SoftBank

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

SoftBank Corp.
Consolidated Financial Report
For the nine-month period ended December 31, 2013 (IFRS)

Tokyo, February 12, 2014

1. Financial Highlights

(1) Results of Operations

(Percentages are shown as year-on-year changes)
(Millions of yen; amounts are rounded off to the nearest million yen.)

	Net sales		Operating income		Income before income tax		Net income		Net income attributable to owners of the parent		Total comprehensive income	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Nine-month period ended December 31, 2013	**¥4,561,703**	**94.4**	**¥924,228**	**46.3**	**¥798,141**	**37.5**	**¥526,122**	**48.3**	**¥488,231**	**58.1**	**¥545,586**	**27.8**
Nine-month period ended December 31, 2012	¥2,346,972	-	¥631,522	-	¥580,326	-	¥354,806	-	¥308,790	-	¥426,902	-

	Basic earnings per share (yen)	Diluted earnings per share (yen)
Nine-month period ended December 31, 2013	**¥409.80**	**¥409.04**
Nine-month period ended December 31, 2012	¥280.48	¥276.30

(2) Financial Position

(Millions of yen; amounts are rounded off to the nearest million yen.)

	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent to total assets (%)
As of December 31, 2013	**¥16,464,158**	**¥2,883,373**	**¥1,986,529**	**12.1**
As of March 31, 2013	¥7,216,809	¥1,930,428	¥1,612,756	22.3

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, 2013	-	20.00	-	20.00	40.00
Fiscal year ending March 31, 2014	-	20.00	-		
Fiscal year ending March 31, 2014 (Forecasted)				20.00	40.00

Note: Revision of forecasts on the dividends: No

3. Forecasts on the Consolidated Operations Results for the Fiscal Year Ending March 2014 (April 1, 2013 – March 31, 2014)

The Company projects net sales of at least ¥6 trillion and operating income of at least ¥1 trillion under IFRSs in the fiscal year ending March 31, 2014. This operating income includes gains of ¥253.9 billion in total resulting from the reevaluation of the existing equity interests held in GungHo Online Entertainment, Inc. and WILLCOM, Inc. at fair value when both companies became subsidiaries.

*** Notes**

(1) Significant changes in scope of consolidation (changes in scope of consolidation of specified subsidiaries): Yes
Newly consolidated: One company Sprint Communications, Inc.

(2) Changes in accounting policies and accounting estimate
[1] Changes in accounting policies required by IFRSs: No
[2] Changes in accounting policies other than those in [1]: No
[3] Changes in accounting estimates: Yes
Note:
Please refer to page 28 "(2) Changes in accounting policies and accounting estimates" under "2. Notes to Summary Information" for details.

(3) Number of shares issued (common stock)
[1] Number of shares issued (including treasury stock):

As of December 31, 2013:	1,200,660,365 shares
As of March 31, 2013:	1,200,660,365 shares

[2] Number of treasury stock:

As of December 31, 2013:	12,232,065 shares
As of March 31, 2013:	9,160,493 shares

[3] Average stocks during nine-month (Apr.-Dec.):

As of December 31, 2013:	1,191,374,458 shares
As of December 31, 2012:	1,100,942,038 shares

*** Implementation status of interim review procedures**

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

*** Note to forecasts on the consolidated results of operations and other items**

The Company has adopted IFRSs from the three-month period ended June 30, 2013. For the differences between IFRSs and Japanese Generally Accepted Accounting Principles ("JGAAP") in respect of the Company's financial data, please refer to page 68 "15. First-time adoption of IFRSs" in "(6) Notes to Condensed Interim Financial Statements" under "3. Condensed Interim Consolidated Financial Statement" for details.

The forecast figures are estimated based on the information that 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.

On February 12, 2014, the Company will hold an earnings results briefing for financial institutions, institutional investors, and the media. This earnings results briefing will be broadcast live on our website in both Japanese and English (http://www.softbank.jp/en/corp/irinfo/). The Earnings Results Data Sheets will also be posted on the Company's web site around 4 p.m. on the day of the announcement: (http://www.softbank.jp/en/corp/irinfo/presentations/)

(Appendix)

Contents

1. Qualitative Information Regarding Nine-month Period Results

Adoption of IFRSs

SoftBank Corp. adopted the International Financial Reporting Standards (IFRSs) from the three-month period ended June 30, 2013 (the "first quarter"; transition date: April 1, 2012). The financial data for the nine-month period ended December 31, 2012 (the "same period of the previous fiscal year") and the fiscal year ended March 31, 2013 (the "previous fiscal year") are also presented based on IFRSs.

The main items to be adjusted from JGAAP in accordance with the adoption of IFRSs are as follows:

・ Change in scope of consolidation
- eAccess Ltd. and Wireless City Planning Inc., which are associates under JGAAP, are subsidiaries under IFRSs.

・ Items related to consolidated statements of financial position
- Regarding certain securitization transactions that previously qualified for extinguishment of financial assets under JGAAP, securitized receivables are recognized retrospectively and accompanying liabilities are recognized as interest-bearing debt under IFRSs when they are not qualified for derecognition of financial assets under IFRSs.
- Preferred securities issued by a subsidiary are accounted for as equity transactions and recorded as minority interests under JGAAP. Under IFRSs they are accounted for as under interest-bearing debt in the consolidated statements of financial position.

・ Items related to the consolidated statements of income
- Goodwill is amortized regularly under JGAAP. Under IFRSs, goodwill is not amortized regularly but tested for impairment at least once a year.
- Commission fees paid related to the sales of mobile handsets are accounted for as costs when they occur under JGAAP. Under IFRSs, the amount of commission fees expected to occur in the future is deducted from revenues.

Please refer to page 68 "15. First-time adoption of IFRSs" under "3. Condensed Interim Consolidated Financial Statements (6) Notes to Condensed Interim Consolidated Financial Statements" for details of these adjustments.

Consolidation of Sprint

As of July 10, 2013 the Company (SoftBank Corp. and its subsidiaries) closed the acquisition of Sprint Corporation (previously Sprint Nextel Corporation, "Sprint") and started its consolidation. Along with this, a new reportable segment, "Sprint," has been established from the three-month period ended September 30, 2013 (the "second quarter").

For details about consolidation of Sprint, please refer to page 42 "(2) Sprint" under "3. Condensed Interim Consolidated Financial Statements (6) Notes to Condensed Interim Consolidated Financial Statements 5. Business combinations."

(1) Qualitative Information Regarding Consolidated Results of Operations

a. Consolidated Results of Operations

For the nine-month period ended December 31, 2013 (the "period"), the Company achieved consolidated net sales of ¥4,561,703 million, a ¥2,214,731 million (94.4%) increase year on year, with a ¥292,706 million (46.3%) increase in operating income to ¥924,228 million. Income before income tax increased by ¥217,815 million (37.5%) year on year to ¥798,141 million, net income increased ¥171,316 million (48.3%) to ¥526,122 million,

and net income attributable to owners of the parent increased ¥179,441 million (58.1%) to ¥488,231 million.
The main factors affecting earnings for the period were as follows:

(a) Net Sales

Net sales totaled ¥4,561,703 million, for a ¥2,214,731 million (94.4%) year-on-year increase. This was mainly due to recording sales of ¥1,684,439 million in the newly added Sprint segment from the second quarter. Apart from this, the Mobile Communications segment also recorded a ¥485,813 million year-on-year increase in net sales. The increase in the Mobile Communications segment was due to the impact of consolidating eAccess Ltd. from January 2013, GungHo Online Entertainment, Inc.[1] ("GungHo") from April 2013, WILLCOM, Inc.[2] from July 2013, and Supercell Oy[3] ("Supercell") from October 31, 2013, as well as increases in the number of subscribers and units sold[4] at SoftBank Mobile Corp., which led to increases in both service revenue (mainly former telecom service revenue) and product sales (mainly former sales of handsets).

(b) Cost of Sales

Cost of sales increased ¥1,484,247 million (127.3%) year on year to ¥2,650,642 million. This was primarily due to the addition of the Sprint segment. Furthermore, in the Mobile Communications segment, in addition to the impact of consolidating eAccess Ltd., GungHo, WILLCOM, Inc., and Supercell, the cost of goods rose in line with an increase in the number of smartphones, especially iPhone,[5] sold at SoftBank Mobile Corp.

(c) Selling, General and Administrative Expenses

Selling, general and administrative expenses increased by ¥684,558 million (124.3%) year on year to ¥1,235,391 million. This was mainly due to the addition of the Sprint segment. Furthermore, in the Mobile Communications segment, in addition to the impact of consolidating eAccess Ltd., GungHo, WILLCOM, Inc., and Supercell, there was an increase in sales commissions at SoftBank Mobile Corp.

(d) Income from Remeasurement Relating to Business Combination

Income from remeasurement relating to business combination was ¥253,886 million, an increase of ¥252,108 million year on year. This corresponds to income of ¥150,120 million and ¥103,766 million recognized following reevaluation at fair value of the Company's respective equity interests in GungHo and WILLCOM, Inc. that it already held on the dates when the Company acquired control of the respective companies. Please refer to page 39 "(1) GungHo Online Entertainment, Inc." and page 46 "(3) WILLCOM, Inc." under "3. Condensed Interim Consolidated Financial Statements (6) Notes to Condensed Interim Consolidated Financial Statements 5. Business combinations" for details.

[1] GungHo was made a subsidiary of the Company from an associate in April 2013. See page 39 " (1) GungHo Online Entertainment, Inc." under "3. Condensed Interim Consolidated Financial Statements (6) Notes to Condensed Interim Consolidated Financial Statements 5. Business combinations" for details.

[2] WILLCOM, Inc. was made a subsidiary of the Company in July 2013. See page 46 "(3) WILLCOM, Inc." under "3. Condensed Interim Consolidated Financial Statements (6) Notes to Condensed Interim Consolidated Financial Statements 5. Business combinations" for details.

[3] Supercell was made a subsidiary of the Company on October 31, 2013. See page 48 "(4) Supercell Oy" under "3. Condensed Interim Consolidated Financial Statements (6) Notes to Condensed Interim Consolidated Financial Statements 5. Business combinations" for details.

[4] Units sold: the total number of new subscriptions and handset upgrades

[5] iPhone is a trademark of Apple Inc. The iPhone trademark is used under license from Aiphone K.K.

(e) Other Operating Loss

Other operating loss was ¥5,328 million (not recorded in the same period of the previous fiscal year).

(f) Operating Income

As a result of (a) to (e), operating income totaled ¥924,228 million, for a ¥292,706 million (46.3%) year-on-year increase.

(g) Finance Cost, Net

Finance cost, net deteriorated ¥97,665 million year on year to a loss of ¥146,049 million. The main components were as shown below. Please refer to page 62 “12. Finance cost, net” under “3. Condensed Interim Consolidated Financial Statements (6) Notes to Condensed Interim Consolidated Financial Statements” for details about derivative gain (loss) and interest income.

i. Interest expense increased ¥147,065 million year on year to ¥186,632 million. The increase was mainly due to the impact of adding the interest expense of Sprint, as well as an increase in interest expenses for bonds and borrowings at SoftBank Corp.

ii. Gain on sales of associates’ stocks increased ¥26,408 million year on year to ¥26,701 million. This was mainly due to the sale of shares of PPLive Corporation in December 2013.

iii. Interest income increased ¥18,519 million year on year to ¥20,044 million. Regarding the convertible bonds issued by Sprint Nextel Corporation and undertaken by Starburst II, Inc. on October 22, 2012, initially the expected remaining accretion period for the bond discount was seven years based on the contract term of the bonds. However, the Company changed the estimate of the expected remaining term to the completion of the acquisition. Accordingly, the Company recorded interest income of ¥16,219 million, in conjunction with the change in the expected remaining term of the bonds.

iv. Derivative gains (loss) deteriorated ¥17,673 million year on year to a loss of ¥15,057 million.

- Stock acquisition rights in the convertible bonds issued by Sprint Nextel Corporation and undertaken by Starburst II, Inc. were recorded at fair value as a derivative. As the Company exercised the relevant stock acquisition rights and derecognized the derivatives, a derivative loss of ¥16,356 million was recorded.
- Of the foreign currency forward contract totaling $22.0 billion related to the acquisition of Sprint, with regard to the $5.0 billion that did not meet the criteria for hedge accounting, a derivative loss of ¥13,186 million was recorded. Hedge accounting was applied to the remaining $17.0 billion, which resulted in a deduction of the acquisition cost of Sprint by ¥311,659 million.

(h) Equity in Income of Associates

Equity in income of associates was ¥19,962 million, an improvement of ¥22,774 million year on year (equity in loss of associates of ¥2,812 million was recorded for the same period of the previous fiscal year). The increase was mainly due to recording equity in income of associates of ¥22,897 million related to Alibaba Group Holding Limited.

(i) Income before Income Tax

As a result of (f) to (h), income before income tax was ¥798,141 million, an increase of ¥217,815 million (37.5%) year on year.

(j) Income Taxes

Provisions for current income taxes were ¥272,019 million, an increase of ¥46,499 million (20.6%) year on year.

(k) Net Income

As a result of (i) to (j), net income totaled ¥526,122 million, for a ¥171,316 million (48.3%) year-on-year increase.

(l) Net Income Attributable to Owners of the Parent

After deducting net income and loss attributable to non-controlling interests in subsidiaries such as Yahoo Japan Corporation, Sprint, and GungHo from (k), net income attributable to owners of the parent was ¥488,231 million, for a ¥179,441 million (58.1%) increase year on year.

(m) Comprehensive Income

Total comprehensive income was ¥545,586 million, for a ¥118,684 million (27.8%) year-on-year increase. Of this, comprehensive income attributable to owners of the parent was ¥482,464 million (for a ¥101,947 million (26.8%) year-on-year increase).

b. Results by Segment

The Company's reportable segments(Note 1) are components of business activities for which decisions on resource allocation and assessment of performance are made. The Company has four reportable segments: "Mobile Communications," "Sprint," "Fixed-line Telecommunications," and "Internet."

From the second quarter, the former "Domestic Mobile Communications" and "Domestic Fixed-line Telecommunications" segments were renamed as "Mobile Communications" and "Fixed-line Telecommunications," respectively. The Sprint segment was newly established from the second quarter following Sprint's consolidation.

In the Mobile Communications segment, SoftBank Mobile Corp. and other companies provide mobile communications services and sales of mobile handsets and accessories, etc.

In the Sprint segment, Sprint provides mobile communications services in the U.S. and sales of mobile handsets and accessories accompanying the services, as well as fixed-line telecommunications services.

In the Fixed-line Telecommunications segment, SoftBank Telecom Corp. provides telecommunication services such as fixed-line telephone and data communications services to corporate customers, while SoftBank BB Corp. and other companies provide broadband services for individual customers.

In the Internet segment, Yahoo Japan Corporation provides Internet-based advertising operations and other services.

Main businesses and core companies of each reportable segment are listed in the table below.

Segments		Main Businesses	Core Companies
Reportable Segments	Mobile Communications	・Provision of mobile communications services in Japan ・Sales of mobile handsets and accessories ・Sales of PC software and peripherals ・Production and distribution of online games for smartphones and other devices	SoftBank Mobile Corp. eAccess Ltd. WILLCOM, Inc. Wireless City Planning Inc. SoftBank BB Corp. SoftBank Telecom Corp. GungHo Online Entertainment, Inc. Supercell Oy
	Sprint	・Provision of mobile communications services by Sprint in the U.S. ・Sales of mobile handsets and accessories accompanying the above services ・Provision of fixed-line telecommunications services by Sprint	Sprint Corporation
	Fixed-line Telecommunications	・Provision of telecom services such as fixed-line telephone and data communications services to domestic corporate customers ・Provision of broadband services to domestic individual customers ・Services accompanying the above services	SoftBank Telecom Corp. SoftBank BB Corp. eAccess Ltd. Yahoo Japan Corporation
	Internet	・Internet advertising ・Operation of e-commerce sites such as *YAHUOKU!* and *Yahoo! Shopping* ・Membership services	Yahoo Japan Corporation
Others		・Fukuoka SoftBank HAWKS related businesses	Fukuoka SoftBank HAWKS Corp. Fukuoka SoftBank HAWKS Marketing Corp.

Notes:
1. The results for the same period of the previous fiscal year are presented in accordance with the above reportable segments.
2. Segment income is calculated as follows:
   Segment income = (net sales – cost of sales – selling, general and administrative expenses) in each segment
3. Consolidated operating income is the result of adding or deducting income from remeasurement relating to business combination and other operating income (loss) to the sum of segment income.

(a) Mobile Communications Segment

(Millions of yen)

	Nine-month Period Ended Dec. 31, 2012 YoY	**Nine-month Period Ended Dec. 31, 2013 (the period)**	Change	Change %
Net sales	1,718,015	**2,203,828**	485,813	28.3%
Segment income	419,267	**514,579**	95,312	22.7%

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The segment's net sales increased by ¥485,813 million (28.3%) year on year to ¥2,203,828 million. The main factor behind the increase was the impact of consolidating eAccess Ltd., GungHo, WILLCOM, Inc., and Supercell in addition to increases in the number of mobile phone subscribers and units sold at SoftBank Mobile Corp., which led to increases in both service revenue (mainly former telecom service revenue) and product sales (mainly former sales of mobile handsets).

The segment's operating expenses increased by ¥390,501 million (30.1%) year on year to ¥1,689,249 million. The principal cause of this increase was the impact of consolidating eAccess Ltd., GungHo, WILLCOM, Inc., and Supercell, and higher operating expenses at SoftBank Mobile Corp. The cost of goods and sales commissions rose at SoftBank Mobile Corp. in line with sales enhancement of smartphones, especially iPhone.

As a result, segment income increased by ¥95,312 million (22.7%) year on year to ¥514,579 million.

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・Number of Subscribers

Net subscriber additions (new subscribers minus cancellations) for the period at SoftBank Mobile Corp. totaled 2,280,000. This was primarily the result of steady sales of smartphones, especially iPhone, as well as communication modules and other items, mainly due to conducting various sales promotions for iPhone.[6] As a result, the cumulative number of subscribers at SoftBank Mobile Corp. as of the end of December 2013 stood at 34,760,000.

・ARPU

ARPU (excluding communication modules)[7] at SoftBank Mobile Corp. for the three-month period ended December 31, 2013 (the "third quarter"), decreased by ¥140 year on year to ¥4,490. Out of this, data ARPU rose ¥160 year on year to ¥2,960. The decline in ARPU mainly reflects an increase in low-ARPU handsets and a decline in the usage of the voice call function of voice devices. Meanwhile, the continuous growth in the number of high-data ARPU smartphone subscribers contributed to the increase in data ARPU.

[6] Including a promotion for new and upgrading customers offering discounts and a promotion offering discounts to upgrading existing customers that allows their family members to use the old handset (if they make a new subscription).

[7] For definition and calculation of ARPU, churn rate, and upgrade rate at SoftBank Mobile Corp., see page 13 "(Reference 2: Definition and Calculation Method of Principal Operational Data) (a) SoftBank Mobile Corp."

・Number of Units Sold

The number of units sold at SoftBank Mobile Corp. for the period increased by 460,000 year on year to 9,886,000. The increase was primarily due to various sales promotions for iPhone, which continued to deliver steady sales.

・Churn Rate and Upgrade Rate

The churn rate[7] at SoftBank Mobile Corp. for the third quarter was 1.28%, up 0.16 of a percentage point year on year. This was mainly due to an increase in cancellations for non-voice devices reaching the end of their two-year subscriptions. Furthermore, the upgrade rate[7] was 1.64%, down 0.46 of a percentage point year on year.

(b) Sprint Segment

(Millions of yen)

	Nine-month Period Ended Dec. 31, 2012 YoY	**Nine-month Period Ended Dec. 31, 2013 (the period)**	Change	Change %
Net sales	Segment was newly established from the second quarter	**1,684,439**	1,684,439	-%
Segment income (loss)		**(58,178)**	(58,178)	-%

Note:
4. In the Sprint segment, the earnings reflect the operation results of Sprint since July 11, 2013.

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The segment's net sales totaled ¥1,684,439 million. This mainly includes Sprint platform[8] service revenue and product sales. Nextel platform[9] service revenue is no longer recorded in the period as a result of its shutdown on June 30, 2013.

The segment's operating expenses totaled ¥1,742,617 million. Operating expenses include ¥87,094 million of amortization of customer relationships (amortized based on the sum-of-the-digits method) recorded at Sprint's consolidation.

As a result, segment loss was ¥58,178 million.

・Recording a Charge Related to Sprint's Workforce Reduction Plan

On January 16, 2014, Sprint began implementation of a workforce reduction plan. In accordance with US GAAP, Sprint recorded a charge for severance and related costs of $165 million (¥17,389 million *converted at $1.00 = ¥105.39 based on the currency rate as of December 31, 2013) for the fiscal year ended December 31, 2013. In addition, Sprint expects to record additional related charges on its consolidated financial statements

[8] Sprint-operated CDMA and LTE networks. This excludes the Nextel/ iDEN network (see footnote 9) and the subscribers/network acquired through transactions with U.S. Cellular Corporation ("U.S. Cellular") and Clearwire Corporation ("Clearwire").

[9] Wireless service operated on Integrated Digital Enhanced Network (iDEN), which Sprint acquired from Nextel Corporation in 2005.

in future periods. However, since the $165 million recorded by Sprint for the fiscal year ended December 31, 2013 does not meet the requirements of IFRSs for recording as a cost as of December 31, 2013, it was not recorded in the Company's consolidated financial statements for the period. When costs related to this workforce reduction plan are recorded the Company expects to record them as other operating loss.

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Net subscriber additions at Sprint for the period from July 1 to December 31, 2013 totaled 164,000 and the cumulative number of subscribers at the end of the period stood at 55,354,000. Of these, on the Sprint platform there was a net increase of 587,000, bringing its cumulative number of subscribers to 53,934,000 at the end of the period.

For the third quarter, Sprint platform ARPU[10] was $64.11 for postpaid and $26.78 for prepaid, and its churn rate[10] was 2.07% for postpaid and 3.01% for prepaid.

(c) Fixed-line Telecommunications Segment

(Millions of yen)

	Nine-month Period Ended Dec. 31, 2012 YoY	**Nine-month Period Ended Dec. 31, 2013 (the period)**	Change	Change %
Net sales	391,438	**407,425**	15,987	4.1%
Segment income	89,438	**87,678**	(1,760)	(2.0%)

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The segment's net sales increased by ¥15,987 million (4.1%) year on year to ¥407,425 million. The net sales of the fixed-line telecommunications business of eAccess Ltd. contributed to this increase in conjunction with its consolidation. On the other hand, revenues from the broadband business for individual customers decreased due to a decline in the number of ADSL service subscribers.

Segment income decreased by ¥1,760 million (2.0%) year on year to ¥87,678 million. This was mainly due to the decrease in net sales in the broadband business for individual customers.

[10] For definition and calculation of ARPU and churn rate of Sprint platform, see page 14 "(Reference 2: Definition and Calculation Method of Principal Operational Data) (b) Sprint Platform."

(d) Internet Segment

(Millions of yen)

	Nine-month Period Ended Dec. 31, 2012 YoY	**Nine-month Period Ended Dec. 31, 2013 (the period)**	Change	Change %
Net sales	255,144	**297,976**	42,832	16.8%
Segment income	130,499	**143,088**	12,589	9.6%

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The segment's net sales increased by ¥42,832 million (16.8%) year on year to ¥297,976 million. The increase was the result of growth in display advertising[11] revenue due to a significant increase in advertisements on *Yahoo! Display Ad Network (YDN)*[12] and an increase in revenue from sponsored-search advertising, especially through smartphones, at Yahoo Japan Corporation.

