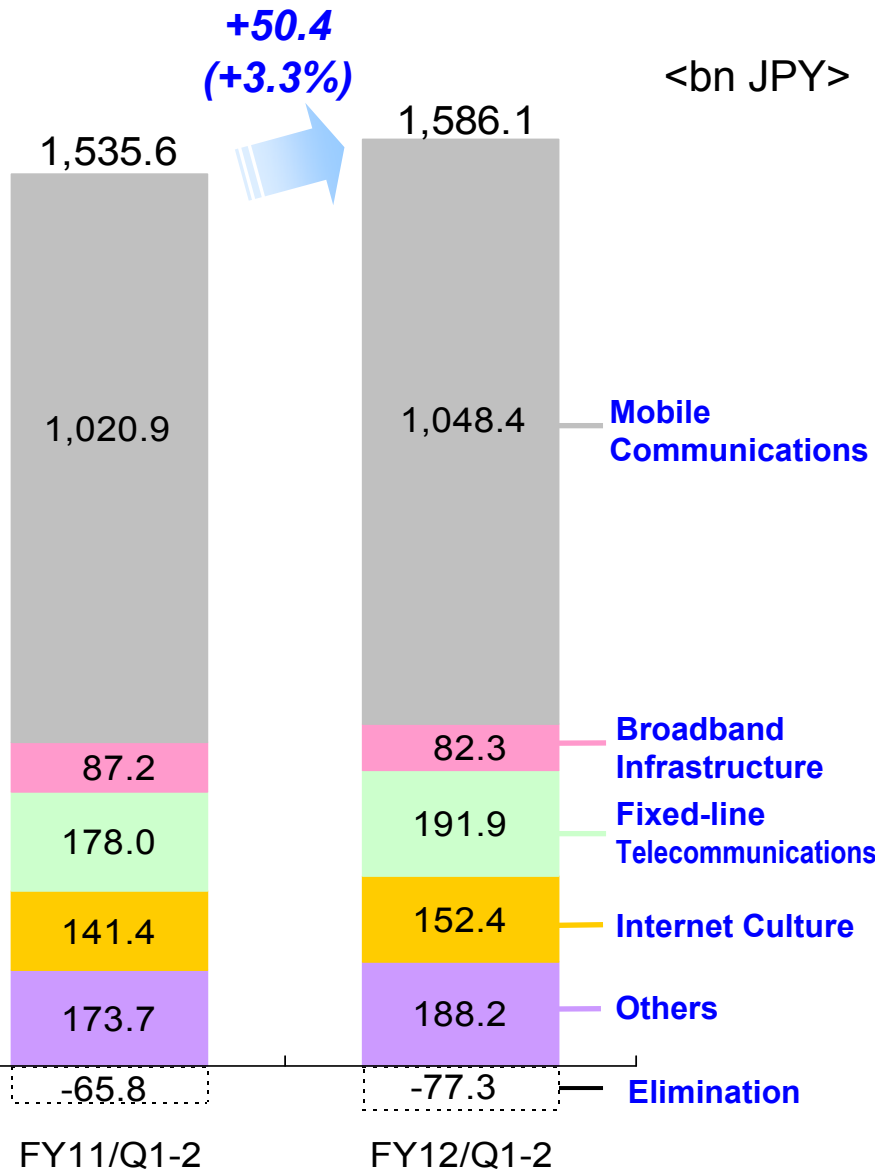
Operating Income

Ordinary Income

Net Income



Consolidated Net Sales



(Main factors for the change)

Mobile Communications +27.5bn

- Increase in telecom service revenue +57.4bn
- | | |
|-----------------------------------|---------|
| Increase in data-related revenue | +67.1bn |
| Decrease in voice-related revenue | -9.7bn |
- Decrease in sales of mobile handsets and accessories, etc. -29.9bn

Broadband Infrastructure -4.9bn

- Decrease in sales of Yahoo! BB ADSL -16.1bn
- Increase in sales of Yahoo! BB hikari with FLET'S +6.5bn

Fixed-line Telecommunications +13.9bn

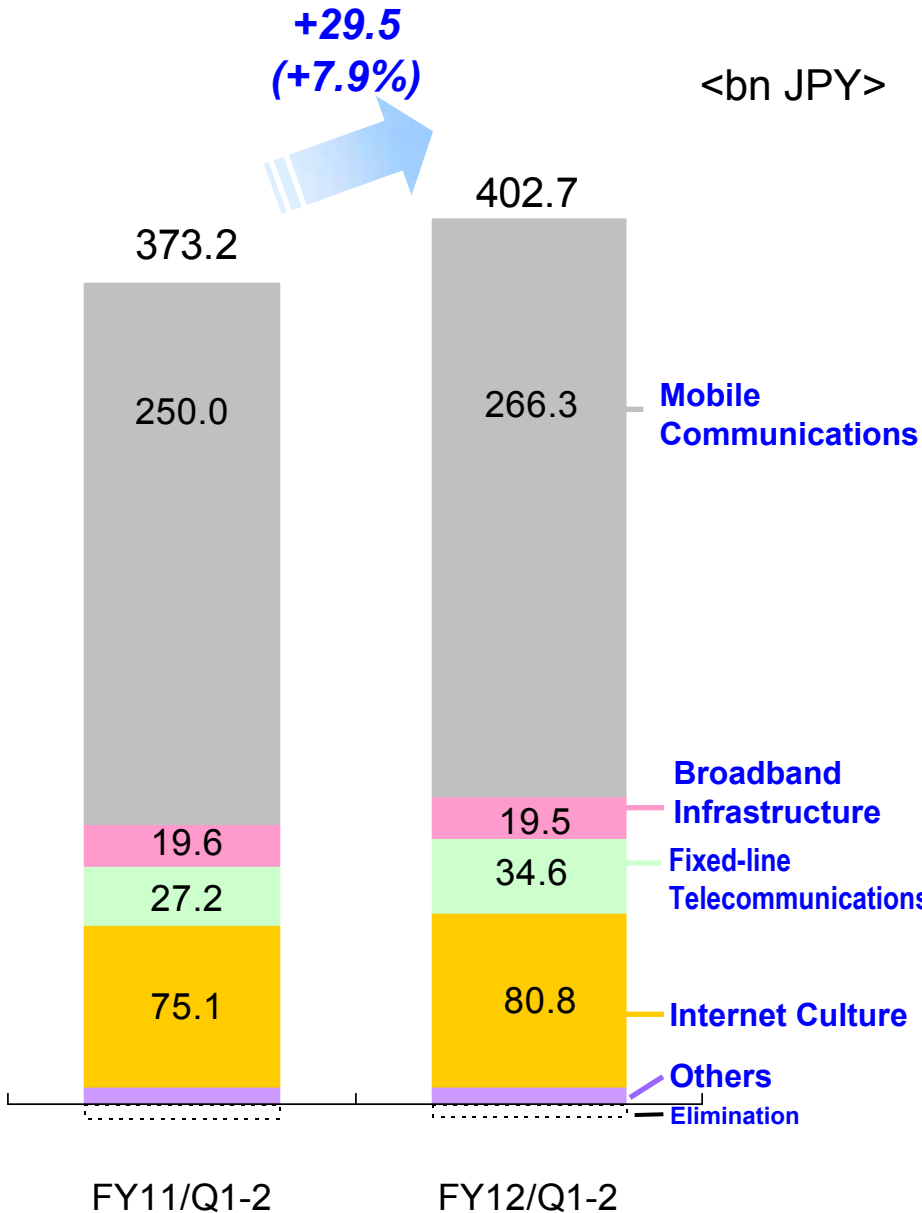
- Increase in sales relating to projects for installing telecommunications signal transfer stations
- Increase in sales from provision of telecommunication lines to Group companies such as SBM

Internet Culture +10.9bn

- Increase in revenue from sponsored-search advertising and interest-match advertising via smartphones, display advertising, information listing services.

•Voice-related revenue: voice call charges, revenues from incoming calls, basic monthly charges, etc. data-related revenue: packet communication charges, etc.
 SBM: SOFTBANK MOBILE

Consolidated Operating Income



(Main factors for the change)

Mobile Communications

+16.2bn

+27.5

- Increase in net sales

-11.3

- Increase in COS, SGA

-Increase in depreciation & amortization on installation of additional base stations.
-Decrease in COS and sales commissions in line with an increased proportion of units sold that have lower cost of goods and acquisition cost per subscriber.

Broadband Infrastructure

-0.1bn

-4.9

- Decrease in net sales

+4.8

- Decrease in COS, SGA

-Decrease in operating expenses such as sales commissions mainly reflecting a decrease in number of ADSL lines

Fixed-line Telecommunications

+7.3bn

+13.9

- Increase in net sales

-6.6

- Increase in COS, SGA

-Increase in COS relating to projects for installing telecommunications signal transfer stations.
-Increase in COS relating to provision of telecommunication lines.
-Decrease in lease payments for *Otoku Line* equipment.

Internet Culture

+5.7bn

+10.9

- Increase in net sales

-5.2

- Increase in COS, SGA

-Increase in COS along with an increase in sales.

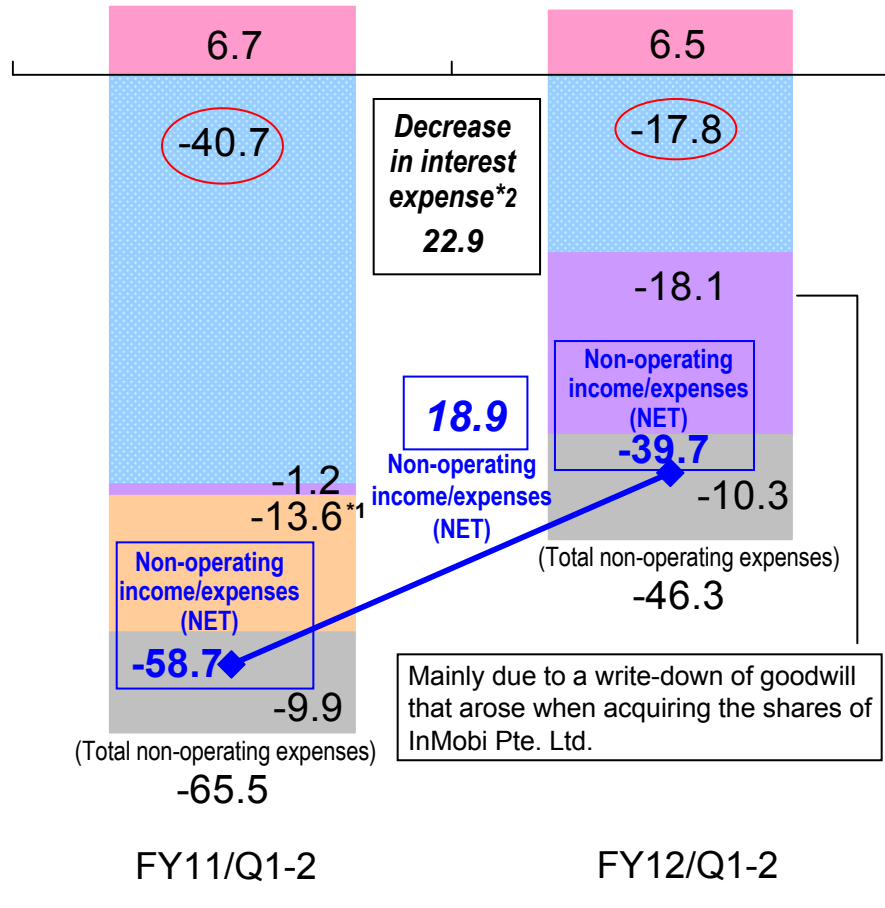
Positive impact on profit

Negative impact on profit

Non-operating Income/Expense and Ordinary Income

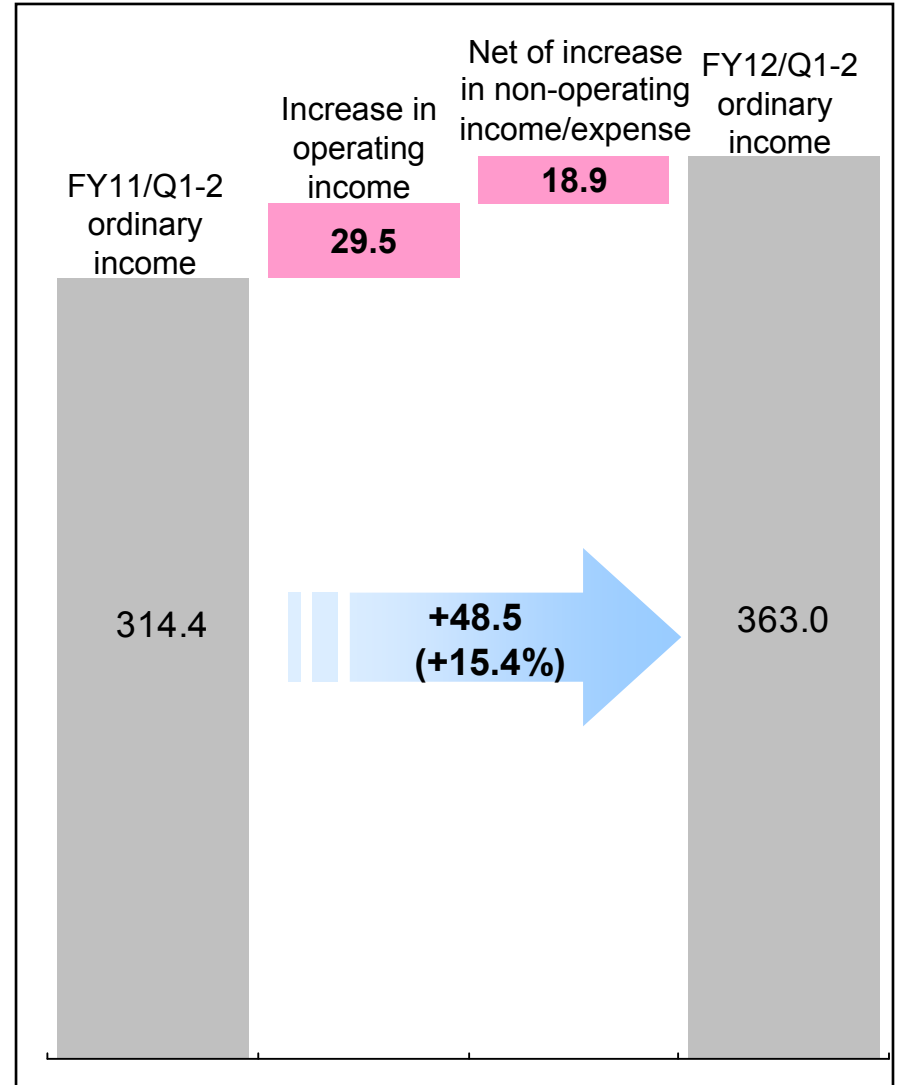
Non-operating Income/Expense

- Non-operating Income
- Interest expense
- Equity in losses of affiliated companies
- Refinance related expense
- Other non-operating expenses
- Non-operating income/expenses (NET)



Ordinary Income

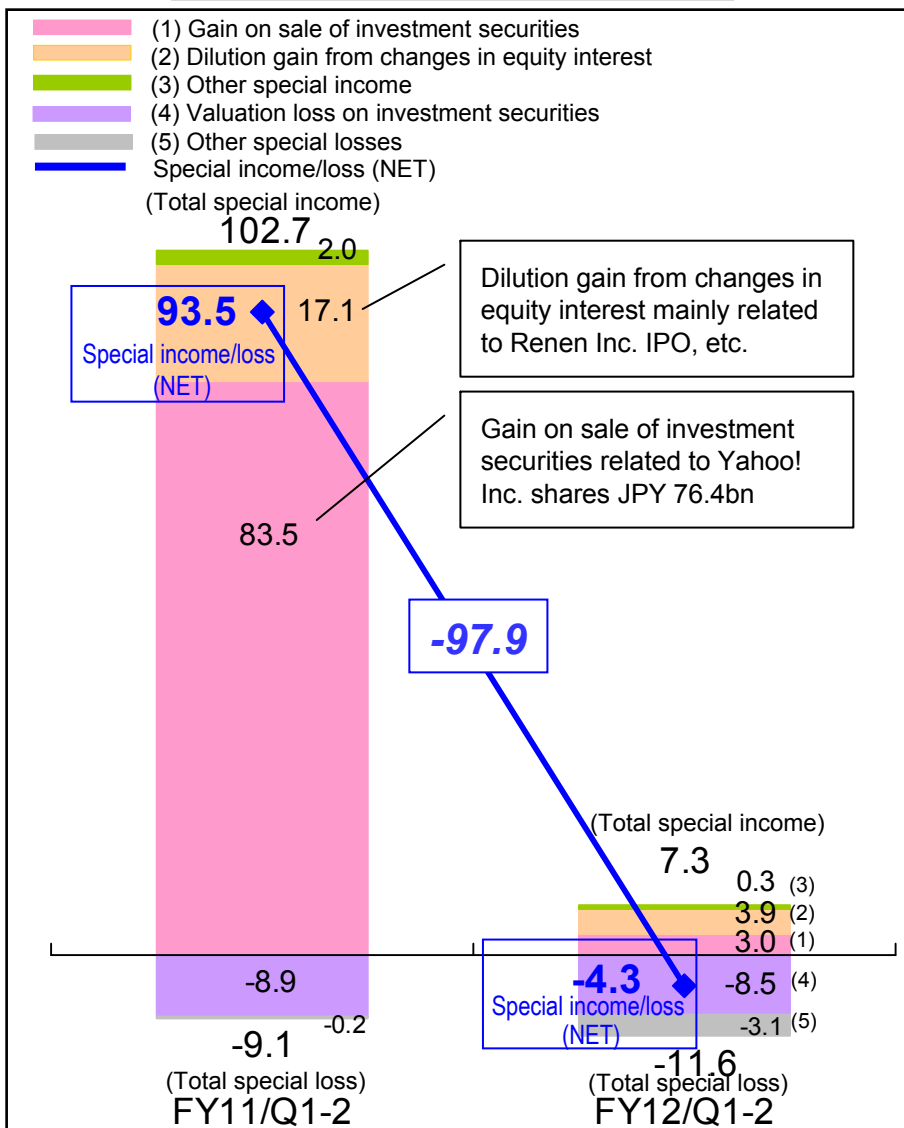
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*1. Mainly refinancing related expense associated with refinancing SBM loan (the loan procured under a whole business securitization scheme as part of the loan for procurement of Vodafone K.K. acquisition finance)
 *2. As SOFTBANK MOBILE paid off its SBM loan in October 2011

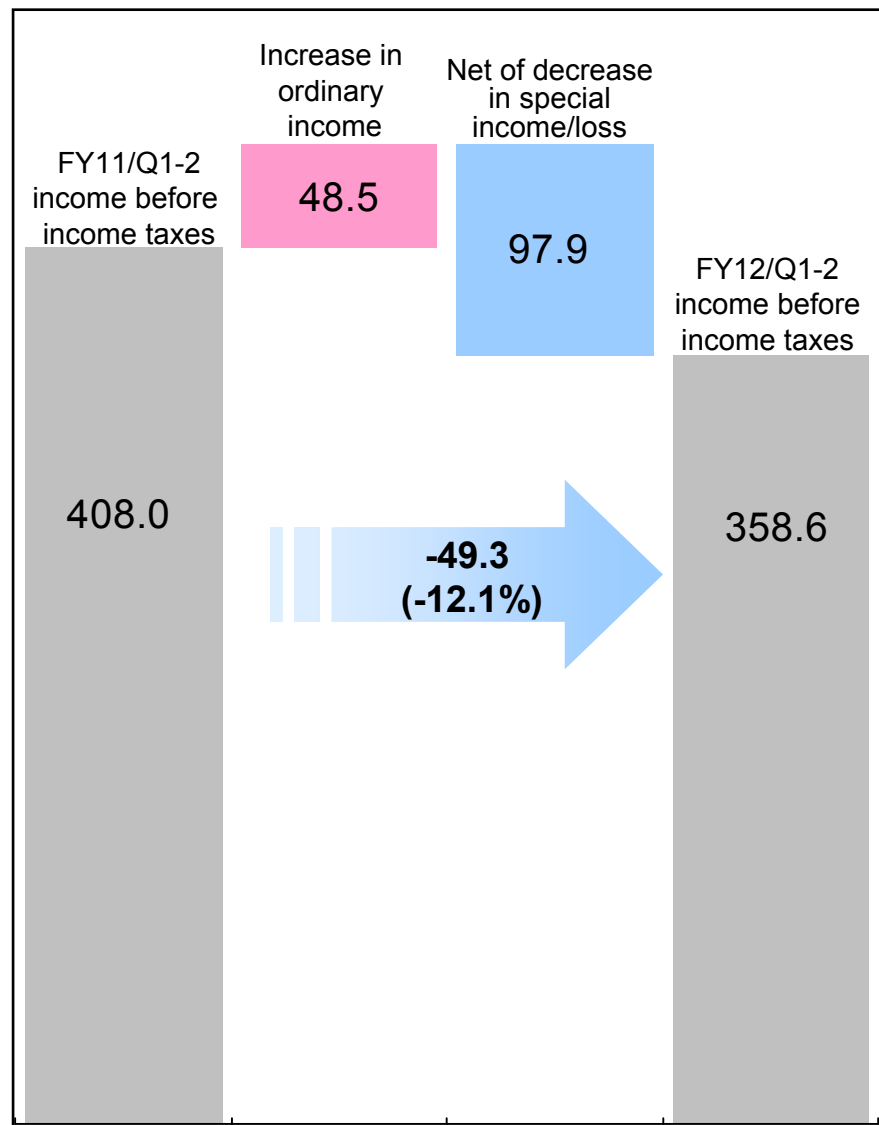
Special Income/Loss and Income Before Income Taxes

Special Income/Loss



Income Before Income Taxes

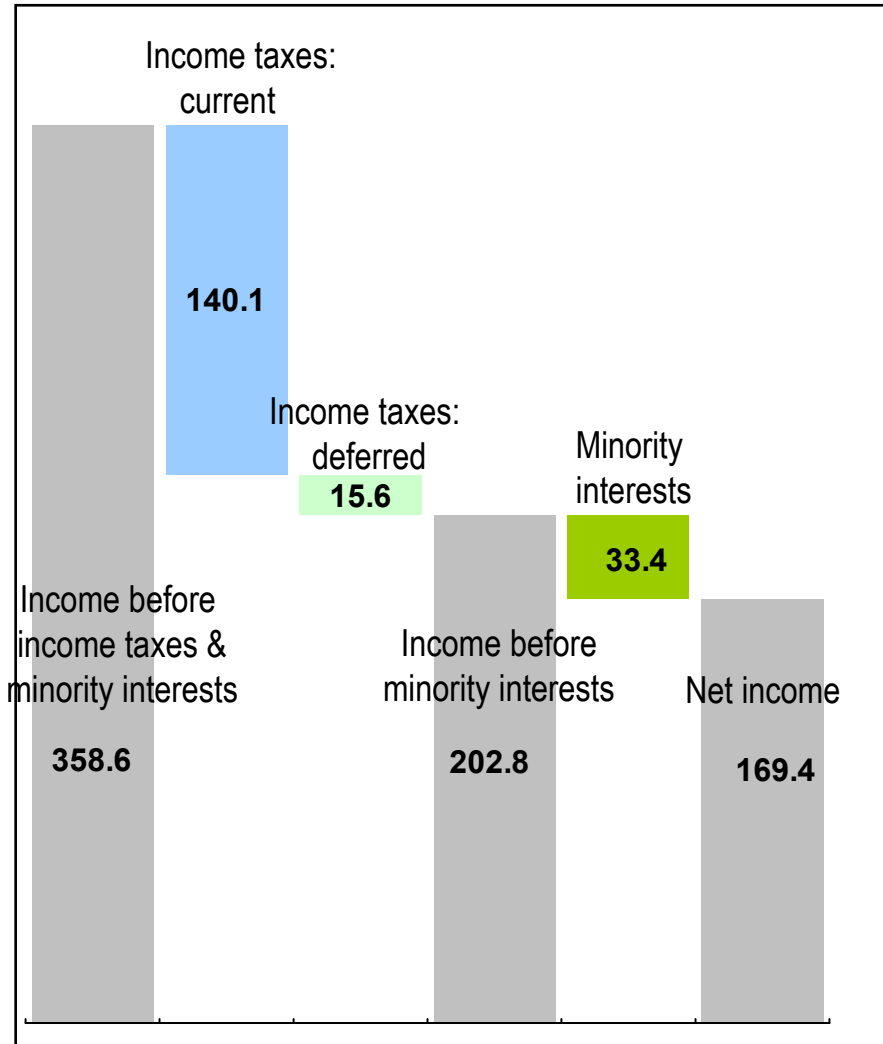
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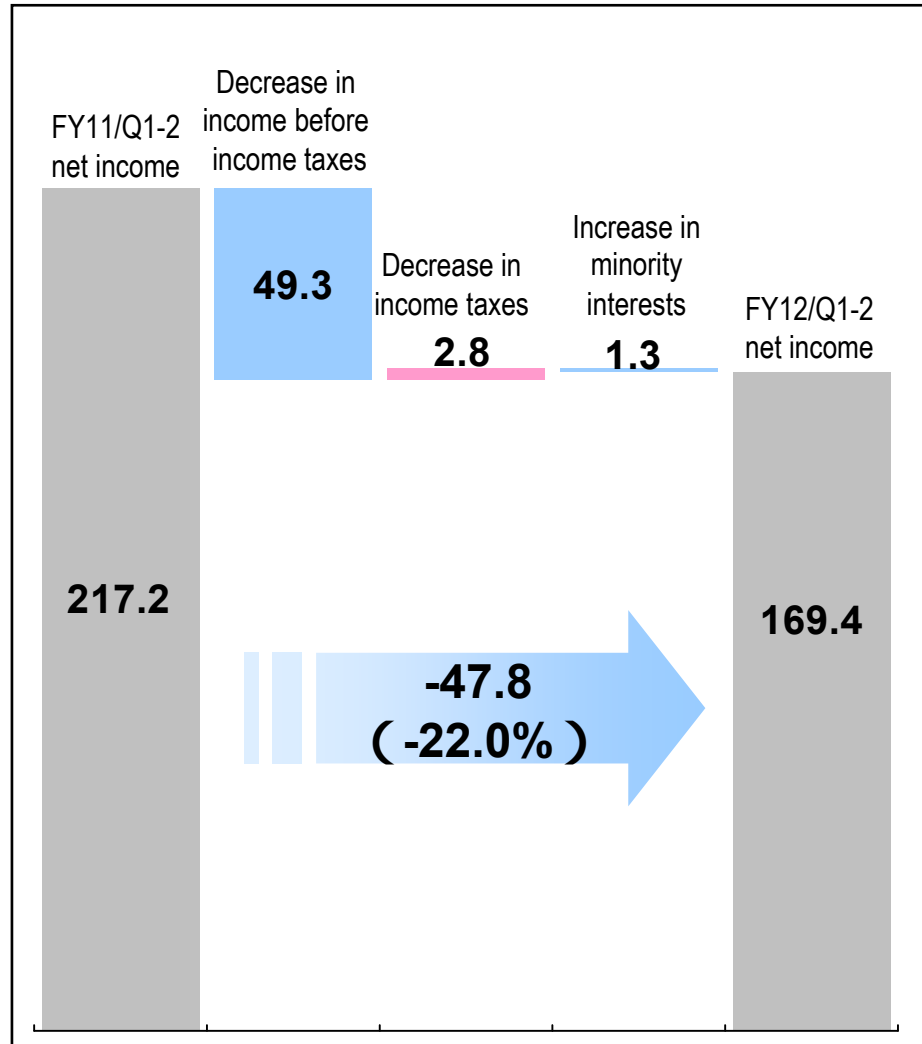
Net Income

<bn JPY>

FY12/Q1-2 Net Income



YoY Decrease Factors



(Reference) FY12/Q1-2 Comprehensive Income

<bn JPY>

	B/S FY11/Q4 Balance a	Changes during FY12/Q1-2			B/S FY12/Q2 Balance (a + b - c + d)	P/L (b - c)
		Compre- hensive Income /loss b	(Adjustment) Minority interest equivalent c	(Adjustment) Share of other comprehensive income of affiliated companies accounted for using equity method d		
Income before minority interests		202.8	33.4			169.4
Other comprehensive loss			Minority interests in net income		Net income	
Unrealized gain/loss on available-for-sale securities	10.5	-10.7	-1.1	-0.7	0.2	
Deferred gain/loss on derivatives under hedge accounting	-0.9	0.1	0	-	-0.8	
Foreign currency translation adjustment	-30.8	-8.5	0	0	-39.3	
Share of other comprehensive income of affiliated companies accounted for using equity method*	-	-0.6	-	0.6	-	
Total other comprehensive loss	-21.2	-19.7	-1.1	-	-39.9	
Comprehensive income		183.0	32.3			150.7

* Separately indicates the share of other comprehensive income of affiliated companies 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

FY12/Q1-2 Main Breakdown of Tax Expenses

< bn JPY >

A	Income taxes: current	140.1
	(main breakdown)	
	1. BBM income taxes under consolidated tax return	60.8
	2. SBM local taxes (out of scope for BBM consolidated tax return)	30.3
	3. Yahoo Japan	31.7
B	Income taxes: deferred	15.6
	(main breakdown)	
	4. SBTM utilization of loss carryforwards, decrease in temporary difference, etc.	8.7
	5. SBM depreciation and amortization adjustments (occurred at time of SBM acquisition)	4.0
	6. Other temporary difference	2.9
	Total income taxes (A+B)	155.8

BBM: BB Mobile SBM: SOFTBANK MOBILE SBTM: SOFTBANK TELECOM

Deferred Tax Assets and Liabilities (Ref.)

