SoftBank

SOFTBANK CORP.
CONSOLIDATED FINANCIAL REPORT
For the six-month period ended September 30, 2009

Tokyo, October 29, 2009

1. FINANCIAL HIGHLIGHTS

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

(1) Results of Operations

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

	Net sales		Operating income		Ordinary income		Net income	
	Amount	%	Amount	%	Amount	%	Amount	%
Six-month period ended September 30, 2009	**¥1,349,275**	**1.5**	**¥230,621**	**28.1**	**¥173,538**	**47.9**	**¥70,750**	**72.1**
Six-month period ended September 30, 2008	¥1,328,998	-	¥180,000	-	¥117,315	-	¥41,115	-

	Net income per share－basic (yen)	Net income per share－diluted (yen)
Six-month period ended September 30, 2009	**¥65.41**	**¥63.02**
Six-month period ended September 30, 2008	¥38.04	¥36.20

(2) Financial Condition

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

	Total assets	Total equity	Equity ratio (%)	Shareholders' equity per share (yen)
As of September 30, 2009	**¥4,347,144**	**¥912,329**	**10.2**	**¥409.46**
As of March 31, 2009	¥4,386,672	¥824,798	8.5	¥346.11

Note: Shareholders' equity (consolidated)
As of September 30, 2009: ¥443,164 million
As of March 31, 2009: ¥374,094 million

2. Dividends

	Dividends per share				
(Record date)	First quarter	Second quarter	Third quarter	Fourth quarter	Total
	(yen)	(yen)	(yen)	(yen)	(yen)
Fiscal year ended March 31, 2009	-	0.00	-	2.50	2.50
Fiscal year ending March 31, 2010	-	0.00			
Fiscal year ending March 31, 2010 (Forecasted)			-	5.00	5.00

Revision of forecasts on the dividends: No

3. Forecasts on the consolidated operation results for the fiscal year ending in March 2010 (April 1, 2009 – March 31, 2010)

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

	Operating income	
Full financial year	¥420,000	16.9(%)

Revision of forecasts on the consolidated operation results: No

4. Others

(1) Significant Changes in Scope of Consolidation (Changes in Scope of Consolidation of Specified Subsidiaries): No

(2) Application of simple accounting methods or special accounting methods for preparation for the consolidated financial statements: No

(3) Changes in accounting principles, procedures, disclosure methods, etc., used in the presentation of the consolidated financial statements (Changes described in "(5) Basis of Presentation of Consolidated Financial Statements")
[1] Changes due to revisions in accounting standards: No
[2] Changes other than those in [1]: No

(4) Number of shares issued (Common stock)
[1] Number of shares issued (including treasury stock):
As of September 30, 2009: 1,082,485,878 shares
As of March 31, 2009: 1,081,023,978 shares
[2] Number of treasury stock:
As of September 30, 2009: 172,127 shares
As of March 31, 2009: 169,204 shares
[3] Weighted average number of common stock :
As of September 30, 2009: 1,081,663,503 shares
As of September 30, 2008: 1,080,587,999 shares

* Note to forecasts on the consolidated operating results and another item

The forecast figures are estimated based on the information which the company is able to obtain at the present point and assumptions which are deemed to be reasonable. However, actual results may be different due to various factors.

Qualitative Information / Financial Statements

1. Analysis of Results of Operations

(1) Consolidated Results of Operations

<Overview of results for the interim period of the fiscal year ending March 2010 (the six-month period from April 1, 2009 to September 30, 2009)>

The SOFTBANK Group's (hereafter 'the Group') telecommunications related businesses (the Mobile Communications business, Broadband Infrastructure business, and Fixed-line Telecommunications business), the core businesses of the Group, performed favorably. In particular, the Mobile Communications segment drove consolidated revenue growth through an increase in subscribers and other contributions including a richer lineup of mobile handsets and content to meet various customer needs, active sales initiatives such as the installment sales method and diverse sales promotions, effective publicity activities and successful branding strategies.

The Group continues to reinforce its cash-flow-oriented management, as it made steady progress during the interim period in achieving its previously stated targets of (1) generating a total of around ¥1 trillion in free cash flow[*1] over the next three years (through the fiscal year ending March 2012) and (2) reducing net interest-bearing debt[*2] by half over the next three years and to zero in six years (by the end of the fiscal year ending March 2015).

(Notes) *1 Cash flows from operating activities + cash flow from investing activities.
*2 Interest-bearing debt - cash position.
Interest-bearing debt = short-term borrowings + commercial paper + current portion of corporate bonds + corporate bonds + long-term borrowings. Lease obligations are excluded.
Cash position = cash and cash deposits + marketable securities recorded as current assets.

Key factors of income and loss for the interim period were as stated below.

(a) Net Sales

Net sales for the interim period totaled ¥1,349,275 million, an increase of ¥20,277 million (1.5%) compared with the interim period of the previous fiscal year ended March 2009 (hereafter 'year-on-year'), primarily from ¥58,232 million in sales growth at the Mobile Communications segment. The net sales growth at the Mobile Communications segment was due to an increase in the number of mobile subscribers and growth of handset shipments. Net sales at the e-Commerce segment were down ¥17,815 million, and at the Broadband Infrastructure segment declined by ¥14,501 million.

(b) Cost of Sales

The Group's cost of sales for the interim period declined ¥40,785 million (5.9%) year-on-year to ¥649,351 million, this was mainly due to a decline in the cost of goods associated with lower sales at the e-Commerce segment, and lower depreciation and other costs at the Broadband Infrastructure segment due to an increase in fully depreciated assets. In addition, telecommunication equipment usage fees paid by the Group's telecommunications related businesses declined due to a decrease in the access charge per second paid to other carriers. Despite a rise in handset shipments, a decline in cost per unit resulted in a slight decrease in the aggregate cost of sales for mobile handsets year-on-year.

(c) Selling, General and Administrative Expenses

Selling, general and administrative expenses for the interim period came to ¥469,302 million, for a ¥10,442 million (2.3%) year-on-year increase. While sales commissions and sales promotions expenses increased along with net sales growth, the Group was able to lower its expenses related to doubtful accounts (bad debt loss on doubtful accounts + provision for allowance for doubtful accounts) as its Mobile Communications segment benefited from the implementation of stricter customer credit screening for new subscriber applicants.

(d) Operating Income

Operating income for the interim period rose ¥50,621 million (28.1%) year-on-year to ¥230,621 million.

(e) Non-operating Income

Non-operating income for the interim period was ¥6,367 million, an increase of ¥1,699 million (36.4%) year-on-year. A ¥2,283 million gain from equity in earnings under the equity method was recorded (compared with a ¥2,421 million loss in the same period of the previous fiscal year) due to increased gains recorded at equity method applied investment funds.

(f) Non-operating Expenses

Non-operating expenses for the interim period came to ¥63,451 million, a decrease of ¥3,901 million (5.8%) year-on-year. This was mainly a result of ¥55,345 million in interest expenses, a decrease of ¥1,715 million year-on-year.

(g) Ordinary Income

Ordinary income for the interim period came to ¥173,538 million, an increase of ¥56,222 million (47.9%) year-on-year.

(h) Special Income

Special income for the interim period totaled ¥5,981 million, the primary components of which were a ¥4,027 million gain from the sale of investment securities, and a ¥1,160 million dilution gain from change in equity interest.

(i) Special Loss

The special loss incurred for the interim period came to ¥2,704 million, primarily from a ¥1,288 million valuation loss on investment securities.

(j) Income Taxes and Minority Interest in Net Income

Provisions for income taxes, current and deferred, for the interim period were ¥48,823 million and ¥34,735 million, respectively, and ¥22,506 million was recorded as minority interests in net income.

(k) Net Income for the Period

Net income for the interim period came to ¥70,750 million, for a ¥29,634 million (72.1%) year-on-year increase.

(2) Results by Business Segment

(a) Mobile Communications

(Millions of yen)

	Interim period of the fiscal year ended March 2009	**Interim period of the fiscal year ending March 2010**	**YoY**	**YoY (%)**
Net sales	773,961	**832,193**	58,232	7.5
Operating income	88,164	**131,776**	43,611	49.5

-Operating income increased 49.5% year-on-year to ¥131,776 million.

-Net subscriber additions totaled 684,000 for the interim period.

-ARPU[*3] for the second quarter increased by ¥120 to ¥4,150, compared to the previous quarter.

<Analysis of Results>

Net sales for the Mobile Communications segment were ¥832,193 million, up ¥58,232 million (7.5%) year-on-year. Operating expenses rose by ¥14,620 million (2.1%) year-on-year to ¥700,417 million. As a result, operating income for the interim period rose ¥43,611 million (49.5%) year-on-year to ¥131,776 million.

Major elements on income and loss were as follows.

Net sales

- Telecom service revenue increased along with the increase in the number of mobile subscribers.
- As a result of an increase in the number of upgrades (model change), the number of handset shipments grew. This resulted in an increase in sales of mobile handsets.

Cost of sales

- Although the amount of handset shipments increased, there was a decline in the cost per unit resulting in a slight decrease in the aggregate handset cost of sales.
- Telecommunication equipment usage fees decreased as the access charge per second of other carriers declined.