Segment income increased by ¥12,589 million (9.6%) year on year to ¥143,088 million. This was primarily the result of the increase in net sales.

[11] Graphical, Flash®, and video advertising that appears on a certain defined area. Includes Premium advertisements, such as *Brand Panel* shown on *Yahoo! JAPAN*'s top page and *Yahoo! Display Ad Network (YDN)*.

[12] Advertisements displayed on the contents pages of *Yahoo! JAPAN* and major affiliated websites. Includes a mechanism that shows advertisements related to advertisers' products and services in which a user might be interested, based on the content the user is viewing, the user's interests (as derived from the user's browsing history or search keywords), attributes, or geographical locations.

(Reference 1: Principal Operational Data)

(a) Mobile Communications Segment

		Fiscal Year Ended March 31, 2013					Fiscal Year Ending March 31, 2014		
		Three-month Period Ended June 30, 2012	Three-month Period Ended Sept. 30, 2012	Three-month Period Ended Dec. 31, 2012	Three-month Period Ended March 31, 2013	Fiscal Year Ended March 31, 2013	Three-month Period Ended June 30, 2013	Three-month Period Ended Sept. 30, 2013[13]	**Three-month Period Ended Dec. 31, 2013**
		Q1	Q2	Q3	Q4	Full Year	Q1	Q2	**Q3**
Cumulative subscribers[14] (Thousands)	SoftBank Mobile Corp.	29,702	30,461	31,322		32,480	33,290	34,068	**34,760**
	eAccess Ltd.	4,138	4,259	4,292		4,319	4,343	4,415	**4,497**
	WILLCOM, Inc. (PHS)	4,696	4,814	4,943		5,086	5,199	5,310	**5,403**
SoftBank Mobile Corp.	Net additions[14] (Thousands)	753	759	861	1,158	3,531	810	778	**692**
	Postpaid	772	771	872	1,170	3,585	818	790	**716**
	Prepaid	-19	-12	-11	-12	-55	-8	-12	**-24**
	ARPU[15] (excl. communication modules) (¥ / month)	4,510	4,650	4,640	4,400	4,550	4,460	4,520	**4,490**
	Data	2,710	2,760	2,800	2,840	2,780	2,870	2,930	**2,960**
	Handsets shipped[16] (Thousands)	2,359	2,631	3,486	3,082	11,558	2,575	2,734	**3,347**
	Units sold[17] (Thousands)	2,586	2,997	3,843	3,686	13,113	3,023	3,150	**3,713**
	New subscriptions	1,663	1,718	1,894	2,243	7,519	1,790	1,904	**2,015**
	Handset upgrades	923	1,279	1,949	1,443	5,594	1,233	1,246	**1,698**
	Churn rate[15] (% / month)	1.03	1.06	1.12	1.14	1.09	0.99	1.12	**1.28**
	Postpaid	0.96	1.00	1.06	1.09	1.03	0.94	1.06	**1.24**
	Upgrade rate[15] (% / month)	1.05	1.42	2.10	1.51	1.53	1.25	1.23	**1.64**
	(Ref.) ARPU[15] (incl. communication modules) (¥ / month)	4,210	4,340	4,300	4,060	4,230	4,090	4,120	**4,090**
	Data	2,540	2,580	2,610	2,630	2,590	2,640	2,690	**2,700**

13 The figures for cumulative subscribers, net additions (total/prepaid), units sold (total/new subscriptions), and churn rate have been corrected due to under counting the number of prepaid subscriptions at SoftBank Mobile Corp. in August and September 2013.

14 Includes the number of prepaid mobile phones and communication module service subscribers. The module service subscribers net additions for the period were 607,000 and cumulative number of communication module service subscribers at the end of the third quarter totaled 3,507,000.

15 For definition and calculation method of ARPU, churn, and upgrade rates at SoftBank Mobile Corp., see page 13 "(Reference 2: Definition and Calculation Method of Principal Operational Data) (a) SoftBank Mobile Corp."

16 Handsets shipped: the number of handsets shipped (sold) to handset dealers

17 Units sold: the total number of new subscriptions and handset upgrades

(b) Sprint Segment

		Fiscal Year Ended March 31, 2013					Fiscal Year Ending March 31, 2014		
		Three-month Period Ended June 30, 2012	Three-month Period Ended Sept. 30, 2012	Three-month Period Ended Dec. 31, 2012	Three-month Period Ended March 31, 2013	Fiscal Year Ended March 31, 2013	Three-month Period Ended June 30, 2013	Three-month Period Ended Sept. 30, 2013	**Three-month Period Ended Dec. 31, 2013**
		Q1	Q2	Q3	Q4	Full Year	Q1	Q2	**Q3**
Cumulative Subscribers[18]	(Thousands) Sprint total	56,386	55,963	55,626		55,211	53,588	54,877	**55,354**
	Sprint platform	51,974	52,857	53,540		53,896	53,376	53,252	**53,934**
	Postpaid	29,434	29,844	30,245		30,257	30,451	30,091	**30,149**
	Prepaid	14,149	14,608	15,133		15,701	15,215	15,299	**15,621**
	Wholesale & affiliate	8,391	8,405	8,162		7,938	7,710	7,862	**8,164**
	Nextel platform	4,412	3,106	2,086		1,315	-	-	**-**
	U.S. Cellular & Clearwire[19]	-	-	-		-	212	1,625	**1,420**
Sprint platform	(Thousands) Net additions[18]	1,281	883	683	356		-520	-95	**682**
	Postpaid	442	410	401	12		194	-360	**58**
	Prepaid	451	459	525	568		-486	84	**322**
	Wholesale & affiliate	388	14	-243	-224		-228	181	**302**
	($ / month) ARPU[20]								
	Postpaid	63.38	63.21	63.04	63.67		64.20	64.28	**64.11**
	Prepaid	25.49	26.19	26.30	25.95		26.96	25.33	**26.78**
	(% / month) Churn rate[20]								
	Postpaid	1.69	1.88	1.98	1.84		1.83	1.99	**2.07**
	Prepaid	3.16	2.93	3.02	3.05		5.22	3.57	**3.01**

18 Includes the number of prepaid mobile phones and communication module service subscribers.

19 Sprint acquired approximately 352,000 postpaid subscribers and 59,000 prepaid subscribers through the acquisition of assets from U.S. Cellular on May 17, 2013. As a result of acquiring Clearwire, Sprint acquired 788,000 postpaid subscribers, 721,000 prepaid subscribers, 93,000 wholesale subscribers, and transferred 29,000 Sprint wholesale subscribers relating to a Clearwire MVNO arrangement that were originally recognized on the Sprint platform to this category on July 9, 2013.

20 For definition and calculation of ARPU and churn rate of Sprint platform, see page 14 "(Reference 2: Definition and Calculation Method of Principal Operational Data) (b) Sprint Platform."

(Reference 2: Definition and Calculation Method of Principal Operational Data)

(a) SoftBank Mobile Corp.

i. ARPU

ARPU (Average Revenue Per User per month) (rounded to the nearest ¥10)

ARPU (excluding communication modules)
= (data-related revenue (excluding communication modules) + basic monthly charge, voice-related revenues, etc. (excluding communication modules)) / number of active subscribers (excluding communication modules)

Data ARPU (excluding communication modules)
= data-related revenue (excluding communication modules) / number of active subscribers (excluding communication modules)

ARPU (including communication modules)
= (data-related revenue + basic monthly charge, voice-related revenues, etc.) / number of active subscribers

Data ARPU (including communication modules)
= data-related revenue / number of active subscribers

Number of active subscribers: the total of the monthly number of active subscribers for the relevant period ((subscribers at the beginning of the month + subscribers at the end of the month) / 2). The number of active subscribers is based on SoftBank Mobile Corp.'s cumulative subscribers including prepaid mobile phones and devices that do not have voice communication functionalities (excluding communication modules). The number of active subscribers used in the calculation of ARPU (including communication modules) includes communication modules.

Data-related revenue: packet communication and flat-rate charges, basic monthly Internet connection charges, content-related revenues, etc.

Basic monthly charge and voice-related revenues: basic monthly usage charges, voice call charges, revenues from incoming calls, device warrantee services, advertising revenue, etc.

Revenues from incoming calls: interconnection charges received from other operators for voice calls from their customers on their network to SoftBank mobile phones as a charge for the services provided in the SoftBank Mobile Corp. service area.

ii. Churn rate

Churn rate = churn / number of active subscribers (rounded to the nearest 0.01%)
Churn = total number of subscribers that churned during the relevant period
Number of active subscribers: the total of the monthly number of active subscribers for the relevant period ((subscribers at the beginning of the month + subscribers at the end of the month) / 2). The number of active subscribers is based on SoftBank Mobile Corp.'s cumulative subscribers including prepaid mobile phones, communication modules, and devices that do not have voice communication functionalities. The number of active subscribers used in the calculation of churn rate of postpaid subscribers excludes prepaid mobile phones.

iii. Upgrade rate

Upgrade rate = number of upgrades / number of active subscribers (rounded to the nearest 0.01%)
Number of upgrades = total number of upgrades during the relevant period
Number of active subscribers: the total of the monthly numbers of active subscribers for the relevant period ((subscribers at the beginning of the month + subscribers at the end of the month) / 2). The number of active subscribers is based on SoftBank Mobile Corp.'s cumulative subscribers including prepaid mobile phones, communication modules, and devices that do not have voice communication functionalities.

(b) Sprint Platform

i. ARPU

ARPU (Average Revenue Per User per month) (rounded to the nearest $.00)

ARPU = service revenue / average number of active subscribers

Number of active subscribers: the total of the monthly number of active subscribers for the relevant period ((subscribers at the beginning of the month + subscribers at the end of the month) / 2).
The number of active subscribers is based on cumulative subscribers including communication modules and devices that do not have voice communication functionalities.

ii. Churn rate

Churn rate = number of deactivations / average number of active subscribers (rounded to the nearest 0.01%)
Deactivations = total number of subscribers that churned during the relevant period. The number of deactivations excludes the number of subscribers who switch between prepaid and postpaid on the same date.
Number of active subscribers: the total of the monthly number of active subscribers for the relevant period ((subscribers at the beginning of the month + subscribers at the end of the month) / 2).
The number of active postpaid subscribers is based on cumulative subscribers including communication modules and devices that do not have voice communication functionalities.

(Reference 3: Capital Expenditure and Depreciation)(Note 5)

(a) Capital Expenditure (acceptance basis)

(Millions of yen)

	Fiscal Year Ended March 31, 2013					Fiscal Year Ending March 31,2014		
	Three-month Period Ended June 30, 2012	Three-month Period Ended Sept. 30, 2012	Three-month Period Ended Dec. 31, 2012	Three-month Period Ended March 31, 2013	Fiscal Year Ended March 31, 2013	Three-month Period Ended June 30, 2013	Three-month Period Ended Sept. 30, 2013	**Three-month Period Ended Dec. 31, 2013**
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	**Q3**
Mobile Communications segment	92,500	141,927	176,705	238,751	649,883	163,581	164,563	**170,469**
Sprint segment (Note 6)	Segment was newly established from the second quarter of the fiscal year ending March 31, 2014						163,574	**208,733**
Fixed-line Telecommunica-tions segment	10,292	12,708	16,216	26,466	65,682	9,903	16,743	**13,091**
Internet segment	4,942	3,195	6,310	8,538	22,985	4,393	2,746	**9,194**
Others	7,163	1,866	2,126	3,456	14,611	2,835	4,694	**3,082**
Consolidated total	114,897	159,696	201,357	277,211	753,161	180,712	352,320	**404,569**

(b) Depreciation and Amortization

(Millions of yen)

	Fiscal Year Ended March 31, 2013					Fiscal Year Ending March 31,2014		
	Three-month Period Ended June 30, 2012	Three-month Period Ended Sept. 30, 2012	Three-month Period Ended Dec. 31, 2012	Three-month Period Ended March 31, 2013	Fiscal Year Ended March 31, 2013	Three-month Period Ended June 30, 2013	Three-month Period Ended Sept. 30, 2013	**Three-month Period Ended Dec. 31, 2013**
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	**Q3**
Mobile Communications segment	59,693	63,548	67,778	89,204	280,223	83,367	92,228	**100,205**
Sprint segment (Note 6)	Segment was newly established from the second quarter of the fiscal year ending March 31, 2014						134,191	**152,411**
Fixed-line Telecommunica-tions segment	12,603	12,642	12,798	15,786	53,829	14,809	14,918	**15,402**
Internet segment	3,171	2,917	2,992	3,490	12,570	3,221	3,218	**3,700**
Others	1,956	2,114	2,127	2,301	8,498	1,902	2,085	**2,329**
Consolidated total	77,423	81,221	85,695	110,781	355,120	103,299	246,640	**274,047**

Notes:

5. The results for the previous fiscal year and each quarter of the previous fiscal year are presented in accordance with the reportable segments adopted since the second quarter of the fiscal year ending March 31, 2014.
6. Capital expenditure and depreciation and amortization of the Sprint segment are reflected from July 11, 2013.

(2) Qualitative Information Regarding Consolidated Financial Position

a. Assets, Liabilities, and Equity

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

(Millions of yen)

	As of March 31, 2013	**As of Dec. 31, 2013**	Change	Change %
Total assets	7,216,809	**16,464,158**	9,247,349	128.1%
Total liabilities	5,286,381	**13,580,785**	8,294,404	156.9%
Total equity	1,930,428	**2,883,373**	952,945	49.4%

(a) Current Assets

(Millions of yen)

Item	As of March 31, 2013 A	Opening balance of Sprint on acquisition date[21] (July 10, 2013) B	Other changes C	**As of Dec. 31, 2013** **D=A+B+C**	Change E=B+C
Cash and cash equivalents	1,439,057	447,873	159,706	**2,046,636**	607,579
Trade and other receivables	936,307	327,211	178,373	**1,441,891**	505,584
Other financial assets	229,239	111,764	(134,482)	**206,521**	(22,718)
Inventories	54,268	105,318	74,623	**234,209**	179,941
Other current assets	127,148	42,655	29,993	**199,796**	72,648
Total current assets	2,786,019	1,034,821	308,213	**4,129,053**	1,343,034

Current assets totaled ¥4,129,053 million, for a ¥1,343,034 million (48.2%) increase from March 31, 2013 (the "previous fiscal year-end"). The components of the change of primary items were as follows:

i. Cash and cash equivalents

Cash and cash equivalents totaled ¥2,046,636 million, for a ¥607,579 million increase from the previous fiscal year-end.

- The Company recognized ¥447,873 million for the consolidation of Sprint on the acquisition date.
- Sprint issued straight corporate bonds in the amount of $6.5 billion (¥638,300 million) in September 2013, and $2.5 billion (¥252,550 million) in December 2013.
- Clearwire redeemed $3,263 million (¥328,507 million) of its bonds before maturity.

ii. Trade and other receivables

[21] The figures for the opening balance of Sprint on the acquisition date have been retroactively restated since new information was obtained during the third quarter. For details please refer to page 44 "f. Fair values of assets and liabilities, non-controlling interests and goodwill on the acquisition date" under "3. Condensed Interim Consolidated Financial Statements (6) Notes to Condensed Interim Consolidated Financial Statements 5. Business combinations (2) Sprint."

Trade and other receivables totaled ¥1,441,891 million, an increase of ¥505,584 million from the previous fiscal year-end. This increase was primarily due to recording ¥327,211 million for the consolidation of Sprint on the acquisition date.

iii. Other financial assets

Other financial assets totaled ¥206,521 million, a decrease of ¥22,718 million from the previous fiscal year-end. Items such as derivative financial assets, fixed-term deposits, and marketable securities are included in other financial assets.

- The Company recognized ¥111,764 million for the consolidation of Sprint on the acquisition date.
- The Company had concluded a foreign currency forward contract for $17.0 billion in relation to funding for the acquisition of Sprint and recorded the fair value of this contract of ¥189,357 million in derivative financial assets at the end of the previous fiscal year. However, this derivative financial asset was derecognized and no value was ascribed to it due to the settlement of the foreign exchange transaction upon the completion of the acquisition of Sprint. Please refer to page 62 "12. Finance cost, net" under "3. Condensed Interim Consolidated Financial Statements (6) Notes to Condensed Interim Consolidated Financial Statements" for details.

(b) Non-current Assets

(Millions of ye

Item	As of March 31, 2013 A	Opening balance of Sprint on acquisition date[21] (July 10, 2013) B	Other changes C	**As of Dec. 31, 2013** **D=A+B+C**	Change E=B+C
Property, plant and equipment	1,830,615	1,291,364	435,511	**3,557,490**	1,726,875
Goodwill	927,399	282,205	301,697	**1,511,301**	583,902
Intangible assets	524,893	5,301,283	400,239	**6,226,415**	5,701,522
FCC Licenses[22]	-	3,612,994	169,347	**3,782,341**	3,782,341
Customer relationships	83,876	700,192	(56,208)	**727,860**	643,984
Software	411,285	138,330	78,367	**627,982**	216,697
Trademarks with indefinite useful lives	-	600,266	25,224	**625,490**	625,490
Game titles	-	-	181,937	**181,937**	181,937
Others	29,732	249,501	1,572	**280,805**	251,073
Investments accounted for using the equity method	208,664	-	104,902	**313,566**	104,902
Other financial assets	634,647	23,938	(294,135)	**364,450**	(270,197)
Deferred tax assets	175,390	-	(19,914)	**155,476**	(19,914)
Other non-current assets	129,182	12,394	64,831	**206,407**	77,225
Total non-current assets	4,430,790	6,911,184	993,131	**12,335,105**	7,904,315

22 Licenses issued by the U.S. Federal Communications Commission for use of specified frequency bands.

Non-current assets totaled ¥12,335,105 million at the end of the third quarter, for a ¥7,904,315 million (178.4%) increase from the previous fiscal year-end. The components of the change of primary items were as follows:

i. Property, plant and equipment

Property, plant and equipment totaled ¥3,557,490 million, for a ¥1,726,875 million increase from the previous fiscal year-end. This was mainly due to ¥1,291,364 million recognized for the consolidation of Sprint on the acquisition date. In addition, property, plant and equipment increased by ¥435,511 million, mainly due to capital expenditure in the Mobile Communications and Sprint segments, and because the yen had weakened against the U.S. dollar at the end of the third quarter compared to the time of acquisition of Sprint.

ii. Goodwill

Goodwill totaled ¥1,511,301 million, for a ¥583,902 million increase from the previous fiscal year-end.

- The Company recorded ¥282,205 million of goodwill for the consolidation of Sprint on the acquisition date. In relation to the acquisition of Sprint, the Company entered into a foreign currency forward contract, out of which $17.0 billion was accounted for under hedge accounting. The fair value on the acquisition date of ¥311,659 million of this hedging instrument was deducted from the amount of goodwill initially recognized from the acquisition of Sprint. Please refer to page 45 "(Note 6) Basis adjustment" under "3. Condensed Interim Consolidated Financial Statements (6) Notes to Condensed Interim Consolidated Financial Statements 5. Business combinations (2) Sprint f. Fair values of assets and liabilities, non-controlling interests and goodwill on the acquisition date" for details.
- The Company recorded goodwill of ¥146,032 million in relation to GungHo, ¥21,469 million in relation to WILLCOM, Inc., and ¥98,803 million in relation to Supercell on their acquisition dates in conjunction with their consolidation.

iii. Intangible assets

Intangible assets totaled ¥6,226,415 million, for a ¥5,701,522 million increase from the previous fiscal year-end.

- The Company recorded ¥3,782,341 million for FCC Licenses (not recorded in the same period of the previous fiscal year). This was mainly because the Company recognized ¥3,612,994 million for the consolidation of Sprint on the acquisition date, and because the yen had weakened against the U.S. dollar at the end of the third quarter compared to the time of acquisition of Sprint. From an accounting perspective FCC Licenses are non-amortized assets.
- Customer relationships totaled ¥727,860 million, for a ¥643,984 million increase from the previous fiscal year-end. This was mainly due to recognizing Sprint's customer relationships of ¥700,192 million for the consolidation of Sprint on the acquisition date. Customer relationships, mainly in relation to Sprint, eAccess Ltd. and WILLCOM, Inc., were amortized by a total of ¥105,558 million in the period.
- Software totaled ¥627,982 million, for a ¥216,697 million increase from the previous fiscal year-end. The main components of the change were ¥138,330 million recognized for the consolidation of Sprint on the acquisition date and an increase of ¥78,367 million mainly due to capital expenditures in the Mobile Communications and Sprint segments.
- The Company recorded trademarks with indefinite useful lives of ¥625,490 million (not recorded in the same period of the previous fiscal year). This was due to recognizing ¥600,266 million for trademarks

held by Sprint for the consolidation on the acquisition date, and because the amount increased as the yen had weakened against the U.S. dollar at the end of the third quarter compared to the time of acquisition of Sprint. Trademarks with indefinite useful lives are non-amortized assets.

- The Company recorded game titles of ¥181,937 million (not recorded in the same period of the previous fiscal year). This was due to recognizing ¥77,796 million for the consolidation of GungHo in April 2013 and ¥119,099 million for the consolidation of Supercell on October 31, 2013, and amortizing them by a total of ¥23,423 million in the period.

iv. Investments accounted for using the equity method

- Investments accounted for using the equity method totaled ¥313,566 million, for a ¥104,902 million increase from the previous fiscal year-end. The increase is mainly due to the Company acquiring some of the preferred stocks of Brightstar Corp. from existing shareholders for $660 million (¥66,630 million) by the end of the third quarter. Please refer to page 65 "Consolidation of Brightstar Corp." under "3. Condensed Interim Consolidated Financial Statements (6) Notes to Condensed Interim Consolidated Financial Statements 14. Significant subsequent events" for details.

v. Other financial assets

Other financial assets totaled ¥364,450 million, for a ¥270,197 million decrease from the previous fiscal year-end. At the previous fiscal year-end the convertible bonds issued by Sprint and shares of WILLCOM, Inc. were recorded as investment securities. However, the ending amount of both investment securities became zero as a result of their consolidation in the second quarter.

(c) Current Liabilities

(Millions of yen)

Item	As of March 31, 2013 A	Opening balance of Sprint on acquisition date[21] (July 10, 2013) B	Other changes C	**As of Dec. 31, 2013** **D=A+B+C**	Change E=B+C
Interest-bearing debt	1,534,128	86,961	(429,578)	**1,191,511**	(342,617)
Short-term borrowings	458,313	-	(125,500)	**332,813**	(125,500)
Current portion of long-term borrowings	631,232	13,380	(276,295)	**368,317**	(262,915)
Current portion of corporate bonds	204,837	63,317	(107,296)	**160,858**	(43,979)
Current portion of lease obligations	192,658	10,264	46,737	**249,659**	57,001
Others	47,088	-	32,776	**79,864**	32,776
Trade and other payables	972,669	647,524	(81,623)	**1,538,570**	565,901
Other financial liabilities	4,833	-	35	**4,868**	35
Income taxes payables	182,050	4,553	5,826	**192,429**	10,379
Provisions	1,602	94,025	10,857	**106,484**	104,882
Other current liabilities	142,634	286,160	18,922	**447,716**	305,082
Total current liabilities	2,837,916	1,119,223	(475,561)	**3,481,578**	643,662

Current liabilities at the end of the third quarter totaled ¥3,481,578 million, for a ¥643,662 million (22.7%) increase from the previous fiscal year-end. The components of the change of primary items were as follows:

i. Interest-bearing debt

Interest-bearing debt totaled ¥1,191,511 million, for a ¥342,617 million decrease from the previous fiscal year-end. This was mainly due to decreases of ¥262,915 million in the current portion of long-term borrowings and ¥125,500 million in short-term borrowings. These decreases were due to the Company repaying part of existing borrowings in September 2013 in accordance with the refinancing of the Sprint acquisition bridge loan and other existing borrowings and debts.

ii. Trade and other payables

Trade and other payables totaled ¥1,538,570 million for a ¥565,901 million increase from the previous fiscal year-end. This was mainly due to ¥647,524 million recognized for the consolidation of Sprint on the acquisition date.

iii. Other current liabilities

Other current liabilities totaled ¥447,716 million for a ¥305,082 million increase from the previous fiscal year-end. This was mainly due to ¥286,160 million recognized for the consolidation of Sprint on the acquisition date.

