

## Q What is the SOFTBANK Group? -----

In the SOFTBANK Group, we recognize the Internet is a technology that benefits society and the economy. As the Internet business leader, we are a business group of entrepreneurs that has supported the Internet's evolution by creating and promoting a wide variety of Internet businesses. We are also facilitating the widespread adoption of the Internet through our global venture capital businesses.

Pages 2-5

## Q What are SOFTBANK's areas of focus? -----

The proliferation of high-speed, high-capacity communications infrastructure for the Internet is rapidly increasing the number of Internet users and its applications. With this in mind, we have made broadband businesses into one of our key focus areas. Furthermore, we are expanding our range of businesses through business transaction platform-related operations, as the prevailing business climate is one in which companies are promoting the use of the Internet for commercial transactions.

Pages 4-7, 10-18, 20-23

## Q What is SOFTBANK's investment track record? -----

The decline in stock prices on the Nasdaq Stock Market in the United States and the sluggish IPO market have impacted SOFTBANK's investments. However, amid this harsh climate, we have large unrealized gains and are continuing our aggressive investment activities.

Pages 24-25

## Q How have SOFTBANK's various businesses been performing? -----

Each operation holding company manages a portfolio of operating companies. In this fact book, we have disclosed an outline of consolidated business results for each operation holding company as well as an outline of business results for portfolio companies that have made large revenue contributions.

Pages 10-23, 34-49

## Q What is the organizational structure of the SOFTBANK Group? -----

The Internet has penetrated a variety of business domains and geographic regions. To expedite and sharpen decision making based on expertise in each of these domains and regions, we have developed a three-tiered Group management system comprising a pure holding company, operation holding companies, and operating companies.

Pages 8-9, 36-49

## Q What are SOFTBANK's business results? -----

We engage in diverse and varied business activities, and, therefore, our financial statements have features that differ from those of ordinary companies. This fact book endeavors to improve the disclosure of SOFTBANK's financial information by explaining these figures in an easy-to-understand format for investors.

Pages 26-35

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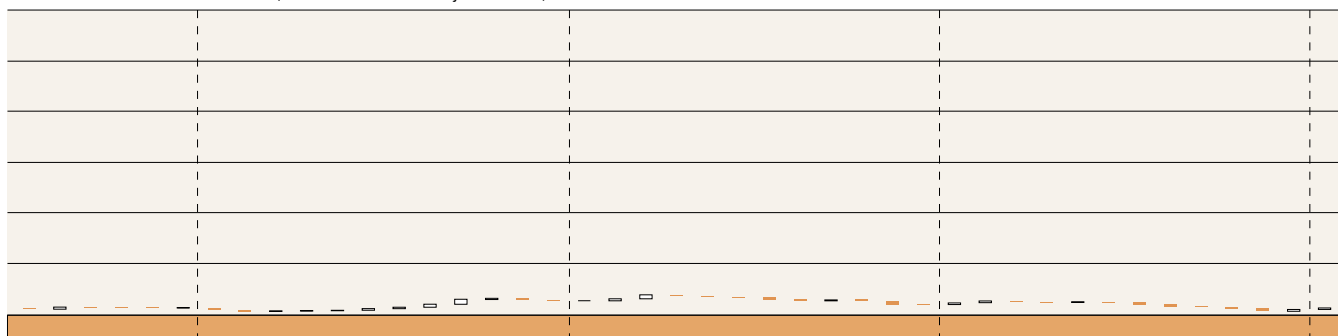
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## Major SOFTBANK News and Stock Price Movements

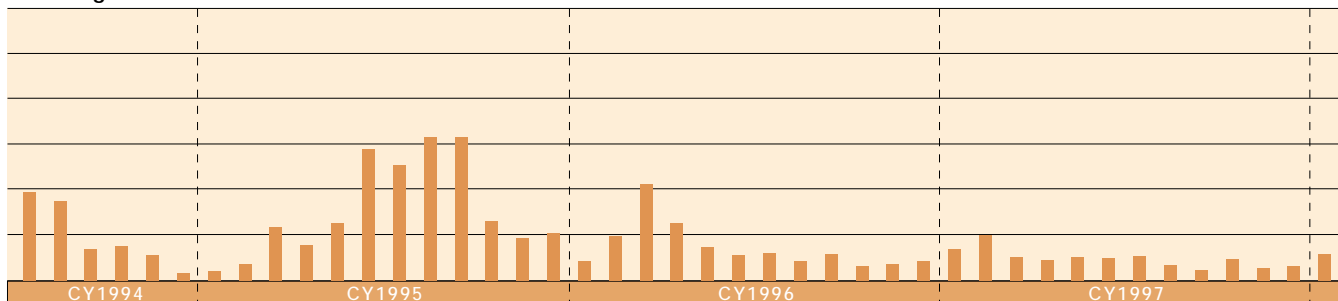
### History

Sep 1981	Established SOFTBANK CORP. Japan (Chiyoda Ward, Tokyo) and commenced distribution of package software for personal computers	Jun 1996	Established Softbank Ventures, Inc. Formed a tie-up with The News Corporation Limited, of Australia, for digital satellite broadcasting operations JSkyB (currently SKY PerfectTV)
May 1982	Entered the publishing industry with the launch of the monthly magazines <i>Oh! PC</i> and <i>Oh! MZ</i>	Sep 1996	Established SOFTBANK Kingston Inc., which then acquired an 80% share of Kingston Technology Company, of the United States
Jan 1990	Merged with Datanet Japan Corporation	Dec 1996	Established Japan Sky Broadcasting Co., Ltd.
Jul 1990	Changed trade name to SOFTBANK CORP.	Nov 1997	Yahoo Japan Corporation registered with the Japan Securities Dealers Association
Jan 1992	Established SoftVenture Capital Co., Ltd.	Jan 1998	Listed on the First Section of the Tokyo Stock Exchange Acquired shares of GeoCities, Inc., of the United States, through SBH and became its second largest shareholder
Mar 1994	Established SOFTBANK Holdings Inc. (SBH) in the United States	Apr 1998	ZD Inc., of the United States (renamed to Ziff-Davis Inc.), listed on the New York Stock Exchange
Jul 1994	Registered with the Japan Securities Dealers Association	Jul 1998	Acquired shares of E*TRADE Group, Inc., of the United States, through SBH
Dec 1994	Acquired the exhibition division of Ziff Communications Company, of the United States	Aug 1998	GeoCities listed on the Nasdaq Stock Market U.S. Trend Micro Incorporated registered with the Japan Securities Dealers Association
Apr 1995	Acquired the exhibition division of The Interface Group, of the United States, through SOFTBANK COMDEX Inc.	Dec 1998	Acquired MAC Inc. Established SOFTBANK America Inc. in the United States and transferred part of SOFTBANK's holdings
Jan 1996	Established Yahoo Japan Corporation		
Feb 1996	Acquired Ziff-Davis Publishing Company, of the United States, through SBH		
Apr 1996	Acquired shares of Yahoo! Inc., of the United States, through SBH and became Yahoo! Inc.'s primary shareholder		

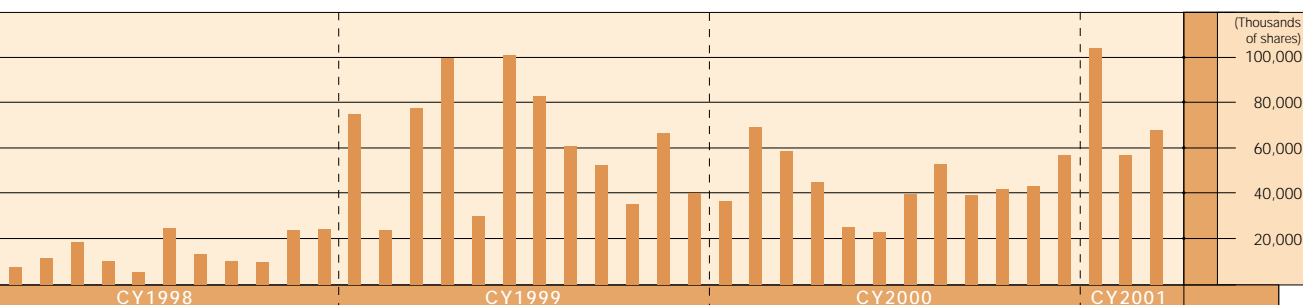
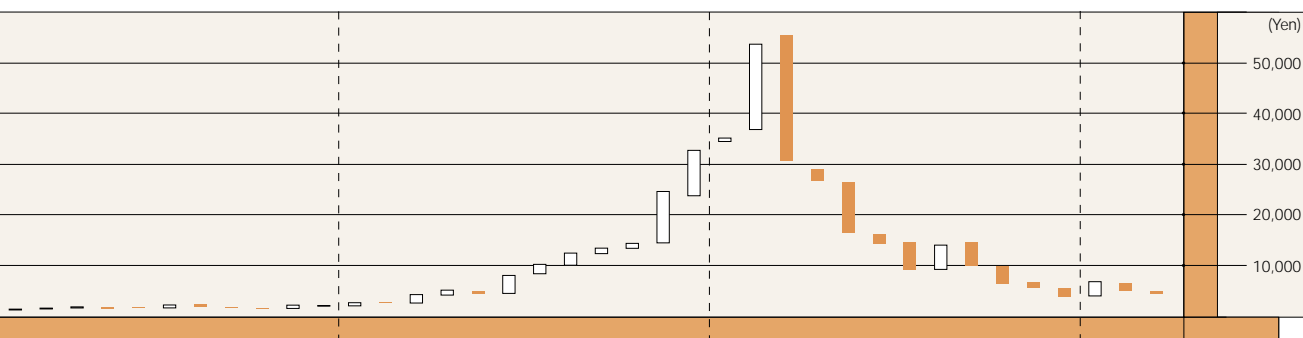
### Stock Price Movements (After retroactive adjustments)



### Trading Volume



Apr 1999	Spun off publishing operations Introduced an operating holding company system	Aug 2000	Vector Inc. listed on the Nasdaq Japan Market Key3Media Group, Inc., of the United States, listed on the New York Stock Exchange
Jun 1999	Formed a tie-up with the National Association of Securities Dealers, Inc., of the United States, to establish the Nasdaq Japan Market	Sep 2000	Acquired shares of The Nippon Credit Bank, Ltd. (renamed to Aozora Bank, Ltd.) E*TRADE Japan K.K. listed on the Nasdaq Japan Market cyber communications inc. listed on the Nasdaq Japan Market
Jul 1999	Agreed to set up a joint venture (eVentures) in the United Kingdom with The News Corporation Limited's wholly owned subsidiary ePartners Capital, Ltd., of the United Kingdom Formed a tie-up with Vivendi, S.A., of France, to establish the joint venture @viso in France Sold off its 80% share of Kingston Technology SOFTBANK TECHNOLOGY CORP. registered with the Japan Securities Dealers Association	Dec 2000	Invested in Nihon Ariba K.K. and rolled out a service providing a business transaction platform SOFTBANK INVESTMENT CORPORATION listed on the Nasdaq Japan Market
Oct 1999	Sold off the market intelligence division of Ziff-Davis Spun off software and network operations Introduced a pure holding company system	Jan 2001	Decided on the formation of SOFTBANK Life Science Ventures I, L.P., targeting investment in life science-related companies
Feb 2000	Agreed to establish SOFTBANK Emerging Markets—to cultivate Internet-related companies—as a joint venture with the World Bank's International Finance Corporation	Feb 2001	Implemented a third-party allotment of new shares for Cisco Systems, Inc., of the United States, and signed an agreement on the formation of SOFTBANK Asia Infrastructure Fund as part of the strengthening of this strategic tie-up
Apr 2000	Introduced an operation holding company system for each business segment		
Jun 2000	Morningstar Japan K.K. listed on the Nasdaq Japan Market		



# Surfing the



## Focus: Broadband and Business Transaction Platforms

In the SOFTBANK Group, we recognize that the Internet enhances economic prosperity and raises standards of living throughout the world. With this in mind, our basic management policy aims to achieve corporate growth through strategic Internet investments that draw on the managerial resources of the entire Group. To capitalize on the Internet's long-term growth potential, we have worked hard to secure a first-mover advantage in new Internet-related fields through early-stage investments in Yahoo! followed by further investment in e-finance and e-commerce (EC) businesses.

The proliferation of high-speed, high-capacity broadband technology is driving evolution in the Internet industry. By facilitating this process, SOFTBANK is working to rapidly expand the number of Internet users and the range of potential applications. This will have the double effect of expanding the Company's existing business segments and developing new broadband-centered business domains. SOFTBANK is also concentrating its efforts on the business transaction platform domain, which is also expected to benefit from a rapid rise in Internet use. Intent on maintaining its role as the Internet business leader, SOFTBANK will continue to monitor technological trends and keep a sharp eye on high-growth business domains.

### ■ Making Fast, Accurate Decisions and Enhancing Enterprise Value

As the Internet rapidly penetrates all domains of the business world, SOFTBANK is witnessing the broad expansion of its operating range. Such expansion requires fast, accurate managerial decisions based on expertise in each business segment. To this end, SOFTBANK has developed a three-tiered Group management system comprising

a pure holding company, operation holding companies, and operating companies.

As the pure holding company, SOFTBANK CORP. creates strategies for the entire Group and manages and aligns the direction of the Group. To maintain sound corporate governance, managerial responsibilities are clearly divided. The Board of Directors is in charge of high-level decision making and the supervision of the entire Group, while the CEO Council comprises CEOs that are responsible for supervising the operations of the Group's businesses. With this system in place, SOFTBANK is working to enhance the enterprise value of the entire Group.

The second tier comprises operation holding companies, which operate in diverse domains and geographic regions. These companies make strategic decisions, incubate new enterprises, and oversee the management of related operating companies. Under the supervision of these operation holding companies, operating companies aim to achieve profitability at the earliest possible moment, generate cash flow, and, ultimately, make initial public offerings (IPOs). Each operating company is encouraged to act on its own initiative to increase its enterprise value. As testimony to the success of this approach, in fiscal 2001, ended March 31, 2001, Morningstar Japan K.K., Vector Inc., Key3Media Group, Inc., E\*TRADE Japan K.K., cyber communications inc., and SOFTBANK INVESTMENT CORPORATION made IPOs, and still more IPOs are slated for fiscal 2002.

### ■ Sharpening the Focus: Broadband and Business Transaction Platforms

South Korea provides an important example of how advances in broadband connectivity can fuel a rapid increase in Internet

# Wave of Internet Evolution

users as well as the diversification and expansion of related services. With this in mind, SOFTBANK is making efforts to expand its existing businesses and cultivate new broadband-related businesses.

Currently, SOFTBANK is constructing a business model that will combine successful strategies from the IT industry and the intrinsic strengths of the SOFTBANK Group. For example, in the software market, Microsoft Corporation controls the applications that are built to run on its operating system, Windows, and, in the mobile phone market, NTT DoCoMo, Inc., has control of the applications built to run on its technology platform, i-mode. One of SOFTBANK's portfolio companies in South Korea operates Korea.com, a broadband portal that provides a variety of services by combining content and applications with a technology platform that includes network security, authentication, and on-line settlement systems. SOFTBANK will capitalize on this expertise.

SOFTBANK will develop its broadband businesses by effectively integrating the Group's businesses and those of portfolio companies engaged in the provision of applications and content, technology platforms, and communications infrastructure. Such businesses include Yahoo! Broadcast; Xdrive Japan K.K., an on-line data storage provider; Akamai Technologies Japan K.K., which provides high-speed content delivery services; IP REVOLUTION, INC., a provider of ultrahigh-speed Internet access services; and Asia Global Crossing Ltd., a provider of submarine fiber optic cable systems.

Cisco Systems, Inc., has committed US\$1.05 billion to the SOFTBANK Asia Infrastructure Fund, which will be managed by SOFTBANK to invest in broadband businesses throughout Asia.

SOFTBANK is also focusing on the business transaction platform domain, an area with significant growth prospects. In the United States, many companies are using business transaction platforms to achieve rapid cost reductions in the procurement of direct and indirect materials. Japanese companies are also under pressure to reform their purchasing processes to survive amid global competition. To facilitate this process, SOFTBANK has invested in Nihon Ariba K.K., the Japanese subsidiary of Ariba Inc., which is the largest procurement software company in the United States. In addition, SOFTBANK is committing strategic resources to help Nihon Ariba gain an operational advantage in Japan's largely untapped indirect materials procurement market. Furthermore, SOFTBANK is developing businesses that capitalize on the customer base gained through Ariba and its related businesses.

At SOFTBANK, we are sharpening our focus on the continuous wave of evolution that is shaping the future of Internet technologies. It is on this wave that our strategic management will continue to ride, and the momentum of this wave will carry SOFTBANK to success well into the 21st century.

June 2001



**Masayoshi Son**  
President and Chief Executive Officer

Prospects for the Internet

Internet Business Opportunities through the Proliferation of Broadband Technology

Internet expansion is now at the root of societal and economic change, and a key element driving this expansion is broadband connectivity. South Korea and the United States have been quick to deploy this technology, and, as a result, both countries have witnessed an increase in Internet users. Along with this has come growth in existing Internet services as well as the birth of new services and industries.

In November 2000, the Basic Law on Information Technology was enacted in Japan with a view to defining the country's commitment to IT. In addition, the government's e-Japan strategy calls for building broadband infrastructure to be connected to 40 million households within five years. Under this directive, the infrastructure includes ultrahigh-speed fiber

optic, high-speed cable modem, asymmetric digital subscriber line (ADSL), and other access technologies. Moreover, since fall 2000, major telecommunications companies have been offering high-speed access services, and competition has continued to intensify as newcomers counter these service offerings by providing high- and ultrahigh-speed broadband access at the lowest possible rate. Until recently, slow transmission speeds and high user fees had impeded the proliferation of the Internet in Japan, but, as these barriers are rapidly crumbling, a period of full-scale expansion is expected. Thus, current conditions in South Korea provide a glimpse of how broadband technology might develop in Japan.

Increased Broadband Connectivity in South Korea Provides Diverse Business Opportunities

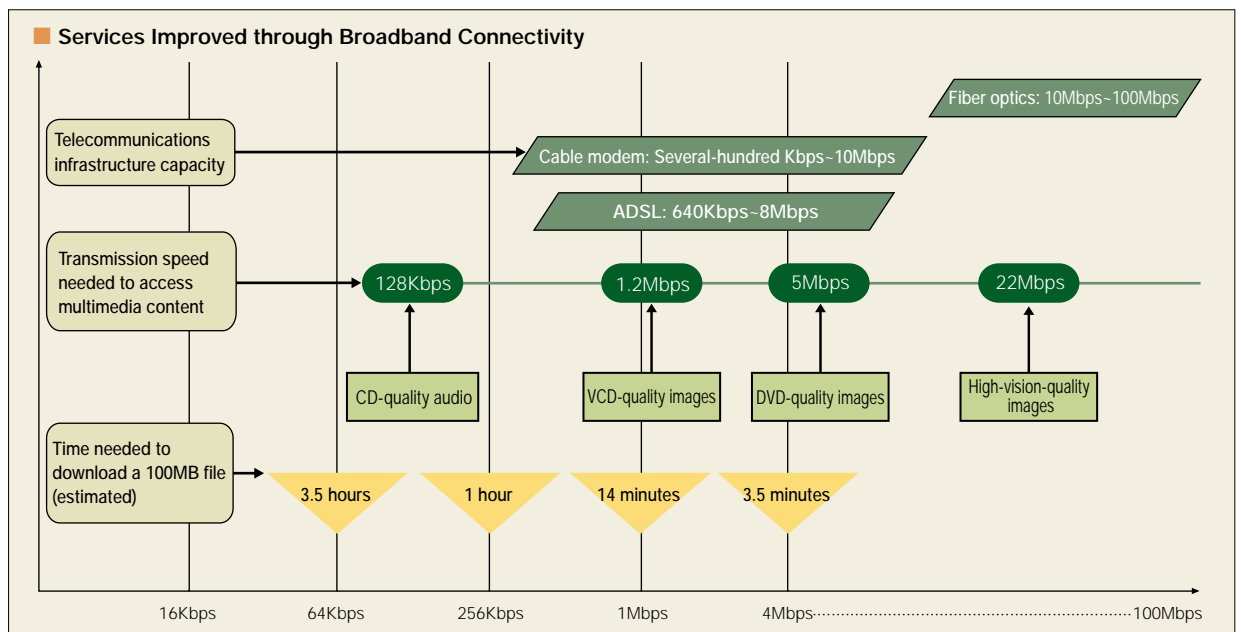
Under strong government leadership, South Korea built a solid broadband infrastructure following the 1998 currency crisis. However, the main factor driving the shift to broadband technology was the availability of inexpensive high-speed access services in excess of 1Mbps, which had become a benchmark for the industry. In addition, there were several other significant factors contributing to broadband proliferation. One of these was the explosive popularity of such on-line games as StarCraft, which were predominantly played in South Korea's vast network of more than 20,000 Internet cafes. Another was South Korea's strong commitment to education and its increased awareness of the Internet's value as an educational resource.

There are slightly more than 14 million households in South Korea. In March 2000, the number of households with broadband access totaled 860 thousand, and this number had grown to 5,090 thousand by the end of March 2001. It is

projected that 10 million households will be connected by the end of 2001. There is, of course, a correlation between the degree of broadband connectivity and the number of Internet users, which, as of March 2001, had climbed to 19 million.

Both the speed and capacity of transmissions are increasing, and this is enabling companies to deliver new services via the Internet. In South Korea, there are two types of killer apps: on-line games and on-line securities trading. In fact, 70% of securities trading now takes place on-line. Another popular service is the on-demand delivery of movies, animation, and television dramas.

In the past, e-mail service was limited to text messages, but current services go beyond this to include voice messages, faxes, and video clips. In addition, several million housewives have participated in government-sponsored Internet education programs. As a result, many people that had lacked the skills necessary to access the Internet are now



Reference: "This is the 21st Century Broadband System," special edition of N+I MAGAZINE, May 2001

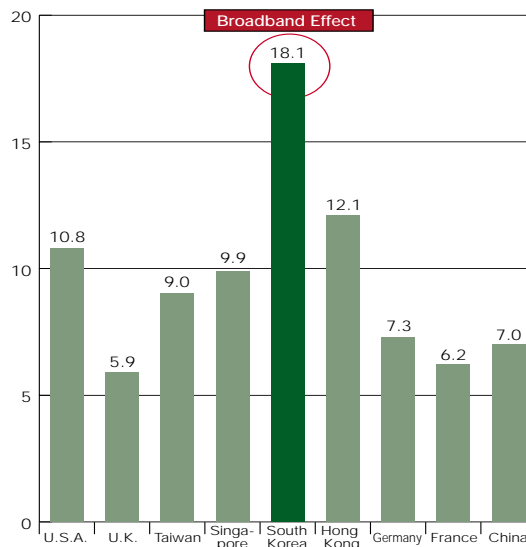
using it in their daily lives to send e-mail, participate in chat rooms, use voice over Internet protocol (VoIP) telephony services, and access other services.

