

# Earnings Results for the Nine Months Ended December 31, 2021

**SoftBank Corp.**  
February 3, 2022

# Disclaimer

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## **Important Notice Regarding Trading of SoftBank Corp. Common Stock and Un-sponsored American Depositary Receipts**

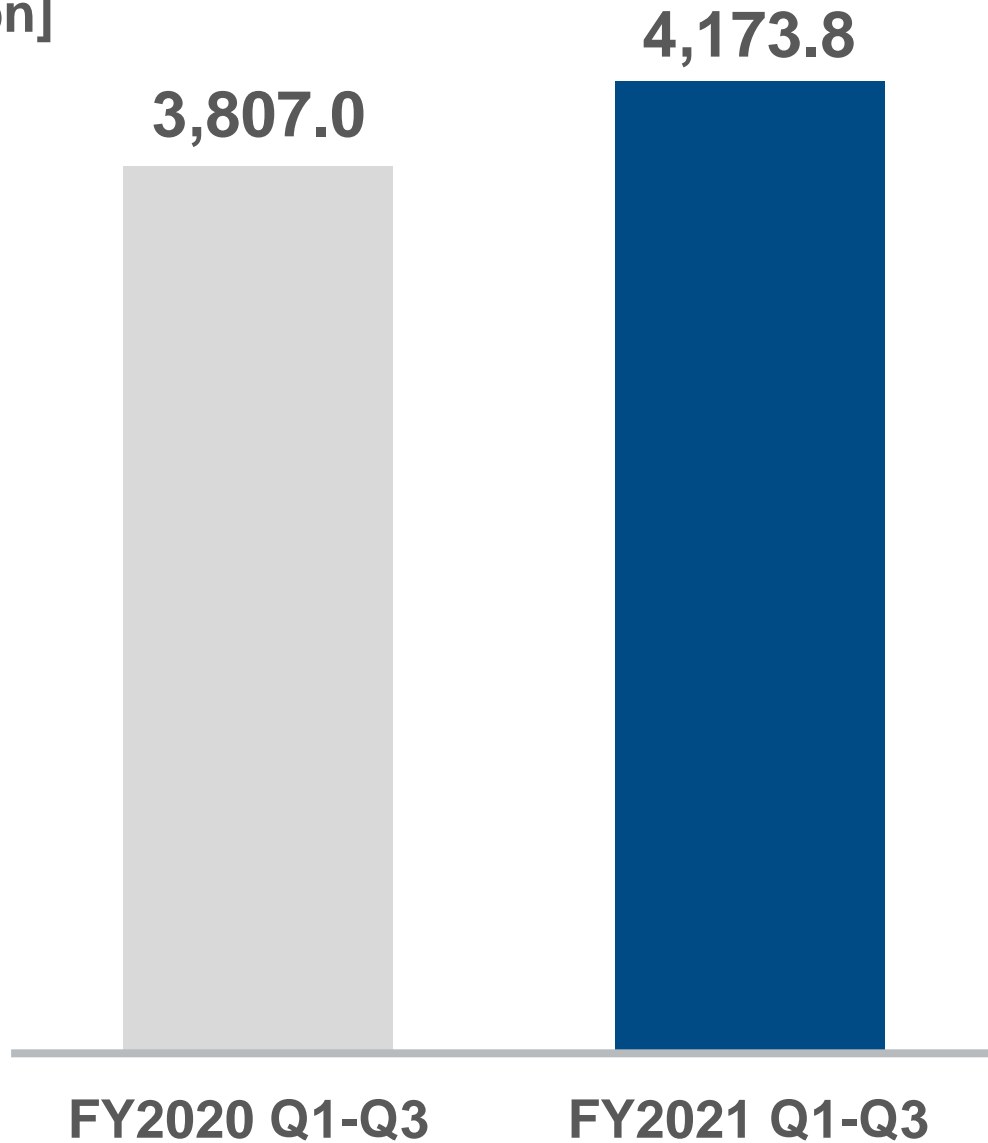
The Company encourages anyone interested in trading in its common stock to do so on the Tokyo Stock Exchange. The Company’s disclosures are not intended to facilitate trades in, and should not be relied on for decisions to trade, un-sponsored American Depositary Receipts (“ADRs”) representing the shares of its common stock. The Company has not and does not participate in, support, encourage, or otherwise consent to the creation of any un-sponsored ADR programs or the issuance or trading of any ADRs issued thereunder. The Company does not represent to any ADR holder, bank or depository institution, nor should any such person or entity form the belief, that (i) the Company has any reporting obligations under the U.S. Securities Exchange Act of 1934 (the “Exchange Act”) or (ii) the Company’s website will contain on an ongoing basis all information necessary for the Company to maintain an exemption from registering its common stock under the Exchange Act pursuant to Rule 12g3-2(b) thereunder. To the maximum extent permitted by applicable law, the Company disclaims any responsibility or liability to ADR holders, banks, depository institutions, or any other entities or individuals in connection with any un-sponsored ADRs representing its common stock.

# Consolidated Results

## Q3 Fiscal Year 2021

# Revenue

[JPY bn]

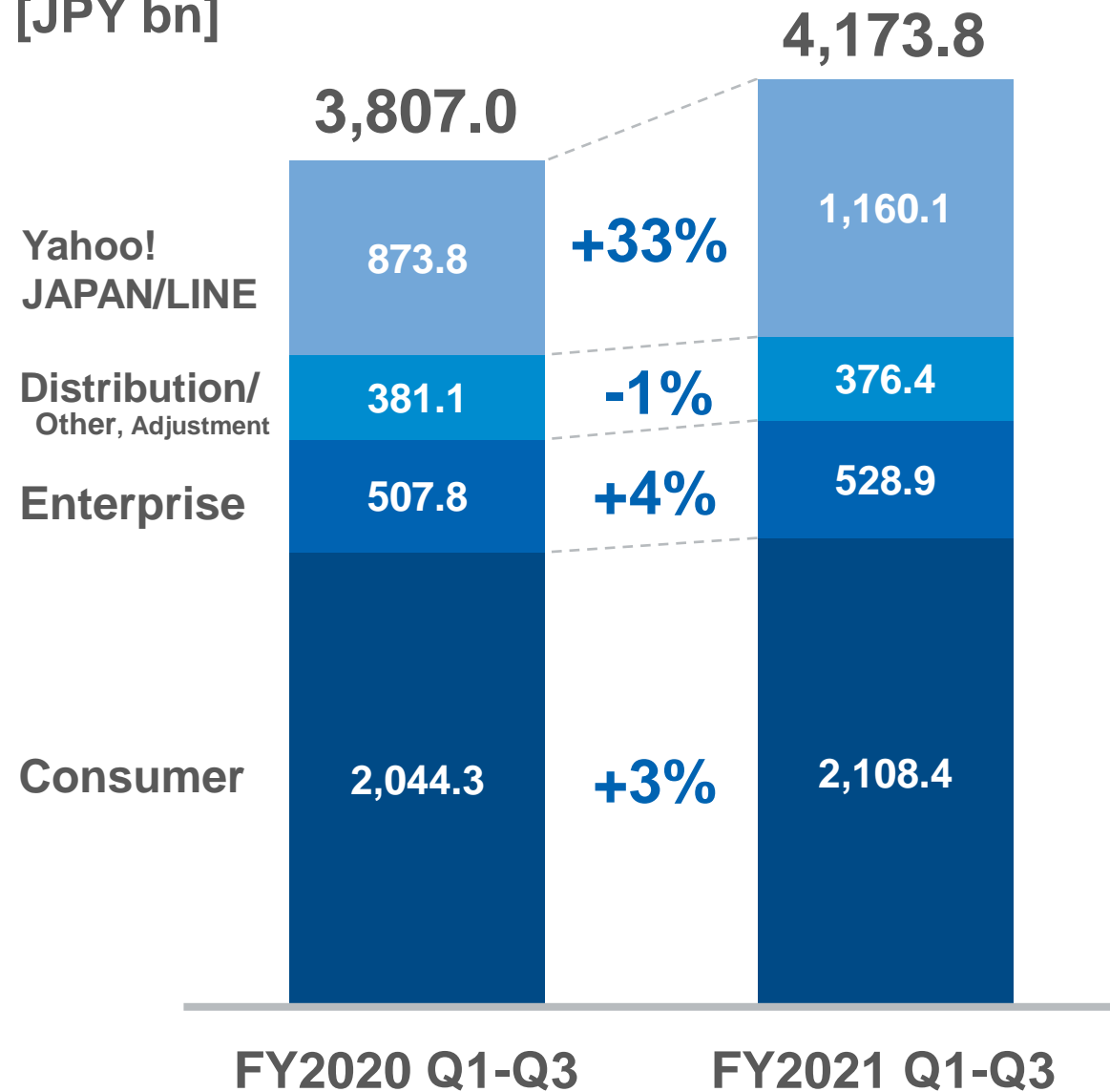


Up 10%

(Note) Unless otherwise stated, up or down refers to increase or decrease year on year, and figures are rounded to the nearest decimal place

# Revenue by Segment

[JPY bn]



**Revenue increased  
in all segments  
except Distribution**

(Note) From FY2021, the segment name indicating Z Holdings Corporation ("ZHD") businesses has been changed to "Yahoo! JAPAN/LINE"

# Operating Income

SoftBank

[JPY bn]

