

The Promise of Mobile Internet in Driving American Innovation, the Economy and Education

Transcript of a Presentation by Masayoshi Son

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MALE VOICE: Ladies and gentlemen, please welcome Ambassador John Roos.

AMBASSADOR JOHN ROOS: Good afternoon, everyone. After four amazing years, truly amazing years as the U.S. Ambassador to Japan, it's truly an honor for me to be back here in Washington DC to introduce to you today my good friend, Masa Son. Masa, if you don't know him, is one of those rare and inspiring people that want to change the world for the better, but he actually makes it happen. Though I'm not sure Masa ever sleeps, I do know that he dreams big and he translates those dreams into relentless action. As with many of the technology titans I met or worked with during my 25 years in Silicon Valley prior to going to Japan, Masa has always had a great vision for the future. He recognized the power of technology early on and he evolved his software distribution business into the world's leading fully integrated mobile Internet company. Now, Masa came from a humble upbringing in a lower income neighborhood in Japan. In 1974, though, he ventured to the United States at the age of 16 to enter high school. He subsequently pursued a college degree at UC Berkeley where, at the same time, he had his first major entrepreneurial experience creating a voice operated translation device which he sold to Sharp for \$1.7 million. Mr. Ambassador Masa once told me about his education in the United States-I simply would not be standing here today in this great country as Masa Son without that early experience at UC Berkeley. Now, I have to tell you, being a Stanford guy, I'm willing to overlook the fact that he chose the wrong school-we all make these youthful indiscretions. But what is absolutely clear is that Masa's time in this country inspired his entrepreneurial can do spirit that has brought him here today and gave him the ability to bring SoftBank to its current position as a global leader.

Some of you may not know SoftBank. As I mentioned earlier, it is the world's only fully integrated mobile Internet company with core operations in mobile and wire-line communications and Internet services. SoftBank also has

investments in over 1,300 digital focus companies across the world, including Alibaba in China and Yahoo! Japan. In 2006, SoftBank entered a wireless market in Japan that was dominated by two large carriers. Through investment, innovation, and mergers and acquisitions, the company tripled its subscriber base in just over six years embracing cutting edge technology to greatly improve speed, service and pricing for customers. In 2013, SoftBank expanded its mobile footprint through its \$21.6 billion acquisition of Sprint. I believe the largest U.S. investment by a Japanese company and the largest foreign investment in a U.S. company during the Obama administration. Today more than half of the SoftBank Group's employees are based in the United States and nearly half of its revenues are derived from sales in America. Truly impressive figures.

Some of you may know, I hope you know, that today, March 11th, is the third anniversary of the 9.0 earthquake, tsunami and nuclear disaster that devastated Japan. For those of us who were there at the time, those events changed us forever. And our hearts and minds today are with the people in northeastern Japan who still suffer. Thinking back, though, I vividly recall how moved I was to learn that Masa Son had personally donated \$100 million, as well as his salary for the rest of his career, to the disaster and relief efforts. Traveling with Masa to the disaster area, I was so struck by his personal dedication and boundless energy to do whatever he could to help. Later, as part of the U.S. government's TOMODACHI Initiative, tomodachi means friend in Japanese, Masa funded a three week UC Berkeley exchange program for 300 high school students from the disaster stricken areas and he had continued, and continues to this day, to devote his time and money to this program. That is the kind of person that Masa Son is. So let me introduce you now to a visionary leader from one of our most important partner nations in what is now the most critical region of the year. Having seen his work in Japan, I know that Americans will benefit from the innovation that he will bring here to the United States. Ladies and gentlemen, it's my pleasure to introduce to you a worldwide Internet pioneer and telecommunications leader, founder, chairman and CEO of SoftBank Corporation and chairman of Sprint Corporation, my good friend Masayoshi Son. Masa?

MR. MASAYOSHI SON: Thank you. Thank you. Well, thank you very much. It's such a flattering introduction. I love America.

This is a beautiful country. This is a country with full of dream, fairness, the openness, all the spirits, the freedom. I really love this country. I came to the states when I was 16 years old and it feels like I'm back to my second home. So I'm totally happy and very thankful to all of you. So let me start my presentation.