FY12/Q2 Balance

< bn JPY >

Deferred tax assets:

(main breakdown)	
Depreciation and amortization	52.2
Loss carryforwards	32.5
Valuation of assets and liabilities of acquired consolidated subsidiaries at fair market value	26.7
Investment securities	21.6
Accounts payable – other and accrued expenses	11.3
Allowance for point mileage	10.7
Allowance for doubtful accounts	9.9
Other	62.7
Gross deferred tax assets	228.1
Less: valuation allowance	-74.6

Total deferred tax assets

153.4

Deferred tax liabilities:

(main breakdown)	
Deferred taxable gain on a sale of shares of a subsidiary to a 100% owned subsidiary under Japanese group taxation regime	-11.6
Unrealized gain on available-for-sale securities	-1.7
Others	-12.0

Total deferred tax liabilities

-25.4

Net deferred tax assets

127.9

Difference in Tax Rate (reference)

FY12/Q1-2 Reconciliation Between Statutory Tax Rate and Effective Tax Rate

	Rate (%)	<ref.> Amount (bn JPY)
Income before income tax		358.6
Statutory income tax rate	38.0%	136.3
(main factors of difference)		
- Amortization of goodwill (mainly SOFTBANK MOBILE)	3.2%	11.4
- Equity in losses of affiliated companies	1.7%	6.1
- Others	0.5%	1.8
Effective income tax rate	43.4%	155.8

Financial Results of Non-consolidated Subsidiaries and Affiliates

Net income/loss, interest-bearing debt at non-consolidated subsidiaries and affiliates

	Number of Companies	Net Income/Loss (after consideration of economic interest)	Interest-bearing Debt (not within the SB Group)
Non-consolidated subsidiaries not under the equity method	69	JPY 260mil	JPY 410mil
Non-consolidated subsidiaries under the equity method	3	-	-
Affiliated companies not under the equity method	25	JPY -170mil	N/A
Total	97	JPY 80mil	JPY 410mil

SOFTBANK CORP. owns 100% shares issued by WILLCOM, Inc. However, WILLCOM is in the process of reorganization under the Corporate Reorganization Act and SOFTBANK does not have effective control over WILLCOM. Therefore, WILLCOM is not treated as a subsidiary and not included in any of the above figures.

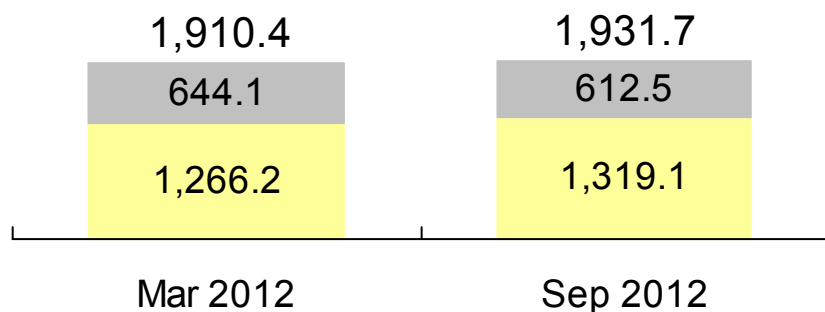
Consolidated B/S Analysis

Consolidated B/S Summary

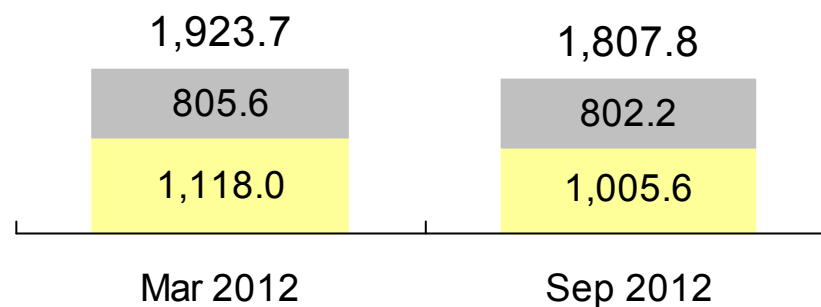


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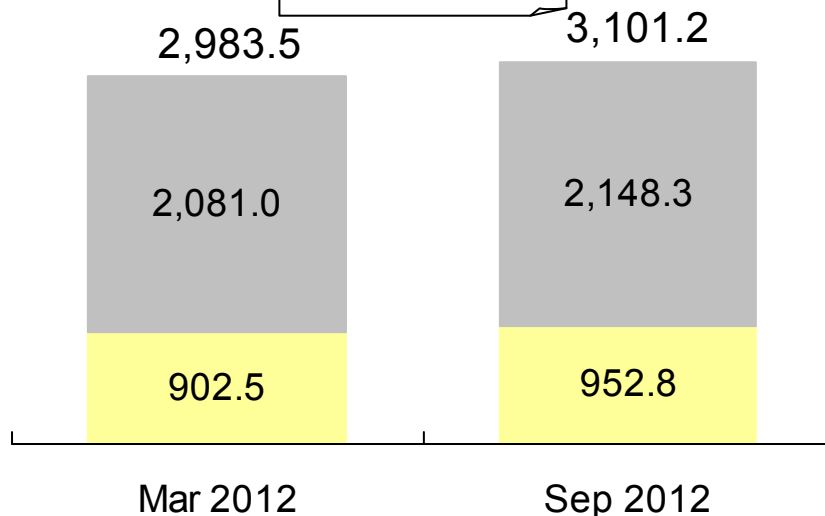
Current Assets



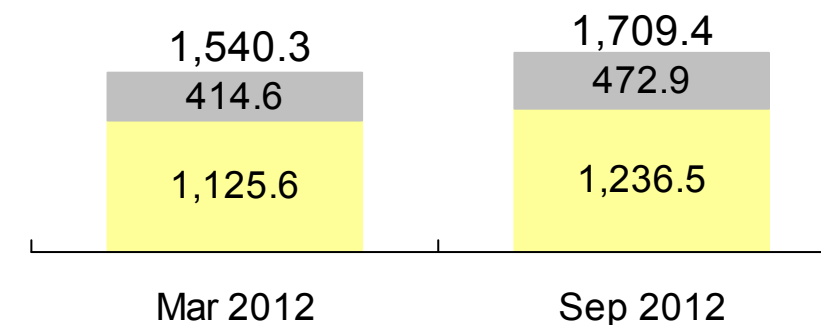
Current Liabilities



Fixed Assets



Long-term Liabilities



Consolidated B/S (1) Current Assets

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Assets	Mar 2012	Sep 2012	Variance	Outline
Current assets	1,910.4	1,931.7	21.2	
SBM	644.1	612.5	-31.6	
Others	1,266.2	1,319.1	52.8	
Cash and deposits	1,016.2	1,096.7	80.5	See page 29 for details.
SBM	49.8	50.7	0.9	
Others	966.4	1,045.9	79.5	
Notes and accounts receivable-trade	661.2	601.2	-60.0	
SBM	491.8	434.9	-56.9	Mobile handset installment sales receivables Mar 12 (221.2) >> Sep 12 (170.5) including sale of installment sales receivables (-151.9) Telecom revenue receivables Mar 12 (188.4) >> Sep 12 (192.8) Mobile handsets sales receivables (to sales agents) Mar 12 (75.8) >> Sep 12 (66.1)
Others	169.4	166.3	-3.1	SBB: Mar 12 (59.7) >> Sep 12 (54.3), SBTM: Mar 12 (46.3) >> Sep 12 (47.5)
Marketable securities	4.5	6.6	2.0	
SBM	-	-	-	
Others	4.5	6.6	2.0	
Merchandise and finished products	42.6	42.1	-0.4	
SBM	30.8	29.2	-1.6	
Others	11.7	12.9	1.1	
Deferred tax assets	56.4	41.6	-14.8	
SBM	26.2	21.7	-4.4	
Others	30.2	19.8	-10.3	
Others	168.2	177.4	9.1	
SBM	78.6	104.3	25.7	
Others	89.6	73.1	-16.5	
Allowance for doubtful accounts	-39.0	-34.2	4.7	
SBM	-33.1	-28.4	4.6	
Others	-5.8	-5.7	0.1	

SBM: SOFTBANK MOBILE SB: SOFTBANK SBB: SOFTBANK BB SBTM: SOFTBANK TELECOM

Consolidated B/S (2) Tangible Assets

<bn JPY>

Assets	Mar 2012	Sep 2012	Variance	Outline
Fixed assets	2,983.5	3,101.2	117.6	
SBM	2,081.0	2,148.3	67.3	
Others	902.5	952.8	50.3	
Property and equipment, net	1,296.3	1,458.1	161.7	
SBM	964.4	1,027.0	62.5	
Others	331.9	431.1	99.2	
Building and structures	77.4	117.2	39.8	
SBM	26.7	27.5	0.7	
Others	50.6	89.7	39.1	FSBHM: increased mainly due to acquisition of Fukuoka Yahoo! JAPAN Dome. See page 30 for details.
Telecommunications equipment	988.5	1,024.6	36.1	
SBM	851.4	882.2	30.8	Acquisition of telecommunications equipment (+37.7), Acquisition of antenna equipment (+2.4), depreciation etc. (-37.3)
Others	137.1	142.3	5.2	SBTM: Mar 12 (98.3) >> Sep 12 (98.6) SBB: Mar 12 (31.3) >> Sep 12 (34.7)
Telecommunications service lines	65.2	62.5	-2.6	
SBM	8.0	7.7	-0.3	
Others	57.1	54.8	-2.3	SBTM: Mar 12 (57.1) >> Sep 12 (54.8)
Land	23.1	73.8	50.7	
SBM	11.2	11.2	0	
Others	11.9	62.6	50.6	FSBHM: increased mainly due to acquisition of Fukuoka Yahoo! JAPAN Dome. See page 30 for details.
Construction in progress	80.5	112.8	32.3	
SBM	49.6	81.3	31.7	
Others	30.8	31.4	0.6	
Other	61.5	67.0	5.4	
SBM	17.3	16.8	-0.4	
Others	44.2	50.1	5.9	

Consolidated B/S (3) Intangible Assets, Investments and Other Assets

<bn JPY>

Assets	Mar 2012	Sep 2012	Variance	Outline
Fixed assets	2,983.5	3,101.2	117.6	
Intangible assets, net	1,126.5	1,128.0	1.4	
SBM	1,011.0	1,015.3	4.3	
Others	115.4	112.6	-2.8	
Goodwill	780.2	750.8	-29.3	
SBM	724.2	698.5	-25.7	Decrease due to regular amortization
Others	55.9	52.3	-3.6	Decrease due to regular amortization
Software	310.1	349.5	39.3	
SBM	276.8	312.0	35.2	Mainly due to new acquisitions of telecommunications equipment
Others	33.3	37.4	4.0	
Other	36.1	27.6	-8.4	
SBM	9.9	4.7	-5.2	
Others	26.1	22.8	-3.2	
Investments and other assets	560.6	515.0	-45.5	
SBM	105.5	105.9	0.4	
Others	455.1	409.0	-46.0	
Investment securities	338.1	291.6	-46.5	
SBM	0.7	0.7	0	
Others	337.4	290.8	-46.5	Privatization of Alibaba.com Limited (-51.2)* Yahoo Japan: investment in ASKUL Corporation (+33.0) Zynga Inc.: decline in share price (-20.9)
Deferred tax assets	104.3	104.9	0.6	
SBM	64.9	65.6	0.7	
Others	39.3	39.2	-0	
Other	134.0	134.9	0.8	
SBM	51.2	51.4	0.2	
Others	82.8	83.4	0.6	
Allowance for doubtful accounts (long-term)	-15.9	-16.4	-0.4	
SBM	-11.4	-11.8	-0.4	
Others	-4.5	-4.5	0	
Deferred charges	5.6	5.1	-0.5	
SBM	-	-	-	
Others	5.6	5.1	-0.5	

*See page 25 for details.
SBM: SOFTBANK MOBILE

Consolidated B/S (4) Current Liabilities

<bn JPY>

Liabilities	Mar 2012	Sep 2012	Variance	Outline
Current liabilities	1,923.7	1,807.8	-115.8	
SBM	805.6	802.2	-3.4	
Others	1,118.0	1,005.6	-112.3	
Accounts payable-trade	190.5	190.3	-0.1	
SBM	120.4	129.0	8.6	
Others	70.1	61.2	-8.8	SBB: Mar 12 (41.5) >> Sep 12 (34.0)
Short-term borrowings	403.1	453.1	49.9	
SBM	-	-	-	
Others	403.1	453.1	49.9	SB: Mar 12 (401.9) >> Sep 12 (452.0)
Current portion of corporate bonds	144.9	190.5	45.5	
SBM	-	-	-	
Others	144.9	190.5	45.5	SB: transfer of 31 st and 33 rd Unsecured Straight Bond from long-term liabilities (+155.0) redemption of 28 th and 29 th Unsecured Straight Bond (-95.0)
Accounts payable-other	835.0	591.2	-243.8	
SBM	509.7	486.1	-23.5	Payment to sales agents (-26.1)
Others	325.3	105.0	-220.2	SB: payment for acquisition of preferred stock, etc. issued to Vodafone Group (-200.0)
Current portion of lease obligations	152.6	173.4	20.8	
SBM	126.8	139.1	12.3	
Others	25.8	34.2	8.4	
Other	197.3	209.1	11.8	
SBM	48.6	47.7	-0.8	Income taxes payable etc. (local taxes) Mar 12 (31.8) >> Sep 12 (31.7)
Others	148.6	161.3	12.7	Income taxes payable etc. BBM: Mar 12 (54.1) >> Sep 12 (59.0) Yahoo Japan: Mar 12 (34.0) >> Sep 12 (32.7)

SBM: SOFTBANK MOBILE SBB: SOFTBANK BB SB: SOFTBANK BBM: BB Mobile

Consolidated B/S (5) Long-term Liabilities

<bn JPY>

Liabilities	Mar 2012	Sep 2012	Variance	Outline
Long-term liabilities	1,540.3	1,709.4	169.1	
SBM	414.6	472.9	58.2	
Others	1,125.6	1,236.5	110.8	
Corporate bonds	459.9	414.9	-45.0	
SBM	-	-	-	
Others	459.9	414.9	-45.0	SB: 31 st and 33 rd Unsecured Straight Bond transferred to current liabilities (-155.0) issuance of 39 th and 40 th Unsecured Straight Bond (+110.0)
Long-term debt	560.0	628.6	68.5	
SBM	-	-	-	
Others	560.0	628.6	68.5	SB: Mar 12 (559.0) >> Sep 12 (627.5)
Deferred tax liabilities	20.3	18.6	-1.7	
SBM	-	-	-	
Others	20.3	18.6	-1.7	
Allowance for point mileage	32.0	28.6	-3.4	
SBM	32.0	28.6	-3.4	Point service for customers
Others	-	-	-	
Lease obligations	347.6	488.4	140.7	
SBM	316.8	371.2	54.4	
Others	30.8	117.1	86.3	FSBHM: increased mainly due to acquisition of Fukuoka Yahoo! JAPAN Dome. See page 30 for details.
Other	120.2	130.1	9.9	
SBM	65.7	73.0	7.3	
Others	54.4	57.1	2.6	

SBM: SOFTBANK MOBILE SB: SOFTBANK FSBHM: Fukuoka SOFTBANK HAWKS Marketing

Consolidated B/S (6) Equity

<bn JPY>

Equity	Mar 2012	Sep 2012	Variance	Outline
Equity	1,435.6	1,520.7	85.1	
Shareholders' equity	957.9	1,046.5	88.6	
Common stock	213.7	221.0	7.2	Conversion of Convertible Bonds due 2013 into common stock (+7.2)
Additional paid-in capital	236.5	192.5	-44.0	Conversion of Convertible Bonds due 2013 into common stock (+7.2) Privatization of Alibaba.com Limited (-51.2) *
Retained earnings	530.5	655.8	125.3	Net income (+169.4), dividend (-43.9)
Treasury stock	-22.9	-22.8	0	
Valuation and translation adjustments	-21.2	-39.9	-18.6	
Unrealized gain/ loss on available-for-sale securities	10.5	0.2	-10.3	Decline in share price of Zynga Inc, etc.
Deferred gain/loss on derivatives under hedge accounting	-0.9	-0.8	0.1	
Foreign currency translation adjustments	-30.8	-39.3	-8.5	
Stock acquisition rights	0.8	0.9	0	
Minority interests	498.0	513.2	15.1	Yahoo Japan: Mar 12 (263.2) >>Sep 12 (281.9)

*See page 25 for details.

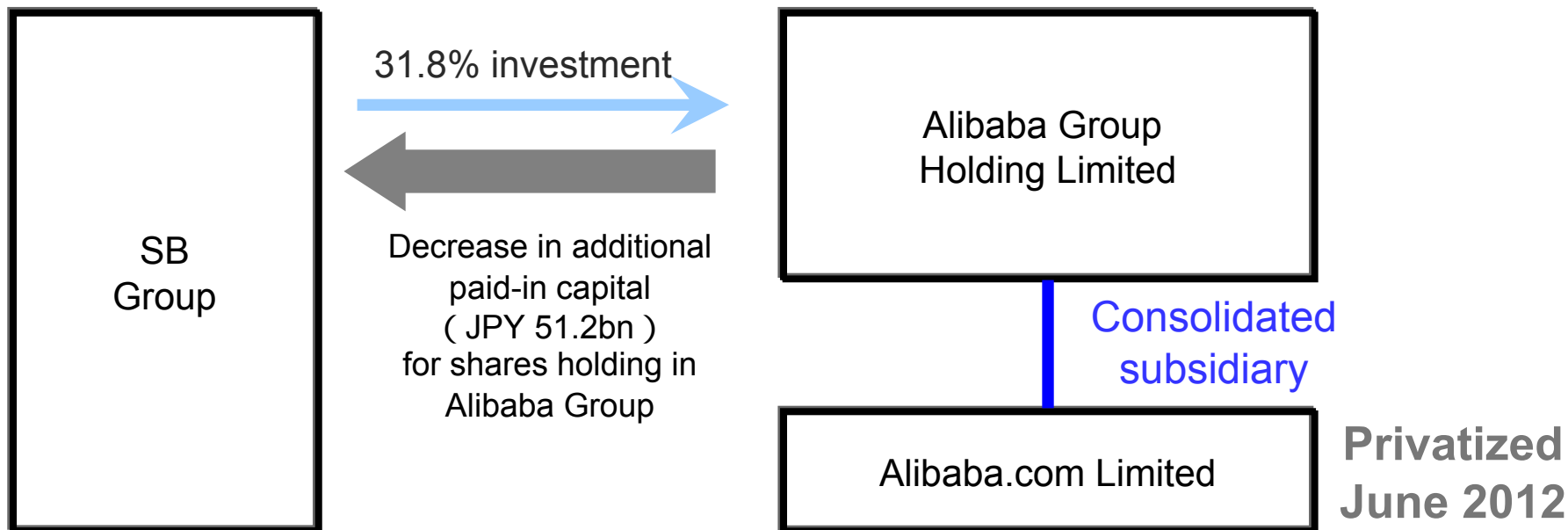
(reference) Impact of Alibaba.com Privatization (Q1)

Alibaba Group Holding Limited, of which SOFTBANK Group owns 31.8%, acquired the shares of Alibaba.com Limited, a subsidiary of Alibaba Group Holding Limited, through a takeover bid in June 2012 and privatized Alibaba.com Limited.

Because Alibaba Group's financial statements are prepared in accordance with US GAAP Alibaba Group recorded a decrease in additional paid-in capital.

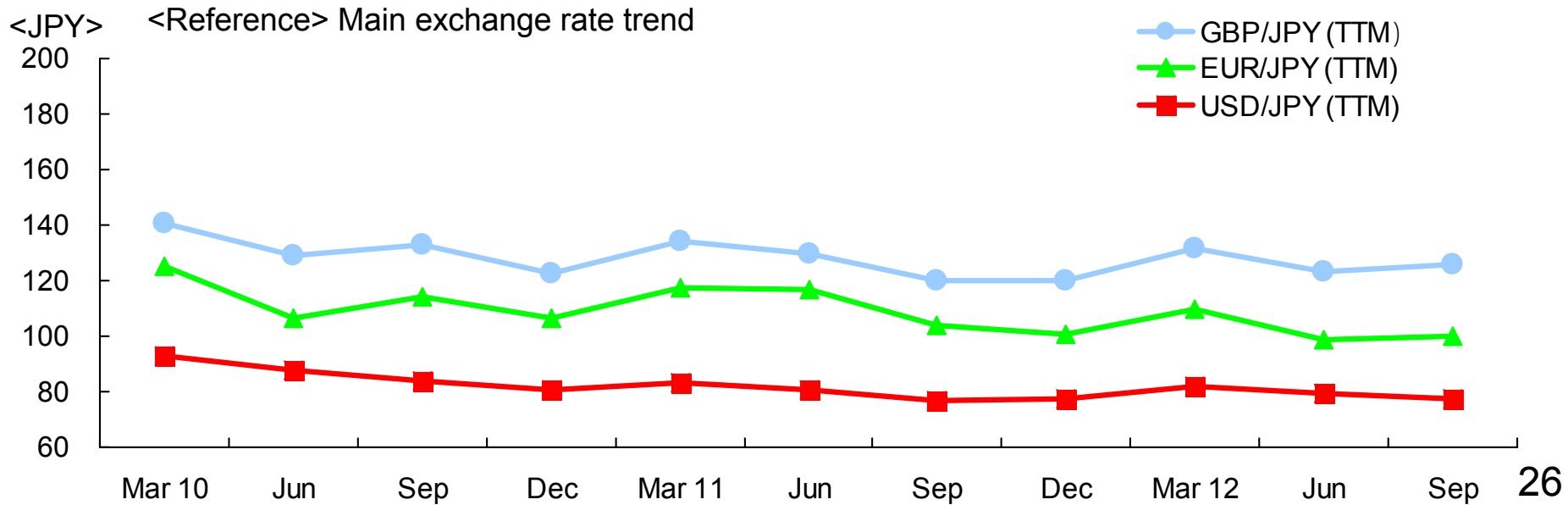
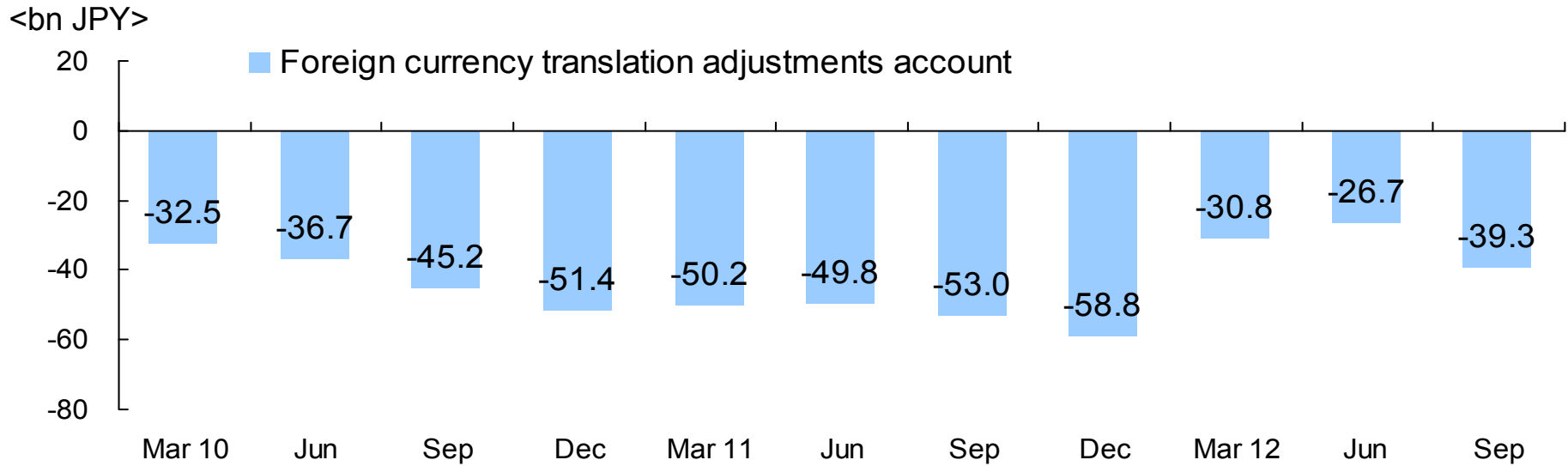
Accordingly, SB Group recorded a decrease in additional paid-in capital amounting to JPY 51.2bn (for shares holding in Alibaba Group*).

<SOFTBANK and Alibaba Group Structure>

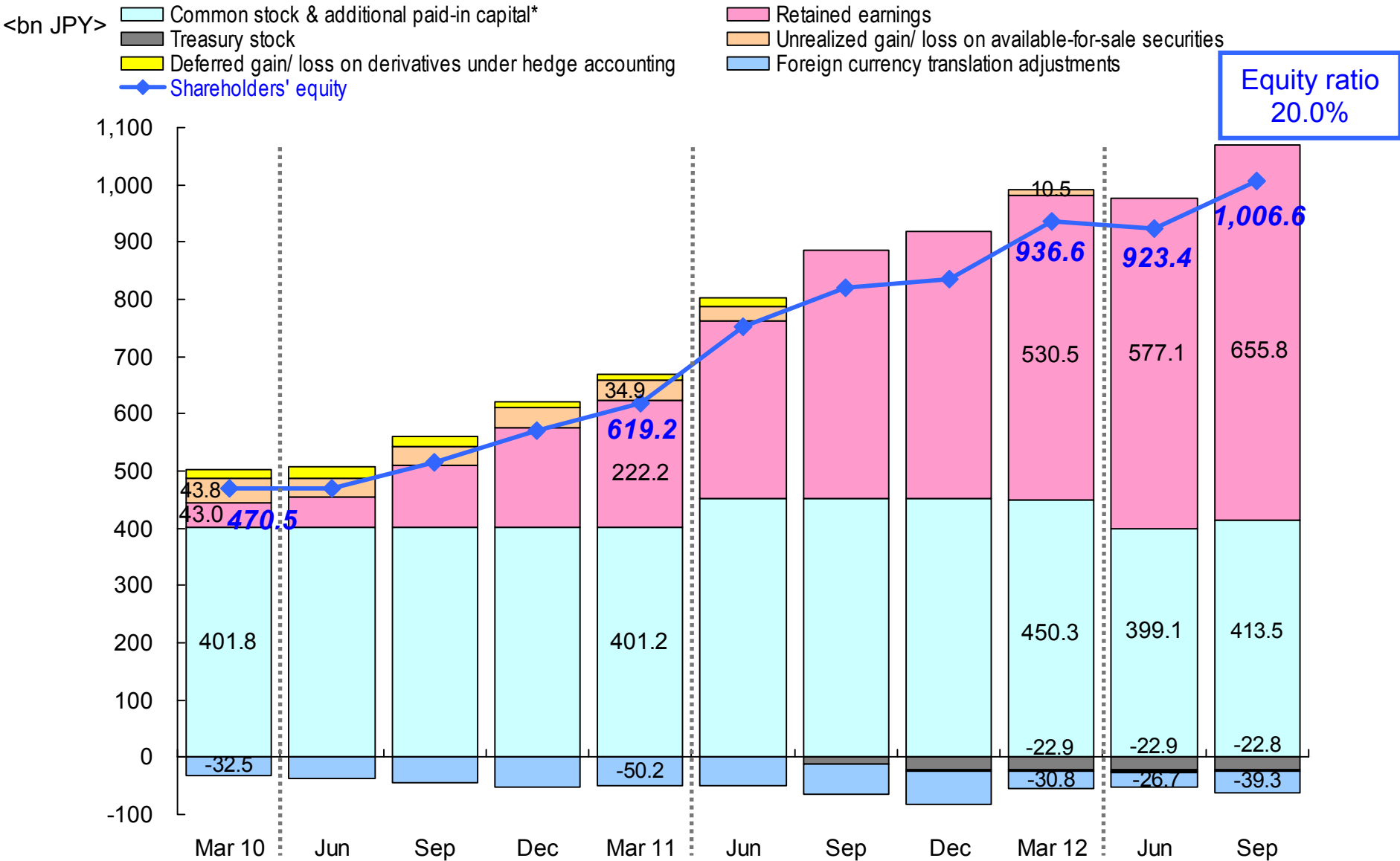


*Alibaba Group Holding Limited

[Equity] Foreign Currency Translation Adjustments



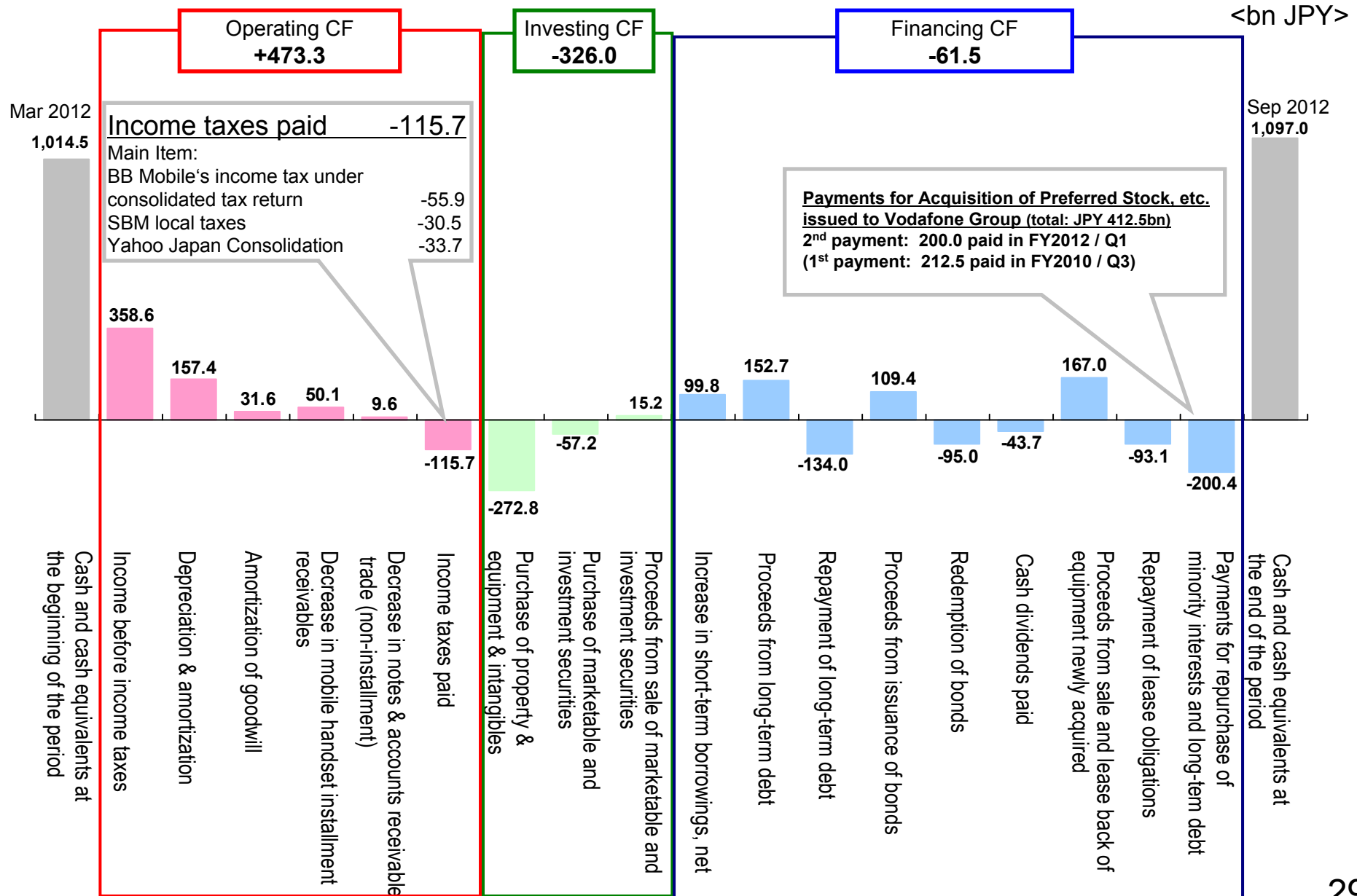
[Equity] Shareholders' Equity



*Includes 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.

