

This English translation of the financial report was prepared for reference purposes only and is qualified in its entirety by the original Japanese version.

**SoftBank Group Corp.**  
**Consolidated Financial Report**  
**For the Three-Month Period Ended June 30, 2024 (IFRS)**

Tokyo, August 7, 2024

**1. Financial Highlights**

(Millions of yen; amounts are rounded to the nearest million yen)

**(1) Results of Operations**

(Percentages are shown as year-on-year changes)

	Net sales		Income before income tax		Net income		Net income attributable to owners of the parent		Total comprehensive income	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
<b>Three-month period ended June 30, 2024</b>	<b>¥1,701,747</b>	<b>9.3</b>	<b>¥225,698</b>	<b>-</b>	<b>¥10,465</b>	<b>-</b>	<b>¥(174,281)</b>	<b>-</b>	<b>¥1,136,142</b>	<b>21.4</b>
Three-month period ended June 30, 2023	¥1,557,507	(0.9)	¥(176,194)	-	¥(316,194)	-	¥(477,616)	-	¥935,862	-

	Basic earnings per share (Yen)	Diluted earnings per share (Yen)
<b>Three-month period ended June 30, 2024</b>	<b>¥(122.35)</b>	<b>¥(123.67)</b>
Three-month period ended June 30, 2023	¥(332.75)	¥(333.97)

**(2) Financial Position**

	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent to total assets (%)
<b>As of June 30, 2024</b>	<b>¥47,834,174</b>	<b>¥14,203,030</b>	<b>¥12,117,207</b>	<b>25.3</b>
As of March 31, 2024	¥46,724,243	¥13,237,169	¥11,162,125	23.9

**2. Dividends**

	Dividends per share				
	First quarter	Second quarter	Third quarter	Fourth quarter	Total
	(Yen)	(Yen)	(Yen)	(Yen)	(Yen)
Fiscal year ended March 31, 2024	-	22.00	-	22.00	44.00
Fiscal year ending March 31, 2025	-				
Fiscal year ending March 31, 2025 (Forecasted)		22.00	-	22.00	44.00

Note:

\* Revision of the latest forecasts on the dividends: No

**\* Notes**

(1) Significant changes in scope of consolidation during the period: Yes

Newly consolidated: None

Excluded from consolidation: 427 companies (Fortress Investment Group LLC and its 426 subsidiaries)

(2) Changes in accounting policies and accounting estimates

[1] Changes in accounting policies required by IFRS: No

[2] Changes in accounting policies other than those in [1]: No

[3] Changes in accounting estimates: No

(3) Number of shares issued (common stock)

[1] Number of shares issued (including treasury stock):

As of June 30, 2024: 1,469,995,230 shares

As of March 31, 2024: 1,469,995,230 shares

[2] Number of shares of treasury stock:

As of June 30, 2024: 4,022,766 shares

As of March 31, 2024: 4,069,831 shares

[3] Number of average shares outstanding during the three-month period (April-June):

As of June 30, 2024: 1,465,946,567 shares

As of June 30, 2023: 1,463,178,016 shares

**\* Review of the Japanese-language originals of the attached condensed interim consolidated financial statements by certified public accountants or an audit firm: Yes (voluntary)**

**\* Note to forecasts on the consolidated results of operations and other items**

Descriptions regarding the future are estimated based on the information that the Company is able to obtain at the present point in time and assumptions, which are deemed to be reasonable. However, actual results may be different due to various factors.

On August 7, 2024 (JST), the Company will hold an earnings results briefing for the media, institutional investors, and financial institutions. This earnings results briefing will be broadcasted live on the Company's website in both Japanese and English at <https://group.softbank/en/ir>. The data sheet will also be posted on the website on the same date at the same site.

(Appendix)

## Contents

1. Results of Operations .....	P.3
(1) Overview of Results of Operations .....	P.3
a. Consolidated Results of Operations .....	P.5
b. Results by Segment .....	P.9
(a) Investment Business of Holding Companies Segment .....	P.10
(b) SoftBank Vision Funds Segment .....	P.14
(c) SoftBank Segment .....	P.22
(d) Arm Segment .....	P.23
(2) Overview of Financial Position .....	P.25
(3) Overview of Cash Flows .....	P.33
(4) Forecasts .....	P.36
2. Condensed Interim Consolidated Financial Statements and Primary Notes .....	P.37
(1) Condensed Interim Consolidated Statement of Financial Position .....	P.37
(2) Condensed Interim Consolidated Statement of Profit or Loss and Condensed Interim Consolidated Statement of Comprehensive Income .....	P.39
(3) Condensed Interim Consolidated Statement of Changes in Equity .....	P.41
(4) Condensed Interim Consolidated Statement of Cash Flows .....	P.45
(5) Basis of Presentation of Condensed Interim Consolidated Financial Statements .....	P.47
(6) Significant Doubt about Going Concern Assumption .....	P.48
(7) Notes to Condensed Interim Consolidated Financial Statements .....	P.48
Independent Accountant’s Review Report .....	P.77

### Disclaimer

This material does not constitute an offer to sell, or a solicitation of an offer to buy, limited partnership interests or comparable limited liability equity interests in any funds (including SoftBank Vision Fund 1, SoftBank Vision Fund 2, and SoftBank Latin America Funds) managed by any of the subsidiaries of SoftBank Group Corp. (“SBG”), including SB Global Advisers Limited, SB Investment Advisers (UK) Limited, or their respective affiliates, or any securities in any jurisdiction, nor should it be relied upon as such in any way.

### Notice Regarding PFIC Status

It is possible that SBG (and certain subsidiaries of SBG) may be a “passive foreign investment company” (“PFIC”) under the U.S. Internal Revenue Code of 1986, as amended, for its current fiscal year due to the composition of its assets and the nature of its income. We recommend that U.S. holders of SBG’s shares consult their tax advisors with respect to the U.S. federal income tax consequences to them if SBG and its subsidiaries are classified as PFICs. SBG is not responsible for any tax treatments or consequences thereof with respect to U.S. holders of SBG’s shares.

### Definition of Company Names and Abbreviations Used in This Appendix

Company names and abbreviations used in this appendix, unless otherwise stated or interpreted differently in the context, are as follows:

Company names/Abbreviations	Definition
SoftBank Group Corp. or SBG	SoftBank Group Corp. (stand-alone basis)
The Company	SoftBank Group Corp. and its subsidiaries
<i>*Each of the following names or abbreviations indicates the respective company and its subsidiaries, if any.</i>	
SB Northstar or asset management subsidiary	SB Northstar LP
SoftBank Vision Fund 1 or SVF1	SoftBank Vision Fund L.P. and its alternative investment vehicles
SoftBank Vision Fund 2 or SVF2	SoftBank Vision Fund II-2 L.P.
SoftBank Latin America Funds or LatAm Funds	SBLA Latin America Fund LLC
SoftBank Vision Funds or SVF	SVF1, SVF2, and LatAm Funds
SBIA	SB Investment Advisers (UK) Limited
SBGA	SB Global Advisers Limited
Arm	Arm Holdings plc
Fortress	Fortress Investment Group LLC
WeWork	WeWork Inc.
T-Mobile	T-Mobile US, Inc.
Alibaba	Alibaba Group Holding Limited
MgmtCo	MASA USA LLC
The first quarter	Three-month period ended June 30, 2024
The first quarter-end	June 30, 2024
The fiscal year	Fiscal year ending March 31, 2025
The previous fiscal year	Fiscal year ended March 31, 2024
The previous fiscal year-end	March 31, 2024

### Exchange Rates Used for Translations

USD/JPY	Fiscal year ended March 31, 2024			Fiscal year ending March 31, 2025	
	Q1	Q2	Q3	Q4	Q1
Average rate for the quarter	¥138.11	¥145.44	¥147.00	¥147.87	¥156.53
Rate at the end of the period				¥151.41	¥161.07

## 1. Results of Operations

### (1) Overview of Results of Operations

#### 1. Results highlights

##### ◆ ¥559.7 billion investment gain (¥699.0 billion loss for the same period of the previous fiscal year)

- ¥567.9 billion investment gain at Investment Business of Holding Companies
  - Investment gains of ¥235.7 billion on Alibaba shares and ¥179.1 billion<sup>\*1</sup> on T-Mobile shares
- ¥32.4 billion investment gain at SoftBank Vision Funds (excluding losses associated with SVF's investments in the Company's subsidiaries)
  - The fair values of a portion of investments, including ByteDance, Coupang, and DiDi, increased; however, these gains were offset by decreases in the fair values of other investments, reflecting weaker performance indicators and share price decreases among market comparable companies.
  - Since inception, the gross performance has been a gain of \$19.6 billion for SVF1 and a loss of \$21.9 billion for SVF2.<sup>\*2</sup>

Note: Since Arm, SoftBank Corp., and other subsidiaries are consolidated, changes in the fair value of their shares are not recorded in the Company's consolidated statement of profit or loss.

##### ◆ ¥225.7 billion income before income tax (improvement of ¥401.9 billion YoY)

*reflecting the recordings of:*

- Selling, general and administrative expenses of ¥719.7 billion
- Finance cost of ¥137.6 billion
- Foreign exchange loss of ¥443.9 billion due to the impact of the weaker yen. This resulted from a net excess of U.S. dollar-denominated liabilities over U.S. dollar-denominated cash and cash equivalents and loans receivable, primarily within SBG.
- Increase in third-party interests in SVF of ¥205.3 billion. This was due to the recording of an investment gain of ¥442.5 billion at SVF1 (on an SVF segment basis), where the proportion of third-party interests is significant, resulting in an increase in third-party interests of ¥175.6 billion (attributable to investors entitled to performance-based distribution).

##### ◆ ¥174.3 billion net loss attributable to owners of the parent (improvement of ¥303.3 billion YoY)

*reflecting the recordings of:*

- Income taxes of ¥215.2 billion
- Net income attributable to non-controlling interests of ¥184.7 billion

#### 2. Sequentially implement growth investments

##### ◆ SBG and its wholly owned subsidiaries

Total investment of ¥193.2 billion, primarily strategic investments.<sup>\*3</sup>

Examples of investments during the first quarter:

- Wayve Technologies: A U.K. technology company developing autonomous driving platforms based on data learning using AI
- Tempus AI: A U.S. technology company conducting genomic testing and collecting medical data for analysis by AI to provide physicians with treatment option proposals. Listed on the Nasdaq Global Select Market in June 2024. In August 2024, SB TEMPUS started its operations as a joint venture between Tempus AI and the Company to provide services in Japan.

##### ◆ SVF

Total investment of \$0.60 billion, primarily in the Frontier Tech and Enterprise sectors,<sup>\*4</sup> net of investments in the Company's subsidiaries that were eliminated in consolidation.

#### 3. Refinance of bonds

##### ◆ Domestic straight bonds

The Company issued domestic straight bonds of ¥100.0 billion to wholesale markets in April 2024 and ¥550.0 billion to retail markets in June 2024. The Company redeemed domestic straight bonds of ¥450.0 billion upon maturity in June 2024.

##### ◆ Foreign currency-denominated senior notes

In July 2024, following the first quarter, the Company issued U.S. dollar-denominated senior notes of \$0.9 billion and euro-denominated senior notes of 0.9 billion euros. Additionally, the Company redeemed U.S. dollar-denominated senior notes of \$767 million prior to maturity and euro-denominated senior notes of 638 million euros upon maturity, both in the same month.

**4. Resolved a share repurchase program with a maximum of ¥500 billion**

On August 7, 2024, following the first quarter, the Board resolved to repurchase the Company's shares with a maximum of ¥500 billion.

Notes:

1. Includes derivative gains and losses on investments and effects of foreign exchange translation
2. Gross amounts before deductions, such as third-party interests and taxes
3. The amount comprises the investment outlay by SBG and its primary wholly owned subsidiaries (excluding investments in U.S. Treasury Bonds), as accounted for under "Payments for acquisition of investments" in the consolidated statement of cash flows.
4. The amounts recorded in the consolidated statement of cash flows.

**WEWORK'S EMERGENCE FROM CHAPTER 11 OF THE U.S. BANKRUPTCY CODE**

(1) Backgrounds

The Company made its initial investment in WeWork in March 2017. After WeWork's planned initial public offering was withdrawn in September 2019, which led to significant management difficulties, the Company provided additional investments, purchased notes, and offered credit support for a letter of credit facility provided to WeWork by financial institutions. Although WeWork achieved a listing on the New York Stock Exchange in October 2021 through a merger with a Special Purpose Acquisition Company (SPAC), the company faced a severe decline in office demand due to the COVID-19 pandemic. Consequently, WeWork filed for protection under Chapter 11 of the U.S. Bankruptcy Code in November 2023 and emerged from Chapter 11 in June 2024.

(2) Major impacts on consolidated financial statements

As of March 31, 2024, the Company recorded a cumulative loss of \$14.36 billion on investments and financial support for WeWork in the consolidated statement of profit or loss. Upon WeWork emerging from Chapter 11, the Company received 12.2% of the stock of the newly restructured WeWork in exchange for the claims it held against WeWork prior to the filing and recovered part of the cash contributed to fulfill the guarantee obligations for the credit support for a letter of credit facility provided to WeWork by financial institutions. Additionally, the Company reassessed the recoverability of loans to WeWork, which had been written down to zero, and recorded the expected recoverable amount as of the first quarter-end. As a result, the Company recorded gains totaling \$0.15 billion (investment loss of ¥2,830 million and other gain of ¥22,569 million) for the first quarter in the condensed interim consolidated statement of profit and loss. This brought the cumulative losses recorded in the consolidated statement of profit or loss to \$14.21 billion as of June 30, 2024.

The investments in the old WeWork stocks, warrants, and notes were canceled and therefore deemed realized. This resulted in the reclassification of \$10.57 billion in unrealized losses, from a cumulative investment loss of \$14.36 billion, to realized losses under investment gains and losses at Investment Business of Holding Companies and SoftBank Vision Funds in the first quarter. The difference from the cumulative loss of \$14.36 billion had been recorded as derivative losses and other losses by March 31, 2024.

**a. Consolidated Results of Operations**

(Millions of yen)

	Three months ended June 30		Change	Change %	
	2023	2024			
Net sales	1,557,507	<b>1,701,747</b>	144,240	9.3%	<b>A</b>
Gross profit	832,075	<b>920,621</b>	88,546	10.6%	
Gain on investments					
Gain (loss) on investments at Investment Business of Holding Companies	(689,697)	<b>567,933</b>	1,257,630	-	<b>B</b>
Gain (loss) on investments at SoftBank Vision Funds	(13,043)	<b>32,386</b>	45,429	-	<b>C</b>
Gain (loss) on other investments	3,783	<b>(40,607)</b>	(44,390)	-	<b>D</b>
Total gain on investments	(698,957)	<b>559,712</b>	1,258,669	-	
Selling, general and administrative expenses	(648,080)	<b>(719,686)</b>	(71,606)	11.0%	<b>E</b>
Finance cost	(139,601)	<b>(137,604)</b>	1,997	(1.4%)	<b>F</b>
Foreign exchange loss	(464,642)	<b>(443,907)</b>	20,735	-	<b>G</b>
Derivative gain (excluding gain (loss) on investments)	849,629	<b>60,504</b>	(789,125)	(92.9%)	<b>H</b>
Change in third-party interests in SVF	(58,081)	<b>(205,254)</b>	(147,173)	253.4%	<b>I</b>
Other gain	151,463	<b>191,312</b>	39,849	26.3%	<b>J</b>
Income before income tax	(176,194)	<b>225,698</b>	401,892	-	
Income taxes	(140,000)	<b>(215,233)</b>	(75,233)	53.7%	<b>K</b>
Net income	(316,194)	<b>10,465</b>	326,659	-	
Net income attributable to non-controlling interests	161,422	<b>184,746</b>	23,324	14.4%	
Net income attributable to owners of the parent	(477,616)	<b>(174,281)</b>	303,335	-	
Total comprehensive income	935,862	<b>1,136,142</b>	200,280	21.4%	
Comprehensive income attributable to owners of the parent	779,754	<b>950,484</b>	170,730	21.9%	

The following is an overview of the primary and noteworthy components.

**A Net Sales**

Net sales increased in the SoftBank segment and the Arm segment. For details, see “(c) SoftBank Segment” and “(d) Arm Segment” under “b. Results by Segment.”

**B Gain on Investments at Investment Business of Holding Companies**

Investment gain of ¥567,933 million was recorded at Investment Business of Holding Companies. This primarily included investment gains of ¥235,700 million on Alibaba shares and ¥179,149 million on T-Mobile shares (including derivative gains and losses on investments and effects of foreign exchange translation). For details, see “(a) Investment Business of Holding Companies Segment” under “b. Results by Segment.”

### C Gain on Investments at SoftBank Vision Funds

Investment gain of ¥32,386 million was recorded at SoftBank Vision Funds. This comprised a gain of ¥417,087 million at SVF1, and losses of ¥357,709 million at SVF2, ¥12,991 million at LatAm Funds, and ¥14,001 million on other investments.

