Second Quarter of the Fiscal Year Ending March 31, 2016
(FY2015 Q2)

Results of Operations

October 29, 2015
SoftBank Technology Corp.

Greetings

Thank you for taking the time to attend today's earnings results briefing about our first half performance (of the fiscal year ending March 31, 2016).
Today, I will talk about our results of operations for the first half, our business operations and the key drivers of our growth.

Results Overview

Consolidated

FY2015 H1 Results Summary

Comparison with the previous fiscal year

SoftBank Technology

Overview

- Earnings were higher due to an increase in sales from operation and services despite the sharp decline in hardware sales from FY14 Q3 onward.

(Millions of yen)	FY15 H1	FY14 H1	Amount of change	Ratio of change
Net sales	19,640	19,678	(37)	(0.2)%
Operating income	650	572	+77	+13.5%
Ordinary income	645	541	+104	+19.3%
Profit attributable to owners of parent	345	330	+14	+4.5%
EBITDA	1,129	1,065	+63	+5.9%

Note: EBITDA = Operating income (loss) + Depreciation + Amortization of goodwill

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I will begin with a summary of our first half performance. Net sales were about the same as in the first half of fiscal 2014, and earnings were higher than one year earlier.

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FY2015 H1 Results Summary

Comparison with earnings forecast

SoftBank Technology

Overview

- Steady progress in line with the full year forecast

(Millions of yen)	FY15 H1	Forecast First half	Progress Ratio	Forecast Full year	Progress Ratio
Net sales	19,640	19,500	100.7%	42,000	46.8%
Operating income	650	680	95.6%	1,700	38.3%
Ordinary income	645	640	100.9%	1,600	40.4%
Profit attributable to owners of parent	345	400	86.3%	1,000	34.5%

Net sales, operating income and ordinary income were about the same as our forecast, and profit attributable to owners of parent was less than the forecast. We believe first half performance was good in relation to our targets for the fiscal year.

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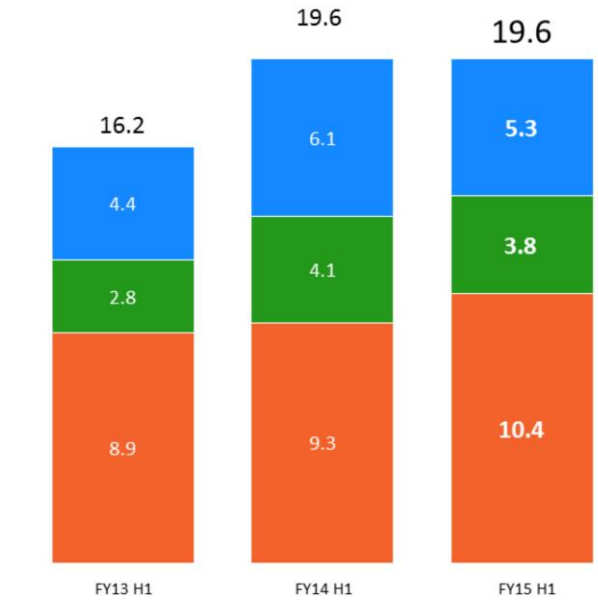
Net Sales by Service Category

SoftBank Technology



FY15 H1 consolidated sales

19.6 billion yen

Year-on-year sales (0.0) billion yen, (0.2)%

Year-on-year sales by service category:

Platform solutions	(0.8) billion yen, (13.3)%
System integration	(0.3) billion yen, (7.7)%
Digital marketing	+1.0 billion yen, +11.7%

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In the digital marketing category, sales increased year on year from 9.3 billion yen to 10.4 billion yen. This was the result of strong sales from e-commerce services, which include Symantec products, and higher digital marketing sales.

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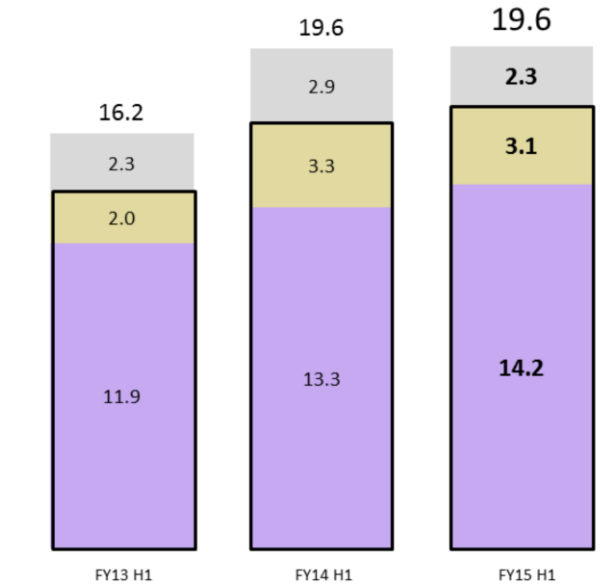
Net Sales by Type of Products and Services

SoftBank Technology



(Billions of yen)

Steady progress with the structural reform of business operations.

Operation and maintenance sales and SBT original services expanded smoothly.

Year-on-year sales by Type of Products and Services :

Hardware sales	(0.6) billion yen, (21.8)%
Development	(0.2) billion yen, (6.2)%
Operation and services	+0.8 billion yen, +6.1%

Hardware sales declined significantly and development sales declined too.

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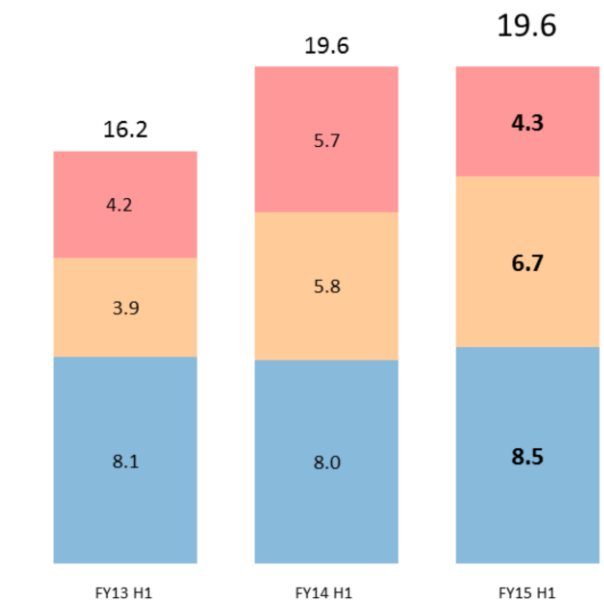
Sales to Internal/External Groups

SoftBank Technology



Year-on-year sales:

SoftBank Group

(1.36) billion yen, (23.7)%
Hardware sales and development projects decreased.

Non-SoftBank Group

+0.82 billion yen, +13.9%
Sales increased firmly, mainly in three key drivers.

E-commerce services for individuals

+0.5 billion yen, +6.3%

Sales to Softbank Group decreased year on year from 5.7 billion yen to 4.3 billion yen. This was affected by decreases in hardware sales and development projects.

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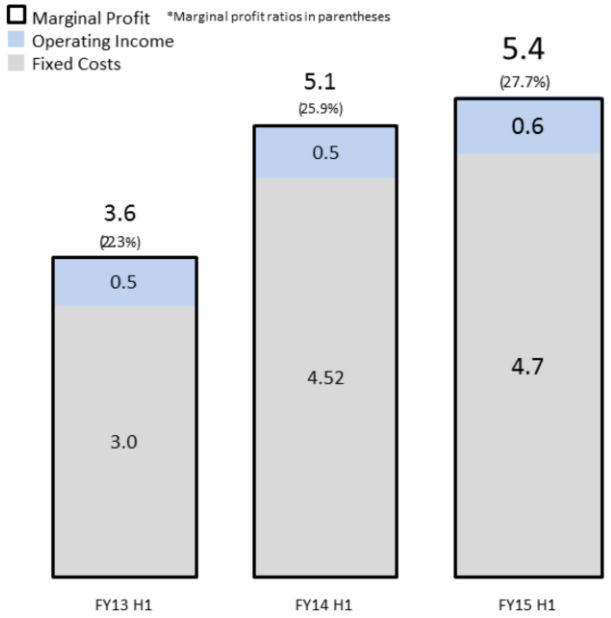
Marginal Profit

SoftBank Technology



FY15 H1 marginal profit **5.4** billion yen

Year-on-year: +**0.34** billion yen, +**6.7**%

FY15 H1 operating income **0.65** billion yen

Year-on-year: +**0.07** billion yen, +**13.5**%

Increase in fixed costs resulting from M&A and an increase in personnel.

The marginal profit ratio was 1.8 points higher than FY14 H1.

