

SoftBank Group Corp.
Consolidated Financial Report
For the Nine-Month Period Ended December 31, 2024 (IFRS)

Tokyo, February 12, 2025

1. Financial Highlights

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

(1) Results of Operations

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

	Net sales		Income before income tax		Net income		Net income attributable to owners of the parent		Total comprehensive income	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Nine-month period ended December 31, 2024	¥5,302,576	6.0	¥1,270,932	381.3	¥1,057,689	-	¥636,154	-	¥1,719,000	128.6
Nine-month period ended December 31, 2023	¥5,001,901	2.6	¥264,075	-	¥(119,678)	-	¥(458,723)	-	¥751,825	83.1

	Basic earnings per share (Yen)	Diluted earnings per share (Yen)
Nine-month period ended December 31, 2024	¥426.74	¥425.30
Nine-month period ended December 31, 2023	¥(325.46)	¥(328.78)

(2) Financial Position

	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent to total assets (%)
As of December 31, 2024	¥47,029,122	¥14,574,555	¥12,226,274	26.0
As of March 31, 2024	¥46,724,243	¥13,237,169	¥11,162,125	23.9

2. Dividends

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

Note:

* Revision of the latest forecasts on the dividends: No

*** Notes**

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

Newly consolidated: 81 companies (SBE Global, LP and its 80 subsidiaries)

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

(2) Changes in accounting policies and accounting estimates

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

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

[3] Changes in accounting estimates: No

(3) Number of shares issued (common stock)

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

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

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

[2] Number of shares of treasury stock:

As of December 31, 2024: 28,871,931 shares

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

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

As of December 31, 2024: 1,457,006,063 shares

As of December 31, 2023: 1,464,664,871 shares

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

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

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

On February 12, 2025 (JST), the Company will hold an earnings results briefing for the media, institutional investors, and financial institutions. This earnings results briefing will be broadcasted live on the Company's website in both Japanese and English at <https://group.softbank/en/ir>. The data sheet will also be posted on the website on the same date at the same site.

(Appendix)

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Disclaimer

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

Notice Regarding PFIC Status

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

Definition of Company Names and Abbreviations Used in This Appendix

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

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

Exchange Rates Used for Translations

USD/JPY	Fiscal year ended March 31, 2024				Fiscal year ending March 31, 2025		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Average rate for the quarter	¥138.11	¥145.44	¥147.00	¥147.87	¥156.53	¥150.26	¥151.32
Rate at the end of the period				¥151.41			¥158.18

1. Results of Operations

(1) Overview of Results of Operations

1. Results highlights

◆ **¥2,170.0 billion investment gain (¥538.9 billion loss for the same period of the previous fiscal year)**

- ¥2,008.5 billion investment gain at Investment Business of Holding Companies
 - Investment gains of ¥902.9 billion on Alibaba shares and ¥751.9 billion^{*1} on T-Mobile shares
Investment gain of ¥902.9 billion on Alibaba shares was offset by a derivative loss of ¥635.9 billion, which arose from prepaid forward contracts using Alibaba shares (recorded separately under “derivative loss (excluding gain (loss) on investments)”).
- ¥260.8 billion investment gain at SoftBank Vision Funds (excluding losses associated with SVF’s investments in the Company’s subsidiaries)
 - The fair values of a portion of investments, including ByteDance and Coupang, increased.
 - Since inception, the gross performance has been a gain of \$21.6 billion for SVF1 and a loss of \$22.2 billion for SVF2.^{*2}

Note: Changes in the fair value of the shares of consolidated subsidiaries, including Arm and SoftBank Corp., are not recorded in the Company’s consolidated statement of profit or loss.

◆ **¥1,270.9 billion income before income tax (improvement of ¥1,006.9 billion YoY)**

reflecting the recordings of:

- Selling, general and administrative expenses of ¥2,206.5 billion
- Finance cost of ¥432.7 billion
- Foreign exchange loss of ¥251.9 billion. This was due to the yen’s depreciation in exchange rates used for translation at the third quarter-end compared with the previous fiscal year-end, amid a net excess of U.S. dollar-denominated liabilities over U.S. dollar-denominated cash and cash equivalents and loans receivable, primarily within SBG.
- Derivative loss (excluding gain (loss) on investments) of ¥791.2 billion. This arose from a loss relating to prepaid forward contracts using Alibaba shares following an increase in Alibaba’s share price. This loss offset the investment gain on Alibaba shares as mentioned above.
- Increase in third-party interests in SVF of ¥359.9 billion. This was mainly due to the recording of an investment gain of ¥740.3 billion at SVF1 (on an SVF segment basis), where the proportion of third-party interests is significant, resulting in an increase in third-party interests of ¥283.5 billion (attributable to investors entitled to performance-based distribution).

◆ **¥636.2 billion net income attributable to owners of the parent (improvement of ¥1,094.9 billion YoY)**

reflecting the recordings of:

- Income taxes of ¥213.2 billion
- Net income attributable to non-controlling interests of ¥421.5 billion

2. Sequentially implement investments for growth

◆ **SBG and its wholly owned subsidiaries**

Total investment of ¥426.6 billion^{*3}

Examples of investments during the period:

- Investment in Wayve Technologies,^{*4} a U.K. company developing autonomous driving platforms based on data learning using AI
- Acquisition of additional interests in equity method associate SBE Global, which constructs and operates solar power plants in the U.S., converting it to a subsidiary
- Acquisition of U.K.-based company Graphcore, a designer and developer of semiconductor chips specialized for AI and machine learning, also converting it to a subsidiary

◆ **SVF**

Total investment of \$1.63 billion,^{*5} primarily in the Enterprise and Frontier Tech sectors, net of investments transferred from the Company to SVF and of follow-on investments in the Company’s subsidiaries that were eliminated in consolidation

3. Bond refinancing & issuance, and loan financing

◆ Domestic straight bonds (SBG)

SBG issued domestic straight bonds of ¥100.0 billion to wholesale markets in April 2024 and ¥550.0 billion and ¥350.0 billion to retail markets in June and December 2024. Meanwhile, SBG redeemed domestic straight bonds of ¥450.0 billion upon maturity in June 2024.

◆ Foreign currency-denominated senior notes (SBG)

In July 2024, SBG issued U.S. dollar-denominated senior notes of \$900 million and euro-denominated senior notes of 900 million euros. In the same month, SBG also redeemed U.S. dollar-denominated senior notes of \$767 million prior to maturity and euro-denominated senior notes of 638 million euros upon maturity.

◆ Syndicate loan (SBG and its wholly owned subsidiaries)

- Term loan

The Company borrowed \$2.9 billion through a term loan in September 2024.

- Commitment line

The Company renewed its commitment line agreement in September 2024. After the renewal, the drawdown limits are \$5,465 million for the U.S. dollar-denominated tranche and ¥35.6 billion for the yen-denominated tranche. As of the third quarter-end, the entire amount remained undrawn.

- Hybrid loan

In November 2024, the Company secured a hybrid loan of ¥135.0 billion and completed the refinancing of ¥84.0 billion on a hybrid loan, which reached its first voluntary prepayment date in the same month.

- Margin loan using Arm shares

In December 2024, the Company revised the margin loan using Arm shares, including an increase in the borrowing limit from \$8.5 billion to \$13.5 billion and other changes to the terms. As of the third quarter-end, the incremental \$5.0 billion remains fully undrawn.

4. Share repurchase

Under the share repurchase program authorized for up to ¥500.0 billion authorized in August 2024, SBG purchased a cumulative total of ¥206.9 billion by the third quarter-end and a cumulative total of ¥209.9 billion by January 31, 2025.

Notes:

1. Includes derivative gains and losses on investments and effects of foreign exchange translation
2. Gross amounts before deductions, such as third-party interests and taxes
3. The amount comprises the investment outlay by SBG and its primary wholly owned subsidiaries (excluding investments in U.S. Treasury Bonds), recorded under "Payments for acquisition of investments," with the addition of net outlays associated with the subsidiary conversion of SBE Global and Graphcore Limited ("Graphcore"), recorded under "Payments (net) for acquisition of control over subsidiaries," both of which are presented within the condensed interim consolidated statement of cash flows.
4. As part of the ongoing reorganization of the investment portfolio of SBG and its key investment subsidiaries, investment in Wayve Technologies Ltd. ("Wayve") is scheduled to be transferred to SVF2 during the three-month period ending March 31, 2025 (the "fourth quarter"), subject to regulatory approval. See "(b) SoftBank Vision Funds" under "b. Results by Segment" for further details.
5. The amounts recorded in the condensed interim consolidated statement of cash flows

PAYMENT OF SECOND INSTALLMENT OF CONSIDERATION FOR INTRAGROUP TRANSACTION OF ARM SHARES

In August 2024, the Company made the second installment payment of \$4.1 billion as part of the total consideration for the acquisition of Arm's ordinary shares. This acquisition took place in August 2023, prior to Arm's initial public offering in September 2023, when the Company's wholly owned subsidiary purchased the ordinary shares of Arm held by SVF1 (equivalent to 24.99% of Arm's outstanding shares) for \$16.1 billion (the "Transaction Consideration"). The Transaction Consideration is being paid in four installments, with the first installment of \$4.1 billion having been paid upon the completion of the transaction in August 2023. These installment payments do not

have any impact on the consolidated financial statements, as they are settlements of claims and obligations related to the consideration for transfer of shares of the Company's subsidiary within the group.

Timing and amount of installments of the Transaction Consideration

	1st - Paid	2nd - Paid	3rd - Scheduled	4th - Scheduled
Timing	August 2023	August 2024	February 2025	August 2025
Amount	\$4.1 billion	\$4.1 billion	\$4.1 billion	\$3.8 billion

a. Consolidated Results of Operations

(Millions of yen)

	Nine months ended December 31		Change	Change %	
	2023	2024			
Net sales	5,001,901	5,302,576	300,675	6.0%	A
Gross profit	2,665,181	2,785,040	119,859	4.5%	
Gain on investments					
Gain (loss) on investments at Investment Business of Holding Companies	(583,428)	2,008,450	2,591,878	-	B
Gain (loss) on investments at SoftBank Vision Funds	(51,994)	260,754	312,748	-	C
Gain (loss) on other investments	96,473	(99,182)	(195,655)	-	
Total gain (loss) on investments	(538,949)	2,170,022	2,708,971	-	
Selling, general and administrative expenses	(2,123,591)	(2,206,540)	(82,949)	3.9%	D
Finance cost	(426,796)	(432,693)	(5,897)	1.4%	E
Foreign exchange loss	(308,202)	(251,885)	56,317	-	F
Derivative gain (loss) (excluding gain (loss) on investments)	1,180,266	(791,181)	(1,971,447)	-	G
Change in third-party interests in SVF	(378,397)	(359,910)	18,487	(4.9%)	H
Other gain	194,563	358,079	163,516	84.0%	I
Income before income tax	264,075	1,270,932	1,006,857	381.3%	
Income taxes	(383,753)	(213,243)	170,510	(44.4%)	J
Net income	(119,678)	1,057,689	1,177,367	-	
Net income attributable to non-controlling interests	339,045	421,535	82,490	24.3%	
Net income attributable to owners of the parent	(458,723)	636,154	1,094,877	-	
Total comprehensive income	751,825	1,719,000	967,175	128.6%	
Comprehensive income attributable to owners of the parent	418,134	1,312,020	893,886	213.8%	

The following is an overview of the primary and noteworthy components in the condensed interim consolidated statement of profit or loss.

A Net Sales

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

B Gain on Investments at Investment Business of Holding Companies

Investment gain of ¥2,008,450 million was recorded at Investment Business of Holding Companies. This primarily included investment gains of ¥902,876 million on Alibaba shares and ¥751,863 million on T-Mobile shares (including derivative gains and losses on investments and effects of foreign exchange translation). For details, see “(a) Investment Business of Holding Companies Segment” under “b. Results by Segment.”

C Gain on Investments at SoftBank Vision Funds

Investment gain of ¥260,754 million was recorded at SoftBank Vision Funds. This comprised a gain of ¥668,150 million at SVF1, a loss of ¥378,168 million at SVF2, a gain of ¥419 million at LatAm Funds, and a loss of ¥29,647 million on other investments.

The investment gain at SVF1 was primarily due to unrealized valuation gains (net) totaling ¥655,060 million for investments held at the third quarter-end. Of this, an unrealized gain (net) totaling ¥576,132 million was recorded for public portfolio companies, mainly attributed to higher share prices of Coupang, Inc. (“Coupang”), DiDi Global Inc. (“DiDi”), and Grab Holdings, Inc. (“Grab”). However, during the third quarter, declines in the share prices of Coupang and other investments partially offset this gain. For private portfolio companies, an unrealized gain (net) totaling ¥78,928 million was recorded, mainly due to increases in the fair value of portfolio companies such as Bytedance Ltd. (“ByteDance”), which saw a valuation rise due to higher share prices of its market comparable companies and its strong business performance, despite decreases in the fair values of some other investments primarily due to their weaker performances.

The investment loss at SVF2 was primarily due to unrealized valuation losses (net) totaling ¥385,409 million for investments held at the third quarter-end. This was largely due to a decline in the share prices of public portfolio companies, including AutoStore Holdings Ltd. (“AutoStore”) and Symbotic Inc., as well as a decrease in the fair values of private portfolio companies, mainly reflecting markdowns due to weaker performances.

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

Primarily as a result of B and C, the total gain on investments was ¥2,170,022 million.

D Selling, General and Administrative Expenses

Selling, general and administrative expenses increased by ¥81,986 million year on year to ¥1,566,370 million in the SoftBank segment and by ¥65,110 million year on year to ¥405,154 million in the Arm segment. The increase in the SoftBank segment was primarily driven by higher sales-related costs, reflecting intensified efforts to acquire smartphone contracts and promote continued use of commerce services by existing customers. Additionally, expenses were impacted by the increase in license fees and outsourcing costs incurred by LY Corporation in response to security incidents. The increase in the Arm segment was primarily driven by higher personnel expenses, including share-based compensation, due to the growth in the number of engineers and other employees, mainly to enhance its R&D capabilities.

E Finance Cost

Interest expenses at SBG¹ increased by ¥28,661 million year on year to ¥330,975 million. The increase at SBG was primarily driven by higher interest payments on domestic bonds, following an increase in the outstanding balance as well as \$2.9 billion newly borrowed through term loans in September 2024. Additionally, in July 2024, SBE Global became a subsidiary of the Company, resulting in the inclusion of ¥11,055 million in interest expenses associated with the subsidiary. In contrast, interest expenses at SoftBank Vision Funds decreased by ¥35,319 million year on year to ¥24,966 million, due to a significant reduction in borrowings.

F Foreign Exchange Loss

Foreign exchange loss of ¥251,885 million (net) was recorded due to the yen's depreciation in exchange rates used for translation at the third quarter-end compared to the previous fiscal year-end. This was primarily because SBG and the domestic subsidiaries used for fund procurement held U.S. dollar-denominated liabilities, such as borrowings from subsidiaries and foreign currency-denominated senior notes, that exceeded their U.S. dollar-denominated cash and cash equivalents and loans receivable.

For SoftBank Vision Funds and other foreign subsidiaries and associates, whose functional currency is primarily U.S. dollars, the yen-translated value of net assets increased due to the yen's depreciation in exchange rates used for translation at the third quarter-end compared to the previous fiscal year-end. However, this positive impact is not recognized as foreign exchange gains and losses; instead, it is reflected in the ¥645,702 million increase in exchange differences from the translation of foreign operations, recorded under accumulated other comprehensive income in equity in the condensed interim consolidated statement of financial position.

G Derivative Loss (Excluding Gain or Loss on Investments)

Derivative loss of ¥635,917 million was recorded for the prepaid forward contracts and associated contracts using Alibaba shares.

H Change in Third-Party Interests in SVF

“Change in third-party interests in SVF” represents the gains and losses attributable to third-party investors, which are calculated based on the gains and losses on investments at SoftBank Vision Funds, net of management fees, performance-linked management fees, and performance fees payable to the fund managers (which are wholly owned subsidiaries of the Company) and operating and other expenses of SoftBank Vision Funds. In the consolidated statement of profit or loss, gains on investments at SoftBank Vision Funds typically lead to an increase in third-party interests (attributable to investors entitled to performance-based distributions), which negatively impacts profit. Conversely, losses on investments reduce third-party interests (attributable to investors entitled to performance-based distributions), thereby positively impacting profit. In addition, regardless of the investment gains or losses at SoftBank Vision Funds, increases in amounts attributable to investors entitled to fixed distributions are recorded as contributions to loss. This is based on the outstanding capital of preferred equity contributions from third-party investors.

In the period, third-party interests in SVF increased by ¥359,910 million, relative to a gain on investments at SoftBank Vision Funds of ¥260,754 million. This was primarily due to the recording of an investment gain of ¥740,302 million at SVF1 (on a segment basis), where the proportion of third-party interests is substantial. This resulted in a ¥283,511 million increase in third-party interests attributable to investors entitled to performance-based distributions. In addition, a ¥82,346 million increase in amounts attributable to investors entitled to fixed distributions also contributed to this increase.

I Other Gain

A gain of ¥93,139 million was recorded due to the loss of control over Fortress, after SBG sold all of its interests in Fortress, held through a subsidiary, to a subsidiary of Mubadala Investment Company PJSC in May 2024. In July 2024, SBG acquired additional interests in its equity method associate SBE Global, converting it into a subsidiary. As a result of measuring SBG's existing interests in SBE Global at fair value, the Company recorded a ¥55,553 million gain arising from the remeasurement relating to business combination. For further details, see "13. Other gain" under "(7) Notes to Condensed Interim Consolidated Financial Statements" in "2. Condensed Interim Consolidated Financial Statements and Primary Notes."

Primarily as a result of A through I, income before income tax was ¥1,270,932 million, an improvement of ¥1,006,857 million year on year.

J Income Taxes

Operating companies such as SoftBank Corp. and LY Corporation recorded income tax expenses. Additionally, SBG and its wholly owned subsidiaries recorded income tax expenses, primarily due to an increase in the fair value of investment securities held.

While the top-up tax was estimated in accordance with the Income Inclusion Rule of the Global Minimum Tax, which was applied from the fiscal year, SBG did not record any tax expenses.

Primarily as a result of A through J, net income attributable to owners of the parent was ¥636,154 million, an improvement of ¥1,094,877 million year on year.

b. Results by Segment

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

The following is a summary of the reportable segments.

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

Note:

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

(a) Investment Business of Holding Companies Segment

1. Investment gain of ¥2,008.5 billion was recorded at Investment Business of Holding Companies due to investment gains of ¥902.9 billion on Alibaba shares and ¥751.9 billion^{*1} on T-Mobile shares.
2. Segment income amounted to ¥532.0 billion after recording derivative loss of ¥635.9 billion related to prepaid forward contracts using Alibaba shares, as well as finance cost of ¥402.9 billion, and foreign exchange loss of ¥256.0 billion.

