

**Earnings Results for
the Six-month Period
Ended September 30, 2016
Data Sheet**

**November 7, 2016
SoftBank Group Corp.**



Index

Consolidated Results Summary	-1-
Results by Segment	-2-
Domestic Telecommunications - 1	-3-
Domestic Telecommunications - 2	-4-
Domestic Telecommunications - 3	-5-
Sprint - 1	-6-
Sprint - 2	-7-
Yahoo Japan and Distribution	-8-
ARM - 1	-9-
ARM - 2	-10-
Finance Cost and Other Non-operating Income (Loss)	-11-
Consolidated B/S Assets	-12-
Consolidated B/S Liabilities and Equity	-13-
Sprint US-GAAP Bridge to SoftBank Group IFRSs - 1	-14-
Sprint US-GAAP Bridge to SoftBank Group IFRSs - 2	-15-
Financial Indicators	-16-
Reference - 1	-17-
Reference - 2	-18-
Reference - 3	-20-

< Exchange Rates Used in this Data Sheet >

(JPY)

Average during quarter	FY2015				FY2016			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
1 USD	121.34	121.91	121.07	116.95	109.07	102.91		
1 GBP	/	/	/	/	/	135.46		
1 EUR	133.86	136.00	132.37	128.94	122.47	114.59		
EOQ	June 30	Sept. 30	Dec. 31	Mar.31	June 30	Sept. 30	Dec. 31	Mar.31
1 USD	/	/	/	112.68	/	101.12	/	/
1 GBP*	/	/	/	/	/	131.00	/	/
1 EUR	/	/	/	127.70	/	113.36	/	/

* 1 GBP = JPY 138.15 as of Sept. 5, 2016 (ARM acquisition date)

< Definition of Company Names and Abbreviations Used in this Data Sheet >

Company Names / Abbreviation	Definition
SoftBank Group	SoftBank Group Corp. (stand-alone basis)
The Company	SoftBank Group Corp. and its subsidiaries
*Each of the following abbreviations indicates the respective company, and its subsidiaries if any.	
Sprint	Sprint Corporation
Brightstar	Brightstar Global Group Inc.
ARM	ARM Holdings plc
Alibaba	Alibaba Group Holding Limited
Supercell	Supercell Oy
GungHo	GungHo Online Entertainment, Inc.

*This data sheet was prepared based on the consolidated financial results (IFRSs).

<Consolidation of ARM>

The Company consolidated ARM Holdings plc on September 5, 2016 following the completion of its acquisition. In conjunction with this, the Company established a new reportable segment "ARM" from FY2016/Q2.

Please refer to page 46 "3. Business combinations" under "3. Condensed Interim Consolidated Financial Statements (6) Notes to Condensed Interim Consolidated Financial Statements" in Consolidated Financial Report for the six-month period ended September 30, 2016 for details.

<Results Associated with Supercell>

The Company sold all of its shares in Supercell to an affiliate of Tencent Holdings Limited on July 29, 2016.

Accordingly, Supercell's net income until July 29, 2016 is presented as discontinued operations separately from continuing operations.

Net income of Supercell for FY2015, as the comparative period for FY2016, has been revised retrospectively and presented under discontinued operations.

Please refer to page 63 "(2) Supercell" under "3. Condensed Interim Consolidated Financial Statements (6) Notes to Condensed Interim Consolidated Financial Statements 16. Discontinued operations" in Consolidated Financial Report for the six-month period ended September 30, 2016 for details.

Consolidated Results Summary

(Unaudited)

	FY2015						FY2016					
	Q1	Q2	H1	Q3	Q4	Full year	Q1	Q2	H1	Q3	Q4	Full year
(Millions of yen)												
Continuing operations												
Net sales	2,066,518	2,214,680	4,281,198	2,322,637	2,277,942	8,881,777	2,126,521	2,145,313	4,271,834			
Adjusted EBITDA	628,256	622,225	1,250,481	571,932	502,740	2,325,153	678,350	655,516	1,333,866			
Adjusted EBITDA margin	30.4%	28.1%	29.2%	24.6%	22.1%	26.2%	31.9%	30.6%	31.2%			
Operating income	318,557	313,360	631,917	172,775	104,215	908,907	319,236	334,708	653,944			
Operating margin	15.4%	14.1%	14.8%	7.4%	4.6%	10.2%	15.0%	15.6%	15.3%			
Finance cost	-105,511	-110,157	-215,668	-113,816	-111,260	-440,744	-112,107	-109,915	-222,022			
Income on equity method investments	80,602	183,984	264,586	38,581	72,230	375,397	35,466	69,708	105,174			
Gain on sales of equity method associates	-	3	3	-	12,425	12,428	204,233	33,868	238,101			
Foreign exchange gain (loss)	455	-4,096	-3,641	-25,174	-12,599	-41,414	-42,919	125,990	83,071			
Derivative gain (loss)	-4,756	-2,130	-6,886	10,217	9,457	12,788	21,511	-191,569	-170,058			
Other non-operating income (loss)	86,961	10,449	97,410	-2,199	-3,412	91,799	-69,059	46,474	-22,585			
Income before income tax	376,308	391,413	767,721	80,384	71,056	919,161	356,361	309,264	665,625			
Net income (loss) from continuing operations	239,715	236,363	476,078	-14,057	34,463	496,484	212,292	30,071	242,363			
Discontinued operations												
Net income from discontinued operations	10,302	22,245	32,547	16,534	12,676	61,757	60,059	498,526	558,585			
Net income attributable to owners of the parent	213,382	213,301	426,683	2,289	45,200	474,172	254,157	512,092	766,249			
Net income attributable to owners of the parent ratio	10.3%	9.6%	10.0%	0.1%	2.0%	5.3%	12.0%	23.9%	17.9%			
Total assets						20,707,192			22,896,077			
Equity attributable to owners of the parent						2,613,613			2,292,082			
Equity attributable to owners of the parent ratio						12.6%			10.0%			
Cash flows from operating activities	170,733	5,851	176,584	390,262	373,340	940,186	252,734	764,950	1,017,684			
Cash flows from investing activities	-688,278	-440,663	-1,128,941	-205,904	-316,837	-1,651,682	-154,840	-3,010,640	-3,165,480			
Cash flows from financing activities	-369,952	282,732	-87,220	357,447	-226,957	43,270	679,598	1,740,438	2,420,036			
Depreciation and amortization	-310,393	-332,312	-642,705	-351,569	-379,193	-1,373,467	-340,009	-334,303	-674,312			
Capital expenditure (acceptance basis)	243,062	275,232	518,294	303,755	288,425	1,110,474	149,029	162,498	311,527			

*Adjusted EBITDA = operating income (loss) + depreciation and amortization ± gain from remeasurement relating to business combination ± other operating income (loss)

*Adjusted EBITDA margin = adjusted EBITDA / net sales

*Equity attributable to owners of the parent ratio = equity attributable to owners of the parent / total assets

*The amounts of depreciation and amortization and capital expenditure exclude those of discontinued operations.

Results by Segment

(Unaudited)

FY2016/Q2 (3 months)								
(Millions of yen)	Domestic Telecommunications	Sprint	Yahoo Japan	Distribution	ARM	Other	Reconciliations	Consolidated
Net sales	792,803	848,614	205,264	310,857	14,356	36,826	-63,407	2,145,313
Segment income (loss) (operating income(loss))	226,920	59,197	49,063	7,625	1,458	1,669	-11,224	334,708
Segment margin (operating margin)	28.6%	7.0%	23.9%	2.5%	10.2%	4.5%	-	15.6%
Depreciation and amortization	113,139	206,002	9,987	1,768	564	2,420	423	334,303
Gain from remeasurement relating to business combination	-	-	-19	-	-18,168	-	-	-18,187
Other adjustments	-	-19,969	-	-	23,382	-	1,279	4,692
Adjusted EBITDA	340,059	245,230	59,031	9,393	7,236	4,089	-9,522	655,516
Adjusted EBITDA margin	42.9%	28.9%	28.8%	3.0%	50.4%	11.1%	-	30.6%
Capital expenditure (acceptance basis)	55,438	78,715	18,421	1,474	760	7,690	-	162,498

FY2016/Q2 (6 months)								
(Millions of yen)	Domestic Telecommunications	Sprint	Yahoo Japan	Distribution	ARM	Other	Reconciliations	Consolidated
Net sales	1,554,566	1,722,537	409,497	626,356	14,356	64,133	-119,611	4,271,834
Segment income (loss) (operating income(loss))	465,933	104,565	99,371	14,305	1,458	-2,789	-28,899	653,944
Segment margin (operating margin)	30.0%	6.1%	24.3%	2.3%	10.2%	-	-	15.3%
Depreciation and amortization	225,405	420,051	19,154	3,557	564	4,778	803	674,312
Gain from remeasurement relating to business combination	-	-	-19	-	-18,168	-	-	-18,187
Other adjustments	-	-7,692	-	-	23,382	-	8,107	23,797
Adjusted EBITDA	691,338	516,924	118,506	17,862	7,236	1,989	-19,989	1,333,866
Adjusted EBITDA margin	44.5%	30.0%	28.9%	2.9%	50.4%	3.1%	-	31.2%
Capital expenditure (acceptance basis)	106,190	157,915	30,499	2,622	760	13,541	-	311,527

*In conjunction with the consolidation of ARM the Company established a new reportable segment "ARM" from FY2016/Q2. In the ARM segment, the earnings reflect the results of operation of ARM since September 6, 2016.