841.6

821.2

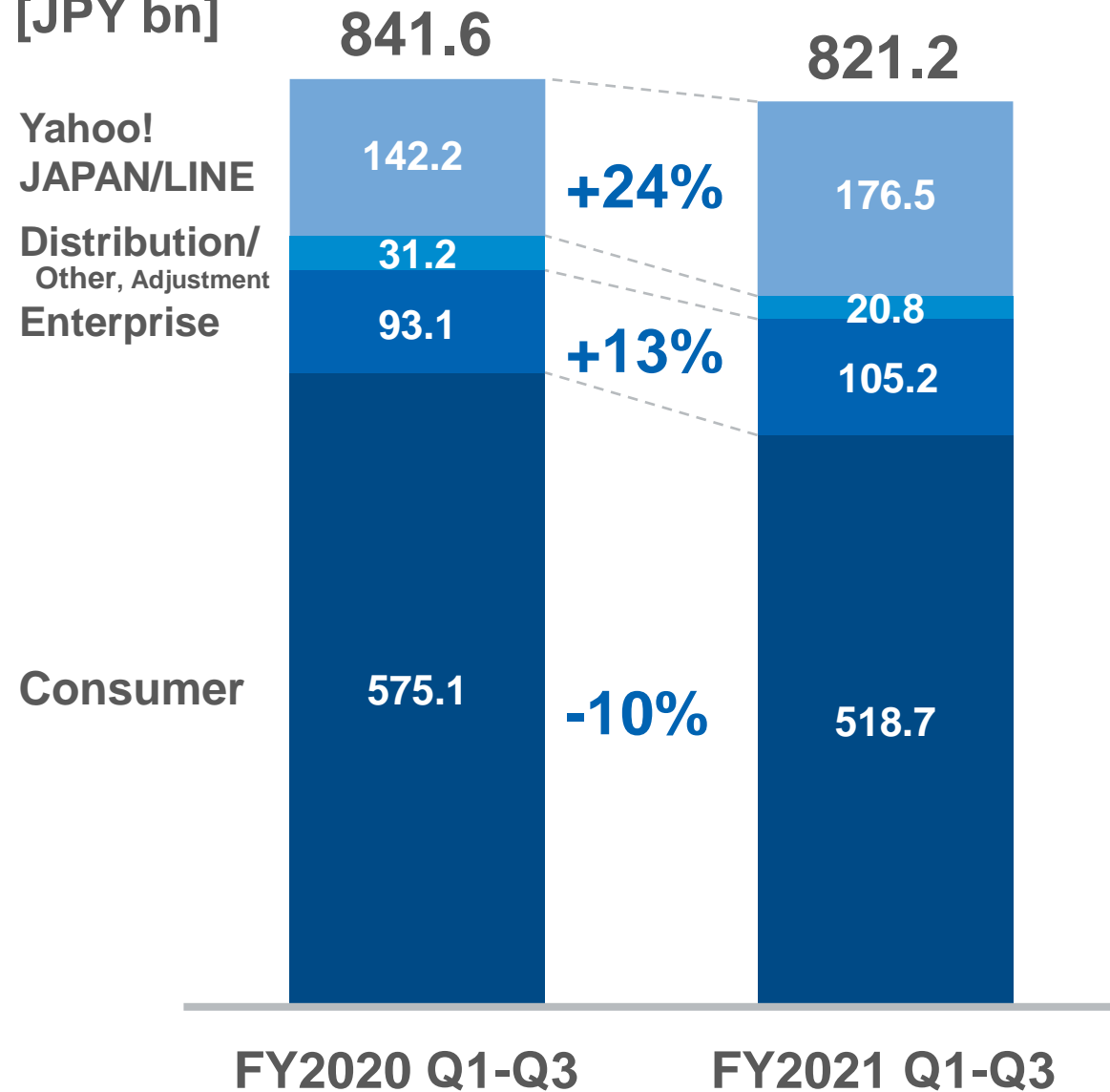
FY2020 Q1-Q3

FY2021 Q1-Q3

Down 2%

# Operating Income by Segment

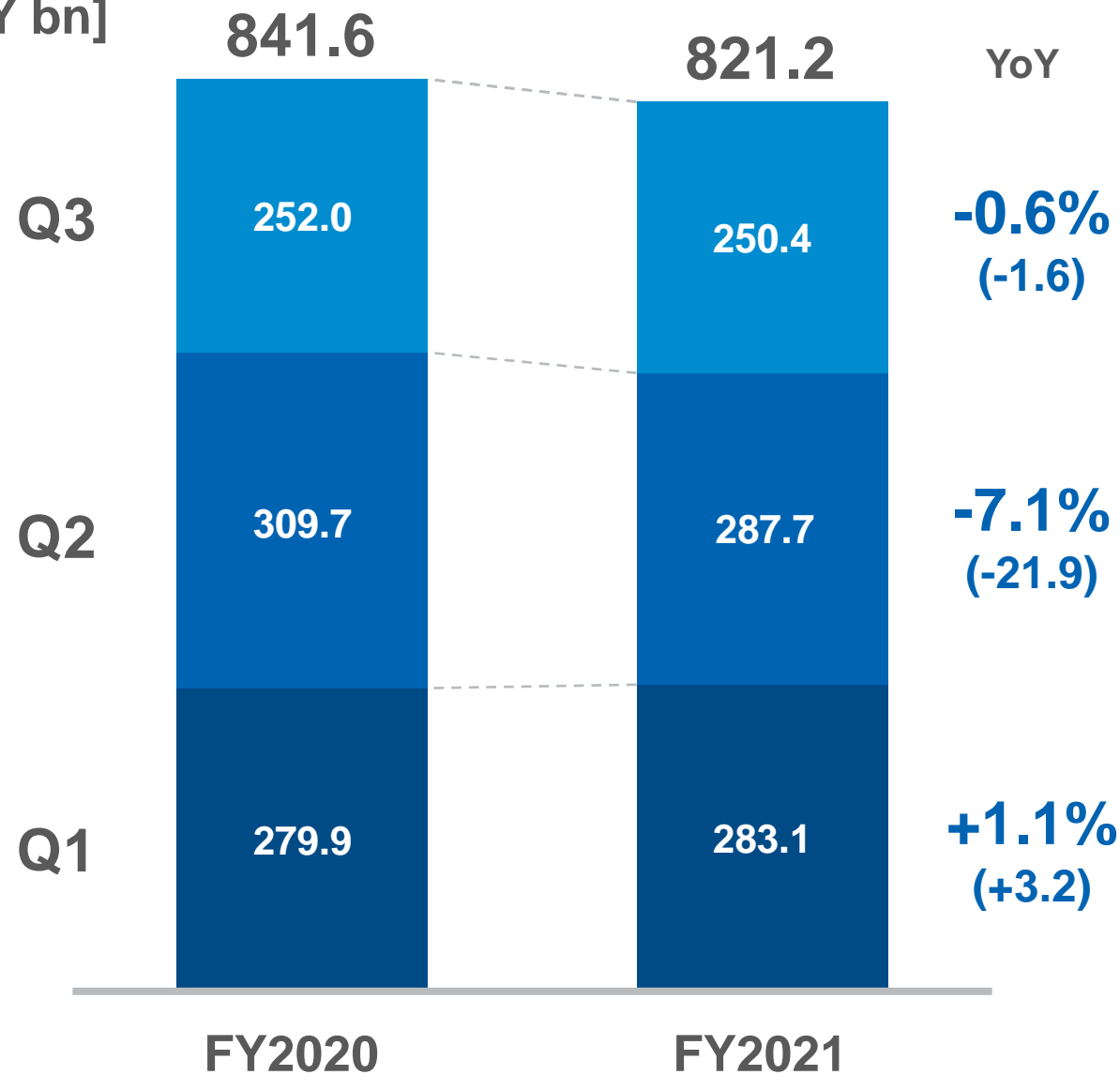
[JPY bn]



**Enterprise and Yahoo!  
JAPAN/LINE grew steadily  
despite negative impact of  
mobile service price  
reduction in Consumer**

# Operating Income by Quarter

[JPY bn]

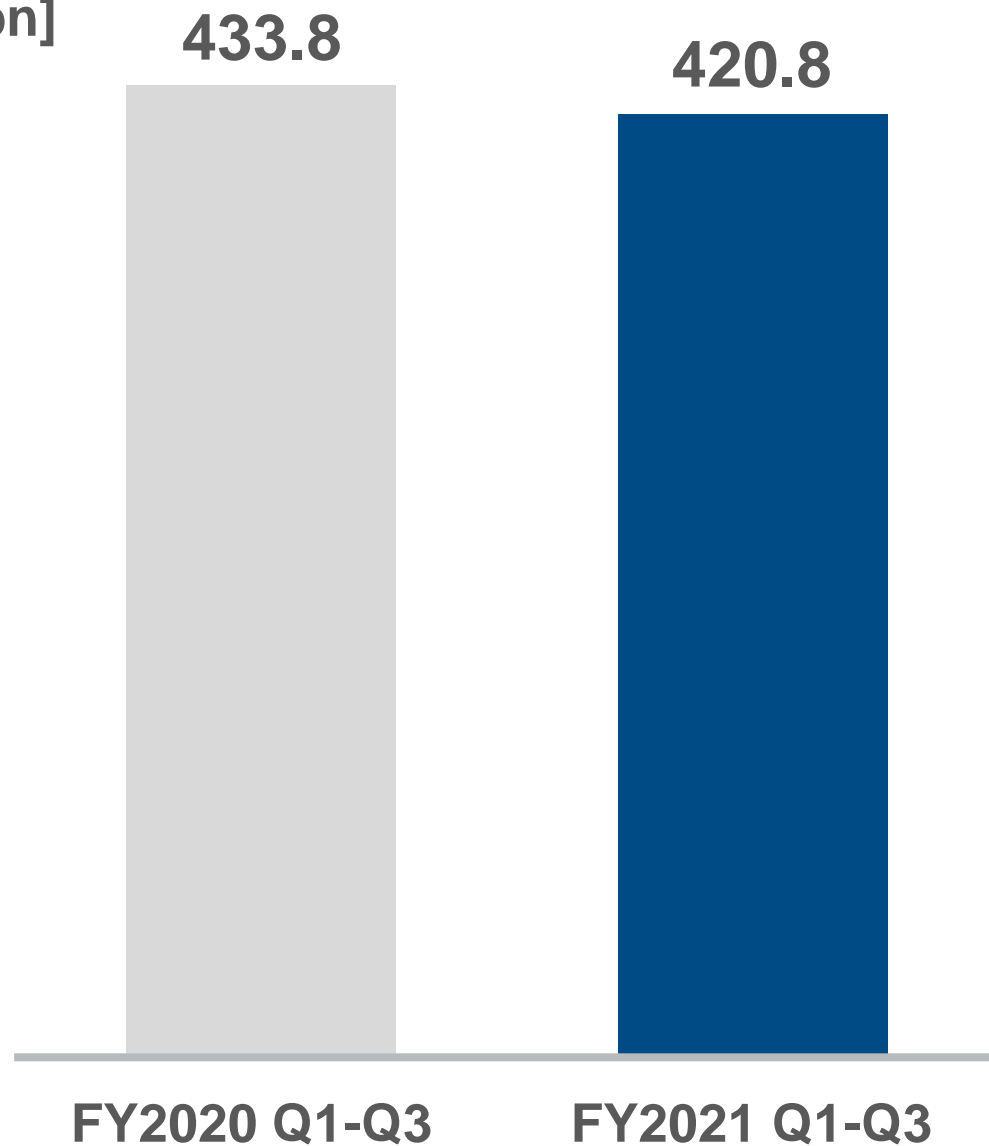


**Q3 profit decline narrowed**



# Net Income

[JPY bn]



**Down 3%**  
“Demaecan” impairment  
impact of JPY -4.1 bn

(Notes) Net Income: net income attributable to owners of SoftBank Corp. ZHD recorded an impairment loss of JPY 18.4 bn in Q3 FY21 as a result of its holding equity method book value reduction of Demae-can Co., Ltd., due to its share price decline. The Company recorded the amount equivalent to its share of equity in ZHD

# Consolidated Results

[JPY bn]

	FY2020 Q1-Q3	FY2021 Q1-Q3	YoY	YoY %
Revenue	3,807.0	4,173.8	+366.8	+10%
Operating Income	841.6	821.2	-20.4	-2%
Net Income	433.8	420.8	-12.9	-3%

# Progress toward FY2021 Full-year Forecasts

[JPY bn]

	FY2021 Q1-Q3 Actual	FY2021 Full-year Forecast	Progress
Revenue	4,173.8	5,500.0	76%
Operating Income	821.2	975.0	84%
Net Income	420.8	500.0	84%

# Progress toward Forecast by Segment

(Operating Income)

SoftBank

[JPY bn]

	FY2021 Q1-Q3 Actual	FY2021 Full-year Forecast	Progress
Consumer	518.7	642.0	81%
Enterprise	105.2	128.0	82%
Distribution	18.3	22.5	81%
Yahoo! JAPAN/LINE and others	179.0	182.5	98%
<b>Total</b>	<b>821.2</b>	<b>975.0</b>	<b>84%</b>

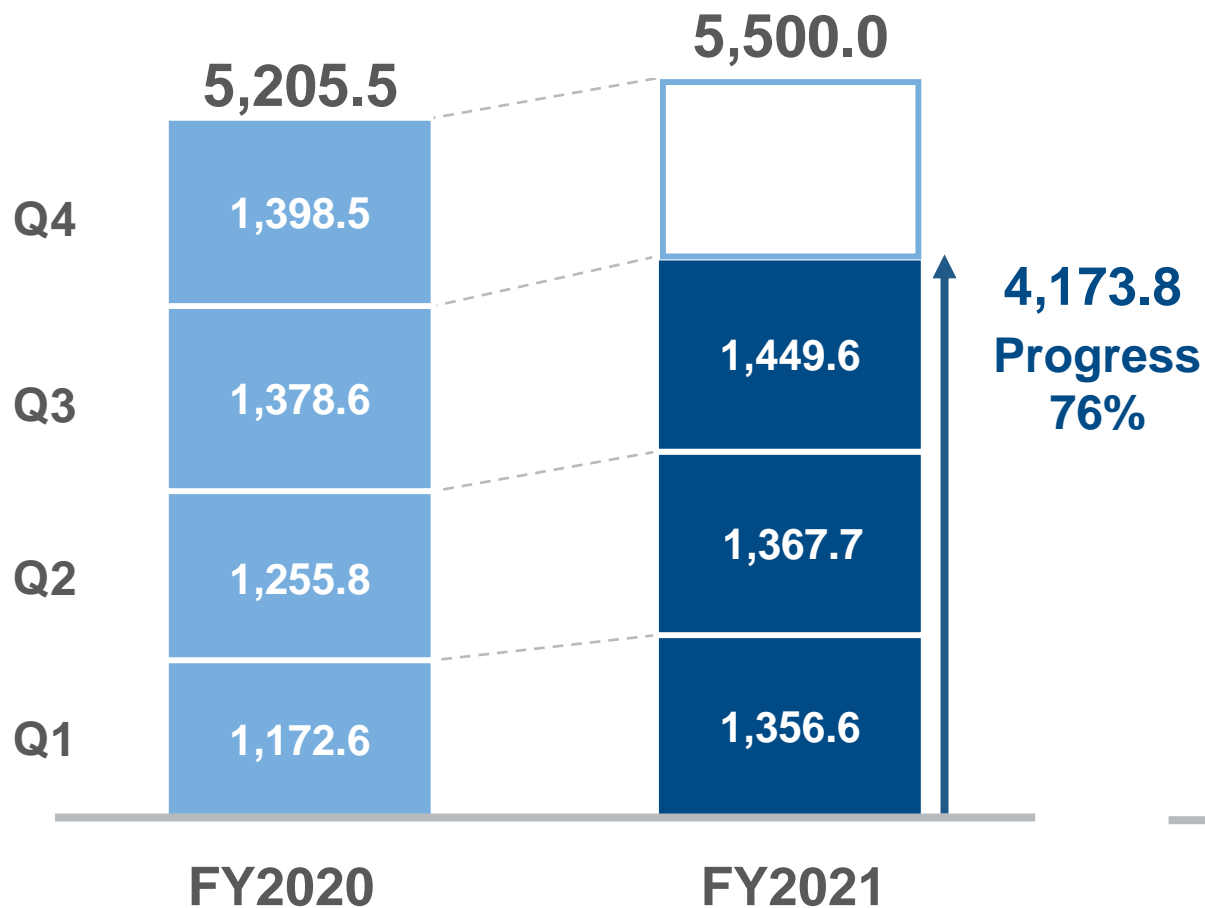
(Note) FY2021 full-year forecasts were announced in May 2021 11