These services are all made possible through broadband portals, which have a different revenue structure from conventional portals that are reliant on advertising revenues. In the case of Korea.com, the largest broadband portal in South Korea, sales of content and services comprise more than 70% of total revenues. In addition, increased broadband connectivity has added value to Internet advertising, insofar as the number of hours spent on-line has increased dramatically compared with other countries. The speed with which images and text appear on the screen is also rising, and this represents a positive opportunity for companies to increase revenues through such services as on-line shopping. According to Zona Research, Inc., when images and text take more than eight seconds to appear on the screen, approximately 30% of users give up and move on, while this figure rises to 70% when images take 12 seconds or more. As broadband connections improve download speeds, the number of people regularly shopping on-line will continue to increase.

High-speed, high-capacity, and interactive Internet transmissions are expected to enable scores of new services. On-line shopping and securities trading will pave the way for one-to-one on-line consulting sessions, while hope is also being held out for on-line medical care and multimedia education services for all age-groups. In South Korea, television digitization is slated to begin in the second half of 2001, and, in anticipation, various experiments seeking to integrate broadcasting systems with broadband technologies are now under way. As the capacity and speed of transmissions improve, the image quality of

today's small, coarse-grained video-on-demand (VOD) services is likely to improve to the level of DVD and high-vision quality. The volume of data will continue to increase, placing an increasing burden on the networks involved. Coping with this involves, in addition to increased bandwidth, maximized network efficiency. Thus, the various fields related to Internet technology and infrastructure continue to attract more and more attention.

■ **International Comparison of Time Spent On-line**  
(Average hours per Internet user per month)



Source: "Average Hours per Internet User per Month," *NetValue*, November 2000

## Full-Scale Japan-Based Internet Businesses through Broadband Infrastructure

Japan has been slow to provide unlimited Internet access at a flat rate. However, at present, a serious effort is being made to implement broadband infrastructure, and this is expected to drive a process of broadband expansion similar to that experienced by South Korea and the United States. Increased broadband connectivity is expected to bring more than just improved content and services. In conjunction with digitized broadcasting and next-generation mobile phones, broadband technology is expected to fuel a diverse array of new service offerings.

Prospects are also good for consumer-related e-commerce businesses, which will be able to improve their customer bases in tandem with increased Internet use. However, this will necessitate the development of an efficient settlement system. A case in point is Korea.com, which has implemented a new settlement system based on a single user ID number. Users who have logged on can access all of the services on-line, and this has facilitated increased use. Japan already has a wide variety of advertising strategies in place to appeal to Internet users. As the number of users and the length of time spent on-line continue to increase, the value of the Internet as an advertising medium will grow accordingly. In 2000, the advertising market

in Japan was worth ¥6.1 trillion, less than 1% of which belonged to the Internet advertising market segment. Thus, Internet advertising represents a significant growth opportunity.

According to a survey conducted by Japan's Ministry of Public Management, Home Affairs, Posts and Telecommunications, e-mail has penetrated virtually every industry in Japan, but businesses have been slow to integrate the Internet into their business processes. Thus, growth prospects are high for Internet-related businesses. There are an increasing number of companies using the Internet as a sales tool, but the proportion of companies actually settling accounts on-line is low, at 2.2%. It is expected that this percentage will increase along with advances in network security, customer privacy, data security, and dependability.

Internet technology is still in the course of development. As it continues to evolve, it will become an indispensable part of people's lives and the businesses in which they are involved. Broadband technology is an important sea change in this evolutionary process. As the Internet's business leader, SOFTBANK is determined to guide the development of broadband technology and capitalize on broadband-related business opportunities.



# Business Group Formation (As of May 15, 2001)

## e-Commerce Segment

SOFTBANK EC HOLDINGS <small>(SOFTBANK E-COMMERCE CORP. renamed to SOFTBANK EC HOLDINGS CORP. as of July 1, 2001)</small>		
SOFTBANK COMMERCE	CMnet	Operation Holding Company
<ul style="list-style-type: none"> <li>■ eBEST</li> <li>■ e-express</li> <li>■ eselect</li> <li>■ SOFTBANK Frameworks</li> <li>■ E-STAFFING</li> <li>■ AIP Bridge</li> <li>■ Asiansnet Japan</li> <li>■ Bewith</li> <li>■ Blue Planet</li> <li>■ BridalConcierge</li> <li>■ Car Point</li> </ul>	<ul style="list-style-type: none"> <li>■ CreativeBank</li> <li>■ DIAMOND.COM</li> <li>■ DUSKIN I-MART</li> <li>■ e-Career</li> <li>■ EC RESEARCH</li> <li>■ eEntry</li> <li>■ E*Net</li> <li>■ e-Shopping! Books</li> <li>■ e-Shopping! CarGoods</li> <li>■ e-Shopping! Information</li> <li>■ e-Shopping! Toys</li> </ul>	<ul style="list-style-type: none"> <li>■ e-Shopping! Wine</li> <li>■ Eupholink</li> <li>■ GWP Japan</li> <li>■ iBuilders</li> <li>■ Nihon Ariba</li> <li>■ ONSALE JAPAN</li> <li>■ SmartFirm</li> <li>■ SOFTBANK MOBILE</li> <li>■ Style Index</li> <li>■ Vector</li> <li>■ VerticalNet Japan</li> </ul>

## e-Finance Segment

SOFTBANK FINANCE <small>Operation Holding Company</small>			
<ul style="list-style-type: none"> <li>■ Benefit Systems</li> <li>■ BRAIN.COM (↳ Digit Brain)</li> <li>■ Cognotec Japan</li> <li>■ CyberCash*</li> <li>■ E*Advisor</li> <li>■ e-Commodity</li> <li>■ E-NetCard (↳ ASCOT)</li> <li>■ E-Real Estate</li> <li>■ HousePortal</li> <li>■ SF REALTY</li> </ul>	<ul style="list-style-type: none"> <li>■ UTOPIAN LIFE</li> <li>■ E*TRADE Japan</li> <li>■ E*TRADE SECURITIES</li> <li>■ Finance All</li> <li>■ E-Loan Japan</li> <li>■ GOODLOAN</li> <li>■ INSWEB Japan</li> <li>■ Gomez Japan</li> <li>■ Morningstar Japan</li> <li>■ Office Work</li> </ul>	<ul style="list-style-type: none"> <li>■ Online IR</li> <li>■ SB FINANCE KOREA</li> <li>■ SOFTBANK FRONTIER SECURITIES</li> <li>■ SOFTBANK INVESTMENT</li> <li>■ DigiCode</li> <li>■ SOFTBANK ASSET MANAGEMENT</li> <li>■ SOFTBANK CHINA VENTURE INVESTMENTS</li> </ul>	<ul style="list-style-type: none"> <li>■ SOFTBANK Contents Partners</li> <li>■ SOFTBANK Ventures</li> <li>■ SOFT TREND CAPITAL</li> <li>■ SophiaBank</li> <li>■ WEB-Lease</li> </ul>

## Internet Infrastructure Segment

SOFTBANK Networks	Operation Holding Company
<ul style="list-style-type: none"> <li>■ Asia Global Crossing*</li> <li>■ GlobalCenter Japan</li> <li>■ Internet Facilities</li> </ul>	<ul style="list-style-type: none"> <li>■ IP REVOLUTION</li> <li>■ SpeedNet</li> <li>■ TeraPlanet</li> </ul>

## Internet Culture Segment

- Yahoo! JAPAN
- Internet Research Institute
- Tavigator



Pure Holding Company

## Media & Marketing Segment

**SOFTBANK Media & Marketing** Operation Holding Company

- SOFTBANK Publishing
- SOFTBANK ZDNet
- JaJa Entertainment
- Aplix.NET
- BARKS
- click2learn Japan
- COM-PATH
- cyber communications
- Englishtown\*
- Rivals Japan
- WebMD Japan

## Broadmedia Segment

**SOFTBANK Broadmedia** Operation Holding Company

- Akamai Technologies Japan
- Computer Channel
- EMBANYA
- Digital Club
- Digital Media Factory
- J SKY SPORTS\*
- Nihon Eiga Satellite Broadcasting
- SKY Perfect Communications\*
- VOXNET
- Xdrive Japan
- Xtage
- YesNoJapan

## Technology Services Segment

**SOFTBANK TECHNOLOGY HOLDINGS** Operation Holding Company

- SOFTBANK TECHNOLOGY
- B2B Technology
- BROADBAND TECHNOLOGY
- EC Architects
- e-Commerce Technology
- E-Cosmos
- SOFTBANK MOBILE TECHNOLOGY
- EC Factory.com.
- i2ts
- MARKETPLACE SERVICE AND SUPPORT
- USTC E-BUSINESS TECHNOLOGY

## Overseas Operations

**SOFTBANK Holdings** Operation Holding Company

**SOFTBANK Venture Capital**

- SOFTBANK Technology Ventures IV
- SOFTBANK Technology Ventures V
- SOFTBANK Technology Ventures VI
- SOFTBANK Capital Partners

**SOFTBANK International Ventures**

- SOFTBANK Europe Ventures
- eVentures
- @viso
- SOFTBANK Latin America Ventures
- SOFTBANK Emerging Markets
- SOFTBANK Ventures Korea
- SB CHINA HOLDINGS

**SOFTBANK Asia Infrastructure Fund**

- CNET Networks\*
- E-LOAN\*
- E\*TRADE
- InsWeb
- Key3Media Group
- MessageMedia
- UTStarcom
- Yahoo! Inc.
- Yahoo! Deutschland
- Yahoo! France
- Yahoo! Korea
- Yahoo! UK

## Other Businesses

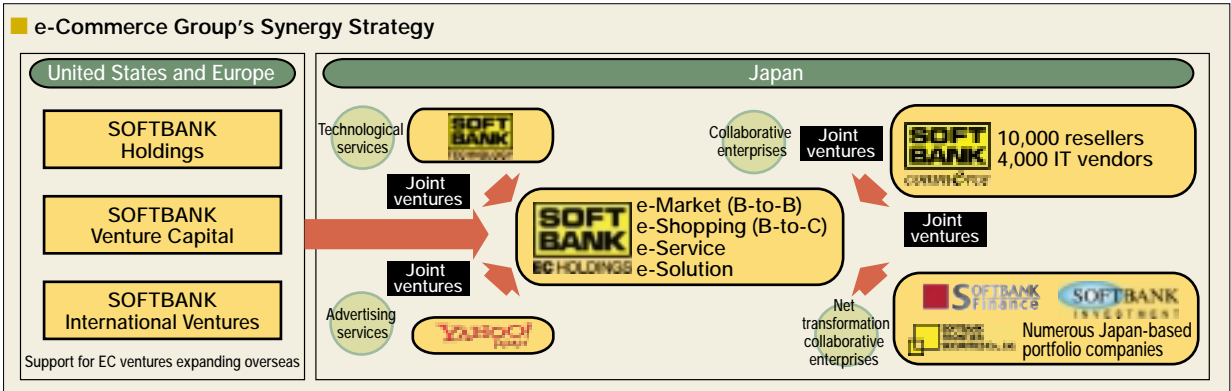
- Aozora Bank
- AtWork
- SOFTBANK Life Science Ventures
- Nasdaq Japan
- Nasdaq Europe Planning
- SOFTBANK Korea

\* Less than 20% SOFTBANK ownership

# e-Commerce Segment



**Ken Miyauchi** SOFTBANK EC HOLDINGS CORP.  
President and Chief Executive Officer  
(SOFTBANK E-COMMERCE CORP. renamed to SOFTBANK EC HOLDINGS CORP. as of July, 1, 2001)



**■ Fiscal 2001 Performance**

(Increases and decreases are based on internal management figures.)  
In fiscal 2001, SOFTBANK COMMERCE CORP. posted steady sales growth. Because of this, consolidated revenue for SOFTBANK EC HOLDINGS CORP. grew 11.6% year on year, to ¥258,498 million. SOFTBANK COMMERCE's positive performance also contributed substantially to operating income. However, as many e-Commerce group businesses are still in the start-up phase, operating expenses increased and operating income decreased 75.4% year on year, to ¥1,748 million. In addition, special losses totaled ¥3,014 million, owing to the revision of, or withdrawal from, several enterprises.

**■ e-Commerce Business Portfolio**

There is a significant first-mover advantage in the Internet industry. SOFTBANK EC HOLDINGS believes that the key to success lies in building a customer base through rapid business development. To this end, the company has continued to build many e-commerce related companies.

In light of Japan's distinctive business culture, SOFTBANK EC HOLDINGS' consumer-related e-commerce strategy

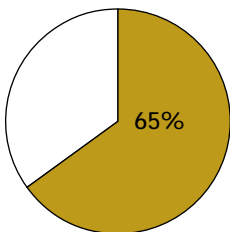
in Japan emphasizes joint ventures with major Japanese companies that are familiar with the intricacies of their respective markets. On the contrary, as competition in the market for business transaction platform services is, for the most part, international, SOFTBANK EC HOLDINGS' business transaction platform strategy involves importing successful business models from abroad and implementing them in Japan through joint ventures adapted to specific market segments.

The e-Commerce group has implemented a system to support the SOFTBANK Group and other venture businesses. Through its e-service framework, SOFTBANK backs Internet initiatives by providing application services, on-line recruitment, back-office support, and Web site construction and management for small and medium-sized enterprises.

**■ Consumer-Related e-Commerce:  
A Stronger Revenue Base for Future Growth**

As part of its consumer-related e-commerce strategy, the e-Commerce group is striving to create an Internet specialty portal through the establishment of companies that sell books, automotive products, toys, computers, and other products

**■ Percentage of SOFTBANK's Consolidated Revenues**



**SOFTBANK EC HOLDINGS CORP.'s FY2001 Outline of Consolidated Business Results (Unaudited)**

**■ Statement of Income**

(Millions of yen)

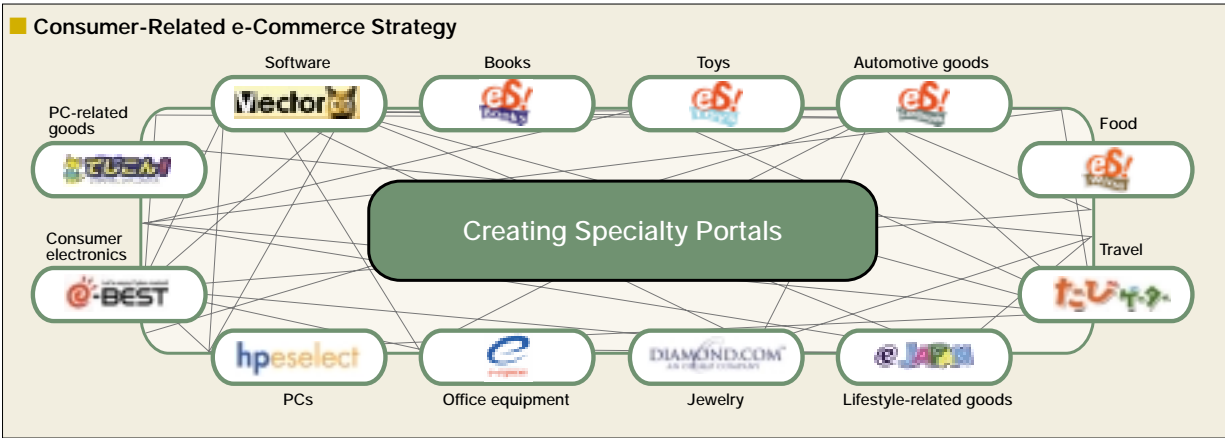
Revenue	258,498
Cost of sales	233,891
Selling, general and administrative expenses	22,858
Operating income	1,748
Ordinary income	787
Net loss	2,548

**■ Balance Sheet**

(Millions of yen)

Current assets	84,845	Current liabilities	85,082
Property and equipment	1,394	Long-term liabilities	5,426
Intangible assets	3,249	Minority interest	3,399
Investments and other assets	13,645	Shareholders' equity	9,239
Deferred charges	12	Common stock	10,000
Total assets	103,147	Total	103,147

Note: The segment information used in SOFTBANK CORP.'s consolidated results was calculated using a different method and is, therefore, not identical.



on-line. By partnering with strong companies in each target market, these companies will be able to reduce inventory costs and other expenses. In addition, each company will continue to strengthen its revenue base and utilize its accumulated know-how in preparation for the next growth phase that will accompany the expected rise in Internet use. By doing so, it is hoped that each company will be well positioned to capture the number-one share of its market segment.

Listed in August 2000, Vector Inc. is a subsidiary engaged in the operation of Internet sites for downloading software. As broadband infrastructure spreads, it will be possible to download software containing ever larger volumes of data from the Internet. Vector is expected to capitalize on this trend.

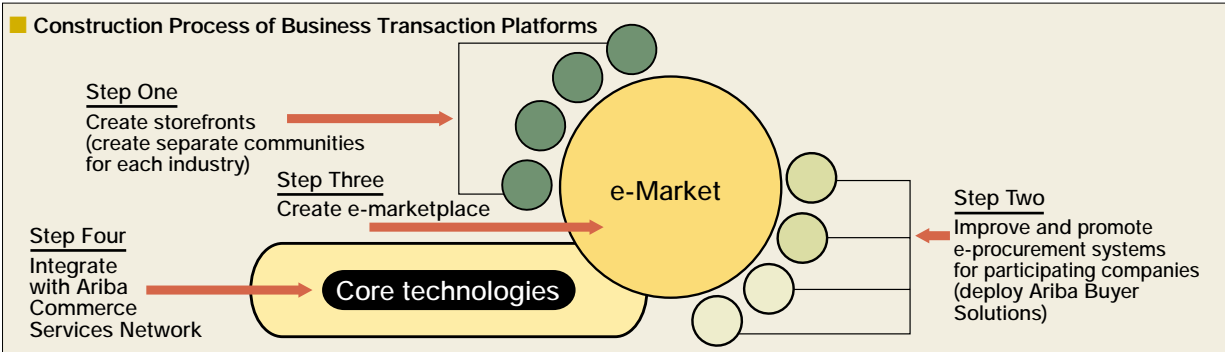
The evolutionary selection process continues to separate the winners from the losers in the Internet industry. Survivors must remain vigilant with respect to their business strategies, discarding or restructuring problematic business models where needed. In fiscal 2001, SOFTBANK EC HOLDINGS made strategic revisions to the business models of five companies, including ONSALE JAPAN K.K. However, the company will continue to provide strong operational support to promising e-commerce initiatives.

**Business Transaction Platforms: Focusing on High-Growth Areas**

The proliferation of broadband infrastructure is driving rapid improvement in network technologies, and this, in turn, is expected to accelerate the growth of business transaction

platform- and network infrastructure-related businesses. VerticalNet Japan Corp., established in July 2000, provides industry-specific community sites. At the end of March 2001, it was already running nine community sites, including sites related to medicine, metal processing, and the automobile industry. In December 2000, the SOFTBANK Group took a stake of approximately 40% in Nihon Ariba K.K., a subsidiary of Ariba Inc., the largest procurement software company in the United States (SOFTBANK: 20%, SOFTBANK EC HOLDINGS: 20%). In collaboration with Nihon Ariba, the SOFTBANK Group is undertaking vigorous sales activities.

Ariba's procurement solutions are a good example of the type of corporate infrastructure needed to facilitate the full-scale development of the e-marketplace. Currently, a large number of Japanese corporations are intensifying their efforts to deploy enterprise solutions for such operations as procurement as a means of boosting the efficiency and effectiveness of their operations. As a result, this market segment offers good prospects for growth. The e-Commerce group has accumulated expertise and an extensive customer and supplier network through its conventional software-marketing operations. Through SOFTBANK COMMERCE, the group will leverage these strengths, while exploiting the sales expansion of Ariba's solutions to secure an operational advantage in the market for enterprise solutions.

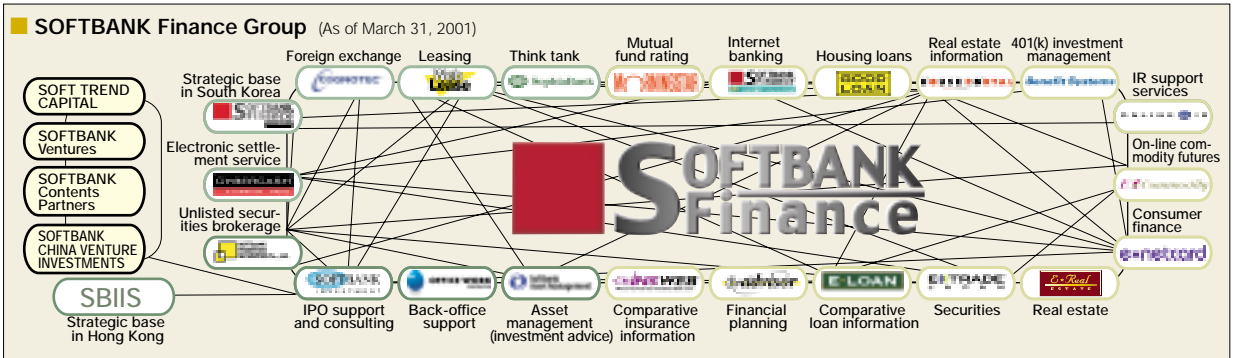


# e-Finance Segment



Yoshitaka Kitao

SOFTBANK FINANCE CORPORATION  
President and Chief Executive Officer



### Fiscal 2001 Performance

(Increases and decreases are based on internal management figures.)

Backed by SOFTBANK INVESTMENT CORPORATION's substantial increase in fund success fees (carry), consolidated revenue for SOFTBANK FINANCE CORPORATION grew 69.1% year on year, to ¥31,544 million. Operating expenses increased owing to the large number of companies still in the start-up phase, but, as this was offset by SOFTBANK INVESTMENT's fund success fees (carry), operating income rose 41.7%, to ¥13,275 million.

Dilution gain from changes in equity interest and gain on sales of investment securities were recorded as special income in relation to the IPOs of E\*TRADE Japan K.K. and several other companies. On the other hand, revaluation loss in BRAIN.COM, INC., and loss on sales of Able Corporation were recorded as special loss.

### Comprehensive On-line Finance Businesses

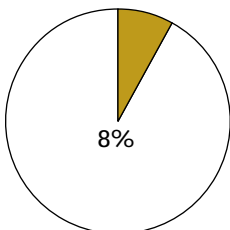
SOFTBANK FINANCE is the operation holding company for the innovative e-Finance group. The group has continued to expand its comprehensive on-line financial services in line with its customer-centric service strategy aimed at providing "Three One Services." These services comprise one-stop

comprehensive financial services; one-table services, which enable users to compare desired financial services at a glance; and one-to-one services, which provides concierge services for individual customers.

The e-Finance group is growing into a comprehensive financial group with businesses spanning all of the major financial enterprises market sectors. In fiscal 2001, many new financial enterprises were founded, including e-Commodity Co., Ltd., an on-line commodity futures brokerage, and HousePortal Co., Ltd., an on-line comparative real estate information provider. All of these companies are striving for profitability and IPOs in the immediate future, and, in fact, Morningstar Japan K.K., E\*TRADE Japan, and SOFTBANK INVESTMENT all made IPOs during the term.

To bundle services more efficiently, the e-Finance group is working to tighten the links between a number of companies that share similar business models or are operating in related areas. As a part of this strategy, such companies have been united under a new company that will aim to make an IPO. For example, in April 2001, such marketplace providers as INSWEB Japan K.K., E-Loan Japan Co., Ltd., and GOOD-LOAN Co., Ltd., were integrated into Finance All Corporation.

