



**Earnings Results
for the Fiscal Year
Ended March 31, 2014**

**May 7, 2014
SoftBank Corp.**

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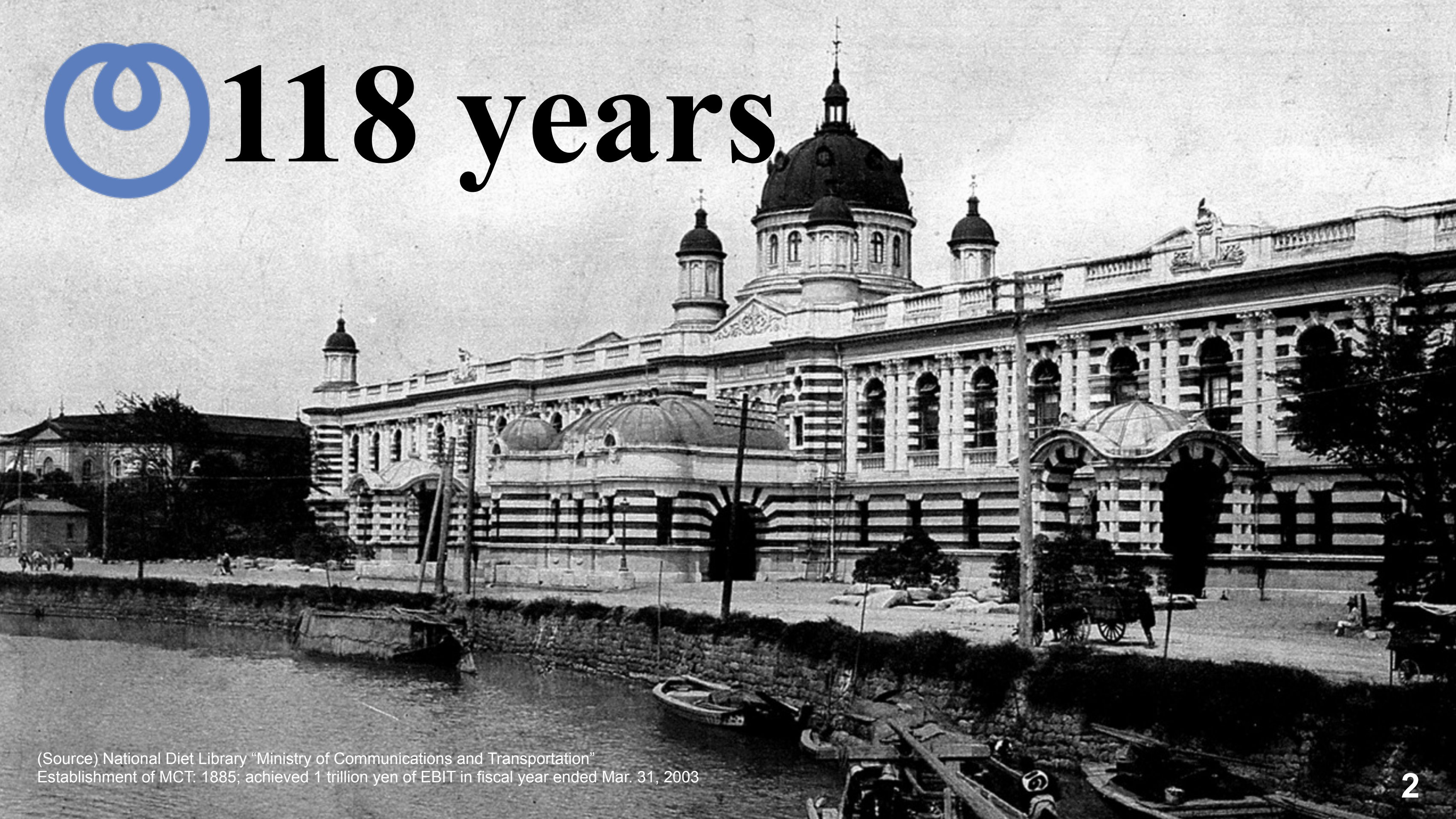
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118 years



(Source) National Diet Library "Ministry of Communications and Transportation"
Establishment of MCT: 1885; achieved 1 trillion yen of EBIT in fiscal year ended Mar. 31, 2003



65 years



(Source) “Toyoda Model AA“
Establishment of Toyota Motor Co., Ltd.: 1937; achieved 1 trillion yen of EBIT in fiscal year ended Mar. 31, 2002

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33 years





**Achieved 1 trillion yen of EBIT
in the shortest period**

EBIT

(company forecast)

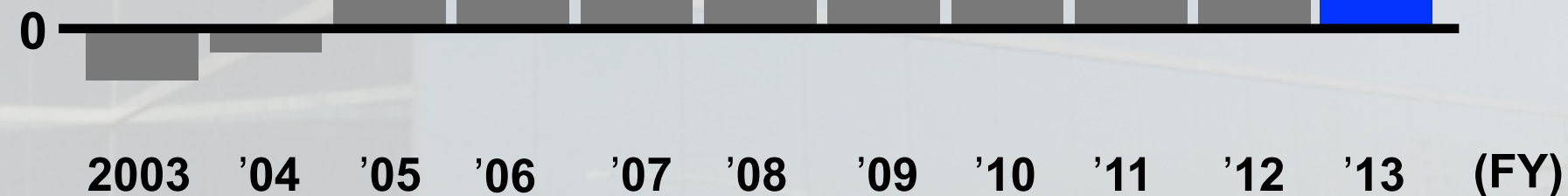
(Operating Income)

JPY 1.09t

Over JPY 1t

SoftBank

Exceeded



Consolidated Results of Operations

Highlights

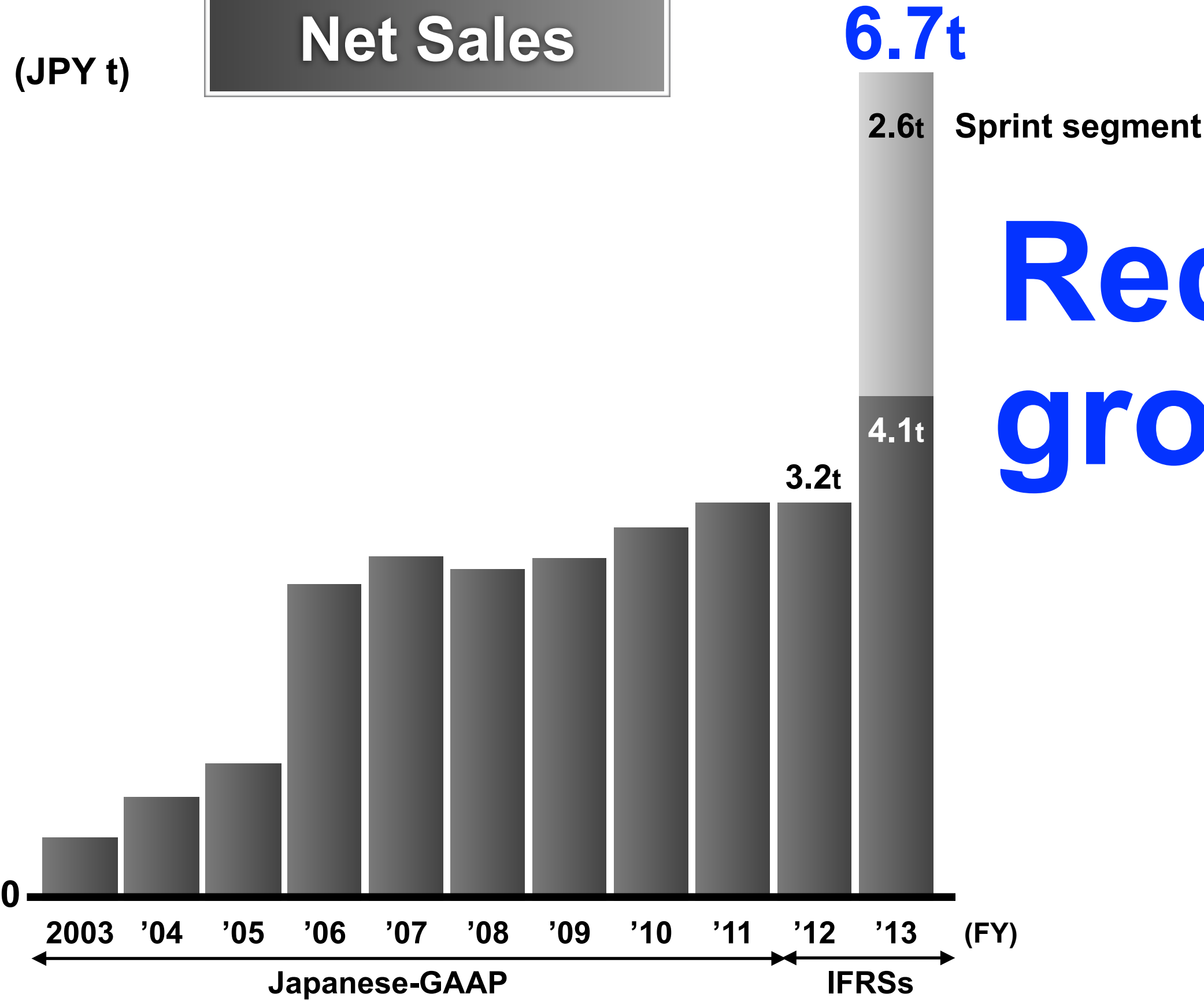
1. Net sales **JPY 6.7t (2x growth)**

2. EBIT **Over JPY 1t (36% increase)**
(Operating income)

3. Net income **JPY 527bn (42% increase)**

(JPY t)

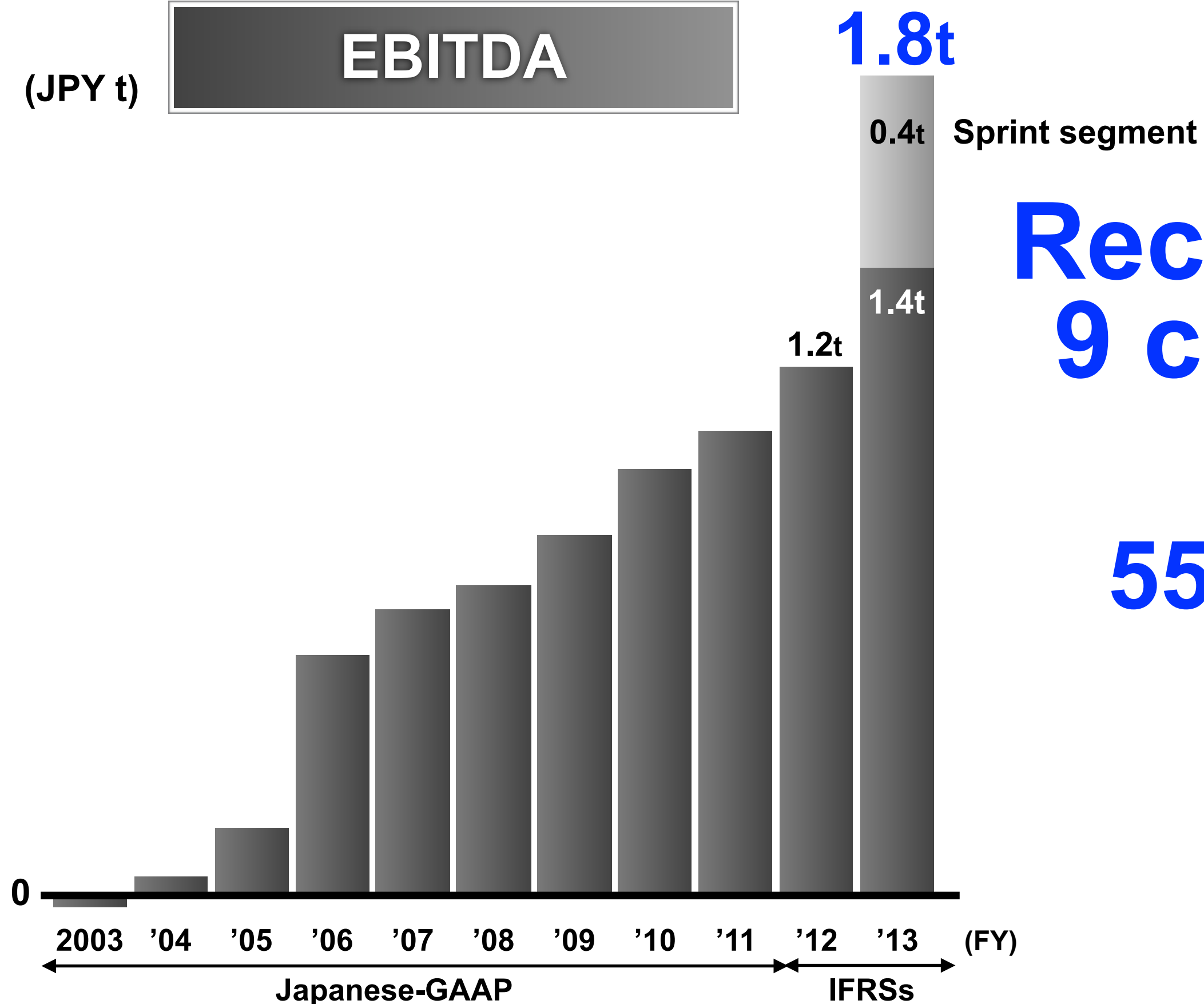
Net Sales



Record high growth at 2x

(JPY t)