# Full-year Forecasts

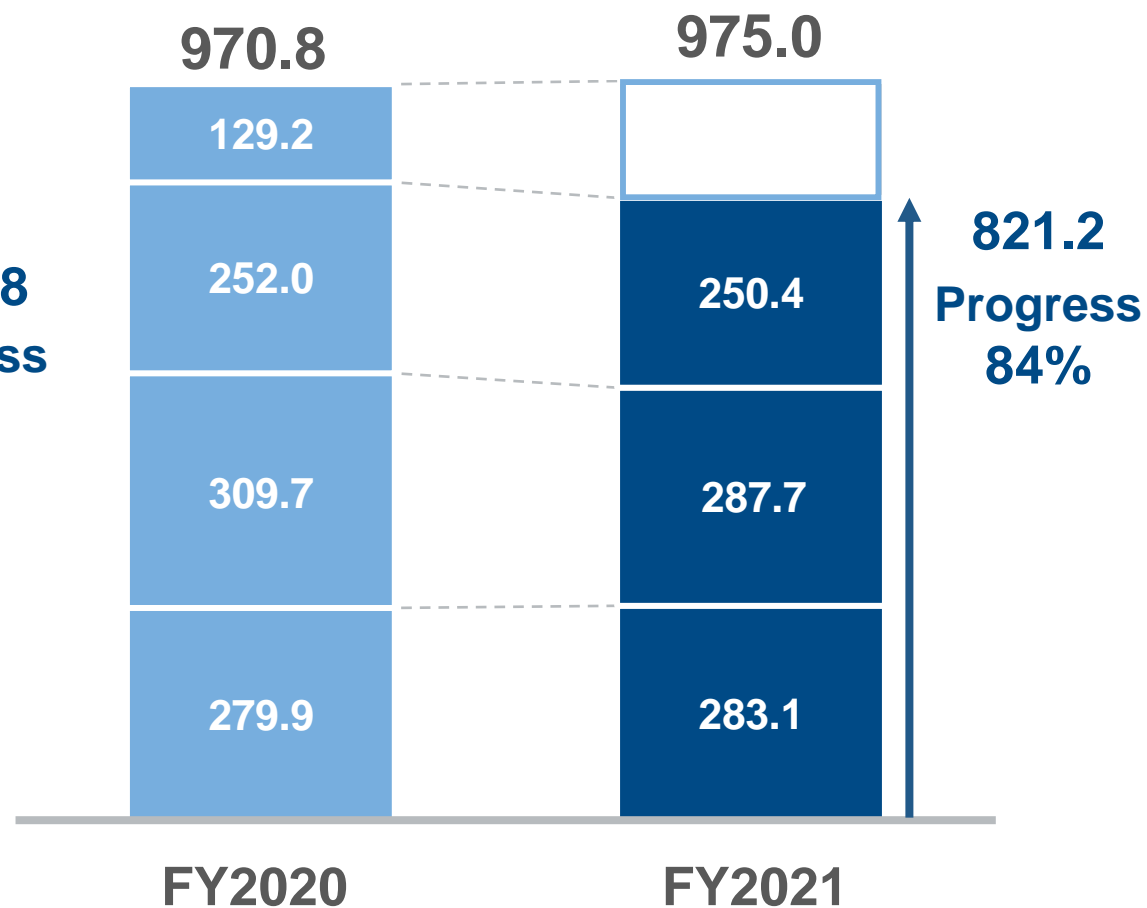
## Expected to achieve historical-high full-year forecasts

[JPY bn]

### Revenue



### Operating income

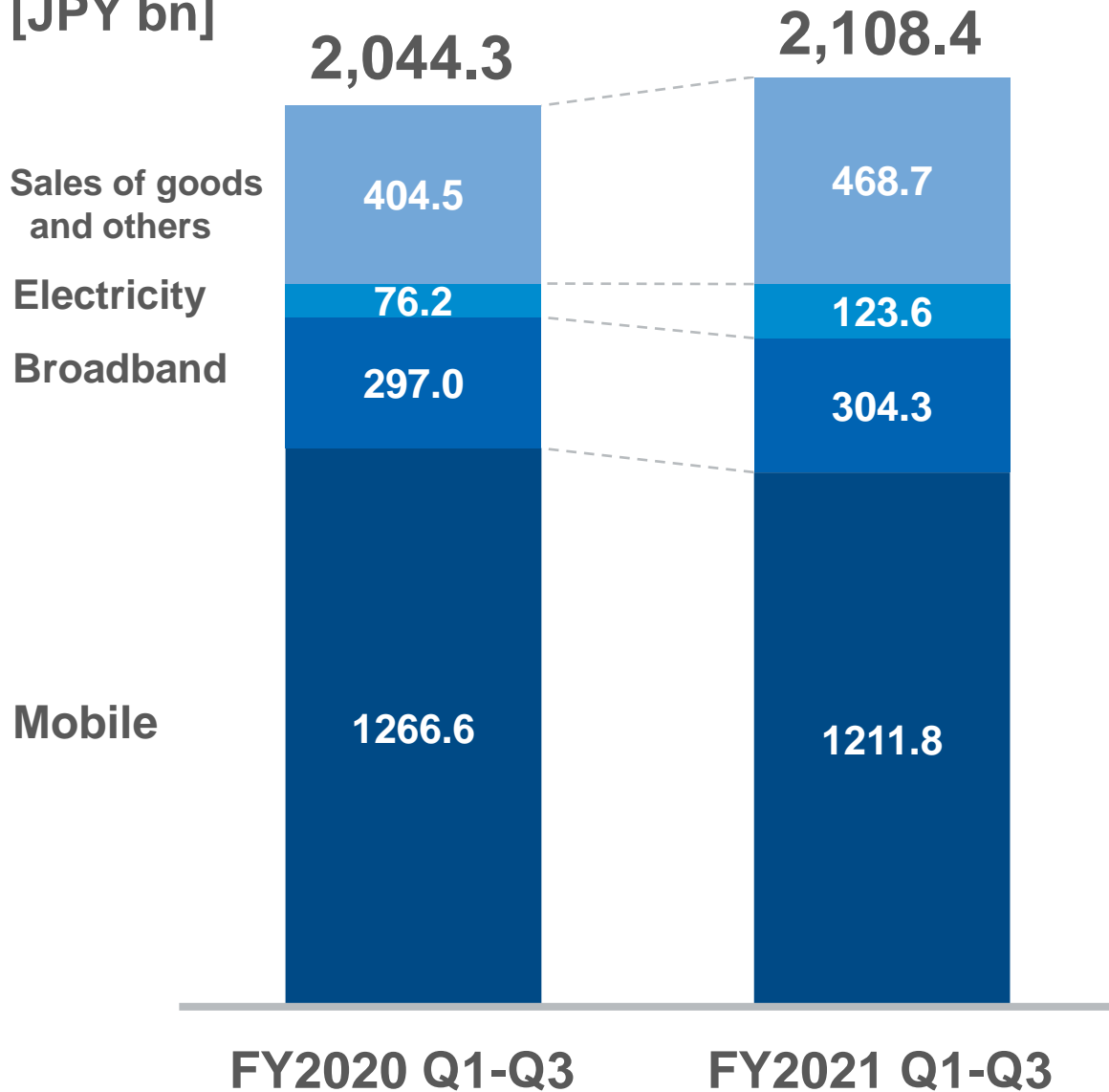


# Consumer Business



# Consumer: Revenue

[JPY bn]



**Up 3%**

**Due to mobile device sales recovery despite negative impact of mobile service price reduction**

# Consumer: Operating Income

[JPY bn]

575.1

518.7

FY2020 Q1-Q3

FY2021 Q1-Q3

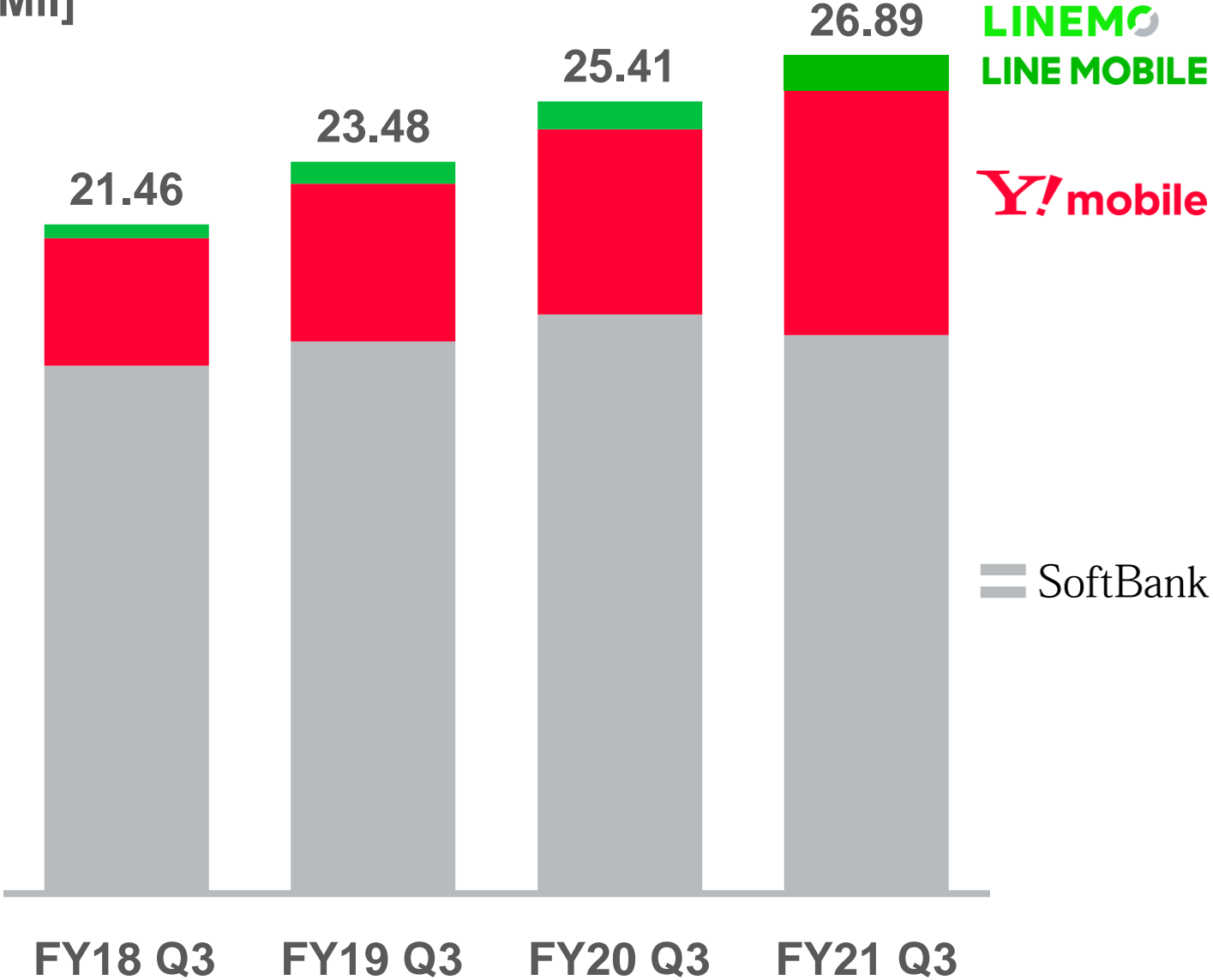
## Decreased YoY

Mainly due to mobile  
service price reduction  
impact



# Smartphone Cumulative Subscribers

[Mil]