The investment gain at SVF1 was primarily due to unrealized valuation gains (net) totaling ¥402,183 million for investments held at the first quarter-end. Of this, an unrealized gain (net) totaling ¥209,413 million was recorded for public portfolio companies, mainly attributed to higher share prices of Coupang, Inc. (“Coupang”) and DiDi Global Inc. (“DiDi”). For private portfolio companies, despite decreases in the fair values of some investments due to weaker performances, the unrealized gain (net) totaled ¥192,770 million. This was primarily driven by the increase in the fair value of Bytedance Ltd. (“ByteDance”) due to share price increases among its market comparable companies and its strong performance.

The investment loss at SVF2 was primarily due to unrealized valuation losses (net) totaling ¥356,308 million for investments held at the first quarter-end. This was largely due to a decline in the share prices of public portfolio companies, including AutoStore Holdings Ltd. (“AutoStore”) and Symbotic Inc. (“Symbotic”), as well as a decrease in the fair values of private portfolio companies, reflecting markdowns due to weaker performances and share price decreases among market comparable companies.

For details, see “(b) SoftBank Vision Funds Segment” under “b. Results by Segment.”

### D Loss on Other Investments

Loss on other investments amounted to ¥40,607 million. This mainly reflected a valuation loss on Symbotic shares held by a wholly owned subsidiary of the Company, due to a decrease in the company’s share price.

**As a result of B through D, the total gain on investments was ¥559,712 million.**

### E Selling, General and Administrative Expenses

Selling, general and administrative expenses increased by ¥42,913 million year on year to ¥135,009 million in the Arm segment and by ¥33,294 million year on year to ¥504,938 million in the SoftBank segment. The increase in the Arm segment was primarily due to higher personnel expenses, including stock compensation schemes, driven by the growth in the number of engineers and other employees, mainly to enhance its R&D capability. The increase in the SoftBank segment was primarily due to higher sales-related expenses aimed at boosting the acquisition of smartphone subscriptions and promoting the continued use of commerce services by existing customers. Additionally, expenses were incurred due to the strategic business realignment initiatives implemented at LY Corporation.

### F Finance Cost

Interest expenses at SVF decreased by ¥13,800 million year on year to ¥8,912 million, due to a significant decrease in borrowings. In contrast, interest expenses at SBG<sup>1</sup> increased by ¥10,139 million year on year to ¥106,789 million. This increase at SBG was primarily due to higher interest expenses from prepaid forward contracts using Alibaba shares, driven by the depreciation of the yen and other factors, as well as increased interest expenses from financings using Arm shares, mainly due to a higher base rate and the depreciation of the yen. Additionally, interest expenses increased due to the issuance of domestic hybrid bonds in April 2023 and domestic straight bonds in March and April 2024.



### **G Foreign Exchange Loss**

Foreign exchange loss of ¥443,907 million (net) was recorded due to the weaker yen. This was mainly because SBG and domestic subsidiaries used for fund procurement had 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.

The depreciation of the yen in exchange rates used for translation resulted in an increased yen-translated value of net assets of foreign subsidiaries and associates, such as SoftBank Vision Funds, whose functional currency is primarily U.S. dollars, rather than yen. However, this positive impact is not reflected as a foreign exchange gain; instead, it is accounted for in the ¥1,119,701 million increase in exchange differences from the translation of foreign operations. This amount is recorded under accumulated other comprehensive income in equity on the condensed interim consolidated statement of financial position.

### **H Derivative Gain (Excluding Gain or Loss on Investments)**

Derivative gain of ¥40,435 million was recorded for the prepaid forward contracts and associated contracts using Alibaba shares.

### **I Change in Third-party Interests in SVF**

“Change in third-party interests in SVF” represents the gains and losses attributable to third-party investors, calculated based on the gains and losses on investments at SoftBank Vision Funds, net of management and performance fees payable to the fund managers (which are wholly owned subsidiaries of the Company) and operating and other expenses of SoftBank Vision Funds. In the consolidated statement of profit or loss, gains on investments at SoftBank Vision Funds typically contribute to an increase in third-party interests, which negatively impacts profit; conversely, losses on investments result in a decrease in third-party interests and positively impact profit.

In the first quarter, “Change in third-party interests in SVF” was negative by ¥205,254 million, which exceeded “Gain on investments at SoftBank Vision Funds” of ¥32,386 million, in the condensed interim consolidated statement of profit or loss. This was mainly due to the recording of an investment gain of ¥442,542 million at SVF1 (on an SVF segment basis), where the proportion of third-party interests is significant, resulting in an increase in third-party interests of ¥175,592 million (attributable to investors entitled to performance-based distribution).

### **J Other Gain**

A gain of ¥93,139 million relating to loss of control over subsidiaries was recorded due to the loss of control over Fortress, following the sale of all interests in Fortress held by SBG through its subsidiary to a subsidiary of Mubadala Investment Company PJSC. For further breakdown, see “13. Other gain” under “(7) Notes to Condensed Interim Consolidated Financial Statements” in “2. Condensed Interim Consolidated Financial Statements and Primary Notes.”

**Primarily as a result of A through J, income before income tax was ¥225,698 million, an improvement of ¥401,892 million year on year.**

### **K Income Taxes**

SoftBank Corp., Arm, LY Corporation and other operating companies recorded income tax expenses. Additionally, income taxes (deferred tax expenses) were recorded due to the increase in the value of Alibaba shares and other

held assets.

With the application of the Income Inclusion Rule of the Global Minimum Tax starting the fiscal year, the estimated top-up tax has resulted in no corporate income tax being payable by the Company for the fiscal year.

**Primarily as a result of A through K, net loss attributable to owners of the parent was ¥174,281 million, an improvement of ¥303,335 million year on year.**

## b. Results by Segment

The Company's reportable segments are the components of its business activities for which decisions on resource allocation and assessments of performance are made. At the first quarter-end, there are four reportable segments: Investment Business of Holding Companies, SoftBank Vision Funds, SoftBank, and Arm.

The following is a summary of the reportable segments.

Segments	Main businesses	Core companies
Reportable segments		
Investment Business of Holding Companies	·Investment activities by SBG and its subsidiaries	SoftBank Group Corp. SoftBank Group Capital Limited SoftBank Group Japan Corporation SoftBank Group Overseas GK SB Northstar LP
SoftBank Vision Funds	·Investment activities by SVF1, SVF2, and LatAm Funds	SB Investment Advisers (UK) Limited SoftBank Vision Fund L.P. SB Global Advisers Limited SoftBank Vision Fund II-2 L.P. SBLA Latin America Fund LLC
SoftBank	<ul style="list-style-type: none"> <li>·Consumer business: Provision of mobile services, sale of mobile devices, and provision of broadband services to retail customers in Japan</li> <li>·Enterprise business: Provision of mobile communications and solutions services to enterprise customers in Japan</li> <li>·Distribution business: Provision of ICT (Information and Communication Technology) services products to enterprise customers and provision of communication device-related products and IoT (Internet of Things) equipment to retail customers</li> <li>·Media &amp; EC (e-commerce) business: Provision of media-related services, advertising and commerce-related services</li> <li>·Financial business: Provision of payment and financial services</li> </ul>	SoftBank Corp. LY Corporation PayPay Corporation
Arm	<ul style="list-style-type: none"> <li>·Design of microprocessor intellectual property and related technology</li> <li>·Sale of software tools and provision of related services</li> </ul>	Arm Holdings plc
Other <sup>*1</sup>	·Fukuoka SoftBank HAWKS-related businesses	Fukuoka SoftBank HAWKS Corp.

Note:

- On May 14, 2024, SBG sold all interests in Fortress, held through its subsidiary, to a subsidiary of Mubadala Investment Company PJSC. Following the completion of the transaction, Fortress ceased to be a subsidiary of SBG.

**(a) Investment Business of Holding Companies Segment**

- 1. Investment gains of ¥235.7 billion on Alibaba shares and of ¥179.1 billion <sup>\*1</sup> on T-Mobile shares**  
**2. Segment income amounted to ¥38.0 billion, after recording finance cost of ¥136.1 billion and foreign exchange loss of ¥442.6 billion.**

Note:

1. Includes derivative gains and losses on investments and effects of foreign exchange translation

**OVERVIEW**

This segment is led by SBG, which conducts investment activities either directly or through its subsidiaries, acting as a strategic investment holding company. The segment comprises SBG, SoftBank Group Capital Limited, SoftBank Group Japan Corporation, SoftBank Group Overseas GK, SB Northstar (the asset management subsidiary), and certain other subsidiaries engaged in investment and financing activities. Gains and losses on investments at Investment Business of Holding Companies encompass gains and losses on investments held by SBG either directly or through its subsidiaries, excluding gains and losses on investments pertaining to subsidiaries' shares, such as dividend income from subsidiaries or impairment losses related to subsidiaries' shares.

This segment holds investments in portfolio companies, such as Alibaba, T-Mobile, and Deutsche Telekom AG (“Deutsche Telekom”), most of which are classified as financial assets at FVTPL (Fair Value Through Profit or Loss). Investments classified as financial assets at FVTPL are measured at fair value every quarter, with any change in fair value recorded in the consolidated statement of profit or loss as gains and losses on investments.

**Investment in listed stocks, corporate bonds, and other instruments by the asset management subsidiary**

SB Northstar engages in the acquisition and sale of listed stocks, corporate bonds (primarily those of investment grades with short time to maturity), and other instruments, utilizing the surplus funds of SBG. Investment gain (including interest received from bond investments) at the asset management subsidiary for the first quarter amounted to ¥2.7 billion, bringing the cumulative investment loss since inception to ¥948.4 billion. <sup>\*1</sup> The balance of investments at the first quarter-end stood at ¥492.6 billion, including ¥408.8 billion in corporate bonds.

SBG indirectly holds a 67% stake in SB Northstar, while SBG's Representative Director, Corporate Officer, Chairman & CEO Masayoshi Son, indirectly holds a 33% interest. The portion corresponding to Masayoshi Son's interest is deducted from the gains and losses on investments at SB Northstar as a non-controlling interest; therefore, 67% of the gains and losses on investments impact net income attributable to owners of the parent. In the event that, at the end of the fund life (12 years + 2-year extension), SB Northstar has any unfunded repayment obligations to SBG, Masayoshi Son will cover his pro rata share of any such unfunded obligations based on his relative ownership percentage in SB Northstar.

Note:

1. The cumulative investment loss includes dividend income and interest received from bond investments, but excludes the impact of SB Northstar's investments in three SPACs controlled by SB Investment Advisers (US) Inc.

**FINANCIAL RESULTS**

(Millions of yen)

	Three months ended June 30		Change	Change %	
	2023	2024			
Gain (loss) on investments at Investment Business of Holding Companies	(689,697)	<b>567,933</b>	1,257,630	-	<b>A</b>
Realized gain (loss) on investments at asset management subsidiaries	(59)	<b>159</b>	218	-	
Unrealized gain (loss) on valuation of investments at asset management subsidiaries	906	<b>(989)</b>	(1,895)	-	
Realized gain on investments <sup>*1</sup>	17,686	<b>32,728</b>	15,042	85.1%	
Unrealized gain (loss) on valuation of investments	(620,356)	<b>531,085</b>	1,151,441	-	
Change in valuation for the fiscal year	(620,343)	<b>502,605</b>	1,122,948	-	
Reclassified to realized gain (loss) recorded in the past fiscal years <sup>*1</sup>	(13)	<b>28,480</b>	28,493	-	
Derivative loss on investments	(97,024)	<b>(12,022)</b>	85,002	-	
Effect of foreign exchange translation <sup>*2</sup>	-	<b>(11,066)</b>	(11,066)	-	
Other	9,150	<b>28,038</b>	18,888	206.4%	
Selling, general and administrative expenses	(19,633)	<b>(37,171)</b>	(17,538)	89.3%	
Finance cost	(97,256)	<b>(136,075)</b>	(38,819)	39.9%	<b>B</b>
Foreign exchange loss	(466,107)	<b>(442,568)</b>	23,539	-	<b>C</b>
Derivative gain (excluding gain (loss) on investments) <i>Mainly due to prepaid forward contracts using Alibaba shares</i>	848,775	<b>58,778</b>	(789,997)	(93.1%)	
Other gain	29,378	<b>27,072</b>	(2,306)	(7.8%)	
<b>Segment income (income before income tax)</b>	<b>(394,540)</b>	<b>37,969</b>	432,509	-	

## Notes:

- Unrealized gains 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."
- 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. "Effect of foreign exchange translation" is the amount that arose due to the use of different foreign currency exchange rates for these unrealized and realized gains and losses.

**A Gain on investments at Investment Business of Holding Companies: ¥567,933 million**

- On June 7, 2024, the Company sold 6.7 million T-Mobile shares in conjunction with the exercise of a portion of the call options on T-Mobile shares granted to Deutsche Telekom. As a result, in relation to T-Mobile shares, in the first quarter, the Company recorded a realized gain of ¥78,277 million on investment, an unrealized loss of ¥50,043 million on the valuation of investment (the amount reclassified to realized gain from the amounts recorded in the past fiscal years), a derivative loss of ¥17,753 million on investment, and a loss of ¥11,066 million as an effect of foreign exchange translation. The remaining unexercised portion of the call options expired on June 22, 2024.
- Realized gain of ¥32,728 million on investments was recorded. This was primarily due to a gain of ¥78,277 million realized on T-Mobile shares, as described above, partially offset by a loss of ¥45,022 million realized on Alibaba shares.
- Unrealized gain of ¥531,085 million was recorded on the valuation of investments. This mainly included unrealized gains of ¥205,715 million on Alibaba shares and ¥173,166 million on T-Mobile shares, both of which continued to be held at the first quarter-end. Although the share price of Alibaba slightly decreased, the fair value of the shares increased on a yen basis due to the depreciation of the yen, resulting in the recording of an unrealized gain on valuation.

**B Finance cost: ¥136,075 million (increase of ¥38,819 million year on year)**

- Interest expenses at SBG<sup>1</sup> increased by ¥10,139 million year on year to ¥106,789 million. This was primarily due to higher interest expenses from prepaid forward contracts using Alibaba shares, driven by the depreciation of the yen and other factors, as well as increased interest expenses from financings using Arm shares, mainly due to a higher base rate and the depreciation of the yen. Additionally, interest expenses increased due to the issuance of domestic hybrid bonds in April 2023 and domestic straight bonds in March and April 2024.
- An amortized cost of ¥28,633 million was recognized 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.

**C Foreign exchange loss: ¥442,568 million**

Foreign exchange loss of ¥442,568 million (net) was recorded due to the weaker yen. This was primarily because U.S. dollar-denominated liabilities (such as borrowings from subsidiaries and foreign currency-denominated senior notes) of SBG and domestic subsidiaries used for fund procurement exceeded their U.S. dollar-denominated cash and cash equivalents and loans receivable.

**Reference: Impact of the asset management subsidiary on the condensed interim consolidated statement of financial position**

	(Millions of yen)
	June 30, 2024
Cash and cash equivalents	702,294
Investments from asset management subsidiaries	492,586
including corporate bonds	408,805
Derivative financial assets at asset management subsidiaries	12
Other financial assets	1,427
Other	6,409
<b>Total assets</b>	<b>1,202,728</b>
Other financial liabilities	1,427
Other	86
<b>Total liabilities</b>	<b>1,513</b>
Investments from Delaware subsidiaries <sup>*1</sup>	1,971,699
Equivalent amount of cash investments by SBG in Delaware subsidiaries	39,786
Equivalent amount of loans to Delaware subsidiaries held by SBG (the amount entrusted by SBG related to asset management)	1,912,020
Equivalent amount of cash investments by Masayoshi Son in Delaware subsidiaries	19,893
Retained earnings	(1,012,425)
Exchange differences	241,941
<b>Equity</b>	<b>1,201,215</b>

Note:

1. Investments from the Company's subsidiaries, Delaware Project 1 L.L.C., Delaware Project 2 L.L.C., and Delaware Project 3 L.L.C. (the "Delaware subsidiaries"), to SB Northstar, the asset management subsidiary.

**(Calculation of non-controlling interests)**

	(Millions of yen)
Equivalent amount of cash investments by Masayoshi Son in Delaware subsidiaries	19,893 <b>A</b>
Cumulative loss attributable to non-controlling interests <sup>*2</sup>	(337,375)
Exchange differences on translating foreign operations	90,552
<b>Non-controlling interests (interests of Masayoshi Son)</b>	<b>(226,930) D</b>

Note:

2. One-third of B in the above table

**(Interests in equity (C above))**

	(Millions of yen)
Interests of SBG	1,428,145
Non-controlling interests (interests of Masayoshi Son)	(226,930) <b>D</b>
<b>Equity</b>	<b>1,201,215 C</b>

**Main interest-bearing debt and lease liabilities in this segment**

Borrower	Type	Balance as of June 30, 2024 in condensed interim consolidated statement of financial position
SBG	Borrowings	¥465.6 billion
	Corporate bonds	¥6,457.9 billion
	Lease liabilities	¥9.0 billion
	Commercial paper	¥168.0 billion
Wholly owned subsidiaries conducting fund procurement <sup>*1</sup>	Borrowings using Arm shares (margin loan)	¥1,357.0 billion
	Prepaid forward contracts using Alibaba shares (collar and forward contracts)	¥4,645.5 billion
	Borrowings using SoftBank Corp. shares (margin loan)	¥499.1 billion
	Prepaid forward contracts using T-Mobile shares (collar contracts)	¥87.0 billion
	Collar transactions using Deutsche Telekom shares	¥525.0 billion

Note:

1. Borrowings of wholly owned subsidiaries conducting fund procurement are nonrecourse to SBG.

**(b) SoftBank Vision Funds Segment**
**1. Since inception, SVF1 has had a gross gain of \$19.6 billion; SVF2 has had a gross loss of \$21.9 billion. <sup>\*1</sup>**
**SVF1: \$109.1 billion in cumulative returns <sup>\*2</sup> on \$89.5 billion investments, with \$19.6 billion gross gain**

· Investment gain was \$2.8 billion (¥442.5 billion) for the first quarter.

