

eAccess Ltd.

Renamed to Ymobile Corporation effective to July 1

RESULTS OF OPERATIONS AND FINANCIAL STATEMENTS

**AS OF AND FOR THE THREE MONTHS ENDED
JUNE 30, 2014**

Solely for your convenience, this document contains translations of certain Japanese yen amounts into U.S. dollar amounts. Unless indicated otherwise, the Japanese yen amounts in this document were converted into U.S. dollars at the exchange rate of \$1.00 = ¥101.28, the exchange rate in effect as of June 30, 2014, as set forth in the H.10 weekly statistical release of the Board of Governors of the Federal Reserve System of the United States. The translations into U.S. dollars set forth herein are for convenience only and are not audited. No representation is made that the Japanese yen amounts have been, could have been or could be converted into U.S. dollars at such rates or any other rate.

1. Qualitative Information regarding Settlement of Accounts from April 1, 2014, to June 30, 2014

eAccess Ltd. (“eAccess”) and WILLCOM, Inc. (“WILLCOM”) entered into a merger agreement on February 21, 2014 under which eAccess would become the surviving company and WILLCOM would become the merged company through an absorption merger (“the Merger”). The merger between the companies was completed as scheduled on June 1, 2014 and surviving eAccess has changed its company name to Ymobile Corporation (“Ymobile”) effective July 1, 2014. Thus, new Ymobile’s operating results for this quarter included those of WILLCOM for June one month on top of the former eAccess results for the three months ended June 30, 2014.

Ymobile accommodates more than 10 million subscribers in broadband communication services, the sum of approximately 5.2 million eAccess subscribers and approximately 5.7 million WILLCOM subscribers. Taking advantage of this large customer base and combined business resources, Ymobile intends to seek opportunities for growth in the rapidly expanding smartphone market.

Ymobile’s revenue for the three months ended June 30, 2014 increased by 21.2% year on year to ¥61,630 million. On the other hand, operating profit decreased by 47.2% year on year to ¥4,772 million, and recurring profit decreased by 54.4% year on year to ¥2,950 million after recording non-operating loss of ¥1,822 million, net of non-operating income and expenses. After consideration of deferred tax accounting, net income increased to ¥6,654 million.

Operating results by segment for are as follows.

(¥ in millions)

| | Three months ended June 30, 2014 | |
|---------------------|----------------------------------|--------------------------------------|
| | Revenue | Segment profit (operating profit) |
| Mobile Business | 55,944 | 3,114 |
| Fixed Line Business | 5,686 | 1,658 |
| Total | 61,630 | 4,772 |

In the Mobile Business, Ymobile has accumulated total number of subscribers of 10,003

thousand as of June 30, 2014, up 5,660 thousand, or 130.3%, from June 30, 2013 according to the Merger. Revenue of Mobile Business for the period was ¥55,944 million, up 40.7% year on year, at the same time its segment profit (operating profit) was ¥3,114 million, down 55.2% year on year. This was primarily the result of increase in network costs, marketing and advertising expenses as well as depreciation expenses which included the merger accounting effects.

In the Fixed Line Business, the accumulated total number of ADSL subscribers has been shrinking to 861 thousand, down by 22.6% year on year as of June 30, 2014, mainly due to the penetration of high-speed mobile broadband services such as LTE. As a result, revenue for the period continued to decline by 22.1% year on year to ¥5,686 million and its segment profit (operating profit) declined by 20.5% year on year to ¥1,658 million.

2. Financial Statements

(1) Balance Sheets

(As of March 31, 2014 and June 30, 2014)

| | (¥ in millions) | | (\$ in thousands) | |
|---------------------------|--|---|-------------------|--|
| | Prior Year End (As of March 31, 2014) | Current 1st-qr End (As of June 30, 2014) | | |
| (ASSETS) | | | | |
| Current assets | | | | |
| Cash and cash equivalents | 4,288 | 12,249 | 120,942 | |
| Accounts receivable-trade | 46,715 | 93,434 | 922,532 | |
| Accounts receivable-other | 1,131 | 13,673 | 135,002 | |
| Inventories | 3,512 | 8,167 | 80,638 | |
| Deferred tax asset | 1,472 | 3,468 | 34,242 | |
| Other current assets | 7,024 | 14,099 | 139,208 | |
| Allowance for bad debt | (2,912) | (3,278) | (32,366) | |
| Total current assets | 61,229 | 141,811 | 1,400,188 | |
| Fixed assets | | | | |
| Tangible fixed assets | 149,922 | 199,224 | 1,967,062 | |
| Intangible fixed assets | 42,202 | 133,538 | 1,318,503 | |
| Fixed assets-other | 33,398 | 41,651 | 411,246 | |
| Deferred tax asset | 9,670 | 15,760 | 155,608 | |
| Allowance for bad debt | (102) | (5,883) | (58,086) | |
| Total fixed assets | 235,091 | 384,291 | 3,794,342 | |
| Deferred assets | 566 | 531 | 5,243 | |
| TOTAL ASSETS | 296,887 | 526,633 | 5,199,773 | |