So here we have the mobile growth and opportunity. This is the opportunity for the next century. So now let's look at a little bit past history. The United States, 20th Century United States has become the number one in the world and if you look at the past history of United States government policy, that the infrastructure for our mankind on the earth really take the leadership. The railroad, the electricity, highway and Internet. So all of these government official policy made United States the most powerful, the wealthiest country in the world. Gave the American citizens the highest living standard and gave as the role model for the rest of the world; we all want to be like United States. We all want to have the living standard like Americans.

So, anyhow, the decisions by American leaders made the country so powerful and rich. Now, if you look at the last hundred years, if you look at the GDP per capita, the Internet made the growth of worldwide GDP even accelerating much more. And all those leaders for the Internet are actually born in the United States. Internet is invented by American people. American young entrepreneurs who had the passion and the vision and technology made growth of the United States and the growth for the worldwide people. If you look at the economic growth, the GDP growth of the United States, the last several years the average growth has been like 4.6%. But if you look at the segment of Internet, it has grown 35% per year. It has been the growth engine of the United States. Growth engine for the economic growth. And change the lifestyle. If you look at just the size, not just the growth rate, but the size of the Internet GDP, the United States' Internet GDP alone, that alone is a size bigger than entire country of Switzerland. It's amazing. It's amazing. It's just one segment of the industry in the United States which is already bigger than entire GDP of Switzerland or Sweden. So, anyway, it is a remarkable result. If you look at the next ten years, even five years, okay? So the size of the Internet growth is tremendous, but if you look at a little bit more detail, what is really driving Internet growth? It's no longer PC Internet. PC Internet has been

the beginning of the Internet, but the main force, main traffic, has already shifted to mobile Internet. I thought this was coming, so eight years ago I decided to acquire Vodafone Japan and get into this mobile Internet. This is the trend not only in the United States, but a global trend. So in global scale, almost three billion smartphones and tablets are going to be shipped. So it is going to be the mainstream of Internet. So it will bring additional one trillion dollars to the U.S. economy. The mobile broadband alone is going to bring one trillion dollar additional in scale. Right? That's a remarkable scale. Internet has already given one million jobs to the American jobs. One million new jobs to the American society. But this mobile broadband is going to add additional one million jobs, new jobs, for the American workforce. This is the opportunity that is so bright, so great, that we should not miss. Okay? So the first part I wanted to say-mobile broadband is going to give a great opportunity for all Americans and all of the people around the world.

The second part, however, the U.S. is falling behind. Internet is invented here in this country, but somehow it is going to fall behind. Oops, it's-I'm falling behind. The U.S., even though, as I said, the Google, the Facebook, Amazon, the Apple, all the chipset by Qualcomm, the handset by Apple, all these that were invented here in this country, but the highway, the information highway, the network, as I said, mobile Internet will be the center of the Internet infrastructure. But in the center of the infrastructure, the highway, next generation highway is LTE. This LTE mobile broadband infrastructure wise, there is a survey, there is a study done by Open Signal. They studied worldwide situations. Out of the 16 countries that they studied, U.S. ranked number 15. Number 15. Just ahead of Philippines. Can you be proud of being ahead of, just a little bit ahead of Philippines? As I said in the first part of my presentation, U.S. has been number one on every infrastructure for the past hundred years. For electricity, for automobile, for airline, for television, all of these important infrastructure, USA has been number one in the world. How can American people accept the fact that it is number 15 for the most important highway, information highway for the next century? I think we have to change this. I think we have to change this.

