

Earnings Results for the Three Months Ended June 30, 2021

SoftBank Corp.
August 4, 2021

Disclaimer

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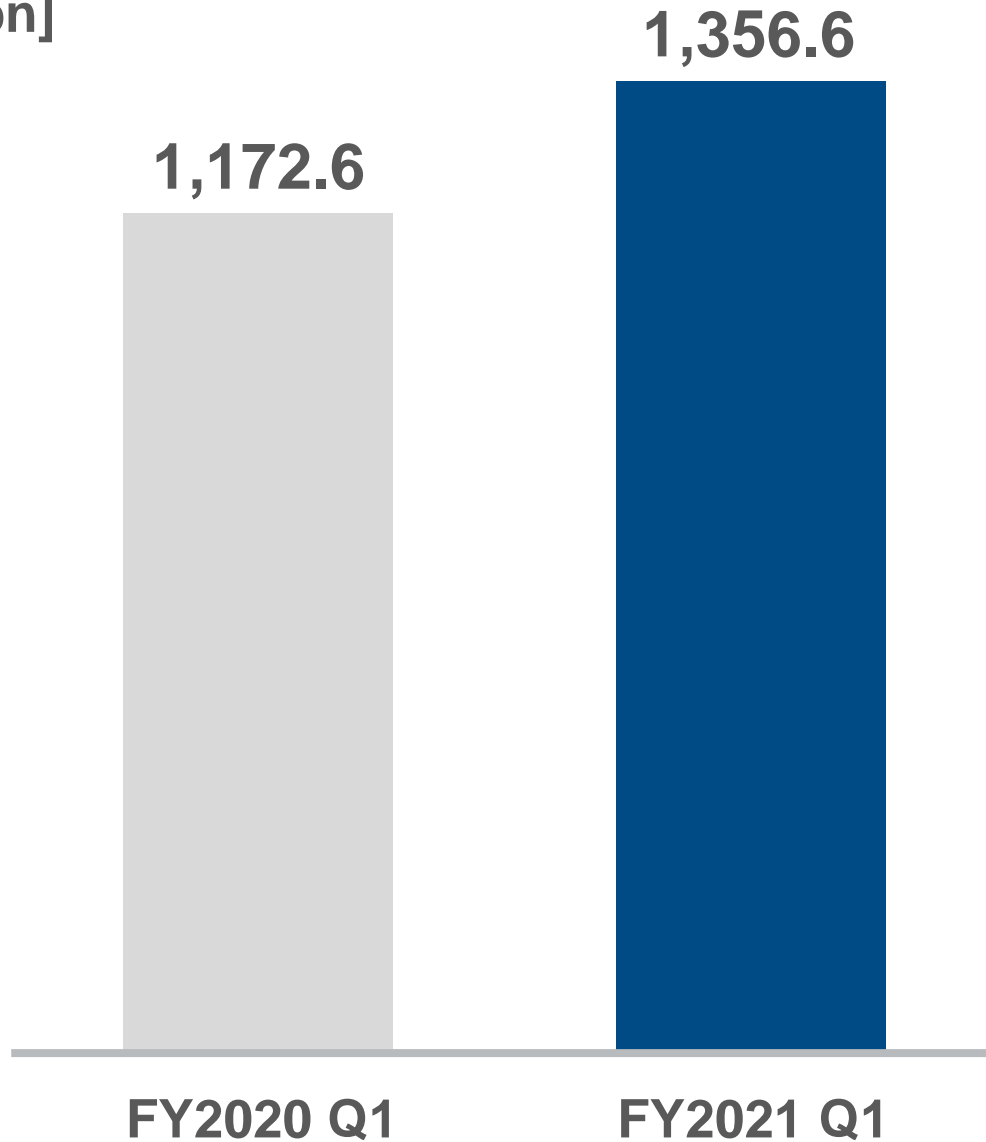
The Company encourages anyone interested in trading in its common stock to do so on the Tokyo Stock Exchange. The Company’s disclosures are not intended to facilitate trades in, and should not be relied on for decisions to trade, un-sponsored American Depositary Receipts (“ADRs”) representing the shares of its common stock. The Company has not and does not participate in, support, encourage, or otherwise consent to the creation of any un-sponsored ADR programs or the issuance or trading of any ADRs issued thereunder. The Company does not represent to any ADR holder, bank or depositary institution, nor should any such person or entity form the belief, that (i) the Company has any reporting obligations under the U.S. Securities Exchange Act of 1934 (the “Exchange Act”) or (ii) the Company’s website will contain on an ongoing basis all information necessary for the Company to maintain an exemption from registering its common stock under the Exchange Act pursuant to Rule 12g3-2(b) thereunder. To the maximum extent permitted by applicable law, the Company disclaims any responsibility or liability to ADR holders, banks, depositary institutions, or any other entities or individuals in connection with any un-sponsored ADRs representing its common stock.

Consolidated Results

Q1 Fiscal Year 2021

Revenue

[JPY bn]



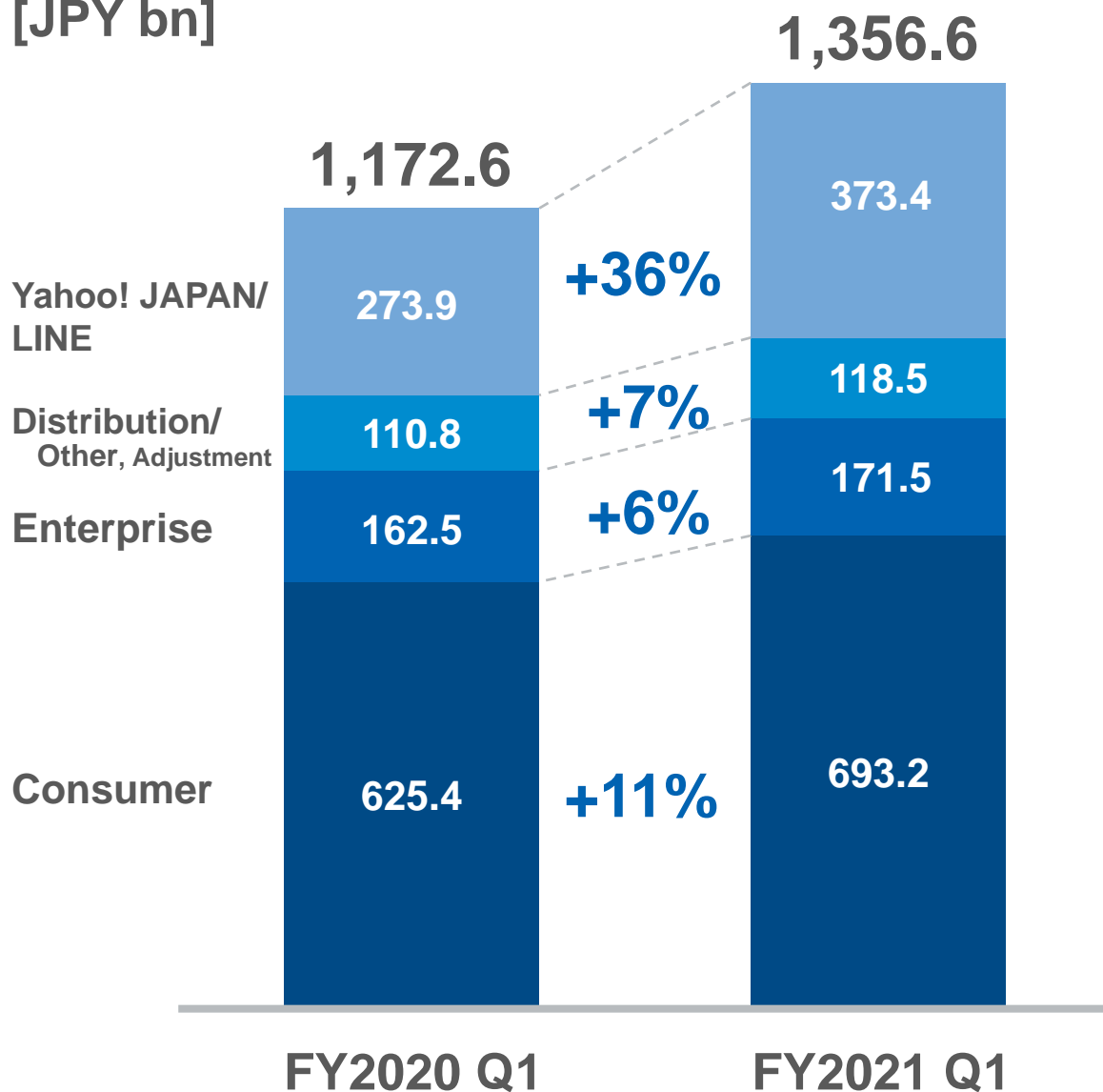
Up 16%

**Due to LINE consolidation and
mobile device sales recovery, etc.**

(Note) Unless otherwise stated, up or down refers to increase or decrease year on year in this document

Revenue by Segment

[JPY bn]



**Revenue increased
in all segments**

(Note) From FY2021, the segment name indicating Z Holdings Corporation (“ZHD”) businesses has been changed to “Yahoo! JAPAN/LINE”

Operating Income

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[JPY bn]

