$10 Billion
€1 Billion

SoftBank Group

SoftBank Group Corp.

$1,000,000,000 8⅝%	**Senior Notes due 2030**	**€500,000,000 7⅛%**	**Senior Notes due 2030**
$4,500,000,000 9¼%	**Senior Notes due 2032**	**€500,000,000 8%**	**Senior Notes due 2032**
$4,500,000,000 9¾%	**Senior Notes due 2034**		

SoftBank Group Corp. (the "Company") is offering $1,000,000,000 aggregate principal amount of its 8⅝% Senior Notes due 2030 denominated in U.S. dollars (the "2030 Dollar Notes"), $4,500,000,000 aggregate principal amount of its 9¼% Senior Notes due 2032 denominated in U.S. dollars (the "2032 Dollar Notes"), and $4,500,000,000 aggregate principal amount of its 9¾% Senior Notes due 2034 denominated in U.S. dollars (the "2034 Dollar Notes," and together with the 2030 Dollar Notes and the 2032 Dollar Notes, the "Dollar Notes") and €500,000,000 aggregate principal amount of its 7⅛% Senior Notes due 2030 denominated in euro (the "2030 Euro Notes") and €500,000,000 aggregate principal amount of its 8% Senior Notes due 2032 denominated in euro (the "2032 Euro Notes," and together with the 2030 Euro Notes, the "Euro Notes", and, together with the Dollar Notes, the "Notes"). The maturity date of the 2030 Dollar Notes is April 1, 2030, the maturity date of the 2032 Dollar Notes is April 1, 2032, and the maturity date of the 2034 Dollar Notes is April 1, 2034. The maturity date of the 2030 Euro Notes is October 1, 2030 and the maturity date of the 2032 Euro Notes is October 1, 2032. We will pay interest on the Notes semi-annually in arrear on April 1 and October 1 of each year, commencing April 1, 2027.

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 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."

As of the date of this offering memorandum, the Company has sufficient undrawn capacity under the 2026 Bridge Loan Facility to cover the funds for investment in October under the 2026 OpenAI Follow-on Investment. We plan to use the proceeds of the offering, concurrently with cancelling all of the $10 billion of undrawn capacity under the 2026 Bridge Loan Facility, towards the October 1, 2026 $10 billion third closing under the 2026 OpenAI Follow-on Investment. Any remaining proceeds will be used for general corporate purposes. See "Description of Other Indebtedness—Borrowings—2026 Bridge Loan Facility" and "Management's Discussion and Analysis of Financial Condition and Results of Operations—Overview—Follow-on Investments in OpenAI."

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 "Securities Act"), or the securities laws of any other jurisdiction. Additionally, the Company does not believe the Company is an investment company under the U.S. Investment Company Act of 1940, as amended (the "Investment Company Act"). The Notes are subject to limitations on transfer and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as such terms are defined under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Notes may be offered and sold only: (1) to a person who is reasonably believed to be both a qualified institutional buyer (a "Qualified Institutional Buyer") (as defined in Rule 144A under the Securities Act) and a qualified purchaser (a "Qualified Purchaser") (as defined in Section 2(a)(51) of the Investment Company Act and related rules), in each case purchasing for its own account or the account of a Qualified Institutional Buyer who is also a Qualified Purchaser as to which the purchaser exercises sole investment discretion, in reliance on the exemption from the registration requirements of the Securities Act provided by Rule 144A; or (2) to a non-U.S. person (as defined in the Securities Act) in offshore transactions in reliance on Regulation S under the Securities Act, and in each case, in accordance with any other applicable law. Prospective purchasers are hereby notified that the seller of the Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. See "Transfer Restrictions", "Notices to Investors" and "Plan of Distribution" 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 21.

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

2030 Dollar Notes: 100%	**2030 Euro Notes: 100%**
2032 Dollar Notes: 100%	**2032 Euro Notes: 100%**
2034 Dollar Notes: 100%	

The Notes of each series will be represented on issuance by one or more global notes, which we expect will be delivered in book-entry form through the facilities of The Depository Trust Company ("DTC"), and its participants, including Euroclear Bank SA/NV ("Euroclear") and Clearstream Banking S.A. ("Clearstream") in the case of the Dollar Notes, and through Euroclear and Clearstream in the case of the Euro Notes, on or about September 29, 2026 (the "Issue Date").

Joint Global Coordinators for the Dollar Notes

Citigroup **Goldman Sachs** **J.P. Morgan** **Morgan Stanley**

Joint Global Coordinators for the Euro Notes

J.P. Morgan **Deutsche Bank** **Goldman Sachs**

Joint Bookrunners for the Dollar Notes

HSBC **Mizuho** **SMBC NIKKO** **Barclays**

Deutsche Bank **Nomura** **BNP PARIBAS** **Crédit Agricole CIB**

Natixis **Daiwa Capital Markets** **IMI-Intesa Sanpaolo**

Joint Bookrunners for the Euro Notes

Citigroup **Morgan Stanley** **Barclays** **BNP PARIBAS**

Crédit Agricole CIB **Natixis** **HSBC**

Co-Managers for the Dollar Notes

Standard Chartered Bank **TD Securities** **Wells Fargo Securities** **ANZ** **BofA Securities**

Co-Managers for the Euro Notes

BBVA **IMI-Intesa Sanpaolo** **ING** **Société Générale Corporate & Investment Banking** **UBS Investment Bank**

The date of this offering memorandum is September 23, 2026

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 "Transfer Restrictions." 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 Qualified Institutional Buyers (as defined in Rule 144A under the Securities Act) who are Qualified Purchasers (as defined in Section 2(a)(51) of the Investment Company Act and related rules) and outside the United States to persons other than U.S. persons in accordance with Regulation S under the 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 as trustee (the "Trustee", which expression shall include any successor trustee) in respect of both the Dollar Notes and the Euro Notes and as paying agent (the "Dollar Notes Paying Agent", which expression shall include any successor Dollar Notes paying agent), transfer agent (the "Dollar Notes Transfer Agent", which expression shall include any successor Dollar Notes transfer agent) and registrar (the "Dollar Notes Registrar", which expression shall include any successor Dollar Notes registrar, and together with the Dollar Notes Paying Agent and the Dollar Notes Transfer Agent, the "Dollar Notes Agents", which expression shall include any successor Dollar Notes agents) with respect to the Dollar Notes, or The Bank of New York Mellon, London Branch, as paying agent (the "Euro Notes Paying Agent", which expression shall include any successor Euro Notes paying agent, and together with the Dollar Notes Paying Agent, the "Paying Agents" and each a "Paying Agent"), The Bank of New York Mellon SA/NV, Dublin Branch, as transfer agent (the "Euro Notes Transfer Agent", which expression shall include any successor Euro Notes transfer agent, and together with the Dollar Notes Transfer Agent, the "Transfer Agents" and each a "Transfer Agent") and registrar (the "Euro Notes Registrar", which expression shall include any successor Euro Notes registrar, and together with the Dollar Notes Registrar, the "Registrars" and each a "Registrar"; and together with the Euro Notes Paying Agent and the Euro Notes Transfer Agent, the "Euro Notes Agents", and together with the Dollar Notes Agents, the "Agents") with respect to the Euro Notes 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 U.S. 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.

DOLLAR NOTES STABILIZATION MANAGER

IN CONNECTION WITH THIS OFFERING, CITIGROUP GLOBAL MARKETS INC. (THE "DOLLAR NOTES STABILIZATION MANAGER") (OR PERSONS ACTING ON BEHALF OF THE DOLLAR NOTES STABILIZATION MANAGER) MAY OVER-ALLOT DOLLAR NOTES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE DOLLARS NOTES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, THERE IS NO ASSURANCE THAT THE DOLLAR NOTES STABILIZATION MANAGER (OR PERSONS ACTING ON BEHALF OF THE DOLLAR NOTES STABILIZATION 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 DOLLAR 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 DOLLAR NOTES AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE DOLLAR NOTES.

EURO NOTES STABILIZATION MANAGER

IN CONNECTION WITH THIS OFFERING, J.P. MORGAN SECURITIES PLC (THE "EURO NOTES STABILIZATION MANAGER") (OR PERSONS ACTING ON BEHALF OF THE EURO NOTES STABILIZATION MANAGER) MAY OVER-ALLOT EURO NOTES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE EURO NOTES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, THERE IS NO ASSURANCE THAT THE EURO NOTES STABILIZATION MANAGER (OR PERSONS ACTING ON BEHALF OF THE EURO NOTES STABILIZATION 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 EURO 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 EURO NOTES AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE EURO NOTES.

The Notes have not been and will not be registered under the Securities Act, or with any securities authority of any state or other jurisdiction in the United States, and may not be offered, sold or otherwise transferred within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable state securities laws. The Notes are being (i) offered by the Initial Purchasers to non-U.S. persons in offshore transactions outside the United States in reliance on Regulation S under the Securities Act, and (ii) placed inside the United States through the Initial Purchasers or U.S. selling agents of the Initial Purchasers to persons who are both Qualified Institutional Buyers and Qualified Purchasers, in each case purchasing for its own account or the account of a Qualified Institutional Buyer who is also a Qualified Purchaser as to which the purchaser exercises sole investment discretion, in reliance on the exemption from the registration requirements of the Securities Act provided by Rule 144A. Prospective purchasers are hereby notified that sellers of the Notes may be relying on the exemption from the registration provisions of Section 5 of the Securities Act provided by Rule 144A under the Securities Act. For a description of these and certain further restrictions on offers, sales and transfers of the Notes and the distribution of this offering memorandum, see "Transfer Restrictions" and "Notice to Certain Investors."

In connection with the Notes being offered in the United States to Qualified Institutional Buyers who are Qualified Purchasers in reliance on an exemption from registration provided by Rule 144A, this offering memorandum is being furnished in the United States on a confidential basis solely for the purpose of enabling prospective investors to consider the purchase of the Notes. Its use for any other purpose in the United States is not authorized.

The Notes have not been approved by the U.S. Securities and Exchange Commission (the "SEC"), any state securities commission in the United States or any other U.S. regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of this offering or the accuracy or adequacy of this offering memorandum. Any representation to the contrary is a criminal offense in the United States.

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.

NOTICE TO CERTAIN INVESTORS

NOTICE TO U.S. INVESTORS

This offering is being made in the United States in reliance upon an exemption from registration under the U.S. Securities Act for an offer and sale of the Notes which does not involve a public offering. In making your purchase, you will be deemed to have made certain acknowledgments, representations and agreements. See "*Transfer Restrictions*".

This offering memorandum is being provided (1) to investors that we reasonably believe to be Qualified Institutional Buyers within the meaning of Rule 144A under the U.S. Securities Act who are also Qualified Purchasers as defined in Section 2(a)(51) of the Investment Company Act and related rules for informational use solely in connection with their consideration of the purchase of the Notes and (2) to non-U.S. persons outside the United States pursuant to offshore transactions complying with Rule 903 or Rule 904 of Regulation S under the U.S. Securities Act. By purchasing the Notes, investors are deemed to have made the acknowledgments, representations, warranties and agreements set forth under "*Transfer Restrictions*". Investors should be aware that they may be required to bear the financial risks of their investment in the Notes for an indefinite period of time. Prospective purchasers are hereby notified that the seller of any Note may be relying on the exemption from the provisions of Section 5 of the U.S. Securities Act provided by Rule 144A. The Notes described in this offering memorandum have not been registered with, recommended by or approved by the SEC, any state securities commission in the United States or any other securities commission or regulatory authority, nor has the SEC, any state securities commission in the United States or any such securities commission or authority passed upon the accuracy or adequacy of this Offering Memorandum. Any representation to the contrary is a criminal offense.

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" 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 in the United Kingdom (the "UK") only to, and is directed solely at, persons who (i) 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"), (ii) are persons falling within Articles 49(2)(a) to (d) of the Financial Promotion Order or (iii) are persons to whom an invitation or inducement to engage in investment 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"). In the UK, 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 in the UK 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 the Public Offers and Admissions to Trading Regulations 2024 (the "POATRs") from a requirement to publish a prospectus for offers of Notes. This offering memorandum is not a prospectus for the purpose of the POATRs.

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 United Kingdom (the "UK"). For these purposes, a retail investor means a person who is either one (or both) of the following: (i) not a

professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "EUWA"); or (ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the POATRs. Consequently no disclosure document required by the FCA Product Disclosure Sourcebook ("DISC") for offering, selling or distributing the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering, selling or distributing the Notes or otherwise making them available to any retail investor in the UK may be unlawful under DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024.

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

The offering of the Notes has not been submitted to the clearance of and/or cleared by the *Commissione Nazionale per la Società e la Borsa* ("CONSOB") (the Italian securities exchange commission), or registered 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 the Prospectus Regulation. 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.

Notwithstanding the foregoing, the Notes may be offered and sold in France exclusively to qualified investors (*investisseurs qualifiés*) as defined by Article 2(e) of the Prospectus Regulation.

Prospective investors are informed that neither this offering memorandum, nor any other materials relating to the offering memorandum, has been or will be submitted for clearance to, approval by, or registration with, the *Autorité des marches financiers*.

Investors in France and persons into whose possession offering materials come must inform themselves about, and observe, any such restrictions. 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 the Belgian law of July 11, 2018 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 (a) does not constitute a prospectus, a product disclosure statement or other disclosure document as defined in section 9 of the Corporations Act 2001 of the Commonwealth of Australia ("Corporations Act"); (b) does not purport to include the information required in a prospectus, a product disclosure statement or other disclosure document under the Corporations Act; (c) has not been, nor will it be, lodged as a disclosure document with, or registered by, the Australian Securities and Investments Commission ("ASIC"), the Australian Securities Exchange operated by ASX Limited or any other regulatory body or agency in Australia; and (d) may not be provided in Australia other than to select investors ("Exempt Investors") who are able to demonstrate that they both (i) are "sophisticated investors" or "professional investors" (as defined in sections 708(8) and 708(11) of the Corporations Act) and (ii) are "wholesale clients" for the purpose of section 761G of the Corporations Act. Accordingly, if you receive this offering memorandum in Australia, you confirm and warrant that you are an Exempt Investor, and you warrant and agree that you will not offer any of the Notes sold to you pursuant to this offering memorandum for resale in Australia within 12 months of those Notes being sold unless any such resale offer is exempt from the requirement to issue a disclosure document under section 708 of the Corporations Act or where a compliant disclosure document has been prepared and lodged with ASIC.

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:

- Changes in market conditions and the performance of our investments could adversely affect our financial condition and results of operations;

- Our strategic focus on AI and technology companies makes us particularly sensitive to sector-specific risks;
- Our ability to exit investments and realize gains depends on the health of the IPO market given our significant investments in unlisted companies;
- 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;
- Our investment portfolio is concentrated in a small number of large positions, which exposes us to elevated risks vis-à-vis such investments;
- Geopolitical instability, trade disputes, and sanctions may adversely affect our investments and operations;
- Foreign currency exchange rate fluctuations may adversely affect our financial results;
- We may overestimate investment targets or fail to anticipate risks in our investment decisions;
- The value of our portfolio companies may decline, requiring us to record valuation losses;
- 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;
- Our strategic focus on the realization of ASI and related technologies involves unique risks;
- Risks relating to AI chips could adversely affect our AI Computing segment and broader AI investment strategy;
- Risks relating to AI models could adversely affect the value and performance of our AI-related investments;
- Risks relating to AI infrastructure could delay our projects and adversely affect our expected returns;
- Risks relating to physical AI could adversely affect the development and value of our related businesses and investments;
- There can be no assurance that the expected benefits of our investments in OpenAI will be realized;
- Our AI infrastructure projects are subject to significant execution risks;
- Our financial results may be significantly affected by risks relating to SVF;
- 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;
- We face various risks relating to Arm's operations; and
- Other risk factors that are included 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.

AVAILABLE INFORMATION

For so long as any of the Notes remain outstanding and are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, we will, during any period in which we are neither subject to Section 13 or Section 15(d) of the U.S. Securities Exchange Act of 1934, as amended (the "U.S. Exchange Act"), nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, provide to any holder or beneficial owner of such restricted securities or to any prospective purchaser of such restricted securities designated by such holder or

beneficial owner or to the Trustee (as defined herein) for delivery to such holder, beneficial owner, prospective purchaser or Trustee, in each case upon the request of such holder, beneficial owner, prospective purchaser or Trustee, the information required to be provided by Rule 144A(d)(4) under the U.S. Securities Act.

CERTAIN VOLCKER RULE CONSIDERATIONS

We do not believe that it is necessary for us to rely solely on either Section 3(c)(1) or Section 3(c)(7) of the Investment Company Act in connection with this offering or otherwise. Accordingly, we do not believe that we are or, after completion of the offering, will be a "covered fund" as defined in the final regulations issued December 10, 2013, implementing Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, commonly known as the "Volcker Rule."

ENFORCEMENT OF CIVIL LIABILITIES

We are a joint stock corporation *(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," "SBG" and the "SoftBank Group" are to SoftBank Group Corp. and its subsidiaries, as the context requires;
- References to "SB Northstar" are to SB Northstar LP and its subsidiaries, as the context requires;
- 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 "SVF2 LLC" are to SVF II Investment Holdings LLC;
- References to "LatAm" are to SBLA Latin America Fund LLC;
- References to "SLA LLC" are to SLA Holdco II LLC;
- References to "SVF" are to SVF1, SVF2 and LatAm;
- References to "SB Energy" are to SB Energy, Inc., a U.S.-based indirect subsidiary of the Company that engages in developing, building and owning its critical physical infrastructure, and delivers gigawatt-scale data-center and power capacity to hyperscaler customers;
- 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 "Arm" are to Arm Holdings plc and its subsidiaries, as the context requires;
- References to "Ampere" are to Ampere Computing Holdings LLC and its subsidiaries, as the context requires;
- References to "Energy Global" are to Energy Global, LP and its subsidiaries, as the context requires. Energy Global is the indirect parent of SB Energy;
- References to "Robo HD" are to Silver Bands 4 (US) Corp., an intermediate holding company that holds robotics-related investments;

- References to "OpenAI" are to OpenAI Group PBC, a Delaware public benefit corporation established following the recapitalization of OpenAI Global, LLC completed on October 28, 2025, pursuant to which investors, including SVF2, became shareholders of OpenAI Group PBC. For descriptions relating to events occurring prior to that date, "OpenAI" is used as a collective reference to OpenAI, Inc. and its affiliates, including OpenAI Global, LLC and an employee shareholding vehicle, as the context requires;
- References to "OpenAI Global" are to OpenAI Global, LLC, subsequently recapitalized as OpenAI Group PBC;
- 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 "MgmtCo" are to MASA USA LLC, a Delaware limited liability company controlled by Mr. Masayoshi Son;
- References to "2025 Bridge Loan Facility" are to the one-year unsecured bridge loan agreement entered into by the Company on April 10, 2025, for an aggregate principal amount of $15.0 billion;
- References to "2025 OpenAI Follow-on Investment" are to the $41.0 billion follow-on investment in OpenAI in 2025 pursuant to the definitive agreement entered into on March 31, 2025 between SoftBank Group and OpenAI, of which $11.0 billion was syndicated to co-investors and $30.0 billion was invested by SVF2;
- References to "2026 OpenAI Follow-on Investment" are to the $30.0 billion follow-on investment in OpenAI in 2026 through SVF2 pursuant to the definitive agreement entered into on February 27, 2026 between SBG and OpenAI; and
- References to "2026 Bridge Loan Facility" are to the one-year unsecured bridge facilities agreement entered into by the Company on March 27, 2026, for an aggregate principal amount of $40.0 billion.

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 as of March 31, 2026 have been translated into U.S. dollars at the rate of ¥159.88 = $1.00 and into euros at the rate of ¥183.41 = €1.00, and yen amounts as of June 30, 2026 have been translated into U.S. dollars at the rate of ¥162.39 = $1.00 and into euros at the rate of ¥185.35 = €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, 2026 and June 30, 2026, respectively. 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, 2025 and 2026 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, 2026 with the corresponding

figures presented as comparative information as of and for the fiscal year ended March 31, 2025 and 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.

The unaudited condensed interim consolidated financial statements as of and for the three-month period ended June 30, 2026 included in this offering memorandum have been prepared in accordance with Article 5-2 of the Tokyo Stock Exchange's standards for the preparation of quarterly financial statements. Some disclosures required under IAS 34 "Interim Financial Reporting" in IFRS have been omitted under Article 5-5 of the Tokyo Stock Exchange's standards for the preparation of quarterly financial statements.

Our unaudited condensed interim consolidated financial statements as of and for the three-month period ended June 30, 2026 with the corresponding figures presented as comparative information as of March 31, 2026 and for the three-month period ended June 30, 2025 included elsewhere in this offering memorandum are reviewed by our independent accountant, 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, 2026 and condensed interim consolidated financial statements for the three-month period ended June 30, 2026, we have presented prior period financial information for the fiscal year ended March 31, 2025 and for the three-month period ended June 30, 2025, in each case, on the same basis of presentation adopted for fiscal year ended March 31, 2026 and for the three-month period ended June 30, 2026, and have therefore reclassified certain accounting items as originally reported in the previously issued consolidated financial statements for the fiscal year ended March 31, 2025 and condensed interim consolidated financial statements for the three-month period ended June 30, 2025. For more information, see Note 2 to our audited consolidated financial statements for the fiscal year ended March 31, 2026, which are included elsewhere in this offering memorandum. 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, in each case, 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. Following the completion of the Ampere acquisition in November 2025 and our regular review and reassessment of operating units, we established the AI Computing segment as a reportable segment, which includes Arm, Ampere and Graphcore Limited. Accordingly, for the fiscal year ended March 31, 2026 and the three-month period ended June 30, 2026, our reportable segments include the Investment Business of Holding Companies segment, the SoftBank Vision Funds segment, the SoftBank segment and the AI Computing segment, with "Other" presented separately. The corresponding figures of the segment information presented as comparative information as of and for the fiscal year ended March 31, 2025 in our consolidated financial statements as of and for the year ended March 31, 2026 and for the three-month period ended June 30, 2025 in our condensed interim consolidated financial statements for the three-month period ended June 30, 2026 have been retrospectively reclassified to reflect the current segment structure. However, the segment information presented in our 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 year ended March 31, 2024 has not been retrospectively reclassified. Notwithstanding the foregoing, for purposes of this offering memorandum, certain comparative segment information for the fiscal year ended March 31, 2024 has been retrospectively reclassified to reflect the current segment structure.

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," "Non-GAAP Operating Income," "Cash Position," "Consolidated Cash Position," "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
  - any 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 (the outstanding amount as of June 30, 2026 was zero); and

    minus
  - the sum of any 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 net asset 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 net asset value of SVF2, calculated as financial assets at fair value through profit and loss, as of the specified date,

  plus
- *Holdings in LatAm*. The Company's portion of the net asset value of LatAm, 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 any outstanding amount of margin loans borrowed by the Company backed by 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,

  minus

  - the sum of the total amount to be settled at maturity of collar transactions using T-Mobile shares, calculated by using 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 (the number of shares held by the Company as of June 30, 2026 was zero); 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 (the outstanding amount as of June 30, 2026 was zero),

  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 (the outstanding amount as of June 30, 2026 was zero),

  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 and LINE Bank Taiwan Limited) *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 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 listed shares which are non-recourse to the Company;
- to deduct the financial liabilities relating to prepaid forward contracts using listed shares, such as forward contracts;

- to deduct the financial liabilities recorded as interest-bearing debt related to collar transactions using listed shares.

Non-GAAP Operating Income

With respect to the results of Arm, non-GAAP Operating Income means operating income *plus* acquisition-related expenses *plus* share-based compensation cost (equity settled) *plus* employer taxes related to share-based compensation, net of R&D tax incentives associated with these employer taxes, plus other net operating income plus costs associated with disposal activities plus restructuring and related costs, in each case under U.S. GAAP. The specific adjustment items included in Arm's GAAP to Non-GAAP reconciliation may vary from period to period, as certain items are non-cash or non-recurring in nature, or because the amount and timing of these items is unpredictable and not driven by core results of operations.

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.

Consolidated Cash Position

"Consolidated Cash Position" means cash and cash equivalents plus short-term investments recorded as current assets plus bond investments (excluding Cash Position held by PayPay Bank Corporation and LINE Bank Taiwan Limited) on a consolidated basis.

Standalone Cash Position

"Standalone Cash Position" means the Consolidated Cash Position minus the sum of the Cash Position of each of self-financing subsidiaries, such as SoftBank Corp., SVF1, SVF2, LatAm 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

AI-centric Strategic 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, which, fueled by the advances in AI technologies, 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, associates, and our investees. We seek to capture the major investment opportunities arising from the advancement in the Information Revolution, with the AI revolution serving as a key driver of growth. We believe that AI will continue to evolve toward more advanced reasoning capabilities, autonomy and versatility, ultimately leading to the realization of Artificial Superintelligence ("ASI"), which would surpass the collective intelligence of humanity. We believe that this evolution will open up new markets for innovative products and services and provide crucial growth opportunities. To this end, we strive to quickly identify changes in markets, technologies and societal needs and to continuously transform our business. At the same time, we optimize our investment portfolio and group structure to maximize the benefits of technologies and business models poised to drive future growth. We have identified four key pillars that support the advancement and social implementation of AI; AI Models, AI Chips, AI Infrastructure, and Physical AI. We are actively pursuing investments and business initiatives in these areas while seeking to create synergies through collaboration both within and across these pillars. For more details, see "Business—Strengths and Strategies—Deepening AI strength through complementary investments across the AI ecosystem."

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

We are listed on the Tokyo Stock Exchange with a market capitalization of ¥35.6 trillion ($219.2 billion), excluding treasury stock, as of September 17, 2026.

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

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 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.

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 have a financial policy to maintain our LTV ratio below 25% under normal circumstances, with an upper threshold of 35% in extraordinary circumstances. In addition, we aim to ensure our liquidity and financial stability by securing sufficient funds to redeem our corporate bonds for at least the next two years.

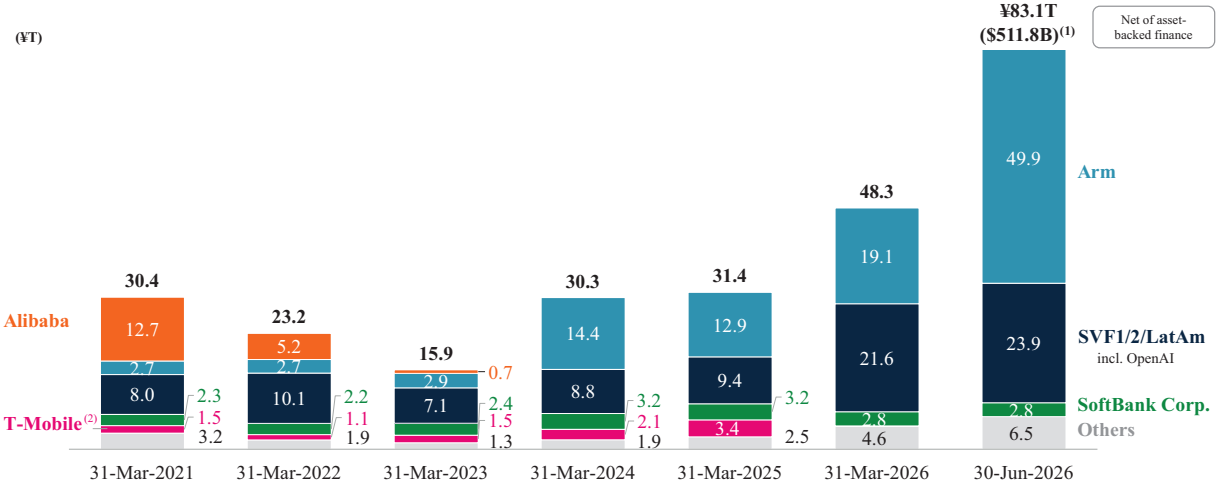
As of March 31, 2026, our NAV was ¥40.1 trillion ($250.5 billion), calculated by deducting Standalone Net Interest-bearing Debt of ¥8.2 trillion ($51.3 billion) from Equity Value of Holdings of ¥48.3 trillion

($301.9 billion). Our LTV ratio as of the same date was 17.0%, calculated by dividing Standalone Net Interest-bearing Debt by Equity Value of Holdings. For further details, please see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Performance Indicators."

As of June 30, 2026, our NAV was ¥72.3 trillion ($445.2 billion), calculated by deducting Standalone Net Interest-bearing Debt of ¥10.8 trillion ($66.6 billion) from Equity Value of Holdings of ¥83.1 trillion ($511.8 billion). Our LTV ratio as of the same date was 13.0%, calculated by dividing Standalone Net Interest-bearing Debt by Equity Value of Holdings. For further details, please see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Performance Indicators."

The following graph summarizes Equity Value of Holdings as of the dates indicated. For further details of each of our main assets, please see "Business—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



(1) The Japanese Yen amounts have been translated into U.S. dollar amounts at the rate of ¥162.39 = $1.00, the exchange rate prevailing as of June 30, 2026.

(2) Includes Deutsche Telekom for historical periods from March 31, 2022 to March 31, 2024.

Strengths and Strategies

One of the world's largest strategic investment holding companies with an approximately $511.8 billion portfolio and a unique track record of investing in major technological shifts

As one of the largest strategic investment holding companies globally, with a portfolio valued at approximately $511.8 billion (¥83.1 trillion) in Equity Value of Holdings as of June 30, 2026, we have evolved significantly since our inception. Founded in 1981 as a distributor of packaged software, we have grown into a global strategic investment holding company with investments across listed and unlisted assets, multiple technology-related sectors and geographies.

Our approach as a strategic investment holding company extends beyond seeking investment returns and is focused on creating value through long-term strategic involvement with our portfolio companies, including by facilitating business collaboration, providing management support and enabling access to our broader ecosystem. This approach is reflected in our "Cluster of No. 1 Strategy," which seeks to build a strategically aligned ecosystem of companies. The strategy envisages our group as a symbiotic ecosystem of companies with industry-shaping technologies and business models. In this ecosystem, we support visionary entrepreneurs who pioneer new industries while respecting their autonomy and encouraging them to identify with our core philosophy and vision and work with us to unlock synergistic growth. This AI ecosystem includes subsidiaries and group companies such as Arm, companies in which SBG invests directly for long-term value creation, and portfolio companies of SoftBank Vision Funds and other funds.

Once an investment is selected, we leverage our network and experience to promote business collaborations among portfolio companies and support external growth through strategic M&A. We also seek to

facilitate technology collaboration, customer and partner introductions, financing, new business development and other forms of strategic support across our portfolio. Through these efforts, we seek to enhance our Equity Value of Holdings and ultimately maximize NAV over the medium to long term.

We have consistently identified major technological shifts, from the advent of the PC and the internet to the broadband and smartphone era and, more recently, AI. In response to these shifts, we have continuously reshaped our portfolio, evolving from a mobile telecommunications operator into a global strategic investment holding company and expanding our investment focus from internet and mobile telecommunications businesses to AI.

Deepening AI strength through complementary investments across the AI ecosystem

We believe rapid advances in AI technology will be at the center of the coming Information Revolution, driving significant productivity gains and growth opportunities across a wide range of industries. We believe AI will continue to evolve toward more advanced reasoning capabilities, autonomy and versatility, ultimately leading to the realization of ASI, which would surpass the collective intelligence of humanity. As AI is increasingly integrated into a broad range of business models, we believe this evolution will reshape existing models of value creation, fundamentally redefine most industries and open up entirely new markets for innovative products and services.

The realization of ASI will require the development and deployment of semiconductors capable of providing the substantial computing capacity required to operate such models; frontier AI models capable of advancing perception, reasoning and decision-making; AI infrastructure designed to integrate and operate these technologies; and robotics technologies that enable AI to perform tasks in the physical world. Against this backdrop, we are building full-stack exposure across the AI ecosystem through investments in four key areas, namely AI Model, AI Chip, AI Infrastructure and Physical AI. Together, these areas span multiple layers of the AI value chain and form the core of our AI strategy, providing multiple avenues to participate in the continued development and adoption of AI.

At the same time, these four areas are complementary and are designed to reinforce one another across the AI value chain with advances in one area supporting growth and new use cases in others: the AI Chip business provides the architecture and energy efficiency required to support AI compute; AI Model drives demand for compute; AI Infrastructure provides the scalable data-center and power capacity required to support AI deployment; and Physical AI further expands the application of AI from digital spaces to tasks and services in the real world, creating new use cases. While these areas are strategically complementary across our portfolio, each also serves external customers and markets independently, with its own sources of commercial demand and growth across a diverse set of end markets, including AI users, chipmakers and automakers, hyperscalers, and industrial and enterprise customers. This allows each area to pursue standalone growth while also benefiting from potential strategic synergies across the AI ecosystem. The illustration below provides an overview of our key investments within these areas.

(1) This image is for illustrative purposes only and does not depict actual products or imply that the concepts shown will be realized in the future.

AI Chip

Arm is the core asset within our AI Chip portfolio and our largest holding, with an Equity Value of Holdings of $307.3 billion (¥49.9 trillion) as of June 30, 2026, accounting for approximately 60.1% of our total Equity Value of Holdings. Arm delivers high-performance, energy-efficient compute platforms that are deployed across a broad spectrum of products, including smartphones, IoT devices, automotive systems and data-center servers. Arm has cultivated the world's largest computing ecosystem, with more than 350 billion Arm-based chips shipped since its inception, more than 22 million software developers globally, a market share greater than 99% of the mobile application processor market, and approximately 50% of the CPU chips shipped to leading hyperscalers in 2025 were using Arm-based technology. Arm's established business model, supported by upfront license fees and recurring royalties, provides a foundation for continued growth as demand for compute expands across end markets. The durability of this royalty model is demonstrated by the long revenue lives of Arm-based products, with approximately 50% of Arm's royalty revenue for the fiscal year ended March 31, 2026, generated from products that were introduced more than 10 years ago.

Arm has multiple potential growth drivers across both its established and new businesses. We believe Arm's revenue is well-positioned for potential growth as demand for compute expands across a wider range of devices and chips become increasingly advanced and complex. The continued deployment of AI across devices has the potential to increase demand for Arm's more advanced technologies, including Armv9 and Compute Subsystems ("CSS"), which are designed to support higher-performance, power-efficient computing for increasingly demanding 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. Reflecting this trend, Arm has adopted a holistic, solution-focused design approach, expanding beyond individual design IP blocks to provide more complete systems. Arm's CSS is gaining traction across multiple end markets and is expected to become an increasingly important driver of royalty growth. While the typical royalty revenue for Armv9 is around double the revenue 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.

These trends are particularly evident in cloud and data-center computing. Arm has established a significant and growing presence in cloud and data-center computing, with more than 1.5 billion Arm-based central processing units ("CPU") cores shipped to data centers as of June 2026. Arm's data-center customers are

reporting substantial performance-per-watt savings compared with legacy architectures, contributing to the increasing adoption of Arm's energy-efficient technology for these workloads. Most leading cloud and AI infrastructure companies, including Amazon Web Services, Inc., Google LLC, Microsoft Corporation and NVIDIA Corporation ("NVIDIA"), are deploying or developing Arm-based technology for data centers. We believe the increasing adoption of agentic AI will further expand the role of CPUs within AI computing infrastructure. As AI workloads evolve from individual model queries toward increasingly complex, agent-driven workloads, CPUs play an important role in orchestrating data movement, memory, security and workload coordination across AI systems. We believe this shift will drive increasing demand for high-performance, energy-efficient and system-level compute capabilities, areas in which Arm is well positioned through its broad compute platform.

Beyond these opportunities within its IP business, in March 2026, Arm announced the Arm AGI CPU, its first move into production silicon and an incremental growth opportunity. Designed specifically for data centers supporting agentic AI workloads, the Arm AGI CPU expands Arm's compute platform from IP and CSS into production silicon while continuing its existing licensing model and ecosystem. The Arm AGI CPU was developed with its lead partner, Meta Platforms, Inc., ("Meta"), and is supported by a broad global ecosystem. More than 50 leading companies across hyperscale, cloud, silicon, memory, networking, software, system design and manufacturing are supporting the expansion of the Arm compute platform into silicon. At the time of announcement, Arm had identified approximately $1 billion of customer demand for the Arm AGI CPU across the fiscal years ending March 31, 2027 and March 31, 2028, and Arm has secured the manufacturing capacity required to support that demand. Since the announcement, Arm has seen significantly higher demand and is working closely with its manufacturing and supply chain partners to expand capacity.

In addition to Arm, we have strengthened our AI chip capabilities through acquisitions such as Ampere and Graphcore Limited. Through these acquisitions, we have expanded our semiconductor engineering team and enhanced our development capabilities. Ampere specializes in designing high-performance, energy-efficient CPUs for AI-driven workloads based on the Arm compute platform. Graphcore Limited has a proven track record in developing semiconductor chips designed for AI applications. Furthermore, through our subsidiaries we also seek to procure access to key AI chips and related manufacturing capacity to support our broader investment strategy in AI infrastructure and related technologies.

AI Model

OpenAI is the principal asset within our AI Model portfolio and represents a significant component of our strategic exposure to frontier and agentic AI. We made our first investment in OpenAI through SVF2 in September 2024 and have since substantially increased our investment. Following completion of all three tranches of the 2026 OpenAI Follow-on Investment, including the remaining $10.0 billion tranche expected to close on October 1, 2026, SBG's cumulative investment in OpenAI is expected to reach $64.6 billion, representing an ownership interest of approximately 13%. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Follow-on investments in OpenAI." Our investment in OpenAI provides us with significant exposure to one of the leading platforms at the forefront of frontier and agentic AI.

Within the AI ecosystem, OpenAI continues to drive AI adoption and demonstrate technical leadership across frontier models, coding and agentic AI. OpenAI's models have continued to evolve from answering questions to solving problems, performing tasks and, more recently, completing increasingly complex work through agentic capabilities. This expanding model capability supports a broad product portfolio spanning consumer AI, coding and workplace tools, developer platforms and enterprise AI agents, creating multiple avenues for adoption across consumer, developer and enterprise markets. OpenAI has continued to advance its model capabilities through rapid and sustained model development and iteration. In July 2026, OpenAI released GPT-5.6 further advancing performance across professional and knowledge-work use cases. In third-party evaluations of professional work, GPT-5.6 Sol demonstrated strong performance and API cost efficiency, with a higher evaluation score at a substantially lower cost than the other leading models evaluated. Most recently, in September 2026, OpenAI introduced GPT-6 Astra, which it describes as its most intelligent and aligned model, with advances in reasoning, computer use and browsing.

OpenAI's user base has expanded rapidly, with the number of weekly active users of ChatGPT increasing by approximately 300 million over one year, from nearly 700 million in August 2025 to approximately 1 billion in August 2026. ChatGPT has demonstrated significant user engagement and global reach, with users spending approximately four times as much time on ChatGPT as on all other AI applications combined, and with monthly web visits and mobile sessions approximately six times those of the next-largest AI application. As of February

2026, OpenAI had more than 50 million consumer subscribers, demonstrating its ability to monetize its large and engaged consumer user base.

Adoption of OpenAI's coding and workplace AI tools has also expanded rapidly. The combined number of weekly active users of Codex and ChatGPT Work reached 25 million in August 2026. Together, these developments demonstrate OpenAI's continued advances in model capabilities, improved cost efficiency and growing adoption across business and knowledge-work use cases.

Supporting this continued scaling, OpenAI has demonstrated strong access to equity capital, providing financial flexibility to invest in compute capacity, product development and growth. In June 2026, OpenAI announced that it had confidentially submitted a draft registration statement on Form S-1 to the SEC in connection with a potential initial public offering, which, if completed, could provide an additional avenue to access public equity capital.

AI Infrastructure

Our AI infrastructure projects generally focus on developing powered data-center shells, including the associated power infrastructure and cooling systems, while customers provide the compute hardware required for their workloads.

The deployment of AI at scale requires access to reliable and scalable infrastructure. We therefore view AI Infrastructure as a foundational layer of our AI strategy, encompassing not only data centers, but also the power, land, development capabilities and financing structures required to support large-scale AI workloads. We are advancing major infrastructure initiatives across the United States and Europe to secure and develop the power, land and data-center capacity required to support AI deployment at scale, with SB Energy serving as an important execution platform for our U.S. projects.

Given the significant capital requirements associated with large-scale AI infrastructure, we expect to utilize project-level non-recourse financing and third-party capital to support capital-intensive AI infrastructure investments, with the aim of limiting the capital burden at the group level and preserving our balance-sheet flexibility. SB Energy has also sought to broaden its access to capital and, on September 1, 2026, publicly filed a registration statement on Form S-1 with the SEC in connection with a potential initial public offering. We believe this approach can enable us to scale our power and data-center development activities by leveraging SB Energy's experience and capabilities developed to date, while maintaining financial flexibility at the SBG level. Together, these initiatives are intended to secure and develop the power, land and data-center capacity required to support AI deployment at scale.

Milam County AI Data Center in the United States

In January 2026, we announced a partnership with OpenAI and SB Energy aimed at developing AI data centers and related energy infrastructure. In connection with the partnership, OpenAI entered into a 15-year lease agreement for a data center in Milam County, Texas, and OpenAI and we each invested $500 million in SB Energy. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Participation in AI Infrastructure Projects." The Milam County project is expected to have approximately 0.8 gigawatts of IT load capacity ("IT-GW"). Construction of the project is underway. Supported by long-term contracted demand from OpenAI, the project demonstrates our ability to combine large-scale data-center development with the power infrastructure required to support AI workloads.

PORTS-Pike Technology Campus in the United States

We are also developing the PORTS-Pike Technology Campus in Pike County, Ohio, a large-scale AI infrastructure project designed to integrate data-center capacity with dedicated power generation and transmission infrastructure. On March 20, 2026, the U.S. Department of Energy (DOE) and the U.S. Department of Commerce (DOC), together with SoftBank and AEP Ohio, announced a public-private partnership to redevelop DOE land, modernize energy infrastructure, and develop advanced computing at the Portsmouth Site in Pike County, Ohio. As part of the partnership, SB Energy plans to develop 8 IT-GW AI data-center capacity at the PORTS-Pike Technology Campus, which is expected to be supported by 10 GW of new power generation, including 9.2 GW of natural gas generation capacity. The 9.2 GW natural gas generation project includes approximately $33.3 billion in Japanese funding previously announced under the U.S.-Japan Strategic Trade and

Investment Agreement, which contemplates $550 billion of Japanese investment in the United States. Construction of the PORTS-Pike Technology Campus is expected to commence in 2026. The initial phase is expected to become available beginning in 2028, with development of the broader campus expected to occur in phases through 2032. In August 2026, OpenAI entered into an agreement to secure approximately 8 IT-GW, with SB Energy to build, own and operate the data centers under a 20-year lease with OpenAI. In August 2026, NVIDIA also entered into transactions providing for an aggregate $3.0 billion investment in SB Energy, including a $1.5 billion prepaid forward with Energy Global, LP and a $1.5 billion share purchase in a private placement. NVIDIA also agreed to provide credit support relating to the land, power and shell infrastructure for the initial 4.25 IT-GW of capacity at the campus, with an option to take the remaining approximately 3.75 IT-GW. NVIDIA will be the exclusive AI compute infrastructure provider for the PORTS-Pike Technology Campus.

In the United States, SB Energy serves as an important execution platform for our AI infrastructure strategy, bringing together capabilities across data-center development and operation, power generation and storage, project development, construction, engineering and financing. SB Energy is leading the development of the Milam County data center and the PORTS-Pike Technology Campus, both described above, further expanding its capabilities in large-scale AI data-center infrastructure.

AI Data Center in France

Furthermore, in June 2026, we announced our commitment to develop and operate up to 5 GW of AI data-center capacity in France, representing an investment of up to €75 billion, in connection with the 2026 Choose France summit hosted by President Emmanuel Macron. The first phase contemplates an initial €45 billion investment to deliver 3.1 GW of AI data-center capacity in the Hauts-de-France region, including a 1 GW AI data-center campus in Bosquel, for which a joint venture majority-owned by us has been selected as the developer and operator.

Physical AI

We have built broad exposure to Physical AI through investments in more than 30 companies across autonomous mobility, autonomous infrastructure and robotics. Physical AI involves the application of advanced AI capabilities to machines, vehicles and infrastructure operating in the physical world, enabling them to perceive and understand their environments and perform increasingly complex actions autonomously. Selected portfolio companies include Wayve Technologies Ltd. and Nuro, Inc. in autonomous mobility; Skild AI, Inc., AutoStore Holdings Ltd., Symbotic Inc. and Berkshire Grey, Inc. in autonomous infrastructure; and SoftBank Robotics Group Corp., Agile Robots SE and 1X Technologies in robotics. Physical AI therefore represents both a distinct growth opportunity supported by external commercial demand and a strategically connected application layer within our broader AI ecosystem.

Robo HD serves as an important platform for our robotics-related investments. In the first quarter of fiscal year ended March 31, 2026, we completed the process of bringing together under Robo HD, an intermediate holding company, approximately 20 robotics-related portfolio companies that had previously been held across multiple entities within the Group.

In October 2025, we agreed to acquire ABB Ltd's Robotics Business to strengthen our presence in Physical AI, with the acquisition expected to close in 2026. The acquisition is expected to significantly strengthen our AI robotics business. ABB's Robotics Business is globally known for its reliability and high performance, supported by extensive sales channels and customer relationships. Its operations span R&D, manufacturing, sales and service, supported by approximately 1,800 technical staff and three manufacturing sites as of March 31, 2026. ABB's Robotics Business has approximately 7,000 employees across over 50 countries and approximately 25,000 customers globally as of March 31, 2026, providing significant technical capabilities, scale and customer reach. Following completion of the acquisition, we believe ABB Robotics Business' robotics platform, expertise and global footprint could complement the technological foundations of our existing robotics-related investments and create additional opportunities to accelerate innovation in AI-enabled robotics. We believe this combination could further strengthen our position in Physical AI and support the development and deployment of increasingly intelligent and autonomous robotic systems.

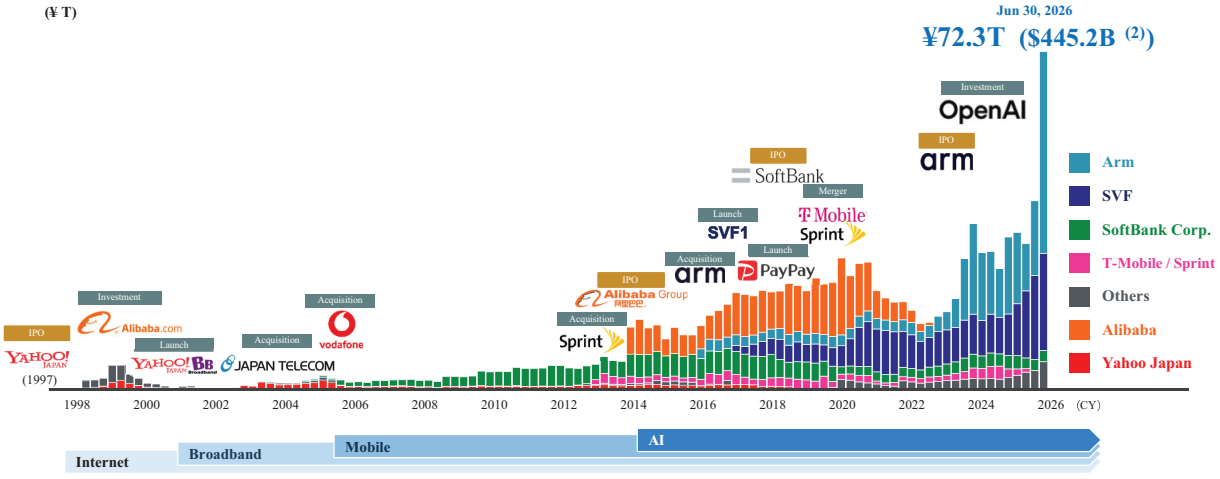
We believe continued advances across AI chips, AI models and AI infrastructure can further enable the development of increasingly autonomous and intelligent physical systems. More capable AI models can enhance perception, reasoning and decision-making; advances in AI chips can provide the computing performance and energy efficiency required to operate increasingly sophisticated AI systems; and expanded AI infrastructure can

support their development and deployment at scale. Together, these advances may create growth opportunities across manufacturing, logistics, mobility and other industrial and enterprise end markets.

Proven track record of disciplined investment cycle

We have a long track record of identifying major technology shifts and investing behind them with a long-term perspective, guided by our belief in the continued advancement of the Information Revolution. Anticipating the future of the Internet, we 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 through the acquisition of JAPAN TELECOM (currently SoftBank Corp.) in 2004. Anticipating the future of mobile internet, we acquired Vodafone K.K. (currently SoftBank Corp.) in 2006, shifting our focus to mobile communications. We introduced innovative and market-leading products such as the iPhone, becoming the first carrier to offer it in Japan. This move positioned us as a leading mobile communications provider in Japan. We entered the U.S. telecommunications market through the acquisition of Sprint Corporation ("Sprint") in 2013, and Sprint subsequently merged with T-Mobile in 2020. As computing and semiconductors became increasingly important to the next phase of technological development, we acquired Arm in 2016, which subsequently completed its landmark initial public offering ("IPO") in 2023. More recently, as our investment focus has shifted toward AI, we made our first investment in OpenAI through SVF2 in 2024 and have since substantially increased our exposure to OpenAI and other AI-related businesses and investments. See "—History."

Over this period, the composition of our portfolio has evolved significantly as we have repositioned capital toward successive technology waves. For example, Alibaba was a major driver of our historical NAV growth and value creation for many years, while Arm has emerged as the largest contributor to our current NAV as our investment focus has increasingly shifted toward AI. Despite these changes in portfolio composition, the value of our portfolio has expanded substantially over the long term. The graphic below illustrates both the long-term growth in our NAV and the evolution of our major holdings over time. Our NAV was approximately ¥72.3 trillion ($445.2 billion) as of June 30, 2026.



(1) The NAV breakdown is based on the proportionate value of each equity holding at the end of each fiscal year, before tax. The Equity Value of Holdings and the Company's net debt are adjusted for asset-backed finance. NAV trends do not guarantee future figures, are not indicative of the price of the Company's common shares or any securities it holds, and should not form the basis of investment decisions.

(2) The Japanese Yen amount has been translated into a U.S. dollar amount at the rate of ¥162.39 = $1.00, the exchange rate prevailing as of June 30, 2026.

We believe this long-term value creation has been supported by a repeatable investment and capital recycling model: identifying long-term trends, investing in attractive opportunities, supporting and scaling portfolio companies, crystallizing and monetizing value, and rotating and recycling capital into new strategic opportunities.

Identify and invest

A key element of our investment approach is our ability to identify structural technology shifts at an early stage and form a long-term view of where technology and markets are heading. Drawing on decades of experience across successive technology cycles, we seek to identify opportunities that we believe have the potential to create substantial long-term value before they become fully reflected in prevailing market expectations.

Once we develop strong conviction in an opportunity, we have demonstrated the ability to deploy meaningful capital with a long-term investment horizon. Rather than seeking broad exposure to every emerging trend, we focus capital on selected opportunities where we believe we have differentiated conviction in the underlying technology, market potential and ability to create value over time.

Our acquisition of Arm in 2016 is a representative example of this approach. We acquired Arm for approximately $32 billion based on our long-term conviction in the growing strategic importance of semiconductors and compute. Arm has since become our largest holding and a major contributor to our NAV, demonstrating the potential value of identifying a structural technology opportunity early and investing behind it with conviction. We are applying the same long-term approach today as we reposition our portfolio toward AI, including through significant investments in OpenAI and businesses and investments across our AI Chip, AI Model, AI Infrastructure and Physical AI portfolios.

Support and scale

Once we invest, we seek to support portfolio companies as they scale by leveraging our global network, strategic relationships, operating experience and broader ecosystem. We aim to provide portfolio companies with access to business collaboration opportunities, strategic resources and information, while preserving management autonomy and entrepreneurial flexibility. We support both organic and inorganic growth. This can include facilitating collaboration across our portfolio and broader network, supporting access to talent, customers, financing and other strategic resources, and helping portfolio companies pursue strategic M&A where we believe it can accelerate growth, strengthen competitive positioning or expand capabilities.

Our investment in Sprint provides a representative example of this approach. Following our acquisition of Sprint in 2013, we supported its strategic development and subsequent combination with T-Mobile in 2020, creating a larger and more competitive U.S. wireless platform with greater scale and capabilities. The transaction also enabled us to participate in the significant value creation that followed, illustrating how strategic support and M&A can help enhance the long-term value of our investments. Arm provides another example of this approach. Since our acquisition in 2016, Arm has expanded beyond mobile into cloud, automotive, data-center and AI-related applications, broadening its addressable markets and significantly scaling its business. Its 2023 IPO represented another milestone in this evolution.

Crystallize and monetize

As our investments mature, we seek to crystallize and monetize value through a range of channels, including public market listings, secondary share sales, strategic disposals, dividends and asset-backed financing. This flexibility allows us to tailor the timing and method of monetization to the characteristics of each investment, prevailing market conditions and our broader capital allocation priorities.

We have demonstrated this approach across a number of major investments. We gradually monetized our investment in Alibaba over a long investment horizon, realized substantial value from our T-Mobile holdings through secondary share sales and other monetization transactions, and crystallized value from Arm through public market transactions and asset-backed financing arrangements while retaining significant exposure to its continued growth. More broadly, our track record of value crystallization includes numerous public market listings across our portfolio, with SVF having facilitated 62 public listings since inception as of June 30, 2026, including the subsequent U.S. listing of PayPay Corporation ("PayPay"), which was launched as an internal startup within the Group in 2018 and completed its IPO on Nasdaq in March 2026.

Our selected investment track record for Alibaba, T-Mobile and Arm is summarized in the table below, which presents the multiple on invested capital ("MOIC"), internal rate of return ("IRR") and total return for each investment.

	Alibaba	T-Mobile[8]	Arm
	(In trillions of yen, except MOIC and IRR)		
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]	0.01	—	53.1
Realized Return[4]	9.8	4.2	0.1
Total Return[5]	9.8	5.8	54.3
MOIC[6]	1,340x	10.3x	22.7x
IRR[7]	57.2%	25.1%	37.2%

(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 the Company and SVF.

(3) Unrealized return in Arm represents the market value of Arm shares held by the Company as of June 30, 2026 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. The calculation does not deduct any outstanding margin loans backed by Arm shares as of that date.

(4) 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.

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

(6) 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 June 30, 2026, and excluding the effects of tax.

(7) IRR represents the annualized rate of return from the date of investment to June 30, 2026 calculated based on the total return net of repayment of the debt portion of acquisition consideration and the equity portion of acquisition consideration.

(8) Our investment in T-Mobile resulted from our acquisition of Sprint in 2013 and Sprint's subsequent merger with T-Mobile in 2020.

Rotate and reinvest

Value realized through monetization, including proceeds from asset-backed financings, can, in turn, be redeployed into new strategic opportunities, supporting the continued evolution of our portfolio. We seek to recycle capital generated from mature and monetized investments toward areas where we see the greatest long-term growth potential. As our investment focus has increasingly shifted toward AI, proceeds from asset monetizations, together with dividends from SoftBank Corp. and fund distributions from SVF, have provided capital for investments in new AI-related opportunities.

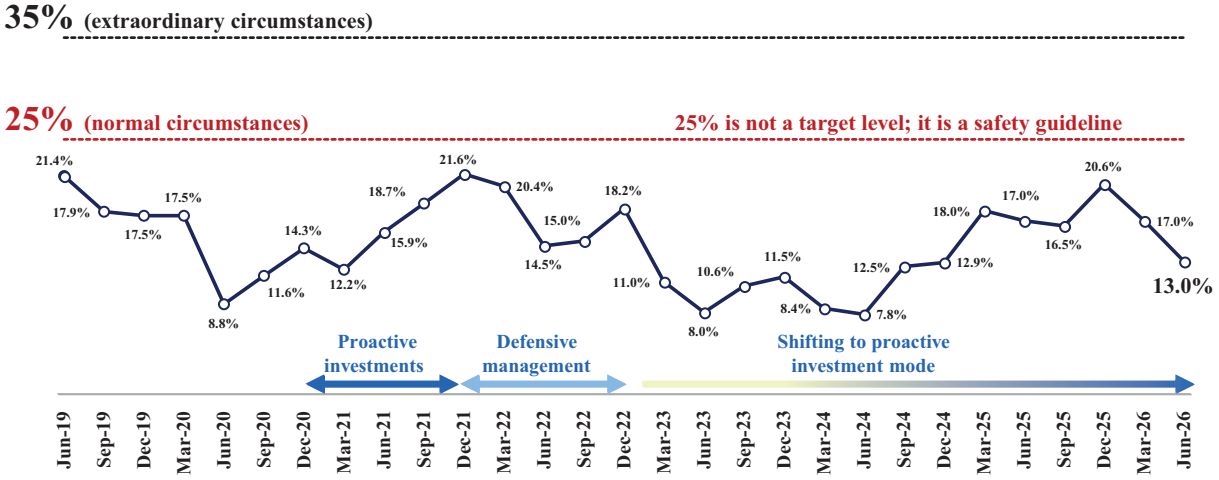
In the fiscal year ended March 31, 2026, we made approximately ¥7.3 trillion of investments, while generating approximately ¥6.3 trillion from the monetization of existing assets and ¥0.7 trillion of distributions from SVF. This demonstrates how capital generated from our existing portfolio can support significant new investment activity and continued portfolio rotation, while helping preserve financial flexibility at the SBG level.

Diverse funding sources and disciplined financial management

We adhere to a disciplined and prudent approach to financial management centered on two core financial policies designed to preserve balance sheet strength and liquidity through market cycles while maintaining the flexibility required of an investment holding company. These policies are to (i) manage our Loan-to-Value (LTV) ratio below 25% in normal circumstances, with an upper threshold of 35% in extraordinary circumstances, and (ii) maintain sufficient liquidity to cover bond redemptions for at least the next two years. We have consistently managed our balance sheet in accordance with these policies, which serve as the foundation for our disciplined approach to investment, financing and capital management.

Manage LTV Below 25% in Normal Circumstances

We view the 25% LTV threshold as a safety guideline rather than a target level and believe that maintaining LTV below 25% in normal circumstances (and below 35%, in extraordinary circumstances) represents a highly prudent financial standard. Our LTV stood at 13.0% as of June 30, 2026, comfortably below our normal time policy ceiling. We have adhered to this LTV financial policy since 2019, when we accelerated our transformation from a telecommunications company into an AI-centric strategic investment holding company, and have consistently maintained our LTV below 25%, as shown in the chart below. Over this period, LTV has fluctuated in response to changes in the value of our holdings, investment activity and asset monetization, while remaining within our financial policy framework.



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

In addition to our LTV financial policy, we manage our finances to maintain sufficient liquidity to cover bond redemptions for at least the next two years. We believe this policy provides an important layer of financial stability for an investment holding company by reducing near-term refinancing risk and preserving flexibility through periods of market volatility.

We have consistently maintained liquidity in line with this policy over the past several years. As of June 30, 2026, we maintained strong standalone liquidity totaling ¥2.3 trillion ($14.2 billion), including undrawn commitment line borrowing capacity of ¥489.5 billion ($3.0 billion), which we believe is sufficient to redeem bonds maturing in the next two years. Together with our LTV framework, this liquidity policy forms a core part of our disciplined financial management, allowing us to maintain a strong liquidity buffer while preserving the flexibility to respond to changing market conditions and investment opportunities.

We seek to preserve this financial flexibility through diversified sources of liquidity and funding. We manage our cash-on-hand by utilizing bank deposits and corporate bonds (primarily investment-grade bonds with short maturities) with competitive interest yields primarily in U.S. dollars, while proactively pursuing attractive investment opportunities. We also have strong and well-established relationships with leading global banks, as demonstrated by the successful execution of two large-scale bridge loan transactions in recent periods. In April 2025, 21 leading international and domestic banks participated in our $15.0 billion bridge loan to support the Ampere acquisition and the first closing of the 2025 OpenAI Follow-on Investment. In March 2026, we entered into a $40 billion bridge loan facility primarily for the purpose of raising funds required for the 2026 OpenAI Follow-on Investment, as well as for general corporate purposes. The facility was initially provided by five leading domestic and international banks and was subsequently syndicated to more than 30 participating financial institutions. See “Description of Other Indebtedness—2026 Bridge Loan Facility.” We actively manage the maturity profile of our indebtedness to reduce refinancing risk and preserve financial flexibility. From fiscal year ending March 31, 2029 onward, we expect to place greater emphasis on debt management, including further diversifying our maturity profile while managing funding costs.

We also maintain longstanding access to the Japanese domestic retail bond market, where we have issued retail bonds named Fukuoka SoftBank HAWKS Bond since 2005. Over more than two decades, we have established a strong track record of issuance and redemption, with cumulative issuance reaching approximately ¥11.6 trillion following our ¥1.0 trillion retail bond issuance on September 17, 2026. Our broad base of more

than 900,000 retail bond investors, together with the depth of Japan's household financial assets, provides us with stable and differentiated access to funding and further diversifies our funding base beyond banks and institutional capital markets. The September 2026 issuance represented our 70th unsecured straight corporate bond in the Japanese domestic retail bond market, setting a record for the largest Japanese domestic retail issuance with a principal amount of ¥1 trillion.

In addition to diversifying our funding sources across markets and investors, we have progressively diversified the currency composition of our funding to better align with our investment and monetization activities as well as interest rate environment, which are primarily U.S. dollar-denominated. The proportion of U.S. dollar-denominated debt has increased from approximately 18% in 2019 to 50% as of June 30, 2026.

Our financial flexibility is further supported by the liquidity and monetization capacity of our portfolio. As of June 30, 2026, 69.1% of our portfolio, based on Equity Value of Holdings, was comprised of listed assets, led by Arm (60.1%) and SoftBank Corp. (3.4%). Intel Corporation ("Intel") also illustrates the potential value and liquidity embedded in our listed portfolio, as demonstrated by the approximately $7.4 billion of proceeds we raised through the monetization of our investment in Intel. The liquidity of these assets affords us substantial flexibility, enabling us to swiftly capitalize on monetization and asset-financing opportunities to bolster our cash position and seize attractive investment prospects as they arise.

We have a demonstrated track record of converting portfolio value into liquidity through these channels. Over time, we have systematically monetized mature assets, including the gradual sale of our holdings in SoftBank Corp. through its IPO and subsequent secondary sales, and the exit of investments in Alibaba, Deutsche Telekom, NVIDIA, and T-Mobile. We have strengthened our margin loan initiatives by utilizing the substantial value of our equity holdings. As of June 30, 2026, margin loan balances totaled ¥1.2 trillion ($7.4 billion) and ¥3.2 trillion ($19.8 billion), secured by SoftBank Corp. and Arm shares, respectively. We also have a proven track record of asset-backed financing with unlisted assets, such as Arm before its IPO.

We also maintain additional financial flexibility through the potential monetization of late-stage portfolio companies, including OpenAI, Oravel Stays Limited (Prism), SB Energy and Klook Technology Limited. Since inception, SVF has supported 62 public listings, demonstrating a meaningful track record of bringing portfolio companies to the public markets. Most recently, PayPay completed its IPO in March 2026, which resulted in $383 million of gross proceeds to SVF2. Public listings and subsequent monetization provide an additional avenue for realizing value, recycling capital and managing our LTV.

We manage these funding and monetization tools within the framework of our financial policies and seek to balance new investments with value realization and capital recycling while maintaining financial discipline. It is also our general policy that portfolio companies be self-financing, and we seek to avoid rescuing portfolio companies facing serious financial difficulties in order to prevent the diversion of resources from SBG.

Looking ahead, we intend to continue prioritizing growth investments that support future NAV expansion while maintaining financial soundness. We expect to leverage our substantial liquidity and diversified funding capacity, actively monitor portfolio companies for opportunities to monetize and recycle capital, and make increasing use of project-level and non-recourse financing structures, where appropriate, for capital-intensive AI infrastructure investments such as power generation and data centers. While remaining firmly committed to our financial policies, we aim to preserve the agility and flexibility to adjust investment, monetization and financing activities as market conditions and opportunities evolve.

World-class management team led by Japan's most successful entrepreneur, with a track record of growing businesses and controlling risk 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, Mr. 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 Mr. Yoshimitsu Goto, Senior Vice President and CFO & CISO with over three decades of finance experience; Mr. Ken Miyauchi, the former Chairman and CEO of SoftBank Corp., who joined us shortly after its founding and spearheaded domestic business expansion alongside Mr. Masayoshi Son; and Mr. Rene Haas, the CEO of Arm, with 35 years of semiconductor industry experience. On April 21, 2026, Mr. Rene Haas also

assumed the additional role of CEO of SoftBank Group International to support coordination across our semiconductor and AI-related portfolio. Additionally, Mr. 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 combines investment judgment, operating experience, strategic relationships and financial discipline to identify opportunities, support portfolio companies and manage risk across market cycles. Our management has demonstrated an 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 (currently 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. Our acquisition of Arm and subsequent investments have also supported our broader 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 believe this management capability is reinforced by a robust corporate governance and oversight framework designed to promote disciplined decision-making, accountability and appropriate risk management across both SBG and its portfolio companies. Our governance framework includes (i) the SoftBank Group Charter, which establishes our fundamental governance concept as "free, fair, innovative," (ii) our "Group Company Management Regulations," which outlines our management policy and framework for portfolio companies, (iii) our Code of Conduct, which prescribes policies for the Company, its Board of Directors, and employees, and (iv) a Nominating & Compensation Committee.

Given the scale and evolving composition of our investment portfolio, governance over significant investment and financing decisions is an important component of our risk management framework. Agenda items for meetings of our Board of Directors are prescribed by the Regulations of the Board of Directors and include statutory matters and significant business management matters, including investments, loans and borrowings exceeding specified thresholds. For more information regarding our investment decision-making framework, see "—Approach Concerning Investment Decisions."

Our Board of Directors currently consists of nine directors, including five external directors, providing a majority of external representation on the Board. The Chairman and CEO serves as chairman of the Board. We elect independent external directors in accordance with the independence criteria established by the Tokyo Stock Exchange, and our external directors bring diverse knowledge and experience to Board deliberations and actively participate in discussions regarding significant strategic, financial and investment matters.

We also regularly evaluate the effectiveness of our Board and seek to strengthen its oversight function. From December 2025 to April 2026, an independent organization conducted questionnaires and interviews with our Representative Director, Board Directors and Audit & Supervisory Board members regarding the culture, composition and operation of our Board of Directors, and evaluated the overall effectiveness of the Board based on the results. The evaluation confirmed that a trust-based relationship and healthy checks and balances among management and the Board, together with active discussion among independent and diverse directors, have been maintained and firmly established as part of our Board culture. The evaluation also confirmed effective Board monitoring of investments and portfolio companies.

Our governance standards extend beyond SBG to our approach to evaluating and overseeing portfolio companies. When evaluating potential investments and managing portfolio companies, we endeavor to ensure that each portfolio company operates under governance standards substantially equivalent to our own, as set forth in our "Portfolio Company Governance and Investment Guidelines Policy." This framework is intended to support appropriate risk oversight and accountability while allowing portfolio companies to retain the operational autonomy and entrepreneurial strengths that are central to our investment approach.

Looking ahead, we believe the combination of our experienced management team, disciplined investment and risk oversight and robust corporate governance framework will remain important to executing our AI-centric strategy. We intend to continue leveraging the experience and networks of our management team while maintaining strong governance and risk controls as the scale and composition of our portfolio evolves.

Recent Developments

Since June 30, 2026, we have continued to pursue our business and investment strategies, including the following recent developments:

Issuance of the 70th series Yen-denominated Corporate Bonds. On September 17, 2026, we issued ¥1.0 trillion aggregate principal amount of our 70th series Yen-denominated Corporate Bonds. The bonds have a term of seven years, bearing interest at a rate of 4.75% per annum. See "Description of Other Indebtedness—Borrowings—Corporate Bonds."

Repayment of the outstanding amount under the 2026 Bridge Loan Facility. On September 15, 2026, we repaid in full the $25.9 billion then outstanding under the 2026 Bridge Loan Facility. Following such repayment, no amounts remained outstanding under the 2026 Bridge Loan Facility, while the remaining $10.0 billion undrawn amount remained available. We plan to use the proceeds of this offering, concurrently with cancelling all of the $10 billion of undrawn capacity under the 2026 Bridge Loan Facility, towards the October 1, 2026 $10 billion third closing under the 2026 OpenAI Follow-on Investment. See "Description of Other Indebtedness—Borrowings—2026 Bridge Loan Facility."

Monetization of Intel Shares through Variable Prepaid Forward Transactions. In August 2026, through a wholly owned subsidiary, we entered into variable prepaid forward transactions in respect of all of our holdings in Intel, pursuant to which we received upfront proceeds of approximately $7.4 billion.

Increase in Margin Loan Backed by Arm Shares. In September 2026, we amended the margin loan backed by Arm shares to extend the repayment maturity by one year from September 2027 to September 2028, and to increase the maximum borrowing amount by $5.0 billion, from $20.0 billion to $25.0 billion, and, on September 10, 2026, drew the additional $5.0 billion in full. 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."

New Senior Term Loan Facility. In September 2026, we entered into a senior term loan facility with a syndicate of Japanese and other financial institutions for an aggregate principal amount of $11.9 billion, with a two-year maturity, and drew it down in full. For more details, see "Description of Other Indebtedness—Borrowings—Senior Term Loan Facility."

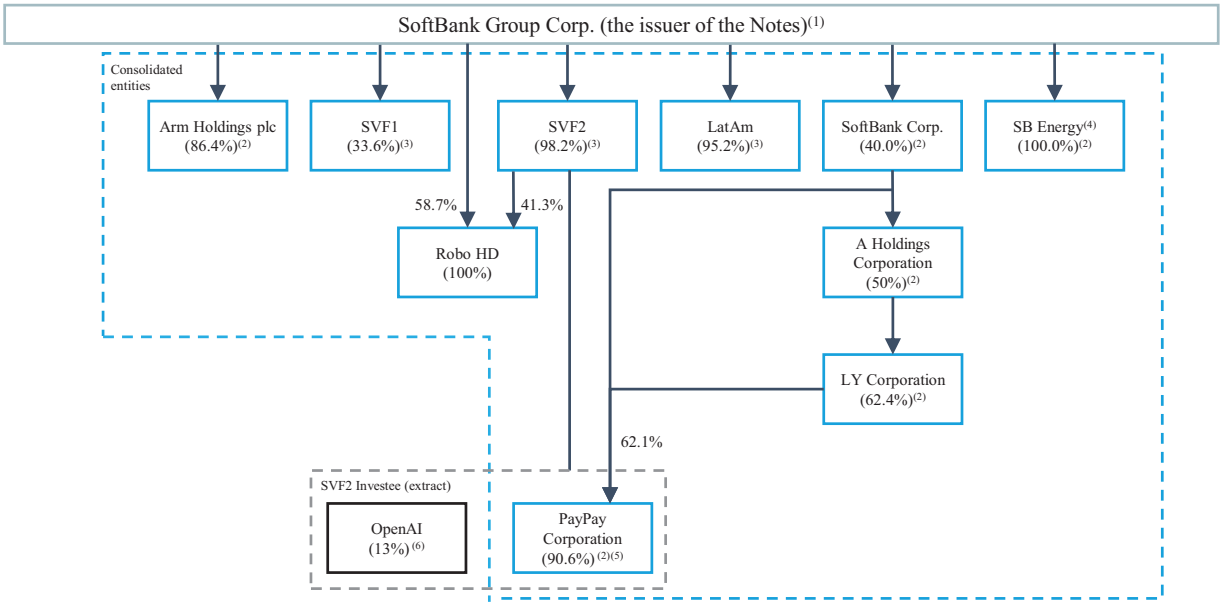
Financing Agreement Using OpenAI Shares. In August 2026, a subsidiary of SVF2 entered into a $10.0 billion loan agreement with a syndicate of financial institutions. The full $10.0 billion has been drawn during August 2026. Principal is repayable in August 2028. The collateral under the loan agreement consists of a cash collateral account of the borrower, and the Company is the guarantor. The loan agreement also includes provisions that may require additional cash collateral or mandatory prepayment in certain circumstances, including upon a significant decrease in the fair value of the OpenAI preferred shares held by SVF2 and referenced under the loan agreement. For more details, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Financing Agreement Using OpenAI Shares."

Additional Follow-on Investments in OpenAI. On July 1, 2026, we drew down $10.0 billion under the 2026 Bridge Loan Facility to fund the second tranche of our 2026 follow-on investments in OpenAI. This drawdown formed part of the $30.0 billion of follow-on investments in OpenAI through SVF2 announced on February 27, 2026 at a pre-money valuation of $730.0 billion. Following such funding of the second tranche, we are only due to fund the third tranche which is expected to close on October 1, 2026. As of the date of this offering memorandum, the Company has sufficient undrawn capacity under the 2026 Bridge Loan Facility to cover the funds for investment in October under the 2026 OpenAI Follow-on Investment. We plan to use the proceeds of this offering, concurrently with cancelling all of the $10 billion of undrawn capacity under the 2026 Bridge Loan Facility, towards the October 1, 2026 $10 billion third closing under the 2026 OpenAI Follow-on Investment. Following completion of all three tranches of the 2026 OpenAI Follow-on Investment, the Company's cumulative investment in OpenAI is expected to reach $64.6 billion and its ownership interest is expected to be approximately 13%.

Additional Borrowings under SVF2-Backed Facility. We elected to incur an additional $4.2 billion of borrowings under the facility agreement secured by the equity interests of certain subsidiaries of SVF2. Such borrowings are on a non-recourse basis to the Company. See Note 23 to our consolidated financial statements for the fiscal year ended March 31, 2026.

Organizational Structure

The following is a simplified chart of the corporate and financing structure of the Company as of June 30, 2026. 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. 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, 2026, the principal shareholder of the Company is the Representative Director, Corporate Officer, Chairman & CEO of the Company, Mr. Masayoshi Son (32.73%).

(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 shown include equity and preferred equity contributions made by the Company under a co-investment program with MASA USA LLC, a company controlled by Mr. Masayoshi Son.

(4) SB Energy publicly filed a registration statement on Form S-1 with the SEC on September 1, 2026 in connection with its proposed initial public offering.

(5) The 90.6% voting interest in PayPay Corporation includes a 28.5% interest held by SVF2.

(6) Reflects the Company's expected ownership interest in OpenAI upon completion of the third tranche of the 2026 OpenAI Follow-on Investment, which is expected to close on October 1, 2026.

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 "Description of the Notes"

Issuer	SoftBank Group Corp.
Notes Offered	$1,000,000,000 aggregate principal amount of its 8⅝% Senior Notes due 2030 denominated in U.S. dollars (the "2030 Dollar Notes"); $4,500,000,000 aggregate principal amount of its 9¼% Senior Notes due 2032 denominated in U.S. dollars (the "2032 Dollar Notes"); $4,500,000,000 aggregate principal amount of its 9¾% Senior Notes due 2034 denominated in U.S. dollars (the "2034 Dollar Notes," and together with the 2030 Dollar Notes and the 2032 Dollar Notes, the "Dollar Notes"); €500,000,000 aggregate principal amount of its 7⅛% Senior Notes due 2030 denominated in euro (the "2030 Euro Notes"); and €500,000,000 aggregate principal amount of its 8% Senior Notes due 2032 denominated in euro (the "2032 Euro Notes," and together with the 2030 Euro Notes, the "Euro Notes," and together with the Dollar Notes, the "Notes").
Issue Date	On or about September 29, 2026.
Offering Price	100% of the principal amount of the Notes *plus* accrued interest, if any, from the Issue Date.
Maturity Date	2030 Dollar Notes: April 1, 2030. 2032 Dollar Notes: April 1, 2032. 2034 Dollar Notes: April 1, 2034. 2030 Euro Notes: October 1, 2030. 2032 Euro Notes: October 1, 2032.
Interest Payment Dates	We will pay interest on the Notes semi-annually in arrear on April 1 and October 1 of each year, commencing April 1, 2027.
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 $250,000 and integral multiples of $1,000 in excess thereof and Euro Notes will be issued in minimum denominations of €250,000 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 Yen-denominated Corporate 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, a series 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."
Covenants	We will issue the Notes under an indenture (the "Indenture") that will limit, among other things, the Company's ability to: • create or incur certain liens; and • consolidate or merge with other entities. Each of the covenants is subject to a number of important exceptions and qualifications. 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-principle 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, if traded on the SGX-ST, will be traded in a minimum board lot size of (in the case of the Dollar Notes) $250,000 or (in the case of the Euro Notes) €250,000. 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 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 and are subject to restrictions on transferability and resale. Accordingly, the Notes may not be offered, sold, pledged or otherwise transferred or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) except (a) to Qualified Institutional Buyers in reliance on the exemption from the registration requirements of the Securities Act provided by Rule 144A that are also Qualified Purchasers (as defined in Section 2(a)(51)(A) of the Investment Company Act and the rules and regulations thereunder) and (b) outside the U.S. to persons other than "U.S. persons" (as defined in Rule 902 under the Securities Act) in offshore transactions in compliance with Regulation S. See "Transfer Restrictions" and "Plan of Distribution" 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). We have the right under the Indenture to require any holder of a Note (or beneficial interest therein) that is a U.S. person and is determined not to have been both (i) a Qualified Institutional Buyer and (ii) a Qualified Purchaser at the time of acquisition of such Note (or such beneficial interest therein) or is otherwise determined to be in breach, at the time given, of any of the representations and agreements contained in "Transfer Restrictions" to transfer such Note (or such beneficial interest therein), within 30 days after notice of the sale requirement is given, to a transferee acceptable to us who is able to and who does make all of the representations and agreements set forth in "Transfer Restrictions."
Use of Proceeds	We expect to receive a total of approximately $11,030 million (equivalent) in net proceeds from this offering, comprising approximately $9,900 million from the Dollar Notes and €990 million from the Euro Notes, after deducting underwriting discounts and commissions and other offering expenses payable by us. As of the date of this offering memorandum, we have sufficient undrawn capacity under the 2026 Bridge Loan Facility to cover the funds for investment in October under

	the 2026 OpenAI Follow-on Investment. We plan to use the proceeds of the offering, concurrently with cancelling all of $10 billion of the undrawn capacity under the 2026 Bridge Loan Facility, towards the October 1, 2026 $10 billion third closing under the 2026 OpenAI Follow-on Investment. Any remaining proceeds will be used for general corporate purposes. See "Description of Other Indebtedness—Borrowings—2026 Bridge Loan Facility" and "Management's Discussion and Analysis of Financial Condition and Results of Operations—Overview—Follow-on Investments in OpenAI."
Additional Amounts	All payments made by or on behalf of the Company or a guarantor under or with respect to the Notes or any guarantee of the Notes 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 or any guarantee of the Notes, subject to certain exceptions, the Company or guarantor 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, Dollar Notes Paying Agent, Dollar Notes Transfer Agent and Dollar Notes Registrar	The Bank of New York Mellon
Euro Notes Paying Agent	The Bank of New York Mellon, London Branch
Euro Notes Transfer Agent and Euro Notes Registrar	The Bank of New York Mellon SA/NV, Dublin Branch
Security Codes	2030 Dollar Notes sold under Regulation S: ISIN: USJ7600PAA15 CUSIP: J7600P AA1 Common Code: 352214990 2030 Dollar Notes sold under Rule 144A: ISIN: US83408KAA79 CUSIP: 83408K AA7 Common Code: 352214981 2032 Dollar Notes sold under Regulation S: ISIN: USJ7600PAB97 CUSIP: J7600P AB9 Common Code: 352215015 2032 Dollar Notes sold under Rule 144A: ISIN: US83408KAB52 CUSIP: 83408K AB5 Common Code: 352215007 2034 Dollar Notes sold under Regulation S: ISIN: USJ7600PAC70 CUSIP: J7600P AC7

	Common Code: 352215031
	2034 Dollar Notes sold under Rule 144A:
	ISIN: US83408KAC36
	CUSIP: 83408K AC3
	Common Code: 352215023
	2030 Euro Notes sold under Regulation S:
	ISIN: XS3516261271
	CUSIP: J7600P AD5
	Common Code: 351626127
	2030 Euro Notes sold under Rule 144A:
	ISIN: XS3516262329
	CUSIP: 83408K AD1
	Common Code: 351626232
	2032 Euro Notes sold under Regulation S:
	ISIN: XS3516262832
	CUSIP: J7600P AE3
	Common Code: 351626283
	2032 Euro Notes sold under Rule 144A:
	ISIN: XS3516263053
	CUSIP: 83408K AE9
	Common Code: 351626305
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.
Clearing Systems	DTC, and its participants, including Euroclear and Clearstream in the case of the Dollar Notes
	Euroclear and Clearstream in the case of the Euro 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

Changes in market conditions and the performance of our investments could adversely affect our financial condition and results of operations.

As part of our overall business activities, we have built a strategic investment portfolio consisting of companies and businesses 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. From time to time, we seek to exit from such equity investments, as we deem appropriate in light of our strategic objectives, 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.

The value and performance of our investments may be affected by changes in stock and other capital markets, economic conditions, industry-specific developments, monetary policy and other market trends, as well as by the business performance and prospects of the companies in which we invest. 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, materially and adversely affecting our financial condition and results of operations, and hindering our ability to make new investments critical to the success of our financial policies.

Our strategic focus on AI and technology companies makes us particularly sensitive to sector-specific risks.

Our businesses and investment activities are increasingly focused on companies, businesses and technologies related to AI. Our future success thus 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. A widespread shift in prevailing sentiment against AI and related technologies could have a significant negative impact on our portfolio valuation, materially and adversely affecting our financial condition and results of operations.

Our ability to exit investments and realize gains depends on the health of the IPO market given our significant investments in unlisted companies.

Because our strategic investments include unlisted companies that are seeking to go public in industries relevant to our strategic priorities, 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. For a discussion of risks relating to the timing and ability to exit or monetize our investments, see "—Risks Related to SVF Segment—SVF may not be able to exit from investments."

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 have recently completed several significant investments as part of our investment strategy and are planning additional investments that may require further financing. We completed the first and second closing of our follow-on investments in OpenAI announced on February 27, 2026, including $10.0 billion invested on April 1, 2026 and $10.0 billion invested on July 1, 2026, in each case through SVF2. The remaining tranche of $10.0 billion is expected to close on October 1, 2026. As of the date of this offering memorandum, we have sufficient undrawn capacity under the 2026 Bridge Loan Facility to cover the funds for investment in October under the 2026 OpenAI Follow-on Investment. We plan to use the proceeds of the offering, concurrently with cancelling all of the $10 billion of undrawn capacity under the 2026 Bridge Loan Facility, towards the October 1, 2026 $10 billion third closing under the 2026 OpenAI Follow-on Investment. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Recent Developments." 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 financings, 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. See "Description of Other Indebtedness—Borrowings." 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. While we have a financial policy to maintain our LTV ratio below 25% under normal circumstances and 35% in extraordinary circumstances, our LTV may temporarily exceed 25% if, for example, the equity value of our holdings declines or asset monetization or asset-backed financing does not proceed as planned. 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 with 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.

Our investment portfolio is concentrated in a small number of large positions, which exposes us to elevated risks vis-à-vis such investments.

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. For example, on November 25, 2025, we acquired 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, for a total consideration of $6.5 billion. In addition, on

October 8, 2025, we entered into a definitive agreement with ABB Ltd ("ABB") to acquire ABB's Robotics Business for a total purchase price of $5.375 billion. Furthermore, on December 29, 2025, we entered into a definitive agreement to acquire all the outstanding common stock of DigitalBridge Group, Inc. ("DigitalBridge") for approximately $3.1 billion. DigitalBridge is a leading global alternative asset manager dedicated to investing in digital infrastructure, including data centers, cell towers, fiber networks, and edge infrastructure. Our strategic investment portfolio includes companies that we believe have a competitive edge over peers in each sector, centered on semiconductors and AI, and includes portfolio companies such as Arm and OpenAI. We also make investments through SVF1, SVF2 and LatAm in diverse geographies and sectors.

We engage in investment activities with the expectation that they will result in various benefits, including 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 remaining investment commitment under the 2026 OpenAI Follow-on Investment, our pending acquisition of ABB's Robotics Business and our investments in AI infrastructure, including but not limited to our participation in the Stargate Project, the strategic partnership with OpenAI and SB Energy for AI Data Centers, the U.S. power generation facilities in the vicinity of Pike County, Ohio of up to approximately 10GW, our planned AI data center development project in France, and our pending acquisition of DigitalBridge. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Overview—Participation in AI infrastructure Projects" for a description of the Stargate Project, U.S. power generation project and AI data center development projects. See "—Risks Related to Our Investment in OpenAI" for a description of risks that are related to our investment in OpenAI, 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 AI Computing Segment" for a description of risks that are especially related to SVF, SoftBank Corp. and our AI Computing segment, respectively, which have a particularly large impact on our consolidated operating results.

Geopolitical instability, trade disputes, and sanctions may adversely affect our investments and operations.

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 armed conflict involving Iran and a coalition of U.S. and Israeli forces that commenced on February 28, 2026, continued trade tensions between the United States and its trading partners, including China, Japan and the European Union, the ongoing Russia-Ukraine conflict 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 in 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, such geopolitical instability, particularly in energy-producing regions, has resulted in increased energy costs, including higher oil and gas prices, which could adversely affect global economic conditions, increase operating costs of our portfolio companies and disrupt supply chains. In addition, 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.

Regulatory approvals may delay or prevent completion of our pending transactions.

Our investment activities may require approvals and permissions from the regulatory authorities of relevant countries, such as the Committee on Foreign Investment in the United States (CFIUS) and the Federal Energy Regulatory Commission (FERC) in the case of the proposed acquisition of DigitalBridge, and approvals in connection with the proposed acquisition of ABB's Robotics Business. We have received all required regulatory approvals in relation to the proposed acquisition of DigitalBridge; accordingly, all conditions to the closing of the transaction have been satisfied, other than those conditions to be satisfied on the closing date. Such regulatory reviews may be prolonged and any approvals may be subject to remedies, divestitures, behavioral undertakings or other conditions, which could delay the closing of the relevant transaction, increase its costs, reduce the anticipated benefits of the transaction or ultimately cancel the transaction. 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, or our activities involving our portfolio companies may be restricted, materially and adversely affecting our financial condition and results of operations.

Foreign currency exchange rate fluctuations may adversely affect our financial results.

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, as many of our most significant investments (including Arm, OpenAI and the majority of the SVF portfolio) are primarily valued in U.S. dollars. 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. Since early 2021, the value of the yen has decreased against the U.S. dollar, reaching a four-decade low as of July 2026. This trend has positively contributed to our Equity Value of Holdings and NAV, and it is possible that if the trend reverses and the yen rapidly increases in value, either organically or due to intervention by monetary authorities, 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.

We may overestimate investment targets or fail to anticipate risks in our 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.

The value of our portfolio companies may decline, requiring us to record valuation losses.

Our portfolio companies may be unable to develop their 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 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, intangible assets and other 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 to 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.

We may provide additional financial support to portfolio companies in financial difficulty.

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 affect 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. Our investment portfolio has become increasingly concentrated in AI-related assets. As of June 30, 2026, Arm represented approximately 60.1% of our Equity Value of Holdings, and our exposure to OpenAI has continued to increase through our 2026 follow-on investment. 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 their valuation and prospects for future liquidity.

We have on several occasions monetized portions of our investments to align with our evolving strategic priorities—recent examples include the monetization of substantially all of our position in Alibaba, which was completed in 2023, and a portion of our position in T-Mobile, and all of our positions in Deutsche Telekom and NVIDIA through their sale in 2025, and all of our holdings in Intel through variable prepaid forward transactions entered into in August 2026. We may continue to monetize portions of our investments in the future. In some instances, such monetization may require us to raise significant amounts of indebtedness, which may be secured directly or indirectly over the relevant assets.

Furthermore, for certain of our asset-backed financings, 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 2025, we increased our borrowings under the margin loan backed by SoftBank Corp. shares by ¥400.0 billion, from ¥800.0 billion to ¥1,200.0 billion. Separately, in September 2026, we amended the margin loan backed by Arm shares to extend the repayment maturity by one year, from September 2027 to September 2028, and to increase the borrowing limit by $5.0 billion, from $20.0 billion to $25.0 billion. On September 10, 2026, we drew the additional $5.0 billion in full. 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. In addition, certain of our margin loan arrangements also include similar provisions. For example, the margin loan agreement backed by Arm shares includes an additional cash collateral provision and a mandatory prepayment clause, which may be triggered under certain circumstances, including a significant decrease in the fair value of the pledged Arm shares. 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.” As a result, a significant decline in Arm’s share price could have multiple adverse effects on us concurrently, including reducing our Equity Value of Holdings and NAV, increasing our LTV and increasing collateral requirements or resulting in prepayment

obligations under the margin loan backed by Arm shares. These effects could adversely affect our liquidity and financing flexibility and could amplify the impact of a decline in Arm's share price on our financial condition.

Separately from our asset-backed financings, certain of our other financing arrangements may also contain collateral or prepayment provisions that are affected by changes in the value of our portfolio investments. On August 5, 2026, a subsidiary of SVF2 entered into a $10.0 billion loan agreement with financial institutions, which is guaranteed by SBG. The financing is secured by a cash collateral account of the borrower and includes cash collateral and mandatory prepayment provisions that may be triggered by certain circumstances, including a significant decrease in the fair value of OpenAI preferred shares held by SVF2 and referenced under the loan agreement. A decline in the value of such shares could therefore result in additional collateral or prepayment requirements under the financing and adversely affect our liquidity or financing flexibility.

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 a 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 the realization of ASI and related technologies involves unique risks.

We actively invest, and expect to continue to invest, in and operate businesses in fields essential to the realization of Artificial Superintelligence (ASI). We believe that the realization of ASI will profoundly reshape industries and societies and will rely on increasingly advanced AI models, computing power, and infrastructure that enable AI to operate at scale with stability and the technologies that allow AI to be applied in the real world. We have identified four key pillars that support the advancement and social implementation of AI: AI model, AI Chip, AI infrastructure and Physical AI, and we are actively pursuing investments and business initiatives in these areas while seeking to create synergies within and across them. This includes technologies related to semiconductors, foundational model developers, AI infrastructure, 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 and infrastructure projects that have significant lead time and uncertainty regarding future results.

Risks relating to AI chips could adversely affect our AI Computing segment and broader AI investment strategy.

Many of our AI-focused investments involve semiconductors and semiconductor technologies and companies engaged in semiconductor design and development. Following the completion of the Ampere

Acquisition, we established the AI Computing segment as a reportable segment, which includes Arm, Ampere, Graphcore Limited and other semiconductor-related subsidiaries. The semiconductor industry is highly competitive, capital intensive and subject to rapid technological change, cyclical demand and geopolitical developments affecting the global semiconductor supply chain. If companies in our AI Computing segment, including Arm, are unable to maintain technological competitiveness, successfully develop and commercialize new products or respond effectively to changes in industry dynamics, the value of our semiconductor-related investments, the revenue of our AI Computing segment and our broader AI investment strategy could be adversely affected. For a more detailed discussion of risks relating to our AI Computing segment, see "—Risks Related to AI Computing Segment."

Risks relating to AI models could adversely affect the value and performance of our AI-related investments.

Our AI-focused investments involve companies developing foundational AI models and related technologies. For example, we have made and will continue to make significant investments through SVF2 in OpenAI, which develops and commercializes AI models and services. Our ability to identify promising AI technologies and platforms, models and related 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 models, 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 models, products and services. See "—Risks Related to Our Investment in OpenAI."

Risks relating to AI infrastructure could delay our projects and adversely affect our expected returns.

Our investments in AI infrastructure projects or companies with exposure to the sector, including the Stargate Project, our pending acquisition of DigitalBridge, the planned 10GW U.S. power generation project in Pike County, Ohio, our planned AI data center development project in France and other AI data center and related energy infrastructure investments, are subject to various uncertainties. For example, 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 comply with other governmental regulations, or any other obstacle arising during the planning, development or launch phases, could delay the completion of our planned AI infrastructure projects. Similarly, each project undertaken 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." In addition, if the market demand for AI technologies is overestimated across the industry, leading to widespread over-investment, or if there is an oversupply of AI infrastructure, this could result in reduced utilization rates and weaker pricing for AI infrastructure assets, which could adversely affect the profitability and future value of our investments in AI infrastructure. For a more detailed discussion of risks relating to our AI infrastructure, see "—Risks Related to Our AI Infrastructure Strategy."

Risks relating to physical AI could adversely affect the development and value of our related businesses and investments.

Our investments in physical AI involve technologies that enable AI to perceive the real world through sensors and other inputs, make informed judgments, and translate those judgments into actions through autonomous machines such as robots and autonomous vehicles. The successful development, commercialization, and scaling of these technologies is subject to significant uncertainties.

As part of our physical AI strategy, we entered into a definitive agreement with ABB to acquire ABB's Robotics Business for a total purchase price of $5.375 billion. The acquisition remains subject to closing conditions, including regulatory approvals, and there can be no assurance that the necessary approvals will be obtained or that the acquisition will otherwise be completed on the terms or timeline we expect, or at all. Even if the acquisition is completed, we may not be able to successfully integrate the acquired business, retain key personnel, customers or suppliers, maintain rights to acquired or licensed technology, or realize the expected strategic benefits or synergies. The acquired business may also require greater capital investment, operating costs or management attention than anticipated. Any failure to complete or successfully integrate the acquisition, or to realize its anticipated benefits, could delay the implementation of our physical AI strategy and adversely affect the value of our related investments.

Certain of our portfolio companies develop, manufacture and deploy robotic systems and physical AI technologies intended to operate in dynamic real-world environments, which may be subject to operational,

safety and regulatory challenges. If the robotic systems fail to perform as expected or give rise to safety incidents or other liabilities, our portfolio companies may incur increased costs, face delays in deployment, or lose customer confidence and the value of our investments may decline.

Broader risks relating to the AI industry could adversely affect our AI-related businesses, investments and expected returns.

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. 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 and 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. For example, certain commentators have also raised concerns that rapid advances in AI could result in AI systems becoming increasingly difficult for humans to control. 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. The substantial electricity, water and fuel requirements associated with our AI infrastructure strategy may also create challenges for our sustainability efforts. See "—Risks Related to Our AI Infrastructure Strategy—Our data-center and power generation operations are subject to regulatory, sustainability and reputational risks." AI infrastructure projects may also face opposition from local communities and policymakers due to concerns regarding electricity and water consumption, increased utility costs, grid reliability, noise, land use and other local environmental impacts. Such opposition, or broader concerns that AI technology is unsustainable, may result in additional permitting requirements, restrictions, increased costs, or the delay, relocation, downsizing or cancellation of projects. 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

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 primary and secondary investments via SVF2 in OpenAI, totaling $44.6 billion as of June 30, 2026.

