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This financial report is solely a translation of "Kessan Tanshin" (in Japanese, including attachments), which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.

April 24, 2014

SoftBank Technology Corp.
Consolidated Financial Report for the Fiscal Year Ended March 31, 2014

[Japanese GAAP]

Company name: SoftBank Technology Corp. (Tokyo Stock Exchange/Code No. 4726)
(URL http://www.softbanktech.co.jp/)
Representative: Shinichi Ata, President & CEO
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Scheduled date of General Shareholders' Meeting: June 18, 2014
Scheduled date of filing of Securities Report: June 18, 2014
Scheduled date of payment of dividend: June 19, 2014
Preparation of supplementary materials for financial results: Yes
Holding of financial results meeting: Yes (for analysts)

(All amounts are rounded down to the nearest million yen)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2014 (April 1, 2013 – March 31, 2014)

(1) Consolidated Results of Operations (Percentages shown for sales and incomes represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended March 31, 2014	36,951	13.0	1,370	(6.4)	1,363	(17.8)	636	(38.9)
Fiscal year ended March 31, 2013	32,703	1.6	1,463	(8.1)	1,658	2.6	1,040	38.1

Note: Comprehensive income (million yen) Fiscal year ended March 31, 2014: 735 (down 29.3%)
Fiscal year ended March 31, 2013: 1,040 (up 24.1%)

	Net income per share	Diluted net income per share	Return on equity	Ordinary income on total assets	Operating income to net sales
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2014	65.74	65.03	6.9	7.9	3.7
Fiscal year ended March 31, 2013	107.53	-	12.2	11.0	4.5

Reference: Equity in earnings of affiliates (million yen) Fiscal year ended March 31, 2014: - Fiscal year ended March 31, 2013: -

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2014	19,218	9,629	49.2	977.93
As of March 31, 2013	15,286	8,945	58.4	922.67

Reference: Shareholders' equity (million yen) As of Mar. 31, 2014: 9,464 As of Mar. 31, 2013: 8,929

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended March 31, 2014	209	(2,418)	(248)	3,752
Fiscal year ended March 31, 2013	1,463	205	(226)	6,209

2. Dividends

	Dividends per share					Total dividends	Payout ratio (consolidated)	Dividend on equity (consolidated)
	1Q-end	2Q-end	3Q-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended March 31, 2013	-	0.00	-	20.00	20.00	193	18.6	2.3
Fiscal year ended March 31, 2014	-	0.00	-	20.00	20.00	193	30.4	2.1
Fiscal year ending March 31, 2015 (forecast)	-	0.00	-	20.00	20.00		19.4	

3. Forecast of Consolidated Operating Results for the Fiscal Year Ending March 31, 2015 (April 1, 2014 – March 31, 2015)

(Percentages represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	18,500	13.6	650	13.9	650	11.3	400	23.2	41.33
Full year	40,000	8.3	1,700	24.1	1,700	24.7	1,000	57.2	103.32

*** Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in changes in scope of consolidation): None

(2) Changes in accounting policies and accounting estimates, and restatements

i. Changes in accounting policies due to revisions in accounting standards, others: Yes

ii. Changes in accounting policies other than i. above: None

iii. Changes in accounting estimates: None

iv. Restatements: None

Note: Please refer to "4. Consolidated Financial Statements, (5) Notes to Consolidated Financial Statements (Changes in Accounting Policies)" on page 16 for further information.

(3) Number of outstanding shares (Common stock)

i. Number of shares outstanding at the end of the period (including treasury shares)

As of March 31, 2014:	10,640,200 shares	As of March 31, 2013:	10,640,200 shares

ii. Number of treasury shares at the end of the period

As of March 31, 2014:	961,890 shares	As of March 31, 2013:	961,890 shares

iii. Average number of shares outstanding during the period

Fiscal year ended March 31, 2014:	9,678,310 shares	Fiscal year ended March 31, 2013:	9,678,334 shares

Reference: Summary of Non-consolidated Financial Results

Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2014 (April 1, 2013 – March 31, 2014)

(1) Non-consolidated Results of Operations (Percentages represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended March 31, 2014	36,105	11.1	1,341	(3.9)	1,328	(15.7)	653	(33.2)
Fiscal year ended March 31, 2013	32,505	1.8	1,396	(10.0)	1,576	0.4	978	32.5

	Net income per share	Diluted net income per share
	Yen	Yen
Fiscal year ended March 31, 2014	67.50	66.77
Fiscal year ended March 31, 2013	101.05	-

(2) Non-consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2014	18,750	9,399	49.9	965.94
As of March 31, 2013	15,099	8,813	58.3	909.03

Reference: Shareholders' equity (million yen) As of March 31, 2014: 9,348 As of March 31, 2013: 8,797

* Indication of audit procedure implementation status

This summary report is not subject to the audit procedures based on the Financial Instruments and Exchange Law. At the time of this disclosure, the audit procedures for the financial statements have not been completed.

* Explanation of appropriate use of operating forecasts, and other special items

Forecasts regarding future performance in this report are based on assumptions judged to be valid and information available to the Company at the time this report was prepared. This report is not promises by the Company regarding future performance. Actual performance may differ significantly from these forecasts for a number of reasons.

Contents of Attachments

1. Overview of Results of Operations and Financial Position

(1) Overview of Results of Operations

i. Consolidated Results of Operations

(Millions of yen) (Yen)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
Fiscal year ended March 31, 2014	36,951	1,370	1,363	636	65.74
Fiscal year ended March 31, 2013	32,703	1,463	1,658	1,040	107.53
Change (%)	13.0	(6.4)	(17.8)	(38.9)	(38.9)

In the fiscal year that ended on March 31, 2014, net sales increased 13.0% year on year to 36,951 million yen, operating income decreased 6.4% to 1,370 million yen, ordinary income decreased 17.8% to 1,363 million yen and net income decreased 38.9% to 636 million yen.

