IMPORTANT NOTICE

THE OFFERING IS AVAILABLE ONLY TO PERSONS OTHER THAN U.S. PERSONS AS DEFINED RULE 902 UNDER THE U.S. SECURITIES ACT AND OTHER THAN RETAIL INVESTORS IN: (A) THE EUROPEAN ECONOMIC AREA, DEFINED AS PERSONS WHO ARE ONE OR MORE OF: (I) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF DIRECTIVE 2014/65/EU (AS AMENDED, "EU MiFID II") OR (II) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE (EU) 2016/97 (THE "INSURANCE DISTRIBUTION DIRECTIVE"), WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF EU MiFID II; OR (B) THE UNITED KINGDOM, DEFINED AS A PERSON WHO IS ONE (OR MORE) OF: (I) A RETAIL CLIENT, AS DEFINED IN POINT (8) OF ARTICLE 2 OF REGULATION (EU) No 2017/565 AS IT FORMS PART OF DOMESTIC LAW BY VIRTUE OF THE EUWA; OR (II) A CUSTOMER WITHIN THE MEANING OF THE PROVISIONS OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (AS AMENDED, THE "FSMA") AND ANY RULES AND REGULATIONS MADE UNDER THE FSMA TO IMPLEMENT THE INSURANCE DISTRIBUTION DIRECTIVE, WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT, AS DEFINED IN POINT (8) OF ARTICLE 2(1) OF REGULATION (EU) NO 600/2014 AS IT FORMS PART OF DOMESTIC LAW BY VIRTUE OF THE EUWA. TO EXTENT SUCH PERSONS ARE LOCATED AND/OR RESIDENT IN ONE OF THE PROVINCES OF CANADA, THIS OFFERING IS AVAILABLE IN THOSE PROVINCES ONLY TO PERSONS WHO ARE BOTH AN "ACCREDITED INVESTOR", AS DEFINED IN SECTION 1.1 OF NATIONAL INSTRUMENT 45-106 PROSPECTUS EXEMPTIONS AND SECTION 73.3(1) OF THE SECURITIES ACT (ONTARIO), AND A "PERMITTED CLIENT" , AS DEFINED IN SECTION 1.1 OF NATIONAL INSTRUMENT 31-103 REGISTRATION REQUIREMENTS, EXEMPTIONS AND ONGOING REGISTRANT OBLIGATIONS.

THIS OFFERING HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE FINANCIAL INSTRUMENTS AND EXCHANGE ACT OF JAPAN (ACT NO. 25 OF 1948, AS AMENDED) (THE "FIEA"), AND ARE SUBJECT TO THE ACT ON SPECIAL MEASURES CONCERNING TAXATION OF JAPAN (ACT NO. 26 OF 1957, AS AMENDED) (THE "SPECIAL TAXATION MEASURES ACT"). THE NOTES MAY NOT BE OFFERED OR SOLD IN JAPAN, TO ANY PERSON RESIDENT IN JAPAN, OR TO OTHERS FOR REOFFERING OR RESALE DIRECTLY OR INDIRECTLY IN JAPAN, OR TO A PERSON RESIDENT IN JAPAN, FOR JAPANESE SECURITIES LAW PURPOSES (INCLUDING ANY CORPORATION OR OTHER ENTITY ORGANIZED UNDER THE LAWS OF JAPAN) EXCEPT PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF, AND OTHERWISE IN COMPLIANCE WITH, THE FIEA AND ANY OTHER APPLICABLE LAWS, REGULATIONS AND GOVERNMENTAL GUIDELINES OF JAPAN. IN ADDITION, THE NOTES ARE NOT, AS PART OF THE INITIAL DISTRIBUTION BY THE INITIAL PURCHASERS AT ANY TIME, TO BE DIRECTLY OR INDIRECTLY OFFERED OR SOLD TO, OR FOR THE BENEFIT OF, ANY PERSON OTHER THAN A GROSS RECIPIENT, EXCEPT AS SPECIFICALLY PERMITTED UNDER THE SPECIAL TAXATION MEASURES ACT. A "GROSS RECIPIENT" FOR THIS PURPOSE IS (I) A BENEFICIAL OWNER THAT IS, FOR JAPANESE TAX PURPOSES, NEITHER AN INDIVIDUAL RESIDENT OF JAPAN OR A JAPANESE CORPORATION, NOR AN INDIVIDUAL NON-RESIDENT OF JAPAN OR A NON-JAPANESE CORPORATION THAT IN EITHER CASE IS A PERSON HAVING A SPECIAL RELATIONSHIP WITH THE ISSUER OF THE NOTES AS DESCRIBED IN ARTICLE 6, PARAGRAPH 4 OF THE SPECIAL TAXATION MEASURES ACT, (II) A JAPANESE FINANCIAL INSTITUTION OR FINANCIAL INSTRUMENTS BUSINESS OPERATOR AS DESIGNATED IN ARTICLE 3-2-2, PARAGRAPH 29 OF THE CABINET ORDER (CABINET ORDER NO. 43 OF 1957, AS AMENDED) RELATING TO THE SPECIAL TAXATION MEASURES ACT THAT WILL HOLD NOTES FOR ITS OWN PROPRIETARY ACCOUNT OR (III) AN INDIVIDUAL RESIDENT OF JAPAN OR A JAPANESE CORPORATION WHOSE RECEIPT OF INTEREST ON THE NOTES WILL BE MADE THROUGH A PAYMENT-HANDLING AGENT IN JAPAN AS DEFINED IN ARTICLE 2-2, PARAGRAPH 2 OF THE CABINET ORDER. **BY SUBSCRIBING FOR THE NOTES, AN INVESTOR WILL BE DEEMED TO HAVE REPRESENTED THAT IT IS A GROSS RECIPIENT.**

IMPORTANT: You must read the following before continuing. The following applies to the offering memorandum following this notice (the "**Offering Memorandum**"), whether received by e-mail or otherwise received as a result of electronic communication. You are therefore advised to read this carefully before reading, accessing or making any other use of the attached Offering Memorandum. In accessing the Offering Memorandum, you agree to be bound by the following terms and conditions, including any modifications to them, each time you receive any information from us as a result of such access. The Offering Memorandum has been prepared in connection with the proposed offering and sale of the securities described therein (the "**Offering**"). The Offering Memorandum and its contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by recipients to any other person.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER JURISDICTION AND THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS OF OTHER JURISDICTIONS.

THE FOLLOWING OFFERING MEMORANDUM WILL BE ACCESSIBLE IN ELECTRONIC FORMAT AND MAY NOT BE PUBLISHED, FORWARDED, DISTRIBUTED OR OTHERWISE MADE AVAILABLE IN WHOLE OR IN PART TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. YOU ACKNOWLEDGE THAT YOU RECEIVED THE OFFERING MEMORANDUM IN A FORM THAT MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS OFFERING MEMORANDUM, IN WHOLE OR IN PART, IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE U.S. SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. IF YOU HAVE GAINED ACCESS TO THE OFFERING MEMORANDUM CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORISED TO, AND WILL NOT BE ABLE TO, PURCHASE ANY OF THE NOTES.

Confirmation of your representation. In order to be eligible to view the Offering Memorandum or make an investment decision with respect to the Notes described in the Offering Memorandum, either you or any customers you represent must be a non-U.S. person purchasing the securities outside the United States in offshore transactions in reliance on Regulation S and investing in the Notes outside the United States in offshore transactions in reliance on Regulation S; provided that (i) investors resident in a member state of the European Economic Area or in the United Kingdom must not be retail investors (as defined below for each of the European Economic Area (the "EEA") and the United Kingdom (the "UK") separately), (ii) investors resident or located in Canada must be both accredited investors and permitted clients and (iii) investors resident or located in Japan must be gross recipients who invest in the Notes pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA. The Offering Memorandum is being sent at your request. By accepting this e-mail or other electronic transmission and by accessing the Offering Memorandum, you shall be deemed to have represented to us and each of the initial purchasers set forth in this Offering Memorandum (collectively, the "**Initial Purchasers**"), that:

(1) you acknowledge that you are, and consent to, receiving such Offering Memorandum by electronic transmission;

(2) either you or any customers you represent are non-U.S. persons purchasing the securities outside the United States in offshore transactions in reliance on Regulation S;

(3) if you are resident in a member state of the EEA or in the United Kingdom, you are a person other than a retail investor (as defined below for each of the EEA and the United Kingdom separately);

(4) if you are located and/or resident in a province of Canada, you are both an "accredited investor," as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and a "permitted client," as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations; and

(5) if you are located and/or resident in Japan, you are a gross recipient investing in the Notes pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA

You are reminded that the attached Offering Memorandum has been delivered to you on the basis that you are a person into whose possession the Offering Memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver the Offering Memorandum to any other person. You may not transmit the attached Offering Memorandum (or any copy of it or part thereof) or disclose, whether orally or in writing, any of its contents to any other person, except with the consent of the Initial Purchasers. If you receive this document by e-mail, you should not reply by e-mail to this announcement. Any reply e-mail communications, including those you generate by using the "Reply" function on your e-mail software, will be ignored or rejected. If you receive this document by e-mail, your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

The materials relating to the Offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the

Offering be made by a licensed broker or dealer and the Initial Purchasers or any affiliate of the Initial Purchasers is a licensed broker or dealer in that jurisdiction, the Offering shall be deemed to be made by the Initial Purchasers or such affiliate on behalf of the Company in such jurisdiction. Under no circumstances shall the Offering Memorandum constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of, these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

The attached document is being furnished in connection with an offering exempt from registration under the U.S. Securities Act. Nothing in this electronic transmission constitutes an offer of securities for sale in the United States or any other jurisdiction. Any securities to be issued will not be registered under the U.S. Securities Act or the securities laws of any other jurisdiction and may not be offered or sold within the United States unless registered under the U.S. Securities Act or pursuant to an exemption from such registration.

The Notes have not been and will not be registered under the U.S. Securities Act or the securities laws of any other jurisdiction and may not be offered, sold, pledged or otherwise transferred within the United States or to, or for the account or benefit of, U.S. persons (as such terms are defined under the U.S. Securities Act). The Notes described in this Offering Memorandum are being offered only outside the United States in offshore transactions in reliance upon Regulation S under the U.S. Securities Act to persons other than U.S. persons as defined in Rule 902 under the U.S. Securities Act and other than retail investors in: (a) the European Economic Area, defined as a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "EU MiFID II") or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II; or (b) the United Kingdom, defined as a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (as amended, the "FSMA") and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA.

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended) (the "FIEA"), and are subject to the Act on Special Measures Concerning Taxation of Japan (Act No. 26 of 1957, as amended) (the "Special Taxation Measures Act"). The Notes may not be offered or sold in Japan, to any person resident in Japan, or to others for reoffering or resale directly or indirectly in Japan, or to a person resident in Japan, for Japanese securities law purposes (including any corporation or other entity organized under the laws of Japan) except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and governmental guidelines of Japan. In addition, the Notes are not, as part of the initial distribution by the Initial Purchasers at any time, to be directly or indirectly offered or sold to, or for the benefit of, any person other than a gross recipient, except as specifically permitted under the Special Taxation Measures Act. A "gross recipient" for this purpose is (i) a beneficial owner that is, for Japanese tax purposes, neither an individual resident of Japan or a Japanese corporation, nor an individual non-resident of Japan or a non-Japanese corporation that in either case is a person having a special relationship with the issuer of the Notes as described in Article 6, Paragraph 4 of the Special Taxation Measures Act, (ii) a Japanese financial institution or financial instruments business operator as designated in Article 3-2-2, Paragraph 29 of the Cabinet Order (Cabinet Order No. 43 of 1957, as amended) relating to the Special Taxation Measures Act that will hold Notes for its own proprietary account or (iii) an individual resident of Japan or a Japanese corporation whose receipt of interest on the Notes will be made through a payment-handling agent in Japan as defined in Article 2-2, Paragraph 2 of the Cabinet Order. **By subscribing for the Notes, an investor will be deemed to have represented that it is a gross recipient.** Interest payments on the Notes will be subject to Japanese withholding tax unless the holder establishes that the Note is held by or for the account of a holder that is (1) for Japanese tax purposes, neither (a) an individual resident of Japan or a Japanese corporation, nor (b) an individual non-resident of Japan or a non-Japanese corporation that in either case is a specially-related person of ours, and in compliance with certain requirements for tax exemption under the Special Taxation Measures Act, or (2) a Japanese designated financial institution or financial instruments business operator as described in Article 6, Paragraph 11 of the Special Taxation Measures Act which complies with the requirement for tax exemption under that Paragraph.

Each Canadian investor who purchases Notes will be deemed to have represented to the Company that the investor is entitled under applicable Canadian securities laws to purchase the Notes without the benefit of a prospectus qualified under such securities laws, and without limiting the generality of the foregoing, is an "accredited investor" as defined in section 1.1 of National Instrument 45-106 Prospectus Exemptions and section 73.3(1) of the Securities Act (Ontario) and a "permitted client", as defined in section 1.1 of National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws. The Company may be considered a "connected issuer" and/or "related

issuer" of the Initial Purchasers, as such terms are defined in National Instrument 33-105 Underwriting Conflicts. These relationships and other related matters are set forth in greater detail within this Offering Memorandum, including the relationship between the Company and certain of its affiliates. Canadian investors should refer to the section entitled "Plan of Distribution—Other Relationship" contained within the Offering Memorandum for additional information. Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Offering Memorandum (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

The Offering Memorandum has been sent to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the Initial Purchasers, any person who controls any of the Initial Purchasers, the Company, any of their respective directors, officers, employees or agents or affiliates of any of the foregoing entities or persons, accepts any liability or responsibility whatsoever in respect of any difference between the Offering Memorandum distributed to you in electronic form and any version that will be provided to you at a later date on request from the Initial Purchasers.

This notice and the attached document are intended only for use by the addressee named herein and may contain legally privileged and/or confidential information. If you are not the intended recipient of this electronic notice, you are hereby notified that any dissemination, distribution or copying of this electronic notice and the attached document is strictly prohibited. If you have received this electronic notice in error, please immediately notify the sender by reply electronic notice and permanently delete all copies of this electronic notice and destroy any print-outs of it.

References to Regulations or Directives include, in relation to the UK, those Regulations or Directives as they form part of UK domestic law by virtue of EUWA or have been implemented in UK domestic law, as appropriate.

EU MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET Solely for the purposes of the product approval process of each manufacturer, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties ("ECPs") and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to ECPs and professional clients are appropriate. The target market and distribution channel(s) may vary in relation to sales outside the EEA in light of local regulatory regimes in force in the relevant jurisdiction. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

UK MiFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("COBS"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA ("UK MiFIR"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any distributor should take into consideration the manufacturers' target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "UK MiFIR Product Governance Rules") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

PROHIBITION OF SALES TO EEA INVESTORS

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "Insurance Distribution Directive"), where that customer would not qualify as a "professional client" as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a "qualified investor" as defined in Regulation (EU) 2017/1129 (as amended or superseded, the "Prospectus Regulation"). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and

therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

The Offering Memorandum has been prepared on the basis that any offer of the Notes in any Member State of the EEA will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of the Notes. The Offering Memorandum is not a prospectus for the purposes of the Prospectus Regulation. Accordingly, any person making or intending to make an offer in a Member State of securities which are the subject to the Offering may only do so in circumstances in which no obligation arises for the Issuer or any of the Initial Purchasers to publish a prospectus pursuant to Article 3 of the Prospectus Regulation, in each case, in relation to such offer. Neither the Issuer nor any of the Initial Purchasers have authorized, nor do they authorize, the making of any offer of securities in circumstances in which an obligation arises for the Issuer or any of the Initial Purchasers to publish a prospectus for such offer.

PROHIBITION OF SALES TO UK INVESTORS

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "EUWA"); or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA (the "UK Prospectus Regulation"). Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "UK PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and, therefore, offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

This Offering Memorandum has been prepared on the basis that any offer of the Notes in the UK will be made pursuant to an exemption under the UK Prospectus Regulation from a requirement to publish a prospectus for offers of Notes. This Offering Memorandum is not a prospectus for the purpose of the UK Prospectus Regulation. The Offering Memorandum has not been approved by an authorized person in the UK and is only being distributed to and is only directed at persons who (i) have professional experience in matters relating to investments and are investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order"), (ii) are high net worth companies, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order, (iii) are outside the UK, or (iv) are persons to whom an invitation or inducement to engage in investment activity within the meaning of Section 21 of the FSMA in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "relevant persons"). The Offering Memorandum must not be acted upon by persons who are not relevant persons. Any investment or investment activity to which the Offering Memorandum relates is available only to relevant persons and will be engaged in only with relevant persons. No part of the Offering Memorandum should be published, reproduced, distributed or otherwise made available in whole or in part to any other person. No person may communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of the securities other than in circumstances in which Section 21(1) of the FSMA does not apply to us.

OFFERING MEMORANDUM

STRICTLY CONFIDENTIAL
NOT FOR DISTRIBUTION IN THE UNITED STATES OF AMERICA OR TO U.S. PERSONS

SoftBank Group Corp.

$500,000,000 6½% Senior Notes due 2029
$600,000,000 6⅞% Senior Notes due 2031
$600,000,000 7¼% Senior Notes due 2032
$500,000,000 7½% Senior Notes due 2035
€600,000,000 5¼% Senior Notes due 2029
€600,000,000 5⅞% Senior Notes due 2031
€500,000,000 6⅜% Senior Notes due 2033

SoftBank Group Corp. (the "Company") is offering $500,000,000 aggregate principal amount of its 6½% Senior Notes due 2029 denominated in U.S. dollars (the "2029 Dollar Notes"), $600,000,000 aggregate principal amount of its 6⅞% Senior Notes due 2031 denominated in U.S. dollars (the "2031 Dollar Notes"), $600,000,000 aggregate principal amount of its 7¼% Senior Notes due 2032 denominated in U.S. dollars (the "2032 Dollar Notes") and $500,000,000 aggregate principal amount of its 7½% Senior Notes due 2035 denominated in U.S. dollars (the "2035 Dollar Notes," and together with the 2029 Dollar Notes, the 2031 Dollar Notes and the 2032 Dollar Notes, the "Dollar Notes") and €600,000,000 aggregate principal amount of its 5¼% Senior Notes due 2029 denominated in euro (the "2029 Euro Notes"), €600,000,000 aggregate principal amount of its 5⅞% Senior Notes due 2031 denominated in euro (the "2031 Euro Notes") and €500,000,000 aggregate principal amount of its 6⅜% Senior Notes due 2033 denominated in euro (the "2033 Euro Notes," and together with the 2029 Euro Notes and the 2031 Euro Notes, the "Euro Notes", and, together with the Dollar Notes, the "Notes"). The maturity date of the 2029 Dollar Notes is April 10, 2029, the maturity date of the 2031 Dollar Notes is January 10, 2031, the maturity date of the 2032 Dollar Notes is July 10, 2032 and the maturity date of the 2035 Dollar Notes is July 10, 2035. The maturity date of the 2029 Euro Notes is October 10, 2029, the maturity date of the 2031 Euro Notes is July 10, 2031 and the maturity date of the 2033 Euro Notes is July 10, 2033. We will pay interest on the 2029 Dollar Notes and the 2029 Euro Notes semi-annually in arrear on April 10 and October 10 of each year, commencing October 10, 2025. We will pay interest on all other Notes semi-annually in arrear on January 10 and July 10 of each year, commencing January 10, 2026.

The Notes will be general unsecured obligations of the Company. They will rank equally in right of payment with all existing and future debt of the Company that is not contractually subordinated or preferred by operation of law to the Notes and will be senior in right of payment to any future debt of the Company that is contractually subordinated to the Notes. The Notes will effectively be subordinated to any existing and future secured debt of the Company and its subsidiaries, to the extent of the value of the property and assets securing such debt, and will be structurally subordinated to any existing or future indebtedness, preferred stock and other liabilities of its subsidiaries.

At any time prior to the date that is 90 days prior to their respective maturities, we may on any one or more occasions, at our option, redeem all or part of any series of Notes by paying a "make-whole" premium. At any time on or after the date that is 90 days prior to their respective maturities, we may on any one or more occasions redeem all or a part of any series of Notes at par. We may also redeem the Notes, in whole but not in part, at any time upon certain changes in tax laws. In the case of a change of control triggering event, we may be required to make an offer to purchase the Notes at a redemption price equal to 100% of the principal amount thereof. See "Description of the Notes."

The Company plans to use the proceeds of the offering for the redemption of foreign currency-denominated senior notes due 2025 and for general corporate purposes, including the maintenance of a cash position for the redemption of outstanding notes due over the next two years, the repayment of short-term loans and new investments.

Approval in-principle has been received for the listing of the Notes on the Singapore Exchange Securities Trading Limited (the "SGX-ST"). The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or information contained in this offering memorandum. Approval in-principle for the listing of the Notes on the SGX-ST is not to be taken as an indication of the merits of the offering, us, our subsidiaries or associated companies (if any) or the Notes. Currently, there is no public market for the Notes.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any other jurisdiction. The Notes are only being offered and sold in offshore transactions outside the United States in reliance on Regulation S under the U.S. Securities Act ("Regulation S") to non-U.S. persons who are not retail investors in the European Economic Area or the United Kingdom. The Notes will not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S). See "Notice to Investors" for additional information about eligible offerees and transfer restrictions.

Investing in the Notes involves a high degree of risk. See "Risk Factors" beginning on page 14.

Issue Price (expressed as percentage of aggregate principal amount) *plus* accrued interest from the issue date:

2029 Dollar Notes: 100%
2031 Dollar Notes: 100%
2032 Dollar Notes: 100%
2035 Dollar Notes: 100%
2029 Euro Notes: 100%
2031 Euro Notes: 100%
2033 Euro Notes: 100%

The Notes will be represented on issuance by one or more global notes, which we expect will be delivered in book-entry form through Euroclear Bank SA/NV ("Euroclear") and Clearstream Banking S.A. ("Clearstream") on or about July 10, 2025 (the "Issue Date").

Joint Global Coordinators and Joint Bookrunners

Deutsche Bank **J.P. Morgan** **Barclays** **HSBC**

Joint Bookrunners

Goldman Sachs International **Mizuho**

Crédit Agricole CIB **Morgan Stanley** **Nomura** **SMBC NIKKO** **BNP PARIBAS** **BofA Securities**

Citigroup **Natixis** **Société Générale Corporate & Investment Banking**

Co-Managers

IMI-Intesa Sanpaolo **Standard Chartered Bank** **Daiwa Capital Markets** **ING**

The date of this offering memorandum is July 2, 2025

IMPORTANT INFORMATION ABOUT THIS OFFERING MEMORANDUM

You should rely only on the information contained in this offering memorandum. Neither we nor any of the initial purchasers of the Notes (the "Initial Purchasers") have authorized any other person to provide you with information different or inconsistent from what is included in this offering memorandum. If anyone provides you with different or inconsistent information, you should not rely on it.

The information in this offering memorandum is current only as of the date on the cover, and our business or financial condition and other information in this offering memorandum may change after that date. You should not consider any information in this offering memorandum to be legal, business, accounting or tax advice. You should consult your own attorney, business advisor, accountant and tax advisor for legal, business, accounting and tax advice regarding an investment in the Notes. In making an investment decision, you must rely on your own examination of our business and the terms of this offering and the Notes, including the merits and risks involved.

If you purchase the Notes, you will be deemed to have made certain acknowledgements, representations and warranties as detailed under "Notice to Investors." You may be required to bear the financial risk of an investment in the Notes for an indefinite period. Neither we nor the Initial Purchasers are making an offer to sell the Notes in any jurisdiction where the offer and sale of the Notes is prohibited. We do not make any representation to you that the Notes are a legal investment for you. No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose.

Each prospective purchaser of the Notes must comply with all applicable laws and rules and regulations in force in any jurisdiction in which it purchases, offers or sells the Notes and must obtain any consent, approval or permission required by it for the purchase, offer or sale by it of the Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers or sales, and neither we nor the Initial Purchasers shall have any responsibility therefor.

Each prospective investor who places an order for the Notes consents to the disclosure by the Initial Purchasers to us of the prospective investor's identity, the details of such order and the actual amount of Notes subscribed, if any.

This offering memorandum is confidential and we have prepared this offering memorandum solely for use in connection with the offer of the Notes to persons other than U.S. persons in accordance with Regulation S under the U.S. Securities Act and for application for the listing of the Notes on the SGX-ST. This offering memorandum is personal to each offeree and does not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire the Notes. You agree that you will hold the information contained in this offering memorandum and the transactions contemplated hereby in confidence. You may not distribute this offering memorandum to any person, other than a person retained to advise you in connection with the purchase of the Notes. Each prospective investor, by accepting delivery of this offering memorandum, agrees to the foregoing, and further agrees not to make any photocopies of this offering memorandum or any documents referred to in this offering memorandum.

None of the Initial Purchasers, The Bank of New York Mellon, London Branch, as trustee (the "Trustee"), or The Bank of New York Mellon, London Branch, as paying agent, and The Bank of New York Mellon SA/NV, Dublin Branch, as transfer agent and registrar, (together, the "Agents") represents or warrants that the information herein is accurate or complete. By receiving this offering memorandum you acknowledge that (i) you have not relied on the Initial Purchasers, the Trustee, the Agents, any selling agent or any of their affiliates in connection with your investigation of the accuracy of the information in this offering memorandum or your investment decision and (ii) no person has been authorized to give any information or make any representation concerning us or the Notes offered hereby other than as contained herein and, if given or made, such other information or representation should not be relied upon as having been authorized by us, any Initial Purchaser, the Trustee, the Agents or any U.S. selling agent or any of their affiliates.

We reserve the right to withdraw this offering of the Notes at any time. We and the Initial Purchasers may reject any offer to purchase the Notes in whole or in part, sell less than the entire principal amount of the Notes offered hereby or allocate to any purchaser less than all of the Notes for which it has subscribed.

IN CONNECTION WITH THIS OFFERING, DEUTSCHE BANK AG, LONDON BRANCH (THE "STABILIZING MANAGER") (OR PERSONS ACTING ON BEHALF OF THE STABILIZING MANAGER) MAY OVER-ALLOT NOTES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE NOTES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, THERE IS NO ASSURANCE THAT THE STABILIZING MANAGER (OR PERSONS ACTING ON BEHALF OF THE STABILIZING MANAGER) WILL UNDERTAKE STABILIZATION ACTION. ANY STABILIZATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE FINAL TERMS OF THE OFFER OF THE NOTES IS MADE AND, IF BEGUN, MAY BE ENDED AT ANY

TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE OF THE NOTES AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE NOTES.

The Notes have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or jurisdiction of the United States, and may not be offered, sold or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, U.S. persons, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. The offering of the Notes is not being made to any U.S. person (as defined in Regulation S) or within the United States, other than pursuant to offshore transactions with non-U.S. persons conducted in accordance with Regulation S. Accordingly, the Notes are only being offered and sold to non-U.S. persons outside the United States or certain dealers or other professional fiduciaries in the United States acting only on a discretionary basis for the benefit or account of non-U.S. persons located outside the United States in each case, in offshore transactions conducted in reliance on Regulation S under the Securities Act.

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended) (the "FIEA"), and are subject to the Act on Special Measures Concerning Taxation of Japan (Act No. 26 of 1957, as amended) (the "Special Taxation Measures Act"). The Notes may not be offered or sold in Japan, to any person resident in Japan, or to others for reoffering or resale directly or indirectly in Japan, or to a person resident in Japan, for Japanese securities law purposes (including any corporation or other entity organized under the laws of Japan) except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and governmental guidelines of Japan.

In addition, the Notes are not, as part of the initial distribution by the Initial Purchasers at any time, to be directly or indirectly offered or sold to, or for the benefit of, any person other than a gross recipient, except as specifically permitted under the Special Taxation Measures Act. A "gross recipient" for this purpose is (i) a beneficial owner that is, for Japanese tax purposes, neither an individual resident of Japan or a Japanese corporation, nor an individual non-resident of Japan or a non-Japanese corporation that in either case is a person having a special relationship with the issuer of the Notes as described in Article 6, Paragraph 4 of the Special Taxation Measures Act, (ii) a Japanese financial institution or financial instruments business operator as designated in Article 3-2-2, Paragraph 29 of the Cabinet Order (Cabinet Order No. 43 of 1957, as amended) relating to the Special Taxation Measures Act that will hold Notes for its own proprietary account or (iii) an individual resident of Japan or a Japanese corporation whose receipt of interest on the Notes will be made through a payment-handling agent in Japan as defined in Article 2-2, Paragraph 2 of the Cabinet Order. **By subscribing for the Notes, an investor will be deemed to have represented that it is a gross recipient.**

Interest payments on the Notes will be subject to Japanese withholding tax unless the holder establishes that the Note is held by or for the account of a holder that is (1) for Japanese tax purposes, neither (a) an individual resident of Japan or a Japanese corporation, nor (b) an individual non-resident of Japan or a non-Japanese corporation that in either case is a specially-related person of ours, and in compliance with certain requirements for tax exemption under the Special Taxation Measures Act, or (2) a Japanese designated financial institution or financial instruments business operator as described in Article 6, Paragraph 11 of the Special Taxation Measures Act which complies with the requirement for tax exemption under that Paragraph.

The Company may be considered a "connected issuer" and/or "related issuer" of the Initial Purchasers in Canada, as such terms are defined in National Instrument 33-105 Underwriting Conflicts. These relationships and other related matters are set forth in greater detail within this offering memorandum, including the relationship between the Company and certain of its affiliates. Canadian investors should refer to the section entitled "Plan of Distribution—Other Relationships" contained within this offering memorandum for additional information.

IMPORTANT NOTICE TO PROSPECTIVE INVESTORS

Prospective investors should be aware that certain intermediaries in the context of certain offerings of the Notes (each such offering, a "CMI Offering"), including certain Initial Purchasers, may be "capital market intermediaries" ("CMIs") subject to Paragraph 21 of the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission (the "SFC Code"). This notice to prospective investors is a summary of certain obligations the SFC Code imposes on such CMIs, which require the attention and cooperation of prospective investors. Certain CMIs may also be acting as "overall coordinators" ("OCs") for this offering and are subject to additional requirements under the SFC Code. The application of these obligations will depend on the role(s) undertaken by the relevant Initial Purchaser(s) in respect of each CMI Offering.

Prospective investors who are the directors, employees or major shareholders of the Company, a CMI or its group companies would be considered under the SFC Code as having an association ("Association") with the Company, the CMI or the relevant group company. Prospective investors associated with the Company/ Guarantor or any CMI (including its group companies) should specifically disclose this when placing an order for the relevant Notes and should disclose, at the same time, if such orders may negatively impact the price discovery process in relation to the relevant CMI Offering. Prospective investors who do not disclose their Associations are hereby deemed not to be so associated. Where prospective investors disclose their Associations but do not disclose that such order may negatively impact the price discovery process in relation to the relevant CMI Offering, such order is hereby deemed not to negatively impact the price discovery process in relation to the relevant CMI Offering.

Prospective investors should ensure, and by placing an order prospective investors are deemed to confirm, that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). If a prospective investor is an asset management arm affiliated with any relevant Initial Purchaser, such prospective investor should indicate when placing an order if it is for a fund or portfolio where the relevant Initial Purchaser or its group company has more than 50% interest, in which case it will be classified as a "proprietary order" and subject to appropriate handling by CMIs in accordance with the SFC Code and should disclose, at the same time, if such "proprietary order" may negatively impact the price discovery process in relation to the relevant CMI Offering. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a "proprietary order." If a prospective investor is otherwise affiliated with any relevant Initial Purchaser, such that its order may be considered to be a "proprietary order" (pursuant to the SFC Code), such prospective investor should indicate to the relevant Initial Purchaser when placing such order. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a "proprietary order." Where prospective investors disclose such information but do not disclose that such "proprietary order" may negatively impact the price discovery process in relation to the relevant CMI Offering, such "proprietary order" is hereby deemed not to negatively impact the price discovery process in relation to the relevant CMI Offering.

Prospective investors should be aware that certain information may be disclosed by CMIs (including private banks) which is personal and/or confidential in nature to the prospective investor. By placing an order, prospective investors are deemed to have understood and consented to the collection, disclosure, use and transfer of such information by the relevant Initial Purchaser and/or any other third parties as may be required by the SFC Code, including to the Company, any OCs, relevant regulators and/or any other third parties as may be required by the SFC Code, it being understood and agreed that such information shall only be used for the purpose of complying with the SFC Code, during the bookbuilding process for the relevant CMI Offering. Failure to provide such information may result in that order being rejected.

NOTICE TO CERTAIN INVESTORS

NOTICE TO INVESTORS IN THE EUROPEAN ECONOMIC AREA

This offering memorandum has been prepared on the basis that all offers of the Notes will be made pursuant to an exemption under the Prospectus Regulation from the requirement to produce a prospectus for offers of the Notes. The expression "Prospectus Regulation" means Regulation (EU) 2017/1129 (as amended or superseded), and includes any relevant implementing measure in each member state ("EU Member State") of the European Economic Area (the "EEA").

Accordingly, any person making or intending to make any offer within the EEA of the Notes should only do so in circumstances in which no obligation arises for us or the Initial Purchasers to produce a prospectus for such offer. Neither we nor the Initial Purchasers have authorized, nor do authorize, the making of any offer of Notes through any financial intermediary, other than offers made by the Initial Purchasers, which constitute the final placement of the Notes contemplated in this offering memorandum.

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a "retail investor" means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); (ii) a customer within the meaning of Directive 2016/97/EU (as amended, the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a "qualified investor" as defined in the Prospectus Regulation. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering, selling or distributing the Notes or otherwise making them available to retail

investors in the EEA has been prepared and therefore offering, selling or distributing the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

For the purposes of this section, the expression an "offer of notes to the public" in relation to any Notes in any EU Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that EU Member State by any measure implementing the Prospectus Regulation in that EU Member State.

Professional investors and ECPs (as defined below) only target market: Solely for the purposes of each manufacturer's approval process of the Notes, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties ("ECPs") and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to ECPs and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturer's target market assessment; however, and without prejudice to our obligations in accordance with MiFID II, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

NOTICE TO INVESTORS IN THE UNITED KINGDOM

This offering memorandum is for distribution only to, and is directed solely at, persons who (i) are outside the United Kingdom, (ii) have professional experience in matters related to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Financial Promotion Order"), (iii) are persons falling within Articles 49(2)(a) to (d) of the Financial Promotion Order or (iv) are persons to whom an invitation or inducement to engage in investment banking activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the "FSMA")) in connection with the issue or sale of any Notes may otherwise be lawfully communicated or caused to be communicated (all such persons together being referred to as "relevant persons"). This offering memorandum is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this offering memorandum relates is available only to relevant persons and will be engaged in only with relevant persons. Any person who is not a relevant person should not act or rely on this Offering Memorandum or any of its contents.

This offering memorandum has been prepared on the basis that any offer of the Notes in the UK will be made pursuant to an exemption under Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA (the "UK Prospectus Regulation") from a requirement to publish a prospectus for offers of Notes. This offering memorandum is not a prospectus for the purpose of the UK Prospectus Regulation.

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the "UK"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "EUWA"); (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "UK PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and, therefore, offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("COBS"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("UK MiFIR"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturers' target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "UK MiFIR Product Governance Rules") is responsible for undertaking its own target market

assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

NOTICE TO INVESTORS IN THE KINGDOM OF BAHRAIN

This offering memorandum does not constitute an offer of securities in the Kingdom of Bahrain in terms of Article (81) of the Central Bank and Financial Institutions Law 2006 (decree Law No. 64 of 2006). This offering memorandum and related offering documents have not been and will not be registered as a prospectus with the Central Bank of Bahrain ("CBB"). Accordingly, no securities may be offered, sold or made the subject of an invitation for subscription or purchase nor will this offering memorandum or any other related document or material be used in connection with any offer, sale or invitation to subscribe or purchase securities, whether directly or indirectly, to persons in the Kingdom of Bahrain, other than to 'accredited investors', as such term is defined by the CBB.

The CBB has not reviewed, approved or registered this offering memorandum or any related offering documents and it has not in any way considered the merits of the Notes to be offered for investment, whether in or outside the Kingdom of Bahrain. Therefore, the CBB assumes no responsibility for the accuracy and completeness of the statements and information contained in this offering memorandum and expressly disclaims any liability whatsoever for any loss howsoever arising from reliance upon the whole or any part of the content of this offering memorandum. No offer of securities will be made to the public in the Kingdom of Bahrain and this offering memorandum must be read by the addressee only and must not be issued, passed to, or made available to the public generally.

NOTICE TO INVESTORS IN HONG KONG

The contents of this offering memorandum have not been reviewed by any regulatory authority in Hong Kong. The Notes may not be offered or sold in Hong Kong by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies (Winding up and Miscellaneous provisions) Ordinance (Cap. 32, Laws of Hong Kong), or (ii) to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a "prospectus" within the meaning of the Companies (Winding up and Miscellaneous provisions) Ordinance (Cap. 32, Laws of Hong Kong) and no advertisement, invitation or document relating to the Notes may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

NOTICE TO INVESTORS IN ITALY

No action has been or will be taken which could allow an offering to the public in the Republic of Italy within the meaning of Article 1(1)(t) of Legislative Decree No. 58 of February 24, 1998, as subsequently integrated and amended (the "Italian Financial Act") and, in particular, the offering of the Notes has not been submitted to the clearance of the *Commissione Nazionale per la Società e la Borsa* ("CONSOB") (the Italian securities exchange commission), pursuant to Italian securities legislation and will not be subject to review or clearance by CONSOB. Accordingly, the Notes may not be offered, sold or delivered, directly or indirectly, in the Republic of Italy, and neither this offering memorandum nor any other offering memorandum, prospectus, form of application, advertisement, other offering material or other documentation relating to the Notes may be issued, distributed or published in the Republic of Italy, either on the primary or on the secondary market, except: (a) to qualified investors (*investitori qualificati*) as defined by Article 2, paragraph (e) of the Prospectus Regulation; and (b) in any other circumstances which are exempted from the rules on public offerings pursuant to Article 1 of the Prospectus Regulation, Article 100 of the Italian Legislative Decree No. 58 of February 24, 1998, as amended (the "Italian Financial Act"), and implementing CONSOB regulations, including CONSOB Regulation No. 20307 of February 15, 2018, as amended ("Regulation 20307"), Article 34-*ter*, first paragraph, letter (b) of CONSOB Regulation No. 11971 of May 14, 1999, as amended (the "Issuer Regulation") and any other applicable laws and regulations.

The Notes may not be offered, sold or delivered and neither this Offering Memorandum nor any other material relating to the Notes, may be distributed or made available in the Republic of Italy unless such offer,

sale or delivery of Notes or distribution or availability of copies of this Offering Memorandum or any other offering material or other documentation relating to the Notes in the Republic of Italy is made in compliance with the selling restrictions above and must be made as follows: (a) by *soggetti abilitati* (including investment firms, banks or financial intermediaries, as defined by Article 1, Paragraph 1(r) of the Italian Financial Act), permitted to conduct such activities in the Republic of Italy in accordance, as applicable, with Legislative Decree No. 385 of September 1, 1993 (the "Italian Banking Act") as subsequently integrated and amended, the Italian Financial Act, the Issuer Regulation, CONSOB Regulation No. 20307 of February 15, 2018, as amended and any other applicable laws and regulations; and (b) in compliance with all relevant Italian securities, tax and exchange control and other applicable laws and regulations and any other applicable requirements or limitations which may be imposed from time to time by CONSOB, the Bank of Italy (including, the reporting requirements, where applicable, pursuant to Article 129 of the Italian Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time) and/or other competent Italian authority.

Any investor purchasing the Notes is solely responsible for ensuring that any offer or resale of the Notes by such investor occurs in compliance with applicable laws and regulations. For selling restrictions in respect of Italy, see also "*—Notice to Investors in the European Economic Area*" above.

NOTICE TO INVESTORS IN FRANCE

This offering memorandum has not been prepared and is not being distributed in the context of a public offering of financial securities in France (*offre au public de titres financiers*) within the meaning of Article L. 411-1 of the French Monetary and Financial Code *monétaire et financier* and Title I of Book II of the *Règlement général of the Autorité des marchés financiers* (the French financial markets authority) (the "AMF"). Consequently, the Notes may not be, directly or indirectly, offered or sold to the public in France, and neither this offering memorandum nor any offering or marketing materials relating to the Notes may be made available or distributed in any way that would constitute, directly or indirectly, an offer to the public in France.

The Notes may only be offered or sold in France to qualified investors (*investisseurs qualifiés*) acting for their own account and/or to providers of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour le compte de tiers*), all as defined in and in accordance with Articles L. 411 1, L. 411 2, D. 411 1, D. 744 1, D. 754 1 and D. 764 1 of the French Code *monétaire et financier* and applicable regulations thereunder.

Prospective investors are informed that:

(a) this offering memorandum has not been and will not be submitted for clearance to the AMF;

(b) in compliance with Articles L. 411 2, D. 411 1, D. 744 1, D. 754 1 and D. 764 1 of the French Code *monétaire et financier*, any qualified investors subscribing for the Notes should be acting for their own account; and

(c) the direct and indirect distribution or sale to the public of the Notes acquired by them may only be made in compliance with Articles L. 411 1, L. 411 2, L. 412 1 and L. 621 8 through L. 621 8 3 of the French Code *monétaire et financier*.

For selling restrictions in respect of France, see also "*—Notice to Investors in the European Economic Area*" above.

NOTICE TO INVESTORS IN BELGIUM

This offering memorandum relates to a private placement of the Notes and does not constitute an offer or solicitation to the public in Belgium to subscribe for or acquire the Notes. This offering of the Notes has not been and will not be notified to, and this offering memorandum has not been, and will not be, approved by the Belgian Financial Services and Markets Authority (*Autoriteit voor Financiële Diensten en Markten/Autorité des Services et Marchés Financiers*) pursuant to the Belgian laws and regulations applicable to the public offering of investment instruments. Accordingly, this offering of the Notes, as well as any other materials relating to the offering may not be advertised, the Notes may not be offered or sold, and this offering memorandum or any other information circular, brochure or similar document may not be distributed, directly or indirectly, (i) to any person located and/or resident in Belgium other than a "qualified investor" within the meaning of Article 10 of the Belgian Act of June 16, 2006 on the public offering of investment instruments and the admission of investment instruments to trading on a regulated market (the "Prospectus Act") or (ii) to any person qualifying as a consumer (*consument/ consommateur*) within the meaning of Book VI of the Belgian Code of Economic Law (*Wetboek van economisch recht/Code de droit economique*) of February 28, 2013, as amended. This offering memorandum has

been issued to the intended recipient for personal use only and exclusively for the purpose of the offer. Therefore it may not be used for any other purpose, nor passed on to any other person in Belgium. Any resale of the Notes in Belgium may only be made in accordance with the Prospectus Act and other applicable laws. For selling restrictions in respect of Belgium, see also "*—Notice to Investors in the European Economic Area*" above.

NOTICE TO INVESTORS IN NORWAY

This offering memorandum has not been and will not be filed with or approved by the Norwegian Financial Supervisory Authority (Nw. *Finanstilsynet*), the Oslo Stock Exchange (Nw. *Oslo børs*) or any other regulatory authority in Norway. The Notes have not been offered or sold and may not be offered, sold or delivered, directly or indirectly, in Norway, unless in compliance with Chapter 7 of the Norwegian Securities Trading Act of June 29, 2007 No. 75 (Nw. *verdipapirhandelloven*) and secondary regulations issued pursuant thereto, as amended or replaced from time to time (the "Securities Trading Act"). Accordingly, this offering memorandum may not be made available nor may the Notes otherwise be marketed and offered for sale in Norway other than in circumstances that are deemed not to be a marketing of an offer to the public in Norway in accordance with the Securities Trading Act.

The Notes may not be issued in Norway unless the requirement in the Norwegian Registration of Financial Instruments Act of March 15, 2019 No. 6 (Nw. *verdipapirsentralloven*) the ("CSD Act") are complied with, including, but not limited to, the requirement to register such Notes with a central securities depository which is properly authorized or recognized by the Norwegian Financial Supervisory Authority as being entitled to register such notes pursuant to the CSD Act and Regulation (EU) No 909/2014 (CSDR).

NOTICE TO INVESTORS IN THE KINGDOM OF SAUDI ARABIA

This offering memorandum may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Rules on the Offers of Securities Regulations issued by the Capital Market Authority of the Kingdom of Saudi Arabia (the "Capital Market Authority"). The Capital Market Authority does not make any representations as to the accuracy or completeness of this offering memorandum, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this offering memorandum. Prospective purchasers of the Notes should conduct their own due diligence on the accuracy of the information relating to the Notes. If a prospective purchaser does not understand the contents of this offering memorandum, he or she should consult an authorized financial advisor.

NOTICE TO INVESTORS IN JAPAN

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act and are subject to the Special Taxation Measures Act. The Notes (i) will not, directly or indirectly, be offered or sold, in Japan or to any person resident in Japan for Japanese securities law purposes (including any corporation or other entity organized under the laws of Japan), except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and governmental guidelines of Japan; and (ii) will not, as part of its initial distribution, directly or indirectly be offered or sold to, or for the benefit of, any person other than a gross recipient or to others for re-offering or re-sale, directly or indirectly, to, or for the benefit of, any person other than a gross recipient. A "gross recipient" for this purpose is (i) a beneficial owner that is, for Japanese tax purposes, neither (x) an individual resident of Japan or a Japanese corporation, nor (y) an individual non-resident of Japan or a non-Japanese corporation that in either case is a person having a special relationship with the Company as described in Article 6, paragraph 4 of the Special Taxation Measures Act, (ii) a Japanese financial institution or financial instruments business operator as, designated in Article 3-2-2 paragraph 29 of the Cabinet Order relating to the Special Taxation Measures Act (Cabinet Order No. 43 of 1957, as amended) that will hold Notes for its own proprietary account or (iii) an individual resident of Japan or a Japanese corporation whose receipt of interest on the Notes will be made through a payment-handling agent in Japan as defined in Article 2-2 paragraph 2 of the Cabinet Order.

NOTICE TO INVESTORS IN SINGAPORE

This offering memorandum has not been and will not be registered as a prospectus with the Monetary Authority of Singapore (the "MAS"). Accordingly, this offering memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes may not be

circulated or distributed, nor may the Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than:

(i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA; or

(ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to, and in accordance with, the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018 of Singapore.

Any reference to the SFA is a reference to the Securities and Futures Act 2001 of Singapore and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term or provision as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

NOTICE TO INVESTORS IN SWITZERLAND

This offering memorandum is not intended to constitute an offer or solicitation to purchase or invest in the Notes. The Notes may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act ("FinSA") and no application has or will be made to admit the Notes to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Neither this offering memorandum nor any other offering or marketing material relating to the Notes constitutes a prospectus as such term is understood pursuant to the FinSA, and neither this offering memorandum nor any other offering or marketing material relating to the Notes may be publicly distributed or otherwise made publicly available in Switzerland.

The Notes are not intended to be offered, sold, marketed or otherwise made available to and shall not be offered, sold, marketed or otherwise made available to any private client in Switzerland other than in the context of a portfolio management agreement within the meaning of Article 58(2) FinSA and Article 83 of the Swiss Financial Services Ordinance. No key information document within the meaning of Article 58 FinSA has been prepared with respect to the Notes.

NOTICE TO INVESTORS IN QATAR

Any Notes issued in connection with this offering memorandum will not be offered, sold or delivered, directly or indirectly, in the State of Qatar (including the Qatar Financial Centre) in a manner that would constitute a public offer of securities in the State of Qatar under Law No. 5 of 2002 (the Commercial Companies Law). This Offering Memorandum has not been and will not be reviewed or approved by, or registered with, the Qatar Financial Markets Authority, the Qatar Central Bank, the Qatar Stock Exchange or the Qatar Financial Centre Regulatory Authority in accordance with their regulations or any other regulations in the State of Qatar. The Notes are not and will not be traded on the Qatar Stock Exchange. The Notes and interests therein will not be offered to investors domiciled or resident in the State of Qatar and do not constitute debt financing in the State of Qatar under the Commercial Companies Law No. (11) of 2015 or otherwise under the laws of Qatar. This offering memorandum is intended for the original recipient only and must not be provided to any other person. It is not for general circulation in the State of Qatar and may not be reproduced or used for any other purpose.

NOTICE TO INVESTORS IN CANADA

The distribution of the Notes in Canada is being made on a private placement basis only and is exempt from the requirement that we prepare and file a prospectus with the relevant Canadian securities regulatory authorities. Any resale of the Notes in Canada must be made in accordance with applicable Canadian securities laws which may vary depending on the relevant jurisdiction, and which may require resales to be made pursuant to an exemption from, or in a transaction not subject to, the prospectus requirements of applicable Canadian securities laws or under a discretionary exemption granted by the applicable Canadian securities regulatory authority. Purchasers are advised to seek legal advice prior to any resale of the securities.

The Notes may be sold only to purchasers purchasing, or deemed to be purchasing, as principal in accordance with Canadian securities laws that (i) are "accredited investors," as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the *Securities Act* (Ontario), and (ii) are "permitted clients," as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations and that are not created or used solely to purchase or hold securities as an accredited investor as described in paragraph (m) of the definition of "accredited investor."

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this offering memorandum (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

The Company may be considered a "connected issuer" and/or "related issuer" of the Initial Purchasers, as such terms are defined in National Instrument 33-105 Underwriting Conflicts. These relationships and other related matters are set forth in greater detail within this offering memorandum, including the relationship between the Company and certain of its affiliates. Canadian investors should refer to the section entitled "Plan of Distribution—Other Relationships" contained within the offering memorandum for additional information.

Each Canadian investor hereby confirms its express wish that all documents evidencing or relating in any way to the sale of the Notes described herein and all other contracts and related documents be drafted in the English language. *Chaque investisseur canadien confirme sa volonté expresse que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes ainsi que tous les autres contrats et documents s'y rattachant soient rédigés en langue anglaise*.

NOTICE TO INVESTORS IN AUSTRALIA

This offering memorandum does not constitute an offer of or an invitation to purchase or subscribe for the Notes in the Commonwealth of Australia or any of its states or territories ("Australia"), and the Notes may not be offered, sold or delivered in or to any resident of Australia except in accordance with applicable law. Neither this offering memorandum nor any other prospectus or disclosure document (as defined in the Corporations Act 2001 of the Commonwealth of Australia (the "Australian Corporations Act")) in relation to the Notes has been or will be lodged with the Australian Securities and Investments Commission ("ASIC") or the Australian Securities Exchange operated by ASX Limited (ABN 98 008 624 691) (the "ASX") and the Notes may not be offered for sale, nor may applications for the issue, sale, purchase or subscription of any Notes be invited, in, to or from Australia (including an offer or invitation which is received by a person in Australia) and neither this offering memorandum nor any advertisement or other offering material relating to the Notes may be distributed or published in Australia unless in each case:

i. (A) the aggregate consideration payable by each offeree or invitee for the Notes is at least AU$500,000 (or its equivalent in other currencies) (disregarding moneys lent by the offeror or its associates); or (B) the offer otherwise does not require disclosure to investors in accordance with Parts 6D.2 or 7.9 of the Australian Corporations Act;

ii. the offer or invitation is not made to a person who is a "retail client" within the meaning of section 761G or 761 GA of the Australian Corporations Act;

iii. the offer, invitation or distribution complies with all applicable Australian laws, regulations and directives relating to the offer, invitation, sale and resale of the Notes; and

iv. such action does not require any document to be lodged with ASIC or any other regulatory authority in Australia.

NOTICE TO INVESTORS IN OTHER JURISDICTIONS

The distribution of this offering memorandum may be restricted by law in certain jurisdictions. Persons into whose possession this offering memorandum (or any part hereof) comes are required by us and the Initial Purchasers to inform themselves about, and to observe, any such restrictions.

DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS

This offering memorandum includes forward-looking statements. In some cases these forward-looking statements can be identified by the use of terminology such as "aim," "anticipate," "believe," "continue," "could," "estimate," "expect," "forecast," "guidance," "may," "plan," "potential," "predict," "projected," "should," or "will" or, in each case, the negative of such terms, or other variations or comparable terminology. Forward-looking statements appear in a number of places throughout this offering memorandum and include, but are not limited to, statements regarding our intentions, beliefs or current expectations concerning, among other things, our results of operations, financial condition, liquidity, prospects, growth, strategies and the industries in which we operate.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. We caution you that forward-looking statements are not guarantees of future performance and that our actual results of operations, financial condition and liquidity, and the development of the industries in which we operate may differ materially from those made in or suggested by the forward-looking statements contained in this offering memorandum. In addition, even if our results of operations, financial condition and liquidity, and the development of the industries in which we operate are consistent with the forward-looking statements contained in this offering memorandum, such results or developments may not be indicative of results or developments in subsequent periods. Important factors that could cause those differences include, but are not limited to:

- Our business model entails risks.
- Our financial results may be significantly affected by our ability to procure funds.
- The loss of key senior management personnel, including Mr. Masayoshi Son in particular, could negatively affect our business.
- We face various risks in connection with our investment activities.
- We may raise additional debt against our holdings in our listed and unlisted subsidiaries, strategic associates or other investment assets or otherwise be adversely affected by declines in their respective valuations.
- We face risks associated with operation and investment in multiple geographic markets.
- Our strategic focus on AI and related technologies involves unique risks.
- There can be no assurance that the expected benefits of our investments in OpenAI will be realized.
- Our financial results may be adversely affected by the completion, non-completion, delay or downsizing of the OpenAI Follow-on Investment or the consummation of the OpenAI Recapitalization.
- We face risks in connection with the Stargate Project.
- Our financial results may be significantly affected by risks relating to SVF.
- Our investment in SVF may not be profitable or generate cash flows.
- SVF may not be able to exit from investments.
- Distributions from SoftBank Corp. are important as our recurring cash flow.
- SoftBank Corp. operates in rapidly changing markets and faces intense competition, including from other large and established competitors and well-funded entrants, and such competition may intensify.
- SoftBank Corp. may not be able to adapt to rapidly changing technology and business models in time or at all.
- SoftBank Corp. handles customer information, including personal information, and may be subject to security breaches or leakage, which could result in reputational harm and claims from customers and authorities.
- SoftBank Corp. relies on subcontractors and other third parties for certain of its operations.
- SoftBank Corp. may be subject to service disruptions or decline in quality due to faults in related systems and other factors.
- SoftBank Corp. and LY Corporation are designated as “core infrastructure providers” under Japanese laws and regulations.
- Our holdings in Arm represent a significant portion of our assets.
- We face various risks relating to Arm’s operations.
- There is uncertainty as to our existing long-term corporate credit ratings and the instruments ratings of the Notes.
- We are subject to laws, government regulations and licensing regimes that restrict and may impose new restrictions on our business.
- Other factors discussed in this offering memorandum.

We urge you to read the sections of this offering memorandum entitled "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Business" for a more complete discussion of the factors that could affect our future performance and the industries in which we operate. In light of these risks, uncertainties and assumptions, the forward-looking events described in this offering memorandum may not occur.

We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. All subsequent written and oral forward-looking statements attributable to us or to persons acting on our behalf are expressly qualified in their entirety by the cautionary statements above and contained elsewhere in this offering memorandum.

ENFORCEMENT OF CIVIL LIABILITIES

We are a limited liability company *(kabushiki kaisha)* established under the laws of Japan. The majority of our directors and most of our management reside in Japan, and a substantial portion of our assets and the assets of such persons are located in Japan and other jurisdictions outside of the United States. As a result, it may not be possible for investors to effect service of process within the United States upon us or such persons, or to enforce against us or such persons judgments obtained in U.S. courts in actions such as those predicated upon the civil liability provisions of U.S. federal or state securities laws. We have been advised by our Japanese counsel, Mori Hamada & Matsumoto, that there is doubt as to the enforceability in Japan, in original actions or in actions for enforcement of judgments of U.S. courts brought before Japanese courts, of liabilities predicated solely upon U.S. federal or state securities laws.

CERTAIN DEFINITIONS

For purposes of this offering memorandum, unless the context otherwise requires, the following terms shall have the meanings set forth below:

- References to "Company," "we," "our," "us," "SoftBank" and the "SoftBank Group" are to SoftBank Group Corp. and its subsidiaries, as the context requires;
- References to "SBIA" are to SB Investment Advisers (UK) Limited and its subsidiaries, as the context requires;
- References to "SBGA" are to SB Global Advisers Limited and its subsidiaries, as the context requires;
- References to "MgmtCo" are to MASA USA LLC;
- References to "SVF" are to SVF1, SVF2 and LatAm Funds;
- References to "SVF1" are to SoftBank Vision Fund L.P. and its alternative investment vehicles, as the context requires;
- References to "SVF2" are to SoftBank Vision Fund II-2 L.P.;
- References to "LatAm Funds" are to SBLA Latin America Fund LLC;
- References to "Arm" are to Arm Holdings plc and its subsidiaries, as the context requires;
- References to "T-Mobile" are to T-Mobile US, Inc. and its subsidiaries, as the context requires;
- References to "Deutsche Telekom" are to Deutsche Telekom AG and its subsidiaries, as the context requires;
- References to "Alibaba" are to Alibaba Group Holding Limited and its subsidiaries, as the context requires;
- References to "OpenAI" are to OpenAI, Inc. and its subsidiaries and affiliates, as the context requires;
- References to "OpenAI Global" are to OpenAI Global, LLC, a subsidiary of OpenAI, Inc;
- References to "Ampere" are to Ampere Computing Holdings LLC and its subsidiaries, as the context requires;
- References to "Stargate" are to Stargate LLC;
- References to the "Stargate Project" are to the project in relation to Stargate LLC; and

- References to "SB Northstar" or "asset management subsidiary" are to SB Northstar LP and its subsidiaries, alternative investment vehicles or similar entities established in relation thereto, and any general partner, limited partner, advisor or manager of SB Northstar LP that is a subsidiary of the Company, as the context requires.

CURRENCY PRESENTATION

In this offering memorandum:

- "¥" or "yen" means the lawful currency of Japan;
- "$," "U.S. dollars" or "dollars" means the lawful currency of the United States; and
- "€" or "euros" means the single currency of the participating member states in the third stage of European economic and monetary union of the Treaty Establishing the European Community, as amended from time to time.

Solely for your convenience, this offering memorandum contains translations of certain yen amounts into U.S. dollar amounts.

Unless otherwise indicated, yen amounts have been translated into U.S. dollars at the rate of ¥149.52 = $1.00 and from euros at the rate of ¥162.08 = €1.00, the approximate rates of exchange based on the average of buying and selling rates of telegraphic transfers from MUFG Bank, Ltd. as of 10:00 a.m., Tokyo time, prevailing as of March 31, 2025. However, these translations should not be construed as representations that the yen amounts have been, could have been or could be converted into U.S. dollars at those or any other rates.

PRESENTATION OF FINANCIAL INFORMATION

General

The consolidated financial statements and selected historical financial information for the fiscal years ended March 31, 2024 and 2025 included in this offering memorandum are presented in accordance with the IFRS Accounting Standards issued by the International Accounting Standards Board ("IFRS"). Our annual consolidated financial statements as of and for the fiscal year ended March 31, 2025 with the corresponding figures presented as comparative information as of and for the fiscal year ended March 31, 2024 included elsewhere in this offering memorandum are audited by our independent auditor, Deloitte Touche Tohmatsu LLC.

Except as otherwise indicated, all financial information with respect to us presented in this offering memorandum is presented on a consolidated basis.

Where information is presented in trillions, billions, millions or other stated amounts, amounts of less than the stated amount have been rounded. As a result, certain numerical figures shown in tables in this offering memorandum may not be exact arithmetic aggregations of the figures that precede them. All percentages have been rounded to the nearest one tenth of one percent or one hundredth of one percent, as the case may be.

With respect to the presentation of historical financial information, in our consolidated financial statements for the fiscal year ended March 31, 2025, we have presented prior period financial information for the fiscal year ended March 31, 2024 on the same basis of presentation adopted for fiscal year ended March 31, 2025, and have therefore reclassified certain accounting items as originally reported in the previously issued consolidated financial statements for the fiscal year ended March 31, 2024. For more information, see Note 2 to our audited consolidated financial statements for the fiscal year ended March 31, 2025, which are included elsewhere in this offering memorandum.

Segment Information

Our reportable segments are the components of our business activities for which discrete financial information is available and regularly reviewed by our Board of Directors in order to make decisions about the allocation of resources and assess performance.

For the fiscal years ended March 31, 2024 and 2025, we had four reportable segments: the Investment Business of Holding Companies segment, the SoftBank Vision Funds segment, the SoftBank segment and the Arm segment, as well as an "Other" categorization for sources of revenue and costs not otherwise allocated.

Non-IFRS Financial Measures

In this offering memorandum we present certain financial measures that are not required by or presented in accordance with IFRS, including "Equity Value of Holdings," "Gross Interest-bearing Debt," "Cash Position,"

"Non-GAAP Operating Income," "Standalone Cash Position," "Standalone Net Interest-bearing Debt," "Net Asset Value" and "Loan-to-Value" (each as defined below), because we believe they provide investors with useful additional information to measure our performance, liquidity or capital expenditures. The information presented by the non-IFRS financial measures included in this offering memorandum is unaudited and is not intended to and does not comply with the reporting requirements of the U.S. Securities and Exchange Commission or generally accepted accounting standards. These non-IFRS financial measures should not be unduly relied on or considered as alternatives to historical results of operations prepared in accordance with IFRS. No regulatory body in Japan or elsewhere has passed judgment on the acceptability of the adjustments and hypothetical assumptions that we use to prepare these non-IFRS financial measures. In addition, these non-IFRS measures do not have any standardized meaning and may not be comparable with similar measures used by other companies. Furthermore, these non-IFRS financial measures are not guarantees that we will achieve a certain level of financial status.

Equity Value of Holdings

"Equity Value of Holdings" means the sum of the following, without duplication:

- *Holdings in Arm.* The sum of the following, without duplication:
  - the aggregate market value of all listed shares of Arm held by the Company, calculated by multiplying the number of Arm shares held by the Company by the share price of Arm as of the specified date;

    minus
  - the remaining consideration for the acquisition of Arm shares from SVF1 in August 2023 and the acquisition of two companies previously spun out from Arm through intragroup transactions; and

    minus
  - the sum of the outstanding amount of margin loans borrowed by the Company backed by Arm shares as of the specified date,

plus

- *Holdings in SVF1.* The Company's portion of the equity value of SVF1, calculated as financial assets at fair value through profit and loss, *plus* accrued performance fees, each as of the specified date,

plus

- *Holdings in SVF2.* The Company's portion of the equity value of SVF2, calculated as financial assets at fair value through profit and loss, as of the specified date,

plus

- *Holdings in LatAm Funds*. The Company's portion of the equity value of LatAm Funds, calculated as financial assets at fair value through profit and loss, *plus* accrued performance fees, each as of the specified date,

plus

- *Holdings in SoftBank Corp.* The sum of the following, without duplication:
  - the aggregate market value of all listed shares of SoftBank Corp. held by the Company, calculated by multiplying the number of SoftBank Corp. shares held by the Company by the share price of SoftBank Corp. as of the specified date; and

    minus
  - the sum of the outstanding amount related to margin loans using SoftBank Corp. shares as of the specified date,

plus

- *Holdings in T-Mobile.*
  - the aggregate market value of all listed shares of T-Mobile held by the Company, calculated by multiplying the number of T-Mobile shares held by the Company, by the share price of T-Mobile as of the specified date,

plus

- *Holdings in Deutsche Telekom AG.* The sum of the following, without duplication:
  - the aggregate market value of all listed shares of Deutsche Telekom AG held by the Company, calculated by multiplying the number of Deutsche Telekom AG shares held by the Company by the share price of Deutsche Telekom AG as of the specified date; and

    minus
  - the sum of the total amount to be settled at maturity of collar transactions using Deutsche Telekom AG shares, calculated by using the share price of Deutsche Telekom AG as of the specified date,

plus

- *Holdings in Alibaba.* The sum of the following, without duplication:
  - the aggregate market value of all listed shares of Alibaba held by the Company, calculated by multiplying the number of Alibaba shares held by the Company by the share price of Alibaba as of the specified date; and

    minus
  - the sum of the total amount to be settled at maturity of prepaid forward contracts using Alibaba shares, such as forward contracts calculated by using the share price of Alibaba as of the specified date,

plus

Others. Equivalent to the sum of the market value of the listed stocks held, the fair value of the unlisted stocks held and the carrying amount of the stocks, etc. which are not evaluated on a fair value basis as of the specified date, other than the items described above.

Standalone Net Interest-bearing Debt

"Standalone Net Interest-bearing Debt" means Gross Interest-bearing Debt *minus* Standalone Cash Position.

Gross Interest-bearing Debt

"Gross Interest-bearing Debt" means the sum of consolidated interest-bearing debt (excluding the amount of deposits for the banking business of PayPay Bank Corporation) *plus* consolidated lease liabilities *minus* the sum of interest-bearing debt and lease liabilities of each of the Company's self-financing subsidiaries, such as SoftBank Corp. (including its subsidiaries such as LY Corporation and PayPay Corporation), SVF1, SVF2, LatAm Funds and Arm, with adjustments as follows:

- to deduct 50% of the amount of hybrid bonds and loans which are recorded as interest-bearing debt to treat it as equity;
- to add 50% of the amount of perpetual hybrid bonds which are recorded as equity to treat it as a liability;
- to deduct the portion of the outstanding margin loans backed by SoftBank Corp. shares and Arm shares, each of which is non-recourse to the Company;
- to deduct the financial liabilities relating to prepaid forward contracts using Alibaba shares, such as forward contracts;
- to deduct the financial liabilities recorded as interest-bearing debt related to collar transactions using Deutsche Telekom AG shares.

Non-GAAP Operating Income

With respect to the results of Arm, non-GAAP Operating Income means operating income *plus* acquisition-related intangible asset amortization *plus* share-based compensation cost *plus* employer taxes related to share-based compensation, net of R&D tax incentives, plus one-time employee benefits, *plus* public company readiness costs *plus* other net operating income *plus* costs associated with disposal activities *plus* restructuring and related costs, in each case under U.S. GAAP.

Cash Position

"Cash Position" means cash and cash equivalents *plus* short-term investments recorded as current assets *plus* bond investments invested by the Company and its consolidated subsidiaries excluding SB Northstar. Cash and cash equivalents consist of cash, demand deposits and investments with maturities of three-month or less that are readily convertible to cash and subject to insignificant risk of change in value. Short-term investments consist of marketable securities and time deposits (maturities of over three months) and other investments recorded as current assets.

Standalone Cash Position

"Standalone Cash Position" means the consolidated Cash Position (excluding the Cash Position of PayPay Bank Corporation) *minus* the sum of the Cash Position of each of self-financing subsidiaries, such as SoftBank Corp., SVF1, SVF2, LatAm Funds and Arm.

Net Asset Value (NAV)

"Net Asset Value" (or "NAV") means Equity Value of Holdings *minus* Standalone Net Interest-bearing Debt.

Loan-to-Value (LTV) ratio

"Loan-to-Value" (or "LTV") ratio means Standalone Net Interest-bearing Debt *divided by* Equity Value of Holdings.

TRADEMARKS

We own or have rights to use the trademarks, service marks and trade names that we use in conjunction with the operation of our business. One of the more important trademarks that we own that appears in this offering memorandum is "SoftBank," which is registered in Japan and registered and/or pending registration in other jurisdictions, as appropriate to the needs of the relevant business. Each trademark, trade name or service mark of any other company appearing in this offering memorandum is the property of its respective owner.

SUMMARY

The following summary is qualified in its entirety by, and is subject to, the more detailed information and financial statements contained elsewhere in this offering memorandum. Certain capitalized terms used but not defined in this summary are used herein as defined elsewhere in this offering memorandum. Prospective investors should carefully consider the information set forth under the caption "Presentation of Financial Information," "Risk Factors" and all other information in this offering memorandum, prior to making an investment in the Notes.

The Company

Overview

We are guided by our corporate philosophy of "Information Revolution—Happiness for everyone." As a strategic investment holding company with a focus on artificial intelligence ("AI"), we aim to maximize our enterprise value by building a global investment portfolio of companies leading the Information Revolution and providing essential technologies and services to people around the world. We are committed to leading the Information Revolution, fueled by the advancements in AI technologies, which will transform societies and lifestyles and contribute to well-being over the long term.

As a strategic investment holding company, we oversee and manage an investment portfolio consisting of our subsidiaries and associates as well as our investees. We seek to capture the major investment opportunities presented by advances in the Information Revolution and the AI revolution, which we perceive as major growth opportunities. In particular, we believe the emergence of technologies for increasingly capable AI, and the potential future development of artificial general intelligence ("AGI")—technologies that may one day be capable of problem-solving like human beings with capacities that equal or exceed human intellectual abilities—will open up entirely new markets for innovative products and services, and provide crucial growth opportunities. To this end, it is imperative for us to identify changes in the market, technologies and societal needs quickly and to continuously transform our business while optimizing our investment portfolio and group structure to maximize the benefits from the technologies and business models that will be the driving forces in the future.

Our leadership team is led by a technology and business innovator, Masayoshi Son, our founder, Representative Director, Corporate Officer, Chairman and CEO.

We are listed on the Tokyo Stock Exchange with a market capitalization of ¥13.6 trillion ($94.2 billion), excluding treasury stock, as of June 24, 2025.

Strengths

One of the largest investment holding companies in the world, with a portfolio of approximately $210 billion

As one of the largest investment holding companies globally, with a portfolio valued at approximately $210 billion, we have evolved significantly since our inception. Founded in 1981 as a distributor of packaged software, we have grown into a leading strategic investment holding company with an investment portfolio of ¥31.4 trillion ($209.9 billion) based on Equity Value of Holdings as of March 31, 2025. Under the entrepreneurial vision of our founder, Chairman, and CEO, Masayoshi Son, SoftBank Group has been at the forefront of the information revolution. We have consistently identified technology inflection points, making pioneering investments in emerging innovations and technologies. Our investments have anticipated major technological trends, from the advent of the PC and the internet to the broadband and smartphone era, and now, AI. We believe technology, in particular AI technology, is key to building a happier and more fulfilling future and we have broadened the scope of our technology investments, transforming ourselves from a telecommunications company into a global investor in innovative technology companies. These innovators are reimagining sectors such as e-commerce, healthcare, finance, mobility, robotics, among others. Our investment strategy spans all three layers of technology: AI infrastructure, AI models and AI applications, with a focus on paving the way forward for the widespread adoption and success of AI technologies.

We have directed our investment since the 1990s with the goal of pushing forward the information revolution. Anticipating the future of the Internet, we have accelerated our strategic investments in internet-related businesses globally from the mid-1990s. We were an early investor in internet firms, initially investing in Yahoo! Inc. in 1995, and Alibaba in 2000. In 2001, we launched the broadband service Yahoo! BB and

strengthened our enterprise business investments through the acquisition of JAPAN TELECOM (now SoftBank Corp.) in 2004. Anticipating the future of mobile internet, we acquired Vodafone Japan (now SoftBank Corp.) in 2006, shifting our focus to mobile communications. We introduced innovative and top-of-market products such as the iPhone, which we were the first Japanese company to distribute in Japan. This move positioned us as a leading mobile communications provider in Japan and facilitated our entry into the U.S. telecommunications market through the acquisition of Sprint in 2013 and its subsequent merger with T-Mobile in 2020. In 2021, we entered into a strategic partnership and equity share swap agreement with Deutsche Telekom. See "Business—History."

We have evolved to become one of the largest investment holding companies in the world when benchmarked against other large investment holding companies across both listed and unlisted assets. In July 2015, we changed our name from SoftBank Corp. to SoftBank Group Corp. to clarify our position as a strategic investment holding company.

Recognizing the importance of AI, we invest in companies building the backbone infrastructure for the AI revolution and those leveraging AI technology in a visionary way. We acquired Arm in 2016, and Arm has subsequently made investments that have doubled its revenue and increased the annual number of chips shipped with its technologies by approximately two times, setting the stage for an initial public offering ("IPO") in September 2023, the largest IPO globally in 2023. See "Business—Our Assets—Arm (NASDAQ: ARM)." We launched SVF1 in 2017 and both SVF2 and LatAm Funds in 2019 to invest in high-growth potential companies leveraging AI. Since acquiring Arm, we have transitioned from a telecom-centric company to an AI-centric investment holding company, scaling our strategic investment activities, and diversifying our portfolio.

In September 2024, we made our first investment in OpenAI through SVF2, and through multiple follow-on investments, SVF2's investment in OpenAI reached $2.2 billion by the end of March 2025. On April 15, 2025, the $10.0 billion first closing of the follow-on investment in OpenAI was completed. Of this, $1.5 billion was syndicated out to co-investors on the same date, and SVF2 invested the remaining $8.5 billion. Subsequently, additional syndication to co-investors was executed, and SVF2's investment amount was reduced from $8.5 billion to $7.5 billion. We expect to complete the second closing of the follow-on investment in OpenAI, pursuant to which we expect to invest up to a further $30 billion in OpenAI, subject to a right to syndicate up to $10 billion in total to co-investors under certain circumstances. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Follow-on investments in OpenAI."

As part of our integrated AI strategy, we announced the Stargate Project in January 2025 in partnership with OpenAI and other partners to power cutting-edge AI systems securely and sustainably. In February 2025, we also announced a partnership between SoftBank Corp., our telecommunications subsidiary, and OpenAI to develop and market an advanced enterprise AI provisionally referred to as "Cristal intelligence," and in March 2025, we agreed to acquire Ampere, a United States-based semiconductor design company.

The visionary leaders behind these partnerships and portfolio companies are transforming how billions of people live and work, addressing some of the world's most critical challenges. We believe their innovations will disrupt and enhance various sectors of the economy, further increasing the value of our investments.

Highly liquid and well diversified investment portfolio by sector and growth stage, providing stability through the cycle

Our investment portfolio is characterized by high liquidity and extensive diversification across sectors and growth stages, ensuring stability throughout economic cycles. Over the past decade, we have meticulously developed a balanced, global portfolio with stakes in various sectors and companies at different lifecycle stages, ranging from investments in emerging firms to significant participations in mature, market-leading organizations such as Arm, T-Mobile, and SoftBank Corp.

Globally, our portfolio features one of the highest proportions of listed investments among leading investment holding companies. As of March 31, 2025, 75% of our portfolio, based on Equity Value of Holdings, comprised listed assets, led by Arm (41%), T-Mobile / Deutsche Telekom (12%), and SoftBank Corp. (10%). The liquidity of these assets affords us substantial flexibility, enabling us to swiftly capitalize on monetization opportunities to bolster our cash position and seize attractive investment prospects as they arise.

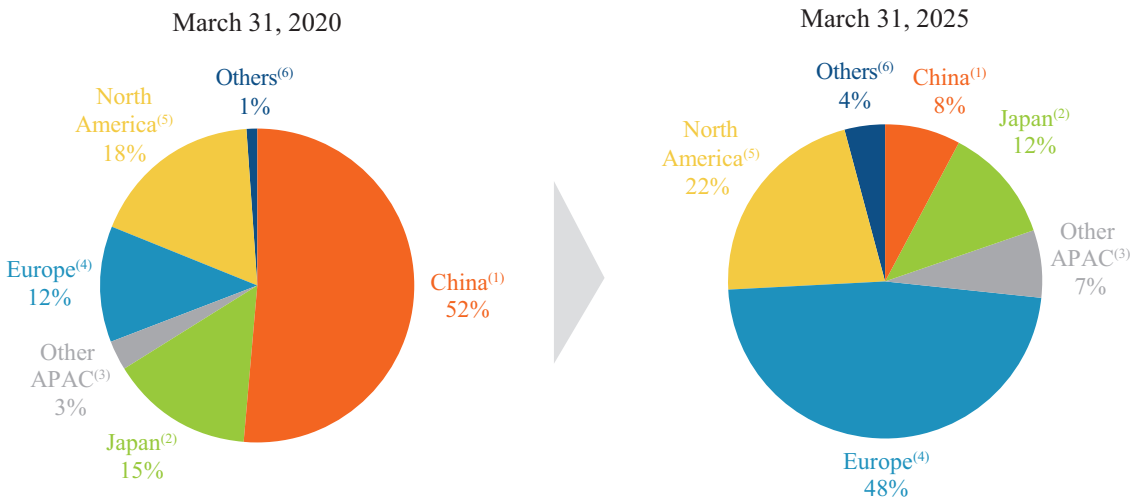
Our portfolio's diversity is further underscored by SVF, which represents 30% of our holdings based on Equity Value of Holdings. As of March 31, 2025, SVF has invested in 526 companies (including exits) across a wide array of sectors and geographies focusing on leveraging AI technology, such as OpenAI—from businesses offering AI as a core service to those integrating AI into their operations.

The stability of our telecommunications assets, SoftBank Corp. and T-Mobile/Deutsche Telekom, which constitute 22% of our portfolio based on Equity Value of Holdings as of March 31, 2025, further supports our highly liquid and diversified portfolio and are well suited for monetization. As industry leaders, these companies provide robust cash flows and act as defensive stocks, less susceptible to economic fluctuations. Their high credit quality—SoftBank Corp. (AA-/A+/BBB/BBB+ with JCR, R&I, S&P, and Fitch, respectively) and T-Mobile (BBB with positive outlook/BBB+ with S&P and Fitch, respectively)—enhances our portfolio's stability.

Historically, we have invested in sectors such as telecom, e-commerce, semiconductors, digital marketing, IT services, cloud infrastructure, transportation and logistics, proptech, fintech and healthtech. Our significant diversification has enabled consistent growth across various economic cycles, despite idiosyncratic events. We actively manage our portfolio to maintain diversification within the technology sector and growth potential, strategically timing monetization to preserve gains, deliver returns, and pursue new investment opportunities. Our strong track record in realizing synergies among investments and group companies enhances equity value by fostering business model development and technological advancements.

As our investment focus shifts towards AI, we have gradually liquidated portions of our holdings in T-Mobile/Deutsche Telekom and SoftBank Corp., and exited our investment in Alibaba through a series of monetization programs. Proceeds from these actions, along with dividends from SoftBank Corp., have allowed us to expand our investments in high-growth-potential technology companies leveraging AI.

Our exit from Alibaba has also driven a transition toward increased global diversification and exposure to investments in Europe and away from China. The graphic below shows the geographic distribution of our portfolio by Equity Value of Holdings as of the dates specified.



(1) Consists of our holdings in Alibaba, investments by SVF1 and SVF2 in investees in China, and other investments in China as of the dates specified.

(2) Consists of our holdings in SoftBank Corp., investments by SVF1 and SVF2 in investees in Japan, and other investments in Japan as of the dates specified.

(3) Consists of investments by SVF1 and SVF2 in the Asia-Pacific region (excluding China and Japan), and other investments in the Asia-Pacific region (excluding China and Japan) as of the dates specified.

(4) Consists of our holdings in Arm, Deutsche Telekom, investments by SVF1 and SVF2 in investees in Europe, and other investments in Europe as of the dates specified.

(5) Consists of our holdings in T-Mobile, investments by SVF1 and SVF2 in investees in North America, and other investments in North America as of the dates specified.

(6) Consists of investments in companies headquartered outside China, Japan, the Asia-Pacific region excluding China and Japan, Europe and North America as of the dates specified.

Sustained growth of NAV driven by our AI-centric portfolio

Our successful investment in Arm, from its acquisition in 2016 to its landmark IPO in 2023 and subsequent share price increase, has contributed to our NAV of ¥25.7 trillion ($172.0 billion) as of March 31,

2025. For further details, please refer to "Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Performance Indicators."

We believe Arm's high-performance, energy-efficient semiconductor designs will be pivotal in unlocking AI's potential, serving as core infrastructure for the ongoing AI revolution. Arm offers the industry's most efficient and highest-performing compute platform, with over 310 billion Arm-based chips shipped since its inception. Leading technology companies, including AWS, Microsoft, Google and NVIDIA, are innovating on Arm technologies, as they strive to meet the rapidly growing compute demand necessary to deliver groundbreaking AI capabilities and experiences. With the world's largest computing ecosystem and over 22 million software developers engaged in the Arm-based ecosystem, we believe Arm is pioneering transformative AI experiences for everyone.

The creative capabilities of generative AI have garnered significant attention, and usage of consumer and business focused AI tools continues to grow rapidly, with OpenAI reporting that weekly active users of its ChatGPT reached 500 million as of March 2025, we believe we are still in the early stages of the AI era, with its vast potential applications yet to be fully realized. Reflecting our strong conviction in this space, SVF has invested across the entire AI stack, from businesses offering AI as a core service to those integrating AI into their operations to enhance profitability and efficiency. In September 2024, we made our first investment in OpenAI through SVF2, and through multiple follow-on investments, SVF2's investment in OpenAI reached $2.2 billion by the end of March 2025. In addition, on March 31, 2025, we entered into a definitive agreement with OpenAI to make follow-on investments of up to $40.0 billion. For more details, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Follow-on investments in OpenAI." As AI becomes more deeply integrated across sectors and its applications become more widespread, we anticipate that SVF's extensive exposure to AI-driven businesses will deliver significant long-term value.

Looking ahead, we aim for the success of our AI-centric investment portfolio to drive our continued growth and investments. The technologies, products, and services of our portfolio companies, powered by AI, are well-positioned to continue to innovate and transform how people live and work. Additionally, we believe that strategic monetization of our investment portfolio and leveraging our financing capabilities will enable us to advance our AI-centric portfolio and investment strategy, positioning us at the forefront of the AI revolution.

Actively managed investment portfolio with a proven track record of selecting and creating value in attractive investment and monetization opportunities through a variety of methods

For new investments, we rigorously vet investment opportunities based on our AI investment thesis, utilizing funds recovered from exits. Strategic investments that offer added value through deep management involvement are expected to be made by SoftBank Group or its wholly owned subsidiaries, while other investments are to be channeled through SVF.

We have a proven track record of enhancing the equity value of our portfolio by strategically selecting and managing attractive opportunities, leveraging our network and experience to foster business collaborations among our portfolio companies. In 2013, we acquired a controlling stake in Sprint and, in 2020, merged it with T-Mobile U.S., creating a high-performing asset with increased scale and the capability to deliver a transformative 5G network in the U.S. market. We have successfully monetized a portion of our investment in T-Mobile and gradually exited our investment in Alibaba through a series of monetization programs. The divestiture of Alibaba reflected our shift to a defensive strategy in the fiscal year ended March 31, 2023, addressing an uncertain business environment, including China's tightening regulations on the internet sector, and reducing our exposure to geopolitical risks while increasingly focusing our portfolio on AI-related investments.

In 2016, we acquired Arm, a leading semiconductor design company. Under our leadership and investment, Arm diversified its product offerings and end markets. In September 2023, Arm successfully completed an IPO on the Nasdaq Global Select Market, marking the largest IPO globally that year.

Looking ahead, we aim for the success of our AI-centric investment portfolio to drive our continued growth and investments, as the AI revolution fuels further innovations in products and services of our portfolio companies that utilize AI to transform how people live and work.

Our assessment of new investment opportunities is guided by a clear investment thesis, honed through decades of successful investments. Once selected, we leverage our network and experience to promote business

collaborations among portfolio companies, utilize our bargaining power and shared vision to provide founders and companies the freedom to grow, and engage in extensive information sharing to facilitate rapid internal growth. We also support external growth through strategic M&A, helping portfolio companies scale rapidly and acquire resources needed for expansion. This investment thesis is exemplified by SVF.

SBIA and SBGA implement disciplined approaches to selectively exit the assets of SVF in a timely and appropriate manner, aiming to maximize returns and ultimately distribute to limited partners, including the Company. SVF may exit portfolio investments through acquisitions by strategic buyers, secondary share sales to institutional asset managers, or public market listings.

As of March 31, 2025, SVF has facilitated 55 public listings and made 17 strategic exits through third-party acquisitions and maintains a pipeline of late-stage companies such as ByteDance, Fanatics, Klarna, OpenAI, PayPay and KAVAK, anticipated to be ready for listing in the near to medium term. The fair value of our late-stage portfolio was $36 billion as of March 31, 2025, including portfolio companies that have raised a Series E or an equivalent late-stage round of financing, have a significant funding history or that we believe are likely to publicly list in the near-term.

Flexible and prudent financial management

We have a prudent and conservative approach to financial management, as shown by the large liquidity position we maintain at all times and our policy to keep our Loan-to-Value (LTV) ratio below 25% under normal times, with an upper threshold of 35% in exigent circumstances. We have adhered to this LTV financial policy for over five years since our transformation from a telecom company to an AI-centric strategic investment holding company in late 2019, consistently maintaining our LTV below 25%. As of March 31, 2025, we held a cash position totaling ¥3.4 trillion ($22.5 billion), including undrawn Arm margin loan borrowing capacity of ¥748 billion ($5.0 billion), more than sufficient to redeem bonds maturing in the next two years, with an LTV of 18.0%, which is sufficiently below our conservative policy threshold of 25%. Additionally, we manage our cash-on-hand by utilizing bank deposits with competitive interest yields primarily in U.S. dollars, while proactively pursuing attractive investment opportunities. We enjoy a good credit relationship with leading global banks, where for example, our recent one-year bridge loans totaling $15 billion aggregate principal amount in support of the Ampere Acquisition and the first closing of the OpenAI Follow-on Investment was syndicated between 21 global banks. We also regularly issue bonds in the Japanese domestic retail market, having issued from April 1, 2005.

We continue to have ample access to multiple funding sources and stakes in listed companies such as SoftBank Corp., T-Mobile, and Arm. This includes measures such as selling equity assets, receiving dividends from portfolio companies, obtaining distributions from investment funds, and raising funds through asset-backed financing and regular issuance of debt securities in the Japanese domestic and international markets.

Our financial strategy will continue to leverage our substantial cash position to prioritize growth investments, aiming for future NAV expansion, supported by active use of non-recourse financing to bolster our strategic investments. Concurrently, we aim to enhance monitoring of our portfolio companies to facilitate monetization and reinvestment of our portfolio stakes.

World-class management team led by Japan's most successful entrepreneur, with a track record of growing businesses and risk control through disciplined portfolio management under our high standards of corporate governance

With our strong senior management team and a group of transformational internet entrepreneurs, we believe our leadership possesses the experience and vision necessary to sustain our success. Our founder, Chairman, and CEO, Masayoshi Son, is Japan's leading information technology and business innovator. Under his leadership, we have evolved from a nascent distributor of packaged software in 1981 to one of the largest strategic investment holding companies globally. For more details, see "Business—History." Our board members include Yoshimitsu Goto, Senior Vice President and CFO, CISO & GCO Head of Finance Unit, Administration Unit & Legal Unit with over three decades of finance experience; Ken Miyauchi, the former Chairman and CEO of SoftBank Corp., who joined us shortly after its founding and spearheaded domestic business expansion alongside Masayoshi Son; and Rene Haas, the CEO of Arm, with 35 years of semiconductor industry experience. Additionally, Alex Clavel, the CEO of SBIA and SBGA, brings visionary leadership to these roles, guiding our investment funds for the Information Revolution.

Our management team consistently demonstrates the ability to leverage their networks to identify and execute investment opportunities, connect them with investors, and facilitate the growth of successful businesses. For instance, we acquired Vodafone's Japanese operations (now SoftBank Corp.) in 2006, transforming it from a below-average network into a leading mobile telecom operator, solidifying its status with Japanese consumers by launching the first iPhone in Japan. Furthermore, we acquired a controlling interest in Sprint in 2013, leading to a significant business recovery prior to its merger with T-Mobile in April 2020. Our leadership team's experienced approach to growth, monetization, and risk management has been instrumental in our disciplined exit from Alibaba and strategic monetization of our T-Mobile position post-merger. These funds have fueled our acquisition and expansion of Arm and our shift to an AI-centric investment portfolio. Looking ahead, we believe our team of seasoned managers and visionary entrepreneurs will be pivotal to our business plans for the Information Revolution, driven by the AI revolution.

We recognize that achieving our corporate mission requires effective corporate governance. To this end, we aim to strengthen our governance by implementing measures such as the SoftBank Group Charter, which establishes our fundamental governance concept as "free, fair, innovative," devising our "Group Company Management Regulations," which outlines our management policy and framework for portfolio companies, ensuring compliance with our Code of Conduct, which prescribes policies for the Company, its Board of Directors, and employees, and forming a Nominating & Compensation Committee.

We strive to maintain our established corporate governance standards, which are essential when making investment decisions. For more information, see "Business—Approach Concerning Investment Decisions." When evaluating potential investments and managing them, we endeavor to ensure that each portfolio company operates under governance standards substantially equivalent to our own, as outlined in the "Portfolio Company Governance and Investment Guidelines Policy."

Strategies

Leading AI Revolution with synergistic investments throughout the AI value chain

We believe that rapid advances in AI technology will be central to an Information Revolution, driving groundbreaking advancements across nearly all industries by replacing, augmenting, and enhancing human capabilities, thereby creating higher efficiencies and growth potential. In recent years, the integration of AI technology into various business models has accelerated, and we believe that this trend is starting to reshape current models of value creation and will fundamentally redefine most industries. We believe that future progress in generative AI could lead to the realization of Artificial General Intelligence (AGI)—AI technology which possesses intellectual capabilities equivalent to those of humans, and ultimately to Artificial Super Intelligence (ASI), which would in theory surpass the collective intelligence of humanity. As AI advances open new markets for innovative products and services, we aim to invest across our group to seize major opportunities arising from industry disruption, the creation of new industries, and overall market expansion driven by AI technology and its widespread adoption. Our strong track record of investing ahead of the curve in era-defining technologies, including early investments in internet companies, mobile providers, and e-commerce platforms, is a key strength, providing us with the expertise, experience, and confidence to continue making strategic, long-term synergistic investments to drive the AI revolution.

We have aimed to make synergistic investments throughout the AI value chain, focusing on four essential pillars that we believe are foundational to the evolution of AI: AI chips, AI data centers, AI robots, and energy. These four pillars form the core infrastructure that enables the development and deployment of increasingly advanced AI models. We predict that more powerful AI models, supported by synergistically developed AI infrastructure, have the potential to transform society through robotics, autonomous driving technology, applications, services, healthcare, and fintech.

Alongside our strategic AI investments focusing on these four essential pillars, we continue to invest through SVF in companies across the expanding frontier of AI applications, in areas such as consumer, fintech, enterprise, health tech, logistics, and transportation. We aim to further develop and apply AI across more industries, creating new business and growth opportunities. We prefer investing in high-growth potential companies that have already established their market position in their respective sectors, an approach we believe generally leads to a higher success rate compared to conventional venture capital funds.

Continue to strengthen the ecosystem around Arm's leadership within the AI Revolution

We evaluate our investments through the lens of sustainable growth, particularly focusing on Arm and its value chain and ecosystem. Arm's research and development, along with new business initiatives, are often linked to anticipated revenue streams projected five to ten years into the future, while its historical investments drive current revenue, profitability, and cash flow generation.

Arm achieved record-breaking results in the final quarter of the fiscal year ended March 31, 2025, with total revenue reaching $1.24 billion. This growth was driven by strong demand for power-efficient AI compute from the cloud to individual user devices. Arm's royalty revenue growth is broad-based, spanning all major markets, including data centers, automotive, smartphones, and IoT, highlighting the success of Arm's diversification strategy. We believe Arm's revenue is well-positioned for potential growth to increase as chips become more complex, leading to greater capabilities in AI workloads. We believe that rising demand for chips across a wider range of devices can drive an increased reliance on Arm-based chips. The deployment of AI in more devices has the potential to boost the demand for Armv9, which is designed to enhance these workloads.

As chip designs become more advanced and complex, Arm's investments in additional functionality, higher performance, greater efficiency, and more specialized designs are expected to deliver increased value to Arm's customers. Recently, Arm has adopted a holistic, solution-focused design approach, expanding beyond individual design IP blocks to offer Compute Subsystems (CSS). While the typical royalty fee for Armv9 is around double the fee for Armv8, CSS could command even higher royalty revenue than Armv9 itself, as it integrates multiple IP technologies into a subsystem and is optimized for high-performance and energy efficiency, reducing engineering effort, design time, cost, and risk for customers.

Arm has cultivated the world's largest compute ecosystem, comprising more than 22 million software developers globally. Continued investment in this ecosystem supports a self-reinforcing growth model: as the ecosystem expands, it attracts additional developers, drives adoption of Arm-based solutions, and increases demand for its compute platform. The proliferation of AI is accelerating the need for high-performance, energy-efficient compute solutions, an area where Arm is particularly well positioned.

Maintain our prudent and conservative financial policy

We adhere to a time-tested and prudent approach to financial management by maintaining the following policies:

Manage LTV Below 25% in Normal Times

We continue to uphold our prudent financial policy to maintain a strong balance sheet and an LTV below 25% during normal times, with an upper threshold of 35% in exigent circumstances. We believe that maintaining an LTV below 25% in normal times is a highly prudent financial standard. Our LTV increased from 8.4% as of March 31, 2024, to 18.0% as of March 31, 2025, remaining below our policy ceiling of 25% in normal times. We have maintained exceptionally safe levels over the past few years, and the LTV has returned to levels we consider appropriate for current market conditions as we initiate new investments for future NAV expansion. To maintain an appropriate LTV level, we continuously consider various strategies such as adjusting the pace of investments, monetizing our assets, and utilizing asset-backed financing, aiming to be prepared to execute them swiftly as needed at the right timing. Along with support from global banks, international and domestic credit investors, we plan to continue adhering to our financial policy by carefully managing net interest-bearing debt from new investments and our equity holdings value, monetizing assets, and collecting dividends and distributions from subsidiaries and other investees.

Maintain Funds Covering Bond Redemptions for at Least the Next Two Years

In addition to our LTV policy, we manage our finances to maintain sufficient liquidity to cover bond redemptions for at least the next two years. This further enhances the financial stability of our investment holding company.

It is our general policy that portfolio companies be self-financing, and we seek to avoid rescuing portfolio companies facing serious financial difficulties to prevent diverting resources.

While we remain firmly committed to these financial policies, we aim to simultaneously maintain agility and flexibility to swiftly address changes in circumstances based on opportunities presented to us in the investment cycle against a backdrop of changing economic conditions.

Maintain high standards of corporate governance

To achieve our corporate mission, we believe that maintaining effective corporate governance is essential. We are committed to strengthening our governance through measures such as formulating the SoftBank Group Charter, which establishes our fundamental governance concept as "free, fair, innovative." We have devised our "Group Company Management Regulations," outlining our management policy and framework for portfolio companies, ensuring compliance with our Code of Conduct, which prescribes policies for the Company, its Board of Directors, and employees, and forming a Nominating & Compensation Committee.

Following the election of additional external board directors at our annual general meeting of shareholders on June 23, 2021, our Board of Directors comprises a majority of external directors, further enhancing our corporate governance. Our board currently consists of nine directors, including five external members. The Chairman and CEO serves as the chairman of the board. Agenda items for board meetings are outlined in the Regulations of the Board of Directors, covering statutory matters and critical business management issues such as investments, loans, and borrowings exceeding a certain amount.

From December 2024 to April 2025, an independent organization conducted a questionnaire and interviews with our Board of Directors, including the CEO, Executive Vice Presidents, external directors, and all Audit & Supervisory Board members, about the culture, composition and operation of our Board of Directors, and conducted an evaluation of the effectiveness of our Board of Directors based on their results. The results of the evaluation confirmed that, as was the case in the fiscal year ended March 31, 2024, a trust-based relationship, along with healthy checks and balances among the Representative Director, Corporate Officer, Chairman & CEO, and the Board of Directors, as well as active discussions among independent and diverse directors, have been maintained and firmly established as our Board of Directors' culture. Additionally, the evaluation confirmed effective monitoring by our Board of Directors on investments and portfolio companies.

We elect independent external directors in accordance with the independence criteria set by the Tokyo Stock Exchange, ensuring adequate independence of our five external directors (four of whom are independent directors), who bring extensive knowledge and experience to the board. Each external director actively participates in discussions at board meetings, contributing to informed management judgments and decisions.

We strive to maintain our established corporate governance standards, which are essential when making investment decisions. For more information, see "Business—Approach Concerning Investment Decisions." When evaluating potential investments and managing them, we endeavor to ensure that each portfolio company operates under governance standards substantially equivalent to our own, as outlined in the "Portfolio Company Governance and Investment Guidelines Policy."

Recent Developments

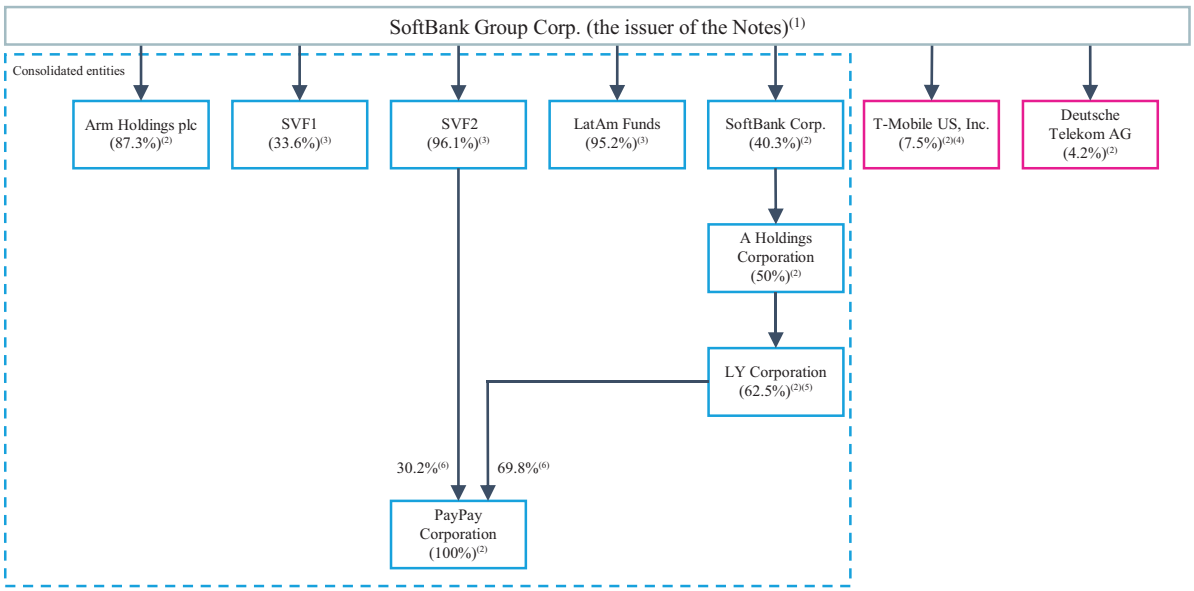
Since March 31, 2025, we have continued to pursue our business and investment strategies. The following are some recent developments and investments:

- *Issuance and Sale of Yen-denominated Corporate Bonds to Retail Market.* On May 2, 2025, we issued and sold a series of unsecured straight Yen-denominated bonds, the 65th Unsecured Straight Corporate Bond, or the "Fukuoka SoftBank HAWKS Bond," mainly to individual investors in retail markets. The aggregate principal amount of the Fukuoka SoftBank HAWKS Bond issued is ¥600 billion ($4,013 million). We also issued and sold a series of unsecured straight Yen-denominated bonds, the 66th Unsecured Straight Corporate Bond, to wholesale markets on April 24, 2025. The aggregate principal amount of the Yen-denominated straight corporate bonds issued for wholesale investors in the offering of our 66th Unsecured Straight Corporate Bond is ¥20 billion ($134 million).
- *Bridge Loans.* On April 10, 2025, we signed a one-year unsecured bridge loan agreement with a syndicate of 21 financial institutions in respect of (i) a bridge loan of $8.5 billion to fund the first closing of the OpenAI Follow-on Investment, which has been drawn down, and (ii) a bridge loan of $6.5 billion to fund the Ampere Acquisition, which has not yet been drawn, for an aggregate principal amount of $15 billion.

- *Sale of T-Mobile Shares.* On June 17, 2025, acting through a 100% owned subsidiary, we executed a sale of shares in T-Mobile, selling 21,500,000 shares out of the 85,361,065 shares owned by us immediately prior to the sale. The sale yielded proceeds of $4.8 billion before applicable taxes.

Organizational Structure

The following is a simplified chart of the corporate and financing structure of the Company as of March 31, 2025. The chart does not include all of our subsidiaries or all of our financings and certain groups of subsidiaries are represented collectively, such as intermediary holding companies and the entities comprising SVF1, SVF2 and LatAm Funds. Unless otherwise indicated, the subsidiaries and associates included are directly or indirectly owned by the Company.



Notes:

(1) The shares of the Company are traded on the Tokyo Stock Exchange. As of March 31, 2025, the principal shareholder of the Company is the founder, Representative Director, Corporate Officer, Chairman & CEO of the Company, Masayoshi Son (29.68%).

(2) The percentages shown represent voting rights.

(3) The percentages shown represent the investment ratios of the Company's committed capital to the total committed capital of the respective funds. The investment ratios of SVF2 and LatAm Funds shown include equity and preferred equity contributions made by the Company under a co-investment program with MASA USA LLC, a company controlled by Masayoshi Son.

(4) On June 17, 2025, acting through a 100% owned subsidiary, we executed a sale of shares in T-Mobile, selling 21,500,000 shares out of the 85,361,065 shares owned by us immediately prior to the sale, causing our ownership of T-Mobile shares to decline from 7.5% to 5.6%.

(5) On June 5, 2025, LY Corporation announced the result of a share repurchase tender offer, pursuant to which it had agreed to repurchase approximately 3.05% of its outstanding shares, of which approximately 2.46% were tendered by A Holdings Corporation. Upon the settlement of this tender, A Holdings Corporation is expected to hold approximately 61.9% of LY's voting rights.

(6) Before the full exercise of stock acquisition rights by SVF2, which were originally issued to One 97 Communications Limited (Paytm) in September 2020 and transferred to SVF2 in December 2024.

The Offering

The summary below describes the principal terms of the Notes. The terms and conditions described below are subject to important limitations and exceptions. For a more detailed description of the terms and conditions of the Notes, including the definitions of certain terms used in this summary, see "Risk Factors."

Issuer	SoftBank Group Corp.
Notes Offered	$500,000,000 aggregate principal amount of its 6½% Senior Notes due 2029 denominated in U.S. dollars (the "2029 Dollar Notes"); $600,000,000 aggregate principal amount of its 6⅞% Senior Notes due 2031 denominated in U.S. dollars (the "2031 Dollar Notes"); $600,000,000 aggregate principal amount of its 7¼% Senior Notes due 2032 denominated in U.S. dollars (the " 2032 Dollar Notes"); $500,000,000 aggregate principal amount of its 7½% Senior Notes due 2035 denominated in U.S. dollars (the "2035 Dollar Notes," and together with the 2029 Dollar Notes, the 2031 Dollar Notes and the 2032 Dollar Notes, the "Dollar Notes"); €600,000,000 aggregate principal amount of its 5¼% Senior Notes due 2029 denominated in euro (the "2029 Euro Notes"); €600,000,000 aggregate principal amount of its 5⅞% Senior Notes due 2031 denominated in euro (the "2031 Euro Notes"); and €500,000,000 aggregate principal amount of its 6⅜% Senior Notes due 2033 denominated in euro (the "2033 Euro Notes," and together with the 2029 Euro Notes and the 2031 Euro Notes, the "Euro Notes," and together with the Dollar Notes, the "Notes").
Issue Date	On or about July 10, 2025.
Offering Price	100% of the principal amount of the Notes *plus* accrued interest, if any, from the Issue Date.
Maturity Date	2029 Dollar Notes: April 10, 2029. 2031 Dollar Notes: January 10, 2031. 2032 Dollar Notes: July 10, 2032. 2035 Dollar Notes: July 10, 2035. 2029 Euro Notes: October 10, 2029. 2031 Euro Notes: July 10, 2031. 2033 Euro Notes: July 10, 2033.
Interest Payment Dates	We will pay interest on the 2029 Dollar Notes and the 2029 Euro Notes semi-annually in arrear on April 10 and October 10 of each year, commencing October 10, 2025. Interest on the 2031 Dollar Notes, the 2032 Dollar Notes, the 2035 Dollar Notes, the 2031 Euro Notes and the 2033 Euro Notes will be payable semi-annually in arrear on January 10 and July 10 of each year, commencing January 10, 2026.
Form and Denominations	The Company will issue the Notes on the Issue Date in global registered form. Dollar Notes will be issued in minimum denominations of $200,000 and integral multiples of $1,000 in excess thereof and Euro Notes will be issued in minimum denominations of €100,000 and integral multiples of €1,000 in excess thereof.
Ranking of the Notes	The Notes will: • be general unsecured obligations of the Company; • in insolvency proceedings of the Company, rank *pari passu* in right of payment with all existing and future Indebtedness of the Company

(including the Existing Senior Notes and the Company's unsubordinated Yen-denominated unsecured bonds), except that the Notes will:

- rank senior in right of payment to all existing and future Indebtedness of the Company that is contractually subordinated in right of payment to the Notes and all existing and future Indebtedness of the Company that is subordinated in right of payment to the Notes by operation of law (including the Company's Yen-denominated hybrid loans and Yen-denominated hybrid bonds); and
- be subordinated in right of payment to all existing and future Indebtedness of the Company that is preferred by operation of law;

- be effectively subordinated to any existing and future Indebtedness of the Company that is secured by property or assets that do not secure the Notes, to the extent of the value of the property and assets securing such Indebtedness, through either enforcement of such Indebtedness outside insolvency proceedings or preferred treatment of such Indebtedness in insolvency proceedings; and
- be effectively subordinated to all existing and future Indebtedness, lease obligations or other obligations and any trade payables of any Subsidiary of the Company that does not guarantee the Notes (including the substantial financial liabilities outstanding under asset-backed Indebtedness or derivative obligations incurred by Subsidiaries of the Company).

See "Risk Factors—Risks Relating to the Notes—The Notes are unsecured obligations and will be effectively subordinated to the existing and future secured indebtedness of the Company and its subsidiaries. We and our subsidiaries may in the future incur substantial amounts of secured debt"; "Risk Factors—Risks Relating to the Notes—The Notes will be structurally subordinated to any existing or future indebtedness, preferred stock and other liabilities of our subsidiaries"; "Risk Factors—Risks Relating to the Notes—Enforcement of claims on the Notes will be subject to certain limitations arising under Japanese insolvency and corporate laws. Japanese laws may be different from, and not as favorable to you as, the laws in other jurisdictions"; and "Description of Other Indebtedness."

Optional Redemption . . . . . With respect to each series of the Notes, at any time prior to the date that is 90 days prior to the final maturity date of such series we may on any one or more occasions, at our option, redeem all or part of such series by paying a "make-whole" premium, and at any time on or after the date that is 90 days prior to the final maturity date of such series we may on any one or more occasions, at our option, redeem all or part of such series at par. See "Description of the Notes—Optional Redemption."

Tax Redemption . . . . . In the event of certain developments affecting taxation, we may redeem all, but not less than all, of the Notes at 100% of the principal amount thereof, *plus* accrued and unpaid interest to the date of redemption. See "Description of the Notes—Redemption for Changes in Taxes."

Repurchase of Notes upon a Change of Control Triggering Event . . . . . Upon the occurrence of a Change of Control Triggering Event, the Company will make an offer to repurchase all outstanding Notes at a purchase price equal to 100% of their principal amount *plus* accrued and unpaid interest, if any, to the repurchase date. See "Description of the

	Notes—Repurchase at the Option of Holders upon a Change of Control Triggering Event."
Indenture	The Notes are being issued under the Indenture (the "Indenture"), dated as of July 8, 2024 and as amended, supplemented or waived from time to time, by and between, among others, the Company and The Bank of New York Mellon, London Branch, as trustee and paying agent, and The Bank of New York Mellon SA/NV, Dublin Branch, as transfer agent and registrar. The Company's 2024 Senior Notes were previously issued under this Indenture.
Covenants	The Indenture will limit, among other things, the Company's ability to: • create or incur certain liens; and • consolidate or merge with other entities. In addition, the Indenture limits, among other things, the ability of the Company to guarantee or provide collateral in support of indebtedness of Subsidiaries with recourse to the Company. Each of the covenants is subject to a number of important exceptions and qualifications. Certain of the covenants will be suspended if the relevant Notes obtain and maintain an investment-grade rating. See "Description of the Notes—Certain Covenants."
No Prior Market	The Notes will be new securities for which there is currently no market. Although the Initial Purchasers have informed us that they intend to make a market in the Notes, they are not obligated to do so and they may discontinue market making at any time without notice. Accordingly, we cannot assure you that a liquid market for the Notes will develop or be maintained.
Listing	Approval in-principal has been received for the listing of the Notes on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or information contained in this offering memorandum. Approval in-principle for the listing of the Notes on the SGX-ST is not to be taken as an indication of the merits of the offering, us, our subsidiaries or associated companies (if any) or the Notes. The Notes will be traded on the SGX-ST in a minimum board lot size of (in the case of the Dollar Notes) $200,000 or (in the case of the Euro Notes) €200,000. For so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require, we will appoint and maintain a paying agent in Singapore where the Definitive Registered Notes may be presented or surrendered for payment or redemption in the event that a Global Note is exchanged for Definitive Registered Notes. In addition, in the event that a Global Note is exchanged for Definitive Registered Notes, an announcement of such exchange shall be made by or on behalf of us through the SGX-ST and such announcement will include all material information with respect to the delivery of the Definitive Registered Notes, including details of the paying agent in Singapore.
Governing Law	The Indenture, dated July 8, 2024 (under which the Company's 2024 Senior Notes were issued) is, and the Notes will, be governed by the laws of the State of New York.
Transfer Restrictions	The Notes have not been and will not be registered under the U.S. Securities Act or the securities laws of any other jurisdiction. The Notes are being offered and sold only to non-U.S. persons in offshore transactions outside the United States in reliance on Regulation S and may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to,

	the registration requirements of the Securities Act. The Notes are not intended to be offered, sold, distributed or otherwise made available to and should not be offered, sold, distributed or otherwise made available to any retail investor in the European Economic Area. See "Notice to Investors" for additional information about eligible offerees and transfer restrictions. We have not agreed to, or otherwise undertaken to, register the Notes (including by way of an exchange offer).
Use of Proceeds	We expect to receive a total of approximately $4,002 million (equivalent) in net proceeds from this offering, comprising approximately $2,178 million from the Dollar Notes and €1,683 million from the Euro Notes, after deducting underwriting discounts and commissions and other offering expenses payable by us. We plan to use the proceeds of the offering for the redemption of foreign currency-denominated senior notes due 2025 and for general corporate purposes, including the maintenance of a cash position for the redemption of outstanding notes due over the next two years, the repayment of short-term loans and new investments.
Additional Amounts	All payments made by the Company will be made without withholding or deduction for, or on account of, any present or future taxes in any taxing jurisdiction unless required by applicable law. If withholding or deduction for such taxes is required to be made in a relevant taxing jurisdiction with respect to a payment on the Notes, subject to certain exceptions, the Company will pay the additional amounts necessary so that the net amount received after the withholding or deduction is not less than the amount that would have been received in the absence of the withholding or deduction. See "Description of the Notes—Additional Amounts."
Trustee and Paying Agent	The Bank of New York Mellon, London Branch
Transfer Agent and Registrar	The Bank of New York Mellon SA/NV, Dublin Branch
Security Codes	2029 Dollar Notes ISIN: XS3109833817 Common Code: 310983381 2031 Dollar Notes ISIN: XS3109834112 Common Code: 310983411 2032 Dollar Notes ISIN: XS3112542272 Common Code: 311254227 2035 Dollar Notes ISIN: XS3112542355 Common Code: 311254235 2029 Euro Notes ISIN: XS3109834898 Common Code: 310983489 2031 Euro Notes ISIN: XS3109835192 Common Code: 310983519 2033 Euro Notes ISIN: XS3112543080 Common Code: 311254308
Risk Factors	Investing in the Notes involves substantial risks. You should refer to the section entitled "Risk Factors" for an explanation of certain risks involved in investing in the Notes.

Risk Factors

An investment in the Notes involves significant risk and uncertainty. You should consider carefully the risk factors described below as well as other information contained in this offering memorandum, including our financial statements and the related notes included elsewhere in this offering memorandum, before making any investment decision. The risks and uncertainties discussed below, as well as additional risks and uncertainties not currently known to us or that we currently deem immaterial, could materially affect our business, financial condition and results of operations, affect our ability to make payments on the Notes or cause the market price of the Notes to decline. This could result in you losing all or part of your investment.

Risks Relating to Our Status as a Strategic Investment Holding Company

Our business model entails risks.

We have built an investment portfolio consisting of companies engaged in diverse businesses, primarily information and technology companies that develop, support and leverage AI, through direct investments (including investments made through subsidiaries), investments in group companies such as Arm and SoftBank Corp., and investments made through investment funds such as SVF. Our aim is to increase the asset value of our portfolio companies by promoting business collaborations among them and leveraging our network and experience. We seek to exit from such equity investments, as we deem appropriate, and allocate the proceeds to new investments based on our growth strategies. We may also allocate the proceeds to shareholder returns and debt repayments, as we deem appropriate.

Due to this business model, if the stock markets deteriorate or our portfolio companies' business development and results of operations fall substantially below our expectations at the time when we made an investment decision, the equity value of our holdings could decrease, leading to a decline in our financial condition and results of operations, thereby adversely affecting our ability to make new investments and the success of our financial policies. Due to the breadth and scope of our investment portfolio, we are vulnerable to adverse changes in global economic conditions, which involves factors beyond our control.

In particular, our future success depends, in part, on our ability to anticipate and adapt in a timely manner to the fast-paced changes in technology and business models, particularly in the field of AI, that characterize the information and technology industries in which we invest, and in which our investments are focused. We expect that new services, technologies and business models will emerge on a continuous basis and that existing services, technologies and business models will also further develop. Our failure to adapt to such changes could have a material adverse effect on our business, financial condition and results of operations. Furthermore, the business fields in which these types of new technologies and business models are offered may be subject to specific and strict regulations and licensing regimes, which could have an adverse effect by creating financial burdens or restrictions on portfolio companies' business development and their results of operations. In addition, due to the focus of our investments in the information and technology industries that leverage AI, the value of our investment portfolio is particularly susceptible to shifts in capital market sentiment with respect to information and technology companies, in particular those that leverage AI. Also, because we also invest in unlisted companies that are seeking to go public in such industries, both directly and through investment funds such as SVF, the value of our portfolio and our ability to exit from investments or realize gains may also be heavily impacted by the health of the IPO market and appetite for public offerings generally.

Our financial results may be significantly affected by our ability to procure funds.

In connection with our business model, we aim to meet our funding requirements for new investments on an ongoing basis, through measures such as selling equity assets, receiving dividends from portfolio companies, obtaining distributions from investment funds and raising funds through asset-backed financing. We are presently anticipating a number of investments as part of our current business plan, which we anticipate financing in whole or in part through new financing procurement. These include the procurement of (i) $10 billion in connection with the first closing of our follow-on investments in OpenAI Global announced on April 1, 2025 (the "OpenAI Follow-on Investment") which occurred on April 15, 2025, (ii) up to $30 billion in connection with the second closing of the OpenAI Follow-on Investment expected to occur in December 2025, and (iii) $6.5 billion in connection with the Ampere Acquisition (as defined below) expected to occur in the second half of the fiscal year ending March 2026. The foregoing amounts do not reflect the effect of any potential syndication with other co-investors. See "—Risks Related to Our Investment in OpenAI and the Stargate Project." If we are unable to dispose of equity assets or procure funds as needed for new investments, we could breach investment obligations or be forced to forego investment opportunities and our ability to increase the value of our portfolio may be compromised. For certain of our asset-backed financing, we may be required to post additional share or cash collateral or incur prepayment obligations in the event that the value of our eligible holdings declines due to a deterioration in the stock market or other factors. In addition, we may have difficulty raising new funds.

To meet our funding needs for our investment activities, we also raise funds through loans from financial institutions and the issuance of bonds. To finance the aforementioned investments in part, we have entered into (i) a bridge loan of $8.5 billion to fund the first closing of the OpenAI Follow-on Investment, which has been drawn down, and (ii) a bridge loan of $6.5 billion to fund the Ampere Acquisition, which has not yet been drawn, for an aggregate principal amount of $15 billion. Both of these bridge loans will be due in April 2026. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Recent Developments—Bridge Loans." Disruptions in the economy that result in a deterioration of economic conditions in Japan, the United States, Europe or globally could adversely affect our business model or diminish our ability to procure funds. If interest rates continue to rise due to further tightening of monetary policies or changes in financial markets, or our creditworthiness declines, due to a decrease in the value of our owned assets, an increase in our outstanding debt or a deterioration in our results of operations, which could lead to a downgrade in our credit ratings, our financing costs could increase, thereby adversely affecting our results of operations. Furthermore, our inability to raise funds at our desired timing, scale or conditions could adversely affect our investment activities, including investments through investment funds, and our financial position.

We may, both directly and indirectly through subsidiaries, raise new funds, refinance, sell some of our assets or take other measures to secure resources to repay our debt. If faced with prolonged unfavorable funding conditions, we may be forced to dispose of equity assets on unfavorable terms or to execute unplanned equity asset disposals in order to secure resources for repayment, which could adversely affect the equity value of our holdings, portfolio value, consolidated and non-consolidated results of operations and investment performance.

The loss of key senior management personnel, including Mr. Masayoshi Son in particular, could negatively affect our business.

Our performance is substantially dependent on our senior management and other key personnel. These individuals have acquired specialized knowledge and skills with respect to our various businesses. This institutional knowledge, in addition to the managerial and financial experience of these individuals as well as their decision-making abilities, makes them especially critical to our success. If one or more members of our key personnel are unable or unwilling to continue to remain in their current positions, our business and operations could be disrupted and our growth potential could be impaired.

In particular, we depend in large part on the knowledge, expertise and services of Mr. Masayoshi Son, our founder, Representative Director, Corporate Officer, Chairman & CEO, particularly for identifying new business and investment opportunities and creating new business models. Mr. Son's reputation and personal contacts in the industries in which we operate have provided us access to many opportunities which would not otherwise be available to us. There can be no assurance that the departure of Mr. Son would not have a material adverse effect on our business, financial condition or results of operations.

We face various risks in connection with our investment activities.

We engage in investment activities such as corporate acquisitions, establishment of subsidiaries and joint ventures and majority and minority investments in operating companies (including listed and unlisted companies), holding companies (including companies that effectively control other companies through various contracts) and investment funds. Our investment portfolio includes companies that we believe have a competitive edge over peers in each sector, centered on semiconductor, telecommunications, AI and technology, and includes operating companies such as Arm, SoftBank Corp., T-Mobile and Deutsche Telekom. We also make investments through SVF1, SVF2 and LatAm Funds in diverse geographies and sectors. For example, on March 19, 2025, we entered into an agreement with Ampere Computing Holdings LLC ("Ampere"), a U.S.-based semiconductor design company focused on high-performance, energy efficient, sustainable compute based on the Arm compute platform, and certain of its equity holders, to acquire all of the equity interests of Ampere for $6.5 billion through Silver Bands 6 (US) Corp., one of our subsidiaries (the "Ampere Acquisition"). See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Acquisition of Ampere."

We engage in investment activities with the expectation that they will result in various benefits, including an increase in revenue, net asset value, and access to strategic assets, technologies and human resources. However, the anticipated benefits of these transactions may not be fully realized, or at all, may take longer to realize than expected, or may be diminished or impeded by unanticipated costs, expenses or liabilities that arise in connection with each investment. Factors such as equity market volatility, asset or market correlations, interest rates, availability of credit, inflation rates, economic uncertainty, trade barriers and tariffs, disease, commodity prices, currency exchange rates and controls, and national and international political circumstances (including governmental instability or dysfunction, wars, terrorist acts or security operations) can have a material impact on

the value of our investments. Our investment activities are subject to various risks, including those summarized below. In parallel, our recording of valuation losses on assets such as our equity holdings could adversely affect our consolidated results of operations and financial position. No guarantee of success can be made in relation to any of our investment activities, including but not limited to our pending strategic investments in OpenAI and Ampere and participation in the Stargate Project, which is currently in the planning phase. See "—Risks Related to Our Investment in OpenAI and the Stargate Project" for a description of risks that are related to our investment in OpenAI and participation in the Stargate Project, which could in the future negatively impact our consolidated operating results, balance sheet, cash flows, liquidity or funding needs if these investments do not occur as currently anticipated or the future benefits we expect from these investments are not realized. See also "—Risks Related to SVF Segment," "—Risks Related to SoftBank Corp. Segment" and "—Risks Related to Arm Segment" for a description of risks that are especially related to SVF, SoftBank Corp. and Arm, respectively, which have a particularly large impact on consolidated operating results.

Political situations, monetary and fiscal policies, international conditions and regulatory trends. We invest in entities that operate not only in Japan, but also in countries and regions overseas, such as Europe, the United States, the Middle East, China, other parts of Asia and Central and South America. Therefore, if economic situations or financial markets in such countries and regions deteriorate due to changes in political situations, monetary and fiscal policies, international conditions such as trade disputes or conflicts, natural disasters caused by, among other things, climate change, or public health crises such as the spread of infectious diseases, our investment activities and the business activities of our portfolio companies may not develop as we expect. Furthermore, geopolitical instability in various parts of the world, including the ongoing Russia-Ukraine and Middle East conflicts, continued trade tensions between the United States and its trading partners including China, Japan and the European Union, and political instability involving the Middle East, Southeast Asia, Europe, the United States or other regions, economic slowdowns experienced by significant economies including China, and government policy in response to trends toward higher consumer prices coinciding with declines in overall economic activity, particularly by Japan or other developed economies, could cause or contribute to a broader global economic downturn. See "—General Business Risks—Tariffs and trade barriers could negatively affect our global operations and financial performance." In particular, any shift in the monetary policies of the central banks of major economies, in particular tightening of monetary policies, may negatively affect our investment activities over the short term. For example, our execution and realization of investments could be delayed, the terms and conditions of investment realizations could deteriorate, or the businesses and results of operations of each portfolio company could be adversely affected by a decrease in demand for or a shortfall in the supply of their services and products. Furthermore, with respect to investments in unlisted companies with low liquidity, if market conditions deteriorate sharply or other similar issues arise, we may not be able to sell our interests in such companies at our desired timing, scale or conditions. As a result, our financial condition, results of operations and investment performance may be adversely affected.

Moreover, our investment activities may require approvals and permissions from the regulatory authorities of relevant countries, for example the Committee on Foreign Investment in the United States (CFIUS) and the U.S. antitrust authorities in the case of the Ampere Acquisition, or our involvement with portfolio companies may be restricted. If the necessary approvals and permissions cannot be obtained or other restrictions cannot be avoided, we may be unable to successfully implement our investment or divestment plans as we expect.

Fluctuations in foreign currency exchange rates. We invest in overseas companies in foreign currencies and procure funds in foreign currencies. Accordingly, we hold assets and liabilities in foreign currencies and our business is sensitive to fluctuations in foreign currency exchange rates, especially the yen-U.S. dollar exchange rate. In addition, the presentation of our results of operations may be positively or adversely affected by the translation of foreign currencies into yen for the purpose of our consolidated financial statements. For example, the fiscal year ended March 31, 2025 saw increased volatility in the yen-dollar exchange rate, finishing the fiscal year slightly stronger against the dollar than the prior fiscal year, and we recorded foreign exchange gain of ¥27 billion ($181 million) mainly due to foreign exchange effects of the stronger yen on our U.S. dollar denominated liabilities. On the other hand, the yen-translated value of net assets of our foreign subsidiaries and associates decreased by ¥521 billion ($3.5 billion), recorded as exchange differences on translating foreign operations, for the fiscal year ended March 31, 2025. It is possible that if the yen rapidly increases in value, it may have an adverse effect on the net assets of our foreign subsidiaries and associates, which in turn may have a material adverse effect on our NAV, financial conditions and investment performance. We may not be successful in managing our exposure to currency exchange risks and this may have a material adverse effect on our business, financial condition and results of operations.

Investment decisions. We make direct investments (including investments through subsidiaries) without going through investment funds (for example, SVF1 and SVF2). In our investment decision-making process, we seek to appropriately estimate the investment target's equity value and to assess risks related to the target's

businesses, finances, corporate governance, compliance and internal controls, by conducting due diligence on matters including the target's business, technology, business model, market size, business plan, competitive environment, financial condition and legal compliance. However, we may overestimate the corporate value, technology, business model or market size of an investment target, or underestimate the risk. We may also make investment decisions based on misjudgments as to the integrity of founders and managers who have a crucial influence on investment targets. Consequently, after making an investment, the asset value of the investment (i.e., the equity value of our holdings) could decrease, thereby leading to a decrease in portfolio value. In parallel, the recording of valuation losses on assets such as our equity holdings could adversely affect our consolidated results of operations and financial position. Further, the entities in which we have invested may not be able to compete effectively and fail. This may result in reputational damage to us in addition to any asset value decreases.

Decrease in the asset value of portfolio companies. Our portfolio companies may be unable to develop businesses as we envisioned at the time when we made an investment decision, due to factors including the obsolescence of our portfolio companies' technologies and business models and intensified competitive environments, in addition to the macro external factors. This may lead to a significant deterioration in business performance or a drastic revision of our portfolio companies' business plans. There is also a possibility that our portfolio companies may increase their capital, which could result in a significant dilution of the per-share value of our portfolio companies' shares. In such cases, the asset value of portfolio companies may decrease, and we may record valuation losses on financial assets such as shares, or impairment losses on goodwill, property, plant and equipment and intangible assets incurred in connection with the investment, and may not receive the expected returns, such as profit sharing, from portfolio companies or be able to recover our investment. In addition, we may enter into, directly or indirectly, associated transactions that mitigate the risk for us and/or our co-investors in such investments, which could, in certain circumstances, expose us to a greater than proportional share of any financial loss resulting from such investments.

Investments in or other support for portfolio companies with serious financial difficulties. It is our general policy that portfolio companies be self-financing and we seek to avoid rescuing portfolio companies that run into serious financial difficulties. However, we may occasionally provide our portfolio companies with additional investments or other support, through loans, guarantees, equity investments and other means, when we deem such measures to be appropriate to enhance our shareholder value. Such investments have the potential to impact our ability to pursue other strategic opportunities, could adversely impact our available liquidity and ability to make payments on the Notes, or could otherwise adversely impact our financial position and results of operations.

We may raise additional debt against our holdings in our listed and unlisted subsidiaries, strategic associates or other investment assets or otherwise be adversely affected by declines in their respective valuations.

As part of our long-term strategy as a strategic investment holding company, we expect to rely increasingly on the value of our investments in listed and unlisted subsidiaries and strategic associates to meet our financing requirements and support our growth. We concentrate a high percentage of our investments in a relatively small number of listed subsidiaries and strategic associates, including Arm, SoftBank Corp. and T-Mobile, primarily in the semiconductor, technology and telecommunications industries. The equity value of these investments may be affected by fluctuations in general market conditions, the industries in which they operate, their specific operating performance, and extrinsic events such as significant resales by other major shareholders. Similarly, we have a large number of portfolio investments in unlisted companies, which can be illiquid and subject to substantial uncertainty and instability regarding valuation. For example, in March 2025, we entered into agreements to make substantial investments in two unlisted companies, OpenAI and Ampere. See "—Risks Related to Our Investment in OpenAI and the Stargate Project."

We have on several occasions monetized portions of our investments, including the monetization of substantially all of our position in Alibaba which was completed in 2023, by raising significant amounts of indebtedness directly or indirectly secured over these assets, and we may continue to do so in the future. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Cash and Capital Requirements—Variable Prepaid Forward Contracts and Collar Transactions."

Furthermore, for certain of our asset-backed financing, we may be required to post additional share or cash collateral or incur prepayment obligations in the event that the value of our eligible holdings declines due to a deterioration in the stock market or other factors. For example, our margin loans backed by Arm shares and SoftBank Corp. shares include a clause requiring the borrower to provide additional cash collateral if the fair value of the collateral falls below a prescribed threshold relative to the outstanding liabilities under the loan. In December 2024, we amended the margin loan using Arm shares, including an increase in the borrowing limit

from $8.5 billion to $13.5 billion, and in February 2025, we completed a refinancing of the margin loan using SoftBank Corp. shares, increasing the loan amount from ¥500.0 billion to ¥800.0 billion. Although substantially all of our asset-backed financing has been conducted on a non-recourse basis to us, a default under certain of these obligations could result in substantial blocks of equity collateral being liquidated in the market. Such liquidation could adversely impact the valuation of related assets in our portfolio, as well as our control over our portfolio companies whose shares we provide as collateral. In order to avoid such effects from a default on our asset-backed obligations, we may be compelled to support the borrowers of such obligations in providing cash collateral or repaying such obligations even where they are without legal recourse to us.

Any sustained, precipitous decline in the value of our key listed subsidiaries or other portfolio assets, or in the valuations of global equity markets generally, could also substantially reduce the overall value of our investment portfolio, which could in turn impair our ability to monetize those investments to repay or refinance our outstanding indebtedness or meet our financing requirements for future growth.

We face risks associated with operation and investment in multiple geographic markets.

We conduct business and invest in multiple regions and countries including the United States, Korea, China, India, Europe and Central and South America, as well as certain other regions and countries, and we may continue expanding our operations outside of Japan, which in some cases have a different level of economic development or different economic structure from that of our traditional region of operations.

Operating and investing in multiple geographic markets exposes us to a number of risks, including:

- difficulties and costs relating to compliance with the different commercial and legal requirements of the markets in which we operate and the potential that such requirements could change to our disadvantage;
- difficulties in staffing and managing international operations;
- government regulations or restrictions on foreign investment, particularly any that prevents us from repatriating internationally derived revenue, or foreign tax structures that make repatriation prohibitively expensive, which could affect our ability to effectively reinvest or utilize such revenues in our business; and
- other geopolitical risks, including the occurrence of political, social, or economic turbulence in such countries and regions, due to the outbreak of wars, conflicts, and terror attacks, the enactment of economic sanctions and the outbreak of communicable diseases.

Our failure to successfully manage or address any of the above-listed risks could have a material adverse effect on our business, financial condition and results of operations.

Our strategic focus on AI and related technologies involves unique risks.

We have mainly invested, and expect to continue to invest, in companies that leverage technologies related to AI. This includes technologies related to semiconductors, AI infrastructure, and foundational model developers, as well as companies applying AI across various industry verticals. AI technologies and services are highly competitive and rapidly evolving, and AI technologies, including areas such as semiconductor design and production for AI applications, require timely investment to anticipate and meet the changing needs and expectations of users, which we are unable to predict with complete certainty. We may make investments in such AI applications that have significant lead time and uncertainty regarding future results.

Our ability to identify promising AI technologies and platforms, products and services that leverage AI is critical to our business strategy and may depend on the availability and pricing of third-party products, services and technologies. Additionally, competitors may develop AI products and technologies that are similar or superior to technologies in our portfolio companies, which are more cost-effective to deploy or better suited to commercial application. Other companies may also have (or in the future may obtain) patents or other proprietary rights that would prevent, limit, or interfere with our ability or the ability of our portfolio companies to make, use, or sell AI products and services.