**"Other" in the segment information is a category for information of the businesses that are not included in the four reportable segments. The main business of this category is Fukuoka SoftBank HAWKS and its related businesses.

**"Reconciliations" includes an elimination of intersegment transactions and the corporate general expenses unallocated to each reportable segment.

Corporate general expenses include expenses arising mainly from SoftBank Group Corp. and SB Group US, Inc. which manages and supervises investment activities in the Internet, communications, and media fields overseas.

For FY2016/Q1-Q2, the corporate general expenses include JPY 8,107 million (on a consolidated basis) of expenses arising from resignation of Nikesh Arora, the former representative director, president & COO of SoftBank Group Corp.

Nikesh Arora resigned from the position of representative director and director of SoftBank Group Corp. with the expiration of the term of office at the conclusion of the 36th Annual General Meeting of Shareholders held on June 22, 2016.

For details of expenses resulting from resignation of director, please see page 60 "11. Other operating loss" under "3. Condensed Interim Consolidated Financial Statements (6) Notes to Condensed Interim Consolidated Financial Statements." in Consolidated Financial Report for the six-month period ended September 30, 2016.

*Segment income = (net sales – operating expenses (cost of sales + selling, general and administrative expenses) ± gain from remeasurement relating to business combination ± other operating income (loss)) in each segment

*Adjusted EBITDA in each segment = (segment income (loss) + depreciation and amortization ± gain from remeasurement relating to business combination ± other adjustments) in each segment

*Adjusted EBITDA margin in each segment = (adjusted EBITDA / net sales) in each segment

*Other operating income (loss) that were presented as an item to be excluded from calculation of adjusted EBITDA until the first quarter is now presented as other adjustments.

*The amounts of depreciation and amortization and capital expenditure excludes those of discontinued operations.

Domestic Telecommunications - 1

(Unaudited)

(Millions of yen)	FY2015						FY2016					
	Q1	Q2	H1	Q3	Q4	Full year	Q1	Q2	H1	Q3	Q4	Full year
Net sales	722,570	785,498	1,508,068	833,922	802,660	3,144,650	761,763	792,803	1,554,566			
Segment income	215,049	210,911	425,960	172,358	90,071	688,389	239,013	226,920	465,933			
Segment margin	29.8%	26.9%	28.2%	20.7%	11.2%	21.9%	31.4%	28.6%	30.0%			
Depreciation and amortization	107,798	110,911	218,709	113,157	143,082	474,948	112,266	113,139	225,405			
Other adjustments	-	-	-	-	-	-	-	-	-			
Adjusted EBITDA	322,847	321,822	644,669	285,515	233,153	1,163,337	351,279	340,059	691,338			
Adjusted EBITDA margin	44.7%	41.0%	42.7%	34.2%	29.0%	37.0%	46.1%	42.9%	44.5%			
Capital expenditure	72,664	88,519	161,183	89,950	161,447	412,580	50,752	55,438	106,190			

*Segment income = (net sales – operating expenses (cost of sales + selling, general and administrative expenses) ± gain from remeasurement relating to business combination ± other operating income (loss)) in each segment

*Adjusted EBITDA in each segment = (segment income (loss) + depreciation and amortization ± other adjustments) in each segment

*Adjusted EBITDA margin = adjusted EBITDA / net sales

*Other operating income (loss) that were presented as an item to be excluded from calculation of adjusted EBITDA until the first quarter is now presented as other adjustments.

Domestic Telecommunications - 2

(Unaudited)

Mobile communications service	FY2015					FY2016				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
Main subscribers (Thousands)										
Cumulative subscribers	31,570	31,611	31,686		32,038	32,149	32,301			
Net additions	21	41	74	352	488	112	151			
Total ARPU (JPY/month)	4,660	4,720	4,720	4,680	4,700	4,610	4,570			
Telecom ARPU	4,140	4,190	4,170	4,110	4,150	4,050	4,020			
Service ARPU	520	540	560	560	540	560	560			
Monthly Discount (JPY/month)	-980	-1,000	-1,030	-1,060	-1,020	-1,090	-1,130			
Churn rate	1.24%	1.28%	1.41%	1.49%	1.35%	1.13%	1.06%			
Units sold	2,198	2,470	3,015	2,979	10,662	2,353	2,551			
New subscriptions	1,169	1,212	1,356	1,703	5,441	1,154	1,123			
Device upgrades	1,029	1,258	1,659	1,276	5,222	1,199	1,428			
Cumulative applications for the <i>Home Bundle Discount Hikari Set</i> (Thousands)										
Mobile communications service	639	1,315	2,085		2,969	3,702	4,419			
Broadband service	326	660	1,038		1,438	1,790	2,158			
Overall mobile communications (Thousands)										
Cumulative subscribers	44,417	44,117	43,748		43,584	43,207	43,056			
Main subscribers	31,570	31,611	31,686		32,038	32,149	32,301			
Communication modules	8,317	8,149	7,891		7,548	7,215	7,045			
PHS	4,530	4,356	4,171		3,998	3,842	3,710			

*The cumulative numbers of "Communication modules" subscribers under Mobile Communications Service were revised on May 26 2017, resulting in decreases of the cumulative numbers of "Communication modules" subscribers and "Overall mobile communications" subscribers by 22 thousands at the end of each period of FY2015, FY2016/Q1 and FY2016/Q2.

*Main subscribers: smartphones, feature phones, tablets, mobile data communication devices and others

Smartphones to which the *Smartphone Family Discount* are applied and mobile data communication devices to which the *Data Card 2-Year Special Discount* are applied are included under communication modules.

*Communication modules: communication modules, *Mimamori Phone*, prepaid mobile phones and others

Communication modules that use PHS networks are included under PHS.

*ARPU: Average Revenue Per User per month

*Number of active subscribers: the total of the monthly numbers of active subscribers for the relevant period ((subscribers at the beginning of the month + subscribers at the end of the month) / 2)

Total ARPU = (data-related revenue + basic monthly charge and voice-related revenues + device warrantee services + content-related revenues + advertising revenue, etc.) / number of active subscribers (rounded to the nearest JPY 10)

Telecom ARPU = (data-related revenue (packet communication and flat-rate charges, basic monthly Internet connection charges etc.) + basic monthly charge and voice-related

revenues (basic monthly usage charges, voice call charges, revenues from incoming calls, etc.)) / number of active subscribers (rounded to the nearest JPY 10)

Service ARPU = (device warrantee services, content-related revenues, advertising revenue, etc.) / number of active subscribers (rounded to the nearest JPY 10)

*Revenues from incoming calls: interconnection charges received from other operators for voice calls from their customers on their network to *SoftBank* and *Y!mobile* phones as a charge for the services provided in the *SoftBank* service area.

*Monthly Discount includes the discount amount of the *Home Bundle Discount Hikari Set*.

*Churn rate: average monthly churn rate

Churn rate = number of churn / number of active subscribers for the relevant period (rounded to the nearest 0.01%). Number of churn excludes the number of subscribers who switch between *SoftBank* and *Y!mobile* using MNP.

*Units sold: the total number of new subscriptions and device upgrades. New subscriptions where customers switch between *SoftBank* and *Y!mobile* using MNP are included in the number of device upgrades.

**Home Bundle Discount Hikari Set*: a discount on the communication charges of mobile communications services to customers subscribing to bundled packages combining mobile communications services

(applicable for smartphones, feature phones, and tablets among main subscribers) and broadband services such as *SoftBank Hikari*.