(d) Non-current Liabilities

(Millions of yen)

Item	As of March 31, 2013 A	Opening balance of Sprint on acquisition date[21] (July 10, 2013) B	Other changes C	**As of Dec. 31, 2013** **D=A+B+C**	Change E=B+C
Interest-bearing debt	2,173,725	2,668,163	3,186,698	**8,028,586**	5,854,861
Long-term borrowings	510,856	34,854	1,668,381	**2,214,091**	1,703,235
Corporate bonds	791,919	2,590,208	1,416,053	**4,798,180**	4,006,261
Lease obligations	564,077	43,101	114,017	**721,195**	157,118
Others	306,873	-	(11,753)	**295,120**	(11,753)
Other financial liabilities	38,654	6,677	12,490	**57,821**	19,167
Defined benefit liabilities	14,506	65,763	(15,541)	**64,728**	50,222
Provisions	21,765	148,731	(32,328)	**138,168**	116,403
Deferred tax liabilities	119,628	1,410,344	16,535	**1,546,507**	1,426,879
Other non-current liabilities	80,187	184,107	(897)	**263,397**	183,210
Total non-current liabilities	2,448,465	4,483,785	3,166,957	**10,099,207**	7,650,742

Non-current liabilities totaled ¥10,099,207 million, for a ¥7,650,742 million (312.5%) increase from the previous fiscal year-end. The components of the change of primary items were as follows:

i. Interest-bearing debt

Interest-bearing debt totaled ¥8,028,586 million, for an increase of ¥5,854,861 million from the previous fiscal year-end. Please refer to page 56 "9. Interest-bearing debt" under "3. Condensed Interim Consolidated Financial Statements (6) Notes to Condensed Interim Consolidated Financial Statements" for details.

- Corporate bonds totaled ¥4,798,180 million, for a ¥4,006,261 million increase from the previous fiscal year-end. The increase in corporate bonds mainly reflects ¥2,590,208 million recognized for the consolidation of Sprint on the acquisition date, totaling $9.0 billion (¥890,850 million) of straight corporate bonds issued by Sprint, and ¥450,000 million of unsecured straight corporate bonds and ¥324,382 million of foreign currency denominated straight corporate bonds issued by SoftBank Corp. Another factor behind the increase was that the yen had weakened against the U.S. dollar at the end of the third quarter compared to the time of acquisition of Sprint and the time of SoftBank Corp.'s issuance of foreign currency denominated straight corporate bonds. Meanwhile, Clearwire redeemed $3,263 million (¥328,507 million) of its bonds before maturity.
- Long-term borrowings totaled ¥2,214,091 million, for an increase of ¥1,703,235 million from the previous fiscal year-end. This was mainly due to the Company borrowing ¥1.98 trillion in September 2013 to refinance its bridge loan for the acquisition of Sprint and other existing borrowings and debts, while

concurrently repaying part of existing borrowings.

ii. Deferred tax liabilities

Deferred tax liabilities totaled ¥1,546,507 million, for an increase of ¥1,426,879 million from the previous fiscal year-end. This was mainly due to recognition of a temporary difference relating to FCC Licenses, customer relationships, and trademarks in conjunction with the consolidation of Sprint.

(e) Equity

(Millions of yen)

	As of March 31, 2013	**As of Dec. 31, 2013**	Change
Equity attributable to owners of the parent	1,612,756	**1,986,529**	373,773
Non-controlling interests	317,672	**896,844**	579,172
Total equity	1,930,428	**2,883,373**	952,945

Equity totaled ¥2,883,373 million, for a ¥952,945 million (49.4%) increase from the previous fiscal year-end. Of this amount, equity attributable to owners of the parent and non-controlling interests increased by ¥373,773 million (23.2%) and ¥579,172 million (182.3%), respectively. The equity ratio for equity attributable to owners of the parent decreased by 10.2 percentage points from the previous fiscal year-end to 12.1%. Despite the increase in equity attributable to owners of the parent, the lower equity ratio for equity attributable to owners of the parent primarily reflected an increase in the amount of assets and liabilities mainly in conjunction with the consolidation of Sprint.

(Equity Attributable to Owners of the Parent)

(Millions of yen)

Item	As of March 31, 2013	**As of Dec. 31, 2013**	Change
Common stock	238,772	**238,772**	-
Additional paid-in capital	436,704	**405,030**	(31,674)
Retained earnings	712,088	**1,165,778**	453,690
Treasury stock	(22,834)	**(51,599)**	(28,765)
Accumulated other comprehensive income	248,026	**228,548**	(19,478)
Available-for-sale financial assets	50,700	**13,286**	(37,414)
Cash flow hedges	114,158	**(22,934)**	(137,092)
Exchange differences on translating foreign operations	83,168	**238,196**	155,028
Total equity attributable to owners of the parent	1,612,756	**1,986,529**	373,773

Equity attributable to owners of the parent totaled ¥1,986,529 million, for a ¥373,773 million (23.2%) increase from the previous fiscal year-end.

i. Retained earnings totaled ¥1,165,778 million, for a ¥453,690 million increase from the previous fiscal year-end. This mainly reflected the recording of net income attributable to owners of the parent of ¥488,231 million for the period, despite a decrease totaling ¥47,669 million due to the payment of the year-end dividend for the fiscal year ended March 31, 2013 and the interim dividend for the fiscal year ending March 31, 2014.

ii. Accumulated other comprehensive income totaled ¥228,548 million, for a ¥19,478 million decrease from the previous fiscal year-end.

- Available-for-sale financial assets were ¥13,286 million, for a ¥37,414 million decrease from the previous fiscal year-end. At the previous fiscal year-end, the Company measured the fair value of its shares of WILLCOM, Inc., which were classified as available-for-sale financial assets, and recognized the difference between the fair value and the acquisition cost as accumulated other comprehensive income, net of tax. In conjunction with the consolidation of WILLCOM, Inc. in the second quarter, the entire amount of the accumulated other comprehensive income recognized relating to these shares was derecognized and recognized as income from remeasurement relating to business combination in the consolidated statements of income.
- Cash flow hedges were negative ¥22,934 million, for a ¥137,092 million decrease from the previous fiscal year-end. $17.0 billion was previously accounted for under hedge accounting out of a foreign currency forward contract concluded in relation to the acquisition of Sprint. Then, accumulated other comprehensive income from this $17.0 billion foreign currency forward contract was derecognized in the second quarter and deducted from goodwill initially recognized from the consolidation of Sprint. Please refer to page 45 “(Note 6) Basis adjustment” under “3. Condensed Interim Consolidated Financial Statements (6) Notes to Condensed Interim Consolidated Financial Statements 5. Business combinations (2) Sprint f. Fair values of assets and liabilities, non-controlling interests and goodwill on the acquisition date” for details.
- Exchange differences on translating foreign operations were ¥238,196 million, for a ¥155,028 million increase from the previous fiscal year-end. This was mainly because the yen had weakened against the U.S. dollar at the end of the third quarter compared to the time of acquisition of Sprint.

(Non-controlling Interests)

Non-controlling interests totaled ¥896,844 million, for a ¥579,172 million (182.3%) increase from the previous fiscal year-end, mainly in conjunction with consolidating Sprint, GungHo, and Supercell.

b. Cash Flows

Cash flows during the period were as follows:

Cash and cash equivalents at the end of the third quarter totaled ¥2,046,636 million, for a ¥607,579 million increase from the previous fiscal year-end.

(Millions of yen)

	Nine-month Period Ended Dec. 31, 2012 YoY	**Nine-month Period Ended Dec. 31, 2013 (the period)**	Change
Cash flows from operating activities	521,296	**497,657**	(23,639)
Cash flows from investing activities	(767,639)	**(2,376,501)**	(1,608,862)
Cash flows from financing activities	284,118	**2,447,322**	2,163,204

(Reference)

Cash flows from operating activities - capital expenditure(Note 7)	62,814	**(498,007)**	(560,821)

Note:
7. Outlays for purchase of property, plant and equipment and intangible assets

(a) Cash Flows from Operating Activities

Net cash provided by operating activities totaled ¥497,657 million (compared with ¥521,296 million provided in the same period of the previous fiscal year). Out of this, Sprint's net cash used by operating activities (for the period from July 11 to December 31, 2013) totaled ¥27,267 million. The primary components were as follows:

i. Net income totaled ¥526,122 million.
ii. The main items added to net income were ¥623,986 million in depreciation and amortization, ¥272,019 million in income taxes, and ¥147,918 million in finance cost, net.
iii. The main item deducted from net income was income from remeasurement relating to business combination of ¥253,886 million. Please refer to page 39 "(1) GungHo Online Entertainment, Inc." and page 46 "(3) WILLCOM, Inc." under "3. Condensed Interim Consolidated Financial Statements (6) Notes to Condensed Interim Consolidated Financial Statements 5. Business combinations" for details.
iv. Interest paid was ¥225,388 million. The increase of ¥173,682 million compared with the same period of the previous fiscal year was mainly due to the impact of adding the interest expense of Sprint, as well as an increase in interest expenses for bonds and borrowings at SoftBank Corp.
v. Income taxes paid was ¥267,029 million.

(b) Cash Flows from Investing Activities

Net cash used in investing activities was ¥2,376,501 million (compared with ¥767,639 million used in the same period of the previous fiscal year). The primary components were as follows:

i. Decrease from acquisition of control over subsidiaries of ¥1,568,582 million was recorded, mainly due to the consolidation of Sprint, GungHo, and Supercell.

(Reference: Total Invested Amount for Acquisition of Sprint)

The invested amount for the Sprint acquisition and the timing of payments is as follows:

	Invested amount		Timing of payment
	U.S. dollars	Millions of yen	
Purchase of convertible bonds(Note 8) A	$3.1 billion	249,333	Oct. 2012
Cash investment B	$18.5 billion	1,875,149	July 2013
Proceeds from settlement of foreign currency forward contract for acquisition of control of subsidiaries(Note 9) C	-	310,104	-
Additional purchases of shares(Note 10) D	$500 million	49,535	Aug. - Sept. 2013
Total E=A+B-C+D	$22.1 billion	1,863,913	

Cash and cash equivalents held by Sprint at the time of acquisition of control F	$4.4 billion	447,873	

Notes:

8. Converted to Sprint shares on July 10, 2013.
9. Proceeds from the settlement of the foreign currency forward contract of $18.5 billion concluded in relation to acquisition of Sprint.
10. From August 1 to September 16, 2013 the Company acquired approximately 2% of additional shares of Sprint after its consolidation on July 10, 2013. Since this was executed after acquiring control of Sprint the relevant invested amount is recorded under cash flows from financing activities.
11. Of the amount recorded for decrease from acquisition of control over subsidiaries for the period, outlays for the acquisition of Sprint amounted to ¥1,427,276 million. This is calculated by subtracting cash and cash equivalents held by Sprint at the time of acquisition of control (F) from the $18.5 billion in cash investment (B).

ii. Outlays for purchase of property, plant and equipment and intangible assets amounted to ¥995,664 million. Out of this, Sprint's outlays for purchase of property, plant and equipment and intangible assets (for the period from July 11 to December 31, 2013) amounted to ¥395,622 million.

(c) Cash Flows from Financing Activities

Net cash provided by financing activities was ¥2,447,322 million (compared with ¥284,118 million provided in the same period of the previous fiscal year). The primary components were as follows:

(Items Increasing Cash Flows)

i. Proceeds from long-term interest-bearing debt of ¥4,380,354 million mainly resulted from the following:

- Proceeds from long-term borrowings of ¥2,378,670 million, mainly from borrowings of ¥1.98 trillion executed by SoftBank Corp. in September 2013 in accordance with the refinancing of the Sprint acquisition bridge loan and other existing borrowings and debts.
- Proceeds from issuance of corporate bonds of ¥1,665,232 million. This mainly consisted of totaling $9.0 billion (¥890,850 million) of straight corporate bonds issued by Sprint, and ¥450,000 million of unsecured straight corporate bonds and ¥324,382 million of foreign currency denominated straight corporate bonds issued by SoftBank Corp.
- Proceeds from sale and leaseback of equipment newly acquired of ¥336,452 million.

(Items Decreasing Cash Flows)

i. Repayment of long-term interest-bearing debt of ¥1,678,922 million mainly resulted from the following:

- Repayment of long-term debt of ¥971,600 million. This was mainly due to the Company repaying part of existing borrowings in September 2013, in accordance with the refinancing of the Sprint acquisition bridge loan and other existing borrowings and debts.
- Redemption of corporate bonds of ¥483,528 million, mainly from Clearwire's early redemption of $3,263 million (¥328,507 million) of Clearwire's corporate bonds.

ii. Decrease in short-term interest-bearing debt, net resulted in an outlay of ¥101,431 million.

iii. Payment for purchase of subsidiaries' equity from non-controlling interests of ¥71,869 million. This mainly included the Company's additional purchase of approximately 2% of Sprint shares from August 1 to September 16, 2013, after its consolidation on July 10, 2013, which resulted in an outlay of ¥49,535 million, as well as an outlay of ¥21,424 million for Yahoo Japan Corporation's repurchase of its own shares.

(3) Qualitative Information Regarding Forecast on the Consolidated Operation Results

The Company projects net sales of at least ¥6 trillion, EBITDA(Note 12) of at least ¥1.5 trillion, and operating income of at least ¥1 trillion under IFRSs in the fiscal year ending March 31, 2014 ("FY2013"). This operating income includes gains of ¥253.9 billion in total resulting from the reevaluation of the existing equity interests held in GungHo and WILLCOM, Inc. at fair value when both companies became subsidiaries.

For the fiscal year ending March 31, 2015 ("FY2014") the Company projects net sales of ¥7 trillion, EBITDA of ¥2 trillion, and operating income of ¥1 trillion. Temporary gains including income from remeasurement relating to business combination are not anticipated to occur. In combination with continued steady trends in the Mobile Communications segment, the operation results of the Sprint segment are forecast to show marked progress, resulting in continued operating income growth (comparison with FY2013 operating income discounts the abovementioned temporary gains).

Forecast for fiscal years ending March 31, 2014 and 2015.

	Fiscal year ending March 31, 2014	Fiscal year ending March 31, 2015
Net sales	at least ¥6 trillion	¥7 trillion
EBITDA	at least ¥1.5 trillion	¥2 trillion
Operating income (incl. temporary gains)	at least ¥1 trillion (¥253.9 billion)	¥1trillion (-)

Note:

12. EBITDA: net sales - cost of sales - selling, general and administrative expenses + depreciation and amortization

2. Notes to Summary Information

(1) Significant changes in scope of consolidation for the nine-month period ended December 31, 2013

Specified subsidiary (one company) newly consolidated in the nine-month period ended December 31, 2013

Sprint Communications, Inc.

On July 10, 2013, the Company capitalized Sprint Corporation (hereinafter "Sprint") with $21.6 billion. In the above process, Sprint Nextel Corporation merged with Starburst III, Inc., which used to be a subsidiary of the Company, with Sprint Nextel Corporation being the surviving entity and changed its name to Sprint Communications, Inc. Consequently, Sprint Communications, Inc., the surviving entity, was newly included in the scope of consolidation. Starburst II, Inc., which used to own all the shares of Starburst III, Inc., succeeded Sprint's business and changed its name to Sprint Corporation.

As the amount of common stock of Sprint Communications, Inc. which was included in the scope of consolidation is more than ten-hundreds of the common stock of SoftBank Corp., this is a change of a specified subsidiary with the change in the scope of consolidation.

(2) Changes in Accounting Policies and Accounting Estimates

(Changes in accounting estimates)

For the three-month period ended June 30, 2013, the Company changed its assumptions and estimates related to the acquisition of Sprint, which are used as material basis for the carrying amount of the convertible bonds issued by Sprint Nextel Corporation and held by a subsidiary, Starburst II, Inc. The corporate bond was converted to the shares of Sprint shares in July 2013.

The details are described in "Note 12. Finance cost, net, (6) Notes to Condensed Interim Consolidated Financial Statements, 3. Condensed Interim Consolidated Financial Statements."

3. Condensed Interim Consolidated Financial Statements

(1) Condensed Interim Consolidated Statements of Financial Position

(Millions of yen)

	As of April 1, 2012	As of March 31, 2013	As of December 31, 2013
Assets			
Current assets			
Cash and cash equivalents	1,021,113	1,439,057	2,046,636
Trade and other receivables	786,902	936,307	1,441,891
Other financial assets	10,399	229,239	206,521
Inventories	55,683	54,268	234,209
Other current assets	85,014	127,148	199,796
Total current assets	1,959,111	2,786,019	4,129,053
Non-current assets			
Property, plant and equipment	1,377,185	1,830,615	3,557,490
Goodwill	777,911	927,399	1,511,301
Intangible assets	340,323	524,893	6,226,415
Investments accounted for using the equity method	208,526	208,664	313,566
Other financial assets	318,599	634,647	364,450
Deferred tax assets	183,409	175,390	155,476
Other non-current assets	85,490	129,182	206,407
Total non-current assets	3,291,443	4,430,790	12,335,105
Total assets	5,250,554	7,216,809	16,464,158

(Millions of yen)

	As of April 1, 2012	As of March 31, 2013	As of December 31, 2013
Liabilities and equity			
Current liabilities			
Interest-bearing debt	926,671	1,534,128	1,191,511
Trade and other payables	975,832	972,669	1,538,570
Other financial liabilities	1,206	4,833	4,868
Income taxes payables	123,213	182,050	192,429
Provisions	1,456	1,602	106,484
Other current liabilities	94,155	142,634	447,716
Total current liabilities	2,122,533	2,837,916	3,481,578
Non-current liabilities			
Interest-bearing debt	1,763,273	2,173,725	8,028,586
Other financial liabilities	37,170	38,654	57,821
Defined benefit liabilities	14,953	14,506	64,728
Provisions	20,643	21,765	138,168
Deferred tax liabilities	45,351	119,628	1,546,507
Other non-current liabilities	79,585	80,187	263,397
Total non-current liabilities	1,960,975	2,448,465	10,099,207
Total liabilities	4,083,508	5,286,381	13,580,785
Equity			
Equity attributable to owners of the parent			
Common stock	213,798	238,772	238,772
Additional paid-in capital	250,767	436,704	405,030
Retained earnings	405,584	712,088	1,165,778
Treasury stock	(22,947)	(22,834)	(51,599)
Accumulated other comprehensive income	45,433	248,026	228,548
Total equity attributable to owners of the parent	892,635	1,612,756	1,986,529
Non-controlling interests	274,411	317,672	896,844
Total equity	1,167,046	1,930,428	2,883,373
Total liabilities and equity	5,250,554	7,216,809	16,464,158

(2) Condensed Interim Consolidated Statements of Income and Other Comprehensive Income

For the nine-month period ended December 31

Condensed Interim Consolidated Statements of Income

(Millions of yen)

	Nine-month period ended December 31, 2012	Nine-month period ended December 31, 2013
Net sales	2,346,972	4,561,703
Cost of sales	(1,166,395)	(2,650,642)
Gross profit	1,180,577	1,911,061
Selling, general and administrative expenses	(550,833)	(1,235,391)
Income from remeasurement relating to business combination	1,778	253,886
Other operating loss	-	(5,328)
Operating income	631,522	924,228
Finance cost, net	(48,384)	(146,049)
Equity in income (loss) of associates	(2,812)	19,962
Income before income tax	580,326	798,141
Income taxes	(225,520)	(272,019)
Net income	354,806	526,122
Net income attributable to		
Owners of the parent	308,790	488,231
Non-controlling interests	46,016	37,891
	354,806	526,122
Earnings per share attributable to owners of the parent		
Basic (yen)	280.48	409.80
Diluted (yen)	276.30	409.04

Condensed Interim Consolidated Statements of Comprehensive Income

(Millions of yen)

	Nine-month period ended December 31, 2012	Nine-month period ended December 31, 2013
Net income	354,806	526,122
Other comprehensive income (loss), net of tax		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit plan	(1)	17,174
Total items that will not be reclassified to profit or loss	(1)	17,174
Items that may be reclassified subsequently to profit or loss		
Available-for-sale financial assets	(2,407)	(42,514)
Cash flow hedges	37,133	(136,892)
Exchange differences on translating foreign operations	29,099	163,309
Share of other comprehensive income of associates	8,272	18,387
Total items that may be reclassified subsequently to profit or loss	72,097	2,290
Total other comprehensive income, net of tax	72,096	19,464
Total comprehensive income	426,902	545,586
Total comprehensive income attributable to		
Owners of the parent	380,517	482,464
Non-controlling interests	46,385	63,122
	426,902	545,586

For the three-month period ended December 31

Condensed Interim Consolidated Statements of Income

(Millions of yen)

	Three-month period ended December 31, 2012	Three-month period ended December 31, 2013
Net sales	842,328	1,963,091
Cost of sales	(448,127)	(1,225,734)
Gross profit	394,201	737,357
Selling, general and administrative expenses	(193,586)	(527,746)
Income from remeasurement relating to business combination	1,778	-
Other operating loss	-	(453)
Operating income	202,393	209,158
Finance cost, net	(11,007)	(41,026)
Equity in income (loss) of associates	(1,532)	23,742
Income before income tax	189,854	191,874
Income taxes	(77,576)	(94,625)
Net income	112,278	97,249
Net income attributable to		
Owners of the parent	94,231	93,315
Non-controlling interests	18,047	3,934
	112,278	97,249
Earnings per share attributable to owners of the parent		
Basic (yen)	85.22	78.36
Diluted (yen)	84.27	78.08

Condensed Interim Consolidated Statements of Comprehensive Income

(Millions of yen)

	Three-month period ended December 31, 2012	Three-month period ended December 31, 2013
Net income	112,278	97,249
Other comprehensive income (loss), net of tax		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit plan	(2)	17,185
Total items that will not be reclassified to profit or loss	(2)	17,185
Items that may be reclassified subsequently to profit or loss		
Available-for-sale financial assets	2,878	4,693
Cash flow hedges	36,962	3,340
Exchange differences on translating foreign operations	37,630	220,717
Share of other comprehensive income of associates	8,985	11,492
Total items that may be reclassified subsequently to profit or loss	86,455	240,242
Total other comprehensive income, net of tax	86,453	257,427
Total comprehensive income	198,731	354,676
Total comprehensive income attributable to		
Owners of the parent	180,513	309,662
Non-controlling interests	18,218	45,014
	198,731	354,676

(3) Condensed Interim Consolidated Statements of Changes in Equity

For the nine-month period ended December 31, 2012

(Millions of yen)

