

**Earnings Results for  
the Fiscal Year  
Ended March 31, 2018  
Data Sheet**

**May 9, 2018**

**SoftBank Group Corp.**



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This data sheet is prepared based on the consolidated IFRS financial results.

< Exchange rates used for translation > (JPY)

Average during quarter	FY2016				FY2017			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
1 USD	109.07	102.91	108.72	113.76	111.61	111.38	112.74	108.85
1 GBP*	/	135.46	135.56	141.33	142.92	146.20	150.77	151.01
1 EUR	122.47	114.59	117.70	120.81	123.14	130.45	133.09	132.96
EOQ	Jun. 30	Sept. 30	Dec. 31	Mar. 31	Jun. 30	Sept. 30	Dec. 31	Mar. 31
1 USD	/	/	/	112.19	/	/	/	106.24
1 GBP	/	/	/	140.08	/	/	/	148.84
1 EUR	/	/	/	119.79	/	/	/	130.52

\*Monthly average rate of September 2016 (1 GBP = 132.95 JPY) is used for translation of Arm results in FY16Q2

< Definition of company names and abbreviations used in the Data Sheet >

Company names / Abbreviation	Definition
SoftBank Group Corp. or SBG	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 Limited
SoftBank Vision Fund	SoftBank Vision Fund L.P. SoftBank Vision Fund (AIV M1) L.P. SoftBank Vision Fund (AIV M2) L.P. SoftBank Vision Fund (AIV S1) L.P.
Delta Fund	SB Delta Fund (Jersey) L.P.
Fortress	Fortress Investment Group LLC
Alibaba	Alibaba Group Holding Limited
FY2016	Fiscal year ended March 31, 2017
FY2017	Fiscal year ended March 31, 2018

**About the SoftBank Vision Fund and Delta Fund segment**

The Company established the SoftBank Vision Fund and Delta Fund segment as a new reportable segment during the three months ended June 30, 2017 upon the first major closing of SoftBank Vision Fund on May 20, 2017.

**About the Consolidation of Fortress**

The Company acquired Fortress on December 27, 2017 for \$3,121 million (¥353,966 million), making it a subsidiary. The results of operations of Fortress have been reflected since December 28, 2017 in "Other" in the Company's segments.

**About the Reorganization of Arm Holdings plc and its subsidiaries**

In FY2017/Q4, the Company reorganized Arm Holdings plc and its subsidiaries. Following this reorganization, Arm Limited is listed as a principal business entity. SoftBank Group Corp. will use a portion of its Arm Limited shares to satisfy approximately \$8.2 billion out of its total commitment to SoftBank Vision Fund. At the fiscal year-end, SoftBank Vision Fund held 19.7% stake in Arm Limited. At the time of completion of the commitment by SoftBank Group Corp. related to Arm Limited shares, SoftBank Vision Fund will hold a 24.99% stake in Arm Limited.

# Consolidated Results Summary

(Unaudited)

(Millions of yen)	FY2016					FY2017				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
<b>Continuing operations</b>										
Net sales	2,126,521	2,145,313	2,309,632	2,319,538	8,901,004	2,186,059	2,225,076	2,400,139	2,347,491	9,158,765
Adjusted EBITDA	678,350	654,931	658,473	572,713	2,564,467	700,110	690,372	665,815	548,820	2,605,117
Adjusted EBITDA margin	31.9%	30.5%	28.5%	24.7%	28.8%	32.0%	31.0%	27.7%	23.4%	28.4%
Operating income (excluding income from SoftBank Vision Fund and Delta Fund)	319,236	328,127	281,965	96,671	1,025,999	374,044	314,557	223,801	88,418	1,000,820
Operating margin (excluding income from SoftBank Vision Fund and Delta Fund)	15.0%	15.3%	12.2%	4.2%	11.5%	17.1%	14.1%	9.3%	3.8%	10.9%
Operating income from SoftBank Vision Fund and Delta Fund	-	-	-	-	-	105,229	81,009	50,189	66,554	302,981
Operating income	319,236	328,127	281,965	96,671	1,025,999	479,273	395,566	273,990	154,972	1,303,801
Operating margin	15.0%	15.3%	12.2%	4.2%	11.5%	21.9%	17.8%	11.4%	6.6%	14.2%
Finance cost	-112,107	-109,915	-121,341	-123,948	-467,311	-120,870	-122,588	-139,879	-132,795	-516,132
Income on equity method investments	35,466	69,708	100,814	115,562	321,550	1,634	106,656	211,301	84,993	404,584
Gain on sales of shares of associates	204,233	33,868	-	2	238,103	-	1,510	294	-	1,804
Foreign exchange gain (loss)	-42,919	125,990	-48,849	19,114	53,336	-1,796	12,738	9,158	-54,618	-34,518
Derivative gain (loss)	21,511	-191,569	74,183	-156,940	-252,815	-257,059	-247,622	19,483	-144,992	-630,190
Gain (loss) from financial instruments at FVTPL	-30,283	-27,857	18,859	-121,138	-160,419	24,613	-14,406	-2,138	-8,137	-68
Changes in third-party interests in SoftBank Vision Fund and Delta Fund	-	-	-	-	-	-43,589	-33,568	-31,006	-52,219	-160,382
Other non-operating income (loss)	-38,776	74,331	-9,750	-71,722	-45,917	-4,638	43,167	3,580	-26,378	15,731
Income (loss) before income tax	356,361	302,683	295,881	-242,399	712,526	77,568	141,453	344,783	-179,174	384,630
Net income from continuing operations	212,292	29,338	97,341	580,660	919,631	30,540	113,202	1,059,003	35,067	1,237,812
<b>Discontinued operations</b>										
Net income (loss) from discontinued operations	60,059	498,526	-5,280	1,494	554,799	-	-	-	-	-
Net income attributable to owners of the parent	254,157	511,359	80,257	580,535	1,426,308	5,521	97,101	912,322	24,033	1,038,977
Net income attributable to owners of the parent ratio	12.0%	23.8%	3.5%	25.0%	16.0%	0.3%	4.4%	38.0%	1.0%	11.3%
Total assets					24,634,212					31,180,466
Equity attributable to owners of the parent					3,586,352					5,184,176
Equity attributable to owners of the parent ratio					14.6%					16.6%
Cash flows from operating activities	252,734	762,867	111,832	373,295	1,500,728	195,954	552,329	135,492	204,848	1,088,623
Cash flows from investing activities	-154,840	-3,008,557	-217,196	-833,004	-4,213,597	-1,068,352	-608,319	-1,051,733	-1,756,418	-4,484,822
Cash flows from financing activities	679,598	1,740,438	-209,706	170,416	2,380,746	-26,022	2,217,802	783,576	1,651,065	4,626,421
Depreciation and amortization	-340,009	-338,215	-371,275	-416,110	-1,465,609	-371,991	-378,516	-401,868	-433,498	-1,585,873
Capital expenditure (acceptance basis)	149,029	162,498	247,168	364,897	923,592	215,694	244,969	302,139	382,326	1,145,128

\*Adjusted EBITDA = operating income (loss) + depreciation and amortization ± unrealized gain and loss on valuation of investments in SoftBank Vision Fund and Delta Fund segment ± other adjustments

\*Adjusted EBITDA margin = adjusted EBITDA / net sales

\*Operating income from SoftBank Vision Fund and Delta Fund = gain and loss on investments at SoftBank Vision Fund and Delta Fund - operating expenses

\*Changes in third-party interests in SoftBank Vision Fund and Delta Fund = of the third-party interests in SoftBank Vision Fund and Delta Fund, the fluctuations arising from SoftBank Vision Fund and Delta Fund's business activities

\*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)

