

SoftBank Next 30-Year Vision

June 25, 2010

**Chairman & CEO
Masayoshi Son**



SoftBank

SoftBank

Next 30-Year Vision

Philosophy

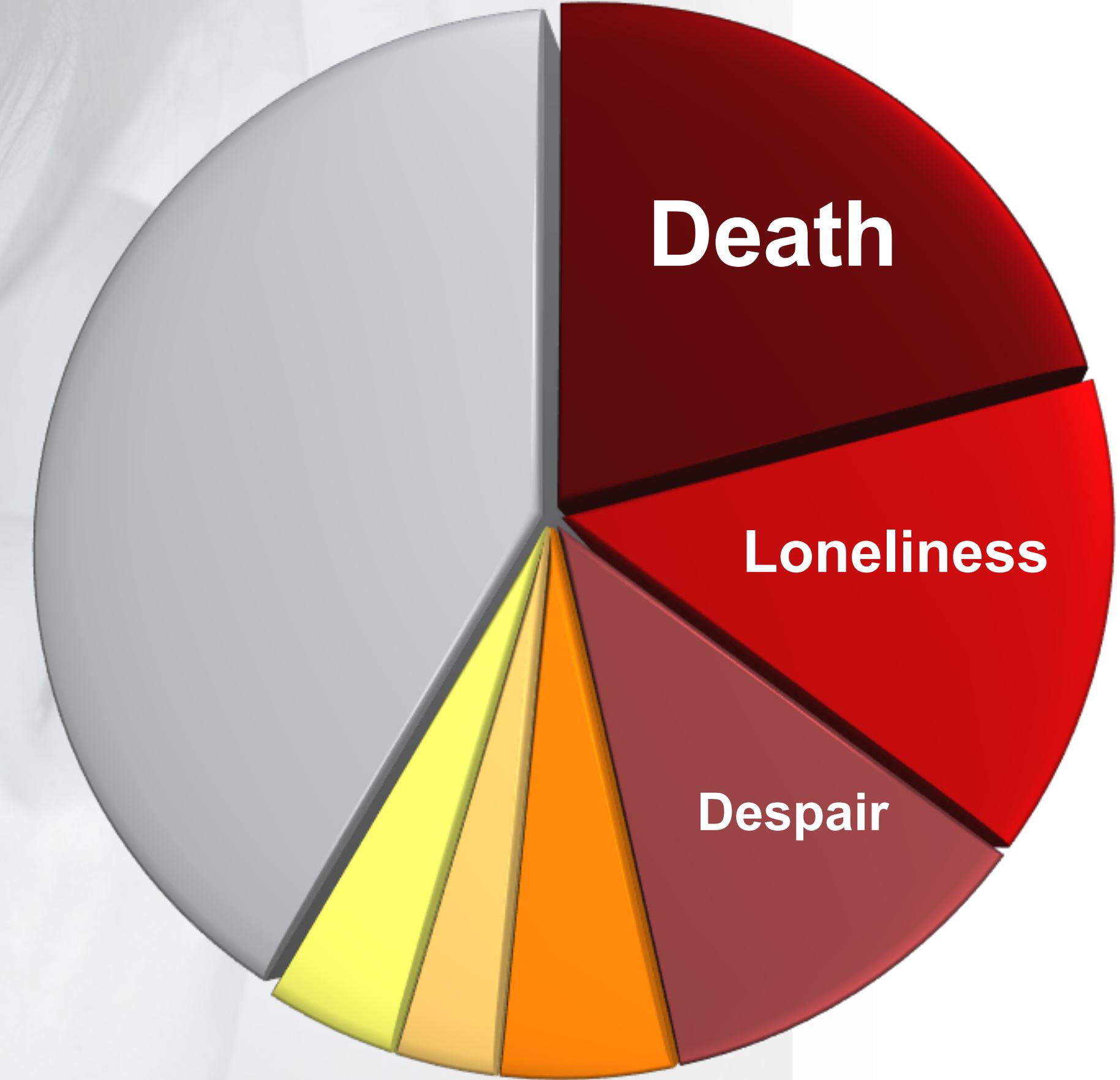
**Information Revolution -
Happiness for everyone**



**SoftBank works to
comfort people
in their sorrow**

**What would be
the saddest thing in your life?**

Sorrow



**Death of
loved one**



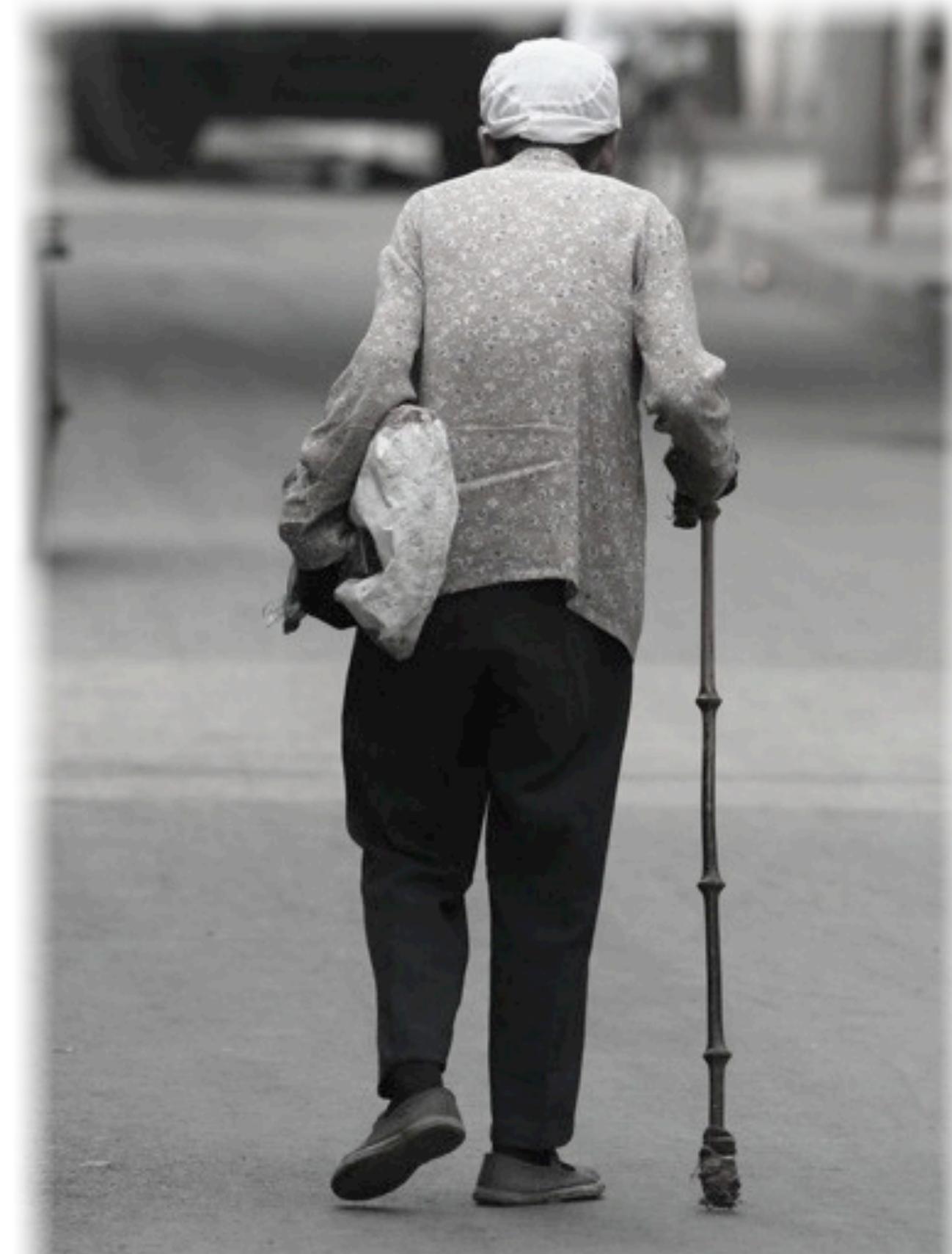
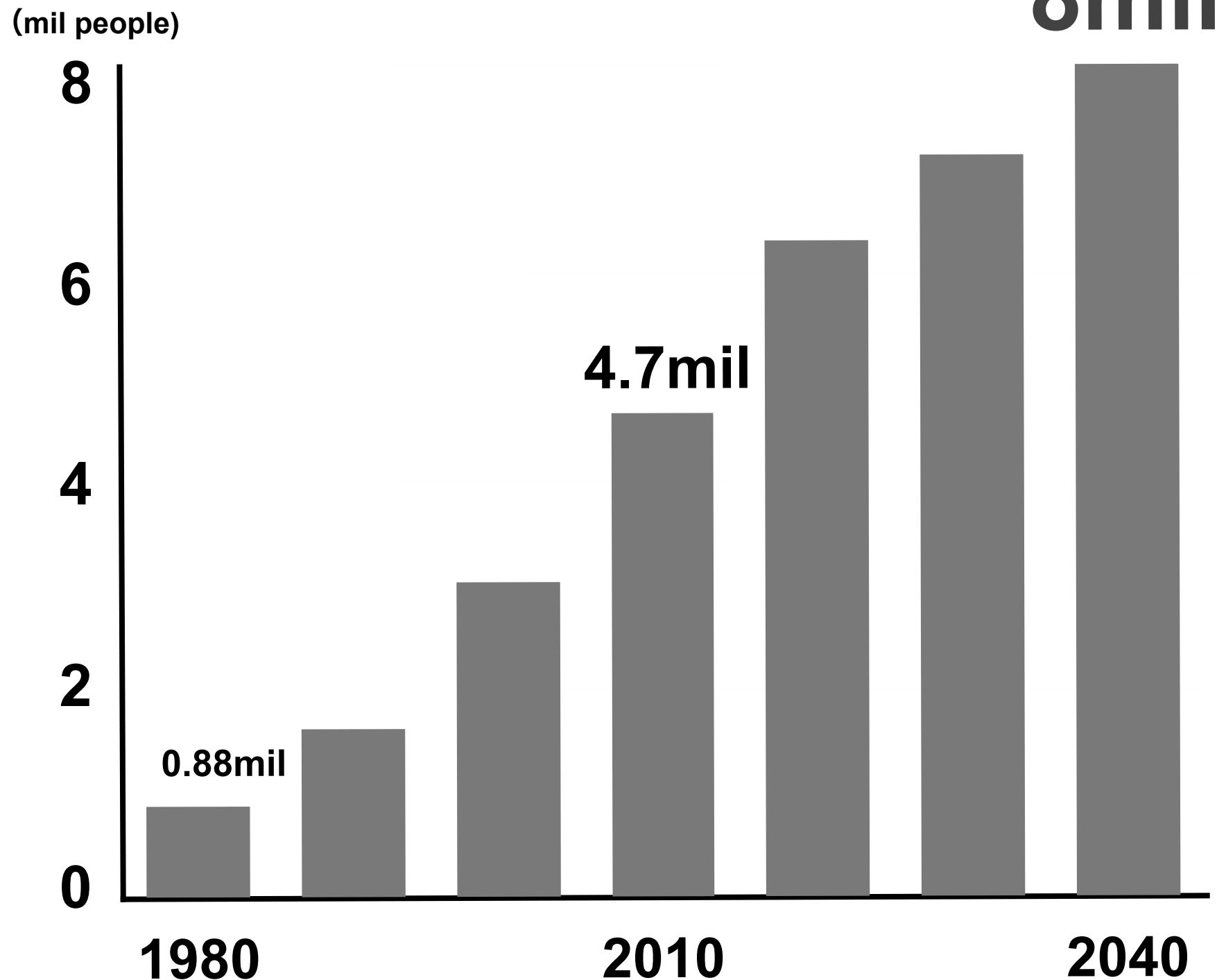
World Top Causes of Death (2008)

	Cause	No. of Deaths
1	Cardiac disease	9.3mil
2	Cancer	6.6mil
3	Apoplexy	6.0mil
4	Respiratory disease	3.8mil
5	Lung disease	3.3mil

Loneliness



No. of the Elderly Living Alone (Japan)



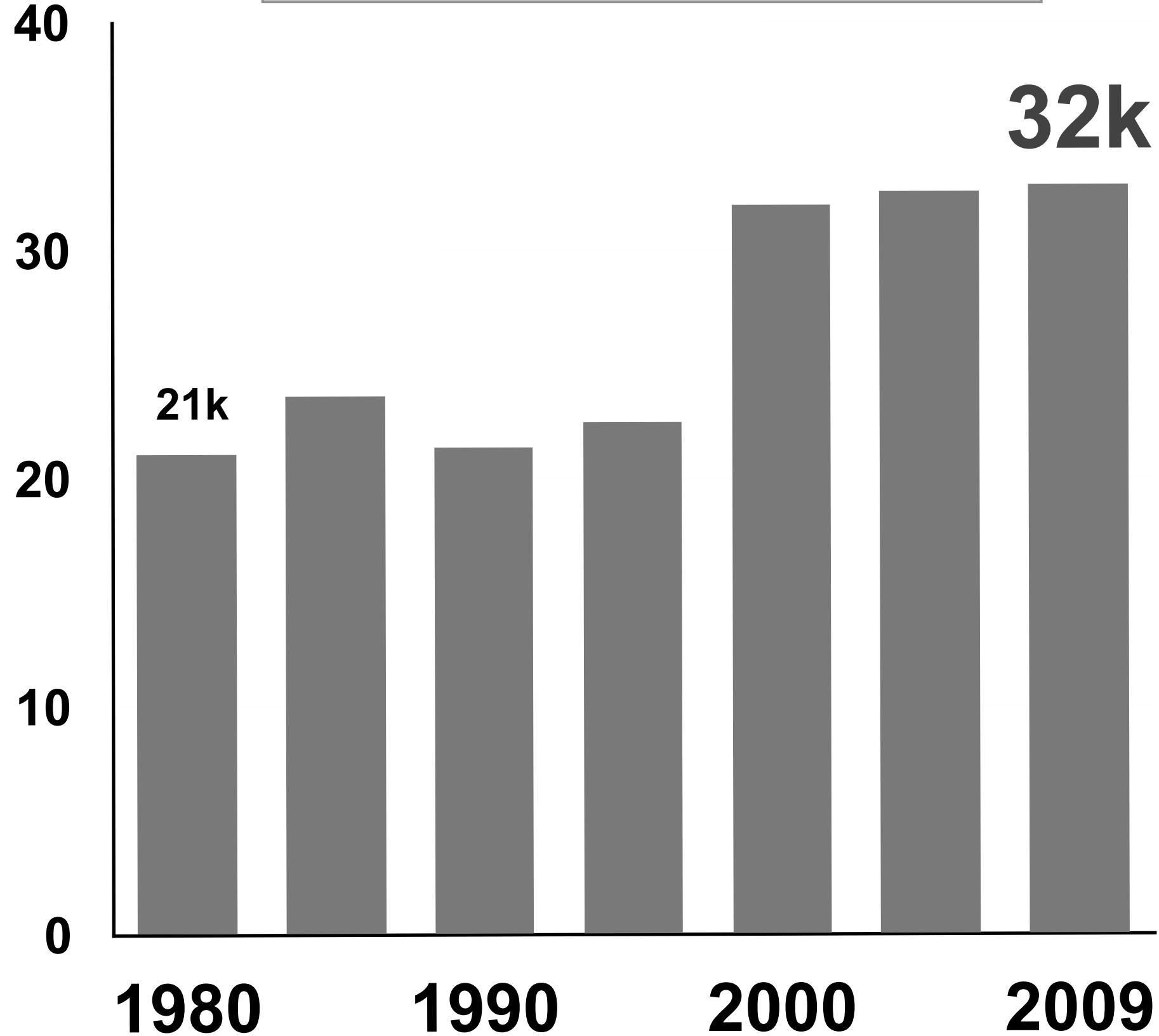


Despair

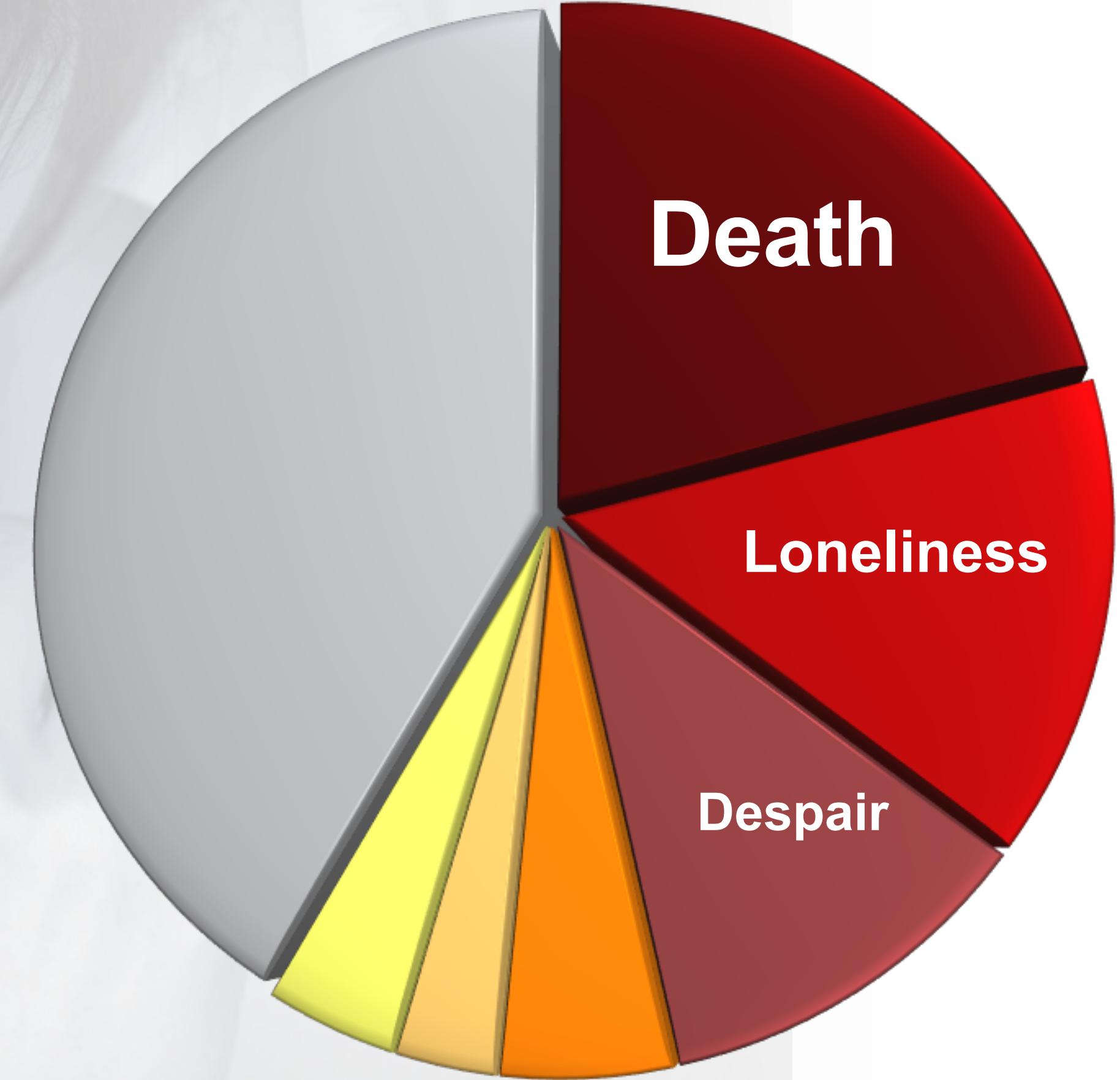
doobie

(k people)

