

Acquisition of Brightstar Corp. Shares

SoftBank Corp. ("SoftBank") announced that it has entered into agreements yesterday (October 18, 2013, JST/EDT) with the major shareholders (the "Sellers"*¹) of mobile device distributor Brightstar Corp. of the United States ("Brightstar") pursuant to which SoftBank will acquire Brightstar shares (the "Transaction").

In the Transaction, SoftBank will invest a total of USD 1.26 billion (approx. JPY 124.7 billion*²) into certain U.S. subsidiaries. Such U.S. subsidiaries will purchase 100% of the shares of Brightstar for approximately USD 1.105 billion (approx. JPY 109.4 billion*²) cash consideration, and U.S. subsidiary shares as noted in 3. (5) below. As a result of the Transaction, SoftBank will indirectly own approximately 57% of the voting power, and common stock, of the shares of a U.S. subsidiary that will own 100% of Brightstar, making Brightstar a subsidiary of SoftBank. Furthermore, SoftBank plans to gradually exercise the Warrant (defined below) to increase its ownership in the U.S. subsidiary to approximately 70% of the voting power, and common stock, over the five year period following step (1) of "2. Transaction Method."

[Note] *1 Including Mr. Marcelo Claure and LG BRIGHTSTAR, L.P., as listed in "6. About the Shareholders whose Shares will be Acquired."

[Note] *2 Converted at USD = JPY 99.

1. Reason for Transaction

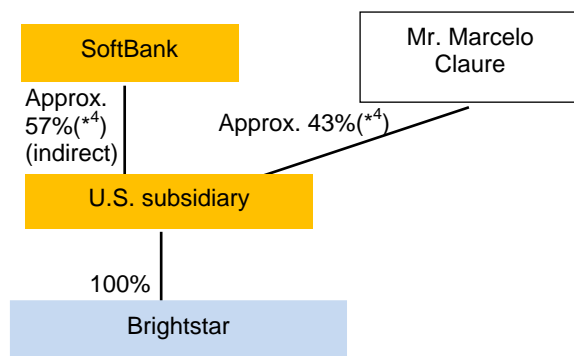
Brightstar is the world's largest specialized wireless distributor*³ and a leading provider of diversified services focused on enhancing the performance and results of the key participants in the wireless device value chain: manufacturers, operators and retailers. Its services include Supply Chain Solutions, Handset Protection & Insurance, Buyback and Trade-in Solutions, Multi-Channel Retail Solutions, and Financial Services. Today, Brightstar provides services in over 125 countries and has a local presence in over 50 countries.

SoftBank closed the acquisition of Sprint Nextel Corporation (the current Sprint Communications, Inc.) in July 2013, expanding its business operations from Japan to the U.S. By making Brightstar a subsidiary, SoftBank aims to strengthen its purchasing scale for mobile devices and further increase competitiveness both in Japan and the U.S.

[Note] *3 Based on revenue (source: Brightstar)

2. Transaction Method

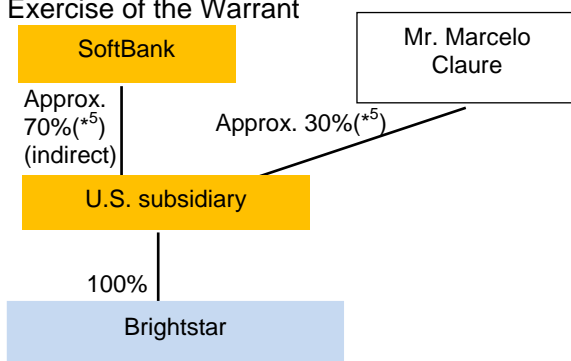
(1) Brightstar shares will be purchased by SoftBank, through U.S. subsidiaries



[Note] *4 Percentages based on voting power and common stock.

