

**Earnings Results  
for the Nine-month Period  
Ended December 31, 2021**

**Investor Briefing**

**February 10, 2022**

**SoftBank Group Corp.**



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None of the SB Funds (including the Vision Fund I, Vision Fund II and SoftBank Latin America Fund), the SB Fund Managers –any successor or future fund managed by a SB Fund Manager, SBG or their respective affiliates makes any representation or warranty, express or implied, as to the accuracy or completeness of the information contained herein and nothing contained herein should be relied upon as a promise or representation as to past or future performance of the SB Funds or any other entity referenced in this presentation, or future performance of any successor or the future fund managed by a SB Fund Manager.

Information relating to the performance of the SB Funds or any other entity referenced in this presentation has been included for background purposes only and should not be considered an indication of the future performance of the relevant SB Fund, any other entity referenced in this presentation or any future fund managed by an SB Fund Manager. References to any specific investments of an SB Fund, to the extent included therein, are presented to illustrate the relevant SB Fund Manager’s investment process and operating philosophy only and should not be construed as a recommendation of any particular investment or security. The investment performance of individual investments of an SB Fund may vary and the performance of the selected transactions is not necessarily indicative of the performance of all of the applicable prior investments. The specific investments identified and described in this presentation do not represent all of the investments made by the relevant SB Fund Manager, and no assumption should be made that investments identified and discussed therein were or will be profitable.

The performance of an SB Fund in this presentation is based on unrealized valuations of portfolio investments. Valuations of unrealized investments are based on assumptions and factors (including, for example, as of the date of the valuation, average multiples of comparable companies, and other considerations) that the relevant SB Fund Manager believes are reasonable under the circumstances relating to each particular investment. However, there can be no assurance that unrealized investments will be realized at the valuations indicated in this presentation or used to calculate the returns contained therein, and transaction costs connected with such realizations remain unknown and, therefore, are not factored into such calculations. Estimates of unrealized value are subject to numerous variables that change over time. The actual realized returns on the relevant SB Fund’s unrealized investments will depend on, among other factors, future operating results, the value of the assets and market conditions at the time of disposition, any related transaction costs and the timing and manner of sale, all of which may differ from the assumptions and circumstances on which the relevant SB Fund Manager’s valuations are based.

Past performance is not necessarily indicative of future results. The performance of an SB Fund or any future fund managed by an SB Fund Manager may be materially lower than the performance information presented in this presentation. There can be no assurance that each SB Fund or any future fund managed by the relevant SB Fund Manager will achieve comparable results as those presented therein.

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SBGA, SBIA and SBLA manage separate and independent operations and processes from each other and those of SBG in the management of Vision Fund II, Vision Fund I and Latam Fund, respectively. Any SB Funds managed by SBGA, SBIA or SBLA are solely managed by SBGA, SBIA or SBLA respectively.

Exchange rates per JPY used for translation

| Average during quarter | FY2020 |        |        |        | FY2021 |        |        |        |
|------------------------|--------|--------|--------|--------|--------|--------|--------|--------|
|                        | Q1     | Q2     | Q3     | Q4     | Q1     | Q2     | Q3     | Q4     |
| 1 USD                  | 107.74 | 105.88 | 104.45 | 106.24 | 110.00 | 110.47 | 113.60 |        |
| 1 CNY                  | 15.16  | 15.27  | 15.71  | 16.31  | 17.01  | 17.09  | 17.75  |        |
| EOQ                    | Jun 30 | Sep 30 | Dec 31 | Mar 31 | Jun 30 | Sep 30 | Dec 31 | Mar 31 |
| 1 USD                  |        |        |        | 110.71 |        |        | 115.02 |        |
| 1 CNY                  |        |        |        | 16.84  |        |        | 18.06  |        |

Abbreviations

Abbreviations used in Finance section of this presentation are as follows. In some cases, "Ltd." and "Corporation" etc. are omitted from the company name.

| Abbreviations                  | Definition (Each of the following abbreviations indicates the respective company and its subsidiaries, if any)  |
|--------------------------------|---|
| SBG                            | SoftBank Group Corp. (stand-alone basis)  |
| The Company                    | SoftBank Group Corp. and its subsidiaries   |
| SBKK                           | SoftBank Corp.  |
| SB Northstar                   | SB Northstar LP   |
| SVF1 or SoftBank Vision Fund 1 | SoftBank Vision Fund L.P. and its alternative investment vehicles   |
| SVF2 or SoftBank Vision Fund 2 | SoftBank Vision Fund II-2 L.P. and its alternative investment vehicles  |
| Latin America Funds            | Collectively referred of SoftBank Latin America Fund 1 (SBLA Holdings (Cayman) L.P. and SBLA Latin America Fund (Cayman) L.P.) and SoftBank Latin America Fund 2 (SBLA Holdings II DE LLC and SLA Holdco I LLC) |
| SBIA                           | SB Investment Advisers (UK) Limited   |
| SBGA                           | SB Global Advisers Limited  |
| Sprint                         | Sprint Corporation  |
| T-Mobile                       | T-Mobile US, Inc. after merging with Sprint   |
| Deutsche Telekom               | Deutsche Telekom AG   |
| Arm                            | Arm Limited   |
| Alibaba                        | Alibaba Group Holding Limited   |
| WeWork                         | WeWork Inc.   |

## External environments

- ◆ Tightened regulations in China and elsewhere
- ◆ Heightened geopolitical risks
- ◆ Changes in the US monetary policy & correction of tech stocks and others

## SBG's initiatives

- ◆ Arm to start preparations for a FY22 public offering
- ◆ Continue investing in unicorns: SVF2 invested \$36.3B including 165 new investments (Q1-Q3)
- ◆ Firmly keep financial policies for LTV and others
- ◆ Recovery of investments and reallocation to new investments & shareholder returns

# Finance

SBG stand-alone financial numbers are calculated by excluding numbers of self-financing entities from the consolidated numbers, unless otherwise stated. Major self-financing entities are SBKK, Arm, SVF1, SVF2, Latin America Funds, PayPay, Fortress, SB Energy, etc.

## Continue steady investment activities while keeping financial policies

### Results / NAV

#### Secured net income of ¥392.6B despite loss on investments due to falls in share prices of portfolio companies

- While ¥551.8B investment loss was recorded, net income\*2 held up at ¥392.6B
- NAV: ¥19.3T

### Investment activities

#### Progress on new investments, recovery & diversification of portfolio

- Investment: \$39.2B (SVF1&2), \$3.4B (Latin America Funds)
- Sale/Monetization: Total of \$22.2B from sales & monetization (SVF1&2)
- Distributions: SBG received distribution totaling \$13.1B\*3 from SVF1&2, funding new investments.
- Diversification of portfolio: Alibaba's share of equity value of holdings is now 24%.

### Financial activities

#### Procured funds under stable financial management

- LTV 21.6%, cash position ¥2.1T\*4
- Procurement (Oct-Dec): Asset-backed finance (Alibaba +\$2.2B / Deutsche Telekom +€2.6B)
- Redemption/Repayment (Oct-Dec):
  - Partial repayment of margin loans (Alibaba -\$4.0B / T-Mobile -\$1.3B)
  - Redemption of domestic subordinated bonds at maturity -¥361.6B

(Notes)

\*1 As of December 31, 2021, unless otherwise stated

\*2 Net income attributable to owners of the parent

\*3 Includes \$0.9B distributed for SVF1's incentive scheme

\*4 Cash and cash equivalents + short term investments recorded as current assets + undrawn commitment line. No undrawn commitment as of December 31, 2021. SBG stand-alone basis (excluding SB Northstar)

- 
- **Results of Investment Businesses**
  - Financial Condition
  - Financial Strategy
  - ESG Initiatives

# Investment Activities of the Group

Multiple investment entities are active in their focused fields, preparing for the full-scale AI era.

## SBG

Existing investments

arm

SoftBank

T-Mobile

(Deutsche Telekom)

## SVF1

AI & Unicorns

ByteDance
 coupang
 DiDi
 DOORDASH
 Fanatics
 Grab
 etc.

83 companies in total

## SVF2

AI & Unicorns

AutoStore
 Klarna.
 yanolja
 etc.

208 companies in total

## Latin America Funds

AI & unicorns  
(Region: Latin America)

84 companies  
in total

(Notes)  
 1. Investments held as of December 31, 2021  
 2. The information on this page is provided solely for illustrative purposes of the Group's investment activities and is not exhaustive of the investments of each investment entity. The investments presented herein are solely for illustrative purposes and have been selected in order to demonstrate examples of SVF1 and SVF2 investments, and do not purport to be a complete list thereof. References to investments included herein should not be construed as a recommendation of any particular investment or security. Please refer to [visionfud.com/portfolio](http://visionfud.com/portfolio) for a more complete list of SVF1 and SVF2 investments.



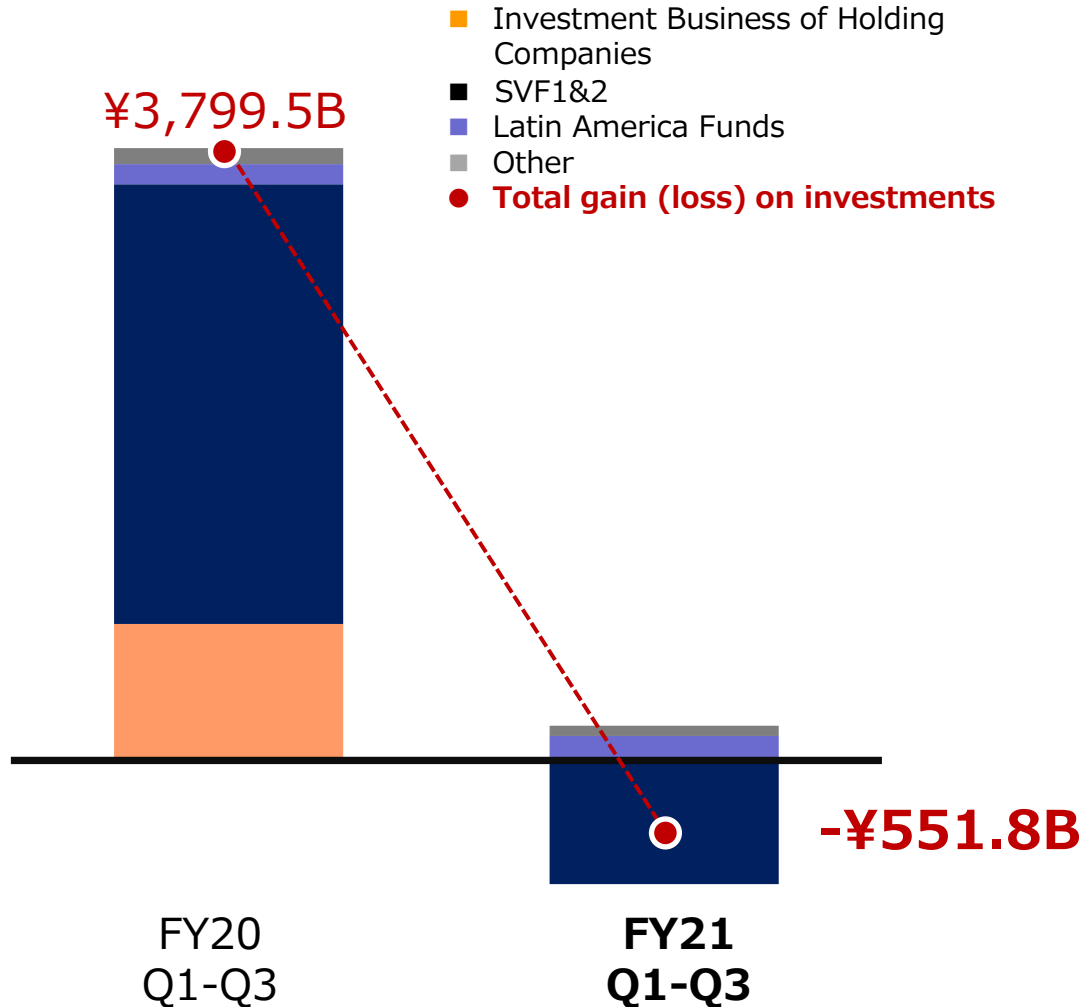
## **SoftBank Group = “Vision Capitalist” for the Information Revolution**