Note:

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

OVERVIEW

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

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

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

SB Northstar engages in the acquisition and sale of listed stocks, corporate bonds (primarily those of investment grades with short time to maturity), and other instruments, utilizing the surplus funds of SBG. Investment gain (including interest received from bond investments) at the asset management subsidiary for the period amounted to ¥15.7 billion, bringing the cumulative investment loss since inception to ¥935.5 billion.^{*1} The balance of investments at the third quarter-end stood at ¥1,073.7 billion, including ¥1,004.5 billion in corporate bonds.

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

Note:

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

FINANCIAL RESULTS

(Millions of yen)

	Nine months ended December 31		Change	Change %	
	2023	2024			
Gain (loss) on investments at Investment Business of Holding Companies	(583,428)	2,008,450	2,591,878	-	A
Realized loss on investments at asset management subsidiaries	(90,685)	(41,551)	49,134	-	
Unrealized gain on valuation of investments at asset management subsidiaries	33,251	30,935	(2,316)	(7.0%)	
Realized loss on investments ^{*1}	(18,333)	(15,565)	2,768	-	
Unrealized gain (loss) on valuation of investments	(762,564)	1,995,661	2,758,225	-	
Change in valuation for the fiscal year	(794,054)	1,509,258	2,303,312	-	
Reclassified to realized loss recorded in the past fiscal years ^{*1}	31,490	486,403	454,913	-	
Derivative gain (loss) on investments	225,392	(24,757)	(250,149)	-	
Effect of foreign exchange translation ^{*2}	6,532	(1,912)	(8,444)	-	
Other	22,979	65,639	42,660	185.6%	
Selling, general and administrative expenses	(68,039)	(93,743)	(25,704)	37.8%	
Finance cost	(346,003)	(402,887)	(56,884)	16.4%	B
Foreign exchange loss	(306,675)	(256,029)	50,646	-	C
Derivative gain (loss) (excluding gain (loss) on investments)					
<i>Mainly due to prepaid forward contracts using Alibaba shares</i>	1,178,831	(802,486)	(1,981,317)	-	
Other gain	119,457	78,681	(40,776)	(34.1%)	
Segment income (income before income tax)	(5,857)	531,986	537,843	-	

Notes:

- Unrealized gains and losses on valuation of investments recorded in previous fiscal years related to the investments realized in the fiscal year are reclassified to "Realized gain (loss) on investments."
- Unrealized gains and losses on valuation of investments are translated using the average exchange rate for the quarter in which the gains and losses were incurred, while realized gains and losses on investments are translated using the average exchange rate for the quarter in which the shares were disposed. "Effect of foreign exchange translation" is the amount that arose due to the use of different foreign currency exchange rates for these unrealized and realized gains and losses.

A Gain on investments at Investment Business of Holding Companies: ¥2,008,450 million

- On June 7, 2024, the Company sold 6.7 million T-Mobile shares for \$670 million in conjunction with the exercise of a portion of the call options on T-Mobile shares granted to Deutsche Telekom. As a result, in relation to T-Mobile shares, for the period, the Company recorded a realized gain of ¥78,277 million on investment, an unrealized loss of ¥50,043 million on the valuation of investment (the amount reclassified to realized gain from the amounts recorded in the past fiscal years), a derivative loss of ¥17,753 million on investment, and a loss of ¥11,066 million as an effect of foreign exchange translation. The remaining unexercised portion of the call options expired on June 22, 2024.
- Realized loss of ¥84,341 million and unrealized valuation gain of ¥518,481 million (the amount reclassified to realized loss from the amounts recorded in the past fiscal years) were recorded due to the physical settlement of a portion of the prepaid forward contracts using Alibaba shares.
- Unrealized gain of ¥1,995,661 million was recorded on the valuation of investments. Of this, ¥1,509,258 million was recorded as changes in valuation for the fiscal year, primarily consisting of gains on investments still held at

the third quarter-end, including ¥745,880 million on T-Mobile shares, ¥468,737 million on Alibaba shares, and ¥190,824 million on Deutsche Telekom shares.

B Finance cost: ¥402,887 million (increase of ¥56,884 million year on year)

- Interest expenses at SBG¹ to entities outside of the group increased by ¥28,661 million year on year to ¥330,975 million. This was primarily due to higher interest payments on domestic bonds following an increase in the outstanding balance, as well as \$2.9 billion newly borrowed term loans in September 2024.
- An amortized cost of ¥70,057 million was recognized for the unpaid portion of the consideration for the acquisition of Arm shares from SVF1 in August 2023. This amortized cost is eliminated in consolidation.

C Foreign exchange loss: ¥256,029 million

Foreign exchange loss of ¥256,029 million (net) was recorded due to the yen's depreciation in exchange rates used for translation at the third quarter-end compared to the previous fiscal year-end. This was primarily because SBG and the domestic subsidiaries used for fund procurement held U.S. dollar-denominated liabilities, such as borrowings from subsidiaries and foreign currency-denominated senior notes, that exceeded their U.S. dollar-denominated cash and cash equivalents and loans receivable.

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

	(Millions of yen)
	December 31, 2024
Cash and cash equivalents	123,428
Investments from asset management subsidiaries	1,073,681
including corporate bonds	1,004,482
Derivative financial assets at asset management subsidiaries	13
Other financial assets	1,872
Other	11,300
Total assets	1,210,294
Other financial liabilities	1,872
Other	195
Total liabilities	2,067
Investments from Delaware subsidiaries ^{*1}	1,971,699
Equivalent amount of cash investments by SBG in Delaware subsidiaries	39,786
Equivalent amount of loans to Delaware subsidiaries held by SBG (the amount entrusted by SBG related to asset management)	1,912,020
Equivalent amount of cash investments by Masayoshi Son in Delaware subsidiaries	19,893 A
Retained earnings	(985,363) B
Exchange differences	221,891
Equity	1,208,227 C

Note:

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

(Calculation of non-controlling interests)

	(Millions of yen)
Equivalent amount of cash investments by Masayoshi Son in Delaware subsidiaries	19,893 A
Cumulative loss attributable to non-controlling interests ^{*2}	(328,355)
Exchange differences on translating foreign operations	83,334
Non-controlling interests (interests of Masayoshi Son)	(225,128) D

Note:

2. One-third of B in the above table

(Interests in equity (C above))

	(Millions of yen)
Interests of SBG	1,433,355
Non-controlling interests (interests of Masayoshi Son)	(225,128) D
Equity	1,208,227 C

Main interest-bearing debt and lease liabilities in this segment

Borrower	Type	Balance as of December 31, 2024 in condensed interim consolidated statement of financial position
SBG	Borrowings	¥1,001.3 billion
	Corporate bonds	¥6,810.5 billion
	Lease liabilities	¥8.3 billion
	Commercial paper	¥134.0 billion
Wholly owned subsidiaries conducting fund procurement	Borrowings using Arm shares (margin loans)	¥1,330.6 billion
	Prepaid forward contracts using Alibaba shares (forward contracts)	¥2,612.0 billion
	Borrowings using SoftBank Corp. shares (margin loans)	¥499.8 billion
	Collar transactions using Deutsche Telekom shares	¥498.2 billion

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

(b) SoftBank Vision Funds Segment
1. Since inception, SVF1 has had a gross gain of \$21.6 billion; SVF2 has had a gross loss of \$22.2 billion. ^{*1}
SVF1: \$111.1 billion in cumulative returns ^{*2} on \$89.5 billion investments, with a \$21.6 billion gross gain

· Investment gain was \$4.8 billion (¥740.3 billion) for the period.

· The fair value of investments held at the third quarter-end decreased by 2.8% from the previous quarter-end. ^{*3}

- Down 2.1% QoQ for public portfolio companies, ^{*4} mainly due to a decrease in Coupang's share price, partially offset by share price increases in Grab, Full Truck Alliance, and other investments

- Down 3.3% QoQ for private portfolio companies, ^{*4} primarily due to decreases in the fair values of certain investments, reflecting weaker performance or lower share prices of market comparable companies

SVF2: \$33.0 billion in cumulative returns on \$55.2 billion investments, with a \$22.2 billion gross loss

· Investment loss was \$2.9 billion (¥453.4 billion) for the period.

· The fair value of investments held at the third quarter-end decreased by 3.7% from the previous quarter-end.

- Down 4.2% QoQ for public portfolio companies, mainly due to decreases in the share prices of investments such as Ola Electric Mobility and AutoStore, despite an increase in Swiggy's share price following its listing in November 2024

- Down 3.6% QoQ for private portfolio companies, largely due to declines in the fair values of a portion of investments, reflecting their weaker performance

(As of December 31, 2024; in billions of U.S. dollars)

	Since Inception			The Fiscal Year ^{*5}	
	Investment cost ^{*6}	Returns ^{*6}	Gain/loss	Gain/loss Oct - Dec	Gain/loss Apr - Dec
SVF1					
Exited investments	44.5	66.5	22.0	0.4	(4.0)
Investments before exit	45.0	42.1	(2.9)	(1.2)	4.3
<i>Reversal of valuation gain/loss recorded in prior periods for exited investments in the fiscal year</i>				(0.2)	4.5
Derivatives/Interests/Dividends	(0.0)	2.5	2.5	0.0	0.0
Total	89.5	111.1	21.6	(1.0)	4.8
				¥(156.1) billion	¥740.3 billion
SVF2					
Exited investments	7.8	3.8	(4.0)	(0.4)	(4.3)
Investments before exit	47.1	29.1	(18.0)	(1.1)	(2.9)
<i>Reversal of valuation gain/loss recorded in prior periods for exited investments in the fiscal year</i>				0.5	4.4
Derivatives/Interests/Dividends	0.3	0.1	(0.2)	(0.2)	(0.1)
Total	55.2	33.0	(22.2)	(1.2)	(2.9)
				¥(176.9) billion	¥(453.4) billion

Note:

In June 2024, following WeWork's emergence from Chapter 11 of the U.S. Bankruptcy Code, the WeWork stocks previously held by SVF1 and SVF2 were canceled. Additionally, a portion of the prepetition claims SVF2 held against WeWork was also canceled, while the remaining portion of these claims was converted into stocks of the newly restructured WeWork. As a result, the investments in the old WeWork stocks, warrants, and notes held by SVF1 and SVF2 were considered realized, and the unrealized investment losses of \$6.71 billion (SVF1: \$3.18 billion, SVF2: \$3.53 billion) recorded in past fiscal years were reclassified as realized losses.

2. Continued investment and monetization under a disciplined approach

· During the period, SVF2 made investments totaling \$2.55 billion² in sectors such as Enterprise and Frontier Tech, including investments acquired from the Company.

· SVF1 and SVF2 sold investments for a total of \$2.98 billion² during the period, including full exits from 13 portfolio companies, including DoorDash and SenseTime, and partial exits from several others.

Notes:

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

OVERVIEW

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

Outline of principal funds in the segment

As of December 31, 2024

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

	SVF1	SVF2	LatAm Funds
Primary limited partnership	SoftBank Vision Fund L.P.	SoftBank Vision Fund II-2 L.P.	SBLA Latin America Fund LLC
Total committed capital (billions of U.S. dollars)	98.6 ----- The Company: 33.1 ^{*1} Third-party investors: 65.5	65.8 ----- The Company: 63.2 Third-party investor (MgmtCo): 2.6 ^{*2}	7.8 ----- The Company: 7.4 Third-party investor (MgmtCo): 0.4 ^{*2}
Manager	SBIA (The Company's wholly owned U.K. subsidiary)	SBGA (The Company's wholly owned U.K. subsidiary)	
Investment period	Ended on September 12, 2019	To be determined by the manager	
Fund life	Until November 20, 2029 + up to two one-year extensions option by SBIA	Until October 4, 2032 + up to two one-year extensions option by SBGA	

Notes:

1. The Company's committed capital to SVF1 includes approximately \$8.2 billion of an obligation that was satisfied by using Arm shares (all said shares have been contributed) and \$2.5 billion to be used for an incentive scheme related to SVF1.
2. A co-investment program has been introduced for SVF2 and LatAm Funds for the Company's management. MgmtCo, an investment entity for the co-investment program, participates in the two funds. The interest attributable to MgmtCo is treated as a third-party interest in the Company's consolidated financial statements. For details, see "(1) Co-investment program with restricted rights to receive distributions" under "16. Related party transactions" in "(7) Notes to Condensed Interim Consolidated Financial Statements" in "2. Condensed Interim Consolidated Financial Statements and Primary Notes."

Financing at SVF

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

Fair value measurement of investments

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

FINANCIAL RESULTS

(Millions of yen)

	Nine months ended December 31		Change	Change %	
	2023	2024			
Gain on investments at SoftBank Vision Funds ^{*1}	781,868	257,640	(524,228)	(67.0%)	A
Gain on investments at SVF1, SVF2, and LatAm Funds	745,280	287,287	(457,993)	(61.5%)	
Realized gain (loss) on investments ^{*2}	934,995	(1,313,173)	(2,248,168)	-	
Unrealized gain (loss) on valuation of investments	(108,637)	1,348,381	1,457,018	-	
Change in valuation for the fiscal year	(125,539)	195,918	321,457	-	
Reclassified to realized gain (loss) recorded in the past fiscal years ^{*2}	16,902	1,152,463	1,135,561	-	
Interest and dividend income from investments	21,271	7,292	(13,979)	(65.7%)	
Derivative gain (loss) on investments	2,869	(3,430)	(6,299)	-	
Effect of foreign exchange translation	(105,218)	248,217	353,435	-	
Gain (loss) on other investments	36,588	(29,647)	(66,235)	-	
Selling, general and administrative expenses	(64,041)	(51,214)	12,827	(20.0%)	
Finance cost	(64,523)	(30,670)	33,853	(52.5%)	
Change in third-party interests in SVF	(378,397)	(359,910)	18,487	(4.9%)	B
Other gain (loss)	(49,987)	43,063	93,050	-	
Segment income (income before income tax)	224,920	(141,091)	(366,011)	-	

Notes:

- Gains and losses on investments associated with the change in valuation of SoftBank Vision Funds’ investments in shares in the Company’s subsidiaries (mainly Arm and PayPay Corporation) are included in segment income of the SoftBank Vision Funds segment as gains and losses on investments at SoftBank Vision Funds but are eliminated in consolidation and not included in gains and losses on investments at SoftBank Vision Funds in the consolidated statement of profit or loss.
- Unrealized gains and losses on valuation of investments recorded in previous fiscal years related to the investments realized in the fiscal year are reclassified to “Realized gain (loss) on investments.”

Investments and disposals by SVF1 and SVF2

	Investments made during the fiscal year				(Billions of U.S. dollars) Disposals ³ made during the fiscal year			
	Q1	Q2	Q3	YTD	Q1	Q2	Q3	YTD
SVF1	-	-	-	-	0.81	0.96	0.75	2.52
SVF2	0.62	0.62	1.31	2.55	0.03	0.05	0.38	0.46
Total	0.62	0.62	1.31	2.55	0.84	1.01	1.13	2.98

Note: Investments include new and follow-ons but exclude derivatives, such as the stock acquisition rights for PayPay Corporation, which SVF2 acquired for \$280 million in the third quarter.

Segment income

A Gain on investments at SoftBank Vision Funds: ¥257,640 million

	(Millions of yen)		
	Nine months ended December 31		
	2023	2024	Change
Gain on investments at SVF1	767,397	740,302	(27,095)
Loss on investments at SVF2	(96,758)	(453,382)	(356,624)
Gain on investments at LatAm Funds	74,641	419	(74,222)
Gain (loss) on other investments, etc.	36,588	(29,699)	(66,287)
Gain on investments at SoftBank Vision Funds	781,868	257,640	(524,228)

B Change in third-party interests in SVF: ¥(359,910) million

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

Transfer of Investments from the Company to SVF2

As part of the ongoing reorganization of the investment portfolio of SBG and its key investment subsidiaries, the Board of Directors of SBG resolved on October 21, 2024, to transfer six private investments,^{*1} none of which the Company controls or jointly controls, to SVF2. Among these, the transfer of five investments, excluding Wayve, was completed in the third quarter. The transfer of the investment in Wayve is expected to be completed in the fourth quarter, subject to obtaining regulatory approvals.

The transfer value of these investments from the Company to SVF2 is based on their fair value at the date of transfer and will be finalized based on a valuation assessment provided by an independent external organization after the completion of the Wayve transfer. For the five investments transferred in the third quarter, a provisional valuation has been applied.

Note:

1. The six investments are 1X Holdings, Inc., AI Lens Co., Ltd., Mapbox, Inc. (including derivatives), Skild AI, Inc., Wayve, and Zipline International Inc. The Company’s acquisition cost for these investments was \$1.95 billion, while the provisional valuation was \$1.90 billion.

Investment performance

As of December 31, 2024

SVF1

(Billions of U.S. dollars)

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

	Cumulative number of investments	Cumulative investment cost	Cumulative investment return	Cumulative gain ^{*1}	Investment gain (loss) recorded for the fiscal year	
					Oct – Dec	YTD
	102	89.5	111.1	21.6	(1.0)	4.8

(Reference)

	Cumulative number of investments	Cumulative investment cost	Cumulative investment return	Cumulative gain ^{*1}
<i>Effects of share exchanges^{*2}</i>	(4)	(2.0)	(2.0)	-
<i>Effects of dividends in kind^{*3}</i>	(4)	-	-	-
<i>Net of the above effects</i>	94	87.5	109.1	21.6

(1) Exited investments

	Number of investments	Investment cost	Exit price	Cumulative realized gain ^{*1}	Realized gain (loss) recorded for the fiscal year	
					Oct – Dec	YTD
Partial exit	-	5.4	8.9	3.5		(0.0)
Full exit ^{*4}	41	39.1	57.6	18.5		(4.0)
Total	41	44.5	66.5	22.0	0.4	(4.0)

(2) Investments before exit (investments held at the third quarter-end)^{*5}

	Number of investments	Investment cost	Fair value	Cumulative unrealized valuation loss ^{*7}	Unrealized valuation gain (loss) recorded for the fiscal year	
					Oct – Dec	YTD
Public ^{*6}	17	20.8	18.8	(2.0)	(0.4)	3.8
Private	44	24.2	23.3	(0.9)	(0.8)	0.5
Total	61	45.0	42.1	(2.9)	(1.2)	4.3

(3) Derivatives

	Derivative cost	Fair value/settlement price	Cumulative derivative gain	Derivative gain recorded for the fiscal year	
				Oct – Dec	YTD
Unsettled	-	0.1	0.1		0.0
Settled	(0.0)	1.4	1.4		0.0
Total	(0.0)	1.5	1.5	0.0	0.0

(4) Interest and dividend income from investments

	Interest and dividend income	Cumulative income	Interest and dividend income recorded for the fiscal year	
			Oct – Dec	YTD
Total	1.0	1.0	-	0.0

Notes:

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

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

include two investments acquired from Arm (Treasure Data, Inc. and Acetone Limited (an intermediate holding company that owns approximately 48% of the equity interest in Arm Technology (China) Co., Ltd.)) and two investments acquired from Reef Global Inc. (REEF Proximity Aggregator LLC and Parking Aggregator LLC).