AI is a rapidly evolving area of technology, and certain investments ultimately may not be commercially viable or may not result in an adequate return of capital. For example, if the market demand for AI technologies is overestimated across the industry, leading to widespread over-investment, the resulting misalignment between supply and actual demand could adversely affect profitability. In pursuing new strategies, we may incur unanticipated liabilities. These endeavors involve significant risks and uncertainties, including diversion of resources and management attention from current operations, different monetization models, and the use of

alternative investment, governance, or compensation structures that may fail to adequately align incentives or otherwise accomplish their objectives. Furthermore, uncertainty in the legal regulatory regime relating to AI may require significant resources to modify and maintain business practices to comply with applicable laws and regulations, the nature of which cannot be determined at this time. See "—General Business Risks—We are subject to laws, government regulations and licensing regimes that restrict and may impose new restrictions on our business." Additionally, there may be significant reputational harm to us or our portfolio companies if our investee companies that leverage AI technologies and platforms are not sufficiently performant or cost competitive, or produce unreliable or undesirable results. AI technologies require computing infrastructure that consumes significant electricity and cooling water, as well as power generation systems that consume significant amounts of fuel or other energy sources, and the environmental impact of increased AI adoption has become the subject of critical media coverage. If policymakers or public opinion comes to view AI technology as unsustainable, we or our portfolio companies could suffer reputational harm, AI projects by investees could be delayed, downsized or canceled and our return on investments in AI could be negatively affected.

Risks Related to Our Investment in OpenAI and the Stargate Project

There can be no assurance that the expected benefits of our investments in OpenAI will be realized.

In the furtherance of our Information Revolution philosophy, we have in the past and continue to make material acquisitions and investments related to AI and related technology. For example, we have made investments via SVF2 in OpenAI, totaling $2.2 billion as of March 31, 2025. On March 31, 2025, SoftBank Group and OpenAI entered into a definitive agreement in relation to the OpenAI Follow-on Investment (the "OpenAI Follow-on Investment Agreement") pursuant to which we (a) acquired through SVF2 in a first closing on April 15, 2025, $7.5 billion (after syndication of $2.5 billion to co-investors) in "convertible interest rights" issued by OpenAI Global, LLC, a subsidiary of OpenAI ("OpenAI Global"), which are convertible into convertible preferred shares issuable by OpenAI Global or New OpenAI (as defined below) and (b) agreed, subject to certain conditions, to acquire in a second closing either (x) up to $30 billion in convertible preferred shares in OpenAI Global or the ultimate parent of the OpenAI group (such entity, "New OpenAI") resulting from a recapitalization or other restructuring of OpenAI Global (the "OpenAI Recapitalization"), subject to a right to syndicate up to a further $7.5 billion to co-investors, or (y) $10 billion in convertible interest rights in OpenAI Global if the OpenAI Recapitalization is not completed by December 31, 2025.

Our convertible preferred shares in New OpenAI are expected to be subject to customary automatic conversion provisions in connection with a future go-public transaction of New OpenAI. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Follow-on investments in OpenAI."

We entered into the OpenAI Follow-on Investment in the expectation that it would result in various benefits, including that our investment may appreciate in value if OpenAI successfully executes its business plan, including by effectively commercializing foundational AI technologies, maintaining market leadership, releasing more powerful large language models and/or successfully developing newer and more advanced general-purpose AI systems in the future.

However, the anticipated benefits of the OpenAI Follow-on Investment are subject to various uncertainties and may not be fully realized, or at all, or may take longer to realize than expected, or may be diminished or impeded by unanticipated costs, expenses or liabilities that could arise in connection with the OpenAI Follow-on Investment, the OpenAI Recapitalization or OpenAI's business and operations. As a minority investor in OpenAI, we have only a limited ability to influence OpenAI's business strategies and decision-making, and we cannot be assured that OpenAI's leadership will pursue the strategic initiatives that would be most beneficial to us. According to a statement published by OpenAI on May 5, 2025, following the OpenAI Recapitalization it is expected that New OpenAI will be controlled by a nonprofit entity, which may have interests that differ from or conflict with our own. Furthermore, even if OpenAI does pursue our preferred strategic initiatives, there can be no assurance that the benefits we expect will ever be realized.

If OpenAI does not succeed in attracting top talent, developing more powerful, efficient and useful foundation models or model-serving infrastructure, fundraising amounts it requires to finance its operations, if competitors of OpenAI develop AI technologies that are superior to OpenAI's, or if enough users do not adopt AI-powered products and services, OpenAI's business, results of operations and financial condition could be harmed.

If any of these scenarios, as well as others which we are not able to anticipate, occur, OpenAI's business, results of operations or financial condition could be adversely affected and our expected equity interest in OpenAI could lose value, which would cause us to recognize a valuation loss with an attendant impact on our results of operations. If such losses are sustained and severe, our expected equity interest in OpenAI could

become worthless, and we could lose the entire value of the OpenAI Follow-on Investment and all other investments we have made in OpenAI. Any of the foregoing could materially and adversely affect our business, results of operations and financial condition.

Our financial results may be adversely affected by the completion, non-completion, delay or downsizing of the OpenAI Follow-on Investment or the consummation of the OpenAI Recapitalization.

There can be no assurance that the OpenAI Follow-on Investment or the OpenAI Recapitalization and related transactions will be completed within the anticipated time period or completed at all. One or more closing conditions to the transaction may not be satisfied or waived on a timely basis or otherwise. In particular, under the terms of the OpenAI Follow-on Investment Agreement, the amount of SoftBank Group's commitment depends, among other things, on OpenAI's completion of the OpenAI Recapitalization.

In the event that the OpenAI Recapitalization is not completed by December 31, 2025, SoftBank Group will only be obligated to invest an additional $10 billion, rather than up to an additional $30 billion, in OpenAI Global, which would reduce SoftBank Group's total aggregate investment in OpenAI in respect of the OpenAI Follow-on Investment from up to $40 billion (with up to a total of $10 billion in aggregate syndicated across both closings) to up to $20 billion (with such additional $10 billion tranche funded solely by SoftBank Group without further syndication beyond the $2.5 billion syndication to co-investors previously completed in connection with the first closing of the OpenAI Follow-on Investment). If this occurs, the OpenAI Follow-on Investment will be reduced significantly in size, which may force OpenAI to alter, postpone, or cancel its business plans or new product development, oblige OpenAI to reduce its operational costs, place OpenAI at a competitive disadvantage relative to competing companies in the AI technology market, or otherwise adversely affect the future value of the OpenAI Follow-on Investment and our other investments in OpenAI.

We intend to procure financing to fund all or part of our obligations in respect of the second closing of the OpenAI Follow-on Investment. There can be no assurance that we will be able to obtain sufficient financing on terms satisfactory to us, or at all, to carry out the OpenAI Follow-on Investment. Any such financing may be subject to various preconditions and financial covenants. To the extent we are unable to obtain adequate financing, or one or more of our lenders is unwilling or unable to fund its portion of the commitments, we could be required to seek alternative financing or fund such portion of the commitments ourselves, including by liquidating or monetizing portfolio assets. However, financing alternatives may not be available on acceptable terms, in a timely manner, or at all.

Additionally, a material adverse change to OpenAI or us, or any delay in or uncertainty surrounding the completion of the transaction, could negatively affect OpenAI's or our respective businesses and financial condition, which could limit our ability to realize the expected benefits of the OpenAI Follow-on Investment. Further, a failed, significantly delayed or scaled back OpenAI Follow-on Investment may result in negative publicity and a negative impression of us or OpenAI. Any of the foregoing could adversely affect our business, results of operations and financial condition.

We face risks in connection with the Stargate Project.

On January 22, 2025, we announced our participation in the Stargate Project, a joint venture in which we, OpenAI, and other technical and financial partners plan to build new AI infrastructure in support of OpenAI through investment in a new joint venture entity, Stargate LLC ("Stargate"). See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Participation in the Stargate Project." Our participation in the Stargate Project is subject to various uncertainties and any benefits we anticipate from our participation may not be fully realized, or at all, or may take longer to realize than expected, or may be diminished or impeded by unanticipated costs, expenses or liabilities. In particular, construction delays, additional expenses due to tariffs, material or labor shortages, power supply constraints or regional electricity shortages, errors in design, or the requirement to obtain permits, site reviews and other governmental regulation, or any other obstacle during the planning, development or launch phases, could delay the completion of Stargate's planned AI infrastructure projects, and competition in the market for AI compute and supporting infrastructure could result in competing providers being able to provide superior AI compute services at lower price than the Stargate Project's facilities. Similarly, each project undertaken by the Stargate Project will be contingent on obtaining adequate financing and other factors outside our control. If for any reason these conditions are not met, the affected project or projects may be delayed, reduced in scale, or canceled. See "—General Business Risks—Tariffs and trade barriers could negatively affect our global operations and financial performance."

The occurrence of any of the foregoing could adversely affect the future value of our investment in the Stargate Project. Furthermore, the delay or cancelation of the Stargate Project may force OpenAI, which is anticipated to use compute and infrastructure to be supplied by the Stargate Project, to alter, postpone, or cancel its business plans or new product development, oblige OpenAI to reduce its operational costs, place OpenAI at a competitive disadvantage relative to competing companies in the AI technology market, or otherwise adversely affect the future value of the OpenAI Follow-on Investment and our other investments in OpenAI. Finally, a failed, significantly delayed, or scaled back Stargate Project may result in negative publicity and a negative impression of us, the Stargate Project or OpenAI. Any of the foregoing could materially and adversely affect our business, results of operations and financial condition.

Risks Related to SVF Segment

Our financial results may be significantly affected by risks relating to SVF.

We invest in each of SVF1, SVF2 and LatAm Funds (collectively, "SVF") as a limited partner. Investment decisions for the various entities comprising SVF are each separately made by investment committees established as committees of SBIA and SBGA, our wholly owned subsidiaries. SBIA manages SVF1 and SBGA manages SVF2 and LatAm Funds. SVF seeks to primarily invest in technology companies that leverage AI and are deemed to have high growth potential. SVF in general acquires minority interests in various companies, ranging from emerging technology businesses to established companies requiring substantial growth funding across a wide range of technology and AI sectors, as long as the investments fall within SVF's investment strategy. As of March 31, 2025, the total committed capital to SVF1 was $98.6 billion (including $33.1 billion from us), cumulative contributions from limited partners were $87.2 billion (including $29.9 billion from us), and remaining committed capital was $11.4 billion (including $3.2 billion from us). As of March 31, 2025, the total committed capital to SVF2 was $65.8 billion (including $63.2 billion from us), cumulative contributions from limited partners were $63.9 billion, and remaining committed capital was $1.9 billion. As of March 31, 2025, the total committed capital to LatAm Funds was $7.8 billion and cumulative contributions from limited partners were $7.6 billion, and remaining committed capital was $0.2 billion. See "Business—Our Assets—SVF—Organization and Capital Deployment."

All entities that comprise SVF are consolidated by us. Investments held by SVF are measured at fair value at the end of every quarter. Changes in fair value are recognized as gain and loss on investments (except for gain and loss on investments in subsidiaries) from SVF1, SVF2 and LatAm Funds in our consolidated statements of profit or loss. With respect to unlisted companies, fair value is measured by combining multiple methods, such as the price of recent transactions, discounted cash flow, and market comparable companies. A decline in the fair value of the investments—due to factors such as a deterioration in the results of operations of portfolio companies or a downturn in financial markets and economic conditions—could lead to a deterioration in the results of operations of SVF, which could have an adverse effect on our consolidated results of operations and financial position. For example, during the fiscal year ended March 31, 2024, we recorded loss on investments at SVF of ¥167 billion ($1.1 billion), although we subsequently recorded a gain on investment at SVF of ¥388 billion ($2,592 million) during the fiscal year ended March 31, 2025. Further, on a non-consolidated basis, a deterioration in the results of operations of SVF could cause us to record a valuation loss on investment made as a limited partner, which could have an adverse effect on our financial condition and results of operations.

We treat the portfolio companies in which SVF has invested and that we are deemed to control under IFRS as subsidiaries. Accordingly, the results of operations as well as assets and liabilities of said subsidiaries are reflected in our consolidated financial statements. Therefore, a deterioration in the results of operations of said portfolio companies that are subsidiaries could have an adverse effect on our consolidated results of operations and financial position. Gain and loss on investments in said subsidiaries that are recognized at SVF are eliminated in consolidation.

Our investment in SVF may not be profitable or generate cash flows.

Net proceeds from the investment performance of SVF1, SVF2 and LatAm Funds are distributed to limited partners, which includes us and third-party investors, in the case of SVF1. To the extent that SVF1, SVF2 and LatAm Funds are not able to realize investment gains on their portfolios, they will not generate cash in order to make such distributions to us as a limited partner. Specifically with regard to SVF1 which has third-party limited partners, contributions by the limited partners are classified as "Equity" and "Preferred Equity" depending on the terms and conditions of distribution. Preferred Equity is prioritized over Equity with regard to distribution and return of contribution, and we hold only Equity LP interests in SVF1. Distributions of Preferred Equity holders are calculated equal to a 7% rate per annum based on their contributions and are made semiannually. Accordingly, we do not receive any limited partnership distributions until and unless the

determined distributions to Preferred Equity are paid in full. Accordingly, unless the gains on the investment portfolio are sufficient, our LP interest in SVF1 will not generate cash flow for payments on the Notes, although the cash flow has not materially contributed to our Cash Position as of March 31, 2025.

Failure by SVF to generate portfolio gains to enable either LP distributions to us or performance fees to SBIA and SBGA could adversely affect our financial condition and results of operations.

SVF faces risks in connection with its use of leverage.

SVF may utilize borrowings, including direct borrowing, issuance of debt or mezzanine securities, trading on margin, use of derivative instruments and other forms of direct and indirect borrowings, on a non-recourse basis to us in order to incur leverage and securing liquidity on hand. All of these uses or exposures to leverage will increase the exposure of SVF's investments to adverse economic factors such as significantly rising interest rates, severe economic downturns or deterioration in the condition of the corresponding market of the investment. In the event an investment is unable to generate sufficient cash flow to meet principal and interest payments on its indebtedness, the value of SVF's equity in such investment could be significantly reduced or even eliminated, and, if such leverage has recourse to multiple investments, it may also reduce or eliminate the value of these other investments. In the event SVF is unable to generate sufficient returns to meet its obligations under borrowings, SVF may have to realize investments prematurely, adversely impacting returns to investors. As of March 31, 2025, SVF2's outstanding borrowing for the purpose of monetizing its investments was $3.4 billion.

SVF may not be able to exit from investments.

Due to the illiquid nature of many of the investments that SVF may acquire, we are unable to predict with complete certainty what the exit strategy will ultimately be for any given position. Because of SVF's focus on investing in unlisted companies that are seeking to go public, our ability to exit from investments or realize gains may also be heavily impacted by the health of the IPO market and appetite for public offerings generally. Accordingly, there can be no assurance that SVF will be able to realize any gains from such investments in a timely manner. Consequently, the timing of cash distributions to investors is uncertain and unpredictable. Exit strategies that appear to be viable when an investment is initiated may be precluded by the time the investment is ready to be realized due to economic, legal, political or other factors. SVF may be prohibited by contract or other limitations from selling certain securities for a period of time which may mean that SVF is unable to take advantage of favorable market prices. Such inability to exit investments in an optimal or timely manner could adversely affect our financial condition and result of operations.

Portfolio companies may not be able to adapt to regulation of new technologies or business models.

Our portfolio includes companies that are advancing the use of or are conducting research and development in relation to new technologies such as AI and big data and companies that are rolling out new business models that are different from existing business models. The business fields in which these types of new technologies and business models are offered (for example, financial services, autonomous vehicles and media) are already becoming subject to regulation and licensing regimes in many countries and regions, and these regulations may become stricter in the future. With the development of related laws, the introduction of, or changes in, regulations could have an adverse effect by creating financial burdens or restrictions on portfolio companies' business development and their results of operations by, for example, requiring portfolio companies to change, suspend, or discontinue the deployment of technologies, business models, or related research and development plans. Licenses and permits required to provide certain technology related services are subject to various conditions and there is no assurance that our portfolio companies will be able to satisfy such conditions. Such failure to adapt to regulation of new technologies or business models could adversely affect the value of our portfolio, which in turn could adversely affect our financial condition and results of operations.

SVF may have difficulty securing and retaining necessary human resources.

Each of SBIA and SBGA seeks to maximize the equity value of the investment funds that it manages by carefully selecting investments and promoting growth after investment through the provision of a wide range of support. For the success of these investment activities, it is essential to secure and retain capable personnel who possess broad knowledge of technology and financial markets as well as specialized skills in managing investment businesses. The inability of SBIA or SBGA to secure or retain an adequate number of such capable personnel—including in light of increasing competition among alternative asset firms; financial institutions; private equity, growth equity and venture capital firms; investment managers and other industry participants for hiring and retaining qualified investment professionals and other factors—could have an adverse effect on the maintenance or expansion of the investment scale and future investment performance of the investment funds they manage, which could adversely affect our financial condition and results of operations.

SVF's investment portfolio includes securities issued by listed companies.

SVF's investment portfolio may contain securities issued by listed companies. Such investments may subject SVF to risks that differ in type or degree from those involved with investments in unlisted companies. Such risks include greater volatility in the valuation of such companies resulting from the availability of quoted market prices, increased obligations to disclose information regarding such companies, limitations on the ability of SVF to dispose of such securities at certain times, increased likelihood of shareholder litigation and insider trading allegations against such companies' executives and board members, including employees of SBIA and SBGA, and increased costs associated with each of the aforementioned risks. In addition, securities traded on a public exchange are subject to such exchange's right to suspend or limit trading in certain or all securities that it lists. Such a suspension could render it temporarily impossible for SVF's positions to be liquidated, and thereby expose SVF to losses.

Risks Related to SoftBank Corp. Segment

Distributions from SoftBank Corp. are important as our recurring cash flow.

We received aggregate dividend distributions from SoftBank Corp. of ¥164.7 billion ($1,101 million) for the fiscal year ended March 31, 2025. Such distributions have historically been an important source for our recurring cash flow. SoftBank Corp.'s ability to continue to pay dividends to its shareholders is dependent upon the profitability of its business. Accordingly, our ability to generate cash flows in the future will continue to be dependent in part on SoftBank Corp.'s profitability in addition to our ability to generate cash flows from other sources such as the monetization of our investment portfolio.

SoftBank Corp. operates in rapidly changing markets and faces intense competition, including from other large and established competitors and well-funded entrants, and such competition may intensify.

Although a listed company, SoftBank Corp. remains our consolidated subsidiary and accounts for a substantial proportion of our consolidated net sales. Accordingly, the various risks that SoftBank Corp. faces in connection with its business could have a material adverse effect on our own business, financial condition and results of operations.

SoftBank Corp. and its subsidiaries (collectively, the "SoftBank Corp. Group") engage in its core business of telecommunications, in addition to providing services such as Yahoo! JAPAN, LINE, and PayPay, and developing its business in various fields within the information and technology domain, including those related to AI. The telecommunications-related market is undergoing major changes mainly driven by factors such as increasingly pro-competitive policies and new entrants from different industries, while users are increasingly seeking more inexpensive and varied services. In order to address the market environment described above, the SoftBank Corp. Group deploys services, products and sales methods that fit consumer preferences. However, if the SoftBank Corp. Group is unable to meet the expectations of consumers for price plans, voice and data communications quality and so forth, or if the service and products provided by the SoftBank Corp. Group have significant defects, it is possible that the SoftBank Corp. Group may be unable to maintain its current number of subscribers. Moreover, the introduction, amendment, or change in interpretation or application of laws, regulations, systems, and so forth, could result in the effective restriction of services and products that the SoftBank Corp. Group can deliver to its customers, or of sales methods and price plans, etc., causing it to experience a decline in revenue and to incur a larger financial burden.

In certain instances, the SoftBank Corp. Group's competitors may have a competitive advantage over the SoftBank Corp. Group in terms of capital, services and products, technology development capabilities, price competitiveness, customer base, sales capability, brands, public recognition, or overall capability in all of these, for example. If these competitors were to sell services and products that harness these competitive advantages to a greater extent than at present, the SoftBank Corp. Group may be placed at a disadvantage in sales competition, including price competition, may be unable to provide services and products, or acquire or retain customers, as anticipated, or may experience a decrease in Average Revenue Per User ("ARPU"). Furthermore, the services and products of newly established startup companies and new entrants could raise competition with the SoftBank Corp. Group's services and products. Moreover, it may be costly for the SoftBank Corp. Group to develop the newly emergent services and products needed to demonstrate competitiveness.

The SoftBank Corp. Group may conduct internal realignment for purposes such as streamlining overlapping business resources, speeding up decision-making, and generating greater synergies among businesses. However, if the SoftBank Corp. Group is unable to sufficiently capture the expected benefits of realignment, it could face problems such as trouble with and delays in the integration of services to be rolled out, adverse effects on strategies and synergies, and disruptions associated with realignment.

SoftBank Corp. may not be able to adapt to rapidly changing technology and business models in time or at all.

The SoftBank Corp. Group's primary business domain is the information technology industry, which is subject to rapid changes in technology and business models. Advances in the field of generative AI in particular have been surprising and are having a significant impact on existing business models. Although the SoftBank Corp. Group is constantly undertaking measures such as surveying the latest technology and market trends, conducting verification trials to introduce services with highly competitive technologies, and considering alliances with other companies, there are no assurances that the development of new technologies will proceed on time or results will be delivered as planned, or that common standards or specifications will be established, and commercial viability will be achieved. Even if the aforementioned measures are undertaken, there is a possibility that the SoftBank Corp. Group may be unable to develop or introduce outstanding services, technologies and business models in keeping with market trends due to the inability to appropriately adapt to changes in the market or regulatory environment in a timely manner, such as the emergence of new technologies and business models, or due to the inability to deploy equipment and facilities rapidly and efficiently. In this case, the SoftBank Corp. Group's service offerings could lose competitiveness in the market, possibly curtailing the number of subscribers that the SoftBank Corp. Group is able to acquire or retain, or reducing ARPU.

SoftBank Corp. handles customer information, including personal information, and may be subject to security breaches or leakage, which could result in reputational harm and claims from customers and authorities.

In its business operations, the SoftBank Corp. Group handles customer information (including personal information) and other confidential information. The SoftBank Corp. Group strives to build a framework to protect and manage information assets appropriately, including the appointment of a Chief Information Security Officer and education and training sessions on information security for officers and employees. However, this information could be leaked, lost, or involved in a similar incident, either intentionally or accidentally by the SoftBank Corp. Group (including officers, employees and related parties of subcontractors), or through malicious cyber-attacks, hacking, computer virus infections, or other form of unauthorized access or other means by a third party.

Moreover, if the products and services supplied by the SoftBank Corp. Group are used inappropriately for crimes, fraud or other unlawful or inappropriate uses, it could impair public trust in the SoftBank Corp. Group and the SoftBank Corp. Group's credibility.

Such an occurrence could reduce the SoftBank Corp. Group's competitiveness, and give rise to significant costs to the SoftBank Corp. Group for payment of damages and modification of security systems, in addition to having an adverse impact on SoftBank Corp. Group's credibility or corporate image and making it difficult to acquire or retain customers.

For example, LY Corporation has made reports to the Ministry of Internal Affairs and Communications (the "MIC") and the Personal Information Protection Commission (the "PPC") regarding an incident of unauthorized access that it announced on November 27, 2023, receiving administrative guidance from the MIC on March 5, 2024 and April 16, 2024, and recommendations and a request for a report, from the PPC on March 28, 2024. At the request of the MIC and the PPC, respectively, LY Corporation has submitted a series of reports to the MIC and the PPC on its initiatives to prevent a recurrence, most recently on March 31, 2025.

In a separate incident, LY Corporation received administrative guidance from the MIC as of March 28, 2025 regarding a November 2024 bug in LY Corporation's "LINE Album" photo sharing service in which image data of some users was inadvertently shown mixed in with the thumbnail images of other unrelated users' photo albums.

LY Corporation and SoftBank Corp. Group take these incidents seriously, have established systems to ensure the smooth and appropriate functioning of data governance, and are continuously working to strengthen these measures. If the initiatives undertaken by LY Corporation and SoftBank Corp. are judged to be inappropriate or insufficient, a resulting impairment of public trust in the SoftBank Corp. Group or a decrease in demand for the SoftBank Corp. Group's services could have an adverse impact on the SoftBank Corp. Group's business.

SoftBank Corp. relies on subcontractors and other third parties for certain of its operations.

The SoftBank Corp. Group consigns sales activities, acquisition and retention of customers, and telecommunications network construction and maintenance for various services and products, along with the execution of other related operations, in whole or part to subcontractors. In addition, the SoftBank Corp. Group's information search services make use of other companies' search engines and paid search advertising distribution systems. While the SoftBank Corp. Group strives to reduce risks in the supply chain, if these subcontractors

(including their officers and employees, or related parties) are unable to execute operations in line with the SoftBank Corp. Group's expectations, or if the information of its customers is obtained without authorization or a human rights infringement-related issue occurs, it could have an adverse impact on the SoftBank Corp. Group's business.

Furthermore, if the subcontractors' credibility and corporate image were to deteriorate through an incident it would also have a negative impact on the SoftBank Corp. Group's credibility or corporate image, which could hinder business development and the acquisition and retention of customers. Moreover, if these subcontractors fail to comply with laws and regulations, the SoftBank Corp. Group could be held accountable for failure to fulfill its supervisory responsibility and be subject to disciplinary measures, for example, a warning or administrative guidance from the regulatory authorities, and the SoftBank Corp. Group's credibility or corporate image could deteriorate, making it difficult to acquire and retain customers.

SoftBank Corp. may be subject to service disruptions or decline in quality due to faults in related systems and other factors.

The SoftBank Corp. Group provides various services by SoftBank Corp., including telecommunications networks, systems for customers, Yahoo! JAPAN, LINE, and the cashless payment service PayPay. When providing these services, it is possible that the SoftBank Corp. Group may be unable to continuously provide the services or suffer a decline in the quality of the services due to human error or problems with equipment or systems (including due to natural disasters and other unpredictable events), or cyber-attacks, hacking, computer virus infections, or other forms of unauthorized access or inappropriate use by a third party. Although the SoftBank Corp. Group has built redundancy into its networks, along with clearly defined restoration procedures in preparation for systems faults and other incidents and conducts restoration activities, such measures may not be adequate, and the SoftBank Corp. Group may be unable to avoid disruptions of services or declines in quality. If such disruptions of services or declines in quality become widespread or significant time is required to restore services, the SoftBank Corp. Group's credibility or corporate image could deteriorate, making it difficult to acquire and retain customers.

SoftBank Corp. and LY Corporation are designated as "core infrastructure providers" under Japanese laws and regulations.

In accordance with the Act on the Promotion of Ensuring National Security through Integrated Implementation of Economic Measures of Japan (the "Economic Security Promotion Act"), SoftBank Corp. and LY Corporation have been designated as "core infrastructure providers" in the Japanese telecommunications industry on November 16, 2023. The Economic Security Promotion Act and relevant regulations went into effect on May 17, 2024. If SoftBank Corp. or LY Corporation is unable to comply with and satisfy the requirements under the Economic Security Promotion Act, including prior notification of plans related to installation and contracting maintenance, management of key facilities and inspections by government authorities, regulatory authorities may take administrative measures with respect to SoftBank Corp. or LY Corporation, including making recommendations and issuing orders to implement countermeasures prescribed in the recommendations or to suspend business. As a result, SoftBank Corp. or LY Corporation may encounter suspensions of or delays in implementing its business plans and incur additional capital investment or costs to implement recommended countermeasures as well as reputational harm.

Risks Related to Arm Segment

Our holdings in Arm represent a significant portion of our assets.

As of March 31, 2025, our holdings in Arm represented approximately 41% of our Equity Value of Holdings. As Arm has not paid any dividends or distribution on its common stock to date and has not announced any intention to do so in the future, Arm's corporate value is largely dependent upon its business results, which are subject to substantial risks as described in "—We face various risks relating to Arm's operations." Any sustained, precipitous decline in the value or operations of Arm could substantially have a material adverse effect on our own business, financial condition and results of operations.

We face various risks relating to Arm's operations.

Arm's operations primarily consist of developing and licensing its high-performance and energy-efficient Arm compute platform, including central processing unit (CPU) products and other complementary products. Arm licenses its CPU and other products to semiconductor companies, original equipment manufacturers (OEMs) and other organizations to design its chips. These chips are built into end products such as smartphones, tablets, PCs and vehicles by systems companies. Arm's revenue includes licensing fees for Arm's technology,

and royalties received on chips with Arm's products that the licensees have shipped. For so long as Arm continues to be our subsidiary, the operations of Arm could substantially affect our business, financial condition and results of operations. Arm's business is subject to risks, including:

- *Change in the industry business dynamics*. Demand for Arm's technology and services is largely dependent on the semiconductor and electronics industries, which are volatile and intensely competitive and generally characterized by declining average selling prices over the life of a generation of chips. The revenue Arm generates from licensing activities is also largely dependent on the rate at which semiconductor and systems companies develop and adopt new generations of Arm's products, which is affected by the demand for these companies' chips and other products. Decreasing demand from systems companies for chips based on Arm's products would directly and adversely affect the amount of royalty revenues Arm receives.

  Arm's success depends substantially on the acceptance of its products and services by semiconductor and systems companies. There are competing architectures in the market and there is no certainty that the market will continue to accept Arm's products.

  The semiconductor and electronics industries have also become increasingly complex and subject to increasing design and manufacturing costs. Many of Arm's customers utilize third-party vendors for electronic design automation tools and the manufacture of their semiconductor designs. Arm works closely with those third parties to ensure that its technology is compatible with their design tools and manufacturing processes. However, if Arm fails to optimize its products appropriately or if Arm's access to such tools and processes is hampered, then Arm's products may become less desirable.

- *Competition*. The market for Arm's products is intensely competitive and characterized by rapid changes in design and manufacturing technologies, end-user requirements, industry standards, and frequent new products and improvements. Arm anticipates continued challenges from current and new competitors, including established technologies such as the x86 architecture, and free, open-source technologies, such as the RISC-V architecture.

  Arm's competitors may devote greater resources to the development, promotion and sale of products and services, they may offer lower pricing and different customer engagement models, and their performance, features and product quality may be more desirable than those of Arm. Arm may therefore have to invest substantial resources to further develop its ecosystem that allows it to compete with alternative architectures.

- *Development of New Products and Changes in Business Model.* To remain competitive, Arm must continue to innovate and develop new products and services, as well as enhancements to existing products and services, in response to expressed or anticipated customer demand and market opportunities. This has resulted in Arm allocating resources to and exploring new markets and/or different products and solutions for existing and prospective customers in various end markets, including, without limitation, new products in Arm's IP portfolio, as well as solutions beyond individual IP designs such as compute subsystems, chiplets and complete end chip solutions. Any products or solutions that constitute an entry into new markets or offerings of different solutions may be unsuccessful for any number of reasons. For example, as with any company entering a new market or offering new products or solutions, Arm will compete with companies that have a more established presence, long-standing customer relationships and established brand awareness or may have significantly greater resources dedicated to such markets and solutions than Arm. Further, Arm's customers may prefer to continue integrating Arm's IP components in their products and solutions, and, therefore, Arm's more integrated compute products may not be adopted by customers on Arm's expected timeline or at all. To the extent any such developments in Arm's product offerings, and other future changes to Arm's products and services, create real or perceived conflicts with companies that are important to Arm's business, such customers or partners may terminate or materially reduce their relationship with Arm and seek alternative architectures or products from competitors. In addition, in order to remain competitive, Arm may need to reduce the prices of its products or services or otherwise change the structure and terms of its customer relationships or business model. Arm can provide no assurance that customers will accept these changes. In such case, Arm may not realize the anticipated financial benefits of such changes, on the expected timeline or at all. Additionally, increases in the number or value of licenses signed in the future may not materialize in the same way or at all under a new business model and, therefore, licensing revenue and royalty revenue may be lower than expected. Further, the adoption of a new business model may have unexpected consequences for Arm, including making Arm's products less attractive to customers.

- *Research and Development.* To remain competitive, Arm must continue to innovate and develop new products, applications and enhancements to existing products and services, particularly as next-generation technology is adopted by market participants. Allocating and maintaining adequate research and development resources, such as the appropriate personnel and development technology, to meet the evolving demands of the market is essential to Arm's continued success, but Arm's allocated resources may be inadequate or Arm may pursue research and development initiatives based on assumptions about future demand that prove to be incorrect.

- *Customer concentration*. A significant portion of Arm's total revenue is generated from a limited number of key customers. As a result of this customer concentration, Arm is particularly susceptible to adverse developments affecting its key customers and their respective businesses.

- *Fragmentation of the global market*. The global market for Arm's products may be impacted by geopolitical factors. A shift towards geopolitical rivalry could lead to the fragmentation of the global semiconductor market, as certain countries want more end-to-end control of architecture, leading to increased architectural fragmentation and a reduced role for a global architecture. For Arm, this could lead to increased costs to support region specific products, reduced revenue as a result of lost investment in territories that no longer use Arm products and loss of potential markets and future licensing opportunities.

- *Concentration of revenue from PRC.* In particular, revenues from the People's Republic of China ("PRC") accounted for approximately 19% of Arm's total revenue for the fiscal year ended March 31, 2025, substantially all of which was derived from PRC semiconductor companies and OEMs, and from non-PRC semiconductor companies and OEMs that utilize Arm's products in chips and end products sold into the PRC. A failure of Arm to maintain PRC-sourced revenues, access new and existing markets in the PRC or gain traction for new business areas in the PRC, or a loss of Arm's market share in the PRC, could materially and adversely affect Arm's results of operations and competitive position.

  The PRC is a significant source of semiconductor industry revenues. However, the near-term growth prospects of the PRC semiconductor industry and related industries are unclear due to the uncertain effects of trade and national security policies, continued elevated levels of indebtedness, and related policies. In addition, political actions including trade protection and national security policies of the United States and the PRC governments currently do and could in the future limit or prevent Arm from transacting business in the PRC or with PRC customers or suppliers. A prolonged downturn or slow recovery in the PRC semiconductor industry or economy generally could materially and adversely affect Arm.

  In addition, regulatory and legislative actions, including trade and national security policies of the United States and Chinese governments, currently do and could in the future limit or prevent Arm from transacting business in China or with Chinese customers or suppliers.

- *Protection of IP rights*. Arm's success and ability to compete depends significantly on protecting its intellectual property rights. Arm primarily relies on patent, copyright, trade secret and trademark laws, trade secret protection and contractual protections, such as confidentiality, invention assignment and license agreements with its employees, customers, partners and others to protect its intellectual property rights. The steps Arm takes to protect its intellectual property rights may be inadequate. Arm also may not be able to obtain desired patents. Arm's exposure to different legal jurisdictions may also impact its ability to exercise its contractual and other rights around intellectual property in such jurisdictions. If Arm is unable to successfully navigate the relevant legal and regulatory environment and/or enforce its intellectual property and/or contractual rights in relevant jurisdictions, its business, results of operations, financial condition and prospects could be materially and adversely impacted.

  Litigation has been and may be necessary to enforce Arm's patents and other intellectual property rights. Any such litigation could be costly, may not be successful and would divert the attention of management and technical talent from normal business operations.

  Arm is involved in pending litigation, including but not limited to lawsuits with Qualcomm, Inc. and Qualcomm Technologies, Inc. (together "Qualcomm") and Nuvia, Inc. Arm can provide no assurances regarding the outcome of the litigation or how the litigation will affect Arm's relationship with or revenue from Qualcomm, which is currently a major customer of Arm. Arm's involvement in such litigation could cause significant reputational damage in the industry and to its relationship with Qualcomm and/or its relationships with other third-party partners.

- *Infringement of proprietary rights*. Arm has in the past been and may in the future be subject to claims by third parties alleging infringement, misappropriation or other violation of third-party intellectual property rights. Under Arm's customer agreements, it agrees in some cases to indemnify customers if a third party files a claim asserting that its products infringe such third party's intellectual property rights. Such claims can result in costly and time-consuming litigation, require Arm to enter into royalty or licensing arrangements, subject Arm to damages or injunctions restricting the sale of its products, result in invalidation of a patent or family of patents, require Arm to refund license fees to its customers or to forgo future payments or require Arm to redesign or rebrand certain of its products.

- *Brand and reputation*. Arm's brand and reputation are critical factors in its relationships with customers, employees, governments, suppliers, and other stakeholders. Arm's reputation can be impacted by catastrophic events, incidents involving unethical behavior or misconduct, product quality, security or safety issues, allegations of legal noncompliance, internal control failures, corporate governance issues, security incidents, workplace incidents, climate issues, the use of its technology for illegal or objectionable applications, marketing practices, media statements, the conduct of suppliers or representatives, and other issues that result in adverse publicity. Arm's own internal use of artificial intelligence, including but not limited to generative AI, concerns about Arm's practices related to AI and Machine Learning ("ML") or the ultimate uses of Arm's products in conjunction with AI and ML technologies, even if unfounded, could damage Arm's reputation. If Arm fails to respond quickly and effectively to these corporate crises and other similar threats, the ensuing negative public reaction could significantly harm its brand and reputation. Arm's brand and reputation may also be damaged by the actions of third parties that are imputed to Arm, for example, through Arm China.

- *Export restrictions and trade barriers*. Arm's headquarters are in the U.K., and it currently operates in jurisdictions around the world, including the United States, China, India, South Korea, Japan, Taiwan and Europe. Risks associated with these international operations include exposure to political, economic and financial conditions and expected and unexpected changes in legal and regulatory environments.

  Arm is subject to governmental export and import requirements that could subject Arm to liability or restrict its ability to license its products. If the U.S. Department of Commerce were to further broaden U.S. export restrictions on foreign-origin items, this could subject more of Arm's products to U.S. export controls and restrictions. Furthermore, if the U.S. Government implemented expanded economic sanctions on specific countries or regions where certain customers and trading partners are based, that could impact Arm's freedom to license its products to designated countries or entities.

  Trade relations between countries where Arm does business or where Arm's customers have end customers have recently been volatile. The U.S. government has imposed enhanced sanctions and export controls impacting the provisions of certain services and the cross-border transfer of technology and software products, and announced new licensing requirements which impact exports of some of Arm's customers' integrated circuits (ICs) and certain related items. The U.S. government also recently announced increased tariffs applicable to imports to the United States. These measures may increase costs and/or reduce distribution in key markets.

General Business Risks

Tariffs and trade barriers could negatively affect our global operations and financial performance.

On April 2, 2025, the United States announced the imposition of a 10% baseline tariff on imports into the United States from all countries with the exception of Canada and Mexico, effective on April 5, 2025, as well as varying reciprocal tariffs on imports from a large number of jurisdictions, including Japan, China, Taiwan, South Korea, Vietnam, the United Kingdom and the European Union, effective on April 9, 2025. Although reciprocal tariffs were partially suspended for a 90-day grace period, several affected countries have imposed retaliatory tariffs against the United States. While the United States has reached agreements with some countries to reverse or reduce these tariffs, the situation remains dynamic and subject to change, with the possibility that tariffs could return to their initial levels or further increase.

The magnitude and volatility of current U.S. policy with regard to tariffs and their imposition is likely to have significant effects on the global macroeconomy, trade patterns, and the structure of global value chains. Specifically, higher tariffs can lead to a decrease in global trade volumes, impacting economies worldwide, including Japan and the United States This could potentially lead to a broader economic slowdown or recession. A recession in the United States, Japan, or both could result in reduced consumer spending and business investment, affecting our revenues, while restricting access to credit, depressing investor confidence, and

potentially obliging us to scale back our planned investments. Additionally, tariffs in the United States could increase the cost of revenue for our U.S. subsidiaries by raising the price of imported goods and components, squeezing profit margins and affecting their overall performance. Tariffs could also have a negative effect on the business or results of operations of companies in which we invest and reduce the value of our investments in these companies. Any of the foregoing could have a material adverse effect on our business, financial condition and results of operations.

There is uncertainty as to our existing long-term corporate credit ratings and the instruments ratings of the Notes.

Our long-term corporate credit rating is BB+ (stable outlook) from Standard & Poor's Financial Services LLC ("S&P") and A (negative outlook) from Japan Credit Rating Agency, Ltd. ("JCR"), and we expect the Notes will receive a rating of BB+ from S&P. The ratings assigned to the Notes as well as the instrument ratings assigned to the Notes may be lowered or withdrawn entirely in the future, including if our LTV increases significantly or otherwise if we pursue an aggressive investment strategy at the expense of key financial metrics, if we experience a significant decline in the value of our investments, especially the value of our investments in listed companies, or if we suffer negative impacts from the acquisition of other companies, businesses or technologies.

Furthermore, ratings agencies other than S&P and JCR may decide to publish unsolicited ratings in respect of us or the Notes. There can be no assurance that such ratings will be comparable to the ratings provided by S&P or JCR.

A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time. No assurances can be given that a rating will remain for any given period of time or that a rating will not be lowered or withdrawn entirely by the relevant rating agency if in its judgment circumstances in the future so warrant. We have no obligation to inform the Holders of any such revision, downgrade or withdrawal. A suspension, reduction, notching down from our long-term issuer credit rating or withdrawal at any time of the ratings assigned to the Notes may adversely affect the market price of the Notes and may cause us to lose our ability to access bank lending or the capital markets, renew bank credit facilities and access other sources of financing. Downgrades could also increase our costs of borrowing and affect our ability to make payments on outstanding debt instruments and to comply with other existing obligations. Such events could have a material adverse effect on our business, financial condition and results of operations.

Security breaches and illegal or inappropriate use of our services could adversely affect our reputation and expose us to claims from customers and penalties from authorities.

We and many of our portfolio businesses collect, handle and maintain customer information, including personal information and other confidential information, in the course of our business operations. In some cases, we also rely upon third-party subcontractors to handle customer information. Information handled by us or our subcontractors may include a customer's name and email address, as well as date of birth, address, contact information, bank account information, credit card information and other information. We are subject to various regulations regarding the storage and protection of customer information, and we are required to exercise care in protecting the confidentiality of personal information, as well as to take steps to ensure the security of our services.

Any material leak of personal information, due to hacking or other unauthorized access to one of our databases, or due to the willful misconduct or inadvertent mistake of one of our own employees or subcontractors or otherwise, could result in claims or lawsuits against us, and we could be held legally responsible for any damages sustained by the affected persons. For example, LY Corporation has made reports to the MIC and the PPC regarding an incident of unauthorized access that it announced on November 27, 2023, receiving administrative guidance from the MIC on March 5, 2024 and April 16, 2024, and recommendations and a request for a report, from the PPC on March 28, 2024. At the request of the MIC and the PPC, respectively, LY Corporation has submitted a series of reports to the MIC and the PPC on its initiatives to prevent a recurrence, most recently on March 31, 2025. In a separate incident, LY Corporation received administrative guidance from the MIC as of March 28, 2025 regarding a November 2024 bug in LY Corporation's "LINE Album" photo sharing service in which image data of some users was inadvertently shown mixed in with the thumbnail images of other unrelated users' photo albums. See "—Risks Related to SoftBank Corp. Segment—SoftBank Corp. handles customer information, including personal information, and may be subject to security breaches or leakage, which could result in reputational harm and claims from customers and authorities." Any related reputational damage could lead to a decline in new subscribers or users or an increase in subscriber or user cancellations for any of our or our portfolio company's services. Any of the above consequences could have

a material adverse effect on the value of our investment portfolio, which could adversely affect our financial condition and results of operations.

Our operations may be significantly affected by natural disasters or other unexpected disruptions such as earthquakes or volcanic eruptions.

Some regions in which we or our various portfolio businesses conduct business operations are susceptible to natural disasters, such as earthquakes, volcanic eruptions, typhoons, tsunamis and floods. Such natural disasters or other unexpected disruptions, such as fires, power outages or shortages, terrorist attacks, human error, computer viruses, cyber-attacks, unauthorized access to our system or servers or system malfunctions could affect the normal operation of our businesses and hinder our provision of services to consumers. Any resulting decline in the quality of service on a widespread basis or for an extended period of time could result in loss of our reputation or trustworthiness and make it difficult to retain or attract customers. Further, remedying such disruptions could require significant unanticipated capital expenditures. For example, Japan is an earthquake-prone country and has historically experienced numerous large earthquakes that have resulted in extensive infrastructural damage and destruction.

Additionally, the head offices and business offices of various companies within our group are concentrated within the Tokyo metropolitan area. Therefore, the possibility exists that a major earthquake or other catastrophic natural disaster, attack or other disruption in the Tokyo metropolitan area, or any other area in which we or our portfolio companies are concentrated, could significantly affect our operations or impede the continuity of our business. Any of the foregoing may have a material adverse effect on our business, financial condition and results of operations.

We are subject to laws, government regulations and licensing regimes that restrict and may impose new restrictions on our business.

We are subject to various laws and regulations pertaining to general corporate business activities, as well as laws, regulations and licensing regimes governing our business operations, including laws regulating telecommunications, AI, internet advertising, e-commerce, autonomous vehicles, energy, robots, semiconductors, data centers, energy, IoT, financial or payment business or other corporate activities. Our businesses are also subject to laws and regulations relating to the environment, product liability, unfair competition, consumer protection, privacy protection, prohibition of bribery, labor, intellectual property rights, prevention of money laundering, taxes, currency exchange, business and investment permits and the import and export of goods. See "—Risks Related to SVF Segment—Portfolio companies may not be able to adapt to regulation of new technologies or business models," "—Risks Related to SoftBank Corp. Segment—SoftBank Corp. and LY Corporation are designated as "core infrastructure providers" under Japanese laws and regulations," "—Risks Related to Arm Segment—We face various risks relating to Arm's operations" and "Business—Regulation." Any future breaches of relevant regulations or administrative guidance could further subject us to administrative sanctions or guidance by government agencies that may hinder our business development or create financial burdens that could negatively affect our business, financial condition and results of operations. Furthermore, we have in the past, and may in the future, invest in portfolio companies which at such time are not subject to administrative, economic or government sanctions, or other similar restrictions, but which subsequently become subject to such sanctions or other restrictions, which could in turn effect our ability to remain invested in such businesses or our ability to monetize our position.

In providing services in different countries, we are subject to various laws and regulations that govern such jurisdictions as well as various licensing regimes under such laws. The enforcement of existing regulations may greatly restrict our ability to conduct and expand our business. Additionally, revisions to or changes in the interpretation or enforcement of applicable laws and regulations and the introduction of new laws and regulations could prevent us from conducting our current businesses or developing new businesses as anticipated. For example, we have made several investments in companies such as Revolut Group Holdings Inc., PayPay Corporation and Klarna Group plc which provide financial services in a large number of jurisdictions globally. The banking and financial services industry is subject to significant regulations, and, in some cases, these businesses have chosen to withdraw from jurisdictions where they determined it was impracticable or impossible to comply with such regulations.

We have mainly invested, and expect to continue to invest, in companies that leverage technologies related to AI, including technologies related to semiconductors, generative AI technologies, AI infrastructure, and foundational model developers, as well as companies applying AI across various industry verticals. Uncertainty in the legal regulatory regime relating to AI may require significant resources to modify and maintain business practices to comply with applicable laws and regulations, the nature of which cannot be

determined at this time. Several jurisdictions around the globe, including Europe and certain U.S. states, have already proposed or enacted laws governing AI, though these regulations remain in flux. For example, U.S. President Trump issued an Executive Order for Removing Barriers to American Leadership in AI (the "Removing Barriers EO") in January 2025 that rescinded President Biden's former Executive Order for the Safe, Secure, and Trustworthy Development and Use of AI (the "Biden EO"). The Removing Barriers EO calls for federal departments and agencies to revise or rescind all policies, directives, regulations, and other actions taken by the Biden administration that are "inconsistent" with "enhancing America's global AI dominance." The new Removing Barriers EO rescinds a number of AI related policies in place from the Biden EO, creating ongoing uncertainty regarding AI regulation in the United States On the other hand, European legislators have agreed to a stringent AI regulation, the EU AI Act, with fines in excess of those under the European Union's General Data Protection Regulation (the "GDPR"). Other jurisdictions may decide to adopt similar or more restrictive legislation that may render the use of such technologies challenging. Additionally, certain privacy laws extend rights to individuals (such as the right to delete certain personal data) and regulate automated decision making, which may be incompatible with AI features of our portfolio companies or their use of AI. These obligations may lead to regulatory fines or penalties or prevent or limit the use of AI in jurisdictions affected by such laws. If the use of AI is restricted, our portfolio companies that use AI technologies or provide product or services that feature AI capabilities may be less efficient or may be at a competitive disadvantage in jurisdictions where AI is so restricted. The legislative, judicial and regulatory landscapes relating to AI are evolving and may impact the ability of our portfolio companies to use AI and could limit their ability to operate and expand business, cause revenue to decline and adversely affect their business, in turn negatively affecting our business, financial condition and results of operations.

If new laws and regulations are introduced in a form we do not expect, or if existing laws and regulations are amended or subject to changes in interpretation or application, the products and services that we are able to offer to our customers could be limited. We may not be able to accurately predict, prevent or effectively react to new laws and regulations, or new amendments to or interpretations and applications of existing laws and regulations, which could have a material adverse effect on our business, financial condition and results of operations. In addition, decisions by regulators and competent authorities regarding the granting, amendment or renewal of licenses to us or to third parties, could materially adversely affect our businesses, financial condition and results of operations.

We are subject to changes in accounting and taxation systems.

The introduction of new accounting or taxation systems, or changes to existing systems, and the occurrence of an additional tax burden due to differences of views with the tax authorities could adversely affect our financial position and results of operations.

Our determination of our provisions for taxes requires judgment and estimation. In the ordinary course of our business, there are many transactions and calculations where the ultimate tax determination is uncertain. We cannot predict the form or timing of potential changes in accounting and taxation systems, but any newly enacted tax law could have a material adverse impact on our tax expense and cash flow.

We are from time to time subject to review and audit by tax authorities as well as subject to the prospective and retrospective effects of changing tax regulations and legislation. Although we believe our tax estimates are reasonable, the ultimate tax outcome may materially differ from the tax amounts recorded in our consolidated financial statements and may materially affect our income tax provision, net income, or cash flows in the period or periods for which such determination and settlement is made.

Furthermore, in countries and regions in which we or our portfolio companies conduct business activities, the introduction of or changes to tax laws or regulations or changes to their interpretations or enforcement or the incurrence of additional tax burdens due to differences of views with tax authorities could adversely affect our results of operations or financial position.

We may suffer from unauthorized use of our intellectual property by third parties and incur costs associated with protecting our intellectual property.

We regard our proprietary products, brands, domain names, trade names, copyrights, trademarks, trade secrets and similar intellectual property as critical to our business. However, policing the unauthorized use of our intellectual property is difficult and expensive. Although we have taken steps to prevent the misappropriation of our intellectual property, such protective measures may not be adequate to fully prevent the unauthorized use of our intellectual property. Any misappropriation of intellectual property that is used in our business, whether licensed to us or owned by us, could have a material adverse effect on our business, financial condition and results of operations. Further, the laws and enforcement procedures in some countries do not protect intellectual

property rights to the same extent as the laws and enforcement procedures of Japan or the United States. Legal protection of our rights may be ineffective in such countries, and we may be unable to protect our intellectual property rights in such countries. In the future, we may need to resort to court proceedings to enforce our intellectual property rights, which might result in substantial costs and diversion of management attention and resources away from the operation and growth of our business.

We may be subject to intellectual property claims.

We generally operate our business in a way that we believe is reasonably designed to avoid infringing the intellectual property rights of third parties. However, particularly as there are many companies that develop and provide online, AI and related technologies, the features and content of which continue to overlap, there is an increasing possibility that we may be subject to litigation involving claims of patent, copyright or trademark infringement, or other violations of intellectual property rights of third parties. In particular, the patent field covering online, AI and related technologies is rapidly evolving and surrounded by a great deal of uncertainty, and our technologies, processes or business models and methods may infringe the intellectual property rights of third parties either now existing or to be issued in the future. Existing or future infringement claims against us, whether valid or not, may be time consuming, distracting to management and expensive to defend.

Intellectual property litigation or claims could force us to:

- cease operating or using products or services that incorporate the intellectual property subject to such claims;
- modify the products or services to avoid infringing upon the intellectual property rights of third parties;
- obtain a license from the holder of the infringed intellectual property, which may not be available on commercially favorable terms, or at all; or
- change our business practices, any of which could result in additional costs.

Additionally, in the event that there is a determination that we have infringed the proprietary rights of any third party, we could incur substantial liabilities. Any of the above may have a material adverse effect on our business, financial condition and results of operations.

From time to time, we may become involved in legal proceedings, which could adversely affect our business.

From time to time, we may become subject to legal proceedings, claims, litigation and government investigations or inquiries, which could be expensive, lengthy or disruptive to normal business operations or affect our corporate image. In addition, the outcome of any legal proceedings, claims, litigation, investigations or inquiries may be difficult to predict and could have a material adverse effect on our business, financial condition and results of operations.

We face risks in connection with our sustainability efforts.

Our success in addressing sustainability issues is important for our business. However, our sustainability activities may diverge significantly from the expectations of internal and external stakeholders, including investors. For example, investors may judge that sustainability factors are not sufficiently integrated into our governance structure and management strategy, or that our measures are inadequate for addressing identified material issues related to sustainability, especially issues with higher priorities such as responsible AI, climate change, or human capital. In such cases, stakeholders' evaluation of us may deteriorate and adversely affect our investment and financing activities, which could have an adverse effect on our financial condition and results of operations. In addition, we may be unable to adequately assess the risks and opportunities associated with the sustainability aspects of our portfolio companies and our portfolio companies may be unable to develop their businesses as we expect. Additionally, if sustainability-related regulations over our investment activities and portfolio companies' business activities significantly change or become burdensome, the pace of investment may slow down or the cost to address such regulations may increase.

Risks Relating to the Notes

There is no prior market for the Notes and any market that does develop may not be liquid.

There is no existing market for the Notes. Although approval in-principle has been received for the listing of the Notes on the SGX-ST, there can be no assurance that we will be able to obtain or maintain such listing or

that any liquid markets for the Notes will ever develop or be maintained. The Initial Purchasers have advised us that they currently intend to make a market in the Notes following the offering. However, the Initial Purchasers have no obligation to make a market in the Notes and they may stop at any time. Furthermore, there can be no assurance as to the liquidity of any market that may develop for the Notes or the prices at which you will be able to sell your Notes, if at all. Future trading prices of the Notes will depend on many factors, including:

- prevailing interest rates;
- our financial condition and results of operations;
- the then-current ratings assigned to the Notes;
- the market for similar securities; and
- general economic conditions.

Any trading market that develops would be affected by many factors independent of and in addition to the foregoing, including the time remaining to the maturity of the Notes and until we are able to redeem the Notes at our option without paying a make-whole premium; the outstanding amount of the Notes; and the level, direction and volatility of market interest rates generally.

In addition, in the event that our obligations in connection with maintaining the listing of the Notes on the SGX-ST become unduly burdensome, we may be entitled to, and may decide to, delist the Notes from the SGX-ST and seek an alternate listing for the Notes on another securities exchange.

The Notes are unsecured obligations and will be effectively subordinated to the existing and future secured indebtedness of the Company and its subsidiaries. We and our subsidiaries may in the future incur substantial amounts of secured debt.

The Notes are unsecured obligations ranking effectively junior in right of payment to all existing and future secured indebtedness of the Company, to the extent of the value of the collateral securing such indebtedness. As of March 31, 2025, we did not have any secured indebtedness except for ¥3,462 billion ($23.2 billion) of asset-backed financing, which are non-recourse to us.

Additionally, the Indenture does not prohibit (other than in certain limited cases) the Company or the Company's subsidiaries from incurring indebtedness that is secured by liens over certain property and assets that do not also secure the Notes. Among other things, the Indenture permits the Company to pledge any shares that it owns in the Capital Stock (as defined in "Description of the Notes") or Equity Interests (as defined in "Description of the Notes") of any person other than any future Note Guarantors (as defined in "Description of the Notes") to secure indebtedness that does not provide for recourse to the assets of the Company beyond the pledged collateral. The negative pledge to be provided by us under the Indenture does not apply to certain types of indebtedness, including secured indebtedness that does not provide for recourse to our assets beyond the pledged collateral, and is otherwise subject to certain material exceptions. See "Description of the Notes—Certain Covenants—Negative Pledge." In addition, the Indenture permits our subsidiaries other than any future Note Guarantors to incur unlimited amounts of secured indebtedness that is otherwise non-recourse to the Company. See "Description of the Notes." The Indenture does not regulate our use of the proceeds of such secured indebtedness and will permit us to use such proceeds for, among other things, capital expenditures, acquisitions, other investments, repurchases of ordinary or preferred stock, distributions, dividends or any general corporate purpose. We cannot assure you that the proceeds of such secured indebtedness will be available for repayment of the Notes.

In the event of any bankruptcy, liquidation, reorganization, rehabilitation, dissolution, winding-up or other insolvency proceedings of the Company, the rights of the holders of the Notes to participate in the assets of the Company will rank behind the claims of secured creditors, if any.

Repayment of the Notes may be compromised if:

- we enter into bankruptcy, liquidation, reorganization, rehabilitation, dissolution or other winding-up proceedings or other insolvency proceedings;
- we default in payment of our secured indebtedness or other unsecured indebtedness; or
- any of our indebtedness is accelerated.

If any of these events occurs, our assets may be used first to satisfy the claims of secured creditors and the remaining assets may be insufficient to pay amounts due on the Notes.

The Notes will be structurally subordinated to any existing or future indebtedness, preferred stock and other liabilities of our subsidiaries.

The holders of the Notes will not have any direct right to claim against any of our subsidiaries, and may only participate in the assets of such subsidiaries through the distribution of the remaining assets to us as a common equity interest holder of such subsidiaries or the limited repayment to us as a creditor of such subsidiaries (if we have a claim against such subsidiaries) under bankruptcy or other insolvency procedures. As a result, the Notes are structurally subordinated to the preferred securities, outstanding debt and other obligations of our subsidiaries and the amount of such preferred securities, debt and obligations may be significant.

Our obligations under the Notes will rank pari passu in right of payment with other debt that will have equal right to all assets of the Company in the event of an insolvency or liquidation.

In insolvency or liquidation proceedings of the Company, subject to any claims that are preferred by law, secured claims or cases of preference as provided for under Japanese laws of general application, the Notes will rank *pari passu* in right of payment to all of our unsecured and unsubordinated indebtedness, including the 2015 Senior Notes, the 2017 Senior Notes, the 2018 Senior Exchange Notes, the 2021 Senior Notes, the 2024 Senior Notes, the Company's unsubordinated Yen-denominated bonds and any drawings under the commitment line facility, as well as other senior borrowings. See "Description of Other Indebtedness." Upon any distribution to our creditors in a liquidation, administration, bankruptcy, moratorium of payments, dissolution or other winding-up, the creditors under our unsubordinated corporate bonds (including the 2015 Senior Notes, the 2017 Senior Notes, the 2018 Senior Exchange Notes, the 2021 Senior Notes, the 2024 Senior Notes and the Company's unsubordinated Yen-denominated bonds), any drawings under the commitment line facility and other senior borrowings will be entitled to be paid equally and ratably with respect to our property and assets. See "—Enforcement of claims on the Notes will be subject to certain limitations arising under Japanese insolvency and corporate laws. Japanese laws may be different from, and not as favorable to you as, the laws in other jurisdictions."

The Indenture does not and will not restrict us from issuing preferred stock or incurring further unsecured indebtedness, which might dilute recoveries of holders of the Notes in any insolvency or liquidation.

The Indenture contains limited restrictive covenants and will not restrict our ability to make investments, incur indebtedness, pay dividends or enter into affiliate transactions.

The Indenture will contain limited restrictive covenants and the Indenture does not, and will not, restrict our ability to:

- make capital expenditures;
- sell or dispose of our properties and assets;
- make dividends or distributions on our equity interests or those of our subsidiaries;
- invest in affiliates, associates or subsidiaries (including by servicing indebtedness at such affiliates, associates or subsidiaries), invest cash and assets into SVF, repurchase ordinary or preferred stock, make distributions or issue dividends (except in certain limited circumstances);
- guarantee indebtedness issued by our subsidiaries and third parties;
- issue preferred securities or incur unsecured indebtedness;
- pledge the Capital Stock of, or other Equity Interests or securities issued by, any person other than a future Note Guarantor to secure indebtedness that does not provide for recourse to the assets of the Company beyond the pledged collateral; or
- enter into transactions with affiliates.

Our taking such actions under the Indenture could adversely affect our ability to pay amounts due on the Notes.

The ratings of the Notes may change after the issuance of the Notes and those changes may have an adverse effect on the market prices and liquidity of the Notes.

Credit ratings that the Notes may receive will not address all material risks relating to an investment in the Notes, but reflect only the view of each rating agency at the time the rating is issued. There is no assurance that any such credit ratings will remain in effect for any given period of time or that such ratings will not be

lowered or suspended. Credit ratings by one or more rating agencies may also be withdrawn, either by the relevant rating agencies or at our request. A downgrade or potential downgrade of our ratings, the assignment of new ratings that are lower than existing ratings or withdrawals of our ratings could reduce the number of potential investors of the Notes and adversely affect the prices and liquidity of the Notes. A security rating is not a recommendation to buy, sell or hold the Notes.

We may not have sufficient funds to repurchase the Notes upon a Change of Control Triggering Event and certain strategic transactions, including sale of our assets, may not constitute a Change of Control Triggering Event.

The occurrence of a Change of Control Triggering Event (as defined in "Description of the Notes") will require us to offer to repurchase the Notes at a purchase price equal to 100% of the aggregate principal amount of Notes repurchased, *plus* accrued and unpaid interest on the Notes up to but excluding the date of repurchase. It is possible that we will not have sufficient funds upon a Change of Control Triggering Event to purchase the Notes tendered pursuant to such an offer and any failure to do so would be a default under the Indenture and could result in cross defaults under our other financing agreements. See "Description of the Notes—Repurchase at the Option of Holders upon a Change of Control Triggering Event." In addition, some of our financing agreements or other similar agreements to which we may become a party may contain restrictions on our ability to purchase the Notes, regardless of the occurrence of a Change of Control Triggering Event.

We frequently evaluate and may in the future enter into strategic transactions. The change of control provisions contained in the Indenture may not protect you in the event of certain important corporate events, including reorganizations, recapitalizations, delistings, sale of key portfolio assets, restructurings or mergers that may adversely affect you, because these transactions may not involve a change in voting power or beneficial interest of the magnitude required to trigger a change of control under the Indenture. The change of control provisions would only be triggered due to a change in beneficial ownership of our shares if, among other things, a person other than Mr. Masayoshi Son, our Chairman and CEO, beneficially owned more than 50% of our voting shares. The change of control provisions would not be triggered if a person other than Mr. Masayoshi Son became our controlling shareholder, unless such other person obtains more than 50% of our voting shares. Strategic transactions such as the foregoing could happen at any time and could be material to our business. Similarly, the covenant described under "Description of the Notes—Certain Covenants—Merger or Consolidation" would neither prohibit us from engaging in the sale of our assets nor require a purchaser or successor entity to guarantee the Notes in the event of such a transaction. Such transactions could significantly increase the amount of our indebtedness outstanding at such time, increase our LTV or otherwise affect our capital structure or credit ratings.

Our leverage and debt service obligations could limit our flexibility, adversely affect our business and prevent us from fulfilling our obligations under the Notes.

The degree to which we may be leveraged could have important negative consequences for us and you as holder of the Notes. Our ability to make scheduled payments on the Notes and to meet our other debt service obligations depends on our future operating and financial performance and ability to generate cash, which are affected by our ability to implement our business strategy as well as general economic, financial, competitive and other factors beyond our control. For example, if we incur substantial debt, such debt could require us to dedicate a substantial portion of our cash flow from operations to making payments on our debt, thereby limiting the availability of funds for working capital, business opportunities and other general corporate purposes, increase our vulnerability to adverse general economic or industry conditions, make it more difficult for us to satisfy our obligations with respect to the Notes, limit our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate, increase our cost of borrowing, place us at a competitive disadvantage compared to our competitors that may have less indebtedness and limit our ability to obtain additional financing for working capital, capital expenditures, acquisitions or general corporate purposes. If we cannot generate sufficient cash to meet our debt service obligations or fund our other business needs, we may, among other things, need to refinance all or a portion of our debt, including the Notes, obtain additional financing or sell assets.

Additionally, even if we have a high level of indebtedness and leverage, we may be able to incur significant additional amounts of debt, which could further exacerbate the risks associated with substantial indebtedness. The restrictive covenants in the Indenture governing the Notes, the indentures governing our other senior notes and our other financing agreements impose only limited restrictions on our ability to incur further indebtedness. The debt we incur in compliance with these restrictions could be substantial.

In addition, certain of our outstanding financing agreements will mature or need to be refinanced prior to the maturity of the Notes. If our cash flows and capital resources are insufficient to fund our debt service

obligations, we may be forced to reduce or delay capital expenditures, sell assets, seek additional capital or seek to restructure or refinance our indebtedness, including the Notes. We may fail to generate sufficient cash through any of the foregoing. If we are not able to refinance any of our debt, obtain additional financing or sell assets on commercially reasonable terms or at all, we may not be able to satisfy our obligations with respect to our debt, including the Notes. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources."

Our corporate structure may affect your ability to receive payment on the Notes.

The Company is an investment holding company and substantially all of its operating income and cash flow are derived from its subsidiaries or proceeds from asset monetization. Although much of our business is conducted through our subsidiaries, none of our subsidiaries is obligated to make funds available to us for payment on the Notes and the terms of the financing agreements of our subsidiaries may restrict them from paying dividends and otherwise transferring assets to us. We cannot assure you that the agreements governing the current and future indebtedness of our subsidiaries will permit our subsidiaries to provide us with sufficient dividends, distributions or loans to fund payments on the Notes when due.

Our principal shareholder, Mr. Masayoshi Son, maintains significant influence over us, and his interests may conflict with your interests.

Mr. Masayoshi Son, our Chairman and CEO, is our single largest shareholder and owned 29.68% of our issued share capital excluding treasury stock as of March 31, 2025. As a result, Mr. Son has significant influence as to the composition of our Board of Directors and, in general, may determine the outcome of corporate decisions and other matters submitted to our shareholders for approval. Mr. Son also controls MASA USA LLC, a limited partner of SVF2 and LatAm Funds, which had an aggregate outstanding balance of ¥557 billion ($3.7 billion) as of March 31, 2025 in receivables of SVF2 and LatAm Funds personally guaranteed by Mr. Son. Mr. Son is also 33% owner of SB Northstar and Mr. Son's interests as non-controlling interests, including interest and others on loans, in SB Northstar were loss of ¥428 billion ($2.9 billion) as of March 31, 2025.

In April 2025, SVF2 invested $8.5 billion in OpenAI Global. To fund this investment, SVF2 borrowed $8.5 billion from SoftBank Group, and 17.25% of both the principal and interest on this borrowing is guaranteed by Mr. Masayoshi Son. An additional syndication to co-investors has been executed in connection with the investment in OpenAI Global. As a result, SVF2's investment amount has been reduced from $8.5 billion to $7.5 billion, and SVF2 paid $1.0 billion to SoftBank Group as partial repayment of the borrowing principal and accrued interest in May 2025. The interests of Mr. Son or other investors, in certain circumstances, may conflict with your interests. For example, Mr. Son could vote to declare dividends or cause us to incur indebtedness or provide funding or support to other entities in the group, in each case as permitted under the Notes, causing capital outflows or increasing debt service obligations, which could hinder our ability to meet our obligations under the Notes.

Enforcement of claims on the Notes will be subject to certain limitations arising under Japanese insolvency and corporate laws. Japanese laws may be different from, and not as favorable to you as, the laws in other jurisdictions.

We are incorporated in Japan and, consequently, will be subject to Japanese laws and procedures affecting debtors and creditors, such as bankruptcy, corporate reorganization, civil rehabilitation or special liquidation proceedings. Under the Bankruptcy Act of Japan (Act No. 75 of 2004, as amended), a petition for the commencement of bankruptcy proceedings may be filed with a court by us or any of our directors or creditors if we are generally and continuously unable to pay our debts as they become due because of a lack of ability to pay or if our liabilities exceed our assets. Under the Corporate Reorganization Act of Japan (Act No. 154 of 2002, as amended), a petition for the commencement of corporate reorganization proceedings may be filed with a court by us or certain qualified shareholders or creditors if it is likely that any of the grounds for bankruptcy as described above will arise. In addition, we may file a petition for the commencement of corporate reorganization proceedings if it is likely that the payment of a debt which becomes due would cause serious impediments to our continued business operations. Under the Civil Rehabilitation Act of Japan (Act No. 225 of 1999, as amended), a petition for the commencement of civil rehabilitation proceedings may be filed with a court by us or any of our creditors if it is likely that we face any of the grounds for bankruptcy as described above. A petition for civil rehabilitation may be also filed by us if we are unable to make any payments as they become due without causing any material obstruction to the continuation of our business. Under the Companies Act of Japan (Act No. 86 of 2005, as amended), a petition for the commencement of special liquidation proceedings may be filed with a court by any of our creditors, liquidators, Audit & Supervisory Board members or shareholders if, after liquidation proceedings have commenced, circumstances exist which would seriously impede the carrying out of our

liquidation or if there exists any possibility or doubt that our liabilities exceed our assets. The court will be required to order the commencement of bankruptcy proceedings at its initiative if, after a special liquidation has been commenced, the court determines that there exists a fact which constitutes a cause of commencement of the bankruptcy proceedings while: (i) there is no prospect of entering into a settlement agreement; (ii) there is no prospect of performing a settlement agreement; or (iii) the special liquidation conflicts with the general interest of the creditors.

In any of the insolvency proceedings mentioned above, our liabilities under the Notes would, in general, be paid to holders of the Notes and creditors ranking equally with such holders in right of payment on a pro rata basis, only after all of our debts that are entitled to a preferred status under the insolvency laws (such as employment remuneration claims, expenses of insolvency proceedings and taxes) have been paid. Also, the rights of the holders of the Notes will be effectively subordinated to those of secured creditors (*tanpo-kensha*). In insolvency proceedings other than corporate reorganization proceedings, secured creditors will be entitled to foreclose our collateralized assets outside of the insolvency proceedings, although the foreclosure of collateralized assets by the secured creditors may be suspended upon a special order of the court. In corporate reorganization proceedings, secured creditors will be required to participate in such proceedings, and their rights could be impaired or modified in accordance with a reorganization plan. However, claims of general creditors, including holders of the Notes, would be subordinated under the plan to secured claims to the extent of the net value of the security interest at the commencement of the proceedings unless agreed by a majority of secured creditors. In insolvency proceedings other than special liquidation proceedings, the Notes will rank senior in right of payment to our debts that are subordinated by law, as well as our debts that are contractually subordinated to the extent that we and creditors have agreed prior to the commencement of insolvency proceedings that, if insolvency proceedings are commenced against us, the debts shall be subordinated to any subordinated bankruptcy claims (*retsugo-teki hasan saiken*) defined in the Bankruptcy Act of Japan (such as claims for interest and default interest accrued after the commencement of insolvency proceedings and creditors' expenses to participate in insolvency proceedings) in the order of priority for receiving a distribution in the insolvency proceedings.

Under Japanese insolvency laws, no party (including, without limitation, any director of a company) is expressly obligated to file for the commencement of insolvency proceedings in any particular circumstance (except that liquidators are required to file for the commencement of special liquidation proceedings in certain circumstances). However, our directors are subject to general fiduciary duties under the Companies Act of Japan, which may in certain circumstances require them to take appropriate steps, including filing for the commencement of insolvency proceedings when a cause for insolvency arises. If our directors do not take appropriate action in such circumstances, they could be subject to civil and criminal liabilities.

If, based on a petition for the commencement of bankruptcy proceedings, a court orders the commencement of such bankruptcy proceedings, a trustee in bankruptcy (*hasan kanzainin*) will be appointed to administer our operations, realize all assets belonging to the bankruptcy estate and make distributions to creditors. If, based on a petition for the commencement of corporate reorganization proceedings, a court orders the commencement of such reorganization proceedings, a reorganization administrator (*kousei kanzainin*) will be appointed to take over our operations, assess all assets and liabilities, propose a reorganization plan and, if the plan is approved by our creditors and confirmed by the court, transfer management responsibilities to the new management under the plan. If, based on a petition for the commencement of civil rehabilitation proceedings, a court orders the commencement of such rehabilitation proceedings, our directors will remain in position (subject to supervision by a court appointed rehabilitation supervisor (*kantoku i-in*)) to propose a rehabilitation plan and, if approved by our creditors and confirmed by the court, execute the plan. If, based on a petition for the commencement of special liquidation proceedings, a court orders the commencement of such special liquidation proceedings, a liquidator (*seisan-nin*) will, under court supervision, liquidate all remaining assets and liabilities and make distributions to creditors under a settlement agreement approved by our creditors and confirmed by the court.

The offering of the Notes and payments made to the holders of the Notes may be avoided in insolvency proceedings (except for special liquidation proceedings) by the bankruptcy trustee, reorganization administrator or rehabilitation supervisor pursuant to their "right of avoidance" (*hi-nin ken*) as a fraudulent conveyance or voidable preference.

The acts that are subject to this right of avoidance include:

- any act by the debtor taken with the knowledge that such act will prejudice creditors and the beneficiary of such act was aware, at the time of the act, of the fact that such act will prejudice creditors (except the creation of a security interest or the extinguishment of obligations as to the already existing obligations);

- any act that (except the creation of a security interest or the extinguishment of obligations as to the already existing obligations):
  - prejudices creditors;
  - occurs after the debtor has suspended payments or after the filing of a petition; and
  - the beneficiary of such act was aware, at the time of the act, that the debtor has suspended payments or the filing of a petition has been made, and of the fact that such act will prejudice creditors;
- any voluntary act that:
  - relates to the creation of a security interest or the extinguishment of obligations as to the already existing obligations;
  - occurs after the debtor has become unable to pay debts in general and the creditor was aware, at the time of the act, of such debtor's inability or suspension of payments by the debtor;
  - occurs after the filing of a petition and the creditor was aware, at the time of the act, of such filing; or
  - occurs within 30 days prior to the debtor becoming unable to pay debts in general and the creditor was aware, at the time of the act, of the fact that such act will prejudice other creditors; and
- any gratuitous act (or act deemed to be gratuitous) by the debtor after, or within six months prior to, either the suspension of payments by the debtor or the filing of a petition.

For example, the offering of or payment on the Notes may be avoided if: (i) we are deemed to have been aware at the time of the offering that it would be to the detriment of our creditors and you are deemed to have had notice of such fact at that time; or (ii) the payment takes place after we have become unable to pay our debts in general, or a petition for insolvency proceedings has been filed, and you are deemed to have been aware of such fact at that time.

The transferability of the Notes may be limited under applicable securities laws.

The Notes have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or any other jurisdiction and, unless so registered, may not be offered or sold, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and the applicable securities laws of any state or any other jurisdiction. The Notes are being offered and sold in offshore transactions outside the United States in reliance on Regulation S only to non-U.S. persons. It is the obligation of holders of the Notes to ensure that their offers and sales of the Notes comply with applicable securities laws and the applicable transfer restrictions. See "Notice to Investors."

The Notes will initially be held in book-entry form and therefore you must rely on the procedures of the relevant clearing systems to exercise any rights and remedies.

Unless and until definitive Notes are issued in exchange for book-entry interests in the Notes (which will only occur in very limited circumstances), owners of the book-entry interests will not be considered owners or holders of the Notes. The common depositary (or its nominee) for the accounts of Euroclear and Clearstream will be the registered holder of any Notes. After payment to the common depositary, we will have no responsibility or liability for the payment of interest, principal or other amounts to the owners of book-entry interests. Accordingly, if you own a book-entry interest, you must rely on the procedures of Euroclear or Clearstream and if you are not a participant in Euroclear or Clearstream, on the procedures of the participant through which you own your interest, to exercise any rights and obligations of a holder under the Indenture. See "Book-Entry, Delivery and Form."

Unlike holders of the Notes themselves, owners of book-entry interests will not have the direct right to act upon our solicitations for consents or requests for waivers or other actions from holders of the Notes. Instead, if you own a book-entry interest, you will be permitted to act only to the extent you have received appropriate proxies to do so from Euroclear or Clearstream or, if applicable, from a participant. We cannot assure you that procedures implemented for the granting of such proxies will be sufficient to enable you to vote on any requested actions on a timely basis.

Similarly, upon the occurrence of an event of default under the Indenture, unless and until definitive registered notes are issued in respect of all book-entry interests, if you own a book-entry interest, you will be restricted to acting through Euroclear or Clearstream. We cannot assure you that the procedures to be implemented through Euroclear or Clearstream will be adequate to ensure the timely exercise of rights under the Notes. See "Book-Entry, Delivery and Form."

Holders of the Notes may have difficulty in serving process or enforcing a judgment against us or our directors, executive officers or Audit & Supervisory Board members.

We are a limited liability joint stock corporation incorporated under the laws of Japan. Most of our directors, executive officers and Audit & Supervisory Board members reside in Japan. All or substantially all of our assets and the assets of these persons are located in Japan and elsewhere outside the United States. It may not be possible, therefore, for holders of the Notes to effect service of process within the United States upon us or these persons or to enforce against us or these persons judgments obtained in U.S. courts predicated solely upon the laws of jurisdictions other than Japan. There is also doubt as to the enforceability in Japan, in original actions or in actions for enforcement of judgment of U.S. courts, of liabilities predicated solely upon the federal securities laws of the United States.

USE OF PROCEEDS

We expect to receive a total of approximately $4,002 million (equivalent) in net proceeds from this offering, comprising approximately $2,178 million from the Dollar Notes and €1,683 million from the Euro Notes, after deducting underwriting discounts and commissions and other offering expenses payable by us. We plan to use the proceeds of the offering for the redemption of foreign currency-denominated senior notes due 2025 and for general corporate purposes, including the maintenance of a cash position for the redemption of outstanding notes due over the next two years, the repayment of short-term loans and new investments.

The dollar-equivalent of the net proceeds from the Euro Notes was calculated by translating the euro-denominated net proceeds amount into Japanese yen at the rate of ¥162.08 = €1.00 and translating such yen amount into dollars at the rate of ¥149.52 = $1.00. Due to differences in currency exchange rates, such amount may differ from the amount of dollars that we would be able to receive by exchanging the net proceeds of the Euro Notes for dollars on or around the Issue Date. As of July 2, 2025, the relevant exchange rates were ¥169.39 = €1.00 and ¥143.69 = $1.00.

CAPITALIZATION

The following table sets forth: (i) our available Cash Position and capitalization on an actual historical basis as of March 31, 2025 under IFRS and (ii) available Cash Position and capitalization as adjusted to give effect to the offering of the Notes as if each had occurred on March 31, 2025. For the avoidance of doubt, interest-bearing debt incurred or repaid by our subsidiaries on or after April 1, 2025 is not adjusted herein. Under IFRS, the Yen-denominated hybrid bonds that we issued in February 2021, June 2021, and April 2023, and the Yen-denominated hybrid loans that we borrowed in May 2023 and November 2024 are considered debt, and the USD-denominated perpetual subordinated hybrid notes that we issued in 2017 are considered equity. With respect to the adjusted capitalization information below and adjusted financial information presented elsewhere in this offering memorandum, we have treated 50% of the carrying amount of our Yen-denominated hybrid bonds issued in February 2021, June 2021, and April 2023, and the Yen-denominated hybrid loans that we borrowed in May 2023 and November 2024 as equity, and 50% of the carrying amount of the USD-denominated perpetual subordinated hybrid notes that we issued in July 2017 as debt for the purposes of consistency and to align with the treatment presently applied for such securities for ratings purposes by S&P and JCR.

The information below is illustrative only, and our capitalization on a consolidated basis following the completion of this offering will be adjusted based on the actual proceeds from the offering and other terms of this offering determined at pricing. For our capitalization on a standalone basis, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Performance Indicators." You should read this table in conjunction with the information provided under "Selected Historical Financial Information," "Use of Proceeds," "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Description of Other Indebtedness," "Description of the Notes" and with our consolidated financial statements and the notes related thereto included elsewhere in this offering memorandum.

	As of March 31, 2025	
	Actual	Adjusted
	(billions of yen)[1]	
Cash Position[2]		
Cash and cash equivalents[3][4][5][6]	¥ 3,489	¥ 4,088
Short-term investments[7]	1,018	1,018
Bond investments[8]	1	1
Total Cash Position	¥ 4,508	¥ 5,106
Current interest-bearing debt		
Short-term borrowings[9]	¥ 1,582	¥ 1,582
Commercial paper	250	250
Current portion of long-term borrowings	1,684	1,684
Current portion of corporate bonds[4]	1,116	1,116
Current portion of financial liabilities relating to sale of shares by prepaid forward contracts	998	998
Current portion of installment payables	—	—
Total current interest-bearing debt	¥ 5,630	¥ 5,630
Non-current interest-bearing debt		
Notes offered hereby[5]	—	604
Long-term borrowings	¥ 5,357	¥ 5,265
Yen-denominated hybrid loans[10]	184	92
Other long-term borrowings	5,173	5,173
Corporate bonds	7,020	6,623
Yen-denominated hybrid bonds[11]	792	396
Other corporate bonds[4]	6,227	6,227
Installment payables	—	—
50% of USD-denominated perpetual subordinated hybrid notes (treated as debt)[12]	—	97
Total non-current interest-bearing debt	¥12,377	¥12,589
Total interest-bearing debt	¥18,006	¥18,219
Equity		
USD-denominated perpetual subordinated hybrid notes	193	97
Other equity	11,368	11,368
50% of yen-denominated hybrid bonds and loans (treated as equity)[13]	—	488
Total equity attributable to owners of the parent	¥11,562	¥11,953
Total capitalization	¥29,568	¥30,172

(1) Applicable U.S. dollar amounts have been translated into Japanese yen at the rate of ¥149.52 = $1.00 and applicable Euro amounts have been translated into Japanese yen at the rate of ¥162.08 = €1.00. Such translated amounts may differ from the amounts recorded on our future consolidated financial statements, which amounts will be translated using exchange rates prevailing at the end of the relevant period (unless the translated amounts do not approximate the amounts translated by the exchange rates at the dates of the transactions, in which case the exchange rates at the transaction dates are used). As of July 2, 2025, the relevant exchange rates were ¥143.69 = $1.00 and ¥169.39 = €1.00.

(2) The presented Cash Position is the sum of cash and cash equivalents, short-term investments and bond investments as of March 31, 2025.

(3) Cash and cash equivalents of ¥224 billion held by PayPay Bank Corporation are excluded.

(4) Cash and cash equivalents, current portion of corporate bonds and other corporate bonds in the "Adjusted" column excludes the effect of a total principal amount of ¥620 billion in yen-denominated straight corporate bonds issued in April and May 2025, the redemption of ¥572 billion of corporate bonds with the proceeds of such issuances, and the application of the remaining proceeds to cash and cash equivalents.

(5) The "Adjusted" column reflects receipt of the net proceeds of the sale of the Notes and increase in Notes offered hereby.

(6) Cash and cash equivalents in the "Adjusted" column excludes $4.8 billion of proceeds (before applicable taxes) from the sale of 21,500,000 shares in T-Mobile on June 17, 2025.

(7) Short-term investments consist of marketable securities and time deposits with maturities of over three months and other investments recorded as current assets, and excludes short-term investments of ¥177 billion held by PayPay Bank Corporation. Bond investments by SB Northstar are included herein.

(8) Bond investments consist of government bonds and corporate bonds held by the Company and its consolidated subsidiaries, primarily those that are investment grade with a short time to maturity.

(9) Short-term borrowings in the "Adjusted" column excludes the $7.5 billion (after syndication of $2.5 billion to co-investors) first closing of the OpenAI Follow-on Investment and the drawdown of the $8.5 billion related bridge loan in April 2025.

(10) Yen-denominated hybrid loans in the "Adjusted" column represent 50% of the carrying amount as of March 31, 2025 of ¥184 billion of the yen-denominated hybrid loans that we borrowed in May 2023 and November 2024.

(11) Yen-denominated hybrid bonds in the "Adjusted" column represents the 50% of the carrying amount of ¥792 billion of the yen-denominated hybrid bonds issued in February 2021, June 2021 and April 2023.

(12) 50% of USD-denominated perpetual subordinated hybrid notes (treated as debt) in the "Adjusted" column is 50% of the carrying amount of ¥193 billion of the USD-denominated perpetual subordinated hybrid notes issued in July 2017, adjusted and treated as debt.

(13) 50% of yen-denominated hybrid bonds and loans (treated as equity) in the "Adjusted" column represents the sum of (1) 50% of the carrying amount of ¥792 billion of the yen-denominated hybrid bonds issued in February 2021, June 2021 and April 2023, and (2) 50% of the carrying amount of ¥184 billion of the yen-denominated hybrid loans that we borrowed in May 2023 and November 2024, adjusted and treated as equity.

SELECTED HISTORICAL FINANCIAL INFORMATION

The following table shows our selected consolidated financial information as of and for the fiscal years ended March 31, 2024 and 2025. The selected consolidated financial information as of and for the fiscal years ended March 31, 2024 and 2025 is derived from our audited consolidated financial statements included elsewhere in this offering memorandum that were prepared in accordance with IFRS.

	As of and for the fiscal year ended March 31,	
	2024 (audited)	2025 (audited)
	(millions of yen)	
Statement of Profit or Loss Data:		
Net sales	¥ 6,756,500	¥ 7,243,752
Cost of sales	(3,214,108)	(3,489,549)
Gross profit	3,542,392	3,754,203
Gain (loss) on investments at Investment Business of Holding Companies	(459,045)	3,413,821
Gain (loss) on investments at SoftBank Vision Funds	(167,290)	387,584
Gain (loss) on other investments	66,985	(100,298)
Total gain on investments	(559,350)	3,701,107
Selling, general and administrative expenses	(2,982,383)	(3,024,409)
Finance cost	(556,004)	(581,559)
Foreign exchange gain (loss)	(703,122)	27,055
Derivative gain (loss) (excluding gain (loss) on investments)	1,502,326	(2,034,029)
Change in third-party interests in SVF	(390,137)	(491,898)
Other gain	204,079	354,251
Income before income tax(1)	57,801	1,704,721
Income taxes	151,416	(101,613)
Net income	¥ 209,217	¥ 1,603,108
Net income attributable to		
Owners of the parent	¥ (227,646)	¥ 1,153,332
Non-controlling interests	436,863	449,776
Statement of Financial Position Data:		
Total assets	¥46,724,243	¥45,013,756
Cash and cash equivalents	6,186,874	3,713,028
Total liabilities	33,487,074	31,060,730
Total interest-bearing debt	20,567,524	18,006,330
Total equity	13,237,169	13,953,026
Statement of Cash Flows Data:		
Net cash provided by operating activities	¥ 250,547	¥ 203,580
Net cash used in investing activities	(841,461)	(1,631,540)
Net cash used in financing activities	(606,222)	(1,116,384)

(1) The following shows our segment income before income tax.

	For the fiscal year ended March 31,	
	2024	2025
	(millions of yen)	
Segment Income (Income Before Income Tax)		
Investment Business of Holding Companies	¥ (97,526)	¥ 794,251
SoftBank Vision Funds	128,179	(115,018)
SoftBank	835,076	906,309
Arm	(33,215)	47,667
Other	51,408	31,002
Reconciliations	(826,121)	40,510
Consolidated Income (Income Before Income Tax)	¥ 57,801	¥1,704,721

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Financial data presented for the fiscal years ended March 31, 2024 and 2025 is derived from our audited consolidated financial statements which, together with their notes, are included elsewhere in this offering memorandum. Prospective investors should read the following discussion of our financial condition and results of operations together with such financial statements and notes to such statements included elsewhere in this offering memorandum. The presentation in this section contains forward-looking statements that involve risks, uncertainties and assumptions. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of factors, including, but not limited to, those set forth under "Risk Factors," "Presentation of Financial Information" and elsewhere in this offering memorandum. Unless the context otherwise requires, references to the "Company" refer to SoftBank Group Corp., and references to "we," "our," "us," "SoftBank" and the "SoftBank Group" refer to the Company, its consolidated subsidiaries and equity method non-consolidated subsidiaries and associates, as the context requires.

Overview

As a strategic investment holding company, we invest in a diverse range of businesses in the information and technology sectors. Each of our portfolio companies seeks self-sustained growth while we, in turn, support each of our portfolio companies by promoting collaboration among our portfolio companies and leveraging our group's network.

Our reportable segments are:

- Investment Business of Holding Companies segment, which mainly consists of investment activities by us and our subsidiaries;
- SoftBank Vision Funds segment, which mainly consists of investment activities by SVF1, SVF2 and LatAm Funds;
- SoftBank segment, which mainly consists of our (i) consumer business: the provision of mobile services, sale of mobile devices, and provision of broadband services to retail customers in Japan; (ii) enterprise business: provision of mobile communications and solutions services to enterprise customers in Japan; (iii) distribution business: the provision of Information and Communication Technology ("ICT") services products to enterprise customers and provision of communication device-related products and Internet of Things ("IoT") equipment to retail customers; (iv) media & EC (e-commerce) business: the provision of media-related services, advertising and commerce-related services; and (v) financial business: the provision of payment and financial services, and includes, among others, the business results from SoftBank Corp. and its subsidiaries;
- Arm segment, which mainly consists of the design of semiconductor intellectual property and related technology, and the sale of software tools and provision of related services by Arm and its subsidiaries; and
- Other, including, among other things, the business results from SBE Global, LP and Fukuoka SoftBank HAWKS Corp. On May 14, 2024, we sold all of our interests in Fortress Investment Group LLC, held through our subsidiary. With the completion of this transaction, Fortress Investment Group LLC is no longer our subsidiary.

For details regarding our business, see "Business."

The following table shows the percentage of our net sales and segment income for the fiscal year ended March 31, 2025 attributable to each of our segments:

	For the fiscal year ended March 31, 2025						
	Investment Business of Holding Companies	SoftBank Vision Funds	SoftBank	Arm	Other[1]	Reconciliations[2]	Consolidated
Net sales	—	—	90.3%	8.5%	1.8%	(0.6)%	100.0%
Segment income (income before income tax)	46.6%	(6.7)%	53.2%	2.8%	1.8%	2.3%	100.0%

(1) Other includes, among other things, the business results from SBE Global, LP and Fukuoka SoftBank HAWKS Corp. On May 14, 2024, we sold all of our shares in Fortress Investment Group LLC, held through our subsidiary. With the completion of this transaction, Fortress Investment Group LLC is no longer our subsidiary.

(2) Reconciliations includes an elimination of intersegment transactions, as well as an elimination of gain and loss on the investment in shares in Arm and PayPay Corporation, subsidiaries of the Company, and others, which are included in segment income of the SoftBank Vision Funds segment.

Changes in Presentation of Financial Information

Starting in the fiscal year ended March 31, 2025, the presentation of our financial information has been changed as follows. Information for the fiscal year ended March 31, 2024 included here and elsewhere in this offering memorandum has been restated and presented in the same manner.

Presentation of consolidated statement of profit or loss and consolidated statement of comprehensive income

"Income (loss) on equity method investments" which was separately presented for the past fiscal year, is included in "Other gain (loss)" for the fiscal year ended March 31, 2025, since the amount decreased and became insignificant.

Presentation of consolidated statement of cash flows

"Increase/decrease in derivative financial assets and derivative financial liabilities in asset management subsidiaries," "(Increase) decrease in restricted cash in asset management subsidiaries," and "Increase (decrease) in borrowed securities in asset management subsidiaries" under "Cash flows from operating activities," which were separately presented for the past fiscal year, are included in "Other" for the fiscal year ended March 31, 2025, since the relevant amounts decreased and became insignificant.

In addition, proceeds from (repayment of) borrowings with short maturities and quick turnover in some subsidiaries which were previously presented on a gross basis and included in "Proceeds from interest-bearing debt" and "Repayment of interest-bearing debt " under "Cash flow from financing activities," are now presented on a net basis and included in "Proceeds in (repayment of) short-term interest-bearing debt, net" for the fiscal year ended March 31, 2025.

Payment of third installment of consideration for intragroup transaction

In February 2025, the Company made the third installment payment of $4.1 billion as part of the total consideration for the acquisition of Arm's ordinary shares. This acquisition took place in August 2023, prior to Arm's initial public offering in September 2023, when a wholly owned subsidiary of the Company purchased the ordinary shares of Arm held by SVF1 (equivalent to 24.99% of Arm's outstanding shares) for $16.1 billion (the "Transaction Consideration"). The Transaction Consideration is being paid in four installments. The first installment of $4.1 billion was paid upon transaction completion in August 2023, followed by the second installment of $4.1 billion in August 2024. These installment payments have no impact on the consolidated financial statements, as they are settlements of claims and obligations related to the consideration for transfer of shares of the Company's subsidiary within the Group.

Timing and amount of installments of the Transaction Consideration is as follows:

	1st – Paid	2nd – Paid	3rd – Paid	4th – Scheduled
	(billions of dollars)			
Timing	August 2023	August 2024	February 2025	August 2025
Amount	$ 4.1	$ 4.1	$ 4.1	$ 3.8

Follow-on investments in OpenAI

As of March 31, 2025, we had invested $2.2 billion in OpenAI through SVF2. On March 31, 2025, we and OpenAI entered into the OpenAI Follow-on Investment Agreement, pursuant to which, in each case subject to certain conditions set forth therein, we agreed to (a) acquire convertible interest rights issued by OpenAI Global which are convertible into convertible preferred shares of New OpenAI following the OpenAI Recapitalization, as well as to (b) acquire convertible preferred shares of New OpenAI following the OpenAI Recapitalization.

The OpenAI Follow-on Investment is to be consummated across multiple closings, consisting of (i) the acquisition of $10 billion of convertible interest rights in the initial closing of the OpenAI Follow-on Investment and (ii) the acquisition of either (x) up to $30 billion in convertible preferred shares in New OpenAI, if the OpenAI Recapitalization is consummated, or (y) $10 billion in convertible interest rights in OpenAI Global, if the OpenAI Recapitalization is not completed, in the second closing of the OpenAI Follow-on Investment. In the

aggregate, if the OpenAI Recapitalization is consummated and the conditions in the OpenAI Follow-on Investment Agreement are met, we intend to syndicate out $10.0 billion of the up to $40.0 billion investment to co-investors. Accordingly, our effective, net investment amount is expected to be up to $30.0 billion, subject to syndication and completion of the OpenAI Recapitalization. The OpenAI Follow-on Investment values OpenAI at $260 billion pre-funding and $300 billion post-funding.

On April 15, 2025, following the end of the fiscal year ended March 31, 2025, the first closing of the investment in OpenAI Global was completed, and OpenAI Global received funding for $10.0 billion out of a maximum planned investment of $40.0 billion. Of this amount, $1.5 billion was syndicated to co-investors on the same date, and the remaining $8.5 billion was funded by SVF2. Subsequently, additional syndication to co-investors was executed, and SVF2's investment amount was reduced from $8.5 billion to $7.5 billion. To fund the investment in the first closing, in April 2025, the Company borrowed $8.5 billion from Mizuho Bank, Ltd. and other financial institutions, and lent the same amount to SVF2. In connection with the additional syndication, in May 2025, the Company received $1.0 billion from SVF2 as partial repayment of the loan principal and accrued interest, which we intend to apply towards partial repayment of the outstanding bridge loan. The OpenAI Follow-on Investment is subject to various uncertainties and risks. See "Risk Factors—Risks Related to Our Investment in OpenAI and the Stargate Project."

Participation in the Stargate Project

On January 22, 2025, we announced our participation in the Stargate Project, a joint venture in which we, OpenAI, and other technical and financial partners plan to build new AI infrastructure in support of OpenAI through investment in a new joint venture entity, Stargate, LLC ("Stargate"). Initial investment commitments have been made and are expected to increase in the near to medium term dependent on the progress of the project.

The Stargate Project aims to invest in building AI infrastructure in the United States. SoftBank and OpenAI are the lead partners for the Stargate Project, with SoftBank having financial responsibility and OpenAI having operational responsibility. Mr. Masayoshi Son is the chairman of Stargate LLC. Our participation in the Stargate Project is subject to various uncertainties and risks. See "Risk Factors—Risks Related to Our Investment in OpenAI and the Stargate Project."

Acquisition of Ampere

On March 19, 2025, we entered into an agreement with Ampere Computing Holdings LLC ("Ampere"), a United States-based semiconductor design company focused on high-performance, energy-efficient, sustainable compute based on the Arm compute platform, and certain of its equity holders, to acquire all of the equity interests of Ampere for $6.5 billion through one of our wholly owned U.S. subsidiaries (the "Ampere Acquisition").

The Ampere Acquisition has been approved by our Board of Directors but remains subject to regulatory approvals including U.S. antitrust clearance and approval by the Committee on Foreign Investment in the United States and the U.S. Federal Trade Commission, as well as the satisfaction or waiver of other closing conditions, such as compliance in all material respects with covenants, failure of a material adverse effect on Ampere to occur, and certain employment-related matters.

The Company expects the closing of the Ampere Acquisition to occur in the second half of the fiscal year ending March 2026. As a result of the Ampere Acquisition, Ampere will become a wholly owned subsidiary of the Company. The Ampere Acquisition is subject to various risks. See "Risk Factors—Risks Relating to Our Status as a Strategic Investment Holding Company—We face various risks in connection with our investment activities."

Centralization of robotics-related investment under an intermediate holding company

On January 23, 2025, the Board of Directors resolved to establish an intermediate holding company ("Robo HD") to centralize its robotics-related investments, which had previously been dispersed across multiple entities within the Group. This initiative aims to enhance value creation by fostering synergies through centralized management. During the fourth quarter of the fiscal period ended March 31, 2025, 10 portfolio companies, including Berkshire Grey, Inc., Stack AV Co., among others, held by the Company were transferred to Robo HD via either in-kind contributions or sales. Additionally, six portfolio companies, including 1X Holdings, Inc., Agile Robots SE, Skild AI, Inc., Terabase Energy, Inc., among others, held by SVF2 were transferred to Robo HD via in-kind contributions. The Company and SVF2 also made cash contributions to fund committed investments and related obligations.

In addition, the transfers of SoftBank Robotics Group Corp. and Balyo SA held by the Company, as well as AutoStore Holdings Ltd. ("AutoStore") held by SVF2, are expected to be completed in the fiscal year ending March 2026. Upon completion of all planned transfers, the Company expects to hold a majority interest in Robo HD, with the remaining interest held by SVF2.

The transfer values of these investments from the Company and SVF2 to Robo HD are based on their fair value as of the respective transfer dates and will be finalized based on a valuation assessment provided by an independent external organization following the completion of all transfers. Provisional values have been applied for the investments transferred during the fourth quarter. These transfers and cash contributions are intragroup transactions and have therefore been eliminated in consolidation.

Recent Developments

Since March 31, 2025, we have continued to pursue our business and investment strategies. The following are some recent developments and investments:

- *Issuance and Sale of Yen-denominated Corporate Bonds to Retail Market.* On May 2, 2025, we issued and sold a series of unsecured straight yen-denominated bonds, the 65th Unsecured Straight Corporate Bond, or the "Fukuoka SoftBank HAWKS Bond," mainly to individual investors in retail markets. The aggregate principal amount of the Fukuoka SoftBank HAWKS Bond issued is ¥600 billion ($4,013 million). We also issued and sold a series of unsecured straight yen-denominated bonds, the 66th Unsecured Straight Corporate Bond, to wholesale markets on April 24, 2025. The aggregate principal amount of the yen-denominated straight corporate bonds issued for wholesale investors in the offering of our 66th Unsecured Straight Corporate Bond is ¥20 billion ($134 million).
- *Bridge Loans.* On April 10, 2025, we signed a one-year unsecured bridge loan agreement with a syndicate of 21 financial institutions in respect of (i) a bridge loan of $8.5 billion to fund the first closing of the OpenAI Follow-on Investment, which has been drawn down, and (ii) a bridge loan of $6.5 billion to fund the Ampere Acquisition, which has not yet been drawn, for an aggregate principal amount of $15 billion.
- *Sale of T-Mobile Shares.* On June 17, 2025, acting through a wholly owned subsidiary, we executed a sale of shares in T-Mobile, selling 21,500,000 shares out of the 85,361,065 shares owned by us immediately prior to the sale. The sale yielded proceeds of $4.8 billion before applicable taxes.

Key Performance Indicators

Our investment portfolio is made up of companies that we believe have a competitive edge over peers in each sector, centered on semiconductor and telecommunications, and includes operating companies such as Arm and SoftBank Corp. Strategic investments that offer added value through deep management involvement are made by SoftBank Group or its wholly owned subsidiaries, while other investments are to be channeled through SVF. For effective monitoring of the composition of our investment portfolio and its performance, we use various financial measures, including non-IFRS financial measures and metrics such as Equity Value of Holdings, Gross Interest-bearing Debt, Cash Position, Standalone Cash Position, Standalone Net Interest-bearing Debt, NAV and LTV ratio. We consider these measures and metrics to be useful measures of our investment performance because they facilitate analysis of our investment portfolio based on key factors such as liquidity and fair value, as well as our financial condition. These non-IFRS financial measures should not be unduly relied on or considered as alternatives to historical results of operations prepared in accordance with IFRS. No regulatory body in Japan or elsewhere has passed judgment on the acceptability of the adjustments and hypothetical assumptions that we use to prepare these non-IFRS financial measures. In addition, these non-IFRS financial measures do not have any standardized meaning and may not be comparable with similar measures used by other companies. Furthermore, these non-IFRS financial measures do not guarantee that we will achieve a certain level of financial status. For more details on non-IFRS financial measures, please see "Presentation of Financial Information—Non-IFRS Financial Measures."

We calculate Equity Value of Holdings presented below based on our proportionate ownership in the investments and corresponding fair value as of given dates below, except that, in some cases, acquisition cost is used. Because the equity value of our investments and holdings reported on an absolute basis could be affected by cross-segment investments, intersegment transactions, and financing activities and derivative transactions using the securities invested, we have made certain adjustments as listed below. We have additionally calculated adjusted pro forma Equity Value of Holdings as of June 24, 2025 reflecting the effect of the following transactions, as well as changes in share prices for our main listed portfolio companies: (i) the acquisition of $7.5 billion of convertible interest rights in OpenAI after giving effect to $2.5 billion syndicated to co-investors in connection with the first closing of the OpenAI Follow-on Investment; (ii) the sale of 21,500,000 shares of our

holdings of T-Mobile as of June 17, 2025 for proceeds of $4.8 billion before applicable taxes. The following table sets forth the calculation of Equity Value of Holdings as of the end of each of the three-month periods indicated and the adjusted pro forma Equity Value of Holdings as of June 24, 2025.

	As of					Adjusted Pro Forma as of
	March 31, 2024	June 30, 2024	September 30, 2024	December 31, 2024	March 31, 2025	June 24, 2025
	(billions of yen)[1]					
Equity Value of Holdings						
Alibaba[2]						
Fair value of Alibaba shares held by the Company	¥ 3,757	¥ 3,722	¥ 4,274	¥ 2,560	¥ 1,559	¥ 8
Unsettled portion of prepaid forward contracts using Alibaba shares	(3,752)	(3,716)	(4,267)	(2,553)	(1,550)	—
Alibaba total	5	5	7	6	9	8
SoftBank Corp.						
Fair value of SoftBank Corp. shares held by the Company[3]	3,736	3,762	3,585	3,809	3,991	4,217
Outstanding amount related to asset-backed financings using SoftBank Corp. shares	(576)	(565)	(526)	(500)	(796)	(796)
SoftBank Corp. total	3,159	3,197	3,058	3,309	3,195	3,421
SVF1						
Company's portion of the equity value of SVF1[4]	3,444	3,881	3,654	3,949	3,680	3,680
SVF1 total	3,444	3,881	3,654	3,949	3,680	3,680
SVF2						
Company's portion of the equity value of SVF2[5][6]	4,424	4,341	4,042	4,521	4,768	5,861
SVF2 total	4,424	4,341	4,042	4,521	4,768	5,861
LatAm Funds						
Company's portion of the equity value of LatAm Funds[7]	968	1,023	940	1,026	953	953
LatAm Funds total	968	1,023	940	1,026	953	953
T-Mobile						
Fair value of T-Mobile shares held by the Company[8]	2,276	2,422	2,514	2,980	3,404	2,139
Net other derivatives	(71)	—	—	—	—	—
Unsettled portion of prepaid forward contracts using T-Mobile shares	(444)	—	—	—	—	—
T-Mobile total[9]	1,761	2,422	2,514	2,980	3,404	2,139
Deutsche Telekom						
Fair value of Deutsche Telekom shares held by the Company	828	910	947	1,072	1,140	1,101
Unsettled portion of collar transactions using Deutsche Telekom shares	(500)	(540)	(580)	(692)	(728)	(683)
Deutsche Telekom total[10]	328	371	367	380	412	418
Arm						
Fair value of Arm shares held by the Company	17,462	24,318	18,835	18,005	14,734	21,046
Payable amount of consideration for Arm shares	(1,823)	(1,939)	(1,133)	(1,256)	(575)	(575)
Outstanding margin loan backed by Arm shares	(1,275)	(1,357)	(1,204)	(1,331)	(1,258)	(1,226)
Arm total[11]	14,365	21,022	16,498	15,419	12,900	19,244
Others						
Other assets held by the Company[12]	1,894	2,001	2,063	2,074	2,062	2,062
Others total	1,894	2,001	2,063	2,074	2,062	2,062
Total	¥30,348	¥38,264	¥33,142	¥33,664	¥31,384	¥37,786

(1) U.S. dollar amounts have been translated into Japanese yen using the exchanges rates prevailing as of the dates indicated. The exchange rates used for the equity value of holdings as of the dates indicated are ¥151.41 = $1.00, ¥161.07 = $1.00, ¥142.73 = $1.00, ¥158.18 = $1.00 and ¥149.52 = $1.00, ¥145.78 = $1.00 in order from left to right.

(2) Calculated by multiplying the number of Alibaba shares held as of the dates indicated by the per-share price of Alibaba shares as of the dates indicated; *less* the sum of the amount to be settled at the maturity of the unsettled portion of prepaid forward contracts using Alibaba shares as of the dates indicated (calculated by using the per-share price of Alibaba as of the dates indicated). The adjusted pro forma information relating to Alibaba as of June 24, 2025 reflects the settlement of all prepaid forward contracts using Alibaba shares.

(3) Calculated by multiplying the number of SoftBank Corp. shares held as of the dates indicated by the per-share price of SoftBank Corp. shares as of the dates indicated, *less* the amount equivalent to the outstanding amount related to asset-backed financings using SoftBank Corp. shares as of the dates indicated.

(4) Calculated as the sum of our portion of the equity value of SVF1 and the performance fees accrued, each as of the dates indicated. The equity value of SVF1 is equivalent to the value of the investments made by SVF1 as of the dates indicated, calculated as financial assets at fair value through profit and loss.

(5) Calculated as the sum of our portion of the equity value of SVF2. The equity value of SVF2 is equivalent to the value of the investments made by SVF2 as of the dates indicated, calculated as financial assets at fair value through profit and loss.

(6) Company's portion of the equity value of SVF2 in the "Adjusted Pro Forma as of June 24, 2025" column is adjusted to reflect acquisition of $7.5 billion of convertible interest rights in OpenAI after giving effect to $2.5 billion syndicated to co-investors in connection with first closing of the OpenAI Follow-on Investment in April 2025.

(7) Calculated as the sum of our portion of the equity value of LatAm Funds and the performance fees accrued, each as of the dates indicated. The equity value of LatAm Funds is equivalent to the value of the investments made by LatAm Funds as of the dates indicated, calculated as financial assets at fair value through profit and loss.

(8) The fair value of our holdings of T-Mobile in the "Adjusted Pro Forma as of June 24, 2025" column includes the effect of the June 17, 2025 sale of shares in T-Mobile, in which 21,500,000 shares out of the 85,361,065 shares owned by us immediately prior to the sale were sold, yielding proceeds of $4.8 billion before applicable taxes.

(9) Calculated by (i) multiplying the number of T-Mobile shares held (including the number of T-Mobile shares subject to call options held by Deutsche Telekom AG) as of the dates indicated by the per-share price of T-Mobile shares as of the dates indicated; *less* (ii) the amount of derivative financial liabilities relating to the call options held by Deutsche Telekom AG as of the dates indicated; *less* (iii) the sum of the total amount to be settled at maturity of prepaid forward contracts using T-Mobile shares, such as collar contracts, calculated by using the share price of T-Mobile as of the dates indicated.

(10) Calculated by (i) multiplying the number of Deutsche Telekom shares held as of the dates indicated by the per-share price of Deutsche Telekom shares as of the dates indicated; *less* (ii) the sum of the total amount to be settled at maturity of collar transactions using Deutsche Telekom shares, such as collar contracts, calculated by using the share price of Deutsche Telekom as of the dates indicated.

(11) Calculated by (i) multiplying the number of Arm shares held as of the dates indicated by the per-share price of Arm shares as of the dates indicated *less* (ii) the remaining consideration for the acquisition of Arm shares from SVF1 in August 2023 and the acquisition of two companies previously spun out from Arm through intra-group transactions; *less* (iii) the sum of the outstanding amount of margin loans borrowed by the Company backed by Arm shares as of the dates indicated.

(12) Calculated as the sum of the market value of the listed stocks held, the fair value of the unlisted stocks held and our portion of the net asset value of SB Northstar, calculated as assets *minus* liabilities, each as of the dates indicated, other than (2) through (11) above.

In addition to Equity Value of Holdings, we believe Gross Interest-bearing Debt, Standalone Cash Position, Standalone Net Interest-bearing Debt, NAV and LTV ratio to be useful measures in monitoring our financial condition and assessing our financial cushion for future investment capacity and financial maneuvers such as sale or monetization of our assets, debt reduction and share repurchase. We calculate Gross Interest-bearing Debt by deducting non-recourse interest-bearing debt and lease liabilities of our self-financing subsidiaries such as SoftBank Corp. (including its subsidiaries), SVF1, SVF2, LatAm Funds and Arm from the consolidated interest-bearing debt and lease liabilities and making adjustments for hybrid finance, asset-backed financings and interest-bearing debt of our asset management subsidiaries such as SB Northstar. We define the consolidated Cash Position as the sum of cash and cash equivalents, short-term investments recorded as current assets and bond investments (excluding Cash Position held by PayPay Bank Corporation) on a consolidated basis and calculate Standalone Cash Position by deducting Cash Position of our self-financing subsidiaries such as SoftBank Corp. (including its subsidiaries such as LY Corporation and PayPay Corporation), SVF1, SVF2, LatAm Funds and Arm from the consolidated Cash Position and making adjustments for Cash Position of our asset management subsidiaries such as SB Northstar. We deduct Standalone Cash Position from Gross Interest-bearing Debt to arrive at Standalone Net Interest-bearing Debt. Based on the foregoing, we calculate NAV by deducting Standalone Net Interest-bearing Debt from Equity Value of Holdings, and define LTV ratio as the ratio of Standalone Net Interest-bearing Debt to Equity Value of Holdings.

The following tables show our consolidated interest-bearing debt and lease liabilities, Gross Interest-bearing Debt, Consolidated Cash Position, Standalone Cash Position, Standalone Net Interest-bearing Debt, Equity Value of Holdings and NAV as of the end of each of the fiscal periods indicated. We have additionally calculated our NAV on an adjusted pro forma basis as of June 24, 2025 reflecting (i) adjusted pro forma Equity Value of Holdings as of June 24, 2025 as calculated above, (ii) the acquisition of $7.5 billion of convertible interest rights in OpenAI after giving effect to $2.5 billion syndicated to co-investors in connection with the first closing of the OpenAI Follow-on Investment, (iii) the issuance of a total principal amount of ¥620 billion in yen-denominated straight corporate bonds issued in April and May 2025 and the redemption of ¥572 billion corporate bonds with the proceeds of such issuance, (iv) receipt of $4.8 billion of proceeds (before applicable taxes) from the sale of 21,500,000 shares in T-Mobile on June 17, 2025. For avoidance of doubt, adjusted pro forma NAV as of June 24, 2025 does not reflect the issuance of the Notes offered hereby.

	As of					Adjusted Pro Forma as of
	March 31, 2024	June 30, 2024	September 30, 2024	December 31, 2024	March 31, 2025	June 24, 2025
	(billions of yen)					
Current interest-bearing debt[1][2]	¥ 8,271	¥ 9,141	¥ 8,936	¥ 7,346	¥ 5,630	¥ 5,130
Current lease liabilities	150	161	159	162	165	165
Non-current interest-bearing debt	12,296	11,580	10,502	11,782	12,377	12,997
Non-current lease liabilities	645	717	730	736	742	742
Consolidated interest-bearing debt and lease liabilities	¥21,362	¥21,600	¥20,327	¥20,026	¥18,913	¥19,034
Non-recourse interest-bearing debt and lease liabilities of subsidiaries[3]	(7,065)	(7,271)	(7,077)	(7,074)	(6,774)	(6,774)
Adjustment for hybrid finance[4]	(367)	(367)	(367)	(392)	(392)	(392)
Adjustment for asset-backed financings[2][5]	(7,443)	(7,167)	(5,777)	(4,941)	(3,462)	(2,464)
Gross Interest-bearing Debt[6]	¥ 6,487	¥ 6,795	¥ 7,105	¥ 7,620	¥ 8,286	¥ 9,404
Consolidated cash and cash equivalents[7]	5,939	5,190	4,135	4,167	3,489	4,212
Consolidated short-term investments recorded as current assets	493	711	758	1,224	1,018	1,018
Consolidated bond investments	45	80	0	1	1	1
Consolidated Cash Position	¥ 6,477	¥ 5,981	¥ 4,893	¥ 5,392	¥ 4,508	¥ 5,230
Cash Position held at subsidiaries[8]	(2,521)	(2,150)	(1,907)	(2,085)	(1,885)	(1,885)
Adjustment for Cash Position held at asset management subsidiaries[9]	(22)	(18)	(12)	(17)	—	—
Standalone Cash Position	¥ 3,934	¥ 3,814	¥ 2,974	¥ 3,290	¥ 2,623	¥ 3,346
Gross Interest-bearing Debt	6,487	6,795	7,105	7,620	8,286	9,404
Standalone Cash Position	(3,934)	(3,814)	(2,974)	(3,290)	(2,623)	(3,346)
Standalone Net Interest-bearing Debt	¥ 2,553	¥ 2,981	¥ 4,131	¥ 4,330	¥ 5,663	¥ 6,058
Equity Value of Holdings[10]	30,348	38,264	33,142	33,664	31,384	37,786
NAV	27,795	35,283	29,011	29,334	25,721	31,727

(1) Current interest-bearing debt in the "Adjusted Pro Forma as of June 24, 2025" column reflects (i) $7.5 billion drawn down as under the bridge loan in connection with the first closing of the OpenAI Follow-on Investment, giving effect to planned partial repayment in August 2025 of $1 billion outstanding under such bridge loan with the proceeds of syndication; (ii) the redemption of ¥572 billion corporate bonds with the proceeds of the issuance of a total principal amount of ¥620 billion in yen-denominated straight corporate bonds issued in April and May 2025.

(2) Current interest-bearing debt and adjustment for asset-backed financings in the "Adjusted Pro Forma as of June 24, 2025" column reflects the settlement of all outstanding prepaid forward contracts using Alibaba shares as of May 31, 2025.

(3) Non-recourse interest-bearing debt of subsidiaries includes interest-bearing debt and lease liabilities at self-financing subsidiaries such as SoftBank Corp., SVF1, SVF2, LatAm Funds and Arm, which are non-recourse to the Company. The interest-bearing debt includes interest-bearing debts to third parties only, and excludes the amount calculated as deposits for banking business. Net Interest-bearing Debt held at our subsidiaries as of March 31, 2025 were ¥4,679 billion at SoftBank Corp., net cash of ¥30 billion at SVF1, ¥471 billion at SVF2, net cash of ¥368 billion at Arm, and ¥138 billion at Other.

(4) Adjusted for hybrid finance to reflect: (i) deduction of 50% of the outstanding principal amount of the yen-denominated hybrid bonds issued in February 2021, June 2021 and April 2023, which are recorded as liabilities in the consolidated financial statements; (ii) addition of 50% of the outstanding principal amount of the USD-denominated hybrid notes issued in July 2017, which are recorded as equity in the consolidated financial statements; and (iii) deduction of 50% of the outstanding principal amount of the yen-denominated hybrid loan borrowed in November 2017, which was refinanced with the borrowing of a new hybrid loan in November 2024, and the hybrid loan borrowed in May 2023, which is recorded as liabilities in the consolidated financial statements.

(5) Adjusted for asset-backed financings to reflect the deduction of the sum of: (i) the financial liabilities relating to sale of shares by prepaid forward contracts using Alibaba shares; (ii) the amount equivalent to the outstanding margin loan backed by Arm shares; (iii) the amount equivalent to the outstanding amount related to asset-backed financings using SoftBank Corp. shares; (iv) the financial liabilities relating to sale of shares by prepaid forward contracts using T-Mobile shares, such as collar contracts; and (v) the financial liabilities recorded as interest-bearing debt related to collar transactions using Deutsche Telekom AG shares, each as of the end of the date indicated. For more details, see "—Cash and Capital Requirements—Debt Repayments and Certain Other Contractual Commitments—Variable Prepaid Forward Contracts and Collar Transactions" and "—Liquidity and Capital Resources—Margin Loans Backed by Arm and SoftBank Corp. Shares."

(6) Reflects the issuance of a total principal amount of ¥620 billion in yen-denominated straight corporate bonds issued in April and May 2025 and the redemption of ¥572 billion corporate bonds with the proceeds of such issuance.

(7) Cash and cash equivalents in the "Adjusted Pro Forma as of June 24, 2025" column is adjusted to reflect $4.8 billion of proceeds (before applicable taxes) acquired via the sale of 21,500,000 shares in T-Mobile on June 17, 2025.

(8) Cash Position held at subsidiaries includes cash and cash equivalents and short-term investment recorded as current assets held at self-financing subsidiaries such as SoftBank Corp., SVF1, SVF2 and Arm. Cash Position held at subsidiaries includes bond investments. Cash and cash equivalents of ¥224 billion held by PayPay Bank Corporation are excluded.

(9) Adjustment for interest-bearing debt of asset management subsidiaries includes interest-bearing debt at SB Northstar. Cash Position held at asset management subsidiaries includes short-term investments recorded as current assets at SB Northstar. From March 31, 2025, SB Northstar is included under our consolidated interest-bearing debt and lease liabilities.

(10) Equity Value of Holdings in the "Adjusted Pro Forma as of June 24, 2025" column is adjusted to reflect acquisition of $7.5 billion of convertible interest rights in OpenAI, after giving effect to the syndication of $2.5 billion to co-investors in connection with first closing of the OpenAI Follow-on Investment, as well as the June 17, 2025 sale of shares in T-Mobile, in which 21,500,000 shares out of the 85,361,065 shares owned by us were sold, yielding proceeds of $4.8 billion before applicable taxes, plus the settlement of all remaining prepaid forward contracts using Alibaba shares.

The following table shows LTV ratio as of the end of the fiscal periods indicated.

	As of				
	March 31, 2024	**June 30, 2024**	**September 30, 2024**	**December 31, 2024**	**March 31, 2025**
	(billions of yen except LTV ratio)				
Standalone Net Interest-bearing Debt	¥ 2,553	¥ 2,981	¥ 4,131	¥ 4,330	¥ 5,663
Equity Value of Holdings	30,348	38,264	33,142	33,664	31,384
LTV ratio	8.4%	7.8%	12.5%	12.9%	18.0%

Results of Operations

Comparison of the Fiscal Year Ended March 31, 2025 with the Fiscal Year Ended March 31, 2024

The following table shows selected statement of income data for the fiscal years ended March 31, 2024 and 2025. The comparisons below are with respect to the financial information derived from our audited financial statements for the fiscal year ended March 31, 2025 and the financial information for the fiscal year ended March 31, 2024 is presented as comparative information therein.

	For the fiscal year ended March 31,	
	2024	2025
	(millions of yen)	
Net sales	¥ 6,756,500	¥ 7,243,752
Cost of sales	(3,214,108)	(3,489,549)
Gross profit	3,542,392	3,754,203
Gain on investments		
Gain (loss) on investments at Investment Business of Holding Companies	(459,045)	3,413,821
Gain (loss) on investments at SoftBank Vision Funds	(167,290)	387,584
Gain (loss) on other investments	66,985	(100,298)
Total gain on investments	(559,350)	3,701,107
Selling, general and administrative expenses	(2,982,383)	(3,024,409)
Finance cost	(556,004)	(581,559)
Foreign exchange gain (loss)	(703,122)	27,055
Derivative gain (loss) (excluding gain (loss) on investments)	1,502,326	(2,034,029)
Change in third-party interests in SVF	(390,137)	(491,898)
Other gain	204,079	354,251
Income before income tax	57,801	1,704,721
Income taxes	151,416	(101,613)
Net income	209,217	1,603,108
Net income attributable to		
Owners of the parent	(227,646)	1,153,332
Non-controlling interests	436,863	449,776
Net income	¥ 209,217	¥ 1,603,108

Consolidated Results of Operations

Net sales. Net sales increased by ¥487 billion ($3,259 million), or 7.2%, from ¥6,757 billion ($45,188 million) for the fiscal year ended March 31, 2024 to ¥7,244 billion ($48,447 million) for the fiscal year ended March 31, 2025 mainly due to increases in the net sales of the SoftBank and Arm segments.

Cost of sales. Cost of sales increased by ¥275 billion ($1,842 million), or 8.6%, from ¥3,214 billion ($21,496 million) for the fiscal year ended March 31, 2024 to ¥3,490 billion ($23,338 million) for the fiscal year ended March 31, 2025 mainly due to an increase in the cost of sales of the SoftBank Segment, in line with net sales increase.

Gross profit. Gross profit increased by ¥212 billion ($1,417 million), or 6.0%, from ¥3,542 billion ($23,692 million) for the fiscal year ended March 31, 2024 to ¥3,754 billion ($25,108 million) for the fiscal year ended March 31, 2025.

Gain (loss) on investments at Investment Business of Holding Companies. Loss on investments at Investment Business of Holding Companies was ¥459 billion ($3,070 million) for the fiscal year ended March 31, 2024, compared to a gain of ¥3,414 billion ($22,832 million) for the fiscal year ended March 31, 2025. The gain for the fiscal year ended March 31, 2025 was primarily due to investment gains of ¥1,876 billion ($12,546 million) on Alibaba shares, ¥1,352 billion ($9,043 million) on T-Mobile shares, and ¥434 billion ($2,904 million) on Deutsche Telekom shares. See "—Investment Business of Holding Companies Segment."

Gain (loss) on investments at SoftBank Vision Funds. Loss on investments at SoftBank Vision Funds was ¥167 billion ($1,119 million) for the fiscal year ended March 31, 2024, compared to a gain of ¥388 billion ($2,592 million) for the fiscal year ended March 31, 2025. The gain for the fiscal year ended March 31, 2025

mainly comprised of a gain of ¥940 billion ($6,290 million) at SVF1 and a gain of ¥8 billion ($54 million) at LatAm Funds, partially offset by a loss of ¥526 billion ($3,521 million) at SVF2 and a loss of ¥35 billion ($231 million) on other investments. See "—SoftBank Vision Funds Segment."

Gain (loss) on other investments. Gain on other investments was ¥67 billion ($448 million) for the fiscal year ended March 31, 2024, compared to a loss of ¥100 billion ($671 million) for the fiscal year ended March 31, 2025. The loss for the fiscal year ended March 31, 2025 was primarily due to a decline in the share price of certain listed stocks.

Total gain (loss) on investments. Total loss on investments was ¥559 billion ($3,741 million) for the fiscal year ended March 31, 2024, compared to a gain of ¥3,701 billion ($24,753 million) for the fiscal year ended March 31, 2025.

Selling, general and administrative expenses. Selling, general and administrative expenses increased by ¥42 billion ($281 million), or 1.4%, from ¥2,982 billion ($19,946 million) for the fiscal year ended March 31, 2024 to ¥3,024 billion ($20,227 million) for the fiscal year ended March 31, 2025 mainly due to an increase in the selling, general and administrative expenses of the SoftBank segment primarily driven by higher sales-related costs, reflecting intensified efforts to acquire smartphone contracts and promote continued use of commerce services by existing customers, as well as an increase in the expenses of the Arm segment primarily driven by higher personnel expenses, including share-based compensation, due to the growth in the number of engineers and other employees, mainly to enhance its research and development capabilities.

Finance cost. Finance cost increased by ¥26 billion ($171 million), or 4.6%, from ¥556 billion ($3,719 million) for the fiscal year ended March 31, 2024 to ¥582 billion ($3,890 million) for the fiscal year ended March 31, 2025, reflecting the increase in interest expenses at the Company and its wholly owned subsidiaries conducting fund procurement, mainly due to higher interest payments on domestic bonds, following an increase in the outstanding balance as well as $2.9 billion newly borrowed through term loans in September 2024. Additionally, in July 2024, SBE Global became a subsidiary of the Company, resulting in the inclusion of ¥16 billion ($107 million) in interest expenses associated with the subsidiary. In contrast, interest expenses at SoftBank Vision Funds decreased by ¥36 billion ($239 million) year on year to ¥33 billion ($219 million), due to a significant reduction in borrowings.

Foreign exchange gain (loss). Foreign exchange loss was ¥703 billion ($4,703 million) for the fiscal year ended March 31, 2024, compared to a gain of ¥27 billion ($181 million) for the fiscal year ended March 31, 2025. The gain for the fiscal year ended March 31, 2025 was primarily because the Company and the domestic subsidiaries used for fund procurement held U.S. dollar-denominated liabilities, such as borrowings from subsidiaries and foreign currency-denominated senior notes, that exceeded their U.S. dollar-denominated cash and cash equivalents and loans receivable.

Derivative gain (loss) (excluding gain (loss) on investments). Derivative gain (excluding gain (loss) on investments) was ¥1,502 billion ($10,048 million) for the fiscal year ended March 31, 2024, compared to a loss of ¥2,034 billion ($13,604 million) for the fiscal year ended March 31, 2025. The loss for the fiscal year ended March 31, 2025 was mainly due to a recorded derivative loss of ¥1,699 billion ($11,361 million) for prepaid forward contracts and associated transactions using Alibaba shares, and ¥320 billion ($2,138 million) for collar transactions using Deutsche Telekom shares.

Change in third-party interests in SVF. Change in third-party interests in SVF, which represents the gains and losses attributable to third-party investors, calculated based on the gains and losses on investments at SVF, net of management and performance fees payable to the fund managers, which are wholly owned subsidiaries of the Company, and operating and other expenses of SVF, increased by ¥102 billion ($681 million), or 26.1%, from expense of ¥390 billion ($2,609 million) for the fiscal year ended March 31, 2024 to ¥492 billion ($3,290 million) for the fiscal year ended March 31, 2025.

Other gain. Other gain increased by ¥150 billion ($1,004 million), or 73.6%, from ¥204 billion ($1,365 million) for the fiscal year ended March 31, 2024, to ¥354 billion ($2,369 million) for the fiscal year ended March 31, 2025.

Income before income tax. As a result of the foregoing, income before income tax increased by ¥1,647 billion ($11,015 million), from ¥58 billion ($387 million) for the fiscal year ended March 31, 2024 to ¥1,705 billion ($11,401 million) for the fiscal year ended March 31, 2025.

Income taxes. We recorded an income tax benefit of ¥151 billion ($1,013 million) for the fiscal year ended March 31, 2024, compared to an income tax expense of ¥102 billion ($680 million) for the fiscal year ended March 31, 2025. The income tax expense for the fiscal year ended March 31, 2025 was mainly due to the recording of current income tax expense of ¥646 billion ($4,318 million) which consisted of ¥296 billion

($1,978 million) recorded by the Company primarily in connection with the physical settlement of prepaid forward contracts using Alibaba shares, and ¥269 billion ($1,801 million) recorded by operating companies such as SoftBank Corp, while recognizing deferred tax benefit of ¥544 billion ($3,639 million) reflecting the reversal of deferred tax liabilities that had been recognized at the end of the previous fiscal year on Alibaba shares and related derivatives, following the physical settlement of prepaid forward contracts.

Net income. As a result of the forgoing, net income increased by ¥1,394 billion ($9,322 million), or 666.2%, from ¥209 billion ($1,399 million) for the fiscal year ended March 31, 2024 to ¥1,603 billion ($10,722 million) for the fiscal year ended March 31,2025.

Net income attributable to owners of the parent. As a result of the forgoing, net income attributable to owners of the parent was a loss of ¥228 billion ($1,523 million) for the fiscal year ended March 31, 2024, compared to a gain of ¥1,153 billion ($7,714 million) for the fiscal year ended March 31, 2025.

Investment Business of Holding Companies Segment

The following table shows selected statement of income data for the Investment Business of Holding Companies segment for the fiscal years ended March 31, 2024 and 2025. The comparisons below are with respect to the financial information derived from our audited financial statements for the fiscal year ended March 31, 2025 and the financial information for the fiscal year ended March 31, 2024 is presented as comparative information therein.

	For the fiscal year ended March 31,	
	2024 (audited)	2025 (audited)
	(millions of yen)	
Gain (loss) on investments at Investment Business of Holding Companies	¥ (459,045)	¥ 3,413,821
Realized loss on investments at asset management subsidiaries	(90,360)	(39,323)
Unrealized gain (loss) on valuation of investments at asset management subsidiaries	12,692	(10,888)
Realized gain (loss) on investments[1]	(38,429)	537,805
Unrealized gain (loss) on valuation of investments	(611,627)	3,134,253
Change in valuation for the fiscal year	(647,414)	2,379,508
Reclassified to realized gain recorded in the past fiscal years[1]	35,787	754,745
Derivative gain (loss) on investments	226,050	(297,653)
Effect of foreign exchange translation[2]	6,532	(1,963)
Other	36,097	91,590
Selling, general and administrative expenses	(89,285)	(131,856)
Finance cost	(473,811)	(531,252)
Foreign exchange gain (loss)	(703,438)	19,257
Derivative gain (loss) (excluding gain (loss) on investments)		
Mainly due to prepaid forward contracts using Alibaba shares	1,500,015	(2,041,830)
Other gain	128,038	66,111
Segment income (income before income tax)	¥ (97,526)	¥ 794,251

(1) Unrealized gains and losses on valuation of investments recorded in previous fiscal years related to the investments realized in the fiscal year are reclassified as "Realized gain (loss) on investments."

(2) Unrealized gains and losses on valuation of investments are translated using the average exchange rate for the quarter in which the gains and losses were incurred, while realized gains and losses on investments are translated using the average exchange rate for the quarter in which the shares were disposed. "Effects of foreign exchange translation" is the amounts that arose due to the use of different foreign currency exchange rates for these unrealized and realized gains and losses.