- **Invest in unicorns globally through SVF and other investment entities**
- **Aim to realize our vision by driving innovation and disruption using AI through our portfolio companies**
- **Focus on maximizing return by investing from a mid- to long- term perspective**

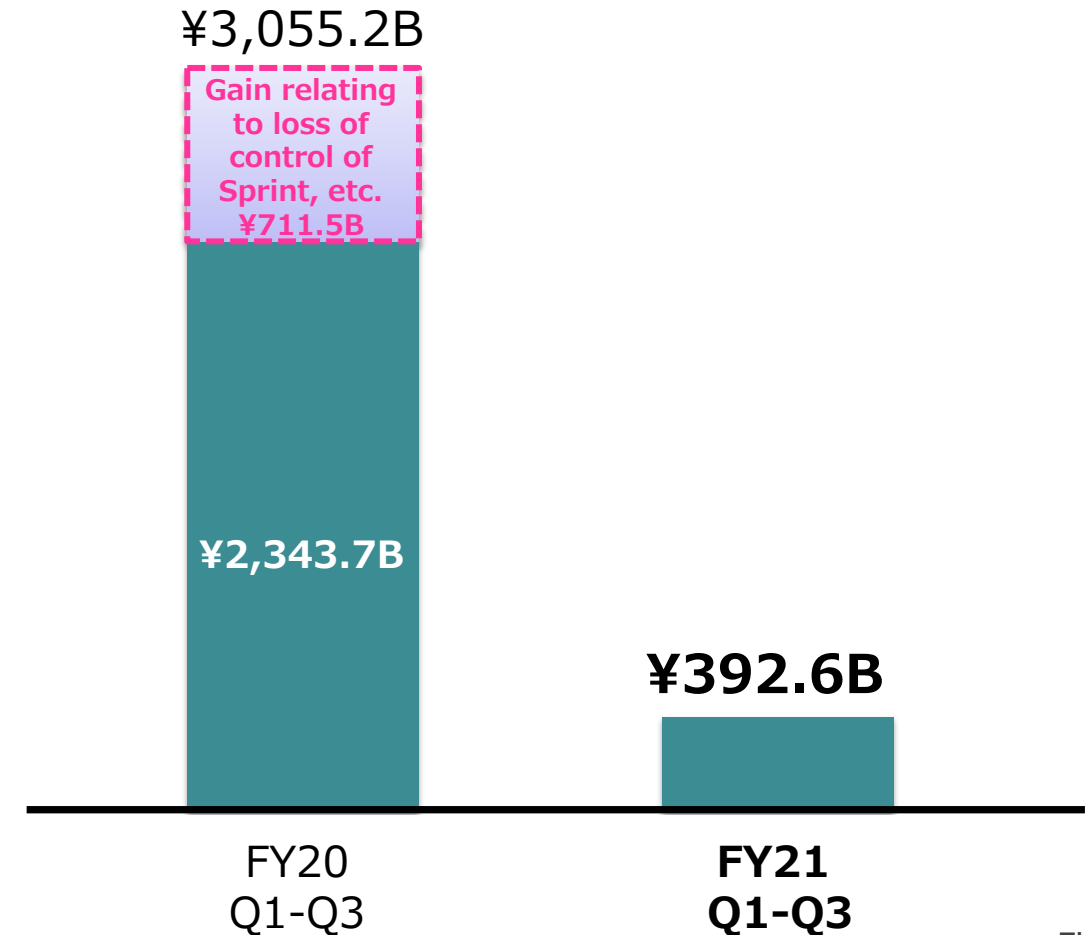
# Gain (Loss) on Investments & Net Income

Secured net income of ¥392.6B despite loss on investments

## Gain (loss) on investments



## Net income (attributable to owners of the parent)

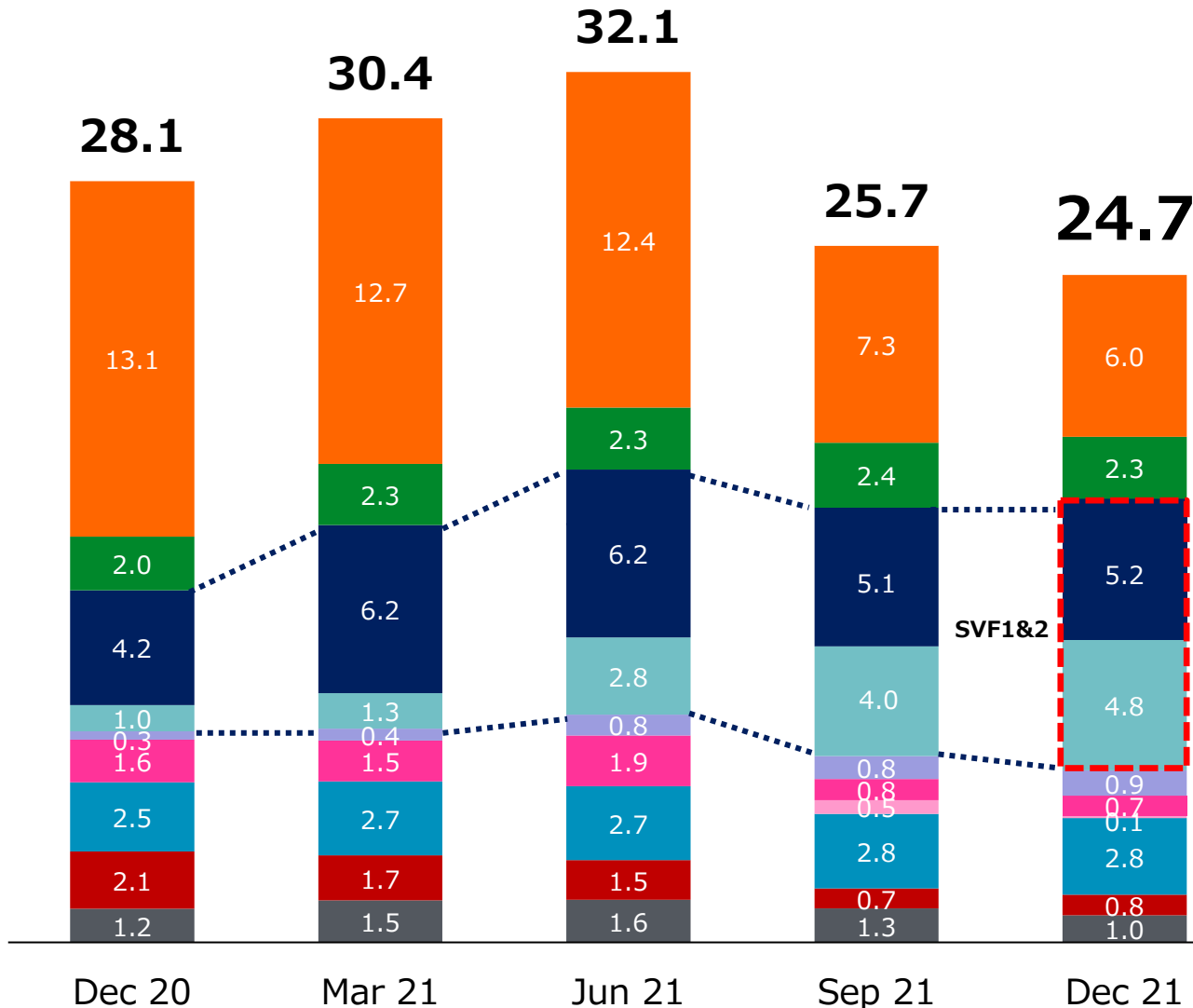


# Equity Value of Holdings

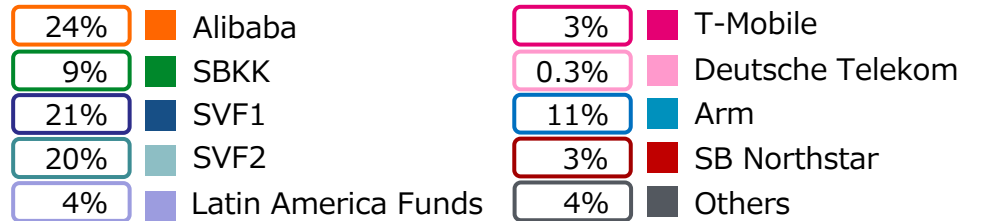
## Equity value of holdings decreased to ¥24.7T, yet remaining at high level

(¥ T)