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

SVF2

(Billions of U.S. dollars)

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

	Cumulative number of investments	Cumulative investment cost	Cumulative investment return	Cumulative loss ^{*1}	Investment loss recorded for the fiscal year	
					Oct – Dec	YTD
	304	55.2	33.0	(22.2)	(1.2)	(2.9)
(Reference)						
	Cumulative number of investments	Cumulative investment cost	Cumulative investment return	Cumulative loss ^{*1}		
<i>Effects of financial support to WeWork^{*2}</i>	(5)	-	-	-		
<i>Effects of share exchanges^{*3}</i>	(3)	(0.1)	(0.1)	-		
<i>Net of the above effects</i>	296	55.1	32.9	(22.2)		

(1) Exited investments

	Number of investments	Investment cost	Exit price	Cumulative realized loss ^{*1}	Realized loss recorded for the fiscal year	
					Oct – Dec	YTD
Partial exit	-	1.0	0.6	(0.4)		(0.3)
Full exit ^{*4}	20	6.8	3.2	(3.6)		(4.0)
Total	20	7.8	3.8	(4.0)	(0.4)	(4.3)

(2) Investments before exit (investments held at the third quarter-end)^{*5}

	Number of investments	Investment cost ^{*6}	Fair value ^{*6}	Cumulative unrealized valuation loss	Unrealized valuation loss recorded for the fiscal year	
					Oct – Dec	YTD
Public	16	6.1	4.3	(1.8)	(0.2)	(1.0)
Private	268	41.0	24.8	(16.2)	(0.9)	(1.9)
Total	284	47.1	29.1	(18.0)	(1.1)	(2.9)

(3) Derivatives

	Derivative cost	Fair value/settlement price	Cumulative derivative loss	Derivative loss recorded for the fiscal year	
				Oct – Dec	YTD
Unsettled	0.3	0.2	(0.1)		(0.1)
Settled	(0.0)	(0.3)	(0.3)		(0.0)
Total	0.3	(0.1)	(0.4)	(0.2)	(0.1)

(4) Interest and dividend income from investments

	Interest and dividend income	Cumulative income	Interest and dividend income recorded for the fiscal year	
			Oct – Dec	YTD
Total	0.2	0.2	0.0	0.0

Notes:

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

1. Before deducting third-party interests, taxes, and expenses

2. The WeWork notes held by SVF2, which constituted four investments, along with the stocks of the newly restructured WeWork,

converted from the prepetition claims that SVF2 held against WeWork (constituting one investment), are deducted from the investment count.

3. For investments involving share exchanges, the acquisition costs of the new investments and the disposal prices (sale prices) of the initially held investments are deducted for the purpose of presenting the cumulative net investment performance. These include the share exchanges between XCOM Labs, Inc. and Globalstar, Inc.; ODA Group Holding AS and Mathem Holdings AB; and Exscientia PLC and Recursion Pharmaceuticals, Inc.
4. Includes disposals (sales) as a result of share exchanges and restructuring of portfolio companies
5. The classification of portfolio companies as public/private is based on their status as of the third quarter-end.
6. The investment cost and fair value of investments before exit in SVF2 include minor ownership percentages in another portfolio company, which were received as part of the consideration for SVF2's investment in a specific portfolio company.

LatAm Funds

As of the third quarter-end, LatAm Funds posted \$6.4 billion in cumulative returns on \$7.5 billion in investments, with a gross loss of \$1.1 billion since inception. For the period, investment gain was \$7 million.

Capital deployment

As of December 31, 2024

SVF1

	(Billions of U.S. dollars)		
	Total	The Company	Third-party investors
Committed capital (A)	98.6	33.1	65.5
Drawn capital ⁴ (B)	87.2	29.9	57.3
Return of capital (non-recallable) (C)	43.2	9.2	34.0
Outstanding capital ^{*1} (D) = (B) – (C)	44.0	20.7	23.3
Remaining committed capital (E) = (A) – (B)	11.4	3.2	8.2

Notes:

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

1. As of the third quarter-end, \$7.4 billion of the \$23.3 billion of outstanding capital from third-party investors was attributable to preferred equity commitment.

SVF2

	(Billions of U.S. dollars)
	Total
Committed capital (A)	65.8
Drawn capital (B)	59.8
Remaining committed capital (C) = (A) – (B)	6.0

Note: Remaining committed capital includes recallable return of capital.

(Reference: Breakdown of committed capital as of December 31, 2024)

Total committed capital	65.8
The Company's equity commitment to investments outside the scope of the co-investment program	12.7
The Company's preferred equity commitment to SVF2 LLC ^{*1}	38.1
The Company's equity commitment to SVF2 LLC	12.4
MgmtCo's equity commitment to SVF2 LLC	2.6

Notes:

* As of the third quarter-end, no capital has been paid by MgmtCo.

1. SVF2 LLC (SVF II Investment Holdings LLC) is a subsidiary of the Company established under SVF2 and indirectly holds investments subject to the co-investment program.

As of the third quarter-end, total committed capital for LatAm Funds was \$7.8 billion, with drawn capital totaling \$7.6 billion.

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

(c) SoftBank Segment

Segment income increased by 7.4% YoY, driven by sustained profit growth in the media & EC, consumer, and enterprise businesses, along with PayPay and PayPay Card turning profitable.

(Millions of yen)

	Nine months ended December 31		Change	Change %
	2023	2024		
Net sales	4,511,552	4,811,421	299,869	6.6%
Segment income (income before income tax)	711,531	763,990	52,459	7.4%
Depreciation and amortization	(552,117)	(543,413)	8,704	(1.6%)
Gain (loss) on investments	4,148	(17,158)	(21,306)	-
Finance cost	(48,107)	(60,739)	(12,632)	26.3%
Other gain	20,392	29,997	9,605	47.1%

OVERVIEW

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

FINANCIAL RESULTS

Segment income was ¥763,990 million, an increase of ¥52,459 million (7.4%) year on year. This was primarily driven by continued profit growth in the media & EC, consumer, and enterprise businesses, as well as the profitability achieved by the main subsidiaries of the financial business: PayPay Corporation and PayPay Card Corporation.

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

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

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

(d) Arm Segment

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

◆ **Net sales increased by 21.8% YoY in U.S. dollar terms. In yen terms, net sales increased by 29.3%.**

- Royalty revenue increased by 24.6% YoY (U.S. dollar-based) due to continued penetration of Arm's latest *Armv9* technology, which delivers higher royalty revenue per chip.
- License and other revenue increased by 18.4% YoY (U.S. dollar-based) with Arm recognizing revenue from a high value, long-term deal signed with a major technology company in the previous fiscal year. In addition, Arm signed multiple other deals with companies developing chips for a wide range of applications, including future smartphones, data centers, networking equipment, automotive, consumer electronics, and AI applications.

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

(Millions of yen)

	Nine months ended December 31		Change	Change %
	2023	2024		
Net sales	326,814	422,534	95,720	29.3%
Segment income (income before income tax)	(16,444)	17,230	33,674	-

Note: Segment income included amortization expenses of ¥48,776 million for the period and ¥48,815 million for the same period of the previous fiscal year. These expenses are related to intangible assets recognized in the purchase price allocation at the time of the acquisition of Arm.

OVERVIEW

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

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

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

FINANCIAL RESULTS

Net sales in U.S. dollars

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

(Millions of U.S. dollars)

	Nine months ended December 31		Change	Change %
	2023	2024		
Royalty revenue	1,253	1,561	308	24.6%
License and other revenue	1,018	1,205	187	18.4%
Total	2,271	2,766	495	21.8%

Net sales for the period reached a record high, increasing by \$495 million (21.8%) year on year.

Royalty revenue

Royalty revenue increased by \$308 million (24.6%) year on year, reaching a record high. This was primarily driven by very strong growth in revenue from smartphones, combined with increasing *Armv9* technology replacing *Armv8* technology, and with *Armv9*-based chips delivering around double the royalty revenue compared with equivalent *Armv8*-based chips. In addition, Arm saw good year-on-year revenue growth from automotive chips as cars are becoming smarter. The strong growth in revenues from smartphones and automotive was partially offset by weaker growth in the sales of chips in networking equipment and IoT devices. Both sectors experienced inventory drawdowns by end customers at the beginning of the fiscal year, and although they are starting to recover, it is not yet enough to offset the weakness earlier in the fiscal year.

License and other revenue

License and other revenue increased by \$187 million (18.4%) year on year, reaching a record high. This was due to Arm recognizing revenue from a high value, long-term deal signed with a major technology company in the previous fiscal year. In addition, Arm continues to sign licenses with customers who are developing chips for a wide range of applications, including future smartphones, data centers, networking equipment, automotive, consumer electronic devices, and AI applications. The current strong demand for licensing is expected to lay the foundation of a future royalty stream from chips that are to be developed and introduced to the market in the coming years.

Segment income

Segment income was ¥17,230 million, improving by ¥33,674 million year on year. This was due to Arm's strong revenue growth, which outpaced the increased costs associated with factors such as the growing number of engineers developing next-generation technology.

Starting from the fiscal year, Arm has discontinued its cash-based corporate bonus, with share-based compensation now serving as the primary incentive for employees. Share-based compensation is recorded as an expense in accordance with IFRS 2 "Share-based Payment."

TECHNOLOGY DEVELOPMENT

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

- In April 2024, Google LLC announced the Google Axion Processors, its first custom Arm-based CPUs designed for the data center, which provide up to 50% better performance and up to 60% better energy efficiency than comparable current-generation x86-based processors.
- In May 2024, Microsoft Corporation announced its Copilot+ PCs, designed for AI. These are the fastest, most intelligent Windows PCs ever built, and the first generation running on Arm's energy-efficient, high-performance architecture.
- In May 2024, Arm announced the next generation of its CPU and GPU products for smartphones, laptops and consumer electronics. This includes a new compute subsystem that delivers more than a 35% performance improvement for software and games, and over 40% for on-device generative AI, including large language models.
- In September 2024, Meta Platforms Inc. and Arm announced a collaboration to optimize Llama 3.2 small and large language models (one billion to 90 billion parameters) to run on Arm-based platforms, which span from consumer electronics to smartphones to data center servers.

- In October 2024, MediaTek Inc. announced the MediaTek Dimensity 9400, their next-generation chip for flagship smartphones. The Dimensity 9400 is based on Arm's latest *Armv9* Compute Subsystems (CSS) and includes Arm *Cortex-X925* CPU and Arm *Immortalis-G925* GPU.

In addition, the below technology development was announced after the end of the third quarter.

- In January 2025, NVIDIA Corporation announced Project DIGITS, an Arm-based desktop AI supercomputer to enable data scientists, AI researchers and students to prototype, fine-tune and run large AI models prior to uploading to the cloud.

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

(2) Overview of Financial Position

1. Status of investment assets

◆ **Carrying amount of investments from SVF (FVTPL)^{*1} increased by ¥742.1 billion from the previous fiscal year-end to ¥11,756.6 billion.^{*2}**

- ¥621.4 billion increase at SVF1: The balance increased by \$2.22 billion on a U.S. dollar basis due to an increase of \$4.25 billion in the fair value of investments held at the third quarter-end, offset by a decrease of \$2.03 billion from divestments.
- ¥105.4 billion increase at SVF2: The balance decreased by \$0.49 billion on a U.S. dollar basis, mainly due to decreases of \$2.47 billion in the fair value of investments held at the third quarter-end and \$0.38 billion from divestments.² This occurred despite new² and follow-on investments totaling \$2.35 billion.

◆ **Carrying amount of investment securities decreased by ¥318.1 billion from the previous fiscal year-end to ¥8,743.8 billion,^{*2} which included:**

- Carrying amount of T-Mobile shares of ¥2,980.4 billion (an increase of ¥704.6 billion)
- Carrying amount of Alibaba shares of ¥2,345.1 billion (a decrease of ¥1,412.0 billion)
- Carrying amount of Deutsche Telekom shares of ¥1,064.6 billion (an increase of ¥236.6 billion)

2. Changes in liabilities associated with financing activities

◆ **Interest-bearing debt of SBG increased by ¥1,158.8 billion from the previous fiscal year-end.**

- The Company issued domestic straight bonds of ¥1 trillion, U.S. dollar-denominated senior notes of \$900 million and euro-denominated senior notes of 900 million euros. Meanwhile, the Company redeemed domestic straight bonds of ¥450.0 billion, U.S. dollar-denominated senior notes of \$767 million and euro-denominated senior notes of 638 million euros.
- The Company borrowed \$2.9 billion through a term loan. Furthermore, the Company refinanced a hybrid loan of ¥84.0 billion by borrowing a new hybrid loan of ¥135.0 billion.

◆ **Interest-bearing debt of wholly owned subsidiaries conducting fund procurement decreased by ¥2,502.6 billion from the previous fiscal year-end.^{*2}**

- \$14.89 billion in financial liabilities relating to sale of shares by prepaid forward contracts was derecognized at the time of the physical settlement of a portion of these contracts using Alibaba shares.
- Financial liabilities relating to sale of shares by prepaid forward contracts decreased by \$2.85 billion due to the cash settlement of all of such contracts using T-Mobile shares.

3. Changes in equity

◆ **Total equity increased by ¥1,337.4 billion from the previous fiscal year-end.**

- Retained earnings increased due to recording ¥636.2 billion in net income attributable to owners of the parent.
- Ongoing share repurchases: Acquired ¥206.9 billion worth of shares during the period.
- Exchange differences from the translation of foreign operations increased by ¥645.7 billion due to the yen's depreciation in exchange rates used for translation compared to the previous fiscal year-end.

◆ **Ratio of equity attributable to owners of the parent (equity ratio) was 26.0% at the third quarter-end, compared with 23.9% at the previous fiscal year-end.**

Notes:

1. Investments from SVF (FVTPL) do not include SVF's investments in the Company's subsidiaries (primarily PayPay Corporation) or investments that were transferred from the Company to the funds and continue to be accounted for using the equity method (and are included in "Investments accounted for using the equity method") prior to and after such transfer.
2. Includes increases in the carrying amount due to a 4.5% depreciation of the yen against the U.S. dollar in the foreign currency exchange rate used for translations at the third quarter-end, compared to the previous fiscal year-end

	(Millions of yen)			
	March 31, 2024	December 31, 2024	Change	Change %
Total assets	46,724,243	47,029,122	304,879	0.7%
Total liabilities	33,487,074	32,454,567	(1,032,507)	(3.1%)
Total equity	13,237,169	14,574,555	1,337,386	10.1%

(a) Assets

	(Millions of yen)		
	March 31, 2024	December 31, 2024	Change
Cash and cash equivalents	6,186,874	4,660,023	(1,526,851)
Trade and other receivables	2,868,767	3,077,273	208,506
Derivative financial assets	852,350	221,283	(631,067) A
Other financial assets	777,996	1,445,836	667,840 B
Inventories	161,863	208,375	46,512
Other current assets	550,984	473,351	(77,633)
Assets classified as held for sale	42,559	247,350	204,791 C
Total current assets	11,441,393	10,333,491	(1,107,902)
Property, plant and equipment	1,895,289	2,707,292	812,003 D
Right-of-use assets	746,903	849,503	102,600
Goodwill	5,709,874	5,991,221	281,347 E
Intangible assets	2,448,840	2,455,447	6,607
Costs to obtain contracts	317,650	342,500	24,850
Investments accounted for using the equity method	839,208	652,706	(186,502)
Investments from SVF (FVTPL)	11,014,487	11,756,574	742,087 F
SVF1	6,042,046	6,663,408	621,362
SVF2	4,096,880	4,202,297	105,417
LatAm Funds	875,561	890,869	15,308
Investment securities	9,061,972	8,743,843	(318,129) G
Derivative financial assets	385,528	189,331	(196,197)
Other financial assets	2,424,282	2,628,204	203,922
Deferred tax assets	245,954	192,165	(53,789)
Other non-current assets	192,863	186,845	(6,018)
Total non-current assets	35,282,850	36,695,631	1,412,781
Total assets	46,724,243	47,029,122	304,879

Reasons for changes by primary component

Components	Main reasons for changes from the previous fiscal year-end
Current assets	
A Derivative financial assets	Derivative financial assets related to the prepaid forward contracts using Alibaba shares decreased by ¥705,256 million (\$4.69 billion), due to the physical settlement of a portion of the contracts and an increase in Alibaba's share price. The decline was partially offset by an increase due to the impact of the yen's depreciation and the reclassification of derivative financial assets from non-current assets to current assets, as the settlement date of the relevant contracts fell within one year.
B Other financial assets	Investments from the asset management subsidiary increased by ¥736,369 million, mainly due to the acquisition of corporate bonds (primarily those of investment grades with short time to maturity).
C Assets classified as held for sale	Alibaba shares worth ¥214,593 million (\$1.36 billion) were reclassified from investment securities to assets classified as held for sale, following a decision made by December 31, 2024, to use the shares for physical settlement of a portion of the prepaid forward contracts maturing in January 2025.

Components	Main reasons for changes from the previous fiscal year-end
<u>Non-current assets</u>	
D Property, plant and equipment	In conjunction with the additional acquisition of interests in its equity method associate, SBE Global, in July 2024, converting it into a subsidiary, SBE Global's property, plant and equipment amounting to ¥727,591 million was recorded.
E Goodwill	Arm's goodwill increased by ¥160,255 million due to a 4.5% depreciation of the yen against the U.S. dollar in exchange rate used for translations at the third quarter-end compared to the previous fiscal year-end.
F Investments from SVF (FVTPL)	<p>The carrying amount increased mainly due to a 4.5% depreciation of the yen against the U.S. dollar in exchange rate used for translation at the third quarter-end compared to the previous fiscal year-end.</p> <ul style="list-style-type: none"> · The carrying amount of investments at SVF1 increased by ¥621.4 billion (\$2.22 billion^{*1}). The result reflected an increase of \$4.25 billion in the fair value of investments held at the third quarter-end, despite a decrease of \$2.03 billion resulting from divestments. · The carrying amount of investments at SVF2 increased by ¥105.4 billion and decreased by \$0.49 billion^{*1} on a U.S. dollar basis. The result mainly reflected decreases of \$2.47 billion in the fair value of investments held at the third quarter-end and \$0.38 billion resulting from divestments,² despite new² and follow-on investments totaling \$2.35 billion (including investments acquired from the Company). <p>For details, see “(b) SoftBank Vision Funds Segment” under “b. Results by Segment” in “(1) Overview of Results of Operations.”</p>

Components	Main reasons for changes from the previous fiscal year-end
G Investment securities	<ul style="list-style-type: none"> · The carrying amount of Alibaba shares decreased by ¥1,411,977 million, with the balance at the third quarter-end being ¥2,345,086 million (\$14.83 billion). The Company derecognized ¥2,099,905 million (\$13.89 billion) at the time of the physical settlement of a portion of the prepaid forward contracts during the period. In addition, Alibaba shares worth ¥214,593 million (\$1.36 billion) were reclassified from investment securities to assets classified as held for sale, following a decision made prior to December 31, 2024, to use the shares for physical settlement of a portion of the prepaid forward contracts maturing in January 2025. These factors outweighed the increase in the carrying amount resulting from a rise in Alibaba's share price (Reference: the share price rose from \$72.36 per share as of March 31, 2024 to \$84.79 per share as of December 31, 2024). · The carrying amount of T-Mobile shares increased by ¥704,561 million, with the balance at the third quarter-end being ¥2,980,388 million (\$18.84 billion). This mainly reflected an increase in the company's share price (Reference: the share price increased from \$163.22 per share as of March 31, 2024 to \$220.73 per share as of December 31, 2024), despite the Company selling 6.7 million shares due to a partial exercise of the call options on T-Mobile shares granted to Deutsche Telekom. · The carrying amount of Deutsche Telekom shares^{*2} increased by ¥236,584 million due to an increase in the company's share price, with the balance at the third quarter-end being ¥1,064,620 million (\$6.73 billion) (Reference: the share price rose from 22.50 euro per share as of March 31, 2024 to 28.99 euro per share as of December 31, 2024). <p>The carrying amounts of these investment securities also reflected an increase caused by a 4.5% depreciation of the yen against the U.S. dollar in exchange rate used for translations at the third quarter-end compared to the previous fiscal year-end.</p>

Notes:

1. Includes the impact of changes in exchange rates between local currencies and the U.S. dollar
2. Includes the impact of changes in exchange rates between the euro and the U.S. dollar, as the Deutsche Telekom shares are held by a U.S. subsidiary of the Company

Reference: Cash and cash equivalents by entity

Consolidated cash and cash equivalents decreased by ¥1,526.9 billion from the previous fiscal year-end to ¥4,660.0 billion. For details, see “(3) Overview of Cash Flows.”