The main factors affecting earnings for the current fiscal year were as follows:

(a) Sales

Sales increased 4,247 million yen to 36,951 million yen.

Sales declined in the eBusiness Services segment, but in Solutions segment, there were increases in sales to the SoftBank Group in the system integration business and in sales to companies outside the SoftBank Group in the Microsoft solutions business. In addition, there was a contribution of 740 million yen to sales from the inclusion of Fontworks Inc. and Kan Corporation in the consolidation starting from the second quarter of the current fiscal year.

(b) Marginal profit

Marginal profit increased 1,488 million yen to 7,701 million yen. The marginal profit ratio increased 1.8 points to 20.8%. This increase was attributable to the improvement in the profit structure resulting from the ongoing shift in business from hardware sales to offering services. In addition, the content services of Fontworks Inc. and Kan Corporation have contributed to the improvement in the marginal profit ratio.

(c) Fixed cost

Fixed costs increased 1,581 million yen to 6,330 million yen.

The number of employees on a consolidated basis was 624 at the end of the current fiscal year, 140 more than one year earlier. The number of employees increased because of aggressive recruiting activities focusing on engineers in order to build the business infrastructure for achieving medium and long-term growth. Fixed costs were higher mainly because of the increases in recruiting and personnel expenses associated with growth of the workforce as well as an increase in the number of consolidated subsidiaries.

(d) Operating income

As a result of the above items (a) to (c), operating income decreased 93 million yen to 1,370 million yen.

(e) Non-operating income and expenses

Net non-operating expenses increased 201 million yen to 6 million yen.

This was due to the recording of special dividend income of 186 million yen in the previous fiscal year, a one-time item associated with the sale of stock of an equity-method affiliate.

(f) Extraordinary income or losses

Net extraordinary losses increased 80 million yen to 171 million yen.

This was due to the recording of an extraordinary loss of 128 million yen in association with the relocation of the head office in February 2014.

(g) Income taxes

Total income taxes increased 21 million yen to 548 million yen.

Although taxes were lower because of the payment in the previous fiscal year of taxes on the above-mentioned special dividend income and other factors, income taxes increased mainly because of the reversal of deferred tax assets in association with the end of the special corporate tax for reconstruction in the current fiscal year.

(h) Net income

As a result of the above items (e) to (g), net income decreased 404 million yen to 636 million yen.

Business segment performance was as follows.

(Millions of yen)

	Fiscal year ended March 31, 2013		Fiscal year ended March 31, 2014		Change	
	Net sales	Operating income	Net sales	Operating income	Net sales	Operating income
eBusiness Services	18,516	875	18,390	671	(125)	(203)
Solutions	14,186	588	18,560	698	4,373	110
Consolidated total	32,703	1,463	36,951	1,370	4,247	(93)

eBusiness Services

Segment sales decreased 0.7% to 18,390 million yen and operating income decreased 23.3% to 671 million yen.

The main reason for the lower sales was a 505 million yen (3.1%) decline in sales in the Symantec Store business in Japan to 16,018 million yen. In particular, sales of security software decreased because of a drop in unit prices. Furthermore, in the Web marketing business, consulting business were higher. But website access analysis tools were down due to the end of a relationship with a large client.

Solutions

Segment sales increased 30.8% to 18,560 million yen and operating income increased 18.8% to 698 million yen.

There were extensive recruiting activities and measures to upgrade technological capabilities as part of our growth strategy. These measures generated strong growth in the system integration business sales to the SoftBank Group. There was growth in technical support projects in the telecommunications business in addition to the projects in the retail business. Sales to companies outside the SoftBank Group were higher in the Microsoft solutions business. Marginal profit was higher because of increases in sales and profitability. Consequently, operating income in this segment was higher despite the increase in fixed costs, d.

ii. Consolidated Forecasts for the Fiscal Year Ending March 31, 2015

(Millions of yen) (Yen)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
Fiscal year ending March 31, 2015 (Forecast)	40,000	1,700	1,700	1,000	103.32
Fiscal year ended March 31, 2014 (Results)	36,951	1,370	1,363	636	65.74
Change (Ratio)	8.3%	24.1%	24.7%	57.2%	57.2%

In the fiscal year ending on March 31, 2015, we expect that net sales of 40,000 million yen, up 8.3%, operating income of 1,700 million yen, up 24.1%, ordinary income of 1,700 million yen, up 24.7%, and net income of 1,000 million yen, up 57.2%.

We will continue to make progress with the strategy of “transitioning businesses into services.” The aim is to shift from one-time business activities like the hardware sales, which are vulnerable to changes in customer demand, to a structure consisting mainly of recurring businesses by offering services. Another goal is to improve profitability by increasing productivity and efficiency.

We expect Cybertrust Japan Co., Ltd., which became a consolidated subsidiary on April 8, to contribute to consolidated earnings starting in the first quarter.

(2) Overview of Financial Position

i. Assets, Liabilities, and Net Assets

(Millions of yen)

	As of March 31, 2013	As of March 31, 2014	Change
Total assets	15,286	19,218	3,931
Net assets	8,945	9,629	683
Shareholders' equity ratio	58.4%	49.2%	(9.2) points
Net assets per share	922.67 yen	977.93 yen	55.27 yen

Assets

Total assets increased 3,931 million yen from the end of the previous fiscal year to 19,218 million yen at the end of the current fiscal year.