### Percentage of SOFTBANK's Consolidated Revenues



### SOFTBANK FINANCE CORPORATION's FY2001 Outline of Consolidated Business Results (Unaudited)

#### Statement of Income

(Millions of yen)

Revenue	31,544
Expense	18,269
Operating income	13,275
Ordinary income	5,405
Net income	4,838

#### Balance Sheet

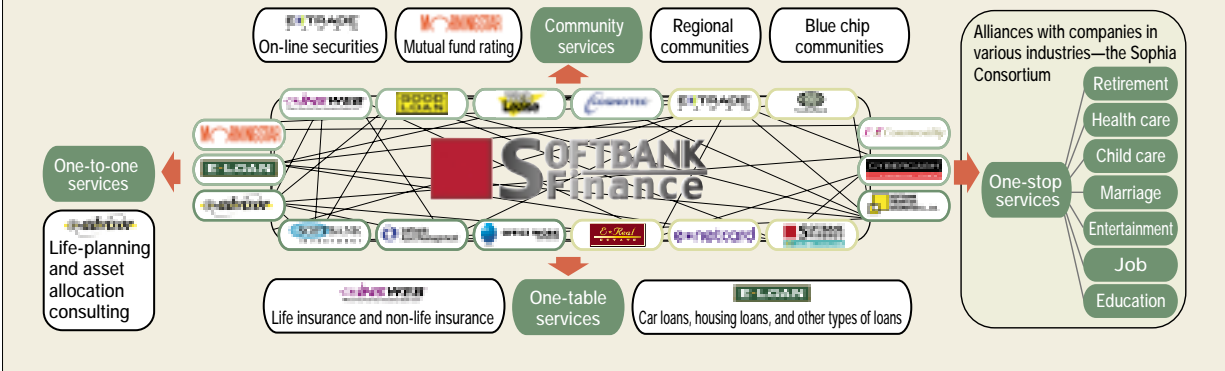
(Millions of yen)

Current assets	140,649	Current liabilities	118,655
Property and equipment	6,262	Long-term liabilities	14,648
Intangible assets	4,390	Minority interest	20,003
Investments and other assets	98,677	Shareholders' equity	96,970
Deferred charges	297	Common stock	41,315
Total assets	250,277	Total	250,277

Note: The segment information used in SOFTBANK CORP's consolidated results was calculated using a different method and is, therefore, not identical.

**■ Providing More Evolved Financial Services through Alliances with Companies in Various Industries**

Financial knowledge services that are highly focused on customers



**■ Convergence of Net Space and Real Space Businesses:**

**The Key to Future Business Success**

SOFTBANK FINANCE has many Internet initiatives in its business portfolio, and a key element of its strategic approach is to fuse Internet-based businesses with real businesses. One of our successful companies utilizing this strategy, Morningstar Japan, has achieved a balanced income. Web-based advertising makes up 40% of Morningstar Japan's revenue, while 60% comprises such real services as investor education and stock and mutual fund analysis services.

In February 2001, the group partnered with Yamato Mutual Life Insurance Co. to form Azami Life Insurance Co., Ltd., which will take over all of the insurance policies of Taisho Life Insurance Co., Ltd. In addition, plans are on track to merge Yamato Mutual into Azami Life. As Azami Life will have a solid customer base and a sales network comprising more than 100 branches, it is believed that the merger will contribute substantially to Internet-based businesses across the e-Finance group.

Cross-industry alliances with companies outside the Group are an important part of SOFTBANK FINANCE's drive to provide high-value-added services that will meet the diverse needs of its customers. A prime example of this approach is SophiaBank Limited, which is leading a consortium of more than 50 major companies from diverse industries.

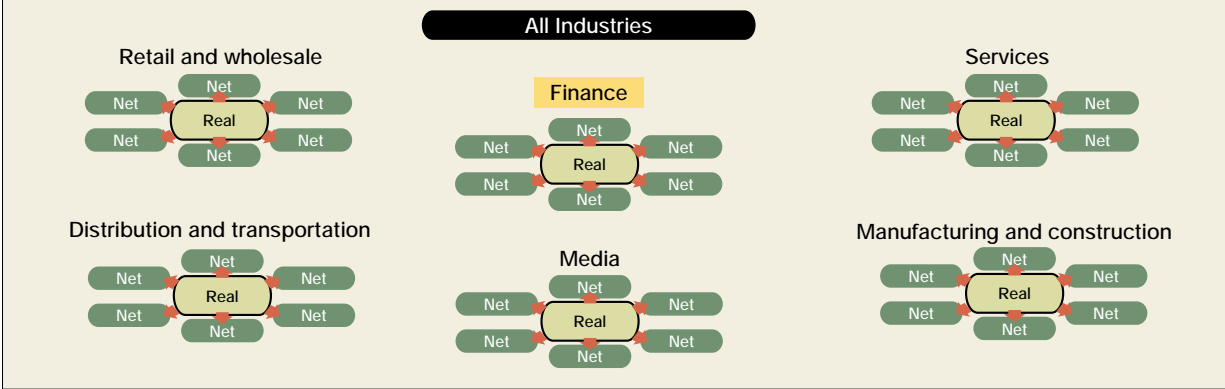
**■ Strengthening the e-Finance Group's Role as an Industry Incubator**

SOFTBANK INVESTMENT, the core company of the e-Finance group, engages in activities that go beyond simply investing in and developing companies to fuel the rise of new industries. The group also provides financial support aimed at generating entirely new industries and radically restructuring existing ones.

As of March 2001, SOFTBANK INVESTMENT's funds had net assets with a book value of approximately ¥230 billion, making it one of the largest in Japan. SOFTBANK INVESTMENT is not just a venture capital company. In addition to providing funds, it also acts as an industry incubator, has formed a ventures consortium centered on its portfolio companies, and is dedicated to providing comprehensive support to all of these businesses. It is providing IPO consulting, back-office support services including accounting, and acting as an alliance coordinator by drawing on its network comprising the Sophia Consortium and other major companies.

Financial institutions are at the heart of all industries. SOFTBANK FINANCE will use its finance-based businesses to help Japanese companies improve their IT capabilities.

**■ Promoting the Fusion of Real Space and Net Space Businesses**



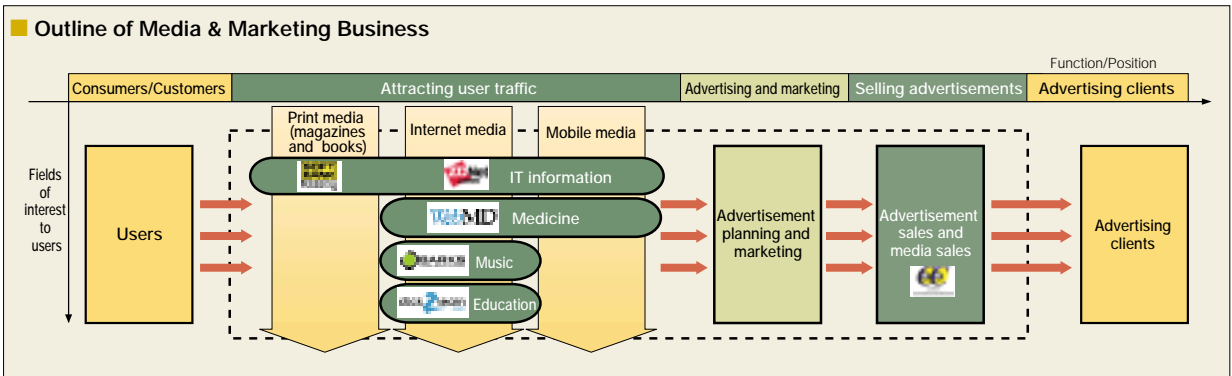


# Media & Marketing Segment



**Makoto Okazaki**

SOFTBANK Media & Marketing Corp.  
President and Chief Executive Officer



**Fiscal 2001 Performance**

(Increases and decreases are based on internal management figures.)

SOFTBANK Media & Marketing Corp. manages the Media & Marketing segment in Japan. The consolidated results for the company are heavily influenced by SOFTBANK Publishing Inc., which posted solid sales growth for mobile phone- and Internet-related magazines as well as PC-related books. However, the Japanese market for games was sluggish, which dented sales of game-related magazines. As a result, consolidated revenue was virtually unchanged from the previous fiscal year, totaling ¥22,345 million. By cutting costs, SOFTBANK Publishing succeeded in boosting operating income. However, SOFTBANK Media & Marketing increased its operating expenses through the establishment of content-providing companies and incurred a consolidated operating loss of ¥204 million.

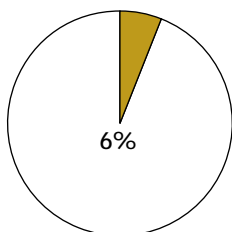
**Enhancing Content to Build Comprehensive Information-Providing Businesses**

During the term under review, SOFTBANK Media & Marketing strove to be a comprehensive Internet-based information supplier and established companies in a wide variety of fields,

including music, medicine, sports, and education. To increase its number of page views, its media value, and, thus, advertising revenues, SOFTBANK Media & Marketing is improving the level of the content it provides by utilizing customer feedback.

As the operating environment surrounding Internet businesses continues to change, weak businesses are being weeded out through a process of elimination. The vacancies left by these companies represent an opportunity for each of SOFTBANK Media & Marketing's content-related operating companies to secure the number-one position in its respective market. Given the Internet's complex page layer structure, users tend to remain loyal to that content with which they are familiar. Hence, obtaining the number-one position in each field will dramatically boost its media value. Effectiveness as a medium also increases as a result of the provision of specific category-targeted content, as in the case of SOFTBANK ZDNet Inc., which specializes in IT. SOFTBANK ZDNet will further enhance its advertising effectiveness by developing advertisements with strong impact, including skyscraper-shaped ads.

**Percentage of SOFTBANK's Consolidated Revenues**



**SOFTBANK Media & Marketing Corp.'s FY2001 Outline of Consolidated Business Results (Unaudited)**

**Statement of Income**

(Millions of yen)

Revenue	22,345
Cost of sales	15,978
Selling, general and administrative expenses	6,571
Operating loss	204
Ordinary loss	278
Net loss	48

**Balance Sheet**

(Millions of yen)

Current assets	14,034	Current liabilities	14,091
Property and equipment	173	Long-term liabilities	90
Intangible assets	748	Minority interest	511
Investments and other assets	3,322	Shareholders' equity	3,587
Deferred charges	1	Common stock	1,300
Total assets	18,280	Total	18,280

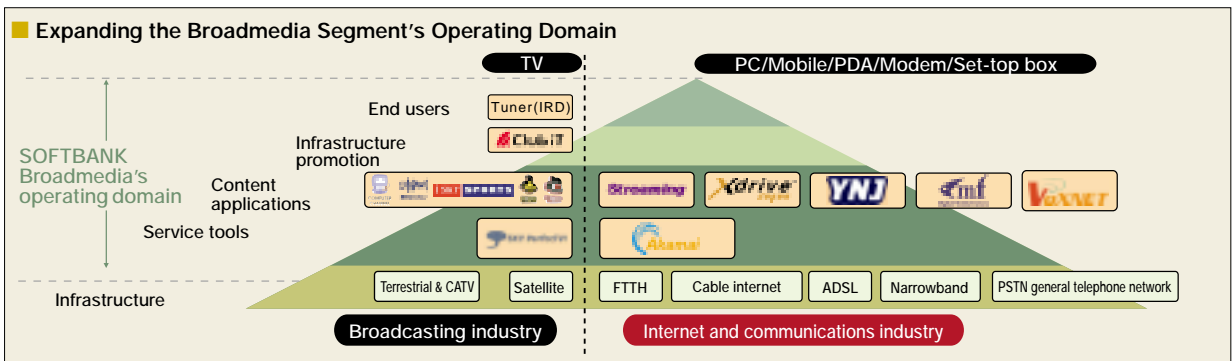
Notes: The results for Key3Media Group, Inc., a U.S.-based consolidated subsidiary (see page 42), are included in the results for the Media & Marketing segment in SOFTBANK CORP.'s consolidated results.

# Broadmedia Segment



Taro Hashimoto

SOFTBANK Broadmedia Corporation  
President and Chief Executive Officer



## ■ Fiscal 2001 Performance

(Increases and decreases are based on internal management figures.)

SOFTBANK Broadmedia Corporation is the operation holding company for SOFTBANK's Broadmedia segment. Due to solid contributions from Digital Club Corporation, which runs a membership drive for SKY PerfectTV! and now has more than 360,000 members, consolidated revenue for the segment climbed approximately ¥4 billion year on year, to ¥13,001 million. The establishment of new businesses exerted downward pressure on operating income, which, at ¥1,055 million, was virtually unchanged from the previous fiscal year. Special income reached ¥11,430 million, owing to gain on sales of investment securities realized through the IPO of SKY Perfect Communications Inc.

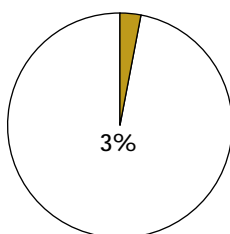
## ■ Business Opportunities through Rapid Broadband Proliferation

To date, Digital Club and Computer Channel Corporation, a communications satellite (CS) broadcaster specializing in IT, have formed the backbone of SOFTBANK Broadmedia's satellite broadcasting operations. In the future, the company will draw on its expertise in the satellite broadcasting field to

develop new broadband service offerings. SOFTBANK Broadmedia is expanding businesses providing content or applications (service tools) for communications, broadcasting, and other types of infrastructure.

To this end, in April 2001 SOFTBANK Broadmedia established Xdrive Japan K.K., which provides on-line data storage services, and Akamai Technologies Japan K.K., which provides high-efficiency content delivery network (CDN) services. In addition, plans are on track to provide VoIP-related services through a recently acquired integrated messaging service company, whose name has been changed to VOXNET Corporation. Regarding its content businesses, SOFTBANK Broadmedia has built close ties with J SKY SPORTS Corporation, Nihon Eiga Satellite Broadcasting Corp., and other CS broadcasting companies through its operations. During the term under review, SOFTBANK Broadmedia further expanded its content business by acquiring Digital Media Factory, Inc., an Okinawa-based computer graphics production company. It also has high expectations for Digital Club, which has relaunched its operations with the new brand "Club iT," and is expected to help drive the expansion of broadband infrastructure.

## ■ Percentage of SOFTBANK's Consolidated Revenues



## SOFTBANK Broadmedia Corporation's FY2001 Outline of Consolidated Business Results (Unaudited)

### ■ Statement of Income

(Millions of yen)

Revenue	13,001
Cost of sales	8,572
Selling, general and administrative expenses	3,373
Operating income	1,055
Ordinary income	1,105
Net income	6,327

### ■ Balance Sheet

(Millions of yen)

Current assets	20,170	Current liabilities	9,782
Property and equipment	56	Long-term liabilities	6,242
Intangible assets	75	Minority interest	1,006
Investments and other assets	22,929	Shareholders' equity	26,231
Deferred charges	32	Common stock	10,750
Total assets	43,262	Total	43,262



# Internet Culture Segment



Masahiro Inoue

Yahoo Japan Corporation  
President and Chief Executive Officer

### Fiscal 2001 Performance

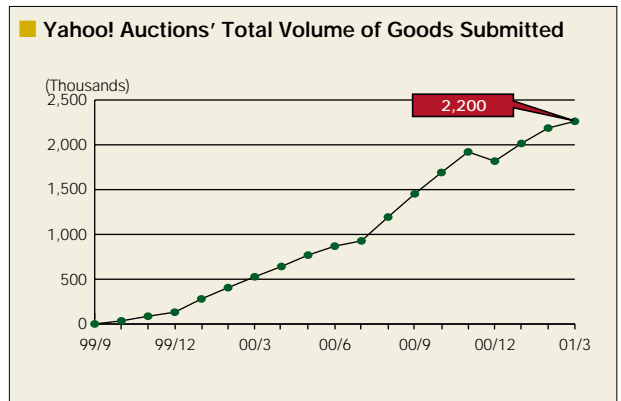
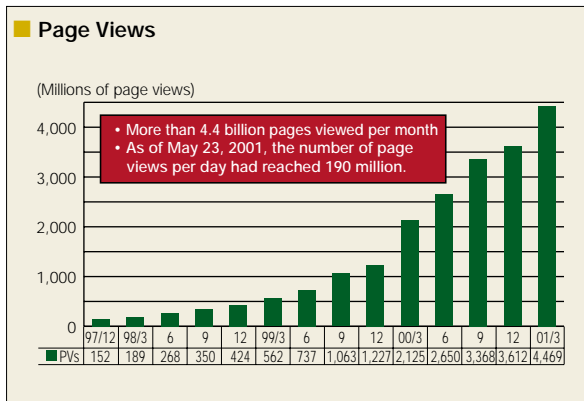
Revenue for Yahoo Japan Corporation, the core business of the Internet Culture segment, soared 128.9% year on year, to ¥13,039 million, mainly owing to advertising revenues, which shot up 137.3% compared with the previous fiscal year. Operating income was also strong, jumping 151.6%, to ¥5,308 million.

### Web Advertising with High Growth Potential

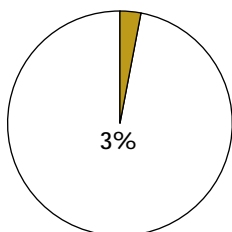
As reports of slowdowns in the market for Web advertising in the United States make their way to Japan, Japanese advertisers as well have become more prudent in their Web advertising activities. It is possible that the stable growth of the past few years may enter a period of deceleration. However, over the medium-to-long term, the number of Internet users will continue to rise, making Web advertising a more valuable medium, and the market will continue to expand. According to DENTSU INC., in 2000 the market for Web advertising in Japan grew 144.8% year on year, to ¥59 billion, and it is expected to increase 65.8%, to ¥97.8 billion, in 2001.

According to Nippon Research Center, Ltd., the proportion of users accessing the portal site Yahoo! JAPAN at least once in a four-week period is 86.9%, giving it a substantial lead over the nearest competitor at 54.4% and making it the most frequently accessed Internet portal in Japan. To expand its advertising business further, Yahoo! JAPAN will continue to improve its sales structure, develop its advertising products, and enhance its services.

While seeking to expand its advertising revenues, Yahoo! JAPAN will also work to diversify its revenue sources. It will endeavor to increase revenues from its on-line shopping operations and achieve revenues related to its auction business in its commencement of such B-to-C services as Yahoo! Premium Auctions. Yahoo! JAPAN is also focusing on securing new revenue streams by providing enterprise services, including Yahoo! Broadcast, which provides on-line seminar and conference delivery services for major companies. Additional plans in this area include the introduction of Corporate Yahoo!, a service that customizes corporate portals.



### Percentage of SOFTBANK'S Consolidated Revenues



### Yahoo Japan Corporation's FY2001 Outline of Non-consolidated Business Results

#### Statement of Income

(Millions of yen)

Revenue	13,039
Cost of sales	63
Selling, general and administrative expenses	7,667
Operating income	5,308
Ordinary income	5,208
Net income	2,972

#### Balance Sheet

(Millions of yen)

Current assets	8,669	Current liabilities	3,863
Property and equipment	2,354	Long-term liabilities	5,435
Intangible assets	104	Shareholders' equity	18,673
Investments and other assets	16,843	Common stock	5,993
Total assets	27,972	Total	27,972

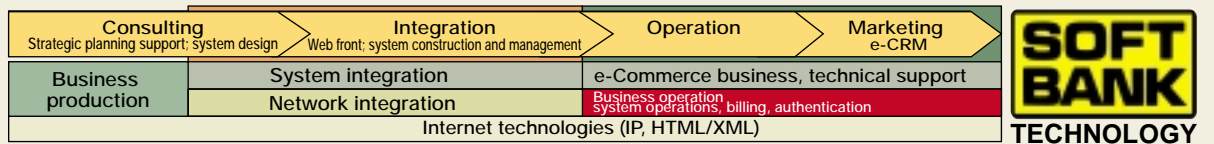
# Technology Services Segment



Norikazu Ishikawa

SOFTBANK TECHNOLOGY HOLDINGS CORP.  
President and Chief Executive Officer

## Expanding the Range of Operations of SOFTBANK TECHNOLOGY CORP.



## Fiscal 2001 Performance

(Increases and decreases are based on internal management figures.)

Established in October 2000, SOFTBANK TECHNOLOGY HOLDINGS CORP. is the operation holding company for the Technology Services segment. During the term under review, SOFTBANK TECHNOLOGY CORP. accounted for 99% of the segment's consolidated revenue, with many other operating companies still not fully operational and, thus, unable to contribute to consolidated revenue. SOFTBANK TECHNOLOGY CORP.'s consolidated revenue expanded approximately ¥4,200 million year on year, to ¥14,558 million, mainly due to the increase in a network integration business. Owing to the establishment of new businesses and an increase in advance investments in business transaction platform technologies, operating income decreased approximately ¥200 million year on year, to ¥654 million. In October 2000, SOFTBANK TECHNOLOGY CORP. changed its fiscal year-end from September 31 to March 31, and its results from April 1, 2000, to March 31, 2001, have been included in SOFTBANK's consolidated results.

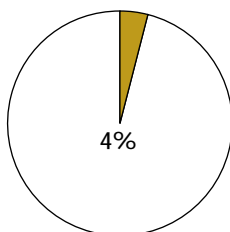
## Providing Comprehensive Solutions

In the Technology Services segment, SOFTBANK TECHNOLOGY CORP.'s main business is to connect company-specific information and main systems to network infrastructure, middleware, and applications. SOFTBANK TECHNOLOGY CORP. has accumulated a wealth of consumer-related e-commerce knowledge and experience through operations dating back to before

the word e-commerce was in general use. It also has strong network infrastructure technology backed by a sizable number of Cisco Certified Internetwork Experts (CCIE), who have completed the high-level network certification program offered by Cisco Systems, Inc. SOFTBANK TECHNOLOGY CORP. is drawing on these strengths to further its operations in the technology services field.

As communications infrastructure is upgraded, the need for broadband and business transaction platform solutions should continue to grow. During the term under review, SOFTBANK TECHNOLOGY CORP. entered the business transaction platform solution market, began providing Ariba Buyer Solutions, and constructed business transaction platform models for retail businesses. In addition to the three existing business domains of system integration, network integration, and e-commerce and technical support, during the current term, SOFTBANK TECHNOLOGY CORP. will introduce business operations as a fourth pillar for its technology services business. Business operations comprise comprehensive operational services that include all essential items for running an Internet-based business, such as authentication, billing, and settlement systems; corporate Intranets; storage management support; and system management and supervision services. SOFTBANK TECHNOLOGY CORP. will provide a comprehensive package of total solutions, including all consulting necessary to start up businesses, system and network integration, and system and business operations once the business is up and running.