	(Millions of yen)		
	March 31, 2024	December 31, 2024	Change
Investment Business of Holding			
Companies segment^{*1}	3,359,514	1,960,652	(1,398,862)
SBG	2,198,869	1,521,192	(677,677)
Wholly owned subsidiaries conducting fund procurement	27,223	143,497	116,274
SB Northstar	794,508	123,428	(671,080)
Others	338,914	172,535	(166,379)
SoftBank Vision Funds segment	229,887	146,432	(83,455)
SVF1	65,748	21,720	(44,028)
SVF2	102,063	46,479	(55,584)
LatAm Funds	3,084	3,460	376
SBIA, SBGA, SBLA Advisers Corp.	58,992	74,773	15,781
SoftBank segment	1,992,873	1,890,824	(102,049)
SoftBank Corp.	482,763	439,487	(43,276)
LY Corporation	325,391	272,718	(52,673)
PayPay Corporation, ^{*2} PayPay Bank Corporation ^{*3}	739,759	685,715	(54,044)
Others	444,960	492,904	47,944
Arm segment	291,127	322,067	30,940
Arm and its subsidiaries	291,127	322,067	30,940
Others^{*1}	313,473	340,048	26,575
Total	6,186,874	4,660,023	(1,526,851)

Notes:

* The figures are after eliminations in consolidation.

1. From the fiscal year, items have been presented by reportable segment. A portion of the amounts previously included in “Others” at the bottom section of the table is now classified as “Others” in the Investment Business of Holding Companies segment.
2. Includes cash and cash equivalents of the company’s subsidiaries such as PayPay Card Corporation
3. Cash and cash equivalents of PayPay Bank Corporation at the third quarter-end were ¥492,978 million.

(b) Liabilities

	(Millions of yen)		
	March 31, 2024	December 31, 2024	Change
Interest-bearing debt	8,271,143	7,346,231	(924,912)
Lease liabilities	149,801	162,004	12,203
Deposits for banking business	1,643,155	1,857,203	214,048
Trade and other payables	2,710,529	3,139,772	429,243
Derivative financial liabilities	195,090	181,975	(13,115) A
Other financial liabilities	31,801	85,187	53,386
Income taxes payable	163,226	108,419	(54,807)
Provisions	44,704	42,847	(1,857)
Other current liabilities	801,285	583,215	(218,070)
Liabilities directly relating to assets classified as held for sale	9,561	-	(9,561)
Total current liabilities	14,020,295	13,506,853	(513,442)
Interest-bearing debt	12,296,381	11,782,459	(513,922)
Lease liabilities	644,706	735,619	90,913
Third-party interests in SVF	4,694,503	4,260,377	(434,126) B
Derivative financial liabilities	41,238	96,570	55,332
Other financial liabilities	57,017	130,810	73,793
Provisions	167,902	132,933	(34,969)
Deferred tax liabilities	1,253,039	1,459,600	206,561
Other non-current liabilities	311,993	349,346	37,353
Total non-current liabilities	19,466,779	18,947,714	(519,065)
Total liabilities	33,487,074	32,454,567	(1,032,507)

Reasons for changes by primary component

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

Current liabilities

- | | |
|---|--|
| A Derivative financial liabilities | <ul style="list-style-type: none"> · Derivative financial liabilities related to collar transactions using Deutsche Telekom shares increased by ¥117,269 million (\$0.74 billion) due to an increase in the company’s share price. · Derivative financial liabilities decreased by ¥70,699 million (\$0.47 billion). This was due to the sale of 6.7 million T-Mobile shares as a partial exercise of call options on T-Mobile shares granted to Deutsche Telekom and the expiration of the remaining unexercised call options on June 22, 2024. · Derivative financial liabilities decreased by ¥28,257 million (\$0.19 billion) due to the cash settlement of all of the prepaid forward contracts using T-Mobile shares. · Derivative financial liabilities related to prepaid forward contracts using Alibaba shares decreased by ¥15,508 million (\$0.11 billion) due to the cash settlement of a portion of the contracts. |
|---|--|

Non-current liabilities

- | | |
|---------------------------------------|--|
| B Third-party interests in SVF | The carrying amount decreased due to the distributions and repayments by SVF1 to third-party investors. For details, see “(2) Third-party interests in SVF” under “4. SoftBank Vision Funds business” in “(7) Notes to Condensed Interim Consolidated Financial Statements” in “2. Condensed Interim Consolidated Financial Statements and Primary Notes.” |
|---------------------------------------|--|

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

	(Millions of yen)		
	March 31, 2024	December 31, 2024	Change
Investment Business of Holding			
Companies segment^{*1}	14,265,108	12,921,288	(1,343,820)
SBG	6,796,406	7,954,145	1,157,739
Borrowings	462,977	1,001,304	538,327 A
Corporate bonds	6,147,578	6,810,533	662,955 B
Lease liabilities	9,351	8,308	(1,043)
Commercial paper	176,500	134,000	(42,500)
Wholly owned subsidiaries conducting fund procurement^{*2}	7,443,112	4,940,510	(2,502,602)
Borrowings	2,270,601	2,328,547	57,946
Financial liabilities relating to sale of shares by prepaid forward contracts	5,172,511	2,611,963	(2,560,548) C
Other	25,590	26,633	1,043
SoftBank Vision Funds segment	563,842	556,238	(7,604)
SVF2	547,894	540,195	(7,699)
Borrowings	547,894	540,195	(7,699)
SBIA, SBGA, SBLA Advisers Corp.	15,948	16,043	95
Lease liabilities	15,948	16,043	95
SoftBank segment	6,321,094	6,215,808	(105,286)
SoftBank Corp.	4,373,826	4,226,230	(147,596)
Borrowings	2,994,039	2,860,643	(133,396)
Corporate bonds	827,781	907,889	80,108
Lease liabilities	466,005	457,698	(8,307)
Commercial paper	86,001	-	(86,001)
LY Corporation	1,122,485	1,133,753	11,268
Borrowings	591,338	590,230	(1,108)
Corporate bonds	469,270	444,303	(24,967)
Lease liabilities	61,877	57,220	(4,657)
Commercial paper	-	42,000	42,000
PayPay Corporation,^{*3} PayPay Bank Corporation^{*4}	503,714	435,230	(68,484)
Other	321,069	420,595	99,526
Arm segment	34,630	44,513	9,883
Arm and its subsidiaries	34,630	44,513	9,883
Lease liabilities	34,630	44,513	9,883
Others^{*1}	177,357	288,466	111,109
Other interest-bearing debt	143,297	249,832	106,535
Lease liabilities	34,060	38,634	4,574
Total	21,362,031	20,026,313	(1,335,718)

Notes:

* The figures are after eliminations in consolidation.

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

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

Components	Details
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Investment Business of Holding Companies segment

SBG

A Borrowings	<ul style="list-style-type: none"> · The Company borrowed \$2.9 billion through a term loan. · The Company borrowed ¥135.0 billion through a hybrid loan. With this, the Company refinanced a hybrid loan of ¥84.0 billion, which had its first voluntary prepayment date in November 2024.
B Corporate bonds	<ul style="list-style-type: none"> · Domestic straight bonds of ¥1 trillion were issued and ¥450.0 billion were redeemed upon maturity. · U.S. dollar-denominated senior notes of \$900 million and euro-denominated senior notes of 900 million euros were issued, and U.S. dollar-denominated senior notes of \$767 million were redeemed prior to maturity and euro-denominated senior notes of 638 million euros were redeemed upon maturity. <p>All of the above amounts are stated at face value.</p>

Wholly owned subsidiaries conducting fund procurement

C Financial liabilities relating to sale of shares by prepaid forward contracts	<ul style="list-style-type: none"> · Financial liabilities relating to sale of Alibaba shares by prepaid forward contracts of ¥2,263,835 million (\$14.89 billion) were derecognized in conjunction with the physical settlement of a portion of such contracts. · Financial liabilities relating to sale of T-Mobile shares by prepaid forward contracts decreased by ¥432,165 million (\$2.85 billion) due to the cash settlement of all of such contracts. With this, the balance of financial liabilities relating to sale of shares by prepaid forward contracts using T-Mobile shares was reduced to zero at the second quarter-end. · The carrying amount includes increases due to a 4.5% depreciation of the yen against the U.S. dollar in exchange rate used for translation at the third quarter-end compared to the previous fiscal year-end. <p>For details, see “(2) Transactions for sale of Alibaba shares by prepaid forward contracts” under “6. Interest-bearing debt” in “(7) Notes to Condensed Interim Consolidated Financial Statements” in “2. Condensed Interim Consolidated Financial Statements and Primary Notes.”</p>
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(c) Equity

	March 31, 2024	December 31, 2024	(Millions of yen) Change
Common stock	238,772	238,772	-
Capital surplus	3,326,093	3,356,902	30,809
Other equity instruments	193,199	193,199	-
Retained earnings	1,632,966	2,193,812	560,846 A
Treasury stock	(22,725)	(227,276)	(204,551) B
Accumulated other comprehensive income	5,793,820	6,470,865	677,045 C
Total equity attributable to owners of the parent	11,162,125	12,226,274	1,064,149
Non-controlling interests	2,075,044	2,348,281	273,237 D
Total equity	13,237,169	14,574,555	1,337,386

Reasons for changes by primary component

Components	Main reasons for changes from the previous fiscal year-end
A Retained earnings	Net income attributable to owners of the parent of ¥636,154 million was recorded.
B Treasury stock	During the period, the Company acquired 25,136,900 of its own shares for ¥206,900 million in accordance with a Board resolution on August 7, 2024, to repurchase up to ¥500.0 billion of its own shares.
C Accumulated other comprehensive income	Exchange differences from the translation of foreign operations, arising from translating the financial statements of foreign subsidiaries and associates into yen, increased by ¥645,702 million mainly due to the yen's depreciation against the U.S. dollar in exchange rates used for translation at the third quarter-end compared to the previous fiscal year-end.
D Non-controlling interests	SoftBank Corp. issued bond-type class shares in the amount of ¥200,000 million.

(3) Overview of Cash Flows

1. Cash flows from operating activities

Outlays for income taxes of ¥345.1 billion; income tax refunds of ¥163.5 billion

2. Cash flows from investing activities: ¥589.2 billion cash outflow (net)

- ◆ **Payments totaling ¥566.5 billion were made for investment acquisitions, reflecting investments by SBG and its wholly owned subsidiaries and an increase in investments in bonds and other asset management products by PayPay Bank.**
- ◆ **Proceeds of ¥336.7 billion from the sale and redemption of investments were primarily a result of the sale of 6.7 million T-Mobile shares in conjunction with the partial exercise of call options by Deutsche Telekom and the sale of U.S. Treasury Bonds.**
- ◆ **Monetization and investments continued at SoftBank Vision Funds.**
 - Payments for acquisition of investments by SVF: ¥249.1 billion
 - Proceeds from sales of investments by SVF: ¥387.0 billion
- ◆ **Outlays of ¥558.2 billion for the purchase of property, plant and equipment and intangible assets mainly due to capital expenditures at SoftBank**

3. Cash flows from financing activities: ¥1,275.3 billion cash outflow (net)

- ◆ **Refinance and new issuance of bonds and share repurchases were made at SBG and distributions and repayments to third-party investors were made at SVF1.**
 - Proceeds from interest-bearing debt: ¥3,623.3 billion
 - Proceeds at SBG: ¥2,314.6 billion
(from issuance of domestic straight bonds of ¥1 trillion, U.S. dollar-denominated senior notes of \$900 million, and euro-denominated senior notes of 900 million euros, as well as short-term borrowings, term loans, hybrid loans, and others totaling ¥1,013.4 billion)
 - Repayment of interest-bearing debt: ¥3,175.3 billion
 - Outlays at SBG: ¥1,179.8 billion
(for redemption of domestic straight bonds of ¥450.0 billion and euro-denominated senior notes of 638 million euros upon maturity, redemption of U.S. dollar-denominated senior notes of \$767 million prior to maturity, and repayment of short-term borrowings, hybrid loans, and others totaling ¥503.5 billion)
 - Outlays at wholly owned subsidiaries conducting fund procurement: ¥508.2 billion
(for cash settlement of the prepaid forward contracts using T-Mobile shares, etc.)
 - Distributions and repayments to third-party investors at SVF: ¥970.9 billion
 - Outlays for share repurchase: ¥206.9 billion

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

- ◆ **The balance of cash and cash equivalents stood at ¥4,660.0 billion at the third quarter-end, a decrease of ¥1,526.9 billion from the previous fiscal year-end. This was the result of cash flows from operating, investing, and financing activities, together with an effect of exchange rate changes on cash and cash equivalents, etc. due to the yen's depreciation in exchange rates used for translation.**

SIGNIFICANT NON-CASH TRANSACTION

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

(Millions of yen)

	Nine months ended December 31		Change
	2023	2024	
Cash flows from operating activities	149,707	149,228	(479)
Cash flows from investing activities	(919,178)	(589,188)	329,990
Cash flows from financing activities	(264,581)	(1,275,258)	(1,010,677)
Effect of exchange rate changes on cash and cash equivalents, etc.	272,602	188,367	(84,235)
Decrease in cash and cash equivalents	(761,450)	(1,526,851)	(765,401)
Cash and cash equivalents at the beginning of the period	6,925,153	6,186,874	(738,279)
Cash and cash equivalents at the end of the period	6,163,703	4,660,023	(1,503,680)

(a) Cash Flows from Operating Activities

Cash flows from operating activities resulted in a net inflow of ¥149,228 million, despite SB Northstar's acquisition of corporate bonds (primarily short-maturity, investment-grade) as part of its surplus fund management.

Income tax payments amounted to ¥345,062 million, while income tax refunds totaled ¥163,518 million. The former was primarily due to income tax payments by SoftBank Corp., while the latter was mainly due to SBG receiving a refund of ¥76,724 million from a prior interim tax payment of ¥118,026 million in the previous fiscal year.

(b) Cash Flows from Investing Activities

Primary components

Components	Primary details
Payments for acquisition of investments ¥(566,452) million	<ul style="list-style-type: none"> · SBG and its wholly owned subsidiaries acquired investments for ¥236,790 million (excluding investments in U.S. Treasury Bonds). This mainly included an investment in the U.K. company Wayve, which develops autonomous driving platforms based on data learning using AI. · PayPay Bank Corporation acquired bonds and other asset management products for ¥239,594 million.
Proceeds from sales/redemption of investments ¥336,695 million	<ul style="list-style-type: none"> · The Company sold 6.7 million T-Mobile shares for \$670 million due to a partial exercise of the call options on T-Mobile shares granted to Deutsche Telekom. · SBG sold U.S. Treasury Bonds of ¥73,932 million. · PayPay Bank Corporation sold investments in bonds and other asset management products of ¥65,715 million.
Payments for acquisition of investments by SVF ¥(249,147) million	SoftBank Vision Funds invested \$1.63 billion in total.
Proceeds from sales of investments by SVF ¥387,022 million	SoftBank Vision Funds sold investments for a total of \$2.54 billion.

Components	Primary details
Payments (net) for acquisition of control over subsidiaries ¥(194,216) million	The Company acquired additional interests in SBE Global, a U.S. equity method associate that constructs and operates solar power plants, converting it into a subsidiary. The Company also completed the acquisition of U.K.-based Graphcore, a company that designs and develops semiconductor chips specialized for AI and machine learning, which also became a subsidiary. The amount of the item on the left is net of cash and cash equivalents held by acquired companies at the time control was obtained.
Purchase of property, plant and equipment, and intangible assets ¥(558,206) million	SoftBank Corp. purchased property, plant and equipment, such as telecommunications equipment, and intangible assets, such as software.
Collection of loan receivables ¥116,951 million	In the second quarter, the Company collected the full amount of the loans that it had provided to its former management to acquire T-Mobile shares from T-Mobile in relation to the Company's sale of T-Mobile shares from June to August 2020.

(c) Cash Flows from Financing Activities

Primary components

Components	Primary details
Repayment of short-term interest-bearing debt, net ¥(149,393) million ^{*1} (Proceeds and payments for interest-bearing debt (current liabilities) with quick turnover and short maturities)	<ul style="list-style-type: none"> · Commercial paper decreased by ¥48,500 million (net) at SBG. · Short-term borrowings and commercial paper decreased by ¥96,179 million (net) at LY Corporation and its subsidiaries.
Proceeds from interest-bearing debt (total of A and B below) ¥3,623,256 million	
A Proceeds from borrowings ¥2,192,034 million ^{*2}	<ul style="list-style-type: none"> · SBG procured ¥1,013,417 million through short-term borrowings, term loans, hybrid loans, and commercial paper. · SoftBank Corp. procured ¥868,840 million, primarily through the securitization of installment sales receivable and sale-leaseback transactions.
B Proceeds from issuance of corporate bonds ¥1,431,222 million	<ul style="list-style-type: none"> · SBG issued domestic straight bonds totaling ¥100,000 million for the wholesale market and ¥900,000 million for the retail market, along with U.S. dollar-denominated senior notes of \$900 million, and euro-denominated senior notes of 900 million euros. · SoftBank Corp. issued domestic straight bonds totaling ¥80,000 million. · LY Corporation issued domestic straight bonds totaling ¥50,000 million. All of the above amounts are stated at face value.