· The fair value of investments held at the first quarter-end increased by 6.5% from the previous quarter-end. <sup>\*3</sup>

- Up 8.7% QoQ for public portfolio companies, <sup>\*4</sup> mainly due to an increase in the share prices of Coupang and DiDi

- Up 5.2% QoQ for private portfolio companies, <sup>\*4</sup> primarily driven by the markup of ByteDance, reflecting share price increases among its market comparable companies and its strong performance. This was partially offset by the decrease in the fair values of some other investments due to weaker performances

**SVF2: \$31.1 billion in cumulative returns on \$53.0 billion investments, with \$21.9 billion gross loss**

· Investment loss was \$2.6 billion (¥413.6 billion) for the first quarter.

· The fair value of investments held at the first quarter-end decreased by 8.8% from the previous quarter-end.

- Down 26.7% QoQ for public portfolio companies, mainly due to a decrease in the share prices of AutoStore and Symbotic

- Down 6.1% QoQ for private portfolio companies, mainly reflecting markdowns due to weaker performances and share price decreases among market comparable companies

In the first quarter, following WeWork's emergence from Chapter 11 of the U.S. Bankruptcy Code, the WeWork stocks previously held by SVF1 and SVF2 were canceled. Additionally, a portion of the prepetition claims SVF2 held against WeWork was also canceled, while the remaining portion of these claims was converted into stocks of the newly restructured WeWork. As a result, the investments in the old WeWork stocks, warrants, and notes held by SVF1 and SVF2 were considered realized, and the unrealized investment losses of \$6.71 billion (SVF1: \$3.18 billion, SVF2: \$3.53 billion) recorded in past fiscal years were reclassified as realized losses.

(As of June 30, 2024; in billions of U.S. dollars)

	Since Inception			The Fiscal Year <sup>*5</sup>
	Investment cost <sup>*6</sup>	Returns <sup>*6</sup>	Gain/loss	Gain/loss Apr - Jun
<b>SVF1</b>				
Exited investments	43.2	64.8	21.6	(4.4)
Investments before exit	46.3	41.8	(4.5)	2.6
<i>Reversal of valuation gain/loss recorded in prior periods for exited investments in the fiscal year</i>				4.6
Derivatives/Interests/Dividends	(0.0)	2.5	2.5	0.0
<b>Total</b>	<b>89.5</b>	<b>109.1</b>	<b>19.6</b>	<b>2.8</b>
				<b>¥442.5 billion</b>
<b>SVF2</b>				
Exited investments	6.7	3.4	(3.3)	(3.6)
Investments before exit	46.3	27.8	(18.5)	(2.6)
<i>Reversal of valuation gain/loss recorded in prior periods for exited investments in the fiscal year</i>				3.6
Derivatives/Interests/Dividends	(0.0)	(0.1)	(0.1)	(0.0)
<b>Total</b>	<b>53.0</b>	<b>31.1</b>	<b>(21.9)</b>	<b>(2.6)</b>
				<b>¥(413.6) billion</b>

**2. Continued monetization and investment under a disciplined approach**

· SVF2 made investments totaling \$0.62 billion in sectors such as Frontier Tech and Enterprise in the first quarter. <sup>2</sup>

· SVF1 and SVF2 sold investments for a total of \$0.84 billion in the first quarter, including full exits from six portfolio companies, including SenseTime and Paytm, and partial exits from several portfolio companies. <sup>2</sup>



**Notes:**

1. Cumulative gross gains and proceeds from realized investments are before deducting third-party interests, taxes, and expenses. The same applies to the presentation of cumulative investment performance hereinafter.
2. Exit price, etc., plus fair value of investments held. The same applies hereinafter.
3. Represents changes in U.S. dollar-based fair values, excluding those from investments or exits made during the first quarter. The classification of portfolio companies as public/private is based on their status as of the first quarter-end. For portfolio companies with a change in the classification of public/private during the first quarter, comparisons are made by adjusting their status at the previous fiscal year-end to that of the first quarter-end. The same applies to the change in fair value of investments held at the quarter-end in this section.
4. Public portfolio companies are shares traded on stock exchanges or over-the-counter markets. Private portfolio companies are those that do not fall under the category of public portfolio companies. The same applies hereinafter.
5. The amount of gains and losses for exited investments in the fiscal year represents the exit price, net of the investment cost of such investments. Unrealized valuation gains and losses of such investments, recorded in prior years, are presented as a reversal of valuation gain/loss recorded in prior periods for exited investments in the fiscal year.
6. For derivatives, the investment costs represent the costs of the derivatives. Investment returns represent the exit price for exited investments, the fair value for investments before exits, the settlement amount of settled contracts or the fair value of open contracts for derivatives, and the respective amounts received for interest or dividends.

**OVERVIEW**

Segment results mainly include the results of the investment and operational activities of SoftBank Vision Fund 1 (SVF1), SoftBank Vision Fund 2 (SVF2), and SoftBank Latin America Funds (LatAm Funds).

**Outline of principal funds in the segment**

*As of June 30, 2024*

The funds aim to maximize returns from a medium- to long-term perspective through investments in high-growth-potential companies leveraging AI. SVF1's investment period has ended, and the remaining undrawn capital is reserved for fixed distributions and operating expenses.

	SVF1	SVF2	LatAm Funds
Primary limited partnership	SoftBank Vision Fund L.P.	SoftBank Vision Fund II-2 L.P.	SBLA Latin America Fund LLC
Total committed capital (billions of U.S. dollars)	98.6 ----- The Company: 33.1 <sup>*1</sup> Third-party investors: 65.5	59.8 <sup>*2,3</sup> ----- The Company: 57.2 <sup>*3</sup> Third-party investor (MgmtCo): 2.6 <sup>*4</sup>	7.8 <sup>*2</sup> ----- The Company: 7.4 Third-party investor (MgmtCo): 0.4 <sup>*4</sup>
Manager	SBIA (The Company's wholly owned U.K. subsidiary)	SBGA (The Company's wholly owned U.K. 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 option by SBIA	Until October 4, 2032 + up to two one-year extensions option by SBGA	

**Notes:**

1. The Company's committed capital to SVF1 includes approximately \$8.2 billion of an obligation that was satisfied by using Arm shares (all said shares have been contributed) and \$2.5 billion to be used for an incentive scheme related to SVF1.
2. Effective September 27, 2023, SBGA, the manager of SVF2 and LatAm Funds, may allocate the remaining committed capital from SVF2 to LatAm Funds up to the amount of \$4 billion and, in such circumstances, the total commitment to SVF2 will be reduced correspondingly.
3. On July 9, 2024, the Company's committed capital to SVF2 increased to \$58.2 billion, bringing the total committed capital for SVF2 to \$60.8 billion.
4. A co-investment program has been introduced for SVF2 and LatAm Funds for the Company's management. MASA USA LLC ("MgmtCo"), an investment entity for the co-investment program, participates in the two funds. The interest attributable to MgmtCo

is treated as a third-party interest in the Company's consolidated financial statements. For details, see "Co-investment program with restricted rights to receive distributions" under "16. Related party transactions" in "(7) Notes to Condensed Interim Consolidated Financial Statements" in "2. Condensed Interim Consolidated Financial Statements and Primary Notes."

### Financing at SVF

SVF1, SVF2, and LatAm Funds may independently engage in borrowings that are nonrecourse to SBG, with the aim of leveraging and maintaining liquidity. Such borrowings include asset-backed finance, which utilizes held assets to enhance returns and distribute to limited partners.

### Fair value measurement of investments

SVF1, SVF2, and LatAm Funds calculate the fair value of their investments at each quarter-end in accordance with IFRS 13 Fair Value Measurement and based on the SBIA Global Valuation Policy and the International Private Equity and Venture Capital Valuation Guidelines. For public portfolio companies, fair values of portfolio companies that are traded on stock exchanges are determined using quoted prices, while fair values of those traded on over-the-counter markets are determined using single or multiple factors, such as quoted prices and other observable inputs. For private portfolio companies, one or more valuation methods are used, including the market approach using figures of market comparable companies, the income approach using estimated future cash flows, and the recent transactions method using prices of recent funding rounds and similar transactions.

## FINANCIAL RESULTS

(Millions of yen)

	Three months ended June 30				
	2023	2024	Change	Change %	
Gain on investments at SoftBank Vision Funds <sup>*1</sup>	159,773	<b>1,911</b>	(157,862)	(98.8%)	<b>A</b>
Gain on investments at SVF1, SVF2, and LatAm Funds	134,703	<b>15,912</b>	(118,791)	(88.2%)	
Realized loss on investments <sup>*2</sup>	(68,179)	<b>(1,259,047)</b>	(1,190,868)	-	
Unrealized gain on valuation of investments	212,237	<b>1,025,806</b>	813,569	383.3%	
Change in valuation for the fiscal year	120,887	<b>(22,679)</b>	(143,566)	-	
Reclassified to realized loss recorded in the past fiscal years <sup>*2</sup>	91,350	<b>1,048,485</b>	957,135	-	
Interest and dividend income from investments	1,491	<b>5,579</b>	4,088	274.2%	
Derivative gain on investments	2,453	<b>1,767</b>	(686)	(28.0%)	
Effect of foreign exchange translation	(13,299)	<b>241,807</b>	255,106	-	
Gain (loss) on other investments	25,070	<b>(14,001)</b>	(39,071)	-	
Selling, general and administrative expenses	(18,299)	<b>(19,190)</b>	(891)	4.9%	
Finance cost	(23,628)	<b>(10,524)</b>	13,104	(55.5%)	
Change in third-party interests in SVF	(58,081)	<b>(205,254)</b>	(147,173)	253.4%	<b>B</b>
Other gain	1,276	<b>28,756</b>	27,480	-	
<b>Segment income (income before income tax)</b>	<b>61,041</b>	<b>(204,301)</b>	<b>(265,342)</b>	<b>-</b>	

Notes:

- 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.
- Unrealized gains 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."

**Investments and disposals by SVF1 and SVF2**

		(Billions of U.S. dollars)
	Investments made during the first quarter	Disposals <sup>3</sup> made during the first quarter
SVF1	-	0.81
SVF2	0.62	0.03
<b>Total</b>	<b>0.62</b>	<b>0.84</b>

Note: Investments include new and follow-ons.

**Segment income**
**A Gain on investments at SoftBank Vision Funds: ¥1,911 million**

	(Millions of yen)		
	Three months ended June 30		Change
	2023	2024	
Gain on investments at SVF1	131,175	<b>442,542</b>	311,367
Loss on investments at SVF2	(43,968)	<b>(413,649)</b>	(369,681)
Gain (loss) on investments at LatAm Funds	47,496	<b>(12,991)</b>	(60,487)
Gain (loss) on other investments, etc.	25,070	<b>(13,991)</b>	(39,061)
<b>Gain on investments at SoftBank Vision Funds</b>	<b>159,773</b>	<b>1,911</b>	<b>(157,862)</b>

**B Change in third-party interests in SVF: ¥(205,254) million**

This represents the gains and losses attributable to third-party investors, which are calculated based on the gains and losses on investments at each fund, net of (i) management and performance fees payable to SBIA from SVF1; (ii) management and performance-linked management fees payable to SBGA from SVF2; (iii) management fees, performance-linked management fees, and performance fees payable to SBGA from LatAm Funds; and (iv) operating and other expenses of SVF. For details, see “(2) Third-party interests in SVF” under “4. SoftBank Vision Funds business” in “(7) Notes to Condensed Interim Consolidated Financial Statements” in “2. Condensed Interim Consolidated Financial Statements and Primary Notes.”

**Investment performance**

As of June 30, 2024

**SVF1**

(Billions of U.S. dollars)

**Total ((1) + (2) + (3) + (4) below)**

	Cumulative number of investments	Cumulative investment cost	Cumulative investment return	Cumulative gain <sup>*1</sup>	Investment gain recorded for the fiscal year Apr - Jun
	<b>102</b>	<b>89.5</b>	<b>109.1</b>	<b>19.6</b>	<b>2.8</b>

**(Reference)**

	Cumulative number of investments	Cumulative investment cost	Cumulative investment return	Cumulative gain <sup>*1</sup>
<i>Effects of share exchanges<sup>*2</sup></i>	(4)	(2.0)	(2.0)	-
<i>Effects of dividends in kind<sup>*3</sup></i>	(4)	-	-	-
<i>Net of the above effects</i>	94	87.5	107.1	19.6

**(1) Exited investments**

	Number of investments	Investment cost	Exit price	Cumulative realized gain <sup>*1</sup>	Realized gain (loss) recorded for the fiscal year Apr - Jun
Partial exit	-	5.4	15.6	10.2	0.1
Full exit <sup>*4</sup>	38	37.8	49.2	11.4	(4.5)
<b>Total</b>	<b>38</b>	<b>43.2</b>	<b>64.8</b>	<b>21.6</b>	<b>(4.4)</b>

**(2) Investments before exit (investments held at the first quarter-end)<sup>\*5</sup>**

	Number of investments	Investment cost	Fair value	Cumulative unrealized valuation loss <sup>*7</sup>	Unrealized valuation gain recorded for the fiscal year Apr - Jun
Public <sup>*6</sup>	17	21.2	16.7	(4.5)	1.4
Private	47	25.1	25.1	(0.0)	1.2
<b>Total</b>	<b>64</b>	<b>46.3</b>	<b>41.8</b>	<b>(4.5)</b>	<b>2.6</b>

**(3) Derivatives**

	Derivative cost	Fair value/settlement price	Cumulative derivative gain	Derivative gain recorded for the fiscal year Apr - Jun
Unsettled	(0.0)	0.0	0.0	0.0
Settled	(0.0)	1.5	1.5	0.0
<b>Total</b>	<b>(0.0)</b>	<b>1.5</b>	<b>1.5</b>	<b>0.0</b>

**(4) Interest and dividend income from investments**

	Interest and dividend income	Cumulative income	Interest and dividend income recorded for the fiscal year Apr - Jun
<b>Total</b>	<b>1.0</b>	<b>1.0</b>	<b>0.0</b>

Notes:

\* The total and the sum of the breakdown in the table may not match as the amount of each item is rounded to the nearest unit.

- Before deducting third-party interests, taxes, and expenses
- For investments involving share exchanges, the acquisition costs of the new investments and the disposal prices (sale prices) of the initially held investments are deducted for the purpose of presenting the cumulative net investment performance. These include share exchanges between Uber Advanced Technologies Group and Aurora Innovation Inc.; PT Tokopedia and PT GoTo Gojek Tokopedia Tbk; Grofers International Pte. Ltd. and Zomato Limited; Zymergen, Inc. and Ginkgo Bioworks Holdings, Inc.; and Candy Digital, Inc. and Fanatics Holdings, Inc. (an existing portfolio company). In addition, SVF1 exchanged all shares in two portfolio companies for shares in their affiliated companies in prior years, which are also existing portfolio companies. The acquisition costs and disposal prices (sale prices) of these investments are also deducted in this section.
- Investments acquired through dividends in kind from existing portfolio companies are deducted from the investment count. These include two investments acquired from Arm (Treasure Data and Acetone Limited (an intermediate holding company that owns approximately 48% of the equity interest in Arm China)) and two investments acquired from Reef Global Inc. (REEF Proximity

Aggregator LLC and Parking Aggregator LLC).

4. Includes disposals (sales) as a result of share exchanges and restructuring of portfolio companies
5. The classification of portfolio companies as public/private is based on their status as of the first quarter-end.
6. Includes DiDi, which is traded in the over-the-counter market.
7. For a certain investment that was initially determined to be transferred from the Company to SVF1, but later canceled, any unrealized valuation gains and losses incurred for the fiscal year leading up to the decision to cancel the transfer are excluded in this section.