279.9

283.1

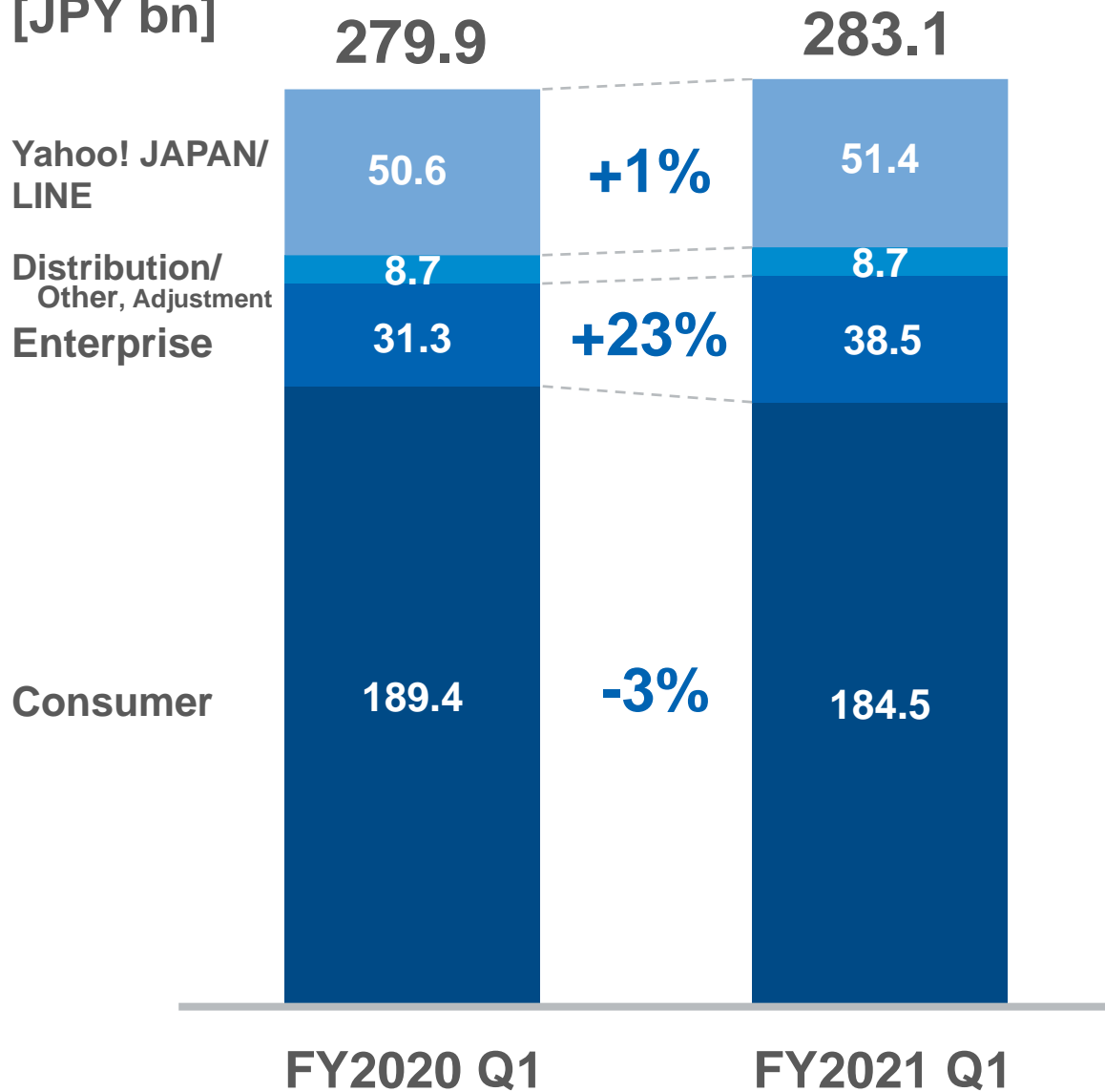
FY2020 Q1

FY2021 Q1

Up 1%

Operating Income by Segment

[JPY bn]



**Enterprise
Up 23%**

Net Income

SoftBank

[JPY bn]

152.1

151.0

FY2020 Q1

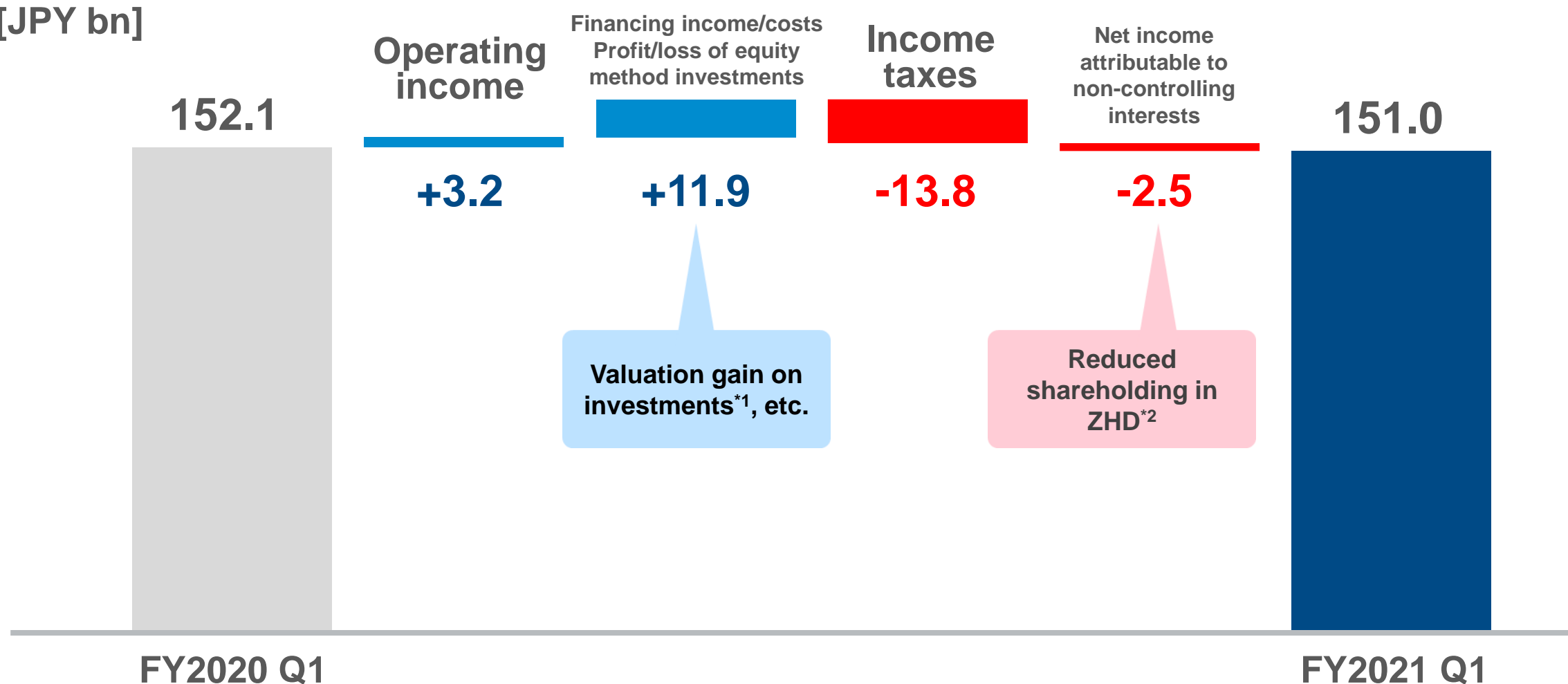
FY2021 Q1

Slight decline

Net Income: YoY Comparison

Financial income/cost improved while increased income taxes impacted negatively

[JPY bn]



(Notes) *1 Mainly due to income generated from financial products that are measured at fair value through profit or loss (FVTPL financial products). *2 Regarding net income attributable to non-controlling interests, our economic stake in ZHD was reduced from 44.6% to 32.6% due to the business integration of ZHD and LINE Corporation in March 2021

Consolidated Results Q1 FY2021

[JPY bn]

	FY2020 Q1	FY2021 Q1	YoY	YoY %
Revenue	1,172.6	1,356.6	+183.9	+16%
Operating Income	279.9	283.1	+3.2	+1%
Net Income	152.1	151.0	-1.2	-1%

Progress toward FY2021 Full-year Forecasts

[JPY bn]

	FY2021 Q1 Actual	FY2021 Full-year Forecast	Progress
Revenue	1,356.6	5,500.0	25%
Operating Income	283.1	975.0	29%
Net Income	151.0	500.0	30%

Progress toward Forecasts by Segment

[JPY bn]

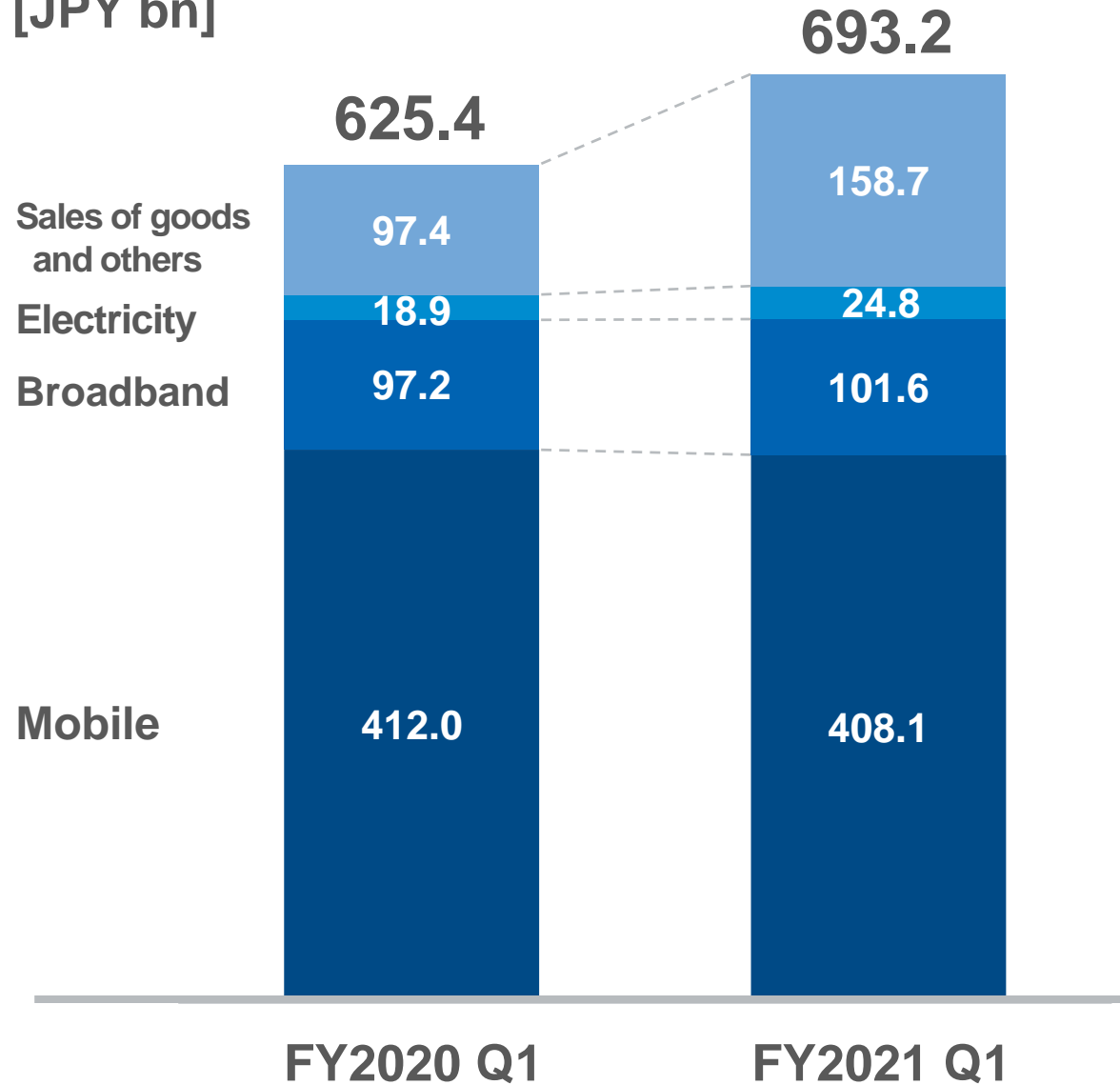
	FY2021 Q1 Actual	FY2021 Full-year Forecast	Progress
Consumer	184.5	642.0	29%
Enterprise	38.5	128.0	30%
Distribution	6.1	22.5	27%
Yahoo! JAPAN / LINE and others	53.9	182.5	30%
Total	283.1	975.0	29%