Components	Primary details
Repayment of interest-bearing debt (total of A through C below) ¥(3,175,343) million	
A Repayment of borrowings ¥(1,915,855) million ^{*2}	<ul style="list-style-type: none"> · SBG repaid short-term borrowings, hybrid loans, and commercial paper amounting to ¥503,546 million. · SoftBank Corp. repaid ¥1,083,800 million in borrowings made primarily through the securitization of installment sales receivable, sale-leaseback transactions, and commercial paper.
B Redemption of corporate bonds ¥(751,277) million	<ul style="list-style-type: none"> · SBG redeemed domestic straight bonds of ¥450,000 million and euro-denominated senior notes of 638 million euros upon maturity and redeemed U.S. dollar-denominated senior notes of \$767 million prior to maturity. · LY Corporation redeemed domestic straight bonds totaling ¥75,000 million upon maturity. <p>All of the above amounts are stated at face value.</p>
C Payments for settlement of financial liabilities relating to sale of shares by prepaid forward contracts ¥(508,211) million	<p>A wholly owned subsidiary conducting fund procurement paid ¥506,234 million (\$3.26 billion) in cash to settle the prepaid forward contracts using T-Mobile shares in cash. Of this amount, ¥444,489 million (\$2.86 billion), corresponding to the settlement of financial liabilities relating to sale of shares by prepaid forward contracts, is included in this item. The remaining ¥61,745 million (\$0.40 billion), corresponding to the settlement of derivative financial liabilities, is included in “Other” under cash flows from financing activities.</p>
Distribution/repayment from SVF to third-party investors ¥(970,864) million	SVF1 made distributions and repayments to third-party investors.
Proceeds from the issuance of other equity instruments in subsidiaries ¥200,000 million	SoftBank Corp. issued bond-type class shares in the amount of ¥200,000 million.
Purchase of treasury stock ¥(206,908) million	SBG acquired 25,136,900 of its own shares for ¥206,900 million in accordance with a Board resolution on August 7, 2024.
Cash dividends paid ¥(63,937) million	SBG paid dividends.
Cash dividends paid to non-controlling interests ¥(366,797) million	SoftBank Corp., LY Corporation, and other subsidiaries paid dividends to non-controlling interests.

Notes:

1. “Repayment of short-term interest-bearing debt, net” represents cash flows from financing activities that meet the requirement of “Reporting cash flows on a net basis” under IFRSs.
2. “Proceeds from borrowings” and “Repayment of borrowings” include proceeds of ¥634,732 million and outlays of ¥762,207 million related to borrowings with a contracted term of one year or less.

(4) Forecasts

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

Notes to “1. Results of Operations”

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

2. Condensed Interim Consolidated Financial Statements and Primary Notes

(1) Condensed Interim Consolidated Statement of Financial Position

	(Millions of yen)	
	As of March 31, 2024	As of December 31, 2024
Assets		
Current assets		
Cash and cash equivalents	6,186,874	4,660,023
Trade and other receivables	2,868,767	3,077,273
Derivative financial assets	852,350	221,283
Other financial assets	777,996	1,445,836
Inventories	161,863	208,375
Other current assets	550,984	473,351
Subtotal	11,398,834	10,086,141
Assets classified as held for sale	42,559	247,350
Total current assets	11,441,393	10,333,491
Non-current assets		
Property, plant and equipment	1,895,289	2,707,292
Right-of-use assets	746,903	849,503
Goodwill	5,709,874	5,991,221
Intangible assets	2,448,840	2,455,447
Costs to obtain contracts	317,650	342,500
Investments accounted for using the equity method	839,208	652,706
Investments from SVF (FVTPL)	11,014,487	11,756,574
Investment securities	9,061,972	8,743,843
Derivative financial assets	385,528	189,331
Other financial assets	2,424,282	2,628,204
Deferred tax assets	245,954	192,165
Other non-current assets	192,863	186,845
Total non-current assets	35,282,850	36,695,631
Total assets	46,724,243	47,029,122

	As of March 31, 2024	(Millions of yen) As of December 31, 2024
Liabilities and equity		
Current liabilities		
Interest-bearing debt	8,271,143	7,346,231
Lease liabilities	149,801	162,004
Deposits for banking business	1,643,155	1,857,203
Trade and other payables	2,710,529	3,139,772
Derivative financial liabilities	195,090	181,975
Other financial liabilities	31,801	85,187
Income taxes payable	163,226	108,419
Provisions	44,704	42,847
Other current liabilities	801,285	583,215
Subtotal	<u>14,010,734</u>	<u>13,506,853</u>
Liabilities directly relating to assets classified as held for sale	9,561	-
Total current liabilities	<u>14,020,295</u>	<u>13,506,853</u>
Non-current liabilities		
Interest-bearing debt	12,296,381	11,782,459
Lease liabilities	644,706	735,619
Third-party interests in SVF	4,694,503	4,260,377
Derivative financial liabilities	41,238	96,570
Other financial liabilities	57,017	130,810
Provisions	167,902	132,933
Deferred tax liabilities	1,253,039	1,459,600
Other non-current liabilities	311,993	349,346
Total non-current liabilities	<u>19,466,779</u>	<u>18,947,714</u>
Total liabilities	<u>33,487,074</u>	<u>32,454,567</u>
Equity		
Equity attributable to owners of the parent		
Common stock	238,772	238,772
Capital surplus	3,326,093	3,356,902
Other equity instruments	193,199	193,199
Retained earnings	1,632,966	2,193,812
Treasury stock	(22,725)	(227,276)
Accumulated other comprehensive income	5,793,820	6,470,865
Total equity attributable to owners of the parent	<u>11,162,125</u>	<u>12,226,274</u>
Non-controlling interests	<u>2,075,044</u>	<u>2,348,281</u>
Total equity	<u>13,237,169</u>	<u>14,574,555</u>
Total liabilities and equity	<u><u>46,724,243</u></u>	<u><u>47,029,122</u></u>

(2) Condensed Interim Consolidated Statement of Profit or Loss and Condensed Interim Consolidated Statement of Comprehensive Income

Condensed Interim Consolidated Statement of Profit or Loss

(Millions of yen)

	Nine-month period ended December 31, 2023	Nine-month period ended December 31, 2024
Net sales	5,001,901	5,302,576
Cost of sales	(2,336,720)	(2,517,536)
Gross profit	2,665,181	2,785,040
Gain on investments		
Gain (loss) on investments at Investment Business of Holding Companies	(583,428)	2,008,450
Gain (loss) on investments at SoftBank Vision Funds	(51,994)	260,754
Gain (loss) on other investments	96,473	(99,182)
Total gain on investments	(538,949)	2,170,022
Selling, general and administrative expenses	(2,123,591)	(2,206,540)
Finance cost	(426,796)	(432,693)
Foreign exchange loss	(308,202)	(251,885)
Derivative gain (loss) (excluding gain (loss) on investments)	1,180,266	(791,181)
Change in third-party interests in SVF	(378,397)	(359,910)
Other gain	194,563	358,079
Income before income tax	264,075	1,270,932
Income taxes	(383,753)	(213,243)
Net income	(119,678)	1,057,689
Net income attributable to		
Owners of the parent	(458,723)	636,154
Non-controlling interests	339,045	421,535
Net income	(119,678)	1,057,689
Earnings per share		
Basic earnings per share (Yen)	(325.46)	426.74
Diluted earnings per share (Yen)	(328.78)	425.30

Condensed Interim Consolidated Statement of Comprehensive Income

(Millions of yen)

	Nine-month period ended December 31, 2023	Nine-month period ended December 31, 2024
Net income	(119,678)	1,057,689
Other comprehensive income, net of tax		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit plan	(114)	21
Equity financial assets at FVTOCI	8,076	3,438
Share of other comprehensive income of associates	327	(88)
Total items that will not be reclassified to profit or loss	8,289	3,371
Items that may be reclassified subsequently to profit or loss		
Debt financial assets at FVTOCI	(637)	(786)
Cash flow hedges	20,737	22,730
Exchange differences on translating foreign operations	845,652	637,371
Share of other comprehensive income of associates	(2,538)	(1,375)
Total items that may be reclassified subsequently to profit or loss	863,214	657,940
Total other comprehensive income, net of tax	871,503	661,311
Total comprehensive income	751,825	1,719,000
Total comprehensive income attributable to		
Owners of the parent	418,134	1,312,020
Non-controlling interests	333,691	406,980
Total comprehensive income	751,825	1,719,000

For the three-month period ended December 31

Condensed Interim Consolidated Statement of Profit or Loss

	(Millions of yen)	
	Three-month period ended December 31, 2023	Three-month period ended December 31, 2024
Net sales	1,774,841	1,832,654
Cost of sales	(841,977)	(898,758)
Gross profit	932,864	933,896
Gain on investments		
Loss on investments at Investment Business of Holding Companies	(169,898)	(108,309)
Gain (loss) on investments at SoftBank Vision Funds	531,288	(339,024)
Gain (loss) on other investments	63,216	(33,671)
Total gain on investments	424,606	(481,004)
Selling, general and administrative expenses	(769,519)	(773,470)
Finance cost	(131,612)	(148,983)
Foreign exchange gain (loss)	339,884	(540,929)
Derivative gain (excluding gain (loss) on investments)	478,548	686,785
Change in third-party interests in SVF	(152,132)	61,307
Other gain	48,861	72,187
Income before income tax	1,171,500	(190,211)
Income taxes	(186,025)	10,534
Net income	985,475	(179,677)
Net income attributable to		
Owners of the parent	950,004	(369,165)
Non-controlling interests	35,471	189,488
Net income	985,475	(179,677)
Earnings per share		
Basic earnings per share (Yen)	645.35	(259.11)
Diluted earnings per share (Yen)	642.83	(259.49)

Condensed Interim Consolidated Statement of Comprehensive Income

(Millions of yen)

	Three-month period ended December 31, 2023	Three-month period ended December 31, 2024
Net income	985,475	(179,677)
Other comprehensive income, net of tax		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit plan	(114)	21
Equity financial assets at FVTOCI	(1,983)	4,077
Share of other comprehensive income of associates	327	(168)
Total items that will not be reclassified to profit or loss	(1,770)	3,930
Items that may be reclassified subsequently to profit or loss		
Debt financial assets at FVTOCI	583	(1,115)
Cash flow hedges	25,492	4,867
Exchange differences on translating foreign operations	(929,792)	1,953,750
Share of other comprehensive income of associates	2,678	(913)
Total items that may be reclassified subsequently to profit or loss	(901,039)	1,956,589
Total other comprehensive income, net of tax	(902,809)	1,960,519
Total comprehensive income	82,666	1,780,842
Total comprehensive income attributable to		
Owners of the parent	40,956	1,593,147
Non-controlling interests	41,710	187,695
Total comprehensive income	82,666	1,780,842

(3) Condensed Interim Consolidated Statement of Changes in Equity

For the nine-month period ended December 31, 2023

(Millions of yen)

	Equity attributable to owners of the parent						Total
	Common stock	Capital surplus	Other equity instruments	Retained earnings	Treasury stock	Accumulated other comprehensive income	
As of April 1, 2023	238,772	2,652,790	414,055	2,006,238	(38,791)	3,756,785	9,029,849
Comprehensive income							
Net income	-	-	-	(458,723)	-	-	(458,723)
Other comprehensive income	-	-	-	-	-	876,857	876,857
Total comprehensive income	-	-	-	(458,723)	-	876,857	418,134
Transactions with owners and other transactions							
Cash dividends	-	-	-	(64,433)	-	-	(64,433)
Distribution to owners of other equity instruments	-	-	-	(16,708)	-	-	(16,708)
Redemption and cancellation of other equity instruments	-	(793)	(220,856)	(56,111)	-	-	(277,760)
Transfer of accumulated other comprehensive income to retained earnings	-	-	-	503	-	(503)	-
Purchase and disposal of treasury stock	-	793	-	-	15,342	-	16,135
Changes from loss of control	-	-	-	-	-	-	-
Changes in interests in subsidiaries	-	673,274	-	-	-	-	673,274
Issuance of other equity instruments in subsidiaries	-	-	-	-	-	-	-
Changes in interests in associates' capital surplus	-	(91)	-	-	-	-	(91)
Share-based payment transactions	-	(3,418)	-	-	-	-	(3,418)
Other	-	-	-	-	-	-	-
Total transactions with owners and other transactions	-	669,765	(220,856)	(136,749)	15,342	(503)	326,999
As of December 31, 2023	238,772	3,322,555	193,199	1,410,766	(23,449)	4,633,139	9,774,982

(Millions of yen)

	Non- controlling interests	Total equity
As of April 1, 2023	1,619,366	10,649,215
Comprehensive income		
Net income	339,045	(119,678)
Other comprehensive income	(5,354)	871,503
Total comprehensive income	333,691	751,825
Transactions with owners and other transactions		
Cash dividends	(287,830)	(352,263)
Distribution to owners of other equity instruments	-	(16,708)
Redemption and cancellation of other equity instruments	-	(277,760)
Transfer of accumulated other comprehensive income to retained earnings	-	-
Purchase and disposal of treasury stock	-	16,135
Changes from loss of control	(5,121)	(5,121)
Changes in interests in subsidiaries	75,769	749,043
Issuance of other equity instruments in subsidiaries	120,000	120,000
Changes in interests in associates' capital surplus	-	(91)
Share-based payment transactions	78,581	75,163
Other	3,172	3,172
Total transactions with owners and other transactions	(15,429)	311,570
As of December 31, 2023	1,937,628	11,712,610

For the nine-month period ended December 31, 2024

(Millions of yen)

	Equity attributable to owners of the parent						Total
	Common stock	Capital surplus	Other equity instruments	Retained earnings	Treasury stock	Accumulated other comprehensive income	
As of April 1, 2024	238,772	3,326,093	193,199	1,632,966	(22,725)	5,793,820	11,162,125
Comprehensive income							
Net income	-	-	-	636,154	-	-	636,154
Other comprehensive income	-	-	-	-	-	675,866	675,866
Total comprehensive income	-	-	-	636,154	-	675,866	1,312,020
Transactions with owners and other transactions							
Cash dividends	-	-	-	(64,086)	-	-	(64,086)
Distribution to owners of other equity instruments	-	-	-	(9,475)	-	-	(9,475)
Transfer of accumulated other comprehensive income to retained earnings	-	-	-	(1,179)	-	1,179	-
Purchase and disposal of treasury stock	-	-	-	(568)	(204,551)	-	(205,119)
Changes from loss of control	-	-	-	-	-	-	-
Changes in interests in subsidiaries	-	29,405	-	-	-	-	29,405
Issuance of other equity instruments in subsidiaries	-	-	-	-	-	-	-
Share-based payment transactions	-	(533)	-	-	-	-	(533)
Other	-	1,937	-	-	-	-	1,937
Total transactions with owners and other transactions	-	30,809	-	(75,308)	(204,551)	1,179	(247,871)
As of December 31, 2024	238,772	3,356,902	193,199	2,193,812	(227,276)	6,470,865	12,226,274

(Millions of yen)

	Non- controlling interests	Total equity
As of April 1, 2024	2,075,044	13,237,169
Comprehensive income		
Net income	421,535	1,057,689
Other comprehensive income	(14,555)	661,311
Total comprehensive income	406,980	1,719,000
Transactions with owners and other transactions		
Cash dividends	(368,856)	(432,942)
Distribution to owners of other equity instruments	-	(9,475)
Transfer of accumulated other comprehensive income to retained earnings	-	-
Purchase and disposal of treasury stock	-	(205,119)
Changes from loss of control	(26,424)	(26,424)
Changes in interests in subsidiaries	30,283	59,688
Issuance of other equity instruments in subsidiaries	200,000	200,000
Share-based payment transactions	31,086	30,553
Other	168	2,105
Total transactions with owners and other transactions	(133,743)	(381,614)
As of December 31, 2024	<u>2,348,281</u>	<u>14,574,555</u>

(4) Condensed Interim Consolidated Statement of Cash Flows

	(Millions of yen)	
	Nine-month period ended December 31, 2023	Nine-month period ended December 31, 2024
Cash flows from operating activities		
Net income	(119,678)	1,057,689
Depreciation and amortization	641,872	636,852
Loss (gain) on investments at Investment Business of Holding Companies	572,460	(2,008,313)
Loss (gain) on investments at SoftBank Vision Funds	51,994	(260,754)
Finance cost	426,796	432,693
Foreign exchange loss	308,202	251,885
Derivative (gain) loss (excluding (gain) loss on investments)	(1,180,266)	791,181
Change in third-party interests in SVF	378,397	359,910
(Gain) loss on other investments and other gain	(291,036)	(258,897)
Income taxes	383,753	213,243
Increase in investments from asset management subsidiaries	(145,815)	(690,088)
Increase in trade and other receivables	(322,784)	(424,246)
Increase in inventories	(16,040)	(48,614)
Increase in trade and other payables	267,967	368,986
Other	121,735	108,953
Subtotal	1,077,557	530,480
Interest and dividends received	186,206	160,618
Interest paid	(326,715)	(360,326)
Income taxes paid	(854,852)	(345,062)
Income taxes refunded	67,511	163,518
Net cash provided by operating activities	149,707	149,228

	(Millions of yen)	
	Nine-month period ended December 31, 2023	Nine-month period ended December 31, 2024
Cash flows from investing activities		
Payments for acquisition of investments	(662,861)	(566,452)
Proceeds from sales/redemption of investments	159,198	336,695
Payments for acquisition of investments by SVF	(203,877)	(249,147)
Proceeds from sales of investments by SVF	567,571	387,022
Payments for acquisition of investments by asset management subsidiaries	(76,877)	-
Payments (net) for acquisition of control over subsidiaries	(36,956)	(194,216)
Proceeds (net) from loss of control over subsidiaries	96,755	94,863
Purchase of property, plant and equipment, and intangible assets	(517,060)	(558,206)
Payments for loan receivables	(301,934)	(8,561)
Collection of loan receivables	92,302	116,951
Payments into time deposits	(103,640)	(82,213)
Proceeds from withdrawal of time deposits	66,860	127,087
Other	1,341	6,989
Net cash used in investing activities	(919,178)	(589,188)
Cash flows from financing activities		
Proceeds in (repayment of) short-term interest-bearing debt, net	173,596	(149,393)
Proceeds from interest-bearing debt	4,116,078	3,623,256
Repayment of interest-bearing debt	(4,109,903)	(3,175,343)
Repayment of lease liabilities	(164,521)	(140,642)
Distribution/repayment from SVF to third-party investors	(490,877)	(970,864)
Proceeds from the partial sales of shares of subsidiaries to non-controlling interests	745,082	-
Redemption of other equity instruments	(277,760)	-
Distribution to owners of other equity instruments	(16,708)	(9,475)
Proceeds from the issuance of other equity instruments in subsidiaries	120,000	200,000
Purchase of treasury stock	(4)	(206,908)
Cash dividends paid	(64,207)	(63,937)
Cash dividends paid to non-controlling interests	(285,280)	(366,797)
Other	(10,077)	(15,155)
Net cash used in financing activities	(264,581)	(1,275,258)
Effect of exchange rate changes on cash and cash equivalents	272,602	155,356
Increase in cash and cash equivalents relating to transfer of assets classified as held for sale	-	33,011
Decrease in cash and cash equivalents	(761,450)	(1,526,851)
Cash and cash equivalents at the beginning of the period	6,925,153	6,186,874
Cash and cash equivalents at the end of the period	6,163,703	4,660,023

(5) Basis of Presentation of Condensed Interim Consolidated Financial Statements

1. Framework of financial reporting

The accompanying condensed interim consolidated financial statements have been prepared in accordance with Article 5-2 of the Tokyo Stock Exchange’s standards for the preparation of quarterly financial statements. Some disclosures required under IAS 34 “Interim Financial Reporting” in IFRS Accounting Standards (“IFRS”) have been omitted under Article 5-5 of the Tokyo Stock Exchange’s standards for the preparation of quarterly financial statements.

