Financial Report

SoftBank Group

FINANCIAL REPORT 2024

Consolidated Financial Statements

a. Consolidated Statement of Financial Position

ASSETS	Notes	(Millions of yen) As of March 31, 2023	As of March 31, 2024	(Thousands of U.S. dollars) As of March 31, 2024
Current assets				
Cash and cash equivalents	8	¥ 6,925,153	**¥ 6,186,874**	**$ 40,861,726**
Trade and other receivables	9,28	2,594,736	**2,868,767**	**18,947,011**
Derivative financial assets	28	249,414	**852,350**	**5,629,417**
Other financial assets	10,28	371,313	**777,996**	**5,138,340**
Inventories	11	163,781	**161,863**	**1,069,038**
Other current assets	12	282,085	**550,984**	**3,639,020**
Subtotal		10,586,482	**11,398,834**	**75,284,552**
Assets classified as held for sale	13	–	**42,559**	**281,084**
Total current assets		10,586,482	**11,441,393**	**75,565,636**
Non-current assets				
Property, plant and equipment	14	1,781,142	**1,895,289**	**12,517,595**
Right-of-use assets	15	858,577	**746,903**	**4,932,983**
Goodwill	16	5,199,480	**5,709,874**	**37,711,340**
Intangible assets	16	2,409,641	**2,448,840**	**16,173,568**
Costs to obtain contracts		332,856	**317,650**	**2,097,946**
Investments accounted for using the equity method	19	730,440	**839,208**	**5,542,619**
Investments from SVF (FVTPL)	28	10,489,722	**11,014,487**	**72,746,100**
Investment securities	28	7,706,501	**9,061,972**	**59,850,551**
Derivative financial assets	28	1,170,845	**385,528**	**2,546,252**
Other financial assets	10,28	2,303,620	**2,424,282**	**16,011,373**
Deferred tax assets	21	210,823	**245,954**	**1,624,424**
Other non-current assets	12	156,239	**192,863**	**1,273,781**
Total non-current assets		33,349,886	**35,282,850**	**233,028,532**
Total assets		¥43,936,368	**¥46,724,243**	**$308,594,168**

LIABILITIES AND EQUITY	Notes	(Millions of yen) As of March 31, 2023	 **As of March 31, 2024**	(Thousands of U.S. dollars) **As of March 31, 2024**
Current liabilities				
Interest-bearing debt	22,28	¥ 5,129,047	**¥ 8,271,143**	**$ 54,627,455**
Lease liabilities	17,28	184,105	**149,801**	**989,373**
Deposits for banking business	23,28	1,472,260	**1,643,155**	**10,852,355**
Trade and other payables	24,28	2,416,872	**2,710,529**	**17,901,915**
Derivative financial liabilities	28	82,612	**195,090**	**1,288,488**
Other financial liabilities	25,28	180,191	**31,801**	**210,032**
Income taxes payable		367,367	**163,226**	**1,078,040**
Provisions	27	72,350	**44,704**	**295,251**
Other current liabilities	26	675,920	**801,285**	**5,292,155**
Subtotal		10,580,724	**14,010,734**	**92,535,064**
Liabilities directly relating to assets classified as held for sale	13	–	**9,561**	**63,146**
Total current liabilities		10,580,724	**14,020,295**	**92,598,210**
Non-current liabilities				
Interest-bearing debt	22,28	14,349,147	**12,296,381**	**81,212,476**
Lease liabilities	17,28	652,892	**644,706**	**4,258,015**
Third-party interests in SVF	7,28	4,499,369	**4,694,503**	**31,005,237**
Derivative financial liabilities	28	899,351	**41,238**	**272,360**
Other financial liabilities	25,28	58,545	**57,017**	**376,574**
Provisions	27	163,627	**167,902**	**1,108,923**
Deferred tax liabilities	21	1,828,557	**1,253,039**	**8,275,801**
Other non-current liabilities	26	254,941	**311,993**	**2,060,583**
Total non-current liabilities		22,706,429	**19,466,779**	**128,569,969**
Total liabilities		¥ 33,287,153	**¥ 33,487,074**	**$221,168,179**

LIABILITIES AND EQUITY	Notes	As of March 31, 2023 (Millions of yen)	**As of March 31, 2024** (Millions of yen)	**As of March 31, 2024** (Thousands of U.S. dollars)
Equity				
Equity attributable to owners of the parent				
Common stock	33	¥ 238,772	**¥ 238,772**	**$ 1,576,990**
Capital surplus	33	2,652,790	**3,326,093**	**21,967,459**
Other equity instruments	33	414,055	**193,199**	**1,275,999**
Retained earnings	33	2,006,238	**1,632,966**	**10,785,060**
Treasury stock	33	(38,791)	**(22,725)**	**(150,089)**
Accumulated other comprehensive income	33	3,756,785	**5,793,820**	**38,265,769**
Total equity attributable to owners of the parent		9,029,849	**11,162,125**	**73,721,188**
Non-controlling interests	18,33	1,619,366	**2,075,044**	**13,704,801**
Total equity		10,649,215	**13,237,169**	**87,425,989**
Total liabilities and equity		¥43,936,368	**¥46,724,243**	**$308,594,168**

b. Consolidated Statement of Profit or Loss and Consolidated Statement of Comprehensive Income

Consolidated Statement of Profit or Loss

	Notes	(Millions of yen) Fiscal year ended March 31, 2023	**Fiscal year ended March 31, 2024**	(Thousands of U.S. dollars) **Fiscal year ended March 31, 2024**
Net sales	36	¥ 6,570,439	**¥ 6,756,500**	**$ 44,623,869**
Cost of sales	37	(3,242,397)	**(3,214,108)**	**(21,227,845)**
Gross profit		3,328,042	**3,542,392**	**23,396,024**
Gain on investments				
Gain (loss) on investments at Investment Business of Holding Companies	38	4,560,500	**(459,045)**	**(3,031,801)**
Loss on investments at SoftBank Vision Funds	7	(5,322,265)	**(167,290)**	**(1,104,881)**
Gain (loss) on other investments		(73,294)	**66,985**	**442,408**
Total gain on investments		(835,059)	**(559,350)**	**(3,694,274)**
Selling, general and administrative expenses	37	(2,695,328)	**(2,982,383)**	**(19,697,398)**
Finance cost	39	(555,902)	**(556,004)**	**(3,672,175)**
Foreign exchange loss		(772,270)	**(703,122)**	**(4,643,828)**
Loss on equity method investments		(96,677)	**(38,641)**	**(255,208)**
Derivative gain (excluding gain (loss) on investments)	40	54,256	**1,502,326**	**9,922,238**
Change in third-party interests in SVF	7	1,127,949	**(390,137)**	**(2,576,692)**
Other gain (loss)	41	(24,138)	**242,720**	**1,603,065**
Income before income tax		(469,127)	**57,801**	**381,752**
Income taxes	21	(320,674)	**151,416**	**1,000,039**
Net income		¥ (789,801)	**¥ 209,217**	**$ 1,381,791**
Net income attributable to				
Owners of the parent		¥ (970,144)	**¥ (227,646)**	**$ (1,503,507)**
Non-controlling interests	18	180,343	**436,863**	**2,885,298**
Net income		¥ (789,801)	**¥ 209,217**	**$ 1,381,791**

	Notes	Fiscal year ended March 31, 2023 (Yen)	**Fiscal year ended March 31, 2024** (Yen)	**Fiscal year ended March 31, 2024** (U.S. dollars)
Earnings per share				
Basic earnings per share	43	¥ (652.37)	**¥ (170.99)**	**$ (1.13)**
Diluted earnings per share	43	¥ (662.41)	**¥ (174.20)**	**$ (1.15)**

Consolidated Statement of Comprehensive Income

	Notes	Fiscal year ended March 31, 2023 (Millions of yen)	**Fiscal year ended March 31, 2024** (Millions of yen)	**Fiscal year ended March 31, 2024** (Thousands of U.S. dollars)
Net income		¥ (789,801)	**¥ 209,217**	**$ 1,381,791**
Other comprehensive income, net of tax Items that will not be reclassified to profit or loss				
Remeasurements of defined benefit plan	42	3,240	**(308)**	**(2,034)**
Equity financial assets at FVTOCI	42	6,194	**10,777**	**71,178**
Share of other comprehensive income of associates	42	356	**326**	**2,152**
Total items that will not be reclassified to profit or loss		9,790	**10,795**	**71,296**
Items that may be reclassified subsequently to profit or loss				
Debt financial assets at FVTOCI	42	(598)	**(286)**	**(1,889)**
Cash flow hedges	42	(72,791)	**24,007**	**158,556**
Exchange differences on translating foreign operations	42	1,221,249	**2,000,916**	**13,215,218**
Share of other comprehensive income of associates	42	100,291	**(3,208)**	**(21,188)**
Total items that may be reclassified subsequently to profit or loss		1,248,151	**2,021,429**	**13,350,697**
Total other comprehensive income, net of tax		1,257,941	**2,032,224**	**13,421,993**
Total comprehensive income		¥ 468,140	**¥2,241,441**	**$14,803,784**
Total comprehensive income attributable to				
Owners of the parent		¥ 293,116	**¥1,809,984**	**$11,954,191**
Non-controlling interests		175,024	**431,457**	**2,849,593**
Total comprehensive income		¥ 468,140	**¥2,241,441**	**$14,803,784**

c. Consolidated Statement of Changes in Equity

(Millions of yen)

For the fiscal year ended March 31, 2023	Notes	Common stock	Capital surplus	Other equity instruments	Retained earnings	Treasury stock	Accumulated other comprehensive income	Total	Non-controlling interests	Total equity
		Equity attributable to owners of the parent								
As of April 1, 2022		¥238,772	¥2,634,574	¥496,876	¥4,515,704	¥(406,410)	¥2,496,158	¥9,975,674	¥1,732,088	¥11,707,762
Comprehensive income										
Net income		–	–	–	(970,144)	–	–	(970,144)	180,343	(789,801)
Other comprehensive income		–	–	–	–	–	1,263,260	1,263,260	(5,319)	1,257,941
Total comprehensive income		–	–	–	(970,144)	–	1,263,260	293,116	175,024	468,140
Transactions with owners and other transactions										
Cash dividends	34	–	–	–	(70,327)	–	–	(70,327)	(288,175)	(358,502)
Distribution to owners of other equity instruments	33	–	–	–	(36,680)	–	–	(36,680)	–	(36,680)
Redemption and cancellation of other equity instruments	33	–	–	(82,821)	(21,776)	–	–	(104,597)	–	(104,597)
Transfer of accumulated other comprehensive income to retained earnings		–	–	–	2,633	–	(2,633)	–	–	–
Purchase and disposal of treasury stock	33	–	–	–	(798)	(1,044,755)	–	(1,045,553)	–	(1,045,553)
Retirement of treasury stock	33	–	–	–	(1,412,374)	1,412,374	–	–	–	–
Changes from loss of control		–	–	–	–	–	–	–	(5,248)	(5,248)
Changes in interests in subsidiaries		–	4,899	–	–	–	–	4,899	27,728	32,627
Changes in associates' interests in their subsidiaries		–	(5,845)	–	–	–	–	(5,845)	–	(5,845)
Changes in interests in associates' capital surplus		–	21,223	–	–	–	–	21,223	–	21,223
Share-based payment transactions		–	(463)	–	–	–	–	(463)	37,116	36,653
Other		–	(1,598)	–	–	–	–	(1,598)	(59,167)	(60,765)
Total transactions with owners and other transactions		–	18,216	(82,821)	(1,539,322)	367,619	(2,633)	(1,238,941)	(287,746)	(1,526,687)
As of March 31, 2023		¥238,772	¥2,652,790	¥414,055	¥2,006,238	¥ (38,791)	¥3,756,785	¥9,029,849	¥1,619,366	¥10,649,215

(Millions of yen)

For the fiscal year ended March 31, 2024	Notes	Equity attributable to owners of the parent: Common stock	Capital surplus	Other equity instruments	Retained earnings	Treasury stock	Accumulated other comprehensive income	Total	Non-controlling interests	Total equity
As of April 1, 2023		¥238,772	¥2,652,790	¥414,055	¥2,006,238	¥(38,791)	¥3,756,785	¥ 9,029,849	¥1,619,366	¥10,649,215
Comprehensive income										
Net income		–	–	–	(227,646)	–	–	(227,646)	436,863	209,217
Other comprehensive income		–	–	–	–	–	2,037,630	2,037,630	(5,406)	2,032,224
Total comprehensive income		–	–	–	(227,646)	–	2,037,630	1,809,984	431,457	2,241,441
Transactions with owners and other transactions										
Cash dividends	34	–	–	–	(64,433)	–	–	(64,433)	(288,296)	(352,729)
Distribution to owners of other equity instruments	33	–	–	–	(25,624)	–	–	(25,624)	–	(25,624)
Redemption and cancellation of other equity instruments	33	–	(740)	(220,856)	(56,164)	–	–	(277,760)	–	(277,760)
Transfer of accumulated other comprehensive income to retained earnings		–	–	–	595	–	(595)	–	–	–
Purchase and disposal of treasury stock	33	–	740	–	–	16,066	–	16,806	–	16,806
Changes from loss of control		–	–	–	–	–	–	–	(5,359)	(5,359)
Changes in interests in subsidiaries	33	–	678,056	–	–	–	–	678,056	81,038	759,094
Issuance of other equity instruments in subsidiaries	33	–	–	–	–	–	–	–	120,000	120,000
Changes in interests in associates' capital surplus		–	(91)	–	–	–	–	(91)	–	(91)
Share-based payment transactions		–	(3,833)	–	–	–	–	(3,833)	113,967	110,134
Other		–	(829)	–	–	–	–	(829)	2,871	2,042
Total transactions with owners and other transactions		–	673,303	(220,856)	(145,626)	16,066	(595)	322,292	24,221	346,513
As of March 31, 2024		¥238,772	¥3,326,093	¥193,199	¥1,632,966	¥(22,725)	¥5,793,820	¥11,162,125	¥2,075,044	¥13,237,169

(Thousands of U.S. dollars)

	Notes	Equity attributable to owners of the parent							Non-controlling interests	Total equity
		Common stock	Capital surplus	Other equity instruments	Retained earnings	Treasury stock	Accumulated other compre-hensive income	Total		
As of April 1, 2023		$1,576,990	$17,520,573	$2,734,661	$13,250,366	$(256,199)	$24,812,001	$59,638,392	$10,695,239	$70,333,631
Comprehensive income										
Net income		–	–	–	(1,503,507)	–	–	(1,503,507)	2,885,298	1,381,791
Other comprehensive income		–	–	–	–	–	13,457,698	13,457,698	(35,705)	13,421,993
Total comprehensive income		–	–	–	(1,503,507)	–	13,457,698	11,954,191	2,849,593	14,803,784
Transactions with owners and other transactions										
Cash dividends	34	–	–	–	(425,553)	–	–	(425,553)	(1,904,075)	(2,329,628)
Distribution to owners of other equity instruments	33	–	–	–	(169,236)	–	–	(169,236)	–	(169,236)
Redemption and cancellation of other equity instruments	33	–	(4,887)	(1,458,662)	(370,940)	–	–	(1,834,489)	–	(1,834,489)
Transfer of accumulated other comprehensive income to retained earnings		–	–	–	3,930	–	(3,930)	–	–	–
Purchase and disposal of treasury stock	33	–	4,887	–	–	106,110	–	110,997	–	110,997
Changes from loss of control		–	–	–	–	–	–	–	(35,394)	(35,394)
Changes in interests in subsidiaries	33	–	4,478,277	–	–	–	–	4,478,277	535,222	5,013,499
Issuance of other equity instruments in subsidiaries	33	–	–	–	–	–	–	–	792,550	792,550
Changes in interests in associates' capital surplus		–	(601)	–	–	–	–	(601)	–	(601)
Share-based payment transactions		–	(25,315)	–	–	–	–	(25,315)	752,704	727,389
Other		–	(5,475)	–	–	–	–	(5,475)	18,962	13,487
Total transactions with owners and other transactions		–	4,446,886	(1,458,662)	(961,799)	106,110	(3,930)	2,128,605	159,969	2,288,574
As of March 31, 2024		$1,576,990	$21,967,459	$1,275,999	$10,785,060	$(150,089)	$38,265,769	$73,721,188	$13,704,801	$87,425,989

d. Consolidated Statement of Cash Flows

	Notes	(Millions of yen) Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	(Thousands of U.S. dollars) Fiscal year ended March 31, 2024
Cash flows from operating activities				
Net income		¥ (789,801)	**¥ 209,217**	**$ 1,381,791**
Depreciation and amortization		893,488	**858,620**	**5,670,828**
(Gain) loss on investments at Investment Business of Holding Companies		(4,638,430)	**449,817**	**2,970,854**
Loss on investments at SoftBank Vision Funds		5,322,265	**167,290**	**1,104,881**
Finance cost		555,902	**556,004**	**3,672,175**
Foreign exchange loss		772,270	**703,122**	**4,643,828**
Loss on equity method investments		96,677	**38,641**	**255,208**
Derivative gain (excluding (gain) loss on investments)		(54,256)	**(1,502,326)**	**(9,922,238)**
Change in third-party interests in SVF		(1,127,949)	**390,137**	**2,576,692**
Loss (gain) on other investments and other loss (gain)		97,432	**(309,705)**	**(2,045,473)**
Income taxes		320,674	**(151,416)**	**(1,000,039)**
Decrease (increase) in investments from asset management subsidiaries		152,514	**(230,986)**	**(1,525,566)**
Increase/decrease in derivative financial assets and derivative financial liabilities in asset management subsidiaries		49,067	**(248)**	**(1,638)**
Decrease (increase) in restricted cash in asset management subsidiaries		138,915	**(3,082)**	**(20,355)**
(Decrease) increase in borrowed securities in asset management subsidiaries		(131,796)	**2,816**	**18,599**
Increase in trade and other receivables		(517,155)	**(476,511)**	**(3,147,157)**
(Increase) decrease in inventories		(18,929)	**5,436**	**35,903**
Increase in trade and other payables		439,566	**325,731**	**2,151,318**
Other		13,152	**209,107**	**1,381,063**
Subtotal		1,573,606	**1,241,664**	**8,200,674**
Interest and dividends received		111,740	**256,083**	**1,691,321**
Interest paid		(418,163)	**(430,422)**	**(2,842,758)**
Income taxes paid	44	(638,160)	**(885,617)**	**(5,849,131)**
Income taxes refunded	44	112,269	**68,839**	**454,653**
Net cash provided by operating activities		¥ 741,292	**¥ 250,547**	**$ 1,654,759**

	Notes	Fiscal year ended March 31, 2023 (Millions of yen)	**Fiscal year ended March 31, 2024** (Millions of yen)	**Fiscal year ended March 31, 2024** (Thousands of U.S. dollars)
Cash flows from investing activities				
Payments for acquisition of investments		¥ (313,413)	**¥ (800,925)**	**$ (5,289,776)**
Proceeds from sales/redemption of investments	44	619,775	**219,668**	**1,450,816**
Payments for acquisition of investments by SVF		(456,351)	**(212,045)**	**(1,400,469)**
Proceeds from sales of investments by SVF		833,180	**922,020**	**6,089,558**
Payments for acquisition of investments by asset management subsidiaries		–	**(76,877)**	**(507,741)**
Payments for acquisition of control over subsidiaries	44	(14,854)	**(104,484)**	**(690,073)**
Proceeds from loss of control over subsidiaries		6,998	**96,755**	**639,026**
Purchase of property, plant and equipment, and intangible assets	44	(633,765)	**(622,612)**	**(4,112,093)**
Payments for loan receivables		(14,932)	**(313,686)**	**(2,071,765)**
Collection of loan receivables		94,020	**107,481**	**709,867**
Proceeds from withdrawal of trust accounts in SPACs	44	323,666	**–**	**–**
Payments into time deposits		(162,691)	**(148,657)**	**(981,818)**
Proceeds from withdrawal of time deposits		152,610	**77,954**	**514,854**
Other		113,335	**13,947**	**92,114**
Net cash provided by (used in) investing activities		¥ 547,578	**¥ (841,461)**	**$ (5,557,500)**

	Notes	Fiscal year ended March 31, 2023 (Millions of yen)	**Fiscal year ended March 31, 2024** (Millions of yen)	**Fiscal year ended March 31, 2024** (Thousands of U.S. dollars)
Cash flows from financing activities				
(Repayment of) proceeds in short-term interest-bearing debt, net	22	¥ (73,371)	**¥ 182,874**	**$ 1,207,807**
Proceeds from interest-bearing debt	22	9,176,112	**5,914,090**	**39,060,102**
Repayment of interest-bearing debt	22	(6,294,991)	**(5,889,186)**	**(38,895,621)**
Repayment of lease liabilities		(266,423)	**(211,231)**	**(1,395,093)**
Contributions into SVF from third-party investors		17,857	**–**	**–**
Distribution/repayment from SVF to third-party investors	7	(544,242)	**(783,522)**	**(5,174,837)**
Redemption of non-controlling interests subject to possible redemption	44	(319,401)	**–**	**–**
Proceeds from the partial sales of shares of subsidiaries to non-controlling interests	44	724	**747,565**	**4,937,356**
Purchase of shares of subsidiaries from non-controlling interests	44	(5,181)	**(112,009)**	**(739,773)**
Redemption of other equity instruments	44	(104,597)	**(277,760)**	**(1,834,489)**
Distribution to owners of other equity instruments		(36,680)	**(25,624)**	**(169,236)**
Proceeds from the issuance of other equity instruments in subsidiaries	44	–	**120,000**	**792,550**
Purchase of treasury stock		(1,055,436)	**(8)**	**(53)**
Cash dividends paid		(70,241)	**(64,356)**	**(425,045)**
Cash dividends paid to non-controlling interests	18	(288,452)	**(288,119)**	**(1,902,906)**
Other		55,839	**81,064**	**535,394**
Net cash provided by (used in) financing activities		191,517	**(606,222)**	**(4,003,844)**
Effect of exchange rate changes on cash and cash equivalents		275,765	**491,868**	**3,248,583**
Decrease in cash and cash equivalents relating to transfer of assets classified as held for sale		–	**(33,011)**	**(218,024)**
Increase (decrease) in cash and cash equivalents		1,756,152	**(738,279)**	**(4,876,026)**
Cash and cash equivalents at the beginning of the year	8	5,169,001	**6,925,153**	**45,737,752**
Cash and cash equivalents at the end of the year	8	¥ 6,925,153	**¥ 6,186,874**	**$ 40,861,726**

Notes to Consolidated Financial Statements

1. Reporting entity

SoftBank Group Corp. is a corporation domiciled in Japan. The registered address of SoftBank Group Corp.'s head office is disclosed on our website (https://group.softbank/en/). These consolidated financial statements are composed of SoftBank Group Corp. and its subsidiaries (the "Company"). The Company engages in various businesses in the information industry, with its core business being in the Investment Business of Holding Companies segment, the SoftBank Vision Funds segment, the SoftBank segment, and the Arm segment. The details are described in "(1) Description of reportable segments" under "Note 6. Segment information."

2. Basis of preparation of consolidated financial statements

(1) Compliance with IFRS Accounting Standards

The consolidated financial statements of the Company have been prepared in accordance with IFRS Accounting Standards ("IFRS").

(2) Basis of measurement

These consolidated financial statements have been prepared on the historical cost basis, except for certain items, such as financial instruments, that are measured at fair value as described in "Note 3. Material accounting policies."

(3) Presentation currency and unit of currency

These consolidated financial statements have been presented in Japanese yen, which is the currency of the primary economic environment of SoftBank Group Corp. ("functional currency"), and yen amounts are rounded to the nearest million.

The translations of Japanese yen amounts into U.S. dollar amounts are included solely for the convenience of readers outside of Japan and have been made at a rate of ¥151.41 to $1, the approximate rate of exchange at March 31, 2024. Such translations should not be construed as representations that the Japanese yen amounts could be converted into U.S. dollars at that or any other rate.

(4) Changes in presentation

(Consolidated statement of cash flows)

a. Cash flows from investing activities

"Payments for acquisition of control over subsidiaries," "Payments into time deposits," and "Proceeds from withdrawal of time deposits," which were included in "Other" in the past fiscal year, are separately presented for the fiscal year ended March 31, 2024, since the amounts increased and became significant. In order to reflect the changes in presentation, ¥(14,854) million, ¥(162,691) million, and ¥152,610 million, which were included in "Other" for the fiscal year ended March 31, 2023, are reclassified as "Payments for acquisition of control over subsidiaries," "Payments into time deposits," and "Proceeds from withdrawal of time deposits," respectively.

b. Cash flows from financing activities

"Proceeds from the partial sales of shares of subsidiaries to non-controlling interests" and "Purchase of shares of subsidiaries from non-controlling interests," which were included in "Other" in the past fiscal year, are separately presented for the fiscal year ended March 31, 2024, since the amounts increased and became significant. In order to reflect the changes in presentation, ¥724 million and ¥(5,181) million, which were included in "Other" for the fiscal year ended March 31, 2023, are reclassified as "Proceeds from the partial sales of shares of subsidiaries to non-controlling interests" and "Purchase of shares of subsidiaries from non-controlling interests," respectively.

(5) New standards and interpretations not yet adopted by the Company

New standards and interpretations that are newly established or amended before the approval date of the consolidated financial statements and not yet adopted by the Company may have the following potential impacts. The impacts on the consolidated financial statements of the Company due to the adoption are currently under review.

Standard/ interpretation		Mandatory adoption (From the year beginning)	To be adopted by the Company	Outline of the new standards
IAS 1	Presentation in the financial statements	January 1, 2024	From the fiscal year ending March 31, 2025	The main amendments are as follows: • Clarifying the classification of liabilities into current liabilities or non-current liabilities • Amendment to require the disclosure of information on non-current liabilities with covenants
IFRS 18	Presentation and disclosure in the financial statements	January 1, 2027	From the fiscal year ending March 31, 2028	The IFRS 18 replaces the previous IAS1 and the main amendments are as follows: • Amendment to require the classification of income and expenses into either operating, investing, or financing categories and the presentation of two subtotals, "Operating profit or loss" and "Profit or loss before financing and income taxes and profit or loss" under the statement of profit or loss • Amendment to the grouping of useful information for the financial statements, including the introduction of the principles of aggregation and disaggregation of information under the statement of profit or loss • Amendment to require the disclosure of information on all indicators that meet the definition of management-defined performance measures (MPMs)

There are no other new standards and interpretations that are newly established or amended before the approval date of the consolidated financial statements and have significant impacts on the consolidated financial statements of the Company.

(6) Definition of company names and abbreviations used in the financial report

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

Company names / Abbreviations	Definition
SoftBank Group Corp.	SoftBank Group Corp. (stand-alone basis)
The Company	SoftBank Group Corp. and its subsidiaries
Each of the following names or abbreviations indicates the respective company and its subsidiaries, if any.	
SB Northstar or the asset management subsidiary	SB Northstar LP
SVF1	SoftBank Vision Fund L.P. and its alternative investment vehicles
SVF2	SoftBank Vision Fund II-2 L.P.
SVF2 LLC	SVF II Investment Holdings LLC
LatAm Funds	SBLA Latin America Fund LLC
SLA LLC	SLA Holdco II LLC
SVF	SVF1, SVF2, and LatAm Funds
SBIA	SB Investment Advisers (UK) Limited
SBGA	SB Global Advisers Limited
Arm	Arm Holdings plc or Arm Limited*
Fortress	Fortress Investment Group LLC
WeWork	WeWork Inc.
Sprint	Sprint Corporation
T-Mobile	T-Mobile US, Inc. after merging with Sprint
Alibaba	Alibaba Group Holding Limited
MgmtCo	MASA USA LLC

* A corporate reorganization was undertaken in August 2023, pursuant to which Arm Holdings Limited, a former subsidiary of Arm Limited, acquired all the issued ordinary shares of Arm Limited, thereby making it a wholly-owned subsidiary. Subsequently, Arm Holdings Limited changed its name to Arm Holdings plc and was listed on the Nasdaq Global Select Market through an initial public offering on September 14, 2023.

3. Material accounting policies

Accounting policies the Company has adopted have been applied consistently to all periods presented in these consolidated financial statements.

Please refer to "(20) Material accounting policies for the SoftBank Vision Funds segment" for details of the SoftBank Vision Funds segment.

(1) Basis of consolidation

a. Subsidiaries

A subsidiary is an entity that is controlled by SoftBank Group Corp.

The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Please refer to "a. Consolidation of SVF1, SVF2, and LatAm Funds by the Company" under "(20) Material accounting policies for the SoftBank Vision Funds segment" for details of SVF1, SVF2, and LatAm Funds.

The subsidiaries' financial statements are consolidated from the date when control is acquired ("acquisition date") until the date when the control is lost.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by the Company.

Non-controlling interests consist of those interests at the acquisition date and any adjustments for subsequent changes in those interests.

Total comprehensive income of subsidiaries is generally attributed to the owners of the parent and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

All intragroup balances and transactions and unrealized gains and losses arising from intragroup transactions are eliminated on consolidation.

Changes in the Company's ownership interests in subsidiaries that do not result in the Company losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their interests in the subsidiaries.

Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the parent.

When SoftBank Group Corp. loses control of a subsidiary, a gain or loss is calculated as the difference between:

- the aggregate of the fair value of the consideration received and the fair value of any retained interest; and
- the net carrying amount of the assets (including goodwill), liabilities, and non-controlling interests of the subsidiary when control is lost.

Any amounts previously recognized in accumulated other comprehensive income in relation to the former subsidiaries are reclassified to profit or loss.

b. Associates and joint ventures

An associate is an entity over which SoftBank Group Corp. has significant influence in the financial and operating policy decisions, but does not have control or joint control.

A joint venture is an investment which parties including SoftBank Group Corp. have joint control based on the contractual arrangement that requires unanimous consent related to significant decisions of the business activities and have rights to the net assets of the arrangement.

Investments in associates and joint ventures are accounted for using the equity method or accounted for using FVTPL.

(a) Investments accounted for using the equity method
Investments in associates and joint ventures are accounted for using the equity method and are initially recognized at cost. The investment is adjusted thereafter to recognize the Company's interest in profit or loss and other comprehensive income from the date of acquisition to the date of loss of significant influence.

When the losses of an associate and a joint venture exceed the Company's interest in the associate and the joint venture, long-term interests that, in substance, form a part of the net investment in the company are decreased to zero, and no additional loss is recognized except when the Company incurs legal or constructive obligations to or makes payments on behalf of the associate and the joint venture.

Unrealized gains or losses on intercompany transactions with associates and joint ventures are added to or deducted from the carrying amount of the investments only to the extent of the Company's interests in the associates and the joint ventures.

Any excess in the cost of acquisition of an associate and a joint venture over the Company's interest of the net fair value of the identifiable assets and liabilities recognized at the date of acquisition is recognized as goodwill and included within the carrying amount of the investments in associates and joint ventures.

Because goodwill is not separately recognized, it is not tested for impairment separately. Instead, the entire carrying amount of the investments in associates and joint ventures, including goodwill, is tested for impairment as a single asset whenever objective evidence indicates that the investment may be impaired.

(b) Investments accounted for using FVTPL
Among the investments in associates and joint ventures, investments directly made by SVF1, SVF2, and LatAm Funds, and investments made by SoftBank Group Corp. or its subsidiaries based on the premise of transferring to SVF1, SVF2, and LatAm Funds, and preferred stock investments whose feature is substantively different from common stock, are not accounted for using the equity method. These investments are classified as financial assets measured at fair value through profit or loss ("financial assets at FVTPL"). For the Company's accounting policy for the financial assets at FVTPL, please refer to "(4) Financial instruments." Also, please refer to "(b) Investments in associates and joint ventures" in "b. Portfolio company investments made by SVF1, SVF2, and LatAm Funds" under "(20) Material accounting policies for the SoftBank Vision Funds segment" for details of SVF1, SVF2, and LatAm Funds.

(2) Business combinations
Business combinations are accounted for using the acquisition method on the acquisition date.

The consideration transferred in a business combination is measured as the sum of the assets transferred by the Company, liabilities assumed by the Company from the former owners of the acquiree, and the fair value at the acquisition date of the equity interests issued by the Company. Acquisition-related costs are recognized in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their fair value, except that:

- deferred tax assets or liabilities and assets or liabilities related to employee benefits are recognized and measured in accordance with IAS 12 "Income Taxes" and IAS 19 "Employee Benefits," respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Company entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 "Share-based Payment" at the acquisition date; and
- assets or disposal groups that are classified as held-for-sale are measured in accordance with IFRS 5 "Non-current Assets Held-for-Sale and Discontinued Operations."

The excess of the consideration transferred and the amount of any non-controlling interest in the acquiree over the fair value of the identifiable net assets acquired at the acquisition date is recorded as goodwill. If the consideration transferred and the amount of any non-controlling interest in the acquiree is less than the fair value of the identifiable net assets of the acquired subsidiary, the difference is recognized immediately in profit or loss.

On an acquisition-by-acquisition basis, the Company chooses a measurement basis of non-controlling interests at either fair value or by the proportionate share of the non-controlling interests in the recognized amounts of the acquiree's identifiable net assets. When a business combination is achieved in stages, the Company's previously held interest in the acquiree is remeasured at fair value at the acquisition date and the resulting gain or loss, if any, is recognized in profit or loss.

Amounts arising from changes in the value of interests in the acquiree prior to the acquisition date that have previously been recognized in other comprehensive income are recognized using the same accounting treatment as the Company disposes the interests.

If the initial accounting for a business combination is incomplete by the end of the fiscal year, the Company reports in its consolidated financial statements provisional amounts for the items for which the accounting is incomplete. The Company retrospectively adjusts the provisional amounts recognized at the acquisition date as an adjustment during the measurement period when new information about facts and circumstances existed as of the acquisition date and, if known, would have affected the recognized amounts for the business combination. The measurement period shall not exceed one year from the acquisition date.

Goodwill arising in business combinations that occurred before the date of transition to IFRS is carried over at the carrying amount under the previous accounting principles (Japanese Generally Accepted Accounting Principles, "JGAAP") as of the date of transition to IFRS, and recorded by that amount after an impairment test.

(3) Foreign currency translation

a. Transactions denominated in foreign currencies

The financial statements of each group company are prepared in their currency based on the primary economic environment in which it operates ("functional currency"). Transactions in currencies other than the entity's functional currency (foreign currencies) are translated at the rates of exchange prevailing at the dates of the transactions.

Monetary items denominated in foreign currencies are translated into functional currency at the rates prevailing at the end of the fiscal year. Non-monetary items carried at fair value that are denominated in foreign currencies are translated into the functional currency at the rates prevailing at the date when the fair value was measured.

Exchange differences arising from translation are recognized in profit or loss, however, exchange differences arising from equity financial assets at fair value through other comprehensive income ("equity financial assets at FVTOCI") and cash flow hedges are recognized in other comprehensive income.

b. Foreign operations

For the purposes of presenting consolidated financial statements, the assets and liabilities of the Company's foreign operations (including goodwill arising from acquisitions and the adjustments of fair value) are translated into Japanese yen using exchange rates prevailing at the end of the fiscal year.

Income, expenses and cash flows are translated into Japanese yen by using the average exchange rates for each quarter. When the translated amounts do not approximate the amounts translated by the exchange rates at the dates of the transactions, the exchange rates at the transaction dates are used for the translation.

The exchange rates used in the translation are described in "Note 32. Foreign currency exchange rates."

Exchange differences arising from translating the financial statements of foreign operations are recognized in other comprehensive income and cumulative differences are included in accumulated other comprehensive income.

These cumulative differences are reclassified from equity to profit or loss when the Company loses control or significant influence over the foreign operation.

(4) Financial instruments

a. Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are measured at fair value at the time of initial recognition. Transaction costs that are directly attributable to the acquisition of financial assets and issuance of financial liabilities other than financial assets at FVTPL and financial liabilities at fair value through profit or loss ("financial liabilities at FVTPL") are added to the fair value of the financial assets or deducted from the fair value of financial liabilities at the time of initial recognition. Transaction costs that are directly attributable to the acquisition of the financial assets at FVTPL or financial liabilities at FVTPL are recognized in profit or loss.

b. Non-derivative financial assets

Non-derivative financial assets are classified as financial assets at amortized cost, debt financial assets at fair value through other comprehensive income ("debt financial assets at FVTOCI"), equity financial assets at FVTOCI, and financial assets at FVTPL. The classification depends on the nature and purpose of the financial assets and is determined upon initial recognition.

All purchases and sales of financial assets made in the ordinary course of business are recognized and derecognized on a trade date basis. Purchases and sales made in the ordinary course of business refer to acquiring or disposing of financial assets under a contract that requires the delivery of assets within a timeframe established by regulation or convention in the marketplace.

(a) Financial assets measured at amortized cost

Financial assets are classified as "financial assets measured at amortized cost" if both of the following conditions are met:

- the financial assets are held within a business model for which the objective is to hold financial assets to collect contractual cash flows; and
- the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets at amortized cost are measured at amortized cost using the effective interest method, less any impairment. Interest income based on the effective interest rate is recognized in profit or loss.

(b) Debt financial assets at FVTOCI

Financial assets are classified as debt financial assets at FVTOCI if both of the following conditions are met:

- the financial assets are held within a business model for which the objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, debt financial assets at FVTOCI are measured at fair value, and gains or losses arising from changes in fair value are recognized in other comprehensive income. Any cumulative amounts recognized in other comprehensive income are reclassified to profit or loss upon derecognition. Foreign exchange gains and losses arising on monetary financial assets classified as debt financial assets at FVTOCI and interest income calculated using the effective interest method relating to debt financial assets at FVTOCI are recognized in profit or loss.

(c) Equity financial assets at FVTOCI

At initial recognition, the Company has made an irrevocable election for equity financial assets that would otherwise be measured at fair value through profit or loss to present subsequent changes in fair value in other comprehensive income and classifies such investments as equity financial assets at FVTOCI. Subsequent to initial recognition, equity financial assets at FVTOCI are measured at fair value, and gains or losses arising from changes in fair value are recognized in other comprehensive income.

When financial assets are derecognized or there is a significant or prolonged decline in fair value below the cost, cumulative gains and losses recognized in other comprehensive income are directly transferred to retained earnings. Dividends received on equity financial assets at FVTOCI are recognized in profit or loss.

(d) Financial assets at FVTPL

Financial assets are classified as financial assets at FVTPL, if they are classified as neither financial assets at amortized cost, debt financial assets at FVTOCI, nor equity financial assets at FVTOCI. Please refer to “(20) Material accounting policies for the SoftBank Vision Funds segment” for the details of “Investments from SVF (FVTPL)” in the consolidated statement of financial position. Neither financial assets are designated as measured at fair value through profit or loss to eliminate or significantly reduce an accounting mismatch.

Subsequent to initial recognition, financial assets at FVTPL are measured at fair value and gains or losses arising from changes in fair value, dividend income and interest income are recognized in profit or loss.

(e) Impairment of financial assets

A loss allowance is recognized for expected credit losses on financial assets at amortized cost, debt financial assets at FVTOCI, and contract assets under IFRS 15 “Revenue from Contracts with Customers.” At each fiscal period-end, the Company assesses whether the credit risk on financial assets has increased significantly since initial recognition. If the credit risk on financial assets has not increased significantly since initial recognition, the Company measures the loss allowance for financial assets at an amount equal to the 12-month expected credit losses. If the credit risk on financial assets has increased significantly since initial recognition or for credit impaired financial assets, the Company measures the allowance account for the financial assets at an amount equal to the lifetime expected credit losses. However, the Company always measures the loss allowance at an amount equal to the lifetime expected credit losses for trade receivables and contract assets.

Expected credit losses are estimated in a way that reflects the following:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions, and forecasts of future economic conditions.

Provision of the loss allowance relating to the measurement is recognized in profit or loss. Reversal of the loss allowance is also recognized in profit or loss when events that would reduce the loss allowance occur in subsequent periods.

The carrying amount of financial assets is directly reduced against the loss allowance when the Company has no reasonable expectations of recovering financial assets in their entirety, or a portion thereof.

(f) Derecognition of financial assets

The Company derecognizes a financial asset when, and only when the contractual rights to the cash flows from the financial asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the financial asset.

c. Non-derivative financial liabilities

Non-derivative financial liabilities are classified into financial liabilities at FVTPL or financial liabilities measured at amortized cost, and the classification is determined at initial recognition.

Non-derivative financial liabilities are classified into financial liabilities at FVTPL when the entire hybrid contract, including more than one embedded derivative, is designated as a financial liability at FVTPL. Subsequent to initial recognition, financial liabilities at FVTPL are measured at fair value and gains or losses arising from changes in fair value and interest costs are recognized in profit or loss.

Financial liabilities measured at amortized cost are measured using the effective interest method, subsequent to initial recognition.

The Company derecognizes financial liabilities when the Company’s obligations are met, or debt is discharged or cancelled or expires.

d. Derivatives and hedge accounting

(a) Derivatives

The Company is engaged in derivative transactions, including foreign currency forward contracts, currency swaps, option contracts, and collar transactions in order to manage its exposure to foreign exchange rate, interest rate, and share price risks.

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently measured at their fair values at the end of fiscal year. Changes in the fair value of derivatives are recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument. Derivative financial assets not designated as hedging instruments are classified into financial assets at FVTPL, and derivative financial liabilities not designated as hedging instruments are classified into financial liabilities at FVTPL.

(b) Hedge accounting

The Company designates certain derivative transactions as hedging instruments and accounts for them as cash flow hedges.

At the inception of the hedge, the Company formally designates and documents the hedge relationship qualifying for hedge accounting, along with its risk management objectives and its strategies for undertaking various hedge transactions. At the inception of the hedge and on an ongoing basis, the Company evaluates whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the relevant hedged item during the underlying period. Specifically, a hedge is determined to be effective when all of the following criteria are met:

i. there is an economic relationship between the hedged item and the hedging instrument;
ii. the effect of credit risk does not dominate the value changes that result from that economic relationship; and
iii. the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item the Company actually hedges and the quantity of the hedging instrument the Company actually uses to hedge the quantity of the hedged item.

If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective remains the same, the Company adjusts the hedge ratio so that the hedging relationship becomes effective again.

The effective portion of changes in the fair value of derivatives that are designated and qualifying as cash flow hedges are recognized in other comprehensive income and accumulated in equity. Accumulated other comprehensive income is transferred to profit or loss through a line item relating to the hedged item in the consolidated statement of profit or loss in the year when the cash flows from the hedged item affect profit or loss. Any ineffective portion of changes in fair value of derivatives is recognized immediately in profit or loss.

The Company discontinues hedge accounting prospectively only when the hedging relationship ceases to meet the qualifying criteria, such as instances when the hedging instrument expires or is sold, terminated, or exercised.

When hedge accounting is discontinued, any related income included in accumulated other comprehensive income remains in equity and is reclassified to profit or loss when the forecasted transaction is ultimately recognized in profit or loss. When a forecasted transaction is no longer expected to occur, any related income included in accumulated other comprehensive income is immediately reclassified to profit or loss.

(c) Embedded derivatives

Derivatives embedded in non-derivative financial assets host contracts (“embedded derivatives”) are not separated from the host contracts and are accounted for as hybrid contracts in their entirety.

When the economic characteristics and risks of the derivatives embedded in non-derivative financial liabilities host contracts (“embedded derivatives”) are not closely related to the economic characteristics and risks of the host contracts and the whole financial instruments, including the embedded derivatives, are not classified as financial liabilities at FVTPL, the embedded derivatives are separated from the host contracts and accounted for separately as derivatives. If it is required to separate embedded derivatives from their host contracts, but the Company is unable to measure the embedded derivatives separately either at acquisition or at the end of a subsequent fiscal period, the Company designates and accounts for the entire hybrid contract as financial liabilities at FVTPL.

e. Offsetting financial assets and financial liabilities

Financial assets and financial liabilities are offset, and the net amounts are presented in the consolidated statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the recognized amounts, and intends either to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

(5) Cash and cash equivalents

Cash and cash equivalents consist of cash, demand deposits and short-term investments with maturities of three months or less that are readily convertible to cash and subject to insignificant risk of change in value.

(6) Inventories

Inventories are stated at the lower of cost or net realizable value. Inventories mainly consist of mobile devices and accessories in the SoftBank segment. Their costs comprise all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. The costs are mainly calculated by the moving-average method.

Net realizable value is calculated based on the estimated selling price in the ordinary course of business, less estimated costs of marketing, selling, and distribution.

(7) Property, plant and equipment

Property, plant and equipment are measured on a historical cost basis, less accumulated depreciation and accumulated impairment losses. Historical cost includes costs directly attributable to the acquisition of the asset and the initial estimated costs related to disassembly, retirement and site restoration.

Property, plant and equipment are depreciated mainly using the straight-line method over the estimated useful lives of each component. The depreciable amount is calculated as the cost of an asset, less its residual value. Land and construction in progress are not depreciated.

The estimated useful lives of major components of property, plant and equipment are as follows:

Buildings and structures	
Buildings	20 - 50 years
Structures	4 - 50 years
Building fixtures	3 - 22 years
Telecommunications equipment	
Wireless equipment, switching equipment, and other network equipment	5 - 15 years
Towers	10 - 42 years
Other	5 - 30 years
Furniture, fixtures and equipment	
Leased mobile devices	2 - 3 years
Other	2 - 20 years

The depreciation methods, useful lives, and residual values of assets are reviewed at the end of each fiscal year, and any changes are applied prospectively as a change in accounting estimate.

(8) Goodwill

Please refer to "(2) Business combinations" for the measurement of goodwill at initial recognition. Goodwill is measured at cost less accumulated impairment losses.

Goodwill is not amortized, and is tested for impairment when there is an indication of impairment in cash-generating units or groups of cash-generating units to which goodwill has been allocated, and annually, regardless of any indication of impairment. Impairment is described in "(11) Impairment of property, plant and equipment, right-of-use assets, intangible assets and goodwill."

The Company's policy for goodwill arising from the acquisition of an associate is described in "(1) Basis of consolidation."

(9) Intangible assets

The Company uses the cost model for measurement of intangible assets in which the assets are measured at historical cost, less accumulated amortization and accumulated impairment losses.

Intangible assets acquired individually are measured at cost upon initial recognition. Intangible assets acquired in a business combination are recognized separately from goodwill upon initial recognition and are measured at fair value at the acquisition date. Any internally generated research and development expenditure is recognized as an expense in the period in which it is incurred, except for expenditures on development activities eligible for capitalization (internally generated intangible assets). The amount initially recognized for internally generated intangible assets is the sum of the expenditures incurred from the date when the intangible asset first meets all of the capitalization criteria to the date the development is completed.

There are intangible assets with finite useful lives and intangible assets with indefinite useful lives. The intangible assets with finite useful lives are amortized over the estimated useful lives by the straight-line method.

The estimated useful lives of major categories of intangible assets with finite useful lives are as follows:

Software	5 - 10 years
Customer relationships	8 - 25 years
Technologies	8 - 20 years
Spectrum-related costs	18 years
Management contracts	6 - 10 years
Other	2 - 25 years

Amortization methods, useful lives and residual values of assets are reviewed at the end of each fiscal year, and any changes are applied prospectively as a change in accounting estimate.

Spectrum-related costs are SoftBank Corp.'s share of costs for the spectrums assigned to SoftBank Corp. based on the Radio Act. These spectrum-related costs include the costs arising from the migration of pre-existing users to other spectrums by the termination campaign. Useful lives are estimated based on the actual utilization of the frequency spectrum in the past.

Intangible assets with indefinite useful lives are as follows:

- Trademarks (with indefinite useful lives)

The intangible assets with indefinite useful lives and the intangible assets that are not yet available for use are not amortized. The impairment of these assets is described in "(11) Impairment of property, plant and equipment, right-of-use assets, intangible assets and goodwill."

In addition, the Company does not apply IFRS 16 "Leases" to leases of intangible assets.

(10) Leases

a. Overall

(a) Identifying a lease

At the inception of a contract, the Company assesses whether the contract is, or contains, a lease. The Company deems a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. If the following conditions are met, the Company deems that the contract conveys the right to control the use of an identified asset.

i. The use of the identified asset is specified in a contract and the lessor does not have the right to substitute the asset.
ii. Throughout the period of use, the lessee has the right to obtain substantially all of the economic benefits from the use of the identified asset.
iii. The lessee has the right to direct the use of the identified asset. Where the relevant decisions about how and for what purpose the asset is used are predetermined, the lessee is deemed to have the right to direct the use of the identified asset if:
• the lessee has the right to operate the asset; or
• the lessee designed the asset in a way that predetermines how and for what purpose the asset will be used.

(b) Lease term

The lease term is determined as the non-cancellable period of a lease, together with both:

• periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and
• periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option.

b. Lessee

(a) Separating components of a contract

For a contract that is, or contains, a lease, the Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract by allocating the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

(b) Lease transactions of intangible assets

The Company does not apply IFRS 16 "Leases" to leases of intangible assets.

(c) Right-of-use asset

At the commencement date, the Company recognizes a right-of-use asset and a lease liability. The right-of-use asset is initially measured at cost. The cost of the right-of-use asset comprises: the amount of the initial measurement of the lease liability; any lease payments made at or before the commencement date; any initial direct costs; and an estimate of costs to be incurred in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset; less any lease incentives received.

After the initial measurement, the right-of-use asset is depreciated on a straight-line basis: (a) over the estimated useful life if the transfer of ownership of the underlying asset is certain; or (b) over the shorter of the lease term or the estimated useful life of the leased asset if the transfer of ownership is not certain. The estimated useful life of the right-of-use asset is determined by the same method applied to property, plant and equipment. Further, if the right-of-use asset is impaired, an impairment loss is deducted from the carrying amount of the right-of-use asset. The details of lease terms by asset classes for right-of-use assets held for leases are described in "Note 15. Right-of-use assets."

(d) Lease liability

At the commencement date, the Company measures the lease liability at the present value of the lease payments that will be paid over the lease term after that date. In calculating the present value, the interest rate implicit in the lease is used as a discount rate if that rate can be readily determined. If that rate cannot be readily determined, the Company's incremental borrowing rate is used.

The lease payments included in the measurement of the lease liability mainly comprise: fixed payments; lease payments to be made during extension periods, if the lease term reflects the exercise of an option to extend the lease; and payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

After the initial measurement, the lease liability is measured at amortized cost using an effective interest method. The lease liability is remeasured if there is a change in future lease payments resulting from a change in an index or a rate, if there is a change in the amounts expected to be payable under a residual value guarantee, or if there is a change in the assessment of the possibility of an option to extend or terminate the lease being exercised.

If the lease liability is remeasured, the carrying amount of the right-of-use asset is also adjusted by the amount of the remeasurement of the lease liability. However, if the amount of liability reduced by the remeasurement of the lease liability exceeds the carrying amount of the right-of-use asset, any remaining amount of the remeasurement after reducing the right-of-use asset to zero is recognized in profit or loss.

c. Lessor

(a) Separating components of a contract

For a contract that is, or contains, a lease, the Company allocates the consideration in the contract applying IFRS 15 “Revenue from Contracts with Customers” to lease components and non-lease components of the contract.

(b) Classification of leases

At the commencement of a lease contract, the Company classifies whether the contract is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Otherwise, a lease is classified as an operating lease. The Company assesses that substantially all the risks and rewards incidental to ownership of an underlying asset are transferred in cases where the lease term is for a major part of the economic life of the underlying asset, or the amount of present value of the lease payment is substantially all the amount of fair value of the asset.

(c) Sublease classification

If the Company is a party to a sublease contract, the Company accounts for the head lease (lessee) and the sublease (lessor) separately. When classifying the sublease as a finance lease or an operating lease, the Company considers the risks and rewards incidental to, and the useful life of, the right-of-use asset that is recognized by the Company in the head lease, instead of that of the leased asset.

(d) Recognition and measurement

Lease receivables in finance leases are recorded as the uncollected amount of net lease receivables, as of the date the lease is determined and through its maturity. Lease receivables are apportioned between financing income and the repayments of the lease receivables. Lease receivables are measured at amortized cost using the effective interest method. Interest income based on the effective interest rate is recognized in profit or loss.

Total lease payments received from operating leases received during the lease term are recognized as income on a straight-line basis over the lease term.

(11) Impairment of property, plant and equipment, right-of-use assets, intangible assets and goodwill

a. Impairment of property, plant and equipment, right-of-use assets, and intangible assets

At the end of the fiscal year, the Company determines whether there is any indication that property, plant and equipment, right-of-use assets, and intangible assets may be impaired.

If any such indication exists, the recoverable amount of the asset is estimated. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Intangible assets with indefinite useful lives and intangible assets that are not yet available for use are tested for impairment annually regardless of whether there is any indication of impairment.

The recoverable amount is the higher of fair value less costs to sell, or value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the time value of money and the risks specific to the asset.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount, and an impairment loss is recognized in profit or loss.

At the end of the fiscal year, the Company evaluates whether there is any indication that an impairment loss related to assets other than goodwill recognized in prior years has decreased or been extinguished. If such indication of a reversal of an impairment loss exists, the recoverable amount of the asset or cash-generating unit is estimated. If the recoverable amount of an asset or cash-generating unit is estimated to be higher than its carrying amount, a reversal of an impairment loss is recognized, to the extent that the increased carrying amount does not exceed the lower of the recoverable amount or the carrying amount that would have been determined (net of depreciation and amortization) had no impairment loss been recognized.

b. Impairment of goodwill

At the end of the fiscal year and at the end of each quarter, the Company determines whether there is any indication that goodwill may be impaired.

Goodwill is allocated to each of the cash-generating units or groups of cash-generating units that are expected to benefit from the synergies arising from the business combination, and it is tested for impairment annually, regardless of any indication of impairment, and when there is an indication that the cash-generating unit or groups of cash-generating units may be impaired. If, at the time of the impairment test, the recoverable amount of the cash-generating unit or groups of cash-generating units is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit or groups of cash-generating units and then to the other assets pro rata based on the carrying amount of each asset in the unit or groups of cash-generating units.

Any impairment loss for goodwill is recognized directly in profit or loss and is not reversed in subsequent periods.

(12) Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are measured using the estimated future cash flows, discounted using a pre-tax rate reflecting the time value of money and the specific risks of the liability, after taking into account the risks and uncertainties surrounding the obligation at the end of the fiscal year.

The Company mainly recognizes asset retirement obligations, asbestos claims liabilities, and provisions for loss on contract as provisions.

Asbestos claims liabilities are recognized because Fortress acquired and consolidated an entity that holds asbestos claims liabilities and related insurance assets. For the asbestos claims liabilities, the subsidiary estimates future costs for the cases filed alleging injury as a result of exposure to asbestos, and records amounts as deemed necessary.

For provisions for loss on contract, the amount is estimated and recorded as deemed necessary to prepare for future losses incurred in fulfilling contracts with customers.

(13) Treasury stock

When the Company acquires its own equity share capital ("treasury stock"), the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity. No gain or loss is recognized on the purchase, sale, or cancellation of the treasury stock. The difference between the carrying amount and the consideration on sale is recognized as capital surplus.

(14) Assets or disposal groups classified as held for sale

Assets or disposal groups, whose recoveries are expected principally through sale transactions rather than continuing use, are classified as held for sale when it is highly probable that the sale will be completed within one year, are available for immediate sale in their present condition, and management commits to a plan to sell.

The Company, when committed to a sale plan involving loss of control of a subsidiary, classifies assets and liabilities of the subsidiary as held for sale when the above criteria are met, regardless of whether the Company will retain a non-controlling interest in its former subsidiary after the sale.

Assets classified as held for sale are measured at the lower of the carrying amounts and fair values less costs to sell and depreciation of property, plant and equipment and amortization of intangible assets are not conducted after the classification.

(15) Share-based payments

The Company grants stock options and adopts restricted stock unit plans and restricted stock compensation plans, as equity-settled share-based compensation, and cash-settled share-based compensation.

Equity-settled share-based compensation is measured at fair value on the grant date. The fair value of stock options is calculated using models such as the Black-Scholes model, and the fair value of restricted stock units and restricted stocks is calculated using the share price on the grant date.

The fair value determined on the grant date is expensed over the vesting period, based on the estimated stock options or restricted stock units that will eventually vest, with a corresponding increase in equity.

The Company regularly reviews the assumptions made and revises estimates of the number of stock options or restricted stock units that are expected to vest, when necessary.

Restricted stock units are vested on the grant date and accordingly the fair value of restricted stock units on the grant date is expensed in a lump sum.

Cash-settled share-based compensation is accounted for as liabilities and is measured initially at the fair value of the award. The fair value of the liabilities is remeasured on each closing date and the settlement date, and changes in fair values are recognized in profit or loss.

(16) Revenue

The Company's accounting policy for revenue recognition is as follows:

SoftBank segment

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

a. Consumer business

(a) Mobile services and sales of mobile devices

The Company provides mobile services, which consist of voice call services, data transmission services, and related optional services to subscribers, and sells mobile devices to customers.