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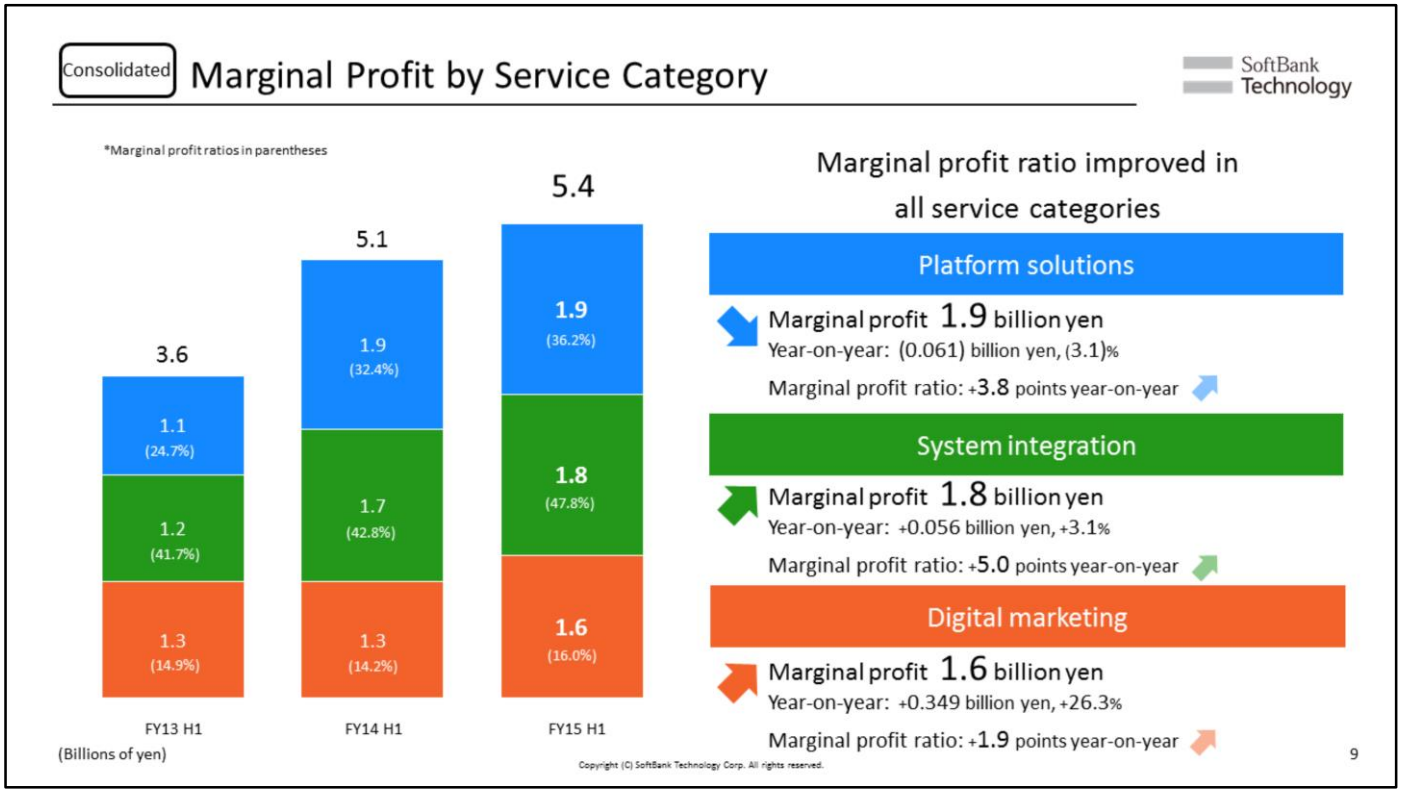
We focus on the marginal profit* as one of the key performance indicators.

*: About marginal profit
Marginal profit is calculated by subtracting variable costs (cost of merchandise, outsourcing expenses, distribution expenses and other items that increase and decrease with sales) from net sales.
Marginal profit is one of the performance indicators that we use. By making extensive use of marginal profit as a business intelligence tool, we aim to ensure the visibility of this indicator and increase the speed of decision-making.



Platform solutions
Earnings were down due to a decrease in sales.

System integration
Earnings increased as a result of an increase in the marginal profit ratio, while there was a decrease in sales.

Digital marketing
Marginal profit in the digital marketing service increased 26.3% to 1.6 billion yen.

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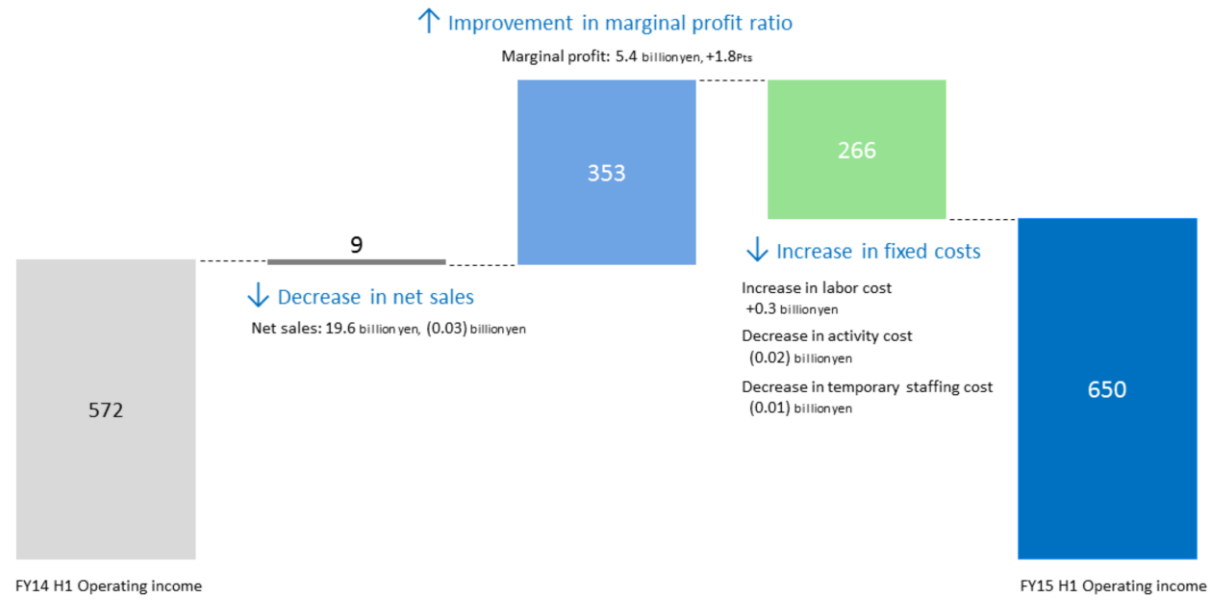
Operating Income

Comparison with the same period of the previous fiscal year

SoftBank Technology



(Billions of yen)

Operating income totaled 650 million yen, which was higher than one year earlier.

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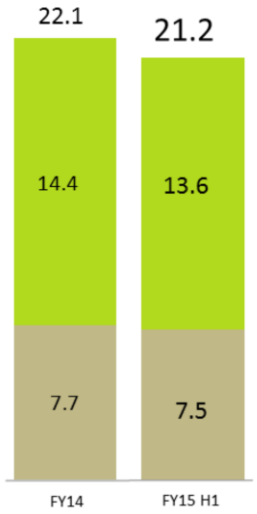
Balance Sheet

Comparison with the previous fiscal year

SoftBank Technology

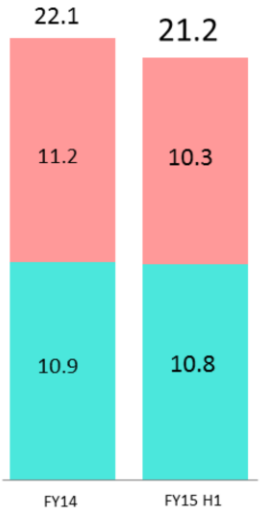


Current assets

Current cash	5.7 billion yen	(0.08) billion yen
Sales credit	6.1 billion yen	(0.8) billion yen
Work in process	0.3 billion yen	+0.1 billion yen

Non-current assets

Goodwill	1.2 billion yen	(0.08) billion yen
Investment securities	0.9 billion yen	(0.1) billion yen



Liabilities

Accounts payable-trade	4.3 billion yen	(0.2) billion yen
Accounts payable-other	0.4 billion yen	(0.3) billion yen
Income taxes payable	0.2 billion yen	(0.1) billion yen
Loans payable	1.1 billion yen	(0.1) billion yen

Net assets

Retained earnings	9.5 billion yen	+0.1 billion yen

(Billions of yen)

This slide shows changes in our balance sheet from the end of fiscal 2014.

Consolidated

Cash Flows

Comparison with the same period of the previous fiscal year

SoftBank Technology

(Millions of yen)	FY15 H1	FY14 H1	Amount of change
Cash flows from operating activities	936	1,864	(928)
Cash flows from investing activities	(319)	(2,195)	+1,876
Cash flows from financing activities	(705)	1,819	(2,524)
Cash and cash equivalents at end of period	5,607	5,242	+365

The details of cash flows from each activity and the major components of changes are as follows.

Cash flows from operating activities
Major sources of cash include income before income taxes and minority interests of 659 million yen, depreciation of 396 million yen, and a decrease in notes and accounts receivable-trade of 841 million yen. Meanwhile, major uses of cash include income taxes paid of 445 million yen and a decrease in notes and accounts payable-trade of 277 million yen.

There was a 928 million yen decrease in net cash provided by operating activities from the first half of the previous fiscal year. This was mainly due to an 813 million yen decrease in cash provided by a decrease in notes and accounts receivable-trade.

Cash flows from investing activities
Major uses of cash include the purchase of property, plant and equipment of 151 million yen and the purchase of intangible assets of 212 million yen.

There were decreases of 1,027 million yen in purchase of shares of subsidiaries resulting in change in scope of consolidation and 707 million yen in purchase of property, plant and equipment.

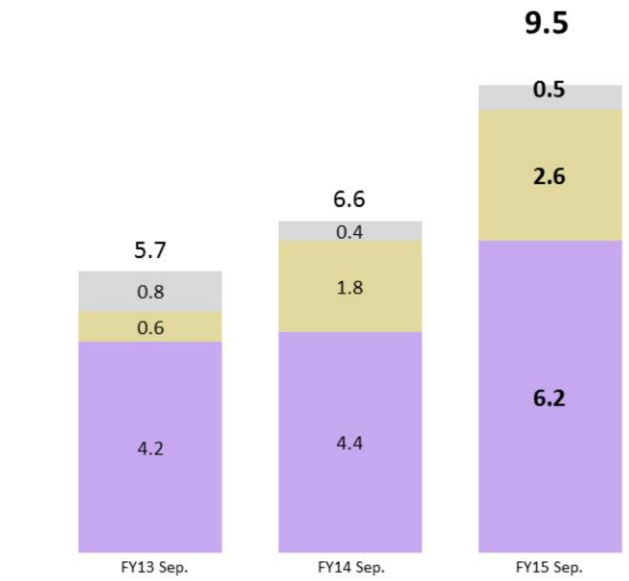
Cash flows from financing activities
Major uses of cash include payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation of 257 million yen and cash dividends paid of 193 million yen.

Proceeds from long-term loans payable decreased 1,600 million yen and payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation increased 257 million yen.