(Reference) Accounting Treatment for Acquisition of Fukuoka Yahoo! JAPAN Dome

The SOFTBANK Group reached an agreement with GIC*¹ group on the acquisition of the Fukuoka Yahoo! JAPAN Dome from GIC group on March 24, 2012 . (Fukuoka SOFTBANK HAWKS Marketing Corp.*² (or FSBHM) will acquire a trust beneficiary interest related to the dome on July 1, 2015)
This contract constitutes an integral part of the dome lease contract.

	Old Contract (lease)	New Contract (lease & acquisition of trust beneficiary interest)													
	- FY2011	FY2012 -	July 2015 -												
	Finance leases in which the ownership of leased assets is not transferred to lessees at the end of lease periods	Finance leases in which the ownership of leased assets is transferred to lessees at the end of lease periods	Acquisition of trust beneficiary interest (Payment of 74.5bn)												
	Accounted for as operating lease transactions with lease related notes	Recorded on the consolidated balance statements	<JPY>												
BS	Not recorded on the balance sheet Applied the former Accounting Standard for Lease Transactions, thus accounted for as operating lease	<p style="text-align: center;">Declined by depreciation⁽³⁾ x 3 years and 4 months ↓</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">Buildings: 38.2bn</td> <td style="width: 50%;">Lease obligations</td> </tr> <tr> <td>Land: 49.3bn</td> <td>87.6bn (1)</td> </tr> <tr> <td style="border-top: 1px solid black;">87.6bn</td> <td></td> </tr> </table>	Buildings: 38.2bn	Lease obligations	Land: 49.3bn	87.6bn (1)	87.6bn		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">Buildings: 34.5bn</td> <td style="width: 50%;"></td> </tr> <tr> <td>Land: 49.3bn</td> <td></td> </tr> <tr> <td style="border-top: 1px solid black;">83.8bn</td> <td></td> </tr> </table>	Buildings: 34.5bn		Land: 49.3bn		83.8bn	
Buildings: 38.2bn	Lease obligations														
Land: 49.3bn	87.6bn (1)														
87.6bn															
Buildings: 34.5bn															
Land: 49.3bn															
83.8bn															
CF	Lease payments (Operating CF) -5.0bn/year	Interest paid (Operating CF) -1.0bn/year Repayment of lease obligations ^{*3} (Financing CF) -4.0bn/year (2)	Repayment of lease obligations (Financing CF) -74.5bn ((1) - (2)) x 3 years and 4 months												
PL	Lease expense -5.0bn/year	Interest expense -1.0bn/year Depreciation -1.1bn/year (3)	Depreciation -1.1bn/year												

*1 GIC: the Government of Singapore Investment Corporation

*2 As the fiscal year end of FSBHM, which entered into the contract, is the end of February, and the consolidated financial statements reflects FSBHM's financial statements as of the end of February, this transaction was reflected in the fiscal year ending March 31, 2013 (FY2012).

*3 Amounts in BS, CF and PL are approximated calculations.

Finance

Main Financing Activities of FY2012

<Procurements>

<bn JPY>

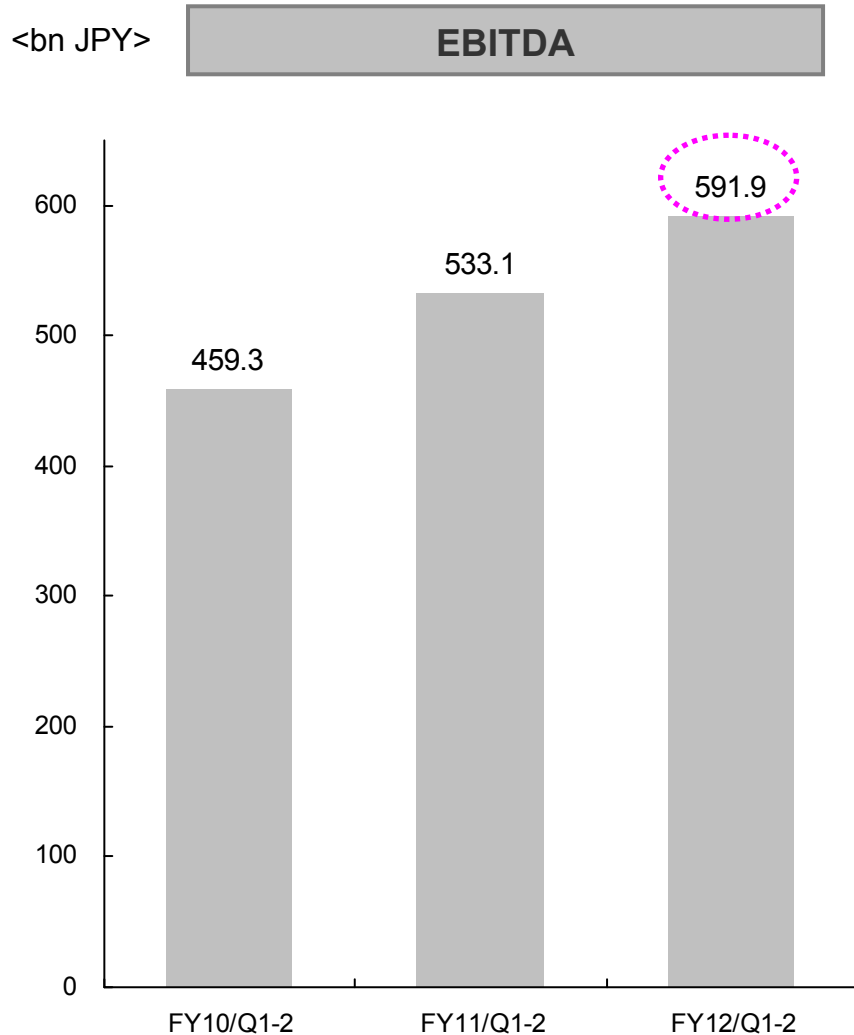
		Amount	Date
Borrowings	Renewal of credit line facility	184.3	Aug 2012
	Term loan	142.5	Sep 2012
Bonds	39 th Unsecured Straight Corporate Bond (Fukuoka SoftBank HAWKS Bond)	100.0	Sep 2012
	40 th Unsecured Straight Corporate Bond	10.0	Sep 2012

<Others>

	Outline
Conversion of Convertible Bonds due 2013 into common stock	JPY 14.4bn (as of end of Sep 2012)

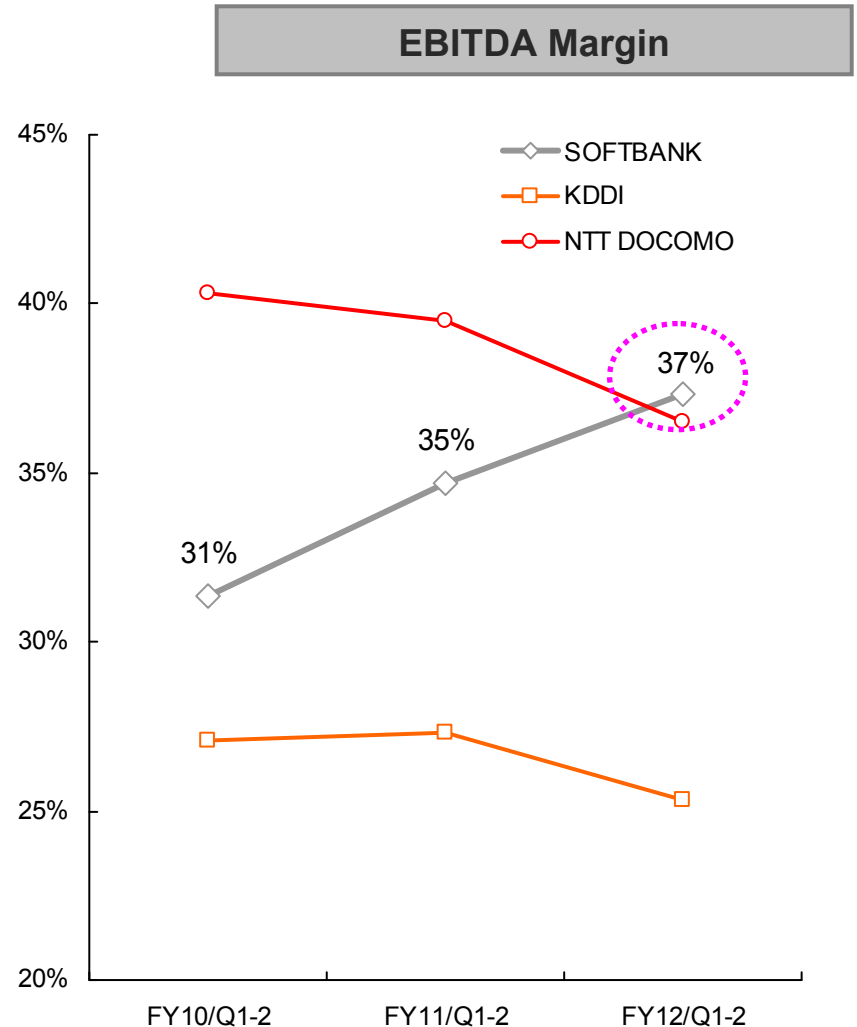
EBITDA and EBITDA Margin

EBITDA margin keeps increasing



Note: 1. EBITDA = operating income (loss) + depreciation and amortization (including amortization of goodwill)

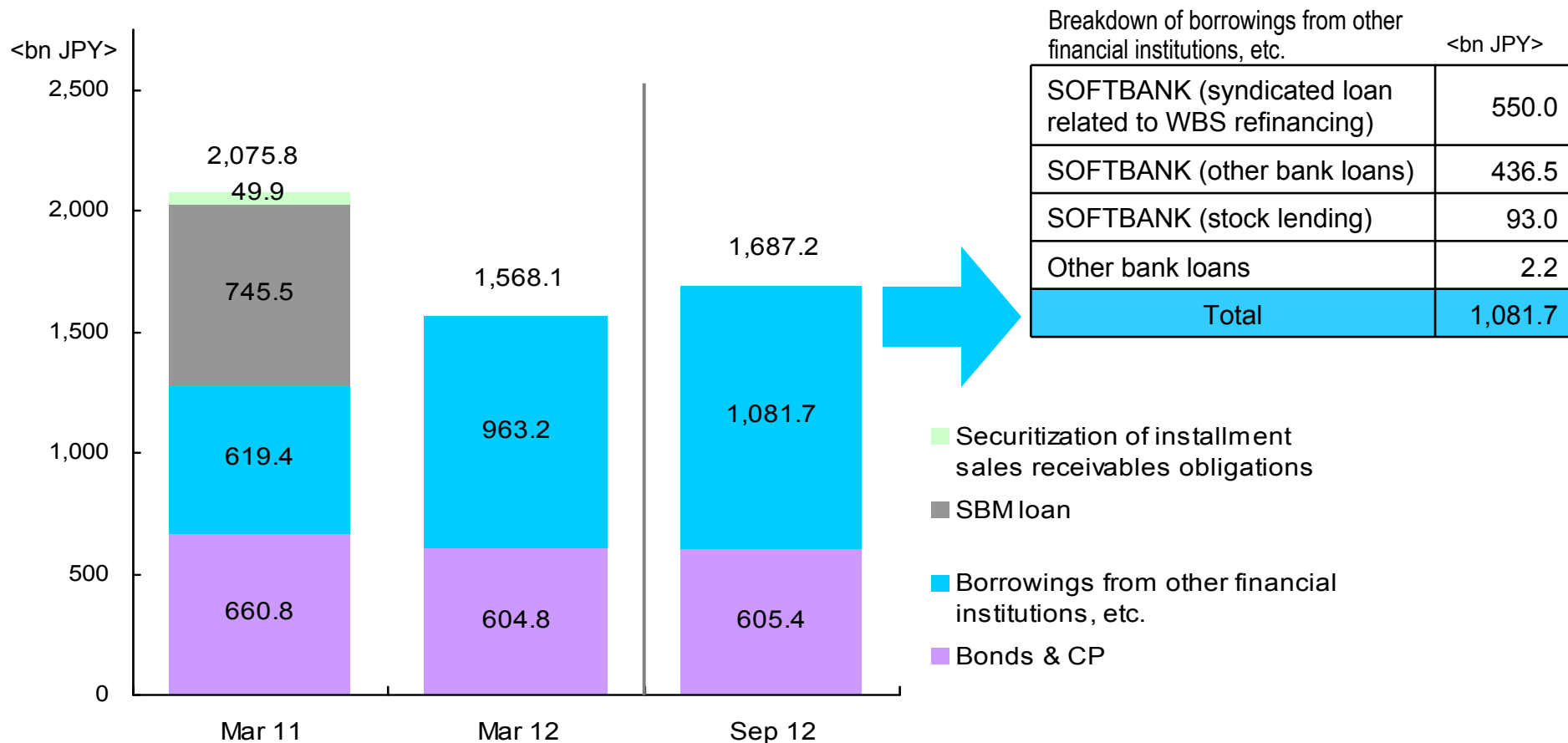
2. EBITDA Margin = EBITDA / net sales



(Source) Created by SOFTBANK CORP. based on respective companies' publicly available information.

Interest-bearing Debt

Interest-bearing debt increased slightly due to procurements ahead of schedule.

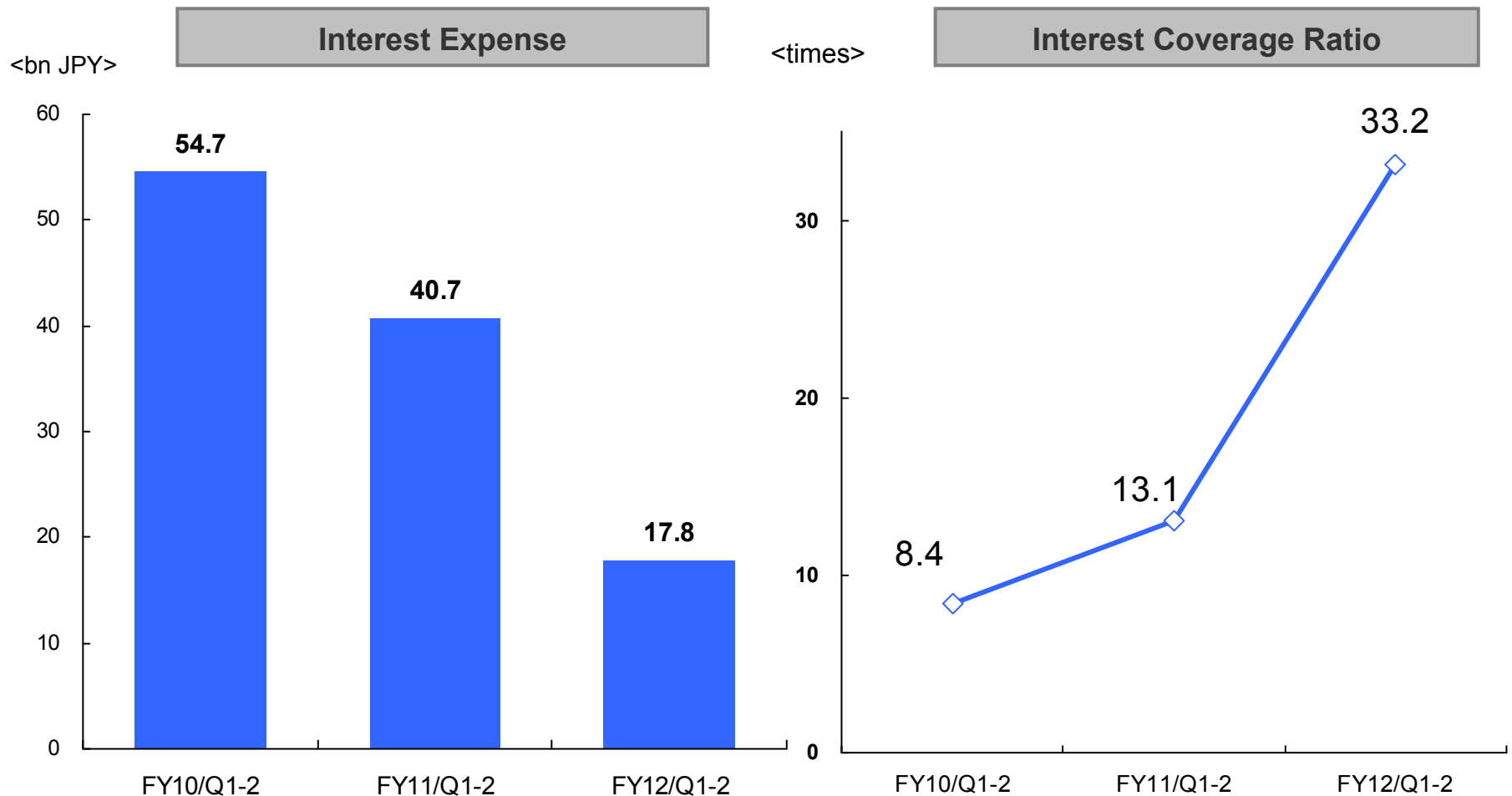


Note: 1. Interest-bearing debt= short-term borrowings + commercial paper + bonds due for redemption within 1 year + bonds + long-term borrowings. Lease obligations are not included.

2. SBM loan: March 2011, excludes the corporate bonds (WBS Class B2 Funding Notes, issued by J-WBS Funding K.K.), which were 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.

Interest Expense

Significant reduction in interest expense along with refinance of acquisition finance of Vodafone K.K.

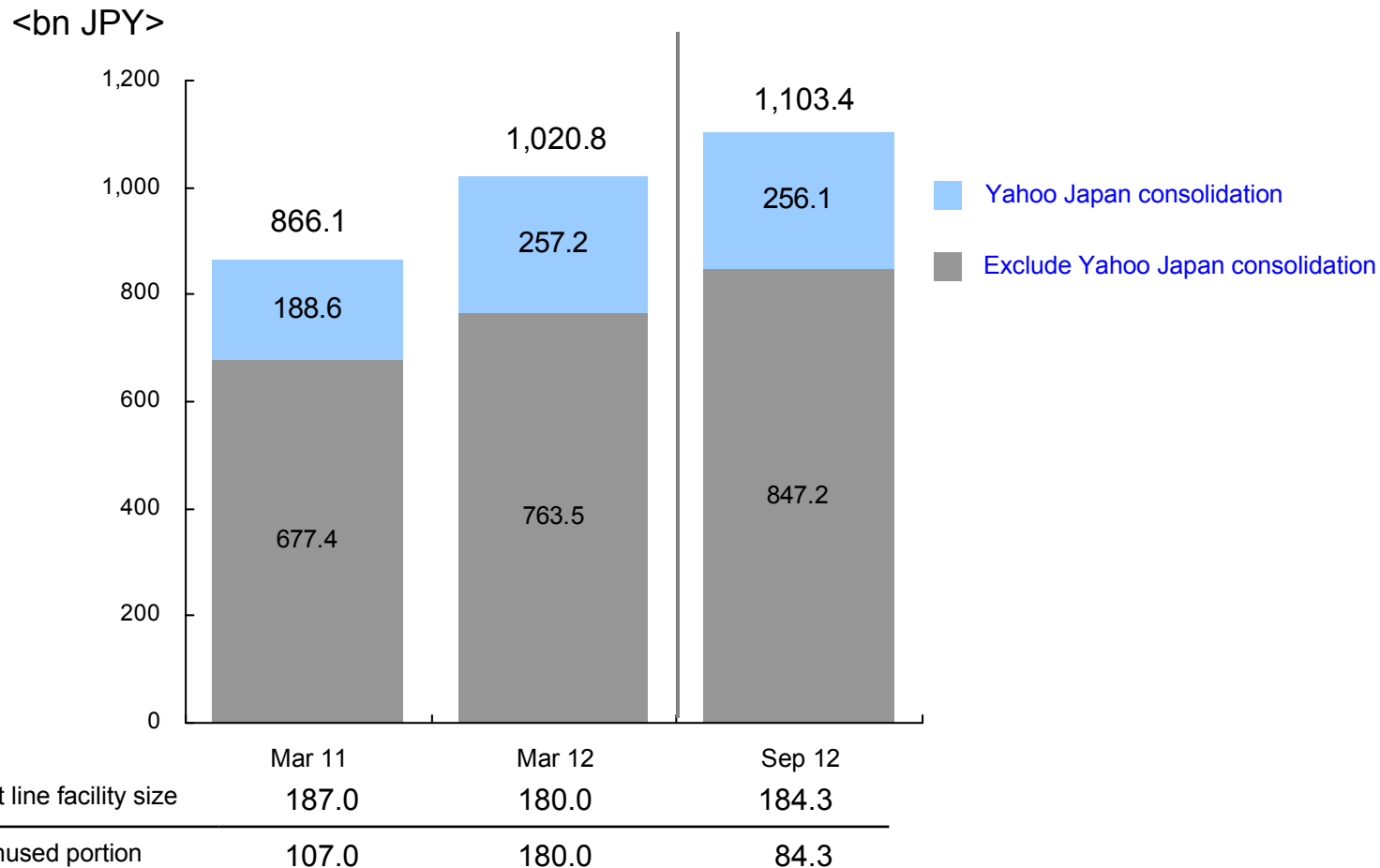


Note: 1. Interest coverage ratio = EBITDA / interest expenses

2. EBITDA = operating income (loss) + depreciation and amortization (including amortization of goodwill)

Cash Position

Sustain abundant cash position

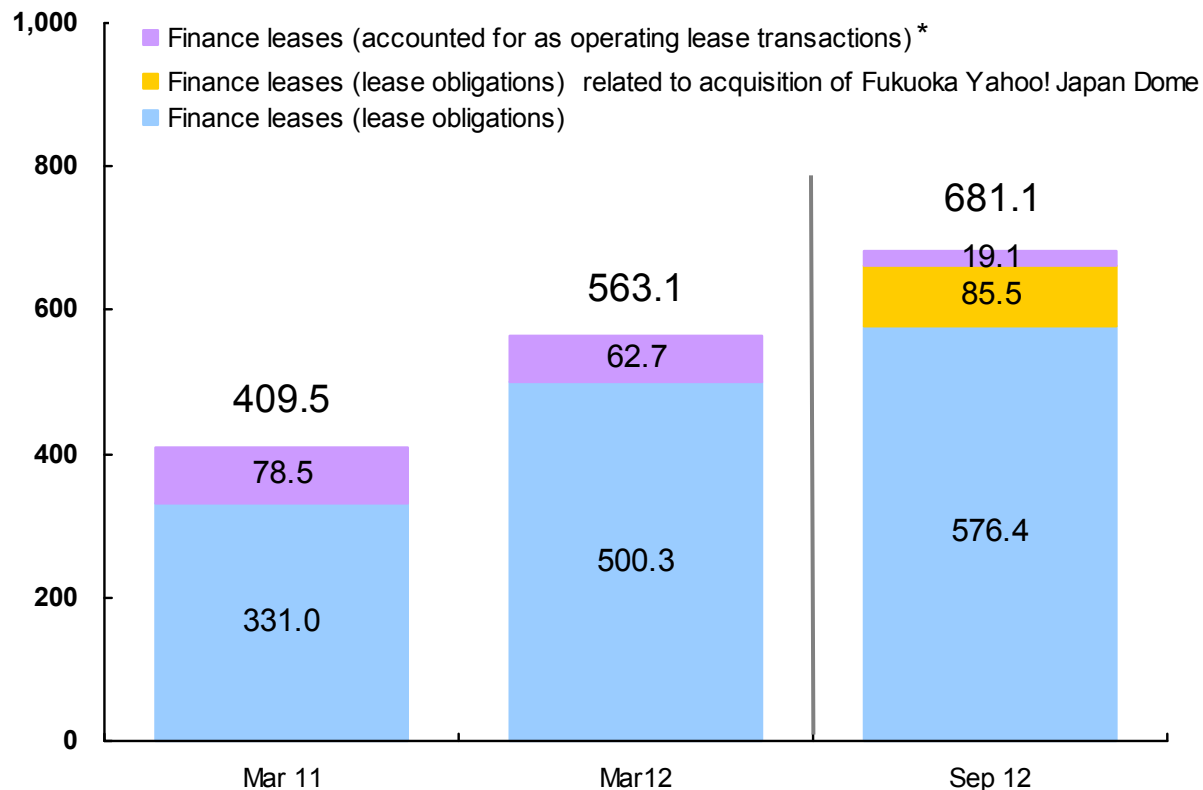


Note:1.Cash position = cash and cash deposits + marketable securities included in current assets
 (excludes Yahoo! Inc. shares held by a subsidiary of SOFTBANK CORP. in the United States of America)
 2. Unused portion of credit line facility = credit line facility size - credit line borrowings