Excluding asset-backed finance



### Composition (as of December 31, 2021)



See Appendix for details as of December 31, 2021

\*As of the end of each quarter

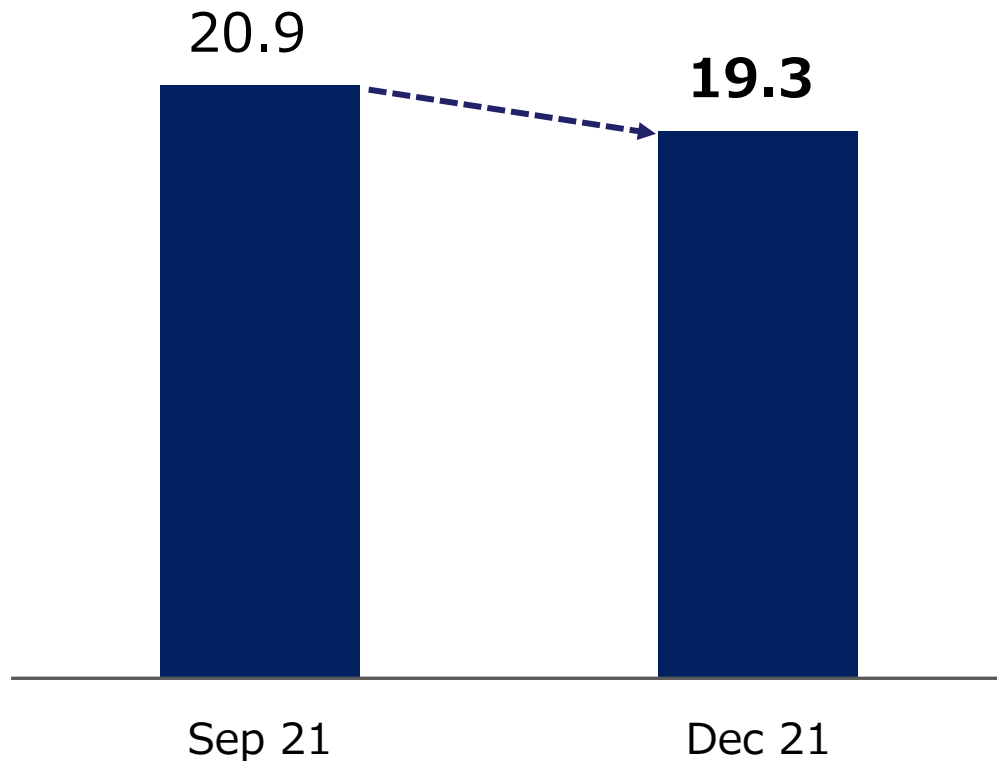
- Alibaba: calculated by multiplying the number of Alibaba ADSs equivalent to the number of shares held by SBG by the ADS price; less (i) the sum of the outstanding maturity settlement amounts (calculated by using the company's share price (ADR)) of the prepaid forward contracts (floor contracts, collar contracts, forward contracts, and call spread) using Alibaba shares, (ii) the amount equivalent to the outstanding margin loan backed by Alibaba shares executed by SB Northstar in October 2020 (until FY2021Q1).
- SBKK: calculated by multiplying the number of shares held by SBG by the share price of SBKK, deducting the amount equivalent to the outstanding margin loan backed by SBKK shares
- SVF1: value equivalent to SBG's portion of SVF1's holding value + performance fee accrued, etc.
- SVF2: value equivalent to SBG's portion of SVF2's holding value + performance fees accrued
- Latin America Funds: value equivalent to SBG's portion of Latin America Funds' holding value plus performance fees accrued
- T-Mobile: calculated by multiplying the number of shares held by SBG (including the number of shares subject to call options (56,124,954 shares as of December 31, 2021) held by Deutsche Telekom) by the share price of T-Mobile. Adding fair value of SBG's right to acquire T-Mobile shares (48,751,557 shares) for no additional consideration if certain conditions are met, and fair value of the right of a subsidiary of SBG to receive T-Mobile shares if certain conditions are met, in connection with the transaction in which T-Mobile sold T-Mobile shares to Trust that offered its Cash Mandatory Exchangeable Trust Securities. Deducting the amount of derivative financial liabilities relating to the unexercised call options held by Deutsche Telekom, the loan amount that is considered as asset backed financing non-recourse to SBG, which is a portion of the total borrowing amount from margin loan using T-Mobile shares, and maturity settlement amount of the prepaid forward contracts (collar contracts) using T-Mobile shares. (SBG has, as an exception, guaranteed a portion of the margin loan backed by T-Mobile shares. The amount not guaranteed by SBG, is considered as a non-recourse loan amount obtained by asset backed financing.)
- Deutsche Telekom: calculated by multiplying the number of shares held by SBG by the share price of Deutsche Telekom, deducting the settlement amount on maturity of a collar transaction using DT shares
- Arm: calculated based on the acquisition cost of SBG, excluding the number of Arm shares held by SVF1.
- SB Northstar: Sum of (i) the value equivalent to SBG's portion of SB Northstar's NAV, (ii) the value calculated by multiplying the number of NVIDIA Corporation (NVIDIA) shares held by SBG by the share price of NVIDIA and (iii) the amount equivalent to the outstanding margin loan backed by Alibaba shares executed by SB Northstar in October 2020 (until FY2021Q1).
- Others: calculated by multiplying the number of shares held by SBG by each share price for listed shares, and calculated based on fair value (or the carrying amount in SBG's balance sheet for those not measured at fair values) for unlisted shares, etc. held by SBG

# NAV & NAV per Share

## NAV and NAV per share both decreased

### NAV (Net Asset Value)

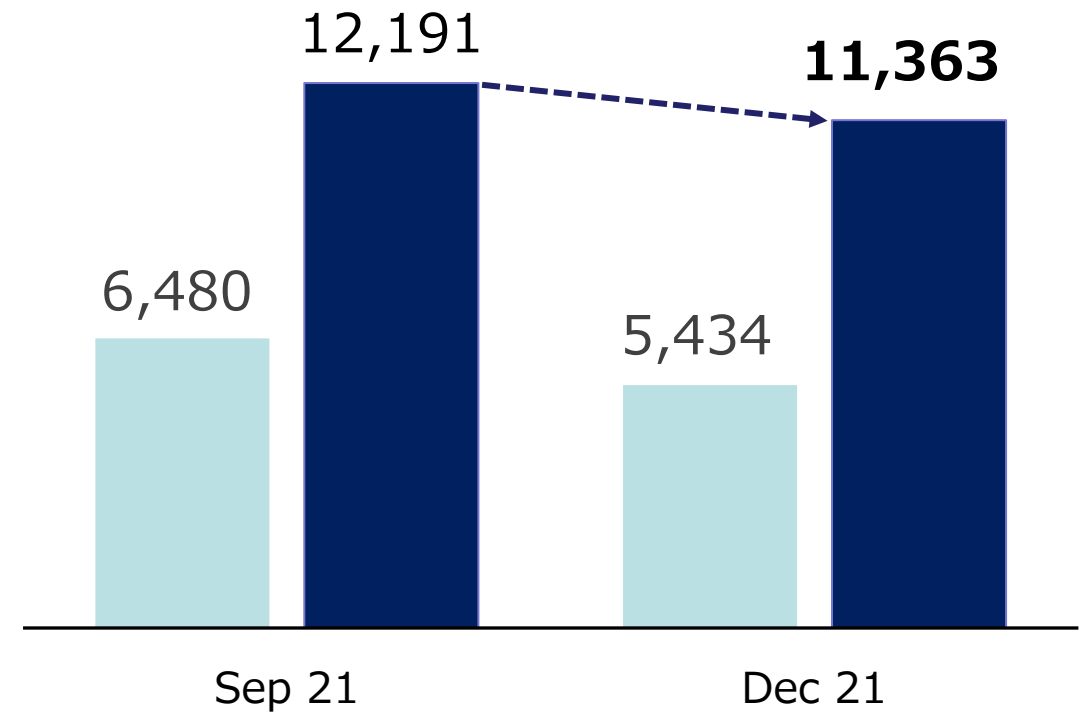
(¥ T)



### NAV per share\*1 and share price

(¥)

■ Share price  
■ NAV per share



(Note) As of the end of each quarter

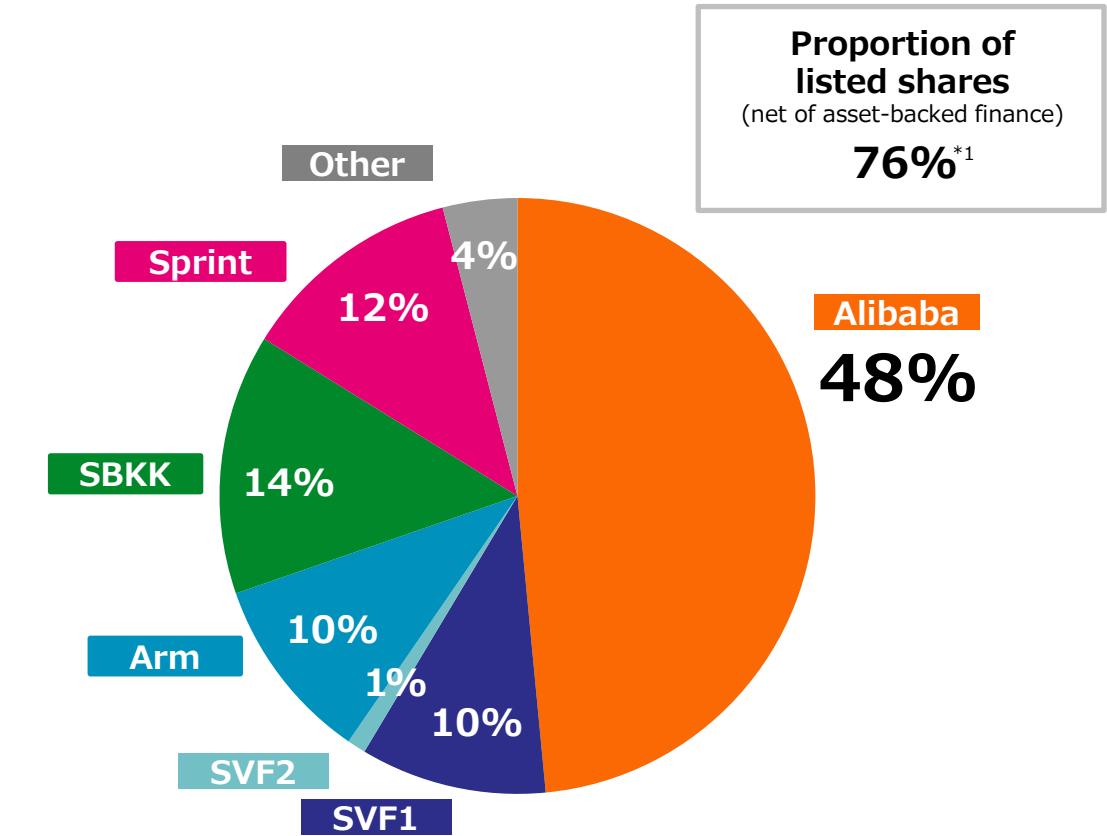
\*1 NAV per share = NAV/Total number of shares issued (excluding treasury stock)

