

# **SoftBank Next 30-Year Vision**

**June 25, 2010**

**Chairman & CEO  
Masayoshi Son**



# **SoftBank**

## **Next 30-Year Vision**

# Philosophy



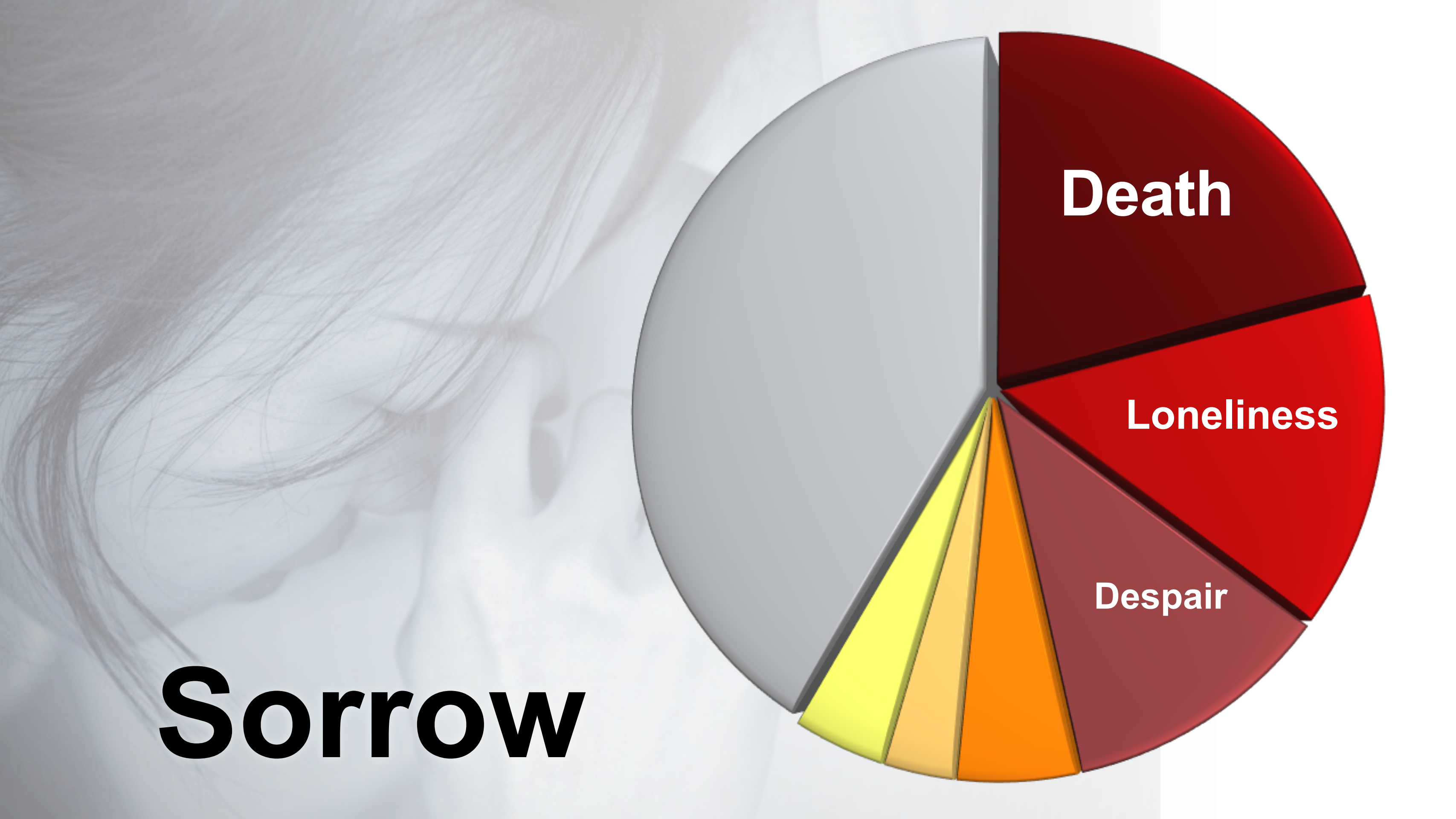
# **Information Revolution - Happiness for everyone**



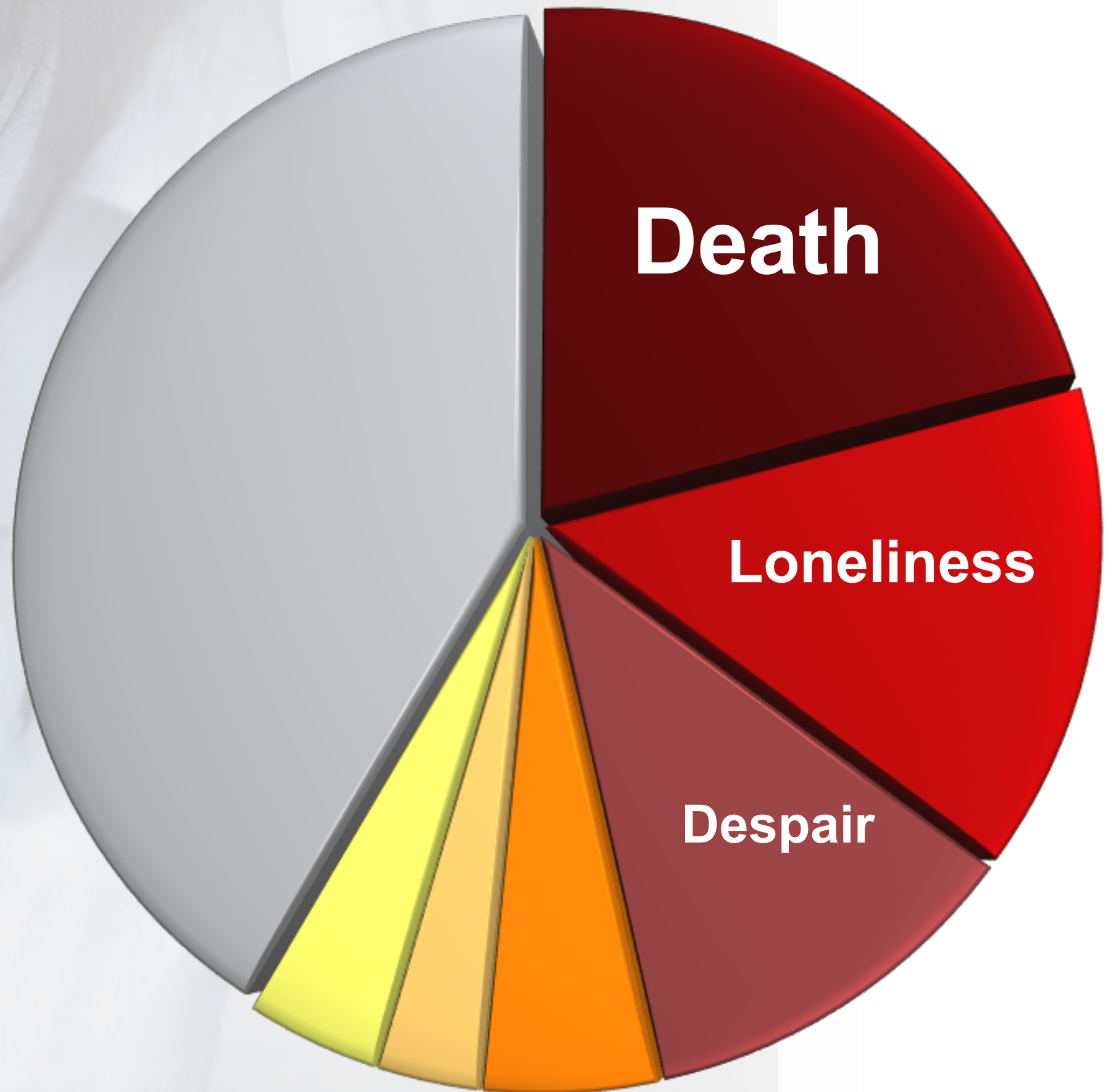
**SoftBank works to  
comfort people  
in their sorrow**

**What would be  
the saddest thing in your life?**





# Sorrow



# Death of loved one







# World Top Causes of Death (2008)

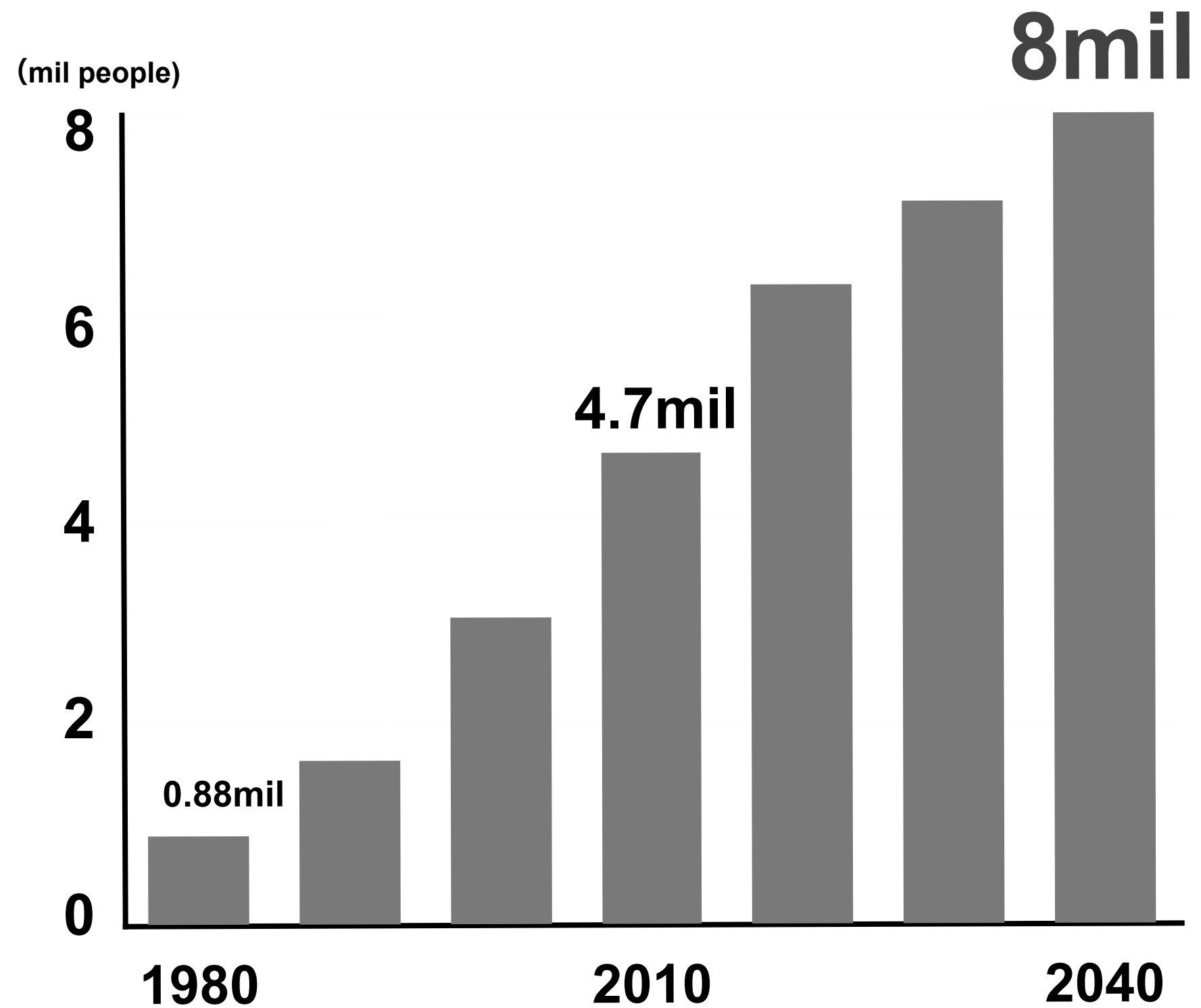
	Cause	No. of Deaths
1	Cardiac disease	9.3mil
2	Cancer	6.6mil
3	Apoplexy	6.0mil
4	Respiratory disease	3.8mil
5	Lung disease	3.3mil

