SoftBank

This English translation of the financial report was prepared for reference purposes only and is qualified in its entirety by the original Japanese version. The financial information contained in this report is derived from our unaudited consolidated financial statements appearing in item 3 of this report.

SOFTBANK CORP.
CONSOLIDATED FINANCIAL REPORT
For the nine-month period ended December 31, 2010

Tokyo, February 3, 2011

1. FINANCIAL HIGHLIGHTS

(Percentages are shown as year-on-year changes)

(1) Results of Operations

(Millions of yen; amounts less than one million yen are omitted.)

	Net sales		Operating income		Ordinary income		Net income	
	Amount	%	Amount	%	Amount	%	Amount	%
Nine-month period ended December 31, 2010	**¥2,249,901**	**10.0**	**¥482,159**	**31.6**	**¥399,917**	**42.2**	**¥142,299**	**50.0**
Nine-month period ended December 31, 2009	¥2,045,304	3.2	¥366,319	33.4	¥281,187	61.1	¥94,861	63.0

	Net income per share－basic (yen)	Net income per share－diluted (yen)
Nine-month period ended December 31, 2010	**¥131.47**	**¥126.32**
Nine-month period ended December 31, 2009	¥87.68	¥84.55

(2) Financial Condition

(Millions of yen; amounts less than one million yen are omitted.)

	Total assets	Total equity	Equity ratio (%)	Shareholders' equity per share (yen)
As of December 31, 2010	**¥4,375,058**	**¥814,842**	**13.0**	**¥527.23**
As of March 31, 2010	¥4,462,875	¥963,971	10.5	¥434.74

Note: Shareholders' equity (consolidated)
As of December 31, 2010: ¥570,644 million
As of March 31, 2010: ¥470,531 million

2. Dividends

	Dividends per share				
(Record date)	First quarter	Second quarter	Third quarter	Fourth quarter	Total
	(yen)	(yen)	(yen)	(yen)	(yen)
Fiscal year ended March 31, 2010	-	0.00	-	5.00	5.00
Fiscal year ending March 31, 2011	-	0.00	-		
Fiscal year ending March 31, 2011 (Forecasted)				5.00	5.00

Revision of forecasts on the dividends: No

3. Forecasts on the consolidated operation results for the fiscal year ending in March 2011 (April 1, 2010 – March 31, 2011)

(Percentages are shown as year-on-year changes)
(Millions of yen)

	Operating income	
Full financial year	¥600,000	28.8(%)

Revision of forecasts on the consolidated operation results: Yes

4. Others (Please refer to page 19 "2. Others" for details)

(1) Significant Changes in Scope of Consolidation: No
Note: Existence or non existence of significant changes in scope of consolidation of specified subsidiaries

(2) Application of simple accounting methods or special accounting methods for preparation for the consolidated financial statements: No
Note: Existence or non existence of application of simple accounting methods or special accounting methods for the consolidated financial statements

(3) Changes in accounting principles, procedures, disclosure methods, etc., used in the presentation of the consolidated financial statements
[1] Changes due to revisions in accounting standards: Yes
[2] Changes other than those in [1]: No
Note: Existence or non existence of changes in accounting principles, procedures, disclosure methods, etc., used in the presentation of the consolidated financial statements

(4) Number of shares issued (Common stock)
[1] Number of shares issued (including treasury stock):
As of December 31, 2010: 1,082,526,378 shares
As of March 31, 2010: 1,082,503,878 shares
[2] Number of treasury stock:
As of December 31, 2010: 179,491 shares
As of March 31, 2010: 174,775 shares
[3] Weighted average number of common stock:
As of December 31, 2010: 1,082,344,678shares
As of December 31, 2009: 1,081,880,972 shares

* Implementation status of quarterly review procedures

This quarterly consolidated financial report is not subject to quarterly review procedures based on Financial Instruments and Exchange Act and the review procedures for the quarterly consolidated financial statements were being conducted when this report was disclosed.

* Note to forecasts on the consolidated operating results and other items

The forecast figures are estimated based on the information which SOFTBANK CORP. is able to obtain at the present point and assumptions which are deemed to be reasonable. However, actual results may be different due to various factors. Please refer to page 17 "1. Qualitative Information Regarding Nine-month Period Results (3) Earnings Forecasts" for details of notes to precondition and usage for forecasts.

(Appendix)

Content

1. Qualitative Information Regarding the Nine-month Period Results

(1) Qualitative Information regarding Consolidated Results of Operations

1. Consolidated Results of Operations

<Overview of results for the nine-month period from April 1 to December 31, 2010>

For the nine-month period from April 1 to December 31, 2010 (hereafter "the period"), the SOFTBANK Group (hereafter "the Group") achieved ¥2,249,901 million of consolidated net sales, a ¥204,596 million (10.0%) increase compared with the same period of the previous fiscal year (April 1 to December 31, 2009, hereafter "year-on-year"), with a ¥115,839 million (31.6%) increase in operating income to ¥482,159 million. This consolidated revenue and profit growth was driven by strong performance at the Mobile Communications segment. Ordinary income grew ¥118,730 million (42.2%) to ¥399,917 million. Net income rose ¥47,438 million (50.0%) to ¥142,299 million.

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

Note:
Definition of terms: as used in this consolidated financial report for the nine-month period ended December 31, 2010, references to "the Company," "the Group" and "the SOFTBANK Group" are to SOFTBANK CORP. and its consolidated subsidiaries except as the context otherwise requires or indicates.

The main factors affecting earnings for the period were as follows:

(a) Net Sales

Net sales totaled ¥2,249,901 million, for a ¥204,596 million (10.0%) year-on-year increase. This was mainly the result of strong growth in the number of mobile phone subscribers, combined with a rise in ARPU[1] and the number of mobile handsets shipped[2], at the Mobile Communications segment.

Notes:
1. Average Revenue Per User.
2. Handsets shipped: handsets shipped (sold) to agents.

(b) Cost of Sales

The cost of sales rose ¥46,780 million (4.8%) year-on-year to ¥1,027,735 million. The increase primarily reflected a higher cost of goods at the Mobile Communications segment on the increase in the number of mobile handsets shipped, while depreciation and amortization expenses related to the 2G mobile phone service decreased as a result of the termination of this service in March 2010.

(c) Selling, General and Administrative Expenses

Selling, general and administrative expenses grew ¥41,976 million (6.0%) year-on-year to ¥740,006 million. This was mainly because of increased sales commissions[3] associated with the increase in the number of mobile handsets sold[4] at the Mobile Communications segment.

Notes:
3. Sales commissions paid to sales agents per new subscription and upgrade purchase.
4. Handsets sold: handsets sold to customers upon new subscription and handset upgrade.

(d) Operating Income

As a result, operating income totaled ¥482,159 million, for a ¥115,839 million (31.6%) year-on-year increase. The operating margin rose 3.5 percentage points year-on-year, to 21.4%.

(e) Non-operating Income / Expenses

Non-operating income totaled ¥15,044 million, a ¥5,059 million year-on-year increase. Non-operating expenses stood at ¥97,285 million, a ¥2,168 million year-on-year increase. The primary item of non-operating expenses was interest expense, which totaled ¥80,610 million.

(f) Ordinary Income

Ordinary income therefore totaled ¥399,917 million, for a ¥118,730 million (42.2%) year-on-year increase.

(g) Special Income

Special income totaled ¥11,686 million, the main components of which were a ¥4,907 million gain on sale of investment securities and a ¥4,187 million gain on repurchase of minority interests and long-term debt. Gain on repurchase of minority interests and long-term debt was the result of the Company's acquisition, which was carried out on December 10, 2010. This acquisition, amounting to a total of ¥412,500 million, contains all class 1 preferred stock series 1 and stock acquisition rights issued by BB Mobile Corp. (hereafter "BB Mobile") to Vodafone International Holdings B.V., and the entire amount of the principal and accrued interest of a long-term loan receivable, which was recorded as long-term debt in the Company's consolidated balance sheets, from SOFTBANK MOBILE Corp. (hereafter "SOFTBANK MOBILE") to Vodafone Overseas Finance Limited.

(h) Special Loss

The special loss was ¥26,997 million, which included a ¥7,841 million valuation loss on option and a ¥7,099 million loss on adjustment for changes of the accounting standard for asset retirement obligations. The Company has entered into agreements containing a put option[5] and a call option[6] for shares of Wireless City Planning Inc. (hereafter "WCP"), which is the Company's affiliate under equity method, with its shareholders other than the Company. These options are measured at fair value and the valuation loss is recorded as described above.

Notes:

5. Put option: the right of the other shareholders of WCP to sell the WCP shares to the Company.
6. Call option: the Company's right to buy the WCP shares from the other shareholders of WCP.

(i) Income Taxes

Provisions for current income taxes were ¥125,137 million, provisions for deferred income taxes were ¥47,450 million, and additional tax expenses of ¥26,450 million were recorded as income taxes - correction. Current income taxes increased by ¥35,588 million year-on-year, mainly as a result of loss carryforwards under the BB Mobile income taxes under consolidated tax return[7] having been fully utilized in the previous fiscal year. The income taxes - correction were recorded in response to a correction and ruling notice received by Yahoo Japan Corporation (hereafter "Yahoo Japan") from the Tokyo Regional Taxation Bureau on June 30, 2010, regarding

Yahoo Japan's tax accounting treatment. Refer to page 31, "3. Consolidated Financial Statements – Notes Consolidated Statements of Income – 5. Income taxes – corrections (For the nine-month period ended December 31, 2010)" for details. Yahoo Japan paid the relevant additional income taxes on July 1, 2010.

Note:

7. BB Mobile and its wholly owned subsidiaries including SOFTBANK MOBILE adopt the consolidation taxation system.

(j) Minority Interests in Net Income

Minority interests in net income totaled ¥43,268 million, primarily from profit recorded at Yahoo Japan and at SB Asia Infrastructure Fund L.P., which became a consolidated subsidiary of the Company during the three-month period from April 1 to June 30, 2010 (hereafter "the first quarter").

(k) Net Income

As a result of the above, net income totaled ¥142,299 million, for a ¥47,438 million (50.0%) year-on-year increase.

The Group is strengthening its cash-flow-oriented management, and aims to reduce its ¥1,939,520 million of net interest-bearing debt[8] as of the end of March 2009 by half over three years (by the end of March 2012) and to zero over six years (by the end of March 2015). To achieve this, the Group plans to generate an aggregate total of at least ¥1 trillion in free cash flow[9] over the three years from fiscal 2009 (period from April 1, 2009, to March 31, 2012). As a result of the strong performance of the Mobile Communications segment, free cash flow totaling ¥364,264 million was recorded during the period. Net interest-bearing debt at the end of the period was ¥1,429,929 million.

Notes:

8. Net interest-bearing debt: interest-bearing debt - cash position.
   Interest-bearing debt: short-term borrowings + commercial paper + current portion of corporate bonds + corporate bonds + long-term borrowings. Lease obligations are excluded.
   This also excludes the corporate bonds (WBS Class B2 Funding Notes, issued by J-WBS Funding K.K.) with a face value of ¥27,000 million acquired by the Company during the previous fiscal year that were issued under the whole business securitization financing scheme associated with the acquisition of Vodafone K.K.
   Cash position: cash and cash deposits + marketable securities recorded as current assets (excludes Yahoo! Inc. shares held by a subsidiary of the Company in the United States of America).
9. Free cash flow: cash flows from operating activities + cash flows from investing activities.

2. Results by Business Segment

The "Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Statement No.17, March 27, 2009) and the "Guidance on the Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Guidance No.20, May 21, 2008) are being applied from the first quarter. Hereafter the accounting standard and the guidance on the accounting standard applied in the same period of the previous fiscal year are referred to as the "former standard", while those applied from the first quarter are referred to as the "new standard."