SG&A

- Sales commissions and sales promotion expenses rose, reflecting an increase in the number of handsets sold, and an increase in the sales commissions per user for new and upgrade handsets due to the change in handset mix.
- Expenses related to doubtful accounts (bad debt loss on doubtful accounts + provision for allowance for doubtful accounts) largely declined, as collection efforts benefited from the implementation of stricter customer credit screenings for new subscribers in July 2008.

（Note）*3 Average Revenue Per User.
Revenue and number of subscribers includes prepaid and number of communication module service subscribers.

<Number of Mobile Phone Subscribers>

Net subscriber additions (new subscribers minus cancellations) at SOFTBANK MOBILE Corp. (hereafter 'SOFTBANK MOBILE'), the core company of the Mobile Communications segment, totaled 684,000 during the interim period, allowing SOFTBANK MOBILE to maintain its top position[*4] in net additions for the 10th consecutive quarter from the first quarter ended June 2007, as well as its No. 1 position for the interim period[*4]. The number of SOFTBANK MOBILE subscribers totaled 21,316,900[*5] as of the end of the second quarter, of which 3G subscribers surpassed the 20 million mark at 20,237,700. Cumulative subscriber share rose 0.7 percentage points year-on-year to 19.4%[*4]. SOFTBANK MOBILE continues to promote the migration to 3G in advance of the scheduled termination of its 2G service on March 31, 2010. As of the end of the interim period, the number of 2G subscribers totaled 1,079,200, of which 572,200 were postpaid subscribers and 506,900 were prepaid subscribers.

（Notes） *4 Calculated by SOFTBANK CORP. based on Telecommunications Carriers Association statistical data.
*5 The total number of subscribers for SOFTBANK MOBILE includes communication module service subscribers. The number of communication module service subscribers at the end of the second quarter was 168,100.

(Thousands of lines)

	Fiscal year ended March 31, 2009				**Fiscal year ending March 31, 2010**			
	Q1	Q2	Q3	Q4	Q1	**Q2**	Q3	Q4
Net additions	525.5	521.4	366.6	633.1	323.3	**360.7**	—	—
Total	19,111.7	19,633.2	19,999.8	20,632.9	20,956.2	**21,316.9**	—	—

<ARPU and Average Acquisition Commission per User>

ARPU for the second quarter was ¥4,150, which was ¥20 lower year-on-year but ¥120 higher than in the previous quarter.

The basic monthly charge plus voice ARPU declined ¥300 year-on-year to ¥2,160, but was ¥10 higher compared to the previous quarter. This was the result of an increase in the number of *White Plan* subscribers and a fiercer competition in the corporate market.

Data ARPU for the second quarter rose ¥280 year-on-year to ¥1,990. This was due to the increased popularity of mobile handsets optimized for data telecommunications use, including the iPhone[TM*6], and the increase in usage of video content by customers. In addition, data ARPU for the second quarter rose ¥110 from the previous quarter due to the increased data telecommunications usage by customers.

The average acquisition commission per user during the second quarter increased by ¥400 year-on-year to ¥35,900. This was ¥14,200 lower than in the previous quarter, but this was a reflection of a change in handset mix and the end of the effect from corporate sales strategies that emerged in the previous quarter.

(Note) *6 iPhone is a trademark of Apple Inc.
The 'iPhone' trademark is used under license from Aiphone K.K.

(Yen per month)

	Fiscal year ended March 31, 2009				**Fiscal year ending March 31, 2010**			
	Q1	Q2	Q3	Q4	Q1	**Q2**	Q3	Q4
ARPU	4,180	4,170	4,090	3,830	4,030	**4,150**	—	—
(Basic monthly charge + voice)	2,530	2,460	2,300	2,020	2,150	**2,160**	—	—
(Data)	1,650	1,710	1,790	1,820	1,880	**1,990**	—	—

<Churn Rate and Upgrade Rate>

The churn rate[*7] for the second quarter was 1.24%, which was 0.26 percentage point higher year-on-year and 0.19 percentage point higher than in the previous quarter. This was primarily because of cancellations by some low-use subscribers, and the cancellation of certain corporate contracts.

The upgrade rate[*7] for the second quarter decreased by 0.1 percentage point year-on-year to 1.81%, but rose 0.08 percentage point from the previous quarter.

(Note) *7 Includes module service subscribers.

(% per month)

	Fiscal year ended March 31, 2009				**Fiscal year ending March 31, 2010**			
	Q1	Q2	Q3	Q4	Q1	**Q2**	Q3	Q4
Churn rate	0.98	0.98	0.91	1.13	1.05	**1.24**	—	—
(3G only)[*8]	0.72	0.76	0.69	0.90	0.87	**1.07**	—	—
Upgrade rate	1.27	1.91	1.67	1.98	1.73	**1.81**	—	—

(Note) *8 Excludes prepaid handsets.

<New Models Released During the Second Quarter>

SOFTBANK MOBILE announced the release of 19 summer models in 61 colors—a company record—in May 2009, and eight of these models in 23 colors were released during the second quarter. The number of *MOBILE WIDGET*-compatible[*9] handsets increased, with four of these eight models, including the VIERA Keitai® 'SoftBank 931P' and the 'SOLAR HYBRID™ SoftBank 936SH,' being *MOBILE WIDGET*-compatible. The number of *MOBILE WIDGET*-compatible handsets in use surpassed one million in August 2009.

(Note) *9 Application that appears on a mobile handset's standby screen, and allows one-touch access to the desired information.

<New Content Services Launched During the Second Quarter>

SOFTBANK MOBILE aims to further popularize 'mobile content,' and strives to expand easy-to-use mobile content and related services. May 2009 saw the full-fledged release of *Simple Select Video*, which makes it easy to enjoy video content like the *S-1 BATTLE* (stand-up comedy), baseball, soccer, and entertainment news via e-mail. The number of subscribers to this service surpassed one million in July 2009 and continues to grow.

SOFTBANK MOBILE also launched the *Gift-Otokubin* in January 2009. This service provides useful information, including promotional campaigns, discount coupons, free content, and gifts, via a weekly email, and the number of subscribers surpassed two million in October 2009.

<New Campaigns Launched During the Second Quarter >

SOFTBANK MOBILE introduced its *White Plan Student & Family Discount* during the interim period as a marketing initiative. This promotion halves the basic monthly charge of *White Plan* to 490 yen (including tax) for the first three years upon a new subscription for students and their family members. As a new marketing initiative, SOFTBANK MOBILE introduced the *Norikae Switchover Discount* in September 2009, in which the *White Plan*'s basic monthly charge is waived for five months. In addition, *Unlimited Packet Discount S* was introduced in July 2009, which provides user-friendly e-mail and mobile Internet use for as little as ¥390 per month.

SOFTBANK MOBILE extended the application deadline for *the iPhone for everybody campaign* until January 2010.

(b) Broadband Infrastructure

(Millions of yen)

	Interim period of the fiscal year ended March 2009	**Interim period of the fiscal year ending March 2010**	**YoY**	**YoY (%)**
Net sales	120,038	**105,537**	(14,501)	(12.1)
Operating income	22,265	**27,230**	4,965	22.3

-Total installed lines for *Yahoo! BB ADSL*: 4,040,000 (as of the end of the interim period).
-Increased the operating margin by reducing sales related expenses etc.

<Overview of Operations>

Net sales totaled ¥105,537 million, which was down ¥14,501 million (12.1%) year-on-year. The trend towards lower sales continues because of a decline in the number of lines installed in the ADSL business of SOFTBANK BB Corp. (hereafter ‘SOFTBANK BB’), the core company of the Broadband Infrastructure segment. Nevertheless, operating income rose ¥4,965 million year-on-year (22.3%) to ¥27,230 million. The trend of profit growth continues because of decreases in acquisition incentives and other sales related expenses, lower depreciation expenses for telecommunication equipment, and reduced leasing expenses, in combination with cost reduction initiatives.

The number of lines installed for *Yahoo! BB ADSL*, the comprehensive broadband service provided by SOFTBANK BB, totaled 4,040,000 lines as of the end of the interim period, and ARPU for the second quarter was ¥4,255 on a customer payment basis.

SOFTBANK BB continued to market the *Yahoo! BB White Plan* and *SoftBank Keitai Set Discount*. As in the fiscal year ended March 2009 (hereafter ‘the previous fiscal year’), SOFTBANK BB continued cross-selling with SOFTBANK MOBILE and is creating synergies across the Group, leading to enhanced competitiveness.

(c) Fixed-line Telecommunications

(Millions of yen)

	Interim period of the fiscal year ended March 2009	**Interim period of the fiscal year ending March 2010**	**YoY**	**YoY (%)**
Net sales	178,458	**172,609**	(5,848)	(3.3)
Operating income	5,557	**7,830**	2,272	40.9

-Total installed lines for *OTOKU Line*: 1,652,000 (as of the end of interim period).

-As a result of fixed cost reductions and an increase in the number of lines for *OTOKU Line*, operating income increased 40.9% year-on-year.

<Overview of Operations>

Net sales were ¥172,609 million, down ¥5,848 million (3.3%) year-on-year. Operating income totaled ¥7,830 million, an increase of ¥2,272 million (40.9%) year-on-year. Net sales decreased mainly as a result of the related sales of SOFTBANK IDC Solutions Corp. being included in the Internet Culture segment starting from this interim period. SOFTBANK IDC Solutions Corp., which was a subsidiary under the Fixed-line Telecommunications segment until the previous fiscal year, is included under the Internet Culture segment as a result of the company's merger with Yahoo Japan Corporation (hereafter 'Yahoo Japan') on March 20, 2009.