# Equity Value of Holdings: Diversification of Portfolio

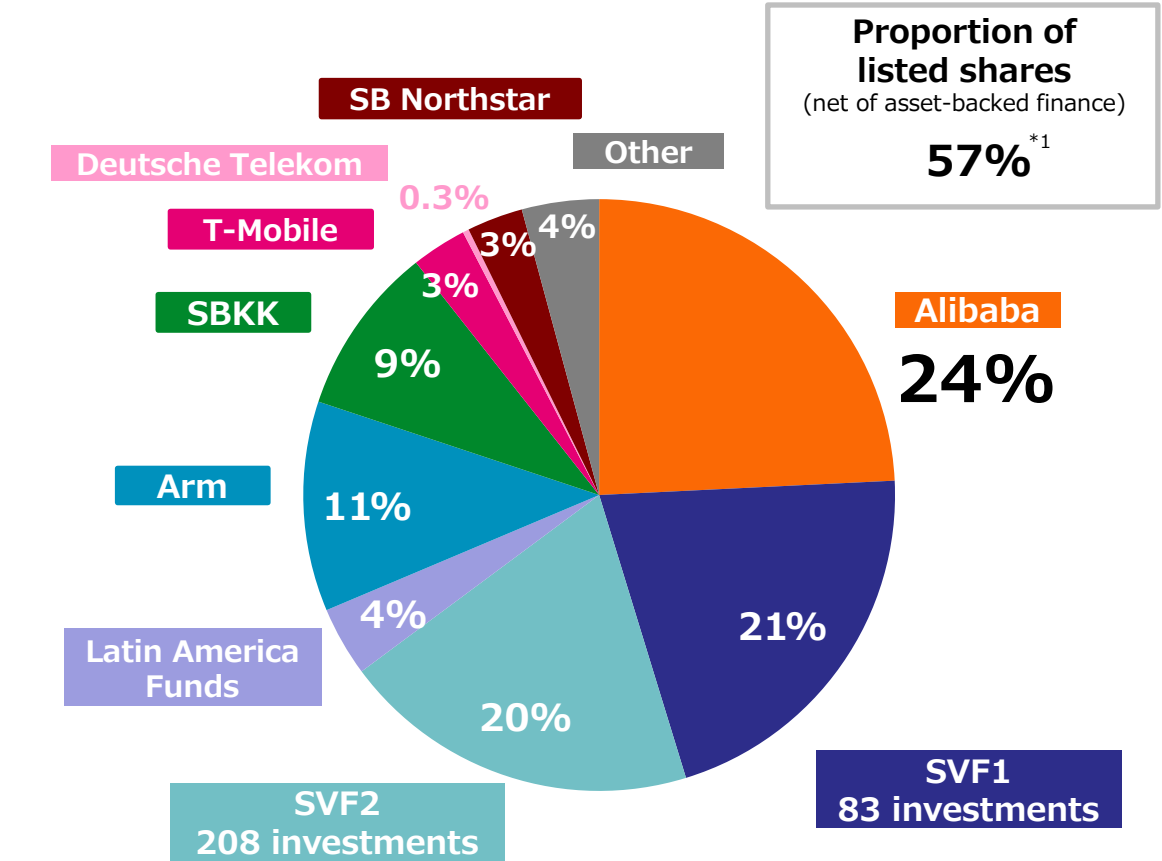
Greater asset diversification due to increased value of SVF1&2 compared to March 31, 2020

Excluding asset-backed finance

## March 31, 2020



## December 31, 2021

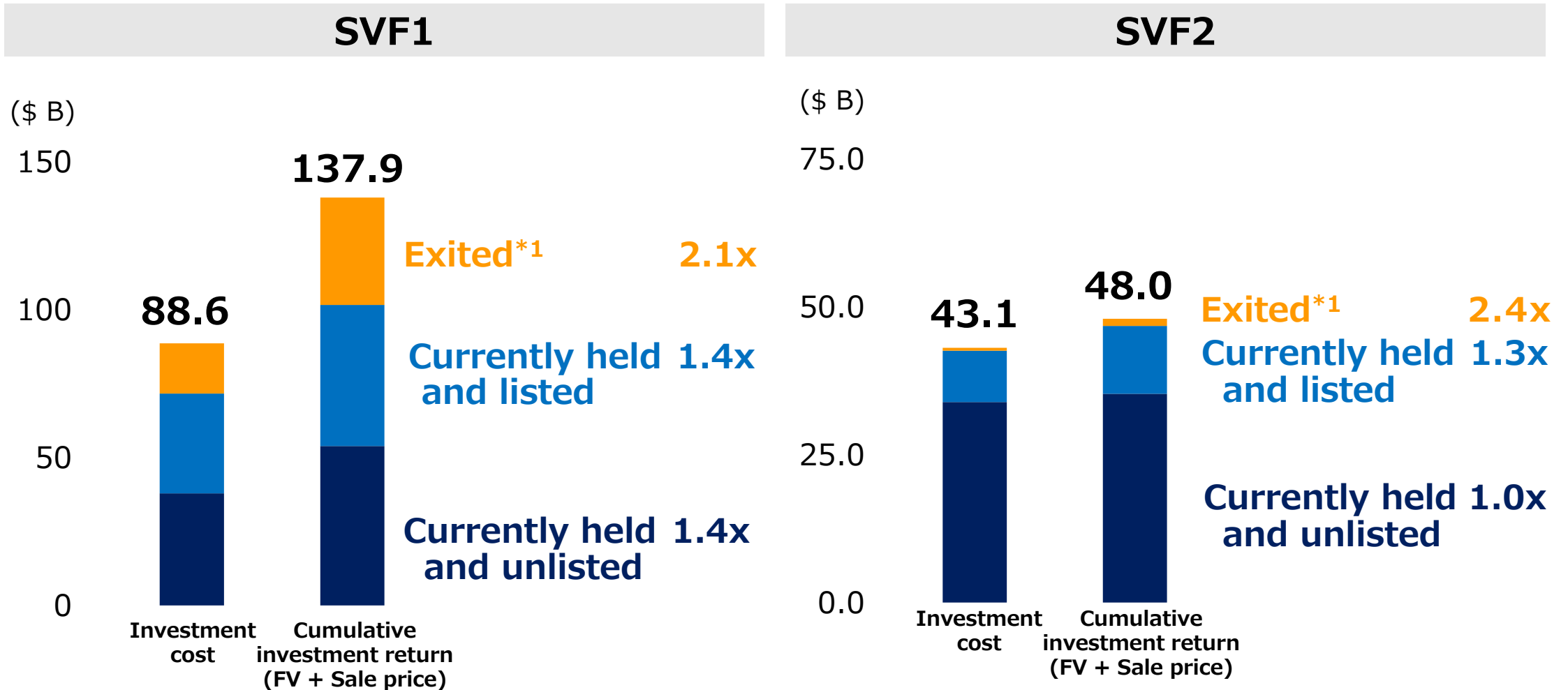


(Notes) See page 7 in finance section for notes regarding the breakdown of total equity value of holdings.

\*1 Proportion of listed shares in total equity value of holdings. Includes Alibaba, listed shares held by SVF1/SVF2/Latin America Funds/SB Northstar, SBKK, T-Mobile, Deutsche Telekom, and listed shares included in Other. Regarding SVF1&2, only SBG's interest is included.

# SVF1&2: Cumulative Investment Return (SBG Consolidated Basis, as of Dec 31, 2021)

Cumulative investment return of \$137.9B at SVF1 and \$48.0B at SVF2



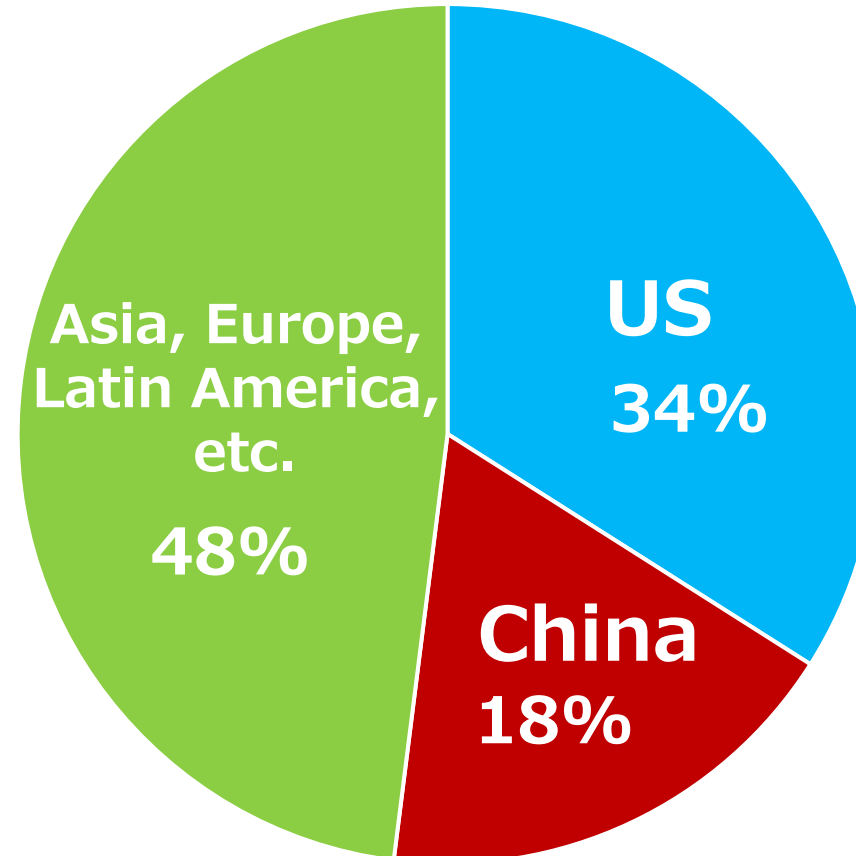
(Notes)

1. For a certain investment that was once decided to be transferred from SBG to SVF1 but canceled afterwards, its unrealized gain/loss incurred for the period leading up to the decision to cancel the transfer are not included.
2. Before deducting third-party interests, tax, and expenses.
3. Past performance is not necessarily indicative of future results. There is no guarantee that historical trends will continue throughout the life of SVF1 and SVF2. It should not be assumed that investments made in the future will be comparable in quality or performance to investments described herein. There can be no assurance that unrealized and partially realized investments will be sold for values equal to or in excess of the total values used in calculating the returns portrayed herein. Actual returns on unrealized and partially realized investments will depend on, among other factors, future operating results, the value of the assets and market conditions at the time of disposition, any related transaction costs and the timing and manner of sale, all of which may differ from the assumptions on which the valuations reported herein are based. Accordingly, the actual realized returns on investments that are partially realized or unrealized may differ materially from the values indicated herein.

\*1 Value of exited investments includes associated derivative gain/loss and interests and dividend received from portfolio companies.

# SVF1&2 etc. Portfolio Companies Fair Value (as of Dec 31, 2021; unrealized value only)

## Invest in a wide range of regions



(Notes)

1. SVF1&2 etc.: SVF1, SVF2, LatAm Funds, other listed and unlisted investments by SBG (excluding Alibaba, T-Mobile, Deutsche Telekom, SBKK, Arm, and SB Northstar)
2. Pie chart indicates ratio based on fair value
3. Fair Value: Calculated based on fair value (or the carrying amount in SBG's balance sheet for those not measured at fair values) as of December 31, 2021; unrealized value only
4. Countries and regions: Based on the headquarters of portfolio companies
5. Asia: excludes China
6. Past performance is not necessarily indicative of future results. There is no guarantee that historical trends will continue throughout the life of SVF1 and SVF2 and LatAm Funds. It should not be assumed that investments made in the future will be comparable in quality or performance to investments described herein. There can be no assurance that unrealized and partially realized investments will be sold for values equal to or in excess of the total values used in calculating the returns portrayed herein. Actual returns on unrealized and partially realized investments will depend on, among other factors, future operating results, the value of the assets and market conditions at the time of disposition, any related transaction costs and the timing and manner of sale, all of which may differ from the assumptions on which the valuations reported herein are based. Accordingly, the actual realized returns on investments that are partially realized or unrealized may differ materially from the values indicated herein.