On February 27, 2026, we announced that we had entered into an additional definitive agreement with OpenAI (the "2026 OpenAI Follow-on Investment Agreement") pursuant to which we are committed to make further follow-on investments of $30.0 billion through SVF2, committed to fund in three $10.0 billion tranches during 2026, the first and second of which were funded on April 1, 2026 and July 1, 2026, respectively, through drawdowns under the 2026 Bridge Loan Facility (the "2026 OpenAI Follow-on Investment" and, together with the 2025 OpenAI Follow-on Investment, the "OpenAI Follow-on Investments"), subject to customary closing conditions and financing arrangements. Following completion of all three tranches of the 2026 OpenAI Follow-on Investment, including the remaining $10.0 billion tranche expected to close on October 1, 2026, SBG's cumulative investment in OpenAI is expected to reach $64.6 billion and its ownership interest is expected to be approximately 13%.

Our preferred shares in OpenAI Group PBC are subject to customary automatic conversion provisions in connection with a future go-public transaction of OpenAI Group PBC.

We entered into the OpenAI Follow-on Investments 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 Investments 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 Investments or OpenAI's business and operations.

We do not control the operations of OpenAI, which operates independently of us.

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 we believe would be the most beneficial. Following the completion of a recapitalization of OpenAI Global (the "OpenAI Recapitalization") in October 2025, OpenAI Group PBC became the holding entity of the OpenAI business controlled by a nonprofit parent entity, and such governance structure may give rise to certain circumstances in which strategic or operational decisions must prioritize OpenAI's stated public benefit mission over maximizing financial returns to shareholders, which may differ from, or conflict with, our interests as an investor. Further, OpenAI has entered into various strategic arrangements with leading technology providers, such as Microsoft Corporation, NVIDIA, Advanced Micro Devices, Inc. and Amazon Web Services. These arrangements vary in nature and scope, may involve significant financial commitments by OpenAI and in certain cases, aspects of these collaborations have been announced but may not yet have been fully implemented.

OpenAI's business is subject to intense competition.

The AI industry is experiencing rapid technological innovation and intensifying competition, and OpenAI's business is subject to related risks. OpenAI may not succeed in securing and retaining highly skilled technical talent or sufficiently expanding its user base, and may be unable to achieve earnings at the timing or level expected.

OpenAI may also face increased financial burdens associated with long-term contracts to secure large-scale computing capacity and semiconductors, as well as financial burdens or reputational impacts arising from ongoing litigation.

If these risks materialize, they could adversely affect OpenAI's business development, competitive position and corporate value, which in turn could reduce the value of our investment in OpenAI and materially and adversely affect our results of operations and financial condition.

OpenAI's business is subject to a variety of laws and regulations worldwide that might harm its business.

The development, deployment and use of AI technologies are subject to an evolving legal and regulatory landscape in the United States and other jurisdictions. In recent years, governments around the world have proposed and adopted a large number of new laws and regulations relevant to the digital economy, particularly in the areas of data privacy and security, competition, AI, and online content. New or differing legal and regulatory requirements across jurisdictions could increase OpenAI's compliance costs or otherwise affect the manner in which it develops, deploys or offers its products and services.

New or changing laws and regulations, or interpretations or applications of existing laws and regulations in a manner inconsistent with OpenAI's interpretations of such laws and regulations or its practices, could restrict or otherwise affect OpenAI's ability to develop, deploy or commercialize certain products and services, require changes to its business practices, increase its costs or expose it to regulatory investigations, enforcement actions or liability. If legal or regulatory developments adversely affect OpenAI's business development, competitive position or corporate value, the value of our investment in OpenAI could be reduced, materially and adversely affecting our financial condition and results of operations.

The value and liquidity of our investment in OpenAI are subject to significant uncertainties.

If OpenAI conducts an initial public offering in the future, the timing, terms or market conditions of such offering may differ from our expectations, which could adversely affect the value of our investment in OpenAI or our ability to realize liquidity from such investment.

Disruptions in OpenAI's ability to access future financing or manage its indebtedness could adversely affect its ability to execute its strategy and harm its financial condition. OpenAI may from time to time need to raise additional capital in the future to fund its operations and growth. There can be no assurance that OpenAI will be able to raise the amounts of capital it requires at the anticipated timing or on acceptable terms, or at all, and any inability to do so could restrict its ability to operate its business as expected or execute its strategy. Furthermore, any indebtedness or other financing obligations that OpenAI has incurred or may incur could adversely affect its financial condition and reduce its financial and business flexibility.

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 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 equity interest in OpenAI could decline significantly which could materially and adversely affect our Equity Value of Holdings, business, results of operations and financial condition.

Risks Related to Our AI Infrastructure Strategy

Our AI infrastructure projects are subject to significant execution risks.

We are currently participating in, planning or developing several large-scale, multi-year AI infrastructure projects, including data center and related power generation projects, such as our participation in the Milam County Project, the planned development of power generation and AI data center infrastructure at the PORTS-Pike Technology Campus in Ohio and our commitment to develop and operate AI data center capacity in France. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Participation in AI Infrastructure Projects."

During the planning, development and construction of these projects, our projects remain subject to substantial execution risks, including delays in any workstream, errors in sequencing, delayed component delivery, delayed governmental approvals such as construction permits or design misalignment, which could significantly impact deployment timelines, construction costs or overall project operability. Delays in obtaining required approvals could delay, scale back or prevent the project from being completed as anticipated. Our projects may also be affected by delays or increased costs in securing sufficient power supply and procuring GPUs and other critical computing equipment on the scale and timeline required. There can be no assurance that any such project will be completed on our anticipated schedule, at our anticipated cost or at all, and any failure to do so could reduce our expected returns and require additional capital contributions.

In addition, delays, reductions in scale, cancellations or changes in project plans may prevent us from using assets acquired for power generation and data center projects as anticipated. If we are unable to recover the capital invested in such assets, we may be required to recognize losses.

Our data-center and energy projects require substantial external financing, which may not be available on acceptable terms.

Our data-center and energy projects are capital-intensive and require substantial financing for the development and construction of power and data-center infrastructure. We currently intend to utilize external financing to fund a portion of the development and construction costs of these projects. There can be no assurance that the required financing will be available on a timely basis, on commercially reasonable terms, or at all. Any failure to obtain necessary financing on commercially reasonable terms could reduce the competitiveness of our data-center and energy projects or force us to delay, scale back or abandon the development of such projects, or cause us to determine to contribute additional capital and reduce the expected returns of our investments in such projects.

Demand for AI data-center capacity may not grow as anticipated, and overcapacity could adversely affect our returns.

Our AI infrastructure strategy depends in part on continued demand for data-center capacity and related power infrastructure. Certain of our AI infrastructure projects may also be dependent on a limited number of customers, including OpenAI, and any material reduction or delay in their infrastructure requirements or failure to perform their obligations under the relevant arrangements could adversely affect the utilization, economics and expected returns of such projects. Our ability to replace such demand with other customers on comparable terms may be limited. Demand for AI infrastructure may not grow as we anticipate as a result of technological changes, changes in customer investment priorities, slower adoption of AI products and services, macroeconomic conditions or other factors. At the same time, significant investment in new data-center capacity could result in excess capacity. If demand for AI infrastructure is lower than expected, or if available capacity exceeds demand, utilization rates, pricing and expected returns on our projects could be adversely affected. We may also need to delay, reduce or abandon planned investments, which could reduce our expected returns and adversely affect our business, financial condition, results of operations, liquidity and prospects.

Our data-center and power generation operations are subject to regulatory, sustainability and reputational risks.

The development and operation of large-scale data-centers and power generation facilities are subject to governmental approvals, permitting and other regulatory requirements. Regulatory timelines are uncertain, and

changes in permitting standards, stakeholder intervention, litigation, or failure to obtain or maintain required permits could delay development, increase costs or prevent projects from being completed.

In addition, there continues to be increasing public scrutiny and concern regarding the potential environmental impact of large-scale data-center operations, including substantial consumption of electricity and water. Public opposition or negative sentiment toward data-center development, particularly in the United States, could result in additional regulatory scrutiny, permitting delays, restrictions or reputational harm. Any such developments could have a material adverse effect on our business, financial condition, results of operations and prospects.

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 (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. 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. However, SVF's portfolio performance is currently largely driven by a single investment in OpenAI. For example, in the fiscal year ended March 31, 2026, the total gain on investments in the SVF segment was ¥6,992 billion ($43,732 million) while the gain on investments related to OpenAI was ¥6,466 billion ($40,440 million). As of June 30, 2026, the total committed capital to SVF1 was $98.6 billion (including $33.1 billion from us), cumulative contributions from limited partners were $87.1 billion (including $29.8 billion from us), and remaining committed capital was $11.5 billion (including $3.3 billion from us). As of June 30, 2026, the total committed capital to SVF2 was $143.2 billion (including $140.6 billion from us), cumulative contributions from limited partners were $105.3 billion, and remaining committed capital was $37.9 billion. As of June 30, 2026, the total committed capital to LatAm was $7.8 billion and cumulative contributions from limited partners were $7.7 billion, and remaining committed capital was $0.1 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 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 the three months ended June 30, 2026, we recorded ¥460 billion ($2,833 million) of gain on investments at SoftBank Vision Funds on a consolidated basis, comprising gains of ¥385 billion ($2,371 million) at SVF1 and ¥123 billion ($760 million) at SVF2, partially offset by losses of ¥46 billion ($283 million) at LatAm and ¥2 billion ($15 million) on other investments. Further, on a non-consolidated basis, a deterioration in the results of operations of SVF could cause us to record a valuation loss on investments 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 the 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 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 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, 2026 or as of June 30, 2026.

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 secure 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 June 30, 2026, SVF2's outstanding borrowing for the purpose of monetizing its investments was $5.0 billion.

SVF may not be able to exit from investments.

Due to the size and/or illiquid nature of many of the investments that SVF may acquire, as well as economic, legal, political and other factors, 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, such as OpenAI, our ability to exit from investments or realize gains may also be heavily impacted by the health of the IPO market and the 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 results of operations.

Portfolio companies may not be able to develop their businesses as planned.

Many portfolio companies are seeking to leverage new technologies such as AI and large complex datasets to create new business models. These companies are subject to various risks, such as being unable to develop their businesses as planned, earn profits, and establish a solid business foundation. In particular, these risks include: they may not be able to develop technologies or implement business models as expected, or provide products and services that continue to meet customer needs and market practices; their unit economics may not be strong enough to fully cover the cost of the platform and continued investment in technological advancement; they may lose out to other new entrants with the latest technologies or to incumbents with strong business foundations; they may be unable to adapt to achieve scalability or expansion into adjacent businesses or different geographies or to respond to changes in the economic or business environment; they may not be able to secure profits if customer acquisition costs, such as advertising and sales staffing, significantly exceed their original plans; and they may be unable to respond to growing compliance complexity or manage the costs associated with privacy and AI across varying jurisdictions.

In addition, as the strategic importance of advanced technology in national security has been growing in recent years, and against a backdrop of a challenging relationship between the U.S. and China, various countries may introduce stricter regulations, which may adversely affect the business development of the portfolio companies or our expected returns on investment.

Furthermore, many portfolio companies have funding needs for business development. If the fundraising environment deteriorates, they may be unable to raise funds on the expected terms, resulting in the need to materially reduce costs, which may impede growth, or to raise funds on terms that dilute our interests in the portfolio companies.

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 investing, technology and financial markets. A failure of SBIA or SBGA to remain agile, 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, insider trading or conflict allegations being brought 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 ($1.0 billion) for the fiscal year ended March 31, 2026. Such distributions have historically been an important source of 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"), including LY Corporation and PayPay Corporation, primarily provide mobile services and sell mobile devices in Japan, as well as offer broadband services, solution services and cloud and AI services for enterprise customers, advertising and commerce-related services, and payment and financial services. For individual customers, reflecting the growing importance of the group's ecosystem integrating loyalty points, payments, financial services, e-commerce and other offerings, the SoftBank Corp. Group is working to expand customer referrals across services and the group's ecosystem. Under its "Activate AI for Society" strategy, SoftBank Corp. Group has positioned its Enterprise business as a key area of growth and is expanding its provision of advanced digital transformation ("DX") solutions and cloud and AI services to enterprise customers. The SoftBank Corp. Group is also developing AI infrastructure, including AI computing platforms and AI data centers, and advancing the monetization of these assets.

With Japan's population trending downwards due to aging and a low birthrate, the outlook for continued expansion of Japanese markets is uncertain. Moreover, changes in any of the following markets could impact the continued growth of SoftBank Corp. Group's businesses:

- *Telecommunications-related markets*. SoftBank Corp. Group deploys products, services and sales methods that fit consumer preferences with three clearly differentiated brands (SoftBank, Y!mobile, and LINEMO). 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 products and services provided by the SoftBank Corp. Group have significant defects, the SoftBank Corp. Group may be unable to maintain its current number of subscribers and its competitiveness may decline. Moreover, the introduction, amendment, or change in interpretation or application of laws, regulations, systems, and so forth, could result in the effective restriction of products and services 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.

- *DX & business solutions-related markets*. In response to increasingly sophisticated demand for corporate digital transformation (DX) solutions and the rapid advance of AI utilization, the Group is working to expand its Enterprise business by selling DX & business solutions products that meet the digitalization needs of enterprises and fostering co-creation with partners. However, if the products and services provided by SoftBank Corp. fail to meet the needs of enterprises, this could have an impact on the SoftBank Corp. Group's businesses, financial position, and results of operations.
- *Internet-related markets*. The SoftBank Corp. Group's businesses could be affected by factors such as overall internet usage, economic trends, the number of paid members and usage of paid services in Japan. The SoftBank Corp. Group strives to retain and increase the number of users primarily by providing accurate and beneficial services for users, providing a secure and safe user experience, conducting activities to improve the value of its platform as an advertising medium, raising awareness, and providing attractive benefits and content to paid members. Moreover, the SoftBank Corp. Group is also working to expand its economic zone and earnings opportunities by strengthening cooperation and promoting cross-use between group services. However, if these measures do not prove sufficiently effective, and the SoftBank Corp. Group is unable to respond appropriately to changes in the market environment and changes in users' preferences and needs, or if the synergetic effects and so forth between the SoftBank Corp. Group services are not obtained as expected, this could impact the SoftBank Corp. Group's businesses, financial position, and results of operations.
- *Financial-related markets*. In Japan, the shift to cashless payments has been driven by the progress of economic measures taken by the government and municipalities. In order to provide highly convenient services for users in this market environment, the SoftBank Corp. Group is working to review and expand the functions of its cashless payment services, as well as to increase the number of merchants where the SoftBank Corp. Group's cashless payment services can be used. Moreover, by strengthening cooperation with financial services, such as payment services and cards, banking, and securities, the SoftBank Corp. Group is also working to expand the provision of highly convenient financial services and the expansion of earning opportunities. However, if the SoftBank Corp. Group is unable to respond to changes in the market environment or regulations in a timely and appropriate manner, or if for some reason the SoftBank Corp. Group is unable to provide services or retain or acquire customers as expected, or if these cooperative measures do not proceed as expected, the SoftBank Corp. Group's businesses, financial condition and results of operations could be adversely affected.
- *New business-related markets*. The SoftBank Corp. Group aims to leverage the customer base and business base that it has cultivated in multiple business domains that are expected to grow going forward, such as telecommunications, e-commerce, payment, and social media, aiming to create and expand new businesses in areas such as AI, FinTech, mobility, healthcare, and energy. However, the SoftBank Corp. Group's business may not develop as expected due to factors such as changes in economic conditions, the regulatory environment and the market environment. This could have an impact on the SoftBank Corp. Group's businesses, financial condition, and results of operations.

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 strengthen sales of products and services 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 acquire or retain customers, or may experience a decrease in Average Revenue Per User ("ARPU") with a resultant decline in profitability. Furthermore, the products and services of startup companies and new entrants could raise competition with the SoftBank Corp. Group's products and services. In addition, the SoftBank Corp. Group may experience an increase in expenses related to the development of new products and services and the promotion of sales, and so forth, for maintaining and securing its 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 the realignment, or if decision-making authority becomes concentrated among a limited number of management personnel, the SoftBank Corp. Group could experience operational disruptions, delays in the rollout of services, failure to achieve anticipated strategic benefits or synergies, or deficiencies in governance.

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. In the information technology industry, the use of AI, IoT, and big data has been advancing rapidly in recent years, and the DX movement is accelerating at an increasing rate. There is an increasing need to supply more diverse and advanced services that cross industry boundaries. Notably, technologies related to generative AI and AI agents have been evolving dramatically and have significantly impacted 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 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 forms 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. On July 15, 2026, LY Corporation submitted its final reports, which were received by the MIC and the PPC. Based on the administrative guidance and recommendations, as of March 31, 2026, LY Corporation completed the implementation of major technical and organizational measures to prevent recurrence. These measures include the decoupling of system networks from associate companies and other relevant entities that shared the system infrastructure, the introduction of multifactor authentication across the entire LY Corporation environment, and the enhancement of subcontractor management. The measures have since transitioned to a phase of routine and ongoing operation.

In a separate incident, LY Corporation received administrative guidance from the MIC on 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 has designed recurrence prevention measures, and has completed its report to the MIC.

Moreover, recent trends in cybersecurity threats include increasing damage due to ransomware and so forth. In October 2025, LY Corporation's consolidated subsidiary, ASKUL Corporation, experienced an impact on some of its business activities caused by a system outage due to a ransomware attack.

In light of the evolving cybersecurity threat environment and the cybersecurity incident experienced, LY Corporation and its group companies, in addition to their existing general security measures, are also promoting focused measures specifically to address system outages caused by ransomware and related attacks, such as data preservation and verification of effective recovery procedures. However, if the initiatives undertaken by LY Corporation and the SoftBank Corp. Group 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 businesses, financial position and results of operations.

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

The SoftBank Corp. Group consigns customer 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 in 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 directors and employees, or related parties) are unable to execute operations in line with the SoftBank Corp. Group's expectations, or if a human rights infringement-related issue occurs, such as a case where the information of its customers is obtained without authorization, it could have an adverse impact on the SoftBank Corp. Group's business.

Moreover, incidents involving these subcontractors could also adversely affect the SoftBank Corp. Group's credibility or corporate image. Furthermore, if these subcontractors fail to comply with laws and regulations, the SoftBank Corp. Group could also be subject to warnings or administrative guidance from the regulatory authorities or face investigations regarding failures in its oversight of such subcontractors. Any resulting reputational harm could adversely affect the SoftBank Corp. Group's ability 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 through 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 serious problems with equipment or systems (including due to natural disasters and other unpredictable events), or cyber-attacks, hacking, or other forms of unauthorized access or other causes by a third party. Although the SoftBank Corp. Group has built redundancy into its networks, along with clearly defined restoration procedures in preparation for system 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. This could adversely affect the SoftBank Corp. Group's businesses, financial position and results of operations.

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 fails to comply with a national government review mandated by the Economic Security Promotion Act, the relevant authorities may take administrative measures against them, such as recommendations or orders for business improvement or suspension. These administrative measures may potentially cause temporary business suspensions, delays in business operations, additional capital

expenditure or extra measures and costs, and reputational harm, including a loss of public trust in the SoftBank Corp. Group. Any of these outcomes could adversely affect the SoftBank Corp. Group's businesses, financial position, and results of operations.

Risks Related to AI Computing Segment

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

As of June 30, 2026, our holdings in Arm represented approximately 60.1% of our Equity Value of Holdings, making Arm our single largest asset and a significant driver of our Equity Value of Holdings and LTV, and accordingly, the principal risks relating to our AI Computing segment are those associated with Arm's business. As Arm has not paid any dividends or distributions 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 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, compute subsystems and other complementary products. Arm licenses its CPU and other products to semiconductor companies, original equipment manufacturers (OEMs) and other organizations to design their chips. These chips are built into end products such as smartphones, tablets, PCs and vehicles by systems companies. Arm's current revenue includes licensing fees for Arm's technology, and royalties received on chips with Arm's products that the licensees have shipped. Arm also continues to expand the scope of its product offerings, investing in more holistic, end-market optimized designs, expanding beyond individual design intellectual property (IP) to providing subsystem designs. For example, in March 2026, Arm expanded its compute platform into production silicon products with the Arm AGI CPU. 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 revenue 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, software development efficiencies, 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. In addition, Arm's developments in its product offering, including entry into production silicon products, such as the Arm AGI CPU, may create real or perceived conflicts with companies important to Arm's business. Many of Arm's customers who have historically licensed Arm's IP may face direct competition from Arm in certain market segments.

  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 chip solutions. Arm intends to continue allocating resources and engaging with its ecosystem partners to explore the viability and development of new products. 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. Any such developments in Arm's product offerings, including its entry into production silicon products such as the Arm AGI CPU, and other changes to Arm's products and services, may 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. Arm's entry into production silicon also exposes it to new manufacturing, supply chain, and inventory risks that differ materially from Arm's traditional IP licensing business. These include dependence on third-party foundry partners and contract manufacturers, the potential for manufacturing defects or quality control issues, significant upfront capital commitments and purchase obligations, inventory management challenges, complex supply chain dependencies, supply chain disruptions, price volatility in manufacturing inputs, and increased working capital requirements.

  Furthermore, Arm has recruited, and may in the future need to recruit, engineers or other employees or acquire companies that possess the requisite expertise, and Arm may not be able to do so successfully on a timely basis, on competitive terms or at all. Where Arm lacks the technical expertise, financial resources or other capabilities required for a particular research and development project with respect to new products or solutions, Arm has partnered, and may in the future partner, with third parties. There can be no assurances that any such third parties will dedicate the resources, or have the requisite technical or other capabilities, necessary to achieve Arm's strategic objectives.

  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 commercial contracts signed in the future may not materialize in the same way or at all under a new business model and, therefore, Arm's 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.

- *Global economic conditions and other events*. Arm is subject to risks arising from adverse changes in global economic conditions and other events outside of Arm's control, including political instability, geopolitical turmoil, sanctions, and export control restrictions. In addition, the global market for Arm's products may be impacted by geopolitical and economic factors, which 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 18% of Arm's total revenue for the fiscal year ended March 31, 2026, compared with approximately 19% for the prior fiscal year, a significant portion 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.

  Substantially all of Arm's PRC-related revenue is earned through the intellectual property license agreement with Arm China, pursuant to which, among other things, Arm granted Arm China certain exclusive rights to sublicense certain of Arm's IP to PRC customers. Arm expects that its licensing relationship with Arm China will continue to account for substantially all of its total IP revenues from the PRC and represent a significant portion of its revenues for the foreseeable future. If Arm fails to maintain its commercial relationship with Arm China, its access to the PRC market and its PRC-related revenue could be materially diminished. In addition, regulatory and legislative actions, including trade 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.

- *Litigation, regulatory proceedings, and protection of IP rights*. Arm's success and ability to compete depend significantly on protecting its intellectual property rights. Arm primarily relies on patent, copyright, trade secret and trademark laws, trade secret protection and contractual protection, 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 and would divert the attention of management and technical talent from normal business operations.

  From time to time, Arm is involved in various legal, administrative and regulatory proceedings, claims, demands and investigations relating to its business, which may include claims with respect to commercial, product liability, IP, cybersecurity, privacy, data protection, antitrust, breach of contract, labor and employment, whistleblower, mergers and acquisitions, and other matters. 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. Further, Arm is subject to antitrust laws and regulations in multiple jurisdictions, which could and have from time to time subjected it to investigations by antitrust regulators. Arm's involvement in such litigation or in any antitrust investigation could cause Arm to incur significant reputational damage in the industry, in its relationship with Qualcomm and/or 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. Arm's increasing use of AI internally as well as its entry into production silicon may increase these risks. In any potential dispute involving Arm's patents or other intellectual property, Arm's licensees or the customers of its licensees could also become the target of litigation, and Arm may be bound to indemnify such parties under the terms of its customer agreements. Although Arm does not agree to indemnify its customers' end customers and its indemnification obligations are generally subject to a maximum amount, such obligations could result in substantial expenses, and end customers may initiate claims against Arm as well. Any such litigation could be costly and would divert the efforts and attention of Arm's management and technical talent, 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 threats to its brand and reputation, 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, Europe, China, India, South Korea, Japan, and Taiwan. Risks associated with these international operations include exposure to political, economic and financial conditions and expected and unexpected changes in legal and regulatory environments. As Arm continues to develop its business to include new products and solutions, these risks may evolve or expand.

  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 advanced semiconductors or 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 portfolio.

  Trade relations between countries where Arm does business or where Arm's customers have end customers have recently been and continue to be volatile. The U.S. government has imposed enhanced sanctions and export controls impacting the semiconductor industry, in particular advanced computing chips and services. Such restrictions have in the past reduced, and may in the future reduce, Arm's ability to license its products directly to entities and end users in affected countries and could potentially harm its commercial relationships by limiting the ability of certain customers and partners to manufacture, ship or receive chips and end products incorporating certain of Arm's products.

General Business Risks

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

Since April 2025, the United States has imposed and repeatedly modified tariff measures affecting imports from a large number of jurisdictions. Effective July 24, 2026, the U.S. government implemented a revised tariff regime under Section 301 of the Trade Act of 1974 applicable to imports from 60 jurisdictions. Under this regime, imports from certain jurisdictions, including the European Union, are generally subject to a 10% tariff, while imports from other jurisdictions, including Japan and China, are generally subject to a 12.5% tariff (in each case, subject to country-specific treatment and product exemptions). Uncertainty remains with respect to the treatment of semiconductors and related components, which may be affected by additional or shifting tariff measures. While certain tariff measures have been modified, suspended, replaced or challenged in court, the situation remains dynamic and subject to change, with the possibility that tariffs could be reinstated, expanded, modified or supplemented by additional trade restrictions.

The magnitude and volatility of current U.S. policy with regard to tariffs and their imposition are 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 instrument ratings of the Notes.

Our long-term corporate credit rating is BB+ (stable) from S&P Global Ratings Japan Inc. ("S&P"), BB+ (stable) from Fitch Ratings Japan Limited ("Fitch") and A (negative) from Japan Credit Rating Agency, Ltd. ("JCR"), and we expect the Notes will receive a rating of BB+ from S&P and BB+ from Fitch. 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, Fitch 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, Fitch 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 Notes 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. LY Corporation subsequently submitted a series of reports regarding its recurrence prevention measures. As of March 31, 2026, it had completed the implementation of major technical and organizational measures to prevent recurrence, and these measures had transitioned to routine and ongoing operation. On July 15, 2026, LY Corporation submitted its final reports, which were

received by the MIC and the PPC. In a separate incident, LY Corporation received administrative guidance from the MIC on 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 implemented recurrence prevention and containment measures and submitted a report regarding these measures to the MIC on May 20, 2025. Moreover, in October 2025, LY Corporation's consolidated subsidiary, ASKUL Corporation, experienced an impact on some of its business activities caused by a system outage due to a ransomware attack. ASKUL Corporation subsequently received administrative guidance from the PPC in July 2026. 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 companies' 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 systems 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, IoT, financial or payment businesses 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 develop their businesses as planned," "—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 AI Computing 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 affect 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 and 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. In July 2025, the White House released "Winning the Race: America's AI Action Plan," which emphasizes innovation and the reduction of regulatory barriers. In December 2025, President Trump issued a further executive order establishing a policy in favor of a minimally burdensome national AI framework and directing federal actions to challenge or potentially preempt certain state AI laws. On the other hand, the EU AI Act entered into force in August 2024 and is being implemented in phases, with fines in excess of those under the European Union's General Data Protection Regulation (the "GDPR"), under which the rules for general-purpose AI (GPAI) models took effect in August 2025. Following amendments adopted in July 2026, certain requirements and obligations applicable to high-risk AI systems are scheduled to apply in December 2027 or August 2028, depending on the relevant classification. 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 products 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 their business, cause revenue to decline and adversely affect their business, in turn negatively affecting our business, financial condition and results of operations.

Additionally, our ability to procure funds in the U.S. capital markets could be adversely affected if we were to become a prima facie "investment company" under the Investment Company Act of 1940, as amended (the "1940 Act"). Generally, a company is deemed to be an "investment company" required to register under the Investment Company Act if, while conducting a public offering of securities in the U.S. capital markets and absent an applicable exception or exemption, it (i) is, or holds itself out as being, engaged primarily, or proposes to engage primarily, in the business of investing, reinvesting or trading in securities; or (ii) owns or proposes to acquire "investment securities" having a value exceeding 40% of the value of its total assets (exclusive of U.S. government securities and cash items) on an unconsolidated basis. We hold ourselves out as, and believe that we are, a strategic holding company focused on technology and not a company engaged primarily in the business of investing, reinvesting or trading in securities. Moreover, we believe that less than 40% of the value of our total assets (exclusive of U.S. government securities and cash items) on an unconsolidated basis comprise assets that could be considered investment securities. Accordingly, we do not believe that we are an investment company by virtue of either of the above standards. If we were to become a prima facie "investment company" under the 1940 Act, so long as we are not making a public offering in the U.S. capital markets and can rely on an exclusion from investment company registration, we would not violate the 1940 Act. However, we could lose our ability to raise funds in the U.S. capital markets and if we were unable to access the U.S. capital markets in the future, our options for refinancing our existing indebtedness in the ordinary course of business would be reduced, which could have an adverse effect on our business, financial condition and results of operations. In addition, while we intend to continue to conduct our operations so that we will not be subject to registration under the 1940 Act, if we were to become inadvertently subject thereto, any violation of the 1940 Act, such as conducting a public offering of securities in the U.S. capital markets, could subject us to other adverse consequences, including regulatory penalties.

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 in 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 are 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 in 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, especially given that our recent and future investments in the data-center and energy generation businesses materially increase our energy consumption and emissions. 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 governing 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.

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 2025 Senior Notes, the 2026 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, the 2025 Senior Notes, the 2026 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 Representative Director, Corporate Officer, Chairman and CEO, is our single largest shareholder and owned 32.73% of our issued share capital excluding treasury stock as of March 31, 2026. 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, which had an aggregate outstanding balance of ¥631.6 billion ($3.9 billion) as of June 30, 2026 in receivables of SVF2 and LatAm personally guaranteed by Mr. Son. Mr. Son is also a 33% owner of SB Northstar and Mr. Son's interests as non-controlling interests, including interest and others on loans, in SB Northstar were a loss of ¥296.9 billion ($1.8 billion) as of June 30, 2026.

The interests of Mr. Son or other investors, in certain circumstances, may conflict with our 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 Notes are subject to transfer restrictions.

The Notes will not be registered under the Securities Act or any state securities laws and may not be offered or sold (a) within the United States or to, or for the account or benefit of, U.S. persons, except to persons reasonably believed to be both (1) Qualified Institutional Buyers within the meaning of Rule 144A who are (2) Qualified Purchasers within the meaning of Section 2(a)(51) under the Investment Company Act and the rules and regulations promulgated thereunder, or (b) to persons other than U.S. persons in offshore transactions outside the United States in reliance on Regulation S. In addition, subject to the conditions set forth herein and in the Indenture, the Notes may be transferred only if the principal amount of the Notes transferred is at least $250,000 in the case of Dollar Notes and €250,000 in the case of Euro Notes. 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. To enforce the restrictions on transfers of the Notes and interests therein, we may demand that any holder of Notes or interests therein who is not (i) a Qualified Institutional Buyer that is also a Qualified Purchaser or (ii) a non-U.S. person sell to a holder that meets such criteria. If a holder of Notes or interests therein is forced to sell its Note or interest therein, the price such Noteholder may receive for the sale could be lower than the price such holder paid for the Note. For further discussion of the transfer restrictions applicable to the Notes, see "Transfer Restrictions" and "Description of the Notes—Transfer and Exchange."

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. Cede & Co., as nominee of DTC, or the common depositary (or its nominee) for the accounts of Euroclear and Clearstream, as applicable, will be the registered holder of any Notes. After payment to the nominee or common depositary, as applicable, 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 DTC, Euroclear or Clearstream, as applicable, and if you are not a participant in DTC, 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 DTC, Euroclear or Clearstream, as applicable, 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 DTC, Euroclear or Clearstream, as applicable. We cannot assure you that the procedures to be implemented through DTC, 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.

ERISA Risks

Prior to an investment in the Notes, a fiduciary of a Covered Plan or a non-ERISA Plan should determine, among other things, that the investment is in accordance with the documents and instruments governing the Covered Plan or non-ERISA Plan and the applicable provisions of ERISA, the Code or, with respect to a non-ERISA Plan, the provisions of any Similar Laws, relating to a fiduciary's duties to the Covered Plan or

non-ERISA Plan, including, without limitation, as applicable, the prudence, diversification, liquidity, valuation, delegation of control, conflict of interest and prohibited transaction provisions of ERISA, the Code or, with respect to non-ERISA Plans, any other applicable Similar Laws. Any breach of such fiduciary duty could result in personal liability to the fiduciary.

If any Transaction Party is considered a party in interest under ERISA or a disqualified person under the Code with respect to a Covered Plan, the acquisition, holding and/or disposition of Notes by a Covered Plan may constitute or result in a prohibited transaction under Section 406 of ERISA and/or Section 4975 of the Code, unless the investment is acquired and is held in accordance with an applicable statutory, class or individual prohibited transaction exemption. If a prohibited transaction occurs, a 15% excise tax is imposed on the amount involved for each year in the taxable period, which percentage is increased to 100% if the transaction is not corrected within the taxable period. This tax is paid by the party in interest or disqualified person involved in the prohibited transaction. If a prohibited transaction occurs with respect to an individual retirement account, the account will lose its tax-exempt status.

This discussion is intended to be general in nature and is not intended to be all-inclusive. Due to the complexity of the rules and the penalties that may be imposed upon persons involved in non-exempt prohibited transactions or other violations, fiduciaries, or other persons considering purchasing the Notes (including an interest therein) or holding the Notes on behalf of, or with the assets of, any Covered Plan or non-ERISA Plan, should consult with their advisors and/or counsel regarding the matters described in this section. Neither this discussion nor anything provided in this offering memorandum is, or is intended to be, investment advice directed at any potential Covered Plan or non-ERISA Plan purchasers, or to Covered Plan or non-ERISA Plan purchasers generally, and such purchasers or holders of the Notes (or interests therein) have the exclusive obligation for determining that an investment in the Notes is suitable for the Covered Plan or non-ERISA Plan, as applicable and that such investment will not result in a prohibited transaction under ERISA or Section 4975 of the Code, a violation of the fiduciary requirements of ERISA, or a violation of any Similar Law, as applicable. The sale of notes (including interests therein) to any Covered Plan or non-ERISA Plan is in no respect a representation by us, the Initial Purchasers or any of our or their respective affiliates or representatives that such an investment meets all relevant legal requirements with respect to investments by Covered Plans or non-ERISA Plans generally or any particular Covered Plan or non-ERISA Plan, or that such investment is prudent or appropriate for Covered Plans or non-ERISA Plans generally or any particular Covered Plan or non-ERISA Plan.

USE OF PROCEEDS

We expect to receive a total of approximately $11,030 million (equivalent) in net proceeds from this offering, comprising approximately $9,900 million from the Dollar Notes and €990 million from the Euro Notes, after deducting underwriting discounts and commissions and other offering expenses payable by us. As of the date of this offering memorandum, we have sufficient undrawn capacity under the 2026 Bridge Loan Facility to cover the funds for investment in October under the 2026 OpenAI Follow-on Investment. We plan to use the proceeds of the offering, concurrently with cancelling all of the $10 billion of undrawn capacity under the 2026 Bridge Loan Facility, towards the October 1, 2026 $10 billion third closing under the 2026 OpenAI Follow-on Investment. Any remaining proceeds will be used for general corporate purposes. See "Description of Other Indebtedness—Borrowings—2026 Bridge Loan Facility" and "Management's Discussion and Analysis of Financial Condition and Results of Operations—Overview—Follow-on Investments in OpenAI."

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 ¥185.35 = €1.00 and translating such yen amount into dollars at the rate of ¥162.39 = $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 September 23, 2026, the relevant exchange rates were ¥180.19 = €1.00 and ¥158.30 = $1.00.

CAPITALIZATION

The following table sets forth: our available Cash Position and capitalization (i) on an actual historical basis as of June 30, 2026, (ii) as adjusted to give effect to (A) our $10.0 billion drawdown of the 2026 Bridge Loan Facility on July 1, 2026, (B) the $10.0 billion of borrowing using OpenAI shares and guaranteed by the Company entered into on August 5, 2026, (C) the ¥1.0 trillion aggregate principal amount of our 70th series Yen-denominated Corporate Bonds issued on September 17, 2026, (D) the full redemption at maturity of the 56th series Yen-denominated Corporate Bonds and the 57th series Yen-denominated Corporate Bonds, on September 17, 2026 and September 11, 2026, respectively, in an aggregate principal amount of ¥498 billion, (E) the $10.0 billion investment in OpenAI under the 2026 OpenAI Follow-on Investment on July 1, 2026, (F) the $7.4 billion monetization of our entire position in Intel through variable prepaid forward transactions entered into in August 2026, (G) the $5.0 billion of increase in margin loan backed by Arm shares entered into in September 2026, (H) the $11.9 billion senior term loan facility entered into in September 2026 and (I) the full repayment of the remaining $25.9 billion then outstanding under the 2026 Bridge Loan Facility on September 15, 2026 as if they had occurred on June 30, 2026 and (iii) as further adjusted to give effect to the offering of the Notes and the $10.0 billion investment in OpenAI scheduled on October 1, 2026, as if each had occurred on June 30, 2026. For the avoidance of doubt, interest-bearing debt incurred or repaid by our subsidiaries on or after July 1, 2026 is not adjusted herein, unless otherwise indicated. Under IFRS, the Yen-denominated hybrid bonds that we issued in April 2023, September 2025, April 2026 and June 2026, the Yen-denominated hybrid loans that we borrowed in May 2023 and November 2024 and the foreign currency-denominated dated hybrid notes that we issued in October 2025 are considered debt, while the USD-denominated perpetual hybrid notes that we issued in July 2017 are considered equity. With respect to the adjusted and as further adjusted capitalization information below and adjusted financial information presented elsewhere in this offering memorandum, we have treated 50% of the carrying amount of the Yen-denominated hybrid bonds, the Yen-denominated hybrid loans and the foreign currency-denominated dated hybrid notes as equity, and 50% of the carrying amount of the USD-denominated perpetual hybrid notes, as debt for the purposes of consistency and to align with the treatment presently applied for such securities for ratings purposes by JCR, and S&P but excluding the USD-denominated perpetual hybrid notes which the Company has completed the replacement with Yen-denominated hybrid bonds, as of the date hereof.

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 June 30, 2026		
	Actual	Adjusted	Further Adjusted
	(billions of yen)[1]		
Cash Position[2]			
Cash and cash equivalents[3]	¥3,484	¥5,347	¥5,515
Short-term investments[4]	2,021	2,021	2,021
Bond investments[5]	—	—	—
Total Cash Position	¥5,505	¥7,369	¥7,536
Current interest-bearing debt			
Short-term borrowings[6]	¥5,292	¥2,721	2,721
2026 Bridge Loan Facility[7]	2,572	—	—
Commercial paper	356	356	356
Current portion of long-term borrowings	1,016	1,016	1,016
Current portion of corporate bonds[8]	895	398	398
Current portion of installment payables	—	—	—
Total current interest-bearing debt	¥7,559	¥4,489	¥4,489

	As of June 30, 2026		
	Actual	Adjusted	Further Adjusted
	(billions of yen)[1]		
Non-current interest-bearing debt			
Notes offered hereby[9]	—	—	¥ 1,809
Long-term borrowings	¥ 8,770	¥13,041	13,041
Yen-denominated hybrid loans[10]	185	93	93
Other long-term borrowings[11]	8,585	12,948	12,948
Corporate bonds	10,050	10,278	10,278
Yen-denominated hybrid bonds[12]	1,083	541	541
Foreign currency-denominated dated hybrid notes[13]	459	230	230
Other corporate bonds[14]	8,507	9,507	9,507
Financial liabilities relating to sale of shares by prepaid forward contracts[15]	266	1,459	1,459
Installment payables	—	—	—
50% of USD-denominated perpetual hybrid notes (treated as debt)[16]	—	97	97
Total non-current interest-bearing debt	¥19,086	¥24,876	¥26,685
Total interest-bearing debt	¥26,645	¥29,365	¥31,174
Equity			
USD-denominated perpetual hybrid notes	193	97	97
Other equity	18,228	18,228	18,228
50% of yen-denominated hybrid bonds and loans (treated as equity)[17]	—	634	634
50% of foreign currency-denominated dated hybrid notes (treated as equity)[18]	—	230	230
Total equity attributable to owners of the parent	¥18,421	¥19,189	¥19,189
Total capitalization[19]	¥45,066	¥48,554	¥50,363

(1) Applicable U.S. dollar amounts have been translated into Japanese yen at the rate of ¥162.39 = $1.00 and applicable Euro amounts have been translated into Japanese yen at the rate of ¥185.35 = €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).

(2) The presented Cash Position is the sum of cash and cash equivalents, short-term investments and bond investments as of June 30, 2026.

(3) Cash and cash equivalents of ¥443 billion held by PayPay Bank Corporation and LINE Bank Taiwan Limited are excluded. Cash and cash equivalents in the "Adjusted" column give effect to (i) a net increase of ¥502 billion, reflecting cash inflows from the issuance of ¥1.0 trillion aggregate principal amount of the 70th series Yen-denominated Corporate Bonds on September 17, 2026 and cash outflows from the redemption, in an aggregate principal amount of ¥498 billion, of the 56th series and the 57th series Yen-denominated Corporate Bonds on September 17, 2026 and September 11, 2026, respectively, and (ii) the following cash receipts and payments: the receipt of $10.0 billion from the drawdown of the 2026 Bridge Loan Facility on July 1, 2026, the payment of $10.0 billion in connection with the investment in OpenAI under the 2026 OpenAI Follow-on Investment on July 1, 2026, the receipt of $10.0 billion in proceeds from the borrowing using OpenAI shares and guaranteed by the Company entered into on August 5, 2026, the receipt of $7.4 billion in proceeds upon entering into variable prepaid forward transactions in respect of all of our holdings in Intel in August, 2026, the receipt of $11.9 billion in proceeds from the senior term loan facility entered into in September 2026, the receipt of $5.0 billion in proceeds from the increase in margin loan backed by Arm shares entered into in September 2026 and the payment of $25.9 billion on September 15, 2026 to repay in full the amount then outstanding under the 2026 Bridge Loan Facility. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Recent Developments." Cash and cash equivalents in the "Further Adjusted" column give effect to the receipt of proceeds from Notes offered hereby, less $10.0 billion to be used to fund the investment in OpenAI scheduled for October 1, 2026.

(4) 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 ¥297 billion held by PayPay Bank Corporation and LINE Bank Taiwan Limited. Bond investments by SB Northstar are included herein.

(5) 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.

(6) Short-term borrowings in the "Adjusted" column give effect to the $10.0 billion drawdown of the 2026 Bridge Loan Facility on July 1, 2026 and the full repayment of the remaining $25.9 billion then outstanding under the 2026 Bridge Loan Facility on September 15, 2026.

(7) 2026 Bridge Loan Facility in the "Adjusted" column give effect to the $10.0 billion drawdown of the 2026 Bridge Loan Facility in July 2026 and the full repayment of the remaining $25.9 billion then outstanding under the 2026 Bridge Loan Facility on September 15, 2026.

(8) Current portion of corporate bonds in the "Adjusted" column is adjusted to reflect the full redemption at maturity of the 56th series Yen-denominated Corporate Bonds and the 57th series Yen-denominated Corporate Bonds on September 17, 2026 and September 11, 2026, respectively. See "Description of Other Indebtedness—Borrowings—Corporate Bonds."

(9) The "Further Adjusted" column is adjusted to reflect the increase in Notes offered hereby.

(10) Yen-denominated hybrid loans in the "Adjusted" column represent 50% of the carrying amount as of June 30, 2026 of ¥185 billion of the yen-denominated hybrid loans that we borrowed in May 2023 and November 2024.

(11) Other long-term borrowings in the "Adjusted" column give effect to the $10.0 billion of borrowing using OpenAI shares and guaranteed by the Company, the $5.0 billion increase in margin loan backed by Arm shares entered into in September 2026 and the $11.9 billion senior term loan facility entered into in September 2026. For more details, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Recent Developments." Other long-term borrowings in the "Adjusted" column does not give effect to (i) the $1.8 billion (¥284 billion) equivalent of non-recourse LBO financing to fund the acquisition of ABB's Robotics Business (undrawn as of the date of this offering memorandum) or (ii) the $4.2 billion of additional borrowings we intend to incur under the facility agreement secured by the equity interests of certain subsidiaries of SVF2, which is non-recourse to the Company.

(12) Yen-denominated hybrid bonds in the "Adjusted" column represents the 50% of the carrying amount of ¥1,083 billion of the yen-denominated hybrid bonds issued in April 2023, September 2025, April 2026 and June 2026.

(13) Foreign currency-denominated dated hybrid notes in the "Adjusted," column represents the 50% of the carrying amount of ¥459 billion of the foreign currency-denominated dated hybrid notes issued in October 2025.

(14) Other corporate bonds in the "Adjusted" column give effect to the issuance of ¥1.0 trillion aggregate principal amount of the 70th series Yen-denominated Corporate Bonds issued on September 17, 2026. See "Description of Other Indebtedness—Borrowings—Corporate Bonds."

(15) Financial liabilities relating to sale of shares by prepaid forward contracts in the "Adjusted" column is adjusted to reflect the $7.4 billion of financial liabilities recognized in connection with the variable prepaid forward transactions entered into in respect of our entire position in Intel in August 2026.

(16) 50% of USD-denominated perpetual hybrid notes (treated as debt) in the "Adjusted" column is 50% of the carrying amount of ¥193 billion of the USD-denominated perpetual hybrid notes issued in July 2017, adjusted and treated as debt.

(17) 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 ¥1,083 billion of the yen-denominated hybrid bonds issued in April 2023, September 2025, April 2026 and June 2026, and (2) 50% of the carrying amount of ¥185 billion of the yen-denominated hybrid loans that we borrowed in May 2023 and November 2024, adjusted and treated as equity.

(18) 50% of the foreign currency-denominated dated hybrid notes (treated as equity) in the "Adjusted" column is 50% of the carrying amount of ¥459 billion of the foreign currency-denominated dated hybrid notes issued in October 2025, adjusted and treated as equity.

(19) Total capitalization equals total interest-bearing debt plus total 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, 2025 and 2026 as well as the three months ended June 30, 2025 and 2026. The selected consolidated financial information as of and for the fiscal years ended March 31, 2024, 2025 and 2026 is derived from our audited consolidated financial statements included elsewhere in this offering memorandum that were prepared in accordance with IFRS. The selected consolidated financial information as of June 30, 2026 and for the three months ended June 30, 2025 and 2026 is derived from our unaudited condensed interim consolidated financial statements included elsewhere in this offering memorandum, that were prepared in accordance with Article 5-2 of the Tokyo Stock Exchange's standards for the preparation of quarterly financial statements.

	As of and for the fiscal year ended March 31,			As of and for the three months ended June 30,	
	2024 (audited)	2025 (audited)	2026 (audited)	2025 (unaudited)	2026 (unaudited)
			(millions of yen)		
Statement of Profit or Loss Data:					
Net sales	¥ 6,756,500	¥ 7,243,752	¥ 7,798,650	¥ 1,820,341	¥ 2,019,591
Cost of sales	(3,214,108)	(3,489,549)	(3,782,511)	(865,688)	(965,957)
Gross profit	3,542,392	3,754,203	4,016,139	954,653	1,053,634
Gain (loss) on investments					
Investment Business of Holding Companies	(459,045)	3,413,821	218,111	(256,548)	1,382,212
SoftBank Vision Funds	(167,290)	387,584	6,638,611	660,175	460,061
Other	66,985	(100,298)	429,774	83,318	17,109
Total gain (loss) on investments	(559,350)	3,701,107	7,286,496	486,945	1,859,382
Selling, general and administrative expenses	(2,982,383)	(3,024,409)	(4,020,928)	(758,197)	(1,286,924)
Finance cost	(556,004)	(581,559)	(771,790)	(165,309)	(328,745)
Foreign exchange gain (loss)	(703,122)	27,055	(271,009)	143,270	(146,065)
Derivative gain (loss) (excluding gain (loss) on investments)	1,502,326	(2,034,029)	204,333	228,815	(391,585)
Change in third-party interests in SVF	(390,137)	(491,898)	(534,613)	(234,079)	(176,641)
Other gain	204,079	354,251	226,277	33,843	6,094
Income before income tax(1)	57,801	1,704,721	6,134,905	689,941	589,150
Income taxes	151,416	(101,613)	(502,929)	(125,797)	(70,163)
Net income	¥ 209,217	¥ 1,603,108	¥ 5,631,976	¥ 564,144	¥ 518,987
Net income attributable to					
Owners of the parent	¥ (227,646)	¥ 1,153,332	¥ 5,002,271	¥ 421,819	¥ 347,330
Non-controlling interests	436,863	449,776	629,705	142,325	171,657
Statement of Financial Position Data:					
Total assets	46,724,243	45,013,756	60,749,547	44,841,782	65,135,153
Cash and cash equivalents	6,186,874	3,713,028	5,362,150	4,186,020	3,927,072
Total liabilities	33,487,074	31,060,730	40,281,115	31,237,983	43,782,301
Total interest-bearing debt	20,567,524	18,006,330	24,685,116	18,725,157	26,644,858
Total equity	13,237,169	13,953,026	20,468,432	13,603,799	21,352,852
Statement of Cash Flows Data:					
Net cash provided by (used in) operating activities	¥ 250,547	¥ 203,580	¥ (428,832)	¥ (270,594)	¥ (439,860)
Net cash used in investing activities	(841,461)	(1,631,540)	(4,507,172)	(641,564)	(2,542,190)
Net cash provided by (used in) financing activities	(606,222)	(1,116,384)	6,377,307	1,409,724	1,515,933

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

	For the fiscal year ended March 31,			For the three months ended June 30,	
	2024	2025	2026	2025	2026
	(millions of yen)				
Segment Income (Loss) (Income (Loss) Before Income Tax)					
Investment Business of Holding Companies	¥ (97,526)	¥ 794,251	¥ (472,082)	¥ (20,938)	¥1,051,617
SoftBank Vision Funds	128,179	(115,018)	6,444,601	451,394	5,427
SoftBank	835,076	906,309	965,002	278,540	292,538
AI Computing[1]	(33,215)	(10,891)	(137,266)	(32,411)	(200,841)
Other	51,408	89,560	(328,316)	72,431	(765,194)
Reconciliations	(826,121)	40,510	(337,034)	(59,075)	205,603
Consolidated Income (Income Before Income Tax)	¥ 57,801	¥1,704,721	¥6,134,905	¥689,941	¥ 589,150

(1) Segment information for the former Arm segment has been retroactively reclassified to reflect changes in reportable segments adopted in the fiscal year ended March 31, 2026. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Establishment of a New Reportable Segment."

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

Financial data presented for the fiscal years ended March 31, 2024, 2025 and 2026 is derived from our audited consolidated financial statements for the fiscal years ended March 31, 2024, 2025 and 2026, and financial data presented for the three months ended June 30, 2025 and 2026 is derived from our unaudited condensed interim consolidated financial statements for the three months ended June 30, 2025 and 2026 which, in each case, 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 wide range of businesses across the information and technology sectors. Each of our portfolio companies seeks self-sustained growth while we, in turn, support them 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;
- SoftBank segment, which mainly consists of our (i) consumer business: the provision of mobile and broadband services to individual customers; (ii) enterprise business: provision of mobile services, solution services, and cloud and AI services to enterprise customers; (iii) distribution business: the provision of Information and Communication Technology ("ICT") services products to enterprise customers; (iv) media & EC (e-commerce) business: the provision of media, advertising and commerce 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;
- AI Computing segment, which mainly consists of the design of semiconductor intellectual property, chips and related technology, development and sale of semiconductor chips, and the sale of software tools and provision of related services by Arm, Ampere and Graphcore Limited, and other semiconductor-related subsidiaries. This segment was established during the three-month period ended December 31, 2025. For more details, see "—Establishment of a New Reportable Segment;" and
- Other, which mainly consists of our (i) solar power plant development, construction and operation, and data center development and construction by Energy Global; (ii) robotics-related business by Robo HD; and (iii) Fukuoka SoftBank HAWKS-related businesses.

For details regarding our business, see "Business."

The following table shows the percentage of our net sales and segment income for the three months ended June 30, 2026 attributable to each of our segments:

	For the three months ended June 30, 2026						
	Investment Business of Holding Companies	SoftBank Vision Funds	SoftBank	AI Computing	Other[1]	Reconciliations[2]	Consolidated
Net sales	—	—	89.8%	8.7%	2.0%	(0.4)%	100.0%
Segment income (income before income tax)	178.5%	0.9%	49.7%	(34.1)%	(129.9)%	34.9%	100.0%

(1) Other includes, among other things, the business results from Energy Global, Robo HD and the Fukuoka SoftBank HAWKS-related operations.

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

The following table shows the percentage of our net sales and segment income for the fiscal year ended March 31, 2026 attributable to each of our segments:

	For the fiscal year ended March 31, 2026						
	Investment Business of Holding Companies	SoftBank Vision Funds	SoftBank	AI Computing	Other[1]	Reconciliations[2]	Consolidated
Net sales	—	—	90.3%	8.2%	1.9%	(0.4)%	100.0%
Segment income (income before income tax)	(7.7)%	105.0%	15.7%	(2.2)%	(5.3)%	(5.5)%	100.0%

(1) Other includes, among other things, the business results from Energy Global, Robo HD and the Fukuoka SoftBank HAWKS-related operations.

(2) Reconciliations include elimination of intersegment transactions, as well as an elimination of gain and loss on the investment in shares in Arm, Robo HD, 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, 2026, the presentation of our financial information has been changed as follows. Information for the fiscal year ended March 31, 2025 included here and elsewhere in this offering memorandum has been restated and presented in the same manner.

Presentation of consolidated statement of cash flows

"Increase (decrease) in securities pledged as collateral in asset management subsidiaries" under "Cash flows from operating activities" which was included in "Other" in the preceding fiscal year, is separately presented for the fiscal year ended March 31, 2026, since the amount increased and became significant.

"Proceeds (net) from loss of control over subsidiaries," "Payments for loan receivables," and "Collection of loan receivables" under "Cash flows from investing activities" which were separately presented for the preceding fiscal year, are included in "Other" for the fiscal year ended March 31, 2026, since the amounts decreased and became insignificant.

"Contribution from non-controlling interests" under "Cash flows from financing activities" which was included in "Other" in the preceding fiscal year, is separately presented for the fiscal year ended March 31, 2026, since the amount increased and became significant.

"Purchase of shares of subsidiaries from non-controlling interests" under "Cash flows from financing activities" which was separately presented for the preceding fiscal year, is included in "Other" for the fiscal year ended March 31, 2026, since the amount decreased and became insignificant.

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 preceding 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 preceding 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 flows 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.

Establishment of a New Reportable Segment

Following the completion of the Acquisition of Ampere in November 2025 and our regular review and reassessment of operating units, we established the AI Computing segment as a reportable segment, which includes Arm, previously included in the Arm segment, and Graphcore Limited, previously included in "Other," together with Ampere and other semiconductor-related subsidiaries. The reportable segments for the same period of the fiscal years ended March 31, 2024 and 2025 have also been reclassified in the same manner.

Follow-on investments in OpenAI

As of June 30, 2026, we made primary and secondary investments totaling $44.6 billion in OpenAI through SVF2. The fair value of this investment was $89.6 billion, resulting in a cumulative investment gain of $45.0 billion. The $44.6 billion investment amount includes the full $30.0 billion (net of syndication to third parties) at a pre-money valuation of $260.0 billion invested pursuant to the definitive agreement entered into on March 31, 2025 between SoftBank Group and OpenAI in relation to the 2025 OpenAI Follow-on Investment and the $10.0 billion invested on April 1, 2026 pursuant to the definitive agreement entered into on February 27, 2026 between SoftBank Group and OpenAI in relation to the 2026 OpenAI Follow-on Investment. For more details about the 2026 OpenAI Follow-on Investment, see "—Recent Developments." The 2026 OpenAI Follow-on Investment is subject to various uncertainties and risks. See "Risk Factors—Risks Related to Our Investment in OpenAI."

Participation in AI Infrastructure Projects

On January 22, 2025, we announced our participation in the Stargate Project to build new AI infrastructure in support of OpenAI. On September 24, 2025, we announced together with OpenAI and Oracle Corporation that the Stargate Project contemplates the phased development of up to approximately 10 GW of AI data-center capacity across the United States. At present, the Milam County AI data center is the only data-center project in which we are involved under Stargate, which is led by OpenAI. As part of this project, in January 2026, SB Energy entered into a strategic partnership with OpenAI and is advancing the construction of data-center buildings pre-fitted with power and network connectivity infrastructure (powered shells) for an AI data-center project which is expected to have approximately 0.8 IT-GW in Milam County, Texas.

On March 20, 2026, the U.S. Department of Energy (DOE) and the U.S. Department of Commerce (DOC), together with SoftBank and AEP Ohio, announced a public-private partnership to redevelop DOE land, modernize energy infrastructure, and develop advanced computing at the Portsmouth Site in Pike County, Ohio. As part of the partnership, SB Energy plans to develop 8 IT-GW AI data-center capacity at the PORTS-Pike Technology Campus, which is expected to be supported by 10 GW of new power generation, including 9.2 GW of natural gas generation capacity. The 9.2 GW natural gas generation project includes approximately $33.3 billion in Japanese funding previously announced under the U.S.-Japan Strategic Trade and Investment Agreement, which contemplates $550 billion of Japanese investment in the United States.

Furthermore, in June 2026, we announced our commitment to develop and operate up to 5 GW of AI data-center capacity in France, representing an investment of up to €75 billion. The first phase, comprising an initial €45 billion investment to deliver 3.1 GW of AI data-center capacity in the Hauts-de-France region, is part of the 2026 Choose France summit hosted by President Emmanuel Macron. The initiative is aimed at expanding access to high-performance compute capacity in France in support of the rapidly growing AI sector. In connection with that program, a joint venture we majority own was selected to develop and operate a 1 GW AI data-center campus in Bosquel, France.

Recent Developments

Since June 30, 2026, we have continued to pursue our business and investment strategies, including the following recent developments:

Issuance of the 70th series Yen-denominated Corporate Bonds. On September 17, 2026, we issued ¥1.0 trillion aggregate principal amount of our 70th series Yen-denominated Corporate Bonds. The bonds have a term of seven years, bearing interest at a rate of 4.75% per annum. See "Description of Other Indebtedness—Borrowings—Corporate Bonds."

Repayment of the outstanding amount under the 2026 Bridge Loan Facility. On September 15, 2026, we repaid in full the $25.9 billion then outstanding under the 2026 Bridge Loan Facility. Following such repayment, no amounts remained outstanding under the 2026 Bridge Loan Facility, while the remaining $10.0 billion undrawn

amount remained available. We plan to use the proceeds of this offering, concurrently with cancelling all of the $10 billion of undrawn capacity under the 2026 Bridge Loan Facility, towards the October 1, 2026 $10 billion third closing under the 2026 OpenAI Follow-on Investment. See "Description of Other Indebtedness—Borrowings—2026 Bridge Loan Facility."

Monetization of Intel Shares through Variable Prepaid Forward Transactions. In August 2026, through a wholly owned subsidiary, we entered into variable prepaid forward transactions in respect of all of our holdings in Intel, pursuant to which we received upfront proceeds of approximately $7.4 billion.

Increase in Margin Loan Backed by Arm Shares. In September 2026, we amended the margin loan backed by Arm shares to extend the repayment maturity by one year from September 2027 to September 2028, and to increase the maximum borrowing amount by $5.0 billion, from $20.0 billion to $25.0 billion, and, on September 10, 2026, drew the additional $5.0 billion in full. See "—Liquidity and Capital Resources—Margin Loans Backed by Arm and SoftBank Corp. Shares."

New Senior Term Loan Facility. In September 2026, we entered into a senior term loan facility with a syndicate of Japanese and other financial institutions for an aggregate principal amount of $11.9 billion, with a two-year maturity, and drew it down in full. For more details, see "Description of Other Indebtedness—Borrowings—Senior Term Loan Facility."

Financing Agreement Using OpenAI Shares. In August 2026, a subsidiary of SVF2 entered into a $10.0 billion loan agreement with a syndicate of financial institutions. The full $10.0 billion has been drawn during August 2026. Principal is repayable in August 2028. The collateral under the loan agreement consists of a cash collateral account of the borrower, and the Company is the guarantor. The loan agreement also includes provisions that may require additional cash collateral or mandatory prepayment in certain circumstances, including upon a significant decrease in the fair value of the OpenAI preferred shares held by SVF2 and referenced under the loan agreement. For more details, see "—Liquidity and Capital Resources—Financing Agreement Using OpenAI Shares."

Additional Follow-on Investments in OpenAI. On July 1, 2026, we drew down $10.0 billion under the 2026 Bridge Loan Facility to fund the second tranche of our 2026 follow-on investments in OpenAI. This drawdown formed part of the $30.0 billion of follow-on investments in OpenAI through SVF2 announced on February 27, 2026 at a pre-money valuation of $730.0 billion. Following such funding of the second tranche, we are only due to fund the third tranche which is expected to close on October 1, 2026. As of the date of this offering memorandum, the Company has sufficient undrawn capacity under the 2026 Bridge Loan Facility to cover the funds for investment in October under the 2026 OpenAI Follow-on Investment. We plan to use the proceeds of this offering, concurrently with cancelling all of the $10 billion of undrawn capacity under the 2026 Bridge Loan Facility, towards the October 1, 2026 $10 billion third closing under the 2026 OpenAI Follow-on Investment. Following completion of all three tranches of the 2026 OpenAI Follow-on Investment, the Company's cumulative investment in OpenAI is expected to reach $64.6 billion and its ownership interest is expected to be approximately 13%.

Additional Borrowings under SVF2-Backed Facility. We elected to incur an additional $4.2 billion of borrowings under the facility agreement secured by the equity interests of certain subsidiaries of SVF2. Such borrowings are on a non-recourse basis to the Company. See Note 23 to our consolidated financial statements for the fiscal year ended March 31, 2026.

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 AI-related fields, and includes portfolio companies such as Arm and OpenAI. Strategic investments that offer added value through deep management involvement are made by SoftBank Group, 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, 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. The following table sets forth the calculation of Equity Value of Holdings as of the end of each of the three-month periods indicated.

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

	As of				
	June 30, 2025	September 30, 2025	December 31, 2025	March 31, 2026	June 30, 2026
	(billions of yen)[1]				
Equity Value of Holdings					
Arm					
Fair value of Arm shares held by the Company	¥21,612	¥19,437	¥15,791	¥22,318	¥53,130
Payable amount of consideration for Arm shares	(557)	—	—	—	—
Outstanding margin loan backed by Arm shares	(1,220)	(1,256)	(3,101)	(3,169)	(3,221)
Arm total[2]	19,835	18,181	12,690	19,149	49,909
SVF1					
Company's portion of the net asset value of SVF1	3,803	3,959	3,788	3,380	3,605
SVF1 total[3]	3,803	3,959	3,788	3,380	3,605
SVF2					
Company's portion of the net asset value of SVF2	5,857	8,259	13,171	17,194	19,292
SVF2 total[4]	5,857	8,259	13,171	17,194	19,292
LatAm					
Company's portion of the net asset value of LatAm	988	1,037	1,044	1,035	1,004
LatAm total[5]	988	1,037	1,044	1,035	1,004
SoftBank Corp.					
Fair value of SoftBank Corp. shares held by the Company	4,270	4,169	4,113	4,042	3,985
Outstanding amount related to asset-backed financings using SoftBank Corp. shares	(797)	(797)	(1,196)	(1,197)	(1,197)
SoftBank Corp.total[6]	3,474	3,372	2,917	2,846	2,788
T-Mobile					
Fair value of T-Mobile shares held by the Company	2,203	1,610	906	336	272
Net other derivatives	—	—	—	—	—
Unsettled portion of prepaid forward contracts using T-Mobile shares	—	—	—	(289)	(272)
T-Mobile total[7]	2,203	1,610	906	47	—
Deutsche Telekom					
Fair value of Deutsche Telekom shares held by the Company	875	55	—	—	—
Unsettled portion of collar transactions using Deutsche Telekom shares	(523)	—	—	—	—
Deutsche Telekom total[8]	352	55	—	—	—
Alibaba[9]					
Fair value of Alibaba shares held by the Company	8	13	11	9	7
Unsettled portion of prepaid forward contracts using Alibaba shares	—	—	—	—	—
Alibaba total[9]	8	13	11	9	7
Others					
Other assets held by the Company[10]	2,526	3,381	4,448	4,602	6,503
Others total	2,526	3,381	4,448	4,602	6,503
Total	¥39,046	¥39,866	¥38,975	¥48,263	¥83,108

(1) U.S. dollar amounts have been translated into Japanese yen using the exchange 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, ¥149.52 = $1.00, ¥144.81= $1.00, ¥148.88 = $1.00, ¥156.56 = $1.00, ¥159.88 = $1.00 and ¥162.39 = $1.00 in order from left to right across the two Equity Value of Holdings tables above.

(2) 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. Does not include the increase in margin loan backed by Arm shares in September 2026. See "—Recent Developments."

(3) 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.

(4) 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. The equity value of SVF2 has not been adjusted to reflect the $10.0 billion (¥1,624 billion) of borrowing using OpenAI shares and guaranteed by the Company. For more details, see "—Liquidity and Capital Resources—Financing Agreement Using OpenAI Shares." As of June 30, 2026, of the equity value of SVF2, ¥14.0 trillion ($86.0 billion) was attributable to OpenAI, calculated by applying OpenAI's proportion of the aggregate fair value of SVF2's portfolio to the NAV of SVF2 attributable to the Company.

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

(6) 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.

(7) 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.

(8) 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.

(9) 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).

(10) 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 (9) above. Does not include the variable prepaid forward transactions in respect of all of our holdings in Intel entered into in August 2026.

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 and Arm from the consolidated interest-bearing debt and lease liabilities and making adjustments for hybrid finance and asset-backed financings. 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 and LINE Bank Taiwan Limited) 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 and Arm from the Consolidated Cash Position. 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.

	As of									
	March 31, 2024	June 30, 2024	September 30, 2024	December 31, 2024	March 31, 2025	June 30, 2025	September 30, 2025	December 31, 2025	March 31, 2026	June 30, 2026
	(billions of yen)									
Current interest-bearing debt	¥ 8,271	¥ 9,141	¥ 8,936	¥ 7,346	¥ 5,630	¥ 5,201	¥ 6,407	¥ 5,665	¥ 7,252	¥ 7,559
Current lease liabilities	150	161	159	162	165	171	173	180	185	213
Non-current interest-bearing debt	12,296	11,580	10,502	11,782	12,377	13,524	12,786	17,636	17,433	19,086
Non-current lease liabilities	645	717	730	736	742	749	754	769	794	933
Consolidated interest-bearing debt and lease liabilities[1]	¥21,362	¥21,600	¥20,327	¥20,026	¥18,913	¥19,645	¥20,120	¥24,250	¥25,664	¥27,791
Non-recourse interest-bearing debt and lease liabilities of subsidiaries[2]	(7,065)	(7,271)	(7,077)	(7,074)	(6,774)	(7,319)	(7,514)	(7,906)	(7,872)	(9,021)
Adjustment for hybrid finance[3]	(367)	(367)	(367)	(392)	(392)	(392)	(491)	(715)	(631)	(767)
Adjustment for asset-backed financings[4]	(7,443)	(7,167)	(5,777)	(4,941)	(3,462)	(2,358)	(2,053)	(4,297)	(4,624)	(4,684)
Gross Interest-bearing Debt	¥ 6,487	¥ 6,795	¥ 7,105	¥ 7,620	¥ 8,286	¥ 9,576	¥10,061	¥11,332	¥12,537	¥13,319
Consolidated cash and cash equivalents[5]	¥ 5,939	¥ 5,190	¥ 4,135	¥ 4,167	¥ 3,489	¥ 3,856	¥ 4,673	¥ 4,005	¥ 5,031	¥ 3,484

	As of									
	March 31, 2024	June 30, 2024	September 30, 2024	December 31, 2024	March 31, 2025	June 30, 2025	September 30, 2025	December 31, 2025	March 31, 2026	June 30, 2026
	(billions of yen)									
Consolidated short-term investments recorded as current assets	493	711	758	1,224	1,018	1,035	1,037	1,682	1,807	2,021
Consolidated bond investments	45	80	0	1	1	1	1	1	1	0
Consolidated Cash Position	¥ 6,477	¥ 5,981	¥ 4,893	¥ 5,392	¥ 4,508	¥ 4,892	¥ 5,710	¥ 5,687	¥ 6,839	¥ 5,505
Cash Position held at subsidiaries[6]	(2,521)	(2,150)	(1,907)	(2,085)	(1,885)	(1,958)	(2,208)	(2,401)	(2,508)	(2,996)
Adjustment for Cash Position held at asset management subsidiaries[7]	(22)	(18)	(12)	(17)	—	—	—	—	—	—
Standalone Cash Position	¥ 3,934	¥ 3,814	¥ 2,974	¥ 3,290	¥ 2,623	¥ 2,934	¥ 3,502	¥ 3,286	¥ 4,331	¥ 2,509
Gross Interest-bearing Debt	6,487	6,795	7,105	7,620	8,286	9,576	10,061	11,332	12,537	13,319
Standalone Cash Position	(3,934)	(3,814)	(2,974)	(3,290)	(2,623)	(2,934)	(3,502)	(3,286)	(4,331)	(2,509)
Standalone Net Interest-bearing Debt	¥ 2,553	¥ 2,981	¥ 4,131	¥ 4,330	¥ 5,663	¥ 6,642	¥ 6,559	¥ 8,046	¥ 8,206	¥10,810
Equity Value of Holdings	30,348	38,264	33,142	33,664	31,384	39,046	39,866	38,975	48,263	83,108
NAV	27,795	35,283	29,011	29,334	25,721	32,404	33,307	30,929	40,056	72,298

(1) Consolidated interest-bearing debt does not include the $10.0 billion drawdown under the 2026 Bridge Loan Facility on July 1, 2026, the $10.0 billion of borrowings using OpenAI shares and guaranteed by the Company entered into on August 5, 2026, the ¥1.0 trillion aggregate principal amount of our 70th series Yen-denominated Corporate Bonds issued on September 17, 2026 and the full redemption at maturity of the 56th series Yen-denominated Corporate Bonds and the 57th series Yen-denominated Corporate Bonds, on September 17, 2026 and September 11, 2026, respectively, or the $11.9 billion senior term loan facility entered into in September 2026. For more details, see "Description of Other Indebtedness—Borrowings—2026 Bridge Loan Facility," "—Liquidity and Capital Resources—Financing Agreement Using OpenAI Shares," and "Description of Other Indebtedness—Borrowings—Corporate Bonds."

(2) 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 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. Non-recourse interest-bearing debt of subsidiaries does not include the approximately $1.8 billion equivalent of non-recourse LBO financing arranged to fund the acquisition of ABB's Robotics Business (undrawn as of the date of this offering memorandum). Does not include the additional $5.0 billion increase in margin loan backed by Arm shares in September 2026. See "—Liquidity and Capital Resources—Margin Loans Backed by Arm and SoftBank Corp. Shares."

(3) Adjusted for hybrid finance to reflect: (i) deduction of 50% of the outstanding principal amount of the yen-denominated hybrid bonds issued in April 2023, September 2025, April 2026 and June 2026, which are recorded as liabilities in the consolidated financial statements; (ii) deduction of 50% of the outstanding principal amount of the foreign currency-denominated dated hybrid bonds issued in October 2025; (iii) addition of 50% of the outstanding principal amount of the USD-denominated perpetual hybrid notes issued in July 2017, which are recorded as equity in the consolidated financial statements; and (iv) 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.

(4) 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 "—Liquidity and Capital Resources—Margin Loans Backed by Arm and SoftBank Corp. Shares." Does not reflect the variable prepaid forward transactions entered into in August 2026 in respect of all of our holdings in Intel. See "—Recent Developments."

(5) Cash and cash equivalents held by PayPay Bank Corporation and LINE Bank Taiwan Limited are excluded. Consolidated cash and cash equivalents does not include the ¥1.0 trillion aggregate principal amount of the 70th series Yen-denominated Corporate Bonds issued on September 17, 2026. See "Description of Other Indebtedness—Borrowings—Corporate Bonds." Does not reflect the cash effects of the subsequent financing, monetization and debt repayment transactions described under "—Recent Developments," including the issuance of the 70th series Yen-denominated Corporate Bonds.

(6) Cash Position held at subsidiaries includes cash and cash equivalents and short-term investments 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 held by PayPay Bank Corporation and LINE Bank Taiwan Limited are excluded.

(7) Adjustment for Cash Position held at 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 interest-bearing debt and lease liabilities.

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	June 30, 2025	September 30, 2025	December 31, 2025	March 31, 2026	June 30, 2026
	(billions of yen except LTV ratio)									
Standalone Net Interest-bearing Debt	¥ 2,553	¥ 2,981	¥ 4,131	¥ 4,330	¥ 5,663	¥ 6,642	¥ 6,559	¥ 8,046	¥ 8,206	¥10,810
Equity Value of Holdings	30,348	38,264	33,142	33,664	31,384	39,046	39,866	38,975	48,263	83,108
LTV ratio	8.4%	7.8%	12.5%	12.9%	18.0%	17.0%	16.5%	20.6%	17.0%	13.0%

Results of Operations

Comparison of the Three Months Ended June 30, 2026 with the Three Months Ended June 30, 2025

The following table shows selected statement of profit or loss data for the three months ended June 30, 2025 and 2026. The comparisons below are with respect to the financial information derived from our unaudited condensed interim consolidated financial statements for the three months ended June 30, 2026 and the financial information for the three months ended June 30, 2025 is presented as comparative information therein.

	For the three months ended June 30,	
	2025 (unaudited)	2026 (unaudited)
	(millions of yen)	
Net sales	¥1,820,341	¥ 2,019,591
Cost of sales	(865,688)	(965,957)
Gross profit	954,653	1,053,634
Gain on investments		
Investment Business of Holding Companies	(256,548)	1,382,212
SoftBank Vision Funds	660,175	460,061
Other	83,318	17,109
Total gain on investments	486,945	1,859,382
Selling, general and administrative expenses	(758,197)	(1,286,924)
Finance cost	(165,309)	(328,745)
Foreign exchange gain (loss)	143,270	(146,065)
Derivative gain (loss) (excluding gain (loss) on investments)	228,815	(391,585)
Change in third-party interests in SVF	(234,079)	(176,641)
Other gain	33,843	6,094
Income before income tax	689,941	589,150
Income taxes	(125,797)	(70,163)
Net income	564,144	518,987
Net income attributable to		
Owners of the parent	421,819	347,330
Non-controlling interests	142,325	171,657
Net income	¥ 564,144	¥ 518,987

Consolidated Results of Operations

Net sales. Net sales increased in the SoftBank segment and the AI Computing segment. For details, see "—SoftBank Segment" and "—AI Computing Segment."

Gain on investments at Investment Business of Holding Companies. Investment gain at Investment Business of Holding Companies was ¥1,382 billion ($8,512 million). This was primarily attributable to a ¥1,333 billion ($8,208 million) gain on shares of Intel. For details, see "—Investment Business of Holding Companies Segment."

Gain on investments at SoftBank Vision Funds. Investment gain at SoftBank Vision Funds totaled ¥460 billion ($2,833 million), comprising gains of ¥385 billion ($2,371 million) at SVF1 and ¥123 billion

($760 million) at SVF2, partially offset by losses of ¥46 billion ($283 million) at LatAm and ¥2 billion ($15 million) on other investments.

At SVF1, the investment gain was primarily driven by a $2.2 billion increase in the fair value of Bytedance Ltd. ("ByteDance"), reflecting its strong business performance. At SVF2, the investment gain was primarily driven by increases in the fair value of certain private portfolio companies, reflecting higher valuations in recent transactions, as well as higher share prices of certain public portfolio companies.

Gains and losses recorded in the SoftBank Vision Funds segment related to investments in the Company's subsidiaries and others, including PayPay Corporation, are eliminated on consolidation and therefore not recognized in the consolidated statement of profit or loss. For details, see "—SoftBank Vision Funds Segment."

Total gain on investments. For the three months ended June 30, 2026, primarily as a result of Gain on Investments at Investment Business of Holding Companies and Gain on investments at SoftBank Vision Funds, the total gain on investments was ¥1,859 billion ($11,450 million).

Selling, general and administrative expenses. Selling, general and administrative expenses increased by ¥529 billion ($3,256 million) year on year to ¥1,287 billion ($7,925 million). Expenses in the AI Computing segment increased by ¥200 billion ($1,235 million) year on year, reflecting higher share-based compensation expenses resulting from increased headcount, particularly among Arm engineers, and the acquisition of Ampere. Share-based compensation expenses are included in research and development expenses and other selling, general and administrative expenses. Expenses at Energy Global, which is included in Other in the segment information, increased by ¥184 billion ($1,131 million), mainly due to higher share-based compensation expenses accounted for as cash-settled, following an increase in Energy Global's fair value.

Finance cost. Interest expenses at the Company (including interest expenses of its wholly owned financing subsidiaries) increased by ¥136 billion ($835 million) year on year to ¥266 billion ($1,637 million). The increase was primarily due to interest on $11.5 billion borrowed in December 2025 through the margin loan backed by Arm shares and on $20.0 billion drawn under bridge loans in April 2026, as well as a higher outstanding balance of corporate bonds. Higher funding rates also contributed to the increase in interest expenses.

Foreign exchange loss. A foreign exchange loss of ¥146 billion ($899 million) (net) was recorded, reflecting (i) a net U.S. dollar liability position at the Company and its domestic financing subsidiaries, with U.S. dollar-denominated liabilities, including intercompany borrowings and foreign currency-denominated senior notes, exceeding U.S. dollar-denominated cash, cash equivalents, and loans receivable, and (ii) the yen's depreciation against the U.S. dollar from the previous fiscal year-end to the first quarter-end.

Separately, the weaker yen increased the yen value of the net assets of overseas subsidiaries and associates, including SoftBank Vision Funds, whose functional currencies are the U.S. dollar and other foreign currencies. This favorable effect was not included in foreign exchange gains and losses. Instead, it was recognized in equity as an increase of ¥421 billion ($2,595 million) in exchange differences from the translation of foreign operations within accumulated other comprehensive income in the consolidated statement of financial position.

Derivative loss (excluding gain or loss on investments). Derivative loss (excluding gain or loss on investments) was a loss of ¥392 billion ($2,411 million) for the three months ended June 30, 2026, compared with a gain of ¥229 billion ($1,409 million) in the same period of the previous fiscal year. The loss included a derivative loss of ¥453 billion ($2,792 million) recorded due to an increase in the fair value of warrants granted by Energy Global as incentives under lessor lease arrangements related to data centers. The warrants are convertible into Energy Global's ordinary equity interests.

Change in third-party interests in SVF. A ¥177 billion ($1,088 million) increase in third-party interests in SVF was recorded. This was primarily driven by a ¥165 billion ($1,017 million) increase in third-party interests at SVF1 attributable to investors entitled to performance-based distributions, following the recording of an investment gain of ¥384 billion ($2,366 million) at SVF1 (on an SVF1 stand-alone basis).

Income before income tax. Income before income tax was ¥589 billion ($3,628 million), a decrease of ¥101 billion ($621 million) year on year, primarily due to the factors described above.

Income taxes. Income taxes totaled ¥70 billion ($432 million), primarily due to income taxes recorded at operating companies, including SoftBank Corp. and LY Corporation.

Net income attributable to owners of the parent. Net income attributable to owners of the parent was ¥347 billion ($2,139 million), a decrease of ¥74 billion ($459 million) year on year.

Investment Business of Holding Companies Segment

The following table shows selected statement of profit or loss data for the Investment Business of Holding Companies segment for the three months ended June 30, 2025 and 2026. The comparisons below are with respect to the financial information derived from our unaudited condensed interim consolidated financial statements for the three months ended June 30, 2026 and the financial information for the three months ended June 30, 2025 is presented as comparative information therein.

	For the three months ended June 30,	
	2025 (unaudited)	2026 (unaudited)
	(millions of yen)	
Gain (loss) on investments	¥(256,548)	¥1,382,212
Selling, general and administrative expenses	(19,140)	(27,051)
Finance cost	(146,581)	(281,853)
Foreign exchange gain (loss)	131,780	(147,948)
Derivative gain (excluding gain (loss) on investments)	228,468	53,733
Other gain	41,083	72,524
Segment income (loss) (income (loss) before income tax)	¥ (20,938)	¥1,051,617

Gain on investments. An investment gain of ¥1,333 billion ($8,208 million) was recorded on Intel shares following an increase in its share price.

Finance cost. Interest expenses at the Company and its wholly owned financing subsidiaries increased by ¥127 billion ($780 million) year on year to ¥273 billion ($1,680 million). The increase was primarily due to interest on $11.5 billion borrowed in December 2025 through the margin loan backed by Arm shares and on $20.0 billion drawn under bridge loans in April 2026, as well as a higher outstanding balance of corporate bonds. Higher funding rates also contributed to the increase in interest expenses.

SoftBank Vision Funds Segment

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

The following table shows selected statement of profit or loss data for the SoftBank Vision Funds segment for the three months ended June 30, 2025 and 2026. The comparisons below are with respect to the financial information derived from our unaudited condensed interim consolidated financial statements for the three months ended June 30, 2026 and the financial information for the three months ended June 30, 2025 is presented as comparative information therein.

	For the three months ended June 30,	
	2025 (unaudited)	2026 (unaudited)
	(millions of yen)	
Gain on investments[(1)]	¥ 726,837	¥ 255,783
SVF 1	517,379	384,272
SVF 2	114,453	(80,098)
LatAm	70,383	(45,892)
Others	24,622	(2,499)
Selling, general and administrative expenses	(13,521)	(16,197)
Finance cost	(40,183)	(64,253)
Change in third-party interests in SVF[(2)]	(234,079)	(176,641)
Other gain	12,340	6,735
Segment income (income before income tax)	¥ 451,394	¥ 5,427

(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 PayPay Corporation and Robo HD) are included in segment income of the SoftBank Vision Funds segment as "gains on investments" but are eliminated in consolidation and not included in "gain on investments—SoftBank Vision Funds" in the consolidated statement of profit or loss.

(2) 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; and (iv) operating and other expenses of SVF.

Gain on investments. Investment gain at SoftBank Vision Funds segment was ¥256 billion ($1,575 million). This comprised a gain of ¥384 billion ($2,366 million) at SVF1, as well as losses of ¥80 billion ($493 million) at SVF2, ¥46 billion ($283 million) at LatAm, and ¥2 billion ($15 million) from other investments. The gain at SVF1 included a $2.2 billion investment gain on ByteDance, resulting from an increase in its fair value that reflected strong business performance. The loss at SVF2 was primarily attributable to declines in the share prices of public portfolio companies, including PayPay Corporation and Symbotic Inc., partially offset by increases in the fair value of certain private portfolio companies following higher valuations in recent transactions. No investment gain or loss related to OpenAI was recorded.

SoftBank Segment

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

	For the three months ended June 30,	
	2025 (unaudited)	2026 (unaudited)
	(millions of yen)	
Net sales	¥1,657,744	¥1,813,896
Segment income (income before income tax)	278,540	292,538
Depreciation and amortization	(183,135)	(197,895)
Gain on investments	5,388	9,641
Finance cost	(21,218)	(28,638)
Other gain	10,446	3,481

Segment income (income before income tax). Segment income increased by ¥14 billion ($86 million), or 5%, year on year to ¥293 billion ($1,801 million), mainly attributable to higher profit in the Financial and Enterprise businesses. In the Financial business, profit increased due to higher fee income resulting from growth in the payment transaction volume of PayPay Corporation and PayPay Card Corporation, as well as an increase in interest income driven by growth in finance receivables, including revolving credit balances, at PayPay Card Corporation. In the Enterprise business, profit increased due to higher cloud and AI revenue, particularly from AI computing platforms.

AI Computing Segment

The AI Computing segment includes the results of the operational activities of Arm, Ampere and Graphcore Limited, and other semiconductor-related subsidiaries.

	For the three months ended June 30,	
	2025 (unaudited)	2026 (unaudited)
	(millions of yen)	
Net sales	¥134,623	¥ 175,253
Segment income (income before income tax)	(32,411)	(200,841)
Depreciation and amortization[(1)]	(24,414)	(36,774)
Gain on investments	244	1,124
Finance cost	(947)	(2,228)
Other gain	6,028	5,284

(1) Depreciation and amortization expenses include amortization expenses of ¥15 billion ($94 million) for the period and ¥14 billion ($87 million) for the same period of the previous fiscal year. These expenses are related to intangible assets recognized in the purchase price allocation at the time of the acquisition of Arm.

Net sales. Net sales in this section are presented in U.S. dollars as the segment's revenue is primarily denominated in U.S. dollars.

	For the three months ended June 30,	
	2025 (unaudited)	2026 (unaudited)
	(millions of dollars)	
Net sales (U.S. dollar-based)	$927	$1,092

Net sales increased by $165 million, or 17.8% year on year, primarily driven by higher revenue at Arm. This was mainly attributable to an increase in Arm's royalty revenue. Royalty revenue increased across all three business units: Cloud AI (data centers and networks), Edge AI (smartphones, PCs and IoT devices), and Physical AI (autonomous vehicles and robotics).

Segment income (income before income tax). Segment loss was ¥201 billion ($1,237 million), a deterioration of ¥168 billion ($1,037 million) year on year. This was primarily attributable to an increase in research and development expenses at Arm and Graphcore, mainly reflecting higher share-based compensation expenses for additional engineers hired to develop next-generation technologies that will support future growth. The high level of research and development expenses at Ampere, which became a subsidiary in November 2025, also contributed to the deterioration in segment income.

Comparison of the Fiscal Year Ended March 31, 2026 with the Fiscal Year Ended March 31, 2025

The following table shows selected statement of profit or loss data for the fiscal years ended March 31, 2025 and 2026. The comparisons below are with respect to the financial information derived from our audited financial statements for the fiscal year ended March 31, 2026 and the financial information for the fiscal year ended March 31, 2025 is presented as comparative information therein.

	For the fiscal year ended March 31,	
	2025 (audited)	2026 (audited)
	(millions of yen)	
Net sales	¥ 7,243,752	¥ 7,798,650
Cost of sales	(3,489,549)	(3,782,511)
Gross profit	3,754,203	4,016,139
Gain on investments		
Investment Business of Holding Companies	3,413,821	218,111
SoftBank Vision Funds	387,584	6,638,611
Others	(100,298)	429,774
Total gain on investments	3,701,107	7,286,496
Selling, general and administrative expenses	(3,024,409)	(4,020,928)
Finance cost	(581,559)	(771,790)
Foreign exchange gain (loss)	27,055	(271,009)
Derivative gain (loss) (excluding gain (loss) on investments)	(2,034,029)	204,333
Change in third-party interests in SVF	(491,898)	(534,613)
Other gain	354,251	226,277
Income before income tax	1,704,721	6,134,905
Income taxes	(101,613)	(502,929)
Net income	1,603,108	5,631,976
Net income attributable to		
Owners of the parent	1,153,332	5,002,271
Non-controlling interests	449,776	629,705
Net income	¥ 1,603,108	¥ 5,631,976

Consolidated Results of Operations

Net sales. Net sales increased by ¥555 billion ($3,471 million), or 7.7% year on year to ¥7,799 billion ($48,778 million) for the fiscal year ended March 31, 2026 mainly due to increases in the net sales of the SoftBank segment and AI Computing segment.

Gain on investments at Investment Business of Holding Companies. For the fiscal year ended March 31, 2026, investment gain at Investment Business of Holding Companies segment was ¥218 billion ($1,364 million). This was primarily attributable to investment gains of ¥339 billion ($2,121 million) on NVIDIA shares, which is the total investment gain on the sale of all NVIDIA shares held by SBG and the asset management subsidiary during the three-month period ended December 31, 2025, ¥279 billion ($1,742 million) from investment in Intel, and ¥265 billion ($1,657 million) on the right to make a follow-on investment in OpenAI (which constitutes a forward contract, the "OpenAI Forward Contract"), which represents the increase in the fair value of the contract up to the date of the transfer agreement following the transfer of the OpenAI Forward Contract from SBG to

SVF2. The investment under this contract was completed in December 2025. These gains were partially offset by investment losses of ¥657 billion ($4,108 million) on T-Mobile shares and ¥170 billion ($1,062 million) on Alibaba shares. For details, see "—Investment Business of Holding Companies Segment."

Gain on investments at SoftBank Vision Funds. For the fiscal year ended March 31, 2026, investment gain at SoftBank Vision Funds segment totaled ¥6,639 billion ($41,522 million). This comprised gains of ¥39 billion ($247 million) at SVF1, ¥6,511 billion ($40,727 million) at SVF2, ¥43 billion ($270 million) at LatAm and ¥45 billion ($280 million) on other investments. The gain at SVF1 was primarily driven by gains recorded from exits of investments and increases in the fair values of private portfolio companies, mainly reflecting higher valuations in recent transactions, despite share price declines in certain public portfolio companies. The gain at SVF2 was primarily attributable to investment gains totaling ¥6,466 billion ($40,440 million) related to investments in OpenAI. For details, see "—SoftBank Vision Funds Segment."

Gain on other investments. Other investment gain was ¥430 billion ($2,688 million). This was primarily due to increases in the fair value of investments held by Robo HD, including Skild AI, Inc.

Total gain on investments. For the fiscal year ended March 31, 2026, total gain on investments was ¥7,286 billion ($45,575 million).

Selling, general and administrative expenses. Selling, general and administrative expenses increased by ¥997 billion ($6,233 million), or 32.9% year on year to ¥4,021 billion ($25,150 million) for the fiscal year ended March 31, 2026. In the SoftBank segment, selling, general and administrative expenses increased by ¥179 billion ($1,122 million) year on year, primarily due to higher sales-related expenses incurred in acquiring smartphone subscribers and promoting the continued use of commerce services by existing customers. In the AI Computing segment, selling, general and administrative expenses increased by ¥214 billion ($1,336 million) year on year, primarily due to an increase in research and development expenses associated with the development of next-generation technologies to support future growth. In addition, at Energy Global, which is included in the Other segment, selling, general and administrative expenses increased by ¥368 billion ($2,304 million) year on year, mainly due to an increase in the fair value of the equity-based plans accounted for as cash-settled.

Finance cost. Finance cost increased by ¥190 billion ($1,190 million), or 32.7% year on year to ¥772 billion ($4,827 million) for the fiscal year ended March 31, 2026, reflecting the increase in interest expenses at the Company and its wholly owned financing subsidiaries by ¥159 billion ($992 million) year on year to ¥602 billion ($3,768 million), mainly due to (i) higher interest expense on syndicated loans following borrowings under a term loan in September 2024 and a bridge loan in April 2025 and (ii) higher interest expense on straight bonds and hybrid bonds as outstanding balances increased. These increases more than offset lower interest expense related to prepaid forward contracts backed by Alibaba shares, which declined as physical settlement of those contracts progressed in the fiscal year ended March 31, 2025 and was completed in the three-month period ended June 30, 2025.

Foreign exchange loss. A foreign exchange loss of ¥271 billion ($1,695 million) (net) was recorded primarily because U.S. dollar-denominated liabilities (including borrowings from subsidiaries and foreign currency-denominated senior notes) exceeded U.S. dollar-denominated cash and cash equivalents and loans receivable at the Company and its domestic financing subsidiaries, in addition to which the yen also depreciated against the U.S. dollar at March 31, 2026 compared to March 31, 2025.

For SoftBank Vision Funds and other foreign subsidiaries and associates, whose functional currencies are foreign currencies (primarily U.S. dollars), the yen-translated value of their net assets increased due to the yen's depreciation in the exchange rates used for translation at the fiscal year-end compared to the previous fiscal year-end. However, this positive impact is not recognized as foreign exchange gains and losses; instead, it is reflected in the ¥1,087 billion ($6,799 million) increase in exchange differences from the translation of foreign operations, recorded under accumulated other comprehensive income in equity in the consolidated statement of financial position.

Derivative gain (excluding gain or loss on investment). Derivative gain (excluding gain or loss on investments) was a gain of ¥204 billion ($1,278 million) for the fiscal year ended March 31, 2026, compared with a loss of ¥2,034 billion ($12,722 million) in the fiscal year ended March 31, 2025. The gain included a derivative gain of ¥143 billion ($893 million) related to prepaid forward contracts backed by Alibaba shares. All such contracts were settled by June 30, 2025.

Change in third-party interests in SVF. For the fiscal year ended March 31, 2026, a ¥535 billion ($3,344 million) increase in third-party interests in SVF was recorded. This was primarily driven by a ¥490 billion ($3,063 million) increase in third-party interests at SVF2 following the recording of an investment gain of ¥6,854 billion ($42,868 million) at SVF2 (on an SVF2 stand-alone basis).

Income before income tax. As a result of the foregoing, income before income tax increased by ¥4,430 billion ($27,709 million) year on year to ¥6,135 billion ($38,372 million) for the fiscal year ended March 31, 2026.

Income taxes. For the fiscal year ended March 31, 2026, income taxes totaled ¥503 billion ($3,146 million). This reflects the recording of current income tax expense of ¥541 billion ($3,382 million), partially offset by a deferred tax benefit of ¥38 billion ($237 million). Current income tax expense primarily consisted of ¥159 billion ($993 million) recorded by the Company in connection with the physical settlement of prepaid forward contracts backed by Alibaba shares, as well as ¥330 billion ($2,062 million) recorded by operating companies such as SoftBank Corp. The deferred tax benefit was primarily attributable to the reversal of deferred tax liabilities that had been recognized at the previous fiscal year-end on Alibaba shares and related derivatives, following the physical settlement of prepaid forward contracts backed by Alibaba shares. This more than offset deferred tax expenses arising from the recognition of deferred tax liabilities for investment gains on certain equity securities.