Gain (loss) on investments. Loss on investments for the Investment Business of Holding Companies segment was ¥459 billion ($3,070 million) for the fiscal year ended March 31, 2024, compared to a gain of ¥3,414 billion ($22,832 million) for the fiscal year ended March 31, 2025. The gain for the fiscal year ended March 31, 2025 was primarily due to (i) a realized gain of ¥78 billion ($524 million) on investment, an unrealized loss of ¥50 billion ($335 million) on the valuation of investment, a derivative loss of ¥18 billion ($119 million) on investment, and a loss of ¥11 billion ($74 million) as an effect of foreign exchange translation, in relation to the sale of T-Mobile shares in conjunction with the partial exercise of call options on T-Mobile shares granted to Deutsche Telekom; (ii) realized gain of ¥281 billion ($1,876 million) and unrealized valuation gain of ¥900 billion ($6,022 million) due to the physical settlement of a portion of the prepaid forward contracts using Alibaba shares; (iii) unrealized gain of ¥3,134 billion ($20,962 million) recorded on the valuation of

investments including ¥1,346 billion ($9,003 million) on T-Mobile shares, ¥695 billion ($4,649 million) on Alibaba shares, and ¥399 billion ($2,667 million) on Deutsche Telekom shares; and (iv) a derivative loss of ¥298 billion ($1,991 million) on investments, which primarily included a loss of ¥286 billion ($1,910 million) related to option trading involving listed stocks.

Finance cost. Finance cost for the Investment Business of Holding Companies segment increased by ¥57 billion ($384 million), or 12.1%, from ¥474 billion ($3,169 million) for the fiscal year ended March 31, 2024 to ¥531 billion ($3,553 million) for the fiscal year ended March 31, 2025 mainly due to an increase by ¥41 billion ($272 million) in interest expenses paid to entities outside of the Company's group, totaling ¥444 billion ($2,968 million) reflecting higher interest payments on domestic bonds following an increase in the outstanding balance, as well as $2.9 billion newly borrowed term loans in September 2024. In addition, an amortized cost of ¥84 billion ($560 million) was recognized during the fiscal year ended March 31, 2025 for the unpaid portion of the consideration for the acquisition of Arm shares from SVF1 in August 2023. This amortized cost is eliminated in consolidation.

Derivative gain (loss) *(excluding gain (loss) on investments).* Derivative gain (excluding gain (loss) on investments) for the Investment Business of Holding Companies segment was ¥1,500 billion ($10,032 million) for the fiscal year ended March 31, 2024, compared to a loss of ¥2,042 billion ($13,656 million) for the fiscal year ended March 31, 2025. The loss for the fiscal year ended March 31, 2025 was primarily due to a recorded derivative loss of ¥1,699 billion ($11,361 million) in connection with prepaid forward contracts and associated contracts using Alibaba shares.

Segment income (income before income tax). As a result of the foregoing, segment income (income before income tax) for the Investment Business of Holding Companies segment was a loss of ¥98 billion ($652 million) for the fiscal year ended March 31, 2024, compared to a gain of ¥794 billion ($5,312 million) for the fiscal year ended March 31, 2025.

SoftBank Vision Funds Segment

The SoftBank Vision Funds segment mainly includes the results of the investment and operational activities of SVF1, SVF2 and LatAm Funds.

The following table shows selected statement of income data for the SoftBank Vision Funds segment for the fiscal years ended March 31, 2024 and 2025. The comparisons below are with respect to the financial information derived from our audited financial statements for the fiscal year ended March 31, 2025 and the financial information for the fiscal year ended March 31, 2024 is presented as comparative information therein.

	For the fiscal year ended March 31,	
	2024 (audited)	2025 (audited)
	(millions of yen)	
Gain on investments at SoftBank Vision Funds[1]	¥ 724,341	¥ 434,903
Gain on investments at SVF1, SVF2, and LatAm Funds	696,261	469,416
Realized gain (loss) on investments[2]	984,409	(1,366,533)
Unrealized gain (loss) on valuation of investments	(144,835)	1,552,687
Change in valuation for the fiscal year	(189,604)	314,724
Reclassified to realized gain (loss) recorded in the past fiscal years[2]	44,769	1,237,963
Interest and dividend income from investments	21,668	8,451
Derivative gain (loss) on investments	(7,337)	8,151
Effect on foreign exchange translation	(157,644)	266,660
Gain (loss) on other investment	28,080	(34,513)
Selling, general and administrative expenses	(84,986)	(62,169)
Finance cost (interest expenses)	(74,322)	(40,244)
Change in third-party interests in SVF	(390,137)	(491,898)
Other gain (loss)	(46,717)	44,390
Segment income (income before income tax)	¥ 128,179	(115,018)

(1) Gains and losses on investments associated with the change in valuation of SoftBank Vision Funds' investments in shares in the Company's subsidiaries (mainly Arm and PayPay Corporation) are included in segment income of the SoftBank Vision Funds segment as gains and losses on investments at SoftBank Vision Funds but are eliminated in consolidation and not included in gains and losses on investments at SoftBank Vision Funds in the consolidated statement of profit or loss. "Gain (loss) on investments at SoftBank Vision Funds" in the consolidated statements of profit of loss for the fiscal year ended March 31, 2024 and March 31, 2025 were a loss of ¥167,290 million and a gain of ¥387,584 million, respectively.

(2) Unrealized gain and losses on valuation of investments recorded in previous fiscal years related to the investments realized in the fiscal year are reclassified to Realized gain (loss) on investments.

Gain on investments at SoftBank Vision Funds. Gain on investments at SoftBank Vision Funds decreased by ¥289 billion ($1,936 million), or 40.0%, from ¥724 billion ($4,844 million) for the fiscal year ended March 31, 2024 to ¥435 billion ($2,909 million) for the fiscal year ended March 31, 2025. The gain for the fiscal year ended March 31, 2025 was primarily attributable to net unrealized valuation gains totaling ¥315 billion ($2,105 million) for investments held at the fiscal year-end, driven mainly by an increase in the fair values of a portion of investments, including Bytedance Ltd. and Coupang, Inc.

Finance cost. Finance cost decreased by ¥34 billion ($228 million), or 45.9%, from ¥74 billion ($497 million) for the fiscal year ended March 31, 2024 to ¥40 billion ($269 million) for the fiscal year ended March 31, 2025 mainly due to a significant reduction in borrowings.

Change in third-party interests in SVF. Change in third-party interests in SVF represents the gains and losses attributable to third-party investors, which are calculated based on the gains and losses on investments at each fund, net of (i) management and performance fees payable to SBIA from SVF1; (ii) management and performance-linked management fees payable to SBGA from SVF2; (iii) management fees, performance-linked management fees, and performance fees payable to SBGA from LatAm Funds; and (iv) operating and other expenses of SVF. Change in third-party interests in SVF was an increase of ¥102 billion ($681 million) from expense of ¥390 billion ($2,609 million) for the fiscal year ended March 31, 2024 to ¥492 billion ($3,290 million) recorded as expense for the fiscal year ended March 31, 2025.

Segment income (income before income tax). As a result of the foregoing, segment income (income before income tax) for the SoftBank Vision Funds segment was a gain of ¥128 billion ($857 million) for the fiscal year ended March 31, 2024, compared to a loss of ¥115 billion ($769 million) for the fiscal year ended March 31, 2025.

SoftBank Segment

The SoftBank segment includes the results of the operation activities of SoftBank Corp. and its subsidiaries mainly in Japan, including LY Corporation and PayPay Corporation.

Net sales. Net sales increased by ¥460 billion ($3,079 million), or 7.6%, from ¥6,084 billion ($40,689 million) for the fiscal year ended March 31, 2024 to ¥6,544 billion ($43,769 million) for the fiscal year ended March 31, 2025.

Segment income (income before income tax). Segment income (income before income tax) for the SoftBank segment increased by ¥71 billion ($476 million), or 8.5%, from ¥835 billion ($5,585 million) for the fiscal year ended March 31, 2024 to ¥906 billion ($6,061 million) for the fiscal year ended March 31, 2025 mainly due to continued profit growth in the media & EC, consumer, and enterprise businesses, the profitability achieved by the PayPay Corporation group, which plays a central role in the financial business of the SoftBank segment.

Arm Segment

The Arm segment mainly includes the results of the operation activities of Arm, primarily consisting of licensing of semiconductor intellectual property, including the design of energy-efficient microprocessors and associated technologies.

Net sales. Net sales for the Arm segment increased by ¥148 billion ($992 million), or 32.0%, from ¥464 billion ($3,103 million) for the fiscal year ended March 31, 2024 to ¥612 billion ($4,095 million) for the fiscal year ended March 31, 2025 mainly due to an increase in royalty revenue primarily driven by the continued adoption of Arm's latest technologies, which deliver higher royalty revenue per chip, and market share gains in key markets, as well as an increase in licensing revenue due to the signing of high value, long-term licenses.

Segment income (income before income tax). Segment income (income before income tax) for the Arm segment was a loss of ¥33 billion ($222 million) for the fiscal year ended March 31, 2024, compared to a gain of ¥48 billion ($319 million) for the fiscal year ended March 31, 2025. This was primarily due to Arm's strong revenue growth, which outpaced the increased costs associated with factors such as the growing number of engineers employed by Arm.

Cash and Capital Requirements

Cash Requirements

Our cash and capital requirements are related to investments, funding our debt repayment and certain other contractual commitments, interest payment, capital expenditures, shareholder returns, including dividend payments and share repurchase programs which we may implement from time to time, and operating cash requirements. On standalone basis, our cash and capital requirements are related to investments, funding our debt repayment and certain other contractual commitments, interest payment, tax payment and dividend payments.

Debt Repayments and Certain Other Contractual Commitments

Interest-Bearing Debt

As of March 31, 2025, the interest-bearing debt of the Company primarily consisted of:

- Corporate bonds (including USD-denominated perpetual subordinated hybrid notes issued in July 2017) totaling ¥6,862 billion ($45,891 million).
- Borrowings (including the Yen-denominated hybrid loans totaling ¥184 billion ($1,232 million) totaling ¥1,775 billion ($11,874 million), of which ¥1,163 billion ($7,780 million) is short-term borrowings.
- Commercial paper totaling ¥142 billion ($946 million).

The following table shows the scheduled redemptions for the total remaining bonds, including USD-denominated perpetual subordinated hybrid notes, issued by the Company for the periods indicated, as of March 31, 2025, as adjusted for ¥20 billion of the yen-denominated corporate bonds issued in April 2025 and ¥600 billion of the yen-denominated corporate bonds issued in May 2025:

Fiscal year ending March 31,	Total Principal Amount Due[1][2]
	(billions of yen)
2026[3]	¥ 999
2027[3]	1,097
2028[3]	503
2029[3]	1,632
2030[3]	652
2031[3]	1,170
2032[3]	1,186
2033[3]	147

(1) Amounts correspond to the face amounts.
(2) In case of early redemption on the first call date of the Yen-denominated Hybrid Bonds and USD-denominated Hybrid Notes.
(3) Foreign Currency-denominated Senior Notes converted to Japanese yen by each swap rate where applicable. Otherwise, the rate of ¥149.52 = $1.00 or ¥162.08 = €1.00 is applied. USD-denominated Hybrid Notes converted to Japanese yen at the rate of ¥149.52 = $1.00.

The following table shows the total remaining scheduled repayments for the hybrid loans for the period indicated as of March 31, 2025.

Fiscal year ending March 31,	Total Principal Amount Due[1][2]
	(billions of yen)
2026	—
2027	—
2028	—
2029	¥ 53
2030	135

(1) Amounts correspond to the face amounts.
(2) Assumes that the loan is repaid on the date of the first call.

As of March 31, 2025, our consolidated interest-bearing debt primarily consisted of:

- Short-term and long-term borrowings totaling ¥8,623 billion ($57,669 million);
- Corporate bonds totaling ¥8,136 billion ($54,415 million); and
- Financial liabilities totaling ¥998 billion ($6,674 million) relating to sale of shares by variable prepaid forward contracts. See "—Variable Prepaid Forward Contracts and Collar Transactions."

The following table summarizes our consolidated interest-bearing debt as of March 31, 2025 by maturities. The following table does not include interest payments.

	Carrying amount	Aggregation of redemption schedule	Within 1 year	1 year to 2 years	2 years to 3 years	3 years to 4 years	4 years to 5 years	More than 5 years
				(millions of yen)				
Non-derivative financial liabilities								
Interest-bearing debt								
Short-term borrowings	¥ 1,581,598	¥ 1,583,935	¥1,583,935	¥ —	¥ —	¥ —	¥ —	¥ —
Commercial paper	249,500	249,500	249,500	—	—	—	—	—
Long-term borrowings	7,041,134	7,104,538	1,714,161	2,987,768	1,136,467	509,271	269,813	487,058
Corporate bonds	8,136,126	8,186,900	1,116,646	928,818	591,922	1,618,186	804,615	3,126,713
Financial liabilities relating to sale of shares by prepaid forward contract	997,843	997,843	997,843	—	—	—	—	—
Installment payables	129	129	108	17	4	—	—	—
Lease liabilities	907,020	907,020	165,355	136,617	112,761	94,738	81,898	315,651
Total	¥18,913,350	¥19,029,865	¥5,827,548	¥4,053,220	¥1,841,154	¥2,222,195	¥1,156,326	¥3,929,422

See "Description of Other Indebtedness."

Interest Expense

We incur interest expenses mainly due to payments on our loan and bond obligations, and interest-bearing debt incurred at our wholly owned subsidiaries conducting fund procurement. We also incur interest expenses in connection with the lease liabilities of SoftBank Corp.

Variable Prepaid Forward Contracts and Collar Transactions

Alibaba shares

Some of our wholly owned subsidiaries previously entered into prepaid forward contracts with financial institutions to procure funds using Alibaba shares, which were held by such subsidiaries (the "Alibaba Shares Fund Procurement Entities"). In these prepaid forward contracts, the number of Alibaba shares settled by the contracts was either (i) fixed regardless of changes in market share price in the future in the form of a forward contract or (ii) determined by reference to market price of the shares at the valuation dates prior to the settlement date in a collar contract (also referred to as a "collar"). In addition to the prepaid forward contracts, the Alibaba Shares Fund Procurement Entities entered into call spread (combination of long position of call option and short position of call option with different strike prices) contracts. All of the prepaid forward contracts, collar contracts and call spread contracts described above have been terminated or settled as of May 31, 2025.

Deutsche Telekom shares

As of March 31, 2025, our wholly owned subsidiary pledged ¥1,039 billion ($6,948 million) of Deutsche Telekom shares as collateral for ¥344 billion ($2,300 million) of current portion of long-term borrowings and ¥65 billion ($438 million) of long-term borrowings by collar transactions using Deutsche Telekom shares.

Capital Expenditures

We mainly incur capital expenditures to maintain and expand our telecommunications network and AI infrastructure in the SoftBank segment. In the SoftBank segment, capital expenditures amounted to ¥622 billion ($4,163 million) and ¥898 billion ($6,007 million) for the fiscal years ended March 31, 2024 and 2025, respectively. In the fiscal year ended March 31, 2025, the increase was primarily due to investments in AI computing infrastructure and AI data centers.

Annual Dividend

Our basic policy is to maintain a sound financial position, while at the same time both investing prudently to ensure sustained growth and returning profits to shareholders. Returns to shareholders include cash dividends paid twice per year, in principle, as an interim dividend and a year-end dividend. On June 27, 2025, it was resolved at the annual general meeting of shareholders that the year-end dividend will be ¥22.00 per share for the fiscal year ended March 31, 2025. Together with the interim dividend of ¥22.00 per share paid in December

2024, our annual dividend for the fiscal year ended March 31, 2025 was ¥44.00 per share, the same per-share amount as the previous fiscal year. Our total dividend for the fiscal year ended March 31, 2025 were ¥63 billion ($424 million).

Liquidity and Capital Resources

Liquidity

The below table reflects the Cash Position of certain of our key subsidiaries and our consolidated Cash Position as of March 31, 2024 and March 31, 2025. See "Capitalization" for our Cash Position on an as adjusted basis.

	As of and for the fiscal year ended March 31,	
	2024	2025
	(billions of yen)	
Cash Position[1]		
SBG Standalone Cash Position[2]	¥3,934	¥2,623
SoftBank Group Corp.	2,244	1,252
SB Northstar	1,059	821
Other	631	551
Cash Position held at subsidiaries[3]:		
SoftBank Segment[4]	1,792	1,283
SVF1	66	30
SVF2	107	30
Arm	443	423
Other	112	118
Total	2,521	1,885
Cash Position held at asset management subsidiaries	22	—
Consolidated Cash Position	¥6,477	¥4,508

(1) Cash Position is cash and cash equivalents *plus* short-term investments *plus* bond investments. Short-term investments consist of marketable securities, time deposits (maturities of over three months) and other investments recorded as current assets.

(2) For the avoidance of doubt, SBG Standalone Cash Position excludes the Cash Position held by PayPay Bank Corporation.

(3) Cash Position held at subsidiaries includes cash and cash equivalents, short-term investments recorded as current assets and bond investments at self-financing subsidiaries such as SoftBank Corp., Arm, SVF1, SVF2 and LatAm Funds, which are non-recourse to the Company.

(4) Cash Position held at the SoftBank Segment is calculated as the sum of Cash Position of each company in the SoftBank Segment after elimination of intragroup transactions.

As a strategic investment holding company, we invest in a number of companies through direct investments (including investments made through subsidiaries), as well as through investment funds such as SVF1, SVF2 and LatAm Funds. In turn, we receive dividends from portfolio companies or distributions from investment funds and, when deemed appropriate, exit our investments by selling or monetizing. As of March 31, 2025, our consolidated cash position (cash and cash equivalents *plus* short term investments *plus* bond investments) equaled ¥4,508 billion ($30.1 billion).

We also use diversified financing methods for raising funds including both indirect financing, such as bank loans, and direct financing, such as the issuance of bonds (in the local and international capital markets) and commercial paper, taking market conditions into consideration, and continue to proactively assess and manage our financing requirements. Some of our other financing methods include sales or monetization of investment securities and investments in associated companies via wholly owned subsidiaries conducting fund procurement as required, including monetization of shares via variable prepaid forward contracts. See "—Cash and Capital Requirements—Debt Repayments and Certain Other Contractual Commitments—Variable Prepaid Forward Contracts and Collar Transactions."

As of March 31, 2025, our standalone liquidity, including cash, cash equivalents, short-term investments and available borrowing capacities under the margin loan using Arm shares was ¥3,371 billion ($22.5 billion). We believe our liquidity position is sufficient to cover our expected bond redemption needs through the end of March 31, 2027.

Margin Loans Backed by Arm and SoftBank Corp. Shares

Arm Shares

On September 21, 2023, through one of our wholly owned subsidiaries, Kronos I (UK) Limited, we borrowed $8.5 billion from lenders under a margin loan using Arm shares that we held through another wholly owned subsidiary and all of the assets of Kronos I (UK) Limited (except for certain assets specified in the loan agreement) pledged as collateral. In December 2024, Kronos I (UK) Limited agreed to an amendment to the margin loan agreement whereby the maximum borrowing amount was increased by $5.0 billion, for a total maximum borrowing amount of $13.5 billion. As of March 31, 2025 we have not drawn on this additional maximum borrowing amount. The margin loan is recorded for ¥1,258 billion ($8.4 billion) as long-term borrowings in our consolidated statement of financial position as of March 31, 2025. The margin loan agreement includes an additional cash collateral provision and a mandatory prepayment clause, which may be triggered under certain circumstances, such as a significant decrease in the fair value of pledged Arm shares. The margin loan is non-recourse to the Company.

SoftBank Corp. Shares

On February 25, 2020, through one of our wholly owned subsidiaries, Moonlight Finance GK (formerly known as Hinode 1 GK), we borrowed ¥500 billion ($3,344 million) from lenders under a margin loan using its SoftBank Corp. shares pledged as collateral. In February 2025, we completed a refinancing of this margin loan, increasing the borrowing amount from ¥500 billion to ¥800 billion.

We believe that the utilization of margin loans using our investment shares pledged as collateral has further supported our liquidity position.

Commitment Line

In order to reduce liquidity risk, we enter into commitment lines of credit and other credit facilities from time to time with various financial institutions. On September 20, 2024, we renewed one such commitment line of credit for borrowings up to $5,465 million (¥817 billion) on a USD tranche and ¥36 billion ($238 million) on a JPY tranche, of which entire amount has been drawn as of the date of this offering memorandum. See "Description of Other Indebtedness."

Cash Flow

The following table shows our consolidated cash flow data for the fiscal years ended March 31, 2024 and 2025.

	As of and for the fiscal year ended March 31,	
	2024	**2025**
	(millions of yen)	
Cash and cash equivalents at the beginning of the year	¥6,925,153	¥ 6,186,874
Net cash provided by operating activities	250,547	203,580
Net cash used in investing activities	(841,461)	(1,631,540)
Net cash used in financing activities	(606,222)	(1,116,384)
Effect of exchange rate changes on cash and cash equivalents	491,868	37,487
(Decrease) increase in cash and cash equivalents relating to transfer of assets classified as held for sale	(33,011)	33,011
Decrease in cash and cash equivalents	(738,279)	(2,473,846)
Cash and cash equivalents at the end of the year	¥6,186,874	¥ 3,713,028
Cash and cash equivalents at the end of the year, excluding the cash and cash equivalents of PayPay Bank Corporation	¥5,938,576	¥ 3,489,088

Our net cash provided by operating activities decreased by ¥47 billion ($314 million), or 18.7%, from ¥251 billion ($1,676 million) for the fiscal year ended March 31, 2024 to ¥204 billion ($1,362 million) for the fiscal year ended March 31, 2025. This includes income tax payments and SB Northstar's acquisition of corporate bonds (primarily short-maturity, investment-grade) and other instruments for surplus fund management in both fiscal years.

Our net cash used in investing activities increased by ¥790 billion ($5,284 million), or 93.9%, from ¥841 billion ($5,628 million) for the fiscal year ended March 31, 2024 to ¥1,632 billion ($10,912 million) for the fiscal year ended March 31, 2025. Our net cash used in investing activities for the fiscal year ended March 31,

2025 mainly came from cash outflow of ¥1,625 billion ($10,870 million) from our payments for acquisition of investments, primarily reflecting growth investments and acquisitions of listed stocks by SoftBank Group Corp. and its wholly owned subsidiaries as well as investments in bonds and other asset management products by PayPay Bank Corporation, ¥579 billion ($3,872 million) from payment for acquisition of investments by SVF, ¥854 billion ($5,713 million) from purchase of property, plant and equipment, and intangible assets due to capital expenditure mainly at SoftBank Corp., which was partially offset by cash inflow of ¥458 billion ($3,065 million) from proceeds from sales of investments by SVF, and ¥1,181 billion ($7,897 million) from proceeds from sales/redemptions of investment.

Our net cash used in financing activities increased by ¥510 billion ($3,412 million), or 84.2%, from ¥606 billion ($4,054 million) for the fiscal year ended March 31, 2024 to ¥1,116 billion ($7,466 million) for the fiscal year ended March 31, 2025. Our net cash used in financing activities for the fiscal year ended March 31, 2025 primarily related to repayment and refinancing of corporate bonds, as well as distributions and repayments to third-party investors in SVF1.

Credit Ratings

We have a long-term corporate credit rating of BB+ (stable outlook) from Standard & Poor's Financial Services LLC ("S&P"), and A (negative outlook) from Japan Credit Rating Agency, Ltd. ("JCR").

Market Risk

Our consolidated statements of financial position and income include substantial amounts of assets, liabilities and gain (loss) on investments whose fair values are subject to market risks. Our significant market risks are primarily associated with equity prices, interest rates, foreign currency exchange rates, credit risk, and liquidity risk. The fair values of our investment portfolios, shares pledged as collateral and prepaid forward contracts remain subject to considerable volatility. The following sections address the significant market risks associated with our business activities.

Derivative transactions entered into by us are conducted and controlled based on our internal rules and procedures for derivative transactions and are limited to the extent of actual demands. For more information, see Note 28 to our audited consolidated financial statements for the fiscal year ended March 31, 2025 included elsewhere in this offering memorandum.

Equity Price Risk

Our predominant exposure to equity price risk is related to our Investment Business of Holding Companies and SoftBank Vision Funds segments and the sensitivities to movements in the fair value of our investments. Risk is regularly evaluated and is managed on a position basis as well as on a portfolio basis in both segments. Senior members of our investment teams in both segments meet on a regular basis to assess and review certain risks, including concentration risk, correlation risk, and credit risk for significant positions. Certain risk metrics and other analytical tools are used in the normal course of business by both segments.

We hold investments that are reported at fair value as of the reporting date, which include, among others, securities owned, securities sold, securities pledged as collateral and derivatives as reported in our consolidated financial statements. The value of listed assets (excluding asset-backed financings) as of March 31, 2025, was ¥23.4 trillion ($156.4 billion). Historically, the investments included in the Investment Business of Holding Companies and SoftBank Vision Funds segments have been concentrated on relatively few issuers. As of March 31, 2025, approximately 41% of our Equity Value of Holdings (excluding asset-backed financings) was concentrated in Arm, representing a decrease of 6% from approximately 47% as of March 31, 2024. See "Risk Factors—Risks Related to Arm Segment—Our holdings in Arm represent a significant portion of our assets." As of March 31, 2025, approximately 75% of our portfolio was comprised of listed assets (excluding asset-backed financings). We also invest in highly liquid listed stocks and engage in derivative transactions related to listed stocks, to diversify our assets and investments, and to manage surplus funds. This has been done while being firmly committed to our stated financial policies on LTV ratio and Cash Position.

The fair value of our financial assets and liabilities primarily fluctuates in response to changes in the value of securities. The net effect of these fair value changes impacts our gain (loss) on investments and net income in the consolidated statements of profit or loss. See "Risk Factors—Risks Relating to Our Status as a Strategic Investment Holding Company—We face various risks in connection with our investment activities." We are also subject to equity price risk with respect to our prepaid forward contracts and margin loans. Our ultimate liability with respect to these prepaid forward contracts is determined from the movement of the underlying stock price between the contract inception date and expiration date. The fair values of our liabilities

arising from these contracts are also affected by changes in other factors such as interest rates and the remaining duration of the contracts and loans. For more information on sensitivity analysis of our securities and derivatives, see Note 28 to our audited consolidated financial statements for the fiscal year ended March 31, 2025 included elsewhere in this offering memorandum.

Interest Rate Risk

We raise funds through interest-bearing debt. Certain interest-bearing debts are subject to floating interest rates and are exposed to interest rate risk.

Interest-bearing debts with floating interest rates have the risk of increased interest expenses due to rising interest rates. In order to prevent and reduce interest rate fluctuation risk, we maintain an appropriate mixture of fixed and floating interest rate debt. For certain interest-bearing debts with floating interest rates, we also utilize derivative transactions, such as interest rate swaps, in order to hedge interest rate fluctuation risk, converting floating interests into fixed interests. For floating interest rate debts, we continuously monitor interest rate fluctuations.

Foreign Exchange Risk

We are engaged in international businesses through investments, financial contributions and the establishment of joint ventures. As an investment business, we hold a large number of investments which include investments denominated in foreign currencies, mainly through foreign subsidiaries. Also, we undertake transactions denominated in foreign currencies with foreign parties and through lending to and borrowings from foreign subsidiaries. Consequently, we are subject to foreign exchange risk that arises from changes in currency rates mainly in the U.S. dollars, Chinese yuan, and Euro currencies.

To manage this risk, we continuously monitor exchange rates and manage exchange rate exposures. We also use foreign currency forward contracts and foreign currency swap contracts to hedge the risk.

Credit Risk

In the course of our business, trade and other receivables, and other financial assets (including deposits, equity securities, bonds, and derivatives) are exposed to the credit risk of our counterparties.

In order to prevent and reduce the risk, we do not expose ourselves to significant concentrations of credit risk for such receivables and financial assets. To manage our credit risk, we perform controls around the due date and balance for each customer in accordance with its internal customer credit management rules and regularly monitor major customers' credit status. In addition, SB Northstar, which engages in the acquisition and sale of government bonds and corporate bonds, mitigates risk by primarily investing in investment grade bonds with a short time to maturity.

Derivative transactions executed and maintained by us are conducted and controlled based on our internal rules and procedures for derivative transactions, and those transactions engaged in are limited to those with financial institutions with high credit ratings in order to reduce the risk.

Liquidity Risk

We endeavor to ensure our liquidity and financial stability by securing funds sufficient to redeem our corporate bonds for at least the next two years. In order to prevent and reduce liquidity risk, we maintain access to diversified fundraising sources including both indirect financing, such as bank loans, and direct financing, such as the issuance of bonds and commercial paper, taking market conditions and its current/non-current debt ratios into consideration. With respect to fund management, we invest our funds mainly in short-term deposits, money market funds and investment grade corporate bonds. We also continuously monitor forecasted and actual cash flows and liquid funds.

Material Accounting Policies

The preparation of financial statements often requires the use of judgments to select specific accounting methods and policies from several acceptable alternatives. Furthermore, significant estimates and assumptions concerning the future may be required in selecting and applying those methods and policies in the financial statements. We based our estimates and judgments on historical experience and various other assumptions that we believe are reasonable under the circumstances. Actual results may differ from these estimates and judgments under different assumptions or conditions.

The following is (i) a summary of changes in accounting policies and estimates made for the fiscal years ended March 31, 2024 and March 31, 2025 as well as (ii) a summary of material accounting policies used in preparation of the financial statements for the SVF segment. For further details on the material accounting policies and judgements and estimates used in preparation of our financial statements please see Note 3 and Note 5 to our audited consolidated financial statements for the fiscal year ended March 31, 2025 included elsewhere in this offering memorandum.

Changes in accounting policies required by IFRS

We have adopted the following standard and interpretation for the fiscal year ended March 31, 2025.

Standard/interpretation		Outline of the new/amended standards
IAS 1 (Amendments)	Presentation of Financial Statements (Amendments in October 2022)	• Clarifying the classification of liabilities into current liabilities or non-current liabilities • Amendment to require the disclosure of information on non-current liabilities with covenants
IAS 7 (Amendments)	Statement of Cash Flows (Amendments in May 2023)	Disclosure requirements to enhance the transparency of supplier finance arrangements
IFRS 7 (Amendments)	Financial Instruments: Disclosures (Amendments in May 2023)	

There are no significant impacts on the consolidated financial statements (except for the notes to the consolidated financial statements) for the fiscal year ended March 31, 2025, due to the adoption of the standards above.

SoftBank Vision Funds Segment—SVF1, SVF2 and LatAm Funds

Consolidation of SVF1, SVF2, and LatAm Funds

SVF1 and SVF2 are limited partnerships established by their respective general partners, which are wholly owned subsidiaries of the Company. As of March 31, 2025, SVF1 and SVF2 are managed by SBIA and SBGA, respectively, which are wholly owned subsidiaries of the Company in the UK. SVF1 and SVF2 make investment decisions through each investment committee, which was established by SBIA and SBGA, respectively. As such, the Company has power as defined under IFRS 10 "Consolidated Financial Statements" over SVF1 and SVF2. Furthermore, SBIA receives performance fees and SBGA receives performance-linked management fees. The Company receives distributions attributable to limited partners based on the investment performance as returns from SVF1 and SVF2. The Company has the ability to affect those returns through its power over SVF1 and SVF2, and therefore, the Company is deemed to have control as stipulated in IFRS 10 over SVF1 and SVF2.

LatAm Funds is a limited liability company in which a wholly owned subsidiary of the Company invests. LatAm Funds is consolidated by the Company as it holds more than one-half of the voting rights of LatAm Funds.

Intercompany transactions, such as management fees and performance fees to SBIA paid or to be paid, as applicable, from SVF1, and management fees, performance-linked management fees, and performance fees to SBGA paid or to be paid, as applicable, from SVF2 or LatAm Funds, are eliminated in consolidation. The results of operations, assets, and liabilities of SVF1, SVF2 and LatAm Funds after eliminations are recorded in the Company's consolidated financial statements.

Portfolio company investments made by SVF1, SVF2 and LatAm Funds

The portfolio companies of SVF1, SVF2 and LatAm Funds that the Company is deemed to control under IFRS are treated as subsidiaries of the Company and their results of operations, assets and liabilities are included in the Company's consolidated financial statements. Gain and loss on investments in the subsidiaries of the Company which are recognized in SVF1, SVF2 and LatAm Funds are eliminated in consolidation.

Investments made in portfolio companies other than our subsidiaries, including investments in associates and joint ventures and other investments, are in principle treated as financial assets at FVTPL and are measured at fair value at the end of each quarter. They are presented as "Investments from SVF (FVTPL)" in the consolidated statement of financial position. The payments for these investments are presented as "Payments for acquisition of investments by SVF" and the proceeds from sales of these investments are presented as "Proceeds from sales of investments by SVF" under cash flows from investing activities in the consolidated statement of

cash flows. If the investments in associates and joint ventures that were transferred from SoftBank Group Corp. and its subsidiaries to SVF1, SVF2 or LatAm Funds were accounted for using the equity method prior to the transfer, these investments would continue to be accounted for using the equity method after the transfer to SVF1, SVF2 or LatAm Funds and presented as "Investments accounted for using the equity method" in the consolidated statement of financial position. Gain and loss on the investments which were recognized in SVF1, SVF2 or LatAm Funds are eliminated in consolidation and gain and loss on the investments accounted for using the equity method are presented as "Other gain (loss)" in the consolidated statement of profit or loss.

The recognition of changes in the value of investments held at FVTPL through SVF1, SVF2 and LatAm Funds could impact the volatility of certain line items in our consolidated financial statements, including total non-current assets, gain (loss) on investments and net income. Moreover, both realized gain and loss on sales and unrealized valuation gain and loss in connection with these investments are recognized in our financial statements over the relevant quarter or fiscal year.

Contribution from third-party investors in SVF1, SVF2 and LatAm Funds

The interests attributable to third-party investors in SVF1, SVF2 and LatAm Funds are classified as financial liabilities, "third-party interests in SVF" in the consolidated statement of financial position, due to the predetermined finite life and contractual payment provision to each of the third-party investors at the end of the finite life within the constitutional agreements relating to SVF1, SVF2, and LatAm Funds. The liabilities are classified as "financial liabilities measured at amortized cost" upon initial recognition. The carrying amounts attributable to such third-party investors represent the amounts that would be distributed in accordance with the constitutional agreements in a theoretical liquidation scenario at the end of each quarter.

Third-party investors in SVF2 and LatAm Funds are entitled to make full or partial payments of its investments and related adjustments at any point in time, at its discretion, from the date it became an investor in SVF II Investment Holdings LLC or SLA Holdco II LLC to the end of each company's life. As of March 31, 2025, the Company has recognized receivables from third-party investors as "Other financial assets (non-current)" in the consolidated statement of financial position.

"Third-party interests in SVF" fluctuates due to (i) the results of SVF1, SVF2 and LatAm Funds, (ii) contributions from third-party investors, (iii) distributions and repayments of investments to third-party investors, and (iv) exchange differences on translating third-party interests. The fluctuations due to the results of SVF1, SVF2 and LatAm Funds are presented as "change in third-party interests in SVF" in the consolidated statement of profit or loss. The contributions from third-party investors are included in "contributions into SVF from third-party investors" under cash flows from financing activities in the consolidated statement of cash flows. The distributions and repayments of investments to third-party investors are included in "distribution/ repayment from SVF to third-party investors" under cash flows from financing activities in the consolidated statement of cash flows. The exchange differences on translating third-party interests are included in "exchange differences on translating foreign operations" in the consolidated statement of comprehensive income.

BUSINESS

The following is qualified in its entirety by, and is subject to, the more detailed information and financial statements contained elsewhere in this offering memorandum. Certain capitalized terms used but not defined in this section are used herein as defined elsewhere in this offering memorandum. Prospective investors should carefully consider the information set forth under the caption "Presentation of Financial Information," "Risk Factors" and all other information in this offering memorandum prior to making an investment in the Notes.

Overview

AI-centric Investment Holding Company

We are guided by our corporate philosophy of "Information Revolution—Happiness for everyone." As a strategic investment holding company with a focus on artificial intelligence ("AI"), we aim to maximize our enterprise value by building a global investment portfolio of companies leading the Information Revolution and providing essential technologies and services to people around the world. We are committed to leading the Information Revolution, fueled by the advancements in AI technologies, which will transform societies and lifestyles and contribute to well-being over the long term.

As a strategic investment holding company, we oversee and manage an investment portfolio consisting of our subsidiaries and associates as well as our investees. We seek to capture the major investment opportunities presented by advances in the Information Revolution and the AI revolution, which we perceive as major growth opportunities. In particular, we believe the emergence of technologies for increasingly capable AI, and the potential future development of artificial general intelligence ("AGI")—technologies that may one day be capable of problem-solving like human beings with capacities that equal or exceed human intellectual abilities—will open up entirely new markets for innovative products and services, and provide crucial growth opportunities. To this end, it is imperative for us to identify changes in the market, technologies and societal needs quickly and to continuously transform our business while optimizing our investment portfolio and group structure to maximize the benefits from the technologies and business models that will be the driving forces in the future.

Our leadership team is led by a technology and business innovator, Masayoshi Son, our founder, Representative Director, Corporate Officer, Chairman and CEO.

We are listed on the Tokyo Stock Exchange with a market capitalization of ¥13.6 trillion ($94.2 billion), excluding treasury stock, as of June 24, 2025.

Net Asset Value (NAV), Loan-to-Value (LTV) Ratio and Equity Value of Holdings (EVH)

We consider our Net Asset Value (NAV) to be a key performance indicator. We calculate our NAV by deducting Standalone Net Interest-bearing Debt from Equity Value of Holdings. We believe NAV is a useful performance indicator for evaluating our business of managing our investment portfolio, which is comprised of our subsidiaries, associates and other investees. We have consistently focused our investments on growth opportunities presented by the Information Revolution, and we have sought to grow our NAV by supporting the growth of portfolio companies, while increasing Equity Value of Holdings by fully leveraging our expertise in information technology and related technology fields. Looking ahead, we plan to continue to invest in companies building the backbone infrastructure for the AI revolution and companies leveraging AI technology, with the aim of achieving further growth in our NAV.

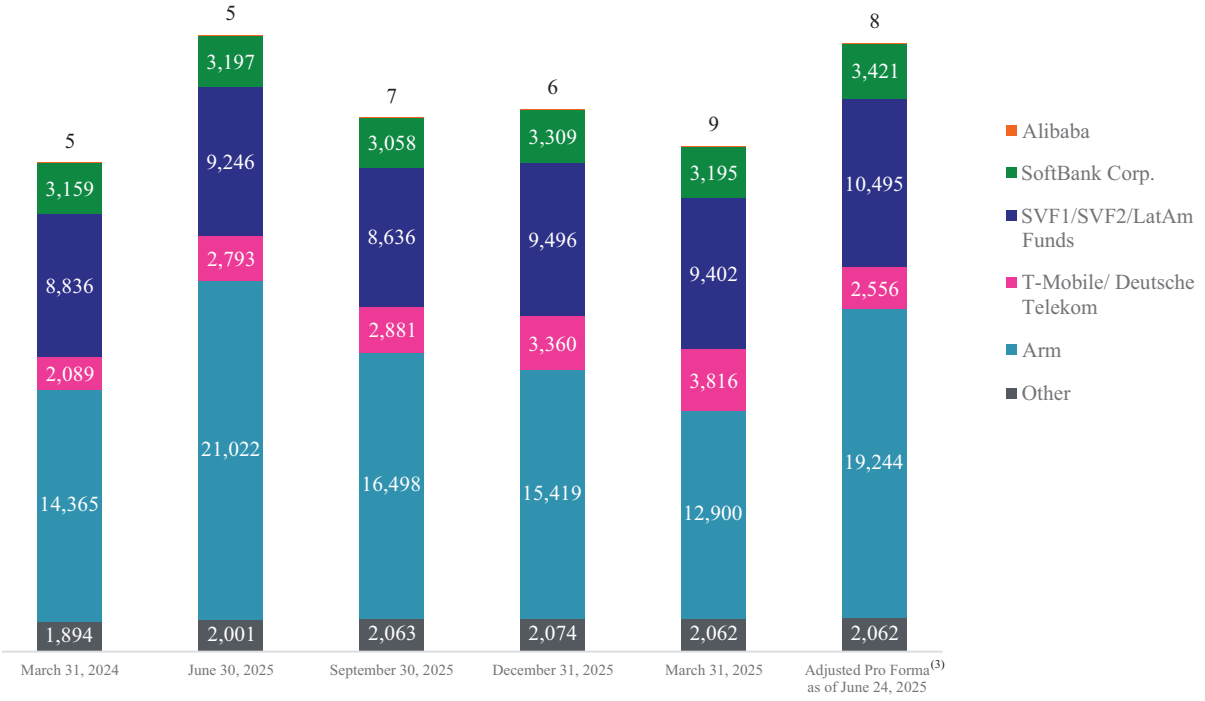
As of March 31, 2025, our NAV was ¥25.7 trillion ($172.0 billion), calculated by deducting Standalone Net Interest-bearing Debt of ¥5.7 trillion ($37.9 billion) from Equity Value of Holdings of ¥31.4 trillion ($209.9 billion). Our adjusted pro forma NAV as of June 24, 2025 was ¥31.7 trillion ($217.7 billion), calculated by deducting adjusted pro forma Standalone Net Interest-bearing Debt as of June 24, 2025 of ¥6.1 trillion ($41.6 billion) from adjusted pro forma Equity Value of Holdings as of June 24, 2025 of ¥37.8 trillion ($259.3 billion). For further details, please see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Performance Indicators."

To maximize our NAV and to ensure our financial stability, we consider our Loan-to-Value (LTV) ratio to be an important measure. We calculate our LTV ratio as the ratio of Standalone Net Interest-bearing Debt to Equity Value of Holdings. We generally strive to maintain our LTV ratio below 25% under normal circumstances, with an upper threshold of 35% in exigent circumstances. In addition, we endeavor to ensure our liquidity and financial stability by securing funds sufficient to redeem our corporate bonds for at least the next two years. As of March 31, 2025, our LTV ratio was 18.0%, calculated based on Standalone Net Interest-bearing Debt of ¥5.7 trillion ($37.9 billion).

The following graph summarizes Equity Value of Holdings as of the dates indicated. For further details of each of our main assets, please see "—Our Assets." For more details on Equity Value of Holdings, Standalone Net Interest-bearing Debt and NAV, please see "Presentation of Financial Information—Non-IFRS Financial Measures" and "Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Performance Indicators."

Equity Value of Holdings

(billions of yen)[1][2]



(1) U.S. dollar amounts have been translated into Japanese yen using the exchanges rates prevailing at the end of each fiscal period indicated.

(2) Certain amounts have been adjusted to reflect the deduction of the value of asset-backed financing obligations as well as other factors.

(3) Adjusted pro forma equity value of holdings as of June 24, 2025 represents the equity value of holdings as of March 31, 2025, adjusted to reflect (i) the acquisition of a net $7.5 billion of convertible interest rights in OpenAI Global in connection with the first closing of the OpenAI Follow-on Investment; (ii) the settlement of all outstanding prepaid forward contracts using Alibaba shares as of May 31, 2025; (iii) the sale of 21,500,000 shares of our holdings of T-Mobile as of June 17, 2025 for proceeds of $4.8 billion before applicable taxes; (iv) the exchange rates of ¥145.72 = $1.00 and ¥168.95 = €1.00 on June 24, 2025. All other equity value of holdings components and adjustments, including the exchange rate used therein, remain unadjusted from the components and adjustments as of March 31, 2025. For further details, please see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Performance Indicators."

Strengths

One of the largest investment holding companies in the world, with a portfolio of approximately $210 billion

As one of the largest investment holding companies globally, with a portfolio valued at approximately $210 billion, we have evolved significantly since our inception. Founded in 1981 as a distributor of packaged software, we have grown into a leading strategic investment holding company with an investment portfolio of ¥31.4 trillion ($209.9 billion) based on Equity Value of Holdings as of March 31, 2025. Under the entrepreneurial vision of our founder, Chairman, and CEO, Masayoshi Son, SoftBank Group has been at the forefront of the information revolution. We have consistently identified technology inflection points, making pioneering investments in emerging innovations and technologies. Our investments have anticipated major technological trends, from the advent of the PC and the internet to the broadband and smartphone era, and now, AI. We believe technology, in particular AI technology, is key to building a happier and more fulfilling future and we have broadened the scope of our technology investments, transforming ourselves from a telecommunications company into a global investor in innovative technology companies. These innovators are reimagining sectors such as e-commerce, healthcare, finance, mobility, robotics, among others. Our investment strategy spans all three layers of technology: AI infrastructure, AI models and AI applications, with a focus on paving the way forward for the widespread adoption and success of AI technologies.

We have directed our investment since the 1990s with the goal of pushing forward the information revolution. Anticipating the future of the Internet, we have accelerated our strategic investments in internet-related businesses globally from the mid-1990s. We were an early investor in internet firms, initially investing in Yahoo! Inc. in 1995, and Alibaba in 2000. In 2001, we launched the broadband service Yahoo! BB and strengthened our enterprise business investments through the acquisition of JAPAN TELECOM (now SoftBank Corp.) in 2004. Anticipating the future of mobile internet, we acquired Vodafone Japan (now SoftBank Corp.) in 2006, shifting our focus to mobile communications. We introduced innovative and top-of-market products such as the iPhone, which we were the first Japanese company to distribute in Japan. This move positioned us as a leading mobile communications provider in Japan and facilitated our entry into the U.S. telecommunications market through the acquisition of Sprint in 2013 and its subsequent merger with T-Mobile in 2020. In 2021, we entered into a strategic partnership and equity share swap agreement with Deutsche Telekom. See "—History."

We have evolved to become one of the largest investment holding companies in the world when benchmarked against other large investment holding companies across both listed and unlisted assets. In July 2015, we changed our name from SoftBank Corp. to SoftBank Group Corp. to clarify our position as a strategic investment holding company.

Recognizing the importance of AI, we invest in companies building the backbone infrastructure for the AI revolution and those leveraging AI technology in a visionary way. We acquired Arm in 2016, and Arm has subsequently made investments that have doubled its revenue and increased the annual number of chips shipped with its technologies by approximately two times, setting the stage for an initial public offering ("IPO") in September 2023, the largest IPO globally in 2023. Arm's share price has subsequently increased from an IPO price of $51 per share to $156.41 per share as of June 24, 2025. See "—Our Assets—Arm (NASDAQ: ARM)." We launched SVF1 in 2017 and both SVF2 and LatAm Funds in 2019 to invest in high-growth potential companies leveraging AI. Since acquiring Arm, we have transitioned from a telecom-centric company to an AI-centric investment holding company, scaling our strategic investment activities, and diversifying our portfolio.

In September 2024, we made our first investment in OpenAI through SVF2, and through multiple follow-on investments, SVF2's investment in OpenAI reached $2.2 billion by the end of March 2025. On April 15, 2025, the $10.0 billion first closing of the follow-on investment in OpenAI was completed. Of this, $1.5 billion was syndicated out to co-investors on the same date, and SVF2 invested the remaining $8.5 billion. Subsequently, additional syndication to co-investors was executed, and SVF2's investment amount was reduced from $8.5 billion to $7.5 billion. We expect to complete the second closing of the follow-on investment in OpenAI, pursuant to which we expect to invest up to a further $30 billion in OpenAI, subject to a right to syndicate up to $10 billion in total to co-investors under certain circumstances. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Follow-on investments in OpenAI."

As part of our integrated AI strategy, we announced the Stargate Project in January 2025 in partnership with OpenAI and other partners to power cutting-edge AI systems securely and sustainably. In February 2025, we also announced a partnership between SoftBank Corp., our telecommunications subsidiary, and OpenAI to develop and market an advanced enterprise AI provisionally referred to as "Cristal intelligence," and in March 2025, we agreed to acquire Ampere, a United States-based semiconductor design company.

The visionary leaders behind these partnerships and portfolio companies are transforming how billions of people live and work, addressing some of the world's most critical challenges. We believe their innovations will disrupt and enhance various sectors of the economy, further increasing the value of our investments.

Highly liquid and well diversified investment portfolio by sector and growth stage, providing stability through the cycle

Our investment portfolio is characterized by high liquidity and extensive diversification across sectors and growth stages, ensuring stability throughout economic cycles. Over the past decade, we have meticulously developed a balanced, global portfolio with stakes in various sectors and companies at different lifecycle stages, ranging from investments in emerging firms to significant participations in mature, market-leading organizations such as Arm, T-Mobile, and SoftBank Corp.

Globally, our portfolio features one of the highest proportions of listed investments among leading investment holding companies. As of March 31, 2025, 75% of our portfolio, based on Equity Value of Holdings, comprised listed assets, led by Arm (41%), T-Mobile / Deutsche Telekom (12%), and SoftBank Corp. (10%). The liquidity of these assets affords us substantial flexibility, enabling us to swiftly capitalize on monetization opportunities to bolster our cash position and seize attractive investment prospects as they arise.

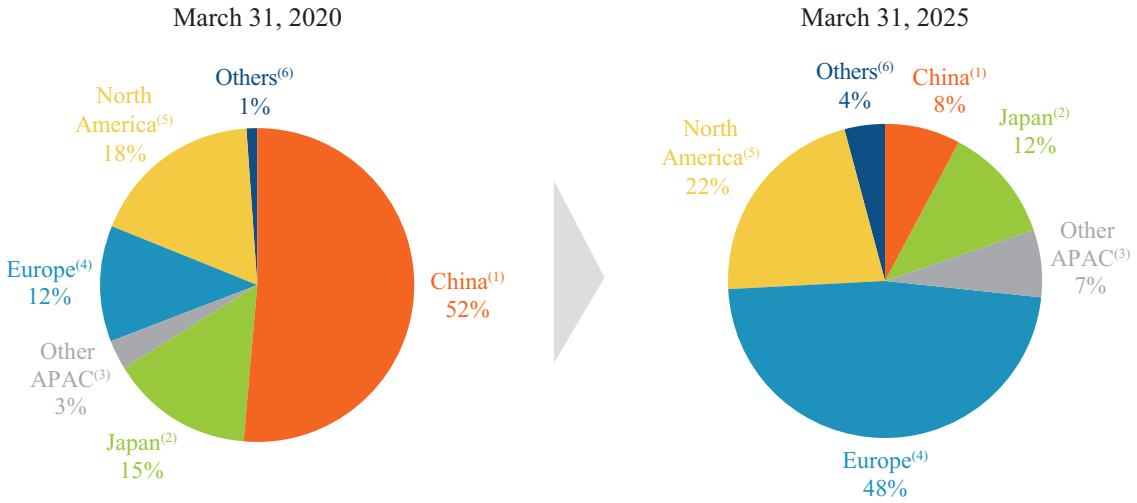
Our portfolio's diversity is further underscored by SVF, which represents 30% of our holdings based on Equity Value of Holdings. As of March 31, 2025, SVF has invested in 526 companies (including exits) across a wide array of sectors and geographies focusing on leveraging AI technology, such as OpenAI—from businesses offering AI as a core service to those integrating AI into their operations. SVF's investees span various industries, including consumer (47% of the fair value of SVF1 and SVF2 as of March 31, 2025), transportation (14%), enterprise (12%), fintech (9%), logistics (8%), frontier tech (5%), health tech (3%), proptech (1%) and edtech (1%), with operations worldwide.

The stability of our telecommunications assets, SoftBank Corp. and T-Mobile/Deutsche Telekom, which constitute 22% of our portfolio based on Equity Value of Holdings as of March 31, 2025, further supports our highly liquid and diversified portfolio and are well suited for monetization. As industry leaders, these companies provide robust cash flows and act as defensive stocks, less susceptible to economic fluctuations. Their high credit quality—SoftBank Corp. (AA-/A+/BBB/BBB+ with JCR, R&I, S&P, and Fitch, respectively) and T-Mobile (BBB with positive outlook/BBB+ with S&P and Fitch, respectively)—enhances our portfolio's stability.

Historically, we have invested in sectors such as telecom, e-commerce, semiconductors, digital marketing, IT services, cloud infrastructure, transportation and logistics, proptech, fintech and healthtech. Our significant diversification has enabled consistent growth across various economic cycles, despite idiosyncratic events. We actively manage our portfolio to maintain diversification within the technology sector and growth potential, strategically timing monetization to preserve gains, deliver returns, and pursue new investment opportunities. Our strong track record in realizing synergies among investments and group companies enhances equity value by fostering business model development and technological advancements.

As our investment focus shifts towards AI, we have gradually liquidated portions of our holdings in T-Mobile/Deutsche Telekom and SoftBank Corp., and exited our investment in Alibaba through a series of monetization programs. Proceeds from these actions, along with dividends from SoftBank Corp., have allowed us to expand our investments in high-growth-potential technology companies leveraging AI.

Our exit from Alibaba has also driven a transition toward increased global diversification and exposure to investments in Europe and away from China. The graphic below shows the geographic distribution of our portfolio by Equity Value of Holdings as of the dates specified.



(1) Consists of our holdings in Alibaba, investments by SVF1 and SVF2 in investees in China, and other investments in China as of the dates specified.

(2) Consists of our holdings in SoftBank Corp., investments by SVF1 and SVF2 in investees in Japan, and other investments in Japan as of the dates specified.

(3) Consists of investments by SVF1 and SVF2 in the Asia-Pacific region (excluding China and Japan), and other investments in the Asia-Pacific region (excluding China and Japan) as of the dates specified.

(4) Consists of our holdings in Arm, Deutsche Telekom, investments by SVF1 and SVF2 in investees in Europe, and other investments in Europe as of the dates specified.

(5) Consists of our holdings in T-Mobile, investments by SVF1 and SVF2 in investees in North America, and other investments in North America as of the dates specified.

(6) Consists of investments in companies headquartered outside China, Japan, the Asia-Pacific region excluding China and Japan, Europe and North America as of the dates specified.

Sustained growth of NAV driven by our AI-centric portfolio

Our successful investment in Arm, from its acquisition in 2016 to its landmark IPO in 2023 and subsequent share price increase, has contributed to our NAV of ¥25.7 trillion ($172.0 billion) as of March 31, 2025. For further details, please refer to "Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Performance Indicators."

We believe Arm's high-performance, energy-efficient semiconductor designs will be pivotal in unlocking AI's potential, serving as core infrastructure for the ongoing AI revolution. Arm offers the industry's most efficient and highest-performing compute platform, with over 310 billion Arm-based chips shipped since its inception. Leading technology companies, including AWS, Microsoft, Google and NVIDIA, are innovating on Arm technologies, as they strive to meet the rapidly growing compute demand necessary to deliver groundbreaking AI capabilities and experiences. With the world's largest computing ecosystem and over 22 million software developers engaged in the Arm-based ecosystem, we believe Arm is pioneering transformative AI experiences for everyone.

The creative capabilities of generative AI have garnered significant attention, and usage of consumer and business focused AI tools continues to grow rapidly, with OpenAI reporting that weekly active users of its ChatGPT reached 500 million as of March 2025, we believe we are still in the early stages of the AI era, with its vast potential applications yet to be fully realized. Reflecting our strong conviction in this space, SVF has invested across the entire AI stack, from businesses offering AI as a core service to those integrating AI into their operations to enhance profitability and efficiency. In September 2024, we made our first investment in OpenAI through SVF2, and through multiple follow-on investments, SVF2's investment in OpenAI reached $2.2 billion by the end of March 2025. In addition, on March 31, 2025, we entered into a definitive agreement with OpenAI to make follow-on investments of up to $40.0 billion. For more details, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Follow-on investments in OpenAI." As AI becomes more deeply integrated across sectors and its applications become more widespread, we anticipate that SVF's extensive exposure to AI-driven businesses will deliver significant long-term value.

Looking ahead, we aim for the success of our AI-centric investment portfolio to drive our continued growth and investments. The technologies, products, and services of our portfolio companies, powered by AI, are well-positioned to continue to innovate and transform how people live and work. Additionally, we believe that strategic monetization of our investment portfolio and leveraging our financing capabilities will enable us to advance our AI-centric portfolio and investment strategy, positioning us at the forefront of the AI revolution.

Actively managed investment portfolio with a proven track record of selecting and creating value in attractive investment and monetization opportunities through a variety of methods

For new investments, we rigorously vet investment opportunities based on our AI investment thesis, utilizing funds recovered from exits. Strategic investments that offer added value through deep management involvement are expected to be made by SoftBank Group or its wholly owned subsidiaries, while other investments are to be channeled through SVF.

We have a proven track record of enhancing the equity value of our portfolio by strategically selecting and managing attractive opportunities, leveraging our network and experience to foster business collaborations among our portfolio companies. In 2013, we acquired a controlling stake in Sprint and, in 2020, merged it with T-Mobile U.S., creating a high-performing asset with increased scale and the capability to deliver a transformative 5G network in the U.S. market. We have successfully monetized a portion of our investment in T-Mobile and gradually exited our investment in Alibaba through a series of monetization programs. The divestiture of Alibaba reflected our shift to a defensive strategy in the fiscal year ended March 31, 2023, addressing an uncertain business environment, including China's tightening regulations on the internet sector, and reducing our exposure to geopolitical risks while increasingly focusing our portfolio on AI-related investments. As of March 31, 2025, the total proceeds realized from monetization of Alibaba shares, calculated as the sum of (i) the amount realized from the sale of and through derivative transactions using Alibaba shares, net of transaction costs and applicable taxes, and (ii) equity value of holdings as of March 31, 2025, calculated by multiplying the number of the shares held by SBG by the last available closing share price for March 2025, net of amounts already funded through derivative transactions, was ¥9.9 trillion ($65.9 billion) as of the date of the relevant transactions. Our investment track record for three of our major investees is summarized in the chart below, which shows the multiple on invested capital ("MOIC"), the internal rate of return ("IRR") and the total return amount, calculated as the net of the equity value of our holdings, the amount realized from share sales, and the amount of our investment in each.

	(In trillions of yen, except MOIC and IRR)		
	Alibaba	**T-Mobile**	**Arm**
Invested Amount[1][2]	0.0074	2.1	3.3
Equity portion of acquisition consideration	0.0074	0.4	2.3
Debt portion of acquisition consideration	—	1.7	1.0
Unrealized Return[3][4]	0.01	3.8	14.7
Realized Return[5]	9.9	1.0	0.2
Total Return[6]	9.9	6.5	15.9
MOIC[7]	1,340	11.9	6.3
IRR[8]	57.2%	27.5%	23.8%

(1) Invested amount includes equity portion of acquisition consideration and debt portion of acquisition consideration, calculated net of costs related to the transactions, applying the foreign exchange rate applicable at the time of the relevant transaction.

(2) For purposes of calculating invested amount in Arm, no adjustments have been made in respect of any consideration for the acquisition of Arm shares from SVF1 in August 2023 or any other intra-group transactions between SBG and SVF.

(3) Unrealized return in T-Mobile represents the equity value of our holdings as of March 31, 2025, calculated by multiplying the number of shares held by us by the closing price per share as of that date, net of amounts borrowed for the T-Mobile acquisition and repaid through sales of T-Mobile shares.

(4) Unrealized return in Arm represents the equity value of our Arm holdings as of March 31, 2025 calculated by multiplying the number of shares held by us by the closing price per share as of that date, net of amounts borrowed for the Arm acquisition and repaid through sales of Arm shares. For purposes of calculating unrealized return in Arm, no adjustments have been made in respect of the remaining consideration for the acquisition of Arm shares from SVF1 in August 2023.

(5) Realized return represents the total of all proceeds from sales and disposals of the specified assets, excluding any applicable taxes, translated into yen at the applicable foreign exchange rate at the time of such sale or disposal.

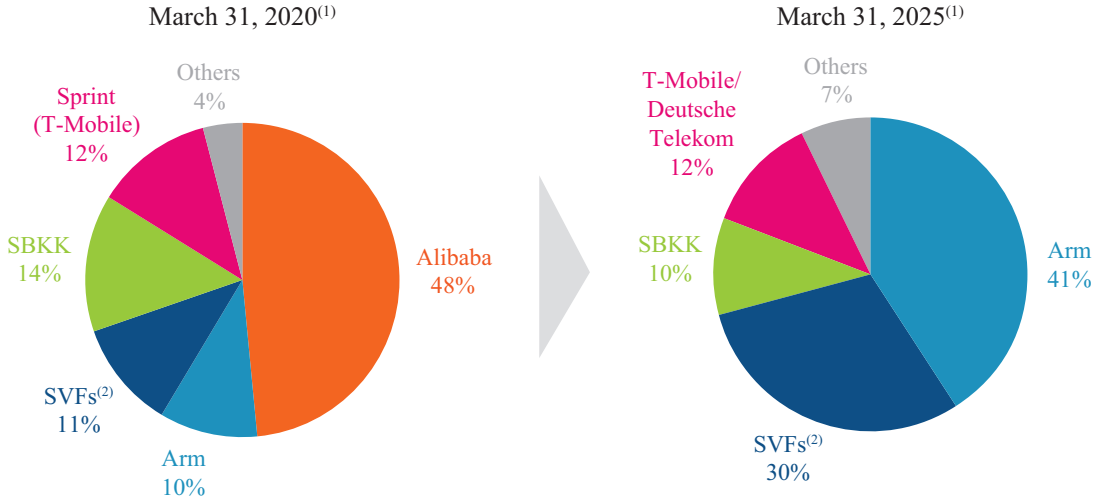
(6) Total return is the sum of the debt portion of acquisition consideration, unrealized return and realized return.

(7) MOIC is calculated as the ratio between the equity portion of acquisition consideration and total return minus debt portion of acquisition consideration, as calculated as of March 31, 2025, and excluding the effects of tax.

(8) IRR represents the annualized rate of return from the date of investment to March 31, 2025 calculated based on the total return net of repayment of the debt portion of acquisition consideration and the equity portion of acquisition consideration.

In 2016, we acquired Arm, a leading semiconductor design company. Under our leadership and investment, Arm diversified its product offerings and end markets. In September 2023, Arm successfully completed an IPO on the Nasdaq Global Select Market, marking the largest IPO globally that year. Most recently, Arm achieved record-breaking results in the final quarter of the fiscal year ended March 31, 2025, with total revenue reaching $1.24 billion.

Looking ahead, we aim for the success of our AI-centric investment portfolio to drive our continued growth and investments, as the AI revolution fuels further innovations in products and services of our portfolio companies that utilize AI to transform how people live and work. The graphic below illustrates the change in the composition of our portfolio by equity value of holdings (net of asset-backed finance) for the periods shown below.



(1) Equity value of holdings shown net of asset backed finance as of the dates given.

(2) Composed of the total equity value of holdings of SVF1, SVF2 and LatAm Funds.

Our assessment of new investment opportunities is guided by a clear investment thesis, honed through decades of successful investments. Once selected, we leverage our network and experience to promote business collaborations among portfolio companies, utilize our bargaining power and shared vision to provide founders

and companies the freedom to grow, and engage in extensive information sharing to facilitate rapid internal growth. We also support external growth through strategic M&A, helping portfolio companies scale rapidly and acquire resources needed for expansion. This investment thesis is exemplified by SVF.

SBIA and SBGA implement disciplined approaches to selectively exit the assets of SVF in a timely and appropriate manner, aiming to maximize returns and ultimately distribute to limited partners, including the Company. SVF may exit portfolio investments through acquisitions by strategic buyers, secondary share sales to institutional asset managers, or public market listings.

As of March 31, 2025, SVF has facilitated 55 public listings and made 17 strategic exits through third-party acquisitions and maintains a pipeline of late-stage companies such as ByteDance, Fanatics, Klarna, OpenAI, PayPay and KAVAK, anticipated to be ready for listing in the near to medium term. The fair value of our late-stage portfolio was $36 billion as of March 31, 2025, including portfolio companies that have raised a Series E or an equivalent late-stage round of financing, have a significant funding history or that we believe are likely to publicly list in the near-term. As of March 31, 2025, $23 billion (27%) of the fair value of SVF was held in public companies, and $61 billion (73%) was held in private companies.

Flexible and prudent financial management

We have a prudent and conservative approach to financial management, as shown by the large liquidity position we maintain at all times and our policy to keep our Loan-to-Value (LTV) ratio below 25% under normal times, with an upper threshold of 35% in exigent circumstances. We have adhered to this LTV financial policy for over five years since our transformation from a telecom company to an AI-centric strategic investment holding company in late 2019, consistently maintaining our LTV below 25%. As of March 31, 2025, we held a cash position totaling ¥3.4 trillion ($22.5 billion), including undrawn Arm margin loan borrowing capacity of ¥748 billion ($5.0 billion), more than sufficient to redeem bonds maturing in the next two years, with an LTV of 18.0%, which is sufficiently below our conservative policy threshold of 25%. Additionally, we manage our cash-on-hand by utilizing bank deposits with competitive interest yields primarily in U.S. dollars, while proactively pursuing attractive investment opportunities. We enjoy a good credit relationship with leading global banks, where for example, our recent one-year bridge loans totaling $15 billion aggregate principal amount in support of the Ampere Acquisition and the first closing of the OpenAI Follow-on Investment was syndicated between 21 global banks. We also regularly issue bonds in the Japanese domestic retail market, having issued from April 1, 2005.

We continue to have ample access to multiple funding sources and stakes in listed companies such as SoftBank Corp., T-Mobile, and Arm. This includes measures such as selling equity assets, receiving dividends from portfolio companies, obtaining distributions from investment funds, and raising funds through asset-backed financing and regular issuance of debt securities in the Japanese domestic and international markets.

Our financial strategy will continue to leverage our substantial cash position to prioritize growth investments, aiming for future NAV expansion, supported by active use of non-recourse financing to bolster our strategic investments. Concurrently, we aim to enhance monitoring of our portfolio companies to facilitate monetization and reinvestment of our portfolio stakes.

World-class management team led by Japan's most successful entrepreneur, with a track record of growing businesses and risk control through disciplined portfolio management under our high standards of corporate governance

With our strong senior management team and a group of transformational internet entrepreneurs, we believe our leadership possesses the experience and vision necessary to sustain our success. Our founder, Chairman, and CEO, Masayoshi Son, is Japan's leading information technology and business innovator. Under his leadership, we have evolved from a nascent distributor of packaged software in 1981 to one of the largest strategic investment holding companies globally. For more details, see "—History." Our board members include Yoshimitsu Goto, Senior Vice President and CFO, CISO & GCO Head of Finance Unit, Administration Unit & Legal Unit with over three decades of finance experience; Ken Miyauchi, the former Chairman and CEO of SoftBank Corp., who joined us shortly after its founding and spearheaded domestic business expansion alongside Masayoshi Son; and Rene Haas, the CEO of Arm, with 35 years of semiconductor industry experience. Additionally, Alex Clavel, the CEO of SBIA and SBGA, brings visionary leadership to these roles, guiding our investment funds for the Information Revolution.

Our management team consistently demonstrates the ability to leverage their networks to identify and execute investment opportunities, connect them with investors, and facilitate the growth of successful businesses. For instance, we acquired Vodafone's Japanese operations (now SoftBank Corp.) in 2006, transforming it from a

below-average network into a leading mobile telecom operator, solidifying its status with Japanese consumers by launching the first iPhone in Japan. Furthermore, we acquired a controlling interest in Sprint in 2013, leading to a significant business recovery prior to its merger with T-Mobile in April 2020. Our leadership team's experienced approach to growth, monetization, and risk management has been instrumental in our disciplined exit from Alibaba and strategic monetization of our T-Mobile position post-merger. These funds have fueled our acquisition and expansion of Arm and our shift to an AI-centric investment portfolio. Looking ahead, we believe our team of seasoned managers and visionary entrepreneurs will be pivotal to our business plans for the Information Revolution, driven by the AI revolution.

We recognize that achieving our corporate mission requires effective corporate governance. To this end, we aim to strengthen our governance by implementing measures such as the SoftBank Group Charter, which establishes our fundamental governance concept as "free, fair, innovative," devising our "Group Company Management Regulations," which outlines our management policy and framework for portfolio companies, ensuring compliance with our Code of Conduct, which prescribes policies for the Company, its Board of Directors, and employees, and forming a Nominating & Compensation Committee.

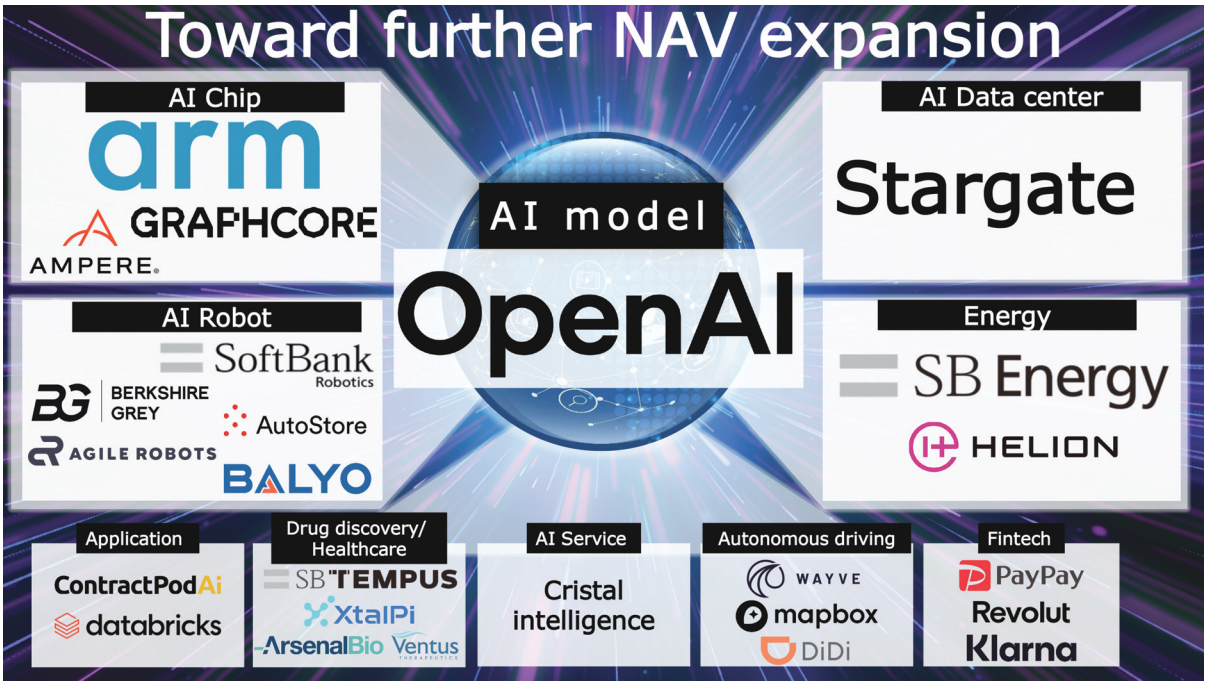
We strive to maintain our established corporate governance standards, which are essential when making investment decisions. For more information, see "—Approach Concerning Investment Decisions." When evaluating potential investments and managing them, we endeavor to ensure that each portfolio company operates under governance standards substantially equivalent to our own, as outlined in the "Portfolio Company Governance and Investment Guidelines Policy."

Strategies

Leading AI Revolution with synergistic investments throughout the AI value chain

We believe that rapid advances in AI technology will be central to an Information Revolution, driving groundbreaking advancements across nearly all industries by replacing, augmenting, and enhancing human capabilities, thereby creating higher efficiencies and growth potential. In recent years, the integration of AI technology into various business models has accelerated, and we believe that this trend is starting to reshape current models of value creation and will fundamentally redefine most industries. We believe that future progress in generative AI could lead to the realization of Artificial General Intelligence (AGI)—AI technology which possesses intellectual capabilities equivalent to those of humans, and ultimately to Artificial Super Intelligence (ASI), which would in theory surpass the collective intelligence of humanity. As AI advances open new markets for innovative products and services, we aim to invest across our group to seize major opportunities arising from industry disruption, the creation of new industries, and overall market expansion driven by AI technology and its widespread adoption. Our strong track record of investing ahead of the curve in era-defining technologies, including early investments in internet companies, mobile providers, and e-commerce platforms, is a key strength, providing us with the expertise, experience, and confidence to continue making strategic, long-term synergistic investments to drive the AI revolution.

We have aimed to make synergistic investments throughout the AI value chain, focusing on four essential pillars that we believe are foundational to the evolution of AI: AI chips, AI data centers, AI robots, and energy. These four pillars form the core infrastructure that enables the development and deployment of increasingly advanced AI models. We predict that more powerful AI models, supported by synergistically developed AI infrastructure, have the potential to transform society through robotics, autonomous driving technology, applications, services, healthcare, and fintech. The visual below provides an overview of our key investments within these areas.



Alongside our strategic AI investments focusing on these four essential pillars, we continue to invest through SVF in companies across the expanding frontier of AI applications, in areas such as consumer, fintech, enterprise, health tech, logistics, and transportation. We aim to further develop and apply AI across more industries, creating new business and growth opportunities. We prefer investing in high-growth potential companies that have already established their market position in their respective sectors, an approach we believe generally leads to a higher success rate compared to conventional venture capital funds.

Continue to strengthen the ecosystem around Arm's leadership within the AI Revolution

We evaluate our investments through the lens of sustainable growth, particularly focusing on Arm and its value chain and ecosystem. Arm's research and development, along with new business initiatives, are often linked to anticipated revenue streams projected five to ten years into the future, while its historical investments drive current revenue, profitability, and cash flow generation.

Arm achieved record-breaking results in the final quarter of the fiscal year ended March 31, 2025, with total revenue reaching $1.24 billion. This growth was driven by strong demand for power-efficient AI compute from the cloud to individual user devices. Arm's royalty revenue growth is broad-based, spanning all major markets, including data centers, automotive, smartphones, and IoT, highlighting the success of Arm's diversification strategy. We believe Arm's revenue is well-positioned for potential growth to increase as chips become more complex, leading to greater capabilities in AI workloads. We believe that rising demand for chips across a wider range of devices can drive an increased reliance on Arm-based chips. The deployment of AI in more devices has the potential to boost the demand for Armv9, which is designed to enhance these workloads.

As chip designs become more advanced and complex, Arm's investments in additional functionality, higher performance, greater efficiency, and more specialized designs are expected to deliver increased value to Arm's customers. Recently, Arm has adopted a holistic, solution-focused design approach, expanding beyond individual design IP blocks to offer more complete systems. Arm's Compute Subsystems (CSS) is gaining traction, with 13 CSS licensees as of March 31, 2025, an encouraging sign of early adoption ahead of plan, and is expected to become the preferred model for many partners. While the typical royalty fee for Armv9 is around double the fee for Armv8, CSS could command even higher royalty revenue than Armv9 itself, as it integrates multiple IP technologies into a subsystem and is optimized for high-performance and energy efficiency, reducing engineering effort, design time, cost, and risk for customers.

Arm has cultivated the world's largest compute ecosystem, comprising more than 22 million software developers globally. Continued investment in this ecosystem supports a self-reinforcing growth model: as the ecosystem expands, it attracts additional developers, drives adoption of Arm-based solutions, and increases demand for its compute platform. The proliferation of AI is accelerating the need for high-performance, energy-efficient compute solutions, an area where Arm is particularly well positioned.

Maintain our prudent and conservative financial policy

We adhere to a time-tested and prudent approach to financial management by maintaining the following policies:

Manage LTV Below 25% in Normal Times

We continue to uphold our prudent financial policy to maintain a strong balance sheet and an LTV below 25% during normal times, with an upper threshold of 35% in exigent circumstances. We believe that maintaining an LTV below 25% in normal times is a highly prudent financial standard. Our LTV increased from 8.4% as of March 31, 2024, to 18.0% as of March 31, 2025, remaining below our policy ceiling of 25% in normal times. We have maintained exceptionally safe levels over the past few years, and the LTV has returned to levels we consider appropriate for current market conditions as we initiate new investments for future NAV expansion. To maintain an appropriate LTV level, we continuously consider various strategies such as adjusting the pace of investments, monetizing our assets, and utilizing asset-backed financing, aiming to be prepared to execute them swiftly as needed at the right timing. Along with support from global banks, international and domestic credit investors, we plan to continue adhering to our financial policy by carefully managing net interest-bearing debt from new investments and our equity holdings value, monetizing assets, and collecting dividends and distributions from subsidiaries and other investees.

Maintain Funds Covering Bond Redemptions for at Least the Next Two Years

In addition to our LTV policy, we manage our finances to maintain sufficient liquidity to cover bond redemptions for at least the next two years. This further enhances the financial stability of our investment holding company.

It is our general policy that portfolio companies be self-financing, and we seek to avoid rescuing portfolio companies facing serious financial difficulties to prevent diverting resources.

While we remain firmly committed to these financial policies, we aim to simultaneously maintain agility and flexibility to swiftly address changes in circumstances based on opportunities presented to us in the investment cycle against a backdrop of changing economic conditions.

Maintain high standards of corporate governance

To achieve our corporate mission, we believe that maintaining effective corporate governance is essential. We are committed to strengthening our governance through measures such as formulating the SoftBank Group Charter, which establishes our fundamental governance concept as “free, fair, innovative.” We have devised our “Group Company Management Regulations,” outlining our management policy and framework for portfolio companies, ensuring compliance with our Code of Conduct, which prescribes policies for the Company, its Board of Directors, and employees, and forming a Nominating & Compensation Committee.

Following the election of additional external board directors at our annual general meeting of shareholders on June 23, 2021, our Board of Directors comprises a majority of external directors, further enhancing our corporate governance. Our board currently consists of nine directors, including five external members. The Chairman and CEO serves as the chairman of the board. Agenda items for board meetings are outlined in the Regulations of the Board of Directors, covering statutory matters and critical business management issues such as investments, loans, and borrowings exceeding a certain amount.

From December 2024 to April 2025, an independent organization conducted a questionnaire and interviews with our Board of Directors, including the CEO, Executive Vice Presidents, external directors, and all Audit & Supervisory Board members, about the culture, composition and operation of our Board of Directors, and conducted an evaluation of the effectiveness of our Board of Directors based on their results. The results of the evaluation confirmed that, as was the case in the fiscal year ended March 31, 2024, a trust-based relationship, along with healthy checks and balances among the Representative Director, Corporate Officer, Chairman & CEO, and the Board of Directors, as well as active discussions among independent and diverse directors, have been maintained and firmly established as our Board of Directors’ culture. Additionally, the evaluation confirmed effective monitoring by our Board of Directors on investments and portfolio companies.

We elect independent external directors in accordance with the independence criteria set by the Tokyo Stock Exchange, ensuring adequate independence of our five external directors (four of whom are independent directors), who bring extensive knowledge and experience to the board. Each external director actively participates in discussions at board meetings, contributing to informed management judgments and decisions.

We strive to maintain our established corporate governance standards, which are essential when making investment decisions. For more information, see "—Approach Concerning Investment Decisions." When evaluating potential investments and managing them, we endeavor to ensure that each portfolio company operates under governance standards substantially equivalent to our own, as outlined in the "Portfolio Company Governance and Investment Guidelines Policy."

Approach Concerning Investment Decisions

As a general matter, we have established a set of corporate governance standards that are required to be referred to when making determinations about potential investments. The standards cover a wide range of corporate governance aspects, such as the composition of the Board of Directors, founder and management rights, rights of shareholders and mitigation of potential conflicts of interest.

The core purpose of the standards is to ensure a consistent and formalized approach to the evaluation of corporate governance across SoftBank Group Corp. and its unlisted investing subsidiaries, including with respect to the management of the SVF funds, as we pursue sustainable growth as a global strategic holding company. The standards have been selected to reflect an expectation for robust corporate governance and are used as a benchmark for the ongoing monitoring of investments within our existing portfolio.

SoftBank Group Corp.

We make direct investments (including investments through subsidiaries) outside of our investment funds (including, for example, SVF1, SVF2 and LatAm Funds). When making investment decisions for such direct investments, we seek to appropriately estimate the investment target's equity value and to assess risks related to the target's businesses, finances, corporate governance, compliance and internal controls, including by conducting due diligence on matters such as the target's business, technology, business model, market size, business plan, competitive environment, financial condition and legal compliance. As part of this process, we obtain the advice of, for example, external financial, legal, and tax advisors, in addition to the relevant internal departments. In addition, a dedicated review department performs an objective review of the adequacy of the due diligence findings. Based on the results of such reviews, our Board of Directors or the investment committee to which our Board of Directors delegates the authority make investment decisions.

The Investment Committee makes decisions on matters including investments, loans and borrowings under a certain amount. Namely, the committee resolves the following matters:

(i) Investments, loans and borrowings under a certain amount;

(ii) Certain matters related to subsidiaries (excluding listed subsidiaries and their subsidiaries), such as (a) investments and loans and borrowings under a certain amount, (b) issuance and gratis issuance of new stock or stock acquisition rights (except matters such as the issuance of new stocks that will not alter SoftBank Group Corp.'s voting right ratio), (c) issuance of corporate bonds, (d) overseas business expansion and (e) entry into new business fields; and

(iii) Other matters such as disposal and acceptance of important assets under a certain amount.

For further details, please see "Management—Investment Committee."

SVF funds

The various entities comprising SVF1, SVF2 and LatAm Funds make investment and exit decisions through investment committees of SBIA and SBGA, our wholly owned advisory subsidiaries. SBIA manages SVF1 and SBGA manages both SVF2 and LatAm Funds, providing strategic alignment across these funds to support our strategic initiatives with a greater focus on the AI revolution. SVF1's investment period has ended in September 2019 and primarily focuses on exit decisions. SVF2 and LatAm Funds remain active in sourcing high-growth-potential companies leveraging AI while strategically managing monetization and exits.

For SVF2 and LatAm Funds, once a potential investment target is identified, a preliminary screening is conducted, focusing on the market opportunity, business model and management team of the potential investment. Each selected investment case then moves into a rigorous due diligence process, in which each fund's team and its external advisors perform commercial, legal, financial, compliance and technical due diligence. Managing partners who oversee multiple regions and sectors then review and select investments to be recommended to the respective investment committee. A short list of investments is presented to the investment committees. SBGA's investment committee includes Mr. Masayoshi Son, our founder, Representative Director, Corporate Officer, Chairman and CEO, and Mr. Alex Clavel, the CEO of SBIA and SBGA.

A clear exit strategy is the primary focus of SBIA investment committee's considerations. Exit strategies are regularly reviewed and updated by the investment and equity capital markets teams, and are also stress tested under various market scenarios by an investment risk team to support forward planning. SBIA's investment committee also includes Mr. Masayoshi Son and Mr. Alex Clavel, the CEO of SBIA and SBGA.

History

SOFTBANK Japan was established in September 1981 with the aim of becoming a "software bank" that would play a role in the infrastructure of the information society in the coming age of personal computers. At the time of establishment, we engaged mainly in the distribution of packaged software.

We established SoftBank Holdings in the United States in 1994 to gather information on Internet-related companies and undertake strategic investments, in order to bring U.S.-developed businesses and technologies to the Japanese market. Yahoo! Inc., then a startup, came to our attention through one of SoftBank Holdings' investments, and in 1996, we established Yahoo Japan (currently LY Corporation) through joint investment with Yahoo!. Positioning 1996 as the "First Year of the Internet," we took our first full-fledged step as an Internet company with the launch of a number of Internet-related businesses and subsidiaries.

Following the release of the broadband service *Yahoo! BB* in 2001, which was committed to widespread broadband use in Japan by providing faster and cheaper access to the Internet, we acquired JAPAN TELECOM in 2004 and entered the fixed-line telecom business. In anticipation of entering the mobile business, we enhanced our corporate reputation and brand recognition by acquiring a professional baseball team (currently the Fukuoka SoftBank HAWKS) in 2005. Meanwhile, since around 2000, we have made strategic investments in Internet-related companies globally, including Alibaba.

Anticipating the shift in the Internet's core user environment from PC to mobile, we acquired Vodafone's Japan unit in 2006. We then launched mobile communication services under the *SoftBank* brand, and rapidly expanded our customer base by introducing innovative price plans, enhancing our network, and expanding the lineup of handsets, and various other measures. In 2008, we launched iPhone 3G as the first provider in Japan, contributing to a further boost in smartphone penetration in the domestic market. Then in 2013, fully leveraging the experience and know-how cultivated in Japan, we acquired Sprint and entered the U.S. telecommunications market.

Starting with the name change to the current SoftBank Group Corp. in July 2015, we have gradually clarified our position as a strategic investment holding company. Anticipating the age in which AI will be used to an even greater extent, in September 2016 we acquired Arm, a major semiconductor design company based in the United Kingdom. As a result of our investments, Arm's revenue has doubled over the course of our ownership to present, and the number of chips shipped using its IP have approximately doubled. In May 2017, SVF1 was established, proceeding to make large-scale investments in high-growth potential companies that leverage AI and other emerging technologies.

In December 2018, SoftBank Corp., a core subsidiary in the telecom business field, listed its shares, further clarifying our role as a holding company that engages in global investment activities.

SVF2 and LatAm Funds started their investment in 2019, accelerating the development of our investment activities and expanding our strategic focus on the AI revolution.

In recent years, we started to see a flow of the "harvest" of successful investments we made over the past decade or so. In April 2020, we completed the long-awaited merger between Sprint and T-Mobile, and in June 2020, we sold about two-thirds of T-Mobile shares acquired through the merger. In the fiscal year ended March 31, 2024, we completed the monetization of substantially all of our position in Alibaba, facilitating our strategic shift towards an AI-centric portfolio. In September 2023, we completed the IPO of Arm, raising $5.12 billion through the sale of 10% of Arm's outstanding shares.

Aligned with our ambition to build a more connected, empowered and joyful world by accelerating human progress through technology, we have returned to a more active investment stance since the fiscal year ended March 31, 2025, following a period of defensiveness in response to the uncertain global environment in the fiscal years ended March 31, 2023 and 2024. We initiated a series of strategic investments in next-generation AI technologies and infrastructure, underscoring our commitment to leading the Information Revolution. Notable recent investment initiatives include OpenAI, Stargate and Ampere.

Our Assets

Arm (NASDAQ: ARM)

As of March 31, 2025, the portion of Equity Value of Holdings attributable to our holdings in Arm, after giving effect to remaining consideration for the intragroup acquisition of Arm shares from SVF1 in August 2023 and asset-backed financing transactions, was ¥12.9 trillion ($86.3 billion), representing 41% of our investment portfolio, an increase from 9% as of March 31, 2021.

Established in 1990, Arm is primarily involved in the business of licensing semiconductor intellectual property (IP), including the design of energy-efficient microprocessors and related technologies. In the fiscal year ended March 31, 2025, Arm's total revenue increased by $809 million (25.3%) year-over-year.

License and other revenue grew by $408 million (28.5%) year-over-year, supported by Arm signing multiple high-value, long-term subscription-based licensing agreements with major technology companies. Royalty revenue grew by $401 million (22.7%) year-over-year, primarily due to the adoption of Arm's latest technology, Armv9. The typical royalty fee of Armv9-based chips was approximately double the fee of equivalent Armv8-based chips. Chips based on Arm's CSS, which are pre-integrated components based on the latest Arm technology and optimized for high-performance and energy efficiency, also began shipping in volume which contributed to royalty growth in both smartphone and cloud markets. Since our acquisition in September 2016, Arm's revenue has more than doubled, from $1.5 billion to $4.0 billion. In addition, Arm has accelerated its investments in R&D, increasing engineering headcount by 18% between the twelve months ended March 31, 2024 and March 31, 2025, hiring more engineers to maintain or expand its market share in existing markets and gain market share in new markets. While continuing to grow its revenue in mobile computing, where Arm chips enjoy a leading market share, Arm has worked to diversify its offerings into automotive, cloud, IoT, and consumer electronics. As of the fiscal year ended March 31, 2024, 40% of Arm's royalties were derived from smartphone application processors, 20% from IoT and embedded devices, 8% from automotive, 10% from cloud and networking devices, 15% from consumer electronics and 7% from other mobile devices. Arm gained market share in both the cloud and automotive markets during the fiscal year ended March 31, 2025, driven by the increased adoption of Arm-based custom silicon and increased demand for smarter vehicles.

Arm expects the demand for Arm-based chips to continue across all market segments as AI continues to be deployed in virtually all applications, from the most advanced data centers to the smallest consumer devices. Deployment of AI requires chips with increased performance and less power consumption, which Arm expects will continue to drive the need for Arm's most advanced technology, such as Armv9, into smartphones, servers, smart IoT, and networking devices, which are considerably more energy efficient than previous generation Arm designs. Arm's data center customers are reporting substantial performance-per-watt savings compared with legacy architectures and this contributes to why Arm's energy-efficient technology is increasingly being chosen to help run these workloads. Most of the world's largest hyperscale cloud computing providers are either already deploying or are developing Arm-based chips for their data centers, including Amazon Web Services, Microsoft, and Google. During the fiscal year ended March 31, 2025, Amazon announced that over 50% of the server chips deployed in its data centers since 2023 were based on Arm's compute platform, and Microsoft and Google both launched services powered by their first Arm-based data center chips, reinforcing Arm's growing footprint in cloud computing. NVIDIA's Grace Blackwell Superchip, which combines NVIDIA's Blackwell GPU architecture with an Arm-based Grace CPU and provides significant power savings compared to running a GPU alongside a legacy server chip, also began its implementation in AI supercomputers. Arm technology provides similar energy-efficiency for chips in PCs, smartphones, automotive applications and networking. Energy efficiency is not only important for enterprises and consumers looking to reduce their energy bills, but is also critical for achieving sustainability for our planet. As the demand for increased performance continues to grow, especially with more applications adopting AI, the need for energy efficiency remains crucial. Consequently, we expect demand for Arm's technology to continue to grow as its customers strive to develop high-performance and energy-efficient chips essential for powering future AI algorithms.

On September 14, 2023 Arm successfully completed an IPO on the Nasdaq Global Select Market. As part of the IPO, the largest of 2023, we disposed of 102,500,000 American depositary shares (ADSs), representing 10% of Arm's 1,025,234,000 issued and outstanding ordinary shares as of September 30, 2023, and received proceeds of $5.12 billion. As of March 31, 2025, we held 87.3% of the outstanding shares in Arm.

SVF

Overview

As of March 31, 2025, the portion of Equity Value of Holdings attributable to our holdings in SVF1, SVF2 and LatAm Funds was ¥3.7 trillion ($24.6 billion), ¥4.8 trillion ($31.9 billion) and ¥1.0 trillion ($6.4 billion), respectively, representing 12%, 15% and 3% of our investment portfolio, respectively.

SVF1 is managed by SBIA, our wholly owned subsidiary, which is authorized and regulated by the Financial Conduct Authority in the United Kingdom. SVF1 aims to maximize returns from a medium- to long-term perspective, through large-scale investments in high-growth-potential technology companies primarily leveraging AI. SVF1's investment period ended on September 12, 2019. The remaining undrawn capital is reserved for fixed distributions and operating expenses. In principle, the life of SVF1 is until November 20, 2029 (unless extended for two additional one-year periods by SBIA). Since its inception through March 31, 2025, SVF1 has made 102 investments (including fully exited investments) at an acquisition cost of $89.6 billion, with a total cumulative return of $113 billion, calculated based on the sum of aggregate fair value of the investments held as of March 31, 2025 and the sales proceeds from the exited investments. For the fiscal year ended March 31, 2025, it benefited from strong performances across certain public and private investments, notably Coupang, Inc., DiDi Global Inc., and ByteDance Ltd. As of March 31, 2025, SVF1 had investments in 57 companies.

SVF2 and LatAm Funds are managed by SBGA, our wholly owned subsidiary, which is authorized and regulated by the Financial Conduct Authority in the United Kingdom. SVF2 launched in October 2019 with committed capital from us, aiming to facilitate the continued acceleration of the AI revolution through investment in market leading, tech-enabled growth companies across their vintage years. We are the primary limited partner investing in SVF2, with a total committed capital of $63.2 billion as of March 31, 2025. Since its inception through March 31, 2025, SVF2 has invested in 310 companies (including fully exited investment) at an acquisition cost of $60.8 billion, with a total cumulative return of $37.9 billion, calculated based on the sum of aggregate fair value of the investments held as of March 31, 2025 and the sales proceeds from the exited investments. For the fiscal year ended March 31, 2025, SVF2 saw a gross loss primarily due to declines in the share prices of public portfolio companies, such as AutoStore Holdings Ltd. and Symbotic Inc., as well as decreases in the fair values of private portfolio companies due to weaker business performances and lower share prices of market comparable companies. As of March 31, 2025, SVF2 had investments in 283 companies.

LatAm Funds aims to accelerate the AI revolution by investing in companies harnessing the power of AI and data technology to redefine industries exclusively within rapidly developing Latin America. We are the primary limited partner investing in LatAm Funds, with a total committed capital of $7.4 billion as of March 31, 2025. Since its inception through March 31, 2025, LatAm Funds has invested in 114 companies (including fully exited investments) at an acquisition cost of $7.5 billion, with a total cumulative return of $6.4 billion, calculated based on the sum of aggregate fair value of the investments held as of March 31, 2025 and the sales proceeds from the exited investments. For the fiscal year ended March 31, 2025, the performance of LatAm Funds was broadly flat, benefiting from foreign exchange tailwinds and the strong performance of some portfolio companies, such as PropTech platform QUINTOANDAR, LTD. As of March 31, 2025, LatAm Funds had investments in 88 companies.

Organization and Capital Deployment

SVF1, SVF2 and LatAm Funds are organized as follows:

	SVF1	SVF2	LatAm Funds
Major limited partnership	SoftBank Vision Fund L.P.	SoftBank Vision Fund II-2 L.P.	SBLA Latin America Fund LLC
Limited partners	SoftBank Group Corp. Public Investment Fund Mubadala Investment Company Apple Foxconn Technology Group Qualcomm Incorporated Sharp Corporation	SoftBank Group Corp. Third-party investor(1)	SoftBank Group Corp. Third-party investor(1)
Management company	SB Investment Advisers (UK) Limited ("SBIA") (our wholly owned subsidiary in the United Kingdom)	SB Global Advisers Limited ("SBGA")	
Investment period	Ended on September 12, 2019	To be determined by the manager	
Minimum fund life	Until November 20, 2029 + up to two one-year extensions by SBIA	Until October 4, 2032 + up to two one-year extensions by SBGA	

(1) A co-investment program has been introduced for SVF2 and LatAm Funds for the Company's management. MASA USA LLC ("MgmtCo"), an investment entity for the co-investment program, participates in two funds. The interest attributable to MgmtCo is treated as a third-party interest in the Company's consolidated financial statements. For details, see "Related-Party Transactions."

Exit decisions for the various entities comprising SVF1 are made by the SBIA investment committee. Investment and exit decisions for the various entities comprising SVF2 and LatAm Funds are made by the SBGA investment committee. See "—Approach Concerning Investment Decisions—SVF funds."

The following table summarizes the capital deployment of SVF1, SVF2 and LatAm Funds as of March 31, 2025:

SVF1

	Total	The Company	Third-party investors
		(billions of dollars)	
Committed capital	98.6	33.1(1)	65.5
Drawn capital	87.2	29.9(2)	57.3
Return of capital (non-recallable)	47.8	10.5	37.3
Outstanding capital	39.4	19.4	20.0(3)
Remaining committed capital	11.4	3.2	8.2

(1) Our committed capital to SVF1 includes approximately $8.2 billion of an obligation that was satisfied by using Arm shares (all said shares have been contributed) and $2.5 billion earmarked for purposes of an incentive scheme related to SVF1.

(2) Drawn capital of SVF1 excludes the amount repaid to limited partners due to investment plan changes and other reasons after the capital was drawn.

(3) As of March 31, 2025, $5.1 billion of the $20.0 billion of outstanding capital from third-party investors was attributable to preferred equity commitment.

SVF2

	Total
	(billions of dollars)
Committed capital	65.8
Drawn capital	63.9
Remaining committed capital(1)	1.9

(1) Remaining committed capital includes recallable return of capital.

LatAm Funds

	Total
	(billions of dollars)
Committed capital	7.8
Drawn capital	7.6

Investment Portfolio

The following tables summarize the respective investment portfolios of SVF1, SVF2 and LatAm Funds as of March 31, 2025.

SVF1

Sector	Number of investments	Investment cost	Fair value	Cumulative unrealized valuation gain (loss)[1]
	(billions of dollars other than number of investments)			
Consumer	15	$12.1	$29.8	$17.7
Edtech	1	0.6	0.3	(0.3)
Enterprise	4	1.3	0.9	(0.4)
Fintech	7	2.4	0.7	(1.7)
Frontier Tech	4	0.3	0.1	(0.2)
Health Tech	6	1.2	0.8	(0.4)
Logistics	9	5.4	2.3	(3.1)
Proptech	4	4.4	0.9	(3.5)
Transportation	7	16.5	7.5	(9.0)
Total	57	$44.2	$43.3	$ (0.9)
(Reference)				
Listed companies:				
Coupang, Inc.		$ 1.7	$ 7.7	$ 6.0
DiDi Global Inc.[2]		12.1	4.7	(7.4)
Grab Holdings Inc.		1.7	1.8	0.1
Full Truck Alliance Co. Ltd.		0.8	1.2	0.4
Auto1 Group SE		0.7	0.8	0.1
Roivant Sciences Ltd.		0.6	0.6	0.0
PT GoTo Gojek Tokopedia Tbk		1.0	0.5	(0.5)
Brainbees Solutions Limited (FirstCry)		0.2	0.4	0.2
Compass, Inc.		0.4	0.4	0.0
Delhivery Limited		0.2	0.2	0.0
Aurora Innovation Inc.		0.2	0.2	(0.0)
Vir Biotechnology, Inc.		0.1	0.1	(0.0)
Relay Therapeutics, Inc.		0.3	0.1	(0.2)
Energy Vault, Inc.		0.0	0.0	(0.0)
Ginkgo Bioworks Holdings, Inc.		0.1	0.0	(0.1)
OneConnect Financial Technology Co., Ltd.		0.1	0.0	(0.1)
Getaround, Inc.		0.3	0.0	(0.3)
Total	17	20.5	18.7	(1.8)
Unlisted companies	40	23.7	24.6	0.9
Total	57	$44.2	$43.3	$ (0.9)

(1) For a certain investment that was once decided to be transferred from us to SVF1 but later canceled, its unrealized gain and loss incurred for the period leading up to the decision to cancel the transfer is not included in the presentation.

(2) Traded in the over-the-counter market.

SVF2

Sector	Number of investments	Investment cost	Fair value	Cumulative unrealized valuation gain (loss)
	(billions of dollars other than number of investments)			
Consumer	49	$ 9.9	$ 5.6	$ (4.3)
Edtech	10	1.5	0.4	(1.1)
Enterprise	82	12.3	8.3	(4.0)
Fintech	37	8.6	6.2	(2.4)
Frontier Tech	20	4.4	3.5	(0.9)
Health Tech	45	4.5	1.7	(2.8)
Logistics	20	5.9	3.5	(2.4)
Proptech	4	0.2	0.1	(0.1)
Transportation	10	3.3	2.8	(0.5)
Other	6	0.2	0.2	0.0
Total	283	50.8	32.3	(18.5)
(Reference)				
Listed companies:				
AutoStore Holdings Ltd.		$ 2.8	$ 1.2	$ (1.6)
Swiggy Limited[(1)]		0.5	0.7	0.2
Ola Electric Mobility Limited		0.5	0.5	(0.0)
Symbotic Inc.		0.2	0.4	0.2
Full Truck Alliance Co. Ltd.[(1)]		0.2	0.2	0.0
Metsera, Inc.		0.0	0.1	0.1
JD Logistics, Inc.[(1)]		0.3	0.1	(0.2)
Recursion Pharmaceuticals, Inc.		0.1	0.1	(0.0)
DingDong (Cayman) Limited[(1)]		0.3	0.0	(0.3)
Beisen Holding Limited		0.1	0.0	(0.1)
Keep Inc.		0.2	0.0	(0.2)
AInnovation Technology Group Co., Ltd.		0.1	0.0	(0.1)
Better Holdco Inc.[(1)]		0.5	0.0	(0.5)
Seer, Inc.[(1)]		0.2	0.0	(0.2)
Globalstar, Inc.		0.0	0.0	(0.0)
Neumora Therapeutics, Inc.		0.1	0.0	(0.1)
XtalPi Holdings Limited		0.0	0.0	0.0
Total	17	6.1	3.3	(2.8)
Unlisted companies	266	44.7	29.0	(15.7)
Total	283	$50.8	$32.3	$(18.5)

(1) Investments not subject to the co-investment program.

LatAm Funds

Sector	Number of investments
Consumer	13
Edtech	6
Enterprise	14
Fintech	29
Frontier Tech	1
Health Tech	1
Logistics	7
Proptech	3
Transportation	2
Other	12
Total	88

SoftBank Corp. (Tokyo Stock Exchange, Prime Market: 9434)

As of March 31, 2025, the portion of Equity Value of Holdings attributable to our holdings in SoftBank Corp. was ¥3.2 trillion ($21.4 billion), representing 10% of our investment portfolio, after deducting the amount equivalent to the outstanding amount related to asset-backed financings using SoftBank Corp. shares.

SoftBank Corp., our main operating entity doing business in Japan, is a leading provider of mobile and fixed-line telephone and Internet services. Under its "Beyond Carrier" growth strategy, SoftBank Corp. aims to achieve sustainable growth in its core telecommunications business, while expanding its domains beyond telecommunications through internet services, such as Yahoo! JAPAN and LINE, and the development of businesses that utilize advanced technologies, including AI, IoT, and FinTech, the latter encompassing the cashless payment service PayPay. Specifically, SoftBank Corp. is working to (1) drive further growth in the telecommunications business, (2) expand the digital transformation and solution business in the enterprise business, (3) drive growth of the Media & EC (e-commerce) business, (4) drive growth of the financial business, (5) develop and expand new business fields, and (6) streamline costs.

Particularly in its telecommunications business, its core business, SoftBank Corp. has also been promoting a multi-brand strategy, such as SoftBank, Y!mobile, and LINEMO, offering services tailored to diversifying customer needs and aiming to maximize mobile revenue by expanding the number of smartphone subscribers and increasing ARPU of mobile communications charges through providing added value by utilizing group services. As a result, the number of smartphone subscribers as of March 31, 2025 increased by 1,040 thousand year on year.

SoftBank Corp. also focuses on generative AI and promotes a "multi-model strategy" that provides multiple large-scale language models (LLMs) according to customer needs. As part of this initiative, it is engaged in the in-house development of an LLM specialized for the Japanese language and is also working on the construction of large-scale AI data centers necessary for the future provision of generative AI services.

T-Mobile (NASDAQ: TMUS)

As of March 31, 2025, the portion of Equity Value of Holdings attributable to our holdings in T-Mobile represented 11% of our investment portfolio, with an aggregate equity value of ¥3.4 trillion ($22.8 billion). T-Mobile, which brands itself as America's "Un-carrier," aims to disrupt the wireless communication industry in the United States by building actively engaging with its customers to focus on eliminating pain points and providing added value while implementing signature initiatives that have changed the U.S. wireless industry, according to its public disclosure.

On April 1, 2020, the merger of Sprint, which had been our subsidiary, and T-Mobile in an all-stock transaction was completed. As consideration for the merger, we received 353,357,606 T-Mobile shares, including 48,751,557 shares received in December 2023 for no additional consideration as we satisfied certain conditions in December 2023. As of April 1, 2020, Sprint ceased to be our subsidiary, and the combined new company, T-Mobile, became our equity method associate with a shareholding of 24.7%. According to its public disclosure, since the merger, T-Mobile has grown its mobile and high-speed Internet service subscriptions to approximately 121 million (as of March 31, 2024) with America's largest, fastest, and most reliable 5G network.

Between June 2020 and August 2020, we sold a total of 198,314,426 T-Mobile shares we held in a series of transactions through subsidiaries for $20.1 billion. As a result of the decrease in voting rights following these sales, we lost our significant influence over T-Mobile as of June 26, 2020 and, on the same date, we removed T-Mobile as our equity method associate.

In addition, in June 2020, Deutsche Telekom AG, the parent of T-Mobile, received call options over our 101,491,623 shares of common stock of T-Mobile. In September 2021, we engaged in a share swap with Deutsche Telekom, pursuant to which we transferred 45,366,669 T-Mobile shares in partial exercise of the call options in return for 225,000,000 Deutsche Telekom shares. Subsequently, in April 2022, Deutsche Telekom exercised additional call options and we sold an additional 21,153,145 T-Mobile shares to Deutsche Telekom for $2.4 billion. In June 2023, we received approximately 3.6 million T-Mobile shares, not subject to Deutsche Telekom call options, upon vesting of certain contingent value rights we received in June 2020 in relation to the disposal of T-Mobile shares. In addition, we satisfied certain contingent conditions in December 2023 under the merger agreement for the merger of T-Mobile and Sprint in 2020 and received approximately 48.8 million T-Mobile shares, equivalent to ¥1.1 trillion ($7.74 billion), for no additional consideration. In June, 2024, Deutsche Telekom partially exercised call options on 6,728,701 T-Mobile shares for approximately $670 million, and the remaining portion of Deutsche Telekom's unexercised call options expired without being exercised. As of March 31, 2025, we held 85 million T-Mobile shares (representing 7.5% of total outstanding shares).

On June 17, 2025, acting through a 100% owned subsidiary, we executed a sale of shares in T-Mobile, selling 21,500,000 shares out of the 85,361,065 shares owned by us immediately prior to the sale. The sale yielded proceeds of $4.8 billion before applicable taxes.

Alibaba (New York Stock Exchange: BABA; Hong Kong Stock Exchange: 9988)

We initially invested in Alibaba, an e-commerce, cloud computing and digital media and entertainment company that operates the C-to-C marketplace Taobao and the B-to-C marketplace Tmall in 2000. Over the course of our investment in Alibaba, we invested a total of approximately ¥7.4 billion ($49.2 million) in Alibaba. As of March 31, 2021, our holdings in Alibaba represented approximately 42% of the Equity Value of Holdings, with an equity value at the time of ¥12.7 trillion ($85.3 billion). We have since monetized our position in Alibaba via a series of transactions utilizing various methods including prepaid forward contracts and margin loans over several years and have diversified our investment portfolio while shifting to AI-centric portfolio. As of March 31, 2025, the Equity Value of Holdings attributable to our holdings in Alibaba, after giving effect to asset-backed financing transactions, represented 0.03%, with the Equity Value of Holdings of ¥0.01 trillion ($62.6 million).

Other

As of March 31, 2025, the remaining amount of Equity Value of Holdings classified as "Other" was ¥2.1 trillion ($13.9 billion), representing the sum of the market value of the listed stocks held, the fair value of the unlisted stocks held, and our portion of the net asset value of SB Northstar.

SB Northstar engages in the acquisition and sale of listed stocks, corporate bonds (primarily investment-grade with short maturities), and other instruments, utilizing surplus funds of SoftBank Group Corp. SB Northstar is indirectly held 67% by us and 33% by our Representative Director, Corporate Officer, Chairman & CEO, Masayoshi Son. Masayoshi Son's interest is deducted from gain and loss on investments at SB Northstar as a non-controlling interest. Furthermore, if, at the end of the SB Northstar's life (12 years from the fiscal year ended March 31, 2021 with two one-year extensions), SB Northstar has any unfunded repayment obligations to us, Masayoshi Son has agreed to pay his *pro rata* share of any such unfunded obligations based upon his relative ownership percentage of SB Northstar.

Sustainability

Our firm commitment to sustainability is rooted in our corporate philosophy, "Information Revolution—Happiness for everyone," which embodies our determination to bring happiness to everyone, even to future generations 300 years from now. The Information Revolution has advanced to a new stage with the increasing sophistication of AI. It has the potential to create a safer, more enriching, and more prosperous future full of possibilities. At the same time, we seek to contribute to solving global challenges—such as climate change, educational and economic inequality—and to realizing sustainability on a global scale. We are driving the Information Revolution forward through the responsible use of AI, steadily progressing toward the world we have envisioned since our founding.

Sustainability Principles and Material Issues Relating to Sustainability

The Company has established "The SoftBank Group Sustainability Principles" as a guideline for our group's sustainability, so as to achieve sustainable growth by meeting the expectations of shareholders, creditors, customers, business partners, employees, local communities, and all other stakeholders. Based on these principles, we identify and classify sustainability-related issues to be addressed from two perspectives, the importance to our stakeholders and the importance to the Company and its subsidiaries. Among these issues, we identify material issues relating to sustainability (the "Material Issues") that should be addressed with priority, determined by our Board of Directors. We have set the goals and action plans for the Material Issues with particularly high priority, and we are continuously working toward these goals and action plans while monitoring their progress. We also review the Material Issues at least once in every two years to reflect changes in social environments, the expectations of our stakeholders and changes in the business operations within each group company.

Sustainability Governance

Our Board of Directors has appointed the Chief Sustainability Officer ("CSusO") who is responsible for the promotion of the group-wide sustainability and has established the Sustainability Committee in June 2020 for the purpose of promotion of sustainability-related activities of our group. Chaired by the CSusO, the Sustainability Committee continuously discusses overall policies such as sustainability vision and basic policies, policies of individual activities such as sustainability-related issues, goal setting and information disclosure, as well as sustainability promotion systems and operation policies. The Sustainability Committee is chaired by the CSusO (Corporate Officer, Senior Vice President) and composed of one member, Board Director, Corporate

Officer, Senior Vice President, CFO, CISO & GCO. The Sustainability Committee holds the meetings on a quarterly basis, generally. In addition to the Sustainability Committee members, the heads of relevant departments attend the meetings to engage in cross-functional discussions based on specialized knowledge and multiple perspectives. The CSusO reports the details of these discussions to our Board of Directors.

In fiscal 2024, the Sustainability Committee convened three times in total, in April, July and October, and the content of discussions from each meeting was reported to the Board of Directors.

Sustainability Risk Management

At the Company, the Risk Management Office is responsible for the integrated management of our Group-wide risks in accordance with the Risk Management Policy. The Sustainability Department under the CSusO identifies risks through reports from each department of the Company and its major Group companies and identifies risks that should be addressed as prioritized risks through discussions at the Sustainability Committee. In addition, the Sustainability Department reports the identified risks, countermeasures and their status to the Risk Management Office.

The Risk Management Office analyzes and assesses various risks including sustainability and corresponding countermeasures, considering the likelihood that a risk could materialize and the magnitude of potential impact. For material risks that could significantly impact the Group's sustainable growth, the Risk Management Office collaborates with the relevant departments or Group companies to understand the implementation status of countermeasures and monitor their effectiveness. Material risks and the status of countermeasures are reported to and discussed every quarter by our Board of Directors and the Group Risk and Compliance Committee which consists of the Board Directors and Corporate Officers of the Company. Based on the results of these discussions, the Risk Management Office strives to strengthen our Group companies' risk management system.

Environment

The Company has achieved carbon neutrality(Note 1) on a standalone basis as of the fiscal year 2020. In March 2024, we formulated a plan for reducing greenhouse gas emissions to achieve our group-wide target(Note 2) of achieving carbon neutrality(Note 1) as a group by the end of fiscal year 2030. The Company and its major subsidiaries are undertaking greenhouse gas emissions reduction initiatives in accordance with this plan. Specifically, Arm has announced its commitment to cutting its absolute greenhouse gas emissions by 50% from a fiscal year ending 2020 baseline across all emissions sources (Note 3) by fiscal year ending 2030 in line with a 1.5°C climate pathway and the Paris Agreement, and has sourced 100% renewable electricity for its group's electricity used in business activities since the fiscal year ended March 31, 2022. SoftBank Corp. has announced its commitment to achieve carbon neutrality(Note 1) by the end of its fiscal year 2030 and net-zero(Note 4) in its group by fiscal year 2050. LY Corporation has committed to achieve carbon neutrality(Note 1) from its group by the end of its fiscal year 2030.

(Note 1) Applies to Scope 1 and Scope 2 greenhouse gas emissions.
(Note 2) SoftBank Group Corp. and its major subsidiaries (in principle, "Principal Subsidiaries" as defined and disclosed in the annual securities report prepared in accordance with the FIEA).
(Note 3) Applies to Scope 1, Scope 2 and the six categories of Scope 3 greenhouse gas emissions relevant to Arm.
(Note 4) Applies to Scope 1, 2 and Scope 3 greenhouse gas emissions.

In 2011, the Company entered the renewable energy business for a safe, secure, and sustainable supply of energy. As of March 31, 2025, SB Energy Global Holdings Limited, our subsidiary, and its subsidiaries operated nine solar power generation plants in the United States with a total generation capacity of 2,130 MW (Note 1) and had four solar power generation plants under development in the United States with a total expected generation capacity of 1,180 MW (Note 1) of solar power generation plants and 1,361 MW of battery storage.

Our other subsidiaries engage with energy and resource conservation and development of energy-saving technologies through their businesses. For example, as compute demands continue to grow to handle increasingly complex workloads, Arm solutions prioritize power efficiency while providing market-leading performance. Hyperscalers like Amazon Web Services (AWS), Google Cloud and Microsoft Azure have adopted the Arm compute platform to build their own general-purpose custom silicon to transform energy usage in the datacenter and cloud, reporting better efficiency compared to previous-generation chips. Google Cloud introduced custom Google Axion Processors, based on Arm Neoverse V2, for general-purpose compute and AI inference workloads. Axion powers instances that deliver up to 60% better energy efficiency than comparable current-generation x86-based instances.

(Note 1) AC generation capacity.

Social

We view human resources as a source of value creation and an important stakeholder in supporting sustainable growth and believe that creating a working environment in which employees can challenge themselves and play an active role while maximizing their individuality and abilities will enhance corporate value. We emphasize hiring professionals based on our three core competencies of "professionalism," "smart" and "relation." By advancing the hiring and promotion to management positions of individuals without regard to their gender, nationality or disability, we strive to create a workplace rich in diversity where employees of all backgrounds can thrive. We are committed to assignments that allow employees, who are the driving force behind corporate growth, to make the most of their individuality and abilities. We are particularly committed to empowering women. As of March 31, 2025, 46.4% of all employees and 25.4% of managers were women, and we will continue to promote the advancement of women in our group.

Responsible AI

As part of our vision to realize ASI, we are facilitating foundational initiatives to enable the active use of AI. The Company has identified "Responsible AI" as one of the most important material issues relating to sustainability that should be addressed with priority and aim to establish an appropriate group-wide AI governance structure. As part of this effort, we have established the AI Governance Working Group under the Group Risk and Compliance Committee to discuss our approach to AI governance. Chaired by the CSusO and with a membership that includes representatives from related divisions such as CEO Office, Legal and Information System and from major subsidiaries such as Arm, SoftBank Corp., LY Corporation and SBIA, the Working Group convenes regularly to share information about best practices and discuss an AI governance model for us to adopt. The Company added the Action Statements on AI to the "SoftBank Group Code of Conduct" in April 2024 to promote active but responsible use of AI by our officers and employees. The Company will continue our efforts to build a governance structure that balances proactive and secure approaches to manage the breakneck advancements in AI. In addition, the Company has established separate guidelines for AI developers, providers, and business users respectively. Also, the Company has a mechanism whereby the Information Security Committee evaluates the project in advance when AI is developed or adopted internally, in order to mitigate risks. Furthermore, the Company implements various measures, including annual assessments of its Group companies, to monitor their initiatives and risks, thereby facilitating the effective use of AI across the entire group.

Our group companies also actively promote responsible use of AI. SoftBank Corp. established its "AI Ethics Policy," and is promoting AI governance through collaboration with relevant departments and other related parties, under the leadership of an independent and specialized unit. In April 2024, SoftBank Corp. established the AI Ethics Committee, a panel composed of internal and external AI experts, and since then, it has been discussing regulatory trends and issues both in Japan and overseas, and in December 2024, it launched a risk-based approach to strike a balance between expediting the development and provision of AI services and managing the risks associated with such. With this approach, governance processes are adapted to the risk level of the case in question, enabling dynamic vetting processes that mitigate excessive workload without compromising risk reduction.

Intellectual Property

We are the holder of the registered trademark "SoftBank" and the related corporate logo. We have granted SoftBank Corp. the sole and perpetual right to use the "SoftBank" trademark with respect to certain of its domestic businesses. SoftBank Corp. has also been granted a limited right to sublicense the use of the trademark to its subsidiaries.

Certain of our group companies have registered patents, trademarks, designs, and utility models and also have pending patents, trademarks, registered designs and utility models. In addition, certain of our group companies license the right to use certain intellectual property to third parties.

Employees

As of March 31, 2025, we had 67,229 full-time employees.

The following table shows the aggregate number of our full-time employees. During the fiscal year ended March 31, 2025, we had an average of 27,106 part-time employees.

	As of March 31, 2025
Investment Business of Holding Companies Segment	329
SoftBank Vision Funds Segment	282
SoftBank Segment	55,070
Arm Segment	8,160
Others	3,388
Total	67,229

Group-wide, we enjoy good relations with our employees. While our employees are not unionized, some of our consolidated subsidiaries have labor unions.

Regulation

The business activities of the SoftBank Group are subject to various governmental regulations in Japan and the other jurisdictions in which we operate, including regulations relating to business and investment approvals, consumer protection, intellectual property, taxation, foreign exchange controls and environmental requirements. Applicable regulations are frequently introduced, abolished or amended, and in any event are subject to interpretation by governmental and judicial authorities.

In particular, our business activities under the SoftBank segment, such as mobile communications business, broadband infrastructure business and fixed-line telecommunications business, are subject to general regulations applicable to the telecommunications industry in Japan, of which the following are the most significant:

- the Telecommunications Business Act of Japan (Act No. 86 of 1984, as amended) (the "TBA");
- the Radio Act of Japan (Act No. 131 of 1950, as amended) (the "Radio Act"); and
- the Wire Telecommunications Act of Japan (Act No. 96 of 1953, as amended) (collectively together with the TBA and the Radio Act, the "Telecommunications Regulations").

The Telecommunications Regulations are administered primarily by the Ministry of Internal Affairs and Communications of Japan (the "Ministry") through regulatory actions of the responsible government minister (the "MIC Minister" and together with the Ministry, the "MIC"). Additionally, the Japan Fair Trade Commission (the "JFTC") has jurisdiction over telecommunications carriers by virtue of its powers under the Act Concerning Prohibition of Monopoly and Maintenance of Fair Trade (Act No. 54 of 1947, as amended) to prohibit anti-competitive practices.

As is typical for regulatory authorities in Japan, the MIC has announced various guidelines in connection with the implementation of applicable laws for the primary purpose of clarifying the meaning of such laws as well as ordinances made under them. Such guidelines are informal in nature and do not have the status of legislation passed by the National Diet of Japan, the primary legislative body in Japan (the "Diet"). Accordingly they are not legally binding on telecommunications carriers. Nevertheless, such guidelines serve as a statement of the regulatory interpretation of applicable laws and, accordingly, telecommunications carriers are, in practice, required to comply with them.

We are also subject to various governmental regulations in connection with our investments, including through SVF1, SVF2 and LatAm Funds. For example, SVF1 is managed by SBIA and SVF2 and LatAm Funds are separately managed by SBGA, but both SBIA and SBGA are regulated by the UK Financial Conduct Authority. In addition, when we or our subsidiaries or associates make investments overseas, such investments may be subject to approval in multiple jurisdictions under various regulatory regimes, such as those relating to antitrust and national security.

Legal Proceedings

We are routinely involved in litigation and other legal proceedings in connection with our ordinary course business activities. We are not currently involved in any litigation or other legal proceedings that, if determined adversely to us, would individually or in the aggregate be expected to have a material adverse effect on our financial condition or results of operations.

MANAGEMENT

Overview

Our Board of Directors has the ultimate responsibility for the administration of our affairs. The Board's purpose is to make important decisions on execution of duties and oversee directors' execution of duties. Our Articles of Incorporation provide for not more than 11 directors, and at the present, we have nine directors including five external directors. External directors are responsible for supervising our business management. Our Representative Director, Corporate Officer, Chairman and CEO serves as the chairman of the Board.

All directors are elected at general meetings of shareholders. The normal term of office of directors is one year, although they may serve any number of consecutive terms. To elect directors, the Board of Directors selects candidates in accordance with our Articles of Incorporation and the Regulations of the Board of Directors and these candidates are proposed at the general meeting of shareholders. Shareholders can also propose candidates in compliance with the requirements of the Companies Act of Japan. Cumulative voting is not allowed in the election of our directors.

Our Articles of Incorporation provide for not more than five Audit & Supervisory Board members, and at present, we have four audit & supervisory board members, four of whom are External Audit & Supervisory Board members (two full-time members and two part-time members), and is chaired by a full-time, internal Audit & Supervisory Board member. All Audit & Supervisory Board members are elected at general meetings of shareholders. The normal term of office of Audit & Supervisory Board members is four years, although they may serve any number of consecutive or non-consecutive terms. The Audit & Supervisory Board members are not required to be certified public accountants and may not at the same time be our directors or employees of any of our group companies. In addition, not less than half of the Audit & Supervisory Board members must be external corporate auditors.

The Audit & Supervisory Board members form the audit & supervisory board, which determines matters relating to the duties of Audit & Supervisory Board members such as audit policy and methods of investigating our affairs. The Audit & Supervisory Board also receives quarterly briefings and reports relating to financial results from the independent auditor and briefings on individual matters from directors as necessary and exchanges information and opinions with the independent auditor as necessary.

We established the assistant to Audit Department to support the Audit & Supervisory Board members. This department acts under the direction of the Audit & Supervisory Board members to gather information, investigate matters and provide other assistance.

Under the Companies Act of Japan, the Audit & Supervisory Board members have the statutory duty of supervising the administration of our affairs by the directors and also of examining the financial statements and business reports to be submitted by a representative director to general meetings of shareholders. The Audit & Supervisory Board members must attend meetings of the Board of Directors and express opinions there, if necessary, but they are not entitled to vote. Audit & Supervisory Board members also have a statutory duty to provide their report to the audit & supervisory board, which must submit its audit report to a representative director. If the audit report covers financial statements, the Audit & Supervisory Board must also submit its audit report to the independent auditor.

We must appoint independent certified public accountants or audit firms in addition to Audit & Supervisory Board members. Such independent certified public accountants or audit firms have the statutory duty of auditing the financial statements, prepared in accordance with the Companies Act of Japan, to be submitted by a representative director to general meetings of shareholders and reporting their opinion thereon to the audit & supervisory board, and a representative director. Our audit firm for such purposes is Deloitte Touche Tohmatsu LLC.

Under the Companies Act of Japan and our Articles of Incorporation, we may, by resolution of our Board of Directors, limit the liability of our directors and Audit & Supervisory Board members for losses sustained by us in connection with the failure of such directors and Audit & Supervisory Board members to perform their duties, except in the case of willful misconduct or gross negligence. The applicable liability thresholds are calculated, in accordance with the Companies Act of Japan, with reference to the amounts of annual remuneration, retirement allowance and profits received upon exercise or transfer of stock options for the relevant individual. In addition, we have entered into agreements limiting the liability of our non-executive directors and Audit & Supervisory Board members for losses sustained by us in connection with the failure of such directors and Audit & Supervisory Board members to perform their duties, except in the case of willful misconduct or gross negligence, to the greater of either an amount previously agreed in the liability limitation agreement that is no less than ¥10 million ($66,881) or an amount calculated as described above.

Directors and Audit & Supervisory Board Members

The following table sets out certain information on our directors and Audit & Supervisory Board members as of the date of this offering memorandum:

Name	Date	Position/Action
Masayoshi Son	September 1981	Founded SoftBank Group Corp., Chairman & CEO
	October 2005	Director, Alibaba.com Corporation (currently Alibaba Group Holding Limited)
	April 2006	Chairman of the Board, President & CEO, Vodafone K.K. (currently SoftBank Corp.)
	September 2016	Chairman and Executive Director, ARM Holdings plc
	June 2017	Chairman & CEO, SoftBank Group Corp.
	November 2020	Chairman & CEO, Representative Director, Corporate Officer, SoftBank Group Corp. (to present)
	April 2021	Board Director, Founder, SoftBank Corp. (to present)
	August 2023	Chairman and Director, Arm Holdings plc (to present)
Yoshimitsu Goto	April 1987	Joined The Yasuda Trust and Banking Co., Ltd. (currently Mizuho Trust & Banking Co., Ltd.)
	June 2000	Joined SoftBank Group Corp.
	April 2006	Director, Vodafone K.K. (currently SoftBank Corp.)
	July 2012	Corporate Officer, Senior Vice President, Head of Finance Department, SoftBank Group Corp.
	October 2013	President & CEO and acting owner, Fukuoka SoftBank HAWKS Corp. (to present)
	June 2014	Board Director, SoftBank Group Corp.
	June 2015	Senior Vice President, SoftBank Group Corp.
	June 2017	Senior Vice President, SoftBank Group Corp.
	April 2018	Senior Vice President & CFO & CISO, SoftBank Group Corp.
	June 2020	Board Director, Senior Vice President, CFO, CISO & CSusO, SoftBank Group Corp.
	November 2020	Board Director, Corporate Officer, Senior Vice President, CFO, CISO & CSusO, SoftBank Group Corp.
	June 2022	Board Director, Corporate Officer, Senior Vice President & CFO & CISO, SoftBank Group Corp.
	June 2025	Board Director, Corporate Officer, Senior Vice President, CFO, CISO & GCO, SoftBank Group Corp. (to present)
Ken Miyauchi	February 1977	Joined Japan Management Association
	October 1984	Joined SoftBank Group Corp.
	February 1988	Board Director, SoftBank Group Corp.
	April 2006	Executive Vice President, Director & COO, Vodafone K.K. (currently SoftBank Corp.)
	June 2007	Representative Director & COO, SoftBank Mobile Corp. (currently SoftBank Corp.)
	June 2013	Representative Board Director, Senior Executive Vice President of SoftBank Group Corp.

Name	Date	Position/Action
	April 2015	President & CEO, SoftBank Mobile Corp. (currently SoftBank Corp.)
	April 2018	Board Director, SoftBank Group Corp. (to present)
	June 2018	President & CEO, SoftBank Corp.
	April 2021	Representative Director & Chairman, SoftBank Corp.
	April 2023	Director & Chairman, SoftBank Corp.
	April 2024	Director & Special Advisor, SoftBank Corp.
	June 2024	Special Advisor, SoftBank Corp. (to present)
Rene Haas	January 1999	Vice President of Sales, Tensilica
	August 2004	Vice President of Sales and Marketing, Scintera Networks,
	October 2006	Vice President & General Manager, Computing Products Business Unit, NVIDIA Corporation
	October 2013	Vice President of Strategic Alliances, ARM Holdings plc
	January 2015	Executive Vice President & Chief Commercial Officer, ARM Holdings plc
	January 2017	President of Arm's IP Product Groups (IPG), ARM Holdings plc
	February 2022	CEO, Arm Limited
	June 2023	Board Director, SoftBank Group Corp. (to present)
	September 2023	CEO and Director, Arm Holdings plc (to present)
	January 2025	Director, AstraZeneca PLC (to present)
Masami Iijima	April 1974	Joined MITSUI & CO., LTD.
	April 2006	Managing Officer, Chief Operating Officer of Iron & Steel Raw Materials and Non-Ferrous Metals Business Unit, MITSUI & CO., LTD.
	April 2008	Executive Managing Officer, MITSUI & CO., LTD.
	June 2008	Representative Director, Executive Managing Officer, MITSUI & CO., LTD.
	April 2009	Representative Director, President and Chief Executive Officer, MITSUI & CO., LTD.
	April 2015	Representative Director, Chairman of the Board of Directors, MITSUI & CO., LTD.
	June 2018	Board Director, SoftBank Group Corp. (to present)
	June 2019	Counsellor, Bank of Japan (to present)
	April 2021	Director, MITSUI & CO., LTD.
	June 2021	Counselor, MITSUI & CO., LTD. (to present)
	June 2021	Director (Audit & Supervisory Committee member), Takeda Pharmaceutical Company Limited
	June 2022	Director, Takeda Pharmaceutical Company Limited (to present)
	June 2023	Director, KAJIMA CORPORATION (to present)
Yutaka Matsuo	April 2002	Researcher, National Institute of Advanced Industrial Science and Technology
	August 2005	Visiting Scholar, Stanford University

Name	Date	Position/Action
	October 2007	Associate Professor, Graduate School of Engineering, the University of Tokyo
	June 2017	Chairman, Japan Deep Learning Association (to present)
	April 2019	Professor, Graduate School of Engineering, the University of Tokyo (to present)
	June 2019	Board Director, SoftBank Group Corp. (to present)
	June 2025	Director, Panasonic Holdings Corporation (to present)
Keiko Erikawa	July 1978	Senior Executive Director, KOEI Co., Ltd. (currently KOEI TECMO GAMES CO., LTD.)
	April 1994	Director, Foundation for Fusion of Science & Technology (to present)
	May 2007	Head Director, Association of Media in Digital (to present)
	June 2013	Chairman (Representative Director), KOEI TECMO GAMES CO., LTD.
	June 2013	Chairman (Representative Director), KOEI TECMO HOLDINGS CO., LTD.
	April 2015	Chairman Emeritus (Director), KOEI TECMO GAMES CO., LTD.
	June 2021	Board Director, SoftBank Group Corp. (to present)
	February 2025	Representative Director and President, KOEI TECMO CORPORATE FINANCE CO., LTD. (to present)
	June 2025	Chairman Emeritus (Director), KOEI TECMO HOLDINGS CO., LTD. (to present)
Kenneth A. Siegel	August 1986	Joined Morrison & Foerster LLP
	January 1994	Partner, Morrison & Foerster LLP
	August 1996	Managing Partner, Morrison & Foerster Tokyo Office (Morrison & Foerster Gaikokuho Jimu Bengoshi Jimusho) (to present)
	January 2009	Board Director, Member of Executive Committee, Morrison & Foerster LLP (to present)
	June 2021	Board Director, SoftBank Group Corp. (to present)
David Chao	June 1988	Joined Recruit Co., Ltd. (currently Recruit Holdings Co., Ltd.)
	June 1989	Joined Apple Computer, Inc. (currently Apple Japan, Inc.)
	August 1993	Joined U.S. McKinsey & Company (McKinsey & Company, Inc.)
	May 1996	Co-Founder and CTO, Japan Communications Inc.
	January 1997	Co-Founder and General Partner, DCM Ventures (to present)
	June 2022	Board Director, SoftBank Group Corp. (to present)
Maurice Atsushi Toyama	September 1977	Joined San Francisco Office of Price Waterhouse (currently PricewaterhouseCoopers)
	August 1981	Certified Public Accountant, State of California, U.S.
	June 2006	Partner, PricewaterhouseCoopers Aarata (currently, PricewaterhouseCoopers Japan LLC)
	June 2015	Full-time External Audit & Supervisory Board Member, SoftBank Corp. (currently SoftBank Group Corp.; to present)

Name	Date	Position/Action
Yuji Nakata	April 1983	Joined Nomura Securities Co., Ltd.
	April 2007	Executive Managing Director, Nomura Securities Co., Ltd.
	April 2007	COO, Nomura Asia Holding N.V.
	April 2008	Executive Managing Director, Global Markets, Nomura Holdings, Inc.
	November 2008	Senior Managing Director, Risk Management, Nomura Securities Co., Ltd.
	April 2016	Executive Managing Director, Group Entity Structure and Co-CRO, Nomura Holdings, Inc.
	April 2017	Representative Executive Officer and Deputy President, Nomura Securities Co., Ltd.
	May 2019	Executive Managing Director and Chief Risk Officer, Nomura Holdings, Inc.
	April 2020	Senior Adviser, Nomura Institute of Capital Markets Research
	June 2021	Full-time External Audit & Supervisory Board Member, SoftBank Group Corp. (to present)
Kuniko Nishibashi	October 1983	Joined Chuo Audit Corporation
	March 1987	Registered as a Certified Public Accountant
	August 2000	Partner, ChuoAoyama Audit Corporation
	July 2007	Partner, Ernst & Young Shinnihon (currently Ernst & Young ShinNihon LLC)
	July 2008	Senior Partner, Ernst & Young Shinnihon LLC
	July 2018	Director, Minori Audit Corporation
	March 2019	Partner, Minori Audit Corporation
	March 2022	Director (Audit & Supervisory Committee Member), I-ne Co., Ltd.
	June 2025	Audit & Supervisory Board Member, The Sumitomo Warehouse Co., Ltd. (to present)
Yuko Kanamaru	October 2006	Joined Mori Hamada & Matsumoto, admitted to practice law in Japan
	February 2013	Admitted to practice law in the State of New York, U.S.
	January 2018	Partner, Mori Hamada & Matsumoto
	January 2023	Partner, Gaien Partners (to present)
	June 2023	Director (Audit & Supervisory Committee Member), AI, Inc. (to present)
	July 2023	Director (Audit & Supervisory Committee Member), HEROZ, Inc. (to present)
	June 2024	Director, MIRARTH HOLDINGS, Inc. (to present)

Among our directors, Masami Iijima, Yutaka Matsuo, Keiko Erikawa, Kenneth A. Siegel and David Chao are external directors.