# SVF1&2: Average Investment Cost Scaled Down

SVF2's average investment cost per company is \$0.2B

**SVF1**

Average investment cost per company

**\$0.9B**

Cumulative investment cost **\$87B**

Cumulative number of investments **94**

(Excluding three investments acquired through share exchanges or in-kind distributions)

**SVF2**

Average investment cost per company

**\$0.2B**

Cumulative investment cost **\$37B**

Cumulative number of investments **201**

(Excluding eight investments transferred from SBG to SVF2)

(Notes)

1. As of December 31, 2021

2. Cumulative investment cost and cumulative number of investments include exited investments.

3. Cumulative investment amounts do not reflect current valuations associated with such investments and are not indicative of actual performance. Past performance is not necessarily indicative of future result. It should not be assumed that investments made in the future will be comparable in quality or performance to investments described herein.



# Activities of SVF1&2 (FY21Q1-Q3): Investments

New and follow-on investments mainly at SVF2 totaling \$39.2B



| Fund                            | Investments (Alphabetical order)                | Sector                 |
|---------------------------------|---|------------------------|
| <b>SVF1</b>                     | <b>Investment cost: \$2.9B</b>                  |                        |
| <b>SVF2</b>                     | AutoStore                                       | AutoStore<br>Logistics |
|                                 | JELLYSMACK                                      | Jellysmack<br>Consumer |
|                                 | Revolut   | Revolut<br>Fintech     |
|                                 | SWIGGY  | Swiggy<br>Consumer     |
|                                 | yanolja   | Yanolja<br>Proptech    |
|                                 | A total of 165 new investments, including above |                        |
| <b>Investment cost: \$36.3B</b> |   |                        |

**\$39.2B  
in total**

(Note)  
The investments presented herein are solely for illustrative purposes and have been selected in order to demonstrate examples of SVF2 investments, and do not purport to be a complete list thereof. References to investments included herein should not be construed as a recommendation of any particular investment or security. Please refer to [visionfund.com/portfolio](https://visionfund.com/portfolio) for a more complete list of SVF1 and SVF2 investments.

# Investment Activities of SVF1&2 (FY21Q1-Q3): New Listings

## Multiple large-scale listings with favorable pipeline

|      | Investment   | New listing | Sale/<br>Monetization  |
|------|--|-------------|--|
| Fund | Companies listed (Q1-Q3)   |             | Companies to be listed (Q4 onwards)* <sup>1</sup>                  |
| SVF1 |  |             |  |
|      | <p><b>11 companies with a total fair value of \$21.0B as of Dec 31, 2021</b></p> |             | <p><b>3 companies in total</b></p>                                 |
| SVF2 |  |             |  |
|      | <p><b>10 companies with a total fair value of \$10.0B as of Dec 31, 2021</b></p> |             | <p><b>5 companies in total (of which 1 company has listed)</b></p> |

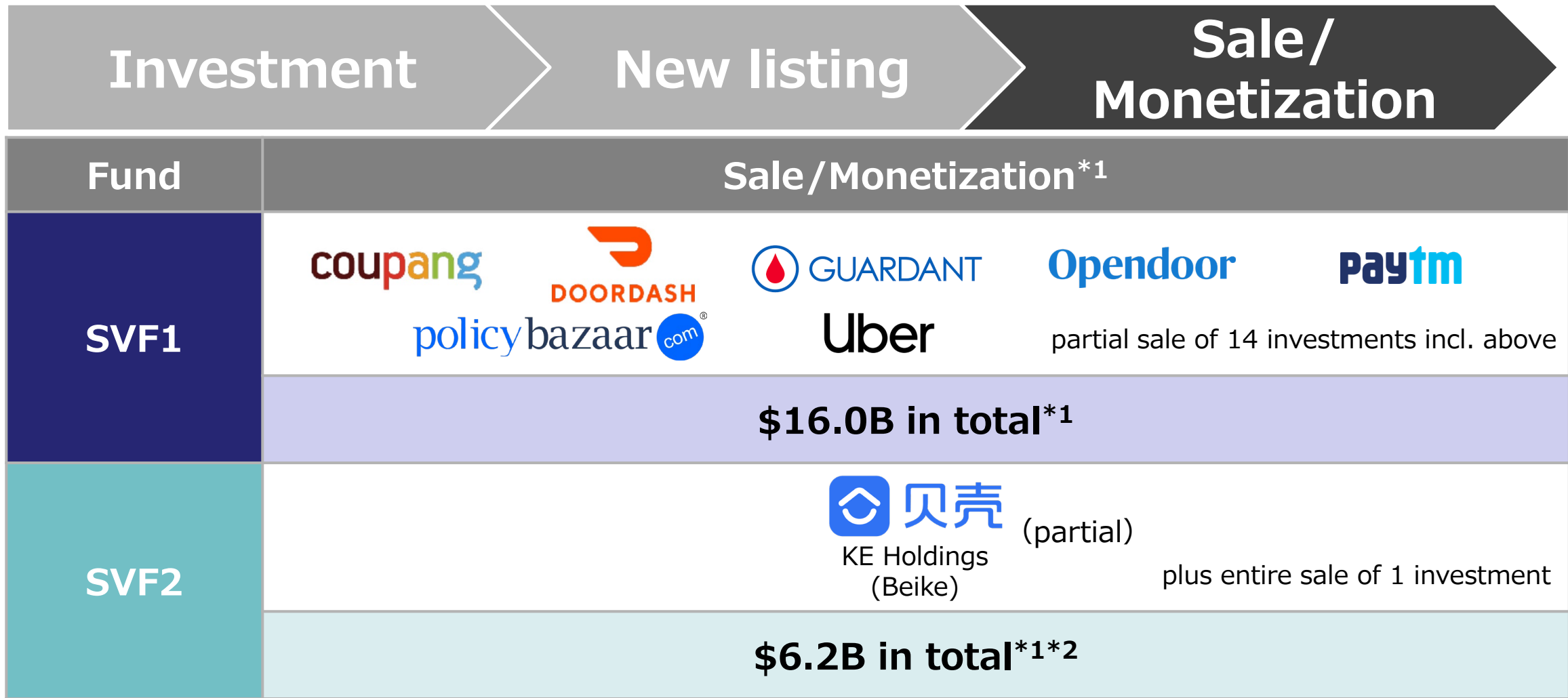
(Notes)

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\*1 Portfolio companies with announced listing plans as of December 31, 2021. A name in dotted lines has been listed as of January 31, 2022.

# Investment Activities of SVF1&2 (FY21Q1-Q3): Sale/Monetization

**A total of \$22.2B of sales & monetization\*1**



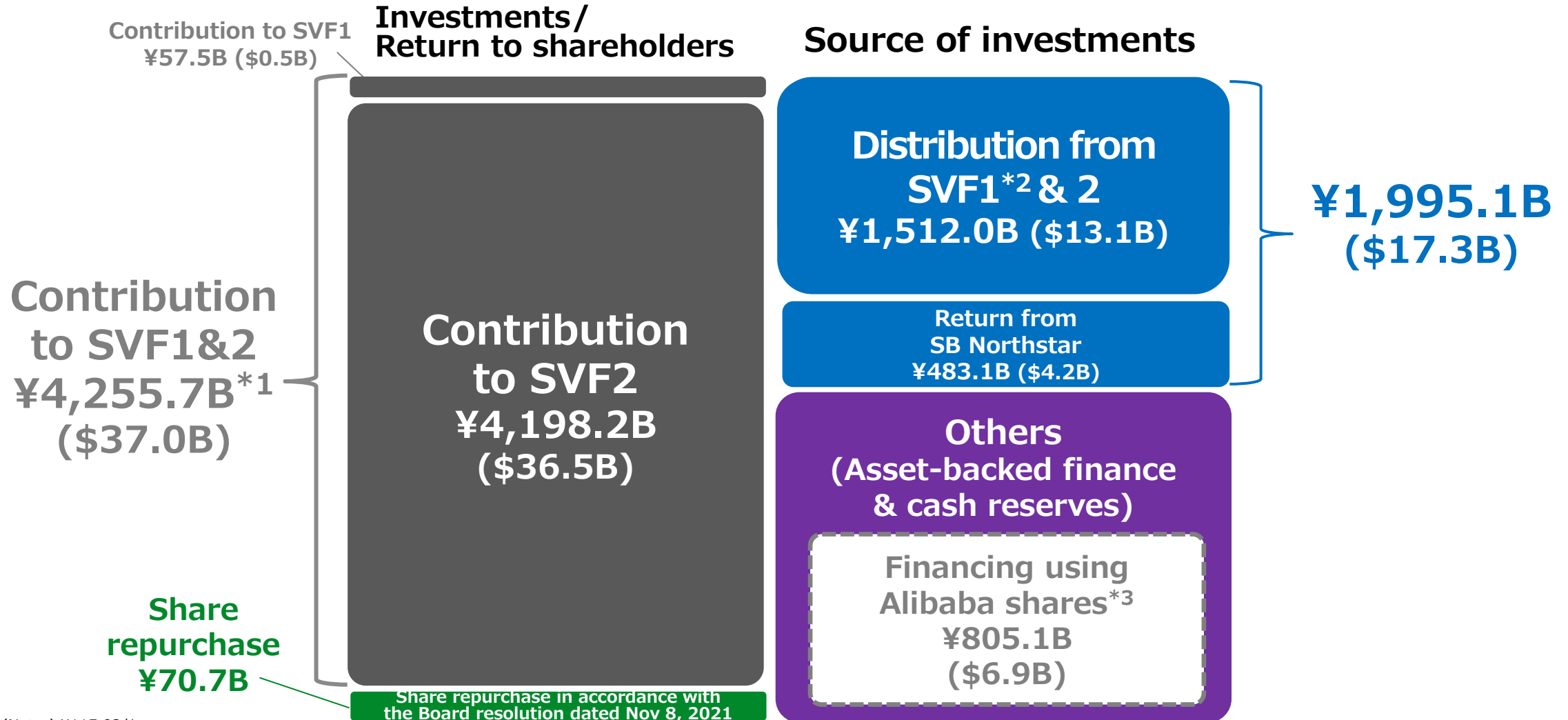
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\*1. Includes borrowings through Portfolio Financing Facility (borrowings made for the purpose of monetizing investments). Excludes effect of the share exchange.

\*2. Includes borrowings through Term Loan Facility (borrowings made in the private credit market secured through indirect pledges over SVF2's portfolio)

# Cycle of Investment and Recovery (FY21Q1-Q3)

Approx. ¥2.0T invested capital was recovered and funded for new investments.  
Share repurchase has started.