## SVF2

(Billions of U.S. dollars)

### Total ((1) + (2) + (3) + (4) below)

	Cumulative number of investments	Cumulative investment cost	Cumulative investment return	Cumulative loss <sup>*1</sup>	Investment loss recorded for the fiscal year Apr - Jun
	287	53.0	31.1	(21.9)	(2.6)
<b>(Reference)</b>					
	Cumulative number of investments	Cumulative investment cost	Cumulative investment return	Cumulative loss <sup>*1</sup>	
<i>Effects of financial support to WeWork<sup>*2</sup></i>	(5)	-	-	-	
<i>Effects of share exchanges<sup>*3</sup></i>	(2)	(0.0)	(0.0)	-	
<i>Net of the above effects</i>	280	53.0	31.1	(21.9)	

### (1) Exited investments

	Number of investments	Investment cost	Exit price	Cumulative realized loss <sup>*1</sup>	Realized loss recorded for the fiscal year Apr - Jun
Partial exit	-	0.5	0.3	(0.2)	(0.0)
Full exit	16	6.2	3.1	(3.1)	(3.6)
<b>Total</b>	<b>16</b>	<b>6.7</b>	<b>3.4</b>	<b>(3.3)</b>	<b>(3.6)</b>

### (2) Investments before exit (investments held at the first quarter-end)<sup>\*4</sup>

	Number of investments	Investment cost <sup>*5</sup>	Fair value <sup>*5</sup>	Cumulative unrealized valuation loss	Unrealized valuation loss recorded for the fiscal year Apr - Jun
Public	15	5.5	2.9	(2.6)	(1.0)
Private	256	40.8	24.9	(15.9)	(1.6)
<b>Total</b>	<b>271</b>	<b>46.3</b>	<b>27.8</b>	<b>(18.5)</b>	<b>(2.6)</b>

### (3) Derivatives

	Derivative cost	Fair value/settlement price	Cumulative derivative gain (loss)	Derivative gain (loss) recorded for the fiscal year Apr - Jun
Unsettled	-	0.0	0.0	(0.0)
Settled	(0.0)	(0.3)	(0.3)	0.0
<b>Total</b>	<b>(0.0)</b>	<b>(0.3)</b>	<b>(0.3)</b>	<b>(0.0)</b>

### (4) Interest and dividend income from investments

	Interest and dividend income	Cumulative income	Interest and dividend income recorded for the fiscal year Apr - Jun
<b>Total</b>	<b>0.2</b>	<b>0.2</b>	<b>0.0</b>

## Notes:

\* The total and the sum of the breakdown in the table may not match, as the amount of each item is rounded to the nearest unit.

1. Before deducting third-party interests, taxes, and expenses
2. The WeWork notes held by SVF2, which constituted four investments, along with the stocks of the newly restructured WeWork, converted from the prepetition claims that SVF2 held against WeWork (constituting one investment), are deducted from the investment count.
3. For investments involving share exchanges, the acquisition costs of the new investments and the disposal prices (sale prices) of the initially held investments are deducted for the purpose of presenting the cumulative net investment performance. These include the share exchange between XCOM Labs, Inc. and Globalstar, Inc., as well as the share exchange between ODA Group Holding AS and Mathem Holdings AB.
4. The classification of portfolio companies as public/private is based on their status as of the first quarter-end.
5. The investment cost and fair value of investments before exit in SVF2 include minor ownership percentages in another portfolio company, which were received as part of the consideration for SVF2's investment in a specific portfolio company.

### LatAm Funds

At the first quarter-end, LatAm Funds posted \$6.2 billion in cumulative returns on \$7.4 billion in investments, with a gross loss of \$1.2 billion since inception. Of this, investment loss for the first quarter was \$0.1 billion (¥13.0 billion).

### Capital deployment

As of June 30, 2024

#### SVF1

	(Billions of U.S. dollars)		
	Total	The Company	Third-party investors
Committed capital (A)	98.6	33.1	65.5
Drawn capital <sup>4</sup> (B)	87.2	29.9	57.3
Return of capital (non-recallable) (C)	38.1	9.2	28.9
Outstanding capital <sup>*1</sup> (D) = (B) – (C)	49.1	20.7	28.4
Remaining committed capital (E) = (A) – (B)	11.4	3.2	8.2

## Notes:

\*The Company's committed capital to SVF1 includes approximately \$8.2 billion of an obligation that was satisfied using Arm shares (all said shares have been contributed) and \$2.5 billion to be used for an incentive scheme related to SVF1.

1. At the first quarter-end, \$12.6 billion of the \$28.4 billion of outstanding capital from third-party investors was attributable to preferred equity commitment.

**SVF2**

(Billions of U.S. dollars)

	<b>Total</b>
Committed capital <sup>*1</sup> (A)	<b>59.8</b>
Drawn capital (B)	<b>57.6</b>
Remaining committed capital (C) = (A) – (B)	<b>2.2</b>

Note: Remaining committed capital includes recallable return of capital.

(Reference: Breakdown of committed capital as of June 30, 2024)

Total committed capital <sup>*1</sup>	<b>59.8</b>
The Company's equity commitment to investments outside the scope of the co-investment program	12.6
The Company's preferred equity commitment to SVF2 LLC <sup>*2</sup>	32.2
The Company's equity commitment to SVF2 LLC	12.4
MgmtCo's equity commitment to SVF2 LLC	2.6

Notes:

\*At the first quarter-end, no capital has been paid by MgmtCo.

1. On July 9, 2024, the Company's committed capital to SVF2 increased to \$58.2 billion, bringing the total committed capital for SVF2 to \$60.8 billion.
2. SVF2 LLC (SVF II Investment Holdings LLC) is a subsidiary of the Company established under SVF2 and indirectly holds investments subject to the co-investment program.

At the first quarter-end, total committed capital for LatAm Funds was \$7.8 billion, with drawn capital totaling \$7.4 billion.

For a complete list of portfolio companies and historical quarterly results of SVF1, SVF2, and LatAm Funds, see the Data Sheets under "Earnings Results Briefing" on the Company's website at <https://group.softbank/en/ir/presentations/>.

### (c) SoftBank Segment

**Segment income increased by 9.8% YoY, driven by sustained profit growth in the media & EC business, the consumer business, and the enterprise business, as well as the profitability achieved by PayPay and PayPay Card.**

(Millions of yen)

	Three months ended June 30		Change	Change %
	2023	2024		
Net sales	1,430,067	<b>1,535,642</b>	105,575	7.4%
Segment income (income before income tax)	254,987	<b>279,915</b>	24,928	9.8%
Depreciation and amortization	(181,576)	<b>(182,318)</b>	(742)	0.4%
Gain (loss) on investments	2,217	<b>(10,110)</b>	(12,327)	-
Finance cost	(16,140)	<b>(20,636)</b>	(4,496)	27.9%
Other gain	22,667	<b>39,954</b>	17,287	76.3%

### OVERVIEW

Segment results include the business activities of SoftBank Corp. and its subsidiaries mainly in Japan, such as the provision of mobile services and sale of mobile devices, as well as the provision of broadband, advertising, and commerce services. Under its *Beyond Carrier* strategy, SoftBank Corp. aims to achieve sustainable growth in its core telecommunications business, while expanding its domains beyond telecommunications through internet services, such as *Yahoo! JAPAN* and *LINE*, and the development of businesses that utilize advanced technologies, including AI, IoT, and FinTech, the latter encompassing the cashless payment service *PayPay*.

### FINANCIAL RESULTS

Segment income was ¥279,915 million, an increase of ¥24,928 million (9.8%) year on year. This was primarily driven by sustained profit growth in the media & EC business, consumer business, and enterprise business, as well as the profitability achieved by the main subsidiaries of the financial business: PayPay Corporation and PayPay Card Corporation.

In the media & EC business, the increase in income was driven by robust commerce sales and media sales associated with the growth in account advertising, as well as a gain recorded from the loss of control over multiple subsidiaries (included in “Other gain” in the table above). In the consumer business, the increase in income was primarily due to higher mobile service revenue, product sales, and broadband service revenue. The increase in mobile service revenue was mainly because of a rise in the number of smartphone subscribers and an improvement in Average Revenue Per User. In the enterprise business, income grew due to increased sales of cloud services and other products, spurred by the accelerated digitalization of enterprises. The profitability of PayPay Corporation and PayPay Card Corporation primarily resulted from increased fee income from the expansion of gross merchandise volume and higher interest income from the growth of the revolving balance. Additionally, streamlining sales promotion expenses by narrowing the target audience for campaigns and optimizing fixed costs further improved profitability.

The recognition of loss on investments in the first quarter was primarily due to the fair value measurement of written put options granted to certain equity holders of an equity method associate in the subsidiary of LY Corporation.

For more information on SoftBank Corp.’s financial results and business operations, please refer to its website at <https://www.softbank.jp/en/corp/ir/>.



## (d) Arm Segment

**Arm's business continues to benefit from technology companies increasing investments in AI. Arm recorded its highest net sales (U.S. dollar-based) in the first quarter.**

◆ **Net sales increased by 46.6% YoY in U.S. dollar terms, driven by the highest-ever license and other revenue and strong royalty revenue. In yen terms, net sales increased by 66.1%.**

- Royalty revenue increased by 28.0% YoY (U.S. dollar-based) due to strong growth in smartphones, boosted by higher royalties per chip from Arm's latest *Armv9* technology.
- License and other revenue increased by 71.2% YoY (U.S. dollar-based) with Arm recognizing revenue from a high value, long-term deal signed with a major technology company in the previous fiscal year. In addition, Arm signed multiple other deals with companies developing chips for a wide range of applications, including future smartphones, data centers, automotive, consumer electronics, and AI applications.

◆ **Positive segment income due to strong revenue growth**

(Millions of yen)

	Three months ended June 30		Change	Change %
	2023	2024		
Net sales	88,502	<b>147,003</b>	58,501	66.1%
Segment income (income before income tax) <sup>*1</sup>	(9,508)	<b>10,160</b>	19,668	-

1. Segment income included amortization expenses of ¥17,747 million for the first quarter and ¥15,659 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.

## OVERVIEW

Arm's operations primarily consist of licensing semiconductor intellectual property (IP), including the design of energy-efficient microprocessors and associated technologies.

Semiconductor industry trends can have a significant impact on Arm's financial results, both positively and negatively. Industry growth benefits Arm's royalty revenue, which can grow along with industry sales. Industry growth can also encourage Arm's customers to increase design activity, creating new opportunities for Arm to license its latest technologies, and thus driving license and other revenue.

Arm will continue to increase investments in R&D in order to build the future of computing. Arm is creating CPUs and related technologies, such as graphics processors, AI accelerators, and integrated subsystems, that will enable its customers to develop the next generation of computing devices.

## FINANCIAL RESULTS

### Net sales in U.S. dollars

Net sales in this section are presented in U.S. dollars as Arm's revenue is primarily based on U.S. dollars.

(Millions of U.S. dollars)

	Three months ended June 30		Change	Change %
	2023	2024		
Royalty revenue	365	<b>467</b>	102	28.0%
License and other revenue	276	<b>472</b>	196	71.2%
Total	641	<b>939</b>	298	46.6%

Net sales reached a record high, increasing by \$298 million (46.6%) year on year.

### **Royalty revenue**

Royalty revenue increased by \$102 million (28.0%) year on year. This was primarily driven by very strong growth of revenue from smartphones, combined with increasing *Armv9* technology replacing *Armv8* technology, and with *Armv9*-based chips delivering around double the royalty revenue compared with equivalent *Armv8*-based chips. In addition, Arm saw good year on year revenue growth from automotive chips as cars are becoming smarter. The growth in revenues from smartphones and automotive was partially offset by weaker sales of chips in networking equipment and IoT devices, both of which are going through a period of inventory drawdown by end-customers. Commentary from chip companies suggests that the inventory downturn may be nearing its end, and Arm expects to see sequential industry growth in these areas in the second half of the fiscal year.

### **License and other revenue**

License and other revenue increased by \$196 million (71.2%) year on year, reaching a record high. This was due to Arm recognizing revenue from a high value, long-term deal signed with a major technology company in the previous fiscal year. In addition, Arm continues to sign licenses with Arm customers who are developing chips for a wide range of applications, including future smartphones, data centers, automotive, consumer electronic devices, and AI applications. The current strong demand for licensing is expected to lay the foundation of a future royalty stream from chips that are to be developed and introduced to the market in the coming years.

### **Segment income**

Segment income was ¥10,160 million, improving by ¥19,668 million year on year. This was due to Arm's strong revenue growth, which outpaced the increased costs associated with factors such as the growing number of engineers developing next-generation technology. Starting from the fiscal year, Arm has discontinued its cash-based corporate bonus, with share-based compensation now serving as the primary incentive for employees.

## **TECHNOLOGY DEVELOPMENT**

Arm and its licensees made the following technology-related announcements during the first quarter. For details on each technology development, please refer to the press releases posted on the websites of the announcing companies.

- In April 2024, Google LLC announced the Google Axion Processors, its first custom Arm-based CPUs designed for the data center, which provide up to 50% better performance and up to 60% better energy efficiency than comparable current generation x86-based processors.
- In May 2024, Microsoft Corporation announced its Copilot+ PCs, designed for AI. These are the fastest, most intelligent Windows PCs ever built, and the first generation running on Arm's energy-efficient, high-performance architecture.
- In May 2024, Arm announced the next generation of its CPU and GPU products for smartphones, laptops and consumer electronics. This includes a new compute subsystem that delivers more than a 35% performance improvement for software and games, and over 40% for on-device generative AI, including large language models.

For more information on Arm's U.S. GAAP-based financial results and business operations, please refer to Arm's website at <https://investors.arm.com/>.

## (2) Overview of Financial Position

### 1. Status of investment assets

◆ **Carrying amount of investments from SVF (FVTPL)<sup>\*1</sup> increased by ¥733.4 billion from the previous fiscal year-end to ¥11,747.9 billion.<sup>\*2</sup>**

- ¥700.8 billion increase at SVF1: The balance increased by \$1.96 billion on a U.S. dollar basis due to an increase of \$2.57 billion in the fair value of investments held at the first quarter-end, offset by decreases of \$0.61 billion from divestments.
- ¥12.0 billion decrease at SVF2: The balance decreased by \$1.70 billion on a U.S. dollar basis, mainly due to decreases of \$2.28 billion in the fair value of investments held at the first quarter-end and \$0.03 billion from divestments.<sup>2</sup> This occurred despite new<sup>2</sup> and follow-on investments totaling \$0.61 billion.

◆ **Carrying amount of investment securities increased by ¥316.7 billion from the previous fiscal year-end to ¥9,378.7 billion,<sup>\*2</sup> which included:**

- Carrying amount of Alibaba shares of ¥3,536.2 billion (a decrease of ¥220.9 billion)
- Carrying amount of T-Mobile shares of ¥2,422.3 billion (an increase of ¥146.5 billion)
- Increased carrying amounts of Deutsche Telekom shares and NVIDIA shares due to their higher share prices, as well as the increased carrying amounts of Wayve Technologies shares and investments in asset management products by PayPay Bank due to additional investments made during the first quarter

### 2. Changes in liabilities associated with financing activities

◆ **Interest-bearing debt of SBG increased by ¥304.5 billion from the previous fiscal year-end.**

- The Company issued domestic straight bonds of ¥100.0 billion to wholesale markets in April 2024 and ¥550.0 billion to retail markets in June 2024. The Company redeemed domestic straight bonds of ¥450.0 billion upon maturity in June 2024.

◆ **Interest-bearing debt of wholly owned subsidiaries conducting fund procurement decreased by ¥276.2 billion from the previous fiscal year-end.<sup>\*2</sup>**

- \$2.23 billion in financial liabilities relating to sale of shares by prepaid forward contracts was derecognized at the time of the physical settlement of a portion of these contracts using Alibaba shares.
- \$2.32 billion in financial liabilities relating to sale of shares by prepaid forward contracts decreased due to the cash settlement of a portion of these contracts using T-Mobile shares.

### 3. Changes in equity

◆ **Total equity increased by ¥965.9 billion from the previous fiscal year-end.**

- Retained earnings decreased due to a ¥174.3 billion net loss attributable to owners of the parent.
- Exchange differences from the translation of foreign operations increased by ¥1,119.7 billion due to the weaker yen in the foreign currency exchange rate used for translation.