Current assets increased 404 million yen mainly due to an increase in notes and accounts receivable-trade, while there was a decrease in cash and deposits. Main causes of decrease was cash outlays for making Fontworks Inc. and Kan Corporation consolidated subsidiaries.

Non-current assets increased 3,527 million yen. It was mainly due to an increase in property, plant and equipment resulting from the relocation of the head office in February 2014 and an increase in intangible assets associated with making Fontworks Inc. a consolidated subsidiary.

Liabilities

Total liabilities increased 3,248 million yen from the end of the previous fiscal year to 9,589 million yen at the end of the current fiscal year.

Current liabilities increased 2,031 million yen. It was mainly because of an increase in accounts payable-trade due to the increased purchases in the fourth quarter and an increase in accounts payable-other resulting from the relocation of the head office in February 2014.

Non-current liabilities increased 1,217 million yen. It was mainly due to an increase in deferred tax liabilities for making Fontworks Inc. a consolidated subsidiary and an increase in lease obligations resulting from the relocation of the head office.

Net assets

Net assets increased 683 million yen from the end of the previous fiscal year to 9,629 million yen at the end of the current fiscal year. It was mainly due to an increase in retained earnings.

ii. Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2013	Fiscal year ended March 31, 2014	Change
Cash flows from operating activities	1,463	209	(1,253)
Cash flows from investing activities	205	(2,418)	(2,624)
Cash flows from financing activities	(226)	(248)	(22)
Net increase (decrease) in cash and cash equivalents	1,442	(2,457)	(3,900)
Cash and cash equivalents at end of period	6,209	3,752	(2,457)

Cash and cash equivalents at the end of the current fiscal year decreased 2,457 million yen over the end of the previous fiscal year to 3,752 million yen.

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

Cash flows from operating activities

Net cash provided by operating activities decreased 1,253 million yen to 209 million yen. In addition to a decrease in net income, working capital increased due to higher sales in March, which was the end of the fourth quarter.

Cash flows from investing activities

Net cash used in investing activities decreased 2,624 million yen to 2,418 million yen. Major uses of cash include the acquisition of shares of Fontworks Inc. and Kan Corporation, and the purchase of property, plant and equipment in association with the relocation of the head office.

Cash flows from financing activities

Net cash used in financing activities decreased 22 million yen to 248 million yen, mainly due to the repayment of subsidiaries' borrowings.

(3) Fundamental Policy for Distribution of Profit, and Dividend for the Fiscal Year

SoftBank Technology is dedicated to expanding business operations, increasing earnings and strengthening financial soundness from a long-term perspective as well as to increasing shareholders' equity. Free cash flows are used for increasing corporate value by funding personnel training and technology development as well as investments for the growth of established businesses and the launch of new businesses. The fundamental policy regarding the dividend is to consistently pay a stable dividend while confirming results of operations amid rapidly changing market conditions and taking into consideration the need for retained earnings and other factors.

In accordance with this policy, the year-end ordinary dividend for the fiscal year that ended on March 31, 2014 is expected to be 20 yen per share, the same as one year earlier.

Retained earnings will be used to strengthen business operations in order to adapt to upcoming changes in the operating environment, for investments associated with mergers, acquisitions and business alliances, and for other purposes.

2. The SoftBank Technology Group

The SoftBank Technology Group (the Company and its group companies; hereinafter "the Company Group") consists of the Company (SoftBank Technology Corp.) and its six consolidated subsidiaries. The Company Group operates the following eBusiness Services and Solutions businesses.

(1) eBusiness Services

The eBusiness Services business provides business process outsourcing services for e-commerce, such as the Symantec Store business, consulting services based on website access analysis, and solutions and services associated with e-business activities such as web font services and e-commerce platform services.

(2) Solutions

The Solutions business provides design, introduction, operation and maintenance services for networks, servers, storages and other ICT platforms. Activities also include the construction and operation of security systems and the provision of solutions involving cloud services.

3. Management Policies

(1) Basic Management Policy

The Company Group is guided by the corporate philosophy of "Information Revolution –Happiness for everyone: Harnessing the Power of Technology to Build a Brighter Future." We are constantly acquiring expertise involving the latest ICT advances in order to supply client companies with the best and most suitable ICT solutions.

(2) Management Parameters

The Company Group uses sales marginal profit and fixed cost as the indicators to supervise the performance of individual solution categories and projects. By making extensive use of these management tools, we aim to ensure the visibility of these indicators and increase the speed of decision-making.

(3) Medium to Long-term Strategies

i. The SoftBank Group, to which the Company Group belongs, is guided by the slogan "Information Revolution – Happiness for everyone". Each group company aims to become the most reliable company among customers in each field by demonstrating mutual collaboration. The Company Group is dedicated to constantly acquiring advanced ICT expertise with the goal of serving as the core ICT services organization within the SoftBank Group.

   In addition, the Company Group will use its advanced technologies and other knowledge acquired from providing support for operations in the SoftBank Group, particularly in the telecommunications sector, to develop unique solutions and services and offer them to client companies.

ii. The Company Group promotes the previous policy of "transitioning businesses into services." By shifting from one-time businesses of hardware sales to a structure consisting of recurring business by offering services, we will strengthen the profit structure. In addition, we will use the stable profit structure as a foundation to create new businesses and services and to take many actions involving capital, including the possibility of mergers and acquisitions.

iii. In order to implement these medium-term business strategies, the Company Group will recruit many people for technology and sales positions and develop the skills of all employees. For administrative activities, there will be more shared services and the use of shared systems and other infrastructure components in order to boost efficiency across the entire Group. Furthermore, corporate governance will be upgraded by establishing and reinforcing frameworks for compliance with laws and regulations and for internal controls.