The current tax expense recorded at SBG mentioned above includes an estimated top-up tax of ¥62 billion ($387 million) under the income inclusion rule of Japan's global minimum tax regime (the "Global Minimum Tax"), which was introduced to implement the Global Anti-Base Erosion (GloBE) Model Rules published by the Organisation for Economic Co-operation and Development (OECD)/G20 Inclusive Framework on Base Erosion and Profit Shifting.

Net income attributable to owners of the parent. As a result of the foregoing, net income attributable to owners of the parent was ¥5,002 billion ($31,288 million) for the fiscal year ended March 31, 2026, an increase of ¥3,849 billion ($24,074 million) year on year.

Investment Business of Holding Companies Segment

The following table shows selected statement of profit or loss data for the Investment Business of Holding Companies segment for the fiscal years ended March 31, 2025 and 2026. The comparisons below are with respect to the financial information derived from our audited financial statements for the fiscal year ended March 31, 2026 and the financial information for the fiscal year ended March 31, 2025 is presented as comparative information therein.

	For the fiscal year ended March 31,	
	2025 (audited)	2026 (audited)
	(millions of yen)	
Gain on investments	¥ 3,413,821	¥ 218,111
Selling, general and administrative expenses	(131,856)	(125,196)
Finance cost	(531,252)	(645,592)
Foreign exchange gain (loss)	19,257	(281,961)
Derivative gain (loss) (excluding gain (loss) on investments)	(2,041,830)	192,523
Other gain	66,111	170,033
Segment income (income before income tax)	¥ 794,251	¥(472,082)

Gain on investments. For the fiscal year ended March 31, 2026, investment gain at the Investment Business of Holding Companies segment was ¥218 billion ($1,364 million).

NVIDIA: In October 2025, all NVIDIA shares held by the Company and SB Northstar were sold. This resulted in an investment gain of ¥339 billion ($2,121 million), reflecting an increase in the share price from the beginning of the fiscal year to the time of sale.

Intel: SBG entered into an investment contract with Intel (which constitutes a forward contract) in August 2025 and executed the investment in September 2025. An investment gain of ¥279 billion ($1,742 million) was recorded due to an increase in the share price since the execution of the contract.

OpenAI: SBG transferred the OpenAI Forward Contract to SVF2 in September 2025. An investment gain of ¥265 billion ($1,657 million) was recorded, reflecting changes in the fair value up to the date of the transfer agreement.

Deutsche Telekom: Physical settlement of collar transactions backed by Deutsche Telekom shares and the sale of all Deutsche Telekom shares held were completed. An investment loss of ¥32 billion ($199 million) was recorded due to a decline in the share price from the beginning of the fiscal year to the time of physical settlement and the sale.

Alibaba: Physical settlement of prepaid forward contracts backed by Alibaba shares was completed. An investment loss of ¥170 billion ($1,063 million) was recorded due to a decline in the share price from the beginning of the fiscal year to the time of the physical settlement.

T-Mobile: The Company sold a portion of its T-Mobile shares. An investment loss of ¥572 billion ($3,579 million) was recorded due to a decline in the share price from the beginning of the fiscal year to the time of the sale. In addition, an investment loss of ¥85 billion ($530 million) was recorded for T-Mobile shares held at the fiscal year-end due to a share price decline from the beginning of the fiscal year.

Finance cost. Finance cost increased by ¥114 billion ($715 million), or 21.5% year on year to ¥646 billion ($4,038 million) for the fiscal year ended March 31, 2026. This was mainly due to an increase of ¥159 billion ($992 million) in interest expenses at the Company and its wholly owned financing subsidiaries to entities outside of the group, totaling ¥602 billion ($3,768 million), reflecting higher interest expenses on syndicated loans following borrowings through a term loan in September 2024 and a bridge loan in April 2025, as well as increased interest expenses on straight bonds and hybrid bonds due to higher outstanding balances. This was partially offset by lower interest expense related to prepaid forward contracts backed by Alibaba shares, which declined as physical settlement progressed in the fiscal year ended March 31, 2025 and was completed in the three-month period ended June 30, 2025.

Segment income (income before income tax). As a result of the foregoing, segment income (income before income tax) was a loss of ¥472 billion ($2,953 million) for the fiscal year ended March 31, 2026, a deterioration of ¥1,266 billion ($7,921 million) year on year.

SoftBank Vision Funds Segment

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

The following table shows selected statement of profit or loss data for the SoftBank Vision Funds segment for the fiscal years ended March 31, 2025 and 2026. The comparisons below are with respect to the financial information derived from our audited financial statements for the fiscal year ended March 31, 2026 and the financial information for the fiscal year ended March 31, 2025 is presented as comparative information therein.

	For the fiscal year ended March 31,	
	2025 (audited)	2026 (audited)
	(millions of yen)	
Gain on investments[1]	¥ 434,903	¥6,991,871
SVF1	1,022,971	50,301
SVF2	(561,656)	6,853,744
LatAm	8,110	43,111
Others	(34,522)	44,715
Selling, general and administrative expenses	(62,169)	(50,955)
Finance cost	(40,244)	(164,895)
Change in third-party interests in SVF[2]	(491,898)	(534,613)
Other gain	44,390	203,193
Segment income (income before income tax)	¥ (115,018)	¥6,444,601

(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 PayPay Corporation and Robo HD) are included in segment income of the SoftBank Vision Funds segment as gain on investments at SoftBank Vision Funds but are eliminated in consolidation and not included in gain on investments at SoftBank Vision Funds in the consolidated statement of profit or loss.

(2) 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; and (iv) operating and other expenses of SVF.

Gain on investments. For the fiscal year ended March 31, 2026, investment gain at the SoftBank Vision Funds segment was ¥6,992 billion ($43,732 million). This comprised gains of ¥50 billion ($315 million) at SVF1, ¥6,854 billion ($42,868 million) at SVF2, ¥43 billion ($270 million) at LatAm and ¥45 billion ($280 million) on other investments. The gain at SVF1 was primarily driven by gains recorded from exits of investments and increases in the fair values of private portfolio companies, mainly reflecting higher valuations in recent transactions, despite share price declines in certain public portfolio companies. The gain at SVF2 was primarily attributable to investment gains totaling $42.1 billion related to investments in OpenAI.

SoftBank Segment

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

	For the fiscal year ended March 31,	
	2025 (audited)	2026 (audited)
	(millions of yen)	
Net sales	¥6,544,275	¥7,040,875
Segment income (income before income tax)	906,309	965,002
Depreciation and amortization	(739,874)	(775,601)
Gain (loss) on investments	(25,074)	13,953
Finance cost	(81,453)	(93,582)
Other gain	20,631	10,201

Net sales. Net sales increased by ¥497 billion ($3,106 million), or 7.6% year on year to ¥7,041 billion ($44,038 million) for the fiscal year ended March 31, 2026.

Segment income (income before income tax). Segment income (income before income tax) increased by ¥59 billion ($367 million), or 6.5% year on year to ¥965 billion ($6,036 million) for the fiscal year ended March 31, 2026 mainly as a result of higher income in the Finance, Enterprise, and Consumer businesses.

In the Consumer business, the segment's core business, income increased mainly due to higher revenue from mobile services driven by continued growth in the number of smartphone subscribers, as well as an increase in device sales revenue reflecting a rise in the average selling price of mobile devices. Income in the Enterprise business increased mainly due to an expansion of cloud service revenue amid accelerating digitalization among enterprises. In the Finance business, income increased primarily due to revenue growth and improved profitability driven by cost efficiencies. In contrast, income in the Media & EC business decreased, mainly due to (i) a decline in sales at ASKUL Corporation due to the impact of a system outage and (ii) the absence of gains from the loss of control over multiple subsidiaries recorded in the previous fiscal year (included in "Other gain" in the table above), partially offset by gain on remeasurement related to business combinations (included in "Other gain" in the table above) associated with the acquisition of subsidiaries such as LINE MAN CORPORATION PTE. LTD.

AI Computing Segment

The AI Computing segment includes the results of the operational activities of Arm, Ampere and Graphcore Limited, and other semiconductor-related subsidiaries.

	For the fiscal year ended March 31,	
	2025 (audited)	2026 (audited)
	(millions of yen)[1]	
Net sales	¥590,301	¥ 640,309
Segment income (income before income tax)	(10,891)	(137,266)
Depreciation and amortization[2]	(97,255)	(107,125)
Gain (loss) on investments	(20,441)	5,607
Finance cost	(2,604)	(5,556)
Other gain	13,862	28,999

(1) Segment information for the former Arm segment has been retroactively reclassified to reflect changes in reportable segments adopted in the three-month period ended December 31, 2025. For more details, see "—Establishment of a New Reportable Segment."

(2) Depreciation and amortization expenses include amortization expenses of ¥58 billion ($363 million) for the fiscal year and ¥64 billion ($399 million) for the previous fiscal year. These expenses are related to intangible assets recognized in the purchase price allocation at the time of the acquisition of Arm.

Net sales. Net sales in this section are presented in U.S. dollars as the segment's revenue is primarily denominated in U.S. dollars.

	For the fiscal year ended March 31,	
	2025 (audited)	2026 (audited)
	(millions of U.S. dollars)	
Net sales (U.S. dollar-based)	$3,862	$4,228

Net sales for the AI Computing segment increased by $366 million, or 9.5% year on year for the fiscal year ended March 31, 2026 driven by growth in royalty revenue at Arm from its Edge AI, Cloud AI and Physical AI business units.

The Edge AI business unit, which includes smartphones, consumer electronics and IoT devices, benefitted from higher royalty rates as more smartphones deployed chips based on Arm's latest Armv9 and CSS technologies. The Cloud AI business unit benefitted from increased shipments of Arm-based CPUs for Google Axion, AWS Graviton, and NVIDIA Vera Rubin platforms, against a backdrop of expanding CPU demand in data centers. The Physical AI business unit, which encompasses automotive applications and robotics, saw revenue driven by more deployment of advanced electronics into increasingly autonomous vehicles.

Segment income (income before income tax). Segment loss was a deterioration of ¥126 billion ($790 million) year on year for the fiscal year ended March 31, 2026. This was primarily due to higher research and development expenses associated with the development of next-generation technologies to underpin future growth. Segment income was further impacted by the completion of the Ampere acquisition during the fiscal year, which resulted in the consolidation of its financial results into SBG's consolidated results, as well as the recognition of associated acquisition-related costs.

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

The following table shows selected statement of profit or loss 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 (audited)	2025 (audited)
	(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 (loss) 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% year on year 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 AI Computing segments.

Gain on investments at Investment Business of Holding Companies. For the fiscal year ended March 31, 2025, gain on investments of ¥3,414 billion ($22,832 million) was recorded at Investment Business of

Holding Companies. The gain 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 on investments at SoftBank Vision Funds. For the fiscal year ended March 31, 2025, gain on investments of ¥388 billion ($2,592 million) was recorded at SoftBank Vision Funds. The gain mainly comprised a gain of ¥940 billion ($6,290 million) at SVF1 and a gain of ¥8 billion ($54 million) at LatAm, 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."

Total gain on investments. For the fiscal year ended March 31, 2025, total gain on investments was ¥3,701 billion ($24,753 million).

Selling, general and administrative expenses. Selling, general and administrative expenses increased by ¥42 billion ($281 million), or 1.4% year on year to ¥3,024 billion ($20,227 million) for the fiscal year ended March 31, 2025. This was 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 AI Computing 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% year on year 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 financing subsidiaries, 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 a term loan in September 2024. Additionally, in July 2024, SBE Global, LP 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. For the fiscal year ended March 31, 2025, foreign exchange gain of ¥27 billion (net) ($181 million) was recorded. The gain was primarily because the Company and the domestic financing subsidiaries 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 loss (excluding gain (loss) on investments). For the fiscal year ended March 31, 2025, derivative loss (excluding gain (loss) on investments) of ¥2,034 billion ($13,604 million) was recorded. The loss was mainly due to a derivative loss of ¥1,699 billion ($11,361 million) for prepaid forward contracts and associated contracts backed by Alibaba shares, and ¥320 billion ($2,138 million) for collar transactions backed by Deutsche Telekom shares.

Change in third-party interests in SVF. For the fiscal year ended March 31, 2025, third-party interests in SVF increased by ¥492 billion ($3,290 million), relative to a gain on investments at SoftBank Vision Funds of ¥388 billion ($2,592 million). This was primarily due to the recording of an investment gain of ¥1,023 billion ($6,842 million) at SVF1 (on an SVF1 stand-alone basis), where the proportion of third-party interests is substantial. This resulted in a ¥403 billion ($2,694 million) increase in third-party interests attributable to investors entitled to performance-based distributions. In addition, a ¥98 billion ($657 million) increase in amounts attributable to investors entitled to fixed distributions also contributed to the overall increase.

Other gain. For the fiscal year ended March 31, 2025, other gain of ¥354 billion ($2,369 million) was recorded. This was mainly attributable to a gain of ¥93 billion ($623 million) arising from the loss of control over Fortress, following the Company's sale of all its interests in Fortress, held through a subsidiary, to a subsidiary of Mubadala Investment Company PJSC in May 2024. In July 2024, the Company acquired additional interests in its equity method associate, SBE Global, LP, converting it into a subsidiary. As a result of remeasuring the Company's existing interests in SBE Global, LP at fair value, the Company recorded a ¥56 billion ($372 million) gain from the remeasurement relating to business combination.

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

Income taxes. For the fiscal year ended March 31, 2025, income taxes totaled ¥102 billion ($680 million). This was the result of recording current income tax expense of ¥646 billion ($4,318 million) and

recognizing deferred tax benefit of ¥544 billion ($3,639 million). Current income tax expense consisted of ¥296 billion ($1,978 million) recorded by the Company primarily in connection with the physical settlement of prepaid forward contracts backed by Alibaba shares, and ¥269 billion ($1,801 million) recorded by operating companies such as SoftBank Corp. The deferred tax benefit mainly reflected the reversal of deferred tax liabilities that had been recognized March 31, 2024 on Alibaba shares and related derivatives, following the physical settlement of prepaid forward contracts. While the top-up tax was estimated in accordance with the Income Inclusion Rule of the Global Minimum Tax, which was applied from the fiscal year, the Company did not record any tax expenses.

Net income attributable to owners of the parent. As a result of the foregoing, net income attributable to owners of the parent was a gain of ¥1,153 billion ($7,714 million) for the fiscal year ended March 31, 2025, an improvement of ¥1,381 billion ($9,236 million) year on year.

Investment Business of Holding Companies Segment

The following table shows selected statement of profit or loss 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 backed by 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" are the amounts that arose due to the use of different foreign currency exchange rates for these unrealized and realized gains and losses.

Gain on investments at Investment Business of Holding Companies. For the fiscal year ended March 31, 2025, investment gain at the Investment Business of Holding Companies segment was ¥3,414 billion ($22,832 million). The gain was primarily due to (i) a realized gain of ¥78 billion ($524 million) on investments, an unrealized loss of ¥50 billion ($335 million) on the valuation of investment, a derivative loss of ¥18 billion ($119 million) on investments, 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) a realized gain of ¥281 billion ($1,876 million) and an 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) an unrealized gain of ¥2,380 billion ($15,914 million) for investments held at the end of March 2025, 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 increased by ¥57 billion ($384 million), or 12.1% year on year to ¥531 billion ($3,553 million) for the fiscal year ended March 31, 2025. This was mainly due to an increase of ¥41 billion ($272 million) in interest expenses paid to entities outside of the group, totaling ¥444 billion ($2,968 million), reflecting higher interest payments on domestic bonds following an increase in the outstanding balance, as well as a newly borrowed $2.9 billion term loan 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.

Segment income (income before income tax). As a result of the foregoing, segment income (income before income tax) was a gain of ¥794 billion ($5,312 million) for the fiscal year ended March 31, 2025, an improvement of ¥892 billion ($5,964 million) year on year.

SoftBank Vision Funds Segment

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

The following table shows selected statement of profit or loss 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	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 investments	28,080	(34,513)
Selling, general and administrative expenses	(84,986)	(62,169)
Finance cost	(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.

(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. For the fiscal year ended March 31, 2025, investment gain at the SoftBank Vision Funds segment was ¥435 billion ($2,909 million). The gain 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 and Coupang, Inc.

Finance cost. Finance cost decreased by ¥34 billion ($228 million), or 45.9% 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. For the fiscal year ended March 31, 2025, a ¥492 billion ($3,290 million) increase in third-party interests in SVF was recorded. 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; and (iv) operating and other expenses of SVF.

Segment income (income before income tax). As a result of the foregoing, segment income (income before income tax) was a loss of ¥115 billion ($769 million) for the fiscal year ended March 31, 2025, a deterioration of ¥243 billion ($1,627 million) year on year.

SoftBank Segment

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

	For the fiscal year ended March 31,	
	2024 (audited)	2025 (audited)
	(millions of yen)	
Net sales	¥6,083,846	¥6,544,275
Segment income (income before income tax)	835,076	906,309
Depreciation and amortization	(738,762)	(739,874)
Gain (loss) on investments	6,664	(25,074)
Finance cost	(63,706)	(81,453)
Other gain	10,537	20,631

Net sales. Net sales increased by ¥460 billion ($3,079 million), or 7.6% year on year 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) increased by ¥71 billion ($476 million), or 8.5% year on year 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, as well as the profitability achieved by the PayPay Corporation group, which plays a central role in the financial business of the SoftBank segment.

AI Computing Segment

The AI Computing segment includes the results of the operational activities of Arm, Ampere and Graphcore Limited, and other semiconductor-related subsidiaries.

	For the fiscal year ended March 31,	
	2024 (audited)	2025 (audited)
	(millions of yen)[1]	
Net sales	¥464,025	¥590,301
Segment income (income before income tax)	(33,215)	(10,891)

(1) Segment information for the former Arm segment has been retroactively reclassified to reflect changes in reportable segments adopted in the three-month period ended December 31, 2025.

Net sales. Net sales for the AI Computing segment increased by ¥126 billion ($845 million), or 27.2% year on year to ¥590 billion ($3,948 million) for the fiscal year ended March 31, 2025 driven by higher royalty revenue from continued adoption of Arm's latest technologies and record-high license and other revenue at Arm.

Segment income (income before income tax). Segment loss improved by ¥22 billion ($149 million) year on year for the fiscal year ended March 31, 2025. This was primarily due to Arm's strong revenue growth, which more than offset the increase in expenses associated with continued headcount expansion to support next-generation technology development and strengthen the business foundation, as well as expenses associated with Graphcore Limited becoming a subsidiary.

Financial Position

Comparison of financial position as of June 30, 2026 with the financial position as of March 31, 2026

The following table shows selected consolidated financial positions of SoftBank Group Corp. as of June 30, 2026 and March 31, 2026. The comparisons below are with respect to the financial information derived

from our unaudited condensed interim consolidated financial statement for the three-month period ended June 30, 2026 and the financial information for the fiscal year ended March 31, 2026 is presented as comparative information therein.

	As of			
	March 31, 2026	June 30, 2026	Change	Change %
	(millions of yen)			
Total assets	¥60,749,547	¥65,135,153	¥4,385,606	7.2%
Total liabilities	40,281,115	43,782,301	3,501,186	8.7%
Total equity	¥20,468,432	¥21,352,852	¥ 884,420	4.3%

Consolidated Financial Position

Assets

The following table shows the consolidated assets of SoftBank Group Corp. as of June 30, 2026 and March 31, 2026. The comparisons below are with respect to the financial information derived from our unaudited condensed interim consolidated financial statements for the three-month period ended June 30, 2026 and the financial information for the fiscal year ended March 31, 2026 is presented as comparative information therein.

	As of		
	March 31, 2026	June 30, 2026	Change
	(millions of yen)		
Cash and cash equivalents	¥ 5,362,150	¥ 3,927,072	¥(1,435,078)
Trade and other receivables	3,302,622	3,306,715	4,093
Derivative financial assets	44,221	81,239	37,018
Other financial assets	2,135,608	2,323,364	187,756
Inventories	240,179	260,860	20,681
Other current assets	730,821	792,938	62,117
Total current assets	11,815,601	10,692,188	(1,123,413)
Property, plant and equipment	3,446,559	4,217,004	770,445
Right-of-use assets	921,612	1,084,502	162,890
Goodwill	7,314,532	7,384,664	70,132
Intangible assets	2,469,843	2,481,264	11,421
Costs to obtain contracts	439,265	439,379	114
Investments accounted for using the equity method	739,274	670,099	(69,175)
Investments of SVF (FVTPL)	23,495,706	25,635,032	2,139,326
SVF1	6,265,581	6,519,443	253,862
SVF2	16,320,923	18,239,172	1,918,249
LatAm	909,202	876,417	(32,785)
Investment securities	4,264,641	5,644,622	1,379,981
Derivative financial assets	327,547	401,994	74,447
Other financial assets	3,701,668	3,892,599	190,931
Deferred tax assets	273,591	388,004	114,413
Other non-current assets	1,539,708	2,203,802	664,094
Total non-current assets	¥48,933,946	¥54,442,965	¥ 5,509,019
Total assets	¥60,749,547	¥65,135,153	¥ 4,385,606

Property, plant and equipment. Property, plant and equipment increased by ¥770 billion ($4,744 million), primarily due to additions of ¥726 billion ($4,470 million) resulting from the acquisition of assets related to power generation and data centers in the U.S.

Investments of SVF (FVTPL). The carrying amount of investments at SVF1 increased $1.0 billion. The increase reflected a $2.4 billion increase in the fair value of portfolio companies held as of June 30, 2026, partially offset by a $1.4 billion decrease resulting from divestments. The carrying amount of investments at SVF2 increased $10.2 billion. The increase reflected $10.1 billion of follow-on and new investments, including a $10.0 billion follow-on investment in OpenAI, and a $0.6 billion increase in the fair value of portfolio companies held as of June 30, 2026, partially offset by a $0.5 billion decrease resulting from divestments. The carrying amount of these SVF investments also included the impact of the 1.6% depreciation of the yen against the U.S. dollar between March 31, 2026 and June 30, 2026.

Investment securities. The carrying amount of Intel shares increased ¥1,358 billion ($8,364 million) to ¥1,972 billion ($12,142 million), primarily reflecting an increase in share price (from $44.13 per share as of March 31, 2026 to $139.63 per share as of June 30, 2026), as well as the impact of the 1.6% depreciation of the yen against the U.S. dollar between March 31, 2026 and June 30, 2026. The carrying amount of asset management products, including bonds, held by PayPay Bank Corporation increased ¥5 billion ($32 million) to ¥1,255 billion ($7,730 million) as of June 30, 2026.

Other non-current assets. Advance payments related to the acquisition of assets for power generation and data centers in the U.S. increased ¥613 billion ($3,775 million).

Liabilities

The following table shows the consolidated liabilities of SoftBank Group Corp. as of June 30, 2026 and March 31, 2026. The comparisons below are with respect to the financial information derived from our unaudited condensed interim consolidated financial statements for the three-month period ended June 30, 2026 and the financial information for the fiscal year ended March 31, 2026 is presented as comparative information therein.

	As of		
	March 31, 2026	**June 30, 2026**	**Change**
		(millions of yen)	
Interest-bearing debt	¥ 7,251,630	¥ 7,559,173	¥ 307,543
Lease liabilities	184,666	212,501	27,835
Deposits for banking business	2,550,998	2,642,036	91,038
Trade and other payables	3,616,646	3,880,117	263,471
Derivative financial liabilities	137,858	197,056	59,198
Other financial liabilities	39,944	44,359	4,415
Income taxes payable	182,506	175,961	(6,545)
Provisions	79,296	87,217	7,921
Other current liabilities	790,004	871,682	81,678
Total current liabilities	¥14,833,548	¥15,670,102	¥ 836,554
Interest-bearing debt	17,433,486	19,085,685	1,652,199
Lease liabilities	793,784	933,369	139,585
Third-party interests in SVF	3,746,396	3,837,836	91,440
Derivative financial liabilities	549,000	913,591	364,591
Other financial liabilities	450,847	547,577	96,730
Provisions	216,527	220,664	4,137
Deferred tax liabilities	1,443,678	1,600,134	156,456
Other non-current liabilities	813,849	973,343	159,494
Total non-current liabilities	¥25,447,567	¥28,112,199	¥2,664,632
Total liabilities	¥40,281,115	¥43,782,301	¥3,501,186

Derivative financial liabilities. Due to an increase in the fair value of warrants granted by Energy Global that are convertible into its ordinary equity interests, the related current derivative financial liabilities increased by $0.36 billion, while the related non-current derivative financial liabilities increased by $2.47 billion. The total derivative financial liabilities related to these warrants were ¥1,051 billion ($6,471 million) as of June 30, 2026.

Equity

The following table shows the consolidated equity of SoftBank Group Corp. as of June 30, 2026 and March 31, 2026. The comparisons below are with respect to the financial information derived from our unaudited condensed interim consolidated financial statements for the three-month period ended June 30, 2026 and the financial information for the fiscal year ended March 31, 2026 is presented as comparative information therein.

	As of		
	March 31, 2026	June 30, 2026	Change
	(millions of yen)		
Common stock	¥ 238,772	¥ 238,772	¥ —
Capital surplus	3,510,713	3,545,613	34,900
Other equity instruments	193,199	193,199	—
Retained earnings	7,323,791	7,639,680	315,889
Treasury stock	(24,761)	(24,522)	239
Accumulated other comprehensive income	6,380,109	6,828,709	448,600
Total equity attributable to owners of the parent	17,621,823	18,421,451	799,628
Non-controlling interests	2,846,609	2,931,401	84,792
Total equity	¥20,468,432	¥21,352,852	¥884,420

Retained earnings. Net income attributable to owners of the parent of ¥347 billion ($2,139 million) was recorded.

Accumulated other comprehensive income. Exchange differences on translating foreign operations, arising from the translation of the financial statements of foreign subsidiaries and associates into yen, increased ¥421 billion ($2,595 million), mainly due to the yen's depreciation against the U.S. dollar between March 31, 2026 and June 30, 2026.

Financial Position by Segment

Cash and cash equivalents

The following table shows the consolidated cash and cash equivalents of SoftBank Group Corp. by segment as of June 30, 2026 and March 31, 2026. The comparisons below are with respect to the financial information derived from our unaudited condensed interim consolidated financial statements for the three-month period ended June 30, 2026 and the financial information for the fiscal year ended March 31, 2026 is presented as comparative information therein.

	As of		
	March 31, 2026	June 30, 2026	Change
	(millions of yen)		
Investment Business of Holding Companies segment	¥2,812,040	¥ 911,071	¥(1,900,969)
SBG	2,523,841	754,752	(1,769,089)
Wholly owned financing subsidiaries	16,213	16,558	345
SB Northstar	7,756	5,798	(1,958)
Others	264,230	133,963	(130,267)
SoftBank Vision Funds segment	333,258	229,997	(103,261)
SVF1	106,518	73,457	(33,061)
SVF2	153,695	72,866	(80,829)
LatAm	7,127	5,740	(1,387)
SBIA, SBGA, SBLA Advisers Corp.	65,918	77,934	12,016
SoftBank segment	1,438,799	1,645,785	206,986
SoftBank Corp.	249,537	345,417	95,880
LY Corporation	240,123	293,662	53,539
PayPay and its subsidiaries[1]	363,081	491,088	128,007
Others[1]	586,058	515,618	(70,440)

	As of		
	March 31, 2026	June 30, 2026	Change
		(millions of yen)	
AI Computing segment	492,849	633,665	140,816
Arm and its subsidiaries	439,814	496,621	56,807
Others	53,035	137,044	84,009
Others	285,204	506,554	221,350
Total	¥5,362,150	¥3,927,072	¥(1,435,078)

* The figures are shown after consolidation eliminations.

(1) Cash and cash equivalents of the banking subsidiaries PayPay Bank Corporation and LINE Bank Taiwan Limited were ¥443 billion ($2,730 million) as of June 30, 2026.

Consolidated cash and cash equivalents. Consolidated cash and cash equivalents decreased ¥1,435 billion ($8,837 million) from March 31, 2026 to ¥3,927 billion ($24,183 million).

Interest-bearing debt and lease liabilities (current and non-current)

The following table shows the consolidated interest-bearing debt and lease liabilities (current and non-current) of SoftBank Group Corp. by segment as of June 30, 2026 and March 31, 2026. The comparisons below are with respect to the financial information derived from our unaudited condensed interim consolidated financial statements for the three-month period ended June 30, 2026 and the financial information for the fiscal year ended March 31, 2026 is presented as comparative information therein.

	As of		
	March 31, 2026	June 30, 2026	Change
		(millions of yen)	
Investment Business of Holding Companies segment	¥17,750,190	¥18,726,589	¥ 976,399
SBG	12,323,379	12,238,207	(85,172)
Borrowings	3,960,719	3,100,896	(859,823)
Corporate bonds	8,170,429	8,897,341	726,912
Lease liabilities	6,531	6,170	(361)
Commercial paper	185,700	233,800	48,100
Wholly owned financing subsidiaries(1)	4,624,293	5,803,001	1,178,708
Borrowing	4,365,079	5,537,359	1,172,280
Financial liabilities relating to sale of shares by prepaid forward contracts	259,214	265,642	6,428
SB Northstar(2)	801,937	684,893	(117,044)
Borrowings	801,937	684,893	(117,044)
Others	581	488	(93)
SoftBank Vision Funds segment	831,684	824,904	(6,780)
SVF2	814,300	805,344	(8,956)
Borrowings	814,300	805,344	(8,956)
SBIA, SBGA, SBLA Advisers Corp.	17,384	19,560	2,176
Lease liabilities	17,384	19,560	2,176
SoftBank segment	6,484,252	7,421,040	936,788
SoftBank Corp.	4,358,041	4,831,668	473,627
Borrowings	2,731,492	2,914,655	183,163
Corporate bonds	1,159,938	1,398,557	238,619
Lease liabilities	466,611	483,456	16,845
Commercial paper	—	35,000	35,000
LY Corporation	1,141,579	1,282,053	140,474
Borrowings	603,042	704,830	101,788
Corporate bonds	474,345	489,370	15,025
Lease liabilities	64,192	87,853	23,661
PayPay and its subsidiaries(3)	554,383	745,903	191,520
Others(3)	430,249	561,416	131,167

	As of		
	March 31, 2026	June 30, 2026	Change
		(millions of yen)	
AI Computing segment	95,545	98,559	3,014
Arm and its subsidiaries	78,818	82,418	3,600
Lease liabilities	78,818	82,418	3,600
Others	16,727	16,141	(586)
Others	501,895	719,636	217,741
Other interest-bearing debt	456,789	673,657	216,868
Lease liabilities	45,106	45,979	873
Total	¥25,663,566	¥27,790,728	¥2,127,162

(1) Except for bridge loans for the follow-on investments in OpenAI (with an outstanding balance of ¥1,119 billion ($6,893 million) as of June 30, 2026), all interest-bearing debt is nonrecourse to SBG.

(2) Nonrecourse to SBG

(3) Deposits related to banking operations of the banking subsidiaries PayPay Bank Corporation and LINE Bank Taiwan Limited are not included in interest-bearing debt.

SBG Borrowings. The remaining balance of $12.0 billion under bridge loans, which were originally borrowed in the fiscal year ended March 31, 2026 to fund the follow-on investment in OpenAI and the acquisition of Ampere, was fully repaid. As a result, borrowings decreased ¥1,918 billion ($11,809 million). Under the bridge facility agreement entered into in March 2026, SBG borrowed $10.0 billion and subsequently repaid $0.9 billion. As a result, borrowings increased ¥1,453 billion ($8,945 million). Separately, a wholly owned financing subsidiary borrowed $10.0 billion under the same bridge facility agreement. For details, see "Borrowings of wholly owned financing subsidiaries."

SBG Corporate bonds. SBG issued ¥678 billion ($4,175 million) of domestic hybrid bonds, while redeeming ¥405 billion ($2,494 million) of domestic hybrid bonds on the first voluntary call date and ¥30 billion ($185 million) of domestic straight bonds at maturity. SBG issued $1.5 billion of U.S. dollar-denominated senior notes and redeemed $0.67 billion prior to maturity. SBG issued €1.75 billion of euro-denominated senior notes.

Borrowings of wholly owned financing subsidiaries. Under the bridge facility agreement entered into in March 2026, $10.0 billion was borrowed to fund the follow-on investment in OpenAI, followed by repayments totaling $2.7 billion. As a result, borrowings increased ¥1,119 billion ($6,893 million).

SB Northstar Borrowings. Borrowings decreased ¥117 billion ($721 million) following the repayment of $0.8 billion under prime brokerage loans backed by securities.

Comparison of financial position as of March 31, 2026 with the financial position as of March 31, 2025

The following table shows selected consolidated financial positions of SoftBank Group Corp. as of March 31, 2025 and March 31, 2026. The comparisons below are with respect to the financial information derived from our audited consolidated financial statements for the fiscal year ended March 31, 2026 and the financial information for the fiscal year ended March 31, 2025 is presented as comparative information therein.

	As of			
	March 31, 2025	March 31, 2026	Change	Change %
		(millions of yen)		
Total assets	¥45,013,756	¥60,749,547	¥15,735,791	35.0%
Total liabilities	31,060,730	40,281,115	9,220,385	29.7%
Total equity	¥13,953,026	¥20,468,432	¥ 6,515,406	46.7%

Consolidated Financial Position

Assets

The following table shows the consolidated assets of SoftBank Group Corp. as of March 31, 2025 and March 31, 2026. The comparisons below are with respect to the financial information derived from our audited consolidated financial statements for the fiscal year ended March 31, 2026 and the financial information for the fiscal year ended March 31, 2025 is presented as comparative information therein.

	As of		
	March 31, 2025	**March 31, 2026**	**Change**
		(millions of yen)	
Cash and cash equivalents	¥ 3,713,028	¥ 5,362,150	¥ 1,649,122
Trade and other receivables	3,008,144	3,302,622	294,478
Derivative financial assets	111,258	44,221	(67,037)
Other financial assets	1,485,877	2,135,608	649,731
Inventories	198,291	240,179	41,888
Other current assets	365,880	730,821	364,941
Assets classified as held for sale	550,440	—	(550,440)
Total current assets	¥ 9,432,918	¥11,815,601	¥ 2,382,683
Property, plant and equipment	2,830,185	3,446,559	616,374
Right-of-use assets	857,961	921,612	63,651
Goodwill	5,781,931	7,314,532	1,532,601
Intangible assets	2,414,562	2,469,843	55,281
Costs to obtain contracts	383,022	439,265	56,243
Investments accounted for using the equity method	502,995	739,274	236,279
Investments of SVF (FVTPL)	11,410,922	23,495,706	12,084,784
SVF1	6,467,602	6,265,581	(202,021)
SVF2	4,094,257	16,320,923	12,226,666
LatAm	849,063	909,202	60,139
Investment securities	8,040,068	4,264,641	(3,775,427)
Derivative financial assets	168,248	327,547	159,299
Other financial assets	2,767,625	3,701,668	934,043
Deferred tax assets	207,987	273,591	65,604
Other non-current assets	215,332	1,539,708	1,324,376
Total non-current assets	¥35,580,838	¥48,933,946	¥13,353,108
Total assets	¥45,013,756	¥60,749,547	¥15,735,791

Other financial assets (current). At the asset management subsidiary, the balance increased by ¥314 billion ($1,964 million), mainly reflecting acquisitions of corporate bonds (primarily investment-grade bonds with short remaining maturities), partially offset by sale of NVIDIA shares.

Assets classified as held for sale. Alibaba shares worth $3.57 billion were reclassified from investment securities to assets classified as held for sale, following a decision made prior to March 31, 2025 to use the shares for physical settlement of a portion of the prepaid forward contracts maturing in April 2025, resulting in a decrease upon completion of the settlement.

Property, plant and equipment. At Energy Global, property, plant and equipment increased by ¥400 billion ($2,499 million), primarily due to the acquisition of solar power generation facilities.

Goodwill. Because the purchase price allocation (PPA) relating to the acquisition of Ampere has not yet been completed, provisional goodwill of ¥1,079 billion ($6,747 million) was recorded, which is the difference between the acquisition price of ¥1,018 billion ($6,365 million) and the net amount of Ampere's assets and liabilities at the date of acquisition of control.

Investments of SVF (FVTPL). The carrying amount of investments at SVF2 increased by $74.7 billion. This reflected follow-on and new investments totaling $44.8 billion and a $32.3 billion increase in the fair value of investments held as of March 31, 2026, partially offset by $2.4 billion in divestments and transfers to Robo HD. Of the above increase in carrying amount, the carrying amount of OpenAI shares increased by $76.3 billion. This primarily comprised $44.5 billion from the follow-on investments, $31.9 billion from a fair value increase. As a result, the balance as of March 31, 2026 stood at $79.6 billion. The carrying amount of investments at SVF1 decreased by $4.1 billion. This was due to a decrease of $4.8 billion resulting from divestments, partially offset by an increase of $0.7 billion in the fair value of investments held as of March 31, 2026. The carrying amount of

these investments of SVF also reflected an increase due to a 6.9% depreciation of the yen against the U.S. dollar in the exchange rate used for translation as of March 31, 2026 compared with the rate as of March 31, 2025.

Investment securities. The carrying amount of T-Mobile shares decreased by ¥3,068 billion ($19,191 million), bringing the balance as of March 31, 2026 to ¥336 billion ($2,100 million). This decrease was due to the sale of 75.4 million shares, as well as a decline in the share price (reference: $266.71 per share as of March 31, 2025, to $210.03 per share as of March 31, 2026). The carrying amount of Deutsche Telekom shares decreased by ¥1,122 billion ($7,018 million) due to the sale of all shares, resulting in a zero balance as of March 31, 2026. The carrying amount of Alibaba shares decreased by ¥1,016 billion ($6,352 million), bringing the balance as of March 31, 2026 to ¥9 billion ($59 million). This was primarily due to the physical settlement of all prepaid forward contracts backed by Alibaba shares. The carrying amount of NVIDIA shares decreased by ¥312 billion ($1,949 million) due to the sale of all shares (excluding those held by the asset management subsidiary), resulting in a zero balance as of March 31, 2026. The carrying amount of Intel shares was zero as of March 31, 2025 but increased to ¥614 billion ($3,837 million) as of March 31, 2026. This was primarily due to a $2.0 billion investment executed in September 2025, as well as a subsequent share price increase. The carrying amount of asset management products such as bonds held by PayPay Bank Corporation increased by ¥503 billion ($3,146 million), bringing the balance as of March 31, 2026 to ¥1,250 billion ($7,819 million). The carrying amount of investments held by Robo HD increased by ¥469 billion ($2,936 million), bringing the balance as of March 31, 2026 to ¥728 billion ($4,553 million). The carrying amounts of these investment securities also reflected an increase caused by a 6.9% depreciation of the yen against the U.S. dollar in the exchange rate used for translation as of March 31, 2026 compared with the rate as of March 31, 2025.

Other financial assets (non-current). Loans in the banking businesses of LINE Bank Taiwan Limited and PayPay Bank Corporation increased by a total of ¥658 billion ($4,116 million).

Other non-current assets. Advance payments for the acquisition of assets related to power plant and AI infrastructure construction projects in the U.S. were recorded as advances for property, plant and equipment amounting to ¥679 billion ($4.2 billion). Energy Global recorded ¥583 billion ($3.6 billion) as lease incentives.

Liability

The following table shows the consolidated liabilities of SoftBank Group Corp. as of March 31, 2025 and March 31, 2026. The comparisons below are with respect to the financial information derived from our audited consolidated financial statements for the fiscal year ended March 31, 2026 and the financial information for the fiscal year ended March 31, 2025 is presented as comparative information therein.

	As of		
	March 31, 2025	**March 31, 2026**	**Change**
		(millions of yen)	
Interest-bearing debt	¥ 5,629,648	¥ 7,251,630	¥1,621,982
Lease liabilities	165,355	184,666	19,311
Deposits for banking business	1,795,965	2,550,998	755,033
Trade and other payables	3,036,349	3,616,646	580,297
Derivative financial liabilities	840,469	137,858	(702,611)
Other financial liabilities	5,940	39,944	34,004
Income taxes payable	444,180	182,506	(261,674)
Provisions	54,047	79,296	25,249
Other current liabilities	629,717	790,004	160,287
Total current liabilities	¥12,601,670	¥14,833,548	¥2,231,878
Interest-bearing debt	12,376,682	17,433,486	5,056,804
Lease liabilities	741,665	793,784	52,119
Third-party interests in SVF	3,652,797	3,746,396	93,599
Derivative financial liabilities	104,197	549,000	444,803
Other financial liabilities	199,284	450,847	251,563
Provisions	155,436	216,527	61,091
Deferred tax liabilities	924,392	1,443,678	519,286
Other non-current liabilities	304,607	813,849	509,242
Total non-current liabilities	¥18,459,060	¥25,447,567	¥6,988,507
Total liabilities	¥31,060,730	¥40,281,115	¥9,220,385

Derivative financial liabilities (current). Derivative financial liabilities related to prepaid forward contracts backed by Alibaba shares decreased by $3.69 billion due to the physical settlement of all such contracts. Derivative financial liabilities related to collar transactions backed by Deutsche Telekom shares decreased by $1.73 billion due to the physical settlement of all such transactions.

Third-party interests in SVF. Third-party interests in SVF1 decreased due to distributions and returns to external investors. Meanwhile, third-party interests in SVF2 increased by $3,130 million, reflecting the investment gain of $42,868 million at SVF2 (on an SVF2 stand-alone basis).

Derivative financial liabilities (non-current). Warrants granted by Energy Global that are convertible into its ordinary equity interests were recorded at $2.9 billion. Combined with $0.7 billion recorded under current derivative financial liabilities, total derivative financial liabilities related to these warrants amounted to $3.6 billion.

Equity

The following table shows the consolidated equity of SoftBank Group Corp. as of March 31, 2025 and March 31, 2026. The comparisons below are with respect to the financial information derived from our audited consolidated financial statements for the fiscal year ended March 31, 2026 and the financial information for the fiscal year ended March 31, 2025 is presented as comparative information therein.

	As of		
	March 31, 2025	**March 31, 2026**	**Change**
		(millions of yen)	
Common stock	¥ 238,772	¥ 238,772	¥ —
Capital surplus	3,376,724	3,510,713	133,989
Other equity instruments	193,199	193,199	—
Retained earnings	2,701,792	7,323,791	4,621,999
Treasury stock	(256,251)	(24,761)	231,490
Accumulated other comprehensive income	5,307,305	6,380,109	1,072,804
Total equity attributable to owners of the parent	11,561,541	17,621,823	6,060,282
Non-controlling interests	2,391,485	2,846,609	455,124
Total equity	¥13,953,026	¥20,468,432	¥6,515,406

Capital surplus. Of the total amount of ¥114 billion ($715 million) equivalent (includes the effect of changes in equity interest arising from the dilution of the Company's ownership interest resulting from the New Issuance.) to the gain arising from the new issuance and the disposal in PayPay Corporation's IPO, ¥81 billion ($510 million) attributable to owners of the parent was recorded as capital surplus.

Retained earnings. Net income attributable to owners of the parent of ¥5,002 billion ($31,288 million) was recorded.

Treasury stock. Pursuant to a Board of Directors' resolution dated August 7, 2024 authorizing the repurchase of up to ¥500 billion ($3,127 million) of the Company's own shares, 13,221,000 shares were repurchased during the fiscal year ended March 31, 2026. Meanwhile, SBG retired the same number of shares as the total number of treasury stock acquired under the resolution, which totaled 42,033,200 shares, on October 31, 2025.

Accumulated other comprehensive income. Exchange differences from the translation of foreign operations, arising from translating the financial statements of foreign subsidiaries and associates into yen, increased by ¥1,087 billion ($6,799 million) mainly due to the yen's depreciation against the U.S. dollar as of March 31, 2026 compared with the rate as of March 31, 2025.

Financial Position by Segment

Cash and cash equivalents

The following table shows the consolidated cash and cash equivalents of SoftBank Group Corp. as of March 31, 2025 and March 31, 2026. The comparisons below are with respect to the financial information derived from our audited consolidated financial statements for the fiscal year ended March 31, 2026 and the financial information for the fiscal year ended March 31, 2025 is presented as comparative information therein.

	As of		
	March 31, 2025	March 31, 2026	Change
		(millions of yen)	
Investment Business of Holding Companies segment	¥1,596,258	¥2,812,040	¥1,215,782
SBG	1,251,667	2,523,841	1,272,174
Wholly owned financing subsidiaries	97,622	16,213	(81,409)
SB Northstar	1,328	7,756	6,428
Others	245,641	264,230	18,589
SoftBank Vision Funds segment	134,096	333,258	199,162
SVF1	30,314	106,518	76,204
SVF2	29,265	153,695	124,430
LatAm	4,497	7,127	2,630
SBIA, SBGA, SBLA Advisers Corp.	70,020	65,918	(4,102)
SoftBank segment	1,435,525	1,438,799	3,274
SoftBank Corp.	293,429	249,537	(43,892)
LY Corporation	268,132	240,123	(28,009)
PayPay and its subsidiaries(1)	369,223	363,081	(6,142)
Others(1)	504,741	586,058	81,317
AI Computing segment	328,193	492,849	164,656
Arm and its subsidiaries	311,795	439,814	128,019
Others(2)	16,398	53,035	36,637
Others(2)	218,956	285,204	66,248
Total	¥3,713,028	¥5,362,150	¥1,649,122

* The figures are shown after consolidation eliminations.

(1) Cash and cash equivalents of the banking subsidiaries, PayPay Bank Corporation and LINE Bank Taiwan Limited, were ¥331 billion ($2,069 million) as of March 31, 2026.

(2) Following the establishment of a new reportable segment, the AI Computing segment, in the third quarter, figures as of March 31, 2025 have been retrospectively restated and presented to reflect the current reportable segments.

Consolidated cash and cash equivalents. Consolidated cash and cash equivalents increased by ¥1,649 billion ($10,315 million) from March 31, 2025 to ¥5,362 billion ($33,539 million).

Interest-bearing debt and lease liabilities (current and non-current)

The following table shows the consolidated interest-bearing debt of SoftBank Group Corp. as of March 31, 2025 and March 31, 2026. The comparisons below are with respect to the financial information derived from our audited consolidated financial statements for the fiscal year ended March 31, 2026 and the financial information for the fiscal year ended March 31, 2025 is presented as comparative information therein.

	As of		
	March 31, 2025	March 31, 2026	Change
		(millions of yen)	
Investment Business of Holding Companies segment	¥12,109,943	¥17,750,190	¥5,640,247
SBG	8,593,337	12,323,379	3,730,042
Borrowings	1,775,411	3,960,719	2,185,308
Corporate bonds	6,668,470	8,170,429	1,501,959
Lease liabilities	7,956	6,531	(1,425)
Commercial paper	141,500	185,700	44,200
Wholly owned financing subsidiaries(1)	3,461,666	4,624,293	1,162,627
Borrowing	2,463,823	4,365,079	1,901,256
Financial liabilities relating to sale of shares by prepaid forward contracts	997,843	259,214	(738,629)
SB Northstar(1)	29,796	801,937	772,141
Borrowings	29,796	801,937	772,141
Others	25,144	581	(24,563)
SoftBank Vision Funds segment	516,272	831,684	315,412
SVF2	501,245	814,300	313,055
Borrowings	501,245	814,300	313,055
SBIA, SBGA, SBLA Advisers Corp.	15,027	17,384	2,357
Lease liabilities	15,027	17,384	2,357
SoftBank segment	5,962,152	6,484,252	522,100
SoftBank Corp.	4,090,269	4,358,041	267,772
Borrowings	2,613,115	2,731,492	118,377
Corporate bonds	1,023,282	1,159,938	136,656
Lease liabilities	453,872	466,611	12,739
LY Corporation	1,087,779	1,141,579	53,800
Borrowings	556,318	603,042	46,724
Corporate bonds	444,374	474,345	29,971
Lease liabilities	55,087	64,192	9,105
Commercial paper	32,000	—	(32,000)
PayPay and its subsidiaries(2)	353,216	554,383	201,167
Others(2)	430,888	430,249	(639)
AI Computing segment	55,586	95,545	39,959
Arm and its subsidiaries	54,871	78,818	23,947
Lease liabilities	54,871	78,818	23,947
Others(3)	715	16,727	16,012
Others(3)	269,397	501,895	232,498
Other interest-bearing debt	233,824	456,789	222,965
Lease liabilities	35,573	45,106	9,533
Total	¥18,913,350	¥25,663,566	¥6,750,216

* The figures are shown after consolidation eliminations.

(1) The interest-bearing debt of wholly owned financing subsidiaries and of SB Northstar is nonrecourse to SBG.

(2) Deposits related to banking operations of banking subsidiaries, PayPay Bank Corporation and LINE Bank Taiwan Limited, are not included in interest-bearing debt.

(3) Following the establishment of a new reportable segment, the AI Computing segment, in the third quarter, figures as of March 31, 2025 have been retrospectively restated and presented to reflect the current reportable segments.

SBG Borrowings. Borrowings increased by ¥2,185 billion ($13,668 million) due to executing borrowings to fund the follow-on investment in OpenAI and the acquisition of Ampere, with a combined outstanding balance of $12.0 billion as of March 31, 2026.

SBG Corporate bonds. SBG issued ¥1,120 billion ($7,005 million) in domestic straight bonds and ¥200 billion ($1,251 million) in domestic hybrid bonds, while redeeming ¥500 billion ($3,127 million) in domestic straight bonds upon maturity and ¥177 billion ($1,107 million) in domestic hybrid bonds prior to maturity. SBG issued $2.2 billion in U.S. dollar-denominated senior notes and $2.0 billion in U.S. dollar-denominated hybrid bonds, while redeeming $0.91 billion in U.S. dollar-denominated senior notes upon maturity. SBG issued €1.7 billion in euro-denominated senior notes and €0.75 billion in euro-denominated hybrid bonds, while redeeming €1.61 billion in euro-denominated senior notes upon maturity.

Borrowings of wholly owned financing subsidiaries. Borrowings increased by ¥1,901 billion ($11,892 million), primarily due to the execution of margin loans of $11.5 billion backed by Arm shares and ¥400 billion ($2,502 million) backed by SoftBank Corp. shares. These increases were partially offset by a decrease of $2.9 billion at the time of the repayment of all borrowings related to collar transactions backed by Deutsche Telekom shares through delivery of such shares.

Financial liabilities relating to sale of shares by prepaid forward contracts of wholly owned financing subsidiaries. Financial liabilities relating to sale of shares by prepaid forward contracts decreased by $6.7 billion at the time of settlement due to the physical settlement of all prepaid forward contracts backed by Alibaba shares, partially offset by an increase of $1.6 billion due to the entry into prepaid forward contracts backed by T-Mobile shares. As of June 30, 2025, the balance of financial liabilities under prepaid forward contracts backed by Alibaba shares was reduced to zero.

SB Northstar Borrowings. Borrowings increased by ¥772 billion ($4,830 million) due to the borrowing of $5.0 billion in prime brokerage loans secured by securities held by SB Northstar.

SVF2 Borrowings. Borrowings at SVF2 increased by $1.74 billion mainly due to asset backed financing.

Cash and Capital Requirements

Cash Requirements

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

Debt Repayments and Certain Other Contractual Commitments

Interest-Bearing Debt

As of June 30, 2026, the interest-bearing debt of the Company primarily consisted of:

- Corporate bonds (including USD-denominated perpetual hybrid notes issued in July 2017) totaling ¥9,091 billion ($55,980 million).
- Borrowings totaling ¥3,101 billion ($19,095 million), of which ¥2,448 billion ($15,073 million) is short-term borrowings.
- Commercial paper totaling ¥234 billion ($1,440 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 June 30, 2026, adjusted to exclude foreign currency-denominated senior bonds repurchased in July 2026 and include domestic senior bonds issued in August 2026:

Fiscal year ending March 31,	Total Principal Amount Due[1]
	(billions of yen)
2027[1][2]	¥ 562
2028	525
2029	1,642
2030	999
2031	1,597
2032	2,228
2033	998
2034	93
2035	83
2036	220
2037	70

(1) Amounts correspond to the face amounts. The amounts are calculated based on the assumption that early redemption occurs on the first call date for the Yen-denominated hybrid bonds and foreign currency-denominated dated hybrid notes. Foreign Currency-denominated Senior Notes are converted to Japanese yen using the respective swap rate; otherwise, a rate of ¥162.39 = $1.00 or ¥185.35 = €1.00 is applied. Foreign currency-denominated perpetual hybrid notes are converted to Japanese yen at the rate of ¥162.39 = $1.00.

(2) The $669 million USD-denominated Senior Notes issued in July 2021 were redeemed prior to maturity on June 9, 2026. The 56th series Yen-denominated Corporate Bonds were fully redeemed at maturity on September 17, 2026. The 57th series Yen-denominated Corporate Bonds were fully redeemed at maturity on September 11, 2026.

The following table shows the total remaining scheduled repayments for the hybrid loans for the period indicated as of June 30, 2026, based on the assumption that the relevant loan is repaid on the first call date.

Fiscal year ending March 31,	Total Principal Amount Due[1]
	(billions of yen)
2027	—
2028	—
2029	¥ 53
2030	135
2031	—

(1) Amounts correspond to the face amounts. The amounts are calculated based on the assumption that the relevant loan is repaid on the first call date.

As of June 30, 2026, our consolidated interest-bearing debt primarily consisted of:

- Short-term and long-term borrowings totaling ¥15,078 billion ($92,853 million); and
- Corporate bonds totaling ¥10,945 billion ($67,399 million).

The following table summarizes our consolidated interest-bearing debt and lease liabilities as of March 31, 2026 by maturity. 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
					(billions of yen)			
Non-derivative financial liabilities								
Interest-bearing debt								
Short-term borrowings	¥ 4,771	¥ 4,777	¥4,777	¥ —	¥ —	¥ —	¥ —	¥ —
Commercial paper	259	259	259	—	—	—	—	—
Long-term borrowings	9,592	9,648	913	6,000	815	1,251	210	459
Corporate bonds	9,805	9,868	1,350	674	1,693	1,021	1,647	3,483
Financial liabilities relating to sale of shares by prepaid forward contract	259	289	—	—	—	289	—	—
Installment payables	0	0	0	0	0	—	—	—
Lease liabilities	978	978	185	157	129	112	88	307
Total	¥25,664	¥25,820	¥7,483	¥6,831	¥2,638	¥2,674	¥1,945	¥4,249

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 financing subsidiaries. We also incur interest expenses in connection with the lease liabilities of SoftBank Corp.

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 24, 2026, it was resolved at the annual general meeting of shareholders that the year-end dividend will be ¥5.50 per share for the fiscal year ended March 31, 2026. Together with the interim dividend of ¥5.50 per share paid in December 2025 (on a post-stock-split-equivalent basis; ¥22.00 per share as actually paid prior to the January 1, 2026 stock split), our annual dividend for the fiscal year ended March 31, 2026 was ¥11.00 per share (on a post-stock-split-equivalent basis, being ¥44.00 per share on a pre-stock-split basis, the same per-share amount as the previous fiscal year). Our total dividend for the fiscal year ended March 31, 2026 was ¥63 billion ($392 million).

Liquidity and Capital Resources

Cash Flow

Cash Flows for the Fiscal Years Ended March 31, 2025 and 2026

The following table shows our consolidated cash flow data for the fiscal years ended March 31, 2025 and 2026.

	As of and for the fiscal year ended March 31,	
	2025	2026
	(millions of yen)	
Cash and cash equivalents at the beginning of the year	¥ 6,186,874	¥ 3,713,028
Cash flows from operating activities	203,580	(428,832)
Cash flows from investing activities	(1,631,540)	(4,507,172)
Cash flows from financing activities	(1,116,384)	6,377,307
Effect of exchange rate changes on cash and cash equivalents	37,487	207,819
Increase in cash and cash equivalents relating to transfer of assets classified as held for sale	33,011	—
(Decrease) increase in cash and cash equivalents	(2,473,846)	1,649,122
Cash and cash equivalents at the end of the year	¥ 3,713,028	¥ 5,362,150
Cash and cash equivalents at the end of the year, excluding the cash and cash equivalents of PayPay Bank Corporation and LINE Bank Taiwan Limited	¥ 3,489,088	¥ 5,031,288

Cash flows from operating activities. For the fiscal year ended March 31, 2026, cash flows from operating activities resulted in a net outflow of ¥429 billion ($2,682 million), primarily due to outlays for income taxes of ¥822 billion ($5,139 million). This included ¥461 billion ($2,885 million) paid by the Company, mainly attributable to income taxes paid in the first quarter on taxable income for the previous fiscal year, which primarily arose from the physical settlement of prepaid forward contracts using Alibaba shares, as well as interim income tax payments made in the three-month period ended December 31, 2025.

Cash flows from investing activities. For the fiscal year ended March 31, 2026, cash flows from investing activities resulted in a net outflow of ¥4,507 billion ($28,191 million). This mainly reflected outflows of ¥5,106 billion ($31,937 million) from payments made by SVF for acquisition of investments, primarily driven by investments made by SVF2 in OpenAI, ¥1,525 billion ($9,541 million) from payments for acquisition of investments, primarily driven by an investment in Intel by a wholly owned subsidiary of the Company and investments in bonds and other asset management products by PayPay Bank Corporation, ¥1,734 billion ($10,845 million) from purchase of property, plant and equipment, and intangible assets reflecting advance payments related to the construction of power plants and AI infrastructure in the U.S., as well as capital expenditures at SoftBank Corp., Energy Global, and other entities. These outflows were partially offset by inflows of ¥3,807 billion ($23,813 million) from proceeds from sales and redemption of investments, primarily driven by sales of T-Mobile and NVIDIA shares.

Cash flows from financing activities. For the fiscal year ended March 31, 2026, cash flows from financing activities resulted in a net inflow of ¥6,377 billion ($39,888 million), primarily reflecting debt financing by the Company, as well as an increase in borrowings through asset-backed financing by wholly owned financing subsidiaries.

Liquidity

The table below reflects the Cash Position of certain of our key subsidiaries and our Consolidated Cash Position as of March 31, 2025, March 31, 2026 and June 30, 2026. See "Capitalization" for our Cash Position on an as adjusted basis.

We monitor our liquidity primarily by reference to Cash Position, a non-IFRS measure, in addition to the IFRS cash flow information above. Cash Position is not a measure of liquidity under IFRS and should not be considered as an alternative to cash and cash equivalents determined in accordance with IFRS.

	As of		
	March 31,		June 30,
	2025	2026	2026
	(billions of yen)		
Cash Position[1]			
Standalone Cash Position	¥2,623	¥4,331	¥2,509
SoftBank Group Corp.	1,252	2,542	803
SB Northstar	821	1,275	1,254
Other	551	514	452
Cash Position held at subsidiaries[2]**:**			
SoftBank Segment[3]	1,283	1,421	1,568
SVF1	30	107	73
SVF2	30	155	74
Arm	423	576	632
Other	118	250	649
Total	1,885	2,508	2,996
Cash Position held at asset management subsidiaries	—	—	—
Consolidated Cash Position	¥4,508	¥6,839	¥5,505

(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. For the avoidance of doubt, Cash Position excludes the Cash Position held by PayPay Bank Corporation and LINE Bank Taiwan Limited.

(2) 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, which are non-recourse to the Company.

(3) 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. In turn, we receive dividends from portfolio companies or distributions from investment funds and, when deemed appropriate, exit our investments through sales or other forms of monetizing. As of March 31, 2026 and June 30, 2026, our Consolidated Cash Position equaled ¥6,839 billion ($42.8 billion) and ¥5,505 billion ($33.9 billion), respectively.

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 financing subsidiaries as required, including monetization of shares via variable prepaid forward transactions.

As of March 31, 2026, our standalone liquidity was ¥3,529 billion ($22.1 billion). As of June 30, 2026, our standalone liquidity, including undrawn commitment lines, was ¥2,314 billion ($14.2 billion). We believe our liquidity position is sufficient to cover our expected bond redemption needs through the end of June 2028.

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 backed by 769,029,000 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.

In November 2025, the terms of the margin loan were further amended to increase the maximum borrowing amount from $13.5 billion to $20.0 billion and to extend the repayment maturity by one year from September 2026 to September 2027. In December 2025, we drew the remaining $11.5 billion of available capacity under the amended facility. As a result, as of June 30, 2026, the margin loan was fully drawn at $20.0 billion. The margin loan is recorded at ¥3,221 billion ($19.8 billion) as long-term borrowings in our consolidated statement of financial position as of June 30, 2026. In September 2026, the terms of the margin loan were further amended to extend the repayment maturity by one year, from September 2027 to September 2028, and to increase the borrowing limit by $5.0 billion, from $20.0 billion to $25.0 billion. On September 10, 2026, we drew the additional $5.0 billion in full. 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 from lenders under a margin loan backed by SoftBank Corp. shares. In February 2025, we completed a refinancing of this margin loan, increasing the borrowing amount from ¥500 billion to ¥800 billion. In December 2025, borrowings under the margin loan were further increased by ¥400 billion, from ¥800 billion to ¥1,200 billion. As of March 31, 2026, 13,440,860,103 SoftBank Corp. shares, representing approximately 70.2% of the SoftBank Corp. shares held by us, were pledged as collateral under the margin loan. The margin loan is non-recourse to the Company.

We believe that the utilization of margin loans backed by our investment shares has further supported our liquidity position.

Financing Agreement Using OpenAI Shares

Subsequent to June 30, 2026, a subsidiary of SVF2 entered into a $10.0 billion loan agreement with a syndicate of financial institutions on August 5, 2026. The proceeds are to be used for general corporate purposes of the Company and SVF2. Full drawdown of the $10.0 billion was made on August 7, 2026, with principal repayable in August 2028. The collateral under the loan agreement consists of a cash collateral account of the borrower, and the Company is the guarantor. The loan agreement contains a cash collateral provision and mandatory prepayment clauses that may be triggered under certain circumstances, such as a significant decrease in the fair value of the OpenAI preferred shares held by SVF2 and referenced under the loan agreement.

Commitment Line

In order to reduce liquidity risk, we have maintained commitment lines of credit and other credit facilities with various financial institutions over the years. As of June 30, 2026, $2,905 million (¥471.7 billion) on a USD

tranche and ¥17.8 billion ($110 million) on a JPY tranche were drawn. On September 18, 2026, we renewed one such commitment line of credit for borrowings up to $6,500 million (¥1,055.5 billion) on a USD tranche. See "Description of Other Indebtedness."

Credit Ratings

We have a long-term corporate credit rating of BB+ (stable outlook) from S&P, BB+ (stable outlook) from Fitch, and A (negative outlook) from 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 29 to our audited consolidated financial statements for the fiscal year ended March 31, 2026 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 June 30, 2026, was ¥57.4 trillion ($353.4 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 June 30, 2026, approximately 60.1% of our Equity Value of Holdings (excluding asset-backed financings) was concentrated in Arm. See "Risk Factors—Risks Related to AI Computing Segment—Our holdings in Arm represent a significant portion of our assets." As of June 30, 2026, 69.1% of our portfolio, based on Equity Value of Holdings, 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—Our investment portfolio is concentrated in a small number of large positions, which expose us to elevated risk vis-à-vis such investment." 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, see Note 29 to our audited consolidated financial statements for the fiscal year ended March 31, 2026 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-rate interest payments into fixed-rate payments. 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 investment businesses, 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. dollar, Chinese yuan, and euro.

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 our 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 bonds. We also continuously monitor forecasted and actual cash flows and liquid funds.

Material Accounting Policies and Estimates

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.

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 (see items (1) and (20) in "Note 3. Material accounting policies" and "Note 19. Major subsidiaries" in the consolidated financial statements for the fiscal year ended March 31, 2026);

- significant judgments for the determination of the scope and accounting treatment of associates (see items (1) and (20) in “Note 3. Material accounting policies” and “Note 20. Investments accounted for using the equity method” in the consolidated financial statements for the fiscal year ended March 31, 2026);
- estimates for impairment of investments accounted for using the equity method (see item (1) in “Note 3. Material accounting policies” and “Note 42. Other gain” in the consolidated financial statements for the fiscal year ended March 31, 2026);
- estimates for fair value of assets acquired and liabilities assumed in business combinations (see item (2) in “Note 3. Material accounting policies” and “Note 8. Business combinations” in the consolidated financial statements for the fiscal year ended March 31, 2026);
- fair value measurement of financial assets at FVTPL, debt financial assets at FVTOCI, and equity financial assets at FVTOCI (see items (4) and (20) in “Note 3. Material accounting policies,” “Note 7. SoftBank Vision Funds business,” (1) and (2) in “Note 30. Fair value of financial instruments,” “Note 39. Gain on investments,” and “Note 42. Other gain” in the consolidated financial statements for the fiscal year ended March 31, 2026);
- estimates for impairment of financial assets measured at amortized cost (see item (4) in “Note 3. Material accounting policies” in the consolidated financial statements for the fiscal year ended March 31, 2026);
- fair value measurement of derivatives (including embedded derivatives) (see item (4) in “Note 3. Material accounting policies” and (1) in “Note 30. Fair value of financial instruments” in the consolidated financial statements for the fiscal year ended March 31, 2026);
- estimates for residual value and useful life of property, plant and equipment, right-of-use assets, and intangible assets (see items (7), (9), and (10) in “Note 3. Material accounting policies” in the consolidated financial statements for the fiscal year ended March 31, 2026);
- estimates for impairment of property, plant and equipment, right-of-use assets, intangible assets and goodwill (see item (11) in “Note 3. Material accounting policies,” “Note 17. Goodwill and intangible assets,” and “Note 42. Other gain” in the consolidated financial statements for the fiscal year ended March 31, 2026);
- judgments and estimates for accounting treatment of contracts including leases (see item (10) in “Note 3. Material accounting policies,” “Note 16. Right-of-use assets,” and “Note 18. Leases” in the consolidated financial statements for the fiscal year ended March 31, 2026);
- judgments and estimates for recognition and measurement on provisions (see item (12) in “Note 3. Material accounting policies” and “Note 28. Provisions” in the consolidated financial statements for the fiscal year ended March 31, 2026);
- judgments and estimates for salability related to classification as held for sale (see item (14) in “Note 3. Material accounting policies” and “Note 14. Disposal group classified as held for sale” in the consolidated financial statements for the fiscal year ended March 31, 2026);
- fair value measurement of liabilities related to cash-settled share-based payments (see item (15) in “Note 3. Material accounting policies” and “Note 36. Share-based payment transactions” in the consolidated financial statements for the fiscal year ended March 31, 2026);
- judgments for timing of revenue recognition related to indirect sales of mobile devices (see item (16) in “Note 3. Material accounting policies” and “Note 37. Net sales” in the consolidated financial statements for the fiscal year ended March 31, 2026);
- judgments for “contractual period” in the mobile services and whether a “material right” is included in the contracts (see item (16) in “Note 3. Material accounting policies” and “Note 37. Net sales” in the consolidated financial statements for the fiscal year ended March 31, 2026);
- estimates for amortization period of costs to obtain contracts (see item (17) in “Note 3. Material accounting policies” in the consolidated financial statements for the fiscal year ended March 31, 2026);
- assessment of recoverability of deferred tax assets (see item (18) in “Note 3. Material accounting policies” and “Note 22. Income taxes” in the consolidated financial statements for the fiscal year ended March 31, 2026);

- significant judgments for recognition related to deferred tax liabilities (see item (18) in "Note 3. Material accounting policies" and "Note 22. Income taxes" in the consolidated financial statements for the fiscal year ended March 31, 2026);
- estimates for measurement of contribution from Third-party interests to SVF (see item (20) in "Note 3. Material accounting policies" and (2) in "Note 7. SoftBank Vision Funds business" in the consolidated financial statements for the fiscal year ended March 31, 2026); and
- recognition of liabilities and expenses related to contingencies (see "Note 47. Contingency" in the consolidated financial statements for the fiscal year ended March 31, 2026).

The following is a summary of changes in accounting policies for the fiscal years ended March 31, 2025 and March 31, 2026. For further details on the material accounting policies and judgments 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, 2026 included elsewhere in this offering memorandum.

Changes in accounting policies required by IFRS

The Company has adopted the standards and interpretations that became mandatorily effective for the fiscal year ended March 31, 2026. There are no significant impacts on the consolidated financial statements of the Company due to the adoption of these accounting standards and interpretations.

We have 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.

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 Strategic 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 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, which, fueled by the advances in AI technologies, 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, associates, and our investees. We seek to capture the major investment opportunities arising from the advancement in the Information Revolution, with the AI revolution serving as a key driver of growth. We believe that AI will continue to evolve toward more advanced reasoning capabilities, autonomy and versatility, ultimately leading to the realization of ASI, which would surpass the collective intelligence of humanity. We believe that this evolution will open up new markets for innovative products and services and provide crucial growth opportunities. To this end, we strive to quickly identify changes in markets, technologies and societal needs and to continuously transform our business. At the same time, we optimize our investment portfolio and group structure to maximize the benefits of technologies and business models poised to drive future growth. We have identified four key pillars that support the advancement and social implementation of AI; AI Models, AI Chips, AI Infrastructure, and Physical AI. We are actively pursuing investments and business initiatives in these areas while seeking to create synergies through collaboration both within and across these pillars. For more details, see "—Strengths and Strategies—Deepening AI strength through complementary investments across the AI ecosystem."

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

We are listed on the Tokyo Stock Exchange with a market capitalization of ¥35.6 trillion ($219.2 billion), excluding treasury stock, as of September 17, 2026.

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

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 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.

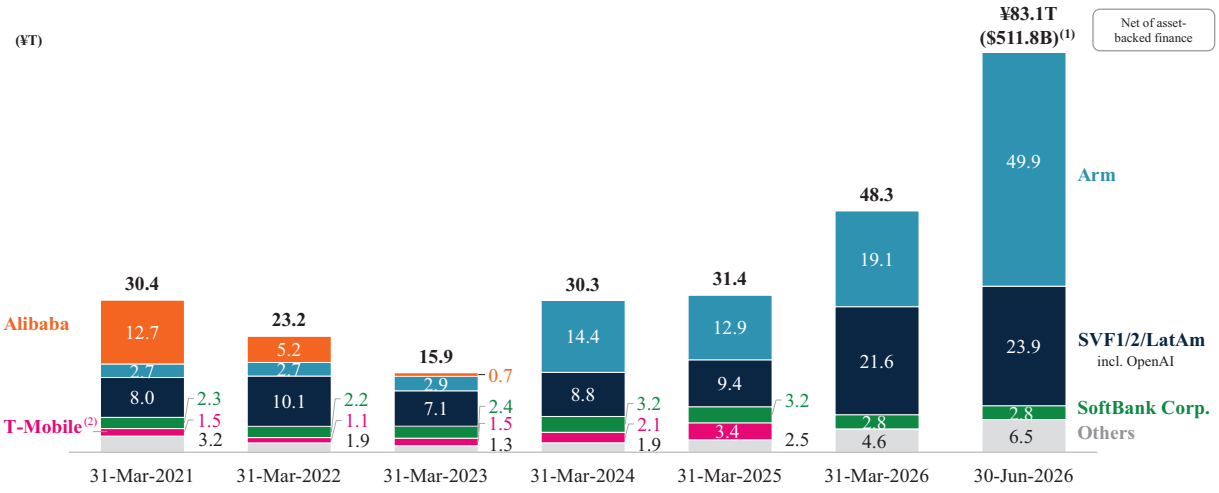
To ensure our financial stability, we consider our Loan-to-Value (LTV) ratio to be an important measure. We calculate our LTV ratio as the ratio of Standalone Net Interest-bearing Debt to Equity Value of Holdings. We have a financial policy to maintain our LTV ratio below 25% under normal circumstances, with an upper threshold of 35% in extraordinary circumstances. In addition, we aim to ensure our liquidity and financial stability by securing sufficient funds to redeem our corporate bonds for at least the next two years. We have consistently achieved these financial policy objectives for more than seven years since the fourth quarter of the fiscal year ended March 31, 2019.

As of March 31, 2026, our NAV was ¥40.1 trillion ($250.5 billion), calculated by deducting Standalone Net Interest-bearing Debt of ¥8.2 trillion ($51.3 billion) from Equity Value of Holdings of ¥48.3 trillion ($301.9 billion). Our LTV ratio as of the same date was 17.0%, calculated by dividing Standalone Net Interest-bearing Debt by Equity Value of Holdings. For further details, please see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Performance Indicators."

As of June 30, 2026, our NAV was ¥72.3 trillion ($445.2 billion), calculated by deducting Standalone Net Interest-bearing Debt of ¥10.8 trillion ($66.6 billion) from Equity Value of Holdings of ¥83.1 trillion ($511.8 billion). Our LTV ratio as of the same date was 13.0%, calculated by dividing Standalone Net Interest-bearing Debt by Equity Value of Holdings. For further details, please see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Performance Indicators."

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



(1) The Japanese Yen amounts have been translated into U.S. dollar amounts at the rate of ¥162.39 = $1.00, the exchange rate prevailing as of June 30, 2026.

(2) Includes Deutsche Telekom for historical periods from March 31, 2022 to March 31, 2024.

Strengths and Strategies

One of the world's largest strategic investment holding companies, with a unique track record of investing in major technological shifts, and a portfolio of approximately $511.8 billion

As one of the largest strategic investment holding companies globally, with a portfolio valued at approximately $511.8 billion (¥83.1 trillion) in Equity Value of Holdings as of June 30, 2026, we have evolved significantly since our inception. Founded in 1981 as a distributor of packaged software, we have grown into a global strategic investment holding company with investments across listed and unlisted assets, multiple technology-related sectors and geographies.

Our approach as a strategic investment holding company extends beyond seeking investment returns and is focused on creating value through long-term strategic involvement with our portfolio companies, including by facilitating business collaboration, providing management support and enabling access to our broader ecosystem. This approach is reflected in our "Cluster of No.1 Strategy," which seeks to build a strategically aligned ecosystem of companies. The strategy envisages our group as a symbiotic ecosystem of companies with industry-shaping technologies and business models. In this ecosystem, we support visionary entrepreneurs who pioneer new industries while respecting their autonomy and encouraging them to identify with our core philosophy and vision and work with us to unlock synergistic growth. This AI ecosystem includes subsidiaries and group companies such as Arm, companies in which SBG invests directly for long-term value creation, and portfolio companies of SoftBank Vision Funds and other funds.

Once an investment is selected, we leverage our network and experience to promote business collaborations among portfolio companies and support external growth through strategic M&A. We also seek to facilitate technology collaboration, customer and partner introductions, financing, new business development and other forms of strategic support across our portfolio. Through these efforts, we seek to enhance our Equity Value of Holdings and ultimately maximize NAV over the medium to long term.

We have consistently identified major technological shifts, from the advent of the PC and the internet to the broadband and smartphone era and, more recently, AI. In response to these shifts, we have continuously

reshaped our portfolio, evolving from a mobile telecommunications operator into a global strategic investment holding company and expanding our investment focus from internet and mobile telecommunications businesses to AI.

Deepening AI strength through complementary investments across the AI ecosystem

We believe rapid advances in AI technology will be at the center of the coming Information Revolution, driving significant productivity gains and growth opportunities across a wide range of industries. We believe AI will continue to evolve toward more advanced reasoning capabilities, autonomy and versatility, ultimately leading to the realization of ASI, which would surpass the collective intelligence of humanity. As AI is increasingly integrated into a broad range of business models, we believe this evolution will reshape existing models of value creation, fundamentally redefine most industries and open up entirely new markets for innovative products and services.

The realization of ASI will require the development and deployment of semiconductors capable of providing the substantial computing capacity required to operate such models; frontier AI models capable of advancing perception, reasoning and decision-making; AI infrastructure designed to integrate and operate these technologies; and robotics technologies that enable AI to perform tasks in the physical world. Against this backdrop, we are building full-stack exposure across the AI ecosystem through investments in four key areas, namely AI Model, AI Chip, AI Infrastructure and Physical AI. Together, these areas span multiple layers of the AI value chain and form the core of our AI strategy, providing multiple avenues to participate in the continued development and adoption of AI.

At the same time, these four areas are complementary and are designed to reinforce one another across the AI value chain with advances in one area supporting growth and new use cases in others: the AI Chip business provides the architecture and energy efficiency required to support AI compute; AI Model drives demand for compute; AI Infrastructure provides the scalable data-center and power capacity required to support AI deployment; and Physical AI further expands the application of AI from digital spaces to tasks and services in the real world, creating new use cases. While these areas are strategically complementary across our portfolio, each also serves external customers and markets independently, with its own sources of commercial demand and growth across a diverse set of end markets, including AI users, chipmakers and automakers, hyperscalers, and industrial and enterprise customers. This allows each area to pursue standalone growth while also benefiting from potential strategic synergies across the AI ecosystem. The illustration below provides an overview of our key investments within these areas.

(1) This image is for illustrative purposes only and does not depict actual products or imply that the concepts shown will be realized in the future.

AI Chips

Arm is the core asset within our AI Chip portfolio and our largest holding, with an Equity Value of Holdings of $307.3 billion (¥49.9 trillion) as of June 30, 2026, accounting for approximately 60.1% of our total Equity Value of Holdings. Arm delivers high-performance, energy-efficient compute platforms that are deployed across a broad spectrum of products, including smartphones, IoT devices, automotive systems and data-center servers. Arm has cultivated the world's largest computing ecosystem, with more than 350 billion Arm-based chips shipped since its inception, more than 22 million software developers globally, a market share greater than 99% of the mobile application processor market, and approximately 50% of the CPU chips shipped to leading hyperscalers in 2025 using Arm-based technology. Arm's established business model, supported by upfront license fees and recurring royalties, provides a foundation for continued growth as demand for compute expands across end markets. The durability of this royalty model is demonstrated by the long revenue lives of Arm-based products, with approximately 50% of Arm's royalty revenue for the fiscal year ended March 31, 2026, generated from products that were introduced more than 10 years ago.

Arm has multiple potential growth drivers across both its established and new businesses. We believe Arm's revenue is well-positioned for potential growth as demand for compute expands across a wider range of devices and as chips become increasingly advanced and complex. The continued deployment of AI across devices has the potential to increase demand for Arm's more advanced technologies, including Armv9 and CSS, which are designed to support higher-performance, power-efficient computing for increasingly demanding 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. Reflecting this trend, Arm has adopted a holistic, solution-focused design approach, expanding beyond individual design IP blocks to provide more complete systems. Arm's CSS is gaining traction across multiple end markets and is expected to become an increasingly important driver of royalty growth. While the typical royalty revenue for Armv9 is around double the revenue 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.

These trends are particularly evident in cloud and data-center computing. Arm has established a significant and growing presence in cloud and data-center computing, with more than 1.5 billion Arm-based CPU cores shipped to data centers as of June 2026. Arm's data-center customers are reporting substantial performance-per-watt savings compared with legacy architectures, contributing to the increasing adoption of Arm's energy-efficient technology for these workloads. Most leading cloud and AI infrastructure companies, including Amazon Web Services, Inc., Google LLC, Microsoft Corporation and NVIDIA, are deploying or developing Arm-based technology for data centers. We believe the increasing adoption of agentic AI will further expand the role of CPUs within AI computing infrastructure. As AI workloads evolve from individual model queries toward increasingly complex, agent-driven workloads, CPUs play an important role in orchestrating data movement, memory, security and workload coordination across AI systems. We believe this shift will drive increasing demand for high-performance, energy-efficient and system-level compute capabilities, areas in which Arm is well positioned through its broad compute platform.

Beyond these opportunities within its IP business, in March 2026, Arm announced the Arm AGI CPU, its first move into production silicon and an incremental growth opportunity. Designed specifically for data centers supporting agentic AI workloads, the Arm AGI CPU expands Arm's compute platform from IP and CSS into production silicon while continuing its existing licensing model and ecosystem. The Arm AGI CPU was developed with its lead partner, Meta, and is supported by a broad global ecosystem. More than 50 leading companies across hyperscale, cloud, silicon, memory, networking, software, system design and manufacturing are supporting the expansion of the Arm compute platform into silicon. At the time of announcement, Arm had identified approximately $1 billion of customer demand for the Arm AGI CPU across the fiscal years ending March 31, 2027 and March 31, 2028, and Arm has secured the manufacturing capacity required to support that demand. Since the announcement, Arm has seen significantly higher demand and is working closely with its manufacturing and supply chain partners to expand capacity.

In addition to Arm, we have strengthened our AI chip capabilities through acquisitions such as Ampere and Graphcore Limited. Through these acquisitions, we have expanded our semiconductor engineering team and enhanced our development capabilities. Ampere specializes in designing high-performance, energy-efficient CPUs for AI-driven workloads based on the Arm compute platform. Graphcore Limited has a proven track record in developing semiconductor chips designed for AI applications. Furthermore, through our subsidiaries we also seek to procure access to key AI chips and related manufacturing capacity to support our broader investment strategy in AI infrastructure and related technologies.

AI Model

OpenAI is the principal asset within our AI Model portfolio and represents a significant component of our strategic exposure to frontier and agentic AI. We made our first investment in OpenAI through SVF2 in September 2024 and have since substantially increased our investment. Following completion of all three tranches of the 2026 OpenAI Follow-on Investment, including the remaining $10.0 billion tranche expected to close on October 1, 2026, SBG's cumulative investment in OpenAI is expected to reach $64.6 billion, representing an ownership interest of approximately 13%. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Follow-on investments in OpenAI." Our investment in OpenAI provides us with significant exposure to one of the leading platforms at the forefront of frontier and agentic AI.

Within the AI ecosystem, OpenAI continues to drive AI adoption and demonstrate technical leadership across frontier models, coding and agentic AI. OpenAI's models have continued to evolve from answering questions to solving problems, performing tasks and, more recently, completing increasingly complex work through agentic capabilities. This expanding model capability supports a broad product portfolio spanning consumer AI, coding and workplace tools, developer platforms and enterprise AI agents, creating multiple avenues for adoption across consumer, developer and enterprise markets. OpenAI has continued to advance its model capabilities through rapid and sustained model development and iteration. In July 2026, OpenAI released GPT-5.6, further advancing performance across professional and knowledge-work use cases. In third-party evaluations of professional work, GPT-5.6 Sol demonstrated strong performance and API cost efficiency, with a higher evaluation score at a substantially lower cost than the other leading models evaluated. Most recently, in September 2026, OpenAI introduced GPT-6 Astra, which it describes as its most intelligent and aligned model, with advances in reasoning, computer use and browsing.

OpenAI's user base has expanded rapidly, with the number of weekly active users of ChatGPT increasing by approximately 300 million over one year, from nearly 700 million in August 2025 to approximately 1 billion in August 2026. ChatGPT has demonstrated significant user engagement and global reach, with users spending approximately four times as much time on ChatGPT as on all other AI applications combined, and with monthly web visits and mobile sessions approximately six times those of the next-largest AI application. As of February 2026, OpenAI had more than 50 million consumer subscribers, demonstrating its ability to monetize its large and engaged consumer user base.

Adoption of OpenAI's coding and workplace AI tools has also expanded rapidly. The combined number of weekly active users of Codex and ChatGPT Work reached 25 million in August 2026. Together, these developments demonstrate OpenAI's continued advances in model capabilities, improved cost efficiency and growing adoption across business and knowledge-work use cases.

Supporting this continued scaling, OpenAI has demonstrated strong access to equity capital, providing financial flexibility to invest in compute capacity, product development and growth. In June 2026, OpenAI announced that it had confidentially submitted a draft registration statement on Form S-1 to the SEC in connection with a potential initial public offering, which, if completed, could provide an additional avenue to access public equity capital.

AI Infrastructure

Our AI infrastructure projects generally focus on developing powered data-center shells, including the associated power infrastructure and cooling systems, while customers provide the compute hardware required for their workloads.

The deployment of AI at scale requires access to reliable and scalable infrastructure. We therefore view AI Infrastructure as a foundational layer of our AI strategy, encompassing not only data centers, but also the power, land, development capabilities and financing structures required to support large-scale AI workloads. We are advancing major infrastructure initiatives across the United States and Europe to secure and develop the power, land and data-center capacity required to support AI deployment at scale, with SB Energy serving as an important execution platform for our U.S. projects.

Given the significant capital requirements associated with large-scale AI infrastructure, we expect to utilize project-level non-recourse financing and third-party capital to support capital-intensive AI infrastructure investments, with the aim of limiting the capital burden at the group level and preserving our balance-sheet flexibility. SB Energy has also sought to broaden its access to capital and, on September 1, 2026, publicly filed a registration statement on Form S-1 with the SEC in connection with a potential initial public offering. We believe this approach can enable us to scale our power and data-center development activities by leveraging SB

Energy's experience and capabilities developed to date, while maintaining financial flexibility at the SBG level. Together, these initiatives are intended to secure and develop the power, land and data-center capacity required to support AI deployment at scale.

Milam County AI Data Center in the United States

In January 2026, we announced a partnership with OpenAI and SB Energy aimed at developing AI data centers and related energy infrastructure. In connection with the partnership, OpenAI entered into a 15-year lease agreement for a data center in Milam County, Texas, and OpenAI and we each invested $500 million in SB Energy. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Participation in AI Infrastructure Projects." The Milam County project is expected to have approximately 0.8 IT-GW. Construction of the project is underway. Supported by long-term contracted demand from OpenAI, the project demonstrates our ability to combine large-scale data-center development with the power infrastructure required to support AI workloads.

PORTS-Pike Technology Campus in the United States

We are also developing the PORTS-Pike Technology Campus in Pike County, Ohio, a large-scale AI infrastructure project designed to integrate data-center capacity with dedicated power generation and transmission infrastructure. On March 20, 2026, the U.S. Department of Energy (DOE) and the U.S. Department of Commerce (DOC), together with SoftBank and AEP Ohio, announced a public-private partnership to redevelop DOE land, modernize energy infrastructure, and develop advanced computing at the Portsmouth Site in Pike County, Ohio. As part of the partnership, SB Energy plans to develop 8 IT-GW AI data-center capacity at the PORTS-Pike Technology Campus, which is expected to be supported by 10 GW of new power generation, including 9.2 GW of natural gas generation capacity. The 9.2 GW natural gas generation project includes approximately $33.3 billion in Japanese funding previously announced under the U.S.-Japan Strategic Trade and Investment Agreement, which contemplates $550 billion of Japanese investment in the United States. Construction of the PORTS-Pike Technology Campus is expected to commence in 2026. The initial phase is expected to become available beginning in 2028, with development of the broader campus expected to occur in phases through 2032. In August 2026, OpenAI entered into an agreement to secure approximately 8 IT-GW, with SB Energy to build, own and operate the data centers under a 20-year lease with OpenAI. In August 2026, NVIDIA also entered into transactions providing for an aggregate $3.0 billion investment in SB Energy, including a $1.5 billion prepaid forward with Energy Global, LP and a $1.5 billion share purchase in a private placement. NVIDIA also agreed to provide credit support relating to the land, power and shell infrastructure for the initial 4.25 IT-GW of capacity at the campus, with an option to take the remaining approximately 3.75 IT-GW. NVIDIA will be the exclusive AI compute infrastructure provider for the PORTS-Pike Technology Campus.

In the United States, SB Energy serves as an important execution platform for our AI infrastructure strategy, bringing together capabilities across data-center development and operation, power generation and storage, project development, construction, engineering and financing. SB Energy is leading the development of the Milam County data center and the PORTS-Pike Technology Campus, both described above, further expanding its capabilities in large-scale AI data-center infrastructure.

AI Data Center in France

Furthermore, in June 2026, we announced our commitment to develop and operate up to 5 GW of AI data-center capacity in France, representing an investment of up to €75 billion, in connection with the 2026 Choose France summit hosted by President Emmanuel Macron. The first phase contemplates an initial €45 billion investment to deliver 3.1 GW of AI data-center capacity in the Hauts-de-France region, including a 1 GW AI data-center campus in Bosquel, for which a joint venture majority-owned by us has been selected as the developer and operator.

Physical AI

We have built broad exposure to Physical AI through investments in more than 30 companies across autonomous mobility, autonomous infrastructure and robotics. Physical AI involves the application of advanced AI capabilities to machines, vehicles and infrastructure operating in the physical world, enabling them to perceive and understand their environments and perform increasingly complex actions autonomously. Selected portfolio companies include Wayve Technologies Ltd. and Nuro, Inc. in autonomous mobility; Skild AI, Inc., AutoStore Holdings Ltd., Symbotic Inc. and Berkshire Grey, Inc. in autonomous infrastructure; and SoftBank Robotics Group Corp., Agile Robots SE and 1X Technologies in robotics. Physical AI therefore represents both a

distinct growth opportunity supported by external commercial demand and a strategically connected application layer within our broader AI ecosystem.

Robo HD serves as an important platform for our robotics-related investments. In the first quarter of fiscal year ended March 31, 2026, we completed the process of bringing together under Robo HD, an intermediate holding company, approximately 20 robotics-related portfolio companies that had previously been held across multiple entities within the Group.

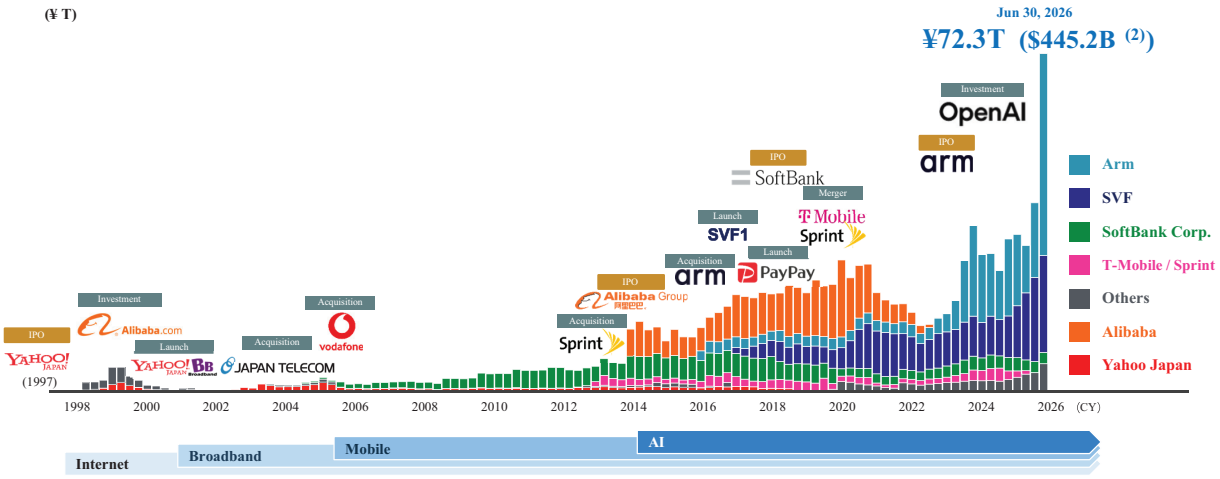
In October 2025, we agreed to acquire ABB's Robotics Business to strengthen our presence in Physical AI, with the acquisition expected to close in 2026. The acquisition is expected to significantly strengthen our AI robotics business. ABB's Robotics Business is globally known for its reliability and high performance, supported by extensive sales channels and customer relationships. Its operations span R&D, manufacturing, sales and service, supported by approximately 1,800 technical staff and three manufacturing sites as of March 31, 2026. ABB's Robotics Business has approximately 7,000 employees across over 50 countries and approximately 25,000 customers globally as of March 31, 2026, providing significant technical capabilities, scale and customer reach. Following completion of the acquisition, we believe ABB Robotics Business' robotics platform, expertise and global footprint could complement the technological foundations of our existing robotics-related investments and create additional opportunities to accelerate innovation in AI-enabled robotics. We believe this combination could further strengthen our position in Physical AI and support the development and deployment of increasingly intelligent and autonomous robotic systems.

We believe continued advances across AI chips, AI models and AI infrastructure can further enable the development of increasingly autonomous and intelligent physical systems. More capable AI models can enhance perception, reasoning and decision-making; advances in AI chips can provide the computing performance and energy efficiency required to operate increasingly sophisticated AI systems; and expanded AI infrastructure can support their development and deployment at scale. Together, these advances may create growth opportunities across manufacturing, logistics, mobility and other industrial and enterprise end markets.

Proven track record of disciplined investment cycle

We have a long track record of identifying major technology shifts and investing behind them with a long-term perspective, guided by our belief in the continued advancement of the Information Revolution. Anticipating the future of the Internet, we 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 through the acquisition of JAPAN TELECOM (currently SoftBank Corp.) in 2004. Anticipating the future of mobile internet, we acquired Vodafone K.K. (currently SoftBank Corp.) in 2006, shifting our focus to mobile communications. We introduced innovative and market-leading products such as the iPhone, becoming the first carrier to offer it in Japan. This move positioned us as a leading mobile communications provider in Japan. We entered the U.S. telecommunications market through the acquisition of Sprint in 2013, and Sprint subsequently merged with T-Mobile in 2020. As computing and semiconductors became increasingly important to the next phase of technological development, we acquired Arm in 2016, which subsequently completed its landmark IPO in 2023. More recently, as our investment focus has shifted toward AI, we made our first investment in OpenAI through SVF2 in 2024 and have since substantially increased our exposure to OpenAI and other AI-related businesses and investments. See "—History."

Over this period, the composition of our portfolio has evolved significantly as we have repositioned capital toward successive technology waves. For example, Alibaba was a major driver of our historical NAV growth and value creation for many years, while Arm has emerged as the largest contributor to our current NAV as our investment focus has increasingly shifted toward AI. Despite these changes in portfolio composition, the value of our portfolio has expanded substantially over the long term. The graphic below illustrates both the long-term growth in our NAV and the evolution of our major holdings over time. Our NAV was approximately ¥72.3 trillion ($445.2 billion) as of June 30, 2026.



(1) The NAV breakdown is based on the proportionate value of each equity holding at the end of each fiscal year, before tax. The Equity Value of Holdings and the Company's net debt are adjusted for asset-backed finance. NAV trends do not guarantee future figures, are not indicative of the price of the Company's common shares or any securities it holds, and should not form the basis of investment decisions.

(2) The Japanese Yen amount has been translated into a U.S. dollar amount at the rate of ¥162.39 = $1.00, the exchange rate prevailing as of June 30, 2026.

We believe this long-term value creation has been supported by a repeatable investment and capital recycling model: identifying long-term trends, investing in attractive opportunities, supporting and scaling portfolio companies, crystallizing and monetizing value, and rotating and recycling capital into new strategic opportunities.