In providing mobile services, sales revenue is mainly generated from basic monthly charges, mobile services, and other fees. Revenues from the sales of mobile devices are generated from the sales of mobile devices and accessories to subscribers or dealers.

The business flow of the above transactions consists of "Indirect" sales, where the Company sells mobile devices to dealers and enters into mobile communications service contracts with subscribers through dealers, and "Direct" sales, where the Company sells mobile devices to subscribers and enters into mobile communications service contracts directly with subscribers.

In mobile services, the contractual period is defined as the period in which the parties to the contract have present enforceable rights and obligations based on the terms and conditions of the contract with the subscriber. In addition, if the Company determines that an option to renew the contract is granted to the subscriber and the option provides a "material right" to the subscriber, it identifies the option as a separate performance obligation. As a practical alternative to estimating the stand-alone selling price of an option identified as a separate performance obligation, the Company allocates the transaction price to the mobile communications services related to the option by reference to the mobile communications services expected to be provided and the corresponding expected consideration.

Basic charges and mobile service fees are billed to subscribers on a monthly basis and are generally due within one month. Mobile device payments for indirect sales are billed to dealers at the time of sale to the respective dealers and are generally due within one month. In addition, mobile device payments for direct sales can be paid in full at the time of sale or paid in monthly installment over the contract period, normally due within one month. As a result of both quantitative and qualitative analysis, the Company has determined that these transaction prices do not include significant financing components due to the timing of payments, and accordingly, they have not been adjusted for such financing components. When the period between the revenue recognition and the payment is one year or less, the Company does not make an adjustment for significant financing components, as a practical expedient permitted by IFRS.

For mobile services and sales of mobile devices, the Company is obligated to allow returns and provide refunds for a certain period of time after the inception of the contract. Return and refund obligations are estimated and deducted from transaction prices for each type of goods and services based on historical performance.

The Company provides optional additional warranty services for mobile devices. Under the contracts in which these services are provided, the services are identified as separate performance obligations, and are recognized as revenue when they are provided to subscribers.

i. Indirect sales

Revenues from the sales of mobile devices are recognized when mobile devices are delivered to dealers, which is when dealers are deemed to have obtained control over the mobile devices. Dealers involved in indirect sales have the primary responsibility for fulfilling contracts, carry all inventory risk, and may independently establish their own inventory pricing. Accordingly, the Company considers that dealers involved in indirect sales act as principals.

Basic monthly charges and mobile service fees are recognized as revenue over time during the contractual period because the performance obligation of mobile services is to provide a certain amount of data communications monthly to subscribers during the contractual period. Discounts on mobile communications charges are deducted from the revenues recognized from monthly mobile services. Commission fees paid to dealers related to the sales of mobile devices are deducted from sales.

ii. Direct sales

For direct sales, the total amount of transaction prices is allocated to sales of mobile devices and mobile service revenue based on the ratio of their stand-alone selling prices, as the revenues from the sales of mobile devices and mobile services, including related fees, are considered to be one transaction. Discounts on mobile communications charges related to mobile service revenue are deducted from the total transaction prices.

In addition, if the amount of revenue recognized at the time of sales of mobile devices exceeds the amount of consideration received from the subscribers, the difference is recognized as contract assets and subsequently transferred to trade receivables when the claim is determined as a result of the provision of mobile services. If the amount of revenue recognized at the time of sales of mobile devices is less than the amount of consideration received from the subscribers, the difference is recognized as contract liabilities, which is then reversed when the mobile services are provided, and is recognized as revenue.

Stand-alone selling prices of mobile devices and mobile services are priced at their observable prices when the mobile devices and mobile services are sold independently to customers at the inception of the contract.

The amount allocated to sales of mobile device is recognized as revenue at the time of delivery to the subscribers, representing the point in time when subscribers are considered to have obtained control of the mobile devices. Amounts allocated to mobile service revenues are recognized as revenue over time during the contractual period because the performance obligation of mobile services is to provide a certain amount of data communications monthly to subscribers during the contractual period.

Contract assets are included in "Other current assets" in the consolidated statement of financial position.

(b) Broadband services

For broadband services, revenues are mainly generated from basic monthly charges and telecommunications service fees primarily related to Internet connection ("revenues from broadband services"), and other fees.

Revenues from broadband services are recognized when services are provided to subscribers, based upon fixed monthly charges plus the fees charged for usage of the network. Activation fees are recognized as contract liabilities when received, which are then reversed when the broadband services are provided, and are recognized as revenue.

(c) Electricity services

For electricity services, revenues are mainly generated from the purchase and sale, supply and intermediation of electricity services, including Ouchi Denki. Revenues from supply of electricity (retail service) are recognized when services are provided to subscribers, based upon fixed monthly charges plus the fees charged for usage of electricity.

b. Enterprise business

(a) Mobile services and mobile device rental services

Revenues from mobile services mainly consist of revenues from mobile services and other fees.

Since mobile device rental services are provided on the condition that mobile service contracts are entered into consideration arising from these transactions are allocated to lease and others based on the fair value of mobile device lease and mobile communications services. The fair value is the price at which the mobile devices are sold individually and the price at which the mobile communications services are provided individually. Consideration allocated to other is recognized as revenues based on fixed monthly charges and the fees charged for usage of the network when services are provided to subscribers.

(b) Fixed-line communications services

Revenues from fixed-line communications services mainly consist of voice telecommunications service fees and data transmission service fees. Revenues from fixed-line communications services are recognized when services are provided to subscribers, based on fixed monthly charges and the fees charged for usage of the network.

(c) Business solution and others

Revenues from business solution and others mainly consist of services, such as data center, cloud, security, global, AI, Internet of Things (“IoT”), digital marketing, and equipment sales.

Revenues from business solution and others are recognized when products or services are provided to subscribers, representing the point when subscribers have obtained control of the product or service, based upon the consideration receivable from subscribers.

c. Distribution business

Revenues in the distribution business are mainly generated from the sales of hardware, software, and services in relation to Information and Communication Technology (“ICT”), cloud and Internet of Things (“IoT”) solutions for enterprise customers. Revenues are also driven by the sales of PC software, IoT products, and mobile device accessories for individual customers.

Revenues in the distribution business are recognized as revenue at the time of delivery to customers, representing the point in time when the customers are deemed to have obtained control over the goods and other items.

For transactions conducted by the Company on behalf of third parties, revenues are presented on a net basis by excluding payment to third parties from the total consideration received from customers.

d. Media&EC business

(a) Media business

The media business mainly comprises planning and sale of internet-based advertising-related services, information listing services, and other corporate services. Revenues in the media business mainly consist of revenues from search advertising, account advertising, display advertising, and others.

i. Search advertising

Revenues from search advertising are recognized based on the per-click rate set by a customer when a visitor of the website clicks the advertisement.

ii. Account advertising

Account advertising mainly comprises LINE Official Accounts and LINE Sponsored Stickers. Revenues from LINE Official Accounts are recognized over time during the contractual period. Revenues from LINE Sponsored Stickers are recognized over time during the contractual period.

iii. Display advertising

Display advertising comprises display advertising (reservation) and display advertising (programmatic).

Revenues from display advertising (reservation) are recognized over the period in which the related advertisement is displayed.

Revenues from display advertising (programmatic) are recognized based on the per-click rate set by a customer when a visitor of the website clicks the advertisement on the page with the related content.

Revenues from LINE VOOM and LINE NEWS advertising are recognized upon the fulfilment of certain actions under contracts with advertisers.

iv. Others

Others mainly comprise LYP Premium. Revenues from LYP Premium are recognized over the period during which the membership is valid.

(b) Commerce business

The commerce business mainly comprises sales of products and planning and providing of services, which are provided via the internet for small to medium-sized businesses and individual customers. Revenues in the commerce business consist of revenues from the sales of goods by the ASKUL Group, e-commerce-related services, such as ZOZOTOWN and Yahoo! auction.

i. Sales of goods by the ASKUL Group

ASKUL Group engages in the business of selling office-related products and other goods. ASKUL Group’s major customers are small-and medium-sized companies, as well as individual users. Revenues from the sale of goods are recognized when a customer obtains control of the goods, that is, at the time the customer has the ability to direct the use of the goods and to obtain substantially all of the remaining economic benefits from the goods.

ii. ZOZOTOWN

ZOZO Inc. operates ZOZOTOWN and sells goods on a consignment basis to individual users as an agent of each brand opening a store as a tenant in ZOZOTOWN. Consignment sales commission based on gross merchandise value multiplied by sales commission rate is recognized as revenue when the customer obtains control of the goods.

iii. Yahoo! auction

Yahoo provides online auction services through Yahoo! auction to individual users and corporations. System usage fees charged to the sellers according to auction proceeds are recognized as revenue when the auction transactions are completed.

e. Financial business

Revenues in the financial business mainly consist of merchant fees from providing QR code payment services and merchant fees from credit-related services. The merchant fees from providing QR code payment services are recognized as revenue at the completion of the settlement, assuming that the merchant has received the payment service at the point of sale of goods or other transactions.

Among the credit card-related services, the merchant fees from providing payment services are recognized as revenue at the time of card usage, which is when the performance obligation is satisfied. Additionally, fees generated from revolving payments, installment payments, and cash advance services provided to card members are recognized as revenue over the period of interest attributed in accordance with IFRS 9 "Financial Instruments."

Arm segment

In the Arm segment, revenue is mainly generated from licensing Arm's IP to customers and royalties arising from the subsequent sale of licensees' chips that contain Arm's technology.

a. License and other revenue

(a) Intellectual Property license

Arm generally licenses IP under non-exclusive license agreements that provide usage rights for specific applications for a finite or perpetual term. These licenses are made available electronically to address the customer-specific business requirements. These arrangements generally have distinct performance obligations that consist of transferring the licensed IPs, version extensions of architecture IP or releases of IPs, and support services. Support services consist of a stand-ready obligation to provide technical support, patches, and bug fixes over the support term. Revenue allocated to the IP license is recognized at a point in time upon the delivery or beginning of license term, whichever is later. Revenue allocated to distinct version extensions of architecture IP or releases of IP, excluding when-and-if-available minor updates over the support term, are recognized at a point in time upon the delivery or beginning of license term, whichever is later.

Certain license agreements provide customers with the right to access a library of current and future IPs on an unlimited basis over the contractual period depending on the terms of the applicable contract. These licensing arrangements of the customer and the extent of use in any given period does not diminish the remaining performance obligation. The contract consideration related to these arrangements is recognized ratably over the term of the contract in line with when the control of the performance obligations is transferred.

(b) Software sales, including development systems

Sales of software, including development systems, which are not specifically designed for a given license (such as off-the-shelf software), are recognized upon delivery when control has been transferred and customer can begin to use and benefit from the license.

(c) Professional services

Services (such as training and professional and design services) that Arm provides, which are not essential to the functionality of the IP, are separately stated and priced in the contract and accounted for separately. Training revenue is recognized as services are performed. Revenue from professional and design services are recognized over time using the input method based on engineering labor hours expended to date relative to the estimated total effort required. For such professional and design services, Arm has an enforceable right to payment for performance completed to date, which includes a reasonable profit margin and the performance of such services do not create an asset with an alternative use.

(d) Support and maintenance

Support and maintenance is a stand-ready obligation to the customer that is both provided and consumed simultaneously. Revenue is recognized on a straight-line basis over the period for which support and maintenance is contractually agreed pursuant to the license.

b. Royalty revenue

For certain IP license agreements, royalties are collected on products that incorporate the Arm's IP. Royalties are recognized on an accrual basis in the quarter in which the customer ships their products, based on the Arm's technology that it contains. This estimation process for the royalty revenue accrual is based on a combination of methodologies, including the use of historical sales trends, as well as data and forecasts from third-party industry research providers. Data considered includes revenue, unit shipments, average selling price, product mix, market share and market penetration. Adjustments to revenue are required in subsequent periods to reflect changes in estimates as new information becomes available, primarily resulting from actual amounts subsequently reported by the licensees in the period following the accrual.

(17) Costs to obtain contracts

The Company recognizes the costs that would not have been incurred if the telecommunications service contract had not been obtained and that are expected to be recovered, as assets from the costs to obtain contracts. The Company capitalizes mainly the sales commissions that the Company pays to dealers for obtaining and maintaining mobile service contracts with subscribers.

The costs to obtain contracts are amortized on a straight-line basis over the period (normally two to four years) during which goods or services related to such costs directly are expected to be provided. At each fiscal year-end and quarterly period-end, the Company assesses the impairment relating to the capitalized costs to obtain such contracts.

Using a practical expedient, the Company accounts for the costs to obtain contracts as expenses when incurred if the amortization period of the costs to obtain contracts is one year or less.

(18) Income tax

Income tax expense is composed of current and deferred taxes, and recognized in profit or loss, except for taxes related to business combinations and items that are recognized in other comprehensive income or directly in equity.

Current tax is measured at the amount expected to be paid to or recovered from the taxation authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the fiscal year.

Deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences, net operating loss carryforwards and tax credit carryforwards can be utilized. The recoverability of deferred tax assets is reassessed at the end of the fiscal year.

Deferred tax assets are not recognized for the taxable temporary differences that arise from the initial recognition of assets and liabilities in a transaction that is not a business combination, affects neither accounting profit nor taxable profit and does not give rise to equal taxable and deductible temporary differences.

Deferred tax assets are recognized for deductible temporary differences associated with investments in subsidiaries and associates when it is probable that the temporary difference will reverse in the foreseeable future and when there will be sufficient taxable profits against which the temporary differences can be utilized.

Deferred tax liabilities are basically recognized for taxable temporary differences, except for:

- temporary differences that arise from the initial recognition of assets and liabilities in a transaction that is not a business combination, affects neither accounting profit nor taxable profit and does not give rise to equal taxable and deductible temporary differences;
- taxable temporary differences arising from the initial recognition of goodwill; and
- taxable temporary differences associated with investments in subsidiaries and associates, where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax laws that have been enacted or substantively enacted by the end of the fiscal year.

Deferred tax assets and liabilities are offset if the Company has a legally enforceable right to set-off current tax assets against current tax liabilities, and income taxes are levied by the same taxation authority on the same taxable entity.

In accordance with the temporary relief under the IAS 12 (Amendments), the Company has applied exceptions for recognition and information disclosure regarding the deferred tax assets and liabilities related to income taxes arising from the implementation of the Pillar Two model rules.

(19) Earnings per share

Basic earnings per share is calculated by dividing net income attributable to owners of the parent by the weighted-average number of ordinary shares (after adjusting for treasury stocks) outstanding for the period.

Diluted earnings per share assumes full conversion of the issued potential stocks having a dilutive effect, with an adjustment for net income attributable to owners of the parent and the weighted-average number of ordinary shares (after adjusting for treasury stocks) outstanding for the period.

(20) Material accounting policies for the SoftBank Vision Funds segment

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

a. Consolidation of SVF1, SVF2, and LatAm Funds by the Company

SVF1 and SVF2 are limited partnerships established by their respective general partners which are wholly-owned subsidiaries of the Company (SVF2 owns limited liability companies including SVF2 LLC) and are qualified as structured entities by their forms of organization. SVF1 and SVF2 are consolidated by the Company for the following reasons.

As of March 31, 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.

b. Portfolio company investments made by SVF1, SVF2, and LatAm Funds

(a) Investments in subsidiaries

Of the portfolio company investments made by SVF1, SVF2, and LatAm Funds, the portfolio companies that the Company is deemed to control under IFRS 10 "Consolidated Financial Statements" are subsidiaries of the Company. Accordingly, their results of operations, assets, and liabilities are included in the Company's consolidated financial statements.

Gain and loss on investments in the subsidiaries of the Company which are recognized in SVF1, SVF2, and LatAm Funds are eliminated in consolidation.

(b) Investments in associates and joint ventures

Of the portfolio company investments made by SVF1, SVF2, and LatAm Funds, the portfolio companies over which the Company has significant influence under IAS 28 "Investments in Associates and Joint Ventures" are associates of the Company, and the portfolio companies that are joint ventures of the Company when, as defined under IFRS 11 "Joint Arrangements," SVF1, SVF2, and LatAm Funds have joint control with other investors under contractual arrangements and the investors have rights to the net assets of the arrangement.

The investments in associates and joint ventures of the Company made by SVF1, SVF2, and LatAm Funds are accounted for as financial assets at FVTPL in accordance with paragraph 18 of IAS 28 "Investments in Associates and Joint Ventures" and presented as "Investments from SVF (FVTPL)" in the consolidated statement of financial position. The payments for these investments are presented as "Payments for acquisition of investments by SVF" and the proceeds from sales of these investments are presented as "Proceeds from sales of investments by SVF" under cash flows from investing activities in the consolidated statement of cash flows.

If the investments in associates and joint ventures that were transferred from SoftBank Group Corp. and its subsidiaries to SVF1, SVF2, or LatAm Funds were accounted for using the equity method prior to the transfer, these investments continue to be accounted for using the equity method after the transfer to SVF1, SVF2, or LatAm Funds and presented as "Investments accounted for using the equity method" in the consolidated statement of financial position.

Gain and loss on the investments which were recognized in SVF1, SVF2, or LatAm Funds are eliminated in consolidation and gain and loss on the investments accounted for using the equity method are presented as "Income (loss) on equity method investments" in the consolidated statement of profit or loss.

(c) Other investments

Investments other than those in associates or joint ventures of the Company made by SVF1, SVF2, and LatAm Funds are accounted for as financial assets at FVTPL. The presentation of these investments in the consolidated statement of financial position and the consolidated statement of cash flows is the same as the above "(b) Investments in associates and joint ventures."

c. Contribution from limited partners in SVF1 and SVF2, and investors in LatAm Funds, SVF2 LLC, and SLA LLC (collectively "SVF Investors")

(a) Contribution from SVF Investors other than the Company ("Third-Party Investors," and each a "Third-Party Investor")

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

Third-Party Investor in SVF2 and LatAm Funds is entitled to make full or partial payments of its investments and related adjustments at any point in time, at its discretion, from the date it became an investor in SVF2 LLC or SLA LLC to the end of company life of SVF2 LLC or SLA LLC, and as of March 31, 2024, the Company has recognized receivables from Third-Party Investor. The receivables are included in "Other financial assets (non-current)" in the consolidated statement of financial position.

"Third-party interests in SVF" fluctuates due to the results of SVF1, SVF2, and LatAm Funds in addition to contributions from Third-Party Investors, and distributions and repayments of investments to Third-Party Investors. The fluctuations due to the results of SVF1, SVF2, and LatAm Funds are presented as "Change in third-party interests in SVF" in the consolidated statement of profit or loss.

Contributions from Third-Party Investors are included in "Contributions into SVF from third-party investors" under cash flows from financing activities in the consolidated statement of cash flows. The distributions and repayments of investments to Third-Party Investors are included in "Distribution/repayment from SVF to third-party investors" under cash flows from financing activities in the consolidated statement of cash flows. No cash contributions into SVF2 and LatAm Funds from Third-Party Investors and no cash distributions/repayments from SVF2 and LatAm Funds to Third-Party Investors were made as of March 31, 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 consolidated statement of financial position.

(b) Contribution from the Company

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

4. Changes in accounting policies

The Company has adopted the following standard and interpretation for the fiscal year ended March 31, 2024.

Standard / interpretation		Outline of the new / amended standards
IAS 12 (Amendments)	Income Taxes (Amendments in May 2021)	Clarification of the deferred tax accounting related to assets and liabilities arising from a single transaction.

There are no significant impacts on the consolidated financial statements (except for the notes to the consolidated financial statements) for the fiscal year ended March 31, 2023 and 2024, due to the adoption of the IAS 12 (Amendments) "Income Taxes."

As a result of the adoption of the amended standard retrospectively, the Company recognized the same amount of deferred tax assets and deferred tax liabilities for assets and liabilities arising from a single transaction, which were restated in "(3) Movement of deferred tax assets and deferred tax liabilities" under "Note 21. Income taxes" for the fiscal year ended March 31, 2023.

There are no other significant impacts on the consolidated financial statements of the Company due to the adoption of new accounting standards or interpretations.

5. Significant judgments and estimates

In preparing consolidated financial statements under IFRS, management makes judgments, estimates, and assumptions that affect the application of accounting policies and carrying amounts of assets, liabilities, revenue, and expenses. These estimates and underlying assumptions are based on management's best judgments, through their evaluation of various factors that were considered reasonable as of the period-end, based on historical experience and by collecting available information. By the nature of its estimates or assumptions, however, actual results in the future may differ from those projected estimates or assumptions.

Estimates and underlying assumptions are continuously reviewed. Revisions to accounting estimates are recognized in the period in which the estimate is revised as well as in the future periods. Significant judgments, estimates and assumptions that affect the amounts recognized in the Company's consolidated financial statements are as follows:

- significant judgments of whether an entity is controlled by the Company in determining the scope of consolidation ((1) and (20) in "Note 3. Material accounting policies" and "Note 18. Major subsidiaries");
- significant judgments for the determination of the scope and accounting treatment of associates ((1) and (20) in "Note 3. Material accounting policies" and "Note 19. Investments accounted for using the equity method");
- estimates for impairment of investments accounted for using the equity method ((1) in "Note 3. Material accounting policies" and "Note 41. Other gain (loss)");
- fair value measurement of financial assets at FVTPL, debt financial assets at FVTOCI, and equity financial assets at FVTOCI ((4) and (20) in "Note 3. Material accounting policies," "Note 7. SoftBank Vision Funds business," (2) in "Note 29. Fair value of financial instruments," and "Note 38. Gain on investments");
- estimates for impairment of financial assets measured at amortized cost ((4) in "Note 3. Material accounting policies," and "Note 41. Other gain (loss)");
- fair value measurement of derivatives (including embedded derivatives) ((4) in "Note 3. Material accounting policies" and (2) in "Note 29. Fair value of financial instruments");
- estimates for residual value and useful life of property, plant and equipment, right-of-use assets, and intangible assets ((7), (9), and (10) in "Note 3. Material accounting policies");
- estimates for impairment of property, plant and equipment, right-of-use assets, intangible assets and goodwill ((11) in "Note 3. Material accounting policies," "Note 16. Goodwill and intangible assets," and "Note 41. Other gain (loss)");
- judgments and estimates for accounting treatment of contracts including leases ((10) in "Note 3. Material accounting policies," "Note 15. Right-of-use assets," and "Note 17. Leases");
- judgments and estimates for recognition and measurement on provisions ((12) in "Note 3. Material accounting policies" and "Note 27. Provisions");
- judgments and estimates for salability relating to classification as held for sale ((14) in "Note 3. Material accounting policies" and "Note 13. Disposal group classified as held for sale");
- judgments for timing of revenue recognition related to indirect sales of mobile devices ((16) in "Note 3. Material accounting policies" and "Note 36. Net sales");
- judgments for "contractual period" in the mobile services and whether or not if "material right" is included in the contracts ((16) in "Note 3. Material accounting policies" and "Note 36. Net sales");
- estimates for amortization period of costs to obtain contracts ((17) in "Note 3. Material accounting policies");
- assessment of recoverability of deferred tax assets ((18) in "Note 3. Material accounting policies" and "Note 21. Income taxes");
- significant judgments for recognition related to deferred tax liabilities ((18) in "Note 3. Material accounting policies" and "Note 21. Income taxes");
- estimates for measurement of contribution from Third-party interests to SVF ((20) in "Note 3. Material accounting policies" and (2) in "Note 7. SoftBank Vision Funds business"); and
- recognition of liabilities and expenses related to contingencies ("Note 46. Contingency").

6. Segment information

(1) Description of reportable segments

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

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

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

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

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

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

Information on business segments, which is not included in the reportable segments, is classified as "Other." "Other" includes mainly Fortress 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 WeWork, an equity method associate, and others, which are included in segment income of the SoftBank Vision Funds segment.

* Effective on October 1, 2023, the reorganization procedures involving Z Holdings Corporation (the surviving company) and its core subsidiaries, primarily LINE Corporation, and Yahoo Japan Corporation have been completed. On the same date, Z Holdings Corporation was renamed to LY Corporation, LINE Corporation to Z Intermediate Global Corporation, and Yahoo Japan Corporation was dissolved.

(2) Net sales and income of reportable segments

Income of reportable segments is defined as "Income before income tax." As in the consolidated statement of profit or loss, "Gain (loss) on investments" included in segment income includes realized gain and loss from investments in financial assets at FVTPL for which investment performance is measured at fair value, unrealized gain and loss on valuation of investments, dividend income from investments, derivative gain and loss relating to investments in financial assets at FVTPL, and realized gain and loss from investments accounted for using the equity method. The Investment Business of Holding Companies segment calculates its segment income by eliminating gain and loss on investments relating to investments in subsidiaries, including dividend income from subsidiaries and impairment loss on investments in subsidiaries.

In August 2023, Arm shares held by SVF1 were sold to a wholly-owned subsidiary of the Company classified as the Investment Business of Holding Companies segment. The transaction price was established by reference to the terms of a prior contractual arrangement between the parties. The details are described in "*2" in "b. Segment income arising from the SoftBank Vision Funds business" in "(1) Income and loss arising from the SoftBank Vision Funds business" under "Note 7. SoftBank Vision Funds business."

In addition, intersegment transaction prices other than the above are determined under the same general business conditions as applied for external customers.

For the fiscal year ended March 31, 2023

(Millions of yen)

	Reportable segments							
	Investment Business of Holding Companies	SoftBank Vision Funds*	SoftBank	Arm	Total	Other	Reconciliations	Consolidated
Net sales								
Customers	¥ –	¥ –	¥ 5,953,374	¥ 381,746	¥ 6,335,120	¥ 235,319	¥ –	¥6,570,439
Intersegment	–	–	3,163	–	3,163	9,527	(12,690)	–
Total	¥ –	¥ –	¥ 5,956,537	¥ 381,746	¥ 6,338,283	¥ 244,846	¥ (12,690)	¥6,570,439
Segment income	3,349,846	(4,308,291)	592,782	48,663	(317,000)	(75,258)	(76,869)	(469,127)
Depreciation and amortization	(4,391)	(1,230)	(768,712)	(87,854)	(862,187)	(31,301)	–	(893,488)
Gain (loss) on investments	4,560,568	(5,279,494)	(25,381)	370	(743,937)	(48,283)	(42,839)	(835,059)
Finance cost	(398,541)	(81,181)	(64,020)	(1,034)	(544,776)	(15,666)	4,540	(555,902)
Foreign exchange gain (loss)	(772,053)	1,367	600	(1,981)	(772,067)	(203)	–	(772,270)
Income (loss) on equity method investments	(22,836)	–	(46,783)	285	(69,334)	(12,060)	(15,283)	(96,677)
Derivative gain (loss) (excluding gain (loss) on investments)	65,732	907	692	1,287	68,618	(14,362)	–	54,256

For the fiscal year ended March 31, 2024

(Millions of yen)

	Reportable segments							
	Investment Business of Holding Companies	SoftBank Vision Funds*	SoftBank	Arm	Total	Other	Reconciliations	Consolidated
Net sales								
Customers	**¥ –**	**¥ –**	**¥6,081,283**	**¥ 464,025**	**¥6,545,308**	**¥ 211,192**	**¥ –**	**¥6,756,500**
Intersegment	**–**	**–**	**2,563**	**–**	**2,563**	**13,819**	**(16,382)**	**–**
Total	**¥ –**	**¥ –**	**¥6,083,846**	**¥ 464,025**	**¥6,547,871**	**¥ 225,011**	**¥ (16,382)**	**¥6,756,500**
Segment income	**(97,526)**	**128,179**	**835,076**	**(33,215)**	**832,514**	**51,408**	**(826,121)**	**57,801**
Depreciation and amortization	**(3,078)**	**(2,302)**	**(738,762)**	**(92,799)**	**(836,941)**	**(21,679)**	**–**	**(858,620)**
Gain (loss) on investments	**(459,045)**	**724,341**	**6,664**	**974**	**272,934**	**55,777**	**(888,061)**	**(559,350)**
Finance cost	**(473,811)**	**(74,322)**	**(63,706)**	**(1,506)**	**(613,345)**	**(16,420)**	**73,761**	**(556,004)**
Foreign exchange gain (loss)	**(703,438)**	**(525)**	**(1,393)**	**3,099**	**(702,257)**	**(865)**	**–**	**(703,122)**
Income (loss) on equity method investments	**1,904**	**–**	**(22,595)**	**101**	**(20,590)**	**(17,363)**	**(688)**	**(38,641)**
Derivative gain (excluding gain (loss) on investments)	**1,500,015**	**–**	**2,184**	**127**	**1,502,326**	**–**	**–**	**1,502,326**

(Thousands of U.S. dollars)

	Reportable segments							
	Investment Business of Holding Companies	SoftBank Vision Funds*	SoftBank	Arm	Total	Other	Reconciliations	Consolidated
Net sales								
Customers	**$ –**	**$ –**	**$40,164,342**	**$ 3,064,692**	**$43,229,034**	**$ 1,394,835**	**$ –**	**$44,623,869**
Intersegment	**–**	**–**	**16,928**	**–**	**16,928**	**91,269**	**(108,197)**	**–**
Total	**$ –**	**$ –**	**$40,181,270**	**$ 3,064,692**	**$43,245,962**	**$ 1,486,104**	**$ (108,197)**	**$44,623,869**
Segment income	**(644,119)**	**846,569**	**5,515,329**	**(219,371)**	**5,498,408**	**339,529**	**(5,456,185)**	**381,752**
Depreciation and amortization	**(20,329)**	**(15,204)**	**(4,879,215)**	**(612,899)**	**(5,527,647)**	**(143,181)**	**–**	**(5,670,828)**
Gain (loss) on investments	**(3,031,801)**	**4,783,971**	**44,012**	**6,433**	**1,802,615**	**368,384**	**(5,865,273)**	**(3,694,274)**
Finance cost	**(3,129,324)**	**(490,866)**	**(420,751)**	**(9,947)**	**(4,050,888)**	**(108,448)**	**487,161**	**(3,672,175)**
Foreign exchange gain (loss)	**(4,645,915)**	**(3,467)**	**(9,201)**	**20,468**	**(4,638,115)**	**(5,713)**	**–**	**(4,643,828)**
Income (loss) on equity method investments	**12,575**	**–**	**(149,230)**	**667**	**(135,988)**	**(114,676)**	**(4,544)**	**(255,208)**
Derivative gain (excluding gain (loss) on investments)	**9,906,974**	**–**	**14,425**	**839**	**9,922,238**	**–**	**–**	**9,922,238**

* The details of the difference between "Gain (loss) on investments" in the SoftBank Vision Funds segment and "Gain (loss) on investments at SoftBank Vision Funds" in the consolidated statement of profit or loss are described in "(1) Income and loss arising from the SoftBank Vision Funds business" under "Note 7. SoftBank Vision Funds business."

(3) Geographical information

a. Net sales to external customers

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2023	**Fiscal year ended March 31, 2024**	**Fiscal year ended March 31, 2024**
Japan	¥ 5,844,627	**¥ 5,964,709**	**$39,394,419**
Other	725,812	**791,791**	**5,229,450**
Total	¥ 6,570,439	**¥ 6,756,500**	**$44,623,869**

Sales are categorized based on the location of external customers.

b. Non-current assets (excluding financial assets and deferred tax assets)

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	**As of March 31, 2024**	**As of March 31, 2024**
Japan	¥ 6,895,410	**¥ 6,812,263**	**$44,992,160**
U.K.	3,683,752	**4,098,218**	**27,067,023**
Other	158,773	**400,938**	**2,648,030**
Total	¥10,737,935	**¥11,311,419**	**$74,707,213**

7. SoftBank Vision Funds business

(1) Income and loss arising from the SoftBank Vision Funds business

a. Overview

Segment income arising from the SoftBank Vision Funds business (income before income tax) represents the net profits of the SoftBank Vision Funds business, after deducting the net profits attributable to Third-Party Investors. The net profits attributable to Third-Party Investors are the amount 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)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2023	**Fiscal year ended March 31, 2024**	**Fiscal year ended March 31, 2024**
Gain (loss) on investments at SoftBank Vision Funds			
Gain (loss) on investments at SVF1, SVF2, and LatAm Funds			
Realized gain on investments*1,2	¥ 78,616	**¥ 984,409**	**$ 6,501,612**
Unrealized loss on valuation of investments			
Change in valuation for the fiscal year*3	(4,978,591)	**(189,604)**	**(1,252,256)**
Reclassified to realized gain (loss) recorded in the past fiscal years*2,4	(288,679)	**44,769**	**295,681**
Interest and dividend income from investments	1,512	**21,668**	**143,108**
Derivative gain (loss) on investments	14,537	**(7,337)**	**(48,458)**
Effect of foreign exchange translation*2,5	(125,853)	**(157,644)**	**(1,041,173)**
Subtotal	(5,298,458)	**696,261**	**4,598,514**
Gain on other investments	18,964	**28,080**	**185,457**
Total gain (loss) on investments at SoftBank Vision Funds	(5,279,494)	**724,341**	**4,783,971**
Selling, general and administrative expenses	(65,999)	**(84,986)**	**(561,297)**
Finance cost (interest expenses)	(81,181)	**(74,322)**	**(490,866)**
Derivative gain (excluding gain (loss) on investments)	907	**–**	**–**
Change in third-party interests in SVF	1,127,949	**(390,137)**	**(2,576,692)**
Other loss*6	(10,473)	**(46,717)**	**(308,547)**
Segment income arising from the SoftBank Vision Funds business (income before income tax)	¥(4,308,291)	**¥ 128,179**	**$ 846,569**

*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 fiscal year ended March 31, 2024, ¥1,074,039 million ($7,093,580 thousand) of the realized gain, ¥189,817 million ($1,253,662 thousand) of the unrealized loss on valuation (reclassified to realized gain recorded in the past fiscal years), and ¥(76,902) million ($(507,906) thousand) of the effect of foreign exchange translation are included in "Gain (loss) 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 For the fiscal year ended March 31, 2024, ¥90,002 million ($594,426 thousand) (for the fiscal year ended March 31, 2023: ¥84,962 million of the unrealized gain (net) on valuation) of the unrealized gain (net) on valuation arising from shares of the Company's subsidiaries held by SVF1 and SVF2 (mainly PayPay Corporation) is included in "Gain (loss) on investments at SoftBank Vision Funds" (in Change in valuation for the fiscal year under Unrealized loss on valuation of investments) in the above-mentioned segment income. However, the unrealized gain on valuation is eliminated in consolidation.

For the three-month period ended September 30, 2021, a wholly-owned subsidiary of the Company other than SVF1 was transferred through sales from the Company to SVF2. As a result of the transaction, WeWork shares held by SVF2 include common shares and the common shares are continuously accounted for using the equity method on a consolidation basis after the transfer. For the fiscal year ended March 31, 2024, ¥5,082 million ($33,564 thousand) (for the fiscal year ended March 31, 2023: ¥38,116 million of the unrealized loss on valuation) of the unrealized loss on valuation arising from WeWork common shares held by SVF2 is included in "Gain (loss) on investments at SoftBank Vision Funds" (in Change in valuation for the fiscal year under Unrealized loss on valuation of investments) in the above-mentioned segment income. However, the unrealized loss on valuation is eliminated in consolidation as WeWork is an equity method associate of the Company.

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

*4 It represents the unrealized gain and loss on valuation of investments recorded as "Gain (loss) on investments at SoftBank Vision Funds" in the past fiscal years, which are reclassified to "Realized gain on investments" due to the realization for the fiscal year ended March 31, 2024.

*5 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" is arising from the different foreign currency exchange rates used for unrealized gain and loss on valuation and realized gain and loss.

*6 For the fiscal year ended March 31, 2024, for the financial guarantee contract, losses related to a credit facility for WeWork provided by financial institutions were recorded for ¥42,072 million ($277,868 thousand) (for the fiscal year ended March 31, 2023: ¥37,780 million). The details are described in "*7" under "Note 41. Other gain (loss)."

(2) Third-party interests in SVF

a. Terms and conditions of contribution from/ distribution to SVF Investors

Contributions by SVF Investors are classified as "Equity" and "Preferred Equity" depending on the terms and conditions of distribution. Preferred Equity is prioritized over Equity with regard to distribution and return of contribution.

Performance-based distributions attributed to SVF Investors, consisting of the Company and Third-Party Investors, are calculated using the net proceeds from the investment performance, as applicable, of SVF1, SVF2, and LatAm Funds. The net proceeds from SVF1 and LatAm Funds are also allocated to the performance fees attributed to SBIA and SBGA, respectively, using the method specified in the limited partnership agreement. The amount of performance-based distribution attributed to SVF Investors is allocated to each of the SVF Investors based on the proportion of their respective Equity contribution. The amount of performance-based distributions is paid to each of the SVF Investors after each of SVF1, SVF2, and LatAm Funds, as applicable, receive cash through dividend, or disposition or monetization of investments.

In SVF1, fixed distributions are defined as distributions of Preferred Equity holders which are calculated equal to a 7% rate per annum based on their contributions. The fixed distributions are made every last business day of the months of June and December.

The details of the terms and conditions of the Equity contributed by Third-Party Investor in SVF2 and LatAm Funds are described in "a. Co-investment program with restricted rights to receive distributions" in "(1) Related party transactions and balances" under " Note 45. Related party transactions." There are no Third-Party Investors who contributed to Preferred Equity in SVF2 and LatAm Funds.

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 consolidated statement of financial position) are as follows:

(Millions of yen)

	Third-party interests in SVF1 (Total of current liabilities and non-current liabilities)	(Breakdown)	(For reference purposes only) Links with the consolidated financial statements: Consolidated statement of profit or loss (Negative figures represent expenses)	Consolidated statement of cash flows (Negative figures represent payments)
As of April 1, 2023	**¥ 4,470,717**			
Changes in third-party interests	**407,394**		**(407,394)**	**–**
Attributable to investors entitled to fixed distribution		**161,899**		
Attributable to investors entitled to performance-based distribution		**245,495**		
Distribution/repayment to Third-Party Investors	**(783,522)**		**–**	**(783,522)**
Exchange differences on translating third-party interests*1	**585,828**		**–**	**–**
As of March 31, 2024*2	**¥ 4,680,417**			

(Thousands of U.S. dollars)

	Third-party interests in SVF1 (Total of current liabilities and non-current liabilities)		(For reference purposes only) Links with the consolidated financial statements: Consolidated statement of profit or loss (Negative figures represent expenses)	(For reference purposes only) Links with the consolidated financial statements: Consolidated statement of cash flows (Negative figures represent payments)
		(Breakdown)		
As of April 1, 2023	**$29,527,224**			
Changes in third-party interests	**2,690,668**		**(2,690,668)**	**–**
Attributable to investors entitled to fixed distribution		**1,069,275**		
Attributable to investors entitled to performance-based distribution		**1,621,393**		
Distribution/repayment to Third-Party Investors	**(5,174,837)**		**–**	**(5,174,837)**
Exchange differences on translating third-party interests*1	**3,869,150**		**–**	**–**
As of March 31, 2024*2	**$30,912,205**			

*1 Exchange differences were included in "Exchange differences on translating foreign operations" in the consolidated statement of comprehensive income.

*2 Of third-party interests as of March 31, 2024, the amount attributable to investors entitled to fixed distribution is ¥2,015,272 million ($13,310,032 thousand) and of this amount, the amount of unpaid fixed distributions is not recorded.

(b) Third-party interests in SVF2 and receivables

There is no balance of interests attributable to Third-Party Investor in SVF2 (included in "Third-party interests in SVF" in the consolidated statement of financial position) as of March 31, 2023 and 2024. There are no changes in interests attributable to Third-Party Investor in SVF2 for the fiscal year ended March 31, 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 consolidated statement of financial position) are as follows: The details of the receivables from Third-Party Investor in SVF2 are described in "(a) Transactions between SVF2 and related parties" in "a. Co-investment program with restricted rights to receive distributions" in "(1) Related party transactions and balances" under "Note 45. Related party transactions."

(Millions of yen)

	Receivables from Third-Party Investor in SVF2
As of April 1, 2023	**¥ 384,870**
Increase in receivables from accrued premiums charged to Third-Party Investor	**11,964**
Exchange differences on receivables	**52,097**
As of March 31, 2024	**¥ 448,931**

(Thousands of U.S. dollars)

	Receivables from Third-Party Investor in SVF2
As of April 1, 2023	**$ 2,541,906**
Increase in receivables from accrued premiums charged to Third-Party Investor	**79,017**
Exchange differences on receivables	**344,080**
As of March 31, 2024	**$ 2,965,003**

(c) Third-party interests in LatAm Funds and receivables

Changes in interests attributable to Third-Party Investor in LatAm Funds (included in "Third-party interests in SVF" in the consolidated statement of financial position) are as follows: Third-party Investor in LatAm Funds is the investor entitled to performance-based distribution.

(Millions of yen)

	Third-party interests in LatAm Funds (Total of current liabilities and non-current liabilities)	(For reference purposes only) Links with the consolidated financial statements: Consolidated statement of profit or loss (Negative figures represent expenses)	Consolidated statement of cash flows (Negative figures represent payments)
As of April 1, 2023	¥ **28,652**		
Changes in third-party interests	**(17,257)**	**17,257**	**–**
Exchange differences on translating third-party interests and others*	**2,691**	**–**	**–**
As of March 31, 2024	¥ **14,086**		

(Thousands of U.S. dollars)

	Third-party interests in LatAm Funds (Total of current liabilities and non-current liabilities)	(For reference purposes only) Links with the consolidated financial statements: Consolidated statement of profit or loss (Negative figures represent expenses)	Consolidated statement of cash flows (Negative figures represent payments)
As of April 1, 2023	$ **189,235**		
Changes in third-party interests	**(113,976)**	**113,976**	**–**
Exchange differences on translating third-party interests and others*	**17,773**	**–**	**–**
As of March 31, 2024	$ **93,032**		

* Exchange differences were included in "Exchange differences on translating foreign operations" in the consolidated statement of comprehensive income.

The Company has receivables from Third-party Investor in LatAm Funds. The changes in the receivables from Third-Party Investor in LatAm Funds (included in "Other financial assets (non-current)" in the consolidated statement of financial position) are as follows: The details of the receivables from Third-Party Investor in LatAm Funds are described in "(b) Transactions between LatAm Funds and related parties" in "a. Co-investment program with restricted rights to receive distributions" in "(1) Related party transactions and balances" under "Note 45. Related party transactions."

(Millions of yen)

	Receivables from Third-Party Investor in LatAm Funds
As of April 1, 2023	¥ **90,606**
Increase in receivables from accrued premiums charged to Third-Party Investor	**2,799**
Exchange differences on receivables and others	**11,873**
As of March 31, 2024	¥ **105,278**

(Thousands of U.S. dollars)

	Receivables from Third-Party Investor in LatAm Funds
As of April 1, 2023	$ **598,415**
Increase in receivables from accrued premiums charged to Third-Party Investor	**18,486**
Exchange differences on receivables and others	**78,416**
As of March 31, 2024	$ **695,317**

c. Uncalled committed capital from Third-Party Investors

Uncalled committed capital from SVF1's Third-Party Investors as of March 31, 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 March 31, 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.

LatAm Funds introduced the performance-linked management fees in July 2022. The amount of the performance-linked management fees to SBGA from LatAm Funds is determined, based on the investment performance for certain periods specified in the constitutional agreement, according to the agreed principle. SBGA is entitled to receive the performance-linked management fees after certain periods for the investment performance measurement specified in the constitutional agreement provided that there are available cash proceeds through disposition, dividend, and monetization of investments in LatAm Funds.

Same as the performance-based distributions, the amount of the performance fees to SBGA from LatAm Funds is calculated using the allocation method as specified in the constitutional agreements. SBGA is entitled to receive the performance fees when LatAm Funds receives cash through disposition, dividend, and monetization of an investment.

From the inception of LatAm Funds to March 31, 2024, neither performance fees nor performance-linked management fees were paid to SBGA.

8. Cash and cash equivalents

The components of cash and cash equivalents are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	As of March 31, 2024	As of March 31, 2024
Cash and demand deposits*	¥ 5,332,098	¥ 4,634,901	$ 30,611,591
Time deposits (maturities of less than three months)	1,327,882	860,122	5,680,748
MMF	264,755	691,462	4,566,819
Other	418	389	2,568
Total	¥ 6,925,153	¥ 6,186,874	$ 40,861,726

* A subsidiary operating a banking business is obliged to deposit certain amounts, which are determined by a fixed ratio against the deposits it receives ("the legal reserve requirement"), in the Bank of Japan in accordance with the Act on Reserve Requirement System in Japan. As of March 31, 2024, cash and cash equivalents include deposits at the Bank of Japan of ¥231,807 million ($1,530,989 thousand) (as of March 31, 2023: ¥344,767 million), which are more than the legal reserve requirement.

9. Trade and other receivables

The components of trade and other receivables are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	As of March 31, 2024	As of March 31, 2024
Trade receivables	¥ 1,794,491	¥ 1,998,569	$ 13,199,716
Installment receivables*	375,919	406,260	2,683,178
Deposits	198,386	272,867	1,802,173
Deposits for banking business	200,253	185,024	1,222,006
Other	37,461	33,796	223,209
Allowance for doubtful accounts	(11,774)	(27,749)	(183,271)
Total	¥ 2,594,736	¥ 2,868,767	$ 18,947,011

* Installment receivables represent receivables arising from the Company's advance payments to dealers on behalf of its customers who chose to purchase mobile devices by installments in indirect sales. The amounts are charged to customers together with telecommunications service fees over the periods of installment payments.

The period of installment payments for the receivables above is mainly within 24 – 48 months. As such, the amounts due within a year after the period end date are included in "Trade and other receivables," and those after one year are included in "Other financial assets (non-current)."

10. Other financial assets

The components of other financial assets are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	As of March 31, 2024	As of March 31, 2024
Current			
Investments from asset management subsidiaries	¥ 23,634	¥ 283,369	$ 1,871,534
Time deposits (maturities of more than three months)	100,923	187,342	1,237,316
Trading securities	54,303	99,686	658,385
Marketable securities	79,389	63,646	420,355
Restricted cash	44,369	11,175	73,806
Other	86,720	152,746	1,008,824
Allowance for doubtful accounts	(18,025)	(19,968)	(131,880)
Total	¥ 371,313	¥ 777,996	$ 5,138,340
Non-current			
Deposits for banking business	671,169	771,488	5,095,357
Receivables from MgmtCo*1	475,476	554,209	3,660,320
Installment receivables*2	457,752	486,979	3,216,294
Loans in credit card business	167,939	237,635	1,569,480
Loan receivables	384,655	133,155	879,433
Investments from asset management subsidiaries	55,602	64,310	424,741
Other	277,649	306,418	2,023,763
Allowance for doubtful accounts	(186,622)	(129,912)	(858,015)
Total	¥2,303,620	¥2,424,282	$16,011,373

*1 Receivables from MgmtCo is outstanding balance of the receivables in relation to the Equity Acquisition Amount and accrued premiums from MgmtCo as a Third-Party Investor of SVF2 and LatAm Funds. The receivables of SVF2 and LatAm Funds as of March 31, 2024 are ¥448,931 million ($2,965,003 thousand) and ¥105,278 million ($695,317 thousand) (as of March 31, 2023: ¥384,870 million and ¥90,606 million), respectively. The details of receivables are described in "(2) Third-party interests in SVF" under "Note 7. SoftBank Vision Funds business" and in "a. Co-investment program with restricted rights to receive distributions" in "(1) Related party transactions and balances" under "Note 45. Related party transactions."

*2 Installment receivables are described in "Note 9. Trade and other receivables."

11. Inventories

The components of inventories are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	**As of March 31, 2024**	**As of March 31, 2024**
Merchandise and finished products	¥ 144,459	**¥ 140,436**	**$ 927,521**
Other	19,322	**21,427**	**141,517**
Total	¥ 163,781	**161,863**	**$ 1,069,038**

Write-downs of inventories recognized as an expense during the fiscal year are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2023	**Fiscal year ended March 31, 2024**	**Fiscal year ended March 31, 2024**
Write-downs of inventories	¥ 19,368	**¥ 21,496**	**$ 141,972**

12. Other current assets and other non-current assets

The components of other current assets and other non-current assets are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	**As of March 31, 2024**	**As of March 31, 2024**
Current			
Tax receivable*	¥ 104,020	**¥ 212,188**	**$ 1,401,413**
Prepaid expense	95,996	**104,057**	**687,253**
Contract assets	30,955	**74,223**	**490,212**
Other	51,114	**160,516**	**1,060,142**
Total	¥ 282,085	**¥ 550,984**	**$ 3,639,020**
Non-current			
Long-term prepaid expense	104,943	**103,566**	**684,010**
Other	51,296	**89,297**	**589,771**
Total	¥ 156,239	**¥ 192,863**	**$ 1,273,781**

* Tax receivable as of March 31, 2024 includes the withholding income tax of ¥50,928 million ($336,358 thousand) (as of March 31, 2023: ¥57,434 million) related to dividends within the group companies.

13. Disposal group classified as held for sale

The disposal group classified as held for sale as of March 31, 2024 consists primarily of the assets and liabilities of ValueCommerce Co., Ltd. (hereinafter "ValueCommerce"), a subsidiary of the Company, and ValueCommerce's subsidiary.

At its Board of Directors meeting held on March 11, 2024, ValueCommerce passed a resolution to repurchase its own shares and implement a tender offer (hereinafter the "Tender Offer") as the specific method for this repurchase. In addition, Z Intermediate Holdings Corporation, a subsidiary of the Company and owner of ValueCommerce's shares, concluded a tender offer agreement on the same date with ValueCommerce to tender a partial number of its ValueCommerce common shares in the Tender Offer. After the conclusion of the Tender Offer, ValueCommerce will cease to be a subsidiary of the Company, and accordingly the assets and liabilities of ValueCommerce and its subsidiary have been classified as a disposal group classified as held for sale as of March 31, 2024.

The disposal group classified as held for sale is measured at its carrying amount because its fair value less costs to sell (estimated sales price) exceeds its carrying amount. The carrying amounts of assets and liabilities in ValueCommerce and its subsidiary as of March 31, 2024 were ¥25,619 million ($169,203 thousand) and ¥4,965 million ($32,792 thousand), respectively.

On May 2, 2024, the Tender Offer was settled, and ValueCommerce ceased to be a subsidiary and became an equity method associate of the Company.

14. Property, plant and equipment

(1) Changes in property, plant and equipment

Changes in property, plant and equipment at historical cost, are as follows:

(Millions of yen)

Historical cost	Buildings and structures	Telecommunications equipment	Machinery and equipment	Furniture, fixtures, and equipment	Land	Construction in progress	Other	Total
As of April 1, 2022	¥ 312,251	¥ 2,722,069	¥ 217,919	¥ 572,307	¥ 72,386	¥ 245,018	¥ 42,361	¥ 4,184,311
Purchases	13,779	42,194	10,389	52,252	50	245,577	9,484	373,725
Loss of control	(61)	–	(256,407)	(957)	(4,216)	(10,064)	(1,348)	(273,053)
Disposals	(3,400)	(223,213)	(5,375)	(29,190)	–	(14,087)	(1,114)	(276,379)
Transfer of accounts	32,029	672,058	71,493	58,888	2,088	(319,727)	1,585	518,414
Exchange differences	587	40	25,813	2,198	539	5,296	2,226	36,699
Other	7,665	12,229	(1,822)	711	(172)	349	1,385	20,345
As of March 31, 2023	362,850	3,225,377	62,010	656,209	70,675	152,362	54,579	4,584,062
Purchases	**18,597**	**38,131**	**9,521**	**43,660**	**26**	**201,942**	**5,304**	**317,181**
Disposals	**(4,921)**	**(117,028)**	**(2,413)**	**(64,016)**	**(34)**	**(2,986)**	**(9,525)**	**(200,923)**
Transfer of accounts	**17,510**	**645,277**	**881**	**58,705**	**10**	**(221,255)**	**1,429**	**502,557**
Exchange differences	**1,388**	**105**	**6,221**	**4,752**	**71**	**687**	**5,079**	**18,303**
Other	**(574)**	**4,729**	**(1,681)**	**(689)**	**–**	**(999)**	**1,199**	**1,985**
As of March 31, 2024	**¥ 394,850**	**¥ 3,796,591**	**¥ 74,539**	**¥ 698,621**	**¥ 70,748**	**¥ 129,751**	**¥ 58,065**	**¥ 5,223,165**

(Thousands of U.S. dollars)

Historical cost	Buildings and structures	Telecommunications equipment	Machinery and equipment	Furniture, fixtures, and equipment	Land	Construction in progress	Other	Total
As of March 31, 2023	$2,396,473	$21,302,272	$ 409,550	$4,333,987	$466,779	$ 1,006,287	$360,471	$30,275,819
Purchases	**122,825**	**251,839**	**62,882**	**288,357**	**172**	**1,333,744**	**35,031**	**2,094,850**
Disposals	**(32,501)**	**(772,921)**	**(15,937)**	**(422,799)**	**(225)**	**(19,721)**	**(62,909)**	**(1,327,013)**
Transfer of accounts	**115,646**	**4,261,787**	**5,819**	**387,722**	**66**	**(1,461,297)**	**9,438**	**3,319,181**
Exchange differences	**9,168**	**693**	**41,087**	**31,385**	**469**	**4,537**	**33,545**	**120,884**
Other	**(3,791)**	**31,233**	**(11,102)**	**(4,551)**	**–**	**(6,598)**	**7,918**	**13,109**
As of March 31, 2024	**$2,607,820**	**$25,074,903**	**$ 492,299**	**$4,614,101**	**$467,261**	**$ 856,952**	**$383,494**	**$34,496,830**

Changes in the accumulated depreciation and impairment losses of property, plant and equipment are as follows:

(Millions of yen)

Accumulated depreciation and impairment losses	Buildings and structures	Telecommunications equipment	Machinery and equipment	Furniture, fixtures, and equipment	Land	Construction in progress	Other	Total
As of April 1, 2022	¥ (134,026)	¥ (1,767,703)	¥ (37,054)	¥ (380,406)	¥ (6)	¥(373)	¥ (21,994)	¥ (2,341,562)
Depreciation	(19,374)	(202,045)	(10,020)	(86,274)	–	–	(7,488)	(325,201)
Impairment loss	(5)	–	–	(42)	–	–	(10)	(57)
Loss of control	56	–	5,417	955	–	–	1,133	7,561
Disposals	3,269	221,133	5,371	28,336	–	285	1,021	259,415
Transfer of accounts	(15,986)	(395,333)	6	15,740	–	2	–	(395,571)
Exchange differences	(50)	(27)	(2,146)	(1,304)	–	–	(899)	(4,426)
Other	(310)	(14)	(302)	(1,826)	–	84	(711)	(3,079)
As of March 31, 2023	(166,426)	(2,143,989)	(38,728)	(424,821)	(6)	(2)	(28,948)	(2,802,920)
Depreciation	**(21,722)**	**(200,165)**	**(8,795)**	**(95,836)**	**–**	**–**	**(6,721)**	**(333,239)**
Impairment loss	**(1,410)**	**(1,409)**	**(153)**	**(410)**	**–**	**(36)**	**(609)**	**(4,027)**
Disposals	**4,774**	**115,778**	**2,405**	**63,560**	**–**	**–**	**9,310**	**195,827**
Transfer of accounts	**(4,852)**	**(397,398)**	**(114)**	**31,245**	**–**	**32**	**(46)**	**(371,133)**
Exchange differences	**(141)**	**(79)**	**(4,121)**	**(3,138)**	**–**	**–**	**(2,817)**	**(10,296)**
Other	**522**	**(221)**	**(529)**	**(1,634)**	**–**	**–**	**(226)**	**(2,088)**
As of March 31, 2024	**¥ (189,255)**	**¥ (2,627,483)**	**¥ (50,035)**	**¥ (431,034)**	**¥ (6)**	**¥ (6)**	**¥ (30,057)**	**¥ (3,327,876)**

(Thousands of U.S. dollars)

Accumulated depreciation and impairment losses	Buildings and structures	Telecommunications equipment	Machinery and equipment	Furniture, fixtures, and equipment	Land	Construction in progress	Other	Total
As of March 31, 2023	$(1,099,174)	$(14,160,155)	$(255,782)	$(2,805,766)	$ (40)	$ (13)	$(191,189)	$(18,512,119)
Depreciation	**(143,466)**	**(1,322,006)**	**(58,087)**	**(632,957)**	**–**	**–**	**(44,389)**	**(2,200,905)**
Impairment loss	**(9,312)**	**(9,306)**	**(1,011)**	**(2,708)**	**–**	**(238)**	**(4,022)**	**(26,597)**
Disposals	**31,529**	**764,666**	**15,884**	**419,788**	**–**	**–**	**61,488**	**1,293,355**
Transfer of accounts	**(32,045)**	**(2,624,648)**	**(753)**	**206,360**	**–**	**211**	**(304)**	**(2,451,179)**
Exchange differences	**(931)**	**(522)**	**(27,217)**	**(20,725)**	**–**	**–**	**(18,605)**	**(68,000)**
Other	**3,448**	**(1,460)**	**(3,494)**	**(10,792)**	**–**	**–**	**(1,492)**	**(13,790)**
As of March 31, 2024	**$(1,249,951)**	**$(17,353,431)**	**$(330,460)**	**$(2,846,800)**	**$ (40)**	**$ (40)**	**$(198,513)**	**$(21,979,235)**

The components of the carrying amounts of property, plant and equipment are as follows:

(Millions of yen)

Carrying amounts	Buildings and structures	Telecommunications equipment	Machinery and equipment	Furniture, fixtures, and equipment	Land	Construction in progress	Other	Total
As of March 31, 2023	¥ 196,424	¥1,081,388	¥ 23,282	¥ 231,388	¥ 70,669	¥ 152,360	¥ 25,631	¥ 1,781,142
As of March 31, 2024	**¥ 205,595**	**¥1,169,108**	**¥ 24,504**	**¥ 267,587**	**¥ 70,742**	**¥ 129,745**	**¥ 28,008**	**¥ 1,895,289**

(Thousands of U.S. dollars)

Carrying amounts	Buildings and structures	Telecommunications equipment	Machinery and equipment	Furniture, fixtures, and equipment	Land	Construction in progress	Other	Total
As of March 31, 2024	**$1,357,869**	**$7,721,472**	**$161,839**	**$1,767,301**	**$467,221**	**$856,912**	**$184,981**	**$12,517,595**

The amount of "Transfer of accounts" includes the following amount transferred from "Right-of-use assets" due to termination of lease contracts as lessee and transfer of ownership of these assets to the Company.