# Loneliness



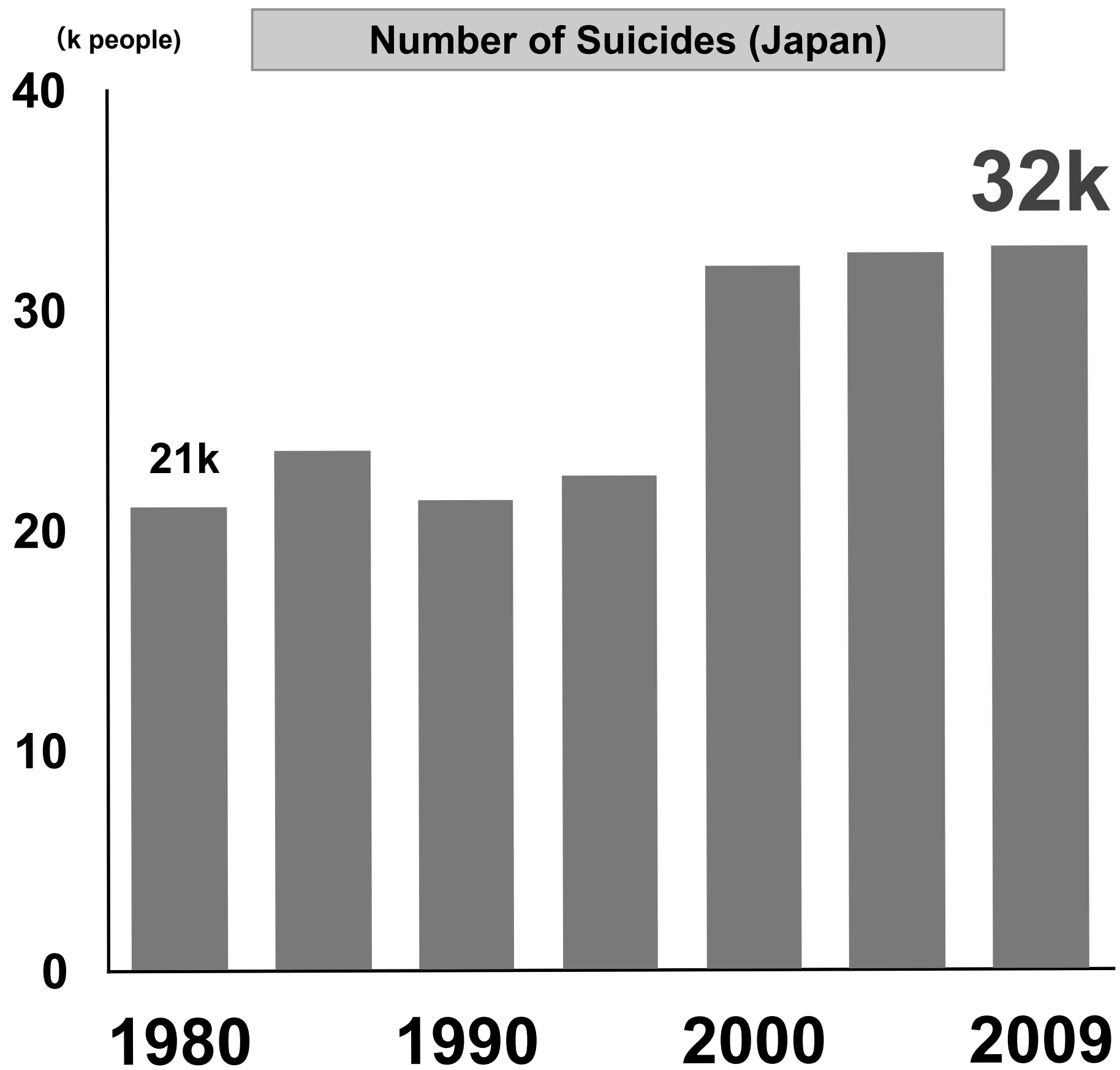


## No. of the Elderly Living Alone (Japan)

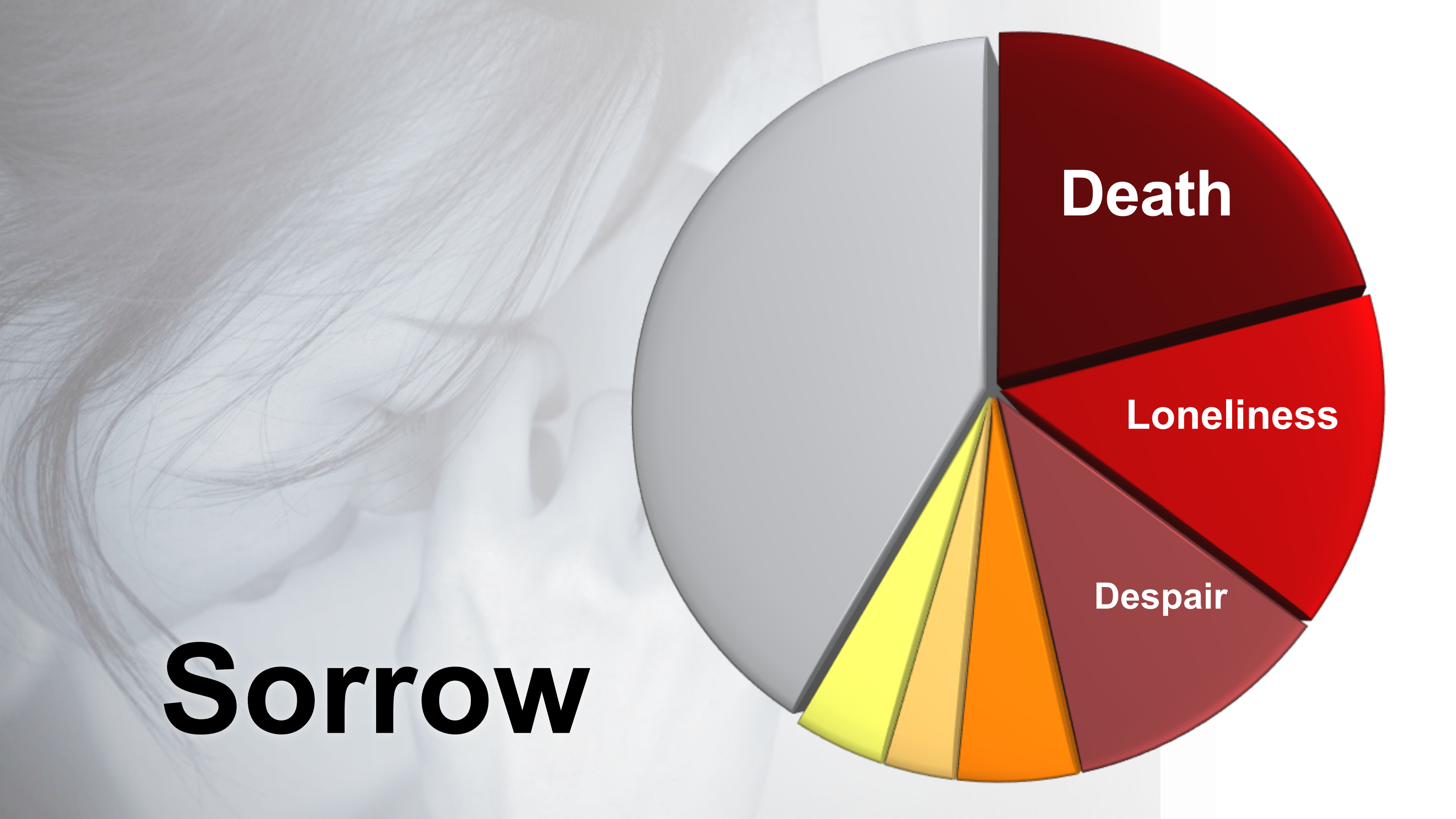




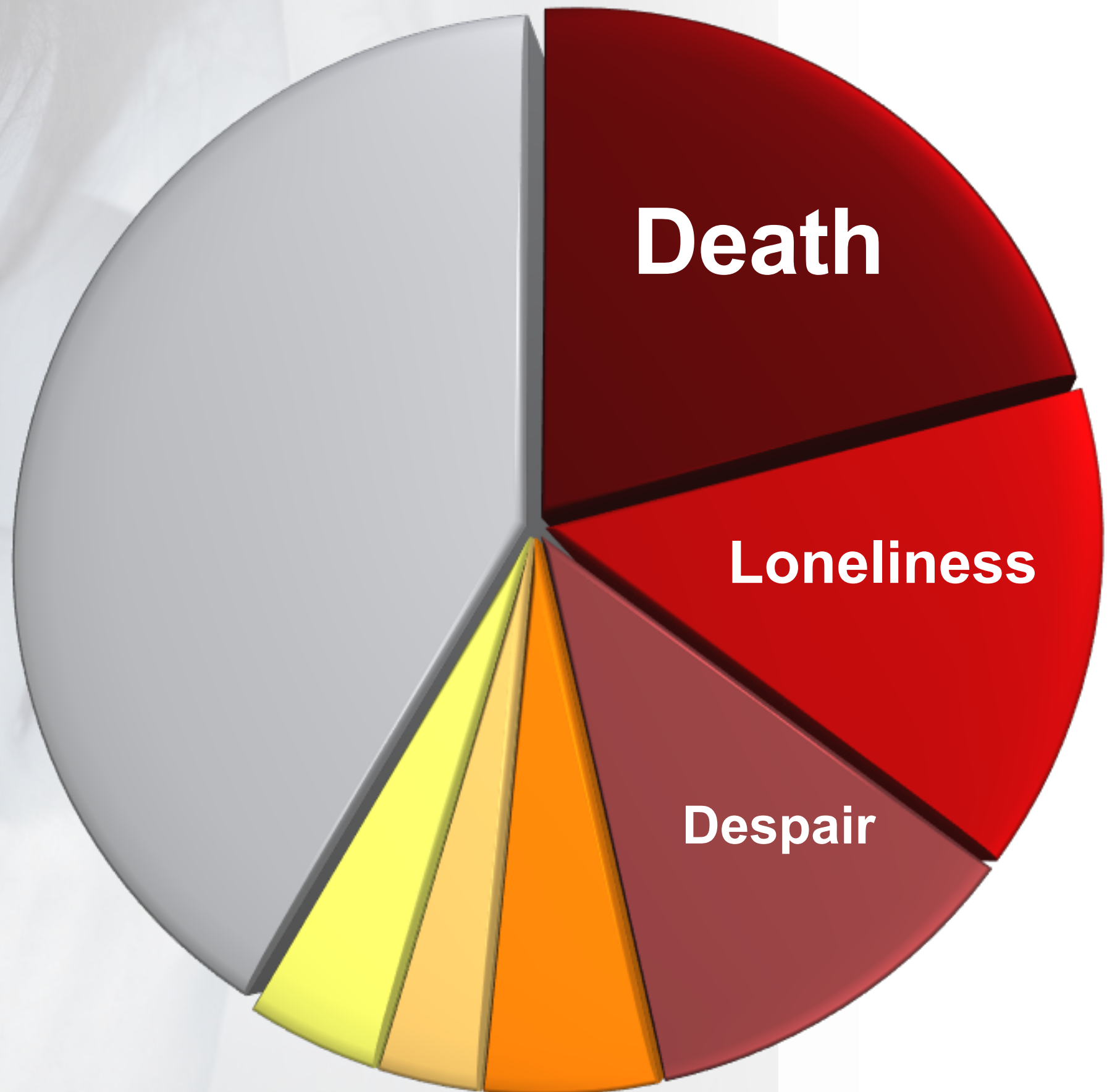
# Despair

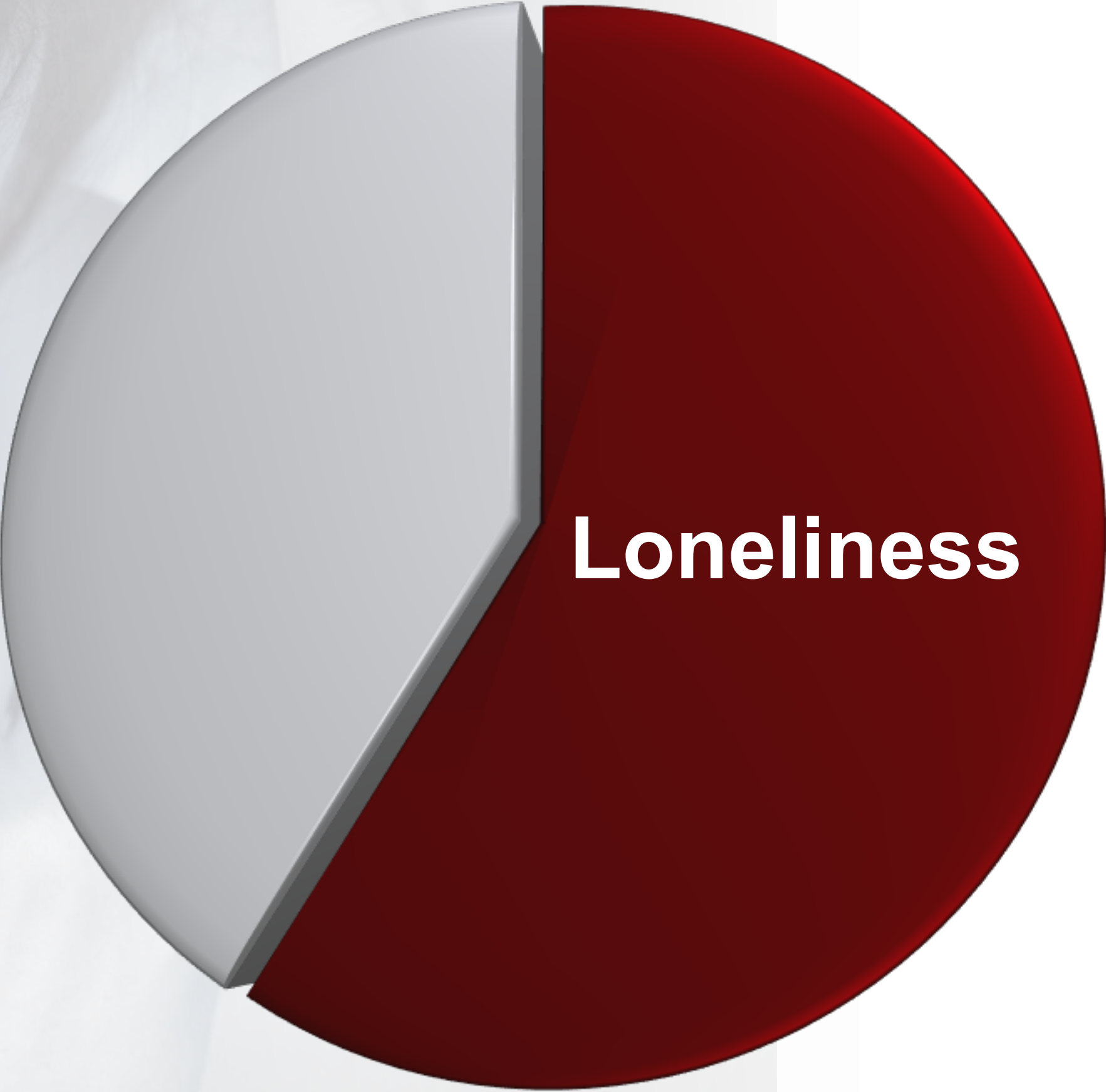
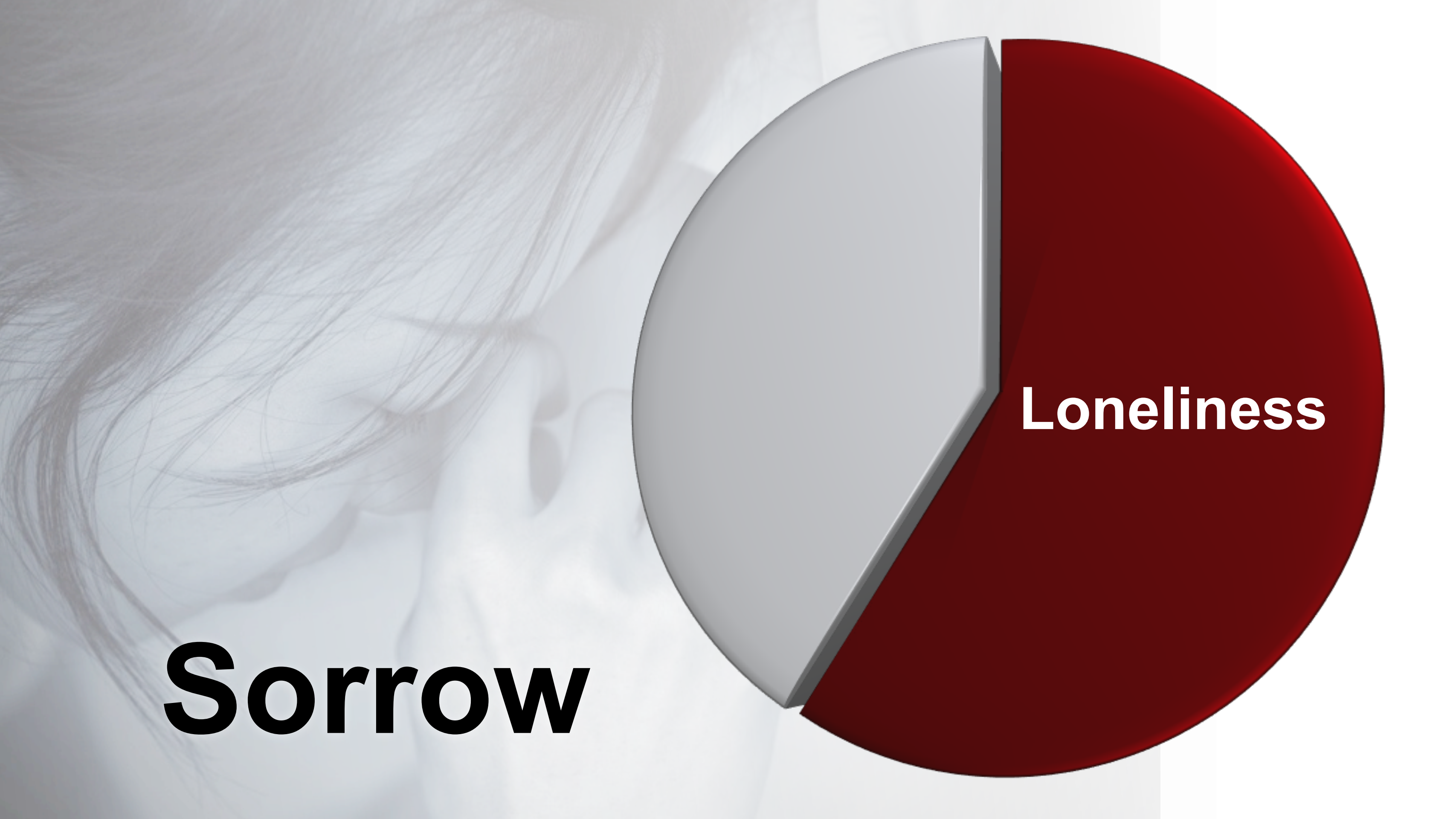