## Percentage of SOFTBANK's Consolidated Revenues



## SOFTBANK TECHNOLOGY CORP.'s FY2001 Outline of Consolidated Business Results

### Statement of Income

(Millions of yen)

Revenue	14,558
Cost of sales	11,815
Selling, general and administrative expenses	2,088
Operating income	654
Ordinary income	606
Net income	195

### Balance Sheet

(Millions of yen)

Current assets	4,717	Current liabilities	3,319
Property and equipment	140	Long-term liabilities	32
Intangible assets	220	Minority interest	35
Investments and other assets	1,109	Shareholders' equity	2,801
Deferred charges	0	Common stock	608
Total assets	6,188	Total	6,188

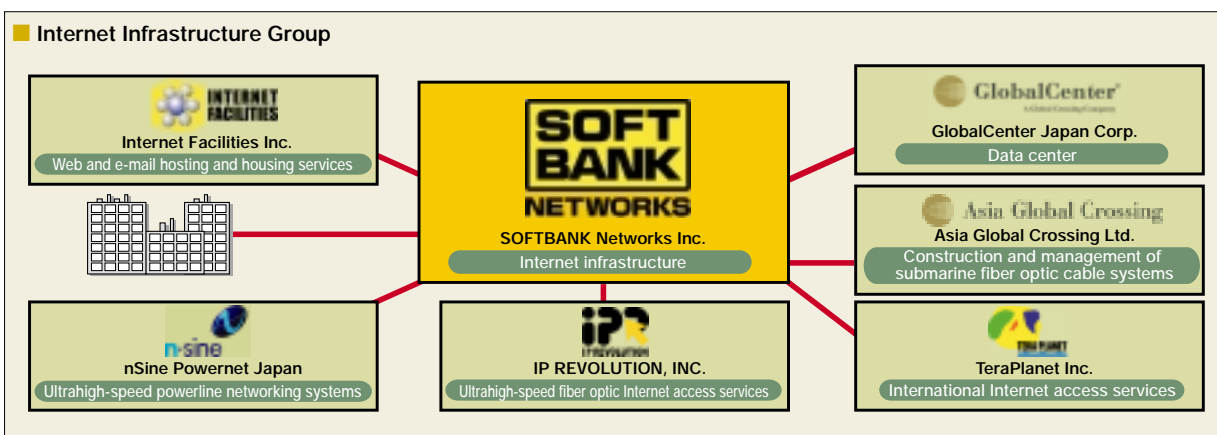
Note: These figures are included in SOFTBANK CORP.'s consolidated results.

## Internet Infrastructure Segment



Yutaka Shinto

SOFTBANK Networks Inc.  
President and Chief Executive Officer



### Fiscal 2001 Performance

SOFTBANK Networks Inc. is the operation holding company for the Internet Infrastructure segment. During the term under review, SOFTBANK Networks prepared for the start-up of high-speed Internet access services, associated data centers, and overseas access service operations. As a result, there was no revenue recorded for this segment, and operating expenses resulted in an operating loss of ¥1,068 million.

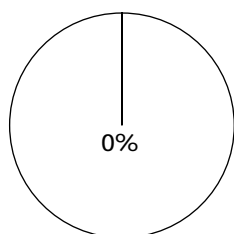
### Providing Wide-Ranging Services at the Lowest Possible Cost

In February 2001, IP REVOLUTION, INC. (IPR), a type I telecommunications carrier, began using fiber optic technology to provide ultrahigh-speed Internet access to tenant buildings and apartment complexes in the center of Tokyo. In addition to installing its own fiber optic cables, IPR enabled the provision of inexpensive services by making effective use of dark fibers from other companies and configuring simple networks using Internet Protocol (IP)-compliant devices.

SOFTBANK Networks also established TeraPlanet Inc., an international type I telecommunications carrier. The firm provides inexpensive overseas access services by making maximum use of the high-capacity submarine fiber optic cable system of Asia Global Crossing Ltd., one of SOFTBANK's portfolio companies. Through these developments, IPR's ultrahigh-speed Internet access service costs have been further lowered and the high-capacity backbone essential to broadband services has been secured. SOFTBANK Networks also established Internet Facilities Inc., which provides Web and e-mail hosting and housing services on IPR's network. IPR will enhance the value of its services by preparing a copious roster of services suited to the diverse needs of its customers at a low cost.

SOFTBANK Networks will continue to differentiate itself from its competitors amid increasingly severe market competition by providing a wide variety of economical broadband solutions and raising the value of its fiber optic backbone.

### Percentage of SOFTBANK's Consolidated Revenues



### SOFTBANK Networks Inc.'s FY2001 Outline of Consolidated Business Results (Unaudited)

#### Statement of Income

(Millions of yen)

Revenue	—
Cost of sales	—
Selling, general and administrative expenses	1,068
Operating loss	1,068
Ordinary loss	1,114
Net loss	1,089

#### Balance Sheet

(Millions of yen)

Current assets	2,457	Current liabilities	1,205
Property and equipment	44	Long-term liabilities	1,187
Intangible assets	3	Minority interest	—
Investments and other assets	2,563	Shareholders' equity	2,693
Deferred charges	14	Common stock	3,750
Total assets	5,085	Total	5,085

## Other Businesses

### Nasdaq Japan

Nasdaq Japan, Inc., is responsible for listing support, marketing, technological services, and solutions development for the Nasdaq Japan Market, a Japan-based version of the Nasdaq Stock Market in the United States. Nasdaq Japan was founded in June 1999 as an equal partnership between SOFTBANK and the National Association of Securities Dealers, Inc. (NASD). As a result of a private placement in October 2000, 13 leading Japanese and foreign securities firms became shareholders.

Under the business cooperation agreement with Osaka Securities Exchange Co., Ltd., the Nasdaq Japan Market commenced trading in June 2000 as an independent section of the Osaka Securities Exchange. This market launch has brought various changes to the Japanese securities markets and enabled promising venture companies to procure capital. As of March 31, 2001, 49 companies were listed on the Nasdaq Japan Market, and membership in the Nasdaq Japan Club, which supports entrepreneurial companies and

provides networking opportunities, has reached more than 6,000 companies.

Nasdaq Japan aims to build an attractive market for all market participants. Its listing standards are modeled after the listing standards of the Nasdaq Stock Market U.S. and requires that listed companies provide consistent disclosure of quarterly business results and other information.

Plans are on track to introduce a hybrid market trading structure that combines an order-driven auction function with market making. It is expected to increase liquidity, transparency, and efficiency for execution prices. In addition, preparations are under way to establish a foreign section that will enable Japan-based investors to trade shares of Nasdaq U.S. listed companies as well as Asian companies in their own currency. Over the medium-to-long term, the Nasdaq group strives to link the Nasdaq Japan Market, the Nasdaq Stock Market U.S., and the Nasdaq Europe Market into an electronic marketplace that is available to access 24 hours a day.

### Aozora Bank

In September 2000, Aozora Bank, Ltd. (renamed from The Nippon Credit Bank, Ltd., on January 4, 2001), made a new start under the equity ownership of a consortium comprising SOFTBANK, ORIX Corporation, and The Tokio Marine & Fire Insurance Co., Ltd.

Aozora Bank intends to provide unique financial services that meet the needs of a new era. In addition to traditional long-term collateral-based lending, the bank will place increasing emphasis on such new business areas as investment banking and financing venture businesses.

Aozora Bank has formed a strategic alliance with U.S.-based Silicon Valley Bank to gain the know-how required to provide financial schemes, including funding and financing through venture capital and direct marketing to venture businesses.

Aozora Bank leverages its relationship with the SOFTBANK Group to develop new businesses. The bank has founded its first venture business, Netrust, Ltd., to develop and manage

Internet businesses, which launched Net-Daibiki.com, an escrow service for Yahoo! Auctions, in November 2000. Aozora Bank also plans to invest in SOFTBANK Life Science Ventures and, in conjunction with SOFTBANK EC HOLDINGS, has established Blue Planet Corporation, which will comprehensively support regional financial institutions to enter into the e-business field. On the other hand, Aozora Bank has taken institutional measures, including the establishment of the Internal Audit Committee to audit transactions between Aozora Bank and its three major shareholders (SOFTBANK, ORIX, and Tokio Marine) with a view to ensuring the integrity of its operations.

Aozora Bank is aggressively pursuing new business opportunities while restoring profitability and improving its assets. This has resulted in the maintenance of a high capital adequacy ratio—an indicator of a bank's safety and soundness—that exceeds the global level of 10%.

## Overseas Operations



**Ronald D. Fisher**

Vice Chairman, SOFTBANK Holdings Inc.  
Chief Executive Officer, SOFTBANK Global Ventures

SOFTBANK Holdings Inc., the operation holding company for SOFTBANK's overseas activities, draws upon talented private equity and venture capital professionals to run its investment portfolios. Throughout the world, the evolution of information and communications technologies is driving innovation and generating original region- and market-specific ideas and technologies. By uncovering and supporting the development and commercialization of these ideas and technologies, SOFTBANK is furthering its pledge to foster their global deployment.

SOFTBANK's venture capital business built a global reputation by responding quickly to the rise of the U.S. Internet industry and generating a high return on its investments. Building on these initial successes, SOFTBANK has expanded its investment portfolio worldwide. In 2000, SOFTBANK launched operations in Europe and Latin America. In 2001, SOFTBANK Emerging Markets (SBEM), a partnership with the World Bank's International Finance Corporation (IFC), opened offices in Malaysia (for Southeast Asia) and Poland (for Central and Eastern Europe), with additional plans to move into such areas as the Middle East and Africa. As a leading-edge company, SOFTBANK is committed to building successful technology companies by leveraging its business experience in Japan and the United States and drawing on its global network of companies and partners.

Over the short term, volatility in the world's economies and financial markets is likely to persist. For many companies, this will continue to translate into lower revenue growth and difficulties in raising capital. However, volatility in the world's stock markets has not slowed the pace of technological innovation. In fact, breakthroughs in wireless, broadband, and other enabling technologies continue unabated. As societies throughout the world continue to assimilate these technologies, the Internet and related technologies are certain to play a more prominent role in the global economy. Due to the counter-cyclical nature of the venture capital business, this is an excellent time to be investing in attractive new technology ventures, as valuations have come down dramatically. SOFTBANK and its portfolio companies are well positioned to play a significant role in transforming global information and communications technologies.

SOFTBANK has restructured its investment strategy, placing greater emphasis on companies in possession of proprietary technologies. The Company's focus now includes broadband, wireless, and other next-generation enabling technologies and services. In addition, the Company will form cooperative relationships with other leading corporate investors and work to expand its global presence.

SOFTBANK maintains a global perspective from which to assess the strength of, and degree of maturity and opportunity in, regions and markets around the world. Taking a focused look

### ■ SOFTBANK's Investment Businesses (As of March 31, 2001)

Investment unit	Established	Contract period	Size of fund	Available to invest	SOFTBANK's investment (commitment)
SOFTBANK Technology Ventures IV	Nov 1997	10 years	US\$313 million	—	US\$12 million
SOFTBANK Technology Ventures V	Jul 1999	10 years	US\$606 million	—	US\$151 million
SOFTBANK Technology Ventures VI	Apr 2000	10 years	US\$1,454 million	US\$858 million	US\$750 million
SOFTBANK Capital Partners	Jul 1999	10 years	US\$1,450 million	US\$145 million	US\$720 million
SOFTBANK Europe Ventures*	Sep 2000	12 years	US\$600 million	—	—
eVentures	Jun 1999	—	—	—	Deal by deal
eVentures II	Feb 2001	—	—	—	Deal by deal
@viso	Nov 1999	—	—	—	Deal by deal
SOFTBANK Latin America Ventures	Apr 2000	8 years	US\$150 million	US\$90 million	US\$123 million
SOFTBANK Emerging Markets	Sep 2000	10 years	US\$200 million	US\$200 million	US\$150 million
SOFTBANK Ventures Fund I	Apr 2000	5 years	US\$38 million	US\$7 million	US\$18 million
SB CHINA HOLDINGS	Jan 2000	—	US\$100 million	—	US\$90 million
SOFTBANK Asia Infrastructure Fund	Feb 2001	10 years	US\$1,050 million	US\$1,050 million	Undecided

\* Information for this investment unit reflects the June 2001 (planned) merger with SOFTBANK UK Ventures (details undecided).

at the distinguishing characteristics of each market segment, SOFTBANK continues to target new areas for investment. For example, Europe is an important investment area because of its advanced wireless communications technologies. Israel has unparalleled expertise in core technologies. India, with its substantial pool of IT experts, offers investment opportunities in companies that will draw on this workforce to meet the growing demand for outsourcing among global corporations.

Through its global network of companies and partners, SOFTBANK's experienced venture capitalists are working closely with all portfolio companies and taking rigorous steps aimed at accelerating growth. To this end, SOFTBANK provides portfolio companies with invaluable information and advice, gives introductions to important customers capable of contributing to growth, and identifies potential partners for joint ventures.



**Gary Rieschel** President and Executive Managing Director,  
SOFTBANK Venture Capital

Operating through two funds—SOFTBANK Technology Ventures (SBTV) and SOFTBANK Capital Partners (SBCP)—SOFTBANK Venture Capital (SBVC) oversees the majority of SOFTBANK's private equity activities in the United States.

SBTV focuses on meeting the funding needs of early-stage start-ups. In the current harsh business environment, the demand for funding is particularly strong, and substantial opportunities exist for venture capital firms looking to expand. With ready-to-invest funds totaling more than US\$850 million, SBTV is well positioned to maintain its competitiveness in the coming years. To date, SBTV has had successes investing

in such areas as communications, software, and infrastructure. Building on these successes, it is expanding its investment portfolio to encompass additional areas, including broadband and wireless technologies. Moreover, SBTV continues to widen the scope of its investment activities by diversifying into such areas as semiconductors.

SBCP has invested in a broad range of late-stage start-ups. Currently, some of these companies are not performing well because of the current market conditions. However, SBVC continues to support promising portfolio companies with investments and strategic management resources.

SOFTBANK's share of total investment	Main partner	Main investment region	Number of portfolio companies	SOFTBANK's main sources of revenues
4%	—	U.S.A.	30	Carry, dividends
25%	—	U.S.A.	44	Carry, dividends
52%	—	U.S.A.	64	Dividends
50%	—	U.S.A.	25	Carry, management fees, dividends
—	—	Europe	13	Carry, management fees, dividends
50%	News Corporation	U.K., Australia, New Zealand, India	7	Dividends (corporate)
50%	News Corporation	India	7	Dividends (corporate)
50%	Vivendi	Europe	5	Dividends (corporate)
82%	International Finance Corporation	Latin America	8	Carry, management fees, dividends
75%	International Finance Corporation	Emerging markets	—	Dividends (corporate)
48%	Naray & Company	South Korea	14	Carry, management fees, dividends
90%	UTStarcom, Inc.	China	20	Dividends (corporate)
Undecided	Cisco Systems, Inc.	Asia-Pacific region	—	Carry, management fees, dividends





**Eric Hippeau**

President and Executive Managing Director, SOFTBANK International Ventures  
Executive Managing Director, SOFTBANK Europe Ventures

## Europe and Israel

Companies developing technology or providing services for wireless communications, Internet infrastructure, and other enabling technologies continue to push into regional markets throughout Europe and Israel. In 2000, two funds—SOFTBANK Europe Ventures (SBEV) and SOFTBANK U.K. Ventures—began operations with the aim of providing capital to such early-stage new technology businesses. Since then, the two funds have merged, and SBEV now helps build world-class companies by partnering with the most promising entrepreneurs. The SBEV fund is managed through three offices

in London, Paris, and Munich. Drawing on its global experience in financing technology start-ups, the SBEV team uses an active, hands-on approach to benefit the fund's portfolio companies.

Given the current market conditions, SOFTBANK decided to suspend the market acceleration activities of eVentures UK in addition to capping the @viso joint venture. The strategy on which these joint ventures were founded assumed vigorous global expansion on the part of SOFTBANK portfolio companies in the United States and receptive local markets.



**Jan Boyer**

President and Executive Managing Director, SOFTBANK Latin America Ventures

SOFTBANK Latin America Ventures oversees a private equity fund focused on Mexico, Brazil, and Argentina—areas where Internet infrastructure is already relatively well developed.

## Latin America

Complementing this fund is SBEM, which is committed to providing venture capital for the rest of Central and South America. With an office based in Miami, Florida, SOFTBANK Latin America Ventures has also set its sights on the U.S. Hispanic market.

In addition to having a young and technologically adaptable population, the Latin American region is marked by the widespread use of wireless Internet technology. SOFTBANK Latin America Ventures is focusing its investments on two areas—developing wireless and other communications infrastructure and improving the inefficiency of businesses through the introduction of business transaction platform services.



**Matt Rothman**

CEO, SOFTBANK Emerging Markets

In 2001, SOFTBANK Emerging Markets (SBEM) opened offices in Malaysia and Poland and is planning a presence in such regions as Africa, the Middle East, and Latin America. As many of the areas within these regions are just beginning to feel the effects of the Internet, SBEM's investment program

## Emerging Markets

will target the dissemination of Internet and wireless infrastructure and technologies. Specifically, investments will support local enterprises, helping them to expand into neighboring countries and ultimately into the global market. Wherever viable, SBEM utilizes the expertise and capabilities of leading technology providers in critical areas, including Web site hosting, hardware, software, and consulting services. These technology partnerships maximize global efficiencies, foster technology transfers, and assist in the development of a mature technological base in their respective target countries. SBEM also seeks to bring successful Internet companies with proven business models into its target countries.

## Asia



**Sunny H. Lee**  
President and CEO, SOFTBANK  
Korea Co., Ltd. and SOFTBANK  
Ventures Korea Inc.



**Chauncey Shey**  
President and CEO, SB CHINA  
HOLDINGS PTE LTD

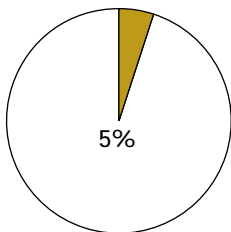
In addition to the SOFTBANK Asia Infrastructure Fund, SOFTBANK operates funds in various parts of Asia, including Japan, South Korea, and Greater China. SOFTBANK INVESTMENT CORPORATION (refer to the e-Finance section) manages funds in Japan, while, in South Korea and China, fund management is overseen by SOFTBANK Ventures Korea Inc. and SB CHINA HOLDINGS PTE LTD, respectively.

South Korea leads the world in per-capita broadband connectivity, and substantial progress is being made in various broadband-related fields. In line with this, SOFTBANK Ventures Korea has targeted investment activities on companies providing broadband-related equipment, wireless technologies, and enterprise solutions.

SOFTBANK Korea Co., Ltd., deals with the wholesale purchasing and marketing of network devices and software. With broadband use on the rise, the company continues to post solid growth in sales of network devices and, in parallel, is developing a range of businesses involved in such areas as IT education and magazine publication aimed at PC and Internet users.

In China, wireless communications technologies are driving the widespread use of the Internet. Against this background, SB CHINA HOLDINGS is investing in a diverse array of enterprises engaged in wireless and optical communications, Internet education, medical care, financial services, and commerce.

### Percentage of SOFTBANK's Consolidated Revenues



### SOFTBANK Korea Co., Ltd.'s Outline of Consolidated Business Results for the Year Ended December 31, 2000 (Unaudited)

#### Statement of Income

(Millions of yen)

Revenue	21,167
Cost of sales	18,679
Selling, general and administrative expenses	1,608
Operating income	799
Ordinary income	1,190
Net income	799

#### Balance Sheet

(Millions of yen)

Current assets	7,766	Current liabilities	3,562
Property and equipment	255	Long-term liabilities	105
Intangible assets	173	Minority interest	184
Investments and other assets	6,209	Shareholders' equity	10,553
Deferred charges	—	Common stock	8,729
Total assets	14,405	Total	14,405

Note: The results for venture capital businesses in SOFTBANK Korea's consolidated results are recorded in SOFTBANK's consolidated results under the category of Overseas Funds segment. All of SOFTBANK Korea's other business results are recorded in the category of Others segment.

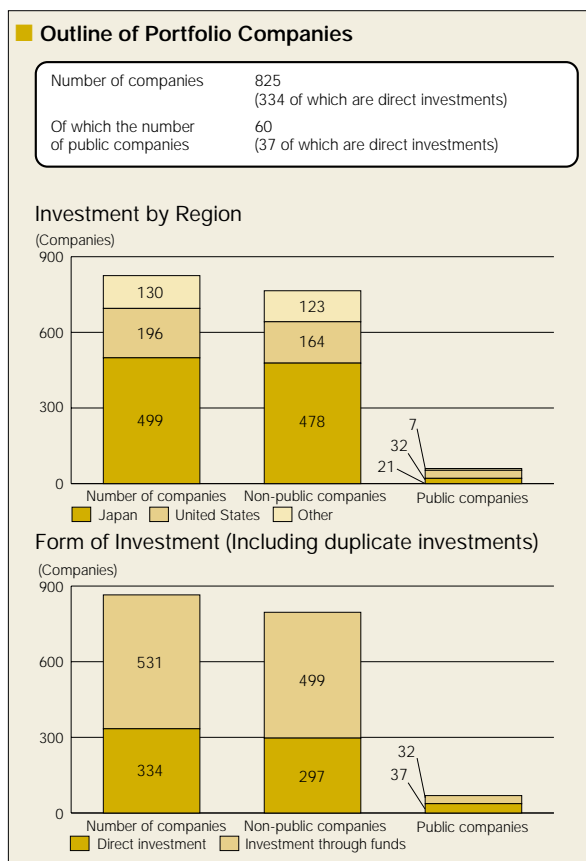
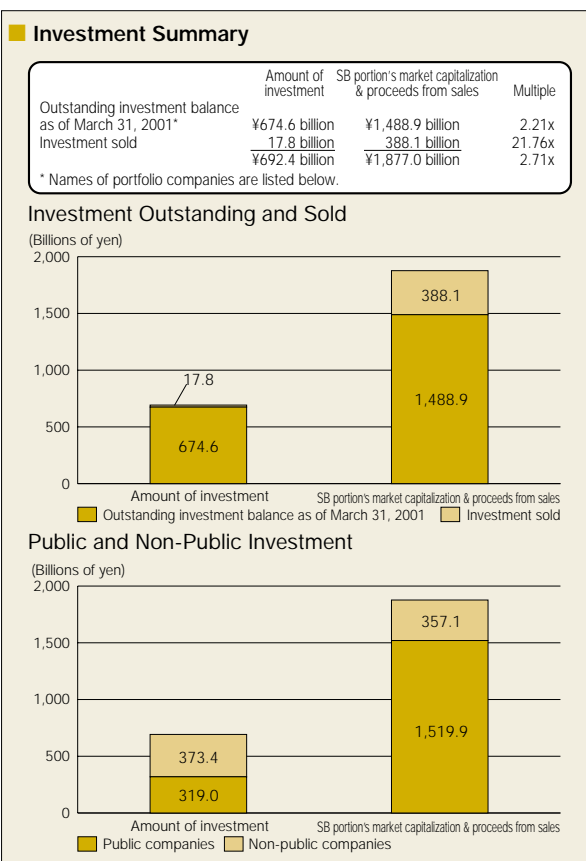
## SOFTBANK Asia Infrastructure Fund

Broadband technology is rapidly making inroads into the densely populated countries of Asia, and this promises to fuel the rapid growth of Internet businesses. SOFTBANK has joined with Cisco Systems, Inc., to create the SOFTBANK Asia Infrastructure Fund. Cisco Systems has committed

US\$1.05 billion to the fund, which is to be managed by SOFTBANK. The fund will invest in promising companies supplying broadband, wireless, and Internet enabling technologies throughout the Asia-Pacific region.