Historical cost	(Millions of yen) Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	(Thousands of U.S. dollars) Fiscal year ended March 31, 2024
Buildings and structures	¥ 20,735	**¥ 9,260**	**$ 61,158**
Telecommunications equipment	463,455	**475,600**	**3,141,140**
Machinery and equipment	–	**11**	**73**
Furniture, fixtures, and equipment	3,364	**1,039**	**6,862**
Total	¥ 487,554	**¥ 485,910**	**$ 3,209,233**

Accumulated depreciation and impairment losses	(Millions of yen) Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	(Thousands of U.S. dollars) Fiscal year ended March 31, 2024
Buildings and structures	¥ (15,979)	**¥ (4,900)**	**$ (32,362)**
Telecommunications equipment	(394,992)	**(397,330)**	**(2,624,199)**
Machinery and equipment	–	**(7)**	**(46)**
Furniture, fixtures, and equipment	(3,313)	**(982)**	**(6,487)**
Total	¥(414,284)	**¥(403,219)**	**$(2,663,094)**

Impairment loss is included in "Other gain (loss)" in the consolidated statement of profit or loss.
The amount of property, plant and equipment pledged as collateral for interest-bearing debt or other is described in "(5) Assets pledged as collateral" under "Note 22. Interest-bearing debt."
Property, plant and equipment with restrictions on rights are described in "(6) Assets with restrictions on rights" under "Note 22. Interest-bearing debt."

(2) Assets subject to operating leases as lessor included in property, plant and equipment

Of property, plant and equipment, assets subject to operating leases as lessor are primarily leased mobile devices. Changes in “Furniture, fixtures, and equipment” including leased mobile devices, which includes the assets subject to operating leases as lessor, are as follows:

	(Millions of yen)	(Thousands of U.S. dollars)
Historical cost	Furniture, fixtures, and equipment	
As of April 1, 2022	¥ 222,243	$ –
Purchases	88	–
Disposals	(14,407)	–
Transfer of accounts	29,636	–
Exchange differences	5	–
Other	(391)	–
As of March 31, 2023	237,174	1,566,436
Purchases	**131**	**865**
Disposals	**(26,646)**	**(175,985)**
Transfer of accounts	**18,600**	**122,845**
Exchange differences	**4**	**26**
Other	**7,061**	**46,635**
As of March 31, 2024	**¥ 236,324**	**$ 1,560,822**

	(Millions of yen)	(Thousands of U.S. dollars)
Accumulated depreciation and impairment losses	Furniture, fixtures, and equipment	
As of April 1, 2022	¥(164,738)	$ –
Depreciation	(35,106)	–
Disposals	13,858	–
Transfer of accounts	18,887	–
Exchange differences	(11)	–
Other	382	–
As of March 31, 2023	(166,728)	(1,101,169)
Depreciation	**(41,592)**	**(274,698)**
Disposals	**25,475**	**168,252**
Transfer of accounts	**32,338**	**213,579**
Exchange differences	**(14)**	**(92)**
Other	**(5,129)**	**(33,875)**
As of March 31, 2024	**¥(155,650)**	**$(1,028,003)**

	(Millions of yen)	(Thousands of U.S. dollars)
Carrying amount	Furniture, fixtures, and equipment	
As of March 31, 2023	¥ 70,446	$ –
As of March 31, 2024	**¥ 80,674**	**$ 532,819**

15. Right-of-use assets

The components of the carrying amounts of right-of-use assets are as follows:

		(Millions of yen)	(Thousands of U.S. dollars)
Carrying amounts	As of March 31, 2023	**As of March 31, 2024**	**As of March 31, 2024**
Telecommunications equipment	¥ 244,987	**¥ 172,889**	**$ 1,141,860**
Real estate for telecommunications business	277,868	**248,457**	**1,640,955**
Offices, warehouses and other properties	320,296	**321,135**	**2,120,963**
Other	15,426	**4,422**	**29,205**
Total	¥ 858,577	**¥ 746,903**	**$ 4,932,983**

Right-of-use assets increased by ¥204,929 million ($1,353,471 thousand) for the fiscal year ended March 31, 2024 (for the fiscal year ended March 31, 2023: ¥269,615 million).

The components of depreciation of right-of-use assets are as follows:

		(Millions of yen)	(Thousands of U.S. dollars)
Depreciation	As of March 31, 2023	**As of March 31, 2024**	**As of March 31, 2024**
Telecommunications equipment	¥ (94,578)	**¥ (56,370)**	**$ (372,300)**
Real estate for telecommunications business	(52,393)	**(54,117)**	**(357,420)**
Offices, warehouses and other properties	(64,520)	**(65,092)**	**(429,906)**
Other	(2,883)	**(2,006)**	**(13,249)**
Total	¥ (214,374)	**¥(177,585)**	**$(1,172,875)**

The Company enters into lease transactions for telecommunications equipment, real estate for the telecommunications business and offices, warehouses and other properties mainly to facilitate efficient use of cash.

Many of the lease contracts include an option to terminate or extend the lease in order to enhance operational flexibility. Most of these options can be exercised by the Company without consent from the other party after a certain prior notice period. In determining the lease term, all relevant facts and circumstances that create an economic incentive not to exercise the option to extend or terminate the lease are considered. In addition, the Company reassesses the lease term upon the occurrence of a significant event or a significant change in the facts and circumstances that may affect this assessment.

Telecommunications equipment

The Company's telecommunications equipment leases consist of telecommunications machinery and equipment and transmission facilities that are used for the telecommunications business. Most of these lease contracts include an option to terminate or extend the lease. The lease term of these lease transactions are mainly 5 years or 10 years. The Company may extend the lease of transmission facilities beyond the initial lease term as needed to provide telecommunication services in a stable manner. In such a case, the lease term is generally expected to be extended by the same period as the initial term of the contract. Right-of-use assets classified as "Telecommunications equipment" are mainly comprised of those classified as "Telecommunications equipment" in property, plant and equipment.

Real estate for the telecommunications business

Leases of real estate for the telecommunications business entered into by the Company consist of land to place towers or pillars for the placement of cell site equipment, spaces for buildings and structures for the placement of cell site equipment, and land, buildings, and partial spaces for the placement of telecommunications equipment. Most of these lease contracts include an option to terminate or extend the lease. The lease terms for the leases of land and spaces of buildings and structures for the placement of cell site equipment are mainly 10 years to 20 years. The lease terms for other leases are mainly 3 years to 28 years. The Company may extend the lease beyond the initial lease term as needed to provide telecommunication services in a stable manner. In such a case, the lease term is generally expected to be extended by the same period as the initial term of the contract. The right-of-use assets classified as "Real estate for the telecommunications business" are mainly comprised of those classified as "Buildings and structures" or "Land" in property, plant and equipment.

Offices, warehouses and other properties

Leases of offices, warehouses and other properties entered into by the Company mainly consist of real estate for offices, warehouses and real estate for stores. Most of these leases include an option to extend the lease that can be exercised by the Company without consent from the other party. The lease terms of these leases are mainly 2 years to 25 years for offices, 1 years to 15 years for warehouses, and 2 years to 3 years for stores. The Company may extend the lease beyond the initial lease term as needed to continue its business. The right-of-use assets classified as "Offices, warehouses and other properties" are mainly comprised of those classified as "Buildings and structures" or "Land" in property, plant and equipment.

Other

As of March 31, 2023, other leases entered into by the Company mainly consist of equipment for solar power generation. The right-of-use assets classified as "Other" are mainly comprised of "Furniture, fixtures, and equipment" and "Other" that are classified as property, plant and equipment.

16. Goodwill and intangible assets

(1) Changes in goodwill and intangible assets

Changes in goodwill and intangible assets at historical cost are as follows:

(Millions of yen)

		Intangible assets with indefinite useful lives		Intangible assets with finite useful lives						
Historical cost	Goodwill	Trademarks	Other	Customer relationships	Software	Technologies	Spectrum-related costs	Management contracts	Other	Total
As of April 1, 2022	¥ 4,916,317	¥ 538,661	¥ 1,255	¥ 780,851	¥ 1,872,913	¥ 600,982	¥ 204,852	¥ 138,484	¥ 186,435	¥ 4,324,433
Purchases	–	–	–	–	78,405	–	5,522	–	142,655	226,582
Internal development	–	–	–	–	5,053	–	–	–	33,885	38,938
Business combinations	38,172	–	–	8,013	3,475	–	–	–	321	11,809
Loss of control	(1,053)	–	–	–	(1,028)	–	–	–	(10,360)	(11,388)
Disposals	–	–	–	189	(57,529)	–	–	–	(4,380)	(61,720)
Transfer of accounts	–	–	(33)	–	160,680	–	333	–	(163,371)	(2,391)
Exchange differences	265,867	–	2	14,936	3,413	54,739	–	12,605	2,843	88,538
Other	–	–	(1,224)	(1,650)	11,675	–	–	–	(2,487)	6,314
As of March 31, 2023	5,219,303	538,661	–	802,339	2,077,057	655,721	210,707	151,089	185,541	4,621,115
Purchases	**–**	**–**	**–**	**–**	**66,403**	**2,940**	**–**	**8,799**	**130,057**	**208,199**
Internal development	**–**	**–**	**–**	**–**	**6,332**	**–**	**–**	**–**	**46,680**	**53,012**
Business combinations	**92,657**	**10,762**	**–**	**21,934**	**2,194**	**18,325**	**–**	**–**	**8,850**	**62,065**
Loss of control	**(2,698)**	**–**	**–**	**–**	**(6,362)**	**–**	**–**	**–**	**(105)**	**(6,467)**
Disposals	**–**	**–**	**–**	**–**	**(66,647)**	**–**	**–**	**–**	**(8,934)**	**(75,581)**
Transfer of accounts	**–**	**–**	**–**	**–**	**181,453**	**–**	**6,075**	**–**	**(190,766)**	**(3,238)**
Exchange differences	**429,237**	**442**	**–**	**24,164**	**6,842**	**88,699**	**–**	**20,058**	**3,494**	**143,699**
Other	**(6,047)**	**–**	**–**	**8,028**	**(331)**	**–**	**–**	**–**	**1,529**	**9,226**
As of March 31, 2024	**¥ 5,732,452**	**¥ 549,865**	**¥ –**	**¥ 856,465**	**¥ 2,266,941**	**¥ 765,685**	**¥ 216,782**	**¥ 179,946**	**¥ 176,346**	**¥ 5,012,030**

(Thousands of U.S. dollars)

Historical cost	Goodwill	Intangible assets with indefinite useful lives: Trademarks	Other	Intangible assets with finite useful lives: Customer relationships	Software	Technologies	Spectrum-related costs	Management contracts	Other	Total
As of March 31, 2023	$34,471,323	$3,557,632	$ –	$5,299,115	$13,718,097	$ 4,330,764	$ 1,391,632	$ 997,880	$ 1,225,420	$30,520,540
Purchases	**–**	**–**	**–**	**–**	**438,564**	**19,417**	**–**	**58,114**	**858,972**	**1,375,067**
Internal development	**–**	**–**	**–**	**–**	**41,820**	**–**	**–**	**–**	**308,302**	**350,122**
Business combinations	**611,961**	**71,079**	**–**	**144,865**	**14,490**	**121,030**	**–**	**–**	**58,451**	**409,915**
Loss of control	**(17,819)**	**–**	**–**	**–**	**(42,018)**	**–**	**–**	**–**	**(693)**	**(42,711)**
Disposals	**–**	**–**	**–**	**–**	**(440,176)**	**–**	**–**	**–**	**(59,005)**	**(499,181)**
Transfer of accounts	**–**	**–**	**–**	**–**	**1,198,422**	**–**	**40,123**	**–**	**(1,259,930)**	**(21,385)**
Exchange differences	**2,834,932**	**2,918**	**–**	**159,593**	**45,189**	**585,820**	**–**	**132,474**	**23,076**	**949,070**
Other	**(39,939)**	**–**	**–**	**53,022**	**(2,186)**	**–**	**–**	**–**	**10,098**	**60,934**
As of March 31, 2024	**$37,860,458**	**$3,631,629**	**$ –**	**$5,656,595**	**$14,972,202**	**$ 5,057,031**	**$ 1,431,755**	**$1,188,468**	**$ 1,164,691**	**$33,102,371**

Changes in the accumulated amortization and impairment losses of goodwill and intangible assets are as follows:

(Millions of yen)

Accumulated amortization and impairment losses	Goodwill	Intangible assets with indefinite useful lives	Intangible assets with finite useful lives						Total
		Trademarks	Customer relationships	Software	Technologies	Spectrum-related costs	Management contracts	Other	
As of April 1, 2022	¥ (18,404)	¥ –	¥ (152,272)	¥ (1,283,169)	¥ (243,262)	¥ (62,555)	¥ (110,281)	¥ (45,314)	¥ (1,896,853)
Amortization	–	–	(45,539)	(206,486)	(46,629)	(11,811)	(12,642)	(5,831)	(328,938)
Impairment loss	(635)	–	–	(1,002)	–	–	–	(111)	(1,113)
Loss of control	–	–	–	1,019	–	–	–	8,766	9,785
Disposals	–	–	(189)	56,765	–	–	–	(1,549)	55,027
Exchange differences	(784)	–	(6,233)	(1,531)	(21,490)	–	(10,216)	(1,377)	(40,847)
Other	–	–	1,149	(10,210)	(9)	–	–	535	(8,535)
As of March 31, 2023	(19,823)	–	(203,084)	(1,444,614)	(311,390)	(74,366)	(133,139)	(44,881)	(2,211,474)
Amortization	**–**	**–**	**(48,234)**	**(218,835)**	**(51,191)**	**(12,175)**	**(5,385)**	**(6,295)**	**(342,115)**
Impairment loss	**(1,496)**	**–**	**–**	**(2,089)**	**–**	**–**	**–**	**(281)**	**(2,370)**
Loss of control	**–**	**–**	**–**	**6,023**	**–**	**–**	**–**	**54**	**6,077**
Disposals	**–**	**–**	**–**	**66,485**	**–**	**–**	**–**	**3,911**	**70,396**
Exchange differences	**(1,259)**	**–**	**(12,897)**	**(3,869)**	**(44,137)**	**–**	**(17,562)**	**(2,360)**	**(80,825)**
Other	**–**	**–**	**–**	**(2,648)**	**–**	**–**	**(518)**	**287**	**(2,879)**
As of March 31, 2024	**¥ (22,578)**	**¥ –**	**¥ (264,215)**	**¥ (1,599,547)**	**¥ (406,718)**	**¥ (86,541)**	**¥ (156,604)**	**¥ (49,565)**	**¥ (2,563,190)**

(Thousands of U.S. dollars)

Accumulated amortization and impairment losses	Goodwill	Intangible assets with indefinite useful lives	Intangible assets with finite useful lives						Total
		Trademarks	Customer relationships	Software	Technologies	Spectrum-related costs	Management contracts	Other	
As of March 31, 2023	$ (130,923)	$ –	$(1,341,285)	$ (9,541,074)	$(2,056,601)	$(491,156)	$ (879,328)	$(296,420)	$(14,605,864)
Amortization	**–**	**–**	**(318,565)**	**(1,445,314)**	**(338,095)**	**(80,411)**	**(35,565)**	**(41,576)**	**(2,259,526)**
Impairment loss	**(9,880)**	**–**	**–**	**(13,797)**	**–**	**–**	**–**	**(1,856)**	**(15,653)**
Loss of control	**–**	**–**	**–**	**39,779**	**–**	**–**	**–**	**357**	**40,136**
Disposals	**–**	**–**	**–**	**439,106**	**–**	**–**	**–**	**25,831**	**464,937**
Exchange differences	**(8,315)**	**–**	**(85,180)**	**(25,553)**	**(291,507)**	**–**	**(115,990)**	**(15,587)**	**(533,817)**
Other	**–**	**–**	**–**	**(17,490)**	**–**	**–**	**(3,421)**	**1,895**	**(19,016)**
As of March 31, 2024	**$ (149,118)**	**$ –**	**$(1,745,030)**	**$(10,564,343)**	**$(2,686,203)**	**$(571,567)**	**$(1,034,304)**	**$(327,356)**	**$(16,928,803)**

The carrying amounts of goodwill and intangible assets are as follows:

(Millions of yen)

		Intangible assets with indefinite useful lives	Intangible assets with finite useful lives						
Carrying amounts	Goodwill	Trademarks	Customer relationships	Software	Technologies	Spectrum-related costs	Management contracts	Other	Total
As of March 31, 2023	¥ 5,199,480	¥ 538,661	¥ 599,255	¥ 632,443	¥ 344,331	¥ 136,341	¥ 17,950	¥ 140,660	¥ 2,409,641
As of March 31, 2024	**¥ 5,709,874**	**¥ 549,865**	**¥ 592,250**	**¥ 667,394**	**¥ 358,967**	**¥ 130,241**	**¥ 23,342**	**¥ 126,781**	**¥ 2,448,840**

(Thousands of U.S. dollars)

		Intangible assets with indefinite useful lives	Intangible assets with finite useful lives						
Carrying amounts	Goodwill	Trademarks	Customer relationships	Software	Technologies	Spectrum-related costs	Management contracts	Other	Total
As of March 31, 2024	**$37,711,340**	**$3,631,629**	**$3,911,565**	**$4,407,859**	**$2,370,828**	**$ 860,188**	**$154,164**	**$ 837,335**	**$16,173,568**

The Company determined that trademarks, such as “Yahoo!” and “Yahoo! JAPAN” in Japan, “ZOZO” and “LINE” brands, have indefinite useful lives as they can be legally utilized indefinitely as long as the business continues and management’s current plans are to offer services under these trademarks in the foreseeable future.

Customer relationships reflect the excessive earning capacity in the future expected from the existing customers of the acquiree at the time of the business combinations.

Technologies reflect the excessive earning capacity in the future expected from technologies of the acquiree that had been already developed, or was already well-advanced in development, at the time of the business combinations.

Spectrum-related costs are the amounts incurred by SoftBank Corp. in connection with the costs for the spectrums assigned to SoftBank Corp. based on the Radio Act. These spectrum-related costs include the costs arising from the migration of pre-existing users to other spectrums by the termination campaign.

Amortization is included in “Cost of sales” and “Selling, general and administrative expenses” in the consolidated statement of profit or loss.

Impairment losses are mainly included in “Other gain (loss)” in the consolidated statement of profit or loss.

The carrying amount of internally generated intangible assets related to software included in intangible assets is ¥106,429 million ($702,919 thousand) as of March 31, 2024 (as of March 31, 2023: ¥98,179 million).

The Company has not applied IFRS 16 “Leases” to leases of intangible assets. Therefore, since finance lease assets arising from lease transactions of software are recognized as intangible assets. The intangible assets with restrictions on rights arising from these transactions are described in “b. Assets under lease contracts for intangible assets” in “(6) Assets with restrictions on rights ” under “Note 22. Interest-bearing debt.”

Research and development costs included in "Cost of sales" and "Selling, general and administrative expenses" are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2023	**Fiscal year ended March 31, 2024**	**Fiscal year ended March 31, 2024**
Research and development costs	¥319,484	**¥439,971**	**$2,905,825**

(2) Goodwill and intangible assets with indefinite useful lives allocated to cash-generating units or cash-generating unit groups

Goodwill acquired as a part of business combinations is allocated to cash-generating units or cash-generating unit groups that are expected to benefit from the synergies arising from business combinations. Amounts of goodwill and intangible assets with indefinite useful lives allocated to cash-generating units or cash-generating unit groups are as follows:

Goodwill

		(Millions of yen)		(Thousands of U.S. dollars)
Cash-generating units or Cash-generating unit groups	Reportable segments	As of March 31, 2023	**As of March 31, 2024**	**As of March 31, 2024**
SoftBank*1	SoftBank	¥ 943,901	**¥ 1,004,137**	**$ 6,631,907**
LY*2		15,382	**15,382**	**101,592**
Media*3		681,267	**679,800**	**4,489,796**
Shopping*4		281,831	**–**	**–**
ASKUL*4		–	**42,501**	**280,701**
ZOZO*4		–	**233,866**	**1,544,588**
Ikyu (Restaurant)		6,433	**6,433**	**42,487**
Ikyu (Accommodation)		65,611	**65,611**	**433,333**
Finance		21,832	**21,832**	**144,191**
Other		2,006	**2,006**	**13,249**
	Subtotal	2,018,263	**2,071,568**	**13,681,844**
Arm	Arm	3,161,725	**3,585,050**	**23,677,762**
Other	–	19,492	**53,256**	**351,734**
Total		¥5,199,480	**¥ 5,709,874**	**$37,711,340**

Intangible assets with indefinite useful lives

		(Millions of yen)		(Thousands of U.S. dollars)
Cash-generating units or Cash-generating unit groups	Reportable segments	As of March 31, 2023	**As of March 31, 2024**	**As of March 31, 2024**
LY*2	SoftBank	¥169,575	**¥169,575**	**$1,119,972**
Media		160,116	**160,116**	**1,057,500**
Shopping*4		198,850	**–**	**–**
ASKUL*4		–	**20,130**	**132,950**
ZOZO*4		–	**178,720**	**1,180,371**
Ikyu (Accommodation)		10,120	**10,120**	**66,838**
	Subtotal	538,661	**538,661**	**3,557,631**
Other	–	–	**11,204**	**73,998**
Total		¥538,661	**¥549,865**	**$3,631,629**

*1 "SoftBank" comprises SoftBank Corp. and others.
*2 Goodwill is allocated to "LY" because the benefits are expected to be realized from LY Corporation and its group companies as a whole, and not from individual cash-generating units in the SoftBank segment. In addition, the cash-generating unit group of "Yahoo" has been renamed to "LY" for the fiscal year ended March 31, 2024.
*3 The cash-generating unit group of "Media" mainly consists of the cash-generating unit of "Marketing solution" under LY Corporation and the one of "Media" under LY group. Synergies arising from the business combination affect the entire cash-generating unit groups. As the goodwill cannot be allocated to them reasonably and coherent basis, it is allocated to the cash-generating unit group of "Media."
*4 The cash-generating unit groups were revised and split into "ASKUL" and "ZOZO" from the previous "Shopping" for the fiscal year ended March 31, 2024.

(3) Measurement method for recoverable amounts of goodwill and intangible assets

The recoverable amount of each cash-generating unit or cash-generating unit group is measured as follows:

For the fiscal year ended March 31, 2023
Value in use: LY, Media, Shopping, Ikyu (Restaurant), Ikyu (Accommodation)
Fair value less disposal cost: SoftBank, Finance, Arm

For the fiscal year ended March 31, 2024
Value in use: LY, Media, Ikyu (Restaurant), Ikyu (Accommodation)
Fair value less disposal cost: SoftBank, ASKUL, ZOZO, Finance, Arm

a. Measurement method for recoverable amounts of goodwill in "Arm"

(a) For the fiscal year ended March 31, 2023

For "Arm," the fair value for the impairment test for goodwill of "Arm" as of March 31, 2023 is calculated by discounting the cash flows which are estimated based on the business plans for the next three years while taking into account the future cash flows that market participants would expect to receive in accordance with their assumptions discounted to the present value using a post-tax discount rate of 12.01%. The cash flows from after three years are assumed on the basis of the growth rate of 24.9% on the 4th year, 21.2% on the 5th year, 17.4% on the 6th year, 13.8% on the 7th year, 10.6% on the 8th year, 9.1% on the 9th year, 7.2% on the 10th year, and 4.7% on the 11th year. The cash flows from the 12th year onward are assumed to increase on the basis of the growth rate of 2.0%. Fair value is classified into level 3 as its fair value is measured using unobservable inputs.

(b) For the fiscal year ended March 31, 2024

For "Arm," the fair value less disposal cost for the impairment test for goodwill of "Arm" as of March 31, 2024 is measured based on active market prices.

b. Measurement method for recoverable amounts of goodwill and intangible assets other than in "Arm"

Value in use is assessed by discounting to the present value of the estimated cash flows over the next five years based on the financial budget approved by the management, which reflects past experience and external information, using the pre-tax discount rate of 8.2%-11.7% of the cash-generating unit or cash-generating unit group (for the fiscal year ended March 31, 2023: 4.8%-12.0%). The cash flows from after five years are assumed to increase on the basis of the growth rate of 1.5% (for the fiscal year ended March 31, 2023: 0.9%).

For "SoftBank," "ASKUL," and "ZOZO," the fair value less disposal cost is measured based on active market prices. For "Finance," the fair value less disposal cost is measured based on the discounted cash flow method.

The measurement of the terminal value under the discounted cash flow method is calculated by referring to EV/EBITDA multiples of comparable companies and the future cash flows are calculated by discounting the estimated cash flows to the present value based on the business plans approved by the management and growth rates. Business plans are generally limited to 10 years and reflect the management's assessment of future trends in the industry and historical data, and are prepared based on the external and internal information. The pre-tax discount rate and EV/EBITDA multiple used for the fiscal year ended March 31, 2024 were 22.4% and x10.0 (for the fiscal year ended March 31, 2023: 26.7% and x13.2), respectively. The fair value hierarchy is categorized as level 3 in accordance with the significant inputs used in the measurement.

As a result of an annual impairment test of goodwill and intangible assets with indefinite useful lives for cash-generating units or cash-generating unit groups, significant impairment loss was not recognized.

Other than the above, the Company determined that for cash-generating units or cash-generating unit groups to which the goodwill and intangible assets with indefinite useful lives are allocated, the recoverable amount is unlikely to fall below the carrying amount, even if major assumptions used in the impairment test change to a reasonably foreseeable extent.

17. Leases

(As lessee)

(1) Right-of-use assets

The details of the components of the carrying amounts of the right-of-use assets by class of underlying asset, the components of depreciation by asset class, and the increase in the right-of-use assets, are described in "Note 15. Right-of-use assets."

(2) Lease liabilities

The details of the outstanding balance by year of maturity of lease liabilities are described in "(b) Analysis of financial liabilities by maturities" in "(2) Financial risk management c. Liquidity risk" under "Note 28. Financial instruments."

The balance of the lease liabilities as of March 31, 2024 is ¥794,507 million ($5,247,388 thousand) (as of March 31, 2023: ¥836,997 million). The weighted average interest rate for the lease liabilities as of March 31, 2024 is 1.86 % (as of March 31, 2023: 1.73 %) and their due dates range from April 2024 to October 2053 (as of March 31, 2023: from April 2023 to November 2052).

The details of interest expense on lease liabilities are described in "Note 39. Finance cost."

(3) Total cash outflow

The details of total cash outflow for leases are described in "(12) Cash outflows related to lease" under "Note 44. Supplemental information to the consolidated statement of cash flows."

(As lessor)

The Company provides device rental services to corporate customers in Japan. Since device leases are provided on the condition that subscribers maintain telecommunication services with the Company, the amount of revenue from these transactions is allocated between the amount to be received for leases and other elements based on the fair value of device leases and telecommunication services.

At the end of the lease term, the Company sells leased devices to entities providing trade-in service. To manage residual asset risk associated with devices, the trade-in prices are obtained from multiple entities and monitored on a regular basis.

(1) Finance leases

The components of revenue from finance leases recognized are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	**As of March 31, 2024**	**As of March 31, 2024**
Selling profit or loss, net	¥ (48)	**¥ (1,256)**	**$ (8,295)**
Finance income on the net investment in the lease	93	**67**	**443**
Total	¥ 45	**¥ (1,189)**	**$ (7,852)**

Of this amount, revenue from subleases recognized is ¥888 million ($5,865 thousand) for the fiscal year ended March 31, 2024 (for the fiscal year ended March 31, 2023: ¥965 million).

The maturity analysis for the undiscounted total lease payments and the uncollected amount of net lease investments at the end of the fiscal year is as follows:

As of March 31, 2023

(Millions of yen)

	Undiscounted total lease payments	Unearned finance income relating to the lease payments receivable	Discounted unguaranteed residual value	Uncollected amount of net lease investments
Within 1 year	¥ 13,190	¥ (65)	¥ –	¥ 13,125
1 to 2 years	7,592	(31)	–	7,561
2 to 3 years	3,173	(14)	–	3,159
3 to 4 years	459	(6)	–	453
4 to 5 years	76	(5)	–	71
Over 5 years	23	(7)	–	16
Total	¥ 24,513	¥ (128)	¥ –	¥ 24,385

As of March 31, 2024

(Millions of yen)

	Undiscounted total lease payments	Unearned finance income relating to the lease payments receivable	Discounted unguaranteed residual value	Uncollected amount of net lease investments
Within 1 year	**¥ 12,733**	**¥ (75)**	**¥ –**	**¥ 12,658**
1 to 2 years	**8,156**	**(53)**	**–**	**8,103**
2 to 3 years	**4,139**	**(40)**	**–**	**4,099**
3 to 4 years	**637**	**(28)**	**–**	**609**
4 to 5 years	**255**	**(24)**	**–**	**231**
Over 5 years	**70**	**(28)**	**–**	**42**
Total	**¥ 25,990**	**¥ (248)**	**¥ –**	**¥ 25,742**

(Thousands of U.S. dollars)

	Undiscounted total lease payments	Unearned finance income relating to the lease payments receivable	Discounted unguaranteed residual value	Uncollected amount of net lease investments
Within 1 year	**$ 84,096**	**$ (495)**	**$ –**	**$ 83,601**
1 to 2 years	**53,867**	**(350)**	**–**	**53,517**
2 to 3 years	**27,336**	**(264)**	**–**	**27,072**
3 to 4 years	**4,207**	**(185)**	**–**	**4,022**
4 to 5 years	**1,684**	**(159)**	**–**	**1,525**
Over 5 years	**462**	**(185)**	**–**	**277**
Total	**$ 171,652**	**$ (1,638)**	**$ –**	**$170,014**

(2) Operating leases

Analysis of maturities for operating leases is as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	**As of March 31, 2024**	**As of March 31, 2024**
Within 1 year	¥ 30,819	**¥ 29,941**	**$ 197,748**
1 to 2 years	16,815	**19,417**	**128,241**
2 to 3 years	8,044	**9,334**	**61,647**
3 to 4 years	878	**999**	**6,598**
4 to 5 years	642	**704**	**4,650**
Over 5 years	2,198	**2,018**	**13,328**
Total	¥ 59,396	**¥ 62,413**	**$ 412,212**

Lease income (excluding income relating to variable lease payments that do not depend on an index or a rate) from operating leases for the fiscal year ended March 31, 2024 is ¥61,049 million ($403,203 thousand) (for the fiscal year ended March 31, 2023: ¥59,728 million). Of this amount, income from subleases is ¥5,039 million ($33,280 thousand) (for the fiscal year ended March 31, 2023: ¥8,452 million).

Changes in historical cost, changes in accumulated depreciation and impairment losses, and the carrying amounts of property, plant and equipment underlying operating leases are described in "(2) Assets subject to operating leases as lessor included in property, plant and equipment" under "Note 14. Property, plant and equipment."

18. Major subsidiaries

(1) Organizational structure

The Company's major subsidiaries are as follows:

Major subsidiaries as of March 31, 2024

Company Name	Reportable segments	Location	Ownership percentage of voting rights (%) As of March 31, 2023	Ownership percentage of voting rights (%) As of March 31, 2024
SoftBank Group Overseas GK	Investment Business of Holding Companies	Tokyo	100	**100**
SoftBank Group Capital Limited	Investment Business of Holding Companies	U.K.	100	**100**
SoftBank Group Japan Corporation	Investment Business of Holding Companies	Tokyo	100	**100**
Delaware Project 1 L.L.C.	Investment Business of Holding Companies	U.S.	66.7	**66.7**
Delaware Project 2 L.L.C.	Investment Business of Holding Companies	U.S.	66.7	**66.7**
Delaware Project 3 L.L.C.	Investment Business of Holding Companies	U.S.	66.7	**66.7**
SB Northstar LP*[1]	Investment Business of Holding Companies	Cayman	–	**–**
SB Group US, Inc.	Investment Business of Holding Companies	U.S.	100	**100**
Shiodome Project 17 GK	Investment Business of Holding Companies	Tokyo	100	**100**
SB Pan Pacific Corporation	Investment Business of Holding Companies	Micronesia	100	**100**
STARFISH I PTE. LTD.	Investment Business of Holding Companies	Singapore	100	**100**
Hayate Corporation	Investment Business of Holding Companies	Micronesia	100	**100**
SB Investment Advisers (UK) Limited	SoftBank Vision Funds	U.K.	100	**100**
SB Global Advisers Limited	SoftBank Vision Funds	U.K.	100	**100**
SoftBank Vision Fund L.P.*[1]	SoftBank Vision Funds	Bailiwick of Jersey	–	**–**
SoftBank Vision Fund (AIV M1) L.P.*[1]	SoftBank Vision Funds	U.S.	–	**–**
SoftBank Vision Fund (AIV M2) L.P.*[1]	SoftBank Vision Funds	U.S.	–	**–**
SoftBank Vision Fund (AIV M3) L.P.*[1]	SoftBank Vision Funds	U.S.	–	**–**
SoftBank Vision Fund II-2 L.P.*[1]	SoftBank Vision Funds	Bailiwick of Jersey	–	**–**
SBLA Latin America Fund LLC	SoftBank Vision Funds	U.S.	100	**100**
SoftBank Corp.*[2]	SoftBank	Tokyo	40.5	**40.7**
A Holdings Corporation*[3]	SoftBank	Tokyo	50.0	**50.0**
LY Corporation*[4]	SoftBank	Tokyo	64.5	**64.4**
PayPay Corporation	SoftBank	Tokyo	100	**100**
LINE SOUTHEAST ASIA CORP.PTE.LTD.	SoftBank	Singapore	100	**100**
ZOZO, Inc.	SoftBank	Chiba	51.0	**51.5**
PayPay Bank Corporation*[5]	SoftBank	Tokyo	46.6	**46.6**

Company Name	Reportable segments	Location	Ownership percentage of voting rights (%) As of March 31, 2023	**As of March 31, 2024**
ASKUL Corporation*6	SoftBank	Tokyo	45.0	**45.0**
Arm Holdings plc*7	Arm	U.K.	100	**88.7**
ARM PIPD Holdings One, LLC	Arm	U.S.	100	**100**
ARM PIPD Holdings Two, LLC	Arm	U.S.	100	**100**
Fortress Investment Group LLC*8	–	U.S.	100	**100**
Fukuoka SoftBank HAWKS Corp.	–	Fukuoka	100	**100**
SoftBank Robotics Group Corp.	–	Tokyo	87.8	**87.8**
Balyo SA	–	France	–	**73.5**

*1 Limited partnerships are deemed as structured entities and the voting rights are not described.
*2 The Company does not own a majority of SoftBank Corp.'s voting rights. However, the Company has determined that it has substantial control over SoftBank Corp. and included it in the scope of consolidation, considering the fact that the Company holds 40.7% of the voting rights of SoftBank Corp., the dispersion of voting rights in SoftBank Corp. and the voting patterns exercised in SoftBank Corp.'s past shareholders meetings.
*3 The Company does not own a majority of A Holdings Corporation's voting rights. However, the Company has determined that it has substantial control over A Holdings Corporation and included it in the scope of consolidation, considering the fact that the Company holds 50.0% of the voting rights of A Holdings Corporation and appoints the majority of the members of A Holdings Corporation's Board of Directors.
*4 As of October 1, 2023, Z Holdings Corporation completed an intragroup reorganization, which included a merger primarily involving the three companies, Z Holdings Corporation itself, LINE Corporation, and Yahoo Japan Corporation, and changed its trade name to LY Corporation.
*5 The Company does not own a majority of PayPay Bank Corporation's voting rights. However, the Company has determined that it has substantial control over PayPay Bank Corporation and included it in the scope of consolidation, considering the fact that the Company holds 46.6% of the voting rights of PayPay Bank Corporation and directors from the Company constitute the majority of the members of PayPay Bank Corporation's Board of Directors.
*6 The Company does not own a majority of ASKUL Corporation's voting rights. However, the Company has determined that it has substantial control over ASKUL Corporation and included it in the scope of consolidation, considering the fact that the Company holds 45.0% of the voting rights of ASKUL Corporation, the dispersion of voting rights in ASKUL Corporation and the voting patterns exercised in ASKUL Corporation's past shareholders meetings.
*7 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.
*8 On May 14, 2024, the Company sold all of its interests in Fortress through a subsidiary of the Company to a subsidiary of Mubadala Investment Company PJSC. As a result, Fortress is excluded from the consolidation of the Company.

(2) Summarized consolidated financial information and other information on subsidiaries with material non-controlling interests

a. SoftBank Corp. (SoftBank Corp. and its group companies)

(a) General information

	As of March 31, 2023	As of March 31, 2024
Ownership ratio of the non-controlling interests (%)	59.5	**59.3**

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	As of March 31, 2024	As of March 31, 2024
Accumulated amount attributable to the non-controlling interests of subsidiary group	¥1,943,804	**¥2,208,965**	**$14,589,294**

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2024
Net income allocated to the non-controlling interests of subsidiary group	¥ 239,463	**¥ 417,136**	**$ 2,755,010**

The Series 1 Bond-Type Class Shares ("Bond-Type Class Shares") issued by SoftBank Corp. on November 1, 2023 are not included in the calculation of the ownership ratio as the Company's interests in SoftBank Corp. does not change at the time of issuance, and therefore, for the fiscal year ended March 31, 2024, ¥120,000 million ($792,550 thousand) of the amount paid is recorded as "Non-controlling interests."

For the calculation of net income allocated to the non-controlling interests, the amount of accumulated unpaid dividends was all allocated to non-controlling interests from the amount of net income in SoftBank Corp. and the net income allocated to the non-controlling interests is calculated by multiplying the remaining amount based on the ownership ratio.

The details of Bond-Type Class Shares are described in "(7) Non-controlling interests" under "Note 33. Equity."

(b) Summarized consolidated financial information

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	As of March 31, 2024	As of March 31, 2024
Current assets	¥ 4,948,095	**¥ 5,268,029**	**$34,793,138**
Non-current assets	9,754,035	**10,272,026**	**67,842,455**
Current liabilities	6,372,638	**7,085,286**	**46,795,364**
Non-current liabilities	4,626,476	**4,500,973**	**29,727,053**
Equity	3,703,016	**3,953,796**	**26,113,176**

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2024
Net sales	¥ 5,911,999	**¥ 6,084,002**	**$40,182,300**
Net income	654,125	**590,265**	**3,898,455**
Comprehensive income	844,222	**622,183**	**4,109,260**

Dividends paid to non-controlling interests by SoftBank Corp. for the fiscal year ended March 31, 2024 are ¥242,074 million ($1,598,798 thousand) (for the fiscal year ended March 31, 2023: ¥240,881 million).

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2024
Net cash provided by operating activities	¥ 1,155,750	**¥ 1,239,689**	**$ 8,187,629**
Net cash used in investing activities	(154,773)	**(927,607)**	**(6,126,458)**
Net cash used in financing activities	(495,260)	**(357,098)**	**(2,358,484)**
Effect of exchange rate changes on cash and cash equivalents	6,658	**11,733**	**77,492**
Decrease in cash and cash equivalents relating to transfer of assets classified as held for sale	–	**(33,011)**	**(218,024)**
Increase (decrease) in cash and cash equivalents	¥ 512,375	**¥ (66,294)**	**$ (437,845)**

b. Delaware Project 1 L.L.C., Delaware Project 2 L.L.C., and Delaware Project 3 L.L.C.

Delaware Project 1 L.L.C., Delaware Project 2 L.L.C., and Delaware Project 3 L.L.C. ("Delaware subsidiaries") made investments in SB Northstar, the asset management subsidiary of the Company, and the ownership ratio from Delaware subsidiaries to SB Northstar is 100%. Investment amounts and ownership ratio from non-controlling interests to each Delaware subsidiaries and investment amounts and ownership ratio from each Delaware subsidiaries to SB Northstar are the same. Financial figures of each Delaware subsidiaries are combined and presented as (b) Summarized consolidated financial information. The financial figures are different from the amounts recorded in the consolidated financial statements of the Company and the financial figures of SB Northstar as these figures are affected by borrowing from SoftBank Group Corp., interest expenses, and other items.

In addition, non-controlling interests in Delaware subsidiaries are from Son Wealth Management Inc (an entity of which Masayoshi Son, Chairman & CEO of SoftBank Group Corp., holds more than one-half of the voting rights).

(a) General information

	As of March 31, 2023	As of March 31, 2024
Ownership ratio of the non-controlling interests (%)	33.3	**33.3**

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	**As of March 31, 2024**	**As of March 31, 2024**
Accumulated amount attributable to the non-controlling interests of subsidiary group	¥ (399,190)	**¥ (409,390)**	**$(2,703,850)**

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2023	**Fiscal year ended March 31, 2024**	**Fiscal year ended March 31, 2024**
Net income (loss) allocated to the non-controlling interests of subsidiary group	¥ (55,491)	**¥ 39,695**	**$ 262,169**

(b) Summarized consolidated financial information

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	**As of March 31, 2024**	**As of March 31, 2024**
Current assets	¥ 553	**¥ 601**	**$ 3,969**
Non-current assets	97,764	**1,146,338**	**7,571,085**
Current liabilities	–	**2,373,235**	**15,674,229**
Non-current liabilities	1,294,008	**–**	**–**
Equity	(1,195,691)	**(1,226,296)**	**(8,099,175)**

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2023	**Fiscal year ended March 31, 2024**	**Fiscal year ended March 31, 2024**
Net sales	¥ –	**¥ –**	**$ –**
Net income (loss)	(166,459)	**119,085**	**786,507**
Comprehensive income	(166,459)	**119,085**	**786,507**

No dividends were paid to non-controlling interests by Delaware subsidiaries for the fiscal year ended March 31, 2023 and 2024.

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2023	**Fiscal year ended March 31, 2024**	**Fiscal year ended March 31, 2024**
Net cash provided by (used in) operating activities	¥ 8	**¥ (25)**	**$ (165)**
Net cash provided by (used in) investing activities	120,127	**(1,079,805)**	**(7,131,662)**
Net cash (used in) provided by financing activities	(119,740)	**1,079,805**	**7,131,662**
Effect of exchange rate changes on cash and cash equivalents	(23)	**73**	**482**
Increase in cash and cash equivalent	¥ 372	**¥ 48**	**$ 317**

19. Investments accounted for using the equity method

(1) Summarized consolidated financial information and other information on the material associates

As of March 31, 2023 and 2024, there are no material associates, individually.

(2) Aggregated information on investment in immaterial associates and joint ventures

The aggregated information of immaterial investments accounted for using the equity method (total amount of the Company's interests), is as follows:

In addition, for the three-month period ended September 30, 2022, a part of prepaid forward contracts was settled by Alibaba shares based on the board resolution in August 2022. As a result, the Company lost significant influence over Alibaba via voting rights and Alibaba ceased to be an equity method associate of the Company. Aggregated information for the fiscal year ended March 31, 2023 does not include the financial figures related to Alibaba.

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	**As of March 31, 2024**	**As of March 31, 2024**
Carrying amount of the interests			
Associates	¥ 669,499	**¥ 787,708**	**$5,202,483**
Joint ventures	60,941	**51,500**	**340,136**
Total	¥ 730,440	**¥ 839,208**	**$5,542,619**

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2023	**Fiscal year ended March 31, 2024**	**Fiscal year ended March 31, 2024**
Net income (loss)			
Associates	¥ (47,101)	**¥ (26,640)**	**$ (175,946)**
Joint ventures	(24,182)	**(12,001)**	**(79,262)**
Total	¥ (71,283)	**¥ (38,641)**	**$ (255,208)**
Other comprehensive income, net of tax			
Associates	(351)	**(2,597)**	**(17,153)**
Joint ventures	267	**(285)**	**(1,883)**
Total	¥ (84)	**¥ (2,882)**	**$ (19,036)**
Total comprehensive income			
Associates	(47,452)	**(29,237)**	**(193,099)**
Joint ventures	(23,915)	**(12,286)**	**(81,145)**
Total	¥ (71,367)	**¥ (41,523)**	**$ (274,244)**

20. Structured entities

(1) Consolidated structured entities

The Company owns investment funds which are structured entities consolidated by the Company. These funds are structured as venture funds in the form of partnerships and limited partnerships for investment, and designed so that the voting rights or similar rights are not determinant in evaluating control. The Company evaluated that it controls the operation of those structured entities.

The details for major consolidated structured entities are described in "*1" in "(1) Organizational structure" under "Note 18. Major subsidiaries."

In addition, please refer to "a. Consolidation of SVF1, SVF2, and LatAm Funds by the Company" in "(20) Material accounting policies for the SoftBank Vision Funds segment" under "Note 3. Material accounting policies" for the following entities that comprise the SVF1 and SVF2 business.

Company Name	Location
SoftBank Vision Fund L.P.	Bailiwick of Jersey
SoftBank Vision Fund (AIV M1) L.P.	U.S.
SoftBank Vision Fund (AIV M2) L.P.	U.S.
SoftBank Vision Fund (AIV M3) L.P.	U.S.
SoftBank Vision Fund II-2 L.P.	Bailiwick of Jersey

The Company is engaged in investment commitment contracts with certain consolidated structured entities.

The Company has not provided, nor intends to provide, any significant financial support or other significant support to the consolidated structured entities without contractual obligation.

(2) Unconsolidated structured entities

The Company owns investment funds, which are structured entities that are not consolidated by the Company. These funds are structured as venture funds in the form of partnerships, limited partnerships for investment and investment trusts, and designed so that the voting rights or similar rights are not determinant in evaluating control. Third parties control the operation of these structured entities. The funds are financed by the subscription by its partners.

The scale of the structured entities which are not consolidated, the carrying amount of the investment in the entities by the Company, and the potential maximum loss exposure to the Company are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	**As of March 31, 2024**	**As of March 31, 2024**
Total assets of the unconsolidated structured entities (aggregate amount)	¥3,988,392	**¥3,963,596**	**$26,177,901**
The maximum loss exposure to the Company			
The carrying amount of the investment recognized by the Company	651,058	**692,340**	**4,572,618**
Commitment contracts related to additional investment	83,735	**93,410**	**616,934**
Total	¥ 734,793	**¥ 785,750**	**$ 5,189,552**

The investments recognized by the Company are included in "Investments accounted for using the equity method," "Investments from SVF (FVTPL)," or "Investment securities" in the consolidated statement of financial position. The Company did not recognize any liabilities related to unconsolidated structured entities.

The potential maximum loss exposure incurred from the involvement with the structured entities is limited to the total of the carrying amount of the Company's investment and commitment regarding additional investment.

The Company's maximum loss exposure represents the potential maximum loss amount, and does not indicate any estimated loss amount by being involved with structured entities.

The Company has not provided, nor intends to provide, any financial support or other significant support to the unconsolidated structured entities above without contractual obligation.

21. Income taxes

(1) Tax expenses

The components of income tax expenses are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2023	**Fiscal year ended March 31, 2024**	**Fiscal year ended March 31, 2024**
Current tax expenses	¥(800,779)	**¥(429,070)**	**$(2,833,829)**
Deferred tax expenses	480,105	**580,486**	**3,833,868**
Total	¥(320,674)	**¥ 151,416**	**$ 1,000,039**

Current tax expenses include benefit arising from tax loss, tax credit and certain temporary differences in the previous years that were previously unrecognized. The reduction of current tax expense for the fiscal year ended March 31, 2024 was ¥252,684 million ($1,668,873 thousand) (for the fiscal year ended March 31, 2023: ¥537,341 million).

Deferred tax expenses include the amount of deferred tax expenses arising from write-off of deferred tax assets or reversal of the write-off of deferred tax assets recorded in the previous years. As a result, the decrease in deferred tax expenses for the fiscal year ended March 31, 2024 was ¥86,757 million ($572,994 thousand) (for the fiscal year ended March 31, 2023: ¥423,933 million).

(2) Reconciliation of the statutory effective tax rate and actual tax rate

The reconciliation of the statutory effective tax rate and actual tax rate is as follows. The actual tax rate represents the ratio of income tax expenses to income before income tax.

(Unit :%)

	Fiscal year ended March 31, 2023	**Fiscal year ended March 31, 2024**
Statutory effective tax rate*	31.5	**31.5**
Aggregation of income earned by controlled foreign companies	8.9	**(309.8)**
Effect from profit or loss that does not impact taxable gain or loss	(307.1)	**249.8**
Effect from evaluating recoverability of deferred tax assets	146.4	**(114.7)**
Foreign tax credit	7.1	**(95.4)**
Income and loss on equity method investments	26.9	**63.6**
Taxation at foreign locations	(3.8)	**(46.8)**
US research and development tax credits	0.7	**(21.2)**
Effect from dilution gain or loss from changes in equity interest	0.4	**(14.3)**
Effect from gain or loss relating to loss of control over subsidiaries	0.6	**(11.3)**
Difference of tax rate adopted by subsidiaries	7.8	**2.6**
Distribution from SVF	8.4	**3.9**
Other	3.8	**0.1**
Actual tax rate	(68.4)	**(262.0)**

* The Company is subject to corporate taxes, residence taxes and deductible enterprise taxes. The statutory effective tax rate for the fiscal year ended March 31, 2024 based on these taxes is 31.5% (for the fiscal year ended March 31, 2023: 31.5%), except for foreign subsidiaries which are subject to income taxes at their respective locations.

(3) Movement of deferred tax assets and deferred tax liabilities

The movement of deferred tax assets and deferred tax liabilities is as follows:

For the fiscal year ended March 31, 2023

(Millions of yen)

	As of April 1, 2022	Effect of changes in accounting policies due to adoption of new standards*1	As of April 1, 2022 (after adjustments)	Recognized in profit or loss	Recognized in other comprehensive income	Exchange differences	Other	As of March 31, 2023
Deferred tax assets								
Property, plant, equipment and intangible assets	¥ 77,560	¥ –	¥ 77,560	¥ 9,246	¥ –	¥ 390	¥ 50	¥ 87,246
Lease liabilities	9,045	183,714	192,759	19,577	–	166	(3,649)	208,853
Accrued expenses and other liabilities	120,302	146	120,448	7,929	(30)	323	(733)	127,937
Net operating loss carryforwards and tax credit carryforwards*2	89,690	–	89,690	521,501	(1)	4,038	(1,470)	613,758
Investment securities	6,889	–	6,889	8,783	–	25	4	15,701
Derivative financial liabilities	–	–	–	60,392	–	–	–	60,392
Unrealized gain	68,128	–	68,128	(11,141)	–	–	(2)	56,985
Share-based compensation	3,526	–	3,526	6,266	–	264	–	10,056
Allowance for doubtful accounts	20,281	–	20,281	734	–	–	2	21,017
Other	63,207	(354)	62,853	16,012	(1,514)	1,840	7,851	87,042
Total	458,628	183,506	642,134	639,299	(1,545)	7,046	2,053	1,288,987
Deferred tax liabilities								
Customer relationships	(183,220)	–	(183,220)	12,578	–	(2,093)	(2,772)	(175,507)
Trademarks	(117,077)	–	(117,077)	(5,247)	–	(43)	–	(122,367)
Technologies	(114,282)	–	(114,282)	9,561	–	(10,543)	–	(115,264)
Right-of-use assets	(4,637)	(183,572)	(188,209)	(19,827)	–	(178)	2,920	(205,294)
Temporary difference associated with investment in subsidiaries, associates and joint ventures*3	(1,671,258)	–	(1,671,258)	1,457,582	192,710	(3,302)	(5,827)	(30,095)
Investment securities*3	(464,235)	–	(464,235)	(1,402,671)	2,978	(7,079)	(151)	(1,871,158)
Derivative financial assets	(2,912)	–	(2,912)	(203,239)	–	(135)	557	(205,729)
Contract assets and costs to obtain contracts	(106,644)	–	(106,644)	640	–	–	–	(106,004)
Other	(67,142)	66	(67,076)	(8,571)	1,943	(278)	(1,321)	(75,303)
Total	(2,731,407)	(183,506)	(2,914,913)	(159,194)	197,631	(23,651)	(6,594)	(2,906,721)
Net	¥(2,272,779)	¥ –	¥ (2,272,779)	¥ 480,105	¥ 196,086	¥ (16,605)	¥ (4,541)	¥ (1,617,734)

*1 As a result of the adoption of the IAS 12 "Income Taxes" (Amendments in May 2021), the cumulative effect of retrospective adjustments is recognized as adjustments to the balance as of April 1, 2022 and restated accordingly. The details of the amendments are described in " Note 4. Changes in accounting policies."

*2 The Company recognizes deferred tax assets of ¥29,484 million as of March 31, 2023 at entities that recorded a loss in either the fiscal year ended March 31, 2022 or 2023. Deferred tax assets are recognized to the extent that it is probable that taxable income will be available against which deductible temporary differences, net operating loss carryforwards and tax credit carryforwards can be utilized.

*3 As a result of the exclusion of Alibaba from associates, deferred tax liabilities decreased by ¥1,607,135 million under "Temporary difference associated with investment in subsidiaries, associates and joint ventures," as an extinguishment of temporary difference associated with investment in Alibaba, and deferred tax liabilities for investment in Alibaba increased by ¥1,457,576 million under "Investment securities."