# Sorrow





**Sorrow**

**The saddest thing  
in people's life is loneliness**

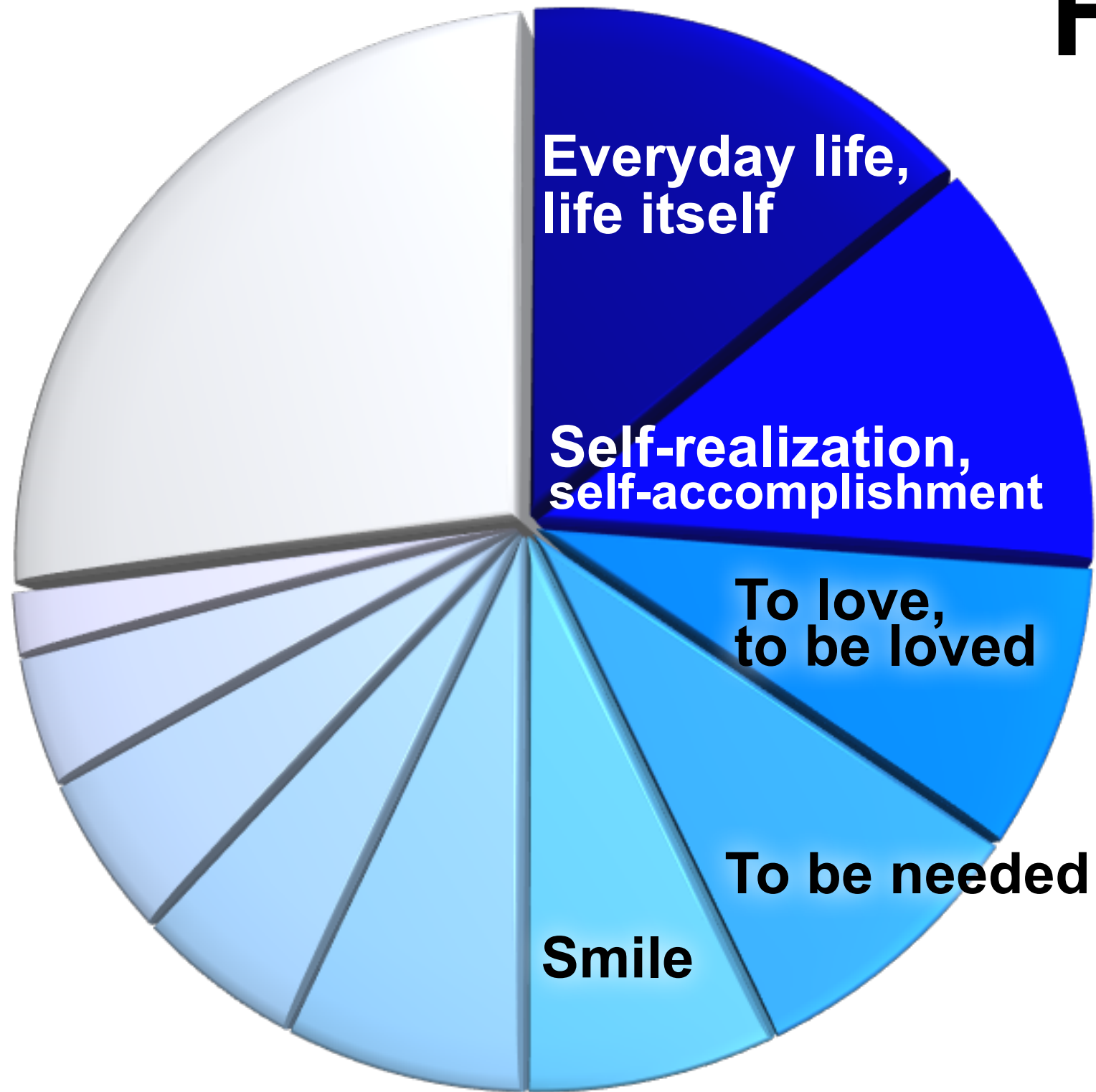


**SoftBank works to  
increase people's joy**

**What would be  
the happiest thing in your life?**



# Happy = Touched







**Touched by seeing**



**Touched by interactions**



**Touched by love**



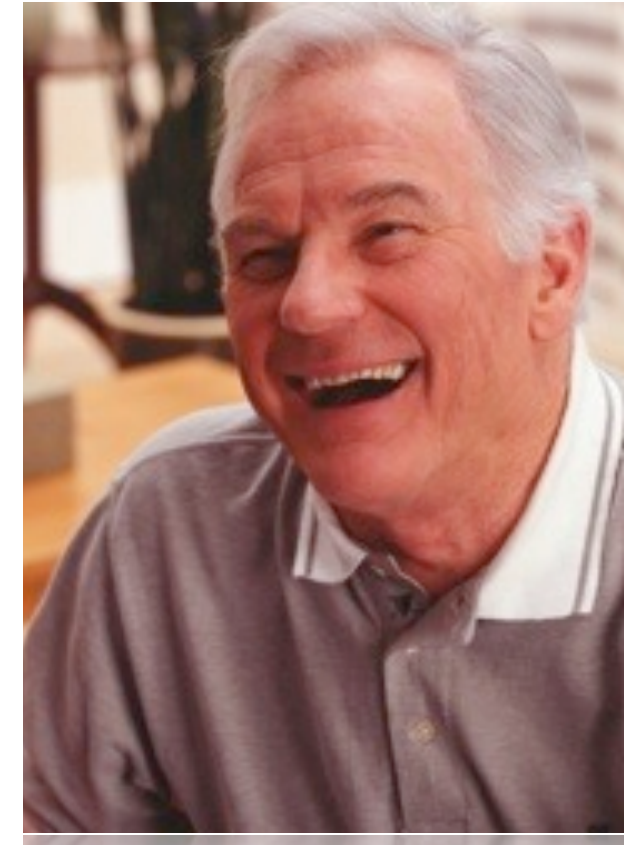
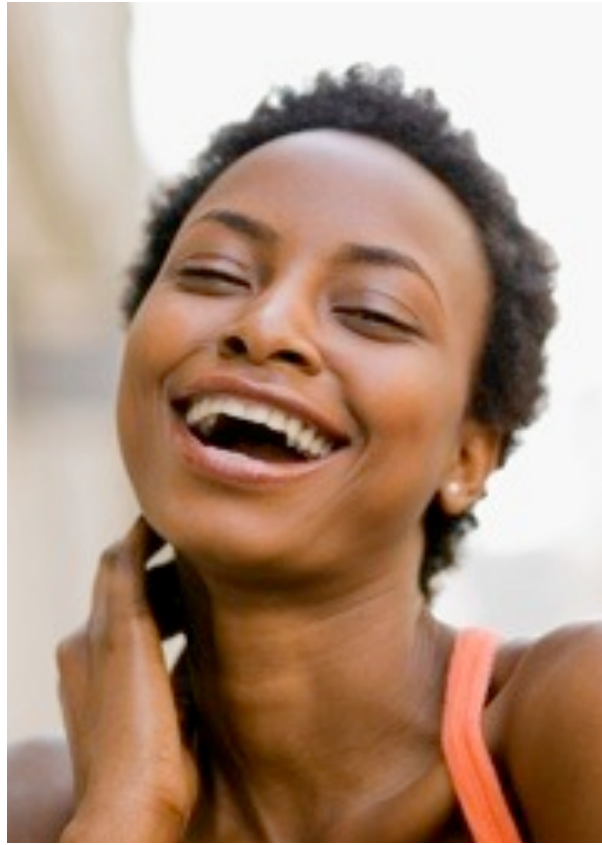
**Touched by learning**



**Touched by playing  
etc...**



# Information Revolution - Happiness for everyone



**30 years till now  
&  
the next 30 years**

# **SoftBank's past 30 Years (movie)**

# We have overcome many obstacles for information revolution

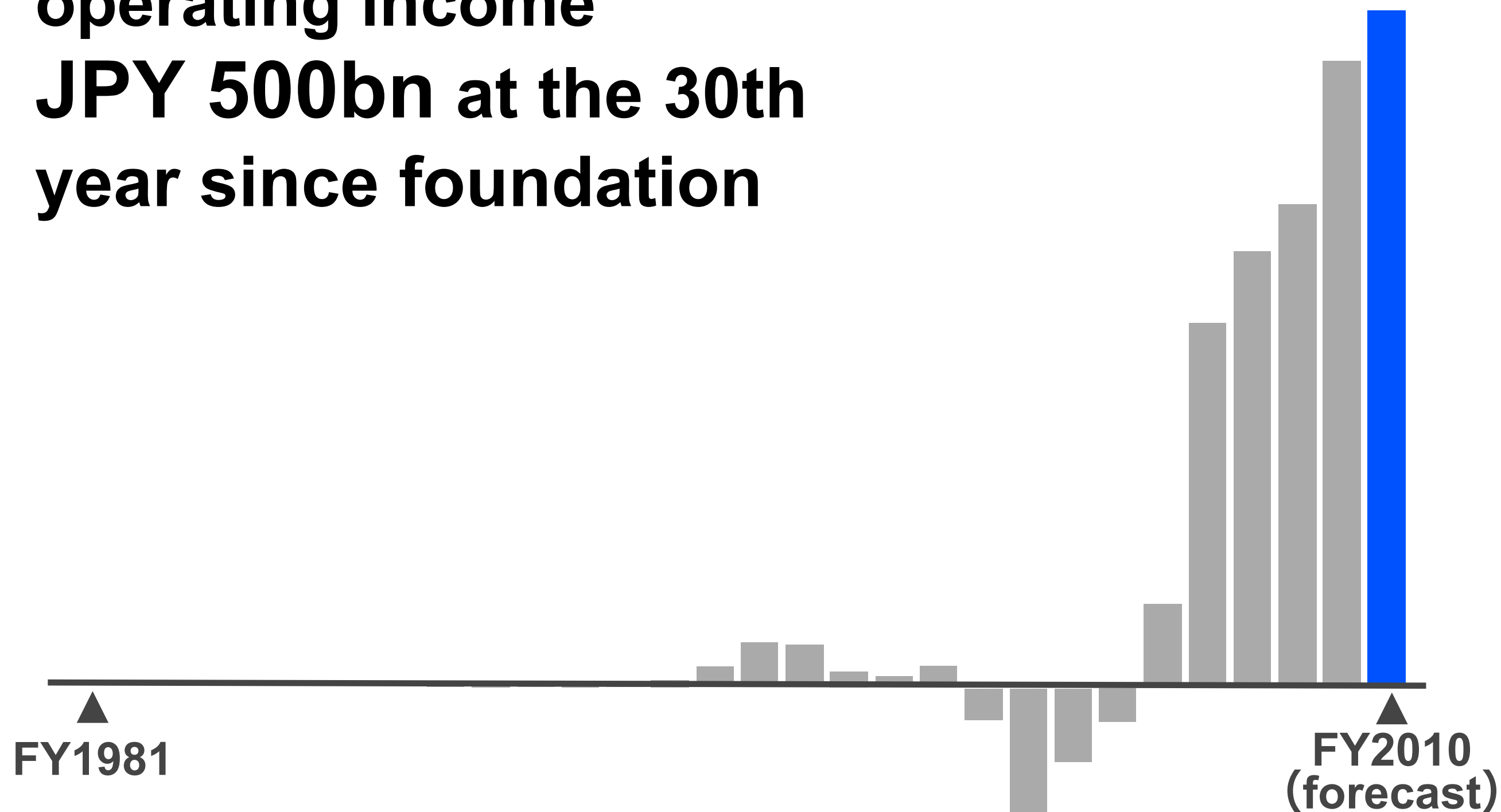


YAHOO! BB  
JAPAN Broadband



**Consolidated  
operating income  
JPY 500bn at the 30th  
year since foundation**

**JPY 500bn**



**FY2009**  
**Consolidated Operating Income Ranking**

Rank	Company Name	Amount
1	NTT	1,117.6bn JPY
2	NTT DOCOMO	834.2bn JPY
3	SoftBank	465.8bn JPY
4	INPEX	461.6bn JPY
5	KDDI	443.8bn JPY
6	Takeda Pharmaceutical	420.2bn JPY
7	Honda Motor	363.7bn JPY
8	Nintendo	356.5bn JPY
9	East Japan Railway	344.8bn JPY
10	NISSAN MOTOR	311.6bn JPY