(Notes) ¥115.02/\$

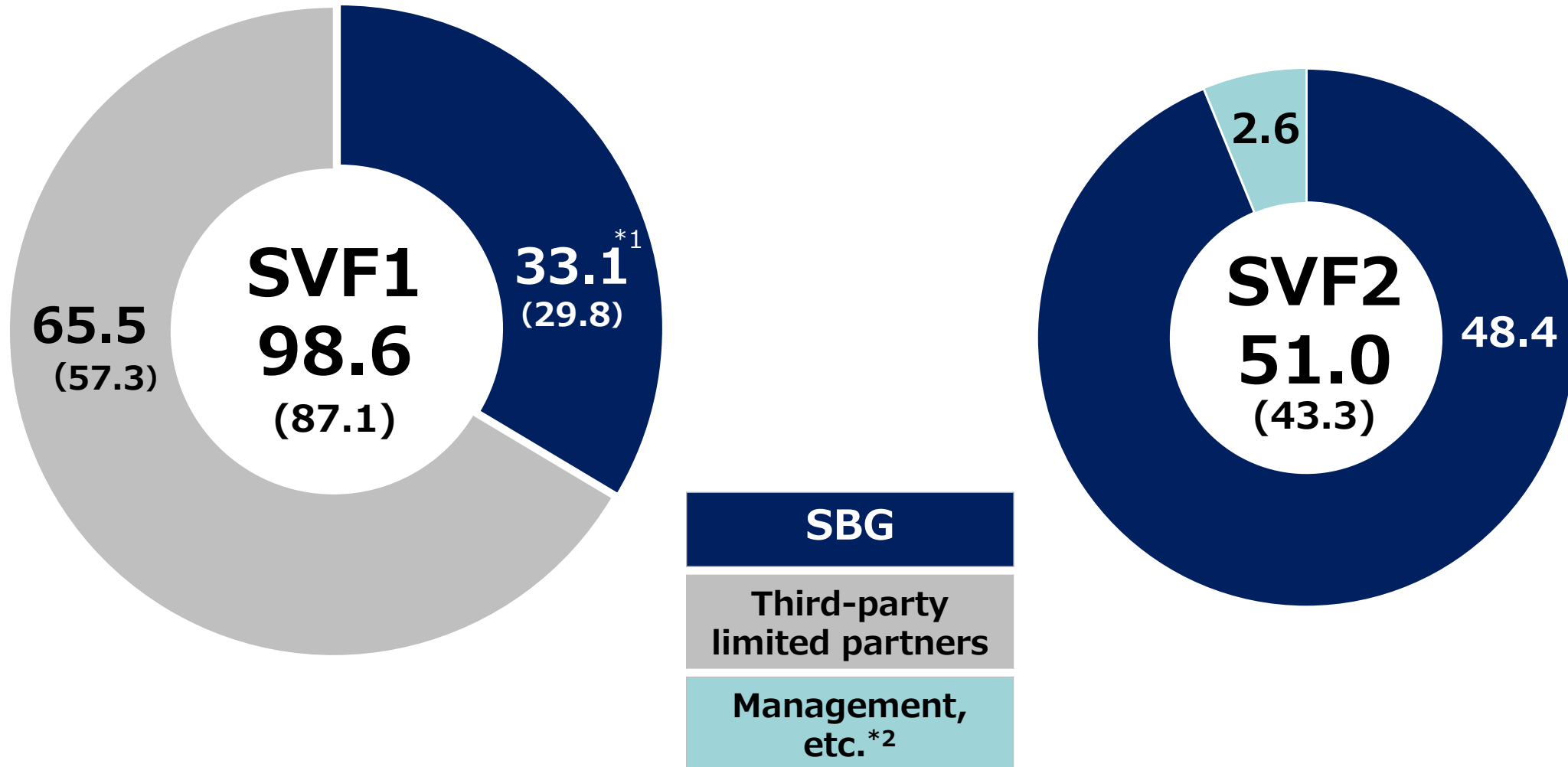
\*1 Does not include \$2.9B contribution to Latin America Funds

\*2 Includes \$0.9B distributed for SVF1's incentive scheme

\*3 Financing through prepaid forward contracts and margin loans using Alibaba shares (net)

# SVF1&2: Capital Commitment (as of Dec 31, 2021)

(\$ B)



\* Numbers in brackets represent amounts drawn.

(Notes)

\*1 The presented SBG's committed capital to SVF1 includes approximately \$8.2B of an obligation satisfied by using Arm Limited shares (all said shares have been contributed) and \$2.5B to be used for an incentive scheme related to SVF1.

\*2 Participation by management other than Masayoshi Son has not been determined as of January 31, 2022 but is expected in the future. None of the investment amounts are paid as of FY21Q3-end.

# arm

**Agreed with NVIDIA to  
terminate the sale of Arm**

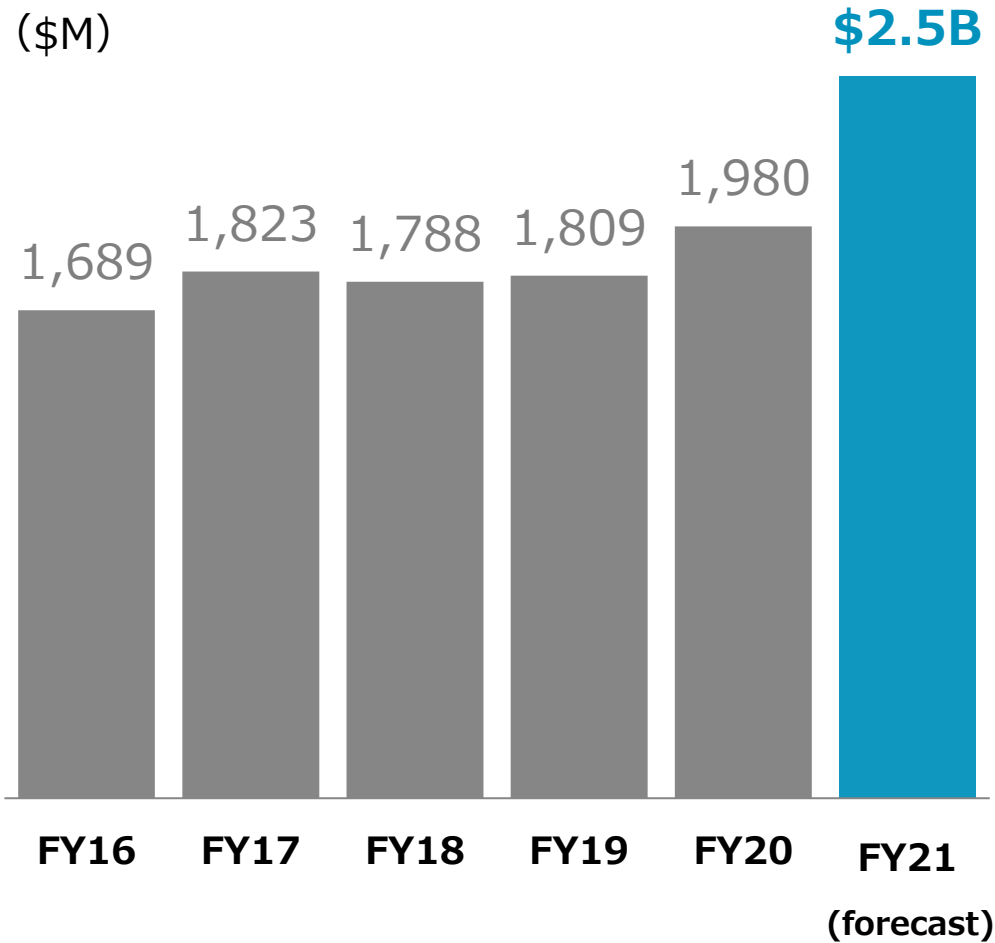
**Arm to aim for listing in FY2022**

(Note)

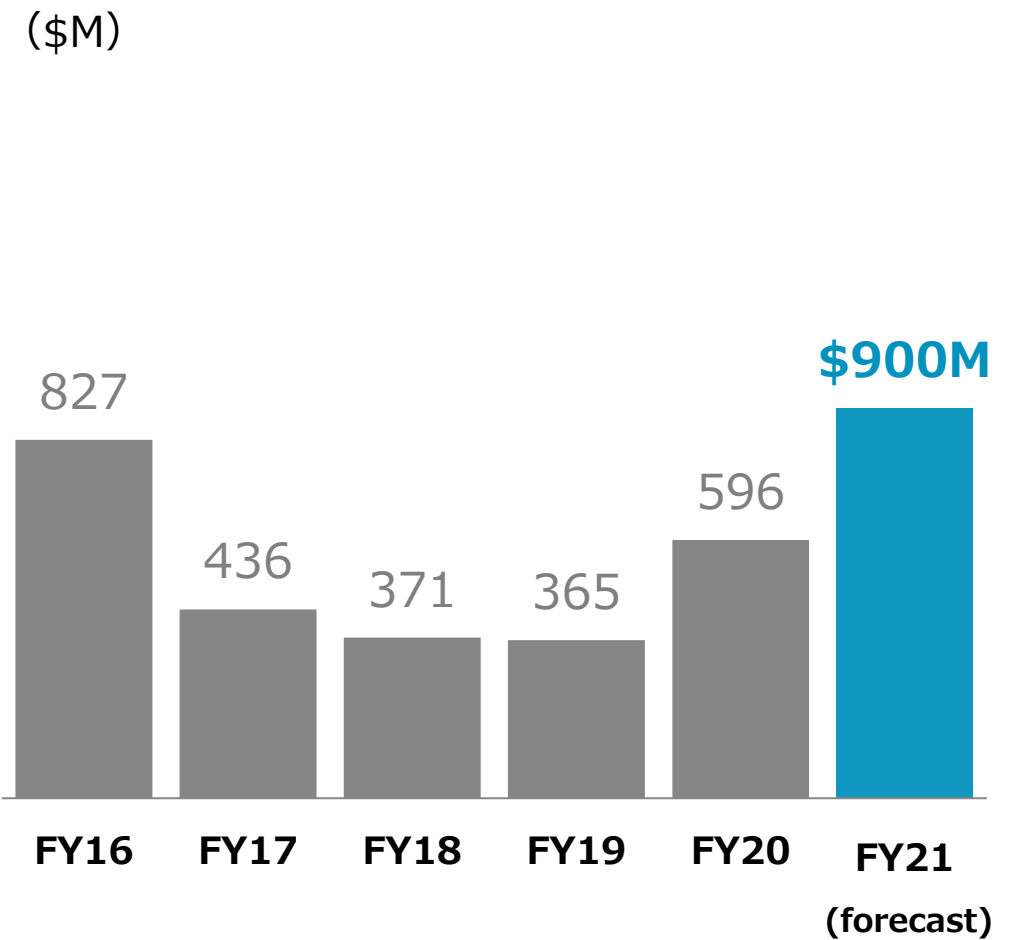
See the press release dated February 8, 2022, "Termination of Agreement to Sell All Shares in Subsidiary Arm and Preparation for Arm Public Offering" for details.