For the fiscal year ended March 31, 2024

(Millions of yen)

	As of April 1, 2023	Recognized in profit or loss	Recognized in other comprehensive income	Recognized in equity	Exchange differences	Other	**As of March 31, 2024**
Deferred tax assets							
Property, plant, equipment and intangible assets	¥ 87,246	¥ 17,761	¥ –	¥ –	¥ 771	¥ (2,736)	**¥ 103,042**
Lease liabilities	208,853	6,526	–	–	328	258	**215,965**
Accrued expenses and other liabilities	127,937	41,673	202	–	2,066	415	**172,293**
Net operating loss carryforwards and tax credit carryforwards*[1,2]	613,758	(43,905)	–	24,215	7,047	4,870	**605,985**
Investment securities	15,701	94,513	–	–	77	(117)	**110,174**
Derivative financial liabilities	60,392	(60,392)	–	–	–	–	**–**
Unrealized gain	56,985	(11,066)	–	–	–	–	**45,919**
Share-based compensation*[2]	10,056	19,203	–	22,985	2,290	56	**54,590**
Allowance for doubtful accounts	21,017	10,134	–	–	2	19	**31,172**
Other	87,042	(5,733)	(236)	–	3,686	(39)	**84,720**
Total	1,288,987	68,714	(34)	47,200	16,267	2,726	**1,423,860**
Deferred tax liabilities							
Customer relationships	(175,507)	13,983	–	–	(2,805)	(6,607)	**(170,936)**
Trademarks	(122,367)	(5,077)	–	–	(113)	(2,759)	**(130,316)**
Technologies	(115,264)	13,743	–	–	(14,957)	(6,000)	**(122,478)**
Right-of-use assets	(205,294)	(9,077)	–	–	(319)	4,561	**(210,129)**
Temporary difference associated with investment in subsidiaries, associates and joint ventures	(30,095)	(7,858)	332	–	(484)	(185)	**(38,290)**
Investment securities	(1,871,158)	584,613	(359)	–	(10,182)	2,203	**(1,294,883)**
Derivative financial assets	(205,729)	(85,334)	–	–	(344)	–	**(291,407)**
Contract assets and costs to obtain contracts	(106,004)	6,743	–	–	–	–	**(99,261)**
Other	(75,303)	36	(32)	–	(668)	2,722	**(73,245)**
Total	(2,906,721)	511,772	(59)	–	(29,872)	(6,065)	**(2,430,945)**
Net	¥ (1,617,734)	¥ 580,486	¥ (93)	¥ 47,200	¥ (13,605)	¥ (3,339)	**¥ (1,007,085)**

(Thousands of U.S. dollars)

	As of April 1, 2023	Recognized in profit or loss	Recognized in other comprehensive income	Recognized in equity	Exchange differences	Other	**As of March 31, 2024**
Deferred tax assets							
Property, plant, equipment and intangible assets	**$ 576,223**	**$ 117,304**	**$ –**	**$ –**	**$ 5,092**	**$ (18,070)**	**$ 680,549**
Lease liabilities	**1,379,387**	**43,101**	**–**	**–**	**2,166**	**1,705**	**1,426,359**
Accrued expenses and other liabilities	**844,971**	**275,233**	**1,334**	**–**	**13,645**	**2,741**	**1,137,924**
Net operating loss carryforwards and tax credit carryforwards*[1,2]	**4,053,616**	**(289,974)**	**–**	**159,930**	**46,543**	**32,164**	**4,002,279**
Investment securities	**103,699**	**624,218**	**–**	**–**	**509**	**(773)**	**727,653**
Derivative financial liabilities	**398,864**	**(398,864)**	**–**	**–**	**–**	**–**	**–**
Unrealized gain	**376,362**	**(73,086)**	**–**	**–**	**–**	**–**	**303,276**
Share-based compensation*[2]	**66,416**	**126,828**	**–**	**151,806**	**15,124**	**370**	**360,544**
Allowance for doubtful accounts	**138,809**	**66,931**	**–**	**–**	**13**	**125**	**205,878**
Other	**574,876**	**(37,864)**	**(1,558)**	**–**	**24,345**	**(258)**	**559,541**
Total	**8,513,223**	**453,827**	**(224)**	**311,736**	**107,437**	**18,004**	**9,404,003**
Deferred tax liabilities							
Customer relationships	**(1,159,151)**	**92,352**	**–**	**–**	**(18,526)**	**(43,636)**	**(1,128,961)**
Trademarks	**(808,184)**	**(33,531)**	**–**	**–**	**(746)**	**(18,222)**	**(860,683)**
Technologies	**(761,271)**	**90,767**	**–**	**–**	**(98,785)**	**(39,627)**	**(808,916)**
Right-of-use assets	**(1,355,881)**	**(59,950)**	**–**	**–**	**(2,107)**	**30,124**	**(1,387,814)**
Temporary difference associated with investment in subsidiaries, associates and joint ventures	**(198,765)**	**(51,899)**	**2,193**	**–**	**(3,197)**	**(1,222)**	**(252,890)**
Investment securities	**(12,358,219)**	**3,861,125**	**(2,371)**	**–**	**(67,248)**	**14,550**	**(8,552,163)**
Derivative financial assets	**(1,358,754)**	**(563,596)**	**–**	**–**	**(2,272)**	**–**	**(1,924,622)**
Contract assets and costs to obtain contracts	**(700,112)**	**44,535**	**–**	**–**	**–**	**(1)**	**(655,578)**
Other	**(497,345)**	**238**	**(210)**	**–**	**(4,411)**	**17,975**	**(483,753)**
Total	**(19,197,682)**	**3,380,041**	**(388)**	**–**	**(197,292)**	**(40,059)**	**(16,055,380)**
Net	**$(10,684,459)**	**$3,833,868**	**$ (612)**	**$ 311,736**	**$ (89,855)**	**$ (22,055)**	**$(6,651,377)**

*1 The Company recognizes deferred tax assets of ¥105,632 million ($697,655 thousand) as of March 31, 2024 at entities that recorded a loss in either the fiscal year ended March 31, 2023 or 2024. Deferred tax assets are recognized to the extent that it is probable that taxable income will be available against which deductible temporary differences, net operating loss carryforwards and tax credit carryforwards can be utilized.
*2 Changes in "Recognized in equity" under "Net operating loss carryforwards and tax credit carryforwards" and "Share-based compensation" are the recognized amount of deferred tax assets associated with the restricted stock unit plans of Arm. The details of the restricted stock unit plans of Arm are described in "(2) Restricted stock unit plan" under "Note 35. Share-based payment transactions."

Deferred tax assets and liabilities recorded in the consolidated statement of financial position are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	As of March 31, 2024	As of March 31, 2024
Deferred tax assets	¥ 210,823	¥ 245,954	$ 1,624,424
Deferred tax liabilities	(1,828,557)	(1,253,039)	(8,275,801)
Net	¥(1,617,734)	¥(1,007,085)	$(6,651,377)

(4) Deductible temporary differences, net operating loss carryforwards and tax credit carryforwards for which no deferred tax assets have been recognized

Deductible temporary differences, net operating loss carryforwards, and tax credit carryforwards for which no deferred tax assets have been recognized are as follows. The amounts below are on a tax basis.

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	As of March 31, 2024	As of March 31, 2024
Deductible temporary differences	¥ 521,979	¥ 519,588	$3,431,663
Net operating loss carryforwards	341,916	365,009	2,410,732
Tax credit carryforwards	5,886	18,150	119,873
Total	¥ 869,781	¥ 902,747	$5,962,268

Expiration schedule of net operating loss carryforwards and tax credit carryforwards for which no deferred tax assets have been recognized is as follows. For deductible temporary differences as of March 31, 2024, the deductible temporary difference of ¥62,666 million ($413,883 thousand) (on a tax basis) is set to expire in the 5th year and thereafter (as of March 31, 2023: The deductible temporary difference of ¥3,102 million (on a tax basis) is set to expire in the 5th year). Other than the above, there is no deductible temporary difference with an expiry date.

	(Millions of yen)		(Thousands of U.S. dollars)
Net operating loss carryforwards (tax basis)	As of March 31, 2023	As of March 31, 2024	As of March 31, 2024
1st year	¥ 409	¥ 3,902	$ 25,771
2nd year	3,562	2,696	17,806
3rd year	2,589	3,484	23,010
4th year	10,079	671	4,432
5th year and thereafter and no expiry date	325,277	354,256	2,339,713
Total	¥ 341,916	¥ 365,009	$ 2,410,732

	(Millions of yen)		(Thousands of U.S. dollars)
Tax credit carryforwards (tax basis)	As of March 31, 2023	As of March 31, 2024	As of March 31, 2024
1st year	¥ –	¥ –	$ –
2nd year	–	–	–
3rd year	–	7,678	50,710
4th year	–	–	–
5th year and thereafter and no expiry date	5,886	10,472	69,163
Total	¥ 5,886	¥ 18,150	$ 119,873

In addition to the above, total future deductible temporary differences (before multiplying by the tax rate) for which no deferred tax assets have been recognized that are related to the investment in subsidiaries, associates and joint ventures as of March 31, 2024 are ¥7,128,039 million ($47,077,729 thousand) (as of March 31, 2023: ¥7,158,046 million).

(5) Future taxable temporary differences for which no deferred tax liabilities have been recognized that are related to the investment in subsidiaries

Total future taxable temporary differences (before multiplying by the tax rate) for which no deferred tax liabilities have been recognized that are related to the investment in subsidiaries as of March 31, 2024 are ¥7,410,759 million ($48,944,977 thousand) (as of March 31, 2023: ¥4,965,331 million).

(6) Impact of global minimum taxation

The legal frameworks related to the Pillar Two model rules published by the Organization for Economic Co-operation and Development (OECD), have been enacted or substantially enacted in some of the countries and regions where the Company operates. In the reforms to the Japanese tax system made in 2023, a corporate tax complying with the global minimum tax was newly created, with the tax reform act (“Act for Partial Revision of the Income Tax Act, etc.” (Act No. 3 of 2023)) (hereinafter “Revised Corporation Tax Act”) enacted on March 28, 2023 that includes the relevant regulations for the global minimum tax. Within the global minimum tax rules in the Revised Corporation Tax Act, an income inclusion rule (“IIR”) has been introduced. Applicable from the fiscal year starting on or after April 1, 2024, top-up tax will be imposed on parent companies located in Japan up to the minimum tax rate (15%) of the taxes borne by the subsidiaries, etc. of those parent companies located in Japan.

The Company works with tax experts to investigate the impact, however, it is not possible to reasonably estimate the impact of the global minimum tax rules on the consolidated financial statements at this point.

22. Interest-bearing debt

(1) Components of interest-bearing debt

The components of interest-bearing debt are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)		
	As of March 31, 2023	**As of March 31, 2024**	**As of March 31, 2024**	Average interest rate (%)*1	Maturity*2
Current					
Short-term borrowings	¥ 900,502	**¥ 1,100,158**	**$ 7,266,085**	0.51	–
Commercial paper	283,001	**363,501**	**2,400,773**	0.18	–
Current portion of long-term borrowings*3,4	2,955,480	**1,787,792**	**11,807,622**	1.37	–
Current portion of corporate bonds*6	653,237	**824,791**	**5,447,401**	2.09	–
Current portion of financial liabilities relating to sale of shares by prepaid forward contracts*5	336,730	**4,194,733**	**27,704,465**	2.04	–
Current portion of installment payables	97	**168**	**1,109**	2.14	–
Total	¥ 5,129,047	**¥ 8,271,143**	**$ 54,627,455**		
Non-current					
Long-term borrowings*3,4	4,164,682	**4,698,657**	**31,032,673**	3.65	Apr. 2025-May. 2058
Corporate bonds*6	6,257,455	**6,619,839**	**43,721,280**	2.71	Apr. 2025-Apr. 2058
Financial liabilities relating to sale of shares by prepaid forward contracts*5	3,926,873	**977,778**	**6,457,817**	3.33	Apr. 2025-May. 2025
Installment payables	137	**107**	**706**	2.27	Apr. 2025-Mar. 2027
Total	¥14,349,147	**¥12,296,381**	**$ 81,212,476**		

*1 Average interest rate represents the weighted-average interest rate to the balance as of March 31, 2024.
*2 Maturity represents the maturity of the outstanding balance as of March 31, 2024.
*3 On September 12, 2023, Kronos I (UK) Limited, a wholly-owned subsidiary of the Company, repaid all of the term facility loan of $8.5 billion that was secured by 75.01% of Arm shares before listing held by a wholly-owned subsidiary of Kronos I (UK) Limited, all of Kronos I (UK) Limited's assets except for certain assets specified in the agreement, and the equity interests of wholly-owned subsidiaries of the Company which were established for this facility purpose as collateral. This resulted in the current portion of long-term borrowings decreased by ¥1,126,619 million ($7,440,849 thousand).

On September 21, 2023, Kronos I (UK) Limited borrowed $8.5 billion as a margin loan using 769,029,000 shares of Arm after listing held by a wholly-owned subsidiary of Kronos I (UK) Limited and all of Kronos I (UK) Limited's assets except for certain assets specified in the agreement as collaterals. The margin loan is recorded for ¥1,274,904 million ($8,420,210 thousand) as long-term borrowings in the consolidated statement of financial position as of March 31, 2024. The margin loan agreement includes an additional cash collateral provision and a mandatory prepayment clause, which may be triggered under certain circumstances, such as a significant decrease in the fair value of pledged Arm shares.

The margin loan is nonrecourse debt, and therefore, SoftBank Group Corp. will not be responsible for the borrowings.

*4 The current portion of long-term borrowings and long-term borrowings as of March 31, 2023, include ¥5,526 million and ¥547,156 million of borrowings in SVF1, respectively. There are no borrowings in SVF1 as of March 31, 2024. The long-term borrowings as of March 31, 2024, include ¥547,894 million ($3,618,612 thousand) (as of March 31, 2023: ¥770,004 million of current portion of long-term borrowings) of borrowings in SVF2.
*5 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."

*6 A summary of the issuance conditions of the bonds is as follows:

Company name / Name of bond	Date of issuance	Balance of issue amount*7	As of March 31, 2023 (Millions of yen)*8	**As of March 31, 2024 (Millions of yen)*8**	**As of March 31, 2024 (Thousands of U.S. dollars)*8**	Interest rate (%)	Date of maturity
SoftBank Group Corp.							
49th Unsecured Straight Bond	Apr. 20, 2016	¥ –	¥ 19,500 (19,500)	**¥ –**	**$ –**	1.94	Apr. 20, 2023
50th Unsecured Straight Bond	Apr. 20, 2016	¥ 30,000 million	29,954	**29,969**	**197,933**	2.48	Apr. 20, 2026
51st Unsecured Straight Bond	Mar. 16, 2017	¥ –	352,027 (352,027)	**–**	**–**	2.03	Mar. 15, 2024
52nd Unsecured Straight Bond	Mar. 8, 2017	¥ –	47,272 (47,272)	**–**	**–**	2.03	Mar. 8, 2024
53rd Unsecured Straight Bond	Jun. 20, 2018	¥ 410,000 million	408,999	**409,857 (409,857)**	**2,706,935 (2,706,935)**	1.57	Jun. 14, 2024
54th Unsecured Straight Bond	Jun. 12, 2018	¥ 40,000 million	39,966	**39,995 (39,995)**	**264,150 (264,150)**	1.57	Jun. 12, 2024
55th Unsecured Straight Bond	Apr. 26, 2019	¥ 500,000 million	497,914	**498,957**	**3,295,403**	1.64	Apr. 25, 2025
56th Unsecured Straight Bond	Sep. 20, 2019	¥ 400,000 million	397,554	**398,270**	**2,630,408**	1.38	Sep. 17, 2026
57th Unsecured Straight Bond*9	Sep. 12, 2019	¥ 97,900 million	99,787	**97,752**	**645,611**	1.38	Sep. 11, 2026
58th Unsecured Straight Bond	Dec. 16, 2022	¥ 385,000 million	380,398	**381,088**	**2,516,928**	2.84	Dec. 14, 2029
59th Unsecured Straight Bond	Mar. 15, 2024	¥ 550,000 million	–	**543,187**	**3,587,524**	3.04	Mar. 14, 2031
USD-denominated Senior Notes due 2023	Apr. 20, 2018	$ –	21,920 (21,920)	**–**	**–**	5.50	Apr. 20, 2023
USD-denominated Senior Notes due 2024*10	Sep. 19, 2017	$ 781 million	104,277	**118,131 (118,131)**	**780,206 (780,206)**	4.75	Sep. 19, 2024
USD-denominated Senior Notes due 2025*10	Jul. 28, 2015	$ 574 million	76,498	**86,737**	**572,862**	6.00	Jul. 30, 2025
USD-denominated Senior Notes due 2025*10	Apr. 20, 2018	$ 337 million	45,192	**50,886**	**336,081**	6.13	Apr. 20, 2025
USD-denominated Senior Notes due 2025*10	Jul. 6, 2021	$ 449 million	59,708	**67,774 (67,774)**	**447,619 (447,619)**	3.13	Jan. 6, 2025
USD-denominated Senior Notes due 2026*10	Jul. 6, 2021	$ 669 million	89,210	**100,816**	**665,848**	4.00	Jul. 6, 2026
USD-denominated Senior Notes due 2027*10	Sep. 19, 2017	$ 1,657 million	221,202	**249,796**	**1,649,799**	5.13	Sep. 19, 2027
USD-denominated Senior Notes due 2028*10	Apr. 3, 2018	$ 466 million	61,996	**70,204**	**463,668**	6.25	Apr. 15, 2028
USD-denominated Senior Notes due 2028*10	Jul. 6, 2021	$ 773 million	106,296	**116,262**	**767,862**	4.63	Jul. 6, 2028
USD-denominated Senior Notes due 2031*10	Jul. 6, 2021	$ 1,305 million	178,583	**196,018**	**1,294,617**	5.25	Jul. 6, 2031
Euro-denominated Senior Notes due 2023	Apr. 20, 2018	€ –	92,531 (92,531)	**–**	**–**	4.00	Apr. 20, 2023
Euro-denominated Senior Notes due 2024*10	Jul. 6, 2021	€ 638 million	92,814	**104,043 (104,043)**	**687,161 (687,161)**	2.13	Jul. 6, 2024
Euro-denominated Senior Notes due 2025	Jul. 28, 2015	€ 633 million	91,873	**103,091**	**680,873**	4.75	Jul. 30, 2025
Euro-denominated Senior Notes due 2025	Sep. 19, 2017	€ 702 million	101,904	**114,344**	**755,195**	3.13	Sep. 19, 2025
Euro-denominated Senior Notes due 2025	Apr. 20, 2018	€ 272 million	39,499	**44,331**	**292,788**	4.50	Apr. 20, 2025
Euro-denominated Senior Notes due 2027	Jul. 28, 2015	€ 211 million	30,500	**34,218**	**225,996**	5.25	Jul. 30, 2027
Euro-denominated Senior Notes due 2027*10	Jul. 6, 2021	€ 437 million	64,360	**70,949**	**468,589**	2.88	Jan. 6, 2027
Euro-denominated Senior Notes due 2028*10	Apr. 3, 2018	€ 1,054 million	153,258	**171,246**	**1,131,009**	5.00	Apr. 15, 2028

Company name / Name of bond	Date of issuance	Balance of issue amount*[7]	As of March 31, 2023 (Millions of yen)*[8]	**As of March 31, 2024** (Millions of yen)*[8]	**As of March 31, 2024** (Thousands of U.S. dollars)*[8]	Interest rate (%)	Date of maturity
Euro-denominated Senior Notes due 2029*[10]	Sep. 19, 2017	€ 575 million	¥ 84,466	**¥ 93,301**	**$ 616,214**	4.00	Sep. 19, 2029
Euro-denominated Senior Notes due 2029*[10]	Jul. 6, 2021	€ 473 million	72,735	**76,575**	**505,746**	3.38	Jul. 6, 2029
Euro-denominated Senior Notes due 2032*[10]	Jul. 6, 2021	€ 425 million	64,312	**68,721**	**453,874**	3.88	Jul. 6, 2032
3rd Unsecured Subordinated Corporate Bond	Sep. 30, 2021	¥ 450,000 million	444,761	**445,729**	**2,943,853**	2.40	Sep. 29, 2028
4th Unsecured Subordinated Corporate Bond*[9]	Sep. 16, 2021	¥ 30,100 million	49,751	**29,978**	**197,992**	2.40	Sep. 15, 2028
5th Unsecured Subordinated Corporate Bond*[9]	Feb. 4, 2022	¥ 549,000 million	543,108	**543,300**	**3,588,269**	2.48	Feb. 2, 2029
2nd Unsecured Subordinated Bonds with interest deferrable clause and early redeemable option (with a subordination provision)*[11,12,13]	Sep. 16, 2016	¥ –	15,285	**–**	**–**	3.50	Sep. 16, 2043
4th Unsecured Subordinated Bonds with interest deferrable clause and early redeemable option (with a subordination provision)*[12,14]	Feb. 4, 2021	¥ 177,000 million	175,598	**175,640**	**1,160,029**	3.00	Feb. 4, 2056
5th Unsecured Subordinated Bonds with interest deferrable clause and early redeemable option (with a subordination provision)*[12,15]	Jun. 21, 2021	¥ 405,000 million	398,014	**398,225**	**2,630,110**	2.75	Jun. 21, 2056
6th Unsecured Subordinated Bonds with interest deferrable clause and early redeemable option (with a subordination provision)*[12,16]	Apr. 28, 2023	¥ 222,000 million	–	**218,190**	**1,441,054**	4.75	Apr. 26, 2058
Subtotal			5,753,022 (533,250)	**6,147,580 (739,800)**	**40,602,206 (4,886,071)**		
SoftBank Corp.							
6th Unsecured Straight Bond	Jul. 29, 2020	¥ 70,000 million	70,000	**70,000**	**462,321**	0.36	Jul. 29, 2025
8th Unsecured Straight Bond	Dec. 3, 2020	¥ 80,000 million	80,000	**80,000**	**528,367**	0.35	Dec. 3, 2025
19th Unsecured Straight Bond	Mar. 10, 2023	¥ 120,000 million	119,312	**119,452**	**788,931**	0.98	Mar. 10, 2028
21st Unsecured Straight Bond	Jul. 12, 2023	¥ 60,000 million	–	**59,820**	**395,086**	0.82	Jul. 12, 2028
24th Unsecured Straight Bond	Jan. 31, 2024	¥ 140,000 million	–	**139,203**	**919,378**	1.24	Jan. 31, 2031
Other Unsecured Straight Bonds	Mar. 18, 2020 - Jul. 12, 2023	¥ 360,000 million	309,371 (10,000)	**359,305 (10,000)**	**2,373,059 (66,046)**	0.10 - 1.30	Jul. 28, 2023 - Jul. 12, 2033
Subtotal			578,683 (10,000)	**827,780 (10,000)**	**5,467,142 (66,046)**		
LY Corporation							
11th Unsecured Straight Bond	Jul. 31, 2019	¥ 50,000 million	49,957	**49,991 (49,991)**	**330,170 (330,170)**	0.18	Jul. 31, 2024
12th Unsecured Straight Bond	Jul. 31, 2019	¥ 70,000 million	69,890	**69,924**	**461,819**	0.37	Jul. 31, 2026
13th Unsecured Straight Bond	Jul. 31, 2019	¥ 50,000 million	49,877	**49,896**	**329,542**	0.46	Jul. 31, 2029
15th Unsecured Straight Bond	Jun. 11, 2020	¥ –	79,987 (79,987)	**–**	**–**	0.35	Jun. 9, 2023
16th Unsecured Straight Bond	Jun. 11, 2020	¥ 70,000 million	69,897	**69,945**	**461,958**	0.60	Jun. 11, 2025
19th Unsecured Straight Bond	Jul. 28, 2021	¥ 50,000 million	49,888	**49,922**	**329,714**	0.35	Jul. 28, 2026
23rd Unsecured Straight Bond	Sep. 28, 2022	¥ 50,000 million	49,746	**49,804**	**328,935**	0.76	Sep. 28, 2027
Other Unsecured Straight Bonds	Feb. 28, 2017 - Sep. 15, 2022	¥ 130,000 million	159,745 (30,000)	**129,788 (25,000)**	**857,195 (165,114)**	0.20 - 0.90	Dec. 6, 2023 - Jul. 28, 2031
Subtotal			578,987 (109,987)	**469,270 (74,991)**	**3,099,333 (495,284)**		
Total			¥ 6,910,692 (653,237)	**¥7,444,630 (824,791)**	**$49,168,681 (5,447,401)**		

*7 Balance of issue amount is as of March 31, 2024.
*8 Figures in parentheses as of March 31, 2023 and March 31, 2024 represent the current portion.
*9 The 57th Unsecured Straight Bond and the 4th Unsecured Subordinated Corporate Bond were partially redeemed on April 12, 2023 and the 5th Unsecured Subordinated Corporate Bond was partially redeemed on April 28, 2023 before maturity dates, respectively.
*10 SoftBank Group Corp. purchased a portion of the foreign-currency-denominated Senior Notes through the market. Accordingly, the purchases were completed, and as a result, these notes were derecognized as the requirement for the extinguishment was satisfied on the same date.
*11 The 2nd Unsecured Subordinated Bonds with interest deferrable clause and early redeemable option (with a subordination provision) was redeemed on September 16, 2023, before maturity date.
*12 The interest rate stated above is at the time of issuance. The bond has a step-up coupon provision and its interest rate may increase in the future.
*13 The bond has an early redeemable option at the Company's discretion from September 16, 2023 and at each interest date on or after September 16, 2023.
*14 The bond has an early redeemable option at the Company's discretion from February 4, 2026 and at each interest date on or after February 4, 2026.
*15 The bond has an early redeemable option at the Company's discretion from June 21, 2026 and at each interest date on or after June 21, 2026.
*16 The bond has an early redeemable option at the Company's discretion from April 28, 2028 and at each interest date on or after April 28, 2028.

(2) Transactions for sale of Alibaba shares by prepaid forward contracts

Wholly-owned subsidiaries of the Company entered into prepaid forward contracts with financial institutions to procure funds using Alibaba shares, which are held by the subsidiaries.

In the prepaid forward contracts, the number of Alibaba shares settled by the prepaid forward contracts is fixed regardless of changes in market share price in the future in a forward contract or determined by reference to market price of the shares at the valuation dates prior to the settlement date. The latter type of contracts include Floor contract that a floor is set for the price of shares settled and Collar contract that a cap and a floor are set for the price of shares settled. A part of wholly-owned subsidiaries of the Company entering into prepaid forward contracts with financial institutions to procure funds using Alibaba shares ("Entities for fund procurement by using Alibaba shares"), in addition to the prepaid forward contracts, enter into the call spread (combination of long position of call option and short position of call option with different strike prices) contracts in preparation for Alibaba shares price rise.

The aforementioned prepaid forward contracts are classified as hybrid financial instruments with embedded derivatives. The Company accounts for the contracts by bifurcating the main contracts and embedded derivatives, and the main contracts are recognized as financial liabilities relating to sale of shares by prepaid forward contracts then measured at amortized cost while the embedded derivatives are measured at fair value. Also, the call spread contracts are measured at fair value as well. In addition, for the derivative financial assets and the derivative financial liabilities recognized from the prepaid forward contracts and the call spread contracts, a tax effect is recognized. The ending balance of the derivative financial assets and the derivative financial liabilities recognized from the prepaid forward contracts and the call spread contracts are described in "(b) Price risk" in "a. Market risk" in "(2) Financial risk management" under "Note 28. Financial instruments."

Entities for fund procurement by using Alibaba shares have the option to settle all of the prepaid forward contracts by delivering cash, Alibaba shares, or a combination of cash and Alibaba shares. If Entities for fund procurement by using Alibaba shares elect cash settlement, Entities for fund procurement by using Alibaba shares will pay the cash equivalent to the fair value of the number of shares subject to the settlement, as determined by reference to the market price of the shares.

Alibaba shares held by Entities for fund procurement by using Alibaba shares are pledged as collateral in accordance with all of the prepaid forward contracts, and except for a certain contract, the Company granted the right of use to the financial institutions with respect to such shares. However, the collateral can be released by cash settlement at the discretion of Entities for fund procurement by using Alibaba shares.

Entities for fund procurement using Alibaba shares procured $4.4 billion (¥605,627 million) in total by entering into forward contracts for the three-month period ended June 30, 2023. In contrast, for the three-month period ended December 31, 2023 and the three-month period ended March 31, 2024, certain prepaid forward contracts were matured and settled by Alibaba shares. As a result, ¥356,925 million ($2,357,341 thousand) of current portion of financial liabilities relating to sale of shares by prepaid forward contracts, ¥231,618 million ($1,529,740 thousand) of "Derivative financial assets (current)," and ¥125,307 million ($827,601 thousand) of Alibaba shares included in "Investment securities" were derecognized from the consolidated statement of financial position as of the settlement date.

As of March 31, 2024, the Company pledged ¥3,751,872 million ($24,779,552 thousand) of Alibaba shares, which is recognized as "Investment securities" (as of March 31, 2023: ¥4,141,336 million) in the consolidated statement of financial position, as collateral for ¥3,698,847 million ($24,429,344 thousand) of current portion of financial liabilities relating to sale of shares by prepaid forward contracts and ¥977,778 million ($6,457,817 thousand) of financial liabilities relating to sale of shares by prepaid forward contracts (as of March 31, 2023: ¥336,730 million and ¥3,486,934 million, respectively).

(3) Financial covenants

a. Financial covenants on interest-bearing debts of SoftBank Group Corp.

SoftBank Group Corp.'s interest-bearing debt includes financial covenants and the major financial covenants are as follows:

- The consolidated statement of financial position of the Company at the end of the fiscal year must not show a net capital deficiency.
- The amount of SoftBank Group Corp.'s net assets in the non-consolidated balance sheet at the end of the fiscal year must be maintained at ¥369,800 million ($2,442,375 thousand) or more.

b. Financial covenants on interest-bearing debts of SoftBank Corp.
SoftBank Corp.'s interest-bearing debt includes financial covenants and the major financial covenants are as follows:

(a) The amount of SoftBank Corp.'s equity in the consolidated statement of financial position at the end of the fiscal year and at the end of the second quarter must not fall below 75% of SoftBank Corp.'s equity at the end of the previous year and the second quarter.
(b) The amount of SoftBank Corp.'s net assets in the non-consolidated balance sheet at the end of the fiscal year and at the end of the second quarter must not fall below 75% of SoftBank Corp.'s net assets at the same dates during the previous year and the second quarter.
(c) In SoftBank Corp.'s consolidated statement of income, operating income (loss) or net income (loss) must not result in losses for two consecutive years.
(d) In SoftBank Corp.'s non-consolidated statement of income, operating income (loss) or net income (loss) must not result in losses for two consecutive years.
(e) Net leverage ratios*1 of SoftBank Corp. must not exceed certain numbers at the end of the fiscal year and at the end of the second quarter.

*1 Net leverage ratio:
Net debt*2 / adjusted EBITDA*3
*2 Net debt:
The total amount of interest-bearing debt shown in the consolidated statement of financial position of SoftBank Corp. after deducting cash and cash equivalents adjusted for certain items. Interest-bearing debt is adjusted for certain items, such as an exclusion of interest-bearing debt resulting from financing transactions using an asset securitization scheme.
*3 Adjusted EBITDA:
EBITDA adjusted for certain items as specified in the loan agreement with the financial institutions.

c. Financial covenants on interest-bearing debts of LY Corporation
LY Corporation's interest-bearing debt includes financial covenants and the major financial covenants are as follows:

(a) The amount of LY Corporation's net assets in the non-consolidated balance sheet at the end of each fiscal year from the second quarter ended September 30, 2020 must not fall below 75% of LY Corporation's net assets at the same dates during the previous year.
(b) The amount of LY Corporation's equity in the consolidated statement of financial position at the end of each fiscal year and at the end of the second quarter of each year from the second quarter ended September 30, 2020 must not fall below 75% of LY Corporation's equity at the same dates during the previous year.
(c) The non-consolidated balance sheet of LY Corporation at the end of each fiscal year from the second quarter ended September 30, 2020, must not show a net capital deficiency.
(d) The consolidated statement of financial position of LY Corporation at the end of each fiscal year and at the end of the second quarter of each year from the second quarter ended September 30, 2020 must not show a net capital deficiency.
(e) In LY Corporation's non-consolidated statement of profit or loss, operating income (loss) or net income (loss) at the end of each fiscal year from the fiscal year ended March 31, 2021 must not result in losses for two consecutive years.
(f) In LY Corporation's consolidated statement of profit or loss, operating income (loss) or net income (loss) at the end of each fiscal year from the fiscal year ended March 31, 2021, must not result in losses for two consecutive years.
(g) Net leverage ratios*1 of LY Corporation must not exceed certain respective amounts or numbers at the end of each fiscal year and the end of the second quarter of each year from the second quarter ended September 30, 2020.

*1 Net leverage ratio:
Net debt*2 / Adjusted EBITDA*3
*2 Net debt:
The total amount of interest-bearing debt shown in the consolidated statement of financial position of LY Corporation after deducting cash and cash equivalents. Interest-bearing debt is adjusted for certain items, such as an exclusion of interest-bearing debt resulting from financing transactions using an asset securitization scheme. Interest-bearing debt and cash and cash equivalents are adjusted not to include those of PayPay Bank Corporation.
*3 Adjusted EBITDA:
EBITDA adjusted for certain items as specified in the loan agreement with the financial institutions.

(4) Borrowings related to equity-securities lending contract

For the fiscal year ended March 31, 2023
The Company entered into a securities lending contract regarding the stocks of a certain subsidiary. As of March 31, 2023, the amount of the cash received as collateral under the contract is recognized as short-term borrowings of ¥20,100 million and included in "Interest-bearing debt (current)."

(5) Assets pledged as collateral

Assets pledged as collateral for liabilities are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	**As of March 31, 2024**	**As of March 31, 2024**
Cash and cash equivalents	¥ 35	**¥ 40**	**$ 264**
Trade and other receivables	14,367	**33,613**	**222,000**
Other financial assets (current)	1,308	**3,100**	**20,474**
Property, plant and equipment	4,768	**4,572**	**30,196**
Investments accounted for using the equity method	1,306	**–**	**–**
Investments from SVF (FVTPL)*1,2	1,323,436	**–**	**–**
Investment securities*3,4,5	5,382,849	**5,210,271**	**34,411,670**
Other financial assets (non-current)	6,818	**4,682**	**30,923**
Other non-current assets	200	**–**	**–**
Assets classified as held for sale	–	**86**	**568**
Total	¥6,735,087	**¥5,256,364**	**$34,716,095**

Liabilities related to these assets pledged as collateral are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	**As of March 31, 2024**	**As of March 31, 2024**
Interest-bearing debt			
Current portion of long-term borrowings*1,2,4	¥ 139,496	**¥ 83,259**	**$ 549,891**
Current portion of financial liabilities relating to sale of shares by prepaid forward contracts*3,5	336,730	**4,131,011**	**27,283,607**
Long-term borrowings*1,4	1,052,351	**500,581**	**3,306,129**
Financial liabilities relating to sale of shares by prepaid forward contracts*3,5	3,863,151	**977,778**	**6,457,817**
Trade and other payables	426	**1,837**	**12,133**
Other current liabilities	399	**498**	**3,289**
Liabilities directly relating to assets classified as held for sale	–	**86**	**568**
Total	¥5,392,553	**¥5,695,050**	**$37,613,434**

*1 SVF1 made borrowings by using listed shares, Arm shares, a wholly-owned subsidiary of the Company, and others held by SVF1 as collateral. For the fiscal year ended March 31, 2024, SVF1 repaid all of its borrowings of $4.1 billion before the maturity date and the collateral was released. The borrowings are recorded for ¥547,156 million as "Long-term borrowings," ¥5,526 million as "Current portion of long-term borrowings" and the listed shares held by SVF1 that were pledged as collateral are recorded for ¥946,893 million as "Investments from SVF (FVTPL)" in the consolidated statement of financial position as of March 31, 2023.

*2 SVF2 made borrowings by using listed shares held by SVF2 as collateral. For the fiscal year ended March 31, 2024, SVF2 repaid all of its borrowings of $1.0 billion before the maturity date and the collateral was released. The borrowings are recorded for ¥133,530 million as "Current portion of long-term borrowings" and the listed shares held by SVF2 that were pledged as collateral are recorded for ¥376,543 million as "Investments from SVF (FVTPL)" in the consolidated statement of financial position as of March 31, 2023.

*3 As of March 31, 2024, ¥3,751,872 million ($24,779,552 thousand) of Alibaba shares (as of March 31, 2023: ¥4,141,336 million) (the carrying amount on a consolidation basis) is pledged as collateral for ¥3,698,847 million ($24,429,344 thousand) of current portion of financial liabilities relating to sale of shares by prepaid forward contracts and ¥977,778 million ($6,457,817 thousand) of financial liabilities relating to sale of shares by prepaid forward contracts (as of March 31, 2023: ¥336,730 million and ¥3,486,934 million, respectively). The details are described in "(2) Transactions for sale of Alibaba shares by prepaid forward contracts."

*4 As of March 31, 2024, ¥828,036 million ($5,468,833 thousand) (as of March 31, 2023: ¥729,483 million) of Deutsche Telekom AG ("Deutsche Telekom") shares held by a wholly-owned subsidiary of the Company is pledged as collateral for ¥82,819 million ($546,985 thousand) of current portion of long-term borrowings and ¥414,097 million ($2,734,938 thousand) of long-term borrowings by collar transactions using Deutsche Telekom shares (as of March 31,2023: ¥441,326 of long-term borrowings).

*5 As of March 31, 2024, ¥612,886 million ($4,047,857 thousand) (as of March 31, 2023: ¥479,644 million) of T-Mobile shares held by a wholly-owned subsidiary of the Company is pledged as collateral for ¥432,165 million ($2,854,270 thousand) of current portion of financial liabilities relating to the sale of shares by prepaid forward contracts (as of March 31, 2023: ¥376,217 million of financial liabilities relating to the sale of shares by prepaid forward contracts).

Other than the above, the following assets are pledged as collateral.

a. SVF2

As of March 31, 2024, mainly the equity interests of subsidiaries of SVF2 are pledged as collateral for ¥547,894 million ($3,618,612 thousand) of long-term borrowings (as of March 31, 2023: ¥636,474 million of current portion of long-term borrowings). The facility agreement for the long-term borrowings includes a margin call provision and a mandatory prepayment clause, which may be triggered under certain circumstances such as a significant decrease in the fair value of investments SVF2 holds. The creditors would be able to enforce security and dispose of the equity interests of subsidiaries of SVF2 if the margin call clause or the mandatory prepayment clause were triggered and SVF2 did not pay the relevant amounts to creditors when due. The long-term borrowings are limited-recourse debts.

In September 2023, the maturity date for the borrowings was extended from December 2023 to December 2025, and the borrowings were transferred from current portion of long-term borrowings to long-term borrowings.

b. Arm

On September 12, 2023, Kronos I (UK) Limited, a wholly-owned subsidiary of the Company, repaid all of the term facility loan of $8.5 billion that was secured by 75.01% of Arm shares before listing held by a wholly-owned subsidiary of Kronos I (UK) Limited, all of Kronos I (UK) Limited's assets except for certain assets specified in the agreement, and the equity interests of wholly-owned subsidiaries of the Company which were established for this facility purpose as collateral.

On September 21, 2023, Kronos I (UK) Limited borrowed $8.5 billion as a margin loan using 769,029,000 shares of Arm after listing held by a wholly-owned subsidiary of Kronos I (UK) Limited and all of Kronos I (UK) Limited's assets except for certain assets specified in the agreement as collaterals. The primary asset held by Kronos I (UK) Limited as of March 31, 2023 is a restricted cash of ¥44,055 million and there are no significant assets held by Kronos I (UK) Limited as of March 31, 2024. The details of the facility loans are described in "*3" under "(1) Components of interest-bearing debt."

c. Fortress

As of March 31, 2024, based on a term loan agreement of $0.8 billion (as of March 31, 2023: $0.7 billion) which was entered into to finance the acquisition of Fortress, the equity interests of Fortress and four wholly-owned subsidiaries within the acquisition structure are pledged as collateral.

d. T-Mobile

The Company had the right to acquire 48,751,557 shares of T-Mobile for no additional consideration if certain conditions are met due to the merger transaction with Sprint and T-Mobile US, Inc. The conditions were met and the Company acquired 48,751,557 shares of T-Mobile for no additional consideration. The details are described in "*4" in "(b) Price risk iii. Option contracts" in "(2) Financial risk management a. Market risk" under "Note. 28 Financial instruments." The Company has pledged 18,000,000 shares of T-Mobile acquired through the transaction (as of March 31, 2024: ¥444,837 million ($2,937,963 thousand) included in "Investment securities" in the consolidated statement of financial position) as collateral to secure certain of the Company's indemnity obligations undertaken in connection with the merger transaction above until April 1, 2025.

e. SoftBank Corp.

As of March 31, 2024, a wholly-owned subsidiary of the Company procures funds using the shares of SoftBank Corp. as collateral.

906,289,633 shares out of 1,914,858,070 shares of SoftBank Corp. held by the Company are pledged as collateral for ¥498,781 million ($3,294,241 thousand) of current portion of long-term borrowings of a wholly-owned subsidiary of the Company (as of March 31, 2023: ¥497,416 million of long-term borrowings). The borrowings include a cash collateral clause and an early settlement clause and an early settlement may be elected by the creditors under certain circumstances such as a significant decrease in the fair value of pledged SoftBank Corp. shares. The creditors would be able to dispose of the asset pledged as collateral in the event where the early settlement is demanded and the wholly-owned subsidiary of the Company does not repay the borrowings, accordingly. The borrowings are non-recourse debts, and therefore, SoftBank Group Corp. will not be responsible for the borrowings.

47,000,000 shares out of 1,914,858,070 shares of SoftBank Corp. held by the Company are pledged as collateral for ¥63,722 million ($420,857 thousand) of financial liabilities relating to the sale of shares by prepaid forward contracts by using SoftBank Corp. shares (as of March 31, 2023: ¥63,722 million). The Company has the option to settle the sale of shares by prepaid forward contracts by delivering cash, SoftBank Corp. shares, or a combination of both cash and SoftBank Corp. shares. The Company granted the right of use to the creditors with respect to SoftBank Corp. shares that are collateralized in accordance with the sale of shares by prepaid forward contracts. However, the collateral can be released by cash settlement at the discretion of the Company. Therefore, SoftBank Corp. continues to be a consolidated subsidiary of the Company.

f. Other

As of March 31, 2024, ¥186,848 million ($1,234,053 thousand) (as of March 31, 2023: ¥97,265 million) of "Investment securities" is pledged as collateral for financing and exchange settlement by a subsidiary operating banking business. Also, "Other financial assets (non-current)" include ¥90,200 million ($595,733 thousand) (as of March 31, 2023: ¥125,200 million) of margin deposits with central counterparties in the consolidated statement of financial position.

(6) Assets with restrictions on rights

a. Assets for sale and leaseback transactions that are not accounted for as sales

Assets for sale and leaseback transactions that continue to be recognized as property, plant and equipment but of which the Company does not have legal title because the transactions are not accounted for as sales, are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	**As of March 31, 2024**	**As of March 31, 2024**
Property, plant and equipment	¥ 731,125	**¥ 815,955**	**$ 5,389,043**

The liabilities related to the assets of which the Company does not have legal title are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	**As of March 31, 2024**	**As of March 31, 2024**
Interest-bearing debt			
Current portion of long-term borrowings	¥ 206,823	**¥ 227,348**	**$ 1,501,539**
Long-term borrowings	420,145	**398,757**	**2,633,624**
Total	¥ 626,968	**¥ 626,105**	**$ 4,135,163**

b. Assets under lease contracts for intangible assets

Assets that are restricted from being transferred, subleased or pledged as collateral by the Company because they are acquired under lease contracts for the intangible assets are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	**As of March 31, 2024**	**As of March 31, 2024**
Intangible assets	¥ 354,452	**¥ 335,676**	**$ 2,217,000**

The liabilities related to the assets that are restricted from being transferred, subleased or pledged as collateral are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	**As of March 31, 2024**	**As of March 31, 2024**
Interest-bearing debt			
Current portion of long-term borrowings	¥ 114,956	**¥ 108,110**	**$ 714,022**
Long-term borrowings	199,600	**176,537**	**1,165,953**
Total	¥ 314,556	**¥ 284,647**	**$ 1,879,975**

(7) Components of proceeds in and repayment of short-term interest-bearing debt, net

The components of "(Repayment of) proceeds in short-term interest-bearing debt, net" in the consolidated statement of cash flows are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2023	**Fiscal year ended March 31, 2024**	**Fiscal year ended March 31, 2024**
Net increase in short-term borrowings	¥ 58,429	**¥ 161,874**	**$ 1,069,110**
Net (decrease) increase in commercial paper	(131,800)	**21,000**	**138,697**
Total	¥ (73,371)	**¥ 182,874**	**$ 1,207,807**

(8) Components of proceeds from interest-bearing debt

The components of "Proceeds from interest-bearing debt" in the consolidated statement of cash flows are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2023	**Fiscal year ended March 31, 2024**	**Fiscal year ended March 31, 2024**
Proceeds from borrowings	¥ 3,778,352	**¥ 4,276,463**	**$ 28,244,258**
Proceeds from issuance of corporate bonds	565,000	**1,032,000**	**6,815,930**
Proceeds from procurement by prepaid forward contracts using shares*	4,832,760	**605,627**	**3,999,914**
Total	¥ 9,176,112	**¥ 5,914,090**	**$ 39,060,102**

* The amount was primarily procured under the prepaid forward contracts using Alibaba shares. The details are described in "(2) Transactions for sale of Alibaba shares by prepaid forward contracts."

(9) Components of repayment of interest-bearing debt

The components of "Repayment of interest-bearing debt" in the consolidated statement of cash flows are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2023	**Fiscal year ended March 31, 2024**	**Fiscal year ended March 31, 2024**
Repayment of borrowings	¥(5,534,321)	**¥(5,183,435)**	**$(34,234,430)**
Redemption of corporate bonds	(755,911)	**(700,618)**	**(4,627,290)**
Repayment for settlement of prepaid forward contracts using shares	(4,759)	**(5,133)**	**(33,901)**
Total	¥(6,294,991)	**¥(5,889,186)**	**$(38,895,621)**

23. Deposits for banking business

The components of deposits for a banking business are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	**As of March 31, 2024**	**As of March 31, 2024**
Ordinary deposits	¥1,363,844	**¥1,542,742**	**$10,189,169**
Time deposits	108,416	**100,413**	**663,186**
Total	¥1,472,260	**¥1,643,155**	**$10,852,355**

24. Trade and other payables

The components of trade and other payables are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	**As of March 31, 2024**	**As of March 31, 2024**
Trade payables	¥1,810,333	**¥1,970,363**	**$13,013,427**
Other	606,539	**740,166**	**4,888,488**
Total	¥2,416,872	**¥2,710,529**	**$17,901,915**

25. Other financial liabilities

The components of other financial liabilities are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	**As of March 31, 2024**	**As of March 31, 2024**
Current			
Allowance for financial guarantee contract losses*	¥ 152,365	**¥ –**	**$ –**
Other	27,826	**31,801**	**210,032**
Total	¥ 180,191	**¥ 31,801**	**$ 210,032**
Non-current			
Long-term time deposits	15,689	**14,368**	**94,895**
Long-term guarantee deposited	8,745	**7,723**	**51,007**
Other	34,111	**34,926**	**230,672**
Total	¥ 58,545	**¥ 57,017**	**$ 376,574**

* Allowance for financial guarantee contract losses related to a credit facility for WeWork provided by financial institutions in SVF2. For the fiscal year ended March 31, 2024, the allowance was fully allocated to the loan receivable acquired by fulfillment of the credit facility. The details are described in "*7" under "Note 41. Other gain (loss)."

26. Other current liabilities and other non-current liabilities

The components of other current liabilities and other non-current liabilities are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	**As of March 31, 2024**	**As of March 31, 2024**
Current			
Short-term accrued employee benefits	¥ 238,028	**¥ 301,475**	**$1,991,117**
Contract liabilities	164,250	**171,368**	**1,131,814**
Withholding income tax*	94,858	**133,335**	**880,622**
Consumption tax payable and other	58,846	**70,549**	**465,947**
Accrued interest expenses	46,673	**56,423**	**372,650**
Other	73,265	**68,135**	**450,005**
Total	¥ 675,920	**¥ 801,285**	**$5,292,155**
Non-current			
Contract liabilities	171,648	**192,987**	**1,274,599**
Defined benefit liabilities	35,046	**39,828**	**263,047**
Long-term accrued employee benefits	26,638	**34,299**	**226,531**
Other	21,609	**44,879**	**296,406**
Total	¥ 254,941	**¥ 311,993**	**$2,060,583**

* Withholding income tax as of March 31, 2024 mainly consists of employee related payroll taxes and payables primarily related to vested RSU to be paid in the subsequent quarter. Withholding income tax as of March 31, 2023 includes the amount of ¥83,953 million, which is related to dividends within the group companies.

27. Provisions

The changes in the provisions are as follows:

(Millions of yen)

	Asset retirement obligations	Asbestos claims liabilities	Provision for loss on contract	Other	Total
As of April 1, 2023	**¥ 97,570**	**¥ 72,957**	**¥ 44,127**	**¥ 21,323**	**¥ 235,977**
Recognition of provisions	**4,081**	**–**	**38,642**	**7,280**	**50,003**
Interest due to passage of time	**163**	**2,018**	**–**	**1,204**	**3,385**
Used	**(22,825)**	**(7,336)**	**(12,734)**	**(1,065)**	**(43,960)**
Reversal of provisions*1	**–**	**–**	**–**	**(27,003)**	**(27,003)**
Change in estimate*2	**4,734**	**(1,980)**	**(16,478)**	**–**	**(13,724)**
Exchange differences	**283**	**9,346**	**–**	**442**	**10,071**
Other	**(2,264)**	**–**	**–**	**121**	**(2,143)**
As of March 31, 2024	**¥ 81,742**	**¥ 75,005**	**¥ 53,557**	**¥ 2,302**	**¥ 212,606**
Current liabilities	**¥ 14,581**	**¥ 10,361**	**¥ 17,703**	**¥ 2,059**	**¥ 44,704**
Non-current liabilities	**67,161**	**64,644**	**35,854**	**243**	**167,902**
Total	**¥ 81,742**	**¥ 75,005**	**¥ 53,557**	**¥ 2,302**	**¥ 212,606**

(Thousands of U.S. dollars)

	Asset retirement obligations	Asbestos claims liabilities	Provision for loss on contract	Other	Total
As of April 1, 2023	**$ 644,409**	**$ 481,851**	**$ 291,440**	**$ 140,830**	**$ 1,558,530**
Recognition of provisions	**26,953**	**–**	**255,215**	**48,081**	**330,249**
Interest due to passage of time	**1,077**	**13,328**	**–**	**7,952**	**22,357**
Used	**(150,750)**	**(48,451)**	**(84,103)**	**(7,034)**	**(290,338)**
Reversal of provisions*1	**–**	**–**	**–**	**(178,344)**	**(178,344)**
Change in estimate*2	**31,266**	**(13,077)**	**(108,830)**	**–**	**(90,641)**
Exchange differences	**1,869**	**61,726**	**–**	**2,920**	**66,515**
Other	**(14,952)**	**–**	**–**	**798**	**(14,154)**
As of March 31, 2024	**$ 539,872**	**$ 495,377**	**$ 353,722**	**$ 15,203**	**$ 1,404,174**
Current liabilities	**$ 96,301**	**$ 68,430**	**$ 116,921**	**$ 13,599**	**$ 295,251**
Non-current liabilities	**443,571**	**426,947**	**236,801**	**1,604**	**1,108,923**
Total	**$ 539,872**	**$ 495,377**	**$ 353,722**	**$ 15,203**	**$ 1,404,174**

*1 The reversal of "Other" provision is primarily due to the reversal of the provision which had been recorded for expected losses relating to the litigation with Japan Post Information Technology Co., Ltd. The details are described in "b. Litigation in which SoftBank Corp. is involved as a Party" in "(3) Litigation" under "Note 46. Contingency."

*2 Regarding the change in estimate of "Provision for loss on contract," SoftBank Corp. reviewed the exercise rate and the period of trade-in program, as well as the expected sales price of devices based on past performance.

Asset retirement obligations

Asset retirement obligations are recognized by the reasonably estimated amount required for the removal of equipment, such as part of base stations, certain offices (including the head office), data centers, and network centers. The estimate of the amount for the removal of equipment and the timing of the payment is based on the current business plans and assumptions and is subject to change depending on revised future assumptions.

Asbestos claims liabilities

Fortress acquired and consolidated an entity that holds asbestos claims liabilities and related insurance assets. The subsidiary is named as a defendant in cases filed alleging injury or death as a result of exposure to asbestos. The subsidiary estimates the settlement or indemnity costs for the cases and recognizes asbestos claims liabilities. The estimation of the indemnity costs and payment terms are based on the recent historical factors, such as the number of new mesothelioma claims filed, the average settlement costs for mesothelioma claims, and the aggregate defense costs incurred. Therefore, the estimation may fluctuate from changes in the factors.

Provision for loss on contract

In mobile services, provision for loss on contract is recognized by estimating the losses based on forecasts of the exercise rate and period of trade-in programs in order to prepare for losses resulting from the difference between the sales price of devices received from customers and residual installment receivables from customers. The sales price of the devices and the amount of the residual installment receivables may fluctuate due to changes in the market environment and other factors.

28. Financial instruments

(1) Capital management

Our policy is to realize and maintain optimum capital composition to maintain mid- and long-term sustainable growth and maximize our corporate value.

Major indicators used for our capital management are as follows:

- Equity capital
- Equity capital ratio

Note:
Equity capital is the amount of "Equity attributable to owners of the parent." Equity capital ratio is calculated by dividing "Equity attributable to owners of the parent" by "Total liabilities and equity."

Equity capital and the equity capital ratio are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	**As of March 31, 2024**	**As of March 31, 2024**
Equity capital	¥9,029,849	**¥11,162,125**	**$73,721,188**
Equity capital ratio (%)	20.6	**23.9**	**23.9**

The Company is not subject to regulatory capital requirements imposed by outside institutions other than general capital requirements under the Companies Act of Japan and other laws. The details regarding the financial covenants related to interest-bearing debt are described in "(3) Financial covenants" under "Note 22. Interest-bearing debt."

(2) Financial risk management

As the Company operates in a wide range of markets, the Company faces a variety of financial risks (foreign exchange risk, price risk, interest rate risk, credit risk, and liquidity risk) in its operations. The Company manages its risks based on established policies to prevent and reduce these financial risks.

Derivative transactions, which were entered into by the Company, are conducted and controlled based on the Company's finance regulations and are limited to the extent of actual demands.

a. Market risk

(a) Foreign exchange risk

The Company is engaged in international businesses through investments, financial contributions and the establishment of joint ventures. At investment business, the Company holds a large number of investments which includes investments denominated in foreign currencies, mainly through foreign subsidiaries. Also, the Company undertakes transactions denominated in foreign currencies with foreign parties and through lending to and borrowing from foreign subsidiaries. Consequently, there is foreign exchange risk that arises from changes in currency rates mainly in the U.S. dollars, Chinese yuan, Indian rupee and Euro currencies.

To manage this risk, the Company continuously monitors exchange rates and manages exchange rate exposures. The Company also enters into foreign currency forward contracts, and foreign currency swap contracts to hedge the risk.

i. Foreign exchange sensitivity analysis

Exposure to foreign exchange risk on financial instruments for SoftBank Group Corp. and its subsidiaries whose functional currency is Japanese yen is as follows:

U.S. dollars (Functional currency: Japanese yen)

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	**As of March 31, 2024**	**As of March 31, 2024**
Net exposure affecting income before income tax [in asset (liability) position]	¥ 252,697	**¥(1,087,827)**	**$(7,184,644)**
Net exposure affecting other comprehensive income [in asset position]	15,023	**54,054**	**357,004**

Euro currencies (Functional currency: Japanese yen)

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	**As of March 31, 2024**	**As of March 31, 2024**
Net exposure affecting income before income tax [in liability position]	¥ (240,852)	**¥ (145,303)**	**$ (959,666)**
Net exposure affecting other comprehensive income [in asset position]	2,763	**3,217**	**21,247**

Other than the table presented above, primary exposures to foreign exchange risk on subsidiaries whose functional currency is not Japanese yen are as follows:

Chinese Yuan (Functional currency: U.S. dollars)

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	**As of March 31, 2024**	**As of March 31, 2024**
Net exposure affecting income before income tax [in asset position]	¥1,314,842	**¥ 1,513,671**	**$ 9,997,167**

Indian Rupee (Functional currency: U.S. dollars)

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	**As of March 31, 2024**	**As of March 31, 2024**
Net exposure affecting income before income tax [in asset position]	¥ 530,481	**¥ 748,690**	**$ 4,944,786**

Euro currencies (Functional currency: U.S. dollars)

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	**As of March 31, 2024**	**As of March 31, 2024**
Net exposure affecting income before income tax [in asset position]	¥ 545,989	**¥ 658,286**	**$ 4,347,705**
Net exposure affecting other comprehensive income [in asset position]	3,125	**4,226**	**27,911**

Norwegian Krone (Functional currency: U.S. dollars)

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	**As of March 31, 2024**	**As of March 31, 2024**
Net exposure affecting income before income tax [in asset position]	¥ 312,261	**¥ 307,278**	**$ 2,029,443**

Net exposure affecting income before income tax comprises the foreign exchange risk exposures from monetary financial instruments denominated in a foreign currency (including those used in internal transactions) whose exchange differences are recognized in profit or loss and the foreign exchange risk exposures from derivatives related to forecast transactions.

Net exposure affecting other comprehensive income comprises the foreign exchange risk exposures from available-for-sale financial assets whose exchange differences are recognized in other comprehensive income and the foreign exchange risk exposures from derivatives (cash flow hedge) related to forecasted transactions.

The table below presents the effect of a 1% appreciation of the Japanese yen on income before income tax and other comprehensive income (before tax effect) regarding the financial instruments with the above foreign exchange risk exposure, assuming that all other factors remain constant. The analysis does not include the effect of translating assets and liabilities of foreign operations into the presentation currency, which is detailed in "(3) Foreign exchange sensitivity analysis for exchange differences on translating foreign operations" under "Note 32. Foreign currency exchange rates."