FY2017Q4 (3 months)									
(Millions of yen)	Domestic Telecommunications	Sprint	Yahoo Japan	Distribution	Arm	SoftBank Vision Fund and Delta Fund	Other	Reconciliations	Consolidated
Net sales	822,975	879,808	232,858	394,508	49,922	-	57,972	-90,552	2,347,491
Segment income (loss) (operating income (loss))	70,298	-12,558	36,634	9,655	-9,515	66,554	-1,827	-4,269	154,972
Segment margin (operating margin)	8.5%	-	15.7%	2.4%	-	-	-	-	6.6%
Depreciation and amortization	147,866	245,513	13,234	1,520	16,166	1	8,892	306	433,498
Gain from remeasurement relating to business combination	-	-	-372	-	-	-	-	-	-372
Unrealized gain and loss on valuation of investments in SoftBank Vision Fund and Delta Fund segment	-	-	-	-	-	-94,867	-	-	-94,867
Other adjustments	-4,044	55,561	-1,796	-	-	20,502	-14,784	150	55,589
Adjusted EBITDA	214,120	288,516	47,700	11,175	6,651	-7,810	-7,719	-3,813	548,820
Adjusted EBITDA margin	26.0%	32.8%	20.5%	2.8%	13.3%	-	-	-	23.4%
Capital expenditure (acceptance basis)	153,388	188,791	24,315	2,544	5,007	-	8,281	-	382,326

FY2017 (full year)									
(Millions of yen)	Domestic Telecommunications	Sprint	Yahoo Japan	Distribution	Arm	SoftBank Vision Fund and Delta Fund	Other	Reconciliations	Consolidated
Net sales	3,229,845	3,601,961	884,402	1,419,319	202,344	-	162,375	-341,481	9,158,765
Segment income (loss) (operating income (loss))	682,996	279,283	179,290	-31,018	-31,380	302,981	-36,874	-41,477	1,303,801
Segment margin (operating margin)	21.1%	7.8%	20.3%	-	-	-	-	-	14.2%
Depreciation and amortization	499,188	953,820	45,193	6,695	62,324	1	17,144	1,508	1,585,873
Gain from remeasurement relating to business combination	-	-	-372	-	-	-	-	-	-372
Unrealized gain and loss on valuation of investments in SoftBank Vision Fund and Delta Fund segment	-	-	-	-	-	-345,975	-	-	-345,975
Other adjustments	-4,044	-5,762	-9,692	50,497	-	20,502	8,712	1,577	61,790
Adjusted EBITDA	1,178,140	1,227,341	214,419	26,174	30,944	-22,491	-11,018	-38,392	2,605,117
Adjusted EBITDA margin	36.5%	34.1%	24.2%	1.8%	15.3%	-	-	-	28.4%
Capital expenditure (acceptance basis)	370,387	642,473	89,460	8,188	16,750	17	17,853	-	1,145,128

\*The Company established the SoftBank Vision Fund and Delta Fund segment as a new reportable segment in FY2017/Q1 following the completion of SoftBank Vision Fund's first major closing on May 20, 2017.

\*\*"Other" in the segment information is a category for information of the businesses that are not included in the six reportable segments. The main business of this category is alternative investment management business operated by Fortress and Fukuoka SoftBank HAWKS and its related businesses.

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

\*Segments excluding the SoftBank Vision Fund and Delta Fund segment:

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

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

\*SoftBank Vision Fund and Delta Fund segment:

Segment income = gain and loss on investments at SoftBank Vision Fund and Delta Fund - operating expenses

Adjusted EBITDA = segment income (loss) + depreciation and amortization ± unrealized gain and loss on valuation of investments ± other adjustments

\*Adjusted EBITDA margin = adjusted EBITDA / net sales

## Domestic Telecommunications Segment - 1 (Results)

(Unaudited)

(Millions of yen)	FY2016					FY2017				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
Net sales	761,763	792,803	846,104	793,121	3,193,791	755,656	773,304	877,910	822,975	3,229,845
Segment income	239,013	226,920	185,551	68,088	719,572	218,467	215,501	178,730	70,298	682,996
Segment margin	31.4%	28.6%	21.9%	8.6%	22.5%	28.9%	27.9%	20.4%	8.5%	21.1%
Depreciation and amortization	112,266	113,139	117,800	146,253	489,458	111,006	114,687	125,629	147,866	499,188
Other adjustments	-	-	-	-	-	-	-	-	-4,044	-4,044
Adjusted EBITDA	351,279	340,059	303,351	214,341	1,209,030	329,473	330,188	304,359	214,120	1,178,140
Adjusted EBITDA margin	46.1%	42.9%	35.9%	27.0%	37.9%	43.6%	42.7%	34.7%	26.0%	36.5%
Capital expenditure	50,752	55,438	76,366	138,023	320,579	53,102	73,278	90,619	153,388	370,387

\*Segment income = net sales - operating expenses (cost of sales + selling, general and administrative expenses) ± other operating income and loss

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

\*Adjusted EBITDA margin = adjusted EBITDA / net sales

## Domestic Telecommunications Segment - 2 (KPIs)

(Unaudited)

Mobile Communications Service		FY2016					FY2017				
		Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
Main subscribers											
Cumulative subscribers*	(Thousands)	32,149	32,301	32,230		32,400	32,448	32,784	32,996		33,175
	(incl.) <i>Wireless Home Phone</i>							105	182		265
Net additions*	(Thousands)	112	151	-70	169	362	48	336	212	180	775
Total ARPU	(JPY)	4,610	4,570	4,530	4,310	4,500	4,380	4,340	4,380	4,310	4,350
Telecom ARPU		4,050	4,020	3,980	3,760	3,950	3,830	3,790	3,820	3,740	3,800
Service ARPU		560	560	560	550	550	550	550	560	570	560
Discount on ARPU	(JPY)	-1,090	-1,130	-1,150	-1,180	-1,130	-1,210	-1,240	-1,210	-1,170	-1,210
Churn rate		1.13%	1.06%	1.25%	1.53%	1.24%	1.13%	1.01%	1.10%	1.64%	1.22%
Phone churn rate		0.85%	0.78%	0.89%	1.04%	0.89%	0.79%	0.74%	0.83%	1.09%	0.86%
Units sold	(Thousands)	2,353	2,551	2,939	3,236	11,079	2,397	2,445	2,940	3,274	11,056
New subscriptions		1,154	1,123	1,072	1,579	4,928	1,121	1,143	1,155	1,631	5,050
Device upgrades		1,199	1,428	1,867	1,657	6,151	1,277	1,302	1,785	1,643	6,006
Cumulative applications for the Home Bundle Discount Hikari Set (Thousands)											
Mobile communications service		3,702	4,419	5,149		6,030	6,641	7,135	7,617		8,148
Broadband service		1,790	2,158	2,527		2,904	3,182	3,434	3,671		3,887
Overall mobile communications (Thousands)											
Cumulative subscribers		43,207	43,056	42,826		42,666	42,045	42,184	42,477		42,650
Main subscribers*		32,149	32,301	32,230		32,400	32,448	32,784	32,996		33,175
Communication modules		7,215	7,045	7,037		6,910	6,442	6,424	6,692		6,877
PHS		3,842	3,710	3,559		3,356	3,156	2,977	2,789		2,598

Broadband Service		FY2016					FY2017				
		Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
Subscribers (Thousands)											
Cumulative subscribers		5,345	5,600	5,860		6,145	6,403	6,636	6,832		7,039
<i>SoftBank Hikari</i>		2,243	2,699	3,141		3,592	4,012	4,362	4,666		4,974
<i>Yahoo! BB hikari with FLET'S</i>		1,797	1,641	1,505		1,385	1,267	1,191	1,121		1,061
<i>Yahoo! BB ADSL</i>		1,305	1,261	1,213		1,168	1,124	1,084	1,045		1,005
ARPU (JPY)											
<i>SoftBank Hikari</i>		4,960	4,960	4,910	4,810	4,900	4,640	4,570	4,490	4,410	4,520
<i>Yahoo! BB hikari with FLET'S</i>		1,810	1,810	1,810	1,800	1,810	1,790	1,790	1,770	1,760	1,780
<i>Yahoo! BB ADSL</i>		2,560	2,530	2,490	2,450	2,510	2,420	2,410	2,380	2,330	2,390

\*Cumulative subscribers included subscribers to *Wireless Home Phone*, which was launched in July 2017.