At SOFTBANK TELECOM Corp. (hereafter 'SOFTBANK TELECOM'), the core company of the Fixed-line Telecommunications segment, revenue from the *OTOKU Line* direct connection fixed-line voice service, etc., continued to show steady growth, but the downward trend in revenue from existing voice services, including *MY LINE* and international telephone services, continued. Nevertheless, the segment is showing a trend of profit growth due to improved management efficiency, including continued fixed cost reductions, and to growth in the number of lines with high profitability, such as *OTOKU Line* and *Ether Connect.*

As the Group's primary contact point for corporate marketing of the Group's telecommunications-related businesses, SOFTBANK TELECOM continues to leverage its core *OTOKU Line* service to expand the base of the corporate business. The number of *OTOKU Line* lines installed is increasing steadily and stood at 1,652,000 as of the end of the interim period, for an increase of 154,000 (10.3%) year-on-year. Corporate customers were 79.9% of the total number of lines, and this figure continues to rise.

SOFTBANK TELECOM continued to expand its corporate FMC[*10] services, including *White Office* and *White Line 24* discount service, to develop and provide solutions for corporate customers. SOFTBANK TELECOM will keep working to enhance synergies with the Mobile Communications segment and further strengthen the corporate business.

(Note) *10 FMC: Fixed Mobile Convergence service, telecommunications services that integrate the functions of mobile communications and fixed-line telecommunications.

(d) Internet Culture

(Millions of yen)

	Interim period of the fiscal year ended March 2009	**Interim period of the fiscal year ending March 2010**	**YoY**	**YoY (%)**
Net sales	125,586	**131,129**	5,543	4.4
Operating income	61,188	**64,154**	2,965	4.8

<Overview of Operations>

Net sales increased by ¥5,543 million (4.4%) year-on-year to ¥131,129 million. Operating income rose ¥2,965 million (4.8%) year-on-year to ¥64,154 million.

In the advertising business of Yahoo Japan, the core company of the segment, there was a large decline in advertisement submissions from major advertisers in some industries, such as recruitment services, compared to the same period of last fiscal year. On the other hand, there were signs of recovery on the declining trend in the industries including automobile and real estate. In combination with an increase in the sales of Interest Match advertising, this resulted in an overall sales increase in listing advertisement. As a result, net sales of the advertising business slightly decreased.

In the business services of Yahoo Japan, a ten year anniversary sale of *Yahoo! Shopping* was offered and promoted. As a result of expanded use of this sale, shopping related transaction volumes amounted to a record high for the second quarter. The upward revision of the store royalties that began in December of 2008, and the merger with SOFTBANK IDC Solutions Corp., the data center business, contributed to the significant year-on-year revenue growth in the business services.

In the personal service business of Yahoo Japan, although the *Yahoo! Premium* ID membership fee was raised in December 2008, the number of members continued to increase. Further efforts to improve exclusive services for members lead their number to a record high at the end of September 2009 at 7.5 million ID’s (a year-on-year increase of 4.5%). Although the number of transactions via mobile increased for *Yahoo! Auctions*, the closing price on auctions decreased affected by the economic stagnation. The transaction volume was also impacted by the holyday period in September and decreased overall. In pay content services, *Yahoo! Partner* and *Yahoo! Games* increased. As a result, net sales in the personal service business increased year-on-year.

(e) e-Commerce

(Millions of yen)

	Interim period of the fiscal year ended March 2009	**Interim period of the fiscal year ending March 2010**	**YoY**	**YoY (%)**
Net sales	127,981	**110,166**	(17,815)	(13.9)
Operating income	2,747	**2,161**	(585)	(21.3)

<Overview of Operations>

Net sales were ¥110,166 million, which was ¥17,815 million (13.9%) lower year-on-year. Operating income declined ¥585 million (21.3%) year-on-year, to ¥2,161 million.

The Commerce & Service Division of SOFTBANK BB, this segment’s core company, worked to expand the number of products and the number of stores handling the *SoftBank SELECTION*, which provides mobile phone accessories and PC software. Although *SoftBank SELECTION* sales increased, the deterioration in the market environment caused a decline in corporate sales. As a result, net sales declined. On the other hand, services that are expected to contribute to future revenues, such as the corporate virtual service, also recorded increased sales.

Looking ahead to the era of cloud computing, this segment will continue to use the SOFTBANK brand in order to enhance the product mix and will strive to bolster corporate services packaged around telecommunication lines. In these ways, the segment will pursue further synergies in the Group’s telecommunications related businesses.

(f) Others

(Millions of yen)

	Interim period of the fiscal year ended March 2009	**Interim period of the fiscal year ending March 2010**	**YoY**	**YoY (%)**
Net sales	46,008	**42,632**	(3,375)	(7.3)
Operating income (loss)	2,624	**(160)**	(2,785)	-

<Overview of Operations>

Net sales decreased by ¥3,375 million (7.3%) year-on-year to ¥42,632 million. The operating loss was ¥160 million, compared with the ¥2,624 million operating income in the same period of the previous fiscal year.

This segment includes the results of Technology Services (SOFTBANK TECHNOLOGY CORP.), the Media & Marketing (mainly SOFTBANK Creative Corp. and ITmedia Inc.), the Overseas Funds, and Others (Fukuoka SOFTBANK HAWKS related operations, etc.)

(3) Analysis by Geographic Segment

(a) Japan

Net sales increased by ¥23,069 million (1.7%) year-on-year to ¥1,345,128 million. Operating income rose ¥53,522 million (29.6%) year-on-year to ¥234,211 million.

(b) North America

Net sales declined by ¥43 million (7.6%) year-on-year to ¥525 million. The operating loss was ¥471 million (compared with ¥2,910 million in operating income in the same period of the previous fiscal year).

(c) Others

Net sales declined by ¥2,742 million (41.6%) year-on-year to ¥3,847 million. The operating loss was ¥271 million (compared with ¥238 million operating loss in the same period of the previous fiscal year).

<Reference: Overview of results for the second quarter of the fiscal year ending March 2010 >

(Millions of yen)

	Second Quarter (July – Sept. 30, 2008) fiscal year ended March 31, 2009	**Second Quarter (July – Sept. 30, 2009) fiscal year ending March 31, 2010**	**YoY**	**YoY (%)**
Net sales	681,742	**682,941**	1,199	0.2
Operating income	94,913	**122,331**	27,417	28.9
Ordinary income	63,043	**94,740**	31,697	50.3
Net income	21,747	**43,366**	21,619	99.4

Net sales for the second quarter of the fiscal year ending March 2010 (three-month period from July 1, 2009 to September 30, 2009) rose ¥1,199 million (0.2%) year-on-year to ¥682,941 million. Operating income rose ¥27,417 million (28.9%) year-on-year to ¥122,331 million, and ordinary income increased by ¥31,697 million (50.3%) year-on-year to ¥94,740 million. Net income for the second quarter rose ¥21,619 million (99.4%) to ¥43,366 million.

Results by business segment were as follows:

[Mobile Communications]

Net sales increased ¥23,513 million (5.9%) year-on-year to ¥424,888 million. Operating income rose ¥27,625 million (62.9%) year-on-year to ¥71,515 million, primarily from the growth in telecom service revenue achieved due to an increase in the number of subscribers and from the growth in shipments of mobile handsets at SOFTBANK MOBILE.

[Broadband Infrastructure]

Net sales decreased ¥8,180 million (13.7%) year-on-year to ¥51,731 million. Operating income increased ¥1,537 million (13.0%) year-on-year to ¥13,326 million. Although revenue declined on a decrease in the total number of lines in use at SOFTBANK BB's ADSL division, the profit growth trend continued on lower depreciation expenses for telecommunication equipment and leasing expenses.

[Fixed-Line Telecommunications]

Net sales declined ¥4,154 million (4.6%) year-on-year to ¥85,851 million, and operating income declined by ¥422 million (8.9%) year-on-year to ¥4,336 million. SOFTBANK TELECOM maintained revenue growth from the *OTOKU Line* direct connection fixed-line voice service, but the trend of lower revenue from existing voice services like *MYLINE* continued. At the same time, however, the profit growth trend was maintained on ongoing fixed cost reductions and increased management efficiency.

[Internet Culture]

Net sales rose ¥2,714 million (4.3%) year-on-year to ¥65,973 million. Operating income came to ¥32,436 million, for a ¥1,791 million (5.8%) year-on-year increase.

[e-Commerce]

Net sales declined ¥9,569 million (14.6%) year-on-year to ¥55,952 million, and operating income was ¥1,221 million a decline of ¥516 million (29.7%) year-on-year.

[Others]

Net sales declined ¥2,223 million (9.2%) year-on-year to ¥21,965 million, and operating income came to ¥719 million, a decline of ¥2,664 million (78.7%) year-on-year.

Results by geographic segment were as follows:

[Japan]

Net sales rose ¥2,779 million (0.4%) year-on-year to ¥680,758 million, and operating income was ¥30,396 million (32.5%) higher year-on-year at ¥123,988 million.