U.S. dollars

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2023	**Fiscal year ended March 31, 2024**	**Fiscal year ended March 31, 2024**
Increase (decrease) in income before income tax.	¥ (2,527)	**¥ 10,878**	**$ 71,845**
Decrease in other comprehensive income before tax effect.	(150)	**(541)**	**(3,573)**

Euro currencies

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2023	**Fiscal year ended March 31, 2024**	**Fiscal year ended March 31, 2024**
Increase in income before income tax	¥ 2,409	**¥ 1,453**	**$ 9,596**
Decrease in other comprehensive income before tax effect	(28)	**(32)**	**(211)**

The table below presents the effect of a 1% U.S. dollar's appreciation against the Chinese Yuan on income before income tax:

Chinese Yuan

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2023	**Fiscal year ended March 31, 2024**	**Fiscal year ended March 31, 2024**
Decrease in income before income tax	¥(13,148)	**¥(15,137)**	**$ (99,974)**

The table below presents the effect of a 1% U.S. dollar's appreciation against the Indian Rupee on income before income tax:

Indian Rupee

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2023	**Fiscal year ended March 31, 2024**	**Fiscal year ended March 31, 2024**
Decrease in income before income tax	¥ (5,305)	**¥ (7,487)**	**$(49,449)**

The table below presents the effect of a 1% U.S. dollar's appreciation against the Euro currencies on income before income tax and other comprehensive income (before tax effect):

Euro currencies

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2023	**Fiscal year ended March 31, 2024**	**Fiscal year ended March 31, 2024**
Decrease in income before income tax	¥ (5,460)	**¥ (6,583)**	**$(43,478)**
Decrease in other comprehensive income before tax effect	(31)	**(42)**	**(277)**

The table below presents the effect of a 1% U.S. dollar's appreciation against the Norwegian Krone on income before income tax:

Norwegian Krone

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2023	**Fiscal year ended March 31, 2024**	**Fiscal year ended March 31, 2024**
Decrease in income before income tax	¥ (3,123)	**¥ (3,073)**	**$(20,296)**

ii. Foreign currency exchange contracts

Foreign currency forward contracts, and foreign currency swap contracts are entered into, to reduce exposure to foreign exchange risk on the amount to be paid or received in certain transactions denominated in foreign currencies.

The details of foreign currency exchange contracts are as follows.

Foreign currency exchange contracts to which hedge accounting is applied

As of March 31, 2023

(Millions of yen)

	Contract amounts (of which: maturing in more than one year)	Carrying amount (fair value)		Changes in the fair value of hedging instruments used for recognition of the ineffective portion of hedging instruments	Average rate
		Assets	Liabilities		
Forward contracts					
Buy - U.S. dollars (Functional Currency: Yen)	¥ 1,935 (–)	¥ 15	¥ (16)	¥ (1)	¥130.16 per $1
Buy - Great Britain pound (Functional Currency: U.S. dollars)	54,921 (–)	1,311	(68)	1,243	$0.83 per £1
Currency swap contracts					
Receipt in U.S. dollars / payment in yen	444,932 (427,265)	67,846	–	22,286	¥111.63 per $1
Receipt in Euro currencies/ payment in yen	542,504 (458,375)	10,985	(6,628)	2,350	¥132.51 per €1
Total	¥1,044,292 (885,640)	¥ 80,157	¥ (6,712)	¥ 25,878	

As of March 31, 2024

(Millions of yen)

	Contract amounts (of which: maturing in more than one year)	Carrying amount (fair value)		Changes in the fair value of hedging instruments used for recognition of the ineffective portion of hedging instruments	Average rate
		Assets	Liabilities		
Forward contracts					
Buy - U.S. dollars (Functional Currency: Yen)	**¥ 3,299 (–)**	**¥ 78**	**¥ –**	**¥ 79**	**¥139.87 per $1**
Buy - Great Britain pound (Functional Currency: U.S. dollars)	**139,133 (–)**	**597**	**(574)**	**(1,220)**	**$0.79 per £1**
Currency swap contracts					
Receipt in U.S. dollars / payment in yen	**566,980 (424,263)**	**149,571**	**–**	**81,725**	**¥119.22 per $1**
Receipt in Euro currencies/ payment in yen	**613,776 (519,544)**	**89,967**	**–**	**85,610**	**¥138.81 per €1**
Total	**¥1,323,188 (943,807)**	**¥ 240,213**	**¥ (574)**	**¥ 166,194**	

(Thousands of U.S. dollars)

	Contract amounts (of which: maturing in more than one year)	Carrying amount (fair value)		Changes in the fair value of hedging instruments used for recognition of the ineffective portion of hedging instruments
		Assets	Liabilities	
Forward contracts				
Buy - U.S. dollars (Functional Currency: Yen)	**$ 21,788 (–)**	**$ 515**	**$ –**	**$ 522**
Buy - Great Britain pound (Functional Currency: U.S. dollars)	**918,916 (–)**	**3,943**	**(3,791)**	**(8,058)**
Currency swap contracts				
Receipt in U.S. dollars / payment in yen	**3,744,667 (2,802,080)**	**987,854**	**–**	**539,760**
Receipt in Euro currencies/ payment in yen	**4,053,735 (3,431,372)**	**594,195**	**–**	**565,418**
Total	**$8,739,106 (6,233,452)**	**$1,586,507**	**$(3,791)**	**$1,097,642**

The carrying amounts of the derivative instruments designated as hedging instruments are recorded as "Derivative financial assets" and "Derivative financial liabilities" in the consolidated statement of financial position. The outstanding balance of those maturing in more than one year are classified as non-current assets and non-current liabilities.

The above foreign currency exchange contracts are designated as cash flow hedges. At the inception of the hedging relationship, the appropriate hedge ratio of the hedging relationship is determined based on the quantity of the hedged items and the quantity of the hedging instruments, basically in the ratio of one to one.

For the purpose of hedge effectiveness assessment, the Company conducts the qualitative assessments as to whether the significant conditions of hedged items and hedging instruments are met or closely matched, or the quantitative assessments as to whether the changes in values of the hedged items and hedging instruments offset each other against the same risk. The Company confirms if there is an economic relationship between the hedged items and hedging instruments through them. Any ineffective portion of the hedge has no significance in amounts. The change in values of hedged items used as a basis to recognize the ineffective portion are similar to the changes in fair value of hedging instruments.

Changes in the accumulated other comprehensive income after tax related to the derivatives designated as hedging instruments are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2023	**Fiscal year ended March 31, 2024**	**Fiscal year ended March 31, 2024**
Forward contracts			
Balance at the beginning of the period	¥ –	**¥ 1,023**	**$ 6,756**
Amount incurred	1,023	**(2,233)**	**(14,748)**
Reclassification adjustments*1	–	**1,142**	**7,543**
Balance at the end of the period*2	1,023	**(68)**	**(449)**
Currency swap contracts			
Balance at the beginning of the period	4,659	**(69,861)**	**(461,403)**
Amount incurred	26,650	**148,190**	**978,733**
Reclassification adjustments*1	(101,170)	**(123,206)**	**(813,724)**
Balance at the end of the period*2	(69,861)	**(44,877)**	**(296,394)**
Total	¥ (68,838)	**¥ (44,945)**	**$(296,843)**

*1 Reclassification adjustments are the amounts of accumulated other comprehensive income transferred to profit or loss relating to the hedged item when the hedged item affects profit or loss, and are recorded as "Foreign exchange loss" and "Other gain (loss)" in the consolidated statement of profit or loss. For the fiscal year ended March 31, 2024, the amount of ¥1,488 million ($9,828 thousand) (for the fiscal year ended March 31, 2023: ¥1,773 million) transferred from cash flow hedges, which arise from the discontinued hedging relationships, to profit or loss is included in reclassification adjustments. The hedging accounting is discontinued when a forecasted transaction is no longer expected to occur, although hedge accounting has been applied.

*2 As of March 31, 2024, accumulated other comprehensive income after tax includes ¥2,323 million ($15,342 thousand) (as of March 31, 2023: ¥3,811 million) related to discontinued hedging accounting.

Foreign currency exchange contracts to which hedge accounting is not applied

	(Millions of yen)						(Thousands of U.S. dollars)		
	As of March 31, 2023			**As of March 31, 2024**			**As of March 31, 2024**		
	Contract amounts (of which: maturing in more than one year)	Carrying amount (fair value) Assets	Carrying amount (fair value) Liabilities	Contract amounts (of which: maturing in more than one year)	Carrying amount (fair value) Assets	Carrying amount (fair value) Liabilities	Contract amounts (of which: maturing in more than one year)	Carrying amount (fair value) Assets	Carrying amount (fair value) Liabilities
Foreign currency forward contracts	¥ 348,910 (50,693)	¥ 3,222	¥ (689)	**¥ 128,021 (70,160)**	**¥ 2,787**	**¥ (4)**	**$ 845,525 (463,378)**	**$ 18,407**	**$ (26)**
Currency swap contracts	101,443 (40,692)	1,746	(1,585)	**75,099 (1,659)**	**1,247**	**(299)**	**495,998 (10,957)**	**8,236**	**(1,975)**
Foreign exchange margin transactions*	354,597 (–)	4,614	(1,330)	**51,218 (–)**	**2,317**	**(976)**	**338,274 (–)**	**15,303**	**(6,446)**
Total	¥ 804,950 (91,385)	¥ 9,582	¥ (3,604)	**¥ 254,338 (71,819)**	**¥ 6,351**	**¥ (1,279)**	**$1,679,797 (474,335)**	**$ 41,946**	**$ (8,447)**

* Contract amounts include contract amounts related to transactions with customers and contract amounts for cover transactions with financial institutions to mitigate related risks.

(b) Price risk

As part of the business strategy, the Company holds securities traded in active markets, including listed stock, and is exposed to market price fluctuation risk.

The Company manages this risk by continuously monitoring the financial condition of security issuers and stock market fluctuations.

i. Price sensitivity analysis for securities

The tables below present the effect of a 10% decrease in market price regarding the securities traded in active markets (excluding securities subject to insignificant risk of change in value such as MMF) on income before income tax and other comprehensive income before tax effect, assuming that all other factors remain constant.

(i) Securities held for sale

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2023	**Fiscal year ended March 31, 2024**	**Fiscal year ended March 31, 2024**
Decrease in income before income tax.	¥ (2,363)	**¥ (1,852)**	**$ (12,231)**

(ii) Other securities

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2023	**Fiscal year ended March 31, 2024**	**Fiscal year ended March 31, 2024**
Decrease in income before income tax.	¥ (988,841)	**¥(1,056,722)**	**$(6,979,209)**
Decrease in other comprehensive income before tax effect	(2,787)	**(2,666)**	**(17,608)**

ii. Price sensitivity analysis for derivative instruments (excluding contracts classified within level 3 of the fair value hierarchy)

The Company entered into prepaid forward contracts which are settled by Alibaba shares held by the Company. The contracts include collar transactions where a cap and a floor are set for the number of shares settled, floor transactions where a floor is set for the number of shares settled and forward transactions where the number of shares settled is fixed. Also, the Company entered into call spread contracts associated with the prepaid forward contracts which are settled by Alibaba shares. The collar transactions, the floor transactions, the forward transactions and the call spread contracts are classified as a derivative instrument and their fair values are affected by the price of Alibaba shares. Derivative gain and loss, which occurs depending on fluctuation of the price of Alibaba shares, are recognized through profit or loss.

Fair values of the collar transactions, the floor transactions, the forward transactions and the call spread transactions are composed of intrinsic value and time value. As of March 31, 2024, the effect of a 10% increase and a 10% decrease in the price of Alibaba shares on income before income tax due to fluctuation of intrinsic value are a loss of ¥372,789 million ($2,462,116 thousand) (as of March 31, 2023: ¥397,717 million) and a gain of ¥373,124 million ($2,464,329 thousand) (as of March 31, 2023: ¥400,792 million), respectively, assuming that all other factors remain constant.

The details of the prepaid forward contracts and the call spread contracts are described in "(2) Transactions for sale of Alibaba shares by prepaid forward contracts" under "Note 22. Interest-bearing debt."

iii. Option contracts

The details of option contracts are as follows:

Option contracts to which hedge accounting is not applied

	As of March 31, 2023 (Millions of yen) Carrying amount (fair value)		As of March 31, 2024 (Millions of yen) Carrying amount (fair value)		As of March 31, 2024 (Thousands of U.S. dollars) Carrying amount (fair value)	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Prepaid forward contracts using Alibaba shares*1	¥ 397,127	¥ –	**¥ 394,972**	**¥ –**	**$ 2,608,626**	**$ –**
Call spread contracts relating to prepaid forward contracts using Alibaba shares*1	590	–	**1**	**–**	**7**	**–**
Short call option for T-Mobile shares to Deutsche Telekom	–	(55,056)	**–**	**(70,699)**	**–**	**(466,937)**
Prepaid forward contracts using T-Mobile shares*2	–	(25,485)	**–**	**(28,257)**	**–**	**(186,626)**
Long call option	13,383	–	**49,416**	**–**	**326,371**	**–**
Short call option	–	(25,186)	**–**	**(12,966)**	**–**	**(85,635)**
Contingent value rights relating to sale of T-Mobile shares*3	67,308	–	**–**	**–**	**–**	**–**
Contingent consideration relating to acquisition of T-Mobile shares*4	833,770	–	**–**	**–**	**–**	**–**
Others	18,264	(1,283)	**31,441**	**(20,340)**	**207,655**	**(134,337)**
Total	¥ 1,330,442	¥ (107,010)	**¥ 475,830**	**¥ (132,262)**	**$ 3,142,659**	**$ (873,535)**

*1 The details of prepaid forward contracts using Alibaba shares and call spread contracts relating to prepaid forward contracts using Alibaba shares are described in "(2) Transactions for sale of Alibaba shares by prepaid forward contracts" under "Note 22. Interest bearing debt."

*2 The prepaid forward contracts using T-Mobile shares are settled by reference to the market price of the T-Mobile shares at the valuation dates prior to the settlement dates. They are collar contracts which a cap and a floor are set for the price of shares settled.

*3 Contingent value rights were received in relation to the disposal of T-Mobile shares in a private placement through a trust. The rights were vested on June 1, 2023 and the Company received 3,566,400 T-Mobile shares.

*4 Acquired due to the merger transaction with Sprint and T-Mobile US, Inc. on April 1, 2020, and the Company received the right to acquire 48,751,557 shares of T-Mobile for no additional consideration if certain conditions were met. The conditions were met on December 22, 2023, and the Company acquired 48,751,557 shares of T-Mobile for no additional consideration on December 28, 2023. As of March 31, 2024, the fair value of T-Mobile shares acquired through the transaction was ¥1,204,804 million ($7,957,229 thousand), and ¥2,275,827 million ($15,030,890 thousand) in total of those and other existing T-Mobile shares was included in "Investment securities" in the consolidated statement of financial position.

iv. Forward contracts

The details of forward contracts are as follows:

Forward contracts to which hedge accounting is not applied

	As of March 31, 2023		As of March 31, 2024 (Millions of yen)		As of March 31, 2024 (Thousands of U.S. dollars)	
	Carrying amount (fair value)		Carrying amount (fair value)		Carrying amount (fair value)	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Prepaid forward contracts using Alibaba shares*	¥ –	¥(805,039)	**¥ 514,848**	**¥ (54,688)**	**$3,400,357**	**$ (361,191)**
Other	1	–	**–**	**–**	**–**	**–**
Total	¥ 1	¥(805,039)	**¥ 514,848**	**¥ (54,688)**	**$3,400,357**	**$ (361,191)**

* The details of prepaid forward contracts using Alibaba shares are described in "(2) Transactions for sale of Alibaba shares by prepaid forward contracts" under "Note 22. Interest-bearing debt."

v. Collar contracts using shares

The details of collar contracts using shares are as follows:

Collar contracts using shares to which hedge accounting is not applied

	As of March 31, 2023		As of March 31, 2024 (Millions of yen)		As of March 31, 2024 (Thousands of U.S. dollars)	
	Carrying amount (fair value)		Carrying amount (fair value)		Carrying amount (fair value)	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Collar contracts using Deutsche Telekom shares	¥ –	¥ (57,350)	**¥ –**	**¥ (46,837)**	**$ –**	**$ (309,339)**

(c) Interest rate risk

The Company raises funds through issuing interest-bearing debt. Certain interest-bearing debt is issued with floating interest rates and is exposed to interest rate risk.

Interest-bearing debt with floating interest rates has the risk of increased interest expenses due to rising interest rates. In order to prevent interest rate fluctuation risk, the Company maintains an appropriate mixture of fixed and floating interest rate debt. In addition, in order to reduce interest rate fluctuation risk, for certain interest-bearing debt with floating interest rates, the Company also utilizes derivative transactions, such as interest rate swaps converting floating interests into fixed interests. For floating interest rate debt, the Company continuously monitors interest rate fluctuations.

i. Interest rate sensitivity analysis

The table below presents the effect of a 1% increase in interest rates regarding the floating interest rate debt on "Income before income tax" in the consolidated statement of profit or loss, assuming that all other factors are constant. The analysis does not include floating interest rate debt whose interests are fixed by interest rate swaps and other derivative transactions.

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2023	**Fiscal year ended March 31, 2024**	**Fiscal year ended March 31, 2024**
Decrease in income before income tax	¥ (44,398)	**¥ (37,529)**	**$ (247,863)**

ii. Interest rate contracts

The details of interest rate contracts are as follows:

Interest rate contracts to which hedge accounting is applied

	(Millions of yen)										(Thousands of U.S. dollars)			
	As of March 31, 2023					**As of March 31, 2024**					**As of March 31, 2024**			
	Contract amounts (of which: maturing in more than one year)	Carrying amount (fair value) Assets	Carrying amount (fair value) Liabilities	Changes in the fair value of hedging instruments used for recognition of the ineffective portion of hedging instruments	Average rate	Contract amounts (of which: maturing in more than one year)	Carrying amount (fair value) Assets	Carrying amount (fair value) Liabilities	Changes in the fair value of hedging instruments used for recognition of the ineffective portion of hedging instruments	Average rate	Contract amounts (of which: maturing in more than one year)	Carrying amount (fair value) Assets	Carrying amount (fair value) Liabilities	Changes in the fair value of hedging instruments used for recognition of the ineffective portion of hedging instruments
Interest rate swap Receipt in floating rate/ Payment in fixed rate	¥844,500 (715,000)	¥ 100	¥(2,241)	¥1,190	1.75%	**¥815,000 (470,000)**	**¥ 396**	**¥(591)**	**¥ 1,946**	**1.72%**	**$5,382,736 (3,104,154)**	**$ 2,615**	**$ (3,903)**	**$12,853**

The carrying amounts of the derivative instruments designated as hedging instruments are recorded as "Derivative financial assets" and "Derivative financial liabilities" in the consolidated statement of financial position. The outstanding balance of those maturing in more than one year are classified as non-current assets and non-current liabilities.

The above interest rate contracts are designated as cash flow hedges. At the inception of the hedging relationship, the appropriate hedge ratio of the hedging relationship is determined based on the quantity of the hedged items and the quantity of the hedging instruments, basically in the ratio of one to one.

For the purpose of hedge effectiveness assessment, the Company conducts the qualitative assessments as to whether the significant conditions of hedged items and hedging instruments are met or closely matched, or the quantitative assessments as to whether the changes in values of the hedged items and hedging instruments offset each other against the same risk. The Company confirms if there is an economic relationship between the hedged items and hedging instruments through them. Any ineffective portion of the hedge has no significance in amounts. The change in values of hedged items used as a basis to recognize the ineffective portion are similar to the changes in fair value of hedging instruments.

Changes in the accumulated other comprehensive income after tax related to the derivatives designated as hedging instruments are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2023	**Fiscal year ended March 31, 2024**	**Fiscal year ended March 31, 2024**
Interest rate swap			
Balance at the beginning of the period	¥ (2,963)	**¥ (2,760)**	**$ (18,229)**
Amount incurred	(473)	**(4,693)**	**(30,995)**
Reclassification adjustments*1	676	**4,368**	**28,849**
Balance at the end of the period*2	¥ (2,760)	**¥ (3,085)**	**$ (20,375)**

*1 Reclassification adjustments represent amounts of accumulated other comprehensive income transferred to profit or loss when the hedged item affects profit or loss, and are recorded as "Finance cost" in the consolidated statement of profit or loss. For the fiscal years ended March 31, 2023 and 2024, there were no reclassification from cash flow hedges, which arise from the discontinued hedging relationships, to profit or loss. The hedging accounting is discontinued when a forecasted transaction is no longer expected to occur, although hedge accounting has been applied.

*2 As of March 31, 2024, accumulated other comprehensive income after tax includes ¥(2,874) million ($(18,981) thousand) (as of March 31, 2023: none) related to discontinued hedging accounting.

b. Credit risk

In the course of the Company's business, trade and other receivables, contract assets and other financial assets (including deposits, equity securities, bonds, derivatives and others) are exposed to the credit risk of its counterparties.

In order to prevent and reduce the risk, the Company does not expose itself to significant concentrations of credit risk for such receivables and financial assets. To manage its credit risk, the Company performs controls around the due date and balance for each customer in accordance with its internal customer credit management rules and regularly monitors major customers' credit status. Derivative transactions, which are executed and maintained by the Company, are conducted and controlled based on the Company's finance regulations, and those transactions engaged in are limited to those with financial institutions with high credit ratings in order to reduce the risk.

The carrying amount of financial assets, net of impairment, which is presented in the consolidated statement of financial position, the amount of lending commitments and the amount of guaranteed obligations represent the Company's maximum exposure to credit risk on financial assets. The values of collateral held and other credit enhancements are not considered.

For trade receivables and contract assets, the Company measures the lifetime expected credit risk. For receivables, lending commitments and others other than trade receivables and contract assets, the Company measures future expected credit losses in consideration of the assessment of a significant increase of credit risk. The Company determines whether a significant increase of credit risk has been achieved or not based on the change in the risk of default occurrence. In the determination process, past due information, deterioration of operating results, and external credit ratings are considered. For receivables, lending commitments and others other than trade receivables and contract assets, the Company measures the expected credit losses at the amount of the 12-month expected credit losses. However, when there is a significant increase of credit risk after initial recognition, the expected credit losses are measured at the amount of lifetime expected credit losses.

The Company groups financial assets with no individual significance based on the characteristics of credit risk and the type of transactions. The Company then assesses the existence of objective evidence of impairment for each group considering the past default rate and others. The Company measures expected credit losses individually for each receivable as financial assets that have been impaired when the events of default as detailed below have occurred, resulting in estimated negative future cash flows of the financial assets.

- Significant financial difficulty of the issuer or borrower
- Breach of contract, such as a default or delinquency in interest or principal payments
- High possibility of bankruptcy or entering financial reorganization

For credit-impaired financial assets, when it is probable that the Company will not collect the entire amount of or a part of the financial assets, the impairment losses are directly deducted from the carrying amount.

Details of lending commitments and credit guarantees are described in "(1) Lending commitments" and "(2) Credit guarantees" under "Note 46. Contingency."

For the fiscal year ended March 31, 2024, SoftBank Group Corp. received cash and cash equivalents of ¥101,655 million ($671,389 thousand) as collateral under certain derivative contract.

There were no significant financial or non-financial assets acquired as a result of foreclosure of collateral or enforcement of other credit enhancements for the fiscal year ended March 31, 2023.

(a) Carrying amounts of financial assets subject to allowance for doubtful accounts

i.Trade receivables

Exposure to credit risk on contract assets is included in trade receivables. In addition, since trade receivables generated by the credit card business include interest income, the Company measures expected credit losses for those receivables by using the same method for the receivables other than trade receivables. As a result, exposure to credit risk on trade receivables generated by the credit card business is included in the receivables other than trade receivables.

The table below presents an aging analysis of the carrying amounts of trade receivables and allowance for doubtful accounts.

As of March 31, 2023

(Millions of yen)

		Past due					
	Before due	Within 1 month	1 month to 3 months	3 months to 6 months	6 months to 1 year	More than 1 year	Total
Trade receivables	¥1,312,602	¥ 67,767	¥ 8,560	¥ 5,514	¥ 6,416	¥ 11,049	¥ 1,411,908
Allowance for doubtful accounts	(9,840)	(482)	(790)	(2,089)	(1,282)	(2,603)	(17,086)
Total							¥ 1,394,822

As of March 31, 2024

(Millions of yen)

		Past due					
	Before due	Within 1 month	1 month to 3 months	3 months to 6 months	6 months to 1 year	More than 1 year	Total
Trade receivables	**¥1,470,178**	**¥ 44,348**	**¥ 10,172**	**¥ 5,726**	**¥ 9,948**	**¥ 11,978**	**¥ 1,552,350**
Allowance for doubtful accounts	**(8,789)**	**(939)**	**(1,948)**	**(2,822)**	**(3,233)**	**(2,806)**	**(20,537)**
Total							**¥ 1,531,813**

(Thousands of U.S. dollars)

		Past due					
	Before due	Within 1 month	1 month to 3 months	3 months to 6 months	6 months to 1 year	More than 1 year	Total
Trade receivables	**$ 9,709,914**	**$ 292,900**	**$ 67,182**	**$ 37,818**	**$ 65,702**	**$ 79,110**	**$10,252,626**
Allowance for doubtful accounts	**(58,047)**	**(6,202)**	**(12,866)**	**(18,638)**	**(21,353)**	**(18,532)**	**(135,638)**
Total							**$10,116,988**

ii. Financial assets other than trade receivables

The table below presents an aging analysis of financial assets other than trade receivables. The amounts in the analysis are presented at the carrying amount before netting the allowance for doubtful accounts.

As of March 31, 2023

(Millions of yen)

	Carrying amounts					
	12 month expected credit losses		Lifetime expected credit losses			
	Before due	Past due	Other than credit-impaired financial assets	Credit-impaired financial assets	Purchased or originated credit-impaired financial assets	Total
Other receivables	¥ 1,203,776	¥ 35,785	¥ 1,228	¥ 7,944	¥ –	¥ 1,248,733
Investment securities	285,624	–	–	–	–	285,624
Other financial assets	2,116,614	14,112	125,570	54,334	9,033	2,319,663
Total	¥ 3,606,014	¥ 49,897	¥ 126,798	¥ 62,278	¥ 9,033	¥ 3,854,020

Investment securities are mostly debt financial assets at FVTOCI.

As of March 31, 2024

(Millions of yen)

	Carrying amounts					
	12 month expected credit losses		Lifetime expected credit losses			
	Before due	Past due	Other than credit-impaired financial assets	Credit-impaired financial assets	Purchased or originated credit-impaired financial assets	Total
Other receivables	**¥ 1,406,518**	**¥ 48,617**	**¥ 2,752**	**¥ 1,163**	**¥ –**	**¥ 1,459,050**
Investment securities	**568,651**	**–**	**–**	**–**	**–**	**568,651**
Other financial assets	**2,266,748**	**21,878**	**10,014**	**131,549**	**8,908**	**2,439,097**
Total	**¥ 4,241,917**	**¥ 70,495**	**¥ 12,766**	**¥ 132,712**	**¥ 8,908**	**¥ 4,466,798**

(Thousands of U.S. dollars)

	Carrying amounts					
	12 month expected credit losses		Lifetime expected credit losses			
	Before due	Past due	Other than credit-impaired financial assets	Credit-impaired financial assets	Purchased or originated credit-impaired financial assets	Total
Other receivables	**$ 9,289,465**	**$ 321,095**	**$ 18,176**	**$ 7,681**	**$ –**	**$ 9,636,417**
Investment securities	**3,755,703**	**–**	**–**	**–**	**–**	**3,755,703**
Other financial assets	**14,970,927**	**144,495**	**66,138**	**868,826**	**58,834**	**16,109,220**
Total	**$ 28,016,095**	**$ 465,590**	**$ 84,314**	**$ 876,507**	**$ 58,834**	**$ 29,501,340**

Investment securities are mostly financial assets at amortized cost.

(b) Changes in allowance for doubtful accounts

Allowance for doubtful accounts related to contract assets is included in trade receivables. In addition, since trade receivables generated by the credit card business includes interest income, the Company measures expected credit losses for those receivables by using the same method for the receivables other than trade receivables. As a result, the allowance for doubtful accounts related to the trade receivables generated by the credit card business is included in the financial assets other than trade receivables.

i. Trade receivables

The table below presents changes in the allowance for doubtful accounts for trade receivables.

For the fiscal year ended March 31, 2023

(Millions of yen)

	Allowance for doubtful accounts		
	Lifetime expected credit losses		
	Other than credit-impaired financial assets	Credit-impaired financial assets	Total
Balance at the beginning of the period	¥ 9,861	¥ 10,175	¥ 20,036
Provisions	4,488	1,388	5,876
Utilized	(592)	(3,277)	(3,869)
Other	(2,645)	(2,312)	(4,957)
Balance at the end of the period	¥ 11,112	¥ 5,974	¥ 17,086

For the fiscal year ended March 31, 2024

(Millions of yen)

	Allowance for doubtful accounts		
	Lifetime expected credit losses		
	Other than credit-impaired financial assets	Credit-impaired financial assets	Total
Balance at the beginning of the period	**¥ 11,112**	**¥ 5,974**	**¥ 17,086**
Provisions	**6,015**	**7,591**	**13,606**
Utilized	**(18)**	**(5,038)**	**(5,056)**
Other	**(5,433)**	**334**	**(5,099)**
Balance at the end of the period	**¥ 11,676**	**¥ 8,861**	**¥ 20,537**

(Thousands of U.S. dollars)

	Allowance for doubtful accounts		
	Lifetime expected credit losses		
	Other than credit-impaired financial assets	Credit-impaired financial assets	Total
Balance at the beginning of the period	**$ 73,390**	**$ 39,456**	**$ 112,846**
Provisions	**39,727**	**50,135**	**89,862**
Utilized	**(119)**	**(33,274)**	**(33,393)**
Other	**(35,883)**	**2,206**	**(33,677)**
Balance at the end of the period	**$ 77,115**	**$ 58,523**	**$ 135,638**

ii. Financial assets other than trade receivables

The table below presents changes in the allowance for doubtful accounts for financial assets other than trade receivables. The allowance for doubtful accounts is mainly for loans.

For the fiscal year ended March 31, 2023

(Millions of yen)

	Allowance for doubtful accounts				
		Lifetime expected credit losses			
	12 month expected credit losses	Other than credit-impaired financial assets	Credit-impaired financial assets	Purchased or originated credit-impaired financial assets	Total
Balance at the beginning of the period	¥ 10,472	¥ 24,759	¥ 48,892	¥ 10,846	¥ 94,969
Provisions	5,500	104,393*	22,028	–	131,921
Utilized	(124)	(635)	(28,157)	–	(28,916)
Reversal	(395)	(30)	(200)	(1,827)	(2,452)
Other	1,492	(3,960)	6,281	–	3,813
Balance at the end of the period	¥ 16,945	¥ 124,527	¥ 48,844	¥ 9,019	¥ 199,335

* For the fiscal year ended March 31, 2023, ¥77,191 million of provision for allowance for doubtful accounts related to unsecured notes issued by WeWork was recorded. The details are described in "*9" under "Note 41. Other gain (loss)."

For the fiscal year ended March 31, 2024

(Millions of yen)

	Allowance for doubtful accounts				
		Lifetime expected credit losses			
	12 month expected credit losses	Other than credit-impaired financial assets	Credit-impaired financial assets	Purchased or originated credit-impaired financial assets	Total
Balance at the beginning of the period	**¥ 16,945**	**¥ 124,527**	**¥ 48,844**	**¥ 9,019**	**¥ 199,335**
Provisions	**8,196**	**24,524**	**22,436**	**–**	**55,156**
Utilized	**(2,865)**	**(102)**	**(109,976)***	**–**	**(112,943)**
Reversal	**(598)**	**(30)**	**(237)**	**(111)**	**(976)**
Other	**37**	**(143,072)***	**161,996***	**–**	**18,961**
Balance at the end of the period	**¥ 21,715**	**¥ 5,847**	**¥ 123,063**	**¥ 8,908**	**¥ 159,533**

(Thousands of U.S. dollars)

	Allowance for doubtful accounts				
		Lifetime expected credit losses			
	12 month expected credit losses	Other than credit-impaired financial assets	Credit-impaired financial assets	Purchased or originated credit-impaired financial assets	Total
Balance at the beginning of the period	**$ 111,915**	**$ 822,449**	**$ 322,594**	**$ 59,567**	**$1,316,525**
Provisions	**54,131**	**161,971**	**148,180**	**–**	**364,282**
Utilized	**(18,921)**	**(674)**	**(726,346)***	**–**	**(745,941)**
Reversal	**(3,950)**	**(198)**	**(1,565)**	**(733)**	**(6,446)**
Other	**244**	**(944,931)***	**1,069,917***	**–**	**125,230**
Balance at the end of the period	**$ 143,419**	**$ 38,617**	**$ 812,780**	**$ 58,834**	**$1,053,650**

* For the fiscal year ended March 31, 2024, unsecured notes issued by WeWork were exchanged for shares and convertible bonds newly issued by WeWork. Consequently, ¥94,112 million ($621,571 thousand) was reclassified from "Other than credit-impaired financial assets" to "Credit-impaired financial assets" and the recognition of the unsecured notes were discontinued. The details are described in "*7" under "Note 41. Other gain (loss)."

Provisions for and reversal of allowance for doubtful accounts are recorded in "Selling, general and administrative expenses" and "Other gain (loss)" in the consolidated statement of profit or loss.

c. Liquidity risk

In order to prevent and reduce liquidity risk, the Company maintains access to diversified fundraising sources including both indirect financing, such as bank loans and leases, and direct financing, such as the issuance of bonds and commercial paper and securitization, taking market conditions and its current/non-current debt ratios into consideration. As for fund management, the Company invests its funds in short-term deposits, MMF and investment grade bonds.

The Company also continuously monitors its forecasted and actual cash flows and liquid funds.

(a) Commitment lines of credit and other credit facilities

The Company has entered into commitment lines of credit and other credit facilities with various financial institutions to reduce liquidity risk. As of March 31, 2024, the undrawn amounts of the Company's credit facilities are ¥1,534,059 million ($10,131,821 thousand) (as of March 31, 2023: ¥1,165,526 million).

In addition, the asset management subsidiary is engaged in transactions for acquisition of investments using borrowings and has entered into agreements with various financial institutions in order to borrow funds in response to the net position of investments and indebtedness of the asset management subsidiary. As of March 31, 2024, the amounts that could be additionally borrowed were ¥139,689 million ($922,588 thousand) (as of March 31, 2023: ¥11,204 million).

Note:
Certain commitments above contain financial covenants. The details are described in "(3) Financial covenants" under "Note 22. Interest-bearing debt."

(b) Analysis of financial liabilities by maturities

The table below presents the analysis of financial liabilities (including derivatives) by maturities. The receivables and payables arising from derivative transactions are shown on a net basis:

As of March 31, 2023

(Millions of yen)

	Carrying amount	Aggregation of redemption schedule	Within 1 year	1 year to 2 years	2 years to 3 years	3 years to 4 years	4 years to 5 years	More than 5 years
Non-derivative financial liabilities								
Interest-bearing debt								
Short-term borrowings	¥ 900,502	¥ 900,502	¥ 900,502	¥ –	¥ –	¥ –	¥ –	¥ –
Commercial paper	283,001	283,001	283,001	–	–	–	–	–
Long-term borrowings	7,120,162	7,158,208	2,972,119	1,798,920	1,463,590	388,087	260,616	274,876
Corporate bonds	6,910,692	6,955,860	653,864	792,863	1,076,326	884,739	483,179	3,064,889
Financial liabilities relating to sale of shares by prepaid forward contract	4,263,603	4,408,237	337,622	3,740,546	330,069	–	–	–
Installment payables	234	234	97	99	38	–	–	–
Lease liabilities	836,997	836,997	184,105	117,680	89,762	79,292	66,182	299,976
Deposits for banking business*1	1,487,949	1,487,987	1,472,272	5,466	3,852	944	1,409	4,044
Third-party interests in SVF	4,499,369	4,499,369*2	–	–	–	–	–	4,499,369*3
Trade and other payables	2,416,872	2,416,872	2,403,824	8,323	2,119	1,352	1,022	232
Other financial liabilities	223,047	223,047	180,191	6,254	762	327	292	35,221
Total	¥ 28,942,428	¥ 29,170,314	¥ 9,387,597	¥ 6,470,151	¥ 2,966,518	¥ 1,354,741	¥ 812,700	¥ 8,178,607
Derivative financial liabilities*4								
Derivative financial liabilities								
Foreign currency exchange contracts*5	¥ 10,316	¥ 10,339	¥ 1,006	¥ (641)	¥ (710)	¥ (556)	¥ 1,137	¥ 10,103
Option contracts	107,010	107,010	80,242	26,768	–	–	–	–
Interest rate contracts	2,241	1,606	2,064	561	(104)	(297)	(342)	(276)
Swap contracts	805,039	805,039	–	655,132	149,907	–	–	–
Forward contracts	57,350	57,350	–	9,176	40,527	7,647	–	–
Other	7	7	7	–	–	–	–	–
Total	¥ 981,963	¥ 981,351	¥ 83,319	¥ 690,996	¥ 189,620	¥ 6,794	¥ 795	¥ 9,827

*1 Deposits for the banking business payable on demand are included in "Within 1 year."
*2 The amount represents the amounts that would have been distributed to Third-Party Investors in accordance with the limited partnership agreement if SVF1, SVF2, and LatAm Funds had been liquidated as of March 31, 2023.
*3 When disposal of investments becomes relatively certain, the portion of third-party interests in SVF1, SVF2, and LatAm Funds which is available for distributions and repayments will be broken down by corresponding maturity dates.
*4 Only if the contractual maturities are essential for understanding the timing of cash flow, derivative financial liabilities are included in the above chart and disclosed.
*5 Aggregation of redemption schedule and the breakdown by maturity are presented on a discounted cash flow basis for currency swap contracts included in the foreign currency exchange contracts.

As of March 31, 2024

(Millions of yen)

	Carrying amount	Aggregation of redemption schedule	Within 1 year	1 year to 2 years	2 years to 3 years	3 years to 4 years	4 years to 5 years	More than 5 years
Non-derivative financial liabilities								
Interest-bearing debt								
Short-term borrowings	¥ 1,100,158	¥ 1,100,158	¥ 1,100,158	¥ –	¥ –	¥ –	¥ –	¥ –
Commercial paper	363,501	363,501	363,501	–	–	–	–	–
Long-term borrowings	6,486,449	6,520,112	1,791,173	2,972,054	547,454	454,121	312,407	442,903
Corporate bonds	7,444,630	7,492,240	825,305	1,120,232	930,590	515,298	1,548,815	2,552,000
Financial liabilities relating to sale of shares by prepaid forward contract	5,172,511	5,274,124	4,259,358	1,014,766	–	–	–	–
Installment payables	275	275	168	99	8	–	–	–
Lease liabilities	794,507	794,507	149,801	116,535	96,266	80,476	67,232	284,197
Deposits for banking business*1	1,657,523	1,657,557	1,643,164	4,652	3,060	1,293	1,054	4,334
Third-party interests in SVF	4,694,503	4,694,503*2	–	–	–	–	–	4,694,503*3
Trade and other payables	2,710,529	2,710,529	2,699,089	7,659	2,344	1,128	108	201
Other financial liabilities	74,450	74,450	31,801	9,363	7,451	611	15,529	9,695
Total	¥30,499,036	¥30,681,956	¥12,863,518	¥5,245,360	¥1,587,173	¥1,052,927	¥1,945,145	¥7,987,833
Derivative financial liabilities*4								
Derivative financial liabilities								
Foreign currency exchange contracts*5	¥ 1,853	¥ 1,854	¥ 1,854	¥ –	¥ –	¥ –	¥ –	¥ –
Option contracts	132,262	132,264	130,518	–	1,230	516	–	–
Interest rate contracts	591	191	99	369	–	(59)	(95)	(123)
Forward contracts	54,688	54,688	54,688	–	–	–	–	–
Collar contracts using shares	46,837	46,837	7,807	39,030	–	–	–	–
Other	97	97	97	–	–	–	–	–
Total	¥ 236,328	¥ 235,931	¥ 195,063	¥ 39,399	¥ 1,230	¥ 457	¥ (95)	¥ (123)

(Thousands of U.S. dollars)

	Carrying amount	Aggregation of redemption schedule	Within 1 year	1 year to 2 years	2 years to 3 years	3 years to 4 years	4 years to 5 years	More than 5 years
Non-derivative financial liabilities								
Interest-bearing debt								
Short-term borrowings	$ 7,266,085	$ 7,266,085	$ 7,266,085	$ –	$ –	$ –	$ –	$ –
Commercial paper	2,400,773	2,400,773	2,400,773	–	–	–	–	–
Long-term borrowings	42,840,295	43,062,625	11,829,952	19,629,179	3,615,706	2,999,280	2,063,318	2,925,190
Corporate bonds	49,168,681	49,483,124	5,450,795	7,398,666	6,146,159	3,403,329	10,229,278	16,854,897
Financial liabilities relating to sale of shares by prepaid forward contract	34,162,282	34,833,393	28,131,286	6,702,107	–	–	–	–
Installment payables	1,815	1,815	1,110	653	52	–	–	–
Lease liabilities	5,247,388	5,247,388	989,373	769,665	635,797	531,510	444,039	1,877,004
Deposits for banking business*1	10,947,250	10,947,474	10,852,414	30,725	20,210	8,540	6,961	28,624
Third-party interests in SVF	31,005,237	31,005,237*2	–	–	–	–	–	31,005,237*3
Trade and other payables	17,901,915	17,901,915	17,826,359	50,584	15,481	7,450	713	1,328
Other financial liabilities	491,711	491,711	210,032	61,839	49,211	4,035	102,563	64,031
Total	$201,433,432	$202,641,540	$84,958,179	$34,643,418	$10,482,616	$ 6,954,144	$12,846,872	$52,756,311
Derivative financial liabilities*4								
Derivative financial liabilities								
Foreign currency exchange contracts*5	$ 12,238	$ 12,245	$ 12,245	$ –	$ –	$ –	$ –	$ –
Option contracts	873,535	873,548	862,017	–	8,123	3,408	–	–
Interest rate contracts	3,903	1,262	654	2,437	–	(390)	(627)	(812)
Forward contracts	361,191	361,191	361,191	–	–	–	–	–
Collar contracts using shares	309,339	309,339	51,562	257,777	–	–	–	–
Other	642	642	642	–	–	–	–	–
Total	$ 1,560,848	$ 1,558,227	$ 1,288,311	$ 260,214	$ 8,123	$ 3,018	$ (627)	$ (812)

*1 Deposits for the banking business payable on demand are included in "Within 1 year."
*2 The amount represents the amounts that would have been distributed to Third-Party Investors in accordance with the limited partnership agreement if SVF1, SVF2, and LatAm Funds had been liquidated as of March 31, 2024.
*3 When disposal of investments becomes relatively certain, the portion of third-party interests in SVF1, SVF2, and LatAm Funds which is available for distributions and repayments will be broken down by corresponding maturity dates.
*4 Only if the contractual maturities are essential for understanding the timing of cash flow, derivative financial liabilities are included in the above chart and disclosed.
*5 Aggregation of redemption schedule and the breakdown by maturity are presented on a discounted cash flow basis for currency swap contracts included in the foreign currency exchange contracts.

In addition, the Company has lending commitments and credit guarantees, which are detailed in "(1) Lending commitments" and "(2) Credit guarantees" under "Note 46. Contingency."
Average interest rates of the interest-bearing debts and lease liabilities are described in "(1) Components of interest-bearing debt" under "Note 22. Interest-bearing debt" and "Note 17. Leases."

(3) Categories of financial instruments

Components of financial instruments (excluding cash and cash equivalents) by category are as follows:

As of March 31, 2023

(Millions of yen)

	Financial assets at FVTPL	Derivatives designated as hedges	Debt financial assets at FVTOCI	Equity financial assets at FVTOCI	Financial assets at amortized cost	Total
Financial assets						
Current assets						
Trade and other receivables	¥ –	¥ –	¥ –	¥ –	¥ 2,594,736	¥ 2,594,736
Derivative financial assets	235,888	13,526	–	–	–	249,414
Other financial assets	78,892	–	57,935	300	234,186	371,313
Non-current assets						
Investments from SVF (FVTPL)	10,489,722	–	–	–	–	10,489,722
Investment securities	7,244,298	–	219,179	175,215	67,809	7,706,501
Derivative financial assets	1,104,114	66,731	–	–	–	1,170,845
Other financial assets	59,552	–	–	114	2,243,954	2,303,620
Total	¥ 19,212,466	¥ 80,257	¥ 277,114	¥ 175,629	¥ 5,140,685	¥ 24,886,151

	Financial liabilities at FVTPL	Derivatives designated as hedges	Financial liabilities at amortized cost	Lending commitments and financial guarantee contracts	Total
Financial liabilities					
Current liabilities					
Interest-bearing debt	¥ –	¥ –	¥ 5,129,047	¥ –	¥ 5,129,047
Lease liabilities	–	–	184,105	–	184,105
Deposits for banking business	–	–	1,472,260	–	1,472,260
Trade and other payables	–	–	2,416,872	–	2,416,872
Derivative financial liabilities	82,274	338	–	–	82,612
Other financial liabilities	18,694	–	9,116	152,381	180,191
Non-current liabilities					
Interest-bearing debt	–	–	14,349,147	–	14,349,147
Lease liabilities	–	–	652,892	–	652,892
Third-party interests in SVF	–	–	4,499,369	–	4,499,369
Derivative financial liabilities	890,736	8,615	–	–	899,351
Other financial liabilities	5,633	–	52,912	–	58,545
Total	¥ 997,337	¥ 8,953	¥ 28,765,720	¥ 152,381	¥ 29,924,391

As of March 31, 2024

(Millions of yen)

	Financial assets at FVTPL	Derivatives designated as hedges	Debt financial assets at FVTOCI	Equity financial assets at FVTOCI	Financial assets at amortized cost	Total
Financial assets						
Current assets						
Trade and other receivables	¥ –	¥ –	¥ –	¥ –	¥ 2,868,767	¥ 2,868,767
Derivative financial assets	**811,867**	**40,483**	–	–	–	**852,350**
Other financial assets	**393,916**	–	**51,953**	**300**	**331,827**	**777,996**
Assets classified as held for sale*	**592**	–	–	**23**	**4,735**	**5,350**
Non-current assets						
Investments from SVF (FVTPL)	**11,014,487**	–	–	–	–	**11,014,487**
Investment securities	**8,321,455**	–	**253,358**	**171,866**	**315,293**	**9,061,972**
Derivative financial assets	**185,402**	**200,126**	–	–	–	**385,528**
Other financial assets	**64,322**	–	–	**118**	**2,359,842**	**2,424,282**
Total	**¥ 20,792,041**	**¥ 240,609**	**¥ 305,311**	**¥ 172,307**	**¥ 5,880,464**	**¥ 27,390,732**

	Financial liabilities at FVTPL	Derivatives designated as hedges	Financial liabilities at amortized cost	Total
Financial liabilities				
Current liabilities				
Interest-bearing debt	¥ –	¥ –	**¥ 8,271,143**	**¥ 8,271,143**
Lease liabilities	–	–	**149,801**	**149,801**
Deposits for banking business	–	–	**1,643,155**	**1,643,155**
Trade and other payables	–	–	**2,710,529**	**2,710,529**
Derivative financial liabilities	**194,374**	**716**	–	**195,090**
Other financial liabilities	**25,021**	–	**6,780**	**31,801**
Liabilities directly relating to assets classified as held for sale*	–	–	**4,987**	**4,987**
Non-current liabilities				
Interest-bearing debt	–	–	**12,296,381**	**12,296,381**
Lease liabilities	–	–	**644,706**	**644,706**
Third-party interests in SVF	–	–	**4,694,503**	**4,694,503**
Derivative financial liabilities	**40,789**	**449**	–	**41,238**
Other financial liabilities	**23,164**	–	**33,853**	**57,017**
Total	**¥ 283,348**	**¥ 1,165**	**¥ 30,455,838**	**¥ 30,740,351**

(Thousands of U.S. dollars)

	Financial assets at FVTPL	Derivatives designated as hedges	Debt financial assets at FVTOCI	Equity financial assets at FVTOCI	Financial assets at amortized cost	Total
Financial assets						
Current assets						
Trade and other receivables	$ –	$ –	$ –	$ –	$ 18,947,011	$ 18,947,011
Derivative financial assets	5,362,044	267,373	–	–	–	5,629,417
Other financial assets	2,601,651	–	343,129	1,981	2,191,579	5,138,340
Assets classified as held for sale*	3,910	–	–	152	31,273	35,335
Non-current assets						
Investments from SVF (FVTPL)	72,746,100	–	–	–	–	72,746,100
Investment securities	54,959,744	–	1,673,324	1,135,104	2,082,379	59,850,551
Derivative financial assets	1,224,503	1,321,749	–	–	–	2,546,252
Other financial assets	424,820	–	–	779	15,585,774	16,011,373
Total	$ 137,322,772	$ 1,589,122	$ 2,016,453	$ 1,138,016	$ 38,838,016	$ 180,904,379

	Financial liabilities at FVTPL	Derivatives designated as hedges	Financial liabilities at amortized cost	Total
Financial liabilities				
Current liabilities				
Interest-bearing debt	$ –	$ –	$ 54,627,455	$ 54,627,455
Lease liabilities	–	–	989,373	989,373
Deposits for banking business	–	–	10,852,355	10,852,355
Trade and other payables	–	–	17,901,915	17,901,915
Derivative financial liabilities	1,283,759	4,729	–	1,288,488
Other financial liabilities	165,253	–	44,779	210,032
Liabilities directly relating to assets classified as held for sale*	–	–	32,937	32,937
Non-current liabilities				
Interest-bearing debt	–	–	81,212,476	81,212,476
Lease liabilities	–	–	4,258,015	4,258,015
Third-party interests in SVF	–	–	31,005,237	31,005,237
Derivative financial liabilities	269,395	2,965	–	272,360
Other financial liabilities	152,989	–	223,585	376,574
Total	$ 1,871,396	$ 7,694	$ 201,148,127	$ 203,027,217

* Financial assets and financial liabilities included in “Assets classified as held for sale” and “Liabilities directly relating to assets classified as held for sale” under consolidated statement of financial position are represented.

The Company generally classifies equity instruments as “Financial assets at FVTPL.” Certain equity instruments are used as business investments to generate business synergies. As a result, for such investments, the Company has made an irrevocable election at initial recognition to recognize changes in fair value in other comprehensive income, not in profit or loss, and classified them as “Equity financial assets at FVTOCI.”

Major components and fair values of the equity financial assets at FVTOCI are as follows.

As of March 31, 2023

Names	Fair value (Millions of yen)
Ampere Computing Holdings LLC	¥ 48,488
SNOW Corporation	21,842
Visional, Inc.	14,218
HOPU-ARM Innovation Fund, L.P.	7,426
WORKS MOBILE Corporation	6,756
Other	76,899
Total	¥175,629

As of March 31, 2024

Names	Fair value (Millions of yen)	Fair value (Thousands of U.S. dollars)
Ampere Computing Holdings LLC	**¥ 59,024**	**$ 389,829**
Visional, Inc.	**17,581**	**116,115**
SNOW Corporation	**13,821**	**91,282**
HOPU-ARM Innovation Fund, L.P.	**8,224**	**54,316**
Pragmatic Printing Limited	**5,499**	**36,319**
Other	**68,158**	**450,155**
Total	**¥172,307**	**$1,138,016**

The Company derecognizes equity financial assets at FVTOCI, by selling or in other way, when those assets no longer match the Company's investment strategies. The table below presents fair value on the date of derecognition and accumulated gains or losses related to the disposal of equity financial assets at FVTOCI that were derecognized during the year.

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2023	**Fiscal year ended March 31, 2024**	**Fiscal year ended March 31, 2024**
Fair value on the date of derecognition	¥ 7,942	**¥14,096**	**$93,098**
Accumulated gains related to the disposal	2,675	**433**	**2,860**

When equity financial assets at FVTOCI are derecognized or there is a significant or prolonged decline in fair value below the cost, cumulative gains and losses recognized in other comprehensive income are directly transferred to retained earnings. For the fiscal year ended March 31, 2024, ¥604 million ($3,989 thousand) (For the fiscal year ended March 31, 2023: ¥2,183 million) was transferred from "Accumulated other comprehensive income" to "Retained earnings."

29. Fair value of financial instruments

(1) Categorization by level within the fair value hierarchy

Financial instruments that are measured at fair value on a recurring basis after initial recognition are classified into three levels of the fair value hierarchy based on the observability and significance of inputs used for the measurement.

The fair value hierarchy is defined as follows in descending order of levels:

Level 1: Fair value is measured using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value is measured using inputs other than Level 1 that are observable, either directly or indirectly.

Level 3: Fair value is measured using unobservable inputs.

If the fair value measurement uses different levels of inputs, the fair value is categorized based on the lowest level of input that is significant to the entire fair value measurement.

Transfers between levels of the fair value hierarchy are recognized at the point of which the event or change in circumstances that caused the transfer is observed.

There were no transfers between Level 1 and Level 2 during the fiscal year ended March 31, 2023 and 2024.

The table below presents financial instruments measured at fair value on a recurring basis by level within the fair value hierarchy.

As of March 31, 2023

(Millions of yen)

	Level 1	Level 2	Level 3	Total
Financial assets				
Investments from SVF (FVTPL)	¥ 3,373,503	¥ –	¥7,116,219	¥10,489,722
Equity securities (excluding investments from SVF (FVTPL))	6,563,457	–	459,317	7,022,774
Bonds and loans (excluding investments from SVF (FVTPL))	4,804	162,411	83,843	251,058
Derivative financial assets				
Foreign currency exchange contracts	987	88,752	–	89,739
Option contracts	24	472,901	857,517	1,330,442
Interest rate contracts	–	100	–	100
Other	1	–	1	2
Other	57,257	300	504,072	561,629
Total	¥10,000,033	¥ 724,464	¥9,020,969	¥19,745,466
Financial liabilities				
Derivative financial liabilities				
Foreign currency exchange contracts	¥ 279	¥ 10,037	¥ –	¥ 10,316
Option contracts	–	107,010	–	107,010
Interest rate contracts	–	2,241	–	2,241
Forward contracts	–	805,039	–	805,039
Collar contracts using shares	–	57,350	–	57,350
Other	7	–	–	7
Other	–	–	24,327	24,327
Total	¥ 286	¥ 981,677	¥ 24,327	¥ 1,006,290

As of March 31, 2024

(Millions of yen)

	Level 1	Level 2	Level 3	Total
Financial assets				
Investments from SVF (FVTPL)	**¥ 3,150,898**	**¥ 22,958**	**¥7,840,631**	**¥11,014,487**
Equity securities (excluding investments from SVF (FVTPL))	**7,449,399**	**146**	**518,535**	**7,968,080**
Bonds and loans (excluding investments from SVF (FVTPL))	**320,100**	**147,612**	**90,017**	**557,729**
Derivative financial assets				
Foreign currency exchange contracts	**622**	**245,942**	**–**	**246,564**
Option contracts	**11**	**415,943**	**59,876**	**475,830**
Interest rate contracts	**–**	**396**	**–**	**396**
Forward contracts	**–**	**514,848**	**–**	**514,848**
Other	**251**	**–**	**–**	**251**
Other	**111,789**	**6,491**	**613,803**	**732,083**
Total	**¥11,033,070**	**¥1,354,336**	**¥9,122,862**	**¥21,510,268**
Financial liabilities				
Derivative financial liabilities				
Foreign currency exchange contracts	**¥ 299**	**¥ 1,554**	**¥ –**	**¥ 1,853**
Option contracts	**–**	**124,377**	**7,885**	**132,262**
Interest rate contracts	**–**	**591**	**–**	**591**
Forward contracts	**–**	**54,688**	**–**	**54,688**
Collar contracts using shares	**–**	**46,837**	**–**	**46,837**
Other	**97**	**–**	**–**	**97**
Borrowed securities	**3,672**	**–**	**–**	**3,672**
Other	**–**	**–**	**44,513**	**44,513**
Total	**¥ 4,068**	**¥ 228,047**	**¥ 52,398**	**¥ 284,513**

(Thousands of U.S. dollars)

	Level 1	Level 2	Level 3	Total
Financial assets				
Investments from SVF (FVTPL)	**$20,810,369**	**$ 151,628**	**$51,784,103**	**$72,746,100**
Equity securities (excluding investments from SVF (FVTPL))	**49,200,178**	**964**	**3,424,708**	**52,625,850**
Bonds and loans (excluding investments from SVF (FVTPL))	**2,114,127**	**974,916**	**594,525**	**3,683,568**
Derivative financial assets				
Foreign currency exchange contracts	**4,108**	**1,624,345**	**–**	**1,628,453**
Option contracts	**73**	**2,747,130**	**395,456**	**3,142,659**
Interest rate contracts	**–**	**2,615**	**–**	**2,615**
Forward contracts	**–**	**3,400,357**	**–**	**3,400,357**
Other	**1,658**	**–**	**–**	**1,658**
Other	**738,320**	**42,870**	**4,053,913**	**4,835,103**
Total	**$72,868,833**	**$8,944,825**	**$60,252,705**	**$142,066,363**
Financial liabilities				
Derivative financial liabilities				
Foreign currency exchange contracts	**$ 1,975**	**$ 10,263**	**$ –**	**$ 12,238**
Option contracts	**–**	**821,458**	**52,077**	**873,535**
Interest rate contracts	**–**	**3,903**	**–**	**3,903**
Forward contracts	**–**	**361,191**	**–**	**361,191**
Collar contracts using shares	**–**	**309,339**	**–**	**309,339**
Other	**642**	**–**	**–**	**642**
Borrowed securities	**24,252**	**–**	**–**	**24,252**
Other	**–**	**–**	**293,990**	**293,990**
Total	**$ 26,869**	**$1,506,154**	**$ 346,067**	**$ 1,879,090**

The major valuation techniques for financial instruments measured at fair value on a recurring basis are as follows:

a. Investments from SVF (FVTPL), equity securities, and bonds and loans

Investments from SVF (FVTPL), equity securities, and bonds and loans are measured using quoted prices in active markets for identical assets or liabilities if such prices are available, and are classified as Level 1.