Number of Suicides (Japan)

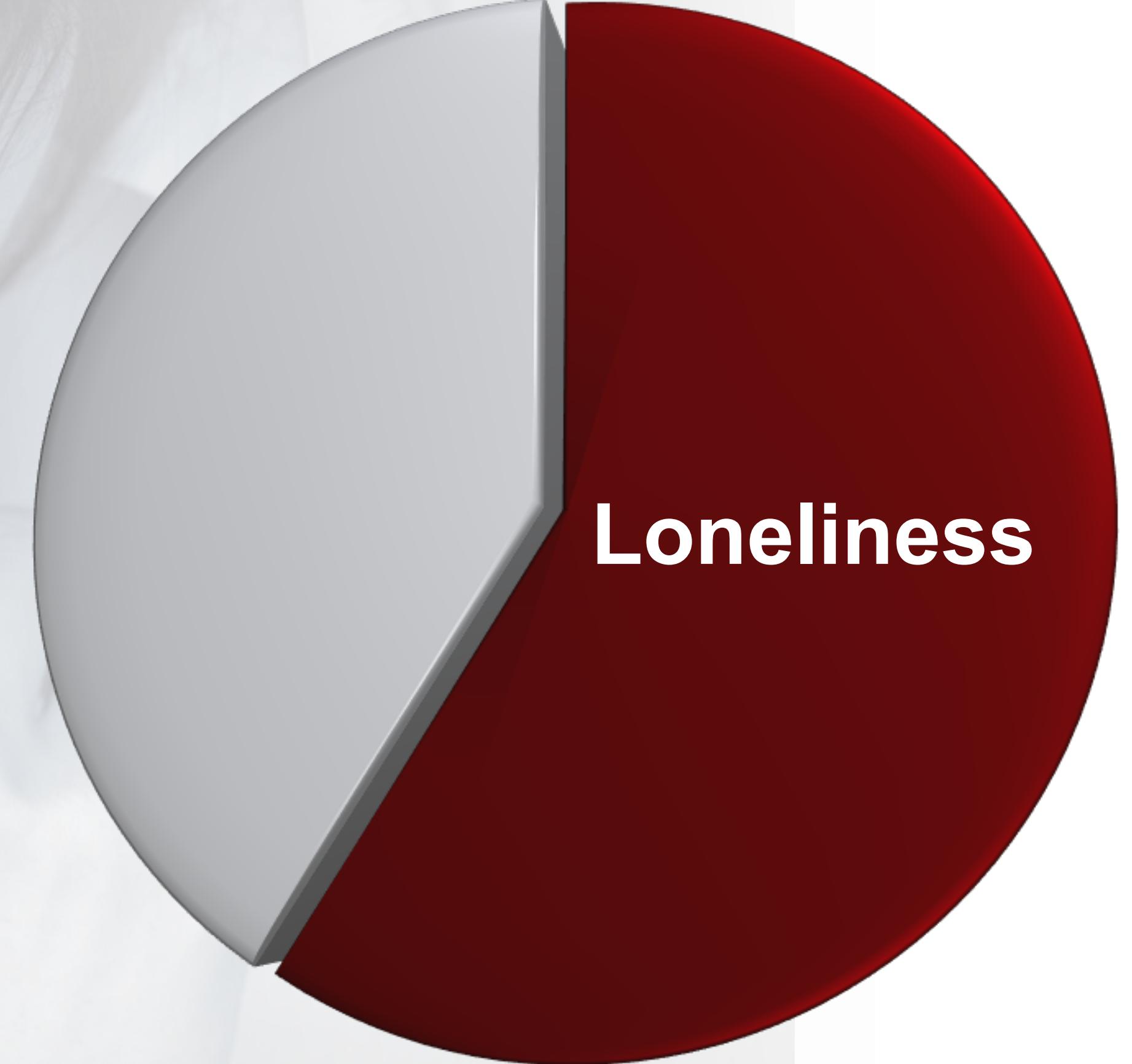


Sorrow





Sorrow

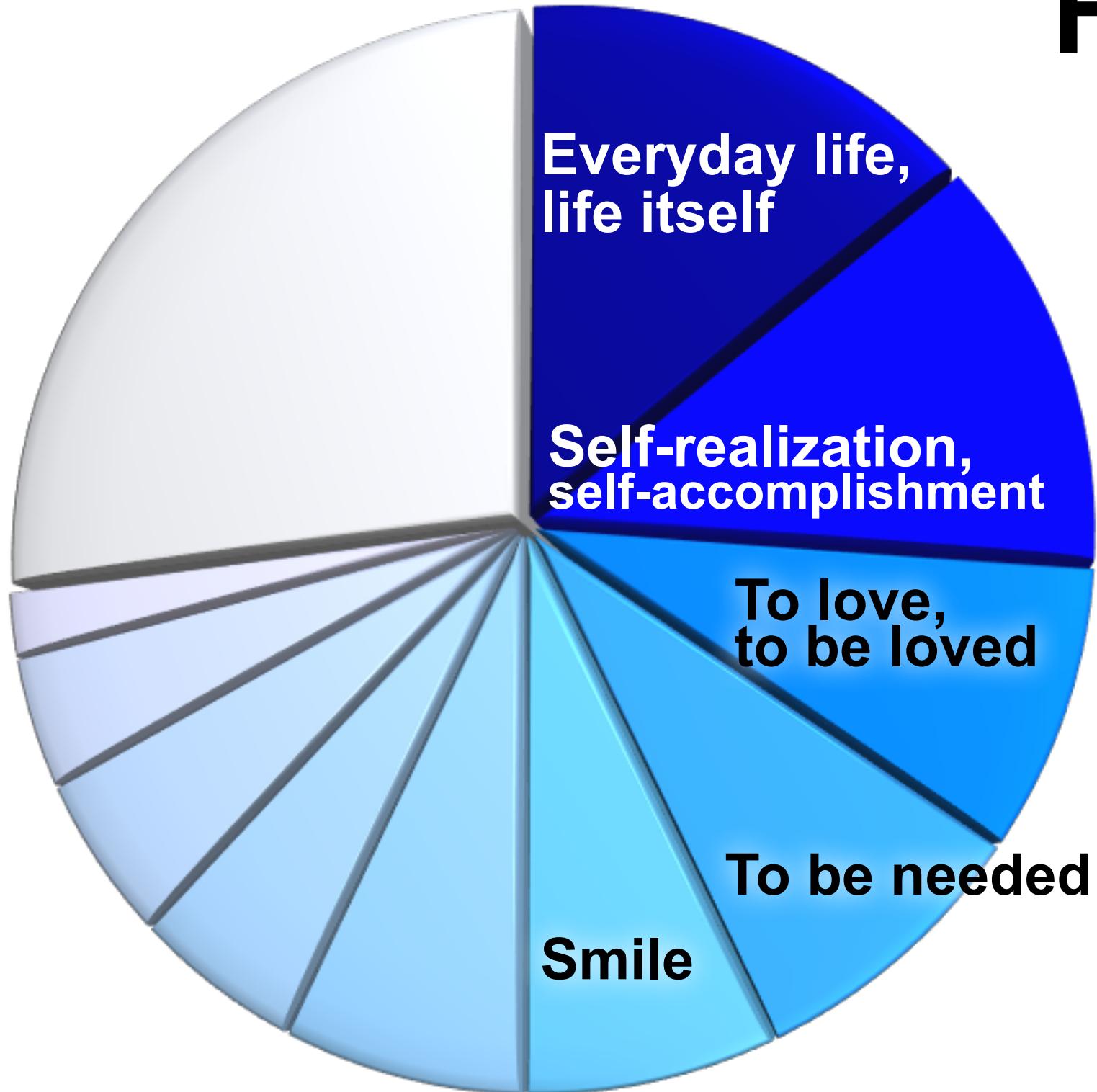


**The saddest thing
in people's life is loneliness**

**SoftBank works to
increase people's joy**

**What would be
the happiest thing in your life?**

Happy = Touched





Touched by seeing



Touched by interactions



Touched by love

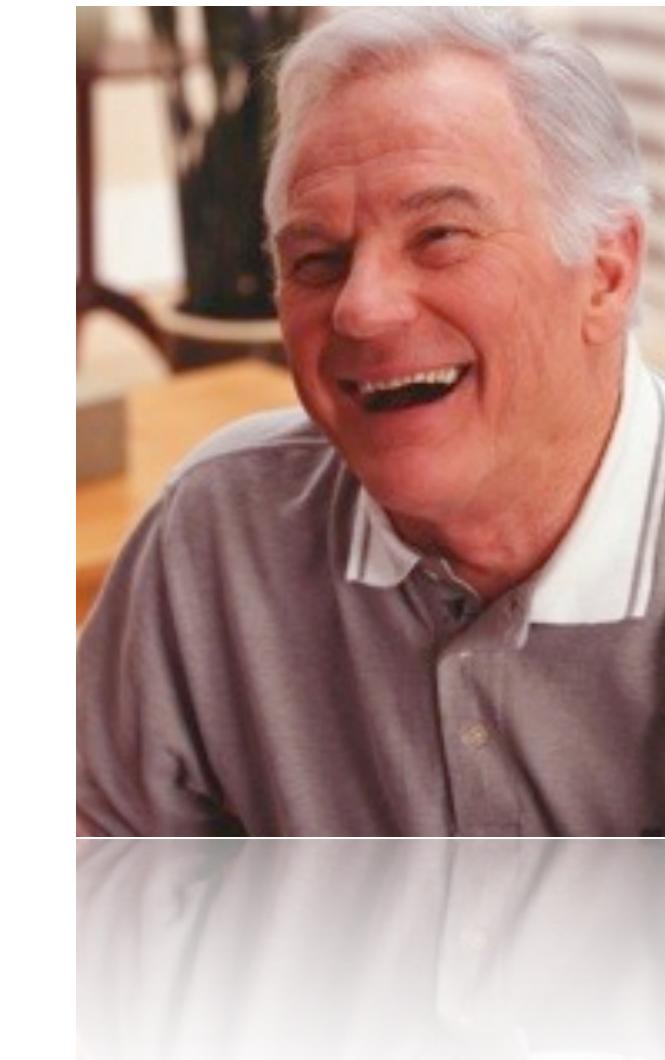


Touched by learning



**Touched by playing
etc...**

Information Revolution - Happiness for everyone



30 years till now

&

the next 30 years

SoftBank's past 30 Years (movie)

We have overcome many obstacles for information revolution



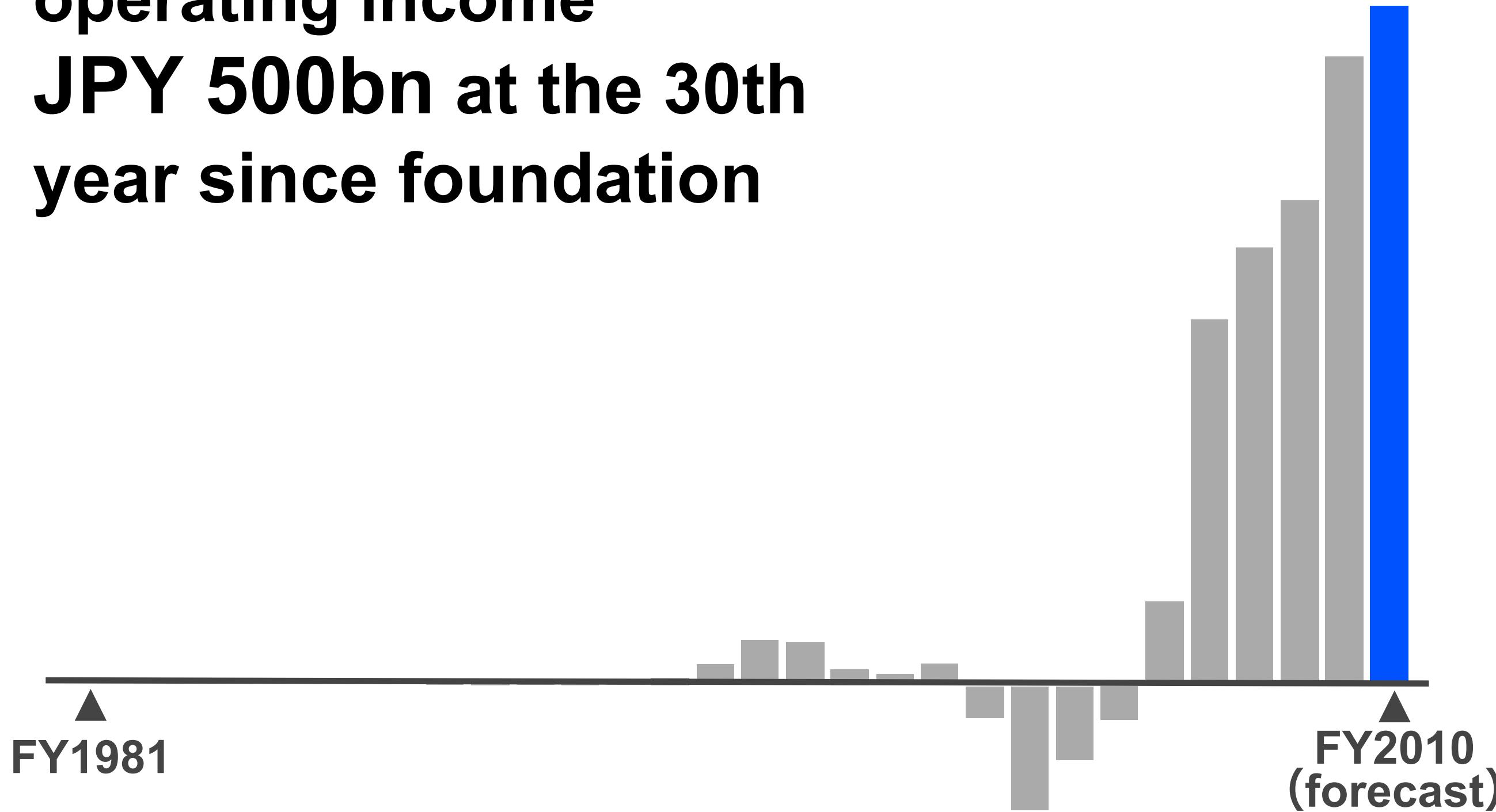
YAHOO!
JAPAN

YAHOO! BB
JAPAN Broadband



**Consolidated
operating income
JPY 500bn at the 30th
year since foundation**

JPY 500bn



FY2009 Consolidated Operating Income Ranking

Rank	Company Name	Amount
1	NTT	1,117.6bn JPY
2	NTT DOCOMO	834.2bn JPY
3	SoftBank	465.8bn JPY
4	INPEX	461.6bn JPY
5	KDDI	443.8bn JPY
6	Takeda Pharmaceutical	420.2bn JPY
7	Honda Motor	363.7bn JPY
8	Nintendo	356.5bn JPY
9	East Japan Railway	344.8bn JPY
10	NISSAN MOTOR	311.6bn JPY

Top 3
in Japan

Endeavoring to benefit society and
the economy and maximize enterprise value
by fostering the sharing of
wisdom and knowledge
gained through the IT revolution.

Vision

**Design corporate DNA
leading SoftBank's growth in
the next 300 years**



**This vision is designed
with the time span of 300 years**

**The next 3 decades is
merely the first step**

A photograph taken from the deck of a sailboat, looking out over the ocean. The boat's rigging and a large sail are visible on the left. The water is dark blue and slightly choppy. In the distance, a range of mountains or hills is visible under a sky filled with scattered clouds.