Lease Obligations

Actively utilizing lease financing for continuous enhancement of the network

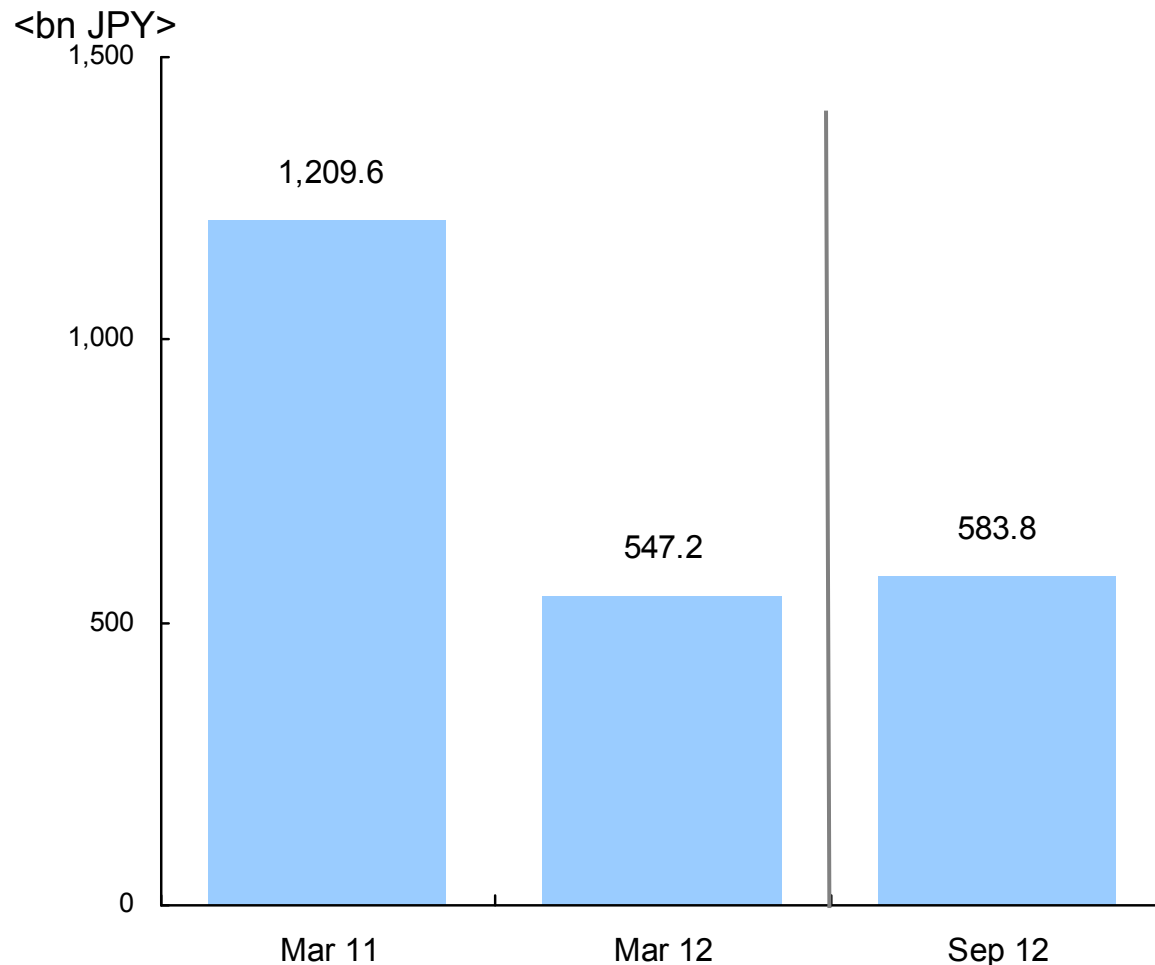
<bn JPY>



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

Net Interest-bearing Debt

No significant changes



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

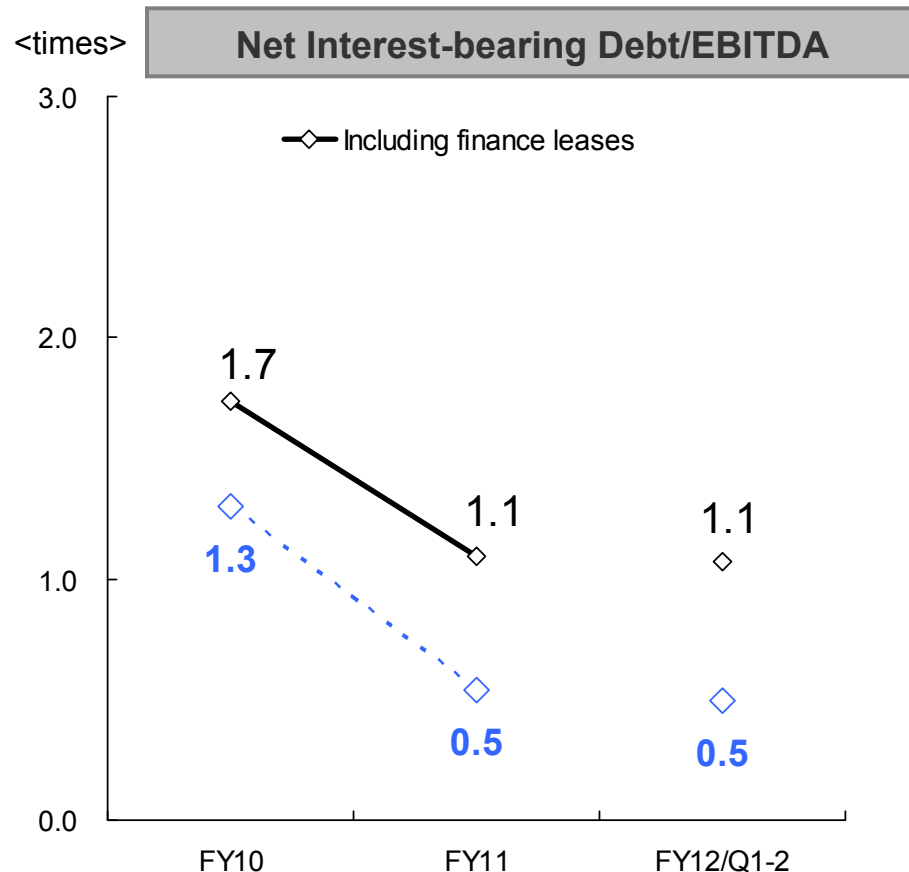
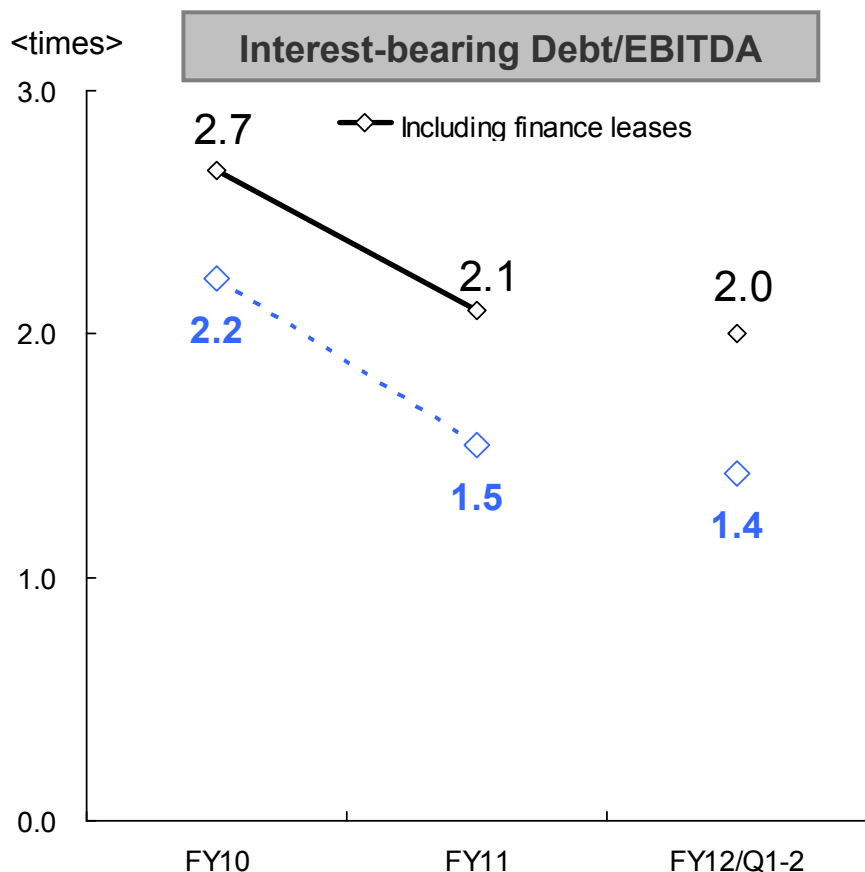
2. Interest-bearing debt: short-term borrowings + commercial paper + bonds due for redemption within 1 year + bonds + long-term borrowings
Lease obligations are not included.

From March 2011, 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/EBITDA Multiple

Interest-bearing Debt/EBITDA multiple keeps low level



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. For FY2010, 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.

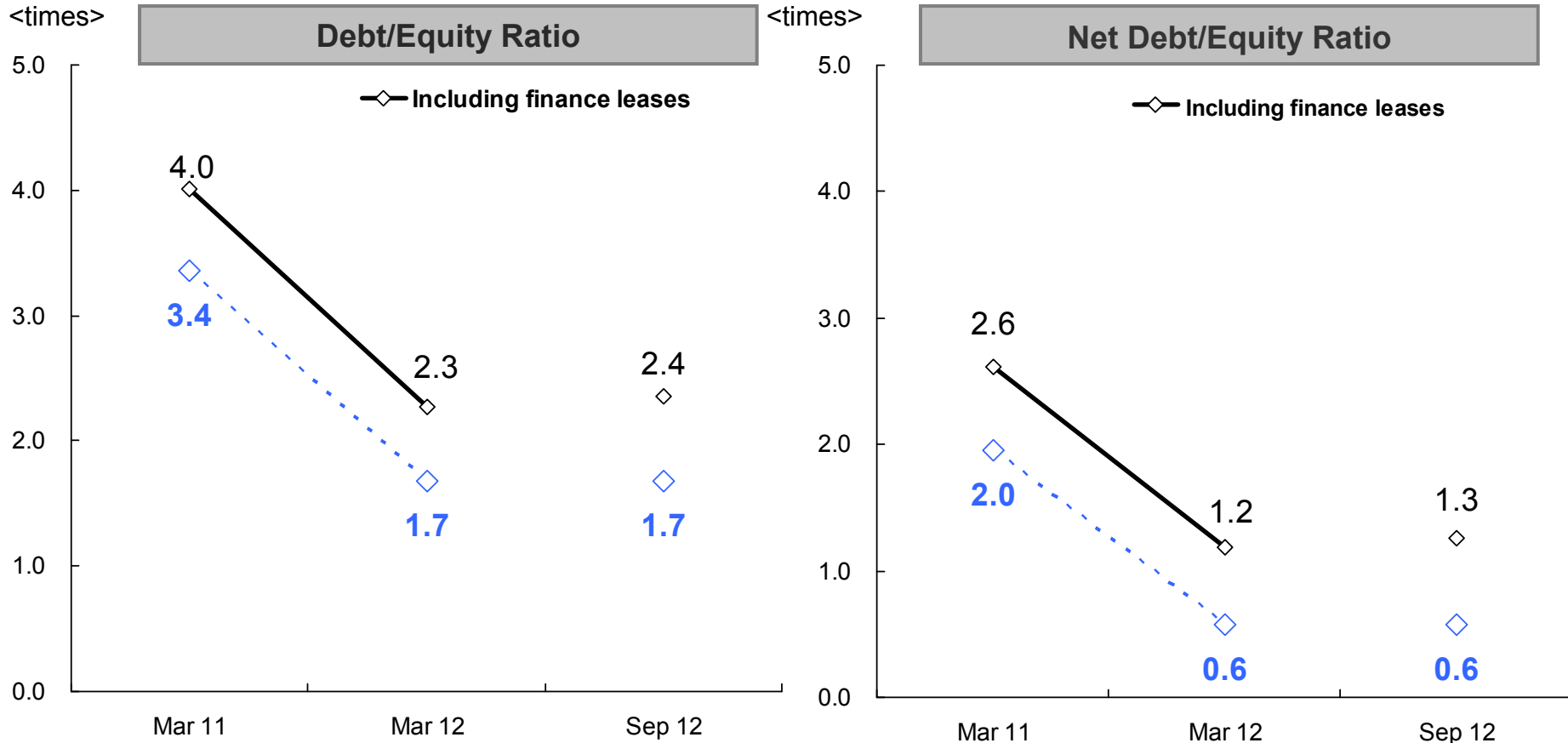
3. Cash position = cash and cash deposits + marketable securities included in current assets (excludes Yahoo! Inc. shares held by a subsidiary of SOFTBANK CORP. in the United States of America)

4. EBITDA = operating income (loss) + depreciation and amortization (including amortization of goodwill)

5. Interest-bearing Debt/ EBITDA multiple for FY12/Q1-2 is calculated based on annualized EBITDA in Q1-2 result.

Debt/Equity Ratio

Low level of debt/equity ratio sustained



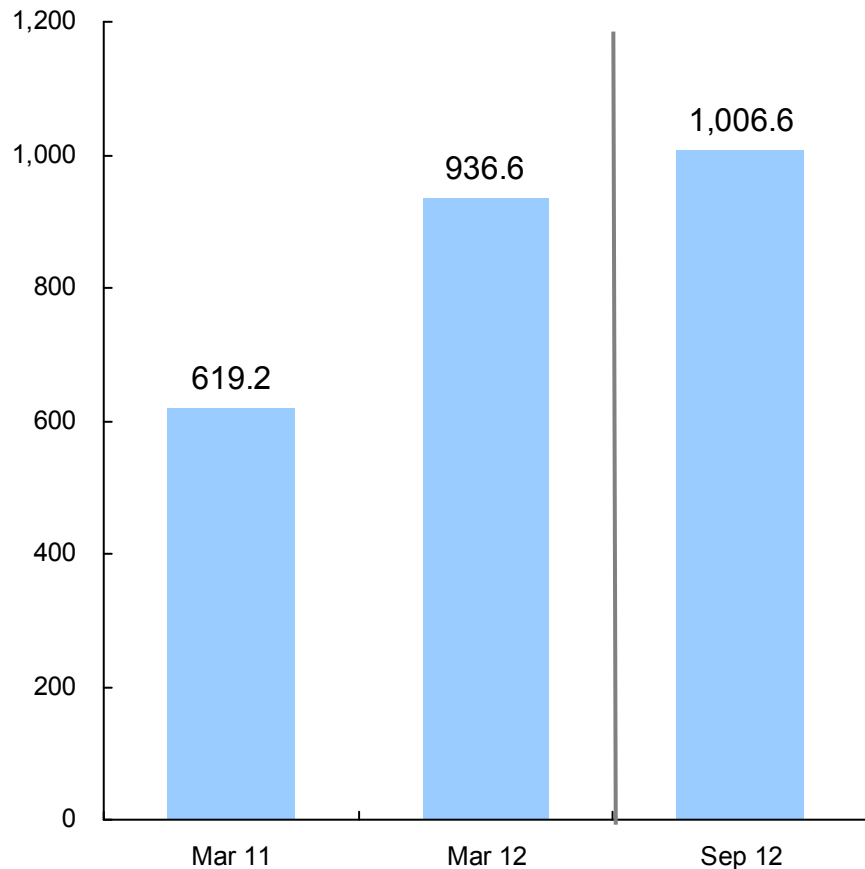
- Note: 1. D/E ratio = interest-bearing debt/shareholders' equity
 2. Net D/E ratio = net interest-bearing debt/shareholders' equity
 3. Net interest-bearing debt = interest-bearing debt - cash position
 4. Interest-bearing debt= short-term borrowings + commercial paper + bonds due for redemption within 1 year + bonds + long-term borrowings. Lease obligations are not included. For March 2011, 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)

Equity Ratio

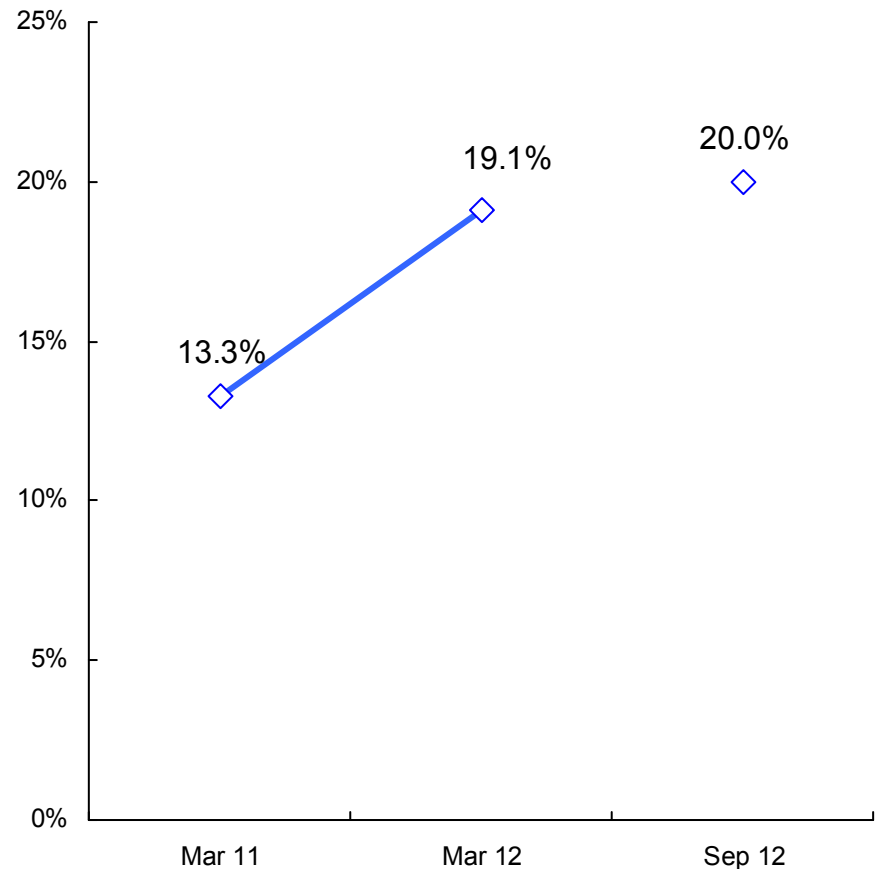
JPY 1t of Shareholders' Equity, Equity ratio reaches 20% level

<bn JPY>

Shareholders' Equity



Equity Ratio





**Shift from “strengthening financials” to
“enhancing enterprise value”**

FY2012 Financial Strategies

Shift focus from “strengthening financials” to “enhancing enterprise value”

1. Pursue optimum leverage

- Define the leverage level allowing pursuit of both growth and stability
- Pursue growth strategy for timely response to investment opportunities in growth areas
- Optimize funding costs

2. Increased flexibility to dynamic market change

- Expand more diversification of funding
- Focus on striking a right balance between direct and indirect financing
- Enhance the function of holding company through the Group-wide CMS
- Ensure analysis and management of market risk of our assets

3. Investor satisfaction focus

- Pursue greater shareholder return and establish shareholder return policy
- Aim to share growth scenarios and financial strategy with investors through further communication
- Broaden investor base through participation in more markets

Appendix

(Reference) Corporate Bond Details

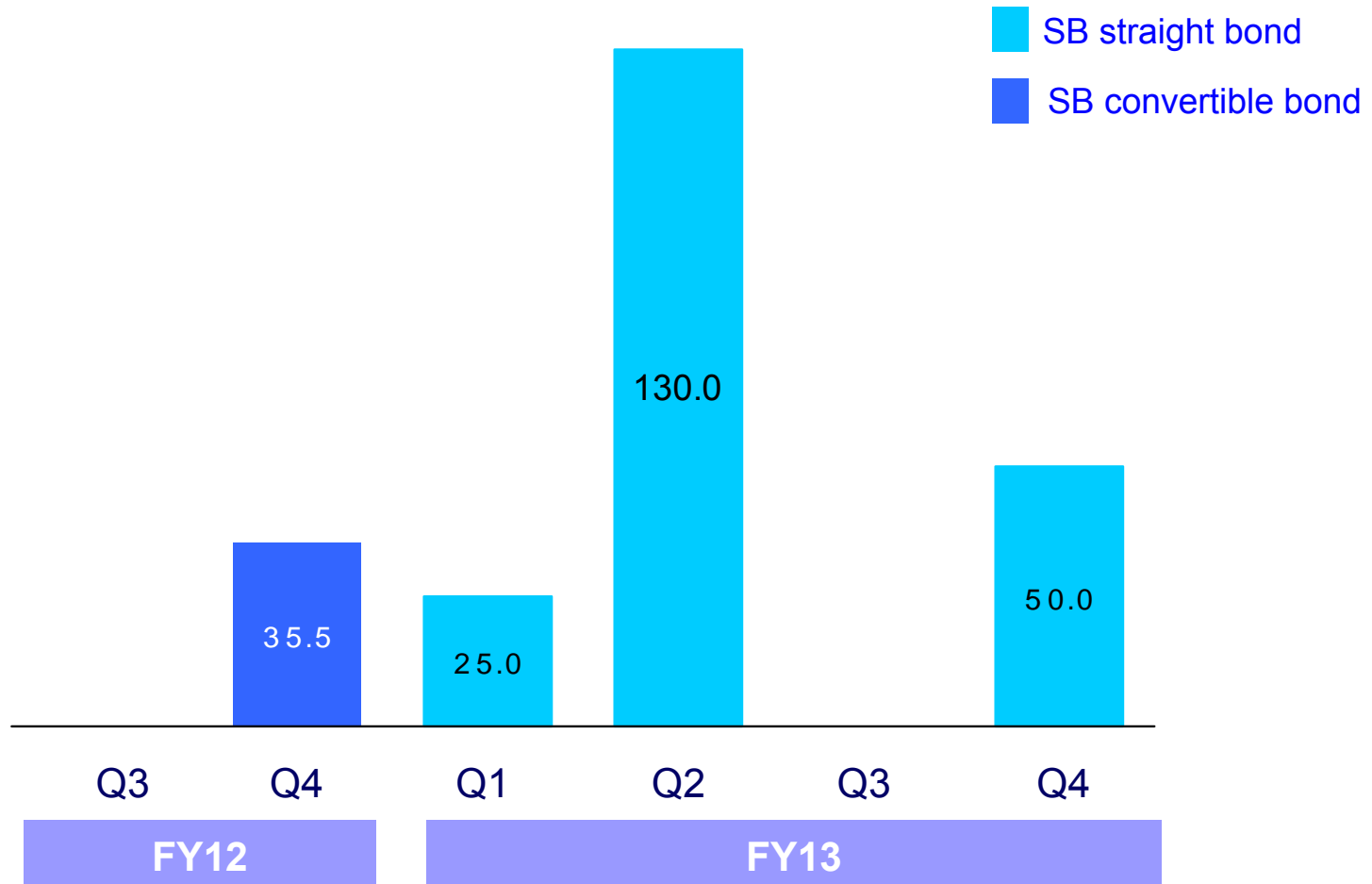
< mil JPY >

Company name	Bond	Issue date	Maturity date	Interest rate (%/year)	Collateral	Mar. 12 balance	Sep. 12 balance	Change
SOFTBANK CORP.	28 th series Unsecured Straight Bond	2009/7/24	2012/7/24	4.72	None	30,000	-	-30,000
	29 th 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	49,988	35,552	-14,436
	31 th series Unsecured Straight Bond	2010/6/2	2013/5/31	1.17	None	25,000	25,000	-
	33 th series Unsecured Straight Bond (Fukuoka SoftBank HAWKS bond)	2010/9/17	2013/9/17	1.24	None	130,000	130,000	-
	38 th series Unsecured Straight Bond	2012/1/27	2014/1/27	0.42	None	50,000	50,000	-
	37 th series Unsecured Straight Bond	2011/6/10	2014/6/10	0.65	None	30,000	30,000	-
	26 th series Unsecured Straight Bond	2007/6/19	2014/6/19	4.36	None	14,900	14,900	-
	30 th series Unsecured Straight Bond	2010/3/11	2015/3/11	3.35	None	30,000	30,000	-
	32 th series Unsecured Straight Bond	2010/6/2	2015/6/2	1.67	None	25,000	25,000	-
	34 th series Unsecured Straight Bond	2011/1/25	2016/1/25	1.10	None	45,000	45,000	-
	36 th series Unsecured Straight Bond (Fukuoka SoftBank HAWKS bond)	2011/6/17	2016/6/17	1.00	None	100,000	100,000	-
	40 th series Unsecured Straight Bond	2012/9/14	2017/9/14	0.732	None	-	10,000	10,000
	39 th series Unsecured Straight Bond (Fukuoka SoftBank HAWKS bond)	2012/9/24	2017/9/22	0.74	None	-	100,000	100,000
35 th series Unsecured Straight Bond	2011/1/25	2018/1/25	1.66	None	10,000	10,000	-	
Total	-	-	-	-	-	604,888	605,452	564

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

(Reference) Bond Redemption Schedule

<bn JPY>



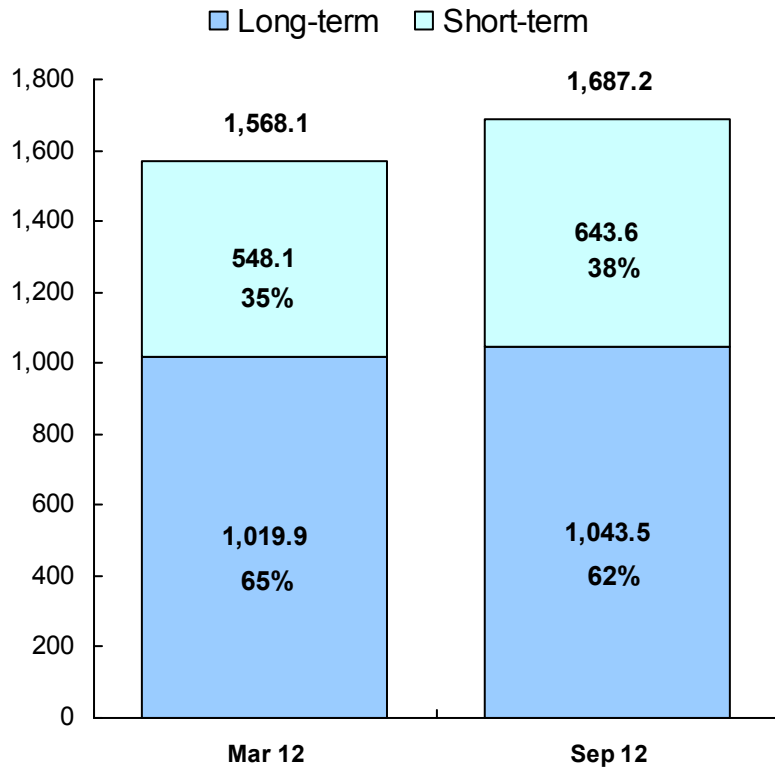
(Reference) Interest-bearing Debt

Long/Short and Fixed/Variable Ratio Trend

Both long/short ratio and fixed/variable ratio stable

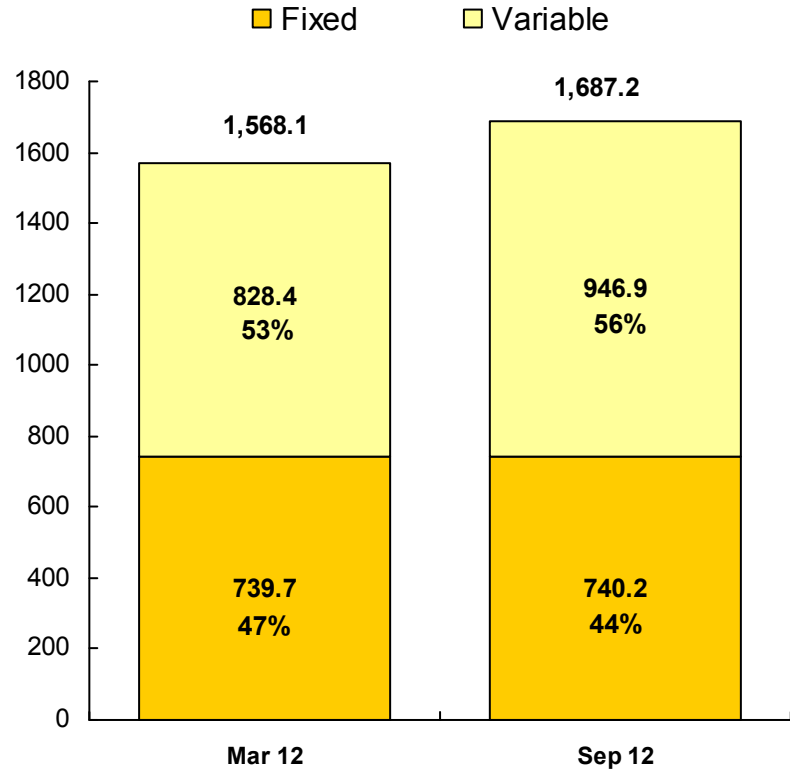
Interest-bearing Debt
Long/Short Ratio

<bn JPY>



Interest-bearing Debt
Fixed/Variable Ratio

<bn JPY>



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.

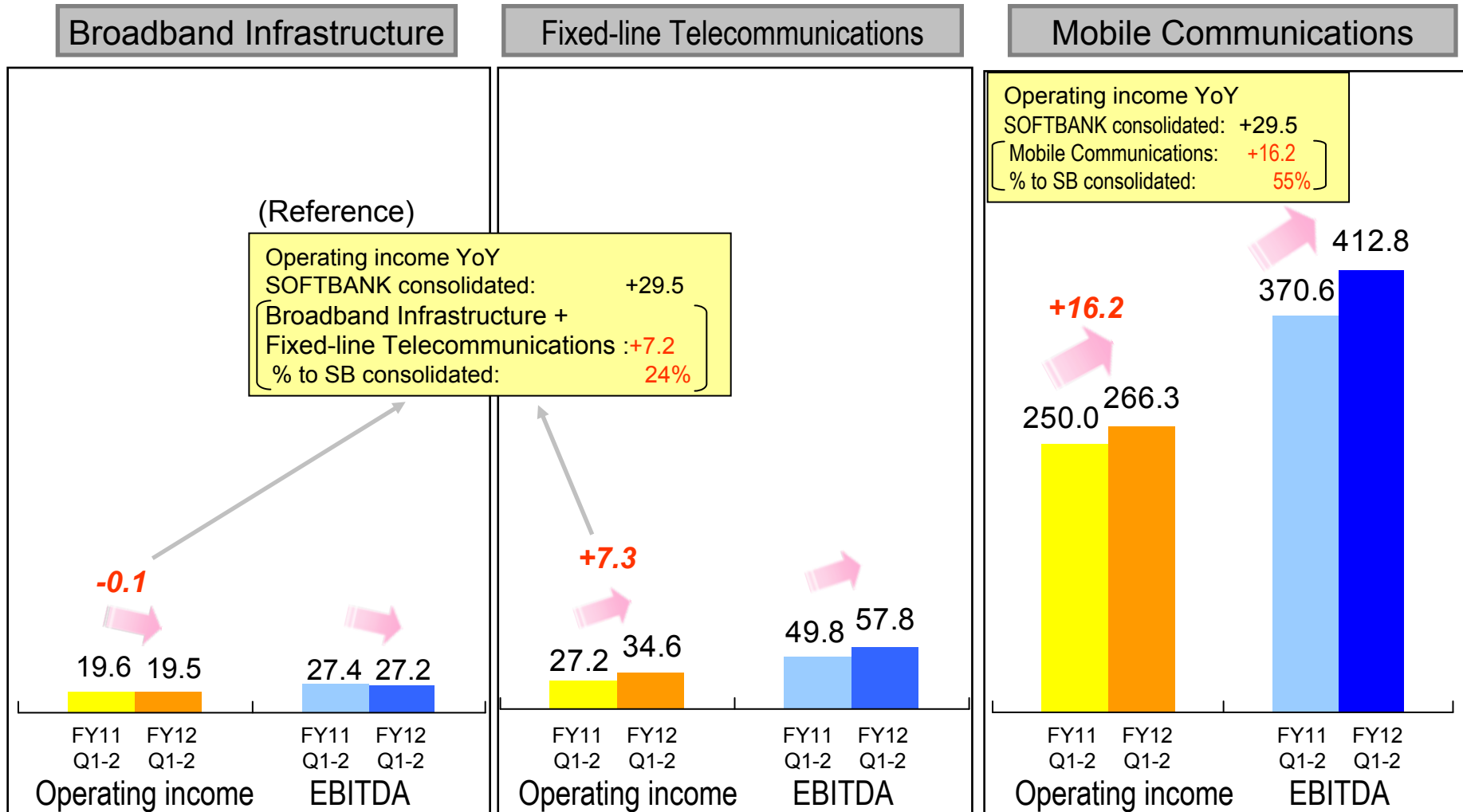
SoftBank

Operation

Overview of Telecommunications Businesses

- Telecommunications businesses led consolidated operating income to reach record high (7 consecutive periods).