Net sales and operating income for the period are compared on a year-on-year basis, based on the new standard.

Note:
Principal operational data is shown on pages 9-10 "(Reference 1: Principal Operational Data)."

(a) Mobile Communications

(Millions of yen)

	Nine-month Period Ended December 31, 2009		**Nine-month Period Ended December 31, 2010**	(Reference) Change (d)=(c)-(b)	(Reference) Change % (d)÷(b)
	(Former standard) (a)	(New standard) (b)	**(New standard) (c)**		
Net sales	1,264,254	1,264,257	**1,458,620**	194,363	15.4%
Operating income	215,112	215,109	**314,486**	99,377	46.2%

- **2,523,300 cumulative net subscriber additions[10] for the period**
- **ARPU[11] for the third quarter[12] was ¥4,310, a ¥110 year-on-year[13] increase. Out of this data ARPU amounted to ¥2,330, a ¥270 year-on-year increase**

Notes:
10. The number of net subscriber additions includes prepaid mobile phones and communication module service subscribers. Net subscriber additions for communication modules for the period totaled 553,600, which included an increase of 189,600 in the third quarter.
11. Average Revenue Per User (rounded to the nearest ¥10). Revenue and number of mobile phone subscribers include prepaid mobile phones and communication module service subscribers. For the Mobile Communications segment, the term "ARPU" used alone indicates the total of the basic monthly charge plus voice ARPU plus data ARPU.
12. The three-month period ended December 31, 2010 (from October 1 to December 31, 2010).
13. Compared to the three-month period ended December 31, 2009 (from October 1 to December 31, 2009).

<Analysis of Results>

The segment's net sales increased by ¥194,363 million (15.4%) year-on-year to ¥1,458,620 million. The revenue growth was driven by continued strong upward trend of mobile phone subscribers combined with increases in ARPU and the number of mobile handsets shipped. Operating income increased by ¥99,377 million (46.2%) year-on-year to ¥314,486 million.

<Number of Mobile Phone Subscribers>

Net subscriber additions (new subscribers minus cancellations) for the period totaled 2,523,300, of which 925,700 net subscribers were added in the third quarter. This increase was primarily the result of strong sales of iPhone[14]. As a result, the cumulative number of subscribers at the end of the period stood at 24,399,900[15], raising SOFTBANK MOBILE's cumulative subscriber share by 1.2 of a percentage point year-on-year, to 20.8%[16].

Notes:

14. iPhone is a trademark of Apple Inc.
    The iPhone trademark is used under license from Aiphone K.K.
15. The number of cumulative subscribers includes prepaid mobile phones and communication module service subscribers. The cumulative number of communication module service subscribers at the end of the period was 1,091,100.
16. Calculated by the Company based on Telecommunications Carriers Association statistical data.

<ARPU>

ARPU for the third quarter rose ¥110 year-on-year to ¥4,310. Out of this the sum of the basic monthly charge and voice ARPU declined ¥170 year-on-year to ¥1,980, reflecting an increase in devices like PhotoVision that do not have voice communication functionality, and revised access charges between carriers. On the other hand, data ARPU rose ¥270 year-on-year to ¥2,330. This was mainly the result of an increase in the number of data-intensive iPhone subscribers, combined with the termination of the non-data-intensive 2G service in March 2010.

<Churn Rate and Upgrade Rate>

The churn rate[17] for the third quarter was 0.91%, which was 0.25 of a percentage point lower year-on-year. This was primarily because the termination of the 2G service ceased to be a factor causing an increase in the churn rate, combined with a decline in the churn rate of customers who have completed their installment handset payments.

The upgrade rate[17] for the third quarter was 1.43%, which was 0.1 of a percentage point lower year-on-year. The number of upgrades to iPhone 4 increased but this impact was outweighed by the fact that the termination of the 2G service no longer had an increasing impact.

Note:

17. Calculation includes prepaid mobile phones and communication module service subscribers in the number of subscribers, churn and upgrades respectively.

<Average Acquisition Cost per Subscriber>

The average acquisition cost per subscriber[18] for the third quarter rose ¥400 year-on-year to ¥37,800.

Note:

18. Average commission paid to sales agents per new subscription.
    New subscriptions include prepaid mobile phones and communication modules.

(b) Broadband Infrastructure

(Millions of yen)

	Nine-month Period Ended December 31, 2009		**Nine-month Period Ended December 31, 2010**	(Reference) Change (d)=(c)-(b)	(Reference) Change % (d)÷(b)
	(Former standard) (a)	(New standard) (b)	**(New standard) (c)**		
Net sales	155,328	154,353	**144,485**	(9,867)	(6.4%)
Operating income	39,409	39,115	**33,525**	(5,590)	(14.3%)

<Overview of Operations>

The segment's net sales decreased by ¥9,867 million (6.4%) year-on-year to ¥144,485 million. This was mainly because of the continued decreasing trend in revenue, on a decline in the number of charged lines[19] for the ADSL service. Operating income decreased by ¥5,590 million (14.3%) year-on-year to ¥33,525 million. In addition to the decrease in net sales, customer acquisition for *Yahoo! BB hikari with FLET'S*[20] led to an increase in sales-related expenses.

Net subscriber additions for *Yahoo! BB hikari with FLET'S* for the period totaled 546,000, which included an increase of 208,000 in the third quarter, bringing the cumulative number of contracts at the end of the period to 783,000. Combined with installed lines[21] for the ADSL service, this brought the total number of users to 4,074,000.

Notes:

19. Number of installed lines excluding customers whose basic monthly charge is free under promotion campaigns or other promotional initiatives.
20. A broadband connection service that combines the Internet connection service *Yahoo! BB* and the *FLET'S HIKARI* fiber-optic connection provided by NIPPON TELEGRAPH AND TELEPHONE EAST CORPORATION ("NTT East") and NIPPON TELEGRAPH AND TELEPHONE WEST CORPORATION ("NTT West"). *FLET'S* and *FLET'S HIKARI* are registered trademarks of NTT East and NTT West.
21. Number of lines for which connection construction for ADSL line at central office of NTT East or NTT West is complete.

(c) Fixed-line Telecommunications

(Millions of yen)

	Nine-month Period Ended December 31, 2009		**Nine-month Period Ended December 31, 2010**	(Reference) Change (d)=(c)-(b)	(Reference) Change % (d)÷(b)
	(Former standard) (a)	(New standard) (b)	**(New standard) (c)**		
Net sales	258,687	258,687	**263,273**	4,586	1.8%
Operating income	14,344	14,400	**23,889**	9,488	65.9%

<Overview of Operations>

The segment's net sales increased by ¥4,586 million (1.8%) year-on-year to ¥263,273 million. Net sales to third-parties decreased, primarily as a result of the continued decrease in revenue from relay connection voice services such as *MYLINE*, despite the increase in revenue from the *OTOKU Line*, a direct connection voice service. On the other hand, inter-segment sales increased, due to a growth in telecom service revenue from network provision to the Group telecommunication companies such as SOFTBANK MOBILE, and contributed to the overall segment's revenue growth. Operating income increased by ¥9,488 million (65.9%) to ¥23,889 million. This was mainly due to an increase in net sales, combined with a decrease in lease expenses on equipment for the *OTOKU Line* service.

(d) Internet Culture

(Millions of yen)

	Nine-month Period Ended December 31, 2009		**Nine-month Period Ended December 31, 2010**	(Reference) Change (d)=(c)-(b)	(Reference) Change % (d)÷(b)
	(Former standard) (a)	(New standard) (b)	**(New standard) (c)**		
Net sales	199,862	199,791	**210,166**	10,374	5.2%
Operating income	98,526	99,665	**110,669**	11,003	11.0%

<Overview of Operations>

The segment's net sales increased by ¥10,374 million (5.2%) year-on-year to ¥210,166 million. Net sales at Yahoo Japan grew mainly on an increase in listing and display advertising. Operating income increased by ¥11,003 million (11.0%) year-on-year to ¥110,669 million. This was primarily a result of the growth in net sales, in addition to a decrease in communications expenses in connection with the reduction in data center related expenses.

(Reference 1: Principal Operational Data）

(a) Mobile Communications

SoftBank mobile phones

	Fiscal Year Ended March 31, 2010					Fiscal Year Ending March 31, 2011		
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3

(Thousands)

	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3
Net additions[1]	323.3	360.7	350.3	209.4	1,243.7	696.6	901.0	925.7
(Postpaid)	359.5	394.9	383.3	506.8	1,644.5	645.3	833.6	865.4
(Prepaid)	(36.2)	(34.2)	(33.0)	(297.4)	(400.8)	51.3	67.4	60.3
Market share[2] (%)	32.3	31.5	35.6	13.4	26.5	45.4	53.5	55.8
Cumulative subscribers[1]	20,956.2	21,316.9	21,667.2		21,876.6	22,573.2	23,474.2	24,399.9
（3G）	19,455.0	20,237.7	20,885.4		21,876.6	22,573.2	23,474.2	24,399.9
（2G）	1,501.2	1,079.2	781.8		-	-	-	-
Market share[2] (%)	19.3	19.4	19.6		19.5	19.9	20.3	20.8

(Yen per month)

	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3
ARPU[3]	4,030	4,150	4,200	3,890	4,070	4,290	4,300	4,310
(Basic monthly charge + voice)	2,150	2,160	2,150	1,750	2,050	2,030	2,020	1,980
(Data)	1,880	1,990	2,060	2,140	2,020	2,250	2,290	2,330

(Yen)

	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3
Average acquisition cost per subscriber[4]	50,100	35,900	37,400	40,200	40,500	37,200	37,500	37,800

(% per month)

	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3
Churn rate[5]	1.05	1.24	1.16	2.01	1.37	1.02	0.96	0.91
(3G postpaid)	0.87	1.07	0.99	1.28	1.06	0.99	0.92	0.86
Upgrade rate[5]	1.73	1.81	1.53	1.78	1.71	1.18	1.67	1.43

Notes:

1. Includes the number of prepaid mobile phones and communication module service subscribers.
2. Calculated by the Company based on Telecommunications Carriers Association statistical data.
3. Average Revenue Per User (rounded to the nearest ¥10).
   Revenue and number of mobile phone subscribers include prepaid mobile phones and communication modules.
   For the Mobile Communications segment, the term "ARPU" used alone indicates the total of the basic monthly charge plus voice ARPU plus data ARPU.
4. Average commissions paid to sales agents per new subscription.
   New subscriptions include prepaid mobile phones and communication modules.
5. Calculation includes prepaid mobile phones and communication module service subscribers in the number of subscribers, churn and upgrades respectively.

(b) Broadband Infrastructure

Yahoo! BB ADSL

(Thousands)

	Fiscal Year Ended March 31, 2010					Fiscal Year Ending March 31, 2011		
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3
Installed lines[6]	4,158	4,040	3,908		3,769	3,609	3,457	3,291
Charged lines[7]	3,769	3,657	3,533		3,389	3,221	3,066	2,903

(Yen per month)

	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3
Average user payment per charged line[8]	4,260	4,260	4,250	4,210		4,200	4,200	4,160

(% per month)

	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3
Churn rate[9]	2.12	1.80	1.96	2.20	2.02	2.26	2.32	2.47

Notes:

6. Number of lines for which connection construction for ADSL line at central office of NTT East or NTT West is complete.
7. Number of installed lines excluding customers whose basic monthly charge is free under campaigns or other promotional initiatives.
8. Rounded to the nearest ¥10.
9. Average ratio of customer lines with a history of payment, for which a cancellation application has been filed during the relevant period.