**Look into the far distance
whenever you get lost**



**We learn from the past
to determine
the future course**



**World in
300 years ago**



The wealthy **39 years**



General
public **33 years**

Industrial Revolution



1705

Steam engine

1709

Iron-making
technology

1764

Spinning
technology

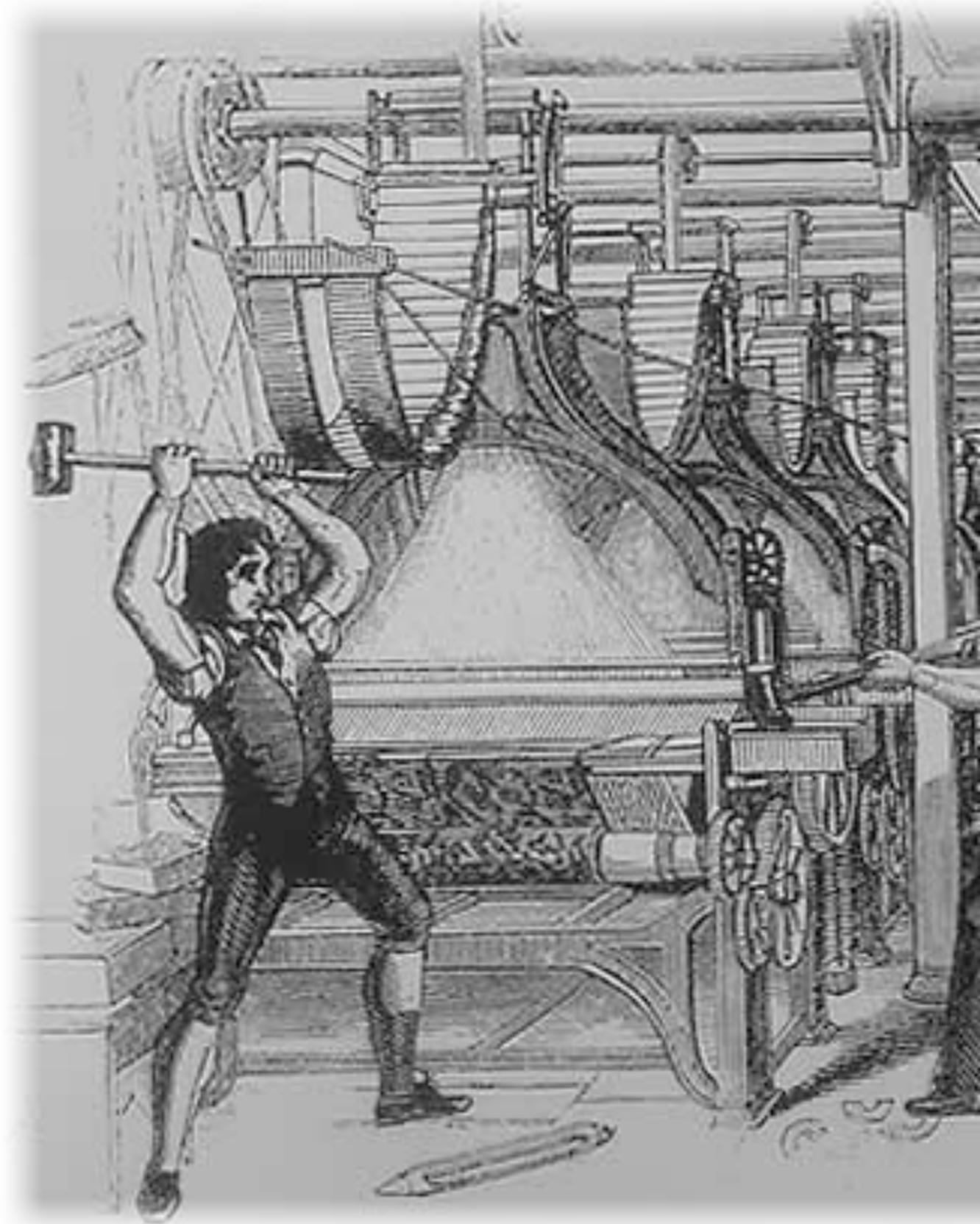
1807

Steam ship

1825

Steam engine
railway

**Riot by people
who feared machines**



World in 300 years from now



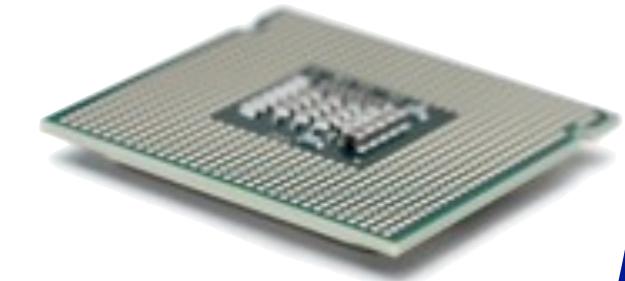
SoftBank

Information Big Bang

No. of Calculations per USD 1000 per second

3.5 quadrillion
times
in 100 yrs

Micro Processor
20 billion per second



Transistor



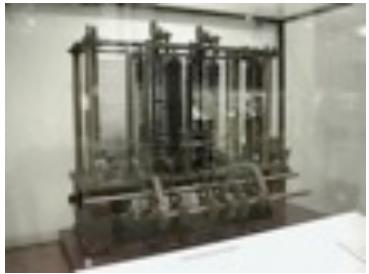
Vacuum Tube



Relay



Analytical Engine
0.000006 per second



1900

1920

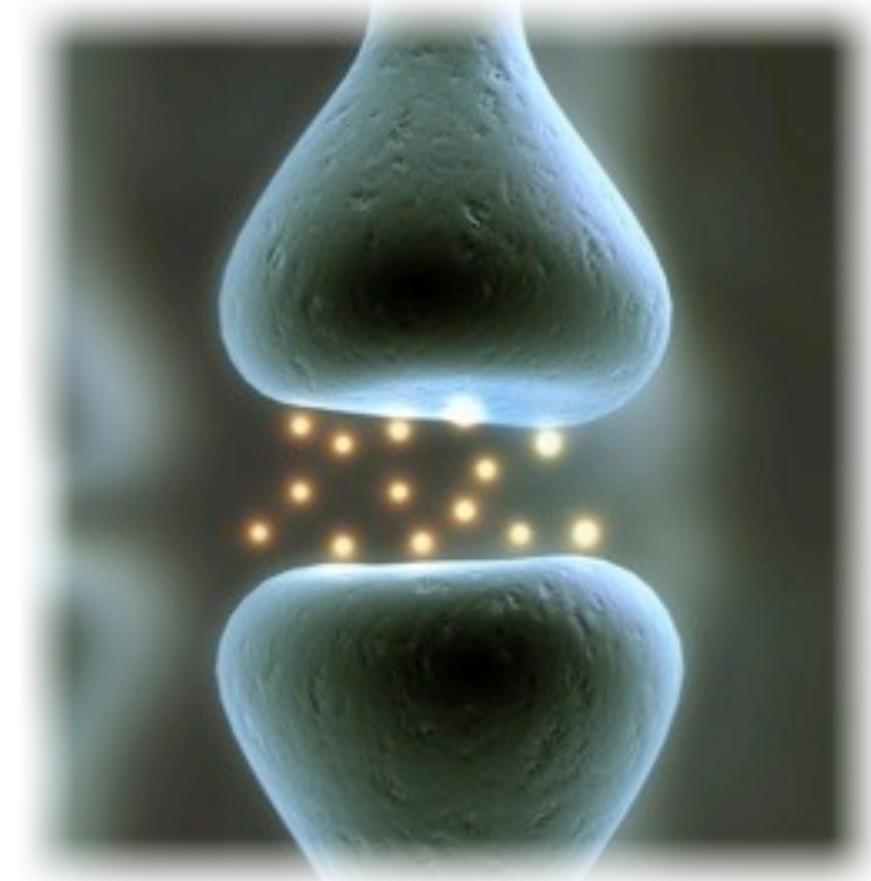
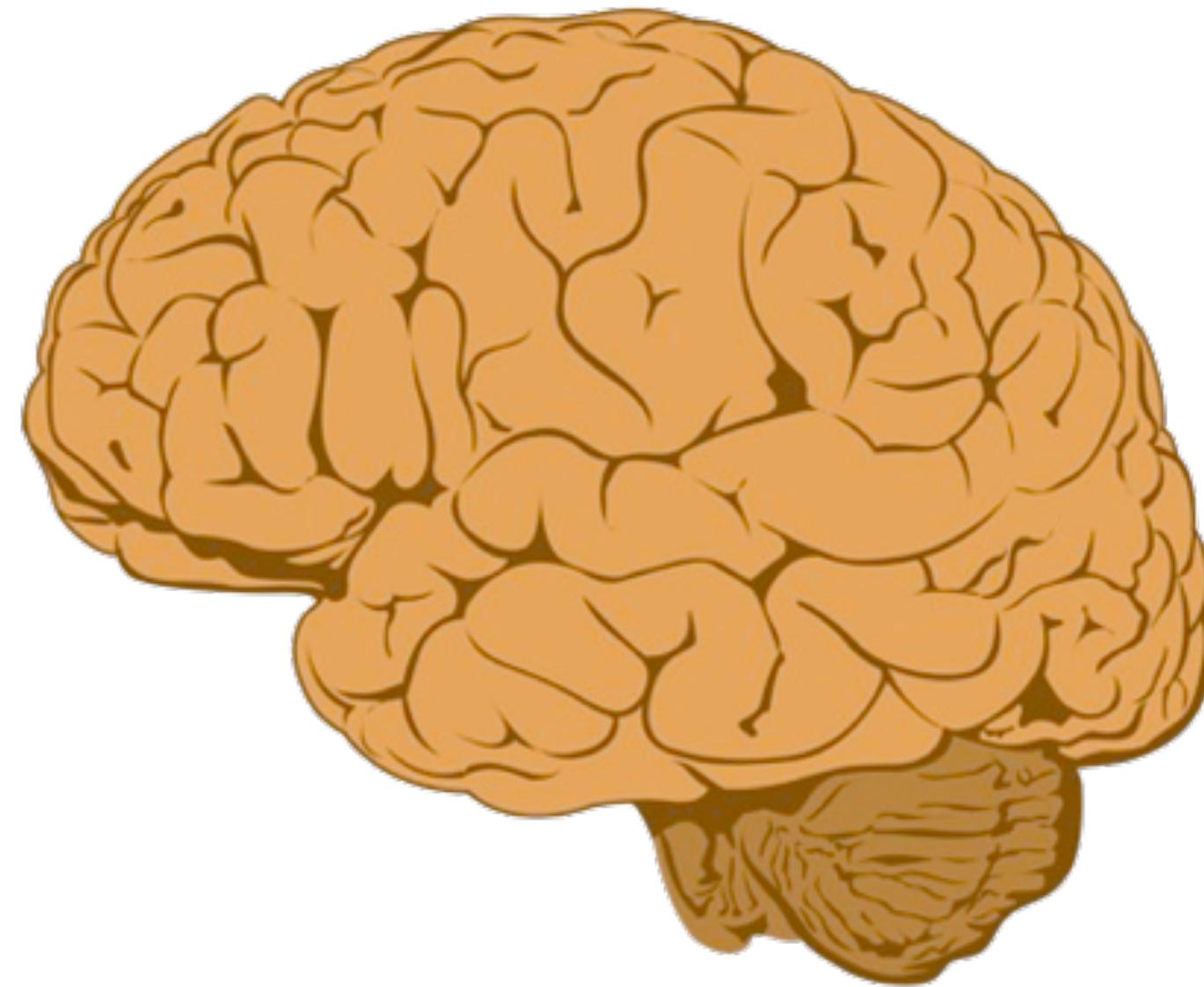
1940

1960

1980

2000

2010



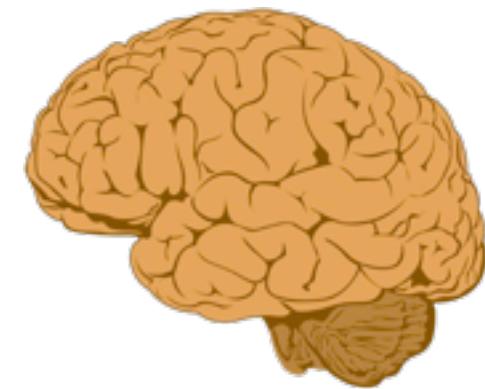
Synapse

Binary numeral- system

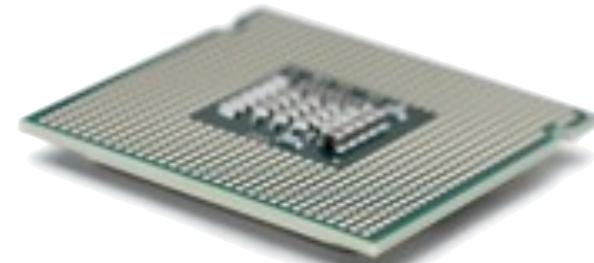
Number of brain cells Approx. 30bn

Number of cells
(No. of transistors)

1 mil times in 30 yrs



30bn

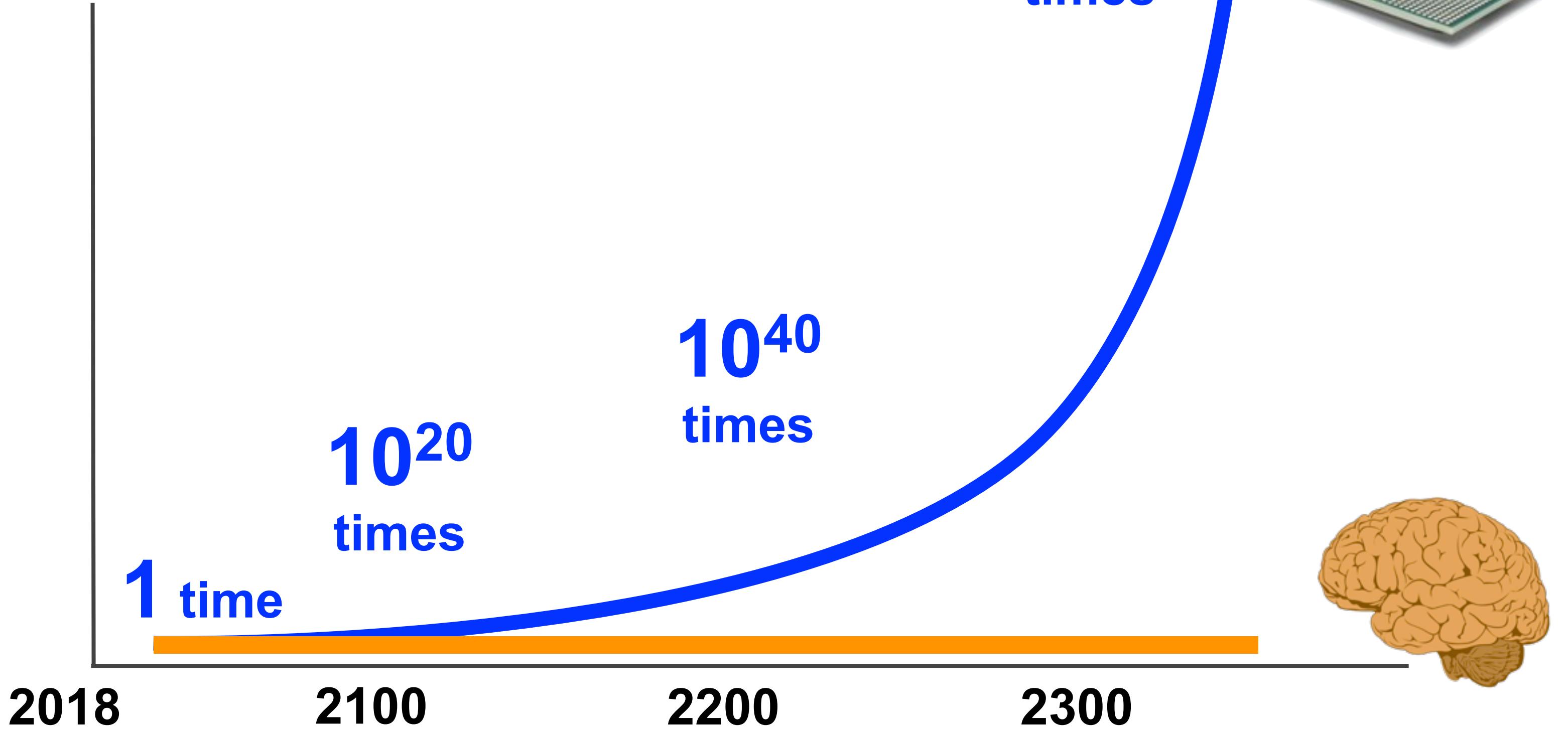


**Exceeds
human brain
in 2018**

2010

2018

Number of cells
(No. of computer elements)