# SOFTBANK Group Investment Update (As of March 31, 2001)



### Investment Return by Individual Company

(Billions of yen)

	Amount of investment	Proceeds from sales	SB portion's market capitalization	SB portion's market capitalization & proceeds from sales	Multiple
SOFTBANK INVESTMENT CORPORATION	1.4	9.6	213.8	223.4	157.55x
cyber communications inc.	0.5	—	52.0	52.0	104.00x
SOFTBANK TECHNOLOGY CORP.	3.3	81.6	30.0	111.6	33.82x
Yahoo Japan Corporation	7.7	8.0	316.0	324.0	41.85x
Internet Research Institute, Inc.	0.1	—	3.7	3.7	37.00x
Cisco Systems, K.K.	1.8	32.1	—	32.1	17.83x
Trend Micro Incorporated	8.5	140.0	—	140.0	16.47x
Vector Inc.	1.0	—	15.3	15.3	15.30x
Morningstar Japan K.K.	0.8	2.2	9.2	11.4	14.25x
E*TRADE Japan K.K.	2.4	8.5	34.5	43.0	17.92x
SKY Perfect Communications Inc.	9.2	13.7	20.6	34.3	3.73x
PASONA SOFTBANK, INC.	2.0	5.9	1.2	7.1	3.55x
Oricon Direct Digital Inc.	0.05	—	0.2	0.2	3.52x
BRAIN.COM, INC.	10.8	—	2.4	2.4	0.22x
Yahoo! Inc.	50.9	86.6	232.0	318.6	6.26x
UTStarcom, Inc.	20.0	—	92.0	92.0	4.60x
Key3Media Group, Inc.	25.9	—	52.7	52.7	2.03x
E*TRADE Group, Inc.	49.6	—	54.1	54.1	1.09x
CNET Networks, Inc.	59.2	—	33.7	33.7	0.57x
Total (19 companies)	255.0	388.1	1,163.4	1,551.6	6.10x

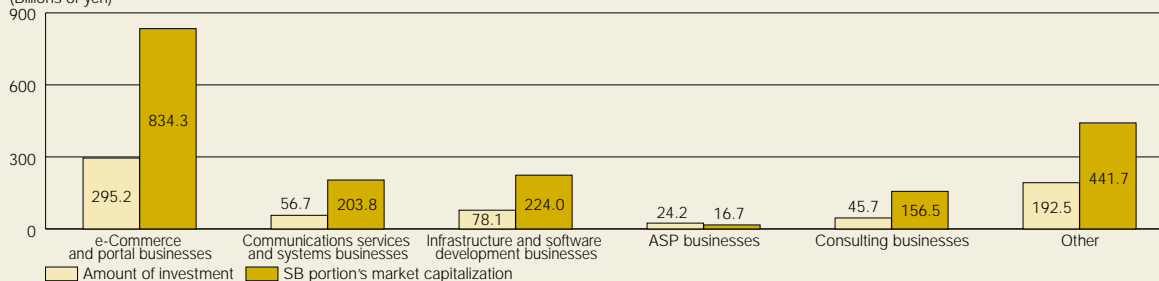
## Investment Summary by Region

(Billions of yen)

Total	Europe	China	Japan	United States	India	South Korea	Latin America	Others
Amount of investment 692.4	Amount of investment 28.0	Amount of investment 7.0	Amount of investment 223.3	Amount of investment 406.0	Amount of investment 7.0	Amount of investment 7.2	Amount of investment 3.6	Amount of investment 10.3
SB portion's market capitalization & proceeds from sales 1,877.0	SB portion's market capitalization & proceeds from sales 21.9	SB portion's market capitalization & proceeds from sales 5.1	SB portion's market capitalization & proceeds from sales 1,157.7	SB portion's market capitalization & proceeds from sales 666.4	SB portion's market capitalization & proceeds from sales 7.0	SB portion's market capitalization & proceeds from sales 5.8	SB portion's market capitalization & proceeds from sales 3.1	SB portion's market capitalization & proceeds from sales 10.1
Multiple 2.71x	Multiple 0.78x	Multiple 0.72x	Multiple 5.19x	Multiple 1.64x	Multiple 1.00x	Multiple 0.81x	Multiple 0.86x	Multiple 0.99x
Number of companies 825	Number of companies 29	Number of companies 32	Number of companies 499	Number of companies 196	Number of companies 14	Number of companies 37	Number of companies 8	Number of companies 10
(Public 60)	(Public 1)	(Public 4)	(Public 21)	(Public 32)	(Public 0)	(Public 0)	(Public 0)	(Public 2)
(Direct investments 334)	(Direct investments 5)	(Direct investments 25)	(Direct investments 239)	(Direct investments 39)	(Direct investments 0)	(Direct investments 17)	(Direct investments 0)	(Direct investments 9)

## Investment Amount by Category of Business

(Billions of yen)



\* Business categories are the same as those used by SOFTBANK to manage its operations in the United States.

## Method Used to Analyze Investment Activities

### 1. Statistical Sources

○: included in statistics	Investee					
	Holding companies		Operating companies		Cross-shareholdings and others	
Investor	Amount of investment	Number of companies	Amount of investment	Number of companies	Internet-related	Others
SOFTBANK CORP.	—	—	○	○	○	—
Holding companies (subsidiaries)	—	—	○	○	○	—
Operating companies (subsidiaries)	—	—	—	○	○	—

Notes: 1. For operating companies' portfolio companies, only the number of companies has been counted.

2. Investments from affiliates are not included.

3. In cases where several companies invest in a single investee, only one of the investors has been included in calculating the number of companies. Companies using the compulsory devaluation method were not examined in terms of the number of companies (but included in calculating multiple).

4. The calculation includes portfolio companies in which the Company (and its subsidiaries) invests through funds (including indirect holdings).

### 2. Calculation Method

- The amount of investment and SB portion's market capitalization have been calculated based on SOFTBANK's economic ownership ratio. With respect to funds, the economic holding amount was calculated based on the amount of investment.
- For public companies, the value of securities held was determined based on the market price as of March 31, 2001. For non-public companies, the value of investments was, as a rule, determined based on the acquisition price. For devalued companies, multiples were calculated using the book value as the market value. Funds' investment amounts are based on the funds' quarterly reports.
- U.S. dollar-denominated investment amounts and SB portion's market capitalization were translated into yen at the closing exchange rate on March 31, 2001 (US\$1.00=¥123.9). Other currencies were also translated based on the closing exchange rate on the same date.

## Major Financial Indexes (Years ended March 31)

	FY2001	FY2000	FY1999	FY1998
<b>Results of Operations:</b>				
Revenues	397,105	423,220	528,159	513,364
Operating income	16,431	8,377	12,130	31,938
Ratio of operating income to revenues (%)	4.1	2.0	2.3	6.2
EBITDA	28,866	43,816	54,650	88,083
Income before income taxes	87,009	32,168	36,640	33,824
Net income	36,631	8,446	37,538	10,303
Ratio of net income to revenues (%)	9.2	2.0	7.1	2.0
<b>Financial Position (at fiscal year-end):</b>				
Net working capital	(14,143)	171,691	114,742	24,648
Total interest-bearing debt	413,442	418,706	444,392	396,143
Shareholders' equity	424,261	380,740	284,976	242,758
Total assets	1,146,083	1,168,308	952,578	854,743
Equity ratio (%)	37.0	32.6	29.9	28.4
Current ratio (%)	96.3	149.8	162.2	111.5
Debt/equity ratio (%)	97.4	110.0	155.9	163.2
Fixed assets to net worth ratio (%)	183.9	171.1	227.6	370.7
Ratio of fixed assets to long-term capital (%)	110.3	90.8	91.9	102.5
<b>Cash Flows:</b>				
Cash flows (used for) provided by operating activities	(91,598)	349	(28,668)	19,248
Cash flows (used for) provided by investing activities	(42,612)	(60,341)	281,005	(33,677)
Cash flows provided by (used for) financing activities	24,548	220,914	(205,562)	21,591
Net (decrease) increase in cash and cash equivalents	(76,200)	160,615	53,988	9,909
Cash and cash equivalents at end of the period	159,105	268,060	105,886	51,898
<b>Others:</b>				
Return on equity (%)	9.1	2.5	14.2	4.3
Price earnings ratio (times)	42.5	1,172.3	36.3	53.2
<b>Per Share Data (¥):</b>				
Net income	110.47	78.05	365.38	100.77
Net income after retroactive adjustment	110.47	26.02	121.79	33.59
Net assets	1,260.14	3,456.55	2,719.35	2,375.24
Net assets after retroactive adjustment	1,260.14	1,152.18	906.45	791.75
Cash dividends	7.00	20.00	20.00	40.00
Cash dividends after retroactive adjustment	7.00	6.67	6.67	13.33
Shares outstanding (thousands of shares)	336,677	110,150	104,796	102,204
Consolidated subsidiaries	216	143	71	63
Equity-method non-consolidated subsidiaries and affiliates	117	53	20	15
Number of public companies	21	13	7	2

Notes: 1. The revenues include revenues from both finance businesses and non-finance businesses.

2. EBITDA = business income (operating income + interest income and dividends) + depreciation

3. For the fiscal years 1996-98, total interest-bearing debt, total assets, equity ratio and the debt/equity ratio have been adjusted to exclude loans from SOFTBANK to MAC Inc. and borrowings of SOFTBANK Holdings Inc. from MAC.

4. Net income per share is calculated based on the average number of shares outstanding over the fiscal year, and net assets per share are calculated based on the number of shares outstanding as of fiscal year-end. The adjusted figures reflect stock splits that occurred on the following dates.

May 19, 1995	1.4:1 stock split	Nov 20, 1995	1.4:1 stock split	May 20, 1996	1.4:1 stock split
Nov 20, 1996	1.4:1 stock split	May 20, 1997	1.3:1 stock split	Jun 23, 2000	3:1 stock split

5. The dividend paid in fiscal 1998 included an additional ¥20 payment to commemorate SOFTBANK's listing on the stock market.

6. The number of public companies refers to SOFTBANK subsidiaries and affiliates.

(Millions of yen except for per share and % data)

FY1997	FY1996	FY1995
359,742	171,101	96,808
33,670	15,822	5,692
9.4	9.2	5.9
71,921	21,535	6,307
29,567	15,982	5,379
9,092	5,794	2,052
2.5	3.4	2.1
20,003	15,420	42,133
365,578	230,996	21,092
234,617	119,679	47,709
790,889	440,618	98,640
29.7	27.2	48.4
110.9	118.1	236.0
155.8	193.0	44.2
368.7	413.7	45.8
99.8	97.3	32.5
43,422	5,269	(509)
(323,817)	(446,459)	(18,649)
343,278	434,605	51,759
16,676	(18,114)	32,601
35,249	18,573	36,687
5.1	6.9	7.6
63.2	123.6	62.2
124.25	176.33	149.07
31.86	23.07	9.95
2,980.33	3,452.06	2,935.92
764.19	451.60	195.96
20.00	15.00	15.00
5.13	1.96	1.00
78,722	34,669	16,250
32	25	12
13	9	6
1	0	0

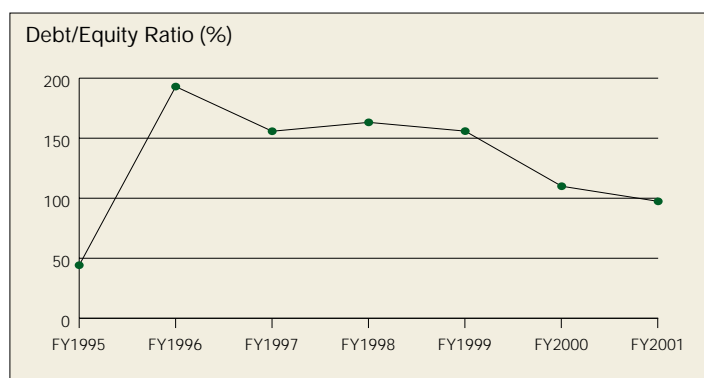
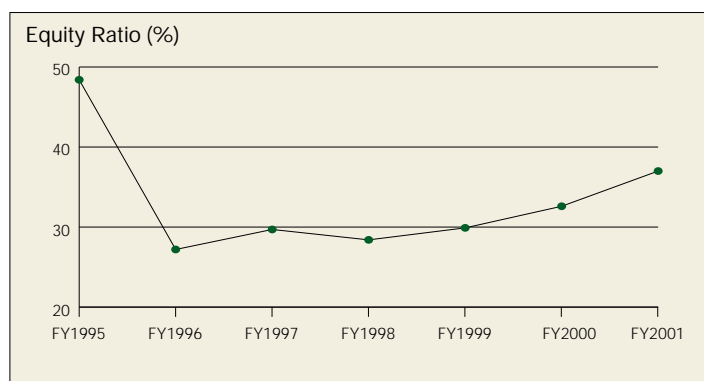
### ■ Reduction in Revenues

The primary reason for the decline in revenues during fiscal 2000 was the sale of Kingston Technology Company. There were two main reasons for the decline in revenues during fiscal 2001. First, SOFTBANK ownership fell because UTStarcom, Inc.'s warrants were exercised after its IPO, and, as a result, UTStarcom is no longer classified as a SOFTBANK consolidated subsidiary. Second, SOFTBANK's consolidated subsidiary, Ziff-Davis Inc., was sold.

### ■ Gain on Sales of Investment Securities

FY1999	Yahoo! Inc.	¥46.6 billion
FY2000	Trend Micro Incorporated	¥127.5 billion
	SOFTBANK TECHNOLOGY CORP.	¥80.3 billion
FY2001	Yahoo! Inc.	¥36.3 billion
	SKY Perfect Communications Inc.	¥11.4 billion
	Cisco Systems, K.K.	¥30.8 billion

### ■ SOFTBANK Group's Financial Position



## Consolidated Balance Sheets

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

	FY2001 (As of March 31, 2001)	FY2000 (As of March 31, 2000)	Increase (Decrease)
<b>ASSETS</b>			
<b>Current Assets</b>	365,166	516,458	(151,292)
Cash	141,056	254,708	(113,651)
Notes and accounts receivable—trade	81,286	92,454	(11,168)
Marketable securities	29,343	17,848	11,495
Inventories	23,413	16,954	6,459
Deferred tax assets	8,234	6,340	1,894
Assets held for sale	—	79,872	(79,872)
Other current assets	83,075	51,507	31,567
Less: Allowance for doubtful accounts	(1,244)	(3,227)	1,983
<b>Non-Current Assets</b>	780,318	651,412	128,906
Property and equipment, net	13,529	8,243	5,286
Intangible assets, net	119,774	131,784	(12,009)
Goodwill	41,680	56,664	(14,984)
Trade names	41,093	38,438	2,655
Software	7,135	4,819	2,316
Advertiser lists	—	2,514	(2,514)
Consolidation adjustment	15,079	15,940	(861)
Other intangible assets	14,785	13,405	1,379
Investments and other assets	647,014	511,384	135,630
Investments in securities	492,853	398,270	94,582
Long-term loans	3,033	2,634	399
Deferred tax assets	9,826	2,261	7,565
Investments in partnership	133,303	94,727	38,575
Other assets	9,440	14,604	(5,163)
Less: Allowance for doubtful accounts	(1,442)	(1,113)	(328)
Deferred Charges	598	436	161
<b>TOTAL ASSETS</b>	<b>1,146,083</b>	<b>1,168,308</b>	<b>(22,224)</b>

### ■ Cash and Marketable Securities

Liquidity on hand in the form of cash and marketable securities, primarily consisting of MMF, amounted to ¥170,399 million, down ¥102,156 million from the end of the previous fiscal year. This is due to the pursuit of an increase in the capital efficiency by establishing commitment lines as well as such special one-time factors as surplus funds generated at the end of the previous fiscal year from the sale of Trend Micro Incorporated shares and the sale of Kingston Technology Company.

### ■ Notes and Accounts Receivable—Trade

Notes and accounts receivable—trade declined resulting from the assignment of the beneficiary right against setting promissory notes trusts (¥5.6 billion during the period under review).

### ■ Assets Held for Sale

The decline in assets held for sale was due to the sale of Ziff-Davis Inc.'s publishing division, which was completed in April 2000.

### ■ Investments in Securities

Increases or decreases in investments in securities were as follows:

Investment in Aozora Bank, Ltd., and equity in earnings	¥64.6 billion
Change of UTStarcom, Inc., from a consolidated subsidiary to equity-method affiliate	¥24.4 billion
CNET Networks, Inc.: Stock acquisition (exchange of stock) and fiscal year-end valuations, etc.	¥44.5 billion
Additional investments in Asia Global Crossing Ltd., and fiscal year-end valuations	¥50.9 billion
Webvan Group, Inc.: Difference between previous fiscal year-end valuations and fiscal 2001 year-end valuations on a mark-to-market basis	¥(59.7) billion

### ■ Investments in Partnership

Investments in partnerships increased for the following reasons:

Investment in SOFTBANK US Ventures VI LP (SBTV VI)	¥30.8 billion
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(Millions of yen; amounts less than one million yen are omitted.)

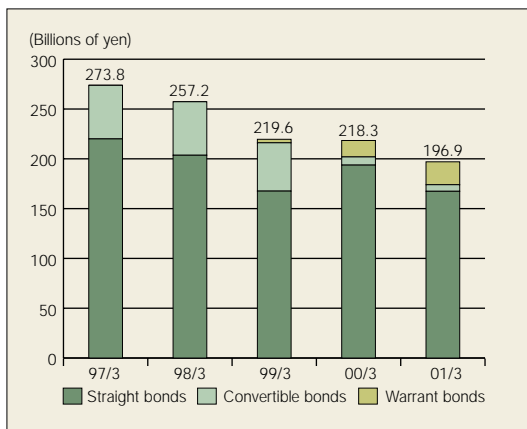
### ■ Current Liabilities

Current liabilities, due to an increase in short-term borrowings and commercial paper, rose ¥34,541 million, to ¥379,309 million. The proportion of increase in short-term borrowings and commercial paper corresponds to appropriations for the Group's active operations and tax payments.

### ■ Long-Term Liabilities

Long-term liabilities declined ¥53,404 million, to ¥283,059 million, mainly due to a decrease in long-term debts. The Company's long-term debts decreased mainly due to the sale of Ziff-Davis, whose long-term debts had totaled approximately ¥112.7 billion. However, Key3Media Group, Inc., a Ziff-Davis spin-off, has undertaken new borrowings of ¥34.2 billion.

### ■ Trends in the Balance of SOFTBANK CORP.'s Bonds Outstanding (Non-consolidated)



### ■ Shareholders' Equity

Shareholders' equity, owing to increases in common stock and retained earnings, expanded ¥43,521 million from the previous fiscal year-end, to ¥424,261 million. The equity ratio rose 4.4 percentage points, to 37.0%. Due to a third-party allotment of approximately ¥23.3 billion to Cisco Systems, Inc., of the United States, common stock and additional paid-in capital increased ¥25,413 million. In addition, net unrealized gains on securities available for sale have decreased because the fair market value of Webvan Group declined during the term under review.

	FY2001 (As of March 31, 2001)	FY2000 (As of March 31, 2000)	Increase (Decrease)
<b>LIABILITIES</b>			
<b>Current Liabilities</b>	379,309	344,767	34,541
Notes and accounts payable—trade	63,935	55,828	8,106
Short-term borrowings	128,482	88,885	39,596
Current portion of straight bonds	21,400	26,300	(4,900)
Current portion of convertible bonds	6,614	—	6,614
Commercial paper	30,000	—	30,000
Income taxes payable	23,428	57,743	(34,315)
Deferred tax liabilities	298	28,565	(28,267)
Accrued expenses	10,654	23,681	(13,026)
Advances received	11,329	10,287	1,042
Allowance for sales returns	1,471	2,259	(787)
Other current liabilities	81,695	51,216	30,478
<b>Long-Term Liabilities</b>	283,059	336,463	(53,404)
Straight bonds	175,368	169,089	6,278
Convertible bonds	—	8,182	(8,182)
Long-term debts	51,578	126,248	(74,670)
Pension accrual	152	76	76
Deferred tax liabilities	32,372	3,764	28,607
Other liabilities	23,587	29,102	(5,514)
Translation Adjustments	—	2,051	(2,051)
<b>TOTAL LIABILITIES</b>	662,368	683,283	(20,914)
<b>MINORITY INTEREST</b>	59,453	104,284	(44,831)
<b>SHAREHOLDERS' EQUITY</b>			
Common stock	137,630	124,957	12,672
Additional paid-in capital	161,953	149,211	12,741
Retained earnings	94,803	59,091	35,711
Net unrealized gains on securities available for sale	18,435	47,546	(29,111)
Translation adjustments	11,441	—	11,441
Less: Treasury stock	(2)	(66)	64
<b>TOTAL SHAREHOLDERS' EQUITY</b>	424,261	380,740	43,521
<b>TOTAL LIABILITIES, MINORITY INTEREST AND SHAREHOLDERS' EQUITY</b>	1,146,083	1,168,308	(22,224)

## Consolidated Statements of Income

### ■ Revenues

Consolidated revenues declined 6.2% year on year, to ¥397,105 million. However, there were two major factors contributing to revenues during the term. Businesses in such segments as e-Commerce and e-Finance performed well and, during the year under review, SOFTBANK Korea Co., Ltd., which had been operating as an equity-method affiliate, became a consolidated subsidiary, and, therefore, its profits and losses are reflected in SOFTBANK's consolidated financial statements. On the other hand, the decrease in revenues is largely attributable to the sale of the Group's subsidiary Ziff-Davis Inc. and a change in the scope of consolidation for UTStarcom, Inc., from a consolidated subsidiary to an equity-method affiliate, reflecting the dilutive effect of the exercise of warrants following UTStarcom's IPO. Together, UTStarcom and Ziff-Davis had accounted for 24% of revenues in the previous fiscal year.

### ■ Finance Business Breakdown

	FY2001		FY2000	
	e-Finance	Overseas Funds	e-Finance	Overseas Funds
Revenue	30,626	1,277	15,981	2,604
Expense	17,171	1,501	8,271	589
Operating income (loss)	13,454	(223)	7,710	2,014

### ■ Total Operating Income

Consolidated total operating income rose 96.1% year on year, to ¥16,431 million. Operating expenses, which rose accompanying the domestic establishment of operating companies, were absorbed by the favorable earnings performances of SOFTBANK INVESTMENT CORPORATION and SOFTBANK COMMERCE CORP. Operating income also increased as a result of the sale of Ziff-Davis, which had recorded an operating loss in the previous fiscal year.

### ■ Ordinary Income

SOFTBANK recorded consolidated ordinary income of ¥20,065 million, a significant improvement compared with the previous fiscal year. At fiscal year-end, SOFTBANK held approximately ¥137.5 billion in yen-denominated receivables against wholly owned subsidiary SOFTBANK Holdings Inc. and approximately US\$700 million in U.S. dollar-denominated receivables against its overseas subsidiaries. An exchange gain of ¥28,115 million was recorded due to the yen's depreciation at year-end. Interest expense also declined due to a decrease of approximately ¥112.7 billion in interest-bearing debt as a result of the sale of Ziff-Davis. Regarding equity in earnings of affiliates, although income was recorded for equity investment in such operations as Aozora Bank, Ltd., and Yahoo! Inc., of the United States, a loss was recorded for investments made by SOFTBANK Capital Partners (SBCP) of the United States, one of SOFTBANK's overseas funds. As a result, an overall loss of ¥19,765 million was recorded in equities.

### ■ Net Income

Consolidated net income for fiscal 2001 skyrocketed 333.7%, to ¥36,631 million, as public offering-related dilution, sales of stock in companies making IPOs, and the strategic restructuring of SOFTBANK's investment portfolio contributed to gains on sales of investment securities and dilution gain from changes in equity interest. However, loss on revaluation of investment securities was also recorded as a result of the revaluation of investment securities and investments in affiliates amid falling stock prices on the Nasdaq Stock Market U.S. and protracted stagnation in the IPO market. BRAIN.COM, INC., @viso Limited (an investment business operating primarily in mainland Europe), eVentures (an investment firm operating mainly in the United Kingdom), and SBCP's portfolio companies were the primary companies to which revaluation losses were applied.