Among our external officers, Masami Iijima, Yutaka Matsuo, Keiko Erikawa and David Chao are independent directors; Maurice Atsushi Toyama, Yuji Nakata, Kuniko Nishibashi and Yuko Kanamaru are external Audit & Supervisory Board members.

Among our Audit & Supervisory Board members, Maurice Atsushi Toyama, Yuji Nakata, Kuniko Nishibashi and Yuko Kanamaru are independent officers.

Investment Committee

The Investment Committee has the purpose of making decisions on matters for which it has been delegated authority by the Board of Directors, in order to carry out corporate activities flexibly. The Committee is comprised of five board directors or corporate officers elected by the Board: Masayoshi Son, Yoshimitsu Goto, Kazuko Kimiwada, Seiichi Morooka and Yoshimasa Magata.

The agenda items for discussion in the Investment Committee are set forth in the Regulations of the Investment Committee. The committee resolves the following matters:

- Investments, loans and borrowings under a certain amount;
- Certain matters related to subsidiaries (excluding listed subsidiaries and their subsidiaries), such as (a) investments, loans and borrowings under a certain amount, (b) issuance and gratis issuance of new stock or stock acquisition rights (except matters such as the issuance of new stocks that will not alter SoftBank Group Corp.'s voting right ratio), (c) issuance of corporate bonds, (d) overseas business expansion and (e) entry into new business fields; and
- Other matters such as disposal and acceptance of important assets under a certain amount.

The committee resolves through in-person, electronic or voice call meeting, and such decisions are only approved by majority agreement. If a proposal submitted to the Committee is approved, and if a member who rejected the proposal considers it necessary, such proposal may be submitted to our Board of Directors. All resolutions of the committee are reported to our Board of Directors.

Executive Compensation

Total compensation paid by SoftBank Group Corp. to our directors (excluding external directors) consists of fixed compensation and performance-linked compensation. Furthermore, performance-linked compensation comprises a cash-based incentive for short-term performance as well as a share-based incentive for mid-to-long term enhancement of corporate value, such as nonmonetary compensation. The ratio of each component is determined individually based on deliberations by our Nominating & Compensation Committee.

The aggregate compensation, including bonuses, paid by SoftBank Group Corp. to our directors and Audit & Supervisory Board members as a group during the fiscal year ended March 31, 2025 was ¥1,015 million ($6.8 million). During the fiscal year ended March 31, 2025, consolidated compensation provided by us to Mr. Son, Mr. Goto, Mr. Miyauchi and Mr. Haas was ¥100 million ($0.7 million), ¥501 million ($3.4 million), ¥105 million ($0.7 million) and ¥4,904 million ($32.8 million) respectively.

Stock Option Plan

Pursuant to resolution at the meeting of the Board of Directors held on July 26, 2018, we granted stock acquisition rights to purchase up to 719,700 shares, which has been increased to 1,439,400 shares after a stock split, of our common stock to certain directors, corporate officers and employees of us and our subsidiaries. As of March 31, 2025, of such stock acquisition rights, stock acquisition rights to purchase up to 181,600 shares remained outstanding and will be exercisable at an exercise price of ¥1 during the period from September 1, 2021 to August 31, 2025.

Pursuant to resolution at the meeting of the Board of Directors held on July 25, 2019, we granted stock acquisition rights to purchase up to 208,600 shares of our common stock to certain of our employees. As of March 31, 2025, of such stock acquisition rights, stock acquisition rights to purchase up to 14,400 shares remained outstanding and will be exercisable at an exercise price of ¥1 during the period from September 1, 2021 to August 31, 2025.

Pursuant to resolution at the meeting of the Board of Directors held on November 26, 2019, we granted stock acquisition rights to purchase up to 58,400 shares of our common stock to certain of our corporate officers and employees. As of March 31, 2025, of such stock acquisition rights, stock acquisition rights to purchase up to 7,500 shares remained outstanding and will be exercisable at an exercise price of ¥1 during the period from January 1, 2023 to December 31, 2026.

Pursuant to resolutions at the meeting of the Board of Directors held on July 30, 2020, we granted stock acquisition rights to purchase up to 188,900 shares of our common stock to certain of our corporate officers and

employees and directors of our subsidiaries. As of March 31, 2025, of such stock acquisition rights, stock acquisition rights to purchase up to 47,300 shares remained outstanding and will be exercisable at an exercise price of ¥1 per share during the period from September 1, 2023 to August 31, 2027.

Pursuant to resolutions at the meeting of the Board of Directors held on July 28, 2021, we granted stock acquisition rights to purchase up to 152,400 shares of our common stock to our corporate officers and employees and employees of our subsidiaries. As of March 31, 2025, of such stock acquisition rights, stock acquisition rights to purchase up to 86,000 shares remained outstanding and will be exercisable at an exercise price of ¥1 per share during the period from September 1, 2024 to August 31, 2028.

Pursuant to resolutions at the meeting of the Board of Directors held on July 29, 2022, we granted stock acquisition rights to purchase up to 126,400 shares of our common stock to our corporate officers and employees and employees of our subsidiaries. As of March 31, 2025, of such stock acquisition rights, stock acquisition rights to purchase up to 115,200 shares remained outstanding and will be exercisable at an exercise price of ¥1 per share during the period from September 1, 2025 to August 31, 2029.

Pursuant to resolutions at the meeting of the Board of Directors held on July 28, 2023, we granted stock acquisition rights to purchase up to 160,200 shares of our common stock to our corporate officers and employees. As of March 31, 2025, of such stock acquisition rights, stock acquisition rights to purchase up to 149,100 shares remained outstanding and will be exercisable at an exercise price of ¥1 per share during the period from September 1, 2026 to August 31, 2030.

Pursuant to resolutions at the meeting of the Board of Directors held on June 21, 2024, we granted stock acquisition rights to purchase up to 153,700 shares of our common stock to our corporate officers and employees. As of March 31, 2025, of such stock acquisition rights, stock acquisition rights to purchase up to 141,000 shares remained outstanding and will be exercisable at an exercise price of ¥1 per share during the period from September 1, 2024 to August 31, 2028.

RELATED-PARTY TRANSACTIONS

The following discussion is a summary of the significant transactions with our associates in the fiscal years ended March 31, 2024 and 2025 and under current consideration. We believe that each of these arrangements has been entered into on arm's-length terms or on terms that we believe have been at least as favorable to us as similar transactions with non-related parties would have been.

For the fiscal year ended March 31, 2024

Co-investment program with restricted rights to receive distributions

MASA USA LLC ("MgmtCo"), a company controlled by Masayoshi Son, our Representative Director, Corporate Officer, Chairman & CEO and a related party, is an investor in SVF2 and LatAm Funds. The co-investment program with restricted rights to receive distributions to SVF2 and LatAm Funds was formed during the three-month period ended September 30, 2021 for the purpose of enabling Mr. Masayoshi Son to make a co-investment in SVF2 and LatAm Funds with the Company through MgmtCo. Under the co-investment program, the equity interests contributed by MgmtCo are subordinated to the preferred equity contributed separately by the Company to SVF2 or LatAm Funds. If there is a shortfall in the amount of return of preferred equity contributions and the amount of fixed distributions to be received by the preferred equity holders at the time of the final profit distribution by SVF2 or LatAm Funds, then MgmtCo is obligated to pay the shortfall proportional to equity interests' ratio up to the total amount of return of equity contributions and the distributions received by MgmtCo. The terms of the management fees, including performance-linked management fees, to be charged to MgmtCo are the same as those to be charged to the Company as an equity investor in SVF2 and LatAm Funds. In order to secure the receivables of SVF2 and LatAm Funds from MgmtCo related to initial capital contribution and any accrued premiums thereon, all of the equity interests in SVF2 and LatAm Funds held by MgmtCo, respectively, and SoftBank Group Corp. shares held by Mr. Masayoshi Son have been pledged as collateral and Mr. Masayoshi Son also provides a personal guarantee to the receivables up to the balance of the receivables.

MgmtCo's right to receive distributions from its investment under the co-investment program is subject to certain restrictions. Distributions from SVF2 and LatAm Funds to MgmtCo are fully restricted and are not paid until the sum of proceeds received by SVF2 or LatAm Funds, as applicable, from realized investments plus the aggregate fair value of all of SVF2's or LatAm Funds' unrealized investments (net of borrowings) exceeds 130% of the aggregate acquisition cost of all of SVF2's or LatAm Funds' investments. After the ratio exceeds 130%, restrictions on distributions to MgmtCo are released proportionately in increments of 10%, and when the ratio reaches 200%, all restrictions are released and MgmtCo is entitled to receive the full amount of the distributions from SVF2 or LatAm Funds. In the event that, upon the liquidation of SVF2 or LatAm Funds, the amount of the distributions received by MgmtCo exceeds the amount that would have been distributed to MgmtCo if the ratio in effect at the time of liquidation was applied throughout the life of SVF2 or LatAm Funds, then any such excess amounts received by MgmtCo will be subject to clawback.

As of March 31, 2024, MgmtCo held an equity interest of 17.25% in each of SVF2 and LatAm Funds, and the net balance of the receivables of SVF2 and LatAm Funds from MgmtCo was ¥449 billion ($3.0 billion) and ¥91 billion ($0.6 billion), respectively. As of March 31, 2024, 8,897,100 SoftBank Group Corp. shares and 2,168,500 SoftBank Group Corp. shares were pledged to SVF2 and LatAm Funds, respectively, as collateral by Mr. Masayoshi Son.

Loans under our incentive program

We provided loans to some of our executives as a part of our incentive program, which was designated for use for the purchase of our shares. Under the incentive program that the Board approved in April and July 2018, we collected ¥5.6 billion ($37 million) of the loan from our Director, Mr. Ken Miyauchi during the fiscal year ended March 31, 2024, and there was no outstanding balance of the loans made to our executives as of March 31, 2024.

Other related-party transactions

We recorded revenue of ¥96 billion ($0.7 billion) under the terms of the intellectual property licensing agreement with ARM Technology (China) Co., Ltd. The outstanding balance as of March 31, 2024, was ¥45 billion ($0.3 billion).

During the fiscal year ended March 31, 2024, we received ¥94 billion ($0.7 billion) of shares and convertible bonds in exchange for the unsecured notes issued by WeWork Inc. The balance of the shares and the convertible bonds are zero as of March 31, 2024, and valuation losses were recorded for the shares and the

convertible bonds. In addition, we purchased additional $50 million of senior secured notes issued by WeWork Inc. and $300 million of senior secured notes, the sum of $250 million of senior secured notes purchased in the fiscal year ended March 31, 2023 and $50 million of senior notes purchased in the fiscal year ended March 31, 2024, were fully redeemed by WeWork Inc. The remaining $200 million of unfunded commitment for the senior secured notes was canceled. We entered into a new commitment contract with WeWork Inc., and purchased $300 million of the secured notes issued by WeWork Inc. After the valuation based on the recoverability of the secured notes, the balance of the secured notes is zero as of March 31, 2024. Further, we provided a loan to WeWork Inc. due to execution of the credit support. Balance of the loan as of March 31, 2024 is zero as the loss allowance was fully allocated to the loan. For further discussion, see "*8" under "Note 41. Other gain (loss)," "(2) Credit guarantees" under "Note 46. Contingency," and "c. Other related party transactions" under "Note 45. Related party transactions" to our audited consolidated financial statements for the fiscal year ended March 31, 2025, included elsewhere in this offering memorandum.

We paid dividends totaling ¥21.7 billion ($145 million) to our Representative Director, Corporate Officer, Chairman & CEO, Mr. Masayoshi Son and Masayoshi Son Affiliates.

Mr. Yoshimitsu Goto exercised his stock acquisition rights over SoftBank Group Corp. shares totaling ¥0.5 billion ($3.2 million).

We paid dividends totaling ¥0.3 billion ($2.0 million) to our Director, Mr. Ken Miyauchi.

We paid dividends totaling ¥0.4 billion ($2.8 million) directly and sold all of our 3,600,000 shares in SoftBank Ventures Asia Corp. ("SBVA") to EDGE of Korea Co., Ltd, ("EDGE of Korea"), which is a Taizo Son Affiliate, for ¥13 billion ($87 million) on June 14, 2023. And we and EDGE of Korea entered into a loan agreement of ¥6 billion ($43 million) which is equivalent to 49% of the sales price of shares in SBVA. The loan is guaranteed by Mistletoe Singapore Pte. Ltd. and other two entities which are controlled by Mr. Taizo Son, and 49% of the SBVA shares held by EDGE of Korea are pledged as collateral for the loan. The voting rights of SBVA are retained by EDGE of Korea. We entered into limited partnership agreements with SBVA for several funds which are managed by SBVA as a general partner. As a result of the sales transaction of SBVA mentioned above, SBVA became an entity controlled by Mr. Taizo Son and transactions regarding the limited partnership agreements are determined as related party transactions. As of the date of determination, the total commitment amount and unfunded commitment amount of the Company to the funds were ¥29 billion ($195 million) and ¥1 billion ($6.9 million), respectively. Also, for the fiscal year ended March 31, 2024, the Company entered into a limited partnership agreement for a fund which is managed by an entity controlled by Mr. Taizo Son as a general partner and changed the limited partnership agreement for an existing fund which is managed by an entity controlled by Mr. Taizo Son as a general partner. As of March 31, 2024, the total commitment amount and unfunded commitment amount of the Company to the funds were ¥39 billion ($259 million) and ¥7 billion ($47 million), respectively. Under the limited partnership agreements, management fees are to be paid as 0.5% to 2.3% of the commitment amounts or funded amounts, and success fees are to be paid as distributions of the amount equivalent to the equity owned at the liquidation or 20% to 30% of investment gains, further subject to the achievement of certain level of internal rate of return.

For the fiscal year ended March 31, 2025 and subsequent period

Co-investment program with restricted rights to receive distributions

As of March 31, 2025, MgmtCo held an equity interest of 17.25% in each of SVF2 and LatAm Funds, and the net balance of the receivables of SVF2 and LatAm Funds from MgmtCo was ¥456 billion ($3.0 billion) and ¥102 billion ($0.7 billion), respectively. As of March 31, 2025, 8,897,100 SoftBank Group Corp. shares and 2,168,500 SoftBank Group Corp. shares were pledged to SVF2 and LatAm Funds, respectively, as collateral by Mr. Masayoshi Son.

In April 2025, SVF2 invested $8.5 billion in OpenAI Global, which is subject to the co-investment program. To fund this investment, SVF2 borrowed $8.5 billion from SoftBank Group, and 17.25% of both the principal and interest on this borrowing is guaranteed by Mr. Masayoshi Son. An additional syndication to co-investors has been executed in connection with the investment in OpenAI Global. As a result, SVF2's investment amount has been reduced from $8.5 billion to $7.5 billion, and SVF2 paid $1.0 billion to SoftBank Group as partial repayment of the borrowing principal and accrued interest in May 2025.

Other related-party transactions

We recorded revenue of ¥102 billion ($0.7 billion) under the terms of the intellectual property licensing agreement with ARM Technology (China) Co., Ltd. The outstanding balance as of March 31, 2025, was ¥44 billion ($0.3 billion).

We invested ¥26 billion ($0.2 billion) in GreenBox Systems LLC ("GreenBox") in accordance with an agreement regarding capital commitment of $3.2 billion to fund GreenBox entered in July 2023. As of March 31, 2025, the unfunded capital commitment amount was ¥453 billion ($3.0 billion). GreenBox is a joint venture set up by us and our strategic investee Symbotic Inc., a provider of automated warehouse systems using AI-powered robotics and software technology.

We paid dividends totaling ¥21.7 billion ($145 million) to our Representative Director, Corporate Officer, Chairman & CEO, Mr. Masayoshi Son and Masayoshi Son Affiliates.

We paid dividends totaling ¥0.4 billion ($2.8 million) to our Director, Mr. Ken Miyauchi.

We paid dividends totaling ¥0.4 billion ($3.0 million) to Mr. Taizo Son, relative of Mr. Masayoshi Son. We sold certain investment securities to a fund which is managed by an entity controlled by Mr. Taizo Son as a general partner for ¥3.1 billion ($20 million), which was determined based on the recent transaction price of the investment securities. In addition, we collected a part of loan receivables of ¥1.3 billion ($8.7 million) which had been recorded as a result of the sale of all shares in SBVA to EDGE of Korea, which is controlled by Mr. Taizo Son, in 2023. The loan is guaranteed by Mistletoe Singapore Pte. Ltd. and other two entities which are also controlled by Mr. Taizo Son, and 40% of the SBVA shares held by EDGE of Korea are pledged as collateral for the loan. The voting rights of SBVA are retained by EDGE of Korea. As of March 31, 2025, the outstanding balance of the loan receivables was ¥5.0 billion ($33 million). Furthermore, we entered into limited partnership agreements for several funds managed by an entity, which is controlled by Mr. Taizo Son, as a general partner. As of March 31, 2025, the total commitment amount and unfunded commitment amount of the Company to the funds were ¥43 billion ($286 million) and ¥10 billion ($67 million), respectively. Under the limited partnership agreements, management fees are to be paid as 0.5% to 2.3% of the commitment amounts or funded amounts, and success fees are to be paid as distributions of the amount equivalent to the equity owned at the liquidation or 20% to 30% of investment gains, further subject to the achievement of certain level of internal rate of return.

SUBSIDIARIES AND ASSOCIATES

The following tables provide information on our significant consolidated subsidiaries, associates and joint ventures as of March 31, 2025. Because we own a number of subsidiaries through subsidiaries that we do not wholly own, our economic interests in some of our subsidiaries listed below, may not be identical to our voting interests in such subsidiaries.

Corporations

Company Name	Country	Issued Share Capital (millions of yen, thousands of dollars and euros)	Percentage of voting interest owned (%)	Principal Business
Investment Business of Holding Companies Segment				
Subsidiaries				
SoftBank Group Overseas GK	Japan	¥ 7	100.0	Holding company
SoftBank Group Capital Limited	U.K.	$ 5,508	100.0	Holding company
SoftBank Group Japan Corporation	Japan	¥ 188,798	100.0	Holding company
SB Group US, Inc.	U.S.	$ 0	100.0	Management of overseas investment
Shiodome Project 17 GK[(1)]	Japan	¥ 101	100.0	Holding company
STARFISH I PTE. LTD.	Singapore	¥ 101,551	100.0	Holding company
SB Pan Pacific Corporation	Micronesia	¥ 48,249	100.0	Holding company
SoftBank Vision Funds Segment				
Subsidiaries				
SB Investment Advisers (UK) Limited	U.K.	$ 1,139	100.0	Management of SVF1
SB Global Advisers Limited	U.K.	$ 310	100.0	Management of SVF2 and LatAm Funds
SoftBank Segment				
Subsidiaries				
SoftBank Corp.	Japan	¥ 228,162	40.3	Provision of mobile communications services; sale of mobile devices; provision of broadband communications services and solution services in Japan
A Holdings Corporation	Japan	¥ 100	50.0	Holding company of shares of LY Corporation
LY Corporation[(2)]	Japan	¥ 250,129	62.5	Development of online advertising business, e-commerce business, members services business, and other businesses, and management of group companies of LY Corporation
Cybertrust Japan Co., Ltd.	Japan	¥ 836	58.0	IoT business, certification service business, security solution business, and Linux / OSS business
ITmedia Inc.	Japan	¥ 1,892	53.4	Operation of comprehensive IT information site ITmedia
eMnet Japan.co.ltd.	Japan	¥ 328	41.0	Internet advertising agency business

Company Name	Country	Issued Share Capital (millions of yen, thousands of dollars and euros)	Percentage of voting interest owned (%)	Principal Business
Associates				
C Channel Corporation	Japan	¥ 10	29.0	E-commerce business; internet advertising and marketing
Subsidiaries of LY Corporation				
Z Intermediate Holdings Corporation	Japan	¥ 1	100.0	Holding company
PayPay Corporation[3]	Japan	¥ 91,434	100.0	Development and provision of mobile payments and other electronic payment services
Z Financial Corporation[2]	Japan	¥ 39,779	100.0	Management of group companies of Z Financial Corporation
LINE SOUTHEAST ASIA CORP.PTE.LTD.	Singapore	$ 220,500	100.0	Holding company
Alpha Purchase Co., Ltd.	Japan	¥ 580	62.4	Sales of indirect materials such as consumable supplies; facility management
ZOZO, Inc.	Japan	¥ 1,360	51.5	Planning and operation of fashion e-commerce website; operational support of brands' own e-commerce website; operation of fashion coordination app
PayPay Bank Corporation[3] . .	Japan	¥ 72,217	46.6	Banking
ASKUL Corporation	Japan	¥ 21,234	46.5	Mail-order sale of stationery and services
Associates of LY Corporation				
DEMAE-CAN CO., LTD	Japan	¥ 100	35.3	Operation of food delivery service Demae-can
ValueCommerce Co., Ltd. . . .	Japan	¥ 1,728	28.2	Affiliate advertising marketing service; StoreMatch online advertising distribution service
Arm Segment				
Subsidiaries				
Arm Holdings plc	U.K.	$ 1,331	87.3	Design of semiconductor intellectual property and related technology; sale of software tools and provision of related services
Arm PIPD Holdings One, LLC[1][4]	U.S.	$ 858,686	100.0	Holding company
Arm PIPD Holdings Two, LLC[1][4]	U.S.	$ 594,814	100.0	Holding company
Others				
Subsidiaries				
SBE Global, LP[5]	U.S.	$ 1,114,452	100.0	Construction and operation of solar power plants in the U.S.

Company Name	Country	Issued Share Capital (millions of yen, thousands of dollars and euros)	Percentage of voting interest owned (%)	Principal Business
Fukuoka SoftBank HAWKS Corp.	Japan	¥ 100	100.0	Ownership of professional baseball team; operation of baseball games; management and maintenance of baseball stadium and other sports facilities; distribution of video, voice, and data content via media
Silver Bands 4 (US) Corp.[6][7]	U.S.	$ 0	100.0	Holding company
Balyo SA[6]	France	€ 13,372	91.3	Providing solutions for autonomous forklifts
SoftBank Robotics Group Corp.[7]	Japan	¥ 54,601	87.8	Holding company
Joint Ventures				
SB TEMPUS Corp.	Japan	¥ 15,000	50.0	Focusing on areas including genetic testing, utilization of medical data, and AI-driven applications.

Funds

Company Name	Country	Capital accepted (millions of yen and thousands of dollars)	Investment Ratio (%)	Principal Business
Investment Business of Holding Companies Segment				
Subsidiaries				
SB Northstar LP[8]	Cayman	$ 34,000,000	100.0 (66.7)	Investment in listed stocks and other financial instruments
SoftBank Vision Funds Segment				
Subsidiaries				
SoftBank Vision Fund L.P.[9]	Bailiwick of Jersey	$ 87,000,000	33.6	Investment fund in the technology sector
SoftBank Vision Fund II-2 L.P.[10]	Bailiwick of Jersey	$ 64,000,000	100.0 (82.8)	Investment fund in the technology sector
SBLA Latin America Fund LLC[10]	U.S.	$ 8,000,000	100.0 (82.8)	Investment fund in the technology sector

(1) The voting rights represent our entire contributions as a percentage of capital.
(2) On May 30, 2025, LY Corporation entered into a merger agreement with Z Financial Corporation, under which Z Financial Corporation will be the absorbed company and the effective date of the merger will be August 1, 2025.
(3) On April 11, 2025, PayPay Corporation acquired all of the common and Class A preferred shares of PayPay Bank Corporation held by Z Financial Corporation, thereby making PayPay Bank Corporation its subsidiary.
(4) Capital represents the amount of capital contribution.
(5) Capital represents the amount of capital accepted.
(6) On April 23, 2025, Silver Bands 4 (US) Corp. acquired all shares in Balyo SA held by the Company.
(7) On April 28, 2025, Silver Bands 4 (US) Corp. acquired all shares in SoftBank Robotics Group Corp. held by the Company.
(8) The figure in parentheses in the investment ratio represents our indirect investment ratio.
(9) The capital accepted of SoftBank Vision Fund L.P. includes the capital accepted by alternative investment vehicles. The investment ratio of SoftBank Vision Fund L.P. includes an incentive scheme related to SVF1.
(10) The capital accepted and investment ratio include equity and preferred equity contributions under a co-investment program with MASA USA LLC, a company controlled by Masayoshi Son (Representative Director, Corporate Officer, Chairman & CEO of SoftBank Group Corp.) with restricted rights to receive distributions. Figures in parentheses in the investment ratio represent the ratio of the Company's equity interest in the co-investment program. The ratio of MASA USA's equity stake in the co-investment program is 17.25%.

DESCRIPTION OF OTHER INDEBTEDNESS

The following is a description of our material indebtedness as of the date of this offering memorandum. The description does not purport to be complete and is qualified in its entirety by reference to the agreements which set forth the principal terms and conditions of our credit facilities and other indebtedness.

The table below shows the consolidated interest-bearing debt and lease liabilities at the Company and its subsidiaries as of March 31, 2025:

	As of March 31, 2025	
	(billions of yen and millions of dollars)[1]	
Investment Business of Holding Companies segment		
SoftBank Group Corp.		
Short-term borrowings and current position of long-term borrowings[2]	¥ 1,163	$ 7,780
Commercial paper	142	946
Long-term borrowings	612	4,094
Corporate bonds[3][4]	6,668	44,599
Lease liabilities	8	53
Subtotal	8,593	57,473
Wholly owned subsidiaries conducting fund procurement[5]		
Borrowings	2,464	16,478
Financial liabilities relating to sale of shares by prepaid forward contracts	998	6,674
Subtotal	3,462	23,152
SB Northstar		
Borrowings	30	199
Subtotal	30	199
Other	25	168
Total	12,110	80,992
SoftBank Vision Funds segment		
SVF2		
Borrowings	501	3,352
Subtotal	501	3,352
SBIA, SBGA, SBLA Advisers Corp.		
Lease liabilities	15	101
Subtotal	15	101
Total	516	3,453
SoftBank segment		
SoftBank Corp.	4,090	27,356
LY Corporation	1,088	7,275
PayPay Corporation[6], PayPay Bank Corporation[7]	353	2,362
Other	431	2,882
Total	5,962	39,875
Arm segment		
Arm Holdings plc and its subsidiaries	55	367
Others	270	1,807
Consolidated interest-bearing debt and lease liabilities at the Company and its subsidiaries	¥18,913	$126,494

(1) Japanese yen and U.S. dollar amounts have been translated, as applicable, at the rate of ¥149.52 = $1.00, the exchange rate prevailing as of March 31, 2025.

(2) Excludes the effect of a drawdown of a one-year unsecured bridge loan of $8.5 billion in April 2025 to fund the first closing of the OpenAI Follow-on Investment.

(3) Excludes the USD-denominated perpetual subordinated hybrid notes issued in July 2017, which are treated as equity pursuant to IFRS.

(4) Does not include the issuance of a total principal amount of ¥620 billion in yen-denominated straight corporate bonds issued in April and May 2025 and the redemption of ¥572 billion corporate bonds with the proceeds of such issuance.
(5) The interest-bearing debt of wholly owned subsidiaries engaged in fund procurement is nonrecourse to SBG.
(6) Includes the interest-bearing debt and lease liabilities of its subsidiaries such as PayPay Card Corporation.
(7) Deposits related to PayPay Bank Corporation's banking operations are not included in interest-bearing debt.

Consolidated Net Interest-bearing Debt as of March 31, 2025

The table below shows the consolidated net interest-bearing debt and lease liabilities at the Company and its subsidiaries as of March 31, 2025. The below information was prepared under IFRS and is net of intragroup reconciliations and eliminations.

	As of March 31, 2025		
	Total interest-bearing debt[1]	Cash and cash equivalents	Net interest-bearing debt
		(billions of yen)	
SoftBank Group Corp.			
Senior bond	¥ 4,855	—	—
Other senior debt	1,733	—	—
Subordinated debt	1,021	—	—
Deeply subordinated bond[1]	792	—	—
Deeply subordinated loan	184	—	—
Lease liabilities	8	—	—
Total	8,593	¥1,252	¥ 7,342
Wholly owned subsidiaries conducting fund procurement[2]			
Margin loan backed by Arm shares	1,258	—	—
Margin loan backed by SoftBank Corp. shares	796	—	—
Collar transactions using Deutsche Telekom shares	409	—	—
Prepaid forward contracts using Alibaba shares	998	—	—
Total	3,462	98	3,364
SB Northstar			
Borrowings	30	—	—
Total	30	1	28
SoftBank Vision Funds segment			
SVF1	—	30	(30)
SVF2	501	29	472
LatAm Funds	—	4	(4)
SBIA, SBGA, SBLA Advisers Corp.	15	70	(55)
SoftBank segment			
SoftBank Corp.	4,090	293	3,797
LY Corporation	1,088	268	820
PayPay Corporation[3], PayPay Bank Corporation[4]	353	366	(13)
Other	431	508	(77)
Arm segment			
Arm Holdings plc and its subsidiaries	55	312	(257)
Others	295	481	(186)
Consolidated total at the Company and its subsidiaries	¥18,913	¥3,713	¥15,200

(1) Excludes the USD-denominated perpetual subordinated hybrid notes issued in July 2017, which are treated as equity pursuant to IFRS.
(2) The interest-bearing debt of wholly owned subsidiaries engaged in fund procurement is nonrecourse to SBG.
(3) Includes the interest-bearing debt and lease liabilities of subsidiaries such as PayPay Card Corporation.
(4) Deposits related to PayPay Bank Corporation's banking operations are not included in interest-bearing debt.

Borrowings

The table below summarizes outstanding loans at the Company and its subsidiaries as of March 31, 2025.

Loan	As of March 31, 2025	
	(billions of yen and millions of dollars)	
SoftBank Group Corp.	¥1,775	$11,874
Senior loans	1,591	10,642
Hybrid loans	184	1,232
Other loans	—	—
Wholly owned subsidiaries conducting fund procurement	2,054	13,740
Margin loans and other liabilities	2,054	13,740
SB Northstar	30	199
Loans	30	199
SoftBank Vision Funds segment	501	3,352
SVF2	501	3,352
SoftBank segment	3,594	24,037
SoftBank Corp.	2,613	17,477
LY Corporation	556	3,721
PayPay Bank Corporation	353	2,362
Other	71	477
Arm segment	—	—
Arm Holdings plc and its subsidiaries	—	—
Others	668	4,466
Consolidated total at the Company and its subsidiaries	¥8,623	$57,669

The table below summarizes the loans the Company has drawn down since March 31, 2025.

Loan	Balance
	(millions of dollars)
Bridge Loan(1)	8,500

(1) $8.5 billion has been drawn down on this bridge loan and lent to SVF2 to fund the first closing of the OpenAI Follow-on Investment. Following additional syndication of the OpenAI Follow-on Investment, we received $1.0 billion from SVF2, which we intend to apply toward partial repayment of this bridge loan in August 2025.

¥998 billion ($6,674 million) of Indebtedness Outstanding under Prepaid Forward Contracts Using Alibaba Shares as of March 31, 2025

Since the fiscal years ended March 31, 2020 and March 31, 2021, we, through the Alibaba Shares Fund Procurement Entities, have entered into numerous prepaid forward contracts using our Alibaba shares. As of March 31, 2025, the outstanding balance was ¥998 billion ($6,674 million).

We have the option to settle the prepaid forward contracts by delivering cash, Alibaba shares, or, in certain cases, a combination of cash and Alibaba shares. The Alibaba shares held by the Alibaba Shares Fund Procurement Entities that have entered in these prepaid forward contracts are pledged as collateral in accordance with all of the prepaid forward contracts, and, except for certain prepaid forward contracts of one of the Alibaba Shares Fund Procurement Entities, the right of use are granted to financial institutions. However, the collateral can be released by cash settlement at our discretion.

For more information on these prepaid forward contracts, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Cash and Capital Requirements—Debt Repayments and Certain Other Contractual Commitments—Variable Prepaid Forward Contracts and Collar Transactions.”

¥2,054 billion ($13,740 million) of Indebtedness Outstanding under Margin Loans of Wholly Owned Subsidiaries Conducting Fund Procurement

Through our wholly owned subsidiaries conducting fund procurement, we have entered into margin loans backed by SoftBank Corp. and Arm shares. As of March 31, 2025, the outstanding balances were ¥796 billion ($5,324 million) and ¥1,258 billion ($8,417 million) for the margin loans backed by SoftBank Corp. shares and Arm shares, respectively.

The borrowings under these margin loans backed SoftBank Corp. and Arm shares are non-recourse debt to the Company. The margin loans are subject to early settlement by the creditors under certain circumstances such as a significant decrease in the fair value of pledged shares. The creditors would be able to dispose the shares pledged as collateral upon such circumstances where the early settlement is demanded and, accordingly, the repayment obligations would be determined.

For more information, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Margin Loans Backed by Arm and SoftBank Corp. Shares."

Commitment Line

On September 20, 2024, we renewed a commitment line agreement with several Japanese and international financial institutions for borrowings up to $5,465 million (¥817 billion) on a USD tranche and ¥35.6 billion ($238 million) on a JPY tranche (the "Commitment Line"). As of the date of this offering memorandum, the entire amount had been drawn. The Commitment Line is a direct, unsecured obligation of the Company and ranks *pari passu* with all other outstanding unsecured, unsubordinated obligations of the Company.

The Commitment Line has a one-year term from the time of entering into the contract, which we have historically renewed annually, and the interest rate is equal to the sum of the announced Japanese yen TIBOR, for the applicable interest period, *plus* a margin.

The Commitment Line is subject to representations and warranties customary in the Japanese syndicated loan market. It is also subject to certain financial and operational covenants that require us to maintain certain financial ratios and that restrict our business activities. One of the covenants sets certain caps on the total net amount of senior debt the Company can incur subject to maintenance of a specified level of loan-to-value ratio.

The Commitment Line is also subject to customary events of default including breach of the covenants described above. Any event of default could trigger acceleration of the amount outstanding under the Commitment Line through the majority lenders' decision, provided that a certain limited number of events shall automatically lead to acceleration of the loan. We are obliged to report the occurrence of an event of default or a potential event of default as soon as we become aware of it. We may prepay the loan by paying break funding costs (if any) and without penalty.

Senior Term Loans

On September 19, 2024, we entered into a three-year, ¥433.6 billion ($2.9 billion) senior term loan (the "Medium Term Senior Term Loan") to fund medium-long term investments with 17 major financial institutions. We have additionally entered into other senior loan agreements with a number of major financial institutions. All these other senior term loans have maturities less than one year and almost all of the senior loans have been distributed to Japanese investors in the form of money trusts backed by the loans. The Medium Term Senior Term Loan is subject to representations, warranties, and covenants customary in the Japanese syndicated loan market, as well as a covenant to maintain a specified level of loan-to-value ration, while other senior term loans' loan agreements contain terms that we believe are customary for these types of loans provided by financial institutions. The total outstanding indebtedness under the Medium Term Senior Term Loan and other senior term loans as of March 31, 2025 was ¥741 billion ($4,953 million) (measured at amortized costs pursuant to IFRS).

Bridge Loans

On April 10, 2025, we signed a one-year unsecured bridge loan agreement with a syndicate of 21 financial institutions in respect of (i) a bridge loan of $8.5 billion to fund the first closing of the OpenAI Follow-on Investment, which has been drawn down, and (ii) a bridge loan of $6.5 billion to fund the Ampere Acquisition, which has not yet been drawn, for an aggregate principal amount of $15 billion. These are subject to representation and warranties customary in the Japanese syndicated loan market. They are also subject to certain financial operational covenants including a covenant to maintain a specified level of loan-to-value ratio. We intend to make partial repayment of $1.0 billion dollars of the outstanding bridge loan in August 2025 using proceeds from the first closing of the OpenAI Follow-on Investment.

Corporate Bonds

The table below summarizes all bonds which the Company and its subsidiaries have issued, outstanding as of March 31, 2025.

Bond	Interest Rate (% per annum)	Balance (billions of yen)[1]	Balance (millions of dollars)[1]
SoftBank Group Corp.			
Yen-denominated Corporate Bonds			
Institutional Bonds			
50th series Unsecured Straight Bond	2.48%	¥ 30	$ 201
57th series Unsecured Straight Bond	1.38%	98	654
60th series Unsecured Straight Bond	1.80%	30	200
61st series Unsecured Straight Bond	2.44%	50	333
62nd series Unsecured Straight Bond	2.90%	20	133
Subtotal		227	1,521
Retail Bonds (Fukuoka SoftBank HAWKS bond)			
55th series Unsecured Straight Bond	1.64%	500	3,344
56th series Unsecured Straight Bond	1.38%	399	2,668
58th series Unsecured Straight Bond	2.84%	382	2,553
59th series Unsecured Straight Bond	3.04%	544	3,639
63rd series Unsecured Straight Bond	3.03%	545	3,643
64th series Unsecured Straight Bond	3.15%	346	2,316
Subtotal		2,716	18,164
Subtotal		2,943	19,685
Foreign Currency-denominated Senior Notes			
2025 USD-denominated Senior Notes (2018 Notes)	6.13%	50	337
2025 EUR-denominated Senior Notes (2018 Notes)	4.50%	44	295
2025 USD-denominated Senior Notes (2015 Notes)	6.00%	86	574
2025 EUR-denominated Senior Notes (2015 Notes)	4.75%	103	686
2025 EUR-denominated Senior Notes (2017 Notes)	3.13%	114	761
2026 USD-denominated Senior Notes (2021 Notes)	4.00%	100	667
2027 EUR-denominated Senior Notes (2021 Notes)	2.88%	71	472
2027 EUR-denominated Senior Notes (2015 Notes)	5.25%	34	228
2027 USD-denominated Senior Notes (2017 Notes)	5.13%	247	1,652
2028 USD-denominated Senior Notes (2018 Exchange Notes)	6.25%	69	464
2028 EUR-denominated Senior Notes (2018 Exchange Notes)	5.00%	170	1,139
2028 USD-denominated Senior Notes (2021 Notes)	4.63%	115	769
2029 EUR-denominated Senior Notes (2024 Notes)	5.38%	72	483
2029 EUR-denominated Senior Notes (2021 Notes)	3.38%	76	509
2029 USD-denominated Senior Notes (2024 Notes)	6.75%	59	396
2029 EUR-denominated Senior Notes (2017 Notes)	4.00%	93	620
2031 USD-denominated Senior Notes (2021 Notes)	5.25%	194	1,296
2031 USD-denominated Senior Notes (2024 Notes)	7.00%	74	497
2032 EUR-denominated Senior Notes (2021 Notes)	3.88%	68	457
2032 EUR-denominated Senior Notes (2024 Notes)	5.75%	72	483
Subtotal		1,912	12,784
Yen-denominated Subordinated Bonds			
4th series Unsecured Subordinated Corporate Bond	2.40%	30	201
3rd series Unsecured Subordinated Corporate Bond	2.40%	447	2,988
5th series Unsecured Subordinated Corporate Bond	2.48%	544	3,642
Subtotal		1,021	6,830

Bond	Interest Rate (% per annum)	Balance (billions of yen)[1]	Balance (millions of dollars)[1]
Yen-denominated Subordinated Bonds with interest deferrable clause and early redeemable option			
4th Unsecured Subordinated Bonds with interest deferrable clause and early redeemable option (with a subordination provision) (Hybrid Bond)	3.00%	176	1,175
5th Unsecured Subordinated Bonds with interest deferrable clause and early redeemable option (with a subordination provision) (Hybrid Bond)	2.75%	398	2,665
6th Unsecured Subordinated Bonds with interest deferrable clause and early redeemable option (with a subordination provision) (Hybrid Bond)	4.75%	218	1,460
Subtotal		792	5,300
SoftBank Group Corp. Total		6,668	44,599
SoftBank Corp.			
6th Unsecured Straight Bonds	0.36%	70	468
8th Unsecured Straight Bonds	0.35%	80	535
19th Unsecured Straight Bonds	0.98%	120	800
21st Unsecured Straight Bonds	0.82%	60	400
24th Unsecured Straight Bonds	1.24%	139	932
26th Unsecured Straight Bonds	1.19%	60	400
27th Unsecured Straight Bonds	1.81%	125	838
Other Unsecured Straight Bonds	0.24% - 1.30%	369	2,471
SoftBank Corp. Total		1,023	6,844
LY Corporation			
12th Straight Bond	0.37%	70	468
13th Straight Bond	0.46%	50	334
16th Straight Bond	0.60%	70	468
19th Straight Bond	0.35%	50	334
23rd Straight Bond	0.76%	50	333
Other (JPY-denominated Straight Bonds)	0.40% - 1.35%	155	1,035
LY Corporation Total		444	2,972
Total		¥8,136	$54,415

(1) Japanese yen and U.S. dollar amounts have been translated, as applicable, at the rate of ¥149.52 = $1.00, the exchange rate prevailing as of March 31, 2025.

The table below summarizes all bonds the Company has issued as of March 31, 2025 that are treated as equity pursuant to IFRS.

Bonds	Interest Rate (% per annum)	Balance (billions of yen)[1]	Balance (millions of dollars)[2]
SoftBank Group Corp. USD-denominated Perpetual Subordinated Hybrid Notes			
Undated Subordinated NC10 Resettable Notes	6.88%	¥193	$1,292

(1) Carrying amount recognized as equity pursuant to IFRS.
(2) U.S. dollar amounts have been translated at the rate of ¥149.52 = $1.00, the exchange rate prevailing as of March 31, 2025.

The table below summarizes all bonds we have issued since March 31, 2025.

Bond	Interest Rate (% per annum)	Principal Amount (billions of yen)	Principal Amount (millions of dollars)[1]
SoftBank Group Corp. Unsecured Straight Bonds			
65th Unsecured Straight Bonds	3.34%	600	4,013
66th Unsecured Straight Bonds	3.34%	20	134

(1) Japanese yen and U.S. dollar amounts have been translated, as applicable, at the rate of ¥149.52 = $1.00, the exchange rate prevailing as of March 31, 2025.

The following table shows the scheduled redemptions for the total remaining bonds, including USD-denominated Perpetual Subordinated Hybrid Notes, issued by the Company for the periods indicated, as adjusted for ¥20 billion of the yen-denominated corporate bonds issued in April 2025 and ¥600 billion of the yen-denominated corporate bonds issued in May 2025:

Fiscal year ending March 31,	Total Principal Amount Due[1][2]
	(billions of yen)
2026[3]	¥ 999
2027[3]	1,097
2028[3]	503
2029[3]	1,632
2030[3]	652
2031[3]	1,170
2032[3]	1,186
2033[3]	147

(1) Amounts correspond to the face amounts. Includes domestic corporate bonds issued in April and May 2025.

(2) In case of early redemption on the first call date of the Yen-denominated Hybrid Bonds and USD-denominated Hybrid Notes.

(3) Foreign Currency-denominated Senior Notes converted to Japanese yen by each swap rate. Otherwise, the rate of ¥149.52 = $1.00 or ¥162.08 = €1.00 is applied. USD-denominated Hybrid Notes converted to Japanese yen at the rate of ¥149.52 = $1.00.

¥2,943 billion ($19,685 million) of Indebtedness Outstanding under Domestic Yen-denominated Unsecured Straight Bonds

We have issued domestic unsubordinated Yen-denominated unsecured bonds (the "Yen-denominated Corporate Bonds"), which are senior, unsecured obligations of the Company and rank *pari passu* with all other outstanding unsecured, unsubordinated obligations of the Company.

These bonds contain terms that are customary for these types of securities issued by Japanese companies in Japan. However, we note the 55th, 56th, 58th, 59th, 63rd and 64th series Yen-denominated Corporate Bonds contain a financial covenant requiring that the Company's net assets on a stand-alone basis must be at least ¥369.8 billion ($2,473 million) at the end of each fiscal year. These bonds contain various events of default, including those relating to the non-payment of principal or interest, cross-acceleration of other indebtedness in excess of specified thresholds and insolvency events. Upon the occurrence of an event of default, holders of the bonds are immediately entitled to redeem the bonds on all amounts due.

As of March 31, 2025, the aggregate outstanding indebtedness under the Yen-denominated Corporate Bonds was ¥2,943 billion ($19,685 million) (measured at amortized costs pursuant to IFRS).

In April 2025, we issued a series of the domestic unsubordinated Yen-denominated unsecured bonds with an aggregate principal amount of ¥20 billion ($134 million).

In May 2025, we issued a series of the domestic unsubordinated Yen-denominated unsecured bonds with an aggregate principal amount of ¥600 billion ($4,013 million).

¥1,912 billion ($12,784 million) of Indebtedness Outstanding under Foreign Currency-denominated Unsecured Senior Notes

We have issued foreign currency-denominated senior notes (the "Foreign Currency-denominated Senior Notes"), which are senior, unsecured obligations of the Company and rank *pari passu* with all other outstanding unsecured, unsubordinated obligations of the Company.

The Foreign Currency-denominated Senior Notes contain restrictive covenants that limit our ability to, among other things: (i) incur secured indebtedness, (ii) guarantee the indebtedness of our subsidiaries and other non-subsidiary affiliates and (iii) use proceeds from asset sales to make restricted payments, unless our Company LTV ratio is equal to or less than 25% or the aggregate restricted payments do not exceed $20 billion since July 6, 2021 (only with respect to the Foreign Currency-denominated Senior Notes issued in July 2021) or February 8, 2021 (with respect to the other Foreign Currency-denominated Senior Notes except the Foreign Currency-denominated Senior Notes issued on July 8, 2024, which do not contain such a covenant).

Upon the occurrence of a change of control triggering event, the Company would be required to make an offer to repurchase all outstanding Foreign Currency-denominated Senior Notes at a purchase price equal to 100% of their principal amount *plus* any accrued and unpaid interest.

The Foreign Currency-denominated Senior Notes are redeemable by the Company at any time prior to maturity at a redemption price equal to 100% of the outstanding principal amount, with accrued and unpaid interest *plus* a "make-whole" premium.

As of March 31, 2025, the aggregate outstanding indebtedness under the Foreign Currency-denominated Senior Notes was ¥1,912 billion ($12,784 million) (measured at amortized costs pursuant to IFRS).

¥1,021 billion ($6,830 million) of Indebtedness Outstanding under Domestic Yen-denominated Unsecured Subordinated Bonds

We have issued domestic yen-denominated unsecured subordinated bonds (the "Domestic Subordinated Bonds") at 2.400% and 2.480% coupon per annum, which are direct, unsecured obligations of the Company and contractually subordinated to all existing and future debt except for debt equal or subordinated to the Domestic Subordinated Bonds.

As of March 31, 2025, the aggregate outstanding indebtedness under these Domestic Subordinated Bonds was ¥1,021 billion ($6,830 million) (measured at amortized costs pursuant to IFRS).

¥620 billion ($4,147 million) of Indebtedness Outstanding under Domestic Yen-denominated Unsecured Straight Corporate Bonds

We have issued and sold a series of unsecured straight yen-denominated bonds, the 65th Unsecured Straight Corporate Bond, or the "Fukuoka SoftBank HAWKS Bond," mainly to individual investors in retail markets. The aggregate principal amount of the Fukuoka SoftBank HAWKS Bond issued is ¥600 billion ($4,013 million). We also issued and sold a series of unsecured straight yen-denominated bonds, the 66th Unsecured Straight Corporate Bond, to wholesale markets. The aggregate principal amount of the yen-denominated straight corporate bonds issued is ¥20 billion ($134 million). Together, the aggregate principal amount of indebtedness outstanding under the domestic yen-denominated unsecured straight corporate bonds is ¥620 billion ($4,147 million) as of May 31, 2025.

¥792 billion ($5,300 million) of Indebtedness Outstanding under Domestic Yen-denominated Unsecured Hybrid Bonds with Interest Deferral and Early Redemption Clauses

In April 2023, we issued another series of the yen-denominated Hybrid Bonds due 2058 (callable in 2028) in order to refinance a part of the outstanding principal amount of the USD-denominated Hybrid Bonds which became callable in July 2023 and the yen-denominated Hybrid Bonds which became callable in September 2023. The yen-denominated Hybrid Bonds are subordinated to all existing and future debt, including the Domestic Subordinated Bonds, except for debt equal or subordinated to the yen-denominated Hybrid Bonds.

As of March 31, 2025, the aggregate outstanding indebtedness under these yen-denominated Hybrid Bonds was ¥792 billion ($5,300 million) (measured at amortized costs pursuant to IFRS). A portion of the yen-denominated Hybrid Bonds which have not been replaced with other hybrid instruments has been assigned 50% equity credit from both S&P and JCR.

¥193 billion ($1,292 million) of Indebtedness Outstanding under USD-denominated Perpetual Subordinated Hybrid Notes

In July 2017, we issued the Hybrid Notes, which consisted of $2.75 billion in USD-denominated Undated Subordinated NC6 Resettable Notes and $1.75 billion in USD-denominated Undated Subordinated NC10 Resettable Notes. In October 2022, we completed the settlement of a tender offer with respect to USD-denominated Undated Subordinated NC6 Resettable Notes of $750 million in aggregate principal amount, and subsequently redeemed all of the outstanding principal amount at the first callable date in July 2023. The Hybrid Notes are classified as equity instruments in accordance with IFRS because we have the option to defer interest payments, they have no maturity date, their payment priority in the event of bankruptcy is subordinated to senior indebtedness, and other factors. They are recorded as equity in the Company's consolidated financial statements. The Hybrid Notes have been assigned 50% equity credit from both S&P and JCR.

¥1,023 billion ($6,844 million) of Indebtedness Outstanding under Yen-denominated Unsecured Straight Bonds issued by SoftBank Corp.

As of March 31, 2025, the aggregate outstanding indebtedness under yen-denominated unsecured bonds issued by SoftBank Corp. was ¥1,023 billion ($6,844 million) (measured at amortized costs pursuant to IFRS).

Lease Liabilities

The amount of our consolidated lease liabilities as of March 31, 2025 was ¥907 billion ($6,066 million), of which the amount attributable to SoftBank Group Corp. was ¥8 billion ($53 million). The weighted average interest rate for the lease liabilities as of March 31, 2025 was 3.06% and their due dates ranged from April 2025 to November 2059.

DESCRIPTION OF THE NOTES

The definitions of certain terms used in this Description of the Notes can be found under the subheading "*Certain Definitions*." Certain capitalized terms used in this "Description of the Notes" may have different definitions than the same term used in other sections of this Offering Memorandum. In this Description of the Notes, the term the "*Company*" refers only to SoftBank Group Corp. and not to any of its Subsidiaries.

The Company will issue $500,000,000 aggregate principal amount of its 6½% Senior Notes due 2029 denominated in U.S. dollars (the "*2029 Dollar Notes*"), $600,000,000 aggregate principal amount of its 6⅞% Senior Notes due 2031 denominated in U.S. dollars (the "*2031 Dollar Notes*"), $600,000,000 aggregate principal amount of 7¼% Senior Notes due 2032 denominated in U.S. dollars (the "*2032 Dollar Notes*") and $500,000,000 aggregate principal amount of its 7½% Senior Notes due 2035 denominated in U.S. dollars (the "*2035 Dollar Notes*," and together with the 2029 Dollar Notes, the 2031 Dollar Notes and the 2032 Dollar Notes, the "*Dollar Notes*"), and €600,000,000 aggregate principal amount of its 5¼% Senior Notes due 2029 denominated in euro (the "*2029 Euro Notes*"), €600,000,000 aggregate principal amount of its 5⅞% Senior Notes due 2031 denominated in euro (the "*2031 Euro Notes*") and €500,000,000 aggregate principal amount of its 6⅜% Senior Notes due 2033 denominated in euro (the "*2033* Euro *Notes*," and together with the 2029 Euro Notes and the 2031 Euro Notes, the "*Euro Notes*," and, together with the Dollar Notes, the "*New Notes*") under the indenture (the "*Indenture*"), dated July 8, 2024 (the "*Original Issue Date*"), among the Company, The Bank of New York Mellon, London Branch, as trustee (the "*Trustee*", which expression shall include its successor(s) and all persons for the time being the trustee or trustees under the Indenture) and as paying agent (the "*Paying Agent*", including any successor paying agent), and The Bank of New York Mellon SA/NV, Dublin Branch, as transfer agent (the "*Transfer Agent*", including any successor transfer agent) and registrar (the "*Registrar*", including any successor registrar), in a private transaction that is not subject to the registration requirements of the U.S. Securities Act. Holders of the New Notes will not be entitled to any registration rights. See "*Notice to Investors*."

The Company has previously issued (i) 6¾% USD-denominated Senior Notes due 2029; (ii) 7% USD-denominated Senior Notes due 2031; (iii) 5⅜% Euro-denominated Senior Notes due 2029; and (iv) 5¾% Euro-denominated Senior Notes due 2032 under the Indenture (collectively, the "*2024 Senior Notes*" and together with the New Notes issued hereby, the "*Notes*"). Unless the context otherwise requires, in this "*Description of the Notes*," references to the "*Notes*" include any Additional Notes that are actually issued and references to each series of Notes include any Additional Notes of the same series that are issued. The Notes and any Additional Notes thereof will be treated, along with all other series of Notes, as a single class for all purposes of the Indenture, including, without limitation, certain waivers, amendments, redemptions and offers to purchase, except as otherwise provided for in the Indenture.

The following description is a summary of the material provisions of the Indenture. It does not restate the Indenture in its entirety. The Indenture, and not this description, defines the rights of holders of the Notes. Copies of the Indenture are available by email to the requesting holder or for inspection at the corporate trust office of the Trustee at all reasonable times during normal business hours (being 9:00 a.m. to 3:00 p.m.) at 160 Queen Victoria Street, London EC4V 4LA, United Kingdom upon prior written request and satisfactory proof of holdings. Certain defined terms used in this description but not defined below have the meanings assigned to them in the Indenture. The Indenture is not required to be nor will it be qualified under and will not be subject to the U.S. Trust Indenture Act.

The registered holder of a New Note will be treated as the owner of it for all purposes. Only registered holders of Notes will have rights under the Indenture.

Brief Description of the New Notes

The New Notes

The New Notes will:

- be general unsecured obligations of the Company;
- in insolvency proceedings of the Company, rank *pari passu* in right of payment with all existing and future Indebtedness of the Company (including the Existing Senior Notes, and the Company's unsubordinated Yen-denominated unsecured bonds), except that the New Notes will:
    - rank senior in right of payment to all existing and future Indebtedness of the Company that is contractually subordinated in right of payment to the New Notes and all existing and future Indebtedness of the Company that is subordinated in right of payment to the New Notes by operation of law (including the Company's Yen-denominated hybrid loans and Yen-denominated hybrid bonds); and

- be subordinated in right of payment to all existing and future Indebtedness of the Company that is preferred by operation of law;

- be effectively subordinated to any existing and future Indebtedness of the Company that is secured by property or assets that do not secure the New Notes, to the extent of the value of the property and assets securing such Indebtedness, through either enforcement of such Indebtedness outside insolvency proceedings or preferred treatment of such Indebtedness in insolvency proceedings; and

- be effectively subordinated to all existing and future Indebtedness, lease obligations or other obligations and any trade payables of any Subsidiary of the Company that does not guarantee the New Notes (including the substantial financial liabilities outstanding under asset-backed Indebtedness or derivative obligations incurred by Subsidiaries of the Company).

See "Risk Factors—Risks Relating to the Notes—The Notes are unsecured obligations and will be effectively subordinated to the existing and future secured indebtedness of the Company and its subsidiaries. We and our subsidiaries may in the future incur substantial amounts of secured debt."; "Risk Factors—Risks Relating to the Notes—The Notes will be structurally subordinated to any existing or future indebtedness, preferred stock and other liabilities of our subsidiaries."; "Risk Factors—Risks Relating to the Notes—Enforcement of claims on the Notes will be subject to certain limitations arising under Japanese insolvency and corporate laws. Japanese laws may be different from, and not as favorable to you as, the laws in other jurisdictions."; and "Description of Other Indebtedness."

Note Guarantees

The New Notes will benefit from no guarantee as of the Issue Date. Subsidiaries of the Company may be required to Guarantee the New Notes in the future under certain circumstances. See "*—Certain Covenants—Subsidiary Guarantees of Indebtedness*." Each future Guarantee of the New Notes (a "*Note Guarantee*") of a Note Guarantor, if any, will:

- be a general unsecured obligation of such Note Guarantor;

- in insolvency proceedings of such Note Guarantor, rank *pari passu* in right of payment with all existing and future Indebtedness of such Note Guarantor, except that the Note Guarantee will:

  - rank senior in right of payment to all existing and future Indebtedness of such Note Guarantor that is contractually subordinated in right of payment to the Note Guarantee and all existing and future Indebtedness of such Note Guarantor that is subordinated in right of payment to the Note Guarantee by operation of law; and

  - be subordinated in right of payment to all existing and future Indebtedness of such Note Guarantor that is preferred by operation of law;

- be effectively subordinated to any existing and future Indebtedness of such Note Guarantor that is secured by property or assets that do not secure the Note Guarantee, to the extent of the value of the property and assets securing such Indebtedness through either enforcement of such Indebtedness outside insolvency proceedings or preferred treatment of such Indebtedness in insolvency proceedings; and

- be effectively subordinated to all existing and future Indebtedness or other obligations, including any trade payables, of any Subsidiary of such Note Guarantor that does not Guarantee the New Notes.

Non-Guarantor Subsidiaries

Substantially all of the operations of the Company are conducted through its Subsidiaries and, therefore, the Company depends on the proceeds of asset monetizations and refinancings, together with the cash flows of its Subsidiaries, to meet its obligations, including its obligations under the New Notes. The New Notes will be effectively subordinated in right of payment to all existing and future Indebtedness, lease obligations or other obligations and any trade payables of all Subsidiaries of the Company (the "*Non-Guarantor Subsidiaries*") that do not Guarantee the New Notes (including the substantial financial liabilities outstanding under asset-backed Indebtedness or derivative obligations incurred by Subsidiaries of the Company). Any right of the Company to receive assets of any of its Non-Guarantor Subsidiaries upon such Subsidiary's liquidation or reorganization (and the consequent right of the holders of the New Notes to participate in those assets) will be effectively subordinated to the claims of that Non-Guarantor Subsidiary's creditors, except to the extent that the Company is itself recognized as a creditor of the Non-Guarantor Subsidiary, in which case the claims of the Company may be effectively subordinated in right of payment to any security in the assets of the Non-Guarantor Subsidiary and any

Indebtedness of such Subsidiary senior to that held by the Company. See "*Risk Factors—Risks Relating to the Notes—Our corporate structure may affect your ability to receive payment on the Notes.*"; "*Risk Factors—Risks Relating to the Notes—The Notes will be structurally subordinated to any existing or future indebtedness, preferred stock and other liabilities of our subsidiaries*."; and "*Risk Factors—Risks Relating to the Notes—Enforcement of claims on the Notes will be subject to certain limitations arising under Japanese insolvency and corporate laws. Japanese laws may be different from, and not as favorable to you as, the laws in other jurisdictions*."

Principal, Maturity and Interest

The Indenture is unlimited in aggregate principal amount and each series of Notes is unlimited in aggregate principal amount.

In this offering the Company will issue $500,000,000 in aggregate principal amount of 2029 Dollar Notes, $600,000,000 in aggregate principal amount of 2031 Dollar Notes, $600,000,000 in aggregate principal amount of 2032 Dollar Notes, $500,000,000 in aggregate principal amount of 2035 Dollar Notes, €600,000,000 in aggregate principal amount of 2029 Euro Notes, €600,000,000 in aggregate principal amount of 2031 Euro Notes and €500,000,000 in aggregate principal amount of 2033 Euro Notes. The New Notes offered hereby will constitute "Additional Notes" under the Indenture. The Company may issue further additional notes (the "*Additional Notes*") under the Indenture from time to time after this offering.

The New Notes issued hereby will not be fungible with the 2024 Senior Notes issued under the Indenture, and will form different series from the 2024 Senior Notes. Each series of the New Notes issued hereby bear a separate ISIN, Common Code and CUSIP from the 2024 Senior Notes, and will differ in terms of their maturity date, the rate at which such Notes shall bear interest, the issue price and issuance date of such Notes, the aggregate principal amount of such Notes, and the title of such Notes, among others. This "*Description of the Notes*" sets out a summary of the material provisions of the Indenture and the Notes.

Any other Additional Notes will be of the same or different series as the 2024 Senior Notes issued on the Original Issue Date, or the Dollar Notes or the Euro Notes initially issued on the Issue Date, and will have substantially identical terms to the 2024 Senior Notes issued on the Original Issue Date, or the Dollar Notes or the Euro Notes initially issued on the Issue Date, except for such other terms as may be specifically distinguished in an officer's certificate supplied to the Trustee specifying:

- the title of such Additional Notes;
- the aggregate principal amount of such Additional Notes;
- the issue price and issuance date of such Additional Notes;
- the rate or rates (which may be fixed or floating) at which such Additional Notes shall bear interest and, if applicable, the interest rate basis, formula or other method of determining such interest rate or rates, the date or dates from which such interest shall accrue, the interest payment dates on which such interest shall be payable or the method by which such dates will be determined, the record dates for the determination of holders thereof to whom such interest is payable and the basis upon which such interest will be calculated;
- the currency or currencies in which such Additional Notes shall be denominated and the currency in which cash or government obligations in connection with such series of Additional Notes may be payable, including in the case of optional redemption, defeasance or satisfaction and discharge of the Indenture;
- the maturity date, and the date or dates and the price or prices at which, the period or periods within which, and the terms and conditions upon which, such Additional Notes may be redeemed, in whole or in part;
- the denominations in which such Additional Notes shall be issued and redeemed (in the relevant currencies);
- the ISIN, Common Code, CUSIP or other securities identification numbers with respect to such Additional Notes; and
- any relevant limitation language with respect to Note Guarantees.

In the Issuer's sole discretion, the aforementioned officer's certificate may include provisions pertaining to (a) the redemption of such Additional Notes, in whole or in part, including, but not limited to, pursuant to any special mandatory redemption in the event that the release from any escrow into which proceeds of the issuance of such Additional Notes are deposited is conditioned on the consummation of any acquisition, investment, refinancing or other transaction (such redemption, a "*Special Mandatory Redemption"*), (b) the escrow of all or a portion of the proceeds of such Additional Notes and the granting of Liens described in clause (8) of the definition of "*Permitted Liens*" in favor of the Trustee or a security agent solely for the benefit of the holders of

such Additional Notes (and not, for the avoidance of doubt, for the benefit of the holders of any other Notes, including Notes of the same series as such Additional Notes), together with all necessary authorizations for the Trustee or such security agent to enter into such arrangements. In addition, such officer's certificate may include provisions pursuant to which such Additional Notes are issued bearing a temporary CUSIP, ISIN or common code pending the satisfaction of certain conditions, such as the consummation of an acquisition, investment, refinancing or other transaction, and such Additional Notes bearing a temporary CUSIP, ISIN or common code may be automatically exchanged for new Additional Notes bearing the same CUSIP, ISIN or common code as the existing Notes with respect to which such Additional Notes were issued; *provided* that such Additional Notes are fungible with the series of Notes with respect to which such Additional Notes were issued on the relevant issue date for U.S. federal income tax purposes (to the extent fungibility for U.S. federal income tax purposes is relevant). Additional Notes may be designated to be of the same series as any other series of Notes, including any series of Notes initially issued on the Original Issue Date or the Issue Date, but only if they have terms substantially identical in all material respects to such other series, and shall be deemed to form one series with other series (including, if applicable, such Notes) (it being understood that (i) any Additional Notes that are substantially identical in all material respects to any other series of Notes but for being subject to any escrow arrangements or a Special Mandatory Redemption shall be deemed to be substantially identical to such series of Notes only following the release from such escrow arrangements or the expiration of any provisions relating to such Special Mandatory Redemption, as applicable and (ii) any Additional Notes that are substantially identical in all material respects to any other series of Notes but for the date of issuance, the first interest payment date and the date from which interest thereon will begin to accrue shall be deemed to be substantially identical to such series of Notes).

Subject to the terms applicable to Additional Notes set forth in the preceding paragraphs, the Company will issue the Dollar Notes in minimum denominations of $200,000 and integral multiples of $1,000 in excess thereof and the Euro Notes in minimum denominations of €100,000 and integral multiples of €1,000 in excess thereof. The 2029 Dollar Notes will mature on April 10, 2029, the 2031 Dollar Notes will mature on January 10, 2031, the 2032 Dollar Notes will mature on July 10, 2032 and the 2035 Dollar Notes will mature on July 10, 2035. The 2029 Euro Notes will mature on October 10, 2029, the 2031 Euro Notes will mature on July 10, 2031 and the 2033 Euro Notes will mature on July 10, 2033.

Interest on the 2029 Dollar Notes will accrue at the rate of 6.500% per annum, interest on the 2031 Dollar Notes will accrue at the rate of 6.875% per annum, interest on the 2032 Dollar Notes will accrue at the rate of 7.250% per annum, interest on the 2035 Dollar Notes will accrue at the rate of 7.500% per annum, interest on the 2029 Euro Notes will accrue at the rate of 5.250% per annum, interest on the 2031 Euro Notes will accrue at the rate of 5.875% per annum and interest on the 2033 Euro Notes will accrue at the rate of 6.375% per annum. Interest on the 2029 Dollar Notes and the 2029 Euro Notes will be payable semi-annually in arrear on April 10 and October 10 of each year, commencing October 10, 2025. Interest on the 2031 Dollar Notes, the 2032 Dollar Notes, the 2035 Dollar Notes, the 2031 Euro Notes and the 2033 Euro Notes will be payable semi-annually in arrear on January 10 and July 10 of each year, commencing January 10, 2026.

The Company will make each interest payment, to the extent that New Notes are represented by Global Notes, to the holders of record of the New Notes at the close of business (in the relevant clearing system) on the Clearing System Business Day immediately before the due date for such payment. Interest on the New Notes will accrue from the date of original issuance thereof or, if interest has already been paid, from the date it was most recently paid. Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months. Each interest period shall end on (but not include) the relevant payment date. The rights of holders to receive the payments of interest on the New Notes are subject to applicable procedures of Euroclear and Clearstream.

Methods of Receiving Payments on the New Notes

Each series of the New Notes will be issued in the form of one or more registered notes in global form (the "*Global Notes*"). Principal, interest and premium, if any, and Additional Amounts, if any, on the Global Notes will be payable by a wire transfer of immediately available funds to the account specified by the common depositary for Euroclear and/or Clearstream or its nominee.

If the due date for any payment in respect of any New Notes is not a Business Day at the place at which such payment is due to be paid, the holder thereof will not be entitled to payment of the amount due until the next succeeding Business Day at such place, and will not be entitled to any further interest or other payment as a result of any such delay.

Paying Agent, Registrar and Transfer Agent for the Notes

The Company maintains, and will maintain, one or more paying agents (each, a "*Paying Agent*") for the Notes in the City of London. The Bank of New York Mellon, London Branch will initially act as Paying Agent in London.

For so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require, in the event that a Global Note is exchanged for definitive notes in registered form ("*Definitive Registered Notes*"), the Company will appoint and maintain a paying agent in Singapore, and an announcement of such exchange shall be made by or on behalf of the Company through the SGX-ST and such announcement will include all material information with respect to the delivery of the Definitive Registered Notes, including the details of the paying agent in Singapore.

The Bank of New York Mellon SA/NV, Dublin Branch will initially act as Registrar.

The Bank of New York Mellon SA/NV, Dublin Branch will initially act as a Transfer Agent. The Company may change the Paying Agent, the Transfer Agent or the Registrar without prior notice to the holders of the Notes, and the Company or any of its Subsidiaries may act as paying agent, transfer agent or registrar.

Transfer and Exchange

A holder may transfer or exchange New Notes in accordance with the provisions of the Indenture. The Registrar and the Trustee may require a holder, among other things, to furnish appropriate endorsements and transfer documents in connection with a transfer of New Notes. Holders of the New Notes will be required to pay all taxes due on transfer. Neither the Registrar, Transfer Agent nor the Company will be required to register the transfer or exchange of any New Notes:

- during a period beginning at the opening of business on the Clearing System Business Day (to the extent that New Notes are represented by Global Notes) or at the opening business on the 15th day (to the extent that New Notes are represented by Definitive Registered Notes) prior to (i) the day fixed for the redemption of the New Notes or (ii) the day fixed for selection of New Notes to be redeemed in part, and ending at the close of business on the day of such redemption or selection;
- selected for redemption in whole or in part, except the unredeemed portion of any New Note being redeemed in part;
- between a record date and the next succeeding interest payment date; or
- that the registered holder has tendered (and not withdrawn) for repurchase in connection with a Change of Control Offer.

During the 40-day "distribution compliance period" (as such term is defined in Rule 902 of Regulation S under the U.S. Securities Act), book-entry interests in the New Notes may be transferred only to non-U.S. persons as defined under Regulation S.

For further discussion of the requirements (including the presentation of transfer certificates) under the Indenture to effect exchanges or transfer of interests in Global Notes, see "*Book-Entry, Delivery and Form*."

Additional Amounts

All payments made by or on behalf of the Company under or with respect to the New Notes (whether or not in the form of Definitive Registered Notes) or any Note Guarantor with respect to its Note Guarantee will be made free and clear of and without withholding or deduction for, or on account of, any present or future Taxes unless the withholding or deduction of such Taxes is then required by law. If any withholding, deduction or imposition for, or on account of, any Taxes imposed or levied by or on behalf of any jurisdiction in which the Company or Note Guarantor (including any Successor Entity), is then incorporated, engaged in business or resident for tax purposes, or any political subdivision thereof or therein or any jurisdiction from or through which payment is made (each, a "*Tax Jurisdiction*"), will at any time be required to be made from any payments made by or on behalf of the Company under or with respect to the New Notes or any Note Guarantor with respect to any Note Guarantee, including payments of principal, redemption price, purchase price, interest or premium, the Company or any Note Guarantor, as applicable, will pay such additional amounts (the "*Additional Amounts*") as may be necessary in order that the net amounts received in respect of such payments (including Additional Amounts) after such withholding, deduction, or imposition will equal the respective amounts that would have been received in respect of such payments in the absence of such withholding, deduction or imposition; *provided, however*, that no Additional Amounts will be payable with respect to:

(1) any Taxes that would not have been imposed but for the holder or beneficial owner of the New Notes being a citizen, resident or national of, incorporated in or carrying on a business, in the relevant Tax Jurisdiction in which such Taxes are imposed, other than by the mere holding of such Note, enforcement of rights thereunder, the receipt of payments in respect thereof or any other connection with respect to the New Notes;

(2) any Taxes imposed or withheld as a result of the failure of the holder or beneficial owner of the New Notes to comply with any written request, made to the relevant holder in writing at least 90 days before any such withholding or deduction would be payable, by the Company or a Note Guarantor to provide timely or accurate information concerning the nationality, residence or identity of such holder or beneficial owner or to make any valid or timely declaration or similar claim or satisfy any certification information or other reporting requirement applicable to such holder or beneficial owner (to the extent such holder or beneficial owner is legally eligible to do so), which is required or imposed by a statute, treaty, regulation or administrative practice of the relevant Tax Jurisdiction as a precondition to exemption from all or part of such Taxes;

(3) any Note presented for payment (where New Notes are in the form of Definitive Registered Notes and presentation is required) more than 30 days after the relevant payment is first made available for payment to the holder (except to the extent that the holder would have been entitled to Additional Amounts had the Note been presented on the last day of such 30 day period);

(4) any estate, inheritance, gift, sale, transfer, personal property or similar tax or assessment;

(5) any New Note presented for payment by or on behalf of a holder who is an individual non-resident of Japan or a non-Japanese corporation and is liable for such Taxes in respect of such New Notes by reason of its (a) having some connection with Japan, other than the mere holding of such New Notes, enforcement of rights thereunder, the receipt of payments in respect thereof or any other connection with respect to the Notes or (b) being a Specially-Related Person of the Company);

(6) any New Note presented for payment by or on behalf of a holder of the New Notes who would otherwise be exempt from any such withholding or deduction but who fails to comply with any applicable requirement to provide certain information prescribed by the Special Taxation Measures Act to enable a participant of a depositary or financial intermediary through which the New Notes are held (a "*Participant*") to establish that such beneficial owner is exempted from the requirement for Japanese taxes to be withheld or deducted (the "*Interest Recipient Information*");

(7) any New Note presented for payment by or on behalf of a holder of the New Notes who is for Japanese tax purposes treated as an individual resident of Japan or a Japanese corporation (except for (a) a designated Japanese financial institution within certain categories as prescribed by the Special Taxation Measures Act (a "*Designated Financial Institution*"), which complies with the requirement to provide Interest Recipient Information or to submit a written application for tax exemption and (b) an individual resident of Japan or a Japanese corporation that duly notifies (directly or through the Participant or otherwise) the Paying Agent of its status as exempt from Taxes to be withheld or deducted by the Company by reason of such individual resident of Japan or Japanese corporation receiving interest on the New Notes through a payment handling agent in Japan appointed by it);

(8) any Taxes that are imposed under FATCA; or

(9) any combination of items (1) through (8) above.

In addition to the foregoing, the Company and each Note Guarantor (including any Successor Entities thereof) will also pay and indemnify the holder for any present or future stamp, issue, registration, court or documentary Taxes, or any other excise or property Taxes, charges or similar levies or Taxes which are levied by any Tax Jurisdiction on the execution, delivery, registration or enforcement of any of the New Notes, the Indenture, any Note Guarantee, or any other document or instrument referred to therein.

If the Company or any Note Guarantor becomes aware that it will be obligated to pay Additional Amounts with respect to any payment under or with respect to the New Notes or any Note Guarantee, the Company or the relevant Note Guarantor, as the case may be, will deliver to the Trustee, copied to the Paying Agent, on a date at least 30 days prior to the date of payment (unless the obligation to pay Additional Amounts arises after the 30th day prior to that payment date, in which case the Company or the relevant Note Guarantor, as the case may be, shall notify the Trustee promptly thereafter) an officers' certificate stating the fact that Additional Amounts will be payable and the amount estimated to be so payable. The officers' certificate must also set forth any other information reasonably necessary to enable the Paying Agent to pay Additional Amounts to holders of the New Notes on the relevant payment date. The Company or the relevant Note Guarantor, as the case may be, will provide the Trustee with documentation reasonably satisfactory to the Trustee evidencing the payment of Additional Amounts. The Trustee will be entitled to rely solely on such officers' certificate as conclusive proof that such payments are necessary.

The Company or the relevant Note Guarantor, as the case may be, will make all withholdings and deductions required by law and will remit the full amount deducted or withheld to the relevant Tax authority in

accordance with applicable law. The Company or the relevant Note Guarantor, as the case may be, will use its reasonable efforts to obtain Tax receipts from each Tax authority evidencing the payment of any Taxes so deducted or withheld. The Company or the relevant Note Guarantor, as the case may be, will furnish to the holders of the New Notes, within 60 days after the date the payment of any Taxes so deducted or withheld is made, certified copies of Tax receipts evidencing payment by the Company or the relevant Note Guarantor, as the case may be, or if, notwithstanding the Company's or the relevant Note Guarantor's efforts to obtain receipts, receipts are not obtained, other evidence of payments by the Company or the relevant Note Guarantor, as the case may be.

Whenever the Indenture or this "*Description of the Notes*" mentions the payment of amounts based on the principal amount, interest of any other amount payable under, or with respect to, any of the New Notes, such mention shall be deemed to include the payment of Additional Amounts to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

The above obligation will survive any termination, defeasance or discharge of the Indenture, any transfer by a holder or beneficial owner of its New Notes, and will apply, *mutatis mutandis*, to any jurisdiction in which any Successor Entity is organized or resident (or deemed resident) for tax purposes.

Where the New Notes are held through a Participant, in order to receive payments free of withholding or deduction by the Company for, or on account of Taxes, if the relevant holder is, in accordance with the Special Taxation Measures Act, (A) an individual non-resident of Japan or a non-Japanese corporation (other than a Specially-Related Person of the Company) or (B) a Designated Financial Institution, such holder shall, at the time of entrusting a Participant with the custody of the New Notes, provide the Interest Recipient Information and advise the Participant if the holder of the New Notes ceases to be so exempted (including the case where the holder who is an individual non-resident of Japan or a non-Japanese corporation becomes a Specially-Related Person of the Company).

Where the New Notes are not held by a Participant, in order to receive payments free of withholding or deduction by the Company for, or on account of, Taxes, if the relevant holder is (A) an individual non-resident of Japan or a non-Japanese corporation (other than a Specially-Related Person of the Company) or (B) a Designated Financial Institution, such holder shall, prior to each time on which it receives interest, submit to the Paying Agent a written application for tax exemption in a form obtainable from the Paying Agent stating the name and address of the holder of the New Notes, the title of the New Notes, the relevant interest payment date, the amount of interest and the fact that the holder is qualified to submit the written application for tax exemption, together with documentary evidence regarding its identity and residence. If the relevant beneficial owner of Notes provides the Paying Agent with the information required to be stated in a written application for tax exemption in an electronic form prescribed by the Special Taxation Measures Act, such beneficial owner of such New Notes will be deemed to have submitted a Written Application for Tax Exemption to the Paying Agent.

Redemption for Changes in Taxes

The Company or any Note Guarantor may redeem any series of New Notes, in whole but not in part, at any time upon giving not less than 30 nor more than 60 days' prior notice to the holders of such series of New Notes (which notice will be irrevocable and given in accordance with the procedures described in "*—Selection and Notice*") and the Trustee, at a redemption price equal to 100% of the principal amount thereof, together with accrued and unpaid interest, if any, to the date fixed by the Company for redemption (a "*Tax Redemption Date*") and all Additional Amounts (if any) then due and that will become due on the Tax Redemption Date as a result of the redemption or otherwise (subject to the right of holders of the New Notes on the relevant record date to receive interest due on the relevant interest payment date and Additional Amounts (if any) in respect thereof), if on the next date on which any amount would be payable in respect of the New Notes, the Company has or would be required to pay Additional Amounts, and the Company cannot avoid any such payment obligation by taking reasonable measures available to it (including by changing the jurisdiction of the Paying Agent), as a result of:

(1) any change in, or amendment to, the laws (or any regulations or rulings promulgated thereunder) of the relevant Tax Jurisdiction affecting taxation which change or amendment has not been publicly announced as formally proposed before and which becomes effective on or after the date of the Indenture (or, if the relevant Tax Jurisdiction has changed since the date of the Indenture, the date on which the then current Tax Jurisdiction became the applicable Tax Jurisdiction under the Indenture); or

(2) any change in, or amendment to, the existing official position or the introduction of an official position regarding the application, administration or interpretation of such laws, regulations or rulings (including a holding, judgment or order by a court of competent jurisdiction or a change in published practice), which change, amendment, application or interpretation has not been publicly announced as formally proposed before and becomes effective on or after the date of the Indenture

(or, if the relevant Tax Jurisdiction has changed since the date of the Indenture, the date on which the then current Tax Jurisdiction became the applicable Tax Jurisdiction under the Indenture).

The Company or such Note Guarantor will not give any such notice of redemption earlier than 90 days prior to the earliest date on which the Company would be obligated to make such payment or withholding if a payment in respect of such New Notes were then due. Notwithstanding the foregoing, neither the Company nor the Note Guarantors may redeem any series of New Notes under this provision if the relevant Tax Jurisdiction changes under the Indenture and the Company is obligated to pay any Additional Amounts with respect to such New Notes as a result of a change in, or an amendment to, the laws (or any regulations or rulings promulgated thereunder), or any change in or amendment to, any official position regarding the application, administration or interpretation of such laws, regulations or rules, of the then current Tax Jurisdiction which, at the time such Tax Jurisdiction became the applicable Tax Jurisdiction under the Indenture, was publicly announced as formally proposed.

Prior to the publication or, where relevant, mailing of any notice of redemption of any series of New Notes pursuant to the foregoing, the Company will deliver to the Trustee an officers' certificate and opinion of counsel to the effect that there has been such change or amendment which would entitle the Company or such Note Guarantor to redeem such New Notes hereunder and the Company cannot avoid any obligation to pay Additional Amounts by taking reasonable measures available to it. The Trustee will accept such officers' certificate and opinion as sufficient evidence of the satisfaction of the conditions precedent described above, without further inquiry, in which event it will be conclusive and binding on holders of the New Notes.

Optional Redemption

At any time prior to the date that is 90 days prior to the final maturity date of the New Notes of any series, the Company or any Note Guarantor may on any one or more occasions redeem all or a part of such series of New Notes, upon not less than 10 nor more than 60 days' notice, at a redemption price equal to 100% of the principal amount of the New Notes redeemed, *plus* the Applicable Premium as of, and accrued and unpaid interest and Additional Amounts, if any, to the date of redemption, subject to the rights of holders of such New Notes on the relevant record date to receive interest due on the relevant interest payment date.

At any time on or after the date that is 90 days prior to the final maturity date of the New Notes of any series, the Company or any Note Guarantor may on any one or more occasions redeem all or a part of the New Notes of such series, upon not less than 10 nor more than 60 days' notice, at a redemption price equal to 100% of the principal amount of the New Notes redeemed, *plus* accrued and unpaid interest and Additional Amounts, if any, to the date of redemption, subject to the rights of holders of such New Notes on the relevant record date to receive interest due on the relevant interest payment date.

Except pursuant to the two preceding paragraphs, as set forth above under "*—Redemption for Changes in Taxes*" or as set forth below under "*—Tender Offers*," the New Notes will not be redeemable at the Company's option prior their final maturity date.

Subject to the terms of the applicable redemption notice, New Notes called for redemption become due on the date fixed for redemption. Unless the Company or the relevant Note Guarantor defaults in the payment of the redemption price, interest will cease to accrue on the New Notes or portions thereof called for redemption on the applicable redemption date.

The Company and its Subsidiaries shall also be entitled at their option, at any time and from time to time, to purchase the New Notes or derivative instruments related thereto in privately negotiated or open market transactions, by tender offer or otherwise.

Tender Offers

In connection with any tender offer for any series of Notes (including, without limitation, any Change of Control Offer), if holders of the Notes of such series of not less than 90% in aggregate principal amount of the outstanding Notes of such series validly tender and do not withdraw such Notes in such tender offer and the Company, or any third party making such a tender offer in lieu of the Company, purchases all of the Notes of such series validly tendered and not withdrawn by such holders, all of the holders of the Notes of such series will be deemed to have consented to such tender or other offer. Accordingly, the Company or such third party will have the right, upon not less than 10 nor more than 60 days' prior notice, given not more than 30 days following such tender offer expiration date, to redeem the Notes of such series that remain outstanding in whole, but not in part (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date), following such purchase at a price equal to the price (excluding any early tender fee) offered to each other holder of Notes in such tender offer, *plus*, to the extent not included in the tender offer

payment, accrued and unpaid interest and Additional Amounts, if any, thereon, to, but excluding, such redemption date. In determining whether the holders of at least 90% of the aggregate principal amount of the then outstanding Notes of any series have validly tendered and not validly withdrawn such Notes in a tender offer, Notes owned by the Company or its Affiliates or by funds controlled or managed by any Affiliate of the Company, or any successor thereof, shall be deemed to be outstanding for the purposes of such tender offer and, if owned by the Company, to have been validly tendered therein and not withdrawn.

Selection and Notice

If less than all of the Notes (or any series of Notes) are to be redeemed, the Notes will be selected for redemption as follows: (i) if the Notes are listed on any securities exchange and/or being held through the clearing systems, in compliance with the requirements of the securities exchange on which the Notes are then listed, and/or the requirements or relevant procedures of the clearing systems, as applicable; or (ii) if the Notes are not listed on any securities exchange and/or held through the clearing systems, on a *pro rata* basis or by lot or such other method as the Trustee may determine in its sole and absolute discretion, unless otherwise required by law.

No Dollar Note in the principal amount of $200,000 or less and no Euro Note in the principal amount of €100,000 or less can be redeemed in part. If any Note is to be redeemed in part only, the notice of redemption that relates to that Note shall state the portion of the principal amount thereof to be redeemed. In the case of a Definitive Registered Note, a new Definitive Registered Note in principal amount equal to the unredeemed portion of any Definitive Registered Note redeemed in part will be issued in the name of the holder thereof upon cancellation of the original Definitive Registered Note. In the case of a Global Note, redemption will be effected in accordance with the procedures of the relevant clearing system (including by application of a pool factor) or an appropriate notation will be made on such Global Note to decrease the principal amount thereof to an amount equal to the unredeemed portion thereof.

Any redemption and notice of redemption of Notes may, at the Company's discretion, be subject to the satisfaction of one or more conditions precedent (including, without limitation, the incurrence of Indebtedness the proceeds of which will be used to redeem the Notes). In addition, if such redemption or notice is subject to satisfaction of one or more conditions precedent, such notice may state that, at the Company's discretion, the redemption date may be delayed until such time as any or all such conditions shall be satisfied, or such redemption may not occur and such notice may be rescinded in the event that any or all such conditions shall not have been satisfied by the redemption date, or by the redemption date so delayed; *provided* that in no case shall the notice have been delivered less than 10 days or more than 60 days prior to the date on which such redemption (if any) occurs, except that the redemption notice may be delivered more than 60 days prior to the redemption date if the notice is issued in connection with a defeasance of the Notes or a satisfaction and discharge of the Indenture.

If requested in writing by the Company, which request may be included in the applicable notice of redemption, the Trustee or the Paying Agent (or such other entity directed, designated or appointed (as agent) by the Trustee, for this purpose) shall distribute any amounts deposited with the Trustee or the Paying Agent (or such other entity directed, designated or appointed (as agent) by the Trustee, for this purpose) to the holders prior to the applicable redemption date, *provided, however*, that holders shall have received at least three Business Days' notice from the Company of such earlier repayment (which may be included in the notice of redemption). For the avoidance of doubt, the distribution and payment to holders prior to the applicable redemption date as set forth above will not include any negative interest, present value adjustment, break costs or any other premium on such amounts. To the extent the Notes are represented by a Global Note deposited with a common depositary for a clearing system, any payment to the beneficial holders holding Book-Entry Interests as participants of such clearing system will be subject to the then applicable procedures of such clearing system.

Mandatory Redemption

The Company is not required to make mandatory redemption or sinking fund payments with respect to the Notes.

Repurchase at the Option of Holders upon a Change of Control Triggering Event

If a Change of Control Triggering Event occurs, each holder of Notes will have the right to require the Company to repurchase all or any part (in case of Dollar Notes, equal to $200,000 or an integral multiple of $1,000 in excess thereof and in case of Euro Notes, equal to €100,000 or an integral multiple of €1,000 in excess thereof) of that holder's Notes pursuant to an offer described below (the "*Change of Control Offer*") and on the terms set forth in the Indenture. In the Change of Control Offer, the Company will offer a payment (the "*Change*

of Control Payment") in cash equal to 100% of the aggregate principal amount of Notes repurchased, *plus* accrued and unpaid interest and Additional Amounts, if any, on the Notes repurchased to the date of purchase, subject to the rights of holders of the Notes on the relevant record date to receive interest due on the relevant interest payment date.

Within 30 days following any Change of Control Triggering Event, the Company will provide notice to the Trustee and each holder describing the events that constitute the Change of Control Triggering Event and offering to repurchase Notes on a date (the "*Change of Control Payment Date*") specified in the notice, which date will be no earlier than 10 days and no later than 60 days from the date such notice is given, pursuant to the procedures required by the Indenture and described in such notice. The Trustee and the Agents shall not be obliged to take any steps to ascertain whether a Change of Control has occurred or to monitor the occurrence of any Change of Control, and shall not be liable to the holders of the Notes or any other person for not doing so.

The Company will comply with the requirements of relevant securities laws and regulations to the extent those laws and regulations are applicable in connection with the repurchase of the Notes as a result of a Change of Control Triggering Event. To the extent that the provisions of any securities laws or regulations conflict with the Change of Control provisions of the Indenture, the Company will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under the Change of Control provisions of the Indenture by virtue of such compliance.

On the Change of Control Payment Date, the Company will, to the extent lawful:

(1) accept for payment all Notes or portions of Notes properly tendered pursuant to the Change of Control Offer;

(2) deposit with the Paying Agent or a tender agent an amount equal to the Change of Control Payment in respect of all Notes or portions of Notes properly tendered; and

(3) deliver or cause to be delivered to the Trustee an officer's certificate stating the aggregate principal amount of Notes or portions of the Notes being purchased by the Company in the Change of Control Offer;

(4) in the case of Global Notes, unless notation of the purchase of Notes is to be effected in accordance with the procedures of the relevant clearing system, deliver, or cause to be delivered, to the Paying Agent the Global Notes, in order to reflect thereon the portion of such Notes or portions thereof that have been tendered to and purchased by the Company; and

(5) in the case of Definitive Registered Notes, deliver, or cause to be delivered, to the relevant Registrar for cancellation all Definitive Registered Notes accepted for purchase by the Company.

If any Definitive Registered Notes have been issued, the Paying Agent or the tender agent will promptly pay to each holder of Definitive Registered Notes so tendered the Change of Control Payment for such Notes, and the Trustee (or an authenticating agent) will, at the cost of the Company, promptly authenticate and mail (or cause to be transferred by book-entry) to each holder of Definitive Registered Notes a new Definitive Registered Note equal in principal amount to the unpurchased portion of the Notes surrendered, if any.

The provisions described above that require the Company to make a Change of Control Offer following a Change of Control Triggering Event will be applicable whether or not any other provisions of the Indenture are applicable. Except as described above with respect to a Change of Control Triggering Event, the Indenture does not contain provisions that permit the holders of the Notes to require that the Company repurchase or redeem the Notes in the event of a takeover, recapitalization or similar transaction.

The Company will not be required to make a Change of Control Offer upon a Change of Control Triggering Event if (1) a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Indenture applicable to a Change of Control Offer made by the Company and purchases all Notes properly tendered and not withdrawn under the Change of Control Offer, or (2) notice of redemption has been given pursuant to the Indenture as described above under the caption "*—Redemption for Changes in Taxes*" or "*—Optional Redemption*," unless and until there is a default in payment of the applicable redemption price.

Notwithstanding anything to the contrary contained herein, a Change of Control Offer may be made in advance of a Change of Control, conditioned upon the consummation of such Change of Control, if a definitive agreement is in place for the Change of Control at the time the Change of Control Offer is made.

The agreements governing the Company's other Indebtedness contain, and future agreements may contain, prohibitions of certain events, including events that would constitute a Change of Control. The exercise

by the holders of the Notes of their right to require the Company to repurchase the Notes upon a Change of Control could cause a default under these other agreements, even if the Change of Control itself does not, due to the financial effect of such repurchases on the Company. In the event a Change of Control occurs at a time when the Company is prohibited from purchasing Notes, the Company could seek the consent of its other lenders to the purchase of Notes or could attempt to refinance the borrowings that contain such prohibition. If the Company does not obtain a consent or repay those borrowings, the Company will remain prohibited from purchasing Notes. In that case, the Company's failure to purchase tendered Notes would constitute an Event of Default under the Indenture which could, in turn, constitute a default under the other indebtedness. Furthermore, the Company's ability to pay cash to the holders of the Notes upon a repurchase may be limited by the Company's then existing financial resources. See "*Risk Factors—Risks Relating to the Notes—We may not have sufficient funds to repurchase the Notes upon a Change of Control Triggering Event and certain strategic transactions, including sale of our assets, may not constitute a Change of Control Triggering Event*."

Certain Covenants

Negative Pledge

None of the Company or any Note Guarantor will create, incur, assume or otherwise cause or suffer to exist or become effective any Lien of any kind securing any Relevant Indebtedness upon any of its property or assets, now owned or hereafter acquired (an "*Initial Lien*"), unless:

(1) all payments due under the Notes or the relevant Note Guarantees, as applicable, are secured on an equal and ratable basis with the obligations so secured until such time as such obligations are no longer so secured; or

(2) such Initial Lien is a Permitted Lien.

Any Lien created for the benefit of the holders of the Notes pursuant to the preceding paragraph shall be automatically and unconditionally released and discharged under any one or more of the following circumstances:

(a) upon the release and discharge of the Initial Lien to which it relates;

(b) upon full and final payment of the Notes and performance of all obligations of the Company and any Note Guarantors under the Indenture and the Notes, as provided under "*—Satisfaction and Discharge*";

(c) upon a Note Guarantor that has granted such Liens becoming a Non-Guarantor Subsidiary or any Note Guarantee provided by such Note Guarantor being otherwise discharged or terminated, in either case pursuant to the terms of the Indenture;

(d) upon the sale or other disposition of the assets which are subject to such Liens (including by way of merger, consolidation, amalgamation or combination) to a Person that is not (either before or after giving effect to such transaction), the Company or an Affiliate of the Company;

(e) upon legal or covenant defeasance in accordance with the provisions described under "*—Legal Defeasance and Covenant Defeasance*"; or

(f) as described under the caption "*—Amendment, Supplement and Waiver.*"

Upon any occurrence giving rise to a release and discharge of a Lien created for the benefit of the holders of the Notes pursuant to this covenant, as specified in this paragraph, the Trustee, subject to receipt of an officers' certificate and an opinion of counsel certifying that the event or circumstance in question has occurred and such release of Lien complies with the Indenture and all conditions precedent to the release of such Liens have been satisfied, will execute any documents reasonably requested by the Company in order to evidence or effect such release and discharge in respect of such Lien.

Subsidiary Guarantees of Indebtedness

The Company will not permit any of its Non-Guarantor Subsidiaries, directly or indirectly, to Guarantee any Indebtedness of the Company or a Note Guarantor unless such Non-Guarantor Subsidiary simultaneously executes and delivers a supplemental indenture providing for a Note Guarantee by such Subsidiary, which Note Guarantee will be senior to or pari passu with such Subsidiary's Guarantee of such other Indebtedness.

Notwithstanding the foregoing, the Company shall not be obligated to cause such Subsidiary to Guarantee the Notes to the extent that such Note Guarantee by such Subsidiary would give rise to or result in a violation of applicable law or any liability for the officers, directors or shareholders of such Subsidiary which, in any case, cannot be prevented or otherwise avoided through measures available to the Company or such Subsidiary.

Automatic Release of Note Guarantees

The Note Guarantee of any Note Guarantor will automatically and unconditionally be released:

(1) in connection with any sale or other disposition of all of the Capital Stock of such Note Guarantor to a Person that is not (either before or after giving effect to such transaction) the Company or another Subsidiary of the Company;

(2) upon legal defeasance, covenant defeasance or satisfaction and discharge of the Indenture as provided below under the captions "*—Legal Defeasance and Covenant Defeasance*" and "*—Satisfaction and Discharge*;" or

(3) as a result of a transaction permitted by "*—Merger or Consolidation*."

Optional Release of Note Guarantees

Except as provided below, the Company may at any time unconditionally release the Note Guarantee of any Note Guarantor, if:

(1) such release will not cause or result in a Default or an Event of Default; and

(2) (i) immediately after such release, such Note Guarantor will no longer Guarantee any Indebtedness of the Company or a Note Guarantor or (ii) the Company delivers to the Trustee an officers' certificate stating (a) that such Note Guarantor's Guarantee of any Existing Senior Notes outstanding at such time will be released in accordance with the relevant Existing Senior Notes Indentures substantially concurrently with the release of its Note Guarantee and (b) that, upon the release of such Note Guarantor's Guarantee of any outstanding Existing Senior Notes and the Note Guarantee, such Note Guarantor will no longer Guarantee any Indebtedness of the Company or any Note Guarantor.

Merger or Consolidation

The Company

The Company will not, directly or indirectly consolidate or merge with or into another Person (whether or not the Company is the surviving Person), unless:

(1) either: (a) the Company is the surviving Person; or (b) the Person formed by or surviving any such consolidation or merger (if other than the Company) is a corporation organized and existing under the laws of Japan, any jurisdiction which is at the Original Issue Date or at any time thereafter a member state of the European Union, the United Kingdom, Switzerland, the United States, any state of the United States or the District of Columbia, Singapore, the Cayman Islands, Jersey, Guernsey, Hong Kong, Canada or the British Virgin Islands;

(2) the Person formed by or surviving any such consolidation or merger (if other than the Company) assumes all the obligations of the Company under the Notes and the Indenture (pursuant to a supplemental indenture) and under any security documents providing for Liens for the benefit of holders of the Notes in accordance with the covenant described under "*—Negative Pledge*" (pursuant to customary agreements reasonably satisfactory to the Trustee);

(3) immediately after such transaction, no Default or Event of Default exists; and

(4) the Company shall have delivered to the Trustee an officers' certificate and an opinion of counsel, each to the effect that such consolidation or merger and such supplemental indenture (if any) comply with the Indenture and an opinion of counsel to the effect that such supplemental indenture (if any) has been duly authorized, executed and delivered and is a legal, valid and binding agreement enforceable against the Company or the surviving Person (if other than the Company) (in each case, in form and substance reasonably satisfactory to the Trustee); *provided* that in giving an opinion of counsel, counsel may rely on an officers' certificate as to any matters of fact, including as to satisfaction of clauses (2) and (3) above, and *provided*, *further*, that no such certificate and opinion of counsel shall be required in connection with (i) the Company consolidating with or merging into any Subsidiary that is a Note Guarantor, or (ii) the Company consolidating or otherwise combining with or merging into an Affiliate incorporated or organized for the purpose of changing its legal domicile, reincorporating in another jurisdiction or changing its legal form.

Note Guarantors

A Note Guarantor may not consolidate with or merge with or into (whether or not such Note Guarantor is the surviving Person) another Subsidiary or Affiliate of the Company, other than the Company or another Note Guarantor, unless:

(1) the Person formed by or surviving any such consolidation or merger becomes a Note Guarantor under the Indenture (pursuant to a supplemental indenture) and assumes all the obligations of the Note Guarantor under any security documents providing for Liens for the benefit of holders of the Notes in accordance with the covenant described under "—Negative Pledge" (pursuant to customary agreements reasonably satisfactory to the Trustee); and

(2) immediately after giving effect to such transaction, no Default or Event of Default exists.

General

The provisions of this covenant shall not restrict (and shall not apply to): (a) any Subsidiary of the Company that is not a Note Guarantor from consolidating with, merging or liquidating into the Company, a Note Guarantor or any Non-Guarantor Subsidiary of the Company, so long as, immediately after giving effect to such transaction, no Default or Event of Default exists; (b) any Note Guarantor from liquidating into the Company or another Note Guarantor; or (c) any consolidation or merger of the Company into any Note Guarantor; *provided* that, if the Company is not the surviving Person of such consolidation or merger, the relevant Note Guarantor will assume all the obligations of the Company under the Notes and the Indenture pursuant to a supplemental indenture reasonably satisfactory to the Trustee.

Payments for Consent

The Company will not, and will not permit any of its Subsidiaries to, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any holder of any series of Notes for or as an inducement to any consent, waiver or amendment of any of the terms or provisions of the Indenture or the Notes unless such consideration is paid to all holders of such series of Notes that consent, waive or agree to amend in the time frame set forth in the solicitation documents relating to such consent, waiver or agreement (the "*Consenting Holders*"); *provided* that (i) the Company and its Subsidiaries will be permitted, in any such consent solicitation or liability management transaction, to exclude holders of the Notes in any jurisdiction or any category or number of holders of the Notes so long as such consideration is paid within 30 days of the closing of any such consent solicitation or liability management transaction; and (ii) the Company and its Subsidiaries may in their sole discretion furnish or cause to be furnished the same consideration, in whole or in part, to any holder of Notes other than the Consenting Holders.

Reports

So long as any Notes are outstanding, the Company will furnish to the holders of the Notes, as soon as they are available but in any event not more than 10 days after they are filed with the Tokyo Stock Exchange or any other internationally recognized exchange on which the Company's common shares are at any time listed for trading, true and correct copies of any financial or other report in the English language filed with such exchange; *provided* that if at any time the Company's common shares cease to be listed for trading on an internationally recognized stock exchange, the Company will furnish to the holders of the Notes as soon as they are available, but in any event:

(1) within 150 days after the end of each fiscal year of the Company, copies of the financial statements (on a consolidated basis and in the English language) of the Company in respect of such fiscal year (including a statement of income, balance sheet and cash flow statement) prepared in accordance with GAAP and audited by a member firm of an internationally recognized firm of independent accountants; and

(2) within 60 days after the end of the first, second and third quarters of each fiscal year of the Company, copies of the financial statements (on a consolidated basis and in the English language) of the Company in respect of such period (including a statement of income, balance sheet and cash flow statement) prepared in accordance with GAAP.

To the extent any reports are filed on the Company's website, such reports shall be deemed to have been furnished to the holders of the Notes.

Events of Default and Remedies

Each of the following is an "*Event of Default*":

(1) default for 30 days in the payment when due of interest on, or Additional Amounts with respect to, if any, the Notes;

(2) default in the payment within two Business Days after the date when such payment is due (at maturity, upon redemption or otherwise) of the principal of, or premium, if any, on, the Notes;

(3) failure by the Company or Note Guarantors to comply with the provisions described under the captions "*—Repurchase at the Option of Holders upon a Change of Control Triggering Event*" or "*—Certain Covenants—Merger or Consolidation*;"

(4) failure by the Company for 60 days after notice to the Company by the Trustee or the holders of at least 25% in aggregate principal amount of the Notes then outstanding voting as a single class to comply with any of the agreements in the Indenture (other than a default in performance covered under clauses (1), (2) or (3) above);

(5) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any (i) Indebtedness for money borrowed by the Company or any Note Guarantor or (ii) Guarantee by the Company or any Note Guarantor of Indebtedness for money borrowed by another Person, whether such Indebtedness or Guarantee now exists, or is created after the date of the Indenture or arises under the Indenture, if that default:

(a) is caused by a failure to pay principal of, premium on, if any, or interest, if any, on, such Indebtedness or Guarantee prior to the expiration of the grace period provided in such Indebtedness or Guarantee on the date of such default (a "*Payment Default*"); or

(b) results in the acceleration prior to the Stated Maturity of such Indebtedness or of such indebtedness guaranteed by the Company or a Note Guarantor,

and, in each case, the principal amount of any such Indebtedness or principal amount in respect of such Guarantee, together with the principal amount of any other such Indebtedness and principal amount in respect of any other such Guarantee under which there has been a Payment Default or the maturity of which has been so accelerated, aggregates ¥15 billion (or foreign currency equivalent) or more;

(6) failure by the Company or any Note Guarantor to pay final judgments entered by a court or courts of competent jurisdiction aggregating in excess of ¥15 billion (or foreign currency equivalent), which judgments are not paid, discharged or stayed, for a period of 60 days;

(7) except as permitted by the Indenture, any Note Guarantee is held in any judicial proceeding to be unenforceable or invalid, in whole or in part, or ceases for any reason to be in full force and effect, or any Note Guarantor, or any Person acting on behalf of any Note Guarantor, denies or disaffirms its obligations under its Note Guarantee; or

(8) certain events of bankruptcy or insolvency described in the Indenture with respect to the Company or any Note Guarantor.

In the case of an Event of Default arising from certain events of bankruptcy or insolvency, with respect to the Company or any Note Guarantor, all outstanding Notes will become due and payable immediately without further action or notice. If any other Event of Default occurs and is continuing with respect to the Notes of any series (regardless of whether the same Event of Default has occurred and is continuing with respect to other series of Notes), the Trustee or the holders of at least 25% in aggregate principal amount of the then outstanding Notes of such series may declare all the Notes of such series to be due and payable immediately; *provided* that holders of at least 25% in aggregate principal amount of the then outstanding Notes (as a whole) may declare all the Notes then outstanding to be due and payable immediately.

Subject to certain limitations, holders of a majority in aggregate principal amount of the then outstanding Notes of any series may direct the Trustee in its exercise of any trust or power with respect to the Notes of such series; *provided* that, to the extent holders of a majority in aggregate principal amount of the then outstanding Notes provide directions to the Trustee as to all Notes, such directions shall prevail over directions from holders of one or more specific series of Notes that are limited to such series, to the extent of any inconsistency between or among directions. The Trustee may withhold from holders of the Notes notice of any continuing Default or Event of Default if it determines that withholding notice is in their interest, except a Default or Event of Default relating to the payment of principal, premium, interest or Additional Amounts, if any.

Subject to the provisions of the Indenture relating to the duties of the Trustee, in case an Event of Default occurs and is continuing, the Trustee will be under no obligation to exercise any of the rights or powers under the Indenture at the request or direction of any holders of the Notes unless the requisite number of holders have instructed the Trustee in writing and offered to the Trustee indemnity, security and/or prefunding satisfactory to it against any loss, liability or expense. Except to enforce the right to receive payment of principal, premium, if any, or interest, if any, when due, no holder of a Note may pursue any remedy with respect to the Indenture or the Notes of any series unless:

(1) such holder has previously given the Trustee written notice that an Event of Default is continuing;

(2) either (a) holders of at least 25% in aggregate principal amount of the then outstanding Notes of such series make a written request to the Trustee to pursue the remedy with respect to the Notes of such series or (b) holders of at least 25% in aggregate principal amount of the then outstanding Notes (as a whole) make a written request to the Trustee to pursue the remedy with respect to all Notes;

(3) such holder or holders offer to the Trustee security, indemnity and/or prefunding satisfactory to the Trustee against any loss, liability or expense;

(4) the Trustee does not comply with such request within 60 days after receipt of the request and the offer of security, indemnity and/or prefunding; and

(5) during such 60-day period, neither (a) holders of a majority in aggregate principal amount of the then outstanding Notes of such series nor (b) holders of a majority in aggregate principal amount of the then outstanding Notes (as a whole) give the Trustee a direction inconsistent with such request; *provided* that a written request under clause (a) of this paragraph shall not reverse a request made under clause (b) of the above paragraph (2).

The holders of a majority in aggregate principal amount of the then outstanding Notes of the relevant series by written notice to the Trustee may, on behalf of the holders of all of the Notes of the relevant series, rescind an acceleration or waive any existing Default or Event of Default and its consequences under the Indenture as to such series and holders of a majority in aggregate principal amount of the then outstanding Notes by written notice to the Trustee may, on behalf of the holders of all of the Notes (as a whole), rescind an acceleration or waive any existing Default or Event of Default and its consequences under the Indenture as to all of the Notes then outstanding (as a whole) if, in either case, the rescission would not conflict with any judgment or decree, except a Default or Event of Default in the payment of principal of, premium on, interest on or Additional Amounts, if any, with respect to the Notes (which may only be rescinded or waived by the holders of not less than 90% in aggregate principal amount of the then outstanding Notes of the relevant series or the Notes as a whole, as applicable).

The Company is required to deliver to the Trustee annually a statement regarding compliance with the Indenture. Upon becoming aware of any Default or Event of Default, the Company is required to deliver to the Trustee a statement specifying such Default or Event of Default.

The Indenture provides that any Default or Event of Default for failure to comply with the time periods prescribed in the covenant entitled "*—Certain Covenants—Reports*" shall be deemed to be cured upon the delivery of the report required by such covenant, even though such delivery is not within the prescribed period specified in the Indenture.

No Personal Liability of Directors, Officers, Employees and Stockholders

No director, officer, employee, incorporator or stockholder of the Company or any Note Guarantor as such, will have any liability for any obligations of the Company or any Note Guarantor under the Notes, any Note Guarantees, the Indenture or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. The waiver may not be effective to waive liabilities under U.S. federal securities laws.

Legal Defeasance and Covenant Defeasance

The Company may at any time, at the option of its Board of Directors evidenced by a resolution set forth in an officers' certificate, elect to have all of its obligations discharged with respect to the outstanding Notes and the Note Guarantors' obligations discharged with respect to any Note Guarantees ("*Legal Defeasance*") except for:

(1) the rights of holders of outstanding Notes to receive payments in respect of the principal of, premium on, interest on or Additional Amounts with respect to, if any, such Notes when such payments are due from the trust referred to below;

(2) the Company's obligations with respect to the Notes concerning issuing temporary Notes, registration of Notes, mutilated, destroyed, lost or stolen Notes and the maintenance of an office or agency for payment and money for security payments held in trust;

(3) the rights, powers, trusts, duties and immunities of the Trustee under the Indenture, and the Company's and the Note Guarantors' obligations in connection therewith; and

(4) the Legal Defeasance and Covenant Defeasance provisions of the Indenture.

In addition, the Company may, at its option and at any time, elect to have its obligations or obligations of the Note Guarantors released with respect to certain covenants (including its obligation to make Change of Control Offers) that are described in the Indenture ("*Covenant Defeasance*") and thereafter any omission to comply with those covenants will not constitute a Default or Event of Default with respect to the Notes. In the event Covenant Defeasance occurs, all Events of Default described under "*—Events of Default and Remedies*" (except those relating to payments on the Notes or bankruptcy, receivership, rehabilitation or insolvency events) will no longer constitute an Event of Default with respect to the Notes.

In order to exercise either Legal Defeasance or Covenant Defeasance:

(1) the Company must irrevocably deposit with the Trustee (or its agent) or such other entity designated by the Trustee for this purpose, in trust, for the benefit of the holders of the Dollar Notes (or any other U.S. Dollar denominated Notes issued under the Indenture), cash in U.S. dollars, U.S. Government Obligations or a combination thereof, or, for the benefit of the holders of the Euro Notes (or any other Euro-denominated Notes issued under the Indenture), cash in euro, European Government Obligations or a combination thereof, in amounts as will be sufficient, in the opinion of an internationally recognized investment bank, appraisal firm or firm of independent public accountants, to pay the principal of, premium on, interest on and Additional Amounts with respect to, if any, the outstanding Notes on the stated date for payment thereof or on the applicable redemption date, as the case may be, and the Company must specify whether the Notes are being defeased to such stated date for payment or to a particular redemption date;

(2) no Default or Event of Default has occurred and is continuing on the date of such deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit (and any similar concurrent deposit relating to other Indebtedness), and the granting of Liens to secure such borrowing);

(3) such Legal Defeasance or Covenant Defeasance will not result in a breach or violation of, or constitute a default under, any material agreement or instrument (other than the Indenture and the agreements governing any other Indebtedness being defeased, discharged or replaced) to which the Company is a party or by which the Company is bound;

(4) the Company must deliver to the Trustee an officers' certificate stating that the deposit was not made by the Company with the intent of preferring the holders of the Notes over the other creditors of the Company or the Note Guarantors with the intent of defeating, hindering, delaying or defrauding any creditors of the Company, the Note Guarantors or others; and

(5) the Company must deliver to the Trustee an officers' certificate and an opinion of counsel, each stating that all conditions precedent relating to the Legal Defeasance or the Covenant Defeasance have been complied with.

Amendment, Supplement and Waiver

Except as provided in the next two succeeding paragraphs, the Indenture, the Notes or any Note Guarantees may be amended or supplemented with the consent of the holders of at least a majority in aggregate principal amount of the then outstanding Notes (including, without limitation, Additional Notes, if any) voting as a single class (including, without limitation, consents obtained in connection with a tender offer or exchange offer for, or purchase of, the Notes), and any existing Default or Event of Default (other than a Default or Event of Default in the payment of the principal of, premium on, interest on or Additional Amounts with respect to, if any, the Notes, except a Payment Default resulting from an acceleration that has been rescinded) or compliance with any provision of the Indenture, the Notes or any Note Guarantees may be waived with the consent of the holders of a majority in aggregate principal amount of the then outstanding Notes (including, without limitation, Additional Notes, if any) voting as a single class (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, Notes); *provided* that, if any amendment, waiver or other modification only relates to the Dollar Notes or the Euro Notes or any series of Notes, then only the consent of the holders of at least a majority in principal amount of the then outstanding Dollar Notes or the Euro Notes or

such series of Notes (including, without limitation, any applicable Additional Notes), and not the consent of at least a majority of all Notes then outstanding, shall be required.

Without the consent of (i) holders of Notes holding not less than 90% of the then outstanding aggregate principal amount of Notes, or, (ii) if the amendment, supplement or waiver only relates to the Dollar Notes or the Euro Notes or any other series of Notes, then holders of Dollar Notes or Euro Notes or such other series of Notes holding not less than 90% of the then outstanding aggregate principal amount of the Dollar Notes or the Euro Notes or such other series of Notes (as applicable), an amendment, supplement or waiver may not (with respect to any Notes held by a non-consenting holder):

(1) reduce the principal amount of Notes whose holders must consent to an amendment, supplement or waiver;

(2) reduce the principal of or change the fixed maturity of any Note or alter or waive any of the provisions with respect to the redemption of the Notes (except those provisions relating to the covenant described above under the caption "*—Repurchase at the Option of Holders upon a Change of Control Triggering Event*");

(3) reduce the rate of or change the time for payment of interest, including default interest, on any Note;

(4) waive a Default or Event of Default in the payment of principal of, premium on, interest on or Additional Amounts with respect to, if any, the Notes (except a rescission of acceleration of the Notes by the holders of at least a majority in aggregate principal amount of the then outstanding Notes and a waiver of the Payment Default that resulted from such acceleration);

(5) make any Note payable in money other than that stated in the Notes;

(6) make any change in the provisions of the Indenture relating to waivers of past Defaults or the rights of holders of the Notes to receive payments of principal of, premium on, interest on or Additional Amounts with respect to, if any, the Notes;

(7) waive a redemption payment with respect to any Note (other than a payment required by the covenant described above under the caption "*—Repurchase at the Option of Holders upon a Change of Control Triggering Event*");

(8) release any Note Guarantor from any of its obligations under its Note Guarantee or the Indenture, except in accordance with the terms of the Indenture; or

(9) make any change in the preceding amendment and waiver provisions.

Notwithstanding the preceding, without the consent of any holder of Notes, the Company, the relevant Note Guarantor and the Trustee may amend or supplement the Indenture, the Notes or any Note Guarantees:

(1) to cure any ambiguity, manifest error, defect or inconsistency;

(2) to provide for uncertificated Notes in addition to or in place of Definitive Registered Notes (*provided* that the uncertificated Notes are issued in registered form for purposes of Section 163(f) of the United States Internal Revenue Code of 1986, as amended);

(3) to provide for the assumption of the Company's or a Note Guarantor's obligations to holders of the Notes and Note Guarantees in the case of a merger or consolidation;

(4) to make any change that would provide any additional rights or benefits to the holders of the Notes or that does not adversely affect the legal rights under the Indenture of any holder in any material respect;

(5) to conform the text of the Indenture, the Notes or any Note Guarantees to any provision of the "Description of the Notes" set out in the 2024 Offering Memorandum to the extent that such provision in the "Description of the Notes" set out in the 2024 Offering Memorandum was intended to be a verbatim recitation of a provision of the Indenture, the Notes or any Note Guarantees, which intent may be evidenced by an officers' certificate to that effect;

(6) to provide for the issuance of Additional Notes in accordance with the limitations set forth in the Indenture as of the date thereof;

(7) to allow any Note Guarantor to execute a supplemental indenture or a Note Guarantee with respect to the Notes;

(8) to secure the Notes;

(9) to give effect to Permitted Liens;

(10) to evidence and provide for the acceptance and appointment under the Indenture of a successor trustee pursuant to the requirements thereof;

(11) to make any amendment to the provisions of the Indenture relating to the transfer and legending of Notes as permitted by the Indenture, including, without limitation to facilitate the issuance and administration of any Notes; *provided* that (i) compliance with the Indenture as so amended would not result in Notes being transferred in violation of the U.S. Securities Act or any applicable securities law and (ii) such amendment does not materially and adversely affect the rights of holders to transfer Notes; or

(12) to effect any changes to the Indenture in a manner necessary to comply with the procedures of any applicable clearing system; *provided that*, such action shall not adversely affect the interests of the holders of the Notes in any material respect.

For purposes of determining whether the holders of the requisite principal amount of Notes have taken any action under the Indenture (other than with respect to a determination that only affects one or more series of the Euro Notes or other Euro-denominated Notes issued under the Indenture), the principal amount of Euro Notes or Notes denominated in another currency other than the U.S. Dollar shall be deemed to be the Dollar Equivalent of such principal amount of such Euro Notes or other Notes as of (a) if a record date has been set with respect to the taking of such action, such date, (b) if no such record date has been set, the date the taking of such action by the holders of such requisite principal amount is certified to the Trustee by the Company, or (c) a date selected by the Company that is within the consent delivery period or no more than five Business Days prior to the beginning of the consent delivery period, as specified by the Company in the relevant consent materials.

The Trustee shall, at the direction of the Company, sign any supplemental indenture or other documentation that gives effect to amendments, waivers or supplements authorized as described under this heading "*Amendment, Supplement and Waiver*." Except in cases where the agreement of the relevant Note Guarantor or security provider is necessary pursuant to clauses (3), (7), (8) or (9) of the second preceding paragraph is required, it shall only be necessary for the Company and the Trustee to authorize and execute a supplemental indenture or other documentation in order to effect an amendment, waiver or supplement authorized as described under this heading "*Amendment, Supplement and Waiver*." Unless otherwise specified by the Company, a grant of waiver authorized as described under this heading "*Amendment, Supplement and Waiver*" will become effective once the requisite consent of holders has been obtained, without execution of any supplemental indenture or other documentation.

The consent of the holders of the Notes is not necessary under the Indenture to approve the particular form of any proposed amendment. It is sufficient if such consent approves the substance of the proposed amendment. A consent to any amendment or waiver under the Indenture by any holder given in connection with a tender of such holder's Notes will not be rendered invalid by such tender.

In formulating its decision on such matters, the Trustee shall be entitled to require and rely conclusively on such evidence as it deems necessary, including officers' certificates and opinions of counsel.

Satisfaction and Discharge

The Indenture will be discharged and will cease to be of further effect as to all Notes issued thereunder, when:

(1) either:

(a) all Notes that have been authenticated, except lost, stolen or destroyed Notes that have been replaced or paid and Notes for whose payment money has been deposited in trust and thereafter repaid to the Company, have been delivered to the Paying Agent for cancellation; or

(b) all Notes that have not been delivered to the Paying Agent for cancellation have become due and payable by reason of the mailing of a notice of redemption or otherwise or will become due and payable within one year and the Company or any Note Guarantor has irrevocably deposited or caused to be deposited with the Trustee (or such other entity designated by the Trustee for such purpose) as trust funds in trust solely for the benefit of the holders, cash in U.S. dollars, U.S. Government Obligations or a combination thereof, with respect to the Dollar Notes (or any U.S. Dollar-denominated Notes issued under the Indenture), or cash in euro, European Government Obligations or a combination thereof, with respect to the Euro Notes (or any Euro-denominated Notes issued under the Indenture), and, in either case, in

amounts as will be sufficient, without consideration of any reinvestment of interest, to pay and discharge the entire Indebtedness on the Notes not delivered to the Paying Agent for cancellation for principal of, premium on, interest on or Additional Amounts with respect to, if any, the Notes to the date of maturity or redemption;

(2) in respect of clause 1(b), no Default or Event of Default has occurred and is continuing on the date of the deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit and any similar deposit relating to other Indebtedness and, in each case, the granting of Liens to secure such borrowings) and the deposit will not result in a breach or violation of, or constitute a default under, any other instrument to which the Company or any Note Guarantor is a party or by which the Company or any Note Guarantor is bound (other than with respect to the borrowing of funds to be applied concurrently to make the deposit required to effect such satisfaction and discharge and any similar concurrent deposit relating to other Indebtedness, and in each case the granting of Liens to secure such borrowings);

(3) the Company or any Note Guarantor has paid or caused to be paid all sums payable by it under the Indenture; and

(4) the Company has delivered irrevocable instructions to the Trustee under the Indenture to apply the deposited money toward the payment of the Notes at maturity or on the redemption date, as the case may be.

In addition, the Company must deliver an officers' certificate and an opinion of counsel to the Trustee stating that all conditions precedent to satisfaction and discharge have been satisfied.

If requested in writing by the Company, which request may be included in the applicable notice of redemption or pursuant to the applicable officer's certificate, the Trustee or the Paying Agent (or such other entity directed, designated or appointed (as agent) by the Trustee, for this purpose) shall distribute any amounts deposited to the holders prior to the applicable redemption date or maturity, as applicable, of the Notes; *provided* that holders shall have received at least three Business Days' notice from the Company of such earlier repayment (which may be included in the notice of redemption). For the avoidance of doubt, the distribution and payment to holders prior to the applicable redemption date or maturity, as applicable, of the Notes as set forth above will not include any negative interest, present value adjustment, break costs or any other premium on such amounts. To the extent the Notes are represented by a Global Note deposited with a common depositary for a clearing system, any payment to the beneficial holders holding Book-Entry Interests as participants of such clearing system will be subject to the then applicable procedures of such clearing system.

Judgment Currency

The sole currency of account and payment for all sums payable by the Company or any Note Guarantor under the Indenture with respect to Dollar Notes is U.S. dollars and with respect to Euro Notes is euro. Any payment on account of an amount that is payable in U.S. dollars or euro or any other currency, as the case may be (the "*Required Currency*"), which is made to or for the account of any holder of the Notes or the Trustee in lawful currency of any other jurisdiction (the "*Judgment Currency*"), whether as a result of any judgment or order or the enforcement thereof or the liquidation of the Company or a Note Guarantor, shall constitute a discharge of the obligations of the Company and any Note Guarantor under the Indenture, the Notes and any Note Guarantees only to the extent of the amount of the Required Currency which such holder or the Trustee, as the case may be, could purchase in the London foreign exchange markets with the amount of the Judgment Currency in accordance with normal banking procedures at the rate of exchange prevailing on the date of the receipt or recovery of the payment in the Judgment Currency (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so).

If the amount of the Required Currency that could be so purchased is less than the amount of the Required Currency originally due to such holder or the Trustee, as the case may be, the Company and the Note Guarantors shall indemnify and hold harmless the holder or the Trustee, as the case may be, from and against all loss or damage arising out of, or as a result of, such deficiency. For the purposes of this indemnity, it will be sufficient for the holder to certify that it would have suffered a loss had an actual purchase of Required Currency been made with the amount so received in Judgment Currency on the date of receipt or recovery (or, if a purchase of Required Currency on such date had not been practicable, on the first date on which it would have been practicable). This indemnity shall constitute an obligation separate and independent from the other obligations contained in the Indenture, the Notes or any Note Guarantees, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any holder or the Trustee from time to time and shall continue in full force and effect notwithstanding any judgment or order for a liquidated sum in respect of an amount due under the Indenture, the Notes or any Note Guarantees or under any judgment or order.

Concerning the Trustee

If the Trustee becomes a creditor of the Company or any Note Guarantor, the Indenture limits the right of the Trustee to obtain payment of claims in certain cases, or to realize on certain property received in respect of any such claim as security or otherwise. The Trustee will be permitted to engage in other transactions; *however*, if it acquires any conflicting interest it must eliminate such conflict within 90 days or resign.

The holders of a majority in aggregate principal amount of the then outstanding Notes (as a whole) or, to the extent relating solely to such series, holders of a majority in aggregate principal amount of the then outstanding Notes of any series of Notes will have the right to direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee with respect to all the Notes (as a whole) or the Notes of such series, as the case may be, in each case subject to certain exceptions. To the extent holders of a majority in aggregate principal amount of the then outstanding Notes provide directions to the Trustee with respect to all the Notes (as a whole), such directions shall prevail over directions from holders of any specific series of Notes that are only expressed with respect to such series, to the extent of any inconsistency between or among directions. The Indenture provides that in case an Event of Default has occurred and is continuing, the Trustee will be required, in the exercise of its power, to use the degree of care of a prudent man in the conduct of his own affairs. Subject to such provisions, the Trustee will be under no obligation to exercise any of its rights or powers under the Indenture at the request of any holder of Notes, unless such holder has offered to the Trustee indemnity, security and/or prefunding satisfactory to it against any loss, liability or expense. The Trustee shall not be liable to any person for having acted on instruction or direction validly provided to it by holders with respect to the Indenture and the Notes.

Listing

Approval in-principle has been received for the listing of the New Notes on the SGX-ST. There can be no assurance that such listing will be obtained or maintained.

Governing Law, Consent to Jurisdiction and Service of Process

The Notes, any Note Guarantees and the Indenture are or will provide that they are or will be governed by, and construed in accordance with, the laws of the State of New York.

The Company and the Note Guarantors irrevocably agrees that any suit, action or proceeding arising out of, related to, or in connection with the Indenture, the Notes or any Note Guarantee may be instituted in any U.S. federal or state court located in the Borough of Manhattan in The City of New York. The Company will appoint Cogency Global Inc. as its agent for service of process in any such action or proceeding.

Certain Definitions

Set forth below are certain defined terms used in the Indenture. Reference is made to the Indenture for a full disclosure of all defined terms used therein, as well as any other capitalized terms used herein for which no definition is provided.

"*2015 Senior Notes*" means the Company's outstanding (i) 6% USD-denominated Senior Notes due 2025; (ii) 5¼% Euro-denominated Senior Notes due 2027; (iii) 4¾% Euro-denominated Senior Notes due 2025, in each case, issued under the 2015 Senior Notes Indenture.

"*2017 Senior Notes*" means the Company's outstanding (i) 5⅛% USD-denominated Senior Notes due 2027; (ii) 3⅛% Euro-denominated Senior Notes due 2025 and (iii) 4% Euro-denominated Senior Notes due 2029, in each case, issued under the 2017 Senior Notes Indenture.

"*2018 Senior Exchange Notes*" means the Company's outstanding (i) 6¼% USD-denominated Senior Notes due 2028; and (ii) 5% Euro-denominated Senior Notes due 2028, in each case, issued under the 2018 Senior Exchange Notes Indenture.

"*2021 Senior Notes*" means the Company's outstanding (i) 4% USD-denominated Senior Notes due 2026; (ii) 4⅝% USD-denominated Senior Notes due 2028; (iii) 5¼% USD-denominated Senior Notes due 2031; (iv) 2⅞% Euro-denominated Senior Notes due 2027; (v) 3⅜% Euro-denominated Senior Notes due 2029; and (vi) 3⅞% Euro-denominated Senior Notes due 2032, in each case, issued under the 2021 Senior Notes Indenture.

"*2024 Senior Notes*" means the Company's outstanding (i) 6¾% USD-denominated Senior Notes due 2029; (ii) 7% USD-denominated Senior Notes due 2031; (iii) 5⅜% Euro-denominated Senior Notes due 2029; and (iv) 5¾% Euro-denominated Senior Notes due 2032, in each case, issued under the Indenture.

"*2015 Senior Notes Indenture*" means that certain indenture, dated as of July 28, 2015 and as amended or waived from time to time, by and between, among others, the Company and SoftBank Corp., as guarantor, Deutsche Trustee Company Limited, as trustee, Deutsche Bank AG, London Branch, as principal paying agent, and Deutsche Bank Luxembourg S.A., as transfer agent and registrar.

"*2017 Senior Notes Indenture*" means that certain indenture, dated as of September 19, 2017 and as amended or waived from time to time, by and between, among others, the Company and SoftBank Corp., as guarantor, The Bank of New York Mellon, London Branch, as trustee and paying agent, and The Bank of New York Mellon SA/NV, Luxembourg Branch, as transfer agent and registrar.

"*2018 Senior Exchange Notes Indenture*" means that certain indenture, dated as of April 3, 2018 and as amended or waived from time to time, by and between, among others, the Company and SoftBank Corp., as guarantor, The Bank of New York Mellon, London Branch, as trustee and paying agent, and The Bank of New York Mellon SA/NV, Luxembourg Branch, as transfer agent and registrar.

"*2021 Senior Notes Indenture*" means that certain indenture, dated as of July 6, 2021 and as amended or waived from time to time, by and between, among others, the Company and The Bank of New York Mellon, London Branch, as trustee and paying agent, and The Bank of New York Mellon SA/NV, Luxembourg Branch, as transfer agent and registrar.

"*Account Currency*" means, at any time, the presentation currency used in the most recent annual financial statements reported by the Company pursuant to GAAP at such time.

"*Account Currency Equivalent*" means with respect to any Indebtedness denominated in any other currency, at any time for the determination thereof, the amount of Account Currency obtained by converting such other currency into Account Currency at the spot rate for the purchase of Account Currency with such other currency as published by Bloomberg on the date that is two Business Days prior to such determination; *provided* that, if any such Indebtedness that is denominated in a different currency is subject to a currency hedging agreement swapping principal amounts payable on such Indebtedness into Account Currency, the amount of such Indebtedness expressed in Account Currency will be adjusted to take into account the effect of such agreement.

"*Affiliate*" of any specified Person means any other Person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, "control" when used with respect to any Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"*Applicable Dollar Note Premium*" means, with respect to any Dollar Note at any redemption date prior to its final maturity date, the excess of:

(a) the present value at such redemption date of

i. the payment of principal on such Dollar Note on its final maturity date

plus

ii. all required remaining scheduled interest payments due on such Dollar Note through to its final maturity date (but excluding accrued and unpaid interest to the redemption date), computed using a discount rate equal to the Treasury Rate as of such redemption date *plus* 50 basis points over

(b) the principal amount of such Dollar Note on such redemption date.

For the avoidance of doubt, calculation of the Treasury Rate or the Applicable Dollar Note Premium shall not be a duty or obligation of the Trustee or any Paying Agent.

"*Applicable Euro Note Premium*" means, with respect to a Euro Note at any redemption date prior to its final maturity date, the excess of:

(a) the present value at such redemption date of

i. the redemption price of such Euro Note on its final maturity date

plus

ii. all required remaining scheduled interest payments due on such Euro Note through to its final maturity date (but excluding accrued and unpaid interest to the redemption date), computed using a discount rate equal to the Bund Rate as of such redemption date *plus* 50 basis points over

(b) the principal amount of such Euro Note on such redemption date.

For the avoidance of doubt, calculation of the Bund Rate or the Applicable Euro Note Premium shall not be a duty or obligation of the Trustee or any Paying Agent.

"*Applicable Premium*" means, with respect to any Dollar Note, the Applicable Dollar Note Premium and, with respect to any Euro Note, the Applicable Euro Note Premium and, with respect to any Additional Notes denominated in a different currency, the applicable premium specified in the officer's certificate supplied to the Trustee in connection with the issuance of such Additional Notes.

"*Associate*" has the meaning assigned to such term under GAAP. If the term is not defined under GAAP, "*Associate*" has the meaning assigned to the term "*equity investee*" under GAAP.

"*Beneficial Owner*" has the meaning assigned to such term in Rule 13d-3 and Rule 13d-5 under the U.S. Exchange Act, except that in calculating the beneficial ownership of any particular "person" (as that term is used in Section 13(d)(3) of the U.S. Exchange Act), such "person" will be deemed to have beneficial ownership of all securities that such "person" has the right to acquire by conversion or exercise of other securities, whether such right is currently exercisable or is exercisable only after the passage of time. The terms "Beneficially Owns" and "Beneficially Owned" have a corresponding meaning.