	Equity attributable to owners of the parent							
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Accumulated other comprehensive income	Total	Non-controlling interests	Total equity
As of April 1, 2012	213,798	250,767	405,584	(22,947)	45,433	892,635	274,411	1,167,046
Comprehensive income								
Net income	-	-	308,790	-	-	308,790	46,016	354,806
Other comprehensive income	-	-	-	-	71,727	71,727	369	72,096
Total comprehensive income	-	-	308,790	-	71,727	380,517	46,385	426,902
Transactions with owners and other transactions								
Cash dividends	-	-	(66,045)	-	-	(66,045)	(11,832)	(77,877)
Transfer of accumulated other comprehensive income to retained earnings	-	-	(1)	-	1	-	-	-
Issuance of new shares	8,405	15,521	-	-	-	23,926	-	23,926
Purchase and disposal of treasury stock	-	5	-	73	-	78	-	78
Changes from business combination	-	-	-	-	-	-	2,250	2,250
Changes in interests in subsidiaries	-	(303)	-	-	-	(303)	(14)	(317)
Changes in associates' interests in their subsidiaries	-	(51,223)	-	-	-	(51,223)	-	(51,223)
Decrease by exercise of stock acquisition right	-	(7,395)	-	-	-	(7,395)	-	(7,395)
Share-based payment transactions	-	50	-	-	-	50	-	50
Other	-	-	-	-	-	-	(933)	(933)
Total transactions with owners and other transactions	8,405	(43,345)	(66,046)	73	1	(100,912)	(10,529)	(111,441)
As of December 31, 2012	222,203	207,422	648,328	(22,874)	117,161	1,172,240	310,267	1,482,507

For the nine-month period ended December 31, 2013

(Millions of yen)

	Equity attributable to owners of the parent							
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Accumulated other comprehensive income	Total	Non-controlling interests	Total equity
As of April 1, 2013	238,772	436,704	712,088	(22,834)	248,026	1,612,756	317,672	1,930,428
Comprehensive income								
Net income	-	-	488,231	-	-	488,231	37,891	526,122
Other comprehensive income (loss)	-	-	-	-	(5,767)	(5,767)	25,231	19,464)
Total comprehensive income	-	-	488,231	-	(5,767)	482,464	63,122	545,586
Transactions with owners and other transactions								
Cash dividends	-	-	(47,669)	-	-	(47,669)	(13,641)	(61,310)
Transfer of accumulated other comprehensive loss to retained earnings	-	-	13,711	-	(13,711)	-	-	-
Purchase and disposal of treasury stock	-	(13)	(583)	(28,765)	-	(29,361)	-	(29,361)
Changes from business combination	-	-	-	-	-	-	568,326	568,326
Acquisition of options to convert to subsidiaries' common stocks	-	(10,323)	-	-	-	(10,323)	-	(10,323)
Changes in interests in subsidiaries	-	(21,635)	-	-	-	(21,635)	(46,087)	(67,722)
Share-based payment transactions	-	297	-	-	-	297	6,428	6,725
Other	-	-	-	-	-	-	1,024	1,024
Total transactions with owners and other transactions	-	(31,674)	(34,541)	(28,765)	(13,711)	(108,691)	516,050	407,359
As of December 31, 2013	238,772	405,030	1,165,778	(51,599)	228,548	1,986,529	896,844	2,883,373

(4) Condensed Interim Consolidated Statements of Cash Flows

(Millions of yen)

	Nine-month period ended December 31, 2012	Nine-month period ended December 31, 2013
Cash flows from operating activities		
Net income	354,806	526,122
Depreciation and amortization	244,339	623,986
Equity in loss (income) of associates	2,812	(19,962)
Finance cost, net	47,651	147,918
Income from remeasurement relating to business combination	(1,778)	(253,886)
Income taxes	225,520	272,019
Increase in trade and other receivables	(34,335)	(84,517)
Decrease in trade and other payables	(9,964)	(43,446)
Other	(42,137)	(184,391)
Subtotal	786,914	983,843
Interest and dividends received	1,932	6,231
Interest paid	(51,706)	(225,388)
Income taxes paid	(215,844)	(267,029)
Net cash provided by operating activities	521,296	497,657
Cash flows from investing activities		
Purchase of property, plant and equipment, and intangible assets	(458,482)	(995,664)
Payments for acquisition of investments	(314,114)	(181,004)
Proceeds from sales/redemption of investments	16,339	172,929
Decrease from acquisition of control over subsidiaries	(2,040)	(1,568,582)
Proceeds from settlement of foreign currency forward contract for acquisition of control of subsidiaries	-	310,104
Other	(9,342)	(114,284)
Net cash used in investing activities	(767,639)	(2,376,501)
Cash flows from financing activities		
Increase (decrease) in short-term interest-bearing debt, net	348,196	(101,431)
Proceeds from long-term interest-bearing debt	788,497	4,380,354
Repayment of long-term interest-bearing debt	(575,230)	(1,678,922)
Payment from purchase of subsidiaries' equity from non-controlling interests	(369)	(71,869)
Cash dividends paid	(65,206)	(47,195)
Cash dividends paid to non-controlling interests	(12,512)	(13,533)
Payments for preferred stocks, stock acquisition rights, and long-term debt of subsidiaries	(200,444)	-
Other	1,186	(20,082)
Net cash provided by financing activities	284,118	2,447,322
Effect of exchange rate changes on cash and cash equivalents	4,751	39,101
Increase in cash and cash equivalents	42,526	607,579
Cash and cash equivalents at the beginning of the period	1,021,113	1,439,057
Cash and cash equivalents at the end of the period	1,063,639	2,046,636

(5) Significant Doubt about Going-Concern Assumption

There are no applicable items for the nine-month period ended December 31, 2013.

(6) Notes to Condensed Interim Consolidated Financial Statements

1. Reporting entity

SoftBank Corp. is a corporation domiciled in Japan. These condensed interim consolidated financial statements are composed of SoftBank Corp. and its subsidiaries (the "Company"). The Company engages in various businesses in the information industry, with its base in the Mobile Communications segment, the Sprint segment, the Fixed-Line Telecommunications segment, and the Internet segment. The Sprint segment was added to our business as a result of the following acquisition during the three-month period ended September 30, 2013.

On July 10, 2013, the Company acquired approximately 78% of the shares of Sprint Corporation (previously Sprint Nextel Corporation) (hereinafter ("Sprint")), and Sprint became a subsidiary of the Company. In addition, the Company additionally acquired approximately 2% of Sprint shares from August 1 to September 16, 2013. As a result, the Company's ownership in the outstanding Sprint common stock became approximately 80% as of December 31, 2013.

The details are described in "(2) Sprint" in "Note 5. Business combinations" and in "(1) Description of reportable segment" in "Note 6. Segment information."

2. Basis of preparation of condensed interim consolidated financial statements

(1) Compliance with IFRSs and first-time adoption

These condensed interim consolidated financial statements of the Company have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" pursuant to Article 93 of the Regulation Concerning Terminology, Forms and Preparation Methods of Quarterly Consolidated Financial Statements (Cabinet Office Ordinance No. 64, 2007), as the Company meets the criteria of a "Specified company" defined under Article 1-2 of the Regulation.

The Company has prepared the condensed interim consolidated financial statements in accordance with IFRSs from the three-month period ended June 30, 2013, the first quarter of the year ending March 31, 2014. The date of transition to IFRSs is April 1, 2012. The Company applied IFRS 1 "First-Time Adoption of International Financial Reporting Standards" for the transition to IFRSs. The effect of the transition to IFRSs on the Company's financial position, results of operations, and the cash flows is provided in "Note 15. First-time adoption of IFRSs."

(2) Basis of measurement

These condensed interim consolidated financial statements have been prepared on the historical cost basis, except for certain items, such as financial instruments, that are measured at fair value.

(3) Presentation currency and unit of currency

These condensed interim consolidated financial statements have been presented in Japanese yen, which is the currency of the primary economic environment of SoftBank Corp., and are rounded off to the nearest million yen.

(4) New standards and interpretations not yet adopted by the Company

The Company has not early adopted standards and interpretations (including IFRS 9 "Financial Instruments") that have not been enforced as of December 31, 2013, in the preparation of these condensed interim consolidated financial statements. The Company is currently evaluating potential impacts that application of these will have on the consolidated financial statements and it is not possible to estimate the amount of these impacts.

3. Significant accounting policies

The significant accounting policies applied in these condensed interim consolidated financial statements are consistent with those for the second quarter of the fiscal year ending March 31, 2014 (for the six-month period ended September 30, 2013).

In addition, as a result of the consolidation of Supercell Oy ("Supercell"), a mobile game company headquartered in Finland, on October 31, 2013, game title of intangible asset was recognized. The game title is amortized using the straight-line method over five years. The details of the acquisition are described in "(4) Supercell" in "Note 5. Business combinations."

The accounting policies adopted by the Company have been applied consistently to all periods presented in these condensed interim consolidated financial statements (including the consolidated statement of financial position at the date of transition to IFRSs).

4. Significant judgments and estimates

In preparing condensed interim consolidated financial statements under IFRSs, management makes judgments, estimates, and assumptions that affect the application of accounting policies and carrying amounts of assets, liabilities, revenue, and expenses. These estimates and underlying assumptions are based on the management's best judgments, through their evaluation of various factors that were considered reasonable as of the period-end, based on historical experience and by collecting available information. By the nature of its estimates or assumptions, however, actual results in the future may differ from those estimates or assumptions.

Estimates and underlying assumptions are continuously reviewed. Revisions to accounting estimates are recognized in the period in which the estimate is revised as well as in the future periods.

Estimates and assumptions giving significant effects on the amounts recognized in the condensed interim consolidated financial statements of the Company are consistent with those for the second quarter of the fiscal year ending March 31, 2014 (for the six-month period ended September 30, 2013).

5. Business combinations

For the nine-month period ended December 31, 2013

(1) GungHo Online Entertainment, Inc.

a. Overview of consolidation

Masayoshi Son, chairman and CEO of the SoftBank Corp., has entered into a Memorandum of Understanding on Exercise of Voting Rights for Deferment of Execution of Pledges (the "MOU") with respect to the shares of GungHo Online Entertainment, Inc. ("GungHo") on April 1, 2013, with Heartis Inc. (the "Heartis"; percentage of voting interest: 18.5%), which is the second largest shareholder of GungHo and Taizo Son's asset management company and of which Taizo Son, chairman of GungHo, is the representative director. Under the MOU, in order to have Son Holdings Inc., of which Masayoshi Son is a director and which is a Masayoshi Son's asset management company, defer the execution of pledges over the shares of GungHo held by Heartis, Heartis has agreed, effective as of April 1, 2013, to the effect that at the shareholders meeting of GungHo, Heartis will exercise the voting rights for all of the shares of GungHo it holds in accordance with Masayoshi Son's directions. Also, a subsidiary of the Company, SoftBank Mobile Corp., undertook the Tender Offer from April 1, 2013 to April 26, 2013 and acquired 6.37% of GungHo shares (purchase price: ¥24,976 million). The Company and Heartis together came to represent the majority of the voting rights in GungHo's shares (percentage of voting interest: 58.50%) and GungHo Online Entertainment became a subsidiary of the Company from an equity method associate.

With this transaction, the Company expects that it will be able to enhance mobile content, and to improve the efficiency in operation of the mobile communications business and profitability competitiveness by combining smartphone-focused development capability and infrastructure held by the Company, and planning and creating capabilities in the smartphone game industry held by GungHo.

（Business Description of GungHo）

(a) Planning, development, operation and distribution of online games
(b) Planning, development and sales of mobile content
(c) Planning, development and sales of character goods
(d) Planning, development and distribution of other entertainment content

（Acquisition date）

April 1, 2013

b. Consideration transferred and the components

（Millions of yen）

		Acquisition date (April 1, 2013)
Payment by cash		24,976
Fair value of equity interest in GungHo already held at the time of the acquisition		153,620
Total consideration transferred	A	178,596

Acquisition-related costs of ¥109 million arising from the business combinations are recognized in “Selling, general and administrative expenses.”

As a result of the reevaluation of 33.63% in equity interest already held at the time of the acquisition of control by the Company in GungHo at fair value on the acquisition date, the Company recognized a gain on the step acquisition of ¥150,120 million. This gain is presented as “Income from remeasurement relating to business combination” in the condensed interim consolidated statements of income.

c. Fair values of assets and liabilities, non-controlling interests and goodwill on the acquisition date

		(Millions of yen) Acquisition date (April 1, 2013)
Current assets		36,903
Intangible assets		80,814
Other non-current assets		4,511
Total assets		122,228
Current liabilities		10,897
Non-current liabilities		29,949
Total liabilities		40,846
Net assets	B	81,382
Non-controlling interests[1]	C	48,818
Goodwill[2]	A-(B-C)	146,032

Notes:

1. Non-controlling interests

Non-controlling interests in an acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation are measured based on the proportionate interests at acquisition date in the identifiable net assets of the acquiree at acquisition date

2. Goodwill

Goodwill reflects excess earning power expected from the future business development and assembled workforce for game development and others, and the synergy with existing businesses.

d. Decrease from acquisition of control over subsidiaries

	(Millions of yen) Acquisition date (April 1, 2013)
Payment for the acquisition by cash	(24,976)
Cash and cash equivalents held by the acquiree at the time of acquisition of control	11,025
Decrease in cash from the acquisition of control over the subsidiary	(13,951)

e. Sales and net income of the acquiree

The amount of the acquiree's sales and net income before elimination of inter-company transactions and after the acquisition date are ¥132,156 million and ¥29,839 million respectively, which are recorded in the condensed interim consolidated statements of income for the nine-month period ended December 31, 2013.

In addition, the above net income includes amortization expenses, which are related to intangible assets recognized at the acquisition date, and others.

(2) Sprint

a. Overview of consolidation

On October 15, 2012, the Company and Sprint entered into a series of definitive agreements under which the Company will invest in Sprint (the "Transaction" in this section (2)). After the completion of negotiations, the Company and Sprint agreed to amend a portion of the Transaction on June 11, 2013.

On July 10, 2013, SoftBank Corp. capitalized, through a wholly owned subsidiary, Starburst I, Inc., Sprint with an additional \$18.5 billion and the total investment of SoftBank Corp. amounted to \$21.6 billion, including \$3.1 billion of corporate bonds with stock acquisition rights issued by Sprint Nextel Corporation (the "Bond") invested by Starburst II, Inc. on October 22, 2012. Of the invested amounts of \$21.6 billion, \$16.6 billion was distributed to existing individual Sprint's shareholders and \$5 billion is used to strengthen Sprint. The Bond held by Starburst II, Inc. was converted into shares.

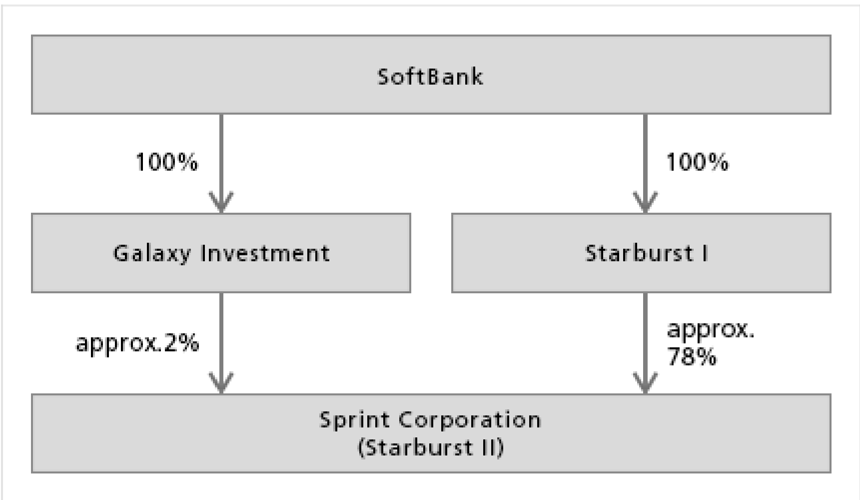
Through the Transaction, approximately 72% of Sprint Nextel Corporation shares were acquired for \$7.65 per share in cash, and the remaining shares were converted into Sprint shares on a one-to-one basis, which succeeded Sprint Nextel Corporation and became listed on the New York Stock Exchange.

As a result of the Transaction, Starburst I, Inc., owns approximately 78% of the shares of Sprint and Sprint became a subsidiary of SoftBank Corp.

Prior to the Transaction, Clearwire Corporation ("Clearwire"), a company providing high-speed wireless communication services in the U.S., became a wholly owned subsidiary of Sprint on July 9, 2013.

From August 1, 2013 to September 16, 2013, SoftBank Corp., through Galaxy Investment Holdings, Inc., a wholly-owned subsidiary in the U.S., additionally purchased approximately 2% of the shares of Sprint (purchase price: \$500 million). As a result, the Company's ownership in the outstanding Sprint common stock became approximately 80% as of December 31, 2013.

(Structure after completion of the Transaction)



b. Purpose of consolidation

(a) Enables the Company to establish an operating base as one of the largest mobile Internet companies in the world. The combined subscriber base will be one of the largest between the U.S. and Japan*.

(b) Enables the Company to leverage its deep expertise in smartphones and next-generation mobile networks, and its track record of success in competing in mature markets with large incumbents, to enhance competitiveness of Sprint in the U.S.

(c) Provides Sprint $5 billion of new capital for its mobile network, strategic investments, and balance sheet as part of its continued efforts to fortify its operating base towards future growth.

Note:
Based on Telecommunications Carriers Association ("TCA") data and disclosed material by relevant companies as of the end of June 2013.

c. Summary of Sprint

Name	Sprint Corporation
Address	6200 Sprint Parkway, Overland Park, Kansas
Name and title of representative	Dan Hesse, Chief Executive Officer and Director
Business description	Holding company Provision of telecommunications services through its operating subsidiaries
Note	The Chairman of the Board and the Vice Chairman of the Board were assumed by Masayoshi Son, the Chairman & CEO of SoftBank Corp. and Ronald Fisher, Director of SoftBank Corp., respectively. Adm. Mike Mullen, former Chairman of the Joint Chiefs of Staff, has been appointed as the Director in charge of security.
Consolidated sales	$35,345 million (Fiscal year ended December 2012, US GAAP)

d. Acquisition date

July 10, 2013

e. Consideration transferred and the component

		(Millions of yen) Acquisition date (July 10, 2013)
Payment by cash		1,875,149
Conversion of corporate bonds with stock acquisition rights held at the time of acquisition		313,534
Total consideration transferred	A	2,188,683

Acquisition-related costs of ¥12,106 million arising from the business combination are recognized in "Selling, general and administrative expenses", with ¥3,751 million for the year ended March 31, 2013, and ¥8,355 million for the nine-month period ended December 31, 2013.

f. Fair values of assets and liabilities, non-controlling interests and goodwill on the acquisition date

		(Millions of yen) Acquisition date (July 10, 2013)
Current assets		
Cash and cash equivalents		447,873
Trade and other receivables[1]		327,211
Other financial assets		111,764
Inventories		105,318
Other current assets		42,655
Total current assets		1,034,821
Non-current assets		
Property, plant and equipment[2]		1,291,364
Intangible assets[2]		5,301,283
Other financial assets		23,938
Other non-current assets		12,394
Total non-current assets		6,628,979
Total assets		7,663,800
Current liabilities		
Interest-bearing debt[2]		86,961
Trade and other payables		647,524
Income taxes payables		4,553
Provisions[3]		94,025
Other current liabilities		286,160
Total current liabilities		1,119,223
Non-current liabilities		
Interest-bearing debt[2]		2,668,163
Other financial liabilities		6,677
Defined benefit liabilities		65,763
Provisions[3]		148,731
Deferred tax liabilities[4]		1,410,344
Other non-current liabilities		184,107
Total non-current liabilities		4,483,785
Total liabilities		5,603,008
Net assets	B	2,060,792
Non-controlling interests[5]	C	465,973
Basis adjustment[6]	D	311,659
Goodwill[7]	A-(B-C)-D	282,205

Consideration transferred is allocated to acquired assets and assumed liabilities based on the fair value on the acquisition date. The above amounts, which are provisional fair values based on the best estimate at present, may change for a year from the acquisition date when additional information related to facts and circumstances that existed as of the acquisition date, may be obtained.

For the three-month period ended December 31, 2013, provisional amounts of assets, liabilities and non-controlling interests on the acquisition date were changed. Major changes are as follows: Intangible assets increased by ¥25,660 million due to additional analysis performed by Sprint management related to the value assigned to certain FCC Licenses[8]. Deferred tax liabilities decreased by ¥12,742 million primarily due to adjustments related to FCC Licenses. Non-controlling interest increased by ¥28,267 million. Accordingly, goodwill decreased by ¥12,213 million.

The above amount is translated at the exchange rate (USD = JPY101.14) as of the acquisition date.

Notes:

1. Estimation of fair values of acquired receivables, contractual amounts receivables and amounts not expected to be collected
   As for the fair value of ¥327,211 million of acquired receivables and other receivables (mainly sales receivables), the total amount of contracts is ¥342,787 million and the estimate of the contractual cash flows not expected to be collected at the acquisition date is ¥15,576 million.

2. Property, plant and equipment, Intangible assets and Interest-bearing debt
   The components are described in “Note 7. Property, plant and equipment”, “Note 8. Intangible assets” and “(1) Component of interest-bearing debt” in “Note 9. Interest-bearing debt.”

3. Provisions
   Provisions recognized by the business combination are mainly asset retirement obligations, expenses related to the closing of the leased properties due to the shutdown of the Nextel Platform on June 30, 2013, expenses related to the closing of leased properties such as offices and base stations and to the reduction of personnel, due to the acquisition of Clearwire, and expenses related to access contracts for large capacity lines which will not be used.

4. Deferred tax liabilities
   Deferred tax liabilities recognized by this business combination are mainly temporary differences related to FCC Licenses, and trademarks with indefinite useful lives.

5. Non-controlling interests
   Non-controlling interests in an acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity’s net assets in the event of liquidation are measured based on the proportionate interests at acquisition date in the identifiable net assets of the acquiree at acquisition date

6. Basis adjustment
   The Company entered into a foreign currency forward contract to hedge exchange risks resulting from the investment in Sprint. This scheduled transaction was designated as a cash flow hedge. ¥311,659 million, the fair value of the hedging instruments at the acquisition date was deducted from initial amount of goodwill which was recognized from the acquisition.

7. Goodwill
   Goodwill reflects excess earning power expected from the future business development and the synergy with existing businesses.

8. FCC Licenses
   Licenses issued by the U.S. Federal Communications Commission for use of specified frequently bands.

g. Decrease from acquisition of control over subsidiaries

	(Millions of yen) Acquisition date (July 10, 2013)
Payment for the acquisition by cash	(1,875,149)
Cash and cash equivalents held by the acquiree at the time of acquisition of control	447,873
Decrease in cash from the acquisition of control over the subsidiary	(1,427,276)
Proceeds from settlement of foreign currency forward contract for acquisition of control of subsidiaries	310,104
Decrease in cash from the acquisition of control over the subsidiary, net	(1,117,172)

h. Sales and net loss of the acquiree

The amounts of the acquiree's sales and net loss before elimination of inter-company transactions after the acquisition date, which are recorded in the condensed interim consolidated statements of income for the nine-month period ended December 31, 2013, are ¥1,684,439 million and ¥157,947 million, respectively.

In addition, the above net loss includes amortization expenses, which are related to intangible assets recognized at the acquisition date, and others.

(3) WILLCOM, Inc.

a. Overview of consolidation

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

WILLCOM, Inc. made prepayments of rehabilitation claims and rehabilitation security interests in June 2013, and filed a petition with the Tokyo District Court for the termination of its rehabilitation proceedings. WILLCOM, Inc. received an order of termination of rehabilitation proceedings from the Tokyo District Court on July 1, 2013. Consequently, WILLCOM, Inc. became a subsidiary of the Company.

