

An abstract graphic of a circuit board pattern, consisting of interconnected lines and circular nodes, rendered in a light blue color against a dark blue background.

# **SoftBank**

## **Business Overview & Growth Strategy**

SoftBank Corp.  
November 4, 2022

An abstract graphic of a circuit board pattern, consisting of interconnected lines and circular nodes, rendered in a light blue color against a dark blue background.

# Disclaimer

## **Important Notice Regarding Forward Looking Statements and Other Information**

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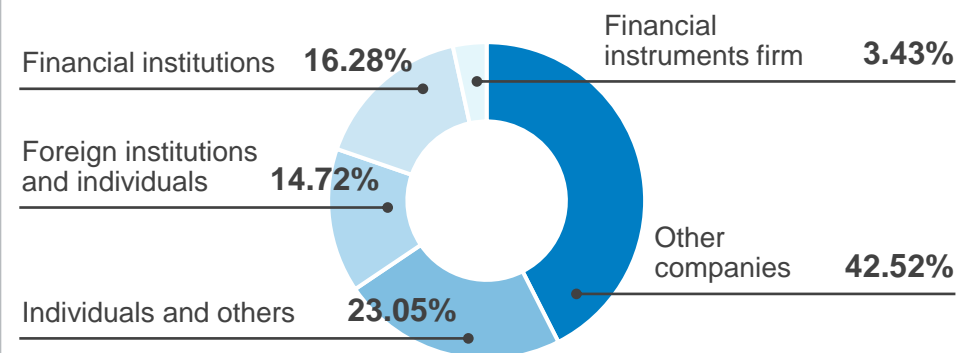
## Corporate data

Trade Name	SoftBank Corp.
Name and title of representative	Junichi Miyakawa, President & CEO
Founded	December 9, 1986
Nature of business	Provision of mobile communications services, sale of mobile devices, provision of fixed-line telecommunications and ISP services
Number of employees	Standalone: 18,929 Consolidated: 49,581 (As of March 31, 2022)
Common stock	JPY 204,309 million (As of September 30, 2022)

## Stock information

Number of shares issued	4,787,145,170 shares
Number of Shareholders	885,625

### Breakdown by shareholder type



(As of September 30, 2022)

## **Mission**

**Information Revolution  
— Happiness for everyone**

## **Vision**

**Becoming a Corporate Group needed  
most by people around the world**

## **Growth strategy**

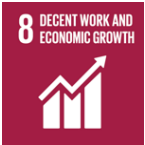
**“Beyond Carrier”**

Aim to expand business fields other than telecom  
while further growing the telecom business