# Domestic Telecommunications Segment - 3 (Definitions and Calculation Methods of KPIs)

## i . Mobile Communications Service

Each category serves as cover-all terms for the service contracts described.

**Main subscribers:** smartphones, feature phones, tablets, mobile data communications devices, *Wireless Home Phone* and others

\*Smartphones to which the *Smartphone Family Discount* are applied and mobile data communications 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.

PHS: PHS

## Principal Operational Data for Main Subscribers

**ARPU:** Average Revenue Per User per month

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)

**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)

**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 Corp. service area

**Discount on ARPU** = monthly discount + broadband service bundle discount (including *Home Bundle Discount Hikari Set*, *Fiber-optic Discount*)

**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 Mobile Number Portability (MNP).

\*Phone churn rate: churn rate for smartphones and feature phones within main subscribers, including voice SIM subscriptions

**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.

\*ARPU, churn rate and number of units sold are calculated and presented excluding revenues or subscribers to the *Wireless Home Phone*.

**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

\*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").

## ii . Broadband Service

**SoftBank Hikari:** an integrated service of fiber-optic service using the wholesale fiber-optic connection of NTT East and NTT West with ISP (Internet Service Providers) service

**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 ADSL:** a service combining an ADSL connection service and an ISP service

### Subscribers:

*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* 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* 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 from and subscribers to *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 Segment - 1 (Results)

(Unaudited)

(Millions of yen)	FY2016					FY2017				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
Net sales	873,923	848,614	929,472	971,366	3,623,375	910,423	882,904	928,826	879,808	3,601,961
Segment income	45,368	59,197	40,621	41,237	186,423	131,987	70,189	89,665	-12,558	279,283
Segment margin	5.2%	7.0%	4.4%	4.2%	5.1%	14.5%	7.9%	9.7%	-	7.8%
Depreciation and amortization	214,049	206,002	225,435	240,359	885,845	230,832	233,159	244,316	245,513	953,820
Other adjustments	12,277	-19,969	4,743	10,320	7,371	-40,966	3,830	-24,187	55,561	-5,762
Adjusted EBITDA	271,694	245,230	270,799	291,916	1,079,639	321,853	307,178	309,794	288,516	1,227,341
Adjusted EBITDA margin	31.1%	28.9%	29.1%	30.1%	29.8%	35.4%	34.8%	33.4%	32.8%	34.1%
Capital expenditure (acceptance basis)	79,200	78,715	145,185	174,594	477,694	131,812	139,397	182,473	188,791	642,473

\*Other adjustments mainly include gain/loss from non-recurring factors, such as gain from spectrum license exchanges and income and loss on contract termination among items included in other operating income and loss, and negative impacts from hurricanes included in net sales and cost of sales and selling, general and administrative expenses.

\*Segment income = net sales - operating expenses (cost of sales + selling, general and administrative expenses) ± other operating income and loss

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

\*Adjusted EBITDA margin = adjusted EBITDA / net sales



## Sprint Segment - 2 (KPIs)

(Unaudited)

Operation data		FY2016					FY2017				
		Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
Cumulative subscribers (Thousands)											
Total		53,363	53,962	53,271		53,639	53,698	54,027	54,581		54,625
Postpaid		30,945	31,289	31,694		31,576	31,518	31,686	31,942		32,119
Phone		25,322	25,669	26,037		26,079	26,153	26,432	26,616		26,813
Prepaid		10,636	10,187	8,493		8,688	8,719	8,765	8,997		8,989
Wholesale and affiliate		11,782	12,486	13,084		13,375	13,461	13,576	13,642		13,517
Net additions (loss) (Thousands)											
Total		602	599	564	368	2,133	61	378	385	44	868
Postpaid		180	344	405	-118	811	-39	168	256	39	424
Phone		173	347	368	42	930	88	279	184	55	606
Prepaid		-306	-449	-460	195	-1,020	35	95	63	170	363
Wholesale and affiliate		728	704	619	291	2,342	65	115	66	-165	81
Postpaid phone ABPU (USD)											
Postpaid phone ABPU		72.17	71.69	71.77	68.66		69.51	68.95	68.54	68.51	
ARPU (USD)											
Postpaid		51.54	50.54	49.70	47.34		47.30	46.00	45.13	44.40	
Prepaid		33.00	33.15	33.97	38.48		38.24	37.83	37.46	37.15	
Churn rate											
Postpaid		1.56%	1.52%	1.67%	1.75%		1.65%	1.72%	1.80%	1.78%	
Phone		1.39%	1.37%	1.57%	1.58%		1.50%	1.59%	1.71%	1.68%	
Prepaid		5.39%	5.59%	5.74%	4.69%		4.57%	4.83%	4.63%	4.30%	

\*Sprint is no longer reporting *Lifeline* program subscribers due to recent regulatory changes resulting in tighter program restrictions. Sprint has excluded them from the number of prepaid and wholesale and affiliate subscribers from FY2017/Q1.

Subscriber numbers before FY2017/Q1 have been adjusted retroactively.

The Lifeline program is a program whereby carriers in the U.S. receive a subsidy from a government fund to provide discounted services to low-income subscribers.

\*Cumulative subscribers include the impact of the following special factors; however, these are not included in net additions (losses).

In May 2016, Sprint's affiliate company acquired another operator. An affiliate company refers to a local wireless operator that sells and provides Sprint-branded services and products with its own self-operated telecom network while paying Sprint for brand and spectrum usage. This resulted in adjustments to cumulative subscriber numbers since FY2016/Q1.

During FY2017/Q1, 2,000 Wi-Fi connections were excluded from the postpaid subscriber base.

During FY2017/Q2, one of the prepaid data plans was discontinued. Accordingly, 49,000 prepaid subscribers to the plan were excluded from the prepaid subscriber base.

During FY2017/Q3, Sprint established a joint venture with PRWireless HoldCo LLC. As a result, 169,000 prepaid subscribers were added.

\*During FY2017, Sprint introduced a non-Sprint branded postpaid plan offering allowing prepaid customers to purchase a device under its installment billing program. As a result of this extension of credit, approximately 167,000 prepaid subscribers were migrated from the prepaid subscriber base into the postpaid subscriber base during FY2017/Q4. Furthermore, net additions of postpaid subscribers and postpaid phone subscribers for FY2017/Q4 included 44,000 such net migrations each. The historical numbers were not restated.

\*In FY2017/Q1, Sprint changed the definition of certain gross additions and deactivation for the postpaid subscribers. A newly acquired customer who leaves shortly after activation was previously counted as a deactivation but is now counted as a deduction to gross additions.