Let's look at the price. It is not, before the price, the speed is even getting worse, okay? It is number 15, but not

improving. It is getting worse. Where Japan, where I live, is improving 66% in one year. So not only U.S. is number 15, but falling behind. This is the situation not many people realize. I give you example, you know, I went to China a few months ago, I thought, oh, in Beijing it is clouded day today, but it was not clouded because of the actual weather. The air is polluted. The air is polluted. Chinese people already know that. But if you live in Beijing every day, it's almost like an everyday phenomenon that you live with that and you don't notice how sky was blue. You forget how sky was blue. So if you live in the states with the mobile phone that I'm sure most of you use a smartphone and many of you, most of you have already experienced that windmill signal. You don't see that in Japan anymore. But you see that windmill sign, symbol, on your smartphone page all the time. That's not a good environment. It's like living in Beijing air. You have to remember the blue sky, okay? So it is not improving. And let's look at the amount of investment. Well, at least Chinese, Beijing has the polluted air, but they are investing for the next century infrastructure. The size of the number one company in the states, Verizon, invested 50,000 towers, 50,000 cell sites for the LTE. The fourth generation, the most important, you know, speed network. This year China Mobile, they are going to invest 10X of number one company, Verizon. Ten X. For the same size, scale of the company, they invest 10X. So Chinese is behind the U.S. today, however, you know, a year, two years, three years from now the situation may change quite a bit. If you look at the price, okay? Even though U.S. network is number 15 in the connectivity speed, the price is number two in the world. Only right after Canada. Okay? So some people say, when I say this statistics, some people say that, well, but Americans use much more often, much more traffic, per user. So I checked after that. Let's see how Japanese use compare to U.S. because I provide the service in Japan, so I checked myself. Well, Japanese actually use 50% more per person. Fifty percent more data on the smartphone. Fifty percent more. The price is lower, so if you look at, if you compare price per gigabytes, price per the size of the data that you use, America pays 1.7 times more than Japanese. So it's not the case that American consumers pay more price because American consumer use more data. That's not the truth. American consumers use less data traffic, but pay more. Pay more by 1.7X. Is that a good situation? Is that a good situation. Right? And speed is falling behind. So the price not only more expensive per the usage, per the user,

it is going up, while all the rest of the world is going down. Everywhere else, every other country the price is going down because of the competition. Only one country in the major market, only one country in the major market that the price continue to go up is the United States. That's the fact. Okay? Is this is the fact we can accept or not? Okay? While all the rest of the world is going down. So that is a big issue. Falling behind.

The second issue is the digital divide. Okay? Let's look at the digital divide. There's a digital divide based on the wealth, the richness of each household by income level. If you are poorer, you have less connectivity. That's a fact. Okay? The richer gets richer because they have the 21st Century, the - - , the poorer gets poorer because they don't have the access to the next century's technology and information. Also there is a digital divide based on educational level. If you are a high school graduate or if you are college or above, there is a difference in broadband connectivity. And mobile is a substitute for that gap. So there are 23 million people who has the access to the broadband only through wireless. The Internet through wireless. So that is the substitute. But still there is a gap. There is a digital divide. Not only the income and education, but geographically there is a digital divide. The big state like Texas, there is more than 30% of the household has no availability to access to the broadband. It's not available. Even if you want to pay, it's not available. Is that a good thing? There is a geographical digital divide, an income level digital divide, educational level digital divide.

Let's look at a little bit more deeper the school educational level. The school with the lower income district or upper income district, there is a digital divide. The home for the students, there is a big digital divide. Huge digital divide, okay? So if you are living in a neighborhood, if you are living in the neighborhood of the poorer district, the kids are not get connected at home. Only 3%. So huge digital divide. For the 21st Century, the most important network and infrastructure-there is a digital divide. Electricity is available for every household. Highway, the street is available for any people. But the 21st Century, the most important infrastructure, it's not available to everybody. There is a digital divide. U.S. has been the inventor of the Internet technology, but it's falling behind. So with the

status quo, we have a problem. That's first—first we have to realize that there is an issue, otherwise we're not going to have a chance. If we realize there is an issue, status quo is not a solution, then we wake up. We wake up to make a change, okay? So Japanese situation was worst and we made a change to Japan. Because Japan was the most expensive Internet country back then. Before I started Internet access providing. Before that, NTT had 99% monopoly. Ninety nine percent monopoly. By Japanese government regulation, no one could bear to compete with NTT. By regulation. So I had a meeting with the Prime Minister and a dozen other minister and the private sector CEOs, another dozen, in one big table. In the middle there was the Prime Minister and on the opposite side I was sitting in the middle. And next to myself was the CEO of NTT. And I asked to the Prime Minister, "Prime Minister, I have a question. Do you want to save this person's company? NTT. Or do you want to save Japan? Which is more important?" I banged the table, "Give me your answer! I don't need any explanation or any logic, just give me one answer—yes or no? Which one is more important? The country or this company?" NTT is still, today, owned, the largest shareholder of NTT is the government. Japanese government. So Japanese government owned the company, had monopoly-99%, okay? And I said, "Japan is most expensive Internet and slowest speed Internet—is that a good thing? This is, Internet is going to lead our 21st Century infrastructure and Japan is going to fall behind."