If such prices are unavailable, and if prices of recent arm's-length transactions or equity financing are available, they are measured using recent transaction prices adjusting for performance of the market and company performance.

In the absence of a recent transaction, market approach, income approach, or net asset approach is applied for the enterprise valuation.

The market approach is used to the extent comparable guidelines for public companies are available. The market approach is a valuation method using figures from the financial statements of the subject companies and valuation multiple of comparable companies, such as Enterprise Value (EV)/Revenue and EV/EBITDA. The income approach is used when reliable cash flow projections are available. Under this approach, the present value is calculated by discounting estimated future cash flows at the discount rate and the future cash flows are estimated by taking into consideration several assumptions, including the revenue growth rate. The net asset approach is a valuation method using net assets on balance sheet of subject companies for calculation of stock value. The enterprise value which is calculated by the above method is allocated to shareholder's value of each class of shares depending on the capital structures of the investments. For the allocation, an option pricing model, which values each individual security in the capital structure based on its unique rights and preferences, and a method which allocates value assuming the conversion of preferred shares into common shares due to a possible initial public offering and such, are mainly used.

The financial instruments are classified as Level 2 if all significant inputs, such as quoted prices and discount rates used for the measurement are observable, and they are classified as Level 3 when they are measured using significant unobservable inputs.

b. Derivative financial assets and derivative financial liabilities

The fair value of derivative financial instruments is measured using quoted prices in active markets if they are available and classified as Level 1.

If quoted prices in active markets are not available, the fair value of derivative financial instruments is measured using valuation techniques including a discounted cash flows model and Black-Scholes model, or using quoted prices in inactive markets. The fair value measurement of derivative financial instruments is classified as Level 2 if all significant inputs, such as foreign currency exchange rates and discount rates used for the measurement, are observable; and they are classified as Level 3 when they are measured using significant unobservable inputs.

(2) Fair value measurements of financial instruments that are categorized as Level 3

a. Valuation techniques and inputs

The following table shows information about the valuation techniques used and the significant unobservable inputs used in the Level 3 fair value measurements.

(a) Investments from SVF (FVTPL)

For Level 3 fair value measurements of investments from SVF (FVTPL), the Company mainly uses the market comparable company multiple method, the discounted cash flow method and price of the recent transactions method. The following table shows the fair value of the investments measured by each valuation technique. When a combination of multiple valuation techniques is applied, aggregated amounts of fair value are presented for each combination of valuation techniques.

	(Millions of yen)		(Thousands of U.S. dollars)
			Fair value
Valuation techniques	As of March 31, 2023	**As of March 31, 2024**	**As of March 31, 2024**
Market comparable companies	¥ 2,293,491	**¥ 3,746,681**	**$ 24,745,268**
Discounted cash flow / Market comparable companies	1,686,770	**1,821,371**	**12,029,397**
Discounted cash flow	2,308,146	**1,014,103**	**6,697,728**
Recent Transactions	526,638	**507,215**	**3,349,944**
Other	301,174	**751,261**	**4,961,766**
Total	¥ 7,116,219	**¥ 7,840,631**	**$ 51,784,103**

The valuation techniques and the inputs are as follows.

		Ranges of unobservable inputs	
Valuation techniques	Unobservable inputs	As of March 31, 2023	**As of March 31, 2024**
Discounted cash flow	Cost of capital	15.3% - 172.1%	**12.0% - 154.5%**
	EBITDA multiple*	x6.0 - x36.0	**x6.0 - x30.0**
	Revenue multiple*	x0.9 - x15.0	**x1.0 - x14.0**
	Gross profit multiple*	x2.0 - x25.0	**x1.6 - x12.0**
	Price to earnings ratio*	x20.0 - x40.0	**x8.1 - x25.0**
	EBIT multiple *	x15.0	**–**
Market comparable companies	Revenue multiple	x0.3 - x16.4	**x0.3 - x15.4**
	EBITDA multiple	x7.0 - x20.0	**x7.0 - x36.5**
	Gross profit multiple	x2.0 - x15.0	**x0.8 - x21.1**
	Price to earnings ratio	x13.0 - x13.5	**x26.5 - x43.4**
	Price to sales ratio	x1.0 - x7.0	**x0.3- x5.0**

* Various multiples of market comparable companies are used for the measurement of the terminal value.

(b) Financial instruments including "Investment securities"

For Level 3 fair value measurements of financial instruments, the market comparable company multiple method, the discounted cash flow method, price of the recent transactions method and Monte Carlo method are mainly used. The following table shows information about the major valuation techniques with the significant unobservable inputs used in the fair value measurement.

		Ranges of unobservable inputs	
Valuation techniques	Unobservable inputs	As of March 31, 2023	**As of March 31, 2024**
Equity securities			
Market comparable companies	Revenue multiple	x0.8 - x14.5	**x0.3 - x11.0**
Discounted cash flow	Cost of capital	13.2% - 41.7%	**9.3% - 53.4%**
	Capitalization rate*	5.2% - 10.9%	**6.1% - 10.0%**
	Revenue multiple*	x3.0 - x4.0	**x3.0 - x4.5**
	EBITDA multiple*	x12.0 - x20.3	**x11.5 - x19.5**
Derivative financial assets			
Monte Carlo simulation	Volatility	22.5%	**–**

* Capitalization rate considering the most recent performance, revenue multiple of market comparable companies and EBITDA multiple of market comparable companies are used for the measurement of the terminal value.

b. Sensitivity Analysis

Of the above unobservable inputs, the EBITDA multiple, the revenue multiple, the gross profit multiple, the price to earnings ratio, the EBIT multiple, the price to sales ratio and the volatility have a positive correlation with the fair value of financial assets subject to the valuation.

In contrast, the cost of capital and the capitalization rate have a negative correlation with the fair value of financial assets subject to the valuation.

c. Valuation processes

(a) Valuation processes at SVF1, SVF2, and LatAm Funds

The valuations are prepared by the valuation team of SBIA under IFRS 13 "Fair Value Measurement", in accordance with the SBIA Global Valuation Policy and International Private Equity and Venture Capital Valuation Guidelines on a quarterly basis, using the most appropriate valuation techniques and inputs that reflect the nature, characteristics and risks of the financial instruments that are subject to fair value measurement. The valuation team of SBIA may engage external specialists with a high level of knowledge and experience as needed, in determining the fair value of certain complex financial instruments. The valuations are then reviewed by the

Valuation and Financial Risk Committee ("VFRC"), established as a committee of SBIA and SBGA. The VFRC reviews the reasonableness of significant inputs and assumptions as well as the valuation results. In addition, the VFRC considers the appropriateness of the choice of valuation methodology. The valuations of the portfolio companies performed by the aforementioned procedures are then reviewed and approved by SBIA's Board of Directors as manager of SVF1 and SBGA's Board of Directors as manager of SVF2 and LatAm Funds with overall responsibility for valuations on a quarterly basis.

(b) Valuation processes at entities other than SVF1, SVF2, and LatAm Funds
Fair value is measured by the Company's personnel in the finance, treasury and accounting departments based on internal guidelines on a quarterly basis, using the most appropriate valuation techniques and inputs that reflect the nature, characteristics and risks of the financial instruments subject to fair value measurement. For the fair value measurements of the financial instruments that require both high level of knowledge and experiences where amounts are material, the Company may engage external specialists. Thereafter, management responsible for the valuation processes approves the results of fair value measurements by the Company's personnel and the valuation by the external specialists performed at the end of each quarter after reviewing the analysis of fair value changes and other content.

d. Reconciliation of financial instruments categorized as Level 3
Reconciliation of financial instruments categorized as Level 3 is as follows:

For the fiscal year ended March 31, 2023

(Millions of yen)

Financial assets	Investments from SVF (FVTPL)	Equity securities (excluding investments from SVF (FVTPL))	Bonds and loans (excluding investments from SVF (FVTPL))	Derivative financial assets	Other
As of April 1, 2022	¥9,969,250	¥ 528,635	¥ 186,299	¥ 633,553	¥ 513,562
Gains or (losses)					
Net income	(3,622,977)	(108,019)	(68,572)	167,984	(45,991)
Other comprehensive income	906,834	30,779	14,516	55,965	28,234
Purchases	395,769	34,705	1,580	–	62,506
Sales	(119,692)	(11,221)	(49,718)	–	(56,378)
Transfers to Level 1 due to listing	(416,823)	(5,986)	–	–	–
Other	3,858	(9,576)	(262)	16	2,139
As of March 31, 2023	¥7,116,219	¥ 459,317	¥ 83,843	¥ 857,518	¥ 504,072
Gains or (losses) recognized in net income on financial instruments held at March 31, 2023	¥(3,610,537)	¥ (104,445)	¥ (68,811)	¥ 169,956	¥ (46,303)

Financial liabilities	Derivative financial liabilities	Other
As of April 1, 2022	¥ 29,816	¥ 98,432
(Gains) or losses		
Net income	(740)	(40,310)
Other comprehensive income	5,350	–
Other	(34,426)	(33,795)
As of March 31, 2023	¥ –	¥ 24,327
(Gains) or losses recognized in net income on financial instruments held at March 31, 2023	¥ (750)	¥ (40,310)

For the fiscal year ended March 31, 2024

(Millions of yen)

Financial assets	Investments from SVF (FVTPL)	Equity securities (excluding investments from SVF (FVTPL))	Bonds and loans (excluding investments from SVF (FVTPL))	Derivative financial assets	Other
As of April 1, 2023	¥7,116,219	¥ 459,317	¥ 83,843	¥ 857,518	¥ 504,072
Gains or (losses)					
Net income	(202,198)	(13,233)	(59,343)	239,971	8,528
Other comprehensive income	939,599	34,311	9,999	41,932	33,391
Purchases	227,160	149,273	122,443	–	65,996
Sales	(156,062)	(70,458)	(29,330)	–	(46,159)
Lending*1	–	–	210,182	–	–
Transfers to Level 1 due to listing	(84,257)	(2,235)	–	–	–
Acquisition of Level 1 listed shares*2	–	–	–	(1,098,435)	–
Transfer to Level 2	–	(11)	–	–	–
Conversion to equity securities	–	40,723	(40,723)	–	–
Other*1	170	(79,152)	(207,054)	18,890	47,975
As of March 31, 2024	¥7,840,631	¥ 518,535	¥ 90,017	¥ 59,876	¥ 613,803
Gains or (losses) recognized in net income on financial instruments held at March 31, 2024	¥ (265,134)	¥ (23,107)	¥ (44,499)	¥ 13,098	¥ 7,363

Financial liabilities	Derivative financial liabilities	Other
As of April 1, 2023	¥ –	¥ 24,327
(Gains) or losses		
Net income	7,758	5,257
Other comprehensive income	128	–
Other	(1)	14,929
As of March 31, 2024	¥ 7,885	¥ 44,513
(Gains) or losses recognized in net income on financial instruments held at March 31, 2024	¥ 7,758	¥ 5,257

(Thousands of U.S. dollars)

Financial assets	Investments from SVF (FVTPL)	Equity securities (excluding investments from SVF (FVTPL))	Bonds and loans (excluding investments from SVF (FVTPL))	Derivative financial assets	Other
As of April 1, 2023	$46,999,663	$3,033,598	$ 553,748	$ 5,663,549	$3,329,186
Gains or (losses)					
Net income	(1,335,434)	(87,398)	(391,936)	1,584,909	56,324
Other comprehensive income	6,205,660	226,610	66,039	276,943	220,534
Purchases	1,500,297	985,886	808,685	–	435,876
Sales	(1,030,725)	(465,346)	(193,712)	–	(304,861)
Lending*1	–	–	1,388,165	–	–
Transfers to Level 1 due to listing	(556,482)	(14,761)	–	–	–
Acquisition of Level 1 listed shares*2	–	–	–	(7,254,706)	–
Transfer to Level 2	–	(73)	–	–	–
Conversion to equity securities	–	268,958	(268,958)	–	–
Other*1	1,124	(522,766)	(1,367,506)	124,761	316,854
As of March 31, 2024	$51,784,103	$ 3,424,708	$ 594,525	$ 395,456	$4,053,913
Gains or (losses) recognized in net income on financial instruments held at March 31, 2024	$ (1,751,100)	$ (152,612)	$ (293,897)	$ 86,507	$ 48,630

Financial liabilities	Derivative financial liabilities	Other
As of April 1, 2023	$ –	$ 160,670
(Gains) or losses		
Net income	51,238	34,720
Other comprehensive income	845	–
Other	(6)	98,600
As of March 31, 2024	$ 52,077	$ 293,990
(Gains) or losses recognized in net income on financial instruments held at March 31, 2024	$ 51,238	$ 34,720

*1 The movements of "Bonds and loans (excluding investments from SVF (FVTPL))" primarily relate to loans to WeWork. The allowance for the financial guarantee contract was allocated to loan receivables and it is included in "Other" movement. The details are described in "*7" under "Note 41. Other gain (loss)."

*2 The conditions for the contingent consideration related to the acquisition of T-Mobile shares through the merger transaction between Sprint and T-Mobile US, Inc. were met and the Company acquired 48,751,557 shares of T-Mobile for no additional consideration. The details of the transaction are described in "*4" in "Option contracts to which hedge accounting is not applied" in "iii. Option contracts" in "(b) Price risk" in "a. Market risk" in "(2) Financial risk management" under "Note 28. Financial instruments."

Gains or losses recognized in net income are included in "Gain (loss) on investments at Investment Business of Holding Companies," "Loss on investments at SoftBank Vision Funds," "Gain (loss) on other investments," "Derivative gain (excluding gain (loss) on investments)," and "Other gain (loss)" in the consolidated statement of profit or loss. Gains or losses recognized in other comprehensive income, net of tax, are included in "Equity financial assets at FVTOCI," "Debt financial assets at FVTOCI" and "Exchange differences on translating foreign operations" in the consolidated statement of comprehensive income.

(3) Carrying amounts and fair values of financial instruments

The table below presents carrying amounts and fair values of financial instruments.

As of March 31, 2023

(Millions of yen)

	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
Interest-bearing debt (Non-current)					
Long-term borrowings	¥ 4,164,682	¥ –	¥ 3,003,771	¥ 1,058,013	¥ 4,061,784
Corporate bonds	6,257,455	–	5,977,812	–	5,977,812

Financial instruments whose carrying amounts are reasonably similar to fair values are not included in the table above. Financial instruments that are measured at fair value on a recurring basis are also excluded because the carrying amounts approximate fair value.

As of March 31, 2024

(Millions of yen)

	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
Interest-bearing debt (Non-current)					
Long-term borrowings	**¥ 4,698,657**	**¥ –**	**¥ 1,728,079**	**¥ 2,904,635**	**¥ 4,632,714**
Corporate bonds	**6,619,839**	**–**	**6,527,054**	**–**	**6,527,054**

(Thousands of U.S. dollars)

	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
Interest-bearing debt (Non-current)					
Long-term borrowings	**$31,032,673**	**$ –**	**$11,413,242**	**$19,183,905**	**$ 30,597,147**
Corporate bonds	**43,721,280**	**–**	**43,108,474**	**–**	**43,108,474**

Financial instruments whose carrying amounts are reasonably similar to fair values are not included in the table above. Financial instruments that are measured at fair value on a recurring basis are also excluded because the carrying amounts approximate fair value.

The major valuation techniques for fair value measurements of the above financial liabilities are as follows:

a. Long-term borrowings
Fair values of the non-current portion of long-term borrowings are measured using quoted prices in active markets if such prices are available, and the measurement is categorized as Level 1. Where such prices in active markets are not available, fair values of the non-current portion of long-term borrowings are measured based on the discounted cash flow method using observable inputs such as market interest rates, and the measurement is categorized as Level 2. The measurement of non-current portion of long-term borrowings that the fair values are measured based on the discounted cash flow method using unobservable inputs such as an interest rate including the credit spread that would be used for a borrowing with the same terms and maturity are categorized as Level 3.

b. Corporate bonds (non-current portion)
Fair values of the non-current portion of corporate bonds are mainly categorized as Level 1 or Level 2. When the fair value is measured using quoted prices in active markets for identical bonds, it is categorized as Level 1. When the fair value is measured using quoted prices that are observable in markets that are not active for identical bonds, it is categorized as Level 2.

30. Transfers of financial assets

The Company enters into securitization transactions involving trade and installment receivables.

The major securitization transactions involve the securitization of receivables related to installment receivables recognized from the mobile devices sales business.

For the transactions, the Company transfers receivables to financial institutions and acquires cash and a subordinate interest in the transferred receivables for financing purposes. The receivables sold are not derecognized because the Company retains a subordinate interest in each transaction and substantially retains all the risks and rewards of ownership of the transferred assets. Cash received from transferring the receivables are included in “Interest-bearing debt” under current liabilities and non-current liabilities as borrowings.

The following table presents the carrying amount of financial assets and related liabilities that are transferred but do not meet the derecognition criteria, as well as the fair value where related liabilities have recourse only to the transferred assets:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	**As of March 31, 2024**	**As of March 31, 2024**
Carrying amount of transferred assets	¥ 833,976	**¥ 891,223**	**$ 5,886,157**
Carrying amount of related liabilities	(802,334)	**(866,903)**	**(5,725,533)**
(Fair value of financial assets and financial liabilities where related liabilities have recourse only to the transferred assets)			
Fair value of transferred assets	¥ 833,976	**¥ 891,223**	**$ 5,886,157**
Fair value of related liabilities	(802,022)	**(866,169)**	**(5,720,686)**
Net position	¥ 31,954	**¥ 25,054**	**$ 165,471**

The difference between transferred assets and related liabilities is mainly the subordinate interest which the Company retains on securitization.

In addition, the Company enters into securitization transactions involving a portion of the monthly lump sum payment receivables included in loans in the card business. However, there are securitization receivables for which the Company bears a credit risk until collection and is obligated to pay retrospectively if a debtor does not pay. Those securitization receivables are not derecognized because they do not meet the derecognition criteria. Cash received from transferring the receivables are included in “Interest-bearing debt” under current liabilities as borrowings.

The carrying amount of the receivables transferred by the method not meeting the derecognition criteria and the related liability as of March 31, 2024 is ¥8,292 million ($54,765 thousand) and ¥200,000 million ($1,320,917 thousand), respectively (as of March 31, 2023, ¥6,169 million and ¥170,000 million, respectively). The liability is settled without significant delay when a debtor pays for receivables transferred, but the Company cannot utilize the receivables transferred until the settlement of the liability or payment from the debtor is completed. The discrepancy between receivables transferred and related liabilities are mainly due to the amount of loan collection in card business.

31. Offsetting financial assets and liabilities

The following table presents the amount of financial assets and liabilities offset in the consolidated statement of financial position, as well as the amount of financial assets and liabilities that are under enforceable master netting agreements or similar contracts, but are presented gross, because they do not meet certain or all criteria of offsetting.

Rights to offset based on the enforceable master netting agreements or similar contracts are enforceable only in certain events such as bankruptcy or obligation default of the counterparty.

As of March 31, 2023

(Millions of yen)

Financial assets	Gross amount of financial assets	Gross amount of financial liabilities offset against financial assets	Net amount of financial assets presented in the consolidated statement of financial position	Amount not offset in the consolidated statement of financial position	Net amount
Trade and other receivables	¥190,254	¥ (97,420)	¥ 92,834	¥ (21,547)	¥ 71,287
Derivative financial assets	82,305	–	82,305	(7,961)	74,344
Total	¥272,559	¥ (97,420)	¥175,139	¥ (29,508)	¥145,631

(Millions of yen)

Financial liabilities	Gross amount of financial liabilities	Gross amount of financial assets offset against financial liabilities	Net amount of financial liabilities presented in the consolidated statement of financial position	Amount not offset in the consolidated statement of financial position	Net amount
Trade and other payables	¥285,707	¥ (97,420)	¥188,287	¥ (21,053)	¥167,234
Derivative financial liabilities	8,196	–	8,196	(7,979)	217
Other financial liabilities	712	–	712	(476)	236
Total	¥294,615	¥ (97,420)	¥197,195	¥ (29,508)	¥167,687

As of March 31, 2024

(Millions of yen)

Financial assets	Gross amount of financial assets	Gross amount of financial liabilities offset against financial assets	Net amount of financial assets presented in the consolidated statement of financial position	Amount not offset in the consolidated statement of financial position	Net amount
Trade and other receivables	¥ 228,480	¥ (126,821)	¥ 101,659	¥ (19,952)	¥ 81,707
Derivative financial assets	243,770	–	243,770	(1)	243,769
Total	¥ 472,250	¥ (126,821)	¥ 345,429	¥ (19,953)	¥ 325,476

(Millions of yen)

Financial liabilities	Gross amount of financial liabilities	Gross amount of financial assets offset against financial liabilities	Net amount of financial liabilities presented in the consolidated statement of financial position	Amount not offset in the consolidated statement of financial position	Net amount
Trade and other payables	¥ 929,986	¥ (126,821)	¥ 803,165	¥ (19,424)	¥ 783,741
Derivative financial liabilities	3	–	3	(1)	2
Other financial liabilities	745	–	745	(528)	217
Total	¥ 930,734	¥ (126,821)	¥ 803,913	¥ (19,953)	¥ 783,960

(Thousands of U.S. dollars)

Financial assets	Gross amount of financial assets	Gross amount of financial liabilities offset against financial assets	Net amount of financial assets presented in the consolidated statement of financial position	Amount not offset in the consolidated statement of financial position	Net amount
Trade and other receivables	$ 1,509,015	$ (837,600)	$ 671,415	$ (131,775)	$ 539,640
Derivative financial assets	1,609,999	–	1,609,999	(7)	1,609,992
Total	$ 3,119,014	$ (837,600)	$ 2,281,414	$ (131,782)	$ 2,149,632

(Thousands of U.S. dollars)

Financial liabilities	Gross amount of financial liabilities	Gross amount of financial assets offset against financial liabilities	Net amount of financial liabilities presented in the consolidated statement of financial position	Amount not offset in the consolidated statement of financial position	Net amount
Trade and other payables	$ 6,142,171	$ (837,600)	$ 5,304,571	$ (128,288)	$ 5,176,283
Derivative financial liabilities	20	–	20	(7)	13
Other financial liabilities	4,920	–	4,920	(3,487)	1,433
Total	$ 6,147,111	$ (837,600)	$ 5,309,511	$ (131,782)	$ 5,177,729

32. Foreign currency exchange rates

Exchange rates of the major currencies used for translating the financial statements of foreign operations are as follows:

(1) Rate at the end of the period

(Yen)

	As of March 31, 2023	**As of March 31, 2024**
U.S. dollars	¥ 133.53	**¥ 151.41**

(2) Average rate for the quarter

For the fiscal year ended March 31, 2023

(Yen)

	Three-month period ended June 30, 2022	Three-month period ended September 30, 2022	Three-month period ended December 31, 2022	Three-month period ended March 31, 2023
U.S. dollars	¥ 129.04	¥ 138.68	¥ 141.16	¥ 133.26
Chinese yuan*	19.60	20.19	–	–

For the fiscal year ended March 31, 2024

(Yen)

	Three-month period ended June 30, 2023	**Three-month period ended September 30, 2023**	**Three-month period ended December 31, 2023**	**Three-month period ended March 31, 2024**
U.S. dollars	**¥ 138.11**	**¥ 145.44**	**¥ 147.00**	**¥ 147.87**

* For the three-month period ended September 30, 2022, Alibaba ceased to be an equity method associate of the Company, and Chinese yuan is no longer considered as a major currency used for translating the financial statements of foreign operations. Accordingly, exchange rates of Chinese yuan are not presented since the three-month period ended December 31, 2022.

(3) Foreign exchange sensitivity analysis for exchange differences on translating foreign operations

The table below presents the effect of a 1% appreciation of the Japanese yen against the U.S. dollars, which is the main foreign currency of the Company, regarding the translation of assets, liabilities, and interests in net assets of foreign operations into the presentation currency, assuming that all other factors are constant.

Impact of exchange differences on translating foreign operations (decrease in equity)

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2023	**Fiscal year ended March 31, 2024**	**Fiscal year ended March 31, 2024**
U.S. dollars	¥(143,546)	**¥(203,979)**	**$ (1,347,196)**

33. Equity

(1) Common stock

a. Shares authorized

The number of shares authorized to be issued is as follows:

(Thousands of shares)

	As of March 31, 2023	**As of March 31, 2024**
Ordinary shares	7,200,000	**7,200,000**

b. Shares issued

Changes in the number of shares issued are as follows:

(Thousands of shares)

	Fiscal year ended March 31, 2023	**Fiscal year ended March 31, 2024**
Balance at the beginning of the year	1,722,954	**1,469,995**
Increase during the year	–	**–**
Decrease during the year*	(252,959)	**–**
Balance at the end of the year	1,469,995	**1,469,995**

Notes:
1. Shares issued by the Company are common stock with no par value.
2. Shares issued have been fully paid.

* For the fiscal year ended March 31, 2023, the decrease was made under the resolutions passed at the Board of Directors meeting held on January 27, 2023. The Company retired its treasury stock of 252,959 thousand shares in total on March 30, 2023.

(2) Capital surplus

Capital surplus of the Company includes additional paid-in capital of SoftBank Group Corp., which is legal capital surplus. Under the Companies Act of Japan (the "Companies Act"), at least 50% of the proceeds upon issuance of equity instruments shall be credited to common stock. The remainder of the proceeds shall be credited to additional paid-in capital. The Companies Act permits, upon approval at the general meeting of shareholders, the transfer of amounts from additional paid-in capital to common stock.

For the fiscal year ended March 31, 2024

With the initial public offering of Arm shares on September 14, 2023, the Company sold a portion of Arm shares (10.0% of the total number of outstanding shares) held by a wholly-owned subsidiary. Therefore, the Company's shareholding ratio in Arm was reduced to 90.0%.

As a result of the transaction, the amount of ¥674,370 million ($4,453,933 thousand) equivalent to the gain on sale of Arm shares on a consolidation basis is recorded as "Changes in interests in subsidiaries" under "Capital surplus."

(3) Other equity instruments

On July 19, 2017, SoftBank Group Corp. issued $2.75 billion of USD-denominated Undated Subordinated Non-Call 6 years Resettable Notes and $1.75 billion of USD-denominated Undated Subordinated Non-Call 10 years Resettable Notes (collectively, the "Hybrid Notes").

The Hybrid Notes are classified as equity instruments in accordance with IFRSs because SoftBank Group Corp. has the option to defer interest payments, the notes have no maturity date, and SoftBank Group Corp. has an unconditional right to avoid delivering cash or another financial asset, except for the distribution of residual assets on liquidation.

On October 12, 2022, SoftBank Group Corp. purchased a portion of the above USD-denominated Undated Subordinated Non-Call 6 years Resettable Notes (face value of $0.75 billion) and retired them on the same date. Subsequently, on July 19, 2023, the first optional redemption date, the remaining amount (face value of $2.0 billion) was fully redeemed. The amounts of ¥740 million ($4,887 thousand) and ¥56,164 million ($370,940 thousand) reduced from "Capital surplus" and "Retained earnings," respectively, as "Redemption and cancellation of other equity instruments" in the consolidated statement of changes in equity for the fiscal year ended March 31, 2024 (for the fiscal year ended March 31, 2023: ¥21,776 million reduced from "Retained earnings"), represents the difference between the issue amount and the purchase amount, including foreign exchange effects.

Payments of interest were completed on the interest payment dates, July 19, 2023 and January 19, 2024, and "Retained earnings" decreased by ¥16,708 million ($110,349 thousand) and ¥8,916 million ($58,886 thousand) (for the fiscal year ended March 31, 2023: decreased by ¥19,723 million and ¥15,440 million on July 19, 2022 and January 19, 2023 as payments of interest, and ¥1,517 million on October 12, 2022 as payment of accrued interest on the purchased notes), respectively, as "Distribution to owners of other equity instruments" in the consolidated statement of changes in equity.

In addition, accrued interest, which is not recognized as a distribution to owners of other equity instruments because the payment has not yet been determined, is ¥3,643 million ($24,060 thousand) as of March 31, 2024 (¥6,418 million as of March 31, 2023).

(4) Retained earnings

Retained earnings of the Company include the reserve of SoftBank Group Corp. legally required as legal retained earnings. The Companies Act provides that 10% of the dividend from retained earnings shall be appropriated as legal capital surplus or as legal retained earnings until their aggregate amount equals 25% of common stock. The legal retained earnings may be used to eliminate or reduce a deficit or be transferred to retained earnings upon approval at the general meeting of shareholders.

(5) Treasury stock

The Companies Act provides for companies to purchase treasury stock and dispose of such treasury stock by resolution of the Board of Directors. The amount of treasury stock purchased cannot exceed the amount available for distribution to the shareholders which is determined by a specific formula.

Changes in treasury stock are as follows:

(Thousands of shares)

	Fiscal year ended March 31, 2023	**Fiscal year ended March 31, 2024**
Balance at the beginning of the year	76,164	**6,948**
Increase during the year*1	185,702	**1**
Decrease during the year*2	(254,918)	**(2,879)**
Balance at the end of the year	6,948	**4,070**

*1 For the fiscal year ended March 31, 2023, due to purchases of treasury stock under the resolutions passed at the Board of Directors meeting held on November 8, 2021 and August 8, 2022, the number of treasury stock increased by 185,701 thousand shares (amount purchased ¥1,055,426 million).

*2 For the fiscal year ended March 31, 2023, the decrease was made mainly under the resolution passed at the Board of Directors meeting held on January 27, 2023. The Company retired its treasury stock of 252,959 thousand shares in total on March 30, 2023. As a result of the transaction, both retained earnings and treasury stock decreased by ¥1,412,374 million.

(6) Accumulated other comprehensive income

The changes in the accumulated other comprehensive income are as follows.

(Millions of yen)

	Remeasurements of defined benefit plan	Equity financial assets at FVTOCI	Debt financial assets at FVTOCI	Cash flow hedges	Exchange differences on translating foreign operations	Total
As of April 1, 2022	¥ –	¥ 46,338	¥ 298	¥ 1,696	¥ 2,447,826	¥ 2,496,158
Other comprehensive income (attributable to owners of the parent)	450	(954)	(156)	(73,294)	1,337,214	1,263,260
Transfer to retained earnings	(450)	(2,183)	–	–	–	(2,633)
As of March 31, 2023	¥ –	¥ 43,201	¥ 142	¥ (71,598)	¥ 3,785,040	¥ 3,756,785
Other comprehensive income (attributable to owners of the parent)	**(9)**	**3,828**	**782**	**23,568**	**2,009,461**	**2,037,630**
Transfer to retained earnings	**9**	**(604)**	**–**	**–**	**–**	**(595)**
As of March 31, 2024	**¥ –**	**¥ 46,425**	**¥ 924**	**¥ (48,030)**	**¥ 5,794,501**	**¥ 5,793,820**

(Thousands of U.S. dollars)

	Remeasurements of defined benefit plan	Equity financial assets at FVTOCI	Debt financial assets at FVTOCI	Cash flow hedges	Exchange differences on translating foreign operations	Total
As of March 31, 2023	$ –	$ 285,325	$ 938	$ (472,875)	$ 24,998,613	$ 24,812,001
Other comprehensive income (attributable to owners of the parent)	**(59)**	**25,282**	**5,165**	**155,657**	**13,271,653**	**13,457,698**
Transfer to retained earnings	**59**	**(3,989)**	**–**	**–**	**–**	**(3,930)**
As of March 31, 2024	**$ –**	**$ 306,618**	**$ 6,103**	**$ (317,218)**	**$ 38,270,266**	**$ 38,265,769**

The above amount is presented net of the tax effect. The amount of income taxes on each item in other comprehensive income is described in "Note 42. Other comprehensive income."

(7) Non-controlling interests

SoftBank Corp. issued ¥120,000 million ($792,550 thousand) of the Series 1 Bond-Type Class Shares ("Bond-Type Class Shares") on November 1, 2023. Although dividends whose record date falls in fiscal year ending on or before March 31, 2029, are fixed dividends (floating dividends thereafter) and any unpaid dividends shall be carried over to subsequent fiscal years, the Bond-Type Class Shares are classified as equity instruments because SoftBank Corp. has the option to defer dividend payments, has no obligation to repurchase the Bond-Type Class Shares, and has unconditional right to avoid delivering cash or another financial asset, except for the distribution of residual assets on liquidation.

The holders of the Bond-Type Class Shares only have the right to claim the distribution of residual assets up to the amount paid and the amount of accumulated unpaid dividends. The Company's interests in SoftBank Corp. does not change at the time of issuance, and therefore, for the fiscal year ended March 31, 2024, ¥120,000 million ($792,550 thousand) of the amount paid is recorded as "Issuance of other equity instruments in subsidiaries" under "Non-controlling interests" in the consolidated statement of changes in equity.

34. Dividends

In accordance with the Companies Act, SoftBank Group Corp. has prescribed in its articles of incorporation that semiannual interim dividends may be paid once a year upon resolution by the Board of Directors.

Dividends paid are as follows:

For the fiscal year ended March 31, 2023

Resolution	Class of shares	Dividends per share (Yen)	Total dividends (Millions of yen)	Record date	Effective date
Shareholders' meeting held on June 24, 2022.	Common stock	¥ 22	¥ 36,229	March 31, 2022	June 27, 2022
Board of directors' meeting held on October 28, 2022	Common stock	22	34,098	September 30, 2022	December 9, 2022

For the fiscal year ended March 31, 2024

		Dividends per share		Total dividends			
Resolution	Class of shares	(Yen)	(U.S. dollars)	(Millions of yen)	(Thousands of U.S. dollars)	Record date	Effective date
Shareholders' meeting held on June 21, 2023.	Common stocks	**¥ 22**	**$ 0.15**	**¥ 32,187**	**$ 212,582**	March 31,2023	June 22,2023
Board of Directors' meeting held on October 27, 2023	Common stocks	**22**	**0.15**	**32,246**	**212,971**	September 30, 2023	December 8, 2023

Dividends which will become effective during the fiscal year ending March 31, 2025 are as follows:

		Dividends per share		Total dividends			
Resolution	Class of shares	(Yen)	(U.S. dollars)	(Millions of yen)	(Thousands of U.S. dollars)	Record date	Effective date
Shareholders' meeting held on June 21, 2024.	Common stocks	**¥ 22**	**$ 0.15**	**¥ 32,250**	**$ 212,998**	March 31,2024	June 24,2024

35. Share-based payment transactions

The Company grants stock options, restricted stock unit plans, restricted stock compensation plans and others as share-based payment awards.

Share-based payment awards are granted to the Company's directors and employees based on the terms resolved at the Company's shareholders' meeting or Board of Directors' meeting.

Share-based payment awards are accounted for as equity-settled share-based payments or cash-settled share-based payments. Expense and liability amounts recognized from share-based payment awards are as follows:

Expenses arising from share-based payments

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2023	**Fiscal year ended March 31, 2024**	**Fiscal year ended March 31, 2024**
Equity-settled	¥ 43,886	**¥ 121,647**	**$ 803,428**
Cash-settled	30,983	**15,551**	**102,708**
Total	¥ 74,869	**¥ 137,198**	**$ 906,136**

Liability arising from share-based payments

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	**As of March 31, 2024**	**As of March 31, 2024**
Liability arising from share-based payment	¥ 42,931	**¥ 18,779**	**$ 124,027**
Liability vested in the above	28,007	**3,619**	**23,902**

(1) Stock option plan

a. Details of the stock option plan

The Company grants stock options as equity-settled share-based payments. The details of the Company's stock option plan for the years ended March 31, 2023 and 2024 are as follows:

(a) SoftBank Group Corp.

SoftBank Group Corp. grants stock options to its directors and employees. Shares granted by the exercise of stock options are those issued by SoftBank Group Corp.

The Company conducted a share split at a ratio of two-for-one effective June 28, 2019. The amounts of "Stock options" for each fiscal year are recorded after adjustments of the share split.

Year issued / Name	Grant date	Due date for exercise
2016 July Stock Acquisition Rights*1	July 28, 2016	July 31, 2022
2017 February Stock Acquisition Rights*1	February 27, 2017	February 28, 2023
2017 July Stock Acquisition Rights*1	July 28, 2017	July 31, 2023
2018 August Stock Acquisition Rights*2	August 31, 2018	August 31, 2025
2019 July Stock Acquisition Rights*3	August 13, 2019	August 31, 2025
2019 November Stock Acquisition Rights*4	December 23, 2019	December 31, 2026
2020 August Stock Acquisition Rights*4	August 28, 2020	August 31, 2027
2021 August Stock Acquisition Rights*4	August 27, 2021	August 31, 2028
2022 August Stock Acquisition Rights*4	August 29, 2022	August 31, 2029
2023 August Stock Acquisition Rights*4	August 29, 2023	August 31, 2030

*1 Vesting condition
Stock options vest when the service period requirements are met, and the vesting period is approximately 2 years.
Vesting requires continuous service from the grant date to the vesting date. When an eligible person retires, vested acquisition rights are forfeited.

*2 Vesting condition
Stock options vest when the service period requirements are met, and the vesting period is 3 years.
The amount of the stock acquisition rights exercisable by an entitled person is limited as prescribed in "i" through "iv" below when the number of shares granted by the stock acquisition rights initially allotted is over 400. Fractional points, if any, of the exercisable stock acquisition rights are rounded down.
i. from September 1, 2021 through August 31, 2022: 25% of the allocated amount of stock acquisition rights
ii. from September 1, 2022 through August 31, 2023: 50% of the allocated amount of stock acquisition rights along with the stock acquisition rights exercised in the period "i" above
iii. from September 1, 2023 through August 31, 2024: 75% of the allocated amount of stock acquisition rights along with the stock acquisition rights exercised in the period "i" and "ii" above
iv. from September 1, 2024 through August 31, 2025: 100% of the allocated amount of stock acquisition rights along with the stock acquisition rights exercised in the period "i" through "iii" above
Vesting requires continuous service from the grant date to the vesting date. When an eligible person retires, vested acquisition rights are forfeited.

*3 Vesting condition
Stock options vest when the service period requirements are met, and the vesting period is approximately 2 years.
The amount of the stock acquisition rights exercisable by an entitled person is limited as prescribed in "i" through "iv" below when the number of shares granted by the stock acquisition rights initially allotted is over 800. Fractional points, if any, of the exercisable stock acquisition rights are rounded down.
i. from September 1, 2021 through August 31, 2022: 25% of the allocated amount of stock acquisition rights
ii. from September 1, 2022 through August 31, 2023: 50% of the allocated amount of stock acquisition rights along with the stock acquisition rights exercised in the period "i" above
iii. from September 1, 2023 through August 31, 2024: 75% of the allocated amount of stock acquisition rights along with the stock acquisition rights exercised in the period "i" and "ii" above
iv. from September 1, 2024 through August 31, 2025: 100% of the allocated amount of stock acquisition rights along with the stock acquisition rights exercised in the period "i" through "iii" above
Vesting requires continuous service from the grant date to the vesting date. When an eligible person retires, vested acquisition rights are forfeited.

*4 Vesting condition
Stock options vest when the service period requirements are met, and the vesting period is approximately 3 years.
Vesting requires continuous service from the grant date to the vesting date. When an eligible person retires, vested acquisition rights are forfeited.

(b) SoftBank Corp.

SoftBank Corp. grants stock options to directors and employees of SoftBank Corp. or its subsidiaries. Shares granted by the exercise of stock options are those issued by SoftBank Corp.

Year issued / Name	Grant date	Due date for exercise
2018 March Stock Acquisition Rights*1	March 30, 2018	March 31, 2025
2020 July Stock Acquisition Rights*2	July 31, 2020	July 31, 2027
2021 January Stock Acquisition Rights*3	January 22, 2021	March 31, 2028
2021 July Stock Acquisition Rights Item (i)*4	July 20, 2021	March 31, 2028
2021 July Stock Acquisition Rights Item (ii)*5	July 20, 2021	July 31, 2028
2022 July Stock Acquisition Rights*6	July 20, 2022	July 31, 2029
2023 July Stock Acquisition Rights*7	July 20, 2023	July 31, 2030

*1 Vesting condition

In case the common stock of SoftBank Corp. is newly listed by March 31, 2020 on the financial instruments market established by the financial instruments exchange, an entitled person is able to exercise these rights.
Also, the number of these rights which an entitled person is able to exercise is as follows:

i. Where the total number of shares granted by the stock acquisition rights initially allotted is from 3,000 to less than 12,000 shares, the number of the stock acquisition rights which an entitled person is able to exercise is limited to the following number during the following period.
a. up to 30% of the total allotted rights are exercisable from April 1, 2020 to March 31, 2021.
b. up to 60% of the total allotted rights including the rights exercised during the period of "a" are exercisable from April 1, 2021 to March 31, 2022.
c. up to 100% of the total allotted rights including the rights exercised during the period of "a" and "b" are exercisable from April 1, 2022 to March 31, 2025.

ii. Where the total number of shares granted by the stock acquisition rights initially allotted is 12,000 or more shares, the number of the stock acquisition rights which an entitled person is able to exercise is limited to the following number during the following period.
a. up to 20% of the total allotted rights are exercisable from April 1, 2020 to March 31, 2021.
b. up to 40% of the total allotted rights including the rights exercised during the period of "a" are exercisable from April 1, 2021 to March 31, 2022.
c. up to 60% of the total allotted rights including the rights exercised during the period of "a" and "b" are exercisable from April 1, 2022 to March 31, 2023.
d. up to 80% of the total allotted rights including the rights exercised during the period of "a", "b", and "c" are exercisable from April 1, 2023 to March 31, 2024.
e. up to 100% of the total allotted rights including the rights exercised during the period of "a", "b", "c", and "d" are exercisable from April 1, 2024 to March 31, 2025.

When an eligible person (director, employee or executive officer of SoftBank Corp. or its subsidiaries) retires, the unexercised acquisition rights are forfeited. However, this shall not apply in the case of a good cause, such as resignation due to expiration of the term or mandatory retirement.

*2 Vesting condition

Stock options vest when the service period requirements are met, and the vesting period is approximately 2 years.
When an eligible person (director, employee or executive officer of SoftBank Corp. or its subsidiaries) retires, the unexercised acquisition rights are forfeited. However, this shall not apply in the case of a good cause, such as resignation due to expiration of the term or mandatory retirement.

*3 Vesting condition

The number of these rights which an entitled person is able to exercise is as follows:

i. where the total number of shares granted by the stock acquisition rights initially allotted is from 3,000 to less than 12,000 shares, the number of the stock acquisition rights which an entitled person is able to exercise is limited to the following number during the following period.
a. up to 30% of the total allotted rights are exercisable from April 1, 2023 to March 31, 2024.
b. up to 60% of the total allotted rights including the rights exercised during the period of "a" are exercisable from April 1, 2024 to March 31, 2025.
c. up to 100% of the total allotted rights including the rights exercised during the period of "a" and "b" are exercisable from April 1, 2025 to March 31, 2028.

ii. where the total number of shares granted by the stock acquisition rights initially allotted is 12,000 or more shares, the number of the stock acquisition rights which an entitled person is able to exercise is limited to the following number during the following period. Fractional points, if any, of the exercisable stock acquisition rights are rounded down.
a. up to 20% of the total allotted rights are exercisable from April 1, 2023 to March 31, 2024.
b. up to 40% of the total allotted rights including the rights exercised during the period of "a" are exercisable from April 1, 2024 to March 31, 2025.
c. up to 60% of the total allotted rights including the rights exercised during the period of "a" and "b" are exercisable from April 1, 2025 to March 31, 2026.
d. up to 80% of the total allotted rights including the rights exercised during the period of "a", "b", and "c" are exercisable from April 1, 2026 to March 31, 2027.
e. up to 100% of the total allotted rights including the rights exercised during the period of "a", "b", "c", and "d" are exercisable from April 1, 2027 to March 31, 2028.

When an eligible person (director, employee or executive officer of SoftBank Corp. or its subsidiaries) retires, the unexercised acquisition rights are forfeited. However, this shall not apply in the case of a good cause, such as resignation due to expiration of the term or mandatory retirement.

*4 Vesting condition

The number of these rights which an entitled person is able to exercise during the following periods "i" through "v" is as follows:
i. up to 20% of the total allotted rights are exercisable from April 1, 2023 to March 31, 2024.
ii. up to 40% of the total allotted rights including the rights exercised during the period of "i" are exercisable from April 1, 2024 to March 31, 2025.
iii. up to 60% of the total allotted rights including the rights exercised during the period of "i" and "ii" are exercisable from April 1, 2025 to March 31, 2026.
iv. up to 80% of the total allotted rights including the rights exercised during the period of "i", "ii", and "iii" are exercisable from April 1, 2026 to March 31, 2027.
v. up to 100% of the total allotted rights including the rights exercised during the period of "i", "ii", "iii", and "iv" are exercisable from April 1, 2027 to March 31, 2028.

When an eligible person (director, employee or executive officer of SoftBank Corp. or its subsidiaries) retires, the unexercised acquisition rights are forfeited. However, this shall not apply in the case of a good cause, such as resignation due to expiration of the term or mandatory retirement.

*5 Vesting condition

Stock options vest when the service period requirements are met, and the vesting period is approximately 2 years through July 31, 2023.
When an eligible person (director, employee or executive officer of SoftBank Corp. or its subsidiaries) retires, the unexercised acquisition rights are forfeited. However, this shall not apply in the case of a good cause, such as resignation due to expiration of the term or mandatory retirement.

*6 Vesting condition

Stock options vest when the service period requirements are met, and the vesting period is approximately 2 years through July 31, 2024.
When an eligible person (director, employee or executive officer of SoftBank Corp. or its subsidiaries) retires, the unexercised acquisition rights are forfeited. However, this shall not apply in the case of a good cause, such as resignation due to expiration of the term or mandatory retirement.

*7 Vesting condition
Stock options vest when the service period requirements are met, and the vesting period is approximately 2 years through July 31, 2025.
When an eligible person (director, employee or executive officer of SoftBank Corp. or its subsidiaries) retires, the unexercised acquisition rights are forfeited. However, this shall not apply in the case of a good cause, such as resignation due to expiration of the term or mandatory retirement.

(c) LY Corporation

LY Corporation grants stock options to directors and employees of LY Corporation and its group companies. Shares granted by the exercise of stock options are those issued by LY Corporation.

Year issued / Name	Grant date	Due date for exercise
2012 1st*1	May 16, 2012	May 2, 2022
2020 LINE 22nd*2,3	March 1, 2021	From July 29, 2022 through July 8, 2029
2020 LINE 24th*2,4	March 1, 2021	From July 29, 2022 through July 8, 2029
2020 LINE 25th*2,4	March 1, 2021	From July 29, 2022 through July 8, 2029
2020 LINE 26th*2,5	March 1, 2021	From November 5, 2023 through November 5, 2030
2020 LINE 28th*6	March 30, 2021	From November 5, 2023 through November 5, 2030
2021 LINE 29th*7	November 10, 2021	From November 11, 2024 through October 24, 2031
2022 Z Holdings 1st*8	August 18, 2022	From August 19, 2025 through August 3, 2032

*1 Vesting condition
Share options mainly vest in stages beginning after two years from the grant date.
One-half of the total granted shares vests after two years from the grant date, and one-fourth vests per year for the subsequent two years.
Vesting requires continuous service from the grant date to the vesting date. When the holder of vested share options retires, those vested share options are forfeited.

*2 Stock acquisition rights to be provided for LY Corporation's participants
Based on the capital alliance contract stipulated under the LY Corporation group's governance control after business integration entered into on December 23, 2019, LY Corporation granted alternative stock options to directors and employees of LY Corporation and its group companies substituted for the stock options which A Holdings Corporation (formerly LINE Corporation) was granting to directors and employees of A Holdings Corporation and its group companies.

*3 Vesting condition
An entitled person must hold the position of director of LY Corporation or its affiliated companies at the time of exercising the rights. However, this shall not apply in cases where the person retires from office due to expiration of the term of office, or the Board of Directors of LY Corporation deems that there is a justifiable reason. If stock price of LY Corporation's common stock meets the following "i" to "iii", the number of shares of stock acquisition rights specified in "i", "ii", and "iii" is exercisable.

i. At any of July 29, 2022 through July 29, 2025, including 10 days before the last business day (excluding the day of unclosing transaction of LY Corporation's common stock. Same as the following "i" to "iii"), if the average of closing price of LY Corporation's common stock ordinary transaction on the Tokyo Stock Exchange exceeds ¥640 ("Basic Stock Price"); up to 20% of the total allotted rights is exercisable
ii. At any of July 29, 2023 through July 29, 2026, including 10 days before the last business day, if the average of closing price of LY Corporation's common stock ordinary transaction on the Tokyo Stock Exchange exceeds Basic Stock Price; up to 30% of the total allotted rights is exercisable
iii. At any of July 29, 2024 through July 29, 2027, including 10 days before the last business day, if the average of closing price of LY Corporation's common stock ordinary transaction on the Tokyo Stock Exchange exceeds Basic Stock Price; up to 50% of the total allotted rights is exercisable

Regardless of the exercise period (from July 29, 2022 to July 8, 2029. If the last day of the exercise period conflicts with a holiday of LY Corporation, its last business day shall be the last day of the exercise period), the holder of stock acquisition rights is able to exercise the stock acquisition rights during the period specified in "a", "b" and "c" (including the first day and the last day), to the extent the number specified in "a", "b" and "c", deducting the number of stock acquisition rights already exercised. In this case, if a fraction of less than one unit arises from the number of exercisable stock acquisition rights calculated based on such ratio, only the number of stock acquisition rights rounded down to the nearest whole number can be exercised.
a. up to 20% of the total allotted rights, exercisable from July 29, 2022 to July 8, 2029
b. up to 50% of the total allotted rights, exercisable from July 29, 2023 to July 8, 2029
c. up to 100% of the total allotted rights, exercisable from July 29, 2024 to July 8, 2029

*4 Vesting condition
An entitled person must hold the position of director, auditor, executive officer, corporate officer or be an employee of LY Corporation or its affiliated companies at the time of exercising the rights. However, this shall not apply in cases where the person retires from office due to expiration of the term of office, or the Board of Directors of LY Corporation deems that there is a justifiable reason. Regardless of the exercise period (from July 29, 2022 to July 8, 2029. If the last day of the exercise period conflicts with a holiday of LY Corporation, its last business day shall be the last day of the exercise period), the holder of stock acquisition rights is able to exercise the stock acquisition rights during the period specified in "i", "ii" and "iii" (including the first day and the last day), to the extent the number specified in "i", "ii" and "iii", deducting the number of stock acquisition rights already exercised. In this case, if a fraction of less than one unit arises from the number of exercisable stock acquisition rights calculated based on such ratio, only the number of stock acquisition rights rounded down to the nearest whole number can be exercised.
i. up to 20% of the total allotted rights, exercisable from July 29, 2022 to July 8, 2029
ii. up to 50% of the total allotted rights, exercisable from July 29, 2023 to July 8, 2029
iii. up to 100% of the total allotted rights, exercisable from July 29, 2024 to July 8, 2029

*5 Vesting condition
An entitled person must hold the position of director of LY Corporation or its affiliated companies at the time of exercising the rights. However, this shall not apply in cases where the person retires from office due to expiration of the term of office, or the Board of Directors of LY Corporation deems that there is a justifiable reason. If stock price of LY Corporation's common stock meets the following "i" to "iii", the number of shares of stock acquisition rights specified in "i", "ii", and "iii" is exercisable.
i. At any of November 5, 2023 through November 5, 2026, including 10 days before the last business day (excluding the day of unclosing transaction of LY Corporation's common stock. Same as the following "i" to "iii"), if the average of closing price of LY Corporation's common stock ordinary transaction on the Tokyo Stock Exchange exceeds ¥640 ("Basic Stock Price"); up to 20% of the total allotted rights is exercisable
ii. At any of November 5, 2024 through November 5, 2027, including 10 days before the last business day, if the average of closing price of LY Corporation's common stock ordinary transaction on the Tokyo Stock Exchange exceeds Basic Stock Price; up to 30% of the total allotted rights is exercisable
iii. At any of November 5, 2025 through November 5, 2028, including 10 days before the last business day, if the average of closing price of LY Corporation's common stock ordinary transaction on the Tokyo Stock Exchange exceeds Basic Stock Price; up to 50% of the total allotted rights is exercisable

Regardless of the exercise period (from November 5, 2023 to November 5, 2030. If the last day of the exercise period conflicts with a holiday of LY Corporation, its last business day shall be the last day of the exercise period), the holder of stock acquisition rights is able to exercise the stock acquisition rights during the period specified in "a", "b" and "c" (including the first day and the last day), to the extent the number specified in "a", "b" and "c", deducting the number of stock acquisition rights already exercised. In this case, if a fraction of less than one unit arises from the number of

exercisable stock acquisition rights calculated based on such ratio, only the number of stock acquisition rights rounded down to the nearest whole number can be exercised.
a. up to 20% of the total allotted rights, exercisable from November 5, 2023 to November 5, 2030
b. up to 50% of the total allotted rights, exercisable from November 5, 2024 to November 5, 2030
c. up to 100% of the total allotted rights, exercisable from November 5, 2025 to November 5, 2030

*6 Vesting condition
An entitled person must hold the position of director, auditor, executive officer, corporate officer or be an employee of LY Corporation or its affiliated companies at the time of exercising the rights. However, this shall not apply in cases where the person retires from office due to expiration of the term of office, or the Board of Directors of LY Corporation deems that there is a justifiable reason. Regardless of the exercise period (from November 5, 2023 to November 5, 2030. If the last day of the exercise period conflicts with a holiday of LY Corporation, its last business day shall be the last day of the exercise period), the holder of stock acquisition rights is able to exercise the stock acquisition rights during the period specified in "i", "ii" and "iii" (including the first day and the last day), to the extent the number specified in "i", "ii" and "iii", deducting the number of stock acquisition rights already exercised. In this case, if a fraction of less than one unit arises from the number of exercisable stock acquisition rights calculated based on such ratio, only the number of stock acquisition rights rounded down to the nearest whole number can be exercised.
i. up to 20% of the total allotted rights, exercisable from November 5, 2023 to November 5, 2030
ii. up to 50% of the total allotted rights, exercisable from November 5, 2024 to November 5, 2030
iii. up to 100% of the total allotted rights, exercisable from November 5, 2025 to November 5, 2030

*7 Vesting condition
An entitled person must hold the position of director, auditor, executive officer, corporate officer or be an employee of LY Corporation or its affiliated companies at the time of exercising the rights. However, this shall not apply in cases where the person retires from office due to expiration of the term of office, or the Board of Directors of LY Corporation deems that there is a justifiable reason. If stock price of LY Corporation's common stock meets the following "i" to "iii", the number of shares of stock acquisition rights specified in "i", "ii", and "iii" is exercisable.
i. At any of November 11, 2024 through November 11, 2027, including 10 days before the last business day (excluding the day of unclosing transaction of LY Corporation's common stock. Same as the following "i" to "iii"), if the average of closing price of LY Corporation's common stock ordinary transaction on the Tokyo Stock Exchange exceeds ¥640 ("Basic Stock Price"); up to 20% of the total allotted rights is exercisable
ii. At any of November 11, 2025 through November 11, 2028, including 10 days before the last business day, if the average of closing price of LY Corporation's common stock ordinary transaction on the Tokyo Stock Exchange exceeds Basic Stock Price; up to 30% of the total allotted rights is exercisable
iii. At any of November 11, 2026 through November 11, 2029, including 10 days before the last business day, if the average of closing price of LY Corporation's common stock ordinary transaction on the Tokyo Stock Exchange exceeds Basic Stock Price; up to 50% of the total allotted rights is exercisable

Regardless of the exercise period (from November 11, 2024 to October 24, 2031. If the last day of the exercise period conflicts with a holiday of LY Corporation, its last business day shall be the last day of the exercise period), the holder of stock acquisition rights is able to exercise the stock acquisition rights during the period specified in "a", "b" and "c" (including the first day and the last day), to the extent the number specified in "a", "b" and "c", deducting the number of stock acquisition rights already exercised. In this case, if a fraction of less than one unit arises from the number of exercisable stock acquisition rights calculated based on such ratio, only the number of stock acquisition rights rounded down to the nearest whole number can be exercised.
a. up to 20% of the total allotted rights, exercisable from November 11, 2024 to October 24, 2031
b. up to 50% of the total allotted rights, exercisable from November 11, 2025 to October 24, 2031
c. up to 100% of the total allotted rights, exercisable from November 11, 2026 to October 24, 2031

*8 Vesting condition
An entitled person must hold a position of director, auditor, executive officer, or corporate executive officers, or be an employee of LY Corporation or its affiliated companies at the time of exercising the rights. However, this shall not apply in the case of a good cause, such as expiration of the term. Other conditions for the exercise of stock acquisition rights shall be as specified in the "Stock Acquisition Rights Allotment Agreement," which LY Corporation enters into with an entitled person.

b. Fair value of stock options granted during the period
Weighted-average fair value and fair value measurement at the measurement date of the stock options granted during the period are as follows:

(a) SoftBank Group Corp.
For the fiscal year ended March 31, 2024, the weighted-average fair value at the measurement date of the stock options granted during the period is ¥6,472 ($42.74) (for the fiscal year ended March 31, 2023: ¥5,365).