#### Gain on sales of investment securities:

Yahoo! Inc. ....	¥36.3 billion
Cisco Systems, K.K. ....	¥30.8 billion
Gains from the merger between CNET Networks, Inc., and ZDNet.....	¥19.8 billion
Sales of SKY Perfect Communication Inc.'s stock accompanying its IPO .....	¥11.4 billion

#### Dilution gain from changes in equity interest:

Yahoo! Inc. ....	¥12.5 billion
SOFTBANK INVESTMENT CORPORATION .....	¥9.0 billion

#### Loss on sales of investment securities:

Able Corporation .....	¥19.1 billion
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#### Loss on revaluation of investment securities and investments in affiliates:

SBCP's portfolio companies.....	¥17.6 billion
SOFTBANK America Inc.'s portfolio companies (direct investment) .....	¥24.0 billion
BRAIN.COM, INC. ....	¥7.0 billion

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

	FY2001 (April 2000 through March 2001)	FY2000 (April 1999 through March 2000)	Increase (Decrease)
<b>Revenue from non-Finance business</b>	365,201	404,635	(39,433)
Cost of sales	291,507	280,780	10,727
Gross profit	73,693	123,854	(50,161)
Selling, general and administrative expenses	70,493	125,201	(54,708)
Operating income (loss) from non-Finance business	3,200	(1,346)	4,547
<b>Revenue from Finance business</b>	31,903	18,585	13,318
Expense for Finance business	18,672	8,861	9,811
Operating income from Finance business	13,231	9,724	3,506
<b>Total operating income</b>	16,431	8,377	8,054
<b>Non-operating income</b>	42,374	17,571	24,803
Interest income	4,363	2,779	1,583
Exchange gain	28,115	—	28,115
Equity in earnings of affiliates	—	4,744	(4,744)
Other non-operating income	9,895	10,046	(151)
<b>Non-operating expenses</b>	38,740	77,881	(39,140)
Interest expense	12,263	20,153	(7,889)
Exchange loss	—	44,370	(44,370)
Equity in losses of affiliates	19,765	—	19,765
Other non-operating expenses	6,710	13,357	(6,646)
<b>Ordinary income (loss)</b>	20,065	(51,932)	71,998
<b>Special income</b>	169,925	289,072	(119,146)
Gain on sales of investment securities	119,054	218,207	(99,152)
Dilution gain from changes in equity interest	49,712	40,072	9,640
Gain on sales of operations	—	29,001	(29,001)
Other special income	1,158	1,791	(633)
<b>Special loss</b>	102,981	204,971	(101,989)
Loss on sales of investment securities	23,764	602	23,162
Loss on revaluation of investment securities	29,230	3,662	25,567
Loss on revaluation of investments in affiliates	28,761	—	28,761
Loss on discontinued operations	8,604	77,043	(68,439)
Dilution loss from changes in equity interest	1,558	3,236	(1,677)
Valuation loss on intangible assets	—	119,126	(119,126)
Other special loss	11,062	1,300	9,762
<b>Income before income taxes</b>	87,009	32,168	54,841
<b>Income taxes—current</b>	69,043	52,722	16,320
<b>Income taxes—deferred</b>	(20,427)	62	(20,489)
<b>Minority interest</b>	(1,762)	29,063	(30,825)
<b>Net income</b>	36,631	8,446	28,184
<b>Retained earnings at beginning of period</b>	59,091	52,556	6,534
<b>Increase in retained earnings</b>	1,431	256	1,175
Adjustment to investment in affiliates due to change in accounting from equity method to cost basis	1,385	—	1,385
Retained earnings of the companies merged	46	256	(210)
<b>Decrease in retained earnings</b>	2,351	2,168	182
Cash dividends	2,203	2,095	107
Bonuses to directors	117	72	44
Adjustment to investment in affiliates due to change in accounting from equity method to cost basis	1	—	1
Decrease of retained earnings of the companies excluded from consolidation	29	—	29
<b>Net income</b>	36,631	8,446	28,184
<b>Retained earnings at end of period</b>	94,803	59,091	35,711



## Consolidated Statements of Cash Flows

### ■ Cash Flows from Operating Activities

Although income before income taxes surged to ¥87,009 million, the adjustment resulting from a dilution gain from changes in equity interest resulted in a ¥48,154 million reduction of cash provided. Furthermore, operating activities showed a negative ¥95,404 million adjustment for net gain on sales of marketable and investment securities. The payment of income taxes resulted in an outflow of ¥86,053 million, which was incurred primarily in the sales of marketable and investment securities. As a result, net cash used for operating activities amounted to ¥91,598 million.

### ■ Cash Flows from Investing Activities

An inflow of ¥104,224 million was logged resulting from proceeds from sales of marketable and investment securities, and another inflow of ¥82,906 million was recorded in proceeds from sale of assets held for sales, which were a consequence of the sale of the publishing division of Ziff-Davis Inc. The purchase of marketable and investment securities accompanying the Company's investment in The Nippon Credit Bank, Ltd., and overseas funds resulted in a ¥233,131 million outflow. This was the primary factor behind net cash used for investing activities amounting to ¥42,612 million.

Payments for the purchase of marketable and investment securities:

The Nippon Credit Bank, Ltd. ....	¥50.7 billion
SOFTBANK US Ventures VI LP (SBTV VI) .....	¥31.0 billion
SOFTBANK Technology Ventures V LP .....	¥5.5 billion
Asia Global Crossing Ltd. ....	¥18.2 billion
Nihon Ariba K.K. ....	¥4.3 billion
Azami Life Insurance Co., Ltd. ....	¥3.0 billion

Proceeds from sales of marketable and investment securities:

Yahoo! Inc. ....	¥37.7 billion
Cisco Systems, K.K. ....	¥32.4 billion
SKY Perfect Communications Inc. ....	¥13.6 billion

### ■ Cash Flows from Financing Activities

The repayments of long-term debts related to the sale of Ziff-Davis entailed an outflow of ¥142,102 million, while inflows included ¥63,491 million from proceeds from long-term debts involving Key3Media Group, Inc., a Ziff-Davis spin-off, and a net of ¥30,000 million generated from the issuance of commercial paper. Consequently, net cash provided by financing activities amounted to ¥24,548 million.

Proceeds from issuance of subsidiaries' stock to minority interest:

E*TRADE Japan K.K. ....	¥10.0 billion
SOFTBANK INVESTMENT CORPORATION .....	¥11.1 billion

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

	FY2001 (April 2000 through March 2001)	FY2000 (April 1999 through March 2000)
<b>I. Cash flows from operating activities</b>		
Income before income taxes	87,009	32,168
Depreciation and amortization	8,072	32,659
Equity in losses (earnings) of affiliates	19,765	(4,744)
Dilution gain from changes in equity interest	(48,154)	(36,835)
Evaluation loss on intangible assets	—	119,126
Loss (gain) on revaluation of marketable and investment securities	57,991	(3,028)
Net gain on sales of marketable and investment securities	(95,404)	(218,677)
Exchange (gain) loss	(28,219)	44,370
Interest and dividend income	(4,377)	(2,779)
Interest expenses	12,263	20,153
Loss on discontinued operations	16,246	48,041
Increase in receivables—trade	(4,259)	(26,214)
Increase in payables—trade	10,902	22,721
Decrease in other assets	(48,644)	(32,650)
Increase in other liabilities	24,759	38,523
Other cash flows from operating activities	(5,777)	3,454
Subtotal	2,174	36,291
Interest and dividends received	4,103	2,938
Interest expense paid	(11,823)	(20,882)
Income taxes paid	(86,053)	(17,997)
Net cash (used for) provided by operating activities	(91,598)	349
<b>II. Cash flows from investing activities</b>		
Capital expenditures—property, equipment and intangible assets	(16,241)	(11,637)
Purchase of marketable and investment securities	(233,131)	(299,091)
Proceeds from sales of marketable and investment securities	104,224	159,905
Proceeds from sales of interest in previously consolidated subsidiaries	66	104,724
Additional investments in newly consolidated entities	(362)	(11,610)
Proceeds from sales of subsidiaries' shares	20,965	—
Payment on lending	(6,647)	(8,172)
Proceeds from repayments on lending	5,154	7,608
Proceeds from sale of assets held for sales	82,906	—
Other cash flows from investing activities	453	(2,067)
Net cash used for investing activities	(42,612)	(60,341)
<b>III. Cash flows from financing activities</b>		
Proceeds from issuance of subsidiaries' stock to minority interest	38,502	67,465
Proceeds from sales of subsidiaries' stock to minority interest	—	83,438
Net increase in short-term borrowings	37,547	68,199
Proceeds from issuance of commercial paper	50,000	—
Payments for redemption of commercial paper	(20,000)	(20,000)
Proceeds from long-term debts	63,491	7,034
Repayments of long-term debts	(142,102)	(46,738)
Proceeds from issuance of bonds	27,867	61,843
Payments for redemption of bonds	(26,603)	(35,333)
Proceeds from issuance of common stock	23,275	—
Proceeds from silent partners of consolidated subsidiary	—	44,485
Dividends paid	(2,200)	(2,095)
Other cash flows from financing activities	(25,228)	(7,385)
Net cash provided by financing activities	24,548	220,914
<b>IV. Effect of exchange rate changes on cash and cash equivalents</b>	33,461	(307)
<b>V. Net (decrease) increase in cash and cash equivalents</b>	(76,200)	160,615
<b>VI. Net increase in cash and cash equivalents due to the companies newly consolidated</b>	517	1,558
<b>VII. Decrease in cash and cash equivalents due to exclusion of consolidated entities</b>	(22,444)	—
<b>VIII. Decrease in cash and cash equivalents due to change in accounting policy applied for the silent investment association</b>	(10,827)	—
<b>IX. Cash and cash equivalents at beginning of the period</b>	268,060	105,886
<b>X. Cash and cash equivalents at end of the period</b>	159,105	268,060

## Segment Information

### Business Segment Information

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

	FY2001 (April 2000 through March 2001)											
	e-Commerce	e-Finance	Media & Marketing	Broadmedia	Internet Culture	Technology Services	Internet Infrastructure	Overseas Funds	Others	Total	Elimination or Corporate Assets	Consolidated Total
Net sales												
(1) Sales to customers	253,943	30,626	52,414	12,998	12,481	11,728	—	1,277	21,635	397,105	—	397,105
(2) Inter-segment sales	4,577	778	847	3	742	2,743	—	463	840	10,997	(10,997)	—
Total	258,521	31,404	53,262	13,001	13,223	14,471	—	1,741	22,476	408,102	(10,997)	397,105
Operating expenses	256,751	17,966	47,358	11,946	8,521	13,996	1,068	1,501	28,141	387,252	(6,578)	380,673
Operating income (loss)	1,769	13,437	5,904	1,055	4,702	475	(1,068)	239	(5,664)	20,850	(4,418)	16,431
Identifiable assets	97,821	308,828	140,523	33,417	129,771	9,282	7,587	140,886	210,839	1,078,958	67,125	1,146,083
Depreciation & amortization	1,571	1,313	4,313	18	1,317	132	13	14	1,858	10,553	150	10,703
Capital expenditures	4,472	10,197	1,625	165	1,911	443	115	127	1,069	20,127	2,618	22,745

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

	FY2000 (April 1999 through March 2000)								
	e-Commerce	e-Finance	Media & Marketing	Internet Culture	Overseas Funds	Others	Total	Elimination or Corporate Assets	Consolidated Total
Net sales									
(1) Sales to customers	227,897	15,981	118,441	17,255	2,604	41,040	423,220	—	423,220
(2) Inter-segment sales	3,630	2,668	443	655	—	2,893	10,289	(10,289)	—
Total	231,527	18,649	118,884	17,911	2,604	43,934	433,509	(10,289)	423,220
Operating expenses	224,430	9,278	120,806	15,672	589	53,897	424,675	(9,832)	414,843
Operating income (loss)	7,097	9,371	(1,921)	2,238	2,014	(9,963)	8,834	(457)	8,377
Identifiable assets	86,572	345,957	239,287	85,580	117,451	239,299	1,114,148	54,159	1,168,308
Depreciation & amortization	458	190	143,492	1,723	—	5,904	151,770	15	151,785
Capital expenditures	1,683	1,253	5,514	1,502	—	2,105	12,060	14	12,074

### Geographical Segment Information

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

	FY2001 (April 2000 through March 2001)							
	Japan	North America	Europe	Korea	Others	Total	Elimination or Corporate Assets	Consolidated Total
Net sales								
(1) Sales to customers	341,978	30,523	1,291	21,271	2,040	397,105	—	397,105
(2) Inter-segment sales	—	555	—	—	—	555	(555)	—
Total	341,978	31,079	1,291	21,271	2,040	397,660	(555)	397,105
Operating expenses	322,123	28,427	1,765	22,127	2,820	377,264	3,409	380,673
Operating income (loss)	19,855	2,651	(473)	(856)	(780)	20,396	(3,964)	16,431
Identifiable assets	491,551	385,017	41,282	26,556	128,068	1,072,477	73,606	1,146,083

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

	FY2000 (April 1999 through March 2000)						
	Japan	North America	Europe	Others	Total	Elimination or Corporate Assets	Consolidated Total
Net sales							
(1) Sales to customers	289,458	111,229	11,126	11,406	423,220	—	423,220
(2) Inter-segment sales	72	—	—	11,644	11,717	(11,717)	—
Total	289,531	111,229	11,126	23,050	434,937	(11,717)	423,220
Operating expenses	275,240	105,020	11,219	27,982	419,462	(4,619)	414,843
Operating income (loss)	14,291	6,209	(93)	(4,932)	15,475	(7,097)	8,377
Identifiable assets	377,262	553,331	84,097	83,185	1,097,877	70,430	1,168,308

### ■ Business Segment Information

In addition to the items listed below, further details regarding the performance of individual business segments can be found on pages 10–23.

### ■ Media & Marketing Segment

Through the completion of the sale of Ziff-Davis Inc., this segment's overseas sales solely reflect the performance of Key3Media Group, Inc., a spin-off from Ziff-Davis that undertakes exhibition business. Revenues, which include domestic operations, amounted to ¥53,262 million. Owing to a rise in attendance at Key3Media Group's exhibitions and conferences, this company has seen a rise in revenues from exhibitors and participants. Thanks also to an increase in advertising revenues, the increase in operating expenses resulting from domestic start-ups was offset. Operating income rose to ¥5,904 million.

### ■ Overseas Funds

In fiscal 2000, the primary revenues for this segment comprised the valuation gains and losses of SOFTBANK Capital Partners' (SBCP's) portfolio companies, which had been calculated on a mark-to-market basis. During the term under review, SOFTBANK reorganized its legal structure to tighten its control over its fund and ensure that its managerial decisions were reflected in its fund management. Because of this reorganization, each portfolio is now accounted for under either the equity method or the cost accounting method, and SOFTBANK recognizes only management fees for the revenues of SBCP and other overseas fund businesses during the term under review. Revenues for this segment amounted to ¥1,741 million, and operating income totaled ¥239 million.

### ■ Japan

Revenues in Japan rose 18.1% from the previous fiscal year, to ¥341,978 million, owing to contributions from the e-Commerce and e-Finance segments. Operating income surged 38.9%, to ¥19,855 million.

### ■ North America

Revenues in North America plunged 72.0%, to ¥31,079 million, owing to the exclusion of Ziff-Davis and UTStarcom, Inc., from consolidation, with Key3Media Group as the main source of revenues. The sale of Ziff-Davis, which generated losses in the previous fiscal year, enabled an improvement in the operating income ratio. However, operating income, corresponding to the decline in revenues, fell 57.3%, to ¥2,651 million.

### ■ Europe

Revenues in Europe, declining on the sale of Ziff-Davis, amounted to ¥1,291 million, with Key3Media Group the sole contributor to revenues. While Key3Media Group posted operating income, due to operating expenses incurred in its European fund business, operating loss totaled ¥473 million.

### ■ Korea

During the fiscal year under review, SOFTBANK Korea Co., Ltd., which had been operating as an equity-method affiliate, became a consolidated subsidiary, whose profits and losses are reflected in the results of SOFTBANK's consolidated financial statements. South Korea is seeing the rapid introduction of broadband communications. Accordingly, demand is high primarily for network-related and other products. The wholesale and marketing of IT-related products are steadily expanding, and revenues amounted to ¥21,271 million. The business generated operating income, but, due to the amortization of consolidation goodwill, an operating loss of ¥856 million was recorded.

Company name	Type of business			Date established* <sup>1</sup>	Location	URL
				SB's cost basis* <sup>2</sup>	SB's ownership* <sup>3</sup>	
Most recent fiscal year-end	Revenues	Operating income	Ordinary income	Net income	Total assets	Shareholders' equity
Stock code	Date of IPO	Public offering price	Share price as of March 30, 2001	SB portion's market cap. as of March 30, 2001	Number of shares outstanding	

\*<sup>1</sup> May represent the date on which the business was launched.  
 \*<sup>2</sup> The following are not included: investments in operation holding, holding, and fund-related companies, investments by operating companies into affiliated companies, and investments by funds, etc. SB's cost basis is based on the respective SB's economic ownership ratio.  
 \*<sup>3</sup> SB's ownership refers to the ratio of economic ownership, but some fund-related companies and consolidated partnerships are not included. Figures are rounded to the nearest whole number.

No mark	Consolidated subsidiaries
*	Equity-method non-consolidated subsidiaries and affiliates
**	Other securities, etc.
***	Consolidated partnerships
****	Equity-method partnerships
#	Joined SB Group after April 1, 2001 (in most cases, as of March 31, 2001)

## e-Commerce Segment

32 consolidated subsidiaries,  
10 equity-method non-consolidated subsidiaries and affiliates

SOFTBANK EC HOLDINGS CORP. (Formerly: SOFTBANK E-COMMERCE CORP.)	Operation holding company of e-Commerce segment	Sep 1999	Chuo Ward, Tokyo	http://www.softbankec.co.jp/			
		—	100%				
AIP Bridge CORP.	Comprehensive infrastructure support for ASP operators	Sep 2000	Shinagawa Ward, Tokyo	http://www.aipbridge.co.jp/			
		¥381 million	76%				
BridalConcierge Corp.	Information provider for weddings and married life, management of on-site communities, and agent for bridal businesses	Oct 2000	Chuo Ward, Tokyo	http://www.339.to/			
		¥120 million	80%				
Car Point K.K.	On-line car sales agency	Oct 1999	Chuo Ward, Tokyo	http://www.carview.co.jp/			
		¥1,753 million	53%				
CreativeBank Inc.	Advertising agency and sales promotion support for Internet businesses	Dec 1986	Minato Ward, Tokyo	http://www.creativebank.co.jp/			
		¥328 million	57%				
Jun 2000 (Non-consolidated)		¥1,116 million	¥49 million	¥48 million	¥19 million	¥860 million	¥442 million
DIAMOND.COM CORPORATION	On-line sales of diamonds, personal accessories, and other items	Sep 2000	Chuo Ward, Tokyo	http://www.jp.diamond.com/			
		¥200 million	100%				
e-Career CORP.	On-line job search information service	Sep 1999	Chuo Ward, Tokyo	http://www.ecareer.ne.jp/			
		¥790 million	69%				
EC RESEARCH CORP.	Surveys and consulting services regarding EC and IT	Sep 2000	Chuo Ward, Tokyo	http://www.ec-r.co.jp/			
		¥70 million	100%				
eEntry Corporation	Support for overseas IT enterprises seeking to enter Japan	Dec 2000	Minato Ward, Tokyo	http://www.eentry.co.jp/			
		¥292 million	51%				
eselect Corporation	IT-related product and service provider for Hewlett-Packard Japan, Ltd., through its official shopping site	Sep 2000	Chiyoda Ward, Tokyo	http://www.hpeselect.com/			
		—	51%				
e-Shopping! Books CORP.	On-line sales of books	Aug 1999	Chuo Ward, Tokyo	http://www.esbooks.co.jp/			
		¥110 million	55%				
e-Shopping! CarGoods CORP.	On-line sales of automotive components and parts and related services	Feb 2000	Chuo Ward, Tokyo	http://www.escargoods.co.jp/			
		¥161 million	54%				
e-Shopping! Information CORP.	EC system development, planning, management, and consulting	Nov 1999	Chuo Ward, Tokyo	http://www.eshopping.ne.jp/			
		¥557 million	93%				

e-Shopping! Toys CORP.	On-line sales of toys				Aug 1999	Chuo Ward, Tokyo	http://www.estoyes.co.jp/
					¥115 million	58%	
e-Shopping! Wine CORP.	On-line sales of wine, other alcoholic beverages, and food as well as related information services				May 2000	Chuo Ward, Tokyo	http://www.eswine.co.jp/
					¥171 million	57%	
Eupholink, Inc.	General consulting and financing for e-business and EC and support for business creation				Oct 2000	Chuo Ward, Tokyo	http://www.eupholink.com/
					¥244 million	50%	
GWP Japan Corporation	Recruitment agency for MBA holders				Aug 2000	Chuo Ward, Tokyo	http://www.global-workplace.co.jp/
					¥15 million	51%	
SmartFirm Corp.	Applications services for small and medium-sized companies and SOHO businesses				May 2000	Chuo Ward, Tokyo	http://www.smartfirm.co.jp/
					¥240 million	60%	
SOFTBANK COMMERCE CORP.	IT-related product and service marketing and total IT solutions provider				Mar 2000	Chuo Ward, Tokyo	http://www.sb-commerce.co.jp/
					¥3,000 million	100%	
Mar 2001 (Non-consolidated)	¥253,484 million	¥9,246 million	¥8,820 million	¥4,759 million	¥72,525 million	¥7,746 million	
SOFTBANK Frameworks Corporation	Management of delivery of IT-related products				Oct 1990	Chuo Ward, Tokyo	—
					—	100%	
Mar 2001 (Non-consolidated)	¥4,285 million	¥313 million	¥318 million	¥182 million	¥1,478 million	¥490 million	
SOFTBANK MOBILE CORP.	Planning and development of services for mobile Internet users and mobile IT strategy				May 2000	Chuo Ward, Tokyo	http://www.softbank-mobile.co.jp/
					¥300 million	100%	
Style Index Corporation.	Installment sales of PCs and peripherals and Internet access services				May 2000	Chuo Ward, Tokyo	http://www.style-index.com/
					¥500 million	100%	
Mar 2001 (Non-consolidated)	¥1,233 million	¥(1,815) million	¥(1,854) million	¥(3,153) million	¥3,530 million	¥(2,653) million	
Vector Inc.	PC software sales through downloading				Feb 1989	Nerima Ward, Tokyo	http://www.vector.co.jp/
					¥1,103 million	51%	
Mar 2001 (Non-consolidated)	¥754 million	¥77 million	¥52 million	¥27 million	¥2,586 million	¥2,355 million	
2656 (Nasdaq Japan)	Aug 2000	¥1,200,000	¥1,500,000	¥17,586 million		22 thousand shares	
VerticalNet Japan Corp.	Management of industry-specific community sites				Jul 2000	Chuo Ward, Tokyo	http://www.verticalnet-japan.com/
					¥600 million	60%	
Asiansnet Japan Inc.*	Consumer research via mobile Internet				Apr 2000	Fukuoka, Fukuoka	http://www.asiansnet.co.jp/
					¥15 million	30%	
Bewith, Inc.*	Support for customer relationship management (CRM) systems				May 2000	Shinjuku Ward, Tokyo	http://www.bewith.net/
					¥147 million	30%	
# Blue Planet Corporation*	Business portal management for regional financial institutions and B-to-B support for their business partners				Apr 2001	Chiyoda Ward, Tokyo	http://www.blueplanet.co.jp/
					¥68 million	—	
CMnet corporation*	Management of construction e-market and portal site that handles orders for construction projects on-line				Nov 2000	Minato Ward, Tokyo	http://www.cmnetcorp.com/
					¥200 million	50%	

Company name	Type of business			Date established* <sup>1</sup>	Location	URL
				SB's cost basis* <sup>2</sup>	SB's ownership* <sup>3</sup>	
Most recent fiscal year-end	Revenues	Operating income	Ordinary income	Net income	Total assets	Shareholders' equity
Stock code	Date of IPO	Public offering price	Share price as of March 30, 2001	SB portion's market cap. as of March 30, 2001	Number of shares outstanding	

\*<sup>1</sup> May represent the date on which the business was launched.  
 \*<sup>2</sup> The following are not included: investments in operation holding, holding, and fund-related companies, investments by operating companies into affiliated companies, and investments by funds, etc. SB's cost basis is based on the respective SB's economic ownership ratio.  
 \*<sup>3</sup> SB's ownership refers to the ratio of economic ownership, but some fund-related companies and consolidated partnerships are not included. Figures are rounded to the nearest whole number.