[North America]

Net sales declined ¥4 million (1.6%) year-on-year to ¥266 million, and operating loss came to ¥156 million (compared to ¥3,197 million in operating income for the same period of the previous fiscal year).

[Others]

Net sales declined ¥1,545 million (43.0%) year-on-year to ¥2,048 million, and operating loss totaled ¥93 million, (compared to a ¥169 million operating loss recorded in the same period of the previous fiscal year).

2. Analysis of Financial Position

(1) Assets, Liabilities and Equity

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

(Millions of yen)

	At the end of the interim period of the fiscal year ending March 2010	At the end of the fiscal year ended March 2009	YoY	YoY (%)
Total assets	**4,347,144**	4,386,672	(39,528)	(0.9)
Total liabilities	**3,434,814**	3,561,873	(127,059)	(3.6)
Total Equity	**912,329**	824,798	87,531	10.6

(a) Current Assets

Current assets increased by ¥39,127 million (2.6%) from the end of the previous fiscal year, to ¥1,559,441 million. The main contributing factors were as follows.

- Cash and deposits increased by ¥117,881 million from the end of the previous fiscal year. While SOFTBANK CORP. (hereafter 'the Company') received proceeds of ¥155,000 million from June to September 2009 from the issuance of its 27th, 28th and 29th Unsecured Straight Corporate Bonds, this was partially offset by ¥92,900 million used to repay borrowings. Consequently, there was an increase of ¥54,802 million at the Company. In addition, an increase by ¥51,901 million in Yahoo Japan resulted in an increase of cash and deposits.
- Notes and accounts receivable–trade decreased ¥55,704 million from the end of the previous fiscal year. This decrease was primarily from collecting accounts receivable from the year-end sales season in the previous fiscal year at the Mobile Communications and e-Commerce segments, and from collecting accounts receivable from installment sales of handsets at the Mobile Communications segment.
- Deferred tax assets declined ¥26,735 million from the end of the previous fiscal year due to the utilization of loss carryforwards at SOFTBANK BB and BB MOBILE Corp.

(b) Fixed Assets

Fixed assets decreased by ¥79,653 million (2.8%) from the end of previous fiscal year, to ¥2,785,382 million. The major contributing factors were as follows.

- Property and equipment, net declined ¥32,184 million from the end of the previous fiscal year. This decline was principally attributable to depreciation of telecommunication equipment and telecommunication service lines at the Mobile Communications and Fixed-line Telecommunications segments.
- Intangible assets decreased by ¥38,054 million from the end of the previous fiscal year. This was mainly due to a decrease in goodwill of ¥31,424 million caused by the regular amortization at SOFTBANK MOBILE and SOFTBANK TELECOM, and from amortization of software.

(c) Current Liabilities

Current liabilities decreased by ¥108,536 million (8.0%) from the end of the previous fiscal year to ¥1,241,046 million. The principal contributing factors were as follows.

- Short-term borrowings declined by ¥185,069 million from the end of the previous fiscal year. This was primarily attributable to a decline of ¥160,000 million from the repayment of borrowings under the credit line facility.
- Current portion of corporate bonds increased by ¥54,400 million. This was the result of the transfer of the 22nd and 24th Unsecured Straight Corporate Bonds from long-term liabilities (corporate bonds).
- Income taxes payable increased ¥31,297 million. This was mainly because Yahoo Japan recorded only a small amount of taxes payable at the end of the previous fiscal year, due to the utilization of loss carryforwards.
- Accounts payable–other and accrued expenses declined by ¥14,194 million. This decrease reflected SOFTBANK MOBILE's payments of agent commissions from the previous fiscal year's year-end sales season and from payments of equipment-related payables, while ¥75,000 million was transferred from long-term liabilities. This long-term accounts payable of ¥75,000 million, relating to the additional entrustment for debt assumption of bonds[*11] recorded at the end of previous fiscal year, was transferred due to the maturity within one year.

(Note) *11 Refer to P.30.

(d) Long-term Liabilities

Long-term liabilities decreased by ¥18,522 million (0.8%) from the end of the previous fiscal year to ¥2,193,768 million. The principal contributing factors were as follows.

- Corporate bonds outstanding increased by ¥93,937 million from the end of the previous fiscal year. The 22nd and 24th Unsecured Straight Corporate Bonds were transferred to current liabilities (total of ¥54,400 million), while the Company issued the 27th, 28th, and 29th Unsecured Straight Corporate Bonds, totaling ¥155,000 million.
- Long-term debt decreased by ¥18,320 million from the end of the previous fiscal year, primarily as a result of repayment of the SBM loan[*12] totaling ¥65,877 million at SOFTBANK MOBILE and ¥10,000 million transferred to current liabilities at Yahoo Japan. This was partially offset by an increase of ¥67,600 million in long-term borrowings by the Company during the interim period.
- Lease obligations decreased by ¥16,448 million from the end of the previous fiscal year. This was the result of the transfer to current liabilities of the current portion of lease obligations related to telecommunication equipment at SOFTBANK MOBILE.
- Other liabilities decreased by ¥78,194 million from the end of the previous fiscal year. This was primarily attributable to the transfer to current liabilities of ¥75,000 million in long-term accounts payable recorded by SOFTBANK MOBILE at the end of the previous fiscal year due to the maturity within one year.

(Note) *12 The acquisition funds for the acquisition of Vodafone K.K. were refinanced in November 2006 via a whole business securitization.

(e) Equity

Equity increased ¥87,531 million (10.6%) from the end of the previous fiscal year, to ¥912,329 million. Retained earnings increased ¥68,427 million, and as a result, the accumulated deficit was shifted to retained earnings of ¥17,158 million as of the end of the interim period. In addition, unrealized gain on available-for-sale securities increased ¥12,964 million, while deferred gain on derivatives under hedge accounting declined ¥12,499 million.

The increase in the unrealized gain on available-for-sale securities was primarily from the rise in the share price of Yahoo! Inc. in the U.S. from the end of the previous fiscal year.

(2) Cash Flows

Net cash provided by operating activities during the interim period totaled ¥315,341 million (compared with net cash provided by operating activities of ¥177,206 million in the same period of the previous fiscal year). Net cash used in investing activities was ¥138,241 million (compared with net cash used in investing activities of ¥165,103 million in the same period of the previous fiscal year), and net cash used in financing activities was ¥59,096 million (compared with net cash used in financing activities of ¥81,943 million in the same period of the previous fiscal year). As a result, free cash flow (the combined net cash flows from operating activities and investing activities) for the interim period was a positive ¥177,099 million (compared with a net outflow of ¥12,102 million in the same period of the previous fiscal year), for a significant increase of ¥164,996 million year-on-year.

Cash and cash equivalents at the end of the interim period totaled ¥573,424 million, a ¥115,779 million increase from the end of last fiscal year.

(Millions of yen)

	Interim period of the fiscal year ended March 2009	**Interim period of the fiscal year ending March 2010**	**Difference**
Cash flows from operating activities	177,206	**315,341**	138,134
Cash flows from investing activities	(165,103)	**(138,241)**	26,861
(Reference) free cash flow	12,102	**177,099**	164,996
Cash flows from financing activities	(81,943)	**(59,096)**	22,847

(a) Cash Flows from Operating Activities:

Net cash provided by operating activities totaled ¥315,341 million (compared with net cash provided by operating activities of ¥177,206 million in the same period of the previous fiscal year).

Income before income taxes and minority interests totaled ¥176,815 million, while non-cash items included depreciation and amortization of ¥120,075 million and amortization of goodwill of ¥30,557 million. In terms of working capital, a decline in receivables–trade had a positive impact of ¥63,499 million which includes the impact of securitizing ¥10,000 million in sales of installment sales receivables at the end of the interim period. In addition, a decline in accounts payables–trade had a negative impact of ¥2,096 million.

Income taxes paid for the interim period was ¥17,345 million, a ¥15,704 million decrease year-on-year. This decrease in income taxes paid was due to the fact that Yahoo Japan utilized loss carryforwards assumed from SOFTBANK IDC Solutions Corp. when they merged on March 30, 2009.

(b) Cash Flows from Investing Activities:

Net cash used in investing activities was ¥138,241 million (compared with net cash used in investing activities of ¥165,103 million in the same period of the previous fiscal year).

Due to capital expenditure, mainly on telecommunications related businesses, purchases of property and equipment and intangibles totaled ¥144,149 million. For the interim period, purchases of marketable and investment securities totaled ¥12,114 million, while proceeds from sales of marketable and investment securities came to ¥15,561 million.

(c) Cash Flows from Financing Activities:

Net cash used in financing activities was ¥59,096 million (compared with net cash used in financing activities of ¥81,943 million in the same period of the previous fiscal year).

Proceeds from long-term debt totaled ¥201,727 million, proceeds from issuance of bonds were ¥153,627 million, and proceeds from leasing newly acquired equipment totaled ¥38,977 million. On the other hand, repayments totaled ¥250,138 million for long-term debt, and the change in short-term borrowings, net was a ¥148,581 million decrease. In addition, an outflow of ¥44,562 million for repayment of lease obligations was recorded.