◆ **Ratio of equity attributable to owners of the parent (equity ratio) was 25.3% at the first quarter-end, compared with 23.9% at the previous fiscal year-end.**

#### Notes:

1. Investments from SVF (FVTPL) do not include SVF's investments in the Company's subsidiaries (primarily PayPay Corporation) or investments that were transferred from the Company to the funds and continue to be accounted for using the equity method (and are included in "Investments accounted for using the equity method") prior to and after such transfer.
2. Includes increases in the carrying amount due to a 6.4% depreciation of the yen against the U.S. dollar in the foreign currency exchange rate used for translations at the first quarter-end

	March 31, 2024	June 30, 2024	Change	Change %
				(Millions of yen)
Total assets	46,724,243	47,834,174	1,109,931	2.4%
Total liabilities	33,487,074	33,631,144	144,070	0.4%
Total equity	13,237,169	14,203,030	965,861	7.3%

**(a) Assets**

	March 31, 2024	June 30, 2024	Change
			(Millions of yen)
Cash and cash equivalents	6,186,874	<b>5,498,931</b>	(687,943)
Trade and other receivables	2,868,767	<b>2,731,008</b>	(137,759)
Derivative financial assets	852,350	<b>1,031,144</b>	178,794 <b>A</b>
Other financial assets	777,996	<b>1,011,640</b>	233,644 <b>B</b>
Inventories	161,863	<b>185,234</b>	23,371
Other current assets	550,984	<b>712,765</b>	161,781
Assets classified as held for sale	42,559	<b>188,232</b>	145,673
<b>Total current assets</b>	<b>11,441,393</b>	<b>11,358,954</b>	(82,439)
Property, plant and equipment	1,895,289	<b>1,964,027</b>	68,738
Right-of-use assets	746,903	<b>834,487</b>	87,584
Goodwill	5,709,874	<b>5,940,610</b>	230,736 <b>C</b>
Intangible assets	2,448,840	<b>2,427,117</b>	(21,723)
Costs to obtain contracts	317,650	<b>326,119</b>	8,469
Investments accounted for using the equity method	839,208	<b>700,810</b>	(138,398)
Investments from SVF (FVTPL)	11,014,487	<b>11,747,933</b>	733,446 <b>D</b>
SVF1	6,042,046	<b>6,742,852</b>	700,806
SVF2	4,096,880	<b>4,084,884</b>	(11,996)
LatAm Funds	875,561	<b>920,197</b>	44,636
Investment securities	9,061,972	<b>9,378,705</b>	316,733 <b>E</b>
Derivative financial assets	385,528	<b>268,513</b>	(117,015)
Other financial assets	2,424,282	<b>2,483,330</b>	59,048
Deferred tax assets	245,954	<b>195,672</b>	(50,282)
Other non-current assets	192,863	<b>207,897</b>	15,034
<b>Total non-current assets</b>	<b>35,282,850</b>	<b>36,475,220</b>	1,192,370
<b>Total assets</b>	<b>46,724,243</b>	<b>47,834,174</b>	1,109,931

**Reasons for changes by primary component**

Components	Main reasons for changes from the previous fiscal year-end
<u>Current assets</u>	
<b>A</b> Derivative financial assets	Derivative financial assets related to the prepaid forward contracts using Alibaba shares increased by ¥100,728 million. The increase was due to the weaker yen and the reclassification of those contracts due for settlement within one year as current assets, despite the physical settlement of a portion of the contracts.
<b>B</b> Other financial assets	Investments from the asset management subsidiary increased by ¥141,568 million, mainly due to the acquisition of corporate bonds (primarily those of investment grades with short time to maturity).
<u>Non-current assets</u>	
<b>C</b> Goodwill	Arm's goodwill increased by ¥228,737 million due to a 6.4% depreciation of the yen against the U.S. dollar in the foreign currency exchange rate used for translations at the first quarter-end.
<b>D</b> Investments from SVF (FVTPL)	<p>The carrying amount of investments at SVF increased mainly due to a 6.4% depreciation of the yen against the U.S. dollar in the foreign currency exchange rate used for translations at the first quarter-end.</p> <ul style="list-style-type: none"> <li>· The carrying amount of investments at SVF1 increased by ¥700.8 billion. On a U.S. dollar basis, the carrying amount increased by \$1.96 billion. The result reflected an increase of \$2.57 billion in the fair value of investments held at the first quarter-end, despite a decrease of \$0.61 billion resulting from divestments.</li> <li>· The carrying amount of investments at SVF2 decreased by ¥12.0 billion. On a U.S. dollar basis, the carrying amount decreased by \$1.70 billion. The result mainly reflected decreases of \$2.28 billion in the fair value of investments held at the first quarter-end and \$0.03 billion resulting from divestments.<sup>2</sup> This occurred despite new<sup>2</sup> and follow-on investments totaling \$0.61 billion.</li> <li>· The carrying amount of investments at LatAm Funds increased by ¥44.6 billion, while it decreased by \$0.07 billion on a U.S. dollar basis. The decrease in the U.S. dollar amount reflected decreases of \$0.08 billion in the fair value of investments held at the first quarter-end<sup>*1</sup> and \$3 million resulting from divestments.<sup>2</sup> These decreases were partially offset by an increase of \$0.02 billion for new<sup>2</sup> and follow-on investments.</li> </ul> <p>For details, see “(b) SoftBank Vision Funds Segment” under “b. Results by Segment” in “(1) Overview of Results of Operations.”</p>

## Note:

1. Includes the impact from the weaker local currencies against the U.S. dollar

Components	Main reasons for changes from the previous fiscal year-end
E Investment securities	<ul style="list-style-type: none"> <li>· The carrying amount of Alibaba shares decreased by ¥220,870 million, with the balance at the first quarter-end being ¥3,536,193 million (\$21.95 billion). This decrease is attributable to a derecognition of ¥271,018 million (\$1.68 billion) at the time of the physical settlement of a portion of the prepaid forward contracts using Alibaba shares in the first quarter. Moreover, in July 2024, the Company settled a portion of these contracts in physical form upon maturity. Accordingly, ¥185,553 million (\$1.15 billion) of Alibaba shares that were used for the settlement were reclassified at the first quarter-end from investment securities to assets classified as held for sale.</li> <li>· The carrying amount of T-Mobile shares increased by ¥146,491 million, with the balance at the first quarter-end being ¥2,422,318 million (\$15.04 billion). This mainly reflected an increase in the company's share price (Reference: the share price increased from \$163.22 per share as of March 31, 2024, to \$176.18 per share as of June 30, 2024), which contributed to the increase in the carrying amount, despite the Company selling 6.7 million T-Mobile shares due to a partial exercise of the call options on T-Mobile shares granted to Deutsche Telekom.</li> </ul> <p>In addition, the carrying amounts also increased for the following investment securities:</p> <ul style="list-style-type: none"> <li>· Shares of Wayve Technologies Ltd., due to additional investments made during the first quarter</li> <li>· Shares of Deutsche Telekom<sup>*2</sup> and NVIDIA Corporation, due to their higher share prices</li> <li>· Investments in asset management products by PayPay Bank Corporation, due to additional investments made during the first quarter</li> </ul> <p>The carrying amounts of these investment securities also reflected an increase caused by a 6.4% depreciation of the yen against the U.S. dollar in the foreign currency exchange rate used for translations at the first quarter-end.</p>

Note:

2. Includes the impact from the weaker euro against the U.S. dollar, as the shares of Deutsche Telekom are held by a U.S. subsidiary of the Company.

**Reference: Cash and cash equivalents by entity**

Consolidated cash and cash equivalents decreased by ¥687.9 billion from the previous fiscal year-end to ¥5,498.9 billion. For details, see “(3) Overview of Cash Flows.”

	(Millions of yen)		
	March 31, 2024	June 30, 2024	Change
<b>Investment Business of Holding</b>			
<b>Companies segment<sup>*1</sup></b>	3,359,514	<b>3,088,587</b>	(270,927)
SBG	2,198,869	<b>1,840,403</b>	(358,466)
Wholly owned subsidiaries conducting fund procurement	30,584	<b>314,129</b>	283,545
SB Northstar	794,508	<b>702,294</b>	(92,214)
Others	335,553	<b>231,761</b>	(103,792)
<b>SoftBank Vision Funds segment</b>	229,887	<b>134,118</b>	(95,769)
SVF1	65,748	<b>22,027</b>	(43,721)
SVF2	102,063	<b>43,031</b>	(59,032)
LatAm Funds	3,084	<b>4,038</b>	954
SBIA, SBGA, SBLA Advisers Corp.	58,992	<b>65,022</b>	6,030
<b>SoftBank segment</b>	1,992,873	<b>1,906,910</b>	(85,963)
SoftBank Corp.	482,763	<b>513,887</b>	31,124
LY Corporation	325,391	<b>402,553</b>	77,162
PayPay Corporation, PayPay Bank Corporation, <sup>*2</sup> PayPay Card Corporation	739,759	<b>527,419</b>	(212,340)
Others	444,960	<b>463,051</b>	18,091
<b>Arm segment</b>	291,127	<b>235,954</b>	(55,173)
Arm and its subsidiaries	291,127	<b>235,954</b>	(55,173)
<b>Others<sup>*1</sup></b>	313,473	<b>133,362</b>	(180,111)
<b>Total</b>	6,186,874	<b>5,498,931</b>	(687,943)

Notes:

\* The figures are after eliminations in consolidation.

1. From the fiscal year, items have been presented by reportable segment. A portion of the amounts previously included in “Others” at the bottom section of the table is now classified as “Others” in the Investment Business of Holding Companies segment.
2. Cash and cash equivalents of PayPay Bank Corporation at the first quarter-end were ¥308,580 million.

**(b) Liabilities**

	March 31, 2024	June 30, 2024	(Millions of yen) Change
Interest-bearing debt	8,271,143	<b>9,141,347</b>	870,204
Lease liabilities	149,801	<b>161,265</b>	11,464
Deposits for banking business	1,643,155	<b>1,690,318</b>	47,163
Trade and other payables	2,710,529	<b>2,575,338</b>	(135,191)
Derivative financial liabilities	195,090	<b>98,147</b>	(96,943) <b>A</b>
Other financial liabilities	31,801	<b>2,846</b>	(28,955)
Income taxes payable	163,226	<b>111,487</b>	(51,739)
Provisions	44,704	<b>38,233</b>	(6,471)
Other current liabilities	801,285	<b>590,772</b>	(210,513)
Liabilities directly relating to assets classified as held for sale	9,561	-	(9,561)
<b>Total current liabilities</b>	<b>14,020,295</b>	<b>14,409,753</b>	<b>389,458</b>
Interest-bearing debt	12,296,381	<b>11,579,897</b>	(716,484)
Lease liabilities	644,706	<b>717,419</b>	72,713
Third-party interests in SVF	4,694,503	<b>5,049,037</b>	354,534 <b>B</b>
Derivative financial liabilities	41,238	<b>51,093</b>	9,855
Other financial liabilities	57,017	<b>40,622</b>	(16,395)
Provisions	167,902	<b>125,783</b>	(42,119)
Deferred tax liabilities	1,253,039	<b>1,387,779</b>	134,740
Other non-current liabilities	311,993	<b>269,761</b>	(42,232)
<b>Total non-current liabilities</b>	<b>19,466,779</b>	<b>19,221,391</b>	<b>(245,388)</b>
<b>Total liabilities</b>	<b>33,487,074</b>	<b>33,631,144</b>	<b>144,070</b>

**Reasons for changes by primary component**

Components	Main reasons for changes from the previous fiscal year-end
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\*See “Reference” on the following page for a breakdown of interest-bearing debt.

Current liabilities

- A** Derivative financial liabilities
- Derivative financial liabilities decreased by ¥70,699 million (\$0.47 billion). This was due to the sale of 6.7 million T-Mobile shares as a partial exercise of call options on T-Mobile shares granted to Deutsche Telekom and the expiration of the remaining unexercised call options on June 22, 2024.
  - Derivative financial liabilities decreased by ¥20,822 million (\$0.14 billion) due to the cash settlement of a portion of the prepaid-forward contracts using T-Mobile shares.

Non-current liabilities

- B** Third-party interests in SVF
- The carrying amount increased primarily due to a 6.4% depreciation of the yen against the U.S. dollar in the foreign currency exchange rate used for translations at the first quarter-end. For details, see “(2) Third-party interests in SVF” under “4. SoftBank Vision Funds business” in “(7) Notes to Condensed Interim Consolidated Financial Statements” in “2. Condensed Interim Consolidated Financial Statements and Primary Notes.”



**Reference: Interest-bearing debt and lease liabilities (current and non-current)**

	(Millions of yen)		
	March 31, 2024	June 30, 2024	Change
<b>Investment Business of Holding</b>			
<b>Companies segment<sup>*1</sup></b>	14,265,108	<b>14,294,701</b>	29,593
<b>SBG</b>	6,796,406	<b>7,100,556</b>	304,150
Borrowings	462,977	<b>465,640</b>	2,663
Corporate bonds	6,147,578	<b>6,457,911</b>	310,333 <b>A</b>
Lease liabilities	9,351	<b>9,005</b>	(346)
Commercial paper	176,500	<b>168,000</b>	(8,500)
<b>Wholly owned subsidiaries conducting fund procurement<sup>*2</sup></b>	7,443,112	<b>7,166,957</b>	(276,155)
Borrowings	2,270,601	<b>2,381,090</b>	110,489
Financial liabilities relating to sale of shares by prepaid forward contracts	5,172,511	<b>4,785,867</b>	(386,644) <b>B</b>
<b>Other</b>	25,590	<b>27,188</b>	1,598
<b>SoftBank Vision Funds segment</b>	563,842	<b>599,483</b>	35,641
<b>SVF2</b>	547,894	<b>582,854</b>	34,960
Borrowings	547,894	<b>582,854</b>	34,960
<b>SBIA, SBGA, SBLA Advisers Corp.</b>	15,948	<b>16,629</b>	681
Lease liabilities	15,948	<b>16,629</b>	681
<b>SoftBank segment</b>	6,321,094	<b>6,642,013</b>	320,919
<b>SoftBank Corp.</b>	4,373,826	<b>4,637,029</b>	263,203
Borrowings	2,994,039	<b>3,200,477</b>	206,438
Corporate bonds	827,781	<b>907,624</b>	79,843
Lease liabilities	466,005	<b>468,428</b>	2,423
Commercial paper	86,001	<b>60,500</b>	(25,501)
<b>LY Corporation</b>	1,122,485	<b>1,162,329</b>	39,844
Borrowings	591,338	<b>633,839</b>	42,501
Corporate bonds	469,270	<b>469,337</b>	67
Lease liabilities	61,877	<b>59,153</b>	(2,724)
<b>PayPay Corporation, PayPay Bank Corporation,<sup>*3</sup> PayPay Card Corporation</b>	503,714	<b>414,455</b>	(89,259)
<b>Other</b>	321,069	<b>428,200</b>	107,131
<b>Arm segment</b>	34,630	<b>41,528</b>	6,898
<b>Arm and its subsidiaries</b>	34,630	<b>41,528</b>	6,898
Lease liabilities	34,630	<b>41,528</b>	6,898
<b>Others<sup>*1</sup></b>	177,357	<b>22,203</b>	(155,154)
Other interest-bearing debt	143,297	<b>17,956</b>	(125,341)
Lease liabilities	34,060	<b>4,247</b>	(29,813)
<b>Total</b>	21,362,031	<b>21,599,928</b>	237,897

**Notes:**

\* The figures are after eliminations in consolidation.

1. From the fiscal year, items have been presented by reportable segment. A portion of the amounts previously included in "Others" at the bottom section of the table is now classified as "Others" in the Investment Business of Holding Companies segment.
2. The interest-bearing debt of wholly owned subsidiaries engaged in fund procurement is nonrecourse to SBG.
3. Deposits for banking business of PayPay Bank Corporation are not included in interest-bearing debt.

**Reasons for changes from the previous fiscal year-end at core companies**

Components	Details
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**Investment Business of Holding Companies segment**
**SBG**

- A Corporate bonds**
- In the first quarter, domestic straight bonds with a face value of ¥650.0 billion were issued.
  - In the first quarter, domestic straight bonds with a face value of ¥450.0 billion were redeemed upon maturity.
  - The carrying amount of foreign currency-denominated straight bonds increased due to a 6.4% depreciation of the yen against the U.S. dollar in the foreign currency exchange rate used for translations at the first quarter-end.

**Wholly owned subsidiaries conducting fund procurement**

- B Financial liabilities relating to sale of shares by prepaid forward contracts**
- In the first quarter, financial liabilities relating to sale of shares by prepaid forward contracts of ¥359,413 million (\$2.23 billion) were derecognized at the time of the physical settlement of a portion of the prepaid forward contracts using Alibaba shares.
  - Financial liabilities relating to sale of shares by prepaid forward contracts decreased by ¥350,884 million (\$2.32 billion) due to the cash settlement of a portion of the prepaid forward contracts using T-Mobile shares in the first quarter.
  - The carrying amount includes increases due to a 6.4% depreciation of the yen against the U.S. dollar in the foreign currency exchange rate used for translations at the first quarter-end.

For details, see “(2) Transactions for sale of Alibaba shares by prepaid forward contracts” under “6. Interest-bearing debt” in “(7) Notes to Condensed Interim Consolidated Financial Statements” in “2. Condensed Interim Consolidated Financial Statements and Primary Notes.”

**(c) Equity**

	March 31, 2024	June 30, 2024	Change
			(Millions of yen)
Common stock	238,772	238,772	-
Capital surplus	3,326,093	3,362,697	36,604
Other equity instruments	193,199	193,199	-
Retained earnings	1,632,966	1,425,204	(207,762) <b>A</b>
Treasury stock	(22,725)	(22,463)	262
Accumulated other comprehensive income	5,793,820	6,919,798	1,125,978 <b>B</b>
Total equity attributable to owners of the parent	11,162,125	12,117,207	955,082
Non-controlling interests	2,075,044	2,085,823	10,779
<b>Total equity</b>	<b>13,237,169</b>	<b>14,203,030</b>	<b>965,861</b>

**Reasons for changes by primary component**

Components	Main reasons for changes from the previous fiscal year-end
<b>A Retained earnings</b>	Net loss of ¥174,281 million attributable to owners of the parent was recorded.
<b>B Accumulated other comprehensive income</b>	Exchange differences from the translation of foreign operations, which arose from translating foreign subsidiaries and associates into yen, increased by ¥1,119,701 million mainly due to the weaker yen against the U.S. dollar in the foreign currency exchange rate used for translations.