(4) Important Management Issues

The speed of changes in the operating environment for ICT service companies is becoming even faster. Examples include the globalization of ICT platforms due to the overseas operations of companies and the increasing use of cloud computing. ICT service companies also need to meet needs involving big data solutions, data science service businesses and Japan's upcoming national identification number system. To succeed, these companies must meet the demands of client companies with proposals that are speedy and flexible. SoftBank Technology will utilize the resources of all of its group companies, including new subsidiaries Fontworks Inc. and Kan Corporation, and gain expertise involving the latest advances in ICT. The objective is to achieve sustained growth by supplying client companies with services that have substantial added value.

i. Collaboration with the SoftBank Group

The Company Group is the primary source of ICT services within the SoftBank Group, which is a leader in the Internet business sector. The goal is to acquire expertise involving advanced ICT and accumulate other knowledge through the provision of services to SoftBank Group companies, particularly system integration services in the telecommunications business. Moreover, we will make extensive use of this ICT knowledge to create ICT services with substantial added value and reinforce the business foundation.

ii. The Microsoft Solutions business

SoftBank Technology has allocated a substantial amount of human resources to Microsoft Solutions. These solutions include a service for the introduction of Microsoft's Office 365 and the development and provision of exclusive solutions and services in conjunction with Microsoft Azure. A growing number of client companies have been using these services. The Corporate Group continues to position Microsoft Solutions as a major source of growth. To meet the demands of client companies, we will continue to increase human resources used for this business and develop innovative, value-added services.

iii. Start new business platforms

The Web marketing business has been taking many actions to make its operations even more powerful, including signing a partnership agreement with Google. Furthermore, this business has received the Best Partner Award for three consecutive years from Adobe Systems, a major provider of web analysis tools.

By continuing to enlarge the Web marketing business, we aim to start offering big data solutions and data science services. The data management domain is the foundation for big data solutions. In this field, we will continue to reinforce the technological base. Actions will include training employees to become database engineers certified by Oracle or Cloudera and recruiting web analytics consultants and statisticians. In addition, to reinforce the framework for supplying specific measures that utilize big data, a business alliance has been established with Mode2 inc., a provider of marketing strategy proposals. We will continue to make investments in the data management field.

iv. Changes in the ECBPO business environment

Changes that are occurring in the business environment for Symantec Store business have created a need to improve the profit structure. Our goal is to achieve renewed growth of this business by taking full advantage of know-how gained from the operation of these stores for many years. Furthermore, this knowledge will be utilized for sales activities aimed at capturing more BPO businesses.

v. Build a sound profit structure

Our growth strategy has produced significant growth in system integration services provided to the SoftBank Group and in the Microsoft solutions business, which serves companies outside this group. Both businesses are now core elements of our profit structure. Despite this progress, there is a need to make the profit structure even stronger by making more business investments in big data solutions, data science services and other fields.

The Company Group will reexamine internal systems and processes in order to improve efficiency and take actions aimed at cutting operating expenses. Furthermore, by making the performance of all businesses as well as engineering resources more visible, we plan to increase profitability with initiatives for cutting outsourcing, temporary staffing and other external expenses.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheet

(Thousands of yen)

	FY3/13 (As of March 31, 2013)	FY3/14 (As of March 31, 2014)
Assets		
Current assets		
Cash and deposits	6,209,901	3,830,820
Notes and accounts receivable-trade	5,051,203	7,136,219
Securities	99,900	-
Merchandise	28,718	39,904
Work in process	149,179	117,382
Deferred tax assets	162,870	210,848
Other	561,379	1,315,343
Allowance for doubtful accounts	(25,197)	(8,360)
Total current assets	12,237,954	12,642,158
Non-current assets		
Property, plant and equipment		
Buildings	296,728	506,613
Accumulated depreciation	(151,212)	(48,012)
Buildings, net	145,516	458,601
Tools, furniture and fixtures	1,173,474	1,774,128
Accumulated depreciation	(887,039)	(873,190)
Tools, furniture and fixtures, net	286,435	900,937
Construction in progress	-	39,946
Total property, plant and equipment	431,951	1,399,485
Intangible assets		
Goodwill	-	961,533
Software	642,503	766,458
Software in progress	41,949	171,117
Customer relationships	-	718,474
Other	11,787	13,121
Total intangible assets	696,240	2,630,706
Investments and other assets		
Investment securities	954,012	1,078,723
Deferred tax assets	333,684	242,023
Other	632,918	1,283,730
Allowance for doubtful accounts	-	(58,460)
Total investments and other assets	1,920,614	2,546,017
Total non-current assets	3,048,806	6,576,208
Total assets	15,286,761	19,218,367

(Thousands of yen)

	FY3/13 (As of March 31, 2013)	FY3/14 (As of March 31, 2014)
Liabilities		
Current liabilities		
Accounts payable-trade	3,990,375	4,804,803
Lease obligations	33,723	93,717
Accounts payable-other	467,542	1,439,272
Income taxes payable	283,925	283,825
Provision for bonuses	302,616	389,128
Provision for loss on order received	3,943	1,087
Other	794,655	895,956
Total current liabilities	5,876,781	7,907,790
Non-current liabilities		
Bonds payable	-	200,000
Lease obligations	26,779	572,198
Deferred tax liabilities	-	179,659
Long-term advances received	358,803	333,947
Negative goodwill	4,480	896
Net defined benefit liability	-	56,510
Asset retirement obligations	74,046	163,156
Other	-	174,910
Total non-current liabilities	464,110	1,681,278
Total liabilities	6,340,891	9,589,069
Net assets		
Shareholders' equity		
Capital stock	634,555	634,555
Capital surplus	712,204	712,204
Retained earnings	8,286,159	8,728,873
Treasury shares	(747,634)	(747,634)
Total shareholders' equity	8,885,285	9,327,999
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	44,159	135,180
Foreign currency translation adjustment	434	1,576
Total accumulated other comprehensive income	44,594	136,756
Subscription rights to shares	15,990	51,113
Minority interests	-	113,428
Total net assets	8,945,869	9,629,297
Total liabilities and net assets	15,286,761	19,218,367