[Reference]

(1) Major Investing Activities

The major investing activities in the interim period were as follows:

Month of Investment	Investee Company	Investor Company	Net Cash Outflow (Cum. invested amount)	Voting rights (Total as of Sept 2009)
July 2009	Oak Pacific Interactive	SOFTBANK CORP.	¥5, 082 million (¥15,323 million)	5.1% (19.2%)

(2) Major Financing Activities

The major financing activities in the interim period were as follows:

Item	Company Name	Details	Summary
Issue bonds	SOFTBANK CORP.	Issue of the 27th Unsecured Straight Corporate Bond (Fukuoka SoftBank HAWKS Bond)	Issue date: June 11, 2009 Redemption date: June 10, 2011 Procured amount: ¥60,000 million Interest rate: 5.10%/year Use: Redemption of bonds and repayment of borrowings
		Issue of the 28th Unsecured Straight Corporate Bond	Issue date: July 24, 2009 Redemption date: July 24, 2012 Procured amount: ¥30,000 million Interest rate: 4.72%/year Use: Redemption of bonds and repayment of borrowings
		Issue of the 29th Unsecured Straight Corporate Bond (Fukuoka SoftBank HAWKS Bond)	Issue date: September 18, 2009 Redemption date: September 18, 2012 Procured amount: ¥65,000 million Interest rate: 4.52%/year Use: Redemption of bonds and repayment of borrowings
Securitization of receivables	SOFTBANK MOBILE Corp.	Procurement of funds totaling ¥70,247 million accompanying securitization of mobile phone installment sales receivables (recorded as borrowings)	Procurement date: June 30, 2009 Redemption method: monthly pass-through repayment Use: capital expenditure and repayment of funds raised via the whole business securitization financing scheme
		Procurement of funds totaling ¥49,956 million accompanying securitization of mobile phone installment sales receivables (recorded as borrowings)	Procurement date: September 30, 2009 Redemption method: monthly pass-through repayment Use: capital expenditure and repayment of funds raised via the whole business securitization financing scheme
Increase or decrease in debt (excluding securitization of receivables)	SOFTBANK CORP.	Decrease ¥92,900 million (net)	
	SOFTBANK MOBILE Corp.	Decrease ¥65,877 million	Repayment of funds raised via the whole business securitization financing scheme
	SOFTBANK TELECOM Corp.	Decrease ¥20,048 million	
	Yahoo Japan Corporation	Decrease ¥10,000 million	
Capital expenditure by financial lease	SOFTBANK MOBILE Corp. etc.	Capital expenditure mainly at the Mobile Communications business by utilizing lease.	Funds procured during the interim period: ¥38,977 million.

3. Earnings Forecasts

The Group is forecasting consolidated operating income of ¥420,000 million.

The Group will endeavor to achieve this forecast and further increase in earnings, primarily at the Mobile Communications segment where sales have been strong.

<Earnings Forecasts>

(Millions of yen)

	Forecast
	Fiscal year ending March 31, 2010 (FY2009)
Consolidated operating income	420,000

Consolidated net sales are greatly influenced by the sales method used by the Group for mobile handsets, which makes it difficult to forecast business results. In addition, the Company holds a variety of investment securities and invests in funds that are vulnerable to the market environment, making it difficult to estimate earnings under the equity method and the special income/loss, and for this reason, meaningful earnings forecasts for consolidated ordinary income and consolidated net income cannot be provided at this time.

4. The SOFTBANK Group

As of September 30, 2009, the Group was comprised of the Company (pure holding company) and the following nine business segments. The number of consolidated subsidiaries and equity method companies in each business segment was as follows.

Business segments	Consolidated subsidiaries	Equity method non-consolidated subsidiaries and affiliates	Main business of segment and name of business
Mobile Communications	6	2	Provision of mobile communication services and sale of mobile phones accompanying the services etc. (Core company: SOFTBANK MOBILE Corp.)
Broadband Infrastructure	6	1	Provision of ADSL and fiber-optic high-speed Internet connection service, IP telephony service, and provision of content etc. (Core company: SOFTBANK BB Corp.(*13))
Fixed-line Telecommunications	3	-	Provision of fixed-line telecommunications etc. (Core companies: SOFTBANK TELECOM Corp. (*13))
Internet Culture	19	11	Internet-based advertising operations, portal business and auction business etc. (Core company: Yahoo Japan Corporation (*13))
e-Commerce	7	4	Distribution of PC software and hardware including PCs and peripherals, enterprise solutions, and diversified e-commerce businesses, including business transaction platforms (B2B) and consumer-related e-commerce (B2C) etc. (Core companies: SOFTBANK BB Corp. (*13) Vector Inc., Carview Corporation)
Others	69	45	Technology Services, Media & Marketing, Overseas Funds, and Other businesses (Core companies: SOFTBANK TECHNOLOGY CORP., SOFTBANK Creative Corp., ITmedia Inc., Fukuoka SOFTBANK HAWKS Marketing Corp.)
Total	110	63	

(Note)*13 SOFTBANK BB Corp., SOFTBANK TELECOM Corp. and Yahoo Japan Corporation are included in as consolidated subsidiaries in the Broadband Infrastructure, Fixed-line Telecommunications and Internet Culture segments, respectively, while SOFTBANK BB Corp., SOFTBANK TELECOM Corp. and Yahoo Japan Corporation operate multiple businesses and their operating results are allocated to multiple business segments.

[Listed Companies]

The following 5 SOFTBANK subsidiaries were listed on domestic stock exchanges as of September 30, 2009:

Company Name	Listed Exchange
Yahoo Japan Corporation	Tokyo Stock Exchange 1st section Jasdaq Securities Exchange
SOFTBANK TECHNOLOGY CORP.	Tokyo Stock Exchange 1st section
Vector Inc.	Osaka Securities Exchange Hercules
ITmedia Inc.	Tokyo Stock Exchange Mothers
Carview Corporation	Tokyo Stock Exchange Mothers

5. Others

(1) Significant Changes in Scope of Consolidation (Changes in Scope of Consolidation of Specified Subsidiaries)
There are no significant changes in scope of consolidation.

(2) Application of simple accounting methods or special accounting methods for preparation for the consolidated financial statements
There are no applicable items.

(3) Changes in accounting principles, procedures, disclosure methods, etc., used in the presentation of the consolidated financial statements
There are no applicable items.

6. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of September 30, 2009 Amount	As of March 31, 2009 Amount
ASSETS		
Current assets:		
Cash and deposits	**¥575,835**	¥457,953
Notes and accounts receivable - trade	**802,380**	858,084
Marketable securities	**3,942**	2,917
Merchandise and finished products	**40,792**	42,320
Deferred tax assets	**66,285**	93,021
Other current assets	**115,074**	114,874
Less: Allowance for doubtful accounts	**(44,870)**	(48,858)
Total current assets	**1,559,441**	1,520,313
Fixed assets:		
Property and equipment, net:		
Buildings and structures	**70,916**	71,577
Telecommunications equipment	**719,753**	738,967
Telecommunications service lines	**76,133**	79,637
Land	**22,575**	22,576
Construction in progress	**30,872**	37,477
Other property and equipment	**48,509**	50,710
Total property and equipment	**968,761**	1,000,946
Intangible assets, net:		
Goodwill	**925,306**	956,730
Software	**219,999**	226,131
Other intangibles	**38,748**	39,245
Total intangible assets	**1,184,054**	1,222,108
Investments and other assets:		
Investment securities and investments in unconsolidated subsidiaries and affiliated companies	**341,499**	320,102
Deferred tax assets	**149,456**	158,228
Other assets	**170,375**	200,749
Less: Allowance for doubtful accounts	**(28,764)**	(37,100)
Total investments and other assets	**632,566**	641,980
Total fixed assets	**2,785,382**	2,865,036
Deferred charges	**2,320**	1,322
Total assets	**¥4,347,144**	¥4,386,672

Consolidated Balance Sheets

(Millions of yen)

	As of September 30, 2009	As of March 31, 2009
	Amount	Amount
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable - trade	**¥158,065**	¥160,339
Short-term borrowings	**390,463**	575,532
Commercial paper	**3,000**	-
Current portion of corporate bonds	**118,400**	64,000
Accounts payable - other and accrued expenses	**337,976**	352,171
Income taxes payable	**52,660**	21,363
Current portion of lease obligations	**99,499**	88,241
Other current liabilities	**80,981**	87,935
Total current liabilities	**1,241,046**	1,349,583
Long-term liabilities:		
Corporate bonds	**418,503**	324,566
Long-term debt	**1,417,972**	1,436,292
Deferred tax liabilities	**28,555**	28,795
Liability for retirement benefits	**15,918**	16,076
Allowance for point mileage	**42,719**	41,816
Lease obligations	**216,865**	233,314
Other liabilities	**53,233**	131,428
Total long-term liabilities	**2,193,768**	2,212,290
Total liabilities	**3,434,814**	3,561,873
Equity:		
Common stock	**188,734**	187,681
Additional paid-in capital	**212,229**	211,999
Retained earnings (accumulated deficit)	**17,158**	(51,269)
Less: Treasury stock	**(219)**	(214)
Total shareholders' equity	**417,902**	348,197
Unrealized gain on available-for-sale securities	**44,298**	31,334
Deferred gain on derivatives under hedge accounting	**12,617**	25,117
Foreign currency translation adjustments	**(31,653)**	(30,554)
Total valuation and translation adjustments	**25,262**	25,897
Stock acquisition rights	**365**	289
Minority interests	**468,799**	450,414
Total equity	**912,329**	824,798
Total liabilities and equity	**¥4,347,144**	¥4,386,672