Non-Consolidated

Order Backlog (excluding orders for e-commerce services)

SoftBank Technology



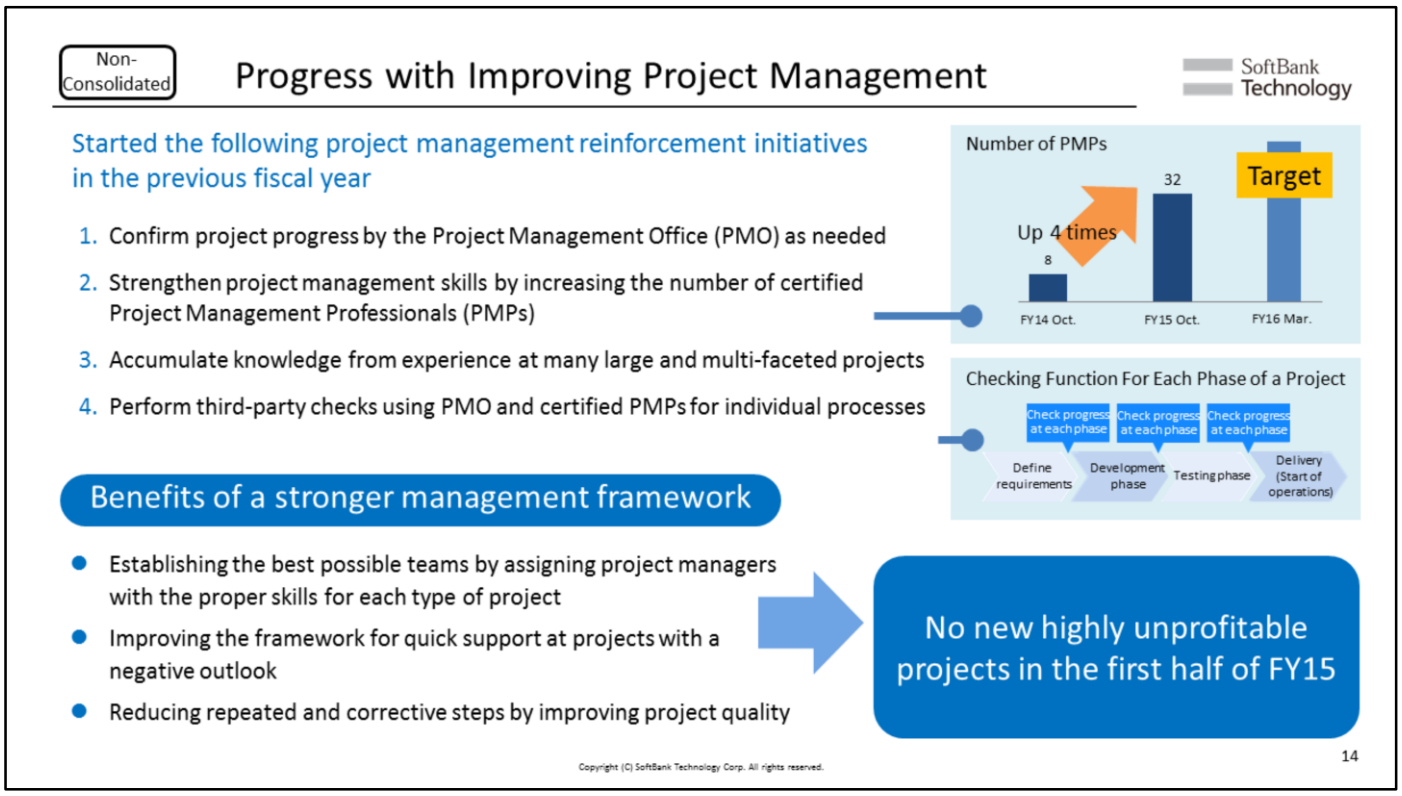
(Billions of yen)

Order backlog (end-September 2015)
9.5 billion yen
Year-on-year: +2.8 billion yen, +43.1%

Orders for development, operation and services increased sharply due to receipt of orders for major projects in Q2

Hardware sales	+0.14 billion yen, +33.9%
Development	+0.86 billion yen, +47.3%
Operation and services	+1.86 billion yen, +42.2%

Orders for development and for operation and services were much higher because of the receipt of an order for the nationwide agricultural land navigation website project from the National Chamber of Agriculture.



In response to highly unprofitable projects in the second quarter of the previous fiscal year, we have been working on strengthening project management framework during the past year.

One significant step was increasing the number of certified Project Management Professionals (PMP), who establish and supervise quality standards for projects, from eight one year earlier to 32.

In addition, we streamlined a check process in which the Project Management Office and one or more PMPs thoroughly check the profitability of each step of a project as well as its schedule.

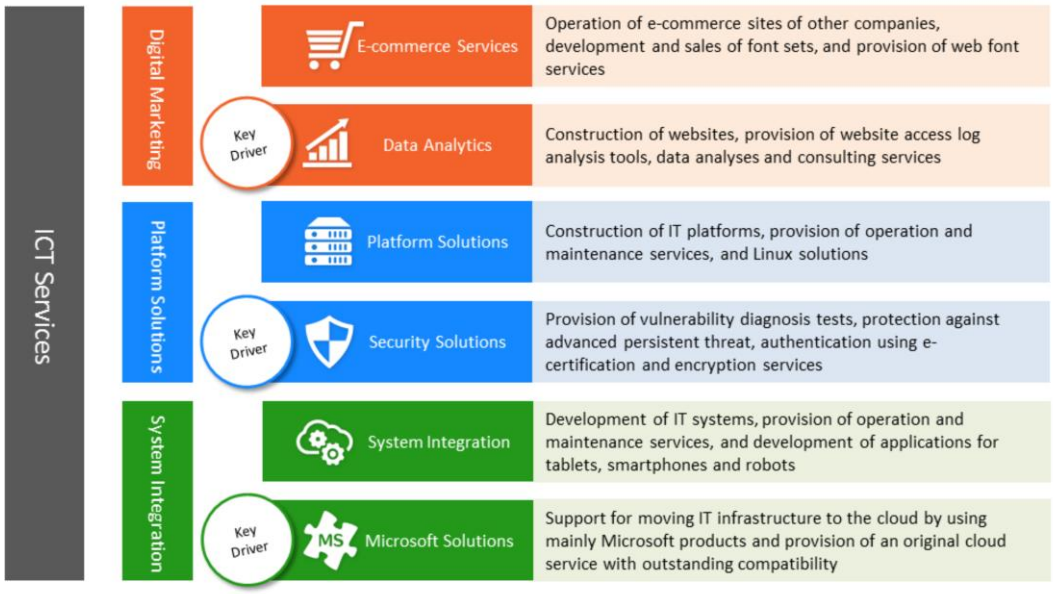
Even project managers with many years of experience are earning the PMP qualification. Using these veterans means that tacit know-how from their experience can become accessible to other workers. For example, this expertise can be transformed into text. This raises the quality of project management.

The ages of our PMPs range from the mid-20s to the 60s. Everyone at SoftBank Technology is well aware of the importance of the PMP qualification. More than 30 people are currently studying for the test. As a result, we hope to have 50 PMPs by the end of March 2016.

Business Overview

Business Fields

SoftBank Technology



The ICT services business is divided into three service categories. Each one has established focus business sectors that are key drivers of growth.

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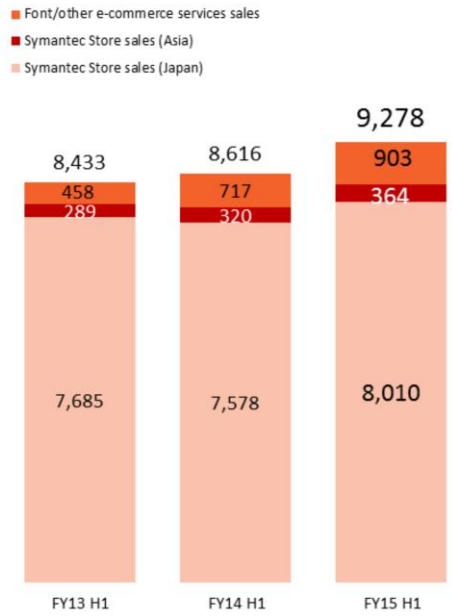
Overview of the E-commerce Services Business

E-commerce Services



(Millions of yen)

Sales in the Symantec Store business were strong.

Year-on-year: +476 million yen, +6.0%

Highlights

- Cloud version of e-commerce system front-end server

- To maintain profitability, various measures are promoted including the introduction of IT systems to improve operating efficiency.

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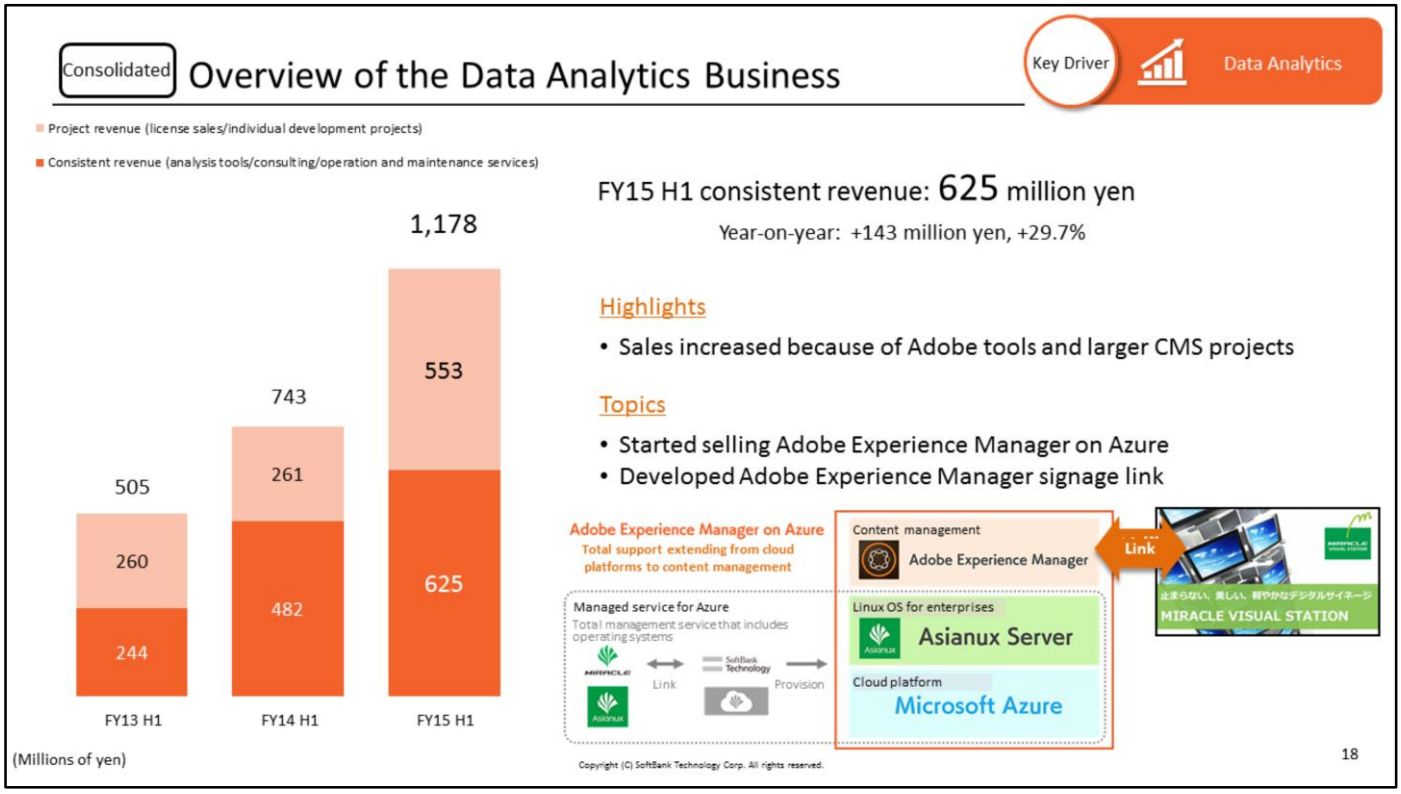
The main activity of this business is Internet sales of the Norton security software of Symantec. This business has been declining slowly over the past three years. However, sales are currently strong thanks to the sharper focus of the security business following the split of Symantec's security and storage businesses into separate companies.