"*Board of Directors*" means:

(1) with respect to a corporation, the board of directors (or analogous governing body) of the corporation or any committee thereof duly authorized to act on behalf of such board;

(2) with respect to a partnership, the Board of Directors of the general partner of the partnership;

(3) with respect to a limited-liability company, the managing member or members or any controlling committee of managing members thereof (or analogous governing body); and

(4) with respect to any other Person, the board or committee (or analogous governing body) of such Person serving a similar function.

"*Bund Rate*" means, with respect to any redemption date, the rate per annum equal to the equivalent yield to maturity as of such date of the Comparable German Bund Issue, assuming a price for the Comparable German Bund Issue (expressed as a percentage of its principal amount) equal to the Comparable German Bund Price for such redemption date, where:

(1) "*Comparable German Bund Issue*," with respect to redemption of Euro Notes of any series, means the German *Bundesanleihe* security selected by any Reference German Bund Dealer as having a fixed maturity most nearly equal to the period from such redemption date to the Stated Maturity of the Notes of such series, and that would be utilized at the time of selection and in accordance with customary financial practice, in pricing new issues of euro denominated corporate debt securities in a principal amount approximately equal to the then outstanding principal amount of Notes of such series and of a maturity most nearly equal to the maturity date of the Notes of such series; *provided*, *however*, that, if the period from such redemption date to the Stated Maturity of the Notes of such series, is less than one year, a fixed maturity of one year shall be used;

(2) "*Comparable German Bund Price*" means, with respect to any redemption date, the average of all Reference German Bund Dealer Quotations for such date (which, in any event, must include at least two such quotations), after excluding the highest and lowest such Reference German Bund Dealer Quotations, or if the Company obtains fewer than four such Reference German Bund Dealer Quotations, the average of all such quotations;

(3) "*Reference German Bund Dealer*" means any dealer of German *Bundesanleihe* securities appointed by the Company; and

(4) "*Reference German Bund Dealer Quotations*" means, with respect to each Reference German Bund Dealer and any redemption date, the average as determined by the Company of the bid and offered prices for the Comparable German Bund Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Company by such Reference German Bund Dealer at 3:30 p.m. Frankfurt, Germany, time on the third business day in Frankfurt preceding the redemption date.

"*Business Day*" means each day that is not a Saturday, Sunday or other day on which banking institutions in London, New York or Tokyo are authorized or required by law to close; *provided* that for any payments to be made under this Indenture, such day shall also be a day on which the second generation Trans-European

Automated Real-time Gross Settlement Express Transfer payment system is open for the settlement of payments. If a payment date is not a Business Day at a place of payment, payment may be made at that place on the next succeeding day that is a Business Day, and no interest shall accrue on such payment for the intervening period.

"*Capital Stock*" means:

(1) in the case of a corporation, corporate stock;

(2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;

(3) in the case of a partnership or limited-liability company, partnership interests (whether general or limited) or membership interests; and

(4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person, but excluding from all of the foregoing any debt securities convertible into Capital Stock, whether or not such debt securities include any right of participation with Capital Stock.

"*Change of Control*" means the occurrence of any of the following:

(1) the adoption of a plan relating to the liquidation or dissolution of the Company (other than in connection with a solvent reorganization); or

(2) the consummation of any transaction (including, without limitation, any merger or consolidation), the result of which is that any Person (including any "person" as defined above) other than the Permitted Holders becomes the Beneficial Owner, directly or indirectly, of more than 50.0% of the Voting Stock of the Company (or its Successor Entity), measured by voting power rather than number of shares; *provided* that a transaction in which the Company becomes a Subsidiary of another Person shall not, subject to the Company surviving, constitute a Change of Control where (x) the shares of Voting Stock of the Company outstanding immediately prior to such transaction constitute, or are converted into or exchanged for, a majority of the Voting Stock of such other Person of which the Company is a Subsidiary immediately following such transaction and (y) immediately following such transaction:

    1) no Person other than the Permitted Holders or such other Person Beneficially Owns, directly or indirectly, more than 50.0% of the Voting Stock of the Company (or its Successor Entity), and

    2) no Person other than the Permitted Holders Beneficially Owns, directly or indirectly, more than 50.0% of the Voting Stock of such other Person.

"*Change of Control Triggering Event*" means the occurrence of a Change of Control and, if the Notes are rated by at least one Ratings Agency, a Ratings Decline; *provided* that, for the avoidance of doubt, if the Notes are not rated by any Ratings Agency, a Change of Control Triggering Event shall mean the occurrence of a Change of Control.

"*Clearing System Business Day*" means a day on which each clearing system for which the Global Note is being held is open for business.

"*Commission*" means the U.S. Securities and Exchange Commission, as from time to time constituted, created under the U.S. Exchange Act, or if at any time after the execution of the Indenture such Commission is not existing and performing the duties assigned to it as of the Original Issue Date under the U.S. Securities Act, U.S. Exchange Act and U.S. Trust Indenture Act, then the body performing such duties at such time.

"*Comparable Treasury Issue*" means, with respect to redemption of Dollar Notes of any series, the U.S. Treasury security having a maturity comparable to the Stated Maturity of the Notes of such series that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the Stated Maturity of the Notes of such series.

"*Comparable Treasury Price*" means, with respect to any redemption date, if clause (ii) of the Treasury Rate is applicable, the average of three (or such lesser number as is received by the Company) Reference Treasury Dealer Quotations for such redemption date.

"*Consolidated Net Tangible Assets*" means the Company's consolidated total assets as reflected in the Company's most recent balance sheet preceding the date of determination prepared in accordance with GAAP, less total Current Liabilities and goodwill, software, customer relationships, favorable lease contracts, game titles, trademarks with finite useful lives and other similar intangible assets.

"*Continuing*" means, with respect to any Default or Event of Default, that such Default or Event of Default has not been cured or waived.

"*Current Liabilities*" means those items that are included in such term under GAAP and reflected as such in the Company's most recent balance sheet preceding the date of determination prepared in accordance with GAAP.

"*Default*" means any event that is, or with the passage of time or the giving of notice or both would be, an Event of Default.

"*Designated Project Finance Indebtedness*" means Indebtedness incurred by a Person other than the Company or a Note Guarantor in an aggregate principal amount not to exceed $2.0 billion; *provided* that such Indebtedness (i) is incurred with respect to the ownership, acquisition, construction, development, operation and/or improvement of tangible assets related to renewable energy projects; and (ii) allows for no greater recourse to the Company or any Note Guarantor for the payment of any sum relating to such Indebtedness than would, in the good faith determination of the Company, be customary for financings of a similar nature in the jurisdiction where such assets are located.

"*Dollar Equivalent*" means with respect to any monetary amount in a currency other than U.S. dollars, at any time for the determination thereof, the amount of U.S. dollars obtained by converting such other currency involved in such computation into U.S. dollars at the spot rate for the purchase of U.S. dollars with such other currency as published by Bloomberg on the date that is two Business Days prior to such determination.

"*Equity Interests*" means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

"*Escrowed Proceeds*" means the proceeds from the offering of any debt securities or other Indebtedness paid into one or more escrow accounts with an independent escrow agent substantially concurrently with the funding, drawing or incurrence of such offering or other Indebtedness, pursuant to escrow arrangements that permit the release of amounts on deposit in such escrow accounts upon satisfaction of certain conditions or the occurrence of certain events. The term "Escrowed Proceeds" shall include any interest earned on the amounts held in escrow.

"*European Government Obligations*" means any security that is (1) a direct obligation of Ireland, Belgium, the Netherlands, France, Germany or the United Kingdom, for the payment of which the full faith and credit of such country is pledged or (2) an obligation of a person controlled or supervised by and acting as an agency or instrumentality of any such country the payment of which is unconditionally guaranteed as a full faith and credit obligation by such country, which, in either case under the preceding clause (1) or (2), is not callable or redeemable at the option of the issuer thereof.

"*Existing Senior Notes*" means the 2015 Senior Notes, the 2017 Senior Notes, the 2018 Senior Exchange Notes and the 2021 Senior Notes.

"*Existing Senior Notes Indentures*" means the 2015 Senior Notes Indenture, the 2017 Senior Notes Indenture, the 2018 Senior Exchange Notes Indenture and the 2021 Senior Notes Indenture.

"FATCA" means:

(1) sections 1471 to 1474 of the United States Internal Revenue Code of 1986, as amended, or any associated regulations or other official guidance;

(2) any treaty, law, regulation or other official guidance enacted in any other jurisdiction, or relating to an intergovernmental agreement between the United States and any other jurisdiction, which (in either case) facilitates the implementation of paragraph (1) above; or

(3) any agreement pursuant to the implementation of paragraphs (1) or (2) above with the United States Internal Revenue Service, the United States government or any governmental or taxation authority in any other jurisdiction.

"*Fitch*" means Fitch Ratings Inc.

"*GAAP*" means the IFRS Accounting Standards issued by the International Accounting Standards Board and its predecessors as in effect from time to time; *provided* that the Company may (by notice to the Trustee and posting an announcement to that effect on its website) make one irrevocable election to establish that "GAAP" shall mean either (i) generally accepted accounting principles in Japan as in effect from time to time ("*JGAAP*"), or (ii) generally accepted accounting principles in the United States as in effect from time to time ("*US GAAP*"). Upon such election, references to GAAP will be construed to mean JGAAP or US GAAP for all purposes under the Indenture.

"*Guarantee*" means a guarantee by any Person (other than by endorsement of negotiable instruments for collection or deposit in the ordinary course of business), direct or indirect, in any manner including, without limitation, by way of a pledge of assets or through letters of credit or reimbursement agreements in respect thereof, of all or any part of any Indebtedness of another Person (whether arising by virtue of partnership arrangements, or by agreements to keep well, to purchase assets, goods, securities or services, to take or pay or to maintain financial statement conditions or otherwise); *provided* that Permitted Liens shall not constitute Guarantees. When used as a verb, to "Guarantee" shall mean to provide a Guarantee.

"*Hedging Obligations*" means, with respect to any specified Person, the obligations of such Person under:

(1) interest rate swap agreements (whether from fixed to floating or from floating to fixed), interest rate cap agreements and interest rate collar agreements;

(2) other agreements or arrangements designed to manage interest rates or interest rate risk; and

(3) other agreements or arrangements designed to protect such Person against fluctuations in currency exchange rates or commodity prices.

"*Indebtedness*" means, with respect to any specified Person, any indebtedness of such Person (excluding accrued expenses and trade payables), whether or not contingent:

(1) in respect of borrowed money;

(2) evidenced by or issued in exchange for bonds, notes, debentures or similar instruments or letters of credit or reimbursement agreements in respect thereof (in the case of letters of credit, the amount of Indebtedness being equal to the aggregate amount of drawings thereunder that have not been reimbursed within 10 days);

(3) in respect of banker's acceptances, bank guarantees, surety bonds or similar instruments; or

(4) representing any Hedging Obligations,

if and to the extent any of the preceding items (other than letters of credit and Hedging Obligations) would appear as a liability upon a balance sheet of the specified Person prepared in accordance with GAAP. The amount of Indebtedness representing any Hedging Obligation will be determined by the net termination value of such agreement or arrangement giving rise to such obligation that would be payable on the date of such determination. In addition, the term "Indebtedness" includes (i) all Indebtedness of others secured by a Lien on any asset of the specified Person (whether or not such Indebtedness is assumed by the specified Person), (ii) to the extent not otherwise included, the Guarantee by the specified Person of any Indebtedness of any other Person and (iii) preferred stock or other equity interests providing for mandatory redemption or sinking fund or similar payments issued by any Subsidiary of the specified Person.

"*Indenture*" means that certain indenture, dated as of July 8, 2024 and as amended, supplemented or waived from time to time, by and between, among others, the Company and The Bank of New York Mellon, London Branch, as trustee and paying agent, and The Bank of New York Mellon SA/NV, Dublin Branch, as transfer agent and registrar.

"*Investment Grade Rating*" means a rating equal to or greater than BBB- by S&P, BBB- by Fitch or the equivalent thereof by any other Ratings Agency or under any new ratings system if the ratings systems of any such Rating Agency shall be modified after the Original Issue Date, or the equivalent rating of any other Ratings Agency selected as provided in the definition of Ratings Agency herein.

"*Issue Date*" means the date as of which the New Notes are issued upon completion of the offering.

"*Lien*" means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law, including any conditional sale or other title retention agreement, and any lease having substantially the same economic effect as any of the foregoing; *provided* that, for the avoidance of doubt, in no event will an operating lease constitute a Lien.

"*Non-Recourse Relevant Indebtedness*" means Relevant Indebtedness:

(1) of a person other than the Company or any Note Guarantor (except to the extent of Liens on assets of the Company or any Note Guarantor permitted by clause (4) of this definition),

(2) that is not Guaranteed, in whole or in part, by the Company or any Note Guarantor (except to the extent of Liens on assets of the Company or any Note Guarantor permitted by clause (4) of this definition),

(3) that is not recourse to, and does not obligate, the Company or any Note Guarantor in any way (except to the extent of Liens on assets of the Company or any Note Guarantor permitted by clause (4) of this definition), and

(4) that does not subject any property or asset of the Company or any Note Guarantor to the satisfaction thereof, directly or indirectly, contingently or otherwise, except for (i) Liens on Capital Stock of, or other Equity Interests or securities issued by, any Subsidiary that is not a Note Guarantor or any Person other than a Subsidiary, (ii) other Permitted Liens, or (iii) the ability to be converted into or exchanged for Capital Stock of, or other Equity Interests or securities issued by, any Subsidiary that is not a Note Guarantor or any Person other than a Subsidiary.

"*Note Guarantor*" means any Person that executes a Note Guarantee of the Notes after the Original Issue Date, in each case until (i) the Note Guarantee of such Person has been released in accordance with the provisions of the Indenture or (ii) a Successor Entity replaces such Person pursuant to the applicable provisions of the Indenture and, thereafter, shall mean such Successor Entity.

"*Permitted Holders*" means (1) Mr. Masayoshi Son, (2) any of his immediate family members and (3) any trust, corporation, partnership, limited-liability company or other entity, the beneficiaries, stockholders, partners, members, owners or Persons beneficially holding a majority (and controlling) interest of which consist of Mr. Masayoshi Son and/or any of his immediate family members.

"*Permitted Lien*" means:

(1) Liens on Capital Stock of, or other Equity Interests or securities issued by, any Subsidiary that is not a Note Guarantor or any Person other than a Subsidiary securing Non-Recourse Relevant Indebtedness;

(2) Liens arising or already arisen automatically by operation of law which are promptly discharged or disputed in good faith by appropriate proceedings;

(3) Liens created or outstanding in favor of the Company or any Note Guarantor;

(4) Liens with respect to (a) Relevant Indebtedness that, when taken together with the aggregate principal amount of all other outstanding Relevant Indebtedness secured by Liens incurred pursuant to this clause (4) and any Permitted Refinancing Indebtedness thereof (expressed in the Account Currency Equivalent), does not exceed 2.0% of the Company's Consolidated Net Tangible Assets and (b) any Permitted Refinancing Indebtedness of Indebtedness described under sub-clause (a) above;

(5) Liens on accounts receivables pledged, encumbered or otherwise disposed of pursuant to any receivables financing or asset-backed financing of the Company or any Note Guarantor that consists of Relevant Indebtedness and has a maturity no longer than 180 days from its funding date;

(6) Liens on tangible assets incurred for the purpose of securing Relevant Indebtedness of the Company or a Note Guarantor incurred or assumed to finance the acquisition, construction, development or improvement of tangible assets in the ordinary course of business and any Permitted Refinancing Indebtedness thereof; *provided* that any such Lien may not extend to any assets or property of the Company or any Note Guarantor other than the tangible assets acquired, improved, developed or constructed with the proceeds of such Relevant Indebtedness and any improvements or accessions to such tangible assets;

(7) Liens on Capital Stock of, or other Equity Interests or securities issued by, any Person that incurs Project Finance Indebtedness or Designated Project Finance Indebtedness, and shareholder loans made to such Person, securing such Project Finance Indebtedness or such Designated Project Finance Indebtedness, as applicable; *provided* that such Person has been established specifically for the purpose of ownership, acquisition, construction, development, operation and/or improvement of the relevant tangible assets and such Person owns no other significant assets and carries on no other business; or

(8) Liens on (a) Escrowed Proceeds for the benefit of the related holders of debt securities or other Indebtedness (or the underwriters or arrangers thereof) or (b) on cash set aside at the time of the incurrence of any Indebtedness or government securities purchased with such cash, in either case to the extent such cash or government securities prefund the payment of interest on such Indebtedness and are held in escrow accounts or similar arrangement to be applied for such purpose.

"*Permitted Refinancing Indebtedness*" means any Indebtedness (including Guarantees) of the Company or any Note Guarantor issued in exchange or replacement for, or the net proceeds of which are used to renew, refund, refinance, defease or discharge other Indebtedness of the Company or any Note Guarantor (other than intercompany Indebtedness); *provided* that:

(1) the principal amount (or accreted value, if applicable) of such Permitted Refinancing Indebtedness does not exceed the principal amount (or accreted value, if applicable) of the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged (*plus* all accrued interest on the Indebtedness and the amount of all fees and expenses, including premiums, incurred in connection therewith);

(2) any Permitted Liens securing such Permitted Refinancing Indebtedness are limited to all or part of the same property and assets that were subject to Permitted Liens securing the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged (*plus* improvements and accessions to such property or proceeds or distributions thereof);

(3) such Indebtedness is incurred either by the Company or by any Note Guarantor who is the obligor on the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged; and

(4) if the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged is Relevant Indebtedness, such Permitted Refinancing Indebtedness is also Relevant Indebtedness.

"*Person*" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, limited-liability company or government or other entity.

"*Project Finance Indebtedness*" means Indebtedness incurred by any Person (a "*Debtor*") other than the Company or a Note Guarantor for the purpose of financing the ownership, acquisition, construction, development, operation and/or improvement of tangible assets in respect of which the creditors have no recourse whatsoever for the payment of any sum relating to such Indebtedness other than:

(1) recourse to such Debtor or any Subsidiary of such Debtor for amounts limited to such assets and/or the cash flows from such assets;

(2) recourse to such Debtor generally, or to the Company or any Subsidiary of the Company or any joint venture in which the Company or any its Subsidiaries participate (as applicable, the "*Sponsor*"), which recourse is limited to a claim for damages (other than liquidated damages and damages required to be calculated in a specific way) for breach of an obligation, representation or warranty (not being a payment obligation, representation or warranty or an obligation to procure payment by another, to comply or to procure compliance by another with any financial ratios or other test of financial condition only) by such Debtor or Sponsor or for gross negligence, willful misconduct or fraud by such Debtor or Sponsor or similar cause on such Debtor's or Sponsor's side;

(3) if such Debtor has been established specifically for the purpose of constructing, developing, owning and/or operating the relevant asset and such debtor owns no other significant assets and carries on no other business, recourse to all or any part of the assets and undertakings of such Debtor and the shares in the capital of such Debtor and shareholder loans made to such Debtor;

(4) recourse to the Sponsor pursuant to any form of assurance, undertaking or support, including a keepwell agreement or comfort letter or agreement (including a sponsor support agreement or a *keiei shido nensho*), entered into in respect of such Project Finance Indebtedness (a "*Sponsor Support Agreement*"); *provided* that such Sponsor Support Agreement (i) does not expressly provide for legal recourse to the Company or the Note Guarantors beyond seeking specific performance or damages in respect of obligations of the Sponsor to maintain the solvency or financial health of the Debtor (including after giving effect to the incurrence of such Indebtedness) or the overall soundness of the Debtor's assets or business or to procure compliance by the Debtor with terms and conditions of such Indebtedness (other than express obligations to procure direct payments proscribed by sub-clause (ii) below) or for gross negligence, willful misconduct or fraud by such Sponsor or similar cause on such Sponsor's side, and (ii) does not expressly obligate the Sponsor to make or procure direct payments of principal or interest (or pay liquidated damages relating to non-payment defaults) in respect of such Indebtedness to the holders thereof;

(5) recourse to the Company or any Note Guarantor pursuant to any form of assurance, undertaking or support, including a keepwell agreement or comfort letter or agreement (including a sponsor support agreement or a *keiei shido nensho*) entered into in respect of the obligations of a Sponsor pursuant to a Sponsor Support Agreement as set forth in clause (4) of this definition; *provided* that such

keepwell agreement or comfort letter or agreement (including a sponsor support agreement or a *keiei shido nensho*) (i) does not expressly provide for legal recourse to the Company or such Note Guarantor beyond seeking specific performance or damages in respect of obligations of the Company or such Note Guarantor to maintain the solvency or financial health of such Sponsor (including after giving effect to the incurrence of Indebtedness under such Sponsor Support Agreement) or the overall soundness of such Sponsor's assets or business or to procure compliance by such Sponsor with terms and conditions of such Sponsor Support Agreement (other than express obligations to procure direct payments proscribed by sub-clause (ii) below) or for gross negligence, willful misconduct or fraud by the Company or such Note Guarantor or similar cause on the Company or such Note Guarantor's side, and (ii) does not expressly obligate the Company or such Note Guarantor to make or procure direct payments of principal or interest (or pay liquidated damages relating to non-payment defaults) in respect of such Indebtedness to the holders thereof;

(6) recourse to the Company or any Note Guarantor or any Sponsor pursuant to or in respect of an equity contribution undertaking or similar arrangement providing for the injection of capital or similar support by the Company or such Note Guarantor or Sponsor to facilitate the achievement of designated milestones (or contingent upon the failure to achieve such milestones) with respect to the tangible assets in respect of which the Project Finance Indebtedness is incurred; *provided* that such undertaking or arrangement (i) does not expressly provide for legal recourse to the Company or such Note Guarantor or Sponsor beyond seeking specific performance or damages in respect of obligations of the Company or such Note Guarantor or Sponsor to make such equity contribution or for gross negligence, willful misconduct or fraud by the Company or such Note Guarantor or similar cause on the Company or such Note Guarantor or Sponsor's side, and (ii) does not expressly obligate the Company or such Note Guarantor or Sponsor to make or procure direct payments of principal or interest (or pay liquidated damages relating to non-payment defaults) in respect of such Indebtedness to the holders thereof; and/or

(7) recourse under any guarantee and/or indemnity of such Indebtedness for completion of construction or development of an asset; *provided* that in any case the guarantee and/or indemnity is or is intended to be released or discharged if completion of the relevant construction or development occurs in accordance with the terms governing such Indebtedness and/or the guarantee and/or indemnity and/or any agreement relating thereto; *provided* that such guarantee and/or indemnity (i) does not expressly provide for legal recourse to the Company or such Note Guarantor beyond seeking specific performance or damages in respect of obligations of the Company or such Note Guarantor to complete construction or development of the relevant assets or for gross negligence, willful misconduct or fraud by the Company or such Note Guarantor or similar cause on the Company or such Note Guarantor's side, and (ii) does not expressly obligate the Company or such Note Guarantor to make or procure direct payments of principal or interest (or pay liquidated damages relating to non-payment defaults) in respect of such Indebtedness to the holders thereof.

"*Rating Category*" means:

(1) with respect to S&P or Fitch, any of the following categories: AAA, AA, A, BBB, BB, B, CCC, CC, C and D (or equivalent successor categories); and

(2) with respect to any other Ratings Agency, the equivalent rating categories adopted by such Ratings Agency.

"*Rating Date*" means the date that is 60 days prior to the earlier of (i) a Change of Control or (ii) public announcement of the Change of Control or the intention effect a Change of Control.

"*Ratings Agency*" means an entity registered as a "nationally recognized statistical rating organization" (registered as such pursuant to Rule 17g-1 of the U.S. Exchange Act) making a rating on the Notes publicly available at the request of the Company (as certified by an officer's certificate); *provided* that the Company shall use its reasonable efforts to cause at least one of Fitch, and S&P to make a rating on the Notes publicly available at all times.

"*Ratings Decline*" means the occurrence, during the period commencing on the date of the first public announcement of the Change of Control or the intention to effect a Change of Control and ending 90 days after the occurrence of the Change of Control, of any of the events listed below:

(1) in the event the Notes have an Investment Grade Rating from at least two Ratings Agencies on the Rating Date, the rating of the Notes by any such Rating Agency shall be below an Investment Grade Rating; or

(2) in the event the Notes do not have an Investment Grade Rating from at least two Rating Agencies on the Rating Date, the rating of the Notes by any Rating Agency with a rating below Investment Grade Rating shall be decreased by one or more gradations. In determining whether the rating of the Notes has decreased by one or more gradations, gradations within Rating Categories (including + or – or 1, 2, and 3, as applicable, based on the relevant Ratings Agency's credit rating scale) will be taken into account.

"*Reference Treasury Dealer*" means each of any three investment banks of recognized standing that is a primary U.S. Government securities dealer in The City of New York, selected by the Company in good faith.

"*Reference Treasury Dealer Quotations*" means, with respect to each Reference Treasury Dealer and any redemption date, the average as determined by the Company, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Company by such Reference Treasury Dealer at 5:00 p.m. (New York City time) on the third New York business day preceding such redemption date.

"*Relevant Indebtedness*" means any present or future Indebtedness of the Company, any of the Note Guarantors or any other person in the form of, or represented by:

(1) bonds, notes, debentures or other securities, which are for the time being, or are capable of being, quoted, listed or ordinarily dealt in on any stock exchange, over-the-counter or other securities market; or

(2) loans in respect of borrowed money.

"*S&P*" means Standard & Poor's Financial Services LLC, a division of the McGraw-Hill Financial, or any successor to the rating business thereof.

"*Special Taxation Measures Act*" means the Act on Special Measures Concerning Taxation of Japan, Act No. 26 of 1957, as amended.

"*Specially-Related Person*" means a person who has a special relationship with the Company as described in Article 6, paragraph (4) of the Special Measures Taxation Act.

"*Stated Maturity*" means, with respect to any instalment of interest or principal on any series of Indebtedness, the date on which the payment of interest or principal was scheduled to be paid in the documentation governing such Indebtedness as of the first date it was incurred in compliance with the terms of the Indenture, and will not include any contingent obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for the payment thereof.

"*Subsidiary*" means, with respect to any specified Person:

(1) any corporation, association or other business entity of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency and after giving effect to any voting agreement or stockholders' agreement that effectively transfers voting power) to vote in the election of directors, managers or trustees of the corporation, association or other business entity is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person (or a combination thereof);

(2) any partnership or limited-liability company of which (a) more than 50% of the capital accounts, distribution rights, total equity and voting interests or general and limited partnership interests, as applicable, are owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person or a combination thereof, whether in the form of membership, general, special or limited partnership interests or otherwise, and (b) such Person or any Subsidiary of such Person is a controlling general partner or otherwise controls such entity; and

(3) any entity otherwise treated as a consolidated entity of that Person in accordance with GAAP.

"*Successor Entity*" means, with respect to any Person, its successor by merger or consolidation, as determined in accordance with the provision of the covenant described under "*—Certain Covenants—Merger or Consolidation*."

"*Tax*" means any tax, duty, levy, impost, assessment or other governmental charge (including penalties and interest related thereto), and any amounts paid pursuant to FATCA.

"*Treasury Rate*" means, with respect to any redemption date for Dollar Notes of any series, (i) the yield, under the heading which represents the average for immediately preceding week, appearing in the most recently published statistical release designated "H.15(519)" or any successor publication which is published weekly by

the Board of Governors of the Federal Reserve System and which establishes yields on actively traded United States Treasury securities adjusted to constant maturity under the caption "Treasury Constant Maturities," for the maturity corresponding to the Comparable Treasury Issue (if no maturity is within three (3) months before or after the Stated Maturity for such Note being redeemed, yields for the two published maturities most closely corresponding to the Comparable Treasury Issue shall be determined and the applicable Treasury Rate shall be interpolated or extrapolated from such yields on a straight line basis, rounding to the nearest month) or (ii) if such release (or any successor release) is not published during the week preceding the calculation date or does not contain such yields, the rate per year equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date, in each case calculated on the third New York business day immediately preceding the redemption date.

"*U.S. Exchange Act*" means the U.S. Securities Exchange Act of 1934, as amended, or any successor statute, and the rules and regulations promulgated by the Commission thereunder.

"*U.S. Government Obligations*" means direct obligations of, or obligations guaranteed by, the United States of America, and the payment for which the United States pledges its full faith and credit.

"*U.S. Securities Act*" means the U.S. Securities Act of 1933, as amended, or any successor statute, and the rules and regulations promulgated by the Commission thereunder.

"*U.S. Trust Indenture Act*" means the U.S. Trust Indenture Act of 1939, as amended, or any successor statute.

"*Voting Stock*" of any specified Person as of any date means the Capital Stock of such Person that is at the time entitled to vote in the election of the Board of Directors of such Person.

BOOK-ENTRY, DELIVERY AND FORM

Each series of Notes sold to non-U.S. persons in offshore transactions outside the United States in reliance on Regulation S under the U.S. Securities Act will initially be represented by global notes in registered form without interest coupons attached (the "*Global Notes*"). The Global Notes representing the Dollar Notes (the "*Dollar Global Notes*") and the Global Notes representing the Euro Notes (the "*Euro Global Notes*") will be deposited, on the Issue Date, with a common depository and registered in the name of the nominee of the common depository for the accounts of Euroclear and Clearstream.

Ownership of interests in the Global Notes (the "*Book-Entry Interests*") will be limited to persons that have accounts with Euroclear and/or Clearstream or persons that may hold interests through such participants. Book-Entry Interests will be shown on, and transfers thereof will be effected only through, records maintained in book-entry form by Euroclear and Clearstream and their participants.

Notwithstanding anything to the contrary herein and in the Indenture, in considering the interests of holders while the Global Notes are held on behalf of, or registered in the name of any nominee for, a clearing system, the Trustee may have regard to any certificate, report or any other information provided by the clearing systems or its operator as to the identity (either individually or by category) of its accountholders with entitlements to the Global Notes and may consider such interests as if such accountholders were the holders of the Notes represented by the Global Notes. The Trustee may call for any certificate or other document to be issued by the clearing systems as to the principal amount of Notes evidenced by the Global Notes standing to the account of any accountholders. Any such certificate or other document issued by the clearing systems shall be conclusive and binding for all purposes. The Trustee shall not be liable to any holder, the Company or any other person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by the relevant clearing system and subsequently found to be forged or not authentic or not to be correct.

The Dollar Notes will be issued in registered, global form in minimum denominations of $200,000 and integral multiples of $1,000 in excess thereof and the Euro Notes will be issued in registered, global form in minimum denominations of €100,000 and integral multiples of €1,000 in excess thereof.

The Book-Entry Interests will not be held in definitive form. Instead, Euroclear or Clearstream, as applicable, will credit on their respective book-entry registration and transfer systems a participant's account with the interest beneficially owned by such participant. The laws of some jurisdictions may require that certain purchasers of securities take physical delivery of such securities in definitive form. The foregoing limitations may impair the ability to own, transfer or pledge Book-Entry Interests. In addition, while the Notes are in global form, owners of interest in the Global Notes will not have the Notes registered in their names, will not receive physical delivery of the Notes in certificated form and will not be considered the registered owners or "holder" of the Notes under the Indenture for any purpose.

So long as the Notes are held in global form, the common depository for Euroclear or Clearstream, as applicable (or their respective nominees), will be considered the holder of Global Notes for all purposes under the Indenture. As such, participants must rely on the procedures of Euroclear or Clearstream, as applicable, and indirect participants must rely on the procedures of Euroclear or Clearstream, as applicable, and the participants through which they own Book-Entry Interests in order to exercise any rights of holders under the Indenture.

Beneficial interests in the Global Notes may not be exchanged for Definitive Registered Notes except in the limited circumstances described below. See "—Exchange of Global Notes for Definitive Registered Notes." Except in the limited circumstances described below, owners of beneficial interests in the Global Notes will not be entitled to receive physical delivery of Notes in certificated form.

The Notes will bear the legend described under "*Notice to Investors*."

Exchange of Global Notes for Definitive Registered Notes

Under the terms of the Indenture, owners of Book-Entry Interests will receive definitive notes in registered form (the "*Definitive Registered Notes*"):

(1) if Euroclear or Clearstream notifies the Company that it is unwilling or unable to continue to act as depositary and a successor depositary is not appointed within 120 days; or

(2) if the owner of a Book-Entry Interest requests such exchange in writing delivered through Euroclear or Clearstream following an Event of Default under the Indenture.

Upon request by an owner of a Book-Entry Interest described in the immediately preceding clause (2), Euroclear and Clearstream's procedures require that the Company issue or cause to be issued Notes in definitive registered form to all owners of Book-Entry Interests and not only to the owner who made the initial request.

In such an event described in clauses (1) and (2), the Registrar will issue Definitive Registered Notes, registered in the name or names and issued in any approved denominations, requested by or on behalf of Euroclear, Clearstream or the Company, as applicable (in accordance with their respective customary procedures and based upon directions received from participants reflecting the beneficial ownership of Book-Entry Interests), and such Definitive Registered Notes will bear the restrictive legend as provided in the Indenture, unless that legend is not required by the Indenture or applicable law.

Exchange of Certificated Notes for Global Notes

Certificated Notes may not be exchanged for beneficial interests in any Global Note unless the transferor first delivers to the Trustee a written certificate (in the form provided in the Indenture) to the effect that such transfer will comply with the appropriate transfer restrictions applicable to such Notes. See "*Notice to Investors*."

Redemption of the Global Notes

In the event any Global Note, or any portion thereof, is redeemed, Euroclear or Clearstream, as applicable, will distribute the amount received by it in respect of the Global Note so redeemed to the holders of the Book-Entry Interests in such Global Note from the amount received by it in respect of the redemption of such Global Note. The redemption price payable in connection with the redemption of such Book-Entry Interests will be equal to the amount received by Euroclear or Clearstream, as applicable, in connection with the redemption of such Global Note (or any portion thereof). The Company understands that under existing practices of Euroclear and Clearstream if fewer than all of the Notes are to be redeemed at any time, Euroclear and Clearstream will credit their respective participants' accounts and reduce their Book-Entry Interests on a proportionate basis (with adjustments to prevent fractions) or on such other basis as they deem fair and appropriate; *provided* that no Book-Entry Interest of less than €100,000 (in the case of the Euro Global Notes) or $200,000 (in the case of the Dollar Global Notes) principal amount at maturity, or less, may be redeemed in part.

Payments on Global Notes

Payments of amounts owing in respect of the Global Notes (including principal, premium, interest, additional interest and Additional Amounts) will be made by the Company to the paying agent. The paying agent will, in turn, make such payments to the common depositary for Euroclear and Clearstream, which will distribute such payments to participants in accordance with their respective procedures.

Under the terms of the Indenture governing the Notes, the Company, the Trustee and the Agents (as defined in the Indenture) will treat the registered holder of the Global Notes (for example, Euroclear or Clearstream (or their respective nominees)) as the owner thereof for the purpose of receiving payments and for all other purposes. Consequently, neither the Company, the Trustee nor any Agent nor any of their respective agents has or will have any responsibility or liability for:

- any aspects of the records of Euroclear, Clearstream or any participant or indirect participant relating to or payments made on account of a Book-Entry Interest, for any such payments made by Euroclear, Clearstream or any participant or indirect participant, or for maintaining, supervising or reviewing the records of Euroclear, Clearstream or any participant or indirect participant relating to, or payments made on account of, a Book-Entry Interest;
- payments made by Euroclear, Clearstream or any participant or indirect participant, or for maintaining, supervising or reviewing the records of Euroclear, Clearstream or any participant or indirect participant relating to or payments made on account of a Book-Entry Interest; or
- Euroclear, Clearstream or any participant or indirect participant.

Payments by participants to owners of Book-Entry Interests held through participants are the responsibility of such participants, as is now the case with securities held for the accounts of subscribers registered in "street name."

Currency of Payment for the Global Notes

The principal of, premium, if any, and interest on, and all other amounts payable in respect of (including Additional Amounts), the Global Notes will be paid to holders of interests to such Notes (the "*Euroclear/Clearstream Holders*") through Euroclear and/or Clearstream in U.S. dollars with respect to the Dollar Notes or in euro with respect to the Euro Notes.

Action by Owners of Book-Entry Interests

Euroclear and Clearstream have advised the Company that they will take any action permitted to be taken by a holder of Notes (including the presentation of Notes for exchange as described above) only at the direction of one or more participants to whose account the Book-Entry Interests in the Global Notes are credited and only in respect of such portion of the aggregate principal amount of Notes as to which such participant or participants has or have given such direction. Euroclear and Clearstream will not exercise any discretion in the granting of consents or waivers or the taking of any other action in respect of the Global Notes.

Clearance, Transfer and Settlement under the Book-Entry System

All Book-Entry Interests will be subject to the operations and procedures of Euroclear and Clearstream, as applicable.

Transfers between participants in Euroclear and/or Clearstream will be effected in accordance with Euroclear and Clearstream's rules and will be settled in immediately available funds. The Global Notes will bear a legend to the effect set forth in "*Notice to Investors*." Book-Entry Interests in the Global Notes will be subject to the restrictions on transfer discussed in "*Notice to Investors*."

Although Euroclear or Clearstream currently follow the foregoing procedures in order to facilitate transfers of interests in the Global Notes among participants in Euroclear or Clearstream, as the case may be, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or modified at any time. None of the Company, the Trustee or the Agents will have any responsibility for the performance by Euroclear or Clearstream or their respective participants or indirect participants, of their respective obligations under the rules and procedures governing their operations.

Initial Settlement

Initial settlement for the Notes will be made in U.S. dollars and euro. Book-Entry Interests owned through Euroclear or Clearstream accounts will follow the settlement procedures applicable to debt securities in global registered form. Book-Entry Interests will be credited to the securities custody accounts of Euroclear/Clearstream Holders on the Business Day following the settlement date against payment for value on the settlement date.

Secondary Market Trading

The Book-Entry Interests that trade through participants of Euroclear or Clearstream will settle in same-day funds. Since the purchase determines the place of delivery, it is important to establish at the time of trading of any Book-Entry Interests where both the purchaser's and the seller's accounts are located to ensure that settlement can be made on the desired value date.

Special Timing Considerations

You should be aware that investors will only be able to make and receive deliveries, payments and other communications involving the Notes through Euroclear or Clearstream on days when those systems are open for business.

MATERIAL JAPANESE TAXATION CONSIDERATIONS

The following discussion summarizes certain Japanese tax consequences to prospective holders arising from the purchase, ownership and disposition of the Notes. The summary does not purport to be a comprehensive description of all potential Japanese tax considerations that may be relevant to a decision to purchase, own or dispose of the Notes and is not intended as tax advice to any particular investor. This summary does not describe any tax consequences arising under the laws of any state, locality or other taxing jurisdiction other than Japan or any Japanese consequences other than Japanese tax consequences.

Prospective holders of the Notes should consult their own tax advisors as the Japanese or other tax consequences of the purchase, ownership and disposition of the Notes, including, in particular, the application of the tax considerations discussed below to their particular situations, as well as the application of any state, local, foreign or other tax laws.

The following description is a summary of Japanese tax consequences (limited to national taxes) to holders of the Notes, principally relating to such holders that are individual non-residents of Japan or non-Japanese corporations, having no permanent establishment in Japan, and applicable to interest and the Redemption Gains (as defined below) with respect to Notes that we will issue outside Japan, as well as to certain aspects of capital gains, inheritance and gift taxes. It does not address the tax treatment of the original issue discount of the Notes bearing no interest that fall under "discounted bonds" as prescribed by the Special Taxation Measures Act or any Notes on which interest is calculated based on any indices, including the amount of our profits or assets or those of any specially-related person of ours (as defined below).

The statements regarding Japanese tax laws set out below are based on the laws in force and as interpreted by the Japanese taxation authorities as at the date hereof and are subject to changes in the applicable Japanese laws or tax treaties, conventions or agreements or in the interpretation thereof after such date. Prospective investors should note that the following description of Japanese taxation is not exhaustive.

Representation upon Initial Distribution

By subscribing for Notes, an investor will be deemed to have represented that it is a "gross recipient," *i.e.*, (1) a beneficial owner that is, for Japanese tax purposes, neither an individual resident of Japan or a Japanese corporation, nor an individual non-resident of Japan or a non-Japanese corporation that in either case is a person having a special relationship with us as described in Article 6, Paragraph 4 of the Special Taxation Measures Act, or a specially-related person of ours, (2) a Japanese financial institution or financial instruments business operator as designated in Article 3-2-2, Paragraph 29 of the Cabinet Order (Cabinet Order No. 43 of 1957, as amended) relating to the Special Taxation Measures Act that will hold the Notes for its own proprietary account or (3) an individual resident of Japan or a Japanese corporation whose receipt of interest on the Notes will be made through a payment-handling agent in Japan as defined in Article 2-2, Paragraph 2 of the Cabinet Order. The Notes are not as part of the initial distribution by the Initial Purchasers at any time to be directly or indirectly offered or sold in Japan or to, or for the benefit of, any person other than a gross recipient, except as specifically permitted under the Special Taxation Measures Act.

Interest and Redemption Gains

Interest payments on the Notes will be subject to Japanese withholding tax unless the holder establishes that the Note is held by or for the account of a holder that is (1) for Japanese tax purposes, neither (a) an individual resident of Japan or a Japanese corporation, nor (b) an individual non-resident of Japan or a non-Japanese corporation that in either case is a specially-related person of ours, and in compliance with certain requirements for tax exemption under the Special Taxation Measures Act, or (2) a Japanese designated financial institution or financial instruments business operator as described in Article 6, Paragraph 11 of the Special Taxation Measures Act which complies with the requirement for tax exemption under that Paragraph.

Interest payments on the Notes to an individual resident of Japan, to a Japanese corporation not described in item (2) of the preceding paragraph, to an individual non-resident of Japan or a non-Japanese corporation that in either case is a specially-related person of ours, or to an individual non-resident of Japan or a non-Japanese corporation that in either case is not a specially-related person of ours and does not comply with the requirements described in item (1) of the preceding paragraph will be subject to deduction in respect of Japanese income tax at a rate of 15.315% of the amount specified in subparagraphs (a) or (b) below, as applicable:

(a) if interest is paid to an individual resident of Japan, to a Japanese corporation, or to an individual non-resident of Japan or a non-Japanese corporation that in either case is a specially-related person of ours (except as provided in subparagraph (b) below), the amount of such interest; or

(b) if interest is paid to a public corporation, a financial institution, a financial instruments business operator or certain other entities through a Japanese payment-handling agent, as provided in Article 3-3, Paragraph 6 of the Special Taxation Measures Act in compliance with the requirement for tax exemption under that paragraph, the amount of such interest *minus* the amount accrued during the period held, without any cessation, by such entities as provided in the Cabinet Order relating to the said Paragraph 6.

A legend containing a statement to the same effect as set forth in the preceding paragraphs will be printed on the relevant Notes or global Note, as applicable, in compliance with the requirements of the Special Taxation Measures Act and regulations thereunder.

If the recipient of interest on the Notes is a holder that is an individual non-resident of Japan or a non-Japanese corporation, having no permanent establishment in Japan, or having a permanent establishment in Japan but the receipt of the interest on the Notes is not attributable to the business thereof carried on in Japan through such permanent establishment, that in either case is not a specially-related person of ours, no Japanese income tax or corporation tax will be payable with respect to such interest whether by way of withholding or otherwise, if such recipient complies with certain requirements, *inter alia*:

(x) if the relevant Notes are held through a participant in an international clearing organization, such as Euroclear and Clearstream or through a financial intermediary, in each case, as prescribed by the Special Taxation Measures Act (each such participant or financial intermediary being referred to as a "Participant"), the requirement to provide certain information prescribed by the Special Taxation Measures Act to enable the Participant to establish that the recipient is exempt from the requirement for Japanese tax to be withheld or deducted, and to advise the Participant if the holder of the Notes ceases to be so exempted (including the case where the holder became a specially-related person of ours); and

(y) if the relevant Notes are not held through a Participant, the requirement to submit to the relevant paying agent that makes payment of interest on the Notes a written application for tax exemption (*hikazei tekiyo shinkokusho*) or certain information to be stated in such written application in an electronic form, together with certain documentary evidence, at or prior to each time interest is received.

If a recipient of interest on the Notes is an individual non-resident of Japan or a non-Japanese corporation, having no permanent establishment in Japan, which is subject to Japanese withholding tax due to its status as a specially-related person of ours or for any other reason, (1) the rate of withholding tax may be reduced, generally to 10%, under the applicable tax treaty, convention or agreement, and (2) if such recipient is not subject to Japanese tax under the applicable tax treaty, convention or agreement due to its status as a financial institution in the relevant country, or for any other reason, no Japanese income tax or corporation tax will be payable with respect to such interest whether by way of withholding or otherwise; *provided* that, in either case (1) or (2) above, such recipient shall submit required documents and information (if any) to the relevant tax authority.

If the recipient of any difference between the acquisition cost of the New Notes and the redemption price of the Notes as referred to in Article 41-13, Paragraph 3 and Article 67-17, Paragraph 3 of the Special Taxation Measures Act (the "Redemption Gains") is a holder that is an individual non-resident of Japan or a non-Japanese corporation, having no permanent establishment in Japan, that in either case is not a specially-related person of ours, no income tax or corporation tax will be withheld with respect to such Redemption Gains.

Capital Gains, Inheritance and Gift Taxes

Gains derived from the sale of the Notes, whether within or outside Japan, by a holder that is an individual non-resident of Japan or a non-Japanese corporation, having no permanent establishment in Japan, will be, in general, not subject to Japanese income or corporation tax.

Japanese inheritance and gift taxes at progressive rates may be payable by an individual who has acquired the Notes as a legatee, heir or donee, even if the individual is not a Japanese resident.

No stamp, issue, registration or similar taxes or duties will, under present Japanese law, be payable by holders of the Notes in connection with the issue of the Notes outside Japan.

PLAN OF DISTRIBUTION

Subject to the terms and conditions of a purchase agreement to be dated as of the date of pricing of the Notes, the Company has agreed to sell to each Initial Purchaser, and each of the Initial Purchasers has agreed, severally and not jointly, to purchase from us the Notes at the initial offering price set forth on the cover page of this offering memorandum *minus* discounts and commissions.

The purchase agreement provides that the obligations of the several Initial Purchasers to purchase the Notes are subject to certain conditions precedent and that the Initial Purchasers will purchase all of the Notes if any of the Notes are purchased. The purchase agreement also provides that if an Initial Purchaser defaults, the purchase commitments of the non-defaulting Initial Purchasers may be increased or this offering may be terminated.

The Company has agreed to indemnify the Initial Purchasers against some specified types of liabilities, including liabilities under the U.S. Securities Act, and to contribute to payments the Initial Purchasers may be required to make in respect of any of these liabilities. The Company has also agreed to reimburse the Initial Purchasers for certain expenses incidental to the sale of the Notes.

The Initial Purchasers are offering the Notes, subject to prior sale, when, as and if issued to and accepted by them, subject to approval of legal matters by their counsel, including the validity of the Notes, and other conditions contained in the purchase agreement, such as the receipt by the Initial Purchasers of certain legal opinions and officers' certificates confirming, among other things, the lack of any legal restriction or injunction with respect to the consummation of the offering of the Notes. The Initial Purchasers reserve the right to withdraw, cancel or modify offers to investors and to reject orders in whole or in part. After the initial offering, the Initial Purchasers may change the offering price and other selling terms.

No Sale of Similar Securities

The Company has agreed that during the period from the date hereof through and including the date that is 45 days after the date the Notes are issued, without the prior written consent of Deutsche Bank AG, London Branch and J.P. Morgan Securities plc, the Company will not offer, sell, contract to sell or otherwise dispose of any bonds which are denominated in a currency other than Japanese Yen and issued by the Company other than the Notes.

New Issue of Notes

The Notes are a new issue of securities with no established trading market. The Initial Purchasers may make a market in the Notes after completion of this offering, but will not be obligated to do so and may discontinue any market-making activities at any time without notice. If an active trading market for the Notes does not develop, the market price and liquidity of the Notes may be adversely affected.

Approval in-principle has been received for the listing of the Notes on the SGX-ST. However, there can be no assurance that such listing will be obtained or maintained.

Delivery, Payment and Settlement

The Company expects that delivery of the Notes will be made against payment therefore on or about the date specified on the cover page of this offering memorandum, which will be the fifth business day (in New York) and the sixth business day (in Tokyo and London) following the date of pricing of the Notes (this settlement cycle being referred to as "T+5" (in the case of New York) and "T+6" (in the case of Tokyo and London)).

Stabilization

In connection with this offering, the Initial Purchasers may purchase and sell the Notes in the open market. These transactions may include short sales, purchases to cover positions created by short sales and stabilizing transactions. Short sales involve the sale by the Initial Purchasers of a greater principal amount of Notes than they are required to purchase in this offering. The Initial Purchasers may close out any short position by purchasing Notes in the open market. A short position is more likely to be created if the Initial Purchasers are concerned that there may be downward pressure on the price of the Notes in the open market prior to the completion of this offering.

Stabilizing transactions consist of various bids for or purchases of the Notes made by the Initial Purchasers in the open market prior to the completion of this offering. The Initial Purchasers may impose a penalty bid. This occurs when a particular Initial Purchaser repays to the other Initial Purchasers a portion of the underwriting discount received by it because the other Initial Purchasers have repurchased the Notes sold by or for the account of that Initial Purchaser in stabilizing or short covering transactions.

Purchases to cover a short position and stabilizing transactions may have the effect of preventing or slowing a decline in the market price of the Notes. Additionally, these purchases, along with the imposition of the penalty bid, may stabilize, maintain or otherwise affect the market price of the Notes. As a result, the price of the Notes may be higher than the price that might otherwise exist in the open market. These transactions may be effected in the over-the-counter market or otherwise.

Other Relationships

Some of the Initial Purchasers and their affiliates have from time to time performed, and may in the future perform, various investment banking, financial advisory, commercial banking, agency and trustee and other commercial services for us or our affiliates. They have received, or may in the future receive, customary fees and commissions for these services. Certain Initial Purchasers and their respective affiliates are lenders under certain of our margin loan agreements, and have made loans to certain of our affiliates and have entered into various hedging arrangements with us or our affiliates. In addition, certain Initial Purchasers or their affiliates are arrangers and lenders under indebtedness that may be repaid as part of the use of proceeds of the offering of the Notes, and, in their capacities as lenders, may receive a portion of the proceeds from the offering of the Notes.

In addition, in the ordinary course of their business activities, the Initial Purchasers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of ours or our affiliates. Certain of the Initial Purchasers or their affiliates that have a lending relationship with us routinely hedge their credit exposure to us consistent with their customary risk management policies. Typically, such Initial Purchasers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities, including potentially the Notes. Any such short positions could adversely affect future trading prices of the Notes. The Initial Purchasers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Important Notice to CMIs (including private banks)

This notice to CMIs (including private banks) is a summary of certain obligations the SFC Code imposes on CMIs, which require the attention and cooperation of other CMIs (including private banks). Certain CMIs may also be acting as OCs for the relevant CMI Offering and are subject to additional requirements under the SFC Code. The application of these obligations will depend on the role(s) undertaken by the relevant Initial Purchaser in respect of each CMI Offering.

Prospective investors who are the directors, employees or major shareholders of the Company, a CMI or its group companies would be considered under the SFC Code as having an Association with the Company, the CMI or the relevant group company. CMIs should specifically disclose whether their investor clients have any Association when submitting orders for the relevant Notes. In addition, private banks should take all reasonable steps to identify whether their investor clients may have any Associations with the Company or any CMI (including its group companies) and inform the relevant Initial Purchaser accordingly. CMIs are informed that, unless otherwise notified, the marketing and investor targeting strategy for the relevant CMI Offering includes institutional investors, sovereign wealth funds, pension funds, hedge funds, family offices and high net worth individuals, in each case, subject to the selling restrictions and any MiFID II product governance language or any UK MiFIR product governance language set out elsewhere in this offering memorandum.

CMIs should ensure that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). CMIs should enquire with their investor clients regarding any orders which appear unusual or irregular. CMIs should disclose the identities of all investors when submitting orders for the relevant Notes (except for omnibus orders where underlying investor information may need to be provided to any OCs when submitting orders). Failure to provide underlying investor information for omnibus orders, where required to do so, may result in that order being rejected. CMIs should not place "X-orders" into the order book.

CMIs should segregate and clearly identify their own proprietary orders (and those of their group companies, including private banks as the case may be) in the order book and book messages.

CMIs (including private banks) should not offer any rebates to prospective investors or pass on any rebates provided by the Company. In addition, CMIs (including private banks) should not enter into arrangements which may result in prospective investors paying different prices for the relevant Notes.

The SFC Code requires that a CMI disclose complete and accurate information in a timely manner on the status of the order book and other relevant information it receives to targeted investors for them to make an informed decision. In order to do this, those Initial Purchasers in control of the order book should consider disclosing order book updates to all CMIs.

When placing an order for the relevant Notes, private banks should disclose, at the same time, if such order is placed other than on a "principal" basis (whereby it is deploying its own balance sheet for onward selling to investors). Private banks who do not provide such disclosure are hereby deemed to be placing their order on such a "principal" basis. Otherwise, such order may be considered to be an omnibus order pursuant to the SFC Code. Private banks should be aware that placing an order on a "principal" basis may require the relevant affiliated Manager(s) (if any) to categorize it as a proprietary order and apply the "proprietary orders" requirements of the SFC Code to such order.

In relation to omnibus orders, when submitting such orders, CMIs (including private banks) that are subject to the SFC Code should disclose underlying investor information in respect of each order constituting the relevant omnibus order (failure to provide such information may result in that order being rejected). Underlying investor information in relation to omnibus orders should consist of:

- The name of each underlying investor;
- A unique identification number for each investor;
- Whether an underlying investor has any "Associations" (as used in the SFC Code);
- Whether any underlying investor order is a "Proprietary Order" (as used in the SFC Code);
- Whether any underlying investor order is a duplicate order.

Underlying investor information in relation to omnibus order for Dollar Notes should be sent to:

- for Deutsche Bank: asiasyn.omnibus@list.db.com
- for J.P. Morgan: investor.info.hk.oc.bond.deals@jpmorgan.com
- for Barclays: barclayssfcomnibusorders-debt@barclays.com
- for HSBC: hk_syndicate_omnibus@hsbc.com.hk

Underlying investors information in relation to omnibus order for the Euro Notes: not applicable.

To the extent information being disclosed by CMIs and investors is personal and/or confidential in nature, CMIs (including private banks) agree and warrant: (A) to take appropriate steps to safeguard the transmission of such information to any OCs; and (B) that they have obtained the necessary consents from the underlying investors to disclose such information to any OCs. By submitting an order and providing such information to any OCs, each CMI (including private banks) further warrants that they and the underlying investors have understood and consented to the collection, disclosure, use and transfer of such information by any OCs and/or any other third parties as may be required by the SFC Code, including to the Company, relevant regulators and/or any other third parties as may be required by the SFC Code, for the purpose of complying with the SFC Code, during the bookbuilding process for the relevant CMI Offering. CMIs that receive such underlying investor information are reminded that such information should be used only for submitting orders in the relevant CMI Offering. The relevant Initial Purchaser may be asked to demonstrate compliance with their obligations under the SFC Code, and may request other CMIs (including private banks) to provide evidence showing compliance with the obligations above (in particular, that the necessary consents have been obtained). In such event, other CMIs (including private banks) are required to provide the relevant Initial Purchaser with such evidence within the timeline requested.

MiFID II Product Governance / Professional Investors and ECPs Only Target Market

Solely for the purposes of the product approval process of each manufacturer, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties ("ECPs") and professional clients only, each as defined in Directive 2014/65/EU (as amended, "MiFID II"); and (ii) all channels for distribution of the Notes to ECPs and professional clients are appropriate. The target market and distribution channel(s) may vary in relation to sales outside the EEA in light of local regulatory regimes in force in the relevant jurisdiction. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

UK MiFIR Product Governance / Professional Investors and ECPs Only Target Market

Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("COBS"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("UK MiFIR"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturers' target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "UK MiFIR Product Governance Rules") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

Selling Restrictions

General

No action has been or will be taken by us or the Initial Purchasers that would, or is intended to, permit a public offering of the Notes, or possession or distribution of this offering memorandum or any other offering material relating to the Notes, in any country or jurisdiction where action for that purpose is required. Persons into whose possession this offering memorandum comes are required to comply with all applicable laws and regulations in each country or jurisdiction in which they purchase, offer, sell or deliver the Notes or have in their possession or distribute this offering memorandum or any other offering material relating to the Notes.

United States

The Notes have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or jurisdiction of the United States, and may not be offered, sold or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, U.S. persons, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. The offering of the Notes are not being made to any U.S. person (as defined in Regulation S) or within the United States, other than pursuant to offshore transactions with non-U.S. persons conducted in accordance with Regulation S. Accordingly, the Notes are only being offered and sold to non-U.S. persons outside the United States or certain dealers or other professional fiduciaries in the United States acting only on a discretionary basis for the benefit or account of non-U.S. persons located outside the United States in each case, in offshore transactions conducted in reliance on Regulation S under the Securities Act.

European Economic Area

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a "retail investor" means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); (ii) a customer within the meaning of Directive 2016/97/EU (as amended, the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a "qualified investor" as defined in the Prospectus Regulation. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

For the purposes of this section, the expression an "offer of notes to the public" in relation to any Notes in any EU Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that EU Member State by any measure implementing the Prospectus Regulation in that EU Member State.

United Kingdom

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the "UK"). For these

purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "EUWA"); (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "UK PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and, therefore, offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

Bahrain

This offering memorandum does not constitute an offer of securities in the Kingdom of Bahrain in terms of Article (81) of the Central Bank and Financial Institutions Law 2006 (decree Law No. 64 of 2006). This offering memorandum and related offering documents have not been and will not be registered as a prospectus with the CBB. Accordingly, no securities may be offered, sold or made the subject of an invitation for subscription or purchase nor will this offering memorandum or any other related document or material be used in connection with any offer, sale or invitation to subscribe or purchase securities, whether directly or indirectly, to persons in the Kingdom of Bahrain, other than to 'accredited investors', as such term is defined by the CBB.

The CBB has not reviewed, approved or registered this offering memorandum or any related offering documents and it has not in any way considered the merits of the Notes to be offered for investment, whether in or outside the Kingdom of Bahrain. Therefore, the CBB assumes no responsibility for the accuracy and completeness of the statements and information contained in this offering memorandum and expressly disclaims any liability whatsoever for any loss howsoever arising from reliance upon the whole or any part of the content of this offering memorandum. No offer of securities will be made to the public in the Kingdom of Bahrain and this offering memorandum must be read by the addressee only and must not be issued, passed to, or made available to the public generally.

Hong Kong

The Notes may not be offered or sold in Hong Kong by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies (Winding up and Miscellaneous provisions) Ordinance (Cap. 32, Laws of Hong Kong), or (ii) to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a "prospectus" within the meaning of the Companies (Winding up and Miscellaneous provisions) Ordinance (Cap. 32, Laws of Hong Kong) and no advertisement, invitation or document relating to the Notes may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

Italy

No action has been or will be taken which could allow an offering to the public in the Republic of Italy within the meaning of Article 1(1)(t) of the Italian Financial Act and, in particular, the offering of the Notes has not been submitted to the clearance of CONSOB (the Italian securities exchange commission), pursuant to Italian securities legislation and will not be subject to review or clearance by CONSOB. Accordingly, the Notes may not be offered, sold or delivered, directly or indirectly, in the Republic of Italy, and neither this offering memorandum nor any other offering memorandum, prospectus, form of application, advertisement, other offering material or other documentation relating to the Notes may be issued, distributed or published in the Republic of Italy, either on the primary or on the secondary market, except: (a) to qualified investors (*investitori qualificati*) as defined by Article 2, paragraph (e) of the Prospectus Regulation; and (b) in any other circumstances which are exempted from the rules on public offerings pursuant to Article 1 of the Prospectus Regulation, Article 100 of the Italian Financial Act, and implementing CONSOB regulations, including

Regulation 20307, Article 34-*ter*, first paragraph, letter (b) of Issuer Regulation and any other applicable laws and regulations.

The Notes may not be offered, sold or delivered and neither this Offering Memorandum nor any other material relating to the Notes, may be distributed or made available in the Republic of Italy unless such offer, sale or delivery of Notes or distribution or availability of copies of this Offering Memorandum or any other offering material or other documentation relating to the Notes in the Republic of Italy is made in compliance with the selling restrictions above and must be made as follows: (a) by *soggetti abilitati* (including investment firms, banks or financial intermediaries, as defined by Article 1, Paragraph 1(r) of the Italian Financial Act), permitted to conduct such activities in the Republic of Italy in accordance, as applicable, with the Italian Banking Act as subsequently integrated and amended, the Italian Financial Act, the Issuer Regulation, CONSOB Regulation No. 20307 of February 15, 2018, as amended and any other applicable laws and regulations; and (b) in compliance with all relevant Italian securities, tax and exchange control and other applicable laws and regulations and any other applicable requirements or limitations which may be imposed from time to time by CONSOB, the Bank of Italy (including, the reporting requirements, where applicable, pursuant to Article 129 of the Italian Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time) and/or other competent Italian authority.

France

This offering memorandum has not been prepared and is not being distributed in the context of a public offering of financial securities in France (*offre au public de titres financiers*) within the meaning of Article L. 411 1 of the French Monetary and Financial Code *monétaire et financier* and Title I of Book II of the AMF. Consequently, the Notes may not be, directly or indirectly, offered or sold to the public in France, and neither this offering memorandum nor any offering or marketing materials relating to the Notes may be made available or distributed in any way that would constitute, directly or indirectly, an offer to the public in France.

The Notes may only be offered or sold in France to qualified investors (*investisseurs qualifiés*) acting for their own account and/or to providers of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour le compte de tiers*), all as defined in and in accordance with Articles L. 411 1, L. 411 2, D. 411 1, D. 744 1, D. 754 1 and D. 764 1 of the French Code *monétaire et financier* and applicable regulations thereunder.

Prospective investors are informed that:

(a) this offering memorandum has not been and will not be submitted for clearance to the AMF;

(b) in compliance with Articles L. 411 2, D. 411 1, D. 744 1, D. 754 1 and D. 764 1 of the French Code *monétaire et financier*, any qualified investors subscribing for the Notes should be acting for their own account; and

(c) the direct and indirect distribution or sale to the public of the Notes acquired by them may only be made in compliance with Articles L. 411 1, L. 411 2, L. 412 1 and L. 621 8 through L. 621 8 3 of the French Code *monétaire et financier*.

Belgium

This offering memorandum relates to a private placement of the Notes and does not constitute an offer or solicitation to the public in Belgium to subscribe for or acquire the Notes. This offering of the Notes has not been and will not be notified to, and this offering memorandum has not been, and will not be, approved by the Belgian Financial Services and Markets Authority (*Autoriteit voor Financiële Diensten en Markten/Autorité des Services et Marchés Financiers*) pursuant to the Belgian laws and regulations applicable to the public offering of investment instruments. Accordingly, this offering of the Notes, as well as any other materials relating to the offering may not be advertised, the Notes may not be offered or sold, and this offering memorandum or any other information circular, brochure or similar document may not be distributed, directly or indirectly, (i) to any person located and/or resident in Belgium other than a "qualified investor" within the meaning of Article 10 of the Belgian Act of June 16, 2006 on the public offering of investment instruments and the admission of investment instruments to trading on a regulated market (the "Prospectus Act") or (ii) to any person qualifying as a consumer (*consument/ consommateur*) within the meaning of Book VI of the Belgian Code of Economic Law (*Wetboek van economisch recht/Code de droit economique*) of February 28, 2013, as amended. This offering memorandum has been issued to the intended recipient for personal use only and exclusively for the purpose of the offer. Therefore it may not be used for any other purpose, nor passed on to any other person in Belgium. Any resale of the Notes in Belgium may only be made in accordance with the Prospectus Act and other applicable laws.

Norway

This offering memorandum has not been and will not be filed with or approved by the Norwegian Financial Supervisory Authority (Nw. *Finanstilsynet*), the Oslo Stock Exchange (Nw. *Oslo børs*) or any other regulatory authority in Norway. The Notes have not been offered or sold and may not be offered, sold or delivered, directly or indirectly, in Norway, unless in compliance with Chapter 7 of the Norwegian Securities Trading Act of June 29, 2007 No. 75 (Nw. *verdipapirhandelloven*) and secondary regulations issued pursuant thereto, as amended or replaced from time to time (the "Securities Trading Act"). Accordingly, this offering memorandum may not be made available nor may the Notes otherwise be marketed and offered for sale in Norway other than in circumstances that are deemed not to be a marketing of an offer to the public in Norway in accordance with the Securities Trading Act.

The Notes may not be issued in Norway unless the requirement in the Norwegian Registration of Financial Instruments Act of March 15, 2019 No. 6 (Nw. *verdipapirsentralloven*) the ("CSD Act") are complied with, including, but not limited to, the requirement to register such Notes with a central securities depository which is properly authorized or recognized by the Norwegian Financial Supervisory Authority as being entitled to register such notes pursuant to the CSD Act and Regulation (EU) No 909/2014 (CSDR).

Saudi Arabia

This offering memorandum may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Rules on the Offers of Securities Regulations issued by the Capital Market Authority. The Capital Market Authority does not make any representations as to the accuracy or completeness of this offering memorandum, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this offering memorandum. Prospective purchasers of the Notes should conduct their own due diligence on the accuracy of the information relating to the Notes. If a prospective purchaser does not understand the contents of this offering memorandum, he or she should consult an authorized financial advisor.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act and are subject to the Special Taxation Measures Act. The Notes (i) will not, directly or indirectly, be offered or sold, in Japan or to any person resident in Japan for Japanese securities law purposes (including any corporation or other entity organized under the laws of Japan), except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and governmental guidelines of Japan; and (ii) will not, as part of its initial distribution, directly or indirectly be offered or sold to, or for the benefit of, any person other than a gross recipient or to others for re-offering or re-sale, directly or indirectly, to, or for the benefit of, any person other than a gross recipient. A "gross recipient" for this purpose is (i) a beneficial owner that is, for Japanese tax purposes, neither (x) an individual resident of Japan or a Japanese corporation, nor (y) an individual non-resident of Japan or a non-Japanese corporation that in either case is a person having a special relationship with the Company as described in Article 6, paragraph 4 of the Special Taxation Measures Act, (ii) a Japanese financial institution or financial instruments business operator as, designated in Article 3-2-2 paragraph 29 of the Cabinet Order relating to the Special Taxation Measures Act (Cabinet Order No. 43 of 1957, as amended) that will hold Notes for its own proprietary account or (iii) an individual resident of Japan or a Japanese corporation whose receipt of interest on the Notes will be made through a payment-handling agent in Japan as defined in Article 2-2 paragraph 2 of the Cabinet Order.

Singapore

This offering memorandum has not been and will not be registered as a prospectus with the MAS. Accordingly, this offering memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes may not be circulated or distributed, nor may the Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than:

(i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA; or

(ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to, and in accordance with, the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018 of Singapore.

Any reference to the SFA is a reference to the Securities and Futures Act 2001 of Singapore and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term or provision as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

Switzerland

This offering memorandum is not intended to constitute an offer or solicitation to purchase or invest in the Notes. The Notes may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the FinSA and no application has or will be made to admit the Notes to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Neither this offering memorandum nor any other offering or marketing material relating to the Notes constitutes a prospectus as such term is understood pursuant to the FinSA, and neither this offering memorandum nor any other offering or marketing material relating to the Notes may be publicly distributed or otherwise made publicly available in Switzerland.

The Notes are not intended to be offered, sold, marketed or otherwise made available to and shall not be offered, sold, marketed or otherwise made available to any private client in Switzerland other than in the context of a portfolio management agreement within the meaning of Article 58(2) FinSA and Article 83 of the Swiss Financial Services Ordinance. No key information document within the meaning of Article 58 FinSA has been prepared with respect to the Notes.

Qatar

Any Notes issued in connection with this offering memorandum will not be offered, sold or delivered, directly or indirectly, in the State of Qatar (including the Qatar Financial Centre) in a manner that would constitute a public offer of securities in the State of Qatar under Law No. 5 of 2002 (the Commercial Companies Law). This Offering Memorandum has not been and will not be reviewed or approved by, or registered with, the Qatar Financial Markets Authority, the Qatar Central Bank, the Qatar Stock Exchange or the Qatar Financial Centre Regulatory Authority in accordance with their regulations or any other regulations in the State of Qatar. The Notes are not and will not be traded on the Qatar Stock Exchange. The Notes and interests therein will not be offered to investors domiciled or resident in the State of Qatar and do not constitute debt financing in the State of Qatar under the Commercial Companies Law No. (11) of 2015 or otherwise under the laws of Qatar.

Australia

This offering memorandum does not constitute an offer of or an invitation to purchase or subscribe for the Notes in Australia, and the Notes may not be offered, sold or delivered in or to any resident of Australia except in accordance with applicable law. Neither this offering memorandum nor any other prospectus or disclosure document (as defined in the Australian Corporations Act) in relation to the Notes has been or will be lodged with the ASIC or the ASX and the Notes may not be offered for sale, nor may applications for the issue, sale, purchase or subscription of any Notes be invited, in, to or from Australia (including an offer or invitation which is received by a person in Australia) and neither this offering memorandum nor any advertisement or other offering material relating to the Notes may be distributed or published in Australia unless in each case:

i. (A) the aggregate consideration payable by each offeree or invitee for the Notes is at least AU$500,000 (or its equivalent in other currencies) (disregarding moneys lent by the offeror or its associates); or (B) the offer otherwise does not require disclosure to investors in accordance with Parts 6D.2 or 7.9 of the Australian Corporations Act;

ii. the offer or invitation is not made to a person who is a "retail client" within the meaning of section 761G or 761 GA of the Australian Corporations Act;

iii. the offer, invitation or distribution complies with all applicable Australian laws, regulations and directives relating to the offer, invitation, sale and resale of the Notes; and

iv. such action does not require any document to be lodged with ASIC or any other regulatory authority in Australia.

Other Jurisdictions

The distribution of this offering memorandum may be restricted by law in certain jurisdictions. Persons into whose possession this offering memorandum (or any part hereof) comes are required by us and the Initial Purchasers to inform themselves about, and to observe, any such restrictions.

The Notes may be sold only to purchasers in the provinces of Canada purchasing, or deemed to be purchasing, as principal that are "accredited investors", as defined in National Instrument 45-106 *Prospectus*

Exemptions or subsection 73.3(1) of the *Securities Act* (Ontario), and are "permitted clients", as defined in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*. Any resale of the Notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

NOTICE TO INVESTORS

You are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of any of the Notes offered hereby.

The Notes have not been and will not be registered under the U.S. Securities Act or the securities laws of any other jurisdiction and may not be offered, sold, pledged or otherwise transferred within the United States or to, or for the account or benefit of, U.S. persons (as such terms are defined under the U.S. Securities Act). The Notes are being offered by this offering memorandum only outside the United States in offshore transactions in reliance upon Regulation S under the U.S. Securities Act to persons other than U.S. persons as defined in Rule 902 under the U.S. Securities Act and other than retail investors in: (a) the European Economic Area, defined as a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "EU MiFID II") or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II; or (b) the United Kingdom, defined as a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (as amended, the "FSMA") and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA.

Each purchaser of the Notes, by its acceptance of this offering memorandum, will be deemed to have acknowledged, represented to, and agreed with us and the Initial Purchasers as follows:

(1) The purchaser understands and acknowledges that the Notes have not been registered under the U.S. Securities Act or any other applicable securities law, the Notes are being offered for resale in offshore transactions not requiring registration under the U.S. Securities Act or any other securities laws in reliance on Regulation S under the U.S. Securities Act, and none of the Notes may be offered, sold or otherwise transferred except in compliance with the registration requirements of the U.S. Securities Act or any other applicable securities laws, pursuant to an exemption from such laws or in a transaction not subject to such laws, and in each case, in compliance with the conditions for transfer set forth in paragraphs (3), (4) and (5) below.

(2) The purchaser is not a U.S. person (and is not purchasing for the account or benefit of a U.S. person) within the meaning of Regulation S under the U.S. Securities Act and is purchasing Notes in an offshore transaction in accordance with Regulation S.

(3) The purchaser is purchasing the Notes for its own account, or for one or more investor accounts for which it is acting as a fiduciary or agent, in each case for investment, and not with a view to, or for offer or sale in connection with, any distribution of the Notes in violation of the U.S. Securities Act or the securities laws of any other jurisdiction, subject to any requirement of law that the disposition of its property or the property of such investor account or accounts be, at all times, within its or their control and subject to its or their ability to resell such Notes pursuant to Regulation S or any exemption from registration available under the U.S. Securities Act.

(4) The purchaser agrees on its own behalf and on behalf of any investor account for which it is purchasing the Notes and each subsequent holder of the Notes, by its acceptance of the Notes, to offer, sell or otherwise transfer such Notes prior to the end of the resale restriction periods described below only (a) to the Company or any subsidiary thereof, (b) pursuant to a registration statement which has been declared effective under the U.S. Securities Act, (c) pursuant to offers and sales to non-U.S. persons that occur in offshore transactions outside the United States in reliance on Regulation S under the U.S. Securities Act or (d) pursuant to any other available exemption from the registration requirements of the U.S. Securities Act, subject in each of the foregoing cases to any requirement of law that the disposition of its property or the property of such investor account or accounts be at all times within its or their control and in compliance with any applicable state securities laws and any other applicable local laws and regulations. The purchaser will, and each subsequent purchaser is required to, notify any subsequent purchaser of the Notes from the purchaser or it of the resale restrictions referred to in the legend below. The foregoing restrictions on resale will apply from the closing date until the date that is 40 days after the later of the commencement of this offering and the Issue Date and will not apply after the applicable resale restriction period ends. Each purchaser acknowledges that we and the Trustee reserve the right prior to any offer, sale or other transfer pursuant to clauses (c) and (d) prior to the end of the applicable

resale restriction period to require the delivery of an opinion of counsel, certifications and/or other information satisfactory to us and the Trustee.

(5) The purchaser understands that the Notes will be represented by Dollar Global Notes or Euro Global Notes, as applicable, and that transfers of such Notes are restricted as described in this section and in the section entitled "Book-Entry, Delivery and Form."

(6) The purchaser acknowledges that each certificate representing a Note will contain a legend substantially to the following effect:

> THE SECURITY EVIDENCED HEREBY WAS ORIGINALLY ISSUED IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"), AND HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THE SECURITY EVIDENCED HEREBY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT.
>
> THE HOLDER OF THIS NOTE BY ITS ACCEPTANCE HEREOF (1) REPRESENTS THAT IT IS NOT A U.S. PERSON AND IS ACQUIRING THIS NOTE IN AN "OFFSHORE TRANSACTION" IN RELIANCE ON REGULATION S UNDER THE U.S. SECURITIES ACT, AND (2) AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR ACCOUNT FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, PRIOR TO THE DATE (THE "RESALE RESTRICTION TERMINATION DATE") THAT IS 40 DAYS AFTER THE LATER OF THE COMMENCEMENT OF THE OFFERING OF THE NOTES AND THE ISSUE DATE HEREOF, ONLY (A) TO THE COMPANY OR SUBSIDIARIES THEREOF, (B) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BEEN DECLARED EFFECTIVE UNDER THE U.S. SECURITIES ACT, (C) PURSUANT TO OFFERS AND SALES THAT OCCUR IN OFFSHORE TRANSACTIONS OUTSIDE THE UNITED STATES IN RELIANCE ON REGULATION S UNDER THE U.S. SECURITIES ACT, OR (D) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSITION OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS AND FURTHER SUBJECT TO THE COMPANY'S AND THE TRUSTEE'S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER (I) PURSUANT TO CLAUSES (C) OR (D) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM, (II) IN EACH OF THE FOREGOING CASES, TO REQUIRE THAT A CERTIFICATE OF TRANSFER IN THE FORM APPEARING ON THE OTHER SIDE OF THIS NOTE IS COMPLETED AND DELIVERED BY THE TRANSFEROR TO THE TRUSTEE AND (III) AGREES THAT IT WILL GIVE TO EACH PERSON TO WHOM THIS NOTE IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND.
>
> THIS LEGEND WILL BE REMOVED UPON THE REQUEST OF THE HOLDER AFTER THE RESALE RESTRICTION TERMINATION DATE.

If you purchase Notes, you will also be deemed to acknowledge that the foregoing restrictions apply to holders of beneficial interests in these Notes as well as to holders of these Notes.

(7) You acknowledge that until 40 days after the commencement of the offering, any offer or sale of the Notes within the United States by a dealer (whether or not participating in the Offering) may violate the registration requirements of the Securities Act. The purchaser acknowledges that the Trustee will not be required to accept for registration of transfer of any Notes acquired by them, except upon presentation of evidence satisfactory to us and the Trustee that the restrictions set forth herein have

been complied with.

(8) The purchaser agrees that it will deliver to each person to whom it transfers Notes notice of any restrictions on the transfer of such securities.

(9) The purchaser acknowledges that the Company, the Initial Purchasers, the Transfer Agent and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations, warranties and agreements and agrees that if any of the acknowledgments, representations, warranties and agreements deemed to have been made by its purchase of the Notes are no longer accurate, it shall promptly notify us, the Initial Purchasers and the Transfer Agent. If it is acquiring any Notes as a fiduciary or agent for one or more investor accounts, it represents that it has sole investment discretion with respect to each such investor account and that it has full power to make the foregoing acknowledgments, representations and agreements on behalf of each such investor account.

(10) The purchaser understands that no action has been taken in any jurisdiction (including the United States) by the Company or the Initial Purchasers that would permit a public offering of the Notes or the possession, circulation or distribution of this offering memorandum or any other material relating to the Company or the Notes in any jurisdiction where action for the purpose is required. Consequently, any transfer of the Notes will be subject to the selling restrictions set forth herein.

(11) The purchaser acknowledges that none of the Company or the Initial Purchasers, nor any person representing any of them, has made any representation to such purchaser with respect to us or the offer or sale of any of the Notes, other than the information contained in this offering memorandum, which offering memorandum has been delivered to such purchaser and upon which such purchaser is relying in making its investment decision with respect to the Notes.

(12) The purchaser acknowledges that neither the Initial Purchasers nor any person representing the initial purchasers make any representation or warranty as to the accuracy or completeness of this offering memorandum. The purchaser has had access to such financial and other information concerning us and the Notes as it has deemed necessary in connection with its decision to purchase any of the Notes, including an opportunity to ask questions of, and request information from, us and the Initial Purchasers.

(13) You are not a "retail investor" in: (a) the European Economic Area, defined as a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of EU MiFID II or (ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II; or (b) the United Kingdom, defined as a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA.

LEGAL MATTERS

Certain legal matters in connection with the offering of the Notes will be passed upon for us by Morrison & Foerster LLP, with respect to matters of English, U.S. federal and New York state law, and by Mori Hamada & Matsumoto, with respect to certain matters of Japanese law, and for the Initial Purchasers by Latham & Watkins (London) LLP, with respect to matters of U.S. federal and New York state law, and by Latham & Watkins Gaikokuho Joint Enterprise, with respect to matters of Japanese law.

INDEPENDENT AUDITOR

The consolidated financial statements of the Company and its subsidiaries as of and for the fiscal year ended March 31, 2025, with the corresponding figures presented as comparative information as of and for the fiscal year ended March 31, 2024, included in this offering memorandum, have been audited by Deloitte Touche Tohmatsu LLC, independent auditor as stated in its report appearing herein.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of SoftBank Group Corp.:

<Audit of Consolidated Financial Statements>

Opinion

We have audited the consolidated financial statements of SoftBank Group Corp. and its subsidiaries (the "Company"), which comprise the consolidated statement of financial position as of March 31, 2025, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information, all expressed in Japanese yen.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as of March 31, 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB").

Convenience Translation

Our audit also comprehended the translation of Japanese yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made in accordance with the basis stated in "(3) Presentation currency and unit of currency" under "Note 2. Basis of preparation of consolidated financial statements" to the consolidated financial statements. Such U.S. dollar amounts are presented solely for the convenience of readers outside Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

A key audit matter is a matter that, in our professional judgment, was of most significance in our audit of the consolidated financial statements of the current period. The matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on the matter.

The reasonableness of the valuation of the investments from SVF (FVTPL) classified as Level 3

(1) Key Audit Matter Description

The Company holds its investments primarily through SoftBank Vision Fund L.P. and its alternative investment vehicles and SoftBank Vision Fund II-2 L.P. and SBLA Latin America Fund LLC ("SVF"). The recorded investments from SVF (FVTPL) were ¥11,410,922 million in the consolidated statement of financial position as of March 31, 2025, and were quantitatively material in the consolidated financial statements. Also, the account includes ¥7,996,799 million of Level 3 investments, whose fair values were measured using unobservable inputs as discussed in "Note 29. Fair value of financial instruments." The enterprise values to calculate the fair values of the investments from SVF (FVTPL) classified as Level 3 are calculated primarily based on the market comparable company multiple method, the recent transactions method and the discounted cash flow method. Calculations are determined utilizing one or more of these methods for each security.

For each valuation method, the following significant assumptions, which are subject to a high degree of management judgment are highly sensitive:

- Selection of peer companies as the basis for revenue multiples used for a market comparable company multiple method
- Business plan and capital cost that are used in the discounted cash flow method
- Weighted average ratio when more than one valuation methods described above are used

The occurrence of the subsequent events that provide additional evidence to fair value at the end of the reporting period are also highly sensitive.

The calculated enterprise value is allocated to the equity value of each type of stock according to the capital structure of the investee to calculate the fair value. With the main consideration of shareholder's rights and their preferred rights, the option pricing method and other methods are used to determine the allocation ratio. In addition, the allocation ratio is determined by considering the possibility that the preferred stock will be converted into common stock through an initial public offering and other events. The estimates that are associated with high uncertainty in the future, such as a possibility of an initial public offering, significantly affect the allocation ratio.

Based on the above, we determined that the reasonableness of the valuation of the investments from SVF (FVTPL) classified as Level 3 is a key audit matter.

(2) How the Key Audit Matter Was Addressed in the Audit

We performed the following primary procedures to evaluate the reasonableness of the estimates related to valuation of the investments from SVF (FVTPL) classified as Level 3 by directing and supervising the component auditors:

- We tested the reasonableness of the selection of valuation methods utilized by performing inquires of management, evaluating the consistency of the valuation methods previously utilized and evaluating the appropriateness of changes in such methods, if any.
- For the investments from SVF (FVTPL) classified as Level 3 where the market comparable company multiple method is utilized, we evaluated the reasonableness of management's selection of peer companies, which serves as the basis for the revenue multiples selected by management, with the assistance of our valuation specialists.
- For the investments from SVF (FVTPL) classified as Level 3 where the discounted cash flow method is utilized, we primarily performed retrospective reviews of performance against plan in order to evaluate the reasonableness of the business plan. We evaluated the reasonableness of the capital cost used in the valuation with the assistance of our valuation specialists.
- For the investments from SVF (FVTPL) classified as Level 3 where more than one valuation methods are utilized, we evaluated the reasonableness of the weighted average ratio of more than one valuation methods, including consistency among the weighted average ratio previously used and the condition of investee, as well as the appropriateness of changes in the ratio, if any.
- We performed inquiries of management, inspected publicly available information to identify if there are any new funding rounds or other events, and evaluated whether or not these events should be considered in estimating the fair value of the relevant investment at the end of the reporting period.

- In case the calculated enterprise value needs to be allocated to each class of shares, we verified whether the allocation is calculated based on the preferred-subordinate relationship defined in the contract, articles of incorporation and other information, performed inquires of management and inspected related documents regarding the estimate of the possibility of an initial public offering.
- With the assistance of our valuation specialists, we evaluated whether the fair value calculated by management did not deviate materially from the estimate of valuation assessed by us.

Responsibilities of Management and Audit & Supervisory Board Members and the Audit & Supervisory Board for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the IASB, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with IFRS Accounting Standards as issued by the IASB and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in Japan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the overall presentation and disclosures of the consolidated financial statements are in accordance with IFRS Accounting Standards as issued by the IASB, as well as the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with Audit & Supervisory Board members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit & Supervisory Board members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with Audit & Supervisory Board members and the Audit & Supervisory Board, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

<Fee-Related Information>

Fees for audit and other services for the year ended March 31, 2025, which were charged by us and our network firms to SoftBank Group Corp. and its subsidiaries were ¥9,688 million and ¥347 million, respectively.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

/s/Deloitte Touche Tohmatsu LLC
Tokyo, Japan
June 26, 2025

Consolidated Financial Statements

a. Consolidated Statement of Financial Position

	Notes	(Millions of yen) As of March 31, 2024	(Millions of yen) As of March 31, 2025	(Thousands of U.S. dollars) As of March 31, 2025
ASSETS				
Current assets				
Cash and cash equivalents	8	¥ 6,186,874	¥ 3,713,028	$ 24,832,986
Trade and other receivables	9, 28	2,868,767	3,008,144	20,118,673
Derivative financial assets	28	852,350	111,258	744,101
Other financial assets	10, 28	777,996	1,485,877	9,937,647
Inventories	11	161,863	198,291	1,326,184
Other current assets	12	550,984	365,880	2,447,030
Subtotal		11,398,834	8,882,478	59,406,621
Assets classified as held for sale	13	42,559	550,440	3,681,381
Total current assets		11,441,393	9,432,918	63,088,002
Non-current assets				
Property, plant and equipment	14	1,895,289	2,830,185	18,928,471
Right-of-use assets	15	746,903	857,961	5,738,102
Goodwill	16	5,709,874	5,781,931	38,669,951
Intangible assets	16	2,448,840	2,414,562	16,148,756
Costs to obtain contracts		317,650	383,022	2,561,677
Investments accounted for using the equity method	19	839,208	502,995	3,364,065
Investments from SVF (FVTPL)	28	11,014,487	11,410,922	76,317,028
Investment securities	28	9,061,972	8,040,068	53,772,525
Derivative financial assets	28	385,528	168,248	1,125,254
Other financial assets	10, 28	2,424,282	2,767,625	18,510,066
Deferred tax assets	21	245,954	207,987	1,391,031
Other non-current assets	12	192,863	215,332	1,440,155
Total non-current assets		35,282,850	35,580,838	237,967,081
Total assets		¥46,724,243	¥45,013,756	$301,055,083

	Notes	(Millions of yen) As of March 31, 2024	(Millions of yen) As of March 31, 2025	(Thousands of U.S. dollars) As of March 31, 2025
LIABILITIES AND EQUITY				
Current liabilities				
Interest-bearing debt	22, 28	¥ 8,271,143	¥ 5,629,648	$ 37,651,471
Lease liabilities	17, 28	149,801	165,355	1,105,906
Deposits for banking business	23, 28	1,643,155	1,795,965	12,011,537
Trade and other payables	24, 28	2,710,529	3,036,349	20,307,310
Derivative financial liabilities	28	195,090	840,469	5,621,114
Other financial liabilities	25, 28	31,801	5,940	39,727
Income taxes payable		163,226	444,180	2,970,706
Provisions	27	44,704	54,047	361,470
Other current liabilities	26	801,285	629,717	4,211,591
Subtotal		14,010,734	12,601,670	84,280,832
Liabilities directly relating to assets classified as held for sale	13	9,561	—	—
Total current liabilities		14,020,295	12,601,670	84,280,832
Non-current liabilities				
Interest-bearing debt	22, 28	12,296,381	12,376,682	82,776,097
Lease liabilities	17, 28	644,706	741,665	4,960,306
Third-party interests in SVF	7, 28	4,694,503	3,652,797	24,430,157
Derivative financial liabilities	28	41,238	104,197	696,877
Other financial liabilities	25, 28	57,017	199,284	1,332,825
Provisions	27	167,902	155,436	1,039,567
Deferred tax liabilities	21	1,253,039	924,392	6,182,397
Other non-current liabilities	26	311,993	304,607	2,037,232
Total non-current liabilities		19,466,779	18,459,060	123,455,458
Total liabilities		33,487,074	31,060,730	207,736,290
Equity				
Equity attributable to owners of the parent				
Common stock	33	238,772	238,772	1,596,923
Capital surplus	33	3,326,093	3,376,724	22,583,761
Other equity instruments	33	193,199	193,199	1,292,128
Retained earnings	33	1,632,966	2,701,792	18,069,770
Treasury stock	33	(22,725)	(256,251)	(1,713,824)
Accumulated other comprehensive income	33	5,793,820	5,307,305	35,495,620
Total equity attributable to owners of the parent		11,162,125	11,561,541	77,324,378
Non-controlling interests	18, 33	2,075,044	2,391,485	15,994,415
Total equity		13,237,169	13,953,026	93,318,793
Total liabilities and equity		¥46,724,243	¥45,013,756	$301,055,083

b. Consolidated Statement of Profit or Loss and Consolidated Statement of Comprehensive Income

Consolidated Statement of Profit or Loss

	Notes	(Millions of yen)		(Thousands of U.S. dollars)
		Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Net sales	36	¥ 6,756,500	¥ 7,243,752	$ 48,446,709
Cost of sales	37	(3,214,108)	(3,489,549)	(23,338,342)
Gross profit		3,542,392	3,754,203	25,108,367
Gain on investments				
Gain (loss) on investments at Investment Business of Holding Companies	38	(459,045)	3,413,821	22,831,869
Gain (loss) on investments at SoftBank Vision Funds	7	(167,290)	387,584	2,592,188
Gain (loss) on other investments		66,985	(100,298)	(670,800)
Total gain on investments		(559,350)	3,701,107	24,753,257
Selling, general and administrative expenses	37	(2,982,383)	(3,024,409)	(20,227,455)
Finance cost	39	(556,004)	(581,559)	(3,889,506)
Foreign exchange gain (loss)		(703,122)	27,055	180,946
Derivative gain (loss) (excluding gain (loss) on investments)	40	1,502,326	(2,034,029)	(13,603,725)
Change in third-party interests in SVF	7	(390,137)	(491,898)	(3,289,848)
Other gain	41	204,079	354,251	2,369,255
Income before income tax		57,801	1,704,721	11,401,291
Income taxes	21	151,416	(101,613)	(679,595)
Net income		¥ 209,217	¥ 1,603,108	$ 10,721,696
Net income attributable to				
Owners of the parent		¥ (227,646)	¥ 1,153,332	$ 7,713,563
Non-controlling interests	18	436,863	449,776	3,008,133
Net income		¥ 209,217	¥ 1,603,108	$ 10,721,696

		(Yen)		(U.S. dollars)
		Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Earnings per share				
Basic earnings per share	43	¥ (170.99)	¥ 780.82	$ 5.22
Diluted earnings per share	43	¥ (174.20)	¥ 779.40	$ 5.21

Consolidated Statement of Comprehensive Income

	Notes	(Millions of yen)		(Thousands of U.S. dollars)
		Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Net income		¥ 209,217	¥1,603,108	$10,721,696
Other comprehensive income, net of tax				
Items that will not be reclassified to profit or loss				
Remeasurements of defined benefit plan	42	(308)	2,598	17,376
Equity financial assets at FVTOCI	42	10,777	(13,757)	(92,008)
Share of other comprehensive income of associates	42	326	162	1,084
Total items that will not be reclassified to profit or loss		10,795	(10,997)	(73,548)
Items that may be reclassified subsequently to profit or loss				
Debt financial assets at FVTOCI	42	(286)	(2,373)	(15,871)
Cash flow hedges	42	24,007	42,263	282,658
Exchange differences on translating foreign operations	42	2,000,916	(547,774)	(3,663,550)
Share of other comprehensive income of associates	42	(3,208)	(1,879)	(12,567)
Total items that may be reclassified subsequently to profit or loss		2,021,429	(509,763)	(3,409,330)
Total other comprehensive income, net of tax		2,032,224	(520,760)	(3,482,878)
Total comprehensive income		¥2,241,441	¥1,082,348	$ 7,238,818
Total comprehensive income attributable to				
Owners of the parent		¥1,809,984	¥ 666,237	$ 4,455,838
Non-controlling interests		431,457	416,111	2,782,980
Total comprehensive income		¥2,241,441	¥1,082,348	$ 7,238,818

c. **Consolidated Statement of Changes in Equity**

For the fiscal year ended March 31, 2024

		(Millions of yen)						
		Equity attributable to owners of the parent						
	Notes	Common stock	Capital surplus	Other equity instruments	Retained earnings	Treasury stock	Accumulated other comprehensive income	Total
As of April 1, 2023		¥238,772	¥2,652,790	¥ 414,055	¥2,006,238	¥(38,791)	¥3,756,785	¥ 9,029,849
Comprehensive income								
Net income		—	—	—	(227,646)	—	—	(227,646)
Other comprehensive income		—	—	—	—	—	2,037,630	2,037,630
Total comprehensive income		—	—	—	(227,646)	—	2,037,630	1,809,984
Transactions with owners and other transactions								
Cash dividends	34	—	—	—	(64,433)	—	—	(64,433)
Distribution to owners of other equity instruments	33	—	—	—	(25,624)	—	—	(25,624)
Redemption and cancellation of other equity instruments	33	—	(740)	(220,856)	(56,164)	—	—	(277,760)
Transfer of accumulated other comprehensive income to retained earnings		—	—	—	595	—	(595)	—
Purchase and disposal of treasury stock	33	—	740	—	—	16,066	—	16,806
Changes from loss of control		—	—	—	—	—	—	—
Changes in interests in subsidiaries	33	—	678,056	—	—	—	—	678,056
Issuance of other equity instruments in subsidiaries	33	—	—	—	—	—	—	—
Changes in interests in associates' capital surplus		—	(91)	—	—	—	—	(91)
Share-based payment transactions		—	(3,833)	—	—	—	—	(3,833)
Other		—	(829)	—	—	—	—	(829)
Total transactions with owners and other transactions		—	673,303	(220,856)	(145,626)	16,066	(595)	322,292
As of March 31, 2024		¥238,772	¥3,326,093	¥ 193,199	¥1,632,966	¥(22,725)	¥5,793,820	¥11,162,125

	Notes	(Millions of yen) Non-controlling interests	Total equity
As of April 1, 2023		¥1,619,366	¥10,649,215
Comprehensive income			
Net income		436,863	209,217
Other comprehensive income		(5,406)	2,032,224
Total comprehensive income		431,457	2,241,441
Transactions with owners and other transactions			
Cash dividends	34	(288,296)	(352,729)
Distribution to owners of other equity instruments	33	—	(25,624)
Redemption and cancellation of other equity instruments	33	—	(277,760)
Transfer of accumulated other comprehensive income to retained earnings		—	—
Purchase and disposal of treasury stock	33	—	16,806
Changes from loss of control		(5,359)	(5,359)
Changes in interests in subsidiaries	33	81,038	759,094
Issuance of other equity instruments in subsidiaries	33	120,000	120,000
Changes in interests in associates' capital surplus		—	(91)
Share-based payment transactions		113,967	110,134
Other		2,871	2,042
Total transactions with owners and other transactions		24,221	346,513
As of March 31, 2024		¥2,075,044	¥13,237,169

For the fiscal year ended March 31, 2025

	Notes	(Millions of yen)						
		Equity attributable to owners of the parent						
		Common stock	Capital surplus	Other equity instruments	Retained earnings	Treasury stock	Accumulated other comprehensive income	Total
As of April 1, 2024		¥238,772	¥3,326,093	¥193,199	¥1,632,966	¥ (22,725)	¥5,793,820	¥11,162,125
Comprehensive income								
Net income		—	—	—	1,153,332	—	—	1,153,332
Other comprehensive income		—	—	—	—	—	(487,095)	(487,095)
Total comprehensive income		—	—	—	1,153,332	—	(487,095)	666,237
Transactions with owners and other transactions								
Cash dividends	34	—	—	—	(64,086)	—	—	(64,086)
Distribution to owners of other equity instruments	33	—	—	—	(18,867)	—	—	(18,867)
Transfer of accumulated other comprehensive income to retained earnings		—	—	—	(580)	—	580	—
Purchase and disposal of treasury stock	33	—	—	—	(973)	(233,526)	—	(234,499)
Changes from loss of control		—	—	—	—	—	—	—
Changes in interests in subsidiaries		—	49,732	—	—	—	—	49,732
Issuance of other equity instruments in subsidiaries	33	—	—	—	—	—	—	—
Share-based payment transactions		—	(1,049)	—	—	—	—	(1,049)
Other		—	1,948	—	—	—	—	1,948
Total transactions with owners and other transactions		—	50,631	—	(84,506)	(233,526)	580	(266,821)
As of March 31, 2025		¥238,772	¥3,376,724	¥193,199	¥2,701,792	¥(256,251)	¥5,307,305	¥11,561,541

	Notes	(Millions of yen) Non-controlling interests	Total equity
As of April 1, 2024		¥2,075,044	¥13,237,169
Comprehensive income			
Net income		449,776	1,603,108
Other comprehensive income		(33,665)	(520,760)
Total comprehensive income		416,111	1,082,348
Transactions with owners and other transactions			
Cash dividends	34	(368,868)	(432,954)
Distribution to owners of other equity instruments	33	—	(18,867)
Transfer of accumulated other comprehensive income to retained earnings		—	—
Purchase and disposal of treasury stock	33	—	(234,499)
Changes from loss of control		(25,614)	(25,614)
Changes in interests in subsidiaries		47,930	97,662
Issuance of other equity instruments in subsidiaries	33	200,000	200,000
Share-based payment transactions		46,737	45,688
Other		145	2,093
Total transactions with owners and other transactions		(99,670)	(366,491)
As of March 31, 2025		¥2,391,485	¥13,953,026

	Notes	(Thousands of U.S. dollars) Equity attributable to owners of the parent						
		Common stock	Capital surplus	Other equity instruments	Retained earnings	Treasury stock	Accumulated other comprehensive income	Total
As of April 1, 2024		$1,596,923	$22,245,137	$1,292,128	$10,921,389	$ (151,986)	$38,749,466	$74,653,057
Comprehensive income								
Net income		—	—	—	7,713,563	—	—	7,713,563
Other comprehensive income		—	—	—	—	—	(3,257,725)	(3,257,725)
Total comprehensive income		—	—	—	7,713,563	—	(3,257,725)	4,455,838
Transactions with owners and other transactions								
Cash dividends	34	—	—	—	(428,612)	—	—	(428,612)
Distribution to owners of other equity instruments	33	—	—	—	(126,184)	—	—	(126,184)
Transfer of accumulated other comprehensive income to retained earnings		—	—	—	(3,879)	—	3,879	—
Purchase and disposal of treasury stock	33	—	—	—	(6,507)	(1,561,838)	—	(1,568,345)
Changes from loss of control		—	—	—	—	—	—	—
Changes in interests in subsidiaries		—	332,611	—	—	—	—	332,611
Issuance of other equity instruments in subsidiaries	33	—	—	—	—	—	—	—
Share-based payment transactions		—	(7,016)	—	—	—	—	(7,016)
Other		—	13,029	—	—	—	—	13,029
Total transactions with owners and other transactions		—	338,624	—	(565,182)	(1,561,838)	3,879	(1,784,517)
As of March 31, 2025		$1,596,923	$22,583,761	$1,292,128	$18,069,770	$(1,713,824)	$35,495,620	$77,324,378

	Notes	(Thousands of U.S. dollars) Non-controlling interests	Total equity
As of April 1, 2024		$13,878,035	$88,531,092
Comprehensive income			
Net income		3,008,133	10,721,696
Other comprehensive income		(225,153)	(3,482,878)
Total comprehensive income		2,782,980	7,238,818
Transactions with owners and other transactions			
Cash dividends	34	(2,467,014)	(2,895,626)
Distribution to owners of other equity instruments	33	—	(126,184)
Transfer of accumulated other comprehensive income to retained earnings		—	—
Purchase and disposal of treasury stock	33	—	(1,568,345)
Changes from loss of control		(171,308)	(171,308)
Changes in interests in subsidiaries		320,559	653,170
Issuance of other equity instruments in subsidiaries	33	1,337,614	1,337,614
Share-based payment transactions		312,580	305,564
Other		969	13,998
Total transactions with owners and other transactions		(666,600)	(2,451,117)
As of March 31, 2025		$15,994,415	$93,318,793

d. Consolidated Statement of Cash Flows

	Notes	(Millions of yen) Fiscal year ended March 31, 2024	(Millions of yen) Fiscal year ended March 31, 2025	(Thousands of U.S. dollars) Fiscal year ended March 31, 2025
Cash flows from operating activities				
Net income		¥ 209,217	¥ 1,603,108	$ 10,721,696
Depreciation and amortization		858,620	866,823	5,797,372
Loss (gain) on investments at Investment Business of Holding Companies		449,817	(3,422,188)	(22,887,828)
Loss (gain) on investments at SoftBank Vision Funds		167,290	(387,584)	(2,592,188)
Finance cost		556,004	581,559	3,889,506
Foreign exchange loss (gain)		703,122	(27,055)	(180,946)
Derivative (gain) loss (excluding (gain) loss on investments)		(1,502,326)	2,034,029	13,603,725
Change in third-party interests in SVF		390,137	491,898	3,289,848
(Gain) loss on other investments and other gain		(271,064)	(253,953)	(1,698,455)
Income taxes		(151,416)	101,613	679,595
Increase in investments from asset management subsidiaries		(230,986)	(769,572)	(5,146,950)
Increase in trade and other receivables		(476,511)	(508,544)	(3,401,177)
Decrease (increase) in inventories		5,436	(40,000)	(267,523)
Increase in trade and other payables		325,731	237,030	1,585,273
Other		208,593	93,974	628,504
Subtotal		1,241,664	601,138	4,020,452
Interest and dividends received		256,083	299,714	2,004,508
Interest paid		(430,422)	(482,111)	(3,224,391)
Income taxes paid	44	(885,617)	(380,008)	(2,541,520)
Income taxes refunded	44	68,839	164,847	1,102,508
Net cash provided by operating activities		250,547	203,580	1,361,557

	Notes	(Millions of yen)		(Thousands of U.S. dollars)
		Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Cash flows from investing activities				
Payments for acquisition of investments	44	(800,925)	(1,625,245)	(10,869,750)
Proceeds from sales/redemption of investments	44	219,668	1,180,746	7,896,910
Payments for acquisition of investments by SVF		(212,045)	(578,927)	(3,871,903)
Proceeds from sales of investments by SVF		922,020	458,319	3,065,269
Payments for acquisition of investments by asset management subsidiaries		(76,877)	—	—
Payments (net) for acquisition of control over subsidiaries	44	(104,484)	(194,216)	(1,298,930)
Proceeds (net) from loss of control over subsidiaries		96,755	94,862	634,444
Purchase of property, plant and equipment, and intangible assets	44	(622,612)	(854,173)	(5,712,768)
Payments for loan receivables		(313,686)	(36,538)	(244,369)
Collection of loan receivables		107,481	119,384	798,448
Payments into time deposits		(148,657)	(139,211)	(931,053)
Proceeds from withdrawal of time deposits		77,954	166,897	1,116,219
Other	44	13,947	(223,438)	(1,494,368)
Net cash used in investing activities		(841,461)	(1,631,540)	(10,911,851)

	Notes	(Millions of yen)		(Thousands of U.S. dollars)
		Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Cash flows from financing activities				
Proceeds in (repayment of) short-term interest-bearing debt, net	22	202,074	(421,723)	(2,820,512)
Proceeds from interest-bearing debt	22	5,181,190	5,313,665	35,538,155
Repayment of interest-bearing debt	22	(5,175,486)	(3,809,082)	(25,475,401)
Repayment of lease liabilities		(211,231)	(186,441)	(1,246,930)
Distribution/repayment from SVF to third-party investors	7	(783,522)	(1,485,774)	(9,936,958)
Proceeds from the partial sales of shares of subsidiaries to non-controlling interests	44	747,565	—	—
Purchase of shares of subsidiaries from non-controlling interests	44	(112,009)	(79,581)	(532,243)
Redemption of other equity instruments	44	(277,760)	—	—
Distribution to owners of other equity instruments		(25,624)	(18,867)	(126,184)
Proceeds from the issuance of other equity instruments in subsidiaries	44	120,000	200,000	1,337,614
Purchase of treasury stock		(8)	(237,058)	(1,585,460)
Cash dividends paid		(64,356)	(64,020)	(428,170)
Cash dividends paid to non-controlling interests	18	(288,119)	(368,678)	(2,465,744)
Other		81,064	41,175	275,380
Net cash used in financing activities		(606,222)	(1,116,384)	(7,466,453)
Effect of exchange rate changes on cash and cash equivalents		491,868	37,487	250,716
(Decrease) increase in cash and cash equivalents relating to transfer of assets classified as held for sale		(33,011)	33,011	220,780
Decrease in cash and cash equivalents		(738,279)	(2,473,846)	(16,545,251)
Cash and cash equivalents at the beginning of the year	8	6,925,153	6,186,874	41,378,237
Cash and cash equivalents at the end of the year	8	¥ 6,186,874	¥ 3,713,028	$ 24,832,986

Notes to Consolidated Financial Statements

1. Reporting entity

SoftBank Group Corp. is a corporation domiciled in Japan. The registered address of SoftBank Group Corp.'s head office is disclosed on our website (https://group.softbank/en/). These consolidated financial statements are composed of SoftBank Group Corp. and its subsidiaries (the "Company"). The Company engages in various businesses in the information industry, with its core business being in the Investment Business of Holding Companies segment, the SoftBank Vision Funds segment, the SoftBank segment, and the Arm segment. The details are described in "(1) Description of reportable segments" under "Note 6. Segment information."

2. Basis of preparation of consolidated financial statements

(1) Compliance with IFRS Accounting Standards

The consolidated financial statements of the Company have been prepared in accordance with IFRS Accounting Standards ("IFRS").

(2) Basis of measurement

These consolidated financial statements have been prepared on the historical cost basis, except for certain items, such as financial instruments, that are measured at fair value as described in "Note 3. Material accounting policies."

(3) Presentation currency and unit of currency

These consolidated financial statements have been presented in Japanese yen, which is the currency of the primary economic environment of SoftBank Group Corp. ("functional currency"), and yen amounts are rounded to the nearest million.

The translations of Japanese yen amounts into U.S. dollar amounts are included solely for the convenience of readers outside of Japan and have been made at a rate of ¥149.52 to $1, the exchange rate at March 31, 2025. Such translations should not be construed as representations that the Japanese yen amounts could be converted into U.S. dollars at that or any other rate.

(4) Changes in presentation

(Consolidated statement of profit or loss and consolidated statement of comprehensive income)

"Income (loss) on equity method investments" which was separately presented for the past fiscal year, is included in "Other gain (loss)" for the fiscal year ended March 31, 2025, since the amount decreased and became insignificant. In order to reflect the change in presentation, ¥(38,641) million, which was presented as "Income (loss) on equity method investments" for the fiscal year ended March 31, 2024, is included in "Other gain (loss)."

(Consolidated statement of cash flows)

a. Cash flows from operating activities

"Increase/decrease in derivative financial assets and derivative financial liabilities in asset management subsidiaries," "(Increase) decrease in restricted cash in asset management subsidiaries," and "Increase (decrease) in borrowed securities in asset management subsidiaries" which were separately presented for the past fiscal year, are included in "Other" for the fiscal year ended March 31, 2025, since the amounts decreased and became insignificant. In order to reflect the changes in presentation, ¥(248) million, ¥(3,082) million, and ¥2,816 million, which were presented as "Increase/decrease in derivative financial assets and derivative financial liabilities in asset management subsidiaries," "(Increase) decrease in restricted cash in asset management subsidiaries," and "Increase (decrease) in borrowed securities in asset management subsidiaries" for the fiscal year ended March 31, 2024, are included in "Other," respectively.

b. Cash flows from financing activities

Proceeds from (repayment of) borrowings with short maturities and quick turnover in some subsidiaries were previously presented on a gross basis and included in "Proceeds from interest-bearing debt" and "Repayment of interest-bearing debt." They are now presented on a net basis and included in "Proceeds in (repayment of) short-term interest-bearing debt, net" for the fiscal year ended March 31, 2025. In order to reflect the change in presentation, for the fiscal year ended March 31, 2024, "Proceeds from interest-bearing debt" of ¥732,900 million and "Repayment of interest-bearing debt" of ¥(713,700) million are reclassified as "Proceeds in (repayment of) short-term interest-bearing debt, net" of ¥19,200 million.

(5) New standards and interpretations not yet adopted by the Company

New standards and interpretations that are newly established or amended before the approval date of the consolidated financial statements and not yet adopted by the Company may have the following potential impacts. The impacts on the consolidated financial statements of the Company due to the adoption are currently under review.

Standard/Interpretation	Mandatory adoption (From the year beginning)	To be adopted by the Company	Outline of the new standards
IFRS 18 Presentation and disclosure in the financial statements	January 1, 2027	From the fiscal year ending March 31, 2028	The IFRS 18 replaces the previous IAS 1 and the main amendments are as follows: • Amendment to require the classification of income and expenses into either operating, investing, or financing categories and the presentation of two subtotals, "Operating profit or loss" and "Profit or loss before financing and income taxes and profit or loss" under the statement of profit or loss • Amendment to the grouping of useful information for the financial statements, including the introduction of the principles of aggregation and disaggregation of information under the statement of profit or loss • Amendment to require the disclosure of information on all indicators that meet the definition of management-defined performance measures (MPMs)

There are no other new standards and interpretations that are newly established or amended before the approval date of the consolidated financial statements and have significant impacts on the consolidated financial statements of the Company.

(6) Definitions of company names and abbreviations used in the financial report

Company names and abbreviations, unless otherwise stated or interpreted differently in the context, are as follows:

Company names / Abbreviations	**Definition**
SoftBank Group Corp.	SoftBank Group Corp. (stand-alone basis)
The Company	SoftBank Group Corp. and its subsidiaries
Each of the following names or abbreviations indicates the respective company and its subsidiaries, if any.	
SB Northstar or the asset management subsidiary	SB Northstar LP
SVF1	SoftBank Vision Fund L.P. and its alternative investment vehicles
SVF2	SoftBank Vision Fund II-2 L.P.
SVF2 LLC	SVF II Investment Holdings LLC
LatAm Funds	SBLA Latin America Fund LLC
SLA LLC	SLA Holdco II LLC
SVF	SVF1, SVF2, and LatAm Funds
SBIA	SB Investment Advisers (UK) Limited

Company names / Abbreviations	Definition
SBGA	SB Global Advisers Limited
Arm	Arm Holdings plc or Arm Limited*
SBE Global	SBE Global, LP
Fortress	Fortress Investment Group LLC
WeWork	WeWork Inc.
T-Mobile	T-Mobile US, Inc.
Alibaba	Alibaba Group Holding Limited
MgmtCo	MASA USA LLC

* A corporate reorganization was undertaken in August 2023, pursuant to which Arm Holdings Limited, a former subsidiary of Arm Limited, acquired all the issued ordinary shares of Arm Limited, thereby making it a wholly-owned subsidiary. Subsequently, Arm Holdings Limited changed its name to Arm Holdings plc and was listed on the Nasdaq Global Select Market through an initial public offering on September 14, 2023.

3. Material accounting policies

Accounting policies the Company has adopted have been applied consistently to all periods presented in these consolidated financial statements.

Please refer to "(20) Material accounting policies for the SoftBank Vision Funds segment" for details of the SoftBank Vision Funds segment.

(1) Basis of consolidation

a. Subsidiaries

A subsidiary is an entity that is controlled by SoftBank Group Corp.

The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Please refer to "a. Consolidation of SVF1, SVF2, and LatAm Funds by the Company" under "(20) Material accounting policies for the SoftBank Vision Funds segment" for details of SVF1, SVF2, and LatAm Funds.

The subsidiaries' financial statements are consolidated from the date when control is acquired ("acquisition date") until the date when the control is lost.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by the Company.

Non-controlling interests consist of those interests at the acquisition date and any adjustments for subsequent changes in those interests.

Total comprehensive income of subsidiaries is generally attributed to the owners of the parent and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

All intragroup balances and transactions and unrealized gains and losses arising from intragroup transactions are eliminated on consolidation.

Changes in the Company's ownership interests in subsidiaries that do not result in the Company losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their interests in the subsidiaries.

Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the parent.

When SoftBank Group Corp. loses control of a subsidiary, a gain or loss is calculated as the difference between:

- the aggregate of the fair value of the consideration received and the fair value of any retained interest; and
- the net carrying amount of the assets (including goodwill), liabilities, and non-controlling interests of the subsidiary when control is lost.

Any amounts previously recognized in accumulated other comprehensive income in relation to the former subsidiaries are reclassified to profit or loss.

b. Associates and joint ventures

An associate is an entity over which SoftBank Group Corp. has significant influence in the financial and operating policy decisions, but does not have control or joint control.

A joint venture is an investment which parties including SoftBank Group Corp. have joint control based on the contractual arrangement that requires unanimous consent related to significant decisions of the business activities and have rights to the net assets of the arrangement.

Investments in associates and joint ventures are accounted for using the equity method or accounted for using FVTPL.

(a) Investments accounted for using the equity method

Investments in associates and joint ventures are accounted for using the equity method and are initially recognized at cost. The investment is adjusted thereafter to recognize the Company's interest in profit or loss and other comprehensive income from the date of acquisition to the date of loss of significant influence.

When the losses of an associate and a joint venture exceed the Company's interest in the associate and the joint venture, long-term interests that, in substance, form a part of the net investment in the company are decreased to zero, and no additional loss is recognized except when the Company incurs legal or constructive obligations to or makes payments on behalf of the associate and the joint venture.

Unrealized gains or losses on intercompany transactions with associates and joint ventures are added to or deducted from the carrying amount of the investments only to the extent of the Company's interests in the associates and the joint ventures.

Any excess in the cost of acquisition of an associate and a joint venture over the Company's interest of the net fair value of the identifiable assets and liabilities recognized at the date of acquisition is recognized as goodwill and included within the carrying amount of the investments in associates and joint ventures.

Because goodwill is not separately recognized, it is not tested for impairment separately. Instead, the entire carrying amount of the investments in associates and joint ventures, including goodwill, is tested for impairment as a single asset whenever objective evidence indicates that the investment may be impaired.

(b) Investments accounted for using FVTPL

Among the investments in associates and joint ventures, investments directly made by SVF1, SVF2, and LatAm Funds, and investments made by SoftBank Group Corp. or its subsidiaries based on the premise of transferring to SVF1, SVF2, and LatAm Funds, and preferred stock investments whose feature is substantively different from common stock, are not accounted for using the equity method. These investments are classified as financial assets measured at fair value through profit or loss ("financial assets at FVTPL"). For the Company's accounting policy for the financial assets at FVTPL, please refer to "(4) Financial instruments." Also, please refer to "(b) Investments in associates and joint ventures" in "b. Portfolio company investments made by SVF1, SVF2, and LatAm Funds" under "(20) Material accounting policies for the SoftBank Vision Funds segment" for details of SVF1, SVF2, and LatAm Funds.

(2) Business combinations

Business combinations are accounted for using the acquisition method on the acquisition date.

The consideration transferred in a business combination is measured as the sum of the assets transferred by the Company, liabilities assumed by the Company from the former owners of the acquiree, and the fair value at the acquisition date of the equity interests issued by the Company. Acquisition-related costs are recognized in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their fair value, except that:

- deferred tax assets or liabilities and assets or liabilities related to employee benefits are recognized and measured in accordance with IAS 12 "Income Taxes" and IAS 19 "Employee Benefits," respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Company entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 "Share-based Payment" at the acquisition date; and
- assets or disposal groups that are classified as held-for-sale are measured in accordance with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations."

The excess of the consideration transferred and the amount of any non-controlling interest in the acquiree over the fair value of the identifiable net assets acquired at the acquisition date is recorded as goodwill. If the consideration transferred and the amount of any non-controlling interest in the acquiree is less than the fair value of the identifiable net assets of the acquired subsidiary, the difference is recognized immediately in profit or loss.

On an acquisition-by-acquisition basis, the Company chooses a measurement basis of non-controlling interests at either fair value or by the proportionate share of the non-controlling interests in the recognized amounts of the acquiree's identifiable net assets. When a business combination is achieved in stages, the Company's previously held interest in the acquiree is remeasured at fair value at the acquisition date and the resulting gain or loss, if any, is recognized in profit or loss.

Amounts arising from changes in the value of interests in the acquiree prior to the acquisition date that have previously been recognized in other comprehensive income are recognized using the same accounting treatment as the Company disposes the interests.

If the initial accounting for a business combination is incomplete by the end of the fiscal year, the Company reports in its consolidated financial statements provisional amounts for the items for which the accounting is incomplete. The Company retrospectively adjusts the provisional amounts recognized at the acquisition date as an adjustment during the measurement period when new information about facts and circumstances existed as of the acquisition date and, if known, would have affected the recognized amounts for the business combination. The measurement period shall not exceed one year from the acquisition date.

Goodwill arising in business combinations that occurred before the date of transition to IFRS is carried over at the carrying amount under the previous accounting principles (Japanese Generally Accepted Accounting Principles, "JGAAP") as of the date of transition to IFRS, and recorded by that amount after an impairment test.

(3) Foreign currency translation

a. Transactions denominated in foreign currencies

The financial statements of each group company are prepared in their currency based on the primary economic environment in which it operates ("functional currency"). Transactions in currencies other than the entity's functional currency (foreign currencies) are translated at the rates of exchange prevailing at the dates of the transactions.

Monetary items denominated in foreign currencies are translated into functional currency at the rates prevailing at the end of the fiscal year. Non-monetary items carried at fair value that are denominated in foreign currencies are translated into the functional currency at the rates prevailing at the date when the fair value was measured.

Exchange differences arising from translation are recognized in profit or loss, however, exchange differences arising from equity financial assets at fair value through other comprehensive income ("equity financial assets at FVTOCI") and cash flow hedges are recognized in other comprehensive income.

b. Foreign operations

For the purposes of presenting consolidated financial statements, the assets and liabilities of the Company's foreign operations (including goodwill arising from acquisitions and the adjustments of fair value) are translated into Japanese yen using exchange rates prevailing at the end of the fiscal year.

Income, expenses and cash flows are translated into Japanese yen by using the average exchange rates for each quarter. When the translated amounts do not approximate the amounts translated by the exchange rates at the dates of the transactions, the exchange rates at the transaction dates are used for the translation.

The exchange rates used in the translation are described in "Note 32. Foreign currency exchange rates."

Exchange differences arising from translating the financial statements of foreign operations are recognized in other comprehensive income and cumulative differences are included in accumulated other comprehensive income.

These cumulative differences are reclassified from equity to profit or loss when the Company loses control or significant influence over the foreign operation.

(4) Financial instruments

a. Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are measured at fair value at the time of initial recognition. Transaction costs that are directly attributable to the acquisition of financial assets and issuance of financial liabilities other than financial assets at FVTPL and financial liabilities at fair value through profit or loss ("financial liabilities at FVTPL") are added to the fair value of the financial assets or deducted from the fair value of financial liabilities at the time of initial recognition. Transaction costs that are directly attributable to the acquisition of the financial assets at FVTPL or financial liabilities at FVTPL are recognized in profit or loss.

b. Non-derivative financial assets

Non-derivative financial assets are classified as financial assets measured at amortized cost, debt financial assets at fair value through other comprehensive income ("debt financial assets at FVTOCI"), equity financial assets at FVTOCI, and financial assets at FVTPL. The classification depends on the nature and purpose of the financial assets and is determined upon initial recognition.

All purchases and sales of financial assets made in the ordinary course of business are recognized and derecognized on a trade date basis. Purchases and sales made in the ordinary course of business refer to acquiring or disposing of financial assets under a contract that requires the delivery of assets within a timeframe established by regulation or convention in the marketplace.

(a) Financial assets measured at amortized cost

Financial assets are classified as financial assets measured at amortized cost if both of the following conditions are met:

- the financial assets are held within a business model for which the objective is to hold financial assets to collect contractual cash flows; and
- the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets measured at amortized cost are measured at amortized cost using the effective interest method, less any impairment. Interest income based on the effective interest rate is recognized in profit or loss.

(b) Debt financial assets at FVTOCI

Financial assets are classified as debt financial assets at FVTOCI if both of the following conditions are met:

- the financial assets are held within a business model for which the objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, debt financial assets at FVTOCI are measured at fair value, and gains or losses arising from changes in fair value are recognized in other comprehensive income. Any cumulative amounts recognized in other comprehensive income are reclassified to profit or loss upon derecognition. Foreign exchange gains and losses arising on monetary financial assets classified as debt financial assets at FVTOCI and interest income calculated using the effective interest method relating to debt financial assets at FVTOCI are recognized in profit or loss.

(c) Equity financial assets at FVTOCI

At initial recognition, the Company has made an irrevocable election for equity financial assets that would otherwise be measured at fair value through profit or loss to present subsequent changes in fair value in other comprehensive income and classifies such investments as equity financial assets at FVTOCI. Subsequent to initial recognition, equity financial assets at FVTOCI are measured at fair value, and gains or losses arising from changes in fair value are recognized in other comprehensive income.

When financial assets are derecognized or there is a significant or prolonged decline in fair value below the cost, cumulative gains and losses recognized in other comprehensive income are directly transferred to retained earnings. Dividends received on equity financial assets at FVTOCI are recognized in profit or loss.

(d) Financial assets at FVTPL

Financial assets are classified as financial assets at FVTPL, if they are classified as neither financial assets measured at amortized cost, debt financial assets at FVTOCI, nor equity financial assets at FVTOCI. Please refer to "(20) Material accounting policies for the SoftBank Vision Funds segment" for the details of "Investments from SVF (FVTPL)" in the consolidated statement of financial position. Neither financial assets are designated as measured at fair value through profit or loss to eliminate or significantly reduce an accounting mismatch.

Subsequent to initial recognition, financial assets at FVTPL are measured at fair value and gains or losses arising from changes in fair value, dividend income and interest income are recognized in profit or loss.

(e) Impairment of financial assets

A loss allowance is recognized for expected credit losses on financial assets measured at amortized cost, debt financial assets at FVTOCI, and contract assets under IFRS 15 "Revenue from Contracts with Customers." At each fiscal period-end, the Company assesses whether the credit risk on financial assets has increased significantly since initial recognition. If the credit risk on financial assets has not increased significantly since initial recognition, the Company measures the loss allowance for financial assets at an amount equal to the 12-month expected credit losses. If the credit risk on financial assets has increased significantly since initial recognition or for credit impaired financial assets, the Company measures the allowance account for the financial assets at an amount equal to the lifetime expected credit losses. However, the Company always measures the loss allowance at an amount equal to the lifetime expected credit losses for trade receivables and contract assets.

Expected credit losses are estimated in a way that reflects the following:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions, and forecasts of future economic conditions.

Provision of the loss allowance relating to the measurement is recognized in profit or loss. Reversal of the loss allowance is also recognized in profit or loss when events that would reduce the loss allowance occur in subsequent periods.

The carrying amount of financial assets is directly reduced against the loss allowance when the Company has no reasonable expectations of recovering financial assets in their entirety, or a portion thereof.

(f) Derecognition of financial assets

The Company derecognizes a financial asset when, and only when the contractual rights to the cash flows from the financial asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the financial asset.

c. Non-derivative financial liabilities

Non-derivative financial liabilities are classified into financial liabilities at FVTPL or financial liabilities measured at amortized cost, and the classification is determined at initial recognition.

Non-derivative financial liabilities are classified into financial liabilities at FVTPL when the entire hybrid contract, including more than one embedded derivative, is designated as a financial liability at FVTPL. Subsequent to initial recognition, financial liabilities at FVTPL are measured at fair value and gains or losses arising from changes in fair value and interest costs are recognized in profit or loss.

Financial liabilities measured at amortized cost are measured using the effective interest method, subsequent to initial recognition.

The Company derecognizes financial liabilities when the Company's obligations are met, or debt is discharged or cancelled or expires.

d. Derivatives and hedge accounting

(a) Derivatives

The Company is engaged in derivative transactions, including foreign currency forward transactions, currency swaps, option transactions, and collar transactions in order to manage its exposure to foreign exchange rate, interest rate, and share price risks.

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently measured at their fair values at the end of fiscal year. Changes in the fair value of derivatives are recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument. Derivative financial assets not designated as hedging instruments are classified into financial assets at FVTPL, and derivative financial liabilities not designated as hedging instruments are classified into financial liabilities at FVTPL.

(b) Hedge accounting

The Company designates certain derivative transactions as hedging instruments and accounts for them as cash flow hedges.

At the inception of the hedge, the Company formally designates and documents the hedge relationship qualifying for hedge accounting, along with its risk management objectives and its strategies for undertaking various hedge transactions. At the inception of the hedge and on an ongoing basis, the Company evaluates whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the relevant hedged item during the underlying period. Specifically, a hedge is determined to be effective when all of the following criteria are met:

i. there is an economic relationship between the hedged item and the hedging instrument;
ii. the effect of credit risk does not dominate the value changes that result from that economic relationship; and
iii. the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item the Company actually hedges and the quantity of the hedging instrument the Company actually uses to hedge the quantity of the hedged item.

If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective remains the same, the Company adjusts the hedge ratio so that the hedging relationship becomes effective again.

The effective portion of changes in the fair value of derivatives that are designated and qualifying as cash flow hedges is recognized in other comprehensive income and accumulated in equity. Accumulated other comprehensive income is transferred to profit or loss through a line item relating to the hedged item in the consolidated statement of profit or loss in the year when the cash flows from the hedged item affect profit or loss. Any ineffective portion of changes in fair value of derivatives is recognized immediately in profit or loss.

The Company discontinues hedge accounting prospectively only when the hedging relationship ceases to meet the qualifying criteria, such as instances when the hedging instrument expires or is sold, terminated, or exercised.

When hedge accounting is discontinued, any related income included in accumulated other comprehensive income remains in equity and is reclassified to profit or loss when the forecasted transaction is ultimately recognized in profit or loss. When a forecasted transaction is no longer expected to occur, any related income included in accumulated other comprehensive income is immediately reclassified to profit or loss.

(c) Embedded derivatives

Derivatives embedded in host contracts that are non-derivative financial assets ("embedded derivatives") are not separated from the host contracts and are accounted for as hybrid contracts in their entirety.

When the economic characteristics and risks of the derivatives embedded in host contracts that are non-derivative financial liabilities ("embedded derivatives") are not closely related to the economic characteristics and risks of the host contracts and the whole financial instruments, including the embedded derivatives, are not classified as financial liabilities at FVTPL, the embedded derivatives are separated from the host contracts and accounted for separately as derivatives. If it is required to separate embedded derivatives from their host contracts, but the Company is unable to measure the embedded derivatives separately either at acquisition or at the end of a subsequent fiscal period, the Company designates and accounts for the entire hybrid contract as financial liabilities at FVTPL.

e. Offsetting financial assets and financial liabilities

Financial assets and financial liabilities are offset, and the net amounts are presented in the consolidated statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the recognized amounts, and intends either to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

(5) Cash and cash equivalents

Cash and cash equivalents consist of cash, demand deposits and short-term investments with maturities of three months or less that are readily convertible to cash and subject to insignificant risk of change in value.

(6) Inventories

Inventories are measured at the lower of cost and net realisable value. Inventories mainly consist of mobile devices and accessories in the SoftBank segment. Their costs comprise all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. The costs are mainly calculated by the moving-average method.

Net realizable value is calculated based on the estimated selling price in the ordinary course of business, less estimated costs of marketing, selling, and distribution.

(7) Property, plant and equipment

Property, plant and equipment are measured on a historical cost basis, less accumulated depreciation and accumulated impairment losses. Historical cost includes costs directly attributable to the acquisition of the asset and the initial estimated costs related to disassembly, retirement and site restoration.

Property, plant and equipment are depreciated mainly using the straight-line method over the estimated useful lives of each component. The depreciable amount is calculated as the cost of an asset, less its residual value. Land and construction in progress are not depreciated.

The estimated useful lives of major components of property, plant and equipment are as follows:

Buildings and structures	
Buildings	20 - 50 years
Structures	3 - 50 years
Building fixtures	3 - 22 years
Telecommunications equipment	
Wireless equipment, switching equipment, and other network equipment	5 - 15 years
Towers	10 - 42 years
Other	5 - 30 years
Furniture, fixtures and equipment	
Leased mobile devices	2 - 3 years
Other	2 - 20 years
Machinery and equipment	
Solar power generation facilities	35 years

The depreciation methods, useful lives, and residual values of assets are reviewed at the end of each fiscal year, and any changes are applied prospectively as a change in accounting estimate.

(8) Goodwill

Please refer to "(2) Business combinations" for the measurement of goodwill at initial recognition. Goodwill is measured at cost less accumulated impairment losses.

Goodwill is not amortized, and is tested for impairment when there is an indication of impairment in cash-generating unit or groups of cash-generating units to which goodwill has been allocated, and annually, regardless of any indication of impairment. Impairment is described in "(11) Impairment of property, plant and equipment, right-of-use assets, intangible assets and goodwill."

The Company's policy for goodwill arising from the acquisition of an associate is described in "(1) Basis of consolidation."

(9) Intangible assets

The Company uses the cost model for measurement of intangible assets in which the assets are measured at historical cost, less accumulated amortization and accumulated impairment losses.

Intangible assets acquired individually are measured at cost upon initial recognition. Intangible assets acquired in a business combination are recognized separately from goodwill upon initial recognition and are measured at fair value at the acquisition date. Any internally generated research and development expenditure is recognized as an expense in the period in which it is incurred, except for expenditures on development activities eligible for capitalization (internally generated intangible assets). The amount initially recognized for internally generated intangible assets is the sum of the expenditures incurred from the date when the intangible asset first meets all of the capitalization criteria to the date the development is completed.

There are intangible assets with finite useful lives and intangible assets with indefinite useful lives. The intangible assets with finite useful lives are amortized over the estimated useful lives by the straight-line method.

The estimated useful lives of major categories of intangible assets with finite useful lives are as follows:

Software	5 - 10 years
Customer relationships	8 - 25 years
Technologies	8 - 20 years
Spectrum-related costs	18 years
Other	2 - 25 years

Amortization methods, useful lives and residual values of assets are reviewed at the end of each fiscal year, and any changes are applied prospectively as a change in accounting estimate.

Spectrum-related costs are SoftBank Corp.'s share of costs for the spectrums assigned to SoftBank Corp. based on the Radio Act. These spectrum-related costs include the costs arising from the migration of pre-existing users to other spectrums by the termination campaign. Useful lives are estimated based on the actual utilization of the frequency spectrum in the past.

Intangible assets with indefinite useful lives are as follows:
- Trademarks (with indefinite useful lives)

The intangible assets with indefinite useful lives and the intangible assets that are not yet available for use are not amortized. The impairment of these assets is described in "(11) Impairment of property, plant and equipment, right-of-use assets, intangible assets and goodwill."

In addition, the Company does not apply IFRS 16 "Leases" to leases of intangible assets.

(10) Leases

a. Overall

(a) Identifying a lease

At the inception of a contract, the Company assesses whether the contract is, or contains, a lease. The Company deems a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. If the following conditions are met, the Company deems that the contract conveys the right to control the use of an identified asset.

i. The use of the identified asset is specified in a contract and the lessor does not have the right to substitute the asset.
ii. Throughout the period of use, the lessee has the right to obtain substantially all of the economic benefits from the use of the identified asset.
iii. The lessee has the right to direct the use of the identified asset. Where the relevant decisions about how and for what purpose the asset is used are predetermined, the lessee is deemed to have the right to direct the use of the identified asset if:
   - the lessee has the right to operate the asset; or
   - the lessee designed the asset in a way that predetermines how and for what purpose the asset will be used.