Number of brain cells



Chimpanzee



Insect



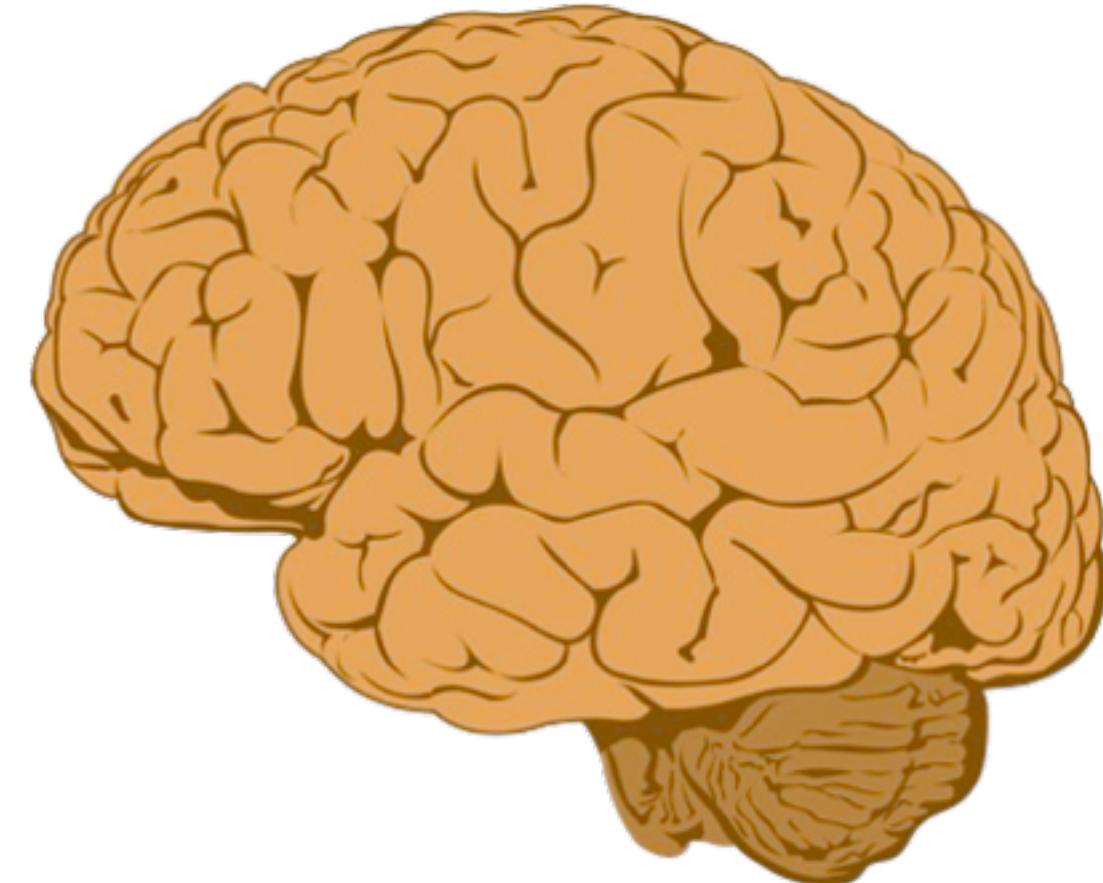
Ameba

1 mil

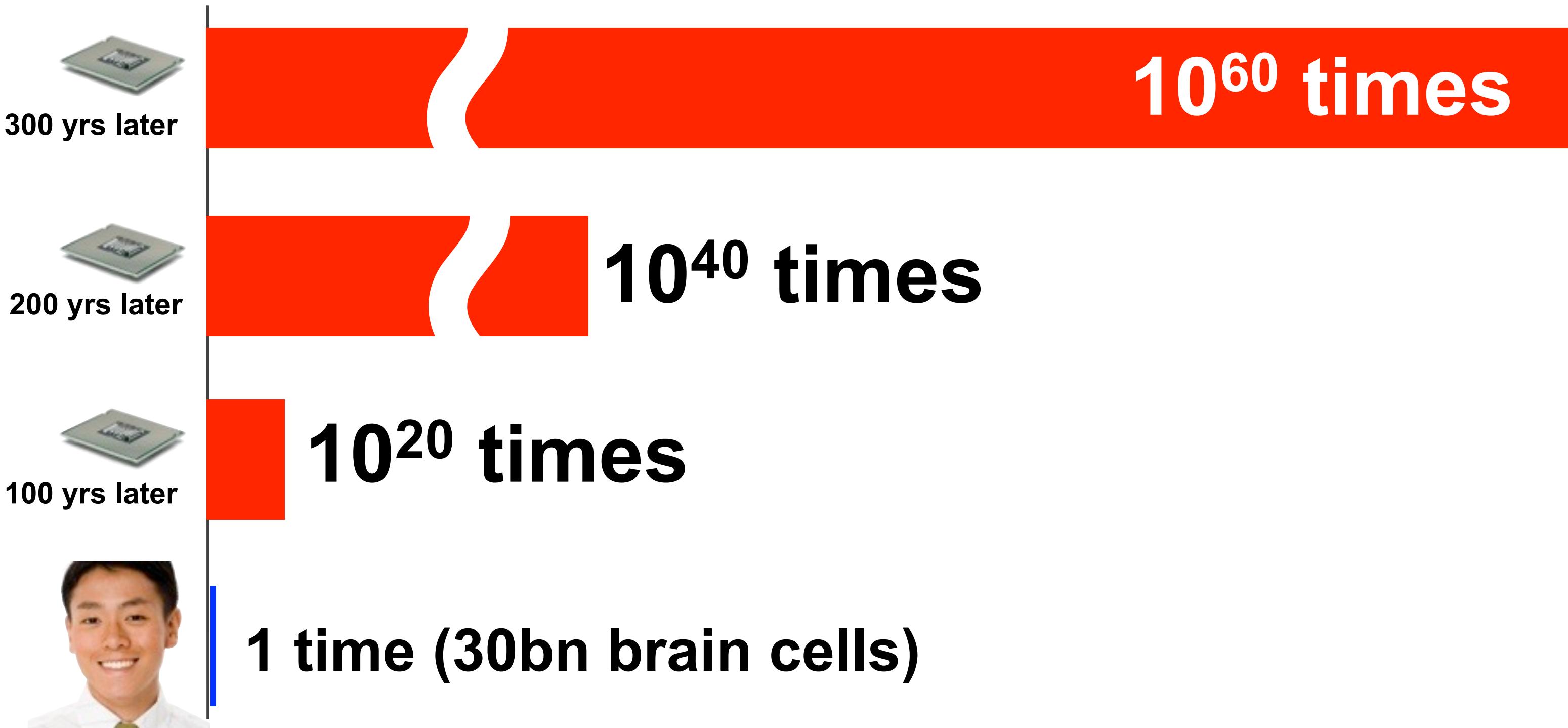
1

8bn

30bn



Hypothesis of number of brain cells and computing elements



The greatest
paradigm shift of
human kind

**Future that
SoftBank works to realize**



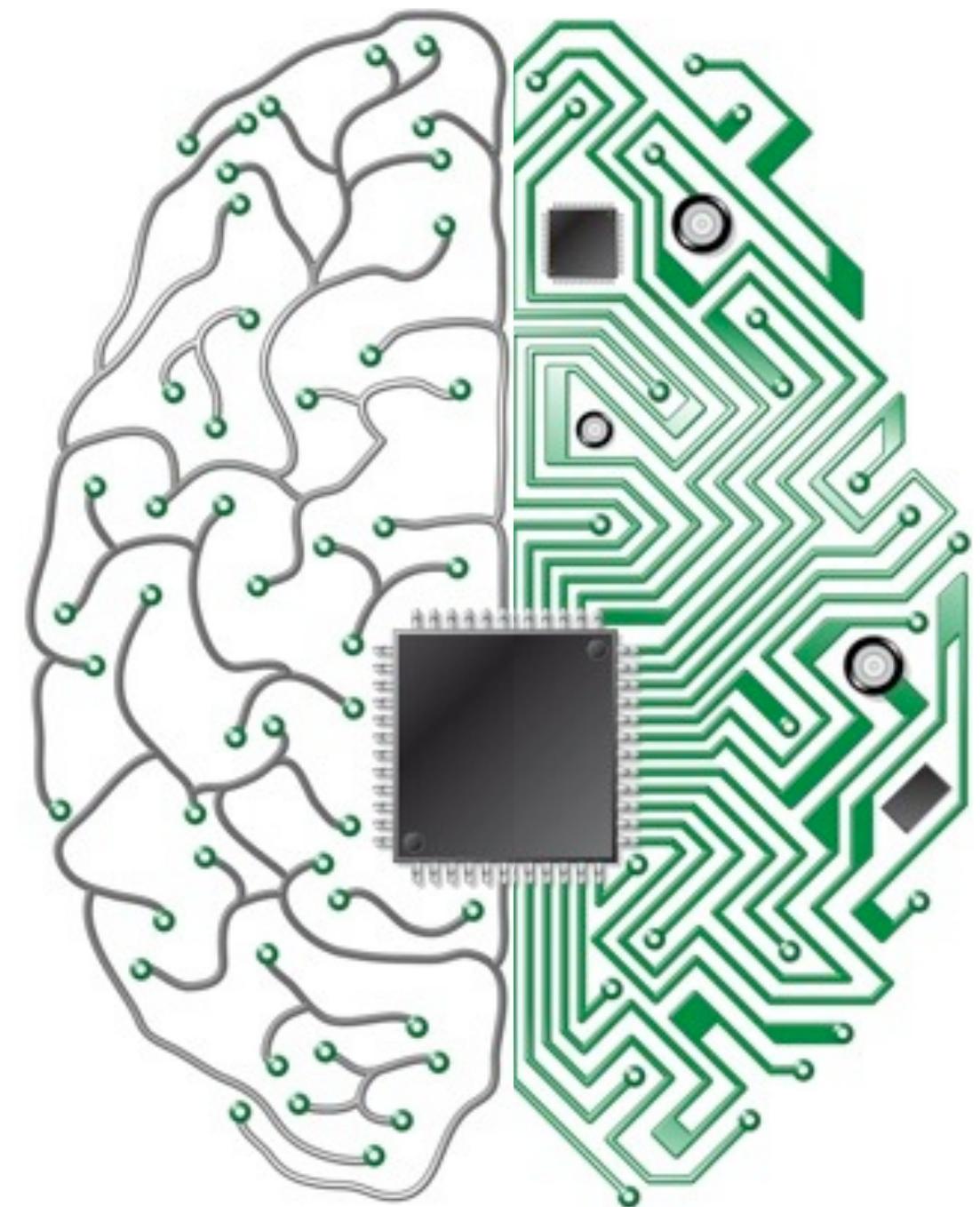
SoftBank

**SoftBank's commitment to
the future is
to achieve
information revolution
leading to
people's happiness**



**SoftBank works to obtain
cutting edge technology and
the most outstanding business model
with the times**

**Bring
brain computer
to life**





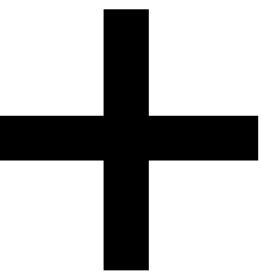
Brain:

“A system which **automatically acquires** data and algorithms”

Learning computer

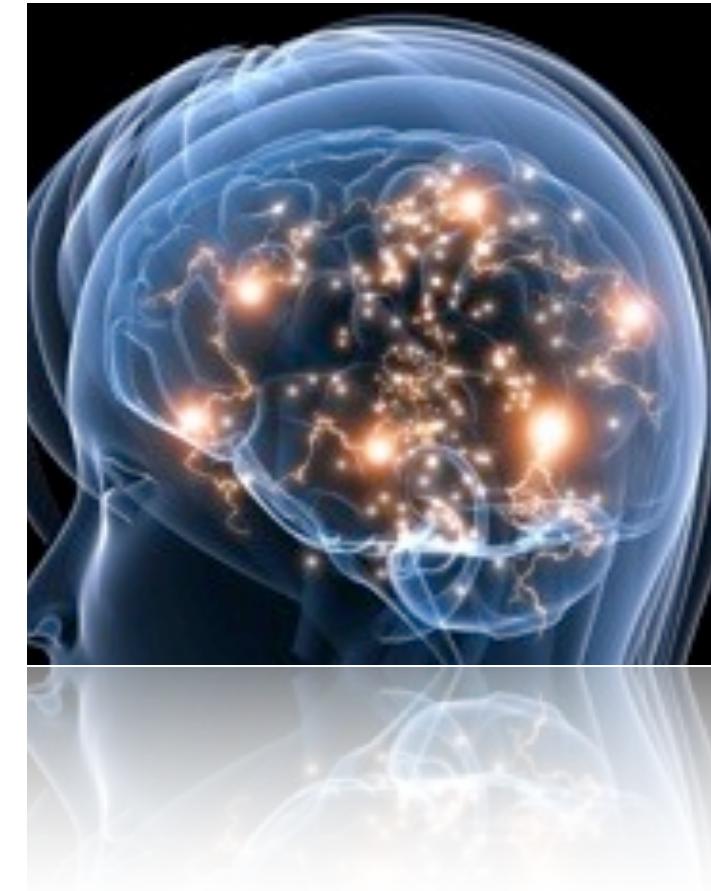
Automatic accumulation of
knowledge

Data



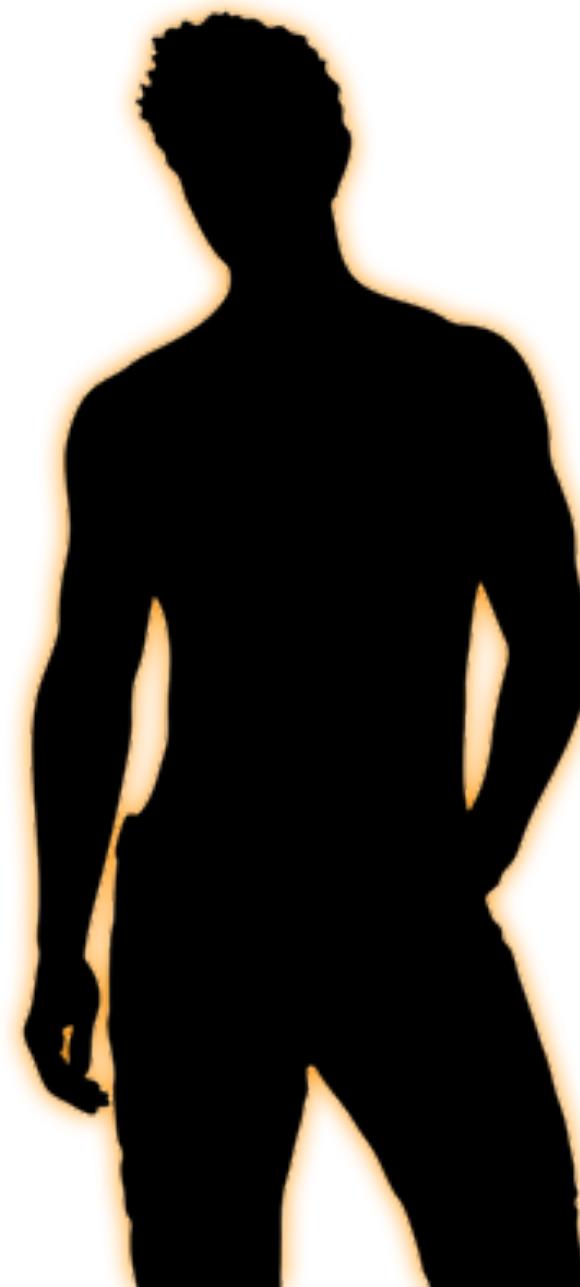
Automatic generation
of wisdom

Algorithm

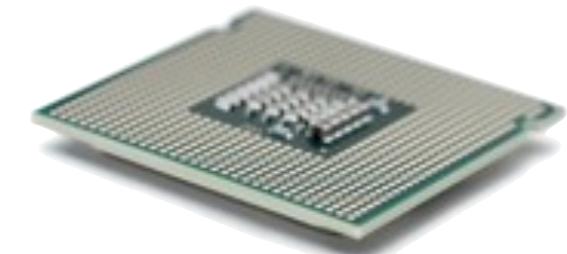


Our biggest theme: “Symbiosis between humankind and computer”

1 time



10^{60}
times



1 time





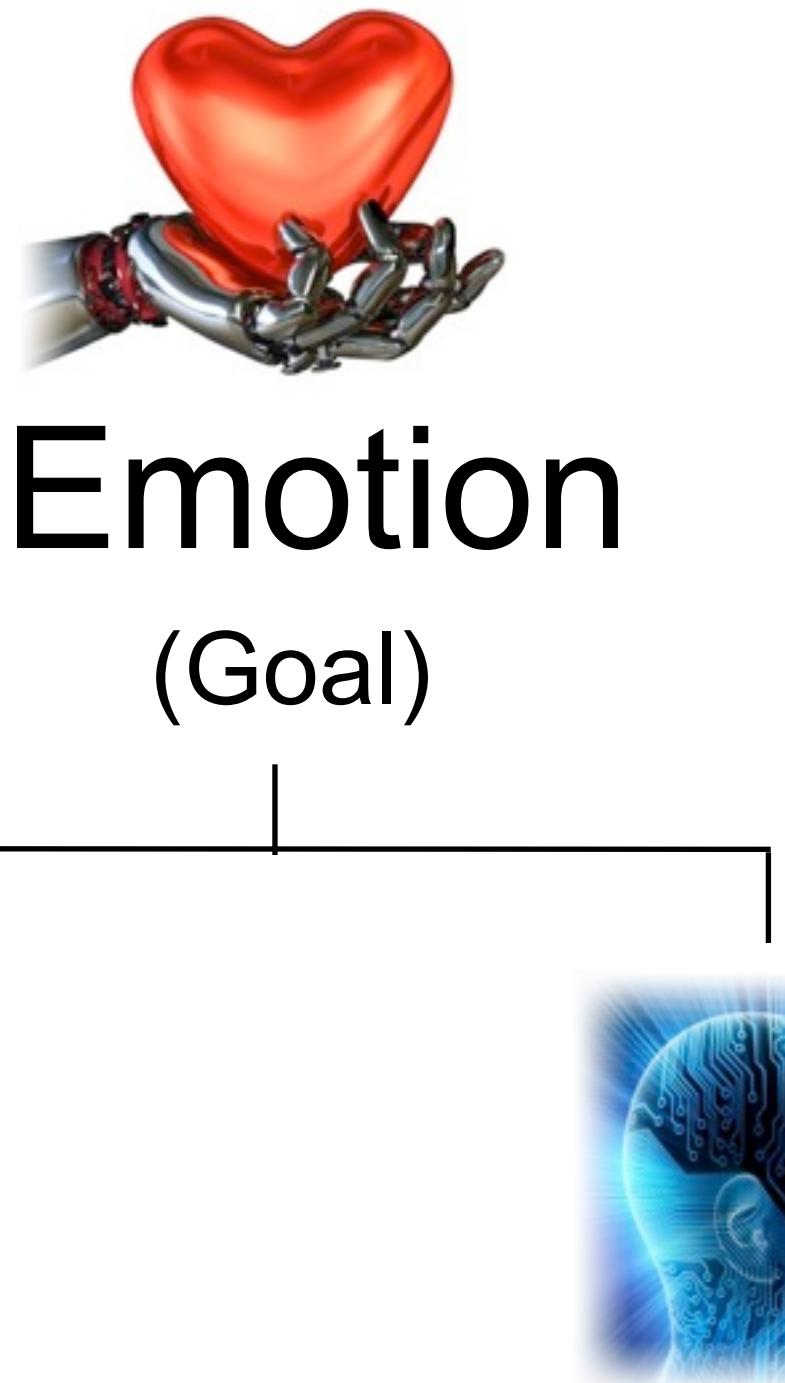
Case: A car with AI learned to crush into the driving course to drive faster