Consumer Business



Consumer: Revenue

[JPY bn]



Up 11%
**Due to mobile device
sales recovery**

Consumer: Operating Income

[JPY bn]

189.4

184.5

FY2020 Q1

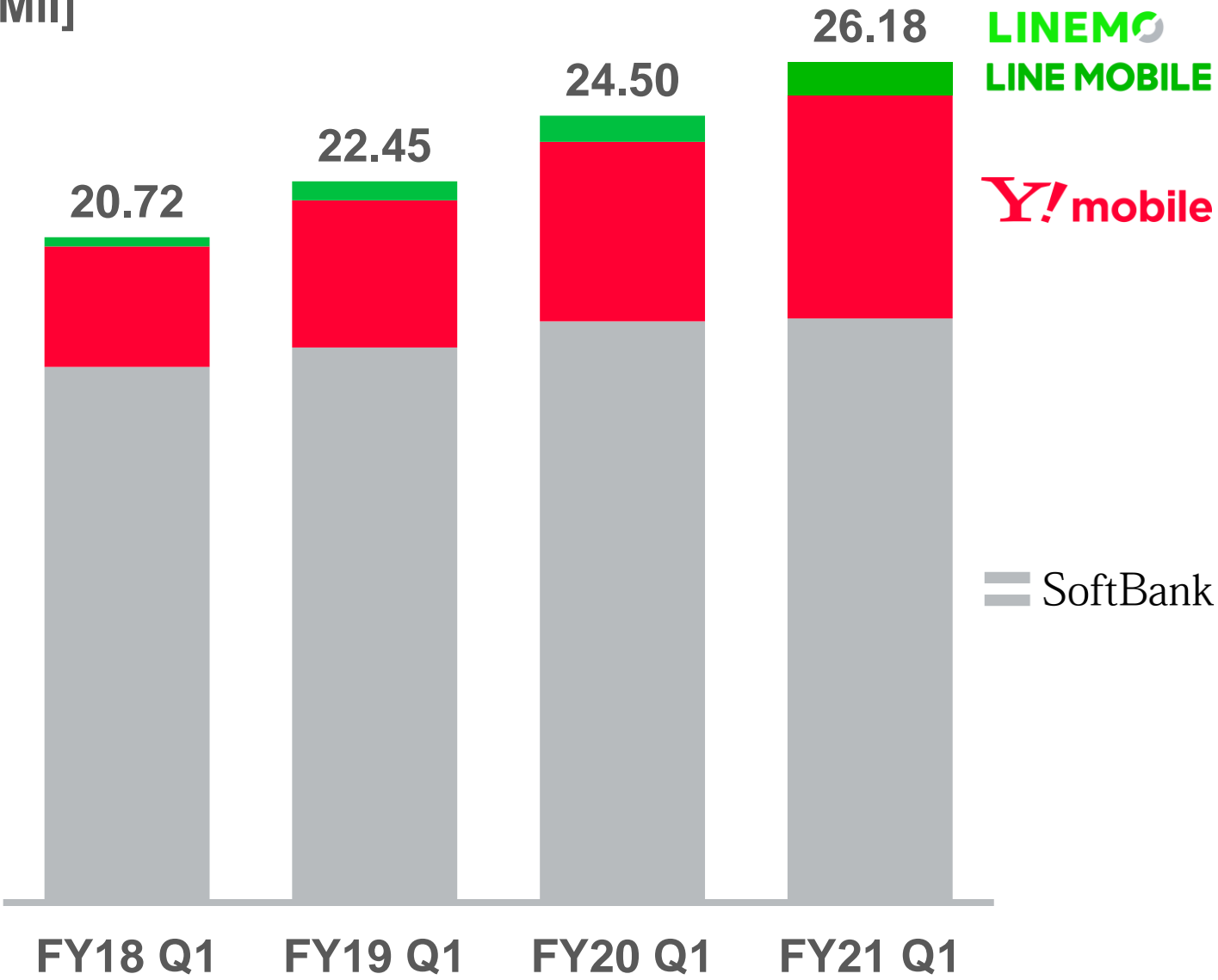
FY2021 Q1

Down 3%

**Due to mobile service
price reduction impact, etc.**

Smartphone Cumulative Subscribers

[Mil]

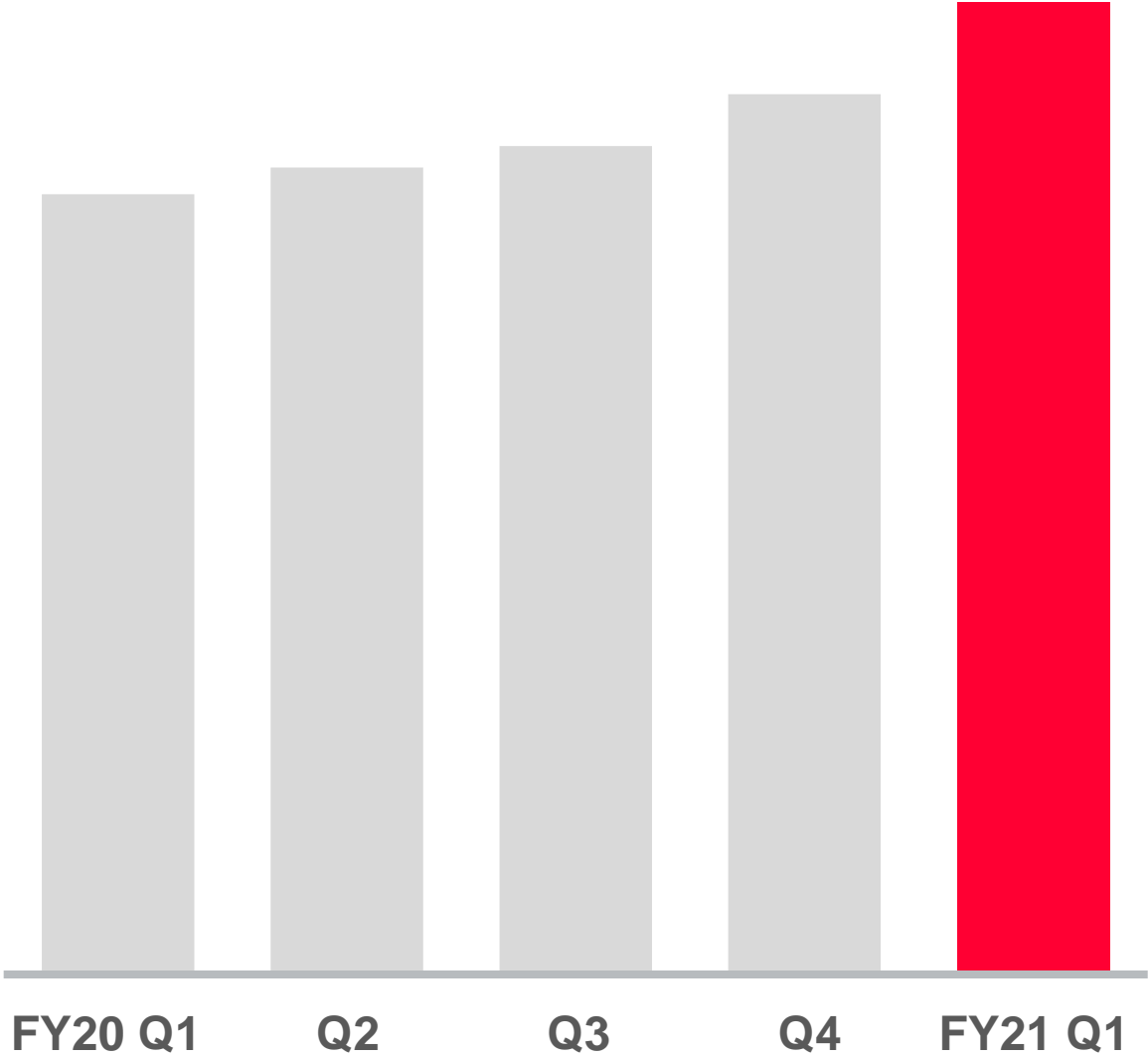


Up 7%

(Note) Including enterprise subscribers

Smartphone Cumulative Subscribers (Y!mobile)

[Mil]



Y!mobile

Up 10%
in 3 months (Q1 FY21)

Steady acquisition from other carriers
Migration from other brands within
the group (retention effect)

Introduced data carry-over feature to further enhance competitiveness

- 1 Data carry-over is now available^{*1}**
Unused data can be carried over to the next month

Eligible plans: Simple S/M/L

Application: not necessary, additional fee: free

- 2 Additional data capacity in updated option plans^{*2}**

■ Data increase options

Price plans	Simple S	Simple M	Simple L
Monthly data capacity (With option subscription)	Specified data capacity 3 GB 4GB ▶ 5GB	Specified data capacity 15 GB 18GB ▶ 20GB	Specified data capacity 25 GB 28GB ▶ 30GB

Eligible plans: Simple S/M/L

Application: necessary, monthly fee: JPY 550

* One year free if users subscribe to Data Increase Free Campaign 2

(^{*1}) The data amount carried over can be used until the end of the following month. Data that can be carried over is limited to the specified capacity and the amount of data increased by the data increase option, not the amount of data purchased by applying to restore normal speed. There is a limit to the amount of data that can be carried over. For details, please refer to the website. (^{*2}) If subscription and application are after Aug 18, 2021, the options are effective from the month of the application. If the subscription is before Aug 17, 2021, the options will be effective from Sep 1, 2021. For individual customers who subscribe to the data increase option (550 yen/month) for the first time, the monthly amount of the option will be free for 12 months from the month following the subscription. In addition, the first month of the option will be free of charge for the month of subscription