Identify and invest

A key element of our investment approach is our ability to identify structural technology shifts at an early stage and form a long-term view of where technology and markets are heading. Drawing on decades of experience across successive technology cycles, we seek to identify opportunities that we believe have the potential to create substantial long-term value before they become fully reflected in prevailing market expectations.

Once we develop strong conviction in an opportunity, we have demonstrated the ability to deploy meaningful capital with a long-term investment horizon. Rather than seeking broad exposure to every emerging trend, we focus capital on selected opportunities where we believe we have differentiated conviction in the underlying technology, market potential and ability to create value over time.

Our acquisition of Arm in 2016 is a representative example of this approach. We acquired Arm for approximately $32 billion based on our long-term conviction in the growing strategic importance of semiconductors and compute. Arm has since become our largest holding and a major contributor to our NAV, demonstrating the potential value of identifying a structural technology opportunity early and investing behind it with conviction. We are applying the same long-term approach today as we reposition our portfolio toward AI, including through significant investments in OpenAI and businesses and investments across our AI Chip, AI Model, AI Infrastructure and Physical AI portfolios.

Support and scale

Once we invest, we seek to support portfolio companies as they scale by leveraging our global network, strategic relationships, operating experience and broader ecosystem. We aim to provide portfolio companies with access to business collaboration opportunities, strategic resources and information, while preserving management autonomy and entrepreneurial flexibility. We support both organic and inorganic growth. This can include facilitating collaboration across our portfolio and broader network, supporting access to talent, customers, financing and other strategic resources, and helping portfolio companies pursue strategic M&A where we believe it can accelerate growth, strengthen competitive positioning or expand capabilities.

Our investment in Sprint provides a representative example of this approach. Following our acquisition of Sprint in 2013, we supported its strategic development and subsequent combination with T-Mobile in 2020, creating a larger and more competitive U.S. wireless platform with greater scale and capabilities. The transaction also enabled us to participate in the significant value creation that followed, illustrating how strategic support and M&A can help enhance the long-term value of our investments. Arm provides another example of this approach.

Since our acquisition in 2016, Arm has expanded beyond mobile into cloud, automotive, data-center and AI-related applications, broadening its addressable markets and significantly scaling its business. Its 2023 IPO represented another milestone in this evolution.

Crystallize and monetize

As our investments mature, we seek to crystallize and monetize value through a range of channels, including public market listings, secondary share sales, strategic disposals, dividends and asset-backed financing. This flexibility allows us to tailor the timing and method of monetization to the characteristics of each investment, prevailing market conditions and our broader capital allocation priorities.

We have demonstrated this approach across a number of major investments. We gradually monetized our investment in Alibaba over a long investment horizon, realized substantial value from our T-Mobile holdings through secondary share sales and other monetization transactions, and crystallized value from Arm through public market transactions and asset-backed financing arrangements while retaining significant exposure to its continued growth. More broadly, our track record of value crystallization includes numerous public market listings across our portfolio, with SVF having facilitated 62 public listings since inception as of June 30, 2026, including the subsequent U.S. listing of PayPay, which was launched as an internal startup within the Group in 2018 and completed its IPO on Nasdaq in March 2026.

Our selected investment track record for Alibaba, T-Mobile and Arm is summarized in the table below, which presents the MOIC, IRR and total return for each investment.

	Alibaba	T-Mobile[8]	Arm
	(In trillions of yen, except MOIC and IRR)		
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]	0.01	—	53.1
Realized Return[4]	9.8	4.2	0.1
Total Return[5]	9.8	5.8	54.3
MOIC[6]	1,340x	10.3x	22.7x
IRR[7]	57.2%	25.1%	37.2%

(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 the Company and SVF.

(3) Unrealized return in Arm represents the market value of Arm shares held by the Company as of June 30, 2026 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. The calculation does not deduct any outstanding margin loans backed by Arm shares as of that date.

(4) 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.

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

(6) 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 June 30, 2026, and excluding the effects of tax.

(7) IRR represents the annualized rate of return from the date of investment to June 30, 2026 calculated based on the total return net of repayment of the debt portion of acquisition consideration and the equity portion of acquisition consideration.

(8) Our investment in T-Mobile resulted from our acquisition of Sprint in 2013 and Sprint's subsequent merger with T-Mobile in 2020.

Rotate and reinvest

Value realized through monetization, including proceeds from asset-backed financings, can, in turn, be redeployed into new strategic opportunities, supporting the continued evolution of our portfolio. We seek to recycle capital generated from mature and monetized investments toward areas where we see the greatest long-term growth potential. As our investment focus has increasingly shifted toward AI, proceeds from asset monetizations, together with dividends from SoftBank Corp. and fund distributions from SVF, have provided capital for investments in new AI-related opportunities.

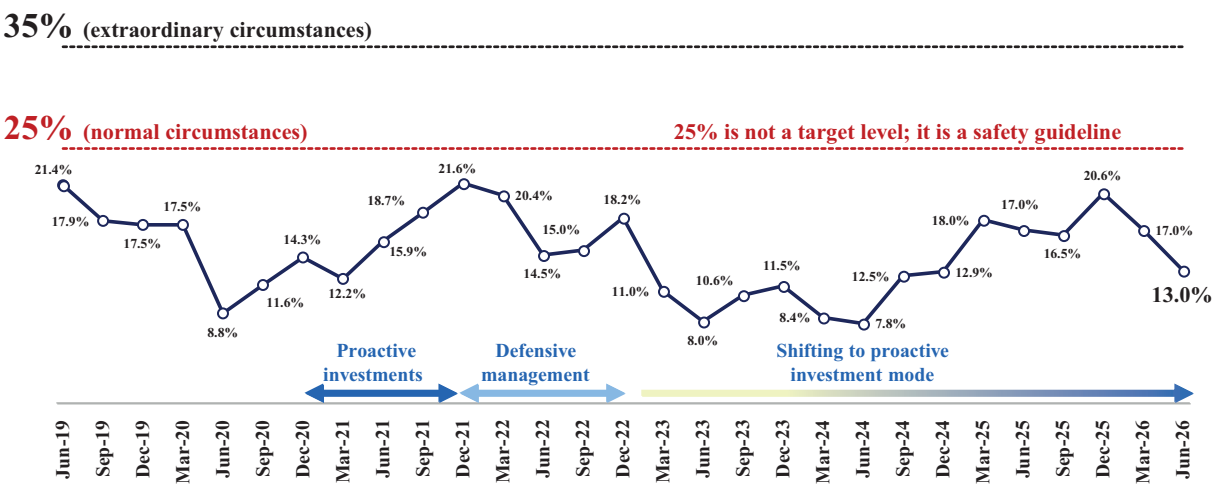
In the fiscal year ended March 31, 2026, we made approximately ¥7.3 trillion of investments, while generating approximately ¥6.3 trillion from the monetization of existing assets and ¥0.7 trillion of distributions from SVF. This demonstrates how capital generated from our existing portfolio can support significant new investment activity and continued portfolio rotation, while helping preserve financial flexibility at the SBG level.

Diverse funding sources and disciplined financial management

We adhere to a disciplined and prudent approach to financial management centered on two core financial policies designed to preserve balance sheet strength and liquidity through market cycles while maintaining the flexibility required of an investment holding company. These policies are to (i) manage our Loan-to-Value (LTV) ratio below 25% in normal circumstances, with an upper threshold of 35% in extraordinary circumstances, and (ii) maintain sufficient liquidity to cover bond redemptions for at least the next two years. We have consistently managed our balance sheet in accordance with these policies, which serve as the foundation for our disciplined approach to investment, financing and capital management.

Manage LTV Below 25% in Normal circumstances

We view the 25% LTV threshold as a safety guideline rather than a target level and believe that maintaining LTV below 25% in normal circumstances (and below 35%, in extraordinary circumstances) represents a highly prudent financial standard. Our LTV stood at 13.0% as of June 30, 2026, comfortably below our normal time policy ceiling. We have adhered to this LTV financial policy since 2019, when we accelerated our transformation from a telecommunications company into an AI-centric strategic investment holding company, and have consistently maintained our LTV below 25%, as shown in the chart below. Over this period, LTV has fluctuated in response to changes in the value of our holdings, investment activity and asset monetization, while remaining within our financial policy framework.



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

In addition to our LTV financial policy, we manage our finances to maintain sufficient liquidity to cover bond redemptions for at least the next two years. We believe this policy provides an important layer of financial stability for an investment holding company by reducing near-term refinancing risk and preserving flexibility through periods of market volatility.

We have consistently maintained liquidity in line with this policy over the past several years. As of June 30, 2026, we maintained strong standalone liquidity totaling ¥2.3 trillion ($14.2 billion), including undrawn commitment line borrowing capacity of ¥489.5 billion ($3.0 billion), which we believe is sufficient to redeem bonds maturing in the next two years. Together with our LTV framework, this liquidity policy forms a core part of our disciplined financial management, allowing us to maintain a strong liquidity buffer while preserving the flexibility to respond to changing market conditions and investment opportunities.

We seek to preserve this financial flexibility through diversified sources of liquidity and funding. We manage our cash-on-hand by utilizing bank deposits and corporate bonds (primarily investment-grade bonds with short maturities) with competitive interest yields primarily in U.S. dollars, while proactively pursuing attractive investment opportunities. We also have strong and well-established relationships with leading global banks, as demonstrated by the successful execution of two large-scale bridge loan transactions in recent periods. In April 2025, 21 leading international and domestic banks participated in our $15.0 billion bridge loan to support the Ampere acquisition and the first closing of the 2025 OpenAI Follow-on Investment. In March 2026, we entered into a $40 billion bridge loan facility primarily for the purpose of raising funds required for the 2026 OpenAI Follow-on Investment, as well as for general corporate purposes. The facility was initially provided by five leading domestic and international banks and was subsequently syndicated to more than 30 participating financial institutions. See “Description of Other Indebtedness—2026 Bridge Loan Facility.” We actively manage the

maturity profile of our indebtedness to reduce refinancing risk and preserve financial flexibility. From fiscal year ending March 31, 2029 onward, we expect to place greater emphasis on debt management, including further diversifying our maturity profile while managing funding costs.

We also maintain longstanding access to the Japanese domestic retail bond market, where we have issued retail bonds named Fukuoka SoftBank HAWKS Bond since 2005. Over more than two decades, we have established a strong track record of issuance and redemption, with cumulative issuance reaching approximately ¥11.6 trillion following our ¥1.0 trillion retail bond issuance on September 17, 2026. Our broad base of more than 900,000 retail bond investors, together with the depth of Japan's household financial assets, provides us with stable and differentiated access to funding and further diversifies our funding base beyond banks and institutional capital markets. The September 2026 issuance represented our 70th unsecured straight corporate bond in the Japanese domestic retail bond market, setting a record for the largest Japanese domestic retail issuance with a principal amount of ¥1 trillion.

In addition to diversifying our funding sources across markets and investors, we have progressively diversified the currency composition of our funding to better align with our investment and monetization activities as well as interest rate environment, which are primarily U.S. dollar-denominated. The proportion of U.S. dollar-denominated debt has increased from approximately 18% in 2019 to 50% as of June 30, 2026.

Our financial flexibility is further supported by the liquidity and monetization capacity of our portfolio. As of June 30, 2026, 69.1% of our portfolio, based on Equity Value of Holdings, was comprised of listed assets, led by Arm (60.1%) and SoftBank Corp. (3.4%). Intel also illustrates the potential value and liquidity embedded in our listed portfolio, as demonstrated by the approximately $7.4 billion of proceeds we raised through the monetization of our investment in Intel. The liquidity of these assets affords us substantial flexibility, enabling us to swiftly capitalize on monetization and asset-financing opportunities to bolster our cash position and seize attractive investment prospects as they arise.

We have a demonstrated track record of converting portfolio value into liquidity through these channels. Over time, we have systematically monetized mature assets, including the gradual sale of our holdings in SoftBank Corp. through its IPO and subsequent secondary sales, and the exit of investments in Alibaba, Deutsche Telekom, NVIDIA, and T-Mobile. We have strengthened our margin loan initiatives by utilizing the substantial value of our equity holdings. As of June 30, 2026, margin loan balances totaled ¥1.2 trillion ($7.4 billion) and ¥3.2 trillion ($19.8 billion), secured by SoftBank Corp. and Arm shares, respectively. We also have a proven track record of asset-backed financing with unlisted assets, such as Arm before its IPO.

We also maintain additional financial flexibility through the potential monetization of late-stage portfolio companies, including OpenAI, Oravel Stays Limited (Prism), SB Energy and Klook Technology Limited. Since inception, SVF has supported 62 public listings, demonstrating a meaningful track record of bringing portfolio companies to the public markets. Most recently, PayPay completed its IPO in March 2026, which resulted in $383 million of gross proceeds to SVF2. Public listings and subsequent monetization provide an additional avenue for realizing value, recycling capital and managing our LTV.

We manage these funding and monetization tools within the framework of our financial policies and seek to balance new investments with value realization and capital recycling while maintaining financial discipline. It is also our general policy that portfolio companies be self-financing, and we seek to avoid rescuing portfolio companies facing serious financial difficulties in order to prevent the diversion of resources from SBG.

Looking ahead, we intend to continue prioritizing growth investments that support future NAV expansion while maintaining financial soundness. We expect to leverage our substantial liquidity and diversified funding capacity, actively monitor portfolio companies for opportunities to monetize and recycle capital, and make increasing use of project-level and non-recourse financing structures, where appropriate, for capital-intensive AI infrastructure investments such as power generation and data centers. While remaining firmly committed to our financial policies, we aim to preserve the agility and flexibility to adjust investment, monetization and financing activities as market conditions and opportunities evolve.

World-class management team led by Japan's most successful entrepreneur, with a track record of growing businesses and controlling risk 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, Mr. 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 Mr. Yoshimitsu Goto, Senior Vice President and CFO & CISO with over three decades of finance experience; Mr. Ken Miyauchi, the former Chairman and CEO of SoftBank Corp., who joined us shortly after its founding and spearheaded domestic business expansion alongside Mr. Masayoshi Son; and Mr. Rene Haas, the CEO of Arm, with 35 years of semiconductor industry experience. On April 21, 2026, Mr. Rene Haas also assumed the additional role of CEO of SoftBank Group International to support coordination across our semiconductor and AI-related portfolio. Additionally, Mr. 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 combines investment judgment, operating experience, strategic relationships and financial discipline to identify opportunities, support portfolio companies and manage risk across market cycles. Our management has demonstrated an 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 (currently 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. Our acquisition of Arm and subsequent investments have also supported our broader 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 believe this management capability is reinforced by a robust corporate governance and oversight framework designed to promote disciplined decision-making, accountability and appropriate risk management across both SBG and its portfolio companies. Our governance framework includes (i) the SoftBank Group Charter, which establishes our fundamental governance concept as "free, fair, innovative," (ii) our "Group Company Management Regulations," which outlines our management policy and framework for portfolio companies, (iii) our Code of Conduct, which prescribes policies for the Company, its Board of Directors, and employees, and (iv) a Nominating & Compensation Committee.

Given the scale and evolving composition of our investment portfolio, governance over significant investment and financing decisions is an important component of our risk management framework. Agenda items for meetings of our Board of Directors are prescribed by the Regulations of the Board of Directors and include statutory matters and significant business management matters, including investments, loans and borrowings exceeding specified thresholds. For more information regarding our investment decision-making framework, see "—Approach Concerning Investment Decisions."

Our Board of Directors currently consists of nine directors, including five external directors, providing a majority of external representation on the Board. The Chairman and CEO serves as chairman of the Board. We elect independent external directors in accordance with the independence criteria established by the Tokyo Stock Exchange, and our external directors bring diverse knowledge and experience to Board deliberations and actively participate in discussions regarding significant strategic, financial and investment matters.

We also regularly evaluate the effectiveness of our Board and seek to strengthen its oversight function. From December 2025 to April 2026, an independent organization conducted questionnaires and interviews with our Representative Director, Board Directors and Audit & Supervisory Board members regarding the culture, composition and operation of our Board of Directors, and evaluated the overall effectiveness of the Board based on the results. The evaluation confirmed that a trust-based relationship and healthy checks and balances among management and the Board, together with active discussion among independent and diverse directors, have been maintained and firmly established as part of our Board culture. The evaluation also confirmed effective Board monitoring of investments and portfolio companies.

Our governance standards extend beyond SBG to our approach to evaluating and overseeing portfolio companies. When evaluating potential investments and managing portfolio companies, we endeavor to ensure that each portfolio company operates under governance standards substantially equivalent to our own, as set forth in our "Portfolio Company Governance and Investment Guidelines Policy." This framework is intended to support appropriate risk oversight and accountability while allowing portfolio companies to retain the operational autonomy and entrepreneurial strengths that are central to our investment approach.

Looking ahead, we believe the combination of our experienced management team, disciplined investment and risk oversight and robust corporate governance framework will remain important to executing our AI-centric strategy. We intend to continue leveraging the experience and networks of our management team while maintaining strong governance and risk controls as the scale and composition of our portfolio evolves.

Approach Concerning Investment Decisions

As a general matter, we have established a set of corporate governance standards that must be taken into account when making determinations about potential investments. The standards cover a wide range of corporate governance matters, 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). When considering such direct investments, we seek to appropriately estimate the investment target's equity value and assess risks related to the target's businesses, finances, corporate governance, compliance and internal controls. We also conduct 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. A dedicated review department also objectively assesses the adequacy of the due diligence findings. Based on the results of such procedures, investment decisions are made by either our Board of Directors, the investment committee to which authority is delegated by our Board of Directors, or the investment committee of the fund management subsidiary.

The Investment Committee makes decisions on matters including investments, loans and borrowings of a certain size that do not meet the criteria set forth in the Board of Directors Regulations. Namely, the committee resolves the following matters:

(i) Investments and loans and borrowings of a certain size that do not meet certain criteria set forth in our Board of Directors Regulations;

(ii) Certain matters related to subsidiaries (excluding listed subsidiaries and their subsidiaries), such as (a) investments and loans and borrowings of a certain size that do not meet certain criteria set forth in our Board of Directors Regulations, (b) issuance and gratis issuance of new stock or stock acquisition rights (except matters such as allotments to shareholders or the issue of shares with restricted voting rights that do not reduce the Company's voting rights), (c) issuance of corporate bonds, (d) overseas business expansion and (e) entry into new business fields; and

(iii) Certain other matters.

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

SVF

The various entities comprising SVF1, SVF2 and LatAm 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, providing strategic alignment across these funds to support our strategic initiatives with a greater focus on the ASI revolution. SVF1's investment period ended in September 2019 and the fund primarily focuses on exit decisions. SVF2 and LatAm remain active in sourcing high-growth-potential companies leveraging AI while strategically managing monetization and exits.

For SVF2 and LatAm, once a potential investment target is identified, a preliminary screening is conducted, focusing on the target's market opportunity, business model and management team. 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 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 for the 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.

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 Inc. 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 Corporation (currently LY Corporation) through joint investment with Yahoo! Inc. 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. Since around 2000, we have made strategic investments in Internet-related companies globally, including Alibaba.

In 2001, we launched the broadband service Yahoo! BB with the aim of promoting widespread broadband adoption in Japan by providing faster and more affordable Internet access. We subsequently acquired JAPAN TELECOM CO., LTD (currently SoftBank Corp.) in 2004 and entered the fixed-line telecommunications 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.

Anticipating the shift in the primary means of accessing the Internet from PCs to mobile devices, 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 became the first carrier in Japan to offer the iPhone 3G, helping to further accelerate smartphone adoption in the domestic market. In 2013, fully leveraging the experience and expertise cultivated in Japan, we acquired Sprint and entered the U.S. telecommunications market.

Beginning with our change of name to SoftBank Group Corp. in July 2015, we have gradually clarified our position as a strategic investment holding company. Anticipating an era of increasingly widespread AI adoption, we acquired Arm, a leading UK-based semiconductor IP design company, in September 2016. Since the acquisition, Arm has expanded its engineering workforce, strengthened its R&D capabilities and broadened the range of applications for its technology. Compared with pre-acquisition levels, Arm's annual revenue has more than tripled, while annual shipments of chips based on its IP have more than doubled. In May 2017, we launched SVF1, proceeding to make large-scale investments in high-growth-potential, late-stage private companies leveraging AI.

In December 2018, SoftBank Corp., our core telecommunications subsidiary in Japan, listed its shares. The listing further clarified our role as a holding company engaged in global investment activities, while the sale of shares in the offering allowed us to realize a portion of the value we had created in the business.

In 2019, SVF2 and LatAm began making investments, further expanding our investment activities and sharpening our strategic focus on the AI revolution.

As our investment activities expanded, we also began to harvest returns from a number of successful investments through a series of significant asset monetizations. Over the five fiscal years ended March 31, 2024, we progressively monetized substantially all of our position in Alibaba. Between June and August 2020, following the completion of the merger between Sprint and T-Mobile in April 2020, we sold approximately two-thirds of the T-Mobile shares we acquired through the merger. By March 31, 2026, we had completed the monetization of the remaining shares. In September 2023, we completed the IPO of Arm, raising $5.12 billion through the sale of 10% of Arm's outstanding shares. In October 2025, we sold our entire holding of NVIDIA shares for $5.83 billion.

While continuing to monetize selected assets, we became more active in our investment activities again beginning in the fiscal year ended March 31, 2025, following a period of defensiveness in response to uncertain global conditions in the fiscal years ended March 31, 2023 and 2024. As the pace of AI innovation accelerated, we set out to become the No. 1 Platform Provider for the ASI era and initiated a series of strategic investments across four key areas: AI models, AI chips, AI infrastructure, and physical AI. Through these initiatives, we are building a broad portfolio of investments and businesses, underscoring our commitment to leading the Information Revolution. Notable recent investment initiatives include our follow-on investments in OpenAI; our AI infrastructure projects in the U.S. and France; and our pending acquisitions of ABB's Robotics Business and DigitalBridge Group, Inc. For more details, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Overview—Participation in AI infrastructure Projects."

Our Assets

Arm (Nasdaq Global Select Market: ARM)

As of June 30, 2026, the portion of Equity Value of Holdings attributable to our holdings in Arm was ¥49.9 trillion ($307.3 billion), representing 60.1% of our investment portfolio, after deducting the amount equivalent to the outstanding balance of the margin loan backed by Arm shares. Arm revenue figures presented in this section are those disclosed by Arm in accordance with U.S. GAAP.

Established in 1990, Arm is primarily involved in the business of licensing semiconductor intellectual property (IP) for high-performance and energy-efficient processors and related technologies. On September 14, 2023, Arm successfully completed an IPO on the Nasdaq Global Select Market. As part of the IPO, which was the largest globally of 2023, we disposed of 102,500,000 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 June 30, 2026, the closing share price of Arm was $354.57. As of June 30, 2026, we held 86.4% of the outstanding shares in Arm.

Since our acquisition in September 2016, Arm's revenue has more than tripled, from $1.5 billion for the fiscal year ended December 31, 2015 to $4.9 billion for the fiscal year ended March 31, 2026, marking Arm's third consecutive year of revenue growth of more than 20% since its IPO. While continuing to grow its revenue in mobile computing, where Arm-based chips enjoy a leading market share, Arm's growth is now increasingly driven by AI across the cloud and edge. Arm has begun moving beyond IP licensing into its Arm-designed production silicon with the launch of the Arm AGI CPU, its first production silicon product targeting the data center.

For the fiscal year ended March 31, 2026, Arm's revenue increased $913 million (22.8%) year-over-year to $4.9 billion. License and other revenue increased $468 million (25.4%) year-over-year to $2.3 billion, driven by continued strong demand for Arm IP, as well as fluctuation in the timing and size of multiple high-value license agreements and contributions from backlog. Arm has organized its business into Edge AI (smartphones, PCs and IoT devices), Cloud AI (data centers and networks) and Physical AI (autonomous vehicles and robotics) to align with AI deployment across devices, infrastructure and robotics. Royalty revenue increased $445 million (20.5%) year-over-year to $2.6 billion, driven by growth across all three business units. Growth was also supported by the continued adoption of Arm technology with higher royalty rates per chip, such as Armv9 architecture and CSS, and increased deployment of Arm-based chips in data centers. Amid growing adoption of agentic AI, Arm gained market share in the CPU market during the fiscal year ended March 31, 2026, as cloud service providers accelerated the deployment of Arm technology in their own in-house designed chips used in their data centers, and as other cloud service providers expanded their use of chips designed by Arm licensees.

For the three months ended June 30, 2026, Arm's revenue increased $236 million (22.4%) year-over-year to $1.3 billion. License and other revenue increased 22.6% year-over-year to $574 million, while royalty revenue increased 22.2% year-over-year to $715 million. Royalty revenue increased across all three business units: Cloud AI, Edge AI, and Physical AI. In Cloud AI, the increase in royalty revenue was driven by growth in shipments of Arm-based server chips to major hyperscalers, as well as increased deployment of equipment incorporating Arm-based networking chips in data centers. In Edge AI, the positive impact of higher royalty rates per chip, reflecting increased adoption of CPUs based on Arm's latest-generation Armv9 technology and CSS, more than offset the impact of lower sales of low-end smartphones resulting from higher memory prices. In Physical AI, increased adoption of Arm technology in chips for advanced driver assistance systems (ADAS) contributed to higher revenue.

SVF

Overview

As of June 30, 2026, the portion of Equity Value of Holdings attributable to our holdings in SVF1, SVF2 and LatAm was ¥3.6 trillion ($22.2 billion), ¥19.3 trillion ($118.8 billion) and ¥1.0 trillion ($6.2 billion), respectively, representing 4.3%, 23.2% and 1.2% of our investment portfolio, respectively. OpenAI was the largest asset in SVF2's portfolio. Its value of ¥14.0 trillion ($86.0 billion), which represents 16.8% of our investment portfolio, is included in the amount attributable to SVF2 above.

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 fund life of SVF1 is scheduled to end on November 20, 2029 (unless extended for two additional one-year periods by SBIA). Since its inception through June 2026, SVF1 has made 94 investments (including fully exited investments) at an acquisition cost of $87.2 billion, with a total cumulative return of $113.8 billion, calculated based on the sum of aggregate fair value of the investments held as of June 30, 2026 and the sales proceeds from the exited investments. As of June 30, 2026, SVF1 had investments in 51 companies. The figures for the number of investments, investment cost, and returns presented for SVF1, SVF2 and LatAm are on a net basis, excluding the effects of transactions such as share exchanges.

SVF2 and LatAm 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 investments in market-leading, tech-enabled growth companies across their vintage years. We are the primary limited partner in SVF2, with commitments to SVF2 totaling $140.6 billion as of June 30, 2026. Since its inception through June 30, 2026, SVF2 has invested in 315 companies (including fully exited investments) at an acquisition cost of $109.8 billion, with a total cumulative return of $131.1 billion, calculated based on the sum of aggregate fair value of the investments held as of June 30, 2026 and the sales proceeds from the exited investments. As of June 30, 2026, SVF2 had investments in 279 companies.

LatAm focuses on investments in companies across Latin America. We are the primary limited partner in LatAm, with commitments to LatAm totaling $7.4 billion as of June 30, 2026. Since its inception through June 30, 2026, LatAm has invested in 112 companies (including fully exited investments) at an acquisition cost of $7.6 billion, with a total cumulative return of $6.6 billion, calculated based on the sum of aggregate fair value of the investments held as of June 30, 2026 and the sales proceeds from the exited investments. As of June 30, 2026, LatAm had investments in 82 companies.

Organization and Capital Deployment

SVF1, SVF2 and LatAm are organized as follows:

	SVF1	SVF2	LatAm
Primary limited partnership	SoftBank Vision Fund L.P.	SoftBank Vision Fund II-2 L.P.	SBLA Latin America Fund LLC
Limited partners	SoftBank Group Corp. Third-party investors(1)	SoftBank Group Corp. Third-party investor(2)	SoftBank Group Corp. Third-party investor(2)
Management company	SB Investment Advisers (UK) Limited ("SBIA") (our wholly owned subsidiary)	SB Global Advisers Limited ("SBGA") (our wholly owned subsidiary)	
Investment period	Ended on September 12, 2019	To be determined by the manager	
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) Public Investment Fund, Mubadala Investment Company, Apple Inc., Foxconn Technology Group, Qualcomm Incorporated, and Sharp Corporation, etc.

(2) A co-investment program has been introduced for SVF2 and LatAm 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 are made by the SBGA investment committee. See "—Approach Concerning Investment Decisions—SVF."

The following table summarizes the capital deployment of SVF1, SVF2 and LatAm as of June 30, 2026:

SVF1

	Total	The Company	Third-party investors
		(billions of dollars)	
Committed capital[1]	98.6	33.1	65.5
Drawn capital[2]	87.1	29.8	57.3
Return of capital (non-recallable)	56.9	14.5	42.4
Outstanding capital[3]	30.2	15.3	14.9
Remaining committed capital	11.5	3.3	8.2

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

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

(3) As of June 30, 2026, $3.1 billion of the $14.9 billion in outstanding capital from third-party investors was attributable to preferred equity commitment.

SVF2

	Total
	(billions of dollars)
Committed capital	143.2
Drawn capital	105.3
Remaining committed capital[1]	37.9

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

LatAm

	Total
	(billions of dollars)
Committed capital	7.8
Drawn capital	7.7

Investment Portfolio

The following tables summarize the respective investment portfolios of SVF1, SVF2 and LatAm as of June 30, 2026.

SVF1

Investments Before Exit by Sector[1]:	Number of investments	Investment cost	Fair value	Cumulative gain (loss)
	(billions of dollars other than number of investments)			
Consumer	14	$10.6	$28.9	$18.4
Edtech	1	0.6	0.3	(0.3)
Enterprise	4	1.3	0.7	(0.6)
Fintech	6	2.4	0.6	(1.8)
Frontier Tech	3	0.2	0.1	(0.1)
Health Tech	5	0.9	0.7	(0.2)
Logistics	8	4.2	1.4	(2.8)
Proptech	3	1.9	0.7	(1.2)
Transportation	7	16.4	6.8	(9.5)
Total	51	$38.4	$40.2	$ 1.8

	Number of investments	Investment cost	Fair value	Cumulative gain (loss)
	(billions of dollars other than number of investments)			
(Reference)				
Public companies:				
Coupang, Inc.		$ 1.4	$ 5.0	$ 3.6
DiDi Global Inc.[2]		12.1	3.2	(8.8)
Grab Holdings Ltd		1.7	1.5	(0.2)
AUTO1 Group SE		0.5	0.8	0.2
Full Truck Alliance Co. Ltd.		0.6	0.5	(0.0)
Relay Therapeutics, Inc.		0.3	0.5	0.2
Delhivery Limited		0.2	0.3	0.1
Compass, Inc.		0.2	0.3	0.1
PT GoTo Gojek Tokopedia Tbk		0.7	0.3	(0.5)
Brainbees Solutions Limited (FirstCry)		0.2	0.2	0.0
Vir Biotechnology, Inc.		0.1	0.1	0.0
Aurora Innovation, Inc.		0.1	0.1	(0.0)
Energy Vault Holdings, Inc.		0.1	0.1	0.0
Ginkgo Bioworks Holdings, Inc.		0.4	0.0	(0.4)
Getaround, Inc.[2]		0.3	0.0	(0.3)
Total	15	18.9	12.9	(6.0)
Private companies	36	19.5	27.3	7.8
Total	51	$38.4	$40.2	$ 1.8

(1) Sector categorization is determined as considered reasonable by SBIA.
(2) Traded in the over-the-counter market.

SVF2

Investments Before Exit by Sector[1]:	Number of investments	Investment cost	Fair value	Cumulative gain (loss)
	(billions of dollars other than number of investments)			
Consumer	43	$ 7.3	$ 4.7	$ (2.6)
Edtech	9	1.4	0.3	(1.2)
Enterprise	85	57.9	94.3	36.4
Fintech	35	8.7	6.7	(2.0)
Frontier Tech	26	12.1	10.6	(1.5)
Health Tech	42	4.5	1.5	(3.0)
Logistics	19	3.2	2.5	(0.7)
Proptech	4	0.4	0.0	(0.3)
Transportation	9	3.0	3.0	(0.0)
Other	7	0.2	0.2	0.0
Total	279	$98.6	$123.8	$25.2

	Number of investments	Investment cost	Fair value	Cumulative gain (loss)
	(billions of dollars other than number of investments)			
(Reference)				
Public companies:				
PayPay Corporation		$ 1.9	$ 2.8	$ 0.9
Lenskart Solutions Limited		0.2	0.9	0.8
Symbotic Inc.		0.2	0.9	0.7
Meesho Limited[2]		0.3	0.8	0.5
Swiggy Limited[2]		0.4	0.4	(0.0)
Klarna Group plc		1.7	0.3	(1.4)
Ola Electric Mobility Limited		0.4	0.3	(0.1)
Chime Financial, Inc.		0.3	0.1	(0.2)
JD Logistics, Inc.[2]		0.3	0.1	(0.2)
Full Truck Alliance Co. Ltd.[2]		0.1	0.1	(0.0)
Ethos Technologies Inc.		0.1	0.1	(0.1)
Recursion Pharmaceuticals, Inc.		0.3	0.1	(0.2)
Capital One Financial Corporation		0.1	0.0	(0.0)
Better Home & Finance Holding Company[2]		0.5	0.0	(0.5)
eToro Group Ltd.[2]		0.0	0.0	0.0
Dingdong (Cayman) Ltd[2]		0.3	0.0	(0.3)
Globalstar, Inc.		0.0	0.0	0.0
AInnovation Technology Group Co., Ltd		0.1	0.0	(0.1)
Beisen Holding Limited		0.1	0.0	(0.1)
Keep Inc.		0.2	0.0	(0.2)
Neumora Therapeutics, Inc.		0.0	0.0	(0.0)
Seer, Inc.[2]		0.2	0.0	(0.2)
Total	22	7.8	7.1	(0.7)
Private companies	257	90.8	116.7	25.9
Total	279	$98.6	$123.8	$25.2

(1) Sector categorization is determined as considered reasonable by SBIA.
(2) Investment outside of the co-investment program.

LatAm

Sector	Number of investments
Consumer	13
Edtech	3
Enterprise	14
Fintech	26
Frontier Tech	1
Health Tech	1
Logistics	7
Proptech	3
Transportation	2
Other[1]	12
Total	82

(1) Includes LP interests.

OpenAI

As of June 30, 2026, the portion of Equity Value of Holdings attributable to our holdings in OpenAI was ¥14.0 trillion ($86.0 billion), representing 16.8% of our investment portfolio. OpenAI is the largest asset in SVF2's portfolio; accordingly, both the amount and percentage presented above are included in the corresponding figures for SVF2. The amount attributable to OpenAI was calculated by applying OpenAI's share of the aggregate fair value of SVF2's portfolio to the NAV of SVF2 attributable to SBG.

OpenAI is a leading AI research and deployment company and a pioneer in generative AI. Through ChatGPT and its application programming interfaces (APIs), OpenAI provides AI models and services to consumers, developers, and enterprises. Its technologies support a broad range of use cases, including text generation, software development, enterprise productivity, and data analysis. For more details, see "—Strengths and Strategies—Deepening AI strength through complementary investments across the AI ecosystem—AI Model."

OpenAI's user base has expanded rapidly, with the number of weekly active users of ChatGPT increasing by approximately 300 million over one year, from nearly 700 million in August 2025 to 1 billion in August 2026. Codex, an AI agent for software development, has been integrated into ChatGPT Work, an AI agent designed for business users. The combined number of weekly active users of Codex and ChatGPT Work reached 25 million in August 2026.

We have invested in OpenAI through SVF2 since September 2024. In March 2025, we committed to invest $30.0 billion in OpenAI at a pre-money valuation of $260 billion and completed the investment through two closings in April and December 2025. In February 2026, we committed to invest an additional $30.0 billion in OpenAI at a pre-money valuation of $730 billion, to be funded in three equal tranches during 2026. The first tranche of $10.0 billion was completed in April 2026, bringing SVF2's cumulative investment in OpenAI to $44.6 billion as of June 30, 2026. As of that date, SVF2's investment in OpenAI had a fair value of $89.6 billion and cumulative investment gains of $45.0 billion. The second tranche of $10.0 billion was completed in July 2026, and the remaining $10.0 billion tranche is expected to be completed in October 2026. Upon completion, our cumulative investment in OpenAI is expected to reach $64.6 billion, representing an ownership interest of approximately 13%.

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

As of June 30, 2026, the portion of Equity Value of Holdings attributable to our holdings in SoftBank Corp. was ¥2.8 trillion ($17.2 billion), representing 3.4% of our investment portfolio, after deducting the amount equivalent to the outstanding balance of margin loan backed by SoftBank Corp. shares.

SoftBank Corp. and its subsidiaries, including LY Corporation and PayPay Corporation, primarily provide mobile and broadband services and sell mobile devices in Japan. They also offer DX solutions and cloud and AI services for enterprise customers, advertising and commerce-related services, and payment and financial services. SoftBank Corp. maintains its telecommunications services as a stable earnings base while leveraging its telecommunications customer base and a broad range of customer touchpoints, including Yahoo! JAPAN, LINE, and PayPay, to encourage customers to use multiple services across its ecosystem, which integrates loyalty points, payments, financial services, ecommerce, and other offerings. Under its "Activate AI for Society" growth strategy, SoftBank Corp. has positioned its Enterprise business as a key pillar of growth and is expanding its provision of advanced DX solutions and cloud and AI services. It is also developing AI infrastructure, including AI computing platforms and AI data centers, and working to increase the revenue and profits generated from this infrastructure.

PayPay, which operates Japan's leading cashless payment platform, is a key component of SoftBank Corp.'s consumer ecosystem and an important growth driver for SoftBank Corp. Approximately eight years after its launch in October 2018, PayPay reported 75 million registered users as of August 9, 2026, with continued growth in gross merchandise value and EBITDA, reflecting the expansion of its payments, credit and banking-related services. In March 2026, PayPay completed its IPO of ADSs on the Nasdaq Global Select Market under the ticker symbol "PAYP" and continues to be a consolidated subsidiary of the Company. As part of its evolution into a broader digital financial platform, PayPay announced the plan on June 4, 2026 to acquire a 70.2% stake in T&D Financial Life Insurance Company expected to close on October 1, 2027, subject to regulatory approval.

Other

As of June 30, 2026, the remaining amount of Equity Value of Holdings classified as "Other" was ¥6.5 trillion ($40.0 billion), representing 7.8% of our investment portfolio. This amount comprised 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.

Intel Corporation (Nasdaq Global Select Market: INTC) is a U.S.-based semiconductor company that designs and manufactures microprocessors and other semiconductor products. In August 2025, we agreed to invest $2.0 billion in Intel at a price of $23.00 per share and completed the investment in September 2025. As of June 30, 2026, the fair value of our Intel shares was $12.1 billion, based on a share price of $139.63 on that date.

Our subsidiary Ampere is a U.S.-based semiconductor design company focused on high-performance, energy-efficient, and sustainable AI computing based on the Arm compute platform. We completed the acquisition of all equity interests in Ampere for $6.5 billion on November 25, 2025.

Robo HD, our subsidiary, is an intermediate holding company that holds approximately 20 robotics-related investments that had previously been dispersed across multiple entities within our group. As of June 30, 2026, we held a 58.7% interest in Robo HD, with the remaining 41.3% held by SVF2.

Energy Global, our subsidiary, engages in the development, construction, and operation of solar power plants, as well as the development and construction of data centers, in the U.S. On September 1, 2026, its subsidiary SB Energy, Inc. publicly filed a registration statement on Form S-1 with the U.S. Securities and Exchange Commission in connection with the proposed initial public offering of its common stock.

SB Northstar, our subsidiary, 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. We indirectly hold a 67% interest in SB Northstar, while Mr. Masayoshi Son, our Representative Director, Corporate Officer, Chairman & CEO, holds the remaining 33%. Mr. Masayoshi Son's interest is deducted from gains and losses on investments at SB Northstar as a non-controlling interest. Furthermore, if, at the end of SB Northstar's fund life (12 years from the fiscal year ended March 31, 2021, subject to up to two one-year extensions), SB Northstar has any unfunded repayment obligations to us, Mr. 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 is composed of four members as of June 30, 2026: the Board Director, Corporate Officer, Senior Vice President; the head of the Legal Unit; the head of the Risk Management Office; and the head of the Human Resources Department. 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 the fiscal year ended March 31, 2026, the Sustainability Committee convened four times in total, in April, July, October 2025 and January 2026, 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. As for sustainability-related risks, the Sustainability Department under the CSusO identifies risks through reports from each department of the Company and its 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, Corporate Officers and other members 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.

Arm has announced its commitment to cutting its absolute greenhouse gas emissions by 50% from a fiscal year ended 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 including SoftBank Corp. and LY Corporation.
(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, 2026, Energy Global and its subsidiaries operated ten operating solar and battery energy storage projects in the United States with a total generation capacity of 3,000 MW(Note 5) and had three solar power generation plants under development in the United States with a total expected generation capacity of 1,500 MW(Note 5) of solar power generation and 1,300 MW of battery storage capacity.

Our other subsidiaries engage with energy and resource conservation and development of energy-saving technologies through their businesses. For example, during the fiscal year ended March 31, 2026, Arm extended its platform into production silicon with the Arm AGI CPU, its first Arm-designed data-center chip. Built for continuous, scalable AI, it delivers up to 2x the performance per watt at the rack level versus legacy x86 CPUs, twice the performance for the same power delivery, enabling up to $10 billion in capital expenditure savings per gigawatt of AI data-center capacity. This complements the Arm Neoverse roadmaps for IP and CSS, which already underpin today's leading hyperscale and AI platforms, including AWS Graviton, Google Axion, Microsoft Azure Cobalt, and NVIDIA Vera. Arm remains committed to enabling progress across the AI ecosystem, supporting customers from hyperscalers to emerging AI startups.

(Note 5) Generation capacity in MWdc (solar) and MWac (battery energy storage), as of March 31, 2026.

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 age, 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, 2026, 47.5% of all employees and 27.0% of managers were women, and we will continue to promote the advancement of women in the Company.

Responsible AI

The Group's mission is to stay at the forefront of the Information Revolution and contribute to people's happiness. To help ensure that the benefits of AI are widely shared across society, the Group is advancing initiatives toward the ASI era while promoting responsible AI, guided by our aspiration to become the world leader in the use of AI.

The Company aims to establish an appropriate groupwide AI governance structure through discussions within the working group. As risks and opportunities continue to evolve alongside the rapid advancement of AI technologies, the Company established the AI Governance Working Group under the Group Risk and Compliance Committee (GRCC) in April 2024 to facilitate ongoing discussions on AI governance across the group. Since fiscal 2025, the Company has further advanced this initiative by designating the Legal Unit as the coordinating organization and adopting a risk-based approach that emphasizes dialogue with group companies. This approach seeks to achieve effective governance through oversight and support that respect diversity and autonomy. These initiatives are reported to the GRCC and, as necessary, to the Sustainability Committee.

For the internal use of AI, the Company has introduced a mechanism to conduct prior reviews and perform necessary assessments to identify and mitigate risks before implementation. In addition, the Company has established a foundation to support the proactive use of AI by developing guidance tailored to individual use cases using a risk-based approach. As part of its AI governance initiatives across the Group, the Company conducted assessments of selected Group entities by benchmarking against the EU AI Act, taking into account evolving regulatory developments in various jurisdictions, the rapid advancement of technology, and the current absence of universally established standards. Furthermore, through ongoing dialogue with strategically important group companies, the Company seeks to understand AI-related risks arising from the use of AI in each company's business operations and the maturity of the corresponding governance frameworks. The Company reviews each company's status with respect to regulatory compliance, policy development, organizational structures, and training programs to identify key challenges and monitors initiatives to address them. Given the diversity of businesses across the Group, the Company adopts an interactive approach that emphasizes continuous review and improvement through ongoing dialogue with group companies while respecting each company's autonomy and taking into account industry-specific characteristics, regulatory developments in each jurisdiction, and effective use cases. For identified common challenges, the Company aims to strengthen collaboration among group companies and promote group-wide improvements through forum-style discussions and other forms of knowledge sharing. Moreover, the Company continues to monitor emerging technological trends such as AI agents, as well as developments in AI-related regulations, while closely tracking changes in challenges faced by major group companies. Through these efforts, the Company seeks to accumulate knowledge across the Group and further enhance the effectiveness of responsible AI.

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, 2026, we had 73,677 full-time employees.

The following table shows the aggregate number of our full-time employees. During the fiscal year ended March 31, 2026, we had an average of 26,957 part-time employees.

	As of March 31, 2026
Investment Business of Holding Companies Segment	342
SoftBank Vision Funds Segment	244
SoftBank Segment	58,432
AI Computing Segment	11,439
Others	3,220
Total	73,677

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. For example, SVF1 is managed by SBIA and SVF2 and LatAm 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.

As we 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, we will be subject to evolving regulation regarding AI, data privacy and cybersecurity, export controls, national security restrictions, and environmental or permitting requirements for data-center and power projects. For more details, see "Risk Factors—General Business Risks—We are subject to laws, government regulations and licensing regimes that restrict and may impose new restrictions on our business."

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 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, all of whom are External Audit & Supervisory Board members (two full-time members and two part-time members), and is chaired by a full-time External 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 Audit & Supervisory Board Office 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 ($62,547) 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 Nihon SoftBank (currently 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 Corp. (currently SoftBank Group Corp.)
	April 2006	Director, Vodafone K.K. (currently SoftBank Corp.)
	July 2012	Corporate Officer, Senior Vice President, Head of Finance Department, SoftBank Corp. (currently SoftBank Group Corp.)
	October 2013	President & CEO and acting owner, Fukuoka SoftBank HAWKS Corp. (to present)
	June 2014	Board Director, SoftBank Corp. (currently SoftBank Group Corp.)
	June 2015	Senior Vice President, SoftBank Corp. (currently 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.
	April 2026	Board Director, Corporate Officer, Senior Vice President, CFO & CISO, SoftBank Group Corp. (to present)
Ken Miyauchi	February 1977	Joined Japan Management Association
	October 1984	Joined Nihon SoftBank (currently SoftBank Group Corp.)
	February 1988	Board Director, Nihon SoftBank (currently SoftBank Group Corp.)
	April 2006	Executive Vice President, Director & COO, Vodafone K.K. (currently SoftBank Corp.)

Name	Date	Position/Action
	June 2007	Representative Director & COO, SoftBank Mobile Corp. (currently SoftBank Corp.)
	June 2013	Representative Director, Senior Executive Vice President, SoftBank Corp. (currently SoftBank Group Corp.)
	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.
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 and Director, 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
	April 2026	CEO, SoftBank Group International (to present)
Yutaka Matsuo	April 2002	Researcher, National Institute of Advanced Industrial Science and Technology
	August 2005	Visiting Scholar, Stanford University
	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)
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)

Name	Date	Position/Action
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)
Tetsuji Ohashi	April 1977	Joined Komatsu Ltd.
	January 2004	President and Chief Operating Officer (COO), Komatsu America Corp.
	April 2007	Executive Officer, Komatsu Ltd.
	June 2009	Director and Senior Executive Officer, Komatsu Ltd.
	April 2013	President and Representative Director, Chief Executive Officer (CEO), Komatsu Ltd.
	April 2019	Chairman of the Board and Representative Director, Komatsu Ltd.
	March 2020	Director, Yamaha Motor Co., Ltd.
	June 2021	Member of the Board, Nomura Research Institute, Ltd.
	March 2022	Director, Asahi Group Holdings, Ltd. (to present)
	April 2022	Chairman of the Board, Komatsu Ltd.
	June 2025	Senior Adviser, Komatsu Ltd. (to present)
	June 2026	Board Director, Sumitomo Chemical Co., Ltd. (to present)
	June 2026	Board Director, SoftBank Group Corp. (to present)
Miwa Ohmori	April 1987	Joined The Sumitomo Trust and Banking Company, Limited (currently Sumitomo Mitsui Trust Bank, Limited)
	August 1995	Joined Merrill Lynch & Co., Inc. (currently BofA Securities Japan Co., Ltd.)
	June 2009	Representative Director, President and CEO, Mitsubishi UFJ Merrill Lynch PB Securities Co., Ltd. (currently Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.)
	May 2013	Director and Vice Chairman, Merrill Lynch Japan Securities Co., Ltd. (currently BofA Securities Japan Co., Ltd.)
	August 2014	Representative in Japan and Branch Manager, Bank of America N.A. Tokyo Branch
	September 2020	Head of Japan & Chief Executive Officer, RGA Reinsurance Company Japan Branch
	June 2024	Member of the Board of Directors (Audit & Supervisory Committee Member), Mizuho Securities Co., Ltd. (to present)
	June 2026	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)

Name	Date	Position/Action
	June 2015	Full-time External Audit & Supervisory Board Member, SoftBank Corp. (currently SoftBank Group Corp.; to present)
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, Nomura Holdings, Inc.
	November 2008	Senior Managing Director, Nomura Securities Co., Ltd.
	April 2016	Executive Managing Director, 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)
	June 2025	External Audit & Supervisory Board Member, SoftBank Group Corp. (to present)
Yuko Kanamaru	October 2006	Admitted to practice law in Japan, joined Mori Hamada & Matsumoto
	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)
	June 2025	External Audit & Supervisory Board Member, SoftBank Group Corp. (to present)

Among our directors, Yutaka Matsuo, Kenneth A. Siegel, David Chao, Tetsuji Ohashi and Miwa Ohmori are external directors.

Among our external officers, Yutaka Matsuo, David Chao, Tetsuji Ohashi and Miwa Ohmori 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 of a certain size that do not meet certain criteria set forth in our Board of Directors Regulations;
- Certain matters related to subsidiaries (excluding listed subsidiaries and their subsidiaries), such as (a) investments, loans and borrowings, of a certain size that do not meet certain criteria set forth in our Board of Directors Regulations, (b) issuance and gratis issue of new shares, stock acquisition rights (except for matters such as the allotments to shareholders or the issue of shares with restricted voting rights that do not reduce the Company's voting rights), (c) issuance of corporate bonds, (d) overseas business expansion and (e) entry into new business fields; and
- Certain other matters.

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 non-monetary 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, 2026 was ¥1,027 million ($6.4 million). During the fiscal year ended March 31, 2026, consolidated compensation provided by us to Mr. Son, Mr. Goto and Mr. Haas was ¥100 million ($0.6 million), ¥501 million ($3.1 million) and ¥6,139 million ($38.4 million) respectively.

Stock Option Plan

On January 1, 2026, we effected a four-for-one stock split of our common stock (the "Stock Split"). Unless otherwise indicated, the numbers of shares and per-share exercise prices set forth below have been adjusted, where applicable, to give effect to the Stock Split.

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 233,600 shares of our common stock to certain of our corporate officers and employees. As of June 30, 2026, of such stock acquisition rights, stock acquisition rights to purchase up to 4,400 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 755,600 shares of our common stock to certain of our corporate officers and employees and directors of our subsidiaries. As of June 30, 2026, of such stock acquisition rights, stock acquisition rights to purchase up to 40,000 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 609,600 shares of our common stock to our corporate officers and employees and employees of our subsidiaries. As of June 30, 2026, of such stock acquisition rights, stock acquisition rights to purchase up to 116,400 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 505,600 shares of our common stock to our corporate officers and employees and employees of our subsidiaries. As of June 30, 2026, of such stock acquisition rights, stock acquisition rights to purchase up to 233,200 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 640,800 shares of our common stock to our corporate officers and employees. As of June 30, 2026, of such stock acquisition rights, stock acquisition rights to purchase up to 584,800 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 614,800 shares of our common stock to our corporate officers and employees. As of June 30, 2026, of such stock acquisition rights, stock acquisition rights to purchase up to 405,200 shares remained outstanding and will be exercisable at an exercise price of ¥0.25 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 June 27, 2025, we granted stock acquisition rights to purchase up to 490,400 shares of our common stock to our corporate officers and employees. As of June 30, 2026, of such stock acquisition rights, stock acquisition rights to purchase up to 410,400 shares remained outstanding and will be exercisable at an exercise price of ¥0.25 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 June 24, 2026, we granted stock acquisition rights to purchase up to 375,400 shares of our common stock to our corporate officers and employees and directors and corporate officers of our subsidiary. As of July 30, 2026, of such stock acquisition rights, stock acquisition rights to purchase up to 375,400 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.

RELATED-PARTY TRANSACTIONS

The following discussion is a summary of the significant transactions with our associates in the fiscal years ended March 31, 2024, 2025 and 2026 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

For purposes of the discussion below, Japanese yen amounts for the fiscal year ended March 31, 2024 have been translated into U.S. dollars at a rate of ¥149.52 to $1, the exchange rate as of March 31, 2025.

Co-investment program with restricted rights to receive distributions

MASA USA LLC ("MgmtCo"), a company controlled by Mr. Masayoshi Son, our Representative Director, Corporate Officer, Chairman & CEO and a related party, is an investor in SVF2 LLC and SLA LLC. The co-investment program with restricted rights to receive distributions to SVF2 and LatAm 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 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. 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, 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. In order to secure the receivables of SVF2 and LatAm from MgmtCo related to initial capital contribution and any accrued premiums thereon, all of the equity interests in SVF2 and LatAm held by MgmtCo, respectively, and SoftBank Group Corp. shares held by Mr. Masayoshi Son have been deposited 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 to MgmtCo are fully restricted and are not paid until the sum of proceeds received by SVF2 or LatAm, as applicable, from realized investments plus the aggregate fair value of all of SVF2's or LatAm's unrealized investments (net of borrowings) exceeds 130% of the aggregate acquisition cost of all of SVF2's or LatAm'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 distributions from SVF2 or LatAm. In the event that, upon the liquidation of SVF2 or LatAm, 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, 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, and the net balance of the receivables of SVF2 and LatAm from MgmtCo was ¥448.9 billion ($3.0 billion) and ¥91.2 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, 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 ($37.2 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

For the fiscal year ended March 31, 2024, we recorded revenue of ¥96.1 billion ($0.6 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 ¥44.6 billion ($0.3 billion).

For the fiscal year ended March 31, 2024, we received ¥94.1 billion ($0.6 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.

For the fiscal year ended March 31, 2024, we paid dividends totaling ¥21.7 billion ($145.3 million) to our Representative Director, Corporate Officer, Chairman & CEO, Mr. Masayoshi Son and Masayoshi Son Affiliates.

For the fiscal year ended March 31, 2024, Mr. Yoshimitsu Goto exercised his stock acquisition rights over SoftBank Group Corp. shares totaling ¥0.5 billion ($3.2 million).

For the fiscal year ended March 31, 2024, we paid dividends totaling ¥0.3 billion ($2.0 million) to our Director, Mr. Ken Miyauchi.

For the fiscal year ended March 31, 2024, 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 ¥13.0 billion ($87.0 million) on June 14, 2023. And we and EDGE of Korea entered into a loan agreement of ¥6.4 billion ($42.6 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, relative of Mr. Masayoshi 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 ¥29.1 billion ($194.9 million) and ¥1.0 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 ¥38.7 billion ($258.9 million) and ¥7.0 billion ($47.0 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

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 LLC and SLA LLC, and the net balance of the receivables of SVF2 LLC and SLA LLC from MgmtCo was ¥455.7 billion ($3.0 billion) and ¥101.7 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, respectively, as collateral by Mr. Masayoshi Son.

Other related-party transactions

For the fiscal year ended March 31, 2025, we recorded revenue of ¥102.2 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 ¥44.0 billion ($0.3 billion).

For the fiscal year ended March 31, 2025, we invested ¥25.9 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 ¥453.5 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.

For the fiscal year ended March 31, 2025, we paid dividends totaling ¥21.7 billion ($145.0 million) to Mr. Masayoshi Son and Masayoshi Son Affiliates.

For the fiscal year ended March 31, 2025, we paid dividends totaling ¥0.4 billion ($2.8 million) to our Director, Mr. Ken Miyauchi.

For the fiscal year ended March 31, 2025, we paid dividends totaling ¥0.4 billion ($3.0 million) to Mr. Taizo Son.

For the fiscal year ended March 31, 2025, we sold certain investment securities to a fund managed by an entity controlled by Mr. Taizo Son as a general partner for ¥3.1 billion ($20.4 million). The sale price was determined based on the recent transaction price of the investment securities.

For the fiscal year ended March 31, 2025, 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. See "—For the fiscal year ended March 31, 2024—Other related-party transactions."

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. See "—For the fiscal year ended March 31, 2024—Other related-party transactions." As of March 31, 2025, the total commitment amount and unfunded commitment amount of the Company to the funds were ¥42.8 billion ($285.9 million) and ¥9.9 billion ($66.5 million), respectively.

For the fiscal year ended March 31, 2026 and subsequent period

Co-investment program with restricted rights to receive distributions

As of June 30, 2026, MgmtCo held an equity interest of 17.25% in each of SVF2 LLC and SLA LLC, and the balance of the receivables of SVF2 LLC and SLA LLC from MgmtCo was ¥511.6 billion ($3.2 billion) and ¥120.0 billion ($0.7 billion), respectively. After deducting MgmtCo's equity interests in the respective entities, the net balance at period end was nil for SVF2 LLC and ¥120.0 billion ($0.7 billion) for SLA LLC. As of June 30, 2026, 35,588,400 SoftBank Group Corp. shares and 8,674,000 SoftBank Group Corp. shares were pledged to SVF2 LLC and SLA LLC, respectively, as collateral by Mr. Masayoshi Son.

For the fiscal year ended March 31, 2026, SVF2 invested in OpenAI, which is subject to the co-investment program. To fund this investment, in April 2025, SVF2 borrowed $8.5 billion from the Company, and 17.25% of both the principal and interest on the borrowing was guaranteed by Mr. Masayoshi Son.

The borrowing is scheduled to mature in April 2029 and may be repaid by SVF2 at its discretion before the maturity date. The borrowing was secured by the preferred shares of OpenAI Group PBC. These shares were converted in October 2025 from the convertible interest rights in OpenAI Global, acquired by SVF2 in April 2025. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Follow-on investments in OpenAI." It was 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 was determined with reference to a fair market rate provided by an independent third party, assuming similar financing by SVF2 with unaffiliated parties.

Furthermore, in February 2026, the entire outstanding amount of the loan was repaid using the proceeds from newly issued preferred equity to the Company. As a result, the guarantee provided by Mr. Masayoshi Son in respect of the loan has been released.

Other related-party transactions

For the fiscal year ended March 31, 2026, we recorded revenue of ¥119 billion ($0.8 billion) under the terms of the intellectual property licensing agreement with ARM Technology (China) Co., Ltd. The outstanding balance as of March 31, 2026, was ¥47 billion ($0.3 billion).

For the fiscal year ended March 31, 2026, we invested $0.2 billion (¥34 billion) in GreenBox in accordance with an agreement regarding capital commitment of $3.2 billion to fund GreenBox entered in July 2023. As of March 31, 2026, the unfunded capital commitment amount was ¥449 billion ($2.8 billion).

For the fiscal year ended March 31, 2026, we paid dividends totaling ¥21.8 billion ($136.5 million) to Mr. Masayoshi Son and Masayoshi Son Affiliates.

For the fiscal year ended March 31, 2026, we paid dividends totaling ¥0.5 billion ($3.0 million) to our Director, Mr. Ken Miyauchi.

For the fiscal year ended March 31, 2026, we paid dividends totaling ¥0.6 billion ($3.5 million) to Mr. Taizo Son.

For the fiscal year ended March 31, 2026, we collected a part of loan receivables of ¥1.3 billion ($8.2 million) which had been recorded as a result of the sale of all shares in SBVA to EDGE of Korea. See "—For the fiscal year ended March 31, 2024—Other related-party transactions."

SUBSIDIARIES AND ASSOCIATES

The following tables provide information on our significant consolidated subsidiaries, associates and joint ventures as of March 31, 2026. 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 and Taiwan dollars, thousands of U.S. dollars)	Percentage of voting interest owned (%)	Principal Business
Investment Business of Holding Companies Segment				
Subsidiaries				
SoftBank Group Overseas GK[(1)]	Japan	¥ 12	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
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
SoftBank Segment				
Subsidiaries				
SoftBank Corp.	Japan	¥ 244,355	40.1	Provision of mobile services; sale of mobile devices; provision of broadband services and solution services in Japan
A Holdings Corporation	Japan	¥ 100	50.0	Holding company of shares of LY Corporation
LY Corporation	Japan	¥ 252,134	62.4	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	¥ 865	56.4	IoT business, certification service business, security solution business, and Linux/ OSS business
ITmedia Inc.	Japan	¥ 1,910	53.3	Operation of comprehensive IT information site ITmedia
eMnet Japan.co.ltd.	Japan	¥ 329	41.0	Internet advertising agency business

Company Name	Country	Issued Share Capital (millions of yen and Taiwan dollars, thousands of U.S. dollars)	Percentage of voting interest owned (%)	Principal Business
Subsidiaries of LY Corporation				
Z Intermediate Holdings Corporation	Japan	¥ 1	100.0	Holding company
PayPay Corporation	Japan	¥ 200,635	90.6	Development and provision of mobile payments and other electronic payment services
PayPay Bank Corporation	Japan	¥ 72,217	75.5	Banking business
ZOZO, Inc.	Japan	¥ 1,360	51.9	Planning and operation of fashion e-commerce website; operational support of brands' own e-commerce website; operation of fashion coordination app
LINE Bank Taiwan Limited	Taiwan	NT$ 20,000	51.2	Banking business in Taiwan
LINE MAN CORPORATION PTE. LTD.	Singapore	$ 433,401	50.8	Holding company
ASKUL Corporation	Japan	¥ 21,234	46.9	Mail-order sale of stationery and services
Associates				
C Channel Corporation	Japan	¥ 10	26.8	Provision of e-commerce services and internet advertising and marketing services
AI Computing Segment				
Subsidiaries				
Arm Holdings plc.	U.K.	$ 1,341	86.7	Design of semiconductor IP, chips, and related technology; development and sale of semiconductor chips; sale of software tools and provision of related services
Ampere Computing Holdings LLC[(1)(2)]	U.S.	$ 0	100.0	CPU design for AI computing based on the Arm compute platform
Graphcore Limited	U.K.	$ 139	100.0	Design and development of semiconductor chips for AI applications
Others				
Subsidiaries				
Energy Global, LP[(3)]	U.S.	$ 2,996,656	100.0	Solar power plant development, construction and operation, and data center development and construction
Silver Bands 4 (US) Corp.	U.S.	$ 0	100.0	Holding company

Company Name	Country	Issued Share Capital (millions of yen and Taiwan dollars, thousands of U.S. dollars)	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
Roze AI LLC[1][2]	U.S.	$ 4,394,265	100.0	Holding company
SoftBank Robotics Group Corp.	Japan	¥ 54,601	87.8	Holding company
Joint Ventures				
SB TEMPUS Corp.	Japan	¥ 15,000	50.0	Businesses related to genetic testing, utilization of medical data, and AI applications

Funds

Company Name	Country	Capital accepted (thousands of U.S. dollars)	Investment Ratio (%)	Principal Business
Investment Business of Holding Companies Segment				
Subsidiaries				
SB Northstar LP[4]	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.[5]	Bailiwick of Jersey	$ 87,000,000	33.6	Investment fund in the technology sector
SoftBank Vision Fund II-2 L.P.[6]	Bailiwick of Jersey	$ 100,000,000	100.0 (82.8)	Investment fund in the technology sector
SBLA Latin America Fund LLC[6]	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) Capital represents the amount of capital contribution.
(3) Capital represents the amount of capital accepted.
(4) The figure in parentheses in the investment ratio represents our indirect investment ratio.
(5) 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 investments through the incentive schemes related to SVF1.
(6) 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 Mr. 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 June 30, 2026:

	As of June 30, 2026	
	(billions of yen and millions of dollars)[1]	
Investment Business of Holding Companies segment		
SoftBank Group Corp.		
Borrowings	¥ 3,101	$ 19,095
Corporate bonds[2]	8,897	54,790
Lease liabilities	6	38
Commercial paper	234	1,440
Subtotal	12,238	75,363
Wholly-owned financing subsidiaries[3]		
Borrowings	5,537	34,099
Financial liabilities relating to sale of shares by prepaid forward contracts	266	1,636
Subtotal	5,803	35,735
SB Northstar		
Borrowings	685	4,218
Others		
Subtotal	0	3
Total	18,727	115,319
SoftBank Vision Funds segment		
SVF2		
Borrowings	805	4,959
SBIA, SBGA, SBLA Advisers Corp.		
Lease liabilities	20	120
Total	825	5,080
SoftBank segment		
SoftBank Corp.	4,832	29,753
LY Corporation	1,282	7,895
PayPay and its subsidiaries[4]	746	4,593
Others	561	3,457
Total	7,421	45,699
AI Computing segment		
Arm and its subsidiaries	82	508
Others	16	99
Total	99	607
Others		
Other interest-bearing debt	674	4,148
Lease liabilities	46	283
Total	720	4,432
Consolidated interest-bearing debt and lease liabilities at the Company and its subsidiaries	¥27,791	$171,136

(1) Japanese yen and U.S. dollar amounts have been translated, as applicable, at the rate of ¥162.39 = $1.00, the exchange rate prevailing as of June 30, 2026.

(2) Excludes the USD-denominated perpetual subordinated hybrid notes issued in July 2017, which are treated as equity pursuant to IFRS.

(3) Except for bridge loans for the follow-on investments in OpenAI (with an outstanding balance of ¥1,119 billion as of the three-month period ended June 30, 2026), all interest-bearing debt of wholly-owned financing subsidiaries is non-recourse to SBG.

(4) Deposits related to banking operations of the banking subsidiaries PayPay Bank Corporation and LINE Bank Taiwan Limited are not included in interest-bearing debt.

Consolidated Net Interest-bearing Debt as of June 30, 2026

The table below shows the consolidated net interest-bearing debt and lease liabilities at the Company and its subsidiaries as of June 30, 2026. The below information was prepared under IFRS and is net of intragroup reconciliations and eliminations.

	As of June 30, 2026		
	Total interest-bearing debt[1]	Cash and cash equivalents	Net interest-bearing debt
		(billions of yen)	
Investment Business of Holding Companies segment			
SoftBank Group Corp.			
Senior bond	¥ 6,331	—	—
Other senior debt[1]	3,149	—	—
Subordinated debt	1,024	—	—
Deeply subordinated bond[2]	1,542	—	—
Deeply subordinated loan	185	—	—
Lease liabilities	6	—	—
Total	12,238	755	11,483
Wholly-owned financing subsidiaries[3]			
Margin loan backed by Arm shares	3,221	—	—
Margin loan backed by SoftBank Corp. shares	1,197	—	—
Other senior debt[1]	1,119	—	—
Prepaid forward contracts backed by T-Mobile shares	266	—	—
Total	5,803	17	5,786
SB Northstar			
Borrowings	685	—	—
Total	685	6	679
Others	0	134	(133)
SoftBank Vision Funds segment			
SVF1	—	73	(73)
SVF2	805	73	732
LatAm	—	6	(6)
SBIA, SBGA, SBLA Advisers Corp.	20	78	(58)
SoftBank segment			
SoftBank Corp.	4,832	345	4,486
LY Corporation	1,282	294	988
PayPay Corporation[4], PayPay Bank Corporation[5]	746	491	255
Others	561	516	46
AI Computing segment			
Arm Holdings plc and its subsidiaries	82	497	(414)
Others	16	137	(121)
Others	720	507	213
Consolidated total at the Company and its subsidiaries	¥27,791	¥3,927	¥23,864

(1) The 2026 Bridge Loan Facility was entered into by SoftBank Group Corp. and a wholly-owned financing subsidiary as borrowers. See "—Borrowings—2026 Bridge Loan Facility." The amount shown under "Wholly-owned financing subsidiaries" represents the portion outstanding at the wholly-owned financing subsidiary, while the remaining outstanding amount under the 2026 Bridge Loan Facility is included in "Other senior debt" of SoftBank Group Corp.

(2) Excludes the USD-denominated perpetual subordinated hybrid notes issued in July 2017 which are treated as equity pursuant to IFRS.

(3) Except for the portion of the 2026 Bridge Loan Facility included in "Other senior debt", all interest-bearing debt of the wholly owned financing subsidiaries is nonrecourse to SBG.

(4) Includes the interest-bearing debt and lease liabilities of subsidiaries such as PayPay Card Corporation.

(5) Deposits related to banking operations of PayPay Bank Corporation and LINE Bank Taiwan Limited are not included in interest-bearing debt.

Borrowings

The table below summarizes outstanding loans at the Company and its subsidiaries as of June 30, 2026.

Loan	As of June 30, 2026 (billions of yen and millions of dollars)[1]	
Investment Business of Holding Companies segment		
SoftBank Group Corp.[2]	¥ 3,101	$19,095
Senior loans	2,915	17,953
Hybrid loans	185	1,142
Wholly-owned financing subsidiaries[3]	5,537	34,099
Margin loans and other liabilities	5,537	34,099
SB Northstar	685	4,218
Loans	685	4,218
SoftBank Vision Funds segment	805	4,959
SVF 2	805	4,959
SoftBank segment	4,436	27,317
SoftBank Corp	2,915	17,948
LY Corporation	705	4,340
PayPay Corporation[4]	650	4,003
Others	166	1,025
AI Computing segment	—	—
Arm Holdings plc and its subsidiaries	—	—
Others	514	3,165
Consolidated total at the Company and its subsidiaries	¥15,078	$92,853

(1) Japanese yen and U.S. dollar amounts have been translated, as applicable, at the rate of ¥162.39 = $1.00, the exchange rate prevailing as of June 30, 2026.

(2) Does not include the $10.0 billion of borrowings using OpenAI shares and guaranteed by the Company or the $11.9 billion senior term loan facility that the Company entered into and drew down in full in September 2026. For more details, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Financing Agreement Using OpenAI Shares" and "—Recent Developments."

(3) Does not include the approximately $1.8 billion equivalent of non-recourse LBO financing arranged to fund the acquisition of ABB's Robotics Business or the additional $5.0 billion drawn on September 10, 2026 under the margin loan backed by Arm shares following the amendment of the facility in September 2026 to increase the maximum borrowing amount from $20.0 billion to $25.0 billion. 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."

(4) Includes PayPay Corporation, PayPay Bank Corporation and PayPay Card Corporation.

¥4,418 billion ($27,206 million) of Indebtedness Outstanding under Margin Loans of Wholly-Owned Financing Subsidiaries

Through our wholly-owned financing subsidiaries, we have entered into margin loans backed by SoftBank Corp. and Arm shares. As of June 30, 2026, the outstanding balances were ¥3,221 billion ($19,835 million) and ¥1,197 billion ($7,371 million) for the margin loans backed by Arm shares and SoftBank Corp. shares, respectively.

The borrowings under these margin loans backed by 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 of the shares pledged as collateral upon such circumstances where the early settlement is demanded and, accordingly, the repayment obligations would be determined.

In September 2026, we amended the terms of the margin loan backed by Arm shares to extend the repayment maturity by one year, from September 2027 to September 2028, and to increase the borrowing limit by $5.0 billion, from $20.0 billion to $25.0 billion. On September 10, 2026, we drew the additional $5.0 billion in full. 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."

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."

$10 billion (¥1,624 billion) of Borrowings Using OpenAI Shares

Through a loan agreement entered into by a subsidiary of SVF2 using OpenAI shares, the full $10.0 billion was drawn during August 2026.

The borrowing is secured by a cash collateral account of the borrower and is guaranteed by the Company. The loan agreement includes cash collateral and mandatory prepayment provisions that may be triggered under certain circumstances, including a significant decrease in the fair value of the OpenAI preferred shares held by SVF2 and referenced under the loan agreement.

For more information, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Financing Agreement Using OpenAI Shares."

Commitment Line

On September 18, 2026, we renewed a commitment line agreement with several Japanese and international financial institutions for borrowings up to $6,500 million (¥1,055.5 billion) on a USD tranche (the "Commitment Line"). As of June 30, 2026, $2,905 million (¥471.7 billion) on a USD tranche and ¥17.8 billion ($110 million) on a JPY tranche were 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.

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, $2.9 billion (¥470.9 billion, translated into Japanese yen using the exchange rate of ¥162.39 = $1.00) 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 a direct, unsecured obligation of the Company and ranks pari passu with all other outstanding unsecured, senior obligations of the Company. 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 ratio, 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 June 30, 2026 was ¥975 billion ($6.0 billion).

In September 2026, we entered into a new senior term loan facility with a syndicate of Japanese and other financial institutions for an aggregate principal amount of $11.9 billion and drew the facility in full.

2026 Bridge Loan Facility

On March 27, 2026, we signed a one-year unsecured bridge facilities agreement with a syndicate of five financial institutions for an aggregate principal amount of $40 billion, consisting of (i) a bridge loan of $10 billion available to SoftBank Group Corp. to fund general corporate purposes, and (ii) a bridge loan of $30 billion, available to its wholly-owned financing subsidiary and guaranteed by SoftBank Group Corp., to fund the acquisition of preferred shares of OpenAI Group PBC for $30 billion by SVF2 pursuant to the stock purchase agreement dated February 27, 2026, which is divided into three equal tranches of $10 billion each. The first $10 billion tranche was drawn down on April 1, 2026 to fund the closing of the first tranche of the 2026 OpenAI Follow-on Investment. Another $10 billion was drawn down on July 1, 2026 to fund the closing of the second tranche of the 2026 OpenAI Follow-on Investment. Separately from the drawdowns for the OpenAI investment, we drew down $5 billion on April 13 and another $5 billion on April 20. All facilities under the bridge facilities agreement mature on March 25, 2027. On September 15, 2026, we repaid in full the $25.9 billion then outstanding under the 2026 Bridge Loan Facility. Following such repayment, no amounts remained outstanding under the 2026 Bridge Loan Facility, while the remaining $10.0 billion undrawn amount remained available. We

plan to use the proceeds of the offering, concurrently with cancelling all of the $10 billion of undrawn capacity under the 2026 Bridge Loan Facility, towards the October 1, 2026 $10 billion third closing under the 2026 OpenAI Follow-on Investment. The bridge facilities are subject to representations and warranties customary in the syndicated loan market and are also subject to certain financial and operational covenants, including covenants to maintain specified levels of loan-to-value ratio defined under the bridge facilities agreement.

Corporate Bonds

The table below summarizes all bonds which the Company and its subsidiaries have issued, outstanding as of June 30, 2026.

Bond	Interest Rate (% per annum)	Balance (billions of yen)[1]	Balance (millions of dollars)[1]
SoftBank Group Corp.			
Yen-denominated Corporate Bonds			
Institutional Bonds			
57th series Unsecured Straight Bond[2]	1.38%	98	603
60th series Unsecured Straight Bond	1.80%	30	185
61st series Unsecured Straight Bond	2.44%	50	307
62nd series Unsecured Straight Bond	2.90%	20	123
66th series Unsecured Straight Bond	3.34%	20	123
Subtotal		218	1,340
Retail Bonds (Fukuoka SoftBank HAWKS bond)[3]			
56th series Unsecured Straight Bond[4]	1.38%	400	2,462
58th series Unsecured Straight Bond	2.84%	383	2,356
59th series Unsecured Straight Bond	3.04%	545	3,359
63rd series Unsecured Straight Bond	3.03%	546	3,361
64th series Unsecured Straight Bond	3.15%	347	2,137
65th series Unsecured Straight Bond	3.34%	595	3,664
67th series Unsecured Straight Bond	3.98%	495	3,048
Subtotal		3,311	20,386
Subtotal		3,528	21,726
Foreign Currency-denominated Senior Notes			
2027 EUR-denominated Senior Notes (2021 Notes)	2.88%	78	479
2027 EUR-denominated Senior Notes (2015 Notes)	5.25%	39	240
2027 USD-denominated Senior Notes (2017 Notes)	5.13%	269	1,655
2028 USD-denominated Senior Notes (2018 Exchange Notes)	6.25%	76	465
2028 EUR-denominated Senior Notes (2018 Exchange Notes)	5.00%	195	1,201
2028 USD-denominated Senior Notes (2021 Notes)	4.63%	125	771
2029 EUR-denominated Senior Notes (2024 Notes)	5.38%	83	511
2029 USD-denominated Senior Notes (2025 Notes)	6.50%	81	496
2029 EUR-denominated Senior Notes (2021 Notes)	3.38%	87	537
2029 USD-denominated Senior Notes (2024 Notes)	6.75%	65	397
2029 EUR-denominated Senior Notes (2017 Notes)	4.00%	106	654
2029 EUR-denominated Senior Notes (2025 Notes)	5.25%	110	679
2029 USD-denominated Senior Notes (2026 Notes)	7.63%	64	396
2030 EUR-denominated Senior Notes (2026 Notes)	6.38%	128	791
2031 USD-denominated Senior Notes (2025 Notes)	6.88%	97	595
2031 USD-denominated Senior Notes (2021 Notes)	5.25%	211	1,298
2031 USD-denominated Senior Notes (2024 Notes)	7.00%	81	496
2031 EUR-denominated Senior Notes (2025 Notes)	5.88%	110	679
2031 USD-denominated Senior Notes (2026 Notes)	8.25%	96	594
2032 EUR-denominated Senior Notes (2021 Notes)	3.88%	78	482
2032 EUR-denominated Senior Notes (2024 Notes)	5.75%	83	510
2032 USD-denominated Senior Notes (2025 Notes)	7.25%	97	595
2032 EUR-denominated Senior Notes (2026 Notes)	7.00%	110	678
2033 EUR-denominated Senior Notes (2025 Notes)	6.38%	92	565
2034 EUR-denominated Senior Notes (2026 Notes)	7.38%	83	508

Bond	Interest Rate (% per annum)	Balance (billions of yen)[1]	Balance (millions of dollars)[1]
2035 USD-denominated Senior Notes (2025 Notes)	7.50%	80	495
2036 USD-denominated Senior Notes (2026 Notes)	8.50%	80	495
Subtotal		2,803	17,261
Foreign Currency-denominated dated Hybrid Notes			
2061 USD-denominated Hybrid Notes (2025 Notes)	7.63%	145	892
2062 EUR-denominated Hybrid Notes (2025 Notes)	6.50%	138	848
2065 USD-denominated Hybrid Notes (2025 Notes)	8.25%	177	1,089
Subtotal		459	2,829
Yen-denominated Subordinated Bonds			
4th series Unsecured Subordinated Corporate Bond	2.40%	30	185
3rd series Unsecured Subordinated Corporate Bond	2.40%	448	2,758
5th series Unsecured Subordinated Corporate Bond	2.48%	546	3,362
Subtotal		1,024	6,305
Yen-denominated Subordinated Bonds with interest deferrable clause and early redeemable option			
6th Unsecured Subordinated Bonds with interest deferrable clause and early redeemable option (with a subordination provision) (Hybrid Bond)	4.75%	218	1,345
7th Unsecured Subordinated Bonds with interest deferrable clause and early redeemable option (with a subordination provision) (Hybrid Bond)	4.56%	198	1,221
8th Unsecured Subordinated Bonds with interest deferrable clause and early redeemable option (with a subordination provision) (Hybrid Bond)	4.97%	411	2,529
9th Unsecured Subordinated Bonds with interest deferrable clause and early redeemable option (with a subordination provision) (Hybrid Bond)	5.12%	255	1,573
Subtotal		1,083	6,668
SoftBank Group Corp. Total		8,897	54,790
SoftBank Corp.			
SoftBank Corp. Total		1,399	8,612
LY Corporation			
LY Corporation Total		489	3,014
SB Energy			
SB Energy Total[5]		160	983
Total		¥10,945	$67,399

(1) Japanese yen and U.S. dollar amounts have been translated, as applicable, at the rate of ¥162.39 = $1.00, the exchange rate prevailing as of June 30, 2026.
(2) On September 11, we fully redeemed the 57th series Yen-denominated Corporate Bonds on their maturity date.
(3) On September 17, we issued ¥1.0 trillion aggregate principal amount of the 70th series Yen-denominated Corporate Bonds, bearing interest at a rate of 4.75% per annum.
(4) On September 17, we fully redeemed the 56th series Yen-denominated Corporate Bonds on their maturity date.
(5) The bonds included in this amount were issued by SE Cosmos, LLC, an indirect subsidiary of SB Energy, Inc., and are solely obligations of SE Cosmos, LLC.

The table below summarizes all bonds the Company has issued as of June 30, 2026 that are treated as equity pursuant to IFRS.

Bonds	Interest Rate (% per annum)	Balance (billions of yen)[1]	Balance (millions of dollars)[2][3]
SoftBank Group Corp. USD-denominated Perpetual Subordinated Hybrid Notes			
Undated Subordinated NC10 Resettable Notes	6.88%	¥193	$1,190

(1) Carrying amount recognized as equity pursuant to IFRS.
(2) U.S. dollar amounts have been translated at the rate of ¥162.39 = $1.00, the exchange rate prevailing as of June 30, 2026.
(3) The total outstanding nominal amount of Undated Subordinated NC10 Resettable Notes as of June 30, 2026 was $1.75 billion.

¥3,528 billion ($21,726 million) of Indebtedness Outstanding under Domestic Yen-denominated Unsecured Straight Bonds

We have issued domestic senior 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 56th, 58th, 59th, 63rd, 64th, 65th, 67th and 70th 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 ($2,277 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 June 30, 2026, the aggregate outstanding indebtedness under the Yen-denominated Corporate Bonds was ¥3,528 billion ($21,726 million) (measured at amortized costs pursuant to IFRS). Subsequent to June 30, 2026, on August 4, 2026, we issued ¥80 billion aggregate principal amount of our 68th series Yen-denominated Corporate Bonds and ¥10 billion aggregate principal amount of our 69th series Yen-denominated Corporate Bonds. The 68th series Yen-denominated Corporate Bonds bear interest at a rate of 3.270% per annum and mature on August 3, 2029, and the 69th series Yen-denominated Corporate Bonds bear interest at a rate of 3.886% per annum and mature on August 4, 2031. On September 17, 2026, we issued ¥1.0 trillion aggregate principal amount of our 70th series Yen-denominated Corporate Bonds, which bear interest at a rate of 4.75% per annum and mature on September 16, 2033. Meanwhile, on September 11, 2026, we redeemed ¥97.9 billion aggregate principal amount of our 57th series Yen-denominated Corporate Bonds, and on September 17, 2026, we redeemed ¥400.0 billion aggregate principal amount of our Yen-denominated Corporate Bonds.

¥ 2,803 billion ($17,261 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 the LTV as determined in the relevant bond indenture 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 in July 2024, July 2025 and April 2026, 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 generally 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; provided that the Foreign Currency-denominated Senior Notes issued in July 2021, July 2024, July 2025 and April 2026 are redeemable at par, plus accrued and unpaid interest, at any time on or after the date that is 90 days prior to their respective final maturity dates.

As of June 30, 2026, the aggregate outstanding indebtedness under the Foreign Currency-denominated Senior Notes was ¥2,803 billion ($17,261 million) (measured at amortized costs pursuant to IFRS).

¥1,024 billion ($6,305 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 June 30, 2026, the aggregate outstanding indebtedness under these Domestic Subordinated Bonds was ¥1,024 billion ($6,305 million) (measured at amortized costs pursuant to IFRS).

¥1,083 billion ($6,668 million) of Indebtedness Outstanding under Domestic Yen-denominated Unsecured Hybrid Bonds with Interest Deferral and Early Redemption Clauses

We have issued yen-denominated hybrid bonds that 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 June 30, 2026, the aggregate outstanding indebtedness under these yen-denominated hybrid bonds was ¥1,083 billion ($6,668 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 ($1,190 million) of Indebtedness Outstanding under USD-denominated Perpetual 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.

¥459 billion ($2,829 million) of Indebtedness Outstanding under Foreign Currency-denominated dated Hybrid Notes

In October 2025, we issued $900 million of U.S. dollar-denominated hybrid notes due 2061, $1.1 billion of U.S. dollar-denominated hybrid notes due 2065 and €750 million of euro-denominated hybrid notes due 2062 (the "Foreign Currency-denominated dated Hybrid Notes"). The Foreign Currency-denominated dated Hybrid Notes are recorded as interest-bearing debt from an accounting perspective but have equity-like features, such as optional interest payment deferral, longer maturities than senior bonds and loans, and subordination to senior indebtedness. As a result, the Foreign Currency-denominated dated Hybrid Notes are eligible for 50% equity credit from JCR with respect to their principal amount.

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 $1,000,000,000 aggregate principal amount of its 8⅝% Senior Notes due 2030 denominated in U.S. dollars (the "*2030 Dollar Notes*"), $4,500,000,000 aggregate principal amount of its 9¼% Senior Notes due 2032 denominated in U.S. dollars (the "*2032 Dollar Notes*"), $4,500,000,000 aggregate principal amount of its 9¾% Senior Notes due 2034 denominated in U.S. dollars (the "*2034 Dollar Notes*", and together with the 2030 Dollar Notes and the 2032 Dollar Notes, the "*Dollar Notes*"), and €500,000,000 aggregate principal amount of its 7⅛% Senior Notes due 2030 denominated in euro (the "*2030 Euro Notes*"), and €500,000,000 aggregate principal amount of its 8% Senior Notes due 2032 denominated in euro (the "*2032 Euro Notes*", and together with the 2030 Euro Notes, the "*Euro Notes*," and together with the Dollar Notes, the "*Notes*") under an indenture (the "*Indenture*"), to be dated as of the Issue Date, among the Company, The Bank of New York Mellon as trustee in respect of both Dollar Notes and Euro Notes (the "*Trustee*", which expression shall include any successor trustee), The Bank of New York Mellon as paying agent (the "*Dollar Notes Paying Agent*", which expression shall include any successor Dollar Notes paying agent), transfer agent (the "*Dollar Notes Transfer Agent*", which expression shall include any successor Dollar Notes transfer agent) and registrar (the "*Dollar Notes Registrar*", which expression shall include any successor Dollar Notes registrar, and together with the Dollar Notes Paying Agent, the Dollar Notes Transfer Agent, the "*Dollar Notes Agents*", which expression shall include any successor Dollar Notes agents) with respect to the Dollar Notes, The Bank of New York Mellon, London Branch, as paying agent (the "*Euro Notes Paying Agent*", which expression shall include any successor Euro Notes paying agent, and together with the Dollar Notes Paying Agent, the "*Paying Agents*" and each a "*Paying Agent*"), The Bank of New York Mellon SA/NV, Dublin Branch, as transfer agent (the "*Euro Notes Transfer Agent*", which expression shall include any successor Euro Notes transfer agent, and together with the Dollar Notes Transfer Agent, the "*Transfer Agents*" and each a "*Transfer Agent*") and registrar (the "*Euro Notes Registrar*", which expression shall include any successor Euro Notes registrar, and together with the Dollar Notes Registrar, the "*Registrars*" and each a "*Registrar*"; and together with the Euro Notes Paying Agent and the Euro Notes Transfer Agent, the "*Euro Notes Agents*", and together with the Dollar Notes Agents, the "*Agents*") with respect to the Euro Notes, in a private transaction that is not subject to the registration requirements of the U.S. Securities Act. Holders of the Notes will not be entitled to any registration rights. See "*Transfer Restrictions*."

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 office of the relevant Paying Agent at all reasonable times during normal business hours (being 9:00 a.m. to 3:00 p.m. local time) at 240 Greenwich Street, New York, NY 10286, United States of America and 160 Queen Victoria Street, London EC4V 4LA, United Kingdom, respectively, upon prior written request and satisfactory proof of identity and 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 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 Notes

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."

Note Guarantees

The Notes will benefit from no guarantee as of the Issue Date. Subsidiaries of the Company may be required to Guarantee the Notes in the future under certain circumstances. See "*—Certain Covenants—Subsidiary Guarantees of Indebtedness*." Each future Guarantee of the 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 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 Notes. The 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 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 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 will be unlimited in aggregate principal amount and each series of Notes will be unlimited in aggregate principal amount.

In this offering, the Company will issue $1,000,000,000 in aggregate principal amount of 2030 Dollar Notes, $4,500,000,000 in aggregate principal amount of 2032 Dollar Notes, $4,500,000,000 in aggregate principal amount of 2034 Dollar Notes, €500,000,000 in aggregate principal amount of 2030 Euro Notes, and €500,000,000 in aggregate principal amount of 2032 Euro Notes. The Company may issue additional notes (the "*Additional Notes*") under the Indenture from time to time after this offering.

This "*Description of the Notes*" sets out a summary of the material provisions of the Indenture and the Notes. Any Additional Notes will be of the same or different series as the Dollar Notes or the Euro Notes initially issued in this offering, and will have substantially identical terms to the initial Dollar Notes or the Euro Notes, 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 Company'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. 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 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).

The Company will issue the Dollar Notes in minimum denominations of $250,000 and integral multiples of $1,000 in excess thereof and the Euro Notes in minimum denominations of €250,000 and integral multiples of €1,000 in excess thereof. The 2030 Dollar Notes will mature on April 1, 2030, the 2032 Dollar Notes will mature on April 1, 2032 and the 2034 Dollar Notes will mature on April 1, 2034. The 2030 Euro Notes will mature on October 1, 2030 and the 2032 Euro Notes will mature on October 1, 2032.

Interest on the 2030 Dollar Notes will accrue at the rate of 8⅝% per annum, interest on the 2032 Dollar Notes will accrue at the rate of 9¼% per annum, interest on the 2034 Dollar Notes will accrue at the rate of 9¾% per annum, interest on the 2030 Euro Notes will accrue at the rate of 7⅛% per annum and interest on the 2032 Euro Notes will accrue at the rate of 8% per annum. Interest on the 2030 Dollar Notes, the 2032 Dollar Notes, the 2034 Dollar Notes, the 2030 Euro Notes and the 2032 Euro Notes will be payable semi-annually in arrear on April 1 and October 1 of each year, commencing on April 1, 2027.

The Company will make each interest payment, to the extent that Euro Notes are represented by Global Notes, to the holders of record of such 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 Dollar Notes will be paid to the persons in whose names such Notes are registered as of the close of business on the 15th calendar day (whether or not such date is a business day) immediately preceding the applicable interest payment date. Interest on the 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 Notes are subject to applicable procedures of the relevant Clearing System.

Methods of Receiving Payments on the Notes

The Notes of each series 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 DTC or its nominee in respect of the Dollar Notes and the common depositary for Euroclear and/or Clearstream or its nominee in respect of the Euro Notes, as applicable.

If the due date for any payment in respect of any 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 will maintain one or more paying agents for the Notes in each of (i) the City and State of New York and (ii) London. The Bank of New York Mellon will initially act as Dollar Notes Paying Agent in New York; and The Bank of New York Mellon, London Branch, will initially act as the Euro Notes 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, the Company 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 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 details of the paying agent in Singapore.

The Bank of New York Mellon will initially act as the Dollar Notes Transfer Agent and the Dollar Notes Registrar; and The Bank of New York Mellon SA/NV, Dublin Branch will initially act as the Euro Notes Transfer Agent and the Euro Notes Registrar.

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 Notes in accordance with the provisions of the Indenture. The relevant Registrar and the relevant Transfer Agent may require a holder, among other things, to furnish appropriate endorsements and transfer documents in connection with a transfer of Notes. Holders of the Notes will be required to pay all taxes due on transfer. Neither the relevant Registrar, the relevant Transfer Agent nor the Company will be required to register the transfer or exchange of any Notes:

- during a period beginning at the opening of business on the Clearing System Business Day (to the extent that Euro Notes are represented by Global Notes) or the 15th calendar day (to the extent that Dollar Notes are represented by Global Notes) or at the opening of business on the 15th day (to the extent that Notes are represented by Definitive Registered Notes) prior to (i) the day fixed for the redemption of the Notes or (ii) the day fixed for selection of 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 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.

The Notes may be sold only to persons that are both (i) Qualified Institutional Buyers and (ii) Qualified Purchasers, or to non-U.S. persons in offshore transactions in reliance on Regulation S under the U.S. Securities Act. The relevant Registrar and the relevant Transfer Agent may require a transferee to provide a written certification to the effect that the transferee is a Qualified Institutional Buyer that is also a Qualified Purchaser, or a non-U.S. person acquiring the Notes in an offshore transaction, as applicable, and the Company reserves the right to compel any holder or beneficial owner that is found not to satisfy this requirement to sell its interest in the Notes as described in "*—Right to Require Resale*."

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 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 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 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 Notes;

(2) any Taxes imposed or withheld as a result of the failure of the holder or beneficial owner of the 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 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 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 Notes by reason of its (a) having some connection with Japan, other than the mere holding of such 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 Note presented for payment by or on behalf of a holder of the 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 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 Note presented for payment by or on behalf of a holder of the 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 relevant 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 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 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 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 relevant 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 relevant Paying Agent to pay Additional Amounts to holders of the 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 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 or any other amount payable under, or with respect to, any of the 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 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 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 Notes, provide the Interest Recipient Information and advise the Participant if the holder of the 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 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 relevant Paying Agent a written application for tax exemption in a form obtainable from the relevant Paying Agent attesting to the name and address of the holder of the Notes, the title of the Notes, the relevant interest payment date, the amount of interest and 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 relevant 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 Notes will be deemed to have submitted a written application for tax exemption to the relevant Paying Agent.

Redemption for Changes in Taxes

The Company or any Note Guarantor may redeem any series of 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 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 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 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 relevant 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 Notes were then due. Notwithstanding the foregoing, neither the Company nor the Note Guarantors may redeem any series of 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 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 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 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 Notes.

Optional Redemption

At any time prior to the date that is 90 days prior to the final maturity date of the 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 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 Notes redeemed, *plus* the relevant Applicable Premium as of, and accrued and unpaid interest and Additional Amounts, if any, to (but excluding) the date of redemption, subject to the rights of holders of such 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 Notes of any series, the Company or any Note Guarantor may on any one or more occasions redeem all or a part of the 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 Notes redeemed, *plus* accrued and unpaid interest and Additional Amounts, if any, to (but excluding) the date of redemption, subject to the rights of holders of such Notes on the relevant record date to receive interest due on the relevant interest payment date.

Except as set out above and except pursuant to "—Redemption for Changes in Taxes" and "—Tender Offers," the Notes will not be redeemable at the Company's option prior to their final maturity date.

Subject to the terms of the applicable redemption notice, 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 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 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 relevant Clearing System, 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 $250,000 or less and no Euro Note in the principal amount of €250,000 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 relevant 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 relevant 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 nominee, a custodian or 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 $250,000 or an integral multiple of $1,000 in excess thereof and in case of Euro Notes, equal to €250,000 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 relevant 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 relevant 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 Paying Agent for cancellation all Definitive Registered Notes accepted for purchase by the Company.