(c) Fixed-line Telecommunications

OTOKU Line

(Thousands)

	Fiscal Year Ended March 31, 2010					Fiscal Year Ending March 31, 2011		
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3
Lines	1,631	1,652	1,657		1,669	1,668	1,667	1,662

(Yen per month)

	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3
ARPU[10]	6,390	6,280	6,450	6,830		6,610	6,570	6,610

Note:

10. Average Revenue Per User: average revenue per line (rounded to the nearest ¥10).

(d) Internet Culture

(Millions)

	Fiscal Year Ended March 31, 2010					Fiscal Year Ending March 31, 2011		
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3
Yahoo! JAPAN								
Total monthly page views[11]	46,445	46,378	42,779	46,882		48,722	49,671	46,756
Unique browsers[12]	229	189	197	209		224	226	222
Yahoo! Auctions								
Average number of total listed items[13]	20	20	23	23		22	22	22

Notes:

11. Number of accesses to *Yahoo! JAPAN* Group websites during the last month of each quarter.
12. Number of browsers accessing a *Yahoo! JAPAN* service during the last month of each quarter.
13. Daily average number of items posted during the last month of each quarter.

(Reference 2: Capital Expenditure and Depreciation)[14]

(a) Capital Expenditure (acceptance basis)

(Millions of yen)

	Fiscal Year Ended March 31, 2010					Fiscal Year Ending March 31, 2011		
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3
Mobile Communications	32,408	39,148	47,921	65,291	184,770	25,987	65,387	116,324
Broadband Infrastructure	1,588	1,590	2,095	4,068	9,343	3,319	3,294	5,076
Fixed-line Telecommunications	3,710	3,939	3,436	6,893	17,979	5,112	6,362	9,095
Internet Culture	1,085	1,264	1,450	2,327	6,128	1,906	1,908	2,783
Others	1,571	915	678	1,528	4,693	1,216	1,559	1,148
Consolidated total	40,364	46,858	55,582	80,109	222,915	37,542	78,513	134,428

(b) Depreciation (excluding amortization of goodwill)

(Millions of yen)

	Fiscal Year Ended March 31, 2010					Fiscal Year Ending March 31, 2011		
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3
Mobile Communications	42,732	43,377	44,656	45,569	176,337	36,636	37,636	40,051
Broadband Infrastructure	4,373	4,366	4,095	4,188	17,023	4,234	3,968	3,965
Fixed-line Telecommunications	8,982	8,837	8,669	8,803	35,292	9,104	9,242	9,290
Internet Culture	2,366	2,441	2,492	2,563	9,864	2,169	2,307	2,412
Others	1,353	1,243	1,401	1,427	5,426	1,445	1,482	1,608
Consolidated total	59,809	60,266	61,314	62,553	243,944	53,590	54,637	57,329

Note:

14. Capital expenditure and Depreciation for the fiscal year ended March 31, 2010 are calculated based on the new standard. Capital expenditure and Depreciation for the e-Commerce segment for the fiscal year ended March 31, 2010 are included in "Others."

(2) Qualitative Information regarding Consolidated Financial Position

1. Assets, Liabilities and Equity

Assets, liabilities and equity at the end of the period were as follows:

(Millions of yen)

	As of December 31, 2010	As of March 31, 2010	YoY	YoY %
Total assets	**4,375,058**	4,462,875	(87,816)	(2.0%)
Total liabilities	**3,560,215**	3,498,903	61,312	1.8%
Total equity	**814,842**	963,971	(149,129)	(15.5%)

(a) Current Assets

Current assets at the end of the period totaled ¥1,684,518 million, for a ¥9,922 million (0.6%) decline from the previous fiscal year-end. The primary components of the change were as follows:

- Notes and accounts receivable-trade decreased by ¥138,762 million. This was mainly because of sales of installment sales receivables at SOFTBANK MOBILE.
- Marketable securities increased by ¥72,087 million from the previous fiscal year-end. This was mainly from the transfer of shares of Yahoo! Inc. that were previously recorded as investment securities under fixed assets, to current assets at the end of the three-month period from July 1 to September 30, 2010 (hereafter “the second quarter”). In February 2004, one of the Company’s U.S. subsidiaries entered into a loan involving a portion of the proceeds from a forward contract under which its Yahoo! Inc. shares are expected to be delivered in August 2011. Because the subsidiary intends to deliver these shares in accordance with the settlement of the forward contract beginning August 2011 or within one year, the corresponding shares of Yahoo! Inc. were transferred to current assets.
- Other current assets increased by ¥51,443 million from the previous fiscal year-end, primarily from increases in derivative assets and accrued revenue included in other current assets. A derivative contract (“collar transaction”) was concluded with regard to the aforementioned shares of Yahoo! Inc. to limit the risk from market price fluctuations of those shares for the period until the repayment, but with the remaining period until the repayment having become less than one year, the corresponding derivative assets were transferred to current assets at the end of the second quarter.

(b) Fixed Assets

Fixed assets totaled ¥2,689,152 million at the end of the period, for a ¥77,331 million (2.8%) decrease from the previous fiscal year-end. The primary components of the change were as follows:

- Investments and other assets decreased by ¥124,297 million from the previous fiscal year-end. This was mainly because of a ¥62,155 million decrease in investment securities from the aforementioned transfer of shares of Yahoo! Inc. to marketable securities under current assets. In addition, derivative assets related to those shares of Yahoo! Inc., included in other assets under investment and other assets, were transferred to other current assets.

- Total property and equipment increased ¥77,670 million from the previous fiscal year-end, primarily on a ¥181,990 million increase from new acquisitions of telecommunications equipment. The increase, reflecting the adjustment for changes of accounting standard for asset retirement obligations as of April 1, 2010, amounted to ¥10,595 million.
- Total intangible assets decreased ¥30,704 million from the previous fiscal year-end. This was mainly because of a ¥46,026 million of decrease in goodwill, which occurred when SOFTBANK MOBILE and SOFTBANK TELECOM Corp. (hereafter "SOFTBANK TELECOM") were acquired, resulting from regular amortization. On the other hand, software increased by ¥28,676 million as a result of new acquisitions of telecommunications equipment.

(c) Current Liabilities

Current liabilities at the end of the period totaled ¥1,533,002 million, for a ¥154,123 million (11.2%) increase from the previous fiscal year-end. The primary components of the change were as follows:

- Short-term borrowings increased by ¥104,587 million from the previous fiscal year-end. This was mainly because of an increase in the Company's short-term borrowings, and the transfer to current liabilities of the aforementioned borrowings at one of the Company's U.S. subsidiaries as the redemption dates came to be within one year. On the other hand, SOFTBANK MOBILE continued to repay borrowings procured via the securitization of installment sales receivables.
- The current portion of corporate bonds increased by ¥74,100 million from the previous fiscal year-end. Transfers were made from corporate bonds under long-term liabilities in the amounts of ¥53,500 million for the 25th Unsecured Straight Corporate Bond, ¥60,000 million for the 27th Unsecured Straight Corporate Bond, and ¥15,000 million for SOFTBANK TELECOM's 2nd series Unsecured Straight Corporate Bond, as the redemption dates came to be within one year. On the other hand, payments of ¥54,400 million in total were made for the redemptions of the 22nd Unsecured Straight Corporate Bond and the 24th Unsecured Straight Corporate Bond.
- Accounts payable-other and accrued expenses declined by ¥35,349 million from the previous fiscal year-end. This was mainly the result of a ¥75,000 million decline from the payment of additional entrustment for debt assumption, while equipment-related payables increased, at SOFTBANK MOBILE.

(d) Long-term Liabilities

Long-term liabilities totaled ¥2,027,213 million at the end of the period, for a ¥92,811 million (4.4%) decline from the previous fiscal year-end. The primary components of the change were as follows:

- Long-term borrowings decreased by ¥259,312 million. This was mainly because SOFTBANK MOBILE's ongoing repayment of its SBM loan[1], and the elimination in consolidation of the long-term loan receivable acquired by the Company from Vodafone Overseas Finance Limited, which was long-term debt owed by SOFTBANK MOBILE to Vodafone Overseas Finance Limited, and the long-term debt of SOFTBANK MOBILE (refer to page 3, "1. Qualitative Information Regarding Nine-month Period Results - 1. Consolidated Results of Operations - (g) Special Income"). In addition, long-term borrowings at the Company's U.S. subsidiaries and SOFTBANK MOBILE that came to be payable within one year were transferred to current liabilities. On the other hand, there was an increase in the Company's long-term borrowings.

- Other liabilities under long-term liabilities increased ¥227,499 million from the previous fiscal year-end, mainly from an increase in long-term accounts payable included in other liabilities under long-term liabilities. The increase in long-term accounts payable represents the ¥200,000 million that is scheduled to be paid to Vodafone International Holdings B.V. and Vodafone Overseas Finance Limited (hereafter "the Vodafone Group") in April 2012, in relation to the transaction with the Vodafone Group which was carried out in December 2010 (refer to page 3, "1. Qualitative Information Regarding Nine-month Period Results - 1. Consolidated Results of Operations - (g) Special Income").
- Lease obligations decreased by ¥41,918 million from the previous fiscal year-end, mostly from transfers to current liabilities as leases became payable within one year, which outweighed the amount of new capital expenditure via leases.

Note:

1. The funds procured for the acquisition of Vodafone K.K. were refinanced in November 2006 via a whole business securitization program.

(e) Equity

Equity totaled ¥814,842 million at the end of the period, for a ¥149,129 million (15.5%) decline from the previous fiscal year-end. While retained earnings increased ¥131,791 million, totaling ¥174,863 million at the end of the period, minority interests came to ¥243,469 million, for a decrease of ¥249,493 million. This was primarily due to the elimination in consolidation of ¥300,000 million of minority interests caused by the Company's acquisition of class 1 preferred stock series 1 issued by BB Mobile to Vodafone International Holdings B.V (refer to page 3, "1. Qualitative Information Regarding Nine-month Period Results - 1. Consolidated Results of Operations - (g) Special Income"). On the other hand, there was a ¥22,851 million increase of minority interests from the change in the scope of consolidation of SB Asia Infrastructure Fund L.P. from an affiliate under equity method to a consolidated subsidiary[2].

Note:

2. This change reflects the adoption of Accounting Standards Codification Topic (ASC) 810, Consolidations formerly SFAS No.167, Amendments to FASB Interpretation No. 46 (R) (SFAS 167) applied at certain overseas subsidiaries of the Company in the United States of America.

2. Cash Flows

Cash flow activities during the period were as follows.

Cash and cash equivalents at the end of the period totaled ¥706,489 million, for a ¥18,808 million increase from the previous fiscal year-end.

(Millions of yen)

	Nine-month period ended December 31, 2009	**Nine-month period ended December 31, 2010**	YoY
Cash flows from operating activities	469,178	**525,908**	56,730
Cash flows from investing activities	(185,596)	**(161,644)**	23,951
(Reference) Free cash flow	283,581	**364,264**	80,682
Cash flows from financing activities	(136,457)	**(340,716)**	(204,259)

(a) Cash Flows from Operating Activities

Net cash provided by operating activities totaled ¥525,908 million (compared with ¥469,178 million provided in the same period of the previous fiscal year).

Income before income taxes and minority interests totaled ¥384,607 million, while ¥165,557 million in depreciation and amortization and ¥46,980 million in amortization of goodwill were recorded as positive non-cash items. Receivables-trade decreased (increase in cash flow) by ¥147,443 million mainly on sales of installment sales receivables at SOFTBANK MOBILE.

In addition, income taxes paid of ¥185,288 million were recorded, for a ¥146,404 million year-on-year increase. This was mainly because of increased income tax payments for BB Mobile’s income tax under consolidated tax return and at Yahoo Japan, and includes ¥26,450 million of additional income taxes paid by Yahoo Japan on July 1, 2010, related to the correction and ruling notice it received.

(b) Cash Flows from Investing Activities

Net cash used in investing activities was ¥161,644 million (compared with ¥185,596 million used in the same period of the previous fiscal year).