(2) Consolidated Statements of Income

For the six-month period ended September 30, 2009

(Millions of yen)

	Six-month period ended September 30, 2008	**Six-month period ended September 30, 2009**
	April 1, 2008 to September 30, 2008	**April 1, 2009 to September 30, 2009**
	Amount	**Amount**
Net sales	¥1,328,998	**¥1,349,275**
Cost of sales	690,137	**649,351**
Gross Profit	638,860	**699,923**
Selling, general and administrative expenses	458,859	**469,302**
Operating income	180,000	**230,621**
Interest income	866	**306**
Foreign exchange gain, net	617	**766**
Equity in earnings of affiliated companies	-	**2,283**
Other non-operating income	3,183	**3,011**
Non-operating income	4,667	**6,367**
Interest expense	57,061	**55,345**
Equity in losses of affiliated companies	2,421	**-**
Other non-operating expenses	7,870	**8,106**
Non-operating expenses	67,352	**63,451**
Ordinary income	117,315	**173,538**
Gain on sale of investment securities	2,519	**4,027**
Dilution gain from changes in equity interest	2,353	**1,160**
Unrealized appreciation on investments and loss on sale of investments at subsidiaries in the U.S. , net	-	**345**
Other special income	1,342	**448**
Special income	6,215	**5,981**
Valuation loss on investment securities	3,123	**1,288**
Unrealized loss on valuation of investments and loss on sale of investments at subsidiaries in the U.S., net	3,175	**-**
Impairment loss	479	**797**
Other special losses	1,536	**618**
Special loss	8,315	**2,704**
Income before income taxes and minority interests	115,215	**176,815**
Income taxes:		
Current	34,432	**48,823**
Deferred	17,401	**34,735**
Total income taxes	51,834	**83,558**
Minority interests in net income	22,265	**22,506**
Net income	¥41,115	**¥70,750**

For the three-month period ended September 30, 2009 (Millions of yen)

	Three-month period ended September 30, 2008	**Three-month period ended September 30, 2009**
	July 1, 2008 to September 30, 2008	**July 1, 2009 to September 30, 2009**
	Amount	**Amount**
Net sales	¥681,742	**¥682,941**
Cost of sales	354,811	**331,745**
Gross Profit	326,931	**351,196**
Selling, general and administrative expenses	232,017	**228,864**
Operating income	94,913	**122,331**
Interest income	505	**188**
Foreign exchange gain, net	507	**382**
Equity in earnings of affiliated companies	-	**2,915**
Other non-operating income	1,630	**1,292**
Non-operating income	2,643	**4,779**
Interest expense	28,658	**27,855**
Equity in losses of affiliated companies	815	**-**
Other non-operating expenses	5,039	**4,515**
Non-operating expenses	34,513	**32,370**
Ordinary income	63,043	**94,740**
Gain on sale of investment securities	54	**3,495**
Reversal of allowance for doubtful accounts	510	**-**
Other special income	366	**599**
Special income	932	**4,094**
Valuation loss on investment securities	1,809	**364**
Unrealized loss on valuation of investments and loss on sale of investments at subsidiaries in the U.S., net	2,335	**521**
Other special losses	1,968	**328**
Special loss	6,113	**1,213**
Income before income taxes and minority interests	57,861	**97,621**
Income taxes:		
Current	22,691	**28,966**
Deferred	2,868	**13,546**
Total income taxes	25,559	**42,512**
Minority interests in net income	10,554	**11,742**
Net income	¥21,747	**¥43,366**

(3) Consolidated Statements of Cash Flows

(Millions of yen)

	Six-month period ended September 30, 2008	**Six-month period ended September 30, 2009**
	April 1, 2008 to September 30, 2008	**April 1, 2009 to September 30, 2009**
Cash flows from operating activities:		
Income before income taxes and minority interests	¥115,215	**¥176,815**
Adjustments for:		
Depreciation and amortization	115,067	**120,075**
Amortization of goodwill	30,632	**30,557**
Equity in losses (earnings) of affiliated companies	2,421	**(2,283)**
Dilution gain from changes in equity interest, net	(2,353)	**(1,080)**
Impairment loss	479	**797**
Valuation loss on investment securities	3,123	**1,288**
Unrealized loss (appreciation) on investments and loss on sale of investments at subsidiaries in the U.S., net	3,175	**(345)**
Gain on sale of marketable and investment securities, net	(2,472)	**(3,969)**
Foreign exchange gain , net	(574)	**(835)**
Interest and dividend income	(1,543)	**(520)**
Interest expense	57,061	**55,345**
Changes in operating assets, and liabilities		
(Increase) decrease in receivables – trade	(2,855)	**63,499**
Decrease in payables - trade	(41,974)	**(2,096)**
Other, net	(16,149)	**(57,319)**
Sub-total	259,253	**379,927**
Interest and dividends received	1,661	**560**
Interest paid	(50,658)	**(47,800)**
Income taxes paid	(33,050)	**(17,345)**
Net cash provided by operating activities	177,206	**315,341**

- Continued -

Consolidated Statements of Cash Flows (Continued)

(Millions of yen)

	Six-month period ended September 30, 2008	**Six-month period ended September 30, 2009**
	April 1, 2008 to September 30, 2008	**April 1, 2009 to September 30, 2009**
Cash flows from investing activities:		
Purchase of property and equipment, and intangibles	¥ (142,867)	**¥ (144,149)**
Purchase of marketable and investment securities	(24,528)	**(12,114)**
Proceeds from sale of marketable and investment securities	12,723	**15,561**
Acquisition of interests in subsidiaries newly consolidated, net of cash acquired	(17,530)	**(40)**
Other, net	7,099	**2,501**
Net cash used in investing activities	(165,103)	**(138,241)**
Cash flows from financing activities:		
Increase (decrease) in short-term borrowings, net	60,127	**(148,581)**
Increase in commercial paper, net	2,000	**3,000**
Proceeds from long-term debt	102,621	**201,727**
Repayment of long-term debt	(169,028)	**(250,138)**
Proceeds from issuance of bonds	-	**153,627**
Redemption of bonds	(35,130)	**(6,673)**
Exercise of warrants	235	**2,105**
Proceeds from issuance of shares to minority shareholders	872	**687**
Cash dividends paid	(2,666)	**(2,667)**
Cash dividends paid to minority shareholders	(4,115)	**(4,492)**
Purchase of treasury stock of consolidated subsidiaries	(52,164)	**(1)**
Proceeds from sale and lease back of equipment newly acquired	55,522	**38,977**
Repayment of lease obligations	(36,325)	**(44,562)**
Other, net	(3,891)	**(2,105)**
Net cash used in financing activities	(81,943)	**(59,096)**
Effect of exchange rate changes on cash and cash equivalents	411	**(1,541)**
Net (decrease) increase in cash and cash equivalents	(69,429)	**116,461**
Increase in cash and cash equivalents due to newly consolidated subsidiaries	159	**126**
Decrease in cash and cash equivalents due to exclusion of previously consolidated subsidiaries	(1,810)	**(807)**
Cash and cash equivalents, beginning of the period	490,266	**457,644**
Cash and cash equivalents, end of the period	¥419,186	**¥573,424**

(4) Significant Doubt about Going Concern Assumption

There are no applicable items for the six-month period ended September 30, 2009.

(5) Basis of Presentation of Consolidated Financial Statements

(Items described “Qualitative Information/Financial Statements 5. Others” on page 21 are excluded.)

1. Changes in scope of consolidation

(1) Changes in scope of consolidation for the six-month period ended September 30, 2009 are as follows:

<Increase>

5 companies

<Decrease>

3 companies

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

110 companies

2. Changes in scope of equity method

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

<Increase>

1 companies

<Decrease>

12 companies

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

Non-consolidated subsidiaries under the equity method: 5 companies

Affiliated companies under the equity method: 58 companies

(6) Notes

(Consolidated Balance Sheets)

1. Accumulated depreciation of property and equipment

	As of September 30, 2009	As of March 31, 2009
	1,032,959 million yen	966,322 million yen

2. Secured loans

(1) Assets pledged as collateral for secured liabilities

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

	As of September 30, 2009	As of March 31, 2009
Assets pledged as collateral:		
Cash and deposits	**208,790**	212,414
Notes and accounts receivable - trade	**287,890**	312,831
Buildings and structures	**12,012**	12,774
Telecommunications equipment	**240,041**	260,509
Telecommunications service lines	**168**	189
Land	**10,624**	10,617
Investment securities and investments in unconsolidated subsidiaries and affiliated companies	**85,345**	66,863
Investments and other assets - other assets	**23,915**	31,999
Total	**868,789 million yen**	908,201 million yen

	As of September 30, 2009	As of March 31, 2009
Secured liabilities:		
Accounts payable - trade	**1,613**	1,239
Short-term borrowings	**2,299**	2,903
Long - term debt	**1,214,208**	1,287,099
Total	**1,218,121 million yen**	1,291,242 million yen

Consolidated subsidiaries shares owned by SOFTBANK MOBILE, SOFTBANK MOBILE shares owned by BB Mobile Corp. and BB Mobile Corp. shares owned by Mobiletech Corporation are pledged as collateral for long-term debt (totaled to ¥1,184,853 million and ¥1,118,975 million, as of March 31, 2009 and September 30, 2009, respectively) resulting from the acquisition of SOFTBANK MOBILE, in addition to the assets pledged as collateral above.