(2) Consolidated Statements of Income and Comprehensive Income

(Thousands of yen)

	FY3/13 (April 1, 2012 to March 31, 2013)	FY3/14 (April 1, 2013 to March 31, 2014)
Net sales	32,703,309	36,951,204
Cost of sales	29,300,725	32,794,070
Gross profit	3,402,583	4,157,134
Selling, general and administrative expenses	1,938,764	2,786,762
Operating income	1,463,819	1,370,372
Non-operating income		
Interest income	26,581	7,637
Dividend income	189,693	5,741
Dividend income of insurance	3,645	4,660
Miscellaneous income	21,755	10,688
Total non-operating income	241,676	28,727
Non-operating expenses		
Interest expenses	2,597	5,018
Loss on investments in partnership	20,811	15,878
Foreign exchange losses	-	7,126
Commission fee	24,079	3,000
Miscellaneous loss	4	4,612
Total non-operating expenses	47,493	35,635
Ordinary income	1,658,003	1,363,463
Extraordinary income		
Gain on sales of non-current assets	456	-
Total extraordinary income	456	-
Extraordinary losses		
Impairment loss	66,945	39,119
Loss on valuation of investment securities	21,706	3,066
Head office transfer cost	-	128,815
Other	2,125	-
Total extraordinary losses	90,776	171,001
Income before income taxes and minority interests	1,567,682	1,192,461
Income taxes-current	563,490	528,722
Income taxes-deferred	(36,487)	20,142
Total income taxes	527,002	548,865
Income before minority interests	1,040,679	643,596
Minority interests in income	-	7,316
Net income	1,040,679	636,280
Minority interests in income	-	7,316
Income before minority interests	1,040,679	643,596
Other comprehensive income		
Valuation difference on available-for-sale securities	(199)	91,020
Foreign currency translation adjustment	434	1,142
Total other comprehensive income	234	92,162
Comprehensive income	1,040,914	735,759
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,040,914	728,443
Comprehensive income attributable to minority interests	-	7,316

(3) Consolidated Statement of Changes in Equity

FY3/13 (April 1, 2012 to March 31, 2013)

(Thousands of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	634,555	712,204	7,439,046	(747,604)	8,038,202
Changes of items during period					
Dividends of surplus	-	-	(193,566)	-	(193,566)
Net income	-	-	1,040,679	-	1,040,679
Purchase of treasury shares	-	-	-	(29)	(29)
Net changes of items other than shareholders' equity	-	-	-	-	-
Total changes of items during period	-	-	847,112	(29)	847,082
Balance at end of current period	634,555	712,204	8,286,159	(747,634)	8,885,285

	Accumulated other comprehensive income			Subscription rights to shares	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of current period	44,359	-	44,359	-	8,082,562
Changes of items during period					
Dividends of surplus	-	-	-	-	(193,566)
Net income	-	-	-	-	1,040,679
Purchase of treasury shares	-	-	-	-	(29)
Net changes of items other than shareholders' equity	(199)	434	234	15,990	16,224
Total changes of items during period	(199)	434	234	15,990	863,307
Balance at end of current period	44,159	434	44,594	15,990	8,945,869

FY3/14 (April 1, 2013 to March 31, 2014)

(Thousands of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	634,555	712,204	8,286,159	(747,634)	8,885,285
Changes of items during period					
Dividends of surplus	-	-	(193,566)	-	(193,566)
Net income	-	-	636,280	-	636,280
Purchase of treasury shares	-	-	-	-	-
Net changes of items other than shareholders' equity	-	-	-	-	-
Total changes of items during period	-	-	442,714	-	442,714
Balance at end of current period	634,555	712,204	8,728,873	(747,634)	9,327,999

	Accumulated other comprehensive income			Subscription rights to shares	Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of current period	44,159	434	44,594	15,990	-	8,945,869
Changes of items during period						
Dividends of surplus	-	-	-	-	-	(193,566)
Net income	-	-	-	-	-	636,280
Purchase of treasury shares	-	-	-	-	-	-
Net changes of items other than shareholders' equity	91,020	1,142	92,162	35,122	113,428	240,713
Total changes of items during period	91,020	1,142	92,162	35,122	113,428	683,427
Balance at end of current period	135,180	1,576	136,756	51,113	113,428	9,629,297

(4) Consolidated Statement of Cash Flows

(Thousands of yen)