*Cumulative applications for the *Home Bundle Discount Hikari Set*: Includes subscribers for *Fiber-optic Discount* applied to the *Y!mobile* brand mobile communications services.

Includes that of fiber-optic lines as long as the discount is applied to the associated mobile communications services, even if physical connection of the fiber optic line is not complete at the central office of

NIPPON TELEGRAPH AND TELEPHONE EAST CORPORATION ("NTT East") and NIPPON TELEGRAPH AND TELEPHONE WEST CORPORATION ("NTT West").

Domestic Telecommunications - 3

(Unaudited)

Broadband Service	FY2015					FY2016				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
Subscribers (Thousands)										
Cumulative subscribers	4,452	4,602	4,847		5,079	5,345	5,600			
SoftBank Hikari	341	715	1,218		1,717	2,243	2,699			
Yahoo! BB hikari with FLET'S	2,610	2,435	2,225		2,008	1,797	1,641			
Yahoo! BB ADSL	1,501	1,452	1,404		1,354	1,305	1,261			
ARPU (JPY/month)										
SoftBank Hikari	4,270	4,980	5,060	4,940	4,930	4,960	4,960			
Yahoo! BB hikari with FLET'S	1,830	1,860	1,830	1,820	1,840	1,810	1,810			
Yahoo! BB ADSL	2,680	2,660	2,630	2,590	2,640	2,560	2,530			

*SoftBank Hikari: a fiber-optic service using the wholesale fiber-optic connection of NTT East and NTT West.

SoftBank Hikari subscribers: number of users for which physical connection of a fiber-optic line at the central office of NTT East or NTT West is complete. Includes the number of subscribers to SoftBank Air.

*Yahoo! BB hikari with FLET'S: an ISP service offered as a package with NTT East and NTT West's FLET'S Hikari Series fiber-optic connection.

Yahoo! BB hikari with FLET'S subscribers: number of users of Yahoo! BB hikari with FLET'S for which physical connection of a fiber-optic line at the central office of NTT East or NTT West is complete and who are provided with services.

*Yahoo! BB ADSL: a service combining an ADSL connection service and an ISP service.

Yahoo! BB ADSL subscribers: number of users of Yahoo! BB ADSL for which physical connection of an ADSL line at the central office of NTT East or NTT West is complete.

*ARPU: Average Revenue Per User per month

ARPU = revenue of each broadband service / the number of active subscribers (rounded to the nearest JPY 10)

SoftBank Hikari ARPU = SoftBank Hikari revenue (basic monthly charge + provider charge + Hikari BB unit rental charge + White hikari Phone and BB Phone voice call charge + optional service charges, etc.) / the number of active SoftBank Hikari subscribers

Calculation of SoftBank Hikari ARPU includes revenues and subscribers of SoftBank Air.

Yahoo! BB hikari with FLET'S ARPU = Yahoo! BB hikari with FLET'S revenue (provider charge + Hikari BB unit rental charge + BB Phone voice call charge + optional service charges, etc. (excluding usage charges for FLET'S hikari and FLET'S hikari LIGHT)) / the number of active Yahoo! BB hikari with FLET'S subscribers

Yahoo! BB ADSL ARPU = Yahoo! BB ADSL revenue (basic monthly charge + provider charge + modem rental charge + BB Phone voice call charge + optional service charges, etc.) / the number of active Yahoo! BB ADSL subscribers

*Number of active subscribers: the total of the monthly numbers of active subscribers for the relevant period (subscribers at the beginning of the month + subscribers at the end of the month) / 2

Sprint - 1

(Unaudited)

(Millions of yen)	FY2015						FY2016					
	Q1	Q2	H1	Q3	Q4	Full year	Q1	Q2	H1	Q3	Q4	Full year
Net sales	973,994	972,184	1,946,178	981,564	943,905	3,871,647	873,923	848,614	1,722,537			
Segment income (loss)	69,588	11,797	81,385	-21,897	1,997	61,485	45,368	59,197	104,565			
Segment margin	7.1%	1.2%	4.2%	-	0.2%	1.6%	5.2%	7.0%	6.1%			
Depreciation and amortization	190,278	207,901	398,179	223,975	219,956	842,110	214,049	206,002	420,051			
Other adjustments	-694	29,908	29,214	33,955	16,499	79,668	12,277	-19,969	-7,692			
Adjusted EBITDA	259,172	249,606	508,778	236,033	238,452	983,263	271,694	245,230	516,924			
Adjusted EBITDA margin	26.6%	25.7%	26.1%	24.0%	25.3%	25.4%	31.1%	28.9%	30.0%			
Capital expenditure (acceptance basis)	160,367	165,421	325,788	194,848	101,730	622,366	79,200	78,715	157,915			

*Segment income = (net sales – operating expenses (cost of sales + selling, general and administrative expenses) ± gain from remeasurement relating to business combination ± other operating income (loss)) in each segment

*Adjusted EBITDA in each segment = (segment income (loss) + depreciation and amortization ± other adjustments) in each segment

*Adjusted EBITDA margin = adjusted EBITDA / net sales

*Other operating income (loss) that were presented as an item to be excluded from calculation of adjusted EBITDA until the first quarter is now presented as other adjustments.

Sprint - 2

(Unaudited)

Operation data	FY2015					FY2016				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
Cumulative subscribers (Thousands)										
Sprint total	57,668	58,578	58,359		58,806	59,453	60,193			
Sprint platform	56,812	57,868	58,359		58,806	59,453	60,193			
Postpaid	30,016	30,394	30,895		30,951	30,945	31,289			
Phone	24,866	24,928	25,294		25,316	25,322	25,669			
Prepaid	15,340	15,152	14,661		14,397	13,974	13,547			
Wholesale and affiliate	11,456	12,322	12,803		13,458	14,534	15,357			
Clearwire	856	710	-		-	-	-			
Net additions (Thousands)										
Sprint platform	675	1,056	491	447	2,669	377	740			
Postpaid	310	378	501	56	1,245	180	344			
Phone	-12	62	366	22	438	173	347			
Prepaid	-366	-188	-491	-264	-1,309	-331	-427			
Wholesale and affiliate	731	866	481	655	2,733	528	823			
Postpaid phone ABPU (Sprint platform) (USD/month)										
Postpaid phone ABPU	69.91	70.62	70.99	71.53		72.17	71.69			
ARPU (Sprint platform) (USD/month)										
Postpaid	55.48	53.99	52.48	51.68		51.54	50.54			
Prepaid	27.81	27.66	27.44	27.72		27.34	27.31			
Churn rate (Sprint platform) (%/month)										
Postpaid	1.56%	1.54%	1.62%	1.72%		1.56%	1.52%			
Phone	1.49%	1.49%	1.53%	1.56%		1.39%	1.37%			
Prepaid	5.08%	5.06%	5.82%	5.65%		5.55%	5.63%			

*In FY2016Q1, one of Sprint's affiliate companies, Shenandoah Telecommunications Company ("Shentel") acquired NTELOS Holdings Corp. ("NTELOS"). Prior to the acquisition, NTELOS had provided a telecommunications network to Sprint on a wholesale basis. Furthermore, Sprint acquired spectrum assets covering parts of seven states in the Eastern U.S., terminated the existing wholesale arrangement with NTELOS, and amended the existing affiliate agreement with Shentel (the "Shentel Transaction"). Upon completion of the Shentel Transaction, the number of former NTELOS subscribers are now accounted for under "affiliate" of Sprint, resulting in an increase of 270,000 in the cumulative number of subscribers. Furthermore, the number of Sprint subscribers who previously roamed on the NTELOS network and were accounted for as "postpaid" or "prepaid" are now accounted for under "affiliate" of Sprint (186,000 from postpaid and 92,000 from prepaid were transferred to "affiliate"). Net additions exclude the impact of the "Shentel Transaction".

*Cumulative subscribers and net additions include the number of communication module service subscribers.

*Phone: smartphones and feature phones.

*Clearwire: subscribers acquired through the acquisition of assets from Clearwire Corporation.

*ABPU: Average Billings Per User per month

ABPU = (telcom revenue + equipment billings) / number of active subscribers (rounded to the nearest USD .01)

Equipment billings: the sum of lease fees under the leasing program and installment billings under the installment billing program.

*ARPU: Average Revenue Per User per month

ARPU = telecom revenue / number of active subscribers (rounded to the nearest USD .01)

*ABPU/ARPU for postpaid phones are calculated by dividing the relevant telecom revenue and equipment billings by its number of active subscribers.