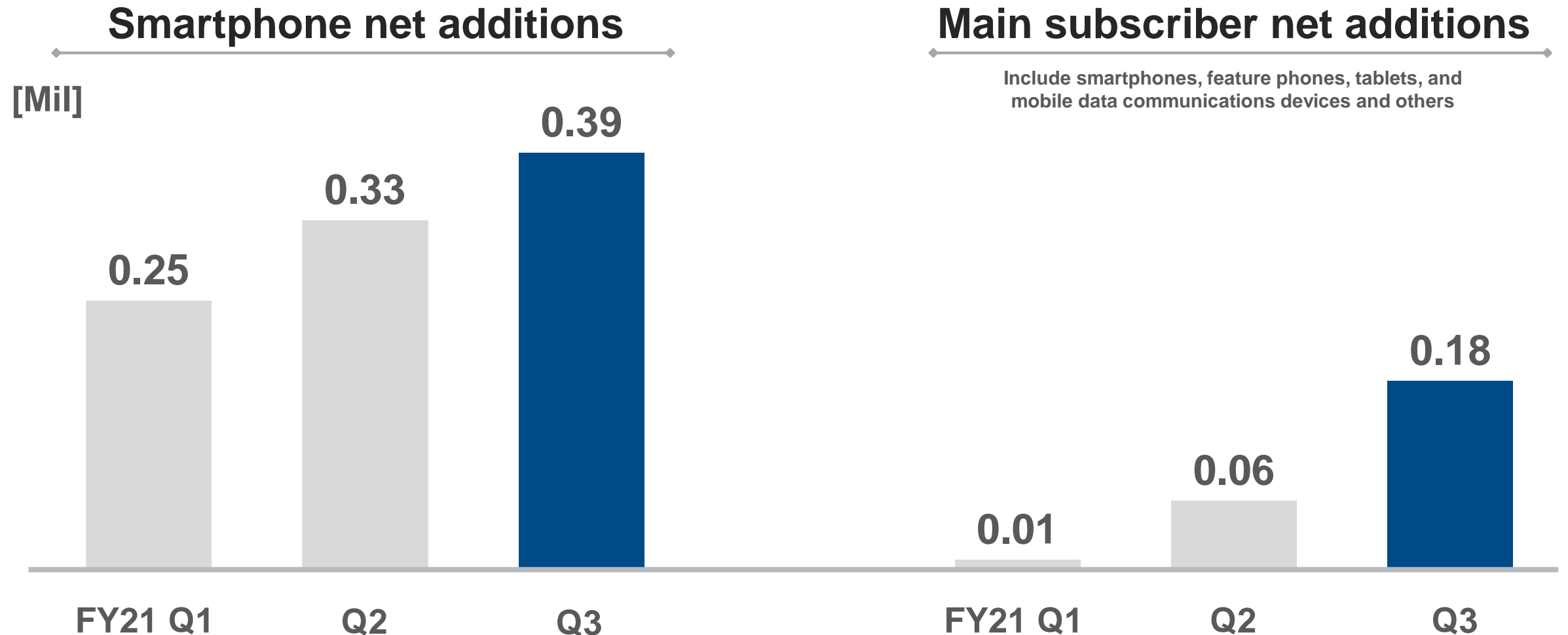


Up 6%

(Note) Including enterprise subscribers 16

# Mobile Subscriber Net Additions

## Net additions recovered steadily



(Note) Net additions = no. of subs at the end of the relevant quarter – no. of subs at the end of the previous quarter. Including enterprise subscribers

# Group Synergy Progress

## Mobile

Enhance mobile service attractiveness



## Group

Promote growth of various group services

YAHOO!  
JAPAN

PayPay

LINE

ZOZOTOWN

ASKUL

# Initiatives to Promote Synergies

## Strengthen collaboration with group services

### PayPay Coupon

Oct 2021~



Started offering PayPay coupons for SoftBank users

### LINE MUSIC

Nov 2021~



Started 6-month free campaign for LINE MUSIC limited to our users

### PayPay カード Credit card

Dec 2021~



Started acquisition of PayPay card users at our mobile stores

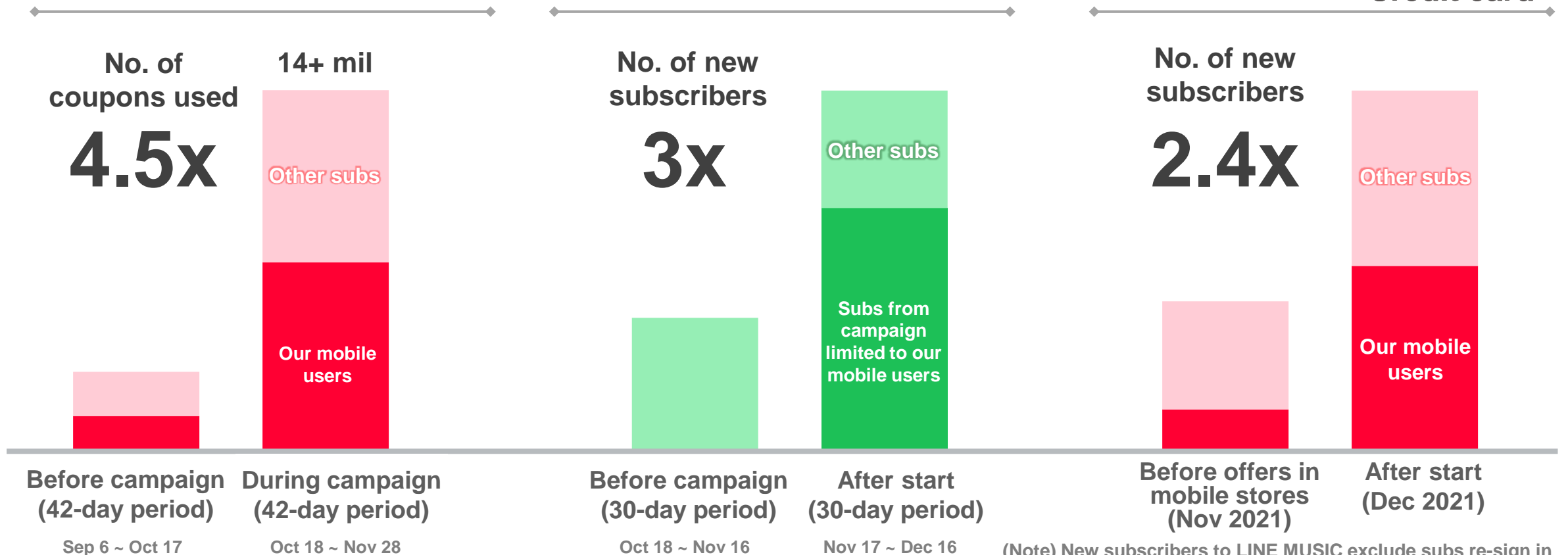
# Group Service Performance

## Services expanding steadily in collaboration with our mobile services

### PayPay Coupon

### LINE MUSIC

### PayPay カード Credit card

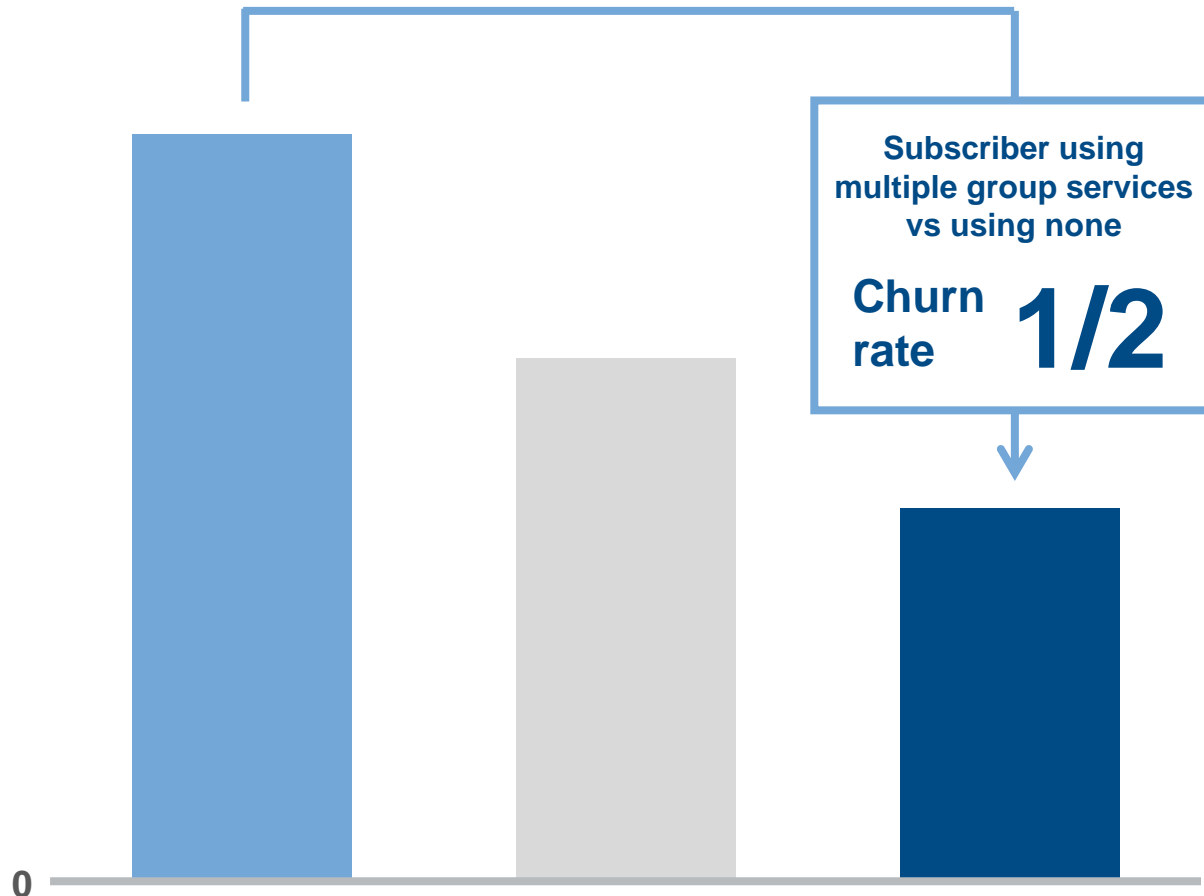


(Note) New subscribers to LINE MUSIC exclude subs re-sign in

# Smartphone Churn Rate (By Group Service Usage)

[%]

Among group services		
Use none of group services	Use one group service	Use multiple group services