(2) Borrowings by securitization of receivables

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

Cash proceeds through the securitization of installment sales receivables of SOFTBANK MOBILE, excluding those qualify for derecognition criteria of a financial asset, were included in “Short-term borrowings” (¥185,669 million and ¥184,511 million, as of March 31, 2009 and September 30 2009, respectively) and “Long-term debt” (¥36,256 million and ¥37,115 million, as of March 31, 2009 and September 30, 2009, respectively). The amounts of the senior portion of the securitized installment sales receivables (¥ 221,925 million and ¥221,627 million, as of March 31, 2009 and as of September 30, 2009, respectively) were included in “Notes and account receivable-trade”, along with the subordinated portion held by the SOFTBANK MOBILE. The trustee raised the funds through asset backed loans based on the receivables.

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

SOFTBANK BB transferred its senior portion of the securitized present and future receivables for ADSL services* to a SPC (a consolidated subsidiary), and the SPC raised the funds through asset backed loans based on the receivables (¥20,000 million and ¥15,328 million, as of March 31, 2009 and September 30, 2009, respectively) from a financial institution. Cash proceeds through the asset backed loans are included in the "Short-term borrowings" (¥6,660 million and ¥6,660 million, as of March 31, 2009 and September 30, 2009, respectively) and "Long-term debt" (¥13,340 million, and ¥8,668 million, as of March 31, 2009 and September 30, 2009, respectively).

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

(3) Borrowings by security lending agreements

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

	As of September 30, 2009	As of March 31, 2009
Short-term borrowings	**117,000 million yen**	110,000 million yen

3. Additional entrustment for debt assumption of bonds (As of September 30, 2009)

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

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

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

As of September 30, 2009, since the maturity for the additional entrustment was within one year, the accounts payable was included in "Accounts payable-other and accrued expenses" of current liabilities in the consolidated balance sheets.

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

As of September 30, 2009

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

(Consolidated Statements of Income)

For the six-month period ended September 30, 2008 and 2009 (From April 1 to September 30, 2008 and 2009)

1. Selling, general and administrative expenses

	Six-month period ended September 30, 2008	**Six-month period ended September 30, 2009**
Sales commission and sales promotion expense	194,578 million yen	**223,907 million yen**
Provision for allowance for doubtful accounts	22,747	**8,866**

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

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

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

	Six-month period ended September 30, 2008	**Six-month period ended September 30, 2009**
Unrealized appreciation (loss) on valuation of investment at subsidiaries in the U.S.,net	(3,167)	**1,338**
Loss on sale of investments at subsidiaries in the U.S.,net	(8)	**(993)**
Total	(3,175) million yen	**345 million yen**

3. Impairment loss

(From April 1, 2008 to September 30, 2008)
Goodwill at a subsidiary of the Internet culture segment was recorded as an impairment loss of ¥479 million in the consolidated statements of income.

(From April 1, 2009 to September 30, 2009)
Goodwill at a subsidiary of the Internet culture segment was recorded as an impairment loss of ¥797 million in the consolidated statements of income since the future cash flows were not expected to be generated.

For the three-month period ended September 30, 2008 and 2009 (From July 1 to September 30, 2008 and 2009)

1. Selling, general and administrative expenses

	Three-month period ended September 30, 2008		**Three-month period ended September 30, 2009**	
Sales commission and sales promotion expense	99,183	million yen	**104,542**	**million yen**
Provision for allowance for doubtful accounts	12,955		**5,258**	

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

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

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

	Three-month period ended September 30, 2008		**Three-month period ended September 30, 2009**	
Unrealized loss on valuation of investment at subsidiaries in the U.S.,net	(910)		**(1)**	
Loss on sale of investments at subsidiaries in the U.S.,net	(1,425)		**(519)**	
Total	(2,335)	million yen	**(521)**	**million yen**

(Consolidated Statements of Cash Flows)

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

	As of September 30, 2008		**As of September 30, 2009**	
Cash and deposits	418,968	million yen	**575,835**	**million yen**
Marketable securities	5,073		**3,942**	
Time deposits with original maturity over three months	(1,050)		**(2,741)**	
Stocks and bonds with original maturity over three months	(3,805)		**(3,612)**	
Cash and cash equivalents	419,186	million yen	**573,424**	**million yen**

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

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

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

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

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

(Leases)

1. Finance lease transactions

(As a lessee)

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

[1] Details of lease assets are as follows:

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

[2] Depreciation method for lease assets

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

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

[1] Details of lease assets are as follows:

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

[2] Depreciation method for lease assets

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

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

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

	As of September 30, 2009		As of March 31, 2009	
Telecommunications equipment and telecommunications service lines				
Acquisition cost	**170,944**		171,192	
Accumulated depreciation	**(85,891)**		(77,309)	
Accumulated impairment loss	**(37,786)**		(37,786)	
Net leased property	**47,265**	**million yen**	56,096	million yen
Buildings and structures				
Acquisition cost	**46,729**		47,004	
Accumulated depreciation	**(10,739)**		(9,836)	
Accumulated impairment loss	**-**		-	
Net leased property	**35,989**	**million yen**	37,168	million yen
Property and equipment - others				
Acquisition cost	**16,977**		17,227	
Accumulated depreciation	**(9,603)**		(8,424)	
Accumulated impairment loss	**(1,077)**		(1,077)	
Net leased property	**6,296**	**million yen**	7,724	million yen
Intangible assets				
Acquisition cost	**9,077**		9,086	
Accumulated depreciation	**(5,794)**		(4,919)	
Accumulated impairment loss	**(171)**		(171)	
Net leased property	**3,111**	**million yen**	3,996	million yen
Total				
Acquisition cost	**243,728**		244,511	
Accumulated depreciation	**(112,029)**		(100,489)	
Accumulated impairment loss	**(39,035)**		(39,035)	
Net leased property	**92,662**	**million yen**	104,986	million yen

Long-term prepaid expenses relating to a lease contract, in which the contract term and payment term are different, as of March 31, 2009 and September 30, 2009 were ¥19,867 million and 22,644 million, respectively and are included in “Other assets” of investments and other assets in the consolidated balance sheets. Current portion of long-term prepaid expenses related to the lease contract in the amount of ¥714 million and ¥712 million as of March 31, 2009 and September 30, 2009 are included in “Other current assets” in the consolidated balance sheets.

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

	As of September 30, 2009		As of March 31, 2009	
Due within one year	**29,276**		30,726	
Due after one year	**92,125**		110,651	
Total	**121,401**	**million yen**	141,378	million yen
Balance of allowance for impairment loss on leased property	**14,409**	**million yen**	18,809	million yen

(3) Lease payments, reversal of allowance for impairment loss on leased property, amounts equivalent to depreciation, and interest expense for each period:

(From April 1 to September 30, 2008 and 2009)

	Six-month period ended September 30, 2008		**Six-month period ended September 30, 2009**	
Lease payments	21,165	million yen	**19,046**	million yen
Reversal of allowance for impairment loss on leased property	3,362		**4,399**	
Depreciation expense	14,436		**12,257**	
Interest expense	4,775		**4,552**	

(From July 1 to September 30, 2008 and 2009)

	Three-month period ended September 30, 2008		**Three-month period ended September 30, 2009**	
Lease payments	10,526	million yen	**9,462**	million yen
Reversal of allowance for impairment loss on leased property	1,679		**2,228**	
Depreciation expense	7,008		**6,119**	
Interest expense	2,308		**2,204**	

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

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

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

(Investment in Debt and Equity Securities)

1. Marketable and investment securities at fair value

(Millions of yen)

	As of September 30, 2009			As of March 31, 2009		
	Investment Cost	**Carrying Amount**	**Differences**	Investment Cost	Carrying Amount	Differences
(1) Equity securities	**23,765**	**100,505**	**76,739**	25,270	79,790	54,519
(2) Others	**2,355**	**2,652**	**297**	2,924	2,671	(253)
Total	**26,120**	**103,157**	**77,036**	28,194	82,461	54,266

2. Carrying amounts of the unlisted investment securities

(Millions of yen)

	As of September 30, 2009	As of March 31, 2009
	Carrying Amounts	Carrying Amounts
(1)Held-to-maturity debt securities		
Unlisted foreign debt securities	**¥700**	¥700
Unlisted debt securities	**599**	299
(2)Available-for-sale and other securities		
Unlisted equity securities	**84,801**	80,747
Investments in limited partnerships	**6,353**	6,732
Others	**873**	223
Total	**¥93,327**	¥88,702

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

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

The carrying amounts of the investment securities at fair value recorded in the consolidated balance sheets as of March 31, 2009 and September 30, 2009 were as follows:

<u>As of September 30, 2009</u>
Carrying amounts of investment securities at fair value : 15,393 million yen

<u>As of March 31, 2009</u>
Carrying amounts of investment securities at fair value : 18,064 million yen