(Business description of WILLCOM, Inc.)
Telecommunications business

(Acquisition date)
July 1, 2013

b. Consideration transferred and the components

		(Millions of yen) Acquisition date (July 1, 2013)
Fair value of equity interest in WILLCOM, Inc. already held at the time of the acquisition		104,070
Total consideration transferred	A	104,070

As a result of the reevaluation of 100% equity interest already held by the Company at the time of the acquisition of control in WILLCOM, Inc. at fair value, the Company recognized a gain of ¥103,766 million. This gain is presented as "Income from remeasurement relating to business combination" in the condensed interim consolidated statements of income.

c. Fair value of assets and liabilities, non-controlling interests and goodwill on the acquisition date

		(Millions of yen) Acquisition date (July 1, 2013)
Current assets		80,843
Property, plant and equipment		46,026
Intangible assets		40,025
Other non-current assets		14,883
Total assets		181,777
Current liabilities		83,958
Non-current liabilities		14,996
Total liabilities		98,954
Net assets	B	82,823
Non-controlling interests[1]	C	222
Goodwill[2]	A-(B-C)	21,469

Notes:

1. Non-controlling interests is from WILLCOM OKINAWA, Inc. (proportionate interest held by the Company is 80%), a subsidiary of WILLCOM Inc., and it is measured based on the proportionate interests after the acquisition in the identifiable net assets of the acquiree at the acquisition date.

2. Goodwill reflects excess earning power expected from the future business development, assembled workforce and the synergy with existing business.

d. Estimation of fair values of acquired receivables, contractual amounts receivables and amounts not expected to be collected

The main components of acquired trade and other receivables are installment receivables and the fair value is ¥31,039 million. The total amount of contractual receivables is ¥31,328 million and the best estimate of the contractual cash flows not expected to be collected as of the acquisition date is ¥289 million.

e. Increase from acquisition of control over subsidiaries

	(Millions of yen) Acquisition date (July 1, 2013)
Cash and cash equivalents held by the acquiree at the time of acquisition of control	14,043
Increase in cash from the acquisition of control over the subsidiary	14,043

f. Sales and net loss of the acquiree

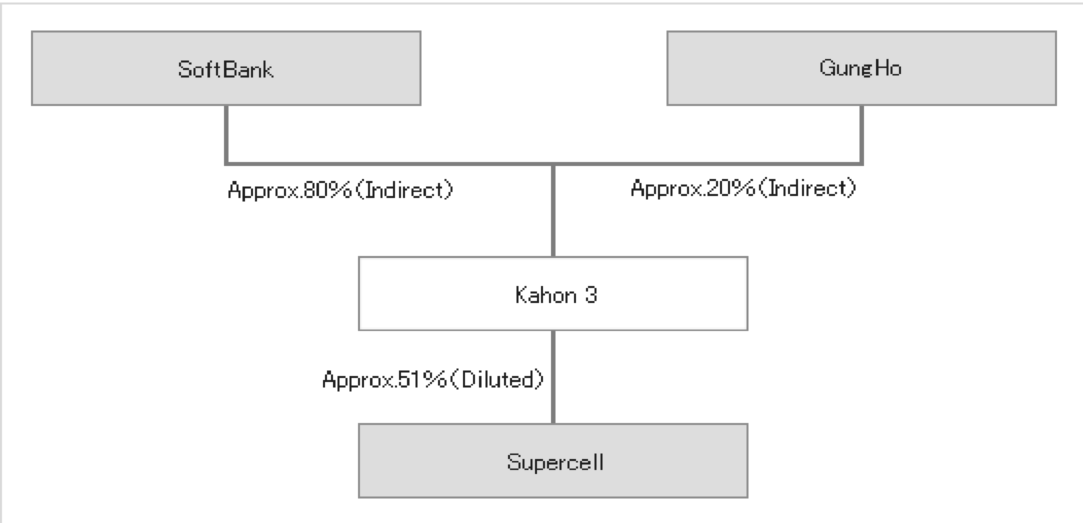
The amounts of the acquiree's sales and net loss before elimination of inter-company transactions after the acquisition date, which are recorded in the condensed interim consolidated statements of income for the nine-month period ended December 31, 2013, are ¥ 82,293 million and ¥ 2,907 million, respectively.

In addition, the above net loss includes amortization expenses, which are related to intangible assets recognized at the acquisition date, and others.

(4) Supercell Oy

a. Overview of consolidation

SoftBank Corp. and GungHo, a subsidiary of SoftBank Corp., communally established Kahon 3 Oy ("Kahon 3"), a special purpose company in Finland, SoftBank Corp. indirectly investing $1,224 million (investing ratio of approximately 80%) and GungHo indirectly investing approximately $306 million (investing ratio of approximately 20%). Through Kahon 3, the special purpose company, SoftBank Corp. and GungHo acquired approximately 51% (diluted) of voting stock of Supercell, with a total of $1.53 billion (¥150,720 million) on October 31, 2013. Accordingly, Supercell, a mobile game company headquartered in Finland, became a subsidiary of SoftBank Corp.



b. Purpose of consolidation

Supercell is a mobile game company headquartered in Finland. This new strategic partnership with SoftBank Corp. and GungHo will help accelerate Supercell's goal of becoming "the first truly global games company."

GungHo started its online game business in 2002, and it has since accumulated significant expertise and produced notable results in the development and operation of online games. Through the Transaction, GungHo will leverage Supercell's position among the apps in the Games category of the App Store and marketing power abroad to enhance its global expansion.

c. Summary of Supercell

Name	Supercell Oy
Address	Itämerenkatu 11-13 00180 Helsinki Finland
Name and title of representative	Ilkka Paananen, CEO
Business description	Mobile/Social interactive entertainment
Common stock	€2,500
Date of foundation	May 14, 2010
Consolidated sales	€78,358 thousands（the year ended December 2012, Finnish GAAP）

d. Acquisition date

October 31, 2013

e. Consideration transferred and the component

(Millions of yen)

		Acquisition date （October 31, 2013）
Payment by cash		140,397
Total consideration transferred	A	140,397

Acquisition-related costs of ¥3,074 million arising from the business combination are recognized in “Selling, general and administrative expenses.”

Kahon 3 acquired common and preferred stocks of Supercell and options, which can convert the preferred stocks to common stocks (“conversion options”), with a total of ¥150,720 million. The consideration transferred for the business combination is ¥140,397 million, deducting the fair value of ¥10,323 million for the preferred stocks and the conversion options from the total amount of ¥150,720 million to acquire Supercell.

The fair value of ¥10,323 million for the preferred stocks and the conversion option is deducted from additional paid-in capital as “Acquisition of options to convert to subsidiaries’ common stocks” in Condensed interim consolidated statements of changes in equity”

f. Fair value of assets and liabilities, non-controlling interests and goodwill on the acquisition date

		(Millions of yen) Acquisition date (October 31, 2013)
Current assets		22,123
Intangible assets		119,204
Other non-current assets		73
Total assets		141,400
Current liabilities		22,518
Non-current liabilities		23,993
Total liabilities		46,511
Net assets	B	94,889
Non-controlling interests[1]	C	53,295
Goodwill[2]	A-(B-C)	98,803

Consideration transferred is allocated to acquired assets and assumed liabilities based on a fair value on the acquisition date. The above amounts, which are provisional fair values based on the best estimate at present, may change for a year from the acquisition date when additional information related to facts and circumstances that existed as of the acquisition date may be obtained.

Notes:
1. Non-controlling interests
Non-controlling interests in an acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation are measured based on the proportionate interests at acquisition date in the identifiable net assets of the acquiree at acquisition date

2. Goodwill
Goodwill reflects excess earning power expected from the future business development and assembled workforce for game development and others, and the synergy with existing businesses.

g. Decrease from acquisition of control over subsidiaries

	(Millions of yen) Acquisition date (October 31,2013)
Payment for the acquisition by cash	(140,397)
Cash and cash equivalents held by the acquiree at the time of acquisition of control	2,495
Decrease in cash from the acquisition of control over the subsidiary	(137,902)

h. Sales and net loss of the acquiree

The amounts of the acquiree's sales and net loss before elimination of inter-company transactions after the acquisition date, which are recorded in the condensed interim consolidated statements of income for the nine-month period ended December 31, 2013, are ¥17,044 million and ¥123 million, respectively.

In addition, the above net loss includes amortization expenses, which are related to intangible assets recognized at the acquisition date, and others.

6. Segment information

(1) Description of reportable segments

The Company's reportable segments are components of business activities for which discrete financial information is available, and such information is regularly reviewed by the Company's board of directors in order to make decisions about the allocation of the resources and assess its performance.

The Company has four segments, the Mobile Communications segment, the Sprint segment, the Fixed-line Telecommunications segment, and the Internet segment.

The Mobile Communications segment provides, mainly through SoftBank Mobile Corp., mobile communication services, and sales of mobile handsets and accessories.

The Sprint segment provides, through Sprint, mobile communication services, sales of mobile handsets and accessories accompanying the mobile communication services, and the fixed-line telecommunication services in the U.S.

The Fixed-line Telecommunications segment provides, mainly through SoftBank Telecom Corp., telecommunication services such as data communication and fixed-line telephone services for corporate customers. It also provides, mainly through SoftBank BB Corp., broadband services for individual customers.

The Internet segment provides, mainly through Yahoo Japan Corporation, Internet-based advertising operations.

The Sprint segment was newly established from the three-month period ended September 30, 2013, by the consolidation of Sprint in July 2013.

The Company previously had four segments, the Mobile Communications segments, the Broadband Infrastructure segments, the Fixed-line Telecommunications segments, and the Internet Culture segments until the year ended March 31, 2013. However, with the consolidation of eAccess Ltd. in January 2013, GungHo in April 2013, and Sprint in July 2013, the Company changed its reportable segments from the three-month period ended June 30, 2013 as the business size and region of the Company changed significantly.

For the three-month period ended June 30, 2013, the previous Fixed-line Telecommunications segment and the Broadband Infrastructure segment were integrated and included in the Domestic Fixed-line Telecommunications Segment. Also the previous Mobile Communications segment was presented as the Domestic Mobile Communications segment and the previous Internet Culture segment was presented as the Internet Segment. Distribution business of SoftBank BB Corp. was previously included in "Others." However, it is included in the Domestic Mobile Communications segment, considering its stronger connection with mobile communications.

For the three-month period ended September 30, 2013, the Company changed the names of certain segments. The previous Domestic Mobile Communications was changed to the Mobile Communications. Also, the previous Domestic Fixed-line Telecommunications was changed to the Fixed-line Telecommunications. Only the names of the segments were changed; the definition of the segments remained the same.

Segment information for the nine-month period ended December 31, 2012, and for the three-month period ended December 31, 2012, is presented in accordance with the reportable segment after the change.

(2) Net sales and income of reportable segments

Income of reportable segments is based on income excluding “Income from remeasurement relating to business combination” and “Other operating income (loss)” from operating income as follows:

Segment income = (net sales – cost of sales – selling, general and administrative expenses) in each segment

Intersegment transactions are conducted under the same general business conditions as applied for external customers.

The following is information about the Company’s net sales and income by reportable segments. The Company also discloses “EBITDA (segment income before depreciation and amortization)” by reportable segments.

For the nine-month period ended December 31, 2012

(Millions of yen)

	Reportable segments							
	Mobile Commu-nications	Sprint	Fixed-line Telecomm-unications	Internet	Total	Others[1]	Reconcili-ations[2]	Consoli-dated
Net sales								
Customers	1,707,056	-	324,973	252,790	2,284,819	62,153	-	2,346,972
Intersegment	10,959	-	66,465	2,354	79,778	27,047	(106,825)	-
Total	1,718,015	-	391,438	255,144	2,364,597	89,200	(106,825)	2,346,972
EBITDA	610,286	-	127,481	139,579	877,346	11,275	(14,538)	874,083
Depreciation and amortization	(191,019)	-	(38,043)	(9,080)	(238,142)	(4,776)	(1,421)	(244,339)
Segment income	419,267	-	89,438	130,499	639,204	6,499	(15,959)	629,744
Income from remeasure-ment relating to business combination								1,778
Other operating income (loss)								-
Operating income								631,522
Finance cost, net								(48,384)
Equity in loss of associates								(2,812)
Income before income tax								580,326

For the nine-month period ended December 31, 2013

(Millions of yen)

	Reportable segments							
	Mobile Commu-nications	Sprint[3]	Fixed-line Telecommu-nications	Internet	Total	Others [1]	Reconcili-ations [2]	Consoli-dated
Net sales								
Customers	2,188,230	1,684,244	328,744	295,932	4,497,150	64,553	-	4,561,703
Intersegment	15,598	195	78,681	2,044	96,518	28,840	(125,358)	-
Total	2,203,828	1,684,439	407,425	297,976	4,593,668	93,393	(125,358)	4,561,703
EBITDA	790,379	228,424	132,807	153,227	1,304,837	11,306	(16,487)	1,299,656
Depreciation and amortization	(275,800)	(286,602)	(45,129)	(10,139)	(617,670)	(5,278)	(1,038)	(623,986)
Segment income (loss)	514,579	(58,178)	87,678	143,088	687,167	6,028	(17,525)	675,670
Income from remeasurement relating to business combination								253,886
Other operating loss								(5,328)
Operating income								924,228
Finance cost, net								(146,049)
Equity in income of associates								19,962
Income before income tax								798,141

Notes:

1. "Others" includes Fukuoka SoftBank HAWKS-related business.
2. "Reconciliations" includes an elimination of intersegment transactions and the corporate general expenses unallocated to each reportable segment.
3. The Sprint segment includes the results of Sprint after the acquisition date.

For the three-month period ended December 31, 2012

(Millions of yen)

	Reportable segments							
	Mobile Commu-nications	Sprint	Fixed-line Telecomm-unications	Internet	Total	Others[1]	Reconcili-ations[2]	Consoli-dated
Net sales								
Customers	626,067	-	106,030	91,448	823,545	18,783	-	842,328
Intersegment	3,985	-	23,344	635	27,964	9,136	(37,100)	-
Total	630,052	-	129,374	92,083	851,509	27,919	(37,100)	842,328
EBITDA	197,094	-	42,387	52,220	291,701	2,317	(7,708)	286,310
Depreciation and amortization	(67,778)	-	(12,798)	(2,992)	(83,568)	(1,643)	(484)	(85,695)
Segment income	129,316	-	29,589	49,228	208,133	674	(8,192)	200,615
Income from remeasurement relating to business combination								1,778
Other operating income (loss)								-
Operating income								202,393
Finance cost, net								(11,007)
Equity in loss of associates								(1,532)
Income before income tax								189,854

For the three-month period ended December 31, 2013

(Millions of yen)

	Reportable segments							
	Mobile Commu-nications	Sprint	Fixed-line Telecomm-unications	Internet	Total	Others[1]	Reconcili-ations[2]	Consoli-dated
Net sales								
Customers	810,930	923,386	110,076	100,772	1,945,164	17,927	-	1,963,091
Intersegment	6,371	112	26,980	914	34,377	10,693	(45,070)	-
Total	817,301	923,498	137,056	101,686	1,979,541	28,620	(45,070)	1,963,091
EBITDA	275,233	116,537	43,964	52,205	487,939	1,875	(6,156)	483,658
Depreciation and amortization	(100,205)	(152,411)	(15,402)	(3,700)	(271,718)	(1,942)	(387)	(274,047)
Segment income (loss)	175,028	(35,874)	28,562	48,505	216,221	(67)	(6,543)	209,611
Income from remeasurement relating to business combination								-
Other operating loss								(453)
Operating income								209,158
Finance cost, net								(41,026)
Equity in income of associates								23,742
Income before income tax								191,874

Notes:

1. “Others” includes Fukuoka SoftBank HAWKS-related business.
2. “Reconciliations” includes an elimination of intersegment transactions and the corporate general expenses unallocated to each reportable segment.

7. Property, plant and equipment

The components of the carrying amounts of property, plant and equipment are as follows:

(Millions of yen)

	As of April 1, 2012	As of March 31, 2013	As of December 31, 2013
Buildings and structures	110,811	118,284	260,858
Telecommunications equipment	1,039,699	1,412,580	2,720,046
Land	72,536	73,930	93,077
Construction in progress	91,945	153,266	349,988
Other	62,194	72,555	133,521
Total	1,377,185	1,830,615	3,557,490

The components of the carrying amounts of property, plant and equipment recognized as a result of the consolidation of Sprint in July 2013 are as follows. The details of the acquisition are described in “(2) Sprint” in “Note 5. Business combinations.”

(Millions of yen)

	Acquisition date (July 10, 2013)
Buildings and structures	140,270
Telecommunications equipment	794,524
Land	18,362
Construction in progress	298,928
Other	39,280
Total	1,291,364

8. Intangible assets

The components of the carrying amounts of intangible assets are as follows:

(Millions of yen)

	As of April 1, 2012	As of March 31, 2013	As of December 31, 2013
Intangible assets with finite useful lives			
Software	310,755	411,285	627,982
Customer relationships	-	83,876	727,860
Favorable lease contracts	-	-	147,521
Game titles	-	-	181,937
Trademarks	201	178	54,171
Other	29,367	29,554	79,113
Intangible assets with indefinite useful lives			
FCC Licenses	-	-	3,782,341
Trademarks	-	-	625,490
Total	340,323	524,893	6,226,415

As a result of consolidation of eAccess Ltd. in January 2013, the Company recognized customer relationships amounting to ¥84,684 million. The details of the acquisition are described in “(9) Notes to the differences in the scope of consolidation” in “Note 15. First-time adoption of IFRSs.”

As a result of consolidation of GungHo in April 2013, the Company recognized game titles amounting to ¥77,796 million. The details of the acquisition are described in “(1) GungHo Online Entertainment, Inc.” in “Note 5. Business combinations.”

The components of the carrying amounts of intangible assets recognized as a result of the consolidation of Sprint in July 2013 are as follows. The details of the acquisition are described in "(2) Sprint" in "Note 5. Business combinations."

(Millions of yen)

	Acquisition date (July 10, 2013)
Intangible assets with finite useful lives	
Software	138,330
Customer relationships	700,192
Favorable lease contracts	148,979
Trademarks	52,593
Other	47,929
Intangible assets with indefinite useful lives	
FCC Licenses	3,612,994
Trademarks	600,266
Total	5,301,283

As a result of the consolidation of WILLCOM, Inc. in July 2013, the Company recognized customer relationships amounting to ¥25,004 million. The details of the acquisition are described in "(3) WILLCOM, Inc." in "Note 5. Business Combination."

As a result of consolidation of Supercell Oy in October 2013, the Company recognized game titles amounting to ¥119,099 million. The details of the acquisition are described in "(4) Supercell Oy" in "Note 5. Business combinations."

9. Interest-bearing debt

(1) Components of interest-bearing debt

The components of "Interest-bearing debt" in the condensed interim consolidated statements of financial position are as follows:

(Millions of yen)

	As of April 1, 2012	As of March 31, 2013	As of December 31, 2013
Current			
Short-term borrowings	114,625	458,313	332,813
Commercial paper	-	-	32,000
Current portion of long-term borrowings	496,073	631,232	368,317
Current portion of corporate bonds	142,686	204,837	160,858
Current portion of lease obligations	157,302	192,658	249,659
Current portion of installment payables	15,985	47,088	47,864
Total	926,671	1,534,128	1,191,511
Non-current			
Long-term borrowings	619,517	510,856	2,214,091
Corporate bonds	458,520	791,919	4,798,180
Lease obligations	431,722	564,077	721,195
Preferred securities	195,920	197,468	198,734
Installment payables	57,594	109,405	96,386
Total	1,763,273	2,173,725	8,028,586

Notes:

1. SoftBank Corp. has entered into a loan agreement (the "permanent loan") with a maximum total amount of borrowing at ¥1,980 billion with the financial institutions on September 13, 2013 to refinance the bridge loan for the consolidation of Sprint, executing borrowing on September 27, 2013 and on September 30, 2013.
   The summary of the permanent loan is as follows.

Summary of the permanent loan

Borrower	SoftBank Corp.
Lenders	Mizuho Bank, Ltd. Sumitomo Mitsui Banking Corporation The Bank of Tokyo-Mitsubishi UFJ, Ltd. Deutsche Bank AG Crédit Agricole CIB and others in total 19 institutions
Date of contract	September 13, 2013
Maximum total amount of borrowing and maturity	Total amount of borrowing limit :¥1.98 trillion （Breakdown） Facility A： ¥1.1 trillion (Maturity: September 13, 2018) Facility B： ¥880 billion (Maturity: September 14, 2020)
Loan drawdown amount and date	¥1.85 trillion on September 27, 2013 ¥130 billion on September 30, 2013
Primary use of loan proceeds	Repayment of bridge loan for Sprint consolidation Repayment of some existing borrowings at SoftBank Corp. Repayment of some existing debts at eAccess Ltd.
Collateral	Not applicable
Guarantors	SoftBank Mobile Corp. and SoftBank Telecom Corp.
Financial covenants	Following are the financial covenants for the permanent loan: (a) The amount of SoftBank Corp.'s net assets at the end of the year must not fall below 75% of SoftBank Corp.'s net assets at the end of the previous year. (b) The consolidated balance sheets of SoftBank Corp. and BB Mobile Corp. at the end of the year must not show a net capital deficiency. At the end of the year, balance sheets of SoftBank Mobile Corp., SoftBank BB Corp. and SoftBank Telecom Corp. must not show a net capital deficiency. (c) In the SoftBank Corp.'s consolidated financial statement, operating income (loss) or net income or loss attributable to the owner of the parent company must not result in losses for two consecutive years. (d) Adjusted net interest-bearing debts[1] or leverage ratios[2] designated in the loan agreement must not exceed respective certain amounts or numbers at the end of each annual reporting period and at the end of the second quarter. 1. Adjusted net interest-bearing debts: Amounts deducting cash and cash equivalents from interest-bearing debts in the consolidated statement of financial position. Certain adjustments are made such as excluding certain listed subsidiaries such as Sprint from the subject. 2. Leverage ratio: Adjusted net interest-bearing debt / adjusted EBITDA[3] 3 Adjusted EBITDA: Certain adjustments are made to EBITDA such as excluding listed subsidiaries such as Sprint.

Notes:

2. The components of interest-bearing debt recognized as a result of the consolidation of Sprint in July 2013 are in the table below. The details of the acquisition are described in "(2) Sprint" in "Note 5. Business combinations."

	(Millions of yen) Acquisition date (July 10, 2013)
Current	
Current portion of long-term borrowings	13,380
Current portion of corporate bonds	63,317
Current portion of lease obligations	10,264
Total	86,961
Non-current	
Long-term borrowings	34,854
Corporate bonds	2,590,208
Lease obligations	43,101
Total	2,668,163

Notes:

3. Covenants on interest-bearing debts of Sprint

Major covenants on the interest-bearing debt issued by Sprint are as follows:

a. Holders of a portion ($20.1 billion) of notes issued by Sprint are provided with the right to require Sprint to repurchase the notes if there is a change of control and if there is a decline, to a certain extent, in ratings of the applicable notes by the Rating Services. Also, holders of the Clearwire bond ($300 million) are provided with the right to require the repurchase of the notes if a change of control triggering event occurs.

b. It is required that as of the last day of each quarter, Sprint's ratio of total indebtedness* to EBITDA (as defined) should not exceed a threshold level. Exceeding the ratio could result in the maturities being accelerated. The limit for the ratio was 6.25 to 1.0 as of December 31, 2013.