EBITDA



**Record high for
9 consecutive
periods**

55% increase

(JPY bn)

EBIT

(Operating Income)

One-time gains from making
GungHo and WILLCOM
subsidiaries

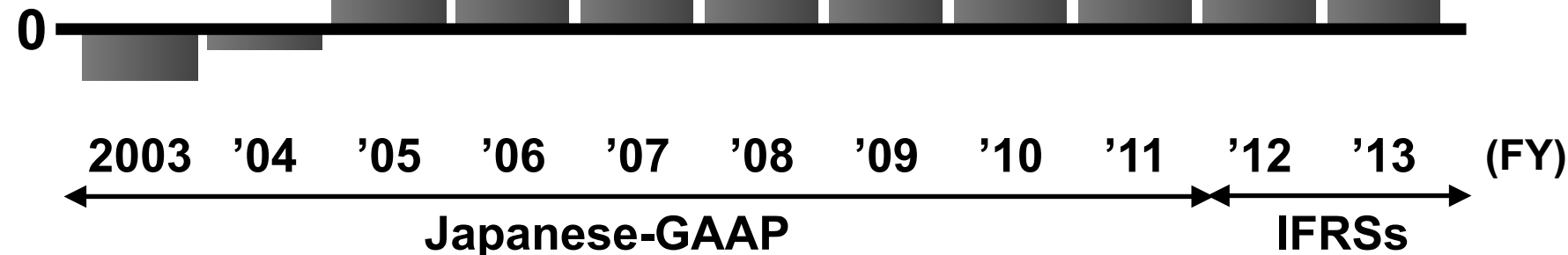
1.09t

253.9

799.4 831.5

Record high for
9 consecutive
periods

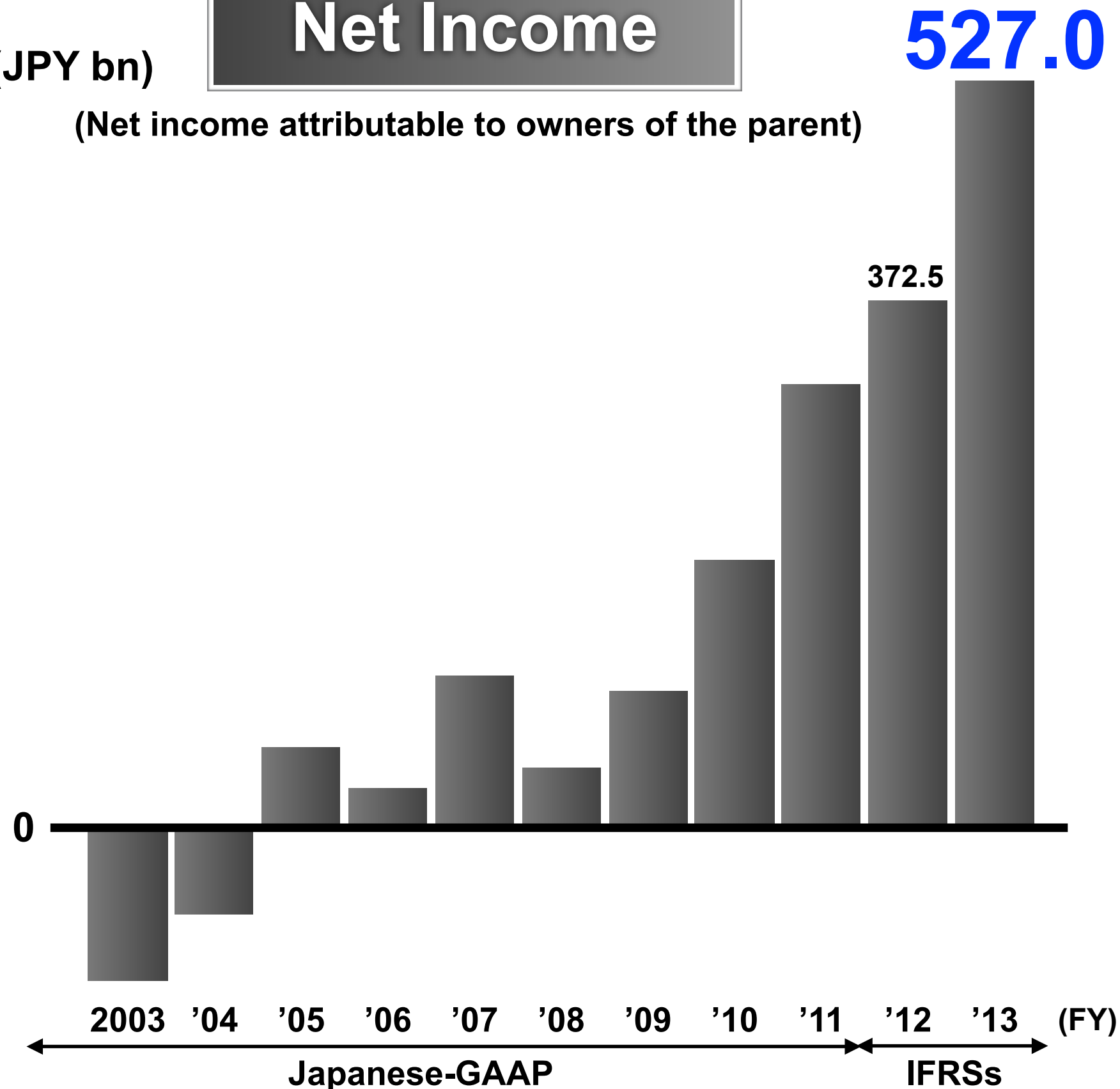
36% increase



(JPY bn)

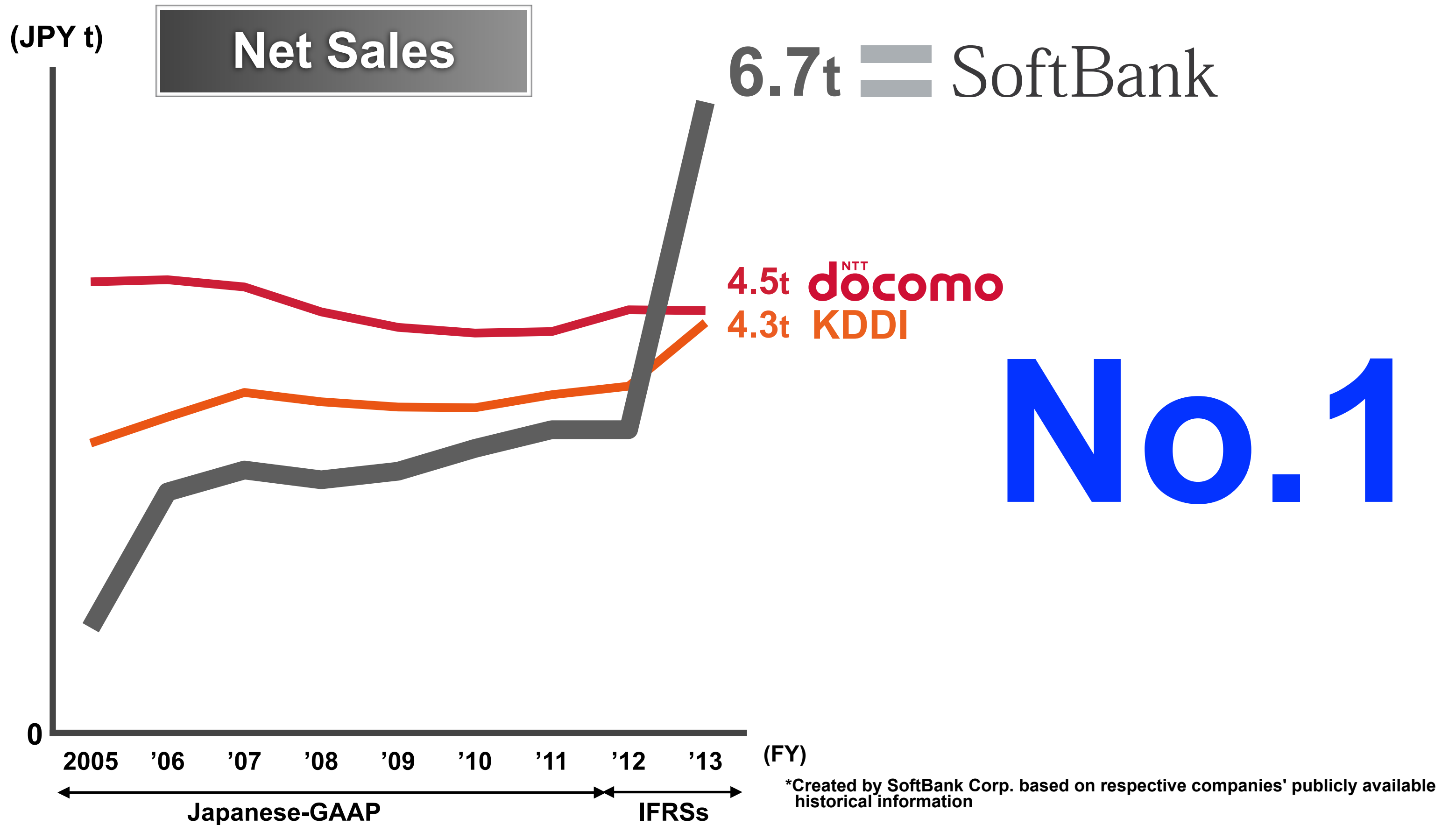
Net Income

(Net income attributable to owners of the parent)



**Record high for
4 consecutive
periods**

42% increase



(JPY bn)

EBIT

(Operating Income)

1.09t = SoftBank

819.2bn NTT docomo

663.2bn KDDI

No.1

0

2005 '06 '07 '08 '09 '10 '11 '12 '13 (FY)

Japanese-GAAP

IFRSs

*Created by SoftBank Corp. based on respective companies' publicly available historical information

(JPY bn)

Net Income

(Net income attributable to owners of the parent)

527.0 = SoftBank

464.7 ^{NTT} docomo

322.0 KDDI

No.1




0 2005 '06 '07 '08 '09 '10 '11 '12 '13 (FY)

Japanese-GAAP

IFRSs

*Created by SoftBank Corp. based on respective companies' publicly available historical information

FY2013 Consolidated Operation Results

Rank	Company	Net Sales	EBIT (Operating Income)	Net Income
1	 SoftBank	JPY 6.7t	JPY 1.09t	JPY 527.0bn
2		JPY 4.5t	JPY 819.2bn	JPY 464.7bn
3		JPY 4.3t	JPY 663.2bn	JPY 322.0bn

No.1 in all core KPIs

Summary of Consolidated Operation Results

(JPY bn)

	FY2012	FY2013	Change	YoY
Net sales	3,202.5	6,666.7	3,464.2	208%
EBITDA	1,152.7	1,786.8	634.1	155%
EBIT (Operating income)	799.4	1,085.4	286.0	136%
Net income (Net income attributable to owners of the parent)	372.5	527.0	154.5	142%

Cash Flow

FY2012

FY2013

(JPY bn)

Operating cash flow

813.0

860.2

Free cash flow

- 61.1

- 1,857.9

incl. { **Cash increase/decrease from acquisition of control over subsidiaries (Sprint, GungHo, Supercell, etc.)**
Proceeds from settlement of foreign currency forward contract for acquisition of control of subsidiaries
Payment for acquisition of investment
CAPEX