# Arm: Revenue and Adjusted EBITDA (annual)

## Revenue\*<sup>1</sup> (annual)



## Adjusted EBITDA\*<sup>2</sup> (annual)



(Notes)

1. Source: Arm
  2. All numbers are unaudited, non-IFRS and provided for directional information purposes only.
  3. The information contained herein is provided for illustrative purposes only. The information herein was prepared by Arm.
  4. None of SBG, SVF1, the general partner of SVF1 or SBIA make any representation regarding the accuracy of the information and are under no obligation to update the information.
- \*1 After FY2017: excludes ISG revenue  
 \*2 FY2018-19 excludes ISG direct costs only. FY2020-21 also excludes some corporate costs associated with ISG.  
 ISG: Internet-of-Things Services Group

# Arm Will Prepare for the Most Significant IPO in the History of the Semiconductor Industry

World's leader in mobile, gaining share in large and growing markets including automotive and infrastructure

Forecasting revenues to grow 26%\*<sup>1</sup> in FY21 and Adj. EBITDA up 2.5x from trough\*<sup>2</sup>

Highly profitable and cash generative business model, with strong and debt free balance sheet

A new Arm with an ambitious growth strategy



**Arm Will Prepare for the Most Significant IPO in the History of the Semiconductor Industry**

(Notes)

1. Source: Arm

2. The information contained herein is provided for illustrative purposes only. The information herein was prepared by Arm.

3. None of SBG, SVF1, the general partner of SVF1 or SBIA make any representation regarding the accuracy of the information and are under no obligation to update the information.

\*1 Based on forecasted FY2021 revenue of \$2.5B

\*2 Based on forecasted FY2021 Adjusted EBITDA of \$900M compared with FY2019



- 
- Results of Investment Businesses
  - **Financial Condition**
  - Financial Strategy
  - ESG Initiatives

# Main Financial Activities in FY21Q3

## Diversified financing to enhance financial flexibility

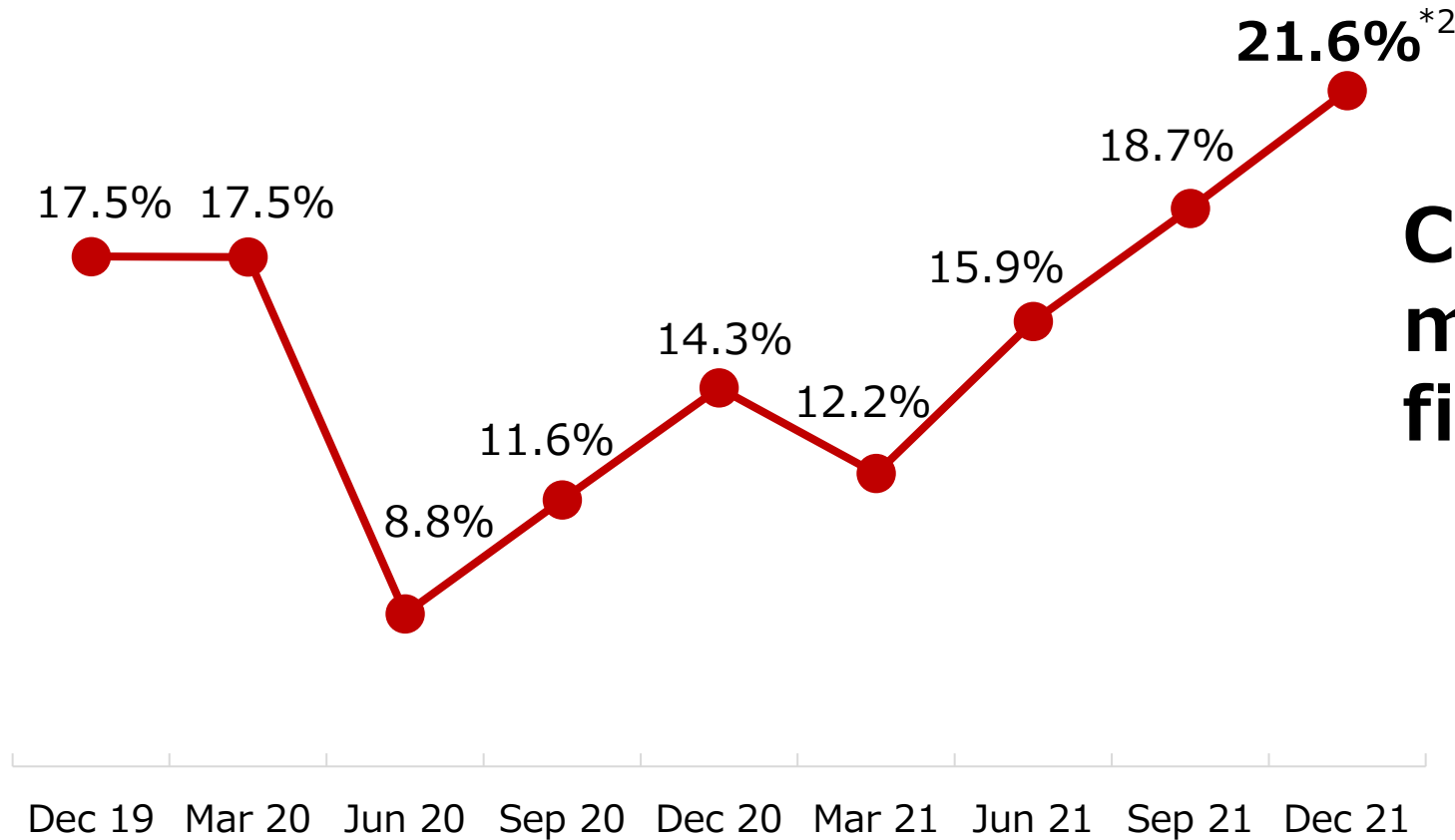
|                             |   |  |
|-----------------------------|---|--|
| <b>Corporate bonds</b>      | <b>Redemption of domestic subordinated bonds at maturity</b>  |  |
|                             | <b>Domestic subordinated bonds issued in 2014</b>             | <b>-¥361.6B</b> (-\$3.1B)  |
| <b>Asset-backed finance</b> | <b>Alibaba shares</b>   |  |
|                             | <b>Forward transactions</b>                                   | <b>+¥254.2B</b> (\$2.2B)   |
|                             | <b>Repayment of existing margin loans &amp; new contracts</b> | <b>Repayment: -¥1,150.2B</b> (-\$10.0B)<br><b>New: +¥690.1B</b> (\$6.0B) |
|                             | <b>T-Mobile shares</b>  |  |
|                             | <b>Repayment of margin loans</b>                              | <b>-¥143.8B</b> (\$-1.3B)  |
|                             | <b>Deutsche Telekom shares</b>                                |  |
|                             | <b>Collar transactions</b>                                    | <b>+¥344.5B</b> (€2.6B)  |

(Note) Issuance and redemption amount of corporate bonds are based on face values  
 ¥115.02/\$, ¥130.51/€

## LTV trend\*1

Excluding asset-backed finance

25%



**Continue to maintain sufficient financial buffer**

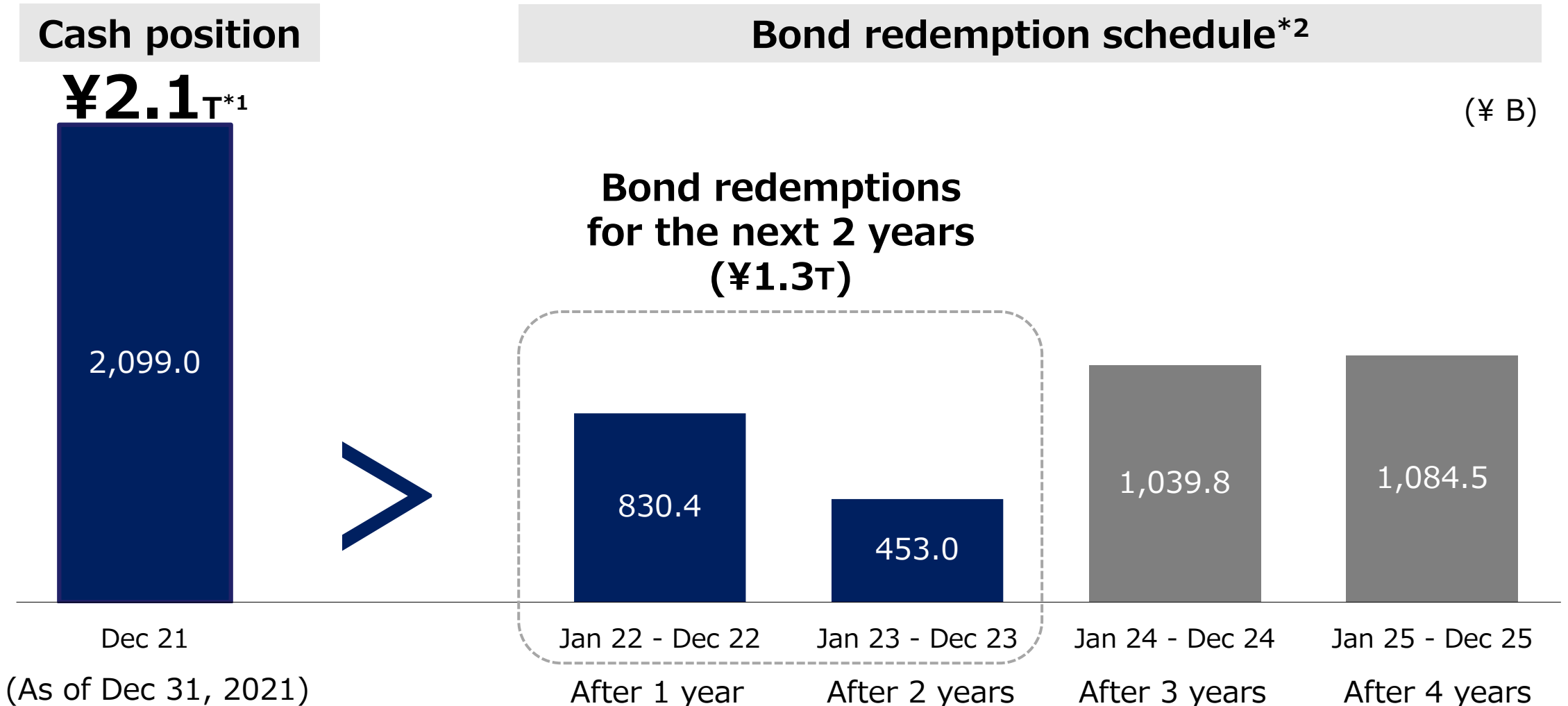
(Notes)

\*1 As of the end of each quarter

\*2 See "LTV Calculation: SBG Stand-alone Net Debt" and "LTV Calculation: SBG Stand-alone Equity Value of Holdings" in Appendix for the calculations.

# Cash Position

Maintain ample cash position, more than sufficient for bond redemptions for the next 2 years



(Notes)

\*1 Cash and cash equivalents + short term investments recorded as current assets + undrawn commitment line. No undrawn commitment line as of December 31, 2021.