Introduced a new plan to meet small data capacity needs

Two plans to choose from

LINEMO is an online exclusive brand

NEW

Mini plan

Monthly charge

JPY 900
(excluding tax)



Smartphone plan

Monthly charge



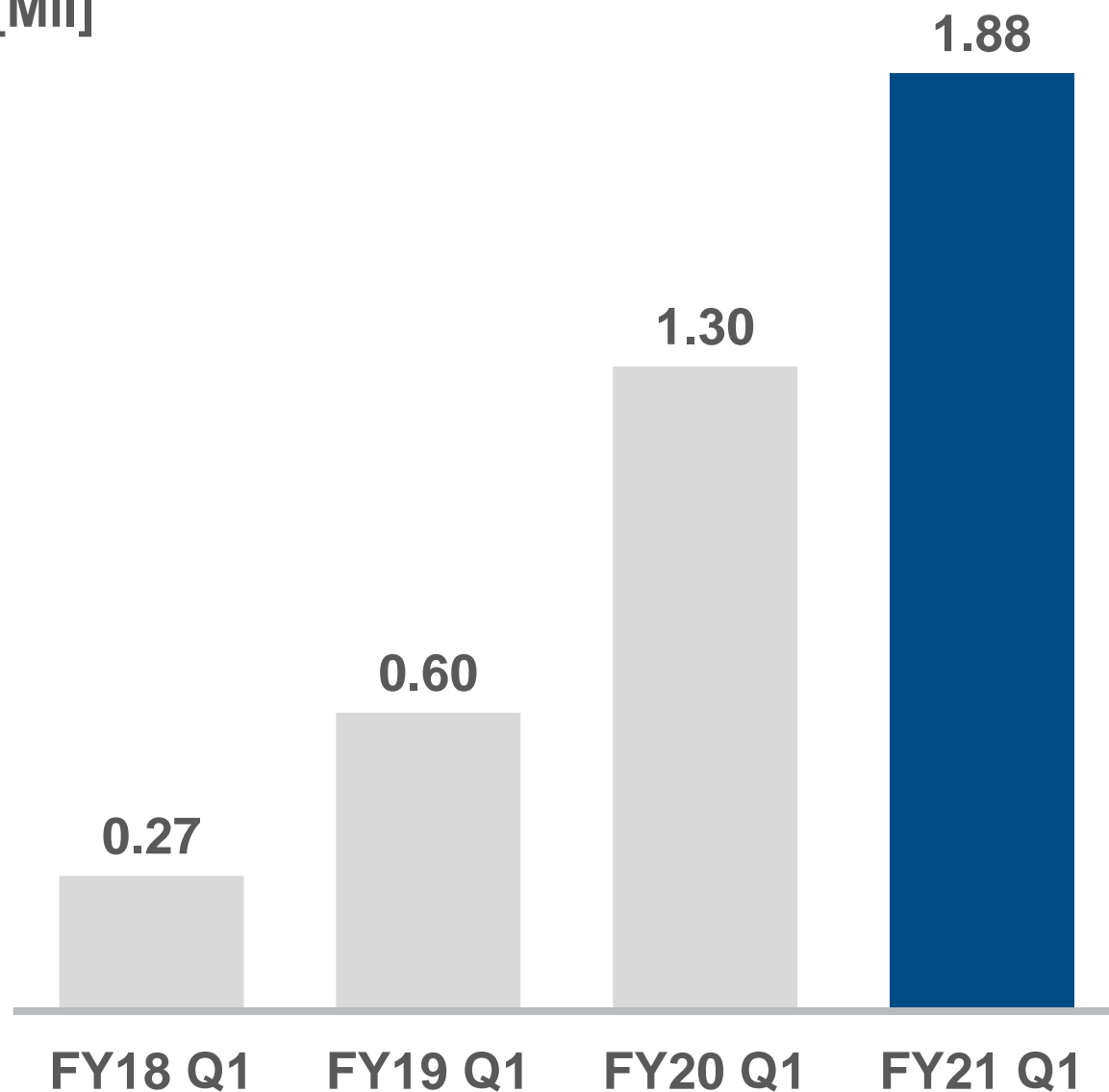
JPY 2,480
(excluding tax)

(Note) Speed limit may be applied depending on the time of day. Voice call is usage based (22 yen per second).
Rate may be different with certain phone numbers such as Navi-Dial (number starting from 0570)

Electricity Cumulative Subscribers

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[Mil]



Up 45%

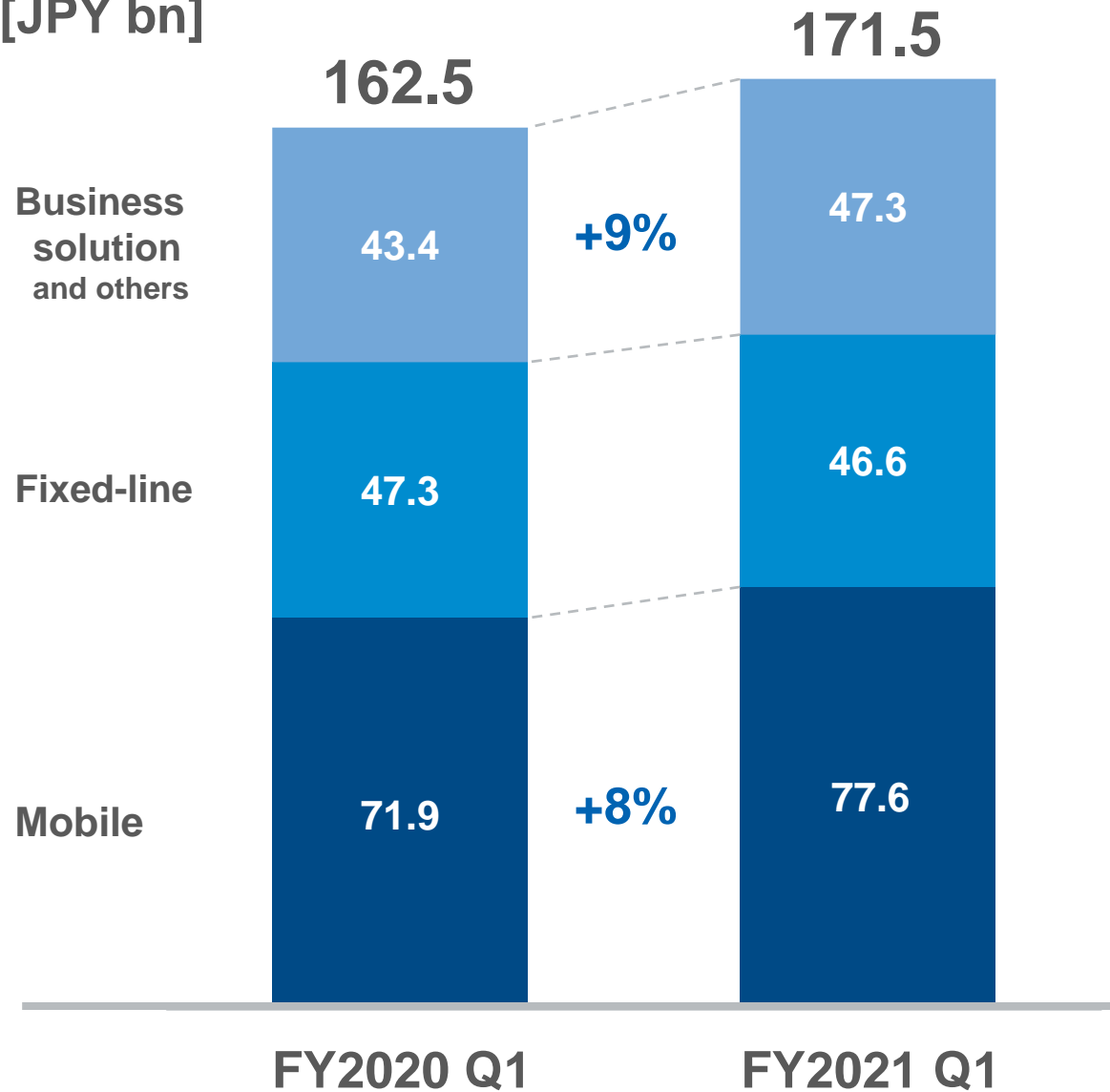
(Note) Electricity: trading and supply of electric power and provision of electric power trading agency services, including Ouchi-denki (home electricity) service

Enterprise Business



Enterprise: Revenue

[JPY bn]