**Churn rate improves with use of group services**

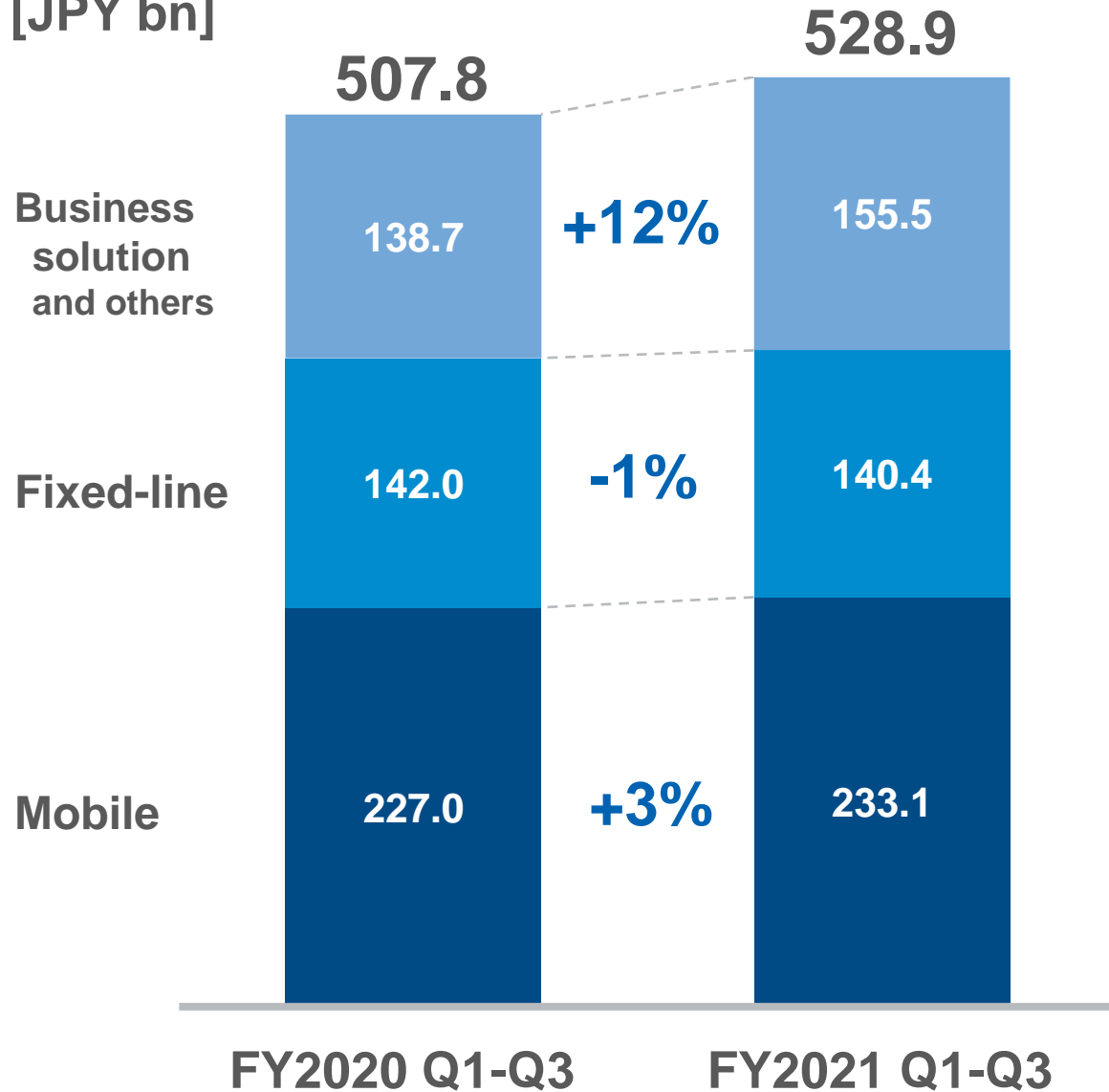
(Note) This is the smartphone churn rate for Q3 FY2021 for the SoftBank and Y!mobile brands. Calculated based on the total of net churn and churn by MNP (Mobile Number Portability). Subscribers moving within our mobile brands and enterprise subscribers are excluded. In addition, the usage status of our group services is calculated based on the usage record of our e-commerce (Yahoo! Shopping or PayPay Mall) and the payment service PayPay

# Enterprise Business



# Enterprise: Revenue

[JPY bn]



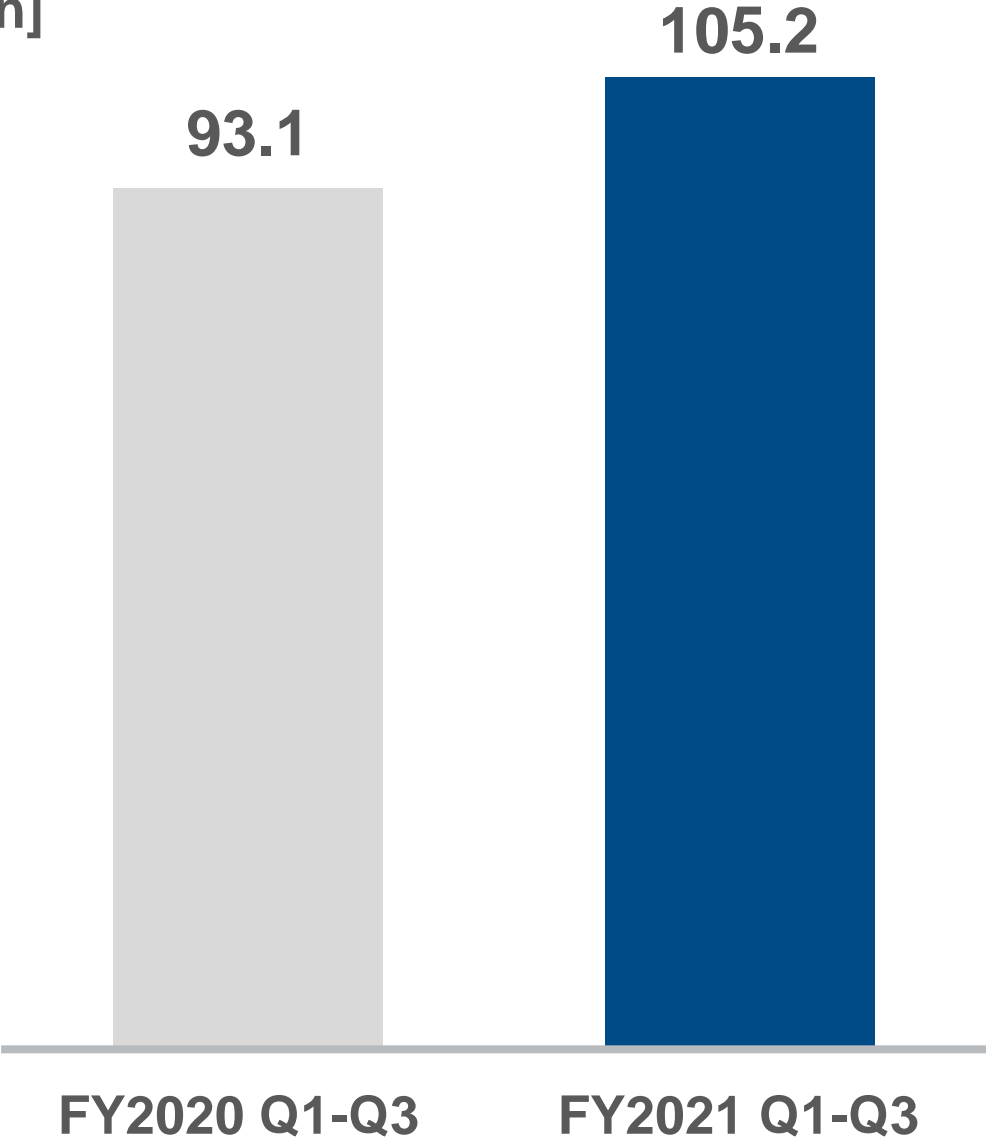
**Up 4%**  
**Business solution and others increased by 12%**



# Enterprise: Operating Income

SoftBank

[JPY bn]

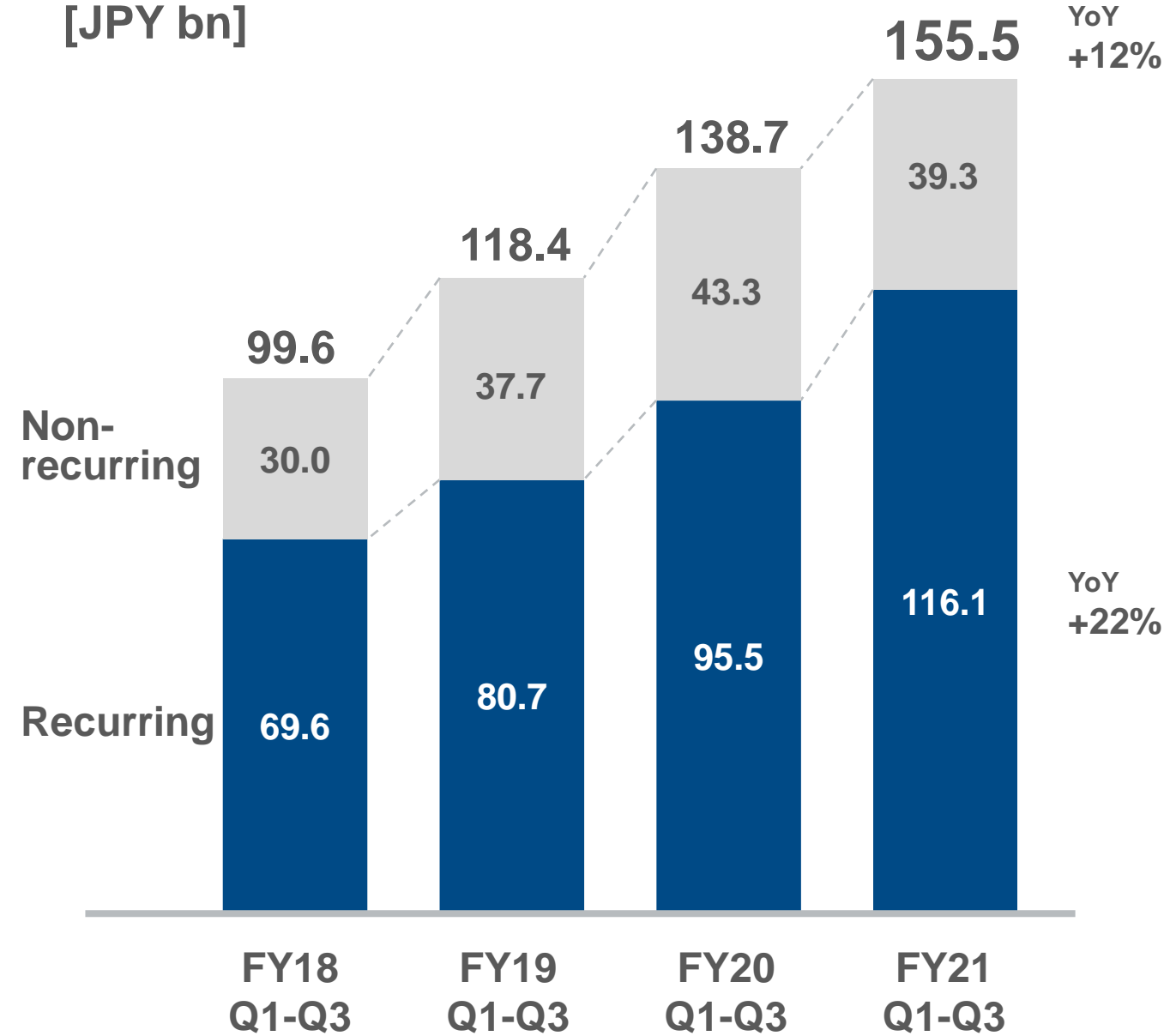


Up 13%

# Enterprise: Business Solution and Others Revenue

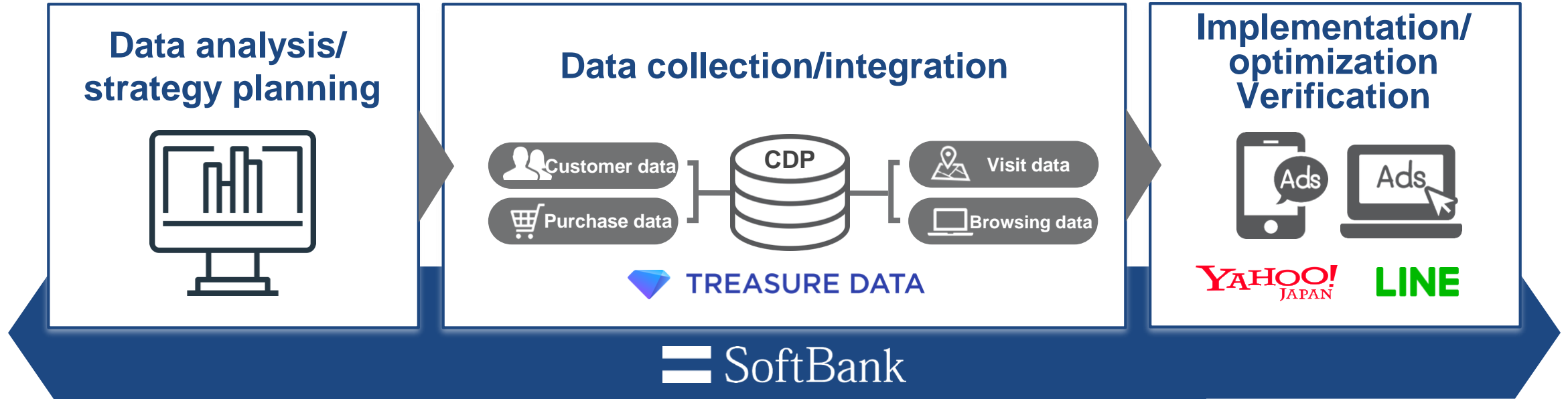
SoftBank

[JPY bn]