*Churn rate: average monthly churn rate

Churn rate = number of deactivations / number of active subscribers (rounded to the nearest 0.01%)

Deactivations: the total number of subscribers that churned during the relevant period. The number of deactivations excludes the number of subscribers who switch between prepaid and postpaid.

*Number of active subscribers: the total of the monthly numbers of active subscribers for the relevant period (subscribers at the beginning of the month + subscribers at the end of the month) / 2

Yahoo Japan and Distribution

(Unaudited)

Yahoo Japan (Millions of yen)	FY2015						FY2016					
	Q1	Q2	H1	Q3	Q4	Full year	Q1	Q2	H1	Q3	Q4	Full year
Net sales	110,455	138,313	248,768	195,956	207,307	652,031	204,233	205,264	409,497			
Segment income	48,852	102,043	150,895	42,783	29,109	222,787	50,308	49,063	99,371			
Segment margin	44.2%	73.8%	60.7%	21.8%	14.0%	34.2%	24.6%	23.9%	24.3%			
Depreciation and amortization	5,646	7,287	12,933	9,077	10,685	32,695	9,167	9,987	19,154			
Gain from remeasurement relating to business combination	-	-59,441	-59,441	-	-	-59,441	-	-19	-19			
Other adjustments	-	-	-	-	-	-	-	-	-			
Adjusted EBITDA	54,498	49,889	104,387	51,860	39,794	196,041	59,475	59,031	118,506			
Adjusted EBITDA margin	49.3%	36.1%	42.0%	26.5%	19.2%	30.1%	29.1%	28.8%	28.9%			
Capital expenditure	7,196	16,921	24,117	9,904	18,165	52,186	12,078	18,421	30,499			

Distribution (Millions of yen)	FY2015						FY2016					
	Q1	Q2	H1	Q3	Q4	Full year	Q1	Q2	H1	Q3	Q4	Full year
Net sales	303,743	362,985	666,728	383,260	370,428	1,420,416	315,499	310,857	626,356			
Segment income (loss)	411	3,726	4,137	-5,449	28	-1,284	6,680	7,625	14,305			
Segment margin	0.1%	1.0%	0.6%	-	0.0%	-	2.1%	2.5%	2.3%			
Depreciation and amortization	2,406	3,385	5,791	2,590	1,887	10,268	1,789	1,768	3,557			
Other adjustments	-	-	-	13,633	2,833	16,466	-	-	-			
Adjusted EBITDA	2,817	7,111	9,928	10,774	4,748	25,450	8,469	9,393	17,862			
Adjusted EBITDA margin	0.9%	2.0%	1.5%	2.8%	1.3%	1.8%	2.7%	3.0%	2.9%			
Capital expenditure	1,896	2,086	3,982	2,354	2,822	9,158	1,148	1,474	2,622			

*Segment income = (net sales – operating expenses (cost of sales + selling, general and administrative expenses) ± gain from remeasurement relating to business combination ± other operating income (loss)) in each segment

*Adjusted EBITDA in each segment = (segment income (loss) + depreciation and amortization - gain from remeasurement relating to business combination ± other adjustments) in each segment

*Adjusted EBITDA margin in each segment = (adjusted EBITDA / net sales) in each segment

*Other operating income (loss) that were presented as an item to be excluded from calculation of adjusted EBITDA until the first quarter is now presented as other adjustments.

ARM - 1

(Unaudited)

(Millions of yen)	FY2015						FY2016					
	Q1	Q2	H1	Q3	Q4	Full year	Q1	Q2	H1	Q3	Q4	Full year
Net sales								14,356	14,356			
Segment income (loss)								1,458	1,458			
Segment margin								10.2%	10.2%			
Depreciation and amortization								564	564			
Gain from remeasurement relating to business combination								-18,168	-18,168			
Other adjustments								23,382	23,382			
Adjusted EBITDA								7,236	7,236			
Adjusted EBITDA margin								50.4%	50.4%			
Capital expenditure (acceptance basis)								760	760			

*In conjunction with the consolidation of ARM the Company established a new reportable segment "ARM" from FY2016/Q2. In the ARM segment, the earnings reflect the results of operation of ARM since September 6, 2016.

*Segment income = (net sales – operating expenses (cost of sales + selling, general and administrative expenses) ± gain from remeasurement relating to business combination ± other operating income (loss)) in each segment

*Adjusted EBITDA in each segment = (segment income (loss) + depreciation and amortization - gain from remeasurement relating to business combination ± other adjustments) in each segment

*Adjusted EBITDA margin = adjusted EBITDA / net sales

*Other operating income (loss) that were presented as an item to be excluded from calculation of adjusted EBITDA until the first quarter is now presented as other adjustments.

ARM - 2

Processor licensing	FY2015					FY2016				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
Licenses signed	54	38	51	39	182	25	20			
Breakdown by processor										
Classic	1	1	2	2	6	2	1			
Cortex-A	15	10	11	8	44	5	2			
Cortex-R	8	2	4	5	19	2	4			
Cortex-M	20	19	25	22	86	13	10			
Mali	9	6	8	2	25	2	3			
Architecture	-	-	1	-	1	1	-			
Subscription	1	-	-	-	1	-	-			
Companies signing licenses	31	27	29	34	121	18	17			
Existing	19	13	19	18	69	9	11			
New	12	14	10	16	52	9	6			

Royalty units	CY2015					CY2016				
	Jan. - Mar.	Apr. - June	July - Sept.	Oct. - Dec.	Full year	Jan. - Mar.	Apr. - June	July - Sept.	Oct. - Dec.	Full year
Royalty units as reported by licensee (bn)	3.4	3.6	4.0	4.1	15.1	3.6	4.0			
Breakdown by processor family										
Classic	36%	33%	32%	32%	32%	26%	24%			
Cortex-A	17%	17%	18%	18%	18%	19%	19%			
Cortex-R	7%	7%	6%	6%	7%	7%	7%			
Cortex-M	40%	43%	44%	44%	43%	48%	50%			
Breakdown by end market										
Mobile and connectivity	40%	42%	45%	45%	43%	40%	40%			
Consumer electronics	5%	5%	5%	4%	5%	5%	5%			
Enterprise electronics	12%	13%	13%	12%	13%	13%	15%			
Embedded computing	43%	40%	37%	39%	39%	42%	40%			

Total headcount	FY2015					FY2016				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
Total headcount	3,524	3,852	3,975	4,064		4,227	4,438			
(incl.) Technical employees	2,765	3,048	3,136	3,262		3,409	3,602			
Geographical breakdown										
UK	1,466	1,529	1,577	1,609		1,695	1,770			
Rest of Europe	506	613	628	654		684	723			
US	776	854	905	935		957	991			
Asia	287	315	324	325		354	388			
India	489	541	541	541		537	566			

* Classic processors: ARM's older products including the *ARM7*, *ARM9* and *ARM11* families of processor designs.

* *Cortex*: ARM's *Cortex* family comprise ARM's latest processor cores. The family is split into three series:

A-series targeting applications processors running complex operating systems

R-series targeting real-time deeply embedded markets

M-series addressing the needs of the low cost microcontroller markets

* *Mali*: The *Mali* family of multimedia processors deliver high-quality multimedia images without compromising performance, power consumption or system cost. ARM develops industry-leading IP for 3D graphics, video processor and imaging technology that provides customers with an integrated multimedia platform, which can be embedded in their chip, and is becoming increasingly important in devices such as mobile computers, portable media players and digital TVs.

* Architecture: Architecture Licensees are provided with the flexibility to differentiate from standard ARM-based processor designs. They can create alternative processor designs whilst retaining instruction set compatibility with ARM's standard processor designs.

* Subscription: The Subscription License allows a partner access to a selected set of ARM products, including unspecified future products, over a defined time period for a set annual fee

* Mobile and connectivity: Includes chips used in smartphones and tablets, and also radio chips used in other non-mobile products. This includes the main application processor in a smartphone or tablet, baseband modem, wireless connectivity chips such as Bluetooth, WiFi and Zigbee, and other peripheral chips often found in mobile devices.

* Consumer electronics: Includes other non-mobile applications such as cameras, digital TVs and set-top-boxes.

* Enterprise electronics: Includes chips typically found in printers, PCs, networking infrastructure and servers. This includes hard-disk drive controllers, solid-state drive controllers, printer management, and chips for switches, routers and servers.

* Embedded computing: Includes microcontrollers, smartcards and chips for applications such as automotive, robotics, medical, industrial and agricultural electronics

* Royalty units: Arm's technology-based chip manufactured and/or shipped by Licensees.