In the font business, subsidiary Fontworks performed well as its digital fonts were used in many e-books, computers, tablets and other applications.

In addition, initiatives for improving efficiency include the building of a framework for low-cost operations and deployment of "SiteCore on Azure", a content management system on Microsoft's cloud platform, for Symantec Store's e-commerce system.



In data analytics, which is a key driver, the size of projects has been increasing. For example, we are building Content Management Systems (CMS) to manage the web page content and installing Adobe tools for customers.

For projects involving CMS, growth has occurred primarily for the construction of cloud environment systems and activities for more effective content governance. We provide these services mainly to manufacturers that operate on a global scale. Services are not only for Japanese-language web pages. There is substantial interest in our services for English-language and Chinese-language websites, too.

We worked with subsidiary Miracle Linux to start selling “Adobe Experience Manager on Azure”, a high-performance CMS, which works with Linux OS on Microsoft Azure. This made it possible for the SoftBank Technology Group to start offering a service that can provide integrated management. Previously, we could provide services only for servers we installed ourselves or for the Amazon cloud environment. Now this service is available on Microsoft Azure as well.

We believe the data analytics sector is now poised for more significant growth.

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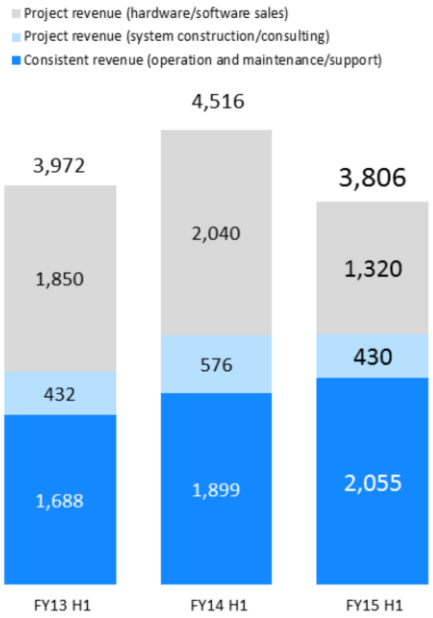
Overview of the Platform Solutions Business

Platform Solutions



(Millions of yen)

Steady growth of sales from operation and maintenance services.

FY15 H1 consistent revenue: 2,055 million yen

Year-on-year: +156 million yen, +8.2%

- Hardware sales to SoftBank Group companies declined sharply from FY14 Q3 onward.

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In this business, we sell network equipment, servers and other hardware to Yahoo and SoftBank and provide associated services. Since the third quarter of fiscal 2014, the SoftBank Group has been reducing its investments in this hardware. First half sales decreased because this reduction is still ongoing.

There was an increase in consistent revenue, mainly from monitoring and operation services.

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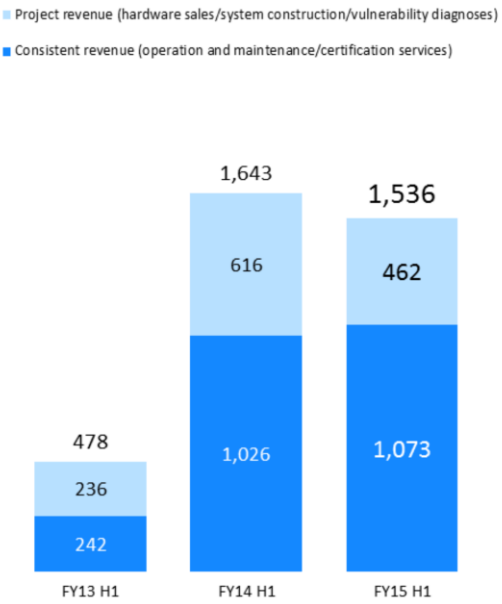
Overview of the Security Solutions Business

Key Driver Security Solutions



FY15 H1 consistent revenue: 1,073 million yen

Year-on-year: +47 million yen, +4.6%

Highlights

- Sales of McAfee and Imperva products were strong; consistent revenue remained firm

Topics

- Introduced Cloud WAF for protection against advanced persistent threat
- Started linkage for cloud access control OSG and device ID

WAF plus

Online Service Gate®

cybertrust

Device ID

Security solutions, another key driver, posted a big increase in sales in the first half of fiscal 2014 due to the acquisition of Cybertrust Japan in April 2015.

In the first half of fiscal 2015, sales decreased because of declining of hardware and software sales used for security systems. We are currently preparing to launch new services in order to build a base for strong growth.

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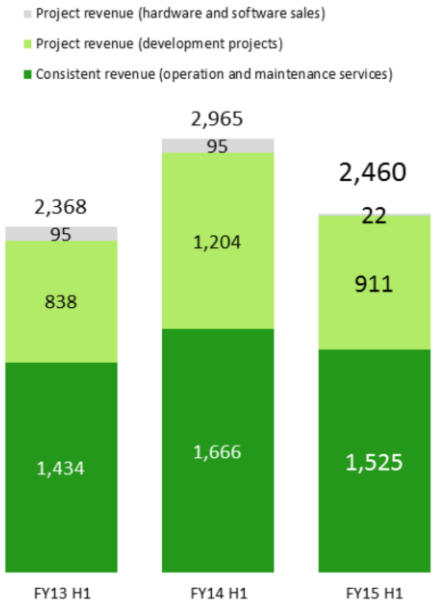
Overview of the System Integration Business

System Integration



(Millions of yen)

FY15 H1 project revenue (development projects):

911 million yen

Year-on-year: (293) million yen, (24.3)%

- Project revenue (development projects) and consistent revenue from SoftBank Group companies decreased

Sales were growing in prior years but were lower in the first half of this fiscal year due to the completion of projects at the SoftBank Group.

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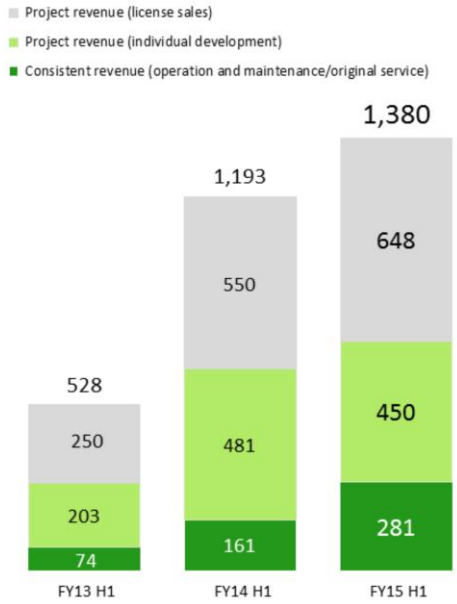
Overview of the Microsoft Solutions Business

Key Driver — Microsoft Solutions



(Millions of yen)

FY15 H1 consistent revenue: 281 million yen

Year-on-year: +120 million yen, +74.6%

Highlights

- Sales of Office 365 and SBT original service Online Service Gate were strong. Consistent revenue continued to grow.

Topics

Developed a service for cloud utilization other than for mail systems

- Started distributing the OnePortal information sharing service
- Offering the Asianux enterprise Linux OS on Azure

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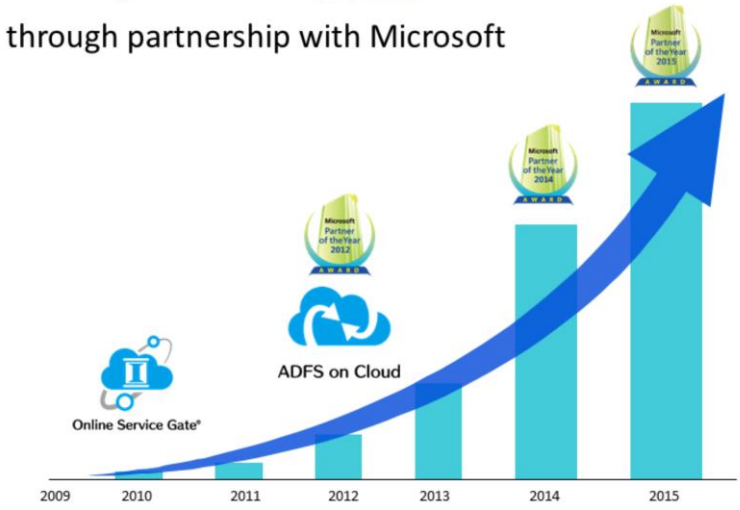
Microsoft solutions, which is also a key driver, recorded higher consistent revenue. Support for installing Microsoft products and sales of SoftBank Technology's original services were responsible for this growth.