2. Definitions of company names and abbreviations used in the condensed interim consolidated financial statements and primary notes

Company names and abbreviations used in the condensed interim consolidated financial statements and primary notes, unless otherwise stated or interpreted differently in the context, are as follows:

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

Note:

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

(6) Significant Doubt about Going Concern Assumption

There are no applicable items.

(7) Notes to Condensed Interim Consolidated Financial Statements

1. Changes in presentation

(Condensed interim consolidated statement of cash flows)

Cash flows from financing activities

Proceeds from (repayment of) borrowings with short maturities and quick turnover in some subsidiaries were previously presented on a gross basis and included in “Proceeds from interest-bearing debt” and “Repayment of interest-bearing debt.” They are now presented on a net basis and included in “Proceeds in (repayment of) short-term interest-bearing debt, net” for the nine-month period ended December 31, 2024.

In order to reflect the change in presentation, for the nine-month period ended December 31, 2023, “Proceeds from interest-bearing debt” of ¥530,000 million and “Repayment of interest-bearing debt” of ¥(514,000) million are reclassified as “Proceeds in (repayment of) short-term interest-bearing debt, net” of ¥16,000 million.

2. Material accounting policies

Material accounting policies applied to the condensed interim consolidated financial statements are consistent with the accounting policies applied to the consolidated financial statements for the fiscal year ended March 31, 2024. In addition, income taxes for the nine-month period ended December 31, 2024, are calculated based on the estimated effective tax rate for the fiscal year.

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

(Material accounting policies for the SoftBank Vision Funds segment)

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

(1) Consolidation of SVF1, SVF2, and LatAm Funds by the Company

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

As of December 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.

(2) Portfolio company investments made by SVF1, SVF2, and LatAm Funds

a. Investments in subsidiaries

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

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

b. Investments in associates and joint ventures

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

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

If the investments in associates and joint ventures that were transferred from SoftBank Group Corp. and its

subsidiaries to SVF1, SVF2, or LatAm Funds were accounted for using the equity method prior to the transfer, these investments continue to be accounted for using the equity method after the transfer to SVF1, SVF2, or LatAm Funds and presented as “Investments accounted for using the equity method” in the condensed interim consolidated statement of financial position.

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

c. Other investments

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

(3) Contribution from limited partners in SVF1 and SVF2, and investors in LatAm Funds, SVF2 LLC, and SLA LLC (collectively, “SVF Investors”)

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

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

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

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

Contributions from Third-Party Investors are included in “Contributions into SVF from third-party investors” under cash flows from financing activities in the condensed interim consolidated statement of cash flows. The distributions and repayments of investments to Third-Party Investors are included in “Distribution/repayment from SVF to third-party investors” under cash flows from financing activities in the condensed interim

consolidated statement of cash flows. No cash contributions into SVF2 and LatAm Funds from Third-Party Investors and no cash distributions/repayments from SVF2 and LatAm Funds to Third-Party Investors were made as of December 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 condensed interim consolidated statement of financial position.

b. Contribution from the Company

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

3. Segment information

(1) Description of reportable segments

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

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

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

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

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

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

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

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

Note:

* For the nine-month period ended December 31, 2024, all interests in Fortress held by a subsidiary of the Company, were sold to a subsidiary of Mubadala Investment Company PJSC. Upon completion of the transaction, Fortress is no longer a subsidiary of the Company.

(2) Net sales and income of reportable segments

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

In August 2023, Arm shares held by SVF1 were sold to a wholly-owned subsidiary of the Company classified as the Investment Business of Holding Companies segment. The transaction price was established by reference to the terms of a prior contractual arrangement between the parties. The details are described in “Notes 2” in “b. Segment income arising from the SoftBank Vision Funds business” in “(1) Income and loss arising from the SoftBank Vision Funds business” under “Note 4. SoftBank Vision Funds business.”

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

For the nine-month period ended December 31, 2023

(Millions of yen)

	Reportable segments			
	Investment Business of Holding Companies	SoftBank Vision Funds	SoftBank	Arm
Net sales				
Customers	-	-	4,509,539	326,814
Intersegment	-	-	2,013	-
Total	-	-	4,511,552	326,814
Segment income	(5,857)	224,920	711,531	(16,444)
Depreciation and amortization	(2,382)	(1,636)	(552,117)	(69,402)
Gain (loss) on investments	(583,428)	781,868	4,148	785
Finance cost	(346,003)	(64,523)	(48,107)	(1,095)
Foreign exchange gain (loss)	(306,675)	(136)	(2,559)	1,482
Derivative gain (excluding gain (loss) on investments)	1,178,831	-	1,308	127
	Total	Other	Reconciliations	Consolidated
Net sales				
Customers	4,836,353	165,548	-	5,001,901
Intersegment	2,013	10,402	(12,415)	-
Total	4,838,366	175,950	(12,415)	5,001,901
Segment income	914,150	142,050	(792,125)	264,075
Depreciation and amortization	(625,537)	(16,335)	-	(641,872)
Gain (loss) on investments	203,373	86,767	(829,089)	(538,949)
Finance cost	(459,728)	(11,979)	44,911	(426,796)
Foreign exchange gain (loss)	(307,888)	(314)	-	(308,202)
Derivative gain (excluding gain (loss) on investments)	1,180,266	-	-	1,180,266

For the nine-month period ended December 31, 2024

(Millions of yen)

	Reportable segments			
	Investment Business of Holding Companies	SoftBank Vision Funds*	SoftBank	Arm
Net sales				
Customers	-	-	4,809,541	408,116
Intersegment	-	-	1,880	14,418
Total	-	-	4,811,421	422,534
Segment income	531,986	(141,091)	763,990	17,230
Depreciation and amortization	(2,268)	(1,731)	(543,413)	(72,828)
Gain (loss) on investments	2,008,450	257,640	(17,158)	1,113
Finance cost	(402,887)	(30,670)	(60,739)	(1,730)
Foreign exchange gain (loss)	(256,029)	461	3,791	1,872
Derivative gain (loss) (excluding gain (loss) on investments)	(802,486)	-	1,525	-
	Total	Other	Reconciliations	Consolidated
Net sales				
Customers	5,217,657	84,919	-	5,302,576
Intersegment	16,298	9,094	(25,392)	-
Total	5,233,955	94,013	(25,392)	5,302,576
Segment income	1,172,115	25,851	72,966	1,270,932
Depreciation and amortization	(620,240)	(16,612)	-	(636,852)
Gain (loss) on investments	2,250,045	(81,795)	1,772	2,170,022
Finance cost	(496,026)	(12,917)	76,250	(432,693)
Foreign exchange gain (loss)	(249,905)	(1,980)	-	(251,885)
Derivative gain (loss) (excluding gain (loss) on investments)	(800,961)	9,780	-	(791,181)

Note:

* The details of the difference between “Gain (loss) on investments” in the SoftBank Vision Funds segment and “Gain (loss) on investments at SoftBank Vision Funds” in the condensed interim consolidated statement of profit or loss are described in “(1) Income and loss arising from the SoftBank Vision Funds business” under “Note 4. SoftBank Vision Funds business.”

For the three-month period ended December 31, 2023

(Millions of yen)

	Reportable segments			
	Investment Business of Holding Companies	SoftBank Vision Funds	SoftBank	Arm
Net sales				
Customers	-	-	1,577,245	121,017
Intersegment	-	-	266	-
Total	-	-	1,577,511	121,017
Segment income	537,395	422,743	196,299	(8,005)
Depreciation and amortization	(798)	(586)	(189,219)	(23,772)
Gain (loss) on investments	(169,898)	600,732	(4,474)	380
Finance cost	(136,361)	(11,991)	(15,086)	(416)
Foreign exchange gain (loss)	343,456	513	(1,321)	(2,064)
Derivative gain (excluding gain (loss) on investments)	478,445	-	86	17
	Total	Other	Reconciliations	Consolidated
Net sales				
Customers	1,698,262	76,579	-	1,774,841
Intersegment	266	2,909	(3,175)	-
Total	1,698,528	79,488	(3,175)	1,774,841
Segment income	1,148,432	57,713	(34,645)	1,171,500
Depreciation and amortization	(214,375)	(5,943)	-	(220,318)
Gain (loss) on investments	426,740	68,054	(70,188)	424,606
Finance cost	(163,854)	(4,174)	36,416	(131,612)
Foreign exchange gain (loss)	340,584	(700)	-	339,884
Derivative gain (excluding gain (loss) on investments)	478,548	-	-	478,548

For the three-month period ended December 31, 2024

(Millions of yen)

	Reportable segments			
	Investment Business of Holding Companies	SoftBank Vision Funds	SoftBank	Arm
Net sales				
Customers	-	-	1,658,492	140,886
Intersegment	-	-	552	7,841
Total	-	-	1,659,044	148,727
Segment income	(132,380)	(309,932)	224,098	13,406
Depreciation and amortization	(750)	(556)	(185,390)	(23,156)
Gain (loss) on investments	(108,309)	(352,748)	(315)	838
Finance cost	(132,479)	(9,999)	(19,615)	(631)
Foreign exchange gain (loss)	(545,568)	(219)	1,455	3,623
Derivative gain (excluding gain (loss) on investments)	669,848	-	2,383	-
	Total	Other	Reconciliations	Consolidated
Net sales				
Customers	1,799,378	33,276	-	1,832,654
Intersegment	8,393	3,280	(11,673)	-
Total	1,807,771	36,556	(11,673)	1,832,654
Segment income	(204,808)	(18,279)	32,876	(190,211)
Depreciation and amortization	(209,852)	(8,760)	-	(218,612)
Gain (loss) on investments	(460,534)	(35,101)	14,631	(481,004)
Finance cost	(162,724)	(6,857)	20,598	(148,983)
Foreign exchange gain (loss)	(540,709)	(220)	-	(540,929)
Derivative gain (excluding gain (loss) on investments)	672,231	14,554	-	686,785

4. SoftBank Vision Funds business

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

a. Overview

Segment income arising from the SoftBank Vision Funds business (income before income tax) represents the net profits of the SoftBank Vision Funds business, after deducting the net profits attributable to Third-Party Investors. The net profits attributable to Third-Party Investors are the amount allocated to Third-Party Investors based on proportion of their respective equity contributions, calculated by deducting management fees, performance-linked management fees, and performance fees payable to the fund managers, as well as operating expense and other expenses of SVF from the gains or losses on investments at SVF1, SVF2, and LatAm Funds.

The amount of the net profits attributable to Third-Party Investors that is deducted from the segment income is presented as “Change in third-party interests in SVF.”

b. Segment income arising from the SoftBank Vision Funds business

The components of segment income arising from the SoftBank Vision Funds business are as follows:

	(Millions of yen)	
	Nine-month period ended December 31, 2023	Nine-month period ended December 31, 2024
Gain on investments at SoftBank Vision Funds		
Gain on investments at SVF1, SVF2, and LatAm Funds		
Realized gain (loss) on investments ^{*1,2,3}	934,995	(1,313,173)
Unrealized gain (loss) on valuation of investments		
Change in valuation for the fiscal year ^{*4}	(125,539)	195,918
Reclassified to realized gain (loss) recorded in the past fiscal years ^{*3,5}	16,902	1,152,463
Interest and dividend income from investments	21,271	7,292
Derivative gain (loss) on investments	2,869	(3,430)
Effect of foreign exchange translation ^{*3,6}	(105,218)	248,217
Subtotal	745,280	287,287
Gain (loss) on other investments	36,588	(29,647)
Total gain on investments at SoftBank Vision Funds	781,868	257,640
Selling, general and administrative expenses	(64,041)	(51,214)
Finance cost (interest expenses)	(64,523)	(30,670)
Change in third-party interests in SVF	(378,397)	(359,910)
Other gain (loss) ^{*7}	(49,987)	43,063
Segment income arising from the SoftBank Vision Funds business (income before income tax)	224,920	(141,091)

Notes:

1. The amount of realized gain and loss on investments is the exit price net of the investment cost. In addition to the realized gain and loss on sales by cash consideration, the realized gain and loss by disposals as a result of share exchange and restructuring of portfolio companies are included.
2. In August 2023, SVF1 sold Arm shares for \$16.1 billion (the “Transaction Consideration”) to a wholly-owned subsidiary of the Company (the “Transaction”). In relation to the Transaction, the proceeds of the sale will be paid in four installments, with the first installment having been paid upon completion of the Transaction, with the remaining three installments to be paid over a two-year period through August 2025. At the date of sale, “Realized gain (loss) on investments” was recorded as the discounted present value of the Transaction Consideration (\$15.1 billion) net of the investment cost (\$8.2 billion). The difference between the Transaction Consideration and the discounted present value of the Transaction Consideration is recognized as income over the two years after the date of sale and recorded in “Realized gain (loss) on investments.” As a result of the Transaction, for the nine-month period ended December 31, 2024, ¥65,613 million of the realized gain is included in “Gain on investments at SoftBank Vision Funds” in the above-mentioned segment income. However, these are eliminated in consolidation due to inter-company transactions relating to shares of a subsidiary.
3. On May 30, 2024, the Bankruptcy court entered an order approving the reorganization plan of WeWork. On June 11, 2024 (the Emergence Date), WeWork emerged from Chapter 11 of the United States Bankruptcy Code (“Chapter 11”). Under the reorganization plan of WeWork, the preexisting Chapter 11 equity in SVF 1 and SVF2 was cancelled pursuant to Restructuring Support Agreement. In addition, a portion of the pre-petition claims was cancelled and the remaining portion was converted into new WeWork equity. Accordingly, SVF1 and SVF2 derecognized WeWork shares, warrants and notes and SVF2 recognized the shares newly issued by WeWork. As a result, for the nine-month period ended December 31, 2024, ¥1,050,033 million of the realized loss, ¥848,458 million of the unrealized gain on valuation (reclassified to realized gain and loss recorded in the past fiscal years), and ¥201,994 million of gain arising from the foreign exchange translation effects were recorded. The effect on gain and loss on investments at SoftBank Vision Funds was a gain of ¥419 million. The Company transferred WeWork shares to SVF2 in August 2021. Investment gain and loss on the shares recorded until the transfer is described in “Notes 2” in “(1) Gain and loss on investments at Investment Business of Holding Companies” under “Note 10. Gain on investments.”
4. For the nine-month period ended December 31, 2024, ¥65,466 million of the unrealized loss (net) on valuation arising from shares of the Company’s subsidiaries held by SVF1 and SVF2 (mainly PayPay Corporation) is included in “Gain on investments at SoftBank Vision Funds” (in Change in valuation for the fiscal year under Unrealized gain (loss) on valuation of investments) in the above-mentioned segment income. However, the unrealized loss on valuation arising from shares of the Company’s subsidiaries is eliminated in consolidation.

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

5. It represents the unrealized gain and loss on valuation of investments recorded as “Gain on investments at SoftBank Vision Funds” in the past fiscal years, which are reclassified to “Realized gain (loss) on investments” due to the realization for the nine-month period ended December 31, 2024.
6. Unrealized gain and loss on valuation of investments are translated using the average exchange rate for the quarter in which the gain and loss were recognized, while realized gain and loss on investments are translated using the average exchange rate for the quarter in which the shares were disposed. “Effect of foreign exchange translation” arises from the different foreign currency exchange rates used for unrealized gain and loss on valuation and realized gain and loss.
7. Following WeWork’s emergence from Chapter 11 on June 11, 2024, given the approved plan of reorganization, out of a portion of the Junior TLC facility, which has been recognized as loan receivables was repaid in cash given over collateral, and the drawn amounts up to date of emergence were converted into new WeWork equity as described above. The carrying amounts (recoverable amounts) of such loan receivables in the consolidated statement of financial position as of March 31, 2024, were zero. However, the collectability of the remaining loan receivables was reassessed and as a result, for the nine-month period ended December 31, 2024, ¥22,225 million of gain was recorded.

(2) Third-party interests in SVF

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

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

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

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

The details of the terms and conditions of the Equity contributed by Third-Party Investor in SVF2 and LatAm Funds are described in “(1) Co-investment program with restricted rights to receive distributions” under “Note 16. Related party transactions.” There are no Third-Party Investors who contributed to Preferred Equity in SVF2 and LatAm Funds.

Hereafter, Third-Party Investors contributing Equity are defined as “Investors entitled to performance-based distribution” and Third-Party Investors contributing Preferred Equity are defined as “Investors entitled to fixed distribution.”

b. Changes in interests attributable to Third-Party Investors

(a) Third-party interests in SVF1

Changes in interests attributable to Third-Party Investors in SVF1 (included in “Third-party interests in SVF” in the condensed interim consolidated statement of financial position) are as follows:

		(Millions of yen)	
		(For reference purposes only) Links with the condensed interim consolidated financial statements	
	Third-party interests in SVF1 (Total of current liabilities and non-current liabilities)	Consolidated statement of profit or loss (Negative figures represent expenses)	Consolidated statement of cash flows (Negative figures represent payments)
	(Breakdown)		
As of April 1, 2024	4,680,417		
Changes in third-party interests	365,857	(365,857)	-
Attributable to investors entitled to fixed distribution	82,346		
Attributable to investors entitled to performance-based distribution	283,511		
Distribution/repayment to Third-Party Investors	(970,864)	-	(970,864)
Exchange differences on translating third-party interests *	176,272	-	-
As of December 31, 2024	<u>4,251,682</u>		

Note:

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

(b) Third-party interests in SVF2 and receivables

There is no balance of interests attributable to Third-Party Investor in SVF2 (included in “Third-party interests in SVF” in the condensed interim consolidated statement of financial position) as of March 31, 2024 and December 31, 2024. There are no changes in interests attributable to Third-Party Investor in SVF2 for the nine-month period ended December 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 condensed interim 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 “(1) Co-investment program with restricted rights to receive distributions” under “Note 16. Related party transactions.”