* ARM's royalty unit shipments are aligned with the quarters when the chips were shipped.

* The numbers of employees at ARM include temporary employees.

* Technical employees: employees who work on the research, creation, maintenance, deployment and support of technology products and services of ARM. The number of "Technical Employees" in periods prior to September 30, 2016 have been restated to be consistent with the Post-Offer Undertakings as agreed with the UK Takeover Panel, full details of which were set out in the letter from the ARM chairman in the scheme document dated August 3, 2016 and which is available on www.arm.com.

Finance Cost and Other Non-operating Income (Loss)

(Unaudited)

Finance cost (Millions of yen)		FY2015					FY2016						
		Q1	Q2	H1	Q3	Q4	Full year	Q1	Q2	H1	Q3	Q4	Full year
Finance cost		-105,511	-110,157	-215,668	-113,816	-111,260	-440,744	-112,107	-109,915	-222,022			
Interest expense		-105,511	-110,157	-215,668	-113,816	-111,260	-440,744	-112,107	-109,915	-222,022			

Other non-operating income (loss) (Millions of yen)		FY2015					FY2016						
		Q1	Q2	H1	Q3	Q4	Full year	Q1	Q2	H1	Q3	Q4	Full year
Other non-operating income (loss)		86,961	10,449	97,410	-2,199	-3,412	91,799	-69,059	46,474	-22,585			
Impairment loss on securities		-16	-18,928	-18,944	-2,628	-11,187	-32,759	-1,995	-1,179	-3,174			
Impairment loss on equity method associates		-364	-290	-654	-679	-690	-2,023	-1,434	-7,522	-8,956			
Dilution gain from changes in equity interest		92	14,539	14,631	23	249	14,903	2,175	72,566	74,741			
Gain (loss) from financial instruments at FVTPL		84,272	28,353	112,625	-4,199	5,951	114,377	-30,283	-27,857	-58,140			
Impairment loss on assets classified as held for sale		-	-	-	-	-	-	-42,540	-	-42,540			
Provision of allowance for doubtful accounts (non-operating expense)		-621	-19,403	-20,024	-510	-719	-21,253	2	-2	-			
Other		3,598	6,178	9,776	5,794	2,984	18,554	5,016	10,468	15,484			

Consolidated B/S Assets

(Millions of yen)	Mar. 31, 2016	Sept. 30, 2016	Change	Outline
Current assets	5,550,269	5,870,117	319,848	
Cash and cash equivalents	2,569,607	2,675,856	106,249	SBG: Mar. 2016 (1,230,647) > Sept. 2016 (1,508,065) Yahoo Japan: Mar. 2016 (326,743) > Sept. 2016 (304,084) ARM: Mar. 2016 (-) > Sept. 2016 (52,802) SB: Mar. 2016 (51,601) > Sept. 2016 (37,814)
<i>Sprint</i>	297,552	405,084	107,532	
Trade and other receivables	1,914,789	2,226,354	311,565	Mainly due to recording second installment of the sale price of Supercell as receivable for sale of USD 3.7 billion (+372,812).
<i>Sprint</i>	363,546	328,150	-35,396	
Other financial assets	152,858	357,041	204,183	Increased mainly due to Sprint recording term deposits and marketable securities.
Inventories	359,464	356,078	-3,386	Brightstar: Mar. 2016 (107,777) > Sept. 2016 (100,587) Sprint: Mar. 2016 (132,141) > Sept. 2016 (100,207)
Other current assets	553,551	254,788	-298,763	Decreased mainly due to refund of withholding income tax related to dividends within group companies.
Non-current assets	15,156,923	17,025,960	1,869,037	
Property, plant and equipment	4,183,507	3,814,388	-369,119	
<i>Sprint</i>	2,055,371	1,754,813	-300,558	Decreased due to depreciation of telecom equipment and the impact of the yen's appreciation.
Buildings and structures	254,569	255,612	1,043	
Telecommunications equipment	3,031,553	2,713,693	-317,860	
Equipment and fixtures	577,279	542,733	-34,546	
Land	105,062	102,644	-2,418	
Construction in progress	194,456	168,899	-25,557	
Other	20,588	30,807	10,219	
Goodwill	1,609,789	4,521,863	2,912,074	
ARM	-	3,050,218	3,050,218	Goodwill recorded in conjunction with ARM acquisition in September 2016.
<i>Sprint</i>	331,811	297,770	-34,041	Decreased due to the yen's appreciation.
Intangible assets	6,439,145	5,769,467	-669,678	
<i>Sprint</i>	5,468,665	4,878,300	-590,365	
FCC licenses	4,060,750	3,691,496	-369,254	
<i>Sprint</i>	4,060,750	3,691,496	-369,254	Decreased mainly due to the yen's appreciation. (Non-amortized assets from an accounting perspective)
Customer relationships	439,800	339,147	-100,653	
<i>Sprint</i>	324,269	236,942	-87,327	Decreased due to regular amortization and the impact of the yen's appreciation.
Trademarks	760,703	684,663	-76,040	
<i>Sprint</i>	722,539	647,628	-74,911	Decreased mainly due to the yen's appreciation.
Software	782,148	735,472	-46,676	
Game titles	59,844	-	-59,844	Sale of Supercell.
Favorable lease contracts	119,242	100,289	-18,953	
Spectrum migration costs	110,472	107,143	-3,329	
Other	106,186	111,257	5,071	
Investments accounted for using the equity method	1,588,270	1,320,633	-267,637	Decline in carrying amount of Alibaba on consolidated basis mainly due to impact of the yen's appreciation and partial sale of Alibaba shares, while income on investments accounted for using the equity method was recorded. Impact of the sale of GungHo shares in response to a tender offer by GungHo for its own shares resulting in GungHo ceasing to qualify as an affiliate.
Other financial assets	970,874	1,041,975	71,101	
Deferred tax assets	172,864	370,088	197,224	
Other non-current assets	192,474	187,546	-4,928	
Total assets	20,707,192	22,896,077	2,188,885	

SBG: SoftBank Group, SB: SoftBank

*Exchange rates: USD 1 = JPY 112.68 for the balance as of March 31, 2016; USD 1 = JPY 101.12 for the balance as of Sept. 30, 2016 / GBP 1 = 138.15 for the balance as of Sept. 5, 2016; GBP 1 = 131.00 for the balance as of Sept. 30, 2016

CNY 1 = JPY 17.39 for the balance as of March 31, 2016; CNY 1 = JPY 15.14 for the balance as of Sept. 30, 2016 / EUR 1 = JPY 127.70 for the balance as of March 31, 2016; EUR 1 = JPY 113.36 for the balance as of Sept. 30, 2016