More information on Sprint: [investors.sprint.com/](http://investors.sprint.com/)

## Sprint Segment - 3 (Definitions and Calculation Methods of KPIs)

**Phone:** smartphones and feature phones

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

### Principal Operational Data for Main Subscribers

**ABPU:** Average Billings Per User per month

$ABPU = (\text{telecom revenue} + \text{equipment billings}) / \text{number of active subscribers (rounded to the nearest USD .01)}$

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

$ARPU = \text{telecom revenue} / \text{number of active subscribers (rounded to the nearest USD .01)}$

\*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

$\text{Churn rate} = \text{number of deactivations} / \text{number of active subscribers (rounded to the nearest 0.01\%)}$

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. It also excludes newly acquired customers who leaves shortly after activation. (FY17Q1 and onwards)

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

## Yahoo Japan Segment and Distribution Segment

(Unaudited)

Yahoo Japan (Millions of yen)	FY2016					FY2017				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
Net sales	204,233	205,264	221,303	222,658	853,458	211,459	213,980	226,105	232,858	884,402
Segment income	50,308	49,063	51,173	39,275	189,819	51,584	41,106	49,966	36,634	179,290
Segment margin	24.6%	23.9%	23.1%	17.6%	22.2%	24.4%	19.2%	22.1%	15.7%	20.3%
Depreciation and amortization	9,167	9,987	9,477	10,342	38,973	9,986	10,827	11,146	13,234	45,193
Gain from remeasurement relating to business combination	-	-19	-	-	-19	-	-	-	-372	-372
Other adjustments	-	-	-	10,736	10,736	-4,929	-	-2,967	-1,796	-9,692
Adjusted EBITDA	59,475	59,031	60,650	60,353	239,509	56,641	51,933	58,145	47,700	214,419
Adjusted EBITDA margin	29.1%	28.8%	27.4%	27.1%	28.1%	26.8%	24.3%	25.7%	20.5%	24.2%
Capital expenditure	12,078	18,421	18,595	15,633	64,727	20,010	24,912	20,223	24,315	89,460

More information on Yahoo: [about.yahoo.co.jp/ir/en/](http://about.yahoo.co.jp/ir/en/)

Distribution (Millions of yen)	FY2016					FY2017				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
Net sales	315,499	310,857	313,230	355,788	1,295,374	297,755	347,097	379,959	394,508	1,419,319
Segment income	6,680	7,625	4,803	-29,155	-10,047	2,365	4,998	-48,036	9,655	-31,018
Segment margin	2.1%	2.5%	1.5%	-	-	0.8%	1.4%	-	2.4%	-
Depreciation and amortization	1,789	1,768	1,780	1,900	7,237	1,724	1,767	1,684	1,520	6,695
Other adjustments	-	-	-	30,260	30,260	-	-	50,497	-	50,497
Adjusted EBITDA	8,469	9,393	6,583	3,005	27,450	4,089	6,765	4,145	11,175	26,174
Adjusted EBITDA margin	2.7%	3.0%	2.1%	0.8%	2.1%	1.4%	1.9%	1.1%	2.8%	1.8%
Capital expenditure	1,148	1,474	1,877	2,023	6,522	1,563	1,983	2,098	2,544	8,188

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

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

\*Adjusted EBITDA margin = adjusted EBITDA / net sales

## Arm Segment - 1 (Results)

(Unaudited)

(Millions of yen)	FY2016					FY2017				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
Net sales		14,356	54,499	44,047	112,902	47,037	46,639	58,746	49,922	202,344
Segment income (loss)		-5,123	15,045	2,997	12,919	-6,935	-7,859	-7,071	-9,515	-31,380
Segment margin		-	27.6%	6.8%	11.4%	-	-	-	-	-
Depreciation and amortization		4,476	13,723	14,324	32,523	14,883	15,402	15,873	16,166	62,324
Gain from remeasurement relating to business combination		-18,168	-	-	-18,168	-	-	-	-	-
Other adjustments		25,466	314	-	25,780	-	-	-	-	-
Adjusted EBITDA		6,651	29,082	17,321	53,054	7,948	7,543	8,802	6,651	30,944
Adjusted EBITDA margin		46.3%	53.4%	39.3%	47.0%	16.9%	16.2%	15.0%	13.3%	15.3%
Capital expenditure (acceptance basis)		760	1,828	2,454	5,042	3,525	3,709	4,509	5,007	16,750

\*In conjunction with the consolidation of Arm, the Company established a new reportable segment "Arm" in FY16Q2. In the Arm segment, the earnings reflect the results of Arm's operations since September 6, 2016.

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

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

\*Adjusted EBITDA margin = adjusted EBITDA / net sales

(Reference) Revenue (Millions of USD)	FY2016					FY2017				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
Technology Licensing		38	229	122	389	149	123	190	156	618
Technology Royalty		82	248	258	588	250	271	297	269	1,087
Software and Services		20	31	29	80	29	28	33	36	126
Total		140	508	409	1,057	428	422	520	461	1,831

\*In the Arm segment, the earnings reflect the results of Arm's operations since September 6, 2016.

## Arm Segment - 2 (KPIs)

(Unaudited)

Licensing	FY2016					FY2017				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
Processor licenses signed	25	20	43	25	113	41	26	48	26	141
<b>Breakdown by processor family</b>										
Classic ( <i>Arm7, Arm9, Arm11</i> )	2	1	3	2	8	0	0	0	0	0
Cortex-A	6	2	7	6	21	7	7	19	12	45
Cortex-R	2	4	3	0	9	5	4	5	2	16
Cortex-M	13	10	22	15	60	20	11	17	10	58
Mali	2	3	8	2	15	9	4	7	2	22
<b>Cumulative breakdown by processor family (extant licenses still expected to generate a royalty)</b>	1,379	1,396	1,428	1,442		1,482	1,508	1,552	1,577	
<b>Breakdown by processor family</b>										
Classic ( <i>Arm7, Arm9, Arm11</i> )	502	503	498	500		500	500	500	499	
Cortex-A	274	275	282	290		297	304	322	334	
Cortex-R	71	75	78	78		83	87	92	94	
Cortex-M	391	400	419	425		445	456	472	482	
Mali	141	143	151	149		157	161	166	168	
Companies signing licenses	23	18	34	25	94	30	15	33	18	89
Existing	14	12	16	13	49	17	10	23	9	52
New	9	6	18	12	45	13	5	10	9	37

Royalty units	CY2016					CY2017				
	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Full year	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Full year
Royalty units as reported by licensee (bn)	3.6	4.0	4.9	5.1	17.7	4.7	5.1	5.7	5.8	21.3
<b>Breakdown by processor family</b>										
Classic ( <i>Arm7, Arm9, Arm11</i> )	26%	24%	23%	19%	23%	17%	18%	17%	16%	17%
Cortex-A	19%	19%	16%	22%	19%	22%	20%	17%	19%	18%
Cortex-R	7%	7%	9%	7%	7%	8%	9%	7%	7%	8%
Cortex-M	48%	50%	52%	52%	51%	53%	53%	59%	58%	57%

Employees	FY2016					FY2017				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
Total number of employees	4,227	4,438	4,584	4,852		5,182	5,538	5,708	5,886	
(incl.) Technical employees	3,409	3,602	3,736	3,960		4,269	4,555	4,677	4,812	
<b>Geographical breakdown</b>										
UK	1,695	1,770	1,853	1,937		2,037	2,198	2,262	2,340	
Rest of Europe	684	723	742	829		929	1,020	1,060	1,093	
U.S.	957	991	1,020	1,080		1,151	1,184	1,241	1,280	
Asia	354	388	397	422		454	482	481	486	
India	537	566	572	584		611	654	664	687	

\*Data includes the periods before the acquisition of control by the Company on September 5, 2016 and is provided for reference purpose only.