+ 12.2

- 1,663.5

-

+ 310.1

- 318.3

- 208.3

- 589.3

- 1,371.4

Dividend per Share

	FY2012	FY2013
Interim dividend	JPY 20	JPY 20
Year-end dividend	JPY 20	JPY 20 (Plan)
Annual dividend	JPY 40	JPY 40 (Plan)

No change in dividend policy

Domestic Business

Net Additions Ranking (FY)

	2010	2011	2012	2013
				
1	 SoftBank	 SoftBank	 SoftBank	 SoftBank
2				
3				

Net additions No. 1 for 4 consecutive years

Subscribers

SoftBank



Over 100mil

Over 100mil
in Japan & US

63.11mil ^{NTT} docomo

40.52mil au

2006 '07 '08 '09 '10 '11 '12 '13 '14

(At the end
of Mar. each
year)

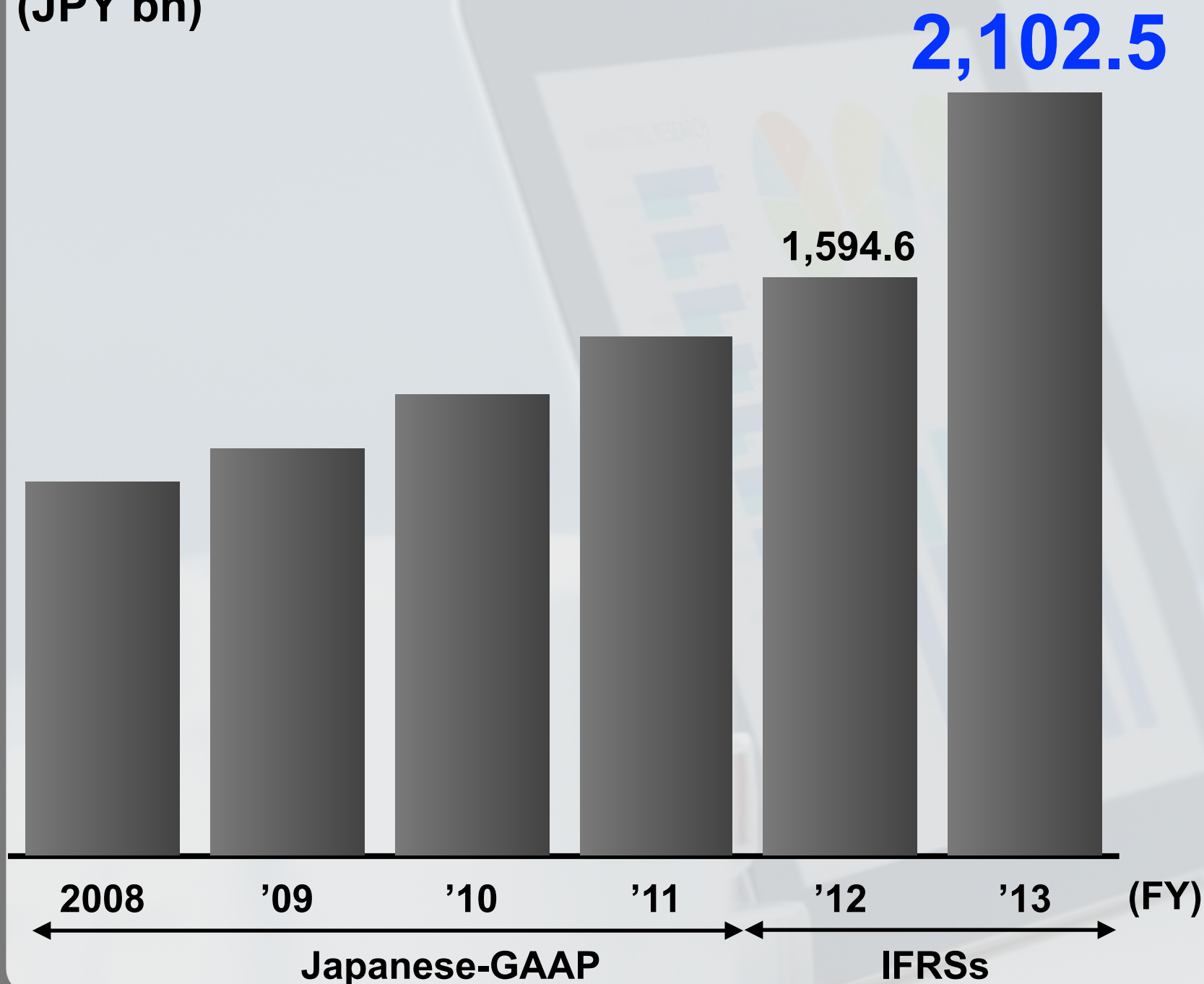
*Created by SoftBank Corp. based on respective companies' publicly available historical information

Subscribers for SoftBank Group include WILLCOM, EMOBILE and Sprint

Sprint subscribers: "Total End of Period Subscribers"

Mobile Service Revenue

(JPY bn)



Steady growth
32% YoY increase

* Including impact of JPY 424.4bn from newly consolidated subsidiaries from FY2013 (GungHo, eAccess, WILLCOM, Supercell)

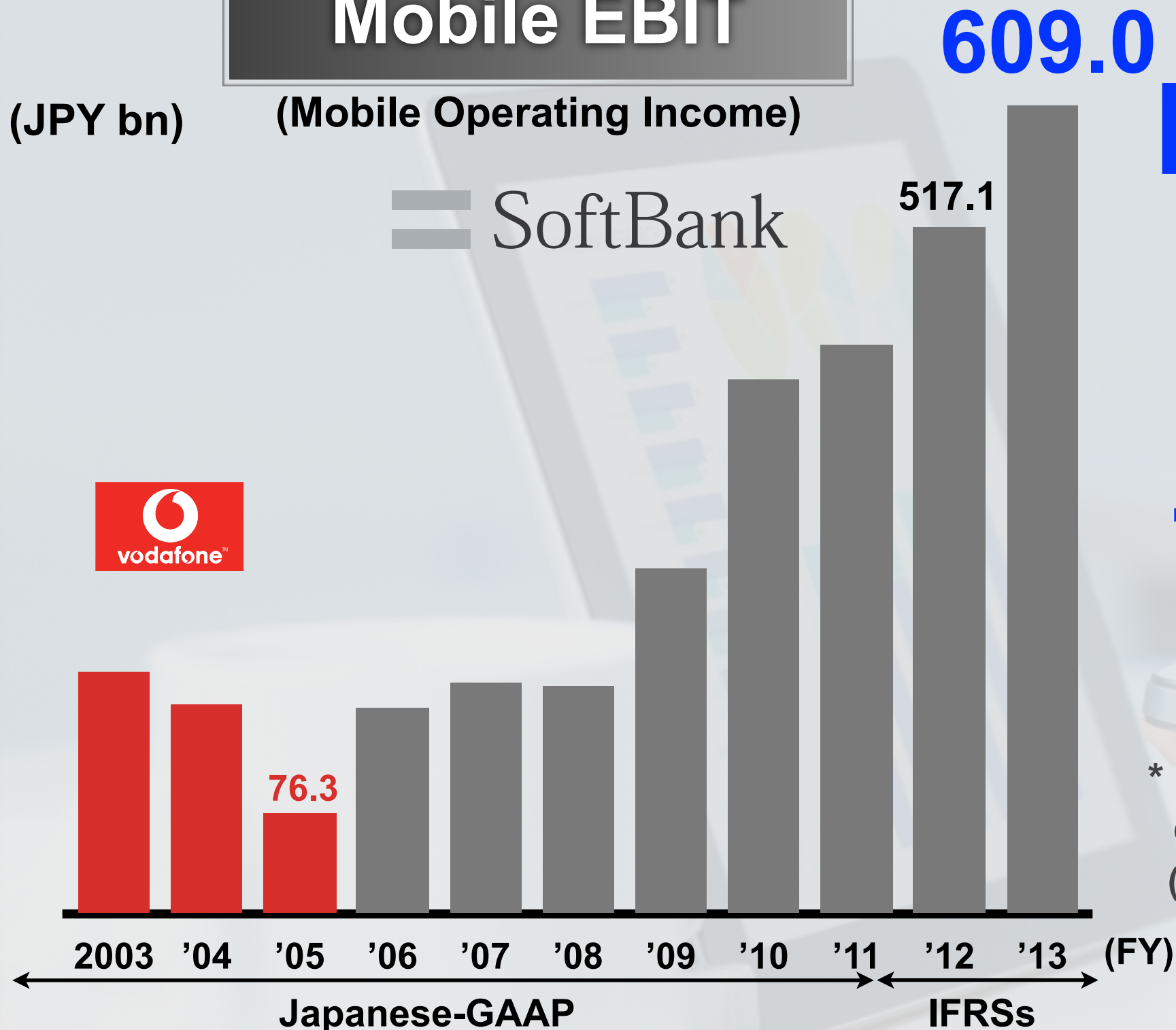
*FY2008 - 2011: Telecom service revenue of SoftBank Mobile
FY2012 - 2013: Service revenue of Mobile Communications segment

Mobile EBIT

(JPY bn)

(Mobile Operating Income)

SoftBank



**Record high for
5 consecutive
periods**

18% YoY increase

* Including impact of JPY 81.7bn from newly consolidated subsidiaries from FY2013
(GungHo, eAccess, WILLCOM, Supercell, Brightstar)

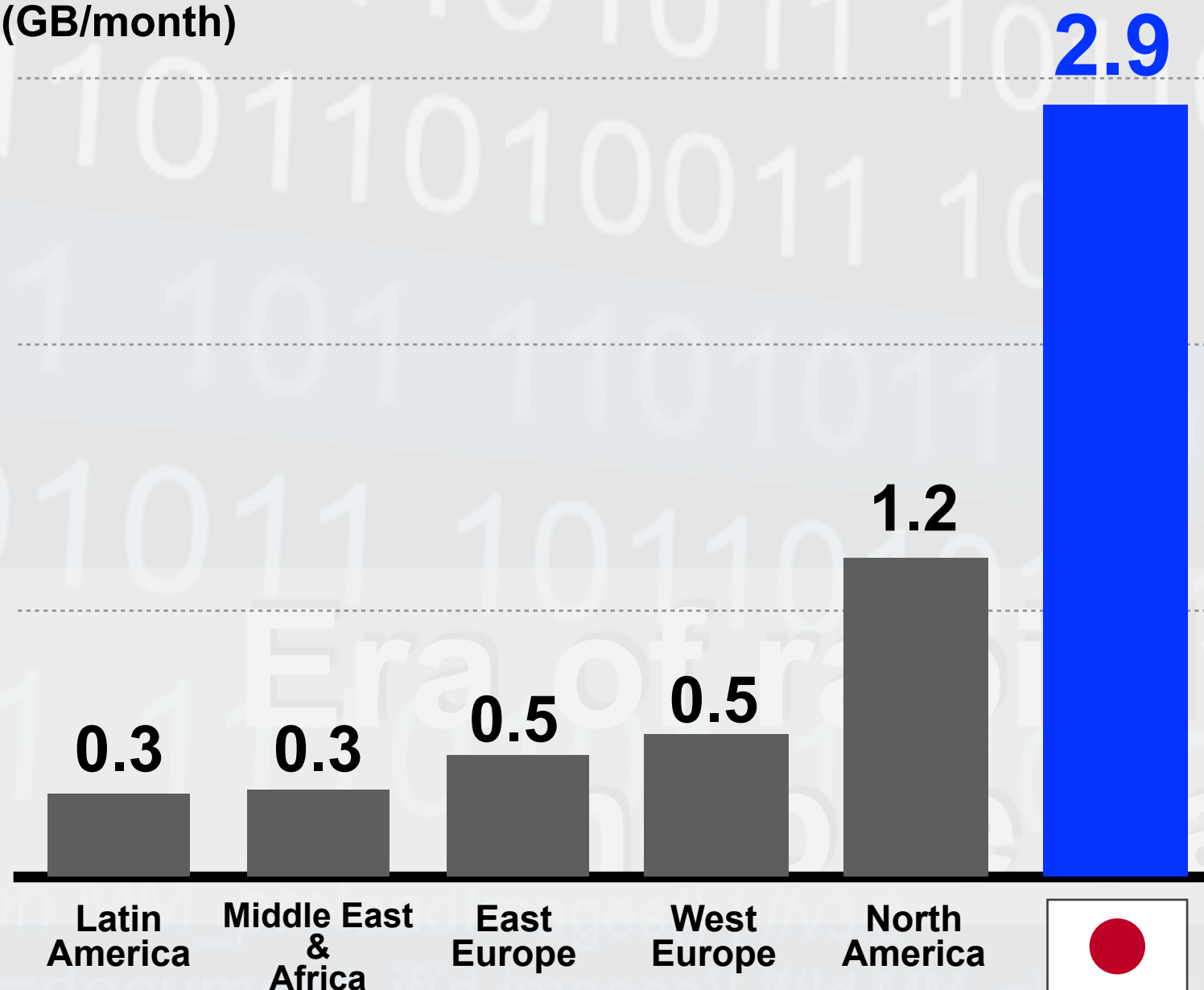
*FY2006 - 2011: Operating income of Mobile Communications business
FY2012 - 2013: Segment income of Mobile communications business