Consolidated B/S Liabilities and Equity

	(Millions of yen)	Mar. 31, 2016	Sept. 30, 2016	Change	Outline
Current liabilities		5,165,771	5,901,278	735,507	
Interest-bearing debt		2,646,609	3,579,280	932,671	SBG: increased due to short-term borrowings to enhance cash on hand (+619,267), transfer of borrowings from non-current liabilities financings while long-term borrowings were redeemed (+109,747), redemption of 36th series Unsecured Straight Bond (-100,000).
<i>Sprint</i>		676,948	828,084	151,136	Increased mainly due to loans against leased devices and telecom network equipment, and transfer of corporate bonds from non-current liabilities
Trade and other payables		1,621,195	1,452,850	-168,345	SB: mainly due to a decrease in accounts payable-trade related to mobile devices and accounts payable-other related to telecom equipment.
<i>Sprint</i>		441,006	364,700	-76,306	Decreased due to a decrease in accounts payable-trade related to mobile devices and accounts payable-other related to telecom equipment, and the yen's appreciation.
Other financial liabilities		6,531	12,416	5,885	
Income taxes payables		140,351	220,954	80,603	SB: Mar. 2016 (83,223) > Sept. 2016 (101,303) Yahoo Japan: Mar. 2016 (25,913) > Sept. 2016 (28,816)
Provisions		56,120	53,401	-2,719	
Other current liabilities		694,965	582,377	-112,588	
Non-current liabilities		12,036,150	13,868,477	1,832,327	
Interest-bearing debt		9,275,822	10,720,586	1,444,764	Increase in long-term borrowings mainly due to borrowing of JPY 1t (bridge loan) for the acquisition of ARM (+777,812), partially offset by transfer to current liabilities. Recording of financial liabilities relating to sale of Alibaba shares by variable prepaid forward contract (+639,761). Increase in corporate bonds (+314,649) due to the issuance of straight corporate bonds and hybrid bonds (+521,000), transfer of borrowings to current liabilities and the balance of the U.S. dollar and euro-denominated corporate bonds decreased due to the yen's appreciation, .
<i>Sprint</i>		3,297,900	2,961,899	-336,001	Increase in long-term borrowings due to financings against telecom network equipment and leased mobile devices (+144,385), and decrease due to the yen's appreciation and partial transfer to current liabilities (-472,200).
Other financial liabilities		95,664	274,109	178,445	Mainly due to derivative liabilities in relation to the collar transaction included in the variable prepaid forward contract for the sale of Alibaba shares (+105,147).
Defined benefit liabilities		123,759	110,146	-13,613	
Provisions		118,876	117,536	-1,340	
Deferred tax liabilities		2,083,164	2,361,270	278,106	
<i>Sprint</i>		1,652,154	1,498,408	-153,746	Decreased due to the yen's appreciation.
Other non-current liabilities		338,865	284,830	-54,035	
Total liabilities		17,201,921	19,769,755	2,567,834	
Equity		3,505,271	3,126,322	-378,949	
Equity attributable to owners of the parent		2,613,613	2,292,082	-321,531	
Common stock		238,772	238,772	-	
Capital surplus		261,234	246,288	-14,946	
Retained earnings		2,166,623	2,908,378	741,755	Net income attributable to owners of the parent (+766,249)
Treasury stock		-314,752	-664,830	-350,078	Acquired 58,070,000 shares in FY2016Q1-Q2 *100 million of treasury stock retired on October 31, 2016.
Accumulated other comprehensive income		261,736	-436,526	-698,262	
Available-for-sale financial assets		32,594	25,336	-7,258	
Cash flow hedges		-40,088	-45,813	-5,725	
Exchange differences on translating foreign operations		269,230	-416,049	-685,279	Decreased due to the yen's appreciation against foreign currencies.
Non-controlling interests		891,658	834,240	-57,418	
Total liabilities and equity		20,707,192	22,896,077	2,188,885	

SBG: SoftBank Group SB: SoftBank

*Exchange rates: USD 1 = JPY 112.68 for the balance as of March 31, 2016; USD 1 = JPY 101.12 for the balance as of Sept. 30, 2016 / GBP 1 = 138.15 for the balance as of Sept. 5, 2016; GBP 1 = 131.00 for the balance as of Sept. 30, 2016

CNY 1 = JPY 17.39 for the balance as of March 31, 2016; CNY 1 = JPY 15.14 for the balance as of Sept. 30, 2016 / EUR 1 = JPY 127.70 for the balance as of March 31, 2016; EUR 1 = JPY 113.36 for the balance as of Sept. 30, 2016

Sprint US-GAAP Bridge to SoftBank Group IFRSs - 1

Income Statement (Apr. 1, 2016 - Sept. 30, 2016)

(Millions of USD)

Sprint	US-GAAP	Re-classification	Difference of recognition and measurement					IFRSs		SoftBank Group	
		(1)	(2)	(3)	(4)	(5)			(Millions of USD)		(Millions of yen)
			Network restructuring cost	ARO discount rate	Deferred securitization cost	Depreciation on impaired assets	Other				
Net operating revenues	16,259								16,259	1,722,537	Net sales
Net operating expenses											
Cost of services and products	-7,312	-3,676		-28	-4	-16	78		-10,958	-1,160,452	Cost of sales
Selling, general and administrative	-3,912	-244					-16		-4,160	-440,690	Selling, general, and administrative expenses
Depreciation and amortization	-3,948	3,948									Other operating loss
Other, net	-104		-28				-18		-150	-16,830	
Operating income	983	28	-28	-28	8	-16	44		991	104,565	Operating income
Interest expense	-1,245	10	-5	-7	-14				-1,261	-133,693	Finance cost
Other expense, net	-7	-38							-45	-4,605	Other non-operating loss
Loss before income taxes	-269		-33	-35	-6	-16	44		-315	-33,733	Loss before income tax
Income tax expense	-175						1		-174	-18,236	Income taxes
Net loss	-444		-33	-35	-6	-16	45		-489	-51,969	Net loss
Operating income	983	28	-28	-28	8	-16	44	991	104,565	Operating income	
Depreciation and amortization	3,948			28		16	-28	3,964	420,051	Depreciation and amortization	
EBITDA	4,931	28	-28		8		16	4,955	524,616	EBITDA	
Other adjustments	-127		28				18	-81	-7,692	Other adjustments	
Adjusted EBITDA	4,804	28			8		34	4,874	516,924	Adjusted EBITDA	

*Average rate for the quarter is used for conversion of the U.S. dollars into yen (Apr. to June 2016, USD 1 = JPY 109.07, July to Sept., USD 1 = JPY 102.91).

(1) Mainly reclassification of depreciation and amortization to "cost of services and products" and "SGA".

Interest from asset retirement obligations (USD 18 million) is recorded as operating cost under US-GAAP and finance cost under IFRSs.

(2) Under US-GAAP, provision for network infrastructure restructuring (iDEN, Clearwire, etc.) is recognized when the payment obligation is probable.

Under IFRSs, the provision is recorded when detailed formal plan is publicly announced (provision was booked at the timing of acquisition).

(3) Under US-GAAP, the discount rate used to measure the asset retirement obligation (ARO) is only updated if the forecast cash outflows increases. Under IFRSs, the discount rate is updated as of the balance sheet date.

(4) Agent and upfront fees are expensed when incurred under US-GAAP, deferred as an asset and amortized over the life of the agreement (2 years) under IFRSs.

(5) Sprint (US-GAAP) does not recognize depreciation on wireline property, plant, and equipment which impairment loss was recognized during the fiscal year ended March 2015. Under US-GAAP, wireless segment and wireline segment are treated as separate reporting units and impairment test was performed at the individual asset level or asset groups. SBG (IFRSs) continuously recognized depreciation since impairment loss was not recognized, as Sprint is treated as a single cash-generating unit and all assets were tested together for impairment.

Sprint US-GAAP Bridge to SoftBank Group IFRSs - 2

Balance Sheets (As of Sept. 30, 2016)

(Millions of USD)

Sprint	US-GAAP	Re-classification	Difference of recognition and measurement						(6) Adjustment on goodwill	IFRSs		SoftBank Group
		(1)	(2)	(3)	(4)	(5)		(Millions of USD)		(Millions of yen)		
			Impaired assets	Receivable securitization	Network restructuring cost	ARO discount rate	Tax effect on adjustments	Other				
Assets												Assets
Current assets	9,856			805				4		10,665	1,078,449	Current assets
Goodwill	6,575				340			76	-4,046	2,945	297,770	Goodwill
Other non-current assets	64,397		2,078	386		-59				66,802	6,754,997	Other non-current assets
Total assets	80,828		2,078	1,191	340	-59		80	-4,046	80,412	8,131,216	Total assets
Liabilities and stockholders' equity												Liabilities and equity
Current liabilities	13,948	154		1,191	30			43		15,366	1,553,844	Current liabilities
Non-current liabilities	47,457	-154			43	-76	702	12		47,984	4,852,065	Non-current liabilities
Total liabilities	61,405			1,191	73	-76	702	55		63,350	6,405,909	Total liabilities
Stockholders' equity	19,423		2,078		267	17	-702	25	-4,046	17,062	1,725,307	Total equity
Total liabilities and stockholders' equity	80,828		2,078	1,191	340	-59		80	-4,046	80,412	8,131,216	Total liabilities and equity

*September month end rate is used for conversion of the U.S. dollars into yen (USD 1 = JPY 101.12).

(1) Uncertain tax position presented as non-current liabilities under US-GAAP is presented as current liabilities under IFRSs.

(2) Sprint (US-GAAP) recognized impairment loss on Sprint trade name in the wireless segment and wireline property, plant, and equipment during the fiscal year ended March 2015. Under US-GAAP, wireless segment and wireline segment are treated as separate cash-generating units and impairment test was performed at the individual asset level or asset groups. SBG (IFRSs) recognized no impairment loss as Sprint is treated as a single cash-generating unit and all assets were tested together for impairment.

(3) Securitized receivables are treated as sales under US-GAAP, while treated as on-balance financing leading to recognition of accounts receivables and short-term loan payables under IFRSs.

(4) Under US-GAAP, provision for network infrastructure restructuring (iDEN, Clearwire, etc.) is recognized when the payment obligation is probable.