(Per Share Data)

1. Shareholders' equity per share

	As of September 30, 2009	As of March 31, 2009
Shareholders' equity per share (yen)	**¥409.46**	¥346.11

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

For the six-month period ended September 30, 2008 and 2009

	April 1, 2008 to September 30, 2008	**April 1, 2009 to September 30, 2009**
Net income per share – primary (yen)	38.04	**65.41**
Net income per share – diluted (yen)	36.20	**63.02**

Basic data for computation of the per share data	April 1, 2008 to September 30, 2008	**April 1, 2009 to September 30, 2009**
1. Net income (in millions of yen)	41,115	**70,750**
2. Amounts not allocated to shareholders (in millions of yen)	-	**-**
3. Net income allocated to common stock outstanding (in millions of yen)	41,115	**70,750**
4. Weighted average number of common stock outstanding during each period (unit: thousand of shares)	1,080,587	**1,081,663**
5. Adjustment for net income used to calculate net income per share – diluted (in millions of yen)		
– Interest expense (net of tax)	778	**481**
– Adjustments for net income used to calculate diluted net income per share in consolidated subsidiaries and affiliated companies	(17)	**(14)**
–Total	760	**467**
6. Increase of common stock used to calculate net income per share– diluted (unit: thousand of shares)	76,205	**48,439**
7. Residual securities which do not dilute net income per share	-	-

For the three-month period ended September 30, 2008 and 2009

	July 1, 2008 to September 30, 2008	**July 1, 2009 to September 30, 2009**
Net income per share – primary (yen)	20.12	**40.07**
Net income per share – diluted (yen)	19.12	**38.56**

Basic data for computation of the per share data	July 1, 2008 to September 30, 2008	**July 1, 2009 to September 30, 2009**
1. Net income (in millions of yen)	21,747	**43,366**
2. Amounts not allocated to shareholders (in millions of yen)	-	**-**
3. Net income allocated to common stock outstanding (in millions of yen)	21,747	**43,366**
4. Weighted average number of common stock outstanding during each period (unit: thousand of shares)	1,080,635	**1,082,314**
5. Adjustment for net income used to calculate net income per share – diluted (in millions of yen)		
– Interest expense (net of tax)	389	**240**
– Adjustments for net income used to calculate diluted net income per share in consolidated subsidiaries and affiliated companies	(8)	**(7)**
–Total	380	**233**
6. Increase of common stock used to calculate net income per share– diluted (unit: thousand of shares)	76,133	**48,300**
7. Residual securities which do not dilute net income per share	-	-

(7) Segment Information

1. Business segment information

For the three-month period ended September 30, 2008 and 2009

From July 1, 2008 to September 30, 2008 (Millions of yen)

	Mobile Communications	Broadband Infrastructure	Fixed-line Telecommunications	Internet Culture	e-Commerce	Others	Total	Elimination or Corporate	Consolidated
Net sales									
(1) Customers	¥399,474	¥58,179	¥78,500	¥62,590	¥62,620	¥20,376	¥681,742	¥-	¥681,742
(2) Inter-segment	1,900	1,731	11,504	669	2,901	3,812	22,520	(22,520)	-
Total	401,375	59,911	90,005	63,259	65,522	24,189	704,262	(22,520)	681,742
Operating income	43,890	11,789	4,759	30,645	1,737	3,383	96,205	(1,291)	94,913

From July 1, 2009 to September 30, 2009 (Millions of yen)

	Mobile Communications	Broadband Infrastructure	Fixed-line Telecommunications	Internet Culture	e-Commerce	Others	Total	Elimination or Corporate	Consolidated
Net sales									
(1) Customers	¥422,317	¥50,670	¥75,100	¥64,820	¥52,712	¥17,319	¥682,941	¥-	¥682,941
(2) Inter-segment	2,570	1,060	10,751	1,153	3,239	4,646	23,421	(23,421)	-
Total	424,888	51,731	85,851	65,973	55,952	21,965	706,362	(23,421)	682,941
Operating income	71,515	13,326	4,336	32,436	1,221	719	123,556	(1,224)	122,331

Notes:

1. Business segments are categorized primarily based on the nature of business operations, type of services, and similarity of sales channels, etc. which the SOFTBANK Group uses for its internal management purposes.
2. Regarding the main business segments, please see "Qualitative Information / Financial Statements 4. The SOFTBANK Group" in details on page 20.

For the six-month period ended September 30, 2008 and 2009

From April 1, 2008 to September 30, 2008 (Millions of yen)

	Mobile Communications	Broadband Infrastructure	Fixed-line Telecommunications	Internet Culture	e-Commerce	Others	Total	Elimination or Corporate	Consolidated
Net sales									
(1) Customers	¥770,166	¥116,970	¥156,629	¥124,142	¥122,291	¥38,797	¥1,328,998	¥-	¥1,328,998
(2) Inter-segment	3,794	3,068	21,829	1,443	5,689	7,210	43,035	(43,035)	-
Total	773,961	120,038	178,458	125,586	127,981	46,008	1,372,033	(43,035)	1,328,998
Operating income	88,164	22,265	5,557	61,188	2,747	2,624	182,547	(2,546)	180,000

From April 1, 2009 to September 30, 2009 (Millions of yen)

	Mobile Communications	Broadband Infrastructure	Fixed-line Telecommunications	Internet Culture	e-Commerce	Others	Total	Elimination or Corporate	Consolidated
Net sales									
(1) Customers	¥827,413	¥103,345	¥151,567	¥128,952	¥104,501	¥33,495	¥1,349,275	¥-	¥1,349,275
(2) Inter-segment	4,779	2,191	21,042	2,177	5,664	9,137	44,993	(44,993)	-
Total	832,193	105,537	172,609	131,129	110,166	42,632	1,394,268	(44,993)	1,349,275
Operating income (loss)	131,776	27,230	7,830	64,154	2,161	(160)	232,991	(2,369)	230,621

Notes:

1. Business segments are categorized primarily based on the nature of business operations, type of services, and similarity of sales channels, etc. which the SOFTBANK Group uses for its internal management purposes.
2. Regarding the main business segments, please see "Qualitative Information / Financial Statements 4. The SOFTBANK Group" in details on page 20.

2. Geographic segment information

For the three-month period ended September 30, 2008 and 2009

From July 1, 2008 to September 30, 2008 (Millions of yen)

	Japan	North America	Others	Total	Elimination or corporate	Consolidated
Net sales						
(1) Customers	¥677,878	¥270	¥3,593	¥681,742	¥-	¥681,742
(2) Inter-segment	100	-	-	100	(100)	-
Total	677,978	270	3,593	681,842	(100)	681,742
Operating income (loss)	93,591	3,197	(169)	96,618	(1,704)	94,913

From July 1, 2009 to September 30, 2009 (Millions of yen)

	Japan	North America	Others	Total	Elimination or corporate	Consolidated
Net sales						
(1) Customers	¥680,627	¥266	¥2,048	¥682,941	¥-	¥682,941
(2) Inter-segment	130	-	-	130	(130)	-
Total	680,758	266	2,048	683,072	(130)	682,941
Operating income (loss)	123,988	(156)	(93)	123,738	(1,407)	122,331

Notes:

1. Net sales by geographic region are recognized based on geographic location of the operation.
2. Significant countries in each region are as follows:
   North America : United States of America and Canada
   Others : Europe, Korea, China, Singapore, and others
3. In the North America segment, Softbank Holdings Inc., a consolidated subsidiary of the company in the United States of America, reversed a tax reserve for net worth taxes of ¥3,609 million and credited it to operating expenses for the period ended September 30, 2008.

From April 1, 2008 to September 30, 2008 (Millions of yen)

	Japan	North America	Others	Total	Elimination or corporate	Consolidated
Net sales						
(1) Customers	¥1,321,839	¥568	¥6,590	¥1,328,998	¥-	¥1,328,998
(2) Inter-segment	220	-	-	220	(220)	-
Total	1,322,059	568	6,590	1,329,218	(220)	1,328,998
Operating income (loss)	180,688	2,910	(238)	183,360	(3,360)	180,000

From April 1, 2009 to September 30, 2009 (Millions of yen)

	Japan	North America	Others	Total	Elimination or corporate	Consolidated
Net sales						
(1) Customers	¥1,344,902	¥525	¥3,847	¥1,349,275	¥-	¥1,349,275
(2) Inter-segment	226	-	-	226	(226)	-
Total	1,345,128	525	3,847	1,349,501	(226)	1,349,275
Operating income (loss)	234,211	(471)	(271)	233,468	(2,846)	230,621

Notes:

1. Net sales by geographic region are recognized based on geographic location of the operation.
2. Significant countries in each region are as follows:
   North America : United States of America and Canada
   Others : Europe, Korea, China, Singapore, and others
3. In the North America segment, Softbank Holdings Inc., a consolidated subsidiary of the company in the United States of America, reversed a tax reserve for net worth taxes of ¥3,609 million and credited it to operating expenses for the period ended September 30, 2008.

3. Overseas sales

Disclosures of overseas sales for the three-month and the six-month periods ended September 30, 2008 and 2009 were omitted because the total overseas sales were less than 10% of total consolidated sales.

(8) Notes to Significant Changes in Shareholder's Equity

There are no applicable items.