

SoftBank's profit zooms on Sprint turnaround, Alibaba

May 10 2017, by Yuri Kageyama



In this Nov. 7, 2016, file photo, a shopper standing on an escalator passes by the company logo of SoftBank at an electronic shop in Tokyo. Japanese internet, robot and solar company SoftBank Group is reporting a 12-fold climb in quarterly profit, boosted by a turnaround at its U.S. mobile unit Sprint, on its way to a record annual profit. Tokyo-based SoftBank reported Wednesday, May 10, 2017, January-March profit of 580.5 billion yen (\$5.1 billion), up dramatically from 45.2 billion yen the same period the previous year. (AP Photo/Shizuo Kambayashi, File)

Japanese internet, robot and solar company SoftBank Group is reporting a 12-fold climb in quarterly profit, as a turnaround at its U.S. mobile unit Sprint helped it on its way to a record annual profit.

Tokyo-based SoftBank reported Wednesday a January-March profit of 580.5 billion yen (\$5.1 billion), up dramatically from 45.2 billion yen the same period a year earlier.

Quarterly sales rose nearly 2 percent to 2.32 trillion yen (\$20 billion).

For the year through March 2017, SoftBank, which acquired Britain's ARM Holdings, an innovator in the "internet of things," last year, reported a record 1.4 trillion yen (\$12.5 billion) in [profit](#), tripling from 474 billion yen in the last fiscal year.

Much of that came from the sale of part of its stake in Chinese e-commerce giant Alibaba. But cost reductions at Sprint, which had been dragging on its earnings, also helped, while a strong yen was an unfavorable factor, the company said.

Softbank's sales at its domestic wireless carrier service and its Yahoo Japan business also thrived, it said. ARM's operations were also going strong, it said.

SoftBank Chief Executive Masayoshi Son, a University of California, Berkeley graduate, drew attention for hobnobbing with President Donald Trump, late last year and promising to create jobs and invest in the U.S.

SoftBank, founded in 1981, also has within its sprawling investment empire financial-technology and ride-booking services. It also sells the Pepper human-shaped companion robot and operates a solar power business.

Also Wednesday, SoftBank, Sprint and Qualcomm Technologies, a U.S. semiconductor and telecommunications equipment company, said they will work together to develop 5G wireless technology, with plans to offer services and devices from late 2019.

SoftBank, the first carrier to offer the Apple iPhone in Japan, set up a private fund last year for global investments in the technology sector, called Vision Fund, with the potential to grow to as much as \$100 billion. Some media reports said the fund was being closed soon, having reached that target, but SoftBank denied the reports as speculation.

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