Recurring revenue  
Up 22%

## Digital marketing revenue increased to 210% YoY (Q1-Q3)



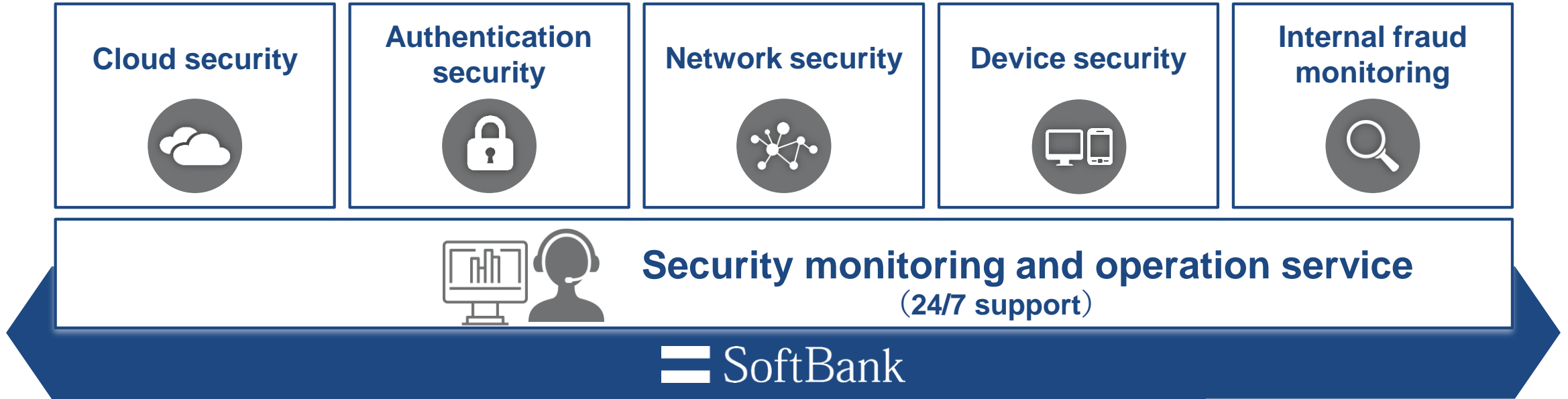
One-stop support for data collection, integration and utilization

Enterprise customers



# Enterprise: Business Solution and Others

## Security business revenue increased to 142% YoY (Q1-Q3)



### Turn-key support for security services

Enterprise customers



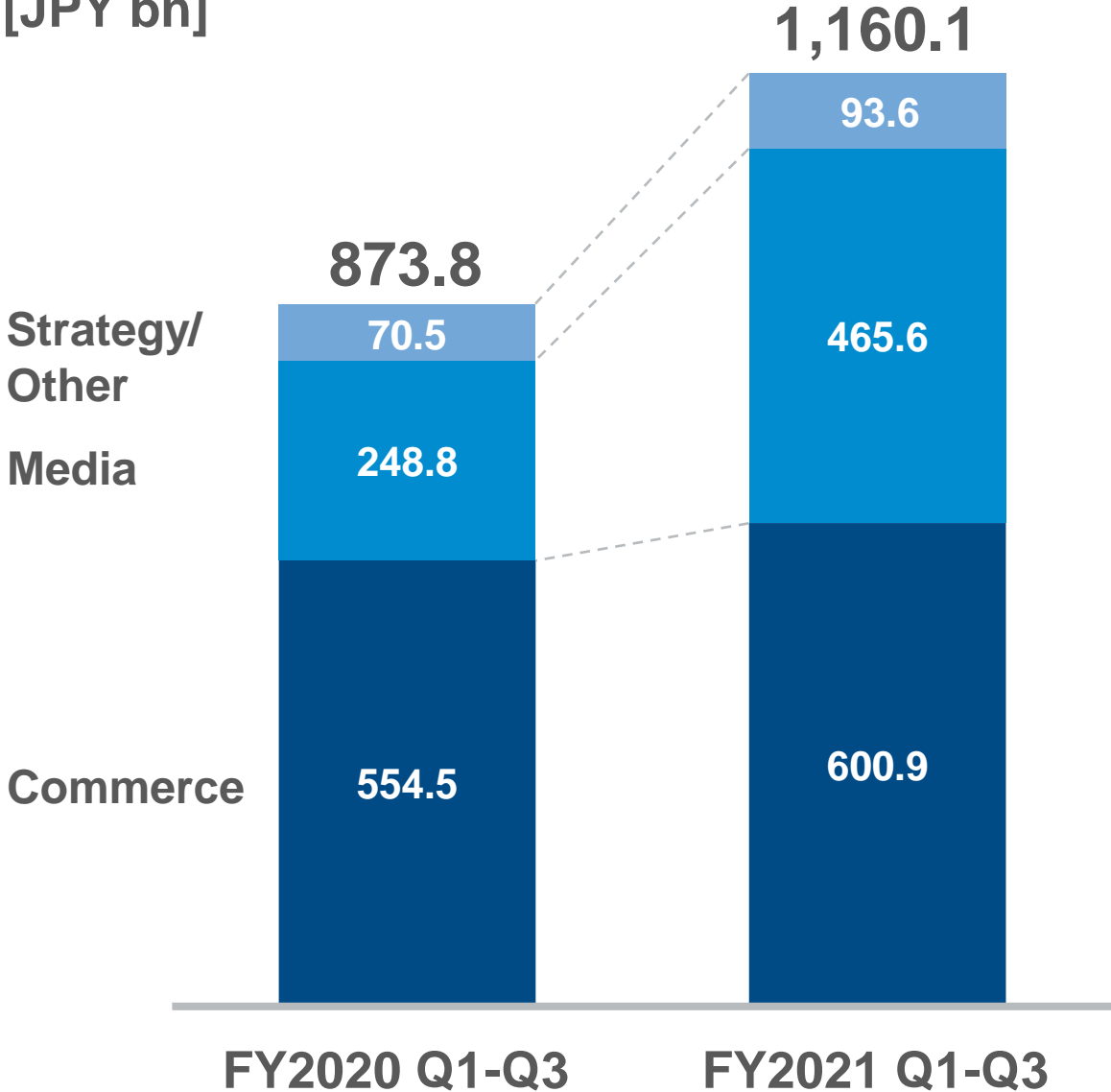
# YAHOO! JAPAN

# LINE



# Yahoo! JAPAN/LINE: Revenue

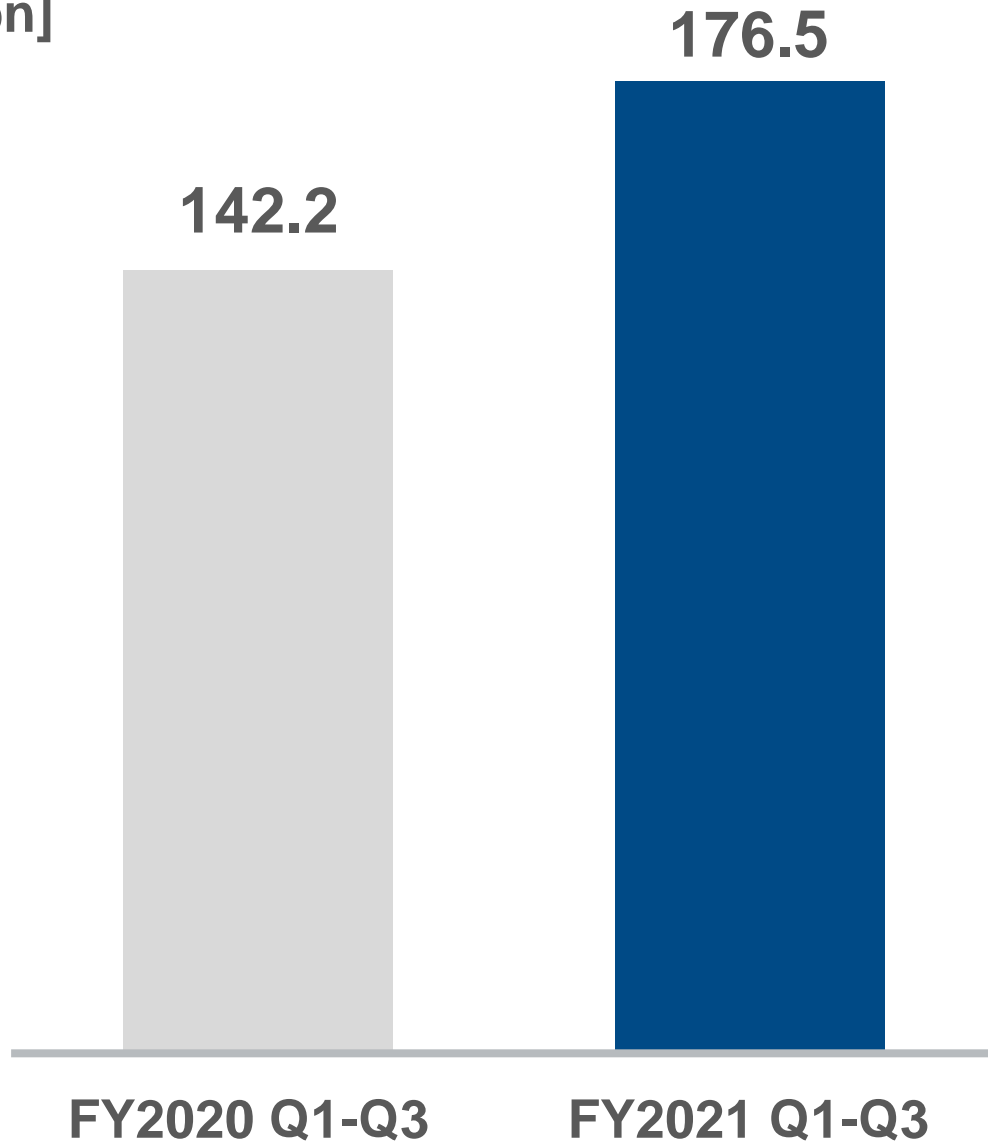
[JPY bn]