Capital expenditures, mainly at telecommunications-related businesses, resulted in outlays of ¥149,043 million for property and equipment and intangibles. Purchases of marketable and investment securities resulted in ¥39,401 million in cash outlays.

As a result, free cash flow (the combined net cash flows from operating activities and investing activities) was a positive ¥364,264 million (compared with a positive ¥283,581 million in the same period of the previous fiscal year), for a year-on-year increase of ¥80,682 million.

(c) Cash Flows from Financing Activities

Net cash used in financing activities was ¥340,716 million (compared with ¥136,457 million used in the same period of the previous fiscal year).

Outlays were recorded in the amounts of ¥348,550 million for repayments of long-term borrowings, ¥212,563 million for the repurchase of minority interests and long-term borrowings, ¥113,321 million for the repayment of lease obligations, and ¥105,508 million for the redemption of corporate bonds, ¥75,000 million for the payment relating to the additional entrustment for debt assumption. The aforementioned outlay for repurchase of minority interests and long-term debt represents the portion of the transaction with the Vodafone Group (refer to page 3, “1. Qualitative Information Regarding Nine-month Period Results - 1. Consolidated Results of Operations - (g) Special Income”), carried out in December 2010, which was paid to the Vodafone Group in the third quarter in addition to acquisition-related expenses. On the other hand, long-term borrowings raised ¥197,900 million and corporate bond issues generated ¥179,182 million, in addition to a positive ¥90,275 million recorded as a net increase in short-term borrowings.

(Reference: Major Financing Activities)
The major financing activities in the period were as follows:

Item	Company Name	Details	Summary
Bond issuances	SOFTBANK CORP.	31st Unsecured Straight Corporate Bond	Issue date: June 2, 2010 Redemption date: May 31, 2013 Procured amount: ¥25,000 million Interest rate: 1.17%/year Use: redemption of bonds which will mature by the end of June 2011
		32nd Unsecured Straight Corporate Bond	Issue date: June 2, 2010 Redemption date: June 2, 2015 Procured amount: ¥25,000 million Interest rate: 1.67%/year Use: redemption of bonds which will mature by the end of June 2011
		33rd Unsecured Straight Corporate Bond (Fukuoka SoftBank HAWKS Bond)	Issue date: September 17, 2010 Redemption date: September 17, 2013 Procured amount: ¥130,000 million Interest rate: 1.24%/year Use: redemption of bonds which will mature by the end of June 2011
Bond redemption	SOFTBANK CORP.	24th Unsecured Straight Corporate Bond (Fukuoka SoftBank HAWKS Bond)	Redemption date: April 26, 2010 Redeemed amount: ¥20,000 million
		22nd Unsecured Straight Corporate Bond	Redemption date: September 14, 2010 Redeemed amount: ¥34,400 million
		Euro-denominated Senior Notes Due 2013 (redeemed before maturity)	Redemption date: October 15, 2010 Redeemed amount: ¥47,269 million (€352 million)
Securitization of receivables (recorded as borrowings)	SOFTBANK MOBILE Corp.	Procurement of funds totaling ¥10,000 million accompanying securitization of mobile handsets installment sales receivables	Procurement date: June 29, 2010 Redemption method: monthly pass-through repayment Use: capital expenditure and repayment of funds procured via the whole business securitization program
Repayment of securitization of receivables	SOFTBANK MOBILE Corp.	Repayment of ¥147,227 million	Repayment of funds procured via securitization of mobile handsets installment sales receivables
Increase or decrease in debt (excluding securitization of receivables)	SOFTBANK CORP.	Increase of ¥273,300 million	Mainly increase of long-term borrowings
	SOFTBANK MOBILE Corp.	Decrease of ¥179,542 million	Repayment of funds raised via the whole business securitization financing scheme
	Yahoo Japan Corporation	Decrease of ¥10,000 million	
Capital expenditure by financial lease	SOFTBANK MOBILE Corp. etc.	New capital expenditure via leases	Funds procured during the nine-month period ended December 31, 2010: ¥54,667 million
Additional entrustment for debt assumption	SOFTBANK MOBILE Corp.	Payment of ¥75,000 million	Bonds in scope: Former Vodafone K.K. corporate bonds 3rd Unsecured Straight Corporate Bond ¥25,000 million (redeemed on August 19, 2010) 5th Unsecured Straight Corporate Bond ¥25,000 million (redeemed on August 25, 2010) 7th Unsecured Straight Corporate Bond ¥25,000 million (redeemed on September 22, 2010)
Acquisition of preferred stock etc., issued by the Company's consolidated subsidiary and held by the Vodafone Group	SOFTBANK CORP.	Payment of ¥212,500 million (refer to page 3, "1. Qualitative Information Regarding Nine-month Period Results - 1. Consolidated Results of Operations - (g) Special Income")	Acquisition cost: ¥412,500 million in total Payment date: December 10, 2010 ¥212,500 million April 2012 (tentative) ¥200,000 million

(3) Earnings Forecasts

The Group had previously forecasted consolidated operating income of ¥500,000 million for the fiscal year ending March 31, 2011. The Group has upwardly revised the forecast of consolidated operating income for the fiscal year ending March 31, 2011 to ¥600,000 million as of the Consolidated Financial Report for the nine-month period ended December 31, 2010 (issued on February 3, 2011), mainly reflecting the strong earnings momentum at the Mobile Communications segment.

Consolidated net sales are subject to, among others, rapid changes in the Group's main markets, the Internet and the telecommunications industry. There is, therefore, a possibility that new sales initiatives will be introduced in the future in order to flexibly respond to changes in the market situation, making it difficult to publicly disclose a forecast for consolidated net sales.

Forecasts for consolidated ordinary income and consolidated net income are also difficult to publicly disclose because the performance of the Company's various holdings of investment securities and investments via funds is subject to changes in the market environment and other factors, making equity in earnings under equity method and valuation gain and loss on investment securities difficult to project.

Refer to the Company's press release "Upward Revision of Earnings Forecast" announced on February 3, 2011 for details.

(4) The SOFTBANK Group

As of December 31, 2010, the Group's business segments were comprised of the following consolidated subsidiaries and equity method companies. The segments' main businesses were as follows.

Business Segments		Consolidated Subsidiaries	Equity Method Non-consolidated Subsidiaries and Affiliates	Main Business of Segment and Name of Business
Reportable segments	Mobile Communications	3	1	Provision of mobile communication services and sale of mobile phones accompanying the services etc. (Core company: SOFTBANK MOBILE Corp.)
	Broadband Infrastructure	3	—	Provision of high-speed Internet connection service, IP telephony service, and provision of content etc. (Core company: SOFTBANK BB Corp.[1])
	Fixed-line Telecommunications	2	—	Provision of fixed-line telecommunications etc. (Core company: SOFTBANK TELECOM Corp.[1])
	Internet Culture	13	10	Internet-based advertising operations, e-commerce site operations such as *Yahoo! Auctions* and *Yahoo! Shopping*, membership services, etc. (Core company: Yahoo Japan Corporation[1])
Others		95	69	Distribution of PC software and peripherals, Fukuoka SOFTBANK HAWKS related businesses, etc.
Total		116	80	

Note:

1. Although SOFTBANK BB Corp., SOFTBANK TELECOM Corp. and Yahoo Japan Corporation are included as consolidated subsidiaries in the Broadband Infrastructure, Fixed-line Telecommunications and Internet Culture segments, respectively, SOFTBANK BB Corp., SOFTBANK TELECOM Corp. and Yahoo Japan Corporation operate multiple businesses and therefore their operating results are allocated to multiple business segments.

［Listed Companies］

The Company's five following subsidiaries were listed on domestic stock exchanges as of December 31, 2010:

Company Name	Listed Exchange
Yahoo Japan Corporation	Tokyo Stock Exchange 1st section Osaka Stock Exchange JASDAQ (Standard)
SOFTBANK TECHNOLOGY CORP.	Tokyo Stock Exchange 1st section
Vector Inc.	Osaka Stock Exchange JASDAQ (Standard)
ITmedia Inc.	Tokyo Stock Exchange Mothers
Carview Corporation	Tokyo Stock Exchange Mothers

2. Others

(1) Significant Changes in Scope of Consolidation (Changes in Scope of Consolidation of Specified Subsidiaries)

There are no significant changes in scope of consolidation.

(2) Application of simple accounting methods or special accounting methods for preparation for the consolidated financial statements

There are no applicable items.

(3) Changes in accounting principles, procedures, disclosure methods, etc., used in the presentation of the consolidated financial statements

[1] Application of accounting standard for equity method of accounting for investments

"Accounting Standard for Equity Method of Accounting for Investments" (Accounting Standards Board of Japan (ASBJ) Statement No. 16, March 10, 2008) and "Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method" (Practical Issues Task Force (PITF) No. 24, March 10, 2008) were applied and necessary adjustments for the consolidated accounting were made for the period ended December 31, 2010. The effect of this change is not material for the period ended December 31, 2010.

[2] Application of accounting standard for asset retirement obligations

"Accounting Standard for Asset Retirement Obligations" (ASBJ Statement No. 18, March 31, 2008) and "Guidance on Accounting Standard for Asset Retirement Obligations" (ASBJ Guidance No. 21, March 31, 2008) were applied as of April 1, 2010. The effect of this change in operating income and ordinary income is not material and income before income taxes and minority interests decreased by ¥8,242 million for the period ended December 31, 2010.

1. Asset retirement obligations which are recorded in the consolidated balance sheets

The Group reasonably estimated removal costs and recorded the asset retirement obligations mainly for the corporate head quarter building, certain data and network centers located in the rental properties under the rental contracts. Useful periods of 2 years to 33 years and discount rates from 0.1% to 2.3% are applied for the estimation of asset retirement obligations.

2. Asset retirement obligations which are not recorded in the consolidated balance sheets

The Group has obligations to restore mobile phone base stations and telephone line facilities for transmission to their original conditions under the rental contracts. However, considering business continuity, the removal of these facilities is difficult and the possibility of executing the obligation to restore these facilities to their original conditions is extremely low, and therefore, the asset retirement obligations are not recorded at the period ended December 31, 2010.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of December 31, 2010	As of March 31, 2010
	Amount	Amount
ASSETS		
Current assets:		
Cash and deposits	**¥708,768**	¥690,053
Notes and accounts receivable - trade	**677,787**	816,550
Marketable securities	**76,430**	4,342
Merchandise and finished products	**41,421**	37,030
Deferred tax assets	**57,106**	74,290
Other current assets	**158,176**	106,733
Less: Allowance for doubtful accounts	**(35,173)**	(34,559)
Total current assets	**1,684,518**	1,694,440
Fixed assets:		
Property and equipment, net:		
Buildings and structures	**73,322**	68,182
Telecommunications equipment	**770,660**	706,283
Telecommunications service lines	**69,950**	72,983
Land	**22,438**	22,401
Construction in progress	**43,257**	34,634
Other property and equipment	**48,744**	46,218
Total property and equipment	**1,028,373**	950,703
Intangible assets, net:		
Goodwill	**854,741**	900,768
Software	**237,591**	208,915
Other intangibles	**29,348**	42,702
Total intangible assets	**1,121,681**	1,152,386
Investments and other assets:		
Investment securities and investments in unconsolidated subsidiaries and affiliated companies	**307,871**	370,027
Deferred tax assets	**120,673**	152,654
Other assets	**127,484**	164,950
Less: Allowance for doubtful accounts	**(16,932)**	(24,238)
Total investments and other assets	**539,097**	663,394
Total fixed assets	**2,689,152**	2,766,483
Deferred charges	**1,388**	1,951
Total assets	**¥4,375,058**	¥4,462,875

Consolidated Balance Sheets

(Millions of yen)