- In connection with the Transaction, SoftBank will invest a total of USD 1.26 billion into certain indirectly wholly-owned U.S. subsidiaries.
- SoftBank will, in exchange for USD 400 million of the above investment, receive newly-issued common shares of a U.S. SoftBank subsidiary, and in exchange for the remaining USD 860 million of SoftBank's investment, SoftBank will receive (i) non-voting preferred shares of the same subsidiary that have an aggregate liquidation preference of USD 860 million, and (ii) a warrant that provides SoftBank with the rights to acquire a number of common shares of the same subsidiary that would raise SoftBank's ownership of the common shares of the subsidiary to approximately 70%, for de minimis value, over 5 years (the "Warrant").
- SoftBank and certain of its U.S. subsidiaries have entered into share purchase agreements with the Sellers. The U.S. subsidiaries will acquire, through a series of purchases, all common and preferred shares of Brightstar from existing shareholders, excepting those shares held by Mr. Marcelo Claure, Chairman and CEO of Brightstar, in exchange for approximately USD 905 million, including the payment of accrued dividends associated with the purchase of the preferred shares. The U.S. subsidiaries will acquire a portion of the Brightstar shares held by Mr. Claure in exchange for USD 200 million.
- The U.S. subsidiary in which SoftBank receives newly-issued common shares, non-voting preferred shares and a warrant will acquire the remaining Brightstar shares held by Mr. Claure in exchange for common shares of such U.S. subsidiary representing an approximate 43% of the common shares issued and outstanding following this step (1) of the Transaction.
- Following the above purchases and exchanges, and any other required related steps, all Brightstar shares will be held by the U.S. subsidiary in which SoftBank and Mr. Claure receive shares pursuant to the Transaction, and SoftBank and Mr. Claure will hold an approximate 57% and 43% equity interest, respectively.
- The U.S. subsidiaries will use approximately USD 1.105 billion out of SoftBank's total investment of USD 1.26 billion to complete the Brightstar share purchases (including payment of accrued dividends) noted above, and the remaining approximately USD 155 million of SoftBank's investment will thereafter be contributed by the U.S. subsidiaries to Brightstar in order to fund, among others, ongoing corporate activities.
- In connection with the Transaction, SoftBank and Brightstar will enter into certain commercial arrangements whereby, among other terms, Brightstar will (i) become an exclusive provider of certain handsets, accessories, and services to certain telecom affiliates of SoftBank (excluding listed affiliates and their subsidiaries) (the "SoftBank Affiliates") and (ii) have a preferential right to provide certain other services, including distribution, supply chain, handset insurance, buy-back and trade-in, multi-channel retail, and end-user financing services, to the SoftBank Affiliates (subject to SoftBank and its affiliates' existing contractual arrangements).
- Following the Transaction, the headquarters of Brightstar will remain in Miami, Florida.
- The post-Transaction board of Brightstar will consist of 5 directors, of which 3 directors will be nominated by SoftBank and 2 directors will be nominated by Mr. Claure.
- Following the Transaction, Mr. Masayoshi Son, Chairman & CEO of SoftBank, will serve as Chairman of Brightstar, and Mr. Claure will serve as Vice-Chairman of Brightstar. Mr. Claure will also serve as CEO of Brightstar.

(2) Exercise of the Warrant



[Note] *5 Percentages based on voting power and common stock.

- SoftBank will gradually exercise the Warrant to increase its ownership of the voting power and common shares of the U.S. subsidiary to approximately 70%, over the five year period following step (1) of “2. Transaction Method.”

3. Number of Shares to be Acquired, Acquisition Price and State of Share Ownership Before and After Acquisition

(1) Acquiring company	U.S. subsidiary
(2) Acquired company	Brightstar
(3) Number of shares held before transfer	0 shares (number of voting rights: 0) (voting rights holding ratio: 0.0%)
(4) Number of shares to be acquired	37,756,306 shares (*6)
(5) Acquisition price	Approx. USD 1.105 billion In addition to the above monetary amount, a number of common shares of the U.S. subsidiary representing 43% of the common shares issued and outstanding following the step (1) of “2. Transaction Method” were issued as consideration. Acquisition-related costs: TBD (*7)
(6) Number of shares held after transfer	37,756,306 (*6) (number of voting rights: 37,756,306) (*8) (voting rights holding ratio: 100 %)

[Note] *6 Consisting of 18,206,692 common shares and 19,549,614 preferred shares.

[Note] *7 SoftBank will announce the amount of acquisition-related costs once the estimate becomes clear.

[Note] *8 Assuming conversion of all preferred shares to common shares.

4. Timeline

SoftBank Board resolutions (*9)	October 10, 2013
SoftBank executes share purchase agreements with the Sellers	October 18, 2013
U.S. subsidiary to make Brightstar a subsidiary	November – December 2013 (expected)
SoftBank to exercise the Warrant	To be gradually exercised, and fully exercised over the five year period following step (1) of “2. Transaction Method” (expected)

[Note] *9 The final decision with respect to the final terms of the Transaction and the agreements thereof was delegated to Mr. Masayoshi Son, Chairman & CEO of SoftBank, to the extent not inconsistent with the contents of the SoftBank Board resolutions.