So I asked the question, and the Prime Minister look at both ends of the ministers and said Japan. So I said, "Well, if that's the answer, deregulate. Change the regulation. Deregulate for the sake of Japan, if you believe so." So he said okay, let's change the regulation. Let's free up Japan. Let's bring the competition, and that moment Japanese history got changed.

After a few months waiting, we found out nobody else raised their hand. No one raised hand to compete with NTT. NTT is the biggest company in Japan. Every major company, their biggest customer is NTT. They sell their equipment. They sell their services. They sell their automobile, everything. NTT is the biggest customer, so no one want to compete. We at SoftBank Group had an Internet company. We were providing Yahoo! Japan and a bunch of other Internet service and contents companies. We need infrastructure to change, but no one want to challenge NTT.

So, I said okay. If no one want to change, we've got the deregulation, but we got no fighter. I'm going to volunteer to fight with NTT. The moment we announced that our share price tanked. Everybody said you are going to fight with the government, with the big government owned biggest company in Japan? It's impossible. So everybody start selling SoftBank stock.

The moment that I announced that we are going to start broadband fighting against NTT, that moment was the moment net bubble crashed. So I announced the fight against the biggest company at the worst timing for our company. Right before that, a few months before that, SoftBank had the glory. Our market cap because of net bubble, our market cap was \$200 billion. And I was richer than Bill Gates for three days. I was so proud. I was going to say to everybody, oh, I got bigger, richer than Bill Gates.

Before I said it our stock price crashed, 99% crash, so from \$200 billion to \$2 billion, \$2 billion, 99% crash. At the time of the bottom of the \$2 billion in market cap of total SoftBank we start challenge with NTT, and we lost \$1 billion a year, every year for 4 years. So total company's market cap was \$2 billion and lost \$1 billion in cash; half of the company's equity value we lost; flush into the toilet every year.

So everybody in Japan said well, finally, SoftBank is going bankrupt losing shop, losing everything. I was very scared. I said oh, my God, I shouldn't have banged the table. Maybe I'm saving Japan but kidding myself. But somehow we survived. We managed to survive. After four years we became breakeven. Right after we became breakeven, I said okay, we survived, but Internet is shifting from PC to mobile. But mobile is already dominated. In the closed environment, everything dominated by subsidiary of NTT who got 60% market share and another company KDDI, which is another government kind of company.

So I said okay; I have to do a challenge again. So I acquired Vodafone Japan for \$20 billion. We barely became profitable and another bet of \$20 billion. That's a crazy, crazy thing for Japan, but I had a vision. We have to create the network. Japan should be Number One network in speed of connectivity; the price should be competitive. So at least I have proven that in the fixed line broadband. So as a result of our challenge, Japan became highest speed and lowest price

for fixed line broadband as a result of the 4 years' fight. Japan changed drastically from the most expensive and slowest country into the lowest price and highest speed, so one crazy passion and crazy focus, concentration could bring a change in the country.

So now, not only the fixed line broadband even on the wireless, SoftBank's speed is 3X of U.S. average, 3X. Not only the speed, I brought the price war against the other two. Vodafone Japan was a small company and falling down, but I put all my effort and brought a price war, a network war. So we could not change all the customers, but NTT Docomo's customer and KDDI customer also benefit, because they had to react to our price war that I brought. So as a result the average revenue per user from the mobile company side, which is the cost for each subscriber, has gone down.