	As of December 31, 2010	As of March 31, 2010
	Amount	Amount
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable - trade	**¥161,507**	¥158,942
Short-term borrowings	**542,548**	437,960
Commercial paper	**24,500**	-
Current portion of corporate bonds	**128,500**	54,400
Accounts payable - other and accrued expenses	**416,059**	451,408
Income taxes payable	**67,390**	100,483
Deferred tax liabilities	**13,329**	-
Current portion of lease obligations	**122,203**	109,768
Other current liabilities	**56,963**	65,914
Total current liabilities	**1,533,002**	1,378,878
Long-term liabilities:		
Corporate bonds	**452,398**	448,523
Long-term debt	**1,022,273**	1,281,586
Deferred tax liabilities	**13,147**	30,482
Liability for retirement benefits	**15,172**	15,557
Allowance for point mileage	**41,980**	47,215
Lease obligations	**182,565**	224,484
Other liabilities	**299,675**	72,175
Total long-term liabilities	**2,027,213**	2,120,024
Total liabilities	**3,560,215**	3,498,903
Equity:		
Common stock	**188,771**	188,750
Additional paid-in capital	**212,639**	213,068
Retained earnings	**174,863**	43,071
Less: Treasury stock	**(237)**	(225)
Total shareholders' equity	**576,036**	444,665
Unrealized gain on available-for-sale securities	**34,446**	43,864
Deferred gain on derivatives under hedge accounting	**11,575**	14,528
Foreign currency translation adjustments	**(51,414)**	(32,525)
Total valuation and translation adjustments	**(5,392)**	25,866
Stock acquisition rights	**729**	476
Minority interests	**243,469**	492,963
Total equity	**814,842**	963,971
Total liabilities and equity	**¥4,375,058**	¥4,462,875

(2) Consolidated Statements of Income

For the nine-month period ended December 31, 2009 and 2010 (Millions of yen)

	Nine-month period ended December 31, 2009	**Nine-month period ended December 31, 2010**
	April 1, 2009 to December 31, 2009	**April 1, 2010 to December 31, 2010**
	Amount	**Amount**
Net sales	¥2,045,304	**¥2,249,901**
Cost of sales	980,954	**1,027,735**
Gross Profit	1,064,349	**1,222,165**
Selling, general and administrative expenses	698,030	**740,006**
Operating income	366,319	**482,159**
Interest income	472	**1,668**
Foreign exchange gain, net	1,188	**1,846**
Equity in earnings of affiliated companies	3,763	**4,818**
Other non-operating income	4,560	**6,710**
Non-operating income	9,985	**15,044**
Interest expense	83,810	**80,610**
Other non-operating expenses	11,306	**16,674**
Non-operating expenses	95,116	**97,285**
Ordinary income	281,187	**399,917**
Gain on sale of investment securities	4,149	**4,907**
Dilution gain from changes in equity interest	1,403	**2,349**
Gain on repurchase of minority interests and long-term debt	-	**4,187**
Other special income	451	**241**
Special income	6,004	**11,686**
Valuation loss on investment securities	2,940	**3,927**
Unrealized appreciation on valuation of investments and loss on sale of investments at subsidiaries in the U.S., net	551	**371**
Loss on retirement of non current assets	47,630	**1,784**
Valuation loss on option	-	**7,841**
Loss on adjustment for changes of accounting standard for asset retirement obligations	-	**7,099**
Other special losses	1,514	**5,973**
Special loss	52,637	**26,997**
Income before income taxes and minority interests	234,554	**384,607**
Income taxes:		
Current	89,548	**125,137**
Correction	-	**26,450**
Deferred	15,671	**47,450**
Total income taxes	105,220	**199,039**
Income before minority interests	-	**185,567**
Minority interests in net income	34,473	**43,268**
Net income	¥94,861	**¥142,299**

For the three-month period ended December 31, 2009 and 2010 (Millions of yen)

	Three-month period ended December 31, 2009	**Three-month period ended December 31, 2010**
	October 1, 2009 to December 31, 2009	**October 1, 2010 to December 31, 2010**
	Amount	**Amount**
Net sales	¥696,028	**¥784,879**
Cost of sales	331,603	**362,239**
Gross Profit	364,425	**422,640**
Selling, general and administrative expenses	228,728	**256,002**
Operating income	135,697	**166,637**
Interest income	165	**534**
Foreign exchange gain, net	422	**1,588**
Equity in earnings of affiliated companies	1,479	**5,902**
Other non-operating income	1,549	**1,768**
Non-operating income	3,617	**9,794**
Interest expense	28,464	**25,827**
Other non-operating expenses	3,200	**4,529**
Non-operating expenses	31,665	**30,356**
Ordinary income	107,649	**146,074**
Gain on sale of investment securities	121	**95**
Dilution gain from changes in equity interest	242	**913**
Unrealized loss on valuation of investments and gain on sale of investments at subsidiaries in the U.S., net	-	**374**
Gain on repurchase of minority interests and long-term debt	-	**4,187**
Other special income	3	**-**
Special income	367	**5,570**
Valuation loss on investment securities	1,652	**1,241**
Unrealized loss on valuation of investments and loss on sale of investments at subsidiaries in the U.S., net	896	**-**
Loss on retirement of non current assets	47,192	**738**
Valuation loss on option	-	**7,841**
Other special losses	537	**3,723**
Special loss	50,278	**13,544**
Income before income taxes and minority interests	57,739	**138,100**
Income taxes:		
Current	40,725	**29,436**
Deferred	(19,064)	**28,947**
Total income taxes	21,661	**58,384**
Income before minority interests	-	**79,716**
Minority interests in net income	11,967	**14,255**
Net income	¥24,110	**¥65,460**

(3) Consolidated Statements of Cash Flows

(Millions of yen)

	Nine-month period ended December 31, 2009	**Nine-month period ended December 31, 2010**
	April 1, 2009 to December 31, 2009	**April 1, 2010 to December 31, 2010**
Cash flows from operating activities:		
Income before income taxes and minority interests	¥234,554	**¥384,607**
Adjustments for:		
Depreciation and amortization	181,390	**165,557**
Amortization of goodwill	45,804	**46,980**
Loss on retirement of non current assets	47,630	**1,784**
Equity in earnings of affiliated companies	(3,763)	**(4,818)**
Dilution gain from changes in equity interest, net	(1,334)	**(2,074)**
Valuation loss on investment securities	2,940	**3,927**
Unrealized appreciation on valuation of investments and loss on sale of investments at subsidiaries in the U.S., net	551	**371**
Gain on sale of marketable and investment securities, net	(4,051)	**(4,439)**
Foreign exchange gain, net	(1,293)	**(1,604)**
Interest and dividend income	(714)	**(2,076)**
Interest expense	83,810	**80,610**
Changes in operating assets, and liabilities		
Decrease in receivables - trade	79,942	**147,443**
(Decrease) increase in payables - trade	(18,353)	**918**
Other, net	(65,083)	**(36,176)**
Sub-total	582,029	**781,011**
Interest and dividends received	710	**2,103**
Interest paid	(74,677)	**(71,918)**
Income taxes paid	(38,883)	**(185,288)**
Net cash provided by operating activities	469,178	**525,908**

- Continued -

Consolidated Statements of Cash Flows (Continued)

(Millions of yen)

	Nine-month period ended December 31, 2009	**Nine-month period ended December 31, 2010**
	April 1, 2009 to December 31, 2009	**April 1, 2010 to December 31, 2010**
Cash flows from investing activities:		
Purchase of property and equipment, and intangibles	¥ (183,048)	**¥ (149,043)**
Purchase of marketable and investment securities	(24,827)	**(39,401)**
Proceeds from sale of marketable and investment securities	17,380	**25,123**
Acquisition of interests in subsidiaries newly consolidated, net of cash acquired	(40)	**(701)**
Other, net	4,939	**2,378**
Net cash used in investing activities	(185,596)	**(161,644)**
Cash flows from financing activities:		
(Decrease) increase in short-term borrowings, net	(121,645)	**90,275**
Increase in commercial paper, net	-	**24,500**
Proceeds from long-term debt	261,808	**197,900**
Repayment of long-term debt	(352,398)	**(348,550)**
Proceeds from issuance of bonds	153,603	**179,182**
Redemption of bonds	(51,673)	**(105,508)**
Exercise of warrants	2,105	**41**
Proceeds from issuance of shares to minority shareholders	1,095	**1,430**
Cash dividends paid	(2,673)	**(5,371)**
Cash dividends paid to minority shareholders	(4,615)	**(14,917)**
Proceeds from sale and lease back of equipment newly acquired	55,441	**54,667**
Repayment of lease obligations	(69,589)	**(113,321)**
Payments for additional entrustment for debt assumption	-	**(75,000)**
Payments for repurchase of minority interests and long-tem debt	-	**(212,563)**
Other, net	(7,915)	**(13,481)**
Net cash used in financing activities	(136,457)	**(340,716)**
Effect of exchange rate changes on cash and cash equivalents	(808)	**(4,756)**
Net increase in cash and cash equivalents	146,316	**18,791**
Increase in cash and cash equivalents due to newly consolidated subsidiaries	126	**1,919**
Decrease in cash and cash equivalents due to exclusion of previously consolidated subsidiaries	(807)	**(64)**
Decrease in cash and cash equivalents resulting from corporate separation	-	**(1,837)**
Cash and cash equivalents, beginning of the period	457,644	**687,681**
Cash and cash equivalents, end of the period	¥603,279	**¥706,489**

(4) Significant Doubt about Going Concern Assumption

There are no applicable items for the nine-month period ended December 31, 2010.

(5) Significant Changes in Shareholder's Equity

There are no applicable items for the nine-month period ended December 31, 2010.

(6) Basis of Presentation of Consolidated Financial Statements

(Items described in "2. Others (3) Changes in accounting principles, procedures, disclosure methods, etc., used in the presentation of the consolidated financial statements" on page 19 are excluded.)

1. Changes in scope of consolidation

(1) Changes in scope of consolidation for the nine-month period ended December 31, 2010 are as follows:

<Increase>

11 companies

Significant changes:

SB Asia Infrastructure Fund L.P. and its 6 consolidated subsidiaries

<Decrease>

4 companies

(2) The number of consolidated subsidiaries after the changes:

116 companies

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

2. Changes in scope of equity method

(1) Changes in scope of equity method are as follows:

<Increase>

22 companies

Significant changes:

SB Asia Infrastructure Fund L.P.'s 12 affiliates under equity method

USTREAM, Inc.

Wireless City Planning Inc.

<Decrease>

6 companies

Significant changes:

SB Asia Infrastructure Fund L.P.

(2) The number of non-consolidated subsidiaries and affiliated companies under the equity method after the changes:

Non-consolidated subsidiaries under the equity method: 5 companies

Affiliated companies under the equity method: 75 companies

(Changes in accounting principles and procedures)

Effective April 1, 2010, certain subsidiaries of the Company that apply generally accepted accounting principles in the United States of America adopted Accounting Standards Codification (ASC) 810, Consolidations, formerly SFAS No. 167, Amendments to FASB Interpretation No. 46(R) (SFAS 167).

As a result of the application of the accounting standard, the scope of SB Asia Infrastructure Fund L.P. changed from an affiliate under equity method to a consolidated subsidiary.

The effect of this change is not material for the period ended December 31, 2010.

(7) Notes

(Consolidated Balance Sheets)

1. Accumulated depreciation of property and equipment

As of December 31, 2010	As of March 31, 2010
1,129,953 million yen	1,048,584 million yen

2. Additional entrustment for debt assumption of bonds (As of March 31, 2010)

SOFTBANK MOBILE has entrusted cash for the repayment of the straight bonds listed in the following table based on debt assumption agreements with a financial institution. The bonds are derecognized in the Company's consolidated balance sheets.