There was also growth in services that contribute to sources of consistent revenue. One example is sales of OnePortal that is packaged with SharePoint, which provides a work flow and portal site.

This section is an overview of key drivers.

Performance of the Microsoft Solutions Business

Key Driver — Microsoft solutions



2009: A partner in Japan from the initial phase, started offering BPOS
2011: SBT was the first Office 365 user in Japan
2012: First Office 365 project in Japan with more than 10,000 users
2013: Started offering cloud SharePoint and Sitecore
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Cloud installations

498 companies 810,000 licenses

Introduction of Microsoft Azure

332 companies 393,000 licenses

Introduction of Office 365

166 companies 417,000 licenses

*Cloud installations are the number of installations for Office 365, Online Service Gate, ADFS on Cloud and Sitcore on Cloud.

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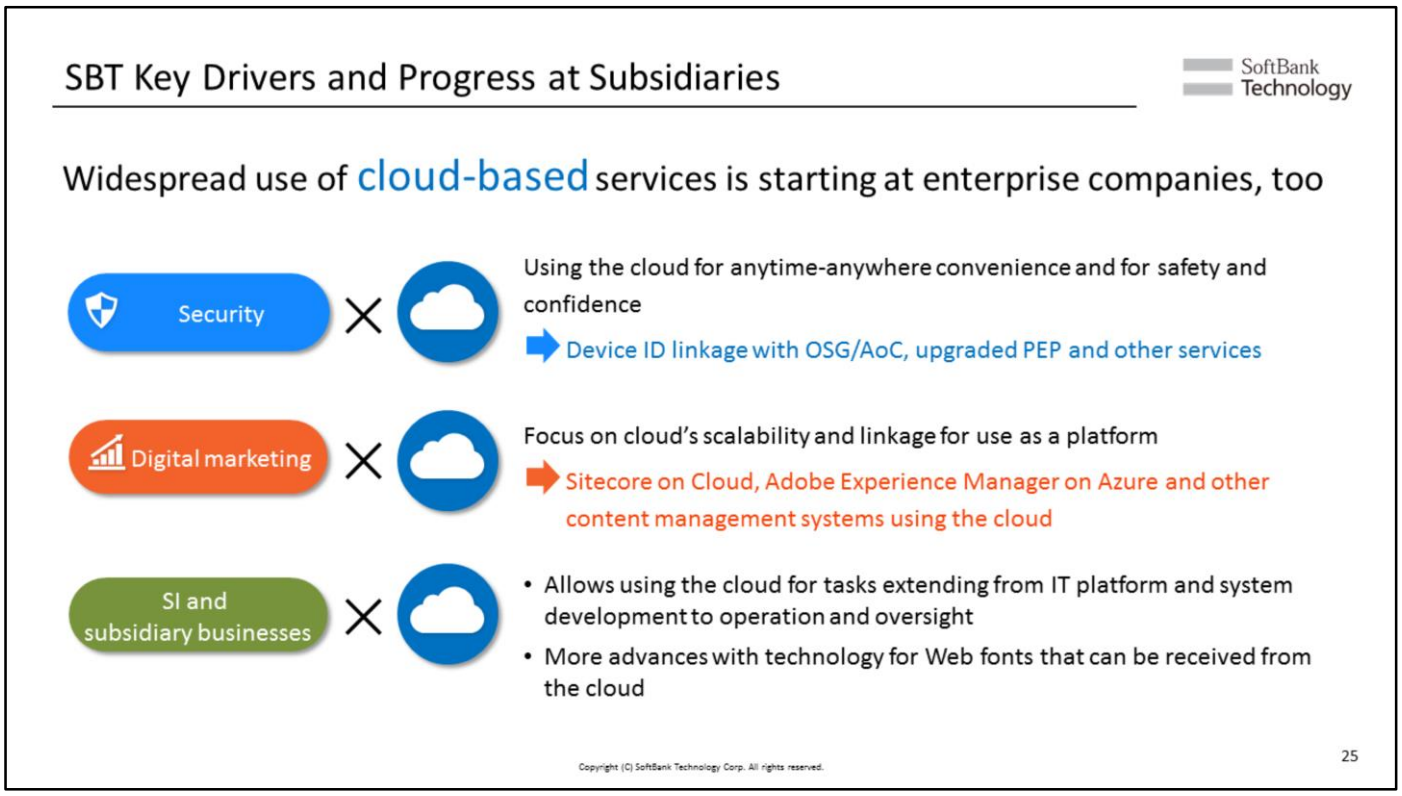
The cloud is one of SoftBank Technology's core strengths. We have a large number of cloud installations in the Microsoft solutions business since 2009.

We have supported about 500 companies and more than 800,000 users move their IT infrastructure to the cloud. Our activities also include the installation of Microsoft products along with operation and monitoring, and the provision of our original cloud services.



The cloud is also a central theme in key driver sectors of security and digital marketing, and subsidiary businesses.
One of the SoftBank Technology Group's greatest strengths is the ability to move software and IT infrastructure to the cloud.

In the security domain, we supply security measures for the use of cloud services by combining two components. One is services like our original Online Service Gate (OSG), which controls access, and ADFS on Cloud. The other is the Device ID e-certification service of subsidiary Cybertrust Japan.

In the digital marketing domain, we offer a complete line of services. This includes building digital marketing platforms on Azure, which we supply, and then providing operational and management services.
Our services also include FONTPLUS, which can retrieve and display fonts from the cloud.

The Businesses of SBT Match Japan's National Growth Strategy

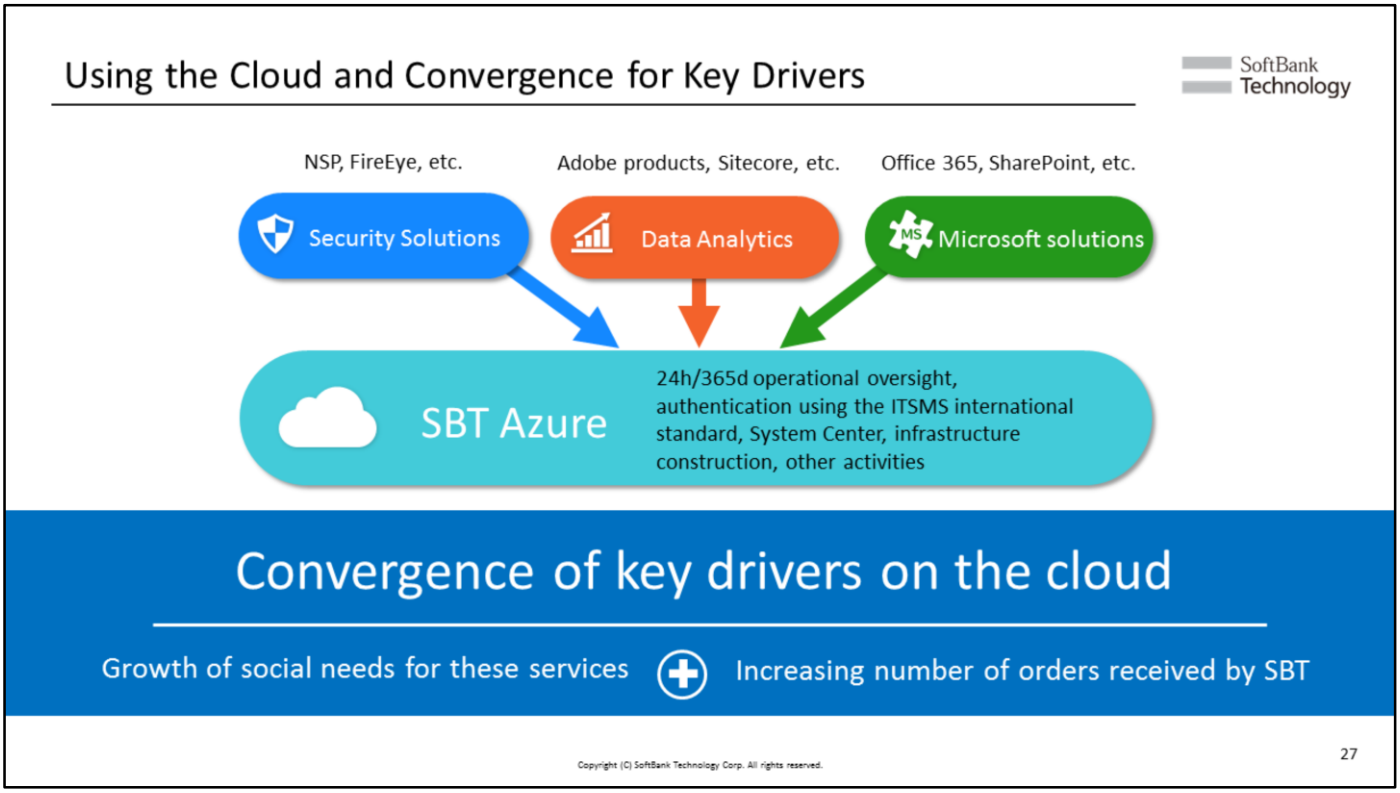
SoftBank Technology

Parts of the Japan Revitalization Strategy (2015 revision) (Source: Website of the Prime Minister of Japan and His Cabinet)

	Use IoT, big data, AI	Cyber security measures	High-tech robots	Self-driving cars Next-generation healthcare	Agriculture and fisheries Centralization/consolidation of agricultural land
National revitalization strategy					
Corresponding SBT businesses	• Data scientists • Visualization and analysis services • Public key infrastructure (PKI) technology, e-certification services • Azure ML	• 4DP LogSearch • FireEye, McAfee, SBT original security services • Vulnerability diagnosis report, diagnosis -services • Device ID linkage for account control and authentication • Operational oversight services	• Development of Pepper app • Pepper signage link • Drone demonstration test	• Data scientists • Visualization and analysis services • Public key infrastructure (PKI) technology, e-certification services • Azure ML • Driver authentication • Stress visualization	• Content management systems • Consulting services • Cyber attack protection • Microsoft Azure