# Solving social issues through business and corporate activities

Solving social issues through business

Building society and industry through digital transformation



Connecting people to information to create new excitement



Creating new business through open innovation



Solving social issues through corporate activities

Contributing to the global environment with the power of technology



Building high-quality social networks



Developing a resilient management foundation



## Operating company to drive the Information Revolution

Parent company

### SoftBank Group Corp.

**Investment company**  
investing in  
AI companies around the world

Representative Director,  
Corporate Officer, Chairman & CEO  
**Masayoshi Son**



Ratio of  
voting rights\*1

**40.5%**

The Company

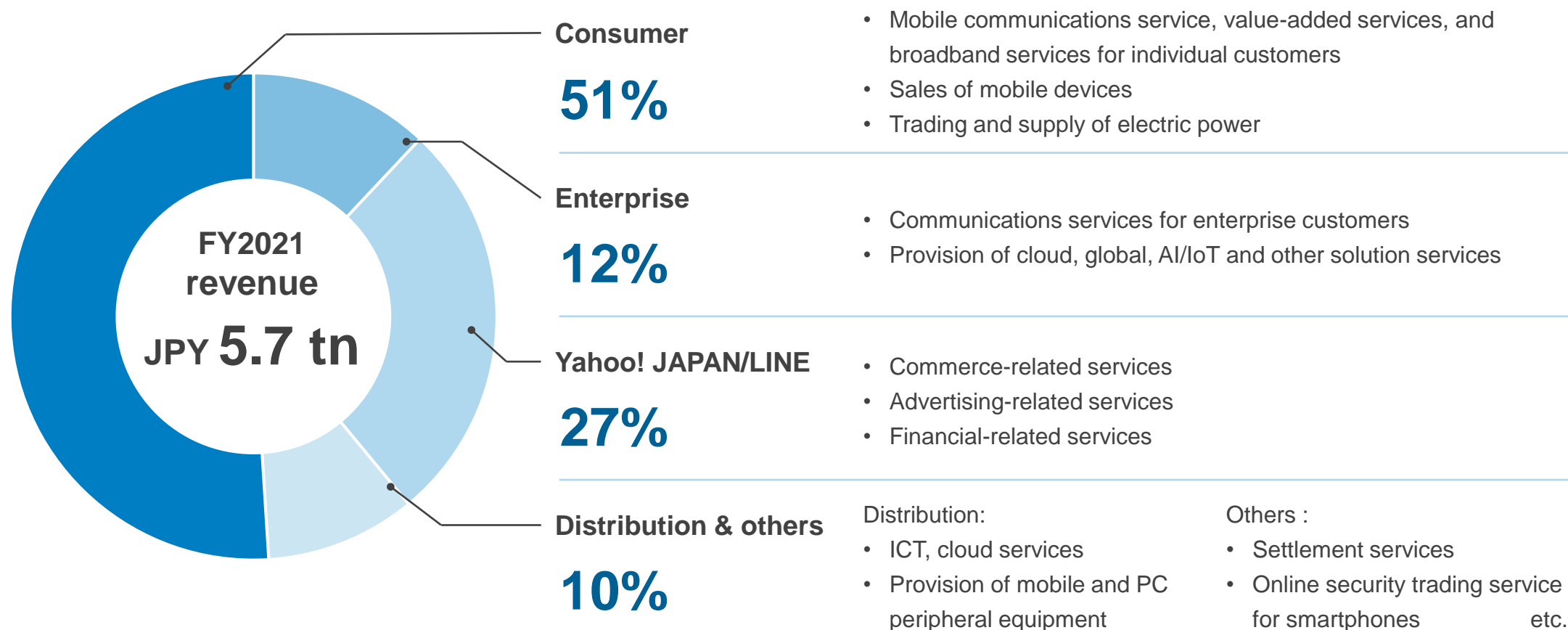
### SoftBank Corp.

**Operating company**  
engaging in  
telecom and IT businesses

President & CEO  
**Junichi Miyakawa**



## Developing diverse businesses centered on digital technology



## Providing Japan's top-class ICT services



### Telecommunications

Mobile<sup>\*1</sup>

Broadband<sup>\*2</sup>

39 mil

8 mil



### E-commerce

 ショッピング  PayPay モール

E-commerce transaction value<sup>\*4</sup> JPY  
3.6 tn



### Social media / messaging services

LINE

No. of monthly users<sup>\*6</sup> 92 mil



### ICT services for enterprises

% of major corporations in Japan which SoftBank has business relationships with<sup>\*3</sup> 94%