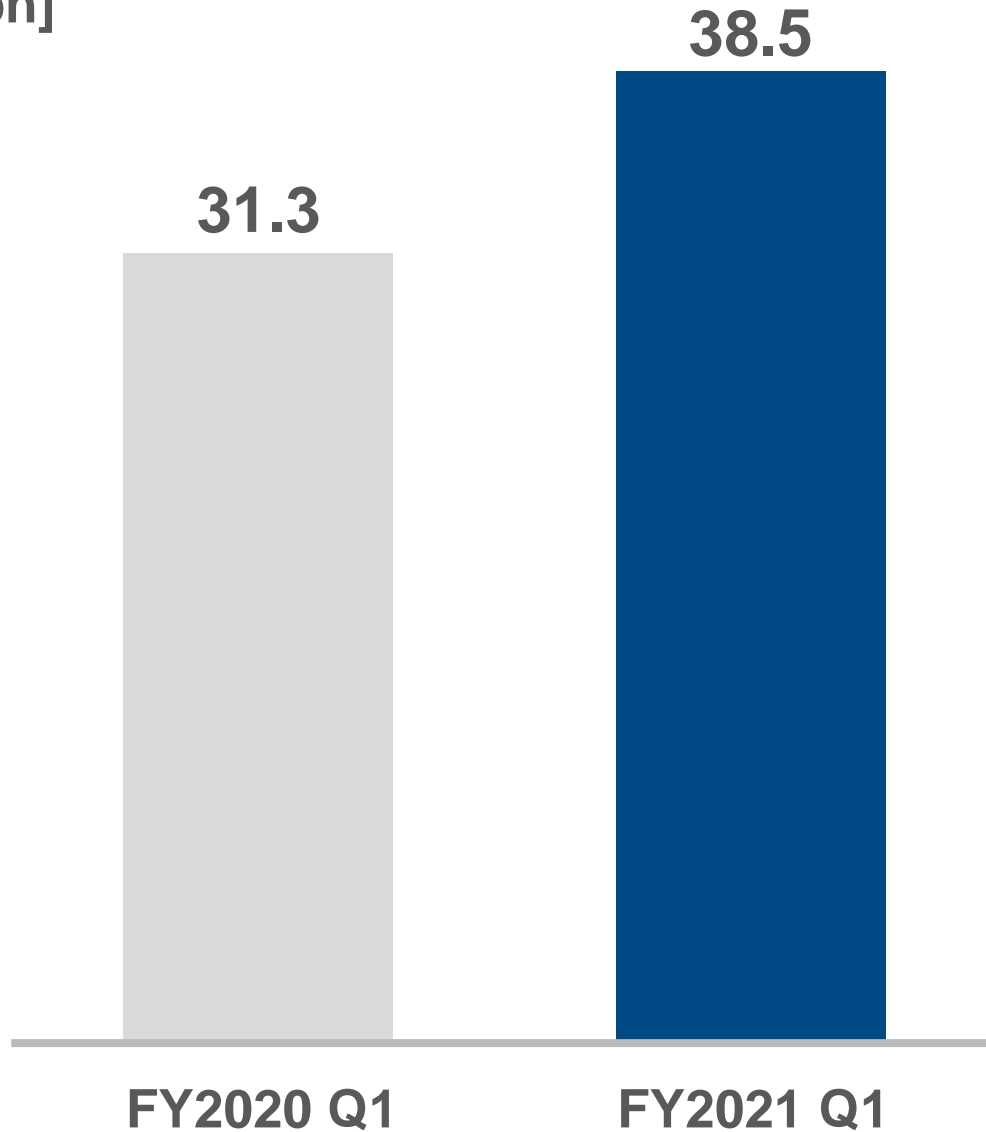


Up 6%
**Business solution and
others increase by 9%**

Enterprise: Operating Income

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[JPY bn]



Up 23%

Enterprise: Business Model Transformation

**Standalone
telecom service sales**



**Focused on cost
reduction**



Solution-based business



**Telecom
services**



Cloud



AI/IoT/RPA



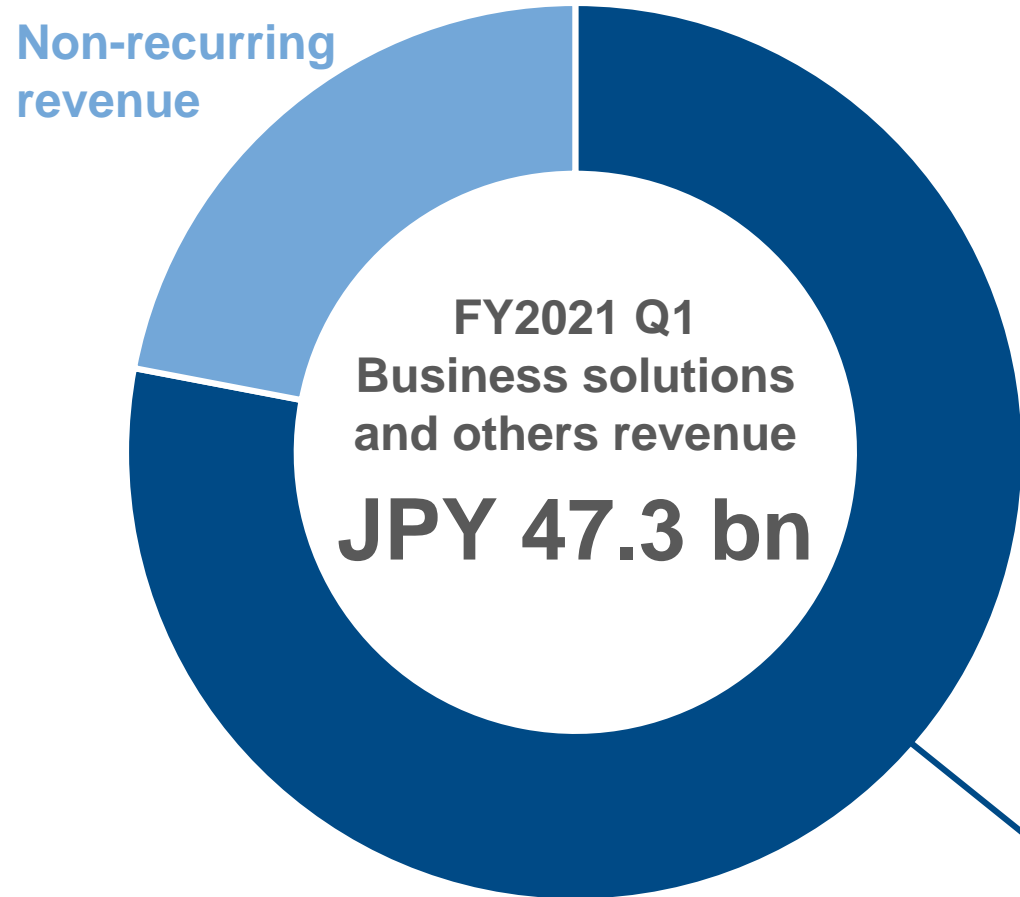
Security



Data

**Focus on resolution of clients'
business issues**

Enterprise: Business Solution and Others Revenue



Recurring revenue
accounts for

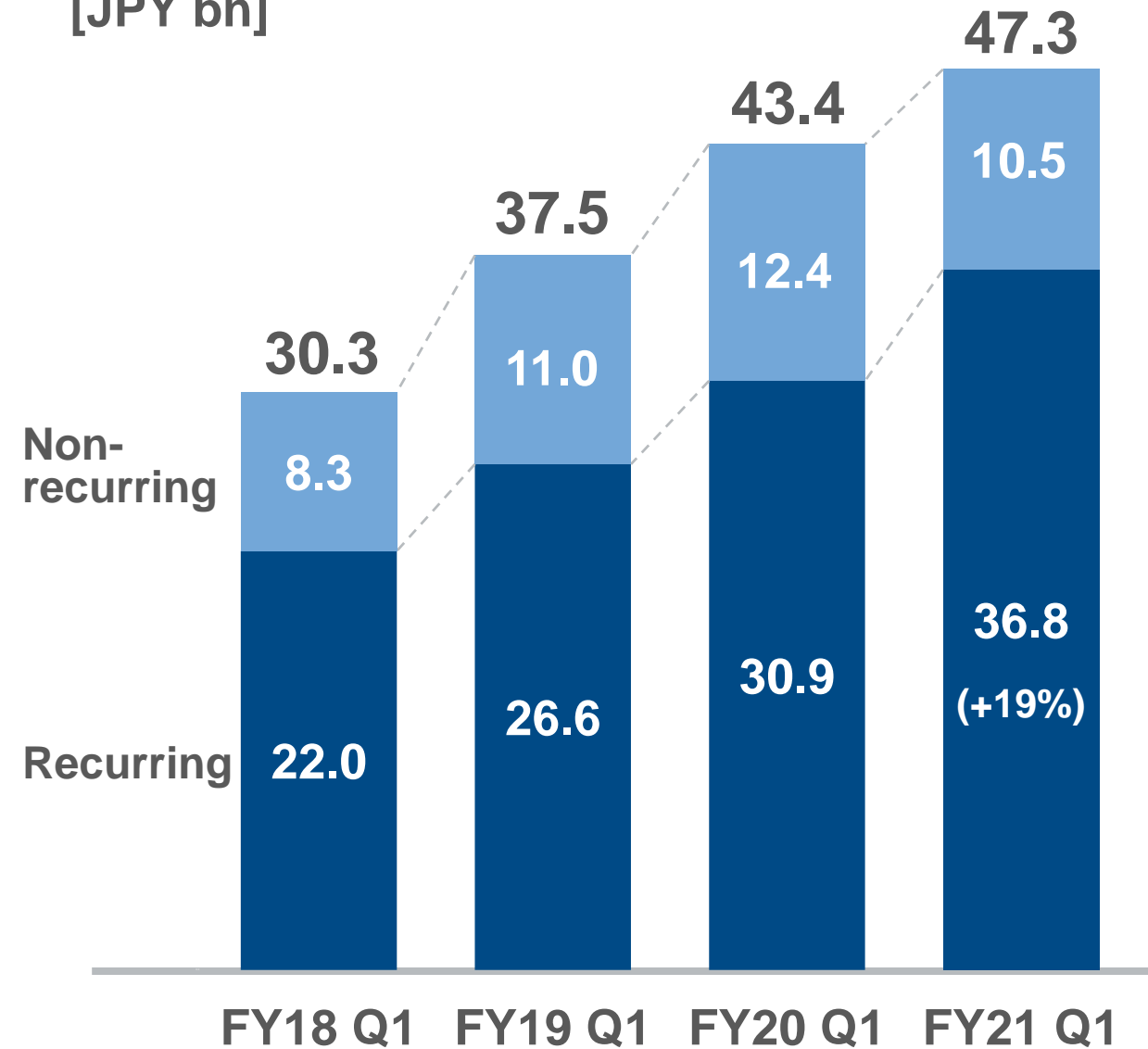
More than **70%**

Recurring revenue

- Recurring revenue in cloud, security and IoT, etc.
- Revenue from data centers and digital marketing, etc.