■ No mark Consolidated subsidiaries  
 ■ \* Equity-method non-consolidated subsidiaries and affiliates  
 ■ \*\* Other securities, etc.  
 ■ \*\*\* Consolidated partnerships  
 ■ \*\*\*\* Equity-method partnerships  
 ■ # Joined SB Group after April 1, 2001 (in most cases, as of March 31, 2001)

# DUSKIN I-MART CORP.*	Purchasing agency for PCs, peripherals, office equipment, travel documentation, etc.	Apr 2001	Chuo Ward, Tokyo	—
		¥196 million	—	
eBEST CORP.*	On-line sales of products from home electric appliances to everyday items and related services	Oct 1999	Fukuoka, Fukuoka	<a href="http://www.ebest.co.jp/">http://www.ebest.co.jp/</a>
		—	33%	
e-express CO., LTD*	On-line and mail-order sales of office equipment and provision of related information services	May 2000	Nagoya, Aichi	<a href="http://www.expr.co.jp/">http://www.expr.co.jp/</a>
		—	20%	
E*Net Corporation*	Consulting services for computer users	Dec 1998	Shibuya Ward, Tokyo	<a href="http://www.enetj.co.jp/">http://www.enetj.co.jp/</a>
		¥315 million	42%	
E-STAFFING Inc.*	Management company for part-time staff	Jul 2000	Koto Ward, Tokyo	—
		—	33%	
iBuilders, Inc.*	Supporting sales promotions	Jun 2000	Minato Ward, Tokyo	<a href="http://www.ibuilders.co.jp/">http://www.ibuilders.co.jp/</a>
		¥35 million	35%	
Nihon Ariba K.K.*	Development, sales, maintenance, and management of e-procurement software	Dec 1999	Shinjuku Ward, Tokyo	<a href="http://www.ariba.co.jp/">http://www.ariba.co.jp/</a>
		¥4,399 million	42%	
ONSALE JAPAN K.K.*	On-line auction business	Jul 1998	Shibuya Ward, Tokyo	<a href="http://www.onsale.co.jp/">http://www.onsale.co.jp/</a>
		¥390 million	44%	

## e-Finance Segment

82 consolidated subsidiaries,  
21 equity-method non-consolidated subsidiaries and affiliates

SOFTBANK FINANCE CORPORATION	Operation holding company of e-Finance segment	Mar 1999	Chiyoda Ward, Tokyo	<a href="http://www.sbfinance.co.jp/">http://www.sbfinance.co.jp/</a>
		—	100%	
Benefit Systems, Inc.	Services for Japanese version of 401(k) plans	Mar 2001	Chuo Ward, Tokyo	—
		¥800 million	80%	
Cognotec Japan K.K.	Foreign exchange dealing solutions provider	Oct 1998	Chiyoda Ward, Tokyo	<a href="http://www.cognotec.co.jp/">http://www.cognotec.co.jp/</a>
		¥303 million	56%	
E*Advisor Co., Ltd.	On-line financial planning services	Mar 1995	Chiyoda Ward, Tokyo	<a href="http://www.eadvisor.co.jp/">http://www.eadvisor.co.jp/</a>
		¥704 million	75%	
E-Loan Japan Co., Ltd.	Comparative marketplace for loan products	May 1999	Chiyoda Ward, Tokyo	<a href="http://www.eloan.co.jp/">http://www.eloan.co.jp/</a>
		—	61%	

E-Real Estate Co., Ltd.	Managing company for real estate businesses			Aug 2000	Chiyoda Ward, Tokyo	http://www.erealestate.co.jp/
				¥300 million	86%	
E*TRADE Japan K.K.	Development of on-line securities management systems and coordination/advertising agency			Jun 1998	Chiyoda Ward, Tokyo	http://www.etrade.ne.jp/
				¥2,136 million	46%	
Mar 2001 (Consolidated)	¥6,328 million	¥558 million	¥1,013 million	¥987 million	¥75,011 million	¥16,470 million
8627 (Nasdaq Japan)	Sep 2000	¥1,500,000	¥807,000	¥34,475 million		92 thousand shares
E*TRADE SECURITIES, CO., LTD.	Comprehensive on-line securities businesses			Apr 1999	Chiyoda Ward, Tokyo	http://www.etrade.ne.jp/
				—	46%	
Finance All Corporation	Managing company for INSWEB, E-Loan, and GOODLOAN			Mar 2001	Chiyoda Ward, Tokyo	—
				¥676 million	61%	
Gomez Japan K.K.	Evaluation of EC services			Mar 2001	Chiyoda Ward, Tokyo	—
				—	44%	
GOODLOAN Co., Ltd.	Housing loan lending and brokerage			Nov 2000	Chiyoda Ward, Tokyo	http://www.goodloan.co.jp/
				—	61%	
HousePortal Co., Ltd.	On-line comparative real estate and financial marketplace			Sep 2000	Chuo Ward, Tokyo	http://www.houseportal.co.jp/
				—	46%	
INSWEB Japan K.K.	Comparative marketplace for insurance products			Dec 1998	Chiyoda Ward, Tokyo	http://www.insweb.co.jp/
				—	61%	
Morningstar Japan K.K.	Mutual fund rating and analysis services			Mar 1998	Chiyoda Ward, Tokyo	http://www.morningstar.co.jp/
				¥716 million	49%	
Dec 2000 (Non-consolidated)	¥659 million	¥191 million	¥187 million	¥106 million	¥3,652 million	¥3,545 million
* 4765 (Nasdaq Japan)	Jun 2000	¥1,750,000	¥1,290,000	¥36,981 million		58 thousand shares
* The figures given for public offering price, share price as of March 30, 2001, and the number of shares outstanding reflect the effect of a stock split on May 18, 2001.						
Office Work Corporation	Back-office support and consulting services			Jul 2000	Chiyoda Ward, Tokyo	—
				¥100 million	100%	
Online IR Co., Ltd.	Investor relations (IR) consulting services			Mar 2001	Chiyoda Ward, Tokyo	http://www.onlineir.co.jp/
				¥143 million	72%	
SB FINANCE KOREA CO., LTD.	Strategic base in South Korea for general financial operations			Jun 2000	Seoul, South Korea	—
				KRW15,000 million	100%	
SF REALTY CO., LTD.	Real estate properties brokerage			Mar 2001	Chiyoda Ward, Tokyo	http://www.sfrealty.co.jp/
				—	86%	
SOFTBANK ASSET MANAGEMENT CO., LTD.	Development and management of asset fund products			Mar 2000	Chiyoda Ward, Tokyo	—
				¥300 million	100%	
SOFTBANK CHINA VENTURE INVESTMENTS LIMITED	Management of CHINA ENTERPRISE INVESTMENT FUND and other funds			Aug 1999	Hong Kong	—
				—	83%	
SOFTBANK Contents Partners Corporation	Management of SOFTBANK Contents Fund			May 1997	Chiyoda Ward, Tokyo	—
				—	83%	



Company name	Type of business				Date established* <sup>1</sup>	Location	URL
					SB's cost basis* <sup>2</sup>	SB's ownership* <sup>3</sup>	
Most recent fiscal year-end	Revenues	Operating income	Ordinary income	Net income	Total assets	Shareholders' equity	
Stock code	Date of IPO	Public offering price	Share price as of March 30, 2001	SB portion's market cap. as of March 30, 2001	Number of shares outstanding		
Softbank Finance America Corporation	Holding company				Jul 1999	U.S.A.	—
					—	100%	
SOFTBANK FRONTIER SECURITIES Co., Ltd.	Unlisted securities brokerage				Aug 1999	Chiyoda Ward, Tokyo	<a href="http://www.sbfrontier.co.jp/">http://www.sbfrontier.co.jp/</a>
					¥733 million	78%	
SOFTBANK INVESTMENT CORPORATION	Venture capital and IPO consulting				Jul 1999	Chiyoda Ward, Tokyo	<a href="http://www.sbinvestment.co.jp/">http://www.sbinvestment.co.jp/</a>
					¥1,353 million	83%	
Sep 2000 (Consolidated)	¥46,672 million	¥4,515 million	¥4,416 million	¥2,494 million	¥33,703 million	¥8,352 million	
8473 (Nasdaq Japan)	Dec 2000	¥1,500,000	¥2,380,000	¥213,854 million		108 thousand shares	
SOFTBANK INVESTMENT INTERNATIONAL (STRATEGIC) LIMITED	Sales of dye materials and on-line business consulting				Jan 2000	Hong Kong	<a href="http://www.softbank.com.hk/">http://www.softbank.com.hk/</a>
					—	48%	
* Jun 2000 (Consolidated)	HK\$203 million	HK\$(26) million	—	HK\$(29) million	HK\$449 million	HK\$344 million	
648 HK (Hong Kong)	Oct 1990	HK\$1.09	HK\$0.730	HK\$661 million		1,885 million shares	
* The figures given above refer to the period April 1, 1999, to June 30, 2000.							
SOFTBANK Ventures, Inc.	Management of SOFTBANK Ventures Fund				Jun 1996	Chiyoda Ward, Tokyo	—
					—	83%	
SOFT TREND CAPITAL Corp.	Management of SOFTBANK Internet Fund				Apr 1999	Chiyoda Ward, Tokyo	<a href="http://www.internetfund.co.jp/">http://www.internetfund.co.jp/</a>
					—	66%	
SophiaBank Limited	Think tank				Jun 2000	Chiyoda Ward, Tokyo	<a href="http://www.sophiabank.co.jp/">http://www.sophiabank.co.jp/</a>
					¥183 million	92%	
UTOPIAN LIFE Co., Ltd.	Sales and planning of real estate properties in resort areas				Mar 2001	Chiyoda Ward, Tokyo	—
					—	86%	
WEB-Lease Co., Ltd.	General leasing operations				Nov 1999	Chiyoda Ward, Tokyo	<a href="http://www.weblease.co.jp/">http://www.weblease.co.jp/</a>
					¥480 million	76%	
Mar 2001 (Non-consolidated)	¥1,010 million	¥13 million	¥9 million	¥7 million	¥4,236 million	¥780 million	
BRAIN.COM, INC.* (Renamed to Digit Brain, Inc., as of August 1, 2001)	Recruitment agency and on-line general information service				Jan 1975	Shinjuku Ward, Tokyo	<a href="http://www.jp-brain.com/">http://www.jp-brain.com/</a> <a href="http://www.digitbrain.com/">http://www.digitbrain.com/</a>
					¥10,807 million	33%	
Mar 2001 (Consolidated)	¥2,811 million	¥(1,510) million	¥(594) million	¥(562) million	¥12,240 million	¥9,101 million	
9653 (OTC)	Nov 1991	¥2,626.67 (Retroactive Adjustment)	¥361	¥2,069 million		17 million shares	
DigiCode K.K.*	Provision of on-line services with next-generation technologies				Mar 2001	Chiyoda Ward, Tokyo	—
					—	24%	

No mark Consolidated subsidiaries  
 \* Equity-method non-consolidated subsidiaries and affiliates  
 \*\*\* Other securities, etc.  
 \*\*\*\* Consolidated partnerships  
 \*\*\*\*\* Equity-method partnerships  
 # Joined SB Group after April 1, 2001 (in most cases, as of March 31, 2001)

e-Commodity Co., Ltd.*	On-line commodity futures brokerage			Oct 2000	Chuo Ward, Tokyo	http://www.ecommodity.co.jp/
				¥637 million	49%	
E-NetCard CO., LTD.* (Renamed to ASCOT CO., LTD., as of August 1, 2001)	Brokerage of credit card applications and loan services for individual/corporate owners			Oct 1999	Chiyoda Ward, Tokyo	http://www.enetcard.co.jp/ ↳ http://www.webascot.jp/
				¥147 million	37%	
E*TRADE Group, Inc.*	On-line securities brokerage			Mar 1982	California, U.S.A.	http://www.etrade.com/
				US\$400 million	20%	
Sep 2000 (Consolidated)	US\$1,973 million	US\$(80) million	—	US\$19 million	US\$17,317 million	US\$1,856 million
ET (NYSE)	Aug 1996	US\$2.63 (Retroactive Adjustment)	US\$6.98	US\$436 million		322 million shares
E*TRADE KOREA CO., LTD.*	On-line securities brokerage			Dec 1999	Seoul, South Korea	http://www.etrade.co.kr/
				KRW12,000 million	40%	
InsWeb Corporation*	On-line insurance marketplace			Feb 1995	California, U.S.A.	http://www.insweb.com/
				US\$97 million	18%	
Dec 2000 (Consolidated)	US\$23 million	US\$(53) million	—	US\$(50) million	US\$73 million	US\$63 million
INSW (Nasdaq US)	Jul 1999	US\$17.00	US\$1.1875	US\$9 million		42 million shares
Morningstar, Inc.*	Mutual fund rating and analysis services			1984	Illinois, U.S.A.	http://www.morningstar.com/
				US\$90 million	20%	
Morningstar KOREA, Inc.*	Mutual fund rating and analysis services			Jun 2000	Seoul, South Korea	http://www.morningstar.co.kr/
				—	20%	
Cognotec Limited**	Foreign exchange dealing solutions provider			1989	Dublin, Ireland	http://www.cognotec.com/
				US\$38 million	14%	
CyberCash K.K.**	On-line payment solutions provider			Apr 1997	Chiyoda Ward, Tokyo	http://www.cybercash.co.jp/
				¥200 million	14%	

## Media & Marketing Segment

19 consolidated subsidiaries,  
7 equity-method non-consolidated subsidiaries and affiliates

SOFTBANK Media & Marketing Corp.	Operation holding company of Media & Marketing segment			Mar 1999	Minato Ward, Tokyo	http://www.softbankmm.co.jp/
				—	100%	
# BARKS K.K.	Music information site			Apr 2001	Minato Ward, Tokyo	http://www.barks.co.jp/
				¥200 million	—	
click2learn Japan K.K.	On-line education service provider			May 2000	Minato Ward, Tokyo	http://www.click2learn.co.jp/
				¥231 million	54%	
COM-PATH, Inc.	Comprehensive computer product information services			Aug 1998	Minato Ward, Tokyo	http://www.com-path.ne.jp/
				¥356 million	90%	
JaJa Entertainment Kabushikikaisha	Entertainment content site			Oct 2000	Minato Ward, Tokyo	http://www.jaja-uma.com/
				—	70%	

Company name	Type of business			Date established* <sup>1</sup>	Location	URL
				SB's cost basis* <sup>2</sup>	SB's ownership* <sup>3</sup>	
Most recent fiscal year-end	Revenues	Operating income	Ordinary income	Net income	Total assets	Shareholders' equity
Stock code	Date of IPO	Public offering price	Share price as of March 30, 2001	SB portion's market cap. as of March 30, 2001	Number of shares outstanding	

■	No mark	Consolidated subsidiaries
■	*	Equity-method non-consolidated subsidiaries and affiliates
■	**	Other securities, etc.
■	***	Consolidated partnerships
■	****	Equity-method partnerships
■	#	Joined SB Group after April 1, 2001 (in most cases, as of March 31, 2001)

\*<sup>1</sup> May represent the date on which the business was launched.

\*<sup>2</sup> The following are not included: investments in operation holding, holding, and fund-related companies, investments by operating companies into affiliated companies, and investments by funds, etc. SB's cost basis is based on the respective SB's economic ownership ratio.

\*<sup>3</sup> SB's ownership refers to the ratio of economic ownership, but some fund-related companies and consolidated partnerships are not included. Figures are rounded to the nearest whole number.

Key3Media Group, Inc.	Sponsorship and management of IT-related expositions			Aug 2000	California, U.S.A.	http://www.key3media.com/
				US\$209 million	55%	
Dec 2000 (Consolidated)	US\$286 million	US\$54 million	—	US\$8 million	US\$1,065 million	US\$431 million
KME (NYSE)	Aug 2000	* US\$6	US\$11.9	US\$425 million		65 million shares

\* The price given is that at the time the company was spun off.

Rivals Japan Corporation	Sports community portal site			Aug 2000	Minato Ward, Tokyo	http://www.rivals.co.jp/
				¥258 million	58%	

SOFTBANK Forums Japan, Inc. (Renamed to Key3Media Events Japan, Inc., as of July 1, 2001)	Sponsorship and management of IT-related expositions			Jul 1992	Minato Ward, Tokyo	http://www.key3media.co.jp/
				—	100%	
Dec 2000 (Non-consolidated)	¥2,688 million	¥131 million	¥120 million	¥52 million	¥983 million	¥217 million

SOFTBANK Publishing Inc.	IT- and Internet-related publishing			Mar 2000	Minato Ward, Tokyo	http://www.softbankpub.co.jp/
				¥600 million	100%	
Mar 2001 (Non-consolidated)	¥19,124 million	¥2,267 million	¥2,213 million	¥1,108 million	¥11,768 million	¥1,706 million

SOFTBANK ZDNet Inc.	Comprehensive IT information site			Dec 1999	Minato Ward, Tokyo	http://www.zdnet.co.jp/
				—	65%	

WebMD Japan Corp.	On-line medical information provider			Jul 2000	Chuo Ward, Tokyo	http://www.webmd.ne.jp/
				¥600 million	60%	

Aplix.NET Kabushikikaisha*	Mobile navigation content business			Dec 1999	Minato Ward, Tokyo	http://www.aplix.net/
				¥300 million	40%	

cyber communications inc.*	Advertising agency for Web ads			Jun 1996	Chuo Ward, Tokyo	http://www.cci.co.jp/
				¥501 million	48%	
Mar 2001 (Non-consolidated)	¥9,794 million	¥425 million	¥316 million	¥135 million	¥5,360 million	¥3,618 million
4788 (Nasdaq Japan)	Sep 2000	¥350,000	¥442,000	¥51,979 million		247 thousand shares

CNET Networks, Inc.**	Information provider			Dec 1992	California, U.S.A.	http://www.cnet.com/
				US\$477 million	18%	
Dec 2000 (Consolidated)	US\$264 million	US\$(316) million	—	US\$(483) million	US\$2,863 million	US\$2,553 million
CNET (Nasdaq US)	Jul 1996	US\$4.00 (Retroactive Adjustment)	US\$11.1875	US\$271 million		136 million shares

Englishtown Ltd.**	On-line English education business			Jan 2001	Shibuya Ward, Tokyo	http://www.englishtown.com/
				—	18%	

## Broadmedia Segment

7 consolidated subsidiaries,  
2 equity-method non-consolidated subsidiaries and affiliates

SOFTBANK Broadmedia Corporation	Operation holding company of Broadmedia segment	Mar 2000	Chuo Ward, Tokyo	http://www.broadmedia.co.jp/		
		—	100%			
# Akamai Technologies Japan K.K.	Content delivery network services	Apr 2001	Chuo Ward, Tokyo	http://www.akamai.co.jp/		
		¥270 million	—			
Computer Channel Corporation	Licensed communications satellite broadcaster	Apr 1998	Chuo Ward, Tokyo	http://www.compch.co.jp/		
		¥300 million	95%			
Digital Club Corporation	Planning and operation of <i>Club iT</i> , a user membership organization	Nov 1998	Chuo Ward, Tokyo	http://www.clubit.ne.jp/		
		¥739 million	60%			
# Digital Media Factory, Inc.	Creation, research, and development of computer graphics	Oct 1997	Naha, Okinawa	http://www.dmf.co.jp/		
		¥175 million	—			
EMBANYA Inc.	Audiovisual production for IT applications	Nov 2000	Shinjuku Ward, Tokyo	http://www.embanya.com/		
		—	95%			
# Xdrive Japan K.K.	On-line data storage services	Apr 2001	Chuo Ward, Tokyo	http://www.xdrive.co.jp/		
		¥180 million	—			
Xtage Inc.	Internet access services using xDSL technology	May 2000	Chuo Ward, Tokyo	—		
		¥100 million	100%			
YesNoJapan Corporation	Planning and management of opinion portal site Yes!No!JAPAN!	Jan 2000	Chuo Ward, Tokyo	http://www.yesno.co.jp/		
		¥10 million	100%			
Nihon Eiga Satellite Broadcasting Corp.*	Licensed communications satellite broadcaster	Feb 2000	Minato Ward, Tokyo	http://www.nihon-eiga.co.jp/		
		¥100 million	15%			
VOXNET Corporation*	Multimedia-based telecommunications service	Nov 1999	Chuo Ward, Tokyo	—		
		¥40 million	88%			
J SKY SPORTS Corporation**	Licensed communications satellite broadcaster	Sep 1996	Koto Ward, Tokyo	http://www.jskysports.com/		
		¥659 million	14%			
SKY Perfect Communications Inc.**	Communications satellite broadcasting platform	Nov 1994	Shibuya Ward, Tokyo	http://www.skyperfectv.co.jp/		
		¥6,850 million	6%			
Mar 2001 (Consolidated)	¥48,681 million	¥(19,577) million	¥(24,340) million	¥(24,190) million	¥145,501 million	¥119,788 million
4795 (Mothers)	Oct 2000	¥320,000	¥150,000	¥20,550 million		2 million shares

Company name	Type of business			Date established* <sup>1</sup>	Location	URL
				SB's cost basis* <sup>2</sup>	SB's ownership* <sup>3</sup>	
Most recent fiscal year-end	Revenues	Operating income	Ordinary income	Net income	Total assets	Shareholders' equity
Stock code	Date of IPO	Public offering price	Share price as of March 30, 2001	SB portion's market cap. as of March 30, 2001	Number of shares outstanding	

■	No mark	Consolidated subsidiaries
■	*	Equity-method non-consolidated subsidiaries and affiliates
■	**	Other securities, etc.
■	***	Consolidated partnerships
■	****	Equity-method partnerships
■	#	Joined SB Group after April 1, 2001 (in most cases, as of March 31, 2001)

\*<sup>1</sup> May represent the date on which the business was launched.