### Online media

YAHOO!  
JAPAN

Total digital reach in Japan<sup>\*5</sup> No.1



### Cashless settlement

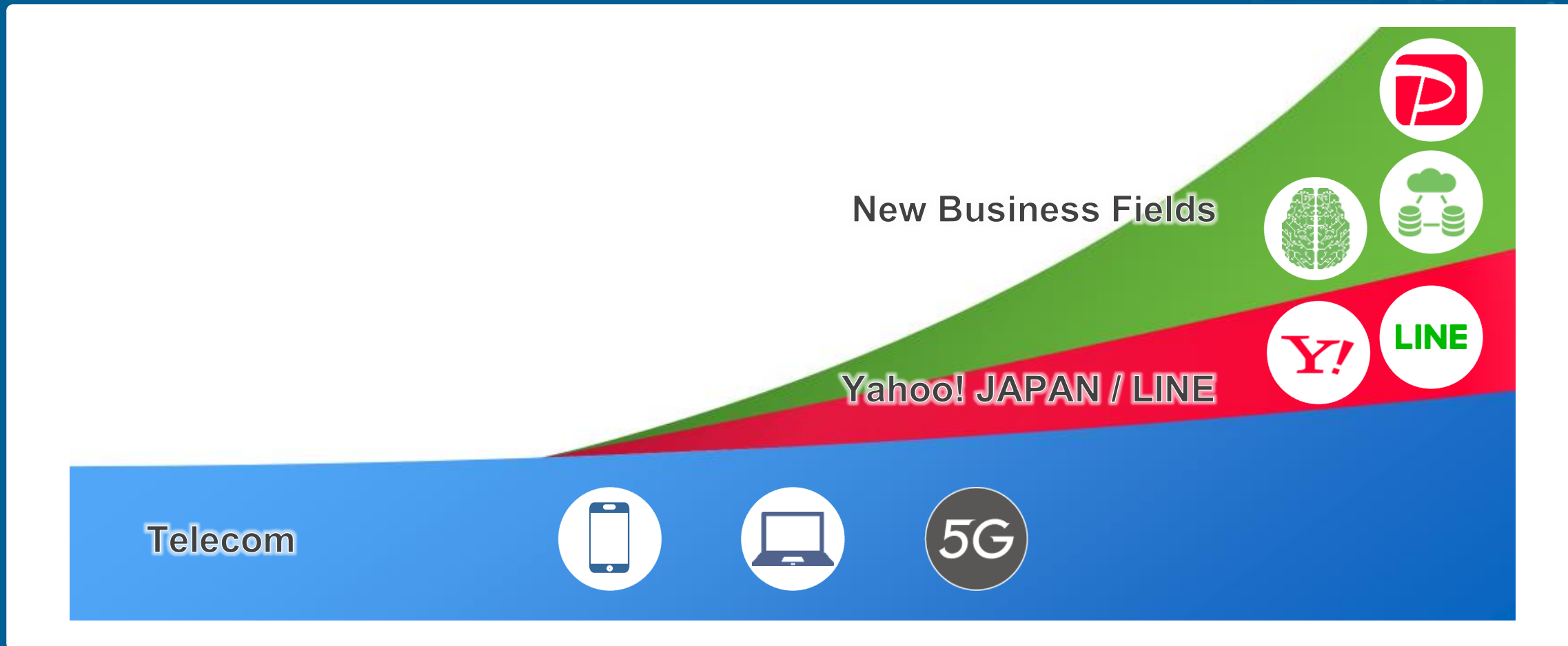
 PayPay  SB Payment Service

Largest class smartphone payment service provider  
Largest class payment service provider

<sup>\*1</sup>: Total no. of mobile main subscribers (as of September 2022) <sup>\*2</sup> Broadband cumulative subscribers (as of September 2022). <sup>\*3</sup>: Approximate percentage of listed companies with revenue of JPY 100 bn or more that have transaction with SoftBank Corp. (FY2021) <sup>\*4</sup>: FY2021 result. Sum of Merchandise and Services and digital content <sup>\*5</sup>: (Source) Nielsen, TOPS OF 2021: DIGITAL IN JAPAN <sup>\*6</sup>: As of March 2022




**Aim to expand business fields other than telecom  
while further growing the telecom business**




## Strong business foundation to expand non-telecom fields

### Compelling customer touchpoints

 SoftBank **39 mil users** <sup>\*1</sup> Mobile

 **86 mil users** <sup>\*2</sup> Online media

 PayPay **51 mil users** <sup>\*3</sup> Smartphone payment

 **92 mil users** <sup>\*4</sup> Communication app

### High technology capabilities

✓ **Approx. 12,000 engineers** <sup>\*5</sup>

✓ **Conducting cutting-edge AI research with Tokyo University**

✓ **Implementing verification trials in various industries using 5G**

### Strong sales force

✓ **Approx. 15,000 sales staff** <sup>\*6</sup>

✓ **Transaction with 94% of large corporations** <sup>\*7</sup>

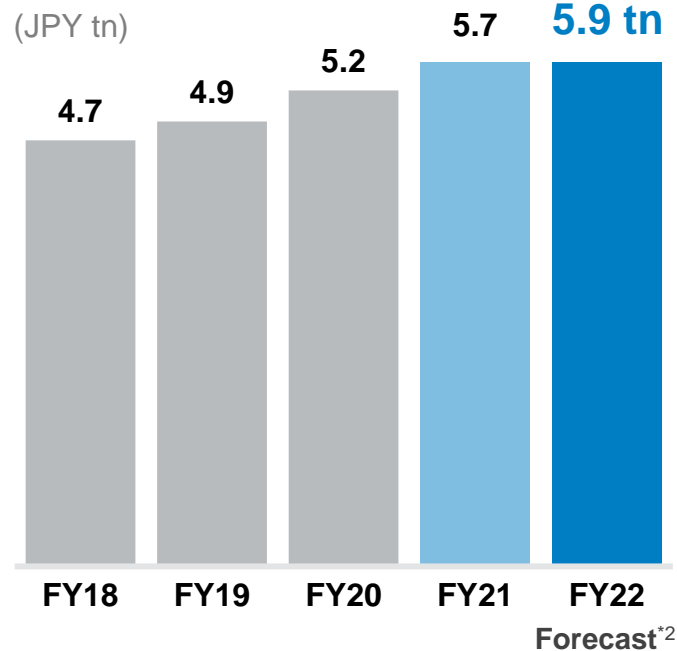
✓ **6,300 stores nationwide** <sup>\*8</sup>