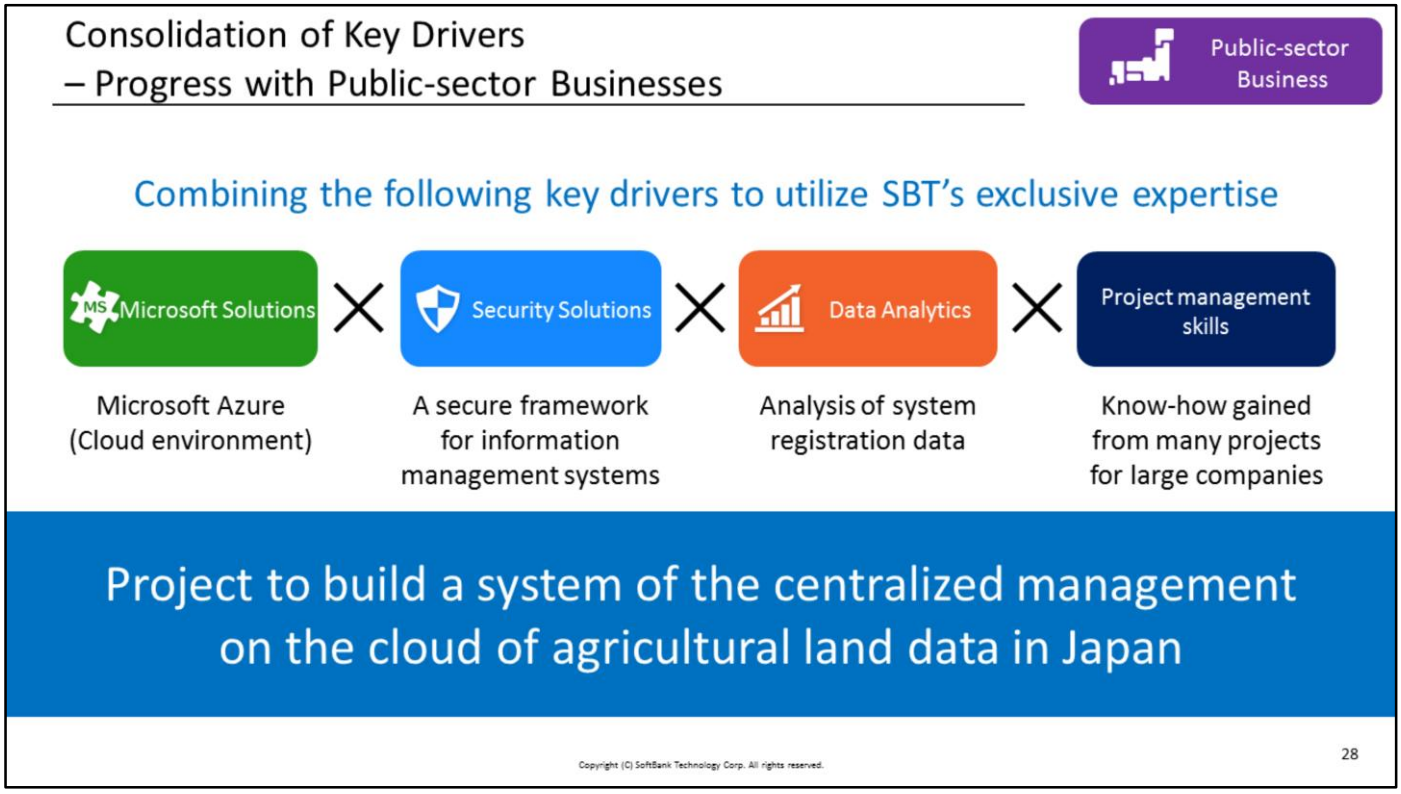
Japan's national growth strategy includes many business sectors that are supported or assisted by information technology.
The cloud, security and digital marketing, which are our key driver sectors, as well as robots and the Internet of things, where we are performing demonstration trials and other activities, are all closely linked to this national strategy.

We believe that our group's activities can play role in achieving the goals of the national growth strategy in various sectors such as the use of IoT, big data and artificial intelligence, cyber security measures, high-tech robots, and self-driving cars and next-generation healthcare, as well as in the agriculture, forestry and fishery sector, in which TPP has been a representative topic, in order to promote aggressive management in agriculture.

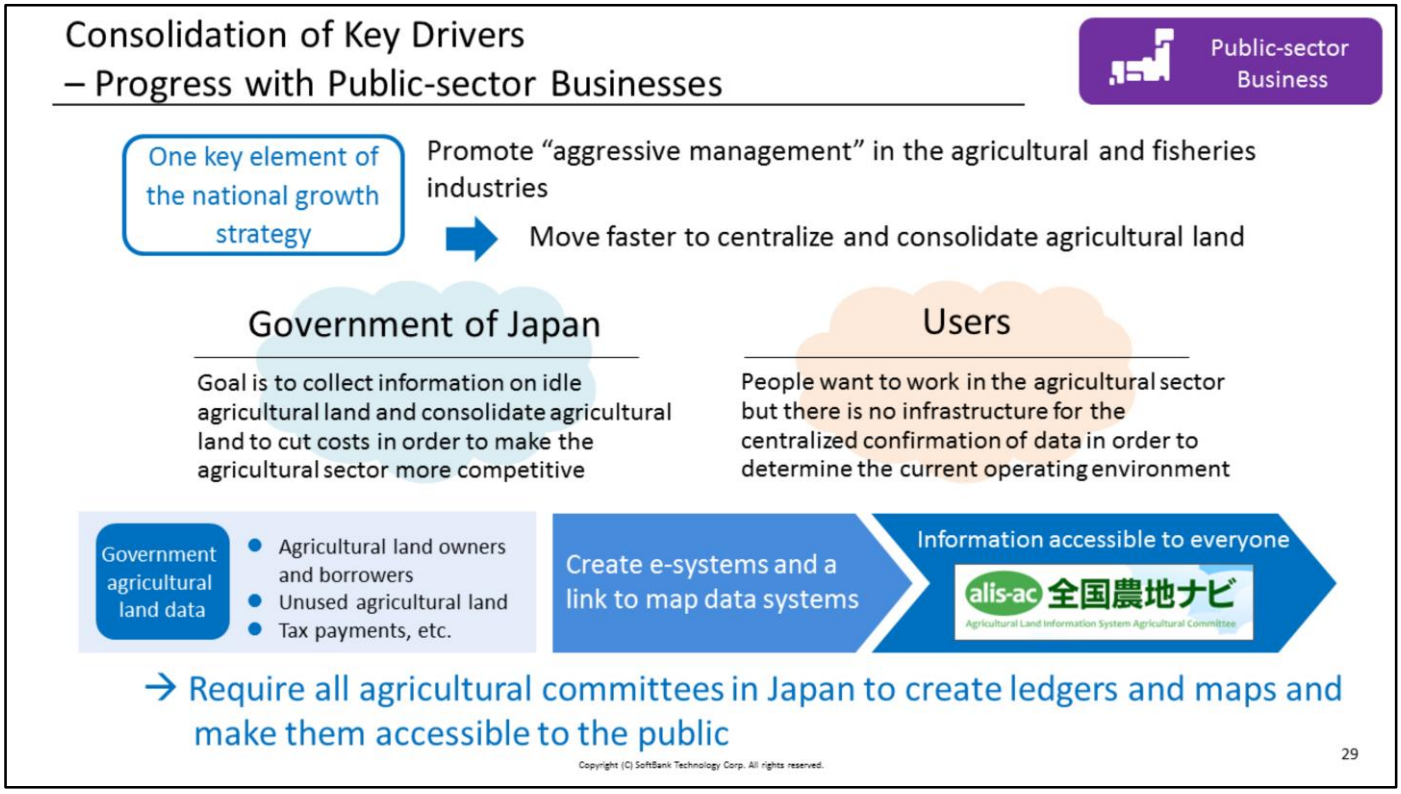


We have been making progress in all three of our key drivers. Recently, there have been an increasing number of projects involving the convergence of these three domains on the cloud. We also believe there is a growing social need for cloud services.

In all three businesses, we use our group's key strengths: technologies, experience and original services. By supplying services required for convergence on the cloud, we believe we can provide assistance to society, companies and public-sector customers.