*Total indebtedness: the sum of Sprint's outstanding debt (excluding trade payable) and guarantee of indebtedness, with certain adjustments such as excluding amounts agreed based on contracts with lenders.

On September 11, 2013, Sprint issued $2.25 billion aggregate principal amount of 7.250% Notes due 2021 and $4.25 billion aggregate principal amount of 7.875% Notes due 2023. After giving effect to the above, there was a risk Sprint would have exceeded this threshold by a significant level at September 30, 2013. Accordingly, Sprint obtained a limited waiver from each of the lenders under the credit facilities, which enabled compliance with this financial covenant until December 31, 2013. However, as a requirement under the waivers, Sprint had to maintain a segregated reserve account of $3.5 billion until the earlier of the time a certain amount of existing Clearwire indebtedness is prepaid, redeemed or otherwise retired, or December 31, 2013 at which time the waivers expired. As a certain amount of the Clearwire indebtedness was repaid during the three month period ended December 31, 2013, the balance of restricted cash was reduced to zero as of December 31, 2013.

(2) Components of increase (decrease) in short-term interest-bearing debt

The components of "Increase (decrease) in short-term interest-bearing debt, net" in the condensed interim consolidated statements of cash flows are as follows:

(Millions of yen)

	Nine-month period ended December 31, 2012	Nine-month period ended December 31, 2013
Net increase (decrease) of short-term borrowings*	348,196	(133,431)
Net increase of commercial paper	-	32,000
Total	348,196	(101,431)

Note :
The Company borrowed a permanent loan in September 2013 and refinanced the bridge loan which was made for the consolidation of Sprint. The increase and the decrease in short-term borrowings for the nine-month period ended December 31, 2013 include the increase of borrowings of ¥1,034.9 billion on July 10, 2013, from the bridge loan and the decrease of borrowings by the repayment of the bridge loan in the amount of ¥1,284.9 billion (including the amount of repayment of ¥250 billion on December 21, 2012).

(3) Components of proceeds from long-term interest-bearing debt

The components of "Proceeds from long-term interest-bearing debt" in the condensed interim consolidated statements of cash flows are as follows:

(Millions of yen)

	Nine-month period ended December 31, 2012	Nine-month period ended December 31, 2013
Proceeds from long-term borrowings	390,435	2,378,670
Proceeds from issuance of corporate bonds[1]	110,000	1,665,232
Proceeds from sale and leaseback of newly acquired equipment	288,062	336,452
Total	788,497	4,380,354

Notes:
1. Corporate bonds issued for the nine-month period ended December 31, 2013 are as follows:

Company name / Name of bond	Date of issuance	Total amount of issuance	Interest rate	Date of maturity
SoftBank Corp.				
USD-denominated Senior Notes due year 2020	April 23, 2013	$2,485 million ¥244,176 million [2]	4.50% 3.29% [3]	April 15, 2020
Euro-denominated Senior Notes due year 2020	April 23, 2013	€625 million ¥80,206 million [2]	4.63% 4.05%[3]	April 15, 2020
43rd Unsecured Straight Corporate Bond	June 20, 2013	¥400,000 million	1.74%	June 20, 2018
44th Unsecured Straight Corporate Bond	Nov. 29, 2013	¥50,000 million	1.69%	Nov. 27, 2020
Sprint Corporation[4]				
7.25% Notes due 2021	Sept. 11, 2013	$2,250 million ¥220,950 million	7.25%	Sept. 15, 2021
7.875% Notes due 2023	Sept. 11, 2013	$4,250 million ¥417,350 million	7.88%	Sept. 15, 2023
7.125% Notes due 2024	Dec. 12, 2013	$2,500 million ¥ 252,550 million	7.13%	June 15, 2024

Notes:

2. The cash outflow amount, fixed by the currency swap contract designated as a cash flow hedge, at the time of redemption, is described in JPY.
3. The interest rate, after considering the impact of converting the fixed interest rate in foreign currency into a fixed interest rate in JPY by the currency swap contract, designated as a cash flow hedge, is described.
4. These corporate bonds were issued after the acquisition of Sprint.

(4) Components of repayment of long-term interest-bearing debt

The components of “Repayment of long-term interest-bearing debt” in the condensed interim consolidated statements of cash flows are as follows:

（Millions of yen）

	Nine-month period ended December 31, 2012	Nine-month period ended December 31, 2013
Repayment of long-term borrowings	(327,176)	(971,600)
Redemption of corporate bonds[1]	(95,000)	(483,528)
Payment of lease obligations	(140,423)	(180,032)
Payment of installment payables	(12,631)	(43,762)
Total	(575,230)	(1,678,922)

Notes:

1. Major corporate bonds redeemed for the nine-month period ended December 31, 2013 are as follows:

Company name /Name of bond	Date of issuance	Amount of redemption	Interest rate	Date of redemption
SoftBank Corp.				
31st Unsecured Straight Corporate Bond	June 2, 2010	¥25,000 million	1.17%	May 31, 2013
33rd Unsecured Straight Corporate Bond	Sept. 17, 2010	¥130,000 million	1.24%	Sept. 17, 2013
Clearwire Communications LLC[2]				
12% Senior Secured Notes due 2015	Nov. 24, 2009	$2,763 million ¥277,997 million	12.00%	Sept. 11, 2013 to Dec. 1, 2013
12% Second-Priority Secured Notes due 2017	Dec. 9, 2010	$500 million ¥50,510 million	12.00%	Oct. 30, 2013 Dec. 1, 2013

Notes:

2. These corporate bonds were redeemed after the acquisition of Sprint. Clearwire Communications LLC is a subsidiary of Sprint.

10. Foreign exchange rate

Exchange rates of the major currencies used for translating financial statements of foreign operations are as follows:

(1) Rate at the end of the period

(yen)

	As of April 1, 2012	As of March 31, 2013	As of December 31, 2013
U.S.dollars	82.19	94.05	105.39

(2) Average rate for the quarter

For the nine-month period ended December 31, 2012

	Three-month period ended June 30, 2012	Three-month period ended September 30, 2012	Three-month period ended December 31, 2012
U.S.dollars	80.40	78.42	81.49

For the nine-month ended December 31, 2013

	Three-month period ended June 30, 2013	Three-month period ended September 30, 2013	Three-month period ended December 31, 2012
U.S.dollars	97.94	98.20	101.02

11. Equity

(1) Additional paid-in capital

For the nine-month period ended December 31, 2012

Alibaba Group Holding Limited, an associate accounted for using the equity method, acquired the shares of Alibaba.com Limited, a subsidiary of Alibaba Group Holding Limited, through its takeover bid in June 2012, and privatized Alibaba.com Limited. The Company's additional paid-in capital decreased by ¥51,208 million as Alibaba Group Holding Limited treated this as a change in the interests in a controlled subsidiary, decreasing its additional paid-in capital.

For the nine-month period ended December 31, 2013

In connection with the consolidation of Supercell, the Company acquired preferred stocks of Supercell and options ("conversion options") to convert the preferred stocks to common stocks. The fair value of ¥10,323 million for the preferred stocks and the conversion options is deducted from Additional paid-in capital as "Acquisition of options to convert to subsidiaries' common stocks." The details are described in "(4) Supercell" in "Note 5. Business combinations."

(2) Accumulated other comprehensive income

The components of accumulated other comprehensive income are as follows:

(Millions of yen)

	As of April 1, 2012	As of March 31, 2013	As of December 31, 2013
Available-for-sale financial assets	46,427	50,700	13,286
Cash flow hedges*	(994)	114,158	(22,934)
Exchange differences on translating foreign operations	-	83,168	238,196
Total	45,433	248,026	228,548

Note:
In connection with the consolidation of Sprint, during the nine-month period ended December 31, 2013, accumulated other comprehensive income, generated from the hedging instrument designated as a cash flow hedge, is derecognized in order to deduct the amount from the initial amount of goodwill which was recognized by the consolidation. The details are described in "(2) Sprint" in "Note 5. Business combinations."

12. Finance cost, net

The components of finance income and costs are as follows:

(Millions of yen)

	Nine-month period ended December 31, 2012	Nine-month period ended December 31, 2013
Interest income[1]	1,525	20,044
Interest expense	(39,567)	(186,632)
Derivative gain (loss) [1,2,3]	2,616	(15,057)
Gain on sales of securities	2,464	11,565
Gain on sales of associates' stocks	293	26,701
Impairment loss on equity method associates[4]	(11,061)	-
Other	(4,654)	(2,670)
Total	(48,384)	(146,049)

Notes:
1. Stock acquisition rights in the convertible bonds issued by Sprint Nextel Corporation and undertaken by Starburst II on October 22, 2012, were reported at fair value as a derivative, being bifurcated from the host contracts as it is classified as embedded derivatives and were recorded in "Other financial assets" in the condensed interim consolidated statements of financial position. As the Company exercised the relevant stock acquisition right and the Company derecognized the derivatives, a derivative loss of ¥16,356 million was recorded during the nine-month period ended December 31, 2013.

   With regard to the host contract (the bonds), the amount of payment less the fair value of the embedded derivative at inception of the bond was recorded in the consolidated statement of financial position at inception. This deduction amount is accreted using the effective interest method with corresponding adjustments to interest income. Initially, the expected remaining accretion period for the bond discount was seven years based on the contract term of the bond. However, based on the approval for the acquisition at the shareholders' meeting of Sprint on June 25, 2013, the Company changed the estimate of the expected remaining term to the completion of the acquisition. During the nine-month period ended December 31, 2013, the Company recognized interest income of ¥16,219 million. There was an increase of interest income of ¥15,568 million from the reflection of this change in the expected remaining term of the bond.

2. Of the foreign currency forward contract totaling $22.0 billion which is related to the acquisition of Sprint, with regard to $5.0 billion that did not meet the criteria for hedge accounting, a derivative loss of ¥13,186 million was recorded for the nine-month period ended December 31, 2013.

   Hedge accounting was applied to $17.0 billion as cash flow hedge. Fair value of ¥311,659 million of hedge instruments on the acquisition date was deducted from the initial amount of goodwill which was recognized upon the acquisition.

3. Derivatives associated with the transactions for the acquisition of Sprint are as follows. Derivative financial assets are included in "Other financial assets" in the condensed interim consolidated statements of financial position.

Derivatives to which hedge accounting is applied

(Millions of yen)

	As of April 1, 2012		As of March 31, 2013		As of December 31, 2013	
	Contract amounts (More than one year)	Fair value	Contract amounts (More than one year)	Fair value	Contract amounts (More than one year)	Fair value
Foreign exchange contracts						
To buy						
U.S. dollars	-	-	1,411,990 (-)	189,357	-	-
Total	-	-	1,411,990 (-)	189,357	-	-

Derivatives to which hedge accounting is not applied

(Millions of yen)

	As of April 1, 2012		As of March 31, 2013		As of December 31, 2013	
	Contract amounts (More than one year)	Fair value	Contract amounts (More than one year)	Fair value	Contract amounts (More than one year)	Fair value
Embedded derivatives						
Stock acquisition rights	-	-	291,555 (291,555)	15,706	-	-
Total	-	-	291,555 (291,555)	15,706	-	-

4. The Company recorded an impairment loss of ¥11,061 million for the nine-month period ended December 31, 2012 as the recoverable amount was less than its carrying amount with regard to the equity method associate. The recoverable amount is the fair value less costs of disposal.

13. Supplemental information to the condensed interim consolidated statements of cash flows

(1) Scope of purchase of property, plant and equipment and intangible assets

"Purchase of property, plant and equipment and intangible assets" includes cash outflows from purchasing long-term prepaid expenses that are included in "Other non-current assets" in the condensed interim consolidated statements of financial position.

(2) Presentation of cash flow regarding finance leases

Once the Company purchases telecommunications equipment for the purpose of assembly, installation and inspection, the Company sells the equipment to lease companies for sale and leaseback purposes. The leased asset and lease obligation are recorded in the consolidated statement of financial position.

The cash outflows from the purchase of the equipment from vendors are included in "Purchase of property, plant and equipment and intangible assets" under cash flows from investing activities, and the cash inflows from the sale of the equipment to lease companies are included in "Proceeds from long-term interest-bearing debt" under cash flows from financing activities.

(3) Payments for preferred stocks, stock acquisition rights, and long-term debt of subsidiaries

For the nine-month period ended December 31, 2012

In April 2006, BB Mobile Corp. issued Class 1 preferred stock-series 1 and stock acquisition rights to Vodafone International Holdings B.V. and obtained a subordinated loan from Vodafone Overseas Finance Limited as a series of financing transactions for the Company's acquisition of Vodafone K.K. (currently SoftBank Mobile Corp.). In November 2006, refinancing of the funds for the acquisition was conducted, and SoftBank Mobile Corp. assumed BB Mobile Corp's subordinated loan.

In December 2010, the Company acquired all aforementioned Class 1 preferred stock-series 1 and stock acquisition rights issued by BB Mobile Corp. to Vodafone International Holdings B.V., and all principal amounts and accrued interest of a long-term loan receivable from SoftBank Mobile Corp. held by Vodafone Overseas Finance Limited for a total amount of ¥412,500 million. Of the total amount, ¥212,500 million and the remaining amount of ¥200,000 million with expenses associated with the acquisition were paid in December 2010 and April 2012, respectively.

(4) Proceeds from the settlement of foreign currency forward contracts for consolidation of control of subsidiaries

For the nine-month period ended December 31, 2013

The proceeds are from the settlement of a foreign currency forward contract of $18.5 billion with regard to consolidation of Sprint.

14. Significant subsequent events

For the nine-month period ended December 31, 2013

Consolidation of Brightstar Corp.

(1) Overview of consolidation

The Company completed the acquisition (the “Transaction”) of all common and preferred stocks of Brightstar Corp. (“Brightstar”), a mobile device distributor in the United States, and the establishment of the organization for the Transaction on January 30, 2014. Accordingly, Brightstar Corp. became a subsidiary of the Company. At the completion of the Transaction, the Company owns approximately 57% of the voting rights of Brightstar Global Group Inc. (the “U.S. subsidiary”) that owns 100% of Brightstar.

In the Transaction, SoftBank Corp. invested a total of $1.26 billion (¥128.5 billion[1]) into the U.S. subsidiary. SoftBank Corp., in exchange for $400 million of the investment, received newly-issued common stocks of the U.S. subsidiary (refer to (i) in the structure diagram), and in exchange for the remaining $860 million of SoftBank Corp.'s investment, SoftBank Corp. received newly-issued non-voting preferred stocks of the U.S. subsidiary that have an aggregate liquidation preference of $860 million, and a warrant that provides SoftBank Corp. with the rights to acquire a number of common stocks of the same subsidiary that would raise SoftBank Corp.'s ownership of the common stocks of the subsidiary to approximately 70%, for de minimis value, over five years (the “Warrant”) (refer to (ii) in the structure diagram). The U.S. subsidiary acquired all common and preferred stocks (including payment of accrued dividends) of Brightstar from existing shareholders for consideration of $1.11 billion (¥113.2 billion[1]) and common stocks of such U.S. subsidiary representing approximate 43% of the common shares issued.

As a result of the Transaction, SoftBank Corp. owns approximately 57% of the voting rights and common shares of the U.S. subsidiary that owns 100% of Brightstar, and Mr. Marcelo Claure, Chairman and CEO of Brightstar, owns approximately 43%. Accordingly, Brightstar became a subsidiary of the Company.

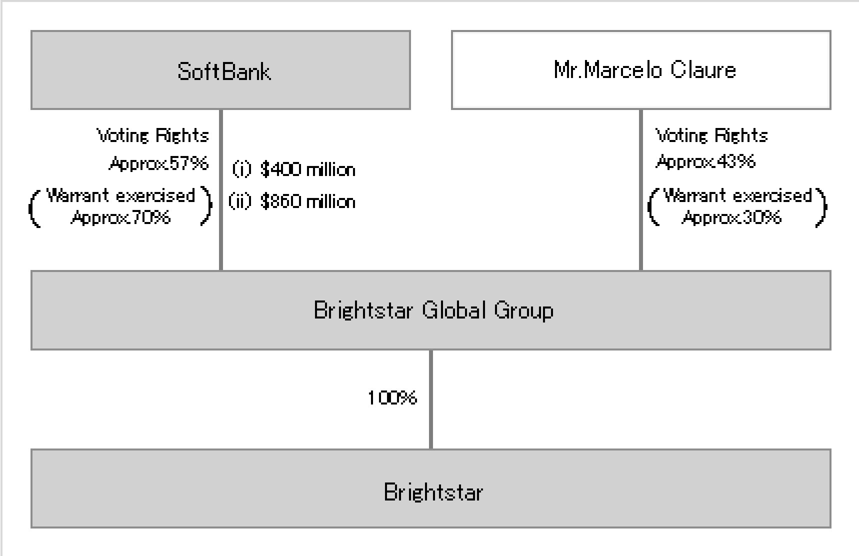
The Company will use $1.11 billion out of the total investment of $1.26 billion to complete the Brightstar share purchases, and the remaining $0.15 billion of SoftBank Corp.'s investment will be contributed to Brightstar in order to fund, among others, ongoing corporate activities.

SoftBank Corp. plans to ratably exercise the Warrant to increase its ownership in the U.S. subsidiary to obtain approximately 70% of the voting power, and common stock, over the five year vest period.

The Company has acquired a part of the preferred stocks of Brightstar for $660 million from existing shareholders by December 31, 2013. The preferred stocks are non-voting preferred stocks convertible to common stocks with no limitation of the condition for the conversion. When the Company converts all of its preferred stocks into common stocks, the Company’s voting ratio will be approximately 44%, and the Company will have significant influence over Brighstar. Therefore, Brightstar is an associate of the Company as of December 31, 2013.

Note: Converted at USD = JPY102

(Structure after completion of consolidation of Brightstar)



(2) Reasons for the Transaction

Brightstar is one of the world's largest specialized wireless distributor and a leading provider of diversified services focused on enhancing the performance and results of the key participants in the wireless device value chain: manufacturers, operators and retailers. Its services include Supply Chain Solutions, Handset Protection & Insurance, Buyback and Trade-in Solutions, Multi-Channel Retail Solutions, and Financial Services. Today, Brightstar provides services in over 125 countries and has a local presence in over 50 countries.

SoftBank Corp. acquired Sprint in July 2013, expanding its business operations from Japan to the U.S. with Brightstar becoming a subsidiary, SoftBank Corp. aims to strengthen its purchasing scale for mobile devices and further increase competitiveness both in Japan and the U.S.

(3) Summary of Brightstar

Name	Brightstar Corp.
Address	9725 NW 117th Ave, #300 Miami, Florida, U.S.A.
Name and title of representative	Marcelo Claure, Chairman and Chief Executive Officer
Business description	Mobile device distribution
Common stock	$2,000
Date of foundation	September 23, 1997
Consolidated sales	$6,312,914 thousands（the year ended December 2012, US GAAP）

(4) Number of shares to be acquired, consideration transferred and state of share ownership

Number of shares held as of December 31, 2013	Preferred stock: 16,555,786 shares (number of voting rights: 0) (voting rights holding ratio: 0%)
Number of shares to be acquired after January, 2014	Common stock: 18,322,308 shares Preferred stock: 2,993,828 shares
Consideration transferred	Payment by cash USD 1.11 billion In addition to the above cash consideration amount, the U.S. subsidiary issued a number of common stocks representing approximately 43% (ratio of the issued common stocks to the total outstanding common stocks after the acquisition of Brightstar through the U.S. subsidiary) as consideration transferred for the acquisition of Brightstar's stocks. Acquisition-related costs: approximately ¥1.3 billion*
Number of shares held after the completion of the Transaction	Common stock: 18,322,308 shares Preferred stock: 19,549,614 shares (number of voting rights: 18,322,308) (voting rights holding ratio: 100 %)

Note: Acquisition-related costs will be included in "Selling, general and administrative expenses."

(5) Acquisition date
January 30, 2014

(6) Fair values of assets and liabilities, non-controlling interests and goodwill on the acquisition date
The valuations necessary to assess the fair value of the assets acquired and liabiiltes assumed as of acquisition date are not yet complete.

15. First-time adoption of IFRSs

(1) Transition to IFRSs financial reporting

The Company first prepared condensed interim consolidated financial statements in accordance with IFRSs from the three-month period ended June 30, 2013, which is the first quarter of the fiscal year ending March 31, 2014.

The latest consolidated financial statements prepared in accordance with JGAAP are for the year ended March 31, 2013. The date of transition to IFRSs is April 1, 2012.

IFRS 1, in principle, requires first-time adopters to apply IFRSs retrospectively.

However, as exceptions, the retrospective application of some aspects of IFRSs is prohibited, and they shall be applied prospectively from the date of transition to IFRSs. The following exceptions are applicable to the Company:

a. Accounting estimates

With regard to accounting estimates used for consolidated financial statements in accordance with IFRSs, new information received afterward is not reflected for the estimates used under IFRSs to be consistent with estimates used when the financial statements under JGAAP were prepared.

b. Non-controlling interests

The Company applies the following requirements of IFRS 10 “Consolidated Financial Statements” prospectively from the date of transition to IFRSs:

- the requirement that total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance; and
- the requirements for accounting for changes in a subsidiary that do not result in a loss of control.

IFRSs also grant first-time adopters to voluntarily elect to use exemptions from some requirements of IFRSs. The Company applied the following exemptions:

a. Business combinations

The Company has elected not to apply IFRS 3 “Business Combinations,” retrospectively to business combinations that occurred before the date of transition to IFRSs.

b. Translation differences for foreign operations

The Company has transferred all cumulative translation differences from other comprehensive income to retained earnings on the date of transition to IFRSs.

c. Share-based payments

The Company does not apply IFRS 2 “Share-based Payment” to a portion of stock options that were vested before the date of transition to IFRSs.

d. Compound instruments

The Company does not apply IAS 32 “Financial Instruments: Presentation” to the compound instruments with no outstanding liability balance at the date of transition to IFRSs.

The Company has made necessary adjustments to the consolidated financial statements prepared in accordance with JGAAP that had already been disclosed, in the course of the preparation of the consolidated financial statements in accordance with IFRSs.

Reconciliations required to be disclosed under the first-time adoption of IFRSs are as follows:

Items that do not affect retained earnings and comprehensive income are included in “Reclassification” of the reconciliation. Differences in the scope of consolidation under IFRSs from JGAAP are included in “Differences in the scope of consolidation.” Items that affect retained earnings or comprehensive income are included in “Differences in recognition and measurement.”

The amounts presented in the consolidated financial statements prepared in accordance with JGAAP for the years ended on or before March 31, 2013, were rounded down to the nearest million yen. As the amounts presented in the condensed interim consolidated financial statements prepared in accordance with IFRSs from the three-month period ended June 30, 2013, are rounded off to the nearest million yen, the amounts under JGAAP presented in the reconciliations are also rounded off to the nearest million yen.