\*1: SoftBank = Total no. of mobile main subscribers (as of Sep 2022) \*2: Yahoo! JAPAN = No. monthly users. Nielsen TOPS OF 2021: DIGITAL IN JAPAN (Top 10 Internet services used by users in Japan). Average monthly number of users between January – October 2021. Does not include duplicate users of smartphones and PCs. \*3: PayPay = No. of registered users (as of Sep 2022) \*4: LINE = No. of monthly active users in Japan (as of Mar 2022) \*5: Total of the engineers in SoftBank Corp., Yahoo Japan Corporation and LINE Corporation (as of Mar 2022) \*6: No. of SoftBank Corp.'s sales staff (Mar 2022) \*7: Approximate percentage of listed companies with revenue of JPY 100 bn or more that have transaction with SoftBank Corp. (FY2021) \*8: Total of SoftBank and Y!mobile brands' directly-managed stores, agents, mass merchandisers and other retail channels (as of Mar 2022)

## Steady progress toward FY2022 operating income target of JPY 1,050 billion

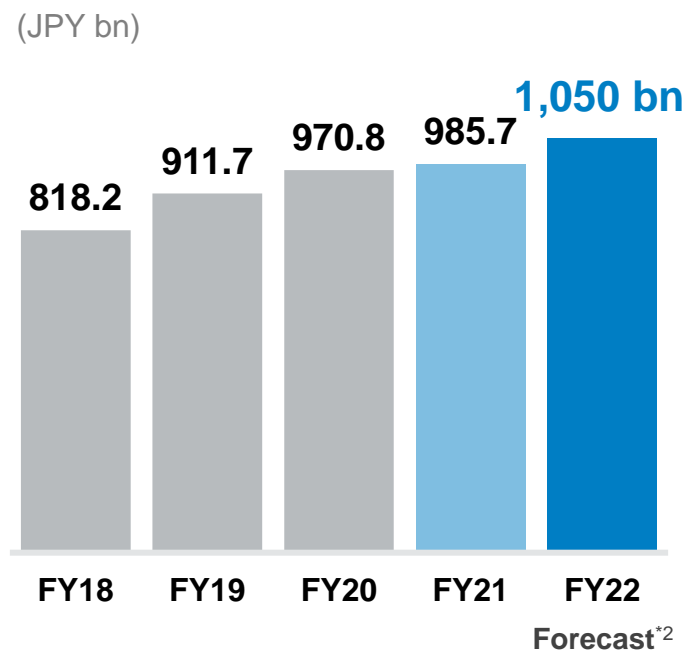
### Revenue

FY22  
Forecast\*<sup>2</sup> **JPY 5.9 tn**



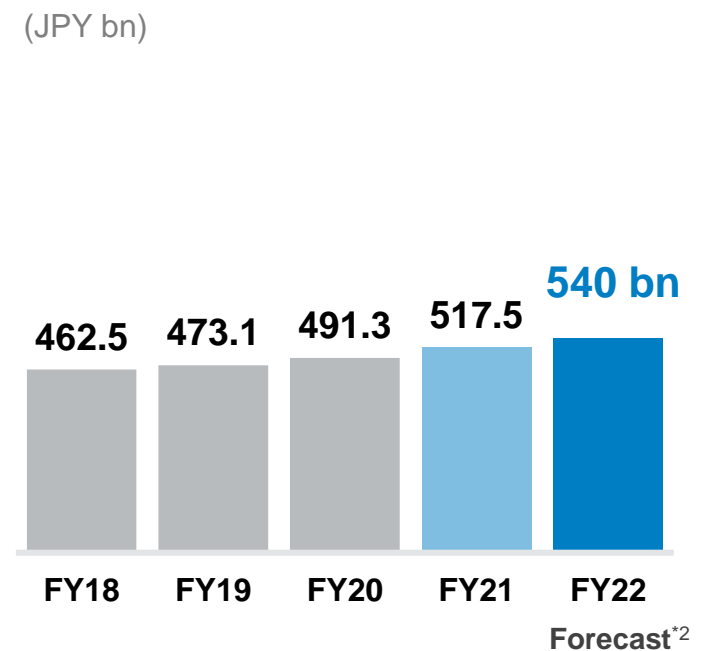
### Operating income

FY22  
Forecast\*<sup>2</sup> **JPY 1,050 bn**



### Net income\*<sup>1</sup>

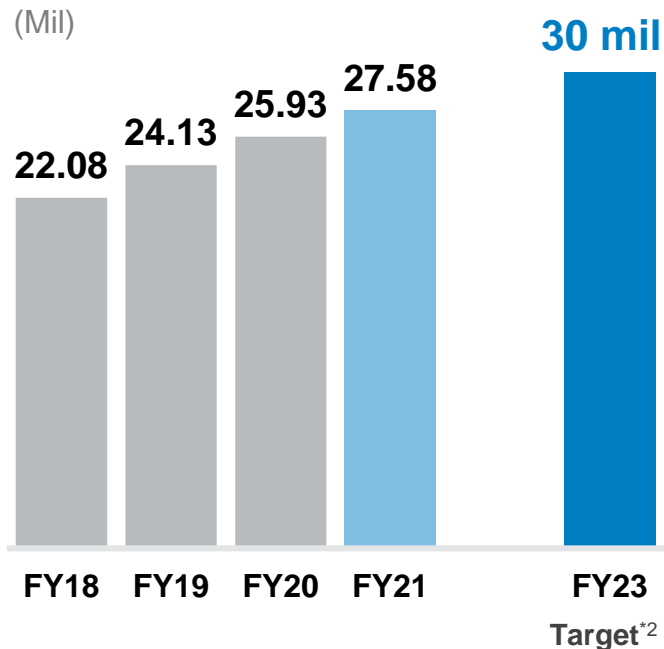
FY22  
Forecast\*<sup>2</sup> **JPY 540 bn**