Network

Average Data Traffic per Smartphone User

Global No.1

(GB/month)

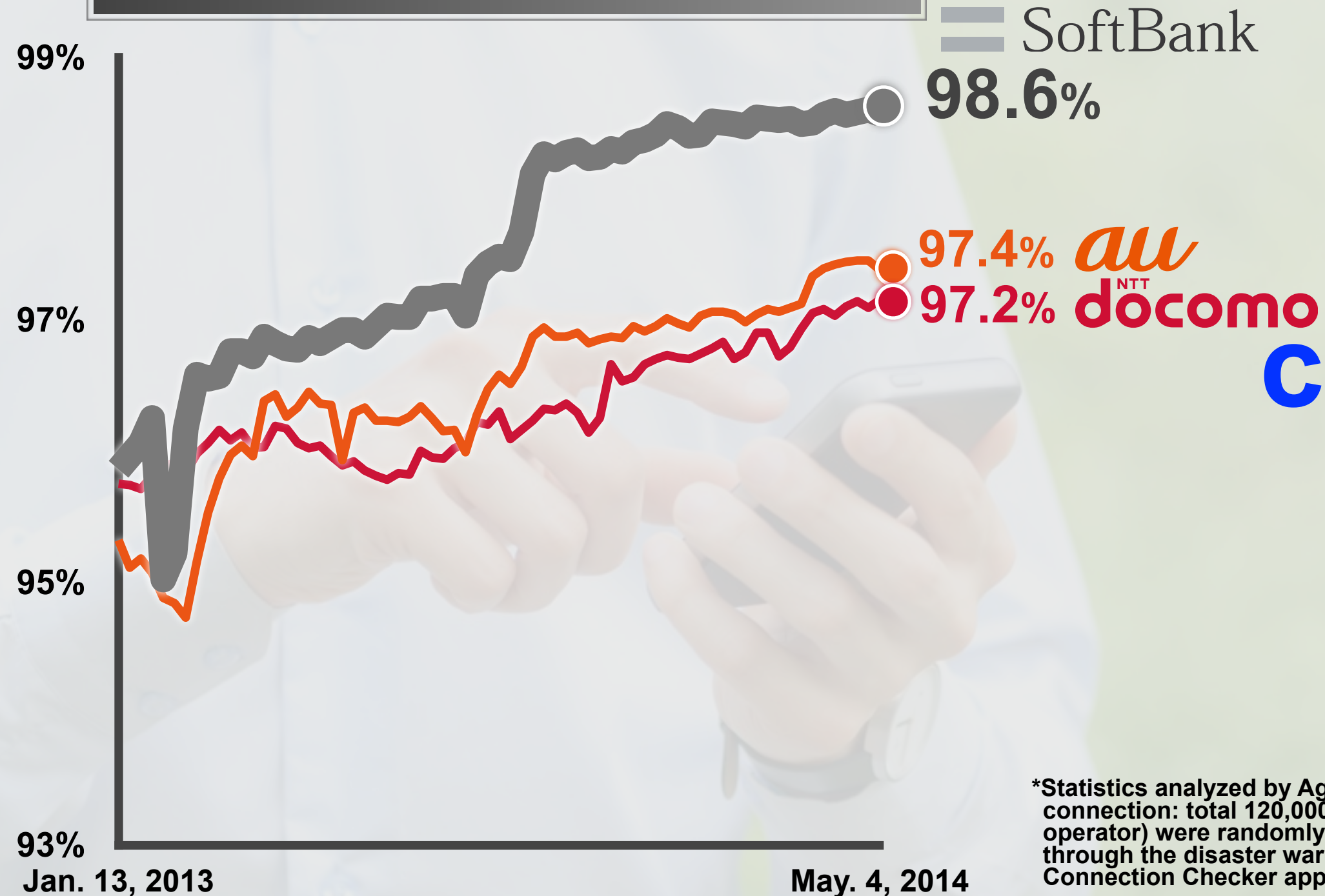


(Source) Cisco: VNI Mobile Forecast Highlights, 2013 – 2018
Average data traffic in 2013

The background is a deep blue with a sense of motion and depth. It features several layers of glowing, curved lines that sweep across the frame, creating a tunnel-like effect. Interspersed among these lines are streams of white and light blue binary code (0s and 1s), which appear to be flowing or being transmitted. The overall aesthetic is high-tech and digital.

**Who is the best
in network management?**

Smartphone Data Connectivity Rate



No.1
data
connectivity

*Statistics analyzed by Agoop Corp. Platinum band-compatible smartphone data connection: total 120,000 platinum band-compatible smartphones (40,000 for each operator) were randomly selected for analysis. In analysis, data was collected through the disaster warning app (by Yahoo Japan) and Ramen Checker app and Connection Checker app (by Agoop)

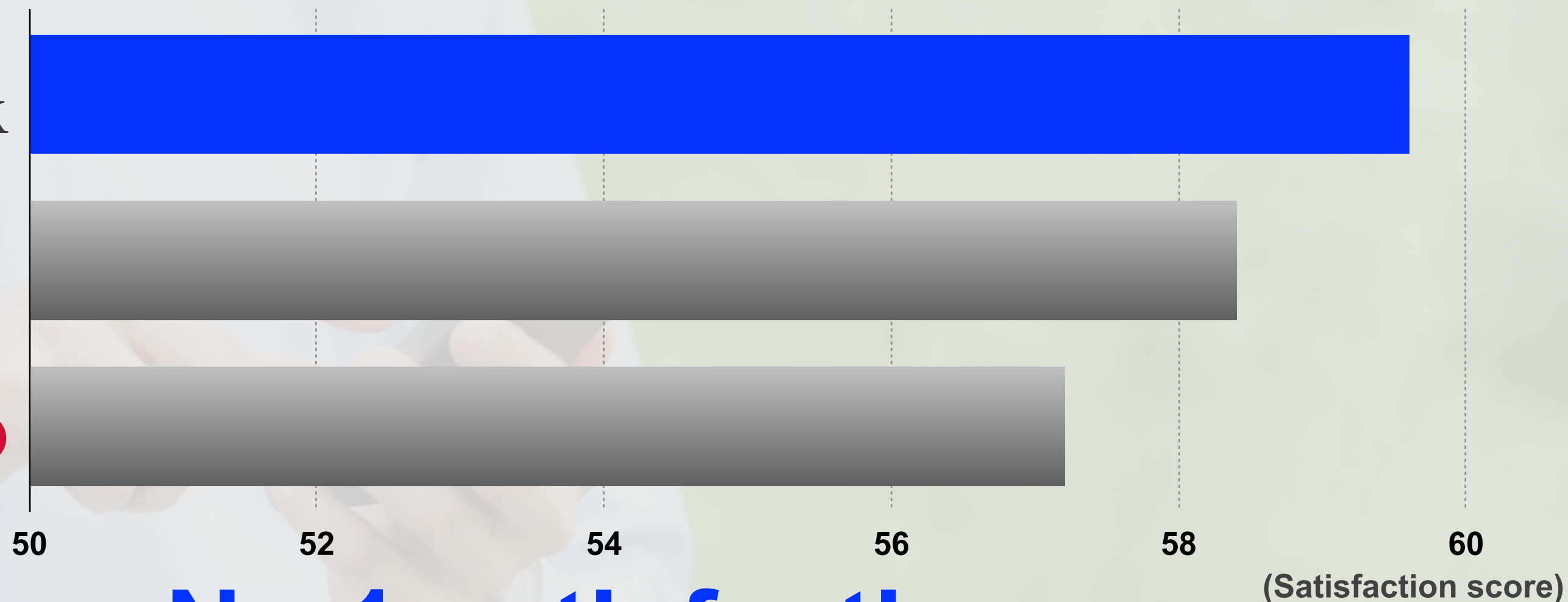
Smartphone Data Connectivity User Satisfaction



SoftBank

au

NTT
docomo



**No.1 satisfaction
by third party survey**

(Source) Press release by ICT and Research & Consulting (Jan. 17, 2014)
Survey about user satisfaction level of data communications provided by NTT DOCOMO, au and SoftBank Mobile in 9 regions (Hokkaido, Tohoku, Kanto, Chubu, Hokuriku, Kinki, Chugoku, Shikoku and Kyushu) of 100 users from each carrier per region (total 2,700 users)

Major incidents that must be reported to the Communications Minister (since June 2011)

Date	Operator	Affected users
2011/6/6	^{NTT} docomo	1.5mil
2011/8/16	^{NTT} docomo	1.1mil
2011/11/2	au	1.1mil
2012/1/1	^{NTT} docomo	2.61mil
2012/1/25	^{NTT} docomo	2.52mil
2012/1/25	au	74k *
2012/2/9	au	up to 1.3mil
2012/2/11	au	up to 6.15mil
2012/4/24	au	64k
2012/5/3	au	131k
2012/8/2	^{NTT} docomo	up to 70k
2012/8/13	^{NTT} docomo	up to 80k
2012/12/31	au	1.8mil
2013/4/16 - 19	au	up to 2.88mil
2013/4/27	au	up to 590k
2013/5/29	au	up to 560k
2013/5/30	au	up to 640k

No serious network incident for 1,078 days

(SoftBank Mobile)

Major incidents that must be reported to the Communications Minister

Affects over 30k users for 2 consecutive hours

*Includes KDDI's fixed-line communications service users (Source)

FY2011 and FY2012: Ministry of Internal Affairs and Communications "Telecommunication Service Incidents"

FY2013: created by SoftBank based on publicly released information



Reasons behind ascent to No. 1

Platinum-band Base Stations (900MHz)