More information on Arm: [www.arm.com/company/investors](http://www.arm.com/company/investors)

## Arm Segment - 3 (Definitions of KPIs)

**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.

**Royalty units:** Arm 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](http://www.arm.com).

## SoftBank Vision Fund and Delta Fund Segment

(Unaudited)

(Millions of yen)	FY2016					FY2017				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
Gain and loss on investments at SoftBank Vision Fund and Delta Fund						106,871	87,465	60,516	97,243	352,095
Unrealized gain and loss on valuation of investments						106,871	87,465	56,772	94,867	345,975
Interest and dividend income from investments						-	-	3,744	2,376	6,120
Operating expenses						-1,642	-6,456	-10,327	-30,689	-49,114
Segment income						105,229	81,009	50,189	66,554	302,981
Depreciation and amortization						-	-	-	1	1
Unrealized loss (gain) on valuation of investments						-106,871	-87,465	-56,772	-94,867	-345,975
Other adjustments						-	-	-	20,502	20,502
Adjusted EBITDA						-1,642	-6,456	-6,583	-7,810	-22,491

\*Segment income = gain and loss on investments at SoftBank Vision Fund and Delta Fund - operating expenses

\*Adjusted EBITDA = segment income (loss) + depreciation and amortization ± unrealized gain and loss on valuation of investments ± other adjustments

\*Operating expenses include incorporation expenses of entities that comprise SoftBank Vision Fund and Delta Fund, investment research expenses arising from SBIA and other Japan and U.S. advisory companies which support SBIA, and administrative expenses arising from each entity.

## Finance Cost and Other Non-operating Income (Loss)

(Unaudited)

Finance cost (Millions of yen)	FY2016					FY2017				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
Finance cost	-112,107	-109,915	-121,341	-123,948	-467,311	-120,870	-122,588	-139,879	-132,795	-516,132
Interest expense	-112,107	-109,915	-121,341	-123,948	-467,311	-120,870	-122,588	-139,879	-132,795	-516,132

Other non-operating income (loss) (Millions of yen)	FY2016					FY2017				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
Other non-operating income (loss)	-38,776	74,331	-9,750	-71,722	-45,917	-4,638	43,167	3,580	-26,378	15,731
Dilution gain from changes in equity interest	2,175	72,566	319	2,480	77,540	213	37,275	1,434	6,264	45,186
Loss on exchange of corporate bonds	-	-	-	-	-	-	-	-	-19,809	-19,809
Loss on sales of cryptocurrency	-	-	-	-	-	-	-	-	-18,890	-18,890
Loss relating to loss of control	-	-	-	-79,278	-79,278	-	-	-	-	-
Impairment loss on assets classified as held for sale	-42,540	-	-	-	-42,540	-	-	-	-	-
Other	1,589	1,765	-10,069	5,076	-1,639	-4,851	5,892	2,146	6,057	9,244



## Consolidated B/S Assets

(Millions of yen)	Mar. 31, 2017	Mar. 31, 2018	Change	Outline
<b>Current assets</b>	<b>5,723,975</b>	<b>6,874,862</b>	<b>1,150,887</b>	
Cash and cash equivalents	2,183,102	3,334,650	1,151,548	SBG: Mar. 2017 (1,121,740) → Mar. 2018 (1,186,392) SB: Mar. 2017 (23,283) → Mar. 2018 (43,144) Sprint: Mar. 2017 (321,991) → Mar. 2018 (702,249) Yahoo Japan: Mar. 2017 (393,299) → Mar. 2018 (409,021) Arm: Mar. 2017 (20,876) → Mar. 2018 (37,353) SoftBank Vision Fund and Delta Fund: Mar. 2017(-) → Mar. 2018 (219,029)
Trade and other receivables	2,121,619	2,314,353	192,734	
Other financial assets	794,689	519,444	-275,245	
Inventories	341,344	362,041	20,697	
Other current assets	283,221	344,374	61,153	
<b>Non-current assets</b>	<b>18,910,237</b>	<b>24,305,604</b>	<b>5,395,367</b>	
Property, plant and equipment	3,977,254	3,856,847	-120,407	
Sprint	1,926,072	1,899,711	-26,361	
Buildings and structures	263,061	231,895	-31,166	
Telecommunications equipment	2,654,096	2,345,098	-308,998	
Equipment and fixtures	627,730	820,391	192,661	
Land	99,905	88,300	-11,605	
Construction in progress	302,177	293,761	-8,416	
Other	30,285	77,402	47,117	
Goodwill	4,175,464	4,302,553	127,089	Arm: Mar. 2017 (2,687,945) → Mar. 2017(2,851,414)
Intangible assets	6,946,639	6,784,550	-162,089	
Sprint	5,386,224	5,081,804	-304,420	
FCC licenses	4,100,651	3,960,597	-140,054	
Technology	522,894	521,603	-1,291	
Customer relationships	448,806	332,444	-116,362	Sprint: Mar. 2017 (209,838) → Mar. 2018 (116,841) Arm: Mar. 2017 (143,963) → Mar. 2018 (140,646)
Management contracts	-	115,333	115,333	
Trademarks	760,563	722,235	-38,328	
Software	722,934	739,901	16,967	
Favorable lease contracts	104,754	89,278	-15,476	
Spectrum migration costs	103,814	125,866	22,052	
Other	182,223	177,293	-4,930	
Investments accounted for using the equity method	1,670,799	2,328,617	657,818	
Investments from SoftBank Vision Fund and Delta Fund accounted for using FVTPL	-	2,827,784	2,827,784	
Investment securities	1,106,409	2,660,115	1,553,706	
Other financial assets	445,858	676,392	230,534	
Deferred tax assets	404,994	647,514	242,520	
Other non-current assets	182,820	221,232	38,412	
<b>Total assets</b>	<b>24,634,212</b>	<b>31,180,466</b>	<b>6,546,254</b>	

SB: SoftBank

## Consolidated B/S Liabilities and Equity

(Millions of yen)	Mar. 31, 2017	Mar. 31, 2018	Change	Outline
<b>Current liabilities</b>	5,226,923	6,728,755	1,501,832	
Interest-bearing debt	2,694,093	3,217,405	523,312	
SoftBank Group	1,139,734	1,485,852	346,118	
Sprint	536,897	364,245	-172,652	
SoftBank Vision Fund and Delta Fund	-	397,095	397,095	
Others	1,017,462	970,213	-47,249	
Deposits for banking business	-	684,091	684,091	
Third-party interests in SoftBank Vision Fund and Delta Fund	-	40,713	40,713	
Trade and other payables	1,607,453	1,816,010	208,557	
Other financial liabilities	13,701	97,887	84,186	
Income taxes payables	256,218	147,979	-108,239	
Provisions	56,362	65,709	9,347	
Other current liabilities	599,096	658,961	59,865	
<b>Non-current liabilities</b>	14,937,559	18,178,689	3,241,130	
Interest-bearing debt	12,164,277	13,824,783	1,660,506	
SoftBank Group	6,378,194	7,732,330	1,354,136	Mar. 2018: includes borrowing of JPY 842.3 bn (USD 8 bn, non-recourse to SBG) using Alibaba shares made by wholly owned subsidiary
Sprint	4,024,390	3,979,705	-44,685	
SoftBank Vision Fund and Delta Fund	-	101,312	101,312	
Others	1,761,693	2,011,436	249,743	
Third-party interests in SoftBank Vision Fund and Delta Fund	-	1,803,966	1,803,966	
Derivative financial liabilities	254,146	865,402	611,256	
Other financial liabilities	33,083	62,372	29,289	
Defined benefit liabilities	108,172	100,486	-7,686	
Provisions	138,730	132,139	-6,591	
Deferred tax liabilities	1,941,380	1,085,626	-855,754	
Other non-current liabilities	297,771	303,915	6,144	
<b>Total liabilities</b>	20,164,482	24,907,444	4,742,962	
<b>Equity</b>	4,469,730	6,273,022	1,803,292	
Equity attributable to owners of the parent	3,586,352	5,184,176	1,597,824	
Common stock	238,772	238,772	0	
Capital surplus	245,706	256,768	11,062	
Other equity instruments	-	496,876	496,876	
Retained earnings	2,958,355	3,940,259	981,904	
Treasury stock	-67,727	-66,458	1,269	
Accumulated other comprehensive income	211,246	317,959	106,713	
Available-for-sale financial assets	11,983	63,700	51,717	
Cash flow hedges	-44,877	-55,286	-10,409	
Exchange differences on translating foreign operations	244,140	309,545	65,405	
Non-controlling interests	883,378	1,088,846	205,468	
<b>Total liabilities and equity</b>	24,634,212	31,180,466	6,546,254	