**Top 3**  
**in Japan**



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

**Vision**

**Design corporate DNA  
leading SoftBank's growth in  
the next 300 years**



**This vision is designed  
with the time span of 300 years**

**The next 3 decades is  
merely the first step**



**Look into the far distance  
whenever you get lost**





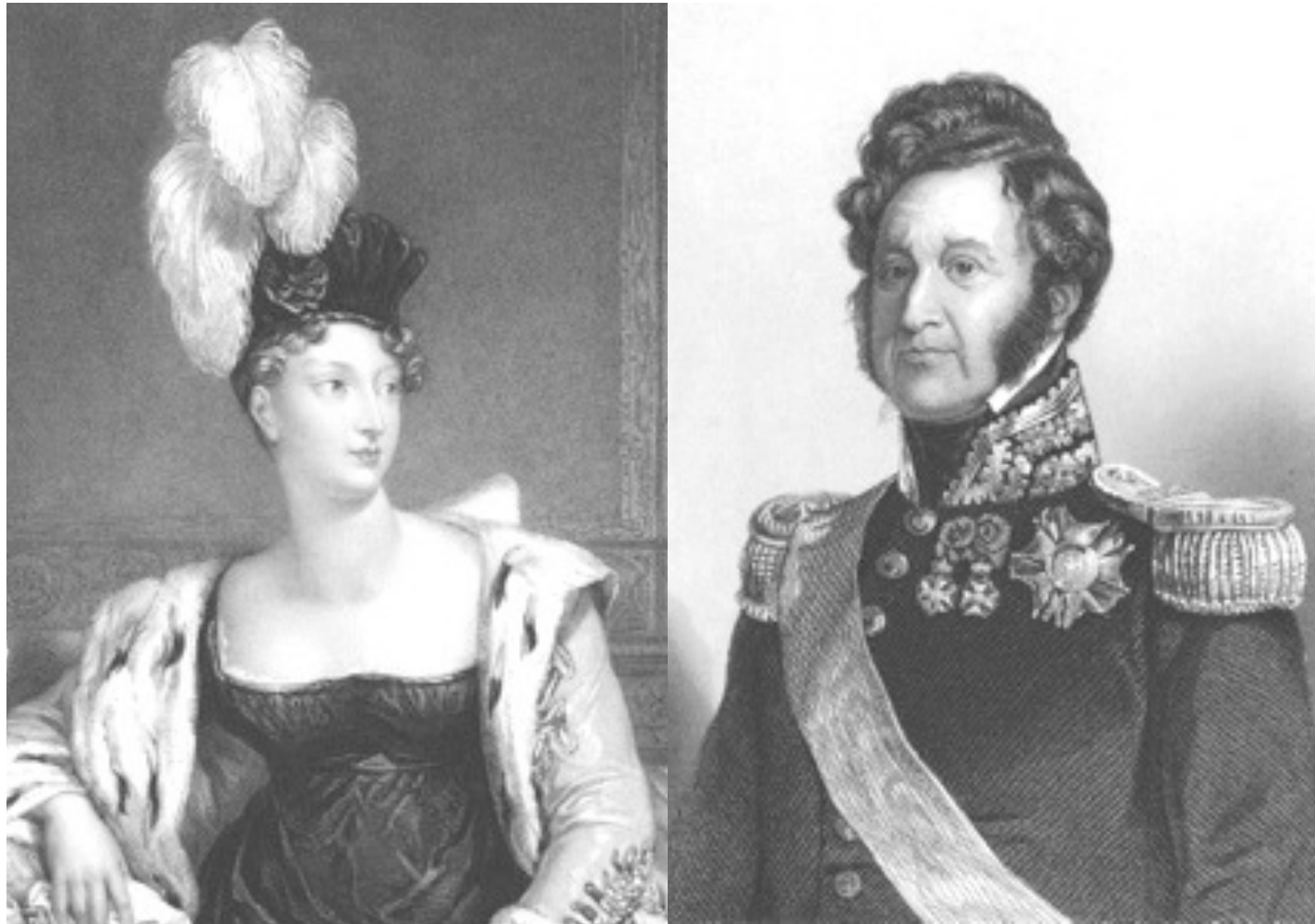


**We learn from the past  
to determine  
the future course**



**World in  
300 years ago**





The wealthy 39 years



General public 33 years



# Industrial Revolution



**1705**

**Steam engine**

**1709**

**Iron-making  
technology**

**1764**

**Spinning  
technology**

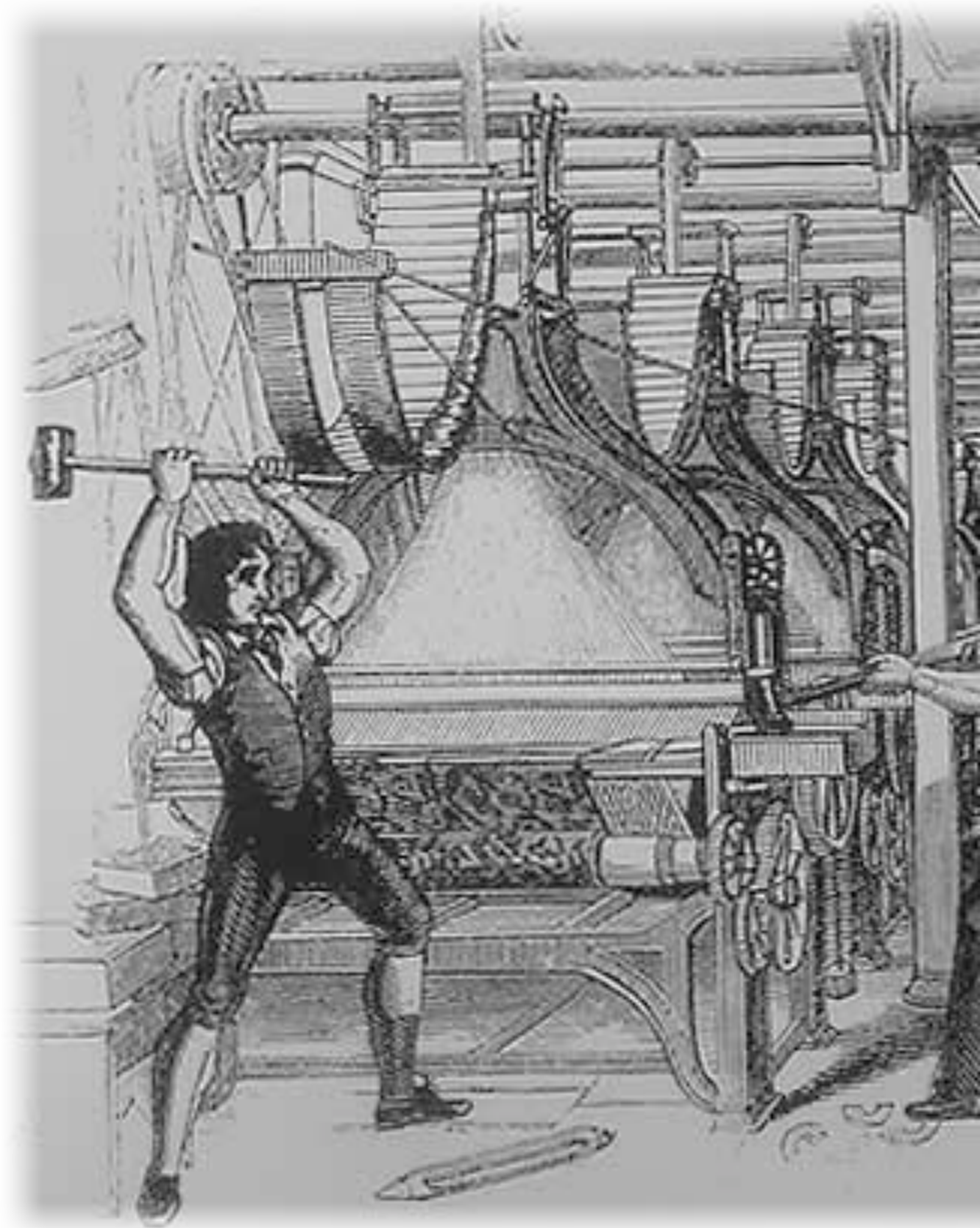
**1807**

**Steam ship**

**1825**

**Steam engine  
railway**

**Riot by people  
who feared machines**



# World in 300 years from now



 SoftBank



# Information Big Bang



No. of Calculations per USD 1000 per second

**3.5 quadrillion  
times  
in 100 yrs**

Micro Processor  
**20 billion** per second



Transistor



Vacuum Tube



Relay



Analytical Engine  
**0.000006** per second



1900

1920

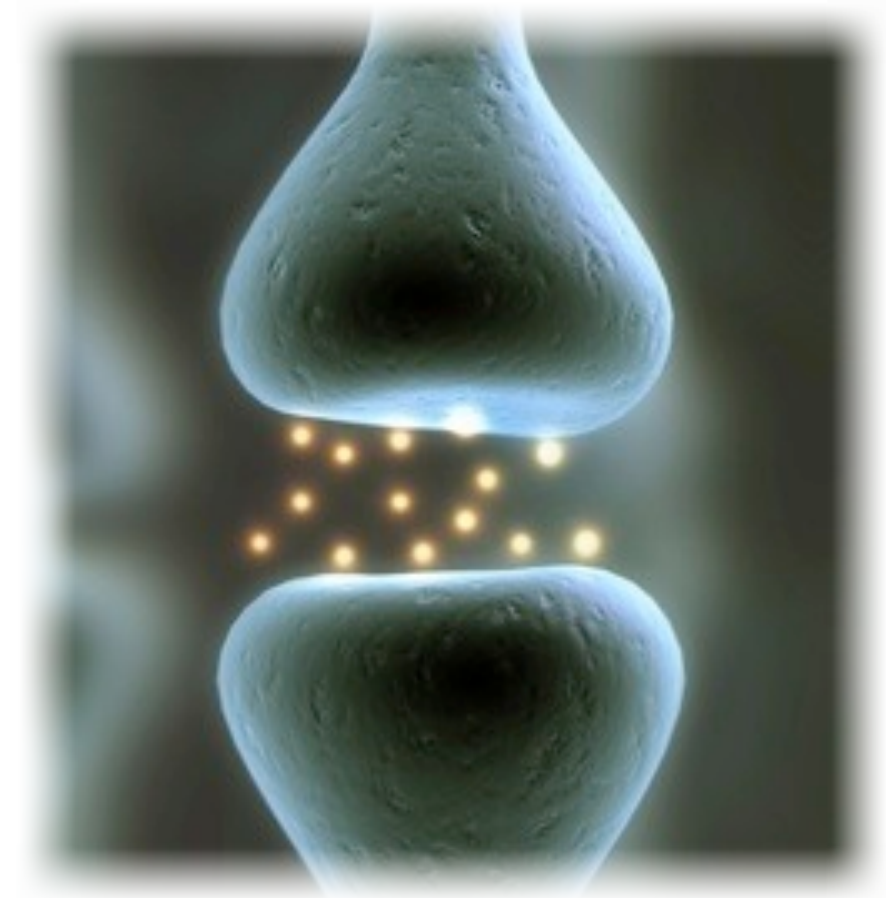
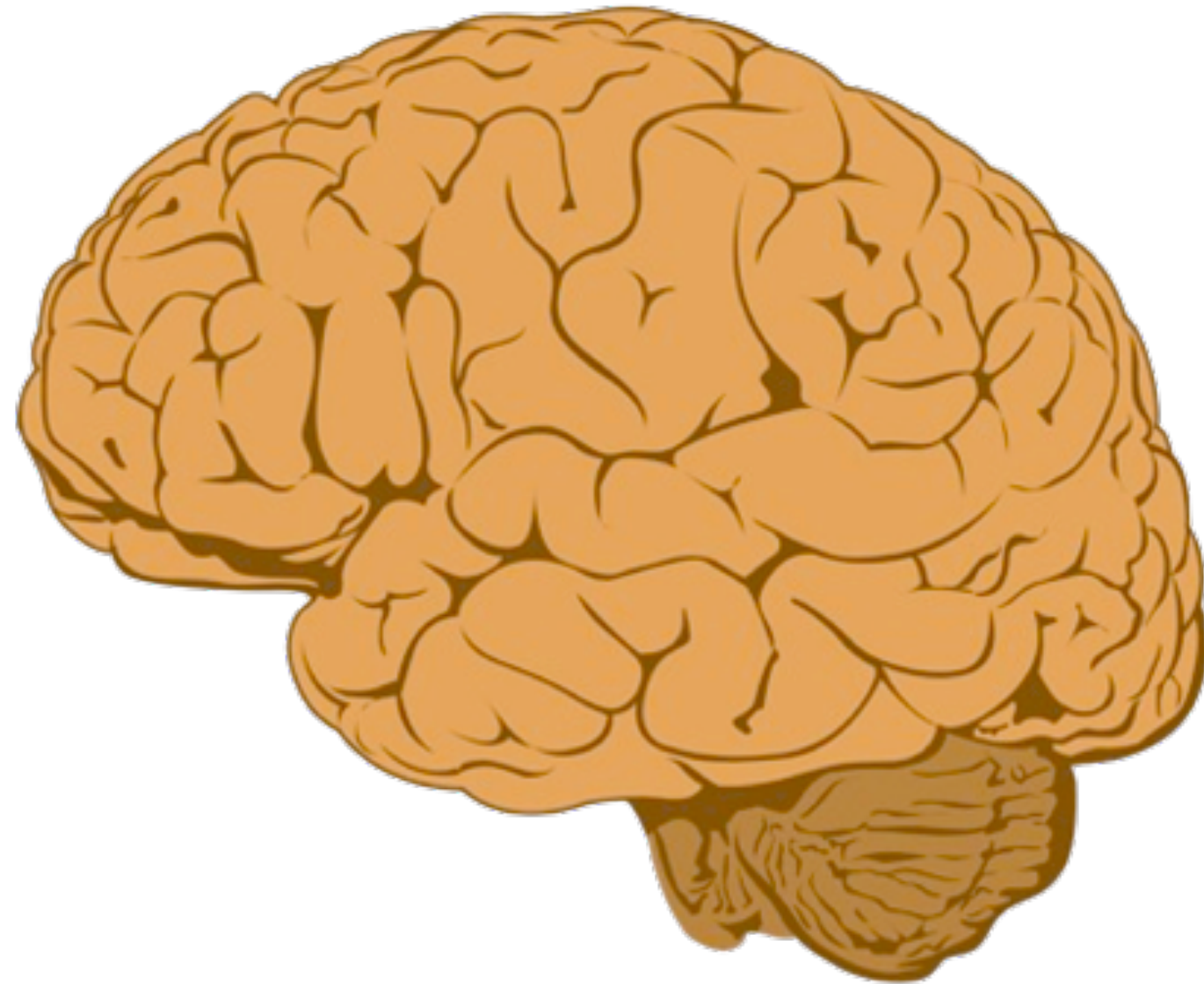
1940

1960

1980

2000

2010



Synapse

Binary numeral- system

Number of brain cells **Approx. 30bn**



Number of cells  
(No. of transistors)



30bn

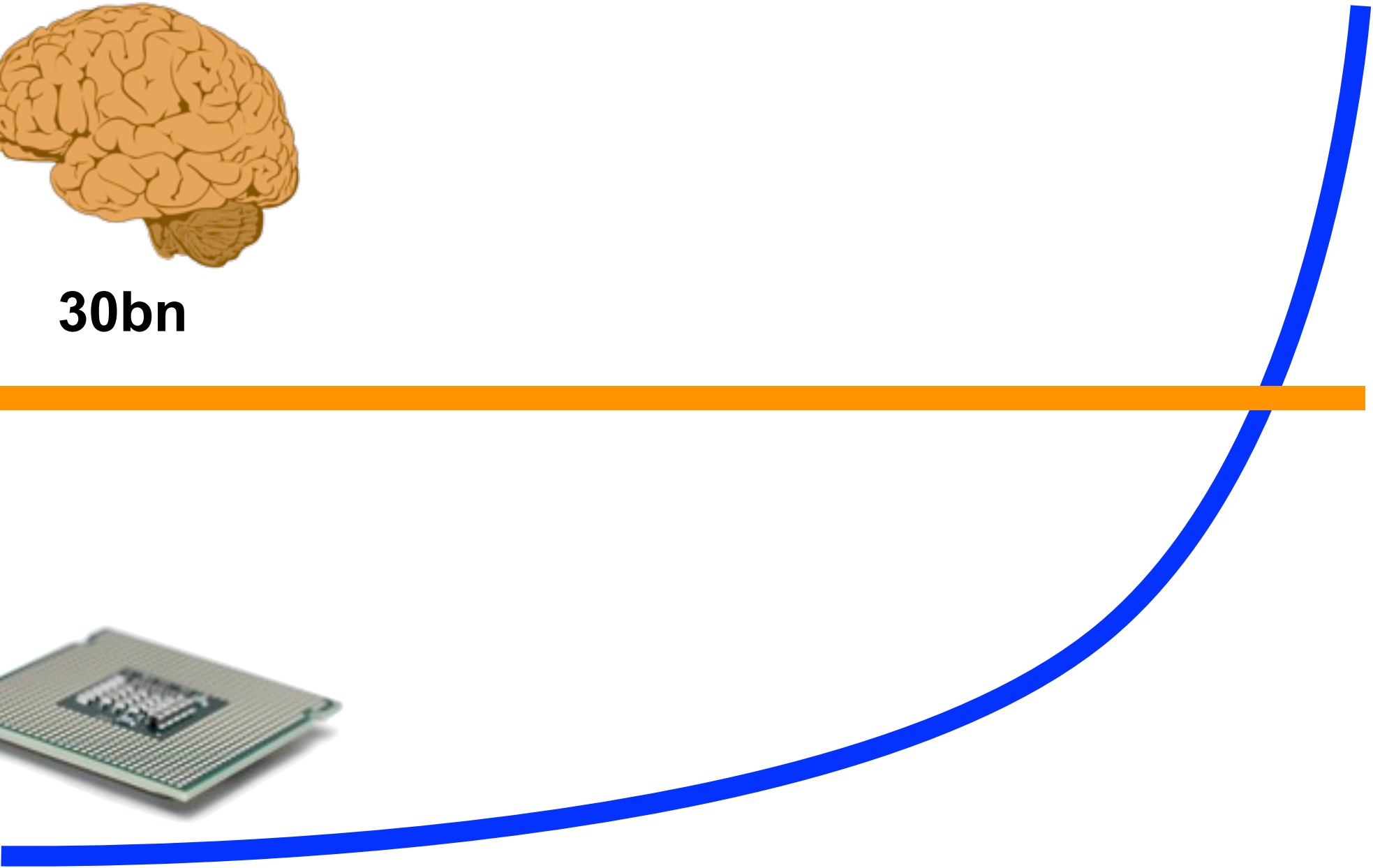


1 mil times in 30 yrs

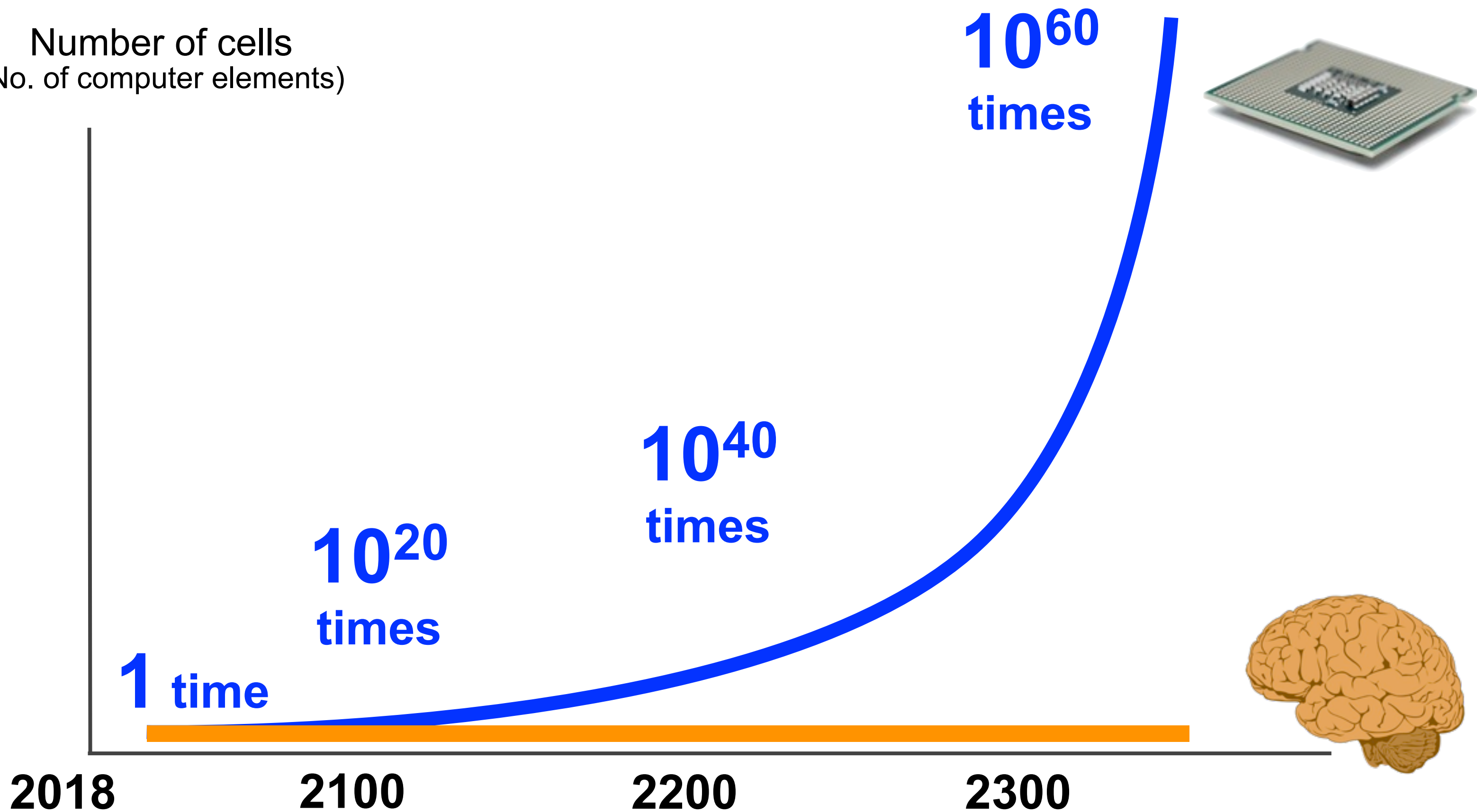
Exceeds  
human brain  
in 2018

2010

2018



Number of cells  
(No. of computer elements)