32k

Rapid deployment

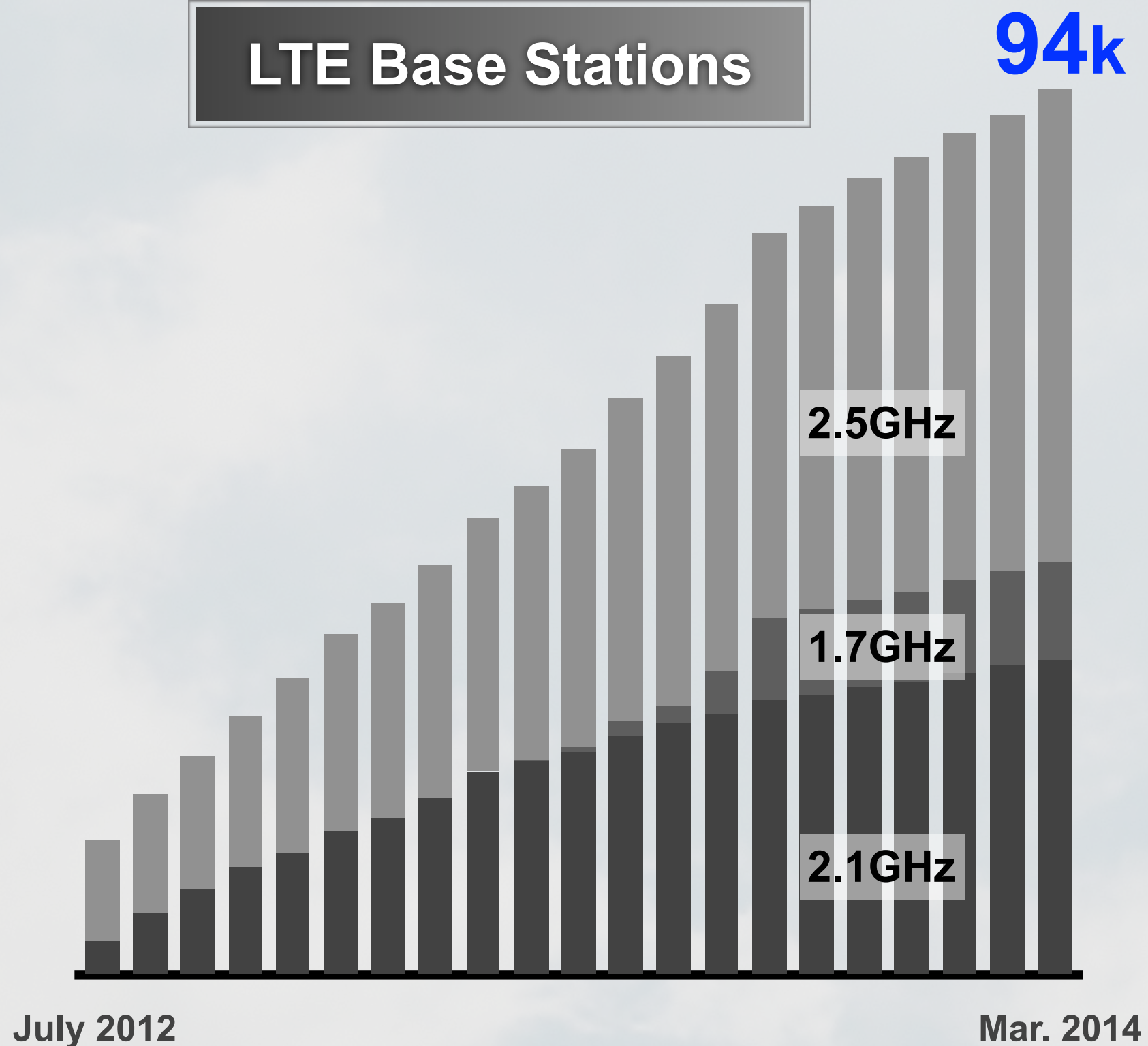
July 2012

Mar. 2014

LTE Base Stations

94k

Soon to
hit 100k



*1.7GHz base stations: counting only those EMOBILE-owned base stations that are shared with SoftBank Mobile

*2.5GHz base stations: counting base stations capable of AXGP, standard highly compatible with TDD-LTE



Small cell deployment



Wi-Fi hot spot deployment



Leveraging big data

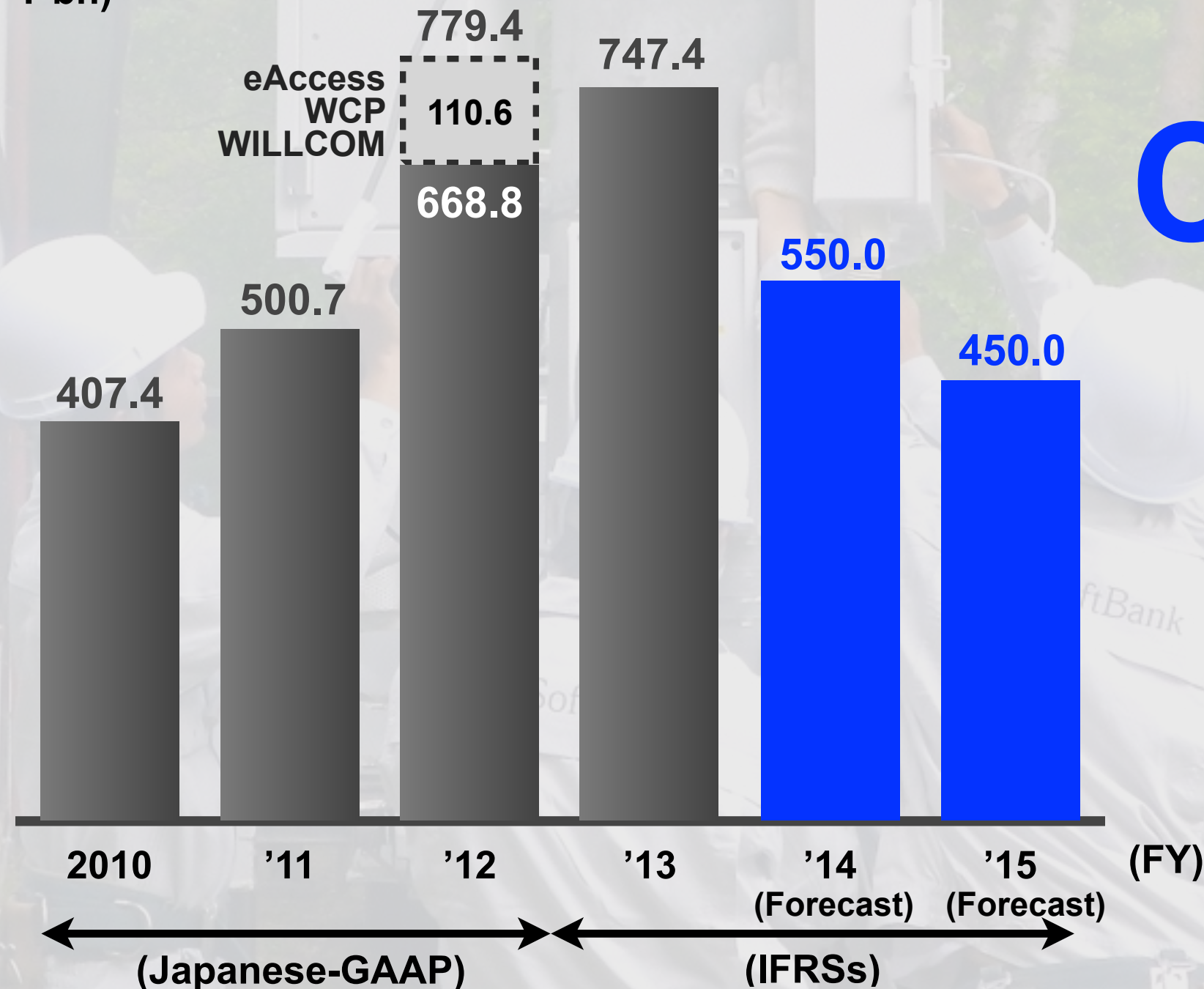


Full-IP network implementation

Various initiatives

Consolidated CAPEX (Japan)

(JPY bn)



CAPEX ahead of schedule

*FY2012 excludes FUKUOKA YAHUOKU DOME related CAPEX
*Excluding rental handsets for corporate customers acquired by SoftBank Telecom
*Excluding Sprint CAPEX
WCP: Wireless City Planning

Internet Business

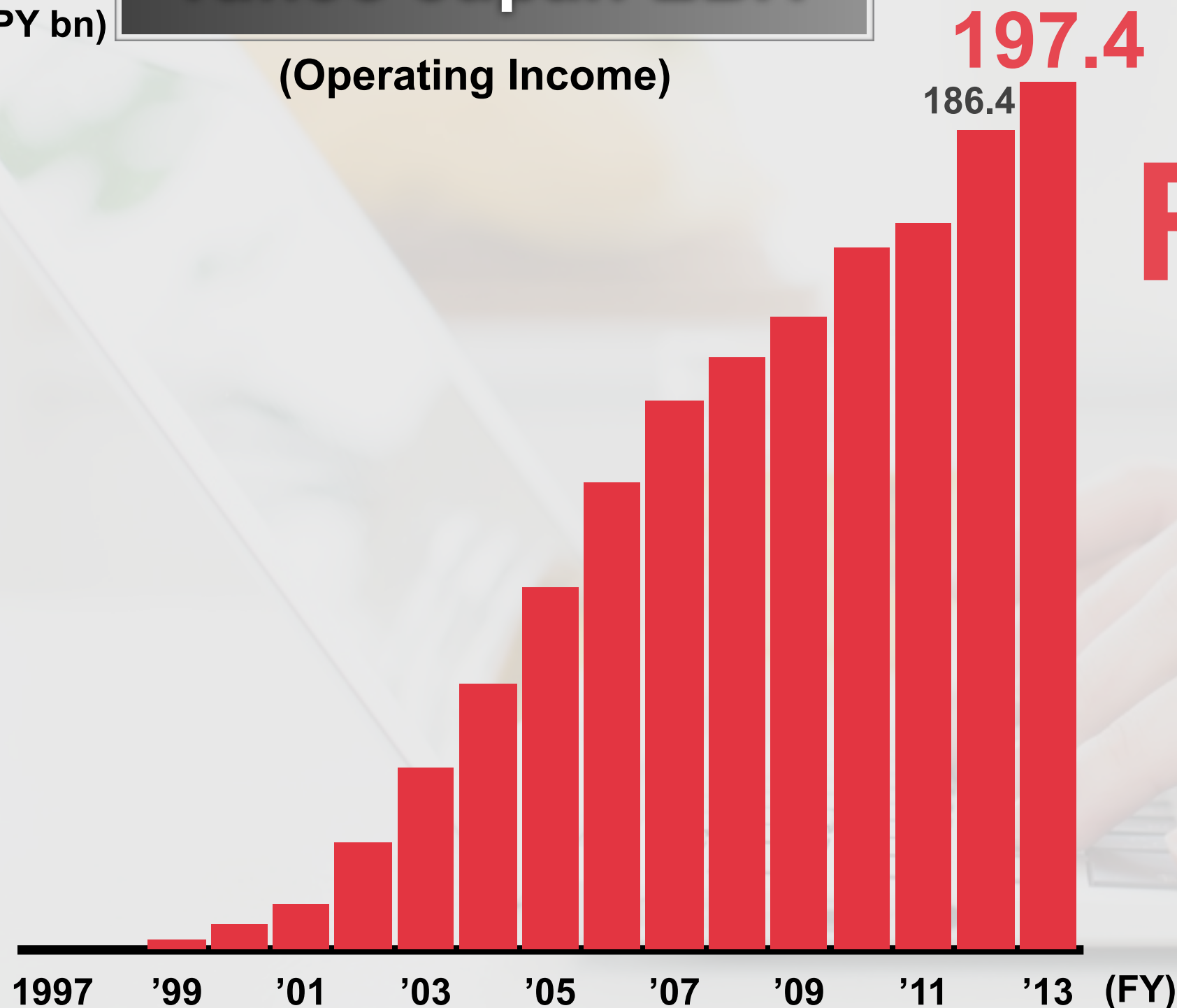
Yahoo Japan EBIT

(JPY bn)

(Operating Income)

YAHOO!
JAPAN

Record profit
6% increase



*Yahoo Japan Corporation's operating income (Japanese-GAAP)