### (3) Overview of Cash Flows

#### 1. Cash flows from operating activities

Outlays for income taxes: ¥149.8 billion

#### 2. Cash flows from investing activities: ¥330.3 billion cash outflow (net)

- ◆ Payments totaling ¥358.3 billion were made for investment acquisitions, driven by the expansion of strategic investments by SBG and its wholly owned subsidiaries and an increase in investments in bonds and other asset management products by PayPay Bank.
- ◆ Proceeds of ¥179.9 billion from the sale and redemption of investments were primarily a result of the sale of 6.7 million T-Mobile shares in conjunction with the partial exercise of call options by Deutsche Telekom
- ◆ Monetization and investments continued at SVF
  - Payments for acquisition of investments by SVF: ¥93.4 billion
  - Proceeds from sales of investments by SVF: ¥112.2 billion
- ◆ Outlays of ¥199.7 billion for the purchase of property, plant and equipment and intangible assets due to capital expenditure mainly at SoftBank

#### 3. Cash flows from financing activities: ¥543.8 billion cash outflow (net)

- ◆ Bonds refinances were made at SBG and distributions and repayments to third-party investors were made at SVF1
  - Proceeds from interest-bearing debt: ¥1,252.9 billion
    - Main proceeds at SBG: ¥771.7 billion  
(from issuance of domestic straight bonds of ¥650.0 billion and short-term borrowings of ¥121.7 billion)
  - Repayment of interest-bearing debt: ¥1,211.4 billion
    - Main outlays at SBG: ¥571.3 billion  
(for redemption and repurchase of bonds totaling ¥452.2 billion, including redemption of domestic straight bonds of ¥450.0 billion upon maturity, and repayment of short-term borrowings of ¥119.2 billion)
    - Outlays at wholly owned subsidiaries conducting fund procurement: ¥373.7 billion  
(for settlement of the prepaid forward contracts using T-Mobile shares in cash, etc.)
  - Distributions and repayments to third-party investors at SVF: ¥151.8 billion

#### 4. Balance of cash and cash equivalents at the first quarter-end and its changes

- ◆ The balance of cash and cash equivalents stood at ¥5,498.9 billion at the first quarter-end, a decrease of ¥687.9 billion from the previous fiscal year-end. This was the result of cash flows from operating, investing, and financing activities, together with a ¥229.2 billion effect of exchange rate changes on cash and cash equivalents, etc. due to the weaker yen.

### SIGNIFICANT NON-CASH TRANSACTION

During the first quarter, the Company settled a portion of the prepaid forward contracts using Alibaba shares in physical form. This was a non-cash transaction; therefore, it had no impact on the consolidated cash flows. For details, see “15. Supplemental information to the condensed interim consolidated statement of cash flows” under “(7) Notes to Condensed Interim Consolidated Financial Statements” in “2. Condensed Interim Consolidated Financial Statements and Primary Notes.”

(Millions of yen)

	Three months ended June 30		Change
	2023	2024	
Cash flows from operating activities	(172,574)	<b>(43,005)</b>	129,569
Cash flows from investing activities	(307,791)	<b>(330,293)</b>	(22,502)
Cash flows from financing activities	529,565	<b>(543,837)</b>	(1,073,402)
Effect of exchange rate changes on cash and cash equivalents, etc.	341,794	<b>229,192</b>	(112,602)
Increase (decrease) in cash and cash equivalents	390,994	<b>(687,943)</b>	(1,078,937)
Cash and cash equivalents at the beginning of the period	6,925,153	<b>6,186,874</b>	(738,279)
Cash and cash equivalents at the end of the period	7,316,147	<b>5,498,931</b>	(1,817,216)

### (a) Cash Flows from Operating Activities

Cash flows from operating activities resulted in a net outflow of ¥43,005 million. This was due to outlays for income taxes amounting to ¥149,759 million and the acquisition of corporate bonds (primarily those of investment grades with short time to maturity) by SB Northstar for the purpose of investing surplus funds.

### (b) Cash Flows from Investing Activities

#### Primary components

Components	Primary details
Payments for acquisition of investments ¥(358,316) million	<ul style="list-style-type: none"> <li>· SBG and its wholly owned subsidiaries acquired mainly strategic investments for ¥193,157 million.</li> <li>· PayPay Bank Corporation acquired bonds and other asset management products for ¥101,153 million.</li> </ul>
Proceeds from sales/redemption of investments ¥179,889 million	The Company sold 6.7 million T-Mobile shares due to a partial exercise of the call options on T-Mobile shares granted to Deutsche Telekom.
Payments for acquisition of investments by SVF ¥(93,420) million	SVF invested \$0.60 billion in total.
Proceeds from sales of investments by SVF ¥112,159 million	SVF sold investments for a total of \$0.72 billion.
Purchase of property, plant and equipment, and intangible assets ¥(199,727) million	SoftBank Corp. purchased property, plant and equipment, such as telecommunications equipment, and intangible assets, such as software.

### (c) Cash Flows from Financing Activities

#### Primary components

Components	Primary details
Repayment of short-term interest-bearing debt, net ¥(9,862) million <sup>*1</sup> (Proceeds and payments for interest-bearing debt (current liabilities) with quick turnover and short maturities)	<ul style="list-style-type: none"> <li>· Short-term borrowings increased by ¥99,919 million (net) at SoftBank Corp.</li> <li>· Short-term borrowings and commercial paper decreased by ¥97,780 million (net) at LY Corporation and its subsidiaries.</li> </ul>
Proceeds from interest-bearing debt (total of A and B below) ¥1,252,882 million	
A Proceeds from borrowings ¥522,882 million <sup>*2</sup>	<ul style="list-style-type: none"> <li>· SBG made short-term borrowings of ¥121,670 million.</li> <li>· SoftBank Corp. procured ¥289,020 million, primarily through the securitization of installment sales receivable and sale-leaseback transactions.</li> </ul>
B Proceeds from issuance of corporate bonds ¥730,000 million	<ul style="list-style-type: none"> <li>· SBG issued domestic straight bonds totaling ¥100,000 million for the wholesale market and ¥550,000 million for the retail market.</li> <li>· SoftBank Corp. issued domestic straight bonds totaling ¥80,000 million.</li> </ul> All of the above amounts are stated at face values.
Repayment of interest-bearing debt (total of A through C below) ¥(1,211,424) million	
A Repayment of borrowings ¥(385,615) million <sup>*2</sup>	<ul style="list-style-type: none"> <li>· SBG repaid short-term borrowings of ¥119,156 million.</li> <li>· SoftBank Corp. repaid ¥183,527 million in borrowings made primarily through the securitization of installment sales receivable and sale-leaseback transactions. It also redeemed ¥25,500 million in commercial paper.</li> </ul>
B Redemption of corporate bonds ¥(452,159) million	SBG redeemed domestic straight bonds of ¥450,000 million (face value) upon maturity.
C Payments for settlement of financial liabilities relating to sale of shares by prepaid forward contracts ¥(373,650) million	A wholly owned subsidiary conducting fund procurement paid ¥410,160 million (\$2.62 billion) to settle a portion of the prepaid forward contracts using T-Mobile shares in cash. Of this amount, ¥363,319 million (\$2.32 billion), corresponding to the settlement of financial liabilities relating to sale of shares by prepaid forward contracts, is included in this item. The remaining ¥46,841 million (\$0.3 billion), corresponding to the settlement of derivative financial liabilities, is included in "Other" of Cash flows from financing activities.
Distribution/repayment from SVF to third-party investors ¥(151,781) million	SVF1 made distributions and repayments to third-party investors.

Components	Primary details
Cash dividends paid ¥(31,632) million	SBG paid dividends.
Cash dividends paid to non-controlling interests ¥(143,711) million	SoftBank Corp., LY Corporation, and other subsidiaries paid dividends to non-controlling interests.

Notes:

1. “Repayment of short-term interest-bearing debt, net” represents cash flows from financing activities that meet the requirement of “Reporting cash flows on a net basis” under IFRSs.
2. “Proceeds from borrowings” and “Repayment of borrowings” include proceeds of ¥161,490 million and outlays of ¥192,654 million related to borrowings with a contracted term of one year or less.

#### (4) Forecasts

The Company does not provide forecasts of consolidated results of operations as they are difficult to project due to numerous uncertainties affecting earnings.

#### Notes to “1. Results of Operations”

- 1 Interest expenses of SBG include interest expenses of its wholly owned subsidiaries conducting fund procurement.
- 2 Includes share exchanges, acquisitions, and disposals as a result of restructuring of portfolio companies
- 3 After deducting transaction fees, etc.
- 4 Drawn capital of SVF1 excludes the amount repaid to limited partners due to investment plan changes and other reasons after the capital was drawn.

## 2. Condensed Interim Consolidated Financial Statements and Primary Notes

### (1) Condensed Interim Consolidated Statement of Financial Position

	(Millions of yen)	
	As of March 31, 2024	As of June 30, 2024
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	6,186,874	5,498,931
Trade and other receivables	2,868,767	2,731,008
Derivative financial assets	852,350	1,031,144
Other financial assets	777,996	1,011,640
Inventories	161,863	185,234
Other current assets	550,984	712,765
Subtotal	11,398,834	11,170,722
Assets classified as held for sale	42,559	188,232
Total current assets	11,441,393	11,358,954
<b>Non-current assets</b>		
Property, plant and equipment	1,895,289	1,964,027
Right-of-use assets	746,903	834,487
Goodwill	5,709,874	5,940,610
Intangible assets	2,448,840	2,427,117
Costs to obtain contracts	317,650	326,119
Investments accounted for using the equity method	839,208	700,810
Investments from SVF (FVTPL)	11,014,487	11,747,933
Investment securities	9,061,972	9,378,705
Derivative financial assets	385,528	268,513
Other financial assets	2,424,282	2,483,330
Deferred tax assets	245,954	195,672
Other non-current assets	192,863	207,897
Total non-current assets	35,282,850	36,475,220
<b>Total assets</b>	46,724,243	47,834,174

	(Millions of yen)	
	As of March 31, 2024	As of June 30, 2024
<b>Liabilities and equity</b>		
<b>Current liabilities</b>		
Interest-bearing debt	8,271,143	9,141,347
Lease liabilities	149,801	161,265
Deposits for banking business	1,643,155	1,690,318
Trade and other payables	2,710,529	2,575,338
Derivative financial liabilities	195,090	98,147
Other financial liabilities	31,801	2,846
Income taxes payable	163,226	111,487
Provisions	44,704	38,233
Other current liabilities	801,285	590,772
Subtotal	<u>14,010,734</u>	<u>14,409,753</u>
Liabilities directly relating to assets classified as held for sale	9,561	-
Total current liabilities	<u>14,020,295</u>	<u>14,409,753</u>
<b>Non-current liabilities</b>		
Interest-bearing debt	12,296,381	11,579,897
Lease liabilities	644,706	717,419
Third-party interests in SVF	4,694,503	5,049,037
Derivative financial liabilities	41,238	51,093
Other financial liabilities	57,017	40,622
Provisions	167,902	125,783
Deferred tax liabilities	1,253,039	1,387,779
Other non-current liabilities	311,993	269,761
Total non-current liabilities	<u>19,466,779</u>	<u>19,221,391</u>
<b>Total liabilities</b>	<u>33,487,074</u>	<u>33,631,144</u>
<b>Equity</b>		
<b>Equity attributable to owners of the parent</b>		
Common stock	238,772	238,772
Capital surplus	3,326,093	3,362,697
Other equity instruments	193,199	193,199
Retained earnings	1,632,966	1,425,204
Treasury stock	(22,725)	(22,463)
Accumulated other comprehensive income	5,793,820	6,919,798
Total equity attributable to owners of the parent	<u>11,162,125</u>	<u>12,117,207</u>
<b>Non-controlling interests</b>	<u>2,075,044</u>	<u>2,085,823</u>
<b>Total equity</b>	<u>13,237,169</u>	<u>14,203,030</u>
<b>Total liabilities and equity</b>	<u><u>46,724,243</u></u>	<u><u>47,834,174</u></u>



**(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, 2023	Three-month period ended June 30, 2024
<b>Net sales</b>	1,557,507	1,701,747
Cost of sales	(725,432)	(781,126)
<b>Gross profit</b>	832,075	920,621
<b>Gain on investments</b>		
Gain (loss) on investments at Investment Business of Holding Companies	(689,697)	567,933
Gain (loss) on investments at SoftBank Vision Funds	(13,043)	32,386
Gain (loss) on other investments	3,783	(40,607)
<b>Total gain on investments</b>	(698,957)	559,712
Selling, general and administrative expenses	(648,080)	(719,686)
Finance cost	(139,601)	(137,604)
Foreign exchange loss	(464,642)	(443,907)
Derivative gain (excluding gain (loss) on investments)	849,629	60,504
Change in third-party interests in SVF	(58,081)	(205,254)
Other gain	151,463	191,312
<b>Income before income tax</b>	(176,194)	225,698
Income taxes	(140,000)	(215,233)
<b>Net income</b>	(316,194)	10,465
<b>Net income attributable to</b>		
Owners of the parent	(477,616)	(174,281)
Non-controlling interests	161,422	184,746
<b>Net income</b>	(316,194)	10,465
<b>Earnings per share</b>		
Basic earnings per share (Yen)	(332.75)	(122.35)
Diluted earnings per share (Yen)	(333.97)	(123.67)

Condensed Interim Consolidated Statement of Comprehensive Income

	(Millions of yen)	
	Three-month period ended June 30, 2023	Three-month period ended June 30, 2024
<b>Net income</b>	(316,194)	10,465
<b>Other comprehensive income, net of tax</b>		
<b>Items that will not be reclassified to profit or loss</b>		
Equity financial assets at FVTOCI	8,306	(945)
Total items that will not be reclassified to profit or loss	8,306	(945)
<b>Items that may be reclassified subsequently to profit or loss</b>		
Debt financial assets at FVTOCI	268	(700)
Cash flow hedges	(5,807)	5,231
Exchange differences on translating foreign operations	1,252,844	1,122,625
Share of other comprehensive income of associates	(3,555)	(534)
Total items that may be reclassified subsequently to profit or loss	1,243,750	1,126,622
<b>Total other comprehensive income, net of tax</b>	1,252,056	1,125,677
<b>Total comprehensive income</b>	935,862	1,136,142
<b>Total comprehensive income attributable to</b>		
Owners of the parent	779,754	950,484
Non-controlling interests	156,108	185,658
<b>Total comprehensive income</b>	935,862	1,136,142

### (3) Condensed Interim Consolidated Statement of Changes in Equity

For the three-month period ended June 30, 2023

(Millions of yen)

	Equity attributable to owners of the parent						Total
	Common stock	Capital surplus	Other equity instruments	Retained earnings	Treasury stock	Accumulated other comprehensive income	
<b>As of April 1, 2023</b>	238,772	2,652,790	414,055	2,006,238	(38,791)	3,756,785	9,029,849
<b>Comprehensive income</b>							
Net income	-	-	-	(477,616)	-	-	(477,616)
Other comprehensive income	-	-	-	-	-	1,257,370	1,257,370
<b>Total comprehensive income</b>	-	-	-	(477,616)	-	1,257,370	779,754
<b>Transactions with owners and other transactions</b>							
Cash dividends	-	-	-	(32,187)	-	-	(32,187)
Transfer of accumulated other comprehensive income to retained earnings	-	-	-	(1,059)	-	1,059	-
Purchase and disposal of treasury stock	-	322	-	-	5,536	-	5,858
Changes from loss of control	-	-	-	-	-	-	-
Changes in interests in subsidiaries	-	3,192	-	-	-	-	3,192
Changes in interests in associates' capital surplus	-	(91)	-	-	-	-	(91)
Share-based payment transactions	-	(887)	-	-	-	-	(887)
Other	-	-	-	-	-	-	-
<b>Total transactions with owners and other transactions</b>	-	2,536	-	(33,246)	5,536	1,059	(24,115)
<b>As of June 30, 2023</b>	<u>238,772</u>	<u>2,655,326</u>	<u>414,055</u>	<u>1,495,376</u>	<u>(33,255)</u>	<u>5,015,214</u>	<u>9,785,488</u>

(Millions of yen)

	Non- controlling interests	Total equity
<b>As of April 1, 2023</b>	1,619,366	10,649,215
<b>Comprehensive income</b>		
Net income	161,422	(316,194)
Other comprehensive income	(5,314)	1,252,056
<b>Total comprehensive income</b>	156,108	935,862
<b>Transactions with owners and other transactions</b>		
Cash dividends	(143,357)	(175,544)
Transfer of accumulated other comprehensive income to retained earnings	-	-
Purchase and disposal of treasury stock	-	5,858
Changes from loss of control	(6,297)	(6,297)
Changes in interests in subsidiaries	13,905	17,097
Changes in interests in associates' capital surplus	-	(91)
Share-based payment transactions	23,144	22,257
Other	1,401	1,401
<b>Total transactions with owners and other transactions</b>	(111,204)	(135,319)
<b>As of June 30, 2023</b>	<u>1,664,270</u>	<u>11,449,758</u>