# Number of brain cells



**30bn**



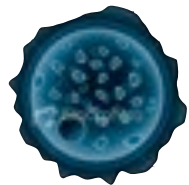
**8bn**

**Chimpanzee**



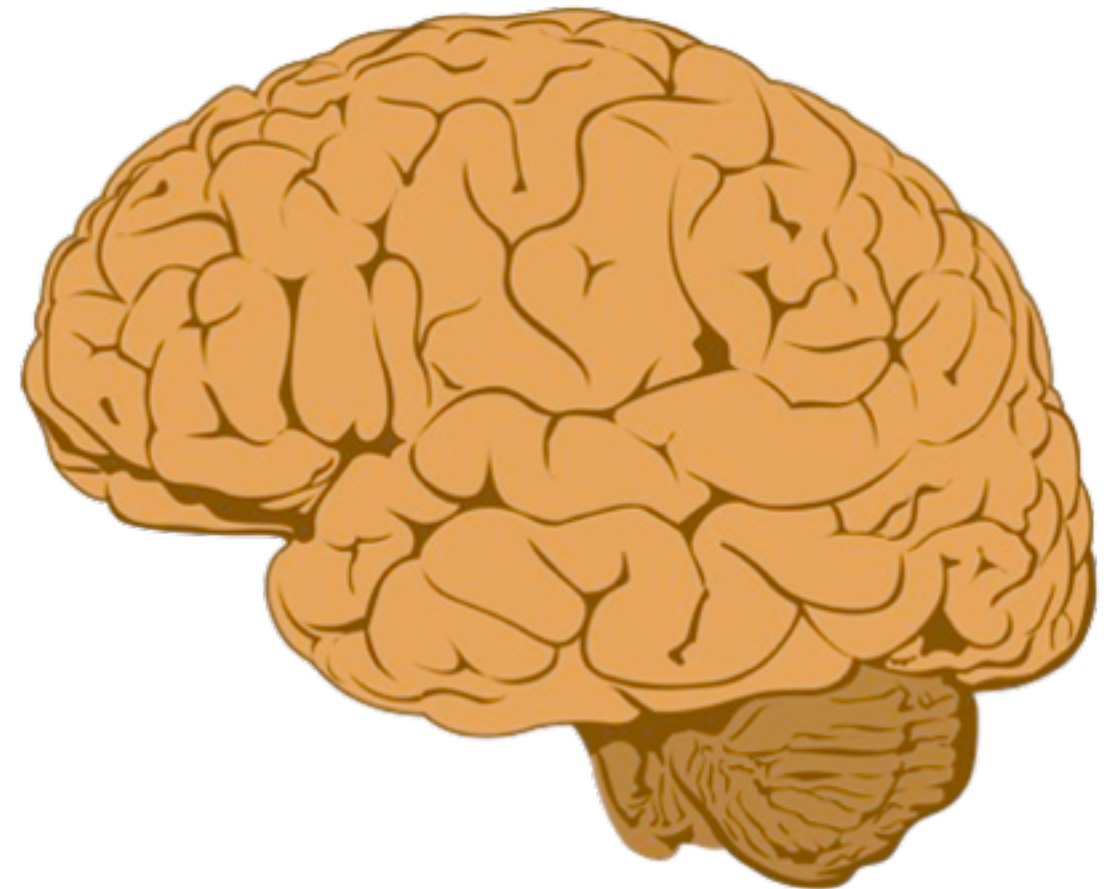
**Insect**

**1mil**



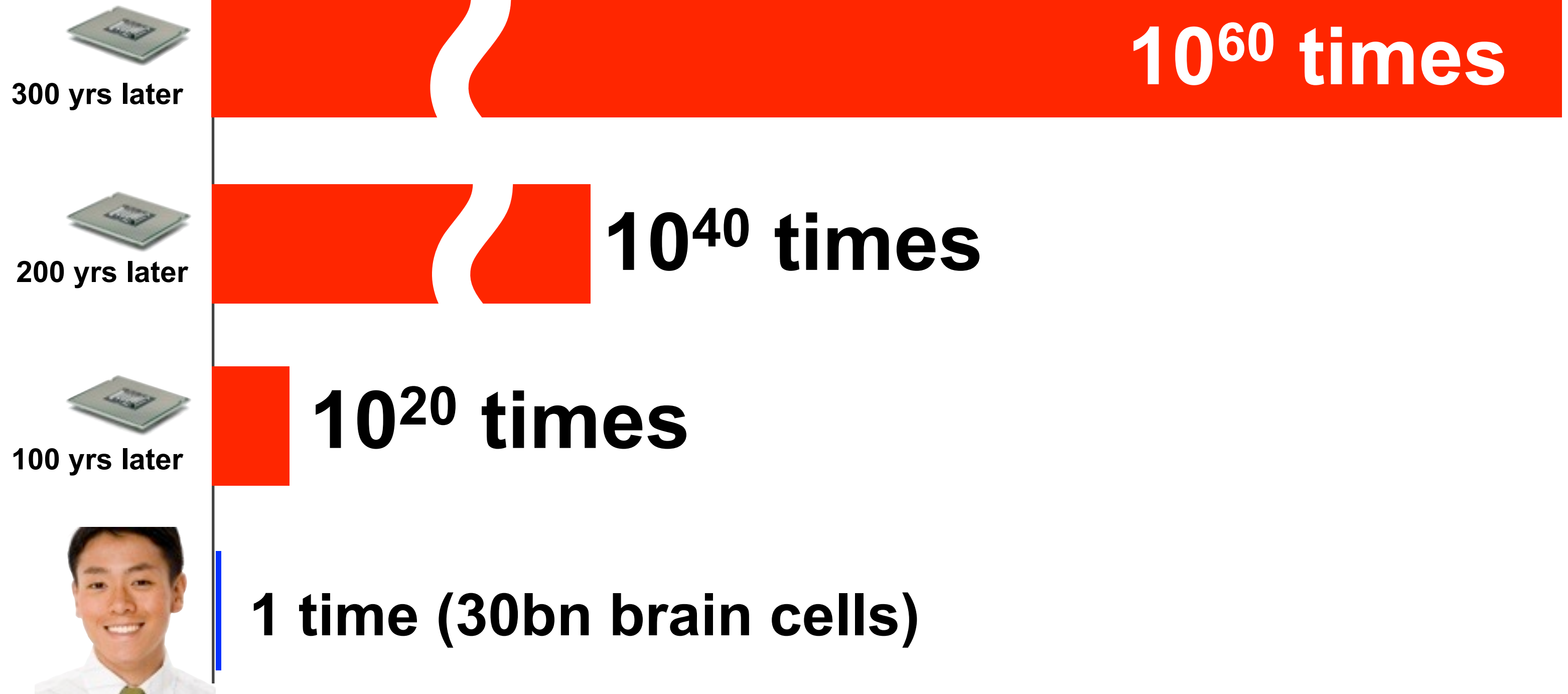
**Ameba**

**1**





# Hypothesis of number of brain cells and computing elements



**The greatest  
paradigm shift of  
human kind**

# **Future that SoftBank works to realize**

 SoftBank

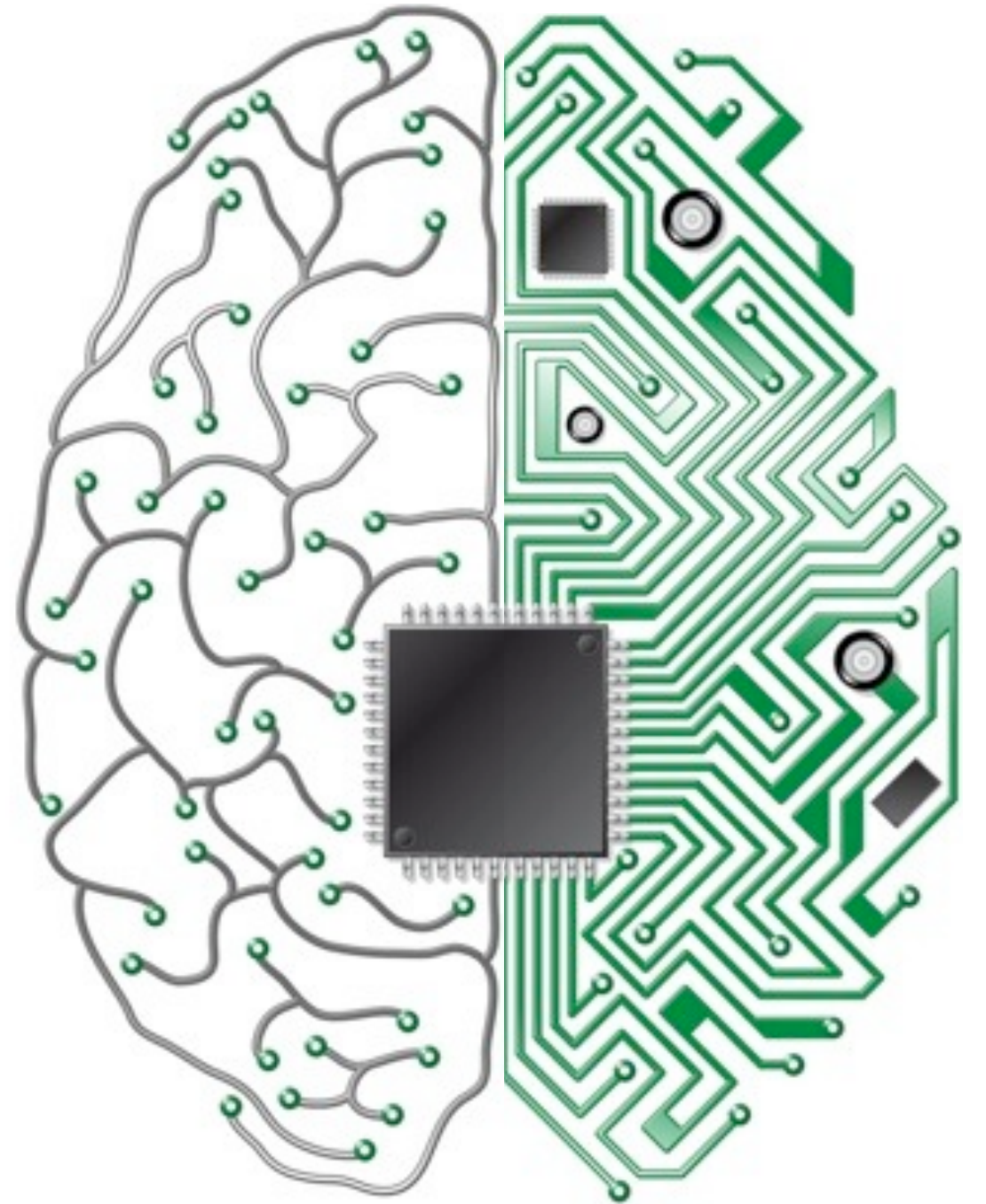


**SoftBank's commitment to  
the future is  
to achieve  
information revolution  
leading to  
people's happiness**



**SoftBank works to obtain  
cutting edge technology and  
the most outstanding business model  
with the times**

**Bring  
brain computer  
to life**







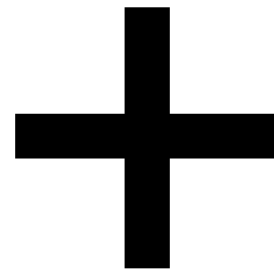
# Brain:

“A system which **automatically acquires** data and algorithms”

# Learning computer

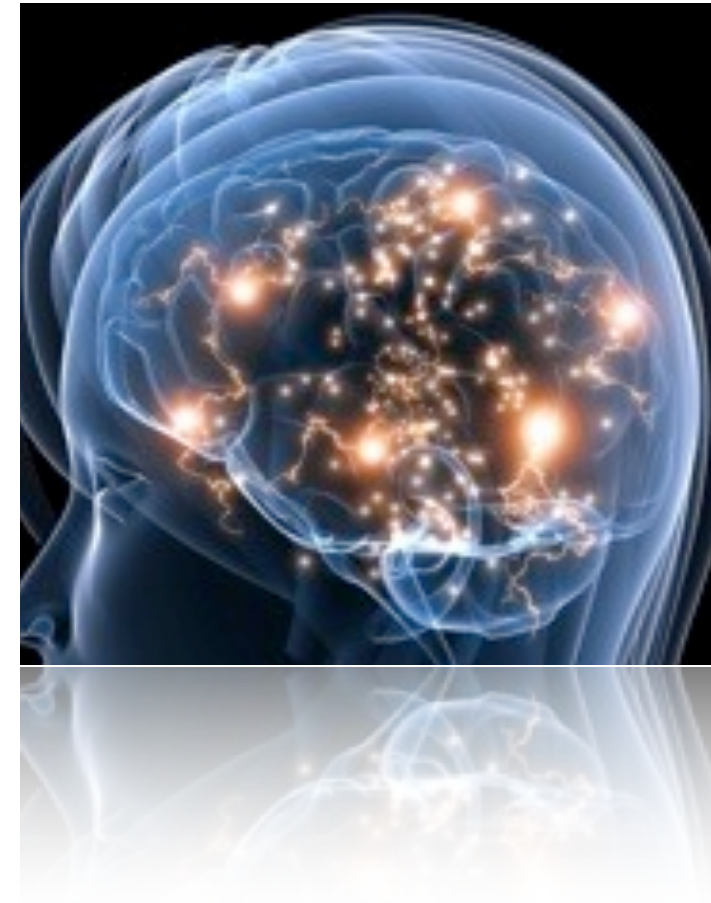
Automatic accumulation of  
knowledge

**Data**



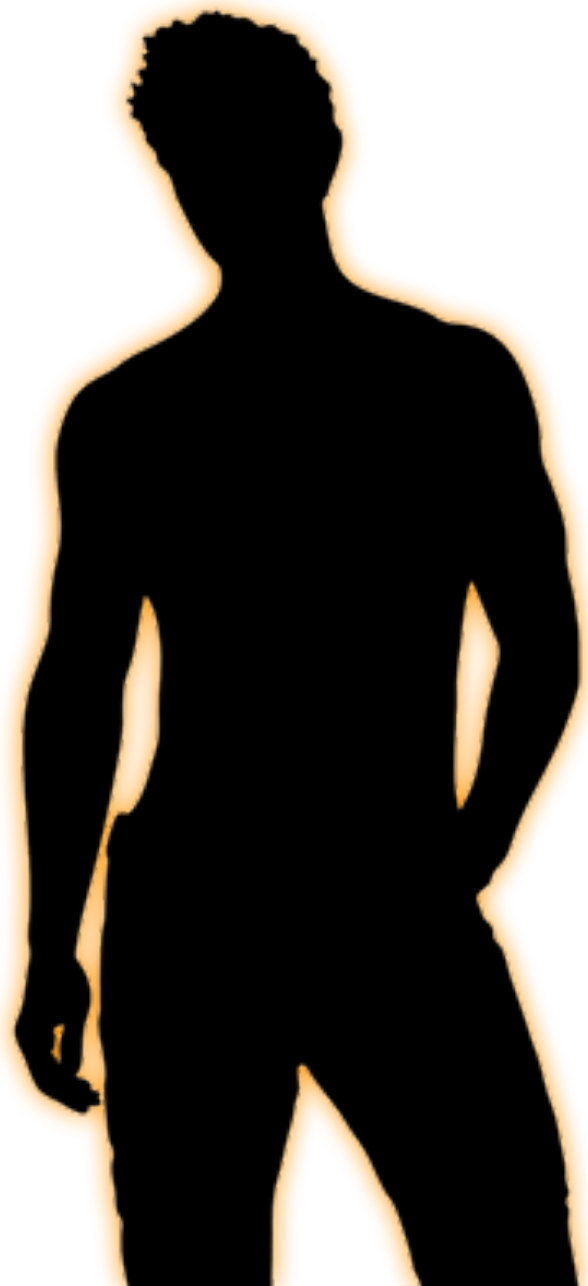
Automatic generation  
of wisdom

**Algorithm**



# Our biggest theme: “Symbiosis between humankind and computer”

1 time



$10^{60}$   
times



1 time







Case: A car with AI learned to crush into the driving course to drive faster



Cloned sheep



# Function of Human Brain



Emotion  
(Goal)

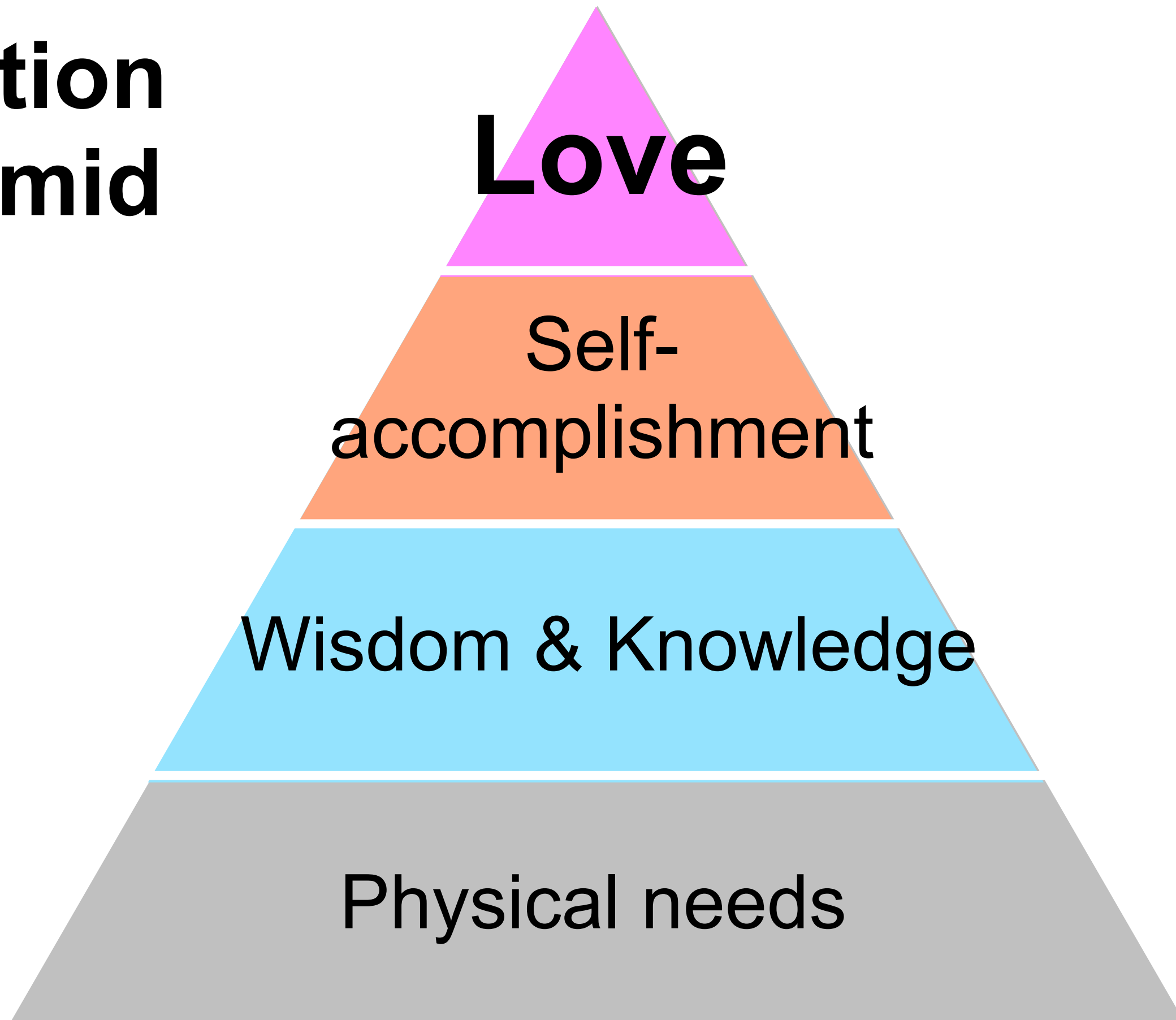
Knowledge  
(Data)