<bn JPY>



Note 1. EBITDA = operating income (loss) + depreciation and amortization (including amortization of goodwill)

2. From FY2011/ Q3, depreciation & amortization includes loss on disposal of fixed assets included in operating expenses.

Depreciation and amortization for the previous year has been reclassified and restated accordingly.

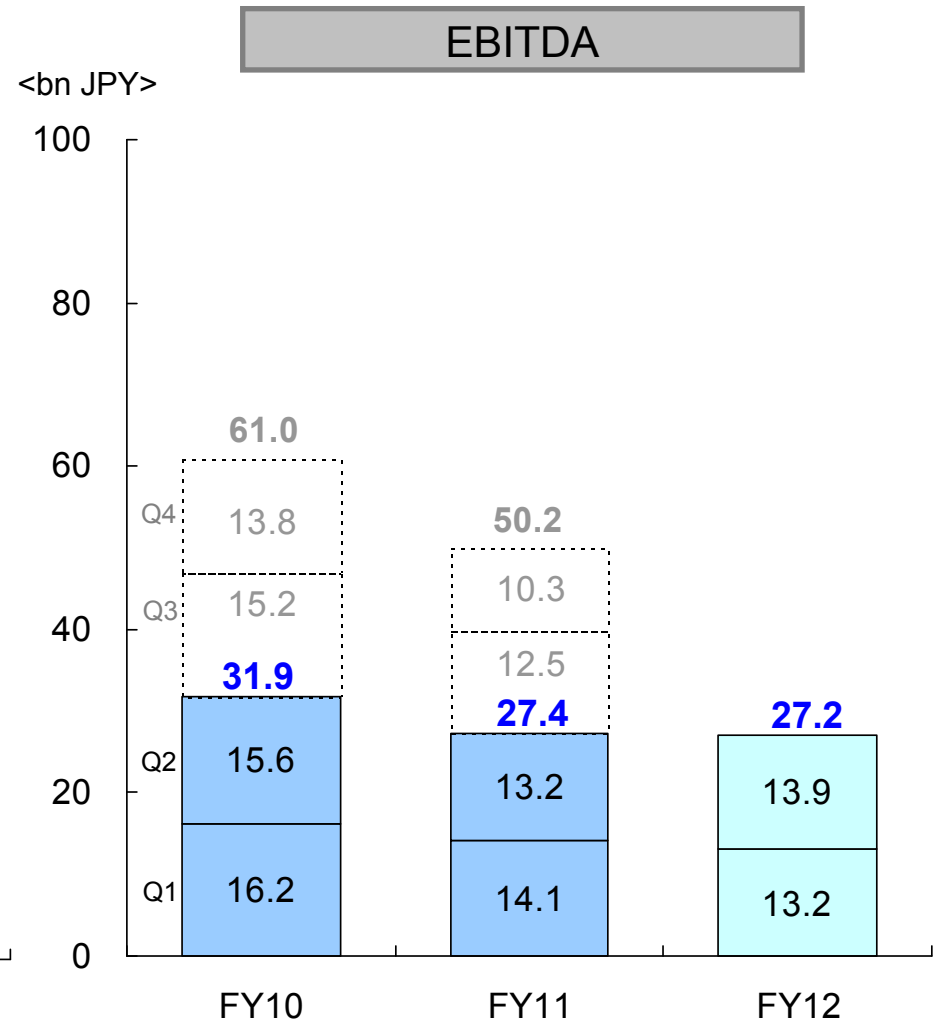
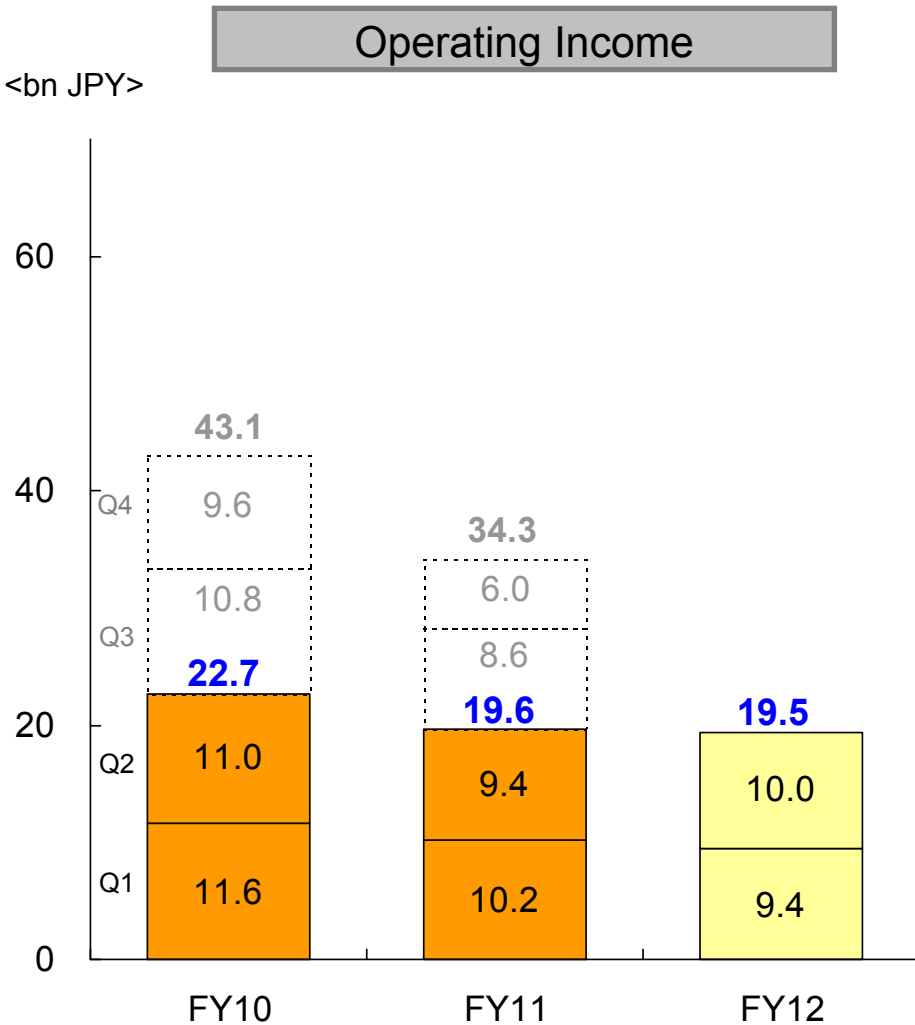
3. Broadband Infrastructure: Broadband Infrastructure segment, Mobile Communications: Mobile Communications segment, SB: SOFTBANK

Broadband Infrastructure Segment

Operating Income, EBITDA

<BB>

➤ Profit remained on the same level YoY.

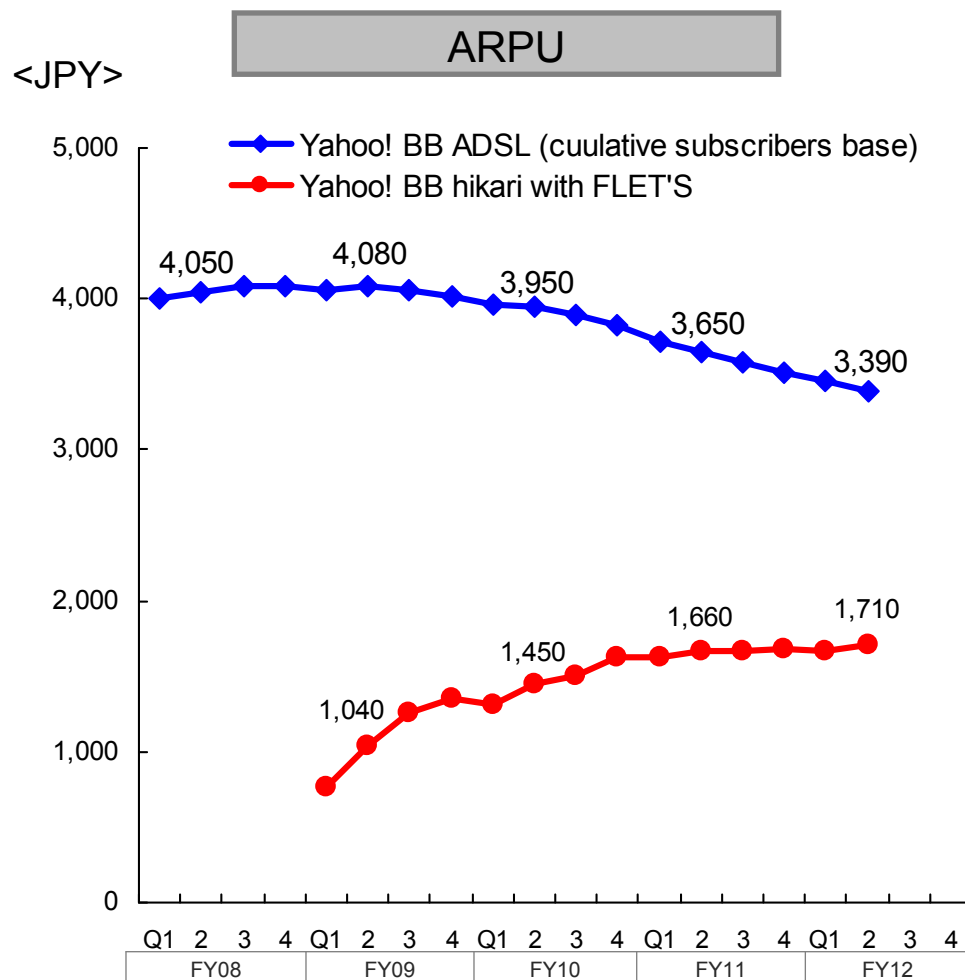
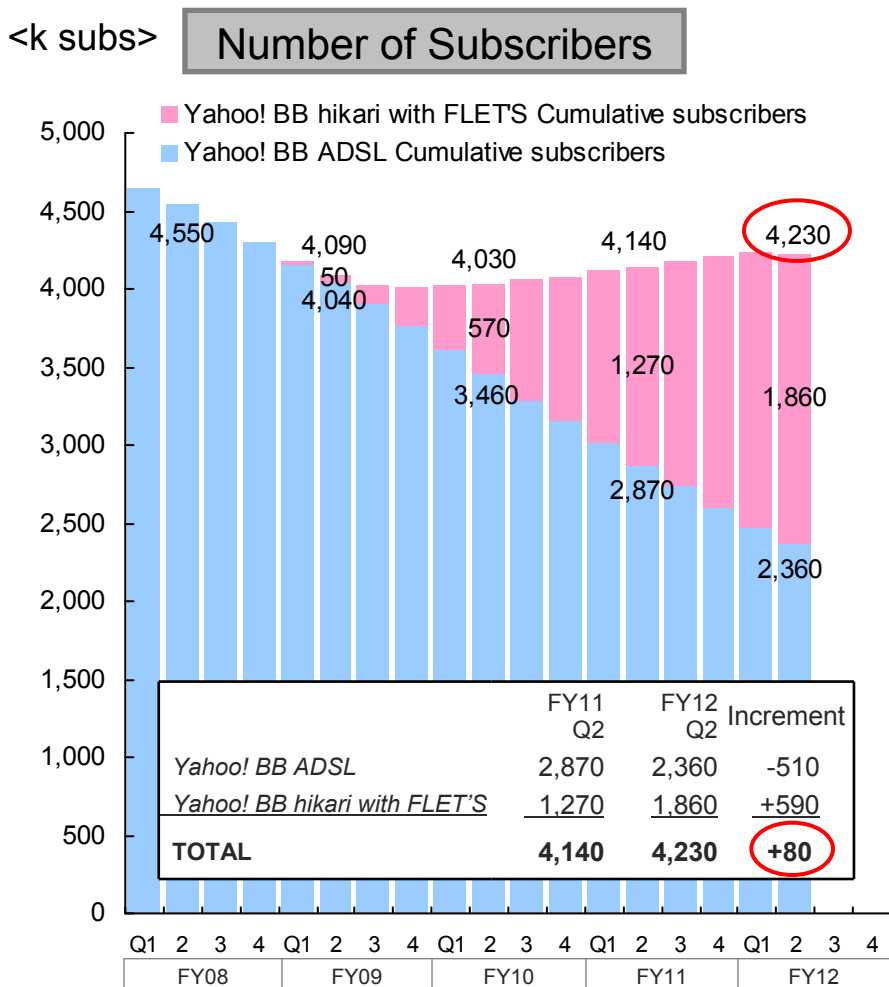


Note: EBITDA = operating income (loss) + depreciation and amortization (including amortization of goodwill)

Yahoo! BB Subscribers and ARPU

<BB>

➤ Number of subscribers: decreased in ADSL, increased in Yahoo! BB hikari with FLET'S.



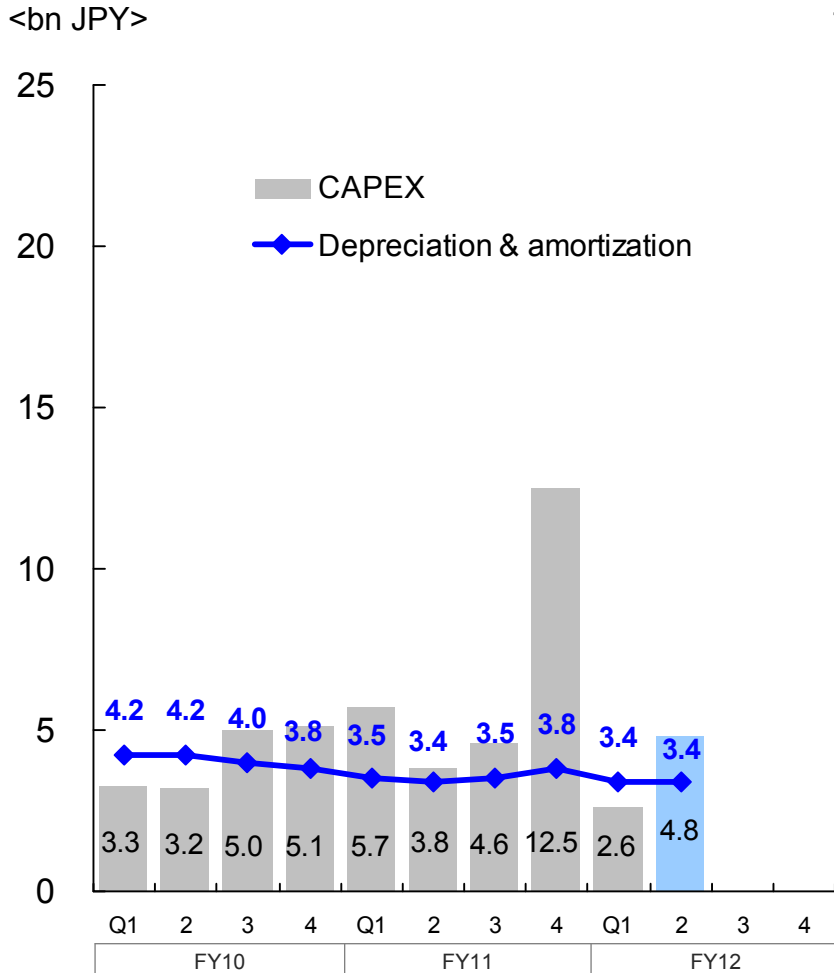
Note: 1. ADSL subscribers: subscribers for which connection construction for ADSL subscribers at central office of NTT East or NTT West is complete (including suspended plan).
 Yahoo! BB hikari with FLET'S cumulative subscribers: users for which connection construction for FLET'S HIKARI line at central office of NTT East or NTT West is complete and who are provided services.
 2. 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.
 3. ARPU (revenue per installed line): average revenue per user (rounded to the nearest JPY 10)

CAPEX (acceptance basis)

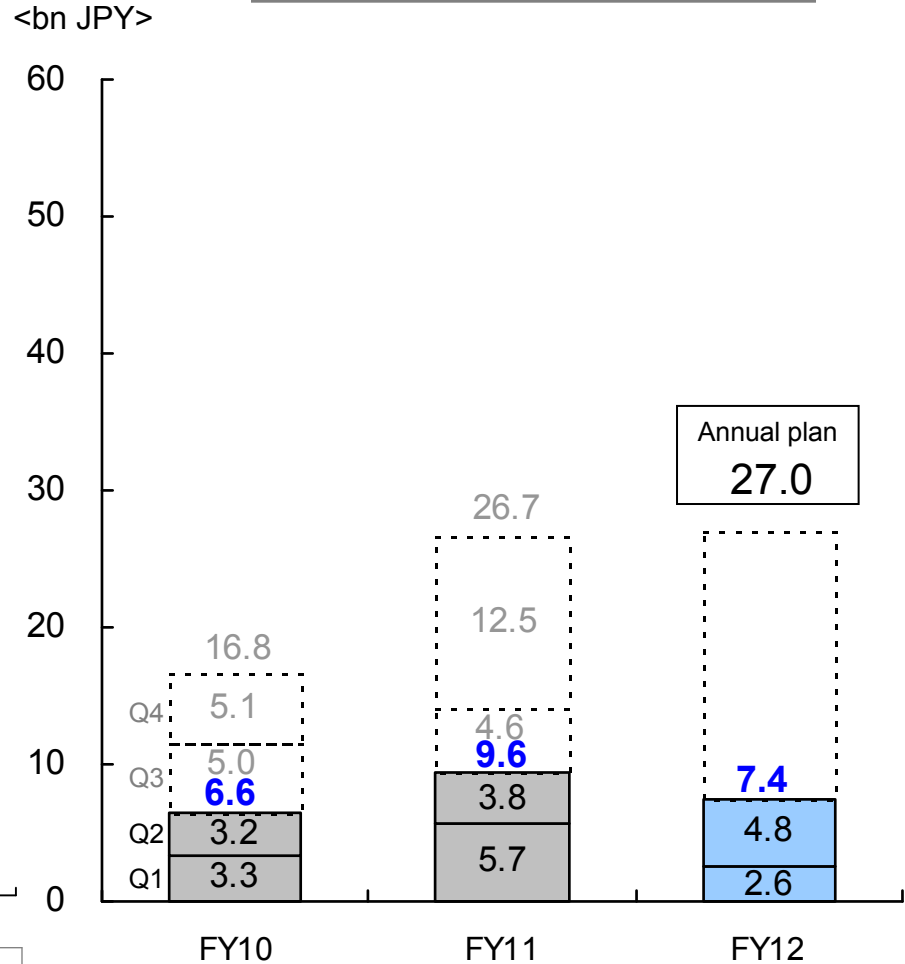
<BB>

➤ Annual plan: JPY 27.0bn (Q2 28% completed)

CAPEX and Depreciation & Amortization
(quarterly trend)



CAPEX
(yearly trend)



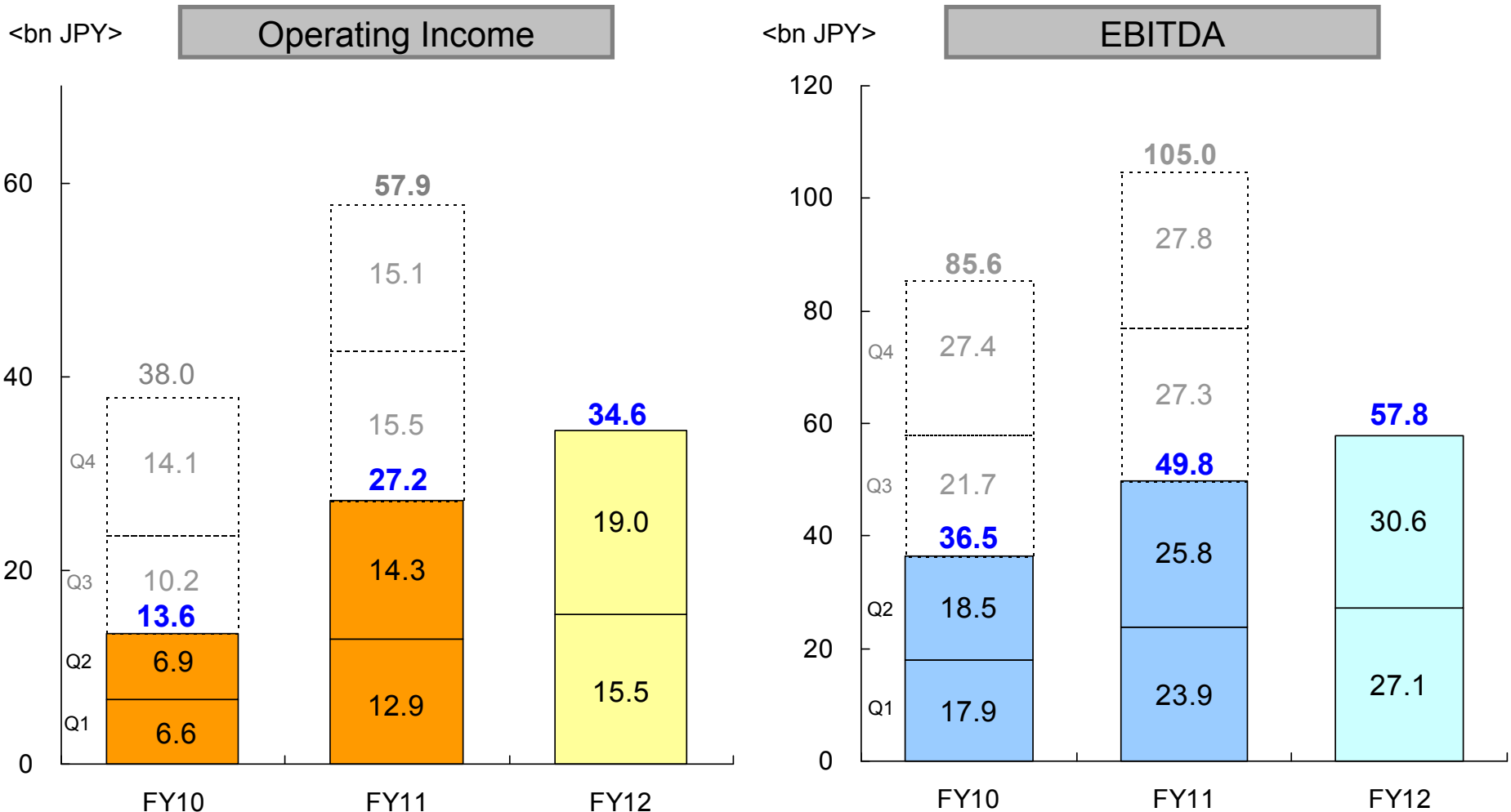
Note: From FY2011/ Q3, depreciation & amortization includes loss on disposal of fixed assets included in operating expenses.
Depreciation and amortization for the previous quarters has been reclassified and restated accordingly.

Fixed-line Telecommunications Segment

Operating Income, EBITDA

<Fixed>

- Sustained revenue & profit increase, through enhancement of corporate sales, efficient management, group synergies.



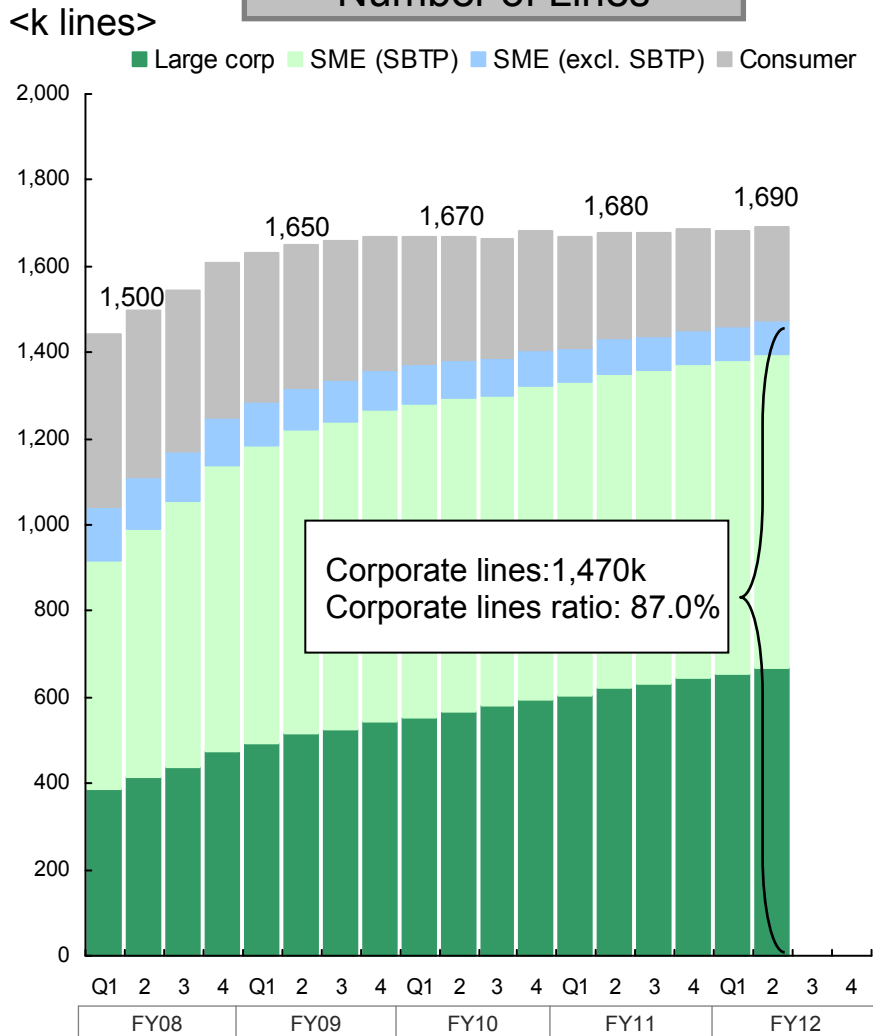
*1. EBITDA = operating income (loss) + depreciation and amortization (including amortization of goodwill)

Number of Lines and ARPU for *OTOKU Line*

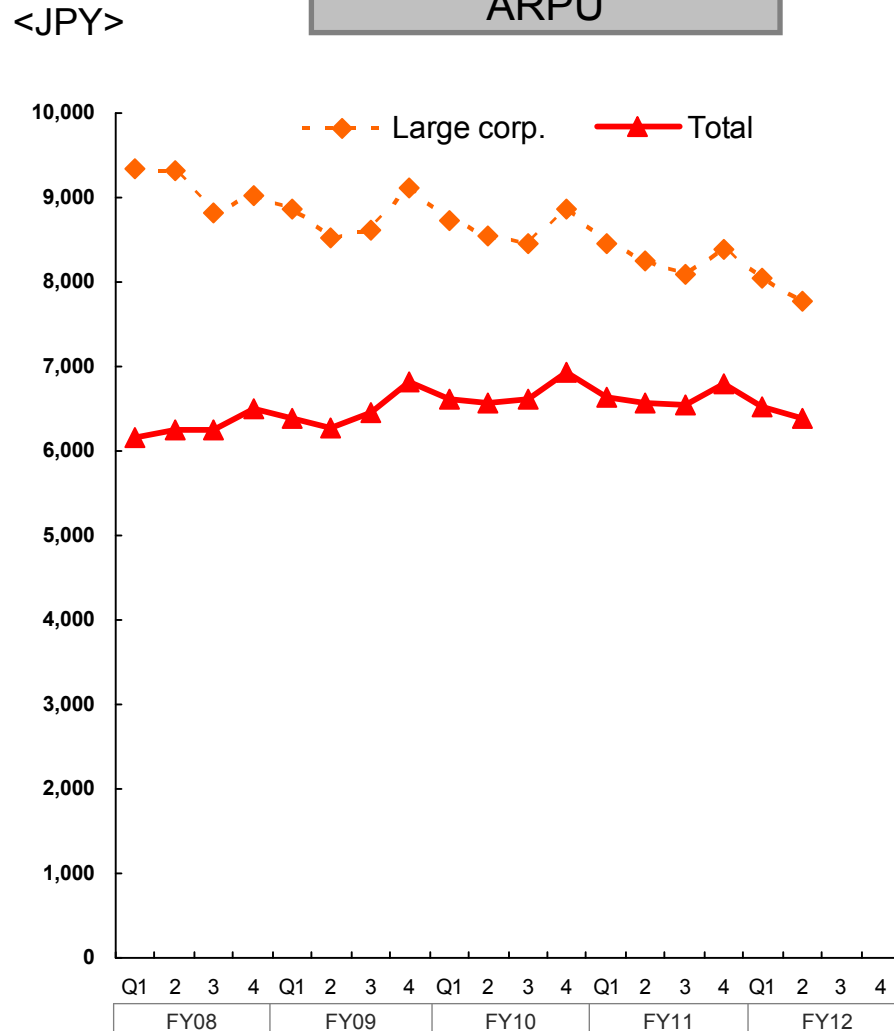
<Fixed>

➤ Solid trend in number of lines and ARPU on enhancement of corporate sales

Number of Lines



ARPU



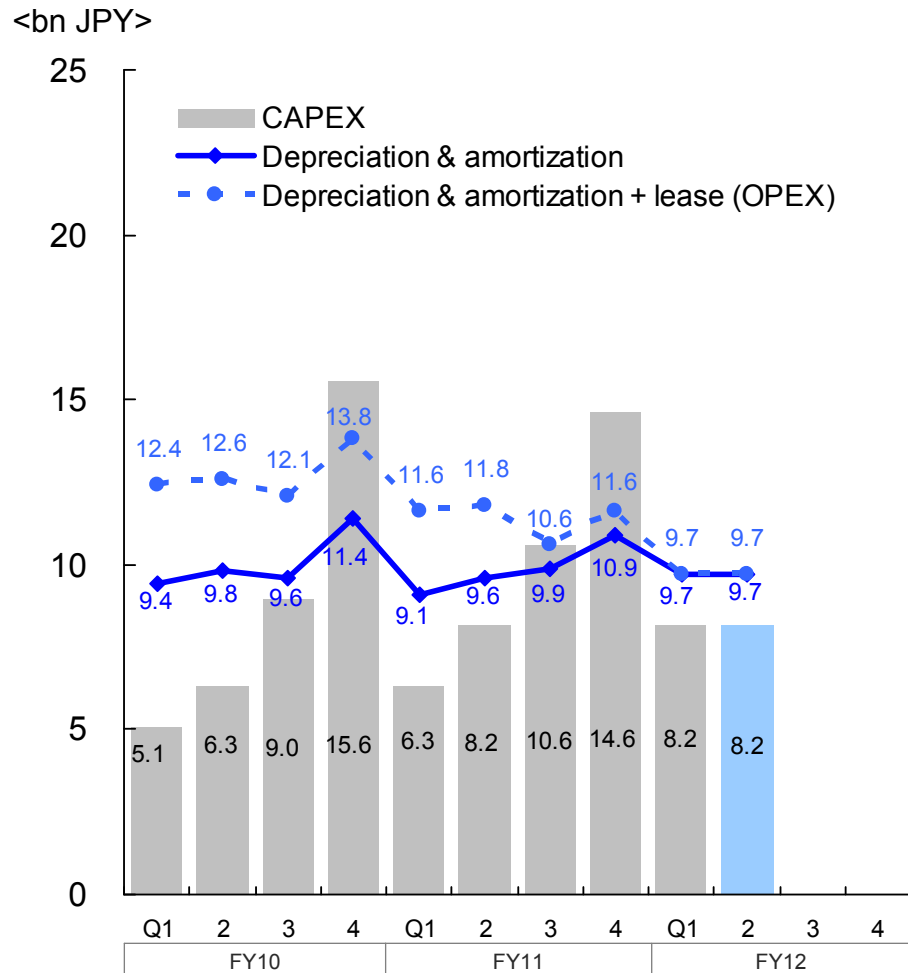
Note: 1. ARPU: Average Revenue Per line (rounded to the nearest JPY 10)
2. SBTP: SOFTBANK TELECOM PARTNERS