If any Definitive Registered Notes have been issued, the relevant Paying Agent or the tender agent will as soon as reasonably practicable pay to each holder of Definitive Registered Notes so tendered the Change of

Control Payment for such Notes, and the Paying Agent or the Registrar, as the case may be (or an authenticating agent) will, at the cost of the Company, as soon as reasonably practicable 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 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 Person, 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.

In addition, the Company agrees that it will furnish to Noteholders, prospective investors, broker-dealers and securities analysts, upon their request, any information required to be delivered pursuant to Rule 144A(d)(4) under the U.S. Securities Act so long as the Notes are not freely transferable under the U.S. Securities Act.

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. The Trustee and the Agents shall have no responsibility to determine whether and when such reports or information are publicly available and/or accessible electronically.

Right to Require Resale

Any purported sale or transfer of a Note (or beneficial interest therein) which is not made in compliance with the transfer restrictions set forth under "Transfer Restrictions" herein will be void and will not be honored by us. We have the right under the Indenture to require any Holder of a Note (or beneficial interest therein) that is a U.S. person and is determined not to have been both a Qualified Institutional Buyer and a Qualified Purchaser at the time of acquisition of such Note (or such beneficial interest therein) or is otherwise determined to be in breach, at the time given, of any of the representations and agreements set forth under "Transfer Restrictions" herein to sell such Note (or such beneficial interest therein), within 30 days after notice of the sale requirement is given, to a transferee acceptable to the Company who is able to and who does make all of the representations and agreements set forth in "Transfer Restrictions" herein. Pending such transfer, such Holder will be deemed not to be the Holder of such Notes for any purpose, including but not limited to receipt of principal and interest payments on such Notes, and such Holder will be deemed to have no interest whatsoever in such Notes except as otherwise required to sell its interest therein as described in this paragraph. See "*Transfer Restrictions—Compliance Procedures for Purposes of Section 3(c)(7) of the Investment Company Act—Forced Sale for Non-Qualified Institutional Buyers/ Qualified Purchasers*."

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, and the Trustee at the request of such holders (subject to receiving indemnity, security and/or prefunding to its satisfaction) shall, 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 will provide 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;

(5) the Company must have delivered to the Trustee an opinion of counsel reasonably acceptable to the Trustee stating that (i) the Company has received from, or there has been published by, the U.S. Internal Revenue Service a ruling, or (ii) since the date of the Indenture, there has been a change in applicable U.S. federal income tax law, in either case to the effect that, and based thereon such opinion shall confirm that, the holders and the beneficial owners of the outstanding Notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such Legal Defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(6) in the case of Covenant Defeasance, the Company must have delivered to the Trustee an opinion of counsel reasonably acceptable to the Trustee to the effect that the holders and the beneficial owners of the outstanding Notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such Covenant Defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred; and

(7) 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 one or more series of the Dollar Notes or the Euro Notes or any other series of Notes, then only the consent of the holders of at least a majority in principal amount of such one or more series

of the then outstanding Dollar Notes or the Euro Notes or such other 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 will only affect one or more series of Notes (but not all series of Notes), only the holders of not less than 90% of the aggregate principal amount of the then outstanding Notes of each series so affected, 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 this "Description of the Notes" to the extent that such provision in this "Description of the Notes" 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; or

(13) to make any modification or amendment determined by the Company (in consultation with legal counsel experienced in such matters) as necessary or advisable to enable the Company to rely upon a then-applicable exemption from registration as an investment company provided by an exemption or exclusion from registration as an investment company under the Investment Company Act, other than Section 3(c)(1) or 3(c)(7) thereof.

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, 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 relevant Paying Agent for cancellation; or

(b) all Notes that have not been delivered to the relevant 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 relevant 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 relevant 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 nominee, a custodian or 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 powers, to use the degree of care and skills of a prudent person in the conduct of such person's 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.

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 Clearing System or any nominee, the Trustee and the Agents may have regard to any certificate, report or any other information provided by the Clearing Systems or their operators as to the identity (either individually or by category) of their participants or accountholders with entitlements to the 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, the Note Guarantors 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 Systems and subsequently found to be forged or not authentic or not to be correct.

Listing

Approval in-principle has been received for the listing of the 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 will provide that they will be governed by, and construed in accordance with, the laws of the State of New York.

The Company and the Note Guarantors will irrevocably agree 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 5¼% Euro-denominated Senior Notes due 2027 issued under the 2015 Senior Notes Indenture.

"*2017 Senior Notes*" means the Company's outstanding (i) 5⅛% USD-denominated Senior Notes due 2027; and (ii) 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) 4⅝% USD-denominated Senior Notes due 2028; (ii) 5¼% USD-denominated Senior Notes due 2031; (iii) 2⅞% Euro-denominated Senior Notes due 2027; (iv) 3⅜% Euro-denominated Senior Notes due 2029; and (v) 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 2024 Senior Notes Indenture.

"*2025 Senior Notes*" means the Company's outstanding (i) 6½% USD-denominated Senior Notes due 2029; (ii) 6⅞% USD-denominated Senior Notes due 2031; (iii) 7¼% USD-denominated Senior Notes due 2032; (iv) 7½% USD-denominated Senior Notes due 2035; (v) 5¼% Euro-denominated Senior Notes due 2029; (vi) 5⅞% Euro-denominated Senior Notes due 2031; and (vii) 6⅜% Euro-denominated Senior Notes due 2033, in each case, issued under the 2024 Senior Notes Indenture.

"*2026 Senior Notes*" means the Company's outstanding (i) 7⅝% USD-denominated Senior Notes due 2029; (ii) 8¼% USD-denominated Senior Notes due 2031; (iii) 8½% USD-denominated Senior Notes due 2036; (iv) 6⅜% Euro-denominated Senior Notes due 2030; (v) 7% Euro-denominated Senior Notes due 2032; and (vi) 7⅜% Euro-denominated Senior Notes due 2034, in each case, issued under the 2024 Senior Notes 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.

"*2024 Senior Notes Indenture*" means that certain indenture, dated as of July 8, 2024 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, Dublin 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 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 payment of principal on 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 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 Stated Maturity 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 under the Euro Notes to be made under the Indenture, such day shall also be a day on which real time gross settlement system operated by the Eurosystem, or any successor 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*" means DTC, Euroclear and/or Clearstream, as applicable.

"*Clearing System Business Day*" means a day on which each Clearing System for which the Global Note for the Euro Notes is being held is open for business.

"*Clearstream*" means Clearstream Banking S.A., or any successor thereof.

"*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 now assigned to it 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.

"*DTC*" means The Depository Trust Company or any successor thereof.

"*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.

"*Euroclear*" means Euroclear Bank SA/NV or any successor thereof.

"*European Government Obligations*" means any security that is (1) a direct obligation of Ireland, Belgium, the Netherlands, France or Germany, 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, the 2021 Senior Notes, the 2024 Senior Notes, the 2025 Senior Notes and the 2026 Senior Notes.

"*Existing Senior Notes Indentures*" means the 2015 Senior Notes Indenture, the 2017 Senior Notes Indenture, the 2018 Senior Exchange Notes Indenture, the 2021 Senior Notes Indenture and the 2024 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. or any of its successors or assigns that is a Nationally Recognized Statistical Rating Organization.

"*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.

"*Investment Company Act*" means the U.S. Investment Company Act of 1940, as amended, and the rules and regulations of the SEC promulgated thereunder, as amended.

"*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 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 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.

"*Nationally Recognized Statistical Rating Organization*" means a nationally recognized statistical rating organization within the meaning of Section 3(a)(62) under the U.S. Exchange Act.

"*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 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 of 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.

"*Qualified Institutional Buyer*" means a "qualified institutional buyer" as defined in Rule 144A under the U.S. Securities Act.

"*Qualified Purchaser*" means a "qualified purchaser" as defined in Section 2(a)(51) of the Investment Company Act and the rules and regulations promulgated thereunder.

"*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 to 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 Investors Ratings Services or any of its successors or assigns that is a Nationally Recognized Statistical Rating Organization.

"*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 Taxation Measures 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 within the United States to "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act) who are also "qualified purchasers" (as defined in Section 2(a)(51) of the Investment Company Act) pursuant to Rule 144A under the Securities Act will initially be represented by a global note in registered form without interest coupons attached (the "144A Global Note"). The 144A Global Note representing the Dollar Notes (the "Dollar 144A Global Note") will be deposited upon issuance with The Bank of New York Mellon as custodian for DTC and registered in the name of Cede & Co., as nominee of DTC. The 144A Global Note representing the Euro Notes (the "Euro 144A Global Note"), 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.

Each series of Notes sold outside the United States pursuant to Regulation S under the Securities Act will initially be represented by a global note in registered form without interest coupons attached (the "Regulation S Global Notes" and together with the 144A Global Notes, the "Global Notes"). The Regulation S Global Note representing the Dollar Notes (the "Dollar Regulation S Global Note" and, together with the Dollar 144A Global Note, the "Dollar Global Notes") will be deposited upon issuance with the Dollar Notes Registrar as custodian for DTC and registered in the name of Cede & Co., as nominee of DTC. The Regulation S Global Note representing the Euro Notes (the "Euro Regulation S Global Note" and, together with the Euro 144A Global Note, 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 144A Global Notes (the "144A Book-Entry Interests") and ownership of interests in the Regulation S Global Notes (the "Regulation S Book-Entry Interests" and, together with 144A Book-Entry Interests, the "Book-Entry Interests") will be limited to persons that have accounts with DTC, 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 DTC, Euroclear and Clearstream and their participants. Beneficial interests in the Rule 144A Global Notes may not be exchanged for beneficial interests in the Regulation S Global Notes at any time except in the limited circumstances described below. See "—Exchanges between Regulation S Notes and Rule 144A Notes."

Except as set forth below, the Dollar Notes will be issued in registered, global form in minimum denominations of $250,000 and integral multiples of $1,000 in excess thereof and the Euro Notes will be issued in registered, global form in minimum denominations of €250,000 and integral multiples of €1,000 in excess thereof. Notes will be issued at the closing of this offering only against payment in immediately available funds.

Except as set forth below, the Global Notes may be transferred, in whole and not in part, only to another nominee of DTC or to a successor of DTC or its nominee. Beneficial interests in the Global Notes may not be exchanged for Definitive Notes except in the limited circumstances described below. See "—Exchange of Global Notes for Definitive 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.

Rule 144A Notes (including beneficial interests in the Rule 144A Global Notes) will be subject to certain restrictions on transfer and will bear a restrictive legend as described under "Transfer Restrictions." Regulation S Notes will also bear the legend as described under "Transfer Restrictions." In addition, transfers of beneficial interests in the Global Notes will be subject to the applicable rules and procedures of DTC and its direct or indirect participants (including, if applicable, those of Euroclear and Clearstream), which may change from time to time.

Clearing System Procedures

The following description of the operations and procedures of DTC, Euroclear and Clearstream are provided solely as a matter of convenience. These operations and procedures are solely within the control of the respective settlement systems and are subject to changes by them. The Company takes no responsibility for these operations and procedures and urges investors to contact the relevant clearing system or their participants directly to discuss these matters.

DTC has advised the Company that DTC is a limited-purpose trust company created to hold securities for its participating organizations (collectively, the "DTC Participants") and to facilitate the clearance and settlement of transactions in those securities between the DTC Participants through electronic book-entry changes in accounts of DTC Participants. The DTC Participants include securities brokers and dealers (including the Initial Purchasers), banks, trust companies, clearing corporations and certain other organizations. Access to DTC's system is also available to other entities such as banks, brokers, dealers and trust companies that clear through or

maintain a custodial relationship with a DTC Participant, either directly or indirectly (collectively, the "Indirect Participants"). Persons who are not DTC Participants may beneficially own securities held by or on behalf of DTC only through the DTC Participants or the Indirect Participants. The ownership interests in, and transfers of ownership interests in, each security held by or on behalf of DTC are recorded on the records of the DTC Participants and Indirect Participants.

DTC has also advised the Company that, pursuant to procedures established by it:

(1) upon deposit of the Global Notes, DTC will credit the accounts of the DTC Participants designated by the Initial Purchasers with portions of the principal amount of the Global Notes; and

(2) ownership of these interests in the Global Notes will be shown on, and the transfer of ownership of these interests will be effected only through, records maintained by DTC (with respect to the DTC Participants) or by the DTC Participants and the Indirect Participants (with respect to other owners of beneficial interest in the Global Notes).

Like DTC, Euroclear and Clearstream hold securities for participant organizations and facilitate the clearance and settlement of securities transactions between their respective participants through electronic book-entry charges in accounts of such participants. Euroclear and Clearstream provide to their participants, among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing and Euroclear and Clearstream interface with domestic securities markets.

Euroclear and Clearstream participants are financial institutions such as underwriters, securities brokers and dealers, banks, trust companies and certain other organizations. Indirect access to Euroclear or Clearstream is also available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodian relationship with a Euroclear or Clearstream participant, either directly or indirectly.

Investors in the Dollar Global Notes who are DTC Participants may hold their interests therein directly through DTC. Investors in the Rule 144A Global Notes who are not DTC Participants may hold their interests therein indirectly through organizations (including Euroclear and Clearstream) which are DTC Participants. Investors in the Dollar Regulation S Global Notes must initially hold their interests therein through Euroclear or Clearstream, if they are participants in such systems, or indirectly through organizations that are participants. After the expiration of the Distribution Compliance Period as defined in the Indenture (but not earlier), investors may also hold interests in the Dollar Regulation S Global Notes through DTC Participants in the DTC system other than Euroclear and Clearstream. Euroclear and Clearstream will hold interests in the Regulation S Global Notes on behalf of their participants through customers' securities accounts in their respective names on the books of their respective depositories, which are Euroclear Bank SA/NV and Clearstream Banking S.A., as operator of Clearstream. All interests in a Global Note, including those held through Euroclear or Clearstream, may be subject to the procedures and requirements of DTC. Those interests held through Euroclear or Clearstream may also be subject to the procedures and requirements of such systems. The laws of some states require that certain Persons take physical delivery in definitive form of securities that they own. Consequently, the ability to transfer beneficial interests in a Global Note to such Persons will be limited to that extent. Because DTC can act only on behalf of the DTC Participants, which in turn act on behalf of the Indirect Participants, the ability of a Person having beneficial interests in a Global Note to pledge such interests to Persons that do not participate in the DTC system, or otherwise take actions in respect of such interests, may be affected by the lack of a physical certificate evidencing such interests.

Except as described below, owners of interests in the Global Notes will not have Notes registered in their names, will not receive physical delivery of Notes in certificated form and will not be considered the registered owners or "holders" thereof under the Indenture for any purpose.

Payments of any amounts owing in respect of the Global Notes (including principal, premium and interest) will be made by the Company or the Note Guarantors, as the case may be, to the Paying Agent. The Paying Agent will, in turn, make such payments to the common depository for Euroclear and Clearstream (in the case of the Euro Global Notes) and to DTC or its nominee (in the case of the Dollar Global Notes), which will distribute such payments to participants in accordance with their respective procedures.

Under the terms of the Indenture, the Company, the Note Guarantors, the Trustee and the Agents will treat the registered holder of the Global Notes (i.e., DTC, 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 Note Guarantors, the Trustee, the Agents nor any of their respective agents has or will have any responsibility or liability for:

- any aspects of the records of DTC, 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

DTC, Euroclear, Clearstream or any participant or indirect participant, or for maintaining, supervising or reviewing the records of DTC, Euroclear, Clearstream or any participant or indirect participant relating to, or payments made on account of, a Book-Entry Interest; or

- any action or failure to take any action by DTC, Euroclear, Clearstream or any participant or indirect participant.

The Company will not impose any fees or other charges in respect of the Notes; however, owners of the Book-Entry Interests may incur fees normally payable in respect of the maintenance and operation of accounts in DTC, Euroclear and/or Clearstream, as applicable.

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 customers registered in "street name".

The principal of, premium, if any, and interest on, and all other amounts payable in respect of, the Euro Global Notes, will be paid to holders of interest in such Notes (the "Euroclear/Clearstream Holders") through Euroclear and/or Clearstream in euro. The principal of, premium, if any, and interest on, and all other amounts payable in respect of, the Dollar Global Notes will be paid to holders of interest in such Notes (the "DTC Holders") through DTC in U.S. dollars.

DTC has advised the Company that its current practice, upon receipt of any payment in respect of securities such as the Notes (including principal and interest), is to credit the accounts of the relevant DTC Participants with the payment on the payment date unless DTC has reason to believe that it will not receive payment on such payment date. Each relevant DTC Participant is credited with an amount proportionate to its beneficial ownership of an interest in the principal amount of the relevant security as shown on the records of DTC. Payments by the DTC Participants and the Indirect Participants to the beneficial owners of Notes will be governed by standing instructions and customary practices and will be the responsibility of the DTC Participants or the Indirect Participants and will not be the responsibility of DTC, the Trustee, the Agents or the Company. None of the Company, the Note Guarantors, the Trustee and the Agents will be liable for any delay by DTC or any of the DTC Participants or the Indirect Participants in identifying the beneficial owners of the Notes, and the Company, the Note Guarantors, the Trustee and the Agents may conclusively rely on and will be protected in relying on instructions from DTC or its nominee for all purposes.

Subject to the transfer restrictions set forth under "Transfer Restrictions," transfers between the DTC Participants will be effected in accordance with DTC's procedures, and will be settled in same-day funds, and transfers between participants in Euroclear and Clearstream will be effected in accordance with their respective rules and operating procedures.

Subject to compliance with the transfer restrictions applicable to the Notes described herein, cross-market transfers between the DTC Participants, on the one hand, and Euroclear or Clearstream participants, on the other hand, will be effected through DTC in accordance with DTC's rules on behalf of Euroclear or Clearstream, as the case may be, by their respective depositaries; however, such cross-market transactions will require delivery of instructions to Euroclear or Clearstream, as the case may be, by the counterparty in such system in accordance with the rules and procedures and within the established deadlines (Brussels time) of such system. Euroclear or Clearstream, as the case may be, will, if the transaction meets its settlement requirements, deliver instructions to its respective depositary to take action to effect final settlement on its behalf by delivering or receiving interests in the relevant Global Note in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Euroclear participants and Clearstream participants may not deliver instructions directly to the depositories for Euroclear or Clearstream.

DTC has advised the Company that it will take any action permitted to be taken by a holder of Notes only at the direction of one or more DTC Participants to whose account DTC has credited the interests in the Global Notes and only in respect of such portion of the aggregate principal amount of the Notes as to which such DTC Participant or DTC Participants has or have given such direction. However, if there is an Event of Default under the Notes, DTC reserves the right to exchange the Global Notes for legended Notes in certificated form, and to distribute such Notes to DTC Participants.

Although DTC, Euroclear and Clearstream have agreed to the foregoing procedures to facilitate transfers of interests in the Rule 144A Global Notes and the Regulation S Global Notes among participants in DTC, Euroclear and Clearstream, they are under no obligation to perform or to continue to perform such procedures, and may discontinue such procedures at any time. None of the Company, the Trustee, the Agents and any of their respective agents will have any responsibility for the performance by DTC, Euroclear or Clearstream or their respective participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

Exchange of Global Notes for Definitive Notes

A Global Note is exchangeable for Definitive Notes if:

(1) DTC (with respect to the Dollar Notes) or Euroclear and/or Clearstream (with respect to the Euro Notes), as the case may be, notifies the Company that it is unwilling or unable to continue as Depositary and a successor depositary is not appointed within 120 days;

(2) DTC, Euroclear or Clearstream so requests following an Event of Default under the Indenture;

(3) the owner of a Book-Entry Interest requests such exchange in writing delivered through DTC, Euroclear or Clearstream following an Event of Default under the Indenture.

In addition, beneficial interests in a Global Note may be exchanged for Definitive Notes upon prior written notice given to the Trustee by or on behalf of DTC (with respect to the Dollar Notes) or Euroclear and/or Clearstream (with respect to the Euro Notes), as the case may be, in accordance with the Indenture. In all cases, Definitive Notes delivered in exchange for any Global Note or beneficial interests in Global Notes will be registered in the names, and issued in any approved denominations, requested by or on behalf of the depositary (in accordance with its customary procedures) and will bear the applicable restrictive legend referred to in "Transfer Restrictions," unless that legend is not required by applicable law.

In the case of Definitive Notes, the holder of a Definitive Note may transfer such Definitive Note by surrendering it to the relevant Registrar. In the event of a partial transfer or a partial redemption of one Definitive Note, a new Definitive Note will be issued to the transferee in respect of the part transferred, and a new Definitive Note will be issued to the transferor or the holder, as applicable, in respect of the balance of the holding not transferred or redeemed; provided that a Definitive Note will only be issued in minimum denominations of $250,000 and integral multiples of $1,000 in excess thereof (in the case of a Definitive Note relating to the Dollar Notes) and minimum denominations of €250,000 and integral multiples of €1,000 in excess thereof (in the case of a Definitive Note relating to the Euro Notes).

Exchange of Definitive Notes for Global Notes

Definitive Notes may not be exchanged for beneficial interests in any Global Note unless the transferor first delivers to the relevant Registrar 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 "Transfer Restrictions."

Replacement of Lost, Destroyed, Wrongfully Taken or Mutilated Definitive Notes

If a Definitive Note is lost, destroyed or wrongfully taken, or if a Definitive Note is mutilated and is surrendered to the Registrar or at the office of the applicable Transfer Agent, the Company will issue and the Registrar or an authenticating agent will authenticate a replacement Definitive Note if the Registrar's and the Company's requirements are met. The Company or the Registrar may require a holder requesting replacement of a Definitive Note to furnish an indemnity bond sufficient in the judgment of both the Registrar and the Company to protect the Company, the Trustee, any Agent and any authenticating agent from any loss that any of them may suffer if a Definitive Note is replaced. The Company and/or the Registrar may charge for expenses in replacing a Definitive Note.

Exchanges Between Regulation S Notes and Rule 144A Notes

Beneficial interests in the Regulation S Global Note may be exchanged for beneficial interests in the Rule 144A Global Note only if:

(1) such exchange occurs in connection with a transfer of the Notes pursuant to Rule 144A; and

(2) the transferor first delivers to the Transfer Agent a written certificate (in the form provided in the Indenture) to the effect that the Notes are being transferred to a Person:

  (a) who the transferor reasonably believes to be a Qualified Institutional Buyer who is also a Qualified Purchaser;

  (b) purchasing for its own account or the account of a Qualified Institutional Buyer who is also a Qualified Purchaser in a transaction meeting the requirements of Rule 144A; and

  (c) in accordance with all applicable securities laws of the states of the United States and other jurisdictions and the restrictions on transfer set forth under "Notice to Certain Investors" and "Transfer Restrictions."

Beneficial interests in a Rule 144A Global Note may be transferred to a Person who takes delivery in the form of an interest in the Regulation S Global Note, whether before or after the expiration of the Distribution Compliance Period, only if the transferor first delivers to the Transfer Agent a written certificate (in the form provided in the Indenture) to the effect that such transfer is being made in compliance with the restrictions on transfer set forth under "Transfer Restrictions" and in accordance with Rule 903 or 904 of Regulation S or Rule 144 (if available) and that, if such transfer occurs prior to the expiration of the Distribution Compliance Period, the interest transferred will be held immediately thereafter through Euroclear or Clearstream.

This paragraph refers to transfers and exchanges in respect of the Dollar Global Notes only. Transfers involving exchanges of beneficial interests between the Regulation S Global Notes and the Rule 144A Global Notes will be effected by DTC by means of an instruction originated by the Transfer Agent through the DTC Deposit/ Withdraw at Custodian system. Accordingly, in connection with any such transfer, appropriate adjustments will be made to reflect a decrease in the principal amount of the Regulation S Global Note and a corresponding increase in the principal amount of the Rule 144A Global Note or vice versa, as applicable. Any beneficial interest in one of the Global Notes that is transferred to a Person who takes delivery in the form of an interest in the other Global Note will, upon transfer, cease to be an interest in such Global Note and will become an interest in the other Global Note and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interests in such other Global Note for so long as it remains such an interest. The policies and practices of DTC may prohibit transfers of beneficial interests in the Regulation S Global Note prior to the expiration of the Distribution Compliance Period.

Transfers of Book-Entry Interests in the Regulation S Global Notes will be restricted only to transfers in offshore transactions to persons who are non-U.S. persons in reliance on Regulation S under the U.S. Securities Act.

Redemption of the Global Notes

In the event any Global Note, or any portion thereof, is redeemed, DTC, 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 DTC, 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 DTC, Euroclear and Clearstream if fewer than all of the Notes are to be redeemed at any time, DTC, 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 €250,000 (in the case of the Euro Global Notes) or $250,000 (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 relevant Paying Agent. The relevant Paying Agent will, in turn, make such payments to the Custodian for DTC (in the case of the Dollar Global Notes) and to the common depositary for Euroclear and Clearstream (in the case of the Euro Global Notes), 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 (i.e., DTC, Euroclear or Clearstream (or their respective nominees)) as the owner thereof for the purpose of receiving payments and for all other purposes.

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 Euro Global Notes will be paid to holders of interests in such Notes (the "Euroclear/ Clearstream Holders") through Euroclear and/or Clearstream in euro. The principal of, premium, if any, and interest on, and all other amounts payable in respect of (including Additional Amounts), the Dollar Global Notes will be paid to holders of interests in such Notes (the "DTC Holders") through DTC in U.S. dollars.

Action by Owners of Book-Entry Interests

DTC, 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. DTC, 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 DTC, Euroclear and Clearstream, as applicable.

Transfers between DTC Participants will be effected in accordance with DTC's procedures, and will be settled in same-day funds. 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 "Transfer Restrictions." Book-Entry Interests in the Global Notes will be subject to the restrictions on transfer discussed in "Transfer Restrictions."

Although DTC, Euroclear and Clearstream currently follow the foregoing procedures in order to facilitate transfers of interests in the Global Notes among participants in DTC, 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 DTC, 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 dollars and euros. Book-Entry Interests will be credited to the securities custody accounts of DTC, Euroclear and 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 DTC, 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 DTC, 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% (on or after January 1, 2048, 15.15%) 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 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.

CERTAIN U.S. FEDERAL INCOME TAXATION CONSIDERATIONS

The following is a summary of certain U.S. federal income tax considerations relevant to the ownership and disposition of the Notes issued pursuant to this offering, but does not purport to be a complete analysis of all potential tax consequences. The discussion is limited to considerations relevant to a U.S. Holder (as defined below), and does not address the effects of other U.S. federal tax laws, such as estate and gift tax laws, or any state, local or foreign tax laws. This discussion is based on the U.S. Internal Revenue Code of 1986, as amended (the "Code"), Treasury regulations promulgated thereunder ("Treasury Regulations"), judicial decisions, and published rulings and administrative pronouncements of the U.S. Internal Revenue Service (the "IRS"), in each case in effect as of the date hereof. These authorities may change or be subject to differing interpretations. Any such change or differing interpretation may be applied retroactively in a manner that could adversely affect a holder of the Notes. There can be no assurance the IRS or a court will not take a contrary position to that discussed below regarding the tax consequences of the purchase, ownership and disposition of the Notes.

This discussion is limited to holders who hold the Notes as "capital assets" within the meaning of Section 1221 of the Code (generally, property held for investment). In addition, this discussion is limited to persons purchasing the Notes for cash at original issue and at their original "issue price" within the meaning of Section 1273 of the Code (i.e., the first price at which a substantial amount of a series of the Notes is sold to the public for cash). This discussion does not address all U.S. federal income tax consequences relevant to a holder's particular circumstances, including the impact of the Medicare surtax on net investment income or any minimum tax. In addition, it does not address all of the tax consequences relevant to holders who are subject to special rules, including, but not limited to:

- U.S. expatriates and former citizens or long-term residents of the United States;
- U.S. Holders whose functional currency is not the U.S. dollar;
- persons holding the Notes as part of a hedge, straddle or other risk reduction strategy or as part of a conversion transaction or other integrated investment;
- banks, insurance companies and other financial institutions;
- REITs and regulated investment companies;
- controlled foreign corporation and passive foreign investment companies;
- cooperatives;
- brokers, dealers and traders in securities;
- entities or arrangements treated as partnerships for U.S. federal income tax purposes (and investors therein);
- tax-exempt organizations (including private foundations) and governmental organizations;
- persons deemed to sell the Notes under the constructive sale provisions of the Code; and
- persons required to recognize any item of gross income for U.S. federal income tax purposes with respect to the Notes no later than when such item is taken into account on an applicable financial statement.

For purposes of this discussion, a "U.S. Holder" is a beneficial owner of a Note that, for U.S. federal income tax purposes, is:

- an individual who is a citizen or resident of the United States;
- a corporation, or an entity treated as a corporation for U.S. federal income tax purposes, created or organized under the laws of the United States, any state thereof, or the District of Columbia;
- an estate, the income of which is subject to U.S. federal income tax regardless of its source; or
- a trust that (1) is subject to the primary supervision of a U.S. court and the control of one or more "United States persons" (within the meaning of Section 7701(a)(30) of the Code), or (2) has a valid election in effect to be treated as a United States person for U.S. federal income tax purposes.

If an entity or arrangement taxed as a partnership for U.S. federal income tax purposes holds the Notes, the tax treatment of a partner in the partnership will depend on the status of the partner, the activities of the partnership and certain determinations made at the partnership and partner level. Accordingly, an entity or arrangement treated as a partnership for U.S. federal income tax purposes that is considering holding the Notes, and the partners in such partnerships, should consult their tax advisers regarding the U.S. federal income tax consequences to them and their partners of the ownership and disposition of Notes by the partnership.

THIS DISCUSSION IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT TAX ADVICE. INVESTORS SHOULD CONSULT THEIR TAX ADVISERS WITH RESPECT TO THE APPLICATION OF THE U.S. FEDERAL INCOME TAX LAWS TO THEIR PARTICULAR SITUATIONS AS WELL AS ANY TAX CONSEQUENCES OF THE OWNERSHIP AND DISPOSITION OF THE NOTES ARISING UNDER OTHER U.S. FEDERAL TAX LAWS (INCLUDING ESTATE AND GIFT TAX LAWS), UNDER THE LAWS OF ANY STATE, LOCAL OR NON-US TAXING JURISDICTION OR UNDER ANY APPLICABLE TAX TREATY.

Payments of Stated Interest

It is expected, and therefore this discussion assumes, that the Notes will be issued without original issue discount for U.S. federal income tax purposes. Payments of stated interest on a Note (including any additional amounts paid in respect of withholding taxes and without reduction for any amounts withheld) generally will be taxable to a U.S. Holder as ordinary income at the time that such payments are received or accrued, in accordance with such U.S. Holder's method of accounting for U.S. federal income tax purposes.

Any non-U.S. withholding tax paid by a U.S. Holder at the rate applicable to such holder may be eligible for foreign tax credits (or deduction in lieu of such credits) for U.S. federal income tax purposes, subject to applicable limitations.

Subject to certain limitations, a U.S. Holder will generally be entitled to a credit against its U.S. federal income tax liability, or a deduction in computing its U.S. federal taxable income, for income taxes withheld by the Company. Stated interest income on a Note will generally constitute foreign source income and will generally be considered "passive category income" for purposes of computing the foreign tax credit. There are significant and complex limitations on a U.S. Holder's ability to claim foreign tax credits (or deduction in lieu thereof). In addition, certain U.S. Treasury Regulations impose additional requirements for foreign taxes to be eligible for a foreign tax credit, though subsequent IRS guidance allows taxpayers to defer the application of many aspects of these regulations until new guidance or regulations are issued. U.S. Holders should consult their own tax advisers regarding the creditability or deductibility of any foreign taxes withheld.

With respect to the Euro Notes, a U.S. Holder that uses the cash method of tax accounting will be required to include in income the U.S. dollar value of the euro-denominated interest payment based on the spot rate of exchange on the date of receipt (regardless of whether the payment is in fact converted to U.S. dollars at that time). No foreign currency exchange gain or loss will be recognized with respect to the receipt of such payment (other than foreign currency exchange gain or loss realized on the disposition of the euros so received, see "—Sale, Exchange, Retirement, Redemption or Other Taxable Disposition of Notes" below).

A U.S. Holder that uses the accrual method of tax accounting will accrue interest income on a Euro Note in euros and translate the amount accrued into U.S. dollars based on (1) the average exchange rate in effect during the interest accrual period, or portion thereof, within such U.S. Holder's taxable year; or (2) at such U.S. Holder's election, at the spot rate of exchange on (i) the last day of the accrual period, or the last day of the taxable year within such accrual period if the accrual period spans more than one taxable year, or (ii) the date of receipt, if such date is within five business days of the last day of the accrual period. Such election must be applied consistently by the U.S. holder to all debt instruments from year to year and can be changed only with the consent of the IRS. A U.S. Holder that uses the accrual method of tax accounting will recognize foreign currency exchange gain or loss on the receipt of an interest payment equal to the difference between (1) the value of the euros received as interest, as translated into U.S. dollars using the spot rate of exchange on the date of receipt and (2) the U.S. dollar amount previously included in income with respect to such payment. Such foreign currency exchange gain or loss will be treated as ordinary income or loss but will generally not be treated as an adjustment to interest income received on the Euro Notes.

Sale, Exchange, Retirement, Redemption or Other Taxable Disposition of Notes

Upon the sale, exchange, retirement, redemption or other taxable disposition of a Note, a U.S. Holder generally will recognize U.S. source gain or loss equal to the difference, if any, between the amounts realized upon such disposition and the U.S. Holder's adjusted tax basis in the Note. The amount realized by a U.S. Holder is generally the sum of the cash plus the fair market value of all other property received on the sale or other taxable disposition, less any amount attributable to accrued but unpaid stated interest, which will be taxable as such to the extent not previously included in income as described above under "—Payments of Stated Interest." A U.S. Holder's adjusted tax basis in a Note will generally be its U.S. dollar cost for the Note. The adjusted tax basis of a Euro Note to a U.S. Holder will generally be the U.S. dollar value of the euro purchase price calculated at the spot rate of exchange on the date of purchase, and the amount realized by a U.S. Holder upon the disposition of a Euro Note will generally be the U.S. dollar value of the euros received calculated at the spot rate

of exchange on the date of disposition. If the Euro Notes are traded on an established securities market, a U.S. Holder that uses the cash method of tax accounting, and a U.S. Holder that uses the accrual method of tax accounting if it so elects, will determine the U.S. dollar values of its adjusted tax basis in the Euro Note and the amount realized on the disposition of a Euro Note by translating euro amounts at the spot rate of exchange on the settlement date of the purchase or the disposition, respectively. An accrual method U.S. Holder that does not make the special election generally will recognize foreign currency exchange gain or loss to the extent attributable to the difference between the exchange rates on the trade date and settlement date. The election available to accrual basis U.S. Holders discussed above must be applied consistently by the U.S. Holder to all debt instruments from year to year and can be changed only with the consent of the IRS.

Gain or loss a U.S. Holder recognizes on the sale or other taxable disposition of the Notes generally will be U.S. source capital gain or loss. Such gain or loss generally will be long-term capital gain or loss if a U.S. Holder has held the Notes for more than one year on the date of disposition. For non-corporate U.S. Holders, long-term capital gains are generally eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations. U.S. Holders should consult their own tax adviser regarding the tax consequences of a non-U.S. tax imposed on a disposition of Notes, including the foreign tax credit implications of the sale or retirement of Notes under its particular circumstances.

Gain or loss recognized by a U.S. Holder on a disposition of a Euro Note will generally be treated as ordinary income or loss to the extent that the gain or loss is attributable to changes in the euro to U.S. dollar exchange rate during the period in which the U.S. Holder held such Euro Note. Such foreign currency exchange gain or loss will equal the difference between the U.S. dollar value of the euro purchase price calculated at the spot rate of exchange on the date (1) the Euro Note is disposed of (or the spot rate on the settlement date, if applicable) and (2) of purchase (or the spot rate on the settlement date, if applicable). The recognition of such foreign currency exchange gain or loss will and with respect to accrued and unpaid stated interest (which will be treated as discussed above under "—Payments of Stated Interest,") be limited to the amount of overall gain or loss realized on the disposition of a Euro Note.

Information Reporting and Backup Withholding

In general, information reporting requirements will apply to payments of interest on the Notes and to the proceeds of the sale or other disposition (including a redemption or retirement) of a Note paid to a U.S. Holder, unless such U.S. Holder is an exempt recipient and, when required, provides evidence of such exemption. A U.S. Holder that is not an exempt recipient may be subject to U.S. federal backup withholding at the applicable rate (currently 24%) with respect to payments on the Notes and the proceeds of a sale or other taxable disposition of the Notes, unless the U.S. Holder provides its taxpayer identification number and certifies on IRS Form W-9, under penalties of perjury, that it is not subject to backup withholding and otherwise complies with the applicable requirements of the backup withholding rules. Backup withholding is not an additional tax. The amount of any backup withholding withheld from a payment to a U.S. Holder may be allowed as a credit against such U.S. Holder's U.S. federal income tax liability and may entitle such U.S. Holder to a refund, provided the required information is furnished to the IRS in a timely manner.

Foreign Financial Asset Reporting

Individuals (and certain entities) that own "specified foreign financial assets" with an aggregate value in excess of certain thresholds are generally required to file an information report with respect to such assets with their tax returns. The Notes will generally constitute specified foreign financial assets subject to these reporting requirements, unless the Notes are held in an account at certain financial institutions. U.S. Holders are urged to consult their tax advisers regarding the application of the foregoing disclosure requirements to their ownership of the Notes, including the significant penalties for non-compliance.

Tax Return Disclosure Requirement

Treasury Regulations require the reporting to the IRS of certain foreign currency transactions giving rise to losses in excess of a certain minimum amount, such as the receipt or accrual of interest on, or the sale, exchange, redemption, retirement or other taxable disposition of a Euro Note or foreign currency received in respect of a Euro Note. U.S. holders should consult their tax advisors to determine the tax return obligations, if any, with respect to an investment in the Notes, including any requirement to file IRS Form 8886 (Reportable Transaction Disclosure Statement).

CERTAIN ERISA AND BENEFIT PLAN CONSIDERATIONS

General Fiduciary Matters

The U.S. Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and Section 4975 of the Code impose certain requirements on (a) "employee benefit plans" (as defined in Section 3(3) of ERISA) that are subject to Title I of ERISA, (b) "plans" (as defined in Section 4975(e)(1) of the Code), such as individual retirement accounts and other arrangements that are subject to Section 4975 of the Code, and (c) entities whose underlying assets include "plan assets" (within the meaning of United States Department of Labor Regulation 29 C.F.R. Section 2510.3-101, as modified by Section 3(42) of ERISA ("Plan Assets")) of such employee benefits plans, accounts or other arrangements (each of the foregoing described in clauses (a)-(c) referred to herein as "Covered Plans"), and on those persons who are fiduciaries with respect to a Covered Plan, and prohibit certain transactions involving the assets of a Covered Plan and its fiduciaries or other interested parties. Under ERISA and the Code, any person who exercises any discretionary authority or control over the administration of such a Covered Plan or the management or disposition of the assets of a Covered Plan, or who renders investment advice for a fee or other compensation to a Covered Plan, is generally considered to be a fiduciary of the Covered Plan.

In considering an investment in the Notes, a fiduciary of a Covered Plan or a non-ERISA Plan (as defined below) should determine, among other things, that the investment is in accordance with the documents and instruments governing the Covered Plan or non-ERISA Plan and the applicable provisions of ERISA, the Code or, with respect to a non-ERISA Plan, the provisions of any Similar Laws (as defined below), relating to a fiduciary's duties to the Covered Plan or non-ERISA Plan, including, without limitation, as applicable, the prudence, diversification, liquidity, valuation, delegation of control, conflict of interest and prohibited transaction provisions of ERISA, the Code or, with respect to non-ERISA Plans, any other applicable Similar Laws.

Each Covered Plan should consider the fact that none of the issuer, the Initial Purchasers, the trustee, the agents and their respective affiliates (collectively, the "Transaction Parties") is acting, or will act, as a fiduciary to any Covered Plan with respect to the decision to purchase or hold the Notes and the Transaction Parties are not undertaking to provide investment advice or advice based on any particular investment need, or to give advice in a fiduciary capacity, with respect to the decision to purchase or hold the Notes, unless, solely with respect to an acquisition in which an affiliate of a Transaction Party acts as a fiduciary to the purchaser, a statutory or administrative exemption applies (all of the applicable conditions of which are satisfied) or the transaction is not otherwise prohibited. All communications, correspondence and materials from the Transaction Parties with respect to the Notes are intended to be general in nature and are not directed at any specific purchaser of the Notes, and do not constitute advice regarding the advisability of investment in the Notes for any specific purchaser. The decision to purchase and hold the Notes must be made solely by each prospective Covered Plan purchaser on an arm's length basis.

Prohibited Transaction Issues

Section 406 of ERISA and Section 4975 of the Code prohibit certain transactions involving the assets of a Covered Plan and certain persons having certain relationships to such Covered Plans (referred to as "parties in interest" (within the meaning of Section 3(14) of ERISA) or "disqualified persons" (within the meaning of Section 4975 of the Code)), unless a statutory or administrative exemption is applicable to the transaction. A party in interest or disqualified person who engages in a non-exempt prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and the Code. In addition, a fiduciary of the Covered Plan who engaged in such non-exempt prohibited transaction may be subject to penalties and liabilities under ERISA and the Code, and the transaction may need to be reversed. Further, with respect to any Covered Plan that is an individual retirement account subject to Section 4975 of the Code, a prohibited transaction will cause the arrangement to lose its tax-exempt status. The acquisition, holding and/or disposition of Notes by a Covered Plan with respect to which any Transaction Party is considered a party in interest or a disqualified person may constitute or result in a prohibited transaction under Section 406 of ERISA and/or Section 4975 of the Code, unless the investment is acquired and is held in accordance with an applicable statutory, class or individual prohibited transaction exemption.

A prohibited transaction within the meaning of ERISA and the Code could arise in connection with an investment in the Notes, for example, if the Notes (including any interest in a note) are acquired by a Covered Plan to which we or the Initial Purchasers or any of our or their respective affiliates is a party in interest or disqualified person and such acquisition and holding of the note is not covered by an applicable statutory or administrative exemption. In this regard, the U.S. Department of Labor has issued prohibited transaction class exemptions, or "PTCEs," that potentially may provide exemptive relief for direct or indirect prohibited transactions resulting from a Covered Plan's investment in a Note. These class exemptions include, without limitation, PTCE 84-14, as amended, respecting transactions determined by independent qualified professional

asset managers, PTCE 90-1 respecting insurance company pooled separate accounts, PTCE 91-38 respecting bank collective investment funds, PTCE 95-60 respecting insurance company general accounts and PTCE 96-23 respecting transactions determined by in-house asset managers. In addition, Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code provide relief from the prohibited transaction provisions of ERISA and Section 4975 of the Code for certain transactions, provided that neither the issuer of the Notes nor any of its affiliates (directly or indirectly) have or exercise any discretionary authority or control or render any investment advice with respect to the assets of any Covered Plan involved in the transaction and provided further that the Covered Plan pays no more than adequate consideration in connection with the transaction. Each of these PTCEs contains conditions and limitations on its application. There can be no assurance that any PTCE or any other exemption will be available with respect to any or all otherwise prohibited transactions arising in connection with an investment in Notes, or that all of the conditions of any particular exemption will be satisfied.

Accordingly, Notes (including interests therein) may not be acquired by any person investing "plan assets" of any Covered Plan or non-ERISA Plan, unless such acquisition will not constitute or result in a non-exempt prohibited transaction under ERISA or the Code or a violation of any applicable Similar Laws. Any fiduciary of a Covered Plan which proposes to cause the Covered Plan to purchase or hold the Notes (including any interest in a note) should consult with its counsel regarding the applicability of the fiduciary responsibility and prohibited transaction provisions of ERISA and Section 4975 of the Code to such an investment, and to confirm that such purchase and holding will not constitute or result in a non-exempt prohibited transaction or any other violation of an applicable requirement of ERISA or Similar Law.

U.S. governmental plans, non-U.S. plans and certain church plans (each such plan, a "non-ERISA Plan"), while not subject to the fiduciary responsibility or the prohibited transaction provisions of ERISA or the Code, may nevertheless be subject to other U.S. or non-U.S., federal state or other laws or regulations that are substantially similar to the foregoing provisions of ERISA and/or the Code (collectively "Similar Laws"). Each fiduciary of any such non-ERISA Plan should consult with its counsel before investing in the Notes with the assets of any such non-ERISA Plan to determine the need for, and the availability, if necessary, of any exemptive relief under any such Similar Laws.

Representation and Warranty

In light of the foregoing, by its purchase or holding of any Note (including any interest in a Note), each purchaser thereof or subsequent transferee will be deemed to have represented, warranted and agreed that either: (i) it is not, and is not acting on behalf of any Covered Plan or non-ERISA Plan, and no portion of the assets used to acquire or hold such Note or an interest therein constitutes assets of a Covered Plan or non-ERISA Plan or (ii) (a) the purchase, holding and disposition of such Note or an interest therein by such person does not, and will not, constitute or result in a non-exempt prohibited transaction under Title I of ERISA or Section 4975 of the Code or a violation of any applicable Similar Law, and (b) none of the Transaction Parties nor any of our or their respective affiliates or representatives is acting or will act as the Covered Plan's fiduciary in connection with the Covered Plan's decision to acquire or hold the Note (or any interest in a note) unless, solely with respect to an acquisition in which an affiliate of a Transaction Party acts a fiduciary to the purchaser, a statutory or administrative exemption applies (all of the applicable conditions of which are satisfied) or the transaction is not otherwise prohibited.

The foregoing discussion is general in nature and is not intended to be all-inclusive, nor should it be construed as legal advice. Due to the complexity of the rules and the penalties that may be imposed upon persons involved in non-exempt prohibited transactions or other violations, it is particularly important that any Covered Plan fiduciaries, or other persons considering purchasing the Notes (including an interest therein) or holding the Notes on behalf of, or with the assets of, any Covered Plan or non-ERISA Plan, should consult with their advisors and/or counsel regarding the matters described in this section. Neither this discussion nor anything provided in this offering memorandum is, or is intended to be, investment advice directed at any potential Covered Plan or non-ERISA Plan purchasers, or to Covered Plan or non-ERISA Plan purchasers generally, and such purchasers or holders of the Notes (or interests therein) have the exclusive obligation for determining that an investment in the Notes is suitable for the Covered Plan or non-ERISA Plan, as applicable and that such investment will not result in a prohibited transaction under ERISA or Section 4975 of the Code, a violation of the fiduciary requirements of ERISA, or a violation of any Similar Law, as applicable. The sale of notes (including interests therein) to any Covered Plan or non-ERISA Plan is in no respect a representation by any Transaction Party or any of our or their respective affiliates or representatives that such an investment meets all relevant legal requirements with respect to investments by Covered Plans or non-ERISA Plans generally or any particular Covered Plan or non-ERISA Plan, or that such investment is prudent or appropriate for Covered Plans or non-ERISA Plans generally or any particular Covered Plan or non-ERISA Plan.

PLAN OF DISTRIBUTION

Subject to the terms and conditions of a purchase agreement (the "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 and their affiliates against some specified types of liabilities, including liabilities under the U.S. Securities Act, and to contribute to payments the Initial Purchasers and their affiliates 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 (i) for the Dollar Notes, Citigroup Global Markets Inc., Goldman Sachs & Co. LLC, J.P. Morgan Securities LLC and Morgan Stanley & Co. LLC and (ii) for the Euro Notes, Deutsche Bank AG, London Branch, Goldman Sachs International 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 fourth business day (in New York and London) following the date of pricing of the Notes (this settlement cycle being referred to as "T+4" (in the case of New York 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.

Stamp Taxes and Other Charges

Purchasers of the Notes offered by this offering memorandum may be required to pay stamp taxes and other charges in accordance with the laws and practices of the country of purchase in addition to the offering price on the cover page of this offering memorandum.

Other Relationships

Some of the Initial Purchasers and their respective 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, J.P. Morgan Chase Bank, Goldman Sachs Bank USA and certain other Initial Purchasers or their respective affiliates are arrangers of and lenders under the 2026 Bridge Loan Facility (as described in "Description of Other Indebtedness—Borrowings—2026 Bridge Loan Facility"). The Company intends to cancel all of the undrawn capacity under the 2026 Bridge Loan Facility in connection with the use of proceeds of the Notes to fund the October 1, 2026 closing under the 2026 OpenAI Follow-on Investment.

In addition, in the ordinary course of their business activities, the Initial Purchasers and their respective 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 respective 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 respective affiliates 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 respective 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.

MiFID II Product Governance / Professional Investors and ECPs 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 Directive 2014/65/EU (as amended, "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.

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. Accordingly, the Notes are being offered and sold (i) in the United States only to persons who are reasonably believed to be both qualified institutional buyers (as defined in Rule 144A under the Securities Act) and qualified purchasers (as defined in Section 2(a)(51) of the Investment Company Act and related rules), in each case purchasing for its own account or the account of a qualified institutional buyer who is also a qualified purchaser as to which the purchaser exercises sole investment discretion, and (ii) outside the United States to non-U.S. persons in offshore transactions in reliance on Regulation S under the Securities Act. For additional information regarding restrictions on transfer applicable to the Notes, see "Transfer Restrictions."

The Company does not believe that it is necessary to rely solely on either Section 3(c)(1) or Section 3(c)(7) of the Investment Company Act in connection with this offering or otherwise. Accordingly, the Company does not believe that it is or, after completion of the offering, will be a "covered fund" as defined in the final regulations issued December 10, 2013, implementing Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, commonly known as the "Volcker Rule." For additional information, see "Certain Volcker Rule Considerations."

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, 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" 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, distributed or otherwise made available to and should not be offered, sold, distributed 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 either one (or both) of the following: (i) not a

professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "EUWA"); or (ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024 (the "POATRs"). Consequently no disclosure document required by the FCA Product Disclosure Sourcebook ("DISC") for offering, selling or distributing the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering, selling or distributing the Notes or otherwise making them available to any retail investor in the UK may be unlawful under DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024.

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

The offering of the Notes has not been submitted to the clearance of and/or cleared by the CONSOB (the Italian securities exchange commission) or registered 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.

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.

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 the Prospectus Regulation. 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.

Notwithstanding the foregoing, the Notes may be offered and sold in France exclusively to qualified investors (*investisseurs qualifiés*) as defined by Article 2(e) of the Prospectus Regulation.

Prospective investors are informed that neither this offering memorandum, nor any other materials relating to the offering, has been or will be submitted for clearance to, approval by, or registration with, the Autorité des marchés financiers.

Investors in France and persons into whose possession offering materials come must inform themselves about, and observe, any such restrictions.

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

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 the Belgian law of July 11, 2018 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 (a) does not constitute a prospectus, a product disclosure statement or other disclosure document as defined in section 9 of the Corporations Act 2001 of the Commonwealth of Australia (the "Corporations Act"); (b) does not purport to include the information required in a prospectus, a product disclosure statement or other disclosure document under the Corporations Act; (c) has not been, nor will it be, lodged as a disclosure document with, or registered by, the Australian Securities and Investments Commission ("ASIC"), the Australian Securities Exchange operated by ASX Limited or any other regulatory body or agency in Australia; and (d) may not be provided in Australia other than to select investors ("Exempt Investors") who are able to demonstrate that they both (i) are "sophisticated investors" or "professional investors" (as defined in sections 708(8) and 708(11) of the Corporations Act) and (ii) are "wholesale clients" for the purpose of section 761G of the Corporations Act. Accordingly, if you receive this offering memorandum in Australia, you confirm and warrant that you are an Exempt Investor, and you warrant and agree that you will not offer any of the Notes sold to you pursuant to this offering memorandum for resale in Australia within 12 months of those Notes being sold unless any such resale offer is exempt from the requirement to issue a disclosure document under section 708 of the Corporations Act or where a compliant disclosure document has been prepared and lodged with ASIC.

Canada

The Notes may be sold only to purchasers in the provinces or territories 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* 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". 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 or under a discretionary exemption granted by the applicable Canadian securities regulatory authority.

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.

TRANSFER RESTRICTIONS

Because of the following restrictions, purchasers are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of the Notes.

The offering is being made in accordance with Rule 144A and Regulation S under the Securities Act. The Notes have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction. Accordingly, the Notes may not be offered, sold, pledged or otherwise transferred or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) except (a) to Qualified Institutional Buyers in reliance on the exemption from the registration requirements of the Securities Act provided by Rule 144A that are also Qualified Purchasers (as defined in Section 2(a)(51)(A) of the Investment Company Act and the rules and regulations thereunder) and (b) outside the U.S. to persons other than "U.S. persons" (as defined in Rule 902 under the Securities Act) in offshore transactions in compliance with Regulation S. In addition, 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 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 either one (or both) of the following: (i) not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "EUWA"); or (ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the POATRs.

For a discussion of the requirements to effect exchanges or transfers of interests in the Global Notes, see "Book-Entry; Delivery and Form."

Rule 144A Notes

Each purchaser of the Notes (including the registered holders and beneficial owners of the Notes as they exist from time to time, including as a result of transfers, in each case, as of the time of purchase) offered hereby in reliance on Rule 144A (the "Rule 144A Notes") must be able to and will be deemed to have represented and agreed, on its own behalf and on behalf of each account for which it is purchasing, as follows:

1. It is a Qualified Institutional Buyer who is also a Qualified Purchaser; is aware the resale of the Notes to it is being made in reliance on Rule 144A; is acquiring such Notes for its own account or the account of a Qualified Institutional Buyer who is also a Qualified Purchaser as to which the purchaser exercises sole investment discretion; and it and each such account:

   (i) is not a broker-dealer which owns and invests on a discretionary basis less than US$25,000,000 in securities of unaffiliated issuers;

   (ii) is not formed for the purpose of investing in us (unless all of its beneficial owners are Qualified Institutional Buyers who are also Qualified Purchasers);

   (iii) has not invested more than 40% of its assets in the Notes (or beneficial interests therein) and/or other securities of us after giving effect to the purchase of the Notes (or beneficial interests therein) (unless all of its beneficial owners are Qualified Institutional Buyers who are also Qualified Purchasers);

   (iv) is not a participant-directed employee plan, such as a 401(K) plan, or a trust holding the asset of such a plan, unless the investment decisions with respect to such plan are made solely by the fiduciary, trustee or sponsor of such plan;

   (v) is not a partnership, common trust fund or corporation, special trust, pension fund or retirement plan, or other entity, in which the partners, beneficiaries, beneficial owners, participants, shareholders or other equity owners, as the case may be, may designate the particular investment to be made, or the allocation thereof, unless all such partners, beneficiaries, beneficial owners, participants, shareholders or other equity owners are Qualified Institutional Buyers who are also Qualified Purchasers;

   (vi) each of its beneficial owners participates in investments made by the purchaser pro rata in accordance with its interest in the purchaser, and accordingly, its beneficial owners cannot opt in or out of investments made by that purchaser;

   (vii) its beneficial owners did not and will not contribute additional capital (other than previously committed capital) for the purpose of purchasing the notes;

(viii) will provide notice of the transfer restrictions described in this "Transfer Restrictions" to any subsequent transferees, who will be deemed to make the same representations contained in this "Transfer Restrictions";

(ix) acknowledges that we may receive a list of participants holding positions in the Rule 144A Global Notes from one or more book-entry depositaries; and

(x) if it is a Section 3(c)(7) investment company, or a Section 7(d) foreign investment company relying on Section 3(c)(7) of the Investment Company Act with respect to its U.S. holders and was formed on or before April 30, 1996, it has received the necessary consent from its beneficial owners as required by the Investment Company Act.

2. It understands that if at any time we determine in good faith that a holder of a note (or beneficial interest therein) that is a U.S. person and is determined not to have been both (i) a Qualified Institutional Buyer and (ii) a Qualified Purchaser at the time of acquisition of such note or is otherwise determined to be in breach, at the time given, of any of the representations and agreements contained in this "Transfer Restrictions," we have the right to require such holder to transfer such note (or beneficial interest therein) to a transferee acceptable to us who is able to and who does make all of the representations and agreements set forth in this "Transfer Restrictions." Pending such transfer, such holder will be deemed not to be the holder of such notes for any purpose, including but not limited to receipt of principal and interest payments on such notes, and such holder will be deemed to have no interest whatsoever in such notes except as otherwise required to sell its interest therein as described in this paragraph.

3. It understands that we are not required to be registered as an "investment company" under the Investment Company Act.

4. It understands and acknowledges that such Rule 144A Notes are being offered only in a transaction not involving any public offering in the United States, within the meaning of the Securities Act, and the Rule 144A Notes offered hereby have not been and will not be registered under the Securities Act and may not be offered, resold, pledged or otherwise transferred except to a person who the seller reasonably believes is both a Qualified Institutional Buyer and a Qualified Purchaser in a transaction meeting the requirements of Rule 144A, or to a non-U.S. person in an offshore transaction in accordance with Regulation S, in each case in accordance with all applicable securities laws of the states of the United States.

5. It understands and acknowledges that Rule 144A Dollar Notes (or any interest therein) may be held, purchased, sold, pledged or otherwise transferred only in minimum principal amounts of US$250,000 and integral multiples of US$1,000 in excess thereof, whereas Rule 144A Euro Notes (or any interest therein) may be held, purchased, sold, pledged or otherwise transferred only in minimum principal amounts of €250,000 and integral multiples of €1,000 in excess thereof.

6. It understands that each Rule 144A Global Note, and each Definitive Note issued in exchange for all or part of a Rule 144A Global Note or an interest therein, will bear a legend to the following effect, unless we determine otherwise in compliance with applicable law:

THE DOLLAR NOTES MAY BE PURCHASED AND TRANSFERRED ONLY IN MINIMUM PRINCIPAL AMOUNTS OF US$250,000 AND INTEGRAL MULTIPLES OF US$1,000 IN EXCESS THEREOF, WHEREAS THE EURO NOTES MAY BE PURCHASED AND TRANSFERRED ONLY IN MINIMUM PRINCIPAL AMOUNTS OF EUR€250,000 AND INTEGRAL MULTIPLES OF EUR€1,000. IN EXCESS THEREOF. IF AT ANY TIME SOFTBANK GROUP CORP. (THE "COMPANY") DETERMINES IN GOOD FAITH THAT A HOLDER OR BENEFICIAL OWNER OF THIS NOTE OR BENEFICIAL INTERESTS HEREIN IS IN BREACH, AT THE TIME GIVEN, OF ANY OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE INDENTURE, THE COMPANY SHALL REQUIRE SUCH HOLDER TO TRANSFER THIS NOTE (OR INTEREST HEREIN) TO A TRANSFEREE ACCEPTABLE TO THE COMPANY WHO IS ABLE TO AND WHO DOES SATISFY ALL OF THE REQUIREMENTS SET FORTH HEREIN AND IN THE INDENTURE. PENDING SUCH TRANSFER, SUCH HOLDER WILL BE DEEMED NOT TO BE THE HOLDER OF THIS NOTE (OR INTEREST HEREIN) FOR ANY PURPOSE, INCLUDING BUT NOT LIMITED TO RECEIPT OF PRINCIPAL AND INTEREST PAYMENTS ON THE NOTE, AND SUCH HOLDER WILL BE DEEMED TO HAVE NO INTEREST WHATSOEVER IN THE NOTE EXCEPT AS OTHERWISE REQUIRED TO SELL ITS INTEREST THEREIN AS DESCRIBED HEREIN.

THE NOTES EVIDENCED BY THIS CERTIFICATE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY OTHER APPLICABLE SECURITIES LAW. THE COMPANY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "INVESTMENT COMPANY ACT"). ACCORDINGLY, OFFERS AND SALES OF THE NOTES MAY BE MADE ONLY IN COMPLIANCE WITH AN APPLICABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAWS IN THE UNITED STATES OR THE APPLICABLE SECURITIES LAWS OF ANY OTHER JURISDICTION AND IN A TRANSACTION THAT DOES NOT CAUSE THE COMPANY TO BE REQUIRED TO REGISTER UNDER THE INVESTMENT COMPANY ACT. BY ITS ACCEPTANCE OF A NOTE, THE PURCHASER WILL BE DEEMED TO REPRESENT THAT (I) IT HAS BEEN AFFORDED AN OPPORTUNITY TO INVESTIGATE MATTERS RELATING TO THE COMPANY AND THE NOTES, (II) IT IS NOT ACQUIRING SUCH NOTE WITH A VIEW TO ANY DISTRIBUTION THEREOF, (III) IT IS A QUALIFIED INSTITUTIONAL BUYER ("QIB") (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) AND A QUALIFIED PURCHASER ("QP") (AS DEFINED IN SECTION 2(A)(51) OF THE INVESTMENT COMPANY ACT AND RELATED RULES), IN EACH CASE PURCHASING FOR ITS OWN ACCOUNT OR THE ACCOUNT OF A QIB WHO IS ALSO A QP AS TO WHICH THE PURCHASER EXERCISES SOLE INVESTMENT DISCRETION, IN RELIANCE ON THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT PROVIDED BY RULE 144A, (IV) IT IS NOT A BROKER DEALER THAT OWNS AND INVESTS ON A DISCRETIONARY BASIS LESS THAN US$25,000,000 IN SECURITIES OF ISSUERS THAT ARE NOT ITS AFFILIATED PERSONS, (V) IT IS NOT FORMED FOR THE PURPOSE OF INVESTING IN THE COMPANY, (VI) IT HAS NOT INVESTED MORE THAN 40% OF ITS ASSETS IN THE NOTES (OR BENEFICIAL INTERESTS THEREIN) AND/OR OTHER SECURITIES OF THE COMPANY AFTER GIVING EFFECT TO THE PURCHASE OF THE NOTES (OR BENEFICIAL INTERESTS THEREIN) (UNLESS ALL OF ITS BENEFICIAL OWNERS ARE QIBS WHO ARE ALSO QPS); (VII) IT IS NOT A PARTICIPANT-DIRECTED EMPLOYEE PLAN, SUCH AS A 401(K) PLAN, OR A TRUST HOLDING THE ASSET OF SUCH A PLAN, UNLESS THE INVESTMENT DECISIONS WITH RESPECT TO SUCH PLAN ARE MADE SOLELY BY THE FIDUCIARY, TRUSTEE OR SPONSOR OF SUCH PLAN; (VIII) IT IS NOT A PARTNERSHIP, COMMON TRUST FUND OR CORPORATION, SPECIAL TRUST, PENSION FUND OR RETIREMENT PLAN, OR OTHER ENTITY, IN WHICH THE PARTNERS, BENEFICIARIES, BENEFICIAL OWNERS, PARTICIPANTS, SHAREHOLDERS OR OTHER EQUITY OWNERS, AS THE CASE MAY BE, MAY DESIGNATE THE PARTICULAR INVESTMENT TO BE MADE, OR THE ALLOCATION THEREOF, UNLESS ALL SUCH PARTNERS, BENEFICIARIES, BENEFICIAL OWNERS, PARTICIPANTS, SHAREHOLDERS OR OTHER EQUITY OWNERS ARE QIBS WHO ARE ALSO QPS; (IX) IT, AND EACH ACCOUNT FOR WHICH IT IS PURCHASING, WILL HOLD AND TRANSFER AT LEAST THE MINIMUM DENOMINATION OF SECURITIES, (X) IT UNDERSTANDS THAT THE COMPANY MAY RECEIVE A LIST OF PARTICIPANTS HOLDING POSITIONS IN THIS NOTE FROM ONE OR MORE BOOK ENTRY DEPOSITARIES, (XI) IF IT IS A SECTION 3(C)(1) OR SECTION 3(C)(7) INVESTMENT COMPANY, OR A SECTION 7(D) FOREIGN INVESTMENT COMPANY RELYING ON SECTION 3(C)(1) OR SECTION 3(C)(7) OF THE INVESTMENT COMPANY ACT WITH RESPECT TO ITS U.S. HOLDERS AND WAS FORMED ON OR BEFORE APRIL 30, 1996, IT HAS RECEIVED THE NECESSARY CONSENT FROM ITS BENEFICIAL OWNERS AS REQUIRED BY THE INVESTMENT COMPANY ACT, (XII) EACH OF ITS BENEFICIAL OWNERS PARTICIPATES IN INVESTMENTS MADE BY THE PURCHASER PRO RATA IN ACCORDANCE WITH ITS INTEREST IN THE PURCHASER, AND ACCORDINGLY, ITS BENEFICIAL OWNERS CANNOT OPT IN OR OUT OF INVESTMENTS MADE BY THAT PURCHASER, (XIII) ITS BENEFICIAL OWNERS DID NOT AND WILL NOT CONTRIBUTE ADDITIONAL CAPITAL (OTHER THAN PREVIOUSLY COMMITTED CAPITAL) FOR THE PURPOSE OF PURCHASING THE NOTES, AND (XIV) IT MUST BE ABLE TO AND WILL BE DEEMED TO REPRESENT THAT IT AGREES TO COMPLY WITH THE APPLICABLE TRANSFER RESTRICTIONS, AND WILL NOT TRANSFER THIS NOTE OR ANY BENEFICIAL INTERESTS HEREIN EXCEPT TO A PURCHASER WHO CAN MAKE THE SAME REPRESENTATIONS AND AGREEMENTS ON BEHALF OF ITSELF AND EACH ACCOUNT FOR WHICH IT IS PURCHASING OR TO A NON-U.S. PERSON IN AN OFFSHORE

TRANSACTION IN ACCORDANCE WITH RULE 904 OF REGULATION S ("REGULATION S") UNDER THE SECURITIES ACT, AND IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES. THE HOLDER HEREOF, BY PURCHASING OR ACCEPTING THIS NOTE, REPRESENTS AND AGREES FOR THE BENEFIT OF THE COMPANY THAT IT WILL NOTIFY ANY PURCHASER OF THIS NOTE FROM THE HOLDER OF THE RESALE RESTRICTIONS REFERRED TO ABOVE. AS A CONDITION TO THE REGISTRATION OF THE TRANSFER HEREOF, THE COMPANY OR THE TRANSFER AGENT MAY REQUIRE THE DELIVERY OF ANY DOCUMENTS, INCLUDING AN OPINION OF COUNSEL, THAT IT, IN ITS SOLE DISCRETION, MAY DEEM NECESSARY OR APPROPRIATE TO EVIDENCE COMPLIANCE WITH EXEMPTIONS FROM REGISTRATION UNDER THE SECURITIES ACT AND THE INVESTMENT COMPANY ACT.

7. It understands that no representation can be made as to the availability of the exemption provided by Rule 144 for resales of the Notes offered hereby.

8. It acknowledges that the trustee for the Notes will not be required to accept for registration of transfer any notes acquired by it, except upon presentation of evidence satisfactory to us and the trustee that the restrictions set forth herein have been complied with.

9. It acknowledges that we, the Initial Purchasers, the Transfer Agent and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements, and agrees that if any of the acknowledgements, representations or agreements deemed to have been made by it 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 account and it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

Compliance Procedures for Purposes of Section 3(c)(7) of the Investment Company Act

The following procedures will be taken in respect of all notes that are Rule 144A Notes:

Reminder notices

At least annually, and each time we send a periodic report to holders of notes, we will send to all holders of the Notes a reminder notice stating that: (i) each beneficial holder that is a U.S. person is required to be both a Qualified Institutional Buyer and a Qualified Purchaser that can make the representations and agreements set forth under the caption "Transfer Restrictions" herein, (ii) the Notes can be transferred only to another U.S. person that is both a Qualified Institutional Buyer and a Qualified Purchaser that can make such representations and agreements or to a non-U.S. person in an offshore transaction in accordance with Regulation S and (iii) any such transfer not in accordance with such provisions is void ab initio and we have the right to force any beneficial holder who is in breach of any such representations and agreements to sell its notes. We will send the annual or periodic report, together with the reminder notice, to each subsequent purchaser with a request that such subsequent purchaser pass the notifications along to beneficial owners of notes; provided, that so long as the Notes are in the form of the Global Notes, we may instead arrange for an "Important Notice" to be sent to participants identified by the book-entry system(s) in which the Notes are deposited with a request that participants pass them along to beneficial owners.

DTC actions with respect to the Notes

We will instruct DTC to take the following (or substantially similar) steps with respect to the Notes:

1. to include a "3c7" marker that indicates that sales, resales, pledges, exchanges or other transfers of beneficial interests to U.S. persons are limited to Qualified Institutional Buyers that are also Qualified Purchasers in the DTC 20-character descriptor for the Notes and the 48-character additional descriptor;

2. to cause each (i) physical order ticket that DTC delivers after settlement for the Notes to have the 20-character descriptor printed on it and (ii) where the deliver order ticket is electronic, to have a "3c7" indicator and a related user manual for participants, which will contain a description of the relevant restrictions;

3. to send an "Important Notice" outlining the 3(c)(7) and other transfer restrictions with respect to the Global Notes to all DTC participants in connection with the initial offering, and up to one time per year, to re-issue the "Important Notice"; and

4. to include in its "Reference Directory" that DTC makes available to its participants our name on the list of all issuers who have advised DTC that they are 3(c)(7) issuers, the CUSIP number of the Dollar Global Notes and a paragraph explaining the transfer restrictions for the Global Notes in more detail.

Upon our request, DTC will provide us a list of all DTC participants holding interests in the Global Notes.

Euroclear actions with respect to the notes

We will instruct Euroclear to take the following (or substantially similar) steps with respect to the Notes:

1. to include "144A/3(c)(7)" in the security name of the notes in the Euroclear securities database, which descriptor will be visible to all Euroclear participants who settle 3(c)(7) securities in the Euroclear System in the name field of the notes;
2. to list the notes by name, which will include "144A/3(c)(7)," in each daily securities balances report sent to the participants listing their positions in all securities held through Euroclear and each daily securities transaction reporting confirming settlement in all trades executed by the participant that day;
3. to send an "Important Notice" outlining the 3(c)(7) and other transfer restrictions with respect to the Global Notes to all Euroclear participants holding positions in the Notes periodically (and at least annually);
4. to include the 3(c)(7) marker in the name of the notes in the list of all securities within the securities' database (updated on a bi-monthly basis) that is distributed monthly to all participants.

Upon our request, Euroclear will provide us a list of all Euroclear participants holding interests in the Global Notes, and any purchaser or subsequent transferee of the notes hereby consents to the provision of such information relating such holder of the note by Euroclear to us.

Clearstream actions with respect to the notes

We will instruct Clearstream to take the following (or substantially similar) steps with respect to the notes:

1. to include "144A/3(c)(7)" in the security name of the notes in the Clearstream Banking securities database, which descriptor will be visible to all Clearstream Banking participants who settle 3(c)(7) securities through Clearstream Banking in the name field of the notes;
2. to list the notes by name, which will include "144A/3(c)(7)," in each daily portfolio report sent to participants listing their positions in all securities held through Clearstream Banking and daily settlement report confirming settlement in all trades executed by the participant that day;
3. to send an "Important Notice" outlining the 3(c)(7) and other transfer restrictions with respect to the Global Notes to all Clearstream participants holding positions in the notes periodically (and at least annually);
4. to include the 3(c)(7) marker in the name of the notes in the continually updated list of all securities accepted within its database that is made available to all of its participants via its website.

Upon our request, Clearstream will provide to the Issuer a list of all Clearstream participants holding interests in the Global Notes, and any purchaser or subsequent transferee of the notes hereby consents to the provision of such information relating such holder of the note by Clearstream to us.

Bloomberg screens, etc.

The Bloomberg screen containing information about any note will include appropriate legends regarding Rule 144A and Section 3(c)(7) restrictions. In the event that Telekurs, Reuters or any other information service provider becomes an important source of information in the secondary market for the Notes, any screen of any such provider containing information about any notes will include substantially similar language.

CUSIP

The confirmations relating to trades of the Dollar Notes sold in reliance on Rule 144A will contain a CUSIP number which has a fixed field attached thereto containing "Section 3(c)(7)" and "Rule 144A" indicators.

Legends

We will not remove the legends or portion thereof relating to Section 3(c)(7) of the Investment Company Act described under "Transfer Restrictions" from the Notes sold in reliance on Rule 144A so long as we are relying on the exemption from registration under the Investment Company Act provided by Section 3(c)(7) thereof.

Forced Sale for Non-Qualified Institutional Buyers/Qualified Purchasers

We have the right under the Indenture to require any holder of a note (or beneficial interest therein) that is a U.S. person and is determined not to have been both (i) a Qualified Institutional Buyer and (ii) a Qualified Purchaser at the time of acquisition of such note (or such beneficial interest therein) or is otherwise determined to be in breach, at the time given, of any of the representations and agreements contained in this "Transfer Restrictions" to transfer such note (or such beneficial interest therein), within 30 days after notice of the sale requirement is given, to a transferee acceptable to us who is able to and who does make all of the representations and agreements set forth in this "Transfer Restrictions." Pending such transfer, such holder will be deemed not to be the holder of such notes for any purpose, including but not limited to receipt of principal and interest payments on such notes, and such holder will be deemed to have no interest whatsoever in such notes except as otherwise required to sell its interest therein as described in this paragraph. See "Description of the Notes—Right to Require Resale."

Regulation S Notes

Each purchaser of notes other than the Rule 144A Notes ("Regulation S Notes") must be able to and will be deemed to have represented and agreed as follows:

1. It is a non-U.S. person who is acquiring such Regulation S Notes in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S under the Securities Act.

2. It understands that such Regulation S Notes are being offered only outside the United States to non-U.S. persons in offshore transactions in reliance on Regulation S under the Securities Act and that the Regulation S Notes offered hereby have not been and will not be registered under the Securities Act and may not be offered, resold, pledged or transferred within the United States or to, or for the account or benefit of U.S. persons.

3. It agrees that it will deliver to each person to whom it transfers the Regulation S Notes notice of any restrictions on transfer of such Regulation S Notes.

4. It understands that each Regulation S Global Note, and each Definitive Note issued in exchange for all or part of a Regulation S Global Note or interest therein, will bear a legend to the following effect, unless we determine otherwise in compliance with applicable law:

   THE DOLLAR NOTES MAY BE PURCHASED AND TRANSFERRED ONLY IN MINIMUM PRINCIPAL AMOUNTS OF US$250,000 AND INTEGRAL MULTIPLES OF US$1,000 IN EXCESS THEREOF, WHEREAS THE EURO NOTES MAY BE PURCHASED AND TRANSFERRED ONLY IN MINIMUM PRINCIPAL AMOUNTS OF EUR€250,000 AND INTEGRAL MULTIPLES OF EUR€1,000 IN EXCESS THEREOF.

   THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY JURISDICTION AND MAY NOT BE REOFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OR TO A U.S. PERSON (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT). BY ITS ACCEPTANCE OF A NOTE, THE PURCHASER WILL BE DEEMED TO REPRESENT THAT IT IS A NON-U.S. PERSON ACQUIRING SUCH NOTE OUTSIDE THE UNITED STATES IN AN "OFFSHORE TRANSACTION" (AS DEFINED IN REGULATION S UNDER THE U.S. SECURITIES ACT).

5. It acknowledges that the trustee for the Notes will not be required to accept for registration of transfer any notes acquired by it, except upon presentation of evidence satisfactory to us and the trustee that the restrictions set forth herein have been complied with.

6. It acknowledges that we, the Initial Purchasers, the Transfer Agent and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements, and agrees that if any of the acknowledgements, representations or agreements deemed to have been made by it

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 account and it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

European Economic Area and United Kingdom Distributors

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:

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 either one (or both) of the following: (i) not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "EUWA"); or (ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the POATRs.

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, 2026, with the corresponding figures presented as comparative information as of and for the fiscal year ended March 31, 2025, and 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 reports appearing herein.

The unaudited condensed interim consolidated financial statements of the Company and its subsidiaries as of and for the three-month period ended June 30, 2026, with the corresponding figures presented as comparative information as of March 31, 2026 and for the three-month period ended June 30, 2025, included in this offering memorandum have been reviewed by Deloitte Touche Tohmatsu LLC, independent accountant, as stated in its review 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, 2026, 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, 2026, 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, including the ethical requirements that are relevant to audits of the financial statements of public interest entities, 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 of SVF (FVTPL) classified as Level 3

(1) Key Audit Matter Description

The Company recognized the investments of SVF (FVTPL) amounting to ¥23,495,706 million in the consolidated statement of financial position as of March 31, 2026, which was quantitatively material to the consolidated financial statements. Also, the balance includes ¥20,510,483 million of Level 3 investments, whose fair values were measured using unobservable inputs as discussed in "Note 30. Fair value of financial instruments." The enterprise values to calculate the fair values of the investments of SVF (FVTPL) classified as Level 3 are calculated primarily based on the recent transactions method, the market comparable company multiple method and the discounted cash flow method. The Company applies one or more of these methods to each security.

The following key assumptions involve significant management judgment and could have a significant effect on the valuation:

- Management's judgment that the transaction price applied in the recent transactions method is the most representative of fair value at the measurement date
- Selection of peer companies as the basis for revenue multiples and other valuation multiples used for a market comparable company multiple method
- Business plan and cost of capital that are used in the discounted cash flow method
- Weighted average ratio when more than one valuation methods described above is used

Subsequent events that provide additional evidence of fair value as of the reporting date could also significantly affect the fair value measurement.

The calculated enterprise value is allocated to the equity value of each class of shares 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 of 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 of 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 inquiries 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 of SVF (FVTPL) classified as Level 3 where the recent transactions method is utilized, we evaluated the reasonableness of management's judgment that the transaction price selected reflects an orderly transaction between market participants at the measurement date and is the most representative of fair value, through inquiries of management and inspection of relevant supporting documentation.
- For the investments of 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 and other valuation multiples selected by management, with the assistance of our valuation specialists.
- For the investments of SVF (FVTPL) classified as Level 3 where the discounted cash flow method is utilized, we performed retrospective reviews of performance against plan in order to evaluate the reasonableness of the business plan. We evaluated the reasonableness of the cost of capital used in the valuation with the assistance of our valuation specialists.

- For the investments of 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 conditions of the 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 occurring subsequent to the end of the reporting period, and evaluated whether or not these events should be considered in estimating the fair value of the relevant investment as of 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 was calculated based on the seniority structure defined in the contract, articles of incorporation and other information, and evaluated the reasonableness of management's estimate of the possibility of an initial public offering or other relevant events by performing inquiries of management and inspecting related documents.
- With the assistance of our valuation specialists, we evaluated whether management's fair value estimates materially differed from our independently developed fair value estimates.

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, 2026, which were charged by us and our network firms to SoftBank Group Corp. and its subsidiaries were ¥11,026 million and ¥1,074 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
September 18, 2026

Consolidated Financial Statements

a. Consolidated Statement of Financial Position

	Notes	(Millions of yen)		(Thousands of U.S. dollars)
		As of March 31, 2025	As of March 31, 2026	As of March 31, 2026
ASSETS				
Current assets				
Cash and cash equivalents	9	¥ 3,713,028	¥ 5,362,150	$ 33,538,591
Trade and other receivables	10, 29	3,008,144	3,302,622	20,656,880
Derivative financial assets	29	111,258	44,221	276,589
Other financial assets	11, 29	1,485,877	2,135,608	13,357,568
Inventories	12	198,291	240,179	1,502,245
Other current assets	13	365,880	730,821	4,571,060
Subtotal		8,882,478	11,815,601	73,902,933
Assets classified as held for sale	14	550,440	—	—
Total current assets		9,432,918	11,815,601	73,902,933
Non-current assets				
Property, plant and equipment	15	2,830,185	3,446,559	21,557,162
Right-of-use assets	16	857,961	921,612	5,764,398
Goodwill	17	5,781,931	7,314,532	45,750,138
Intangible assets	17	2,414,562	2,469,843	15,448,105
Costs to obtain contracts		383,022	439,265	2,747,467
Investments accounted for using the equity method	20	502,995	739,274	4,623,930
Investments of SVF (FVTPL)	29	11,410,922	23,495,706	146,958,381
Investment securities	29	8,040,068	4,264,641	26,674,012
Derivative financial assets	29	168,248	327,547	2,048,705
Other financial assets	11, 29	2,767,625	3,701,668	23,152,790
Deferred tax assets	22	207,987	273,591	1,711,227
Other non-current assets	13	215,332	1,539,708	9,630,398
Total non-current assets		35,580,838	48,933,946	306,066,713
Total assets		¥ 45,013,756	¥ 60,749,547	$ 379,969,646

	Notes	(Millions of yen)		(Thousands of U.S. dollars)
		As of March 31, 2025	As of March 31, 2026	As of March 31, 2026
LIABILITIES AND EQUITY				
Current liabilities				
Interest-bearing debt	23, 29	¥ 5,629,648	¥ 7,251,630	$ 45,356,705
Lease liabilities	18, 29	165,355	184,666	1,155,029
Deposits for banking business	24, 29	1,795,965	2,550,998	15,955,704
Trade and other payables	25, 29	3,036,349	3,616,646	22,621,003
Derivative financial liabilities	29	840,469	137,858	862,259
Other financial liabilities	26, 29	5,940	39,944	249,837
Income taxes payable		444,180	182,506	1,141,519
Provisions	28	54,047	79,296	495,972
Other current liabilities	27	629,717	790,004	4,941,231
Total current liabilities		12,601,670	14,833,548	92,779,259
Non-current liabilities				
Interest-bearing debt	23, 29	12,376,682	17,433,486	109,041,068
Lease liabilities	18, 29	741,665	793,784	4,964,874
Third-party interests in SVF	7, 29	3,652,797	3,746,396	23,432,549
Derivative financial liabilities	29	104,197	549,000	3,433,825
Other financial liabilities	26, 29	199,284	450,847	2,819,909
Provisions	28	155,436	216,527	1,354,309
Deferred tax liabilities	22	924,392	1,443,678	9,029,760
Other non-current liabilities	27	304,607	813,849	5,090,375
Total non-current liabilities		18,459,060	25,447,567	159,166,669
Total liabilities		31,060,730	40,281,115	251,945,928
Equity				
Equity attributable to owners of the parent				
Common stock	34	238,772	238,772	1,493,445
Capital surplus	34	3,376,724	3,510,713	21,958,425
Other equity instruments	34	193,199	193,199	1,208,400
Retained earnings	34	2,701,792	7,323,791	45,808,050
Treasury stock	34	(256,251)	(24,761)	(154,872)
Accumulated other comprehensive income	34	5,307,305	6,380,109	39,905,610
Total equity attributable to owners of the parent		11,561,541	17,621,823	110,219,058
Non-controlling interests	19, 34	2,391,485	2,846,609	17,804,660
Total equity		13,953,026	20,468,432	128,023,718
Total liabilities and equity		¥ 45,013,756	¥ 60,749,547	$ 379,969,646

b. Consolidated Statement of Profit or Loss and Consolidated Statement of Comprehensive Income

Consolidated Statement of Profit or Loss

	Notes	(Millions of yen) Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	(Thousands of U.S. dollars) Fiscal year ended March 31, 2026
Net sales	37	¥ 7,243,752	¥ 7,798,650	$ 48,778,146
Cost of sales	38	(3,489,549)	(3,782,511)	(23,658,438)
Gross profit		3,754,203	4,016,139	25,119,708
Gain on investments				
Investment Business of Holding Companies	39	3,413,821	218,111	1,364,217
SoftBank Vision Funds	7	387,584	6,638,611	41,522,461
Other	39	(100,298)	429,774	2,688,103
Total gain on investments		3,701,107	7,286,496	45,574,781
Selling, general and administrative expenses	38	(3,024,409)	(4,020,928)	(25,149,662)
Finance cost	40	(581,559)	(771,790)	(4,827,308)
Foreign exchange gain (loss)		27,055	(271,009)	(1,695,078)
Derivative gain (loss) (excluding gain (loss) on investments)	41	(2,034,029)	204,333	1,278,040
Change in third-party interests in SVF	7	(491,898)	(534,613)	(3,343,839)
Other gain	42	354,251	226,277	1,415,293
Income before income tax		1,704,721	6,134,905	38,371,935
Income taxes	22	(101,613)	(502,929)	(3,145,665)
Net income		¥ 1,603,108	¥ 5,631,976	$ 35,226,270
Net income attributable to				
Owners of the parent		¥ 1,153,332	¥ 5,002,271	$ 31,287,660
Non-controlling interests	19	449,776	629,705	3,938,610
Net income		¥ 1,603,108	¥ 5,631,976	$ 35,226,270

	Notes	(Yen) Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	(U.S. dollars) Fiscal year ended March 31, 2026
Earnings per share*				
Basic earnings per share	44	¥ 195.20	¥ 873.51	$ 5.46
Diluted earnings per share	44	¥ 194.85	¥ 872.47	$ 5.46

* Effective January 1, 2026, a four-for-one ordinary share split was conducted. “Basic earnings per share” and “Diluted earnings per share” are calculated assuming that the share split had been conducted at the beginning of the fiscal year ended March 31, 2025.

Consolidated Statement of Comprehensive Income

	Notes	(Millions of yen) Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	(Thousands of U.S. dollars) Fiscal year ended March 31, 2026
Net income		¥ 1,603,108	¥ 5,631,976	$ 35,226,270
Other comprehensive income, net of tax				
Items that will not be reclassified to profit or loss				
Remeasurements of defined benefit plan	43	2,598	4,193	26,226
Equity financial assets at FVTOCI	43	(13,757)	(6,834)	(42,745)
Share of other comprehensive income of associates	43	162	386	2,415
Total items that will not be reclassified to profit or loss		(10,997)	(2,255)	(14,104)
Items that may be reclassified subsequently to profit or loss				
Debt financial assets at FVTOCI	43	(2,373)	(3,109)	(19,446)
Cash flow hedges	43	42,263	18,425	115,243
Exchange differences on translating foreign operations	43	(547,774)	1,114,456	6,970,578
Share of other comprehensive income of associates	43	(1,879)	7,759	48,530
Total items that may be reclassified subsequently to profit or loss		(509,763)	1,137,531	7,114,905
Total other comprehensive income, net of tax		(520,760)	1,135,276	7,100,801
Total comprehensive income		¥ 1,082,348	¥ 6,767,252	$ 42,327,071
Total comprehensive income attributable to				
Owners of the parent		¥ 666,237	¥ 6,098,756	$ 38,145,835
Non-controlling interests		416,111	668,496	4,181,236
Total comprehensive income		¥ 1,082,348	¥ 6,767,252	$ 42,327,071

c. Consolidated Statement of Changes in Equity

For the fiscal year ended March 31, 2025

(Millions of yen)

	Notes	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	35	—	—	—	(64,086)	—	—	(64,086)
Distribution to owners of other equity instruments	34	—	—	—	(18,867)	—	—	(18,867)
Transfer of accumulated other comprehensive income to retained earnings	34	—	—	—	(580)	—	580	—
Purchase and disposal of treasury stock	34	—	—	—	(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	34	—	—	—	—	—	—	—
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

(Millions of yen)

	Notes	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	35	(368,868)	(432,954)
Distribution to owners of other equity instruments	34	—	(18,867)
Transfer of accumulated other comprehensive income to retained earnings	34	—	—
Purchase and disposal of treasury stock	34	—	(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	34	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

For the fiscal year ended March 31, 2026

(Millions of yen)

	Notes	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, 2025		¥238,772	¥3,376,724	¥ 193,199	¥2,701,792	¥(256,251)	¥ 5,307,305	¥11,561,541
Comprehensive income								
Net income		—	—	—	5,002,271	—	—	5,002,271
Other comprehensive income		—	—	—	—	—	1,096,485	1,096,485
Total comprehensive income		—	—	—	5,002,271	—	1,096,485	6,098,756
Transactions with owners and other transactions								
Cash dividends	35	—	—	—	(62,969)	—	—	(62,969)
Distribution to owners of other equity instruments	34	—	—	—	(18,390)	—	—	(18,390)
Transfer of accumulated other comprehensive income to retained earnings	34	—	—	—	23,681	—	(23,681)	—
Purchase and disposal of treasury stock	34	—	—	—	(603)	(90,501)	—	(91,104)
Retirement of treasury stock	34	—	—	—	(321,991)	321,991	—	—
Changes from business combination		—	—	—	—	—	—	—
Changes in interests in subsidiaries		—	140,110	—	—	—	—	140,110
Share-based payment transactions		—	(562)	—	—	—	—	(562)
Changes from put options written on non-controlling interests		—	(5,567)	—	—	—	—	(5,567)
Other		—	8	—	—	—	—	8
Total transactions with owners and other transactions		—	133,989	—	(380,272)	231,490	(23,681)	(38,474)
As of March 31, 2026		¥238,772	¥3,510,713	¥ 193,199	¥7,323,791	¥ (24,761)	¥ 6,380,109	¥17,621,823

(Millions of yen)

	Notes	Non-controlling interests	Total equity
As of April 1, 2025		¥ 2,391,485	¥13,953,026
Comprehensive income			
Net income		629,705	5,631,976
Other comprehensive income		38,791	1,135,276
Total comprehensive income		668,496	6,767,252
Transactions with owners and other transactions			
Cash dividends	35	(354,358)	(417,327)
Distribution to owners of other equity instruments	34	—	(18,390)
Transfer of accumulated other comprehensive income to retained earnings	34	—	—
Purchase and disposal of treasury stock	34	—	(91,104)
Retirement of treasury stock	34	—	—
Changes from business combination		69,655	69,655
Changes in interests in subsidiaries		50,016	190,126
Share-based payment transactions		59,591	59,029
Changes from put options written on non-controlling interests		(38,720)	(44,287)
Other		444	452
Total transactions with owners and other transactions		(213,372)	(251,846)
As of March 31, 2026		¥ 2,846,609	¥20,468,432

(Thousands of U.S. dollars)

	Notes	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, 2025		$1,493,445	$21,120,365	$ 1,208,400	$16,898,874	$(1,602,770)	$ 33,195,553	$ 72,313,867
Comprehensive income								
Net income		—	—	—	31,287,660	—	—	31,287,660
Other comprehensive income		—	—	—	—	—	6,858,175	6,858,175
Total comprehensive income		—	—	—	31,287,660	—	6,858,175	38,145,835
Transactions with owners and other transactions								
Cash dividends	35	—	—	—	(393,852)	—	—	(393,852)
Distribution to owners of other equity instruments	34	—	—	—	(115,024)	—	—	(115,024)
Transfer of accumulated other comprehensive income to retained earnings	34	—	—	—	148,118	—	(148,118)	—
Purchase and disposal of treasury stock	34	—	—	—	(3,772)	(566,056)	—	(569,828)
Retirement of treasury stock	34	—	—	—	(2,013,954)	2,013,954	—	—
Changes from business combination		—	—	—	—	—	—	—
Changes in interests in subsidiaries		—	876,345	—	—	—	—	876,345
Share-based payment transactions		—	(3,515)	—	—	—	—	(3,515)
Changes from put options written on non-controlling interests		—	(34,820)	—	—	—	—	(34,820)
Other		—	50	—	—	—	—	50
Total transactions with owners and other transactions		—	838,060	—	(2,378,484)	1,447,898	(148,118)	(240,644)
As of March 31, 2026		$1,493,445	$21,958,425	$ 1,208,400	$45,808,050	$ (154,872)	$ 39,905,610	$110,219,058

(Thousands of U.S. dollars)

	Notes	Non-controlling interests	Total equity
As of April 1, 2025		$ 14,958,000	$ 87,271,867
Comprehensive income			
Net income		3,938,610	35,226,270
Other comprehensive income		242,626	7,100,801
Total comprehensive income		4,181,236	42,327,071
Transactions with owners and other transactions			
Cash dividends	35	(2,216,400)	(2,610,252)
Distribution to owners of other equity instruments	34	—	(115,024)
Transfer of accumulated other comprehensive income to retained earnings	34	—	—
Purchase and disposal of treasury stock	34	—	(569,828)
Retirement of treasury stock	34	—	—
Changes from business combination		435,671	435,671
Changes in interests in subsidiaries		312,835	1,189,180
Share-based payment transactions		372,723	369,208
Changes from put options written on non-controlling interests		(242,182)	(277,002)
Other		2,777	2,827
Total transactions with owners and other transactions		(1,334,576)	(1,575,220)
As of March 31, 2026		$ 17,804,660	$128,023,718

d. Consolidated Statement of Cash Flows

	Notes	(Millions of yen) Fiscal year ended March 31, 2025	(Millions of yen) Fiscal year ended March 31, 2026	(Thousands of U.S. dollars) Fiscal year ended March 31, 2026
Cash flows from operating activities				
Net income		¥ 1,603,108	¥ 5,631,976	$ 35,226,270
Depreciation and amortization		866,823	918,750	5,746,497
(Gain) loss on investments at Investment Business of Holding Companies		(3,422,188)	24,998	156,355
Gain on investments at SoftBank Vision Funds		(387,584)	(6,638,611)	(41,522,461)
Finance cost		581,559	771,790	4,827,308
Foreign exchange (gain) loss		(27,055)	271,009	1,695,078
Derivative loss (gain) (excluding (gain) loss on investments)		2,034,029	(204,333)	(1,278,040)
Change in third-party interests in SVF		491,898	534,613	3,343,839
Loss (gain) on other investments and other gain		(253,953)	(656,051)	(4,103,396)
Income taxes		101,613	502,929	3,145,665
(Increase) decrease in investments of asset management subsidiaries		(769,572)	793,550	4,963,410
Increase in securities pledged as collateral in asset management subsidiaries		(49,047)	(1,012,634)	(6,333,713)
Increase in trade and other receivables		(508,544)	(797,320)	(4,986,990)
Increase in inventories		(40,000)	(42,304)	(264,598)
Increase in trade and other payables		237,030	550,942	3,445,972
Other		143,021	369,959	2,313,979
Subtotal		601,138	1,019,263	6,375,175
Interest and dividends received		299,714	175,437	1,097,304
Interest paid		(482,111)	(839,234)	(5,249,149)
Income taxes paid		(380,008)	(821,620)	(5,138,979)
Income taxes refunded		164,847	37,322	233,437
Net cash provided by (used in) operating activities		203,580	(428,832)	(2,682,212)

	Notes	(Millions of yen) Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	(Thousands of U.S. dollars) Fiscal year ended March 31, 2026
Cash flows from investing activities				
Payments for acquisition of investments	45	(1,625,245)	(1,525,390)	(9,540,843)
Proceeds from sales/redemption of investments	45	1,180,746	3,807,274	23,813,322
Payments for acquisition of investments by SVF	45	(578,927)	(5,106,118)	(31,937,190)
Proceeds from sales of investments by SVF	45	458,319	1,125,888	7,042,082
Payments (net) for acquisition of control over subsidiaries	8, 45	(194,216)	(973,101)	(6,086,446)
Purchase of property, plant and equipment, and intangible assets	45	(854,173)	(1,733,830)	(10,844,571)
Payments into time deposits		(139,211)	(243,145)	(1,520,797)
Proceeds from withdrawal of time deposits		166,897	200,605	1,254,722
Other	45	(45,730)	(59,355)	(371,247)
Net cash used in investing activities		(1,631,540)	(4,507,172)	(28,190,968)

	Notes	(Millions of yen) Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	(Thousands of U.S. dollars) Fiscal year ended March 31, 2026
Cash flows from financing activities				
(Repayment of) proceeds in short-term interest-bearing debt, net	23	(421,723)	1,043,095	6,524,237
Proceeds from interest-bearing debt	23	5,313,665	11,948,212	74,732,374
Repayment of interest-bearing debt	23	(3,809,082)	(5,426,889)	(33,943,514)
Repayment of lease liabilities		(186,441)	(192,823)	(1,206,048)
Distribution/repayment from SVF to third-party investors	7	(1,485,774)	(696,053)	(4,353,596)
Contribution from non-controlling interests		45,969	144,659	904,797
Distribution to owners of other equity instruments		(18,867)	(18,390)	(115,024)
Proceeds from the issuance of other equity instruments in subsidiaries	45	200,000	—	—
Purchase of treasury stock		(237,058)	(93,241)	(583,194)
Cash dividends paid		(64,020)	(62,909)	(393,476)
Cash dividends paid to non-controlling interests	19	(368,678)	(354,224)	(2,215,562)
Other		(84,375)	85,870	537,091
Net cash (used in) provided by financing activities		(1,116,384)	6,377,307	39,888,085
Effect of exchange rate changes on cash and cash equivalents		37,487	207,819	1,299,843
Increase in cash and cash equivalents relating to transfer of assets classified as held for sale		33,011	—	—
(Decrease) increase in cash and cash equivalents		(2,473,846)	1,649,122	10,314,748
Cash and cash equivalents at the beginning of the year		6,186,874	3,713,028	23,223,843
Cash and cash equivalents at the end of the year		¥ 3,713,028	¥ 5,362,150	$ 33,538,591

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 AI Computing 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 ¥159.88 to $1, the exchange rate at March 31, 2026. 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 cash flows)

a. Cash flows from operating activities

"(Increase) decrease in securities pledged as collateral in asset management subsidiaries," which was included in "Other" in the past fiscal year, is separately presented for the fiscal year ended March 31, 2026, since the amount increased and became significant. In order to reflect the change in presentation, ¥(49,047) million, which was included in "Other" for the fiscal year ended March 31, 2025, is reclassified as "(Increase) decrease in securities pledged as collateral in asset management subsidiaries."

b. Cash flows from investing activities

"Proceeds (net) from loss of control over subsidiaries," "Payments for loan receivables," and "Collection of loan receivables," which were separately presented for the past fiscal year, are included in "Other" for the fiscal year ended March 31, 2026, since the amounts decreased and became insignificant. In order to reflect the changes in presentation, ¥94,862 million, ¥(36,538) million, and ¥119,384 million, which were presented as "Proceeds (net) from loss of control over subsidiaries," "Payments for loan receivables," and "Collection of loan receivables" for the fiscal year ended March 31, 2025, are included in "Other," respectively.

c. Cash flows from financing activities

"Contribution from non-controlling interests" which was included in "Other" in the past fiscal year, is separately presented for the fiscal year ended March 31, 2026, since the amount increased and became significant. In order to reflect the change in presentation, ¥45,969 million, which was included in "Other" for the fiscal year ended March 31, 2025, is reclassified as "Contribution from non-controlling interests."