Fair value is measured as follows:

	Fiscal year ended March 31, 2023
Year issued / Name	2022 August Stock Acquisition Rights
Valuation method used	Black-Scholes model
Key inputs and assumptions:	(Yen)
Weighted-average stock price . . .	¥5,496
Weighted-average exercise price . .	¥ 1
Volatility of stock price* . . .	50.82%
Estimated residual period . .	3 years
Estimated dividend	¥44/per share
Risk-free interest rate.	(0.08%)

	Fiscal year ended March 31, 2024	
Year issued / Name	**2023 August Stock Acquisition Rights**	
Valuation method used	**Black-Scholes model**	
Key inputs and assumptions:	**(Yen)**	**(USD)**
Weighted-average stock price . . .	**¥6,604**	**$43.62**
Weighted-average exercise price . .	**¥ 1**	**$ 0.01**
Volatility of stock price* . . .	**39.12%**	
Estimated residual period . .	**3 years**	
Estimated dividend	**¥44/per share**	**$0.29/per share**
Risk-free interest rate.	**0.08%**	

* Volatility of the stock price is calculated based on the performance of the stock price for the most recent period depending on the period to maturity.

(b) SoftBank Corp.

For the fiscal year ended March 31, 2024, the weighted-average fair value at the measurement date of the stock options granted during the period is ¥1,375 ($9.08) (for the fiscal year ended March 31, 2023: ¥1,387).

Fair value is measured as follows:

	Fiscal year ended March 31, 2023
Year issued / Name	2022 July Stock Acquisition Rights
Valuation method used	Black-Scholes model
Key inputs and assumptions:	(Yen)
Weighted-average stock price. .	¥1,551
Weighted-average exercise price.	¥ 1
Volatility of stock price*. . .	15.44%
Estimated residual period .	2 years
Estimated dividend	¥86/per share
Risk-free interest rate	(0.08%)

	Fiscal year ended March 31, 2024	
Year issued / Name	**2023 July Stock Acquisition Rights**	
Valuation method used	**Black-Scholes model**	
Key inputs and assumptions:	**(Yen)**	**(USD)**
Weighted-average stock price. .	**¥1,539**	**$10.16**
Weighted-average exercise price.	**¥ 1**	**$ 0.01**
Volatility of stock price*. . .	**13.14%**	
Estimated residual period .	**2 years**	
Estimated dividend	**¥86/per share**	**$0.57/per share**
Risk-free interest rate	**(0.04%)**	

* Volatility of the stock price is calculated based on the performance of the stock price for the most recent period depending on the period to maturity.

(c) LY Corporation

For the fiscal year ended March 31, 2023, the weighted-average fair value at the measurement date of the stock options granted during the period is ¥158. For the fiscal year ended March 31, 2024, there are no stock options granted during the period.

Fair value is measured as follows:

	Fiscal year ended March 31, 2023
Year issued / Name	2022 Z Holdings 1st
Valuation method used	Binomial model
Key inputs and assumptions:	(Yen)
Stock price.	¥440.4
Exercise price	¥ 454
Volatility of stock price* . .	35.43%
Duration to maturity	9.97 years
Estimated dividend yield. .	1.26%
Risk-free interest rate. . . .	0.181%

* Volatility of the stock price is calculated based on the performance of the stock price for the most recent period depending on the period to maturity.

c. Changes in stock options during the period and the condition of stock options at the period end

Changes in stock options during the period and the condition of stock options at the period end are as follows:

(a) SoftBank Group Corp.

	Fiscal year ended March 31, 2023		**Fiscal year ended March 31, 2024**		
		Weighted-average exercise price		Weighted-average exercise price	
	Number of shares	(Yen)	Number of shares	(Yen)	(USD)
Beginning balance – Unexercised	6,559,600	¥3,428	**4,602,800**	**¥3,360**	**$22.19**
Granted	126,400	1	**160,200**	**1**	**0.01**
Forfeited.	(46,300)	2,493	**(32,100)**	**598**	**3.95**
Exercised.	(1,959,700)	3,402	**(2,878,900)**	**4,093**	**27.03**
Matured	(77,200)	3,080	**(764,800)**	**4,791**	**31.64**
Ending balance – Unexercised	4,602,800	¥3,360	**1,087,200**	**¥ 1**	**$ 0.01**
Ending balance – Exercisable	3,493,600	¥4,427	**334,800**	**¥ 1**	**$ 0.01**

The unexercised options as of March 31, 2024 are as follows:

Range of exercise price (Yen)	Range of exercise price (USD)	Number of shares	Weighted-average exercise price (Yen)	Weighted-average exercise price (USD)	Weighted-average remaining contract period (year)
¥ 1	**$ 0.01**	**1,087,200**	**¥ 1**	**$ 0.01**	**3.1**

(b) SoftBank Corp.

	Fiscal year ended March 31, 2023		**Fiscal year ended March 31, 2024**		
	Number of shares	Weighted-average exercise price (Yen)	Number of Shares	Weighted-average exercise price (Yen)	Weighted-average exercise price (USD)
Beginning balance – Unexercised	183,743,400	¥ 1,082	**158,387,600**	**¥1,143**	**$ 7.55**
Granted	547,400	1	**492,000**	**1**	**0.01**
Forfeited.	(3,077,700)	1,246	**(2,199,500)**	**1,261**	**8.33**
Exercised.	(22,825,500)	614	**(31,908,800)**	**942**	**6.22**
Ending balance – Unexercised	158,387,600	¥ 1,143	**124,771,300**	**¥1,188**	**$ 7.85**
Ending balance – Exercisable	25,058,600	¥ 621	**46,791,300**	**¥1,070**	**$ 7.07**

The unexercised options as of March 31, 2024 are as follows:

Range of exercise price (Yen)	Range of exercise price (USD)	Number of shares	Weighted-average exercise price (Yen)	Weighted-average exercise price (USD)	Weighted-average remaining contract period (year)
¥ 1	**$ 0.01**	**1,227,100**	**¥ 1**	**$ 0.01**	**5.5**
623	**4.11**	**29,532,000**	**623**	**4.11**	**1.0**
1,366	**9.02**	**83,512,200**	**1,366**	**9.02**	**4.0**
1,497	**9.89**	**10,500,000**	**1,497**	**9.89**	**4.0**
Total		**124,771,300**	**¥1,188**	**$ 7.85**	**3.3**

(c) LY Corporation

	Fiscal year ended March 31, 2023		**Fiscal year ended March 31, 2024**		
	Number of shares	Weighted-average exercise price (Yen)	Number of shares	Weighted-average exercise price (Yen)	Weighted-average exercise price (USD)
Beginning balance – Unexercised	220,003,100	¥ 448	**224,138,375**	**¥ 452**	**$ 2.99**
Granted	13,605,400	454	**–**	**–**	**–**
Forfeited.	(7,950,050)	386	**(37,072,650)**	**605**	**4.00**
Exercised.	(1,509,475)	298	**(3,567,300)**	**299**	**1.97**
Matured	(10,600)	254	**–**	**–**	**–**
Ending balance – Unexercised	224,138,375	¥ 452	**183,498,425**	**¥ 424**	**$ 2.80**
Ending balance – Exercisable	10,327,075	¥ 298	**32,605,075**	**¥ 686**	**$ 4.53**

The unexercised options as of March 31, 2024 are as follows:

Range of exercise price (Yen)	Range of exercise price (USD)	Number of shares	Weighted-average exercise price (Yen)	Weighted-average exercise price (USD)	Weighted-average remaining contract period (year)
¥201 - ¥300	**$1.33 - $1.98**	**86,196,825**	**¥298**	**$1.97**	**5.3**
401 - 500	**2.65 - 3.30**	**78,689,600**	**477**	**3.15**	**6.9**
701 - 800	**4.63 - 5.28**	**18,612,000**	**783**	**5.17**	**7.6**
Total		**183,498,425**	**¥424**	**$2.80**	**6.2**

d. Stock options exercised during the period

Weighted-average stock prices at exercise for those stock options exercised during the period are as follows:

(a) SoftBank Group Corp.

Fiscal year ended March 31, 2023			**Fiscal year ended March 31, 2024**			
Year issued / Name	Number of shares exercised	Weighted-average stock price at exercise (Yen)	Year issued / Name	Number of shares exercised	Weighted-average stock price at exercise (Yen)	Weighted-average stock price at exercise (USD)
2016 – July Stock Acquisition Rights	637,600	¥ 5,483	2017 - July Stock Acquisition Rights	**2,459,200**	**¥ 6,582**	**$ 43.47**
2017 – February Stock Acquisition Rights	44,800	6,010	2018 - August Stock Acquisition Rights	**271,600**	**6,845**	**45.21**
2017 – July Stock Acquisition Rights	940,200	5,941	2019 - July Stock Acquisition Rights	**42,800**	**6,495**	**42.90**
2018 – August Stock Acquisition Rights	245,600	5,797	2019 - November Stock Acquisition Rights	**6,300**	**6,189**	**40.88**
2019 – July Stock Acquisition Rights	56,000	5,720	2020 - August Stock Acquisition Rights	**99,000**	**6,638**	**43.84**
2019 – November Stock Acquisition Rights	35,500	5,862				

(b) SoftBank Corp.

Fiscal year ended March 31, 2023			**Fiscal year ended March 31, 2024**			
Year issued / Name	Number of shares exercised	Weighted-average stock price at exercise (Yen)	Year issued / Name	Number of shares exercised	Weighted-average stock price at exercise (Yen)	Weighted-average stock price at exercise (USD)
2018 March Stock Acquisition Rights	22,507,000	¥ 1,500	2018 March Stock Acquisition Rights	**17,528,100**	**¥1,688**	**$11.15**
2020 July Stock Acquisition Rights	318,500	1,514	2020 July Stock Acquisition Rights	**40,100**	**1,602**	**10.58**
			2021 January Stock Acquisition Rights	**12,905,600**	**1,743**	**11.51**
			2021 July Stock Acquisition Rights Item (i)	**1,000,000**	**1,954**	**12.91**
			2021 July Stock Acquisition Rights Item (ii)	**435,000**	**1,659**	**10.96**

(c) LY Corporation

Fiscal year ended March 31, 2023			**Fiscal year ended March 31, 2024**			
Year issued / Name	Number of shares exercised	Weighted-average stock price at exercise (Yen)	Year issued / Name	Number of shares exercised	Weighted-average stock price at exercise (Yen)	Weighted-average stock price at exercise (USD)
2012	9,000	¥ 515	2012	**–**	**¥ –**	**$ –**
2020	1,500,475	440	2020	**3,567,300**	**426**	**2.81**

(2) Restricted stock unit plan

The Company adopts restricted stock unit ("RSU") plans where the Company grants shares as compensation on the vesting date if certain conditions are met.

The details of the Company's RSU plans for the fiscal year ended March 31, 2023 and 2024 are primarily as follows:

Arm

a. The Arm Limited All Employee Plan 2019 ("2019 AEP")

In December 2019, the 2019 AEP was established to grant RSUs to all employees of Arm and its group companies. Under this plan, it is determined whether to be settled by ordinary shares of

Arm or cash dependent on future conditions based on the terms of the plan. The Company considered it to be settled by ordinary shares of Arm on the premise of an IPO and accounted for the compensation plan as an equity-settled share-based payment transaction.

RSUs vest upon the achievement of certain performance thresholds of the enterprise value at the IPO. The fair value of the RSUs is measured using the Monte Carlo option pricing model at the time of grant. The RSUs are forfeited if the employee leaves the Arm Group before the RSUs vest.

The table below identifies award activity under 2019 AEP:

	Unit	U.S. dollars
	Awards	Weighted average fair value
Unexercised as of March 31, 2022	13,326,100	$ 14.36
Granted	198,081	15.71
Cancelled and forfeited	(1,648,383)	18.49
Vested	(419,934)	19.02
Unexercised as of March 31, 2023	**11,455,864**	**$ 13.64**
Granted	**2,603**	**50.20**
Cancelled and forfeited	**(240,814)**	**13.84**
Vested	**(11,217,653)**	**13.64**
Unexercised as of March 31, 2024	**–**	**$ –**

b. 2022 Arm Limited RSU Award Plan ("2022 RSU Plan")

In June 2022, the 2022 RSU Plan was established to grant RSUs to all employees of Arm and its group companies ("All Employee Awards") and to grant two types of executive awards to certain of Arm's executive officers ("Executive Awards").

Under All Employee Awards, RSUs were granted as a fixed number of units, and vested RSUs are basically to be settled by ordinary shares of Arm while the 2022 RSU Plan allows for either cash or share settlement of the RSU awards by tranche at the discretion of Arm. The Company accounted for the compensation plan, except for certain units expected to be settled by cash, as an equity-settled share-based payment transaction, and for units expected to be settled by cash are accounted as a cash-settled share-based payment transaction. The fair value of the RSUs accounted as an equity-settled share-based payment transaction is measured by taking into account the lack of marketability to a calculated entity valuation at the time of grant while the fair value of the RSUs accounted as a cash-settled share-based payment transaction is measured at every quarter.

Under Executive Awards, RSUs were granted as a fixed amount of cash or, upon the occurrence of a change in control or an IPO, a variable number of ordinary shares of Arm equal to a fixed amount of cash in November 2022. Executive Awards granted were originally accounted for as cash-settled share-based payment transaction and upon the IPO, each Executive Award was converted into variable number of shares based on the closing ADS price of Arm at the IPO date.

RSUs for All Employee Awards require continuous service through the vesting date, and are subject to graded vesting over time. RSUs for a portion of Executive Awards require a three-year continuous service period and vest over the period, and another portion of Executive Awards is subject to continuous service and satisfaction of certain performance conditions, and vest upon the satisfaction of performance metrics.

The table below identifies award activity under the 2022 RSU Plan:

	Unit	U.S. dollars
Equity-settled	Awards	Weighted average fair value
Unexercised as of March 31, 2022	–	$ –
Granted	18,011,664	35.58
Cancelled and forfeited	(927,323)	33.66
Reclassification to Cash-settled	(6,306,872)	35.58
Unexercised as of March 31, 2023	**10,777,469**	**$ 35.74**
Granted	**17,126,122**	**43.66**
Cancelled and forfeited	**(621,895)**	**43.40**
Vested	**(6,400,480)**	**37.52**
Executive Awards conversion	**2,491,899**	**51.00**
Unexercised as of March 31, 2024	**23,373,115**	**$ 42.42**

Cash-settled	Unit Awards	U.S. dollars Weighted average fair value
Unexercised as of March 31, 2022	–	$ –
Reclassification from Equity-settled	6,306,872	35.58
Cancelled and forfeited	(454,246)	–
Vested	(5,500,361)	41.50
Unexercised as of March 31, 2023	**352,265**	**$ 41.50**
Granted	**8,362**	**–**
Cancelled and forfeited	**(9,605)**	**–**
Vested	**(351,022)**	**47.99**
Unexercised as of March 31, 2024	**–**	**$ –**

c. Omnibus Incentive Plan

In August 2023, the Omnibus Incentive Plan was established to grant incentive awards to employees, executive directors, and non-employees of Arm and its subsidiaries. The types of incentive awards granted under the Omnibus Incentive Plan and vesting conditions applicable to each award are determined by Arm.

For all periods presented, the maximum number of ordinary shares that may be issued under the Omnibus Incentive Plan is equal to the sum of (i)20,500,000 ordinary shares and (ii) an annual increase on April 1 of each year beginning on April 1, 2024 and ending on April 1, 2028, equal to the lesser of (A) 2% of the aggregate number of ordinary shares outstanding on March 31 of the immediately preceding fiscal year and (B) such smaller number of ordinary shares as determined by Arm.

For the fiscal year ended March 31, 2024, Arm granted RSUs and performance stock units ("PSUs") under the Omnibus Incentive Plan to employees, including executives of Arm. The Omnibus Incentive Plan allows for either cash or share settlement of the awards by tranche, if applicable, at the discretion of Arm. At the time of issuance, the Company intended to settle the RSUs and PSUs in shares at the vesting date and such awards are accounted for as equity-settled share-based payment transactions.

The RSUs were granted to existing employees and new hires of Arm and its subsidiaries, require continuous service through the vesting date and are subject to graded vesting over time.

PSUs were awarded to executives of Arm and include a portion that require three-year continuous service period and another portion that is subject to continuous service and satisfaction of certain performance conditions. The time-based portion of the PSUs vest over a three-year period. The PSUs that are subject to continuous service and satisfaction of certain performance conditions vest upon the satisfaction of performance metrics.

The table below identifies award activity under the Omnibus Incentive Plan:

	Unit Awards	U.S. dollars Weighted average fair value
Unexercised as of March 31, 2023	**–**	**$ –**
Granted	**1,957,636**	**68.17**
Cancelled and forfeited	**(11,105)**	**57.01**
Vested	**(50,784)**	**71.03**
Unexercised as of March 31, 2024	**1,895,747**	**$ 68.16**

(3) Restricted stock compensation plan

The Company adopts restricted stock compensation plans where the Company grants stocks, the transfer of which is restricted.

The details of the Company's restricted stock compensation plans for the fiscal year ended March 31, 2023 and 2024 are primarily as follows:

SoftBank Corp.

SoftBank Corp. adopts a restricted stock compensation plan where SoftBank Corp. grants stocks, the transfer of which is restricted. The fair value of restricted stocks granted is calculated based on the common stock price of SoftBank Corp. on the grant date. The plan is accounted for as equity-settled share-based payment.

The plan is vested on the day when shares of restricted stocks are granted, and the granted shares of restricted stocks shall not be transferred, pledged as collateral or disposed of from the grant day to the day of resignation from the eligible directors of SoftBank Corp.

The details of the plan for the fiscal year ended March 31, 2023 and 2024 are as follows:

	Fiscal year ended March 31, 2023	**Fiscal year ended March 31, 2024**
Eligible director(s)	Five directors Four corporate executive officers	**Five directors** **Four corporate executive officers**
Number of shares granted	1,421,700	**1,117,100**
Weighted-average fair value of shares granted	¥1,541	**¥1,538** **($10.16)**

36. Net sales

(1) Breakdown of net sales

The components of net sales are as follows.

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2023	**Fiscal year ended March 31, 2024**	**Fiscal year ended March 31, 2024**
SoftBank segment*1			
Consumer business			
Service revenues			
Mobile communications	¥1,502,112	**¥1,507,678**	**$ 9,957,585**
Broadband	396,745	**404,765**	**2,673,304**
Electricity	392,550	**261,666**	**1,728,195**
Revenues from sales of goods and others	579,765	**635,437**	**4,196,797**
Enterprise business	729,494	**762,924**	**5,038,795**
Distribution business	516,188	**568,790**	**3,756,621**
Media & EC business*2			
Media	665,778	**680,078**	**4,491,632**
Commerce	788,800	**816,597**	**5,393,283**
Strategy	74,043	**84,395**	**557,394**
Other	4,372	**5,511**	**36,398**
Financial business	174,135	**215,862**	**1,425,679**
Other	129,392	**137,580**	**908,659**
Subtotal	5,953,374	**6,081,283**	**40,164,342**
Arm segment			
License and other revenue*3	140,032	**207,749**	**1,372,096**
Royalty revenue	241,714	**256,276**	**1,692,596**
Subtotal	381,746	**464,025**	**3,064,692**
Other	235,319	**211,192**	**1,394,835**
Total	¥6,570,439	**¥6,756,500**	**$44,623,869**

The above amount of net sales for the fiscal year ended March 31, 2024 includes ¥197,147 million ($1,302,074 thousand) (for the fiscal year ended March 31, 2023: ¥148,353 million) of revenue arising from other sources than those arising from IFRS 15 "Revenue from Contracts with Customers", such as lease contracts at Finance business and Enterprise business under the SoftBank segment.

*1 Since the three-month period ended June 30, 2023, name of a service category under the SoftBank segment has been changed from "Yahoo! JAPAN/LINE business" to "Media & EC business."

*2 For the three-month period ended June 30, 2023, the service categories under "Media & EC business (formerly Yahoo! JAPAN/LINE business)" were changed, and certain services were transferred between "Media" and "Other." In addition, for the three-month period ended December 31, 2023, following the completion of the intragroup reorganization among Z Holdings Corporation, LINE Corporation, Yahoo Japan Corporation and others, certain service categories under "Media & EC business" were changed. Accordingly, sales under "Media & EC business" for the fiscal year ended March 31, 2023 are reclassified among the categories

*3 Since the three-month period ended June 30, 2023, "License revenue" and "Other" have been combined into "License and other revenue" under the Arm segment. Sales for the fiscal year ended March 31, 2023 are reclassified accordingly.

(2) Contract balance

The components of contract balances are as follows.

	(Millions of yen)			(Thousands of U.S. dollars)
	As of April 1, 2022	As of March 31, 2023	**As of March 31, 2024**	**As of March 31, 2024**
Receivables arising from contracts with customers	¥1,015,459	¥1,102,918	**¥1,137,705**	**$7,514,068**
Contract assets	51,883	50,549	**114,884**	**758,761**
Contract liabilities	265,276	335,898	**364,354**	**2,406,406**

Contract assets generally increase when the Company transfers goods or services to a customer (excluding claims for which the right to remuneration is unconditional) before the customer pays the consideration or before the payment becomes due and decrease when the Company bills the customer.

Contract liabilities generally increase when the Company receives consideration from a customer prior to the transfer of goods or services to the customer and decrease when the Company meets its performance obligations.

For the fiscal year ended March 31, 2024, impairment loss on receivables related to revenue from contracts with customers was ¥14,871 million ($98,217 thousand) (for the fiscal year ended March 31, 2023: ¥6,216 million).

Of the net sales recognized for the fiscal year ended March 31, 2024, ¥136,076 million ($898,725 thousand) was included in the beginning balance of contract liabilities as of that date (for the fiscal year ended March 31, 2023: ¥124,938 million). Also, for the fiscal year ended March 31, 2024, net sales recognized from previously satisfied performance obligations in prior reporting periods was ¥269,561 million ($1,780,338 thousand) (for the fiscal year ended March 31, 2023: ¥230,686 million) which primarily represent royalties earned during the period in the Arm segment.

(3) Transaction price allocated to unsatisfied performance obligations

The aggregate amount of transaction prices allocated to unsatisfied (or partially unsatisfied) performance obligations as of March 31, 2024 is ¥515,619 million ($3,405,449 thousand) (as of March 31, 2023: ¥378,510 million).

Of this, the unsatisfied performance obligations of ¥376,167 million ($2,484,426 thousand) as of March 31, 2024 (as of March 31, 2023: ¥227,023 million) arise primarily from license contracts related to Arm's technology in the Arm segment and of ¥139,449 million ($921,003 thousand) as of March 31, 2024 (as of March 31, 2023: ¥150,980 million) arise primarily from mobile services and mobile device rental services in the SoftBank segment.

Under the Arm segment, the Company has elected to exclude potential future royalty receipts from the disclosure. In certain arrangements, Arm's right to consideration may not correspond directly with the performance of obligations. Revenue recognition occurs upon delivery or beginning of license term, whichever is later. Accordingly, the analysis between time bands below has been estimated, but the final timing may differ from these estimates. In the absence of sufficient information, where the timing of satisfaction of the remaining performance obligations is dependent on a customer's action, the transaction price allocated to such performance obligation is included in the outer-year time band unless contract or option expiration aligns with an earlier period or category. In the Arm segment, the Company expects to recognize approximately 28% of remaining performance obligations as revenue over the next 12 months, approximately 14% over the subsequent 13-to 24-month period, and the remainder thereafter.

The unsatisfied performance obligations in the SoftBank segment are expected to be recognized as revenue primarily within three years.

The Company applies practical expedients. Transaction prices of contracts with an original duration of one year or less and transaction prices of contracts in which considerations are received from customers directly corresponding to the volume of service delivered are not included in the transaction prices allocated to the residual performance obligations mentioned above.

37. Cost of sales and selling, general and administrative expenses

The components of cost of sales and selling, general and administrative expenses are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2023	**Fiscal year ended March 31, 2024**	**Fiscal year ended March 31, 2024**
Cost of goods sold	¥(1,765,752)	**¥(1,708,728)**	**$(11,285,437)**
Employees benefit cost	(870,743)	**(1,114,941)**	**(7,363,721)**
Depreciation and amortization	(893,488)	**(858,620)**	**(5,670,828)**
Sales commissions and sales promotion expenses	(465,489)	**(461,113)**	**(3,045,459)**
Service outsourcing expenses	(363,876)	**(359,262)**	**(2,372,776)**
Amortization of contract acquisition cost and contract performance cost	(247,887)	**(255,146)**	**(1,685,133)**
Telecommunications equipment usage fees	(251,752)	**(249,243)**	**(1,646,146)**
Other	(1,078,738)	**(1,189,438)**	**(7,855,743)**
Total	¥(5,937,725)	**¥(6,196,491)**	**$(40,925,243)**

"Depreciation and amortization" includes disposal of "Property, plant and equipment," "Right-of-use assets," and "Intangible assets" as well as amortization of long-term prepaid expenses which are recorded in "Other non-current assets" in the consolidated statement of financial position.

38. Gain on investments

(1) Gain and loss on investments at Investment Business of Holding Companies

The components of gain and loss on investments at Investment Business of Holding Companies are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2023	**Fiscal year ended March 31, 2024**	**Fiscal year ended March 31, 2024**
Gain relating to settlement of prepaid forward contracts using Alibaba shares*1	¥4,838,251	**¥ –**	**$ –**
Gain relating to sales of T-Mobile shares*2	24,842	**–**	**–**
Realized loss on investments at asset management subsidiaries	(73,950)	**(90,360)**	**(596,790)**
Unrealized gain (loss) on valuation of investments at asset management subsidiaries	(67,122)	**12,692**	**83,825**
Derivative loss on investments at asset management subsidiaries	(5,102)	**(792)**	**(5,231)**
Realized gain (loss) on investments*3	(237,980)	**38,037**	**251,219**
Unrealized loss on valuation of investments*3	(142,380)	**(666,967)**	**(4,405,039)**
Derivative gain on investments*4	205,506	**226,050**	**1,492,966**
Other	18,435	**22,295**	**147,249**
Total	¥4,560,500	**¥(459,045)**	**$(3,031,801)**

*1 During the course of the physical settlement under the board resolution in August 2022, the Company lost significant influence over Alibaba because the voting power against Alibaba held by the Company decreased to below 20%, and Alibaba ceased to be an equity method associate of the Company for the three-month period ended September 30, 2022. At the same time, Alibaba shares held by the Company as of the date the Company lost significant influence over Alibaba ("remaining Alibaba shares") were remeasured based on the stock price of that day and were included in "Investment securities" in the consolidated statement of financial position.
As a result of the physical settlement under the board resolution in August 2022 and the remeasurement of remaining Alibaba shares, for the three-month period ended September 30, 2022, ¥584,796 million of gain on settlement of prepaid forward contracts using Alibaba shares and ¥3,996,668 million of gain from remeasurement of Alibaba shares were recognized.
In the schedule above, gain on settlement of prepaid forward contracts using Alibaba shares is divided into "Gain relating to settlement of prepaid forward contracts using Alibaba shares" and "Realized gain (loss) on investments," depending on whether a physical settlement is completed before Alibaba ceases to be an equity method associate of the Company or not, and the gain from remeasurement of remaining Alibaba shares is included in "Gain relating to settlement of prepaid forward contracts using Alibaba shares."
Also, before the physical settlement under the board resolution in August 2022, for the six-month period ended September 30, 2022, certain prepaid forward contracts using Alibaba shares were settled by Alibaba shares and ¥132,157 million of gain on settlement of prepaid forward contracts using Alibaba shares was recognized. The gain is included in "Gain relating to settlement of prepaid forward contracts using Alibaba shares."

*2 On April 12, 2022, Deutsche Telekom exercised options to purchase T-Mobile shares granted by the Company to Deutsche Telekom and the Company sold 21,153,145 of T-Mobile shares held by the wholly-owned subsidiary of the Company to Deutsche Telekom. In connection with the exercise, the wholly-owned subsidiary of the Company received $2.40 billion as consideration for the sale of T-Mobile shares. As a result, ¥24,842 million of gain relating to sales of T-Mobile shares was recorded for the fiscal year ended March 31, 2023. Cumulative gains on T-Mobile shares and the options associated with this transaction are ¥22,528 million. Of this, ¥6,012 million of loss was recorded for the fiscal year ended March 31, 2021, and ¥3,698 million of gain was recorded for the fiscal year ended March 31, 2022.

*3 Effects of stock price changes for the remaining Alibaba shares after being remeasured are included in "Realized gain (loss) on investments" or "Unrealized loss on valuation of investments" rather than "Gain relating to settlement of prepaid forward contracts using Alibaba shares."
For the fiscal year ended March 31, 2024, ¥46,779 million ($308,956 thousand) (for the fiscal year ended March 31, 2023: ¥210,919 million) of realized loss on investments and ¥913,156 million ($6,031,015 thousand) (for the fiscal year ended March 31, 2023: ¥254,356 million) of unrealized loss on valuation of investments were recognized. The realized loss on investments is arising from the physical settlement of prepaid forward contracts using shares. Due to the physical settlement, ¥8,641 million ($57,070 thousand) of unrealized loss on valuation of investments recognized in the past fiscal year is transferred to a realized loss on investments.

*4 For the fiscal year ended March 31, 2024, the conditions for the contingent consideration related to the acquisition of T-Mobile shares through the merger transaction between Sprint and T-Mobile US, Inc. were met, and the Company acquired 48,751,557 shares of T-Mobile for no additional consideration. ¥227,012 million ($1,499,320 thousand) of derivative gain on investments was recorded due to changes in the fair value of the derivative asset up to the acquisition date for those T-Mobile shares (for the fiscal year ended March 31, 2023: ¥189,874 million was recorded for the changes in the fair value of the contingent consideration). The details of the transaction are described in "*4" in "Option contracts to which hedge accounting is not applied" in "iii. Option contracts" in "(b) Price risk" in "a. Market risk" in "(2) Financial risk management" under "Note 28. Financial instruments." In addition, the effects of stock price changes for those T-Mobile shares acquired through the transaction are included in "Unrealized loss on valuation of investments."

(2) Gain and loss on investments at SoftBank Vision Funds

The details of gain and loss on investments at SoftBank Vision Funds are described in "(1) Income and loss arising from the SoftBank Vision Funds business" under "Note 7. SoftBank Vision Funds business."

39. Finance cost

The components of finance cost are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2023	**Fiscal year ended March 31, 2024**	**Fiscal year ended March 31, 2024**
Interest expenses*	¥ (555,902)	**¥ (556,004)**	**$ (3,672,175)**

* "Interest expenses" are incurred mainly by financial liabilities measured at amortized cost. For the fiscal year ended March 31, 2024, the amount of lease expenses incurred from lease liabilities which was recorded in "Interest expenses" was ¥ (14,177) million ($ (93,633) thousand) (for the fiscal year ended March 31, 2023: ¥ (13,586) million).

40. Derivative gain (excluding gain (loss) on investments)

For the fiscal year ended March 31, 2024, derivative gain of ¥1,517,350 million ($10,021,465 thousand) (for the fiscal year ended March 31, 2023: derivative gain of ¥24,933 million) was recorded for the prepaid forward contracts using Alibaba shares and the call spread contracts relating to prepaid forward contracts using Alibaba shares. The details of the contracts are described in "(2) Transactions for sale of Alibaba shares by prepaid forward contracts" under "Note 22. Interest-bearing debt." The above gain for the fiscal year ended March 31, 2023 includes ¥790,145 million of derivative gain recorded for the three-month period ended September 30, 2022 related to the prepaid forward contracts using Alibaba shares subject to the physical settlement under the board resolution in August 2022. The details of the physical settlement are described in "*1" in "(1) Gain and loss on investments at Investment Business of Holding Companies" under "Note 38. Gain on investments."

41. Other gain (loss)

The components of other gain and loss are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2023	**Fiscal year ended March 31, 2024**	**Fiscal year ended March 31, 2024**
Interest income	¥ 114,368	**¥ 207,848**	**$1,372,749**
Gain relating to loss of control over subsidiaries*1	22,872	**119,473**	**789,069**
Dilution gain from changes in equity interest*2	84,799	**20,300**	**134,073**
Provision for loss relating to litigation*3	(19,176)	**19,176**	**126,649**
Gain on redemption of corporate bonds*4	44,063	**4,249**	**28,063**
Impairment loss on equity method investments*5,6	(67,162)	**(54,196)**	**(357,942)**
Loss relating to credit support for WeWork*7	(142,226)	**(42,072)**	**(277,868)**
Loss on derecognition of unsecured notes issued by WeWork*8	–	**(21,579)**	**(142,520)**
Provision for allowance for doubtful accounts*9	(110,409)	**(5,098)**	**(33,670)**
Gain (loss) on liabilities for short put options over non-controlling interests*10	40,310	**(5,257)**	**(34,720)**
Provision for allowance for loan commitment losses*11	(20,444)	**–**	**–**
Other	28,867	**(124)**	**(818)**
Total	¥ (24,138)	**¥ 242,720**	**$1,603,065**

*1 For the fiscal year ended March 31, 2024, primarily, as a result of the sale of 85% of shares in SB Energy Corp., a wholly-owned subsidiary of the Company, the gain arising from the loss of control over the entity was recorded. Subsequently, SB Energy Corp. (currently, Terras Energy Corporation) became an equity method associate of the Company after the transaction. In addition, on April 30, 2024, the Company sold all 15% of its shares in Terras Energy Corporation. As a result, Terras Energy Corporation is no longer considered as an equity method associate of the Company.

*2 The amount is primarily related to the dilution gain arising from changes in Alibaba's equity interest held by the Company due to the exercise of stock options in Alibaba, before Alibaba ceased to be an equity method associate.

*3 With respect to the litigation in which SoftBank Corp. and Japan Post Information Technology Co., Ltd. ("JPiT") were involved as parties, in relation to a project to migrate the communications network connecting 27,000 sites (postal offices, etc.) countrywide to a new network, the 5th PNET, on September 9, 2022, the Tokyo District Court rendered a judgment ordering SoftBank Corp. to pay remuneration for the damages and delay damages to JPiT. As a result of the judgment, the provision for the loss relating to litigation was recorded for ¥19,176 million in SoftBank Corp. for the fiscal year ended March 31, 2023. On September 22, 2022, SoftBank Corp. appealed the judgment to the Tokyo High Court, and on March 21, 2024, the Tokyo High Court rendered a judgment ordering JPiT to pay remuneration for the additional services and delay damages to SoftBank Corp. and dismissing all claims against SoftBank Corp. by JPiT. In accordance with the judgment, the entire provision of ¥19,176 million ($126,649 thousand) for the loss relating to litigation, which was recorded for the fiscal year ended March 31, 2023, is reversed in SoftBank Corp. for the fiscal year ended March 31, 2024.

*4 The amount is related to foreign-currency-denominated notes purchased by SoftBank Group Corp.

*5 For the fiscal year ended March 31, 2024, ¥22,345 million ($147,579 thousand) (for the fiscal year ended March 31, 2023: ¥31,304 million) of impairment loss was recorded as the carrying amount of equity method investments in DEMAE-CAN CO., LTD. was reduced to the recoverable amount.

*6 For the fiscal year ended March 31, 2023, ¥22,809 million of impairment loss was recorded as the fair value of WeWork common shares accounted for using the equity method decreased.

*7 With respect to the credit support (financial guarantee contract) for a letter of credit facility $1.43 billion (notional amount of a Junior LC $0.47 billion and notional amount of a Senior LC $0.96 billion) to WeWork provided by financial institutions, on October 31, 2023, SVF2 paid and fully satisfied the Junior LC and thereby acquired a subrogation claim against WeWork, and also deposited the full amount into the restricted cash account as collateral to fully satisfy the Senior LC.
On November 6, 2023, WeWork filed for bankruptcy protection under Chapter 11 of the United States Bankruptcy Code. On December 19, 2023, WeWork entered into certain Senior Secured Debtor-In-Possession Credit Agreement with SVF2 and certain financial institutions. Based on the agreement, to continue to support certain letter of credit obligations of WeWork during the Chapter 11 process, SVF2 converted $0.67 billion from the restricted cash that was already deposited as collateral for the Senior LC into the form of a term loan to WeWork to continue to support such letter of credit obligations.
As of March 31, 2024, the loan receivable including the subrogation claim that was acquired as a result of the fulfilment of the guarantee obligations amounted to $1.43 billion (the balance presented was related to LC notional amount only, excluding claimed fees and expenses). For the six-month period ended September 30, 2023, for the financial guarantee contract, losses were recorded for ¥42,072 million ($277,868 thousand) considering the financial position of WeWork. As a result, the allowance was recorded for the entire financial guarantee contract totaling $1.43 billion, together with amounts reserved as of March 31, 2023. For the three-month period ended December 31, 2023, the allowance for the financial guarantee contract was allocated to the loan receivable. As of March 31, 2024, the carrying amount of the loan receivable was zero.
For the fiscal year ended March 31, 2023, ¥142,226 million of provision for allowance for financial guarantee contract losses related to a credit facility for WeWork provided by financial institutions was recorded mainly due to an increase in the credit spread for WeWork's unsecured notes distributed in the market from March 31, 2022. ¥142,226 million presented as "Provision for allowance for financial guarantee contract losses" for the fiscal year ended March 31, 2023 is reclassified as "Loss relating to credit support for WeWork."
On June 11, 2024, WeWork emerged from Chapter 11 bankruptcy. As a result, WeWork was no longer an associate of the Company as of that date due to a decrease in the percentage of voting rights held by the Company.

*8 For the fiscal year ended March 31, 2024, unsecured notes issued by WeWork were exchanged into shares and convertible bonds newly issued by WeWork. The unsecured notes were derecognized and ¥21,579 million ($142,520 thousand) of loss was recorded.

*9 For the fiscal year ended March 31, 2023, ¥77,191 million of provision for allowance for doubtful accounts related to unsecured notes issued by WeWork was recorded as the expected credit losses were higher than the amount recorded as of March 31, 2022 due to an increase in the credit spread for WeWork's unsecured notes distributed in the market.

*10 The Company recognizes short put options granted to owners of non-controlling interests in subsidiaries of the Company as financial liabilities at fair value through profit or loss. The amount primarily represents the valuation gain or loss due to the fluctuation of fair value in the financial liabilities related to Fortress.

*11 For the fiscal year ended March 31, 2023, ¥20,444 million of provision for allowance for loan commitment losses related to acquiring senior secured notes to be issued by WeWork was recorded.

42. Other comprehensive income

The table below presents the amount arising during the year, reclassification adjustments to profit or loss and the income tax effect of each item in other comprehensive income.

For the fiscal year ended March 31, 2023

(Millions of yen)

	Amount arising during the year	Reclassification adjustments	Before tax effect	Income tax effect	After tax effect
Items that will not be reclassified to profit or loss					
Remeasurements of defined benefit plan	¥ 4,088	¥ –	¥ 4,088	¥ (848)	¥ 3,240
Equity financial assets at FVTOCI	4,098	–	4,098	2,096	6,194
Share of other comprehensive income of associates	356	–	356	–	356
Total	8,542	–	8,542	1,248	9,790
Items that may be reclassified subsequently to profit or loss					
Debt financial assets at FVTOCI	(1,491)	629	(862)	264	(598)
Cash flow hedges	25,830	(100,494)	(74,664)	1,873	(72,791)
Exchange differences on translating foreign operations	512,039	497,325	1,009,364	211,885	1,221,249
Share of other comprehensive income of associates	28,416	91,059	119,475	(19,184)	100,291
Total	564,794	488,519	1,053,313	194,838	1,248,151
Total other comprehensive income	¥ 573,336	¥ 488,519	¥ 1,061,855	¥ 196,086	¥ 1,257,941

For the fiscal year ended March 31, 2024

(Millions of yen)

	Amount arising during the year	Reclassification adjustments	Before tax effect	Income tax effect	After tax effect
Items that will not be reclassified to profit or loss					
Remeasurements of defined benefit plan	¥ (507)	¥ –	¥ (507)	¥ 199	¥ (308)
Equity financial assets at FVTOCI	11,984	–	11,984	(1,207)	10,777
Share of other comprehensive income of associates	326	–	326	–	326
Total	11,803	–	11,803	(1,008)	10,795
Items that may be reclassified subsequently to profit or loss					
Debt financial assets at FVTOCI	963	(1,361)	(398)	112	(286)
Cash flow hedges	139,709	(116,337)	23,372	635	24,007
Exchange differences on translating foreign operations	1,979,444	21,092	2,000,536	380	2,000,916
Share of other comprehensive income of associates	(3,463)	467	(2,996)	(212)	(3,208)
Total	2,116,653	(96,139)	2,020,514	915	2,021,429
Total other comprehensive income	¥ 2,128,456	¥ (96,139)	¥ 2,032,317	¥ (93)	¥ 2,032,224

(Thousands of U.S. dollars)

	Amount arising during the year	Reclassification adjustments	Before tax effect	Income tax effect	After tax effect
Items that will not be reclassified to profit or loss					
Remeasurements of defined benefit plan	$ (3,349)	$ –	$ (3,349)	$ 1,315	$ (2,034)
Equity financial assets at FVTOCI	79,150	–	79,150	(7,972)	71,178
Share of other comprehensive income of associates	2,152	–	2,152	–	2,152
Total	77,953	–	77,953	(6,657)	71,296
Items that may be reclassified subsequently to profit or loss					
Debt financial assets at FVTOCI	6,360	(8,989)	(2,629)	740	(1,889)
Cash flow hedges	922,720	(768,358)	154,362	4,194	158,556
Exchange differences on translating foreign operations	13,073,403	139,304	13,212,707	2,511	13,215,218
Share of other comprehensive income of associates	(22,872)	3,084	(19,788)	(1,400)	(21,188)
Total	13,979,611	(634,959)	13,344,652	6,045	13,350,697
Total other comprehensive income	$ 14,057,564	$ (634,959)	$ 13,422,605	$ (612)	$13,421,993

43. Earnings per share

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

(1) Basic earnings per share

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2023	**Fiscal year ended March 31, 2024**	**Fiscal year ended March 31, 2024**
Net income attributable to ordinary shareholders of the parent			
Net income attributable to owners of the parent	¥ (970,144)	**¥ (227,646)**	**$ (1,503,507)**
Net income not-attributable to ordinary shareholders of the parent*1	(36,113)	**(22,849)**	**(150,908)**
Net income used in the calculation of basic earnings per share	¥(1,006,257)	**¥ (250,495)**	**$ (1,654,415)**

	(Thousands of shares)	
Weighted-average number of ordinary shares	1,542,474	**1,464,957**

	(Yen)	(Yen)	(USD)
Basic earnings per share	¥ (652.37)	**¥ (170.99)**	**$ (1.13)**

(2) Diluted earnings per share

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2023	**Fiscal year ended March 31, 2024**	**Fiscal year ended March 31, 2024**
Diluted net income attributable to ordinary shareholders of the parent			
Net income used in the calculation of basic earnings per share	¥ (1,006,257)	**¥ (250,495)**	**$ (1,654,415)**
Effect of dilutive securities issued by subsidiaries and associates	(15,500)	**(4,706)**	**(31,081)**
Total	¥ (1,021,757)	**¥ (255,201)**	**$ (1,685,496)**

	(Thousands of shares)	
Weighted-average number of ordinary shares used in the calculation of diluted earnings per share		
Weighted-average number of ordinary shares	1,542,474	**1,464,957**
Adjustments		
Stock acquisition rights*2	–	**–**
Total	1,542,474	**1,464,957**

	(Yen)	(Yen)	(USD)
Diluted earnings per share	¥ (662.41)	**¥ (174.20)**	**$ (1.15)**

*1 Net income not-attributable to ordinary shareholders of the parent represents net income attributable to owners of other equity instruments issued by SoftBank Group Corp.

*2 For the fiscal year ended March 31, 2023 and 2024, stock acquisition rights are not included in the calculation for "Diluted earnings per share" as it has an antidilutive effect for the calculation.

44. Supplemental information to the consolidated statement of cash flows

(1) Scope of purchase of property, plant and equipment and intangible assets

"Purchase of property, plant and equipment, and intangible assets" includes cash outflows from long-term prepaid expenses that are included in "Other non-current assets" in the consolidated statement of financial position.

(2) Income taxes paid and income taxes refunded

For the fiscal year ended March 31, 2023

Payment of withholding income tax related to dividends within the group companies of ¥109,330 million is included in "Income taxes paid." In addition, refunded withholding income tax related to dividends within the group companies of ¥92,895 million is included in "Income taxes refunded."

For the fiscal year ended March 31, 2024

Payment of withholding income tax related to dividends within the group companies of ¥143,790 million ($949,673 thousand) is included in "Income taxes paid." In addition, refunded withholding income tax related to dividends within the group companies of ¥56,629 million ($374,011 thousand) is included in "Income taxes refunded."

(3) Proceeds from sales/redemption of investments

For the fiscal year ended March 31, 2023

¥309,696 million of proceeds received from sales of T-Mobile shares is included in "Proceeds from sales/redemption of investments."

(4) Payments for acquisition of control over subsidiaries

For the fiscal year ended March 31, 2024

"Payments for acquisition of control over subsidiaries" is mainly due to the acquisition of Cubic Telecom Ltd. by SoftBank Corp.

(5) Proceeds from withdrawal of trust accounts in SPACs

For the fiscal year ended March 31, 2023

"Proceeds from withdrawal of trust accounts in SPACs" is proceeds from withdrawal of proceeds, received from public market investors and held in trust accounts, in a SPAC sponsored by the Company. The proceeds were withdrawn for redemption to the public market investors when the SPACs ceased all operations.

(6) Redemption of non-controlling interests subject to possible redemption

For the fiscal year ended March 31, 2023

"Redemption of non-controlling interests subject to possible redemption" is the repayment of all the proceeds to the public market investors of the SPACs. The repayment was required because the SPACs sponsored by the Company were unable to complete a merger within 24 months from the date of the initial public offering and ceased all operations.

(7) Proceeds from the partial sales of shares of subsidiaries to non-controlling interests

For the fiscal year ended March 31, 2024

"Proceeds from the partial sales of shares of subsidiaries to non-controlling interests" is mainly due to the sales of Arm shares.

(8) Purchase of shares of subsidiaries from non-controlling interests

For the fiscal year ended March 31, 2024

"Purchase of shares of subsidiaries from non-controlling interests" is mainly due to the purchase of treasury stock by SoftBank Corp.

(9) Redemption of other equity instruments

For the fiscal year ended March 31, 2024

"Redemption of other equity instruments" is due to the full redemption of USD-denominated Undated Subordinated Non-Call 6 years Resettable Notes.

(10) Proceeds from the issuance of other equity instruments in subsidiaries

For the fiscal year ended March 31, 2024

"Proceeds from the issuance of other equity instruments in subsidiaries" is due to the issuance of the Series 1 Bond-Type Class Shares by SoftBank Corp. The details are described in "(7) Non-controlling interests" under "Note 33. Equity."

(11) Changes in liabilities arising from financing activities

Changes in liabilities arising from financing activities are as follows:

For the fiscal year ended March 31, 2023

(Millions of yen)

	Interest-bearing debt	Lease liabilities	Derivatives related to corporate bond	Third-party interests in SVF	Non-controlling interests subject to possible redemption*3
As of April 1, 2022	¥21,457,432	¥866,148	¥(47,566)	¥5,640,498	¥307,144
(a) Changes arising from financing cash flows					
Repayment of short-term interest-bearing debt, net	(73,371)	–	–	–	–
Proceeds from interest-bearing debt	9,176,112	–	–	–	–
Repayment of interest-bearing debt	(6,299,554)	–	4,563	–	–
Repayment of lease liabilities	–	(266,423)	–	–	–
Contributions into SVF from third-party investors	–	–	–	17,857	–
Distribution/repayment from SVF to third-party investors	–	–	–	(544,242)	–
Redemption of non-controlling interests subject to possible redemption	–	–	–	–	(319,401)
Other	–	–	3,374	–	(35,464)
(b) Changes from acquisition or loss of control over subsidiaries and other businesses	(158,534)	(32)	–	–	(2,448)
(c) The effect of changes in foreign exchange rates	1,019,581	5,064	–	513,205	32,380
(d) Changes in fair values	–	–	(32,922)	–	–
(e) Changes in third-party interests in SVF	–	–	–	(1,127,949)	–
(f) Non-cash transactions*1,2	(5,538,147)	270,186	–	–	–
(g) Other changes	(105,325)	(37,946)	347	–	17,789
As of March 31, 2023	¥19,478,194	¥836,997	¥(72,204)	¥4,499,369	¥ –

*1 The decrease in interest-bearing debt is due to the physical settlement of prepaid forward contracts using Alibaba shares. The details are described in "*1" in "(1) Gain and loss on investments at Investment Business of Holding Companies" under "Note 38. Gain on investments."

*2 The increase in lease liabilities is mainly due to remeasurement remeasurement of the lease liabilities and the lease transactions executed during the period.

*3 Non-controlling interests subject to possible redemption decreased as SPACs sponsored by the Company ceased operations due to its inability to complete the merger with the operating company within 24 months of its listing, and as a result, the Company redeemed all of its investments to public market investors.

For the fiscal year ended March 31, 2024

(Millions of yen)

	Interest-bearing debt	Lease liabilities	Derivatives related to corporate bond	Third-party interests in SVF
As of April 1, 2023	**¥ 19,478,194**	**¥ 836,997**	**¥ (72,204)**	**¥ 4,499,369**
(a) Changes arising from financing cash flows				
Proceeds in short-term interest-bearing debt, net	**182,874**	**–**	**–**	**–**
Proceeds from interest-bearing debt	**5,914,090**	**–**	**–**	**–**
Repayment of interest-bearing debt	**(5,903,403)**	**–**	**14,217**	**–**
Repayment of lease liabilities	**–**	**(211,231)**	**–**	**–**
Distribution/repayment from SVF to third-party investors	**–**	**–**	**–**	**(783,522)**
Other	**–**	**–**	**7,393**	**–**
(b) Changes from acquisition or loss of control over subsidiaries and other businesses	**(3,436)**	**(15,529)**	**–**	**–**
(c) The effect of changes in foreign exchange rates	**1,182,095**	**12,432**	**–**	**588,519**
(d) Changes in fair values	**–**	**–**	**(189,135)**	**–**
(e) Changes in third-party interests in SVF	**–**	**–**	**–**	**390,137**
(f) Non-cash transactions*[1,2]	**(356,925)**	**208,517**	**–**	**–**
(g) Other changes	**74,035**	**(36,679)**	**191**	**–**
As of March 31, 2024	**¥ 20,567,524**	**¥ 794,507**	**¥ (239,538)**	**¥ 4,694,503**

(Thousands of U.S. dollars)

	Interest-bearing debt	Lease liabilities	Derivatives related to corporate bond	Third-party interests in SVF
As of April 1, 2023	**$ 128,645,360**	**$ 5,528,017**	**$ (476,877)**	**$ 29,716,459**
(a) Changes arising from financing cash flows				
Proceeds in short-term interest-bearing debt, net	**1,207,807**	**–**	**–**	**–**
Proceeds from interest-bearing debt	**39,060,102**	**–**	**–**	**–**
Repayment of interest-bearing debt	**(38,989,519)**	**–**	**93,898**	**–**
Repayment of lease liabilities	**–**	**(1,395,093)**	**–**	**–**
Distribution/repayment from SVF to third-party investors	**–**	**–**	**–**	**(5,174,837)**
Other	**–**	**–**	**48,828**	**–**
(b) Changes from acquisition or loss of control over subsidiaries and other businesses	**(22,693)**	**(102,563)**	**–**	**–**
(c) The effect of changes in foreign exchange rates	**7,807,245**	**82,108**	**–**	**3,886,923**
(d) Changes in fair values	**–**	**–**	**(1,249,158)**	**–**
(e) Changes in third-party interests in SVF	**–**	**–**	**–**	**2,576,692**
(f) Non-cash transactions*1,2	**(2,357,341)**	**1,377,168**	**–**	**–**
(g) Other changes	**488,970**	**(242,249)**	**1,260**	**–**
As of March 31, 2024	**$ 135,839,931**	**$ 5,247,388**	**$ (1,582,049)**	**$ 31,005,237**

*1 The decrease in interest-bearing debt is due to the physical settlement of prepaid forward contracts using Alibaba shares. The details are described in "(2) Transactions for sale of Alibaba shares by prepaid forward contracts" under "Note 22. Interest-bearing debt."
*2 The increase in lease liabilities is mainly due to remeasurement of the lease liabilities and the lease transactions executed during the period.

(12) Cash outflows related to lease

For the fiscal year ended March 31, 2024, the total amount of cash outflows related to lease is ¥224,901 million ($1,485,377 thousand) (for the fiscal year ended March 31, 2023: ¥278,951 million).

(13) Significant non-cash transactions

Significant non-cash transactions (investing and financing transactions that do not require the use of cash and cash equivalents) are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2023	**Fiscal year ended March 31, 2024**	**Fiscal year ended March 31, 2024**
Increase in right-of-use assets related to lease transactions	¥267,680	**¥203,323**	**$1,342,864**

In addition to the above, the following non-cash transactions were conducted.

For the fiscal year ended March 31, 2023

a. The physical settlement of prepaid forward contracts using Alibaba shares

Based on the board resolution in August 2022 or the reached settlement date for a portion of prepaid forward contracts, ¥5,538,147 million of financial liabilities relating to sale of shares by prepaid forward contracts, ¥1,874,305 million of derivative financial assets, and ¥13,376 million of derivative financial liabilities, were settled by Alibaba shares. The details are described in "*1" in "(1) Gain and loss on investments at Investment Business of Holding Companies" under "Note 38. Gain on investments."

For the fiscal year ended March 31, 2024

a. The physical settlement of prepaid forward contracts using Alibaba shares

As certain prepaid forward contracts using Alibaba shares matured, ¥356,925 million ($2,357,341 thousand) of financial liabilities relating to sale of shares by prepaid forward contracts and ¥231,618 million ($1,529,740 thousand) of derivative financial assets were settled by Alibaba shares. The details of the transaction are described in "(2) Transactions for sale of Alibaba shares by prepaid forward contracts" under "Note 22. Interest-bearing debt."

b. Acquisition of T-Mobile shares for no additional consideration as contingent consideration

The Company acquired $7,744 million (¥1,098,435 million) of T-Mobile shares for no additional consideration on December 28, 2023 as the conditions were met for the contingent consideration related to the acquisition of T-Mobile shares through the merger transaction with Sprint and T-Mobile US, Inc. The details of the transaction are described in "*4" in "Option contracts to which hedge accounting is not applied" in "iii. Option contracts" in "(b) Price risk" in "a. Market risk" in "(2) Financial risk management" under "Note 28. Financial instruments."

45. Related party transactions

(1) Related party transactions and balances

For the fiscal year ended March 31, 2023, Rajeev Misra resigned from his position as the Corporate Officer, Executive Vice President in SoftBank Group Corp. on August 31, 2022.
After the resignation, he is not a related party of the Company. However, transactions during the term in which he was a related party of the Company and transactions during the term from the resignation date to date when the balances outstanding as of the resignation date were settled, and their balance as of March 31, 2023 are disclosed.

Related party transactions of the Company are as follows:

a. Co-investment program with restricted rights to receive distributions

MgmtCo, which is the investor in SVF2 LLC (a subsidiary of the Company under SVF2) and the investor in SLA LLC (a subsidiary of the Company under the LatAm Funds), is a company controlled by Masayoshi Son, Representative Director, Corporate Officer, Chairman & CEO of SoftBank Group Corp., and a related party of the Company. The co-investment program with restricted rights to receive distributions to SVF2 and LatAm Funds has been introduced from the three-month period ended September 30, 2021 for the purpose of enabling Masayoshi Son to make a co-investment in SVF2 and LatAm Funds with the Company, sharing risk of losses as well as benefit of profits in the success of SVF2 and LatAm Funds, and leading to enhanced focus on the management of investments held by them, which in turn is intended to contribute to increases in the Company's earnings. In making a co-investment in SVF2 and LatAm Funds under the terms of the program, MgmtCo both receives the benefit of profits and assumes the risk of losses from SVF2 and LatAm Funds, and MgmtCo's right to receive distributions from its investment is subject to certain restrictions.