Cloned sheep

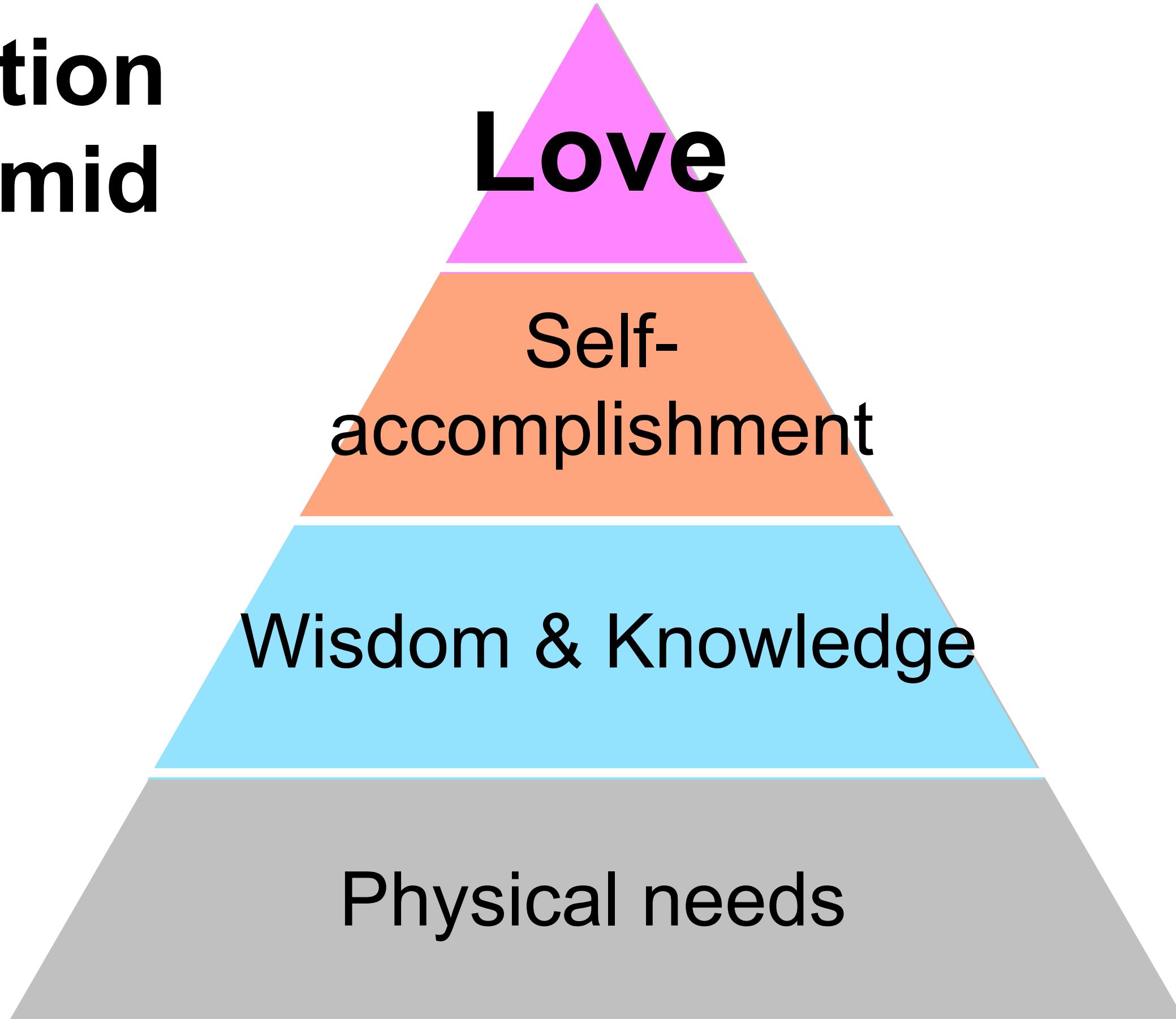
Function of Human Brain

Knowledge
(Data)



Wisdom
(Algorithm)

Emotion Pyramid





Knowledge



Wisdom

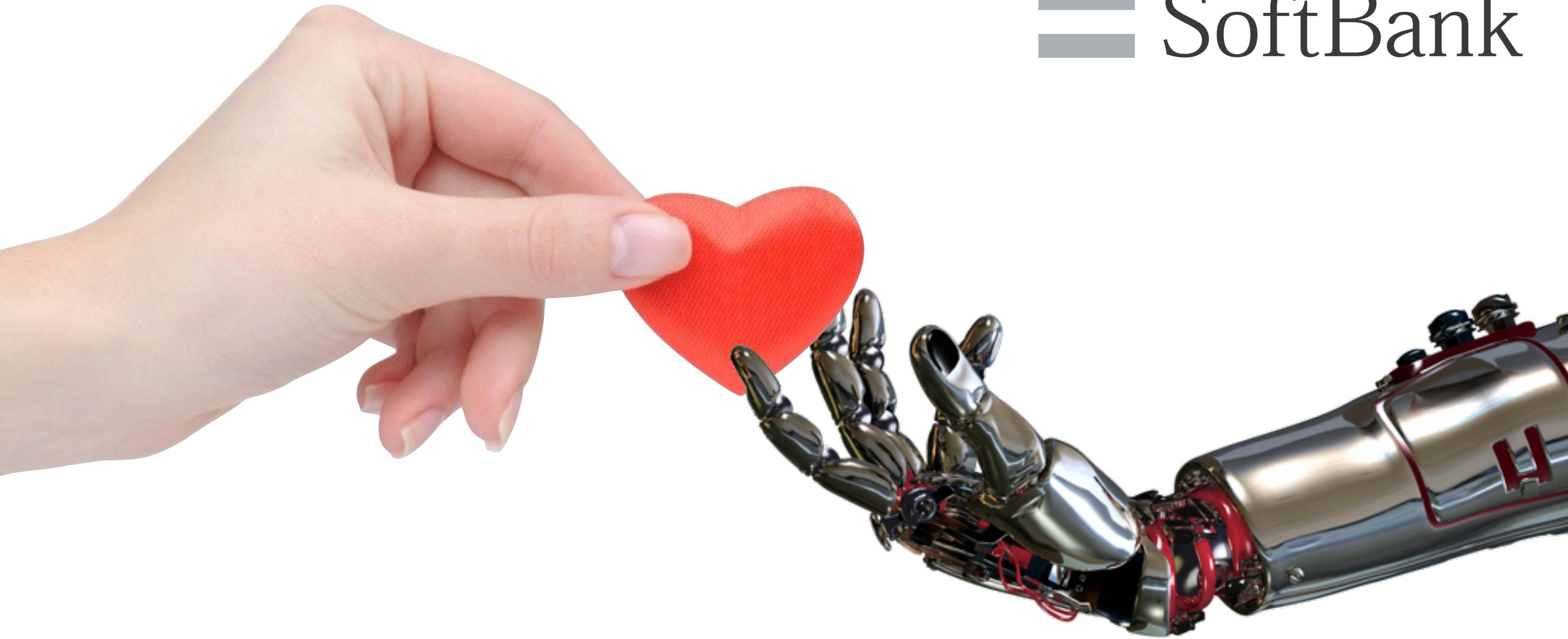


Emotion

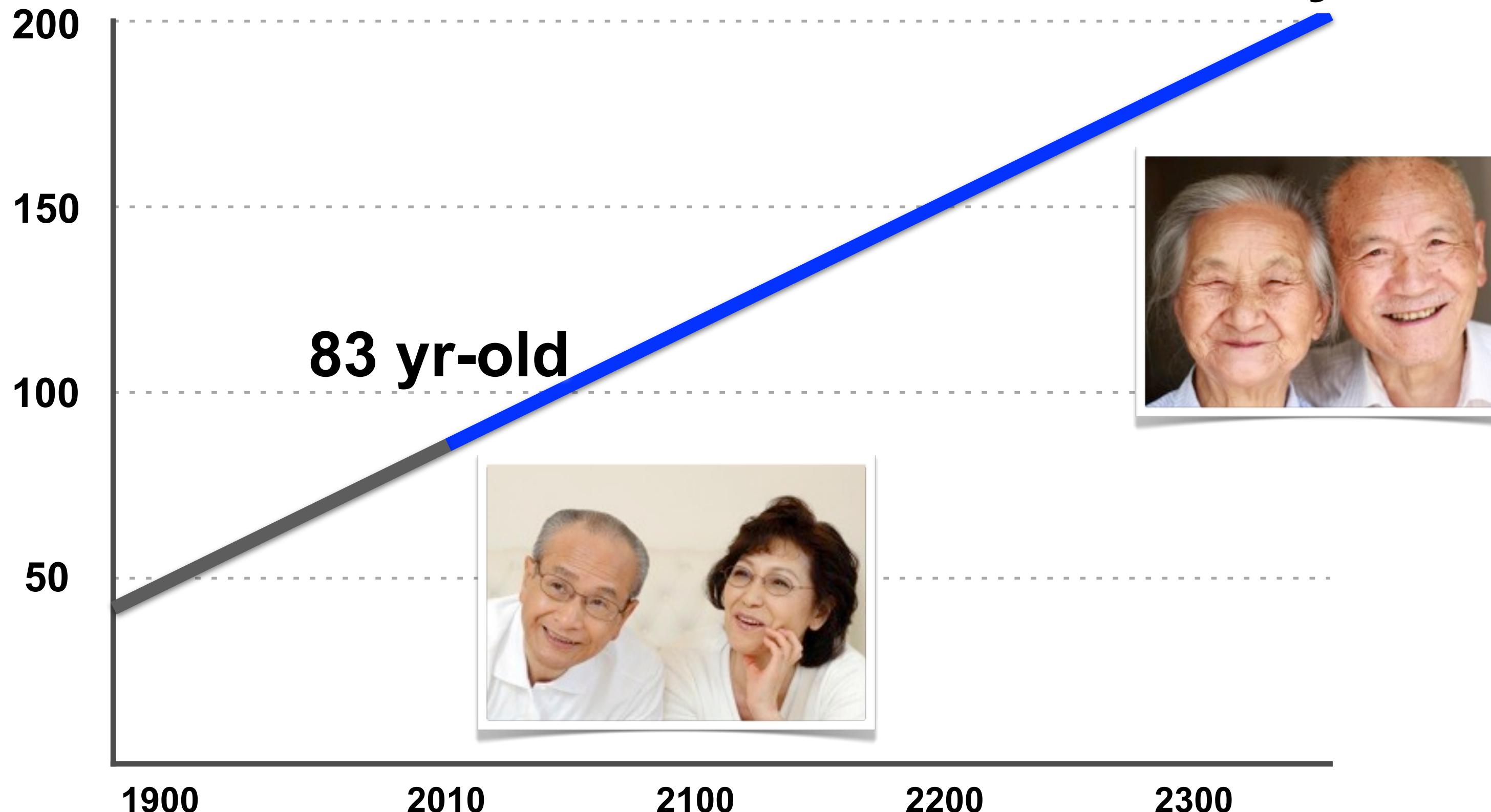
**Realization of
extra-intelligence**

Information Revolution - Happiness for everyone

— SoftBank



Average Life Expectancy (Japan)



Generalization of DNA treatment and artificial organs



Towards the era of
life expectancy of 200 years

Spread of communication through human bodies, and telepathy





Spread of
completely-
automated
translation

Disaster rescue



Nursing/ house work



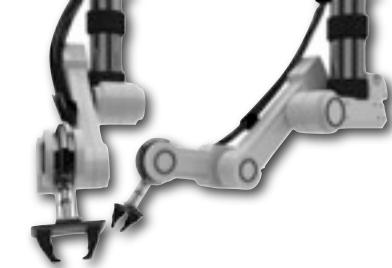
Emergency medicine



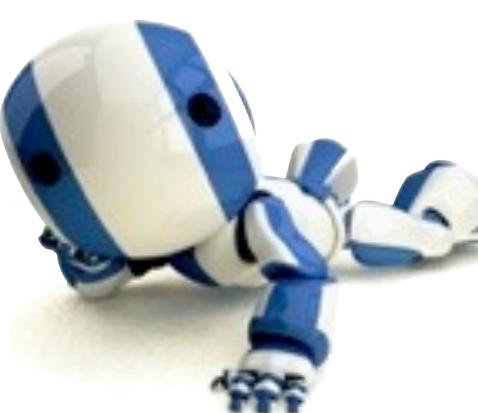
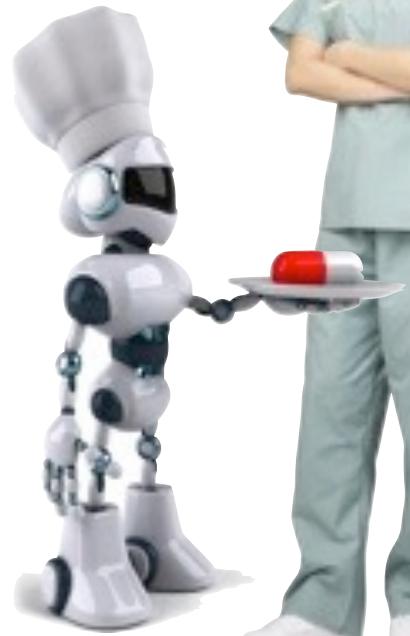
Type of robot > Type of living organism



Most of new technologies
will be invented by computer



Coexistence with intelligent robots





Natural disaster



Terrorism



Unknown virus



Meteor

**Yet, people long for love,
and get hurt by love**



**Information Revolution -
Happiness for everyone**

**World in
30 years from now**



 SoftBank

2010

CPU

Number of transistors



3bn

1mil times

3quadrillion

(100k times of
human brain)

Memory



32GB

1mil times

32PB

Network speed



1Gbps

3mil times

3Pbps

2040

Content Storable in a 30,000 yen Handset





Content Downloadable Per Second from Cloud

2010

1 song



2040

3 mil
songs



1/4 day
equivalent



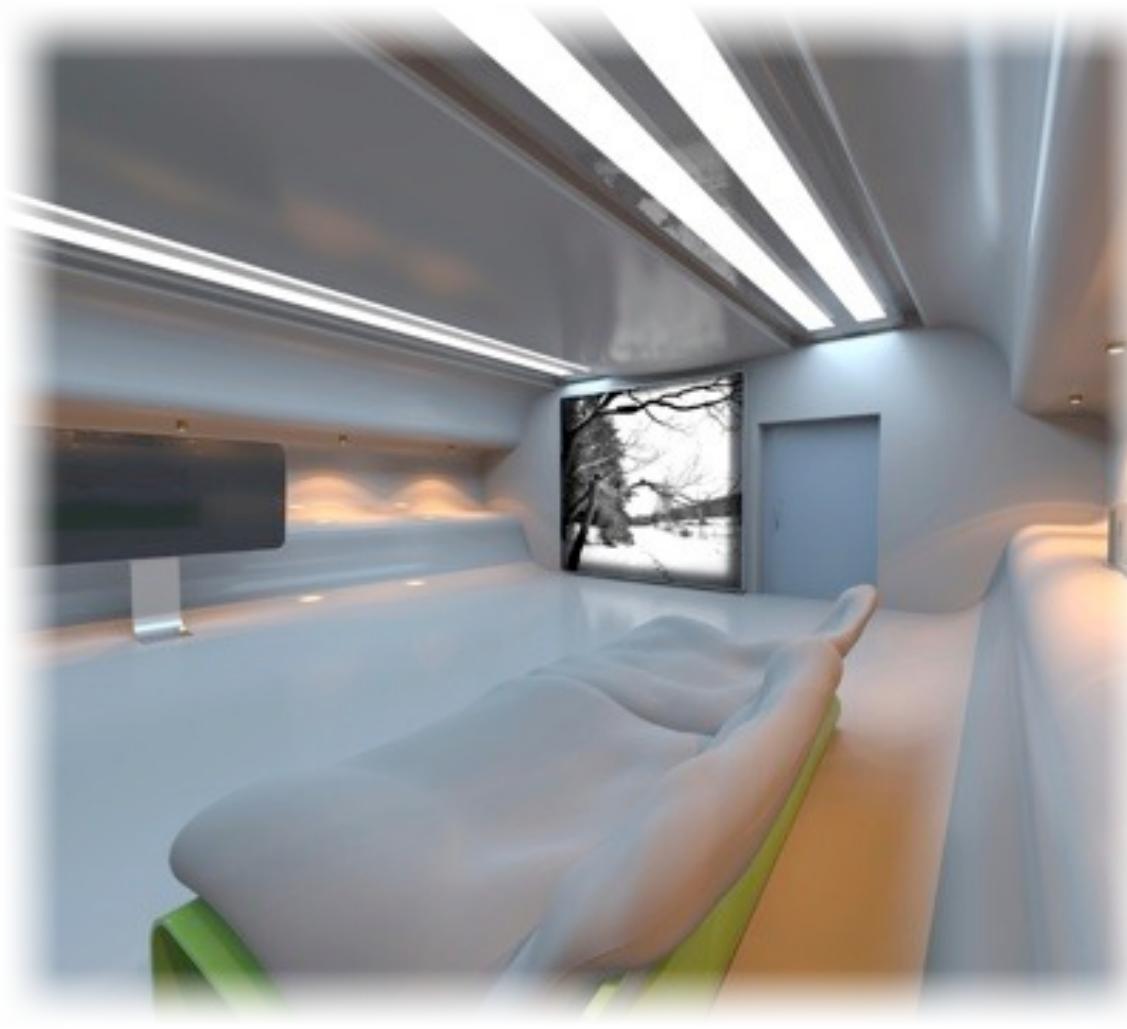
2000
years
equivalent



**Unlimited storage
Unlimited cloud
Zero speed network**

**Change lifestyle
radically**

Everything integrates with cloud



Life log



Everything integrates with cloud



Advanced and fair education



Advanced telemedicine



New work styles



Evolution of “Touched by sightseeing”