# Sprint U.S. GAAP Bridge to SoftBank Group IFRSs - 1

Income Statement (Apr. 1, 2017 - Mar. 31, 2018)

(Millions of USD)

Sprint	U.S. 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	Liability to pay levies	Depreciation on impaired assets	Tax effect on adjustments	Other			
<b>Net operating revenues</b>	32,406								32,406	3,601,961	<b>Net sales</b>
<b>Net operating expenses</b>											
Cost of services and products	-13,403	-7,542	3		6	-31		1	-20,966	-2,330,140	Cost of sales
Selling, general and administrative	-8,087	-516						-43	-8,651	-961,514	Selling, general, and administrative expenses
Depreciation and amortization	-8,580	8,580									Other operating income
Other, net	391	-487	-202					2	-296	-31,024	
<b>Operating income</b>	2,727	35	-199		1	-31		-40	2,493	279,283	<b>Operating income</b>
Interest expense	-2,365	-36	-2	-9				-6	-2,418	-268,760	Finance cost
Other expense, net	-59	1						2	-56	-6,286	Other non-operating loss
<b>Income before income taxes</b>	303		-201	-9	1	-31		-44	19	4,237	<b>Income before income taxes</b>
<b>Income tax expense</b>	7,074						246		7,320	825,101	Income taxes
<b>Net income</b>	7,377		-201	-9	1	-31	246	-44	7,339	829,338	<b>Net income</b>
<b>Net income attributable to</b>											<b>Net income attributable to</b>
Owners of the parent	7,389		-201	-9	1	-31	246	-44	7,351	830,683	Interest expense
Non-controlling interests	-12								-12	-1,345	Other expense, net

<b>Operating income</b>	2,727	35	-199		1	-31		-40	2,493	279,283	<b>Operating income</b>
Depreciation and amortization	8,580	-27				31			8,584	953,820	Depreciation and amortization
<b>EBITDA</b>	11,307	8	-199		1			-40	11,077	1,233,103	<b>EBITDA</b>
Other adjustments	-238		202					-1	-37	-5,762	Other adjustments
<b>Adjusted EBITDA</b>	11,069	8	3		1			-41	11,040	1,227,341	<b>Adjusted EBITDA</b>

\*Average rate for the quarter is used for conversion of the U.S. dollars into yen (Apr. to June 2017, USD 1 = JPY 111.61, July to Sept., USD 1 = JPY 111.38, Oct. to Dec., USD 1 = JPY 112.74, Jan. to Mar. 2018, USD 1 = JPY 108.85).

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

Interest from asset retirement obligations (USD 31 million) is recorded as operating cost under U.S. GAAP and finance cost under IFRSs.

(2) Under U.S. GAAP, provision for network infrastructure restructuring is recognized when the payment obligation is probable.

Under IFRSs, the provision is recorded when detailed formal plan is publicly announced.

(3) Under U.S. 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) Difference in recognition timing of liabilities / expenses related to levies (mainly property tax). Under IFRSs, liabilities / expenses are recognized when the payment obligation to the government occurs.

(5) Sprint (U.S. GAAP) does not recognize depreciation on wireline property, plant, and equipment which impairment loss was recognized during the fiscal year ended March 2015. Under U.S. 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 U.S. GAAP Bridge to SoftBank Group IFRSs - 2

Balance Sheets (As of Mar. 31, 2018)

(Millions of USD)

Sprint	U.S. 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	Network restructuring cost	ARO discount rate	Liability to pay levies	Tax effect on adjustments	Other				
<b>Assets</b>												<b>Assets</b>
Current assets	14,253									14,253	1,514,184	Current assets
Goodwill	6,586			340		77			-4,048	2,955	313,942	Goodwill
Other non-current assets	64,620		2,031		-22					66,629	7,078,725	Other non-current assets
<b>Total assets</b>	<b>85,459</b>		<b>2,031</b>	<b>340</b>	<b>-22</b>	<b>77</b>			<b>-4,048</b>	<b>83,837</b>	<b>8,906,851</b>	<b>Total assets</b>
<b>Liabilities and equity</b>												<b>Liabilities and equity</b>
Current liabilities	10,800	124		152		107		-3		11,180	1,187,790	Current liabilities
Non-current liabilities	48,240	-124		106	-37		374	-4		48,555	5,158,417	Non-current liabilities
<b>Total liabilities</b>	<b>59,040</b>			<b>258</b>	<b>-37</b>	<b>107</b>	<b>374</b>	<b>-7</b>		<b>59,735</b>	<b>6,346,207</b>	<b>Total liabilities</b>
Stockholders' equity	26,356		2,031	82	15	-30	-374	7	-4,048	24,039	2,553,919	Stockholders' equity
Non-controlling interests	63									63	6,725	Non-controlling interests
<b>Total equity</b>	<b>26,419</b>		<b>2,031</b>	<b>82</b>	<b>15</b>	<b>-30</b>	<b>-374</b>	<b>7</b>	<b>-4,048</b>	<b>24,102</b>	<b>2,560,644</b>	<b>Total equity</b>
<b>Total liabilities and equity</b>	<b>85,459</b>		<b>2,031</b>	<b>340</b>	<b>-22</b>	<b>77</b>			<b>-4,048</b>	<b>83,837</b>	<b>8,906,851</b>	<b>Total liabilities and equity</b>

\*March month-end rate is used for conversion of the U.S. dollars into yen (USD 1 = JPY 106.24).

- (1) Uncertain tax position presented as non-current liabilities under U.S. GAAP is presented as current liabilities under IFRSs.
- (2) Sprint (U.S. 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 U.S. 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) Under U.S. GAAP, provision for network infrastructure restructuring is recognized when the payment obligation is probable. Under IFRSs, the provision is recorded when detailed formal plan is publicly announced.
- (4) Under U.S. 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.
- (5) Difference in recognition timing of liabilities / expenses related to levies (mainly property tax). Under IFRSs, liabilities / expenses are recognized when the payment obligation to the government occurs.
- (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)	FY2016					FY2017				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
<b>Interest-bearing debt</b>										
Interest-bearing debt	11,723,504	13,660,106	14,175,834		14,142,922	14,183,326	14,653,682	14,703,035		15,855,449
Corporate bonds and commercial papers	7,090,963	7,534,747	7,859,651		7,653,300	7,495,201	7,992,371	8,009,328		7,924,326
Long-term borrowings	1,984,239	2,729,964	2,986,659		3,377,625	3,365,048	2,307,348	3,929,134		5,020,279
Short-term borrowings and current portion of long-term borrowings	1,319,197	2,025,104	2,010,993		1,796,173	2,025,801	3,047,091	1,484,105		1,654,183
Lease obligations	1,238,942	1,284,946	1,250,180		1,245,890	1,244,569	1,256,723	1,241,785		1,221,873
Installment payables	90,163	85,345	68,351		69,933	52,707	50,149	38,682		34,788
<b>Cash position</b>										
Cash position	3,407,866	2,957,943	2,906,486		2,935,305	1,903,151	3,414,299	3,177,885		3,205,049
Unused portion of credit line facility	174,200	178,500	178,500		178,500	-	-	178,500		-
Cash position + unused portion of credit line facility	3,582,066	3,136,443	3,084,986		3,113,805	1,903,151	3,414,299	3,356,385		3,205,049
<b>Net interest-bearing debt</b>										
Interest-bearing debt	11,723,504	13,660,106	14,175,834		14,142,922	14,183,326	14,653,682	14,703,035		15,855,449
Cash position	3,407,866	2,957,943	2,906,486		2,935,305	1,903,151	3,414,299	3,177,885		3,205,049
Net interest-bearing debt	8,315,638	10,702,163	11,269,348		11,207,617	12,280,176	11,239,383	11,525,150		12,650,401
<b>Financial indicators (Times)</b>										
Interest coverage ratio	6.1	6.0	5.8	4.6	5.5	5.8	5.7	4.8	4.1	5.1
Debt / equity ratio	4.9	5.3	4.2		3.6	3.5	3.2	2.6		3.0
Net debt / equity ratio	3.4	4.0	3.3		2.9	2.9	2.4	2.0		2.4
Interest-bearing debt / EBITDA ratio	4.9	5.4	5.4		5.3	5.4	5.6	5.6		6.0
Net interest-bearing debt / EBITDA ratio	3.5	4.0	4.3		4.2	4.5	4.2	4.3		4.8
Adjusted EBITDA (cumulative amount of LTM) (Millions of yen)	2,375,247	2,494,670	2,569,292		2,604,512	2,599,693	2,629,768	2,643,692		2,626,727