(2) Reconciliation of equity as of April 1, 2012
(Items related to consolidated statement of financial position)

(Millions of yen)

Presentation under JGAAP	JGAAP	Re-classification	Differences in the scope of consolidation	Differences in recognition and measurement	Notes	IFRSs	Presentation under IFRSs
Assets							**Assets**
Current assets							**Current assets**
Cash and deposits	1,016,252	(1,693)	6,554	-		1,021,113	Cash and cash equivalents
Notes and accounts receivable - trade	661,288	(35,571)	(2,560)	163,745	E	786,902	Trade and other receivables
Marketable securities	4,575	(4,575)	-	-		-	
		10,399	-	-		10,399	Other financial assets
Merchandise and finished products	42,618	13,065	-	-		55,683	Inventories
Deferred tax assets	56,469	(56,469)	-	-		-	
Other current assets	168,265	(93,391)	2,690	7,450	D	85,014	Other current assets
Less: Allowance for doubtful accounts	(39,015)	39,015	-	-		-	
Total current assets	1,910,452	(129,220)	6,684	171,195		1,959,111	Total current assets
Fixed assets							**Non-current assets**
Property and equipment, net	1,296,393	-	22,076	58,716	B, I	1,377,185	Property, plant and equipment
Intangible assets, net:							
Goodwill	780,243	-	1,211	(3,543)	A	777,911	Goodwill
Software	310,151	(310,151)	-	-		-	
Other intangibles	36,121	310,151	641	(6,590)		340,323	Intangible assets
Investments and other assets							
Investment securities	338,198	(338,198)	-	-		-	
		201,465	7,292	(231)	G	208,526	Investments accounted for using the equity method
		185,040	(22,081)	155,640	E	318,599	Other financial assets
Deferred tax assets	104,327	56,469	-	22,613		183,409	Deferred tax assets
Other assets	134,077	(64,264)	77	15,600	D, I	85,490	Other non-current assets
Less: Allowance for doubtful accounts	(15,957)	15,957	-	-		-	
Total fixed assets	2,983,553	56,469	9,216	242,205		3,291,443	Total non-current assets
Deferred charges	5,700	-	21	(5,721)		-	
Total assets	4,899,705	(72,751)	15,921	407,679		5,250,554	**Total assets**

Note: Described in “(10) Notes to the differences in recognition and measurement” on page 87.

(Millions of yen)

Presentation under JGAAP	JGAAP	Re-classification	Differences in the scope of consolidation	Differences in recognition and measurement	Notes	IFRSs	Presentation under IFRSs
Liabilities							**Liabilities and equity**
Current liabilities							**Current liabilities**
		716,824	-	209,847	E, I	926,671	Interest-bearing debt
Accounts payable -trade	190,533	747,461	22,650	15,188	D	975,832	Trade and other payables
Short-term borrowings	403,168	(403,168)	-	-		-	
Current portion of corporate bonds	144,988	(144,988)	-	-		-	
Accounts payable-other and accrued expenses	835,053	(835,053)	-	-		-	
		1,206	-	-		1,206	Other financial liabilities
Income taxes payables	125,116	(2,614)	5	706		123,213	Income taxes payables
Current portion of lease obligations	152,683	(152,683)	-	-		-	
		1,456	-	-		1,456	Provisions
Other current liabilities	72,184	(1,191)	174	22,988	D, F	94,155	Other current liabilities
Total current liabilities	1,923,725	(72,750)	22,829	248,729		2,122,533	Total current liabilities
Long-term liabilities							**Non-current liabilities**
		1,425,264	-	338,009	E, I	1,763,273	Interest-bearing debt
Corporate bonds	459,900	(459,900)	-	-		-	
Long-term debt	560,070	(560,070)	-	-		-	
		9,711	26,069	1,390		37,170	Other financial liabilities
Liability for retirement benefits	14,953	-	-	-		14,953	Defined benefit liabilities
		20,603	40	-		20,643	Provisions
Deferred tax liabilities	20,370	-	(313)	25,294		45,351	Deferred tax liabilities
Allowance for point mileage	32,074	(32,074)	-	-		-	
Lease obligations	347,700	(347,700)	-	-		-	
Other liabilities	105,273	(55,835)	(9,999)	40,146	D, F	79,585	Other non-current liabilities
Total long-term liabilities	1,540,340	(1)	15,797	404,839		1,960,975	Total non-current liabilities
Total liabilities	3,464,065	(72,751)	38,626	653,568		4,083,508	**Total liabilities**

Note: Described in “(10) Notes to the differences in recognition and measurement” on page 87.

(Millions of yen)

Presentation under JGAAP	JGAAP	Re-classification	Differences in the scope of consolidation	Differences in recognition and measurement	Notes	IFRSs	Presentation under IFRSs
Equity							**Equity**
Shareholders' equity							**Equity attributable to owners of the parent**
Common stock	213,798	-	-	-		213,798	Common stock
Additional paid-in capital	236,563	898	-	13,306	E	250,767	Additional paid-in capital
Retained earnings	530,534	-	(3,335)	(121,615)	(10)	405,584	Retained earnings
Less: Treasury stock	(22,947)	-	-	-		(22,947)	Treasury stock
		(21,253)	-	66,686	C, E	45,433	Accumulated other comprehensive income
Accumulated other comprehensive loss							
Unrealized gain on available-for-sale securities	10,567	(10,567)	-	-		-	
Deferred loss on derivatives under hedge accounting	(993)	993	-	-		-	
Foreign currency translation adjustments	(30,827)	30,827	-	-		-	
						892,635	Total equity attributable to owners of the parent
Stock acquisition rights	898	(898)	-	-		-	
Minority interests	498,047	-	(19,370)	(204,266)	A, B, E, F	274,411	**Non-controlling interests**
Total equity	1,435,640	-	(22,705)	(245,889)		1,167,046	**Total equity**
Total liabilities and equity	4,899,705	(72,751)	15,921	407,679		5,250,554	**Total liabilities and equity**

Note: Described in "(10) Notes to the differences in recognition and measurement" on page 87.

(3) Reconciliation of equity as of December 31, 2012
(Items related to consolidated statement of financial position)

(Millions of yen)

Presentation under JGAAP	JGAAP	Re-classification	Differences in the scope of consolidation	Differences in recognition and measurement	Notes	IFRSs	Presentation under IFRSs
Assets							**Assets**
Current assets							**Current assets**
Cash and deposits	1,061,805	161	1,673	-		1,063,639	Cash and cash equivalents
Notes and accounts receivable - trade	618,924	(7,113)	(1,494)	213,698	E	824,015	Trade and other receivables
Marketable securities	6,591	(6,591)	-	-		-	
		82,299	-	-		82,299	Other financial assets
Merchandise and finished products	50,427	7,598	-	-		58,025	Inventories
Deferred tax assets	35,497	(35,497)	-	-		-	
Other current assets	285,137	(169,806)	3,773	3,610	D	122,714	Other current assets
Less: Allowance for doubtful accounts	(31,980)	31,980	-	-		-	
Total current assets	2,026,401	(96,969)	3,952	217,308		2,150,692	Total current assets
Fixed assets							**Non-current assets**
Property and equipment, net	1,547,296	-	47,502	(34,570)	B, I	1,560,228	Property, plant and equipment
Intangible assets, net:							
Goodwill	735,868	-	1,211	44,080	A	781,159	Goodwill
Software	365,976	(365,976)	-	-		-	
Other intangibles	28,540	365,976	1,432	(5,676)		390,272	Intangible assets
Investments and other assets							
Investment securities	575,655	(575,655)	-	-		-	
		192,039	9,404	7,561	G	209,004	Investments accounted for using the equity method
		435,567	(20,472)	162,152	E	577,247	Other financial assets
Deferred tax assets	103,211	35,497	-	28,320		167,028	Deferred tax assets
Other assets	139,388	(67,342)	(993)	22,297	D,H,I	93,350	Other non-current assets
Less: Allowance for doubtful accounts	(15,391)	15,391	-	-		-	
Total fixed assets	3,480,543	35,497	38,084	224,164		3,778,288	Total non-current assets
Deferred charges	4,607	-	12	(4,619)		-	
Total assets	5,511,551	(61,472)	42,048	436,853		5,928,980	**Total assets**

Note: Described in “(10) Notes to the differences in recognition and measurement” on page 87.

(Millions of yen)

Presentation under JGAAP	JGAAP	Re-classification	Differences in the scope of consolidation	Differences in recognition and measurement	Notes	IFRSs	Presentation under IFRSs
Liabilities							**Liabilities and equity**
Current liabilities							**Current liabilities**
		1,110,258	-	226,758	E, I	1,337,016	Interest-bearing debt
Accounts payable–trade	169,198	540,052	25,858	17,186	D	752,294	Trade and other payables
Short-term borrowings	708,640	(708,640)	-	-		-	
Current portion of corporate bonds	188,190	(188,190)	-	-		-	
Accounts payable-other and accrued expenses	625,153	(625,153)	-	-		-	
		680	-	-		680	Other financial liabilities
Income taxes payables	114,986	(1,999)	10	934		113,931	Income taxes payables
Current portion of lease obligations	186,310	(186,310)	-	-		-	
		1,375	-	-		1,375	Provisions
Other current liabilities	88,736	(26,112)	103	25,021	D, F	87,748	Other current liabilities
Total current liabilities	2,081,213	(84,039)	25,971	269,899		2,293,044	Total current liabilities
Long-term liabilities							**Non-current liabilities**
		1,648,624	29,134	262,645	E, I	1,940,403	Interest-bearing debt
Corporate bonds	414,900	(414,900)	-	-		-	
Long-term debt	623,766	(623,766)	-	-		-	
		12,873	26,036	(305)		38,604	Other financial liabilities
Liability for retirement benefits	14,734	-	-	-		14,734	Defined benefit liabilities
		21,225	51	-		21,276	Provisions
Deferred tax liabilities	16,672	22,567	(297)	22,648		61,590	Deferred tax liabilities
Allowance for point mileage	25,606	(25,606)	-	-		-	
Lease obligations	521,095	(521,095)	-	-		-	
Other liabilities	140,158	(97,355)	(11,223)	45,242	D, F	76,822	Other non-current liabilities
Total long-term liabilities	1,756,931	22,567	43,701	330,230		2,153,429	Total non-current liabilities
Total liabilities	3,838,144	(61,472)	69,672	600,129		4,446,473	**Total liabilities**

Note: Described in “(10) Notes to the differences in recognition and measurement” on page 87.

(Millions of yen)

Presentation under JGAAP	JGAAP	Re-classification	Differences in the scope of consolidation	Differences in recognition and measurement	Notes	IFRSs	Presentation under IFRSs
Equity							**Equity**
Shareholders' equity							**Equity attributable to owners of the parent**
Common stock	222,203	-	-	-		222,203	Common stock
Additional paid-in capital	193,739	945	-	12,738	E	207,422	Additional paid-in capital
Retained earnings	699,697	-	(6,974)	(44,395)	(10)	648,328	Retained earnings
Less: Treasury stock	(22,874)	-	-	-		(22,874)	Treasury stock
		44,091	-	73,070	C,E,G	117,161	Accumulated other comprehensive income
Accumulated other comprehensive income							
Unrealized gain on available-for- sale securities	1,256	(1,256)	-	-		-	
Deferred gain on derivatives under hedge accounting	36,143	(36,143)	-	-		-	
Foreign currency translation adjustments	6,692	(6,692)	-	-		-	
						1,172,240	Total equity attributable to owners of the parent
Stock acquisition rights	945	(945)	-	-		-	
Minority interests	535,606	-	(20,650)	(204,689)	A, B, E, F	310,267	**Non-controlling interests**
Total equity	1,673,407	-	(27,624)	(163,276)		1,482,507	**Total equity**
Total liabilities and equity	5,511,551	(61,472)	42,048	436,853		5,928,980	**Total liabilities and equity**

Note: Described in "(10) Notes to the differences in recognition and measurement" on page 87.

(4) Reconciliation of equity as of March 31, 2013
(Items related to consolidated statement of financial position)

(Millions of yen)

Presentation under JGAAP	JGAAP	Re-classification	Differences in the scope of consolidation	Differences in recognition and measurement	Notes	IFRSs	Presentation under IFRSs
Assets							**Assets**
Current assets							**Current assets**
Cash and deposits	1,369,135	(4,505)	74,427	-		1,439,057	Cash and cash equivalents
Notes and accounts receivable - trade	662,187	26,174	26,516	221,430	D, E	936,307	Trade and other receivables
Marketable securities	4,704	(4,704)	-	-		-	
		227,235	2,004	-		229,239	Other financial assets
Merchandise and finished products	43,846	8,021	2,401	-		54,268	Inventories
Deferred tax assets	50,580	(50,580)	-	-		-	
Other current assets	490,964	(370,795)	747	6,232	D	127,148	Other current assets
Less: Allowance for doubtful accounts	(30,219)	30,219	-	-		-	
Total current assets	2,591,197	(138,935)	106,095	227,662		2,786,019	Total current assets
Fixed assets							**Non-current assets**
Property and equipment, net	1,657,640	-	208,596	(35,621)	B, I	1,830,615	Property, plant and equipment
Intangible assets, net:							
Goodwill	734,407	-	138,978	54,014	A	927,399	Goodwill
Software	383,733	(383,733)	-	-		-	
Other intangibles	36,805	383,733	109,844	(5,489)		524,893	Intangible assets
Investments and other assets							
Investment securities	870,608	(870,608)	-	-		-	
		458,823	(259,022)	8,863	G	208,664	Investments accounted for using the equity method
		464,151	(2,197)	172,693	E	634,647	Other financial assets
Deferred tax assets	99,967	50,580	(21)	24,864		175,390	Deferred tax assets
Other assets	158,558	(69,274)	13,902	25,996	D,H,I	129,182	Other non-current assets
Less: Allowance for doubtful accounts	(16,909)	16,909	-	-		-	
Total fixed assets	3,924,809	50,581	210,080	245,320		4,430,790	Total non-current assets
Deferred charges	8,880	-	9	(8,889)		-	
Total assets	6,524,886	(88,354)	316,184	464,093		7,216,809	**Total assets**

Note: Described in "(10) Notes to the differences in recognition and measurement" on page 87.

(Millions of yen)

Presentation under JGAAP	JGAAP	Re-classification	Differences in the scope of consolidation	Differences in recognition and measurement	Notes	IFRSs	Presentation under IFRSs
Liabilities							**Liabilities and equity**
Current liabilities							**Current liabilities**
		1,243,412	52,424	238,292	E, I	1,534,128	Interest-bearing debt
Accounts payable-trade	194,654	696,218	63,705	18,092	D	972,669	Trade and other payables
Short-term borrowings	813,491	(813,491)	-	-		-	
Current portion of corporate bonds	205,000	(205,000)	-	-		-	
Accounts payable - other and accrued expenses	751,690	(751,690)	-	-		-	
		4,833	-	-		4,833	Other financial liabilities
Income taxes payables	179,559	(3,096)	4,653	934		182,050	Income taxes payables
Deferred tax liabilities	71,975	(71,975)	-	-		-	
Current portion of lease obligations	192,603	(192,603)	-	-		-	
		1,252	350	-		1,602	Provisions
Other current liabilities	181,212	(68,189)	4,299	25,312	D, F	142,634	Other current liabilities
Total current liabilities	2,590,184	(160,329)	125,431	282,630		2,837,916	Total current liabilities
Long-term liabilities							**Non-current liabilities**
		1,721,366	188,231	264,128	E, I	2,173,725	Interest-bearing debt
Corporate bonds	734,900	(734,900)	-	-		-	
Long-term debt	354,291	(354,291)	-	-		-	
		12,981	25,673	-		38,654	Other financial liabilities
Liability for retirement benefits	14,506	-	-	-		14,506	Defined benefit liabilities
		20,847	918	-		21,765	Provisions
Deferred tax liabilities	17,940	71,975	5,879	23,834		119,628	Deferred tax liabilities
Allowance for point mileage	22,548	(22,548)	-	-		-	
Lease obligations	526,739	(526,739)	-	-		-	
Other liabilities	157,319	(116,716)	(8,552)	48,136	D, F	80,187	Other non-current liabilities
Total long-term liabilities	1,828,243	71,975	212,149	336,098		2,448,465	Total non-current liabilities
Total liabilities	4,418,427	(88,354)	337,580	618,728		5,286,381	**Total liabilities**

Note: Described in "(10) Notes to the differences in recognition and measurement" on page 87.

(Millions of yen)

Presentation under JGAAP	JGAAP	Re-classification	Differences in the scope of consolidation	Differences in recognition and measurement	Notes	IFRSs	Presentation under IFRSs
Equity							**Equity**
Shareholders' equity							**Equity attributable to owners of the parent**
Common stock	238,772	-	-	-		238,772	Common stock
Additional paid-in capital	429,689	736	(125)	6,404	E	436,704	Additional paid-in capital
Retained earnings	753,616	-	(6,037)	(35,491)	(10)	712,088	Retained earnings
Less: Treasury stock	(22,834)	-	-	-		(22,834)	Treasury stock
		169,842	(1)	78,185	C,E,G	248,026	Accumulated other comprehensive income
Accumulated other comprehensive income							
Unrealized gain on available-for-sale securities	4,164	(4,164)	-	-		-	
Deferred gain on derivatives under hedge accounting	114,158	(114,158)	-	-		-	
Foreign currency translation adjustments	51,520	(51,520)	-	-		-	
						1,612,756	Total equity attributable to owners of the parent
Stock acquisition rights	736	(736)	-	-		-	
Minority interests	536,638	-	(15,233)	(203,733)	A, B E, F	317,672	**Non-controlling interests**
Total equity	2,106,459	-	(21,396)	(154,635)		1,930,428	**Total equity**
Total liabilities and equity	6,524,886	(88,354)	316,184	464,093		7,216,809	**Total liabilities and equity**

Note: Described in "(10) Notes to the differences in recognition and measurement" on page 87.

(5) Adjustment to comprehensive income for the nine-month period ended December 31, 2012
(Items related to consolidated statement of income)

(Millions of yen)

Presentation under JGAAP	JGAAP	Re-classification	Differences in the scope of consolidation	Differences in recognition and measurement	Notes	IFRSs	Presentation under IFRSs
Net sales	2,509,790	7,925	(3,466)	(167,277)	D	2,346,972	Net sales
Cost of sales	(1,163,227)	(7,236)	(3,412)	7,480	B,D,F,I	(1,166,395)	Cost of sales
Gross profit	1,346,563	689	(6,878)	(159,797)		1,180,577	**Gross profit**
Selling, general and administrative expenses	(746,414)	840	(1,685)	196,426	A,B,D, E,F,H, I	(550,833)	Selling, general and administrative expenses
Operating income	600,149						
		1,778	-	-		1,778	Income from remeasurement relating to business
		-	-	-		-	Other operating income
						631,522	**Operating income**
		(65,788)	700	16,704	E,G,I	(48,384)	Finance cost, net
		(11,938)	1,620	7,506	G	(2,812)	Equity in loss of associates
Non-operating income	11,653	(11,653)	-	-		-	
Non-operating expenses	(82,382)	82,382	-	-		-	
Ordinary income	529,420						
Special income	10,256	(10,256)	-	-		-	
Special loss	(13,946)	13,946	-	-		-	
Income before income taxes and minority interests	525,730	-	(6,243)	60,839	(10)	580,326	**Income before income tax**
Income taxes	(236,432)	-	12	10,900		(225,520)	Income taxes
Income before minority interests	289,298	-	(6,231)	71,739		354,806	**Net income**

Note: Described in “(10) Notes to the differences in recognition and measurement” on page 87.

(Items related to consolidated statement of comprehensive income)

(Millions of yen)

Presentation under JGAAP	JGAAP	Re-classification	Differences in the scope of consolidation	Differences in recognition and measurement	Notes	IFRSs	Presentation under IFRSs
Income before minority interests	289,298	-	(6,231)	71,739		354,806	**Net income**
Other comprehensive income (loss)							**Other comprehensive income (loss), net of tax**
							Items that will not be reclassified to profit or loss
		-	-	(1)		(1)	Remeasurements of defined benefit plan
						(1)	**Total items that will not be reclassified to profit or loss**
							Items that may be reclassified subsequently to profit or loss
Unrealized loss on available-for-sale securities	(9,288)	-	-	6,881	E	(2,407)	Available-for-sale financial assets
Deferred gain on derivatives under hedge accounting	37,133	-	-	-		37,133	Cash flow hedges
Foreign currency translation adjustment	29,119	-	-	(20)		29,099	Exchange differences on translating foreign operations
Share of other comprehensive income of affiliated companies accounted for using equity method	7,971	-	-	301		8,272	Share of other comprehensive income of associates
						72,097	**Total items that may be reclassified subsequently to profit or loss**
Total other comprehensive income	64,935	-	-	7,161		72,096	**Total other comprehensive income, net of tax**
Comprehensive income	354,233	-	(6,231)	78,900		426,902	**Total comprehensive income**

Note: Described in “(10) Notes to the differences in recognition and measurement” on page 87.

(6) Adjustment to comprehensive income for the three-month period ended December 31, 2012
(Items related to consolidated statement of income)

(Millions of yen)

Presentation under JGAAP	JGAAP	Re-classification	Differences in the scope of consolidation	Differences in recognition and measurement	Notes	IFRSs	Presentation under IFRSs
Net sales	923,680	2,489	(1,392)	(82,449)	D	842,328	Net sales
Cost of sales	(450,756)	(2,237)	180	4,686	B,D,F,I	(448,127)	Cost of sales
Gross profit	472,924	252	(1,212)	(77,763)		394,201	**Gross profit**
Selling, general and administrative expenses	(275,537)	249	(1,193)	82,895	A,B,D, E,F,H,I	(193,586)	Selling, general and administrative expenses
Operating income	197,387						
		1,778	-	-		1,778	Income from remeasurement relating to business combination
		-	-	-		-	Other operating income
						202,393	**Operating income**
		(27,765)	536	16,222	E,G,I	(11,007)	Finance cost, net
		(4,836)	373	2,931	G	(1,532)	Equity in loss of associates
Non-operating income	5,062	(5,062)	-	-		-	
Non-operating expenses	(36,039)	36,039	-	-		-	
Ordinary income	166,410						
Special income	2,904	(2,904)	-	-		-	
Special loss	(2,249)	2,249	-	-		-	
Income before income taxes and minority interests	167,065	-	(1,496)	24,285	(10)	189,854	**Income before income tax**
Income taxes	(80,614)	-	(1)	3,039		(77,576)	Income taxes
Income before minority interests	86,451	-	(1,497)	27,324		112,278	**Net income**

Note: Described in “(10) Notes to the differences in recognition and measurement” on page 87.

(Items related to consolidated statement of comprehensive income)

(Millions of yen)

Presentation under JGAAP	JGAAP	Re-classification	Differences in the scope of consolidation	Differences in recognition and measurement	Notes	IFRSs	Presentation under IFRSs
Income before minority interests	86,451	-	(1,497)	27,324		112,278	**Net income**
Other comprehensive Income (loss)							**Other comprehensive income (loss), net of tax**
							Items that will not be reclassified to profit or loss
	-	-	-	(2)		(2)	Remeasurements of defined benefit plan
						(2)	**Total items that will not be reclassified to profit or loss**
							Items that may be reclassified subsequently to profit or loss
Unrealized gain on available-for-sale securities	1,445	-	-	1,433	E	2,878	Available-for-sale financial assets
Deferred gain on derivatives under hedge accounting	36,962	-	-	-		36,962	Cash flow hedges
Foreign currency translation adjustment	37,678	-	-	(48)		37,630	Exchange differences on translating foreign operations
Share of other comprehensive income of affiliated companies accounted for using equity method	8,645	-	-	340		8,985	Share of other comprehensive income of associates
						86,455	**Total items that may be reclassified subsequently to profit or loss**
Total other comprehensive income	84,730	-	-	1,723		86,453	**Total other comprehensive income, net of tax**
Comprehensive income	171,181	-	(1,497)	29,047		198,731	**Total comprehensive income**

Note: Described in "(10) Notes to the differences in recognition and measurement" on page 87.