(b) Lease term

The lease term is determined as the non-cancellable period of a lease, together with both:
- periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and
- periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option.

b. Lessee

(a) Separating components of a contract

For a contract that is, or contains, a lease, the Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract by allocating the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

(b) Lease transactions of intangible assets

The Company does not apply IFRS 16 "Leases" to leases of intangible assets.

(c) Right-of-use asset

At the commencement date, the Company recognizes a right-of-use asset and a lease liability. The right-of-use asset is initially measured at cost. The cost of the right-of-use asset comprises: the amount of the initial measurement of the lease liability; any lease payments made at or before the commencement date; any initial direct costs; and an estimate of costs to be incurred in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset; less any lease incentives received.

After the initial measurement, the right-of-use asset is depreciated on a straight-line basis: (a) over the estimated useful life if the transfer of ownership of the underlying asset is certain; or (b) over the shorter of the lease term or the estimated useful life of the right-of-use asset if the transfer of ownership

is not certain. The estimated useful life of the right-of-use asset is determined by the same method applied to property, plant and equipment. Further, if the right-of-use asset is impaired, an impairment loss is deducted from the carrying amount of the right-of-use asset. The details of lease terms by asset classes for right-of-use assets held for leases are described in "Note 15. Right-of-use assets."

(d) Lease liability

At the commencement date, the Company measures the lease liability at the present value of the lease payments that will be paid over the lease term after that date. In calculating the present value, the interest rate implicit in the lease is used as a discount rate if that rate can be readily determined. If that rate cannot be readily determined, the Company's incremental borrowing rate is used.

The lease payments included in the measurement of the lease liability mainly comprise: fixed payments; lease payments to be made during extension periods, if the lease term reflects the exercise of an option to extend the lease; and payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

After the initial measurement, the lease liability is measured at amortized cost using an effective interest method. The lease liability is remeasured if there is a change in future lease payments resulting from a change in an index or a rate, if there is a change in the amounts expected to be payable under a residual value guarantee, or if there is a change in the assessment of the possibility of an option to extend or terminate the lease being exercised.

If the lease liability is remeasured, the carrying amount of the right-of-use asset is also adjusted by the amount of the remeasurement of the lease liability. However, if the amount of liability reduced by the remeasurement of the lease liability exceeds the carrying amount of the right-of-use asset, any remaining amount of the remeasurement after reducing the right-of-use asset to zero is recognized in profit or loss.

c. Lessor

(a) Separating components of a contract

For a contract that is, or contains, a lease, the Company allocates the consideration in the contract applying IFRS 15 "Revenue from Contracts with Customers" to lease components and non-lease components of the contract.

(b) Classification of leases

At the commencement of a lease contract, the Company classifies whether the contract is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Otherwise, a lease is classified as an operating lease. The Company assesses that substantially all the risks and rewards incidental to ownership of an underlying asset are transferred in cases where the lease term is for a major part of the economic life of the underlying asset, or the amount of present value of the lease payment is substantially all the amount of fair value of the asset.

(c) Sublease classification

If the Company is a party to a sublease contract, the Company accounts for the head lease (lessee) and the sublease (lessor) separately. When classifying the sublease as a finance lease or an operating lease, the Company considers the risks and rewards incidental to, and the useful life of, the right-of-use asset that is recognized by the Company in the head lease, instead of that of the leased asset.

(d) Recognition and measurement

Lease receivables in finance leases are recorded as the uncollected amount of net lease receivables, as of the date the lease is determined and through its maturity. Lease receivables are apportioned between financing income and the repayments of the lease receivables. Lease receivables are measured at amortized cost using the effective interest method. Interest income based on the effective interest rate is recognized in profit or loss.

Total lease payments received from operating leases received during the lease term are recognized as income on a straight-line basis over the lease term.

(11) Impairment of property, plant and equipment, right-of-use assets, intangible assets and goodwill

a. Impairment of property, plant and equipment, right-of-use assets, and intangible assets

At the end of the fiscal year, the Company determines whether there is any indication that property, plant and equipment, right-of-use assets, and intangible assets may be impaired.

If any such indication exists, the recoverable amount of the asset is estimated. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Intangible assets with indefinite useful lives and intangible assets that are not yet available for use are tested for impairment annually regardless of whether there is any indication of impairment.

The recoverable amount is the higher of fair value less costs to sell, or value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the time value of money and the risks specific to the asset.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount, and an impairment loss is recognized in profit or loss.

At the end of the fiscal year, the Company evaluates whether there is any indication that an impairment loss related to assets other than goodwill recognized in prior years has decreased or been extinguished. If such indication of a reversal of an impairment loss exists, the recoverable amount of the asset or cash-generating unit is estimated. If the recoverable amount of an asset or cash-generating unit is estimated to be higher than its carrying amount, a reversal of an impairment loss is recognized, to the extent that the increased carrying amount does not exceed the lower of the recoverable amount or the carrying amount that would have been determined (net of depreciation and amortization) had no impairment loss been recognized.

b. Impairment of goodwill

At the end of the fiscal year and at the end of each quarter, the Company determines whether there is any indication that goodwill may be impaired.

Goodwill is allocated to each of the cash-generating unit or groups of cash-generating units that are expected to benefit from the synergies arising from the business combination, and it is tested for impairment annually, regardless of any indication of impairment, and when there is an indication that the cash-generating unit or groups of cash-generating units may be impaired. If, at the time of the impairment test, the recoverable amount of the cash-generating unit or groups of cash-generating units is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit or groups of cash-generating units and then to the other assets pro rata based on the carrying amount of each asset in the cash-generating unit or groups of cash-generating units.

Any impairment loss for goodwill is recognized directly in profit or loss and is not reversed in subsequent periods.

(12) Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are measured using the estimated future cash flows, discounted using a pre-tax rate reflecting the time value of money and the specific risks of the liability, after taking into account the risks and uncertainties surrounding the obligation at the end of the fiscal year.

The Company mainly recognizes asset retirement obligations and provisions for loss on contract as provisions.

For provisions for loss on contract, the amount is estimated and recorded as deemed necessary to prepare for future losses incurred in fulfilling contracts with customers.

(13) Treasury stock

When the Company acquires its own equity share capital ("treasury stock"), the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity. No gain or loss is recognized on the purchase, sale, or cancellation of the treasury stock. The difference between the carrying amount and the consideration on sale is recognized as capital surplus.

(14) Assets or disposal groups classified as held for sale

Assets or disposal groups, whose recoveries are expected principally through sale transactions rather than continuing use, are classified as held for sale when it is highly probable that the sale will be completed within one year, are available for immediate sale in their present condition, and management commits to a plan to sell.

The Company, when committed to a sale plan involving loss of control of a subsidiary, classifies assets and liabilities of the subsidiary as held for sale when the above criteria are met, regardless of whether the Company will retain a non-controlling interest in its former subsidiary after the sale.

Assets classified as held for sale are measured at the lower of the carrying amounts and fair values less costs to sell and depreciation of property, plant and equipment and amortization of intangible assets are not conducted after the classification.

(15) Share-based payments

The Company adopts stock option plans, restricted stock unit plans, and restricted stock compensation plans as equity-settled share-based payment, as well as cash-settled share based-payment.

Equity-settled share-based payment is measured at fair value on the grant date. The fair value of stock options is calculated using models such as the Black-Scholes model, and the fair value of restricted stock units and restricted stocks is calculated using the share price on the grant date.

The fair value determined on the grant date is expensed over the vesting period, based on the estimated stock options or restricted stock units that will eventually vest, with a corresponding increase in equity.

The Company regularly reviews the assumptions made and revises estimates of the number of stock options or restricted stock units that are expected to vest, when necessary.

Restricted stock units are vested on the grant date and accordingly the fair value of restricted stock units on the grant date is expensed in a lump sum.

Cash-settled share-based payment is accounted for as liabilities and is measured initially at the fair value of the award. The fair value of the liabilities is remeasured on each closing date and the settlement date, and changes in fair values are recognized in profit or loss.

(16) Revenue

The Company's accounting policy for revenue recognition is as follows:

SoftBank segment

The SoftBank segment provides mobile services, sales of mobile devices, broadband services, and solutions services in Japan, mainly through SoftBank Corp., media, advertising and commerce services through LY Corporation, or payment and financial services through PayPay Corporation.

a. Consumer business

(a) Mobile services and sales of mobile devices

The Company provides mobile services, which consist of voice call services, data transmission services, and related optional services to subscribers, and sells mobile devices to customers.

In providing mobile services, sales revenue is mainly generated from basic monthly charges, mobile services, and other fees. Revenues from the sales of mobile devices are generated from the sales of mobile devices and accessories to subscribers or dealers.

The business flow of the above transactions consists of "Indirect" sales, where the Company sells mobile devices to dealers and enters into mobile communications service contracts with subscribers through dealers, and "Direct" sales, where the Company sells mobile devices to subscribers and enters into mobile communications service contracts directly with subscribers.

In mobile services, the contractual period is defined as the period in which the parties to the contract have present enforceable rights and obligations based on the terms and conditions of the contract with the subscriber. In addition, if the Company determines that an option to renew the contract is granted to the subscriber and the option provides a "material right" to the subscriber, it identifies the option as a separate performance obligation. As a practical alternative to estimating the stand-alone selling price of an option identified as a separate performance obligation, the Company allocates the transaction price to the mobile communications services related to the option by reference to the mobile communications services expected to be provided and the corresponding expected consideration.

Basic charges and mobile service fees are billed to subscribers on a monthly basis and are generally due within one month. Mobile device payments for indirect sales are billed to dealers at the time of sale to the respective dealers and are generally due within one month. In addition, mobile device payments for direct sales can be paid in full at the time of sale or paid in monthly installment over the contract period, normally due within one month. As a result of both quantitative and qualitative analysis, the Company has determined that these transaction prices do not include significant financing components due to the timing of payments, and accordingly, they have not been adjusted for such financing components. When the period between the revenue recognition and the payment is one year or less, the Company does not make an adjustment for significant financing components, as a practical expedient permitted by IFRS.

For mobile services and sales of mobile devices, the Company is obligated to allow returns and provide refunds for a certain period of time after the inception of the contract. Return and refund obligations are estimated and deducted from transaction prices for each type of goods and services based on historical performance.

The Company provides optional additional warranty services for mobile devices. Under the contracts in which these services are provided, the services are identified as separate performance obligations, and are recognized as revenue when they are provided to subscribers.

i. Indirect sales

Revenues from the sales of mobile devices are recognized when mobile devices are delivered to dealers, which is when dealers are deemed to have obtained control over the mobile devices. Dealers involved in indirect sales have the primary responsibility for fulfilling contracts, carry all inventory risk, and may independently establish their own inventory pricing. Accordingly, the Company considers that dealers involved in indirect sales act as principals.

Basic monthly charges and mobile service fees are recognized as revenue over time during the contractual period because the performance obligation of mobile services is to provide a certain amount of data communications monthly to subscribers during the contractual period. Discounts on mobile communications charges are deducted from the revenues recognized from monthly mobile services. Commission fees paid to dealers related to the sales of mobile devices are deducted from sales.

ii. Direct sales

For direct sales, the total amount of transaction prices is allocated to sales of mobile devices and mobile service revenue based on the ratio of their stand-alone selling prices, as the revenues from the sales of mobile devices and mobile services, including related fees, are considered to be one transaction. Discounts on mobile communications charges related to mobile service revenue are deducted from the total transaction prices.

In addition, if the amount of revenue recognized at the time of sales of mobile devices exceeds the amount of consideration received from the subscribers, the difference is recognized as contract assets and subsequently transferred to trade receivables when the claim is determined as a result of the provision of mobile services. If the amount of revenue recognized at the time of sales of mobile devices is less than the amount of consideration received from the subscribers, the difference is recognized as contract liabilities, which is then reversed when the mobile services are provided, and is recognized as revenue.

Stand-alone selling prices of mobile devices and mobile services are priced at their observable prices when the mobile devices and mobile services are sold independently to customers at the inception of the contract.

The amount allocated to sales of mobile device is recognized as revenue at the time of delivery to the subscribers, representing the point in time when subscribers are considered to have obtained control of the mobile devices. Amounts allocated to mobile service revenues are recognized as revenue over time during the contractual period because the performance obligation of mobile services is to provide a certain amount of data communications monthly to subscribers during the contractual period.

Contract assets are included in "Other current assets" in the consolidated statement of financial position.

(b) Broadband services

For broadband services, revenues are mainly generated from basic monthly charges and telecommunications service fees primarily related to Internet connection ("revenues from broadband services"), and other fees.

Revenues from broadband services are recognized when services are provided to subscribers, based upon fixed monthly charges plus the fees charged for usage of the network. Activation fees are recognized as contract liabilities when received, which are then reversed when the broadband services are provided, and are recognized as revenue.

(c) Electricity services

For electricity services, revenues are mainly generated from the purchase and sale, supply and intermediation of electricity services, including Ouchi Denki. Revenues from supply of electricity (retail service) are recognized when services are provided to subscribers, based upon fixed monthly charges plus the fees charged for usage of electricity.

b. Enterprise business

(a) Mobile services and mobile device rental services

Revenues from mobile services mainly consist of revenues from mobile services and other fees. Since mobile device rental services are provided on the condition that mobile service contracts are entered into consideration arising from these transactions are allocated to lease and others based on the fair value of mobile device lease and mobile communications services. The fair value is the price at which the mobile devices are sold individually and the price at which the mobile communications services are provided individually. Consideration allocated to other is recognized as revenues based on fixed monthly charges and the fees charged for usage of the network when services are provided to subscribers.

(b) Fixed-line communications services

Revenues from fixed-line communications services mainly consist of voice telecommunications service fees and data transmission service fees. Revenues from fixed-line communications services are recognized when services are provided to subscribers, based on fixed monthly charges and the fees charged for usage of the network.

(c) Business solution and others

Revenues from business solution and others mainly consist of services, such as data center, cloud, security, global, AI, Internet of Things ("IoT"), digital marketing, and equipment sales.

Revenues from business solution and others are recognized when products or services are provided to subscribers, representing the point when subscribers have obtained control of the product or service, based upon the consideration receivable from subscribers.

c. Distribution business

Revenues in the distribution business are mainly generated from the sales of hardware, software, and services in relation to Information and Communication Technology ("ICT"), cloud and IoT solutions for enterprise customers. Revenues are also driven by the sales of PC software, IoT products, and mobile device accessories for individual customers.

Revenues in the distribution business are recognized as revenue at the time of delivery to customers, representing the point in time when the customers are deemed to have obtained control over the goods and other items.

For transactions conducted by the Company on behalf of third parties, revenues are presented on a net basis by excluding payment to third parties from the total consideration received from customers.

d. Media&EC business

(a) Media business

The media business mainly comprises planning and sale of internet-based advertising-related services, information listing services, and other corporate services. Revenues in the media business mainly consist of revenues from search advertising, account advertising, display advertising, and others.

i. Search advertising

Revenues from search advertising are recognized based on the per-click rate set by a customer when a visitor of the website clicks the advertisement.

ii. Account advertising

Account advertising mainly comprises LINE Official Accounts and LINE Sponsored Stickers. Revenues from LINE Official Accounts are recognized over time during the contractual period. Revenues from LINE Sponsored Stickers are recognized over time during the contractual period.

iii. Display advertising

Display advertising comprises display advertising (reservation) and display advertising (programmatic).

Revenues from display advertising (reservation) are recognized over the period in which the related advertisement is displayed. Revenues from display advertising (programmatic) are recognized based on the per-click rate set by a customer when a visitor of the website clicks the advertisement on the page with the related content. Revenues from LINE VOOM and LINE NEWS advertising are recognized upon the fulfilment of certain actions under contracts with advertisers.

iv. Others

Others mainly comprise LYP Premium. Revenues from LYP Premium are recognized over the period during which the membership is valid.

(b) Commerce business

The commerce business mainly comprises sales of products and planning and providing of services, which are provided via the internet for small to medium-sized businesses and individual customers. Revenues in the commerce business consist of revenues from the sales of goods by the ASKUL Group and e-commerce-related services, such as ZOZOTOWN and Yahoo! auction.

i. Sales of goods by the ASKUL Group

ASKUL Group engages in the business of selling office-related products and other goods. ASKUL Group’s major customers are small-and medium-sized companies, as well as individual users. Revenues from the sale of goods are recognized when a customer obtains control of the goods, that is, at the time the customer has the ability to direct the use of the goods and to obtain substantially all of the remaining economic benefits from the goods.

ii. ZOZOTOWN

ZOZO Inc. operates ZOZOTOWN and sells goods on a consignment basis to individual users as an agent of each brand opening a store as a tenant in ZOZOTOWN. Consignment sales commission based on gross merchandise value multiplied by sales commission rate is recognized as revenue when the customer obtains control of the goods.

iii. Yahoo! auction

LY Corporation provides online auction services through Yahoo! auction to individual users and corporations. System usage fees charged to the sellers according to auction proceeds are recognized as revenue when the auction transactions are completed.

e. Financial business

Revenues in the financial business mainly consist of merchant fees from providing QR code payment services and merchant fees from credit-related services. The merchant fees from providing QR code payment services are recognized as revenue at the completion of the settlement, assuming that the merchant has received the payment service at the point of sale of goods or other transactions.

Among the credit card-related services, the merchant fees from providing payment services are recognized as revenue at the time of card usage, which is when the performance obligation is satisfied. Additionally, fees generated from revolving payments, installment payments, and cash advance services provided to card members are recognized as revenue over the period of interest attributed in accordance with IFRS 9 "Financial Instruments."

Arm segment

In the Arm segment, revenue is mainly generated from licensing Arm's IP to customers and royalties arising from the subsequent sale of licensees' chips that contain Arm's technology.

a. License and other revenue

(a) Intellectual Property license

Arm generally licenses IP under non-exclusive license agreements that provide usage rights for specific applications for a finite or perpetual term. These licenses are made available electronically to address the customer-specific business requirements. These arrangements generally have distinct performance obligations that consist of transferring the licensed IPs, version extensions of architecture IP or releases of specified IPs, and support services. Support services consist of a stand-ready obligation to provide technical support, patches, and bug fixes over the support term. Revenue allocated to the IP license is recognized at a point in time upon the delivery or beginning of the license term, whichever is later. Revenue allocated to distinct version extensions of architecture IP or releases of specified IP, excluding when-and-if-available minor updates over the support term, are recognized at a point in time upon the delivery or beginning of license term, whichever is later.

Certain license agreements provide customers with the right to access a library of current and future IPs on an unlimited basis over the contractual period depending on the terms of the applicable contract. These licensing arrangements represent stand-ready obligations in that the timing of the delivery of the underlying IPs is within the control of the customer and the extent of use in any given period does not diminish the remaining performance obligation. The contract consideration related to these arrangements is recognized ratably over the term of the contract in line with when the control of the performance obligations is transferred. Certain subscription license agreements include unspecified future IPs that are provided on a when-and-if-available basis, representing a stand-ready obligation. The contract consideration allocated to the stand-ready obligation is recognized on a ratable basis over the term of the contract, commencing upon the later of the effective date of the agreement and the transfer of the initial available IP license.

(b) Software sales, including development systems

Sales of software, including development systems, which are not specifically designed for a given license (such as off-the-shelf software), are recognized upon delivery when control has been transferred and customer can begin to use and benefit from the license.

(c) Professional services

Services (such as training, professional and design services) that Arm provides, which are not essential to the functionality of the IP, are separately stated and priced in the contract and accounted for separately. Training revenue is recognized as services are performed. Revenue from professional and design services is recognized over time using an input method based on engineering labor hours expended to date relative to the estimated total effort required. For such professional and design services, Arm has an enforceable right to payment for performance completed to date, which includes a reasonable profit margin and the performance of such services do not create an asset with an alternative use. In certain arrangements, Arm also provides customers with professional and design services, as a stand-ready obligation, that are recognized on a ratable basis over the term of the contract.

(d) Support and maintenance

Support and maintenance is a stand-ready obligation to the customer that is both provided and consumed simultaneously. Revenue is recognized on a straight-line basis over the period for which support and maintenance is contractually agreed pursuant to the license.

b. Royalty revenue

For most IP license agreements, royalties are collected on products that incorporate the Arm's IP. Royalties are recognized on an accrual basis in the quarter in which the customer ships their products, based on the Arm's technology that it contains. This estimation process for the royalty revenue accrual is based on a combination of methodologies, including the use of historical sales trends and macroeconomic factors for predictive analysis, the analysis of customer royalty reports and their sales trends and forecasts, as well as data and forecasts from third-party industry research providers. Data considered includes revenue, unit shipments, average selling price, product mix, market share and market penetration. Adjustments to revenue are required in subsequent periods to reflect changes in estimates as new information becomes available, primarily resulting from actual amounts subsequently reported by the licensees in the period following the accrual, including royalty audit resolutions.

(17) Costs to obtain contracts

The Company recognizes the costs that would not have been incurred if the telecommunications service contract had not been obtained and that are expected to be recovered, as assets from the costs to obtain contracts. The Company capitalizes mainly the sales commissions that the Company pays to dealers for obtaining and maintaining mobile service contracts with subscribers.

The costs to obtain contracts are amortized on a straight-line basis over the period (normally two to four years) during which goods or services related to such costs directly are expected to be provided. At the end of each reporting period, the Company assesses the impairment relating to the capitalized costs to obtain such contracts.

Using a practical expedient, the Company accounts for the costs to obtain contracts as expenses when incurred if the amortization period of the costs to obtain contracts is one year or less.

(18) Income tax

Income tax expense is composed of current and deferred taxes, and recognized in profit or loss, except for taxes related to business combinations and items that are recognized in other comprehensive income or directly in equity.

Current tax is measured at the amount expected to be paid to or recovered from the taxation authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the fiscal year.

Deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences, net operating loss carryforwards and tax credit carryforwards can be utilized. The recoverability of deferred tax assets is reassessed at the end of the fiscal year.

Deferred tax assets are not recognized for the taxable temporary differences that arise from the initial recognition of assets and liabilities in a transaction that is not a business combination, affects neither accounting profit nor taxable profit and does not give rise to equal taxable and deductible temporary differences.

Deferred tax assets are recognized for deductible temporary differences associated with investments in subsidiaries, associates, and joint ventures when it is probable that the temporary difference will reverse in the foreseeable future and when there will be sufficient taxable profits against which the temporary differences can be utilized.

Deferred tax liabilities are basically recognized for taxable temporary differences, except for:

- temporary differences that arise from the initial recognition of assets and liabilities in a transaction that is not a business combination, affects neither accounting profit nor taxable profit and does not give rise to equal taxable and deductible temporary differences;
- taxable temporary differences arising from the initial recognition of goodwill; and
- taxable temporary differences associated with investments in subsidiaries, associates, and joint ventures where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax laws that have been enacted or substantively enacted by the end of the fiscal year.

Deferred tax assets and liabilities are offset if the Company has a legally enforceable right to set-off current tax assets against current tax liabilities, and income taxes are levied by the same taxation authority on the same taxable entity.

In accordance with the temporary relief under the IAS 12 (Amendments) "Income Taxes," the Company has applied exceptions for recognition and information disclosure regarding the deferred tax assets and liabilities related to income taxes arising from the implementation of the Pillar Two model rules.

(19) Earnings per share

Basic earnings per share is calculated by dividing net income attributable to owners of the parent by the weighted-average number of ordinary shares (after adjusting for treasury stocks) outstanding for the period.

Diluted earnings per share assumes full conversion of the issued potential stocks having a dilutive effect, with an adjustment for net income attributable to owners of the parent and the weighted-average number of ordinary shares (after adjusting for treasury stocks) outstanding for the period.

(20) Material accounting policies for the SoftBank Vision Funds segment

For SVF1, SVF2, and LatAm Funds, the Company applies the following accounting policies.

a. Consolidation of SVF1, SVF2, and LatAm Funds by the Company

SVF1 and SVF2 are limited partnerships established by their respective general partners which are wholly-owned subsidiaries of the Company (SVF2 owns limited liability companies including SVF2 LLC) and are qualified as structured entities by their forms of organization. SVF1 and SVF2 are consolidated by the Company for the following reasons.

As of March 31, 2025, SVF1 and SVF2 are managed by SBIA and SBGA, respectively, which are wholly-owned subsidiaries of the Company in the UK. SVF1 and SVF2 make investment decisions through each investment committee, which was established in SBIA and SBGA, respectively. As such, the Company has power as defined under IFRS 10 "Consolidated Financial Statements" over SVF1 and SVF2. Furthermore, SBIA receives performance fees and SBGA receives performance-linked management fees. The Company receives distributions attributable to limited partners based on the investment performance as returns from SVF1 and SVF2. The Company has the ability to affect those returns through its power over SVF1 and SVF2, and therefore, the Company is deemed to have control as stipulated in IFRS 10 "Consolidated Financial Statements" over SVF1 and SVF2.

LatAm Funds is a limited liability company in which a wholly-owned subsidiary of the Company invests (LatAm Funds owns limited partnerships and the other forms of entities). LatAm Funds is consolidated by the Company as it holds more than one-half of the voting rights of LatAm Funds.

Inter-company transactions, such as management fees and performance fees to SBIA paid or to be paid, as applicable, from SVF1, and management fees, performance-linked management fees, and performance fees to SBGA paid or to be paid, as applicable, from SVF2 or LatAm Funds, are eliminated in consolidation.

b. Portfolio company investments made by SVF1, SVF2, and LatAm Funds

(a) Investments in subsidiaries

Of the portfolio company investments made by SVF1, SVF2, and LatAm Funds, the portfolio companies that the Company is deemed to control under IFRS 10 "Consolidated Financial Statements" are subsidiaries of the Company. Accordingly, their results of operations, assets, and liabilities are included in the Company's consolidated financial statements.

Gain and loss on investments in the subsidiaries of the Company which are recognized in SVF1, SVF2, and LatAm Funds are eliminated in consolidation.

(b) Investments in associates and joint ventures

Of the portfolio company investments made by SVF1, SVF2, and LatAm Funds, the portfolio companies over which the Company has significant influence under IAS 28 "Investments in Associates and Joint Ventures" are associates of the Company, and the portfolio companies that are joint ventures of the

Company when, as defined under IFRS 11 "Joint Arrangements," SVF1, SVF2, and LatAm Funds have joint control with other investors under contractual arrangements and the investors have rights to the net assets of the arrangement.

The investments in associates and joint ventures of the Company made by SVF1, SVF2, and LatAm Funds are accounted for as financial assets at FVTPL in accordance with Paragraph 18 of IAS 28 "Investments in Associates and Joint Ventures" and presented as "Investments from SVF (FVTPL)" in the consolidated statement of financial position. The payments for these investments are presented as "Payments for acquisition of investments by SVF" and the proceeds from sales of these investments are presented as "Proceeds from sales of investments by SVF" under cash flows from investing activities in the consolidated statement of cash flows.

If the investments in associates and joint ventures that were transferred from SoftBank Group Corp. and its subsidiaries to SVF1, SVF2, or LatAm Funds were accounted for using the equity method prior to the transfer, these investments continue to be accounted for using the equity method after the transfer to SVF1, SVF2, or LatAm Funds and presented as "Investments accounted for using the equity method" in the consolidated statement of financial position.

Gain and loss on the investments which were recognized in SVF1, SVF2, or LatAm Funds are eliminated in consolidation and gain and loss on the investments accounted for using the equity method are presented as "Other gain (loss)" in the consolidated statement of profit or loss.

(c) Other investments

Investments other than those in associates or joint ventures of the Company made by SVF1, SVF2, and LatAm Funds are accounted for as financial assets at FVTPL. The presentation of these investments in the consolidated statement of financial position and the consolidated statement of cash flows is the same as the above "(b) Investments in associates and joint ventures."

c. Contribution from limited partners in SVF1 and SVF2, and investors in LatAm Funds, SVF2 LLC, and SLA LLC (collectively "SVF Investors")

(a) Contribution from SVF Investors other than the Company ("Third-Party Investors," and each a "Third-Party Investor")

The interests attributable to Third-Party Investors in SVF1, SVF2, and LatAm Funds are classified as financial liabilities, "Third-party interests in SVF" in the consolidated statement of financial position, due to the predetermined finite life and contractual payment provision to each of Third-Party Investors at the end of the finite life within the constitutional agreements relating to SVF1, SVF2, and LatAm Funds. The liabilities are classified as "financial liabilities measured at amortized cost" upon initial recognition. The carrying amounts attributable to Third-Party Investors represent the amounts that would be distributed in accordance with the constitutional agreements in a theoretical liquidation scenario at the end of each quarter.

Third-Party Investor in SVF2 and LatAm Funds is entitled to make full or partial payments of its investments and related adjustments at any point in time, at its discretion, from the date it became an investor in SVF2 LLC or SLA LLC to the end of company life of SVF2 LLC or SLA LLC, and as of March 31, 2025, the Company has recognized receivables from Third-Party Investor. The receivables are included in "Other financial assets (non-current)" in the consolidated statement of financial position.

"Third-party interests in SVF" fluctuates due to the results of SVF1, SVF2, and LatAm Funds in addition to contributions from Third-Party Investors, and distributions and repayments of investments to Third-Party Investors. The fluctuations due to the results of SVF1, SVF2, and LatAm Funds are presented as "Change in third-party interests in SVF" in the consolidated statement of profit or loss.

Contributions from Third-Party Investors are included in "Contributions into SVF from third-party investors" under cash flows from financing activities in the consolidated statement of cash flows. The distributions and repayments of investments to Third-Party Investors are included in "Distribution/repayment from SVF to third-party investors" under cash flows from financing activities in the consolidated statement of cash flows. No cash contributions into SVF2 and LatAm Funds from Third-Party Investors and no cash distributions/repayments from SVF2 and LatAm Funds to Third-Party Investors were made as of March 31, 2025.

Uncalled committed capital from Third-Party Investors is not subject to IFRS 9 "Financial Instruments," and, therefore, such amount is not recorded in the consolidated statement of financial position.

(b) Contribution from the Company
Contributions to SVF1, SVF2, and LatAm Funds from the Company are eliminated in consolidation.

4. Changes in accounting policies

The Company has adopted the following standards and interpretations for the fiscal year ended March 31, 2025.

Standard/Interpretation		Outline of the new/amended standards
IAS 1 (Amendments)	Presentation of Financial Statements (Amendments in October 2022)	• Clarifying the classification of liabilities into current liabilities or non-current liabilities • Amendment to require the disclosure of information on non-current liabilities with covenants
IAS 7 (Amendments)	Statement of Cash Flows (Amendments in May 2023)	Disclosure requirements to enhance the transparency of supplier finance arrangements
IFRS 7 (Amendments)	Financial Instruments: Disclosures (Amendments in May 2023)	

There are no significant impacts on the consolidated financial statements (except for the notes to the consolidated financial statements) for the fiscal year ended March 31, 2025, due to the adoption of the standards above.

There are no other significant impacts on the consolidated financial statements of the Company due to the adoption of new accounting standards or interpretations.

5. Significant judgments and estimates

In preparing consolidated financial statements under IFRS, management makes judgments, estimates, and assumptions that affect the application of accounting policies and carrying amounts of assets, liabilities, revenue, and expenses. These estimates and underlying assumptions are based on management's best judgments, through their evaluation of various factors that were considered reasonable as of the period-end, based on historical experience and by collecting available information. By the nature of its estimates or assumptions, however, actual results in the future may differ from those projected estimates or assumptions.

Estimates and underlying assumptions are continuously reviewed. Revisions to accounting estimates are recognized in the period in which the estimate is revised as well as in the future periods. Significant judgments, estimates and assumptions that affect the amounts recognized in the Company's consolidated financial statements are as follows:

- significant judgments of whether an entity is controlled by the Company in determining the scope of consolidation ((1) and (20) in "Note 3. Material accounting policies" and "Note 18. Major subsidiaries");
- significant judgments for the determination of the scope and accounting treatment of associates ((1) and (20) in "Note 3. Material accounting policies" and "Note 19. Investments accounted for using the equity method");
- estimates for impairment of investments accounted for using the equity method ((1) in "Note 3. Material accounting policies" and "Note 41. Other gain");
- fair value measurement of financial assets at FVTPL, debt financial assets at FVTOCI, and equity financial assets at FVTOCI ((4) and (20) in "Note 3. Material accounting policies," "Note 7. SoftBank Vision Funds business," (2) in "Note 29. Fair value of financial instruments," and "Note 38. Gain on investments");
- estimates for impairment of financial assets measured at amortized cost ((4) in "Note 3. Material accounting policies," and "Note 41. Other gain");
- fair value measurement of derivatives (including embedded derivatives) ((4) in "Note 3. Material accounting policies" and (2) in "Note 29. Fair value of financial instruments");
- estimates for residual value and useful life of property, plant and equipment, right-of-use assets, and intangible assets ((7), (9), and (10) in "Note 3. Material accounting policies");

- estimates for impairment of property, plant and equipment, right-of-use assets, intangible assets and goodwill ((11) in "Note 3. Material accounting policies," "Note 16. Goodwill and intangible assets," and "Note 41. Other gain");
- judgments and estimates for accounting treatment of contracts including leases ((10) in "Note 3. Material accounting policies," "Note 15. Right-of-use assets," and "Note 17. Leases");
- judgments and estimates for recognition and measurement on provisions ((12) in "Note 3. Material accounting policies" and "Note 27. Provisions");
- judgments and estimates for salability relating to classification as held for sale ((14) in "Note 3. Material accounting policies" and "Note 13. Disposal group classified as held for sale");
- judgments for timing of revenue recognition related to indirect sales of mobile devices ((16) in "Note 3. Material accounting policies" and "Note 36. Net sales");
- judgments for "contractual period" in the mobile services and whether or not if "material right" is included in the contracts ((16) in "Note 3. Material accounting policies" and "Note 36. Net sales");
- estimates for amortization period of costs to obtain contracts ((17) in "Note 3. Material accounting policies");
- assessment of recoverability of deferred tax assets ((18) in "Note 3. Material accounting policies" and "Note 21. Income taxes");
- significant judgments for recognition related to deferred tax liabilities ((18) in "Note 3. Material accounting policies" and "Note 21. Income taxes");
- estimates for measurement of contribution from Third-party interests to SVF ((20) in "Note 3. Material accounting policies" and (2) in "Note 7. SoftBank Vision Funds business"); and
- recognition of liabilities and expenses related to contingencies ("Note 46. Contingency").

6. Segment information

(1) Description of reportable segments

The Company's reportable segments are components of business activities for which discrete financial information is available, and such information is regularly reviewed by the Company's Board of Directors in order to make decisions about the allocation of resources and assess its performance.

The Company has four reportable segments, the Investment Business of Holding Companies segment, the SoftBank Vision Funds segment, the SoftBank segment, and the Arm segment.

The Investment Business of Holding Companies segment conducts, mainly through SoftBank Group Corp. as a strategic investment holding company, investment activities in a wide range of sectors in Japan and overseas directly or through subsidiaries of the Company. The Investment Business of Holding Companies segment consists of SoftBank Group Corp., SoftBank Group Capital Limited, SoftBank Group Japan Corporation, SoftBank Group Overseas GK, SB Northstar that is an asset management subsidiary, and certain subsidiaries of the Company that conduct investment or funding. Gain and loss on investments at Investment Business of Holding Companies consist of gain and loss arising from investments held directly by SoftBank Group Corp. or through subsidiaries of the Company. However, gain and loss on investments relating to investments in subsidiaries, including dividend income from subsidiaries and impairment loss on investments in subsidiaries, are excluded.

The SoftBank Vision Funds segment conducts, mainly through SVF1, SVF2, and LatAm Funds investment activities in a wide range of technology sectors. Primarily, gain and loss on investments at SVF1, SVF2, LatAm Funds, and others consist of gain and loss arising from investments held by SVF1, SVF2, and LatAm Funds including the investment in the Company's subsidiary.

The SoftBank segment provides, mainly through SoftBank Corp., mobile services, sale of mobile devices, broadband services, and solution services in Japan, through LY Corporation, media, advertising and commerce related services, and through PayPay Corporation, payment and financial services.

The Arm segment provides, through Arm, designs of semiconductor intellectual property and related technology, sale of software tools, and related services.

Information on business segments, which is not included in the reportable segments, is classified as "Other." "Other" includes mainly Fortress*, SBE Global, the Fukuoka SoftBank HAWKS-related operations, and others.

"Reconciliations" includes an elimination of intersegment transactions, as well as an elimination of gain and loss on the investment in shares in Arm and PayPay Corporation, subsidiaries of the Company, and others, which are included in segment income of the SoftBank Vision Funds segment.

* For the fiscal year ended March 31, 2025, all interests in Fortress held by a subsidiary of the Company, were sold to a subsidiary of Mubadala Investment Company PJSC. Upon completion of the transaction, Fortress is no longer a subsidiary of the Company.

(2) Net sales and income of reportable segments

Income of reportable segments is defined as "Income before income tax." As presented in the consolidated statement of profit or loss, "Gain (loss) on investments" included in segment income includes realized gain and loss from investments in financial assets at FVTPL for which investment performance is measured at fair value, unrealized gain and loss on valuation of investments, dividend income from investments, derivative gain and loss relating to investments in financial assets at FVTPL, and realized gain and loss from investments accounted for using the equity method. The Investment Business of Holding Companies segment calculates its segment income by eliminating gain and loss on investments relating to investments in subsidiaries, including dividend income from subsidiaries and impairment loss on investments in subsidiaries.

In August 2023, Arm shares held by SVF1 were sold to a wholly-owned subsidiary of the Company classified as the Investment Business of Holding Companies segment. The transaction price was established by reference to the terms of a prior contractual arrangement between the parties. The details are described in "*2" in "b. Segment income arising from the SoftBank Vision Funds business" in "(1) Income and loss arising from the SoftBank Vision Funds business" under "Note 7. SoftBank Vision Funds business."

In addition, intersegment transaction prices other than the above are determined under the same general business conditions as applied for external customers.

For the fiscal year ended March 31, 2024

	(Millions of yen)			
	Reportable segments			
	Investment Business of Holding Companies	SoftBank Vision Funds*	SoftBank	Arm
Net sales				
Customers	¥ —	¥ —	¥6,081,283	¥464,025
Intersegment	—	—	2,563	—
Total	¥ —	¥ —	¥6,083,846	¥464,025
Segment income	(97,526)	128,179	835,076	(33,215)
Depreciation and amortization	(3,078)	(2,302)	(738,762)	(92,799)
Gain (loss) on investments	(459,045)	724,341	6,664	974
Finance cost	(473,811)	(74,322)	(63,706)	(1,506)
Foreign exchange gain (loss)	(703,438)	(525)	(1,393)	3,099
Derivative gain (excluding gain (loss) on investments)	1,500,015	—	2,184	127

	Total	Other	Reconciliations	Consolidated
Net sales				
Customers	¥6,545,308	¥211,192	¥ —	¥6,756,500
Intersegment	2,563	13,819	(16,382)	—
Total	¥6,547,871	¥225,011	¥ (16,382)	¥6,756,500
Segment income	832,514	51,408	(826,121)	57,801
Depreciation and amortization	(836,941)	(21,679)	—	(858,620)
Gain (loss) on investments	272,934	55,777	(888,061)	(559,350)
Finance cost	(613,345)	(16,420)	73,761	(556,004)
Foreign exchange gain (loss)	(702,257)	(865)	—	(703,122)
Derivative gain (excluding gain (loss) on investments)	1,502,326	—	—	1,502,326

For the fiscal year ended March 31, 2025

	(Millions of yen)			
	Reportable segments			
	Investment Business of Holding Companies	SoftBank Vision Funds*	SoftBank	Arm
Net sales				
Customers	¥ —	¥ —	¥6,541,357	¥ 590,168
Intersegment	—	—	2,918	22,179
Total	¥ —	¥ —	¥6,544,275	¥ 612,347
Segment income	794,251	(115,018)	906,309	47,667
Depreciation and amortization	(3,249)	(2,058)	(739,874)	(96,697)
Gain (loss) on investments	3,413,821	434,903	(25,074)	(20,441)
Finance cost	(531,252)	(40,244)	(81,453)	(2,425)
Foreign exchange gain	19,257	62	4,112	505
Derivative gain (loss) (excluding gain (loss) on investments)	(2,041,830)	—	214	—

	Total	Other	Reconciliations	Consolidated
Net sales				
Customers	¥ 7,131,525	¥ 112,227	¥ —	¥ 7,243,752
Intersegment	25,097	20,590	(45,687)	—
Total	¥ 7,156,622	¥ 132,817	¥ (45,687)	¥ 7,243,752
Segment income	1,633,209	31,002	40,510	1,704,721
Depreciation and amortization	(841,878)	(24,945)	—	(866,823)
Gain (loss) on investments	3,803,209	(53,514)	(48,588)	3,701,107
Finance cost	(655,374)	(18,851)	92,666	(581,559)
Foreign exchange gain	23,936	3,119	—	27,055
Derivative gain (loss) (excluding gain (loss) on investments)	(2,041,616)	7,587	—	(2,034,029)

	(Thousands of U.S. dollars)			
	Reportable segments			
	Investment Business of Holding Companies	SoftBank Vision Funds*	SoftBank	Arm
Net sales				
Customers	$ —	$ —	$43,749,044	$ 3,947,084
Intersegment	—	—	19,515	148,335
Total	$ —	$ —	$43,768,559	$ 4,095,419
Segment income	5,312,005	(769,248)	6,061,457	318,800
Depreciation and amortization	(21,730)	(13,764)	(4,948,328)	(646,716)
Gain (loss) on investments	22,831,869	2,908,661	(167,697)	(136,711)
Finance cost	(3,553,050)	(269,155)	(544,763)	(16,218)
Foreign exchange gain	128,792	415	27,501	3,378
Derivative gain (loss) (excluding gain (loss) on investments)	(13,655,899)	—	1,431	—

	Total	Other	Reconciliations	Consolidated
Net sales				
Customers	$ 47,696,128	$ 750,581	$ —	$ 48,446,709
Intersegment	167,850	137,708	(305,558)	—
Total	$ 47,863,978	$ 888,289	$ (305,558)	$ 48,446,709
Segment income	10,923,014	207,343	270,934	11,401,291
Depreciation and amortization	(5,630,538)	(166,834)	—	(5,797,372)
Gain (loss) on investments	25,436,122	(357,905)	(324,960)	24,753,257
Finance cost	(4,383,186)	(126,077)	619,757	(3,889,506)
Foreign exchange gain	160,086	20,860	—	180,946
Derivative gain (loss) (excluding gain (loss) on investments)	(13,654,468)	50,743	—	(13,603,725)

* The details of the difference between "Gain (loss) on investments" in the SoftBank Vision Funds segment and "Gain (loss) on investments at SoftBank Vision Funds" in the consolidated statement of profit or loss are described in "(1) Income and loss arising from the SoftBank Vision Funds business" under "Note 7. SoftBank Vision Funds business."

(3) Geographical information

a. Net sales to external customers

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Japan	¥5,964,709	¥6,374,909	$42,635,828
Other	791,791	868,843	5,810,881
Total	¥6,756,500	¥7,243,752	$48,446,709

Sales are categorized based on the location of external customers.

b. Non-current assets (excluding financial assets and deferred tax assets)

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Japan	¥ 6,812,263	¥ 7,239,874	$48,420,773
U.K.	4,098,218	4,099,932	27,420,626
Other	400,938	1,143,187	7,645,713
Total	¥11,311,419	¥12,482,993	$83,487,112

7. SoftBank Vision Funds business

(1) Income and loss arising from the SoftBank Vision Funds business

a. Overview

Segment income arising from the SoftBank Vision Funds business (income before income tax) represents the net profits of the SoftBank Vision Funds business, after deducting the net profits attributable to Third-Party Investors. The net profits attributable to Third-Party Investors are the amount allocated to Third-Party Investors based on proportion of their respective equity contributions, calculated by deducting management fees, performance-linked management fees, and performance fees payable to the fund managers, as well as operating expense and other expenses of SVF from the gains or losses on investments at SVF1, SVF2, and LatAm Funds.

The amount of the net profits attributable to Third-Party Investors that is deducted from the segment income is presented as "Change in third-party interests in SVF."

b. Segment income arising from the SoftBank Vision Funds business

The components of segment income arising from the SoftBank Vision Funds business are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Gain on investments at SoftBank Vision Funds			
Gain on investments at SVF1, SVF2, and LatAm Funds			
Realized gain (loss) on investments[*1,2,3]	¥ 984,409	¥(1,366,533)	$(9,139,466)
Unrealized gain (loss)on valuation of investments			
Change in valuation for the fiscal year[*4]	(189,604)	314,724	2,104,896
Reclassified to realized gain (loss) recorded in the past fiscal years[*3,5]	44,769	1,237,963	8,279,581
Interest and dividend income from investments	21,668	8,451	56,521
Derivative gain (loss) on investments	(7,337)	8,151	54,514
Effect of foreign exchange translation[*3,6]	(157,644)	266,660	1,783,440
Subtotal	696,261	469,416	3,139,486
Gain (loss) on other investments	28,080	(34,513)	(230,825)
Total gain on investments at SoftBank Vision Funds	724,341	434,903	2,908,661
Selling, general and administrative expenses	(84,986)	(62,169)	(415,791)
Finance cost (interest expenses)	(74,322)	(40,244)	(269,155)
Change in third-party interests in SVF	(390,137)	(491,898)	(3,289,848)
Other gain (loss)[*7,8]	(46,717)	44,390	296,885
Segment income arising from the SoftBank Vision Funds business (income before income tax)	¥ 128,179	¥ (115,018)	$ (769,248)

*1 The amount of realized gain and loss on investments is the exit price net of the investment cost. In addition to the realized gain and loss on sales by cash consideration, the realized gain and loss by disposals as a result of share exchange and restructuring of portfolio companies are included.

*2 In August 2023, SVF1 sold Arm shares for $16.1 billion (the "Transaction Consideration") to a wholly-owned subsidiary of the Company (the "Transaction"). In relation to the Transaction, the proceeds of the sale will be paid in four installments, with the first installment having been paid upon completion of the Transaction, with the remaining three installments to be paid over a two-year period through August 2025. At the date of sale, "Realized gain (loss) on investments" was recorded as the discounted present value of the Transaction Consideration ($15.1 billion) net of the investment cost ($8.2 billion). The difference between the Transaction Consideration and the discounted present value of the Transaction Consideration is recognized as income over the two years after the date of sale and recorded in "Realized gain (loss) on investments." As a result of the Transaction, for the fiscal year ended March 31, 2025, ¥75,333 million ($503,832 thousand) of the realized gain (for the fiscal year ended March 31, 2024: ¥1,074,039 million of the realized gain, ¥189,817 million of the unrealized loss on valuation (reclassified to realized gain and loss recorded in the past fiscal years), and ¥76,902 million of loss arising from the effect of foreign exchange translation) is included in "Gain on investments at SoftBank Vision Funds" in the above-mentioned segment income. However, these are eliminated in consolidation due to inter-company transactions relating to shares of a subsidiary.

*3 On May 30, 2024, the Bankruptcy court entered into an order approving the reorganization plan of WeWork. On June 11, 2024, WeWork emerged from Chapter 11 of the United States Bankruptcy Code ("Chapter 11"). Under the reorganization plan of WeWork, the preexisting Chapter 11 equity in SVF 1 and SVF2 was cancelled pursuant to Restructuring Support Agreement. In addition, a portion of the pre-petition claims was cancelled and the remaining portion was converted into new WeWork equity. Accordingly, SVF1 and SVF2 derecognized WeWork shares, warrants and notes and SVF2 recognized the shares newly issued by WeWork. As a result, for the fiscal year ended March 31, 2025, ¥1,050,033 million ($7,022,693 thousand) of the realized loss, ¥848,458 million ($5,674,545 thousand) of the unrealized gain on valuation (reclassified to realized gain and loss recorded in the past fiscal years), and ¥201,994 million ($1,350,950 thousand) of gain arising from the foreign exchange translation effects were recorded. The effect on gain and loss on investments at SoftBank Vision Funds was a gain of ¥419 million ($2,802 thousand). The Company transferred WeWork shares to SVF2 in August 2021. Investment gain and loss on the shares recorded until the transfer is described in " *2" in "(1) Gain and loss on investments at Investment Business of Holding Companies" under "Note 38. Gain on investments."

*4 For the fiscal year ended March 31, 2025, ¥29,424 million ($196,790 thousand) (for the fiscal year ended March 31, 2024: ¥90,002 million of the unrealized gain (net) on valuation) of the unrealized loss (net) on valuation arising from shares of the Company's subsidiaries held by SVF1 and SVF2 (mainly PayPay Corporation) is included in "Gain on investments at SoftBank Vision Funds" (in Change in valuation for the fiscal year under Unrealized gain (loss) on valuation of investments) in the above-mentioned segment income. However, the unrealized loss on valuation arising from shares of the Company's subsidiaries is eliminated in consolidation.

The unrealized gain and loss on valuation, that are eliminated in consolidation, are not included in "Gain (loss) on investments at SoftBank Vision Funds" in the consolidated statement of profit or loss.

*5 It represents the unrealized gain and loss on valuation of investments recorded as "Gain on investments at SoftBank Vision Funds" in the past fiscal years, which are reclassified to "Realized gain (loss) on investments" due to the realization for the fiscal year ended March 31, 2025.

*6 Unrealized gain and loss on valuation of investments are translated using the average exchange rate for the quarter in which the gain and loss were recognized, while realized gain and loss on investments are translated using the average exchange rate for the quarter in which the shares were disposed. "Effect of foreign exchange translation" arises from the different foreign currency exchange rates used for unrealized gain and loss on valuation and realized gain and loss.

*7 For the fiscal year ended March 31, 2024, for the financial guarantee contract, losses related to a credit facility for WeWork provided by financial institutions were recorded for ¥42,072 million. The details are described in "*8" under "Note 41. Other gain."

*8 Following WeWork's emergence from Chapter 11 on June 11, 2024, given the approved plan of reorganization, out of a portion of the Junior TLC facility, which has been recognized as loan receivables was repaid in cash given over collateral, and the drawn amounts up to date of emergence were converted into new WeWork equity as described above. The carrying amounts (recoverable amounts) of such loan receivables in the consolidated statement of financial position as of March 31, 2024, were zero. However, the collectability of the remaining loan receivables was reassessed and as a result, for the fiscal year ended March 31, 2025, ¥23,360 million ($156,233 thousand) of gain was recorded.

(2) Third-party interests in SVF

a. Terms and conditions of contribution from/ distribution to SVF Investors

Contributions by SVF Investors are classified as "Equity" and "Preferred Equity" depending on the terms and conditions of distribution. Preferred Equity is prioritized over Equity with regard to distribution and return of contribution.

Performance-based distributions attributed to SVF Investors, consisting of the Company and Third-Party Investors, are calculated using the net proceeds from the investment performance, as applicable, of SVF1, SVF2, and LatAm Funds. The net proceeds from SVF1 and LatAm Funds are also allocated to the performance fees attributed to SBIA and SBGA, respectively, using the method specified in the limited partnership agreement. The amount of performance-based distribution attributed to SVF Investors is allocated to each of the SVF Investors based on the proportion of their respective Equity contribution. The amount of performance-based distributions is paid to each of the SVF Investors after each of SVF1, SVF2, and LatAm Funds, as applicable, receive cash through dividend, or disposition or monetization of investments.

In SVF1, fixed distributions are defined as distributions of Preferred Equity holders which are calculated equal to a 7% rate per annum based on their contributions. The fixed distributions are made every last business day of the months of June and December.

The details of the terms and conditions of the Equity contributed by Third-Party Investor in SVF2 and LatAm Funds are described in "a. Co-investment program with restricted rights to receive distributions" in "(1) Related party transactions and balances" under " Note 45. Related party transactions." There are no Third-Party Investors who contributed to Preferred Equity in SVF2 and LatAm Funds.

Hereafter, Third-Party Investors contributing Equity are defined as "Investors entitled to performance-based distribution" and Third-Party Investors contributing Preferred Equity are defined as "Investors entitled to fixed distribution."

b. Changes in interests attributable to Third-Party Investors

(a) Third-party interests in SVF1

Changes in interests attributable to Third-Party Investors in SVF1 (included in "Third-party interests in SVF" in the consolidated statement of financial position) are as follows:

	(Millions of yen)			
			(For reference purposes only) Links with the consolidated financial statements	
	Third-party interests in SVF1 (Total of current liabilities and non-current liabilities)		Consolidated statement of profit or loss (Negative figures represent expenses)	Consolidated statement of cash flows (Negative figures represent payments)
		(Breakdown)		
As of April 1, 2024	¥ 4,680,417			
Changes in third-party interests	500,984		(500,984)	—
Attributable to investors entitled to fixed distribution		98,201		
Attributable to investors entitled to performance-based distribution		402,783		
Distribution/repayment to Third-Party Investors	(1,485,774)		—	(1,485,774)
Exchange differences on translating third-party interests*1	(47,980)		—	—
As of March 31, 2025*2	¥ 3,647,647			

	(Thousands of U.S. dollars)			
			(For reference purposes only) Links with the consolidated financial statements	
	Third-party interests in SVF1 (Total of current liabilities and non-current liabilities)		Consolidated statement of profit or loss (Negative figures represent expenses)	Consolidated statement of cash flows (Negative figures represent payments)
		(Breakdown)		
As of April 1, 2024	$31,302,949			
Changes in third-party interests	3,350,615		(3,350,615)	—
Attributable to investors entitled to fixed distribution		656,775		
Attributable to investors entitled to performance-based distribution		2,693,840		
Distribution/repayment to Third-Party Investors	(9,936,958)		—	(9,936,958)
Exchange differences on translating third-party interests*1	(320,893)		—	—
As of March 31, 2025*2	$24,395,713			

*1 Exchange differences were included in "Exchange differences on translating foreign operations" in the consolidated statement of comprehensive income.

*2 Of third-party interests as of March 31, 2025, the amount attributable to investors entitled to fixed distribution is ¥771,913 million ($5,162,607 thousand) and of this amount, the amount of unpaid fixed distributions is not recorded.

(b) Third-party interests in SVF2 and receivables

There is no balance of interests attributable to Third-Party Investor in SVF2 (included in "Third-party interests in SVF" in the consolidated statement of financial position) as of March 31, 2024 and 2025. There are no changes in interests attributable to Third-Party Investor in SVF2 for the fiscal year ended March 31, 2025. Third-Party Investor in SVF2 is the investor entitled to performance-based distribution.

The Company has receivables from Third-Party Investor in SVF2. The changes in the receivables from Third-Party Investor in SVF2 (included in "Other financial assets (non-current)" in the consolidated statement of financial position) are as follows: The details of the receivables from Third-Party Investor in SVF2 are described in "(a) Transactions between SVF2 and related parties" in "a. Co-investment program

with restricted rights to receive distributions" in "(1) Related party transactions and balances" under "Note 45. Related party transactions."

	(Millions of yen)
	Receivables from Third-Party Investor in SVF2
As of April 1, 2024	¥ 448,931
Increase in receivables from accrued premiums charged to Third-Party Investor	12,603
Exchange differences on receivables	(5,870)
As of March 31, 2025	¥ 455,664

	(Thousands of U.S. dollars)
	Receivables from Third-Party Investor in SVF2
As of April 1, 2024	$3,002,481
Increase in receivables from accrued premiums charged to Third-Party Investor	84,290
Exchange differences on receivables	(39,259)
As of March 31, 2025	$3,047,512

(c) Third-party interests in LatAm Funds and receivables

Changes in interests attributable to Third-Party Investor in LatAm Funds (included in "Third-party interests in SVF" in the consolidated statement of financial position) are as follows: Third-party Investor in LatAm Funds is the investor entitled to performance-based distribution.

	(Millions of yen)		
		(For reference purposes only) Links with the consolidated financial statements	
	Third-party interests in LatAm Funds (Total of current liabilities and non-current liabilities)	Consolidated statement of profit or loss (Negative figures represent expenses)	Consolidated statement of cash flows (Negative figures represent payments)
As of April 1, 2024	¥ 14,086		
Changes in third-party interests	(9,086)	9,086	—
Exchange differences on translating third-party interests*	150	—	—
As of March 31, 2025	¥ 5,150		

	(Thousands of U.S. dollars)		
		(For reference purposes only) Links with the consolidated financial statements	
	Third-party interests in LatAm Funds(Total of current liabilities and non-current liabilities)	Consolidated statement of profit or loss (Negative figures represent expenses)	Consolidated statement of cash flows (Negative figures represent payments)
As of April 1, 2024	$ 94,208		
Changes in third-party interests	(60,767)	60,767	—
Exchange differences on translating third-party interests*	1,003	—	—
As of March 31, 2025	$ 34,444		

* Exchange differences were included in "Exchange differences on translating foreign operations" in the consolidated statement of comprehensive income.

The Company has receivables from Third-party Investor in LatAm Funds. The changes in the receivables from Third-Party Investor in LatAm Funds (included in "Other financial assets (non-current)" in the consolidated statement of financial position) are as follows: The details of the receivables from Third-Party Investor in LatAm Funds are described in "(b) Transactions between LatAm Funds and related parties" in "a. Co-investment program with restricted rights to receive distributions" in "(1) Related party transactions and balances" under "Note 45. Related party transactions."

	(Millions of yen)
	Receivables from Third-Party Investor in LatAm Funds
As of April 1, 2024	¥105,278
Increase in receivables from accrued premiums charged to Third-Party Investor	2,964
Exchange differences on receivables	(1,378)
As of March 31, 2025	¥106,864

	(Thousands of U.S. dollars)
	Receivables from Third-Party Investor in LatAm Funds
As of April 1, 2024	$704,106
Increase in receivables from accrued premiums charged to Third-Party Investor	19,823
Exchange differences on receivables	(9,215)
As of March 31, 2025	$714,714

c. Uncalled committed capital from Third-Party Investors

Uncalled committed capital from SVF1's Third-Party Investors as of March 31, 2025 was $8.2 billion.

(3) Management fees and performance fees

Terms and conditions of management fees, performance-linked management fees, and performance fees, included in segment income from the SoftBank Vision Funds business, are as follows.

a. Management fees and performance fees in SVF1

Management fees to SBIA from SVF1 are, in accordance with the limited partnership agreement, calculated by multiplying 1% per annum by Equity contributions used to fund investments and paid to SBIA by SVF1 quarterly. A clawback provision is attached to the management fees received, which is triggered under certain conditions based on future investment performance.

Same as the performance-based distributions, the amount of the performance fees to SBIA from SVF1 is calculated using the allocation method as specified in the limited partnership agreement. SBIA is entitled to receive the performance fees when SVF1 receives cash through disposition, dividend, and monetization of an investment. The performance fees received are subject to clawback provisions which are triggered under certain conditions based on future investment performance.

From the inception of SVF1, the cumulative amount of performance fees paid to SBIA was $454 million. For the three-month period ended June 30, 2023, the performance fee (net of tax) was distributed to the limited partners in accordance with the clawback provisions.

b. Management fees and performance-linked management fees in SVF2

Management fees to SBGA from SVF2 are, in accordance with the constitutional agreements, calculated by multiplying 0.7% per annum by the acquisition cost of investments and paid to SBGA by SVF2 quarterly.

The amount of the performance-linked management fees to SBGA from SVF2 is determined, based on the investment performance for certain periods specified in the constitutional agreement, according to the agreed principle. SBGA is entitled to receive the performance-linked management fees after certain periods for the investment performance measurement specified in the constitutional agreement, provided that there are available cash proceeds through disposition, dividend, and monetization of an investment in SVF2.

From the inception of SVF2 to March 31, 2025, no performance-linked management fees were paid to SBGA.

c. Management fees, performance-linked management fees, and performance fees in LatAm Funds

Management fees to SBGA from LatAm Funds are, in accordance with the constitutional agreements, calculated based on the acquisition cost of investments and paid to SBGA by LatAm Funds quarterly.

The amount of the performance-linked management fees to SBGA from LatAm Funds is determined, based on the investment performance for certain periods specified in the constitutional agreement, according to the agreed principle. SBGA is entitled to receive the performance-linked management fees after certain periods for the investment performance measurement specified in the constitutional agreement provided that there are available cash proceeds through disposition, dividend, and monetization of investments in LatAm Funds.

Same as the performance-based distributions, the amount of the performance fees to SBGA from LatAm Funds is calculated using the allocation method as specified in the constitutional agreements. SBGA is entitled to receive the performance fees when LatAm Funds receives cash through disposition, dividend, and monetization of an investment.

From the inception of LatAm Funds to March 31, 2025, neither performance-linked management fees nor performance fees were paid to SBGA.

8. Cash and cash equivalents

The components of cash and cash equivalents are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Cash and demand deposits*	¥4,634,901	¥3,181,792	$21,280,043
MMF	691,462	423,372	2,831,541
Time deposits (maturities of less than three months)	860,122	105,677	706,775
Other	389	2,187	14,627
Total	¥6,186,874	¥3,713,028	$24,832,986

* A subsidiary operating a banking business is obliged to deposit certain amounts, which are determined by a fixed ratio against the deposits it receives ("the legal reserve requirement"), in the Bank of Japan in accordance with the Act on Reserve Requirement System in Japan. As of March 31, 2025, cash and cash equivalents include deposits at the Bank of Japan of ¥212,258 million ($1,419,596 thousand) (as of March 31, 2024: ¥231,807 million), which are more than the legal reserve requirement.

9. Trade and other receivables

The components of trade and other receivables are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Trade receivables	¥1,998,569	¥2,187,562	$14,630,564
Installment receivables*	406,260	383,463	2,564,627
Deposits	272,867	282,657	1,890,429
Deposits for banking business	185,024	138,434	925,856
Other	33,796	45,803	306,334
Allowance for doubtful accounts	(27,749)	(29,775)	(199,137)
Total	¥2,868,767	¥3,008,144	$20,118,673

* Installment receivables represent receivables arising from the Company's advance payments to dealers on behalf of its customers who chose to purchase mobile devices by installments in indirect sales. The amounts are charged to customers together with telecommunications service fees over the periods of installment payments.

The period of installment payments for the receivables above is mainly within 24 – 48 months. As such, the amounts due within a year after the period end date are included in "Trade and other receivables," and those after one year are included in "Other financial assets (non-current)."

10. Other financial assets

The components of other financial assets are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Current			
Investments from asset management subsidiaries	¥ 283,369	¥1,041,213	$ 6,963,704
Time deposits (maturities of more than three months)	187,342	144,593	967,048
Trading securities	99,686	130,908	875,522
Marketable securities	63,646	71,916	480,979
Securities pledged as collateral in asset management subsidiaries	—	47,947	320,673
Other	163,921	56,920	380,684
Allowance for doubtful accounts	(19,968)	(7,620)	(50,963)
Total	¥ 777,996	¥1,485,877	$ 9,937,647
Non-current			
Deposits for banking business	771,488	875,371	5,854,541
Installment receivables*1	486,979	634,780	4,245,452
Receivables from MgmtCo*2	554,209	562,528	3,762,226
Loans in credit card business	237,635	246,006	1,645,305
Loan receivables	133,155	146,509	979,862
Investments from asset management subsidiaries	64,310	45,594	304,936
Other	306,418	399,719	2,673,349
Allowance for doubtful accounts	(129,912)	(142,882)	(955,605)
Total	¥2,424,282	¥2,767,625	$18,510,066

*1 Installment receivables are described in "Note 9. Trade and other receivables."

*2 Receivables from MgmtCo is outstanding balance of the receivables in relation to the Equity Acquisition Amount and accrued premiums from MgmtCo as a Third-Party Investor of SVF2 and LatAm Funds. The receivables of SVF2 and LatAm Funds as of March 31, 2025 are ¥455,664 million ($3,047,512 thousand) and ¥106,864 million ($714,714 thousand) (as of March 31, 2024: ¥448,931 million and ¥105,278 million), respectively. The details of receivables are described in "(2) Third-party interests in SVF" under "Note 7. SoftBank Vision Funds business" and in "a. Co-investment program with restricted rights to receive distributions" in "(1) Related party transactions and balances" under "Note 45. Related party transactions."

11. Inventories

The components of inventories are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Merchandise and finished products	¥140,436	¥166,588	$1,114,152
Other	21,427	31,703	212,032
Total	¥161,863	¥198,291	$1,326,184

Write-downs of inventories recognized as an expense during the fiscal year are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Write-downs of inventories	¥21,496	¥21,648	$144,783

12. Other current assets and other non-current assets

The components of other current assets and other non-current assets are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Current			
Prepaid expense	¥104,057	¥129,522	$ 866,252
Contract assets	74,223	96,015	642,155
Tax receivable*	212,188	64,775	433,220
Other	160,516	75,568	505,403
Total	¥550,984	¥365,880	$2,447,030
Non-current			
Long-term prepaid expense	103,566	128,932	862,306
Other	89,297	86,400	577,849
Total	¥192,863	¥215,332	$1,440,155

* Tax receivable as of March 31, 2024 includes the withholding income tax of ¥50,928 million related to dividends within the group companies. As of March 31, 2025, there is no balance of the withholding income tax.

13. Disposal group classified as held for sale

(1) ValueCommerce Co., Ltd.

The disposal group classified as held for sale as of March 31, 2024 consists primarily of the assets and liabilities of ValueCommerce Co., Ltd. (hereinafter "ValueCommerce"), a subsidiary of the Company, and ValueCommerce's subsidiary.

At its Board of Directors' meeting held on March 11, 2024, ValueCommerce passed a resolution to repurchase its own shares and implement a tender offer (hereinafter the "Tender Offer") as the specific method for this repurchase. In addition, Z Intermediate Holdings Corporation, a subsidiary of the Company and owner of ValueCommerce's shares, concluded a tender offer agreement on the same date with ValueCommerce to tender a partial number of its ValueCommerce common shares in the Tender Offer. After the conclusion of the Tender Offer, ValueCommerce will cease to be a subsidiary of the Company, and accordingly the assets and liabilities of ValueCommerce and its subsidiary have been classified as a disposal group classified as held for sale as of March 31, 2024.

The disposal group classified as held for sale is measured at its carrying amount because its fair value less costs to sell (estimated sales price) exceeds its carrying amount. The carrying amounts of assets and liabilities in ValueCommerce and its subsidiary as of March 31, 2024 were ¥25,619 million and ¥4,965 million, respectively.

On May 2, 2024, the Tender Offer was settled, and ValueCommerce ceased to be a subsidiary and became an equity method associate of the Company.

(2) Alibaba shares

For certain prepaid forward contracts using Alibaba shares, which mature in April 2025, the Company determined, by March 31, 2025, to settle the contracts by Alibaba shares. Subsequently, $3.6 billion (¥533,818 million) of Alibaba shares were recorded as "Assets classified as held for sale" in the consolidated statement of financial position as of March 31, 2025.

14. Property, plant and equipment

(1) Changes in property, plant and equipment

Changes in property, plant and equipment at historical cost, are as follows:

	(Millions of yen)							
Historical cost	**Buildings and structures**	**Telecommunications equipment**	**Machinery and equipment**	**Furniture, fixtures, and equipment**	**Land**	**Construction in progress**	**Other**	**Total**
As of April 1, 2023	¥ 362,850	¥ 3,225,377	¥ 62,010	¥ 656,209	¥ 70,675	¥ 152,362	¥ 54,579	¥ 4,584,062
Purchases	18,597	38,131	9,521	43,660	26	201,942	5,304	317,181
Disposals	(4,921)	(117,028)	(2,413)	(64,016)	(34)	(2,986)	(9,525)	(200,923)
Transfer of accounts	17,510	645,277	881	58,705	10	(221,255)	1,429	502,557
Exchange differences	1,388	105	6,221	4,752	71	687	5,079	18,303
Other	(574)	4,729	(1,681)	(689)	—	(999)	1,199	1,985
As of March 31, 2024	394,850	3,796,591	74,539	698,621	70,748	129,751	58,065	5,223,165
Purchases	37,649	45,713	24,665	42,065	26,114	399,049	5,851	581,106
Business combinations	24,774	—	448,889	4,691	4,966	254,331	1,962	739,613
Loss of control	—	(774)	—	(5,294)	—	—	(7,012)	(13,080)
Disposals	(5,645)	(312,507)	(3,899)	(40,374)	—	(1,936)	(3,319)	(367,680)
Transfer of accounts	10,367	133,716	161,647	74,654	48	(356,558)	3,465	27,339
Exchange differences	(223)	(11)	(36,790)	(1,480)	(366)	(17,914)	(724)	(57,508)
Other	(3,414)	15,027	150	(12,840)	—	(1,547)	(312)	(2,936)
As of March 31, 2025	¥ 458,358	¥ 3,677,755	¥ 669,201	¥ 760,043	¥101,510	¥ 405,176	¥ 57,976	¥ 6,130,019

	(Thousands of U.S. dollars)							
Historical cost	**Buildings and structures**	**Telecommunications equipment**	**Machinery and equipment**	**Furniture, fixtures, and equipment**	**Land**	**Construction in progress**	**Other**	**Total**
As of March 31, 2024	$2,640,783	$25,391,861	$ 498,522	$4,672,425	$473,167	$ 867,784	$388,343	$34,932,885
Purchases	251,799	305,732	164,961	281,333	174,653	2,668,867	39,132	3,886,477
Business combinations	165,690	—	3,002,200	31,374	33,213	1,700,983	13,122	4,946,582
Loss of control	—	(5,176)	—	(35,407)	—	—	(46,897)	(87,480)
Disposals	(37,754)	(2,090,068)	(26,077)	(270,024)	—	(12,948)	(22,198)	(2,459,069)
Transfer of accounts	69,335	894,302	1,081,106	499,291	321	(2,384,684)	23,174	182,845
Exchange differences	(1,491)	(74)	(246,054)	(9,898)	(2,448)	(119,810)	(4,842)	(384,617)
Other	(22,832)	100,500	1,004	(85,874)	—	(10,347)	(2,087)	(19,636)
As of March 31, 2025	$3,065,530	$24,597,077	$4,475,662	$5,083,220	$678,906	$ 2,709,845	$387,747	$40,997,987

Changes in the accumulated depreciation and impairment losses of property, plant and equipment are as follows:

	(Millions of yen)							
Accumulated depreciation and impairment losses	**Buildings and structures**	**Telecommunications equipment**	**Machinery and equipment**	**Furniture, fixtures, and equipment**	**Land**	**Construction in progress**	**Other**	**Total**
As of April 1, 2023	¥(166,426)	¥(2,143,989)	¥(38,728)	¥(424,821)	¥(6)	¥ (2)	¥(28,948)	¥(2,802,920)
Depreciation	(21,722)	(200,165)	(8,795)	(95,836)	—	—	(6,721)	(333,239)
Impairment loss	(1,410)	(1,409)	(153)	(410)	—	(36)	(609)	(4,027)
Disposals	4,774	115,778	2,405	63,560	—	—	9,310	195,827
Transfer of accounts	(4,852)	(397,398)	(114)	31,245	—	32	(46)	(371,133)
Exchange differences	(141)	(79)	(4,121)	(3,138)	—	—	(2,817)	(10,296)
Other	522	(221)	(529)	(1,634)	—	—	(226)	(2,088)
As of March 31, 2024	(189,255)	(2,627,483)	(50,035)	(431,034)	(6)	(6)	(30,057)	(3,327,876)
Depreciation	(25,560)	(199,932)	(24,146)	(96,535)	—	—	(7,117)	(353,290)
Impairment loss	(3,530)	(217)	(9)	(6,177)	—	(14)	(618)	(10,565)
Loss of control	—	596	—	3,949	—	—	2,517	7,062
Disposals	5,424	312,106	3,897	40,261	—	12	2,971	364,671
Transfer of accounts	26	36	297	21,766	—	6	(7)	22,124
Exchange differences	29	10	3,119	1,055	—	—	482	4,695
Other	(412)	(232)	(10,678)	5,956	—	(2)	(1,287)	(6,655)
As of March 31, 2025	¥(213,278)	¥(2,515,116)	¥(77,555)	¥(460,759)	¥(6)	¥ (4)	¥(33,116)	¥(3,299,834)

Accumulated depreciation and impairment losses	(Thousands of U.S. dollars) Buildings and structures	Telecommunications equipment	Machinery and equipment	Furniture, fixtures, and equipment	Land	Construction in progress	Other	Total
As of March 31, 2024	$(1,265,751)	$(17,572,786)	$(334,638)	$(2,882,785)	$(40)	$(40)	$(201,023)	$(22,257,063)
Depreciation	(170,947)	(1,337,159)	(161,490)	(645,633)	—	—	(47,599)	(2,362,828)
Impairment loss	(23,609)	(1,451)	(60)	(41,312)	—	(94)	(4,133)	(70,659)
Loss of control	—	3,986	—	26,411	—	—	16,834	47,231
Disposals	36,276	2,087,386	26,064	269,269	—	80	19,870	2,438,945
Transfer of accounts	174	241	1,986	145,572	—	40	(46)	147,967
Exchange differences	194	67	20,860	7,056	—	—	3,223	31,400
Other	(2,755)	(1,552)	(71,415)	39,834	—	(13)	(8,608)	(44,509)
As of March 31, 2025	$(1,426,418)	$(16,821,268)	$(518,693)	$(3,081,588)	$(40)	$(27)	$(221,482)	$(22,069,516)

The components of the carrying amounts of property, plant and equipment are as follows:

Carrying amounts	(Millions of yen) Buildings and structures	Telecommunications equipment	Machinery and equipment	Furniture, fixtures, and equipment	Land	Construction in progress	Other	Total
As of March 31, 2024	¥ 205,595	¥1,169,108	¥ 24,504	¥ 267,587	¥ 70,742	¥ 129,745	¥ 28,008	¥ 1,895,289
As of March 31, 2025	¥ 245,080	¥1,162,639	¥ 591,646	¥ 299,284	¥101,504	¥ 405,172	¥ 24,860	¥ 2,830,185

Carrying amounts	(Thousands of U.S. dollars) Buildings and structures	Telecommunications equipment	Machinery and equipment	Furniture, fixtures, and equipment	Land	Construction in progress	Other	Total
As of March 31, 2025	$1,639,112	$7,775,809	$3,956,969	$2,001,632	$678,866	$2,709,818	$166,265	$18,928,471

"Purchases" includes the impact of government subsidies deducted from the acquisition costs. The government subsidies deducted from the acquisition costs are primarily received for investments related to generative AI and others. The deducted amount is ¥30,782 million ($205,872 thousand) for the fiscal year ended March 31, 2025. There are no unfulfilled conditions or other contingencies associated with the government subsidies.

For the fiscal year ended March 31, 2025, the increases in "Business combinations" are mainly due to the consolidation of SBE Global. The details of the transaction are described in "*4" under "Note 41. Other gain."

For the fiscal year ended March 31, 2025, the decreases in "Loss of control" are mainly due to the loss of control over Fortress. The details of the transaction are described in "*2" under "Note 41. Other gain."

For the fiscal year ended March 31, 2025, the amount of "Other" under "Telecommunications equipment" includes the impact of changes in the estimates for asset retirement obligations. The details of the change are described in "*2" under "Note 27. Provisions."

The amount of "Transfer of accounts" includes the following amount transferred from "Right-of-use assets" due to termination of lease contracts as lessee and transfer of ownership of these assets to the Company.

Historical cost	(Millions of yen) Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	(Thousands of U.S. dollars) Fiscal year ended March 31, 2025
Buildings and structures	¥ 9,260	¥—	$—
Telecommunications equipment	475,600	—	—
Machinery and equipment	11	—	—
Furniture, fixtures, and equipment	1,039	—	—
Total	¥ 485,910	¥—	$—

Accumulated depreciation and impairment losses	(Millions of yen) Fiscal year ended March 31, 2024	(Millions of yen) Fiscal year ended March 31, 2025	(Thousands of U.S. dollars) Fiscal year ended March 31, 2025
Buildings and structures	¥ (4,900)	¥—	$—
Telecommunications equipment	(397,330)	—	—
Machinery and equipment	(7)	—	—
Furniture, fixtures, and equipment	(982)	—	—
Total	¥(403,219)	¥—	$—

Impairment loss is included in "Other gain (loss)" in the consolidated statement of profit or loss.

The amount of property, plant and equipment pledged as collateral for interest-bearing debt or other is described in "(4) Assets pledged as collateral" under "Note 22. Interest-bearing debt."

Property, plant and equipment with restrictions on rights are described in "(5) Assets with restrictions on rights" under "Note 22. Interest-bearing debt."

(2) Assets subject to operating leases as lessor included in property, plant and equipment

Of property, plant and equipment, assets subject to operating leases as lessor are primarily leased mobile devices. Changes in "Furniture, fixtures, and equipment" including leased mobile devices, which includes the assets subject to operating leases as lessor, are as follows:

Historical cost	(Millions of yen) Furniture, fixtures, and equipment	(Thousands of U.S. dollars) Furniture, fixtures, and equipment
As of April 1, 2023	¥ 237,174	$ —
Purchases	131	—
Disposals	(26,646)	—
Transfer of accounts	18,600	—
Other	7,065	—
As of March 31, 2024	236,324	1,580,551
Purchases	90	602
Disposals	(8,834)	(59,083)
Transfer of accounts	24,954	166,895
Other	(127)	(850)
As of March 31, 2025	¥ 252,407	$ 1,688,115

Accumulated depreciation and impairment losses	(Millions of yen) Furniture, fixtures, and equipment	(Thousands of U.S. dollars) Furniture, fixtures, and equipment
As of April 1, 2023	¥(166,728)	$ —
Depreciation	(41,592)	—
Disposals	25,475	—
Transfer of accounts	32,338	—
Other	(5,143)	—
As of March 31, 2024	(155,650)	(1,040,998)
Depreciation	(36,624)	(244,944)
Disposals	8,105	54,207
Transfer of accounts	21,900	146,469
Other	182	1,217
As of March 31, 2025	¥(162,087)	$(1,084,049)

Carrying amount	(Millions of yen) Furniture, fixtures, and equipment	(Thousands of U.S. dollars) Furniture, fixtures, and equipment
As of March 31, 2024	¥ 80,674	$ —
As of March 31, 2025	¥ 90,320	$ 604,066

15. Right-of-use assets

The components of the carrying amounts of right-of-use assets are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
Carrying amounts	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Telecommunications equipment	¥172,889	¥174,925	$1,169,910
Real estate for telecommunications business	248,457	240,223	1,606,628
Offices, warehouses and other properties	321,135	432,040	2,889,513
Other	4,422	10,773	72,051
Total	¥746,903	¥857,961	$5,738,102

Right-of-use assets increased by ¥344,046 million ($2,301,003 thousand) for the fiscal year ended March 31, 2025 (for the fiscal year ended March 31, 2024: ¥204,929 million of increase).

The components of depreciation of right-of-use assets are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
Depreciation	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Telecommunications equipment	¥ (56,370)	¥ (47,075)	$ (314,841)
Real estate for telecommunications business	(54,117)	(49,460)	(330,792)
Offices, warehouses and other properties	(65,092)	(78,887)	(527,602)
Other	(2,006)	(3,235)	(21,635)
Total	¥(177,585)	¥(178,657)	$(1,194,870)

The Company enters into lease transactions for telecommunications equipment, real estate for the telecommunications business and offices, warehouses and other properties mainly to facilitate efficient use of cash.

Many of the lease contracts include an option to terminate or extend the lease in order to enhance operational flexibility. Most of these options can be exercised by the Company without consent from the other party after a certain prior notice period. In determining the lease term, all relevant facts and circumstances that create an economic incentive not to exercise the option to extend or terminate the lease are considered. In addition, the Company reassesses the lease term upon the occurrence of a significant event or a significant change in the facts and circumstances that may affect this assessment.

Telecommunications equipment

The Company's telecommunications equipment leases consist of telecommunications machinery and equipment and transmission facilities that are used for the telecommunications business. Most of these lease contracts include an option to terminate or extend the lease. The lease term of these lease transactions are mainly 3 years or 10 years. The Company may extend the lease of transmission facilities beyond the initial lease term as needed to provide telecommunication services in a stable manner. In such a case, the lease term is generally expected to be extended by the same period as the initial term of the contract. Right-of-use assets classified as "Telecommunications equipment" are mainly composed of those classified as "Telecommunications equipment" in property, plant and equipment.

Real estate for the telecommunications business

Leases of real estate for the telecommunications business entered into by the Company consist of land to place towers or pillars for the placement of cell site equipment, spaces for buildings and structures for the placement of cell site equipment, and land, buildings, and partial spaces for the placement of telecommunications equipment. Most of these lease contracts include an option to terminate or extend the lease. The lease terms for the leases of land and spaces of buildings and structures for the placement of cell site equipment are mainly 10 years to 20 years. The lease terms for other leases are mainly 3 years to 28 years. The Company may extend the lease beyond the initial lease term as needed to provide telecommunication services in a stable manner. In such a case, the lease term is generally expected to be extended by the same period as the initial term of the contract. The right-of-use assets classified as "Real estate for the telecommunications business" are mainly composed of those classified as "Buildings and structures" or "Land" in property, plant and equipment.

Offices, warehouses and other properties

Leases of offices, warehouses and other properties entered into by the Company mainly consist of real estate for offices (including real estate for shared offices), warehouses and real estate for stores. Most of these leases include an option to extend the lease that can be exercised by the Company without consent from the other party. The lease terms of these leases are mainly 2 years to 25 years for offices, 4 years to 15 years for warehouses, and 2 years to 3 years for stores. The Company may extend the lease beyond the initial lease term as needed to continue its business. The right-of-use assets classified as "Offices, warehouses and other properties" are mainly composed of those classified as "Buildings and structures" or "Land" in property, plant and equipment.

16. Goodwill and intangible assets

(1) Changes in goodwill and intangible assets

Changes in goodwill and intangible assets at historical cost are as follows:

	(Millions of yen)					
		Intangible assets with indefinite useful lives		Intangible assets with finite useful lives		
Historical cost	Goodwill	Trademarks	Other	Customer relationships	Software	Technologies
As of April 1, 2023	¥5,219,303	¥538,661	¥ —	¥802,339	¥2,077,057	¥655,721
Purchases	—	—	—	—	66,403	2,940
Internal development	—	—	—	—	6,332	—
Business combinations	92,657	10,762	—	21,934	2,194	18,325
Loss of control	(2,698)	—	—	—	(6,362)	—
Disposals	—	—	—	—	(66,647)	—
Transfer of accounts	—	—	—	—	181,453	—
Exchange differences	429,237	442	—	24,164	6,842	88,699
Other	(6,047)	—	—	8,028	(331)	—
As of March 31, 2024	5,732,452	549,865	—	856,465	2,266,941	765,685
Purchases	—	—	2,496	—	56,898	—
Internal development	—	—	—	—	4,065	—
Business combinations	147,017	—	8,116	1,155	206	—
Loss of control	(19,292)	—	—	—	(7,892)	—
Disposals	—	—	(33,665)	(781)	(188,353)	(1,388)
Transfer of accounts	—	—	—	1,508	158,994	(3,131)
Exchange differences	(54,751)	(140)	(612)	(3,569)	(1,328)	(9,397)
Other	(5,044)	—	33,665	—	355	—
As of March 31, 2025	¥5,800,382	¥549,725	¥ 10,000	¥854,778	¥2,289,886	¥751,769

	Intangible assets with finite useful lives			
Historical cost	Spectrum-related costs	Management contracts	Other	Total
As of April 1, 2023	¥210,707	¥ 151,089	¥ 185,541	¥4,621,115
Purchases	—	8,799	130,057	208,199
Internal development	—	—	46,680	53,012
Business combinations	—	—	8,850	62,065
Loss of control	—	—	(105)	(6,467)
Disposals	—	—	(8,934)	(75,581)
Transfer of accounts	6,075	—	(190,766)	(3,238)
Exchange differences	—	20,058	3,494	143,699
Other	—	—	1,529	9,226
As of March 31, 2024	216,782	179,946	176,346	5,012,030
Purchases	46	—	201,438	260,878
Internal development	—	—	59,223	63,288
Business combinations	—	—	2,169	11,646
Loss of control	—	(179,946)	(9,268)	(197,106)
Disposals	—	—	(1,930)	(226,117)
Transfer of accounts	8,352	—	(166,478)	(755)
Exchange differences	—	—	(1,242)	(16,288)
Other	—	—	(455)	33,565
As of March 31, 2025	¥225,180	¥ —	¥ 259,803	¥4,941,141

	(Thousands of U.S. dollars)					
		Intangible assets with indefinite useful lives		Intangible assets with finite useful lives		
Historical cost	**Goodwill**	**Trademarks**	**Other**	**Customer relationships**	**Software**	**Technologies**
As of March 31, 2024	$38,339,032	$3,677,534	$ —	$5,728,097	$15,161,457	$5,120,954
Purchases	—	—	16,693	—	380,538	—
Internal development	—	—	—	—	27,187	—
Business combinations	983,260	—	54,281	7,725	1,377	—
Loss of control	(129,026)	—	—	—	(52,782)	—
Disposals	—	—	(225,154)	(5,223)	(1,259,718)	(9,283)
Transfer of accounts	—	—	—	10,085	1,063,363	(20,940)
Exchange differences	(366,178)	(936)	(4,092)	(23,871)	(8,882)	(62,848)
Other	(33,735)	—	225,154	—	2,374	—
As of March 31, 2025	$38,793,353	$3,676,598	$ 66,882	$5,716,813	$15,314,914	$5,027,883

	Intangible assets with finite useful lives			
Historical cost	**Spectrum-related costs**	**Management contracts**	**Other**	**Total**
As of March 31, 2024	$1,449,853	$ 1,203,491	$ 1,179,414	$33,520,800
Purchases	308	—	1,347,231	1,744,770
Internal development	—	—	396,087	423,274
Business combinations	—	—	14,506	77,889
Loss of control	—	(1,203,491)	(61,985)	(1,318,258)
Disposals	—	—	(12,908)	(1,512,286)
Transfer of accounts	55,858	—	(1,113,415)	(5,049)
Exchange differences	—	—	(8,307)	(108,936)
Other	—	—	(3,043)	224,485
As of March 31, 2025	$1,506,019	$ —	$ 1,737,580	$33,046,689

Changes in the accumulated amortization and impairment losses of goodwill and intangible assets are as follows:

	(Millions of yen)					
		Intangible assets with indefinite useful lives		Intangible assets with finite useful lives		
Accumulated amortization and impairment losses	**Goodwill**	**Trademarks**	**Other**	**Customer relationships**	**Software**	**Technologies**
As of April 1, 2023	¥(19,823)	¥—	¥—	¥(203,084)	¥(1,444,614)	¥(311,390)
Amortization	—	—	—	(48,234)	(218,835)	(51,191)
Impairment loss	(1,496)	—	—	—	(2,089)	—
Loss of control	—	—	—	—	6,023	—
Disposals	—	—	—	—	66,485	—
Exchange differences	(1,259)	—	—	(12,897)	(3,869)	(44,137)
Other	—	—	—	—	(2,648)	—
As of March 31, 2024	(22,578)	—	—	(264,215)	(1,599,547)	(406,718)
Amortization	—	—	—	(50,587)	(211,626)	(49,730)
Impairment loss	(2,062)	—	—	—	(1,367)	—
Loss of control	—	—	—	—	5,655	—
Disposals	—	—	—	781	188,328	1,388
Exchange differences	133	—	—	1,819	777	6,142
Other	6,056	—	—	(138)	1,063	—
As of March 31, 2025	¥(18,451)	¥—	¥—	¥(312,340)	¥(1,616,717)	¥(448,918)

Accumulated amortization and impairment losses	Intangible assets with finite useful lives: Spectrum-related cost	Management contracts	Other	Total
As of April 1, 2023	¥(74,366)	¥(133,139)	¥(44,881)	¥(2,211,474)
Amortization	(12,175)	(5,385)	(6,295)	(342,115)
Impairment loss	—	—	(281)	(2,370)
Loss of control	—	—	54	6,077
Disposals	—	—	3,911	70,396
Exchange differences	—	(17,562)	(2,360)	(80,825)
Other	—	(518)	287	(2,879)
As of March 31, 2024	(86,541)	(156,604)	(49,565)	(2,563,190)
Amortization	(12,762)	—	(6,980)	(331,685)
Impairment loss	—	—	(186)	(1,553)
Loss of control	—	156,604	6,404	168,663
Disposals	—	—	14	190,511
Exchange differences	—	—	446	9,184
Other	—	—	566	1,491
As of March 31, 2025	¥(99,303)	¥ —	¥(49,301)	¥(2,526,579)

	(Thousands of U.S. dollars)					
		Intangible assets with indefinite useful lives		Intangible assets with finite useful lives		
Accumulated amortization and impairment losses	Goodwill	Trademarks	Other	Customer relationships	Software	Technologies
As of March 31, 2024	$(151,003)	$—	$—	$(1,767,088)	$(10,697,880)	$(2,720,158)
Amortization	—	—	—	(338,329)	(1,415,369)	(332,598)
Impairment loss	(13,791)	—	—	—	(9,143)	—
Loss of control	—	—	—	—	37,821	—
Disposals	—	—	—	5,223	1,259,551	9,283
Exchange differences	890	—	—	12,166	5,197	41,078
Other	40,502	—	—	(923)	7,109	—
As of March 31, 2025	$(123,402)	$—	$—	$(2,088,951)	$(10,812,714)	$(3,002,395)

Accumulated amortization and impairment losses	Intangible assets with finite useful lives: Spectrum-related costs	Management contracts	Other	Total
As of March 31, 2024	$(578,792)	$(1,047,378)	$(331,494)	$(17,142,790)
Amortization	(85,353)	—	(46,683)	(2,218,332)
Impairment loss	—	—	(1,244)	(10,387)
Loss of control	—	1,047,378	42,831	1,128,030
Disposals	—	—	94	1,274,151
Exchange differences	—	—	2,982	61,423
Other	—	—	3,786	9,972
As of March 31, 2025	$(664,145)	$ —	$(329,728)	$(16,897,933)

The carrying amounts of goodwill and intangible assets are as follows:

	(Millions of yen)							
		Intangible assets with indefinite useful lives		Intangible assets with finite useful lives				
Carrying amounts	Goodwill	Trademarks	Other	Customer relationships	Software	Technologies	Spectrum-related costs	Management contracts
As of March 31, 2024	¥5,709,874	¥549,865	¥ —	¥592,250	¥667,394	¥358,967	¥130,241	¥23,342
As of March 31, 2025	¥5,781,931	¥549,725	¥10,000	¥542,438	¥673,169	¥302,851	¥125,877	¥ —

	(Millions of yen)	
	Intangible assets with finite useful lives	
Carrying amounts	Other	Total
As of March 31, 2024	¥126,781	¥2,448,840
As of March 31, 2025	¥210,502	¥2,414,562

	(Thousands of U.S. dollars)							
		Intangible assets with indefinite useful lives		Intangible assets with finite useful lives				
Carrying amounts	Goodwill	Trademarks	Other	Customer relationships	Software	Technologies	Spectrum-related costs	Management contracts
As of March 31, 2025	$38,669,951	$3,676,598	$66,882	$3,627,862	$4,502,200	$2,025,488	$841,874	$—

	(Thousands of U.S. dollars)	
	Intangible assets with finite useful lives	
Carrying amounts	Other	Total
As of March 31, 2025	$1,407,852	$16,148,756

For the fiscal year ended March 31, 2025, the increases in "Business combinations" are mainly due to the consolidation of SBE Global. The details of the transaction are described in "*4" under "Note 41. Other gain."

For the fiscal year ended March 31, 2025, the decreases in "Loss of control" are mainly due to the loss of control over Fortress. The details of the transaction are described in "*2" under "Note 41. Other gain."

The Company determined that trademarks, such as "Yahoo!" and "Yahoo! JAPAN" in Japan, "ZOZO" and "LINE" brands, have indefinite useful lives as they can be legally utilized indefinitely as long as the business continues and management's current plans are to offer services under these trademarks in the foreseeable future.

Customer relationships reflect the excessive earning capacity in the future expected from the existing customers of the acquiree at the time of the business combinations.

Technologies reflect the excessive earning capacity in the future expected from technologies of the acquiree that had been already developed, or was already well-advanced in development, at the time of the business combinations.

Spectrum-related costs are the amounts incurred by SoftBank Corp. in connection with the costs for the spectrums assigned to SoftBank Corp. based on the Radio Act. These spectrum-related costs include the costs arising from the migration of pre-existing users to other spectrums by the termination campaign.

Amortization is included in "Cost of sales" and "Selling, general and administrative expenses" in the consolidated statement of profit or loss.

Impairment losses are mainly included in "Other gain (loss)" in the consolidated statement of profit or loss.

The carrying amount of internally generated intangible assets related to software included in intangible assets is ¥128,146 million ($857,049 thousand) as of March 31, 2025 (as of March 31, 2024: ¥106,429 million).

The Company has not applied IFRS 16 "Leases" to leases of intangible assets. Therefore, since finance lease assets arising from lease transactions of software are recognized as intangible assets. The intangible assets with restrictions on rights arising from these transactions are described in "b. Assets under lease contracts for intangible assets" in "(5) Assets with restrictions on rights" under "Note 22. Interest-bearing debt."

Research and development costs included in "Cost of sales" and "Selling, general and administrative expenses" are as follows:

	(Millions of yen)	(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Research and development costs	¥439,971	¥507,590	$3,394,797

(2) Goodwill and intangible assets with indefinite useful lives allocated to cash-generating units or cash-generating unit groups Goodwill acquired as a part of business combinations is allocated to cash-generating units or cash-generating unit groups that are expected to benefit from the synergies arising from business combinations. Amounts of goodwill and intangible assets with indefinite useful lives allocated to cash-generating units or cash-generating unit groups are as follows:

Goodwill

Cash-generating units or Cash-generating unit groups	Reportable segments	(Millions of yen)		(Thousands of U.S. dollars)
		As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
SoftBank*1	SoftBank	¥1,004,137	¥1,017,696	$ 6,806,421
LY*2		15,382	15,382	102,876
Media*3		679,800	678,616	4,538,630
ASKUL		42,501	42,833	286,470
ZOZO		233,866	233,866	1,564,112
Ikyu (Restaurant)		6,433	6,433	43,024
Ikyu (Accommodation)		65,611	65,611	438,811
Finance		21,832	27,165	181,681
Other		2,006	2,905	19,429
	Subtotal	2,071,568	2,090,507	13,981,454
Arm	Arm	3,585,050	3,540,372	23,678,250
Other	—	53,256	151,052	1,010,247
Total		¥5,709,874	¥5,781,931	$38,669,951

Intangible assets with indefinite useful lives

Cash-generating units or Cash-generating unit groups	Reportable segments	(Millions of yen)		(Thousands of U.S. dollars)
		As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
LY*2	SoftBank	¥169,575	¥169,575	$1,134,129
Media		160,116	160,116	1,070,867
ASKUL		20,130	20,130	134,631
ZOZO		178,720	178,720	1,195,292
Ikyu (Accommodation)		10,120	10,120	67,683
	Subtotal	538,661	538,661	3,602,602
Other	—	11,204	21,064	140,878
Total		¥549,865	¥559,725	$3,743,480

*1 "SoftBank" comprises SoftBank Corp. and others.

*2 Goodwill and intangible assets with indefinite useful lives are allocated to "LY" because the benefits are expected to be realized from LY Corporation and its group companies as a whole, and not from individual cash-generating units in the SoftBank segment.

*3 The cash-generating unit group of "Media" mainly consists of the cash-generating unit of "Marketing solution" under LY Corporation and the one of "Media" under LY group. Synergies arising from the business combination affect the entire cash-generating unit groups. As the goodwill cannot be allocated to them reasonably and coherent basis, it is allocated to the cash-generating unit group of "Media."

(3) Measurement method for recoverable amounts of goodwill and intangible assets

The recoverable amount of each cash-generating unit or cash-generating unit group is measured as follows:

For the fiscal year ended March 31, 2024
Value in use: LY, Media, Ikyu (Restaurant), Ikyu (Accommodation)
Fair value less disposal cost: SoftBank, ASKUL, ZOZO, Finance, Arm

For the fiscal year ended March 31, 2025
Value in use: LY, Media, Ikyu (Restaurant), Ikyu (Accommodation)
Fair value less disposal cost: SoftBank, ASKUL, ZOZO, Finance, Arm

a. Measurement method for recoverable amounts of goodwill in "Arm"
The fair value less disposal cost for the impairment test for goodwill of "Arm" is measured based on active market prices.

b. Measurement method for recoverable amounts of goodwill and intangible assets other than in "Arm"
Value in use is assessed by discounting to the present value of the estimated cash flows over the next five years based on the financial budget approved by the management, which reflects past experience and external information, using the pre-tax discount rate of 8.7%-12.9% of the cash-generating unit or cash-generating unit group (for the fiscal year ended March 31, 2024: 8.2%-11.7%). The cash flows from after five years are assumed to increase on the basis of the growth rate of 1.5% (for the fiscal year ended March 31, 2024: 1.5%).

For "SoftBank," "ASKUL," and "ZOZO," the fair value less disposal cost is measured based on active market prices. For "Finance," the fair value less disposal cost is measured based on the discounted cash flow method.

The measurement of the terminal value under the discounted cash flow method is calculated by referring to EV/EBITDA multiples of comparable companies and the future cash flows are calculated by discounting the estimated cash flows to the present value based on the business plans approved by the management and growth rates. Business plans are generally limited to 10 years and reflect the management's assessment of future trends in the industry and historical data, and are prepared based on the external and internal information. The pre-tax discount rate and EV/EBITDA multiple used for the fiscal year ended March 31, 2025 were 22.4% and x12.8 (for the fiscal year ended March 31, 2024: 22.4% and x10.0), respectively. The fair value hierarchy is categorized as level 3 in accordance with the significant inputs used in the measurement.

As a result of an annual impairment test of goodwill and intangible assets with indefinite useful lives for cash-generating units or cash-generating unit groups, significant impairment loss was not recognized.

Other than the above, the Company determined that for cash-generating units or cash-generating unit groups to which the goodwill and intangible assets with indefinite useful lives are allocated, the recoverable amount is unlikely to fall below the carrying amount, even if major assumptions used in the impairment test change to a reasonably foreseeable extent.

17. Leases

(As lessee)
(1) Right-of-use assets
The details of the components of the carrying amounts of the right-of-use assets by class of underlying asset, the components of depreciation by asset class, and the increase in the right-of-use assets, are described in "Note 15. Right-of-use assets."

(2) Lease liabilities
The details of the outstanding balance by year of maturity of lease liabilities are described in "(b) Analysis of financial liabilities by maturities" in "(2) Financial risk management c. Liquidity risk" under "Note 28. Financial instruments."

The balance of the lease liabilities as of March 31, 2025 is ¥907,020 million ($6,066,212 thousand) (as of March 31, 2024: ¥794,507 million). The weighted average interest rate for the lease liabilities as of March 31, 2025 is 3.06 % (as of March 31, 2024: 1.86 %) and their due dates range from April 2025 to November 2059 (as of March 31, 2024: from April 2024 to October 2053).

The details of interest expense on lease liabilities are described in "Note 39. Finance cost."

(3) Total cash outflow
The details of total cash outflow for leases are described in "(12) Cash outflows related to lease" under "Note 44. Supplemental information to the consolidated statement of cash flows."

(As lessor)

The Company provides device rental services to corporate customers in Japan. Since device leases are provided on the condition that subscribers maintain telecommunication services with the Company, the amount of revenue from these transactions is allocated between the amount to be received for leases and other elements based on the fair value of device leases and telecommunication services.

At the end of the lease term, the Company sells leased devices to entities providing trade-in service. To manage residual asset risk associated with devices, the trade-in prices are obtained from multiple entities and monitored on a regular basis.

(1) Finance leases

The components of revenue from finance leases recognized are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Selling profit or loss, net	¥(1,256)	¥(1,133)	$(7,578)
Finance income on the net investment in the lease	67	57	382
Total	¥(1,189)	¥(1,076)	$(7,196)

Of this amount, revenue from subleases recognized is ¥979 million ($6,548 thousand) for the fiscal year ended March 31, 2025 (for the fiscal year ended March 31, 2024: ¥888 million).

The maturity analysis for the undiscounted total lease payments and the uncollected amount of net lease investments at the end of the fiscal year is as follows:

As of March 31, 2024

	(Millions of yen)			
	Undiscounted total lease payments	Unearned finance income relating to the lease payments receivable	Discounted unguaranteed residual value	Uncollected amount of net lease investments
Within 1 year	¥12,733	¥ (75)	¥—	¥12,658
1 to 2 years	8,156	(53)	—	8,103
2 to 3 years	4,139	(40)	—	4,099
3 to 4 years	637	(28)	—	609
4 to 5 years	255	(24)	—	231
Over 5 years	70	(28)	—	42
Total	¥25,990	¥(248)	¥—	¥25,742

As of March 31, 2025

	(Millions of yen)			
	Undiscounted total lease payments	Unearned finance income relating to the lease payments receivable	Discounted unguaranteed residual value	Uncollected amount of net lease investments
Within 1 year	¥13,243	¥ (96)	¥—	¥13,147
1 to 2 years	8,997	(80)	—	8,917
2 to 3 years	4,201	(63)	—	4,138
3 to 4 years	1,048	(54)	—	994
4 to 5 years	435	(50)	—	385
Over 5 years	4,160	(731)	—	3,429
Total	¥32,084	¥(1,074)	¥—	¥31,010

	(Thousands of U.S. dollars)			
	Undiscounted total lease payments	Unearned finance income relating to the lease payments receivable	Discounted unguaranteed residual value	Uncollected amount of net lease investments
Within 1 year	$ 88,570	$ (642)	$—	$ 87,928
1 to 2 years	60,173	(535)	—	59,638
2 to 3 years	28,097	(422)	—	27,675
3 to 4 years	7,009	(361)	—	6,648
4 to 5 years	2,909	(334)	—	2,575
Over 5 years	27,822	(4,889)	—	22,933
Total	$214,580	$(7,183)	$—	$207,397

(2) Operating leases

Analysis of maturities for operating leases is as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Within 1 year	¥29,941	¥31,060	$207,731
1 to 2 years	19,417	19,637	131,334
2 to 3 years	9,334	8,188	54,762
3 to 4 years	999	503	3,364
4 to 5 years	704	124	829
Over 5 years	2,018	138	923
Total	¥62,413	¥59,650	$398,943

Lease income (excluding income relating to variable lease payments that do not depend on an index or a rate) from operating leases for the fiscal year ended March 31, 2025 is ¥64,321 million ($430,183 thousand) (for the fiscal year ended March 31, 2024: ¥61,049 million). Of this amount, income from subleases is ¥5,458 million ($36,503 thousand) (for the fiscal year ended March 31, 2024: ¥5,039 million).

Changes in historical cost, changes in accumulated depreciation and impairment losses, and the carrying amounts of property, plant and equipment underlying operating leases are described in "(2) Assets subject to operating leases as lessor included in property, plant and equipment" under "Note 14. Property, plant and equipment."

18. Major subsidiaries

(1) Organizational structure

The Company's major subsidiaries are as follows:

Major subsidiaries as of March 31, 2025

			Ownership percentage of voting rights (%)	
Company Name	Reportable segments	Location	As of March 31, 2024	As of March 31, 2025
SoftBank Group Overseas GK	Investment Business of Holding Companies	Tokyo	100	100
SoftBank Group Capital Limited	Investment Business of Holding Companies	U.K.	100	100
SoftBank Group Japan Corporation	Investment Business of Holding Companies	Tokyo	100	100
Delaware Project 1 L.L.C.	Investment Business of Holding Companies	U.S.	66.7	66.7
Delaware Project 2 L.L.C.	Investment Business of Holding Companies	U.S.	66.7	66.7
Delaware Project 3 L.L.C.	Investment Business of Holding Companies	U.S.	66.7	66.7

Company Name	Reportable segments	Location	Ownership percentage of voting rights (%) As of March 31, 2024	Ownership percentage of voting rights (%) As of March 31, 2025
SB Northstar LP*1	Investment Business of Holding Companies	Cayman	—	—
SB Group US, Inc.	Investment Business of Holding Companies	U.S.	100	100
Shiodome Project 17 GK	Investment Business of Holding Companies	Tokyo	100	100
SB Pan Pacific Corporation	Investment Business of Holding Companies	Micronesia	100	100
STARFISH I PTE. LTD.	Investment Business of Holding Companies	Singapore	100	100
SB Investment Advisers (UK) Limited	SoftBank Vision Funds	U.K.	100	100
SB Global Advisers Limited	SoftBank Vision Funds	U.K.	100	100
SoftBank Vision Fund L.P.*1	SoftBank Vision Funds	Bailiwick of Jersey	—	—
SoftBank Vision Fund (AIV M1) L.P.*1	SoftBank Vision Funds	U.S.	—	—
SoftBank Vision Fund (AIV M2) L.P.*1	SoftBank Vision Funds	U.S.	—	—
SoftBank Vision Fund (AIV M3) L.P.*1	SoftBank Vision Funds	U.S.	—	—
SoftBank Vision Fund II-2 L.P.*1	SoftBank Vision Funds	Bailiwick of Jersey	—	—
SBLA Latin America Fund LLC	SoftBank Vision Funds	U.S.	100	100
SoftBank Corp.*2	SoftBank	Tokyo	40.7	40.3
A Holdings Corporation*3	SoftBank	Tokyo	50.0	50.0
LY Corporation	SoftBank	Tokyo	64.4	62.5
PayPay Corporation	SoftBank	Tokyo	100	100
LINE SOUTHEAST ASIA CORP.PTE.LTD.	SoftBank	Singapore	100	100
ZOZO, Inc.	SoftBank	Chiba	51.5	51.5
PayPay Bank Corporation*4	SoftBank	Tokyo	46.6	46.6
ASKUL Corporation*5	SoftBank	Tokyo	45.0	46.5
Arm Holdings plc	Arm	U.K.	88.7	87.3
ARM PIPD Holdings One, LLC	Arm	U.S.	100	100
ARM PIPD Holdings Two, LLC	Arm	U.S.	100	100
SBE Global, LP*1	—	U.S.	—	—
Fukuoka SoftBank HAWKS Corp.	—	Fukuoka	100	100
Silver Bands 4 (US) Corp.	—	U.S.	—	100
Balyo SA	—	France	73.5	91.3
SoftBank Robotics Group Corp.	—	Tokyo	87.8	87.8

*1 Limited partnerships are deemed as structured entities and the voting rights are not described.

*2 The Company does not own a majority of SoftBank Corp.'s voting rights. However, the Company has determined that it has substantial control over SoftBank Corp. and included it in the scope of consolidation, considering the fact that the Company holds 40.3% of the voting rights of SoftBank Corp., the dispersion of voting rights in SoftBank Corp. and the voting patterns exercised in SoftBank Corp.'s past general meetings of shareholders.

*3 The Company does not own a majority of A Holdings Corporation's voting rights. However, the Company has determined that it has substantial control over A Holdings Corporation and included it in the scope of consolidation, considering the fact that the Company holds 50.0% of the voting rights of A Holdings Corporation and appoints the majority of the members of A Holdings Corporation's Board of Directors.

*4 The Company does not own a majority of PayPay Bank Corporation's voting rights. However, the Company has determined that it has substantial control over PayPay Bank Corporation and included it in the scope of consolidation, considering the fact that the Company holds 46.6% of the voting rights of PayPay Bank Corporation and directors from the Company constitute the majority of the members of PayPay Bank Corporation's Board of Directors.

*5 The Company does not own a majority of ASKUL Corporation's voting rights. However, the Company has determined that it has substantial control over ASKUL Corporation and included it in the scope of consolidation, considering the fact that the Company holds 46.5% of the voting rights of ASKUL Corporation, the dispersion of voting rights in ASKUL Corporation and the voting patterns exercised in ASKUL Corporation's past general meetings of shareholders.

(2) Summarized consolidated financial information and other information on subsidiaries with material non-controlling interests

a. SoftBank Corp. (SoftBank Corp. and its group companies)

(a) General information

	As of March 31, 2024	As of March 31, 2025
Ownership ratio of the non-controlling interests (%)	59.3	59.7

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Accumulated amount attributable to the non-controlling interests of subsidiary group	¥2,208,965	¥2,499,465	$16,716,593

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Net income allocated to the non-controlling interests of subsidiary group	¥417,136	¥466,857	$3,122,372

Bond-Type Class Shares issued by SoftBank Corp. are not included in the calculation of the ownership ratio as the Company's interests in SoftBank Corp. do not change at the time of issuance, and therefore, the amount paid is recorded as "Non-controlling interests." As of March 31, 2025, the amount paid recorded as "Non-controlling interests" is ¥320,000 million ($2,140,182 thousand) (as of March 31, 2024: ¥120,000 million).

In the calculation of net income allocated to the non-controlling interests, the total amount of unpaid cumulative dividends is first allocated to the non-controlling interests from SoftBank Corp's net income. The remaining balance is then allocated based on the respective ownership ratio to determine the amount attributable to the non-controlling interests.

The details of Bond-Type Class Shares issued by SoftBank Corp. are described in "(7) Non-controlling interests" under "Note 33. Equity."

(b) Summarized consolidated financial information

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Current assets	¥ 5,268,029	¥ 4,858,655	$32,495,017
Non-current assets	10,272,026	11,265,555	75,344,804
Current liabilities	7,085,286	6,835,206	45,714,326
Non-current liabilities	4,500,973	5,001,618	33,451,164
Equity	3,953,796	4,287,386	28,674,331

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Net sales	¥6,084,002	¥6,544,349	$43,769,054
Net income	590,265	655,286	4,382,598
Comprehensive income	622,183	629,071	4,207,270

Dividends paid to non-controlling interests by SoftBank Corp. for the fiscal year ended March 31, 2025 are ¥244,038 million ($1,632,143 thousand) (for the fiscal year ended March 31, 2024: ¥242,074 million).

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Net cash provided by operating activities	¥1,239,689	¥1,367,871	$ 9,148,414
Net cash used in investing activities	(927,607)	(995,183)	(6,655,852)
Net cash used in financing activities	(357,098)	(956,429)	(6,396,663)
Effect of exchange rate changes on cash and cash equivalents	11,733	(6,618)	(44,262)
(Decrease) increase in cash and cash equivalents relating to transfer of assets classified as held for sale	(33,011)	33,011	220,780
Decrease in cash and cash equivalents	¥ (66,294)	¥ (557,348)	$(3,727,583)

b. Delaware Project 1 L.L.C., Delaware Project 2 L.L.C., and Delaware Project 3 L.L.C.

Delaware Project 1 L.L.C., Delaware Project 2 L.L.C., and Delaware Project 3 L.L.C. ("Delaware subsidiaries") made investments in SB Northstar, the asset management subsidiary of the Company, and the ownership ratio from Delaware subsidiaries to SB Northstar is 100%. Investment amounts and ownership ratio from non-controlling interests to each Delaware subsidiary and investment amounts and ownership ratio from each Delaware subsidiary to SB Northstar are the same. Financial figures of each Delaware subsidiary are combined and presented as (b) Summarized consolidated financial information. The financial figures are different from the amounts recorded in the consolidated financial statements of the Company and the financial figures of SB Northstar as these figures are affected by borrowing from SoftBank Group Corp., interest expenses, and other items.

In addition, non-controlling interests in Delaware subsidiaries are from Son Wealth Management Inc (an entity of which Masayoshi Son, Chairman & CEO of SoftBank Group Corp., holds more than one-half of the voting rights).

(a) General information

	As of March 31, 2024	As of March 31, 2025
Ownership ratio of the non-controlling interests (%)	33.3	33.3

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Accumulated amount attributable to the non-controlling interests of subsidiary group	¥(409,390)	¥(428,268)	$(2,864,286)

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Net income (loss) allocated to the non-controlling interests of subsidiary group	¥39,695	¥(22,901)	$(153,163)

(b) Summarized consolidated financial information

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Current assets	¥ 601	¥ 553	$ 3,699
Non-current assets	1,146,338	1,113,542	7,447,445
Current liabilities	2,373,235	2,397,035	16,031,534
Non-current liabilities	—	—	—
Equity	(1,226,296)	(1,282,940)	(8,580,390)

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Net sales	¥ —	¥ —	$ —
Net income (loss)	119,085	(68,713)	(459,557)
Comprehensive income	119,085	(68,713)	(459,557)

No dividends were paid to non-controlling interests by Delaware subsidiaries for the fiscal years ended March 31, 2024 and 2025.

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Net cash used in operating activities	¥ (25)	¥(41)	$(274)
Net cash used in investing activities	(1,079,805)	—	—
Net cash provided by financing activities	1,079,805	—	—
Effect of exchange rate changes on cash and cash equivalents	73	(7)	(47)
Increase (decrease) in cash and cash equivalent	¥ 48	¥(48)	$(321)

19. Investments accounted for using the equity method

(1) Summarized consolidated financial information and other information on the material associates
As of March 31, 2024 and 2025, there are no material associates, individually.

(2) Aggregated information on investment in immaterial associates and joint ventures
The aggregated information of immaterial investments accounted for using the equity method (total amount of the Company's interests), is as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Carrying amount of the interests			
Associates	¥787,708	¥442,635	$2,960,373
Joint ventures	51,500	60,360	403,692
Total	¥839,208	¥502,995	$3,364,065

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Net income (loss)			
Associates	¥(26,640)	¥ (9,713)	$ (64,961)
Joint ventures	(12,001)	(3,644)	(24,372)
Total	¥(38,641)	¥(13,357)	$ (89,333)
Other comprehensive income, net of tax			
Associates	(2,597)	(1,742)	(11,651)
Joint ventures	(285)	25	168
Total	¥ (2,882)	¥ (1,717)	$ (11,483)
Total comprehensive income			
Associates	(29,237)	(11,455)	(76,612)
Joint ventures	(12,286)	(3,619)	(24,204)
Total	¥(41,523)	¥(15,074)	$(100,816)

20. Structured entities

(1) Consolidated structured entities

The Company owns investment funds which are structured entities consolidated by the Company. These funds are structured as venture funds in the form of partnerships and limited partnerships for investment, and designed so that the voting rights or similar rights are not determinant in evaluating control. The Company evaluated that it controls the operation of those structured entities.

The details for major consolidated structured entities are described in "*1" in "(1) Organizational structure" under "Note 18. Major subsidiaries."

In addition, please refer to "a. Consolidation of SVF1, SVF2, and LatAm Funds by the Company" in "(20) Material accounting policies for the SoftBank Vision Funds segment" under "Note 3. Material accounting policies" for the following entities that comprise the SVF1 and SVF2 business.

Company Name	Location
SoftBank Vision Fund L.P.	Bailiwick of Jersey
SoftBank Vision Fund (AIV M1) L.P.	U.S.
SoftBank Vision Fund (AIV M2) L.P.	U.S.
SoftBank Vision Fund (AIV M3) L.P.	U.S.
SoftBank Vision Fund II-2 L.P.	Bailiwick of Jersey

The Company is engaged in investment commitment contracts with certain consolidated structured entities.

The Company has not provided, nor intends to provide, any significant financial support or other significant support to the consolidated structured entities without contractual obligation.

(2) Unconsolidated structured entities

The Company owns investment funds, which are structured entities that are not consolidated by the Company. These funds are structured as venture funds in the form of partnerships, limited partnerships for investment and investment trusts, and designed so that the voting rights or similar rights are not determinant in evaluating control. Third parties control the operation of these structured entities. The funds are financed by the subscription by its partners.

The scale of the structured entities which are not consolidated, the carrying amount of the investment in the entities by the Company, and the potential maximum loss exposure to the Company are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Total assets of the unconsolidated structured entities (aggregate amount)	¥3,963,596	¥3,575,498	$23,913,175
The maximum loss exposure to the Company			
The carrying amount of the investment recognized by the Company	692,340	675,549	4,518,118
Commitment contracts related to additional investment	93,410	78,611	525,756
Total	¥ 785,750	¥ 754,160	$ 5,043,874

In addition to the above, as of March 31, 2025, the Company has an investment in Aestas Management Company, LLC, an OpenAI Global, LLC employee shareholding vehicle. The investee is qualified as an unconsolidated structured entity. The maximum loss exposure of the Company to the unconsolidated structured entity is limited to the carrying amount of investment recognized by the Company, which is ¥366,348 million ($2,450,161 thousand), and there is no commitment contract related to the additional investment.

The investments recognized by the Company are included in "Investments accounted for using the equity method," "Investments from SVF (FVTPL)," or "Investment securities" in the consolidated statement of financial position. The Company did not recognize any liabilities related to unconsolidated structured entities.

The potential maximum loss exposure incurred from the involvement with the structured entities is limited to the total of the carrying amount of the Company's investment and commitment regarding additional investment.

The Company's maximum loss exposure represents the potential maximum loss amount, and does not indicate any estimated loss amount by being involved with structured entities.

The Company has not provided, nor intends to provide, any financial support or other significant support to the unconsolidated structured entities above without contractual obligation.

21. Income taxes

(1) Tax expenses

The components of income tax expenses are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Current tax expenses	¥(429,070)	¥(645,668)	$(4,318,272)
Deferred tax expenses	580,486	544,055	3,638,677
Total	¥ 151,416	¥(101,613)	$ (679,595)

Current tax expenses include benefit arising from tax loss, tax credit and certain temporary differences in the previous years that were previously unrecognized. The reduction of current tax expense for the fiscal year ended March 31, 2025 was ¥273,767 million ($1,830,972 thousand) (for the fiscal year ended March 31, 2024: ¥252,684 million).

Deferred tax expenses include the amount of deferred tax expenses arising from write-off of deferred tax assets or reversal of the write-off of deferred tax assets recorded in the previous years. As a result, the increase in deferred tax expenses for the fiscal year ended March 31, 2025 was ¥93,478 million ($625,187 thousand) (for the fiscal year ended March 31, 2024: ¥86,757 million of decrease).

In Japan, following the promulgation of the "Act on Partial Amendment of the Income Tax Act, etc. (Act No. 13 of 2025)" on March 31, 2025, the "Special Defense Corporate Tax" will be imposed starting from the fiscal year beginning on or after April 1, 2026. Accordingly, the statutory effective tax rate used in the calculation of deferred tax assets and deferred tax liabilities related to temporary differences expected to be resolved on or after April 1, 2026, will be changed from 31.5% to 32.3%. However, the impact of the tax rate change is not material.

(2) Reconciliation of the statutory effective tax rate and actual tax rate

The reconciliation of the statutory effective tax rate and actual tax rate is as follows. The actual tax rate represents the ratio of income tax expenses to income before income tax.

The presentation method used in the table below has been changed for the fiscal year ended March 31, 2025. In order to reflect the change, the presentation for the fiscal year ended March 31, 2024 has been reclassified accordingly.

(Unit: %)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Statutory effective tax rate*	31.5	31.5
Difference in subsidiaries' tax rates	228.6	(19.7)
Temporary differences on investments in subsidiaries	(20.7)	(17.4)
Impact from recoverability assessment of deferred tax assets	(114.7)	10.1
Impact of international tax regimes	(309.8)	3.6
Tax credits	(134.7)	(1.4)
Other	57.8	(0.7)
Actual tax rate	(262.0)	6.0

* The Company is subject to corporate taxes, residence taxes and deductible enterprise taxes. The statutory effective tax rate for the fiscal year ended March 31, 2025 based on these taxes is 31.5% (for the fiscal year ended March 31, 2024: 31.5%), except for foreign subsidiaries which are subject to income taxes at their respective locations.

(3) Movement of deferred tax assets and deferred tax liabilities

The movement of deferred tax assets and deferred tax liabilities is as follows:

For the fiscal year ended March 31, 2024

	(Millions of yen)						
	As of April 1, 2023	Recognized in profit or loss	Recognized in other comprehensive income	Recognized in equity	Exchange differences	Other	As of March 31, 2024
Deferred tax assets							
Property, plant, equipment and intangible assets	¥ 87,246	¥ 17,761	¥ —	¥ —	¥ 771	¥(2,736)	¥ 103,042
Lease liabilities	208,853	6,526	—	—	328	258	215,965
Accrued expenses and other liabilities	127,937	41,673	202	—	2,066	415	172,293
Net operating loss carryforwards and tax credit carryforwards*1,2	613,758	(43,905)	—	24,215	7,047	4,870	605,985
Investment securities	15,701	94,513	—	—	77	(117)	110,174
Derivative financial liabilities	60,392	(60,392)	—	—	—	—	—
Unrealized gain	56,985	(11,066)	—	—	—	—	45,919
Share-based payment*2	10,056	19,203	—	22,985	2,290	56	54,590
Allowance for doubtful accounts	21,017	10,134	—	—	2	19	31,172
Other	87,042	(5,733)	(236)	—	3,686	(39)	84,720
Total	1,288,987	68,714	(34)	47,200	16,267	2,726	1,423,860
Deferred tax liabilities							
Customer relationships	(175,507)	13,983	—	—	(2,805)	(6,607)	(170,936)
Trademarks	(122,367)	(5,077)	—	—	(113)	(2,759)	(130,316)
Technologies	(115,264)	13,743	—	—	(14,957)	(6,000)	(122,478)
Right-of-use assets	(205,294)	(9,077)	—	—	(319)	4,561	(210,129)
Temporary difference associated with investment in subsidiaries, associates and joint ventures	(30,095)	(7,858)	332	—	(484)	(185)	(38,290)
Investment securities	(1,871,158)	584,613	(359)	—	(10,182)	2,203	(1,294,883)
Derivative financial assets	(205,729)	(85,334)	—	—	(344)	—	(291,407)
Contract assets and costs to obtain contracts	(106,004)	6,743	—	—	—	—	(99,261)
Other	(75,303)	36	(32)	—	(668)	2,722	(73,245)
Total	(2,906,721)	511,772	(59)	—	(29,872)	(6,065)	(2,430,945)
Net	¥(1,617,734)	¥580,486	¥ (93)	¥47,200	¥(13,605)	¥(3,339)	¥(1,007,085)

*1 The Company recognizes deferred tax assets of ¥105,632 million as of March 31, 2024 at entities that recorded a loss in either the fiscal year ended March 31, 2023 or 2024. Deferred tax assets are recognized to the extent that it is probable that taxable income will be available against which deductible temporary differences can be utilized.

*2 Changes in "Recognized in equity" under "Net operating loss carryforwards and tax credit carryforwards" and "Share-based payment" are the recognized amount of deferred tax assets associated with the restricted stock unit plans of Arm. The details of the restricted stock unit plans of Arm are described in "(2) Restricted stock unit plan" under "Note 35. Share-based payment transactions."

For the fiscal year ended March 31, 2025

	(Millions of yen)							
	As of April 1, 2024	Recognized in profit or loss	Recognized in other comprehensive income	Business combination*2	Loss of control*3	Exchange differences	Other	As of March 31, 2025
Deferred tax assets								
Property, plant, equipment and intangible assets	¥ 103,042	¥ (4,617)	¥ —	¥ 13,580	¥ (2,381)	¥ (238)	¥ —	¥ 109,386
Lease liabilities	215,965	(248)	—	34,322	(500)	(255)	(134)	249,150
Accrued expenses and other liabilities	172,293	25,422	(792)	472	(43,065)	(677)	(264)	153,389
Net operating loss carryforwards and tax credit carryforwards*1	605,985	(422,006)	—	70	(2,590)	(1,711)	4,760	184,508
Investment securities	110,174	(59,450)	(281)	—	—	(2)	(46)	50,395
Derivative financial liabilities	—	206,332	—	—	—	(146)	127	206,313
Unrealized gain	45,919	(12,752)	—	—	—	—	4	33,171
Share-based payment	54,590	(8,093)	—	—	—	(72)	(8,402)	38,023
Allowance for doubtful accounts	31,172	11,162	—	12	(19)	(5)	(18)	42,304
Other	84,720	29,442	3,636	504	(16,645)	(190)	(289)	101,178
Total	1,423,860	(234,808)	2,563	48,960	(65,200)	(3,296)	(4,262)	1,167,817
Deferred tax liabilities								
Customer relationships	(170,936)	10,030	—	(795)	—	326	—	(161,375)
Trademarks	(130,316)	(6,862)	—	(176)	—	36	—	(137,318)
Technologies	(122,478)	12,945	—	—	—	1,310	—	(108,223)
Right-of-use assets	(210,129)	1,134	—	(34,674)	868	212	225	(242,364)
Temporary difference associated with investment in subsidiaries, associates and joint ventures	(38,290)	(31,779)	(150,157)	—	—	413	194	(219,619)
Investment securities	(1,294,883)	521,487	2,985	—	15,658	652	623	(753,478)
Derivative financial assets	(291,407)	286,816	—	—	4,591	—	—	—
Contract assets and costs to obtain contracts	(99,261)	(21,773)	—	—	—	—	—	(121,034)
Other	(73,245)	6,865	(5,481)	(68,587)	233	499	(1,095)	(140,811)
Total	(2,430,945)	778,863	(152,653)	(104,232)	21,350	3,448	(53)	(1,884,222)
Net	¥(1,007,085)	¥ 544,055	¥(150,090)	¥ (55,272)	¥(43,850)	¥ 152	¥(4,315)	¥ (716,405)

	(Thousands of U.S. dollars)							
	As of April 1, 2024	Recognized in profit or loss	Recognized in other comprehensive income	Business combination*2	Loss of control*3	Exchange differences	Other	As of March 31, 2025
Deferred tax assets								
Property, plant, equipment and intangible assets	$ 689,152	$ (30,879)	$ —	$ 90,824	$ (15,924)	$ (1,592)	$ —	$ 731,581
Lease liabilities	1,444,389	(1,659)	—	229,548	(3,344)	(1,705)	(896)	1,666,333
Accrued expenses and other liabilities	1,152,307	170,024	(5,297)	3,157	(288,022)	(4,527)	(1,766)	1,025,876
Net operating loss carryforwards and tax credit carryforwards*1	4,052,869	(2,822,405)	—	468	(17,322)	(11,443)	31,835	1,234,002
Investment securities	736,851	(397,606)	(1,879)	—	—	(13)	(308)	337,045
Derivative financial liabilities	—	1,379,963	—	—	—	(976)	849	1,379,836
Unrealized gain	307,109	(85,286)	—	—	—	—	27	221,850
Share-based payment	365,102	(54,127)	—	—	—	(482)	(56,193)	254,300
Allowance for doubtful accounts	208,480	74,652	—	80	(127)	(33)	(120)	282,932
Other	566,613	196,910	24,318	3,371	(111,323)	(1,271)	(1,933)	676,685
Total	9,522,872	(1,570,413)	17,142	327,448	(436,062)	(22,042)	(28,505)	7,810,440
Deferred tax liabilities								
Customer relationships	(1,143,232)	67,081	—	(5,317)	—	2,181	—	(1,079,287)
Trademarks	(871,562)	(45,894)	—	(1,177)	—	241	—	(918,392)
Technologies	(819,141)	86,577	—	—	—	8,761	—	(723,803)
Right-of-use assets	(1,405,357)	7,584	—	(231,902)	5,805	1,418	1,505	(1,620,947)
Temporary difference associated with investment in subsidiaries, associates and joint ventures	(256,086)	(212,540)	(1,004,260)	—	—	2,762	1,297	(1,468,827)
Investment securities	(8,660,266)	3,487,741	19,964	—	104,722	4,359	4,167	(5,039,313)
Derivative financial assets	(1,948,950)	1,918,245	—	—	30,705	—	—	—
Contract assets and costs to obtain contracts	(663,864)	(145,619)	—	—	—	—	—	(809,483)
Other	(489,868)	45,915	(36,658)	(458,715)	1,558	3,337	(7,323)	(941,754)
Total	(16,258,326)	5,209,090	(1,020,954)	(697,111)	142,790	23,059	(354)	(12,601,806)
Net	$ (6,735,454)	$ 3,638,677	$(1,003,812)	$(369,663)	$(293,272)	$ 1,017	$(28,859)	$ (4,791,366)

*1 The Company recognizes deferred tax assets of ¥99,207 million ($663,503 thousand) as of March 31, 2025 at entities that recorded a loss in either the fiscal year ended March 31, 2024 or 2025. Deferred tax assets are recognized to the extent that it is probable that taxable income will be available against which deductible temporary differences, net operating loss carryforwards and tax credit carryforwards can be utilized.

*2 Increases in "Business combinations" are mainly due to the consolidation of SBE Global. The details of the transaction are described in "*4" under "Note 41. Other gain."

*3 Decreases in "Loss of control" are mainly due to the loss of control over Fortress. The details of the transaction are described in "*2" under "Note 41. Other gain."

Deferred tax assets and liabilities recorded in the consolidated statement of financial position are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Deferred tax assets	¥ 245,954	¥ 207,987	$ 1,391,031
Deferred tax liabilities	(1,253,039)	(924,392)	(6,182,397)
Net	¥(1,007,085)	¥(716,405)	$(4,791,366)

(4) Deductible temporary differences, net operating loss carryforwards and tax credit carryforwards for which no deferred tax assets have been recognized

Deductible temporary differences, net operating loss carryforwards, and tax credit carryforwards for which no deferred tax assets have been recognized are as follows. The amounts below are on a tax basis.

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Deductible temporary differences	¥519,588	¥ 332,135	$2,221,342
Net operating loss carryforwards	365,009	698,775	4,673,455
Tax credit carryforwards	18,150	3,895	26,050
Total	¥902,747	¥1,034,805	$6,920,847

Expiration schedule of deductible temporary differences with an expiry date, for which no deferred tax assets have been recognized, is as follows.

	(Millions of yen)		(Thousands of U.S. dollars)
Deductible temporary differences (tax basis)	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
1st year	¥ —	¥ —	$ —
2nd year	—	—	—
3rd year	—	—	—
4th year	—	1,793	11,992
5th year and thereafter	62,666	760	5,083
Total	¥62,666	¥2,553	$17,075

Expiration schedule of net operating loss carryforwards and tax credit carryforwards for which no deferred tax assets have been recognized is as follows.

	(Millions of yen)		(Thousands of U.S. dollars)
Net operating loss carryforwards (tax basis)	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
1st year	¥ 3,902	¥ 2,750	$ 18,392
2nd year	2,696	3,337	22,318
3rd year	3,484	627	4,193
4th year	671	50,974	340,918
5th year and thereafter and no expiry date	354,256	641,087	4,287,634
Total	¥365,009	¥698,775	$4,673,455

	(Millions of yen)		(Thousands of U.S. dollars)
Tax credit carryforwards (tax basis)	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
1st year	¥ —	¥ —	$ —
2nd year	—	—	—
3rd year	7,678	—	—
4th year	—	—	—
5th year and thereafter and no expiry date	10,472	3,895	26,050
Total	¥18,150	¥3,895	$26,050

In addition to the above, total future deductible temporary differences (before multiplying by the tax rate) for which no deferred tax assets have been recognized that are related to the investment in subsidiaries,

associates and joint ventures as of March 31, 2025 are ¥7,405,270 million ($49,526,953 thousand) (as of March 31, 2024: ¥7,128,039 million).

(5) Future taxable temporary differences for which no deferred tax liabilities have been recognized that are related to the investment in subsidiaries and joint ventures

Total future taxable temporary differences (before multiplying by the tax rate) for which no deferred tax liabilities have been recognized that are related to the investment in subsidiaries and joint ventures as of March 31, 2025 are ¥8,442,858 million ($56,466,413 thousand) (as of March 31, 2024: ¥7,410,759 million).