Enterprise: Business Solution and Others Revenue

[JPY bn]



Recurring revenue up 19%

**Contributing to
steady business
expansion**

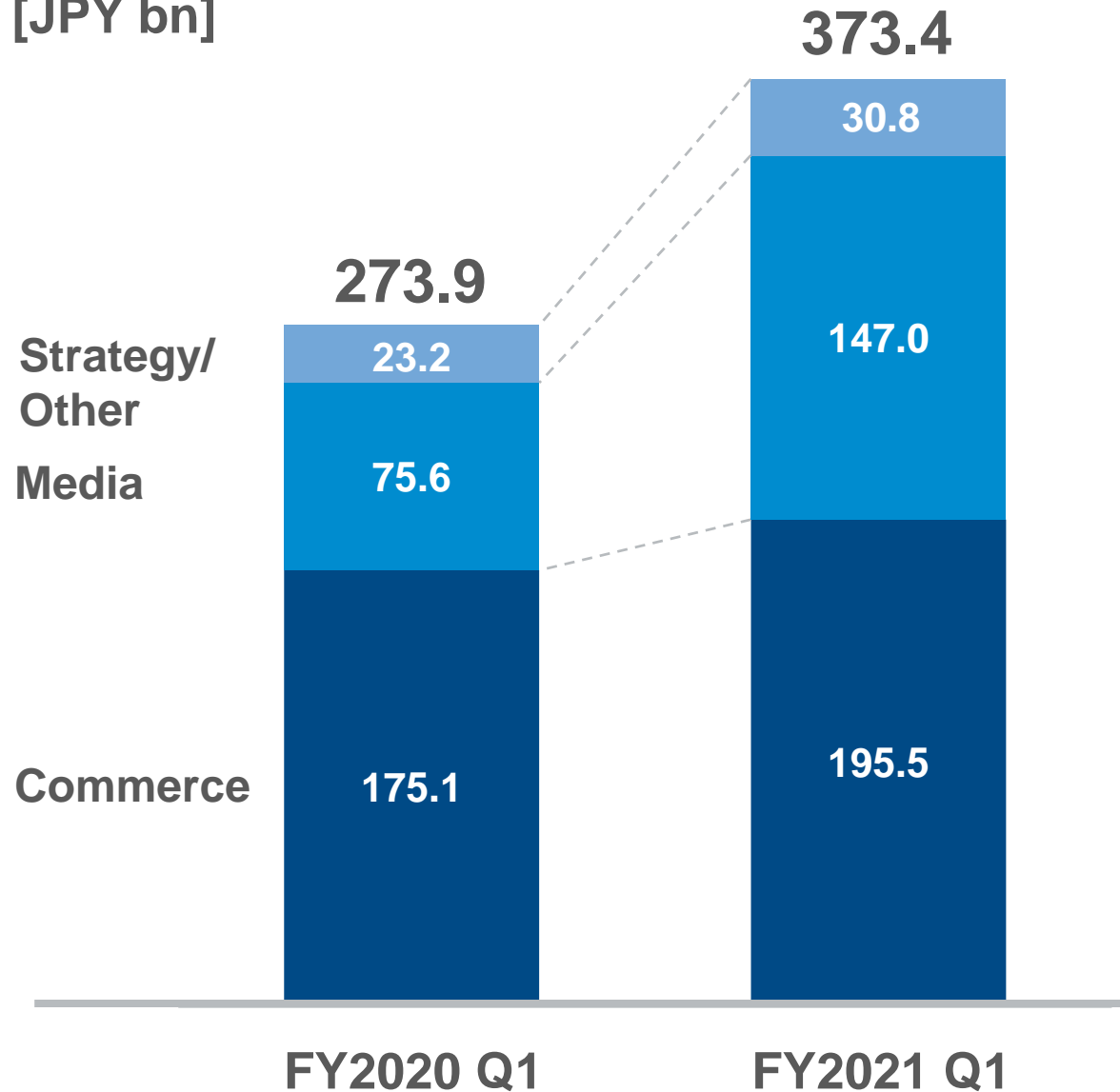
YAHOO! JAPAN

LINE



Yahoo! JAPAN/LINE: Revenue

[JPY bn]

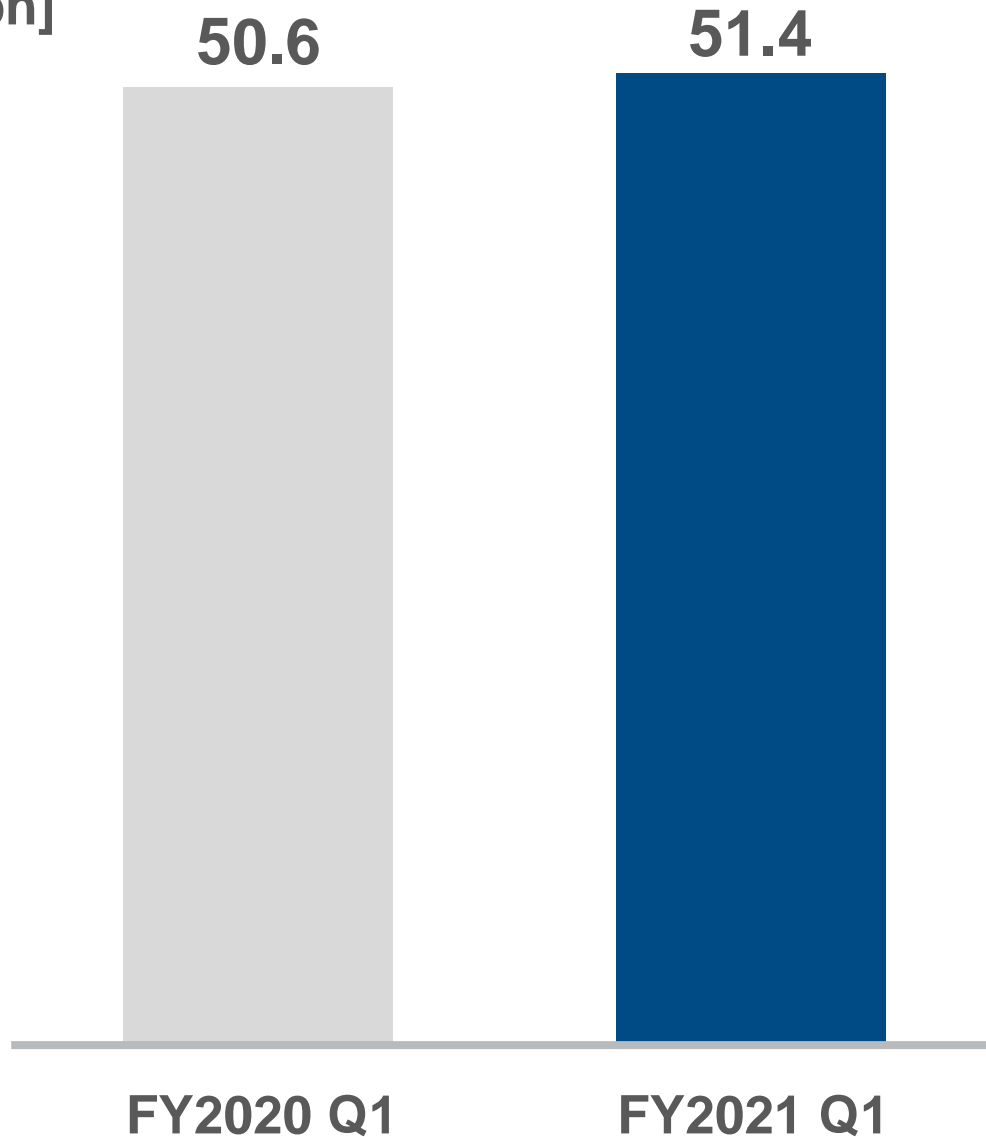


Up 36%

Due to LINE consolidation

Yahoo! JAPAN/LINE: Operating Income

[JPY bn]