For the three-month period ended June 30, 2024

(Millions of yen)

	Equity attributable to owners of the parent						Total
	Common stock	Capital surplus	Other equity instruments	Retained earnings	Treasury stock	Accumulated other comprehensive income	
<b>As of April 1, 2024</b>	238,772	3,326,093	193,199	1,632,966	(22,725)	5,793,820	11,162,125
<b>Comprehensive income</b>							
Net income	-	-	-	(174,281)	-	-	(174,281)
Other comprehensive income	-	-	-	-	-	1,124,765	1,124,765
<b>Total comprehensive income</b>	-	-	-	(174,281)	-	1,124,765	950,484
<b>Transactions with owners and other transactions</b>							
Cash dividends	-	-	-	(32,250)	-	-	(32,250)
Transfer of accumulated other comprehensive income to retained earnings	-	-	-	(1,213)	-	1,213	-
Purchase and disposal of treasury stock	-	-	-	(18)	262	-	244
Changes from loss of control	-	-	-	-	-	-	-
Changes in interests in subsidiaries	-	34,633	-	-	-	-	34,633
Share-based payment transactions	-	6	-	-	-	-	6
Other	-	1,965	-	-	-	-	1,965
<b>Total transactions with owners and other transactions</b>	-	36,604	-	(33,481)	262	1,213	4,598
<b>As of June 30, 2024</b>	<u>238,772</u>	<u>3,362,697</u>	<u>193,199</u>	<u>1,425,204</u>	<u>(22,463)</u>	<u>6,919,798</u>	<u>12,117,207</u>

(Millions of yen)

	Non- controlling interests	Total equity
<b>As of April 1, 2024</b>	2,075,044	13,237,169
<b>Comprehensive income</b>		
Net income	184,746	10,465
Other comprehensive income	912	1,125,677
<b>Total comprehensive income</b>	185,658	1,136,142
<b>Transactions with owners and other transactions</b>		
Cash dividends	(145,548)	(177,798)
Transfer of accumulated other comprehensive income to retained earnings	-	-
Purchase and disposal of treasury stock	-	244
Changes from loss of control	(20,632)	(20,632)
Changes in interests in subsidiaries	(554)	34,079
Share-based payment transactions	(5,748)	(5,742)
Other	(2,397)	(432)
<b>Total transactions with owners and other transactions</b>	(174,879)	(170,281)
<b>As of June 30, 2024</b>	<u>2,085,823</u>	<u>14,203,030</u>

**(4) Condensed Interim Consolidated Statement of Cash Flows**

	(Millions of yen)	
	Three-month period ended June 30, 2023	Three-month period ended June 30, 2024
<b>Cash flows from operating activities</b>		
Net income	(316,194)	10,465
Depreciation and amortization	209,860	212,024
Loss (gain) on investments at Investment Business of Holding Companies	691,665	(564,441)
Loss (gain) on investments at SoftBank Vision Funds	13,043	(32,386)
Finance cost	139,601	137,604
Foreign exchange loss	464,642	443,907
Derivative gain (excluding (gain) loss on investments)	(849,629)	(60,504)
Change in third-party interests in SVF	58,081	205,254
(Gain) loss on other investments and other gain	(155,246)	(150,705)
Income taxes	140,000	215,233
Decrease (increase) in investments from asset management subsidiaries	1,756	(120,008)
Decrease in trade and other receivables	123,162	87,855
Decrease (increase) in inventories	2,631	(27,518)
Decrease in trade and other payables	(185,794)	(138,780)
Other	(26,110)	(108,754)
Subtotal	311,468	109,246
Interest and dividends received	46,008	60,112
Interest paid	(108,342)	(106,008)
Income taxes paid	(437,878)	(149,759)
Income taxes refunded	16,170	43,404
Net cash used in operating activities	(172,574)	(43,005)

	(Millions of yen)	
	Three-month period ended June 30, 2023	Three-month period ended June 30, 2024
<b>Cash flows from investing activities</b>		
Payments for acquisition of investments	(212,528)	(358,316)
Proceeds from sales/redemption of investments	35,920	179,889
Payments for acquisition of investments by SVF	(123,916)	(93,420)
Proceeds from sales of investments by SVF	134,853	112,159
Proceeds from loss of control over subsidiaries	93,206	117,203
Purchase of property, plant and equipment, and intangible assets	(191,183)	(199,727)
Payments for loan receivables	(47,926)	(3,352)
Collection of loan receivables	49,486	17,669
Payments into time deposits	(23,903)	(16,818)
Proceeds from withdrawal of time deposits	3,048	11,787
Other	(24,848)	(97,367)
Net cash used in investing activities	(307,791)	(330,293)
<b>Cash flows from financing activities</b>		
Proceeds in (repayment of) short-term interest-bearing debt, net	55,328	(9,862)
Proceeds from interest-bearing debt	1,439,028	1,252,882
Repayment of interest-bearing debt	(639,809)	(1,211,424)
Repayment of lease liabilities	(60,984)	(49,655)
Distribution/repayment from SVF to third-party investors	(118,091)	(151,781)
Purchase of treasury stock	(2)	(2)
Cash dividends paid	(31,423)	(31,632)
Cash dividends paid to non-controlling interests	(140,535)	(143,711)
Other	26,053	(198,652)
Net cash provided by (used in) financing activities	529,565	(543,837)
<b>Effect of exchange rate changes on cash and cash equivalents</b>	341,794	196,181
<b>Increase in cash and cash equivalents relating to transfer of assets classified as held for sale</b>	-	33,011
<b>Increase (decrease) in cash and cash equivalents</b>	390,994	(687,943)
<b>Cash and cash equivalents at the beginning of the period</b>	6,925,153	6,186,874
<b>Cash and cash equivalents at the end of the period</b>	7,316,147	5,498,931



## (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 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
Arm	Arm Holdings plc or Arm Limited*
Fortress	Fortress Investment Group LLC
WeWork	WeWork Inc.
T-Mobile	T-Mobile US, Inc.
Alibaba	Alibaba Group Holding Limited
MgmtCo	MASA USA LLC

Note:

\* 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.

## (6) Significant Doubt about Going Concern Assumption

There are no applicable items.

## (7) Notes to Condensed Interim Consolidated Financial Statements

### 1. Changes in presentation

(Condensed interim consolidated statement of cash flows)

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” and they are presented on a net basis and included in “Proceeds in (repayment of) short-term interest-bearing debt, net” under cash flows from financing activities for the three-month period ended June 30, 2024.

In order to reflect the change in presentation, for the three-month period ended June 30, 2023, “Proceeds from interest-bearing debt” of ¥162,200 million and “Repayment of interest-bearing debt” of ¥(155,000) million under cash flows from financing activities are reclassified as “Proceeds in (repayment of) short-term interest-bearing debt, net” of ¥7,200 million under cash flows from financing activities.

### 2. 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, 2024. In addition, income taxes for the three-month period ended June 30, 2024, are calculated based on the estimated effective tax rate for the fiscal year.

Material accounting policies for the SoftBank Vision Funds segment are consistent with the accounting policies applied to the consolidated financial statements for the fiscal year ended March 31, 2024. The details are described as follows.

(Material accounting policies for the SoftBank Vision Funds segment)

For SVF1, SVF2, and LatAm Funds, the Company applies the following accounting policies.

#### (1) 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 June 30, 2024, 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.

(2) 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 condensed interim 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 condensed interim 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 condensed interim 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 condensed interim 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 condensed interim 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 condensed interim consolidated statement of financial position and the condensed interim consolidated statement of cash flows is the same as the above “b. Investments in associates and joint ventures.”

(3) 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 condensed interim 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 June 30, 2024, the Company has recognized receivables from Third-Party Investor. The receivables are included in “Other financial assets (non-current)” in the condensed interim 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 condensed interim 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 condensed interim 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 condensed interim 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 June 30, 2024.

Uncalled committed capital from Third-Party Investors is not subject to IFRS 9 “Financial Instruments,” and, therefore, such amount is not recorded in the condensed interim consolidated statement of financial position.

b. Contribution from the Company

Contributions to SVF1, SVF2, and LatAm Funds from the Company are eliminated in consolidation.

### 3. Segment information

#### (1) Description of reportable segments

The Company's reportable segments are components of business activities for which discrete financial information is available, and such information is regularly reviewed by the Company's Board of Directors in order to make decisions about the allocation of resources and assess its performance.

The Company has four reportable segments, the Investment Business of Holding Companies segment, the SoftBank Vision Funds segment, the SoftBank segment, and the Arm segment.

The Investment Business of Holding Companies segment conducts, mainly through SoftBank Group Corp. as a strategic investment holding company, investment activities in a wide range of sectors in Japan and overseas directly or through subsidiaries of the Company. The Investment Business of Holding Companies segment consists of SoftBank Group Corp., SoftBank Group Capital Limited, SoftBank Group Japan Corporation, SoftBank Group Overseas GK, SB Northstar that is an asset management subsidiary, and certain subsidiaries of the Company that conduct investment or funding. Gain and loss on investments at Investment Business of Holding Companies consist of gain and loss arising from investments held directly by SoftBank Group Corp. or through subsidiaries of the Company. However, gain and loss on investments relating to investments in subsidiaries, including dividend income from subsidiaries and impairment loss on investments in subsidiaries, are excluded.

The SoftBank Vision Funds segment conducts, mainly through SVF1, SVF2, and LatAm Funds, investment activities in a wide range of technology sectors. Primarily, gain and loss on investments at SVF1, SVF2, LatAm Funds, and others consist of gain and loss arising from investments held by SVF1, SVF2, and LatAm Funds including the investment in the Company's subsidiary.

The SoftBank segment provides, mainly through SoftBank Corp., mobile services, sale of mobile devices, broadband services, and solution services in Japan, through LY Corporation, media, advertising and commerce related services, and through PayPay Corporation, payment and financial services.

The Arm segment provides, through Arm, designs of microprocessor intellectual property and related technology, sale of software tools, and related services.

Information on business segments, that is not included in the reportable segments, is classified as "Other." "Other" includes mainly Fortress\* and the Fukuoka SoftBank HAWKS-related operations.

"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.

Note:

\* For the three-month period ended June 30, 2024, 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 in the condensed interim 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 “Notes 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 4. 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 three-month period ended June 30, 2023

(Millions of yen)

	Reportable segments			
	Investment Business of Holding Companies	SoftBank Vision Funds	SoftBank	Arm
Net sales				
Customers	-	-	1,429,118	88,502
Intersegment	-	-	949	-
Total	-	-	1,430,067	88,502
Segment income	(394,540)	61,041	254,987	(9,508)
Depreciation and amortization	(790)	(492)	(181,576)	(22,213)
Gain (loss) on investments	(689,697)	159,773	2,217	86
Finance cost	(97,256)	(23,628)	(16,140)	(314)
Foreign exchange gain (loss)	(466,107)	(75)	(241)	1,153
Derivative gain (excluding gain (loss) on investments)	848,775	-	824	30
	Total	Other	Reconciliations	Consolidated
Net sales				
Customers	1,517,620	39,887	-	1,557,507
Intersegment	949	4,015	(4,964)	-
Total	1,518,569	43,902	(4,964)	1,557,507
Segment income	(88,020)	88,962	(177,136)	(176,194)
Depreciation and amortization	(205,071)	(4,789)	-	(209,860)
Gain (loss) on investments	(527,621)	1,480	(172,816)	(698,957)
Finance cost	(137,338)	(3,613)	1,350	(139,601)
Foreign exchange gain (loss)	(465,270)	628	-	(464,642)
Derivative gain (excluding gain (loss) on investments)	849,629	-	-	849,629



For the three-month period ended June 30, 2024

(Millions of yen)

	Reportable segments			
	Investment Business of Holding Companies	SoftBank Vision Funds*	SoftBank	Arm
Net sales				
Customers	-	-	1,535,007	147,003
Intersegment	-	-	635	-
Total	-	-	1,535,642	147,003
Segment income	37,969	(204,301)	279,915	10,160
Depreciation and amortization	(753)	(604)	(182,318)	(25,600)
Gain (loss) on investments	567,933	1,911	(10,110)	72
Finance cost	(136,075)	(10,524)	(20,636)	(500)
Foreign exchange gain (loss)	(442,568)	199	45	154
Derivative gain (excluding gain (loss) on investments)	58,778	-	1,726	-
	Total	Other	Reconciliations	Consolidated
Net sales				
Customers	1,682,010	19,737	-	1,701,747
Intersegment	635	2,585	(3,220)	-
Total	1,682,645	22,322	(3,220)	1,701,747
Segment income	123,743	44,787	57,168	225,698
Depreciation and amortization	(209,275)	(2,749)	-	(212,024)
Gain (loss) on investments	559,806	(27,146)	27,052	559,712
Finance cost	(167,735)	(483)	30,614	(137,604)
Foreign exchange gain (loss)	(442,170)	(1,737)	-	(443,907)
Derivative gain (excluding gain (loss) on investments)	60,504	-	-	60,504

Note:

\* 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 condensed interim consolidated statement of profit or loss are described in “(1) Income and loss arising from the SoftBank Vision Funds business” under “Note 4. SoftBank Vision Funds business.”

#### 4. 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 after deducting management fees, performance-linked management fees, and performance fees, as applicable, that SBIA receives from SVF1, and that SBGA receives from 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)	
	Three-month period ended June 30, 2023	Three-month period ended June 30, 2024
Gain on investments at SoftBank Vision Funds		
Gain on investments at SVF1, SVF2, and LatAm Funds		
Realized loss on investments <sup>*1,2,3</sup>	(68,179)	(1,259,047)
Unrealized gain on valuation of investments		
Change in valuation for the fiscal year <sup>*4</sup>	120,887	(22,679)
Reclassified to realized loss recorded in the past fiscal years <sup>*3,5</sup>	91,350	1,048,485
Interest and dividend income from investments	1,491	5,579
Derivative gain on investments	2,453	1,767
Effect of foreign exchange translation <sup>*3,6</sup>	(13,299)	241,807
Subtotal	134,703	15,912
Gain (loss) on other investments	25,070	(14,001)
Total gain on investments at SoftBank Vision Funds	159,773	1,911
Selling, general and administrative expenses	(18,299)	(19,190)
Finance cost (interest expenses)	(23,628)	(10,524)
Change in third-party interests in SVF	(58,081)	(205,254)
Other gain <sup>*7</sup>	1,276	28,756
Segment income arising from the SoftBank Vision Funds business (income before income tax)	61,041	(204,301)

Notes:

1. The amount of realized gain and loss on investments is the exit price net of the investment cost. In addition to the realized gain and loss on sales by cash consideration, the realized gain and loss by disposals as a result of share exchange and restructuring of portfolio companies are included.
2. In August 2023, SVF1 sold Arm shares for \$16.1 billion (the “Transaction Consideration”) to a wholly-owned subsidiary of the Company (the “Transaction”). In relation to the Transaction, the proceeds of the sale will be paid in four installments, with the first installment having been paid upon completion of the Transaction, with the remaining three installments to be paid over a two-year period through August 2025. At the date of sale, “Realized gain 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 on investments.” As a result of the Transaction, for the three-month period ended June 30, 2024, ¥25,136 million of the realized gain is included in “Gain on investments at SoftBank Vision Funds” in the above-mentioned segment income. However, these are eliminated in consolidation due to inter-company transactions relating to shares of a subsidiary.
3. On May 30, 2024, the Bankruptcy court entered an order approving the reorganization plan of WeWork. On June 11, 2024 (the Emergence Date), 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 three-month period ended June 30, 2024, ¥1,050,033 million of the realized loss, ¥848,458 million of the unrealized gain on valuation (reclassified to realized loss recorded in the past fiscal years), and ¥201,994 million 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. The Company transferred WeWork shares to SVF2 in August 2021. Investment gain and loss on the shares recorded until the transfer is described in “Notes 2” in “(1) Gain and loss on investments at Investment Business of Holding Companies” under “Note 10. Gain on investments.”
4. For the three-month period ended June 30, 2024, ¥55,867 million 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 on valuation of investments) in the above-mentioned segment income. However, the unrealized loss on valuation is eliminated in consolidation.

The unrealized gain and loss on valuation, that are eliminated in consolidation, are not included in “Gain on investments at SoftBank Vision Funds” in the condensed interim consolidated statement of profit or loss.

5. It represents the unrealized gain and loss on valuation of investments recorded as “Gain on investments at SoftBank Vision Funds” in the past fiscal years, which are reclassified to “Realized loss on investments” due to the realization for the three-month period ended June 30, 2024.
6. Unrealized gain and loss on valuation of investments are translated using the average exchange rate for the quarter in which the gain and loss were recognized, while realized gain and loss on investments are translated using the average exchange rate for the quarter in which the shares were disposed. “Effect of foreign exchange translation” arises from the different foreign currency exchange rates used for unrealized gain and loss on valuation and realized gain and loss.
7. Following WeWork’s emergence from Chapter 11 on June 11, 2024, given the approved plan of reorganization, 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 on the Junior TLC facility were converted into new WeWork equity as described above. In addition, the collectability of the remaining loan receivables was reassessed. As a result, since the carrying amounts (recoverable amounts) of such loan receivables in the consolidated statement of financial position as of March 31, 2024, were zero, for the three-month period ended June 30, 2024, ¥22,569 million 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 “(Co-investment program with restricted rights to receive distributions)” under “Note 16. Related party transactions.” There are no Third-Party Investors who contributed to Preferred Equity in SVF2 and LatAm Funds.