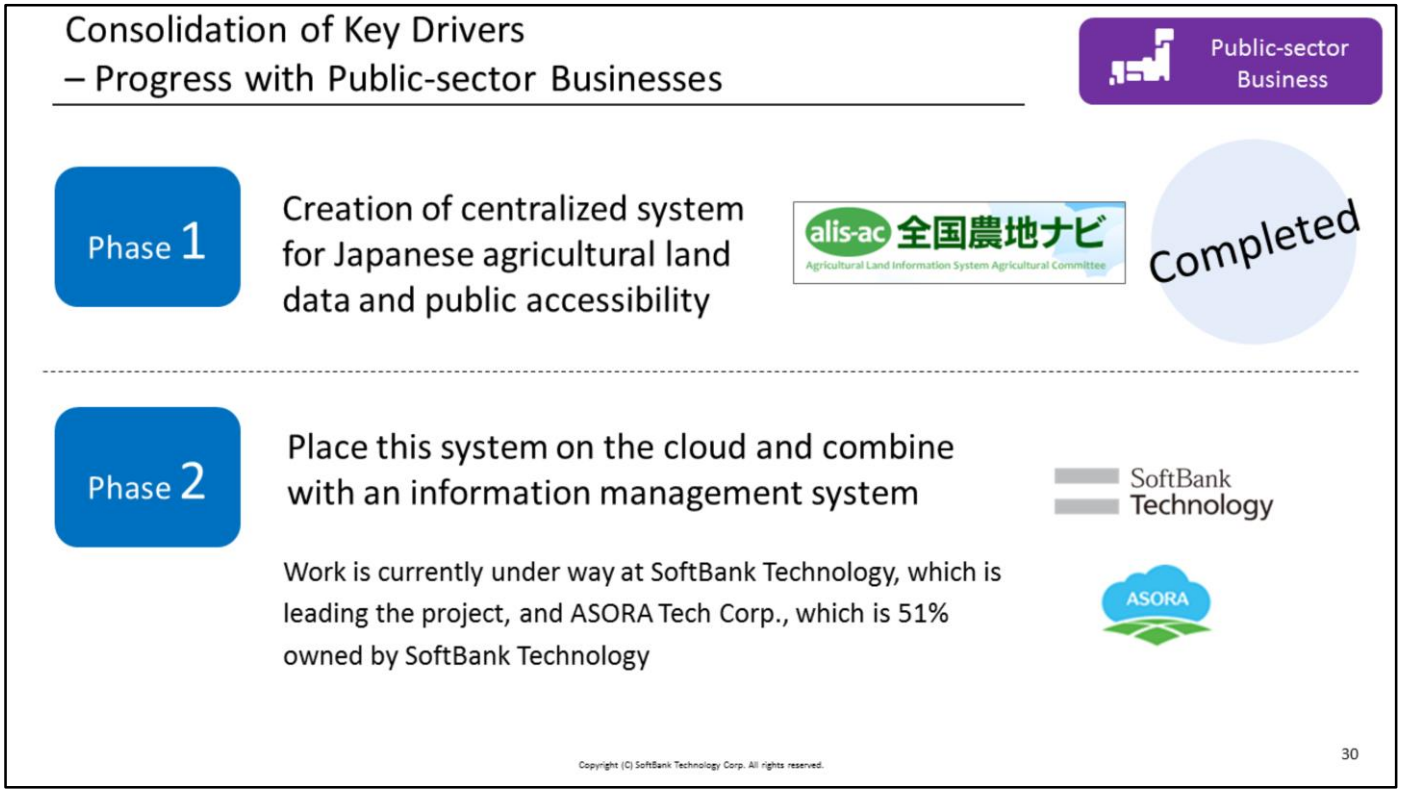


We have been combining our knowledge, experience and original services on the cloud in all three key drivers. At the same time, we have been reinforcing our project management capabilities since the previous fiscal year. A project to centralize the management of agricultural land data is one illustration of how we are using the benefits of these activities.



We are currently participating in a national project for making agriculture more efficient by reducing the amount of unused agricultural land.
We received an order for phase 1 of this project in fiscal 2014.

This project required building a nationwide agricultural land navigation website that is accessible to the public. Creating this site involves using electronic data for combining agricultural land ledgers and creating a link with map data.



We received the phase 2 order for this project in the current fiscal year. This project involves moving centralized agricultural land data of Japan to a server on the cloud. The goal is to unify agricultural land data and provide only the information needed from this server.

Agricultural land data includes the personal information of farmers and other sensitive information. To protect this information, we are developing a variety of security measures that utilize our digital marketing expertise and experience as well as our cloud know-how gained from the Microsoft solutions business.

This section presents two examples of the advanced technologies that will underpin our operations in the coming years.

How SBT Uses Advanced Technologies: Robots

Internet of Things

Since the sales launch of Pepper, more than 20 applications have been developed

Consulting for the use of Pepper

Development of Pepper applications

Links with external systems

New applications	Education	Company reception desks	Outside company events	Family Day events
	•English-language lessons for children •Learning greetings around the world	•Links with reception systems •Guest services	•Event guide •Products explanation	•Greetings to guests •Bingo parties

M-SOLUTIONS

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One of these technologies is robots, where are developing new applications.

Subsidiary M-SOLUTIONS has played a central role in the development of a robot we call Pepper. Since SoftBank started selling Pepper, we have developed more than 20 specific applications for corporations in a variety of areas.

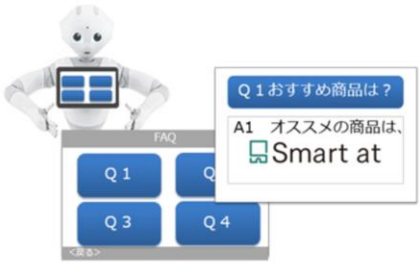
How SBT Uses Advanced Technologies: Robots (1)

Internet of Things

September 27, 2015 – Started sales of Smart at robo for Pepper

Services for setting functions for Pepper

No need for development work; allows revising data, performing surveys, answering frequently asked questions and conducting other tasks



M-SOLUTIONS

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Until now, hundreds of millions of yen of development expenses were needed to enable Pepper to use words and expressions specified by a company.
In September 2015, we started selling a new service that greatly simplifies this process for both developers and users.

The service requires only inputting expressions and text and then using the robot's display to select pictures and videos. This capability makes it easy for store salespeople, human resources, administrative and marketing personnel, and others to use Pepper precisely as needed.

How SBT Uses Advanced Technologies: Robots (2)

Internet of Things

October 28, 2015 – Functions developed by joint work of subsidiaries

Achieved link for Pepper display and digital signage

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In October 2015, M-SOLUTIONS and Miracle Linux, another subsidiary, jointly developed a method for linking digital signage with the information displayed by Pepper.

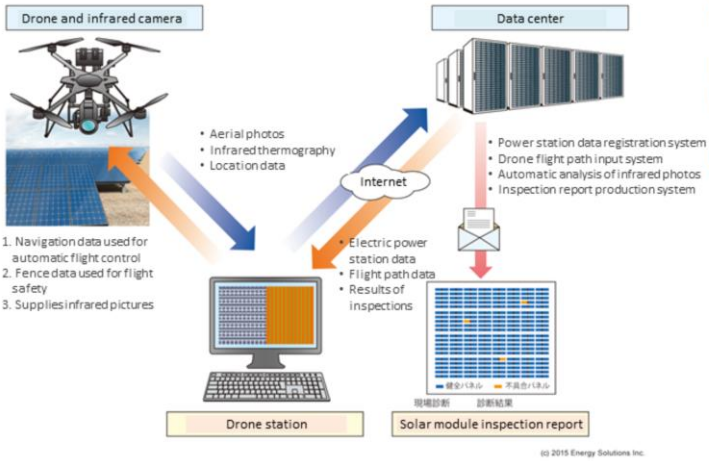
This function will be useful when there is too much information for Pepper to display. Another potential application is large exhibitions, stores and other locations where information needs to be shown to many people at once.

How SBT Uses Advanced Technologies: Internet of Things (1)

Internet of Things

October 22, 2015 – Established the Secure Drone Consortium with four member companies

Announced start of a solar module inspection service using drones and the cloud



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Big reductions in time and expenses

Inspection cost: Down more than 50%
Inspection time: Down from one/two days to 20 minutes
Preparation time: Down from one week to the same day

*For inspecting a 1MW mega-solar facility

ESY	Solar panel services in all areas of Japan
cybertrust	E-certification service
SoftBank Technology	One-stop services for data analysis and a cloud environment
Ubiquitous	Collection of data from IoT devices and development of associated software

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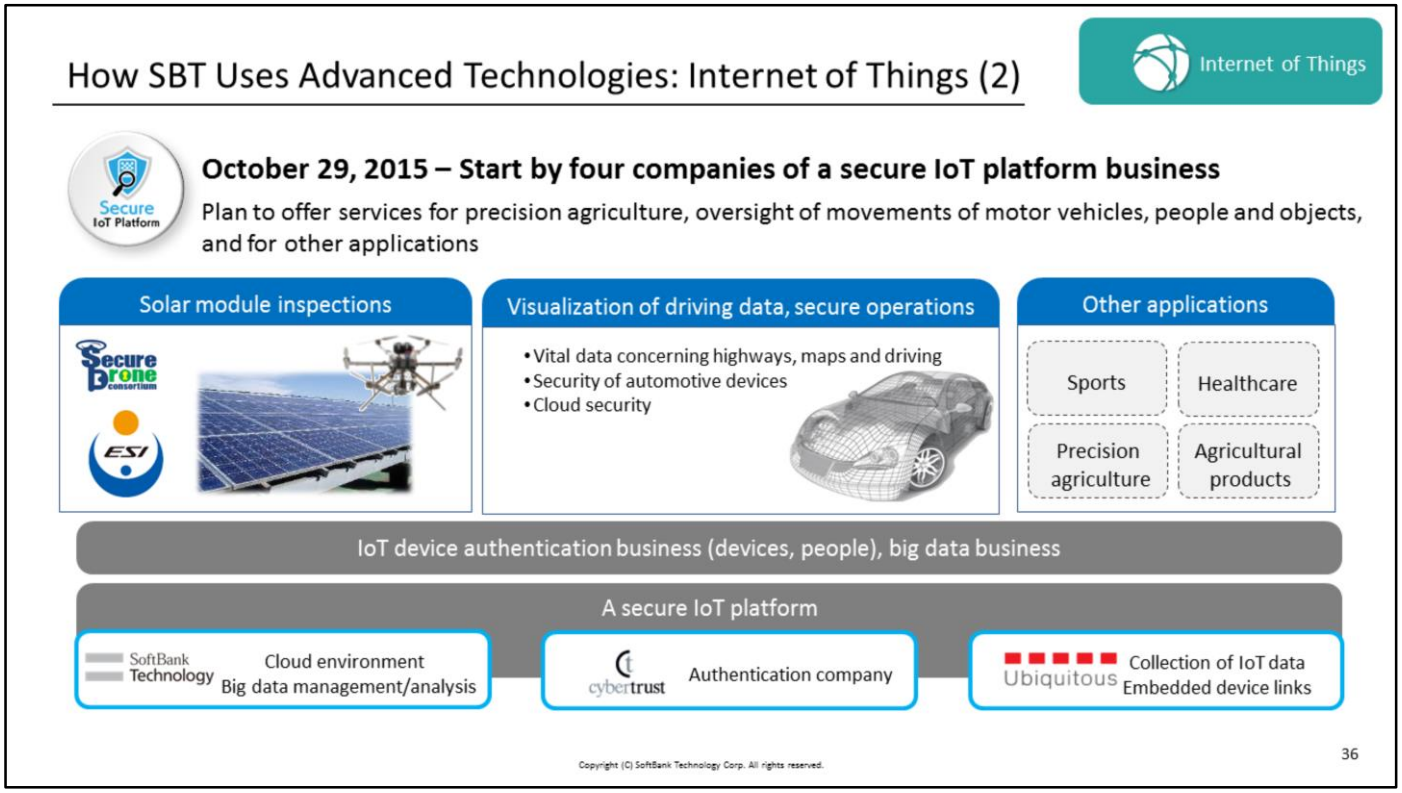
We are involved with a solar module inspection service that uses drones and the cloud.

We participated in the establishment of the Secure Drone Consortium in July 2015.
Development work is moving forward. By combining the technologies and knowledge of the consortium's four member companies in their respective fields of expertise, we plan to start offering this service in April 2016.