	FY3/13 (April 1, 2012 to March 31, 2013)	FY3/14 (April 1, 2013 to March 31, 2014)
Cash flows from operating activities		
Income before income taxes and minority interests	1,567,682	1,192,461
Depreciation	361,778	491,584
Impairment loss	66,945	39,119
Head office transfer cost	-	128,815
Amortization of goodwill	(3,584)	76,216
Share-based compensation expenses	15,990	29,620
Increase (decrease) in allowance for doubtful accounts	3,010	(19,509)
Increase (decrease) in provision for bonuses	11,129	62,540
Increase (decrease) in net defined benefit liability	-	7,346
Increase (decrease) in provision for loss on order received	(22,116)	(2,855)
Interest and dividend income	(216,275)	(13,378)
Interest expenses	2,597	5,018
Loss (gain) on investments in partnerships	20,811	15,878
Loss (gain) on valuation of investment securities	21,706	3,066
Decrease (increase) in notes and accounts receivable-trade	436,337	(1,952,067)
Decrease (increase) in inventories	14,112	22,151
Decrease (increase) in operating receivables	(106,586)	(76,558)
Increase (decrease) in notes and accounts payable-trade	(319,118)	806,103
Increase (decrease) in accrued consumption taxes	5,870	(44,950)
Increase (decrease) in operating debt	160,087	16,805
Other, net	(4,148)	123
Subtotal	2,016,229	787,533
Interest and dividend income received	216,211	12,162
Interest expenses paid	(2,597)	(5,018)
Income taxes paid	(766,555)	(585,280)
Net cash provided by (used in) operating activities	1,463,287	209,395
Cash flows from investing activities		
Proceeds from withdrawal of time deposits	-	330,130
Purchase of property, plant and equipment	(194,437)	(312,625)
Purchase of intangible assets	(400,869)	(495,101)
Proceeds from redemption of securities	600,000	100,000
Purchase of investment securities	(5,327)	-
Proceeds from sales and redemption of investment securities	222,993	3,000
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(1,497,519)
Collection of loans receivable	4,750	1,148
Payments for guarantee deposits	(34,091)	(539,309)
Proceeds from collection of guarantee deposits	4,918	429
Other, net	7,910	(9,013)
Net cash provided by (used in) investing activities	205,846	(2,418,861)
Cash flows from financing activities		
Repayments of long-term loans payable	-	(25,720)
Purchase of treasury shares	(29)	-
Cash dividends paid	(193,998)	(193,967)
Repayments of lease obligations	(32,565)	(34,707)
Other, net	-	5,502
Net cash provided by (used in) financing activities	(226,593)	(248,892)
Effect of exchange rate change on cash and cash equivalents	434	1,142
Net increase (decrease) in cash and cash equivalents	1,442,974	(2,457,215)
Cash and cash equivalents at beginning of period	4,766,926	6,209,901
Cash and cash equivalents at end of period	6,209,901	3,752,685

(5) Notes to Consolidated Financial Statements

Going Concern Assumption

Not applicable.

Basis of Presentation of Consolidated Financial Statements

1. Scope of consolidation
   (1) Consolidated subsidiaries: 6
   M-SOLUTIONS, Inc.
   Fontworks Inc.
   Kan Corporation
   Mobile Interface Corporation
   Solution Business Technology Hong Kong Ltd.
   SOLUTION BUSINESS TECHNOLOGY KOREA Ltd.
   Fontworks Inc. and Kan Corporation were included in the scope of consolidation in the current fiscal year following the acquisition of shares by SoftBank Technology Corp. ("the Company").

   (2) Nonconsolidated subsidiaries
   Not applicable.

2. Application of equity method
   (1) Equity method affiliates
   Not applicable.

   (2) Non-consolidated subsidiaries and affiliates to which equity method is not applied
   Not applicable.

3. Fiscal year of consolidated subsidiaries
   The fiscal year of consolidated subsidiary Kan Corporation ends on January 31.
   The consolidated financial statements include the financial statements of a consolidated subsidiary as of January 31. Necessary adjustments have been made for the consolidation concerning material transactions arising between February 1 and March 31.

4. Accounting procedures
   (1) Evaluation standards and methods for major assets
   i. Securities
   Available-for-sale securities
   With market quotations:
   Stated at fair value, which represents the market prices at the balance sheet date (unrealized gain/loss is included as a separate component in equity, net of tax, while cost is determined using the moving-average method)
   Without market quotations:
   Stated at cost based on the moving-average method
   Investments in investment partners and similar partners (those that are deemed as securities in Paragraph 2, Article 2 of the Financial Instruments and Exchange Law of Japan) are stated on the method that includes the portion equivalent to equity in net value based on the latest financial reports available according to the reporting date prescribed in the partnership agreement.

ii. Inventories

(a) Merchandise

Stated at cost based on the gross average method (the balance sheet value is calculated by way of inventory write-down based on decreased profitability)

(b) Work in process

Stated at cost based on the identified cost method (the balance sheet value is calculated by way of inventory write-down based on decreased profitability)

(2) Depreciation and amortization of major depreciable assets

i. Property, plant and equipment (excluding leased assets)

Computed using the declining-balance method

Main durable years are as follows:

Buildings:	8 to 15 years
Tools, furniture and fixtures:	4 to 15 years

ii. Intangible assets (excluding leased assets)

Computed using the straight-line method

Software for internal use is amortized on the straight-line method over the period of internal use, i.e., 3 to 5 years.

Software for sales purpose is amortized over the amortization amount based on the estimated sales revenue or the equal amortization amount based on the remaining effective period (within 3 years), whichever is larger.

iii. Leased assets

Straight-line method with the lease period as the durable years and residual value as zero (in the case of agreements stipulating the residual value assured, the residual value concerned is adopted).

(3) Accounting principles for major allowances and reserves

i. Allowance for doubtful accounts

To prepare for uncollectible credits such as trade receivables and loans receivable, allowance for doubtful accounts for ordinary credits is calculated based on the actual bad debt ratio, and a specific allowance for doubtful accounts deemed to be uncollectible is calculated considering the collectability of such accounts.

ii. Reserve for bonuses

Reserve for bonuses for employees in the amount of estimated bonuses attributed to the relevant fiscal year is recorded.

iii. Provision for loss on order received

To provide for future loss on order contracts, the Company accounts for the estimated amount that is larger than the balance of work in process of the projects received on hand at the end of the current fiscal year, which are highly likely to incur losses and possible to estimate the amount on a reasonable basis.