"Purchase of shares of subsidiaries from non-controlling interests," which was separately presented for the past fiscal year, is included in "Other" for the fiscal year ended March 31, 2026, since the amount decreased

and became insignificant. In order to reflect the change in presentation, ¥(79,581) million, which was presented as "Purchase of shares of subsidiaries from non-controlling interests" for the fiscal year ended March 31, 2025, is included in "Other."

(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" 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	SBLA Latin America Fund LLC
SLA LLC	SLA Holdco II LLC
SVF	SVF1, SVF2, and LatAm
SBIA	SB Investment Advisers (UK) Limited

Company names / Abbreviations	Definition
SBGA	SB Global Advisers Limited
Arm	Arm Holdings plc
Ampere	Ampere Computing Holdings LLC
Energy Global	Energy Global, LP (a subsidiary engaged in the development, construction, and operation of solar power plants, as well as the development and construction of data centers, in the U.S.)
Robo HD	Silver Bands 4 (US) Corp. (an intermediate holding company that holds robotics-related investments)
OpenAI	OpenAI Group PBC*
Fortress	Fortress Investment Group LLC
WeWork	WeWork Inc.
T-Mobile	T-Mobile US, Inc.
Deutsche Telekom	Deutsche Telekom AG
Alibaba	Alibaba Group Holding Limited
MgmtCo	MASA USA LLC

* On October 28, 2025, the recapitalization of OpenAI Global, LLC ("OpenAI Global") was completed. As a result, investors, including SVF2, became shareholders of OpenAI Group PBC, a newly established Delaware public benefit corporation. For descriptions relating to events occurring prior to that date, "OpenAI" is used as a collective reference to OpenAI, Inc. and its associates, including OpenAI Global and its employee shareholding vehicle.

(7) Changes in account titles

For the fiscal year ended March 31, 2026, the account titles of the consolidated financial statements have been changed as follows:

Consolidated Statement of Financial Position

Previous	Current
Investments from SVF (FVTPL)	Investments of SVF (FVTPL)

Consolidated Statement of Profit or Loss

Previous	Current
Gain (loss) on investments at Investment Business of Holding Companies	Gain on investments - Investment Business of Holding Companies
Gain (loss) on investments at SoftBank Vision Funds	Gain on investments - SoftBank Vision Funds
Gain (loss) on other investments	Gain on investments - Other

Consolidated Statement of Cash Flows

Previous	Current
(Increase) decrease in investments from asset management subsidiaries	(Increase) decrease in investments of asset management subsidiaries

3. Material accounting policies

Accounting policies the Company has adopted have been applied consistently to all periods presented in these consolidated financial statements.

(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 by the Company" under "(20) Material accounting policies for the SoftBank Vision Funds segment" for details of SVF1, SVF2, and LatAm.

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, and investments made by SoftBank Group Corp. or its subsidiaries based on the premise of transferring to SVF1, SVF2, and LatAm, 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" under "(20) Material accounting policies for the SoftBank Vision Funds segment" for details of SVF1, SVF2, and LatAm.

(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 instruments 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 of 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 33. 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 accumulated other comprehensive income 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 of 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.

However, when the economic characteristics and risks of the 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 realizable 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 primarily as follows:

Buildings and structures	
Buildings	20 - 50 years
Structures	3 - 50 years
Building fixtures	2 - 22 years
Telecommunications equipment	
Wireless equipment, switching equipment, and other network equipment	5 - 15 years
Towers	10 - 42 years
Other	5 - 30 years
Machinery and equipment	
Solar power generation facilities	35 years
Furniture, fixtures and equipment	
Leased mobile devices	3 years
Other	2 - 20 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 primarily as follows:

Software	3 - 15 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 16. 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, restricted stock compensation plans, and others 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 is vested on the grant date and accordingly the fair value of restricted stock 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.

Display advertising (programmatic) mainly comprises Yahoo! JAPAN Ads, LINE VOOM, and LINE NEWS.

Revenues from Yahoo! JAPAN Ads 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."

AI Computing segment

In the AI Computing 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. Where arrangements include royalty buydowns or upfront minimum royalty commitments, Arm treats them as fixed contract consideration under licensing revenue. 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.

(e) Third party arrangements

In certain arrangements, Arm arranges for third parties to provide products or services to customers. Revenue is recognized on a gross basis when Arm controls the product or service, and on a net margin basis when it acts as an agent. In agent arrangements, control passes directly from the third party to the customer, and Arm bears no inventory or performance risk.

b. Royalty revenue

For most IP license agreements, royalties are collected on products that incorporate the Arm's IP. Arm applies the royalty exception, under which revenue is recognized when the subsequent sale or usage occurs, assuming control of the license to which the royalty relates has transferred to the customer. Accordingly, 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, the Company applies the following accounting policies.

a. Consolidation of SVF1, SVF2, and LatAm 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, 2026, 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 is a limited liability company in which a wholly-owned subsidiary of the Company invests (LatAm owns limited partnerships and the other forms of entities). LatAm is consolidated by the Company as it holds more than one-half of the voting rights of LatAm.

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, are eliminated in consolidation.

b. Portfolio company investments made by SVF1, SVF2, and LatAm

(a) Investments in subsidiaries

Of the portfolio company investments made by SVF1, SVF2, and LatAm, 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 are eliminated in consolidation.

(b) Investments in associates and joint ventures

Of the portfolio company investments made by SVF1, SVF2, and LatAm, 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 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 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 of 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 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 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 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 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, 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 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. 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 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, 2026, 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 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 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 from Third-Party Investors and no cash distributions/repayments from SVF2 and LatAm to Third-Party Investors were made as of March 31, 2026.

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 from the Company are eliminated in consolidation.

4. Changes in accounting policies

The Company has adopted the standards and interpretations that became mandatorily effective for the fiscal year ended March 31, 2026. There are no significant impacts on the consolidated financial statements of the Company due to the adoption of these accounting standards and 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 19. 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 20. 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 42. Other gain");
- estimates for fair value of assets acquired and liabilities assumed in business combinations ((2) in "Note 3. Material accounting policies" and "Note 8. Business combinations");
- 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," (1) and (2) in "Note 30. Fair value of financial instruments," "Note 39. Gain on investments," and "Note 42. Other gain");
- estimates for impairment of financial assets measured at amortized cost ((4) in "Note 3. Material accounting policies");
- fair value measurement of derivatives (including embedded derivatives) ((4) in "Note 3. Material accounting policies" and (1) in "Note 30. 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 17. Goodwill and intangible assets," and "Note 42. Other gain");
- judgments and estimates for accounting treatment of contracts including leases ((10) in "Note 3. Material accounting policies," "Note 16. Right-of-use assets," and "Note 18. Leases");
- judgments and estimates for recognition and measurement on provisions ((12) in "Note 3. Material accounting policies" and "Note 28. Provisions");
- judgments and estimates for salability related to classification as held for sale ((14) in "Note 3. Material accounting policies" and "Note 14. Disposal group classified as held for sale");
- fair value measurement of liabilities related to cash-settled share-based payments ((15) in "Note 3. Material accounting policies" and "Note 36. Share-based payment transactions");
- judgments for timing of revenue recognition related to indirect sales of mobile devices ((16) in "Note 3. Material accounting policies" and "Note 37. 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 37. 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 22. Income taxes");
- significant judgments for recognition related to deferred tax liabilities ((18) in "Note 3. Material accounting policies" and "Note 22. 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 47. 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.

Until the six-month period ended September 30, 2025, the Company had four reportable segments, the Investment Business of Holding Companies segment, the SoftBank Vision Funds segment, the SoftBank segment, and the Arm segment.

Subsequently, for the three-month period ended December 31, 2025, following the completion of the acquisition of Ampere, a re-evaluation of the operating units, which were regularly reviewed by the Board of Directors for performance evaluation, was conducted. As a result, Arm, which had previously been included in the Arm segment, Graphcore Limited and others previously included in "Other," and Ampere were combined, and the AI Computing segment was newly established as a reportable 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 in the segment consist of gain and loss on 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, investment activities in a wide range of technology sectors. Primarily, gain and loss on investments in the segment consist of gain and loss on investments held by SVF1, SVF2, and LatAm including the investments in the Company's subsidiaries.

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 AI Computing segment provides, mainly through Arm, Ampere, and Graphcore Limited, design of semiconductor IP, chips, and related technology, development and sale of semiconductor chips, as well as sale of software tools and provision of related services.

Information on business segments, which is not included in the reportable segments, is classified as "Other." "Other" includes mainly Energy Global, Robo HD, 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, Robo HD, and PayPay Corporation, subsidiaries of the Company, and others, which are included in segment income of the SoftBank Vision Funds segment.

In addition, the segment information for the fiscal year ended March 31, 2025 has been reclassified and presented based on the revised reportable segments.

(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 and loss on investments included in segment income include gain and loss on investments in financial assets at FVTPL, interest and dividends from investments, derivative gain and loss relating to investments, and gain and loss on the sale of investments accounted for using the equity method.

Intersegment transaction prices are determined under the same general business conditions as applied for external customers.

For the fiscal year ended March 31, 2025

(Millions of yen)

	Reportable segments			
	Investment Business of Holding Companies	SoftBank Vision Funds*	SoftBank	AI Computing
Net sales				
Customers	¥ —	¥ —	¥ 6,541,357	¥ 590,301
Intersegment	—	—	2,918	—
Total	¥ —	¥ —	¥ 6,544,275	¥ 590,301
Segment income	794,251	(115,018)	906,309	(10,891)
Depreciation and amortization	(3,249)	(2,058)	(739,874)	(97,255)
Gain (loss) on investments	3,413,821	434,903	(25,074)	(20,441)
Finance cost	(531,252)	(40,244)	(81,453)	(2,604)
Foreign exchange gain	19,257	62	4,112	353
Derivative gain (loss)(excluding gain (loss) on investments)	(2,041,830)	—	214	—

	Total	Other	Reconciliations	Consolidated
Net sales				
Customers	¥ 7,131,658	¥ 112,094	¥ —	¥ 7,243,752
Intersegment	2,918	20,590	(23,508)	—
Total	¥ 7,134,576	¥ 132,684	¥ (23,508)	¥ 7,243,752
Segment income	1,574,651	89,560	40,510	1,704,721
Depreciation and amortization	(842,436)	(24,387)	—	(866,823)
Gain (loss) on investments	3,803,209	(53,514)	(48,588)	3,701,107
Finance cost	(655,553)	(18,672)	92,666	(581,559)
Foreign exchange gain	23,784	3,271	—	27,055
Derivative gain (loss)(excluding gain (loss) on investments)	(2,041,616)	7,587	—	(2,034,029)

For the fiscal year ended March 31, 2026

(Millions of yen)

	Reportable segments			
	Investment Business of Holding Companies	SoftBank Vision Funds*	SoftBank	AI Computing
Net sales				
Customers	¥ —	¥ —	¥ 7,033,969	¥ 640,309
Intersegment	—	—	6,906	—
Total	¥ —	¥ —	¥ 7,040,875	¥ 640,309
Segment income	(472,082)	6,444,601	965,002	(137,266)
Depreciation and amortization	(2,973)	(1,887)	(775,601)	(107,125)
Gain (loss) on investments	218,111	6,991,871	13,953	5,607
Finance cost	(645,592)	(164,895)	(93,582)	(5,556)
Foreign exchange gain (loss)	(281,961)	(388)	(1,397)	1,315
Derivative gain (excluding gain (loss) on investments)	192,523	—	2,615	—

	Total	Other	Reconciliations	Consolidated
Net sales				
Customers	¥ 7,674,278	¥ 124,372	¥ —	¥ 7,798,650
Intersegment	6,906	26,276	(33,182)	—
Total	¥ 7,681,184	¥ 150,648	¥ (33,182)	¥ 7,798,650
Segment income	6,800,255	(328,316)	(337,034)	6,134,905
Depreciation and amortization	(887,586)	(31,164)	—	(918,750)
Gain (loss) on investments	7,229,542	408,268	(351,314)	7,286,496
Finance cost	(909,625)	(26,222)	164,057	(771,790)
Foreign exchange gain (loss)	(282,431)	11,422	—	(271,009)
Derivative gain (excluding gain (loss) on investments)	195,138	9,195	—	204,333

(Thousands of U.S. dollars)

	Reportable segments			
	Investment Business of Holding Companies	SoftBank Vision Funds*	SoftBank	AI Computing
Net sales				
Customers	$ —	$ —	$43,995,303	$ 4,004,935
Intersegment	—	—	43,195	—
Total	$ —	$ —	$44,038,498	$ 4,004,935
Segment income	(2,952,727)	40,308,988	6,035,789	(858,556)
Depreciation and amortization	(18,595)	(11,803)	(4,851,145)	(670,033)
Gain (loss) on investments	1,364,217	43,731,993	87,272	35,069
Finance cost	(4,037,978)	(1,031,367)	(585,326)	(34,752)
Foreign exchange gain (loss)	(1,763,579)	(2,427)	(8,738)	8,225
Derivative gain (excluding gain (loss) on investments)	1,204,172	—	16,356	—

	Total	Other	Reconciliations	Consolidated
Net sales				
Customers	$ 48,000,238	$ 777,908	$ —	$48,778,146
Intersegment	43,195	164,348	(207,543)	—
Total	$ 48,043,433	$ 942,256	$ (207,543)	$48,778,146
Segment income	42,533,494	(2,053,515)	(2,108,044)	38,371,935
Depreciation and amortization	(5,551,576)	(194,921)	—	(5,746,497)
Gain (loss) on investments	45,218,551	2,553,590	(2,197,361)	45,574,780
Finance cost	(5,689,423)	(164,011)	1,026,126	(4,827,308)
Foreign exchange gain (loss)	(1,766,519)	71,441	—	(1,695,078)
Derivative gain (excluding gain (loss) on investments)	1,220,528	57,512	—	1,278,040

* The details of the difference between "Gain (loss) on investments" in the SoftBank Vision Funds segment and "Gain on investments - 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, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2026
Japan	¥ 6,374,909	¥ 6,780,450	$ 42,409,620
Other	868,843	1,018,200	6,368,526
Total	¥ 7,243,752	¥ 7,798,650	$ 48,778,146

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, 2025	As of March 31, 2026	As of March 31, 2026
Japan	¥ 7,239,874	¥ 7,356,457	$ 46,012,366
U.K.	4,099,932	4,414,867	27,613,629
U.S.	976,255	3,980,282	24,895,434
Other	166,932	379,913	2,376,239
Total	¥ 12,482,993	¥ 16,131,519	$ 100,897,668

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.

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. In addition, for the fiscal year ended March 31, 2026, the presentation of the table below was changed. In order to reflect the change, the presentation for the fiscal year ended March 31, 2025 has been reclassified.

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2026
Gain on investments			
SVF1[*1,2,3]	¥ 1,022,971	¥ 50,301	$ 314,617
SVF2[*2,3,4]	(561,656)	6,853,744	42,868,051
LatAm	8,110	43,111	269,646
Others	(34,522)	44,715	279,679
Total gain on investments	434,903	6,991,871	43,731,993
Selling, general and administrative expenses	(62,169)	(50,955)	(318,708)
Finance cost (interest expenses)	(40,244)	(164,895)	(1,031,367)
Change in third-party interests in SVF	(491,898)	(534,613)	(3,343,839)
Other gain [*5,6]	44,390	203,193	1,270,909
Segment income arising from the SoftBank Vision Funds business (income before income tax)	¥ (115,018)	¥ 6,444,601	$ 40,308,988

*1 In August 2023, SVF1 sold Arm shares for $16.1 billion (the "Transaction Consideration") to a wholly-owned subsidiary of the Company (the "Transaction"). The proceeds of the sale were scheduled to be paid in four installments and all installments were paid by August 2025. At the date of sale, the gain and loss on investments were recognized 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 the gain and loss on investments. As a result of the Transaction, for the fiscal year ended March 31, 2026, ¥10,207 million ($63,842 thousand) of gain on investments (for the fiscal year ended March 31, 2025: ¥75,333 million of gain on investments) is included in gain on investments in the above-mentioned segment income. However, these are eliminated in consolidation due to inter-company transactions relating to shares of a subsidiary.

*2 For the fiscal year ended March 31, 2026, ¥343,054 million ($2,145,697 thousand) of gain on investments (for the fiscal year ended March 31, 2025: ¥28,014 million of loss on investments) related to the Company's subsidiaries and others held by SVF1 and SVF2 (mainly PayPay Corporation and Robo HD) is included in gain on investments in the above-mentioned segment income. However, the gain and loss on investments are eliminated in consolidation.

The gain and loss on investments, that are eliminated in consolidation, are not included in "Gain on investments - SoftBank Vision Funds" in the consolidated statement of profit or loss.

*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 of the transaction, for the fiscal year ended March 31, 2025, ¥419 million of gain on investments was recognized in SVF1 and SVF2.

*4 For the fiscal year ended March 31, 2026, ¥6,465,523 million ($40,439,849 thousand) of gain on investments was recognized mainly due to an increase in the fair value of the investments in OpenAI held by SVF2. The amount includes gain on investments related to changes in fair value between the date of the transfer agreement and the exercise date of the right, arising from the transfer to SVF2 of the right held by SoftBank Group Corp. to make an additional investment in OpenAI (a forward contract). The details are described in "a. Additional investment agreement executed in March 2025" in "(2) Investment in OpenAI" under "Note 49. Additional information."

*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 of gain was recognized.

*6 For the fiscal year ended March 31, 2026, SVF2, at the first closing, acquired equity interests (convertible interest rights) in OpenAI Global through a wholly-owned subsidiary, and converted such subsidiary interests into preferred shares of OpenAI Group PBC by contributing them in kind to OpenAI Group PBC. As a result of losing control over the subsidiary, a gain of ¥159,805 million ($999,531 thousand) was recognized. The details are described in "a. Additional investment agreement executed in March 2025" in "(2) Investment in OpenAI" under "Note 49. Additional information."

(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. The net proceeds from SVF1 and LatAm 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, 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 are described in "a. Co-investment program with restricted rights to receive distributions" in "(1) Related party transactions and balances" under " Note 46. Related party transactions." There are no Third-Party Investors who contributed to Preferred Equity in SVF2 and LatAm.

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)

	Third-party interests in SVF1 (Total of current liabilities and non-current liabilities)		(For reference purposes only) Links with the consolidated financial statements	
			Consolidated statement of profit or loss (Negative figures represent expenses)	Consolidated statement of cash flows (Negative figures represent payments)
		(Breakdown)		
As of April 1, 2025	¥ 3,647,647			
Changes in third-party interests	50,503		(50,503)	—
Attributable to investors entitled to fixed distribution		41,446		
Attributable to investors entitled to performance-based distribution		9,057		
Distribution/repayment to Third-Party Investors	(696,053)		—	(696,053)
Exchange differences on translating third-party interests*1	243,908		—	—
As of March 31, 2026*2	¥ 3,246,005			

(Thousands of U.S. dollars)

	Third-party interests in SVF1 (Total of current liabilities and non-current liabilities)		(For reference purposes only) Links with the consolidated financial statements	
			Consolidated statement of profit or loss (Negative figures represent expenses)	Consolidated statement of cash flows (Negative figures represent payments)
		(Breakdown)		
As of April 1, 2025	$ 22,814,905			
Changes in third-party interests	315,880		(315,880)	—
Attributable to investors entitled to fixed distribution		259,231		
Attributable to investors entitled to performance-based distribution		56,649		
Distribution/repayment to Third-Party Investors	(4,353,596)		—	(4,353,596)
Exchange differences on translating third-party interests*1	1,525,569		—	—
As of March 31, 2026*2	$ 20,302,758			

*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, 2026, the amount attributable to investors entitled to fixed distribution is ¥596,094 million ($3,728,384 thousand) and of this amount, the amount of unpaid fixed distributions is not recorded.

(b) Third-party interests in SVF2 and receivables

Changes in interests attributable to Third-Party Investor in SVF2 (included in "Third-party interests in SVF" in the consolidated statement of financial position) are as follows: Third-Party Investor in SVF2 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 SVF2 (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, 2025	¥ —		
Changes in third-party interests	489,749	(489,749)	—
Exchange differences on translating third-party interests*	10,642	—	—
As of March 31, 2026	¥ 500,391		

(Thousands of U.S. dollars)

		(For reference purposes only) Links with the consolidated financial statements	
	Third-party interests in SVF2 (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, 2025	$ —		
Changes in third-party interests	3,063,229	(3,063,229)	—
Exchange differences on translating third-party interests*	66,562	—	—
As of March 31, 2026	$ 3,129,791		

* 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 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 46. Related party transactions."

(Millions of yen)

	Receivables from Third-Party Investor in SVF2
As of April 1, 2025	¥ 455,664
Increase in receivables from accrued premiums charged to Third-Party Investor	12,408
Exchange differences on receivables	32,319
As of March 31, 2026	¥ 500,391

(Thousands of U.S. dollars)

	Receivables from Third-Party Investor in SVF2
As of April 1, 2025	$ 2,850,038
Increase in receivables from accrued premiums charged to Third-Party Investor	77,608
Exchange differences on receivables	202,145
As of March 31, 2026	$ 3,129,791

(c) Third-party interests in LatAm and receivables

Changes in interests attributable to Third-Party Investor in LatAm (included in "Third-party interests in SVF" in the consolidated statement of financial position) are as follows: Third-Party Investor in LatAm 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 (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, 2025	¥	5,150		
Changes in third-party interests		(5,639)	5,639	—
Exchange differences on translating third-party interests*		489	—	—
As of March 31, 2026	¥	—		

(Thousands of U.S. dollars)

			(For reference purposes only) Links with the consolidated financial statements	
	Third-party interests in LatAm (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, 2025	$	32,212		
Changes in third-party interests		(35,270)	35,270	—
Exchange differences on translating third-party interests*		3,058	—	—
As of March 31, 2026	$	—		

* 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. The changes in the receivables from Third-Party Investor in LatAm (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 are described in "(b) Transactions between LatAm and related parties" in "a. Co-investment program with restricted rights to receive distributions" in "(1) Related party transactions and balances" under "Note 46. Related party transactions."

(Millions of yen)

		Receivables from Third-Party Investor in LatAm
As of April 1, 2025	¥	106,864
Increase in receivables from accrued premiums charged to Third-Party Investor		2,918
Exchange differences on receivables		7,580
As of March 31, 2026	¥	117,362

(Thousands of U.S. dollars)

		Receivables from Third-Party Investor in LatAm
As of April 1, 2025	$	668,401
Increase in receivables from accrued premiums charged to Third-Party Investor		18,251
Exchange differences on receivables		47,411
As of March 31, 2026	$	734,063

c. Uncalled committed capital from Third-Party Investors

Uncalled committed capital from SVF1's Third-Party Investors as of March 31, 2026 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, 2026, no performance-linked management fees were paid to SBGA.

c. Management fees, performance-linked management fees, and performance fees in LatAm

Management fees to SBGA from LatAm are, in accordance with the constitutional agreements, calculated based on the acquisition cost of investments and paid to SBGA by LatAm quarterly.

The amount of the performance-linked management fees to SBGA from LatAm 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.

Same as the performance-based distributions, the amount of the performance fees to SBGA from LatAm is calculated using the allocation method as specified in the constitutional agreements. SBGA is entitled to receive the performance fees when LatAm receives cash through disposition, dividend, and monetization of an investment.

From the inception of LatAm to March 31, 2026, neither performance-linked management fees nor performance fees were paid to SBGA.

8. Business combination

For the fiscal year ended March 31, 2026

Ampere

(1) Overview of business combination

In March 2025, SoftBank Group Corp. entered into an agreement with 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 through Silver Bands 6 (US) Corp. ("SB6"), a wholly-owned subsidiary of the Company. Subsequently, on November 25, 2025, the acquisition transaction pursuant to the agreement was completed.

As a result of the transaction, Ampere became a wholly-owned subsidiary of the Company.

(2) Purpose of consolidation

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, and 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).

Note:

* 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.

(3) Overview of Ampere

Name	Ampere Computing Holdings LLC
Address	Santa Clara, California, USA
Name and title of representative	Jeff Wittich Chief Product Officer
Nature of business	Semiconductor design, focused on high-performance, energy-efficient, sustainable AI compute based on the Arm compute platform
Founded	September 27, 2017

(4) Overview of the acquisition

The principal sellers in the transaction are Carlyle Partners VI Denver Holdings, L.P., Oracle Project Denver Holdings LLC, and Arm. The transaction was 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, was merged with and into Ampere. The surviving company after the merger was Ampere and its equity holders at the time of the effective date of the merger (other than the equity holding entities) received cash consideration, while Ampere, the surviving company, became a wholly-owned subsidiary of the Company.

(5) Acquisition date

November 25, 2025

(6) Consideration transferred and the component

		(Millions of yen)	(Thousands of U.S. dollars)
		Acquisition date (November 25, 2025)	Acquisition date (November 25, 2025)
Payment for the acquisition by cash		¥ 970,680	$ 6,071,303
Fair value of equity interest in Ampere already held at the time of the acquisition		46,899	293,339
Total consideration transferred	A	¥ 1,017,579	$ 6,364,642

Acquisition-related costs of ¥15,502 million ($96,960 thousand) arising from the business combination are recognized in "Selling, general and administrative expenses" in the consolidated statement of profit or loss.

As a result of remeasuring the equity interest already held by the Company at the time of the acquisition of control in Ampere at fair value, ¥(3,093) million ($(19,346) thousand) of a difference arising from a step acquisition is recognized. Of this, ¥839 million ($5,248 thousand) of gain is recognized as "Gain on investments - Other" in the consolidated statement of profit or loss and the amount reflecting tax effects on ¥(3,932) million ($(24,594) thousand) of loss is recognized as "Equity financial assets at FVTOCI" in the consolidated statement of comprehensive income, respectively.

(7) Fair value of assets and liabilities, and goodwill on the acquisition date

		(Millions of yen)	(Thousands of U.S. dollars)
		Acquisition date (November 25, 2025)	Acquisition date (November 25, 2025)
Cash and cash equivalents		¥ 39,886	$ 249,475
Other current assets		3,020	18,889
Non-current assets		13,365	83,594
Total assets		56,271	351,958
Current liabilities		57,695	360,864
Non-current liabilities		59,641	373,037
Total liabilities		117,336	733,901
Net assets	B	(61,065)	(381,943)
Goodwill*	A-B	¥ 1,078,644	$ 6,746,585

Consideration transferred is allocated to acquired assets and assumed liabilities based on the fair value on the acquisition date. However, certain items are under identification and measurement. The above amounts are provisional fair values based on the best estimate at present and may change in a year from the acquisition date.

The above amount is translated at the exchange rate (USD = JPY156.87) as of the acquisition date.

Note:
* Goodwill reflects excess earning power expected from the future business development, assembled workforce related to research and development, and the synergy between the Company and the acquiree.

(8) Payment for acquisition of control over subsidiaries

	(Millions of yen)	(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2026
Payment for the acquisition by cash	¥ (970,680)	$ (6,071,303)
Cash and cash equivalents held by the acquiree at the time of acquisition of control	39,886	249,475
Payment for the acquisition of control over the subsidiaries	¥ (930,794)	$ (5,821,828)

(9) Sales and net income of the acquiree

The amounts of the acquiree's sales and net loss before elimination of inter-company transactions after the acquisition date, which are recorded in the consolidated statements of profit or loss for the fiscal year ended March 31, 2026, are ¥2,186 million ($13,673 thousand) and ¥35,294 million ($220,753 thousand), respectively. In addition, amortization expenses related to intangible assets, whose allocation of consideration transferred has not been completed, are not recognized.

(10) Consolidated net sales and consolidated net income assuming that the business combinations were completed at the beginning of the fiscal year

The following is pro forma information (unaudited) of consolidated performance of the Company for the fiscal year ended March 31, 2026, assuming that the business combination of Ampere was completed and control was acquired as of April 1, 2025.

	(Millions of yen)	(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2026
Sales (pro forma)	¥ 7,801,032	$ 48,793,045
Net income (pro forma)	¥ 5,606,081	$ 35,064,304

(11) Financing

In order to procure the funds necessary for the transaction, SoftBank Group Corp. executed borrowings of $6.5 billion pursuant to a loan agreement entered into with financial institutions on April 10, 2025 (the "Bridge Loan").

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 borrowing amount	$6.5 billion
Drawdown date	November 25, 2025
Use of proceeds	Acquisition of equity interests in Ampere, repayment of Ampere's existing borrowings, and payment of related expenses
Repayment date	April 10, 2026
Collateral	None
Guarantor	None

In addition, SoftBank Group Corp. repaid the above loan in April 2026.

9. 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, 2025	As of March 31, 2026	As of March 31, 2026
Cash and demand deposits*	¥ 3,181,792	¥ 4,693,175	$ 29,354,360
MMF	423,372	477,291	2,985,308
Time deposits (maturities of less than three months)	105,677	170,492	1,066,375
Other	2,187	21,192	132,548
Total	¥ 3,713,028	¥ 5,362,150	$ 33,538,591

* A subsidiary operating a banking business subject to the Act on Reserve Requirement System 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. As of March 31, 2026, cash and cash equivalents include deposits at the Bank of Japan of ¥292,622 million ($1,830,260 thousand) (as of March 31, 2025: ¥212,258 million), which are more than the legal reserve requirement.

10. 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, 2025	As of March 31, 2026	As of March 31, 2026
Trade receivables	¥ 2,187,562	¥ 2,544,029	$ 15,912,115
Installment receivables*	383,463	389,417	2,435,683
Deposits for banking business	138,434	178,746	1,118,001
Deposits	282,657	121,640	760,821
Other	45,803	107,608	673,055
Allowance for doubtful accounts	(29,775)	(38,818)	(242,795)
Total	¥ 3,008,144	¥ 3,302,622	$ 20,656,880

* 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)."

11. Other financial assets

The components of other financial assets are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2025	As of March 31, 2026	As of March 31, 2026
Current			
Securities pledged as collateral in asset management subsidiaries	¥ 47,947	¥ 1,092,249	$ 6,831,680
Investments from asset management subsidiaries	1,041,213	310,872	1,944,408
Trading securities	130,908	203,185	1,270,859
Time deposits (maturities of more than three months)	144,593	196,076	1,226,395
Marketable securities	71,916	192,585	1,204,560
Other	56,920	142,464	891,068
Allowance for doubtful accounts	(7,620)	(1,823)	(11,402)
Total	¥ 1,485,877	¥ 2,135,608	$ 13,357,568
Non-current			
Deposits for banking business	875,371	1,533,451	9,591,262
Installment receivables*1	634,780	799,845	5,002,783
Receivables from MgmtCo*2	562,528	617,753	3,863,854
Loans in credit card business	246,006	293,464	1,835,527
Loan receivables	146,509	121,624	760,721
Security deposits, lease deposits and key money	70,999	89,185	557,825
Other	374,314	374,440	2,342,006
Allowance for doubtful accounts	(142,882)	(128,094)	(801,188)
Total	¥ 2,767,625	¥ 3,701,668	$ 23,152,790

*1 Installment receivables are described in "Note 10. 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. The receivables of SVF2 and LatAm as of March 31, 2026 are ¥500,391 million ($3,129,791 thousand) and ¥117,362 million ($734,063 thousand) (as of March 31, 2025: ¥455,664 million and ¥106,864 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 46. Related party transactions."

12. Inventories

The components of inventories are as follows:

		(Millions of yen)	(Thousands of U.S. dollars)
	As of March 31, 2025	As of March 31, 2026	As of March 31, 2026
Merchandise and finished products	¥ 166,588	¥ 209,293	$ 1,309,063
Other	31,703	30,886	193,182
Total	¥ 198,291	¥ 240,179	$ 1,502,245

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, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2026
Write-downs of inventories	¥ 21,648	¥ 20,981	$ 131,230

13. 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, 2025	As of March 31, 2026	As of March 31, 2026
Current			
Prepaid expense	¥ 129,522	¥ 271,985	$ 1,701,182
Advances paid	18,031	188,315	1,177,853
Tax receivable	64,775	86,277	539,636
Contract assets	96,015	77,094	482,199
Other	57,537	107,150	670,190
Total	¥ 365,880	¥ 730,821	$ 4,571,060
Non-current			
Advance payment for property, plant and equipment*1	—	678,726	4,245,222
Lease incentive*2	—	582,962	3,646,247
Long-term prepaid expense	128,932	166,076	1,038,754
Other	86,400	111,944	700,175
Total	¥ 215,332	¥ 1,539,708	$ 9,630,398

*1 Advance payments for the acquisition of assets related to power generation and AI infrastructure in the U.S.

*2 Energy Global granted warrants, convertible into its ordinary equity interests, as lease incentives in connection with lessor lease arrangements related to data centers. Such lease incentives are initially measured at fair value and subsequently accounted for as a reduction of lease income over the relevant lease term in accordance with IFRS 16 "Leases." The details of the warrants are described in "(b) Price risk" in "a. Market risk" in "(2) Financial risk management" under "Note 29. Financial instruments."

14. Disposal group classified as held for sale

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.

In addition, for the fiscal year ended March 31, 2026, all of the prepaid forward contracts using Alibaba shares were settled and completed.

15. 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, 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
Purchases	20,225	31,469	43,388	35,629	17,075	731,244	6,753	885,783
Business combinations	1,103	—	3,523	4,079	—	51	1,782	10,538
Disposals	(4,275)	(187,989)	(4,839)	(31,987)	(1)	(1,420)	(2,814)	(233,325)
Transfer of accounts	27,655	136,673	44,101	98,162	(83)	(276,888)	10,207	39,827
Exchange differences	1,035	52	50,160	4,058	1,052	34,710	3,302	94,369
Other	(2,794)	5,890	56	(896)	115	(9,150)	(616)	(7,395)
As of March 31, 2026	¥ 501,307	¥ 3,663,850	¥ 805,590	¥ 869,088	¥119,668	¥ 883,723	¥ 76,590	¥ 6,919,816

(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, 2025	$ 2,866,888	$ 23,003,221	$4,185,645	$4,753,834	$634,914	$ 2,534,251	$362,622	$38,341,375
Purchases	126,501	196,829	271,379	222,848	106,799	4,573,705	42,238	5,540,299
Business combinations	6,899	—	22,035	25,513	—	319	11,146	65,912
Disposals	(26,739)	(1,175,813)	(30,266)	(200,069)	(6)	(8,882)	(17,601)	(1,459,376)
Transfer of accounts	172,973	854,847	275,838	613,973	(519)	(1,731,849)	63,842	249,105
Exchange differences	6,474	326	313,735	25,382	6,580	217,100	20,653	590,250
Other	(17,476)	36,840	351	(5,604)	719	(57,230)	(3,853)	(46,253)
As of March 31, 2026	$ 3,135,520	$ 22,916,250	$5,038,717	$5,435,877	$748,487	$ 5,527,414	$479,047	$43,281,312

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, 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)
Depreciation	(29,383)	(196,905)	(36,717)	(110,634)	—	—	(8,817)	(382,456)
Impairment loss	(63)	—	(26)	(1,036)	—	(30,078)	(28)	(31,231)
Disposals	4,232	187,337	4,825	31,065	—	—	2,721	230,180
Transfer of accounts	38	741	(1,025)	24,615	—	2,492	(426)	26,435
Exchange differences	(155)	(51)	(7,102)	(2,464)	—	(1,007)	(2,052)	(12,831)
Other	(461)	—	(1,713)	(1,688)	—	—	342	(3,520)
As of March 31, 2026	¥ (239,070)	¥ (2,523,994)	¥(119,313)	¥(520,901)	¥ (6)	¥ (28,597)	¥(41,376)	¥(3,473,257)

(Thousands of U.S. dollars)

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 March 31, 2025	$(1,333,988)	$ (15,731,273)	$ (485,083)	$(2,881,905)	$ (38)	$ (25)	$(207,130)	$(20,639,442)
Depreciation	(183,782)	(1,231,580)	(229,653)	(691,981)	—	—	(55,148)	(2,392,144)
Impairment loss	(394)	—	(163)	(6,480)	—	(188,129)	(175)	(195,341)
Disposals	26,470	1,171,735	30,179	194,302	—	—	17,019	1,439,705
Transfer of accounts	238	4,635	(6,411)	153,959	—	15,587	(2,664)	165,344
Exchange differences	(969)	(319)	(44,421)	(15,412)	—	(6,298)	(12,835)	(80,254)
Other	(2,884)	—	(10,714)	(10,558)	—	—	2,138	(22,018)
As of March 31, 2026	$(1,495,309)	$ (15,786,802)	$ (746,266)	$(3,258,075)	$ (38)	$(178,865)	$(258,795)	$(21,724,150)

The components of the carrying amounts of property, plant and equipment are as follows:

(Millions of yen)

Carrying amounts	Buildings and structures	Telecommunications equipment	Machinery and equipment	Furniture, fixtures, and equipment	Land	Construction in progress	Other	Total
As of March 31, 2025	¥ 245,080	¥1,162,639	¥ 591,646	¥ 299,284	¥101,504	¥ 405,172	¥ 24,860	¥ 2,830,185
As of March 31, 2026	¥ 262,237	¥1,139,856	¥ 686,277	¥ 348,187	¥119,662	¥ 855,126	¥ 35,214	¥ 3,446,559

(Thousands of U.S. dollars)

Carrying amounts	Buildings and structures	Telecommunications equipment	Machinery and equipment	Furniture, fixtures, and equipment	Land	Construction in progress	Other	Total
As of March 31, 2026	$1,640,211	$7,129,448	$4,292,451	$2,177,802	$748,449	$5,348,549	$220,252	$21,557,162

"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 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, LP. The details of the transaction are described in "*3" under "Note 42. 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 "*1" under "Note 42. 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.

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 "(3) Assets pledged as collateral" under "Note 23. Interest-bearing debt."

Property, plant and equipment with restrictions on rights are described in "(4) Assets with restrictions on rights" under "Note 23. 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:

		(Millions of yen)		(Thousands of U.S. dollars)
Historical cost		Furniture, fixtures, and equipment		
As of April 1, 2024	¥	236,324	$	—
Purchases		90		—
Disposals		(8,834)		—
Transfer of accounts		24,954		—
Other		(127)		—
As of March 31, 2025		252,407		1,578,728
Purchases		94		588
Disposals		(6,856)		(42,882)
Transfer of accounts		44,996		281,436
Other		(1,149)		(7,187)
As of March 31, 2026	¥	289,492	$	1,810,683

		(Millions of yen)		(Thousands of U.S. dollars)
Accumulated depreciation and impairment losses		Furniture, fixtures, and equipment		
As of April 1, 2024	¥	(155,650)	$	—
Depreciation		(36,624)		—
Disposals		8,105		—
Transfer of accounts		21,900		—
Other		182		—
As of March 31, 2025		(162,087)		(1,013,804)
Depreciation		(44,172)		(276,282)
Disposals		5,986		37,441
Transfer of accounts		20,118		125,832
Other		740		4,628
As of March 31, 2026	¥	(179,415)	$	(1,122,185)

		(Millions of yen)		(Thousands of U.S. dollars)
Carrying amount		Furniture, fixtures, and equipment		
As of March 31, 2025	¥	90,320	$	—
As of March 31, 2026	¥	110,077	$	688,498

16. Right-of-use assets

The components of the carrying amounts of right-of-use assets are as follows:

Carrying amounts	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2025	As of March 31, 2026	As of March 31, 2026
Telecommunications equipment	¥ 174,925	¥ 173,180	$ 1,083,187
Real estate for telecommunications business	240,223	240,648	1,505,179
Offices, warehouses and other properties	432,040	488,341	3,054,422
Other	10,773	19,443	121,610
Total	¥ 857,961	¥ 921,612	$ 5,764,398

Right-of-use assets increased by ¥268,806 million ($1,681,298 thousand) for the fiscal year ended March 31, 2026 (for the fiscal year ended March 31, 2025: ¥344,046 million of increase).

The components of depreciation of right-of-use assets are as follows:

Depreciation	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2025	As of March 31, 2026	As of March 31, 2026
Telecommunications equipment	¥ (47,075)	¥ (47,390)	$ (296,410)
Real estate for telecommunications business	(49,460)	(49,440)	(309,232)
Offices, warehouses and other properties	(78,887)	(87,478)	(547,148)
Other	(3,235)	(5,398)	(33,762)
Total	¥ (178,657)	¥ (189,706)	$ (1,186,552)

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 data centers. 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, 1 year to 15 years for warehouses, and 5 years for data centers. 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.

17. 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)

Historical cost	Goodwill	Intangible assets with indefinite useful lives		Intangible assets with finite useful lives		
		Trademarks	Other	Customer relationships	Software	Technologies
As of April 1, 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
Purchases	—	—	308	—	63,535	—
Internal development	—	—	—	—	3,408	—
Business combinations	1,236,985	52,474	—	24,952	14,916	44
Disposals	—	—	—	—	(80,547)	(925)
Transfer of accounts	—	633	—	126	180,010	—
Exchange differences	296,345	3,885	705	17,244	7,116	52,041
Other	—	—	—	—	1,974	—
As of March 31, 2026	¥ 7,333,712	¥ 606,717	¥ 11,013	¥ 897,100	¥ 2,480,298	¥ 802,929

Historical cost	Intangible assets with finite useful lives			Total
	Spectrum-related costs	Management contracts	Other	
As of April 1, 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
Purchases	—	—	128,827	192,670
Internal development	—	—	67,461	70,869
Business combinations	—	—	6,118	98,504
Disposals	—	—	(1,863)	(83,335)
Transfer of accounts	4,447	—	(182,896)	2,320
Exchange differences	—	—	3,995	84,986
Other	—	—	2,197	4,171
As of March 31, 2026	¥ 229,627	¥ —	¥ 283,642	¥ 5,311,326

(Thousands of U.S. dollars)

Historical cost	Goodwill	Intangible assets with indefinite useful lives		Intangible assets with finite useful lives		
		Trademarks	Other	Customer relationships	Software	Technologies
As of March 31, 2025	$ 36,279,597	$ 3,438,360	$ 62,547	$ 5,346,372	$ 14,322,529	$ 4,702,082
Purchases	—	—	1,926	—	397,392	—
Internal development	—	—	—	—	21,316	—
Business combinations	7,736,959	328,209	—	156,067	93,295	275
Disposals	—	—	—	—	(503,797)	(5,786)
Transfer of accounts	—	3,959	—	788	1,125,907	—
Exchange differences	1,853,547	24,299	4,410	107,856	44,508	325,501
Other	—	—	—	—	12,348	—
As of March 31, 2026	$ 45,870,103	$ 3,794,827	$ 68,883	$ 5,611,083	$ 15,513,498	$ 5,022,072

Historical cost	Intangible assets with finite useful lives			Total
	Spectrum-related costs	Management contracts	Other	
As of March 31, 2025	$ 1,408,432	$ —	$ 1,624,988	$ 30,905,310
Purchases	—	—	805,773	1,205,091
Internal development	—	—	421,948	443,264
Business combinations	—	—	38,266	616,112
Disposals	—	—	(11,652)	(521,235)
Transfer of accounts	27,814	—	(1,143,957)	14,511
Exchange differences	—	—	24,987	531,561
Other	—	—	13,741	26,089
As of March 31, 2026	$ 1,436,246	$ —	$ 1,774,094	$ 33,220,703

Changes in the accumulated amortization and impairment losses of goodwill and intangible assets are as follows:

(Millions of yen)

Accumulated amortization and impairment losses	Goodwill	Intangible assets with indefinite useful lives		Intangible assets with finite useful lives		
		Trademarks	Other	Customer relationships	Software	Technologies
As of April 1, 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)
Amortization	—	—	—	(51,689)	(225,045)	(44,671)
Impairment loss	—	—	—	(4,669)	(1,335)	—
Disposals	—	—	—	—	80,466	925
Exchange differences	(729)	—	—	(8,417)	(3,578)	(33,764)
Other	—	—	—	(13)	(672)	—
As of March 31, 2026	¥ (19,180)	¥ —	¥ —	¥ (377,128)	¥ (1,766,881)	¥ (526,428)

Accumulated amortization and impairment losses	Intangible assets with finite useful lives			Total
	Spectrum-related cost	Management contracts	Other	
As of April 1, 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)
Amortization	(13,127)	—	(8,798)	(343,330)
Impairment loss	—	—	(194)	(6,198)
Disposals	—	—	319	81,710
Exchange differences	—	—	(1,464)	(47,223)
Other	—	—	822	137
As of March 31, 2026	¥ (112,430)	¥ —	¥ (58,616)	¥ (2,841,483)

(Thousands of U.S. dollars)

Accumulated amortization and impairment losses	Goodwill	Intangible assets with indefinite useful lives		Intangible assets with finite useful lives		
		Trademarks	Other	Customer relationships	Software	Technologies
As of March 31, 2025	$ (115,405)	$ —	$ —	$ (1,953,590)	$ (10,112,065)	$ (2,807,843)
Amortization	—	—	—	(323,299)	(1,407,588)	(279,404)
Impairment loss	—	—	—	(29,203)	(8,350)	—
Disposals	—	—	—	—	503,290	5,786
Exchange differences	(4,560)	—	—	(52,646)	(22,379)	(211,183)
Other	—	—	—	(81)	(4,203)	—
As of March 31, 2026	$ (119,965)	$ —	$ —	$ (2,358,819)	$ (11,051,295)	$ (3,292,644)

Accumulated amortization and impairment losses	Intangible assets with finite useful lives			Total
	Spectrum-related costs	Management contracts	Other	
As of March 31, 2025	$ (621,110)	$ —	$ (308,363)	$ (15,802,971)
Amortization	(82,105)	—	(55,028)	(2,147,424)
Impairment loss	—	—	(1,214)	(38,767)
Disposals	—	—	1,996	511,072
Exchange differences	—	—	(9,157)	(295,365)
Other	—	—	5,141	857
As of March 31, 2026	$ (703,215)	$ —	$ (366,625)	$ (17,772,598)

The carrying amounts of goodwill and intangible assets are as follows:

(Millions of yen)

Carrying amounts	Goodwill	Intangible assets with indefinite useful lives			Intangible assets with finite useful lives			
		Trademarks	Other	Customer relationships	Software	Technologies	Spectrum-related costs	Management contracts
As of March 31, 2025	¥ 5,781,931	¥ 549,725	¥ 10,000	¥ 542,438	¥ 673,169	¥ 302,851	¥ 125,877	¥ —
As of March 31, 2026	¥ 7,314,532	¥ 606,717	¥ 11,013	¥ 519,972	¥ 713,417	¥ 276,501	¥ 117,197	¥ —

(Millions of yen)

Carrying amounts	Intangible assets with finite useful lives	Total
	Other	
As of March 31, 2025	¥ 210,502	¥ 2,414,562
As of March 31, 2026	¥ 225,026	¥ 2,469,843

(Thousands of U.S. dollars)

Carrying amounts	Goodwill	Intangible assets with indefinite useful lives			Intangible assets with finite useful lives			
		Trademarks	Other	Customer relationships	Software	Technologies	Spectrum-related costs	Management contracts
As of March 31, 2026	$ 45,750,138	$ 3,794,827	$ 68,883	$ 3,252,264	$ 4,462,203	$ 1,729,428	$ 733,031	$ —

(Thousands of U.S. dollars)

Carrying amounts	Intangible assets with finite useful lives	Total
	Other	
As of March 31, 2026	$ 1,407,469	$ 15,448,105

For the fiscal year ended March 31, 2025, the increases in “Business combinations” are mainly due to the consolidation of SBE Global, LP. The details of the transaction are described in “*3” under “Note 42. Other gain.”

For the fiscal year ended March 31, 2026, the increases in “Business combinations” are mainly due to the acquisition of Ampere. The details of the transaction are described in “Note 8. Business combination.”

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 “*1” under “Note 42. 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 ¥167,911 million ($1,050,231 thousand) as of March 31, 2026 (as of March 31, 2025: ¥128,146 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 “(4) Assets with restrictions on rights” under “Note 23. 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, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2026
Research and development costs	¥ 507,590	¥ 975,471	$ 6,101,270

(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

		(Millions of yen)		(Thousands of U.S. dollars)
Cash-generating units or Cash-generating unit groups	Reportable segments	As of March 31, 2025	As of March 31, 2026	As of March 31, 2026
SoftBank[*1]	SoftBank	¥ 1,017,696	¥ 1,024,771	$ 6,409,626
LY[*2]		15,382	15,382	96,210
Media[*3]		678,616	680,740	4,257,818
ASKUL		42,833	42,833	267,907
ZOZO		233,866	256,185	1,602,358
Ikyu (Restaurant)		6,433	6,433	40,236
Ikyu (Accommodation)		65,611	65,611	410,377
Finance		27,165	27,165	169,909
Auction		657	25,718	160,858
LINE Bank Taiwan		—	10,126	63,335
LINE MAN (Delivery)		—	52,442	328,009
Other		2,248	3,995	24,987
	Subtotal	2,090,507	2,211,401	13,831,630
Arm[*4]	AI Computing	3,540,372	—	—
AI Computing[*4]		—	4,976,124	31,124,118
	Subtotal	3,540,372	4,976,124	31,124,118
Other[*4]	—	151,052	127,007	794,390
Total		¥ 5,781,931	¥ 7,314,532	$ 45,750,138

Intangible assets with indefinite useful lives

Cash-generating units or Cash-generating unit groups	Reportable segments	(Millions of yen) As of March 31, 2025	(Millions of yen) As of March 31, 2026	(Thousands of U.S. dollars) As of March 31, 2026
LY*2	SoftBank	¥ 169,575	¥ 169,575	$ 1,060,639
Media		160,116	160,116	1,001,476
ASKUL		20,130	20,130	125,907
ZOZO		178,720	178,720	1,117,838
Ikyu (Accommodation)		10,120	10,120	63,297
Auction		—	10,829	67,732
LINE MAN (Delivery)		—	44,722	279,722
	Subtotal	538,661	594,212	3,716,611
Other	AI Computing	7,534	8,056	50,388
Other	—	13,530	15,462	96,711
Total		¥ 559,725	¥ 617,730	$ 3,863,710

*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."

*4 For the three-month period ended December 31, 2025, following the completion of the acquisition of Ampere, a re-evaluation of the operating units which were regularly reviewed by the Board of Directors for performance evaluation, was conducted. As a result, Arm which was previously included in "Arm," Graphcore Limited which was previously included in "Other," and Ampere were combined, and "AI Computing" was newly established as a cash-generating unit group. As of March 31, 2025, goodwill related to Graphcore Limited included in "Other" is ¥85,130 million.

(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, 2025
Value in use: LY, Media, Ikyu (Restaurant), Ikyu (Accommodation), Auction
Fair value less disposal cost: SoftBank, ASKUL, ZOZO, Finance, Arm

For the fiscal year ended March 31, 2026
Value in use: LY, Media, ASKUL, Ikyu (Restaurant), Ikyu (Accommodation), Auction, LINE Bank Taiwan, LINE MAN (Delivery)
Fair value less disposal cost: SoftBank, ZOZO, Finance, AI Computing

a. Measurement method for recoverable amounts of goodwill in "Arm"
For the fiscal year ended March 31, 2025, 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 in "AI Computing"
For the fiscal year ended March 31, 2026, the fair value less disposal cost for the impairment test for goodwill of "AI Computing" is measured primarily based on active market prices.

c. Measurement method for recoverable amounts of goodwill and intangible assets other than in "Arm" and "AI Computing"
For the fiscal year ended March 31, 2025

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. The cash flows from after five years are assumed to increase on the basis of the growth rate of 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 used was 22.4% and EV/EBITDA multiple used was x12.8. 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.

For the fiscal year ended March 31, 2026

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 8.2%-16.3% of the cash-generating unit. The cash flows from after five years are assumed to increase on the basis of the growth rate of 1.4%-1.8%.

For "SoftBank" and "ZOZO," the fair value less disposal cost is measured based on active market prices. For "Finance," the fair value less disposal cost is mainly measured based on the discounted cash flow method. The terminal value under the discounted cash flow method is 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 used was 12.2% and the perpetual growth rate used was 1.4%. 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.

18. 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 16. 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 "c. Liquidity risk" in "(2) Financial risk management" under "Note 29. Financial instruments."

The balance of the lease liabilities as of March 31, 2026 is ¥978,450 million ($6,119,903 thousand) (as of March 31, 2025: ¥907,020 million). The weighted average interest rate for the lease liabilities as of March 31, 2026 is 3.04 % (as of March 31, 2025: 3.06 %) and their due dates range from April 2026 to December 2062 (as of March 31, 2025: from April 2025 to November 2059).

The details of interest expense on lease liabilities are described in "Note 40. Finance cost."

(3) Total cash outflow

The details of total cash outflow for leases are described in "(9) Cash outflows related to lease" under "Note 45. 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) As of March 31, 2025	(Millions of yen) As of March 31, 2026	(Thousands of U.S. dollars) As of March 31, 2026
Selling profit or loss, net	¥ (1,133)	¥ (2,003)	$ (12,528)
Finance income on the net investment in the lease	57	73	457
Total	¥ (1,076)	¥ (1,930)	$ (12,071)

Of this amount, revenue from subleases recognized is ¥1,214 million ($7,593 thousand) for the fiscal year ended March 31, 2026 (for the fiscal year ended March 31, 2025: ¥979 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, 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

As of March 31, 2026

(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	¥ 14,672	¥ (64)	¥ —	¥ 14,608
1 to 2 years	9,685	(51)	—	9,634
2 to 3 years	5,282	(29)	—	5,253
3 to 4 years	1,265	(9)	—	1,256
4 to 5 years	315	(2)	—	313
Over 5 years	—	—	—	—
Total	¥ 31,219	¥ (155)	¥ —	¥ 31,064

(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	$ 91,769	$ (400)	$ —	$ 91,369
1 to 2 years	60,577	(319)	—	60,258
2 to 3 years	33,037	(181)	—	32,856
3 to 4 years	7,912	(56)	—	7,856
4 to 5 years	1,970	(13)	—	1,957
Over 5 years	—	—	—	—
Total	$ 195,265	$ (969)	$ —	$ 194,296

(2) Operating leases

Analysis of maturities for operating leases is as follows:

	(Millions of yen) As of March 31, 2025	(Millions of yen) As of March 31, 2026	(Thousands of U.S. dollars) As of March 31, 2026
Within 1 year	¥ 31,060	¥ 35,958	$ 224,906
1 to 2 years	19,637	22,562	141,118
2 to 3 years	8,188	12,165	76,088
3 to 4 years	503	1,874	11,721
4 to 5 years	124	532	3,328
Over 5 years	138	4,036	25,245
Total	¥ 59,650	¥ 77,127	$ 482,406

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, 2026 is ¥69,071 million ($432,018 thousand) (for the fiscal year ended March 31, 2025: ¥64,321 million). Of this amount, income from subleases is ¥6,518 million ($40,768 thousand) (for the fiscal year ended March 31, 2025: ¥5,458 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 15. Property, plant and equipment."

19. Major subsidiaries

(1) Organizational structure

The Company's major subsidiaries are as follows:

Major subsidiaries as of March 31, 2026

Company Name	Reportable segments	Location	Ownership percentage of voting rights (%) As of March 31, 2025	Ownership percentage of voting rights (%) As of March 31, 2026
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

Company Name	Reportable segments	Location	Ownership percentage of voting rights (%)	
			As of March 31, 2025	As of March 31, 2026
Delaware Project 3 L.L.C.	Investment Business of Holding Companies	U.S.	66.7	66.7
SB Northstar LP*1	Investment Business of Holding Companies	Cayman	—	—
SB Group US, Inc.	Investment Business of Holding Companies	U.S.	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	40.3	40.1
A Holdings Corporation*3	SoftBank	Tokyo	50.0	50.0
LY Corporation	SoftBank	Tokyo	62.5	62.4
PayPay Corporation	SoftBank	Tokyo	100	90.6
PayPay Bank Corporation	SoftBank	Tokyo	46.6	75.5
ZOZO, Inc.	SoftBank	Chiba	51.5	51.9
LINE Bank Taiwan Limited	SoftBank	Taiwan	49.9	51.2
LINE MAN CORPORATION PTE. LTD.	SoftBank	Singapore	42.6	50.8
ASKUL Corporation*4	SoftBank	Tokyo	46.5	46.9
Arm Holdings plc	AI Computing	U.K.	87.3	86.7
Ampere Computing Holdings LLC	AI Computing	U.S.	—	100
Graphcore Limited	AI Computing	U.K.	100	100
Energy Global, LP*1	—	U.S.	—	—
Silver Bands 4 (US) Corp.	—	U.S.	100	100
Fukuoka SoftBank HAWKS Corp.	—	Fukuoka	100	100
Roze AI LLC	—	U.S.	—	100
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 40.1% 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 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 46.9% 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, 2025	As of March 31, 2026	
Ownership ratio of the non-controlling interests (%)	59.7	59.9	

		(Millions of yen)	(Thousands of U.S. dollars)
	As of March 31, 2025	As of March 31, 2026	As of March 31, 2026
Accumulated amount attributable to the non-controlling interests of subsidiary group	¥ 2,499,465	¥ 2,744,190	$ 17,164,061

		(Millions of yen)	(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2026
Net income allocated to the non-controlling interests of subsidiary group	¥ 466,857	¥ 494,056	$ 3,090,168

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, 2026, the amount paid recorded as "Non-controlling interests" is ¥320,000 million ($2,001,501 thousand) (as of March 31, 2025: ¥320,000 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.

(b) Summarized consolidated financial information

		(Millions of yen)	(Thousands of U.S. dollars)
	As of March 31, 2025	As of March 31, 2026	As of March 31, 2026
Current assets	¥ 4,858,655	¥ 5,405,531	$ 33,809,926
Non-current assets	11,265,555	13,118,660	82,053,165
Current liabilities	6,835,206	8,525,235	53,322,711
Non-current liabilities	5,001,618	5,308,485	33,202,933
Equity	4,287,386	4,690,471	29,337,447

		(Millions of yen)	(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2026
Net sales	¥ 6,544,349	¥ 7,038,680	$ 44,024,769
Net income	655,286	726,623	4,544,802
Comprehensive income	629,071	780,733	4,883,244

Dividends paid to non-controlling interests by SoftBank Corp. for the fiscal year ended March 31, 2026 are ¥254,224 million ($1,590,093 thousand) (for the fiscal year ended March 31, 2025: ¥244,038 million).

		(Millions of yen)	(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2026
Net cash provided by operating activities	¥ 1,367,871	¥ 1,393,760	$ 8,717,538
Net cash used in investing activities	(995,183)	(1,270,806)	(7,948,499)
Net cash used in financing activities	(956,429)	(136,854)	(855,979)
Effect of exchange rate changes on cash and cash equivalents	(6,618)	17,174	107,418
Increase in cash and cash equivalents relating to transfer of assets classified as held for sale	33,011	—	—
(Decrease) increase in cash and cash equivalents	¥ (557,348)	¥ 3,274	$ 20,478

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, 2025	As of March 31, 2026
Ownership ratio of the non-controlling interests (%)	33.3	33.3

		(Millions of yen)	(Thousands of U.S. dollars)
	As of March 31, 2025	As of March 31, 2026	As of March 31, 2026
Accumulated amount attributable to the non-controlling interests of subsidiary group	¥ (428,268)	¥ (321,282)	$ (2,009,520)

		(Millions of yen)	(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2026
Net income (loss) allocated to the non-controlling interests of subsidiary group	¥ (22,901)	¥ 128,491	$ 803,672

(b) Summarized consolidated financial information

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2025	As of March 31, 2026	As of March 31, 2026
Current assets	¥ 553	¥ 556	$ 3,478
Non-current assets	1,113,542	1,458,527	9,122,636
Current liabilities	2,397,035	2,420,997	15,142,588
Non-current liabilities	—	—	—
Equity	(1,282,940)	(961,914)	(6,016,474)

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2026
Net sales	¥ —	¥ —	$ —
Net income (loss)	(68,713)	385,536	2,411,409
Comprehensive income	(68,713)	385,536	2,411,409

No dividends were paid to non-controlling interests by Delaware subsidiaries for the fiscal years ended March 31, 2025 and 2026.

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2026
Net cash used in operating activities	¥ (41)	¥ (32)	$ (200)
Net cash provided by (used in) investing activities	—	—	—
Net cash provided by (used in) financing activities	—	—	—
Effect of exchange rate changes on cash and cash equivalents	(7)	35	219
(Decrease) increase in cash and cash equivalent	¥ (48)	¥ 3	$ 19

20. Investments accounted for using the equity method

(1) Summarized consolidated financial information and other information on the material associates
As of March 31, 2025 and 2026, 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, 2025	As of March 31, 2026	As of March 31, 2026
Carrying amount of the interests			
Associates	¥ 442,635	¥ 644,972	$ 4,034,100
Joint ventures	60,360	94,302	589,830
Total	¥ 502,995	¥ 739,274	$ 4,623,930

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2026
Net income (loss)			
Associates	¥ (9,713)	¥ (43,015)	$ (269,046)
Joint ventures	(3,644)	(5,077)	(31,755)
Total	¥ (13,357)	¥ (48,092)	$ (300,801)
Other comprehensive income, net of tax			
Associates	(1,742)	7,904	49,438
Joint ventures	25	241	1,507
Total	¥ (1,717)	¥ 8,145	$ 50,945
Total comprehensive income			
Associates	(11,455)	(35,111)	(219,608)
Joint ventures	(3,619)	(4,836)	(30,248)
Total	¥ (15,074)	¥ (39,947)	$ (249,856)

21. Structured entities

(1) Consolidated structured entities

The Company owns investment funds, which are structured entities consolidated by the Company. These funds are primarily 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 19. Major subsidiaries."

In addition, please refer to "a. Consolidation of SVF1, SVF2, and LatAm 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 primarily 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, 2025	As of March 31, 2026	As of March 31, 2026
Total assets of the unconsolidated structured entities (aggregate amount)	¥ 3,575,498	¥ 4,602,194	$ 28,785,301
The maximum loss exposure to the Company			
The carrying amount of the investment recognized by the Company	675,549	837,183	5,236,321
Commitment contracts related to additional investment	78,611	58,142	363,660
Total	¥ 754,160	¥ 895,325	$ 5,599,981

In addition to the above, as of March 31, 2025, the Company has an investment in Aestas Management Company, LLC, an OpenAI Global 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, and there is no commitment contract related to the additional investment.

On October 28, 2025, in connection with the recapitalization of OpenAI Global, the equity interests held by employees were converted into common shares, and the investee was changed to OpenAI Group PBC. The investee is not classified as a structured entity. The details of the recapitalization are described in “a. Additional investment agreement executed in March 2025” in “(2) Investment in Open AI” under “Note 49. Additional information.”

The investments recognized by the Company in unconsolidated structured entities are included in “Investments accounted for using the equity method,” “Investments of SVF (FVTPL),” or “Investment securities” in the consolidated statement of financial position. There are no material liabilities related to unconsolidated structured entities recognized by the Company.

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.

22. 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, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2026
Current tax expenses	¥ (645,668)	¥ (540,776)	$ (3,382,386)
Deferred tax expenses	544,055	37,847	236,721
Total	¥ (101,613)	¥ (502,929)	$ (3,145,665)

Current tax expenses include benefit arising from tax loss, tax credit and certain temporary differences in the previous years that were previously unrecognized. The decrease of current tax expense for the fiscal year ended March 31, 2026 was ¥320,626 million ($2,005,416 thousand) (for the fiscal year ended March 31, 2025: ¥273,767 million).

In addition, current tax expenses for the fiscal year ended March 31, 2026 include an estimated top-up tax of ¥61,857 million ($386,896 thousand) under the Global Minimum Tax.

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 decrease in deferred tax expenses for the fiscal year ended March 31, 2026 was ¥53,467 million ($334,420 thousand) (for the fiscal year ended March 31, 2025: ¥93,478 million of increase).

(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, 2026. In order to reflect the change, the presentation for the fiscal year ended March 31, 2025 has been reclassified accordingly.

(Unit: %)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Statutory effective tax rate*1	31.5	31.5
Difference in subsidiaries' tax rates	(19.7)	(27.7)
Impact of international tax regimes*2	3.6	3.4
Impact from recoverability assessment of deferred tax assets	10.1	(0.5)
Temporary differences on investments in subsidiaries	(17.4)	0.2
Other	(2.1)	1.3
Actual tax rate	6.0	8.2

*1 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, 2026 based on these taxes is 31.5% (for the fiscal year ended March 31, 2025: 31.5%), except for foreign subsidiaries which are subject to income taxes at their respective locations.

*2 The impact of international tax regimes for the fiscal year ended March 31, 2026 includes a 1.0% effect from estimated top-up tax related to the Global Minimum Tax regime.

(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, 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
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	130,639	16,690	3,636	504	(16,645)	(190)	(285)	134,349
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)

*1 The Company recognizes deferred tax assets of ¥99,207 million 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 the future taxable income will be available against which they can be utilized.

*2 Increases in "Business combinations" are mainly due to the consolidation of SBE Global, LP. The details of the transaction are described in "*3" under "Note 42. 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 "*1" under "Note 42. Other gain."

For the fiscal year ended March 31, 2026

(Millions of yen)

	As of April 1, 2025	Recognized in profit or loss	Recognized in other comprehensive income	Business combination*2	Loss of control*3	Exchange differences	Other	As of March 31, 2026
Deferred tax assets								
Property, plant, equipment and intangible assets	¥ 109,386	¥ 2,494	¥ —	¥ 12	¥ —	¥ 892	¥ 3	¥ 112,787
Lease liabilities	249,150	13,680	—	—	—	815	114	263,759
Accrued expenses and other liabilities	153,389	45,221	(1,170)	132	—	599	(79)	198,092
Net operating loss carryforwards and tax credit carryforwards*1	184,508	(17,697)	—	8,762	—	8,768	4,998	189,339
Investment securities	50,395	(44,798)	—	—	—	360	(140)	5,817
Derivative financial liabilities	206,313	(205,721)	—	—	—	251	—	843
Share-based payment	38,023	9,714	—	—	—	2,050	1,391	51,178
Allowance for doubtful accounts	42,304	6,338	—	—	—	1	(5)	48,638
Other	134,349	(331)	2,222	162	—	1,983	20	138,405
Total	1,167,817	(191,100)	1,052	9,068	—	15,719	6,302	1,008,858
Deferred tax liabilities								
Customer relationships	(161,375)	11,482	—	(5,063)	—	(1,830)	42	(156,744)
Trademarks	(137,318)	(3,490)	—	(11,805)	—	(831)	91	(153,353)
Technologies	(108,223)	12,972	—	—	—	(9,176)	—	(104,427)
Right-of-use assets	(242,364)	(5,617)	—	—	—	(603)	931	(247,653)
Temporary difference associated with investment in subsidiaries, associates and joint ventures	(219,619)	(47,457)	(623,593)	—	—	(2,439)	540	(892,568)
Investment securities	(753,478)	340,726	(1,012)	(778)	159,805	(14,657)	16	(269,378)
Contract assets and costs to obtain contracts	(121,034)	(18,037)	—	—	—	—	—	(139,071)
Other	(140,811)	(61,632)	(8,141)	(1,196)	—	(3,983)	12	(215,751)
Total	(1,884,222)	228,947	(632,746)	(18,842)	159,805	(33,519)	1,632	(2,178,945)
Net	¥ (716,405)	¥ 37,847	¥(631,694)	¥ (9,774)	¥159,805	¥(17,800)	¥7,934	¥(1,170,087)

(Thousands of U.S. dollars)

	As of April 1, 2025	Recognized in profit or loss	Recognized in other comprehensive income	Business combination*2	Loss of control*3	Exchange differences	Other	As of March 31, 2026
Deferred tax assets								
Property, plant, equipment and intangible assets	$ 684,176	$ 15,599	$ —	$ 75	$ —	$ 5,579	$ 19	$ 705,448
Lease liabilities	1,558,356	85,564	—	—	—	5,098	713	1,649,731
Accrued expenses and other liabilities	959,401	282,843	(7,318)	826	—	3,747	(494)	1,239,005
Net operating loss carryforwards and tax credit carryforwards*1	1,154,041	(110,689)	—	54,804	—	54,840	31,261	1,184,257
Investment securities	315,206	(280,198)	—	—	—	2,252	(876)	36,384
Derivative financial liabilities	1,290,424	(1,286,721)	—	—	—	1,570	—	5,273
Share-based payment	237,822	60,758	—	—	—	12,822	8,700	320,102
Allowance for doubtful accounts	264,598	39,643	—	—	—	6	(31)	304,216
Other	840,311	(2,070)	13,898	1,013	—	12,403	125	865,680
Total	7,304,335	(1,195,271)	6,580	56,718	—	98,317	39,417	6,310,096
Deferred tax liabilities								
Customer relationships	(1,009,351)	71,817	—	(31,668)	—	(11,446)	263	(980,385)
Trademarks	(858,882)	(21,829)	—	(73,837)	—	(5,198)	570	(959,176)
Technologies	(676,901)	81,136	—	—	—	(57,394)	—	(653,159)
Right-of-use assets	(1,515,912)	(35,133)	—	—	—	(3,772)	5,823	(1,548,994)
Temporary difference associated with investment in subsidiaries, associates and joint ventures	(1,373,649)	(296,829)	(3,900,382)	—	—	(15,255)	3,378	(5,582,737)
Investment securities	(4,712,772)	2,131,136	(6,330)	(4,866)	999,531	(91,675)	100	(1,684,876)
Contract assets and costs to obtain contracts	(757,030)	(112,816)	—	—	—	—	—	(869,846)
Other	(880,729)	(385,489)	(50,919)	(7,481)	—	(24,912)	74	(1,349,456)
Total	(11,785,226)	1,431,993	(3,957,631)	(117,852)	999,531	(209,652)	10,208	(13,628,629)
Net	$ (4,480,891)	$ 236,722	$(3,951,051)	$ (61,134)	$999,531	$(111,335)	$49,625	$ (7,318,533)

*1 The Company recognizes deferred tax assets of ¥115,987 million ($725,463 thousand) as of March 31, 2026 at entities that recorded a loss in either the fiscal year ended March 31, 2025 or 2026. Deferred tax assets are recognized to the extent that it is probable that the future taxable income will be available against which they can be utilized.

*2 Increases in "Business combinations" are mainly due to the consolidation of LINE MAN CORPORATION PTE. LTD. The details of the transaction are described in "*4" under "Note 42. Other gain."

*3 Decreases in "Loss of control" are due to the loss of control over a subsidiary as SVF2, at the first closing, acquired equity interests (convertible interest rights) in OpenAI Global through a wholly-owned subsidiary, and converted such subsidiary interests into preferred shares of OpenAI Group PBC. The details are described in "a. Additional investment agreement executed in March 2025" in "(2) Investment in OpenAI" under "Note 49. Additional information."

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, 2025	As of March 31, 2026	As of March 31, 2026
Deferred tax assets	¥ 207,987	¥ 273,591	$ 1,711,227
Deferred tax liabilities	(924,392)	(1,443,678)	(9,029,760)
Net	¥(716,405)	¥(1,170,087)	$(7,318,533)

(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, 2025	As of March 31, 2026	As of March 31, 2026
Deductible temporary differences	¥ 332,135	¥409,213	$2,559,501
Net operating loss carryforwards	698,775	586,155	3,666,218
Tax credit carryforwards	3,895	1,606	10,045
Total	¥1,034,805	¥996,974	$6,235,764

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, 2025	As of March 31, 2026	As of March 31, 2026
1st year	¥ —	¥ —	$ —
2nd year	—	—	—
3rd year	—	1,748	10,933
4th year	1,793	—	—
5th year and thereafter	760	53,392	333,951
Total	¥2,553	¥55,140	$344,884

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, 2025	As of March 31, 2026	As of March 31, 2026
1st year	¥ 2,750	¥ 3,894	$ 24,356
2nd year	3,337	1,679	10,502
3rd year	627	5,105	31,930
4th year	50,974	15,639	97,817
5th year and thereafter and no expiry date	641,087	559,838	3,501,613
Total	¥698,775	¥586,155	$3,666,218

	(Millions of yen)		(Thousands of U.S. dollars)
Tax credit carryforwards (tax basis)	As of March 31, 2025	As of March 31, 2026	As of March 31, 2026
1st year	¥ —	¥ —	$ —
2nd year	—	—	—
3rd year	—	—	—
4th year	—	—	—
5th year and thereafter and no expiry date	3,895	1,606	10,045
Total	¥3,895	¥1,606	$10,045

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, 2026 are ¥5,408,568 million ($33,828,922 thousand) (as of March 31, 2025: ¥7,405,270 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, 2026 are ¥7,748,810 million ($48,466,412 thousand) (as of March 31, 2025: ¥8,442,858 million).

23. 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, 2025	As of March 31, 2026	As of March 31, 2026	Average interest rate (%)*1	Maturity*2
Current					
Short-term borrowings*3,*4	¥ 1,581,598	¥ 4,770,687	$ 29,839,173	4.57	—
Commercial paper	249,500	258,700	1,618,089	1.11	—
Current portion of long-term borrowings*5	1,684,117	877,472	5,488,316	1.52	—
Current portion of corporate bonds	1,116,482	1,344,746	8,410,971	1.93	—
Current portion of financial liabilities relating to sale of shares by prepaid forward contracts*6	997,843	—	—	—	—
Current portion of installment payables	108	25	156	3.65	—
Total	¥ 5,629,648	¥ 7,251,630	$ 45,356,705		
Non-current					
Long-term borrowings*7	5,357,017	8,714,290	54,505,192	4.52	May 2027-Nov. 2059
Corporate bonds*8	7,019,644	8,459,966	52,914,473	3.73	Apr. 2027-Oct. 2065
Financial liabilities relating to sale of shares by prepaid forward contracts	—	259,214	1,621,303	3.64	Apr. 2029
Installment payables	21	16	100	3.65	Apr. 2027-Dec. 2028
Total	¥12,376,682	¥17,433,486	$109,041,068		

*1 Average interest rate represents the weighted-average interest rate to the balance as of March 31, 2026.

*2 Maturity represents the maturity of the outstanding balance as of March 31, 2026.

*3 In April 2025, SoftBank Group Corp. borrowed $8.5 billion for the additional investment in OpenAI Global from SVF2. Subsequently, as a result of the partial repayment, the borrowing is recorded for ¥878,956 million ($5,497,598 thousand) as a short-term borrowing as of March 31, 2026.

*4 In November 2025, SoftBank Group Corp. borrowed $6.5 billion for the acquisition of Ampere. The borrowing is recorded for ¥1,038,740 million ($6,496,998 thousand) as a short-term borrowing as of March 31, 2026. The details are described in "(11) Financing" under "Note 8. Business combination."

*5 For the fiscal year ended March 31, 2026, for collar transactions using Deutsche Telekom shares, the maturity date for the borrowings and the settlement date for the collar contracts arrived. Subsequently, a wholly-owned subsidiary of the Company settled them by Deutsche Telekom shares. In addition, in August 2025, the wholly-owned subsidiary of the Company settled all of the remaining collar transactions by Deutsche Telekom shares before the maturity date. As of the settlement date, ¥427,094 million ($2,671,341 thousand) of the current portion of long-term borrowings and ¥255,084 million ($1,595,472 thousand) of derivative financial liabilities were repaid and settled by ¥682,178 million ($4,266,813 thousand) of Deutsche Telekom shares.

*6 For the fiscal year ended March 31, 2026, prepaid forward contracts using Alibaba shares matured, and wholly-owned subsidiaries of the Company settled them by Alibaba shares. As a result, ¥983,044 million ($6,148,636 thousand) of the current portion of financial liabilities relating to sale of shares by prepaid forward contracts, ¥396,631 million ($2,480,804 thousand) of derivative financial liabilities, and ¥1,379,675 million ($8,629,441 thousand) of Alibaba shares were derecognized as of the settlement date. Accordingly, all of the prepaid forward contracts using Alibaba shares were settled and completed.

*7 In September 2023, Kronos I (UK) Limited, a wholly-owned subsidiary of the Company, borrowed $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 under the relevant contracts, as collateral. For the fiscal year ended March 31, 2026, the loan agreement was amended to extend the repayment maturity by one year from September 2026 to September 2027, and $11.5 billion was additionally borrowed.

The loan 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 non-recourse debt, and therefore, SoftBank Group Corp. will not be responsible for the borrowings. The loan is recorded for ¥3,168,545 million ($19,818,270 thousand) as long-term borrowings as of March 31, 2026 (as of March 31, 2025:¥1,258,482 million).

*8 A summary of the issuance conditions of the bonds and notes is as follows:

Company name / Name of bond	Date of issuance	Balance of issue amount[*9]	As of March 31, 2025 (Millions of yen)[*10]	As of March 31, 2026 (Millions of yen)[*10]	As of March 31, 2026 (Thousands of U.S. dollars)[*10]	Interest rate (%)	Date of maturity
SoftBank Group Corp.							
50th Unsecured Straight Bond	Apr. 20, 2016	¥ 30,000 million	29,985	30,000 (30,000)	187,641 (187,641)	2.48	Apr. 20, 2026
55th Unsecured Straight Bond	Apr. 26, 2019	¥ —	500,000 (500,000)	—	—	1.64	Apr. 25, 2025
56th Unsecured Straight Bond	Sep. 20, 2019	¥400,000 million	398,986	399,702 (399,702)	2,500,013 (2,500,013)	1.38	Sep. 17, 2026
57th Unsecured Straight Bond[*11]	Sep. 12, 2019	¥ 97,900 million	97,813	97,874 (97,874)	612,171 (612,171)	1.38	Sep. 11, 2026
58th Unsecured Straight Bond	Dec. 16, 2022	¥385,000 million	381,779	382,469	2,392,225	2.84	Dec. 14, 2029
59th Unsecured Straight Bond	Mar. 15, 2024	¥550,000 million	544,172	545,157	3,409,789	3.04	Mar. 14, 2031
60th Unsecured Straight Bond	Apr. 25, 2024	¥ 30,000 million	29,921	29,960	187,391	1.80	Apr. 23, 2027
61st Unsecured Straight Bond	Apr. 25, 2024	¥ 50,000 million	49,823	49,867	311,903	2.44	Apr. 25, 2029
62nd Unsecured Straight Bond	Apr. 25, 2024	¥ 20,000 million	19,922	19,935	124,687	2.90	Apr. 25, 2031
63rd Unsecured Straight Bond	Jun. 14, 2024	¥550,000 million	544,653	545,520	3,412,059	3.03	Jun. 13, 2031
64th Unsecured Straight Bond	Dec. 11, 2024	¥350,000 million	346,315	346,867	2,169,546	3.15	Dec. 11, 2031
65th Unsecured Straight Bond	May 2, 2025	¥600,000 million	—	594,594	3,719,002	3.34	May 2, 2030
66th Unsecured Straight Bond	Apr. 24, 2025	¥ 20,000 million	—	19,927	124,637	3.34	Apr. 24, 2030
67th Unsecured Straight Bond	Dec. 8, 2025	¥500,000 million	—	494,743	3,094,465	3.98	Dec. 8, 2032
USD-denominated Senior Notes due 2025	Apr. 20, 2018	$ —	50,345 (50,345)	—	—	6.13	Apr. 22, 2025
USD-denominated Senior Notes due 2025	Jul. 28, 2015	$ —	85,799 (85,799)	—	—	6.00	Jul. 30, 2025
USD-denominated Senior Notes due 2026[*12]	Jul. 6, 2021	$ 669 million	99,787	106,946 (106,946)	668,908 (668,908)	4.00	Jul. 6, 2026
USD-denominated Senior Notes due 2027[*12]	Sep. 19, 2017	$ 1,657 million	247,001	264,462	1,654,128	5.13	Sep. 19, 2027
USD-denominated Senior Notes due 2028[*12]	Apr. 3, 2018	$ 466 million	69,413	74,315	464,817	6.25	Apr. 15, 2028
USD-denominated Senior Notes due 2028[*12]	Jul. 6, 2021	$ 773 million	115,000	123,171	770,397	4.63	Jul. 6, 2028
USD-denominated Senior Notes due 2029	Jul. 10, 2025	$ 500 million	—	79,269	495,803	6.50	Apr. 10, 2029
USD-denominated Senior Notes due 2029	Jul. 8, 2024	$ 400 million	59,267	63,510	397,235	6.75	Jul. 8, 2029
USD-denominated Senior Notes due 2031	Jul. 10, 2025	$ 600 million	—	95,058	594,558	6.88	Jan. 10, 2031
USD-denominated Senior Notes due 2031[*12]	Jul. 6, 2021	$ 1,305 million	193,731	207,468	1,297,648	5.25	Jul. 6, 2031
USD-denominated Senior Notes due 2031	Jul. 8, 2024	$ 500 million	74,252	79,302	496,010	7.00	Jul. 8, 2031
USD-denominated Senior Notes due 2032	Jul. 10, 2025	$ 600 million	—	95,029	594,377	7.25	Jul. 10, 2032
USD-denominated Senior Notes due 2035	Jul. 10, 2025	$ 500 million	—	79,164	495,146	7.50	Jul. 10, 2035

Company name / Name of bond	Date of issuance	Balance of issue amount[*9]	As of March 31, 2025 (Millions of yen)[*10]	As of March 31, 2026 (Millions of yen)[*10]	As of March 31, 2026 (Thousands of U.S. dollars)[*10]	Interest rate (%)	Date of maturity
EUR-denominated Senior Notes due 2025	Apr. 20, 2018	€ —	44,099 (44,099)	—	—	4.50	Apr. 22, 2025
EUR-denominated Senior Notes due 2025	Jul. 28, 2015	€ —	102,529 (102,529)	—	—	4.75	Jul. 30, 2025
EUR-denominated Senior Notes due 2025	Sep. 19, 2017	€ —	113,718 (113,718)	—	—	3.13	Sep. 19, 2025
EUR-denominated Senior Notes due 2027[*12]	Jul. 6, 2021	€ 437 million	70,591	80,045 (80,045)	500,657 (500,657)	2.88	Jan. 6, 2027
EUR-denominated Senior Notes due 2027	Jul. 28, 2015	€ 211 million	34,025	38,559	241,175	5.25	Jul. 30, 2027
EUR-denominated Senior Notes due 2028[*12]	Apr. 3, 2018	€ 1,054 million	170,236	192,877	1,206,386	5.00	Apr. 15, 2028
EUR-denominated Senior Notes due 2029	Jul. 8, 2024	€ 450 million	72,289	81,998	512,872	5.38	Jan 8, 2029
EUR-denominated Senior Notes due 2029[*12]	Jul. 6, 2021	€ 473 million	76,140	86,283	539,674	3.38	Jul. 6, 2029
EUR-denominated Senior Notes due 2029[*12]	Sep. 19, 2017	€ 575 million	92,742	105,065	657,149	4.00	Sep. 19, 2029
EUR-denominated Senior Notes due 2029	Jul. 10, 2025	€ 600 million	—	109,095	682,356	5.25	Oct. 10, 2029
EUR-denominated Senior Notes due 2031	Jul. 10, 2025	€ 600 million	—	109,035	681,980	5.88	Jul. 10, 2031
EUR-denominated Senior Notes due 2032[*12]	Jul. 6, 2021	€ 425 million	68,305	77,375	483,957	3.88	Jul. 6, 2032
EUR-denominated Senior Notes due 2032	Jul. 8, 2024	€ 450 million	72,232	81,848	511,934	5.75	Jul. 8, 2032
EUR-denominated Senior Notes due 2033	Jul. 10, 2025	€ 500 million	—	90,833	568,132	6.38	Jul. 10, 2033
3rd Unsecured Subordinated Corporate Bond	Sep. 30, 2021	¥450,000 million	446,696	447,663	2,799,994	2.40	Sep. 29, 2028
4th Unsecured Subordinated Corporate Bond[*11]	Sep. 16, 2021	¥ 30,100 million	30,005	30,033	187,847	2.40	Sep. 15, 2028
5th Unsecured Subordinated Corporate Bond[*11]	Feb. 4, 2022	¥549,000 million	544,479	545,659	3,412,928	2.48	Feb. 2, 2029
4th Unsecured Subordinated Bonds with interest deferrable clause and early redeemable option (with a subordination provision)[*13]	Feb. 4, 2021	¥ —	175,683	—	—	3.00	Feb. 4, 2056
5th Unsecured Subordinated Bonds with interest deferrable clause and early redeemable option (with a subordination provision)[*14,15]	Jun. 21, 2021	¥405,000 million	398,435	400,221 (400,221)	2,503,259 (2,503,259)	2.75	Jun. 21, 2056
6th Unsecured Subordinated Bonds with interest deferrable clause and early redeemable option (with a subordination provision)[*14,16]	Apr. 28, 2023	¥222,000 million	218,302	218,414	1,366,112	4.75	Apr. 26, 2058
7th Unsecured Subordinated Bonds with interest deferrable clause and early redeemable option (with a subordination provision)[*14,17]	Sep. 4, 2025	¥200,000 million	—	198,320	1,240,430	4.56	Sep. 3, 2060
USD-denominated Hybrid Notes Due 2061[*14,18]	Oct. 29, 2025	$ 900 million	—	142,503	891,312	7.63	Apr. 29, 2061
USD-denominated Hybrid Notes Due 2065[*14,19]	Oct. 29, 2025	$ 1,100 million	—	174,094	1,088,904	8.25	Oct. 29, 2065

Company name / Name of bond	Date of issuance	Balance of issue amount*9	As of March 31, 2025 (Millions of yen)*10	As of March 31, 2026 (Millions of yen)*10	As of March 31, 2026 (Thousands of U.S. dollars)*10	Interest rate (%)	Date of maturity
EUR-denominated Hybrid Notes Due 2062*14,20	Oct. 29, 2025	€ 750 million	—	136,201	851,895	6.50	Oct. 29, 2062
Subtotal			6,668,470 (896,490)	8,170,429 (1,114,788)	51,103,509 (6,972,654)		
SoftBank Corp.							
6th Unsecured Straight Bond	Jul. 29, 2020	¥ —	70,000 (70,000)	—	—	0.36	Jul. 29, 2025
8th Unsecured Straight Bond	Dec. 3, 2020	¥ —	80,000 (80,000)	—	—	0.35	Dec. 3, 2025
19th Unsecured Straight Bond	Mar. 10, 2023	¥120,000 million	119,592	119,732	748,887	0.98	Mar. 10, 2028
21st Unsecured Straight Bond	Jul. 12, 2023	¥ 60,000 million	59,863	59,905	374,687	0.82	Jul. 12, 2028
24th Unsecured Straight Bond	Jan. 31, 2024	¥140,000 million	139,320	139,436	872,129	1.24	Jan. 31, 2031
26th Unsecured Straight Bond	May 27, 2024	¥ 60,000 million	59,824	59,867	374,450	1.19	May 25, 2029
27th Unsecured Straight Bond	Feb. 4, 2025	¥126,000 million	125,261	125,369	784,144	1.81	Feb. 4, 2032
28th Unsecured Straight Bond	May 29, 2025	¥ 60,000 million	—	59,904	374,681	1.19	May 28, 2027
Other Unsecured Straight Bonds	Mar. 18, 2020 — Nov. 28, 2025	¥437,600 million	369,422	436,844 (109,975)	2,732,324 (687,860)	0.24 — ~2.68	Jun. 3, 2026 — Nov 28, 2035
USD-denominated bonds Due 2030	Jul. 9, 2025	$ 500 million	—	79,461	497,004	4.70	Jul. 9, 2030
USD-denominated bonds Due 2035	Jul. 9, 2025	$ 500 million	—	79,420	496,748	5.33	Jul. 9, 2035
Subtotal			1,023,282 (150,000)	1,159,938 (109,975)	7,255,054 (687,860)		
LY Corporation							
12th Unsecured Straight Bond	Jul. 31, 2019	¥ 70,000 million	69,958	69,992 (69,992)	437,778 (437,778)	0.37	Jul. 31, 2026
13th Unsecured Straight Bond	Jul. 31, 2019	¥ 50,000 million	49,916	49,936	312,334	0.46	Jul. 31, 2029
16th Unsecured Straight Bond	Jun. 11, 2020	¥ —	69,992 (69,992)	—	—	0.60	Jun. 11, 2025
19th Unsecured Straight Bond	Jul. 28, 2021	¥ 50,000 million	49,957	49,991 (49,991)	312,679 (312,679)	0.35	Jul. 28, 2026
23rd Unsecured Straight Bond	Sep. 28, 2022	¥ 50,000 million	49,861	49,919	312,228	0.76	Sep. 28, 2027
27th Unsecured Straight Bond	Jul. 16, 2025	¥ 70,000 million	—	69,798	436,565	1.92	Jul. 16, 2030
Other Unsecured Straight Bonds	Dec. 7, 2017 — Jul. 16, 2025	¥185,000 million	154,690	184,709	1,155,297	0.40 ~1.47	Jun. 11, 2027 — Jul. 28, 2031
Subtotal			444,374 (69,992)	474,345 (119,983)	2,966,881 (750,457)		
Total			¥ 8,136,126 (1,116,482)	¥ 9,804,712 (1,344,746)	$61,325,444 (8,410,971)		

*9 Balance of issue amount is as of March 31, 2026.
*10 Figures in parentheses as of March 31, 2025 and 2026 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 bond on February 4, 2026, before maturity date.
*14 The interest rates stated above are at the time of issuance. The bonds and notes have step-up coupon provisions and the interest rates may increase in the future.
*15 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.
*16 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.

*17 The bond has an early redeemable option at the Company's discretion from September 4, 2030 and at each interest date on or after September 4, 2030.
*18 The note has an early redeemable option at the Company's discretion from January 29, 2031 to April 29, 2031 and at each interest date on or after April 29, 2031.
*19 The note has an early redeemable option at the Company's discretion from July 29, 2035 to October 29, 2035 and at each interest date on or after October 29, 2035.
*20 The note has an early redeemable option at the Company's discretion from July 29, 2032 to October 29, 2032 and at each interest date on or after October 29, 2032.

(2) Financial and other covenants

As of March 31, 2026, ¥7,172,170 million ($44,859,707 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 ($2,312,985 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.

(d) The aggregate amount of net interest-bearing senior debt of SoftBank Group Corp. and certain of its subsidiaries at the end of each quarter must be less than 70% of the value of listed shares, etc. held by SoftBank Group Corp. and such subsidiaries.

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.

*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.