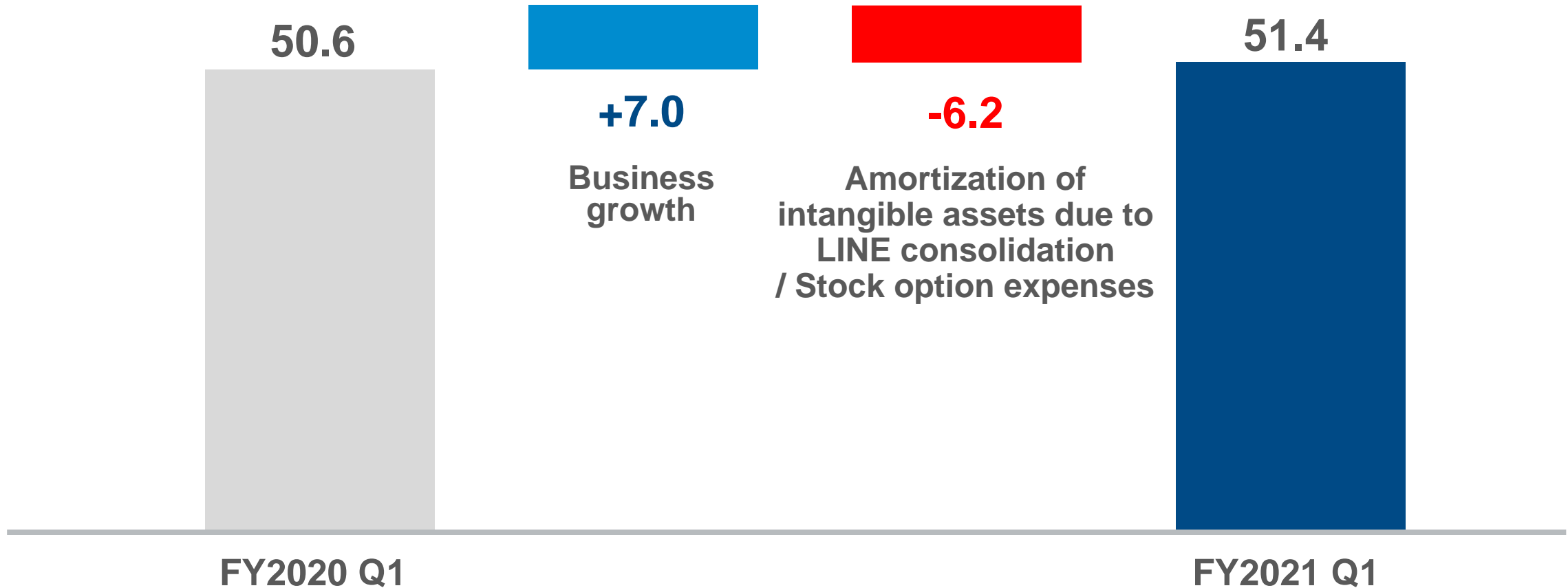
Up 1%

**Absorbed increased
accounting-related expenses
due to LINE consolidation**

Yahoo! JAPAN/LINE: Operating Income YoY Comparison

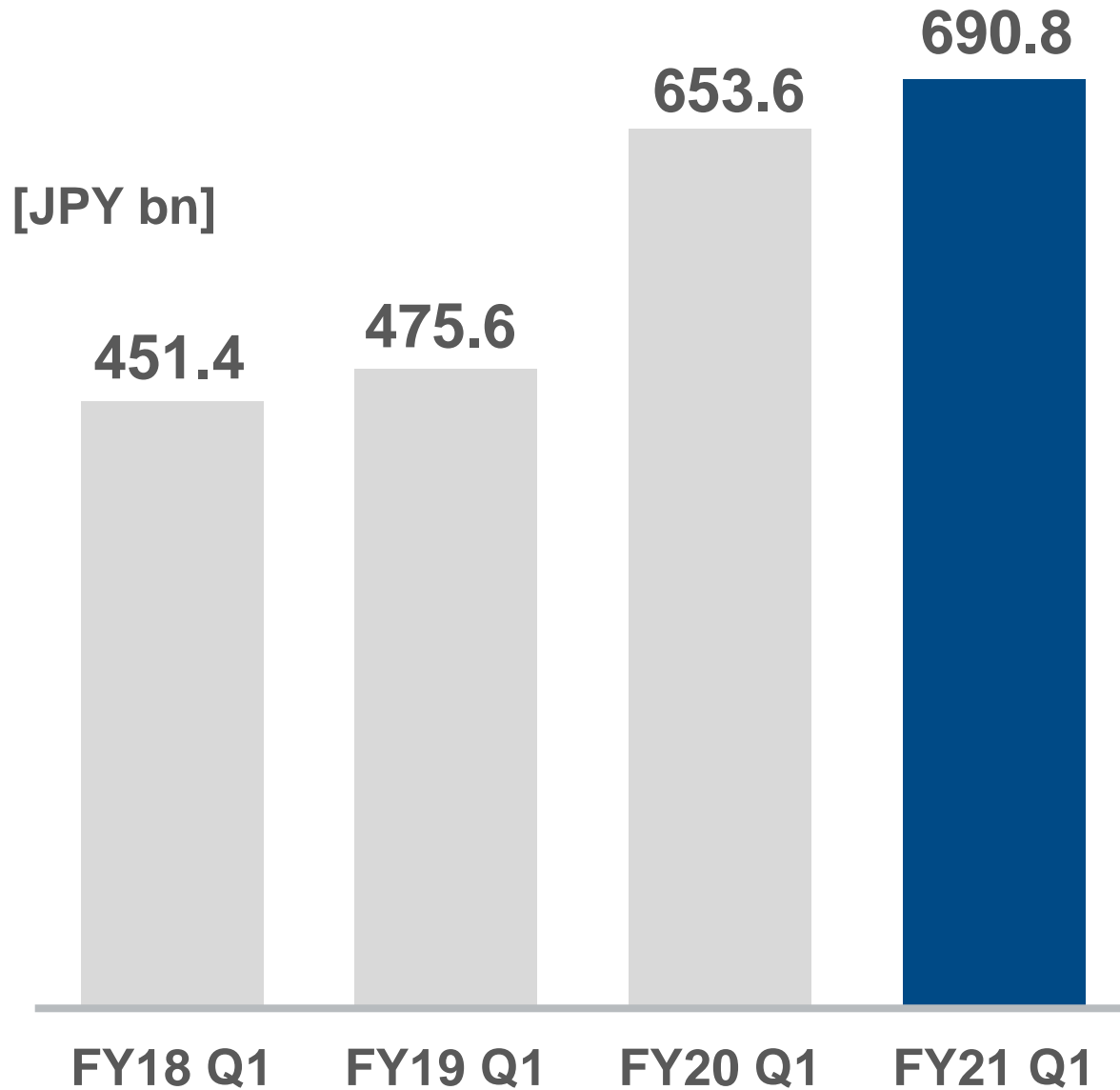
Business grew steadily despite increased accounting-related expenses due to LINE integration

[JPY bn]



(Note) Amortization of intangible assets due to LINE consolidation: amortization of intangible assets identified as a result of LINE consolidation
 Stock option expenses: stock-based compensation expenses related to stock options issued by ZHD

Yahoo! JAPAN/LINE: EC Transaction Value (Merchandise)



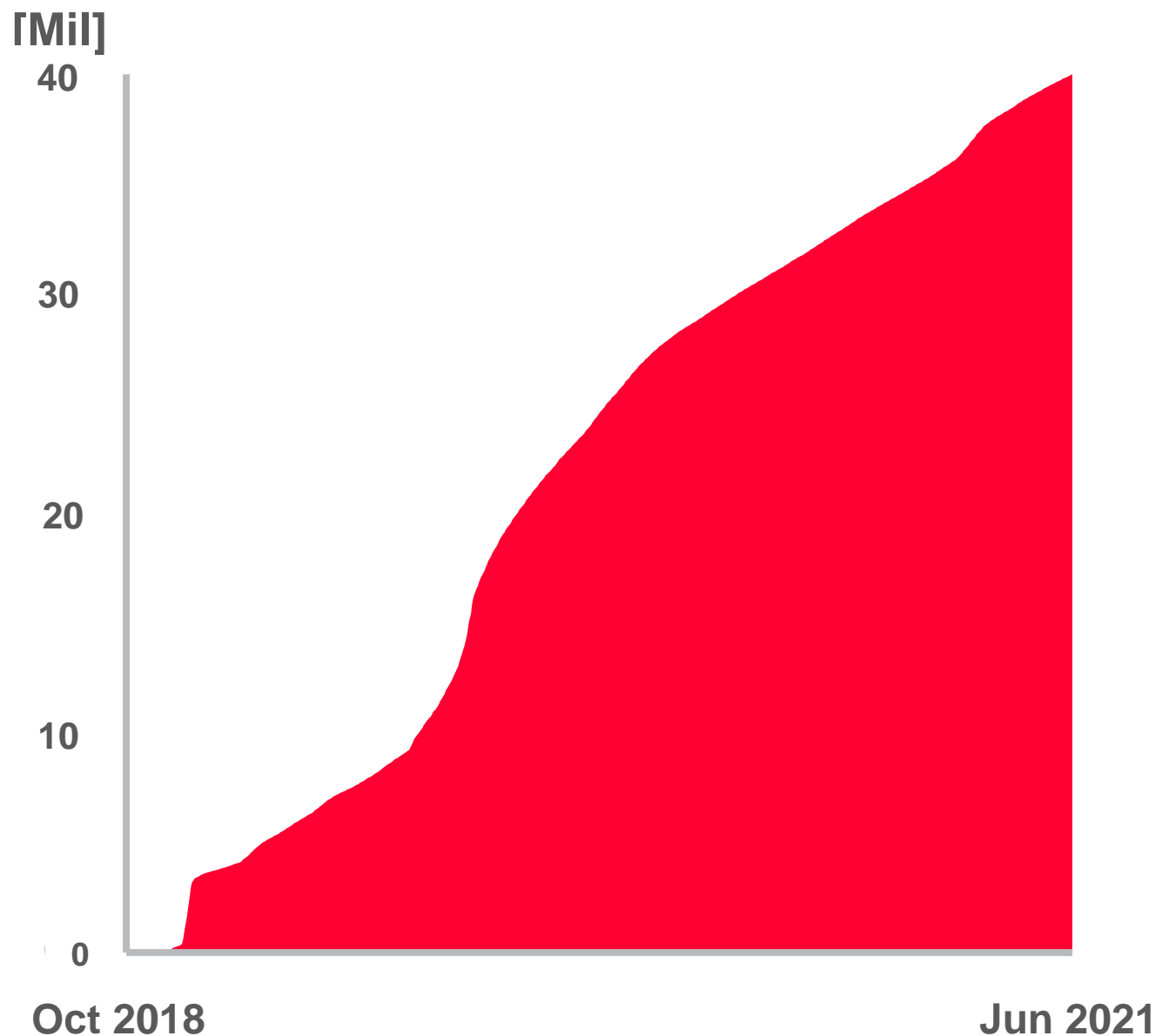
Up 6%

(Note) EC transaction value (Merchandise): Total transaction values of Shopping business, Reuse business, Other (Merchandise), ASKUL Corporation's BtoB-related revenue via Internet (closing date: 20th of every month)



Smartphone Payment Service PayPay

PayPay: Cumulative Registered Users



Number of users

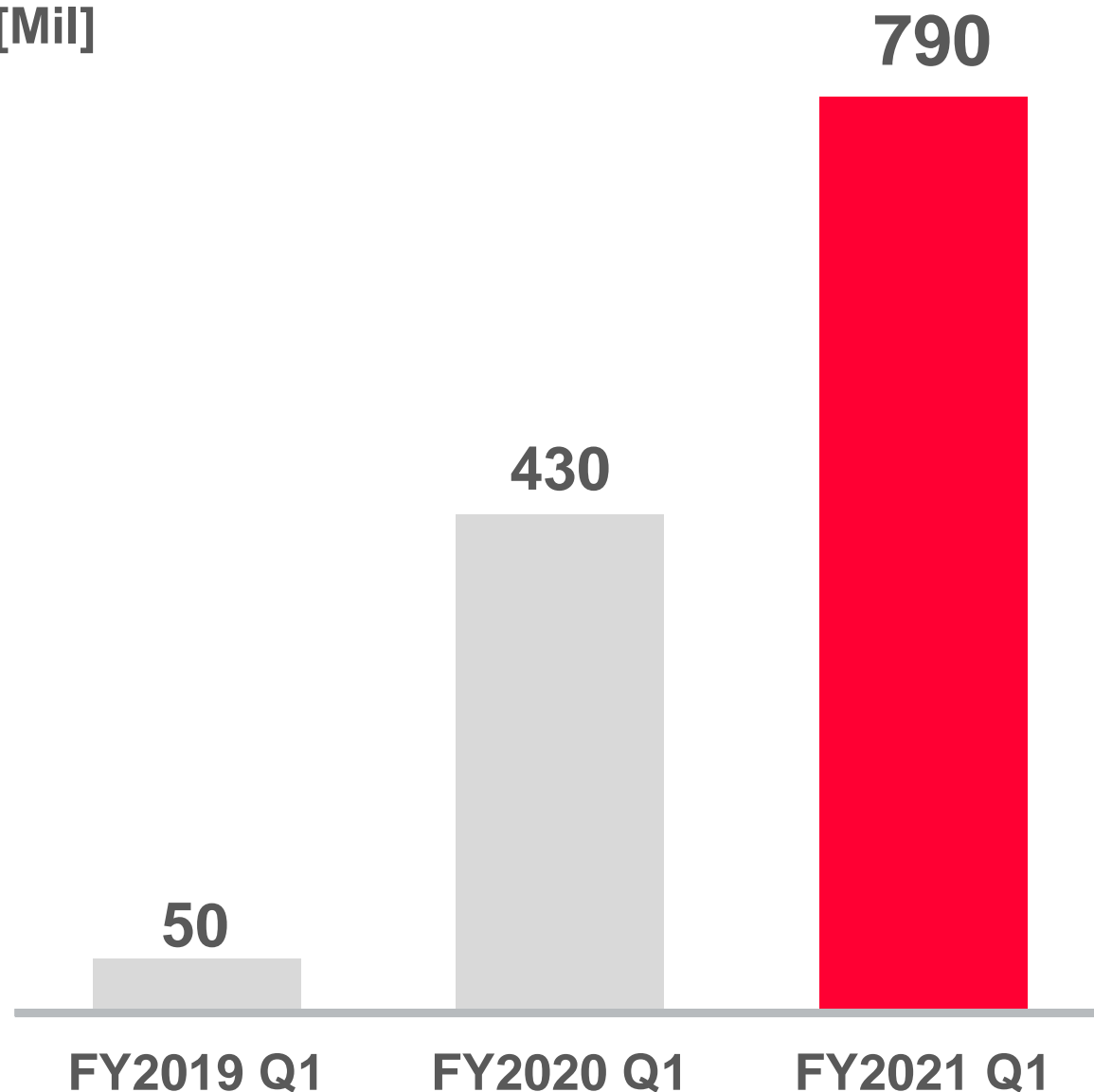
Exceeded **40 mil**
(June 2021)