(4) Accounting treatment methods for retirement benefits

Some consolidated subsidiaries calculate net defined benefit liability and retirement benefit expenses by using a simplified method in which the retirement benefit obligations are equal to the amount that would be paid if all employees voluntarily requested retirement benefits at the end of the fiscal year.

(5) Accounting standard for recording material revenues and costs

Accounting standards for recording amounts of completed work and cost of completed work

i. Percentage-of-completion method is applied to a contract if the outcome of the construction contract can be estimated reliably as of the end of the current fiscal year (estimate of percent of completion is based on the cost-to-cost method).

ii. Completed-contract method is applied to other construction contracts.

(6) Method and period of amortization of goodwill

Goodwill is amortized by straight-line method over an effective period estimated reasonably. However, goodwill is amortized at once for small amounts.

(7) Scope of cash in the consolidated statement of cash flows

Cash equivalents recognized as cash in the consolidated statement of cash flows are short term investments that are liquid, maturing within three months from the date of acquisition, easily convertible, and carry little risk of price fluctuations.

(8) Other significant matter for preparing consolidated financial statements

Processing method of consumption taxes

The tax exclusion method is applied.

Changes in Accounting Policies

Application of the accounting standard for retirement benefits

The Company has changed its accounting treatment to record the retirement benefit obligations as a net defined benefit liability following the application of the "Accounting Standard for Retirement Benefits (Accounting Standards Board of Japan (ASBJ) Statement No. 26, May 17, 2012; excluding the provisions set forth in Clause 35) and "Guidance on Accounting Standard for Retirement Benefits (ASBJ Guidance No. 25, May 17, 2012; excluding the provisions set forth in Clause 67)" from the end of the current fiscal year.

The result was a net defined benefit liability of 56,510 thousand yen as of the end of the current fiscal year.

Reclassifications

Consolidated Statement of Income

"Dividend income of life insurance," included in "Miscellaneous income" under "Non-operating income" in the previous fiscal year, is reclassified and presented as a separate line item in the current fiscal year since the amount exceeded 10/100 of total non-operating income. To conform to this change, the consolidated financial statements for the previous fiscal year are reclassified.

As a result, "Miscellaneous income" (25,401 thousand yen) under "Non-operating income" shown in the previous fiscal year's consolidated statement of income is reclassified and divided into "Dividend income of life insurance" (3,645 thousand yen) and "Miscellaneous income" (21,755 thousand yen).

Consolidated Statement of Cash Flows

"Share-based compensation expenses," included in "Other" under "Cash flows from operating activities" in the previous fiscal year, is reclassified and presented as a separate line item in the current fiscal year since it has increased the materiality of impact in the context of consolidated financial statements. To conform to this change, the consolidated financial statements for the previous fiscal year are reclassified.

As a result, "Other" (11,841 thousand yen) under "Cash flows from operating activities" shown in the previous fiscal year's consolidated statement of income is reclassified and divided into "Share-based compensation expenses" (15,990 thousand yen) and "Other" (-4,148 thousand yen).

Notes to Consolidated Statements of Income and Comprehensive Income

There is a head office transfer cost of 128,815 thousand yen under extraordinary losses for expenses associated with the relocation of the head office in February 2014. This loss includes an impairment loss on the assets that will no longer be used and leasing expenses at the previous head office while this location is restored to its original condition.

Notes to Consolidated Statement of Cash Flows

Reconciliation of cash and cash equivalents of the statement of cash flows and account balances of balance sheet is made as follows.

(Thousands of yen)

	FY3/13 (April 1, 2012 to March 31, 2013)	FY3/14 (April 1, 2013 to March 31, 2014)
Cash and deposits	6,209,901	3,830,820
Time deposits with maturities over 3 months	-	(78,134)
Securities account	99,900	-
Bonds with maturities over 3 months	(99,900)	-
Cash and cash equivalents	6,209,901	3,752,685

Segment and Other Information

Segment Information

1. Overview of reportable segments

The reportable segments of the Company, among its constituent units, are those for which separate financial statements can be obtained and which are regularly examined by the Board of Directors for determining the allocation of management resources and for assessing performance.

The Company establishes business divisions by product and service and each of them develops comprehensive strategies for products and services it deals in and conducts business activities.

Therefore, the Company has business-division-based segments by product and service and has two reportable segments: eBusiness Services and Solutions. eBusiness Services segment provides solutions and services of EC business process outsourcing, EC platform services, web marketing, and web fonts. Solutions segment provides introduction support for platform integration, network integration, system integration, operation and maintenance services, and the solutions provided by Microsoft.

2. Methods of calculating sales, income or loss, and other items by reportable segment

The accounting treatment methods used for reportable segments are the same as those described in the "Basis of Presentation of Consolidated Financial Statements."

3. Information on amounts of sales, income or loss, and other items by reportable segment

FY3/13 (April 1, 2012 to March 31, 2013)

(Thousands of yen)

	eBusiness Services	Solutions	Total	Adjustments (Note 1)	Amounts recorded in consolidated financial statements (Note 2)
Net sales					
Customers	18,516,392	14,186,917	32,703,309	-	32,703,309
Inter-segment	-	-	-	-	-
Total	18,516,392	14,186,917	32,703,309	-	32,703,309
Segment income	875,517	588,301	1,463,819	-	1,463,819
Other items					
Depreciation	144,861	157,385	302,246	59,531	361,778
Increase in property, plant and equipment, and intangible assets	206,497	161,457	367,954	251,208	619,162

Notes:

1. The 251,208 thousand yen adjustment for increase in property, plant and equipment and intangible assets represents the amount of investments in the development of the internal document management system and other items.
2. Segment income matches the operating income in the consolidated statements of income and comprehensive income.
3. The Company does not allocate assets to business segments.