Drive growth through e-Commerce

Wide variety of stores is key to revitalization



October 2013



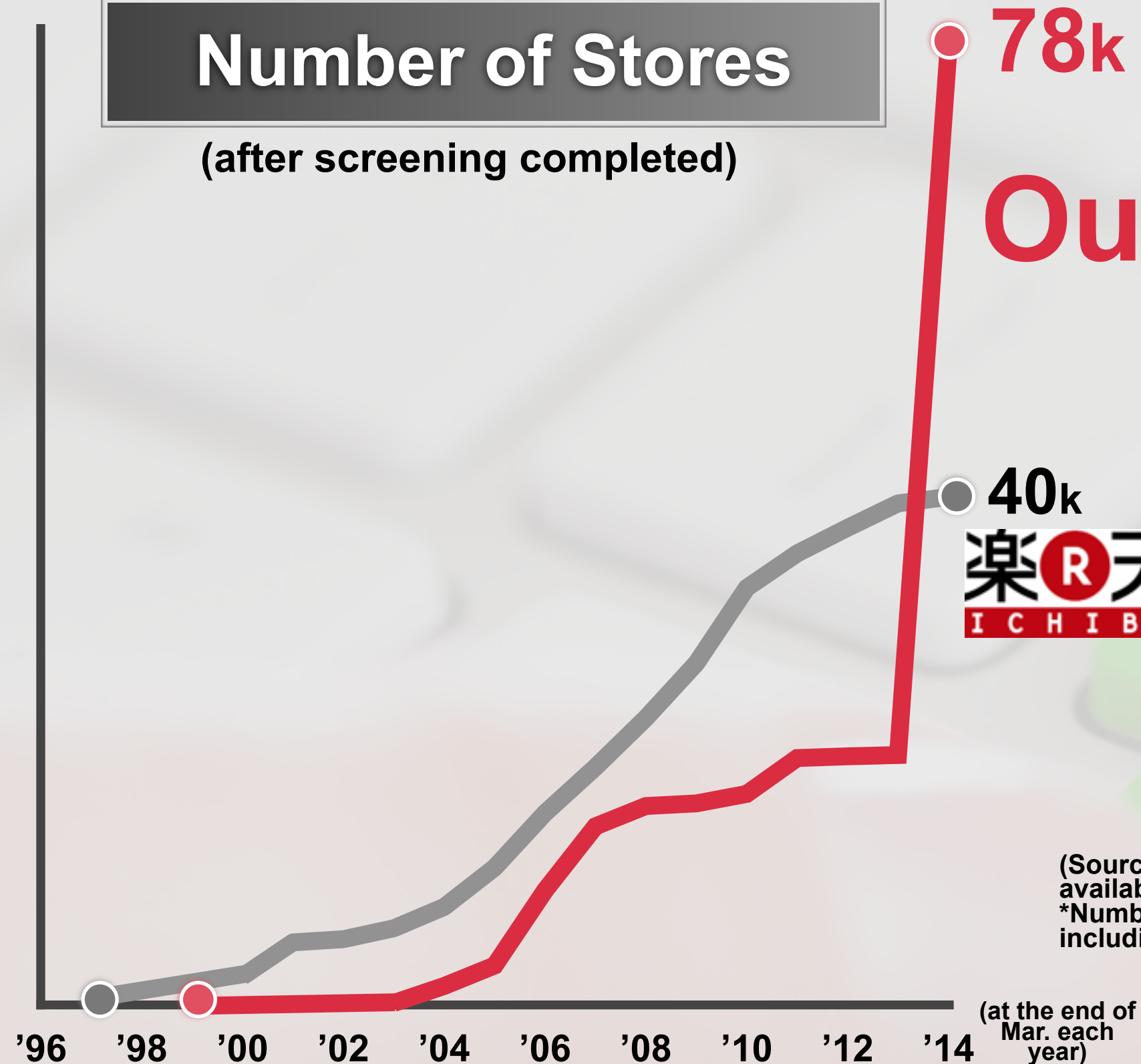
Beginning of virtuous cycle

Number of Stores

(after screening completed)



Outpaced Rakuten



(Rakuten)

(Source) Created by SoftBank Corp. based on respective companies' publicly available historical information

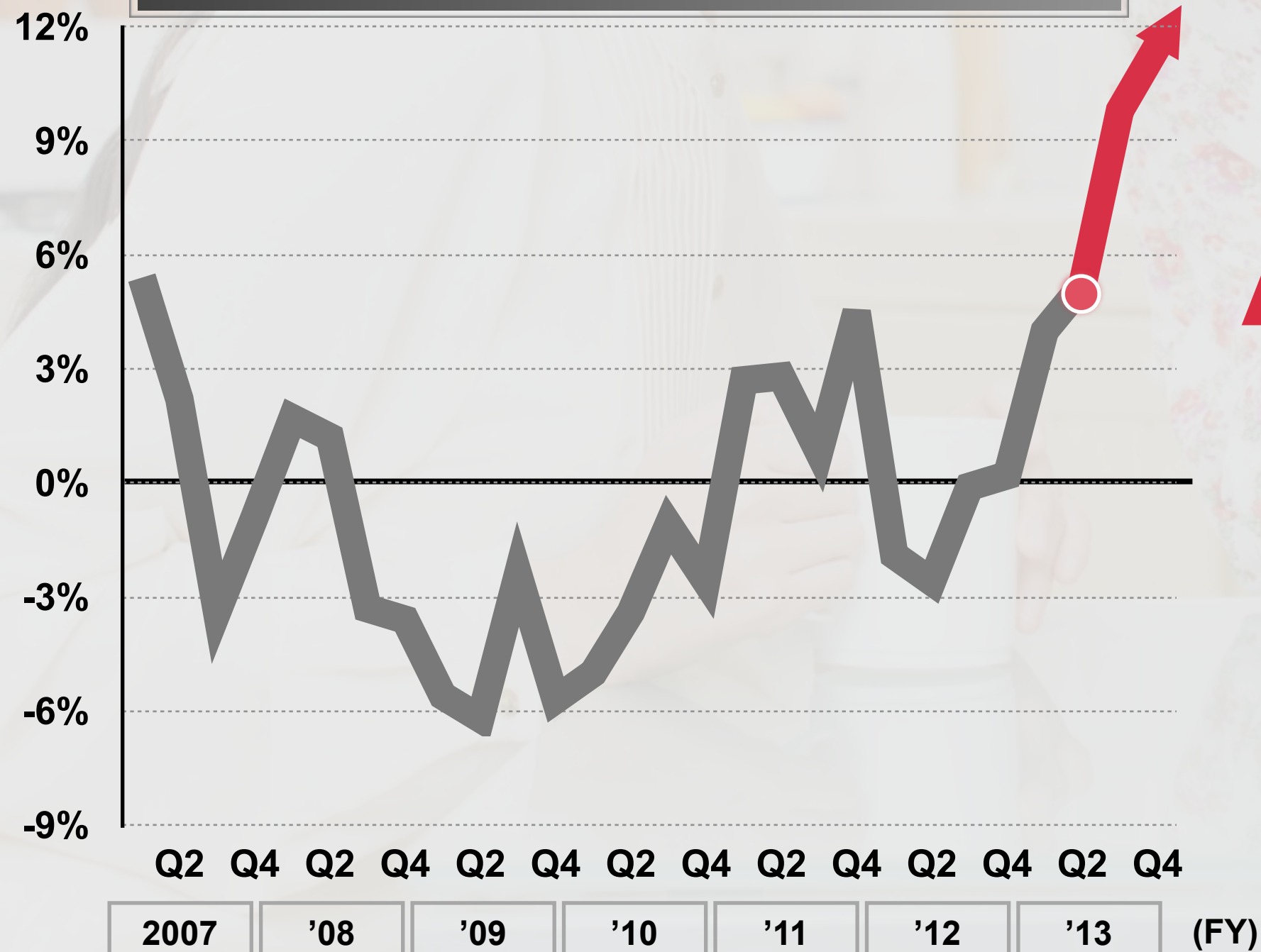
*Number of stores: number of corporate and individual accounts issued, including the number of accounts still preparing the store site

Shopping Transaction Volume



**Record high
transaction volume**

YAHUOKU! (Auction) Transaction Volume Growth Rate



ヤフオク!

Accelerating
growth



New growth strategy
Internet carrier business will begin



IPO process has begun

Net Income (After tax)

JPY 351.6^{bn}



4X YoY growth

JPY 89.0^{bn}



(Source) Created by SoftBank Corp. based on Yahoo! Inc.'s publicly available historical information
USD1.00 = JPY100
Net income attributable to Alibaba Group

2008 '09 '10 '11 '12 '13 (CY)

Net Income (After tax)

(JPY bn)

400

300

200

100

0

-100

2008

'09

'10

'11

'12

'13

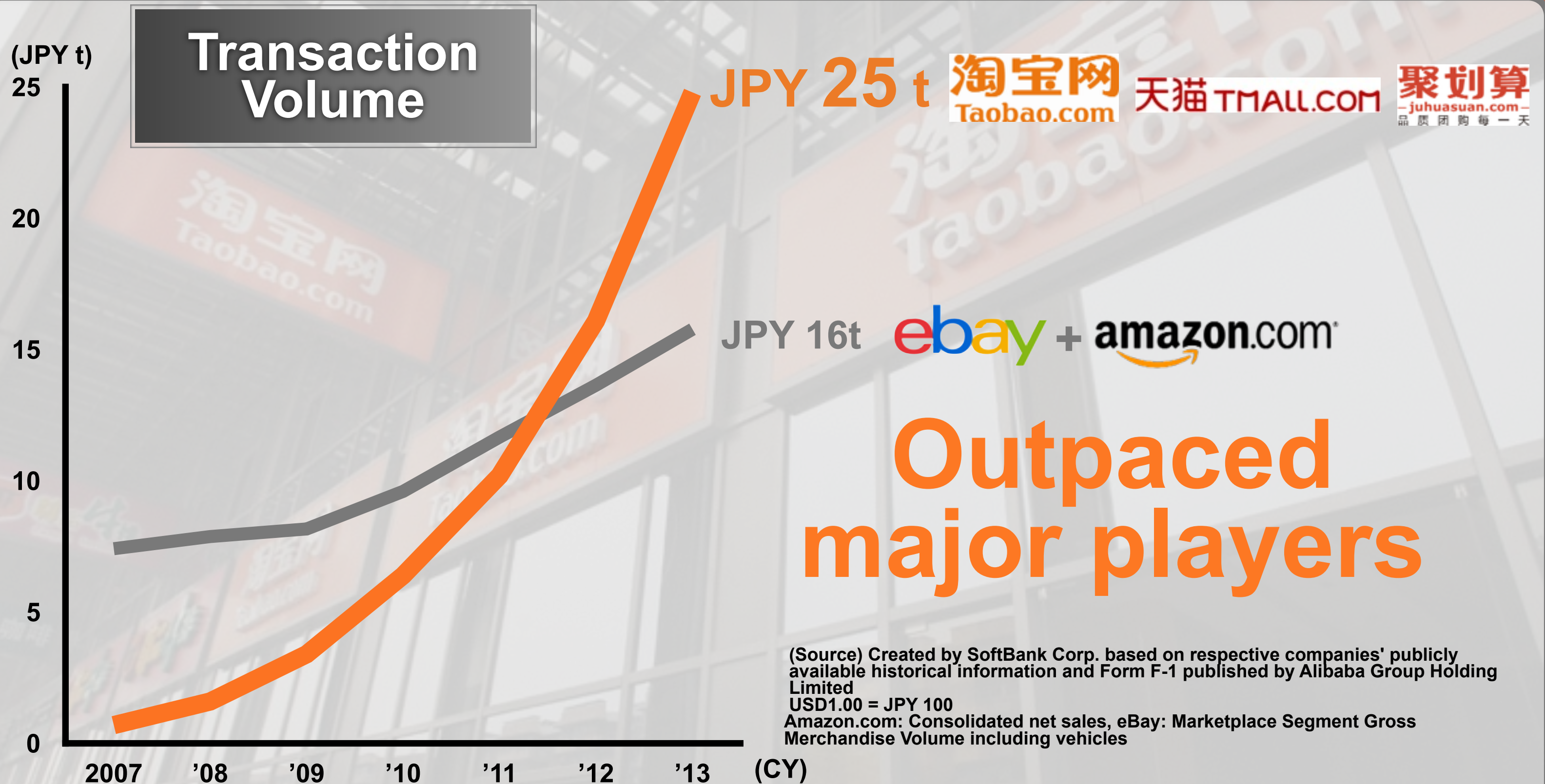
(CY)

JPY 351.6bn  Alibaba Group
阿里巴巴集团

JPY 313.0bn  +  amazon.com
(Combined market cap: JPY 21t)

Outpaced major players

(Source) Created by SoftBank Corp. based on Yahoo! Inc.'s publicly available historical information
USD1.00 = JPY100
Net income attributable to Alibaba Group
amazon.com, eBay: created by SoftBank Corp. based on respective companies' publicly available historical information
Combined market cap as of Apr. 30, 2014