Under IFRSs, the provision is recorded when detailed formal plan is publicly announced (provision was booked at the timing of acquisition).

(5) Under US-GAAP, the discount rate used to measure the asset retirement obligation (ARO) is only updated if the forecast cash outflow increase. Under IFRSs, the discount rate is updated as of the balance sheet date.

(6) Goodwill adjustments are as follows.

i. In relation to the acquisition of Sprint, SBG entered into foreign currency forward contract, out of which USD 17.0 billion was accounted for under hedge accounting.

The fair value on the acquisition date of this hedging instrument (USD 3,081 million) is deducted from goodwill (basis adjustment).

ii. Elimination of goodwill relating to non-controlling interest of Sprint.

Financial Indicators

(Unaudited)

(Millions of yen)	FY2015					FY2016				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
Interest-bearing debt										
Interest-bearing debt	11,535,914	11,891,887	12,305,469		11,922,431	11,723,504	13,660,106			
Corporate bonds	7,193,092	7,629,941	7,897,917		7,554,632	7,090,963	7,534,747			
Long-term borrowings	2,126,645	2,005,628	2,031,652		1,785,500	1,984,239	2,729,964			
Short-term borrowings	863,865	944,409	1,045,465		1,258,634	1,319,197	2,025,104			
Lease obligations	1,211,297	1,176,667	1,210,086		1,212,186	1,238,942	1,284,946			
Installment payables	141,014	135,241	120,349		111,480	90,163	85,345			
Cash position										
Cash position	2,594,779	2,388,193	2,938,229		2,674,069	3,407,866	2,957,943			
Unused portion of credit line facility	178,500	174,200	174,200		174,200	174,200	178,500			
Cash position + unused portion of credit line facility	2,773,279	2,562,393	3,112,429		2,848,269	3,582,066	3,136,443			
Net interest-bearing debt										
Interest-bearing debt	11,535,914	11,891,887	12,305,469		11,922,431	11,723,504	13,660,106			
Cash position	2,594,779	2,388,193	2,938,229		2,674,069	3,407,866	2,957,943			
Net interest-bearing debt	8,941,135	9,503,694	9,367,240		9,248,363	8,315,638	10,702,163			
Financial indicators (Times)										
Interest coverage ratio	6.2	6.0	5.2	4.7	5.5	6.1	6.0			
Debt / equity ratio	3.8	4.0	4.2		4.6	4.9	5.3			
Net debt / equity ratio	3.0	3.2	3.2		3.5	3.4	4.0			
Interest-bearing debt / EBITDA ratio	5.4	5.2	5.1		4.9	4.9	5.4			
Net interest-bearing debt / EBITDA ratio	4.2	4.2	3.9		3.8	3.5	4.0			
Adjusted EBITDA (cumulative amount of LTM) (Millions of yen)	2,133,703	2,280,540	2,409,356		2,437,751	2,375,247	2,502,882			

*Cash position = cash and cash equivalents + short-term investments recorded as current assets

*Net interest-bearing debt = interest-bearing debt - cash position (financial liabilities relating to sale of Alibaba shares by variable prepaid forward contract are deducted from interest-bearing debt)

*Unused portion of credit line facility = credit line facility size - credit line borrowings

*Interest coverage ratio = adjusted EBITDA / interest expense

*Adjusted EBITDA = operating income (loss) + depreciation and amortization – gain from remeasurement relating to business combination ± other operating income (loss) (ARM segment's adjusted EBITDA is annualized)

*Debt / equity ratio = interest-bearing debt / equity attributable to owners of the parent (including adjustments related to the issuance of hybrid bonds)

*Interest-bearing debt / EBITDA ratio: interest-bearing debt / EBITDA (LTM) (including adjustments related to the issuance of hybrid bonds)

*Net interest-bearing debt / EBITDA ratio: net interest-bearing debt / EBITDA (LTM) (including adjustments related to the issuance of hybrid bonds)

*Adjusted EBITDA for FY2015 includes the adjusted EBITDA of Supercell.

*From FY2016Q1 on LTM of adjusted EBITDA is used in the calculation of interest-bearing debt and net interest-bearing debt/ EBITDA ratio. FY2015 quarterly ratios are revised retrospectively.

*Calculations of all indicators include cash position to be received for the sale of Supercell shares.

Reference - 1 Main Financing Activities in FY2016

Category	Event	Amount	Date
Bonds	Issuance of 49th Unsecured Straight Corporate Bond (7 years)	JPY 20.0bn	April 2016
	Issuance of 50th Unsecured Straight Corporate Bond (10 years)	JPY 30.0bn	April 2016
	Hybrid Bonds		September 2016
	1st (final legal maturity 25 years, NC5)	JPY 55.6bn	
2nd (final legal maturity 27 years, NC7)	JPY 15.4bn		
	3rd (final legal maturity 25 years, NC5)	JPY 400.0bn	
Divestment	Monetization of a portion of Alibaba shares	Total USD 8.8bn (approx. JPY 0.9t)	June - July 2016
	Advances received for sale of shares by variable prepaid forward contract	USD 5.4bn (approx. JPY 570.0bn)	
	Sale	USD 3.4bn (approx. JPY 360.0bn)	
	Execution of an agreement to sell Supercell shares ^{*1}	USD 7.3bn (approx. JPY 770.0bn)	June 2016
	Sale of GungHo shares for GungHo's tender offer	JPY 72.2bn	August 2016
ARM Acquisition	Announcement of Acquisition of 100% shares of ARM Holdings plc (ARM)	GBP 24.0bn (approx. JPY 3.3t)	July 2016
	Execution of bridge loan agreement for ARM acquisition	JPY 1.0t	
	Completion of ARM acquisition		September 2016
Other	Decision to establish SoftBank Vision Fund		October 2016

*1 Proceeds received: USD 3.5bn in July 2016, USD 3.7bn in October 2016. Outstanding balance scheduled to be received in August 2019.

Reference - 2 Corporate Bonds and Commercial Paper Details (consolidated)

(Millions of yen; unless otherwise stated)

Commercial paper, Bonds	Maturity date	Interest rate (%, year)	Mar. 31, 2016 Amount of issue	Sept. 30, 2016 Amount of issue	Sept. 30, 2016 Balance
SoftBank Group*¹					
Commercial paper	—	—	42,000	84,000	84,000
36th series Unsecured Straight Bond (Fukuoka SoftBank HAWKS Bond)	June 17, 2016	1.000	100,000	—	—
42nd series Unsecured Straight Bond	Mar. 1, 2017	1.467	70,000	70,000	69,972
41st series Unsecured Straight Bond (Fukuoka SoftBank HAWKS Bond)	Mar. 10, 2017	1.470	300,000	300,000	299,526
40th series Unsecured Straight Bond	Sept. 14, 2017	0.732	10,000	10,000	9,991
39th series Unsecured Straight Bond (Fukuoka SoftBank HAWKS Bond)	Sept. 22, 2017	0.740	100,000	100,000	99,904
35th series Unsecured Straight Bond	Jan. 25, 2018	1.660	10,000	10,000	9,992
43rd series Unsecured Straight Bond (Fukuoka SoftBank HAWKS Bond)	June 20, 2018	1.740	400,000	400,000	398,304
45th series Unsecured Straight Bond (Fukuoka SoftBank HAWKS Bond)	May 30, 2019	1.450	300,000	300,000	297,996
46th series Unsecured Straight Bond (Fukuoka SoftBank HAWKS Bond)	Sept. 12, 2019	1.260	400,000	400,000	397,010
USD-denominated Senior Notes due year 2020	Apr. 15, 2020	4.500	USD 2,485mil	USD 2,485mil	249,179
EUR-denominated Senior Notes due year 2020	Apr. 15, 2020	4.625	EUR 625mil	EUR 625mil	70,181
47th series Unsecured Straight Bond (Fukuoka SoftBank HAWKS Bond)	June 18, 2020	1.360	100,000	100,000	99,049
44th series Unsecured Straight Bond	Nov. 27, 2020	1.689	50,000	50,000	49,866
USD-denominated Senior Notes due year 2022	July 30, 2022	5.375	USD 1,000mil	USD 1,000mil	99,719
EUR-denominated Senior Notes due year 2022	July 30, 2022	4.000	EUR 500mil	EUR 500mil	55,850
48th series Unsecured Straight Bond (Fukuoka SoftBank HAWKS Bond)	Dec. 9, 2022	2.130	370,000	370,000	365,864
49th series Unsecured Straight Bond	Apr. 20, 2023	1.940	—	20,000	19,912
USD-denominated Senior Notes due year 2025	July 30, 2025	6.000	USD 1,000mil	USD 1,000mil	99,627
EUR-denominated Senior Notes due year 2025	July 30, 2025	4.750	EUR 1,250mil	EUR 1,250mil	139,636
50th series Unsecured Straight Bond	Apr. 20, 2026	2.480	—	30,000	29,854
EUR-denominated Senior Notes due year 2027	July 30, 2027	5.250	EUR 500mil	EUR 500mn	55,786
1st series Unsecured Subordinated Corporate Bond	Dec. 17, 2021	2.500	400,000	400,000	394,339
2nd series Unsecured Subordinated Corporate Bond	Feb. 9, 2022	2.500	450,000	450,000	443,427
1st Unsecured Subordinated Bonds with interest deferrable clause and early redeemable option (with a subordination provision) (Hybrid Bond)	Sept. 13, 2041	3.000	—	55,600	55,071
3rd Unsecured Subordinated Bonds with interest deferrable clause and early redeemable option (with a subordination provision) (Hybrid Bond)	Sept. 30, 2041	3.000	—	400,000	392,346
2nd Unsecured Subordinated Bonds with interest deferrable clause and early redeemable option (with a subordination provision) (Hybrid Bond)	Sept. 16, 2043	3.500	—	15,400	15,250
Sub Total					4,301,651