CAPEX (acceptance basis)

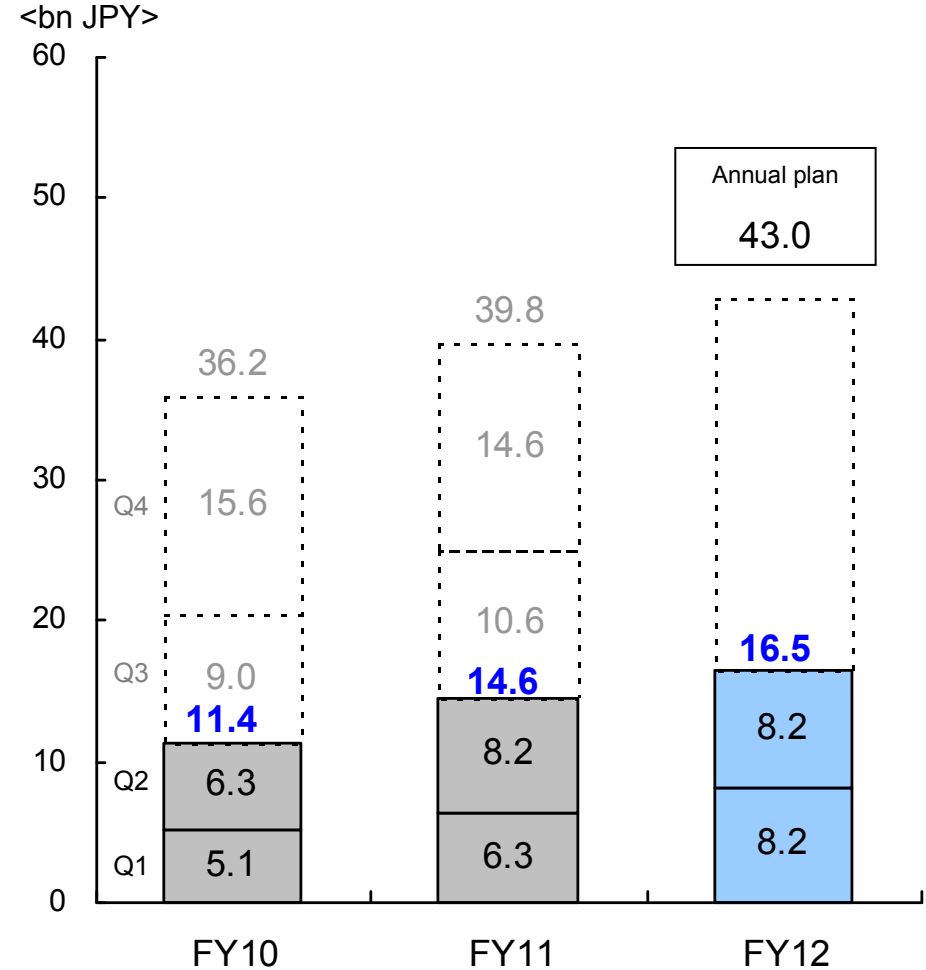
<Fixed>

➤ Annual plan: JPY 43.0bn (Q2 38% completed)

CAPEX and Depreciation & Amortization
(quarterly trend)



CAPEX
(yearly trend)



Note: From FY2011/ Q3, depreciation & amortization includes loss on disposal of fixed assets included in operating expenses. Depreciation and amortization for the previous quarters has been reclassified and restated accordingly.

SoftBank

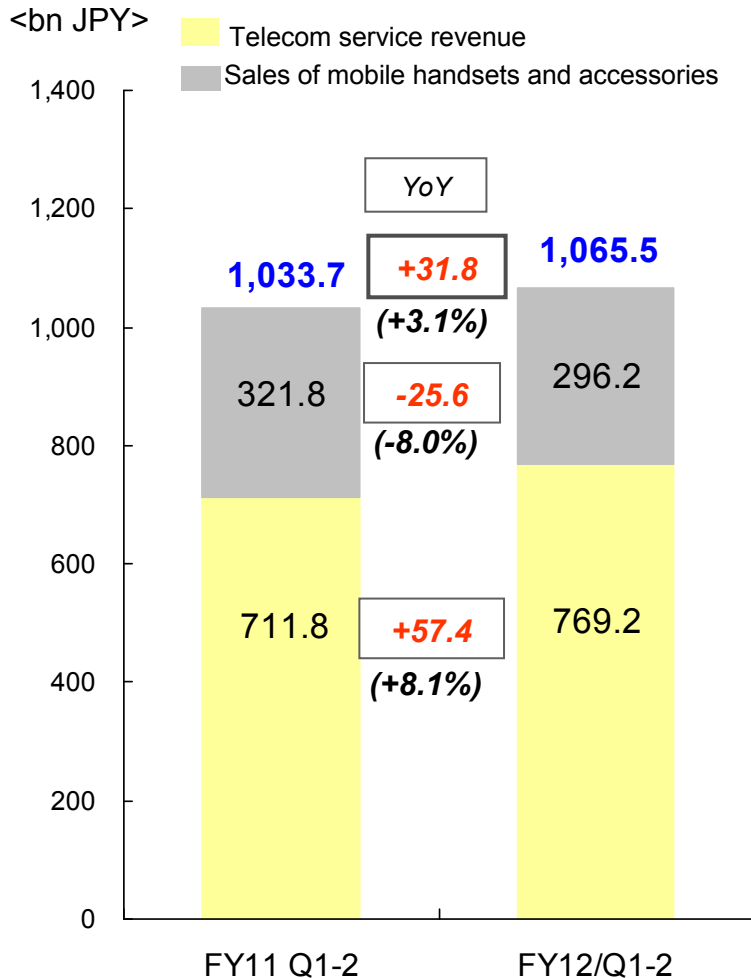
Mobile Communications Segment

SBM Consolidated Net Sales

<Mobile>

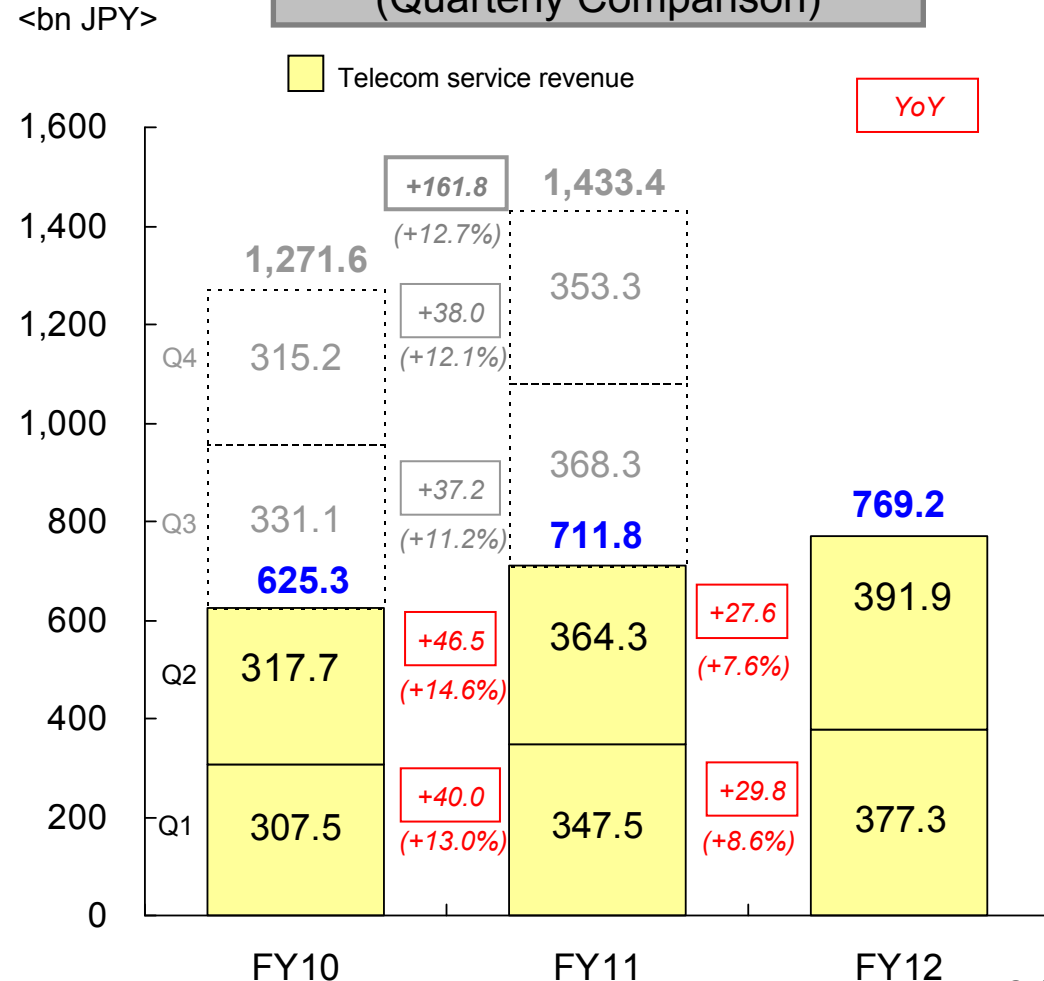
➤ YoY: net sales increase by 3.1%.

SBM Consolidated Net Sales



SBM: SOFTBANK MOBILE

SBM Consolidated Net Sales (Quarterly Comparison)



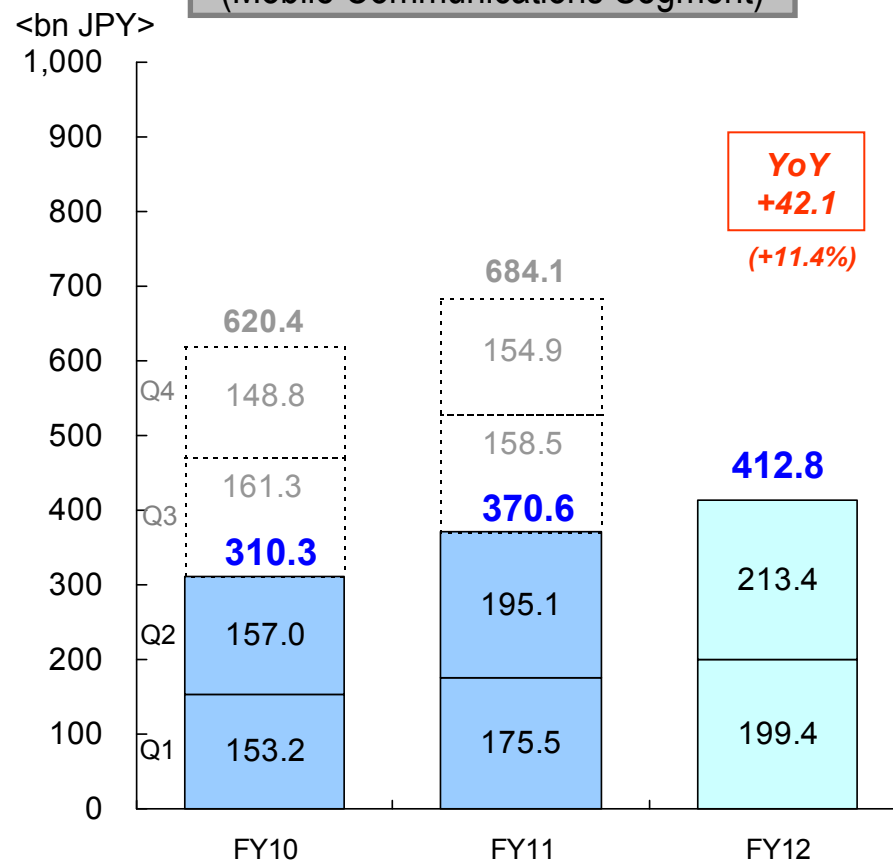
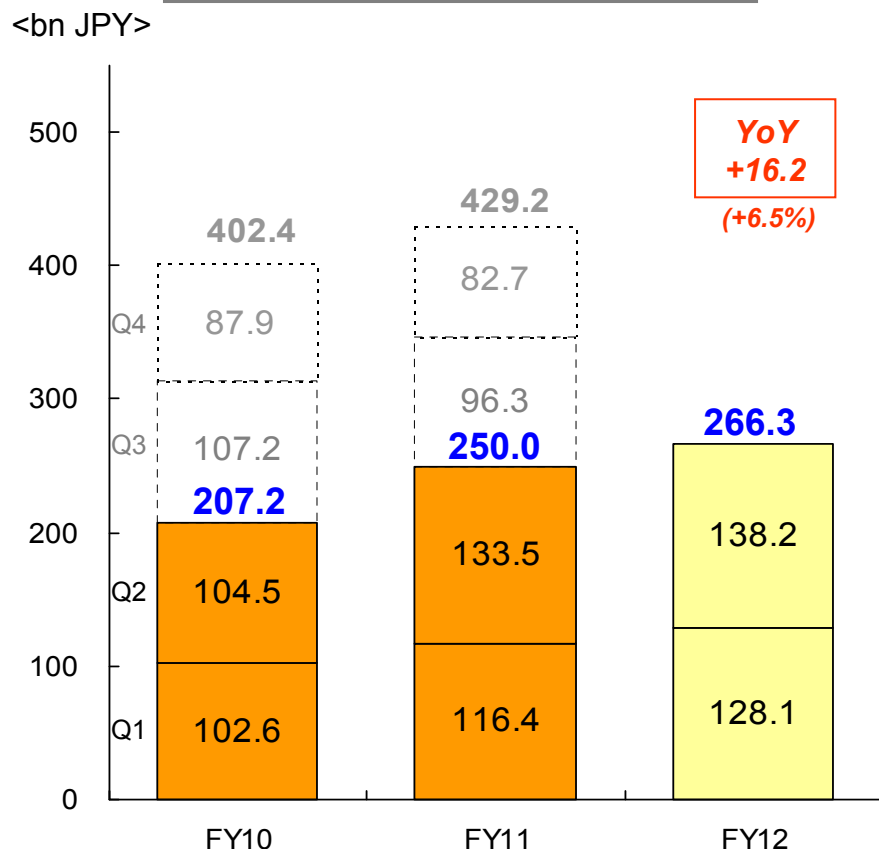
Operating Income/ EBITDA (SB Consolidated)

<Mobile>

- Revenue and profit new record high;*1
operating income increased by **6.5%** YoY.

Operating Income
(Mobile Communications Segment)

EBITDA
(Mobile Communications Segment)



Note: 1. Since SOFTBANK CORP. established the Mobile Communications segment in FY2006

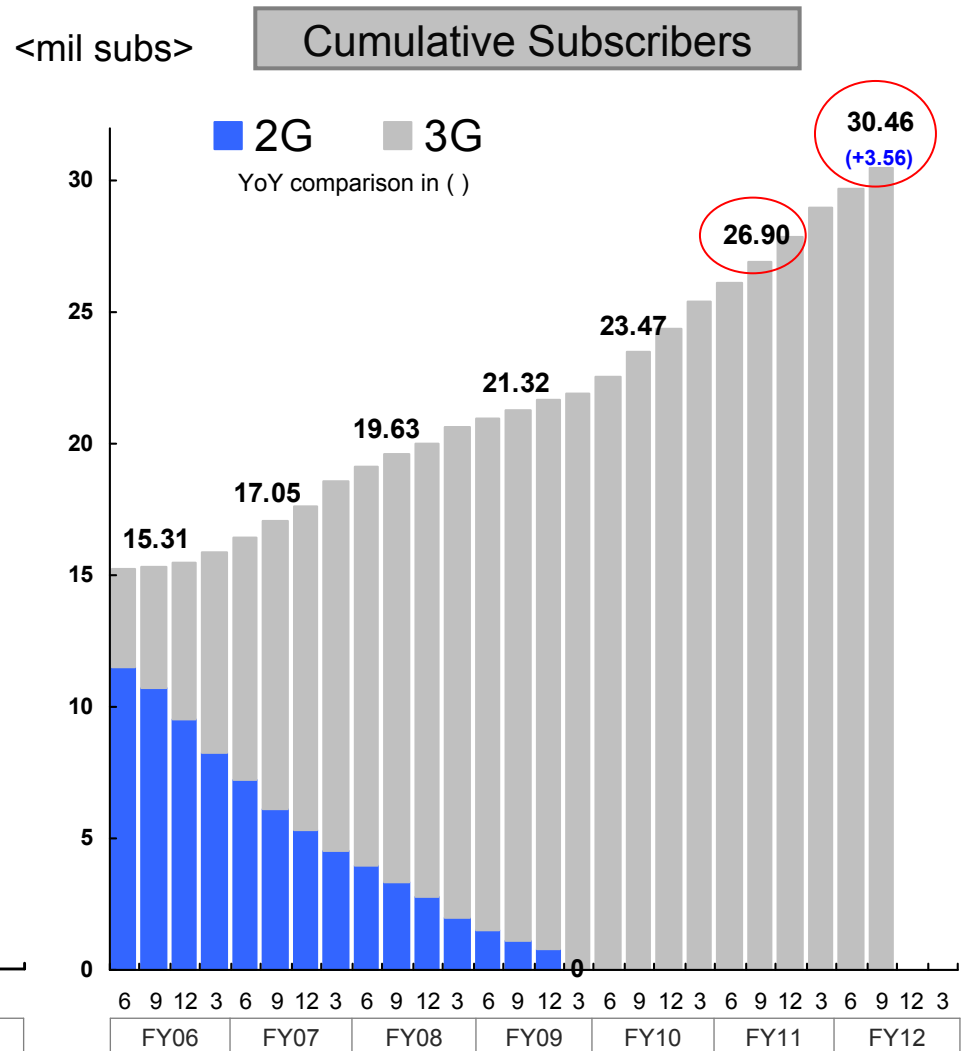
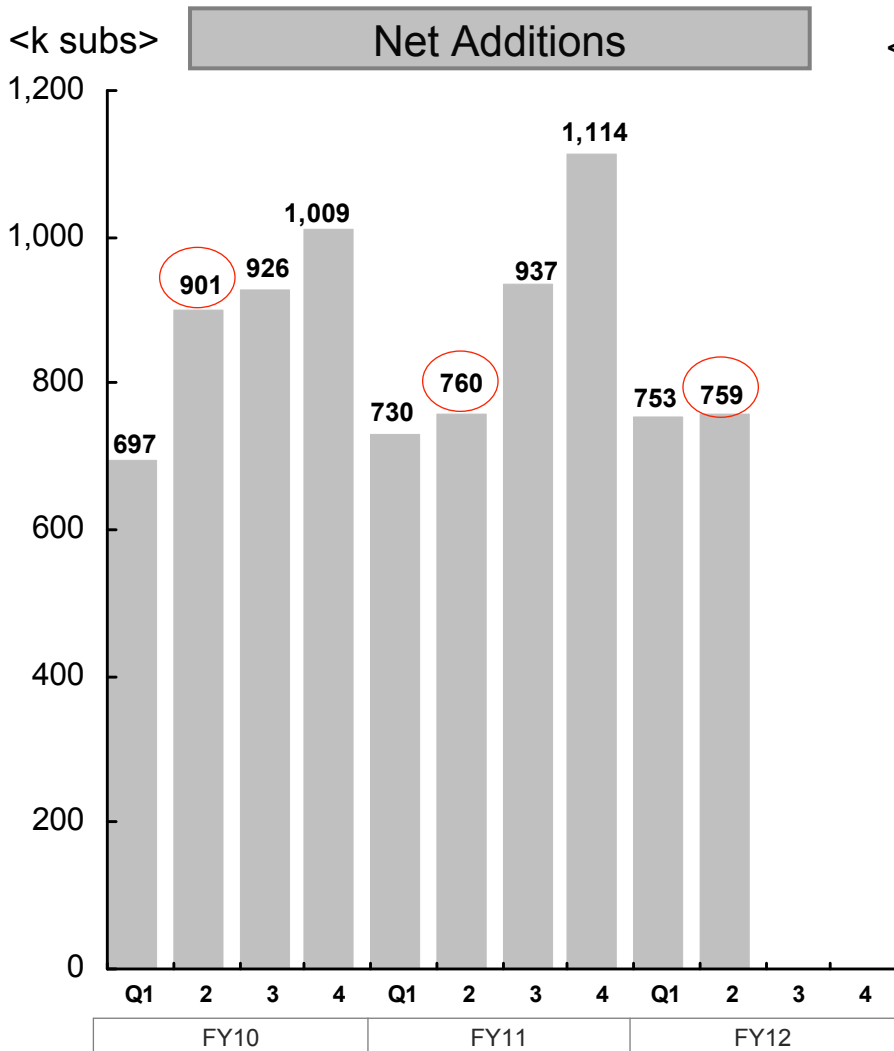
2. EBITDA = operating income (loss) + depreciation and amortization (including amortization of goodwill)

3. SB: SOFTBANK

Number of Subscribers (quarterly net additions/cumulative)

<Mobile>

➤ Net additions in Q2 759k. Cumulative subs +3.56mil YoY



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

Number of Monthly Net Additions

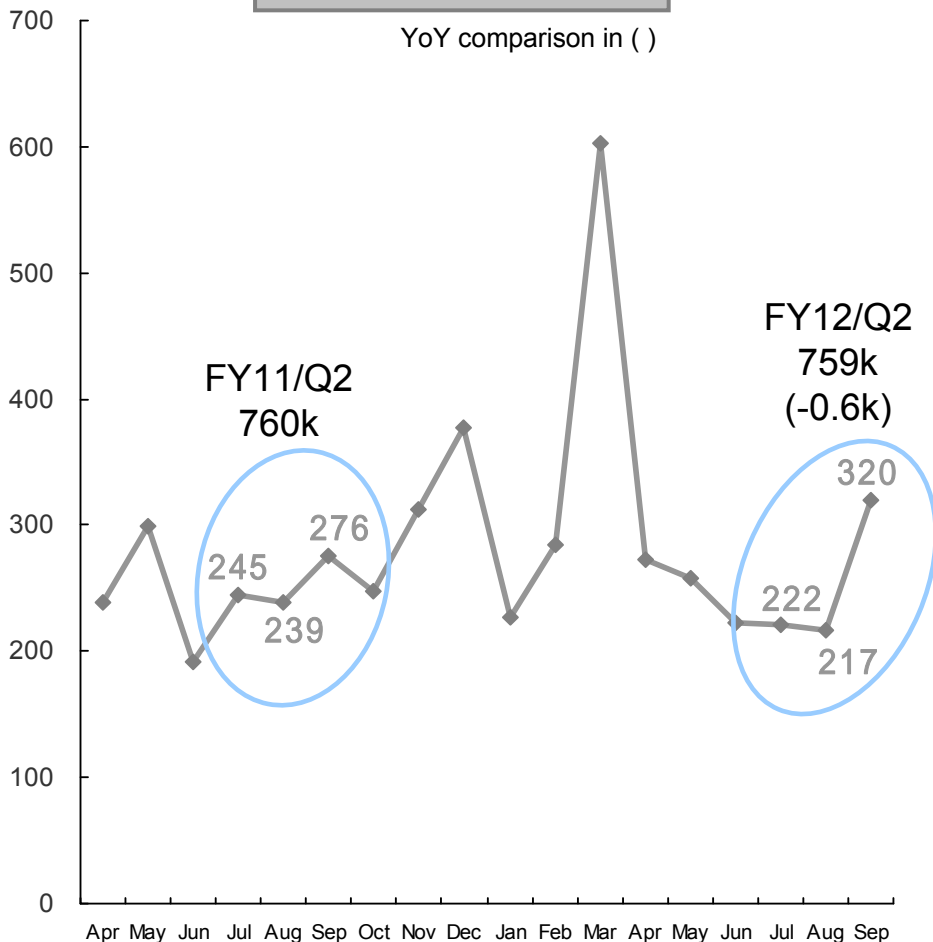
<Mobile>

➤ Q2 net additions 759k, MNP* 34k.

