

SoftBank reports soaring annual operating profit

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Japanese telecom giant SoftBank on Wednesday reported a surge in its annual operating profit, driven by the increasing value of its Vision Fund

and robust performances from its telecoms units.

Full-year annual operating [profit](#) was up 27.1 percent to 1.3 trillion yen (\$11.8 billion), while sales rose 2.9 percent to 9.16 trillion yen.

The firm booked a loss in annual [net profit](#) however, for one-off reasons related to the sale of its stake in Chinese e-commerce giant Alibaba.

Full year net profit was down 27.2 percent, the company said, with the losses amplified by the firm's sale last year of mobile game subsidiary Supercell Oy.

SoftBank said overall sales rose on the robust performance of key operations including its domestic telecom business, Yahoo Japan, and chip designing unit Arm.

US tax cuts also helped boost income from the firm's US Sprint mobile service, it said.

The rising value of its SoftBank Vision Fund, an investment arm created in 2016 with money from Saudi Arabia's [sovereign wealth fund](#) and other sources, also gave the company a boost.

As is customary, SoftBank did not disclose forecasts for the year to March 2019.

Led by flamboyant founder Masayoshi Son, SoftBank has embarked on a string of international acquisitions large and small in recent years.

Last week, SoftBank's Sprint and US rival T-mobile announced that they would merge to form a new company and push development of a super-fast 5G network.

T-Mobile, a division of Germany's Deutsche Telekom, and Sprint are currently the third and fourth largest US wireless operators, respectively.

They held talks in 2014 on a merger, but ended discussions in the face of opposition from US regulators, with some investors concerned that regulatory objections could once again stymie the deal.

Elsewhere, SoftBank is in talks to take a stake in Swiss reinsurance giant Swiss Re, and last month said it would partner with Saudi Arabia to develop a massive, multi-billion-dollar solar project in the kingdom through the Vision Fund.

In Tokyo, SoftBank shares ended up 0.78 percent at 8,555 yen before the results were announced.

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