FY3/14 (April 1, 2013 to March 31, 2014)

(Thousands of yen)

	eBusiness Services	Solutions	Total	Adjustments (Note 1)	Amounts recorded in consolidated financial statements (Note 2)
Net sales					
Customers	18,390,517	18,560,686	36,951,204	-	36,951,204
Inter-segment	-	-	-	-	-
Total	18,390,517	18,560,686	36,951,204	-	36,951,204
Segment income	671,563	698,808	1,370,372	-	1,370,372
Other items					
Depreciation	183,974	172,300	356,275	135,308	491,584
Increase in property, plant and equipment, and intangible assets	232,731	240,977	473,709	1,153,330	1,627,039

Notes:

1. The 1,153,330 thousand yen adjustment for increase in property, plant and equipment and intangible assets represents the amount of investments for purchasing the various furniture, fixtures and equipment in association with the relocation of the head office, and other items.
2. Segment income matches the operating income in the consolidated statements of income and comprehensive income.
3. The Company does not allocate assets to business segments.

4. Information on impairment loss of non-current assets by reportable segment

FY3/13 (April 1, 2012 to March 31, 2013)

(Thousands of yen)

	eBusiness Services	Solutions	Elimination or corporate	Total
Impairment loss	7,185	59,760	-	66,945

FY3/14 (April 1, 2013 to March 31, 2014)

(Thousands of yen)

	eBusiness Services	Solutions	Elimination or corporate	Total
Impairment loss	30,542	3,480	71,806	105,829

Notes:

1. Amount for “Elimination or corporate” represents impairment losses for corporate assets that are not allocated to any reportable segment.
2. Impairment losses on “Corporate” amounting 66,709 thousand yen was recorded as “Head office transfer cost” under the extraordinary losses.

Per Share Data

(Yen)

	FY3/13 (April 1, 2012 to March 31, 2013)	FY3/14 (April 1, 2013 to March 31, 2014)
Net assets per share	922.67	977.93
Net income per share	107.53	65.74
Diluted net income per share	-	65.03

Notes:
1. Diluted net income per share for FY3/13 is not shown in above table because there are no residual shares having possibilities of diluting stock value.
2. Basic data for computation of net income per share and diluted net income per share is as follows:

	FY3/13 (April 1, 2012 to March 31, 2013)	FY3/14 (April 1, 2013 to March 31, 2014)
Net income per share		
Net income (Thousands of yen)	1,040,679	636,280
Amounts not allocated to common shareholders (Thousands of yen)	-	-
Net income allocated to common stock (Thousands of yen)	1,040,679	636,280
Average number of shares outstanding during the period (Shares)	9,678,334	9,678,310
Diluted net income per share		
Adjusted to net income (Thousands of yen)	-	-
Increase in common stock (Shares)	-	106,800
Residual shares, which do not dilute net income per share	Subscription rights to shares: Board of Directors' resolution on Jun. 20, 2012 Common stock of 291,000 shares	Subscription rights to shares: Board of Directors' resolution on May 20, 2013 Common stock of 550,200 shares Board of Directors' resolution on Nov. 27, 2013 Common stock of 152,000 shares

Significant Subsequent Events

Transaction Under Common Control

Acquisitions of companies by purchasing shares

Summary of the transaction

(1) Name and business of company involving business combination

Name:	Cybertrust Japan Co., Ltd.
Business:	Certification service, security solutions, and managed security services
Paid-in capital:	1,422,026 thousand yen
Net assets:	1,805,789 thousand yen
Total assets:	2,266,786 thousand yen

(2) Date of business combination

April 8, 2014

(3) Number of shares purchased, purchased amount and share ownership after purchase

Number of shares purchased:	25,779 shares
Purchased amount:	1,649,544 thousand yen
Share ownership after purchase:	81.6%

(4) Method of business combination

Acquisition of shares

(5) Name of the company after business combination

There is no change.

(6) Other items related to the overview of the transaction

The Company has purchased the shares of Cybertrust Japan Co., Ltd. from SoftBank BB Corp., subsidiary of the Company's parent company SoftBank Corp., and made Cybertrust Japan a subsidiary.

Since its establishment in 1995, Cybertrust Japan has used its expertise in information security technology, particularly involving public key infrastructure (PKI) service, to be a pioneer in Japan's security certification market.

The Company and Cybertrust Japan already cooperate in several ways. For example, ICT services offered by the Company are sold with combining the SSL server certificates and device certification for smart devices of Cybertrust Japan.

Making Cybertrust Japan a subsidiary will make it possible to offer customers services that combine the Company's strengths in the surveillance, operations and maintenance sectors with the core security technologies of Cybertrust Japan. In addition, the Company believes that cross-selling activities using the combined customer base of the two companies will strengthen sales operations. the Company plans to use these benefits from this acquisition to strengthen its profit structure and increase corporate value.

5. Other

(1) Transfer of Officers

For transfer of officers, please refer to "Announcement Regarding Election of Candidates for External Director and Transfer of Auditors" that was announced on March 26, 2014 and "Announcement Regarding Transfer of Auditors" that was announced on April 24, 2014.