<k subs>

Net Additions

YoY comparison in ()



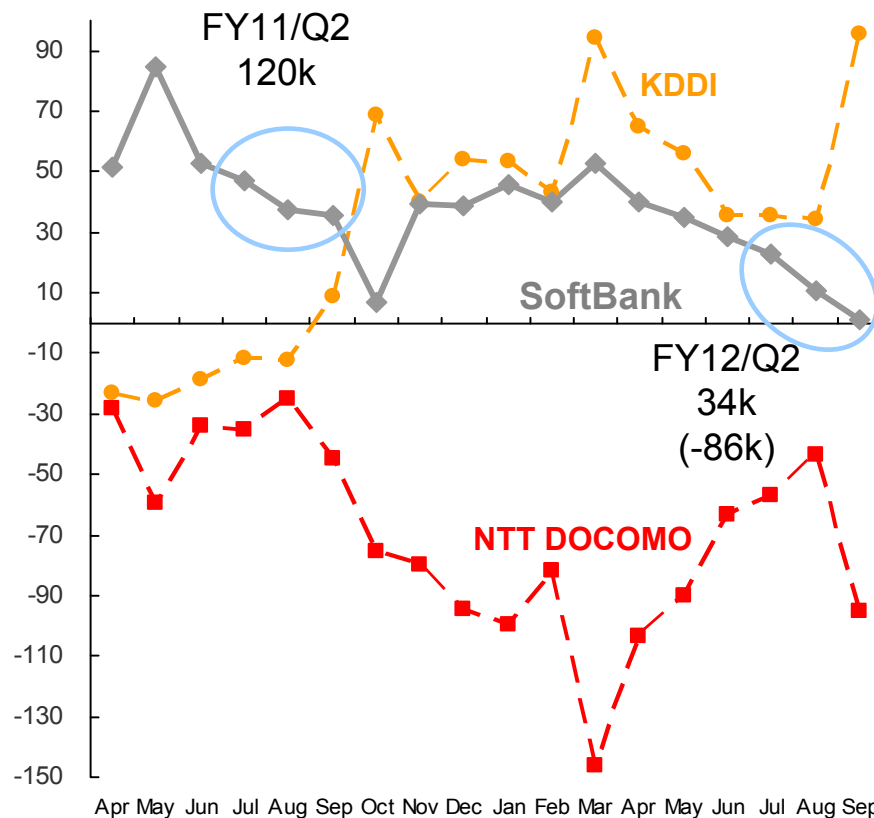
FY11

FY12

<k subs>

MNP Net Additions*

YoY comparison in ()



FY11

FY12

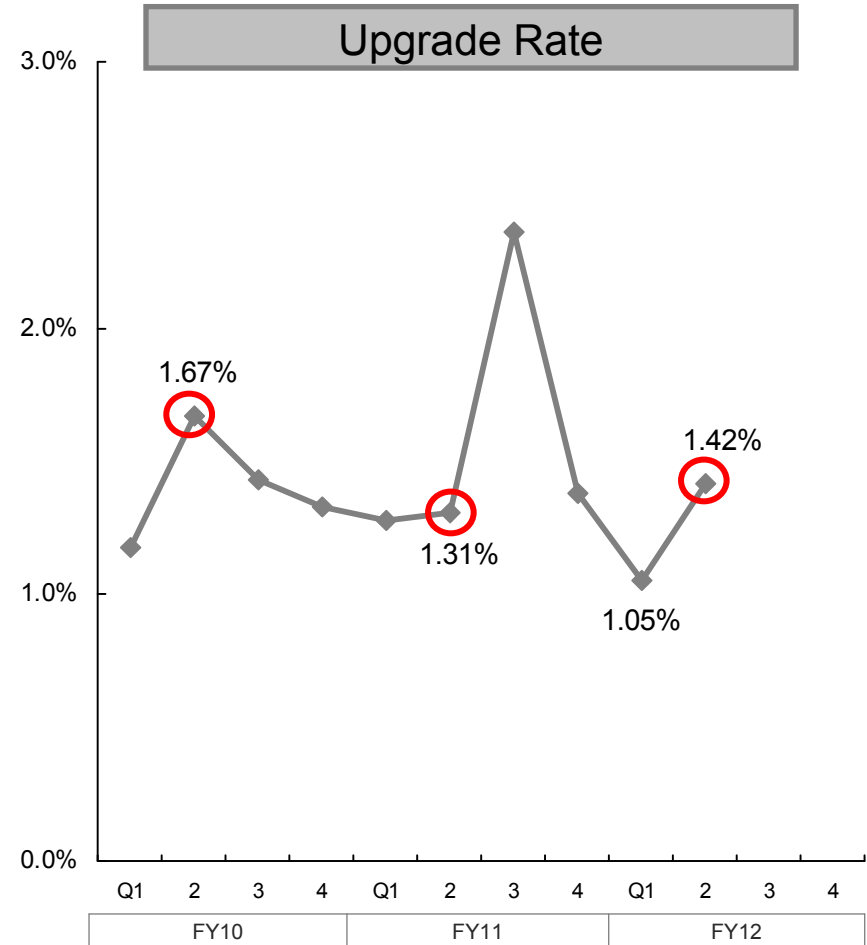
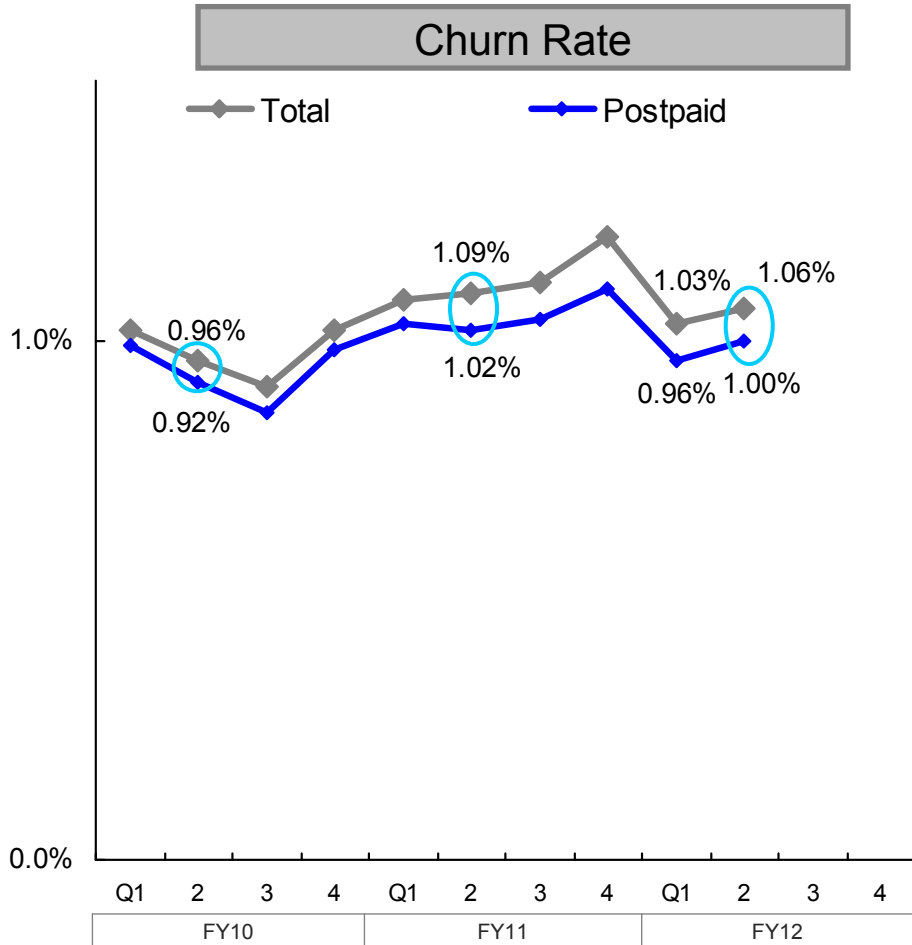
Note 1. The number of net subscriber additions includes the number of prepaid mobile phones and communication module service subscribers.

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

Churn Rate & Upgrade Rate

<Mobile>

➤ YoY: churn rate improved in total and postpaid. Upgrade rate increased.



Note 1. For definition and calculation of the churn and upgrade rates, see page 77.

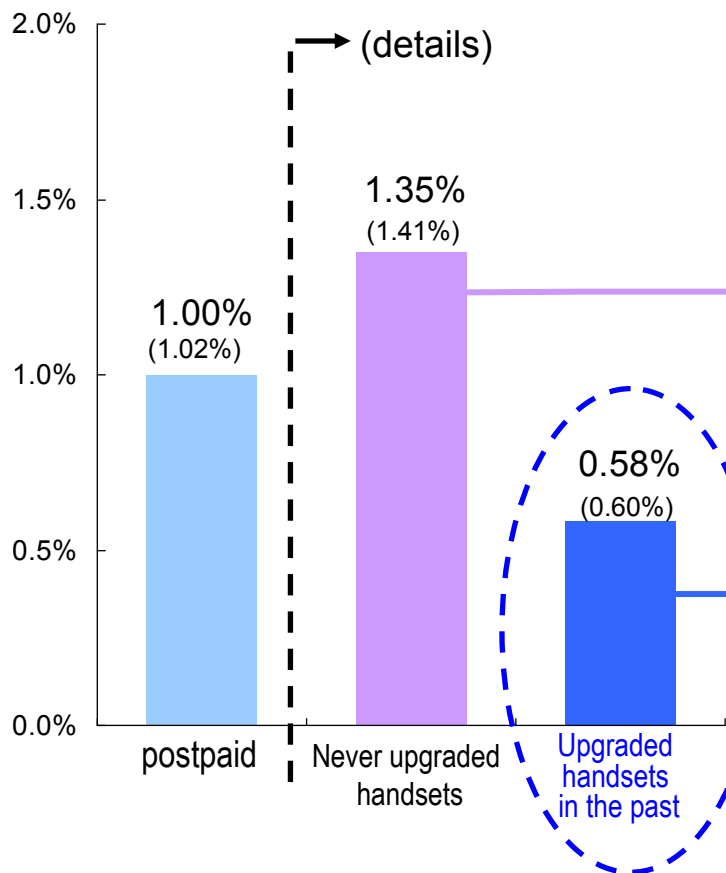
2. Churn rate (postpaid): calculated with communication module service subscribers and devices without voice communalization functionality included in the number of subscribers and churn.

Churn Rate Details (FY12/Q2)

<Mobile>

- Churn rate largely varies according to the history of handset upgrades.

Churn Rate of Postpaid (FY12/Q2)
<by history of handset upgrades>



Figures for the same period of the previous fiscal year is shown in ()

Churn rate of users who have never upgraded their SBM handsets
(many of them are short-term users)

Churn rate of users who have upgraded their SBM handsets at least once in the past
(many of them are long-term users)

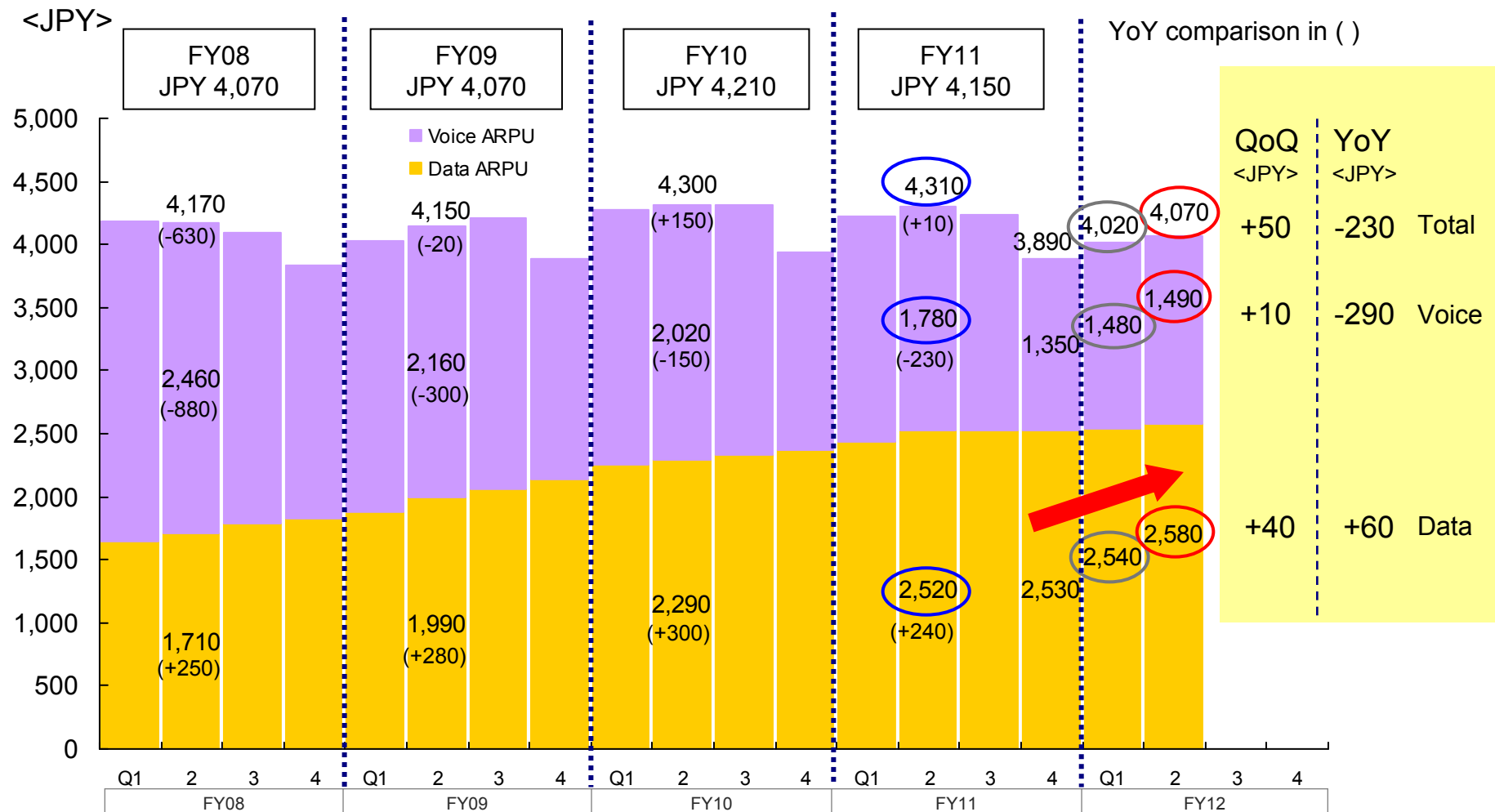
Note: 1. Churn rate (postpaid): calculated with communication module service subscribers and devices without voice communalization functionality included in the number of subscribers and churn.

2. SBM: SOFTBANK MOBILE

ARPU (Average Revenue Per User)

<Mobile>

- QoQ: JPY +50, data JPY +40
- YoY: JPY -230, data JPY +60



Note: ARPU: Average Revenue Per User per month (rounded to the nearest JPY 10).

ARPU is discounted by Monthly Discounts (New Super Bonus Special Discount). For definition and calculation method of ARPU, refer to page 77.

ARPU (Average Revenue Per User)

<Mobile>

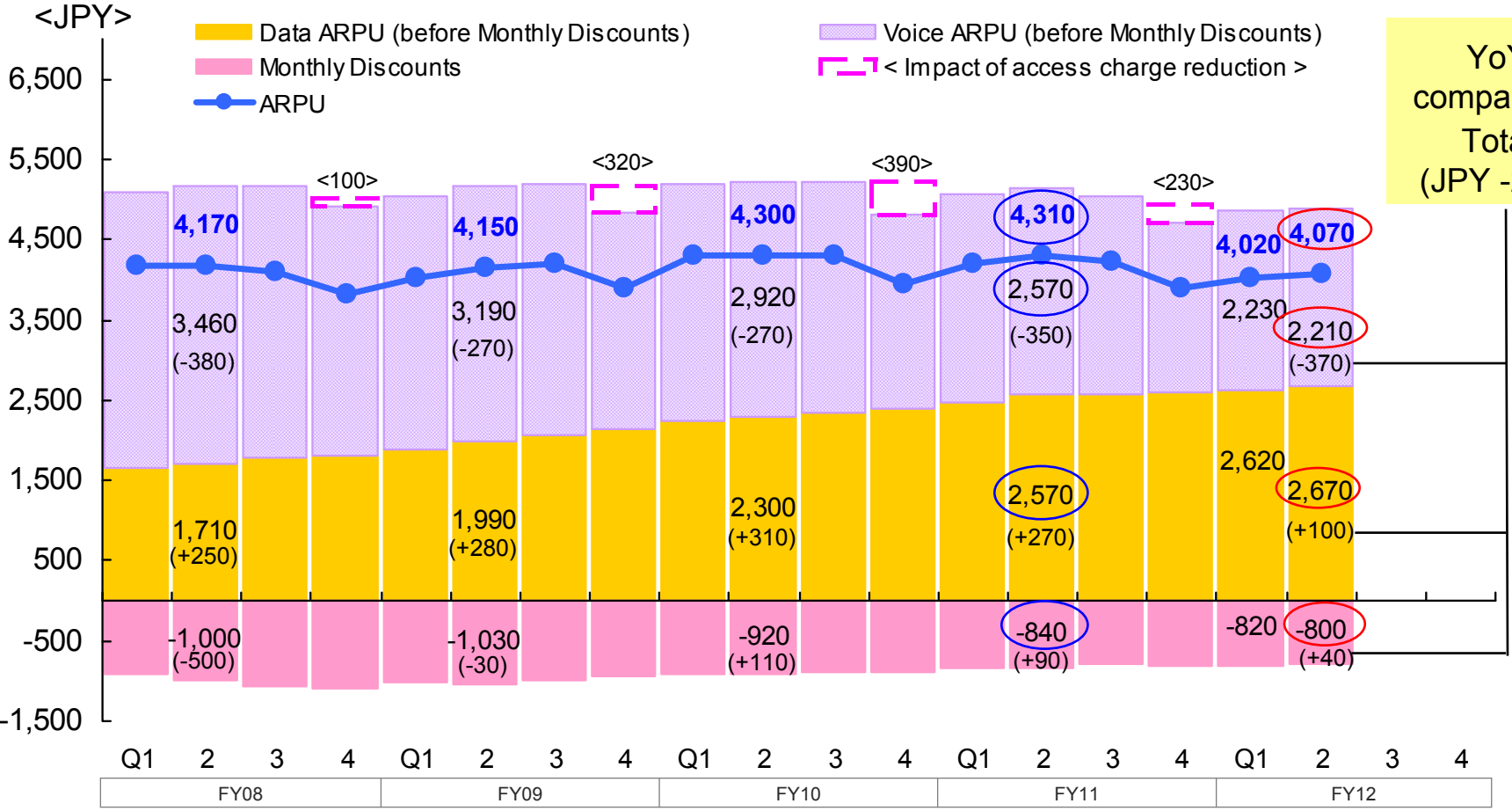
➤ YoY (*Monthly Discounts* referred to separately)

Basic monthly charge + voice: JPY -370, data: JPY +100

impact of *Monthly Discounts*: JPY +40.

YoY comparison in ()

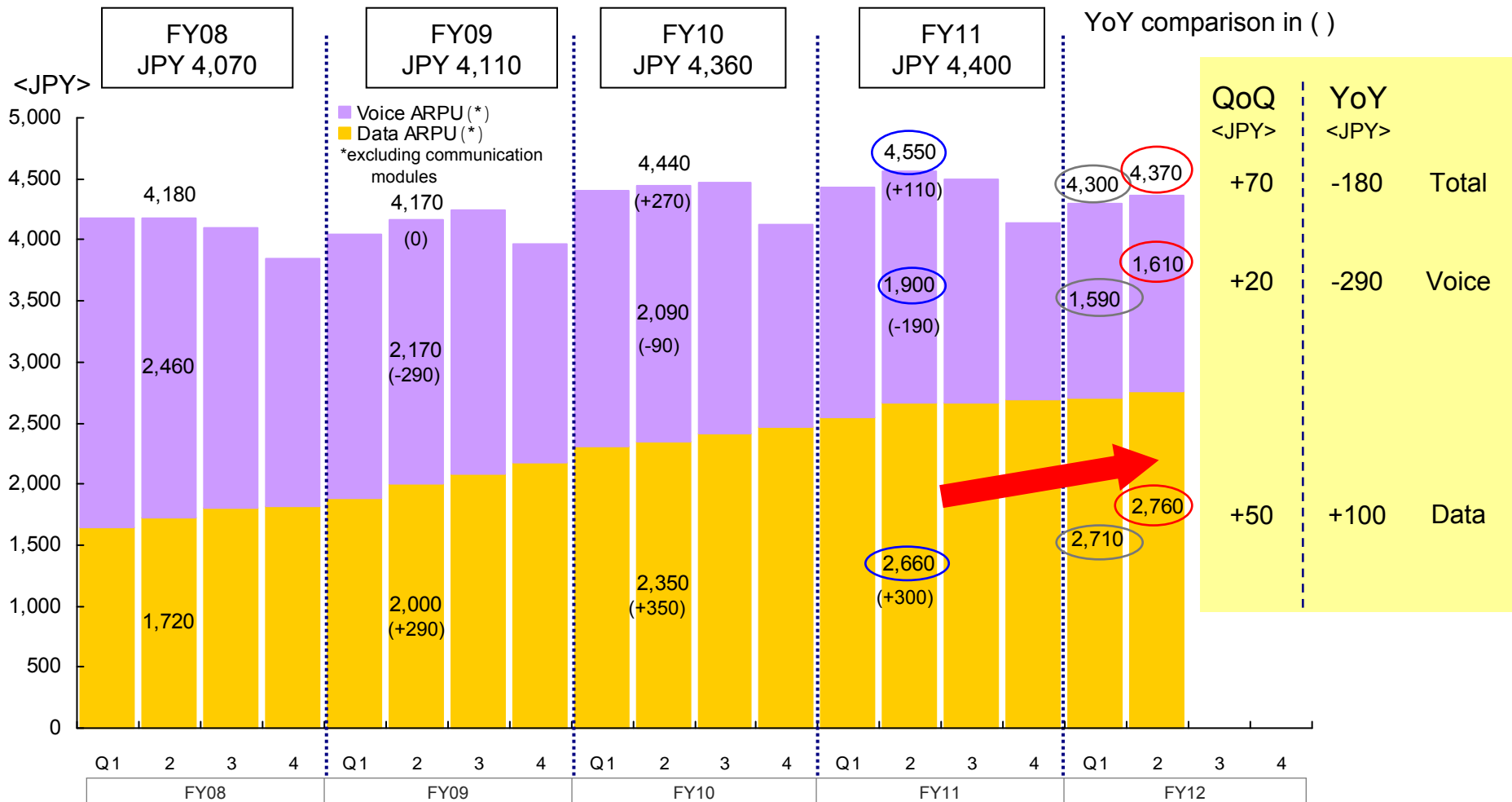
YoY comparison Total (JPY -230)



Note: ARPU: Average Revenue Per User per month (rounded to the nearest JPY 10).
 ARPU is discounted by Monthly Discounts (New Super Bonus Special Discount). For definition and calculation method of ARPU, refer to page 77.

(reference) ARPU (excluding communication modules) <Mobile>

- QoQ: JPY +70, data +JPY +50
- YoY: JPY -180, data +JPY +100



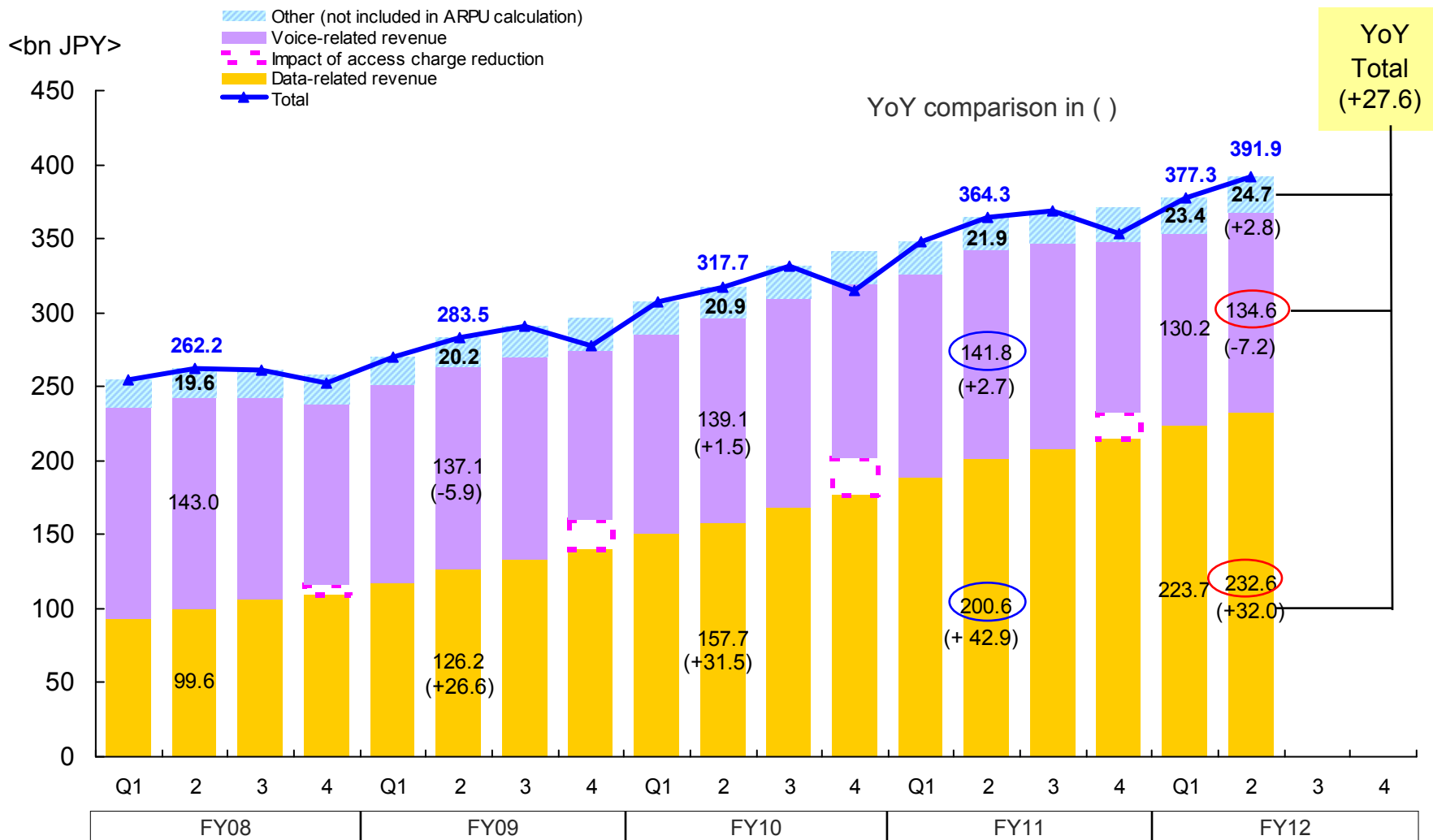
Note: ARPU: Average Revenue Per User per month (rounded to the nearest JPY 10).

ARPU is discounted by Monthly Discounts (New Super Bonus Special Discount). For definition and calculation method of ARPU, refer to page 77.

Trend of SBM Telecom Service Revenue

<Mobile>

➤ JPY 27.6bn increase YoY. Data growth (JPY 32.0bn) contributes significantly.

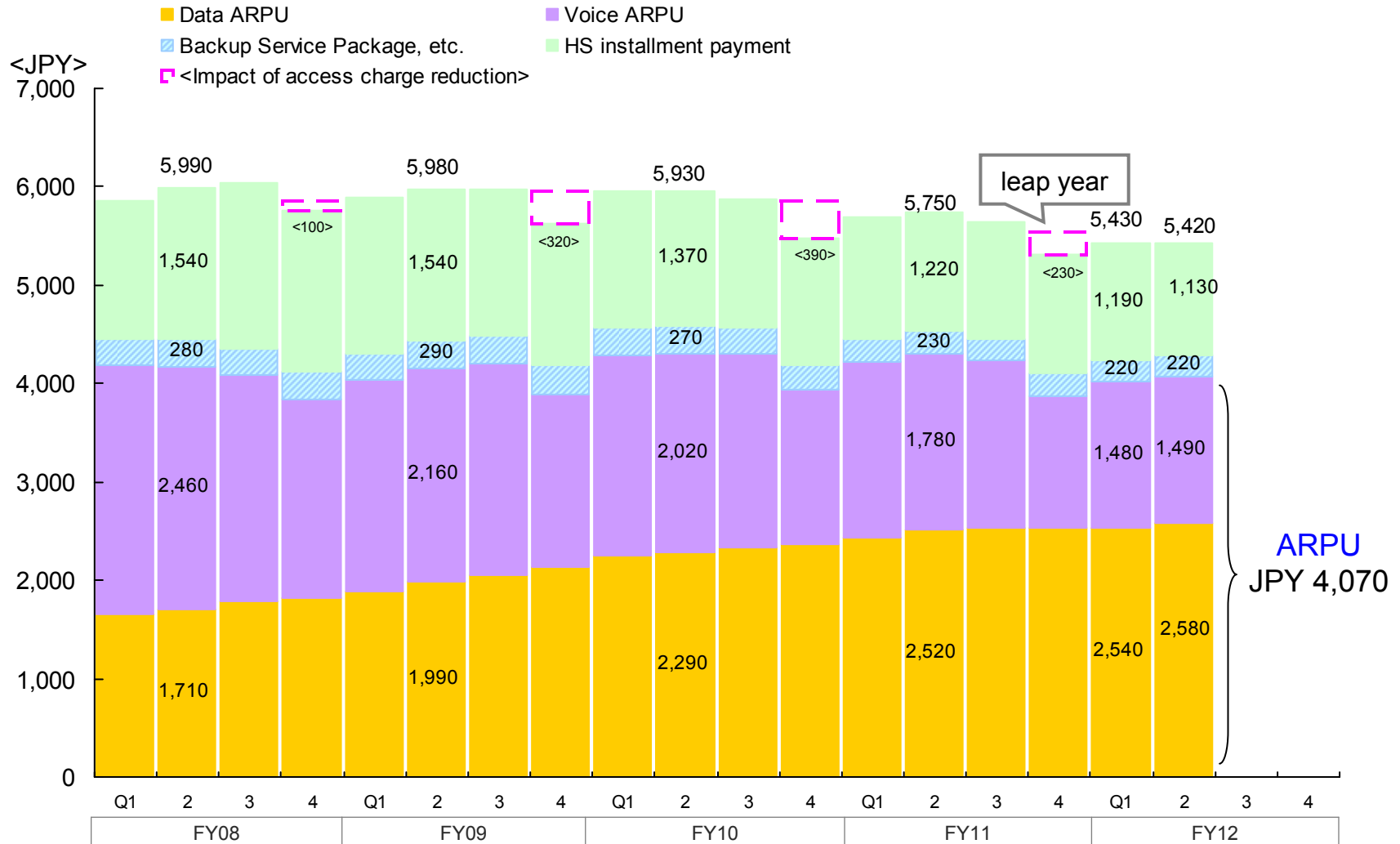


Note: voice related revenue consists of voice call charges, revenues from incoming calls, basic monthly charges, etc. Data related revenue consists of packet communication charges, etc.

Average Cash Income Per Subscription (including HS installment payment)

<Mobile>

➤ Cash income per subscription decreasing slightly.



Note: cash income per subscription = ARPU + handset installment payment + backup service package, etc (rounded to the nearest JPY10)

For definition and calculation method of ARPU, refer to page 77.