**Up 33%**  
Due to LINE consolidation  
and sound growth in  
media business

# Yahoo! JAPAN/LINE: Operating Income

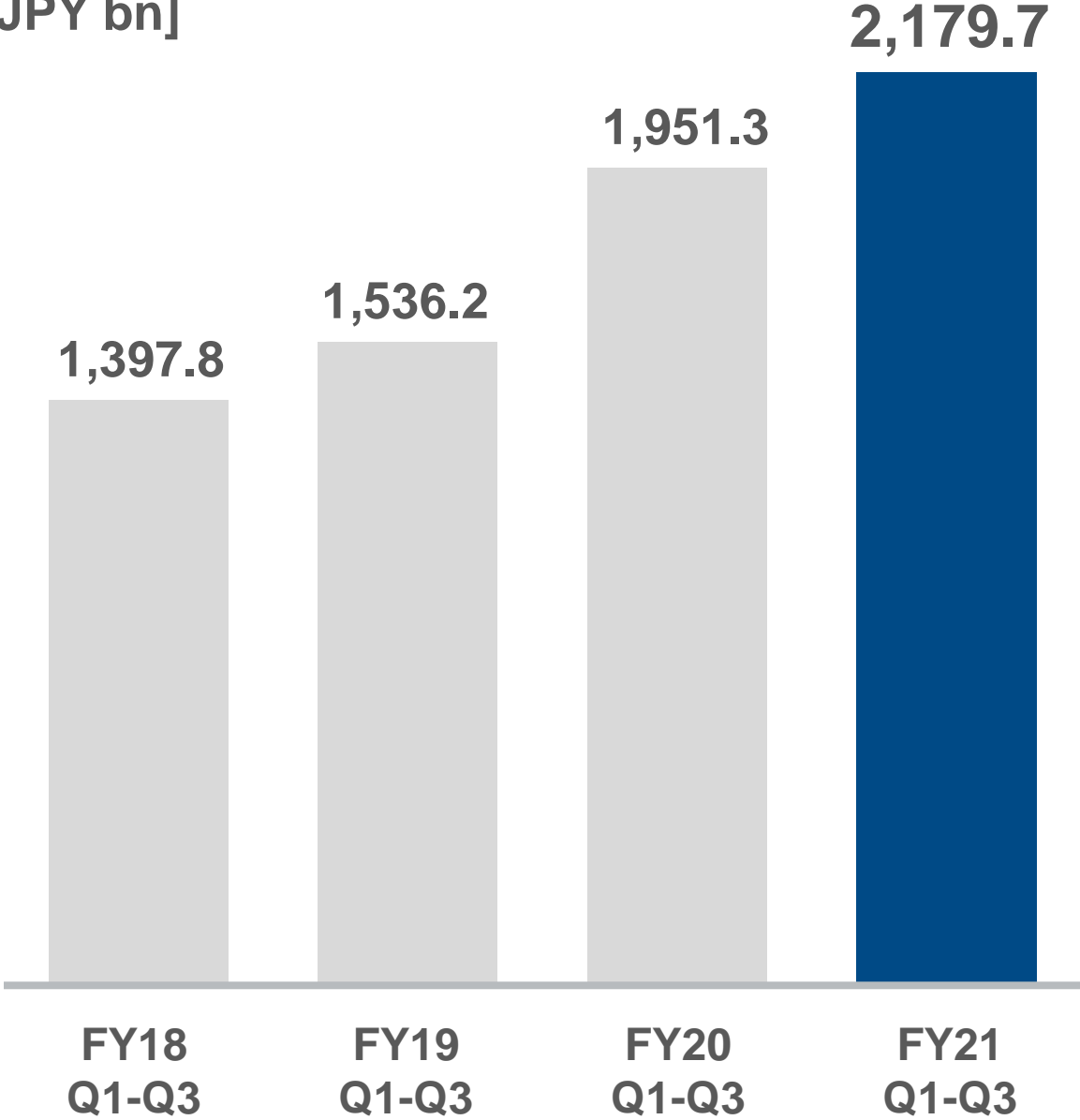
[JPY bn]



**Up 24%**

# Yahoo! JAPAN/LINE: EC Transaction Value (Merchandise)

[JPY bn]



Up 12%

(Note) EC transaction value (Merchandise): total transaction values of Shopping business, Reuse business, Other (Merchandise), ASKUL Corporation's BtoB-related revenue via Internet (closing date: 20th of every month). Figures are rounded down to the nearest JPY 0.1 bn in accordance with the disclosure standards of ZHD



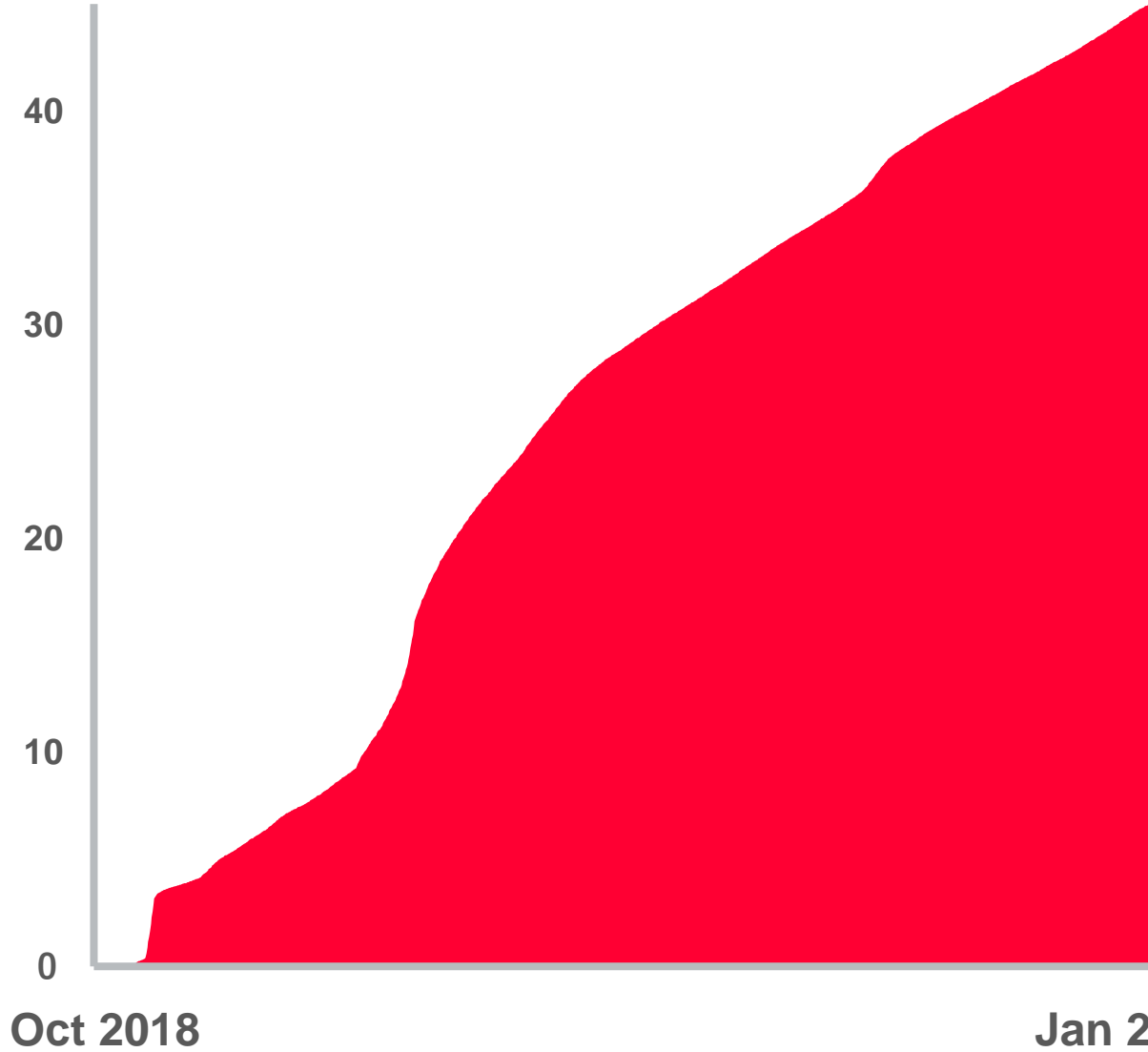


# Smartphone Payment Service PayPay

# PayPay: Cumulative Registered Users



[Mil]



## Number of users

Exceeded **45 mil**  
(Jan 2022)

(Note) Number of registered users: number of accounts registered

(Source) Data from PayPay Corporation, collected from Oct 5, 2018 to Jan 22, 2022 33

# PayPay: Number of Payments

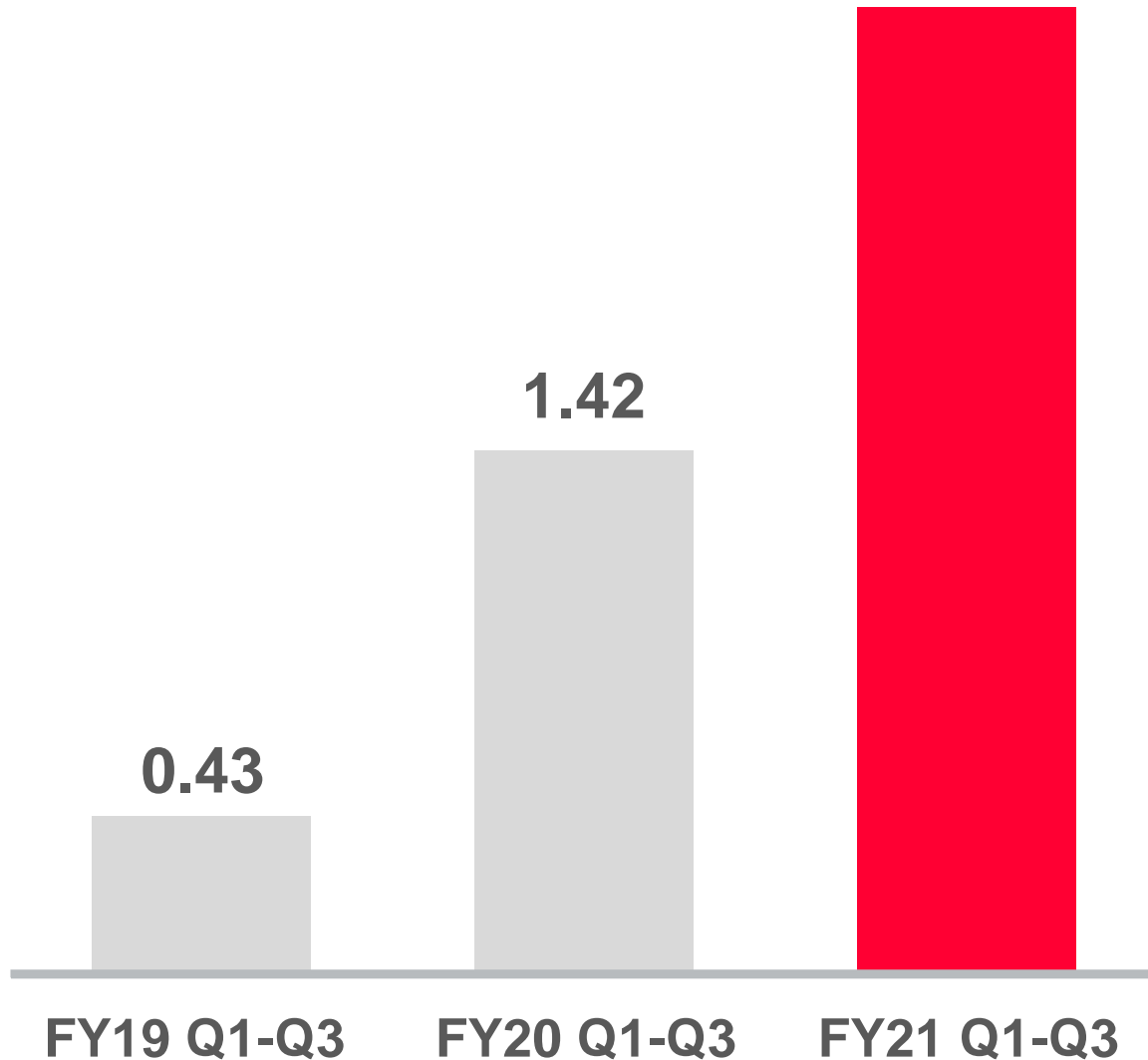
[Bn]

2.63

Number of payments  
(Q1-Q3)