Now



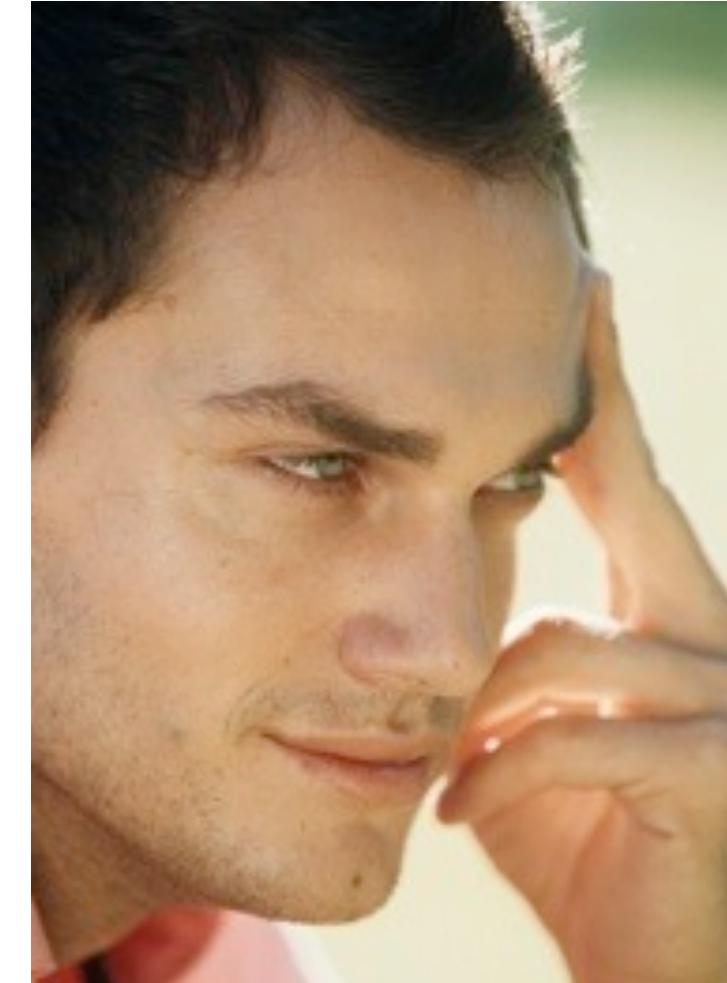
30 yrs later



VR
Sightseeing

**Virtual Reality*

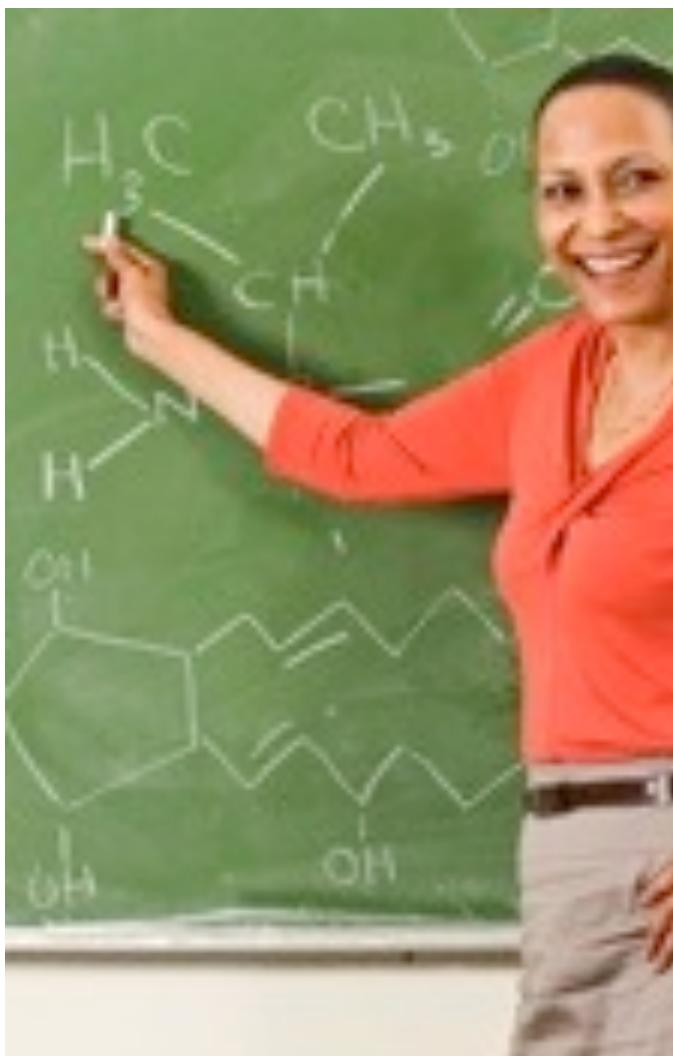
100 yrs later



Gather information
by just thinking

Evolution of “Touched by learning”

Now



30 yrs later



100 yrs later



VR e-textbook
**Virtual Reality*

Getting interested alone
enables learning

Evolution of “Touched by interactions”

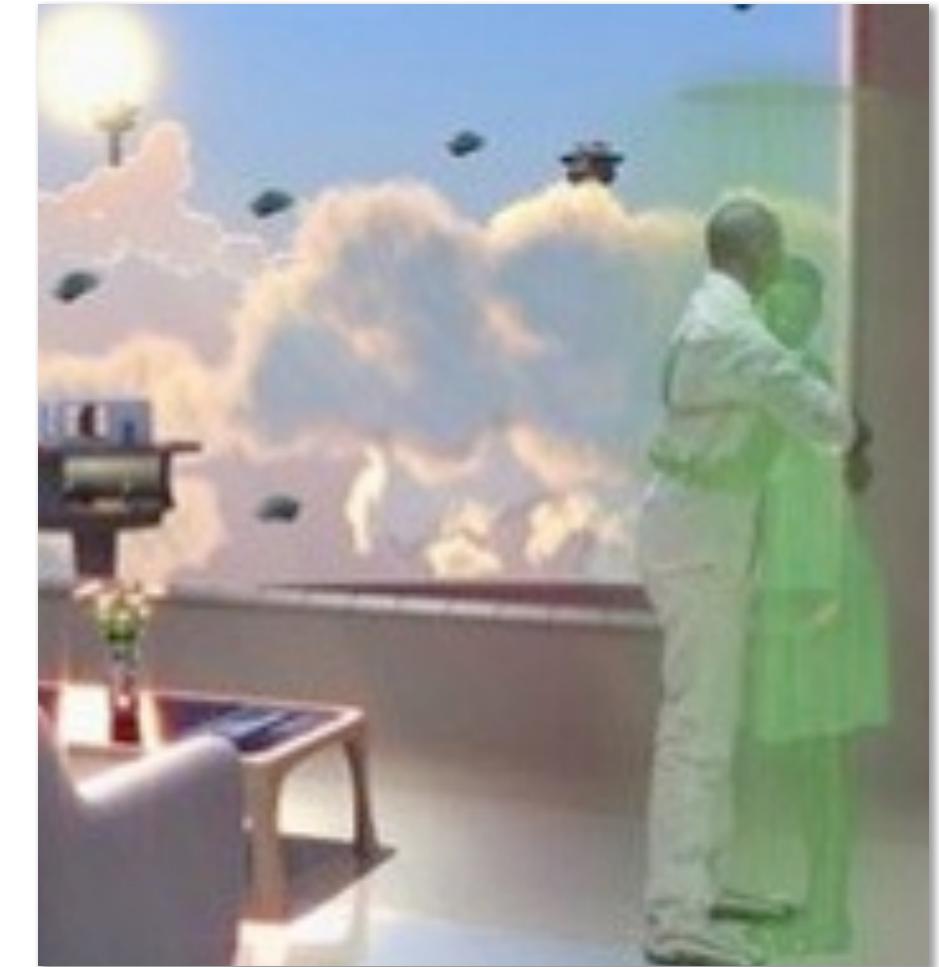
Now



30 yrs later



100 yrs later



Interact in VR

**Virtual Reality*

Touch each other
in AR

**Augmented Reality*

Evolution of “Touched by playing”

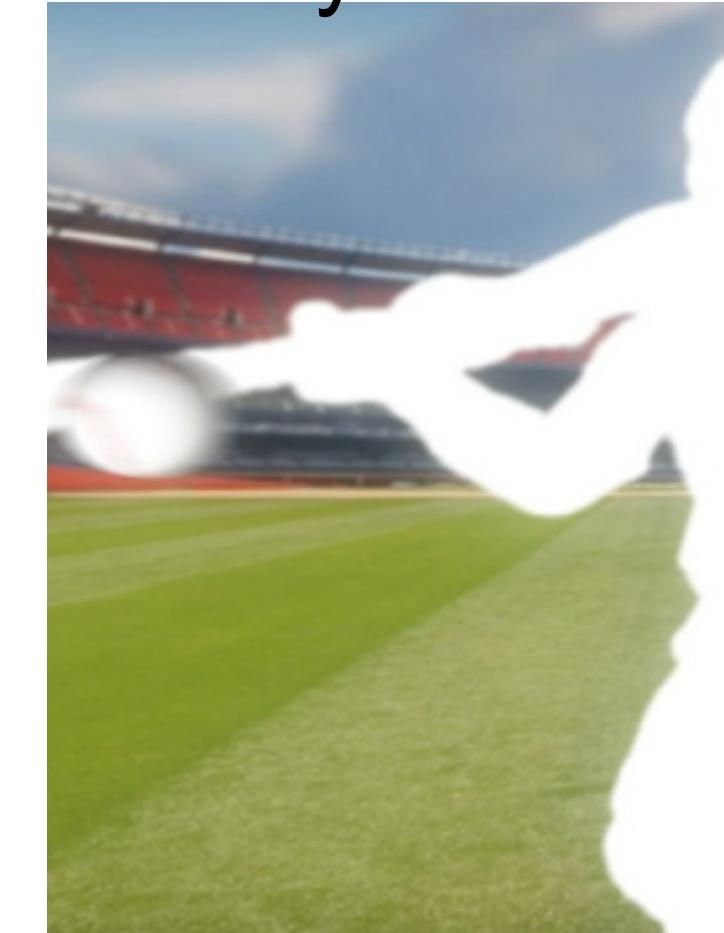
Now



30 yrs later



100 yrs later



VR game

**Virtual Reality*

AR game

**Augmented Reality*



**SoftBank works to make
cloud computing the greatest human
asset**

**SoftBank works to obtain
cutting edge technology and
the most outstanding business model
with the times**

Information Revolution (movie)

Strategy

Difference from futurists:

**SoftBank works
to turn our vision into reality**

**SoftBank
works to become a company
needed by people around the world**

Market Cap Ranking

	Approx. 100 Years ago (around 1900)	30 Years ago (1985)	Present (2010)
1		IBM	Exxon Mobil
2	North Western Railway	Exxon	Petrochina
3	Pennsylvania Railroad	AT&T	Apple
4	Union Pacific Railroad	GE	Microsoft
5	Southern Pacific Railroad	British Telecommunications	Industrial and Commercial Bank of China
6	U.S. Steel	Sumitomo Bank	China Mobile
7	Standard Oil	Tokyo Electric	China Construction Bank
8	Tennessee Coal	Deutsche Bank	Berkshire Hathaway
9	JP Morgan and Company	Mitsubishi Bank	Wal-Mart Stores
10	City Bank of New York	DuPont	P&G

**In 30 years,
SoftBank aims to
be listed in the world top 10
with the market cap. of 200t yen**

Business Domain

**SoftBank focuses on
information industry**

**SoftBank does not
limit ourself to
one particular technology
nor one business model**

Technologies and hardware change over time



**SoftBank Group works to
bring revolutionary changes
into people's lifestyles
with best partners**



**A company growing
in the next 300 years**

History of the earth: 4.6bn years

**100bn species have emerged,
100mil species have survived**



5 Greatest Extinctions		Scale	Cause
440mil yrs ago	End of Ordovician	85%	Cooling of the earth
360mil yrs ago	End of Devonian	82%	Impact of 2 meteors
250mil yrs ago	End of Permian	96%	Volcanic activity
210mil yrs ago	End of Triassic	76%	Meteor impact
60mil yrs ago	End of Cretaceous	70%	Meteor impact



5 Greatest extinction crises

Turning Points

1981 Big bet after one month of business foundation

1983 Fight against illness

1994 IPO, ventured into US

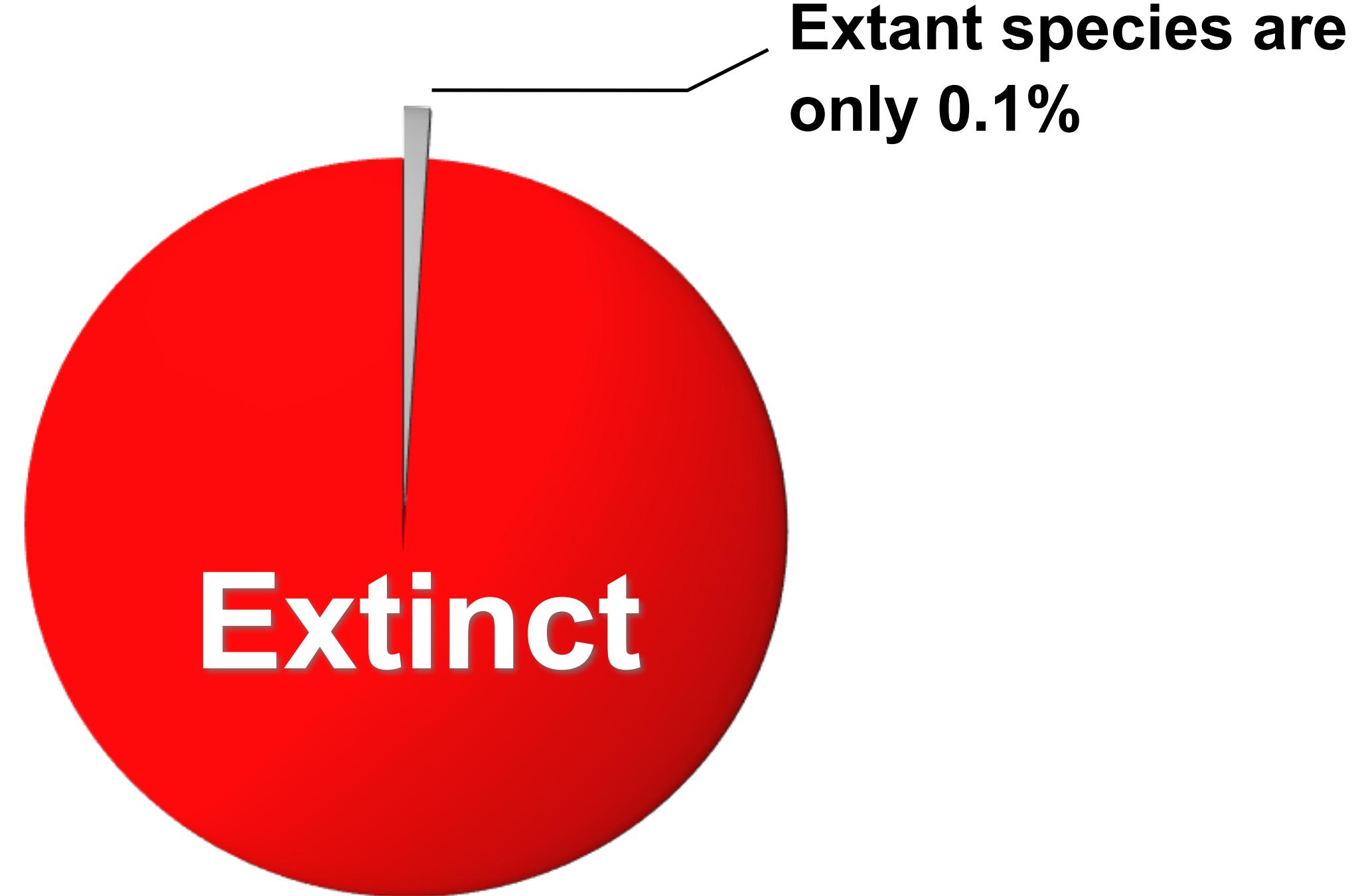
2001 Start broadband business

2006 Acquired Vodafone KK

5 turning points of SoftBank



Species' survival ratio



99.9% of species went extinct

Companies' survival ratio (for 30 years)