(3) 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, 2025	As of March 31, 2026	As of March 31, 2026
Cash and cash equivalents	¥ 1,311	¥ 1,531	$ 9,576
Trade and other receivables	33,114	32,979	206,273
Other financial assets (current)*1	59,577	1,113,835	6,966,694
Property, plant and equipment	4,413	4,248	26,570
Investment securities*2,3,4	2,292,821	926,014	5,791,931
Other financial assets (non-current)	—	117	732
Other non-current assets	—	249	1,558
Assets classified as held for sale*2,3	550,440	—	—
Total	¥ 2,941,676	¥ 2,078,973	$ 13,003,334

Liabilities related to these assets pledged as collateral are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2025	As of March 31, 2026	As of March 31, 2026
Interest-bearing debt			
Short-term borrowings*1	¥ 29,796	¥ 910,918	$ 5,697,511
Current portion of long-term borrowings*3	368,936	15,440	96,572
Current portion of financial liabilities relating to sale of shares by prepaid forward contracts*2	997,843	—	—
Long-term borrowings*3	228,669	147,730	924,006
Financial liabilities relating to sale of shares by prepaid forward contracts*4	—	259,214	1,621,303
Trade and other payables	1,787	759	4,747
Other financial liabilities (current)*1	—	1,365	8,538
Other current liabilities	383	—	—
Total	¥ 1,627,414	¥ 1,335,426	$ 8,352,677

*1 ¥1,092,249 million ($6,831,680 thousand) of securities pledged as collateral in the asset management subsidiary are pledged as collateral for ¥801,937 million ($5,015,868 thousand) of short-term borrowings and ¥1,365 million ($8,538 thousand) of borrowed securities in SB Northstar (as of March 31, 2025: ¥47,947 million of securities in the asset management subsidiary was pledged as collateral for ¥29,796 million of short-term borrowings). In addition, in accordance with the contracts by each broker, there is a possibility that investments of the asset management subsidiary included in "Other financial assets (current)" in the consolidated statement of financial position will be pledged additionally as collateral in response to the balance of liabilities in the asset management subsidiary and position in the future.

*2 As of March 31, 2025, Alibaba shares were pledged as collateral for ¥997,843 million of current portion of financial liabilities relating to sale of shares by prepaid forward contracts. Alibaba shares pledged as collateral were recorded for ¥1,015,737 million as investment securities and for ¥533,818 million as assets classified as held for sale. For the fiscal year ended March 31, 2026, all remaining prepaid forward contracts using Alibaba shares reached the settlement dates and were physically settled.

*3 As of March 31, 2025, ¥1,038,860 million of Deutsche Telekom shares held by a wholly-owned subsidiary of the Company was pledged as collateral for ¥343,868 million of current portion of long-term borrowings and ¥65,499 million of long-term borrowings by collar transactions using Deutsche Telekom shares. All remaining collar transactions were physically settled by August 2025.

*4 ¥335,796 million ($2,100,300 thousand) of T-Mobile shares held by the wholly-owned subsidiary of the Company is pledged as collateral for ¥259,214 million ($1,621,303 thousand) of financial liabilities relating to sale of shares by prepaid forward contracts.

Other than the above, the following assets are pledged as collateral.

a. SVF2

As of March 31, 2026, SVF2 provides mainly the equity interests of subsidiaries of SVF2 as collateral for the long-term borrowings of ¥814,202 million ($5,092,582 thousand) (as of March 31, 2025: ¥501,245 million).

The facility agreement for the long-term borrowings includes a 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 investments SVF2 holds. The creditors would be able to dispose of the collateral if the cash collateral provision or the mandatory prepayment clause were triggered and SVF2 failed to provide additional collateral or repay the long-term borrowings when due.

The long-term borrowings are on a limited-recourse basis to SoftBank Group Corp.

b. Arm
As of March 31, 2026, Kronos I (UK) Limited, a wholly-owned subsidiary of the Company, provides 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 for the long-term borrowings of ¥3,168,545 million ($19,818,270 thousand) (a $20 billion margin loan) (as of March 31, 2025: ¥1,258,482 million (a $8.5 billion margin loan)).

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 on a non-recourse basis to SoftBank Group Corp.

c. SoftBank Corp.
As of March 31, 2026, a wholly-owned subsidiary of the Company provides 13,440,860,103 shares (as of March 31, 2025: 9,592,326,020 shares) out of 19,148,580,700 shares of SoftBank Corp. held by the Company as collateral assets for the long-term borrowings of ¥1,196,534 million ($7,483,950 thousand) (as of March 31, 2025: ¥795,974 million).

The borrowings include a cash collateral provision and a mandatory prepayment 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 on a non-recourse basis to SoftBank Group Corp.

d. Energy Global
As of March 31, 2026, in connection with certain project financing arrangements, Energy Global has pledged its equity interests in project subsidiaries as collateral for short-term borrowings of ¥26,037 million ($162,853 thousand), current portion of long-term borrowings of ¥1,004 million ($6,280 thousand), and long-term borrowings of ¥381,451 million ($2,385,858 thousand).

In the event of a default under the borrowings of each project, the collateral is limited to the equity interests in the respective project subsidiary.

The borrowings are on a non-recourse basis to SoftBank Group Corp.

(4) 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, 2025		As of March 31, 2026	As of March 31, 2026
Property, plant and equipment	¥	743,783	¥ 667,175	$ 4,172,973

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, 2025		As of March 31, 2026	As of March 31, 2026
Interest-bearing debt				
Current portion of long-term borrowings	¥	214,481	¥ 194,606	$ 1,217,200
Long-term borrowings		380,051	327,793	2,050,244
Total	¥	594,532	¥ 522,399	$ 3,267,444

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, 2025	As of March 31, 2026		As of March 31, 2026
Intangible assets	¥ 261,046	¥ 181,115	$	1,132,818

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, 2025	As of March 31, 2026		As of March 31, 2026
Interest-bearing debt				
Current portion of long-term borrowings	¥ 94,774	¥ 71,527	$	447,379
Long-term borrowings	138,518	95,106		594,859
Total	¥ 233,292	¥ 166,633	$	1,042,238

(5) Components of proceeds in and repayment of short-term interest-bearing debt, net

The components of "(Repayment of) proceeds in 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, 2025	Fiscal year ended March 31, 2026		Fiscal year ended March 31, 2026
Net (decrease) increase in short-term borrowings	¥ (371,723)	¥ 1,041,895	$	6,516,731
Net (decrease) increase in commercial paper	(50,000)	1,200		7,506
Total	¥ (421,723)	¥ 1,043,095	$	6,524,237

(6) 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, 2025	Fiscal year ended March 31, 2026		Fiscal year ended March 31, 2026
Proceeds from borrowings*1,2	¥ 3,756,443	¥ 8,947,828	$	55,965,899
Proceeds from issuance of corporate bonds	1,557,222	2,744,140		17,163,748
Proceeds from procurement by prepaid forward contracts using shares	—	256,244		1,602,727
Total	¥ 5,313,665	¥ 11,948,212	$	74,732,374

*1 For the fiscal year ended March 31, 2026, the amount includes ¥1,217,455 million ($7,614,805 thousand) of the borrowing for the additional investment in OpenAI Global from SVF2, ¥1,023,685 million ($6,402,833 thousand) of the borrowing for the acquisition of Ampere, and ¥1,851,108 million ($11,578,109 thousand) of the borrowing under commitment lines by SoftBank Group Corp.

*2 For the fiscal year ended March 31, 2026, the amount includes ¥1,771,460 million ($11,079,935 thousand) of the borrowing by Kronos I (UK) Limited, a wholly-owned subsidiary of the Company. The details are described in "*7" under "(1) Components of interest-bearing debt."

(7) 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, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2026
Repayment of borrowings*1	¥ (2,475,239)	¥ (4,205,898)	$ (26,306,592)
Redemption of corporate bonds	(825,632)	(1,220,991)	(7,636,922)
Payments for settlement of financial liabilities relating to sale of shares by prepaid forward contracts*2	(508,211)	—	—
Total	¥ (3,809,082)	¥ (5,426,889)	$ (33,943,514)

*1 For the fiscal year ended March 31, 2026, the amount includes ¥1,730,348 million ($10,822,792 thousand) of the repayment of borrowing under commitment lines by SoftBank Group Corp.

*2 The amount was primarily settled by cash due to the maturity of prepaid forward contracts using T-Mobile shares.

24. 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, 2025	As of March 31, 2026	As of March 31, 2026
Ordinary deposits	¥ 1,658,539	¥ 2,189,364	$ 13,693,795
Time deposits	137,426	361,634	2,261,909
Total	¥ 1,795,965	¥ 2,550,998	$ 15,955,704

25. 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, 2025	As of March 31, 2026	As of March 31, 2026
Trade payables	¥ 2,196,284	¥ 2,592,135	$ 16,213,004
Deposit received*	814,155	1,000,743	6,259,338
Other	25,910	23,768	148,661
Total	¥ 3,036,349	¥ 3,616,646	$ 22,621,003

* 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.

26. Other financial liabilities

The components of other financial liabilities are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2025	As of March 31, 2026	As of March 31, 2026
Current			
Borrowed securities in asset management subsidiaries	¥ 1,141	¥ 1,365	$ 8,538
Other	4,799	38,579	241,299
Total	¥ 5,940	¥ 39,944	$ 249,837
Non-current			
Debt securities issued by subsidiaries*1	73,980	234,605	1,467,382
Long-term accounts payable	69,863	76,379	477,727
Put option liabilities relating to non-controlling interests	8,550	59,701	373,411
Payable to tax equity investors*2	18,796	17,186	107,493
Other	28,095	62,976	393,896
Total	¥ 199,284	¥ 450,847	$ 2,819,909

*1 These are debt instruments issued by Energy 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 Energy Global. The details of the Tax Equity Investors are described in "*6" under "Note 42. Other gain."

27. 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, 2025	As of March 31, 2026	As of March 31, 2026
Current			
Contract liabilities	¥ 184,265	¥ 240,440	$ 1,503,878
Short-term accrued employee benefits	172,445	169,308	1,058,969
Accrued interest expenses	73,227	115,173	720,372
Consumption tax payable and other	77,864	95,869	599,631
Withholding tax payable	50,701	43,207	270,246
Other	71,215	126,007	788,135
Total	¥ 629,717	¥ 790,004	$ 4,941,231
Non-current			
Liability for cash-settled share-based compensation*1	14,361	393,621	2,461,978
Contract liabilities	170,652	182,514	1,141,569
Non-current income taxes payable	—	61,857	386,896
Tax benefit allocation liability*2	11,326	61,144	382,437
Other	108,268	114,713	717,495
Total	¥ 304,607	¥ 813,849	$ 5,090,375

*1 The amount represents liabilities related to cash-settled share-based payment transactions mainly recognized in Energy Global. The details of cash-settled share-based payment transactions are described in "Note 36. Share-based payment transactions."

*2 Energy Global is obligated to allocate the tax incentives received by the projects to the Tax Equity Investors under the partnership agreements. The outstanding balance of such obligations represents the portion of tax incentives not yet allocated to the Tax Equity Investors. The details of the Tax Equity Investors are described in "*6" under "Note 42. Other gain."

28. Provisions

The changes in the provisions are as follows:

(Millions of yen)

	Asset retirement obligations	Provision for loss on contract	Other	Total
As of April 1, 2025	¥ 116,317	¥ 86,785	¥ 6,381	¥ 209,483
Recognition of provisions	7,675	53,728	34,129	95,532
Business combination*1	294	50,886	712	51,892
Interest due to passage of time	340	598	—	938
Used	(6,832)	(33,327)	(29,981)	(70,140)
Reversal of provisions	—	—	(2,238)	(2,238)
Change in estimate*2,3	8,720	3,395	—	12,115
Exchange differences	854	1,120	194	2,168
Other	(932)	—	(2,995)	(3,927)
As of March 31, 2026	¥ 126,436	¥ 163,185	¥ 6,202	¥ 295,823
Current liabilities	¥ 11,397	¥ 63,486	¥ 4,413	¥ 79,296
Non-current liabilities	115,039	99,699	1,789	216,527
Total	¥ 126,436	¥ 163,185	¥ 6,202	¥ 295,823

(Thousands of U.S. dollars)

	Asset retirement obligations	Provision for loss on contract	Other	Total
As of April 1, 2025	$727,527	$ 542,813	$ 39,911	$1,310,251
Recognition of provisions	48,005	336,052	213,466	597,523
Business combination*1	1,838	318,276	4,454	324,568
Interest due to passage of time	2,127	3,740	—	5,867
Used	(42,732)	(208,450)	(187,522)	(438,704)
Reversal of provisions	—	—	(13,998)	(13,998)
Change in estimate*2,3	54,541	21,235	—	75,776
Exchange differences	5,341	7,006	1,213	13,560
Other	(5,829)	—	(18,733)	(24,562)
As of March 31, 2026	$790,818	$1,020,672	$ 38,791	$1,850,281
Current liabilities	$ 71,285	$ 397,085	$ 27,602	$ 495,972
Non-current liabilities	719,533	623,587	11,189	1,354,309
Total	$790,818	$1,020,672	$ 38,791	$1,850,281

*1 Regarding the increase in "Business combination" of "Provision for loss on contract," it is due to the acquisition of Ampere. The details of the transaction are described in "Note 8. Business combination."

*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 or restoration costs, such as part of base stations, data centers, network centers, and certain offices (including the head office). The estimate of the amount 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

Provision for loss on contract is recognized mainly in mobile services 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.

29. 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

Note: 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, 2025	As of March 31, 2026	As of March 31, 2026
Equity capital	¥ 11,561,541	¥ 17,621,823	$ 110,219,058
Equity capital ratio (%)	25.7	29.0	29.0

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 "(2) Financial and other covenants" under "Note 23. 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 investment businesses, 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, British pound, and Euro.

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, 2025	As of March 31, 2026	As of March 31, 2026
Net exposure affecting income before income tax [in liability position]	¥ (3,259,862)	¥ (8,794,509)	$ (55,006,936)
Net exposure affecting other comprehensive income [in asset position]	2,343	23,741	148,493

Euro

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2025	As of March 31, 2026	As of March 31, 2026
Net exposure affecting income before income tax [in liability position]	¥ (143,176)	¥ (468,714)	$ (2,931,661)

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, 2025	As of March 31, 2026	As of March 31, 2026
Net exposure affecting income before income tax [in asset position]	¥ 1,503,686	¥ 1,489,909	$ 9,318,920

British pound

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2025	As of March 31, 2026	As of March 31, 2026
Net exposure affecting income before income tax [in asset position]	¥ 457,282	¥ 878,799	$ 5,496,616
Net exposure affecting other comprehensive income [in asset position]	21,502	22,002	137,616

Euro

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2025	As of March 31, 2026	As of March 31, 2026
Net exposure affecting income before income tax [in asset position]	¥ 906,662	¥ 375,621	$ 2,349,393
Net exposure affecting other comprehensive income [in asset position]	4,183	4,774	29,860

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 33. Foreign currency exchange rates."

U.S. dollars

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2026
Increase (decrease) in income before income tax	¥ 32,599	¥ 87,945	$ 550,069
Increase (decrease) in other comprehensive income before tax effect	(23)	(237)	(1,482)

Euro

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2026
Increase (decrease) in income before income tax	¥ 1,432	¥ 4,687	$ 29,316

The table below presents the effect of a 1% appreciation of the U.S. dollar on income before income tax and other comprehensive income before tax effect:

Chinese yuan

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2026
Increase (decrease) in income before income tax	¥ (15,037)	¥ (14,899)	$ (93,189)

British pound

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2026
Increase (decrease) in income before income tax	¥ (4,573)	¥ (8,788)	$ (54,966)
Increase (decrease) in other comprehensive income before tax effect	(215)	(220)	(1,376)

Euro

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2026
Increase (decrease) in income before income tax	¥ (9,067)	¥ (3,756)	$ (23,493)
Increase (decrease) in other comprehensive income before tax effect	(42)	(48)	(300)

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, 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. dollar (Functional Currency: Yen)	¥ 1,595 (—)	¥ 7	¥ 21	¥ (92)	¥147.73 per $1
Long - British pound (Functional Currency: U.S. dollar)	63,932 (—)	981	277	681	$0.78 per £1
Long - Euro (Functional Currency: U.S. dollar)	806 (—)	3	—	3	¥0.93 per €1
Currency swap contracts					
Receipt in U.S. dollar / payment in yen	634,576 (527,101)	121,250	9,851	(38,172)	¥129.23 per $1
Receipt in Euro/ 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)	

As of March 31, 2026

(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. dollar (Functional Currency: Yen)	¥ 17,610 (—)	¥ 644	¥ 2	¥ 656	¥151.50 per $1
Long - British pound (Functional Currency: U.S. dollars)	86,981 (—)	41	1,558	(2,221)	$0.74 per £1
Currency swap contracts					
Receipt in U.S. dollar / payment in yen	947,213 (862,362)	176,763	—	65,364	¥135.64 per $1
Receipt in Euro/ payment in yen	594,146 (531,294)	127,973	—	34,422	¥155.55 per €1
Total	¥ 1,645,950 (1,393,656)	¥ 305,421	¥ 1,560	¥ 98,221	

(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. dollar (Functional Currency: Yen)	$ 110,145 (—)	$ 4,028	$ 13	$ 4,103
Long - British pound (Functional Currency: U.S. dollar)	544,039 (—)	256	9,744	(13,892)
Currency swap contracts				
Receipt in U.S. dollar / payment in yen	5,924,524 (5,393,808)	1,105,598	—	408,832
Receipt in Euro/ payment in yen	3,716,200 (3,323,080)	800,432	—	215,299
Total	$ 10,294,908 (8,716,888)	$ 1,910,314	$ 9,757	$ 614,342

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, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2026
Foreign currency forward contracts			
Balance at the beginning of the period	¥ (68)	¥ 389	$ 2,433
Amount incurred	(429)	(2,163)	(13,529)
Reclassification adjustments*1	886	780	4,879
Balance at the end of the period*2	389	(994)	(6,217)
Currency swap contracts			
Balance at the beginning of the period	(44,877)	(10,305)	(64,455)
Amount incurred	(321)	147,210	920,754
Reclassification adjustments*1	34,893	(135,854)	(849,725)
Balance at the end of the period*2	(10,305)	1,051	6,574
Total	¥ (9,916)	¥ 57	$ 357

*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, 2026, the amount of ¥610 million ($3,815 thousand) (for the fiscal year ended March 31, 2025: ¥1,484 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, 2026, accumulated other comprehensive income after tax effect includes ¥230 million ($1,439 thousand) (as of March 31, 2025: ¥839 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, 2025			As of March 31, 2026			As of March 31, 2026		
	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	¥ 74,577 (1,469)	¥ —	¥ 744	¥ 197,783 (16,138)	¥ 2,130	¥ 201	$ 1,237,072 (100,938)	$ 13,322	$ 1,257
Currency swap contracts	1,659 (1,212)	574	—	1,212 (1,212)	548	—	7,581 (7,581)	3,428	—
Foreign exchange margin transactions*	70,009 (—)	4,951	1,907	75,517 (—)	5,030	2,549	472,336 (—)	31,461	15,943
Total	¥ 146,245 (2,681)	¥ 5,525	¥ 2,651	¥ 274,512 (17,350)	¥ 7,708	¥ 2,750	$ 1,716,989 (108,519)	$ 48,211	$ 17,200

* 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 and investment-grade bonds) 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, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2026
Decrease in income before income tax	¥ (26,966)	¥ (13,598)	$ (85,051)

(ii) Other securities

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2026
Decrease in income before income tax	¥ (1,012,472)	¥ (432,764)	$ (2,706,805)
Decrease in other comprehensive income before tax effect	(3,821)	(4,260)	(26,645)

ii. 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, 2025		As of March 31, 2026		As of March 31, 2026	
	Carrying amount (fair value)		Carrying amount (fair value)		Carrying amount (fair value)	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Warrants granted by Energy Global[*1]	¥ —	¥ —	¥ —	¥ 582,962	$ —	$ 3,646,247
Prepaid forward contracts using T-Mobile shares[*2]	—	—	—	28,031	—	175,325
Long call option	6,419	—	26,760	—	167,376	—
Short call option	—	23,624	—	7,795	—	48,755
Long put option	30,967	—	471	—	2,946	—
Short put option	—	18,633	—	29,561	—	184,896
Others	9	—	9,180	—	57,418	—
Total	¥ 37,395	¥ 42,257	¥ 36,411	¥ 648,349	$ 227,740	$ 4,055,223

*1 The Warrants granted by Energy Global, convertible into its ordinary equity interests, as lease incentives in connection with lessor lease arrangements related to data centers. As the number of ordinary equity interests to be issued upon exercise varies depending on the fair value of Energy Global at the time of exercise, the warrants are not classified as equity but are recognized as derivative financial liabilities.

*2 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 in which a cap and a floor are set for the price of shares settled.

iii. 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, 2025		As of March 31, 2026		As of March 31, 2026	
	Carrying amount (fair value)		Carrying amount (fair value)		Carrying amount (fair value)	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Total return swap	¥ —	¥ —	¥ —	¥ 20,988	$ —	$ 131,273
Swap contracts related to electricity sales price	—	18,675	—	8,253	—	51,620
Others	—	—	—	991	—	6,198
total	¥ —	¥ 18,675	¥ —	¥ 30,232	$ —	$ 189,091

iv. 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, 2025		As of March 31, 2026		As of March 31, 2026	
	Carrying amount (fair value)		Carrying amount (fair value)		Carrying amount (fair value)	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Stock forward contracts	¥ 2,468	¥ —	¥ 4,028	¥ —	$ 25,194	$ —
Prepaid forward contracts using Alibaba shares*	—	551,943	—	—	—	—
Total	¥ 2,468	¥ 551,943	¥ 4,028	¥ —	$ 25,194	$ —

* For the fiscal year ended March 31, 2026, the amount decreased as all of the prepaid forward contracts using Alibaba shares were settled and completed.

v. 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, 2025		As of March 31, 2026		As of March 31, 2026	
	Carrying amount (fair value)		Carrying amount (fair value)		Carrying amount (fair value)	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Collar contracts using Deutsche Telekom shares*	¥ —	¥ 308,374	¥ —	¥ —	$ —	$ —

* For the fiscal year ended March 31, 2026, the amount decreased as all of the collar transactions using Deutsche Telekom shares were settled and completed.

(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, 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, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2026
Decrease in income before income tax	¥ (47,074)	¥ (103,084)	$ (644,759)

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, 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)				

(Millions of yen)

	As of March 31, 2026				
	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	¥ 764,048	¥ 16,943	¥ —	¥ 7,176	1.74%
Receipt in floating rate/ Payment in fixed rate	(594,589)				

(Thousands of U.S. dollars)

	As of March 31, 2026			
	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	$ 4,778,884	$ 105,973	$ —	$ 44,884
Receipt in floating rate/ Payment in fixed rate	(3,718,970)			

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, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2026
Interest rate swap			
Balance at the beginning of the period	¥ (3,085)	¥ (219)	$ (1,371)
Amount incurred	2,669	3,356	20,991
Reclassification adjustments*1	197	(570)	(3,565)
Balance at the end of the period*2	¥ (219)	¥ 2,567	$ 16,055

*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 transferred from cash flow hedges, which arise from the discontinued hedging relationships, 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. There were no transactions for which hedge accounting was discontinued because the forecasted transaction was no longer expected to occur for the fiscal year ended March 31, 2026.

*2 As of March 31, 2026, accumulated other comprehensive income after tax effect includes ¥(195) million ($(1,220) thousand) (as of March 31, 2025: ¥38 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, 2025			As of March 31, 2026			As of March 31, 2026		
	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	¥ 306,205	¥ 1,080	¥ 2,774	$ 1,915,218	$ 6,755	$ 17,351
	(252,385)			(306,205)			(1,915,218)		

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 losses. 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 since 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 47. Contingency."

As of March 31, 2026, SoftBank Group Corp. received cash and cash equivalents of ¥107,035 million ($669,471 thousand) (as of March 31, 2025: ¥100,995 million) as collateral under certain derivative contracts.

(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, 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

As of March 31, 2026

(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	¥ 1,462,105	¥ 40,697	¥ 10,601	¥ 12,672	¥ 19,029	¥ 13,339	¥ 1,558,443
Allowance for doubtful accounts	(9,285)	(1,059)	(2,433)	(3,237)	(4,835)	(9,342)	(30,191)
Total							¥ 1,528,252

(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	$ 9,145,015	$ 254,547	$ 66,306	$ 79,259	$ 119,021	$ 83,431	$ 9,747,579
Allowance for doubtful accounts	(58,075)	(6,624)	(15,218)	(20,246)	(30,241)	(58,431)	(188,835)
Total							$ 9,558,744

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. Receivables from Third-Party Investor in SVF2 and LatAm are not included below. The details of the receivables are described in "a. Co-investment program with restricted rights to receive distributions" in "(1) Related party transactions and balances" under "Note 46. Related party transactions."

As of March 31, 2025

(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	¥ 1,564,135	¥ 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

Investment securities are mostly financial assets measured at amortized cost.

As of March 31, 2026

(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	¥ 1,994,049	¥ 98,783	¥ 8,280	¥ 5,679	¥ —	¥ 2,106,791
Investment securities	1,331,061	—	—	—	—	1,331,061
Other financial assets	3,305,606	4,951	5,716	117,214	14,965	3,448,452
Total	¥ 6,630,716	¥ 103,734	¥ 13,996	¥ 122,893	¥ 14,965	¥ 6,886,304

(Thousands of U.S. dollars)

	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	$ 12,472,161	$ 617,857	$ 51,789	$ 35,520	$ —	$ 13,177,327
Investment securities	8,325,375	—	—	—	—	8,325,375
Other financial assets	20,675,544	30,967	35,752	733,138	93,601	21,569,002
Total	$ 41,473,080	$ 648,824	$ 87,541	$ 768,658	$ 93,601	$ 43,071,704

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, 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

For the fiscal year ended March 31, 2026

(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, 2025	¥ 11,027	¥ 13,735	¥ 24,762
Provisions	3,303	10,314	13,617
Utilized	(13)	(7,093)	(7,106)
Other	(1,540)	458	(1,082)
As of March 31, 2026	¥ 12,777	¥ 17,414	¥ 30,191

(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, 2025	$ 68,971	$ 85,908	$ 154,879
Provisions	20,659	64,511	85,170
Utilized	(82)	(44,365)	(44,447)
Other	(9,632)	2,865	(6,767)
As of March 31, 2026	$ 79,916	$ 108,919	$ 188,835

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, 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

For the fiscal year ended March 31, 2026

(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*2	Total
As of April 1, 2025	¥ 23,957	¥ 4,169	¥ 127,547	¥ —	¥ 155,673
Provisions	5,249	670	35,531	—	41,450
Utilized	(588)	(60)	(21,082)	—	(21,730)
Reversal	(5,017)	(62)	(854)	—	(5,933)
Other	(326)	(482)	(30,108)*1	—	(30,916)
As of March 31, 2026	¥ 23,275	¥ 4,235	¥ 111,034	¥ —	¥ 138,544

(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*2	Total
As of April 1, 2025	$ 149,844	$ 26,076	$ 797,767	$ —	$ 973,687
Provisions	32,831	4,191	222,235	—	259,257
Utilized	(3,678)	(375)	(131,861)	—	(135,914)
Reversal	(31,380)	(388)	(5,342)	—	(37,110)
Other	(2,039)	(3,015)	(188,316)*1	—	(193,370)
As of March 31, 2026	$ 145,578	$ 26,489	$ 694,483	$ —	$ 866,550

*1 The decrease was mainly due to the loss of control over subsidiaries.

*2 For the fiscal year ended March 31, 2026, the total amount of undiscounted expected credit losses at initial recognition of purchased or originated credit-impaired financial assets was ¥13,851 million ($86,634 thousand).

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 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, 2026, the undrawn amounts of the Company's credit facilities are ¥8,147,436 million ($50,959,695 thousand) (as of March 31, 2025: ¥2,451,229 million). This amount includes ¥7,311,390 million ($45,730,485 thousand) (as of March 31, 2025: ¥731,340 million) credit facilities that are subject to certain conditions at the time of borrowing, as of March 31, 2026.

The amount of undrawn credit facilities and credit facilities subject to certain conditions at the time of borrowing as of March 31, 2026 includes the bridge facility agreement entered into on March 27, 2026. Details are described in "(2) Financing through a bridge facility agreement" under "Note 50. Subsequent events."

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, 2026, the amounts that could be additionally borrowed are ¥369,885 million ($2,313,516 thousand) (as of March 31, 2025: ¥631,729 million).

Note: Certain commitments above contain financial and other covenants. The details are described in "(2) Financial and other covenants" under "Note 23. 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, 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

(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
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

*1 Deposits for the banking business payable on demand are included in “Within 1 year.”

*2 The amount represents the amount that would have been distributed to Third-Party Investors in accordance with the limited partnership agreement if SVF1, SVF2, and LatAm had been liquidated as of March 31, 2025. The maturities of third-party interests in SVF1, SVF2, and LatAm are recognized based on current fund lives. The managers of SVF1, SVF2 and LatAm 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 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 (as of April 1, 2024: ¥71,609 million). Of this amount, ¥71,801 million 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.

*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.

As of March 31, 2026

(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	¥ 4,770,687	¥ 4,777,328	¥ 4,777,328	¥ —	¥ —	¥ —	¥ —	¥ —
Commercial paper	258,700	258,700	258,700	—	—	—	—	—
Long-term borrowings	9,591,762	9,647,701	912,503	6,000,187	815,181	1,250,706	210,332	458,792
Corporate bonds	9,804,712	9,868,278	1,350,076	673,583	1,693,108	1,021,092	1,647,468	3,482,951
Financial liabilities relating to sale of shares by prepaid forward contract	259,214	289,295	—	—	—	289,295	—	—
Installment payables	41	41	26	11	4	—	—	—
Lease liabilities	978,450	978,450	184,666	157,169	129,271	112,472	87,580	307,292
Deposits for banking business[*1]	2,577,902	2,577,902	2,550,998	12,704	6,491	1,201	2,218	4,290
Third-party interests in SVF[*2]	3,746,396	3,746,396	—	—	—	3,246,005	—	500,391
Trade and other payables[*3]	3,616,646	3,616,646	3,573,660	23,489	11,632	5,481	1,501	883
Other financial liabilities	463,887	463,887	39,944	322,206	13,192	21,629	3,128	63,788
Total	¥36,068,397	¥36,224,624	¥13,647,901	¥7,189,349	¥2,668,879	¥5,947,881	¥1,952,227	¥4,818,387
Derivative financial liabilities[*4]								
Derivative financial liabilities								
Foreign currency exchange contracts	¥ 4,310	¥ 4,310	¥ 4,310	¥ —	¥ —	¥ —	¥ —	¥ —
Option contracts	65,387	65,387	13,003	—	919	45,547	—	5,918
Interest rate contracts	2,774	38	—	—	—	—	—	38
Swap contracts	30,232	30,728	2,132	2,856	3,309	(43)	—	22,474
Other	1,193	1,193	1,193	—	—	—	—	—
Total	¥ 103,896	¥ 101,656	¥ 20,638	¥ 2,856	¥ 4,228	¥ 45,504	¥ —	¥ 28,430

(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	$ 29,839,173	$ 29,880,711	$29,880,711	$ —	$ —	$ —	$ —	$ —
Commercial paper	1,618,089	1,618,089	1,618,089	—	—	—	—	—
Long-term borrowings	59,993,508	60,343,389	5,707,424	37,529,316	5,098,705	7,822,780	1,315,562	2,869,602
Corporate bonds	61,325,444	61,723,030	8,444,308	4,213,054	10,589,867	6,386,615	10,304,403	21,784,783
Financial liabilities relating to sale of shares by prepaid forward contract	1,621,303	1,809,451	—	—	—	1,809,451	—	—
Installment payables	256	256	163	69	24	—	—	—
Lease liabilities	6,119,903	6,119,903	1,155,029	983,044	808,550	703,478	547,786	1,922,016
Deposits for banking business[*1]	16,123,980	16,123,980	15,955,704	79,460	40,599	7,512	13,873	26,832
Third-party interests in SVF[*2]	23,432,549	23,432,549	—	—	—	20,302,758	—	3,129,791
Trade and other payables[*3]	22,621,003	22,621,003	22,352,139	146,916	72,755	34,282	9,388	5,523
Other financial liabilities	2,901,470	2,901,470	249,837	2,015,299	82,512	135,283	19,565	398,974
Total	$225,596,678	$226,573,831	$85,363,404	$44,967,158	$16,693,012	$37,202,159	$12,210,577	$30,137,521
Derivative financial liabilities[*4]								
Derivative financial liabilities								
Foreign currency exchange contracts	$ 26,957	$ 26,957	$ 26,957	$ —	$ —	$ —	$ —	$ —
Option contracts	408,976	408,976	81,331	—	5,748	284,882	—	37,015
Interest rate contracts	17,351	238	—	—	—	—	—	238
Swap contracts	189,091	192,194	13,335	17,863	20,697	(269)	—	140,568
Other	7,462	7,462	7,462	—	—	—	—	—
Total	$ 649,837	$ 635,827	$ 129,085	$ 17,863	$ 26,445	$ 284,613	$ —	$ 177,821

*1 Deposits for the banking business payable on demand are included in "Within 1 year."

*2 The amount represents the amount that would have been distributed to Third-Party Investors in accordance with the limited partnership agreement if SVF1, SVF2, and LatAm had been liquidated as of March 31, 2026. The maturities of third-party interests in SVF1, SVF2, and LatAm are recognized based on current fund lives. The managers of SVF1, SVF2 and LatAm 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 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, 2026, the carrying amount of financial liabilities related to the supplier finance arrangements is ¥80,656 million ($504,478 thousand). Of this amount, ¥79,721 million ($498,630 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 fourth 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.

*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.

In addition, the Company has lending commitments and credit guarantees, which are detailed in "(1) Lending commitments" and "(2) Credit guarantees" under "Note 47. Contingency."

Average interest rates of the interest-bearing debts and lease liabilities are described in "(1) Components of interest-bearing debt" under "Note 23. Interest-bearing debt" and "Note 18. Leases."

(3) Categories of financial instruments

Components of financial instruments (excluding cash and cash equivalents) by category are as follows:

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 of 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

As of March 31, 2026

(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	¥ —	¥ —	¥ —	¥ —	¥ 3,302,622	¥ 3,302,622
Derivative financial assets	17,996	26,225	—	—	—	44,221
Other financial assets	1,643,850	—	102,292	500	388,966	2,135,608
Non-current assets						
Investments of SVF (FVTPL)	23,495,706	—	—	—	—	23,495,706
Investment securities	2,815,710	—	323,056	117,870	1,008,005	4,264,641
Derivative financial assets	31,408	296,139	—	—	—	327,547
Other financial assets	63,381	—	—	105	3,638,182	3,701,668
Total	¥ 28,068,051	¥ 322,364	¥ 425,348	¥ 118,475	¥ 8,337,775	¥ 37,272,013

	Financial liabilities at FVTPL	Derivatives designated as hedges	Financial liabilities measured at amortized cost	Total
Financial liabilities				
Current liabilities				
Interest-bearing debt	¥ —	¥ —	¥ 7,251,630	¥ 7,251,630
Lease liabilities	—	—	184,666	184,666
Deposits for banking business	—	—	2,550,998	2,550,998
Trade and other payables	—	—	3,616,646	3,616,646
Derivative financial liabilities	136,298	1,560	—	137,858
Other financial liabilities	7,104	—	32,840	39,944
Non-current liabilities				
Interest-bearing debt	—	—	17,433,486	17,433,486
Lease liabilities	—	—	793,784	793,784
Third-party interests in SVF	—	—	3,746,396	3,746,396
Derivative financial liabilities	549,000	—	—	549,000
Other financial liabilities	294,306	—	156,541	450,847
Total	¥ 986,708	¥ 1,560	¥ 35,766,987	¥ 36,755,255

(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	$ —	$ —	$ —	$ —	$ 20,656,880	$ 20,656,880
Derivative financial assets	112,559	164,030	—	—	—	276,589
Other financial assets	10,281,774	—	639,805	3,127	2,432,862	13,357,568
Non-current assets						
Investments of SVF (FVTPL)	146,958,381	—	—	—	—	146,958,381
Investment securities	17,611,396	—	2,020,615	737,241	6,304,760	26,674,012
Derivative financial assets	196,447	1,852,258	—	—	—	2,048,705
Other financial assets	396,429	—	—	657	22,755,704	23,152,790
Total	$ 175,556,986	$ 2,016,288	$ 2,660,420	$ 741,025	$ 52,150,206	$ 233,124,925

	Financial liabilities at FVTPL	Derivatives designated as hedges	Financial liabilities measured at amortized cost	Total
Financial liabilities				
Current liabilities				
Interest-bearing debt	$ —	$ —	$ 45,356,705	$ 45,356,705
Lease liabilities	—	—	1,155,029	1,155,029
Deposits for banking business	—	—	15,955,704	15,955,704
Trade and other payables	—	—	22,621,003	22,621,003
Derivative financial liabilities	852,502	9,757	—	862,259
Other financial liabilities	44,433	—	205,404	249,837
Non-current liabilities				
Interest-bearing debt	—	—	109,041,068	109,041,068
Lease liabilities	—	—	4,964,874	4,964,874
Third-party interests in SVF	—	—	23,432,549	23,432,549
Derivative financial liabilities	3,433,825	—	—	3,433,825
Other financial liabilities	1,840,793	—	979,116	2,819,909
Total	$ 6,171,553	$ 9,757	$ 223,711,452	$ 229,892,762

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, 2025

Names	(Millions of yen) Fair value
Ampere Computing Holdings LLC	¥ 42,758
Raspberry Pi Holdings plc	14,636
Visional, Inc.	14,497
SNOW Corporation	9,756
HOPU-ARM Innovation Fund, L.P.	7,884
Other	58,826
Total	¥ 148,357

As of March 31, 2026

Names	(Millions of yen) Fair value	(Thousands of U.S. dollars) Fair value
Raspberry Pi Holdings plc	¥ 14,759	$ 92,313
Knight JV, LLC	14,496	90,668
Visional, Inc.	13,590	85,001
HOPU-ARM Innovation Fund, L.P.	8,288	51,839
SNOW Corporation	7,940	49,662
Other	59,402	371,542
Total	¥ 118,475	$ 741,025

The Company derecognizes equity financial assets at FVTOCI, by selling or in other ways, 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, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2026
Fair value on the date of derecognition	¥ 14,579	¥ 3,111	$ 19,458
Accumulated gains or (losses) related to the disposal	(600)	(39)	(244)

Other than above, during the fiscal year ended March 31, 2026, due to Ampere becoming a subsidiary through an additional acquisition of equity interests, the Company derecognized the equity financial assets at FVTOCI previously held in Ampere. The fair value at the date of derecognition was ¥40,737 million ($254,797 thousand), and the cumulative gain arising from the disposal was ¥ 22,874 million ($143,070 thousand).

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, 2026, ¥22,520 million ($140,856 thousand) (for the fiscal year ended March 31, 2025: ¥ (978) million) was transferred from "Accumulated other comprehensive income" to "Retained earnings."

30. 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 when the event or change in circumstances that caused the transfer is observed.

There were no significant transfers between Level 1 and Level 2 during the fiscal years ended March 31, 2025 and 2026.

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, 2025

(Millions of yen)

	Level 1	Level 2	Level 3	Total
Financial assets				
Investments of SVF (FVTPL)	¥ 3,414,027	¥ 96	¥7,996,799	¥11,410,922
Equity securities (excluding investments of SVF (FVTPL))	7,016,951	—	577,284	7,594,235
Bonds and loans (excluding investments of 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

* These are debt instruments issued by Energy 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.

As of March 31, 2026

(Millions of yen)

	Level 1	Level 2	Level 3	Total
Financial assets				
Investments of SVF (FVTPL)	¥2,985,220	¥ 3	¥20,510,483	¥23,495,706
Equity securities (excluding investments of SVF (FVTPL))	1,518,472	—	951,574	2,470,046
Bonds and loans (excluding investments of SVF (FVTPL))	1,326,205	183,896	161,120	1,671,221
Derivative financial assets				
Foreign currency exchange contracts	—	313,129	—	313,129
Option contracts	31	—	36,380	36,411
Interest rate contracts	—	18,023	—	18,023
Forward contracts	—	—	4,028	4,028
Other	207	1	—	208
Other	205,717	1,556	718,193	925,466
Total	¥6,035,852	¥516,608	¥22,381,778	¥28,934,238
Financial liabilities				
Derivative financial liabilities				
Foreign currency exchange contracts	¥ —	¥ 4,310	¥ —	¥ 4,310
Option contracts	—	28,989	619,360	648,349
Interest rate contracts	—	2,774	—	2,774
Swap contracts	—	—	30,232	30,232
Other	1,192	1	—	1,193
Debt instruments issued by a subsidiary*	—	—	240,345	240,345
Other	1,364	—	59,701	61,065
Total	¥ 2,556	¥ 36,074	¥ 949,638	¥ 988,268

(Thousands of U.S. dollars)

	Level 1	Level 2	Level 3	Total
Financial assets				
Investments of SVF (FVTPL)	$18,671,629	$ 19	$128,286,734	$146,958,382
Equity securities (excluding investments of SVF (FVTPL))	9,497,573	—	5,951,801	15,449,374
Bonds and loans (excluding investments of SVF (FVTPL))	8,295,003	1,150,213	1,007,756	10,452,972
Derivative financial assets				
Foreign currency exchange contracts	—	1,958,525	—	1,958,525
Option contracts	194	—	227,546	227,740
Interest rate contracts	—	112,728	—	112,728
Forward contracts	—	—	25,194	25,194
Other	1,295	6	—	1,301
Other	1,286,696	9,732	4,492,075	5,788,503
Total	$37,752,390	$3,231,223	$139,991,106	$180,974,719
Financial liabilities				
Derivative financial liabilities				
Foreign currency exchange contracts	$ —	$ 26,958	$ —	$ 26,958
Option contracts	—	181,317	3,873,905	4,055,222
Interest rate contracts	—	17,351	—	17,351
Swap contracts	—	—	189,092	189,092
Other	7,456	6	—	7,462
Debt instruments issued by a subsidiary*	—	—	1,503,284	1,503,284
Other	8,530	—	373,411	381,941
Total	$ 15,986	$ 225,632	$ 5,939,692	$ 6,181,310

* These are debt instruments issued by Energy Global. As these instruments include those for which the redemption amount varies depending on the optional redemption date, as well as those that may be converted into a variable number of ordinary equity interests of Energy Global under certain conditions, 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 of SVF (FVTPL), equity securities, and bonds and loans

Investments of 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 recent transactions method, the market comparable company multiple method, and the discounted cash flow method.

The main financial instruments that are categorized as Level 3 are "Investments of SVF (FVTPL)," and the following table shows the fair value of "Investments of 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, 2025	As of March 31, 2026	As of March 31, 2026
Recent Transactions	¥ 1,937,833	¥ 14,185,438	$ 88,725,532
Recent Transactions / Market comparable companies	5,711	2,550,225	15,950,869
Market comparable companies	4,137,468	2,467,724	15,434,851
Discounted cash flow / Market comparable companies	1,101,331	577,541	3,612,341
Other	814,456	729,555	4,563,141
Total	¥ 7,996,799	¥ 20,510,483	$ 128,286,734

The valuation techniques and the inputs are as follows.

		Ranges of unobservable inputs	
Valuation techniques	Unobservable inputs	As of March 31, 2025	As of March 31, 2026
Market comparable companies	Revenue multiple	x0.3 – x16.9	x0.0 – x10.9
	EBITDA multiple	x5.8 – x23.8	x5.8 – x40.8
	Gross profit multiple	x0.9 – x14.0	x0.4 – x17.0
	Price to earnings ratio	x14.2 – x19.2	x14.2 – x14.7
	Price to sales ratio	x0.2 – x5.2	x1.2 – x4.9
Discounted cash flow	Cost of capital	3.8% – 86.6%	6.1% – 60.6%
	EBITDA multiple *	x8.0 – x25.0	x5.0 – x17.5
	Revenue multiple*	x1.3 – x8.0	x0.5 – x12.0
	Gross profit multiple*	x1.3 – x12.0	x2.5 – x8.0
	Price to earnings ratio*	x8.1	x7.7

* 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

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 with overall responsibility for valuations on a quarterly basis.

(b) Valuation processes at entities other than SVF1, SVF2, and LatAm

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, 2025

(Millions of yen)

Financial assets	Investments of SVF (FVTPL)	Equity securities (excluding investments of SVF (FVTPL))	Bonds and loans (excluding investments of 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

For the fiscal year ended March 31, 2026

(Millions of yen)

Financial assets	Investments of SVF (FVTPL)	Equity securities (excluding investments of SVF (FVTPL))	Bonds and loans (excluding investments of SVF (FVTPL))	Derivative financial assets	Other
As of April 1, 2025	¥ 7,996,799	¥ 577,284	¥ 127,395	¥ 39,854	¥ 611,974
Gains or (losses)					
Net income	5,376,162	284,159	26,157	1,786,024	36,814
Other comprehensive income	1,067,572	35,305	9,772	54,918	19,647
Purchases	5,149,005	70,344	131,291	—	86,249
Sales	(565,730)	(28,788)	(29,491)	—	(71,700)
Transfers to Level 1 due to listing	(360,483)	(1,416)	—	—	—
Transfers due to exercise of stock acquisition rights[*1]	1,850,108	—	—	(1,850,108)	—
Conversion to equity securities	—	62,394	(62,394)	—	—
Transfers due to acquisition of control	—	(40,123)	(5,093)	—	—
Collection	—	—	(29,271)	—	(2)
Other	(2,950)	(7,585)	(7,246)	9,720	35,211
As of March 31, 2026	¥ 20,510,483	¥ 951,574	¥ 161,120	¥ 40,408	¥ 718,193
Gains or (losses) recognized in net income on financial instruments held at March 31, 2026	¥ 4,308,768	¥ 289,202	¥ 6,312	¥ 22,001	¥ 36,784

Financial liabilities	Derivative financial liabilities	Debt instruments issued by a subsidiary	Other
As of April 1, 2025	¥ 59,876	¥ 73,980	¥ 8,550
(Gains) or losses			
Net income	20,924	36,720	6,864
Other comprehensive income	11,176	10,140	—
Grant of warrant[*2]	575,525	—	—
Issuance of debt instruments	—	123,313	—
Other	(17,909)	(3,808)	44,287
As of March 31, 2026	¥ 649,592	¥ 240,345	¥ 59,701
(Gains) or losses recognized in net income on financial instruments held at March 31, 2026	¥ 24,855	¥ 36,720	¥ 6,864

(Thousands of U.S. dollars)

Financial assets	Investments of SVF (FVTPL)	Equity securities (excluding investments of SVF (FVTPL))	Bonds and loans (excluding investments of SVF (FVTPL))	Derivative financial assets	Other
As of April 1, 2025	$ 50,017,507	$ 3,610,733	$ 796,816	$ 249,274	$3,827,708
Gains or (losses)					
Net income	33,626,232	1,777,327	163,604	11,171,028	230,260
Other comprehensive income	6,677,333	220,822	61,121	343,495	122,886
Purchases	32,205,435	439,980	821,185	—	539,461
Sales	(3,538,466)	(180,060)	(184,457)	—	(448,461)
Transfers to Level 1 due to listing	(2,254,710)	(8,857)	—	—	—
Transfers due to exercise of stock acquisition rights*1	11,571,854	—	—	(11,571,854)	—
Conversion to equity securities	—	390,255	(390,255)	—	—
Transfers due to acquisition of control	—	(250,957)	(31,855)	—	—
Collection	—	—	(183,081)	—	(13)
Other	(18,451)	(47,442)	(45,322)	60,797	220,234
As of March 31, 2026	$ 128,286,734	$ 5,951,801	$ 1,007,756	$ 252,740	$4,492,075
Gains or (losses) recognized in net income on financial instruments held at March 31, 2026	$ 26,950,013	$ 1,808,869	$ 39,480	$ 137,609	$ 230,073

Financial liabilities	Derivative financial liabilities	Debt instruments issued by a subsidiary	Other
As of April 1, 2025	$ 374,506	$ 462,722	$ 53,478
(Gains) or losses			
Net income	130,873	229,672	42,932
Other comprehensive income	69,902	63,423	—
Grant of warrant*2	3,599,731	—	—
Issuance of debt instruments	—	771,285	—
Other	(112,015)	(23,818)	277,001
As of March 31, 2026	$ 4,062,997	$ 1,503,284	$ 373,411
(Gains) or losses recognized in net income on financial instruments held at March 31, 2026	$ 155,460	$ 229,672	$ 42,932

*1 On December 26, 2025, the Company exercised its right to make an additional investment in OpenAI, and including indirect investments, the full amount of the investment of ¥3,464,894 million ($22.5 billion) related to the second closing was completed. As a result, including fair value of the forward contract related to the additional investment at the exercise date of the right of ¥1,850,108 million ($12.0 billion), preferred shares of OpenAI Group PBC of ¥5,315,002 million ($34.5 billion) were recognized. The details are described in "a. Additional investment agreement executed in March 2025" in "(2) Investment in OpenAI" under "Note 49. Additional information."

*2 These are mainly warrants granted by Energy Global as an incentive for lessor lease agreements related to data centers, which are convertible into its ordinary equity interests. The details are described in "*1" in "ii. Option contracts" in "(b) Price risk" in "a. Market risk" in "(2) Financial risk management" under "Note 29. Financial instruments.

Gains or losses recognized in net income are included in "Gain (loss) on investments—Investment Business of Holding Companies," "Gain (loss) on investments—SoftBank Vision Funds," "Gain (loss) on investments—Other," "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, 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

As of March 31, 2026

(Millions of yen)

	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
Interest-bearing debt (Non-current)					
Long-term borrowings	¥ 8,714,290	¥ —	¥ 3,396,331	¥ 5,291,199	¥ 8,687,530
Corporate bonds	8,459,966	—	8,233,039	—	8,233,039

(Thousands of U.S. dollars)

	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
Interest-bearing debt (Non-current)					
Long-term borrowings	$ 54,505,192	$ —	$ 21,243,001	$ 33,094,815	$ 54,337,816
Corporate bonds	52,914,473	—	51,495,115	—	51,495,115

Financial instruments whose carrying amounts are reasonably similar to fair values are excluded 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 long-term borrowings are categorized as Level 2 and Level 3. When the fair value is measured based on the discounted cash flow method using observable inputs such as market interest rates, it is categorized as Level 2. When the fair value is 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, it is categorized as Level 3.

b. Corporate bonds (non-current portion)
Fair values of the non-current portion of corporate bonds are measured using quoted prices that are observable in markets that are not active for identical bonds, and are categorized as Level 2.

31. Transfers of financial assets

The Company enters into securitization transactions involving trade receivables, installment receivables and other assets, and transfers securities in connection with repurchase transactions.

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 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 in the consolidated statement of financial position.

In repurchase transactions, the Company transfers held-to-maturity bonds included in "Other financial assets (current)" and "Investment securities" in the consolidated statement of financial position to money market brokers. In these transactions, the Company enters into agreements to repurchase the bonds at a fixed price in the future concurrently with the transfer of the bonds, and therefore the Company continues to bear the risk of changes in the prices of the transferred bonds. Accordingly, as the Company retains substantially all of the risks and rewards of ownership of the transferred assets, the Company does not derecognize those assets. The proceeds received from the transfer are recognized as borrowings and presented as "Interest-bearing debt (current)" in the consolidated statement of financial position.

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, 2025	As of March 31, 2026	As of March 31, 2026
Carrying amount of transferred assets	¥ 917,099	¥ 1,299,064	$ 8,125,244
Carrying amount of related liabilities	(850,348)	(1,171,167)	(7,325,288)
(Fair value of financial assets and financial liabilities where related liabilities have recourse only to the transferred assets)			
Fair value of transferred assets	¥ 917,099	¥ 1,299,064	$ 8,125,244
Fair value of related liabilities	(847,599)	(1,166,849)	(7,298,280)
Net position	¥ 69,500	¥ 132,215	$ 826,964

The difference between transferred assets and related liabilities is mainly the subordinated interests 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 (current)" in the consolidated statement of financial position 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, 2026 is ¥7,133 million ($44,615 thousand) and ¥160,000 million ($1,000,751 thousand), respectively (as of March 31, 2025, ¥1,150 million and ¥70,000 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.

32. 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, 2025

Financial assets (Millions of yen)

	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

Financial liabilities (Millions of yen)

	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

As of March 31, 2026

Financial assets (Millions of yen)

	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	¥ 222,638	¥ (139,392)	¥ 83,246	¥ (14,141)	¥ 69,105
Derivative financial assets	282,115	—	282,115	—	282,115
Other financial assets	900,106	(262)	899,844	(640,901)	258,943
Total	¥ 1,404,859	¥ (139,654)	¥ 1,265,205	¥ (655,042)	¥ 610,163

Financial liabilities (Millions of yen)

	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	¥ 640,901	¥ —	¥ 640,901	¥ (640,901)	¥ —
Trade and other payables	1,214,434	(139,607)	1,074,827	(13,583)	1,061,244
Other financial liabilities	813	(47)	766	(558)	208
Total	¥ 1,856,148	¥ (139,654)	¥ 1,716,494	¥ (655,042)	¥ 1,061,452

Financial assets

(Thousands of U.S. dollars)

	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	$ 1,392,532	$ (871,854)	$ 520,678	$ (88,448)	$ 432,230
Derivative financial assets	1,764,542	—	1,764,542	—	1,764,542
Other financial assets	5,629,885	(1,640)	5,628,245	(4,008,637)	1,619,608
Total	$ 8,786,959	$ (873,494)	$ 7,913,465	$ (4,097,085)	$ 3,816,380

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	$ 4,008,638	$ —	$ 4,008,638	$ (4,008,638)	$ —
Trade and other payables	7,595,910	(873,200)	6,722,710	(84,957)	6,637,753
Other financial liabilities	5,085	(294)	4,791	(3,490)	1,301
Total	$ 11,609,633	$ (873,494)	$ 10,736,139	$ (4,097,085)	$ 6,639,054

33. 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, 2025	As of March 31, 2026
U.S. dollars	¥ 149.52	¥ 159.88

(2) Average rate for the quarter

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

For the fiscal year ended March 31, 2026

(Yen)

	Three-month period ended June 30, 2025	Three-month period ended September 30, 2025	Three-month period ended December 31, 2025	Three-month period ended March 31, 2026
U.S. dollars	¥ 145.19	¥ 147.50	¥ 154.04	¥ 156.48

(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 principal currency, 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)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2026
U.S. dollars	¥ (250,749)	¥ (393,090)	$ (2,458,656)

34. 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, 2025	As of March 31, 2026
Ordinary shares*1	7,200,000	14,400,000

b. Shares issued

Changes in the number of shares issued are as follows:

	(Thousands of shares)	
	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Balance at the beginning of the year	1,469,995	1,469,995
Increase during the year*1	—	4,283,886
Decrease during the year*2	—	(42,033)
Balance at the end of the year	1,469,995	5,711,848

Notes:

1. Shares issued by the Company are common stock with no par value.
2. Shares issued have been fully paid.

*1 For the fiscal year ended March 31, 2026, the increase of the number of shares issued during the year is due to an ordinary share split that the Company conducted at a ratio of four-for-one effective January 1, 2026 under the resolution passed at the Board of Directors meeting held on November 11, 2025. Due to this share split, the Company changed the total number of authorized shares.

*2 For the fiscal year ended March 31, 2026, the decrease was primarily due to the resolution passed at the Board of Directors meeting held on October 22, 2025. The Company retired 42,033 thousand shares of treasury stock on October 31, 2025.

(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.

(3) Other equity instruments

On July 19, 2017, SoftBank Group Corp. issued $1.75 billion of USD-denominated Undated Subordinated Non-Call 10 years Resettable Notes (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.

Payments of interest were completed on the interest payment dates, July 22, 2025 and January 20, 2026, and "Retained earnings" decreased by ¥8,873 million ($55,498 thousand) and ¥9,517 million ($59,526 thousand) (for the fiscal year ended March 31, 2025: decreased by ¥9,475 million and ¥9,392 million on

July 19, 2024 and January 20, 2025), 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 ¥3,847 million ($24,062 thousand) as of March 31, 2026 (as of March 31, 2025: ¥3,598 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, 2025	Fiscal year ended March 31, 2026
Balance at the beginning of the year	4,070	32,399
Increase during the year*1,2	28,814	23,037
Decrease during the year*3	(485)	(42,512)
Balance at the end of the year	32,399	12,924

*1 Due to purchases of treasury stock under the resolutions passed at the Board of Directors' meeting held on August 7, 2024, for the fiscal year ended March 31, 2025, treasury stock increased by 28,812 thousand shares (amount purchased ¥237,045 million), and for the fiscal year ended March 31, 2026, treasury stock increased by 13,221 thousand shares (amount purchased ¥93,215 million ($583,031 thousand)).

*2 For the fiscal year ended March 31, 2026, the treasury stock increased by 9,813 thousand shares due to a four-for-one share split that the Company conducted effective January 1, 2026, pursuant to a resolution passed at the Board of Directors meeting held on November 11, 2025.

*3 For the fiscal year ended March 31, 2026, pursuant to a resolution passed at the Board of Directors meeting held on October 22, 2025, the Company retired 42,033 thousand shares of treasury stock on October 31, 2025. As a result, "Retained earnings" and "Treasury stock" were decreased by ¥321,991 million ($2,013,954 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, 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
Other comprehensive income (attributable to owners of the parent)	1,161	(3,071)	(1,351)	12,759	1,086,987	1,096,485
Transfer to retained earnings	(1,161)	(22,520)	—	—	—	(23,681)
As of March 31, 2026	¥ —	¥ 18,518	¥ (1,249)	¥ 2,624	¥ 6,360,216	¥ 6,380,109

(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, 2025	$ —	$ 275,888	$ 638	$(63,391)	$ 32,982,418	$ 33,195,553
Other comprehensive income (attributable to owners of the parent)	7,262	(19,208)	(8,450)	79,804	6,798,767	6,858,175
Transfer to retained earnings	(7,262)	(140,856)	—	—	—	(148,118)
As of March 31, 2026	$ —	$ 115,824	$ (7,812)	$ 16,413	$ 39,781,185	$ 39,905,610

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 43. Other comprehensive income."

(7) Non-controlling interests

For the fiscal year ended March 31, 2025, SoftBank Corp. issued ¥200,000 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 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.

35. Dividends

In accordance with the Companies Act, SoftBank Group Corp. has prescribed in its articles of incorporation that interim dividends, with September 30 of each year as the record date, may be paid by resolution of the Board of Directors.

Dividends paid are as follows:

For the fiscal year ended March 31, 2025

Resolution	Class of shares	Dividends per share* (Yen)	Total dividends (Millions of yen)	Record date	Effective date
Annual general meeting of shareholders held on June 21, 2024	Common stock	¥ 22.00	¥ 32,250	March 31, 2024	June 24, 2024
Board of Directors' meeting held on October 21, 2024	Common stock	22.00	31,835	September 30, 2024	December 3, 2024

For the fiscal year ended March 31, 2026

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 27, 2025	Common stocks	¥22.00	$ 0.14	¥ 31,627	$ 197,817	March 31, 2025	June 30, 2025
Board of Directors' meeting held on October 22, 2025	Common stocks	22.00	0.14	31,342	196,035	September 30, 2025	December 2, 2025

* The Company conducted a share split at a ratio of four-for-one effective January 1, 2026. The dividends per share represent the actual dividend amounts prior to the share split.

Dividends which became effective during the fiscal year ending March 31, 2027 are as follows:

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 24, 2026	Common stocks	¥5.50	$ 0.03	¥ 31,344	$ 196,047	March 31, 2026	June 25, 2026

36. Share-based payment transactions

The Company adopts stock option plans, restricted stock unit plans, restricted stock compensation plans, profit unit 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) Fiscal year ended March 31, 2025	(Millions of yen) Fiscal year ended March 31, 2026	(Thousands of U.S. dollars) Fiscal year ended March 31, 2026
Equity-settled	¥ 168,375	¥ 207,945	$ 1,300,632
Cash-settled	8,905	392,146	2,452,752
Total	¥ 177,280	¥ 600,091	$ 3,753,384

Liabilities arising from share-based payments

	(Millions of yen) As of March 31, 2025	(Millions of yen) As of March 31, 2026	(Thousands of U.S. dollars) As of March 31, 2026
Liability arising from share-based payment	¥ 17,044	¥ 404,844	$ 2,532,174
Liability vested in the above	1,161	391,244	2,447,110

(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, 2025 and 2026 are as follows:

(a) SoftBank Group Corp.

SoftBank Group Corp. grants stock options to its directors and employees. Shares granted upon the exercise of stock options are shares of SoftBank Group Corp.

SoftBank Group Corp. conducted a share split at a ratio of two-for-one effective June 28, 2019 and at a ratio of four-for-one effective January 1, 2026. The number of stock options for each fiscal year is adjusted to reflect the share split.

Year issued / Name	Grant date	Due date for exercise
2018 August Stock Acquisition Rights*1	August 31, 2018	August 31, 2025
2019 July Stock Acquisition Rights*2	August 13, 2019	August 31, 2025
2019 November Stock Acquisition Rights*3	December 23, 2019	December 31, 2026
2020 August Stock Acquisition Rights*3	August 28, 2020	August 31, 2027
2021 August Stock Acquisition Rights*3	August 27, 2021	August 31, 2028
2022 August Stock Acquisition Rights*3	August 29, 2022	August 31, 2029
2023 August Stock Acquisition Rights*3	August 29, 2023	August 31, 2030
2024 July Stock Acquisition Rights*4	July 30, 2024	August 31, 2028
2025 July Stock Acquisition Rights*5	July 30, 2025	August 31, 2029

*1 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 3,200. Fractional exercisable stock acquisition rights, if any, are rounded down. In addition, 800 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.

*2 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 3,200. Fractional exercisable stock acquisition rights, if any, are rounded down. In addition, 800 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 three years.
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 zero years.

The number of the stock acquisition rights exercisable by an entitled person is limited as prescribed in “i” and “ii” below. In addition, 400 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 exercisable stock acquisition rights, if any, 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, 2028, 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.

*5 Vesting condition
Stock options vest when the service period requirements are met, and the vesting period is zero years.

The number of the stock acquisition rights exercisable by an entitled person is limited as prescribed in "i" and "ii" below. In addition, 400 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 exercisable stock acquisition rights, if any, are rounded down.
(i) from September 1, 2025 through August 31, 2026: 25% of the allotted number of stock acquisition rights
(ii) from September 1, 2026 through August 31, 2027: 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, 2027 through August 31, 2028: 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, 2028 through August 31, 2029: 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, 2025 through August 31, 2026, up to one allotted stock acquisition right
(ii) from September 1, 2026 through August 31, 2027, 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, 2027 through August 31, 2029, 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 upon the exercise of stock options are shares of SoftBank Corp.

SoftBank Corp. conducted a share split at a ratio of ten-for-one effective October 1, 2024. The number of stock options for each fiscal year is adjusted to reflect 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
2025 July Stock Acquisition Rights*10	July 18, 2025	July 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.

*10 Vesting condition

Stock acquisition rights vest when the service period requirements are met, and the vesting period is approximately two years through July 31, 2027.

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.

(c) LY Corporation

LY Corporation grants stock options to directors and employees of LY Corporation and its affiliated companies. Shares granted upon the exercise of stock options are shares of 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
2025 LY Corporation 1st *7	May 16, 2025	From July 1, 2026 through May 18, 2035
2025 LY Corporation 2nd *7	August 14, 2025	From August 14, 2028 through July 29, 2035

*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. On any day from July 29, 2022 through July 29, 2025, if the average closing price of LY Corporation's common stock in ordinary trading on the Tokyo Stock Exchange for the 10 immediately preceding business days including such day (excluding the day on which ordinary transactions of LY Corporation's common stock are not executed; same conditions apply to "i" through "iii"), exceeds ¥640 ("Basic Stock Price"), up to 20% of the total allotted rights are exercisable

ii. On any day from July 29, 2023 through July 29, 2026, if the average closing price of LY Corporation's common stock in ordinary trading on the Tokyo Stock Exchange for the 10 immediately preceding business days including such day, exceeds Basic Stock Price, up to 30% of the total allotted rights are exercisable

iii. On any day from July 29, 2024 through July 29, 2027, if the average closing price of LY Corporation's common stock in ordinary trading on the Tokyo Stock Exchange for the 10 immediately preceding business days including such day, exceeds Basic Stock Price, up to 50% of the total allotted rights are 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. On any day from November 5, 2023 through November 5, 2026, if the average closing price of LY Corporation’s common stock in ordinary trading on the Tokyo Stock Exchange for the 10 immediately preceding business days including such day (excluding the day on which ordinary transactions of LY Corporation’s common stock are not executed; same conditions apply to “i” through “iii”), exceeds ¥640 (“Basic Stock Price”), up to 20% of the total allotted rights are exercisable
ii. On any day from November 5, 2024 through November 5, 2027, if the average closing price of LY Corporation’s common stock in ordinary trading on the Tokyo Stock Exchange for the 10 immediately preceding business days including such day, exceeds Basic Stock Price, up to 30% of the total allotted rights are exercisable
iii. On any day from November 5, 2025 through November 5, 2028, if the average closing price of LY Corporation’s common stock in ordinary trading on the Tokyo Stock Exchange for the 10 immediately preceding business days including such day, exceeds Basic Stock Price, up to 50% of the total allotted rights are 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. On any day from November 11, 2024 through November 11, 2027, if the average closing price of LY Corporation’s common stock in ordinary trading on the Tokyo Stock Exchange for the 10 immediately preceding business days including such day (excluding the day on which ordinary transactions of LY Corporation’s common stock are not executed; same conditions apply to “i” through “iii”), exceeds ¥640 (“Basic Stock Price”), up to 20% of the total allotted rights are exercisable
ii. On any day from November 11, 2025 through November 11, 2028, if the average closing price of LY Corporation’s common stock in ordinary trading on the Tokyo Stock Exchange for the 10 immediately preceding business days including such day, exceeds Basic Stock Price, up to 30% of the total allotted rights are exercisable
iii. On any day from November 11, 2026 through November 11, 2029, if the average closing price of LY Corporation’s common stock in ordinary trading on the Tokyo Stock Exchange for the 10 immediately preceding business days including such day, exceeds Basic Stock Price, up to 50% of the total allotted rights are 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. An entitled person may exercise all or part of the stock acquisition rights allotted to such person. However, a single stock acquisition right may not be exercised in portions. 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, 2026, the weighted-average fair value at the measurement date of the stock options granted during the period is ¥2,857 ($17.87) (for the fiscal year ended March 31, 2025: ¥2,307).

Fair value is measured as follows:

	Fiscal year ended March 31, 2025
Year issued / Name	2024 July Stock Acquisition Rights
Valuation method used	Black-Scholes model
	(Yen)
Key inputs and assumptions:	
Weighted-average stock price	¥2,324
Weighted-average exercise price	¥0.25
Volatility of stock price*1	38.25 - 61.40%
Estimated residual period	0 - 3 years
Estimated dividend*2	¥11 per share
Risk-free interest rate	0.11 - 0.44%

	Fiscal year ended March 31, 2026	
Year issued / Name	2025 July Stock Acquisition Rights	
Valuation method used	Black-Scholes model	
	(Yen)	(USD)
Key inputs and assumptions:		
Weighted-average stock price	¥2,875	$17.98
Weighted-average exercise price	¥0.25	$0.00
Volatility of stock price*1	41.47 - 48.89%	
Estimated residual period	0 - 3 years	
Estimated dividend*2	¥11 per share	$0.07 per share
Risk-free interest rate	0.43 - 0.91%	

*1 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.

*2 Calculated based on the most recent dividend forecast.

(b) SoftBank Corp.

For the fiscal year ended March 31, 2026, the weighted-average fair value at the measurement date of the stock options granted during the period is ¥201 ($1.26) per share (for the fiscal year ended March 31, 2025: ¥183 per share for July 2024 Stock Acquisition Rights and ¥9 per share for 2024 August Stock Acquisition Rights).

Fair value is measured as follows:

	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 (Yen)	Black-Scholes model (Yen)
Key inputs and assumptions:		
Weighted-average stock price	¥200	¥204
Weighted-average exercise price	¥1	¥211
Volatility of stock price*1	12.60%	13.28 - 16.37%
Estimated residual period	2 years	2 - 7 years
Estimated dividend*2	¥8.6 per share	¥8.6 per share
Risk-free interest rate	0.35%	0.38 - 0.60%

	Fiscal year ended March 31, 2026	
Year issued / Name	2025 July Stock Acquisition Rights	
Valuation method used	Black-Scholes model (Yen)	(USD)
Key inputs and assumptions:		
Weighted-average stock price	¥219	$1.37
Weighted-average exercise price	¥1	$0.01
Volatility of stock price*1	15.23%	
Estimated residual period	2 years	
Estimated dividend*2	¥8.6 per share	$0.05 per share
Risk-free interest rate	0.79%	

*1 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.

*2 Calculated based on the most recent dividend forecast.

(c) LY Corporation

The weighted average fair value at the measurement date of stock options granted during the fiscal year ended March 31, 2026 was ¥173 ($1.08) per ordinary share,

Fair value is measured as follows:

	Fiscal year ended March 31, 2026			
Year issued / Name	2025 LY Corporation 1st		2025 LY Corporation 2nd	
Valuation method used	Binomial model (Yen)	(USD)	Binomial model (Yen)	(USD)
Key inputs and assumptions:				
Stock price	¥520.9	$3.26	¥489.8	$3.06
Exercise price	¥550	$3.44	¥564	$3.53
Volatility of stock price*1	33.74%		33.55%	
Duration to maturity	10 years		9.97 years	
Estimated dividend yield*2	1.34%		1.43%	
Risk-free interest rate	1.503%		1.514%	

*1 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.

*2 Calculated based on the most recent dividend forecast.

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, 2025		Fiscal year ended March 31, 2026		
	Number of shares	Weighted-average exercise price (Yen)	Number of shares	Weighted-average exercise price (Yen)	Weighted-average exercise price (USD)
Beginning balance - Unexercised	4,348,800	¥ 1.00	2,968,400	¥ 0.86	$ 0.01
Granted	614,800	0.25	490,400	0.25	0.00
Forfeited	(57,200)	0.90	(24,800)	0.71	0.00
Exercised	(1,938,000)	0.98	(1,428,800)	0.90	0.01
Matured	—	—	(84,800)	1.00	0.01
Ending balance - Unexercised	2,968,400	¥ 0.86	1,920,400	¥ 0.67	$ 0.00
Ending balance - Exercisable	1,456,800	¥ 0.94	698,800	¥ 0.77	$ 0.00

The unexercised options as of March 31, 2026 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)
¥ 0.25	$ 0.00	853,600	¥ 0.25	$ 0.00	2.9
1	0.01	1,066,800	1	0.01	3.7
Total		1,920,400	¥ 0.67	$ 0.00	3.4

(b) SoftBank Corp.

	Fiscal year ended March 31, 2025		Fiscal year ended March 31, 2026		
	Number of shares	Weighted-average exercise price (Yen)	Number of Shares	Weighted-average exercise price (Yen)	Weighted-average exercise price (USD)
Beginning balance - Unexercised	1,247,713,000	¥ 119	2,039,437,000	¥ 184	$ 1.15
Granted	1,313,209,000	210	3,515,800	1	0.01
Forfeited	(31,824,000)	173	(43,020,000)	202	1.26
Exercised	(461,607,000)	93	(225,080,000)	136	0.85
Matured	(28,054,000)	63	—	—	—
Ending balance - Unexercised	2,039,437,000	¥ 184	1,774,852,800	¥ 189	$ 1.18
Ending balance - Exercisable	296,658,000	¥ 137	309,687,000	¥ 137	$ 0.86

The unexercised options as of March 31, 2026 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	9,166,800	¥ 1	$ 0.01	5.3
137	0.86	456,624,000	137	0.86	2.0
150	0.94	54,000,000	150	0.94	2.0
211	1.32	1,255,062,000	211	1.32	6.0
Total		1,774,852,800	¥ 189	$ 1.18	4.9

(c) LY Corporation

	Fiscal year ended March 31, 2025		Fiscal year ended March 31, 2026		
	Number of shares	Weighted-average exercise price (Yen)	Number of shares	Weighted-average exercise price (Yen)	(USD)
Beginning balance - Unexercised	183,498,425	¥ 424	170,845,925	¥ 428	$ 2.68
Granted	—	—	8,943,000	557	3.48
Forfeited	(5,940,900)	438	(5,942,650)	501	3.13
Exercised	(6,711,600)	300	(6,598,800)	311	1.95
Matured	—	—	—	—	—
Ending balance - Unexercised	170,845,925	¥ 428	167,247,475	¥ 437	$ 2.73
Ending balance - Exercisable	63,786,050	¥ 358	82,493,475	¥ 399	$ 2.50

The unexercised options as of March 31, 2026 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	$1.26 - $1.88	71,065,175	¥ 298	$ 1.86	3.3
401 - 500	2.51 - 3.13	69,802,300	477	2.98	4.8
501 - 600	3.13 - 3.75	8,943,000	557	3.48	9.2
701 - 800	4.38 - 5.00	17,437,000	783	4.90	5.6
Total		167,247,475	¥ 437	$ 2.73	4.5

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, 2025			Fiscal year ended March 31, 2026			
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 August Stock Acquisition Rights	1,341,600	¥ 2,139	2018 August Stock Acquisition Rights	641,600	¥ 2,621	$ 16.39
2019 July Stock Acquisition Rights	205,600	2,178	2019 July Stock Acquisition Rights	57,600	2,565	16.04
2019 November Stock Acquisition Rights	24,000	2,109	2019 November Stock Acquisition Rights	21,600	1,914	11.97
2020 August Stock Acquisition Rights	116,000	2,037	2020 August Stock Acquisition Rights	122,800	2,432	15.21
2021 August Stock Acquisition Rights	208,000	2,127	2021 August Stock Acquisition Rights	207,600	2,190	13.70
2024 July Stock Acquisition Rights	42,800	2,118	2022 August Stock Acquisition Rights	186,400	2,474	15.47
			2024 July Stock Acquisition Rights	130,400	3,022	18.90
			2025 July Stock Acquisition Rights	60,800	3,132	19.59

(b) SoftBank Corp.

Fiscal year ended March 31, 2025			Fiscal year ended March 31, 2026			
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	266,261,000	¥ 200	2020 July Stock Acquisition Rights	62,000	¥ 215	$ 1.34
2020 July Stock Acquisition Rights	321,000	192	2021 January Stock Acquisition Rights	182,499,000	221	1.38
2021 January Stock Acquisition Rights	176,483,000	199	2021 July Stock Acquisition Rights Item (i)	38,000,000	224	1.40
2021 July Stock Acquisition Rights Item (i)	13,000,000	198	2021 July Stock Acquisition Rights Item (ii)	106,000	217	1.36
2021 July Stock Acquisition Rights Item (ii)	846,000	192	2022 July Stock Acquisition Rights	210,000	223	1.39
2022 July Stock Acquisition Rights	4,696,000	191	2023 July Stock Acquisition Rights	4,203,000	230	1.44

(c) LY Corporation

Fiscal year ended March 31, 2025			Fiscal year ended March 31, 2026			
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	6,711,600	431	2020	6,598,800	486	3.04

(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, 2025 and 2026 are primarily as follows:

Arm

a. 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 as an equity-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.

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:

	Unvested awards (Unit)	Weighted average fair value (USD)
As of April 1, 2024	23,373,115	$ 42.42
Granted	186,160	51.00
Cancelled and forfeited	(683,273)	41.59
Vested	(15,495,819)	41.66
As of March 31, 2025	7,380,183	47.52
Granted	115,085	95.69
Cancelled and forfeited	(330,606)	50.86
Vested	(5,787,132)	49.29
As of March 31, 2026	1,377,530	$ 53.42

b. 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, 2025 and 2026, 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.

PSUs awarded to executives of Arm vest in multiple tranches over a three-year period. Each tranche is subject to continued service through the applicable vesting date and the achievement of specified non-market performance conditions.

In addition, for the fiscal years ended March 31, 2025 and 2026, Arm granted PSUs with Relative TSR (Total Shareholder Return) as a share market-based performance condition. These PSUs vest at the end of a three-year performance period, subject to continued service and satisfaction of the applicable Relative TSR condition.

The table below identifies award activity under the Omnibus Incentive Plan:

	Unvested awards (Unit)	Weighted average fair value (USD)
As of April 1, 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
As of March 31, 2025	11,125,808	118.24
Granted	13,948,007	122.09
Cancelled and forfeited	(1,593,459)	124.74
Vested	(5,440,990)	117.34
As of March 31, 2026	18,039,366	$ 121.04

(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, 2025 and 2026 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, 2025 and 2026 are as follows:

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Eligible director(s)	Four directors Seven corporate executive officers	Ten directors Six corporate executive officers
Number of shares granted	21,695,000	8,928,500
Weighted-average fair value of shares granted	¥195	¥217 ($1.36)

(4) Profit Unit Compensation Plan

The Company adopts profit unit ("PU") plans where the Company grants profit units as compensation if certain conditions are met. The details of the Company's profit unit compensation plans for the fiscal years ended March 31, 2025 and 2026 are primarily as follows:

Energy Global

a. Common A Profit Units

In July 2024, Energy Global established a profit unit compensation plan to grant Common A Profit Units ("Common A Units") to employees and executives, and granted Common A Units to certain participants under the plan. Participants in the plan hold a put option that can be exercised if any change of control, any qualified public offering, or other similar events (a "Liquidity Event") for Energy Global does not occur by July 2029. The Company accounts for the plan as a cash-settled share-based payment transaction.

Under the plan, subject to continuous service through the applicable vesting date, 33.36 % of the total units vest in July 2025, and the remainder vest ratably on a quarterly basis over a two-year period. Upon the occurrence of a Liquidity Event, all unvested awards vest on an accelerated basis, provided that the participant remains in continuous service through the consummation of such Liquidity Event. The fair value of the Common A Units is measured on a quarterly basis by taking into account the lack of marketability to a calculated entity valuation.

The table below identifies award activity and the weighted-average fair value under the Common A Units:

	Unvested awards (Unit)	Weighted average fair value (USD)
As of April 1, 2024	—	$ —
Granted	1,097,095	100.00
Cancelled and forfeited	(21,498)	100.00
Vested	—	—
As of March 31, 2025	1,075,597	90.08
Granted	—	—
Cancelled and forfeited	(11,938)	90.08
Vested	(711,239)	90.08
As of March 31, 2026	352,420	$ 1,126.95

b. 2024 Series C Profit Units

In July 2024, Energy Global established a profit unit compensation plan to grant 2024 Series C Profit Units ("Series C Units") to employees and executives. The maximum number of units authorized for issuance under the plan is 10,000,000 units.

For the fiscal years ended March 31, 2025 and 2026, Energy Global granted Series C Units to certain employees and executives under the plan. Participants in the plan hold a put option that can be exercised if a Liquidity Event for Energy Global does not occur by July 2030. The Company accounts for the plan as a cash-settled share-based payment transaction.

Of the Series C Units, 80% are subject to a service-based vesting condition, while the remaining 20% are subject to a Liquidity Event vesting condition. With respect to the service-based vesting condition, subject to continuous service through the applicable vesting date, the awards vest ratably on a quarterly basis over a four-year period following a one-year cliff period. Upon the occurrence of a Liquidity Event, all unvested awards vest on an accelerated basis, provided that the participant remains in continuous service through the consummation of such Liquidity Event. The fair value of the Series C Units is measured on a quarterly basis by taking into account the lack of marketability to a calculated entity valuation.

The table below identifies award activity and the weighted-average fair value under the Series C Units:

	Unvested awards (Unit)	Weighted average fair value (USD)
As of April 1, 2024	—	$ —
Granted	3,000,003	48.29
Cancelled and forfeited	—	—
Vested	(899,998)	48.29
As of March 31, 2025	2,100,005	48.29
Granted	8,092,497	95.21
Cancelled and forfeited	(159,000)	73.01
Vested	(2,110,822)	74.89
As of March 31, 2026	7,922,680	$ 212.44

37. 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, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2026
SoftBank segment			
Consumer business			
Service revenues			
Mobile communications	¥ 1,554,934	¥ 1,585,705	$ 9,918,095
Broadband	408,247	405,791	2,538,097
Electricity	255,694	210,265	1,315,143
Revenues from sales of goods and others	713,862	793,581	4,963,604
Enterprise business	886,260	965,215	6,037,122
Distribution business	705,408	923,099	5,773,699
Media & EC business*1,2			
Media	704,331	709,999	4,440,824
Commerce	844,870	854,161	5,342,513
Strategy	50,616	72,689	454,647
Other	3,406	6,466	40,443
Financial business*1	302,834	379,319	2,372,523
Other	110,895	127,679	798,593
Subtotal	6,541,357	7,033,969	43,995,303
AI Computing segment			
License and other revenue	259,369	245,392	1,534,851
Royalty revenue	330,932	394,917	2,470,084
Subtotal	590,301	640,309	4,004,935
Other	112,094	124,372	777,908
Total	¥ 7,243,752	¥ 7,798,650	$ 48,778,146

The above amount of net sales for the fiscal year ended March 31, 2026 includes ¥251,546 million ($1,573,343 thousand) (for the fiscal year ended March 31, 2025: ¥202,964 million) of revenue from other sources than those recognized under IFRS 15 “Revenue from Contracts with Customers,” such as lease transactions at Enterprise business and finance transactions at Financial business under the SoftBank segment.

*1 For the fiscal year ended March 31, 2026, upon the group reorganization conducted on April 11, 2025, the service categories were changed, and PayPay Bank Corporation was reclassified from “Media & EC business” to “Financial business”. Accordingly, the net sales of “Media & EC business” and “Financial business” for the fiscal year ended March 31, 2025 are reclassified.

*2 For the fiscal year ended March 31, 2026, the service categories within “Media & EC business” were changed, and certain services were reclassified among service categories. Accordingly, the net sales of “Media & EC business” for the fiscal year ended March 31, 2025 were reclassified.

(2) Contract balance

The components of contract balances are as follows.

	(Millions of yen)			(Thousands of U.S. dollars)
	As of April 1, 2024	As of March 31, 2025	As of March 31, 2026	As of March 31, 2026
Receivables arising from contracts with customers	¥ 1,137,705	¥ 1,166,276	¥ 1,324,364	$ 8,283,488
Contract assets	114,884	148,647	129,098	807,468
Contract liabilities	364,354	354,917	422,954	2,645,447

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, 2026, impairment loss on receivables related to revenue from contracts with customers is ¥18,928 million ($118,389 thousand) (for the fiscal year ended March 31, 2025: ¥17,041 million).

Of the net sales recognized for the fiscal year ended March 31, 2026, ¥135,861 million ($849,769 thousand) was included in the beginning balance of contract liabilities (for the fiscal year ended March 31, 2025: ¥122,037 million). Also, for the fiscal year ended March 31, 2026, net sales recognized from satisfied performance obligations in prior reporting periods is ¥395,081 million ($2,471,110 thousand) (for the fiscal year ended March 31, 2025: ¥332,335 million) which is primarily from royalty revenue earned during the period in the AI computing 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, 2026 is ¥480,487 million ($3,005,298 thousand) (as of March 31, 2025: ¥475,126 million).

Of ¥480,487 million (as of March 31, 2025: ¥475,126 million), the unsatisfied performance obligations of ¥331,183 million ($2,071,447 thousand) (as of March 31, 2025: ¥332,758 million) is attributable to Arm within AI Computing business and arise primarily from license contracts related to Arm's technology. The Company has elected to exclude potential future royalty receipts from the disclosure for Arm. In certain arrangements, Arm's right to consideration may not correspond directly with the performance of obligations. In the absence of sufficient information, where the timing of satisfaction of the remaining performance obligations is dependent on a customer's action, the transaction price allocated to such performance obligation is included in the more than 2 years category unless the contract or option expiration aligns with an earlier period or category.

The Company expects to recognize approximately 28% of remaining performance obligations as revenue over the next 12 months, approximately 21% over the subsequent 13-to 24-month period, and the remainder thereafter for Arm.

Also, the amount related to the SoftBank business is ¥149,304 million ($933,850 thousand) as of March 31, 2026 (as of March 31, 2025: ¥142,368 million). It arises primarily from mobile services and mobile device rental services.

In the SoftBank business, the Company applies practical expedients, and transaction prices of contracts with an original duration of 1 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. The unsatisfied performance obligations in the SoftBank segment are expected to be recognized as revenue primarily for three years.

38. 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, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2026
Cost of goods sold	¥ (1,896,634)	¥ (2,080,907)	$ (13,015,430)
Employees benefit cost	(1,011,881)	(1,590,544)	(9,948,361)
Depreciation and amortization	(866,823)	(918,750)	(5,746,497)
Sales commissions and sales promotion expenses	(535,042)	(603,320)	(3,773,580)
Service outsourcing expenses	(409,399)	(466,851)	(2,920,009)
Telecommunications equipment usage fees	(263,117)	(283,817)	(1,775,188)
Amortization of contract acquisition cost	(256,713)	(273,299)	(1,709,401)
Other	(1,274,349)	(1,585,951)	(9,919,634)
Total	¥ (6,513,958)	¥ (7,803,439)	$ (48,808,100)

"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.

39. Gain on investments

(1) Investment Business of Holding Companies

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2026
Gain on investments*1,2	¥ 3,413,821	¥ 218,111	$ 1,364,217

*1 For the fiscal year ended March 31, 2026, the presentation of the table above was changed. In order to reflect the change, the presentation for the fiscal year ended March 31, 2025 has been reclassified.

*2 For the fiscal year ended March 31, 2026, the amount includes ¥244,659 million of gain (for the fiscal year ended March 31, 2025: ¥14,372 million of loss) on investments at asset management subsidiaries.

The components of gain and loss on investments other than dividend income are mainly as follows:

a. Alibaba
For the fiscal year ended March 31, 2025, a portion of prepaid forward contracts using Alibaba shares were settled by the shares. ¥1,180,851 million of gain on investments due to an increase in the share price from the beginning of the fiscal year to the physical settlement was recognized. In addition, ¥695,057 million of gain on investments in Alibaba shares held as of March 31, 2025 was recognized.

For the fiscal year ended March 31, 2026, all remaining prepaid forward contracts using Alibaba shares were settled by the shares. ¥169,881 million ($1,062,553 thousand) of loss on investments due to a decline in the share price from the beginning of the year to the physical settlement was recognized.

b. T-Mobile
For the fiscal year ended March 31, 2025 and the fiscal year ended March 31, 2026, a portion of T-Mobile shares held was sold. For the fiscal year ended March 31, 2026, ¥572,143 million ($3,578,578 thousand) of loss (for the fiscal year ended March 31, 2025: ¥17,168 million of gain) on investments due to a decline in the share price from the beginning of the year to the sale was recognized. In addition, due to a decrease in the share price, ¥84,695 million ($529,741 thousand) of loss (as of March 31, 2025: ¥1,346,194 million of gain) on investments in T-Mobile shares held as of March 31, 2026 was recognized.

c. Deutsche Telekom
For the fiscal year ended March 31, 2025, collar transactions using Deutsche Telekom shares were settled by the shares. ¥35,431 million of gain on investments due to an increase in the share price from the beginning of

the fiscal year to the physical settlement was recognized. In addition, ¥398,793 million of gain on investments in Deutsche Telekom held as of March 31, 2025 was recognized.

For the fiscal year ended March 31, 2026, collar transactions using Deutsche Telekom shares were settled by the shares and the shares were sold. ¥31,867 million ($199,318 thousand) of loss on investments due to a decline in the share price from the beginning of the year to the physical settlement and the sale was recognized.

d. OpenAI
For the fiscal year ended March 31, 2026, the right to make an additional investment in OpenAI has been transferred from SoftBank Group Corp. to SVF2. The right is classified as a forward contract, and ¥264,920 million ($1,656,993 thousand) of gain on investments related to changes in fair value up to the date of the transfer agreement, was recognized. The details are described in "(a) Additional investment agreement executed in March 2025" in "(2) Investment in OpenAI" under "Note 49. Additional information."

e. Intel Corporation
In August 2025, the Company entered into an agreement with Intel Corporation to make an investment in Intel Corporation totaling $2.0 billion, at a price of $23.00 per share, and completed the investment in September 2025. For the fiscal year ended March 31, 2026, ¥278,566 million ($1,742,344 thousand) of gain on investments was recognized due to an increase in the share price since the execution of the agreement.

f. NVIDIA Corporation
For the fiscal year ended March 31, 2026, SoftBank Group Corp. and an asset management subsidiary sold NVIDIA Corporation shares that they had owned. ¥216,991 million ($1,357,212 thousand) and ¥122,101 million ($763,704 thousand) of gains on investments due to increases in the share price from the beginning of the year to the sale were recognized in SoftBank Group Corp. and the asset management subsidiary, respectively.

g. Option transactions on listed shares
For the fiscal year ended March 31, 2025, ¥285,533 million of loss was recognized.

(2) 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."

(3) Other

For the fiscal year ended March 31, 2026, mainly due to an increase in the fair value of investments held by Robo HD, a gain on investments was recognized.

40. Finance cost

The components of finance cost are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2026
Interest expenses*	¥ (581,559)	¥ (771,790)	$ (4,827,308)

* "Interest expenses" are incurred mainly by financial liabilities measured at amortized cost. For the fiscal year ended March 31, 2026, the amount of interest expenses incurred from lease liabilities which are included in "Interest expenses" is ¥(25,885) million ($(161,903) thousand) (for the fiscal year ended March 31, 2025: ¥(26,140) million).

41. Derivative gain (loss) (excluding gain (loss) on investments)

For the fiscal year ended March 31, 2026, derivative gain of ¥142,779 million ($893,039 thousand) was recorded for the prepaid forward contracts using Alibaba shares (for the fiscal year ended March 31, 2025: derivative loss of ¥1,698,697 million for the prepaid forward contracts using Alibaba shares and the call

spread contracts relating to prepaid forward contracts using Alibaba shares). In addition, all of the prepaid forward contracts using Alibaba shares were settled and completed by March 31, 2026.

42. 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, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2026
Interest income	¥ 119,530	¥ 94,706	$ 592,357
Loss on equity method investments	(13,357)	(48,092)	(300,801)
Gain relating to loss of control over subsidiaries*1,2	136,225	170,990	1,069,490
Gain on the remeasurement relating to business combination*3,4	55,553	58,879	368,270
Gain on redemption of corporate bonds*5	—	34,426	215,324
Gain through tax credit structure in the U.S.*6	71,927	5,075	31,743
Impairment loss	(11,859)	(38,386)	(240,093)
Gain (loss) from financial instruments at FVTPL (excluding gain (loss) on investments)*7	23,044	(25,730)	(160,933)
Impairment loss on equity method investments	(26,023)	(20,596)	(128,822)
Other	(789)	(4,995)	(31,242)
Total	¥ 354,251	¥ 226,277	$ 1,415,293

*1 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 of gain arising from the loss of control over Fortress is included.

*2 For the fiscal year ended March 31, 2026, SVF2, at the first closing of its investment in OpenAI, acquired equity interests (convertible interest rights) in OpenAI Global through a subsidiary and converted such subsidiary interests into preferred shares of OpenAI Group PBC by contributing them in kind to OpenAI Group PBC. As a result of losing control over the subsidiary, a gain of ¥159,805 million ($999,531 thousand) is recognized. The details are described in "a. Additional investment agreement executed in March 2025" in "(2) Investment in OpenAI" under "Note 49. Additional information."

*3 For the fiscal year ended March 31, 2025, interests in SBE Global, LP, which was previously an equity method associate of the Company, were additionally acquired and SBE Global, LP became a subsidiary of the Company. Subsequently, the existing investment interests were measured at fair value and ¥55,553 million of gain was recorded.

*4 For the fiscal year ended March 31, 2026, transactions such as an additional acquisition of interests in LINE MAN CORPORATION PTE. LTD., which was previously an equity method associate of the Company, were executed and the entity became a subsidiary of the Company. Subsequently, the existing investment interests were measured at fair value and ¥44,377 million ($277,564 thousand) of gain was recognized.

*5 The gain is arising from the redemption of foreign currency-denominated senior notes by SoftBank Group Corp.

*6 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. Energy Global, which engaged in the development, construction, and operation of solar power plants, as well as the development and construction of data centers 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, Energy 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, 2026, ¥5,075 million ($31,743 thousand) (for the fiscal year ended March 31, 2025: 71,927 million) was recorded as "Gain through tax credit structure in the U.S." for the tax incentives allocated to Tax Equity Investors by Energy Global.

*7 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 of gain was recorded.

43. 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, 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)

For the fiscal year ended March 31, 2026

(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	¥ 5,362	¥ —	¥ 5,362	¥ (1,169)	¥ 4,193
Equity financial assets at FVTOCI	(13,161)	—	(13,161)	6,327	(6,834)
Share of other comprehensive income of associates	386	—	386	—	386
Total	(7,413)	—	(7,413)	5,158	(2,255)
Items that may be reclassified subsequently to profit or loss					
Debt financial assets at FVTOCI	(3,645)	(1,123)	(4,768)	1,659	(3,109)
Cash flow hedges	184,563	(158,468)	26,095	(7,670)	18,425
Exchange differences on translating foreign operations	1,822,690	(23,317)	1,799,373	(684,917)	1,114,456
Share of other comprehensive income of associates	7,759	—	7,759	—	7,759
Total	2,011,367	(182,908)	1,828,459	(690,928)	1,137,531
Total other comprehensive income	¥ 2,003,954	¥ (182,908)	¥ 1,821,046	¥ (685,770)	¥ 1,135,276

(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	$ 33,538	$ —	$ 33,538	$ (7,312)	$ 26,226
Equity financial assets at FVTOCI	(82,318)	—	(82,318)	39,573	(42,745)
Share of other comprehensive income of associates	2,415	—	2,415	—	2,415
Total	(46,365)	—	(46,365)	32,261	(14,104)
Items that may be reclassified subsequently to profit or loss					
Debt financial assets at FVTOCI	(22,798)	(7,024)	(29,822)	10,376	(19,446)
Cash flow hedges	1,154,384	(991,168)	163,216	(47,973)	115,243
Exchange differences on translating foreign operations	11,400,363	(145,841)	11,254,522	(4,283,944)	6,970,578
Share of other comprehensive income of associates	48,530	—	48,530	—	48,530
Total	12,580,479	(1,144,033)	11,436,446	(4,321,541)	7,114,905
Total other comprehensive income	$ 12,534,114	$ (1,144,033)	$ 11,390,081	$ (4,289,280)	$ 7,100,801

44. Earnings per share

Basic earnings per share and diluted earnings per share are as follows. In addition, effective January 1, 2026, a four-for-one ordinary share split was conducted. Basic earnings per share and diluted earnings per share are calculated assuming that the share split had been conducted at the beginning of the fiscal year ended March 31, 2025.