\*Interest-bearing debt above excludes financial liabilities relating to variable prepaid forward contract for sale of Alibaba shares, interest-bearing debt of SoftBank Vision Fund and Delta Fund, and deposits for banking business of The Japan Net Bank.

\*Cash position = cash and cash equivalents + short-term investments recorded as current assets (both exclude SoftBank Vision Fund and Delta Fund, and The Japan Net Bank)

\*Cash position used for the calculations of all indicators above includes cash to be received from the sale of Supercell shares and cash to be recovered for investments that had been agreed to be transferred to SoftBank Vision Fund

\*Net interest-bearing debt = interest-bearing debt - cash position

\*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 ± unrealized gain and loss on valuation of investments in SoftBank Vision Fund and Delta Fund segment ± other adjustments

\*Debt / equity ratio = interest-bearing debt / equity attributable to owners of the parent (including adjustments related to the issuance of hybrid bonds (September 2016, July 2017) and drawdown of hybrid loan (November 2017))

\*Interest-bearing debt / EBITDA ratio: interest-bearing debt / adjusted EBITDA (LTM) (including adjustments related to the issuance of hybrid bonds (September 2016, July 2017) and drawdown of hybrid loan (November 2017))

\*Net interest-bearing debt / EBITDA ratio: net interest-bearing debt / adjusted EBITDA (LTM) (including adjustments related to the issuance of hybrid bonds (September 2016, July 2017) and drawdown of hybrid loan (November 2017))

## Reference - 1 Corporate Bonds and Commercial Paper Details (consolidated)

(Millions of yen; unless otherwise stated)

Commercial paper, Bonds	Maturity date	Interest rate (%, year)	Mar. 31, 2017 Amount of issue	Mar. 31, 2018 Amount of issue	Mar. 31, 2018 Balance
<b>SBG<sup>1</sup></b>					
Commercial paper	-	-	80,000	100,000	100,000
40th series Unsecured Straight Bond	Sept. 14, 2017	0.732	10,000	-	-
39th series Unsecured Straight Bond (Fukuoka SoftBank HAWKS Bond)	Sept. 22, 2017	0.740	100,000	-	-
35th series Unsecured Straight Bond	Jan. 25, 2018	1.660	10,000	-	-
43rd series Unsecured Straight Bond (Fukuoka SoftBank HAWKS Bond)	June 20, 2018	1.740	400,000	400,000	399,830
45th series Unsecured Straight Bond (Fukuoka SoftBank HAWKS Bond)	May 30, 2019	1.450	300,000	300,000	299,160
46th series Unsecured Straight Bond (Fukuoka SoftBank HAWKS Bond)	Sept. 12, 2019	1.260	400,000	400,000	398,548
USD-denominated Senior Notes due year 2020	Apr. 15, 2020	4.500	\$2,485mn	\$2,485mn	262,743
EUR-denominated Senior Notes due year 2020	Apr. 15, 2020	4.625	€625mn	€625mn	81,135
47th series Unsecured Straight Bond (Fukuoka SoftBank HAWKS Bond)	June 18, 2020	1.360	100,000	100,000	99,438
44th series Unsecured Straight Bond	Nov. 27, 2020	1.689	50,000	50,000	49,915
USD-denominated Senior Notes due year 2022 <sup>2</sup>	July 30, 2022	5.375	\$1,000mn	\$819mn	86,069
EUR-denominated Senior Notes due year 2022 <sup>2</sup>	July 30, 2022	4.000	€500mn	€287mn	36,994
48th series Unsecured Straight Bond (Fukuoka SoftBank HAWKS Bond)	Dec. 9, 2022	2.130	370,000	370,000	366,870
49th series Unsecured Straight Bond	Apr. 20, 2023	1.940	20,000	20,000	19,932
52nd series Unsecured Straight Bond	Mar. 8, 2024	2.030	50,000	50,000	49,809
51st series Unsecured Straight Bond (Fukuoka SoftBank HAWKS Bond)	Mar. 15, 2024	2.030	400,000	400,000	395,713
USD-denominated Senior Notes due year 2024	Sept. 19, 2024	4.750	-	\$1,350mn	141,684
USD-denominated Senior Notes due year 2025 <sup>2</sup>	July 30, 2025	6.000	\$1,000mn	\$712mn	74,678
EUR-denominated Senior Notes due year 2025 <sup>2</sup>	July 30, 2025	4.750	€1,250mn	€689mn	88,857
EUR-denominated Senior Notes due year 2025	Sept. 19, 2025	3.125	-	€1,500mn	193,399
50th series Unsecured Straight Bond	Apr. 20, 2026	2.480	30,000	30,000	29,877
EUR-denominated Senior Notes due year 2027 <sup>2</sup>	July 30, 2027	5.250	€500mn	€211mn	27,117
USD-denominated Senior Notes due year 2027	Sept. 19, 2027	5.125	-	\$2,000mn	209,863
USD-denominated Senior Notes due year 2028 <sup>3</sup>	Apr. 15, 2028	6.250	-	\$500mn	52,516
EUR-denominated Senior Notes due year 2028 <sup>3</sup>	Apr. 15, 2028	5.000	-	\$1,174mn	151,513
EUR-denominated Senior Notes due year 2029	Sept. 19, 2029	4.000	-	€750mn	96,637
1st series Unsecured Subordinated Corporate Bond	Dec. 17, 2021	2.500	400,000	400,000	395,983
2nd series Unsecured Subordinated Corporate Bond	Feb. 9, 2022	2.500	450,000	450,000	445,276
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	55,600	55,101
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	400,000	392,786
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	15,400	15,257
<b>Sub Total</b>					<b>5,016,700</b>
<b>(Reference) *Recorded as equity (other equity instruments) in financial statements</b>					
Undated Subordinated NC6 Resettable Notes <sup>4</sup>	-	6.000	-	\$2,750mn	303,677
Undated Subordinated NC10 Resettable Notes <sup>4</sup>	-	6.875	-	\$1,750mn	193,199

(Millions of yen; unless otherwise stated)