The trust had collateralized debt obligations ("CDO") issued by a Cayman Islands based Special-Purpose Company ("SPC"). The SPC contracted a credit default swap agreement secured by debt securities (corporate bonds), which referred to a certain portion of the portfolio consisting of 160 referenced entities. Since defaults (credit events under the agreement) of more than a certain number of referenced entities occurred, ¥75,000 million in total was reduced from the redemption amount of the CDO in April 2009 and an additional entrustment was required for the reduced amount.

As a result, for the amount required as the additional entrustment of ¥75,000 million, a long term accounts payable was recognized as a recognized subsequent event (Type I subsequent event) and included in "Other liabilities" of long-term liabilities in the consolidated balance sheets, and it was recorded as special loss in the consolidated statements of income for the year ended March 31, 2009.

As of March 31, 2010, since the maturity for the additional entrustment was within one year, the accounts payable was included in "Accounts payable-other and accrued expenses" of current liabilities in the consolidated balance sheets.

Mizuho Corporate Bank, Ltd and the Company set up a credit line facility contract in order to support the repayments of the bonds issued by SOFTBANK MOBILE.

As of March 31, 2010

Subject Bonds	Issue date	Maturity date	**Amount of transferred bond**
Third Series Unsecured Bond	August 19, 1998	August 19, 2010	**25,000**
Fifth Series Unsecured Bond	August 25, 2000	August 25, 2010	**25,000**
Seventh Series Unsecured Bond	September 22, 2000	September 22, 2010	**25,000**
Total			**75,000 million yen**

3. Secured loans

(1) Assets pledged as collateral for secured liabilities

[1] For short-term borrowings and long-term debt

Assets pledged as collateral and secured liabilities by consolidated subsidiaries are as follows:

	As of December 31, 2010	As of March 31, 2010
Assets pledged as collateral:		
Cash and deposits	**188,806**	213,098
Notes and accounts receivable - trade	**284,639**	273,231
Marketable securities[1]	**71,907**	-
Buildings and structures	**11,718**	12,133
Telecommunications equipment	**243,035**	182,945
Telecommunications service lines	**76**	86
Land	**10,690**	10,633
Investment securities and investments in unconsolidated subsidiaries and affiliated companies	**-**	81,701
Investments and other assets - other assets	**9,649**	17,225
Total	**820,522 million yen**	791,054 million yen

	As of December 31, 2010		As of March 31, 2010	
Secured liabilities:				
Accounts payable - trade	**817**		1,674	
Short-term borrowings	**91,176**		1,928	
Long - term debt[2]	**807,160**		1,086,707	
Total	**899,153**	**million yen**	1,090,310	million yen

Notes:

1. Shares of Yahoo! Inc. placed as collateral for a loan procured by a subsidiary of the Company in the United States of America were transferred to “Marketable securities” since the maturity for the loan was within one year. These shares were recorded as “Investment securities and investments in unconsolidated subsidiaries and affiliated companies” as of March 30, 2010.
2. Consolidated subsidiaries shares owned by SOFTBANK MOBILE, SOFTBANK MOBILE shares owned by BB Mobile Corp. and BB Mobile Corp. shares owned by Mobiletech Corporation are pledged as collateral for long-term debt (totaled to ¥986,702 million and ¥807,160 million, as of March 31, 2010 and December 31, 2010, respectively) resulting from the acquisition of SOFTBANK MOBILE, in addition to the assets pledged as collateral above.

[2] For borrowings of investee

Assets pledged as collateral for third party’s liability are as follows:

	As of December 31, 2010		As of March 31, 2010	
Assets pledged as collateral:				
Investment securities and investments in unconsolidated subsidiaries and affiliated companies	**-**	**million yen**	2,000	million yen

(2) Borrowings by securitization of receivables

[1] The securitization of installment sales receivable of SOFTBANK MOBILE

Cash proceeds through the securitization of installment sales receivables of SOFTBANK MOBILE, excluding that qualify for derecognition criteria of a financial asset, were included in “Short-term borrowings” (¥175,359 million and ¥80,905 million, as of March 31, 2010 and December31, 2010, respectively) and “Long-term debt” (¥44,454 million and ¥1,681 million, as of March 31, 2010 and December 31, 2010, respectively). The amounts of the senior portion of the securitized installment sales receivables (¥219,813 million and ¥82,586 million, as of March 31, 2010 and December 31, 2010, respectively) were included in “Notes and account receivable-trade”, along with the subordinated portion held by the SOFTBANK MOBILE. The trustee raised the funds through asset backed loans based on the receivables.

[2] The securitization of receivables for ADSL services of SOFTBANK BB

SOFTBANK BB transferred its senior portion of the securitized present and future receivables for ADSL services* to a SPC (a consolidated subsidiary), and the SPC raised the funds through asset backed loans based on the receivables (¥10,504 million and ¥4,585 million, as of March 31, 2010 and December 31, 2010, respectively) from a financial institution. Cash proceeds through the asset backed loans are included in the “Short-term borrowings” (¥6,660 million and ¥4,585 million, as of March 31, 2010 and December 31, 2010, respectively) and “Long-term debt” (¥3,844 million, as of March 31, 2010).

Note:* A certain portion of present and future (through March 2012) receivables realized through the ADSL services provided by SOFTBANK BB.

(3) Borrowings by security lending agreements

Cash receipts as collateral from financial institutions, to whom the Company lent a portion of shares in its subsidiary under security lending agreements are presented as follows:

	As of December 31, 2010	As of March 31, 2010
Short-term borrowings	**114,000 million yen**	114,000 million yen

(4) Others

A consolidated subsidiary purchased assets by installments, and the assets of which ownership was not transferred to the consolidated subsidiary and its installment payables are as follows:

	As of December 31, 2010	As of March 31, 2010
Assets of which ownership is not transferred:		
Buildings and structures	**60**	35
Telecommunications equipment	**44,640**	16,710
Construction in progress	**1,082**	1,538
Software	**10,917**	4,755
Other intangibles	**150**	12
Investments and other assets - other assets	**348**	240
Total	**57,201 million yen**	23,292 million yen

	As of December 31, 2010	As of March 31, 2010
Installment payables:		
Accounts payable - other and accrued expenses	**8,671**	4,148
Long term liability - other liabilities	**53,652**	20,741
Total	**62,324 million yen**	24,889 million yen

4. Guarantee obligation (As of December 31, 2010)

The Company has entered into a sponsor agreement with WILLCOM, Inc. Under the sponsor agreement, the Company provides necessary financial support to WILLCOM, Inc. for business operation and execution of the rehabilitation plan. The agreement is effective until WILLCOM, Inc. completes the payment of its reorganization clams and reorganization security interests amounting to ¥41,000 million.

(Consolidated Statements of Income)

For the nine-month period ended December 31, 2009 and 2010 (From April 1 to December 31, 2009 and 2010)

1. Selling, general and administrative expenses

	Nine-month period ended December 31, 2009	**Nine-month period ended December 31, 2010**
Sales commission and sales promotion expense	330,509 million yen	**377,679 million yen**
Provision for allowance for doubtful accounts	11,390	**9,994**

2. Unrealized appreciation on valuation of investments and loss on sale of investments at subsidiaries in the United States of America, net

Certain subsidiaries of the Company in the United States of America qualify as investment companies under the provisions set forth in Financial Services – Investment Companies of the FASB Accounting Standards Codification Topic 946(ASC 946) and account for investment securities in accordance with ASC 946.

The net changes in the fair value of the investments are recorded as unrealized appreciation on valuation of investments and loss on sale of investments at subsidiaries in the U.S., net and loss on sale of investments, computed based on the acquisition cost, is also included in this account. The unrealized appreciation on valuation of investments and loss on sale of investments included in unrealized appreciation on valuation of investments and loss on sale of investments at subsidiaries in the U.S., net in the consolidated statements of income are as follows:

	Nine-month period ended December 31, 2009	**Nine-month period ended December 31, 2010**
Unrealized appreciation on valuation of investment at subsidiaries in the U.S.,net	1,074	**124**
Loss on sale of investments at subsidiaries in the U.S.,net	(1,625)	**(495)**
Total	(551) million yen	**(371) million yen**

3. Loss on retirement of non current assets (For the nine-month period ended December 31, 2009)

(1) Loss on retirement of non current assets related to the termination of second-generation mobile phone services

Certain pieces of telecommunications equipment being used exclusively for second-generation (2G) mobile phone services in the Mobile communications business are scheduled to be removed upon termination of 2G mobile phone services in March, 2010. These pieces of telecommunications equipment are being depreciated under the straight-line method over the period commencing from the acquisition of Vodafone K.K. (currently SOFTBANK MOBILE) in April 2006 to the scheduled termination of 2G services in March, 2010.

In June 2009, a new frequency for the next generation mobile phone services was assigned to SOFTBANK MOBILE. The telecommunications equipment being used for 2G mobile phone services except for the aforementioned equipment was reviewed to determine which pieces would be used for the next generation mobile phone services and which pieces will be removed. For the nine-month period ended December 31, 2009, loss on retirement of non current assets was recorded for the assets to be additionally removed. As the assets to be removed upon termination of 2G services were specified, it became possible to reasonably estimate the removal costs. These removal costs were included in loss on retirement of non current assets in the consolidated statements of income for the nine-month period ended December 31, 2009.

The loss on retirement of non current assts of ¥24,338 million consists of ¥17,884 million for equipment removal cost and ¥6,453 million for loss on retirement of telecommunications equipment.

(2) Loss on retirement of non current assets related to the telecommunications equipment for third-generation mobile phone

SOFTBANK MOBILE replaced certain pieces of existing wireless network equipment in order to increase efficiency of the future capital expenditures and reduce maintenance costs. As a result, the previously used wireless network equipment for third-generation mobile phone services was retired, and the total carrying amounts of the retired assets and the related removal costs were recorded as loss on retirement of non current assets in the consolidated statements of income for the nine-month period ended December 31, 2009. The loss on retirement of non current assets of ¥22,555 million consists of ¥13,719 million for telecommunications equipment, ¥8,726 million for software, and ¥110 million for removal costs.

4. Valuation loss on option (For the nine-month period ended December 31, 2010)

The Company has entered into agreements containing a put option and a call option for shares of Wireless City Planning Inc., which is the Company's affiliate under equity method, with its shareholders other than the Company. The put option is the other shareholders' right to sell the shares to the Company and the call option is the Company's right to buy the shares from the other shareholders. These options are measured at fair value and the valuation loss is recorded.

5. Income taxes – corrections (For the nine-month period ended December 31, 2010)

Yahoo Japan received a correction notice from Tokyo Regional Taxation Bureau on June 30, 2010. Yahoo Japan acquired all the shares of SOFTBANK IDC Solutions Corp. from the Company in February 2009 and merged it in March 2009. At the merger, loss carryforwards held by SOFTBANK IDC Solutions Corp. were carried and utilized by Yahoo Japan. The notice corrects this tax treatment insisting that the treatment was to reduce Yahoo Japan's income taxes inappropriately. Additional income taxes of ¥ 26,450 million were recorded as income taxes - correction and paid for the period ended December 31, 2010. Yahoo Japan submitted a request for reconsideration to the national tax tribunal, will separately bring legal suit depending on the situation, and thoroughly argue its position on this matter.

For the three-month period ended December 31, 2009 and 2010 (From October 1 to December 31, 2009 and 2010)

1. Selling, general and administrative expenses

	Three-month period ended December 31, 2009	**Three-month period ended December 31, 2010**
Sales commission and sales promotion expense	106,602 million yen	**135,932 million yen**
Provision for allowance for doubtful accounts	2,523	**2,547**

2. Unrealized loss on valuation of investments and gain (loss) on sale of investments at subsidiaries in the United States of America, net

Certain subsidiaries of the Company in the United States of America qualify as investment companies under the provisions set forth in Financial Services – Investment Companies of the FASB Accounting Standards Codification Topic 946(ASC 946) and account for investment securities in accordance with ASC 946.

