

Japan's SoftBank net profit jump 84% in H1 (Update)

October 31 2013

Japan's SoftBank said Thursday its net profit soared 84.1 percent year-on-year to \$4.0 billion in the six months to September, boosted by strong demand for iPhones and other smartphones.

SoftBank logged 394.9 billion yen (\$4.0 billion) in net profit as operating profit jumped 66.6 percent to 715.07 billion yen.

Sales of smartphones rose while the company also benefited from higher valuation of its shares in subsidiary companies, the huge technology investment company said.

Revenue climbed 72.7 percent to 2.6 trillion yen after it took control of US wireless carrier Sprint Nextel in July in a \$21.6 billion deal.

"Various sales promotions for iPhone continued to deliver strong sales, contributing to increases in both new subscriptions and handset upgrades," the company said in a statement.

SoftBank was Japan's only provider of Apple's iPhone service until rivals NTT DoCoMo and KDDI joined the fray.

Japan's biggest mobile operator NTT DoCoMo finally got in on the iPhone act with the issuance of iPhone 5S and 5C, staging aggressive campaigns to win back its former clients who had fled to SoftBank.

Meanwhile, SoftBank has steadily expanded its business portfolio by

scooping up a string of companies in and out of Japan in recent years.

Led by charismatic Masayoshi Son, one of the richest men in Japan, SoftBank last month announced a \$1.26 billion investment in privately held Brightstar, a US specialist distributor of wireless handsets and related services.

The company also recently took a majority stake in Finnish game maker Supercell, creator of "Clash of Clans". It is also the top shareholder of Japanese game developer GungHo Online Entertainment.

SoftBank said it expected its revenue would exceed six trillion yen in the full year to March 2014, with operating profit rising above one trillion yen.

The company gave no specific figures on net profit.

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