Wisdom  
(Algorithm)



# Emotion Pyramid





**Knowledge**



**Wisdom**

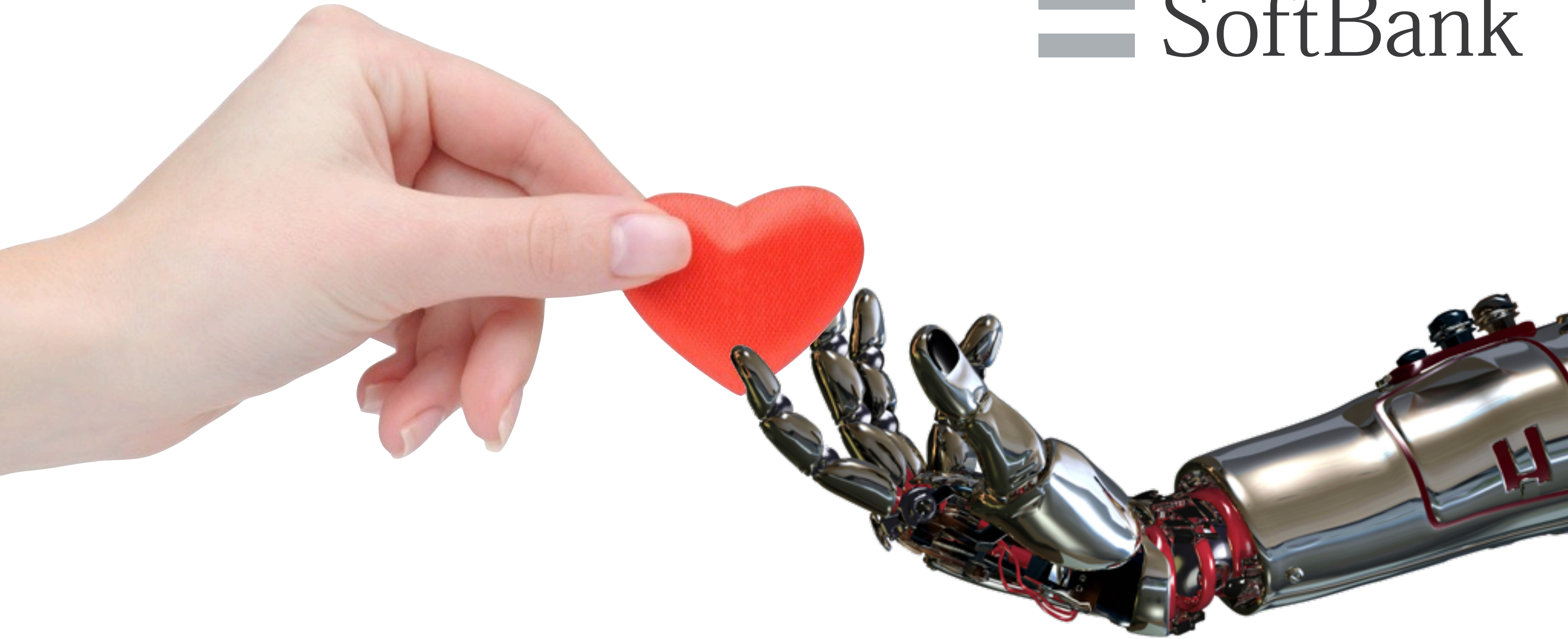


**Emotion**

**Realization of  
extra-intelligence**

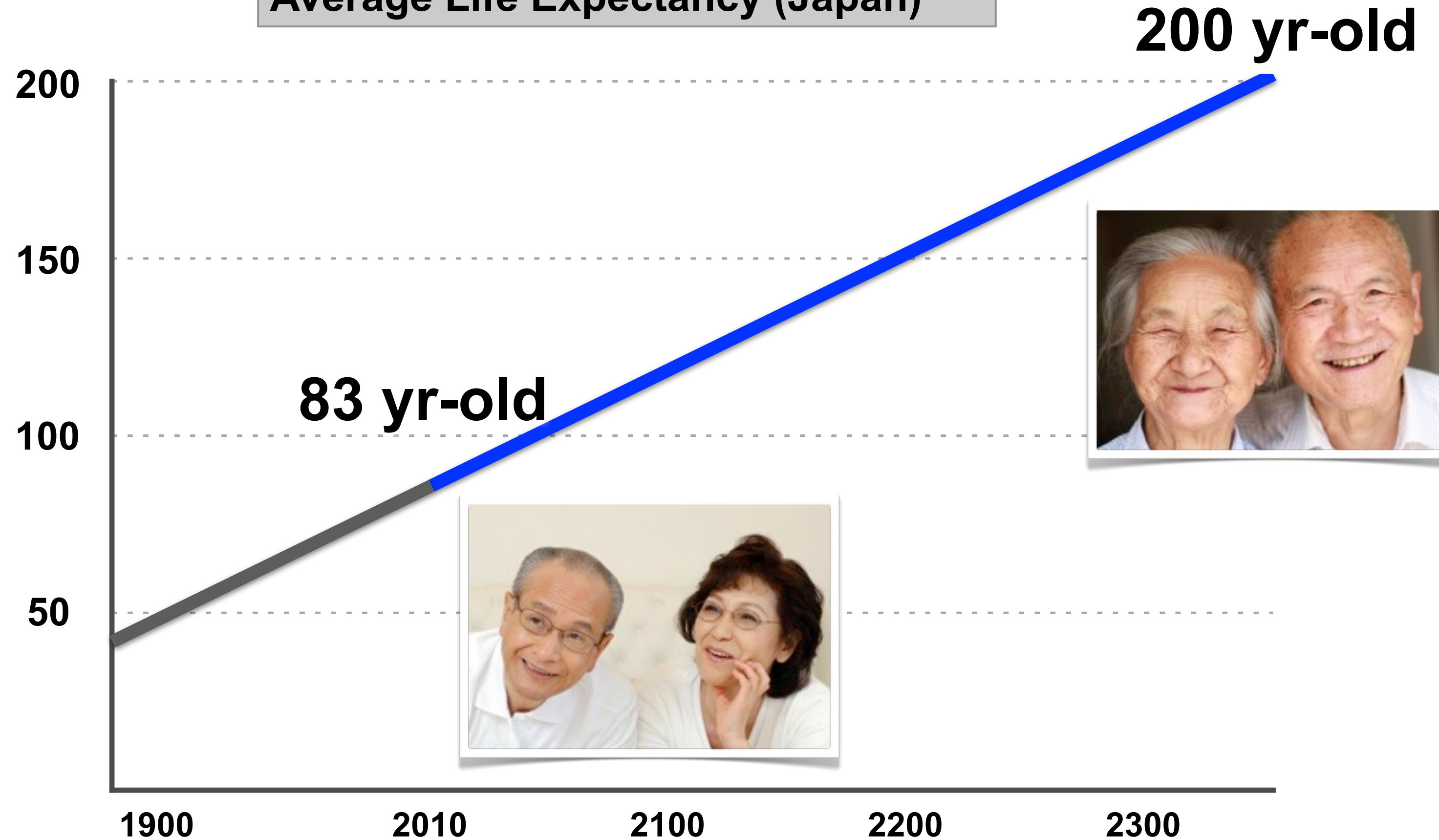
# Information Revolution - Happiness for everyone

≡ SoftBank





# Average Life Expectancy (Japan)





Generalization of  
DNA treatment  
and artificial organs



Towards the era of  
life expectancy of 200 years



# Spread of communication through human bodies, and telepathy







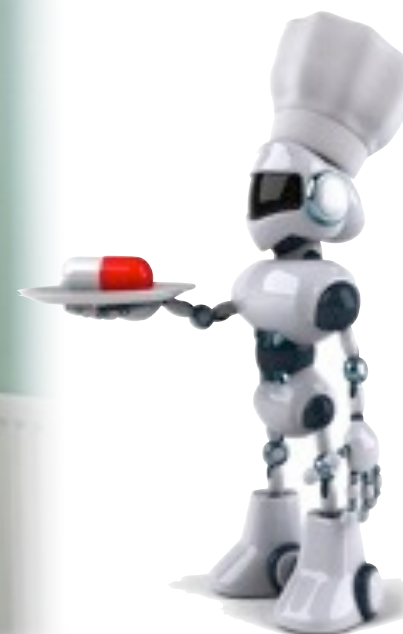
Spread of  
completely-  
automated  
translation



# Disaster rescue



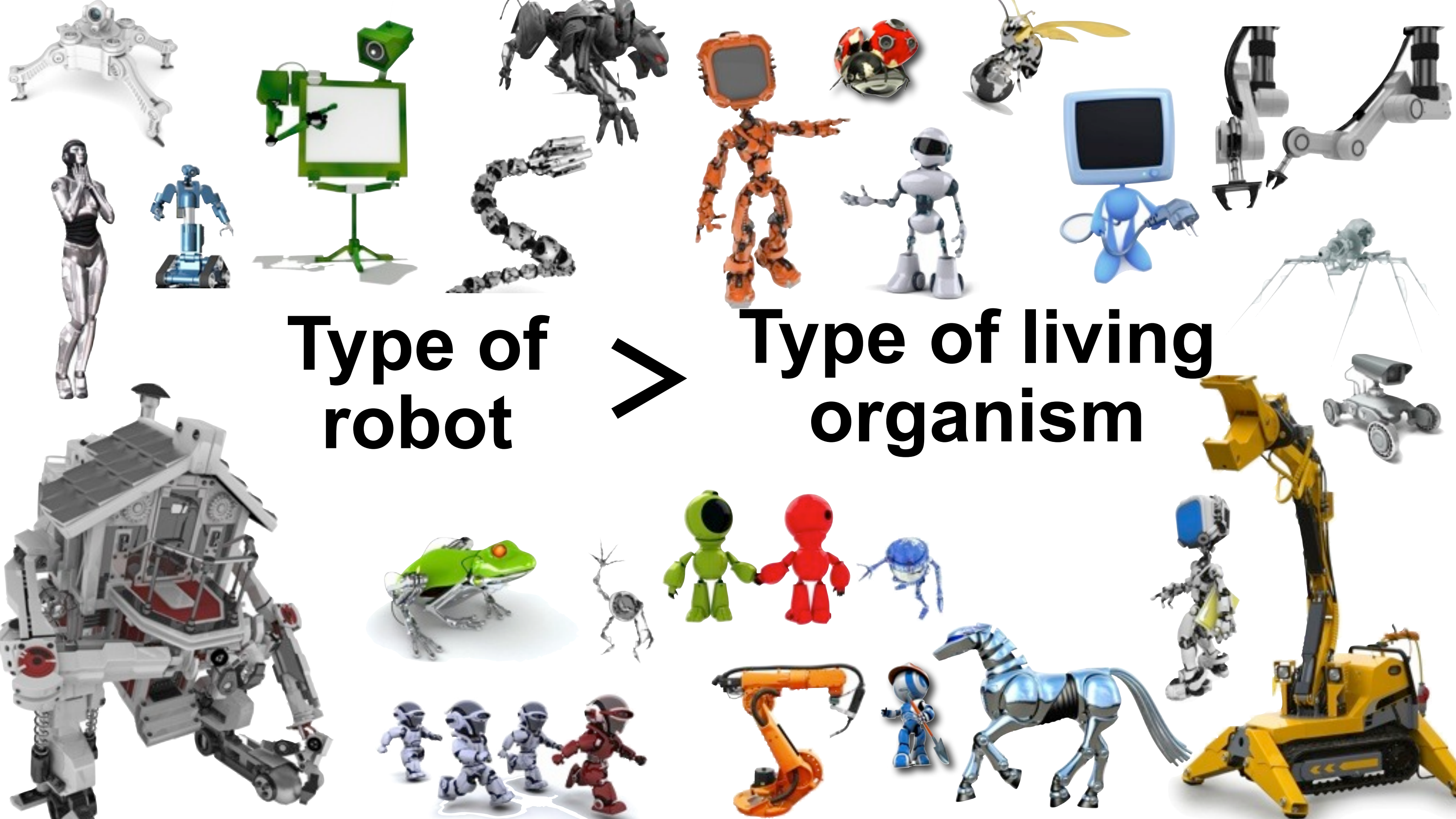
# Nursing/ house work



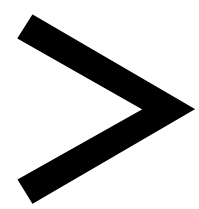
# Emergency medicine







**Type of  
robot**



**Type of living  
organism**

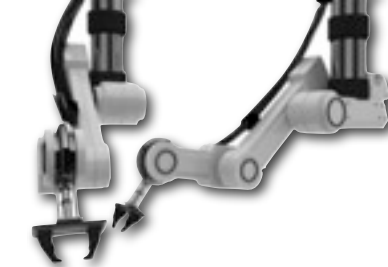




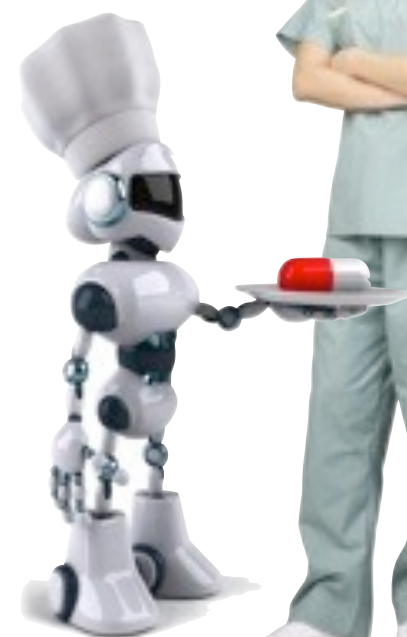
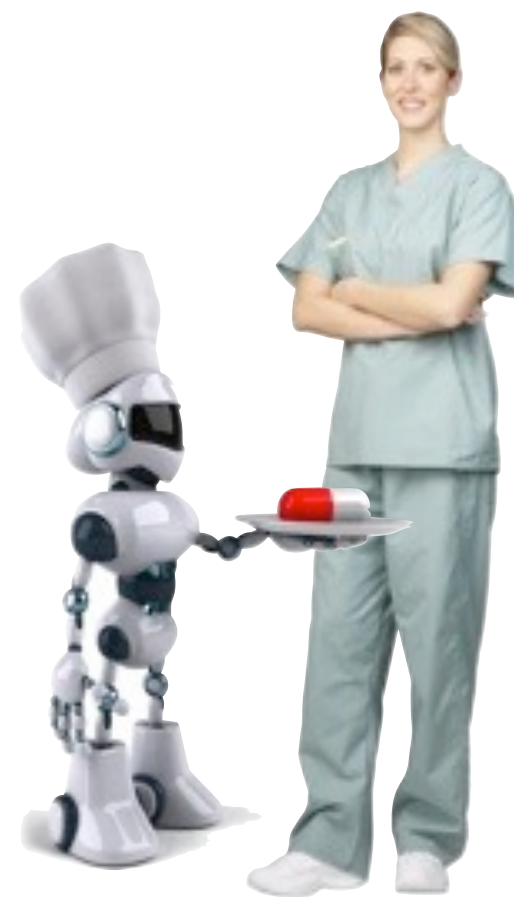
Most of new technologies  
will be invented by computer