In the following table, 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, 2024	4,680,417		
Changes in third-party interests	210,545	(210,545)	-
Attributable to investors entitled to fixed distribution	34,953		
Attributable to investors entitled to performance-based distribution	175,592		
Distribution/repayment to Third-Party Investors	(151,781)	-	(151,781)
Exchange differences on translating third-party interests*	300,316	-	-
As of June 30, 2024	<u>5,039,497</u>		

Note:

\* Exchange differences were included in “Exchange differences on translating foreign operations” in the condensed interim consolidated statement of comprehensive income.

## (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 condensed interim consolidated statement of financial position) as of March 31, 2024 and June 30, 2024. There are no changes in interests attributable to Third-Party Investor in SVF2 for the three-month period ended June 30, 2024. 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 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 16. 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	3,220
Exchange differences on receivables	28,735
As of June 30, 2024	480,886

## (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 condensed interim 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 condensed interim 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	(5,291)	5,291	-
Exchange differences on translating third-party interests*	745	-	-
As of June 30, 2024	9,540		

Note:

\* Exchange differences were included in “Exchange differences on translating foreign operations” in the condensed interim 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 condensed interim consolidated statement of financial position) are as follows: The details of the receivables from Third-Party Investor in LatAm Funds are described in “(2) Transactions between LatAm Funds and related parties” in “(Co-investment program with restricted rights to receive distributions)” under “Note 16. 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	757
Exchange differences on receivables	6,739
As of June 30, 2024	112,774

c. Uncalled committed capital from Third-Party Investors

Uncalled committed capital from SVF1’s Third-Party Investors as of June 30, 2024 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 June 30, 2024, 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 June 30, 2024, neither performance fees nor performance-linked management fees were paid to SBGA.



## 5. Disposal group classified as held for sale

In July 2024, certain prepaid forward contracts matured and were settled by Alibaba shares. As a result, \$1.7 billion of the current portion of financial liabilities relating to sale of shares by prepaid forward contracts was derecognized on the settlement date.

As of June 30, 2024, ¥185,553 million of Alibaba shares used for the settlement were transferred from “Investment securities” to “Assets classified as held for sale” in the condensed interim consolidated statement of financial position.

## 6. 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, 2024	As of June 30, 2024
Current		
Short-term borrowings	1,100,158	1,152,305
Commercial paper	363,501	270,500
Current portion of long-term borrowings	1,787,792	1,871,801
Current portion of corporate bonds	824,791	1,060,723
Current portion of financial liabilities relating to sale of shares by prepaid forward contracts <sup>*1,2</sup>	4,194,733	4,785,866
Current portion of installment payables	168	152
Total	8,271,143	9,141,347
Non-current		
Long-term borrowings	4,698,657	4,805,665
Corporate bonds	6,619,839	6,774,150
Financial liabilities relating to sale of shares by prepaid forward contracts <sup>*2</sup>	977,778	-
Installment payables	107	82
Total	12,296,381	11,579,897

Notes:

1. For the three-month period ended June 30, 2024, 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 ¥350,884 million.

As of June 30, 2024, the outstanding prepaid forward contracts using T-Mobile shares are recorded for ¥87,010 million as “Current portion of financial liabilities relating to sale of shares by prepaid forward contracts” in the condensed interim consolidated statement of financial position. The Company settled all of the outstanding amounts by cash on July 1, 2024.

2. 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.”

## (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 in a 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 using Alibaba shares”), in addition to the prepaid forward contracts, enters 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 “Note 7. Financial instruments.”

Entities for fund procurement 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 using Alibaba shares elect cash settlement, Entities for fund procurement 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 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 using Alibaba shares.

For the three-month period ended June 30, 2024, certain prepaid forward contracts matured, and Entities for fund procurement using Alibaba shares settled them by Alibaba shares. As a result, ¥359,413 million of current portion of financial liabilities relating to sale of shares by prepaid forward contracts, ¥88,395 million of “Derivative financial assets (current),” and ¥271,018 million of Alibaba shares included in “Investment securities” were derecognized from the condensed interim consolidated statement of financial position as of the settlement date.

As of June 30, 2024, the Company pledged ¥3,716,251 million of Alibaba shares as collateral for ¥4,645,466 million of current portion of financial liabilities relating to sale of shares by prepaid forward contracts. Alibaba shares pledged as collateral were recorded for ¥185,553 million as “Assets classified as held for sale” and for ¥3,530,698 million as “Investment securities” in the condensed interim consolidated statement of financial position.

### (3) 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 condensed interim consolidated statement of cash flows are as follows:

	(Millions of yen)	
	Three-month period ended June 30, 2023	Three-month period ended June 30, 2024
Net increase in short-term borrowings	41,828	58,139
Net increase (decrease) in commercial paper	13,500	(68,001)
Total	<u>55,328</u>	<u>(9,862)</u>

### (4) 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, 2023	Three-month period ended June 30, 2024
Proceeds from borrowings	611,401	522,882
Proceeds from issuance of corporate bonds	222,000	730,000
Proceeds from procurement by prepaid forward contracts using shares	605,627	-
Total	<u>1,439,028</u>	<u>1,252,882</u>

### (5) 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, 2023	Three-month period ended June 30, 2024
Repayment of borrowings	(406,804)	(385,615)
Redemption of corporate bonds	(233,005)	(452,159)
Payments for settlement of financial liabilities relating to sale of shares by prepaid forward contracts *	-	(373,650)
Total	<u>(639,809)</u>	<u>(1,211,424)</u>

Note:

\* The amount was primarily settled by cash due to the maturity of certain prepaid forward contracts using T-Mobile shares. The details are described in “Notes 1” under “(1) Components of interest-bearing debt.”

## 7. Financial instruments

The details of derivative contracts are mainly as follows:

	(Millions of yen)			
	As of March 31, 2024		As of June 30, 2024	
	Carrying amount (fair value)		Carrying amount (fair value)	
	Assets	Liabilities	Assets	Liabilities
Prepaid forward contracts using Alibaba shares (Option contracts) <sup>*1</sup>	394,972	-	424,156	-
Call spread contracts relating to prepaid forward contracts using Alibaba shares <sup>*1</sup>	1	-	-	-
Prepaid forward contracts using Alibaba shares (Forward contracts) <sup>*1</sup>	514,848	(54,688)	479,917	(41,169)
Short call option for T-Mobile shares to Deutsche Telekom <sup>*2</sup>	-	(70,699)	-	-

Notes:

- 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 6. Interest-bearing debt.”
- 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.

## 8. 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

	As of March 31, 2024	As of June 30, 2024
USD	151.41	161.07

(Yen)

### (2) Average rate for the quarter

For the three-month period ended June 30, 2023

	(Yen) Three-month period ended June 30, 2023
USD	138.11

For the three-month period ended June 30, 2024

	(Yen) Three-month period ended June 30, 2024
USD	156.53

## 9. Equity

### (1) Other equity instruments

On July 19, 2017, SoftBank Group Corp. issued \$2.75 billion of USD-denominated Undated Subordinated Non-Call 6 years Resetable Notes and \$1.75 billion of USD-denominated Undated Subordinated Non-Call 10 years Resetable Notes (collectively, the “Hybrid Notes”). In addition, by July 19, 2023, the first optional redemption date, SoftBank Group Corp. fully redeemed the USD-denominated Undated Subordinated Non-Call 6 years Resetable 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) Accumulated other comprehensive income

The components of accumulated other comprehensive income are as follows:

	(Millions of yen)	
	As of March 31, 2024	As of June 30, 2024
Equity financial assets at FVTOCI	46,425	49,731
Debt financial assets at FVTOCI	924	(45)
Cash flow hedges	(48,030)	(44,090)
Exchange differences on translating foreign operations*	5,794,501	6,914,202
Total	5,793,820	6,919,798

Note:

\* The increase was primarily due to a weaker yen against the U.S. dollar compared with the exchange rate as of March 31, 2024.

## 10. 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)	
	Three-month period ended June 30, 2023	Three-month period ended June 30, 2024
Realized gain (loss) on investments at asset management subsidiaries	(59)	159
Unrealized gain (loss) on valuation of investments at asset management subsidiaries	906	(989)
Realized gain (loss) on investments <sup>*1,2,3</sup>	17,686	(616,158)
Unrealized gain (loss) on valuation of investments <sup>*1,2,3</sup>	(620,356)	977,823
Derivative loss on investments <sup>*3</sup>	(97,024)	(12,022)
Effect of foreign exchange translation <sup>*2,3,4</sup>	-	191,082
Other	9,150	28,038
Total	<u>(689,697)</u>	<u>567,933</u>

Notes:

- For the three-month period ended June 30, 2024, ¥45,022 million of realized loss on investments and ¥75,007 million 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, ¥205,715 million of unrealized gain on valuation of investments was recognized due to the stock price changes for shares held as of June 30, 2024.
- For the three-month period ended June 30, 2024, ¥649,975 million of realized loss on WeWork shares, ¥447,483 million of unrealized gain on valuation of investments (reclassified to realized gain and loss recorded in the past fiscal years), and ¥202,492 million 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 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 three-month period ended June 30, 2024, and therefore, the effect on the total amount of “Gain and loss on investments at Investment Business of Holding Companies” for the three-month period ended June 30, 2024, 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 4. SoftBank Vision Funds business.”
- 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 three-month period ended June 30, 2024, ¥78,277 million of realized gain on investments, ¥50,043 million of unrealized loss on valuation of investments (reclassified to realized gain and loss recorded in the past fiscal years), ¥17,753 million of derivative loss on investments, and ¥11,066 million of loss arising from the foreign exchange translation effects were recognized. In addition, ¥173,166 million of unrealized gain on valuation of investments was recognized due to the stock price changes for shares held as of June 30, 2024.
- 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 4. SoftBank Vision Funds business.”

## 11. Finance cost

The components of finance cost are as follows:

	(Millions of yen)	
	Three-month period ended June 30, 2023	Three-month period ended June 30, 2024
Interest expenses	(139,601)	(137,604)

## 12. Derivative gain (excluding gain (loss) on investments)

For the three-month period ended June 30, 2024, derivative gain of ¥40,435 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 6. Interest-bearing debt.”

## 13. Other gain

The components of other gain and loss are as follows:

	(Millions of yen)	
	Three-month period ended June 30, 2023	Three-month period ended June 30, 2024
Interest income	57,146	38,830
Loss on equity method investments	(18,320)	(3,104)
Gain relating to loss of control over subsidiaries <sup>*1</sup>	108,832	136,211
Gain (loss) from financial instruments at FVTPL <sup>*2</sup>	(1,749)	22,701
Dilution gain from changes in equity interest	19,739	2,838
Loss on derecognition of unsecured notes issued by WeWork	(21,579)	-
Other	7,394	(6,164)
Total	151,463	191,312

Notes:

- For the three-month period ended June 30, 2024, 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.
- Following WeWork’s emergence from Chapter 11 on June 11, 2024, given the approved plan of reorganization, 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 on the Junior TLC facility were converted into new WeWork equity as described above. In addition, the collectability of the remaining loan receivables was reassessed. As a result, since the carrying amounts (recoverable amounts) of such loan receivables in the consolidated statement of financial position as of March 31, 2024 were zero, for the three-month period ended June 30, 2024, ¥22,569 million of gain was recorded.



## 14. Earnings per share

Basic earnings per share and diluted earnings per share are as follows:

### (1) Basic earnings per share

	Three-months period ended June 30, 2023	Three-months period ended June 30, 2024
Net income attributable to ordinary shareholders of the parent (Millions of yen)		
Net income attributable to owners of the parent	(477,616)	(174,281)
Net income not-attributable to ordinary shareholders of the parent <sup>*1</sup>	(9,262)	(5,078)
Net income used in the calculation of basic earnings per share	<u>(486,878)</u>	<u>(179,359)</u>
Weighted-average number of ordinary shares (Thousands of shares)	1,463,178	1,465,947
Basic earnings per share (Yen)	<u>(332.75)</u>	<u>(122.35)</u>

### (2) Diluted earnings per share

	Three-months period ended June 30, 2023	Three-months period ended June 30, 2024
Diluted net income attributable to ordinary shareholders of the parent (Millions of yen)		
Net income used in the calculation of basic earnings per share	(486,878)	(179,359)
Effect of dilutive securities issued by subsidiaries and associates	(1,774)	(1,928)
Total	<u>(488,652)</u>	<u>(181,287)</u>
Weighted-average number of ordinary shares used in the calculation of diluted earnings per share (Thousands of shares)		
Weighted-average number of ordinary shares	1,463,178	1,465,947
Adjustments:		
Stock acquisition rights <sup>*2</sup>	-	-
Total	<u>1,463,178</u>	<u>1,465,947</u>
Diluted earnings per share (Yen)	<u>(333.97)</u>	<u>(123.67)</u>

Notes:

- 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.
- For the three-month period ended June 30, 2023, and for the three-month period ended June 30, 2024, stock acquisition rights are not included in the calculation for "Diluted earnings per share," as it has an antidilutive effect for the calculation.

## 15. Supplemental information to the condensed interim consolidated statement of cash flows

(Significant non-cash transactions)

For the three-month period ended June 30, 2024

As certain prepaid forward contracts matured, ¥359,413 million of financial liabilities relating to sale of shares by prepaid forward contracts and ¥88,395 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 6. Interest-bearing debt.”

## 16. 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 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.

Related party transactions of the Company are as follows:

(1) Transactions between SVF2 and related parties

Name of the company or individual	Nature of relationship	Nature of transaction	For the three-month period ended June 30, 2024	(Millions of yen) As of June 30, 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 <sup>*1,2</sup>	-	480,886 <sup>*3,4</sup> (\$2,986 million)
		The premium received on SVF2 LLC's receivables	3,220 <sup>*3</sup> (\$21 million)	
		MgmtCo's Equity interests in SVF2 LLC <sup>*5,6</sup>	-	-
		Net balance at period end (Receivables in SVF2 LLC less MgmtCo's Equity interests in SVF2 LLC) <sup>*7</sup>		480,886 (\$2,986 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 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 June 30, 2024, 8,897,100 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 fee and performance-linked management fees to be charged to MgmtCo

The terms of the management fee and performance-linked management fee 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 Funds and related parties

Name of the company or individual	Nature of relationship	Nature of transaction	(Millions of yen)	
			For the three-month period ended June 30, 2024	As of June 30, 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 <sup>*1,2</sup>	-	112,774 <sup>*3,4</sup> (\$700 million)
		The premium received on SLA LLC's receivables	757 <sup>*3</sup> (\$5 million)	
		MgmtCo's Equity interests in SLA LLC <sup>*5,6</sup>	-	9,540 (\$59 million)
		Net balance at period end (Receivables in SLA LLC less MgmtCo's Equity interests in SLA LLC) <sup>*7</sup>		103,234 (\$641 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 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 June 30, 2024, 2,168,500 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 fee, performance-linked management fees, and performance fees to be charged to MgmtCo

The terms of the management fee, performance-linked management fees, and performance fee 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.

## 17. Subsequent events

(Share repurchase in accordance with the resolution)

On August 7, 2024, SoftBank Group Corp., at the Board of Directors meeting, resolved the repurchase of its own shares pursuant to Article 156 of the Companies Act of Japan as applied pursuant to Article 165, Paragraph 3. The details are as follows:

#### Details of the repurchase

Class of shares to be repurchased	Common stock of SoftBank Group Corp.
Total number of repurchased shares	100,000,000 shares (maximum) (6.8% of the total number of shares issued (excluding treasury stock))
Total repurchase amount	¥500 billion (maximum)
Repurchase period	From August 8, 2024 to August 7, 2025

(TRANSLATION)

**INDEPENDENT ACCOUNTANT'S REVIEW REPORT**

August 7, 2024

To the Board of Directors of  
SoftBank Group Corp.:Deloitte Touche Tohmatsu LLC  
Tokyo officeDesignated Engagement Partner,  
Certified Public Accountant:

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Nozomu KunimotoDesignated Engagement Partner,  
Certified Public Accountant:

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Ayato HiranoDesignated Engagement Partner,  
Certified Public Accountant:

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Yusuke Masuda**Accountant's Conclusion**

We have reviewed the condensed interim consolidated financial statements of SoftBank Group Corp. and its subsidiaries (the "Company") included in the Appendix to Consolidated Financial Report, namely, the condensed interim consolidated statement of financial position as of June 30, 2024, 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, 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.

(TRANSLATION)

### **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.

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 activities within the Company as a basis to express 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.



(TRANSLATION)

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.

Notes to the Readers of Independent Accountant's Review Report

This is an English translation of the independent accountant's review report as originally issued in Japanese for the conveniences of the reader.