## Expand KPIs such as smartphone subscribers and EC merchandise transaction value

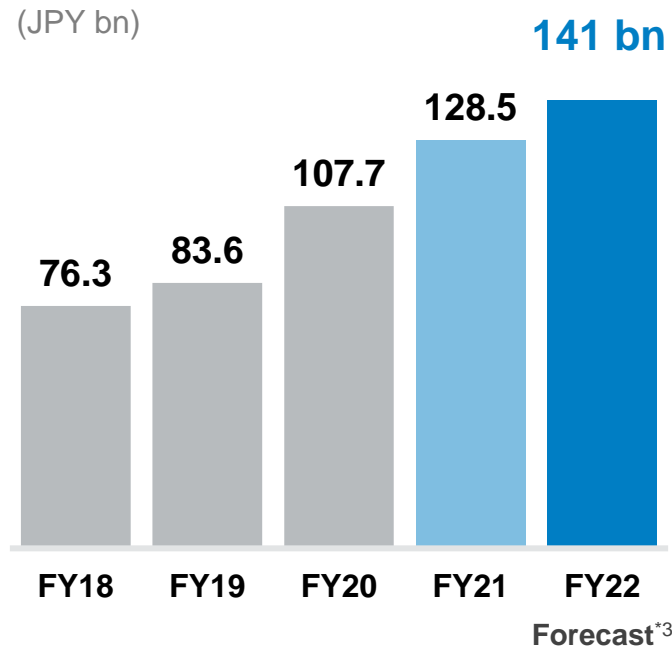
### Smartphone subscribers

FY23  
Target<sup>\*2</sup> **30 mil**



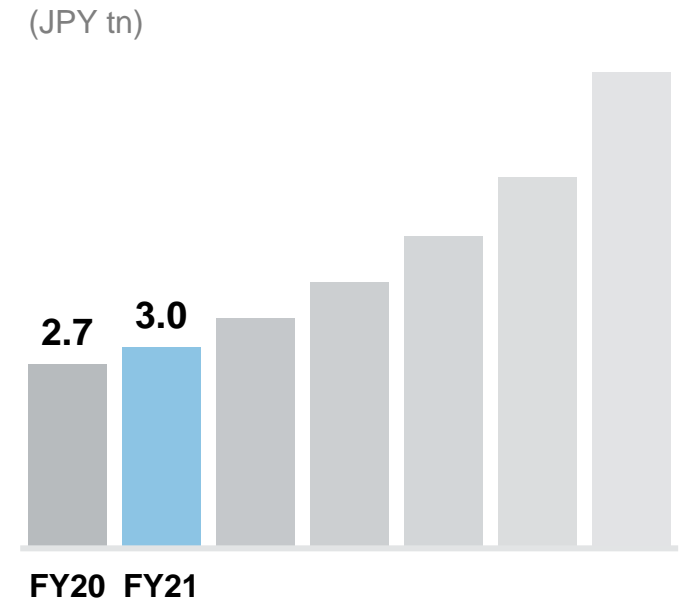
### Enterprise segment income

FY22  
Forecast<sup>\*3</sup> **JPY 141 bn**



### EC merchandise transaction value (domestic)<sup>\*1</sup>

Early  
2020s **No.1 in Japan<sup>\*2</sup>**

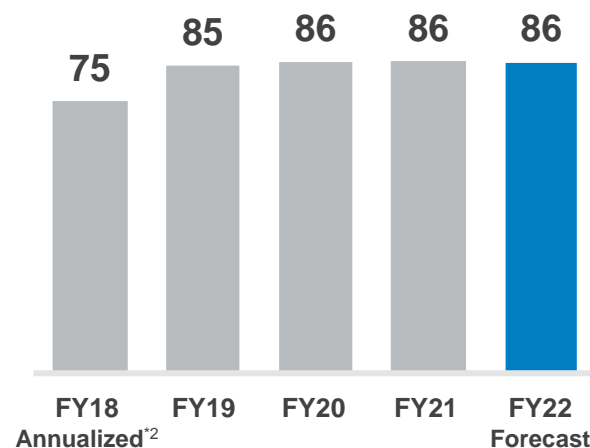


## Total shareholder return ratio of approx. 85% (FY2020-FY2022)<sup>\*1</sup>

### Dividends

Dividends per share (JPY)

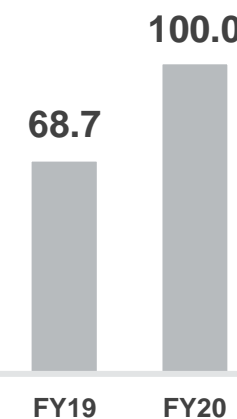
**No dividend reduction**



### Share buybacks

Share buybacks (JPY bn)

**Flexible implementation**



<sup>\*1</sup>: Total amount of dividends paid and treasury stock retired during FY20-FY22 / total amount of net income attributable to owners of the Company during FY20-FY22

<sup>\*2</sup>: Figures for FY18 are annualized based on the year-end dividend of JPY 37.5 per share. Dividends have been paid for interim and year-end since FY19

# Management Structure



**Junichi Miyakawa**  
President & CEO

Dec. 1991  
KK Momotaro Internet  
Representative Director & President

Jun. 2000  
Nagoya Metallic Communications Corp.  
(currently SoftBank Corp.)  
President and Representative Director

Apr. 2006  
Vodafone K.K. (currently SoftBank Corp.)  
Director & Executive Vice President (CTO)

Apr. 2021  
SoftBank Corp.  
President & CEO, in charge of Government Relations  
(to present)