0.02% is surviving



99.98% can not survive

**Design
corporate DNA leading
SoftBank's growth
in the next 300 years**





Strategic Synergy Group



20th Century type

Low cost, technology

Mass production

Competitiveness

Strategy



21st Century type

Variety, safety

Multiple variety of
small quantity



20th Century type

Single brand

Slow

Brand

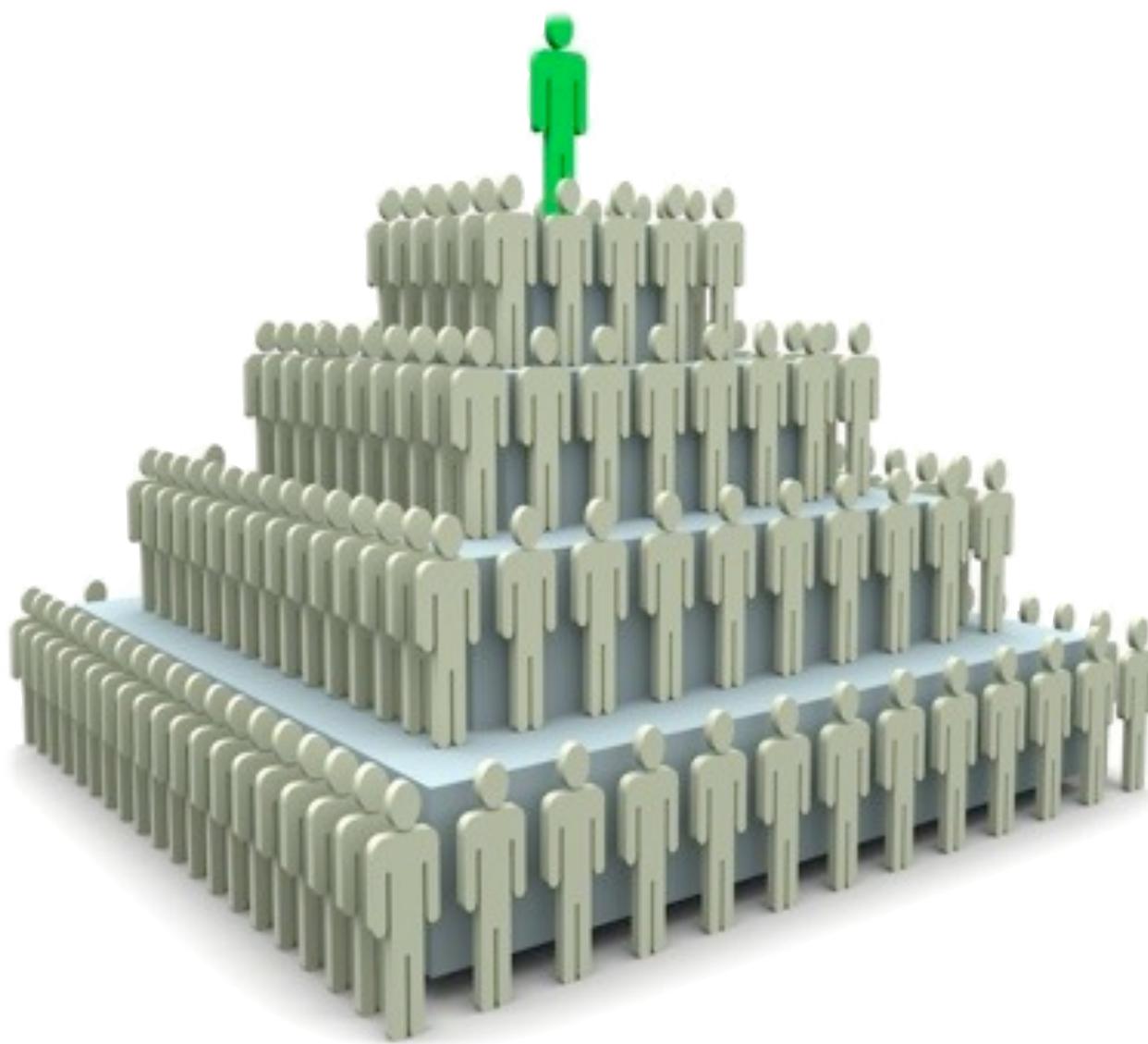
Speed of Evolution



21st Century type

Multi brand

Fast



20th Century type

Pyramid

Centralized

**Organization
Structure**

Decision making

21st Century type

Web

**Balanced between
centralization and decentralization**





20th Century type

**Supervision/
control style**

over 51%

Management

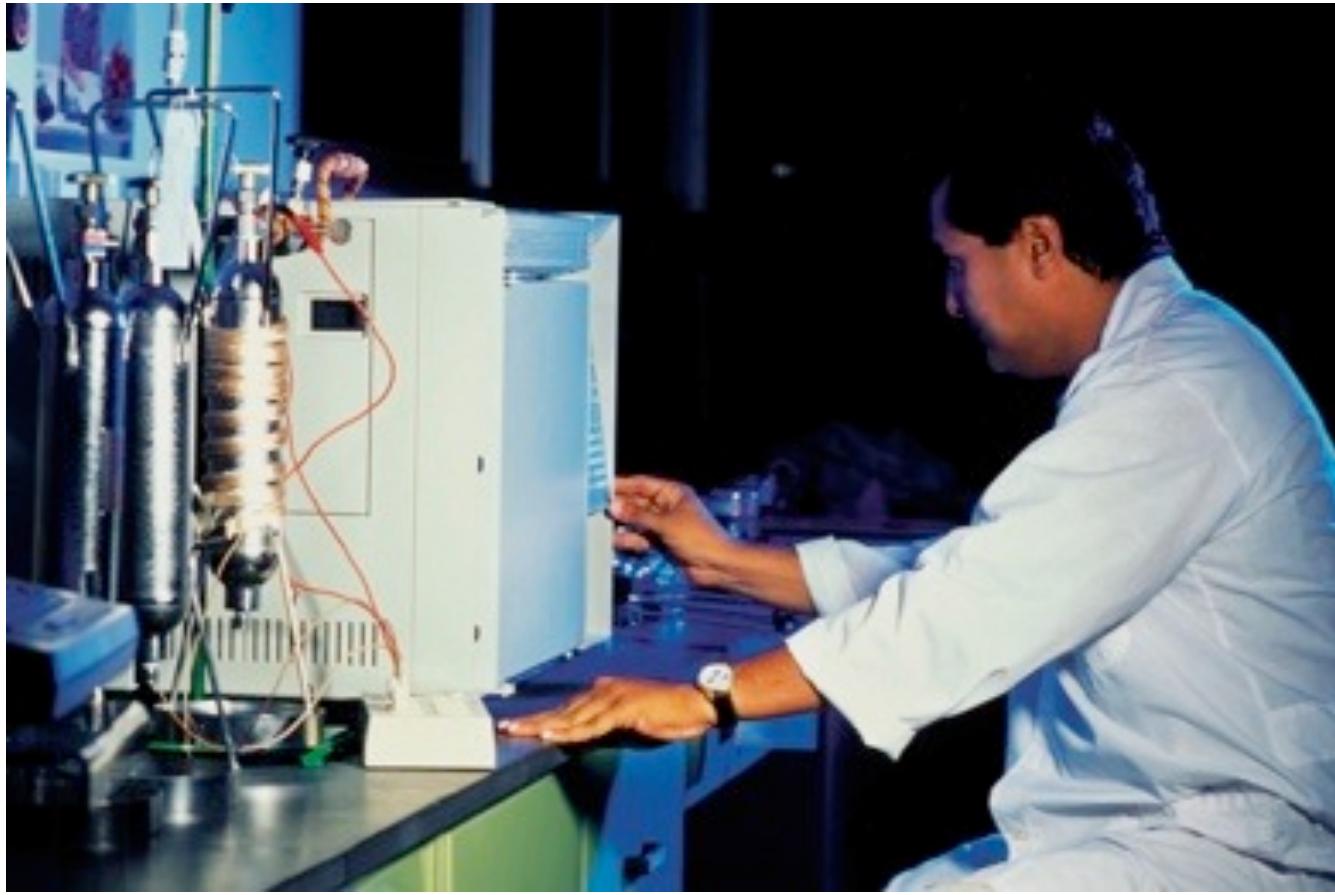
% of Stakes



21st Century type

**Autonomous/
harmonious style**

Mainly 20 - 40%



20th Century type

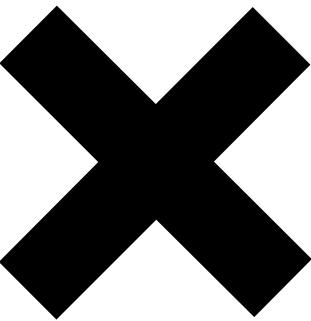
In-house R&D

Technology
Strategy



21st Century type

Partnership
(joint venture)

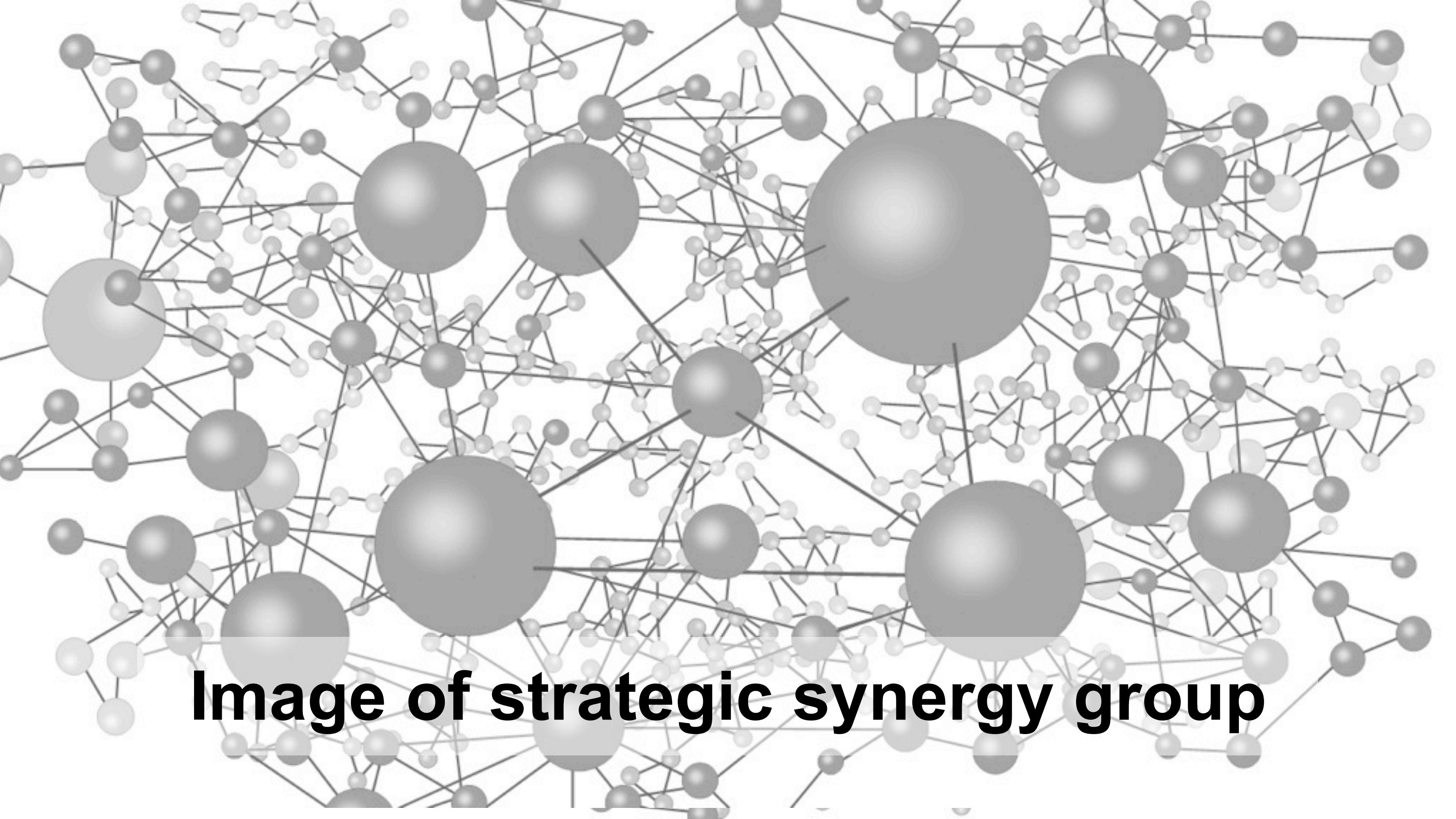


**multiplied by*

**Ties based on
Capital**

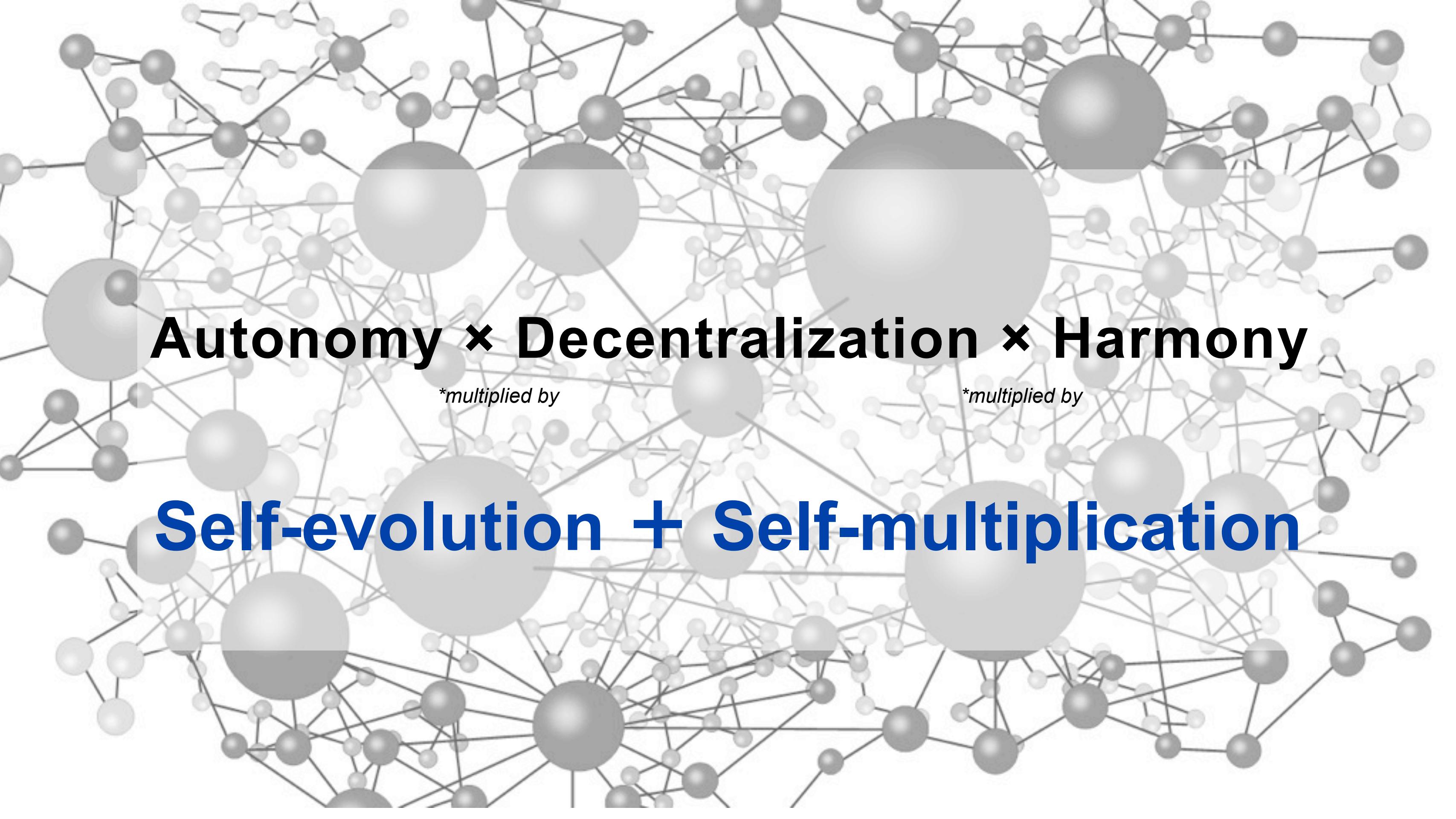


**Ties based on
Buddy-like
Relations**



A complex network graph composed of numerous nodes (represented by gray spheres) and connecting edges (represented by thin black lines). The nodes vary in size, indicating their relative importance or centrality within the network. A prominent feature is a cluster of large, dark gray nodes that are interconnected by a dense web of edges, symbolizing a highly cohesive and influential group. This central cluster is surrounded by smaller, less densely connected groups of nodes, representing peripheral or less integrated parts of the network. The overall structure conveys a sense of interconnectedness and the formation of strategic synergy groups through shared relationships and information flow.