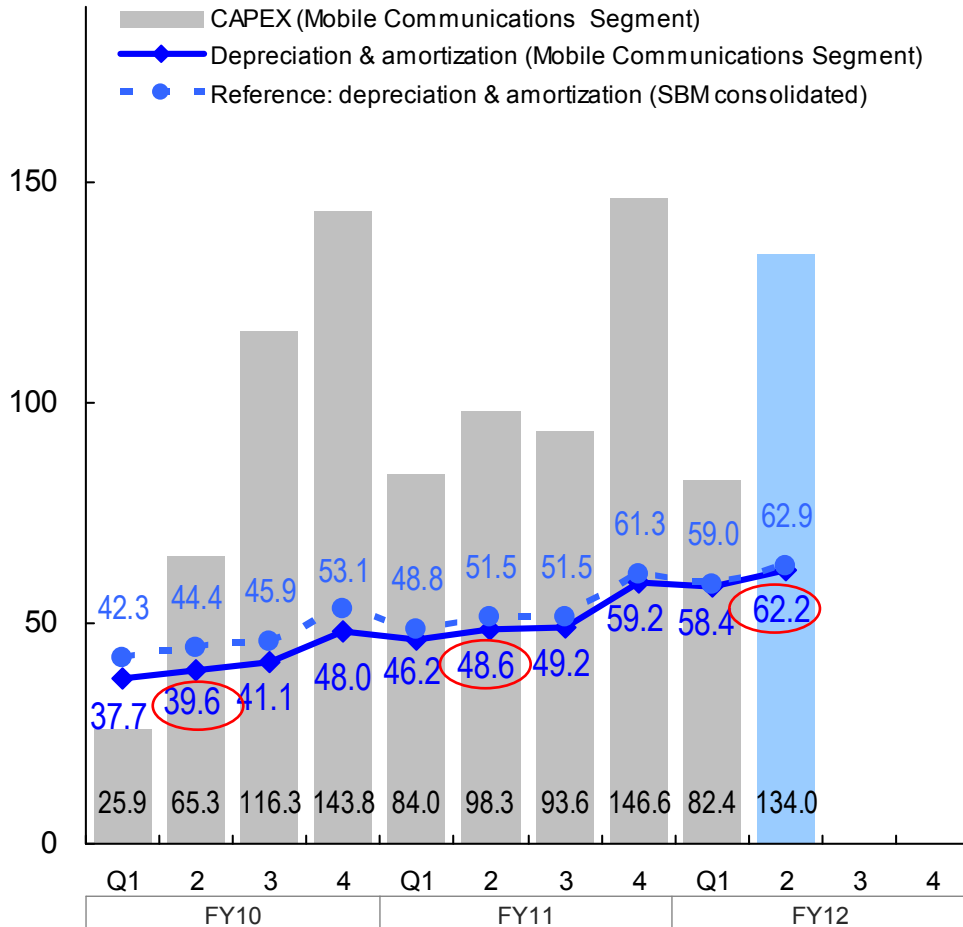
Impact of access charge reduction: indicates impact of reduction relating to revised access charges between operators (showing amount for twelve months as if reflected in one time)

CAPEX (acceptance basis)

<Mobile>

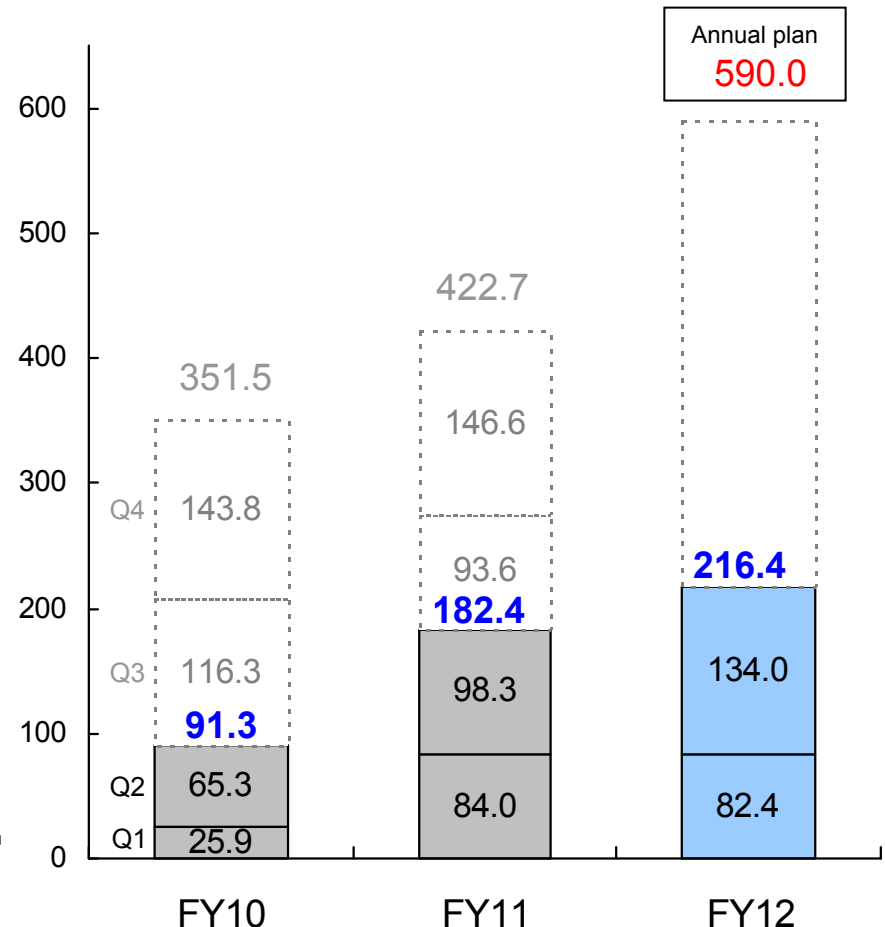
- Annual plan: accelerated CAPEX (increase plan by 90.0bn), depreciation & amortization increasing trend.

CAPEX and Depreciation & Amortization (quarterly trend)



CAPEX (yearly trend)

<bn JPY>



Annual plan
590.0

Note: From FY2011/ Q3, depreciation & amortization includes loss on disposal of fixed assets included in operating expenses.

Depreciation and amortization for the previous quarters has been reclassified and restated accordingly.

SBM: SOFTBANK MOBILE

New Super Bonus Subscription Ratio

<Mobile>

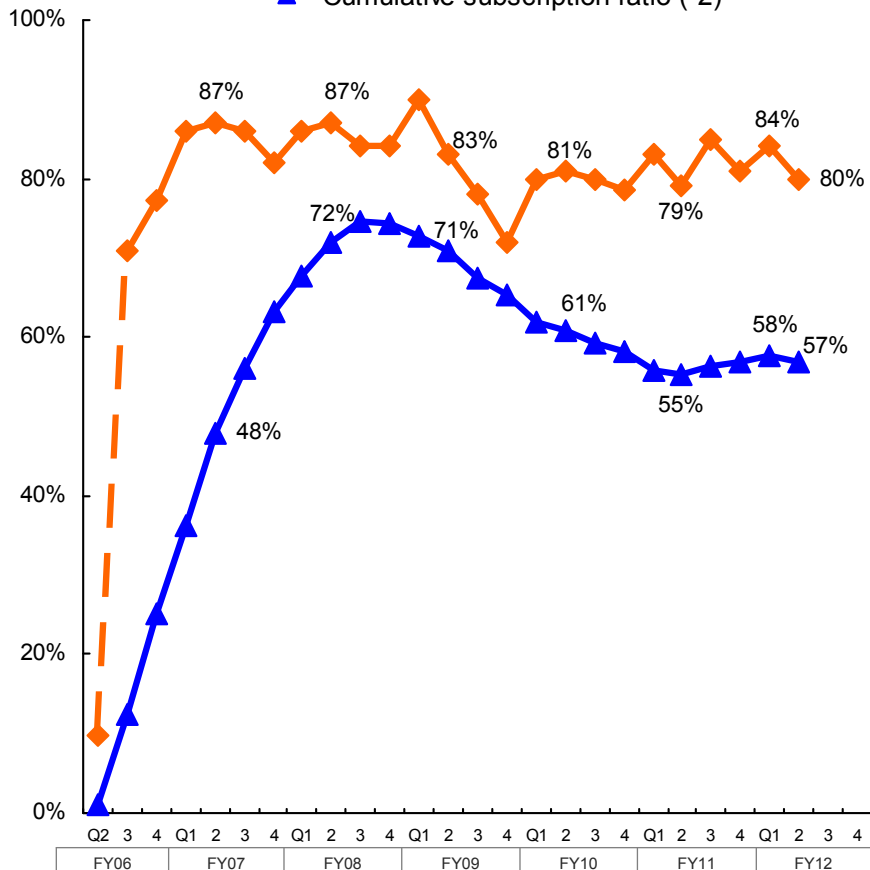
➤ Acquisitions subscription ratio stable around 80%.

➤ Continued sale of installment sales receivables.

New Super Bonus Subscription Ratio

(includes Super Bonus)

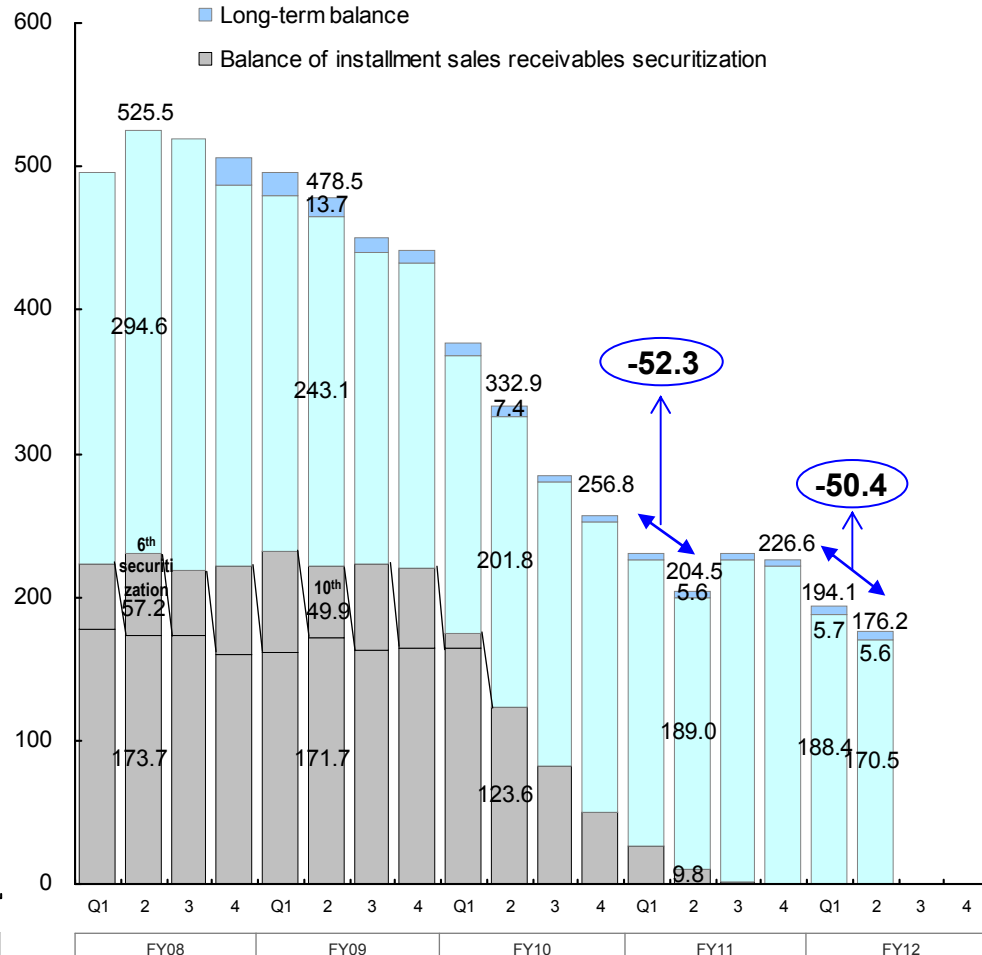
—◆— Acquisitions subscription ratio (*1)
—▲— Cumulative subscription ratio (*2)



Installment Sales Receivables Balance

<bn JPY>

■ Long-term balance
■ Balance of installment sales receivables securitization



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

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

Average Acquisition Cost per Subscriber

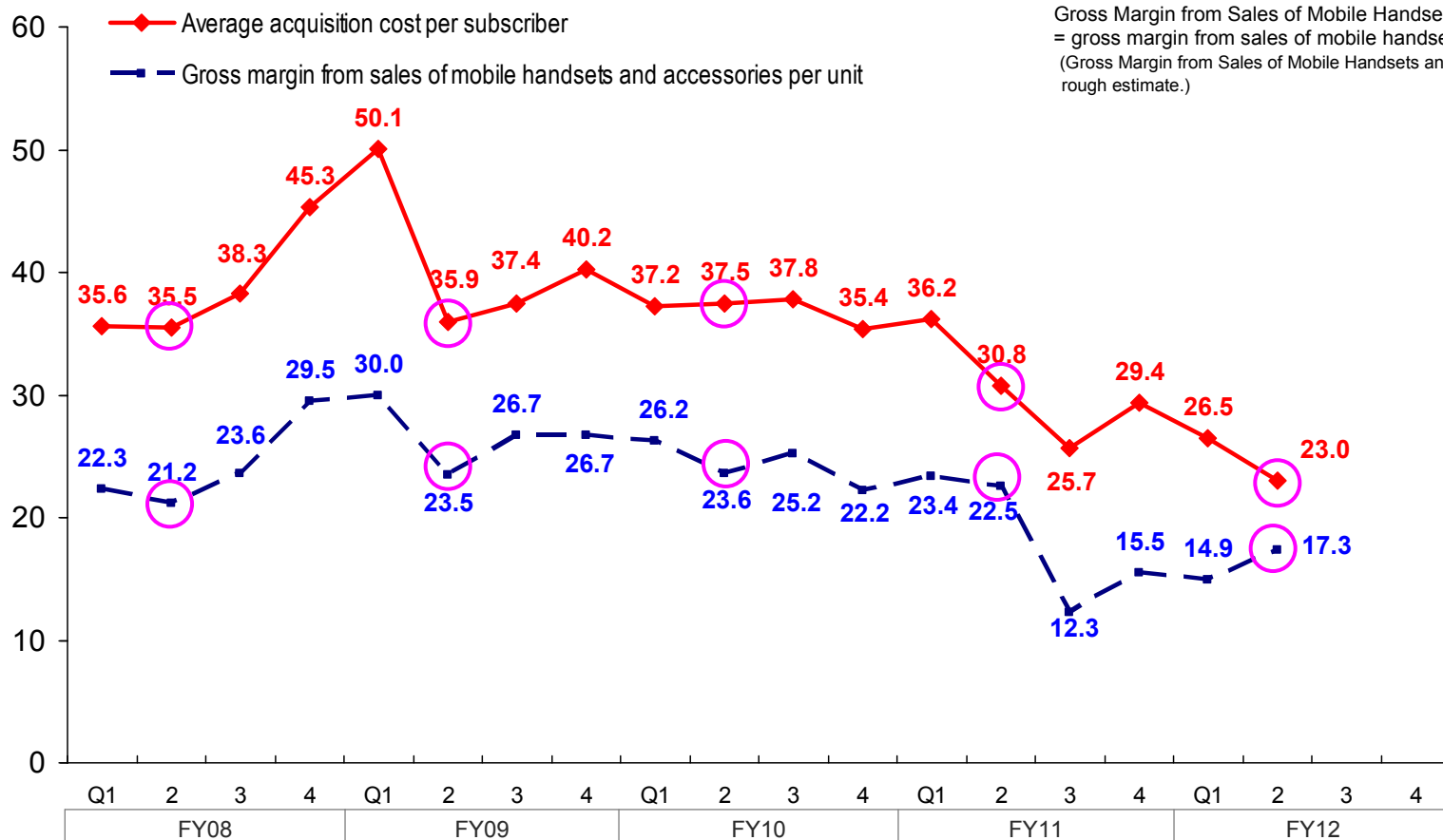
Gross Margin from Sales of Mobile Handsets and Accessories <Mobile>

➤ Decline due to increased proportion of units sold with lower cost of % of sales.

<k JPY>

Average acquisition cost per subscriber
= Average commission paid to sales agents per new subscription.

Gross Margin from Sales of Mobile Handsets and Accessories per Unit
= gross margin from sales of mobile handsets and accessories / units sold
(Gross Margin from Sales of Mobile Handsets and Accessories per Unit is based on an rough estimate.)



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

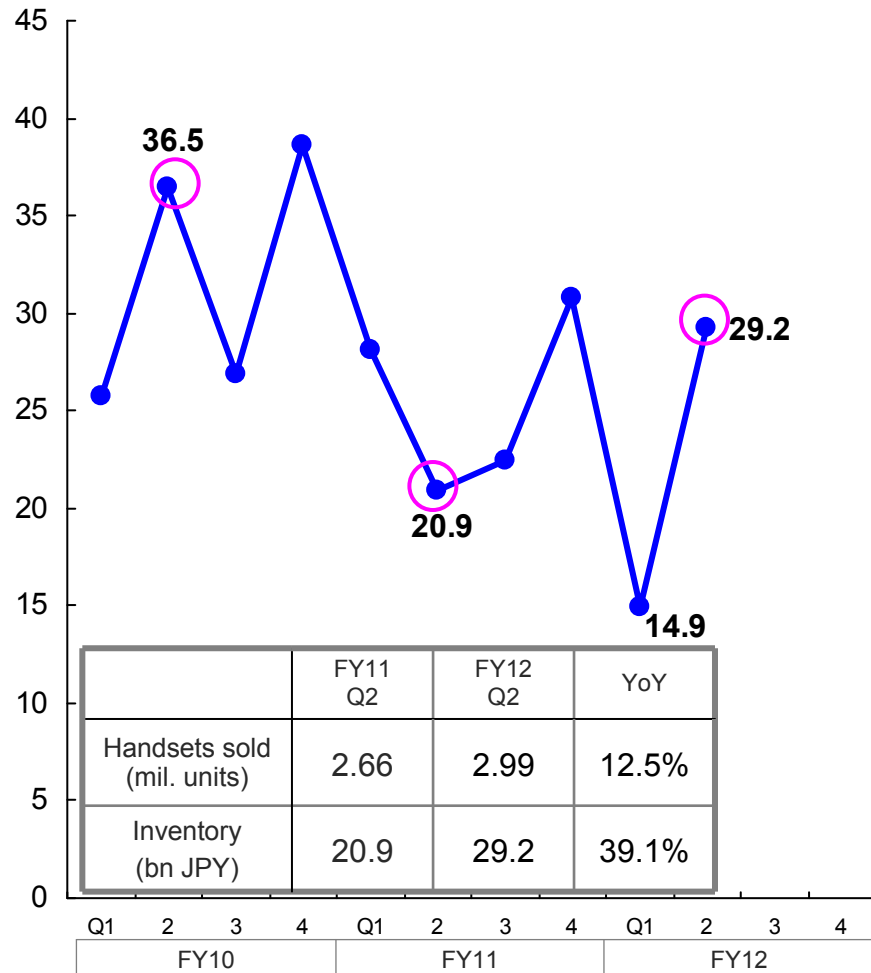
Improvement in Management Efficiency

<Mobile>

- Inventory maintained appropriate level
- Influenced by reversal of allowances.

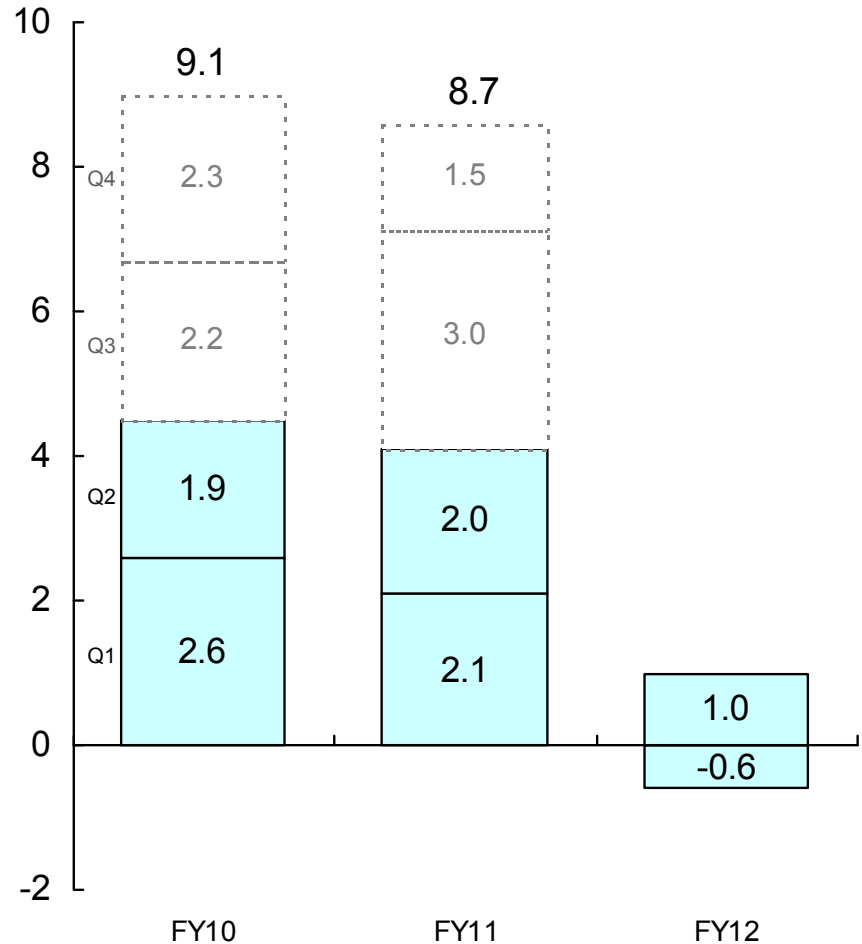
SBM Inventory (on B/S)

<bn JPY>



SBM Allowance for Doubtful Accounts of Installment Receivables and Bad Debt Loss (on P/L)

<bn JPY>

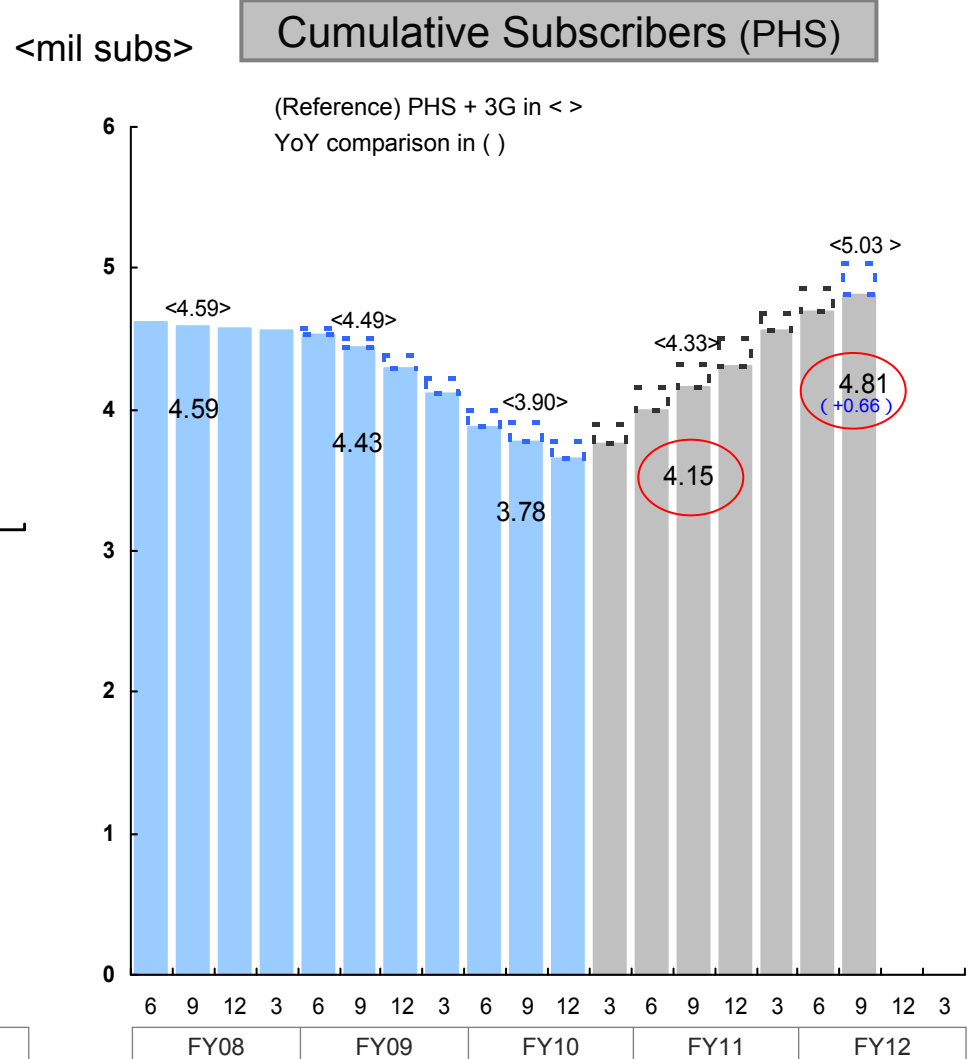
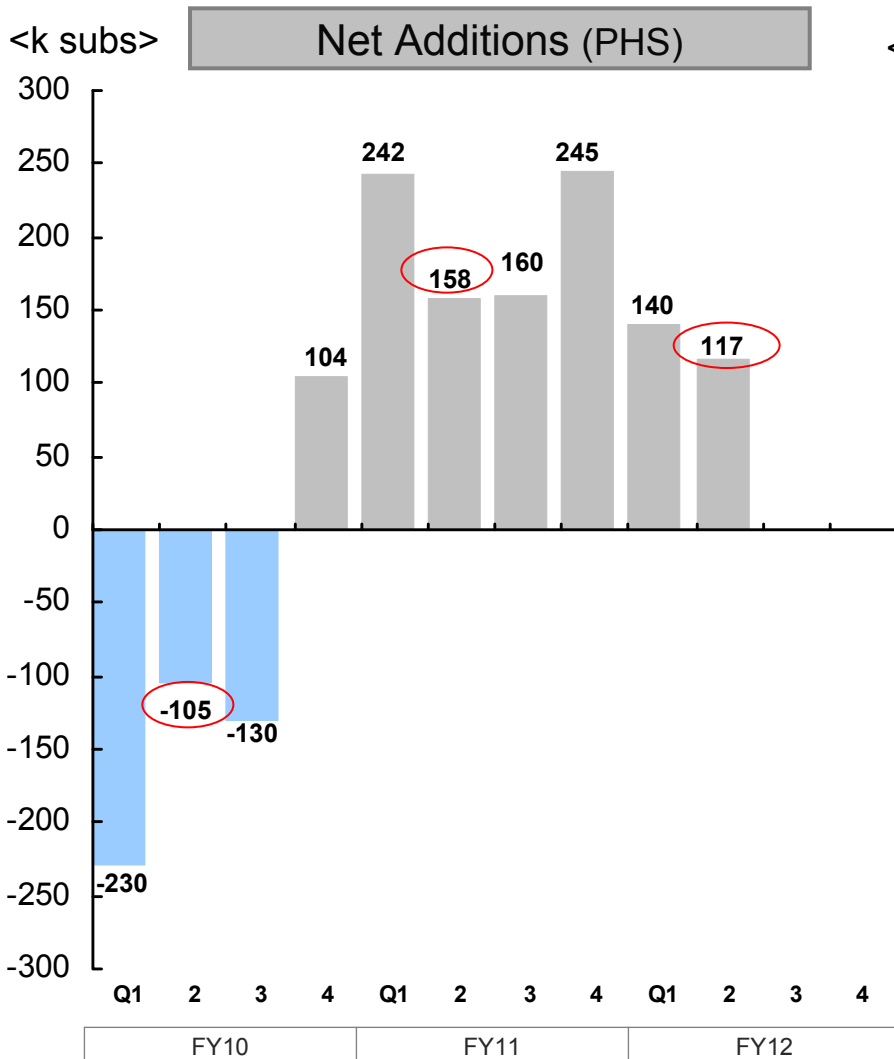


*Handsets sold: total of new subscriptions and handset upgrades SBM: SOFTBANK MOBILE

(Reference) Number of Subscribers of Willcom (quarterly net additions/cumulative)

<Mobile>

➤ Net additions in Q2 marked 117k. Cumulative subs 4.81mil (+660k YoY).



Definition and Calculation Method of ARPU, etc., in the Mobile Communications Business

<Mobile>

1. Definition and calculation method of ARPU

ARPU (Average Revenue Per User per month) (rounded to the nearest ¥10)

$$\text{ARPU} = (\text{voice related revenue} + \text{data related revenue}) / \text{number of active subscribers}$$
$$= \text{voice ARPU} + \text{data ARPU}$$

$$\text{ARPU (excluding communication modules)} = (\text{voice-related revenue} + \text{data-related revenue} - \text{communication modules-related revenue}) / \text{number of active subscribers (excluding communication modules)}$$

$$\text{Voice ARPU} = \text{voice related revenue (such as voice call charges, basic monthly charges, revenues from incoming calls)} / \text{number of active subscribers}$$

$$\text{Data ARPU} = \text{data related revenue (such as packet communication charges)} / \text{number of active subscribers}$$

Number of active subscribers: total of monthly numbers of active subscribers for the relevant period ((subscribers at the beginning of the month + subscribers at the end of the month)/2).

Number of active subscribers is based on SOFTBANK MOBILE Corp.'s cumulative subscribers including prepaid mobile phones, communication modules and devices that do not have voice communication functionalities.

Number of active subscribers used in the calculation of ARPU (excluding communication modules) excludes communication modules.

Revenues from incoming calls: access charges received from other operators for voice calls from their customers on their network to SoftBank mobile phones as a charge for the services provided in the SOFTBANK MOBILE Corp. service area.

2. Definition and calculation method of churn rate

Churn rate in Mobile Communications = churn / number of active subscribers (rounded off to the nearest 0.01%)

Churn = total number of subscribers that churned during the relevant period

Number of active subscribers: total of monthly numbers of active subscribers for the relevant period ((subscribers at the beginning of the month + subscribers at the end of the month)/2).

Number of active subscribers is based on SOFTBANK MOBILE Corp.'s cumulative subscribers including prepaid mobile phones, communication modules and devices that do not have voice communication functionalities.

3. Definition and calculation method of upgrade rate

Upgrade rate in Mobile Communications = number of upgrades / number of active subscribers (rounded off to the nearest 0.01%)

Number of upgrades = total number of upgrades during the relevant period

Number of active subscribers: total of monthly numbers of active subscribers for the relevant period ((subscribers at the beginning of the month + subscribers at the end of the month)/2).

Number of active subscribers is based on SOFTBANK MOBILE Corp.'s cumulative subscribers including prepaid mobile phones, communication modules and devices that do not have voice communication functionalities.



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