\*SBG: SoftBank Group Corp.  
\*ZHD: Z Holdings Corporation



**Ken Miyauchi**  
Representative Director  
& Chairman



**Yasuyuki Imai**  
Representative Director & COO  
(Enterprise Business)



**Kentaro Kawabe**  
Board Director  
(President and Representative  
Director, Co-CEO of ZHD)



**Jun Shimba**  
Representative Director & COO  
(Consumer Business)



**Kazuhiko Fujihara**  
Board Director,  
Executive Vice President & CFO



**Masayoshi Son**  
Board Director, Founder  
(Representative Director, Corporate  
Officer, Chairman & CEO of SBG)

Ratio of external Directors: 46%  
Ratio of female Directors: 23%



**Atsushi Horiba**  
Chairman, Representative Director  
& Group CEO of HORIBA, Ltd.



**Kazuaki Oki**  
Head of Ohki CPA Office



**Reiko Hishiyama**  
Professor of  
Waseda University



**Takehiro Kamigama**  
Chairman & Representative  
Director of TDK Corporation



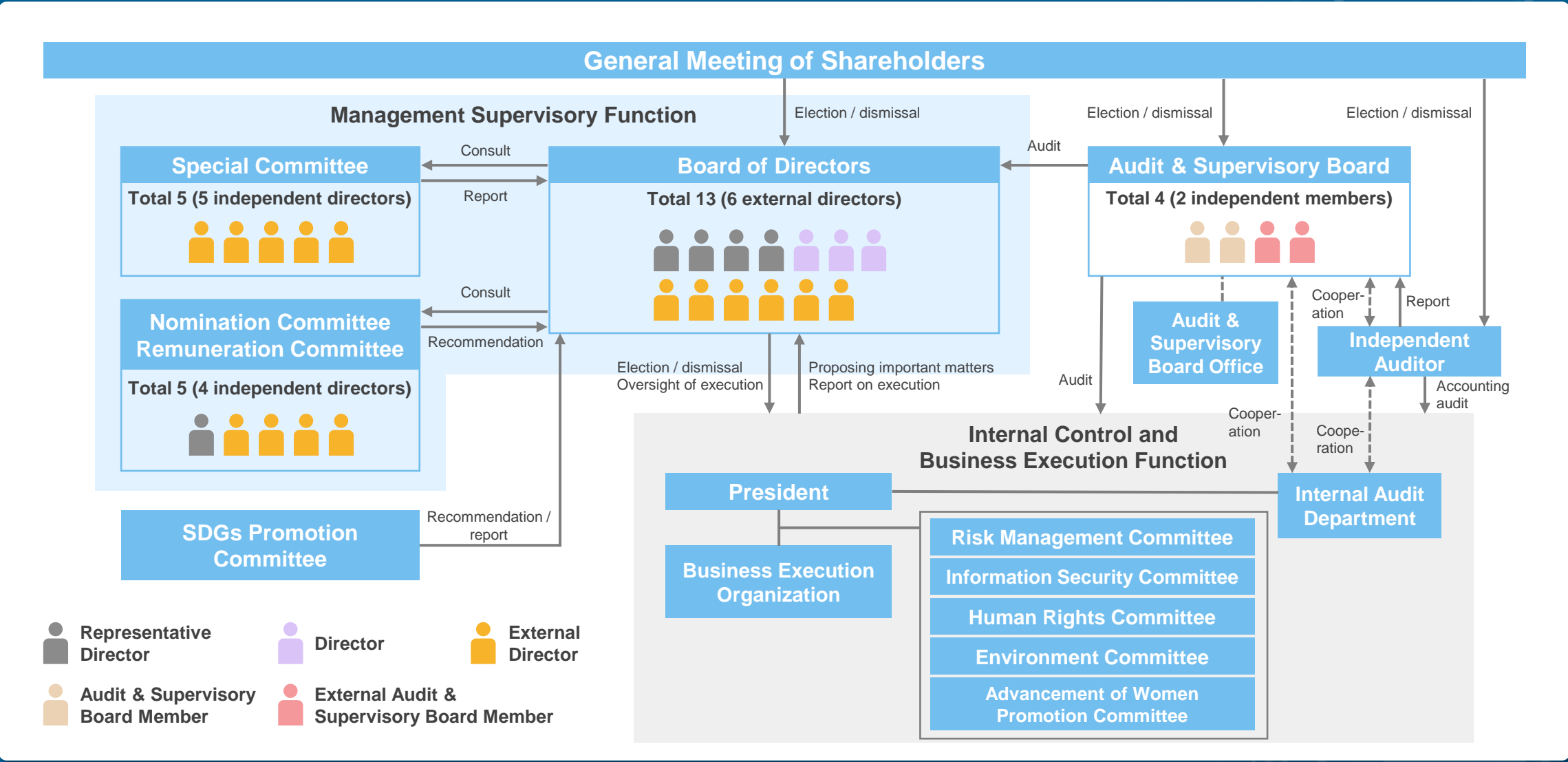
**Kyoko Uemura**  
Partner Lawyer at Miyama,  
Koganemaru & Associates



**Naomi Koshi**  
Partner Lawyer at Miura & Partners  
(Former Mayor of Otsu City)

External Directors





## Initiatives to Achieve 'Net Zero'

### Achieving virtually zero greenhouse gas emissions

- ✓ Achieve virtually 100% renewable energy for Scope 1, 2 by FY2030 ("Carbon Neutral 2030"<sup>\*1</sup>)