(Source) Data from PayPay Corporation, collected from October 5, 2018 to June 30, 2021

(Note) Number of registered users: number of accounts registered 32

PayPay: Number of Payments

[Mil]



Number of payments
(Quarterly)

790 mil

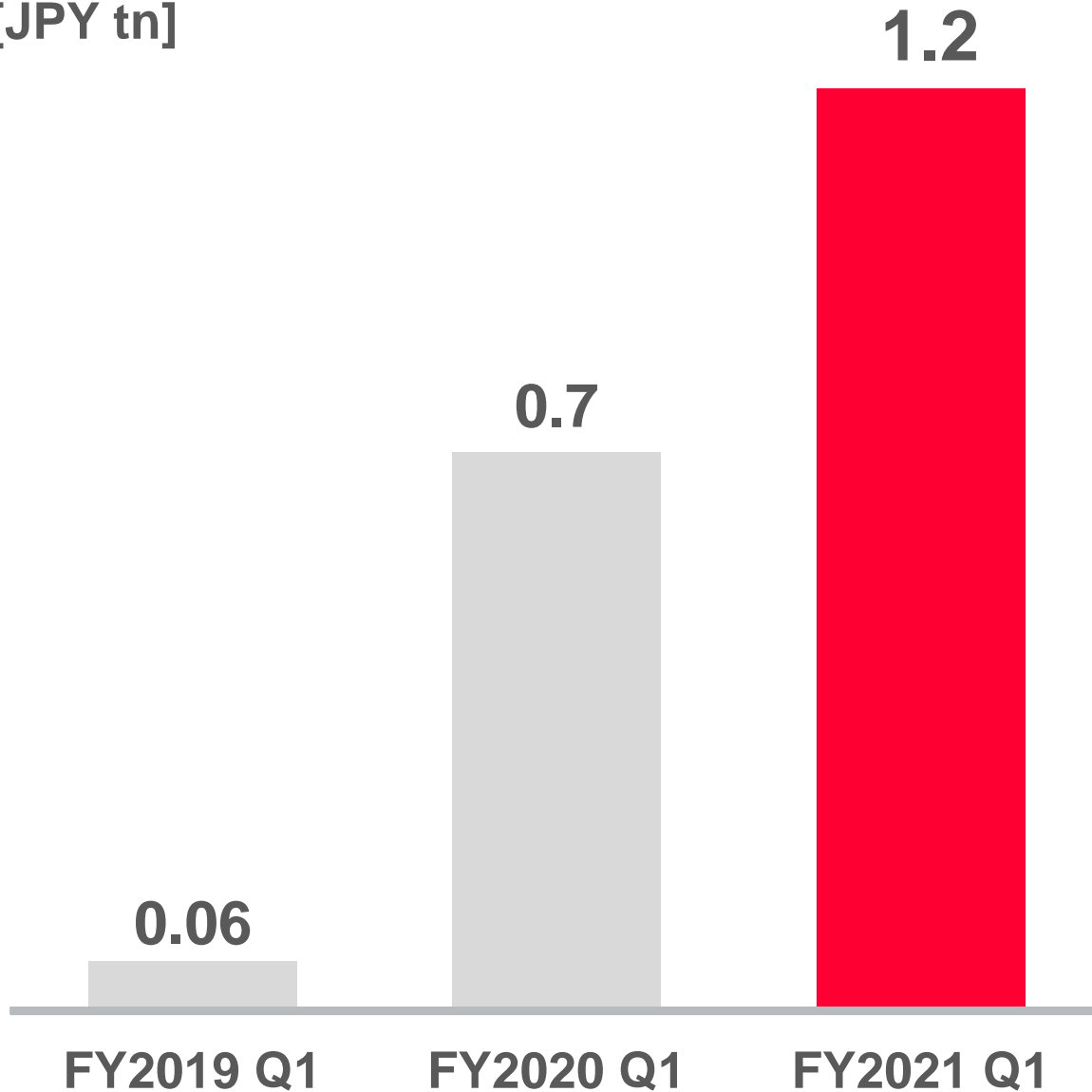
1.8 times YoY

(Source) Data from PayPay Corporation

(Note) Number of payments: This does not include the number of P2P transactions that users use the “send/receive” function for PayPay balances, or the number of payments users made through Alipay application. Figures are rounded to the nearest 10 million

PayPay: GMV

[JPY tn]



GMV (Quarterly)

1.2 tn

1.7 time YoY

(Source) Data from PayPay Corporation

(Notes) GMV = Gross Merchandise Value through PayPay, excluding P2P transactions.

Cooperation with NAVER × Beyond Japan



Initiatives for Blockchain Technologies

(Note) Other existing shareholders:
Founders, Foxconn Ventures, a
subsidiary of FarEasTone, etc.

Announced joint investment in TBCASoft, Inc.

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	Before this round of investment	After this round of investment
Shareholding ratio	20%	→ 20%

Additional investment
Up to USD 5 mil

NAVER

(Naver Financial)

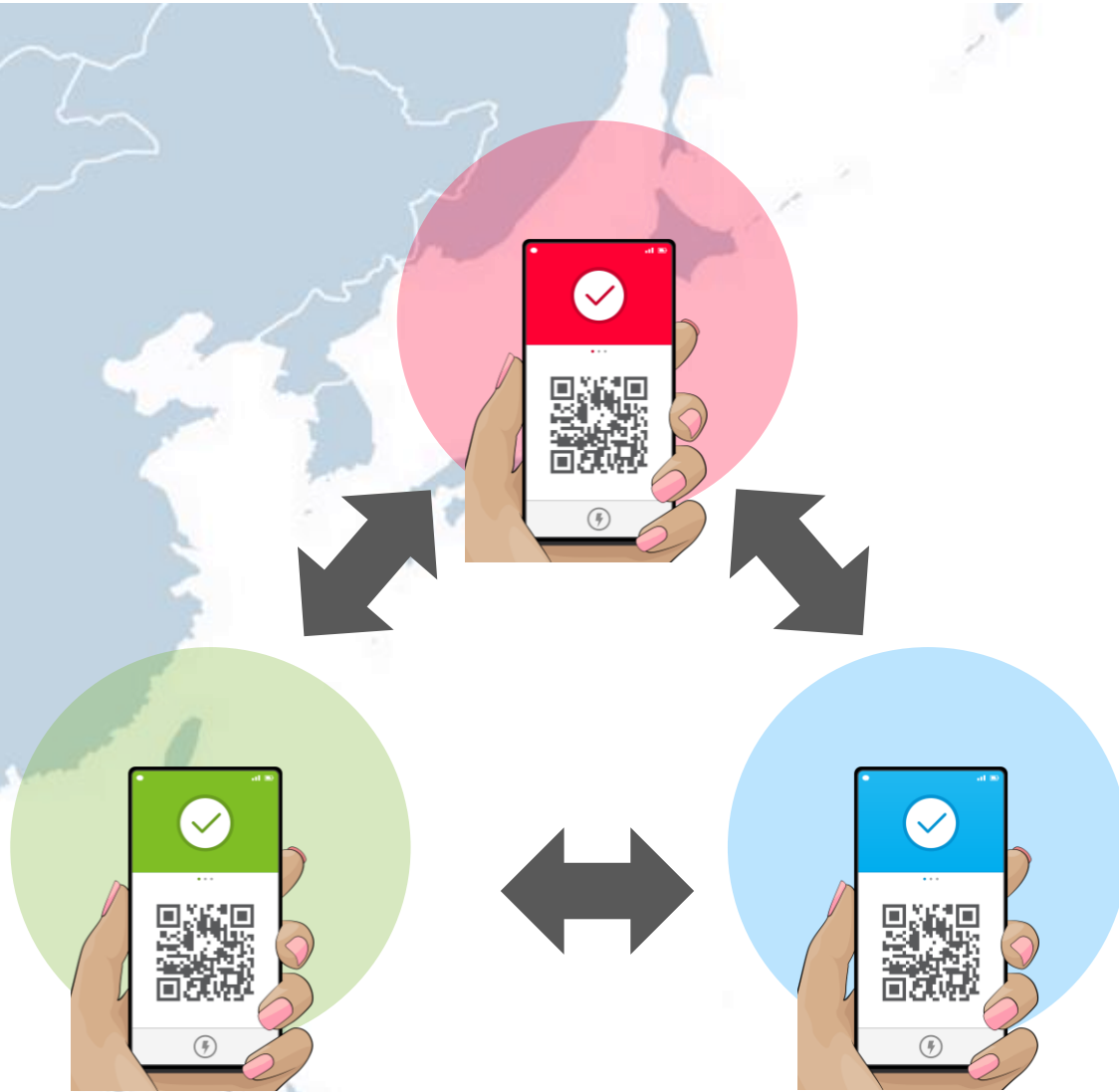
	Before this round of investment	After this round of investment
Shareholding ratio	0%	→ up to 8.9%

New investment as a lead investor
Up to USD 20 mil

 **TBCASoft**

**Provides a Cross-Carrier Payment
Blockchain network designed for
QR-based mobile payments**

Purpose of Joint Investment



Expand blockchain-based
international QR code
payment ecosystem
from Asia to the world

SoftBank **NAVER**



QR code payments
operated by
fintech player
in Taiwan



QR code payments
operated by
a telecom carrier
in Taiwan



(Note) PayPay's participation in the relevant international QR payment network requires obtaining necessary legal registration and other regulatory requirements as preconditions, PayPay examines this participation with the conditions of compliance with laws, regulations and other rules

Summary

1

Revenue and operating income increased YoY

2

Achieved 30% progress toward full-year income forecasts

3

Strong enterprise performance outweighed impact from mobile service price reduction

4

PayPay achieved GMV of JPY 1.2 tn, 1.7x increase YoY



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