We believe that there is a growing need among solar power producers to cut costs. One reason is the reduction in the price paid for this power. Furthermore, Japan may decide to require periodic inspections of solar panels starting in April 2016.

At mega-solar projects, which produce more than one megawatt of power, inspections are performed visually, by using light aircraft and in other ways. Problems include cost, inspection time and the long time between the analysis of inspection results and the necessary actions.

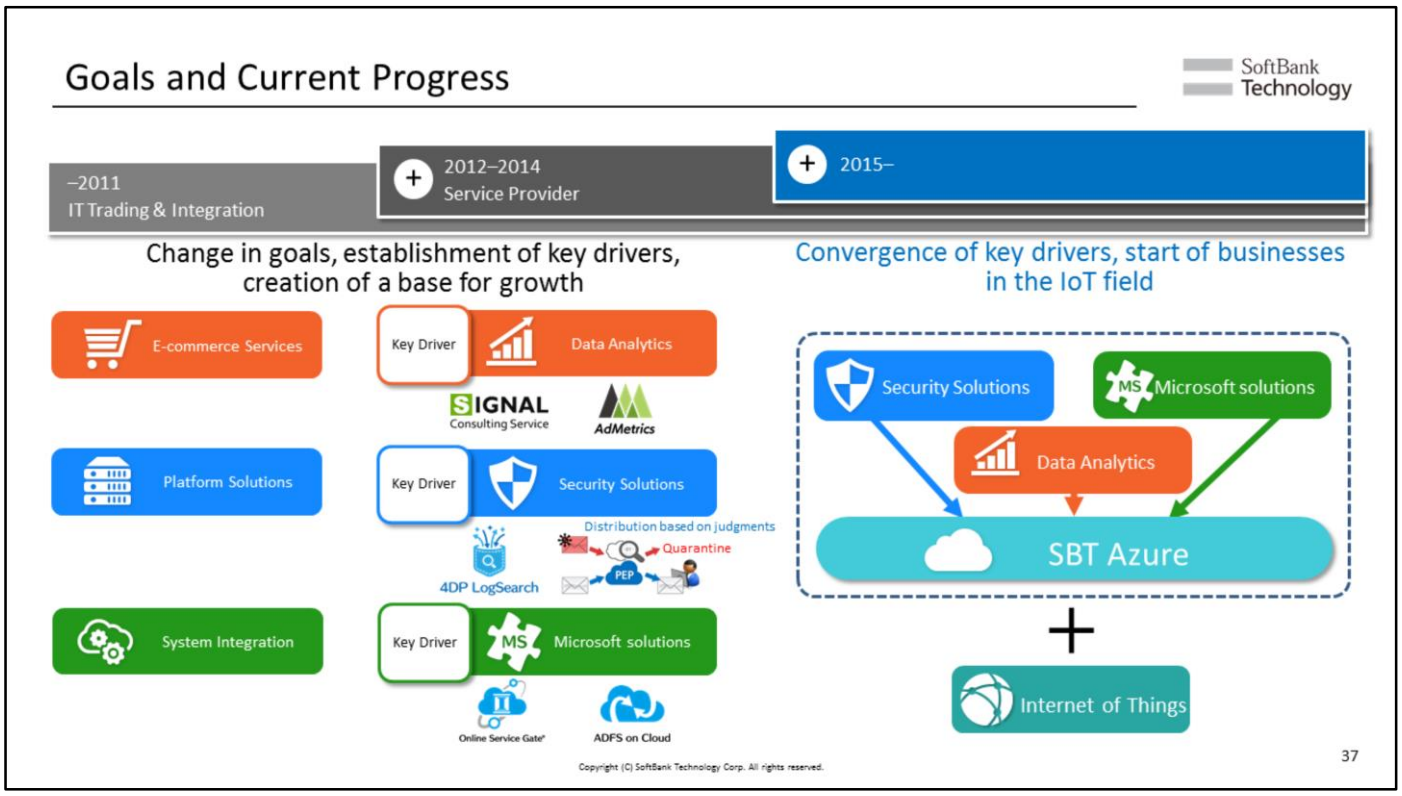
Drones can greatly reduce the cost and time required to perform inspections.
The potential size of the market for this service is enormous because there are approximately 15,000 mega-solar facilities.



In the IoT sector, communications between devices or between devices and the cloud for drones and other applications all require exchanging personal information or other important data. Self-driving cars are one example. Recently, the vulnerability of automotive systems to hacking (cyber attack) has been attracting much attention.

We are thinking about ways to supply a platform with the security measures needed for today's IoT age. We believe that Cybertrust Japan's authentication technology will be vital to creating this platform.

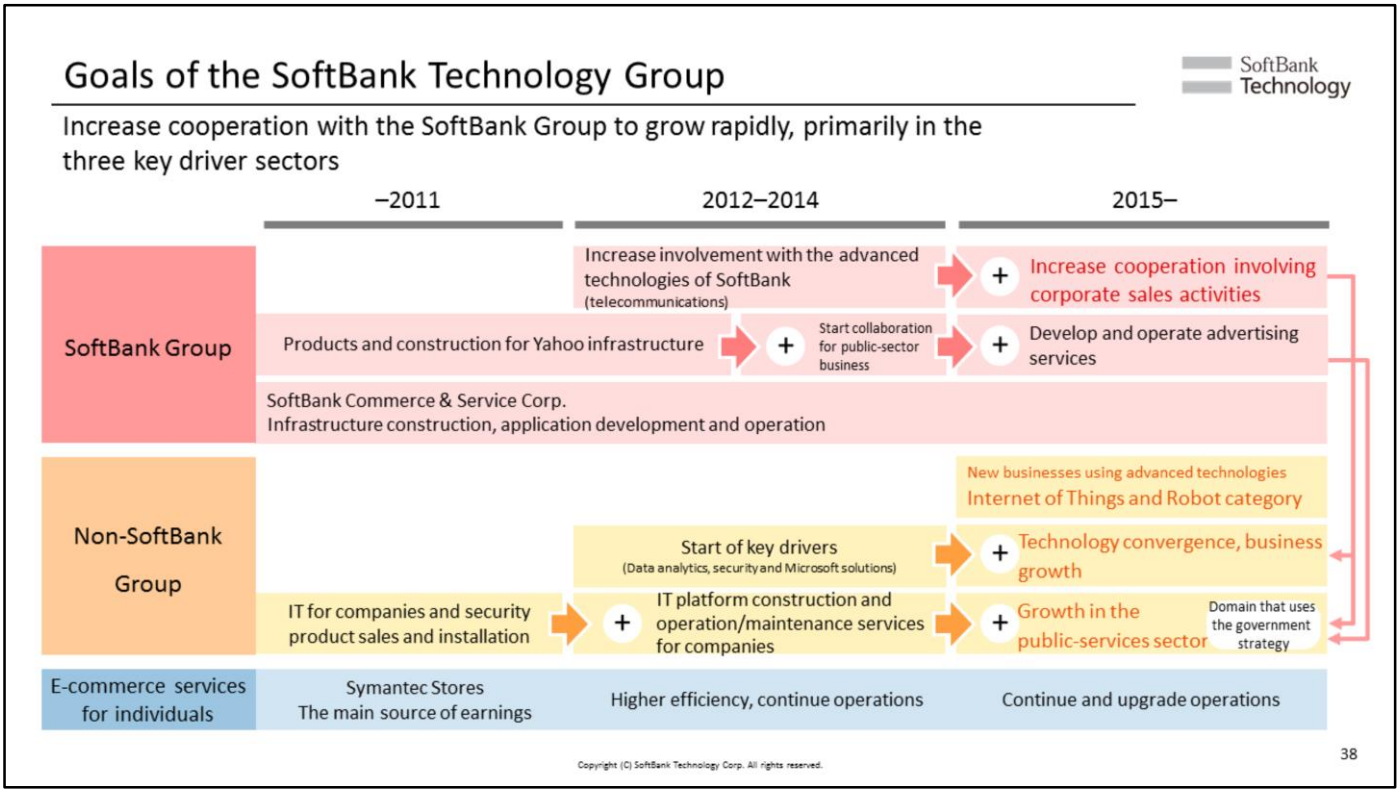
To develop this platform, the four members of the Secure Drone Consortium announced on October 29, 2015 that they will start a joint secure IoT platform business. We foresee more progress in business activities involving with the IoT.



SoftBank Technology was established as a subsidiary of SoftBank (now SoftBank Group) that provides assistance for SoftBank's information systems. Our primary activities became support for the core systems of SoftBank (commerce & service business) and Yahoo and e-commerce services for other companies.

In 2012, we established key drivers for achieving growth through our own initiatives. The structure of our operations changed. Instead of concentrating mainly on a project revenue stream from the sale of hardware, we began shifting to businesses that generate a consistent revenue stream from the continuous provision of services.

In all three key drivers, we have worked with customers and partners to establish a sound presence in their respective markets of these businesses.
Now, our goal is to build a more powerful profit structure by using the cloud for all three key drivers.



My final subject is our goals for each sales channel.

E-commerce services, which sell products to individuals, has accounted for more than half of sales. But growth is difficult to achieve in this business through our own activities.
We made investments in systems over three years starting in 2012. We succeeded in improving operations and raising efficiency in order to create a low-cost structure along with system security. Now we plan to use know-how gained from this accomplishment in other business sectors.

SoftBank Group sales have been derived mainly from system support for retail operations, the sale of network equipment and servers, and technology support.
We were able to upgrade our technologies by participating in the telecommunications business starting in 2012 and assisting with development projects that incorporate advanced technologies.

Corporate and public-sector sales are primarily from the sale of IT and security products purchased from overseas suppliers.
During the past three years, we established three key drivers, enlarged our lineup of original services and made progress with switching to a business model centered on sources of consistent revenue.

There has also been progress concerning synergies and cooperation with the SoftBank Group. For example, in 2013 we started a joint public-sector business with Yahoo that provides support for updating government websites.
In this public-sector business, we have sufficient expertise to provide services on our own. We have also acquired the technologies and infrastructure needed to provide services to central ministries of the Japanese government.

Now we are aiming for more growth of our corporate business by working even more closely with the corporate sales section of SoftBank, particularly in the Microsoft solutions business. Growth of the public-sector business is another goal, mainly for activities involving agricultural land.