5. About Brightstar

3. About Brightstar

(1) Name	Brightstar Corp.		
(2) Address	9725 NW 117th Ave, #300 Miami, Florida, U.S.A.		
(3) Name and title of representative	Chairman and Chief Executive Officer Marcelo Claure		
(4) Nature of business	Mobile device distribution		
(5) Common stock share capital	USD 2,000		
(6) Founded	September 23, 1997		
(7) Major shareholders and their holdings	Marcelo Claure 42.0% LG BRIGHTSTAR, L.P. 39.7% *Assuming conversion of all preferred shares to common shares, and disregarding all stock options and RSUs.		
(8) Relation between SoftBank and Brightstar	Capital	None	
	Personnel	None	
	Business	SoftBank's consolidated subsidiaries SoftBank Mobile Corp. and SoftBank Telecom Corp. sell Brightstar used mobile devices.	
(9) Brightstar's consolidated business results and consolidated financial position for past three years			
Fiscal year	Ended Dec. 2010	Ended Dec. 2011	Ended Dec. 2012
Sales	4,584,358	5,666,872	6,312,914
Operating income	122,270	169,792	177,228
Net income	36,581	77,403	130,278
Net assets	150,648	200,081	305,523
Total assets	2,534,902	2,661,578	3,373,333
Net assets per share (USD) (*10)	8.29	11.00	16.79
Net income per share (USD) (*10)	2.01	4.25	7.16
Dividend per share (USD) (*10)	1.43	1.42	1.62

(Unit: thousand U.S. dollar (excluding net assets per share, net income per share and dividend per share))

[Note] *10 Net assets per share, net income per share and dividend per share are based on the issued common shares as of each of end of fiscal year; provided that stock options, RSUs, preferred shares convertible into common shares and dividends for preferred shares are disregarded.

6. About the Shareholders whose Shares will be Acquired

Major existing shareholders from which Brightstar shares will be acquired are listed below. The aggregated total ownership of Brightstar held by such shareholders before the Transaction is 81.7%, assuming conversion of all preferred shares to common shares, but disregarding all outstanding options and RSUs. The rest of the existing shareholders consist of 15 entities, including venture capital funds and 9 individuals, including employees of Brightstar.

(1) Marcelo Claure

(1) Name	Marcelo Claure
(2) Address	Miami, FL, U.S.A.
(3) Relations between SoftBank and Mr. Claure	There is no capital or personnel relationship between SoftBank and Mr. Claure to be specified.

(2) LG BRIGHTSTAR, L.P.

(2) LG BRIGHTSTAR, L.P.		
(1) Name	LG BRIGHTSTAR, L.P.	
(2) Address	630 Fifth Avenue, New York, NY 10111, U.S.A.	
(3) Grounds, etc. for incorporation	A limited partnership established under the Delaware Revised Uniform Limited Partnership Act	
(4) Purpose of incorporation	Investment in Brightstar Corp.	
(5) Date Founded	June 2007	
(6) Total investment	(Non-disclosable due to confidentiality obligations of the fund)	
(7) Investors and investment ratio, description of investors	(Non-disclosable due to confidentiality obligations of the fund)	
(8) About operating partner	Name	(Non-disclosable due to confidentiality obligations of the fund)
	Address	
	Name and title of representative	
	Nature of business	
	Common stock share capital	
(9) Relations between SoftBank and LG BRIGHTSTAR, L.P.	There is no capital, personnel or business relationship between SoftBank and LG BRIGHTSTAR, L.P. to be specified.	
(10) Relations between SoftBank and operating partner	(Unknown as information about operating partner is not disclosed)	

7. Future Outlook

SoftBank will announce the impact of the Transaction on the financial results once verified.

(Reference)

SoftBank's consolidated financial results forecast and actual results of the previous period (JPY million)

	Sales	Operating income	Ordinary income	Net income
Forecast (ending Mar. 2014)	—	—	—	—
Actual (ended Mar. 2013)	3,378,365	745,000	653,214	289,403

SoftBank is projecting consolidated operating income of at least JPY 1 trillion under International Financial Reporting Standards ("IFRSs") in the fiscal year ending March 31, 2014. This includes gains of JPY 253.9 billion in total resulting from the re-evaluation of the existing equity interests held in GungHo Online Entertainment, Inc. and WILLCOM, Inc. at fair value when both companies became subsidiaries of SoftBank.