Image of strategic synergy group

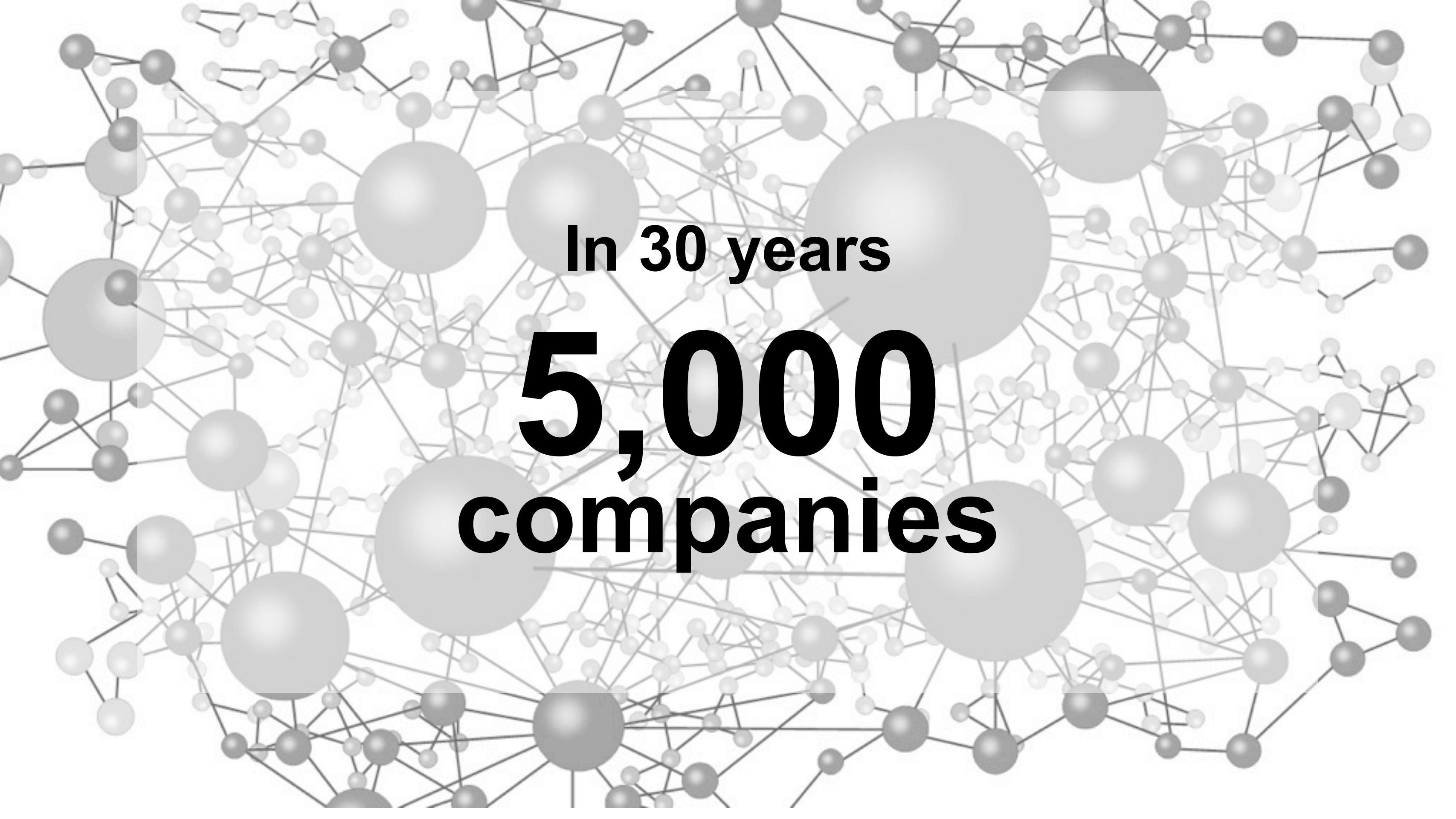


Autonomy × Decentralization × Harmony

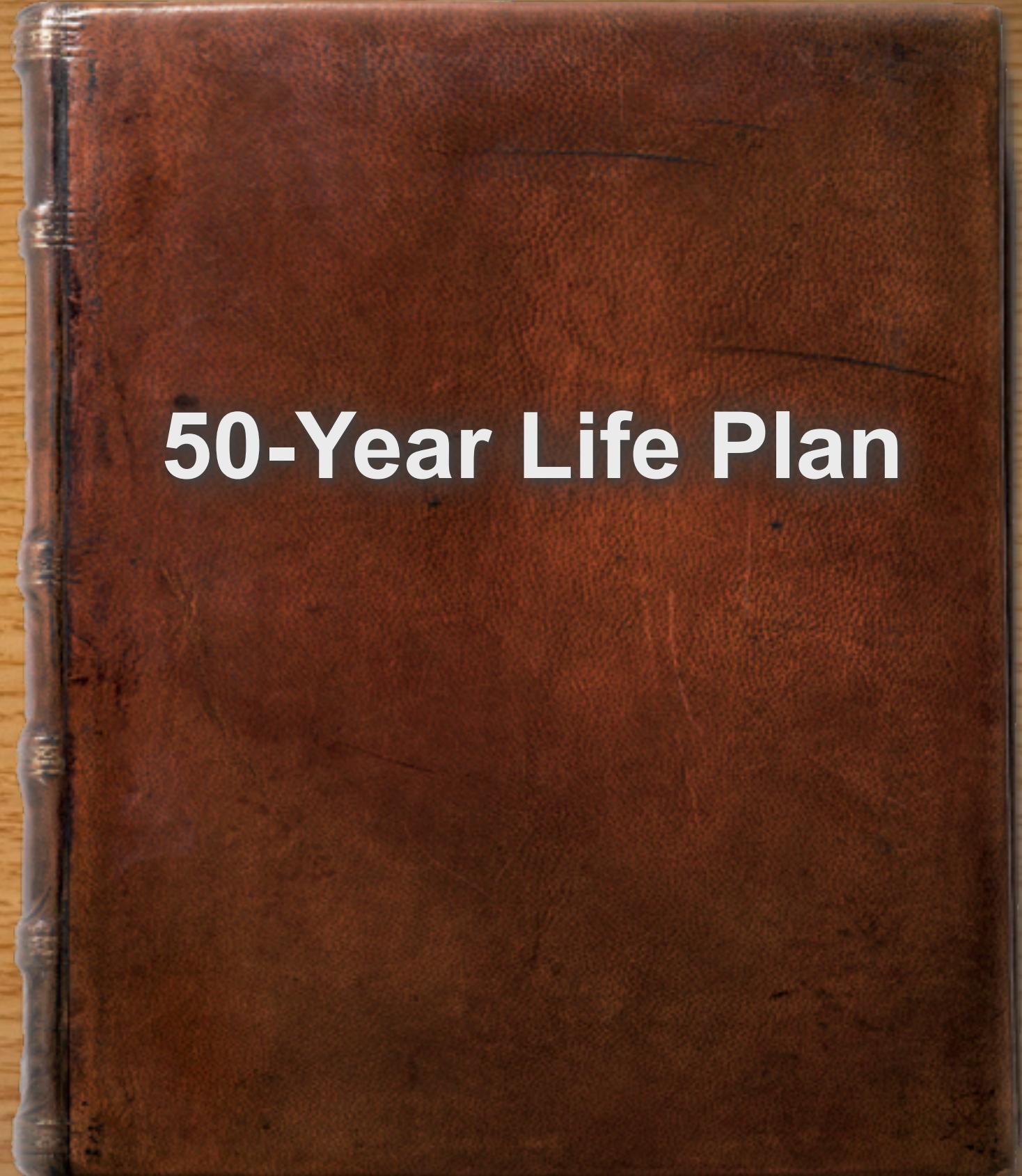
**multiplied by*

**multiplied by*

Self-evolution + Self-multiplication



In 30 years
5,000
companies



50-Year Life Plan

50-Year Life Plan

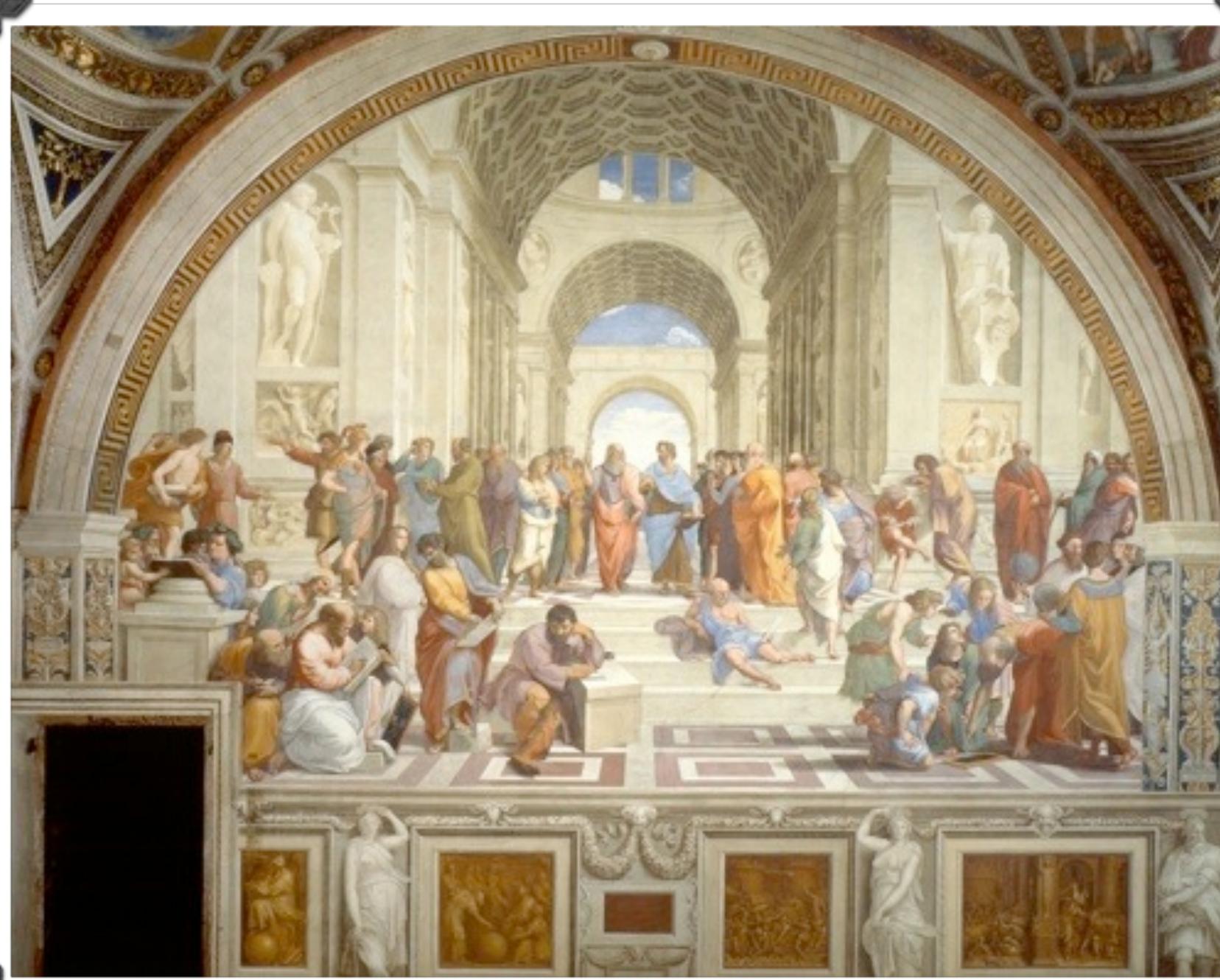
- 20s Get acknowledged**
- 30s Finance war chest**
- 40s Take on a challenge**
- 50s Complete business**
- 60s Hand over business
to next generation**



60s

**Hand over business to
next generation**





Word Origin of Academia
“Akademeia”
Founded by Plato in
387 BC

Trained future leaders



Start in July 2010

**Training of
successors**



**Practical
training**



**Supreme
responsibility**

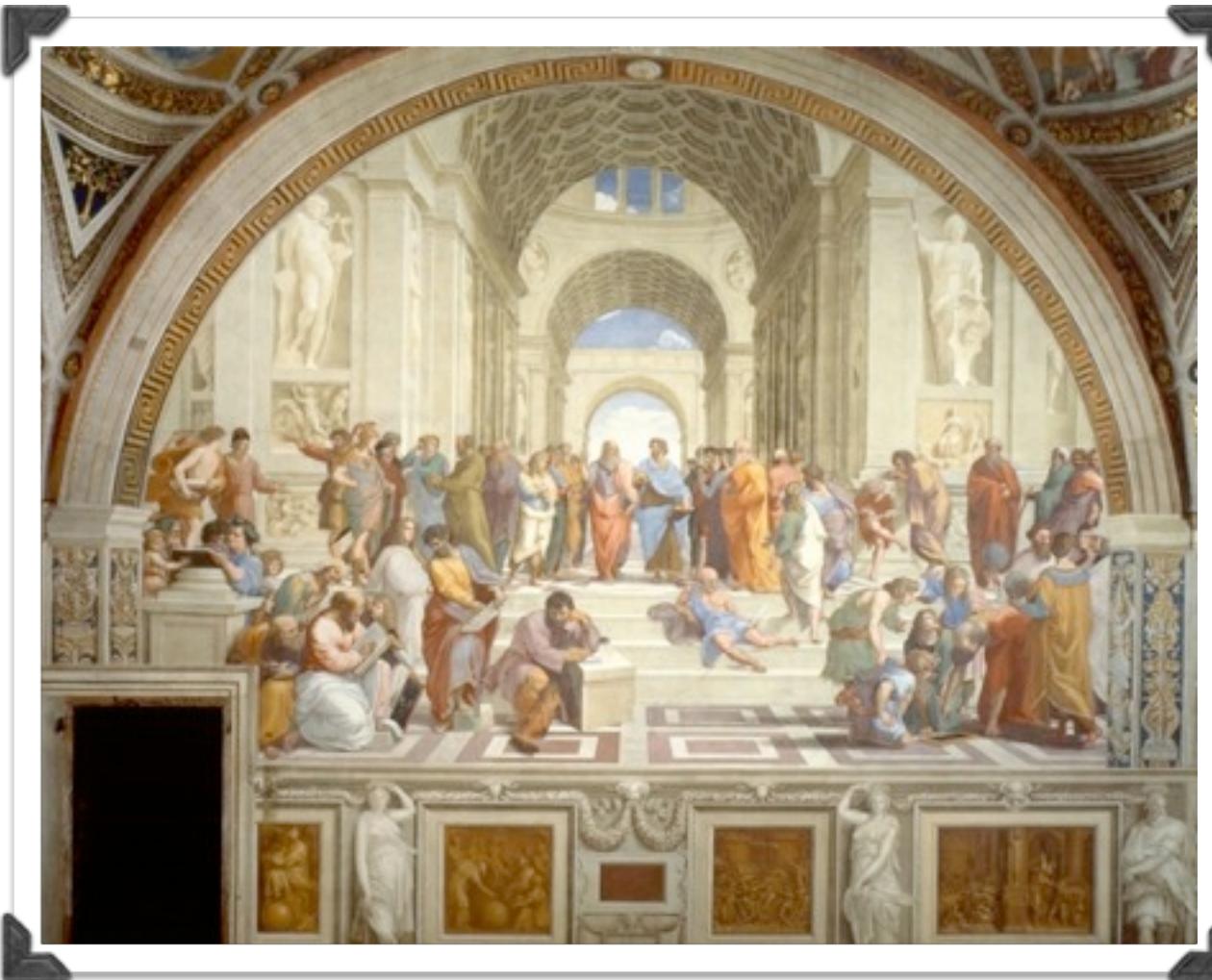




SoftBank Values

- 1) Focus on information revolution and contribute to people's happiness**
- 2) Be ambitious and tenacious of justice**
- 3) Commit to be an overwhelming No.1**
- 4) Think till our brains crush**
- 5) No revolutions are down to the earth**

⋮



To be
the Plato academy
in the 21 century

SoftBank

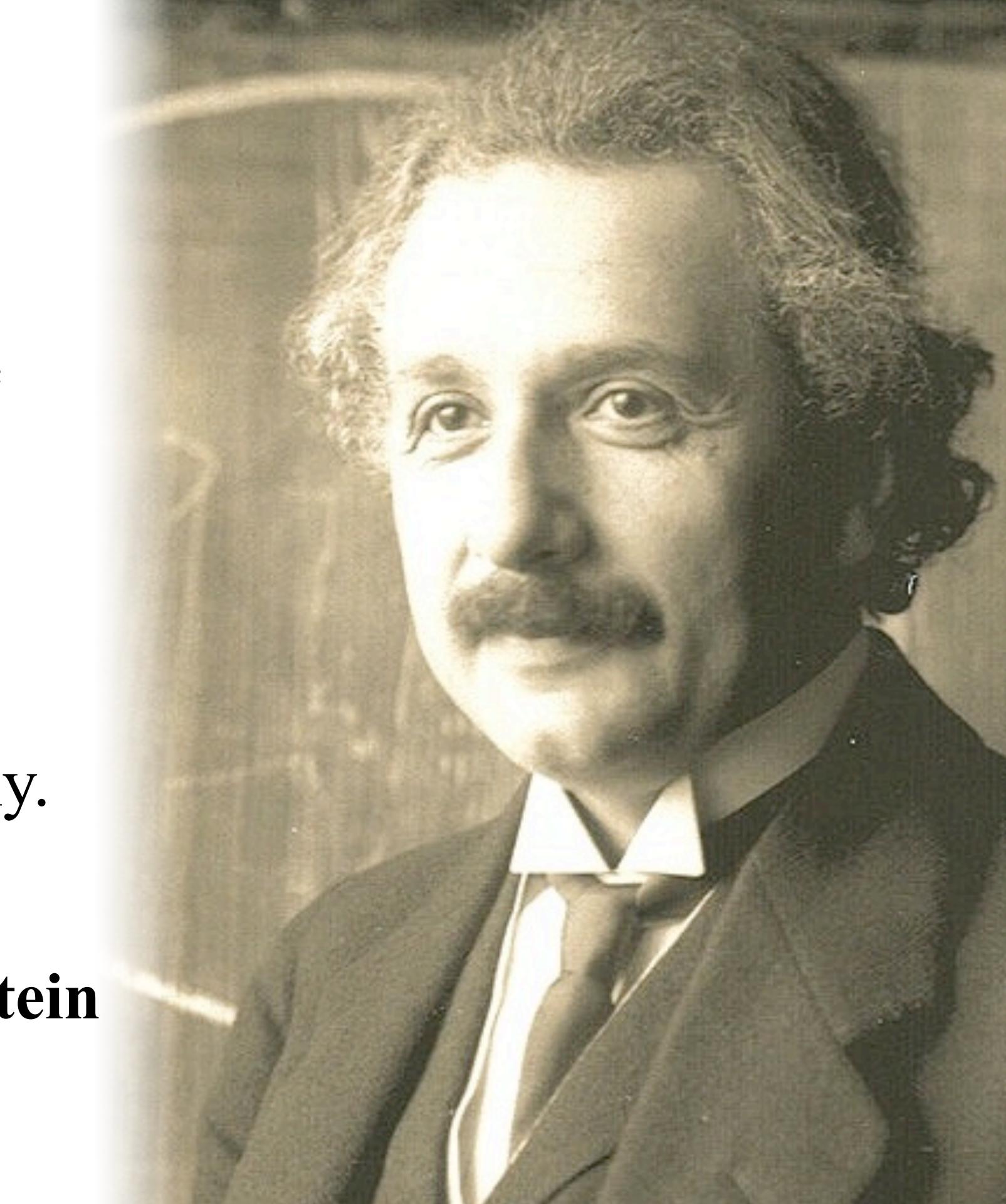
Next 30-Year Vision

**SoftBank works to obtain
cutting edge technology &
the most outstanding business model
with the times**

**Information Revolution -
Happiness for everyone**

We exist for our fellow-men
- in the first place
for those on whose smiles and welfare
all our happiness depends,
and next for all those unknown to us
personally with whose destinies
we are bound up by the tie of sympathy.

-Albert Einstein





The most terrible poverty is
loneliness and the feeling of
being unloved.

- Mother Teresa

My Beloved Grandmother





We
(movie)



SoftBank