# Coexistence with intelligent robots







Natural disaster



Terrorism



Unknown virus



Meteor



**Yet, people long for love,  
and get hurt by love**



**Information Revolution -  
Happiness for everyone**

**World in  
30 years from now**

**SoftBank**





2010

2040

**CPU**

Number of  
transistors



**3bn**

**1mil times**

**3quadrillion**

(100k times of  
human brain)

**Memory**



**32GB**

**1mil times**

**32PB**

**Network  
speed**



**1Gbps**

**3mil times**

**3Pbps**

# Content Storable in a 30,000 yen Handset

2010

2040



6400 songs

500bn songs



4 yrs  
equivalent

350mil yrs  
equivalent



4 hours  
equivalent

30k yrs  
equivalent



# Content Downloadable Per Second from Cloud



2010

2040



1 song



**3mil  
songs**



1/4 day  
equivalent



**2000  
years  
equivalent**





**Unlimited storage**  
**Unlimited cloud**  
**Zero speed network**



**Change lifestyle**  
**radically**



**Life log**

**Everything integrates with cloud**





Everything integrates with cloud



# Advanced and fair education





# Advanced telemedicine





# New work styles





# Evolution of “Touched by sightseeing”

Now



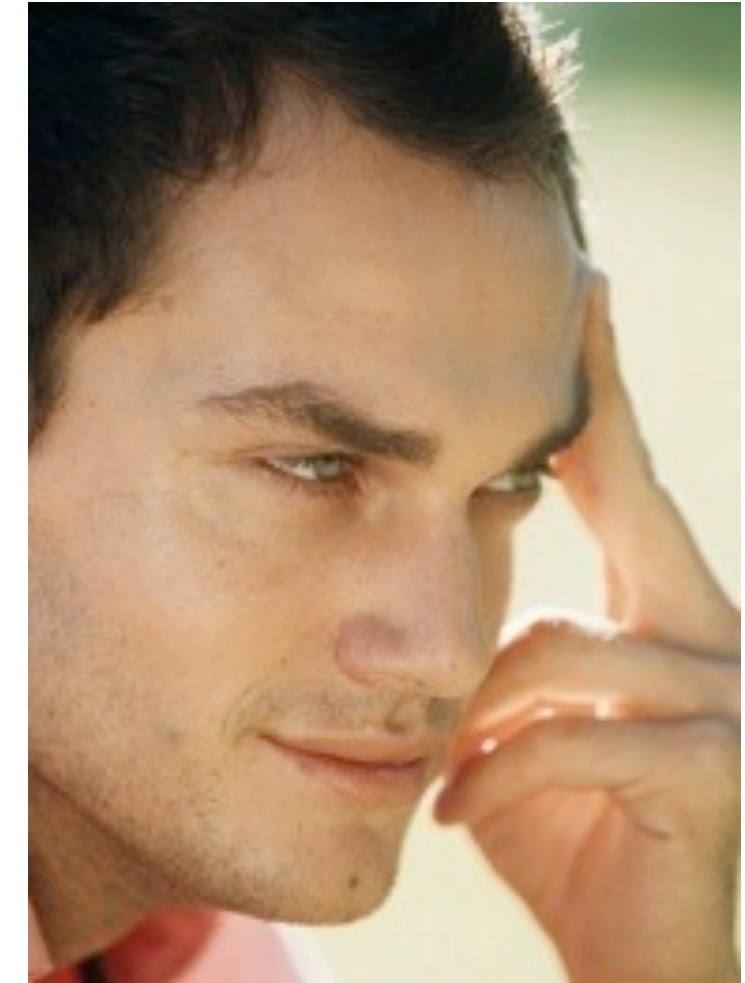
30 yrs later



VR  
Sightseeing

*\*Virtual Reality*

100 yrs later

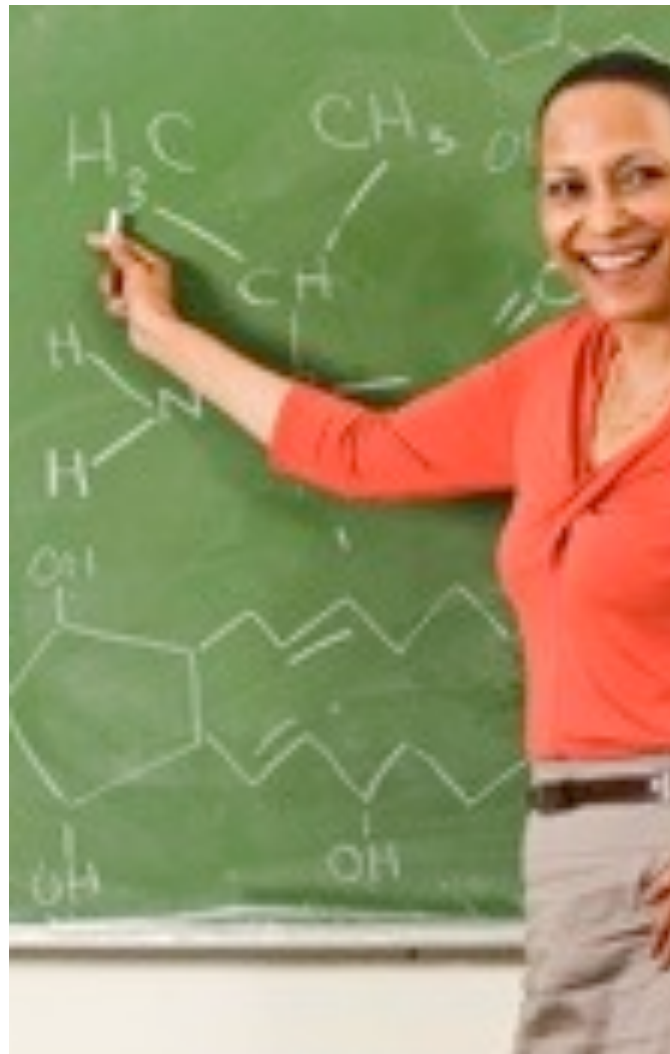


Gather information  
by just thinking



# Evolution of “Touched by learning”

Now



30 yrs later



100 yrs later



VR e-textbook

*\*Virtual Reality*

Getting interested alone  
enables learning

# Evolution of “Touched by interactions”

Now



30 yrs later



Interact in VR

*\*Virtual Reality*

100 yrs later



Touch each other  
in AR

*\*Augmented Reality*



# Evolution of “Touched by playing”

Now



30 yrs later



100 yrs later



VR game

*\*Virtual Reality*

AR game

*\*Augmented Reality*



**SoftBank works to make  
cloud computing the greatest human  
asset**

**SoftBank works to obtain  
cutting edge technology and  
the most outstanding business model  
with the times**



# **Information Revolution**

## **(movie)**

# Strategy

**Difference from futurists:**

**SoftBank works  
to turn our vision into reality**



**SoftBank**

**works to become a company**

**needed by people around the world**

# Market Cap Ranking

	Approx. 100 Years ago (around 1900)	30 Years ago ( 1985 )	Present (2010)
1	<div>North Western Railway</div> <div>Pennsylvania Railroad</div> <div>Union Pacific Railroad</div> <div>Southern Pacific Railroad</div> <div>U.S. Steel</div> <div>Standard Oil</div> <div>Tennessee Coal</div> <div>JP Morgan and Company</div> <div>City Bank of New York</div>	IBM	Exxon Mobil
2		Exxon	Petrochina
3		AT&T	Apple
4		GE	Microsoft
5		British Telecommunications	Industrial and Commercial Bank of China
6		Sumitomo Bank	China Mobile
7		Tokyo Electric	China Construction Bank
8		Deutsche Bank	Berkshire Hathaway
9		Mitsubishi Bank	Wal-Mart Stores
10		DuPont	P&G

**In 30 years,  
SoftBank aims to  
be listed in the world top 10  
with the market cap. of 200t yen**



# **Business Domain**

**SoftBank focuses on  
information industry**

**SoftBank does not  
limit ourselves to  
one particular technology  
nor one business model**



# Technologies and hardware change over time



**SoftBank Group works to  
bring revolutionary changes  
into people's lifestyles  
with best partners**



**A company growing  
in the next 300 years**



# **History of the earth: 4.6bn years**

**100bn species have emerged,  
100mil species have survived**



5 Greatest Extinctions		Scale	Cause
440mil yrs ago	End of Ordovician	85%	Cooling of the earth
360mil yrs ago	End of Devonian	82%	Impact of 2 meteors
250mil yrs ago	End of Permian	96%	Volcanic activity
210mil yrs ago	End of Triassic	76%	Meteor impact
60mil yrs ago	End of Cretaceous	70%	Meteor impact



