

## Q&A at Earnings Results Briefing for FY2014 (Summary)

Individual 1

**Q1** What is your position on initiatives for growth, including M&A, in the fiscal year ending in March 2016 and the following years?

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**A1** We will continue to consider using M&A for the purpose of transforming the SoftBank Technology Group from an e-commerce and system integration organization into a provider of services that utilize original technologies.  
On April 1, 2015, we raised our workforce from 833 as of March 31, 2015 to about 900 by hiring new graduates and about 30 experienced professionals.  
When I became president three years ago, I stated that our goal was to increase our workforce to 1,000. By using M&A and other measures, I believe that we can reach this goal in the fiscal years ending in March 2016 or 2017.

**Q2** How do you integrate the growing number of subsidiaries into your organization.

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**A2** Centralizing our resources for functions that are performed by all group companies is one important step. We also need to move more of our employees to business sectors with better prospects for earnings growth and sectors that can drive our growth in the future. We are currently increasing shared services in order to consolidate human resources and other administrative tasks that every company requires.  
There are also actions aimed at promoting synergies across our group for benefits such as sharing information about projects and creating proposals with more depth for our clients. To accomplish this, we are establishing a unified environment in which the sales teams of subsidiaries and SoftBank Technology work in the same locations. For example, there are exchanges of sales personnel among group companies and we are moving the offices of subsidiaries to the SoftBank Technology Head Office building.

**Q3** Data analytics is one of your focus businesses. What are your plans for this business over the next three years?

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**A3** In the fiscal year that ended in March 2015, the data analytics business made a several accomplishments. For example, it developed a tool to provide an advertising effectiveness measurement service. Skilled individuals that we hired for this business played a central role in these activities. As a result, this business achieved non-consolidated sales growth of 36% and consolidated growth of 40% over the previous fiscal year. But the data analytics business still represents small percentage of total sales. There is still no clearly defined data analytics market, so we are working on determining domains where this service can be monetized. One approach would be to sell the data analytics tools of manufacturers. We could also look at specialists providing data analytics consulting services. Another option would be to combine these two activities. Over the next few years, our goal is to create tools by using original technologies and knowhow.

**Q4** Security solutions is another focus business. What are your plans for this business over the next three years?

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**A4** In Japan's IT security industry, the leading company specializing in this field has sales of about ¥10 billion and the next company has sales of about ¥6 billion. Our security solutions sales were about ¥3.5 billion in the fiscal year that ended in March 2015 and our goal is to raise these sales to about ¥5 billion. We will not target a wide range of market sectors. Instead, we want to offer distinctive security solutions in order to be a security company that has expertise in specific sectors of this market.

**Q5** Please explain your plans for the next three years in Microsoft Solutions, which is the third focus business of the SoftBank Technology Group?

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**A5** In the fiscal year that ended in March 2015, I believe that SoftBank Technology ranked first in Japan in the deployment of Office 365 for enterprises that have more than 1,000 licenses. In the past, transition of e-mail systems accounted for most sales. But in the fiscal year ended in March 2015, Microsoft Solutions sales of ¥2.5 billion included almost ¥1 billion in revenue from licenses. Next, we will see the complete shift of our clients' servers to the cloud or the emergence of a hybrid environment that combines the cloud and on-premises servers. We want to be the leading company that can provide system operations and monitoring services in this environment. By offering long-term operations and maintenance services, we plan to increase sales from development, operations and maintenance, and original services for Microsoft Solutions from the ¥1.5 billion of the fiscal year ended in March 2015.