22. Interest-bearing debt

(1) Components of interest-bearing debt

The components of interest-bearing debt are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)		
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025	Average interest rate (%)*1	Maturity*2
Current					
Short-term borrowings	¥ 1,100,158	¥ 1,581,598	$10,577,836	4.00	—
Commercial paper	363,501	249,500	1,668,673	0.65	—
Current portion of long-term borrowings*3	1,787,792	1,684,117	11,263,490	2.48	—
Current portion of corporate bonds	824,791	1,116,482	7,467,108	2.49	—
Current portion of financial liabilities relating to sale of shares by prepaid forward contracts*4,7,8	4,194,733	997,843	6,673,642	3.33	—
Current portion of installment payables	168	108	722	3.87	—
Total	¥ 8,271,143	¥ 5,629,648	$37,651,471		
Non-current					
Long-term borrowings*5,6	4,698,657	5,357,017	35,828,097	3.50	Jun. 2026-Nov. 2059
Corporate bonds*8	6,619,839	7,019,644	46,947,860	2.87	Apr. 2026-Apr. 2058
Financial liabilities relating to sale of shares by prepaid forward contracts*7	977,778	—	—	—	—
Installment payables	107	21	140	4.96	Apr. 2026-Dec. 2027
Total	¥12,296,381	¥12,376,682	$82,776,097		

*1 Average interest rate represents the weighted-average interest rate to the balance as of March 31, 2025.

*2 Maturity represents the maturity of the outstanding balance as of March 31, 2025.

*3 For the fiscal year ended March 31, 2025, for certain collar transactions using Deutsche Telekom AG ("Deutsche Telekom") shares, the maturity date for the borrowings and the settlement date for the collar contracts arrived. Subsequently, on those dates, ¥81,489 million ($545,004 thousand) of current portion of long-term borrowings and ¥53,227 million ($355,986 thousand) of derivative financial liabilities were repaid and settled by ¥59,019 million ($394,723 thousand) of cash and ¥75,697 million ($506,267 thousand) of Deutsche Telekom shares through a wholly-owned subsidiary of the Company.

*4 For the fiscal year ended March 31, 2025, prepaid forward contracts using T-Mobile shares matured and were settled by cash and "Current portion of financial liabilities relating to sale of shares by prepaid forward contracts" decreased by ¥432,165 million ($2,890,349 thousand).

*5 In September 2023, Kronos I (UK) Limited entered into a loan commitment agreement for $8.5 billion using 769,029,000 shares of Arm held by a wholly-owned subsidiary of Kronos I (UK) Limited and all of Kronos I (UK) Limited's assets except for certain assets specified in the agreement, as collateral, and borrowed the same amount. The loan agreement includes a cash collateral clause and a prepayment clause, which may be triggered under certain circumstances, such as a significant decrease in the fair value of pledged Arm shares. The loan is nonrecourse debt, and therefore, SoftBank Group Corp. will not be responsible for the borrowings.

In December 2024, Kronos I (UK) Limited made an amendment to the loan commitment agreement, increasing the borrowing commitment by $5.0 billion and extending the repayment maturity by one year from September 2025 to September 2026. As of

March 31, 2025, the entity does not make the additional borrowing of $5.0 billion. As of March 31, 2025, the loan is recorded for ¥1,258,482 million ($8,416,814 thousand) as long-term borrowings (as of March 31, 2024: ¥1,274,904 million of long-term borrowings).

*6 In February 2023, a wholly-owned subsidiary of the Company pledged 9,592,326,020 shares (after considering a share split) out of 19,148,580,700 shares (after considering a share split) of SoftBank Corp. held by the Company as collateral, and procured ¥500,000 million. The borrowings include a cash collateral clause and a prepayment clause, which may be triggered under certain circumstances, such as a significant decrease in the fair value of pledged SoftBank Corp. shares. The loan is nonrecourse debt, and therefore, SoftBank Group Corp. will not be responsible for the borrowings.

In February 2025, the wholly-owned subsidiary of the Company procured ¥300,000 million ($2,006,421 thousand) additionally and made an amendment to the loan agreement, extending the repayment maturity by two years from February 2025 to February 2027. As of March 31, 2025, the loan is recorded for ¥795,974 million ($5,323,529 thousand) as long-term borrowings.

*7 These are primarily financial liabilities relating to sale of shares by prepaid forward contracts using Alibaba shares. The details are described in "(2) Transactions for sale of Alibaba shares by prepaid forward contracts."

*8 A summary of the issuance conditions of the bonds is as follows:

Company name / Name of bond	Date of issuance	Balance of issue amount*9	As of March 31, 2024 (Millions of yen)*10	As of March 31, 2025 (Millions of yen)*10	As of March 31, 2025 (Thousands of U.S. dollars)*10	Interest rate (%)	Date of maturity
SoftBank Group Corp.							
50th Unsecured Straight Bond	Apr. 20, 2016	¥ 30,000 million	29,969	29,985	200,542	2.48	Apr. 20, 2026
53rd Unsecured Straight Bond	Jun. 20, 2018	¥ —	409,857 (409,857)	—	—	1.57	Jun. 14, 2024
54th Unsecured Straight Bond	Jun. 12, 2018	¥ —	39,995 (39,995)	—	—	1.57	Jun. 12, 2024
55th Unsecured Straight Bond	Apr. 26, 2019	¥500,000 million	498,957	500,000 (500,000)	3,344,033 (3,344,033)	1.64	Apr. 25, 2025
56th Unsecured Straight Bond	Sep. 20, 2019	¥400,000 million	398,270	398,986	2,668,446	1.38	Sep. 17, 2026
57th Unsecured Straight Bond*11	Sep. 12, 2019	¥ 97,900 million	97,752	97,813	654,180	1.38	Sep. 11, 2026
58th Unsecured Straight Bond	Dec. 16, 2022	¥385,000 million	381,088	381,779	2,553,364	2.84	Dec. 14, 2029
59th Unsecured Straight Bond	Mar. 15, 2024	¥550,000 million	543,187	544,172	3,639,459	3.04	Mar. 14, 2031
60th Unsecured Straight Bond	Apr. 25, 2024	¥ 30,000 million	—	29,921	200,114	1.80	Apr. 23, 2027
61st Unsecured Straight Bond	Apr. 25, 2024	¥ 50,000 million	—	49,823	333,220	2.44	Apr. 25, 2029
62nd Unsecured Straight Bond	Apr. 25, 2024	¥ 20,000 million	—	19,922	133,240	2.90	Apr. 25, 2031
63rd Unsecured Straight Bond	Jun. 14, 2024	¥550,000 million	—	544,653	3,642,677	3.03	Jun. 13, 2031
64th Unsecured Straight Bond	Dec. 11, 2024	¥350,000 million	—	346,315	2,316,178	3.15	Dec. 11, 2031
USD-denominated Senior Notes due 2024*12,13	Sep. 19, 2017	$ —	118,131 (118,131)	—	—	4.75	Sep. 19, 2024
USD-denominated Senior Notes due 2025*12	Jul. 28, 2015	$ 574 million	86,737	85,799 (85,799)	573,830 (573,830)	6.00	Jul. 30, 2025
USD-denominated Senior Notes due 2025*12	Apr. 20, 2018	$ 337 million	50,886	50,345 (50,345)	336,711 (336,711)	6.13	Apr. 20, 2025
USD-denominated Senior Notes due 2025*12	Jul. 6, 2021	$ —	67,774 (67,774)	—	—	3.13	Jan. 6, 2025
USD-denominated Senior Notes due 2026*12	Jul. 6, 2021	$ 669 million	100,816	99,787	667,382	4.00	Jul. 6, 2026
USD-denominated Senior Notes due 2027*12	Sep. 19, 2017	$ 1,657 million	249,796	247,001	1,651,960	5.13	Sep. 19, 2027

Company name / Name of bond	Date of issuance	Balance of issue amount[*9]	As of March 31, 2024 (Millions of yen)[*10]	As of March 31, 2025 (Millions of yen)[*10]	As of March 31, 2025 (Thousands of U.S. dollars)[*10]	Interest rate (%)	Date of maturity
USD-denominated Senior Notes due 2028[*12]	Apr. 3, 2018	$ 466 million	70,204	69,413	464,239	6.25	Apr. 15, 2028
USD-denominated Senior Notes due 2028[*12]	Jul. 6, 2021	$ 773 million	116,262	115,000	769,128	4.63	Jul. 6, 2028
USD-denominated Senior Notes due 2029	Jul. 8, 2024	$ 400 million	—	59,267	396,382	6.75	Jul. 8, 2029
USD-denominated Senior Notes due 2031[*12]	Jul. 6, 2021	$ 1,305 million	196,018	193,731	1,295,686	5.25	Jul. 6, 2031
USD-denominated Senior Notes due 2031	Jul. 8, 2024	$ 500 million	—	74,252	496,602	7.00	Jul. 8, 2031
Euro-denominated Senior Notes due 2024[*12]	Jul. 6, 2021	€ —	104,043 (104,043)	—	—	2.13	Jul. 6, 2024
Euro-denominated Senior Notes due 2025	Jul. 28, 2015	€ 633 million	103,091	102,529 (102,529)	685,721 (685,721)	4.75	Jul. 30, 2025
Euro-denominated Senior Notes due 2025	Sep. 19, 2017	€ 702 million	114,344	113,718 (113,718)	760,554 (760,554)	3.13	Sep. 19, 2025
Euro-denominated Senior Notes due 2025	Apr. 20, 2018	€ 272 million	44,331	44,099 (44,099)	294,937 (294,937)	4.50	Apr. 20, 2025
Euro-denominated Senior Notes due 2027	Jul. 28, 2015	€ 211 million	34,218	34,025	227,562	5.25	Jul. 30, 2027
Euro-denominated Senior Notes due 2027[*12]	Jul. 6, 2021	€ 437 million	70,949	70,591	472,117	2.88	Jan. 6, 2027
Euro-denominated Senior Notes due 2028[*12]	Apr. 3, 2018	€ 1,054 million	171,246	170,236	1,138,550	5.00	Apr. 15, 2028
Euro-denominated Senior Notes due 2029[*12]	Sep. 19, 2017	€ 575 million	93,301	92,742	620,265	4.00	Sep. 19, 2029
Euro-denominated Senior Notes due 2029[*12]	Jul. 6, 2021	€ 473 million	76,575	76,140	509,230	3.38	Jul. 6, 2029
Euro-denominated Senior Notes due 2029	Jul. 8, 2024	€ 450 million	—	72,289	483,474	5.38	Jan 8, 2029
Euro-denominated Senior Notes due 2032[*12]	Jul. 6, 2021	€ 425 million	68,721	68,305	456,829	3.88	Jul. 6, 2032
Euro-denominated Senior Notes due 2032	Jul. 8, 2024	€ 450 million	—	72,232	483,093	5.75	Jul. 8, 2032
3rd Unsecured Subordinated Corporate Bond	Sep. 30, 2021	¥450,000 million	445,729	446,696	2,987,532	2.40	Sep. 29, 2028
4th Unsecured Subordinated Corporate Bond[*11]	Sep. 16, 2021	¥ 30,100 million	29,978	30,005	200,675	2.40	Sep. 15, 2028
5th Unsecured Subordinated Corporate Bond[*11]	Feb. 4, 2022	¥549,000 million	543,300	544,479	3,641,512	2.48	Feb. 2, 2029
4th Unsecured Subordinated Bonds with interest deferrable clause and early redeemable option (with a subordination provision)[*14,15]	Feb. 4, 2021	¥177,000 million	175,640	175,683	1,174,980	3.00	Feb. 4, 2056
5th Unsecured Subordinated Bonds with interest deferrable clause and early redeemable option (with a subordination provision)[*14,16]	Jun. 21, 2021	¥405,000 million	398,225	398,435	2,664,761	2.75	Jun. 21, 2056

Company name / Name of bond	Date of issuance	Balance of issue amount[*9]	As of March 31, 2024 (Millions of yen)[*10]	As of March 31, 2025 (Millions of yen)[*10]	As of March 31, 2025 (Thousands of U.S. dollars)[*10]	Interest rate (%)	Date of maturity
6th Unsecured Subordinated Bonds with interest deferrable clause and early redeemable option (with a subordination provision)[*14,17]	Apr. 28, 2023	¥222,000 million	218,190	218,302	1,460,019	4.75	Apr. 26, 2058
Subtotal			6,147,580 (739,800)	6,668,470 (896,490)	44,599,184 (5,995,787)		
SoftBank Corp.							
6th Unsecured Straight Bond	Jul. 29, 2020	¥ 70,000 million	70,000	70,000 (70,000)	468,165 (468,165)	0.36	Jul. 29, 2025
8th Unsecured Straight Bond	Dec. 3, 2020	¥ 80,000 million	80,000	80,000 (80,000)	535,045 (535,045)	0.35	Dec. 3, 2025
19th Unsecured Straight Bond	Mar. 10, 2023	¥120,000 million	119,452	119,592	799,839	0.98	Mar. 10, 2028
21st Unsecured Straight Bond	Jul. 12, 2023	¥ 60,000 million	59,820	59,863	400,368	0.82	Jul. 12, 2028
24th Unsecured Straight Bond	Jan. 31, 2024	¥140,000 million	139,203	139,320	931,782	1.24	Jan. 31, 2031
26th Unsecured Straight Bond	May. 27, 2024	¥ 60,000 million	—	59,824	400,107	1.19	May. 25, 2029
27th Unsecured Straight Bond	Feb. 4, 2025	¥126,000 million	—	125,261	837,754	1.81	Feb. 4, 2032
Other Unsecured Straight Bonds	Mar. 18, 2020 — May. 27, 2024	¥370,000 million	359,305 (10,000)	369,422	2,470,720	0.24 ~1.30	Mar. 18, 2025 — Jul 12, 2033
Subtotal			827,780 (10,000)	1,023,282 (150,000)	6,843,780 (1,003,210)		
LY Corporation							
11th Unsecured Straight Bond	Jul. 31, 2019	¥ —	49,991 (49,991)	—	—	0.18	Jul. 31, 2024
12th Unsecured Straight Bond	Jul. 31, 2019	¥ 70,000 million	69,924	69,958	467,884	0.37	Jul. 31, 2026
13th Unsecured Straight Bond	Jul. 31, 2019	¥ 50,000 million	49,896	49,916	333,842	0.46	Jul. 31, 2029
16th Unsecured Straight Bond	Jun. 11, 2020	¥ 70,000 million	69,945	69,992 (69,992)	468,111 (468,111)	0.60	Jun. 11, 2025
19th Unsecured Straight Bond	Jul. 28, 2021	¥ 50,000 million	49,922	49,957	334,116	0.35	Jul. 28, 2026
23rd Unsecured Straight Bond	Sep. 28, 2022	¥ 50,000 million	49,804	49,861	333,474	0.76	Sep. 28, 2027
Other Unsecured Straight Bonds	Dec. 7, 2017 — Sep. 12, 2024	¥155,000 million	129,788 (25,000)	154,690	1,034,577	0.35 ~1.35	Dec. 6, 2024 — Jul. 28, 2031
Subtotal			469,270 (74,991)	444,374 (69,992)	2,972,004 (468,111)		
Total			¥7,444,630 (824,791)	¥ 8,136,126 (1,116,482)	$54,414,968 (7,467,108)		

*9 Balance of issue amount is as of March 31, 2025.

*10 Figures in parentheses as of March 31, 2024 and 2025 represent the current portion.

*11 SoftBank Group Corp. partially redeemed the 57th Unsecured Straight Bond and the 4th Unsecured Subordinated Corporate Bond on April 12, 2023, and the 5th Unsecured Subordinated Corporate Bond on April 28, 2023 before maturity dates, respectively.

*12 SoftBank Group Corp. purchased a portion of the foreign-currency-denominated Senior Notes through the market. Accordingly, the purchases were completed, and as a result, these notes were derecognized as the requirement for the extinguishment was satisfied on the same date.

*13 SoftBank Group Corp. redeemed the notes on July 8, 2024, before maturity date.

*14 The interest rate stated above is at the time of issuance. The bond has a step-up coupon provision and its interest rate may increase in the future.

*15 The bond has an early redeemable option at the Company's discretion from February 4, 2026 and at each interest date on or after February 4, 2026.

*16 The bond has an early redeemable option at the Company's discretion from June 21, 2026 and at each interest date on or after June 21, 2026.

*17 The bond has an early redeemable option at the Company's discretion from April 28, 2028 and at each interest date on or after April 28, 2028.

(2) Transactions for sale of Alibaba shares by prepaid forward contracts

Wholly-owned subsidiaries of the Company entered into prepaid forward contracts with financial institutions to procure funds using Alibaba shares, which are held by the subsidiaries.

In the prepaid forward contracts, the number of Alibaba shares settled by the prepaid forward contracts is fixed regardless of changes in market share price in the future in a forward contract or determined by reference to market price of the shares at the valuation dates prior to the settlement date. The latter type of contracts include Floor contract that a floor is set for the price of shares settled and Collar contract that a cap and a floor are set for the price of shares settled. A part of wholly-owned subsidiaries of the Company entering into prepaid forward contracts with financial institutions to procure funds using Alibaba shares ("Entities for fund procurement by using Alibaba shares"), in addition to the prepaid forward contracts, enter into the call spread (combination of long position of call option and short position of call option with different strike prices) contracts in preparation for Alibaba shares price rise.

The aforementioned prepaid forward contracts are classified as hybrid financial instruments with embedded derivatives. The Company accounts for the contracts by bifurcating the main contracts and embedded derivatives, and the main contracts are recognized as financial liabilities relating to sale of shares by prepaid forward contracts then measured at amortized cost while the embedded derivatives are measured at fair value. Also, the call spread contracts are measured at fair value as well. In addition, for the derivative financial assets and the derivative financial liabilities recognized from the prepaid forward contracts and the call spread contracts, a tax effect is recognized. The ending balance of the derivative financial assets and the derivative financial liabilities recognized from the prepaid forward contracts and the call spread contracts are described in "(b) Price risk" in "a. Market risk" in "(2) Financial risk management" under "Note 28. Financial instruments."

Entities for fund procurement by using Alibaba shares have the option to settle all of the prepaid forward contracts by delivering cash, Alibaba shares, or a combination of cash and Alibaba shares. If Entities for fund procurement by using Alibaba shares elect cash settlement, Entities for fund procurement by using Alibaba shares will pay the cash equivalent to the fair value of the number of shares subject to the settlement, as determined by reference to the market price of the shares.

Alibaba shares held by Entities for fund procurement by using Alibaba shares are pledged as collateral in accordance with all of the prepaid forward contracts, and except for a certain contract, the Company granted the right of use to the financial institutions with respect to such shares. However, the collateral can be released by cash settlement at the discretion of Entities for fund procurement by using Alibaba shares. The details are described in "*1" under "(4) Assets pledged as collateral."

For the fiscal year ended March 31, 2025, certain prepaid forward contracts matured, and Entities for fund procurement by using Alibaba shares settled them by Alibaba shares. As a result, ¥3,799,116 million ($25,408,748 thousand) of current portion of financial liabilities relating to sale of shares by prepaid forward contracts, ¥274,577 million ($1,836,390 thousand) of derivative financial liabilities (net), and ¥4,073,693 million ($27,245,138 thousand) of Alibaba shares (for the fiscal year ended March 31, 2024: ¥356,925 million of current portion of financial liabilities relating to sale of shares by prepaid forward contracts, ¥231,618 million of derivative financial assets (net), and ¥125,307 million Alibaba shares) were derecognized as of the settlement date.

In addition, all of the floor contracts relating to sale of shares by prepaid forward contracts were terminated by March 31, 2024 and all of the collar contracts and the call spread contracts relating to sale of shares by prepaid forward contracts were terminated by March 31, 2025.

All of the remaining prepaid forward contracts using Alibaba shares matured by May 2025 and settled by Alibaba shares.

(3) Financial and other covenants

As of March 31, 2025, ¥3,715,774 million ($24,851,351 thousand) of the long-term borrowings of the Company includes contracts with financial and other covenants. In the event of a breach of such financial and other covenants, the relevant contractual obligations could become due and payable.

a. Financial and other covenants on interest-bearing debts of SoftBank Group Corp.

SoftBank Group Corp.'s interest-bearing debt includes financial and other covenants, and the major financial and other covenants are as follows:

(a) The consolidated statement of financial position of the Company at the end of the fiscal year must not show a net capital deficiency.

(b) The amount of SoftBank Group Corp.'s net assets in the non-consolidated balance sheet at the end of the fiscal year must be maintained at ¥369.8 billion ($2,473,248 thousand) or more.

(c) The balance of the SoftBank Group Corp.'s cash and deposits at the end of the fiscal year and at the end of the second quarter ("Covenants Test Date") must be equal to or greater than the funds required to redeem the bonds issued by SoftBank Group Corp. during the next 12 months following the Covenants Test Date.

b. Financial and other covenants on interest-bearing debts of SoftBank Corp.

SoftBank Corp.'s interest-bearing debt includes financial and other covenants, and the major financial and other covenants are as follows:

(a) The amount of SoftBank Corp.'s equity in the consolidated statement of financial position at the end of the fiscal year and at the end of the second quarter must not fall below 75% of SoftBank Corp.'s equity at the end of the previous fiscal year and the second quarter.

(b) The amount of SoftBank Corp.'s net assets in the non-consolidated balance sheet at the end of the fiscal year and at the end of the second quarter must not fall below 75% of SoftBank Corp.'s net assets at the same dates during the previous fiscal year and the second quarter.

(c) In SoftBank Corp.'s consolidated statement of income, operating income (loss) or net income (loss) must not result in losses for two consecutive fiscal years.

(d) In SoftBank Corp.'s non-consolidated statement of income, operating income (loss) or net income (loss) must not result in losses for two consecutive fiscal years.

(e) Net leverage ratios[*1] of SoftBank Corp. must not exceed certain numbers at the end of the fiscal year and at the end of the second quarter.

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*1 Net leverage ratio:
Net debt[*2] / adjusted EBITDA[*3]

*2 Net debt:
The total amount of interest-bearing debt shown in the consolidated statement of financial position of SoftBank Corp. after deducting cash and cash equivalents adjusted for certain items. Interest-bearing debt is adjusted for certain items, such as an exclusion of interest-bearing debt resulting from financing transactions using an asset securitization scheme.

*3 Adjusted EBITDA:
EBITDA adjusted for certain items as specified in the loan agreement with the financial institutions.

c. Financial and other covenants on interest-bearing debts of LY Corporation

LY Corporation's interest-bearing debt includes financial covenants and other covenants, and the major financial and other covenants are as follows:

(a) The amount of LY Corporation's net assets in the non-consolidated balance sheet prepared in accordance with IFRS at the end of each fiscal year and at the end of the second quarter of each fiscal year must not fall below 75% of LY Corporation's net assets at the same date during the previous fiscal year.

(b) The amount of LY Corporation's equity in the consolidated statement of financial position at the end of each fiscal year and at the end of the second quarter of each fiscal year must not fall below 75% of LY Corporation's equity at the same dates during the previous fiscal year.

(c) The non-consolidated balance sheet prepared in accordance with IFRS of LY Corporation at the end of each fiscal year and at the end of the second quarter of each fiscal year must not show a net capital deficiency.

(d) The consolidated statement of financial position of LY Corporation at the end of each fiscal year and at the end of the second quarter of each fiscal year must not show a net capital deficiency.

(e) In LY Corporation's non-consolidated statement of profit or loss prepared in accordance with IFRS, operating income (loss) or net income (loss) at the end of each fiscal year must not result in losses for two consecutive fiscal years.

(f) In LY Corporation's consolidated statement of profit or loss, operating income (loss) or net income (loss) at the end of each fiscal year must not result in losses for two consecutive fiscal years.

(g) Net leverage ratios[*1] of LY Corporation must not exceed certain respective amounts or numbers at the end of each fiscal year and at the end of the second quarter of each fiscal year.

*1 Net leverage ratio:
Net debt[*2] / Adjusted EBITDA[*3]

*2 Net debt:
The total amount of interest-bearing debt shown in the consolidated statement of financial position of LY Corporation after deducting cash and cash equivalents. Interest-bearing debt is adjusted for certain items, such as an exclusion of interest-bearing debt resulting from financing transactions using an asset securitization scheme. Interest-bearing debt and cash and cash equivalents are adjusted not to include those of a financial subsidiary of LY Corporation.

*3 Adjusted EBITDA:
EBITDA adjusted for certain items as specified in the loan agreement with the financial institutions.

(4) Assets pledged as collateral

Assets pledged as collateral for liabilities are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Cash and cash equivalents	¥ 40	¥ 1,311	$ 8,768
Trade and other receivables	33,613	33,114	221,469
Other financial assets (current)	3,100	59,577	398,455
Property, plant and equipment	4,572	4,413	29,514
Investment securities[*1,2,3]	5,210,271	2,292,821	15,334,544
Other financial assets (non-current)	4,682	—	—
Assets classified as held for sale[*1,2]	86	550,440	3,681,381
Total	¥5,256,364	¥2,941,676	$19,674,131

Liabilities related to these assets pledged as collateral are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Interest-bearing debt			
Short-term borrowings	¥ —	¥ 29,796	$ 199,278
Current portion of long-term borrowings[*2]	83,259	368,936	2,467,469
Current portion of financial liabilities relating to sale of shares by prepaid forward contracts[*1,3]	4,131,011	997,843	6,673,642
Long-term borrowings[*2]	500,581	228,669	1,529,354
Financial liabilities relating to sale of shares by prepaid forward contracts[*1]	977,778	—	—
Trade and other payables	1,837	1,787	11,952
Other current liabilities	498	383	2,562
Liabilities directly relating to assets classified as held for sale	86	—	—
Total	¥5,695,050	¥1,627,414	$10,884,257

*1 As of March 31, 2025, Alibaba shares are pledged as collateral for ¥997,843 million ($6,673,642 thousand) of current portion of financial liabilities relating to sale of shares by prepaid forward contracts (as of March 31, 2024: ¥3,698,847 million of current portion of financial liabilities relating to sale of shares by prepaid forward contracts and ¥977,778 million

of financial liabilities relating to sale of shares by prepaid forward contracts). Alibaba shares pledged as collateral are recorded for ¥1,015,737 million ($6,793,319 thousand) as "Investment securities" and for ¥533,818 million ($3,570,211 thousand) as "Assets classified as held for sale" (as of March 31, 2024: ¥3,751,872 million as "Investment securities") in the consolidated statement of financial position as of March 31, 2025. The details are described in "(2) Transactions for sale of Alibaba shares by prepaid forward contracts."

*2 As of March 31, 2025, ¥1,038,860 million ($6,947,967 thousand) (as of March 31, 2024: ¥828,036 million) of Deutsche Telekom shares held by a wholly-owned subsidiary of the Company is pledged as collateral for ¥343,868 million ($2,299,813 thousand) of current portion of long-term borrowings and ¥65,499 million ($438,062 thousand) of long-term borrowings by collar transactions using Deutsche Telekom shares (as of March 31,2024: ¥82,819 million and ¥414,097 million, respectively). The details are described in "*3" under "(1) Components of interest-bearing debt."

*3 For the fiscal year ended March 31, 2025, prepaid forward contracts using T-Mobile shares, which a wholly-owned subsidiary of the Company entered into, matured and were settled. Subsequently, the collateral for the shares was cancelled. T-Mobile shares pledged as collateral were recorded for ¥612,886 million as "Investment securities" and financial liabilities relating to sale of shares by prepaid forward contracts were recorded for ¥432,165 million as "Current portion of financial liabilities relating to sale of shares by prepaid forward contracts" in the consolidated statement of financial position as of March 31, 2024.

Other than the above, the following assets are pledged as collateral.

a. SVF2

As of March 31, 2025, mainly the equity interests of subsidiaries of SVF2 are pledged as collateral for ¥501,245 million ($3,352,361 thousand) of current portion of long-term borrowings (as of March 31, 2024: ¥547,894 million of long-term borrowings). The facility agreement for the long-term borrowings includes a margin call provision and a mandatory prepayment clause, which may be triggered under certain circumstances such as a significant decrease in the fair value of investments SVF2 holds. The creditors would be able to enforce security and dispose of the equity interests of subsidiaries of SVF2 if the margin call clause or the mandatory prepayment clause were triggered and SVF2 did not pay the relevant amounts to creditors when due. The long-term borrowings are limited-recourse debts.

b. Arm

Kronos I (UK) Limited, a wholly-owned subsidiary of the Company, borrows $8.5 billion as a margin loan using 769,029,000 shares of Arm held by a wholly-owned subsidiary of Kronos I (UK) Limited and all of Kronos I (UK) Limited's assets except for certain assets specified in the agreement as collaterals. The details of the margin loan are described in "*5" under "(1) Components of interest-bearing debt."

c. T-Mobile

The Company has pledged 18,000,000 shares of T-Mobile acquired through the merger transaction with Sprint Corporation ("Sprint") and T-Mobile US, Inc. (as of March 31, 2024 and 2025: ¥444,837 million and ¥717,813 million ($4,800,783 thousand) respectively, as "Investment securities" in the consolidated statement of financial position) as collateral to secure certain of the Company's indemnity obligations undertaken in connection with the merger transaction.

d. SoftBank Corp.

As of March 31, 2025, a wholly-owned subsidiary of the Company procures funds using the shares of SoftBank Corp. as collateral.

9,592,326,020 shares out of 19,148,580,700 shares of SoftBank Corp. held by the Company are pledged as collateral for ¥795,974 million ($5,323,529 thousand) of long-term borrowings (as of March 31, 2024: ¥498,781 million of current portion of long-term borrowings). The borrowings include a cash collateral clause and an early settlement clause and an early settlement may be elected by the creditors under certain circumstances such as a significant decrease in the fair value of pledged SoftBank Corp. shares. The creditors would be able to dispose of the asset pledged as collateral in the event where the early settlement is demanded and the wholly-owned subsidiary of the Company does not repay the borrowings, accordingly. The borrowings are non-recourse debts, and therefore, SoftBank Group Corp. will not be responsible for the borrowings.

(5) Assets with restrictions on rights

a. Assets for sale and leaseback transactions that are not accounted for as sales

Assets for sale and leaseback transactions that continue to be recognized as property, plant and equipment but of which the Company does not have legal title because the transactions are not accounted for as sales, are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Property, plant and equipment	¥815,955	¥743,783	$4,974,472

The liabilities related to the assets of which the Company does not have legal title are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Interest-bearing debt			
Current portion of long-term borrowings	¥227,348	¥214,481	$1,434,464
Long-term borrowings	398,757	380,051	2,541,807
Total	¥626,105	¥594,532	$3,976,271

b. Assets under lease contracts for intangible assets

Assets that are restricted from being transferred, subleased or pledged as collateral by the Company because they are acquired under lease contracts for the intangible assets are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Intangible assets	¥335,676	¥261,046	$1,745,894

The liabilities related to the assets that are restricted from being transferred, subleased or pledged as collateral are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Interest-bearing debt			
Current portion of long-term borrowings	¥108,110	¥ 94,774	$ 633,855
Long-term borrowings	176,537	138,518	926,418
Total	¥284,647	¥233,292	$1,560,273

(6) Components of proceeds in and repayment of short-term interest-bearing debt, net

The components of "Proceeds in (repayment of) short-term interest-bearing debt, net" in the consolidated statement of cash flows are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Net increase (decrease) in short-term borrowings	¥181,074	¥(371,723)	$(2,486,109)
Net increase (decrease) in commercial paper	21,000	(50,000)	(334,403)
Total	¥202,074	¥(421,723)	$(2,820,512)

(7) Components of proceeds from interest-bearing debt

The components of "Proceeds from interest-bearing debt" in the consolidated statement of cash flows are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Proceeds from borrowings	¥3,543,563	¥3,756,443	$25,123,348
Proceeds from issuance of corporate bonds	1,032,000	1,557,222	10,414,807
Proceeds from procurement by prepaid forward contracts using shares	605,627	—	—
Total	¥5,181,190	¥5,313,665	$35,538,155

(8) Components of repayment of interest-bearing debt

The components of "Repayment of interest-bearing debt" in the consolidated statement of cash flows are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Repayment of borrowings	¥(4,469,735)	¥(2,475,239)	$(16,554,568)
Redemption of corporate bonds	(700,618)	(825,632)	(5,521,883)
Payments for settlement of financial liabilities relating to sale of shares by prepaid forward contracts*	(5,133)	(508,211)	(3,398,950)
Total	¥(5,175,486)	¥(3,809,082)	$(25,475,401)

* The amount was primarily settled by cash due to the maturity of prepaid forward contracts using T-Mobile shares. The details are described in "*4" under "(1) Components of interest-bearing debt."

23. Deposits for banking business

The components of deposits for a banking business are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Ordinary deposits	¥1,542,742	¥1,658,539	$11,092,423
Time deposits	100,413	137,426	919,114
Total	¥1,643,155	¥1,795,965	$12,011,537

24. Trade and other payables

The components of trade and other payables are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Trade payables	¥1,970,363	¥2,196,284	$14,688,898
Deposit received*	721,892	814,155	5,445,124
Other	18,274	25,910	173,288
Total	¥2,710,529	¥3,036,349	$20,307,310

* For cashless payment services in the SoftBank business, the amount includes the balance charged by users and the balance of points granted through the use of the services expected to be used for external services.

25. Other financial liabilities

The components of other financial liabilities are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Current			
Borrowed securities in asset management subsidiaries	¥ 3,672	¥ 1,141	$ 7,631
Other	28,129	4,799	32,096
Total	¥31,801	¥ 5,940	$ 39,727
Non-current			
Debt securities issued by subsidiaries*1	—	73,980	494,783
Long-term accounts payable	7,322	69,863	467,249
Payable to Tax Equity Investors*2	—	18,796	125,709
Long-term time deposits	14,368	14,887	99,565
Other	35,327	21,758	145,519
Total	¥57,017	¥199,284	$1,332,825

*1 These are debt instruments issued by SBE Global.

*2 The portion of future cash flows generated from the project that is expected to be allocated to the Tax Equity Investors is estimated and measured at amortized cost by SBE Global. The details of the Tax Equity are described in "*3" under "Note 41. Other gain."

26. Other current liabilities and other non-current liabilities

The components of other current liabilities and other non-current liabilities are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Current			
Contract liabilities	¥171,368	¥184,265	$1,232,377
Short-term accrued employee benefits	301,475	172,445	1,153,324
Consumption tax payable and other	70,549	77,864	520,760
Accrued interest expenses	56,423	73,227	489,747
Withholding income tax	133,335	50,701	339,092
Other	68,135	71,215	476,291
Total	¥801,285	¥629,717	$4,211,591
Non-current			
Contract liabilities	192,987	170,652	1,141,332
Power purchase agreement liabilities*	—	39,439	263,771
Defined benefit liabilities	39,828	38,097	254,795
Long-term accrued employee benefits	34,299	26,928	180,096
Other	44,879	29,491	197,238
Total	¥311,993	¥304,607	$2,037,232

* The amount represents liabilities recognized at the time of business combination with SBE Global, reflecting the fair value of unfavorable difference of future cash flows under long-term power purchase agreements with customers of SBE Global, compared to the market condition as of the acquisition date.

27. Provisions

The changes in the provisions are as follows:

	(Millions of yen)				
	Asset retirement obligations	Provision for loss on contract	Asbestos claims liabilities	Other	Total
As of April 1, 2024	¥ 81,742	¥ 53,557	¥ 75,005	¥ 2,302	¥212,606
Recognition of provisions	6,429	44,954	—	12,605	63,988
Business combination	28,352	—	—	314	28,666
Loss of control*1	(328)	—	(75,005)	(10)	(75,343)
Interest due to passage of time	178	—	—	—	178
Used	(13,544)	(15,187)	—	(12,463)	(41,194)
Reversal of provisions	—	—	—	(18)	(18)
Change in estimate*2,3	12,227	3,461	—	—	15,688
Exchange differences	(142)	—	—	(27)	(169)
Other	1,403	—	—	3,678	5,081
As of March 31, 2025	¥116,317	¥ 86,785	¥ —	¥ 6,381	¥209,483
Current liabilities	¥ 12,420	¥ 35,477	¥ —	¥ 6,150	¥ 54,047
Non-current liabilities	103,897	51,308	—	231	155,436
Total	¥116,317	¥ 86,785	¥ —	¥ 6,381	¥209,483

	(Thousands of U.S. dollars)				
	Asset retirement obligations	Provision for loss on contract	Asbestos claims liabilities	Other	Total
As of April 1, 2024	$546,696	$ 358,193	$ 501,639	$ 15,395	$1,421,923
Recognition of provisions	42,998	300,656	—	84,303	427,957
Business combination	189,620	—	—	2,100	191,720
Loss of control*1	(2,194)	—	(501,639)	(66)	(503,899)
Interest due to passage of time	1,190	—	—	—	1,190
Used	(90,583)	(101,572)	—	(83,353)	(275,508)
Reversal of provisions	—	—	—	(120)	(120)
Change in estimate*2,3	81,775	23,147	—	—	104,922
Exchange differences	(949)	—	—	(181)	(1,130)
Other	9,383	—	—	24,599	33,982
As of March 31, 2025	$777,936	$ 580,424	$ —	$ 42,677	$1,401,037
Current liabilities	$ 83,066	$ 237,273	$ —	$ 41,131	$ 361,470
Non-current liabilities	694,870	343,151	—	1,546	1,039,567
Total	$777,936	$ 580,424	$ —	$ 42,677	$1,401,037

*1 Regarding the decrease in "Loss of control" of "Asbestos claims liabilities," it is due to the loss of control over Fortress. The details of the transaction are described in "*2" under "Note 41. Other gain."

*2 Regarding the "Change in estimate" of "Asset retirement obligations," SoftBank Corp. revised estimates of restoration costs for certain equipment based on the increased probability of the removal of certain network equipment after consideration of the efficient operation of network equipment and due to changing environment such as rise in prices.

*3 Regarding the "Change in estimate" of "Provision for loss on contract," SoftBank Corp. reviewed the exercise rate and the period of trade-in program, as well as the expected sales price of devices based on past performance.

Asset retirement obligations

Asset retirement obligations are recognized by the reasonably estimated amount required for the removal of equipment, such as part of base stations, certain offices (including the head office), data centers, and network centers. The estimate of the amount for the removal of equipment and the timing of the payment is based on the current business plans and assumptions and is subject to change depending on revised future assumptions.

Provision for loss on contract

In mobile services, provision for loss on contract is recognized by estimating the losses based on forecasts of the exercise rate and period of trade-in programs in order to prepare for losses resulting from the difference between the sales price of devices received from customers and residual installment receivables from customers. The sales price of the devices and the amount of the residual installment receivables may fluctuate due to changes in the market environment and other factors.

28. Financial instruments

(1) Capital management

Our policy is to realize and maintain optimum capital composition to maintain mid- and long-term sustainable growth and maximize our corporate value.

Major indicators used for our capital management are as follows:

- Equity capital
- Equity capital ratio

* Equity capital is the amount of "Equity attributable to owners of the parent." Equity capital ratio is calculated by dividing "Equity attributable to owners of the parent" by "Total liabilities and equity."

Equity capital and the equity capital ratio are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Equity capital	¥11,162,125	¥11,561,541	$77,324,378
Equity capital ratio (%)	23.9	25.7	25.7

The Company is not subject to significant regulatory capital requirements imposed by outside institutions other than general capital requirements under the Companies Act of Japan and other laws. The details regarding the financial covenants related to interest-bearing debt are described in "(3) Financial and other covenants" under "Note 22. Interest-bearing debt."

(2) Financial risk management

As the Company operates in a wide range of markets, the Company faces a variety of financial risks (foreign exchange risk, price risk, interest rate risk, credit risk, and liquidity risk) in its operations. The Company manages its risks based on established policies to prevent and reduce these financial risks.

Derivative transactions, which were entered into by the Company, are conducted and controlled based on the Company's finance regulations and are limited to the extent of actual demands.

a. Market risk

(a) Foreign exchange risk

The Company is engaged in international businesses through investments, financial contributions and the establishment of joint ventures. As an investment business, the Company holds a large number of investments which includes investments denominated in foreign currencies, mainly through foreign subsidiaries. Also, the Company undertakes transactions denominated in foreign currencies with foreign parties and through lending to and borrowing from foreign subsidiaries. Consequently, there is foreign exchange risk that arises from changes in currency rates mainly in the U.S. dollars, Chinese yuan, and Euro currencies.

To manage this risk, the Company continuously monitors exchange rates and manages exchange rate exposures. The Company also enters into foreign currency forward contracts, and foreign currency swap contracts to hedge the risk.

i. Foreign exchange sensitivity analysis

The net exposure to foreign exchange risk on financial instruments against Japanese yen is as follows. The exposure does not include the amounts which are hedged against foreign exchange risk through derivative transactions.

U.S. dollars

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Net exposure affecting income before income tax [in liability position]	¥(1,087,827)	¥(3,259,862)	$(21,802,180)
Net exposure affecting other comprehensive income [in asset position]	54,054	2,343	15,670

Euro currencies

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Net exposure affecting income before income tax [in liability position]	¥(145,303)	¥(143,176)	$(957,571)
Net exposure affecting other comprehensive income [in asset position]	3,217	—	—

In addition to the above, the net exposure to foreign exchange risk on financial instruments against U.S. dollars is as follows. The exposure does not include the amounts which are hedged against foreign exchange risk through derivative transactions.

Chinese yuan

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Net exposure affecting income before income tax [in asset position]	¥1,513,671	¥1,503,686	$10,056,755

Euro currencies

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Net exposure affecting income before income tax [in asset position]	¥658,286	¥906,662	$6,063,818
Net exposure affecting other comprehensive income [in asset position]	4,226	4,183	27,976

Indian rupee

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Net exposure affecting income before income tax [in asset position]	¥748,690	¥645,271	$4,315,617

Net exposure affecting income before income tax comprises the foreign exchange risk exposures from monetary financial instruments denominated in a foreign currency (including those used in internal transactions) whose exchange differences are recognized in profit or loss and the foreign exchange risk exposures from derivatives related to forecast transactions.

Net exposure affecting other comprehensive income comprises the foreign exchange risk exposures from financial assets whose exchange differences are recognized in other comprehensive income.

The table below presents the effect of a 1% appreciation of the Japanese yen on income before income tax and other comprehensive income before tax effect regarding the financial instruments with the above foreign exchange risk exposure, assuming that all other factors remain constant. The analysis does not include the effect of translating assets and liabilities of foreign operations into the presentation currency, which is detailed in "(3) Foreign exchange sensitivity analysis for exchange differences on translating foreign operations" under "Note 32. Foreign currency exchange rates."

U.S. dollars

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Increase in income before income tax	¥10,878	¥32,599	$218,024
Decrease in other comprehensive income before tax effect	(541)	(23)	(154)

Euro currencies

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Increase in income before income tax	¥1,453	¥1,432	$9,577
Decrease in other comprehensive income before tax effect	(32)	—	—

The table below presents the effect of a 1% appreciation of the U.S. dollar against the Chinese yuan on income before income tax:

Chinese yuan

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Decrease in income before income tax	¥(15,137)	¥(15,037)	$(100,568)

The table below presents the effect of a 1% appreciation of the U.S. dollar against the Euro currencies on income before income tax and other comprehensive income before tax effect:

Euro currencies

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Decrease in income before income tax	¥(6,583)	¥(9,067)	$(60,641)
Decrease in other comprehensive income before tax effect	(42)	(42)	(281)

The table below presents the effect of a 1% appreciation of the U.S. dollar against the Indian rupee on income before income tax:

Indian rupee

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Decrease in income before income tax	¥(7,487)	¥(6,453)	$(43,158)

ii. Foreign currency exchange contracts

Foreign currency forward contracts and foreign currency swap contracts are entered into to reduce exposure to foreign exchange risk on the amount to be paid or received in certain transactions denominated in foreign currencies.

The details of foreign currency exchange contracts are as follows.

Foreign currency exchange contracts to which hedge accounting is applied

As of March 31, 2024

	(Millions of yen)				
	Contract amounts (of which: maturing in more than one year)	Carrying amount (fair value)		Changes in the fair value of hedging instruments used for recognition of the ineffective portion of hedging instruments	Average rate
		Assets	Liabilities		
Foreign currency forward contracts					
Long - U.S. dollars (Functional Currency: Yen)	¥ 3,299 (—)	¥ 78	¥ —	¥ 79	¥139.87 per $1
Long - Great Britain pound (Functional Currency: U.S. dollars)	139,133 (—)	597	574	(1,220)	$0.79 per £1
Currency swap contracts					
Receipt in U.S. dollars/ payment in yen	566,980 (424,263)	149,571	—	81,725	¥119.22 per $1
Receipt in Euro currencies/ payment in yen	613,776 (519,544)	89,967	—	85,610	¥138.81 per €1
Total	¥1,323,188 (943,807)	¥240,213	¥574	¥166,194	

As of March 31, 2025

	(Millions of yen)				
	Contract amounts (of which: maturing in more than one year)	Carrying amount (fair value)		Changes in the fair value of hedging instruments used for recognition of the ineffective portion of hedging instruments	Average rate
		Assets	Liabilities		
Foreign currency forward contracts					
Long - U.S. dollars (Functional Currency: Yen)	¥ 1,595 (—)	¥ 7	¥ 21	¥ (92)	¥147.73 per $1
Long - Great Britain pound (Functional Currency: U.S. dollars)	63,932 (—)	981	277	681	$0.78 per £1
Long - Euro currencies (Functional Currency: U.S. dollars)	806 (—)	3	—	3	$0.93 per €1
Currency swap contracts					
Receipt in U.S. dollars/ payment in yen	634,576 (527,101)	121,250	9,851	(38,172)	¥129.23 per $1
Receipt in Euro currencies/ payment in yen	675,906 (461,426)	101,026	7,475	3,584	¥144.34 per €1
Total	¥1,376,815 (988,527)	¥223,267	¥17,624	¥(33,996)	

	(Thousands of U.S. dollars)			
	Contract amounts (of which: maturing in more than one year)	Carrying amount (fair value)		Changes in the fair value of hedging instruments used for recognition of the ineffective portion of hedging instruments
		Assets	Liabilities	
Foreign currency forward contracts				
Long - U.S. dollars (Functional Currency: Yen)	$ 10,667 (—)	$ 47	$ 140	$ (615)
Long - Great Britain pound (Functional Currency: U.S. dollars)	427,582 (—)	6,561	1,853	4,554
Long - Euro currencies (Functional Currency: U.S. dollars)	5,391 (—)	20	—	20
Currency swap contracts				
Receipt in U.S. dollars / payment in yen	4,244,087 (3,525,287)	810,928	65,885	(255,297)
Receipt in Euro currencies/ payment in yen	4,520,506 (3,086,049)	675,669	49,993	23,970
Total	$ 9,208,233 (6,611,336)	$1,493,225	$117,871	$(227,368)

The carrying amounts of the derivative instruments designated as hedging instruments are recorded as "Derivative financial assets" and "Derivative financial liabilities" in the consolidated statement of financial position. The outstanding amounts of those maturing in more than one year are classified as non-current assets and non-current liabilities.

The above foreign currency exchange contracts are designated as cash flow hedges. At the inception of the hedging relationship, the appropriate hedge ratio of the hedging relationship is determined based on the quantity of the hedged items and the quantity of the hedging instruments, basically in the ratio of one to one.

For the purpose of hedge effectiveness assessment, the Company conducts the qualitative assessments as to whether the significant conditions of hedged items and hedging instruments are met or closely matched, or the quantitative assessments as to whether the changes in values of the hedged items and hedging instruments offset each other against the same risk. The Company confirms if there is an economic relationship between the hedged items and hedging instruments through them. Any ineffective portion of the hedge has no significance in amounts. The change in values of hedged items used as a basis to recognize the ineffective portion are similar to the changes in fair value of hedging instruments.

Changes in the accumulated other comprehensive income after tax effect related to the derivatives designated as hedging instruments are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Foreign currency forward contracts			
Balance at the beginning of the period	¥ 1,023	¥ (68)	$ (455)
Amount incurred	(2,233)	(429)	(2,870)
Reclassification adjustments*1	1,142	886	5,926
Balance at the end of the period*2	(68)	389	2,601
Currency swap contracts			
Balance at the beginning of the period	(69,861)	(44,877)	(300,140)
Amount incurred	148,190	(321)	(2,147)
Reclassification adjustments*1	(123,206)	34,893	233,366
Balance at the end of the period*2	(44,877)	(10,305)	(68,921)
Total	¥ (44,945)	¥ (9,916)	$ (66,320)

*1. Reclassification adjustments are the amounts of accumulated other comprehensive income transferred to profit or loss relating to the hedged item when the hedged item affects profit or loss, and are recorded as "Foreign exchange gain (loss)" and "Other

gain" in the consolidated statement of profit or loss. For the fiscal year ended March 31, 2025, the amount of ¥1,484 million ($9,925 thousand) (for the fiscal year ended March 31, 2024: ¥1,488 million) transferred from cash flow hedges, which arise from the discontinued hedging relationships, to profit or loss is included in reclassification adjustments. The hedging accounting is discontinued when a forecasted transaction is no longer expected to occur, although hedge accounting has been applied.

*2. As of March 31, 2025, accumulated other comprehensive income after tax effect includes ¥839 million ($5,611 thousand) (as of March 31, 2024: ¥2,323 million) related to discontinued hedging accounting.

Foreign currency exchange contracts to which hedge accounting is not applied

	(Millions of yen)						(Thousands of U.S. dollars)		
	As of March 31, 2024			As of March 31, 2025			As of March 31, 2025		
	Contract amounts (of which: maturing in more than one year)	Carrying amount (fair value)		Contract amounts (of which: maturing in more than one year)	Carrying amount (fair value)		Contract amounts (of which: maturing in more than one year)	Carrying amount (fair value)	
		Assets	Liabilities		Assets	Liabilities		Assets	Liabilities
Foreign currency forward contracts	¥128,021 (70,160)	¥2,787	¥ 4	¥ 74,577 (1,469)	¥ —	¥ 744	$498,776 ($ (9,825)	$ —	$ 4,976
Currency swap contracts	75,099 (1,659)	1,247	299	1,659 (1,212)	574	—	11,096 (8,106)	3,839	—
Foreign exchange margin transactions*	51,218 (—)	2,317	976	70,009 (—)	4,951	1,907	468,225 (—)	33,113	12,754
Total	¥254,338 (71,819)	¥6,351	¥1,279	¥146,245 (2,681)	¥5,525	¥2,651	$978,097 (17,931)	$36,952	$17,730

* Contract amounts include contract amounts related to transactions with customers and contract amounts for cover transactions with financial institutions to mitigate related risks.

(b) Price risk

As part of the business strategy, the Company holds securities traded in active markets, including listed stock, and is exposed to market price fluctuation risk.

The Company manages this risk by continuously monitoring the financial condition of security issuers and stock market fluctuations.

i. Price sensitivity analysis for securities

The tables below present the effect of a 10% decrease in market price regarding the securities traded in active markets (excluding securities subject to insignificant risk of change in value such as MMF) on income before income tax and other comprehensive income before tax effect, assuming that all other factors remain constant.

(i) Securities held for trading

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Decrease in income before income tax	¥(1,852)	¥(26,966)	$(180,350)

(ii) Other securities

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Decrease in income before income tax	¥(1,056,722)	¥(1,012,472)	$(6,771,483)
Decrease in other comprehensive income before tax effect	(2,666)	(3,821)	(25,555)

ii. Price sensitivity analysis for derivative instruments (excluding contracts classified within level 3 of the fair value hierarchy)

The Company has entered into prepaid forward contracts which are settled by Alibaba shares held by the Company. The contracts include collar contracts where a cap and a floor are set for the number of shares settled, floor contracts where a floor is set for the number of shares settled and forward contracts where the number of shares settled is fixed. Also, the Company has entered into call spread contracts associated with the prepaid forward contracts which are settled by Alibaba shares. The collar, the floor, the forward and the call spread contracts are classified as a derivative instrument and their fair values are affected by the price of Alibaba shares. Derivative gain and loss, which occurs depending on fluctuation of the price of Alibaba shares, are recognized through profit or loss.

Regarding the floor, collar, and call spread contracts related to the prepaid forward contracts, the floor contracts were fully terminated by March 31, 2024, and the collar and call spread contracts were fully terminated by March 31, 2025.

Fair values of the collar, the forward and the call spread contracts are composed of intrinsic value and time value. As of March 31, 2025, the effect of a 10% increase and a 10% decrease in the price of Alibaba shares on income before income tax due to fluctuation of intrinsic value are a loss of ¥154,951 million ($1,036,323 thousand) (as of March 31, 2024: ¥372,789 million) and a gain of ¥154,951 million ($1,036,323 thousand) (as of March 31, 2024: ¥373,124 million), respectively, assuming that all other factors remain constant.

In addition, all prepaid forward contracts using Alibaba shares matured and were physically settled by May 2025. The details of the prepaid forward contracts using Alibaba shares are described in "(2) Transactions for sale of Alibaba shares by prepaid forward contracts" under "Note 22. Interest-bearing debt."

iii. Option contracts

The details of option contracts are as follows:

Option contracts to which hedge accounting is not applied

	(Millions of yen)				(Thousands of U.S. dollars)	
	As of March 31, 2024		As of March 31, 2025		As of March 31, 2025	
	Carrying amount (fair value)		Carrying amount (fair value)		Carrying amount (fair value)	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Long call option	¥ 49,416	¥ —	¥ 6,419	¥ —	$ 42,931	$ —
Short call option	—	12,966	—	23,624	—	157,999
Long put option	31,430	—	30,967	—	207,109	—
Short put option	—	4,724	—	18,633	—	124,619
Prepaid forward contracts using Alibaba shares*1	394,972	—	—	—	—	—
Call spread contracts relating to prepaid forward contracts using Alibaba shares*1	1	—	—	—	—	—
Short call option for T-Mobile shares to Deutsche Telekom*2	—	70,699	—	—	—	—
Prepaid forward contracts using T-Mobile shares*3	—	28,257	—	—	—	—
Others	11	15,616	9	—	60	—
Total	¥475,830	¥132,262	¥37,395	¥42,257	$250,100	$282,618

*1 The details of prepaid forward contracts using Alibaba shares and call spread contracts relating to prepaid forward contracts using Alibaba shares are described in "(2) Transactions for sale of Alibaba shares by prepaid forward contracts" under "Note 22. Interest bearing debt."

*2 On June 7, 2024, Deutsche Telekom partially exercised options to purchase T-Mobile shares granted by the Company and the Company sold 6,728,701 shares of T-Mobile. All remaining short call options expired on June 22, 2024.

*3 The prepaid forward contracts using T-Mobile shares are settled by reference to the market price of the T-Mobile shares at the valuation dates prior to the settlement dates. They are collar contracts which a cap and a floor are set for the price of shares settled.

iv. Swap contracts

The details of swap contracts are as follows:

Swap contracts to which hedge accounting is not applied

	(Millions of yen)				(Thousands of U.S. dollars)	
	As of March 31, 2024		As of March 31, 2025		As of March 31, 2025	
	Carrying amount (fair value)		Carrying amount (fair value)		Carrying amount (fair value)	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Swap contracts related to electricity sales price	¥—	¥—	¥—	¥18,675	$—	$124,900

v. Forward contracts

The details of forward contracts are as follows:

Forward contracts to which hedge accounting is not applied

	(Millions of yen)				(Thousands of U.S. dollars)	
	As of March 31, 2024		As of March 31, 2025		As of March 31, 2025	
	Carrying amount (fair value)		Carrying amount (fair value)		Carrying amount (fair value)	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Prepaid forward contracts using Alibaba shares*	¥514,848	¥54,688	¥ —	¥551,943	$ —	$3,691,432
Other	—	—	2,468	—	16,506	—
Total	¥514,848	¥54,688	¥2,468	¥551,943	$16,506	$3,691,432

* The details of prepaid forward contracts using Alibaba shares are described in "(2) Transactions for sale of Alibaba shares by prepaid forward contracts" under "Note 22. Interest-bearing debt."

vi. Collar contracts using shares

The details of collar contracts using shares are as follows:

Collar contracts using shares to which hedge accounting is not applied

	(Millions of yen)				(Thousands of U.S. dollars)	
	As of March 31, 2024		As of March 31, 2025		As of March 31, 2025	
	Carrying amount (fair value)		Carrying amount (fair value)		Carrying amount (fair value)	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Collar contracts using Deutsche Telekom shares	¥—	¥46,837	¥—	¥308,374	$—	$2,062,426

(c) Interest rate risk

The Company raises funds through interest-bearing debts. Certain interest-bearing debts are subject to floating interest rates and are exposed to interest rate risk.

Interest-bearing debts with floating interest rates have the risk of increased interest expenses due to rising interest rates. In order to prevent interest rate risk, the Company maintains an appropriate mixture of fixed and floating interest rate debts. In addition, in order to reduce interest rate risk, for certain interest-bearing debts with floating interest rates, the Company also utilizes derivative transactions, such as interest rate swaps converting floating interests into fixed interests. For floating interest rate debts, the Company continuously monitors interest rate fluctuations.

i. Interest rate sensitivity analysis

The table below presents the effect of a 1% increase in interest rates regarding the floating interest rate debts on "Income before income tax" in the consolidated statement of profit or loss, assuming that all other factors remain constant. The analysis does not include floating interest rate debts whose interests are fixed by interest rate swaps and other derivative transactions.

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Decrease in income before income tax	¥(37,529)	¥(47,074)	$(314,834)

ii. Interest rate contracts

The details of interest rate contracts are as follows:

Interest rate contracts to which hedge accounting is applied

	(Millions of yen)				
	As of March 31, 2024				
	Contract amounts (of which: maturing in more than one year)	Carrying amount (fair value)		Changes in the fair value of hedging instruments used for recognition of the ineffective portion of hedging instruments	Average rate
		Assets	Liabilities		
Interest rate swap	¥ 815,000	¥396	¥591	¥1,946	1.72%
Receipt in floating rate/ Payment in fixed rate	(470,000)				

	(Millions of yen)				
	As of March 31, 2025				
	Contract amounts (of which: maturing in more than one year)	Carrying amount (fair value)		Changes in the fair value of hedging instruments used for recognition of the ineffective portion of hedging instruments	Average rate
		Assets	Liabilities		
Interest rate swap	¥ 570,000	¥9,767	¥—	¥9,962	1.62%
Receipt in floating rate/ Payment in fixed rate	(485,000)				

	(Thousands of U.S. dollars)			
	As of March 31, 2025			
	Contract amounts (of which: maturing in more than one year)	Carrying amount (fair value)		Changes in the fair value of hedging instruments used for recognition of the ineffective portion of hedging instruments
		Assets	Liabilities	
Interest rate swap	$ 3,812,199	$65,322	$—	$66,627
Receipt in floating rate/ Payment in fixed rate	(3,243,713)			

The carrying amounts of the derivative instruments designated as hedging instruments are recorded as "Derivative financial assets" and "Derivative financial liabilities" in the consolidated statement of financial position. The outstanding amounts of those maturing in more than one year are classified as non-current assets and non-current liabilities.

The above interest rate contracts are designated as cash flow hedges. At the inception of the hedging relationship, the appropriate hedge ratio of the hedging relationship is determined based on the quantity of the hedged items and the quantity of the hedging instruments, basically in the ratio of one to one.

For the purpose of hedge effectiveness assessment, the Company conducts the qualitative assessments as to whether the significant conditions of hedged items and hedging instruments are met or closely matched, or the quantitative assessments as to whether the changes in values of the hedged items and hedging instruments offset each other against the same risk. The Company confirms if there is an economic relationship between the hedged items and hedging instruments through them. Any ineffective portion of the hedge has no significance in amounts. The change in values of hedged items used as a basis to recognize the ineffective portion are similar to the changes in fair value of hedging instruments.

Changes in the accumulated other comprehensive income after tax effect related to the derivatives designated as hedging instruments are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Interest rate swap			
Balance at the beginning of the period	¥(2,760)	¥(3,085)	$(20,633)
Amount incurred	(4,693)	2,669	17,851
Reclassification adjustments*1	4,368	197	1,318
Balance at the end of the period*2	¥(3,085)	¥ (219)	$ (1,464)

*1 Reclassification adjustments represent amounts of accumulated other comprehensive income transferred to profit or loss when the hedged item affects profit or loss, and are recorded as "Finance cost" in the consolidated statement of profit or loss. For the fiscal year ended March 31, 2025, the amount of ¥ (2) million ($(13) thousand) (for the fiscal year ended March 31, 2024: none) transferred from cash flow hedges to profit or loss is included in reclassification adjustments. The transfer arises from discontinued hedging relationships when a forecasted transaction is no longer expected to occur, although hedge accounting has been applied.

*2 As of March 31, 2025, accumulated other comprehensive income after tax effect includes ¥38 million ($254 thousand) (as of March 31, 2024: ¥ (2,874) million) related to discontinued hedging accounting.

Interest rate contracts to which hedge accounting is not applied

	(Millions of yen)						(Thousands of U.S. dollars)		
	As of March 31, 2024			As of March 31, 2025			As of March 31, 2025		
	Contract amounts (of which: maturing in more than one year)	Carrying amount (fair value)		Contract amounts (of which: maturing in more than one year)	Carrying amount (fair value)		Contract amounts (of which: maturing in more than one year)	Carrying amount (fair value)	
		Assets	Liabilities		Assets	Liabilities		Assets	Liabilities
Interest rate swap	¥ —	¥—	¥—	¥ 252,385	¥865	¥3,040	$ 1,687,968	$5,785	$20,332
	(—)			(252,385)			(1,687,968)		

b. Credit risk

In the course of the Company's business, trade and other receivables, contract assets and other financial assets (including deposits, equity securities, bonds, derivatives and others) are exposed to the credit risk of its counterparties.

In order to prevent and reduce the risk, the Company does not expose itself to significant concentrations of credit risk for such receivables and financial assets. To manage its credit risk, the Company performs controls around the due date and balance for each customer in accordance with its internal customer credit management rules and regularly monitors major customers' credit status. Derivative transactions, which are executed and maintained by the Company, are conducted and controlled based on the Company's finance regulations, and those transactions engaged in are limited to those with financial institutions with high credit ratings in order to reduce the risk.

The carrying amount of financial assets, net of impairment, which is presented in the consolidated statement of financial position, the amount of lending commitments and the amount of guaranteed obligations represent the Company's maximum exposure to credit risk on financial assets. The values of collateral held and other credit enhancements are not considered.

For trade receivables and contract assets, the Company measures the lifetime expected credit risk. For receivables, lending commitments and others other than trade receivables and contract assets, the Company measures future expected credit losses in consideration of the assessment of a significant increase of credit risk. The Company determines whether a significant increase of credit risk has been achieved or not based on the change in the risk of default occurrence. In the determination process, past due information, deterioration of operating results, and external credit ratings are considered. For receivables, lending commitments and others other than trade receivables and contract assets, the Company measures the expected credit losses at the amount of the 12-month expected credit losses. However, when there is a significant increase of credit risk after initial recognition, the expected credit losses are measured at the amount of lifetime expected credit losses.

The Company groups financial assets with no individual significance based on the characteristics of credit risk and the type of transactions. The Company then assesses the existence of objective evidence of impairment for each group considering the past default rate and others. The Company measures expected credit losses individually for each receivable as financial assets that have been impaired when the events of default as detailed below have occurred, resulting in estimated negative future cash flows of the financial assets.

- Significant financial difficulty of the issuer or borrower
- Breach of contract, such as a default or delinquency in interest or principal payments
- High probability of bankruptcy or entering financial reorganization

For credit-impaired financial assets, when it is probable that the Company will not collect the entire amount of or a part of the financial assets, the impairment losses are directly deducted from the carrying amount.

Details of lending commitments and credit guarantees are described in "(1) Lending commitments" and "(2) Credit guarantees" under "Note 46. Contingency."

For the fiscal year ended March 31, 2025, SoftBank Group Corp. received cash and cash equivalents of ¥100,995 million ($675,461 thousand) (for the fiscal year ended March 31, 2024: ¥101,655 million) as collateral under certain derivative contract.

(a) Carrying amounts of financial assets subject to allowance for doubtful accounts

Exposure to credit risk on contract assets is included in trade receivables. In addition, since trade receivables arising from the credit card business include interest income, the Company measures expected credit losses for those receivables by using the same method for the financial assets other than trade receivables. As a result, exposure to credit risk on trade receivables arising from the credit card business is included in the financial assets other than trade receivables.

i. Trade receivables

The table below presents an aging analysis of the carrying amounts of trade receivables and allowance for doubtful accounts.

As of March 31, 2024

	(Millions of yen)						
		Past due					
	Before due	Within 1 month	1 month to 3 months	3 months to 6 months	6 months to 1 year	More than 1 year	Total
Trade receivables	¥1,470,178	¥44,348	¥10,172	¥ 5,726	¥ 9,948	¥11,978	¥1,552,350
Allowance for doubtful accounts	(8,789)	(939)	(1,948)	(2,822)	(3,233)	(2,806)	(20,537)
Total							¥1,531,813

As of March 31, 2025

	(Millions of yen)						
		Past due					
	Before due	Within 1 month	1 month to 3 months	3 months to 6 months	6 months to 1 year	More than 1 year	Total
Trade receivables	¥1,651,451	¥45,525	¥ 9,890	¥ 5,204	¥10,802	¥ 7,072	¥1,729,944
Allowance for doubtful accounts	(7,704)	(1,344)	(1,979)	(2,536)	(6,313)	(4,886)	(24,762)
Total							¥1,705,182

	(Thousands of U.S. dollars)						
		Past due					
	Before due	Within 1 month	1 month to 3 months	3 months to 6 months	6 months to 1 year	More than 1 year	Total
Trade receivables	$11,045,017	$304,474	$ 66,145	$ 34,805	$ 72,245	$ 47,298	$11,569,984
Allowance for doubtful accounts	(51,524)	(8,989)	(13,236)	(16,961)	(42,222)	(32,678)	(165,610)
Total							$11,404,374

ii. Financial assets other than trade receivables

The table below presents an aging analysis of financial assets other than trade receivables. The amounts in the analysis are presented at the carrying amount before netting the allowance for doubtful accounts.

As of March 31, 2024

	(Millions of yen)					
	Carrying amounts					
	12-month expected credit losses		Lifetime expected credit losses			
	Before due	Past due	Other than credit-impaired financial assets	Credit-impaired financial assets	Purchased or originated credit-impaired financial assets	Total
Other receivables ...	¥1,406,518	¥48,617	¥ 2,752	¥ 1,163	¥ —	¥1,459,050
Investment securities	568,651	—	—	—	—	568,651
Other financial assets	2,266,748	21,878	10,014	131,549	8,908	2,439,097
Total	¥4,241,917	¥70,495	¥12,766	¥132,712	¥8,908	¥4,466,798

Investment securities are mostly financial assets measured at amortized cost.

As of March 31, 2025

	(Millions of yen)					
	Carrying amounts					
	12-month expected credit losses		Lifetime expected credit losses		Purchased or originated credit-impaired financial assets	Total
	Before due	Past due	Other than credit-impaired financial assets	Credit-impaired financial assets		
Other receivables	¥1,564,135	¥55,161	¥ 3,991	¥ 1,205	¥—	¥1,624,492
Investment securities	767,468	—	—	—	—	767,468
Other financial assets	2,345,791	22,603	8,913	143,936	—	2,521,243
Total	¥4,677,394	¥77,764	¥12,904	¥145,141	¥—	¥4,913,203

	(Thousands of U.S. dollars)					
	Carrying amounts					
	12-month expected credit losses		Lifetime expected credit losses		Purchased or originated credit-impaired financial assets	Total
	Before due	Past due	Other than credit-impaired financial assets	Credit-impaired financial assets		
Other receivables	$10,461,042	$368,921	$26,692	$ 8,059	$—	$10,864,714
Investment securities	5,132,878	—	—	—	—	5,132,878
Other financial assets	15,688,812	151,170	59,611	962,654	—	16,862,247
Total	$31,282,732	$520,091	$86,303	$970,713	$—	$32,859,839

Investment securities are mostly financial assets measured at amortized cost.

(b) Changes in allowance for doubtful accounts

Allowance for doubtful accounts related to contract assets is included in trade receivables. In addition, since trade receivables arising from the credit card business includes interest income, the Company measures expected credit losses for those receivables by using the same method for the financial assets other than trade receivables. As a result, the allowance for doubtful accounts related to the trade receivables arising from the credit card business is included in the financial assets other than trade receivables.

i. Trade receivables

The table below presents changes in the allowance for doubtful accounts for trade receivables.

For the fiscal year ended March 31, 2024

	(Millions of yen)		
	Allowance for doubtful accounts		
	Lifetime expected credit losses		
	Other than credit-impaired financial assets	Credit-impaired financial assets	Total
As of April 1, 2023	¥11,112	¥ 5,974	¥17,086
Provisions	6,015	7,591	13,606
Utilized	(18)	(5,038)	(5,056)
Other	(5,433)	334	(5,099)
As of March 31, 2024	¥11,676	¥ 8,861	¥20,537

For the fiscal year ended March 31, 2025

	(Millions of yen)		
	Allowance for doubtful accounts		
	Lifetime expected credit losses		
	Other than credit-impaired financial assets	Credit-impaired financial assets	Total
As of April 1, 2024	¥11,676	¥ 8,861	¥20,537
Provisions	3,977	9,728	13,705
Utilized	(381)	(7,383)	(7,764)
Other	(4,245)	2,529	(1,716)
As of March 31, 2025	¥11,027	¥13,735	¥24,762

	(Thousands of U.S. dollars)		
	Allowance for doubtful accounts		
	Lifetime expected credit losses		
	Other than credit-impaired financial assets	Credit-impaired financial assets	Total
As of April 1, 2024	$ 78,090	$ 59,263	$137,353
Provisions	26,598	65,062	91,660
Utilized	(2,548)	(49,378)	(51,926)
Other	(28,391)	16,914	(11,477)
As of March 31, 2025	$ 73,749	$ 91,861	$165,610

ii. Financial assets other than trade receivables

The table below presents changes in the allowance for doubtful accounts for financial assets other than trade receivables. The allowance for doubtful accounts is mainly for loans.

For the fiscal year ended March 31, 2024

	(Millions of yen)				
	Allowance for doubtful accounts				
		Lifetime expected credit losses			
	12-month expected credit losses	Other than credit-impaired financial assets	Credit-impaired financial assets	Purchased or originated credit-impaired financial assets	Total
As of April 1, 2023	¥16,945	¥ 124,527	¥ 48,844	¥9,019	¥ 199,335
Provisions	8,196	24,524	22,436	—	55,156
Utilized	(2,865)	(102)	*(109,976)	—	(112,943)
Reversal	(598)	(30)	(237)	(111)	(976)
Other	37	*(143,072)	*161,996	—	18,961
As of March 31, 2024	¥21,715	¥ 5,847	¥ 123,063	¥8,908	¥ 159,533

* For the fiscal year ended March 31, 2024, unsecured notes issued by WeWork were exchanged for shares and convertible bonds newly issued by WeWork. Consequently, ¥94,112 million was reclassified from “Other than credit-impaired financial assets” to “Credit-impaired financial assets” and the recognition of the unsecured notes were discontinued. The details are described in “*8” under “Note 41. Other gain .”

For the fiscal year ended March 31, 2025

	(Millions of yen)				
	Allowance for doubtful accounts				
		Lifetime expected credit losses			
	12-month expected credit losses	Other than credit-impaired financial assets	Credit-impaired financial assets	Purchased or originated credit-impaired financial assets	Total
As of April 1, 2024	¥21,715	¥ 5,847	¥123,063	¥ 8,908	¥159,533
Provisions	8,476	770	32,621	—	41,867
Utilized	(7,194)	(1)	(24,650)	(8,908)	(40,753)
Reversal	(635)	(49)	(72)	—	(756)
Other	1,595	(2,398)	(3,415)	—	(4,218)
As of March 31, 2025	¥23,957	¥ 4,169	¥127,547	¥ —	¥155,673

	(Thousands of U.S. dollars)				
	Allowance for doubtful accounts				
		Lifetime expected credit losses			
	12-month expected credit losses	Other than credit-impaired financial assets	Credit-impaired financial assets	Purchased or originated credit-impaired financial assets	Total
As of April 1, 2024	$145,231	$ 39,105	$ 823,054	$ 59,577	$1,066,967
Provisions	56,688	5,151	218,171	—	280,010
Utilized	(48,114)	(7)	(164,861)	(59,577)	(272,559)
Reversal	(4,247)	(328)	(481)	—	(5,056)
Other	10,668	(16,038)	(22,840)	—	(28,210)
As of March 31, 2025	$160,226	$ 27,883	$ 853,043	$ —	$1,041,152

Provisions for and reversal of allowance for doubtful accounts are recorded in "Selling, general and administrative expenses" and "Other gain" in the consolidated statement of profit or loss.

c. Liquidity risk

In order to prevent and reduce liquidity risk, the Company maintains access to diversified fundraising sources including both indirect financing, such as bank loans and leases, and direct financing, such as the issuance of bonds and commercial paper and securitization, taking market conditions and its current/non-current debt ratios into consideration. With respect to fund management, the Company invests its funds mainly in short-term deposits, MMF and investment grade corporate bonds.

The Company also continuously monitors its forecasted and actual cash flows and liquid funds.

(a) Commitment lines of credit and other credit facilities

The Company has entered into commitment lines of credit and other credit facilities with various financial institutions to reduce liquidity risk. As of March 31, 2025, the undrawn amounts of the Company's credit facilities are ¥2,451,229 million ($16,393,987 thousand) (as of March 31, 2024: ¥1,534,059 million). This amount includes ¥731,340 million ($4,891,252 thousand) of credit facilities that are subject to certain conditions at the time of borrowing, as of March 31, 2025.

In addition, the asset management subsidiary is engaged in transactions for acquisition of investments using borrowings and has entered into agreements with various financial institutions in order to borrow funds in response to the net position of investments and indebtedness of the asset management subsidiary. As of March 31, 2025, the amounts that could be additionally borrowed are ¥631,729 million ($4,225,047 thousand) (as of March 31, 2024: ¥139,689 million).

* Certain commitments above contain financial and other covenants. The details are described in "(3) Financial and other covenants" under "Note 22. Interest-bearing debt."

(b) Analysis of financial liabilities by maturities

The table below presents the analysis of financial liabilities (including derivatives) by maturities. The receivables and payables arising from derivative transactions are shown on a net basis:

As of March 31, 2024

	(Millions of yen)							
	Carrying amount	Aggregation of redemption schedule	Within 1 year	1 year to 2 years	2 years to 3 years	3 years to 4 years	4 years to 5 years	More than 5 years
Non-derivative financial liabilities								
Interest-bearing debt								
Short-term borrowings	¥ 1,100,158	¥ 1,100,158	¥ 1,100,158	¥ —	¥ —	¥ —	¥ —	¥ —
Commercial paper	363,501	363,501	363,501	—	—	—	—	—
Long-term borrowings	6,486,449	6,520,112	1,791,173	2,972,054	547,454	454,121	312,407	442,903
Corporate bonds	7,444,630	7,492,240	825,305	1,120,232	930,590	515,298	1,548,815	2,552,000
Financial liabilities relating to sale of shares by prepaid forward contract	5,172,511	5,274,124	4,259,358	1,014,766	—	—	—	—
Installment payables	275	275	168	99	8	—	—	—
Lease liabilities	794,507	794,507	149,801	116,535	96,266	80,476	67,232	284,197
Deposits for banking business[*1]	1,657,523	1,657,557	1,643,164	4,652	3,060	1,293	1,054	4,334
Third-party interests in SVF[*2]	4,694,503	4,694,503	—	—	—	—	—	4,694,503
Trade and other payables	2,710,529	2,710,529	2,699,089	7,659	2,344	1,128	108	201
Other financial liabilities	74,450	74,450	31,801	9,363	7,451	611	15,529	9,695
Total	¥30,499,036	¥30,681,956	¥12,863,518	¥5,245,360	¥1,587,173	¥1,052,927	¥1,945,145	¥7,987,833
Derivative financial liabilities[*3]								
Derivative financial liabilities								
Foreign currency exchange contracts[*4]	¥ 1,853	¥ 1,854	¥ 1,854	¥ —	¥ —	¥ —	¥ —	¥ —
Option contracts	132,262	132,264	130,518	—	1,230	516	—	—
Interest rate contracts	591	191	99	369	—	(59)	(95)	(123)
Forward contracts	54,688	54,688	54,688	—	—	—	—	—
Collar contracts using shares	46,837	46,837	7,807	39,030	—	—	—	—
Other	97	97	97	—	—	—	—	—
Total	¥ 236,328	¥ 235,931	¥ 195,063	¥ 39,399	¥ 1,230	¥ 457	¥ (95)	¥ (123)

*1 Deposits for the banking business payable on demand are included in "Within 1 year."

*2 The amount represents the amounts that would have been distributed to Third-Party Investors in accordance with the limited partnership agreement if SVF1, SVF2, and LatAm Funds had been liquidated as of March 31, 2024. The maturities of third-party interests in SVF1, SVF2, and LatAm Funds are recognized based on current fund lives. The managers of SVF1, SVF2 and LatAm Funds have an option, at their discretion, to extend the respective fund lives by two additional one-year periods. When disposal of investments becomes certain, the portion of third-party interests in SVF1, SVF2, and LatAm Funds which is available for distributions and repayments will be broken down by corresponding maturity dates.

*3 Derivative financial liabilities are included in the above table and disclosed, only if the contractual maturities are essential for understanding the timing of cash flow.

*4 Aggregation of redemption schedule and the breakdown by maturity are presented on a discounted cash flow basis for currency swap contracts included in the foreign currency exchange contracts.

As of March 31, 2025

	(Millions of yen)							
	Carrying amount	Aggregation of redemption schedule	Within 1 year	1 year to 2 years	2 years to 3 years	3 years to 4 years	4 years to 5 years	More than 5 years
Non-derivative financial liabilities								
Interest-bearing debt								
Short-term borrowings	¥ 1,581,598	¥ 1,583,935	¥ 1,583,935	¥ —	¥ —	¥ —	¥ —	¥ —
Commercial paper	249,500	249,500	249,500	—	—	—	—	—
Long-term borrowings	7,041,134	7,104,538	1,714,161	2,987,768	1,136,467	509,271	269,813	487,058
Corporate bonds	8,136,126	8,186,900	1,116,646	928,818	591,922	1,618,186	804,615	3,126,713
Financial liabilities relating to sale of shares by prepaid forward contract	997,843	997,843	997,843	—	—	—	—	—
Installment payables	129	129	108	17	4	—	—	—
Lease liabilities	907,020	907,020	165,355	136,617	112,761	94,738	81,898	315,651
Deposits for banking business[*1]	1,810,852	1,810,852	1,795,965	3,528	4,051	694	1,745	4,869
Third-party interests in SVF[*2]	3,652,797	3,652,797	—	—	—	—	3,647,647	5,150
Trade and other payables[*3]	3,036,349	3,036,349	3,011,346	14,032	7,131	3,413	257	170
Other financial liabilities	190,337	190,337	5,940	23,691	12,288	80,275	5,093	63,050
Total	¥27,603,685	¥27,720,200	¥10,640,799	¥4,094,471	¥1,864,624	¥2,306,577	¥4,811,068	¥4,002,661
Derivative financial liabilities[*4]								
Derivative financial liabilities								
Foreign currency exchange contracts[*5]	¥ 20,275	¥ 20,332	¥ (757)	¥ (3,134)	¥ (3,284)	¥ 4,531	¥ 2,964	¥ 20,012
Option contracts	42,257	43,124	23,086	6,595	—	13,100	—	343
Interest rate contracts	3,040	1,951	—	—	—	—	—	1,951
Swap contracts	18,675	20,619	4,784	5,113	5,293	5,433	(4)	—
Forward contracts	551,943	551,943	551,943	—	—	—	—	—
Collar contracts using shares	308,374	308,374	259,034	49,340	—	—	—	—
Other	102	102	102	—	—	—	—	—
Total	¥ 944,666	¥ 946,445	¥ 838,192	¥ 57,914	¥ 2,009	¥ 23,064	¥ 2,960	¥ 22,306

	(Thousands of U.S. dollars)							
	Carrying amount	Aggregation of redemption schedule	Within 1 year	1 year to 2 years	2 years to 3 years	3 years to 4 years	4 years to 5 years	More than 5 years
Non-derivative financial liabilities								
Interest-bearing debt								
Short-term borrowings	$ 10,577,836	$ 10,593,466	$10,593,466	$ —	$ —	$ —	$ —	$ —
Commercial paper	1,668,673	1,668,673	1,668,673	—	—	—	—	—
Long-term borrowings	47,091,587	47,515,636	11,464,426	19,982,397	7,600,769	3,406,039	1,804,528	3,257,477
Corporate bonds	54,414,968	54,754,548	7,468,205	6,211,998	3,958,815	10,822,539	5,381,320	20,911,671
Financial liabilities relating to sale of shares by prepaid forward contract	6,673,642	6,673,642	6,673,642	—	—	—	—	—
Installment payables	862	862	721	114	27	—	—	—
Lease liabilities	6,066,212	6,066,212	1,105,906	913,704	754,153	633,614	547,739	2,111,096
Deposits for banking business[*1]	12,111,102	12,111,102	12,011,537	23,596	27,093	4,642	11,671	32,563
Third-party interests in SVF[*2]	24,430,157	24,430,157	—	—	—	—	24,395,713	34,444
Trade and other payables[*3]	20,307,310	20,307,310	20,140,088	93,847	47,693	22,826	1,719	1,137
Other financial liabilities	1,272,987	1,272,987	39,727	158,446	82,183	536,885	34,062	421,684
Total	$184,615,336	$185,394,595	$71,166,391	$27,384,102	$12,470,733	$15,426,545	$32,176,752	$26,770,072
Derivative financial liabilities[*4]								
Derivative financial liabilities								
Foreign currency exchange contracts[*5]	$ 135,601	$ 135,982	$ (5,063)	$ (20,960)	$ (21,964)	$ 30,304	$ 19,824	$ 133,841
Option contracts	282,618	288,416	154,400	44,108	—	87,614	—	2,294
Interest rate contracts	20,332	13,048	—	—	—	—	—	13,048
Swap contracts	124,900	137,901	31,996	34,196	35,400	36,336	(27)	—
Forward contracts	3,691,432	3,691,432	3,691,432	—	—	—	—	—
Collar contracts using shares	2,062,426	2,062,426	1,732,437	329,989	—	—	—	—
Other	682	682	682	—	—	—	—	—
Total	$ 6,317,991	$ 6,329,887	$ 5,605,884	$ 387,333	$ 13,436	$ 154,254	$ 19,797	$ 149,183

*1 Deposits for the banking business payable on demand are included in "Within 1 year."

*2 The amount represents the amounts that would have been distributed to Third-Party Investors in accordance with the limited partnership agreement if SVF1, SVF2, and LatAm Funds had been liquidated as of March 31, 2025. The maturities of third-party interests in SVF1, SVF2, and LatAm Funds are recognized based on current fund lives. The managers of SVF1, SVF2 and LatAm Funds have an option, at their discretion, to extend the respective fund lives by two additional one-year periods. When disposal of investments becomes certain, the portion of third-party interests in SVF1, SVF2, and LatAm Funds which is available for distributions and repayments will be broken down by corresponding maturity dates.

*3 The Company has entered into supplier finance arrangements with third-party financial institutions. As of March 31, 2025, the carrying amount of financial liabilities related to the supplier finance arrangements is ¥72,458 million ($484,604 thousand) (as of April 1, 2024: ¥71,609 million). Of this amount, ¥71,801 million ($480,210 thousand) is the carrying amount of financial liabilities for which the suppliers have already received payment from the finance providers.

The main supplier finance arrangements are payments to stores on Yahoo! JAPAN Shopping provided by LY Corporation. The payment due dates for the financial liabilities that are part of supplier finance arrangements are the fifth business day of the second month following the month in which the transactions are completed. The payment due dates for comparable trade payables that are not part of supplier finance arrangements are the end of the month following the month in which the invoices are issued. There are no collateral or third-party guarantees that have been provided in connection with the supplier finance arrangements.

The Company has applied the transitional provisions in the amendments to IAS 7 "Statement of Cash Flows" relating to disclosures about supplier finance arrangements and has not restated comparative information for the initial application period.

*4 Derivative financial liabilities are included in the above table and disclosed, only if the contractual maturities are essential for understanding the timing of cash flow.

*5 Aggregation of redemption schedule and the breakdown by maturity are presented on a discounted cash flow basis for currency swap contracts included in the foreign currency exchange contracts.

In addition, the Company has lending commitments and credit guarantees, which are detailed in "(1) Lending commitments" and "(2) Credit guarantees" under "Note 46. Contingency."

Average interest rates of the interest-bearing debts and lease liabilities are described in "(1) Components of interest-bearing debt" under "Note 22. Interest-bearing debt" and "Note 17. Leases."

(3) Categories of financial instruments

Components of financial instruments (excluding cash and cash equivalents) by category are as follows:

As of March 31, 2024

	(Millions of yen)					
	Financial assets at FVTPL	Derivatives designated as hedges	Debt financial assets at FVTOCI	Equity financial assets at FVTOCI	Financial assets measured at amortized cost	Total
Financial assets						
Current assets						
Trade and other receivables	¥ —	¥ —	¥ —	¥ —	¥2,868,767	¥ 2,868,767
Derivative financial assets	811,867	40,483	—	—	—	852,350
Other financial assets	393,916	—	51,953	300	331,827	777,996
Assets classified as held for sale*	592	—	—	23	4,735	5,350
Non-current assets						
Investments from SVF (FVTPL)	11,014,487	—	—	—	—	11,014,487
Investment securities	8,321,455	—	253,358	171,866	315,293	9,061,972
Derivative financial assets	185,402	200,126	—	—	—	385,528
Other financial assets	64,322	—	—	118	2,359,842	2,424,282
Total	¥20,792,041	¥240,609	¥305,311	¥172,307	¥5,880,464	¥27,390,732

	Financial liabilities at FVTPL	Derivatives designated as hedges	Financial liabilities measured at amortized cost	Total
Financial liabilities				
Current liabilities				
Interest-bearing debt	¥ —	¥ —	¥ 8,271,143	¥ 8,271,143
Lease liabilities	—	—	149,801	149,801
Deposits for banking business	—	—	1,643,155	1,643,155
Trade and other payables	—	—	2,710,529	2,710,529
Derivative financial liabilities	194,374	716	—	195,090
Other financial liabilities	25,021	—	6,780	31,801
Liabilities directly relating to assets classified as held for sale*	—	—	4,987	4,987
Non-current liabilities				
Interest-bearing debt	—	—	12,296,381	12,296,381
Lease liabilities	—	—	644,706	644,706
Third-party interests in SVF	—	—	4,694,503	4,694,503
Derivative financial liabilities	40,789	449	—	41,238
Other financial liabilities	23,164	—	33,853	57,017
Total	¥283,348	¥1,165	¥30,455,838	¥30,740,351

* The amounts of financial assets and financial liabilities included in "Assets classified as held for sale" and "Liabilities directly relating to assets classified as held for sale" under consolidated statement of financial position are disclosed under the respective items.

As of March 31, 2025

	(Millions of yen)					
	Financial assets at FVTPL	Derivatives designated as hedges	Debt financial assets at FVTOCI	Equity financial assets at FVTOCI	Financial assets measured at amortized cost	Total
Financial assets						
Current assets						
Trade and other receivables	¥ —	¥ —	¥ —	¥ —	¥3,008,144	¥ 3,008,144
Derivative financial assets	35,649	75,609	—	—	—	111,258
Other financial assets	1,238,486	—	39,071	—	208,320	1,485,877
Assets classified as held for sale	550,440	—	—	—	—	550,440
Non-current assets						
Investments from SVF (FVTPL)	11,410,922	—	—	—	—	11,410,922
Investment securities	7,124,394	—	225,536	148,206	541,932	8,040,068
Derivative financial assets	10,823	157,425	—	—	—	168,248
Other financial assets	82,517	—	—	151	2,684,957	2,767,625
Total	¥20,453,231	¥233,034	¥264,607	¥148,357	¥6,443,353	¥27,542,582

	Financial liabilities at FVTPL	Derivatives designated as hedges	Financial liabilities measured at amortized cost	Total
Financial liabilities				
Current liabilities				
Interest-bearing debt	¥ —	¥ —	¥ 5,629,648	¥ 5,629,648
Lease liabilities	—	—	165,355	165,355
Deposits for banking business	—	—	1,795,965	1,795,965
Trade and other payables	—	—	3,036,349	3,036,349
Derivative financial liabilities	840,171	298	—	840,469
Other financial liabilities	1,141	—	4,799	5,940
Non-current liabilities				
Interest-bearing debt	—	—	12,376,682	12,376,682
Lease liabilities	—	—	741,665	741,665
Third-party interests in SVF	—	—	3,652,797	3,652,797
Derivative financial liabilities	86,871	17,326	—	104,197
Other financial liabilities	82,530	—	116,754	199,284
Total	¥1,010,713	¥17,624	¥27,520,014	¥28,548,351

	(Thousands of U.S. dollars)					
	Financial assets at FVTPL	Derivatives designated as hedges	Debt financial assets at FVTOCI	Equity financial assets at FVTOCI	Financial assets measured at amortized cost	Total
Financial assets						
Current assets						
Trade and other receivables	$ —	$ —	$ —	$ —	$20,118,673	$ 20,118,673
Derivative financial assets	238,423	505,678	—	—	—	744,101
Other financial assets	8,283,079	—	261,310	—	1,393,258	9,937,647
Assets classified as held for sale	3,681,381	—	—	—	—	3,681,381
Non-current assets						
Investments from SVF (FVTPL)	76,317,028	—	—	—	—	76,317,028
Investment securities	47,648,435	—	1,508,400	991,212	3,624,478	53,772,525
Derivative financial assets	72,385	1,052,869	—	—	—	1,125,254
Other financial assets	551,879	—	—	1,010	17,957,177	18,510,066
Total	$136,792,610	$1,558,547	$1,769,710	$992,222	$43,093,586	$184,206,675

	Financial liabilities at FVTPL	Derivatives designated as hedges	Financial liabilities measured at amortized cost	Total
Financial liabilities				
Current liabilities				
Interest-bearing debt	$ —	$ —	$ 37,651,471	$ 37,651,471
Lease liabilities	—	—	1,105,906	1,105,906
Deposits for banking business	—	—	12,011,537	12,011,537
Trade and other payables	—	—	20,307,310	20,307,310
Derivative financial liabilities	5,619,121	1,993	—	5,621,114
Other financial liabilities	7,631	—	32,096	39,727
Non-current liabilities				
Interest-bearing debt	—	—	82,776,097	82,776,097
Lease liabilities	—	—	4,960,306	4,960,306
Third-party interests in SVF	—	—	24,430,157	24,430,157
Derivative financial liabilities	581,000	115,877	—	696,877
Other financial liabilities	551,966	—	780,859	1,332,825
Total	$6,759,718	$117,870	$184,055,739	$190,933,327

The Company generally classifies equity instruments as "Financial assets at FVTPL." Certain equity instruments are used as business investments to generate business synergies. As a result, for such investments, the Company has made an irrevocable election at initial recognition to recognize changes in fair value in other comprehensive income, not in profit or loss, and classified them as "Equity financial assets at FVTOCI."

Major components and fair values of the equity financial assets at FVTOCI are as follows.

As of March 31, 2024

Names	(Millions of yen) Fair value
Ampere Computing Holdings LLC	¥ 59,024
Visional, Inc.	17,581
SNOW Corporation	13,821
HOPU-ARM Innovation Fund, L.P.	8,224
Pragmatic Printing Limited	5,499
Other	68,158
Total	¥172,307

As of March 31, 2025

Names	(Millions of yen) Fair value	(Thousands of U.S. dollars) Fair value
Ampere Computing Holdings LLC	¥ 42,758	$285,968
Raspberry Pi Holdings plc	14,636	97,887
Visional, Inc.	14,497	96,957
SNOW Corporation	9,756	65,249
HOPU-ARM Innovation Fund, L.P.	7,884	52,729
Other	58,826	393,432
Total	¥148,357	$992,222

The Company derecognizes equity financial assets at FVTOCI, by selling or in other way, when those assets no longer match the Company's investment strategies. The table below presents fair value on the date of derecognition and accumulated gains or losses related to the disposal of equity financial assets at FVTOCI that were derecognized during the year.

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Fair value on the date of derecognition	¥14,096	¥14,579	$97,505
Accumulated gains related to the disposal	433	(600)	(4,013)

When equity financial assets at FVTOCI are derecognized or there is a significant or prolonged decline in fair value below the cost, cumulative gains and losses recognized in other comprehensive income are directly transferred to retained earnings. For the fiscal year ended March 31, 2025, ¥ (978) million ($(6,541) thousand) (for the fiscal year ended March 31, 2024: ¥604 million) was transferred from "Accumulated other comprehensive income" to "Retained earnings."

29. Fair value of financial instruments

(1) Categorization by level within the fair value hierarchy

Financial instruments that are measured at fair value on a recurring basis after initial recognition are classified into three levels of the fair value hierarchy based on the observability and significance of inputs used for the measurement.

The fair value hierarchy is defined as follows in descending order of levels:

Level 1: Fair value is measured using quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: Fair value is measured using inputs other than Level 1 that are observable, either directly or indirectly.
Level 3: Fair value is measured using unobservable inputs.

If the fair value measurement uses different levels of inputs, the fair value is categorized based on the lowest level of input that is significant to the entire fair value measurement.

Transfers between levels of the fair value hierarchy are recognized at the point of which the event or change in circumstances that caused the transfer is observed.

There are no significant transfers between Level 1 and Level 2 during the fiscal years ended March 31, 2024 and 2025.

The table below presents financial instruments measured at fair value on a recurring basis by level within the fair value hierarchy.

As of March 31, 2024

	(Millions of yen)			
	Level 1	Level 2	Level 3	Total
Financial assets				
Investments from SVF (FVTPL)	¥ 3,150,898	¥ 22,958	¥7,840,631	¥11,014,487
Equity securities (excluding investments from SVF (FVTPL))	7,449,399	146	518,535	7,968,080
Bonds and loans (excluding investments from SVF (FVTPL))	320,100	147,612	90,017	557,729
Derivative financial assets				
Foreign currency exchange contracts	622	245,942	—	246,564
Option contracts	11	415,943	59,876	475,830
Interest rate contracts	—	396	—	396
Forward contracts	—	514,848	—	514,848
Other	251	—	—	251
Other	111,789	6,491	613,803	732,083
Total	¥11,033,070	¥1,354,336	¥9,122,862	¥21,510,268
Financial liabilities				
Derivative financial liabilities				
Foreign currency exchange contracts	¥ 299	¥ 1,554	¥ —	¥ 1,853
Option contracts	—	124,377	7,885	132,262
Interest rate contracts	—	591	—	591
Forward contracts	—	54,688	—	54,688
Collar contracts using shares	—	46,837	—	46,837
Other	97	—	—	97
Borrowed securities	3,672	—	—	3,672
Other	—	—	44,513	44,513
Total	¥ 4,068	¥ 228,047	¥ 52,398	¥ 284,513

As of March 31, 2025

	(Millions of yen)			
	Level 1	Level 2	Level 3	Total
Financial assets				
Investments from SVF (FVTPL)	¥ 3,414,027	¥ 96	¥7,996,799	¥11,410,922
Equity securities (excluding investments from SVF (FVTPL))	7,016,951	—	577,284	7,594,235
Bonds and loans (excluding investments from SVF (FVTPL))	814,793	127,084	127,395	1,069,272
Derivative financial assets				
Foreign currency exchange contracts	—	228,792	—	228,792
Option contracts	9	—	37,386	37,395
Interest rate contracts	—	10,632	—	10,632
Forward contracts	—	—	2,468	2,468
Other	228	—	—	228
Other	132,511	800	611,974	745,285
Total	¥11,378,519	¥367,404	¥9,353,306	¥21,099,229
Financial liabilities				
Derivative financial liabilities				
Foreign currency exchange contracts	¥ —	¥ 20,275	¥ —	¥ 20,275
Option contracts	—	1,056	41,201	42,257
Interest rate contracts	—	3,040	—	3,040
Swap contracts	—	—	18,675	18,675
Forward contracts	—	551,943	—	551,943
Collar contracts using shares	—	308,374	—	308,374
Other	102	—	—	102
Debt instruments issued by a subsidiary*	—	—	73,980	73,980
Other	1,141	—	8,550	9,691
Total	¥ 1,243	¥884,688	¥ 142,406	¥ 1,028,337

	(Thousands of U.S. dollars)			
	Level 1	Level 2	Level 3	Total
Financial assets				
Investments from SVF (FVTPL)	$22,833,246	$ 643	$53,483,139	$ 76,317,028
Equity securities (excluding investments from SVF (FVTPL))	46,929,849	—	3,860,915	50,790,764
Bonds and loans (excluding investments from SVF (FVTPL))	5,449,391	849,946	852,027	7,151,364
Derivative financial assets				
Foreign currency exchange contracts	—	1,530,177	—	1,530,177
Option contracts	60	—	250,040	250,100
Interest rate contracts	—	71,107	—	71,107
Forward contracts	—	—	16,506	16,506
Other	1,525	—	—	1,525
Other	886,243	5,350	4,092,925	4,984,518
Total	$76,100,314	$2,457,223	$62,555,552	$141,113,089
Financial liabilities				
Derivative financial liabilities				
Foreign currency exchange contracts	$ —	$ 135,601	$ —	$ 135,601
Option contracts	—	7,063	275,555	282,618
Interest rate contracts	—	20,332	—	20,332
Swap contracts	—	—	124,900	124,900
Forward contracts	—	3,691,432	—	3,691,432
Collar contracts using shares	—	2,062,426	—	2,062,426
Other	682	—	—	682
Debt instruments issued by a subsidiary*	—	—	494,783	494,783
Other	7,631	—	57,183	64,814
Total	$ 8,313	$5,916,854	$ 952,421	$ 6,877,588

* These are debt instruments issued by SBE Global. As the redemption amount varies depending on the optional redemption date, they are classified as financial liabilities at FVTPL and measured at fair value on a quarterly basis.

The major valuation techniques for financial instruments measured at fair value on a recurring basis are as follows:

a. Investments from SVF (FVTPL), equity securities, and bonds and loans

Investments from SVF (FVTPL), equity securities, and bonds and loans are measured using quoted prices in active markets for identical assets or liabilities if such prices are available, and are classified as Level 1.

If such prices are unavailable, and if prices of recent arm's-length transactions or equity financing are available, they are measured using recent transaction prices adjusting for performance of the market and company performance.

In the absence of a recent transaction, market approach, income approach, or net asset approach is applied for the enterprise valuation.

The market approach is used to the extent comparable guidelines for public companies are available. The market approach is a valuation method using figures from the financial statements of the subject companies and valuation multiple of comparable companies, such as Enterprise Value (EV)/Revenue and EV/EBITDA. The income approach is used when reliable cash flow projections are available. Under this approach, the present value is calculated by discounting estimated future cash flows at the discount rate and the future cash flows are estimated by taking into consideration several assumptions, including the revenue growth rate. The net asset approach is a valuation method using net assets on balance sheet of subject companies for calculation of stock value. The enterprise value which is calculated by the above method is allocated to shareholder's value of each class of shares depending on the capital structures of the investments. For the allocation, an option pricing model, which values each individual security in the capital structure based on its unique rights and preferences, and a method which allocates value assuming the conversion of preferred shares into common shares due to a possible initial public offering and such, are mainly used.

The financial instruments are classified as Level 2 if all significant inputs, such as quoted prices and discount rates used for the measurement are observable, and they are classified as Level 3 when they are measured using significant unobservable inputs.

b. Derivative financial assets and derivative financial liabilities

The fair value of derivative financial instruments is measured using quoted prices in active markets if they are available and classified as Level 1.

If quoted prices in active markets are not available, the fair value of derivative financial instruments is measured using valuation techniques including a discounted cash flows model and Black-Scholes model, or using quoted prices in inactive markets. The fair value measurement of derivative financial instruments is classified as Level 2 if all significant inputs, such as foreign currency exchange rates and discount rates used for the measurement, are observable, and they are classified as Level 3 when they are measured using significant unobservable inputs.

(2) Fair value measurements of financial instruments that are categorized as Level 3

a. Valuation techniques and inputs

For Level 3 fair value measurements, the Company mainly uses the market comparable company multiple method, the recent transactions method, and the discounted cash flow method.

The main financial instruments that are categorized as Level 3 are "Investments from SVF (FVTPL)," and the following table shows the fair value of "Investments from SVF (FVTPL)" measured by each

valuation technique. When a combination of multiple valuation techniques is applied, aggregated amounts of fair value are presented for each combination of valuation techniques.

	(Millions of yen)		(Thousands of U.S. dollars)
	Fair value		
Valuation techniques	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Market comparable companies	¥3,746,681	¥4,137,468	$27,671,669
Recent Transactions	507,215	1,937,833	12,960,360
Discounted cash flow / Market comparable companies	1,821,371	1,101,331	7,365,777
Discounted cash flow	1,014,103	578,450	3,868,713
Other	751,261	241,717	1,616,620
Total	¥7,840,631	¥7,996,799	$53,483,139

The valuation techniques and the inputs are as follows.

		Ranges of unobservable inputs	
Valuation techniques	Unobservable inputs	As of March 31, 2024	As of March 31, 2025
Market comparable companies	Revenue multiple	x0.3 – x15.4	x0.3 – x16.9
	EBITDA multiple	x7.0 – x36.5	x5.8 – x23.8
	Gross profit multiple	x0.8 – x21.1	x0.9 – x14.0
	Price to earnings ratio	x26.5 – x43.4	x14.2 – x19.2
	Price to sales ratio	x0.3 – x5.0	x0.2 – x5.2
Discounted cash flow	Cost of capital	12.0% – 154.5%	3.8% – 86.6%
	EBITDA multiple *	x6.0 – x30.0	x8.0 – x25.0
	Revenue multiple*	x1.0 – x14.0	x1.3 – x8.0
	Gross profit multiple*	x1.6 – x12.0	x1.3 – x12.0
	Price to earnings ratio*	x8.1 – x25.0	x8.1

* Various multiples of market comparable companies are used for the measurement of the terminal value.

b. Sensitivity Analysis

Of the above unobservable inputs, the revenue multiple, the EBITDA multiple, the gross profit multiple, the price to earnings ratio, and the price to sales ratio have a positive correlation with the fair value of financial assets subject to the valuation.

In contrast, the cost of capital has a negative correlation with the fair value of financial assets subject to the valuation.

c. Valuation processes

(a) Valuation processes at SVF1, SVF2, and LatAm Funds

The valuations are prepared by the valuation team of SBIA under IFRS 13 “Fair Value Measurement,” in accordance with the SBIA Global Valuation Policy and International Private Equity and Venture Capital Valuation Guidelines on a quarterly basis, using the most appropriate valuation techniques and inputs that reflect the nature, characteristics and risks of the financial instruments that are subject to fair value measurement. The valuation team of SBIA may engage external specialists with a high level of knowledge and experience as needed, in determining the fair value of certain complex financial instruments. The valuations are then reviewed by the Valuation and Financial Risk Committee (“VFRC”), established as a committee of SBIA and SBGA. The VFRC reviews the reasonableness of significant inputs and assumptions as well as the valuation results. In addition, the VFRC considers the appropriateness of the choice of valuation methodology. The valuations of the portfolio companies performed by the aforementioned procedures are then reviewed and approved by SBIA’s Board of Directors as manager of SVF1 and SBGA’s Board of Directors as manager of SVF2 and LatAm Funds with overall responsibility for valuations on a quarterly basis.

(b) Valuation processes at entities other than SVF1, SVF2, and LatAm Funds

Fair value is measured by the Company's personnel in the finance, treasury and accounting departments based on internal guidelines on a quarterly basis, using the most appropriate valuation techniques and inputs that reflect the nature, characteristics and risks of the financial instruments subject to fair value measurement. For the fair value measurements of the financial instruments that require both high level of knowledge and experiences where amounts are material, the Company may engage external specialists.

Thereafter, management responsible for the valuation processes approves the results of fair value measurements by the Company's personnel and the valuation by the external specialists performed at the end of each quarter after reviewing the analysis of fair value changes and other content.

d. Reconciliation of financial instruments categorized as Level 3

Reconciliation of financial instruments categorized as Level 3 is as follows:

For the fiscal year ended March 31, 2024

	(Millions of yen)				
Financial assets	**Investments from SVF (FVTPL)**	**Equity securities (excluding investments from SVF (FVTPL))**	**Bonds and loans (excluding investments from SVF (FVTPL))**	**Derivative financial assets**	**Other**
As of April 1, 2023	¥7,116,219	¥459,317	¥ 83,843	¥ 857,518	¥504,072
Gains or (losses)					
Net income	(202,198)	(13,233)	(59,343)	239,971	8,528
Other comprehensive income	939,599	34,311	9,999	41,932	33,391
Purchases	227,160	149,273	122,443	—	65,996
Sales	(156,062)	(70,458)	(29,330)	—	(46,159)
Lending*1	—	—	210,182	—	—
Transfers to Level 1 due to listing	(84,257)	(2,235)	—	—	—
Acquisition of Level 1 listed shares*2	—	—	—	(1,098,435)	—
Transfer to Level 2	—	(11)	—	—	—
Conversion to equity securities	—	40,723	(40,723)	—	—
Other*1	170	(79,152)	(207,054)	18,890	47,975
As of March 31, 2024	¥7,840,631	¥518,535	¥ 90,017	¥ 59,876	¥613,803
Gains or (losses) recognized in net income on financial instruments held at March 31, 2024	¥(265,134)	¥(23,107)	¥(44,499)	¥ 13,098	¥ 7,363

Financial liabilities	**Derivative financial liabilities**	**Other**
As of April 1, 2023	¥ —	¥ 24,327
(Gains) or losses		
Net income	7,758	5,257
Other comprehensive income	128	—
Other	(1)	14,929
As of March 31, 2024	¥ 7,885	¥ 44,513
(Gains) or losses recognized in net income on financial instruments held at March 31, 2024	¥ 7,758	¥ 5,257

*1 The movements of "Bonds and loans (excluding investments from SVF (FVTPL))" primarily relate to loans to WeWork. The allowance for the financial guarantee contract was allocated to loan receivables and it is included in "Other" movement. The details are described in "*8" under "Note 41. Other gain."

*2 The conditions for the contingent consideration related to the acquisition of T-Mobile shares through the merger transaction between Sprint and T-Mobile US, Inc. were met and the Company acquired 48,751,557 shares of T-Mobile for no additional consideration.

For the fiscal year ended March 31, 2025

Financial assets	(Millions of yen) Investments from SVF (FVTPL)	Equity securities (excluding investments from SVF (FVTPL))	Bonds and loans (excluding investments from SVF (FVTPL))	Derivative financial assets	Other
As of April 1, 2024	¥7,840,631	¥ 518,535	¥ 90,017	¥ 59,876	¥613,803
Gains or (losses)					
Net income	97,933	15,894	21,844	(16,792)	(31,378)
Other comprehensive income	(102,430)	(34,430)	(1,543)	(2,492)	(285)
Purchases	585,230	208,246	4,895	—	90,034
Sales	(113,844)	(21,097)	(14,556)	—	(51,329)
Lending	—	—	30,183	—	—
Collection	—	—	(12,344)	—	—
Investments transferred from the Company to SVF2	280,806	(280,806)	—	—	—
Investments transferred from SVF2 to the Company	(242,881)	219,938	22,943	—	—
Transfers to Level 1 due to listing	(350,856)	(40,425)	—	—	—
Other	2,210	(8,571)	(14,044)	(738)	(8,871)
As of March 31, 2025	¥7,996,799	¥ 577,284	¥127,395	¥ 39,854	¥611,974
Gains or (losses) recognized in net income on financial instruments held at March 31, 2025	¥ 82,585	¥ 14,591	¥ 28,371	¥(16,987)	¥(28,938)

Financial liabilities	Derivative financial liabilities	Debt instruments issued by a subsidiary	Other
As of April 1, 2024	¥ 7,885	¥ —	¥ 44,513
(Gains) or losses			
Net income	44,394	7,451	315
Other comprehensive income	(603)	4,678	—
Business combinations	8,965	66,810	—
Redemption	—	(78,939)	—
Issuance	—	73,980	—
Other	(765)	—	(36,278)
As of March 31, 2025	¥ 59,876	¥ 73,980	¥ 8,550
(Gains) or losses recognized in net income on financial instruments held at March 31, 2025	¥ 46,780	¥ —	¥ 315

Financial assets	(Thousands of U.S. dollars) Investments from SVF (FVTPL)	Equity securities (excluding investments from SVF (FVTPL))	Bonds and loans (excluding investments from SVF (FVTPL))	Derivative financial assets	Other
As of April 1, 2024	$52,438,677	$ 3,467,998	$ 602,040	$ 400,455	$4,105,156
Gains or (losses)					
Net income	654,983	106,300	146,094	(112,306)	(209,858)
Other comprehensive income	(685,059)	(230,270)	(10,320)	(16,667)	(1,906)
Purchases	3,914,058	1,392,764	32,738	—	602,153
Sales	(761,396)	(141,098)	(97,352)	—	(343,292)
Lending	—	—	201,866	—	—
Collection	—	—	(82,558)	—	—
Investments transferred from the Company to SVF2	1,878,050	(1,878,050)	—	—	—
Investments transferred from SVF2 to the Company	(1,624,405)	1,470,961	153,444	—	—
Transfers to Level 1 due to listing	(2,346,549)	(270,365)	—	—	—
Other	14,780	(57,325)	(93,925)	(4,936)	(59,328)
As of March 31, 2025	$53,483,139	$ 3,860,915	$ 852,027	$ 266,546	$4,092,925
Gains or (losses) recognized in net income on financial instruments held at March 31, 2025	$ 552,334	$ 97,586	$ 189,747	$(113,610)	$ (193,539)

Financial liabilities	Derivative financial liabilities	Debt instruments issued by a subsidiary	Other
As of April 1, 2024	$ 52,735	$ —	$ 297,706
(Gains) or losses			
Net income	296,910	49,833	2,107
Other comprehensive income	(4,033)	31,287	—
Business combinations	59,959	446,829	—
Redemption	—	(527,949)	—
Issuance	—	494,783	—
Other	(5,116)	—	(242,630)
As of March 31, 2025	$ 400,455	$ 494,783	$ 57,183
(Gains) or losses recognized in net income on financial instruments held at March 31, 2025	$ 312,868	$ —	$ 2,107

Gains or losses recognized in net income are included in “Gain (loss) on investments at Investment Business of Holding Companies,” “Gain (loss) on investments at SoftBank Vision Funds,” “Gain (loss) on other investments,” “Derivative gain (loss) (excluding gain (loss) on investments),” and “Other gain” in the consolidated statement of profit or loss. Gains or losses recognized in other comprehensive income, net of tax, are included in “Equity financial assets at FVTOCI,” “Debt financial assets at FVTOCI” and “Exchange differences on translating foreign operations” in the consolidated statement of comprehensive income.

(3) Carrying amounts and fair values of financial instruments

The table below presents carrying amounts and fair values of financial instruments.

As of March 31, 2024

	(Millions of yen)				
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
Interest-bearing debt					
(Non-current)					
Long-term borrowings	¥4,698,657	¥—	¥1,728,079	¥2,904,635	¥4,632,714
Corporate bonds	6,619,839	—	6,527,054	—	6,527,054

As of March 31, 2025

	(Millions of yen)				
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
Interest-bearing debt					
(Non-current)					
Long-term borrowings	¥5,357,017	¥—	¥2,792,249	¥2,514,431	¥5,306,680
Corporate bonds	7,019,644	—	6,934,801	—	6,934,801

	(Thousands of U.S. dollars)				
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
Interest-bearing debt					
(Non-current)					
Long-term borrowings	$35,828,097	$—	$18,674,753	$16,816,687	$35,491,440
Corporate bonds	46,947,860	—	46,380,424	—	46,380,424

Financial instruments whose carrying amounts are reasonably similar to fair values are not included in the table above. Financial instruments that are measured at fair value on a recurring basis are also excluded because the carrying amounts approximate fair value.

The major valuation techniques for fair value measurements of the above financial liabilities are as follows:

a. Long-term borrowings
Fair values of the non-current portion of long-term borrowings are measured using quoted prices in active markets if such prices are available, and the measurement is categorized as Level 1. Where such prices in active markets are not available, fair values of the non-current portion of long-term borrowings are measured based on the discounted cash flow method using observable inputs such as market interest rates, and the measurement is categorized as Level 2. The measurement of non-current portion of long-term borrowings that the fair values are measured based on the discounted cash flow method using unobservable inputs such as an interest rate including the credit spread that would be used for a borrowing with the same terms and maturity are categorized as Level 3.

b. Corporate bonds (non-current portion)
Fair values of the non-current portion of corporate bonds are mainly categorized as Level 1 or Level 2. When the fair value is measured using quoted prices in active markets for identical bonds, it is categorized as Level 1. When the fair value is measured using quoted prices that are observable in markets that are not active for identical bonds, it is categorized as Level 2.

30. Transfers of financial assets

The Company enters into securitization transactions involving trade and installment receivables.

The major securitization transactions involve the securitization of receivables related to installment receivables recognized from the sales of mobile devices.

For the transactions, the Company transfers receivables to financial institutions and acquires cash and a subordinate interest in the transferred receivables for financing purposes. The receivables sold are not derecognized because the Company retains a subordinate interest in each transaction and substantially retains all the risks and rewards of ownership of the transferred assets. Cash received from transferring the receivables are included in "Interest-bearing debt" under current liabilities and non-current liabilities as borrowings.

The following table presents the carrying amount of financial assets and related liabilities that are transferred but do not meet the derecognition criteria, as well as the fair value where related liabilities have recourse only to the transferred assets:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Carrying amount of transferred assets	¥ 891,223	¥ 917,099	$ 6,133,621
Carrying amount of related liabilities	(866,903)	(850,348)	(5,687,186)
(Fair value of financial assets and financial liabilities where related liabilities have recourse only to the transferred assets)			
Fair value of transferred assets	¥ 891,223	¥ 917,099	$ 6,133,621
Fair value of related liabilities	(866,169)	(847,599)	(5,668,800)
Net position	¥ 25,054	¥ 69,500	$ 464,821

The difference between transferred assets and related liabilities is mainly the subordinate interest which the Company retains on securitization.

In addition, the Company enters into securitization transactions involving a portion of the monthly lump sum payment receivables included in loans in the card business. However, there are securitization receivables for which the Company bears a credit risk until collection and is obligated to pay retrospectively if a debtor does not pay. Those securitization receivables are not derecognized because they do not meet the derecognition criteria. Cash received from transferring the receivables are included in "Interest-bearing debt" under current liabilities as borrowings.

The carrying amount of the receivables transferred by the method not meeting the derecognition criteria and the related liability as of March 31, 2025 is ¥1,150 million ($7,691 thousand) and ¥70,000 million ($468,165 thousand), respectively (as of March 31, 2024, ¥8,292 million and ¥200,000 million, respectively). The liability is settled without significant delay when a debtor pays for receivables transferred, but the Company cannot utilize the receivables transferred until the settlement of the liability or payment from the debtor is completed. The discrepancy between receivables transferred and related liabilities are mainly due to the amount of loan collection in card business.

31. Offsetting financial assets and liabilities

The following table presents the amount of financial assets and liabilities offset in the consolidated statement of financial position, as well as the amount of financial assets and liabilities that are under enforceable master netting agreements or similar contracts, but are presented in gross amounts, because they do not meet certain or all criteria of offsetting.

Rights to offset based on the enforceable master netting agreements or similar contracts are enforceable only in certain events such as bankruptcy or obligation default of the counterparty.

As of March 31, 2024

	(Millions of yen)				
Financial assets	Gross amount of financial assets	Gross amount of financial liabilities offset against financial assets	Net amount of financial assets presented in the consolidated statement of financial position	Amount not offset in the consolidated statement of financial position	Net amount
Trade and other receivables	¥228,480	¥(126,821)	¥101,659	¥(19,952)	¥ 81,707
Derivative financial assets	243,770	—	243,770	(1)	243,769
Total	¥472,250	¥(126,821)	¥345,429	¥(19,953)	¥325,476

	(Millions of yen)				
Financial liabilities	Gross amount of financial liabilities	Gross amount of financial assets offset against financial liabilities	Net amount of financial liabilities presented in the consolidated statement of financial position	Amount not offset in the consolidated statement of financial position	Net amount
Trade and other payables	¥929,986	¥(126,821)	¥803,165	¥(19,424)	¥783,741
Derivative financial liabilities	3	—	3	(1)	2
Other financial liabilities	745	—	745	(528)	217
Total	¥930,734	¥(126,821)	¥803,913	¥(19,953)	¥783,960

As of March 31, 2025

	(Millions of yen)				
Financial assets	Gross amount of financial assets	Gross amount of financial liabilities offset against financial assets	Net amount of financial assets presented in the consolidated statement of financial position	Amount not offset in the consolidated statement of financial position	Net amount
Cash and cash equivalents	¥ 1,325	¥ —	¥ 1,325	¥ —	¥ 1,325
Trade and other receivables	214,483	(125,363)	89,120	(16,279)	72,841
Derivative financial assets	222,851	—	222,851	(16,023)	206,828
Other financial assets	48,530	(118)	48,412	(29,797)	18,615
Total	¥487,189	¥(125,481)	¥361,708	¥(62,099)	¥299,609

	(Millions of yen)				
Financial liabilities	Gross amount of financial liabilities	Gross amount of financial assets offset against financial liabilities	Net amount of financial liabilities presented in the consolidated statement of financial position	Amount not offset in the consolidated statement of financial position	Net amount
Interest-bearing debt	¥ 29,796	¥ —	¥ 29,796	¥(29,796)	¥ —
Trade and other payables	1,055,649	(125,363)	930,286	(15,781)	914,505
Derivative financial liabilities	17,326	—	17,326	(16,023)	1,303
Other financial liabilities	841	(118)	723	(499)	224
Total	¥1,103,612	¥(125,481)	¥978,131	¥(62,099)	¥916,032

	(Thousands of U.S. dollars)				
Financial assets	Gross amount of financial assets	Gross amount of financial liabilities offset against financial assets	Net amount of financial assets presented in the consolidated statement of financial position	Amount not offset in the consolidated statement of financial position	Net amount
Cash and cash equivalents	$ 8,862	$ —	$ 8,862	$ —	$ 8,862
Trade and other receivables	1,434,477	(838,436)	596,041	(108,875)	487,166
Derivative financial assets	1,490,443	—	1,490,443	(107,163)	1,383,280
Other financial assets	324,572	(789)	323,783	(199,285)	124,498
Total	$3,258,354	$(839,225)	$2,419,129	$(415,323)	$2,003,806

Financial liabilities	(Thousands of U.S. dollars) Gross amount of financial liabilities	Gross amount of financial assets offset against financial liabilities	Net amount of financial liabilities presented in the consolidated statement of financial position	Amount not offset in the consolidated statement of financial position	Net amount
Interest-bearing debt	$ 199,278	$ —	$ 199,278	$(199,278)	$ —
Trade and other payables	7,060,253	(838,436)	6,221,817	(105,545)	6,116,272
Derivative financial liabilities	115,877	—	115,877	(107,162)	8,715
Other financial liabilities	5,625	(789)	4,836	(3,338)	1,498
Total	$7,381,033	$(839,225)	$6,541,808	$(415,323)	$6,126,485

32. Foreign currency exchange rates

Exchange rates of the major currencies used for translating the financial statements of foreign operations are as follows:

(1) Rate at the end of the period

	(Yen) As of March 31, 2024	As of March 31, 2025
U.S. dollars	¥151.41	¥149.52

(2) Average rate for the quarter

For the fiscal year ended March 31, 2024

	(Yen) Three-month period ended June 30, 2023	Three-month period ended September 30, 2023	Three-month period ended December 31, 2023	Three-month period ended March 31, 2024
U.S. dollars	¥138.11	¥145.44	¥147.00	¥147.87

For the fiscal year ended March 31, 2025

	(Yen) Three-month period ended June 30, 2024	Three-month period ended September 30, 2024	Three-month period ended December 31, 2024	Three-month period ended March 31, 2025
U.S. dollars	¥156.53	¥150.26	¥151.32	¥152.95

(3) Foreign exchange sensitivity analysis for exchange differences on translating foreign operations

The table below presents the effect of a 1% appreciation of the Japanese yen against the U.S. dollars, which is the main foreign currency of the Company, regarding the translation of assets, liabilities, and interests in net assets of foreign operations into the presentation currency, assuming that all other factors are constant.

Impact of exchange differences on translating foreign operations (decrease in equity)

	(Millions of yen) Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	(Thousands of U.S. dollars) Fiscal year ended March 31, 2025
U.S. dollars	¥(203,979)	¥(250,749)	$(1,677,026)

33. Equity

(1) Common stock

a. Shares authorized
The number of shares authorized to be issued is as follows:

	(Thousands of shares)	
	As of March 31, 2024	As of March 31, 2025
Ordinary shares	7,200,000	7,200,000

b. Shares issued
Changes in the number of shares issued are as follows:

	(Thousands of shares)	
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Balance at the beginning of the year	1,469,995	1,469,995
Increase during the year	—	—
Decrease during the year	—	—
Balance at the end of the year	1,469,995	1,469,995

Notes:
1 Shares issued by the Company are common stock with no par value.
2 Shares issued have been fully paid.

(2) Capital surplus

Capital surplus of the Company includes additional paid-in capital of SoftBank Group Corp., which is legal capital surplus. Under the Companies Act of Japan (the "Companies Act"), at least 50% of the proceeds upon issuance of equity instruments shall be credited to common stock. The remainder of the proceeds shall be credited to additional paid-in capital. The Companies Act permits, upon approval at the general meeting of shareholders, the transfer of amounts from additional paid-in capital to common stock.

For the fiscal year ended March 31, 2024

With the initial public offering of Arm shares on September 14, 2023, the Company sold a portion of Arm shares (10.0% of the total number of outstanding shares) held by a wholly-owned subsidiary. Therefore, the Company's shareholding ratio in Arm was reduced to 90.0%.

As a result of the transaction, the amount of ¥674,370 million equivalent to the gain on sale of Arm shares on a consolidation basis is recorded as "Changes in interests in subsidiaries" under "Capital surplus."

(3) Other equity instruments

On July 19, 2017, SoftBank Group Corp. issued $2.75 billion of USD-denominated Undated Subordinated Non-Call 6 years Resettable Notes and $1.75 billion of USD-denominated Undated Subordinated Non-Call 10 years Resettable Notes (collectively, the "Hybrid Notes").

The Hybrid Notes are classified as equity instruments in accordance with IFRS because SoftBank Group Corp. has the option to defer interest payments, the notes have no maturity date, and SoftBank Group Corp. has an unconditional right to avoid delivering cash or another financial asset, except for the distribution of residual assets on liquidation.

On October 12, 2022, SoftBank Group Corp. purchased a portion of the above USD-denominated Undated Subordinated Non-Call 6 years Resettable Notes (face value of $0.75 billion) and retired them on the same date. Subsequently, on July 19, 2023, the first optional redemption date, the remaining amount (face value of $2.0 billion) was fully redeemed. The amounts of ¥740 million and ¥56,164 million reduced from "Capital surplus" and "Retained earnings," respectively, as "Redemption and cancellation of other equity instruments" in the consolidated statement of changes in equity for the fiscal year ended March 31, 2024, represents the difference between the issue amount and the purchase amount, including foreign exchange effects.

Payments of interest were completed on the interest payment dates, July 19, 2024 and January 20, 2025, and "Retained earnings" decreased by ¥9,475 million ($63,369 thousand) and ¥9,392 million ($62,814 thousand) (for the fiscal year ended March 31, 2024: decreased by ¥16,708 million and ¥8,916 million on July 19, 2023 and January 19, 2024), respectively, as "Distribution to owners of other equity instruments" in the consolidated statement of changes in equity.

In addition, accrued interest, which is not recognized as a distribution to owners of other equity instruments because the payment has not yet been determined, is ¥3,598 million ($24,064 thousand) as of March 31, 2025 (as of March 31, 2024: ¥3,643 million).

(4) Retained earnings

Retained earnings of the Company include the reserve of SoftBank Group Corp. legally required as legal retained earnings. The Companies Act provides that 10% of the dividend from retained earnings shall be appropriated as legal capital surplus or as legal retained earnings until their aggregate amount equals 25% of common stock. The legal retained earnings may be used to eliminate or reduce a deficit or be transferred to retained earnings upon approval at the general meeting of shareholders.

(5) Treasury stock

The Companies Act provides for companies to purchase treasury stock and dispose of such treasury stock by resolution of the Board of Directors. The amount of treasury stock purchased cannot exceed the amount available for distribution to the shareholders which is determined by a specific formula.

Changes in treasury stock are as follows:

	(Thousands of shares)	
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Balance at the beginning of the year	6,948	4,070
Increase during the year*	1	28,814
Decrease during the year	(2,879)	(485)
Balance at the end of the year	4,070	32,399

* For the fiscal year ended March 31, 2025, due to purchases of treasury stock under the resolutions passed at the Board of Directors' meeting held on August 7, 2024, the number of treasury stock increased by 28,812 thousand shares (amount purchased ¥237,045 million ($1,585,373 thousand)).

(6) Accumulated other comprehensive income

The changes in the accumulated other comprehensive income are as follows.

	(Millions of yen)					
	Remeasurements of defined benefit plan	Equity financial assets at FVTOCI	Debt financial assets at FVTOCI	Cash flow hedges	Exchange differences on translating foreign operations	Total
As of April 1, 2023	¥ —	¥43,201	¥ 142	¥(71,598)	¥3,785,040	¥3,756,785
Other comprehensive income (attributable to owners of the parent)	(9)	3,828	782	23,568	2,009,461	2,037,630
Transfer to retained earnings	9	(604)	—	—	—	(595)
As of March 31, 2024	¥ —	¥46,425	¥ 924	¥ (48,030)	¥5,794,501	¥5,793,820
Other comprehensive income (attributable to owners of the parent)	398	(3,294)	(822)	37,895	(521,272)	(487,095)
Transfer to retained earnings	(398)	978	—	—	—	580
As of March 31, 2025	¥ —	¥44,109	¥ 102	¥(10,135)	¥5,273,229	¥5,307,305

	(Thousands of U.S. dollars)					
	Remeasurements of defined benefit plan	Equity financial assets at FVTOCI	Debt financial assets at FVTOCI	Cash flow hedges	Exchange differences on translating foreign operations	Total
As of March 31, 2024	$ —	$310,494	$ 6,180	$(321,228)	$38,754,020	$38,749,466
Other comprehensive income (attributable to owners of the parent)	2,662	(22,030)	(5,498)	253,444	(3,486,303)	(3,257,725)
Transfer to retained earnings	(2,662)	6,541	—	—	—	3,879
As of March 31, 2025	$ —	$295,005	$ 682	$ (67,784)	$35,267,717	$35,495,620

The above amount is presented net of the tax effect. The amount of income taxes on each item in other comprehensive income is described in "Note 42. Other comprehensive income."

(7) Non-controlling interests

For the fiscal year ended March 31, 2025, SoftBank Corp. issued ¥200,000 million ($1,337,614 thousand) (for the fiscal year ended March 31, 2024: ¥120,000 million) of Bond-Type Class Shares. Although dividends whose record date falls within the specified period from the time of issuance are fixed dividends (floating dividends thereafter) and any unpaid dividends shall be carried over, the Bond-Type Class Shares are classified as equity instruments because SoftBank Corp. has the option to defer dividend payments, has no obligation to repurchase the Bond-Type Class Shares, and has unconditional right to avoid delivering cash or another financial asset, except for the distribution of residual assets on liquidation.

The holders of the Bond-Type Class Shares only have the right to claim the distribution of residual assets up to the amount paid and the amount of accumulated unpaid dividends. The Company's interests in SoftBank Corp. does not change at the time of issuance, and therefore, for the fiscal year ended March 31, 2025, ¥200,000 million ($1,337,614 thousand) (for the fiscal year ended March 31, 2024: ¥120,000 million) of the amount paid is recorded as "Issuance of other equity instruments in subsidiaries" under "Non-controlling interests" in the consolidated statement of changes in equity.

34. Dividends

In accordance with the Companies Act, SoftBank Group Corp. has prescribed in its articles of incorporation that semiannual interim dividends may be paid once a year upon resolution by the Board of Directors.

Dividends paid are as follows:

For the fiscal year ended March 31, 2024

		Dividends per share	Total dividends		
Resolution	Class of shares	(Yen)	(Millions of yen)	Record date	Effective date
Annual general meeting of shareholders held on June 21, 2023	Common stock	¥22	¥32,187	March 31, 2023	June 22, 2023
Board of Directors' meeting held on October 27, 2023	Common stock	22	32,246	September 30, 2023	December 8, 2023

For the fiscal year ended March 31, 2025

Resolution	Class of shares	Dividends per share (Yen)	Dividends per share (U.S. dollars)	Total dividends (Millions of yen)	Total dividends (Thousands of U.S. dollars)	Record date	Effective date
Annual general meeting of shareholders held on June 21, 2024	Common stocks	¥22	$0.15	¥32,250	$215,690	March 31, 2024	June 24, 2024
Board of Directors' meeting held on October 21, 2024	Common stocks	22	0.15	31,835	212,915	September 30, 2024	December 3, 2024

Dividends which will become effective during the fiscal year ending March 31, 2026 are as follows:

Resolution to be proposed	Class of shares	Dividends per share (Yen)	Dividends per share (U.S. dollars)	Total dividends (Millions of yen)	Total dividends (Thousands of U.S. dollars)	Record date	Effective date
Annual general meeting of shareholders held on June 27, 2025	Common stocks	¥22	$0.15	¥31,627	$211,524	March 31, 2025	June 30, 2025

35. Share-based payment transactions

The Company adopts stock option plans, restricted stock unit plans, restricted stock compensation plans and others as share-based payment awards.

Share-based payment awards are granted to the Company's directors and employees based on the terms resolved at the Company's general meeting of shareholders or Board of Directors' meeting.

Share-based payment awards are accounted for as equity-settled share-based payments or cash-settled share-based payments. Expense and liability amounts recognized from share-based payment awards are as follows:

Expenses arising from share-based payments

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Equity-settled	¥121,647	¥168,375	$1,126,104
Cash-settled	15,551	8,905	59,557
Total	¥137,198	¥177,280	$1,185,661

Liabilities arising from share-based payments

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Liability arising from share-based payment	¥18,779	¥17,044	$113,991
Liability vested in the above	3,619	1,161	7,765

(1) Stock option plan

a. Details of the stock option plan

The Company grants stock options as equity-settled share-based payments. The details of the Company's stock option plan for the years ended March 31, 2024 and 2025 are as follows:

(a) SoftBank Group Corp.

SoftBank Group Corp. grants stock options to its directors and employees. Shares granted by the exercise of stock options are those issued by SoftBank Group Corp.

SoftBank Group Corp. conducted a share split at a ratio of two-for-one effective June 28, 2019. The amounts of stock options for each fiscal year are recorded after adjustments of the share split.