Balance Sheets (Continued)

(As of March 31, 2014 and June 30, 2014)

| | (¥ in millions) | | (\$ in thousands) |
|--|--|---|-------------------|
| | Prior Year End (As of March 31, 2014) | Current 1st-qr End (As of June 30, 2014) | |
| (LIABILITIES) | | | |
| Current liabilities | | | |
| Accounts payable-trade | 3,040 | 11,041 | 109,015 |
| Short-term debt | 64,000 | 155,000 | 1,530,411 |
| Current portion of installment obligations | 10,835 | 8,586 | 84,775 |
| Other accounts payable and accrued expenses | 42,838 | 44,788 | 442,220 |
| Other current liabilities | 3,738 | 31,561 | 311,621 |
| Total current liabilities | 124,453 | 250,975 | 2,478,031 |
| Long-term liabilities | | | |
| Bonds | 71,517 | 70,195 | 693,079 |
| Lease obligations, less current portion | - | 5,722 | 56,497 |
| Installment obligation, less current portion | 13,719 | 12,555 | 123,963 |
| Other long-term liabilities | 1,663 | 18,470 | 182,366 |
| Total long-term liabilities | 86,899 | 106,943 | 1,055,914 |
| TOTAL LIABILITIES | 211,352 | 357,919 | 3,533,955 |
| (EQUITY) | | | |
| Shareholders' equity | | | |
| Capital stock | 43,286 | 43,286 | 427,389 |
| Capital surplus | 74,034 | 150,591 | 1,486,878 |
| Retained earnings(loss) | (31,903) | (25,249) | (249,299) |
| Total shareholders' equity | 85,417 | 168,628 | 1,664,968 |
| Valuation and translation adjustments | 117 | 86 | 849 |
| TOTAL EQUITY | 85,535 | 168,714 | 1,665,818 |
| TOTAL LIABILITIES AND EQUITY | 296,887 | 526,633 | 5,199,773 |

(2) Statement of Operations

(For the three months ended June 30, 2013 and 2014)

| | Prior 1st-qt (Three months ended June 30, 2013) | Current 1st-qt (Three months ended June 30, 2014) | |
|---|---|--|-------------------|
| | | (¥ in millions) | (\$ in thousands) |
| Revenue | 50,862 | 61,630 | 608,511 |
| Cost of revenue | 19,329 | 31,140 | 307,464 |
| Gross profit | 31,533 | 30,490 | 301,047 |
| Selling, general and administrative expenses | 22,504 | 25,719 | 253,940 |
| Operating profit | 9,030 | 4,772 | 47,117 |
| Non-operating income | 3,897 | 1,503 | 14,840.05 |
| Non-operating expenses | 6,453 | 3,325 | 32,830 |
| Recurring profit | 6,474 | 2,950 | 29,127 |
| Non-recurring profit | 1,404 | 1 | 10 |
| Non-recurring loss | 2 | - | - |
| Income before income taxes | 7,876 | 2,950 | 29,127 |
| Income tax expense | 1,230 | (3,705) | (36,582) |
| Net income | 6,646 | 6,654 | 65,699 |

(3) Statement of Cash Flows

(For the three months ended June 30, 2013 and 2014)