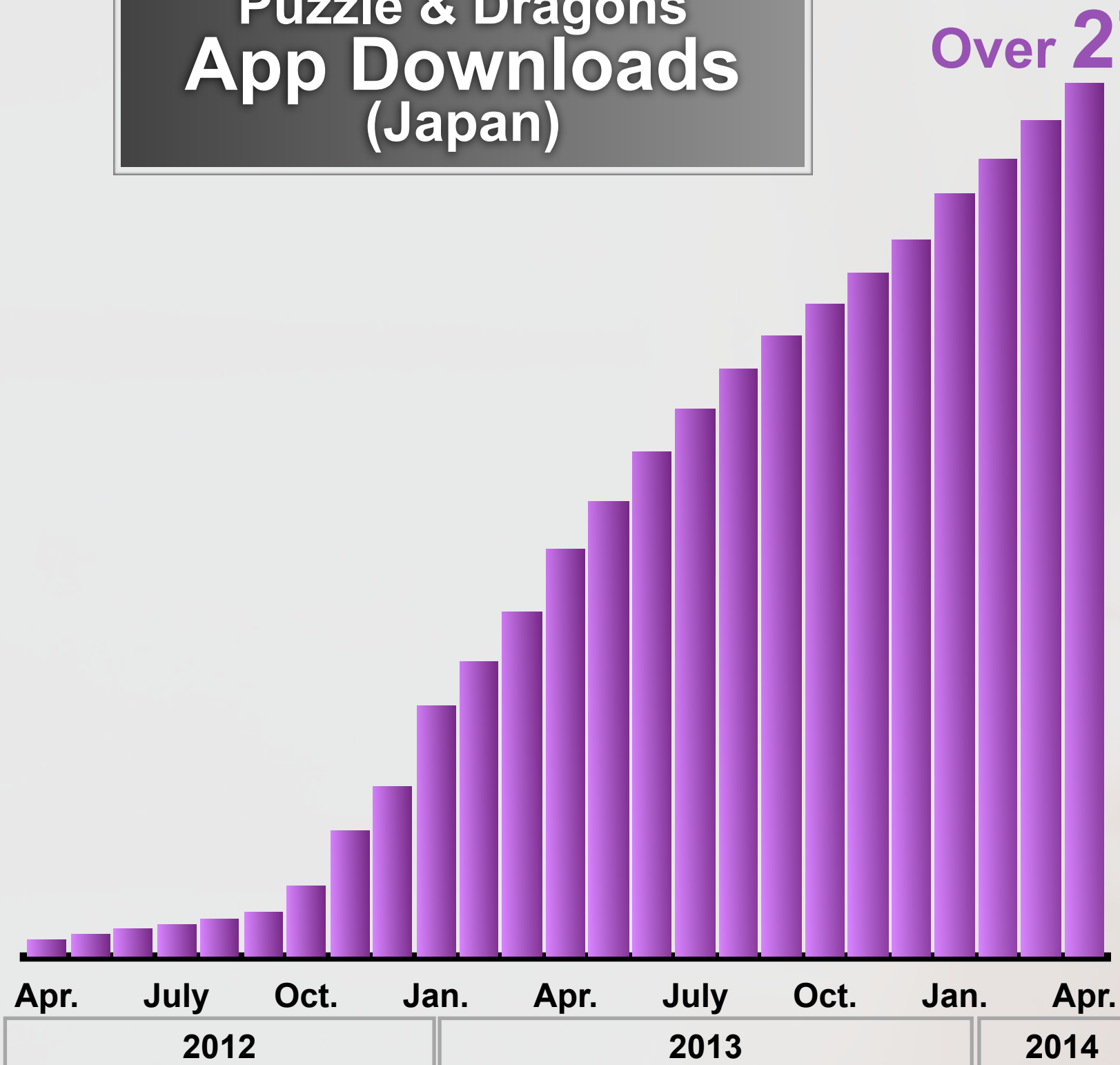


Puzzle & Dragons App Downloads (Japan)



Over 27mil


Continued growth
(Hit 6mil mark overseas)




App Store Revenue Ranking (Hong Kong)

1  **Puzzle & Dragons**

2  **BFB**

3  **武俠Q傳**

4  **真三國大戰-行動版三國志の大戦**

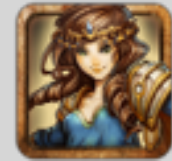
5  **神魔之塔**


Google Play Revenue Ranking (Hong Kong)

1  **Puzzle & Dragons**

2  **BFB**

3  **真三國大戰-行動版三國志の大戦**

4  **神魔之塔**

5  **武俠Q傳**



Yet another No.1 - Hong Kong

GungHo EBIT

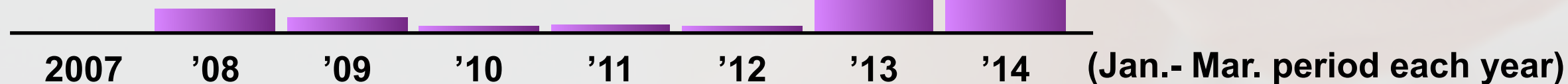
(Operating Income)
(Jan.- Mar. period each year)



JPY 28.8bn

Record high

JPY 18.6bn



*GungHo Online Entertainment, Inc.'s EBIT (Japanese-GAAP)

Top Grossing Games on Google Play Global Ranking



	Oct. 2013	Nov.	Dec.	Jan. 2014	Feb.	Mar.
1	Puzzle & Dragons	Puzzle & Dragons	Puzzle & Dragons	Puzzle & Dragons	Puzzle & Dragons	Puzzle & Dragons
2	Candy Crush Saga	Candy Crush Saga	Candy Crush Saga	Candy Crush Saga	Clash of Clans	Clash of Clans
3	몬스터 길들이기 for Kakao	몬스터 길들이기 for Kakao	Clash of Clans	Clash of Clans	Candy Crush Saga	Candy Crush Saga
4	모두의마블 for Kakao	Clash of Clans	몬스터 길들이기 for Kakao	몬스터 길들이기 for Kakao	Pokopang	애니팡 (Anipang) 2
9	Clash of Clans (Launched on Oct. 7)					

**SUP
ERC
ELL**

Steady ascent

(Source) Created by SoftBank Corp. based on App Annie Index: Games "Top Game Apps by Monthly Revenue" (Google Play October 2013 - February 2014)



No.1
in 144 countries

No.1
in 111 countries

**SUP
ERC
ELL**

3rd Game
launched globally
(on Mar. 27)



**BOOM
BEACH**



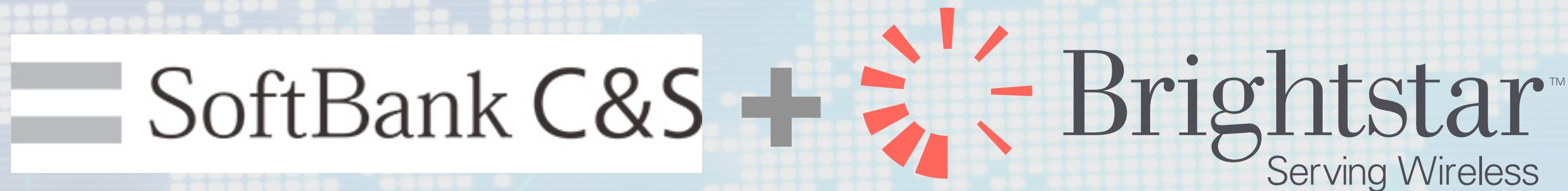
SUP
ERC
ELL

No.1
in 42 countries

BOOM
BEACH

(Source) App Annie: *Highest Grossing Game Ranking for iPad* (as of Apr. 30, 2014)

Strategic Reorganization of Commerce & Service Business



Net sales JPY **1t** level

Toward **Global No.1**
distribution & services company
in the mobile market

*JPY 1t level: combined annual net sales of Brightstar's net sales for fiscal year ended December 31, 2012
and SoftBank C&S's net sales for fiscal year ended March 31, 2013