The net changes in the fair value of the investments are recorded as unrealized loss on valuation of investments and gain (loss) on sale of investments at subsidiaries in the U.S., net and gain (loss) on sale of investments, computed based on the acquisition cost, is also included in this account. The unrealized loss on valuation of investments and gain (loss) on sale of investments included in unrealized loss on valuation of investments and gain (loss) on sale of investments at subsidiaries in the U.S., net in the consolidated statements of income are as follows:

	Three-month period ended December 31, 2009	**Three-month period ended December 31, 2010**
Unrealized loss on valuation of investment at subsidiaries in the U.S.,net	(264)	**(213)**
Gain (loss) on sale of investments at subsidiaries in the U.S.,net	(631)	**587**
Total	(896) million yen	**374 million yen**

3. Loss on retirement of non current assets (For the three-month period ended December 31, 2009)

(1) Loss on retirement of non current assets related to the termination of second-generation mobile phone services

Certain pieces of telecommunications equipment being used exclusively for second-generation (2G) mobile phone services in the Mobile communications business are scheduled to be removed upon termination of 2G mobile phone services in March, 2010. These pieces of telecommunications equipment are being depreciated under the straight-line method over the period commencing from the acquisition of Vodafone K.K. (currently SOFTBANK MOBILE) in April 2006 to the scheduled termination of 2G services in March, 2010.

In June 2009, a new frequency for the next generation mobile phone services was assigned to SOFTBANK MOBILE. The telecommunications equipment being used for 2G mobile phone services except for the aforementioned equipment was reviewed to determine which pieces would be used for the next generation mobile phone services and which pieces will be removed. For the three-month period ended December 31, 2009, loss on retirement of non current assets was recorded for the assets to be additionally removed. As the assets to be removed upon termination of 2G services were specified, it became possible to reasonably estimate the removal costs. These removal costs were included in loss on retirement of non current assets in the consolidated statements of income for the three-month period ended December 31, 2009.

The loss on retirement of non current assts of ¥24,338 million consists of ¥17,884 million for equipment removal cost and ¥6,453 million for loss on retirement of telecommunications equipment.

(2) Loss on retirement of non current assets related to the telecommunications equipment for third-generation mobile phone

SOFTBANK MOBILE replaced certain pieces of existing wireless network equipment in order to increase efficiency of the future capital expenditures and reduce maintenance costs. As a result, the previously used wireless network equipment for third-generation mobile phone services was retired, and the total carrying amounts of the retired assets and the related removal costs were recorded as loss on retirement of non current assets in the consolidated statements of income for the three-month period ended December 31, 2009. The loss on retirement of non current assets of ¥22,555 million consists of ¥13,719 million for telecommunications equipment, ¥8,726 million for software, and ¥110 million for removal costs.

4. Valuation loss on option (For the three-month period ended December 31, 2010)

The Company has entered into agreements containing a put option and a call option for shares of Wireless City Planning Inc., which is the Company's affiliate under equity method, with its shareholders other than the Company. The put option is the other shareholders' right to sell the shares to the Company and the call option is the Company's right to buy the shares from the other shareholders. These options are measured at fair value and the valuation loss is recorded.

(Consolidated Statements of Cash Flows)

1. Reconciliation of cash and cash equivalents to the amounts presented in the accompanying consolidated balance sheets

	As of December 31, 2009		**As of December 31, 2010**	
Cash and deposits	605,749	million yen	**708,768**	**million yen**
Marketable securities	4,149		**76,430**	
Time deposits with original maturity over three months	(2,800)		**(2,608)**	
Stocks and bonds with original maturity over three months	(3,818)		**(76,099)**	
Cash and cash equivalents	603,279	million yen	**706,489**	**million yen**

2. Income taxes paid

Payment for income taxes-corrections of ¥26,450 million based on the receipt of the correction notice described in "(7) Notes (Consolidated Statements of Income) 5. Income taxes-corrections" are included in "Income taxes paid" in the consolidated statements of cash flows for the period ended December 31, 2010.

3. Scope of Purchase of property and equipment, and intangibles in the consolidated statements of cash flows

"Purchase of property and equipment, and intangibles" are comprised of cash outflows from purchasing property and equipment, and intangible assets (excluding goodwill) and long-term prepaid expenses.

4. Proceeds from sale and lease back of equipment newly acquired

Once SOFTBANK MOBILE and others purchase telecommunications equipment for the purpose of assembly, installation and inspection, SOFTBANK MOBILE and others sell the equipment to lease companies for sale and lease back purposes. The leased asset and lease obligation are recorded in the consolidated balance sheets.

The cash outflows from the purchase of the equipment from vendors are included in "Purchase of property and equipment, and intangibles" and the cash inflows from the sale of the equipment to lease companies are included in "Proceeds from sale and lease back of equipment newly acquired."

5. Payments for additional entrustment for debt assumption

Additional entrustment of ¥75,000 million recorded as special loss in the consolidated statements of income for the year ended March 31, 2009 reached its maturity date for the period ended December 31, 2010. The amount of payment was recorded as "Payments for additional entrustment for debt assumption" in the consolidated statements of cash flows.

6. Payments for repurchase of minority interests and long-tem debt

The Company acquired all class 1 preferred stock-series 1, stock acquisition rights issued by BB Mobile Corp. to Vodafone International Holdings B.V. and all principal and accrued interest of a long-term loan receivable, which was recorded as "Long-term debt" in the Company's consolidated balance sheets, from SOFTBANK MOBILE Corp. to Vodafone Overseas Finance Limited for the total amount of ¥412,500 million during the period ended December 31, 2010. Of the total amount of the acquisition, the amount paid during the period ended December 31, 2010 amounting to ¥212,500 million, together with related expenses associated with the acquisition were recorded as "Payments for repurchase of minority interest and long-tem debt." The remaining amount of ¥200,000 million is scheduled to be paid in April 2012.

(Segment Information)

1. Business segment information

For the nine-month period ended December 31, 2009 (From April 1, 2009 to December 31, 2009)

(Millions of yen)

	Mobile Communications	Broadband Infrastructure	Fixed-line Telecommunications	Internet Culture	e-Commerce	Others	Total	Elimination or Corporate	Consolidated
Net sales									
(1) Customers	¥1,256,766	¥152,154	¥225,912	¥196,419	¥165,976	¥48,074	¥2,045,304	¥-	¥2,045,304
(2) Inter-segment	7,487	3,174	32,774	3,442	8,573	13,352	68,806	(68,806)	-
Total	1,264,254	155,328	258,687	199,862	174,550	61,426	2,114,110	(68,806)	2,045,304
Operating income (loss)	¥215,112	¥39,409	¥14,344	¥98,526	¥3,790	¥(1,341)	¥369,841	¥(3,522)	¥366,319

For the three-month period ended December 31, 2009 (From October 1, 2009 to December 31, 2009)

(Millions of yen)

	Mobile Communications	Broadband Infrastructure	Fixed-line Telecommunications	Internet Culture	e-Commerce	Others	Total	Elimination or Corporate	Consolidated
Net sales									
(1) Customers	¥429,353	¥48,808	¥74,345	¥67,467	¥61,474	¥14,578	¥696,028	¥-	¥696,028
(2) Inter-segment	2,708	982	11,732	1,264	2,909	4,215	23,812	(23,812)	-
Total	432,061	49,791	86,077	68,732	64,384	18,793	719,841	(23,812)	696,028
Operating income (loss)	¥83,336	¥12,178	¥6,514	¥34,372	¥1,628	¥(1,180)	¥136,849	¥(1,152)	¥135,697

Notes:

1. Business segments are categorized primarily based on the nature of business operations, type of services, and similarity of sales channels which the SOFTBANK Group uses for its internal management purposes.
2. The main business segments are as follows:

Mobile Communications: Provision of mobile communication services and sale of mobile phones accompanying the services etc.

Broadband Infrastructure: Provision of ADSL and fiber-optic high-speed Internet connection service, IP telephony service, and provision of contents etc.

Fixed-line Telecommunications: Provision of fixed-line telecommunications service etc.

Internet Culture: Internet-based advertising operations, portal business, and auction business etc.

e-Commerce: Distribution of PC software and such hardware as PCs and peripherals, enterprise solutions, and e-commerce businesses, including business transaction platform (B2B) and consumer-related e-commerce (B2C) etc.

Others: Technology Services, Media & Marketing, Overseas Funds, and other businesses

2. Geographic segment information

For the nine-month period ended December 31, 2009 (From April 1, 2009 to December 31, 2009)

(Millions of yen)

	Japan	North America	Others	Total	Elimination or Corporate	Consolidated
Net sales						
(1) Customers	¥2,038,725	¥762	¥5,816	¥2,045,304	¥-	¥2,045,304
(2) Inter-segment	855	-	-	855	(855)	-
Total	2,039,580	762	5,816	2,046,159	(855)	2,045,304
Operating income (loss)	¥371,928	¥(749)	¥(407)	¥370,772	¥(4,452)	¥366,319

For the three-month period ended December 31, 2009 (From October 1, 2009 to December 31, 2009)

(Millions of yen)

	Japan	North America	Others	Total	Elimination or Corporate	Consolidated
Net sales						
(1) Customers	¥693,823	¥237	¥1,968	¥696,028	¥-	¥696,028
(2) Inter-segment	629	-	-	629	(629)	-
Total	694,452	237	1,968	696,657	(629)	696,028
Operating income (loss)	¥137,717	¥(278)	¥(135)	¥137,304	¥(1,606)	¥135,697

Notes:

1. Net sales by geographic region are recognized based on geographic location of the operation.
2. Significant countries in each region are as follows:
   North America: United States of America and Canada
   Others: Europe, Korea, China, Singapore, and others

3. Overseas sales

Disclosure of overseas sales for the three-month and nine-month period ended December 31, 2009 was omitted because the total overseas sales were less than 10% of total consolidated sales.

4. Reportable segment information

(Additional Information)

"Accounting Standard for Disclosures about Segments of an Enterprise and Related information" (ASBJ Statement No. 17, March 27, 2009) and "Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related information" (ASBJ Guidance No. 20, March 21, 2008) were applied for the period ended December 31, 2010.

(1) Over view of reportable segments

Reportable segments of the Company are components of an entity about which separate financial information is available and such information is evaluated regularly by the board of directors in deciding how to allocate resources and in assessing performance.

The Company as a pure holding company assigns core operating companies to primary businesses. The core operating companies develop comprehensive business strategies for the products and services and perform business activities.

Accordingly, the Company's segments are separated based on the products and services provided by the core operating companies, and 4 segments, "Mobile Communications," "Broadband Infrastructure," "Fixed-line Telecommunications," and "Internet Culture" are treated as reportable segments.

"Mobile Communications" business provides mobile communication services and sale of mobile phones accompanying the services. "Broadband Infrastructure" business provides high-speed Internet connection service, IP telephony service, and contents. "Fixed-line Telecommunications" business provides fixed-line telecommunication services. "Internet Culture" business provides Internet-based advertising operations, e-commerce site operations such as Yahoo! Auctions and Yahoo! Shopping.