- ✓ Reduce greenhouse gas emissions generated by entire value chain (Scope 3) to virtually zero by FY2050<sup>\*1</sup>
- ✓ Contribute to the realization of a decarbonized society by using technologies

## Provision of telecom infrastructure

### Eliminate global information disparities

- ✓ Deliver telecom services to people around the world with airborne base stations of HAPSMobile Inc.
- ✓ Raised JPY 30 bn through first ESG bond to promote HAPS<sup>\*2</sup> business
- ✓ SoftBank and Smart Africa Secretariat agreed to collaborate on providing affordable broadband solutions in Africa

<sup>\*1</sup>: This declaration applies to SoftBank Corp. on a standalone basis

<sup>\*2</sup>: High Altitude Platform Station, business that aims to provide wide area and stable telecommunications connectivity from the stratosphere



## Selected in 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)

## Highly rated in domestic surveys



DX Stock 2022  
(Only company selected in the ICT  
Industry for consecutive two years)



PRIDE Index  
(LGBT-related initiatives)



Nikkei SDGs  
Management Survey



Nikkei Smart Work  
Management Survey

## Credit rating

**R&I**

Rating and Investment  
Information, Inc.

**A+**

Long-term rating

**a-1**

Short-term rating

**JCR**

Japan Credit Rating  
Agency, Ltd.