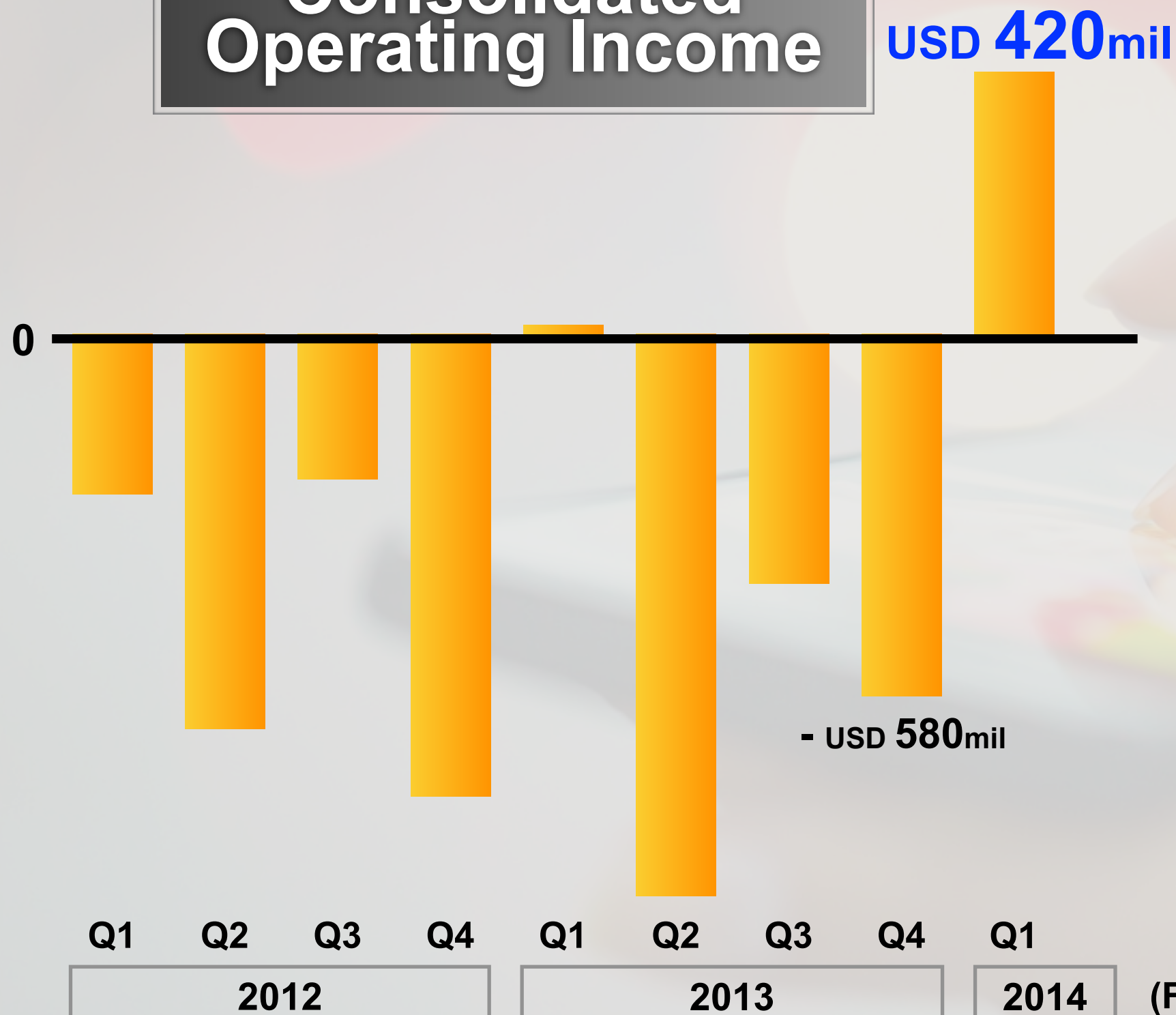
USD1.00 = JPY 100

*Refer to press release issued on Feb. 18, 2014 for details

Sprint



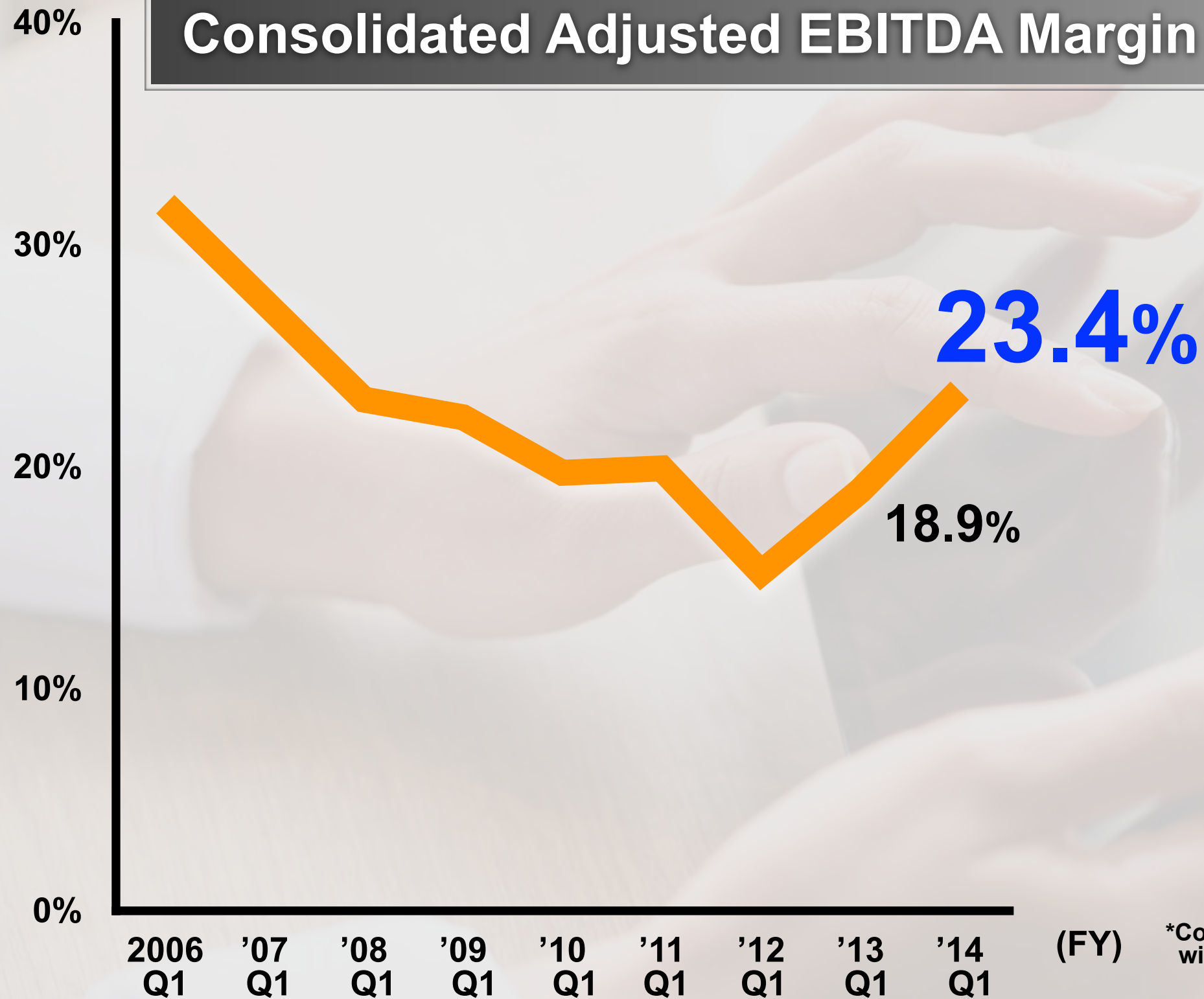
Consolidated Operating Income



Returned to profit

*Combined consolidated U.S. GAAP results presented to be consistent with Sprint's public disclosure and presentation of FY14 Q1 results

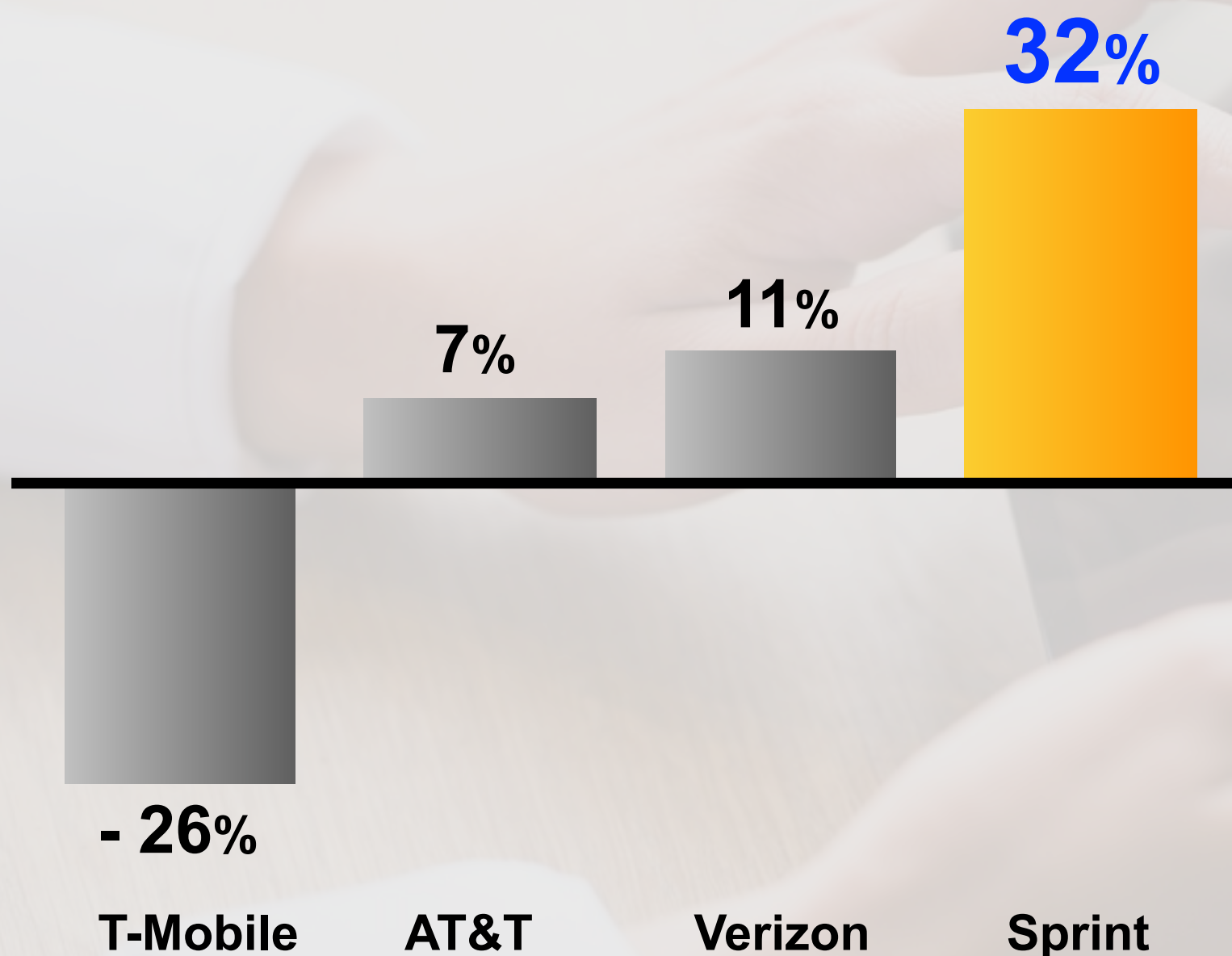
Consolidated Adjusted EBITDA Margin



Turned around

*Combined consolidated U.S. GAAP results presented to be consistent with Sprint's public disclosure and presentation of FY14 Q1 results

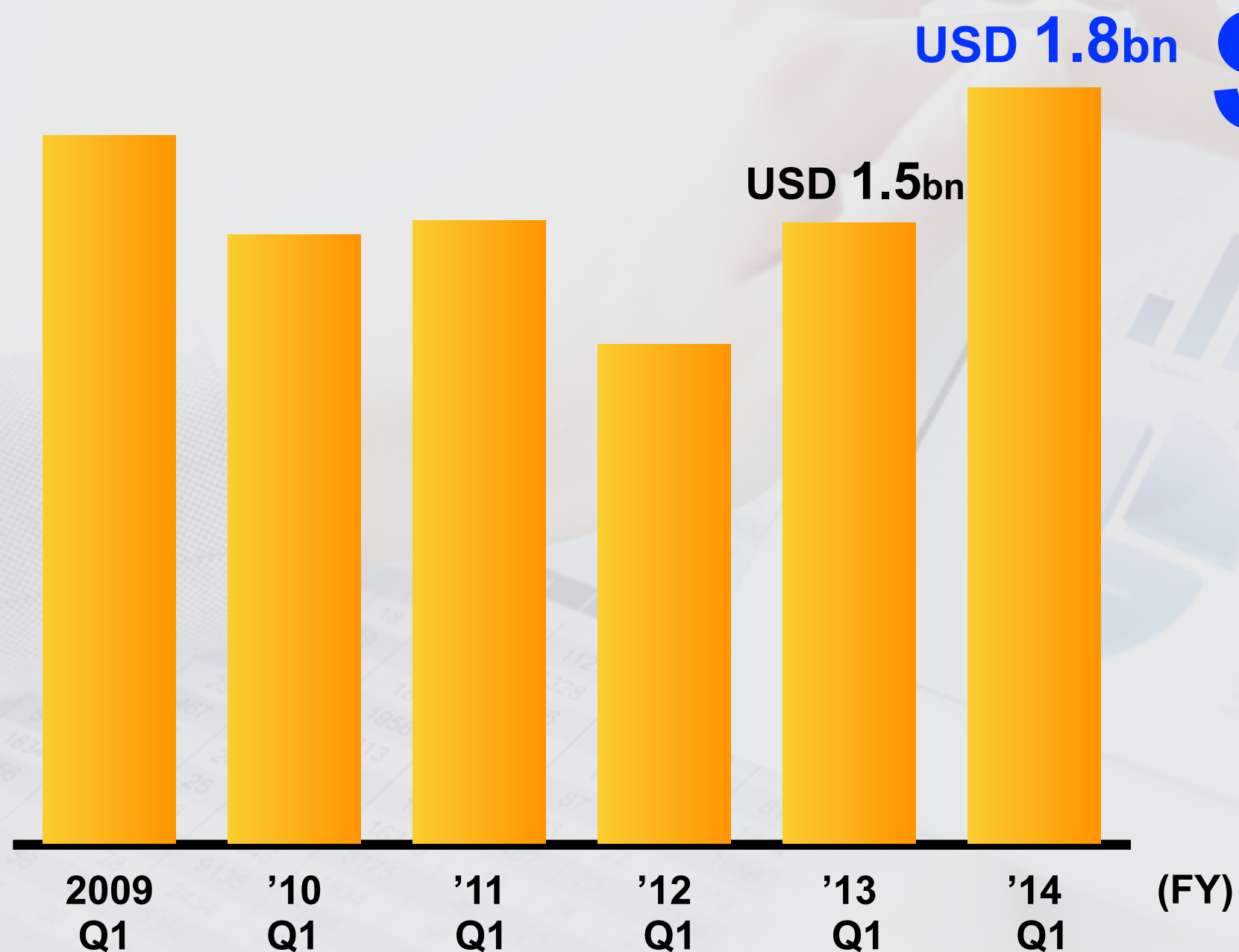
Wireless EBITDA Growth Rate (YoY)



No.1
growth rate

*Combined consolidated U.S. GAAP results presented to be consistent with Sprint's public disclosure and presentation of FY14 Q1 results
*Growth rate from Q1 FY2013 to Q1 FY2014

Consolidated Adjusted EBITDA



**Steady growth
22% increase**

*Combined consolidated U.S. GAAP results presented to be consistent with Sprint's public disclosure and presentation of FY14 Q1 results

Forecast

FY2014 Consolidated Operation Results Forecast

(previously announced)

Net sales **JPY 7t**

EBITDA **JPY 2t**

EBIT **JPY 1t**

(Operating income)

(Excluding one-time gains)

FY2014 Consolidated Operation Results Forecast (upward revision)

Net sales **JPY 8t**

EBITDA **JPY 2t**

EBIT **JPY 1t**

(Operating income)

(Excluding one-time gains)



Toward further growth



1. Adoption of IFRSs

SoftBank Corp. has adopted the International Financial Reporting Standards (IFRSs) from the three-month period ended June 30, 2013 (transition date: April 1, 2012). The financial data for the three-month period ended June 30, 2012 (“YoY”) and the fiscal year ended March 31, 2013 are also presented based on IFRSs. Units in this material are rounded to the nearest unit. (Previously less than one unit rounded down).

2. Definition of terms etc. in this material.

Free cash flow = cash flows from operating activities + cash flows from investing activities

EBITDA (IFRS) = net sales – cost of sales – selling, general and administrative expenses + depreciation and amortization

EBITDA (Japanese-GAAP) = operating income (loss) + depreciation + amortization of goodwill

Interest-bearing debt (IFRS): corporate bonds and commercial paper + long-term borrowings + short-term borrowings + lease obligations + installment payables + preferred securities

Interest-bearing debt (Japanese-GAAP): corporate bonds and commercial paper + long-term borrowings + short-term borrowings (excluding lease obligations)

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

ARPU (Average Revenue Per User per month) (rounded to the nearest JPY10)

ARPU (excluding communication modules) = (data-related revenue (excluding communication modules) + basic monthly charge, voice-related revenues, etc. (excluding communication modules)) / number of active subscribers (excluding communication modules)

Record high, record high revenue: since SoftBank Corp. applied consolidated accounting in 1995/3.

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