	(Millions of yen)
	Receivables from Third-Party Investor in SVF2
As of April 1, 2024	448,931
Increase in receivables from accrued premiums charged to Third-Party Investor	9,492
Exchange differences on receivables	20,414
As of December 31, 2024	478,837

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

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

	(Millions of yen)		
	(For reference purposes only) Links with the condensed interim consolidated financial statements		
	Third-party interests in LatAm Funds (Total of current liabilities and non-current liabilities)	Consolidated statement of profit or loss (Negative figures represent expenses)	Consolidated statement of cash flows (Negative figures represent payments)
As of April 1, 2024	14,086		
Changes in third-party interests	(5,947)	5,947	-
Exchange differences on translating third-party interests*	556	-	-
As of December 31, 2024	8,695		

Note:

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

The Company has receivables from Third-Party Investor in LatAm Funds. The changes in the receivables from Third-Party Investor in LatAm Funds (included in “Other financial assets (non-current)” in the condensed interim consolidated statement of financial position) are as follows: The details of the receivables from Third-Party Investor in LatAm Funds are described in “b. Transactions between LatAm Funds and related parties” in “(1) Co-investment program with restricted rights to receive distributions” under “Note 16. Related party transactions.”

	(Millions of yen)
	Receivables from Third-Party Investor in LatAm Funds
As of April 1, 2024	105,278
Increase in receivables from accrued premiums charged to Third-Party Investor	2,232
Exchange differences on receivables	4,787
As of December 31, 2024	112,297

c. Uncalled committed capital from Third-Party Investors

Uncalled committed capital from SVF1’s Third-Party Investors as of December 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 December 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.

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 December 31, 2024, neither performance-linked management fees nor performance fees were paid to SBGA.

5. Disposal group classified as held for sale

For certain prepaid forward contracts using Alibaba shares, which mature in January 2025, the Company determined, by December 31, 2024, to settle the contracts by Alibaba shares. Subsequently, ¥214,593 million (\$1.4 billion) of Alibaba shares were recorded as “Assets classified as held for sale” in the condensed interim consolidated statement of financial position as of December 31, 2024.

6. Interest-bearing debt

(1) Components of interest-bearing debt

The components of interest-bearing debt are as follows:

	As of March 31, 2024	(Millions of yen) As of December 31, 2024
Current		
Short-term borrowings	1,100,158	1,042,347
Commercial paper	363,501	274,000
Current portion of long-term borrowings	1,787,792	2,208,321
Current portion of corporate bonds	824,791	1,209,459
Current portion of financial liabilities relating to sale of shares by prepaid forward contracts ^{*1,3}	4,194,733	2,611,963
Current portion of installment payables	168	141
Total	8,271,143	7,346,231
Non-current		
Long-term borrowings ^{*2}	4,698,657	4,829,160
Corporate bonds	6,619,839	6,953,266
Financial liabilities relating to sale of shares by prepaid forward contracts ^{*3}	977,778	-
Installment payables	107	33
Total	12,296,381	11,782,459

Notes:

- For the nine-month period ended December 31, 2024, prepaid forward contracts using T-Mobile shares matured and were settled by cash and “Current portion of financial liabilities relating to sale of shares by prepaid forward contracts” decreased by ¥432,165 million.
- In September 2023, Kronos I (UK) Limited entered into a loan commitment agreement for \$8.5 billion using 769,029,000 shares of Arm held by a wholly-owned subsidiary of Kronos I (UK) Limited and all of Kronos I (UK) Limited’s assets except for certain assets specified in the agreement, as collateral, and borrowed the same amount. The loan agreement includes 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 loan is nonrecourse debt, and therefore, SoftBank Group Corp. will not be responsible for the borrowings.

In December 2024, Kronos I (UK) Limited made an amendment to the loan commitment agreement, increasing the borrowing commitment by \$5.0 billion and extending the repayment maturity by one year from September 2025 to September 2026. As of December 31, 2024, the entity does not make the additional borrowing of \$5.0 billion. The loan is recorded for ¥1,330,570 million as long-term borrowings in the condensed interim consolidated statement of financial position as of December 31, 2024.

- These are primarily financial liabilities relating to sale of shares by prepaid forward contracts using Alibaba shares. The details are described in “(2) Transactions for sale of Alibaba shares by prepaid forward contracts.”

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

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

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

The aforementioned prepaid forward contracts are classified as hybrid financial instruments with embedded derivatives. The Company accounts for the contracts by bifurcating the main contracts and embedded derivatives, and the main contracts are recognized as financial liabilities relating to sale of shares by prepaid forward contracts then measured at amortized cost, while the embedded derivatives are measured at fair value. Also, the call spread contracts are measured at fair value as well. In addition, for the derivative financial assets and the derivative financial liabilities recognized from the prepaid forward contracts and the call spread contracts, a tax effect is recognized. The ending balance of the derivative financial assets and the derivative financial liabilities recognized from the prepaid forward contracts and the call spread contracts are described in “Note 7. Financial instruments.”

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

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

For the nine-month period ended December 31, 2024, certain prepaid forward contracts matured, and Entities for fund procurement using Alibaba shares settled them by Alibaba shares. As a result, ¥2,263,835 million of current portion of financial liabilities relating to sale of shares by prepaid forward contracts, ¥163,930 million of derivative financial assets (net), and ¥2,099,905 million of Alibaba shares were derecognized as of the settlement date.

In addition, all of the collar contracts and the call spread contracts relating to sale of shares by prepaid forward contracts were terminated as of December 31, 2024.

As of December 31, 2024, the Company pledged ¥2,553,325 million of Alibaba shares as collateral for ¥2,611,963 million of current portion of financial liabilities relating to sale of shares by prepaid forward contracts. Alibaba shares pledged as collateral were recorded for ¥214,593 million as “Assets classified as held for sale” and for ¥2,338,732 million as “Investment securities” in the condensed interim consolidated statement of financial position.

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

The components of “Proceeds in (repayment of) short-term interest-bearing debt, net” in the condensed interim consolidated statement of cash flows are as follows:

	(Millions of yen)	
	Nine-month period ended December 31, 2023	Nine-month period ended December 31, 2024
Net increase (decrease) in short-term borrowings	159,095	(117,893)
Net increase (decrease) in commercial paper	14,501	(31,500)
Total	<u>173,596</u>	<u>(149,393)</u>

(4) Components of proceeds from interest-bearing debt

The components of “Proceeds from interest-bearing debt” in the condensed interim consolidated statement of cash flows are as follows:

	(Millions of yen)	
	Nine-month period ended December 31, 2023	Nine-month period ended December 31, 2024
Proceeds from borrowings	3,168,451	2,192,034
Proceeds from issuance of corporate bonds	342,000	1,431,222
Proceeds from procurement by prepaid forward contracts using shares	605,627	-
Total	<u>4,116,078</u>	<u>3,623,256</u>

(5) Components of repayment of interest-bearing debt

The components of “Repayment of interest-bearing debt” in the condensed interim consolidated statement of cash flows are as follows:

	(Millions of yen)	
	Nine-month period ended December 31, 2023	Nine-month period ended December 31, 2024
Repayment of borrowings	(3,821,652)	(1,915,855)
Redemption of corporate bonds	(285,706)	(751,277)
Payments for settlement of financial liabilities relating to sale of shares by prepaid forward contracts *	(2,545)	(508,211)
Total	<u>(4,109,903)</u>	<u>(3,175,343)</u>

Note:

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

7. Financial instruments

The details of derivative contracts are mainly as follows:

	(Millions of yen)			
	As of March 31, 2024		As of December 31, 2024	
	Carrying amount (fair value)		Carrying amount (fair value)	
	Assets	Liabilities	Assets	Liabilities
Collar contracts using Deutsche Telekom shares	-	46,837	-	180,392
Prepaid forward contracts using Alibaba shares (Forward contracts) ^{*1}	514,848	54,688	98,090	39,180
Prepaid forward contracts using Alibaba shares (Option contracts) ^{*1}	394,972	-	-	-
Call spread contracts relating to prepaid forward contracts using Alibaba shares ^{*1}	1	-	-	-
Short call option for T-Mobile shares to Deutsche Telekom ^{*2}	-	70,699	-	-

Notes:

- The details of prepaid forward contracts using Alibaba shares and call spread contracts relating to prepaid forward contracts using Alibaba shares are described in “(2) Transactions for sale of Alibaba shares by prepaid forward contracts” under “Note 6. Interest-bearing debt.”
- On June 7, 2024, Deutsche Telekom partially exercised options to purchase T-Mobile shares granted by the Company and the Company sold 6,728,701 shares of T-Mobile. All remaining short call options expired on June 22, 2024.

8. Foreign currency exchange rates

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

(1) Rate at the end of the period

	As of March 31, 2024	As of December 31, 2024
USD	151.41	158.18

(Yen)

(2) Average rate for the quarter

For the nine-month period ended December 31, 2023

	Three-month period ended June 30, 2023	Three-month period ended September 30, 2023	Three-month period ended December 31, 2023
USD	138.11	145.44	147.00

(Yen)

For the nine-month period ended December 31, 2024

	Three-month period ended June 30, 2024	Three-month period ended September 30, 2024	Three-month period ended December 31, 2024
USD	156.53	150.26	151.32

(Yen)

9. Equity

(1) Other equity instruments

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

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

(2) Treasury stock

Changes in treasury stock are as follows:

	(Thousands of shares)	
	Nine-month period ended December 31, 2023	Nine-month period ended December 31, 2024
Balance at the beginning of the period	6,948	4,070
Increase during the period*	1	25,138
Decrease during the period	(2,749)	(336)
Balance at the end of the period	4,200	28,872

Note:

* For the nine-month period ended December 31, 2024, due to purchases of treasury stock under the resolutions passed at the Board of Directors meeting held on August 7, 2024, the number of treasury stock increased by 25,137 thousand shares (the amount purchased is ¥206,900 million).

(3) Accumulated other comprehensive income

The components of accumulated other comprehensive income are as follows:

	(Millions of yen)	
	As of March 31, 2024	As of December 31, 2024
Equity financial assets at FVTOCI	46,425	58,042
Debt financial assets at FVTOCI	924	129
Cash flow hedges	(48,030)	(27,509)
Exchange differences on translating foreign operations*	5,794,501	6,440,203
Total	5,793,820	6,470,865

Note:

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

(4) Non-controlling interests

For the nine-month period ended December 31, 2024, SoftBank Corp. issued ¥200,000 million of the Series 2 Bond-Type Class Shares. Although dividends whose record date falls within the specified period from the time of issuance are fixed dividends (floating dividends thereafter) and any unpaid dividends shall be carried over, the Bond-Type Class Shares are classified as equity instruments because SoftBank Corp. has the option to defer dividend payments, has no obligation to repurchase the Bond-Type Class Shares, and has unconditional right to avoid delivering cash or another financial asset, except for the distribution of residual assets on liquidation.

The holders of the Bond-Type Class Shares only have the right to claim the distribution of residual assets up to the amount paid and the amount of accumulated unpaid dividends. The Company's interests in Softbank Corp. does not change at the time of issuance, and therefore, for the nine-month period ended December 31, 2024, ¥200,000 million of the amount paid is recorded as "Issuance of other equity instruments in subsidiaries" under "Non-controlling interests" in the condensed interim consolidated statement of changes in equity.

10. Gain on investments

(1) Gain and loss on investments at Investment Business of Holding Companies

The components of gain and loss on investments at Investment Business of Holding Companies are as follows:

	(Millions of yen)	
	Nine-month period ended December 31, 2023	Nine-month period ended December 31, 2024
Realized loss on investments at asset management subsidiaries	(90,685)	(41,551)
Unrealized gain on valuation of investments at asset management subsidiaries	33,251	30,935
Realized gain (loss) on investments ^{*1,2,3}	53,956	(663,232)
Unrealized gain (loss) on valuation of investments ^{*1,2,3}	(814,913)	2,441,478
Derivative gain (loss) on investments ^{*3}	225,392	(24,757)
Effect of foreign exchange translation ^{*2,3,4}	(13,407)	199,938
Other	22,978	65,639
Total	(583,428)	2,008,450

Notes:

- For the nine-month period ended December 31, 2024, ¥84,341 million of realized loss on investments and ¥518,481 million of unrealized gain on valuation of investments (reclassified to realized gain and loss recorded in the past fiscal years) were recognized due to the physical settlement of prepaid forward contracts using Alibaba shares. In addition, ¥468,737 million of unrealized gain on valuation of investments was recognized due to the stock price changes for Alibaba shares held as of December 31, 2024.
- For the nine-month period ended December 31, 2024, ¥649,975 million of realized loss on WeWork shares, ¥447,483 million of unrealized gain on valuation of investments (reclassified to realized gain and loss recorded in the past fiscal years), and ¥202,492 million of gain arising from the foreign exchange translation effects were recognized due to the completion of the procedures under Chapter 11 for WeWork. The gain and loss were recognized as a result of unrealized loss on valuation of investments recorded in the period prior to the transfer of WeWork shares by the Company to SVF2 in August 2021, which were reclassified to realized loss on investments for the nine-month period ended December 31, 2024, and therefore, the effect on the total amount of “Gain and loss on investments at Investment Business of Holding Companies” for the nine-month period ended December 31, 2024, is zero. The details are described in “b. Segment income arising from the SoftBank Vision Funds business” in “(1) Income and loss arising from the SoftBank Vision Funds business” under “Note 4. SoftBank Vision Funds business.”
- On June 7, 2024, Deutsche Telekom partially exercised options to purchase T-Mobile shares granted by the Company and the Company sold 6,728,701 shares of T-Mobile. As a result, for the nine-month period ended December 31, 2024, ¥78,227 million of realized gain on investments, ¥50,043 million of unrealized loss on valuation of investments (reclassified to realized gain and loss recorded in the past fiscal years), ¥17,753 million of derivative loss on investments, and ¥11,066 million of loss arising from the foreign exchange translation effects were recognized. In addition, ¥745,880 million of unrealized gain on valuation of investments was recognized due to the stock price changes for T-Mobile shares held as of December 31, 2024.
- Unrealized gain and loss on valuation of investments are translated using the average exchange rate for the quarter in which the gain and loss were recognized, while realized gain and loss on investments are translated using the average exchange rate for the quarter in which the shares were disposed. “Effect of foreign exchange translation” arises from the different foreign currency exchange rates used for unrealized gain and loss on valuation and realized gain and loss.

(2) Gain and loss on investments at SoftBank Vision Funds

The details of gain and loss on investments at SoftBank Vision Funds are described in “(1) Income and loss arising from the SoftBank Vision Funds business” under “Note 4. SoftBank Vision Funds business.”

11. Finance cost

The components of finance cost are as follows:

	(Millions of yen)	
	Nine-month period ended December 31, 2023	Nine-month period ended December 31, 2024
Interest expenses	<u>(426,796)</u>	<u>(432,693)</u>

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

For the nine-month period ended December 31, 2024, derivative loss of ¥635,917 million was recorded for the prepaid forward contracts using Alibaba shares and the call spread contracts relating to prepaid forward contracts using Alibaba shares. The details of the contracts are described in “(2) Transactions for sale of Alibaba shares by prepaid forward contracts” under “Note 6. Interest-bearing debt.”

13. Other gain

The components of other gain and loss are as follows:

	(Millions of yen)	
	Nine-month period ended December 31, 2023	Nine-month period ended December 31, 2024
Interest income	165,634	96,710
Loss on equity method investments	(37,111)	(2,472)
Gain relating to loss of control over subsidiaries ^{*1}	118,566	136,225
Gain arising from the remeasurement relating to business combination ^{*2}	-	55,553
Gain through tax credit structure in the U.S. ^{*3}	-	53,464
Gain (loss) from financial instruments at FVTPL ^{*4}	(2,382)	19,965
Loss relating to credit support for WeWork	(42,072)	-
Loss on derecognition of unsecured notes issued by WeWork	(21,579)	-
Other	13,507	(1,366)
Total	194,563	358,079

Notes:

- For the nine-month period ended December 31, 2024, as a result of the sale of all interests in Fortress held by a subsidiary of the Company, to a subsidiary of Mubadala Investment Company PJSC, ¥93,139 million of gain arising from the loss of control over Fortress is included.
- On July 2, 2024, interests in SBE Global, which was previously an equity method associate of the Company, were additionally acquired and SBE Global became a wholly-owned subsidiary of the Company. Subsequently, the existing investment interests were measured at fair value and ¥55,553 million of gain arising from the remeasurement relating to business combination was recorded.
- In the U.S., various tax incentives are available to renewable energy power generation companies to promote renewable energy, including tax credits based on capital investment amounts (Investment Tax Credit, "ITC") and accelerated depreciation relating to power generation facilities for tax purposes, provided certain requirements are met. Furthermore, the companies can transfer the ITC to third parties, and the tax depreciation can be allocated to investors in power plant construction projects.

SBE Global, which constructs and operates solar power plants in the U.S., enters into partnership agreements with external investors ("Tax Equity Investors"), who contribute funds for an interest in the projects. Under the agreements, SBE Global is obligated to allocate the tax incentives the project receives to the Tax Equity Investors, and most of the Tax Equity contributions are deferred as liabilities until the tax incentives are allocated.

For the nine-month period ended December 31, 2024, ¥53,464 million was recorded as "Gain through tax credit structure in the U.S." for the tax incentives allocated to Tax Equity Investors by SBE Global.

- Following WeWork's emergence from Chapter 11 on June 11, 2024, given the approved plan of reorganization, out of a portion of the Junior TLC facility, which has been recognized as loan receivables was repaid in cash given over collateral, and the drawn amounts up to date of emergence were converted into new WeWork equity as described above. The carrying amounts (recoverable amounts) of such loan receivables in the consolidated statement of financial position as of March 31, 2024, were zero. However, the collectability of the remaining loan receivables was reassessed and as a result, for the nine-month period ended December 31, 2024, ¥22,225 million of gain was recorded.

14. Earnings per share

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

For the nine-month period ended December 31

(1) Basic earnings per share

	Nine-month period ended December 31, 2023	Nine-month period ended December 31, 2024
Net income attributable to ordinary shareholders of the parent (Millions of yen)		
Net income attributable to owners of the parent	(458,723)	636,154
Net income not-attributable to ordinary shareholders of the parent ^{*1}	(17,969)	(14,397)
Net income used in the calculation of basic earnings per share	(476,692)	621,757
Weighted-average number of ordinary shares (Thousands of shares)	1,464,665	1,457,006
Basic earnings per share (Yen)	(325.46)	426.74

(2) Diluted earnings per share

	Nine-month period ended December 31, 2023	Nine-month period ended December 31, 2024
Diluted net income attributable to ordinary shareholders of the parent (Millions of yen)		
Net income used in the calculation of basic earnings per share	(476,692)	621,757
Effect of dilutive securities issued by subsidiaries and associates	(4,858)	(1,617)
Total	(481,550)	620,140
Weighted-average number of ordinary shares used in the calculation of diluted earnings per share (Thousands of shares)		
Weighted-average number of ordinary shares	1,464,665	1,457,006
Adjustments:		
Stock acquisition rights ^{*2}	-	1,102
Total	1,464,665	1,458,108
Diluted earnings per share (Yen)	(328.78)	425.30

Notes:

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 nine-month period ended December 31, 2023, stock acquisition rights are not included in the calculation for "Diluted earnings per share," as it has an antidilutive effect for the calculation.