Year issued / Name	Grant date	Due date for exercise
2017 July Stock Acquisition Rights*1	July 28, 2017	July 31, 2023
2018 August Stock Acquisition Rights*2	August 31, 2018	August 31, 2025
2019 July Stock Acquisition Rights*3	August 13, 2019	August 31, 2025
2019 November Stock Acquisition Rights*4	December 23, 2019	December 31, 2026
2020 August Stock Acquisition Rights*4	August 28, 2020	August 31, 2027
2021 August Stock Acquisition Rights*4	August 27, 2021	August 31, 2028
2022 August Stock Acquisition Rights*4	August 29, 2022	August 31, 2029
2023 August Stock Acquisition Rights*4	August 29, 2023	August 31, 2030
2024 July Stock Acquisition Rights*5	July 30, 2024	August 31, 2028

*1 Vesting condition

Stock options vest when the service period requirements are met, and the vesting period is approximately two years.

Vesting requires continuous service from the grant date to the vesting date. When an eligible person retires, vested acquisition rights are forfeited.

*2 Vesting condition

Stock options vest when the service period requirements are met, and the vesting period is three years.

The number of the stock acquisition rights exercisable by an entitled person is limited as prescribed in “i” through “iv” below when the number of shares granted by the stock acquisition rights initially allotted is over 800. Fractional points, if any, of the exercisable stock acquisition rights are rounded down. In addition, 200 shares will be issued or transferred upon exercise of each of the stock acquisition rights.

i. from September 1, 2021 through August 31, 2022: 25% of the allotted number of stock acquisition rights
ii. from September 1, 2022 through August 31, 2023: 50% of the allotted number of stock acquisition rights along with the stock acquisition rights exercised in the period “i” above
iii. from September 1, 2023 through August 31, 2024: 75% of the allotted number of stock acquisition rights along with the stock acquisition rights exercised in the period “i” and “ii” above
iv. from September 1, 2024 through August 31, 2025: 100% of the allotted number of stock acquisition rights along with the stock acquisition rights exercised in the period “i” through “iii” above

Vesting requires continuous service from the grant date to the vesting date. When an eligible person retires, vested acquisition rights are forfeited.

*3 Vesting condition

Stock options vest when the service period requirements are met, and the vesting period is approximately two years.

The number of the stock acquisition rights exercisable by an entitled person is limited as prescribed in “i” through “iv” below when the number of shares granted by the stock acquisition rights initially allotted is over 800. Fractional points, if any, of the exercisable stock acquisition rights are rounded down. In addition, 200 shares will be issued or transferred upon exercise of each of the stock acquisition rights.

i. from September 1, 2021 through August 31, 2022: 25% of the allotted number of stock acquisition rights
ii. from September 1, 2022 through August 31, 2023: 50% of the allotted number of stock acquisition rights along with the stock acquisition rights exercised in the period “i” above
iii. from September 1, 2023 through August 31, 2024: 75% of the allotted number of stock acquisition rights along with the stock acquisition rights exercised in the period “i” and “ii” above
iv. from September 1, 2024 through August 31, 2025: 100% of the allotted number of stock acquisition rights along with the stock acquisition rights exercised in the period “i” through “iii” above

Vesting requires continuous service from the grant date to the vesting date. When an eligible person retires, vested acquisition rights are forfeited.

*4 Vesting condition

Stock options vest when the service period requirements are met, and the vesting period is approximately three years.

Vesting requires continuous service from the grant date to the vesting date. When an eligible person retires, vested acquisition rights are forfeited.

*5 Vesting condition

Stock options vest when the service period requirements are met, and the vesting period is zero year.

The number of the stock acquisition rights exercisable by an entitled person is limited as prescribed in “i” and “ii” below. In addition, 100 shares will be issued or transferred upon exercise of each of the stock acquisition rights.

i. If the number of the stock acquisition rights initially allotted is four or more:

Fractional points, if any, of the exercisable stock acquisition rights are rounded down.

(i) from September 1, 2024 through August 31, 2025: 25% of the allotted number of stock acquisition rights
(ii) from September 1, 2025 through August 31, 2026: 50% of the allotted number of stock acquisition rights along with the stock acquisition rights exercised in the period "(i)" above
(iii) from September 1, 2026 through August 31, 2027: 75% of the allotted number of stock acquisition rights along with the stock acquisition rights exercised in the period "(i)" and "(ii)" above
(iv) from September 1, 2027 through August 31, 2028: 100% of the allotted number of stock acquisition rights along with the stock acquisition rights exercised in the period "(i)" through "(iii)" above

ii. If the number of stock acquisition rights initially allotted is three or fewer:
(i) from September 1, 2024 through August 31, 2025, up to one allotted stock acquisition right
(ii) from September 1, 2025 through August 31, 2026, up to two allotted stock acquisition rights, along with the stock acquisition rights exercised during the period described in (i) above
(iii) from September 1, 2026 through August 31, 2027, up to three allotted stock acquisition rights, along with the stock acquisition rights exercised during the period described in (i) and (ii) above

Vesting requires continuous service from the grant date to the vesting date. When an eligible person retires, vested acquisition rights are forfeited.

(b) SoftBank Corp.
SoftBank Corp. grants stock options to directors and employees of SoftBank Corp. or its subsidiaries. Shares granted by the exercise of stock options are those issued by SoftBank Corp.

SoftBank Corp conducted a share split at a ratio of ten-for-one effective October 1, 2024. The amounts of stock options for each fiscal year are recorded after adjustments of the share split.

Year issued / Name	Grant date	Due date for exercise
2018 March Stock Acquisition Rights*1	March 30, 2018	March 31, 2025
2020 July Stock Acquisition Rights*2	July 31, 2020	July 31, 2027
2021 January Stock Acquisition Rights*3	January 22, 2021	March 31, 2028
2021 July Stock Acquisition Rights Item (i)*4	July 20, 2021	March 31, 2028
2021 July Stock Acquisition Rights Item (ii)*5	July 20, 2021	July 31, 2028
2022 July Stock Acquisition Rights*6	July 20, 2022	July 31, 2029
2023 July Stock Acquisition Rights*7	July 20, 2023	July 31, 2030
2024 July Stock Acquisition Rights*8	July 19, 2024	July 31, 2031
2024 August Stock Acquisition Rights*9	August 30, 2024	March 31, 2032

*1 Vesting condition
In the case where the common stock of SoftBank Corp is newly listed on the financial instruments market established by the financial instruments exchange by March 31, 2020, an entitled person is able to exercise the above stock acquisition rights.
The number of rights which an entitled person is able to exercise is as follows:
i. Where the total number of shares granted by the stock acquisition rights initially allotted is from 30,000 to less than 120,000 shares, the number of the stock acquisition rights which an entitled person is able to exercise is limited as prescribed in "a" through "c" below.
a. up to 30% of the total allotted rights are exercisable from April 1, 2020 to March 31, 2021.
b. up to 60% of the total allotted rights including the rights exercised during the period of "a" are exercisable from April 1, 2021 to March 31, 2022.
c. up to 100% of the total allotted rights including the rights exercised during the period of "a" and "b" are exercisable from April 1, 2022 to March 31, 2025.
ii. Where the total number of shares granted by the stock acquisition rights initially allotted is 120,000 or more shares, the number of the stock acquisition rights which an entitled person is able to exercise is limited as prescribed in "a" through "e" below.
a. up to 20% of the total allotted rights are exercisable from April 1, 2020 to March 31, 2021.
b. up to 40% of the total allotted rights including the rights exercised during the period of "a" are exercisable from April 1, 2021 to March 31, 2022.
c. up to 60% of the total allotted rights including the rights exercised during the period of "a" and "b" are exercisable from April 1, 2022 to March 31, 2023.
d. up to 80% of the total allotted rights including the rights exercised during the period of "a", "b", and "c" are exercisable from April 1, 2023 to March 31, 2024.
e. up to 100% of the total allotted rights including the rights exercised during the period of "a", "b", "c", and "d" are exercisable from April 1, 2024 to March 31, 2025.

When an eligible person (director, employee or executive officer of SoftBank Corp. or its subsidiaries) retires, the unexercised acquisition rights are forfeited. However, this shall not apply in the case of a good cause, such as resignation due to expiration of the term or mandatory retirement.

*2 Vesting condition
Stock acquisition rights vest when the service period requirements are met, and the vesting period is approximately two years.

When an eligible person (director, employee or executive officer of SoftBank Corp. or its subsidiaries) retires, the unexercised acquisition rights are forfeited. However, this shall not apply in the case of a good cause, such as resignation due to expiration of the term or mandatory retirement.

*3 Vesting condition

The number of these rights which an entitled person is able to exercise is as follows:

i. where the total number of shares granted by the stock acquisition rights initially allotted is from 30,000 to less than 120,000 shares, the number of the stock acquisition rights which an entitled person is able to exercise is limited as prescribed in "a" through "c" below.
   a. up to 30% of the total allotted rights are exercisable from April 1, 2023 to March 31, 2024.
   b. up to 60% of the total allotted rights including the rights exercised during the period of "a" are exercisable from April 1, 2024 to March 31, 2025.
   c. up to 100% of the total allotted rights including the rights exercised during the period of "a" and "b" are exercisable from April 1, 2025 to March 31, 2028.

ii. where the total number of shares granted by the stock acquisition rights initially allotted is 120,000 or more shares, the number of the stock acquisition rights which an entitled person is able to exercise is limited as prescribed in "a" through "e" below, provided that the number of exercisable stock acquisition rights is given by rounding down any fractions of less than one.
   a. up to 20% of the total allotted rights are exercisable from April 1, 2023 to March 31, 2024.
   b. up to 40% of the total allotted rights including the rights exercised during the period of "a" are exercisable from April 1, 2024 to March 31, 2025.
   c. up to 60% of the total allotted rights including the rights exercised during the period of "a" and "b" are exercisable from April 1, 2025 to March 31, 2026.
   d. up to 80% of the total allotted rights including the rights exercised during the period of "a", "b", and "c" are exercisable from April 1, 2026 to March 31, 2027.
   e. up to 100% of the total allotted rights including the rights exercised during the period of "a", "b", "c", and "d" are exercisable from April 1, 2027 to March 31, 2028.

When an eligible person (director, employee or executive officer of SoftBank Corp. or its subsidiaries) retires, the unexercised acquisition rights are forfeited. However, this shall not apply in the case of a good cause, such as resignation due to expiration of the term or mandatory retirement.

*4 Vesting condition

The number of rights which an entitled person is able to exercise during the following periods "i" through "v" is as follows:

i. up to 20% of the total allotted rights are exercisable from April 1, 2023 to March 31, 2024.
ii. up to 40% of the total allotted rights including the rights exercised during the period of "i" are exercisable from April 1, 2024 to March 31, 2025.
iii. up to 60% of the total allotted rights including the rights exercised during the period of "i" and "ii" are exercisable from April 1, 2025 to March 31, 2026.
iv. up to 80% of the total allotted rights including the rights exercised during the period of "i", "ii", and "iii" are exercisable from April 1, 2026 to March 31, 2027.
v. up to 100% of the total allotted rights including the rights exercised during the period of "i", "ii", "iii", and "iv" are exercisable from April 1, 2027 to March 31, 2028.

When an eligible person (director, employee or executive officer of SoftBank Corp. or its subsidiaries) retires, the unexercised acquisition rights are forfeited. However, this shall not apply in the case of a good cause, such as resignation due to expiration of the term or mandatory retirement.

*5 Vesting condition

Stock acquisition rights vest when the service period requirements are met, and the vesting period is approximately two years through July 31, 2023.

When an eligible person (director, employee, executive officer or advisor of SoftBank Corp.) retires, the unexercised acquisition rights are forfeited. However, this shall not apply in the case of a good cause, such as resignation due to expiration of the term or mandatory retirement.

*6 Vesting condition

Stock acquisition rights vest when the service period requirements are met, and the vesting period is approximately two years through July 31, 2024.

When an eligible person (director, employee, executive officer or advisor of SoftBank Corp.) retires, the unexercised acquisition rights are forfeited. However, this shall not apply in the case of a good cause, such as resignation due to expiration of the term or mandatory retirement.

*7 Vesting condition

Stock acquisition rights vest when the service period requirements are met, and the vesting period is approximately two years through July 31, 2025.

When an eligible person (director, employee, executive officer or advisor of SoftBank Corp.) retires, the unexercised acquisition rights are forfeited. However, this shall not apply in the case of a good cause, such as resignation due to expiration of the term or mandatory retirement.

*8 Vesting condition
Stock acquisition rights vest when the service period requirements are met, and the vesting period is approximately two years through July 31, 2026.
When an eligible person (director, employee, executive officer or advisor of SoftBank Corp.) retires, the unexercised acquisition rights are forfeited. However, this shall not apply in the case of a good cause, such as resignation due to expiration of the term or mandatory retirement.

*9 Vesting condition
The number of rights which an entitled person is able to exercise is as follows:

i. where the total number of shares granted by the stock acquisition rights initially allotted is from 30,000 to less than 120,000 shares, the number of the stock acquisition rights which an entitled person is able to exercise is limited as prescribed in "a" through "c" below.
   a. up to 30% of the total allotted rights are exercisable from April 1, 2027 to March 31, 2028.
   b. up to 60% of the total allotted rights including the rights exercised during the period of "a" are exercisable from April 1, 2028 to March 31, 2029.
   c. up to 100% of the total allotted rights including the rights exercised during the period of "a" and "b" are exercisable from April 1, 2029 to March 31, 2032.

ii. where the total number of shares granted by the stock acquisition rights initially allotted is 120,000 or more shares, the number of the stock acquisition rights which an entitled person is able to exercise is limited as prescribed in "a" through "e" below, provided that the number of exercisable stock acquisition rights is given by rounding down any fractions of less than one.
   a. up to 20% of the total allotted rights are exercisable from April 1, 2027 to March 31, 2028.
   b. up to 40% of the total allotted rights including the rights exercised during the period of "a" are exercisable from April 1, 2028 to March 31, 2029.
   c. up to 60% of the total allotted rights including the rights exercised during the period of "a" and "b" are exercisable from April 1, 2029 to March 31, 2030.
   d. up to 80% of the total allotted rights including the rights exercised during the period of "a", "b", and "c" are exercisable from April 1, 2030 to March 31, 2031.
   e. up to 100% of the total allotted rights including the rights exercised during the period of "a", "b", "c", and "d" are exercisable from April 1, 2031 to March 31, 2032.

When an eligible person (director, employee or executive officer of SoftBank Corp. or its subsidiaries) retires, the unexercised acquisition rights are forfeited. However, this shall not apply in the case of a good cause, such as resignation due to expiration of the term or mandatory retirement.

(c) LY Corporation
LY Corporation grants stock options to directors and employees of LY Corporation and its affiliated companies. Shares granted by the exercise of stock options are those issued by LY Corporation.

Year issued / Name	Grant date	Due date for exercise
2020 LINE 22nd *1,2	March 1, 2021	From July 29, 2022 through July 8, 2029
2020 LINE 24th *1,3	March 1, 2021	From July 29, 2022 through July 8, 2029
2020 LINE 25th *1,3	March 1, 2021	From July 29, 2022 through July 8, 2029
2020 LINE 26th *1,4	March 1, 2021	From November 5, 2023 through November 5, 2030
2020 LINE 28th *5	March 30, 2021	From November 5, 2023 through November 5, 2030
2021 LINE 29th *6	November 10, 2021	From November 11, 2024 through October 24, 2031
2022 Z Holdings 1st *7	August 18, 2022	From August 19, 2025 through August 3, 2032

*1 Stock acquisition rights to be provided for directors and employees of LY Corporation and its affiliated companies
Based on the capital alliance agreement entered into on December 23, 2019 that stipulated the LY Corporation group's governance, management and other matters after the business integration, LY Corporation granted alternative stock options to directors and employees of LY Corporation and its affiliated companies at the same scale as the stock options which A Holdings Corporation (formerly LINE Corporation) was granting to directors and employees of A Holdings Corporation and its affiliated companies.

*2 Vesting condition

An entitled person must hold the position of director of LY Corporation or its affiliated companies at the time of exercising the rights. However, this shall not apply in the case of a good cause, such as resignation due to expiration of the term, or the Board of Directors of LY Corporation deems that there is a justifiable reason. If stock price of LY Corporation's common stock meets the following requirements "i", "ii", and "iii", the number of shares of stock acquisition rights specified in "i", "ii", and "iii" is exercisable.

i. At any day from July 29, 2022 through July 29, 2025, including 10 days before the last business day (excluding the day on which ordinary transactions of LY Corporation's common stock are not closed; same conditions apply to "i" through "iii"), if the average closing price of LY Corporation's common stock in ordinary trading on the Tokyo Stock Exchange exceeds ¥640 ("Basic Stock Price"); up to 20% of the total allotted rights is exercisable

ii. At any day from July 29, 2023 through July 29, 2026, including 10 days before the last business day, if the average closing price of LY Corporation's common stock in ordinary trading on the Tokyo Stock Exchange exceeds Basic Stock Price; up to 30% of the total allotted rights is exercisable

iii. At any day from July 29, 2024 through July 29, 2027, including 10 days before the last business day, if the average closing price of LY Corporation's common stock in ordinary trading on the Tokyo Stock Exchange exceeds Basic Stock Price; up to 50% of the total allotted rights is exercisable

Regardless of the exercise period (from July 29, 2022 to July 8, 2029. If the last day of the exercise period conflicts with a holiday of LY Corporation, its last business day shall be the last day of the exercise period), the entitled person is able to exercise the stock acquisition rights (including the stock acquisition rights already exercised) during the period specified in "a", "b" and "c" (either period shall include the first and last day), to the extent specified in "a", "b" and "c". In this case, if a fraction of less than one unit arises from the number of exercisable stock acquisition rights calculated based on such ratio, only the number of stock acquisition rights rounded down to the nearest whole number can be exercised.

a. up to 20% of the total allotted rights, exercisable from July 29, 2022 to July 8, 2029

b. up to 50% of the total allotted rights, exercisable from July 29, 2023 to July 8, 2029

c. up to 100% of the total allotted rights, exercisable from July 29, 2024 to July 8, 2029

*3 Vesting condition

An entitled person must hold the position of director, audit and supervisory board member, executive officer, corporate officer or employee of LY Corporation or its affiliated companies at the time of exercising the rights. However, this shall not apply in the case of a good cause, such as resignation due to expiration of the term, or the Board of Directors of LY Corporation deems that there is a justifiable reason. Regardless of the exercise period (from July 29, 2022 to July 8, 2029. If the last day of the exercise period conflicts with a holiday of LY Corporation, its last business day shall be the last day of the exercise period), the entitled person is able to exercise the stock acquisition rights (including the stock acquisition rights already exercised) during the period specified in "i", "ii" and "iii" (either period shall include the first and last day), to the extent the number specified in "i", "ii" and "iii". In this case, if a fraction of less than one unit arises from the number of exercisable stock acquisition rights calculated based on such ratio, only the number of stock acquisition rights rounded down to the nearest whole number can be exercised.

i. up to 20% of the total allotted rights, exercisable from July 29, 2022 to July 8, 2029

ii. up to 50% of the total allotted rights, exercisable from July 29, 2023 to July 8, 2029

iii. up to 100% of the total allotted rights, exercisable from July 29, 2024 to July 8, 2029

*4 Vesting condition

An entitled person must hold the position of director of LY Corporation or its affiliated companies at the time of exercising the rights. However, this shall not apply in the case of a good cause, such as resignation due to expiration of the term, or the Board of Directors of LY Corporation deems that there is a justifiable reason. If stock price of LY Corporation's common stock meets the following requirements "i", "ii", and "iii", the number of shares of stock acquisition rights specified in "i", "ii", and "iii" is exercisable.

i. At any day from November 5, 2023 through November 5, 2026, including 10 days before the last business day (excluding the day on which ordinary transactions of LY Corporation's common stock are not closed; same conditions apply to "i" through "iii"), if the average closing price of LY Corporation's common stock in ordinary trading on the Tokyo Stock Exchange exceeds ¥640 ("Basic Stock Price"); up to 20% of the total allotted rights is exercisable

ii. At any day from November 5, 2024 through November 5, 2027, including 10 days before the last business day, if the average closing price of LY Corporation's common stock in ordinary trading on the Tokyo Stock Exchange exceeds Basic Stock Price; up to 30% of the total allotted rights is exercisable

iii. At any day from November 5, 2025 through November 5, 2028, including 10 days before the last business day, if the average closing price of LY Corporation's common stock in ordinary trading on the Tokyo Stock Exchange exceeds Basic Stock Price; up to 50% of the total allotted rights is exercisable

Regardless of the exercise period (from November 5, 2023 to November 5, 2030. If the last day of the exercise period conflicts with a holiday of LY Corporation, its last business day shall be the last day of the exercise period), the entitled person is able to exercise the stock acquisition rights (including the stock acquisition rights already exercised) during the period specified in "a", "b" and "c", to the extent specified in "a", "b" and "c". In this case, if a fraction of less than one unit arises from the number of exercisable stock acquisition rights calculated based on such ratio, only the number of stock acquisition rights rounded down to the nearest whole number can be exercised.

a. up to 20% of the total allotted rights, exercisable from November 5, 2023 to November 5, 2030

b. up to 50% of the total allotted rights, exercisable from November 5, 2024 to November 5, 2030

c. up to 100% of the total allotted rights, exercisable from November 5, 2025 to November 5, 2030

*5 Vesting condition

An entitled person must hold the position of director, audit and supervisory board member, executive officer, corporate officer or employee of LY Corporation or its affiliated companies at the time of exercising the rights. However, this shall not apply in the case of a good cause, such as resignation due to expiration of the term, or the Board of Directors of LY Corporation deems that there is a justifiable reason. Regardless of the exercise period (from November 5, 2023 to November 5, 2030. If the last day of the exercise period conflicts with a holiday of LY Corporation, its last business day shall be the last day of the exercise period), the entitled person is able to exercise the stock acquisition rights (including the stock acquisition rights already exercised) during the period specified in “i”, “ii” and “iii” (either period shall include the first and last day), to the extent specified in “i”, “ii” and “iii”. In this case, if a fraction of less than one unit arises from the number of exercisable stock acquisition rights calculated based on such ratio, only the number of stock acquisition rights rounded down to the nearest whole number can be exercised.

i. up to 20% of the total allotted rights, exercisable from November 5, 2023 to November 5, 2030
ii. up to 50% of the total allotted rights, exercisable from November 5, 2024 to November 5, 2030
iii. up to 100% of the total allotted rights, exercisable from November 5, 2025 to November 5, 2030

*6 Vesting condition

An entitled person must hold the position of director, audit and supervisory board member, executive officer, corporate officer or employee of LY Corporation or its affiliated companies at the time of exercising the rights. However, this shall not apply in the case of a good cause, such as resignation due to expiration of the term, or the Board of Directors of LY Corporation deems that there is a justifiable reason. If stock price of LY Corporation’s common stock meets the following requirements “i”, “ii”, and “iii”, the number of shares of stock acquisition rights specified in “i”, “ii”, and “iii” is exercisable.

i. At any day from November 11, 2024 through November 11, 2027, including 10 days before the last business day (excluding the day on which ordinary transactions of LY Corporation’s common stock are not closed; same conditions apply to “i” through “iii”), if the average closing price of LY Corporation’s common stock in ordinary trading on the Tokyo Stock Exchange exceeds ¥640 (“Basic Stock Price”); up to 20% of the total allotted rights is exercisable
ii. At any day from November 11, 2025 through November 11, 2028, including 10 days before the last business day, if the average closing price of LY Corporation’s common stock in ordinary trading on the Tokyo Stock Exchange exceeds Basic Stock Price; up to 30% of the total allotted rights is exercisable
iii. At any day from November 11, 2026 through November 11, 2029, including 10 days before the last business day, if the average closing price of LY Corporation’s common stock in ordinary trading on the Tokyo Stock Exchange exceeds Basic Stock Price; up to 50% of the total allotted rights is exercisable

Regardless of the exercise period (from November 11, 2024 to October 24, 2031. If the last day of the exercise period conflicts with a holiday of LY Corporation, its last business day shall be the last day of the exercise period), the entitled person is able to exercise the stock acquisition rights (including the stock acquisition rights already exercised) during the period specified in “a”, “b” and “c” (either period shall include the first and last day), to the extent specified in “a”, “b” and “c”. In this case, if a fraction of less than one unit arises from the number of exercisable stock acquisition rights calculated based on such ratio, only the number of stock acquisition rights rounded down to the nearest whole number can be exercised.

a. up to 20% of the total allotted rights, exercisable from November 11, 2024 to October 24, 2031
b. up to 50% of the total allotted rights, exercisable from November 11, 2025 to October 24, 2031
c. up to 100% of the total allotted rights, exercisable from November 11, 2026 to October 24, 2031

*7 Vesting condition

An entitled person must hold a position of director, audit and supervisory board member, executive officer, or corporate executive officers, or employee of LY Corporation or its affiliated companies at the time of exercising the rights. However, this shall not apply in the case of a good cause which the Board of Directors of LY Corporation deems that there is a justifiable reason such as resignation due to expiration of the term. Other conditions for the exercise of stock acquisition rights shall be as specified in the “Stock Acquisition Rights Allotment Agreement,” which LY Corporation enters into with an entitled person.

b. Fair value of stock options granted during the period

Weighted-average fair value at the measurement date and fair value measurement method of the stock options granted during the period are as follows:

(a) SoftBank Group Corp.

For the fiscal year ended March 31, 2025, the weighted-average fair value at the measurement date of the stock options granted during the period is ¥9,226 ($61.7) (for the fiscal year ended March 31, 2024: ¥6,472).

Fair value is measured as follows:

	Fiscal year ended March 31, 2024
Year issued / Name	**2023 August Stock Acquisition Rights**
Valuation method used	**Black-Scholes model (Yen)**
Key inputs and assumptions:	
Weighted-average stock price	¥ 6,604
Weighted-average exercise price	¥ 1
Volatility of stock price*	39.12%
Estimated residual period	3 years
Estimated dividend	¥44/per share
Risk-free interest rate	0.08%

	Fiscal year ended March 31, 2025	
Year issued / Name	**2024 July Stock Acquisition Rights**	
Valuation method used	**Black-Scholes model**	
	(Yen)	**(USD)**
Key inputs and assumptions:		
Weighted-average stock price	¥ 9,296	$ 62.17
Weighted-average exercise price	¥ 1	$ 0.01
Volatility of stock price*	38.25 - 61.40%	
Estimated residual period	0 - 3 years	
Estimated dividend	¥44/per share	$0.29/per share
Risk-free interest rate	0.11 - 0.44%	

* Volatility of the stock price is calculated based on the performance of the stock price for the most recent period depending on the period to maturity.

(b) SoftBank Corp.

For the fiscal year ended March 31, 2025, the weighted-average fair value at the measurement date of the stock options granted during the period is ¥183 ($1.22) per share for 2024 July Stock Acquisition Rights and ¥9 ($0.06) per share for 2024 August Stock Acquisition Rights (for the fiscal year ended March 31, 2024: ¥138).

Fair value is measured as follows:

	Fiscal year ended March 31, 2024
Year issued / Name	**2023 July Stock Acquisition Rights**
Valuation method used	**Black-Scholes model**
	(Yen)
Key inputs and assumptions:	
Weighted-average stock price	¥ 154
Weighted-average exercise price	¥ 1
Volatility of stock price*	13.14%
Estimated residual period	2 years
Estimated dividend	¥8.6/per share
Risk-free interest rate	(0.04%)

	Fiscal year ended March 31, 2025			
Year issued / Name	**2024 July Stock Acquisition Rights**		**2024 August Stock Acquisition Rights**	
Valuation method used	**Black-Scholes model**		**Black-Scholes model**	
	(Yen)	**(USD)**	**(Yen)**	**(USD)**
Key inputs and assumptions:				
Weighted-average stock price	¥ 200	$ 1.34	¥ 204	$ 1.36
Weighted-average exercise price	¥ 1	$ 0.01	¥ 211	$ 1.41
Volatility of stock price*	12.60%		13.28% - 16.37%	
Estimated residual period	2 years		2 - 7 years	
Estimated dividend	¥8.6/per share	$0.06/per share	¥8.6/per share	$0.06/per share
Risk-free interest rate	0.35%		0.38% - 0.60%	

* Volatility of the stock price is calculated based on the performance of the stock price for the most recent period depending on the period to maturity.

(c) LY Corporation

There are no stock options granted during the fiscal years ended March 31, 2024 and 2025.

c. Changes in stock options during the period and the condition of stock options at the period end

Changes in stock options during the period and the condition of stock options at the period end are as follows:

(a) SoftBank Group Corp.

	Fiscal year ended March 31, 2024		Fiscal year ended March 31, 2025		
	Number of shares	Weighted-average exercise price (Yen)	Number of shares	Weighted-average exercise price (Yen)	(USD)
Beginning balance—Unexercised	4,602,800	¥3,360	1,087,200	¥ 1	$0.01
Granted	160,200	1	153,700	1	0.01
Forfeited	(32,100)	598	(14,300)	1	0.01
Exercised	(2,878,900)	4,093	(484,500)	1	0.01
Matured	(764,800)	4,791	—	—	—
Ending balance—Unexercised	1,087,200	¥ 1	742,100	¥ 1	$0.01
Ending balance—Exercisable	334,800	¥ 1	364,200	¥ 1	$0.01

The unexercised options as of March 31, 2025 are as follows:

Range of exercise price (Yen)	Range of exercise price (USD)	Number of shares	Weighted-average exercise price (Yen)	Weighted-average exercise price (USD)	Weighted-average remaining contract period (year)
¥1	$0.01	742,100	¥1	$0.01	3.1

(b) SoftBank Corp.

	Fiscal year ended March 31, 2024		Fiscal year ended March 31, 2025		
	Number of shares	Weighted-average exercise price (Yen)	Number of Shares	Weighted-average exercise price (Yen)	(USD)
Beginning balance—Unexercised	1,583,876,000	¥114	1,247,713,000	¥119	$0.80
Granted	4,920,000	1	1,313,209,000	210	1.40
Forfeited	(21,995,000)	126	(31,824,000)	173	1.16
Exercised	(319,088,000)	94	(461,607,000)	93	0.62
Matured	—	—	(28,054,000)	63	0.42
Ending balance—Unexercised	1,247,713,000	¥119	2,039,437,000	¥184	$1.23
Ending balance—Exercisable	467,913,000	¥107	296,658,000	¥137	$0.92

The unexercised options as of March 31, 2025 are as follows:

Range of exercise price (Yen)	Range of exercise price (USD)	Number of shares	Weighted-average exercise price (Yen)	Weighted-average exercise price (USD)	Weighted-average remaining contract period (year)
¥1	$0.01	10,247,000	¥ 1	$0.01	5.5
137	0.92	644,399,000	137	0.92	3.0
150	1.00	92,000,000	150	1.00	3.0
211	1.41	1,292,791,000	211	1.41	7.0
Total		2,039,437,000	¥184	$1.23	5.6

(c) LY Corporation

	Fiscal year ended March 31, 2024		Fiscal year ended March 31, 2025		
	Number of shares	Weighted-average exercise price (Yen)	Number of shares	Weighted-average exercise price (Yen)	(USD)
Beginning balance—Unexercised	224,138,375	¥452	183,498,425	¥424	$2.84
Granted	—	—	—	—	—
Forfeited	(37,072,650)	605	(5,940,900)	438	2.93
Exercised	(3,567,300)	299	(6,711,600)	300	2.01
Matured	—	—	—	—	—
Ending balance—Unexercised	183,498,425	¥424	170,845,925	¥428	$2.86
Ending balance—Exercisable	32,605,075	¥686	63,786,050	¥358	$2.39

The unexercised options as of March 31, 2025 are as follows:

Range of exercise price (Yen)	Range of exercise price (USD)	Number of shares	Weighted-average exercise price (Yen)	Weighted-average exercise price (USD)	Weighted-average remaining contract period (year)
¥201-¥300	$1.34-$2.01	78,474,725	¥298	$1.99	4.3
401-500	2.68-3.34	73,759,200	477	3.19	5.8
701-800	4.69-5.35	18,612,000	783	5.24	6.6
Total		170,845,925	¥428	$2.86	5.2

d. Stock options exercised during the period

Weighted-average stock prices at the time of exercise for stock options exercised during the period are as follows:

(a) SoftBank Group Corp.

Fiscal year ended March 31, 2024			Fiscal year ended March 31, 2025			
Year issued / Name	Number of shares exercised	Weighted-average stock price at exercise (Yen)	Year issued / Name	Number of shares exercised	Weighted-average stock price at exercise (Yen)	(USD)
2017 July Stock Acquisition Rights	2,459,200	¥6,582	2018 August Stock Acquisition Rights	335,400	¥8,555	$57.22
2018 August Stock Acquisition Rights	271,600	6,845	2019 July Stock Acquisition Rights	51,400	8,714	58.28
2019 July Stock Acquisition Rights	42,800	6,495	2019 November Stock Acquisition Rights	6,000	8,435	56.42
2019 November Stock Acquisition Rights	6,300	6,189	2020 August Stock Acquisition Rights	29,000	8,149	54.50
2020 August Stock Acquisition Rights	99,000	6,638	2021 August Stock Acquisition Rights	52,000	8,508	56.90
			2024 July Stock Acquisition Rights	10,700	8,473	56.67

(b) SoftBank Corp.

Fiscal year ended March 31, 2024			Fiscal year ended March 31, 2025			
Year issued / Name	Number of shares exercised	Weighted -average stock price at exercise (Yen)	Year issued / Name	Number of shares exercised	Weighted-average stock price at exercise (Yen)	(USD)
2018 March Stock Acquisition Rights	175,281,000	¥169	2018 March Stock Acquisition Rights	266,261,000	¥200	$1.34
2020 July Stock Acquisition Rights	401,000	160	2020 July Stock Acquisition Rights	321,000	192	1.28
2021 January Stock Acquisition Rights	129,056,000	174	2021 January Stock Acquisition Rights	176,483,000	199	1.33
2021 July Stock Acquisition Rights Item (i)	10,000,000	195	2021 July Stock Acquisition Rights Item (i)	13,000,000	198	1.32
2021 July Stock Acquisition Rights Item (ii)	4,350,000	166	2021 July Stock Acquisition Rights Item (ii)	846,000	192	1.28
			2022 July Stock Acquisition Rights Item	4,696,000	191	1.28

(c) LY Corporation

Fiscal year ended March 31, 2024			Fiscal year ended March 31, 2025			
Year issued / Name	Number of shares exercised	Weighted-average stock price at exercise (Yen)	Year issued / Name	Number of shares exercised	Weighted-average stock price at exercise (Yen)	(USD)
2020	3,567,300	426	2020	6,711,600	431	2.88

(2) Restricted stock unit plan

The Company adopts restricted stock unit (“RSU”) plans where the Company grants shares as compensation on the vesting date if certain conditions are met.
The details of the Company’s RSU plans for the fiscal years ended March 31, 2024 and 2025 are primarily as follows:

Arm
a. The Arm Limited All Employee Plan 2019 (“2019 AEP”)
In December 2019, the 2019 AEP was established to grant RSUs to all employees of Arm and its group companies. Under this plan, it is determined whether to be settled by ordinary shares of Arm or cash dependent on future conditions based on the terms of the plan. The Company considered it to be settled by ordinary shares of Arm on the premise of an IPO and accounted for the compensation plan as an equity-settled share-based payment transaction.

RSUs vest upon the achievement of certain performance thresholds of the enterprise value at the IPO. The fair value of the RSUs is measured using the Monte Carlo option pricing model at the time of grant. The RSUs are forfeited if the employee leaves the Arm and its group companies before the RSUs vest.

The table below identifies award activity under 2019 AEP:

	Awards (Unit)	Weighted average fair value (USD)
Unexercised as of March 31, 2023	11,455,864	$13.64
Granted	2,603	50.20
Cancelled and forfeited	(240,814)	13.84
Vested	(11,217,653)	13.64
Unexercised as of March 31, 2024	—	—
Granted	—	—
Cancelled and forfeited	—	—
Vested	—	—
Unexercised as of March 31, 2025	—	$ —

b. 2022 Arm Limited RSU Award Plan ("2022 RSU Plan")
In June 2022, the 2022 RSU Plan was established to grant RSUs to all employees of Arm and its group companies ("All Employee Awards") and to grant two types of executive awards to certain of Arm's executive officers ("Executive Awards").

Under All Employee Awards, RSUs were granted as a fixed number of units, and vested RSUs are basically to be settled by ordinary shares of Arm while the 2022 RSU Plan allows for either cash or share settlement of the RSU awards by tranche at the discretion of Arm. The Company accounted for the compensation plan, except for certain units expected to be settled by cash, as an equity-settled share-based payment transaction, and for units expected to be settled by cash are accounted as a cash-settled share-based payment transaction. The fair value of the RSUs accounted as an equity-settled share-based payment transaction is measured by taking into account the lack of marketability to a calculated entity valuation at the time of grant while the fair value of the RSUs accounted as a cash-settled share-based payment transaction is measured at every quarter.

Under Executive Awards, RSUs were granted as a fixed amount of cash or, upon the occurrence of a change in control or an IPO, a variable number of ordinary shares of Arm equal to a fixed amount of cash in November 2022. Executive Awards granted were originally accounted for as cash-settled share-based payment transaction and upon the IPO, each Executive Award was converted into variable number of shares based on the closing American depository shares ("ADS") price of Arm at the IPO date.
RSUs for All Employee Awards require continuous service through the vesting date, and are subject to graded vesting over time. RSUs for a portion of Executive Awards require a three-year continuous service period and vest over the period, and another portion of Executive Awards is subject to continuous service and satisfaction of certain performance conditions, and vest upon the satisfaction of performance metrics.

The table below identifies award activity under the 2022 RSU Plan:

(Equity-settled)	Awards (Unit)	Weighted average fair value (USD)
Unexercised as of March 31, 2023	10,777,469	$35.74
Granted	17,126,122	43.66
Cancelled and forfeited	(621,895)	43.40
Vested	(6,400,480)	37.52
Executive Awards conversion	2,491,899	51.00
Unexercised as of March 31, 2024	23,373,115	42.42
Granted	186,160	51.00
Cancelled and forfeited	(683,273)	41.59
Vested	(15,495,819)	41.66
Unexercised as of March 31, 2025	7,380,183	$47.52

(Cash-settled)	Awards (Unit)	Weighted average fair value (USD)
Unexercised as of March 31, 2023	352,265	$41.50
Reclassification from Equity-settled	8,362	—
Cancelled and forfeited	(9,605)	—
Vested	(351,022)	47.99
Unexercised as of March 31, 2024	—	—
Granted	—	—
Cancelled and forfeited	—	—
Vested	—	—
Unexercised as of March 31, 2025	—	$ —

c. Omnibus Incentive Plan
In August 2023, the Omnibus Incentive Plan was established to grant incentive awards to employees, executive directors, and non-employees of Arm and its subsidiaries. The types of incentive awards granted under the Omnibus Incentive Plan and vesting conditions applicable to each award are determined by Arm.

For all periods presented, the maximum number of ordinary shares that may be issued under the Omnibus Incentive Plan is equal to the sum of (i)20,500,000 ordinary shares and (ii) an annual increase on April 1 of

each year beginning on April 1, 2024 and ending on April 1, 2028, equal to the lesser of (A) 2% of the aggregate number of ordinary shares outstanding on March 31 of the immediately preceding fiscal year and (B) such smaller number of ordinary shares as determined by Arm.

For the fiscal years ended March 31, 2024 and 2025, Arm granted RSUs and performance stock units ("PSUs") under the Omnibus Incentive Plan to employees, including executives of Arm. The Omnibus Incentive Plan allows for either cash or share settlement of the awards by tranche, if applicable, at the discretion of Arm. At the time of issuance, the Company intended to settle the RSUs and PSUs in shares at the vesting date and such awards are accounted for as equity-settled share-based payment transactions.

The RSUs were granted to existing employees and new hires of Arm and its subsidiaries, require continuous service through the vesting date and are subject to graded vesting over time.

The PSUs were awarded to executives of Arm and include a portion that require three-year continuous service period and another portion that is subject to continuous service and satisfaction of certain performance conditions. The time-based portion of the PSUs vests over a three-year period. The PSUs that are subject to continuous service and satisfaction of certain performance conditions vest upon the satisfaction of performance metrics.

In addition, for the fiscal year ended March 31, 2025, Arm grants PSUs with Relative TSR (Total Shareholder Return) as the performance condition.

The table below identifies award activity under the Omnibus Incentive Plan:

	Awards (Unit)	Weighted average fair value (USD)
Unexercised as of March 31, 2023	—	$ —
Granted	1,957,636	68.17
Cancelled and forfeited	(11,105)	57.01
Vested	(50,784)	71.03
Unexercised as of March 31, 2024	1,895,747	68.16
Granted	10,861,462	121.59
Cancelled and forfeited	(461,184)	112.34
Vested	(1,170,217)	70.97
Unexercised as of March 31, 2025	11,125,808	$118.24

(3) Restricted stock compensation plan

The Company adopts restricted stock compensation plans where the Company grants stocks, the transfer of which is restricted.

The details of the Company's restricted stock compensation plans for the fiscal years ended March 31, 2024 and 2025 are primarily as follows:

SoftBank Corp.

SoftBank Corp. adopts a restricted stock compensation plan where SoftBank Corp. grants stocks, the transfer of which is restricted. The fair value of restricted stocks granted is calculated based on the common stock price of SoftBank Corp. on the grant date. The plan is accounted for as equity-settled share-based payment.

The plan is vested on the day when shares of restricted stocks are granted, and the granted shares of restricted stocks shall not be transferred, pledged as collateral or disposed of from the grant day to the day of resignation from the eligible directors of SoftBank Corp.

The details of the plan for the fiscal years ended March 31, 2024 and 2025 are as follows:

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Eligible director(s)	Five directors Four corporate executive officers	Four directors Seven corporate executive officers
Number of shares granted	11,171,000	21,695,000
Weighted-average fair value of shares granted	¥154	¥195 ($1.30)

36. Net sales

(1) Breakdown of net sales

The components of net sales are as follows.

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
SoftBank segment			
Consumer business*1			
Service revenues			
Mobile communications	¥1,507,685	¥1,554,934	$10,399,505
Broadband	400,261	408,247	2,730,384
Electricity	261,666	255,694	1,710,099
Revenues from sales of goods and others	635,437	713,862	4,774,358
Enterprise business*2	800,753	886,260	5,927,368
Distribution business	568,790	705,408	4,717,817
Media & EC business			
Media*3	674,550	704,328	4,710,594
Commerce*3	822,125	844,234	5,646,295
Strategy	84,395	97,785	653,993
Other	5,511	4,048	27,073
Financial business	215,862	255,662	1,709,885
Other*1,2	104,248	110,895	741,673
Subtotal	6,081,283	6,541,357	43,749,044
Arm segment			
License and other revenue	207,749	259,236	1,733,788
Royalty revenue	256,276	330,932	2,213,296
Subtotal	464,025	590,168	3,947,084
Other	211,192	112,227	750,581
Total	¥6,756,500	¥7,243,752	$48,446,709

The above amount of net sales for the fiscal year ended March 31, 2025 includes ¥202,964 million ($1,357,437 thousand) (for the fiscal year ended March 31, 2024: ¥197,147 million) of revenue from other sources than those recognized under IFRS 15 “Revenue from Contracts with Customers,” such as lease contracts at Finance business and Enterprise business under the SoftBank segment.

*1 For the fiscal year ended March 31, 2025, certain subsidiaries previously categorized under “Consumer business” are reclassified to “Other.” Accordingly, the net sales of “Consumer business” and “Other” for the fiscal year ended March 31, 2024 are reclassified.

*2 For the fiscal year ended March 31, 2025 for the purpose of strengthening group synergies, SB Technology Corp., Cybertrust Japan Co., Ltd., and other entities are reclassified from “Other” to “Enterprise business.” Accordingly, the net sales of “Enterprise business” and “Other” for the fiscal year ended March 31, 2024 are reclassified.

*3 For the fiscal year ended March 31, 2025, the service categories within “Media & EC business” are changed, and certain services previously classified under “Media” are reclassified to “Commerce.” Accordingly, the net sales of “Media” and “Commerce” for the fiscal year ended March 31, 2024 are reclassified.

(2) Contract balance

The components of contract balances are as follows.

	(Millions of yen)			(Thousands of U.S. dollars)
	As of April 1, 2023	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Receivables arising from contracts with customers	¥1,102,918	¥1,137,705	¥1,166,276	$7,800,134
Contract assets	50,549	114,884	148,647	994,161
Contract liabilities	335,898	364,354	354,917	2,373,709

Contract assets generally increase when the Company transfers goods or services to a customer (excluding claims for which the right to remuneration is unconditional) before the customer pays the consideration or before the payment becomes due and decrease when the Company bills the customer.

Contract liabilities generally increase when the Company receives consideration from a customer prior to the transfer of goods or services to the customer and decrease when the Company meets its performance obligations.

For the fiscal year ended March 31, 2025, impairment loss on receivables related to revenue from contracts with customers is ¥17,041 million ($113,971 thousand) (for the fiscal year ended March 31, 2024: ¥14,871 million).

Of the net sales recognized for the fiscal year ended March 31, 2025, ¥122,037 million ($816,192 thousand) was included in the beginning balance of contract liabilities as of that date (for the fiscal year ended March 31, 2024: ¥136,076 million). Also, for the fiscal year ended March 31, 2025, net sales recognized from satisfied performance obligations in prior reporting periods is ¥332,335 million ($2,222,679 thousand) (for the fiscal year ended March 31, 2024: ¥269,561 million) which is primarily from royalty revenue earned during the period in the Arm segment.

(3) Transaction price allocated to unsatisfied performance obligations

The aggregate amount of transaction prices allocated to unsatisfied (or partially unsatisfied) performance obligations as of March 31, 2025 is ¥475,126 million ($3,177,675 thousand) (as of March 31, 2024: ¥515,619 million).

Of this, the unsatisfied performance obligations of ¥332,758 million ($2,225,508 thousand) as of March 31, 2025 (as of March 31, 2024: ¥376,167 million) arise primarily from license contracts related to Arm's technology in the Arm segment and of ¥142,368 million ($952,167 thousand) as of March 31, 2025 (as of March 31, 2024: ¥139,449 million) arise primarily from mobile services and mobile device rental services in the SoftBank segment.

Under the Arm segment, the Company has elected to exclude potential future royalty receipts from the disclosure. In certain arrangements, Arm's right to consideration may not correspond directly with the performance of obligations. Revenue recognition for specified IP occurs upon delivery or beginning of license term, whichever is later. For certain subscription offerings, revenue allocated to unspecified future IP is recognized overtime, on a straight-line basis over the delivery period, commencing upon the later of the effective date of the arrangement and the transfer of the initial available IP license. In the Arm segment, the Company expects to recognize approximately 25% of remaining performance obligations as revenue over the next 12 months, approximately 19% over the subsequent 13-to 24-month period, and the remainder thereafter.

The unsatisfied performance obligations in the SoftBank segment are expected to be recognized as revenue primarily for three years.

The Company applies practical expedients. Transaction prices of contracts with an original duration of one year or less and transaction prices of contracts in which considerations are received from customers directly corresponding to the volume of service delivered are not included in the transaction prices allocated to the residual performance obligations mentioned above.

37. Cost of sales and selling, general and administrative expenses

The components of cost of sales and selling, general and administrative expenses are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Cost of goods sold	¥(1,708,728)	¥(1,896,634)	$(12,684,818)
Employees benefit cost	(1,114,941)	(1,011,881)	(6,767,529)
Depreciation and amortization	(858,620)	(866,823)	(5,797,372)
Sales commissions and sales promotion expenses	(461,113)	(535,042)	(3,578,398)
Service outsourcing expenses	(359,262)	(409,399)	(2,738,089)
Telecommunications equipment usage fees	(249,243)	(263,117)	(1,759,745)
Amortization of contract acquisition cost	(255,146)	(256,713)	(1,716,914)
Other	(1,189,438)	(1,274,349)	(8,522,932)
Total	¥(6,196,491)	¥(6,513,958)	$(43,565,797)

"Depreciation and amortization" includes the amount of disposal of "Property, plant and equipment," "Right-of-use assets," and "Intangible assets" as well as amortization of long-term prepaid expenses which are recorded in "Other non-current assets" in the consolidated statement of financial position.

38. Gain on investments

(1) Gain and loss on investments at Investment Business of Holding Companies

The components of gain and loss on investments at Investment Business of Holding Companies are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Realized loss on investments at asset management subsidiaries	(90,360)	(39,323)	(262,995)
Unrealized gain (loss) on valuation of investments at asset management subsidiaries	12,692	(10,888)	(72,820)
Realized gain (loss) on investments[*1,2,3]	38,037	(109,862)	(734,765)
Unrealized gain (loss) on valuation of investments[*1,2,3]	(666,967)	3,580,069	23,943,747
Derivative gain (loss) on investments[*3,4,5]	226,050	(297,653)	(1,990,724)
Effect of foreign exchange translation[*2,3,6]	(14,594)	199,888	1,336,865
Other	36,097	91,590	612,561
Total	¥(459,045)	¥3,413,821	$22,831,869

*1 For the fiscal year ended March 31, 2025, ¥280,516 million ($1,876,110 thousand) (for the fiscal year ended March 31, 2024: ¥46,779 million of the realized loss on investments) of realized gain on investments and ¥900,335 million ($6,021,502 thousand) (for the fiscal year ended March 31, 2024: ¥8,641 million of unrealized loss on valuation of investments) of unrealized gain on valuation of investments (reclassified to realized gain and loss recorded in the past fiscal years) were recognized due to the physical settlement of prepaid forward contracts using Alibaba shares. In addition, ¥695,057 million ($4,648,589 thousand) of unrealized gain on valuation of investments was recognized due to the stock price changes for Alibaba shares held as of March 31, 2025 (for the fiscal year ended March 31, 2024: ¥921,797 million of unrealized loss on valuation of investments was recorded for the stock price changes for Alibaba shares held as of March 31, 2024).

*2 For the fiscal year ended March 31, 2025, ¥649,975 million ($4,347,077 thousand) of realized loss on WeWork shares, ¥447,483 million ($2,992,797 thousand) of unrealized gain on valuation of investments (reclassified to realized gain and loss recorded in the past fiscal years), and ¥202,492 million ($1,354,280 thousand) of gain arising from the foreign exchange translation effects were recognized due to the completion of the procedures under Chapter 11 for WeWork. The gain and loss were recognized as a result of unrealized loss on valuation of investments recorded in the period prior to the transfer of WeWork shares by the Company to SVF2 in August 2021, which were reclassified to realized loss on investments for the fiscal year ended March 31, 2025, and therefore, the effect on the total amount of "Gain and loss on investments at Investment Business of Holding Companies" for the fiscal year ended March 31, 2025, is zero. The details are described in "b. Segment income arising from the SoftBank Vision Funds business" in "(1) Income and loss arising from the SoftBank Vision Funds business" under "Note 7. SoftBank Vision Funds business."

*3 On June 7, 2024, Deutsche Telekom partially exercised options to purchase T-Mobile shares granted by the Company and the Company sold 6,728,701 shares of T-Mobile. As a result, for the fiscal year ended March 31, 2025, ¥78,277 million ($523,522 thousand) of realized gain on investments, ¥50,043 million ($334,691 thousand) of unrealized loss on valuation of investments (reclassified to realized gain and loss recorded in the past fiscal years), ¥17,753 million ($118,733 thousand) of derivative loss on investments, and ¥11,066 million ($74,010 thousand) of loss arising from the foreign exchange translation effects were recognized. In addition, ¥1,346,194 million ($9,003,438 thousand) of unrealized gain on valuation of investments was recognized due to the stock price changes for T-Mobile shares held as of March 31, 2025.

*4 For the fiscal year ended March 31, 2024, the conditions for the contingent consideration related to the acquisition of T-Mobile shares through the merger transaction between Sprint and T-Mobile US, Inc. were met, and the Company acquired 48,751,557 shares of T-Mobile for no additional consideration. ¥227,012 million of derivative gain on investments was recorded due to changes in the fair value of the derivative asset up to the acquisition date for those T-Mobile shares. In addition, "T-Mobile" indicates T-Mobile US, Inc. after merging with Sprint.

*5 For the fiscal year ended March 31, 2025, ¥285,533 million ($1,909,664 thousand) of loss primarily related to option transactions for listed shares was recognized.

*6 Unrealized gain and loss on valuation of investments are translated using the average exchange rate for the quarter in which the gain and loss were recognized, while realized gain and loss on investments are translated using the average exchange rate for the quarter in which the shares were disposed. "Effect of foreign exchange translation" arises from the different foreign currency exchange rates used for unrealized gain and loss on valuation and realized gain and loss.

(2) Gain and loss on investments at SoftBank Vision Funds

The details of gain and loss on investments at SoftBank Vision Funds are described in "(1) Income and loss arising from the SoftBank Vision Funds business" under "Note 7. SoftBank Vision Funds business."

39. Finance cost

The components of finance cost are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Interest expenses*	¥(556,004)	¥(581,559)	$(3,889,506)

* "Interest expenses" are incurred mainly by financial liabilities measured at amortized cost. For the fiscal year ended March 31, 2025, the amount of interest expenses incurred from lease liabilities which is recorded in "Interest expenses" is ¥ (26,140) million ($ (174,826) thousand) (for the fiscal year ended March 31, 2024: ¥ (14,177) million).

40. Derivative gain (loss) (excluding gain (loss) on investments)

For the fiscal year ended March 31, 2025, derivative loss of ¥1,698,697 million ($11,361,002 thousand) (for the fiscal year ended March 31, 2024: derivative gain of ¥1,517,350 million) was recorded for the prepaid forward contracts using Alibaba shares and the call spread contracts relating to prepaid forward contracts using Alibaba shares. The details of the contracts are described in "(2) Transactions for sale of Alibaba shares by prepaid forward contracts" under "Note 22. Interest-bearing debt."

41. Other gain

The components of other gain and loss are as follows:

	(Millions of yen)		(Thousands of U.S. dollar)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Interest income	¥207,848	¥119,530	$ 799,425
Loss on equity method investments	(38,641)	(13,357)	(89,333)
Gain relating to loss of control over subsidiaries[*1,2]	119,473	136,225	911,082
Gain through tax credit structure in the U.S.[*3]	—	71,927	481,053
Gain arising from the remeasurement relating to business combination[*4]	—	55,553	371,542
Gain (loss) from financial instruments at FVTPL[*5]	(5,257)	23,044	154,120
Impairment loss on equity method investments[*6]	(54,196)	(26,023)	(174,044)
Reversal for loss relating to litigation[*7]	19,176	—	—
Loss relating to credit support for WeWork[*8]	(42,072)	—	—
Loss on derecognition of unsecured notes issued by WeWork[*9]	(21,579)	—	—
Other	19,327	(12,648)	(84,590)
Total	¥204,079	¥354,251	$2,369,255

*1 For the fiscal year ended March 31, 2024, primarily, as a result of the sale of 85% of shares in SB Energy Corp., a wholly-owned subsidiary of the Company, the gain arising from the loss of control over the entity was recorded. Subsequently, SB Energy Corp. (currently, Terras Energy Corporation) became an equity method associate of the Company after the transaction. In addition, on April 30, 2024, the Company sold all 15% of its shares in Terras Energy Corporation. As a result, Terras Energy Corporation is no longer considered as an equity method associate of the Company.

*2 For the fiscal year ended March 31, 2025, as a result of the sale of all interests in Fortress held by a subsidiary of the Company to a subsidiary of Mubadala Investment Company PJSC, ¥93,139 million ($622,920 thousand) of gain arising from the loss of control over Fortress is included.

*3 In the U.S., various tax incentives are available to renewable energy power generation companies to promote renewable energy, including tax credits based on capital investment amounts (Investment Tax Credit, "ITC") and accelerated depreciation relating to power generation facilities for tax purposes, provided certain requirements are met. Furthermore, the companies can transfer the ITC to third parties, and the tax depreciation can be allocated to investors in power plant construction projects.

SBE Global, which constructs and operates solar power plants in the U.S., enters into partnership agreements with external investors ("Tax Equity Investors"), who contribute funds for an interest in the projects. Under the agreements, SBE Global is obligated to allocate the tax incentives the project receives to the Tax Equity Investors, and most of the Tax Equity contributions are deferred as liabilities until the tax incentives are allocated.

For the fiscal year ended March 31, 2025, ¥71,927 million ($481,053 thousand) was recorded as "Gain through tax credit structure in the U.S." for the tax incentives allocated to Tax Equity Investors by SBE Global.

*4 On July 2, 2024, interests in SBE Global, which was previously an equity method associate of the Company, were additionally acquired and SBE Global became a wholly-owned subsidiary of the Company. Subsequently, the existing investment interests were measured at fair value and ¥55,553 million ($371,542 thousand) of gain arising from the remeasurement relating to business combination was recorded.

*5 Following WeWork's emergence from Chapter 11 on June 11, 2024, given the approved plan of reorganization, out of a portion of the Junior TLC facility, which has been recognized as loan receivables was repaid in cash given over collateral, and the drawn amounts up to date of emergence were converted into new WeWork equity as described above. The carrying amounts (recoverable amounts) of such loan receivables in the consolidated statement of financial position as of March 31, 2024, were zero. However, the collectability of the remaining loan receivables was reassessed and as a result, for the fiscal year ended March 31, 2025, ¥23,360 million ($156,233 thousand) of gain was recorded.

*6 For the fiscal year ended March 31, 2024, ¥22,345 million of impairment loss was recorded as the carrying amount of equity method investments in DEMAE-CAN CO., LTD. was reduced to the recoverable amount.

*7 With respect to the litigation in which SoftBank Corp. and Japan Post Information Technology Co., Ltd. ("JPiT") were involved as parties, in relation to a project to migrate the communications network connecting 27,000 sites (postal offices, etc.) countrywide to a new network, the 5th PNET, on September 9, 2022, the Tokyo District Court rendered a judgment ordering SoftBank Corp. to pay remuneration for the damages and delay damages to JPiT.

On September 22, 2022, SoftBank Corp. appealed the judgment to the Tokyo High Court, and on March 21, 2024, the Tokyo High Court rendered a judgment ordering JPiT to pay remuneration for the additional services and delay damages to SoftBank Corp. and dismissing all claims against SoftBank Corp. by JPiT. In accordance with the judgment, the entire provision of ¥19,176 million for the loss relating to litigation, which was recorded for the fiscal year ended March 31, 2023, is reversed in SoftBank Corp. for the fiscal year ended March 31, 2024.

*8 With respect to the credit support (financial guarantee contract) for a letter of credit facility $1.43 billion (notional amount of a Junior LC $0.47 billion and notional amount of a Senior LC $0.96 billion) to WeWork provided by financial institutions, on October 31, 2023, SVF2 paid and fully satisfied the Junior LC and thereby acquired a subrogation claim against WeWork, and also deposited the full amount into the restricted cash account as collateral to fully satisfy the Senior LC.

On November 6, 2023, WeWork filed for bankruptcy protection under Chapter 11 of the United States Bankruptcy Code. On December 19, 2023, WeWork entered into certain Senior Secured Debtor-In-Possession Credit Agreement with SVF2 and certain financial institutions. Based on the agreement, to continue to support certain letter of credit obligations of WeWork during the Chapter 11 process, SVF2 converted $0.67 billion from the restricted cash that was already deposited as collateral for the Senior LC into the form of a term loan to WeWork to continue to support such letter of credit obligations.

As of March 31, 2024, the loan receivable including the subrogation claim that was acquired as a result of the fulfilment of the guarantee obligations was $1.43 billion (the balance presented was related to LC notional amount only, excluding claimed fees and expenses). For the six-month period ended September 30, 2023, for the financial guarantee contract, losses were recorded for ¥42,072 million considering the financial position of WeWork. As a result, the allowance was recorded for the entire financial guarantee contract totaling $1.43 billion, together with amounts reserved as of March 31, 2023. For the three-month period ended December 31, 2023, the allowance for the financial guarantee contract was allocated to the loan receivable. As of March 31, 2024, the carrying amount of the loan receivable was zero.

*9 For the fiscal year ended March 31, 2024, unsecured notes issued by WeWork were exchanged into shares and convertible bonds newly issued by WeWork. The unsecured notes were derecognized and ¥21,579 million of loss was recorded.

42. Other comprehensive income

The table below presents the amount arising during the year, reclassification adjustments to profit or loss and the income tax effect of each item in other comprehensive income.

For the fiscal year ended March 31, 2024

	(Millions of yen)				
	Amount arising during the year	**Reclassification adjustments**	**Before tax effect**	**Income tax effect**	**After tax effect**
Items that will not be reclassified to profit or loss					
Remeasurements of defined benefit plan	¥ (507)	¥ —	¥ (507)	¥ 199	¥ (308)
Equity financial assets at FVTOCI	11,984	—	11,984	(1,207)	10,777
Share of other comprehensive income of associates	326	—	326	—	326
Total	11,803	—	11,803	(1,008)	10,795
Items that may be reclassified subsequently to profit or loss					
Debt financial assets at FVTOCI	963	(1,361)	(398)	112	(286)
Cash flow hedges	139,709	(116,337)	23,372	635	24,007
Exchange differences on translating foreign operations	1,979,444	21,092	2,000,536	380	2,000,916
Share of other comprehensive income of associates	(3,463)	467	(2,996)	(212)	(3,208)
Total	2,116,653	(96,139)	2,020,514	915	2,021,429
Total other comprehensive income	¥2,128,456	¥ (96,139)	¥2,032,317	¥ (93)	¥2,032,224

For the fiscal year ended March 31, 2025

	(Millions of yen)				
	Amount arising during the year	Reclassification adjustments	Before tax effect	Income tax effect	After tax effect
Items that will not be reclassified to profit or loss					
Remeasurements of defined benefit plan	¥ 3,389	¥ —	¥ 3,389	¥ (791)	¥ 2,598
Equity financial assets at FVTOCI	(18,750)	—	(18,750)	4,993	(13,757)
Share of other comprehensive income of associates	162	—	162	—	162
Total	(15,199)	—	(15,199)	4,202	(10,997)
Items that may be reclassified subsequently to profit or loss					
Debt financial assets at FVTOCI	(4,681)	514	(4,167)	1,794	(2,373)
Cash flow hedges	11,449	36,743	48,192	(5,929)	42,263
Exchange differences on translating foreign operations	(384,834)	3,046	(381,788)	(165,986)	(547,774)
Share of other comprehensive income of associates	(1,879)	—	(1,879)	—	(1,879)
Total	(379,945)	40,303	(339,642)	(170,121)	(509,763)
Total other comprehensive income	¥(395,144)	¥40,303	¥(354,841)	¥(165,919)	¥(520,760)

	(Thousands of U.S. dollars)				
	Amount arising during the year	Reclassification adjustments	Before tax effect	Income tax effect	After tax effect
Items that will not be reclassified to profit or loss					
Remeasurements of defined benefit plan	$ 22,666	$ —	$ 22,666	$ (5,290)	$ 17,376
Equity financial assets at FVTOCI	(125,401)	—	(125,401)	33,393	(92,008)
Share of other comprehensive income of associates	1,084	—	1,084	—	1,084
Total	(101,651)	—	(101,651)	28,103	(73,548)
Items that may be reclassified subsequently to profit or loss					
Debt financial assets at FVTOCI	(31,307)	3,438	(27,869)	11,998	(15,871)
Cash flow hedges	76,572	245,739	322,311	(39,653)	282,658
Exchange differences on translating foreign operations	(2,573,796)	20,372	(2,553,424)	(1,110,126)	(3,663,550)
Share of other comprehensive income of associates	(12,567)	—	(12,567)	—	(12,567)
Total	(2,541,098)	269,549	(2,271,549)	(1,137,781)	(3,409,330)
Total other comprehensive income	$(2,642,749)	$269,549	$(2,373,200)	$(1,109,678)	$(3,482,878)

43. Earnings per share

Basic earnings per share and diluted earnings per share are as follows:

(1) Basic earnings per share

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Net income attributable to ordinary shareholders of the parent			
Net income attributable to owners of the parent	¥ (227,646)	¥1,153,332	$7,713,563
Net income not-attributable to ordinary shareholders of the parent*1	(22,849)	(18,822)	(125,882)
Net income used in the calculation of basic earnings per share	¥ (250,495)	¥1,134,510	$7,587,681
	(Thousands of shares)		
Weighted-average number of ordinary shares	1,464,957	1,452,982	
	(Yen)	(Yen)	(USD)
Basic earnings per share	¥ (170.99)	¥ 780.82	$ 5.22

(2) Diluted earnings per share

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Diluted net income attributable to ordinary shareholders of the parent			
Net income used in the calculation of basic earnings per share	¥ (250,495)	¥1,134,510	$7,587,681
Effect of dilutive securities issued by subsidiaries and associates	(4,706)	(1,244)	(8,320)
Total	¥ (255,201)	¥1,133,266	$7,579,361
	(Thousands of shares)		
Weighted-average number of ordinary shares used in the calculation of diluted earnings per share			
Weighted-average number of ordinary shares	1,464,957	1,452,982	
Adjustments			
Stock acquisition rights*2	—	1,041	
Total	1,464,957	1,454,023	
	(Yen)	(Yen)	(USD)
Diluted earnings per share	¥ (174.20)	¥ 779.40	$ 5.21

*1 Net income not-attributable to ordinary shareholders of the parent represents net income attributable to owners of other equity instruments issued by SoftBank Group Corp.

*2 For the fiscal year ended March 31, 2024, stock acquisition rights are not included in the calculation for "Diluted earnings per share" as it has an antidilutive effect for the calculation.

44. Supplemental information to the consolidated statement of cash flows

(1) Scope of purchase of property, plant and equipment and intangible assets

"Purchase of property, plant and equipment, and intangible assets" includes cash outflows from long-term prepaid expenses that are included in "Other non-current assets" in the consolidated statement of financial position.

(2) Income taxes paid and income taxes refunded

For the fiscal year ended March 31, 2024

Payment of withholding income tax related to dividends within the group companies of ¥143,790 million is included in "Income taxes paid." In addition, refunded withholding income tax related to dividends within the group companies of ¥56,629 million is included in "Income taxes refunded."

(3) Payments for acquisition of investments

For the fiscal year ended March 31, 2025

The amount is mainly due to the acquisition of listed shares and bonds.

(4) Proceeds from sales/redemption of investments

For the fiscal year ended March 31, 2025

The amount is mainly due to the sales of listed shares.

(5) Payments (net) for acquisition of control over subsidiaries

For the fiscal year ended March 31, 2024

The amount is mainly due to the acquisition of Cubic Telecom Ltd. by SoftBank Corp.

For the fiscal year ended March 31, 2025

The amount is mainly due to the acquisition of Graphcore Limited and SBE Global as subsidiaries.

(6) Other under cash flows from investing activities

For the fiscal year ended March 31, 2025

¥285,533 million ($1,909,664 thousand) of payments for acquisition of options related to listed shares is included.

(7) Proceeds from the partial sales of shares of subsidiaries to non-controlling interests

For the fiscal year ended March 31, 2024

The amount is mainly due to the sales of Arm shares.

(8) Purchase of shares of subsidiaries from non-controlling interests

For the fiscal year ended March 31, 2024

The amount is mainly due to the purchase of treasury stock by SoftBank Corp.

(9) Redemption of other equity instruments

For the fiscal year ended March 31, 2024

The amount is due to the full redemption of USD-denominated Undated Subordinated Non-Call 6 years Resettable Notes.

(10) Proceeds from the issuance of other equity instruments in subsidiaries

The amount is due to the issuance of the Bond-Type Class Shares by SoftBank Corp. The details are described in "(7) Non-controlling interests" under "Note 33. Equity."

(11) Changes in liabilities arising from financing activities

Changes in liabilities arising from financing activities are as follows:

For the fiscal year ended March 31, 2024

	(Millions of Yen)			
	Interest-bearing debt	Lease liabilities	Derivatives related to corporate bond	Third-party interests in SVF
As of April 1, 2023	¥19,478,194	¥ 836,997	¥ (72,204)	¥4,499,369
(a) Changes arising from financing cash flows				
Proceeds in short-term interest-bearing debt, net	202,074	—	—	—
Proceeds from interest-bearing debt	5,181,190	—	—	—
Repayment of interest-bearing debt	(5,189,703)	—	14,217	—
Repayment of lease liabilities	—	(211,231)	—	—
Distribution/repayment from SVF to third-party investors	—	—	—	(783,522)
Other	—	—	7,393	—
(b) Changes from acquisition or loss of control over subsidiaries and other businesses	(3,436)	(15,529)	—	—
(c) The effect of changes in foreign exchange rates	1,182,095	12,432	—	588,519
(d) Changes in fair values	—	—	(189,135)	—
(e) Changes in third-party interests in SVF	—	—	—	390,137
(f) Non-cash transactions*1,2	(356,925)	208,517	—	—
(g) Other changes	74,035	(36,679)	191	—
As of March 31, 2024	¥20,567,524	¥ 794,507	¥(239,538)	¥4,694,503

*1 The decrease in interest-bearing debt is due to the physical settlement of prepaid forward contracts using Alibaba shares. The details are described in "(2) Transactions for sale of Alibaba shares by prepaid forward contracts" under "Note 22. Interest-bearing debt."

*2 The increase in lease liabilities is mainly due to remeasurement of the lease liabilities and the lease transactions executed during the period.

For the fiscal year ended March 31, 2025

	(Millions of Yen)			
	Interest-bearing debt	Lease liabilities	Derivatives related to corporate bond	Third-party interests in SVF
As of April 1, 2024	¥20,567,524	¥ 794,507	¥(239,538)	¥ 4,694,503
(a) Changes arising from financing cash flows				
Repayment of short-term interest-bearing debt, net	(421,723)	—	—	—
Proceeds from interest-bearing debt	5,313,665	—	—	—
Repayment of interest-bearing debt	(3,825,245)	—	16,163	—
Repayment of lease liabilities	—	(186,441)	—	—
Distribution/repayment from SVF to third-party investors	—	—	—	(1,485,774)
(b) Changes from acquisition or loss of control over subsidiaries and other businesses	180,283	100,778	—	—
(c) The effect of changes in foreign exchange rates	(57,839)	(2,181)	—	(47,830)
(d) Changes in fair values	—	—	(14,365)	—
(e) Changes in third-party interests in SVF	—	—	—	491,898
(f) Non-cash transactions*1,2	(3,842,151)	212,469	—	—
(g) Other changes	91,816	(12,112)	30,817	—
As of March 31, 2025	¥18,006,330	¥ 907,020	¥(206,923)	¥ 3,652,797

	(Thousands of U.S. dollars)			
	Interest-bearing debt	Lease liabilities	Derivatives related to corporate bond	Third-party interests in SVF
As of April 1, 2024	$137,557,009	$ 5,313,717	$(1,602,047)	$31,397,158
(a) Changes arising from financing cash flows				
Repayment of short-term interest-bearing debt, net	(2,820,512)	—	—	—
Proceeds from interest-bearing debt	35,538,155	—	—	—
Repayment of interest-bearing debt	(25,583,501)	—	108,100	—
Repayment of lease liabilities	—	(1,246,930)	—	—
Distribution/repayment from SVF to third-party investors	—	—	—	(9,936,958)
(b) Changes from acquisition or loss of control over subsidiaries and other businesses	1,205,745	674,010	—	—
(c) The effect of changes in foreign exchange rates	(386,831)	(14,586)	—	(319,891)
(d) Changes in fair values	—	—	(96,074)	—
(e) Changes in third-party interests in SVF	—	—	—	3,289,848
(f) Non-cash transactions*1,2	(25,696,569)	1,421,007	—	—
(g) Other changes	614,072	(81,006)	206,106	—
As of March 31, 2025	$120,427,568	$ 6,066,212	$(1,383,915)	$24,430,157

*1 The decrease in interest-bearing debt is due to the repayment and settlement of collar transactions using Deutsche Telekom shares and the physical settlement of prepaid forward contracts using Alibaba shares. The details are described in "*3" in "(1) Components of interest-bearing debt" and "(2) Transactions for sale of Alibaba shares by prepaid forward contracts" under "Note 22. Interest-bearing debt."

*2 The increase in lease liabilities is mainly due to remeasurement of the lease liabilities and the lease transactions executed during the period.

(12) Cash outflows related to lease

For the fiscal year ended March 31, 2025, the total amount of cash outflows related to lease is ¥214,443 million ($1,434,209 thousand) (for the fiscal year ended March 31, 2024: ¥224,901 million).

(13) Significant non-cash transactions

Significant non-cash transactions (investing and financing transactions that do not require the use of cash and cash equivalents) are as follows:

a. Lease transactions

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Increase in right-of-use assets related to lease transactions	¥203,323	¥216,180	$1,445,827

b. Share-based payment transactions

The Company adopts stock option plans, restricted stock unit plans, restricted stock compensation plans and others as share-based payment awards. The details are described in "Note 35. Share-based payment transactions."

c. Other

For the fiscal year ended March 31, 2024

(a) The physical settlement of prepaid forward contracts using Alibaba shares

As certain prepaid forward contracts using Alibaba shares matured, ¥356,925 million of financial liabilities relating to sale of shares by prepaid forward contracts and ¥231,618 million of derivative

financial assets were settled by Alibaba shares. The details of the transaction are described in "(2) Transactions for sale of Alibaba shares by prepaid forward contracts" under "Note 22. Interest-bearing debt."

(b) Acquisition of T-Mobile shares for no additional consideration as contingent consideration

The Company acquired $7,744 million (¥1,098,435 million) of T-Mobile shares for no additional consideration on December 28, 2023 as the conditions were met for the contingent consideration related to the acquisition of T-Mobile shares through the merger transaction with Sprint and T-Mobile US, Inc.

For the fiscal year ended March 31, 2025

(a) The physical settlement of prepaid forward contracts using Alibaba shares

As certain prepaid forward contracts using Alibaba shares matured, ¥3,799,116 million ($25,408,748 thousand) of current portion of financial liabilities relating to sale of shares by prepaid forward contracts and ¥274,577 million ($1,836,390 thousand) of derivative financial liabilities (net) were settled by Alibaba shares. The details of the transaction are described in "(2) Transactions for sale of Alibaba shares by prepaid forward contracts" under "Note 22. Interest-bearing debt."

(b) The repayment and settlement of collar transactions using Deutsche Telekom shares

For certain collar transactions using Deutsche Telekom shares, the maturity date for the borrowings and the settlement date for the collar contracts arrived. Subsequently, ¥43,035 million ($287,821 thousand) of current portion of long-term borrowings and ¥32,662 million ($218,446 thousand) of derivative financial liabilities were repaid and settled. The details of the transaction are described in "*3" in "(1) Components of interest-bearing debt" under "Note 22. Interest-bearing debt."

45. Related party transactions

(1) Related party transactions and balances

Related party transactions of the Company are as follows:

a. Co-investment program with restricted rights to receive distributions

MgmtCo, which is the investor in SVF2 LLC (a subsidiary of the Company under SVF2) and the investor in SLA LLC (a subsidiary of the Company under the LatAm Funds), is a company controlled by Masayoshi Son, Representative Director, Corporate Officer, Chairman & CEO of SoftBank Group Corp., and a related party of the Company. The co-investment program with restricted rights to receive distributions to SVF2 and LatAm Funds has been introduced from the three-month period ended September 30, 2021 for the purpose of enabling Masayoshi Son to make a co-investment in SVF2 and LatAm Funds with the Company, sharing risk of losses as well as benefit of profits in the success of SVF2 and LatAm Funds, and leading to enhanced focus on the management of investments held by them, which in turn is intended to contribute to increases in the Company's earnings. In making a co-investment in SVF2 and LatAm Funds under the terms of the program, MgmtCo both receives the benefit of profits and assumes the risk of losses from SVF2 and LatAm Funds, and MgmtCo's right to receive distributions from its investment is subject to certain restrictions.

Contributions to SVF2 LLC and SLA LLC are classified as "Equity" and "Preferred Equity" depending on the terms and conditions of distribution. SVF2 LLC and SLA LLC each have issued Equity entitled to performance-based distributions that are allocated to the Company and MgmtCo based on the proportion of their respective contributions. The Company's Equity interest in each of SVF2 LLC and SLA LLC is 82.75%, and MgmtCo's Equity interest in each of SVF2 LLC and SLA LLC is 17.25%. The Company's investment in SVF2 LLC is made through SoftBank Vision Fund II-2 L.P. and its subsidiaries, and its investment in SLA LLC is made through SBLA Latin America Fund LLC and its subsidiaries.

(a) Transactions between SVF2 and related parties

For the fiscal year ended March 31, 2024

			(Millions of yen)	
			Fiscal year ended March 31, 2024	As of March 31, 2024
Name of the company or individual	Nature of relationship	Nature of transaction	Amount of transaction	Balance at period end
Masayoshi Son (MASA USA LLC (MgmtCo))	Chairman & CEO of SoftBank Group Corp. and related entities of which he holds more than one-half of the voting rights	Receipt of capital contribution in SVF2 LLC and related adjustments[*1,2]	—	
		The premium received on SVF2 LLC's receivables	¥11,964[*3]	¥448,931[*3,4]
		MgmtCo's Equity interests in SVF2 LLC[*5,6]	—	—
		Net balance at period end (Receivables in SVF2 LLC less MgmtCo's Equity interests in SVF2 LLC)[*7]		448,931

			(Thousands of U.S. dollars)	
			Fiscal year ended March 31, 2024	As of March 31, 2024
Name of the company or individual	Nature of relationship	Nature of transaction	Amount of transaction[*8]	Balance at period end[*8]
Masayoshi Son (MASA USA LLC (MgmtCo))	Chairman & CEO of SoftBank Group Corp. and related entities of which he holds more than one-half of the voting rights	Receipt of capital contribution in SVF2 LLC and related adjustments[*1,2]	—	
		The premium received on SVF2 LLC's receivables	$82,732[*3]	$2,965,003[*3,4]
		MgmtCo's Equity interests in SVF2 LLC[*5,6]	—	—
		Net balance at period end (Receivables in SVF2 LLC less MgmtCo's Equity interests in SVF2 LLC)[*7]		2,965,003

For the fiscal year ended March 31, 2025

			(Millions of yen)	
			Fiscal year ended March 31, 2025	As of March 31, 2025
Name of the company or individual	Nature of relationship	Nature of transaction	Amount of transaction	Balance at period end
Masayoshi Son (MASA USA LLC (MgmtCo))	Chairman & CEO of SoftBank Group Corp. and related entities of which he holds more than one-half of the voting rights	Receipt of capital contribution in SVF2 LLC and related adjustments[*1,2]	—	
		The premium received on SVF2 LLC's receivables	¥12,603[*3]	¥455,664[*3,4]
		MgmtCo's Equity interests in SVF2 LLC[*5,6]	—	—
		Net balance at period end (Receivables in SVF2 LLC less MgmtCo's Equity interests in SVF2 LLC)[*7]		455,664

			(Thousands of U.S. dollars)	
			Fiscal year ended March 31, 2025	As of March 31, 2025
Name of the company or individual	Nature of relationship	Nature of transaction	Amount of transaction[*8]	Balance at period end[*8]
Masayoshi Son (MASA USA LLC (MgmtCo))	Chairman & CEO of SoftBank Group Corp. and related entities of which he holds more than one-half of the voting rights	Receipt of capital contribution in SVF2 LLC and related adjustments[*1,2]	—	
		The premium received on SVF2 LLC's receivables	$82,506[*3]	$3,047,509[*3,4]
		MgmtCo's Equity interests in SVF2 LLC[*5,6]	—	—
		Net balance at period end (Receivables in SVF2 LLC less MgmtCo's Equity interests in SVF2 LLC)[*7]		3,047,509

*1. Restrictions on rights of MgmtCo to receive distributions
MgmtCo's right to receive distributions from its investment is subject to certain restrictions. Distributions from SVF2 LLC to MgmtCo are fully restricted and are not paid until the sum of proceeds received by SVF2 LLC from realized investments plus the aggregate fair value of all of SVF2 LLC's unrealized investments (net of borrowings) exceeds 130% of the aggregate acquisition cost of all of SVF2 LLC's investments. After the ratio exceeds 130%, restrictions on distributions to MgmtCo are released proportionately in increments of 10%, and when the ratio reaches 200%, all restrictions are released and MgmtCo is entitled to receive the full amount of the distribution. In the event that, upon the liquidation of SVF2 LLC, the amount of the distributions received by MgmtCo exceeds the amount that would have been distributed to MgmtCo if the ratio in effect at the time of liquidation was applied throughout the life of SVF2 LLC, then any such excess amounts will be subject to clawback from MgmtCo.

*2. Nature of the Equity contribution by MgmtCo

The Equity interests contributed by the Company and MgmtCo are subordinated to the Preferred Equity contributed separately by the Company to SVF2 LLC. If there is a shortfall in the amount of return of Preferred Equity contributions and the amount of fixed distributions to be received by the Preferred Equity holders at the time of the final profit distribution by SVF2 LLC, then MgmtCo is obligated to pay the shortfall proportional to Equity interests' ratio up to the total amount of return of Equity contributions and the distributions received by MgmtCo.

*3. Balance at period end of receivables from MgmtCo for receipt of capital contribution and related adjustments

Balance at period end is the balance of SVF2 LLC's receivables which consists of the balance related to receipt of capital contribution, related adjustments, and premiums received from MgmtCo, less any decrease in receivables due to offsetting settlement with distributions to MgmtCo. The amount of the transaction for "Receipt of capital contribution in SVF2 LLC and related adjustments" at the inception of the program is MgmtCo's Equity Acquisition Amount in SVF2 LLC, which consists of the amount calculated based on MgmtCo's Equity interests of 17.25% in the SVF2's initial acquisition costs of the relevant portfolio companies held by SVF2 LLC and related adjustments calculated based on 17.25% interest in the increase in the portfolio companies' fair value from the initial acquisition costs at SVF2 to June 30, 2021, and the adjustment equivalent to interests for the period from the Company's contribution to SVF2 until June 30, 2021.

MgmtCo is entitled to make full or partial payment of its Equity Acquisition Amount at any point in time, at its discretion, from the date it became an investor in SVF2 LLC to the end of the company life of SVF2 LLC. MgmtCo is required to pay a premium of 3% per annum on the unpaid Equity Acquisition Amount until the unpaid amount is paid in full. "The premium received on SVF2 LLC's receivables" refers to the amount of such premium accrued in the current period. MgmtCo is also entitled to make full or partial payment of the premium at any point in time, at its discretion, on the same terms and conditions as Equity Acquisition Amount.

Any distributable amount from SVF2 LLC to MgmtCo is offset against the receivables at the time of the distribution notice and no distribution payments to MgmtCo are made until the SVF2 LLC's receivables are paid in full.

*4. Collateral and other credit protection for receivables

In order to secure the receivables of SVF2 LLC related to Equity Acquisition Amount and the premium thereon, all of the Equity interests in SVF2 LLC held by MgmtCo are pledged as collateral. In the event that MgmtCo pays into the receivables or offsets such receivables with distributions due to it from SVF2 LLC, the collateral is released to the extent that the cumulative amounts of payments and offsets exceed the balance of the receivables after deduction of such cumulative amounts. Masayoshi Son also provides a personal guarantee to the receivables up to the balance of the receivables. In addition, as of March 31, 2025, 8,897,100 shares of SoftBank Group Corp. are deposited in SVF2 LLC by Masayoshi Son (as of March 31, 2024: 8,897,100 shares). The deposited shares of SoftBank Group Corp. will be released only when the entire amount of receivables is settled. SVF2 LLC may acquire the deposited SoftBank Group Corp. shares without consideration where there are any unpaid receivables in SVF2 LLC after the enforcement of the collateral and personal guarantees by SVF2 LLC.

*5. MgmtCo's Equity interest in SVF2 LLC

The amount represents SVF2 LLC's net assets attributable to MgmtCo (before deduction of receivables), which is included in "Third-party interests in SVF" in the consolidated statement of financial position.

*6. Management fees and performance-linked management fees to be charged to MgmtCo

The terms of the management fees and performance-linked management fees to be charged to MgmtCo are the same as those to be charged to the Company as an Equity investor in SVF2 LLC.

*7. Net balance at period end

Net balance at period end is the balance of receivables held by SVF2 LLC less MgmtCo's Equity interest in SVF2 LLC.

*8. The amounts represent the original transaction amounts and the outstanding balances recorded in U.S. dollars, and are not the translations of Japanese yen amounts into U.S. dollar amounts.

In April 2025, SVF2 invested $8.5 billion in OpenAI Global, LLC ("OpenAI Global"), which is subject to the co-investment program. To fund this investment, SVF2 borrowed $8.5 billion from the Company, and 17.25% of both the principal and interest on this borrowing is guaranteed by Masayoshi Son, Representative Director, Corporate Officer, Chairman & CEO of SoftBank Group Corp.

The borrowing is scheduled to mature in April 2029 and may be early repaid by SVF2 at its discretion. The borrowing is secured by the convertible interest rights in OpenAI Global acquired by SVF2 in April 2025. It is subordinated to other borrowings of SVF2 from financial institutions and others, but senior to the Preferred Equity contributed by the Company to SVF2 LLC. The interest rate on the borrowing has been determined with reference to a fair market rate assessed by an independent external organization, assuming similar financing would have been conducted by SVF2 with entities outside of the group.

An additional syndication to co-investors had been executed in connection with the investment in OpenAI Global. As a result, SVF2's investment amount had been reduced from $8.5 billion to $7.5 billion. Corresponding to the additional syndication, SVF2 had paid $1.0 billion to the Company as partial repayment of the borrowing principal and accrued interest in May 2025.

The borrowing and interest by SVF2 from the Company will be eliminated in consolidation as intercompany transactions. The details of the investment in OpenAI Global made after April 2025 are described in "(2) Investment in OpenAI" under "Note 48. Additional Information."

(b) Transactions between LatAm Funds and related parties

For the fiscal year ended March 31, 2024

			(Millions of yen)	
			Fiscal year ended March 31, 2024	As of March 31, 2024
Name of the company or individual	Nature of relationship	Nature of transaction	Amount of transaction	Balance at period end
Masayoshi Son (MASA USA LLC (MgmtCo))	Chairman & CEO of SoftBank Group Corp. and related entities of which he holds more than one-half of the voting rights	Receipt of capital contribution in SLA LLC and related adjustments[*1,2]	—	
		The premium received on SLA LLC's receivables	¥2,799[*3]	¥105,278[*3,4]
		MgmtCo's Equity interests in SLA LLC[*5,6]	—	14,086
		Net balance at period end (Receivables in SLA LLC less MgmtCo's Equity interests in SLA LLC)[*7]		91,192

			(Thousands of U.S. dollars)	
			Fiscal year ended March 31, 2024	As of March 31, 2024
Name of the company or individual	Nature of relationship	Nature of transaction	Amount of transaction[*8]	Balance at period end[*8]
Masayoshi Son (MASA USA LLC (MgmtCo))	Chairman & CEO of SoftBank Group Corp. and related entities of which he holds more than one-half of the voting rights	Receipt of capital contribution in SLA LLC and related adjustments[*1,2]	—	
		The premium received on SLA LLC's receivables	$19,355[*3]	$695,317[*3,4]
		MgmtCo's Equity interests in SLA LLC[*5,6]	—	93,032
		Net balance at period end (Receivables in SLA LLC less MgmtCo's Equity interests in SLA LLC)[*7]		602,285

For the fiscal year ended March 31, 2025

			(Millions of yen)	
			Fiscal year ended March 31, 2025	As of March 31, 2025
Name of the company or individual	Nature of relationship	Nature of transaction	Amount of transaction	Balance at period end
Masayoshi Son (MASA USA LLC (MgmtCo))	Chairman & CEO of SoftBank Group Corp. and related entities of which he holds more than one-half of the voting rights	Receipt of capital contribution in SLA LLC and related adjustments[*1,2]	—	
		The premium received on SLA LLC's receivables	¥2,964[*3]	¥106,864[*3,4]
		MgmtCo's Equity interests in SLA LLC[*5,6]	—	5,150
		Net balance at period end (Receivables in SLA LLC less MgmtCo's Equity interests in SLA LLC)[*7]		101,714

			(Thousands of U.S. dollars)	
			Fiscal year ended March 31, 2025	As of March 31, 2025
Name of the company or individual	Nature of relationship	Nature of transaction	Amount of transaction*8	Balance at period end*8
Masayoshi Son (MASA USA LLC (MgmtCo))	Chairman & CEO of SoftBank Group Corp. and related entities of which he holds more than one-half of the voting rights	Receipt of capital contribution in SLA LLC and related adjustments*1,2	—	
		The premium received on SLA LLC's receivables	$19,401*3	$714,717*3,4
		MgmtCo's Equity interests in SLA LLC*5,6	—	34,442
		Net balance at period end (Receivables in SLA LLC less MgmtCo's Equity interests in SLA LLC)*7		680,275

*1. Restrictions on rights of MgmtCo to receive distributions

MgmtCo's right to receive distributions from its investment is subject to certain restrictions. Distributions from SLA LLC to MgmtCo are fully restricted and are not paid until the sum of proceeds received by SLA LLC from realized investments plus the aggregate fair value of all of SLA LLC's unrealized investments (net of borrowings) exceeds 130% of the aggregate acquisition cost of all of SLA LLC's investments. After the ratio exceeds 130%, restrictions on distributions to MgmtCo are released proportionately in increments of 10%, and when the ratio reaches 200%, all restrictions are released and MgmtCo is entitled to receive the full amount of the distribution. In the event that, upon the liquidation of SLA LLC, the amount of the distributions received by MgmtCo exceeds the amount that would have been distributed to MgmtCo if the ratio in effect at the time of liquidation was applied throughout the life of SLA LLC, then any such excess amounts will be subject to clawback from MgmtCo.

*2. Nature of the Equity contribution by MgmtCo

The Equity interests contributed by the Company and MgmtCo are subordinated to the Preferred Equity contributed separately by the Company to SLA LLC. If there is a shortfall in the amount of return of Preferred Equity contributions and the amount of fixed distributions to be received by the Preferred Equity holders at the time of the final profit distribution by SLA LLC, then MgmtCo is obligated to pay the shortfall proportional to Equity interests' ratio up to the total amount of return of Equity contributions and the distributions received by MgmtCo.

*3. Balance at period end of receivables from MgmtCo for receipt of capital contribution and related adjustments

Balance at period end is the balance of SLA LLC's receivables which consists of the balance related to receipt of capital contribution, related adjustments, and premiums received. The amount of the transaction for "Receipt of capital contribution in SLA LLC and related adjustments" at the inception of the program is MgmtCo's Equity Acquisition Amount in SLA LLC, which consists of the amount calculated based on MgmtCo's Equity interests of 17.25% in the LatAm Funds' initial acquisition costs of the portfolio companies held by LatAm Funds and related adjustments calculated based on 17.25% interest in the increase in the portfolio companies' fair value from the initial acquisition costs at LatAm Funds to June 30, 2021, and the adjustment equivalent to interests for the period from the Company's contribution to LatAm Funds until June 30, 2021.

MgmtCo is entitled to make full or partial payment of its Equity Acquisition Amount at any point in time, at its discretion, from the date it became an investor in SLA LLC to the end of the company life of SLA LLC. MgmtCo is required to pay a premium of 3% per annum on the unpaid Equity Acquisition Amount until the unpaid amount is paid in full. "The premium received on SLA LLC's receivables" refers to the amount of such premium accrued in the current period. MgmtCo is also entitled to make full or partial payment of the premium at any point in time, at its discretion, on the same terms and conditions as Equity Acquisition Amount.

Any distributable amounts from SLA LLC to MgmtCo are offset against the receivables at the time of the distribution notice and no distribution payments to MgmtCo are made until the SLA LLC's receivables are paid in full.

*4. Collateral and other credit protection for receivables

In order to secure the receivables of SLA LLC related to Equity Acquisition Amount and the premium thereon, all of the Equity interests in SLA LLC held by MgmtCo are pledged as collateral. In the event that MgmtCo pays into the receivables or offsets such receivables with distributions due to it from SLA LLC, the collateral is released to the extent that the cumulative amounts of payments and offsets exceed the balance of the receivables after deduction of such cumulative amounts. Masayoshi Son also provides a personal guarantee to the receivables up to the balance of the receivables. In addition, as of March 31, 2025, 2,168,500 shares of SoftBank Group Corp. are deposited in SLA LLC by Masayoshi Son (as of March 31, 2024: 2,168,500 shares). The deposited shares of SoftBank Group Corp. will be released only when the entire amount of receivables is settled. SLA LLC may acquire the deposited SoftBank Group Corp. shares without consideration where there are any unpaid receivables in SLA LLC after the enforcement of the collateral and personal guarantees by SLA LLC.

*5. MgmtCo's Equity interest in SLA LLC

The amount represents SLA LLC's net assets attributable to MgmtCo (before deduction of receivables), which is included in "Third-party interests in SVF" in the consolidated statement of financial position.

*6. Management fees, performance-linked management fees, and performance fees to be charged to MgmtCo

The terms of the management fees, performance-linked management fees, and performance fees to be charged to MgmtCo are the same as those to be charged to the Company as an Equity investor in SLA LLC.

*7. Net balance at period end

Net balance at period end is the balance of receivables held by SLA LLC less MgmtCo's Equity interest in SLA LLC.

*8. The amounts represent the original transaction amounts and the outstanding balances recorded in U.S. dollars, and are not the translations of Japanese yen amounts into U.S. dollar amounts.

b. Incentive program

Regarding the incentive program approved in April and July 2018, the amount of the transactions between the Company and the related parties and the outstanding balance are as follows.

For the fiscal year ended March 31, 2024

			(Millions of yen)	
			Fiscal year ended March 31, 2024	As of March 31, 2024
Name of the company or individual	Nature of relationship	Nature of transaction	Amount of transaction	Balance at period-end
Ken Miyauchi	Director	Collection of loans receivable*1,2,3	¥5,555	¥—
		Interest receipt*1,2,3	30	—

*1 The interest rates for the loans are the 1.45% of fixed rate, which was rationally determined in reference to market interest rates and actual interest rates of SoftBank Group Corp. for other borrowings with periods similar to the period of the loans. The maturity date for the loans is May 31, 2023, and the borrowers are required to make a single payment at maturity. However, SoftBank Group Corp. and the borrowers may agree to extend the term of the loan for two additional five-year periods to May 31, 2033, and the borrowers may prepay all or any portion of the loans at any time voluntarily. Additionally, the borrowers may deposit with SoftBank Group Corp. any amount of cash equal to or less than the then-outstanding principal amount of the loans, and SoftBank Group Corp. will account for the deposit as loan payables on the balance sheet. The interest rates for the deposits are the same as the rates for the loans. In May 2023, the maturity date for the loan between the Company and Ken Miyauchi has been extended to May 31, 2028. After the extension of the maturity date, the loan was fully repaid in August 2023.

*2 The following assets of the borrower are pledged as collateral in the transactions.

- Shares of SoftBank Group Corp. purchased with the funds of loans, and all proceeds of the shares.

Also, when default occurs, SoftBank Group Corp. is entitled to receive the part of future cash compensation for the borrowers payable by SoftBank Group Corp. and subsidiaries, as repayment of the loan.

*3 Total shortfall calculated by deducting the amount received through fully exercised rights in respect to collateral and rights to receive the part of future cash compensation for the borrowers payable by SoftBank Group Corp. and subsidiaries as repayment of the loan from all amounts that become due and payable by the borrowers is guaranteed by Masayoshi Son, who is Representative Director of SoftBank Group Corp.

c. Other related party transactions

Related party transactions of the Company are as follows:

For the fiscal year ended March 31, 2024

			(Millions of yen)	
			Fiscal year ended March 31, 2024	As of March 31, 2024
Name of the company or individual	Nature of relationship	Nature of transaction	Amount of transaction	Balance at period end
ARM Technology (China) Co., Ltd.	Associate	Revenue under the terms of the IP license agreement with ARM	¥96,060 ($663 million)	¥44,628 ($295 million)
WeWork	Associate	Receipt of WeWork warrants with exercise price of USD 0.01 per share[*1]	—	—
		Receipt of WeWork warrants with exercise price of USD 0.02 per share[*2]	—	—
		Receipt of shares and convertible bonds[*3]	94,122 ($681 million)	—
		Purchase/Redemption of the senior secured notes Purchase of the notes[*4]	7,272 ($50 million)	—
		Lending of funds related to credit support for letter of credit facility[*5]	210,182 ($1,430 million)	—
GreenBox Systems LLC	Joint Venture	Fulfillment of investment commitment[*6]	0 ($0 million)	484,512 ($3,200 million)
Masayoshi Son (Son Asset Management LLC and 9 other companies)	Representative Director of SoftBank Group Corp. and related entities of which he holds more than one-half of the voting rights	Dividend paid from SoftBank Group Corp.	21,480	—
		Dividend paid from SoftBank Corp.	241	—
		Payment for equipment usage[*7]	8	1
		Receipt of guarantees for claims against subsidiaries of the Company[*8,9]	—	—
	Related entities of which the relative of Representative Director of SoftBank Group Corp. holds more than one-half of the voting rights or has joint control	Income from subleasing of equipments at a subsidiary	105	—
		Payment of outsourcing fees from a subsidiary	11	1
Yoshimitsu Goto	Director	Exercise of stock acquisition rights of SoftBank Group Corp.	479	—
Ken Miyauchi	Director	Dividend paid from SoftBank Corp.	297	—
AI & Company, Inc. (Yutaka Matsuo)	Related entities of which Director of SoftBank Group Corp. holds more than one-half of the voting rights	Receipt of capital contribution to a subsidiary[*10]	1	86
		Distribution from a subsidiary[*10]	2	—
KOEI TECMO GAMES CO., LTD. (Keiko Erikawa)	Related entities of which Director of SoftBank Group Corp. and the relative hold more than one-half of the voting rights	Fees to content providers[*11]	232	64
Taizo Son (Son Estate LLC and 7 other companies[*12])[*19]	Relative of Representative Director of SoftBank Group Corp. and related entities of which the relative holds more than one-half of the voting rights[*13]	Sale of shares of the Company's subsidiary[*14]	13,008	—
		Lending of funds[*15]	6,374	6,836
		Interest receipt[*15]	245	251
		Dividend paid from SoftBank Group Corp.	422	—
		Receipt of capital contribution to a subsidiary[*16]	7	514
		Distribution from a subsidiary[*16]	14	—
		Brand royalty revenue[*17]	18	19
		Receipt of deposits to a subsidiary[*18]	—	1

*1 WeWork warrants that are convertible into common shares at an exercise price of $0.01 per share, which the Company received for the fiscal year ended March 31, 2022 as a consideration for conversion of WeWork preferred shares into WeWork common shares of the new company at the time of the merger of WeWork and SPAC (978,340 shares) and for the extension of credit support for a letter of credit facility provided by financial institutions (298,089 shares). The number of shares is the number of shares after the reverse stock split implemented in September 2023. Balance at period end represents the amount recorded in the consolidated statement of financial position as of March 31, 2024 and the amount is recorded at zero.

*2 WeWork warrants that are convertible into common shares at an exercise price of $0.02 per share, which the Company received for the fiscal year ended March 31, 2020 as a consideration for the purchase of unsecured notes issued by WeWork and for the credit support for a letter of credit facility provided by financial institutions. Balance at period end represents the amount recorded in the consolidated statement of financial position as of March 31, 2024 and the amount is recorded at zero.

*3 For the fiscal year ended March 31, 2024, shares and convertible bonds were received in exchange for the unsecured notes. Balance at period end represents the amount recorded in the consolidated statement of financial position as of March 31, 2024 and the amount is recorded at zero.

*4 For the fiscal year ended March 31, 2024, SVF2 purchased additional $0.05 billion of senior secured notes issued by WeWork and $0.3 billion of senior secured notes, which was sum of the above and $0.25 billion purchased previously, were fully redeemed by WeWork. The remaining $0.2 billion of unfunded loan commitment for the senior secured notes was canceled. In addition, SVF2 newly entered into the loan commitment contract with WeWork and SVF2 purchased $0.3 billion of the notes issued by WeWork. Amount of transaction represents the net amount of the notes purchased and redeemed for the fiscal year ended March 31, 2024. Balance at period end represents the amount recorded in the consolidated statement of financial position as of March 31, 2024 and the amount is recorded at zero.

*5 SVF2 provided the loan to WeWork due to execution of the credit support. The details are described in "*8" under "Note 41. Other gain". Balance at period end represents the amount recorded in the consolidated statement of financial position as of March 31, 2024. The amount is recorded at zero as the allowance was fully allocated to the loan.

*6 In July 2023, GreenBox Systems LLC ("GreenBox") was established by the Company and Symbotic Inc. The Company has entered into an agreement regarding capital commitment of $3.2 billion to fund GreenBox. The amount of transaction represents the amount the Company invested in GreenBox for the fiscal year ended March 31, 2024, and the balance at period end represents the unfunded capital commitment as of March 31, 2024.

*7 Equipment usage fees are determined based on the ratio of usage.

*8 All indebtedness occurred by November 10, 2020 including indebtedness for or in respect of borrowed money, stock or securities lending, and any other guarantees and indemnities which Delaware subsidiaries, SB Northstar and its subsidiaries ("guaranteed subsidiaries") owe to the Company are guaranteed and indemnified by Masayoshi Son, Son Asset Management LLC and Son Wealth Management Inc. as principal obligor, in proportion to the ownership interest against SB Northstar at the time the relevant guaranteed obligations were incurred. At the time of winding up of SB Northstar, Masayoshi Son, Son Asset Management LLC and Son Wealth Management Inc. indemnify guaranteed obligations not being recoverable for any reason or any failure of guaranteed subsidiaries to perform any of its obligations or liabilities in proportion to the ownership interest against SB Northstar at the time the relevant guaranteed obligations were incurred.
Regarding any indebtedness occurred after November 11, 2020, it will be subject to this guarantee and indemnity agreement, to the extent that Masayoshi Son's prior consent has been obtained.

*9 In the event that Masayoshi Son is unable to perform, on a prolonged or permanent basis, his role with involvement in the investment management decisions of the SB Northstar, the Company has a call option to cause Masayoshi Son, Son Asset Management LLC and Son Wealth Management Inc. to sell all of their interests in the Delaware subsidiaries at the fair market value. If the call option is exercised, SoftBank Group Corp. will discuss the termination of the guarantee and indemnity agreement mentioned above with Masayoshi Son, Son Asset Management LLC and Son Wealth Management Inc.

*10 This represents the received amount of contribution to DEEPCORE TOKYO 1 by AI & Company, Inc. and the terms and conditions of the transaction are determined as same as other limited liability union members. The balance at period end represents the total investment amount, after deducting cumulative investment partnership losses and adding cumulative investment partnership gains, as of March 31, 2024.

*11 Terms and conditions of the transaction was negotiated and determined, considering the market price and contents of the services.

*12 Mr. Taizo Son, relative of Representative Director Masayoshi Son, holds over half of the voting rights of this company.

*13 A service agreement was entered into between SBGA and Mr. Taizo Son in the fiscal year ended March 31, 2023, and he has been a member of the investment committee of SVF2.

*14 The Company sold all of its 3,600,000 shares in SoftBank Ventures Asia Corp.("SBVA") to the EDGEof Korea Co., Ltd. ("EDGEof Korea"), which is controlled by Mr. Taizo Son, for KRW 124,000 million on June 14, 2023. The transaction price was determined based on negotiation with reference to the corporate valuation by an independent third-party valuation agency.

*15 The Company and EDGEof Korea entered into a loan agreement of KRW 60,760 million which is equivalent to 49% of sales price of shares in SBVA for which the interest rate is equal to the overdraft interest rate prescribed by the Ordinance of the Ministry of Economy and Finance of Korea (as of March 31, 2024: 4.6%) and the maturity date is on the fifth anniversary of the closing date of the agreement. The loan is guaranteed by Mistletoe Singapore Pte. Ltd. and other two entities which are controlled by Mr. Taizo Son, and 49% of SBVA shares held by EDGEof Korea are pledged as collateral for the loan. The voting rights against SBVA are retained by EDGEof Korea.

*16 This represents the received amount of contribution to DEEPCORE TOKYO 1 by Mistletoe Venture Partners, Inc. and the terms and conditions of the transaction are determined as same as other limited liability union members. The balance at period end represents the total investment amount, after deducting cumulative investment partnership losses and adding cumulative investment partnership gains, as of March 31, 2024.

*17 It is calculated by a rate applied for SBVA's operating revenue. The rate is determined by a reasonable standard.

*18 This represents the received amount of deposits to PayPay Bank Corporation, a subsidiary of the Company, by GEUDA General Incorporated Association and the terms and conditions of the transactions are determined as same as other depositors.

*19 Other than transactions included in the table above, the Company had entered into limited partnership agreements with SBVA for several funds which are managed by SBVA as a general partner. As a result of the sales transaction of SBVA mentioned above, SBVA became an entity controlled by Mr. Taizo Son and transactions regarding the limited partnership agreements are

identified as related party transactions. As of the date of identification, the total commitment amount and unfunded commitment amount of the Company to the funds were ¥29,145 million and ¥1,031 million, respectively. Also, for the fiscal year ended March 31, 2024, the Company entered into a limited partnership agreement for a fund which is managed by an entity controlled by Mr. Taizo Son as a general partner and changed the limited partnership agreement for an existing fund which is managed by an entity controlled by Mr. Taizo Son as a general partner. As of March 31, 2024, the total commitment amount and unfunded commitment amount of the Company to the funds were ¥38,709 million and ¥7,023 million, respectively. Under the limited partnership agreements, management fees are to be paid as 0.5%—2.3% of the commitment amounts or funded amounts, and success fees are to be paid as distributions of the amount equivalent to the equity owned at the liquidation or 20%—30% of investment gains which is subject to the achievement of certain IRR.

For the fiscal year ended March 31, 2025

			(Millions of yen)	
			Fiscal year ended March 31, 2025	As of March 31, 2025
Name of the company or individual	Nature of relationship	Nature of transaction	Amount of transaction	Balance at period end
ARM Technology (China) Co., Ltd.	Associate	Revenue under the terms of the IP license agreement with ARM	¥102,200	¥ 44,027
GreenBox Systems LLC	Joint Venture	Fulfillment of investment commitment[*1]	25,880	453,495
Masayoshi Son (Son Asset Management LLC and 7 other companies)	Representative Director of SoftBank Group Corp. and related entities of which he holds more than one-half of the voting rights	Dividend paid from SoftBank Group Corp.	21,370	—
		Dividend paid from SoftBank Corp.	310	—
		Payment for equipment usage[*2]	7	1
		Receipt of guarantees for claims against subsidiaries of the Company[*3,4]	—	—
Ken Miyauchi	Director	Dividend paid from SoftBank Corp.	414	—
AI & Company, Inc. (Yutaka Matsuo)	Related entities of which Director of SoftBank Group Corp. holds more than one-half of the voting rights	Receipt of capital contribution to a subsidiary[*5]	1	81
KOEI TECMO GAMES CO., LTD. (Keiko Erikawa)	Related entities of which Director of SoftBank Group Corp. and the relative hold more than one-half of the voting rights	Fees to content providers[*6]	191	63
Taizo Son (Son Financial Inc. and 4 other companies[*7])[*13]	Relative of Representative Director of SoftBank Group Corp. and related entities of which the relative holds more than one-half of the voting rights[*8]	Collection of loans receivable[*9]	1,297	4,993
		Interest receipt[*9]	274	141
		Sale of shares[*10]	3,050	—
		Receipt of warehousing fee related to shares[*11]	26	—
		Dividend paid from SoftBank Group Corp.	444	—
		Receipt of capital contribution to a subsidiary[*12]	7	486

			(Thousands of U.S. dollars))	
			Fiscal year ended March 31, 2025	As of March 31, 2025
Name of the company or individual	Nature of relationship	Nature of transaction	Amount of transaction	Balance at period end
ARM Technology (China) Co., Ltd.	Associate	Revenue under the terms of the IP license agreement with ARM	$670,402[*14]	$ 294,456
GreenBox Systems LLC	Joint Venture	Fulfillment of investment commitment[*1]	166,994[*14]	3,033,006
Masayoshi Son (Son Asset Management LLC and 7 other companies)	Representative Director of SoftBank Group Corp. and related entities of which he holds more than one-half of the voting rights	Dividend paid from SoftBank Group Corp.	142,924	—
		Dividend paid from SoftBank Corp.	2,073	—
		Payment for equipment usage[*2]	47	7
		Receipt of guarantees for claims against subsidiaries of the Company[*3,4]	—	—
Ken Miyauchi	Director	Dividend paid from SoftBank Corp.	2,769	—
AI & Company, Inc. (Yutaka Matsuo)	Related entities of which Director of SoftBank Group Corp. holds more than one-half of the voting rights	Receipt of capital contribution to a subsidiary[*5]	7	542
KOEI TECMO GAMES CO., LTD. (Keiko Erikawa)	Related entities of which Director of SoftBank Group Corp. and the relative hold more than one-half of the voting rights	Fees to content providers[*6]	1,277	421
Taizo Son (Son Financial Inc. and 4 other companies[*7])[*13]	Relative of Representative Director of SoftBank Group Corp. and related entities of which the relative holds more than one-half of the voting rights[*8]	Collection of loans receivable[*9]	8,674	33,394
		Interest receipt[*9]	1,833	943
		Sale of shares[*10]	20,399	—
		Receipt of warehousing fee related to shares[*11]	174	—
		Dividend paid from SoftBank Group Corp.	2,970	—
		Receipt of capital contribution to a subsidiary[*12]	47	3,250

*1 The Company entered into an agreement regarding capital commitment of $3.2 billion to fund GreenBox. The amount of transaction represents the amount the Company invested in GreenBox for the fiscal year ended March 31, 2025, and the balance at period end represents the unfunded capital commitment as of March 31, 2025.

*2 Equipment usage fees are determined based on the ratio of usage.

*3 All indebtedness occurred by November 10, 2020 including indebtedness for or in respect of borrowed money, stock or securities lending, and any other guarantees and indemnities which Delaware subsidiaries, SB Northstar and its subsidiaries ("guaranteed subsidiaries") owe to the Company are guaranteed and indemnified by Masayoshi Son, Son Asset Management LLC and Son Wealth Management Inc. as principal obligor, in proportion to the ownership interest against SB Northstar at the time the relevant guaranteed obligations were incurred. At the time of winding up of SB Northstar, Masayoshi Son, Son Asset Management LLC and Son Wealth Management Inc. indemnify guaranteed obligations not being recoverable for any reason or any failure of guaranteed subsidiaries to perform any of its obligations or liabilities in proportion to the ownership interest against SB Northstar at the time the relevant guaranteed obligations were incurred.
Regarding any indebtedness occurred after November 11, 2020, it will be subject to this guarantee and indemnity agreement, to the extent that Masayoshi Son's prior consent has been obtained.

*4 In the event that Masayoshi Son is unable to perform, on a prolonged or permanent basis, his role with involvement in the investment management decisions of the SB Northstar, the Company has a call option to cause Masayoshi Son, Son Asset Management LLC and Son Wealth Management Inc. to sell all of their interests in the Delaware subsidiaries at the fair market value. If the call option is exercised, SoftBank Group Corp. will discuss the termination of the guarantee and indemnity agreement mentioned above with Masayoshi Son, Son Asset Management LLC and Son Wealth Management Inc.

*5 This represents the received amount of contribution to DEEPCORE TOKYO 1 by AI & Company, Inc. and the terms and conditions of the transaction are determined as same as other limited liability union members. The balance at period end represents the total investment amount, after deducting cumulative investment partnership losses and adding cumulative investment partnership gains, as of March 31, 2025.

*6 Terms and conditions of the transaction was negotiated and determined, considering the market price and contents of the services.

*7 Mr. Taizo Son, relative of Representative Director Masayoshi Son, holds over half of the voting rights of this company.

*8 A service agreement was entered into between SBGA and Mr. Taizo Son in the fiscal year ended March 31, 2023, and he has been a member of the investment committee of SVF2.

*9 The Company sold all of its shares in SBVA to EDGEof Korea, which is controlled by Mr. Taizo Son, in June, 2023. The Company and EDGEof Korea entered into a loan agreement for a portion of the share sale proceeds.
The interest rate is equal to the overdraft interest rate prescribed by the Ordinance of the Ministry of Economy and Finance of Korea (as of March 31, 2025: 4.6%) and the maturity date is on the fifth anniversary of the closing date of the agreement. The borrower is entitled to make prepayments in full or in part at any time at its discretion. The loan is guaranteed by Mistletoe Singapore Pte. Ltd. and other two entities which are controlled by Mr. Taizo Son, and 40% of SBVA shares held by EDGE of Korea are pledged as collateral for the loan. The voting rights against SBVA are retained by EDGEof Korea.

*10 On May 31, 2024, the Company sold certain investment securities to a fund which is managed by an entity controlled by Mr. Taizo Son as a general partner for $20 million. The sales price was determined based on the recent transaction price of the investment securities.

*11 The amount of the temporary warehousing fee was determined based on negotiation with reference to the coupon rate of the U.S. dollar-denominated senior notes issued by the Company.

*12 This represents the received amount of contribution to DEEPCORE TOKYO 1 by Mistletoe Venture Partners, Inc. and the terms and conditions of the transaction are determined as same as other limited liability union members. The balance at period end represents the total investment amount, after deducting cumulative investment partnership losses and adding cumulative investment partnership gains, as of March 31, 2025.

*13 Other than transactions included in the table above, the Company has entered into limited partnership agreements with several funds, which are managed by the entity controlled by Mr. Taizo Son, as a general partner. As of March 31, 2025, the total commitment amount and unfunded commitment amount of the Company to the funds are ¥42,752 million ($285,928 thousand) and ¥9,947 million ($66,526 thousand), respectively. Under the limited partnership agreements, management fees are to be paid as 0.5% - 2.3% of the commitment amounts or funded amounts, and success fees are to be paid as distributions of the amount equivalent to the equity owned at the liquidation or 20%—30% of investment gains which is subject to the achievement of certain IRR.

*14 The amounts represent the original contract amounts recorded in U.S. dollars, and are not the translations of Japanese yen amounts into U.S. dollar amounts.

(2) Remuneration for executives

Remuneration for executives is as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Short-term benefits	¥2,929	¥1,615	$10,801
Share-based payments	2,415	4,191	28,030
Retirement benefits	2	2	13
Total	¥5,346	¥5,808	$38,844

*1 Remuneration for major executives represents remuneration for the directors of SoftBank Group Corp. (including external directors).

*2 For the fiscal year ended March 31, 2024, since Kentaro Kawabe resigned from his position as a director at SoftBank Group Corp. on June 21, 2023, the remuneration during his term of office is included in the table above.

46. Contingency

(1) Lending commitments

Lending commitments that the Company is engaged in are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Lending commitments	¥13,435,497	¥11,252,282	$75,256,033
Funded	1,039,913	1,280,976	8,567,256
Unfunded	¥12,395,584	¥ 9,971,306	$66,688,777

The lending commitments that the Company is engaged in are mainly shopping and cashing credit limits provided to the credit card members in the SoftBank segment.

The unfunded balance of the shopping limit and cashing limit does not indicate that the total amount of the balance will be used in the future because customers may use the credit card up to the limit at any time and do not always use the full amount of the limit and the Company may change the limit arbitrarily. Also, maturities of unfunded lending commitments are within one year because they are payable on demand.

Expected credit loss that could arise resulting from the execution of the above loan commitments are described in "b. Credit risk" in "(2) Financial risk management" under "Note 28. Financial instruments."

(2) Credit guarantees
Guarantees that the Company provides are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Total amount of financial guarantee contract	¥16,030	¥7,247	$48,468
Guarantee balance	13,238	6,208	41,520

SVF2 provided credit support (financial guarantee contract) for a $1.43 billion letter of credit facility to WeWork by financial institutions. For the fiscal year ended March 31, 2024, the financial guarantee contract was terminated as SVF2 fully fulfilled the guarantee. The details are described in "*8" under "Note 41. Other gain."

As of March 31, 2024, the amount of allowance for financial guarantee contract losses included in "Other financial liabilities (current)" was zero.

(3) Litigation
SoftBank Group Corp. and certain of its subsidiaries are a party to a number of currently pending legal and administrative proceedings. As it is difficult to reasonably estimate the final results of such matters, reserves have not been recorded. Based on the information currently available, we do not expect that the results of these proceedings will have a material adverse effect on our financial position or results of operations.

a. Credit Suisse Litigation

On April 11, 2023, Credit Suisse Virtuoso SICAV-SIF (hereinafter referred to as "Credit Suisse Fund") and Glas Trust Corporation Limited (together with Credit Suisse Fund, hereinafter referred to as "Plaintiffs") filed a claim in the English High Court of Justice against SoftBank Group Corp., SoftBank Vision Fund I and II (together with SoftBank Group Corp., hereinafter referred to as "SoftBank Party"), and Greensill Limited in relation to certain transactions involving supply chain finance firm Greensill Capital (UK) Limited and Greensill Limited, and the US construction company Katerra Inc. (hereinafter referred to as "Katerra"). Plaintiffs allege that SoftBank Party orchestrated restructuring transactions between Greensill Limited and Katerra with respect to notes purchased by Credit Suisse Fund from Greensill Capital (UK) Limited in 2020 that were backed by accounts receivable purchased by Greensill Limited from Katerra, for the purpose of depriving Credit Suisse Fund of these accounts receivables, and as a result, Credit Suisse Fund suffered a loss of $440 million. SoftBank Party believes the allegations raised by Plaintiffs are wholly without merit and is vigorously contesting the plaintiff's claim.

b. Litigation in which SoftBank Corp. is involved as a Party

(a) On April 30, 2015, SoftBank Corp. filed a lawsuit with the Tokyo District Court against JPiT, claiming for payment of remuneration for additional services provided in connection with the installation of telecommunication lines as well as other items, that were ordered by JPiT in relation to a project to migrate the communication network connecting approximately 27,000 sites (postal offices, etc.) existing countrywide to a new network, the 5th PNET.

Pursuant to a contract dated February 7, 2013, SoftBank Corp. was requested by JPiT to carry out, among other services, installation services for telecommunication lines for Japan Post Group's business sites existing countrywide. SoftBank Corp. performed such services, and upon JPiT's request, SoftBank Corp. also performed services that exceeded the scope of services stipulated in the contract.

Although SoftBank Corp. negotiated with JPiT over an extended period regarding the remuneration, for these additional services, SoftBank Corp. and JPiT were unable to arrive at a settlement. Accordingly, SoftBank Corp. duly filed the lawsuit, claiming for payment of remuneration, for such additional services.

(b) On April 30, 2015, JPiT filed a lawsuit against SoftBank Corp. and Nomura Research Institute, Ltd. ("NRI") as codefendants. In this lawsuit, JPiT alleges that SoftBank Corp. and NRI delayed performance of the ordered services related to the project for migration to the 5th PNET mentioned in (a) above and alleges that such delay caused damages to JPiT. JPiT made joint and several claims against both SoftBank Corp. and NRI for the alleged damages.

An order to consolidate the lawsuits described in items (a) and (b) above was made on July 29, 2015.

On September 9, 2022, the Tokyo District Court rendered a judgment ordering SoftBank Corp. to pay JPiT remuneration for the damages and delay damages. As a result of the judgment, SoftBank Corp. recorded ¥19,716 million of the provisions for loss relating to litigation for the fiscal year ended March 31, 2023.

On September 22, 2022, SoftBank Corp. appealed the judgment to the Tokyo High Court. On March 21, 2024, the Tokyo High Court rendered a judgment ordering JPiT to pay SoftBank Corp. remuneration for the additional services and delay damages, and dismissing all claims against SoftBank Corp. filed by JPiT.

SoftBank Corp. and JPiT have filed an appeal of the judgment and a petition to accept the appeal with the Supreme Court. As a result of the judgment, for the fiscal year ended March 31, 2024, SoftBank Corp. reversed the full amount of ¥19,176 million that had been recorded in the provision for loss relating to litigation for the fiscal year ended March 31, 2023.

47. Purchase commitments

The Company has commitments to purchase services and goods of ¥1,711,142 million ($11,444,235 thousand) as of March 31, 2025 (as of March 31, 2024: ¥1,516,295 million). Purchase commitments are mainly outstanding contracts related to investments and purchases of devices. As of March 31, 2025, the above mentioned commitments include ¥453,495 million ($3,033,006 thousand) (as of March 31, 2024: ¥484,512 million) of investment commitments for joint ventures.

In addition to the above commitments, the details of the transactions relating to the acquisition of Ampere Computing Holdings LLC and the investment in OpenAI are described in "Note 48. Additional Information."

48. Additional information

(1) Acquisition of Ampere Computing Holdings LLC

SoftBank Group Corp., on March 19, 2025, entered into an agreement with Ampere Computing Holdings LLC ("Ampere"), a U.S.-based semiconductor design company focused on high-performance, energy efficient, sustainable AI compute based on the Arm compute platform, and certain of its equity holders (the "Sellers"), to acquire all of the equity interests of Ampere for $6.5 billion through Silver Bands 6 (US) Corp. ("SB6"), a wholly-owned subsidiary of the Company (the "Transaction").

The Transaction has been approved by the Board of Directors of SoftBank Group Corp. but remains subject to customary regulatory approvals including United States antitrust clearance and approval by the Committee on Foreign Investment in the United States (CFIUS), as well as the satisfaction or waiver of other closing conditions, such as the compliance in all material respects with covenants, failure of a material adverse effect on Ampere to occur and certain employment related matters.

The Company expects the closing of the Transaction to occur in the second half of the fiscal year ending March 2026. As a result of the Transaction, Ampere will become a wholly-owned subsidiary of the Company.

a. Rationale for the Transaction

Ampere is a semiconductor company that designs high-performance, energy-efficient processors specialized for next-generation cloud computing and AI workloads. With approximately 1,000 highly skilled semiconductor engineers and its notable technological capabilities, Ampere is expected to play a key role in future growth markets.

The Transaction is aligned with the Company's broader strategic vision and commitment to driving innovation in AI and compute. Ampere is expected to collaborate with the broader ecosystem of the Company, including group companies, investees, and business partners. Through this strategic alignment following the Transaction, Ampere's expertise in developing and taping out* Arm-based chips can be

integrated, complementing design strengths of Arm. Ultimately, the Company expects this to contribute to the long-term growth of its NAV (Net Asset Value: calculated as equity value of holdings – adjusted net interest-bearing debt).

* In the semiconductor manufacturing process, this refers to the completion of a highly complex circuit design and the sending of its data to the manufacturing department or foundry. It marks a milestone that signifies the end of the design phase.

b. Outline of the acquisition

The Sellers in the Transaction are Carlyle Partners VI Denver Holdings, L.P., Oracle Project Denver Holdings LLC, and Arm. The Transaction will be implemented by way of (i) the acquisition by SB6 of all of the equity interests of certain entities that own units in Ampere ("Equity holding Entities") from certain Sellers, and (ii) an immediately following "reverse triangular merger," in which a wholly-owned subsidiary of SB6 that was established for the purpose of the Transaction, will be merged with and into Ampere. The surviving company after the merger will be Ampere and its equity holders at the time of the effective date of the merger (other than the Equity holding Entities) will receive cash consideration, while Ampere, the surviving company, will become a wholly-owned subsidiary of the Company. The total cash consideration to be paid by the Company for the transactions in (i) and (ii) above will amount to $6.5 billion.

c. Equity interests to be acquired, acquisition price and ownership status before and after the Transaction

Equity interests held before the Transaction*	8.08% (Indirect holding: 8.08%)
Equity interests to be acquired	100%
Acquisition price	Total investment: $6.5 billion Acquisition-related cost: TBD
Equity interests will hold after the Transaction	100% (Indirect holding: 100%)

* Based on the number of Ampere's voting equity interests.

d. Financing

To secure the funds necessary for this transaction, SoftBank Group Corp. entered into a loan agreement with financial institutions on April 10, 2025, for a total commitment amount of up to $6.5 billion (the "Bridge Loan").

At the point in time, only the loan commitments have been secured, and no actual borrowing has been made. Since the acquisition of Ampere requires approvals from U.S. authorities and others, the borrowings are scheduled to be executed once such approvals are obtained and the acquisition is expected to close.

An overview of the Bridge Loan is as follows.

Borrower	SoftBank Group Corp.
Mandated lead arrangers and bookrunners	Mizuho Bank, Ltd. Sumitomo Mitsui Banking Corporation JP Morgan Chase Bank, Tokyo Branch
Date of agreement	April 10, 2025
Total commitment amount	$6.5 billion
Availability period	Until April 10, 2026
Drawdown date	At the time of Ampere acquisition
Use of proceeds	Acquisition of Ampere shares, repayment of Ampere's existing borrowings, and payment of related expenses
Repayment date	April 10, 2026
Collateral	None
Guarantor	None

e. Overview of Ampere

Name	Ampere Computing Holdings LLC
Address	Santa Clara, California, USA
Name and title of representative	Renée J. James Founder/Chairman & CEO
Nature of business	Semiconductor design, focused on high-performance, energy efficient, sustainable AI compute based on the Arm compute platform
Founded	September 27, 2017

(2) Investment in OpenAI

SoftBank Group Corp. entered into a definitive agreement with OpenAI Global, LLC ("OpenAI Global") and its affiliates (collectively, "OpenAI"), a U.S.-based artificial intelligence research and development company, to make follow-on investments of up to $40.0 billion (¥5,980.8 billion) (the "Transaction") on March 31, 2025, as detailed below. The Company is planning to syndicate out $10.0 billion of the up to $40.0 billion investment to co-investors.

a. Rationale for the Transaction

With the center of the "Information Revolution" having evolved from personal computers, the Internet, and broadband to smartphones, it has now entered a new phase led by artificial intelligence (AI). In this context, the Company has declared its mission to realize Artificial Super Intelligence (ASI) for the advancement of humanity. Recognizing OpenAI as the partner closest to achieving Artificial General Intelligence (AGI), a key milestone on the path to ASI, and its mission of ensuring AGI benefits all of humanity, the Company has positioned OpenAI as its most important partner and invested $2.2 billion in total through SVF2 since September 2024.

The advancement of OpenAI's AI models is key to achieving AGI and ASI, and massive computing power is essential. To that end, the Company has announced the "Stargate Project" together with OpenAI on January 21, 2025, to build dedicated AI infrastructure for OpenAI in the United States. In alignment with this initiative, and to both further support OpenAI's growth and capture the benefits of that growth in the Company's NAV (Net Asset Value: calculated as equity value of holdings – adjusted net interest-bearing debt), the Company has decided to make follow-on investments in OpenAI.

b. Details of the Transaction

	First closing	Second closing
Pre-money valuation	$260.0 billion	
Investment amount	$10.0 billion	(1) Up to $30.0 billion if OpenAI Global, the for-profit subsidiary of OpenAI, Inc., completes a recapitalization of its economic waterfall (the "Funding Conditions") by the end of 2025, or in certain circumstances, early 2026. (2) $10.0 billion if the Funding Conditions have not been met by the end of 2025, or in certain circumstances, early 2026.
Syndication	Up to $10.0 billion of the investment amount may be syndicated out to co-investors. However, in the case of (2) above, syndication of $10.0 billion for the second closing will not reduce the Company's $10.0 billion commitment for the second closing.	
Investment timing	April 2025	December 2025 (Targeted)
Investing entity	SoftBank Group Corp. or its subsidiary	
Investment target	OpenAI Global	OpenAI Global or a new entity following the satisfaction of the Funding Conditions
Type of securities to be acquired	Convertible interest rights, which are convertible into: • Convertible preferred shares of a new entity with 1x liquidation preference once the Funding Conditions are met • Convertible preferred shares will automatically convert into common stock in connection with an IPO / go-public transaction	

c. Overview of OpenAI Global

Name	OpenAI Global, LLC
Address	San Francisco, California, USA
Name and title of representative	Sam Altman, CEO
Nature of business	To build safe and beneficial artificial general intelligence (AGI) that benefits all of humanity
Founded	December 2015 (OpenAI, Inc., the controlling entity of OpenAI Global)

d. Timeline

Execution of the agreement for investment of up to $40.0 billion by SoftBank Group Corp. and OpenAI Global	March 31, 2025
Completion of $10.0 billion investment in OpenAI Global	April 15, 2025
Completion of up to $30.0 billion investment in OpenAI Global	December 2025 (Targeted)

e. Completion of the first closing

On April 15, 2025, the investment of $10.0 billion in OpenAI Global was completed. Of this, $1.5 billion was syndicated out to co-investors on the same date, and SVF2 invested the remaining $8.5 billion. Subsequently, additional syndication to co-investors was executed, and SVF2's investment amount was reduced from $8.5 billion to $7.5 billion.

f. Financing and loan to SVF2 from the Company

To fund the investment in the first closing, in April 2025, the Company borrowed $8.5 billion from Mizuho Bank, Ltd. and other financial institutions, and lent the same amount to SVF2. In connection with the additional syndication, in May 2025, the Company received $1.0 billion from SVF2 as partial repayment of the loan principal and accrued interest. Of the loan to SVF2 from the Company, 17.25% of the principal and its interest is guaranteed by Masayoshi Son, Representative Director, Corporate Officer, Chairman & CEO of SoftBank Group Corp. The details are described in"(a) Transactions between SVF2 and related parties" in "a. Co-investment program with restricted rights to receive distributions" in "(1) Related party transactions and balances" under "Note 45. Related party transactions."

g. Impact on the consolidated financial results

The convertible interest rights acquired in the Transaction are planned to be classified as financial assets measured at fair value through profit or loss (FVTPL). They will be measured at fair value on a quarterly basis, with any changes in fair value recognized in the consolidated statement of profit or loss as "Gain (loss) on investments."

49. Subsequent events

In June 2025, a wholly-owned subsidiary of the Company sold 21,500,000 T-Mobile shares, part of its total holding of 85,361,065 shares, for $4.78 billion. As of March 31, 2025, these shares are recorded as "Investment securities" in the consolidated statement of financial position at a carrying amount of ¥857,387 million ($5.73 billion).

In addition, after April 1, 2025, the Company entered into a loan agreement to secure the funds necessary for the acquisition of Ampere, and made an investment in OpenAI with the related financing. The details of the transactions are described in "Note 48. Additional Information."

50. Approval of consolidated financial statements

The consolidated financial statements have been approved by the Company's Representative Director, Corporate Officer, Chairman & CEO, Masayoshi Son, on June 26, 2025.

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OFFERING MEMORANDUM

SoftBank Group

SOFTBANK GROUP CORP.

$500,000,000
6½% Senior Notes due 2029

$600,000,000
6⅞% Senior Notes due 2031

$600,000,000
7¼% Senior Notes due 2032

$500,000,000
7½% Senior Notes due 2035

€600,000,000
5¼% Senior Notes due 2029

€600,000,000
5⅞% Senior Notes due 2031

€500,000,000
6⅜% Senior Notes due 2033

Joint Global Coordinators and Joint Bookrunners

Deutsche Bank **J.P. Morgan** **Barclays** **HSBC**

Joint Bookrunners

Goldman Sachs International **Mizuho**

Crédit Agricole CIB **Morgan Stanley** **Nomura** **SMBC NIKKO** **BNP PARIBAS** **BofA Securities**

Citigroup **Natixis** **Société Générale Corporate & Investment Banking**

Co-Managers

IMI-Intesa Sanpaolo **Standard Chartered Bank** **Daiwa Capital Markets** **ING**

The date of this offering memorandum is July 2, 2025