So I brought the network war and price war. I tried to bring that to the States. So we have the technology. We are the first 4G LTE, which is a new technology; first, commercial service company in the world. Sprint happened to have the same spectrum, 2.5 gigahertz. That is exactly the same spectrum, frequency spectrum, as we have in Japan. That's one of the reasons I decided to invest in Sprint because we have the same spectrum. We can bring the same technology, 8x8 MIMO antenna which makes this signal propagate longer distance with a big pipe of data streaming. Okay?

So Sprint already start with a partnership with SoftBank engineers and Sprint engineers. We're working together with a great team with bringing spirits together. We are bringing a new technology to the States. So I'd like to show you a video of that, a little bit.

[START VIDEO]

MR. COREY HANSEN: Hello everyone and welcome to the Sprint innovation center in Burlingame, California. I'm Corey Hansen with Sprint, and today we're taking a look at how wireless networks of today compare with the ultrafast wireless networks of the future. To do this we're going to do some speed tests over three networks that are available today. The typical 3G cell phone type connection, the 4G LTE network that is very much like a home broadband experience, and then Sprint Spark, a new faster wireless network we're rolling out across the country now that has unprecedented data speeds.

Now, we'll start with a 3G over here, and as you can see I'll begin the test. You're going to see that this is relatively slow. So let's say that you're going to download an HD movie and at 3G speeds it would probably take about 4-1/2 hours. Moving now to the 4G LTE home broadband-like experience, I'll start the test. You're going to see us compared to about 1-1/2 megabits per second. We're downloading at about 8 megabits per second, so that would be a much faster experience and your movie would take about an hour to download with 4G LTE. Moving to Sprint Spark now, you're going to see much faster speeds as I begin the test. And you're moving, downloading at about 56, 57 megabits per second instead of an hour, plus will take about 10 minutes over Sprint's Spark. So, there's a look at wireless networks today. Now, we'll take a look at the future.

So now in looking at the future, we've built a wireless network here in our lab that can deliver 20 times the speed of Sprint Spark and 40 times the speed of a home broadband network. So looking at our familiar broadband speed test here, we can start this test and see how quickly the information comes through downloading over 100 megabits per second. But now, that's just one device. We support the capability with this new network of multiple devices connected at speeds that aren't available yet today.

So, you could have a 4K display, ultra high definition, about 4 times the resolution of high definition today with 4K content streaming over it also running over the same network. And you could have yet another 4K display with 4K streaming, and a third 4K stream running over a 4K display, and yet a fourth, and why not four laptops also streaming video over the same wireless connection. Put it all together and you get one gigabit per second of network performance, the same thing that Google fiber is talking about today.

So on our speed test over here, and we developed this meter specifically for this demonstration because a meter that measures this kind of through-put doesn't exist today. You can see that we are 1,000 megabits per second; even greater than that which translates to 1 gigabyte per second through-put on all of these devices connected over the wireless network of the future. So thinking about that HD video that you're downloading to your laptop, instead of hours you're looking at a download of just a few minutes. So, there's a look at today and a look at the future with a wireless network that opens the door to many, many possibilities.

[END VIDEO]

MR. SON: So the speed matters. The infrastructure, the speed matters for the Internet. So with this speed what we can bring is richer contents, richer experience, all the videos, all the applications. All the services that we deliver in our infrastructure would be dramatically improved. It will improve education, scenery, automotive, health and all the household. So all of this innovation that Americans are creating through the Google, through Facebook, Apple and so on; all of those would bring a great application on the best infrastructure in the world. So, as I said, I want to change the situation over United States issue of Number 15 out of 16 countries into Number One position, so Americans will be all proud of the network that we live in.

So I would like to bring in the new competition. Now, all of you know Comcast is trying to merge with their competitor. Is it a good thing or bad thing? Many of you have your own opinions. I don't decide; you decide; America decide. But I think if that merger happens, what's going to happen? If merger happens, there will be less players. Comcast does not overlap with the party that they want to merge in the territory. So there's opinion that okay, that's not decreasing the competition, but the fact is the U.S. market, it is the most expensive broadband connectivity for the fixed line broadband.