For the three-month period ended December 31

(1) Basic earnings per share

	Three-month period ended December 31, 2023	Three-month period ended December 31, 2024
Net income attributable to ordinary shareholders of the parent (Millions of yen)		
Net income attributable to owners of the parent	950,004	(369,165)
Net income not-attributable to ordinary shareholders of the parent ^{*1}	(4,079)	(5,130)
Net income used in the calculation of basic earnings per share	945,925	(374,295)
Weighted-average number of ordinary shares (Thousands of shares)	1,465,745	1,444,527
Basic earnings per share (Yen)	645.35	(259.11)

(2) Diluted earnings per share

	Three-month period ended December 31, 2023	Three-month period ended December 31, 2024
Diluted net income attributable to ordinary shareholders of the parent (Millions of yen)		
Net income used in the calculation of basic earnings per share	945,925	(374,295)
Effect of dilutive securities issued by subsidiaries and associates	(2,873)	(542)
Total	943,052	(374,837)
Weighted-average number of ordinary shares used in the calculation of diluted earnings per share (Thousands of shares)		
Weighted-average number of ordinary shares	1,465,745	1,444,527
Adjustments:		
Stock acquisition rights ^{*2}	1,277	-
Total	1,467,022	1,444,527
Diluted earnings per share (Yen)	642.83	(259.49)

Notes:

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 three-month period ended December 31, 2024, stock acquisition rights are not included in the calculation for "Diluted earnings per share," as it has an antidilutive effect for the calculation.

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

(1) Payments (net) for acquisition of control over subsidiaries

For the nine-month period ended December 31, 2024

The amount is mainly due to the acquisition of Graphcore Limited and SBE Global as subsidiaries.

(2) Proceeds from the issuance of other equity instruments in subsidiaries

For the nine-month period ended December 31, 2024

“Proceeds from the issuance of other equity instruments in subsidiaries” is due to the issuance of the Series 2 Bond-Type Class Shares by SoftBank Corp. The details are described in “(4) Non-controlling interests” under “Note 9. Equity.”

(3) Significant non-cash transactions

For the nine-month period ended December 31, 2024

As certain prepaid forward contracts matured, ¥2,263,835 million of current portion of financial liabilities relating to sale of shares by prepaid forward contracts and ¥163,930 million of derivative financial assets (net) were settled by Alibaba shares. The details of the transaction are described in “(2) Transactions for sale of Alibaba shares by prepaid forward contracts” under “Note 6. Interest-bearing debt.”

16. Related party transactions

(1) Co-investment program with restricted rights to receive distributions

MgmtCo, which is the investor in SVF2 LLC (a subsidiary of the Company under SVF2) and the investor in SLA LLC (a subsidiary of the Company under the LatAm Funds), is a company controlled by Masayoshi Son, Representative Director, Corporate Officer, Chairman & CEO of SoftBank Group Corp., and a related party of the Company. The co-investment program with restricted rights to receive distributions to SVF2 and LatAm Funds has been introduced from the three-month period ended September 30, 2021 for the purpose of enabling Masayoshi Son to make a co-investment in SVF2 and LatAm Funds with the Company, sharing risk of losses as well as benefit of profits in the success of SVF2 and LatAm Funds, and leading to enhanced focus on the management of investments held by them, which in turn is intended to contribute to increases in the Company's earnings. In making a co-investment in SVF2 and LatAm Funds under the terms of the program, MgmtCo both receives the benefit of profits and assumes the risk of losses from SVF2 and LatAm Funds, and MgmtCo's right to receive distributions from its investment is subject to certain restrictions.

Contributions to SVF2 LLC and SLA LLC are classified as "Equity" and "Preferred Equity" depending on the terms and conditions of distribution. SVF2 LLC and SLA LLC each have issued Equity entitled to performance-based distributions that are allocated to the Company and MgmtCo based on the proportion of their respective contributions. The Company's Equity interest in each of SVF2 LLC and SLA LLC is 82.75%, and MgmtCo's Equity interest in each of SVF2 LLC and SLA LLC is 17.25%. The Company's investment in SVF2 LLC is made through SoftBank Vision Fund II-2 L.P. and its subsidiaries, and its investment in SLA LLC is made through SBLA Latin America Fund LLC and its subsidiaries.

Related party transactions of the Company are as follows:

a. Transactions between SVF2 and related parties

Name of the company or individual	Nature of relationship	Nature of transaction	For the nine-month period ended	(Millions of yen)
			December 31, 2024	As of December 31, 2024
			Amount of transaction	Balance at period end
Masayoshi Son (MASA USA LLC (MgmtCo))	Chairman & CEO of SoftBank Group Corp. and related entities of which he holds more than one-half of the voting rights	Receipt of capital contribution in SVF2 LLC and related adjustments ^{*1,2}	-	478,837 ^{*3,4} (\$3,027 million)
		The premium received on SVF2 LLC's receivables	9,492 ^{*3} (\$62 million)	
		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}		478,837 (\$3,027 million)

Notes:

1. Restrictions on rights of MgmtCo to receive distributions

MgmtCo's right to receive distributions from its investment is subject to certain restrictions. Distributions from SVF2 LLC to MgmtCo are fully restricted and are not paid until the sum of proceeds received by SVF2 LLC from realized investments plus the aggregate fair value of all of SVF2 LLC's unrealized investments (net of borrowings) exceeds 130% of the aggregate acquisition cost of all of SVF2 LLC's investments. After the ratio exceeds 130%, restrictions on distributions to MgmtCo are released proportionately in increments of 10%, and when the ratio reaches 200%, all restrictions are released and MgmtCo is entitled to receive the full amount of the distribution. In the event that, upon the liquidation of SVF2 LLC, the amount of the distributions received by MgmtCo exceeds the amount that would have been distributed to MgmtCo if the ratio in effect at the time of liquidation was applied throughout the life of SVF2 LLC, then any such excess amounts will be subject to clawback from MgmtCo.

2. Nature of the Equity contribution by MgmtCo

The Equity interests contributed by the Company and MgmtCo are subordinated to the Preferred Equity contributed separately by the Company to SVF2 LLC. If there is a shortfall in the amount of return of Preferred Equity contributions and the amount of fixed distributions to be received by the Preferred Equity holders at the time of the final profit distribution by SVF2 LLC, then MgmtCo is obligated to pay the shortfall proportional to Equity interests' ratio up to the total amount of return of Equity contributions and the distributions received by MgmtCo.

3. Balance at period end of receivables from MgmtCo for receipt of capital contribution and related adjustments

Balance at period end is the balance of SVF2 LLC's receivables which consists of the balance related to receipt of capital contribution, related adjustments, and premiums received from MgmtCo, less any decrease in receivables due to offsetting settlement with distributions to MgmtCo. The amount of the transaction for "Receipt of capital contribution in SVF2 LLC and related adjustments" at the inception of the program is MgmtCo's Equity Acquisition Amount in SVF2 LLC, which consists of the amount calculated based on MgmtCo's Equity interests of 17.25% in the SVF2's initial acquisition costs of the relevant portfolio companies held by SVF2 LLC and related adjustments calculated based on 17.25% interest in the increase in the portfolio companies' fair value from the initial acquisition costs at SVF2 to June 30, 2021, and the adjustment equivalent to

interests for the period from the Company's contribution to SVF2 until June 30, 2021.

MgmtCo is entitled to make full or partial payment of its Equity Acquisition Amount at any point in time, at its discretion, from the date it became an investor in SVF2 LLC to the end of the company life of SVF2 LLC. MgmtCo is required to pay a premium of 3% per annum on the unpaid Equity Acquisition Amount until the unpaid amount is paid in full. "The premium received on SVF2 LLC's receivables" refers to the amount of such premium accrued in the current period. MgmtCo is also entitled to make full or partial payment of the premium at any point in time, at its discretion, on the same terms and conditions as Equity Acquisition Amount.

Any distributable amount from SVF2 LLC to MgmtCo is offset against the receivables at the time of the distribution notice and no distribution payments to MgmtCo are made until the SVF2 LLC's receivables are paid in full.

4. Collateral and other credit protection for receivables

In order to secure the receivables of SVF2 LLC related to Equity Acquisition Amount and the premium thereon, all of the Equity interests in SVF2 LLC held by MgmtCo are pledged as collateral. In the event that MgmtCo pays into the receivables or offsets such receivables with distributions due to it from SVF2 LLC, the collateral is released to the extent that the cumulative amounts of payments and offsets exceed the balance of the receivables after deduction of such cumulative amounts. Masayoshi Son also provides a personal guarantee to the receivables up to the balance of the receivables. In addition, as of December 31, 2024, 8,897,100 shares of SoftBank Group Corp. are deposited in SVF2 LLC by Masayoshi Son. The deposited shares of SoftBank Group Corp. will be released only when the entire amount of receivables is settled. SVF2 LLC may acquire the deposited SoftBank Group Corp. shares without consideration where there are any unpaid receivables in SVF2 LLC after the enforcement of the collateral and personal guarantees by SVF2 LLC.

5. MgmtCo's Equity interest in SVF2 LLC

The amount represents SVF2 LLC's net assets attributable to MgmtCo (before deduction of receivables), which is included in "Third-party interests in SVF" in the condensed interim consolidated statement of financial position.

6. Management fee and performance-linked management fees to be charged to MgmtCo

The terms of the management fee and performance-linked management fee to be charged to MgmtCo are the same as those to be charged to the Company as an Equity investor in SVF2 LLC.

7. Net balance at period end

Net balance at period end is the balance of receivables held by SVF2 LLC less MgmtCo's Equity interest in SVF2 LLC.

b. Transactions between LatAm Funds and related parties

Name of the company or individual	Nature of relationship	Nature of transaction	(Millions of yen)	
			For the nine-month period ended December 31, 2024	As of December 31, 2024
			Amount of transaction	Balance at period end
Masayoshi Son (MASA USA LLC (MgmtCo))	Chairman & CEO of SoftBank Group Corp. and related entities of which he holds more than one-half of the voting rights	Receipt of capital contribution in SLA LLC and related adjustments ^{*1,2}	-	112,297 ^{*3,4} (\$710 million)
		The premium received on SLA LLC's receivables	2,232 ^{*3} (\$15 million)	
		MgmtCo's Equity interests in SLA LLC ^{*5,6}	-	8,695 (\$55 million)
		Net balance at period end (Receivables in SLA LLC less MgmtCo's Equity interests in SLA LLC) ^{*7}		103,602 (\$655 million)

Notes:

1. Restrictions on rights of MgmtCo to receive distributions

MgmtCo's right to receive distributions from its investment is subject to certain restrictions. Distributions from SLA LLC to MgmtCo are fully restricted and are not paid until the sum of proceeds received by SLA LLC from realized investments plus the aggregate fair value of all of SLA LLC's unrealized investments (net of borrowings) exceeds 130% of the aggregate acquisition cost of all of SLA LLC's investments. After the ratio exceeds 130%, restrictions on distributions to MgmtCo are released proportionately in increments of 10%, and when the ratio reaches 200%, all restrictions are released and MgmtCo is entitled to receive the full amount of the distribution. In the event that, upon the liquidation of SLA LLC, the amount of the distributions received by MgmtCo exceeds the amount that would have been distributed to MgmtCo if the ratio in effect at the time of liquidation was applied throughout the life of SLA LLC, then any such excess amounts will be subject to clawback from MgmtCo.

2. Nature of the Equity contribution by MgmtCo

The Equity interests contributed by the Company and MgmtCo are subordinated to the Preferred Equity contributed separately by the Company to SLA LLC. If there is a shortfall in the amount of return of Preferred Equity contributions and the amount of fixed distributions to be received by the Preferred Equity holders at the time of the final profit distribution by SLA LLC, then MgmtCo is obligated to pay the shortfall proportional to Equity interests' ratio up to the total amount of return of Equity contributions and the distributions received by MgmtCo.

3. Balance at period end of receivables from MgmtCo for receipt of capital contribution and related adjustments

Balance at period end is the balance of SLA LLC's receivables which consists of the balance related to receipt of capital contribution, related adjustments, and premiums received. The amount of the transaction for "Receipt of capital contribution in SLA LLC and related adjustments" at the inception of the program is MgmtCo's Equity Acquisition Amount in SLA LLC, which consists of the amount calculated based on MgmtCo's Equity interests of 17.25% in the LatAm Funds' initial acquisition costs of the portfolio companies held by LatAm Funds and related adjustments calculated based on 17.25% interest in the increase in the portfolio companies' fair value from the initial acquisition costs at LatAm Funds to June 30, 2021, and the adjustment equivalent to interests for the period from the Company's contribution to LatAm Funds until June 30, 2021.

MgmtCo is entitled to make full or partial payment of its Equity Acquisition Amount at any point in time, at its discretion, from the date it became an investor in SLA LLC to the end of the company life of SLA LLC. MgmtCo is required to pay a premium of 3% per annum on the unpaid Equity Acquisition Amount until the unpaid amount is paid in full. “The premium received on SLA LLC’s receivables” refers to the amount of such premium accrued in the current period. MgmtCo is also entitled to make full or partial payment of the premium at any point in time, at its discretion, on the same terms and conditions as Equity Acquisition Amount.

Any distributable amounts from SLA LLC to MgmtCo are offset against the receivables at the time of the distribution notice and no distribution payments to MgmtCo are made until the SLA LLC’s receivables are paid in full.

4. Collateral and other credit protection for receivables

In order to secure the receivables of SLA LLC related to Equity Acquisition Amount and the premium thereon, all of the Equity interests in SLA LLC held by MgmtCo are pledged as collateral. In the event that MgmtCo pays into the receivables or offsets such receivables with distributions due to it from SLA LLC, the collateral is released to the extent that the cumulative amounts of payments and offsets exceed the balance of the receivables after deduction of such cumulative amounts. Masayoshi Son also provides a personal guarantee to the receivables up to the balance of the receivables. In addition, as of December 31, 2024, 2,168,500 shares of SoftBank Group Corp. are deposited in SLA LLC by Masayoshi Son. The deposited shares of SoftBank Group Corp. will be released only when the entire amount of receivables is settled. SLA LLC may acquire the deposited SoftBank Group Corp. shares without consideration where there are any unpaid receivables in SLA LLC after the enforcement of the collateral and personal guarantees by SLA LLC.

5. MgmtCo’s Equity interest in SLA LLC

The amount represents SLA LLC’s net assets attributable to MgmtCo (before deduction of receivables), which is included in “Third-party interests in SVF” in the condensed interim consolidated statement of financial position.

6. Management fee, performance-linked management fees, and performance fees to be charged to MgmtCo

The terms of the management fee, performance-linked management fees, and performance fee to be charged to MgmtCo are the same as those to be charged to the Company as an Equity investor in SLA LLC.

7. Net balance at period end

Net balance at period end is the balance of receivables held by SLA LLC less MgmtCo’s Equity interest in SLA LLC.

(2) Other related party transactions

Related party transactions of the Company were as follows:

Name of the company or individual	Nature of relationship	Nature of transaction	(Millions of yen)	
			For the nine-month period ended December 31, 2024	As of December 31, 2024
			Amount of transaction	Balance at period end
The EDGE of Korea Co., Ltd. (Taizo Son)	Related entities of which Relative of Representative Director of SoftBank Group Corp. holds more than one-half of the voting rights	Collection of loans receivable*	1,297	5,283
		Interest receipt	215	89

Note:

* The repayment date for the loan is June 14, 2028. 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.

(TRANSLATION)

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

February 12, 2025

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

Nozomu KunimotoDesignated Engagement Partner,
Certified Public Accountant:

Ayato HiranoDesignated Engagement Partner,
Certified Public Accountant:

Yusuke Masuda**Accountant's Conclusion**

We have reviewed the condensed interim consolidated financial statements of SoftBank Group Corp. and its subsidiaries (the "Company") included in the Appendix to Consolidated Financial Report, namely, the condensed interim consolidated statement of financial position as of December 31, 2024, and the condensed interim consolidated statement of profit or loss and condensed interim consolidated statement of comprehensive income for the three-month and nine-month periods then ended, and the condensed interim consolidated statement of changes in equity and condensed interim consolidated statement of cash flows for the nine-month period then ended, and notes to the condensed interim consolidated financial statements.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim consolidated financial statements are not prepared, in all material respects, in accordance with Article 5-2 of the Tokyo Stock Exchange's standards for the preparation of quarterly financial statements, omitting certain disclosures under Article 5-5 of the Tokyo Stock Exchange's standards for the preparation of quarterly financial statements.

Basis for Accountant's Conclusion

We conducted our review in accordance with interim review standards generally accepted in Japan. Our responsibility under those standards is further described in the Accountant's Responsibility for the Review of the Condensed Interim Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as accountants. We believe that we have obtained the evidence to provide a basis for our review conclusion.

(TRANSLATION)

Responsibilities of Management and Audit & Supervisory Board Members and the Audit & Supervisory Board for the Condensed Interim Consolidated Financial Statements

Management is responsible for the preparation of the condensed interim consolidated financial statements in accordance with Article 5-2 of the Tokyo Stock Exchange's standards for the preparation of quarterly financial statements, omitting certain disclosures under Article 5-5 of the Tokyo Stock Exchange's standards for the preparation of quarterly financial statements, and for such internal control as management determines is necessary to enable the preparation of condensed interim consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the condensed interim consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with Article 5-2 of the Tokyo Stock Exchange's standards for the preparation of quarterly financial statements, omitting certain disclosures under Article 5-5 of the Tokyo Stock Exchange's standards for the preparation of quarterly financial statements.

Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Company's financial reporting process.

Accountant's Responsibility for the Review of the Condensed Interim Consolidated Financial Statements

Our objective is to issue an accountant's report that includes our conclusion.

As part of a review in accordance with interim review standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the review. We also:

- Make inquiries, primarily of management and persons responsible for financial and accounting matters, and apply analytical and other interim review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in Japan.
- Conclude whether nothing has come to our attention, based on the evidence obtained, related to going concern that causes us to believe that the condensed interim consolidated financial statements are not prepared, in all material respects, in accordance with Article 5-2 of the Tokyo Stock Exchange's standards for the preparation of quarterly financial statements, omitting certain disclosures under Article 5-5 of the Tokyo Stock Exchange's standards for the preparation of quarterly financial statements, if we conclude that a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our accountant's report to the related disclosures in the condensed interim consolidated financial statements or, if such disclosures are inadequate, to modify our conclusion. Our conclusions are based on the evidence obtained up to the date of our accountant's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether nothing has come to our attention that causes us to believe that the overall presentation and disclosures of the condensed interim consolidated financial statements are not prepared in accordance with Article 5-2 of the Tokyo Stock Exchange's standards for the preparation of quarterly financial statements, omitting certain disclosures under Article 5-5 of the Tokyo Stock Exchange's standards for the preparation of quarterly financial statements.
- Obtain evidence regarding the financial information of the entities or business activities within the Company as a basis to express a conclusion on the condensed interim consolidated financial statements. We are responsible for the direction, supervision and review of the interim review of the condensed interim consolidated financial statements. We remain solely responsible for our conclusion.

(TRANSLATION)

We communicate with Audit & Supervisory Board members and the Audit & Supervisory Board regarding the planned scope and timing of the review and significant findings that we identify during our review.

We also provide Audit & Supervisory Board members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Readers of Independent Accountant's Review Report

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