**AA-**

Long-term rating

**J-1+**

Short-term rating

(As of Sep 10, 2021)

## ESG rating

**MSCI  
ESG Rating**

**AA**

(As of Jul 1, 2022)

**FTSE Russell ESG  
Rating**

**4.4**

(As of Jun 20, 2022)

**Sustainalytics  
ESG Risk Ratings**

**Low risk**

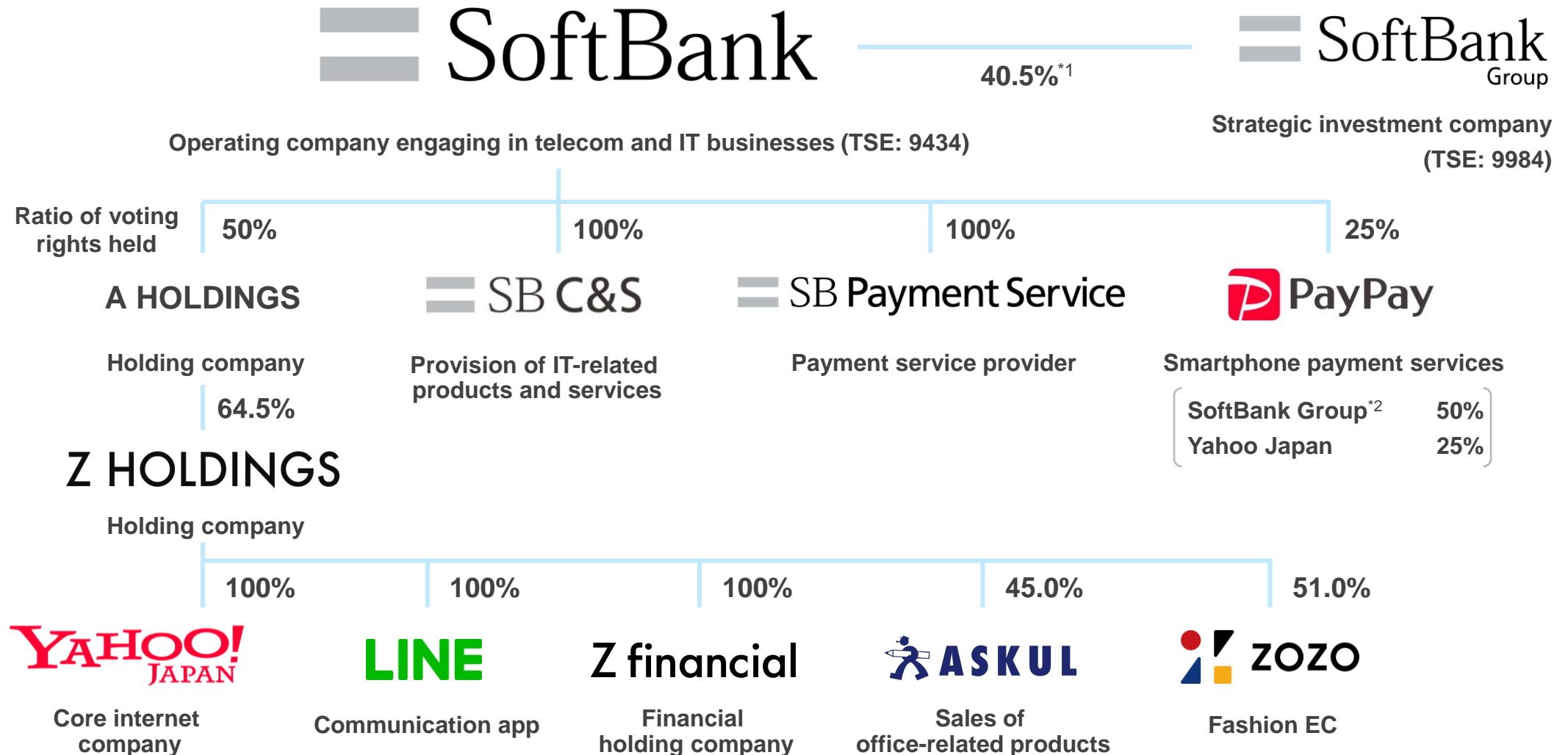
(As of Aug 4, 2022)

**CDP Climate  
Change Report 2021**

**A-**

(As of Dec 2021)

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\*Above shows a simplified grouping structure. Ratio of voting rights held as of September 30, 2022

\*1: The Company is directly owned by SoftBank Group Japan Corporation, a wholly owned subsidiary of SoftBank Group Corp. The stated 40.5% is the voting rights held by SoftBank Group Corp. \*2: Transferred to SoftBank Vision Fund 2 under SoftBank Group in Dec 2021



SoftBank