(1) Basic earnings per share

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2026
Net income attributable to ordinary shareholders of the parent			
Net income attributable to owners of the parent	¥ 1,153,332	¥ 5,002,271	$ 31,287,659
Net income not-attributable to ordinary shareholders of the parent*	(18,822)	(18,639)	(116,580)
Net income used in the calculation of basic earnings per share	¥ 1,134,510	¥ 4,983,632	$ 31,171,078
	(Thousands of shares)		
Weighted-average number of ordinary shares	5,811,928	5,705,306	
	(Yen)	(Yen)	(USD)
Basic earnings per share	¥ 195.20	¥ 873.51	$ 5.46

* 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) Diluted earnings per share

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2026
Diluted net income attributable to ordinary shareholders of the parent			
Net income used in the calculation of basic earnings per share	¥ 1,134,510	¥ 4,983,632	$ 31,171,078
Effect of dilutive securities issued by subsidiaries and associates	(1,244)	(3,788)	(23,693)
Total	¥ 1,133,266	¥ 4,979,844	$ 31,147,386
		(Thousands of shares)	
Weighted-average number of ordinary shares used in the calculation of diluted earnings per share			
Weighted-average number of ordinary shares	5,811,928	5,705,306	
Adjustments			
Stock acquisition rights	4,165	2,443	
Total	5,816,093	5,707,749	
	(Yen)	(Yen)	(USD)
Diluted earnings per share	¥ 194.85	¥ 872.47	$ 5.46

45. 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 and prepayments for the purchase of property, plant and equipment, and intangible assets that are included in "Other non-current assets" in the consolidated statement of financial position.

(2) 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.

(3) 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.

For the fiscal year ended March 31, 2026

The amount includes ¥2,441,049 million ($15,268,007 thousand) of the proceeds from the sales of T-Mobile shares.

(4) Payments for acquisition of investments by SVF and proceeds from sales of investments by SVF

For the fiscal year ended March 31, 2026

"Payments for acquisition of investments by SVF" includes ¥5,081,443 million ($33.5 billion) of the investment amount in OpenAI from SVF2. The amount comprises $8.5 billion of the additional investment at the first closing and $22.5 billion of the additional investment at the second closing in OpenAI, and $2.5 billion of other additional investments. In addition, "Proceeds from sales of investments by SVF" includes ¥145,190 million ($1.0 billion) of the investment amount syndicated out to co-investors after the first closing described above.

(5) Payments (net) for acquisition of control over subsidiaries

For the fiscal year ended March 31, 2025
The amount is mainly due to the acquisition of Graphcore Limited and SBE Global, LP as subsidiaries.

For the fiscal year ended March 31, 2026
The amount is mainly due to the acquisition of Ampere as a subsidiary.

(6) Other under cash flows from investing activities

For the fiscal year ended March 31, 2025
¥285,533 million of payments for acquisition of options related to listed shares is included.

(7) Proceeds from the issuance of other equity instruments in subsidiaries

For the fiscal year ended March 31, 2025
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 34. Equity."

(8) Changes in liabilities arising from financing activities

Changes in liabilities arising from financing activities are as follows:

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

*1 The decrease in interest-bearing debt is due to the physical settlement of prepaid forward contracts using Alibaba shares held by the Company and the physical settlement of collar transactions using Deutsche Telekom shares held by the Company.
*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, 2026

(Millions of Yen)

	Interest-bearing debt	Lease liabilities	Derivatives related to corporate bond	Third-party interests in SVF
As of April 1, 2025	¥ 18,006,330	¥ 907,020	¥ (206,923)	¥ 3,652,797
(a) Changes arising from financing cash flows				
Proceeds in short-term interest-bearing debt, net	1,043,095	—	—	—
Proceeds from interest-bearing debt	11,948,212	—	—	—
Repayment of interest-bearing debt	(5,475,934)	—	49,045	—
Repayment of lease liabilities	—	(192,823)	—	—
Distribution/repayment from SVF to third-party investors	—	—	—	(696,053)
(b) Changes from acquisition or loss of control over subsidiaries and other businesses	4,490	11,645	—	—
(c) The effect of changes in foreign exchange rates	614,182	11,222	—	255,039
(d) Changes in fair values	—	—	(146,857)	—
(e) Changes in third-party interests in SVF	—	—	—	534,613
(f) Non-cash transactions*1,2	(1,427,204)	265,977	—	—
(g) Other changes	(28,055)	(24,591)	—	—
As of March 31, 2026	¥ 24,685,116	¥ 978,450	¥ (304,735)	¥ 3,746,396

(Thousands of U.S. dollars)

	Interest-bearing debt	Lease liabilities	Derivatives related to corporate bond	Third-party interests in SVF
As of April 1, 2025	$112,624,031	$ 5,673,130	$(1,294,239)	$22,847,117
(a) Changes arising from financing cash flows				
Proceeds in short-term interest-bearing debt, net	6,524,237	—	—	—
Proceeds from interest-bearing debt	74,732,374	—	—	—
Repayment of interest-bearing debt	(34,250,275)	—	306,761	—
Repayment of lease liabilities	—	(1,206,048)	—	—
Distribution/repayment from SVF to third-party investors	—	—	—	(4,353,596)
(b) Changes from acquisition or loss of control over subsidiaries and other businesses	28,084	72,836	—	—
(c) The effect of changes in foreign exchange rates	3,841,519	70,190	—	1,595,189
(d) Changes in fair values	—	—	(918,545)	—
(e) Changes in third-party interests in SVF	—	—	—	3,343,839
(f) Non-cash transactions*1,2	(8,926,720)	1,663,604	—	—
(g) Other changes	(175,477)	(153,809)	—	—
As of March 31, 2026	$154,397,773	$ 6,119,903	$(1,906,023)	$23,432,549

*1 The decrease in interest-bearing debt is mainly due to the physical settlement of prepaid forward contracts using Alibaba shares and the physical settlement of collar transactions using Deutsche Telekom shares.

*2 The increase in lease liabilities is mainly due to remeasurement of the lease liabilities and the lease transactions executed during the period.

(9) Cash outflows related to lease

For the fiscal year ended March 31, 2026, the total amount of cash outflows related to lease is ¥219,376 million ($1,372,129 thousand) (for the fiscal year ended March 31, 2025: ¥214,443 million).

(10) 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, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2026
Increase in right-of-use assets related to lease transactions	¥ 216,180	¥ 259,423	$ 1,622,611

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 36. Share-based payment transactions."

c. Other

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 of current portion of financial liabilities relating to sale of shares by prepaid forward contracts and ¥274,577 million of derivative financial liabilities (net) were settled by Alibaba shares.

(b) The physical 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 of current portion of long-term borrowings and ¥32,662 million of derivative financial liabilities were repaid and settled.

For the fiscal year ended March 31, 2026

(a) The physical settlement of prepaid forward contracts using Alibaba shares

As prepaid forward contracts matured, ¥983,044 million ($6,148,636 thousand) of the current portion of financial liabilities relating to sale of shares by prepaid forward contracts and ¥396,631 million ($2,480,804 thousand) of derivative financial liabilities were settled by Alibaba shares.

(b) The physical settlement of collar transactions using Deutsche Telekom shares

Collar transactions using Deutsche Telekom shares were settled by Deutsche Telekom shares. Subsequently, ¥427,094 million ($2,671,341 thousand) of the current portion of long-term borrowings and ¥255,084 million ($1,595,472 thousand) of derivative financial liabilities were repaid and settled by Deutsche Telekom shares.

46. 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), 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 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 with the Company, sharing risk of losses as well as benefit of profits in the success of SVF2 and LatAm, 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 under the terms of the program, MgmtCo both receives the benefit of profits and assumes the risk of losses from SVF2 and LatAm, 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, 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]	—	¥455,664[*3,4]
		The premium received on SVF2 LLC's receivables	¥12,603[*3]	
		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]	—	$3,047,509[*3,4]
		The premium received on SVF2 LLC's receivables	$82,506[*3]	
		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

For the fiscal year ended March 31, 2026

			(Millions of yen)	
			Fiscal year ended March 31, 2026	As of March 31, 2026
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]	—	¥500,391[*3,4]
		The premium received on SVF2 LLC's receivables	¥12,408[*3]	
		MgmtCo's Equity interests in SVF2 LLC[*5,6]	—	500,391
		Net balance at period end (Receivables in SVF2 LLC less MgmtCo's Equity interests in SVF2 LLC)[*7]		—

			(Thousands of U.S. dollars)	
			Fiscal year ended March 31, 2026	As of March 31, 2026
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	—	$3,129,790*3,4
		The premium received on SVF2 LLC's receivables	$82,280*3	
		MgmtCo's Equity interests in SVF2 LLC*5,6	—	3,129,790
		Net balance at period end (Receivables in SVF2 LLC less MgmtCo's Equity interests in SVF2 LLC)*7		—

*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 exited investments plus the aggregate fair value of all of SVF2 LLC's investments before exit (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, 2026, 35,588,400 shares of SoftBank Group Corp. are deposited in SVF2 LLC by Masayoshi Son (as of March 31, 2025: 35,588,400 shares (after reflecting the share split)). 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.

SVF2 has invested in OpenAI Global, which is subject to the co-investment program. For the investment, in April 2025, SVF2 borrowed $8.5 billion from the Company, and 17.25% of both the principal and interest on the 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 repaid early by SVF2 at its discretion. The borrowing is secured by the preferred shares of OpenAI Group PBC converted in October 2025 from 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 provided by an independent external organization, assuming similar financing would have been conducted by SVF2 with entities outside of the group.

The borrowing and interest by SVF2 from the Company are eliminated in consolidation as inter-company transactions.

By February 2026, the entire outstanding amount of the loan was repaid. As a result, the guarantee provided by Masayoshi Son in respect of the loan was released.

(b) Transactions between LatAm and related parties

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	—	¥106,864*3,4
		The premium received on SLA LLC's receivables	¥2,964*3	
		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	—	$714,717*3,4
		The premium received on SLA LLC's receivables	$19,401*3	
		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

For the fiscal year ended March 31, 2026

			(Millions of yen)	
			Fiscal year ended March 31, 2026	As of March 31, 2026
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	—	¥117,362*3,4
		The premium received on SLA LLC's receivables	¥2,918*3	
		MgmtCo's Equity interests in SLA LLC*5,6	—	—
		Net balance at period end (Receivables in SLA LLC less MgmtCo's Equity interests in SLA LLC)*7		117,362

			(Thousands of U.S. dollars)	
			Fiscal year ended March 31, 2026	As of March 31, 2026
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	—	$734,065*3,4
		The premium received on SLA LLC's receivables	$19,348*3	
		MgmtCo's Equity interests in SLA LLC*5,6	—	—
		Net balance at period end (Receivables in SLA LLC less MgmtCo's Equity interests in SLA LLC)*7		734,065

*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 exited investments plus the aggregate fair value of all of SLA LLC's investments before exit (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 LatAm's initial acquisition costs of the portfolio companies held by LatAm 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 to June 30, 2021, and the adjustment equivalent to interests for the period from the Company's contribution to LatAm 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, 2026, 8,674,000 shares of SoftBank Group Corp. are deposited in SLA LLC by Masayoshi Son (as of March 31, 2025: 8,674,000 shares (after reflecting the share split)). 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. Other related party transactions

Related party transactions of the Company are as follows:

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 ($670 million)	¥44,027 ($294 million)
GreenBox Systems LLC	Joint Venture	Fulfillment of investment commitment*1	25,880 ($167 million)	453,495 ($3,033 million)
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

*1 The Company entered into an agreement regarding capital commitment of $3.2 billion to fund GreenBox Systems LLC ("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 were 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 SoftBank Ventures Asia Corp. ("SBVA"), a subsidiary of the Company at that time, to TheEDGEof Korea Co., Ltd. ("EDGEof Korea"), which is controlled by Mr. Taizo Son, in June 2023. The Company entered into a loan agreement with EDGEof Korea 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 EDGEof 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.

For the fiscal year ended March 31, 2026

(Millions of yen)

Name of the company or individual	Nature of relationship	Nature of transaction	Fiscal year ended March 31, 2026 Amount of transaction	As of March 31, 2026 Balance at period end
ARM Technology (China) Co., Ltd.	Associate	Revenue under the terms of the IP license agreement with Arm	¥ 118,883	¥ 47,411
GreenBox Systems LLC	Joint Venture	Fulfillment of investment commitment[*1]	33,892	448,741
Masayoshi Son (Son Asset Management LLC and 10 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.	344	—
		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.	474	—
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	62
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]	174	63
		License fees paid to content providers[*6]	1	10
Taizo Son (Son Financial Inc. and 8 other companies[*7])[*11]	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]	1,316	3,865
		Interest receipt[*9]	220	70
		Dividend paid from SoftBank Group Corp.	555	—
		Receipt of capital contribution to a subsidiary[*10]	4	371

			(Thousands of U.S. dollars))	
			Fiscal year ended March 31, 2026	As of March 31, 2026
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	$ 790,614[*12]	$ 296,541
GreenBox Systems LLC	Joint Venture	Fulfillment of investment commitment[*1]	226,271[*12]	2,806,735
Masayoshi Son (Son Asset Management LLC and 10 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.	134,351	—
		Dividend paid from SoftBank Corp.	2,152	—
		Payment for equipment usage[*2]	44	6
		Receipt of guarantees for claims against subsidiaries of the Company[*3,4]	—	—
Ken Miyauchi	Director	Dividend paid from SoftBank Corp.	2,965	—
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]	6	388
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]	1,088	394
		License fees paid to content providers[*6]	6	63
Taizo Son (Son Financial Inc. and 8 other companies[*7])[*11]	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]	8,231	24,174
		Interest receipt[*9]	1,376	438
		Dividend paid from SoftBank Group Corp.	3,471	—
		Receipt of capital contribution to a subsidiary[*10]	25	2,320

*1 The Company entered into an agreement to invest $3.2 billion on GreenBox. The amount of transaction represents the amount the Company invested in GreenBox for the fiscal year ended March 31, 2026. The balance at period end represents the unfunded investment commitment as of March 31, 2026.

*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, 2026.

*6 Terms and conditions of the transaction were 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, 2026: 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 30% of SBVA shares held by EDGEof Korea are pledged as collateral for the loan. The voting rights against SBVA are retained by EDGEof Korea.

*10 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, 2026.

*11 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, 2026, the total commitment amount and unfunded commitment amount of the Company to the funds are ¥41,540 million ($259,820 thousand) and ¥6,781 million ($42,413 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.

*12 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, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2026
Short-term benefits	¥ 1,615	¥ 1,746	$ 10,921
Share-based payments	4,191	5,268	32,950
Retirement benefits	2	2	12
Total	¥ 5,808	¥ 7,016	$ 43,883

Note: Remuneration for major executives represents remuneration for the directors of SoftBank Group Corp. (including external directors).

47. Contingency

(1) Lending commitments

Unfunded balance of lending commitments that the Company is engaged in are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2025	As of March 31, 2026	As of March 31, 2026
Unfunded	¥ 9,971,306	¥ 10,649,038	$ 66,606,442

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 29. 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, 2025	As of March 31, 2026	As of March 31, 2026
Total amount of financial guarantee contract	¥ 7,247	¥ 7,262	$ 45,422
Guarantee balance	6,208	7,207	45,078

(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, provisions 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 High Court of Justice of England and Wales 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.

On October 15, 2025, the High Court of Justice of England and Wales dismissed the Plaintiffs' claim. The Plaintiffs did not seek permission to appeal, thereby finalizing the dismissal and bringing the litigation to a close.

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 Japan Post Information Technology Co., Ltd. (hereinafter referred to as "JPiT"), claiming 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 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 co-defendants. In this lawsuit, JPiT alleged 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.

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 had filed an appeal of the judgment and a petition to accept the appeal with the Supreme Court. However, on July 17, 2025, the Supreme Court rejected the petition and dismissed the respective appeals. As a result, the judgment of Tokyo High Court dated March 21, 2024, became final and binding and the litigation was concluded.

Accordingly, the payment by JPiT to SoftBank Corp. of ¥65 million in remuneration for additional services, together with delay damages, was finally confirmed, and all claims for damages asserted by JPiT against SoftBank Corp. and NRI were dismissed.

48. Purchase commitments

The Company has commitments to purchase services and goods of ¥3,244,569 million ($20,293,777 thousand) as of March 31, 2026 (as of March 31, 2025: ¥1,711,142 million). The commitments above include ¥448,741 million ($2,806,736 thousand) (as of March 31, 2025: ¥453,495 million) of investment commitments to joint ventures. Purchase commitments are mainly related to purchase contracts of property, plant and equipment and intangible assets, and outstanding contracts related to investments. In addition to the above, as of March 31, 2026, the Company had investment commitments in OpenAI Group PBC of ¥4,796,400 million ($30.0 billion). The details are described in "(2) Investment in OpenAI" under "Note 49. Additional information."

However, the commitments subject to customary regulatory approvals and certain other conditions are not included above. The details of the acquisition of ABB Ltd's robotics business are described in "(1) Acquisition of ABB Ltd's robotics business" under "Note 49. Additional information."

49. Additional information

(1) Acquisition of ABB Ltd's robotics business

SoftBank Group Corp. ("the Company") entered into a definitive agreement with ABB Ltd ("ABB"), a global technology leader in electrification* and automation, on October 8, 2025 to acquire ABB's robotics business for a total purchase price of $5.375 billion (the "Acquisition").

The Acquisition has been approved by the Company's Board of Directors and remains subject to customary regulatory approvals including in the European Union, China, and the United States, and the satisfaction of other customary closing conditions. The Company expects the Acquisition to close in late 2026.

* Electrification refers to shifting the energy sources for power, heat, and lighting—traditionally derived from fossil fuels—to electricity in sectors such as transportation, industry, and buildings.

a. Rationale for the Acquisition

The center of the "Information Revolution" has evolved from personal computers, the Internet, and broadband to smartphones, and 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. As part of this mission, the Company is actively investing and expanding its businesses in four essential areas: (i) AI chips, (ii) AI robots, (iii) AI data centers, and (iv) energy, as well as investing in companies at the forefront of generative AI.

The Acquisition is part of this strategy and is expected to significantly strengthen the Company's AI robotics business. ABB's robotics business is a globally recognized brand, known for its reliability and high performance, supported by extensive sales channels and customer relationships. The Company is well-positioned to reignite the robotics business's growth, particularly through investment in cutting-edge technologies such as AI.

Following the Acquisition, the robotics platform, expertise, and existing local footprint will be complemented by the technological foundations of the Company's existing robotics-related investments—SoftBank Robotics Group Corp., Berkshire Grey, Inc., AutoStore Holdings Ltd., Agile Robots SE, and Skild AI, Inc., among others – to accelerate innovation in AI robotics and drive progress and growth toward the realization of ASI.

b. Acquisition method

ABB will carve out its robotics business into a newly established holding company. The Company plans to acquire, through a subsidiary, all shares of this holding company from ABB for a total purchase price of $5.375 billion. As a result, this holding company will become a subsidiary of the Company.

c. Overview of the holding company to be acquired

Name	To be determined	
Address	Zürich, Switzerland	
Name and title of representative	Marc Segura (currently President of ABB Robotics Division)	
Nature of business	Development, manufacture, and sale of industrial robots	
Capital	To be determined	
Founded	To be determined	
Number of employees	To be determined (current employee number of ABB's robotics business is approximately 7,000)	
Relationship with the Company	Capital relationship	None
	Personnel relationship	None
	Business relationship	None

d. Acquisition price and voting rights before and after the Acquisition

Voting rights before the Acquisition	—
Voting rights to be acquired	100%
Acquisition price	Total purchase price: $5.375 billion* Acquisition-related costs: To be determined
Voting rights after the Acquisition	100%

* The purchase price is subject to customary adjustments including net working capital and net debt as at the closing date.

(2) Investment in OpenAI

a. Additional investment agreement executed in March 2025

On March 31, 2025, SoftBank Group Corp. entered into a definitive agreement with OpenAI to make follow-on investments in OpenAI of up to $40.0 billion (subsequently increased up to $41.0 billion in August 2025*). After deducting $10.0 billion to be syndicated to co-investors, SoftBank Group Corp.'s investment amount was $30.0 billion.

* On August 4, 2025, an amendment regarding the follow-on investments of up to $40.0 billion was entered into. Under the amendment, the maximum investment amount was increased from $40.0 billion to $41.0 billion; however, the incremental $1.0 billion was allocated exclusively 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 the 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 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 U.S. In alignment with the 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) Completion of the first closing and the related syndication

The first closing of $10.0 billion was completed in April 2025, with $2.5 billion of this being syndicated to co-investors and the remaining $7.5 billion being invested by SVF2.

(c) Transfer of rights related to the second closing to SVF2

For the second closing, SoftBank Group Corp. resolved in September 2025 to make the investment through SVF2, as with the first closing. Accordingly, the right to make an additional investment in OpenAI was transferred from SoftBank Group Corp. to SVF2.

The transfer price was determined based on negotiation with reference to the corporate valuation by an independent third-party valuation agency, using the fair value as of the date of the transfer agreement.

In addition, in October 2025, SoftBank Group Corp. entered into an amendment agreement with OpenAI to enable the Company to make the full investment of an additional $22.5 billion at the second closing regardless of whether certain conditions were satisfied, and subsequently the Company elected to make the full investment through SVF2 in December 2025.

The right represents a right to make an additional investment in OpenAI at a specified future date under predetermined price and other terms, and therefore qualifies as a forward contract. In addition, changes in fair value up to the date of the transfer agreement are classified as "Gain on investments – Investment Business of Holding Companies," while changes in fair value from the date of the transfer agreement through the exercise date of the right are classified as "Gain on investments – SoftBank Vision Funds" in the consolidated statement of profit or loss.

(d) Recapitalization of OpenAI Global

On October 28, 2025, OpenAI announced the completion of the recapitalization of the economic waterfall of OpenAI Global, pursuant to which stockholders will participate through a new public benefit corporation called OpenAI Group PBC. As a result of the recapitalization, the equity interests in OpenAI Global (convertible interest rights) were converted into preferred shares of OpenAI Group PBC, while employee vehicle units were converted into common shares.

SVF2, at the first closing, acquired equity interests (convertible interest rights) in OpenAI Global through a wholly-owned subsidiary and converted such subsidiary interests into preferred shares of OpenAI Group PBC by contributing them in kind to OpenAI Group PBC. As a result of losing control over the subsidiary, a gain of ¥159,805 million was recognized as "Other gain (loss)" in the consolidated statement of profit or loss.

(e) Exercise of rights related to the second closing

On December 26, 2025, the Company exercised its right to make an additional investment in OpenAI, and including indirect investments, the full amount of the investment of ¥3,464,894 million ($22.5 billion) related to the second closing was completed. As a result, including fair value of the forward contract related to the additional investment at the exercise date of the right of ¥1,850,108 million ($12.0 billion), preferred shares of OpenAI Group PBC of ¥5,315,002 million ($34.5 billion) were recognized.

Including the $2.5 billion syndicated at the first closing, the entire $11.0 billion syndication to co-investors was completed by the second closing.

b. Additional investment agreement executed in February 2026

The Company entered into a definitive agreement with OpenAI Group PBC on February 27, 2026, to participate in its fundraising round via SVF2 and make additional investments of $ 30.0 billion (the "Follow-on Investment").

(a) Rationale for the Follow-on Investment

To further support OpenAI's continued growth, SoftBank Group Corp. has decided to proceed with the Follow-on Investment.

(b) Overview of the Follow-on Investment

	First tranche (Completed)	Second tranche (Completed)	Third tranche (Planned)
Valuation (pre-money)	$ 730 billion		
Investment by the Company	$ 10.0 billion	$ 10.0 billion	$ 10.0 billion
Timing of the Company's investment	April 1, 2026	July 1, 2026	October 1, 2026
The Company's investment entity	SVF2		
Investment target	OpenAI Group PBC		
Type of securities to be acquired	Preferred shares (automatically convertible into common shares of OpenAI upon an IPO or related listing transaction)		

(c) Completion of investment for the first tranche and second tranche

On April 1, 2026, the Company completed a $10.0 billion investment in OpenAI Group PBC pursuant to the agreement for the Follow-on Investment.

On July 1, 2026, the Company completed a $10.0 billion investment in OpenAI Group PBC pursuant to the agreement for the Follow-on Investment.

(d) Financing

On March 27, 2026, for the purpose of raising funds necessary for the additional investment and for general corporate purposes, SoftBank Group Corp. and a wholly-owned financing subsidiary entered into a bridge facility agreement with a total commitment of $40.0 billion with a group of financial institutions, including Mizuho Bank, Ltd.

The details of the bridge facility agreement are described in "(2) Financing through a bridge facility agreement" under "Note 50. Subsequent events."

c. Impact on consolidated financial results

The preferred shares and common shares of OpenAI Group PBC held by SVF2 are classified as financial assets measured at fair value through profit or loss (FVTPL) and are presented in the consolidated statement of financial position as "Investments of SVF (FVTPL)." Changes in their fair value are recorded in the consolidated statement of profit or loss as "Gain on investments—SoftBank Vision Funds."

50. Subsequent events

(1) Additional investment in OpenAI Group PBC

On April 1, 2026, SVF2 completed a $10.0 billion investment in OpenAI Group PBC.

On July 1, 2026, SVF2 completed a $10.0 billion investment in OpenAI Group PBC.

The details are described in “b. Additional investment agreement executed in February 2026” in “(2) Investment in OpenAI” under “Note 49. Additional information.”

(2) Financing through a bridge facility agreement

On March 27, 2026, SoftBank Group Corp. and a wholly-owned financing subsidiary entered into a bridge facility agreement with a total commitment of $40.0 billion with the following financial institutions.

In April 2026, for the purpose of making the first tranche investment under the additional investment agreement with OpenAI Group PBC, the wholly-owned financing subsidiary raised $10.0 billion through borrowing. In the same month, SoftBank Group Corp. also obtained additional financing of $10.0 billion through borrowings for general corporate purposes.

In July, 2026, for the purpose of making the second tranche investment under the additional investment agreement with OpenAI Group PBC, the wholly-owned financing subsidiary raised $10.0 billion through borrowing.

An overview of the bridge facility agreement is as follows:

Borrower	Wholly-owned financing subsidiary	SoftBank Group Corp.
Lender	Mizuho Bank, Ltd., Sumitomo Mitsui Banking Corporation, MUFG Bank, Ltd., Goldman Sachs, JPMorgan Chase	
Date of agreement	March 27, 2026	
Contract structure	Bridge facility agreement	
Use of proceeds	Additional investment in OpenAI Group PBC	General corporate purposes
Total commitment amount	$30.0 billion	$10.0 billion
Interest rate	Reference rate + spread	
Repayment date	March 25, 2027	
Collateral and guarantee	Unsecured and unguaranteed	
Key covenants	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 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. c. The liabilities of SoftBank Group Corp. and certain subsidiaries of SoftBank Group Corp. at the end of each quarter must be below a certain level relative to specific assets held by SoftBank Group Corp. and certain subsidiaries (the ratio of the aggregate amount of net interest-bearing senior debt to the value of held listed shares, etc. must be less than 70%; and the ratio of the aggregate amount of specific loan liabilities to the value of specific held assets must be less than 30% before September 30, 2026, and less than 25% from September 30 onwards)	

By September 15, 2026, the entire outstanding amount of the loan was repaid.

(3) Financing at SVF2

On August 5, 2026, SVF2 entered into a $10.0 billion loan agreement with financial institutions.

An overview of the loan agreement is as follows:

Borrower	SVF II TSUBAKI (DE) LLC (a wholly-owned subsidiary of SVF2)
Mandated lead arrangers	Goldman Sachs Bank USA JPMorgan Chase Bank, N.A. Mizuho Securities USA LLC Apollo Global Funding, LLC Sumitomo Mitsui Banking Corporation
Date of agreement	August 5, 2026
Borrowing amount	$10.0 billion
Date of drawdown	August 7, 2026
Use of proceeds	General corporate purposes of SoftBank Group Corp. and SVF2
Principal repayment	August 2028
Collateral	Cash collateral account of borrower
Guarantor	SoftBank Group Corp.
Key material covenant	Cash collateral provision and mandatory prepayment clauses triggered by certain circumstances, such as a significant decrease in the fair value of the OpenAI preferred shares held by SVF2 and referenced under the loan agreement.

(4) Entry into an agreement to acquire shares of T&D Financial Life Insurance Company

On June 4, 2026, PayPay Corporation ("PayPay"), a subsidiary of the Company, entered into a share purchase agreement to acquire 70.2% of the outstanding shares of T&D Financial Life Insurance Company (the "Transaction"). The purchase consideration is expected to be approximately ¥132.0 billion ($825,619 thousand). The purpose of the Transaction is to add life insurance services to PayPay's financial services offerings and to combine T&D Financial Life Insurance Company's insurance business platform with PayPay's digital platform and customer base.

The Transaction is subject to obtaining required approvals from regulatory authorities, the implementation of an IFRS transition plan at T&D Financial Life Insurance Company, and the satisfaction of other customary closing conditions.

As of the approval date of the consolidated financial statements, the Transaction has not been completed. Because the purchase price allocation and related valuation procedures have not been completed, the impact of the Transaction on the Company's consolidated financial statements cannot be reasonably estimated.

(5) Transaction for sale of Intel Corporation shares by prepaid forward contracts

In August 2026, a wholly-owned subsidiary of the Company entered into prepaid forward contracts with financial institutions to procure funds using Intel Corporation shares held by the subsidiary and received $7.4 billion.

The Intel Corporation shares pledged as collateral in connection with the prepaid forward sale contracts are recorded for ¥613,522 million as "Investment securities" in the consolidated statement of financial position as of March 31, 2026.

(6) Amendment to the margin loan agreement using Arm shares

Kronos I (UK) Limited, a wholly-owned subsidiary of the Company, has a borrowing secured by 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 under the relevant contracts. The loan is recorded for ¥3,168,545 million as long-term borrowings as of March 31, 2026.

In September 2026, the loan agreement was amended to extend the repayment maturity by one year from September 2027 to September 2028. On September 10, 2026, $5.0 billion was additionally borrowed.

(7) Financing at SoftBank Group Corp.

September 11, 2026, SoftBank Group Corp. borrowed $11.9 billion from financial institutions. September 17, 2026, SoftBank Group Corp. issued a ¥1.0 trillion unsecured straight corporate bond.

(8) Development of SB Energy, Inc.

PORTS Arrangements

On August 17, 2026, certain subsidiaries of SB Energy, Inc. ("SB Energy"), which is a subsidiary of Energy Global, entered into 17-20 year lease agreements with OpenAI for data center capacity across the PORTS-Pike Technology Campus in Pike County, Ohio (the "PORTS"). Under the agreement, SB Energy will develop, construct, own and operate the data center campus, which is expected to become operational in phases beginning in 2028.

On August 17, 2026, NVIDIA Corporation entered into a residual value guaranty of the OpenAI tenant's lease obligations at PORTS, covering the initial 4.25 GW-IT at a guaranteed value of $24.7 billion per GW-IT, with an option, in its sole discretion, to guarantee the remaining 3.78 GW-IT by a future date certain. The guaranty is triggered only upon tenant insolvency or an uncured monetary default under a lease. The guaranteed minimum value holds constant and then declines on a defined schedule over the 20 year lease, and the aggregate remedy cap is $105 billion across related guaranties on the initial 4.25 GW-IT. The guaranty automatically terminates upon specified credit-rating or replacement-guaranty or lease events.

OpenAI Warrants Amendment

On August 17, 2026, SB Energy entered into an amended and restated warrant agreement with OpenAI, amending and restating the warrants issued January 9, 2026. In connection with the amendment, 4,562,791 warrant shares were forfeited and cancelled. The amended and restated warrant agreement covers 3,991,809 warrant shares at a $0.01 exercise price, with a ten-year exercise period expiring January 9, 2036, and a revised vesting schedule, that includes milestones related to SB Energy's initial public offering.

As of March 31, 2026, the Company recorded the warrants as derivative financial liabilities of ¥117,222 million in current liabilities and ¥465,740 million in non-current liabilities.

51. 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 September 18, 2026.

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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
April 10, 2026

Consolidated Financial Statements

a. Consolidated Statement of Financial Position

	Notes	(Millions of yen)		(Thousands of U.S. dollars)
		As of March 31, 2024	As of March 31, 2025	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)		(Thousands of U.S. dollars)
		As of March 31, 2024	As of March 31, 2025	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) Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	(Thousands of U.S. dollars) 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

	Notes	(Yen) Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	(U.S. dollars) Fiscal year ended March 31, 2025
Earnings per share				
Basic earnings per share	43	¥ (42.75)	¥ 195.20	$ 1.31
Diluted earnings per share	43	¥ (43.55)	¥ 194.85	$ 1.30

Consolidated Statement of Comprehensive Income

	Notes	(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
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)

	Notes	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, 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

(Millions of yen)

	Notes	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

(Millions of yen)

	Notes	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

(Millions of yen)

	Notes	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

(Thousands of U.S. dollars)

	Notes	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	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) 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 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) Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	(Thousands of U.S. dollars) 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 AI Computing 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
SBGA	SB Global Advisers Limited

Company names / Abbreviations	Definition
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."

AI Computing segment

In the AI Computing 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.

As of March 31, 2025, the Company had four reportable segments, the Investment Business of Holding Companies segment, the SoftBank Vision Funds segment, the SoftBank segment, and the Arm segment.

Subsequently, for the three-month period ended December 31, 2025, following the completion of the acquisition of Ampere Computing Holdings LLC (“Ampere”), a re-evaluation of the operating units which were regularly reviewed by the Board of Directors for performance evaluation, was conducted. As a result, Arm, which had previously been included in the Arm segment, Graphcore Limited and others previously included in “Other,” and Ampere were combined, and the AI Computing segment was newly established as a reportable segment.

The Company has four reportable segments, the Investment Business of Holding Companies segment, the SoftBank Vision Funds segment, the SoftBank segment, and the AI Computing 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 AI Computing segment provides, mainly through Arm, Ampere and Graphcore Limited, 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	AI Computing
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	AI Computing
Net sales				
Customers	¥ —	¥ —	¥ 6,541,357	¥ 590,301
Intersegment	—	—	2,918	—
Total	¥ —	¥ —	¥ 6,544,275	¥ 590,301
Segment income	794,251	(115,018)	906,309	(10,891)
Depreciation and amortization	(3,249)	(2,058)	(739,874)	(97,255)
Gain (loss) on investments	3,413,821	434,903	(25,074)	(20,441)
Finance cost	(531,252)	(40,244)	(81,453)	(2,604)
Foreign exchange gain	19,257	62	4,112	353
Derivative gain (loss) (excluding gain (loss) on investments)	(2,041,830)	—	214	—

	Total	Other	Reconciliations	Consolidated
Net sales				
Customers	¥ 7,131,658	¥ 112,094	¥ —	¥ 7,243,752
Intersegment	2,918	20,590	(23,508)	—
Total	¥ 7,134,576	¥ 132,684	¥ (23,508)	¥ 7,243,752
Segment income	1,574,651	89,560	40,510	1,704,721
Depreciation and amortization	(842,436)	(24,387)	—	(866,823)
Gain (loss) on investments	3,803,209	(53,514)	(48,588)	3,701,107
Finance cost	(655,553)	(18,672)	92,666	(581,559)
Foreign exchange gain	23,784	3,271	—	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	AI Computing
Net sales				
Customers	$ —	$ —	$ 43,749,044	$ 3,947,974
Intersegment	—	—	19,515	—
Total	$ —	$ —	$ 43,768,559	$ 3,947,974
Segment income	5,312,005	(769,248)	6,061,457	(72,840)
Depreciation and amortization	(21,730)	(13,764)	(4,948,328)	(650,448)
Gain (loss) on investments	22,831,869	2,908,661	(167,697)	(136,711)
Finance cost	(3,553,050)	(269,155)	(544,763)	(17,416)
Foreign exchange gain	128,792	415	27,501	2,361
Derivative gain (loss) (excluding gain (loss) on investments)	(13,655,899)	—	1,431	—

	Total	Other	Reconciliations	Consolidated
Net sales				
Customers	$ 47,697,018	$ 749,691	$ —	$ 48,446,709
Intersegment	19,515	137,708	(157,223)	—
Total	$ 47,716,533	$ 887,399	$ (157,223)	$ 48,446,709
Segment income	10,531,374	598,983	270,934	11,401,291
Depreciation and amortization	(5,634,270)	(163,102)	—	(5,797,372)
Gain (loss) on investments	25,436,122	(357,905)	(324,960)	24,753,257
Finance cost	(4,384,384)	(124,879)	619,757	(3,889,506)
Foreign exchange gain	159,069	21,877	—	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)

*1The 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.

*2In 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.

*3On 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."

*4For 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.

*5It 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.

*6Unrealized 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.

*7For 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."

*8Following 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)

	Third-party interests in SVF1 (Total of current liabilities and non-current liabilities)		(For reference purposes only) Links with the consolidated financial statements	
			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)

	Third-party interests in SVF1 (Total of current liabilities and non-current liabilities)		(For reference purposes only) Links with the consolidated financial statements	
			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)

(Thousands of U.S. dollars)

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 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:

(Millions of yen)

Carrying amounts	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

(Thousands of U.S. dollars)

Carrying amounts	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	(Millions of yen) 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:

Carrying amounts	(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
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:

Depreciation	(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
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)

Historical cost	Goodwill	Intangible assets with indefinite useful lives		Intangible assets with finite useful lives		
		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

Historical cost	Intangible assets with finite useful lives			Total
	Spectrum-related costs	Management contracts	Other	
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)

Historical cost	Goodwill	Intangible assets with indefinite useful lives		Intangible assets with finite useful lives		
		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

Historical cost	Intangible assets with finite useful lives			Total
	Spectrum-related costs	Management contracts	Other	
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)

Accumulated amortization and impairment losses	Goodwill	Intangible assets with indefinite useful lives		Intangible assets with finite useful lives		
		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			Total
	Spectrum-related cost	Management contracts	Other	
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)

Accumulated amortization and impairment losses	Goodwill	Intangible assets with indefinite useful lives		Intangible assets with finite useful lives		
		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			Total
	Spectrum-related costs	Management contracts	Other	
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)

Carrying amounts	Goodwill	Intangible assets with indefinite useful lives		Intangible assets with finite useful lives				
		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)

Carrying amounts	Intangible assets with finite useful lives	Total
	Other	
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)

Carrying amounts	Goodwill	Intangible assets with indefinite useful lives		Intangible assets with finite useful lives				
		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)

Carrying amounts	Intangible assets with finite useful lives	Total
	Other	
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

		(Millions of yen)		(Thousands of U.S. dollars)
Cash-generating units or Cash-generating unit groups	Reportable segments	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	AI Computing	3,585,050	3,540,372	23,678,250
Other		-	85,130	569,355
	Subtotal	3,585,050	3,625,502	24,247,605
Other	—	53,256	65,922	440,892
Total		¥ 5,709,874	¥ 5,781,931	$ 38,669,951

Intangible assets with indefinite useful lives

		(Millions of yen)		(Thousands of U.S. dollars)
Cash-generating units or Cash-generating unit groups	Reportable segments	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

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
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

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
Delaware Project 3 L.L.C.	Investment Business of Holding Companies	U.S.	66.7	66.7
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	AI Computing	U.K.	88.7	87.3
ARM PIPD Holdings One, LLC	AI Computing	U.S.	100	100
ARM PIPD Holdings Two, LLC	AI Computing	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" is to 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. Pric e 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 (252,385)	¥ 865	¥ 3,040	$ 1,687,968 (1,687,968)	$ 5,785	$ 20,332

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		Purchased or originated credit-impaired financial assets	Total
	Before due	Past due	Other than credit-impaired financial assets	Credit-impaired financial assets		
Other receivables	¥ 1,406,518	¥ 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

	(Millions of yen)
Names	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

	(Millions of yen)	(Thousands of U.S. dollars)
Names	Fair value	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

(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, 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

(Thousands of U.S. dollars)

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, 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

(Thousands of U.S. dollars)

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	$ 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)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	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:

The table below does not reflect the impact of the four-for-one ordinary share split that became effective on January 1, 2026.

(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:

The table below does not reflect the impact of the four-for-one ordinary share split that became effective on January 1, 2026.

(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:

The tables below do not reflect the impact of the four-for-one ordinary share split that became effective on January 1, 2026.

For the fiscal year ended March 31, 2024

Resolution	Class of shares	Dividends per share (Yen)	Total dividends (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 became effective during the fiscal year ended 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.

In contrast, the impact of the four-for-one ordinary share split that became effective on January 1, 2026 is not reflected.

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 (Yen)	(USD)	Black-Scholes model (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)	Weighted-average exercise price (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)	Weighted-average exercise price (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		
		Weighted-average exercise price		Weighted-average exercise price	
	Number of shares	(Yen)	Number of shares	(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			
		Weighted-average stock price at exercise			Weighted-average stock price at exercise	
Year issued / Name	Number of shares exercised	(Yen)	Year issued / Name	Number of shares exercised	(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)	Weighted-average stock price at exercise (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)	Weighted-average stock price at exercise (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
AI Computing segment			
License and other revenue	207,749	259,236	1,733,788
Royalty revenue	256,276	330,932	2,213,296
Other	—	133	890
Subtotal	464,025	590,301	3,947,974
Other	211,192	112,094	749,691
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 AI Computing 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 AI Computing 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 AI Computing 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 AI Computing 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. “Basic earnings per share” and “Diluted earnings per share” are calculated assuming that the four-for-one ordinary share split that became effective on January 1, 2026 had occurred at the beginning of the fiscal year ended March 31, 2024,

(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	5,859,830	5,811,928	
	(Yen)	(Yen)	(USD)
Basic earnings per share	¥ (42.75)	¥ 195.20	$ 1.31

(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	5,859,830	5,811,928	
Adjustments			
Stock acquisition rights*2	—	4,165	
Total	5,859,830	5,816,093	
	(Yen)	(Yen)	(USD)
Diluted earnings per share	¥ (43.55)	¥ 194.85	$ 1.30

*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)

Name of the company or individual	Nature of relationship	Nature of transaction	Fiscal year ended March 31, 2024	As of March 31, 2024
			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)

Name of the company or individual	Nature of relationship	Nature of transaction	Fiscal year ended March 31, 2024	As of March 31, 2024
			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)

Name of the company or individual	Nature of relationship	Nature of transaction	Fiscal year ended March 31, 2025 Amount of transaction	As of March 31, 2025 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)

Name of the company or individual	Nature of relationship	Nature of transaction	Fiscal year ended March 31, 2025 Amount of transaction*8	As of March 31, 2025 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.

Furthermore, by February 2026, the entire outstanding amount of the loan was repaid. As a result, the guarantee provided by Masayoshi Son in respect of the loan was released.

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)

Name of the company or individual	Nature of relationship	Nature of transaction	Fiscal year ended March 31, 2024	As of March 31, 2024
			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)

Name of the company or individual	Nature of relationship	Nature of transaction	Fiscal year ended March 31, 2024	As of March 31, 2024
			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)

Name of the company or individual	Nature of relationship	Nature of transaction	Fiscal year ended March 31, 2025	As of March 31, 2025
			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)

Name of the company or individual	Nature of relationship	Nature of transaction	Fiscal year ended March 31, 2025	As of March 31, 2025
			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)

Name of the company or individual	Nature of relationship	Nature of transaction	Fiscal year ended March 31, 2024	As of March 31, 2024
			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)

Name of the company or individual	Nature of relationship	Nature of transaction	Fiscal year ended March 31, 2024 Amount of transaction	As of March 31, 2024 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)

Name of the company or individual	Nature of relationship	Nature of transaction	Fiscal year ended March 31, 2025 Amount of transaction	As of March 31, 2025 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))

Name of the company or individual	Nature of relationship	Nature of transaction	Fiscal year ended March 31, 2025 Amount of transaction	As of March 31, 2025 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 EDGEof 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.

On October 15, 2025, the English High Court of Justice dismissed 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 had filed an appeal of the judgment and a petition to accept the appeal with the Supreme Court. However, on July 17, 2025, the Supreme Court rejected the petition and dismissed the respective appeals. As a result, the judgment of Tokyo High Court dated March 21, 2024, became final and binding and the litigation was concluded.

Accordingly, the payment by JPiT to SoftBank Corp. of ¥65 million in remuneration for additional services, together with delay damages, was finally confirmed, and all claims for damages asserted by JPiT against SoftBank Corp. and NRI were dismissed.

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 $6.4 billion through Silver Bands 6 (US) Corp. ("SB6"), a wholly-owned subsidiary of the Company (the "Transaction").

On November 25, 2025, the acquisition pursuant to the agreement was completed, and Ampere became 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 were Carlyle Partners VI Denver Holdings, L.P., Oracle Project Denver Holdings LLC, and Arm. The Transaction was implemented by way of (i) the acquisition by SB6 of all of the equity interests of certain entities that owned 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, was merged with and into Ampere. The surviving company after the merger is Ampere and its equity holders at the time of the effective date of the merger (other than the Equity holding Entities) received cash consideration, while Ampere, the surviving company, became a wholly-owned subsidiary of the Company. The total cash consideration paid by the Company for the transactions in (i) and (ii) above amounted to $6.4 billion.

c. Equity interests 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 acquired	100%
Acquisition price	Total investment: $6.4 billion Acquisition-related cost: ¥15,502 million
Equity interests held after the Transaction	100% (Indirect holding: 100%)

* Based on the number of Ampere's voting equity interests.

d. Financing

In order to procure the funds necessary for the transaction, SoftBank Group Corp. executed borrowings of $6.5 billion pursuant to a loan agreement entered into with financial institutions on April 10, 2025 (the "Bridge Loan").

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 borrowing amount	$6.5 billion
Drawdown date	November 25, 2025
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	Jeff Wittich Chief Product Officer
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 investment amount was increased by $1.0 billion to $41.0 billion in August 2025. The Company syndicated out $11.0 billion of the $41.0 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 by March 31, 2025 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	$31.0 billion
Syndication	$11.0 billion of the investment amount was syndicated out to co-investors.	
Investment timing	April 2025	December 2025
Investing entity	SoftBank Group Corp. or its subsidiary	
Investment target	OpenAI Global	OpenAI Group PBC

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 $31.0 billion investment in OpenAI Global	December 2025

e. Completion of the investments

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. Subsequently, in December 2025, the investment of $31.0 billion in OpenAI Group PBC was completed. Of this, $8.5 billion was syndicated out to co-investors, and SVF2 invested the remaining $22.5 billion. Following these investments, the cumulative investment amounts to $34.6 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. Subsequently, by February 2026, the entire outstanding amount of the loan was repaid. As a result, the guarantee provided by Masayoshi Son in respect of the loan was released. 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 investments acquired in the Transaction are classified as financial assets measured at fair value through profit or loss (FVTPL). They are 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

(1) Share split

SoftBank Group Corp. passed a resolution to conduct a share split and make a partial amendment of the articles of incorporation by the Board of Directors on November 11, 2025.

a. Purpose of the share split

The Company conducted the share split aiming to reduce the investment unit of its ordinary shares, improve an environment where investors can find it easier to make investments and further expand its investor base.

b. Overview of the share split

(a) Method of the share split

With the record date of December 31, 2025, ordinary shares of SoftBank Group Corp. held by shareholders listed or recorded in the shareholder registry as of the end of the date were split at a ratio of four-for-one.

(b) Number of shares to be increased upon the share split

Number of issued and outstanding shares before the share split:	1,427,962,030 shares
Number of shares increased by the share split:	4,283,886,090 shares
Number of issued and outstanding shares after the share split:	5,711,848,120 shares

(c) Schedule of the share split

Record date	December 31, 2025
Effective date	January 1, 2026

c. Partial amendment of the articles of incorporation regarding the share split
Regarding the share split, in accordance with the Article 184, Paragraph 2 of the Companies Act of Japan, the amendment of the articles of incorporation is made to increase the aggregate number of authorized shares of the Company from 7,200,000,000 shares to 14,400,000,000 shares effective as of January 1, 2026.

(2) Agreement to invest in OpenAI, entered into on March 31, 2025
On March 31, 2025, the Company entered into a definitive agreement with OpenAI to make follow-on investment in OpenAI of up to $40.0 billion. Pursuant to such agreement, SVF2 invested $7.5 billion in April 2025 and $22.5 billion in December 2025. For more details of the agreement, please refer to "(2) Investment in OpenAI" in "Note 48. Additional information".

(3) Agreement to invest in OpenAI, entered into on February 27, 2026
On February 27, 2026, the Company entered into a definitive agreement with OpenAI Group PBC to make follow-on investment in OpenAI Group PBC of $30.0 billion via SVF2. Of the $30.0 billion, SVF2 invested $10.0 billion on April 1, 2026, and the remaining $20.0 billion is expected to be invested in equal installments on July 1, 2026 and October 1, 2026. To secure the funds necessary for this transaction and other, the Company entered into a loan agreement with financial institutions on March 27, 2026, for a total commitment amount of $40.0 billion. Of the $40.0 billion, the Company borrowed $10.0 billion on April 1, 2026 for the investment on April 1, 2026 mentioned above.

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 April 10, 2026.

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors of SoftBank Group Corp.:

Accountant's Conclusion

We have reviewed the condensed interim consolidated financial statements of SoftBank Group Corp. and its subsidiaries (the "Company"), which comprise the condensed interim consolidated statement of financial position as of June 30, 2026, and the condensed interim consolidated statement of profit or loss, condensed interim consolidated statement of comprehensive income, condensed interim consolidated statement of changes in equity and condensed interim consolidated statement of cash flows for the three-month period then ended, and notes to the condensed interim consolidated financial statements.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim consolidated financial statements are not prepared, in all material respects, in accordance with Article 5-2 of the Tokyo Stock Exchange's standards for the preparation of quarterly financial statements, omitting certain disclosures under Article 5-5 of the Tokyo Stock Exchange's standards for the preparation of quarterly financial statements.

Basis for Accountant's Conclusion

We conducted our review in accordance with interim review standards generally accepted in Japan. Our responsibility under those standards is further described in the Accountant's Responsibility for the Review of the Condensed Interim 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, including the ethical requirements that are relevant to audits of the financial statements of public interest entities, and we have fulfilled our other ethical responsibilities as accountants. We believe that we have obtained the evidence to provide a basis for our review conclusion.

Responsibilities of Management and Audit & Supervisory Board Members and the Audit & Supervisory Board for the Condensed Interim Consolidated Financial Statements

Management is responsible for the preparation of the condensed interim consolidated financial statements in accordance with Article 5-2 of the Tokyo Stock Exchange's standards for the preparation of quarterly financial statements, omitting certain disclosures under Article 5-5 of the Tokyo Stock Exchange's standards for the preparation of quarterly financial statements, and for such internal control as management determines is necessary to enable the preparation of condensed interim consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the condensed interim 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 Article 5-2 of the Tokyo Stock Exchange's standards for the preparation of quarterly financial statements, omitting certain disclosures under Article 5-5 of the Tokyo Stock Exchange's standards for the preparation of quarterly financial statements, 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.

Accountant's Responsibility for the Review of the Condensed Interim Consolidated Financial Statements

Our objective is to issue an accountant's report that includes our conclusion.

As part of a review in accordance with interim review standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the review. We also:

- Make inquiries, primarily of management and persons responsible for financial and accounting matters, and apply analytical and other interim review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in Japan.
- Conclude whether nothing has come to our attention, based on the evidence obtained, related to going concern that causes us to believe that the condensed interim consolidated financial statements are not prepared, in all material respects, in accordance with Article 5-2 of the Tokyo Stock Exchange's standards for the preparation of quarterly financial statements, omitting certain disclosures under Article 5-5 of the Tokyo Stock Exchange's standards for the preparation of quarterly financial statements, if we conclude that 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 accountant's report to the related disclosures in the condensed interim consolidated financial statements or, if such disclosures are inadequate, to modify our conclusion. Our conclusions are based on the evidence obtained up to the date of our accountant's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether nothing has come to our attention that causes us to believe that the overall presentation and disclosures of the condensed interim consolidated financial statements are not prepared in accordance with Article 5-2 of the Tokyo Stock Exchange's standards for the preparation of quarterly financial statements, omitting certain disclosures under Article 5-5 of the Tokyo Stock Exchange's standards for the preparation of quarterly financial statements.
- Obtain evidence regarding the financial information of the entities or business units within the Company as a basis for forming a conclusion on the condensed interim consolidated financial statements. We are responsible for the direction, supervision and review of the interim review of the condensed interim consolidated financial statements. We remain solely responsible for our conclusion.

We communicate with Audit & Supervisory Board members and the Audit & Supervisory Board regarding the planned scope and timing of the review and significant findings that we identify during our review.

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.

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
September 18, 2026

Condensed Interim Consolidated Financial Statements and Primary Notes

(1) Condensed Interim Consolidated Statement of Financial Position

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Assets		
Current assets		
Cash and cash equivalents	5,362,150	3,927,072
Trade and other receivables	3,302,622	3,306,715
Derivative financial assets	44,221	81,239
Other financial assets	2,135,608	2,323,364
Inventories	240,179	260,860
Other current assets	730,821	792,938
Total current assets	11,815,601	10,692,188
Non-current assets		
Property, plant and equipment	3,446,559	4,217,004
Right-of-use assets	921,612	1,084,502
Goodwill	7,314,532	7,384,664
Intangible assets	2,469,843	2,481,264
Costs to obtain contracts	439,265	439,379
Investments accounted for using the equity method	739,274	670,099
Investments of SVF (FVTPL)	23,495,706	25,635,032
Investment securities	4,264,641	5,644,622
Derivative financial assets	327,547	401,994
Other financial assets	3,701,668	3,892,599
Deferred tax assets	273,591	388,004
Other non-current assets	1,539,708	2,203,802
Total non-current assets	48,933,946	54,442,965
Total assets	60,749,547	65,135,153

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Liabilities and equity		
Current liabilities		
Interest-bearing debt	7,251,630	7,559,173
Lease liabilities	184,666	212,501
Deposits for banking business	2,550,998	2,642,036
Trade and other payables	3,616,646	3,880,117
Derivative financial liabilities	137,858	197,056
Other financial liabilities	39,944	44,359
Income taxes payable	182,506	175,961
Provisions	79,296	87,217
Other current liabilities	790,004	871,682
Total current liabilities	14,833,548	15,670,102
Non-current liabilities		
Interest-bearing debt	17,433,486	19,085,685
Lease liabilities	793,784	933,369
Third-party interests in SVF	3,746,396	3,837,836
Derivative financial liabilities	549,000	913,591
Other financial liabilities	450,847	547,577
Provisions	216,527	220,664
Deferred tax liabilities	1,443,678	1,600,134
Other non-current liabilities	813,849	973,343
Total non-current liabilities	25,447,567	28,112,199
Total liabilities	40,281,115	43,782,301
Equity		
Equity attributable to owners of the parent		
Common stock	238,772	238,772
Capital surplus	3,510,713	3,545,613
Other equity instruments	193,199	193,199
Retained earnings	7,323,791	7,639,680
Treasury stock	(24,761)	(24,522)
Accumulated other comprehensive income	6,380,109	6,828,709
Total equity attributable to owners of the parent	17,621,823	18,421,451
Non-controlling interests	2,846,609	2,931,401
Total equity	20,468,432	21,352,852
Total liabilities and equity	60,749,547	65,135,153

(2) Condensed Interim Consolidated Statement of Profit or Loss and Condensed Interim Consolidated Statement of Comprehensive Income

Condensed Interim Consolidated Statement of Profit or Loss

(Millions of yen)

	Three-month period ended June 30, 2025	Three-month period ended June 30, 2026
Net sales	1,820,341	2,019,591
Cost of sales	(865,688)	(965,957)
Gross profit	954,653	1,053,634
Gain on investments		
Investment Business of Holding Companies	(256,548)	1,382,212
SoftBank Vision Funds	660,175	460,061
Other	83,318	17,109
Total gain on investments	486,945	1,859,382
Selling, general and administrative expenses	(758,197)	(1,286,924)
Finance cost	(165,309)	(328,745)
Foreign exchange gain (loss)	143,270	(146,065)
Derivative gain (loss) (excluding gain (loss) on investments)	228,815	(391,585)
Change in third-party interests in SVF	(234,079)	(176,641)
Other gain	33,843	6,094
Income before income tax	689,941	589,150
Income taxes	(125,797)	(70,163)
Net income	564,144	518,987
Net income attributable to		
Owners of the parent	421,819	347,330
Non-controlling interests	142,325	171,657
Net income	564,144	518,987
Earnings per share*		
Basic earnings per share (Yen)	72.93	60.08
Diluted earnings per share (Yen)	72.82	59.85

Note:

* Effective January 1, 2026, a four-for-one ordinary share split was conducted. “Basic earnings per share” and “Diluted earnings per share” are calculated assuming that the share split had been conducted at the beginning of the three-month period ended June 30, 2025.

Condensed Interim Consolidated Statement of Comprehensive Income

(Millions of yen)

	Three-month period ended June 30, 2025	Three-month period ended June 30, 2026
Net income	564,144	518,987
Other comprehensive income, net of tax		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit plan	(1,647)	(71)
Equity financial assets at FVTOCI	5,190	20,831
Share of other comprehensive income of associates	(16)	(68)
Total items that will not be reclassified to profit or loss	3,527	20,692
Items that may be reclassified subsequently to profit or loss		
Debt financial assets at FVTOCI	671	(279)
Cash flow hedges	4,743	12,401
Exchange differences on translating foreign operations	(669,340)	434,227
Share of other comprehensive income of associates	(464)	2,428
Total items that may be reclassified subsequently to profit or loss	(664,390)	448,777
Total other comprehensive income, net of tax	(660,863)	469,469
Total comprehensive income	(96,719)	988,456
Total comprehensive income attributable to		
Owners of the parent	(258,442)	795,851
Non-controlling interests	161,723	192,605
Total comprehensive income	(96,719)	988,456

(3) Condensed Interim Consolidated Statement of Changes in Equity

For the three-month period ended June 30, 2025

(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, 2025	238,772	3,376,724	193,199	2,701,792	(256,251)	5,307,305	11,561,541
Comprehensive income							
Net income	—	—	—	421,819	—	—	421,819
Other comprehensive income	—	—	—	—	—	(680,261)	(680,261)
Total comprehensive income	—	—	—	421,819	—	(680,261)	(258,442)
Transactions with owners and other transactions							
Cash dividends	—	—	—	(31,627)	—	—	(31,627)
Transfer of accumulated other comprehensive income to retained earnings	—	—	—	(273)	—	273	—
Purchase and disposal of treasury stock	—	—	—	(260)	(92,371)	—	(92,631)
Changes from business combination	—	—	—	—	—	—	—
Changes in interests in subsidiaries	—	22,481	—	—	—	—	22,481
Share-based payment transactions	—	(323)	—	—	—	—	(323)
Other	—	8	—	—	—	—	8
Total transactions with owners and other transactions	—	22,166	—	(32,160)	(92,371)	273	(102,092)
As of June 30, 2025	238,772	3,398,890	193,199	3,091,451	(348,622)	4,627,317	11,201,007

(Millions of yen)

	Non-controlling interests	Total equity
As of April 1, 2025	2,391,485	13,953,026
Comprehensive income		
Net income	142,325	564,144
Other comprehensive income	19,398	(660,863)
Total comprehensive income	161,723	(96,719)
Transactions with owners and other transactions		
Cash dividends	(170,797)	(202,424)
Transfer of accumulated other comprehensive income to retained earnings	—	—
Purchase and disposal of treasury stock	—	(92,631)
Changes from business combination	42,120	42,120
Changes in interests in subsidiaries	(11,913)	10,568
Share-based payment transactions	(10,408)	(10,731)
Other	582	590
Total transactions with owners and other transactions	(150,416)	(252,508)
As of June 30, 2025	2,402,792	13,603,799

For the three-month period ended June 30, 2026

(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, 2026	238,772	3,510,713	193,199	7,323,791	(24,761)	6,380,109	17,621,823
Comprehensive income							
Net income	—	—	—	347,330	—	—	347,330
Other comprehensive income	—	—	—	—	—	448,521	448,521
Total comprehensive income	—	—	—	347,330	—	448,521	795,851
Transactions with owners and other transactions							
Cash dividends	—	—	—	(31,344)	—	—	(31,344)
Transfer of accumulated other comprehensive income to retained earnings	—	—	—	(79)	—	79	—
Purchase and disposal of treasury stock	—	—	—	(18)	239	—	221
Changes from loss of control	—	—	—	—	—	—	—
Changes in interests in subsidiaries	—	34,841	—	—	—	—	34,841
Share-based payment transactions	—	59	—	—	—	—	59
Other	—	—	—	—	—	—	—
Total transactions with owners and other transactions	—	34,900	—	(31,441)	239	79	3,777
As of June 30, 2026	238,772	3,545,613	193,199	7,639,680	(24,522)	6,828,709	18,421,451

(Millions of yen)

	Non-controlling interests	Total equity
As of April 1, 2026	2,846,609	20,468,432
Comprehensive income		
Net income	171,657	518,987
Other comprehensive income	20,948	469,469
Total comprehensive income	192,605	988,456
Transactions with owners and other transactions		
Cash dividends	(173,519)	(204,863)
Transfer of accumulated other comprehensive income to retained earnings	—	—
Purchase and disposal of treasury stock	—	221
Changes from loss of control	(2,406)	(2,406)
Changes in interests in subsidiaries	18,507	53,348
Share-based payment transactions	50,070	50,129
Other	(465)	(465)
Total transactions with owners and other transactions	(107,813)	(104,036)
As of June 30, 2026	2,931,401	21,352,852

(4) Condensed Interim Consolidated Statement of Cash Flows

(Millions of yen)

	Three-month period ended June 30, 2025	Three-month period ended June 30, 2026
Cash flows from operating activities		
Net income	564,144	518,987
Depreciation and amortization	216,102	244,460
Loss (gain) on investments at Investment Business of Holding Companies	393,233	(1,327,546)
Gain on investments at SoftBank Vision Funds	(660,175)	(460,061)
Finance cost	165,309	328,745
Foreign exchange (gain) loss	(143,270)	146,065
Derivative (gain) loss (excluding (gain) loss on investments)	(228,815)	391,585
Change in third-party interests in SVF	234,079	176,641
Gain on other investments and other gain	(117,161)	(23,203)
Income taxes	125,797	70,163
Increase in investments of asset management subsidiaries	(163,669)	(157,545)
Decrease in securities pledged as collateral in asset management subsidiaries	44,890	226,310
Increase in trade and other receivables	(54,361)	(78,317)
Increase in inventories	(22,684)	(20,835)
Decrease in trade and other payables	(132,532)	(82,883)
Other	84,319	99,694
Subtotal	305,206	52,260
Interest and dividends received	39,831	36,648
Interest paid	(173,154)	(338,984)
Income taxes paid	(445,779)	(190,291)
Income taxes refunded	3,302	507
Net cash used in operating activities	(270,594)	(439,860)
Cash flows from investing activities		
Payments for acquisition of investments	(287,278)	(161,319)
Proceeds from sales/redemption of investments	829,991	265,047
Payments for acquisition of investments by SVF	(1,245,644)	(1,626,817)
Proceeds from sales of investments by SVF	366,136	231,090
Purchase of property, plant and equipment, and intangible assets	(217,219)	(1,208,669)
Other	(87,550)	(41,522)
Net cash used in investing activities	(641,564)	(2,542,190)
Cash flows from financing activities		
Proceeds in short-term interest-bearing debt, net	370,347	259,903
Proceeds from interest-bearing debt	2,505,714	5,559,691
Repayment of interest-bearing debt	(988,108)	(3,935,077)
Repayment of lease liabilities	(51,403)	(55,634)
Distribution/repayment from SVF to third-party investors	(122,731)	(144,395)
Purchase of treasury stock	(93,216)	(2)
Cash dividends paid	(31,045)	(30,847)
Cash dividends paid to non-controlling interests	(162,873)	(165,563)
Other	(16,961)	27,857
Net cash provided by financing activities	1,409,724	1,515,933
Effect of exchange rate changes on cash and cash equivalents	(24,574)	31,039
Increase (decrease) in cash and cash equivalents	472,992	(1,435,078)
Cash and cash equivalents at the beginning of the period	3,713,028	5,362,150
Cash and cash equivalents at the end of the period	4,186,020	3,927,072

(5) Basis of Presentation of Condensed Interim Consolidated Financial Statements

1. Framework of financial reporting

The accompanying condensed interim consolidated financial statements have been prepared in accordance with Article 5-2 of the Tokyo Stock Exchange's standards for the preparation of quarterly financial statements. Some disclosures required under IAS 34 "Interim Financial Reporting" in IFRS Accounting Standards ("IFRS") have been omitted under Article 5-5 of the Tokyo Stock Exchange's standards for the preparation of quarterly financial statements.

2. Definitions of company names and abbreviations used in the condensed interim consolidated financial statements and primary notes

Company names and abbreviations used in the condensed interim consolidated financial statements and primary notes, 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	SBLA Latin America Fund LLC
SLA LLC	SLA Holdco II LLC
SVF	SVF1, SVF2, and LatAm
SBIA	SB Investment Advisers (UK) Limited
SBGA	SB Global Advisers Limited
Arm	Arm Holdings plc
Ampere	Ampere Computing Holdings LLC
Energy Global	Energy Global, LP
Robo HD	Silver Bands 4 (US) Corp.
OpenAI	OpenAI Group PBC*
MgmtCo	MASA USA LLC

Note:

* On October 28, 2025, the recapitalization of OpenAI Global, LLC ("OpenAI Global") was completed. As a result, investors, including SVF2, became shareholders of OpenAI Group PBC, a newly established Delaware public benefit corporation. For descriptions relating to events occurring prior to that date, "OpenAI" is used as a collective reference to OpenAI, Inc. and its associates, including OpenAI Global and its employee shareholding vehicle.

(6) Significant Doubt about Going Concern Assumption

There are no applicable items.

(7) Notes to Condensed Interim Consolidated Financial Statements

1. Material accounting policies

Material accounting policies applied to the condensed interim consolidated financial statements are consistent with the accounting policies applied to the consolidated financial statements for the fiscal year ended March 31, 2026. In addition, income taxes for the three-month period ended June 30, 2026, are calculated based on the estimated effective tax rate for the fiscal year.

2. 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 AI Computing segment.

In addition, for the three-month period ended December 31, 2025, Arm, which had previously been included in the Arm segment, Graphcore Limited and others previously included in "Other," and Ampere were combined, and the AI Computing segment was newly established as a reportable segment.

Accordingly, the segment information for the three-month period ended June 30, 2025 has been reclassified and presented based on the revised reportable segments.

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 in the segment consist of gain and loss on 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, investment activities in a wide range of technology sectors. Primarily, gain and loss on investments in the segment consist of gain and loss on investments held by SVF1, SVF2, and LatAm including the investments in the Company's subsidiaries.

The SoftBank segment provides, mainly through SoftBank Corp., mobile services, sale of mobile devices, broadband services, solution services, and cloud and AI services in Japan, through LY Corporation, media, advertising and commerce related services, and through PayPay Corporation, payment and financial services.

The AI Computing segment provides, mainly through Arm, Ampere, and Graphcore Limited, design of semiconductor IP, chips, and related technology, development and sale of semiconductor chips, as well as sale of software tools and provision of related services.

Information on business segments, which is not included in the reportable segments, is classified as "Other." "Other" includes mainly Energy Global, Robo HD, 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, Robo HD, and PayPay Corporation, subsidiaries of the Company, and others, which are included in segment income of the SoftBank Vision Funds segment.

(2) Net sales and income of reportable segments

Income of reportable segments is defined as "Income before income tax." As presented in the condensed interim consolidated statement of profit or loss, gain and loss on investments included in segment income include gain and loss on investments in financial assets at FVTPL, interest and dividends from investments, derivative gain and loss relating to investments, and gain and loss on the sale of investments accounted for using the equity method.

Intersegment transaction prices are determined under the same general business conditions as applied for external customers.

For the three-month period ended June 30, 2025

(Millions of yen)

	Reportable segments			
	Investment Business of Holding Companies	SoftBank Vision Funds	SoftBank	AI Computing
Net sales				
Customers	—	—	1,656,877	134,623
Intersegment	—	—	867	—
Total	—	—	1,657,744	134,623
Segment income	(20,938)	451,394	278,540	(32,411)
Depreciation and amortization	(726)	(529)	(183,135)	(24,414)
Gain (loss) on investments	(256,548)	726,837	5,388	244
Finance cost	(146,581)	(40,183)	(21,218)	(947)
Foreign exchange gain	131,780	817	351	1,145
Derivative gain (loss) (excluding gain (loss) on investments)	228,468	—	(443)	—

	Total	Other	Reconciliations	Consolidated
Net sales				
Customers	1,791,500	28,841	—	1,820,341
Intersegment	867	4,343	(5,210)	—
Total	1,792,367	33,184	(5,210)	1,820,341
Segment income	676,585	72,431	(59,075)	689,941
Depreciation and amortization	(208,804)	(7,298)	—	(216,102)
Gain (loss) on investments	475,921	77,686	(66,662)	486,945
Finance cost	(208,929)	(5,990)	49,610	(165,309)
Foreign exchange gain	134,093	9,177	—	143,270
Derivative gain (loss) (excluding gain (loss) on investments)	228,025	790	—	228,815

For the three-month period ended June 30, 2026

(Millions of yen)

	Reportable segments			
	Investment Business of Holding Companies	SoftBank Vision Funds*	SoftBank	AI Computing
Net sales				
Customers	—	—	1,810,666	175,253
Intersegment	—	—	3,230	—
Total	—	—	1,813,896	175,253
Segment income	1,051,617	5,427	292,538	(200,841)
Depreciation and amortization	(755)	(552)	(197,895)	(36,774)
Gain on investments	1,382,212	255,783	9,641	1,124
Finance cost	(281,853)	(64,253)	(28,638)	(2,228)
Foreign exchange gain (loss)	(147,948)	1,234	831	(61)
Derivative gain (loss) (excluding gain (loss) on investments)	53,733	—	1,303	—

	Total	Other	Reconciliations	Consolidated
Net sales				
Customers	1,985,919	33,672	—	2,019,591
Intersegment	3,230	5,798	(9,028)	—
Total	1,989,149	39,470	(9,028)	2,019,591
Segment income	1,148,741	(765,194)	205,603	589,150
Depreciation and amortization	(235,976)	(8,484)	—	(244,460)
Gain on investments	1,648,760	6,344	204,278	1,859,382
Finance cost	(376,972)	(9,734)	57,961	(328,745)
Foreign exchange gain (loss)	(145,944)	(121)	—	(146,065)
Derivative gain (loss) (excluding gain (loss) on investments)	55,036	(446,621)	—	(391,585)

Note:

* The details of the difference between "Gain (loss) on investments" in the SoftBank Vision Funds segment and "Gain on investments - SoftBank Vision Funds" in the condensed interim consolidated statement of profit or loss are described in "(1) Income and loss arising from the SoftBank Vision Funds business" under "Note 3. SoftBank Vision Funds business."

3. 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.

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)

	Three-month period ended June 30, 2025	Three-month period ended June 30, 2026
Gain on investments		
SVF1*	517,379	384,272
SVF2*	114,453	(80,098)
LatAm	70,383	(45,892)
Others	24,622	(2,499)
Total gain on investments	726,837	255,783
Selling, general and administrative expenses	(13,521)	(16,197)
Finance cost (interest expenses)	(40,183)	(64,253)
Change in third-party interests in SVF	(234,079)	(176,641)
Other gain	12,340	6,735
Segment income arising from the SoftBank Vision Funds business (income before income tax)	451,394	5,427

Note:

* For the three-month period ended June 30, 2026, ¥204,278 million of loss on investments related to the Company's subsidiaries and others held by SVF1 and SVF2 (mainly PayPay Corporation and Robo HD) is included in gain on investments in the above-mentioned segment income. However, the gain and loss on investments are eliminated in consolidation.

The gain and loss on investments, that are eliminated in consolidation, are not included in "Gain on investments - SoftBank Vision Funds" in the condensed interim consolidated statement of profit or loss.

(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. The net proceeds from SVF1 and LatAm 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, 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 are described in "(Co-investment program with restricted rights to receive distributions)" under "Note 14. Related party transactions." There are no Third-Party Investors who contributed to Preferred Equity in SVF2 and LatAm.

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 condensed interim consolidated statement of financial position) are as follows:

(Millions of yen)

			(For reference purposes only) Links with the condensed interim 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, 2026	3,246,005			
Changes in third-party interests	173,339		(173,339)	—
Attributable to investors entitled to fixed distribution		8,263		
Attributable to investors entitled to performance-based distribution		165,076		
Distribution/repayment to Third-Party Investors	(144,395)		—	(144,395)
Exchange differences on translating third-party interests	51,300		—	—
As of June 30, 2026	3,326,249			

(b) Third-party interests in SVF2 and receivables

Changes in interests attributable to Third-Party Investor in SVF2 (included in "Third-party interests in SVF" in the condensed interim consolidated statement of financial position) are as follows: Third-Party Investor in SVF2 is the investor entitled to performance-based distribution.

(Millions of yen)

		(For reference purposes only) Links with the condensed interim consolidated financial statements	
	Third-party interests in SVF2 (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, 2026	500,391		
Changes in third-party interests	3,302	(3,302)	—
Exchange differences on translating third-party interests	7,894	—	—
As of June 30, 2026	511,587		

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 condensed interim consolidated statement of financial position) are as follows: The details of the receivables from Third-Party Investor in SVF2 are described in "(1) Transactions between SVF2 and related parties" in "(Co-investment program with restricted rights to receive distributions)" under "Note 14. Related party transactions."

	(Millions of yen)
	Receivables from Third-Party Investor in SVF2
As of April 1, 2026	500,391
Increase in receivables from accrued premiums charged to Third-Party Investor	3,302
Exchange differences on receivables	7,894
As of June 30, 2026	511,587

(c) Third-party interests in LatAm and receivables

There were no changes in the balances of interests attributable to Third-Party Investors in LatAm included in "Third-Party Interests in SVF" in the condensed interim consolidated statements of financial position as of March 31, 2026 and June 30, 2026, and in interests attributable to Third-Party Investors in LatAm for the three-month period ended June 30, 2026. Third-Party Investor in LatAm is the investor entitled to performance-based distribution.

The Company has receivables from Third-Party Investor in LatAm. The changes in the receivables from Third-Party Investor in LatAm (included in "Other financial assets (non-current)" in the condensed interim consolidated statement of financial position) are as follows: The details of the receivables from Third-Party Investor in LatAm are described in "(2) Transactions between LatAm and related parties" in "(Co-investment program with restricted rights to receive distributions)" under "Note 14. Related party transactions."

	(Millions of yen)
	Receivables from Third-Party Investor in LatAm
As of April 1, 2026	117,362
Increase in receivables from accrued premiums charged to Third-Party Investor	776
Exchange differences on receivables	1,852
As of June 30, 2026	119,990

c. Uncalled committed capital from Third-Party Investors

Uncalled committed capital from SVF1's Third-Party Investors as of June 30, 2026 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.

c. Management fees, performance-linked management fees, and performance fees in LatAm
Management fees to SBGA from LatAm are, in accordance with the constitutional agreements, calculated based on the acquisition cost of investments and paid to SBGA by LatAm quarterly.

The amount of the performance-linked management fees to SBGA from LatAm 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.

Same as the performance-based distributions, the amount of the performance fees to SBGA from LatAm is calculated using the allocation method as specified in the constitutional agreements. SBGA is entitled to receive the performance fees when LatAm receives cash through disposition, dividend, and monetization of an investment.

4. Interest-bearing debt

(1) Components of interest-bearing debt
The components of interest-bearing debt are as follows:

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Current		
Short-term borrowings*1,2,3	4,770,687	5,292,457
Commercial paper	258,700	355,800
Current portion of long-term borrowings	877,472	1,015,579
Current portion of corporate bonds	1,344,746	895,317
Current portion of installment payables	25	20
Total	7,251,630	7,559,173
Non-current		
Long-term borrowings	8,714,290	8,770,440
Corporate bonds	8,459,966	10,049,592
Financial liabilities relating to sale of shares by prepaid forward contracts	259,214	265,642
Installment payables	16	11
Total	17,433,486	19,085,685

Notes:

1. On March 27, 2026, SoftBank Group Corp. and a wholly-owned financing subsidiary entered into a bridge facility agreement with a total commitment of $40.0 billion with financial institutions. The total commitment of $40.0 billion consists of $10.0 billion for the purpose of raising funds for general corporate purposes of SoftBank Group Corp. and $30.0 billion for the purpose of making an investment in OpenAI Group PBC by the wholly-owned financing subsidiary.

   Pursuant to the agreement, in April 2026, SoftBank Group Corp. and the wholly-owned financing subsidiary each borrowed $10.0 billion. Subsequently, as a result of partial repayments, as of June 30, 2026, ¥1,452,593 million ($8.9 billion) and ¥1,119,310 million ($6.9 billion) are recorded as short-term borrowings, respectively.

   Subsequently, an additional borrowing and repayment was made under the agreement. The details are described in "(2) Financing through a bridge facility agreement" under "16. Significant subsequent events".

2. The amount decreased by ¥878,956 million due to the full repayment of borrowings made by SoftBank Group Corp. in April 2025 to finance the investment in OpenAI Global by SVF2.
3. The amount decreased by ¥1,038,740 million due to the full repayment of borrowings by SoftBank Group Corp. for the acquisition of Ampere.

(2) Components of proceeds in and repayment of short-term interest-bearing debt, net

The components of "Proceeds in short-term interest-bearing debt, net" in the condensed interim consolidated statement of cash flows are as follows:

(Millions of yen)

	Three-month period ended June 30, 2025	Three-month period ended June 30, 2026
Net increase in short-term borrowings	255,847	197,803
Net increase in commercial paper	114,500	62,100
Total	370,347	259,903

(3) Components of proceeds from interest-bearing debt

The components of "Proceeds from interest-bearing debt" in the condensed interim consolidated statement of cash flows are as follows:

(Millions of yen)

	Three-month period ended June 30, 2025	Three-month period ended June 30, 2026
Proceeds from borrowings	1,804,114	3,870,570
Proceeds from issuance of corporate bonds	701,600	1,689,121
Total	2,505,714	5,559,691

(4) Components of repayment of interest-bearing debt

The components of "Repayment of interest-bearing debt" in the condensed interim consolidated statement of cash flows are as follows:

(Millions of yen)

	Three-month period ended June 30, 2025	Three-month period ended June 30, 2026
Repayment of borrowings	(343,676)	(3,354,622)
Redemption of corporate bonds	(644,432)	(580,455)
Total	(988,108)	(3,935,077)

5. Financial instruments

The details of derivative contracts are mainly as follows:

(Millions of yen)

	As of March 31, 2026		As of June 30, 2026	
	Carrying amount (fair value)		Carrying amount (fair value)	
	Assets	Liabilities	Assets	Liabilities
Warrants granted by Energy Global, LP*	—	582,962	—	1,050,843

Note:

* Warrants granted by Energy Global, LP, which are convertible into its ordinary equity interests. As the number of ordinary equity interests to be issued upon exercise varies depending on the fair value of the entity at the time of exercise, the warrants are not classified as equity but are recognized as derivative financial liabilities. For the three-month period ended June 30, 2026, the warrants increased due to an increase in the fair value of the entity.

6. Foreign currency exchange rates

Exchange rates of the major currencies used in translating financial statements of foreign operations are as follows:

(1) Rate at the end of the period

		(Yen)
	As of March 31, 2026	As of June 30, 2026
USD	159.88	162.39

(2) Average rate for the quarter

For the three-month period ended June 30, 2025

	(Yen)
	Three-month period ended June 30, 2025
USD	145.19

For the three-month period ended June 30, 2026

	(Yen)
	Three-month period ended June 30, 2026
USD	160.51

7. Equity

(1) Other equity instruments

On July 19, 2017, SoftBank Group Corp. issued $1.75 billion of USD-denominated Undated Subordinated Non-Call 10 years Resettable Notes (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 distribution of residual assets on liquidation.

(2) Treasury stock

Changes in treasury stock are as follows:

In addition, effective January 1, 2026, a four-for-one ordinary share split was conducted. For the three-month period ended June 30, 2025, the impact of the share split is not reflected.

	(Thousands of shares)	
	Three-month period ended June 30, 2025	Three-month period ended June 30, 2026
Balance at the beginning of the period	32,399	12,924
Increase during the period	13,221	1
Decrease during the period	(110)	(126)
Balance at the end of the period	45,510	12,799

(3) Accumulated other comprehensive income

The components of accumulated other comprehensive income are as follows:

		(Millions of yen)
	As of March 31, 2026	As of June 30, 2026
Equity financial assets at FVTOCI	18,518	36,889
Debt financial assets at FVTOCI	(1,249)	(1,417)
Cash flow hedges	2,624	11,697
Exchange differences on translating foreign operations	6,360,216	6,781,540
Total	6,380,109	6,828,709

8. Gain on investments

(1) Investment Business of Holding Companies

	Three-month period ended June 30, 2025	(Millions of yen) Three-month period ended June 30, 2026
Gain on investments	(256,548)	1,382,212

The components of gain and loss on investments are mainly as follows:

a. Investments of asset management subsidiaries

For the three-month period ended June 30, 2026, ¥56,370 million of gain on investments was recognized.

b. Intel Corporation

For the three-month period ended June 30, 2026, ¥1,332,931 million of gain on investments was recognized due to an increase in the share price.

(2) SoftBank Vision Funds

The details are described in "(1) Income and loss arising from the SoftBank Vision Funds business" under "Note 3. SoftBank Vision Funds business."

9. Finance cost

The components of finance cost are as follows:

	Three-month period ended June 30, 2025	(Millions of yen) Three-month period ended June 30, 2026
Interest expenses	(165,309)	(328,745)

10. Derivative gain (loss) (excluding gain (loss) on investments)

For the three-month period ended June 30, 2026, derivative loss of ¥453,418 million was recorded due to an increase in the fair value of warrants granted by Energy Global, LP. The details of the warrants were described in "Note 5. Financial instruments."

11. Other gain

The components of other gain and loss are as follows:

	Three-month period ended June 30, 2025	(Millions of yen) Three-month period ended June 30, 2026
Interest income	16,712	22,827
Income (loss) on equity method investments	(2,145)	11,475
Gain (loss) from financial instruments at FVTPL (excluding gain (loss) on investments)*	6,127	(32,320)
Gain on the remeasurement relating to business combination	14,502	—
Other	(1,353)	4,112
Total	33,843	6,094

Note:

* For the three-month period ended June 30, 2026, ¥32,782 million of loss from changes in the fair value of debt instruments issued by Energy Global was recorded.

12. Earnings per share

Basic earnings per share and diluted earnings per share are as follows. In addition, effective January 1, 2026, a four-for-one ordinary share split was conducted. Basic earnings per share and diluted earnings per share are calculated assuming that the share split had been conducted at the beginning of the three-month period ended June 30, 2025.

(1) Basic earnings per share

	Three-month period ended June 30, 2025	Three-month period ended June 30, 2026
Net income attributable to ordinary shareholders of the parent (Millions of yen)		
Net income attributable to owners of the parent	421,819	347,330
Net income not-attributable to ordinary shareholders of the parent*	(4,243)	(4,945)
Net income used in the calculation of basic earnings per share	417,576	342,385
Weighted-average number of ordinary shares (Thousands of shares)	5,725,839	5,698,946
Basic earnings per share (Yen)	72.93	60.08

Note:
* 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) Diluted earnings per share

	Three-month period ended June 30, 2025	Three-month period ended June 30, 2026
Diluted net income attributable to ordinary shareholders of the parent (Millions of yen)		
Net income used in the calculation of basic earnings per share	417,576	342,385
Effect of dilutive securities issued by subsidiaries and associates	(412)	(1,199)
Total	417,164	341,186
Weighted-average number of ordinary shares used in the calculation of diluted earnings per share (Thousands of shares)		
Weighted-average number of ordinary shares	5,725,839	5,698,946
Adjustments:		
Stock acquisition rights	2,779	1,898
Total	5,728,618	5,700,844
Diluted earnings per share (Yen)	72.82	59.85

13. Supplemental information to the condensed interim 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 and prepayments for the purchase of property, plant and equipment, and intangible assets that are included in "Other non-current assets" in the condensed interim consolidated statement of financial position.

(2) Payments for acquisition of investments by SVF

For the three-month period ended June 30, 2026
"Payments for acquisition of investments by SVF" includes ¥1,605,100 million ($10.0 billion) of the investment amount in OpenAI Group PBC from SVF2. The details are described in "(Investment in OpenAI)" under "Note 15. Additional information."

14. Related party transactions

(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 LatAm), 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 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 with the Company, sharing risk of losses as well as benefit of profits in the success of SVF2 and LatAm, 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 under the terms of the program, MgmtCo both receives the benefit of profits and assumes the risk of losses from SVF2 and LatAm, 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.

Related party transactions of the Company are as follows:

(1) Transactions between SVF2 and related parties

(Millions of yen)

Name of the company or individual	Nature of relationship	Nature of transaction	For the three-month period ended June 30, 2026 Amount of transaction	As of June 30, 2026 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]	—	511,587[*3,4] ($3,150 million)
		The premium received on SVF2 LLC's receivables	3,302[*3] ($20 million)	
		MgmtCo's Equity interests in SVF2 LLC[*5,6]	—	511,587 ($3,150 million)
		Net balance at period end (Receivables in SVF2 LLC less MgmtCo's Equity interests in SVF2 LLC)[*7]		—

Notes:

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 exited investments plus the aggregate fair value of all of SVF2 LLC's investments before exit (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 June 30, 2026, 35,588,400 shares of SoftBank Group Corp. are deposited in SVF2 LLC by Masayoshi Son. 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 condensed interim 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.

(2) Transactions between LatAm and related parties

(Millions of yen)

Name of the company or individual	Nature of relationship	Nature of transaction	For the three-month period ended June 30, 2026 Amount of transaction	As of June 30, 2026 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]	—	119,990[*3,4] ($739 million)
		The premium received on SLA LLC's receivables	776[*3] ($5 million)	
		MgmtCo's Equity interests in SLA LLC[*5,6]	—	—
		Net balance at period end (Receivables in SLA LLC less MgmtCo's Equity interests in SLA LLC)[*7]		119,990 ($739 million)

Notes:

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 exited investments plus the aggregate fair value of all of SLA LLC's investments before exit (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 LatAm's initial acquisition costs of the portfolio companies held by LatAm 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 to June 30, 2021, and the adjustment equivalent to interests for the period from the Company's contribution to LatAm 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 June 30, 2026, 8,674,000 shares of SoftBank Group Corp. are deposited in SLA LLC by Masayoshi Son. 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 condensed interim 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.

15. Additional information

(Investment in OpenAI)

The Company entered into a definitive agreement with OpenAI Group PBC on February 27, 2026, to participate in its fundraising round via SVF2 and make additional investments of $30.0 billion (the "Follow-on Investment").

(1) Rationale for the Follow-on Investment

To further support OpenAI's continued growth, SoftBank Group Corp. has decided to proceed with the Follow-on Investment.

(2) Overview of the Follow-on Investment (as of August 6, 2026)

	First tranche (Completed)	Second tranche (Completed)	Third tranche (Planned)
Pre-money valuation	$730.0 billion		
Investment by the Company	$10.0 billion	$10.0 billion	$10.0 billion
Timing of the Company's investment	April 1, 2026	July 1, 2026	October 1, 2026
The Company's investment entity	SVF2		
Investment target	OpenAI Group PBC		
Type of securities to be acquired	Preferred shares (automatically convertible into common shares of OpenAI upon an IPO or related listing transaction)		

(3) Completion of investment for the first tranche and the second tranche

On April 1, 2026 and July 1, 2026, the Company completed two $10.0 billion investment tranches, totaling $20.0 billion, in OpenAI Group PBC pursuant to the agreement for the Follow-on Investment.

(4) Financing

On March 27, 2026, for the purpose of raising funds necessary for general corporate purposes and for the Follow-on Investment, SoftBank Group Corp. and a wholly-owned financing subsidiary entered into a bridge facility agreement with a total commitment of $40.0 billion with financial institutions. On April 1, 2026 and July 1, 2026, for the purpose of making the first tranche and the second tranche investments under the agreement for the Follow-on Investment, the wholly-owned financing subsidiary made two borrowings of $10.0 billion, totaling $20.0 billion.

The details are described in "Notes 1" in "(1) Components of interest-bearing debt" under "Note 4. Interest-bearing debt."

Subsequently, an additional borrowing and repayment was made under the agreement. The details are described in "(2) Financing through a bridge facility agreement" under "16. Significant subsequent events".

(5) Impact on consolidated financial results

The preferred shares and common shares of OpenAI Group PBC held by SVF2 are classified as financial assets measured at fair value through profit or loss (FVTPL) and are presented in the condensed interim consolidated statement of financial position as "Investments of SVF (FVTPL)." Changes in the fair value are recorded in the condensed interim consolidated statement of profit or loss as "Gain on investments—SoftBank Vision Funds."

16. Significant subsequent events

(1) Additional investment in OpenAI Group PBC

On July 1, 2026, SVF2 completed a $10.0 billion investment in OpenAI Group PBC. The details are described in "Note 15. Additional information."

(2) Financing through a bridge facility agreement

On July 1, 2026, for the purpose of making the second tranche investment under the additional investment agreement with OpenAI Group PBC, a wholly-owned financing subsidiary borrowed $10.0 billion. The details are described in "Notes 1" in "(1) Components of interest-bearing debt " under "Note 4. Interest-bearing debt."

By September 15, 2026, the entire outstanding amount of the loan was repaid.

(3) Financing at SVF2

On August 5, 2026, SVF2 entered into a $10.0 billion loan agreement with financial institutions.

An overview of the loan agreement is as follows:

Borrower	SVF II TSUBAKI (DE) LLC (a wholly-owned subsidiary of SVF2)
Mandated lead arrangers	Goldman Sachs Bank USA JPMorgan Chase Bank, N.A. Mizuho Securities USA LLC Apollo Global Funding, LLC Sumitomo Mitsui Banking Corporation
Date of agreement	August 5, 2026
Borrowing amount	$10.0 billion
Date of drawdown	August 7, 2026
Use of proceeds	General corporate purposes of SoftBank Group Corp. and SVF2
Principal repayment	August 2028
Collateral	Cash collateral account of borrower
Guarantor	SoftBank Group Corp.
Key material covenant	Cash collateral provision and mandatory prepayment clauses triggered by certain circumstances, such as a significant decrease in the fair value of the OpenAI preferred shares held by SVF2 and referenced under the loan agreement.

(4) Transaction for sale of Intel Corporation shares by prepaid forward contracts

In August 2026, a wholly-owned subsidiary of the Company entered into prepaid forward contracts with financial institutions to procure funds using Intel Corporation shares held by the subsidiary and received $7.4 billion.

The Intel Corporation shares pledged as collateral in connection with the prepaid forward sale contracts are recorded for ¥1,971,697 million as “Investment securities” in the condensed interim consolidated statement of financial position as of June 30, 2026.

(5) Amendment to the margin loan agreement using Arm shares

Kronos I (UK) Limited, a wholly-owned subsidiary of the Company, has a borrowing secured by 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 under the relevant contracts. The loan is recorded for ¥3,221,015 million as long-term borrowings as of June 30, 2026.

In September 2026, the loan agreement was amended to extend the repayment maturity by one year from September 2027 to September 2028. On September 10, 2026, $5.0 billion was additionally borrowed.

(6) Financing at SoftBank Group Corp.

September 11, 2026, SoftBank Group Corp. borrowed $11.9 billion from financial institutions. September 17, 2026, SoftBank Group Corp. issued a ¥1.0 trillion unsecured straight corporate bond.

(7) Development of SB Energy, Inc.

PORTS Arrangements

On August 17, 2026, certain subsidiaries of SB Energy, Inc. (“SB Energy”), which is a subsidiary of Energy Global, entered into 17-20 year lease agreements with OpenAI for data center capacity across the PORTS-Pike Technology Campus in Pike County, Ohio (the “PORTS”). Under the agreement, SB Energy will develop, construct, own and operate the data center campus, which is expected to become operational in phases beginning in 2028.

On August 17, 2026, NVIDIA Corporation entered into a residual value guaranty of the OpenAI tenant’s lease obligations at PORTS, covering the initial 4.25 GW-IT at a guaranteed value of $24.7 billion per GW-IT, with an

option, in its sole discretion, to guarantee the remaining 3.78 GW-IT by a future date certain. The guaranty is triggered only upon tenant insolvency or an uncured monetary default under a lease. The guaranteed minimum value holds constant and then declines on a defined schedule over the 20 year lease, and the aggregate remedy cap is $105 billion across related guaranties on the initial 4.25 GW-IT. The guaranty automatically terminates upon specified credit-rating or replacement-guaranty or lease events.

OpenAI Warrants Amendment

On August 17, 2026, SB Energy entered into an amended and restated warrant agreement with OpenAI, amending and restating the warrants issued January 9, 2026. In connection with the amendment, 4,562,791 warrant shares were forfeited and cancelled. The amended and restated warrant agreement covers 3,991,809 warrant shares at a $0.01 exercise price, with a ten-year exercise period expiring January 9, 2036, and a revised vesting schedule, that includes milestones related to SB Energy's initial public offering.

As of June 30, 2026, the Company recorded the warrants as derivative financial liabilities of ¥177,307 million in current liabilities and ¥873,536 million in non-current liabilities.

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OFFERING MEMORANDUM

SoftBank Group

SOFTBANK GROUP CORP.

$1,000,000,000
8⅝% Senior Notes due 2030

$4,500,000,000
9¼% Senior Notes due 2032

$4,500,000,000
9¾% Senior Notes due 2034

€500,000,000
7⅛% Senior Notes due 2030

€500,000,000
8% Senior Notes due 2032

Joint Global Coordinators for the Dollar Notes

Citigroup **Goldman Sachs** **J.P. Morgan** **Morgan Stanley**

Joint Global Coordinators for the Euro Notes

J.P. Morgan **Deutsche Bank** **Goldman Sachs**

Joint Bookrunners for the Dollar Notes

HSBC **Mizuho** **SMBC NIKKO** **Barclays**
Deutsche Bank **Nomura** **BNP PARIBAS** **Crédit Agricole CIB**
Natixis **Daiwa Capital Markets** **IMI-Intesa Sanpaolo**

Joint Bookrunners for the Euro Notes

Citigroup **Morgan Stanley** **Barclays** **BNP PARIBAS**
Crédit Agricole CIB **Natixis** **HSBC**

Co-Managers for the Dollar Notes

Standard Chartered Bank **TD Securities** **Wells Fargo Securities**
ANZ **BofA Securities**

Co-Managers for the Euro Notes

BBVA **IMI-Intesa Sanpaolo** **ING**
Société Générale Corporate & Investment Banking **UBS Investment Bank**

The date of this offering memorandum is September 23, 2026.