I just said the wireless connectivity is very expensive in the United States and going up in price. It's not only wireless but fixed line broadband, it's also expensive, compared to the situation that I brought in Japan is \$.04 versus U.S. \$.53. That's 10 times. So Americans are paying 10 times more for much slower speed, much slower speed, 10 times more expensive for the same performance. It is not an ideal situation.

Let's look at the reason why. One-third of the household get only one company as a provider. It's called monopoly. The other one-third, the two alternatives, that's called duopoly; monopoly or duopoly, anyway, the price tend to stay high. The performance tend to stay low. So two-thirds of American household only got monopoly or oligopoly. And you are discussing Comcast merger should be approved or not. I say it should be approved, because it's a scale industry that require lots of Capex and so on, should be acquired, approved.

I don't judge for you, but it's my personal opinion it's actually requires a lot of Capex, but the issue is if you have the monopoly situation or oligopoly situation in wired broadband and the price is 10x more expensive and the speed is terrible, should it be the case as a status quo. We need alternative.

So I'd like to volunteer that we would like to be an alternative. So, today, wireless is not a substitution for the wire broadband because wireless is not stable. Wireless does not have enough speed and performance compared to the fixed line broadband. But guess what; it is connected to the Smartphone, the tablets, the PCs inside the home through WiFi. So all these tablets and so on connected through WiFi, do you care the backhaul is fixed line or wireless, as long as you get the speed and the cost and the performance.

Up to now wireless was much slower speed, more expensive, so it was not alternative. Let's just compare wireless as a speed in the States 2 to 11 megabit per second, TeraGo's fiber is 12 to 37; the cable is about the same. So in Japan the fiber is available to the consumers with 100 megabit, one gigabit. In the U.S., I thought U.S. fiber was also much more faster and cheap to consumers, but that's not the situation. But still, it is better than wireless performance. So wireless is not the alternative competition against Comcast or Verizon's wired service.

But I'd like to give a shot. I'd like to provide 10X speed of wireless today of the fixed line broadband today. The cable that you are getting on the average in the States is 50 megabits per second, 50 megabits per second. I'd like to provide up to 200 megabits per second, 10X the speed. You have just seen the video that we've got the technology. We've got the technology. We have to deploy to many towers, many cells. It requires a lot of Capex. It requires a lot of scale and money and so on.

But I'd like to give a shot. I'd like to provide alternative to the monopolistic or oligopolistic situation that two-thirds of the American household can get access to only one or two providers. I'd like to be a third alternative with 10 times the speed and lower the price, and change the U.S. situation as I did in Japan, as I did in Japan.

So I'm here not to criticize the U.S. situation. I'm here as one player already. I'm owner of Sprint, so I take all these

criticisms that I'm saying to myself. I have an obligation as the owner of one player in the States to provide the solution, not criticize the situation. I take it as part of my responsibility.

So if you look at a little bit macro picture once more. Instead of criticizing our competitors, let's look at--this is for the sake of entire United States. If you look at history, the 18th Century, 20th Century, the 18th Century British had the biggest glory and in the 20th Century America became Number One. What was the cause of that success? British had once way over 50% of the global GDP. Right? But America took the Number One position. How did this shift, power shift in the country's wealth, country's power--how did a shift occur? What was the reason?

The fundamental reason is one thing. Number one technology of that age. Which country took the lead; which country had the best infrastructure for that success of the high tech of that age? Spanish once had the ship, the biggest ship, the fastest ship. They got Number One position in the world. The British took over with steam engine. America took over with electricity, automobile, airplane and so on. As I said in the beginning of my presentation, America got Number One position in almost every most important infrastructure, Number One in the world.

But in the 21st Century what is the more important infrastructure than information highway. Information highway is more important than any other infrastructure. Look at who is the Number One market cap company in the world today? It's Apple; it's Google; it's Facebook; it's Amazon; all these companies, global leaders, is Internet related companies.

So it is in my mind there is absolutely no question what is the most important infrastructure which brings the jobs, which brings the growth in GDP, which brings the lifestyle improvements for the healthcare and everything, education. I think this is the most important thing. As I said, can the U.S. regain its leadership, which is the most important infrastructure in the mobile broadband?