| | Prior 1st-qr (Three months ended June 30, 2013) | (¥ in millions) (\$ in thousands) | |
|---|---|--|-----------|
| | | Current 1st-qr (Three months ended June 30, 2014) | |
| Cash flows from operating activities | | | |
| Income before income taxes | 7,876 | 2,950 | 29,123 |
| Depreciation and amortization | 6,987 | 9,418 | 92,989 |
| Decrease (increase) in working capital | (2,870) | 5,595 | 55,247 |
| Interest paid | (1,375) | (569) | (5,619) |
| Income taxes paid | (4,430) | (128) | (1,265) |
| Net cash provided by operating activities | 6,188 | 17,266 | 170,474 |
| Cash flows from investing activities | | | |
| Purchase of tangible fixed assets | (10,994) | (2,404) | (23,736) |
| Purchase of intangible fixed assets | (4,327) | (10,909) | (107,715) |
| Outlay of long-term prepaid expense | (367) | 309 | 3,052 |
| Others | 6,482 | 130 | 1,287 |
| Net cash provided by (used in) investing activities | (9,207) | (12,874) | (127,112) |
| Cash flows from financing activities | | | |
| Repayments of capital lease obligations | (6) | (143) | (1,413) |
| Proceeds from sales of fixed assets and inventories for repurchase by installment payment | 5,367 | - | - |
| Repayments of installment obligations | (4,696) | (3,414) | (33,704) |
| Proceeds from short-term debt | - | 96,000 | 947,867 |
| Repayments of short-term debt | (6,300) | (94,000) | (928,120) |
| Proceeds from long-term debt | 6,737 | - | - |
| Repayments of long-term debt | (8,160) | - | - |
| Payments for arrangement of interest bearing debt | (195) | - | - |
| Proceeds from stock issuance, net | (172) | - | - |
| Dividends paid | (13) | (1) | (15) |
| Net cash provided by (used in) financing activities | (7,436) | (1,558) | (15,384) |
| Valuation adjustments in cash and cash equivalents | - | (0) | (0) |
| Net change in cash and cash equivalents | (10,455) | 2,834 | 27,978 |
| Cash and cash equivalents at the beginning of the period | 70,841 | 4,288 | 42,339 |
| Increase in cash and cash equivalents resulting from merger | - | 5,128 | 50,628 |
| Cash and cash equivalents at the end of the period | 60,386 | 12,249 | 120,945 |

[Notes]

Items subject to consumption tax, etc. are recorded at amounts exclusive of consumption taxes, etc.

Quarterly Results for Fiscal Year 3/2015 Supplemental Financial Information

(in million yen)

| Fixed-line Business | Fiscal Year 3/2014 | | | | | Fiscal Year 3/2015 |
|-------------------------------------|-----------------------|------------------|--------------------|------------------|------------------------|-----------------------|
| | 1Q (4-6/2013) | 2Q (7-9/2013) | 3Q (10-12/2013) | 4Q (1-3/2014) | Full-year/ Year-end | 1Q (4-6/2014) |
| EBITDA | 2,486 | 2,429 | 2,192 | 1,581 | 8,688 | 1,999 |
| Capital expenditures | 91 | 138 | 146 | 141 | 517 | 47 |
| Net add subscribers (thousands) | -84 | -60 | -57 | -64 | -266 | -71 |
| Accumulated subscribers (thousands) | 1,113 | 1,053 | 996 | 931 | 931 | 861 |
| ARPU (yen/month) | 1,981 | 1,971 | 1,976 | 1,972 | 1,975 | 1,994 |
| Churn rate (%/month) | 2.59% | 1.97% | 1.96% | 2.37% | 2.22% | 2.73% |
| SAC (yen) | 7,500 | 7,500 | 6,200 | 7,100 | 7,100 | 7,000 |

Note: EBITDA=Operating profit + Depreciation and amortization

| Mobile Business | Fiscal Year 3/2014 | | | | | Fiscal Year 3/2015 |
|-------------------------------------|-----------------------|------------------|--------------------|------------------|------------------------|-----------------------|
| | 1Q (4-6/2013) | 2Q (7-9/2013) | 3Q (10-12/2013) | 4Q (1-3/2014) | Full-year/ Year-end | 1Q (4-6/2014) |
| EBITDA | 14,281 | 13,093 | 13,906 | 12,661 | 53,941 | 12,253 |
| Capital expenditures | 9,604 | 8,131 | 10,816 | 15,927 | 44,477 | 10,416 |
| Net add subscribers (thousands) | 25 | 72 | 82 | -32 | 147 | 5,538 |
| Accumulated subscribers (thousands) | 4,343 | 4,415 | 4,497 | 4,465 | 4,465 | 10,003 |
| ARPU (yen/month) | 2,360 | 2,330 | 2,290 | 2,290 | 2,320 | 1,740 |
| Churn rate (%/month) | 1.59% | 2.10% | 2.20% | 2.86% | 2.19% | 2.02% |
| SAC (yen) | 24,500 | 24,500 | 24,500 | 35,000 | 27,500 | 19,000 |

Note: EBITDA=Operating profit + Depreciation and amortization + Loss on inventory valuation + Depreciation included in R&D expenses + Material items of cash income in the non-operating profit & non-recurring profit

Note: SAC includes variable costs only (retroactively adjusted for FY3/2012)

Note: Churn rate includes churn due to device upgrades in resale channel from FY3/2014

Note: Service revenue and cost generated from Softbank Mobile MVNO are recognized as net sales from FY3/2014 as eAccess became a subsidiary of Softbank

Note: FY3/2015 figures include former WILLCOM business after merger on June 1.