# 5 Greatest extinction crises

## Turning Points

**1981    Big bet after one month of business foundation**

**1983    Fight against illness**

**1994    IPO, ventured into US**

**2001    Start broadband business**

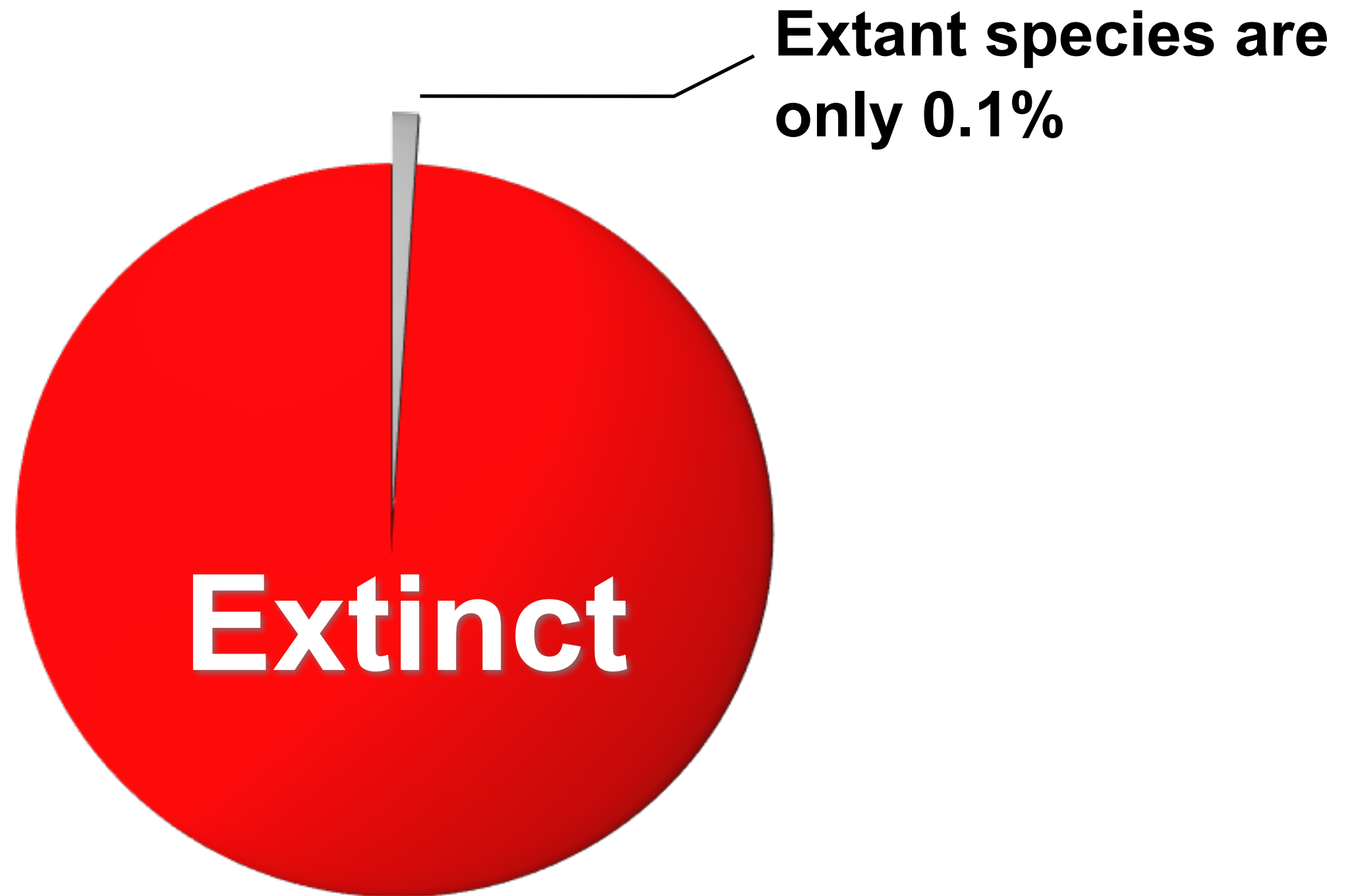
**2006    Acquired Vodafone KK**

**5 turning points of SoftBank**





# Species' survival ratio



**99.9% of species went extinct**

# Companies' survival ratio (for 30 years)

0.02% is surviving



**99.98% can not survive**

**Design  
corporate DNA leading  
SoftBank's growth  
in the next 300 years**





 **Strategic Synergy Group**



## 20th Century type

**Low cost, technology**

**Mass production**



## 21st Century type

**Variety, safety**

**Multiple variety of  
small quantity**

**Competitiveness**

**Strategy**





**20th Century type**

**Single brand**

**Slow**



**21st Century type**

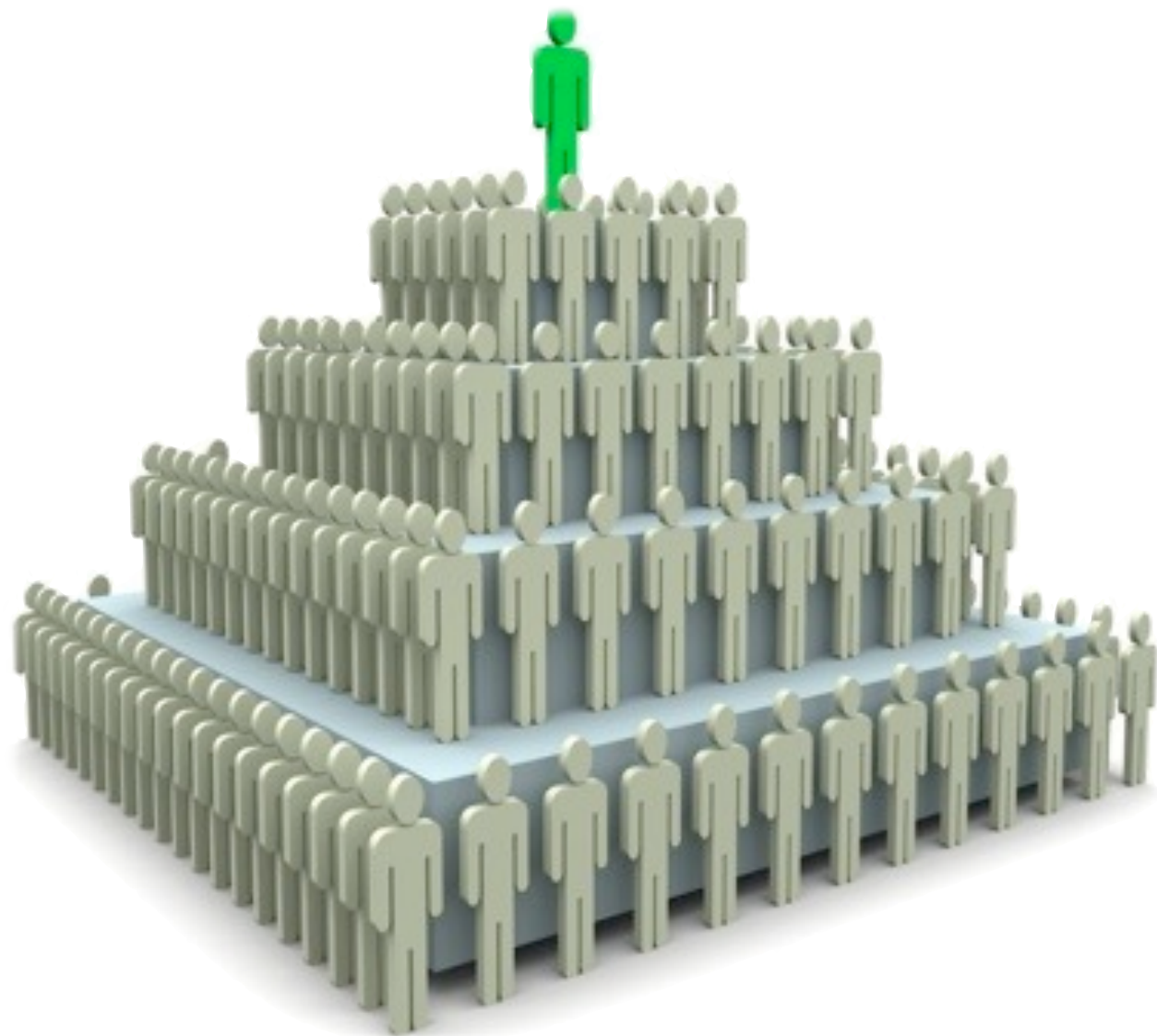
**Multi brand**

**Fast**

**Brand**

**Speed of Evolution**





**20th Century type**

**Pyramid**

**Centralized**

**Organization  
Structure**

**Decision making**

**21st Century type**

**Web**

**Balanced between  
centralization and decentralization**





## 20th Century type

**Supervision/  
control style**

**over 51%**

**Management**

**% of Stakes**

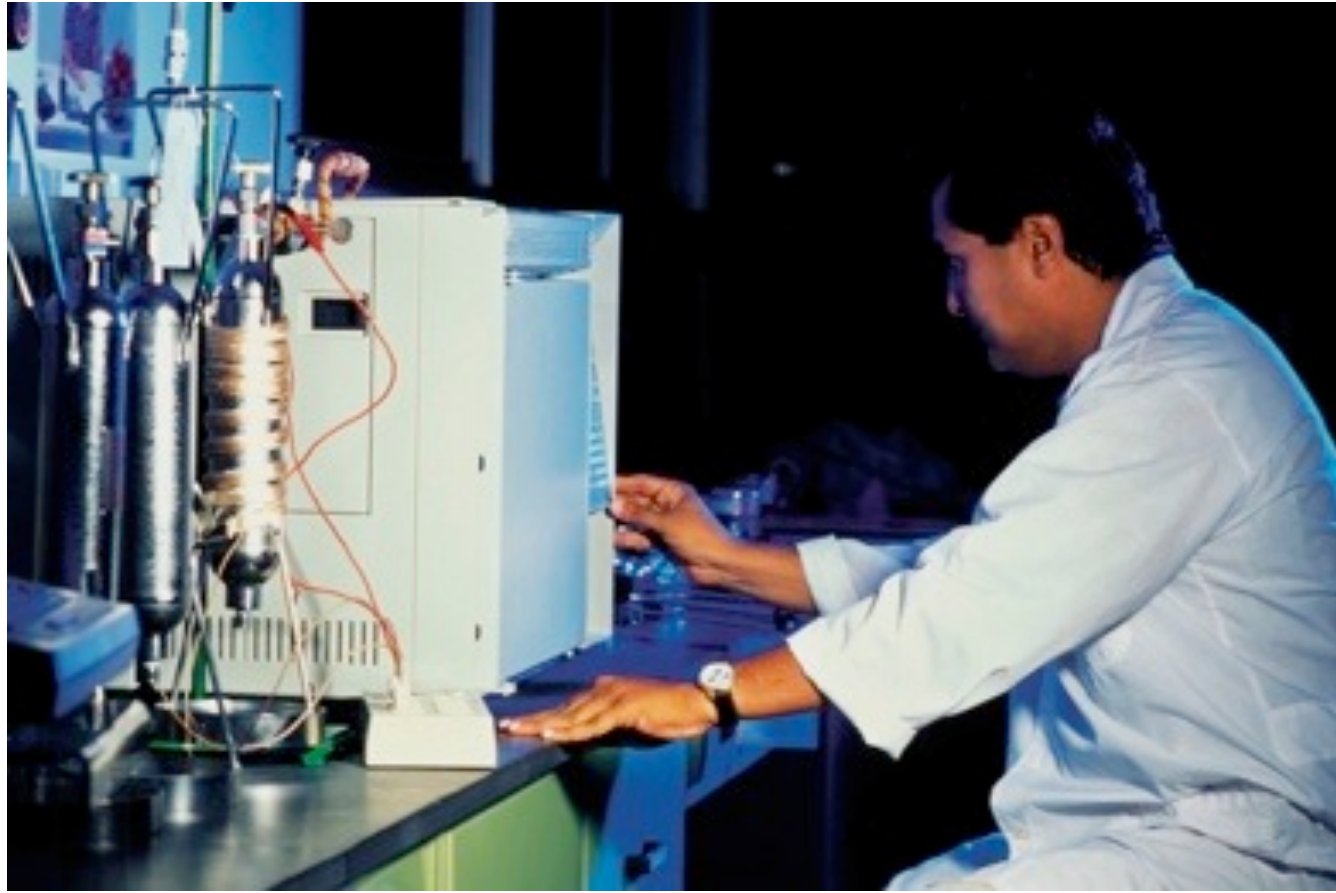


## 21st Century type

**Autonomous/  
harmonious style**

**Mainly 20 - 40%**





**20th Century type**

**In-house R&D**

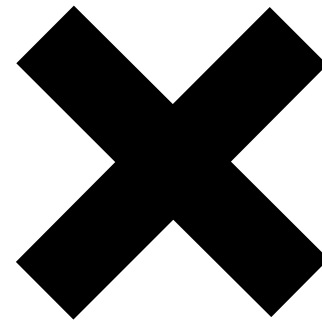


**21st Century type**

**Partnership  
(joint venture)**

**Technology  
Strategy**



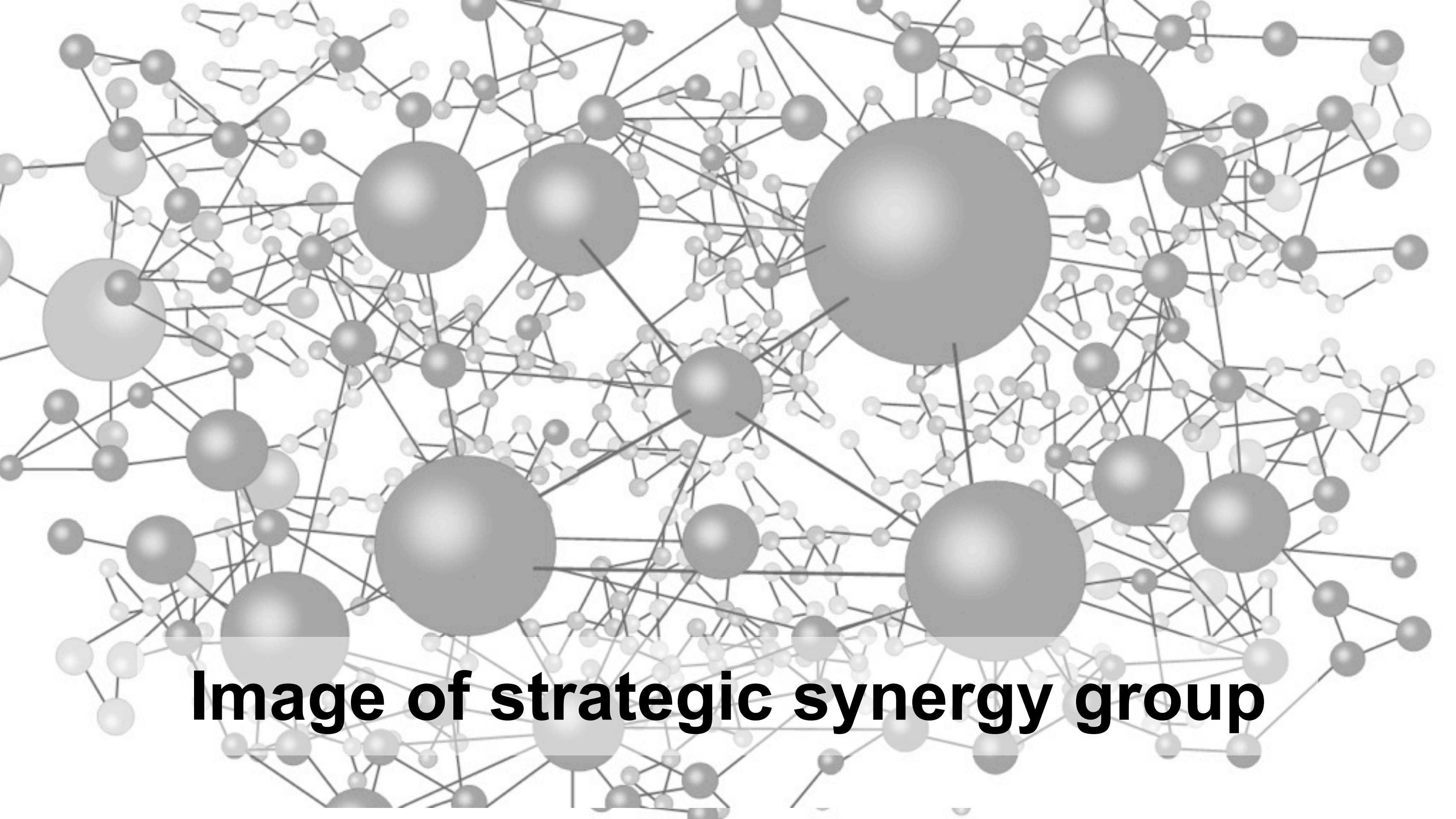


*\*multiplied by*



**Ties based on  
Capital**

**Ties based on  
Buddy-like  
Relations**



**Image of strategic synergy group**





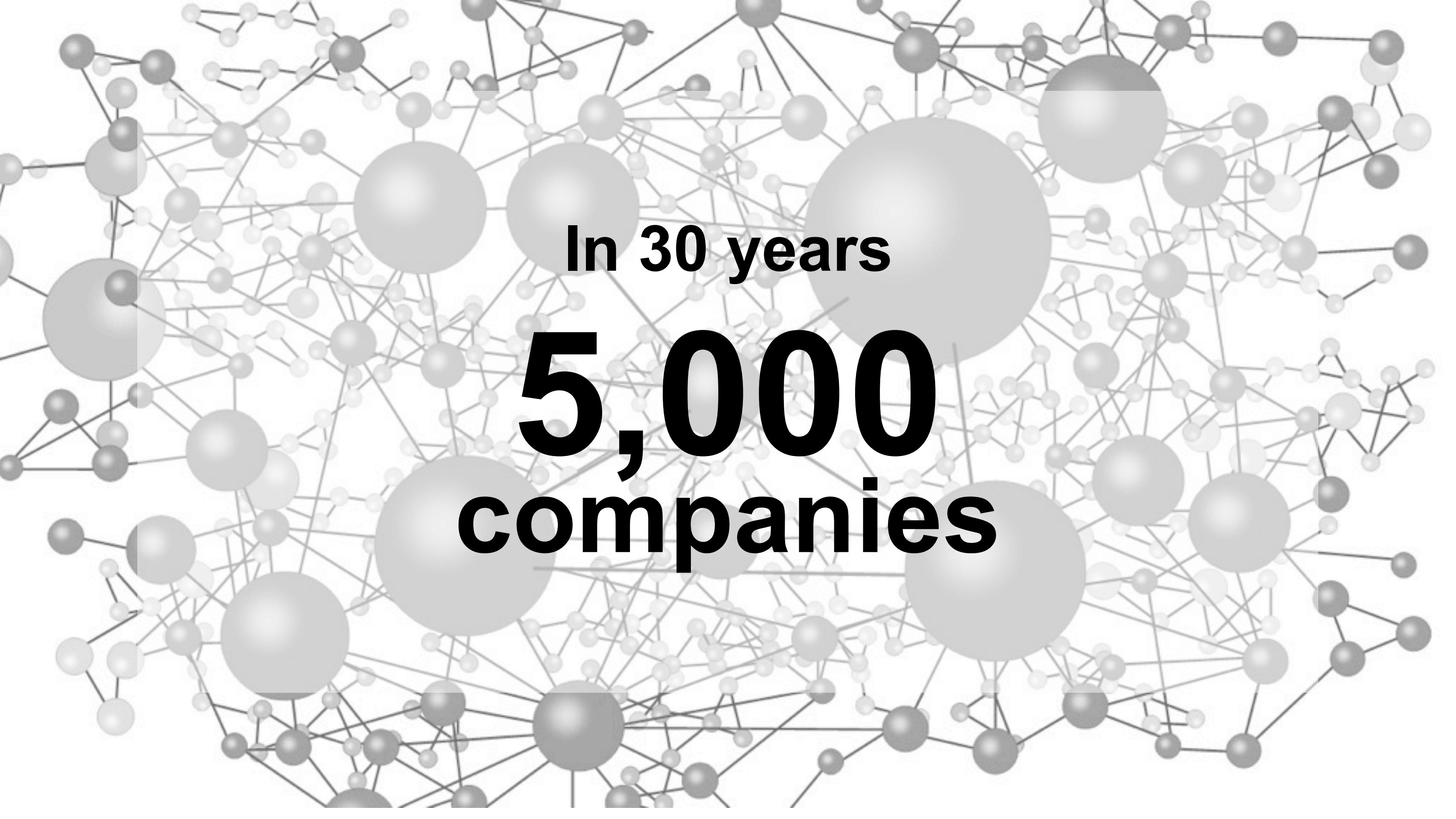
**Autonomy × Decentralization × Harmony**

*\*multiplied by*

*\*multiplied by*

**Self-evolution + Self-multiplication**





**In 30 years**  
**5,000**  
**companies**



A brown leather book cover with the title "50-Year Life Plan" in white text. The cover is textured and shows signs of wear. The spine is visible on the left side, showing traditional binding stitching. The book is placed on a light-colored wooden surface with a vertical grain.

# 50-Year Life Plan



# 50-Year Life Plan

- 20s**    **Get acknowledged**
- 30s**    **Finance war chest**
- 40s**    **Take on a challenge**
- 50s**    **Complete business**
- 60s**    **Hand over business  
to next generation**





**60s**

**Hand over business to  
next generation**

The logo consists of two horizontal gray bars stacked vertically, resembling an equals sign.

SoftBank Academia





**Word Origin of Academia**

**“Akademeia”**

**Founded by Plato in  
387 BC**

**Trained future leaders**



**Start in July 2010**

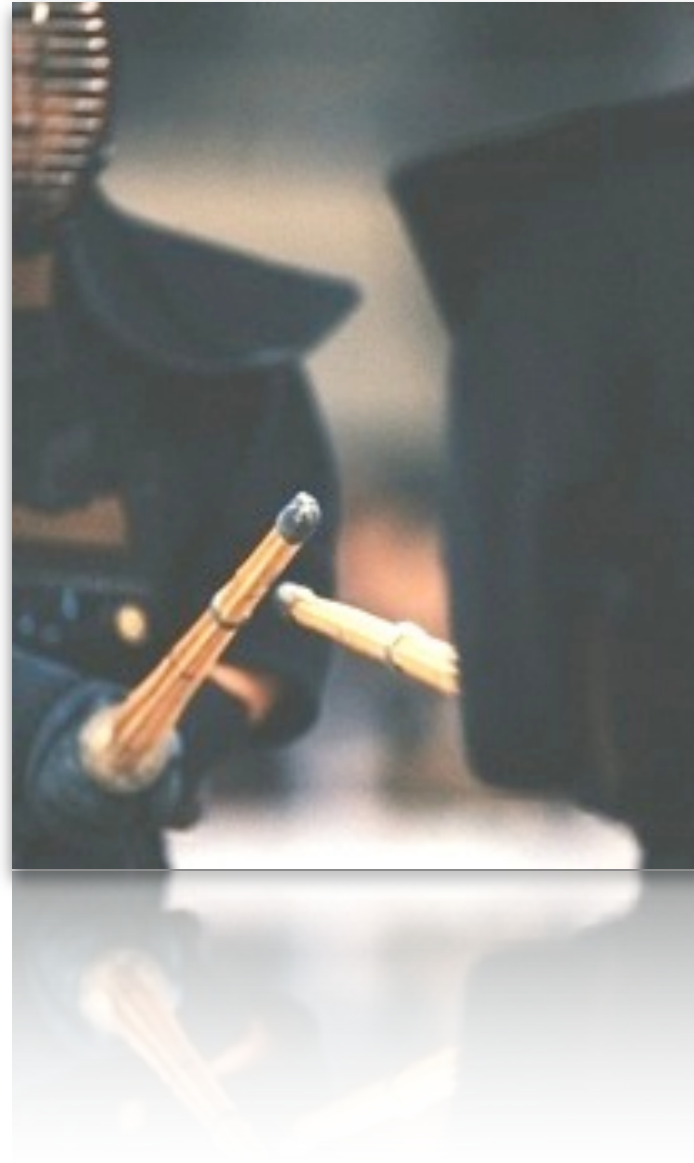




## **Training of successors**



## **Practical training**



## **Supreme responsibility**





# **SoftBank Values**

- 1) Focus on information revolution and contribute to people's happiness**
  - 2) Be ambitious and tenacious of justice**
  - 3) Commit to be an overwhelming No.1**
  - 4) Think till our brains crush**
  - 5) No revolutions are down to the earth**
- ⋮





**To be  
the Plato academy  
in the 21 century**

# **SoftBank**

## **Next 30-Year Vision**

**SoftBank works to obtain  
cutting edge technology &  
the most outstanding business model  
with the times**



# **Information Revolution - Happiness for everyone**

We exist for our fellow-men  
- in the first place  
for those on whose smiles and welfare  
all our happiness depends,  
and next for all those unknown to us  
personally with whose destinies  
we are bound up by the tie of sympathy.

**-Albert Einstein**







The most terrible poverty is  
loneliness and the feeling of  
being unloved.

**- Mother Teresa**



# My Beloved Grandmother







**We**  
**(movie)**