(7) Adjustment to comprehensive income for the year ended March 31, 2013
(Items related to consolidated statement of income)

(Millions of yen)

Presentation under JGAAP	JGAAP	Re-classification	Differences in the scope of consolidation	Differences in recognition and measurement	Notes	IFRSs	Presentation under IFRSs
Net sales	3,378,365	10,191	38,823	(224,843)	D	3,202,536	Net sales
Cost of sales	(1,590,740)	(9,522)	(22,918)	12,338	B, D F, I	(1,610,842)	Cost of sales
Gross profit	1,787,625	669	15,905	(212,505)		1,591,694	**Gross profit**
Selling, general and administrative expenses	(1,042,625)	2,574	(24,757)	270,735	A,B,D, E, F, H,I	(794,073)	Selling, general and administrative expenses
Operating income	745,000						
		1,778	-	-		1,778	Income from remeasurement relating to business combination
		-	-	-		-	Other operating income
						799,399	**Operating income**
		(88,477)	1,386	6,859	E,G,I	(80,232)	Finance cost, net
		(11,050)	(908)	8,295	G	(3,663)	Equity in loss of associates
Non-operating income	19,779	(19,779)	-	-		-	
Non-operating expenses	(111,565)	111,565	-	-		-	
Ordinary income	653,214						
Special income	11,383	(11,383)	-	-		-	
Special loss	(14,103)	14,103	-	-		-	
Income before income taxes and minority interests	650,494	-	(8,374)	73,384	(10)	715,504	**Income before income tax**
Income taxes	(287,174)	-	1,543	7,964		(277,667)	Income taxes
Income before minority interests	363,320	-	(6,831)	81,348		437,837	**Net income**

Note: Described in "(10) Notes to the differences in recognition and measurement" on page 87.

(Consolidated statement of comprehensive income)

(Millions of yen)

Presentation under JGAAP	JGAAP	Re-classification	Differences in the scope of consolidation	Differences in recognition and measurement	Notes	IFRSs	Presentation under IFRSs
Income before minority interests	363,320	-	(6,831)	81,348		437,837	**Net income**
Other comprehensive income (loss)							**Other comprehensive income (loss), net of tax**
							Items that will not be reclassified to profit or loss
		-	-	68		68	Remeasurements of defined benefit plan
						68	**Total items that will not be reclassified to profit or loss**
							Items that may be reclassified subsequently to profit or loss
Unrealized loss on available-for-sale securities	(8,121)	-	1	12,609	E	4,489	Available-for-sale financial assets
Deferred gain on derivatives under hedge accounting	117,859	-	(2,723)	-		115,136	Cash flow hedges
Foreign currency translation adjustment	65,906	-	-	(50)		65,856	Exchange differences on translating foreign operations
Share of other comprehensive income of affiliated companies accounted for using the equity method	15,270	-	2,710	821		18,801	Share of other comprehensive income of associates
						204,282	**Total items that may be reclassified subsequently to profit or loss**
Total other comprehensive income	190,914	-	(12)	13,448		204,350	**Total other comprehensive income, net of tax**
Comprehensive income	554,234	-	(6,843)	94,796		642,187	**Total comprehensive income**

Note: Described in "(10) Notes to the differences in recognition and measurement" on page 87.

(8) Notes to the reclassification

The following reclassifications are made for the transition to IFRSs and do not affect retained earnings and comprehensive income.

a. Under JGAAP, investments in associates were included in investment securities. Under IFRSs, they are separately presented as investments accounted for using the equity method.

b. Under JGAAP, short-term borrowings, current portion of corporate bonds and current portion of lease obligations are presented as separate components and installment payables were included in accounts payable-other and accrued expenses. Under IFRSs, they are all included in interest-bearing debt (current). In addition, under JGAAP, corporate bonds, long-term debt and lease obligations (non-current) are presented as separate components and long-term installment payables were included in other liabilities (long term). Under IFRSs, they are all included in interest-bearing debt (non-current).

c. Under JGAAP, accounts payable - trade were presented separately. Accounts payable - other (except for installment payables) were included in accounts payable - other and accrued expenses. Deposits and other payables were included in other current liabilities. Under IFRSs, they are all included in trade and other payables.

d. All deferred tax assets and liabilities that were classified as current items under JGAAP are classified as non-current items under IFRSs.

e. Upon transition to IFRSs, sales and cost of sales arising from transactions where the Company acts as a principal are presented on a gross basis. Sales and cost of sales arising from transactions where the Company acts as an agent are presented on a net basis.

f. Finance income and cost, such as interest expense, that were presented as non-operating income, non-operating expenses, special income and special loss under JGAAP are presented under finance income (cost), net under IFRSs.

g. Other reclassifications have been made by aggregating or separating presentation under JGAAP to be consistent with the presentation under IFRSs.

(9) Notes to the differences in the scope of consolidation

The effect of the review of the scope of consolidation under IFRSs from JGAAP is separately presented in these reconciliations.

Under JGAAP, Wireless City Planning Inc. (“WCP”), which operates a wireless communications network using AXGP technology, was accounted for using the equity method, as the Company owns 33.3% of its voting rights. Upon transition to IFRSs, the Company determined that it has substantial control over WCP and included it into the scope of consolidation considering the fact that the Company constitutes the majority of members of WCP’s board of directors and that WCP’s business activities significantly depend on the Company.

eAccess Ltd. became the Company’s wholly owned subsidiary effective on January 1, 2013. On January 17, 2013, the Company transferred certain stocks of eAccess Ltd. to 11 companies outside of the Company.
Under JGAAP, the Company’s voting rights in eAccess Ltd. decreased to 33.3% after the transfer of stocks and eAccess Ltd. was accounted for using the equity method. Under IFRSs, the Company determined that it has substantial control over eAccess Ltd. and included it into the scope of consolidation, as the economic ownership ratio of 99.5% is significantly higher than the percentage of voting rights and the proportion of voting rights is relatively large compared to other holders of voting rights due to the dispersion of voting rights.

Set out below is the consideration transferred, fair values of assets and liabilities, non-controlling interests, goodwill and increase from acquisition of control over subsidiaries, recognized in accordance with IFRS 3 “Business combinations”, as a result of consolidation of eAccess Ltd. on January 1, 2013:

a. Consideration transferred, fair values of assets and liabilities, non-controlling interest, and goodwill on the acquisition date

		(Millions of yen) Acquisition date (January 1, 2013)
Consideration transferred [1]	A	218,296
Current assets		84,069
Property, plant and equipment		147,886
Intangible assets		109,317
Other non-current assets		38,311
Total assets		379,583
Current liabilities		108,073
Non-current liabilities		190,576
Total liabilities		298,649
Net assets	B	80,934
Non-controlling interests [2]	C	404
Goodwill	A-(B-C)	137,766

Notes:
1. Consideration transferred is SoftBank Corp.'s stock issued by the share exchange with eAccess Ltd.
2. Non-controlling interests are measured based on the proportionate interests in identifiable net assets of the acquiree.

b. Increase from acquisition of control over subsidiaries

	(Millions of yen) Acquisition date (January 1, 2013)
Cash and cash equivalents held by the acquiree at the time of acquisition of control	29,796
The proceeds from transfer of Class B shares of eAccess Ltd.	1,100
Increase in cash from the acquisition of control over the subsidiary	30,896

(10) Notes to the differences in recognition and measurement

Major adjustments to the retained earnings are as follows:

(Millions of yen)

	As of April 1, 2012	As of December 31, 2012	As of March 31, 2013
Retained earnings under JGAAP	530,534	699,697	753,616
Differences in the scope of consolidation	(3,335)	(6,974)	(6,037)
Differences in recognition and measurement			
A. Goodwill	(2,750)	44,580	60,798
B. Property, plant and equipment	(49,256)	(51,023)	(50,914)
C. Cumulative translation differences for foreign operations at the date of transition to IFRSs	(30,827)	(30,827)	(30,827)
D. Revenue recognition	(19,919)	(23,911)	(17,048)
E. Financial instruments	(20,370)	(3,039)	(14,517)
F. Employee benefits	(14,404)	(14,404)	(14,338)
G. Investments in associates	(231)	7,262	8,042
H. Acquisition-related costs arising from business combinations	-	(3,061)	(3,801)
I. Leases	(4,203)	(3,194)	(2,850)
Other	(6,590)	(4,808)	(5,094)
Tax effect on adjustments above and other tax effects	26,935	38,030	35,058
Total differences	(121,615)	(44,395)	(35,491)
Retained earnings under IFRSs	405,584	648,328	712,088

*A to I and “Other” in the table above are presented before net of tax effects.

Major adjustments to income before income tax are as follows:

(Millions of yen)

	Nine-month period ended December 31, 2012	Three-month period ended December 31, 2012	Year ended March 31, 2013
Income before income taxes and minority interests under JGAAP	525,730	167,065	650,494
Differences in the scope of consolidation	(6,243)	(1,496)	(8,374)
Differences in recognition and measurement			
A. Goodwill	47,656	15,995	64,022
B. Property, plant and equipment	(1,591)	(306)	(1,307)
C. Cumulative translation differences for foreign operations at the date of transition to IFRSs	-	-	-
D. Revenue recognition	(3,992)	(6,543)	2,871
E. Financial instruments	12,571	14,591	1,093
F. Employee benefits	1	3	(90)
G. Investments in associates	7,493	2,924	8,273
H. Acquisition-related costs arising from business combinations	(3,061)	(3,061)	(3,801)
I. Leases	1,009	320	1,353
Other	753	362	970
Total differences	60,839	24,285	73,384
Income before income tax under IFRSs	580,326	189,854	715,504

Details of major differences are as follows:

A. Goodwill

Under JGAAP, goodwill was amortized regularly over the periods in which economic benefits were reasonably expected to be realized. Under IFRSs, it is not amortized regularly and this resulted in an increase of the remaining amount of goodwill and a decrease of selling, general and administrative expenses for the nine-month period ended December 31, 2012 and for the year ended March 31, 2013.

An impairment test on goodwill was performed on April 1, 2012 and an impairment loss of ¥3,543 million on goodwill was recognized on April 1, 2012. The amount of the impairment loss on goodwill attributable to owners of the parent was deducted from retained earnings. The impaired goodwill is mainly related to the Fixed-line Telecommunications segment and Internet segment.

The effect arising from the differences is summarized as follows:

(Millions of yen)

(Consolidated statements of financial position)	As of April 1, 2012	As of December 31, 2012	As of March 31, 2013
Increase (decrease) in goodwill	(3,543)	44,386	60,751
Decrease in non-controlling interests	793	194	47
Increase (decrease) in retained earnings	(2,750)	44,580	60,798

(Consolidated statements of income)	Nine-month period ended December 31, 2012	Three-month period ended December 31, 2012	Year ended March 31, 2013
Decrease in selling, general and administrative expenses	47,656	15,995	64,022
Increase in income before income tax	47,656	15,995	64,022

B. Property, plant and equipment

Upon transition to IFRSs, residual values and depreciation method of property, plant and equipment have been reviewed.

The effect arising from the differences is summarized as follows:

(Millions of yen)

(Consolidated statements of financial position)	As of April 1, 2012	As of December 31, 2012	As of March 31, 2013
Decrease in property, plant and equipment	(46,257)	(47,849)	(47,564)
Increase in non-controlling interests	(2,999)	(3,174)	(3,350)
Decrease in retained earnings	(49,256)	(51,023)	(50,914)

(Consolidated statements of income)	Nine-month period ended December 31, 2012	Three-month period ended December 31, 2012	Year ended March 31, 2013
Increase in cost of sales	(1,895)	(482)	(1,917)
Decrease in selling, general and administrative expenses	304	176	610
Decrease in income before income tax	(1,591)	(306)	(1,307)

C. Cumulative translation differences for foreign operations at the date of transition to IFRSs

By applying the exemption as an IFRSs first-time adopter as described above, the Company has transferred all cumulative translation differences for foreign operations to retained earnings on the date of transition to IFRSs (April 1, 2012), which has resulted in a decrease in retained earnings by ¥30,827 million.

D. Revenue recognition

a. Under JGAAP, commission fees related to sales of mobile handsets that the Company pays to dealers of mobile handsets were expensed as incurred. Under IFRSs, the amount of commission fees expected to occur in the future is deducted from the related revenues.

b. Under JGAAP, activation fees and upgrade fees were recognized as revenues upon receipt. Under IFRSs, they are deferred upon entering into the contract and recognized as revenues over the estimated average contract period and estimated average usage period of handsets. Direct costs related to activation are deferred to the extent that the activation fees and upgrade fees are amortized over the same periods.

c. Under JGAAP, an allowance for point mileage was accrued based on the estimated future obligation arising from point service to customers and provisions for the allowance were expensed as selling, general and administrative expenses. Under IFRSs, point services are recognized individually as goods to be transferred or services to be provided in the future. The fair value of benefits exchanged with points is deducted from revenues and revenues are recognized when customers use those points.

The effect arising from the differences is summarized as follows:

(Millions of yen)

(Consolidated statements of financial position)	As of April 1, 2012	As of December 31,2012	As of March 31, 2013
Increase in trade and other receivables	-	-	1,226
Increase in other current assets	10,009	12,744	14,462
Increase in other non-current assets	38,942	43,459	45,990
Increase in trade and other payables	(19,919)	(23,911)	(18,274)
Increase in other current liabilities	(10,009)	(12,744)	(14,462)
Increase in other non-current liabilities	(38,942)	(43,459)	(45,990)
Decrease in retained earnings	(19,919)	(23,911)	(17,048)

(Consolidated statements of income)	Nine-month period ended December 31, 2012	Three-month period ended December 31, 2012	Year ended March 31, 2013
Decrease in net sales	(167,277)	(82,449)	(224,843)
Decrease in cost of sales	7,252	4,529	11,501
Decrease in selling, general and administrative expenses	156,033	71,377	216,213
Increase (decrease) in income before income tax	(3,992)	(6,543)	2,871

E. Financial instruments

a. Under JGAAP, convertible bonds with stock acquisition rights were recognized as a whole and presented as a liability. Under IFRSs, stock acquisition rights embedded in convertible bonds are recognized separately and presented as additional paid-in capital. They are measured as the difference between the entire fair value of the convertible bonds with stock acquisition rights and the fair value of similar bonds with no stock acquisition rights. Also, under JGAAP, transaction costs related to the issuance of bonds are recognized as an asset and amortized over the redemption period. Under IFRSs, they are allocated to the liability and equity components in proportion to the carrying amounts. The costs related to liability are reflected in the measurement of amortized cost of the bond and recognized as expenses over the redemption period. The cost related to stock acquisition rights is deducted from equity.

b. Under JGAAP, commission fees related to borrowing were expensed as incurred. Under IFRSs, they are included in measuring the liability at amortized cost and recognized as an expense over the redemption period.

c. Under JGAAP, financial assets related to securitization transactions were derecognized when control over financial components of the financial assets is transferred to a third party. Under IFRSs, financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the financial asset. Therefore, for certain securitization transactions that previously qualified for extinguishment of financial assets under JGAAP, securitized receivables are recognized retrospectively and accompanying liabilities are recognized as borrowings under IFRSs since they are not qualified for derecognition of financial assets under IFRSs.

d. Under JGAAP, unlisted shares were measured based on their historical costs and impaired as necessary. Under IFRSs, they are classified as available-for-sale financial assets and measured at their fair values.

e. Under JGAAP, advances to dealers for installment sales receivables of mobile handsets were recognized as account-trade receivables by the amount under the installment contract, less allowance for doubtful accounts. Under IFRSs, the receivables arising from advances to dealers are recognized as trade and other receivables or other financial assets (non-current), while commission is expensed. Commission consists of credit risk, collecting costs and interest due to the passage of time.

f. Under JGAAP, preferred securities issued by a subsidiary were accounted for as equity transactions. Under IFRSs, they are accounted for as interest-bearing debt and measured at amortized cost using the effective interest method as it is necessary to deliver cash to owners of preferred securities in the future.

The effect arising from the differences is summarized as follows:

(Millions of yen)

(Consolidated statements of financial position)	As of April 1, 2012	As of December 31,2012	As of March 31, 2013
Increase in trade and other receivables	163,745	213,698	220,204
Increase in other financial assets (non-current)	155,640	162,152	172,693
Increase in interest-bearing debt (current)	(205,229)	(226,582)	(238,245)
Increase in interest-bearing debt (non-current)	(253,987)	(262,596)	(264,087)
Increase in additional paid-in capital (before tax)	(22,366)	(21,979)	(22,035)
Increase in accumulated other comprehensive income (before tax)	(56,170)	(65,150)	(71,529)
Decrease in non-controlling interests	204,413	204,270	204,135
Other	(6,416)	(6,852)	(15,653)
Decrease in retained earnings	(20,370)	(3,039)	(14,517)

(Consolidated statements of income)	Nine-month period ended December 31, 2012	Three-month period ended December 31, 2012	Year ended March 31, 2013
Increase in selling, general and administrative expenses	(3,943)	(1,580)	(5,463)
Decrease in finance cost	16,514	16,171	6,556
Increase in income before income tax	12,571	14,591	1,093

(Consolidated statements of comprehensive income)	Nine-month period ended December 31, 2012	Three-month period ended December 31, 2012	Year ended March 31, 2013
Increase in available-for-sale financial assets	6,881	1,433	12,609
Increase in other comprehensive income (net of tax)	6,881	1,433	12,609

F. Employee benefits

a. Upon transition to IFRSs, unused paid absences and long-term employee benefits are recognized as liabilities.
b. Under JGAAP, unrecognized actuarial gains and losses of retirement benefit obligations in the defined benefit plans were expensed as incurred in principle. Under IFRSs, they are recognized as other comprehensive income and transferred to retained earnings as incurred.

The effect arising from the differences is summarized as follows:

(Millions of yen)

(Consolidated statements of financial position)	As of April 1, 2012	As of December 31,2012	As of March 31, 2013
Increase in other current liabilities	(12,002)	(12,002)	(11,817)
Increase in other non-current liabilities	(3,783)	(3,783)	(3,952)
Decrease in non-controlling interests	1,381	1,381	1,431
Decrease in retained earnings	(14,404)	(14,404)	(14,338)

(Consolidated statements of income)	Nine-month period ended December 31, 2012	Three-month period ended December 31, 2012	Year ended March 31, 2013
Increase in cost of sales	0	0	(9)
Decrease (increase) in selling, general and administrative expenses	1	3	(81)
Increase (decrease) in income before income tax	1	3	(90)

G. Investments in associates

Under JGAAP, goodwill related to investments accounted for using the equity method was amortized equally over the periods in which economic benefits were reasonably expected to be realized. Under IFRSs, it is not amortized regularly, and resulting in an increase in investments accounted for using the equity method for the nine-month period ended December 31, 2012 and for the year ended March 31, 2013. As of April 1, 2012, the entire investment over associates, including goodwill, is tested for impairment. As a result, as of April 1, 2012, the Company recognized an impairment loss of ¥231 million and deducted it from retained earnings.

The effect arising from the differences is summarized as follows:

(Millions of yen)

(Consolidated statements of financial position)	As of April 1, 2012	As of December 31,2012	As of March 31, 2013
Increase (decrease) in investments accounted for using the equity method	(231)	7,561	8,863
Increase in accumulated other comprehensive income (before tax)	-	(299)	(821)
Increase (decrease) in retained earnings	(231)	7,262	8,042

(Consolidated statements of income)	Nine-month period ended December 31, 2012	Three-month period ended December 31, 2012	Year ended March 31, 2013
Increase in finance cost	(13)	(7)	(22)
Increase in equity in income of associates	7,506	2,931	8,295
Increase in income before income tax	7,493	2,924	8,273

H. Acquisition-related costs arising from business combinations

Under JGAAP, acquisition-related costs arising from business combinations are recognized as an asset when they are regarded as consideration for the acquisitions. Under IFRSs, they are expensed as incurred or when services are rendered as transaction costs, directly attributable to business combinations, which have resulted in a decrease in other non-current assets.

The effect arising from the differences is summarized as follows:

(Millions of yen)

(Consolidated statements of financial position)	As of April 1, 2012	As of December 31,2012	As of March 31, 2013
Decrease in other non-current assets	-	(3,061)	(3,801)
Decrease in retained earnings	-	(3,061)	(3,801)

(Consolidated statements of income)	Nine-month period ended December 31,2012	Three-month period ended December 31, 2012	Year ended March 31, 2013
Increase in selling, general and administrative expenses	(3,061)	(3,061)	(3,801)
Decrease in income before income tax	(3,061)	(3,061)	(3,801)

I. Leases

Under JGAAP, finance lease transactions in which the ownership of leased assets was not transferred to lessees and that are contracted before April 1, 2008, are accounted for as operating lease transactions as permitted exceptionally. Under IFRSs, leased assets and lease obligations are recognized. Accordingly, provisions for impairment of leased assets which were previously included in other liabilities (non-current) under JGAAP are offset by property, plant and equipment. Long-term prepaid lease expenses are offset by lease obligations.

The effect arising from the difference is summarized as follows:

(Millions of yen)

(Consolidated statements of financial position)	As of April 1, 2012	As of December 31,2012	As of March 31, 2013
Increase in property, plant and equipment	104,973	13,278	11,943
Decrease in other non-current assets	(22,676)	(17,799)	(16,059)
Increase in interest-bearing debt (current)	(4,619)	(176)	(47)
Increase in interest-bearing debt (non-current)	(84,023)	(49)	(41)
Other	2,142	1,552	1,354
Decrease in retained earnings	(4,203)	(3,194)	(2,850)

(Consolidated statements of income)	Nine-month period ended December 31, 2012	Three-month period ended December 31, 2012	Year ended March 31, 2013
Decrease in cost of sales	786	263	1,066
Decrease in selling, general and administrative expenses	12	0	12
Decrease in finance cost	211	57	275
Increase in income before income tax	1,009	320	1,353

(11) Notes to reconciliation of cash flows

The adjustment of cash flows for the nine-month period ended December 31, 2012

(Millions of yen)

(Consolidated statements of cash flows)	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities
JGAAP	595,379	(746,093)	191,148
Differences in the scope of consolidation	(6,004)	(27,298)	29,134
Differences in recognition and measurement			
a. Securitization transactions	(42,404)	-	42,404
b. Measuring financial liabilities at amortized costs	(18,573)	-	18,573
Other	(7,102)	5,752	2,859
Total differences in recognition and measurement	(68,079)	5,752	63,836
IFRSs	521,296	(767,639)	284,118

The adjustment of cash flows for the year ended March 31, 2013

(Millions of yen)

(Consolidated statements of cash flows)	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities
JGAAP	894,460	(919,770)	365,494
Differences in the scope of consolidation	5,687	41,725	20,667
Differences in recognition and measurement			
a. Securitization transactions	(51,081)	-	51,081
b. Measuring financial liabilities at amortized costs	(23,571)	-	23,571
Other	(12,470)	3,901	10,664
Total differences	(87,122)	3,901	85,316
IFRSs	813,025	(874,144)	471,477

Major differences in recognition and measurement are as follows:

a. Securitization transactions

Under JGAAP, securitization transactions qualifying for extinguishment of financial assets were included in cash flows from operating activities. Under IFRSs, certain securitized receivables are recognized for securitization transactions that are not qualified for derecognition of financial assets and accompanying liabilities are accounted for as borrowings. Accordingly, an increase or decrease in borrowings is included in cash flows from financing activities. As a result, cash flows from operating activities decreased with a corresponding increase in cash flows from financing activities.

b. Measuring financial liabilities at amortized costs

Under JGAAP, commission fees related to borrowings and corporate bonds were included in cash flows from financing activities. Under IFRSs, due to measuring borrowings and corporate bonds at amortized costs, commission fees are included in cash flows from operating activities. As a result, cash flows from operating activities decreased with a corresponding increase in cash flows from financial activities.