Contributions to SVF2 LLC and SLA LLC are classified as "Equity" and "Preferred Equity" depending on the terms and conditions of distribution. SVF2 LLC and SLA LLC each have issued Equity entitled to performance-based distributions that are allocated to the Company and MgmtCo based on the proportion of their respective contributions. The Company's Equity interest in each of SVF2 LLC and SLA LLC is 82.75%, and MgmtCo's Equity interest in each of SVF2 LLC and SLA LLC is 17.25%. The Company's investment in SVF2 LLC is made through SoftBank Vision Fund II-2 L.P. and its subsidiaries, and its investment in SLA LLC is made through SBLA Latin America Fund LLC and its subsidiaries.

(a) Transactions between SVF2 and related parties

For the fiscal year ended March 31, 2023

(Millions of yen)

Name of the company or individual	Nature of relationship	Nature of transaction	Fiscal year ended March 31, 2023 Amount of transaction	As of March 31, 2023 Balance at period-end
Masayoshi Son (MASA USA LLC (MgmtCo))	Chairman & CEO of SoftBank Group Corp. and related entities of which he holds more than one-half of the voting rights	Receipt of capital contribution in SVF2 LLC and related adjustments*1,2	–	
		The premium received on SVF2 LLC's receivables	¥11,185*3	¥384,870*3,4
		MgmtCo's Equity interests in SVF2 LLC*5,6	–	–
		Net balance at period end (Receivables in SVF2 LLC less MgmtCo's Equity interests in SVF2 LLC)*7		384,870

(Thousands of U.S. dollars)

Name of the company or individual	Nature of relationship	Nature of transaction	Fiscal year ended March 31, 2023 Amount of transaction*8	As of March 31, 2023 Balance at period-end*8
Masayoshi Son (MASA USA LLC (MgmtCo))	Chairman & CEO of SoftBank Group Corp. and related entities of which he holds more than one-half of the voting rights	Receipt of capital contribution in SVF2 LLC and related adjustments*1,2	–	
		The premium received on SVF2 LLC's receivables	$ 82,506*3	$2,882,270*3,4
		MgmtCo's Equity interests in SVF2 LLC*5,6	–	–
		Net balance at period end (Receivables in SVF2 LLC less MgmtCo's Equity interests in SVF2 LLC)*7		2,882,270

For the fiscal year ended March 31, 2024

(Millions of yen)

Name of the company or individual	Nature of relationship	Nature of transaction	**Fiscal year ended March 31, 2024** Amount of transaction	**As of March 31, 2024** Balance at period-end
Masayoshi Son (MASA USA LLC (MgmtCo))	Chairman & CEO of SoftBank Group Corp. and related entities of which he holds more than one-half of the voting rights	Receipt of capital contribution in SVF2 LLC and related adjustments*1,2	**–**	
		The premium received on SVF2 LLC's receivables	**¥11,964*3**	**¥448,931*3,4**
		MgmtCo's Equity interests in SVF2 LLC*5,6	**–**	**–**
		Net balance at period end (Receivables in SVF2 LLC less MgmtCo's Equity interests in SVF2 LLC)*7		**448,931**

(Thousands of U.S. dollars)

Name of the company or individual	Nature of relationship	Nature of transaction	**Fiscal year ended March 31, 2024** Amount of transaction*8	**As of March 31, 2024** Balance at period-end*8
Masayoshi Son (MASA USA LLC (MgmtCo))	Chairman & CEO of SoftBank Group Corp. and related entities of which he holds more than one-half of the voting rights	Receipt of capital contribution in SVF2 LLC and related adjustments*1,2	**–**	
		The premium received on SVF2 LLC's receivables	**$ 82,732*3**	**$2,965,003*3,4**
		MgmtCo's Equity interests in SVF2 LLC*5,6	**–**	**–**
		Net balance at period end (Receivables in SVF2 LLC less MgmtCo's Equity interests in SVF2 LLC)*7		**2,965,003**

*1 Restrictions on rights of MgmtCo to receive distributions
MgmtCo's right to receive distributions from its investment is subject to certain restrictions. Distributions from SVF2 LLC to MgmtCo are fully restricted and are not paid until the sum of proceeds received by SVF2 LLC from realized investments plus the aggregate fair value of all of SVF2 LLC's unrealized investments (net of borrowings) exceeds 130% of the aggregate acquisition cost of all of SVF2 LLC's investments. After the ratio exceeds 130%, restrictions on distributions to MgmtCo are released proportionately in increments of 10%, and when the ratio reaches 200%, all restrictions are released and MgmtCo is entitled to receive the full amount of the distribution. In the event that, upon the liquidation of SVF2 LLC, the amount of the distributions received by MgmtCo exceeds the amount that would have been distributed to MgmtCo if the ratio in effect at the time of liquidation was applied throughout the life of SVF2 LLC, then any such excess amounts will be subject to clawback from MgmtCo.

*2 Nature of the Equity contribution by MgmtCo
The Equity interests contributed by the Company and MgmtCo are subordinated to the Preferred Equity contributed separately by the Company to SVF2 LLC. If there is a shortfall in the amount of return of Preferred Equity contributions and the amount of fixed distributions to be received by the Preferred Equity holders at the time of the final profit distribution by SVF2 LLC, then MgmtCo is obligated to pay the shortfall proportional to Equity interests' ratio up to the total amount of return of Equity contributions and the distributions received by MgmtCo.

*3 Balance at period end of receivables from MgmtCo for receipt of capital contribution and related adjustments
Balance at period end is the balance of SVF2 LLC's receivables which consists of the balance related to receipt of capital contribution, related adjustments, and premiums received from MgmtCo, less any decrease in receivables due to offsetting settlement with distributions to MgmtCo. The amount of the transaction for "Receipt of capital contribution in SVF2 LLC and related adjustments" at the inception of the program is MgmtCo's Equity Acquisition Amount in SVF2 LLC, which consists of the amount calculated based on MgmtCo's Equity interests of 17.25% in the SVF2's initial acquisition costs of the relevant portfolio companies held by SVF2 LLC and related adjustments calculated based on 17.25% interest in the increase in the portfolio companies' fair value from the initial acquisition costs at SVF2 to June 30, 2021, and the adjustment equivalent to interests for the period from the Company's contribution to SVF2 until June 30, 2021.
MgmtCo is entitled to make full or partial payment of its Equity Acquisition Amount at any point in time, at its discretion, from the date it became an investor in SVF2 LLC to the end of the company life of SVF2 LLC. MgmtCo is required to pay a premium of 3% per annum on the unpaid Equity Acquisition Amount until the unpaid amount is paid in full. "The premium received on SVF2 LLC's receivables" refers to the amount of such premium accrued in the current period. MgmtCo is also entitled to make full or partial payment of the premium at any point in time, at its discretion, on the same terms and conditions as Equity Acquisition Amount.
Any distributable amount from SVF2 LLC to MgmtCo is offset against the receivables at the time of the distribution notice and no distribution payments to MgmtCo are made until the SVF2 LLC's receivables are paid in full.

*4 Collateral and other credit protection for receivables
In order to secure the receivables of SVF2 LLC related to Equity Acquisition Amount and the premium thereon, all of the Equity interests in SVF2 LLC held by MgmtCo are pledged as collateral. In the event that MgmtCo pays into the receivables or offsets such receivables with distributions due to it from SVF2 LLC, the collateral is released to the extent that the cumulative amounts of payments and offsets exceed the balance of the receivables after deduction of such cumulative amounts. Masayoshi Son also provides a personal guarantee to the receivables up to the balance of the receivables. In addition, as of March 31, 2024, 8,897,100 shares of SoftBank Group Corp. are deposited in SVF2 LLC by Masayoshi Son (as of March 31, 2023: 8,897,100 shares). The deposited shares of SoftBank Group Corp. will be released only when the entire amount of receivables is settled. SVF2 LLC may acquire the deposited SoftBank Group Corp. shares without consideration where there are any unpaid receivables in SVF2 LLC after the enforcement of the collateral and personal guarantees by SVF2 LLC.

*5 MgmtCo's Equity interest in SVF2 LLC
The amount represents SVF2 LLC's net assets attributable to MgmtCo (before deduction of receivables), which is included in "Third-party interests in SVF" in the consolidated statement of financial position.

*6 Management fees and performance-linked management fees to be charged to MgmtCo
The terms of the management fees and performance-linked management fees to be charged to MgmtCo are the same as those to be charged to the Company as an Equity investor in SVF2 LLC.

*7 Net balance at period end
Net balance at period end is the balance of receivables held by SVF2 LLC less MgmtCo's Equity interest in SVF2 LLC.

*8 The amounts represent the original transaction amounts and the outstanding balances recorded in U.S. dollars, and are not the translations of Japanese yen amounts into U.S. dollar amounts.

(b) Transactions between LatAm Funds and related parties

For the fiscal year ended March 31, 2023

(Millions of yen)

Name of the company or individual	Nature of relationship	Nature of transaction	Fiscal year ended March 31, 2023 Amount of transaction	As of March 31, 2023 Balance at period-end
Masayoshi Son (MASA USA LLC (MgmtCo))	Chairman & CEO of SoftBank Group Corp. and related entities of which he holds more than one-half of the voting rights	Receipt of capital contribution in SLA LLC and related adjustments*1,2	–	
		The premium received on SLA LLC's receivables	¥ 2,641*3	¥90,606*3,4
		MgmtCo's Equity interests in SLA LLC*5,6	–	28,652
		Net balance at period end (Receivables in SLA LLC less MgmtCo's Equity interests in SLA LLC)*7		61,954

(Thousands of U.S. dollars)

Name of the company or individual	Nature of relationship	Nature of transaction	Fiscal year ended March 31, 2023 Amount of transaction*8	As of March 31, 2023 Balance at period-end*8
Masayoshi Son (MASA USA LLC (MgmtCo))	Chairman & CEO of SoftBank Group Corp. and related entities of which he holds more than one-half of the voting rights	Receipt of capital contribution in SLA LLC and related adjustments*1,2	–	
		The premium received on SLA LLC's receivables	$19,479*3	$678,545*3,4
		MgmtCo's Equity interests in SLA LLC*5,6	–	214,570
		Net balance at period end (Receivables in SLA LLC less MgmtCo's Equity interests in SLA LLC)*7		463,975

For the fiscal year ended March 31, 2024

(Millions of yen)

Name of the company or individual	Nature of relationship	Nature of transaction	Fiscal year ended March 31, 2024 Amount of transaction	As of March 31, 2024 Balance at period-end
Masayoshi Son (MASA USA LLC (MgmtCo))	Chairman & CEO of SoftBank Group Corp. and related entities of which he holds more than one-half of the voting rights	Receipt of capital contribution in SLA LLC and related adjustments*1,2	–	¥105,278*3,4
		The premium received on SLA LLC's receivables	¥ 2,799*3	
		MgmtCo's Equity interests in SLA LLC*5,6	–	14,086
		Net balance at period end (Receivables in SLA LLC less MgmtCo's Equity interests in SLA LLC)*7		91,192

(Thousands of U.S. dollars)

Name of the company or individual	Nature of relationship	Nature of transaction	Fiscal year ended March 31, 2024 Amount of transaction*8	As of March 31, 2024 Balance at period-end*8
Masayoshi Son (MASA USA LLC (MgmtCo))	Chairman & CEO of SoftBank Group Corp. and related entities of which he holds more than one-half of the voting rights	Receipt of capital contribution in SLA LLC and related adjustments*1,2	–	$695,317*3,4
		The premium received on SLA LLC's receivables	$19,355*3	
		MgmtCo's Equity interests in SLA LLC*5,6	–	93,032
		Net balance at period end (Receivables in SLA LLC less MgmtCo's Equity interests in SLA LLC)*7		602,285

*1 Restrictions on rights of MgmtCo to receive distributions
MgmtCo's right to receive distributions from its investment is subject to certain restrictions. Distributions from SLA LLC to MgmtCo are fully restricted and are not paid until the sum of proceeds received by SLA LLC from realized investments plus the aggregate fair value of all of SLA LLC's unrealized investments (net of borrowings) exceeds 130% of the aggregate acquisition cost of all of SLA LLC's investments. After the ratio exceeds 130%, restrictions on distributions to MgmtCo are released proportionately in increments of 10%, and when the ratio reaches 200%, all restrictions are released and MgmtCo is entitled to receive the full amount of the distribution. In the event that, upon the liquidation of SLA LLC, the amount of the distributions received by MgmtCo exceeds the amount that would have been distributed to MgmtCo if the ratio in effect at the time of liquidation was applied throughout the life of SLA LLC, then any such excess amounts will be subject to clawback from MgmtCo.

*2 Nature of the Equity contribution by MgmtCo
The Equity interests contributed by the Company and MgmtCo are subordinated to the Preferred Equity contributed separately by the Company to SLA LLC. If there is a shortfall in the amount of return of Preferred Equity contributions and the amount of fixed distributions to be received by the Preferred Equity holders at the time of the final profit distribution by SLA LLC, then MgmtCo is obligated to pay the shortfall proportional to Equity interests' ratio up to the total amount of return of Equity contributions and the distributions received by MgmtCo.

*3 Balance at period end of receivables from MgmtCo for receipt of capital contribution and related adjustments
Balance at period end is the balance of SLA LLC's receivables which consists of the balance related to receipt of capital contribution, related adjustments, and premiums received. The amount of the transaction for "Receipt of capital contribution in SLA LLC and related adjustments" at the inception of the program is MgmtCo's Equity Acquisition Amount in SLA LLC, which consists of the amount calculated based on MgmtCo's Equity interests of 17.25% in the LatAm Funds' initial acquisition costs of the portfolio companies held by LatAm Funds and related adjustments calculated based on 17.25% interest in the increase in the portfolio companies' fair value from the initial acquisition costs at LatAm Funds to June 30, 2021, and the adjustment equivalent to interests for the period from the Company's contribution to LatAm Funds until June 30, 2021.
MgmtCo is entitled to make full or partial payment of its Equity Acquisition Amount at any point in time, at its discretion, from the date it became an investor in SLA LLC to the end of the company life of SLA LLC. MgmtCo is required to pay a premium of 3% per annum on the unpaid Equity Acquisition Amount until the unpaid amount is paid in full. "The premium received on SLA LLC's receivables" refers to the amount of such premium accrued in the current period. MgmtCo is also entitled to make full or partial payment of the premium at any point in time, at its discretion, on the same terms and conditions as Equity Acquisition Amount.
Any distributable amounts from SLA LLC to MgmtCo are offset against the receivables at the time of the distribution notice and no distribution payments to MgmtCo are made until the SLA LLC's receivables are paid in full.

*4 Collateral and other credit protection for receivables
In order to secure the receivables of SLA LLC related to Equity Acquisition Amount and the premium thereon, all of the Equity interests in SLA LLC held by MgmtCo are pledged as collateral. In the event that MgmtCo pays into the receivables or offsets such receivables with distributions due to it from SLA LLC, the collateral is released to the extent that the cumulative amounts of payments and offsets exceed the balance of the receivables after deduction of such cumulative amounts. Masayoshi Son also provides a personal guarantee to the receivables up to the balance of the receivables. In addition, as of March 31, 2024, 2,168,500 shares of SoftBank Group Corp. are deposited in SLA LLC by Masayoshi Son (as of March 31, 2023: 2,168,500 shares). The deposited shares of SoftBank Group Corp. will be released only when the entire amount of receivables is settled. SLA LLC may acquire the deposited SoftBank Group Corp. shares without consideration where there are any unpaid receivables in SLA LLC after the enforcement of the collateral and personal guarantees by SLA LLC.

*5 MgmtCo's Equity interest in SLA LLC
The amount represents SLA LLC's net assets attributable to MgmtCo (before deduction of receivables), which is included in "Third-party interests in SVF" in the consolidated statement of financial position.

*6 Management fees, performance-linked management fees, and performance fees to be charged to MgmtCo
The terms of the management fees, performance-linked management fees, and performance fees to be charged to MgmtCo are the same as those to be charged to the Company as an Equity investor in SLA LLC.

*7 Net balance at period end
Net balance at period end is the balance of receivables held by SLA LLC less MgmtCo's Equity interest in SLA LLC.

*8 The amounts represent the original transaction amounts and the outstanding balances recorded in U.S. dollars, and are not the translations of Japanese yen amounts into U.S. dollar amounts.

b. Incentive program

The Company provides loans to certain executives of the Company as a part of the incentive program, which was designated for use for the purchase of SoftBank Group Corp. shares.

(a) Incentive program approved in April and July 2018

Regarding the incentive program approved in April and July 2018, the amount of the transactions between the Company and the related parties and the outstanding balance are as follows.

For the fiscal year ended March 31, 2023

(Millions of yen)

Name of the company or individual	Nature of relationship	Nature of transaction	Fiscal year ended March 31, 2023 Amount of transaction	As of March 31, 2023 Balance at period-end
Yoshimitsu Goto	Director	Collection of loans receivable*1	¥ 5,554	¥ –
		Interest receipt*1	50	–
		Repayment of loans payable*1	900	–
		Interest payment*1	8	–
Ken Miyauchi	Director	Lending of funds*1,3,4	–	5,555
		Interest receipt*1,3,4	80	67
Rajeev Misra	Former Corporate Officer	Collection of loans receivable*2	10,992	–
		Interest receipt*2	187	–

For the fiscal year ended March 31, 2024

(Millions of yen)

Name of the company or individual	Nature of relationship	Nature of transaction	**Fiscal year ended March 31, 2024** Amount of transaction	**As of March 31, 2024** Balance at period-end
Ken Miyauchi	Director	Collection of loans receivable*1,3,4	**¥ 5,555**	**¥ –**
		Interest receipt*1,3,4	**30**	**–**

(Thousands of U.S. dollars)

Name of the company or individual	Nature of relationship	Nature of transaction	**Fiscal year ended March 31, 2024** Amount of transaction	**As of March 31, 2024** Balance at period-end
Ken Miyauchi	Director	Collection of loans receivable*1,3,4	**$ 36,688**	**$ –**
		Interest receipt*1,3,4	**198**	**–**

*1 The interest rates for the loans are the 1.45% of fixed rate, which was rationally determined in reference to market interest rates and actual interest rates of SoftBank Group Corp. for other borrowings with periods similar to the period of the loans. The maturity date for the loans is May 31, 2023, and the borrowers are required to make a single payment at maturity. However, SoftBank Group Corp. and the borrowers may agree to extend the term of the loan for two additional five-year periods to May 31, 2033, and the borrowers may prepay all or any portion of the loans at any time voluntarily. Additionally, the borrowers may deposit with SoftBank Group Corp. any amount of cash equal to or less than the then-outstanding principal amount of the loans, and SoftBank Group Corp. will account for the deposit as loan payables on the balance sheet. The interest rates for the deposits are the same as the rates for the loans. In May 2023, the maturity date for the loan between the Company and Ken Miyauchi has been extended to May 31, 2028. After the extension of the maturity date, the loan was fully repaid in August 2023.

*2 The interest rate for the loan is 2.94% of the fixed rate, which was rationally determined in reference to market interest rates and actual interest rates of SoftBank Group Corp. for other borrowings with periods similar to the period of the loans. The maturity date for the loans is May 31, 2028, and the borrower is required to make a single payment at maturity. However, SoftBank Group Corp. and the borrower may agree to extend the term of the loan for an additional five-year period to May 31, 2033, and the borrower may prepay all or any portion of the loan at any time voluntarily. Additionally, the borrower may deposit with SoftBank Group Corp. any amount of cash equal to or less than the then-outstanding principal amount of the loan, and SoftBank Group Corp. will account for the deposit as loan payables on the balance sheet. The interest rate for the deposit is the same as the rate for the loan.

*3 The following assets of the borrower are pledged as collateral in the transactions.

• Shares of SoftBank Group Corp. purchased with the funds of loans, and all proceeds of the shares.
Also, when default occurs, SoftBank Group Corp. is entitled to receive the part of future cash compensation for the borrowers payable by SoftBank Group Corp. and subsidiaries, as repayment of the loan.

*4 Total shortfall calculated by deducting the amount received through fully exercised rights in respect to collateral and rights to receive the part of future cash compensation for the borrowers payable by SoftBank Group Corp. and subsidiaries as repayment of the loan from all amounts that become due and payable by the borrowers is guaranteed by Masayoshi Son, who is Representative Director of SoftBank Group Corp.

(b) Incentive program approved in February 2020

Regarding the incentive program approved in February 2020, the amount of the transactions between the Company and the related parties and the outstanding balance are as follows.

For the fiscal year ended March 31, 2023

(Millions of yen)

Name of the company or individual	Nature of relationship	Nature of transaction	Fiscal year ended March 31, 2023 Amount of transaction	As of March 31, 2023 Balance at period-end
Rajeev Misra (Giantstep Holdings Limited)	Former Corporate Officer and related entities of which he holds more than one-half of the voting rights	Collection of loans receivable*	¥1,066	¥ –
		Interest receipt*	0	–

* The interest rate for the loan is 1.93% of the fixed rate, which was rationally determined in reference to market interest rates and actual interest rates of SoftBank Group Corp. for other borrowings with periods similar to the period of the loans. The borrower is required to pay the outstanding principal amount of the loan in a single payment on the seventh anniversary of the funding date. Additionally, the borrower may deposit with SoftBank Group Corp. any amount of cash equal to or less than the then-outstanding principal amount of the loan, and SoftBank Group Corp. will account for the deposit as loan payables on the balance sheet. The interest rate for the deposit is the same as the rate for the loan.

c. Transfer of T-Mobile shares

As a part of the transaction related to transfer of T-Mobile shares, the Company entered into agreements with certain executive for transferring T-Mobile shares and for the loan which was designated for the use for the purchase of T-Mobile shares in June 2020.

Regarding the transactions associated with the transfer of T-Mobile shares, the amount of the transactions between the Company and the related parties and the outstanding balance are as follows.

For the fiscal year ended March 31, 2023

(Millions of yen)

Name of the company or individual	Nature of relationship	Nature of transaction	Fiscal year ended March 31, 2023 Amount of transaction	As of March 31, 2023 Balance at period-end
Rajeev Misra (Brightstart Consultants Limited)	Former Corporate Officer and related entity of which he holds more than one-half of the voting rights	Collection of loans receivable*1,2	¥59,012 ($475 million)	¥ –
		Interest receipt*1,2	325 ($2 million)	–

*1 The borrower is an entity of which the executive holds more than one-half of the voting rights. The repayment of the loan and interest is secured by a first priority pledge of 100% of the borrower's equity interests. The executive guarantees the repayment of the loan and interest to full recourse. Also, the purchaser of T-Mobile shares is the borrower.

*2 The interest rate for the loan is 1.93% of the fixed rate, which was rationally determined in reference to market interest rates and actual interest rates of SoftBank Group Corp. for other borrowings with periods similar to the period of the loans. The maturity dates are July 1, 2024 for the loan made in June 2020 and September 1, 2024 for the loan made in August 2020, and the borrower is required to make a single payment at maturity. Prior to the maturity date the borrower may prepay all or any portion of the outstanding principal amount of the loan, along with any accrued but unpaid interest on such principal amount at any time. Additionally, on April 4, 2022, the Company and Brightstart Consultants Limited, which is a company controlled by Rajeev Misra, entered into an amended agreement regarding the loan interest rate. The amended loan interest rate will be the higher of 1.93% or HMRC Official Rate for each year. Also, on April 5, 2022, the Company loaned $11 million to Brightstart Consultants Limited at the same loan interest rate mentioned above. Additionally, the entire outstanding balance as of March 31, 2022 related to Brightstart Consultants Limited and the entire amount of this additional loan were repaid by June 14, 2022.

d. Other related party transactions

Related party transactions of the Company were as follows:

For the fiscal year ended March 31, 2023

(Millions of yen)

Name of the company or individual	Nature of relationship	Nature of transaction	Fiscal year ended March 31, 2023 Amount of transaction	As of March 31, 2023 Balance at period-end
WeWork	Associate	Receipt of WeWork warrants with exercise price of USD 0.01 per share*[1]	¥ –	¥ 5,299 ($40 million)
		Receipt of WeWork warrants with exercise price of USD 0.02 per share*[2]	–	525 ($4 million)
		Purchase of unsecured notes*[3]	–	181,826 ($1,362 million)
		Credit support for letter of credit facility*[4]	–	–
		Purchase of senior secured notes*[5]	33,315 ($250 million)	32,959 ($247 million)
Masayoshi Son (Son Asset Management LLC and 7 other companies)	Representative Director of SoftBank Group Corp. and related entities of which he holds more than one-half of the voting rights	Dividend paid from SoftBank Group Corp.	21,871	–
		Dividend paid from SoftBank Corp.	172	–
		Exercise of stock acquisition rights of SoftBank Corp.	498	–
		Payment for equipment usage*[6]	7	1
		Receipt of guarantees for claims against subsidiaries of the Company*[7,8]	–	–
Ken Miyauchi	Director	Exercise of stock acquisition rights of SoftBank Corp.	498	–
		Dividend paid from SoftBank Group Corp.	111	–
		Dividend paid from SoftBank Corp.	208	–

(Millions of yen)

Name of the company or individual	Nature of relationship	Nature of transaction	Fiscal year ended March 31, 2023 Amount of transaction	As of March 31, 2023 Balance at period-end
AI & Company, Inc. (Yutaka Matsuo)	Related entities of which Director of SoftBank Group Corp. holds more than one-half of the voting rights	Receipt of capital contribution to a subsidiary*[9]	¥ 3	¥ 77*[10]
Rajeev Misra	Former Corporate Officer	Advance payment for temporary expense	69	–
Taizo Son (Son Estate LLC and 6 other companies*[11])	Relative of Representative Director of SoftBank Group Corp. and related entities of which the relative holds more than one-half of the voting rights*[12]	Sale of shares of the Company's subsidiary*[13]	–	–
		Lending of funds*[14]	–	–
		Dividend paid from SoftBank Group Corp.	146	–
		Receipt of capital contribution to a subsidiary*[15]	12	463*[10]
		Receipt of deposits to a subsidiary*[16]	–	9

*1 WeWork warrants that are convertible into common shares at an exercise price of $0.01 per share, which the Company received for the fiscal year ended March 31, 2022 as a consideration for conversion of WeWork preferred shares into WeWork common shares of the new company at the time of the merger of WeWork and SPAC (39,133,649 shares) and for the extension of credit support for a letter of credit facility provided by financial institutions (11,923,567 shares).
*2 WeWork warrants that are convertible into common shares at an exercise price of $0.02 per share, which the Company received for the fiscal year ended March 31, 2020 as a consideration for the purchase of unsecured notes issued by WeWork and for the credit support for a letter of credit facility provided by financial institutions.
*3 Balance at period end represents the outstanding balance of unsecured notes which the Company purchased in the consolidated statement of financial position as of March 31, 2023.
*4 SVF2 provides WeWork the credit support for letter of credit facility provided by financial institutions. The details are described in "(2) Credit guarantees" under "Note 46. Contingency."
*5 SVF2 is obliged to purchase up to $0.5 billion in senior secured notes to be issued by WeWork. Amount of transaction represents the amount of senior secured notes which SVF2 purchased for the fiscal year ended March 31, 2023. Balance at period end represents the outstanding balance of senior secured notes in the consolidated statement of financial position as of March 31, 2023. The details are described in "Note 41. Other gain (loss)."
*6 Equipment usage fees are determined based on the ratio of usage.
*7 All indebtedness occurred by November 10, 2020 including indebtedness for or in respect of borrowed money, stock or securities lending, and any other guarantees and indemnities which Delaware subsidiaries, SB Northstar and its subsidiaries ("guaranteed subsidiaries") owe to the Company are guaranteed and indemnified by Masayoshi Son, Son Asset Management LLC and Son Wealth Management Inc. as principal obligor, in proportion to the ownership interest against SB Northstar at the time the relevant guaranteed obligations were incurred. At the time of winding up of SB Northstar, Masayoshi Son, Son Asset Management LLC and Son Wealth Management Inc. indemnify guaranteed obligations not being recoverable for any reason or any failure of guaranteed subsidiaries to perform any of its obligations or liabilities in proportion to the ownership interest against SB Northstar at the time the relevant guaranteed obligations were incurred.
Regarding any indebtedness occurred after November 11, 2020, it will be subject to this guarantee and indemnity agreement, to the extent that Masayoshi Son's prior consent has been obtained.
*8 In the event that Masayoshi Son is unable to perform, on a prolonged or permanent basis, his role with involvement in the investment management decisions of the SB Northstar, the Company has a call option to cause Masayoshi Son, Son Asset Management LLC and Son Wealth Management Inc. to sell all of their interests in the Delaware subsidiaries at the fair market value. If the call option is exercised, SoftBank Group Corp. will discuss the termination of the guarantee and indemnity agreement mentioned above with Masayoshi Son, Son Asset Management LLC and Son Wealth Management Inc.
*9 This represents the received amount of contribution to DEEPCORE TOKYO 1 by AI & Company, Inc. and the terms and conditions of the transaction are determined as same as other limited liability union members.
*10 The balance at period end represents the total investment amount less cumulative investment partnership losses and added cumulative investment partnership gains as of March 31, 2023.
*11 Mr. Taizo Son, relative of Representative Director Masayoshi Son, holds over half of the voting rights of this company.
*12 For the fiscal year ended March 31, 2023, a service agreement was entered into between SBGA and Mr. Taizo Son and he has been a member of the investment committee of SVF2.
*13 The Company and The EDGEof Korea Co., Ltd. ("EDGEof Korea"), which is controlled by Mr. Taizo Son, entered into a definitive agreement to sell all of its 3,600,000 shares in SoftBank Ventures Asia Corp. ("SBVA") to EDGEof Korea for KRW 124,000 million. This transaction is subject to regulatory approvals and the satisfaction of other closing conditions. The transaction price was determined based on negotiation with reference to the corporate valuation by an independent third-party valuation agency. In June 2023, the regulatory approvals and the other closing conditions were satisfied and subsequently the Company sold all of its shares in SBVA to EDGEof Korea.
*14 In April 2023, the Company and EDGEof Korea entered into a loan agreement of KRW 60,760 million which is equivalent to 49% of sales price of shares in SBVA for which the interest rate is equal to the overdraft interest rate prescribed by the Ordinance of the Ministry of Economy and Finance of Korea (as of March 31, 2023: 4.6%) and the maturity date is on the fifth anniversary of the closing date of the agreement. The loan is guaranteed by Mistletoe Singapore Pte. Ltd. and other two entities which are controlled by Mr. Taizo Son, and 49% of SBVA shares held by EDGEof Korea are pledged as collateral for the loan. The voting rights against SBVA are retained by EDGEof Korea.
*15 This represents the received amount of contribution to DEEPCORE TOKYO 1 by Mistletoe Venture Partners, Inc. and the terms and conditions of the transaction are determined as same as other limited liability union members.
*16 This represents the received amount of deposits to PayPay Bank Corporation, a subsidiary of the Company, by GEUDA General Incorporated Association and the terms and conditions of the transactions are determined as same as other depositors.

For the fiscal year ended March 31, 2024

(Millions of yen)

Name of the company or individual	Nature of relationship	Nature of transaction	Fiscal year ended March 31, 2024 Amount of transaction	As of March 31, 2024 Balance at period-end
ARM Technology (China) Co., Ltd.	Associate	Revenue under the terms of the IP license agreement	¥ 96,060	¥ 44,628
WeWork	Associate	Receipt of WeWork warrants with exercise price of USD 0.01 per share*1	–	–
		Receipt of WeWork warrants with exercise price of USD 0.02 per share*2	–	–
		Receipt of shares and convertible bonds *3	94,122	–
		Purchase/Redemption of the senior secured notes Purchase of the notes *4	7,272	–
		Lending of funds related to credit support for letter of credit facility *5	210,182	–
GreenBox Systems LLC	Joint Venture	Fulfillment of investment commitment*6	0	484,512
Masayoshi Son (Son Asset Management LLC and 9 other companies)	Representative Director of SoftBank Group Corp. and related entities of which he holds more than one-half of the voting rights	Dividend paid from SoftBank Group Corp.	21,480	–
		Dividend paid from SoftBank Corp.	241	–
		Payment for equipment usage*7	8	1
		Receipt of guarantees for claims against subsidiaries of the Company*8,9	–	–
	Related entities of which the relative of Representative Director of SoftBank Group Corp.holds more than one-half of the voting rights or has joint control	Income from subleasing of equipments at a subsidiary	105	–
		Payment of outsourcing fees from a subsidiary	11	1
Yoshimitsu Goto	Director	Exercise of stock acquisition rights of SoftBank Group Corp.	479	–

(Millions of yen)

Name of the company or individual	Nature of relationship	Nature of transaction	Fiscal year ended March 31, 2024 Amount of transaction	As of March 31, 2024 Balance at period-end
Ken Miyauchi	Director	Dividend paid from SoftBank Corp.	¥ 297	¥ –
AI & Company, Inc. (Yutaka Matsuo)	Related entities of which Director of SoftBank Group Corp. holds more than one-half of the voting rights	Receipt of capital contribution to a subsidiary*[10]	1	86*[11]
		Distribution from a subsidiary*[10]	2	–
KOEI TECMO GAMES CO., LTD. (Keiko Erikawa)	Related entities of which Director of SoftBank Group Corp. and the relative hold more than one-half of the voting rights	Fees to content providers*[12]	232	64
Taizo Son (Son Estate LLC and 7 other companies*[13])*[20,21]	Relative of Representative Director of SoftBank Group Corp. and related entities of which the relative holds more than one-half of the voting rights*[14]	Sale of shares of the Company's subsidiary*[15]	13,008	–
		Lending of funds*[16]	6,374	6,836
		Interest receipt*[16]	245	251
		Dividend paid from SoftBank Group Corp.	422	–
		Receipt of capital contribution to a subsidiary*[17]	7	514*[11]
		Distribution from a subsidiary*[17]	14	–
		Brand royalty revenue*[18]	18	19
		Receipt of deposits to a subsidiary*[19]	–	1

(Thousands of U.S. dollars)

Name of the company or individual	Nature of relationship	Nature of transaction	Fiscal year ended March 31, 2024 Amount of transaction	As of March 31, 2024 Balance at period-end
ARM Technology (China) Co., Ltd.	Associate	Revenue under the terms of the IP license agreement	$ 662,645*[22]	$ 294,748
WeWork	Associate	Receipt of WeWork warrants with exercise price of USD 0.01 per share*[1]	–	–
		Receipt of WeWork warrants with exercise price of USD 0.02 per share*[2]	–	–
		Receipt of shares and convertible bonds *[3]	681,499*[22]	–
		Purchase/Redemption of the senior secured notes Purchase of the notes *[4]	50,000*[22]	–
		Lending of funds related to credit support for letter of credit facility *[5]	1,430,000*[22]	–
GreenBox Systems LLC	Joint Venture	Fulfillment of investment commitment*[6]	0	3,200,000
Masayoshi Son (Son Asset Management LLC and 9 other companies)	Representative Director of SoftBank Group Corp. and related entities of which he holds more than one-half of the voting rights	Dividend paid from SoftBank Group Corp.	141,866	–
		Dividend paid from SoftBank Corp.	1,592	–
		Payment for equipment usage*[7]	53	7
		Receipt of guarantees for claims against subsidiaries of the Company*[8,9]	–	–
	Related entities of which the relative of Representative Director of SoftBank Group Corp.holds more than one-half of the voting rights or has joint control	Income from subleasing of equipments at a subsidiary	693	–
		Payment of outsourcing fees from a subsidiary	73	7
Yoshimitsu Goto	Director	Exercise of stock acquisition rights of SoftBank Group Corp.	3,164	–

(Thousands of U.S. dollars)

Name of the company or individual	Nature of relationship	Nature of transaction	Fiscal year ended March 31, 2024 Amount of transaction	As of March 31, 2024 Balance at period-end
Ken Miyauchi	Director	Dividend paid from SoftBank Corp.	$ 1,962	$ –
AI & Company, Inc. (Yutaka Matsuo)	Related entities of which Director of SoftBank Group Corp. holds more than one-half of the voting rights	Receipt of capital contribution to a subsidiary*10	7	568*11
		Distribution from a subsidiary*10	13	–
KOEI TECMO GAMES CO., LTD. (Keiko Erikawa)	Related entities of which Director of SoftBank Group Corp. and the relative hold more than one-half of the voting rights	Fees to content providers*12	1,532	423
Taizo Son (Son Estate LLC and 7 other companies*13)*20,21	Relative of Representative Director of SoftBank Group Corp. and related entities of which the relative holds more than one-half of the voting rights*14	Sale of shares of the Company's subsidiary*15	85,912	–
		Lending of funds*16	42,098	45,149
		Interest receipt*16	1,618	1,658
		Dividend paid from SoftBank Group Corp.	2,787	–
		Receipt of capital contribution to a subsidiary*17	46	3,395*11
		Distribution from a subsidiary*17	92	–
		Brand royalty revenue*18	119	125
		Receipt of deposits to a subsidiary*19	–	7

*1 WeWork warrants that are convertible into common shares at an exercise price of $0.01 per share, which the Company received for the fiscal year ended March 31, 2022 as a consideration for conversion of WeWork preferred shares into WeWork common shares of the new company at the time of the merger of WeWork and SPAC (978,340 shares) and for the extension of credit support for a letter of credit facility provided by financial institutions (298,089 shares). The number of shares is the number of shares after the reverse stock split implemented in September 2023. Balance at period end represents the amount recorded in the consolidated statement of financial position as of March 31, 2024 and the amount is recorded at zero.

*2 WeWork warrants that are convertible into common shares at an exercise price of $0.02 per share, which the Company received for the fiscal year ended March 31, 2020 as a consideration for the purchase of unsecured notes issued by WeWork and for the credit support for a letter of credit facility provided by financial institutions. Balance at period end represents the amount recorded in the consolidated statement of financial position as of March 31, 2024 and the amount is recorded at zero.

*3 For the fiscal year ended March 31, 2024, shares and convertible bonds were received in exchange for the unsecured notes. Balance at period end represents the amount recorded in the consolidated statement of financial position as of March 31, 2024 and the amount is recorded at zero.

*4 For the fiscal year ended March 31, 2024, SVF2 purchased additional $0.05 billion of senior secured notes issued by WeWork and $0.3 billion of senior secured notes, which was sum of the above and $0.25 billion purchased previously, were fully redeemed by WeWork. The remaining $0.2 billion of unfunded loan commitment for the senior secured notes was canceled. In addition, SVF2 newly entered into the loan commitment contract with WeWork and SVF2 purchased $0.3 billion of the notes issued by WeWork. Amount of transaction represents the net amount of the notes purchased and redeemed for the fiscal year ended March 31, 2024. Balance at period end represents the amount recorded in the consolidated statement of financial position as of March 31, 2024 and the amount is recorded at zero.

*5 SVF2 provided the loan to WeWork due to execution of the credit support. The details are described in "*7" under "Note 41. Other gain (loss)". Balance at period end represents the amount recorded in the consolidated statement of financial position as of March 31, 2024. The amount is recorded at zero as the allowance was fully allocated to the loan.

*6 In July 2023, GreenBox Systems LLC ("GreenBox") was established by the Company and Symbotic Inc. The Company has entered into an agreement regarding capital commitment of $3.2 billion to fund GreenBox. The amount of transaction represents the amount the Company invested in GreenBox for the fiscal year ended March 31, 2024, and the balance at period end represents the unfunded capital commitment as of March 31, 2024.

*7 Equipment usage fees are determined based on the ratio of usage.

*8 All indebtedness occurred by November 10, 2020 including indebtedness for or in respect of borrowed money, stock or securities lending, and any other guarantees and indemnities which Delaware subsidiaries, SB Northstar and its subsidiaries ("guaranteed subsidiaries") owe to the Company are guaranteed and indemnified by Masayoshi Son, Son Asset Management LLC and Son Wealth Management Inc. as principal obligor, in proportion to the ownership interest against SB Northstar at the time the relevant guaranteed obligations were incurred. At the time of winding up of SB Northstar, Masayoshi Son, Son Asset Management LLC and Son Wealth Management Inc. indemnify guaranteed obligations not being recoverable for any reason or any failure of guaranteed subsidiaries to perform any of its obligations or liabilities in proportion to the ownership interest against SB Northstar at the time the relevant guaranteed obligations were incurred.
Regarding any indebtedness occurred after November 11, 2020, it will be subject to this guarantee and indemnity agreement, to the extent that Masayoshi Son's prior consent has been obtained.

*9 In the event that Masayoshi Son is unable to perform, on a prolonged or permanent basis, his role with involvement in the investment management decisions of the SB Northstar, the Company has a call option to cause Masayoshi Son, Son Asset Management LLC and Son Wealth Management Inc. to sell all of their interests in the Delaware subsidiaries at the fair market value. If the call option is exercised, SoftBank Group Corp. will discuss the termination of the guarantee and indemnity agreement mentioned above with Masayoshi Son, Son Asset Management LLC and Son Wealth Management Inc.

*10 This represents the received amount of contribution to DEEPCORE TOKYO 1 by AI & Company, Inc. and the terms and conditions of the transaction are determined as same as other limited liability union members.

*11 The balance at period end represents the total investment amount less cumulative investment partnership losses and added cumulative investment partnership gains as of March 31, 2024.

*12 Terms and conditions of the transaction was negotiated and determined, considering the market price and contents of the services.

*13 Mr. Taizo Son, relative of Representative Director Masayoshi Son, holds over half of the voting rights of this company.

*14 A service agreement was entered into between SBGA and Mr. Taizo Son in the fiscal year ended March 31, 2023, and he has been a member of the investment committee of SVF2.

*15 The Company sold all of its 3,600,000 shares in SBVA to EDGEof Korea, which is controlled by Mr. Taizo Son, for KRW 124,000 million on June 14, 2023. The transaction price was determined based on negotiation with reference to the corporate valuation by an independent third-party valuation agency.

*16 The Company and EDGEof Korea entered into a loan agreement of KRW 60,760 million which is equivalent to 49% of sales price of shares in SBVA for which the interest rate is equal to the overdraft interest rate prescribed by the Ordinance of the Ministry of Economy and Finance of Korea (as of March 31, 2024: 4.6%) and the maturity date is on the fifth anniversary of the closing date of the agreement. The loan is guaranteed by Mistletoe Singapore Pte. Ltd. and other two entities which are controlled by Mr. Taizo Son, and 49% of SBVA shares held by EDGEof Korea are pledged as collateral for the loan. The voting rights against SBVA are retained by EDGEof Korea.

*17 This represents the received amount of contribution to DEEPCORE TOKYO 1 by Mistletoe Venture Partners, Inc. and the terms and conditions of the transaction are determined as same as other limited liability union members.

*18 It is calculated by a rate applied for SBVA's operating revenue. The rate is determined by a reasonable standard.

*19 This represents the received amount of deposits to PayPay Bank Corporation, a subsidiary of the Company, by GEUDA General Incorporated Association and the terms and conditions of the transactions are determined as same as other depositors.

*20 Other than transactions included in the table above, the Company had entered into limited partnership agreements with SBVA for several funds which are managed by SBVA as a general partner. As a result of the sales transaction of SBVA mentioned above, SBVA became an entity controlled by Mr. Taizo Son and transactions regarding the limited partnership agreements are identified as related party transactions. As of the date of identification, the total commitment amount and unfunded commitment amount of the Company to the funds were ¥29,145 million ($192,491 thousand) and ¥1,031 million ($6,809 thousand), respectively. Also, for the fiscal year ended March 31, 2024, the Company entered into a limited partnership agreement for a fund which is managed by an entity controlled by Mr. Taizo Son as a general partner and changed the limited partnership agreement for an existing fund which is managed by an entity controlled by Mr. Taizo Son as a general partner. As of March 31, 2024, the total commitment amount and unfunded commitment amount of the Company to the funds were ¥38,709 million ($255,657 thousand) and ¥7,023 million ($46,384 thousand), respectively. Under the limited partnership agreements, management fees are to be paid as 0.5% - 2.3% of the commitment amounts or funded amounts, and success fees are to be paid as distributions of the amount equivalent to the equity owned at the liquidation or 20% - 30% of investment gains which is subject to the achievement of certain IRR.

*21 In addition to the table above, on May 31, 2024, the Company sold certain investment securities to a fund which is managed by an entity controlled by Mr. Taizo Son as a general partner for $20 million. The sales price was determined based on the recent transaction price of the investment securities.

*22 The amounts represent the original contract amounts recorded in U.S. dollars, and are not the translations of Japanese yen amounts into U.S. dollar amounts.

(2) Remuneration for executives

Remuneration for executives is as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2023	**Fiscal year ended March 31, 2024**	**Fiscal year ended March 31, 2024**
Short-term benefits	¥ 1,495	**¥ 2,929**	**$ 19,345**
Share-based payments	651	**2,415**	**15,950**
Retirement benefits	–	**2**	**13**
Total	¥ 2,146	**¥ 5,346**	**$ 35,308**

For the fiscal year ended March 31, 2023

Remuneration for major executives represents remuneration for the directors of SoftBank Group Corp. (including external directors) and Rajeev Misra as the Corporate Officer, Executive Vice President.

Rajeev Misra resigned from his position as the Corporate Officer, Executive Vice President at SoftBank Group Corp. on August 31, 2022. He is not an executive of the Company since September 1, 2022.

For the fiscal year ended March 31, 2024

Remuneration for major executives represents remuneration for the directors of SoftBank Group Corp. (including external directors).

Since Kentaro Kawabe resigned from his position as a director at SoftBank Group Corp. on June 21, 2023, the remuneration during his term of office is included in the table above.

46. Contingency

(1) Lending commitments

Lending commitments that the Company is engaged in are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	**As of March 31, 2024**	**As of March 31, 2024**
Lending commitments	¥12,270,942	**¥13,435,497**	**$88,735,863**
Funded	1,050,583	**1,039,913**	**6,868,192**
Unfunded	¥11,220,359	**¥12,395,584**	**$81,867,671**

The lending commitments that the Company is engaged in are mainly shopping and cashing credit limits provided to the credit card members in the SoftBank segment.

The unfunded balance of the shopping limit and cashing limit does not indicate that the total amount of the balance will be used in the future because customers may use the credit card up to the limit at any time and do not always use the full amount of the limit and the Company may change the limit arbitrarily. Also, maturities of unfunded lending commitments are within one year because they are payable on demand.

Expected credit loss that could arise resulting from the execution of the above loan commitments are described in "b. Credit risk" in "(2) Financial risk management" under "Note 28. Financial instruments."

(2) Credit guarantees

Guarantees that the Company provides are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	**As of March 31, 2024**	**As of March 31, 2024**
Total amount of financial guarantee contract	¥ 196,243	**¥ 16,030**	**$ 105,871**
Guarantee balance	194,625	**13,238**	**87,431**

SVF2 provided credit support (financial guarantee contract) for a $1.43 billion letter of credit facility to WeWork by financial institutions. As of March 31, 2023, the total amount of financial guarantee contract and the guarantee balance are ¥190,948 million. For the fiscal year ended March 31, 2024, the financial guarantee contract was terminated as SVF2 fully fulfilled the guarantee. The details are described in "*7" under "Note 41. Other gain (loss)."

As of March 31, 2024, the amount of allowance for financial guarantee contract losses was zero (as of March 31, 2023: ¥152,365 million included in "Other financial liabilities (current)").

(3) Litigation

SoftBank Group Corp. and certain of its subsidiaries are a party to a number of currently pending legal and administrative proceedings. As it is difficult to reasonably estimate the final results of such matters, reserves have not been recorded. Based on the information currently available, we do not expect that the results of these proceedings will have a material adverse effect on our financial position or results of operations.

a. Credit Suisse Litigation

On April 11, 2023, Credit Suisse Virtuoso SICAV-SIF (hereinafter referred to as "Credit Suisse Fund") and Glas Trust Corporation Limited (together with Credit Suisse Fund, hereinafter referred to as "Plaintiffs") filed a claim in the English High Court of Justice against SoftBank Group Corp., SoftBank Vision Fund I and II (together with SoftBank Group Corp., hereinafter referred to as "SoftBank Party"), and Greensill Limited in relation to certain transactions involving supply chain finance firm Greensill Capital (UK) Limited and Greensill Limited, and the US construction company Katerra Inc. (hereinafter referred to as "Katerra"). Plaintiffs allege that SoftBank Party orchestrated restructuring transactions between Greensill Limited and Katerra with respect to notes purchased by Credit Suisse Fund from Greensill Capital (UK) Limited in 2020 that were backed by accounts receivable purchased by Greensill Limited from Katerra, for the purpose of depriving Credit Suisse Fund of these accounts receivables, and as a result, Credit Suisse Fund suffered a loss of $440 million. SoftBank Party believes the allegations raised by Plaintiffs are wholly without merit and is vigorously contesting the plaintiff's claim.

b. Litigation in which SoftBank Corp. is involved as a Party

(a) On April 30, 2015, SoftBank Corp. filed a lawsuit with the Tokyo District Court against JPiT, claiming for payment of remuneration for additional services provided in connection with the installation of telecommunication lines as well as other items, that were ordered by JPiT in relation to a project to migrate the communication network connecting approximately 27,000 sites (postal offices, etc.) existing countrywide to a new network, the 5th PNET.

Pursuant to a contract dated February 7, 2013, SoftBank Corp. was requested by JPiT to carry out, among other services, installation services for telecommunication lines for Japan Post Group's business sites existing countrywide. SoftBank Corp. performed such services, and upon JPiT's request, SoftBank Corp. also performed services that exceeded the scope of services stipulated in the contract.

Although SoftBank Corp. negotiated with JPiT over an extended period regarding the remuneration, for these additional services, SoftBank Corp. and JPiT were unable to arrive at a settlement. Accordingly, SoftBank Corp. duly filed the lawsuit, claiming for payment of remuneration, for such additional services.

(b) On April 30, 2015, JPiT filed a lawsuit against SoftBank Corp. and Nomura Research Institute, Ltd. ("NRI") as codefendants. In this lawsuit, JPiT alleges that SoftBank Corp. and NRI delayed performance of the ordered services related to the project for migration to the 5th PNET mentioned in (a) above and alleges that such delay caused damages to JPiT. JPiT made joint and several claims against both SoftBank Corp. and NRI for the alleged damages.

An order to consolidate the lawsuits described in items (a) and (b) above was made on July 29, 2015.

On September 9, 2022, the Tokyo District Court rendered a judgment ordering SoftBank Corp. to pay JPiT remuneration for the damages and delay damages. As a result of the judgment, SoftBank Corp. recorded ¥19,716 million of the provisions for loss relating to litigation for the fiscal year ended March 31, 2023.

On September 22, 2022, SoftBank Corp. appealed the judgment to the Tokyo High Court. On March 21, 2024, the Tokyo High Court rendered a judgment ordering JPiT to pay SoftBank Corp. remuneration for the additional services and delay damages, and dismissing all claims against SoftBank Corp. filed by JPiT. As a result of the judgment, for the fiscal year ended March 31, 2024, SoftBank Corp. reversed the full amount of ¥19,176 million ($126,649 thousand) that had been recorded in the provision for loss relating to litigation for the fiscal year ended March 31, 2023.

47. Purchase commitments

The Company has commitments to purchase services and goods of ¥1,516,295 million ($10,014,497 thousand) as of March 31, 2024 (¥992,152 million as of March 31, 2023). Purchase commitments are mainly outstanding contracts related to investments and purchases of telecommunications equipment. As of March 31, 2024, the above mentioned commitments include ¥484,512 million ($3,200,000 thousand) (as of March 31, 2023: none) of investment commitments for joint ventures.

48. Subsequent events

There have been no material subsequent events to date.

49. Approval of consolidated financial statements

The consolidated financial statements have been approved by the Company's Representative Director, Corporate Officer, Chairman & CEO, Masayoshi Son, on June 21, 2024.

Independent Auditor's Report

SoftBank Group Corp. and its Consolidated Subsidiaries

Deloitte.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of SoftBank Group Corp.:

<Audit of Consolidated Financial Statements>

Opinion

We have audited the consolidated financial statements of SoftBank Group Corp. and its subsidiaries (the "Company"), which comprise the consolidated statement of financial position as of March 31, 2024, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information, all expressed in Japanese yen.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as of March 31, 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards.

Convenience Translation

Our audit also comprehended the translation of Japanese yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made in accordance with the basis stated in "(3) Presentation currency and unit of currency" under "Note 2. Basis of preparation of consolidated financial statements" to the consolidated financial statements. Such U.S. dollar amounts are presented solely for the convenience of readers outside Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

A key audit matter is a matter that, in our professional judgment, was of most significance in our audit of the consolidated financial statements of the current period. The matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on the matter.

The reasonableness of the valuation of the investments from SVF (FVTPL) classified as Level 3

(1) Key Audit Matter Description

The Company holds its investments primarily through SoftBank Vision Fund L.P. and its alternative investment vehicles and SoftBank Vision Fund II-2 L.P. and SBLA Latin America Fund LLC ("SVF"). The recorded investments from SVF (FVTPL) were ¥11,014,487 million in the consolidated statement of financial position as of March 31, 2024, and were quantitatively material in the consolidated financial statements. Also, the account includes ¥7,840,631 million of Level 3 investments, whose fair values were measured using unobservable inputs as discussed in "Note 29. Fair value of financial instruments." The enterprise values to calculate the fair values of the investments from SVF (FVTPL) classified as Level 3 are calculated primarily based on the recent transactions method, the discounted cash flow method and the market comparable company multiple method. Calculations are determined utilizing one or more of these methods for each security.

For each valuation method, the following significant assumptions, which are subject to a high degree of management judgment, and the occurrence of the following events, are highly sensitive:

- Business plan and capital cost that are used in the discounted cash flow method
- Selection of peer companies as the basis for revenue multiples used for a market comparable company multiple method
- The subsequent events that provide additional evidence to fair value at the end of the reporting period
- Weighted average ratio when more than one valuation methods described above are used

The calculated enterprise value is allocated to the equity value of each type of stock according to the capital structure of the investee to calculate the fair value. With the main consideration of shareholder's rights and their preferred rights, the option pricing method is used to determine the allocation ratio. In addition, the allocation ratio is determined by considering the possibility that the preferred stock will be converted into common stock through an initial public offering and other events. The estimates that are associated with high uncertainty in the future, such as a possibility of an initial public offering, significantly affect the allocation ratio.

Based on the above, we determined that the reasonableness of the valuation of the investments from SVF (FVTPL) classified as Level 3 is a key audit matter.

(2) How the Key Audit Matter Was Addressed in the Audit

We performed the following primary procedures to evaluate the reasonableness of the estimates related to valuation of the investments from SVF (FVTPL) classified as Level 3 by instructing the component auditors:

- We tested the reasonableness of the selection of valuation methods utilized by performing inquires of management, evaluating the consistency of the valuation methods previously utilized and evaluating the appropriateness of changes in such methods, if any.
- For the investments from SVF (FVTPL) classified as Level 3 where the discounted cash flow method is utilized, we primarily performed retrospective reviews of performance against plan in order to evaluate the reasonableness of the business plan. We evaluated the reasonableness of the capital cost used in the valuation with the assistance of our valuation specialists.
- For the investments from SVF (FVTPL) classified as Level 3 where the market comparable company multiple method is utilized, we evaluated the reasonableness of management's selection of peer companies, which serves as the basis for the revenue multiples selected by management, with the assistance of our valuation specialists.

- We performed inquiries of management, inspected publicly available information to identify if there are any new funding rounds or other events, and evaluated whether or not these events should be considered in estimating the fair value of the relevant investment at the end of the reporting period.

- In case the calculated enterprise value needs to be allocated to each class of shares, we verified whether the allocation is calculated based on the preferred-subordinate relationship defined in the contract, articles of incorporation and other information, performed inquires of management and inspected related documents regarding the estimate of the possibility of an initial public offering.

- For the investments from SVF (FVTPL) classified as Level 3 where more than one valuation methods are utilized, we evaluated the reasonableness of the weighted average ratio of more than one valuation methods, including consistency among the weighted average ratio previously used and the condition of investee, as well as the appropriateness of changes in the ratio, if any.

- With the assistance of our valuation specialists, we evaluated whether the fair value calculated by management deviated materially from the estimate of valuation assessed by us.

Other Information

Other information comprises the information included in the Company's disclosure documents accompanying the audited consolidated financial statements, but does not include the consolidated financial statements and our auditor's report thereon.

We determined that no such information existed and therefore, we did not perform any work thereon.

Responsibilities of Management and Audit & Supervisory Board Members and the Audit & Supervisory Board for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with IFRS Accounting Standards and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in Japan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate whether the overall presentation and disclosures of the consolidated financial statements are in accordance with IFRS Accounting Standards, as well as the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

We communicate with Audit & Supervisory Board members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit & Supervisory Board members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with Audit & Supervisory Board members and the Audit & Supervisory Board, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

<Fee-Related Information>

Fees for audit and other services for the year ended March 31, 2024, which were charged by us and our network firms to SoftBank Group Corp. and its subsidiaries were ¥10,977 million and ¥215 million, respectively.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Deloitte Touche Tohmatsu LLC

June 21, 2024

- 5 -

SoftBank Group Corp.

TSE Prime Market: 9984

https://group.softbank/en/

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