\*<sup>2</sup> The following are not included: investments in operation holding, holding, and fund-related companies, investments by operating companies into affiliated companies, and investments by funds, etc. SB's cost basis is based on the respective SB's economic ownership ratio.

\*<sup>3</sup> SB's ownership refers to the ratio of economic ownership, but some fund-related companies and consolidated partnerships are not included. Figures are rounded to the nearest whole number.

## Internet Culture Segment

4 consolidated subsidiaries,  
7 equity-method non-consolidated subsidiaries and affiliates

Yahoo Japan Corporation	Core company of Internet Culture segment; on-line advertising services			Jan 1996	Minato Ward, Tokyo	http://www.yahoo.co.jp/
				¥7,662 million	51%	
Mar 2001 (Non-consolidated)	¥13,039 million	¥5,308 million	¥5,208 million	¥2,972 million	¥27,972 million	¥18,673 million
4689 (OTC)	Nov 1997	¥43,750 (Retroactive Adjustment)	¥5,320,000	¥316,018 million		116 thousand shares
Tavigator, Inc.	On-line travel agency			Mar 2000	Minato Ward, Tokyo	http://www.tavigator.co.jp/
				¥43 million	43%	
Internet Research Institute, Inc.*	Provision of Internet infrastructure proposals			Dec 1996	Chuo Ward, Tokyo	http://www.iri.co.jp/
				¥175 million	13%	
Jun 2000 (Consolidated)	¥1,136 million	¥50 million	¥28 million	¥(5) million	¥11,555 million	¥11,503 million
4741 (Mothers)	Dec 1999	¥390,000 (Retroactive Adjustment)	¥1,480,000	¥7,383 million		39 thousand shares
MessageMedia, Inc.*	On-line customer relationship management (CRM) services			1994	Colorado, U.S.A.	http://www.messagemedia.com/
				US\$10 million	16%	
Dec 2000 (Consolidated)	US\$33 million	US\$(94) million	—	US\$(88) million	US\$66 million	US\$33 million
MESG (Nasdaq US)	Dec 1996	US\$9.00	US\$0.5	US\$5 million		68 million shares
Yahoo! Deutschland GmbH*	On-line advertising services			Jan 1997	Munich, Germany	http://www.de.yahoo.com/
				US\$0.45 million	30%	
Yahoo! France SARL*	On-line advertising services			Nov 1996	Paris, France	http://www.fr.yahoo.com/
				US\$0.45 million	30%	
Yahoo! Inc.*	On-line advertising services			Mar 1995	California, U.S.A.	http://www.yahoo.com/
				US\$382 million	21%	
Dec 2000 (Consolidated)	US\$1,110 million	US\$297 million	—	US\$70 million	US\$2,269 million	US\$1,896 million
YHOO (Nasdaq US)	Apr 1996	US\$1.08 (Retroactive Adjustment)	US\$15.75	US\$1,872 million		566 million shares
Yahoo! Korea Corporation*	On-line advertising services			Oct 1997	Seoul, South Korea	http://kr.yahoo.com/
				KRW292 million	27%	
Yahoo! UK Limited*	On-line advertising services			Aug 1996	London, U.K.	http://www.uk.yahoo.com/
				US\$0.9 million	30%	

## Technology Services Segment

7 consolidated subsidiaries,  
6 equity-method non-consolidated subsidiaries and affiliates

SOFTBANK TECHNOLOGY HOLDINGS CORP.	Operation holding company of Technology Services segment			Oct 2000	Chuo Ward, Tokyo	—
				—	100%	
BROADBAND TECHNOLOGY CORP.	Design of broadband network infrastructure			Apr 2000	Chuo Ward, Tokyo	—
				—	50%	
EC Architects Corp.	Architectural design and consulting for EC solutions			Apr 2000	Chuo Ward, Tokyo	<a href="http://www.ec-architects.co.jp/">http://www.ec-architects.co.jp/</a>
				—	64%	
MARKETPLACE SERVICE AND SUPPORT CORP.	Technical support for Ariba			Dec 2000	Chuo Ward, Tokyo	—
				¥80 million	100%	
SOFTBANK MOBILE TECHNOLOGY CORP.	Mobile platform solutions provider			May 2000	Minato Ward, Tokyo	<a href="http://www.sbmt.softbank.co.jp/">http://www.sbmt.softbank.co.jp/</a>
				—	65%	
SOFTBANK TECHNOLOGY CORP.	Internet system construction, management, and support			Aug 1997	Chuo Ward, Tokyo	<a href="http://www.tech.softbank.co.jp/">http://www.tech.softbank.co.jp/</a>
				¥3,206 million	67%	
※ Mar 2001 (Consolidated)	¥14,558 million	¥654 million	¥606 million	¥195 million	¥6,188 million	¥2,801 million
4726 (OTC)	Jul 1999	¥1,533.33 (Retroactive Adjustment)	¥4,390	¥30,007 million		10 million shares
※ These figures are included in SOFTBANK CORP.'s consolidated results.						
B2B Technology Corporation*	Construction of B-to-B EC systems			Apr 2000	Chuo Ward, Tokyo	<a href="http://www.b2btech.co.jp/">http://www.b2btech.co.jp/</a>
				—	32%	
EC Factory.com., Inc.*	EC application service provider			Jan 2000	Chuo Ward, Tokyo	<a href="http://www.ecfactory.com/">http://www.ecfactory.com/</a>
				¥294 million	49%	
e-Commerce Technology corp.*	Comprehensive construction of EC systems			Jun 2000	Chuo Ward, Tokyo	<a href="http://www.ectech.co.jp/">http://www.ectech.co.jp/</a>
				—	33%	
E-Cosmos, Inc.*	EC systems construction for finance and mobile communications sectors			Jan 2000	Chiyoda Ward, Tokyo	<a href="http://www.e-cosmos.co.jp/">http://www.e-cosmos.co.jp/</a>
				—	33%	
i2ts, inc.*	Internet system management support service			Sep 1999	Minato Ward, Tokyo	<a href="http://www.i2ts.com/">http://www.i2ts.com/</a>
				¥198 million	31%	
USTC E-BUSINESS TECHNOLOGY CO., LTD.*	Comprehensive construction of EC systems in China			Nov 2000	China	—
				¥125 million	32%	

Company name	Type of business			Date established* <sup>1</sup>	Location	URL
				SB's cost basis* <sup>2</sup>	SB's ownership* <sup>3</sup>	
Most recent fiscal year-end	Revenues	Operating income	Ordinary income	Net income	Total assets	Shareholders' equity
Stock code	Date of IPO	Public offering price	Share price as of March 30, 2001	SB portion's market cap. as of March 30, 2001	Number of shares outstanding	

\*<sup>1</sup> May represent the date on which the business was launched.

\*<sup>2</sup> The following are not included: investments in operation holding, holding, and fund-related companies, investments by operating companies into affiliated companies, and investments by funds, etc. SB's cost basis is based on the respective SB's economic ownership ratio.

\*<sup>3</sup> SB's ownership refers to the ratio of economic ownership, but some fund-related companies and consolidated partnerships are not included. Figures are rounded to the nearest whole number.

No mark	Consolidated subsidiaries
*	Equity-method non-consolidated subsidiaries and affiliates
**	Other securities, etc.
***	Consolidated partnerships
****	Equity-method partnerships
#	Joined SB Group after April 1, 2001 (in most cases, as of March 31, 2001)

## Internet Infrastructure Segment

4 consolidated subsidiaries,  
2 equity-method non-consolidated subsidiaries and affiliates

SOFTBANK Networks Inc.	Operation holding company of Internet Infrastructure segment	Feb 2000	Minato Ward, Tokyo	http://www.softbank-net.com/
		—	100%	
IP REVOLUTION, INC.	Internet access services using fiber optic technology	Apr 2000	Minato Ward, Tokyo	http://www.iprevolution.ne.jp/
		¥1,000 million	100%	
Internet Facilities Inc.	Web and e-mail hosting and housing services	Feb 2001	Minato Ward, Tokyo	http://www.internetfacilities.co.jp/
		¥100 million	100%	
TeraPlanet Inc.	International Internet access services	Feb 2001	Minato Ward, Tokyo	http://www.teraplanet.co.jp/
		¥100 million	100%	
GlobalCenter Japan Corp.*	Data center businesses	Feb 2000	Minato Ward, Tokyo	http://www.globalcenter.co.jp/
		¥723 million	38%	
SpeedNet Inc.*	Internet access services using wireless technology	Sep 1999	Minato Ward, Tokyo	http://www.speednet.co.jp/
		¥839 million	※ 34%	

※ The ownership ratio has been changed to 10%.

Asia Global Crossing Ltd.**	Construction and management of submarine fiber optic cable systems			Sep 1999	Hamilton, Bermuda	http://www.asiaglobalcrossing.com/
				US\$335 million	15%	
Dec 2000 (Consolidated)	US\$153 million	US\$(89) million	—	US\$(146) million	US\$3,632 million	US\$1,763 million
AGCX (Nasdaq US)	Oct 2000	US\$7.00	US\$5.0625	US\$424 million		555 million shares



## Overseas Funds Segment

39 consolidated subsidiaries,  
49 equity-method non-consolidated subsidiaries and affiliates

SB CHINA HOLDINGS PTE LTD	Holding company; managing company for China-based operations	Jan 2000	Shanghai, China	http://www.sbcvc.com/	
		—	90%		
SB Life Science Pte Ltd	Managing company for investment in life sciences	Feb 2001	Singapore	—	
		—	100%		
SB Sweden AB	Holding company	Oct 1999	Sweden	—	
		—	100%		
SOFTBANK Capital Partners Investment Inc.	Holding company	Jun 1999	Massachusetts, U.S.A.	http://www.sbcap.com/	
		—	100%		
SOFTBANK Emerging Markets Ltd.	Venture capital operations	Sep 2000	California, U.S.A.	http://www.softbank.com/	
		—	75%		
SOFTBANK Technology Ventures V Investment Inc.	Holding company	Jun 1999	Massachusetts, U.S.A.	http://www.softbank.com/	
		—	100%		
@viso Limited*	Joint venture with Vivendi	Nov 1999	U.K.	http://www.atviso.com/	
		—	50%		
Alibaba.com Corporation*	B-to-B marketplace	Jun 1999	Hong Kong	http://www.alibaba.com/	
		US\$16 million	27%		
B2SB Technologies Corp.*	Infrastructure supplier to small companies	Jan 1998	California, U.S.A.	http://www.b2sb.com/	
		—	—		
Buy.com, Inc.*	Management of on-line shopping site	Jun 1997	California, U.S.A.	http://www.buy.com/	
		US\$70 million	8%		
BUYX (Nasdaq US)	Feb 2000	US\$13.00	US\$0.25	US\$2 million	136 million shares
Global Sports, Inc.*	Electronic trading of sports goods	Dec 1998	Pennsylvania, U.S.A.	http://www.globalsports.com/	
		—	—		
GSPT (Nasdaq US)	1987	—	US\$3.125	—	31 million shares
Law.com, Inc.*	Provision of legal application solutions	Dec 1998	California, U.S.A.	http://www.law.com/	
		—	—		
mySMART Solutions, Inc.*	Internet navigation technology	Aug 1999	California, U.S.A.	http://www.mysmart.com/	
		—	—		
National Leisure Group, Inc.*	Travel agency	Jan 1995	Massachusetts, U.S.A.	http://www.nlg.com/	
		—	—		

Company name	Type of business			Date established* <sup>1</sup>	Location	URL
				SB's cost basis* <sup>2</sup>	SB's ownership* <sup>3</sup>	
Most recent fiscal year-end	Revenues	Operating income	Ordinary income	Net income	Total assets	Shareholders' equity
Stock code	Date of IPO	Public offering price	Share price as of March 30, 2001	SB portion's market cap. as of March 30, 2001	Number of shares outstanding	

- No mark Consolidated subsidiaries
- \* Equity-method non-consolidated subsidiaries and affiliates
- \*\* Other securities, etc.
- \*\*\* Consolidated partnerships
- \*\*\*\* Equity-method partnerships
- # Joined SB Group after April 1, 2001 (in most cases, as of March 31, 2001)

\*<sup>1</sup> May represent the date on which the business was launched.  
<sup>2</sup> The following are not included: investments in operation holding, holding, and fund-related companies, investments by operating companies into affiliated companies, and investments by funds, etc. SB's cost basis is based on the respective SB's economic ownership ratio.  
<sup>3</sup> SB's ownership refers to the ratio of economic ownership, but some fund-related companies and consolidated partnerships are not included. Figures are rounded to the nearest whole number.

Odimo Incorporated*	On-line sales of diamonds			Jul 1998	Florida, U.S.A.	http://www.diamond.com/
				—	—	
PeoplePC, Inc.*	Total PC services for club members			Mar 1999	California, U.S.A.	http://www.peoplepc.com/
				—	—	
PEOP (Nasdaq US)	Aug 2000	US\$10.00	US\$0.3438	—	—	115 million shares
Seed Capital Partners II LLC*	Fund			Nov 2000	New York, U.S.A.	http://www.seedcp.com/
				—	—	
Seed Capital Partners LLC*	Fund			Aug 1999	New York, U.S.A.	http://www.seedcp.com/
				—	—	
Webhire, Inc.*	On-line recruitment solutions provider			Feb 1982	Massachusetts, U.S.A.	http://www.webhire.com/
				US\$0.5 million	2%	
HIRE (Nasdaq US)	Jul 1996	US\$11.00	US\$0.8125	US\$0.4 million	—	23 million shares
SOFTBANK Capital LP***	Fund			Jun 2000	Massachusetts, U.S.A.	http://www.sbcap.com/
				—	—	
SOFTBANK Europe Capital LP***	Fund			Sep 2000	Massachusetts, U.S.A.	http://www.softbank.com/
				—	—	
Softbank Latin America Ventures LP***	Fund			Apr 2000	Massachusetts, U.S.A.	http://www.softbank.com/
				—	—	
SOFTBANK Technology Ventures IV L.P.****	Fund			Nov 1997	California, U.S.A.	http://www.sbvc.com/
				—	—	
SOFTBANK Technology Ventures V L.P.****	Fund			Jul 1999	California, U.S.A.	http://www.sbvc.com/
				—	—	

## Others Segment

22 consolidated subsidiaries,  
13 equity-method non-consolidated subsidiaries and affiliates

AtWork Corporation	Administrative, personnel, and technological services			Apr 1999	Chuo Ward, Tokyo	http://www.atwork.co.jp/
				¥90 million	100%	
SB Holdings (Europe) Ltd.	Holding company			Dec 1995	London, U.K.	—
				—	100%	
SBIS CORPORATION PTE LTD	Holding and managing company of SOFTBANK AGCH Holdings Ltd.			Nov 1999	Singapore	—
				—	100%	
SOFTBANK America Inc.	Holding company			Dec 1998	Delaware, U.S.A.	—
				—	100%	
SOFTBANK Holdings Inc.	Operation holding company			Mar 1994	Massachusetts, U.S.A.	http://www.softbank.com/
				—	100%	
SOFTBANK Inc.	Managing company for overseas operations			Jun 1999	Massachusetts, U.S.A.	http://www.softbank.com/
				—	100%	
SOFTBANK Korea Co., Ltd.	Managing company for operations in South Korea and wholesales and marketing of IT products			Feb 1991	Seoul, South Korea	http://www.softbank.co.kr/
				¥18,393 million	80%	
SOFTBANK Ventures Korea Inc.	Venture capital operations			Feb 2000	Seoul, South Korea	http://www.softbank.co.kr/
				—	80%	
Aozora Bank, Ltd.*	Banking business			Apr 1957	Chiyoda Ward, Tokyo	http://www.aozorabank.co.jp/
				¥50,765 million	49%	
Mar 2001 (Consolidated)	¥275,730 million	—	¥99,116 million	¥98,331 million	¥6,163,766 million	¥460,876 million
Nasdaq Japan, Inc.*	IPO support			Jun 1999	Minato Ward, Tokyo	http://www.nasdaq-japan.com/
				¥300 million	43%	
Nasdaq Europe Planning Company Limited*	Nasdaq Europe planning company			Jan 2000	London, U.K.	—
				¥1,093 million	25%	
UTStarcom, Inc.*	Manufacturer of IP networks and wireless equipment			1991	California, U.S.A.	http://www.utstar.com/
				US\$161 million	47%	
Dec 2000 (Consolidated)	US\$368 million	US\$33 million	—	US\$27 million	US\$591 million	US\$412 million
UTSI (Nasdaq US)	Mar 2000	US\$18.00	US\$16.625	US\$742 million		95 million shares
SB Thrunet Fund, L.P.***	Holding company of Korea Thrunet Co., Ltd.			Dec 2000	Delaware, U.S.A.	—
				—	100%	

## Company Outline

### Corporate Headquarters

SOFTBANK CORP.  
24-1, Nihonbashi-Hakozakicho, Chuo-ku,  
Tokyo 103-8501, Japan

### Founded

September 3, 1981

### Paid-in Capital

¥137,630,118,003  
(As of March 31, 2001)

### Stock Exchange Registration

Tokyo Stock Exchange, First Section

### Annual Meeting

June

## Stock Information (As of March 31, 2001)

### Stock Information

Shares Authorized	1,200,000,000 shares
Shares Issued	336,678,179 shares
Number of Shareholders	237,204

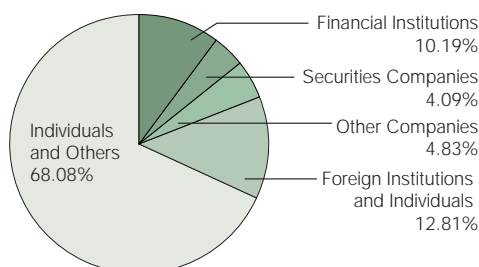
### Principal Shareholders

Name	Number of Shares Held (Thousands)	Percentage of Total Shares Issued (%)
Masayoshi Son	125,126	37.16
Cedel International (Standing proxy: The Industrial Bank of Japan, Limited)	6,463	1.91
Japan Trustee Services Bank, Ltd.	6,095	1.81
Son Ventures Hosho, Inc.	5,779	1.71
THE TOYO TRUST & BANKING CO., LTD.	5,174	1.53
The Mitsubishi Trust and Banking Corporation	4,655	1.38
The Chuo Mitsui Trust and Banking Company, Limited	4,555	1.35
Son Holdings Inc	3,579	1.06
Mizuho Trust & Banking Co., Ltd.	2,791	0.82
State Street Bank and Trust Company (Standing proxy: THE FUJI BANK, LIMITED, Fuji Kabuto Custody & Proxy)	2,267	0.67

Note: The above table includes shares held as part of trust operations as follows:

Japan Trustee Services Bank, Ltd.	5,293 thousand shares
THE TOYO TRUST & BANKING CO., LTD.	4,555 thousand shares
The Mitsubishi Trust and Banking Corporation	4,481 thousand shares
The Chuo Mitsui Trust and Banking Company, Limited	4,487 thousand shares
Mizuho Trust & Banking Co., Ltd.	2,688 thousand shares

### Breakdown of Shareholders



## Directors and Corporate Auditors (As of June 21, 2001)

### President and Chief Executive Officer, SOFTBANK CORP.

Masayoshi Son

### Directors

Yoshitaka Kitao

(President & CEO, SOFTBANK FINANCE CORPORATION)

Ken Miyauchi

(President & CEO, SOFTBANK EC HOLDINGS CORP.)

Kazuhiko Kasai

Masahiro Inoue

(President & CEO, Yahoo Japan Corporation)

Ronald D. Fisher

(Vice Chairman, SOFTBANK Holdings Inc.)

Jun Murai, Ph.D.

(Professor, Faculty of Environmental Information,  
KEIO University)

Toshifumi Suzuki

(President & CEO, Ito-Yokado Co., Ltd.)  
(Chairman & CEO, Seven-Eleven Japan Co., Ltd.)

Tadashi Yanai

(President & CEO, FAST RETAILING CO., LTD.)

Mark Schwartz

(Chairman, Goldman Sachs (Asia))

### Corporate Auditors

Mitsuo Sano

(Full-time Corporate Auditor, SOFTBANK CORP.)

Yasuharu Nagashima

(Attorney)

Saburo Kobayashi

(Full-time Corporate Auditor, HEIWA Corporation)

Hidekazu Kubokawa

(Certified Public Accountant, Certified Tax Accountant)

Note: Corporate auditors Yasuharu Nagashima, Saburo Kobayashi, and Hidekazu Kubokawa are outside corporate auditors appointed under Article 18, Section 1, of the Commercial Code of Japan.

# Major Group Companies

## Domestic

### **SOFTBANK CORP.**

<http://www.softbank.co.jp/>  
24-1, Nihonbashi-Hakozakicho, Chuo-ku,  
Tokyo 103-8501, Japan

### **SOFTBANK EC HOLDINGS CORP.**

(SOFTBANK E-COMMERCE CORP. renamed to SOFTBANK EC HOLDINGS CORP. as of July 1, 2001)  
<http://www.softbankec.co.jp/>  
24-1, Nihonbashi-Hakozakicho, Chuo-ku,  
Tokyo 103-8501, Japan

### **SOFTBANK FINANCE CORPORATION**

<http://www.sbfinance.co.jp/>  
NTF Takebashi Building, 8th Floor,  
3-15, Kanda-Nishikicho, Chiyoda-ku,  
Tokyo 101-0054, Japan

### **SOFTBANK Media & Marketing Corp.**

<http://www.softbankmm.co.jp/>  
4-13-13, Akasaka, Minato-ku,  
Tokyo 107-0052, Japan

### **SOFTBANK Broadmedia Corporation**

<http://www.broadmedia.co.jp/>  
24-1, Nihonbashi-Hakozakicho, Chuo-ku,  
Tokyo 103-0015, Japan

### **SOFTBANK Networks Inc.**

<http://www.softbank-net.com/>  
Oak Minami-Azabu Building,  
3-19-23, Minami-Azabu, Minato-ku,  
Tokyo 106-0047, Japan

### **SOFTBANK TECHNOLOGY CORP.**

<http://www.tech.softbank.co.jp/>  
24-1, Nihonbashi-Hakozakicho, Chuo-ku,  
Tokyo 103-0015, Japan

### **Yahoo Japan Corporation**

<http://www.yahoo.co.jp/>  
3-6-7, Kita Aoyama, Minato-ku,  
Tokyo 107-0061, Japan

## Overseas

### **SOFTBANK Inc.**

<http://www.softbank.com/>  
1188 Centre Street,  
Newton Center, MA 02459, U.S.A.

### **SOFTBANK Venture Capital**

<http://www.sbvc.com/>  
200 W. Evelyn Street, Suite 200,  
Mountain View, CA 94043, U.S.A.

### **SOFTBANK International Ventures**

<http://www.softbank.com/>  
28 East 28th Street, 15th Floor,  
New York, NY 10016, U.S.A.

### **SOFTBANK Korea Co., Ltd.**

<http://www.softbank.co.kr/>  
Shinan Bldg., 12th Floor,  
943-19 Daechi-dong, Kangnam-gu,  
Seoul 135-280,  
Republic of Korea

### **SB CHINA HOLDINGS PTE LTD**

<http://www.sbcvc.com/>  
Zhao Feng World Trade Building, 28th Floor,  
369 Jiangsu Road, Shanghai 200050, P.R.C.

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