Yes we can. Yes we can. I'm here not to depress you, not to criticize you. Yes we can. We have the issue of only two things; low speed, high price. That's the only two things. It's not complicated. That's the only two things we have to

solve. Let's increase the speed. Let's get the Number One in the world. Let's reduce the price by competition, not a pseudo competition, the real competition. Pseudo competition is not the solution. We don't need government money. We don't need taxpayers' money. Only changing the market situation, bringing the real fight, I think we get a solution. As I said, only two things we need; speed and the price, high speed, low price.

Today it's the opposite. Let's change it. It's not complicated. It's a simple thing. Don't think complicated way because you don't find the answer. Think simple, then we get answer. We get focus. So that's what I want to present. That's what I want to say.

Reason I am so passionate about this. The reason why I feel this is my second home, could be the main home, I don't know. I don't know what nationality I am. I'm born in Japan with a poor family, immigrated from Korea, South Korea, way before that was China. Immigrated into the bottom of the society. In Japan, our family was one of the poorest families. As an immigrant we start from the bottom of the society. Living in Japan in the homogenous country, all of the Japanese people are one race. It's difficult as you can imagine. It's not easy. It's a closed society.

Nowadays it's much more open, much fairer. We still have our little issues with the neighboring countries, but still now is so much better. Back then it was much tougher. Back then my family was much poorer. I once even considered committing suicide when I was a kid, when I was a student, because I'm different from the rest of my classmates. I pretend I was Japanese. I was using Japanese family name, not Korean family name. It was a tough life. I say oh, my God, even if I get education, get graduated from Number One college in Japan, what kind of job can I get as soon as I give them my resume with my real family name, which I cannot forge.

I thought all my life was horrible. My future is in darkness. My father got sick, threw up blood, and very sick in hospital. My mother cried. My elder brother, which is 17 year old, (I was 16); he quit the high school to support my family. Our family was hopeless. Then I asked the doctor of my father, is my father dying? He said no, he's going to survive, but not easy.

So my brother took his responsibility to quit the high school and support the family. I asked him, myself, should I also quit the high school. Yes, I did quit the high school in the first grade. Only three months I went to the high school. I quit in three months. But instead of working immediately in my home town I decide to come to the States, because for the short term solution my brother elder, one year older than me, he would support my family for short term solution. But if I do the same thing, we may not have the long term solution.

So I decided to come to the States to study. I studied so hard. I studied so hard. But my eyes got wide open. In this country there are so many race origin people, so many different people but treated very fairly, very equally. I saw a sky so blue; sky's the limit. So I got my American dream saying okay, some day. Some day I graduate from the college here in the States, and some day I will become a meaningful person using my Korean original name, not hiding anymore; using my original Korean name so that the other kids who suffered psychologically don't have to commit suicide.

Those people who have a small light, small hope in their life. There is another one guy who disclosed his original family name and still became one meaningful person. I want to bring the hope to those underdogs. But after I grew up, I said okay, that is one thing that I have to do, but that's not enough. I should help not only those small groups of people, one group of people, but to everybody.

I started in Computer Science. My major was Economics. Computer was my hobby, but I learned American technology, American Science, the computer technology which, you know, was invented here in this country. I learned that. Now is the time that I would like to pay back. The feeling; I am so thankful to the education that I got in the States. The American dream, the entrepreneurship, the passion, all those things, the hope that I got, I'd like to pay back. It is a debt in my heart that I have to pay back.

I'd like to make that happen for the sake of United citizens, for the sake of everybody in the world. I think Americans deserve the Number One position as we did for the last century, because America is the best role model. It's the very most fair country, open, transparent. The justice we can discuss; what is justice. This is the best country in the world. I love America. Thank you very much.

[Applause]

AMBASSADOR JOHN ROOS: Thank all of you for being here this afternoon for Masayoshi's first major speech in the United States. I think you all got a feel for what a very special individual, leader and what his vision is for our country. So thank you again for being here. Thanks.

[END RECORDING]

Note: The number of the phrase below on page 4 was corrected to "eight" on March 13th, 2014.

"...so six years ago I decided to acquire Vodafone Japan..."

"...so eight years ago I decided to acquire Vodafone Japan..."

Safe Harbor

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