(2) Net sales and segment income or loss of reportable segments

For the nine-month period ended December 31, 2010 (From April 1, 2010 to December 31, 2010) (Millions of yen)

	Reportable segments					Other [1]	Total	Reconciliations to consolidated statement of income [2]	Amounts in consolidated statement of income [3]
	Mobile Communications	Broadband Infrastructure	Fixed-line Telecommunications	Internet Culture	Subtotal				
Net sales									
Customers	¥1,451,042	¥139,739	¥221,872	¥206,934	¥2,019,590	¥230,311	¥2,249,901	¥-	¥2,249,901
Inter-segment	7,578	4,746	41,400	3,231	56,956	24,878	81,835	(81,835)	-
Total	1,458,620	144,485	263,273	210,166	2,076,547	255,189	2,331,737	(81,835)	2,249,901
Segment income	¥314,486	¥33,525	¥23,889	¥110,669	¥482,571	¥8,048	¥490,619	¥(8,459)	¥482,159

Notes:
1. The PC software and peripherals distribution business and Fukuoka SOFTBANK HAWKS related business are included in "Other."
2. Amounts in the column "Reconciliations to consolidated statement of income" of ¥(8,459) million represents elimination of intersegment transactions and expenses of the corporate division of the Company, which totaled ¥758 million and ¥(9,218) million, respectively.
3. Segment income is adjusted with operating income in the consolidated statements of income.

For the three-month period ended December 31, 2010 (From October 1, 2010 to December 31, 2010) (Millions of yen)

	Reportable segments					Other [1]	Total	Reconciliations to consolidated statement of income [2]	Amounts in consolidated statement of income [3]
	Mobile Communications	Broadband Infrastructure	Fixed-line Telecommunications	Internet Culture	Subtotal				
Net sales									
Customers	¥515,997	¥44,906	¥75,034	¥71,677	¥707,617	¥77,262	¥784,879	¥-	¥784,879
Inter-segment	2,578	2,209	15,351	1,023	21,162	7,825	28,988	(28,988)	-
Total	518,576	47,115	90,386	72,701	728,780	85,087	813,867	(28,988)	784,879
Segment income	¥107,283	¥10,825	¥10,285	¥39,029	¥167,422	¥2,134	¥169,557	¥(2,919)	¥166,637

Notes:
1. The PC software and peripherals distribution business and Fukuoka SOFTBANK HAWKS related business are included in "Other."
2. Amounts in the column "Reconciliations to consolidated statement of income" of ¥(2,919) million represents elimination of intersegment transactions and expenses of the corporate division of the Company, which totaled ¥119 million and ¥(3,039) million, respectively.
3. Segment income is adjusted with operating income in the consolidated statements of income.

(Leases)

Finance lease transactions

(As a lessee)

(1) Finance leases in which the ownership of leased assets is transferred to lessees at the end of lease periods

[1] Details of lease assets are as follows:

Tangible assets, mainly telecommunications equipment in the Mobile Communications segment.

[2] Depreciation method for lease assets

The depreciation method is the same as the method used for fixed assets possessed by each subsidiary and the Company.

(2) Finance leases in which the ownership of leased assets is not transferred to lessees at the end of lease periods

[1] Details of lease assets are as follows:

Tangible assets, mainly telecommunications equipment in the Fixed-line Telecommunications segment.

[2] Depreciation method for lease assets

The straight-line method is adopted over the period of the finance leases, assuming no residual value.

Lease transactions contracted before April 1, 2008 are continuously permitted to be accounted for as operating lease transactions, and as if capitalized information is as follows:

(1) Amounts equivalent to acquisition costs, accumulated depreciation, and accumulated impairment loss of leased property for each period:

	As of December 31, 2010		As of March 31, 2010	
Telecommunications equipment and telecommunications service lines				
Acquisition cost	**136,743**		141,093	
Accumulated depreciation	**(77,735)**		(67,776)	
Accumulated impairment loss	**(29,882)**		(33,232)	
Net leased property	**29,126**	**million yen**	40,084	million yen
Buildings and structures				
Acquisition cost	**46,715**		46,730	
Accumulated depreciation	**(13,654)**		(11,909)	
Accumulated impairment loss	**-**		-	
Net leased property	**33,061**	**million yen**	34,820	million yen
Property and equipment - others				
Acquisition cost	**14,511**		16,113	
Accumulated depreciation	**(10,683)**		(10,223)	
Accumulated impairment loss	**(1,078)**		(1,242)	
Net leased property	**2,750**	**million yen**	4,647	million yen
Intangible assets				
Acquisition cost	**8,602**		9,070	
Accumulated depreciation	**(7,586)**		(6,669)	
Accumulated impairment loss	**(171)**		(290)	
Net leased property	**845**	**million yen**	2,110	million yen
Total				
Acquisition cost	**206,574**		213,007	
Accumulated depreciation	**(109,659)**		(96,579)	
Accumulated impairment loss	**(31,131)**		(34,765)	
Net leased property	**65,783**	**million yen**	81,662	million yen

Current portion of long-term prepaid expenses related to a lease contract, in which the contract term and payment term are different, in the amount of ¥670 million and ¥613 million as of March 31, 2010 and December 31, 2010 are included in "Other current assets" in the consolidated balance sheets. Long-term prepaid expenses relating to the lease contract as of March 31, 2010 and December 31, 2010 were ¥25,157 million and ¥26,135 million, respectively and are included in "Other assets" of investments and other assets in the consolidated balance sheets.

(2) Obligations under finance lease at the end of each period:

	As of December 31, 2010		As of March 31, 2010	
Due within one year	**19,314**		26,191	
Due after one year	**65,011**		79,431	
Total	**84,326**	**million yen**	105,623	million yen
Balance of allowance for impairment loss on leased property	**5,384**	**million yen**	10,776	million yen

(3) Lease payments, payment of the lease obligation for impaired leased property, amounts equivalent to depreciation, and interest expense for each period:

From April 1 to December 31, 2009 and 2010

	Nine-month period ended December 31, 2009		**Nine-month period ended December 31, 2010**	
Lease payments	28,345	million yen	**22,722**	**million yen**
Payment of the lease obligation for impaired leased property	6,600		**5,391**	
Depreciation expense	18,376		**14,946**	
Interest expense	6,669		**5,264**	

From October 1 to December 31, 2009 and 2010

	Three-month period ended December 31, 2009		**Three-month period ended December 31, 2010**	
Lease payments	9,299	million yen	**7,431**	**million yen**
Payment of the lease obligation for impaired leased property	2,200		**1,594**	
Depreciation expense	6,118		**4,857**	
Interest expense	2,117		**1,639**	

(4) Calculation method used to determine the amount equivalent to depreciation and interest expense:

The amount equivalent to depreciation is computed using the straight-line method over the period of the finance leases, assuming no residual value.

The amount equivalent to interest expense is calculated by subtracting acquisition costs from the total lease payments and allocated over the lease periods based on the interest method.

(Investment in Debt and Equity Securities)

As of March 31, 2010

1. Held-to-maturity debt securities

(Millions of yen)

Classification	As of March 31, 2010		
	Carrying Amount	Fair Value	Differences
Corporate bonds	¥1,499	¥1,344	¥(155)
Total	¥1,499	¥1,344	¥(155)

2. Marketable and investment securities at fair value

(Millions of yen)

Classification	As of March 31, 2010		
	Carrying Amount	Investment Cost	Differences
(1)Equity securities	¥101,095	¥30,351	¥70,743
(2)Debt securities	28,957	26,673	2,283
(3)Others	3,408	3,064	344
Total	¥133,460	¥60,089	¥73,371

Note: Investment securities held by certain subsidiaries in the United States of America which apply ASC 946 are described in below "3. Investment securities evaluated at fair value under the provisions set forth in Financial Services– Investment Companies of the FASB Accounting Standards Codification."

3. Investment securities evaluated at fair value under the provisions set forth in Financial Services – Investment Companies of the FASB Accounting Standards Codification

Certain subsidiaries of the Company in the United States of America qualify as investment companies under the provisions set forth in Financial Services – Investment Companies of the FASB Accounting Standards Codification Topic 946(ASC 946) and account for investment securities in accordance with ASC 946.

The carrying amounts of the investment securities at fair value recorded in the consolidated balance sheets as of March 31, 2010 were as follows:

	As of March 31, 2010
Carrying amounts of investment securities at fair value:	15,316 million yen

As of December 31, 2010

1. Held-to-maturity debt securities

(Millions of yen)

Classification	As of December 31, 2010		
	Carrying Amount	Fair Value	Differences
Corporate bonds	¥1,795	¥1,601	¥(194)
Total	¥1,795	¥1,601	¥(194)

2. Marketable and investment securities at fair value

(Millions of yen)

Classification	As of December 31, 2010		
	Carrying Amount	Investment Cost	Differences
(1)Equity securities	¥108,569	¥45,325	¥63,243
(2)Debt securities	31,618	27,174	4,444
(3)Others	3,024	2,957	66
Total	¥143,212	¥75,457	¥67,754

Note: Investment securities held by certain subsidiaries in the United States of America which apply ASC 946 are described in below "3. Investment securities evaluated at fair value under the provisions set forth in Financial Services– Investment Companies of the FASB Accounting Standards Codification."

3. Investment securities evaluated at fair value under the provisions set forth in Financial Services – Investment Companies of the FASB Accounting Standards Codification

Certain subsidiaries of the Company in the United States of America qualify as investment companies under the provisions set forth in Financial Services – Investment Companies of the FASB Accounting Standards Codification Topic 946(ASC 946) and account for investment securities in accordance with ASC 946.

The carrying amounts of the investment securities at fair value recorded in the consolidated balance sheets as of December 31, 2010 were as follows:

	As of December 31, 2010
Carrying amounts of investment securities at fair value:	11,800 million yen

(Per Share Data)

1. Shareholders' equity per share

	As of December 31, 2010	As of March 31, 2010
Shareholders' equity per share (yen)	**¥527.23**	¥434.74

2. Net income per share and basic data for computation of the per share data

For the nine-month period ended December 31, 2009 and 2010

	April 1, 2009 to December 31, 2009	**April 1, 2010 to December 31, 2010**
Net income per share – primary (yen)	87.68	**131.47**
Net income per share – diluted (yen)	84.55	**126.32**

Basic data for computation of the per share data	April 1, 2009 to December 31, 2009	**April 1, 2010 to December 31, 2010**
1. Net income (in millions of yen)	94,861	**142,299**
2. Amounts not allocated to shareholders (in millions of yen)	-	**-**
3. Net income allocated to common stock outstanding (in millions of yen)	94,861	**142,299**
4. Weighted average number of common stock outstanding during each period (unit: thousand of shares)	1,081,880	**1,082,344**
5. Adjustment for net income used to calculate net income per share – diluted (in millions of yen)		
– Interest expense (net of tax)	722	**722**
– Adjustments for net income used to calculate diluted net income per share in consolidated subsidiaries and affiliated companies	(22)	**(197)**
–Total	700	**525**
6. Increase of common stock used to calculate net income per share– diluted (unit: thousand of shares)	48,394	**48,297**
7. Significant changes in residual securities which do not dilute net income per share	-	-

For the three-month period ended December 31, 2009 and 2010

	October 1, 2009 to December 31, 2009	**October 1, 2010 to December 31, 2010**
Net income per share – primary (yen)	22.28	**60.48**
Net income per share – diluted (yen)	21.53	**58.04**

Basic data for computation of the per share data	October 1, 2009 to December 31, 2009	**October 1, 2010 to December 31, 2010**
1. Net income (in millions of yen)	24,110	**65,460**
2. Amounts not allocated to shareholders (in millions of yen)	-	**-**
3. Net income allocated to common stock outstanding (in millions of yen)	24,110	**65,460**
4. Weighted average number of common stock outstanding during each period (unit: thousand of shares)	1,082,313	**1,082,348**
5. Adjustment for net income used to calculate net income per share – diluted (in millions of yen)		
– Interest expense (net of tax)	240	**240**
– Adjustments for net income used to calculate diluted net income per share in consolidated subsidiaries and affiliated companies	(6)	**(80)**
–Total	233	**160**
6. Increase of common stock used to calculate net income per share– diluted (unit: thousand of shares)	48,303	**48,296**
7. Significant changes in residual securities which do not dilute net income per share	-	-