**2.63 bn**

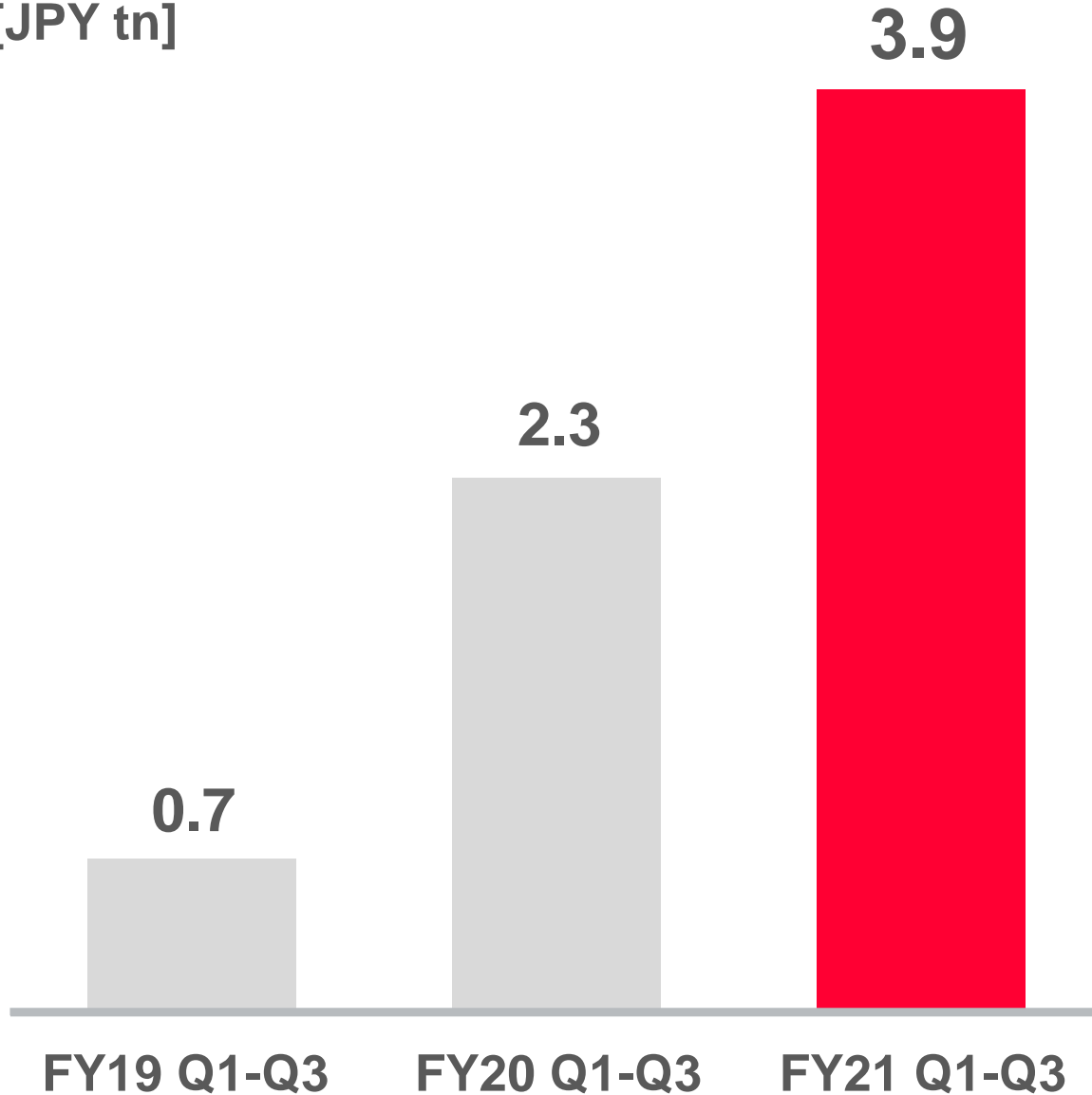
**Up 85% YoY**



(Source) Data from PayPay Corporation  
(Note) Number of payments: excludes the number of P2P transactions that users use the “send/receive” function for PayPay balance, or the number of payments users made through Alipay app

# PayPay: GMV

[JPY tn]



**GMV (Q1-Q3)**

**3.9 tn**

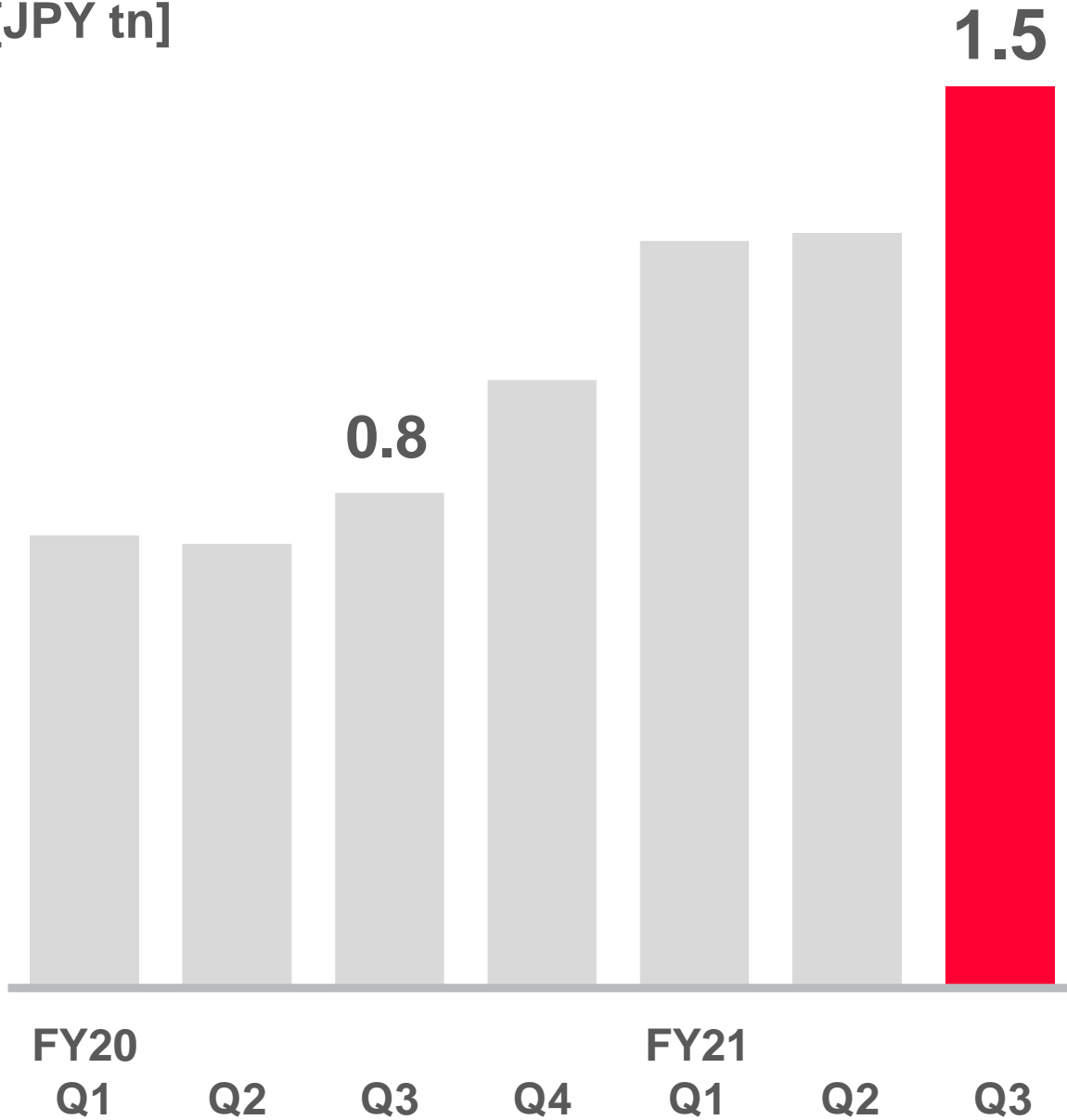
**Up 73% YoY**

(Source) Data from PayPay Corporation

(Note) GMV = Gross Merchandise Value through PayPay, excluding P2P transactions 35

# PayPay: GMV

[JPY tn]



PayPay started charging small and medium-sized merchants from Oct 2021

## GMV (Quarterly)

# 1.5 tn

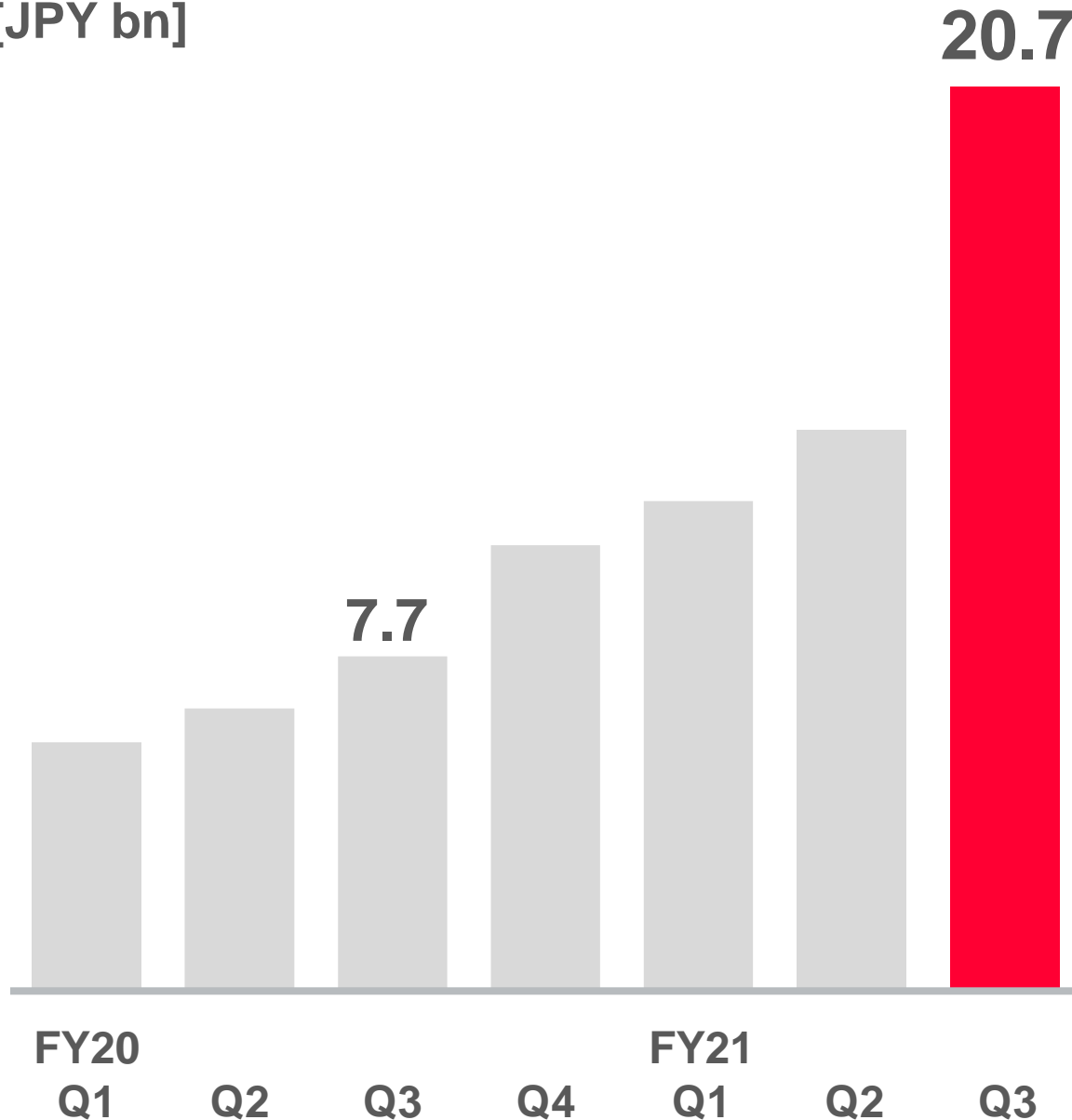
## Up 82% YoY

(Source) Data from PayPay Corporation

(Note) GMV = Gross Merchandise Value through PayPay, excluding P2P transactions

# PayPay: Revenue

[JPY bn]



PayPay started charging small and medium-sized merchants from Oct 2021

## Revenue (Quarterly)

# 20.7 bn

## 2.7x YoY

# “PayPay Atobarai” (deferred payment) Launched



Pay your current month bill in a lump sum the following month



Added deferred payment function from Feb 1

To improve number of payments and average amount per payment

## For further usage expansion

# ESG





# ESG Bond (Sustainability Bond)

## Raised JPY 30 bn through our first<sup>\*1</sup> ESG bond



To fund HAPS business that contributes to realization of sustainable society

(\*1) For SoftBank Corp. standalone. (Notes) Sustainability Bond: bond where the proceeds will be used exclusively to fund projects that resolve social and environmental issues  
HAPS: High Altitude Platform Station, business that aims to provide wide-area and stable telecommunications connectivity from the stratosphere

# ESG External Evaluation

Received Social Value Award at  
“Nikkei SDGs Management  
Awards” in Nov 2021



Selected for inclusion in  
a number of global ESG  
investment indices

Member of  
**Dow Jones  
Sustainability Indices**

Powered by the S&P Global CSA



FTSE4Good

**2022** CONSTITUENT MSCI JAPAN  
ESG SELECT LEADERS INDEX



FTSE Blossom  
Japan

**2022** CONSTITUENT MSCI JAPAN  
EMPOWERING WOMEN INDEX (WIN)

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# Summary

**1**

**Good progress toward full-year forecasts that aim for historical-high profits**

**2**

**Mobile service net additions are recovering**

**3**

**PayPay GMV continues to grow and revenue increased significantly**

**4**

**Obtained high ESG evaluations and issued our first ESG bond**



# Information Revolution – Happiness for everyone

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The logo consists of two horizontal gray bars stacked vertically, positioned to the left of the text.

SoftBank