Commercial paper, Bonds	Maturity date	Interest rate (%, year)	Mar. 31, 2017 Amount of issue	Mar. 31, 2018 Amount of issue	Mar. 31, 2018 Balance
<b>Yahoo Japan</b>					
1st series Unsecured Straight Bond	Feb. 28, 2020	0.040	5,000	5,000	5,000
4th series Unsecured Straight Bond	Dec. 7, 2020	0.070	-	10,000	10,000
2nd series Unsecured Straight Bond	Feb. 28, 2022	0.170	15,000	15,000	15,000
5th series Unsecured Straight Bond	Dec. 7, 2022	0.200	-	25,000	25,000
3rd series Unsecured Straight Bond	Feb. 28, 2024	0.370	15,000	15,000	15,000
6th series Unsecured Straight Bond	Dec. 6, 2024	0.350	-	25,000	25,000
7th series Unsecured Straight Bond	Dec. 7, 2027	0.400	-	10,000	10,000
<b>Sub Total</b>					<b>105,000</b>
<b>Sprint</b>					
<b>Sprint Corporation</b>					
7.25% Notes due 2021	Sept. 15, 2021	7.250	\$2,250mn	\$2,250mn	237,409
7.875% Notes due 2023	Sept. 15, 2023	7.875	\$4,250mn	\$4,250mn	447,644
7.125% Notes due 2024	June 15, 2024	7.125	\$2,500mn	\$2,500mn	263,145
7.625% Notes due 2025	Feb. 15, 2025	7.625	\$1,500mn	\$1,500mn	157,842
7.625% Notes due 2026	Mar. 1, 2026	7.625	-	\$1,500mn	156,825
<b>Sprint Communications, Inc.</b>					
8.375% Senior Notes due 2017	Aug. 15, 2017	8.375	\$1,300mn	-	-
9% Guaranteed Notes due 2018	Nov. 15, 2018	9.000	\$3,000mn	\$1,753mn	190,396
Export Development Canada Facility (Tranche 3)	Dec. 17, 2019	4.130 <sup>5</sup>	\$300mn	\$300mn	31,799
7% Guaranteed Notes due 2020	Mar. 1, 2020	7.000	\$1,000mn	\$1,000mn	109,027
7% Senior Notes due 2020	Aug. 15, 2020	7.000	\$1,500mn	\$1,500mn	161,858
11.5% Senior Notes due 2021	Nov. 15, 2021	11.500	\$1,000mn	\$1,000mn	124,292
9.25% Debentures due 2022	Apr. 15, 2022	9.250	\$200mn	\$200mn	23,549
6% Senior Notes due 2022	Nov. 15, 2022	6.000	\$2,280mn	\$2,280mn	240,248
<b>Sprint Capital Corporation</b>					
6.9% Senior Notes due 2019	May 1, 2019	6.900	\$1,729mn	\$1,729mn	185,047
6.875% Senior Notes due 2028	Nov. 15, 2028	6.875	\$2,475mn	\$2,475mn	247,649
8.75% Senior Notes due 2032	Mar. 15, 2032	8.750	\$2,000mn	\$2,000mn	225,845
<b>Clearwire Communications LLC</b>					
8.25% Exchangeable Notes due 2040 <sup>6</sup>	Dec. 1, 2017 <sup>6</sup>	8.250	\$629mn	-	-
<b>Sub Total</b>					<b>2,802,575</b>
<b>Other</b>			200	50	50
<b>Total Balance</b>					<b>7,924,325</b>

<sup>\*1</sup> Unsecured straight corporate bonds issued by SBG (including foreign-currency denominated bonds) are guaranteed by SoftBank.

<sup>\*2</sup> The existing notes for the exchange offer (expired in March 2018) were retired by purchase in April 2018. The retirement by purchase was recorded in the Company's financial statements in FY2017 on an IRFS basis. The amount of issue and balance on March 31, 2018 was the amount after the exchange.

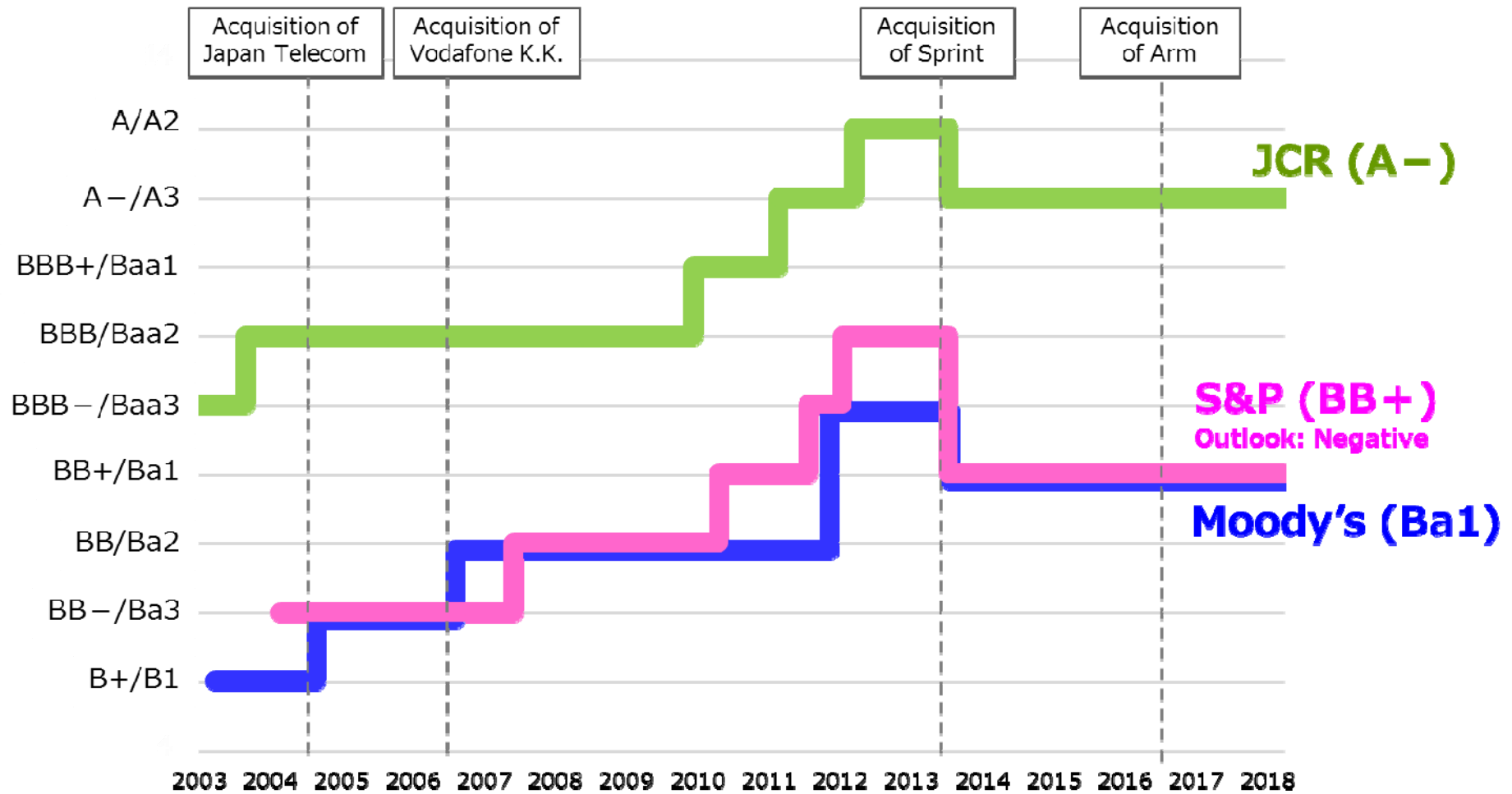
<sup>\*3</sup> The exchange notes for the exchange offer were issued in April 2018. The issuance was recorded in the Company's financial statements in FY2017 on an IRFS basis.

<sup>\*4</sup> Undated subordinated resettable notes will be redeemed before maturity; NC6 in July 2023 and NC10 in July 2027.

<sup>\*5</sup> Floating interest rate. The interest rate stated is as of March 31, 2018.

<sup>\*6</sup> USD 629 million Clearwire 8.25% Exchangeable Notes due 2040 were redeemed in December 2017 before maturity on December 2040.

## Reference - 2 Trend of Credit Rating



\* Calendar year