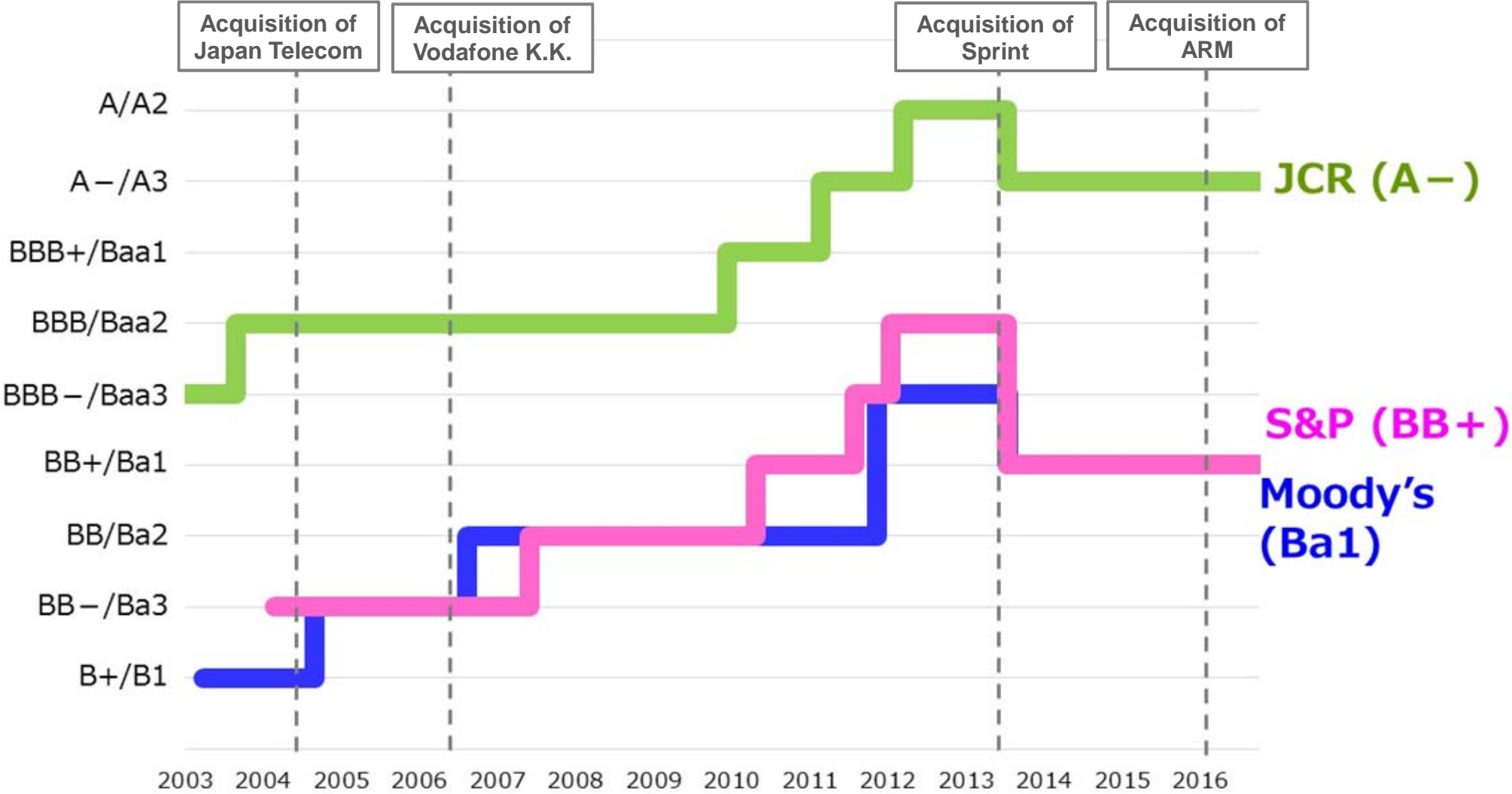
(Millions of yen; unless otherwise stated)

Commercial paper, Bonds	Maturity date	Interest rate (%, year)	Mar. 31, 2016 Amount of issue	Sept. 30, 2016 Amount of issue	Sept. 30, 2016 Balance
Sprint					
Sprint Corporation					
7.25% Notes due 2021	Sept. 15, 2021	7.250	USD 2,250mil	USD 2,250mil	225,295
7.875% Notes due 2023	Sept. 15, 2023	7.875	USD 4,250mil	USD 4,250mil	425,059
7.125% Notes due 2024	June 15, 2024	7.125	USD 2,500mil	USD 2,500mil	249,899
7.625% Notes due 2025	Feb. 15, 2025	7.625	USD 1,500mil	USD 1,500mil	149,920
Sprint Communications, Inc.					
6% Senior Notes due 2016	Dec. 1, 2016	6.000	USD 2,000mil	USD 2,000mil	202,885
9.125% Senior Notes due 2017	Mar. 1, 2017	9.125	USD 1,000mil	USD 1,000mil	102,980
8.375% Senior Notes due 2017	Aug.15, 2017	8.375	USD 1,300mil	USD 1,300mil	135,111
Export Development Canada Facility (Tranche 4)	Dec.15, 2017	5.914 *2	USD 250mil	USD 250mil	25,248
9% Guaranteed Notes due 2018	Nov. 15, 2018	9.000	USD 3,000mil	USD 3,000mil	325,338
Export Development Canada Facility (Tranche 3)	Dec. 17, 2019	4.164 *2	USD 300mil	USD 300mil	30,237
7% Guaranteed Notes due 2020	Mar.1, 2020	7.000	USD 1,000mil	USD 1,000mil	105,661
7% Senior Notes due 2020	Aug. 15, 2020	7.000	USD 1,500mil	USD 1,500mil	155,389
11.5% Senior Notes due 2021	Nov. 15, 2021	11.500	USD 1,000mil	USD 1,000mil	124,376
9.25% Debentures due 2022	Apr. 15, 2022	9.250	USD 200mil	USD 200mil	23,099
6% Senior Notes due 2022	Nov. 15, 2022	6.000	USD 2,280mil	USD 2,280mil	228,164
Sprint Capital Corporation					
6.9% Senior Notes due 2019	May 1, 2019	6.900	USD 1,729mil	USD 1,729mil	177,727
6.875% Senior Notes due 2028	Nov. 15, 2028	6.875	USD 2,475mil	USD 2,475mil	234,446
8.75% Senior Notes due 2032	Mar. 15, 2032	8.750	USD 2,000mil	USD 2,000mil	215,671
Clearwire Communications LLC					
14.75% First-Priority Senior Secured Notes due 2016	Dec. 1, 2016	14.750	USD 300mil	USD 300mil	30,922
8.25% Exchangeable Notes due 2040	Dec. 1, 2040	8.250	USD 629mil	USD 629mil	65,443
Sub Total					3,232,871
Other					
			100	225	225
Total Balance					7,534,747

*1 Unsecured straight corporate bonds issued by SoftBank Group (including foreign currency denominated bonds) are guaranteed by SoftBank.

*2 Floating interest rate. The interest rate stated is as of March 31, 2016.

Reference - 3 Trend of Credit Rating



* Calendar year