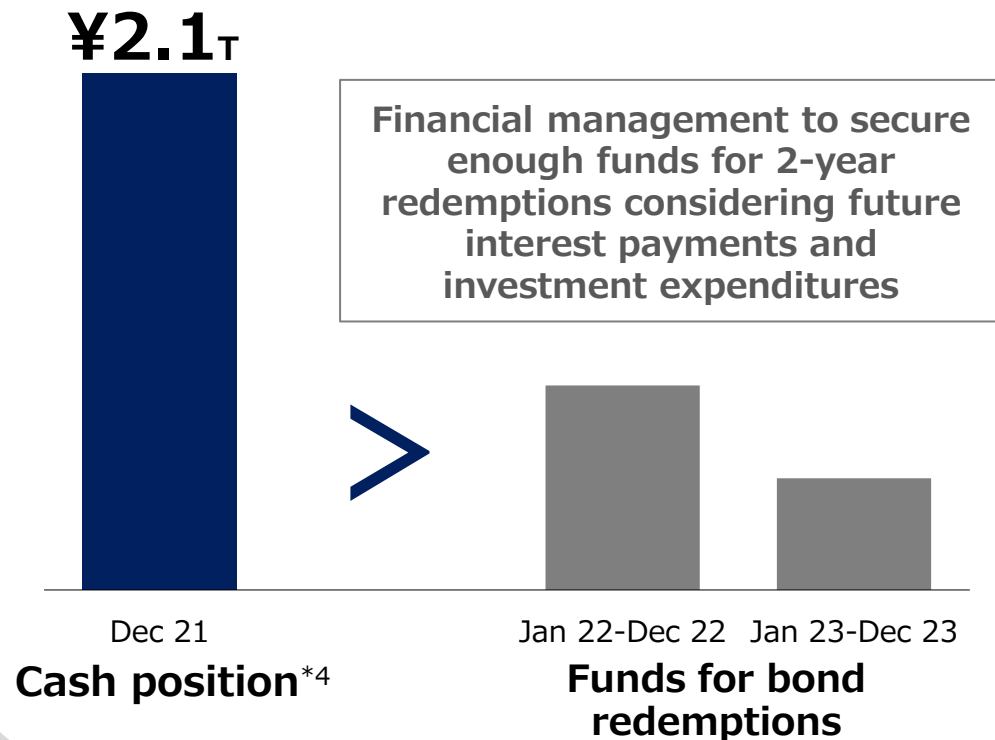
SBG stand-alone basis (excluding SB Northstar).

\*2 The bond redemption amount excludes bonds repurchased.

# Management of Cash Position

Maintain cash position more than sufficient for bond redemptions for the next 2 years.  
Distributions from SVF1&2 contribute to cashflows (interest coverage: 6.4x).

Maintain funds covering bond redemptions for the next 2 years



## Interest coverage

Dividends paid by SBKK  
¥164.7B<sup>\*1</sup>



Distributions from SVF1&2 (LTM)  
¥1,512.0B<sup>\*2</sup>

Interest expenses  
¥262.2B<sup>\*3</sup>

= 6.4x

(Notes)

\*1 Calculated using the number of SBKK shares held by SBG as of December 31, 2021 and dividend per share of ¥86 (company forecast)

\*2 Includes distribution of \$0.9B for SVF1's incentive scheme

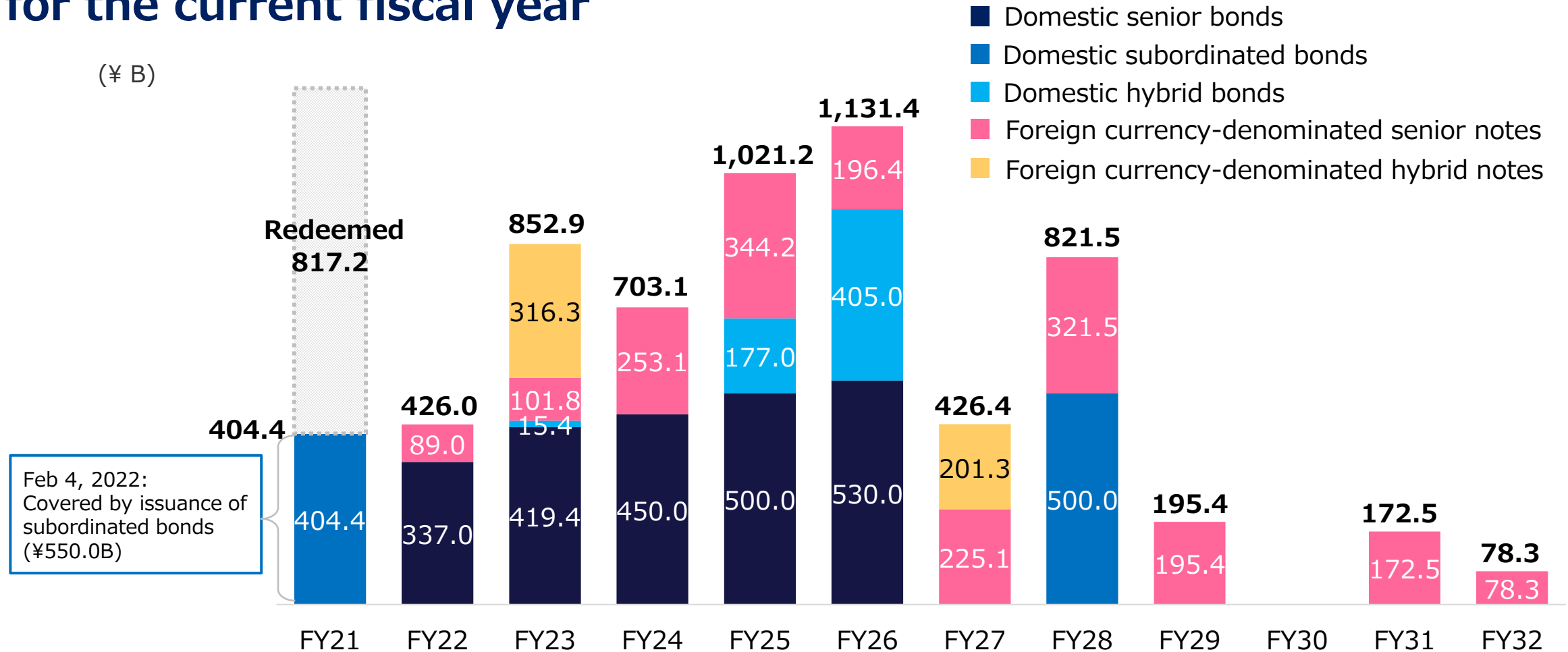
\*3 Interest expenses of SBG and wholly owned subsidiaries conducting fund procurement of ¥231.8B as of FY2021Q3 (LTM) plus interest expenses of ¥30.5B of hybrid bonds included in equity

\*4 Cash and cash equivalents + short term investments recorded as current assets + undrawn commitment line. No undrawn commitment line as of December 31, 2021.

SBG stand-alone basis (excluding SB Northstar).

# Bond Redemption Schedule

## Completed refinancing of domestic subordinated/hybrid bonds for the current fiscal year



(Notes)

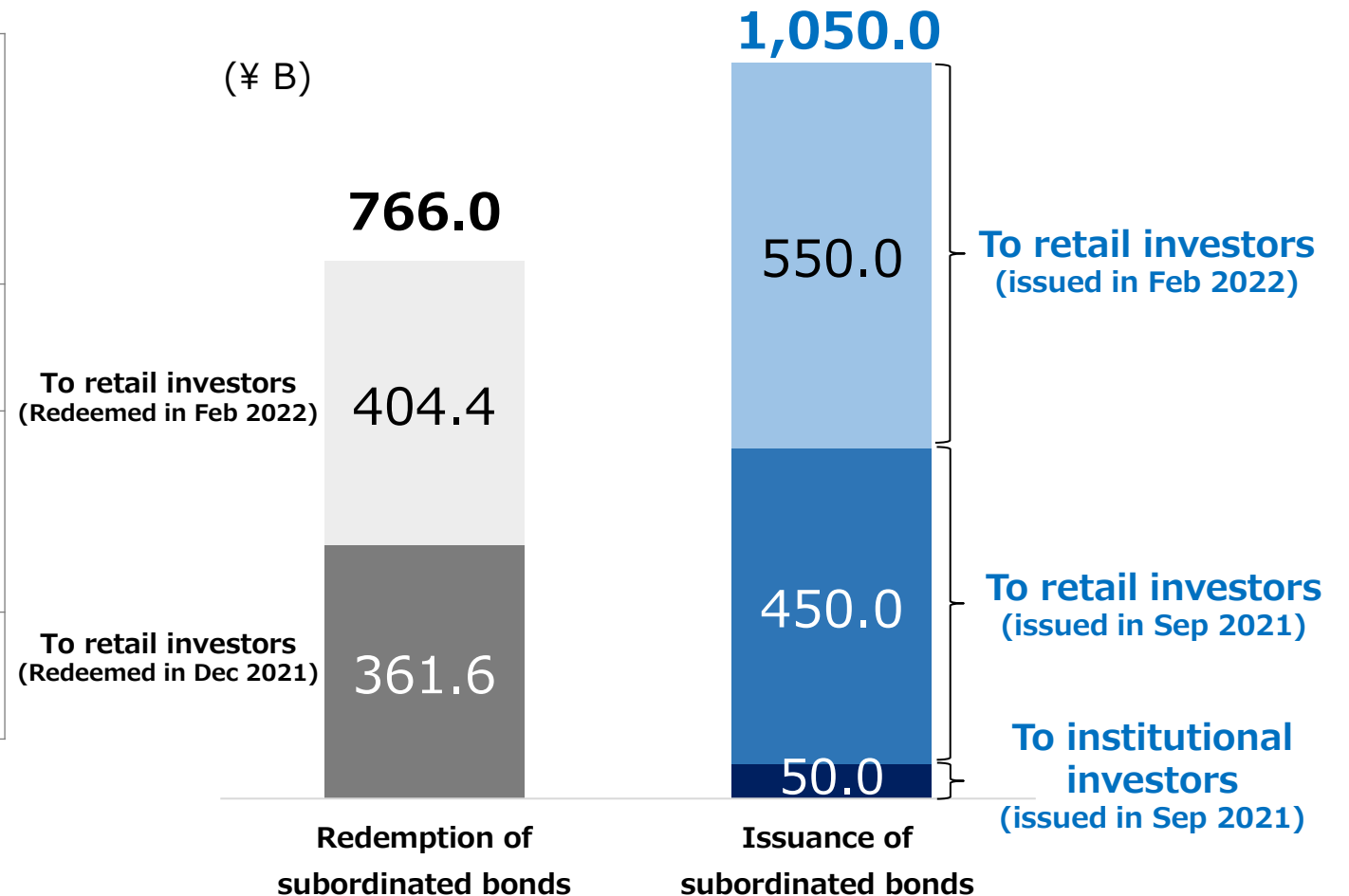
1. Outstanding balance as of December 31, 2021
2. Prepared on the assumption that hybrid bonds will be redeemed on the first call dates
3. For foreign-currency denominated notes, the contracted swap foreign exchange rate is used where applicable. ¥115.02/\$ is used elsewhere.
4. Excludes bonds repurchased

# Issuance of Domestic Retail Subordinated Bonds (February)

Issued record-high ¥550.0B domestic subordinated bonds amid strong demand from retail investors

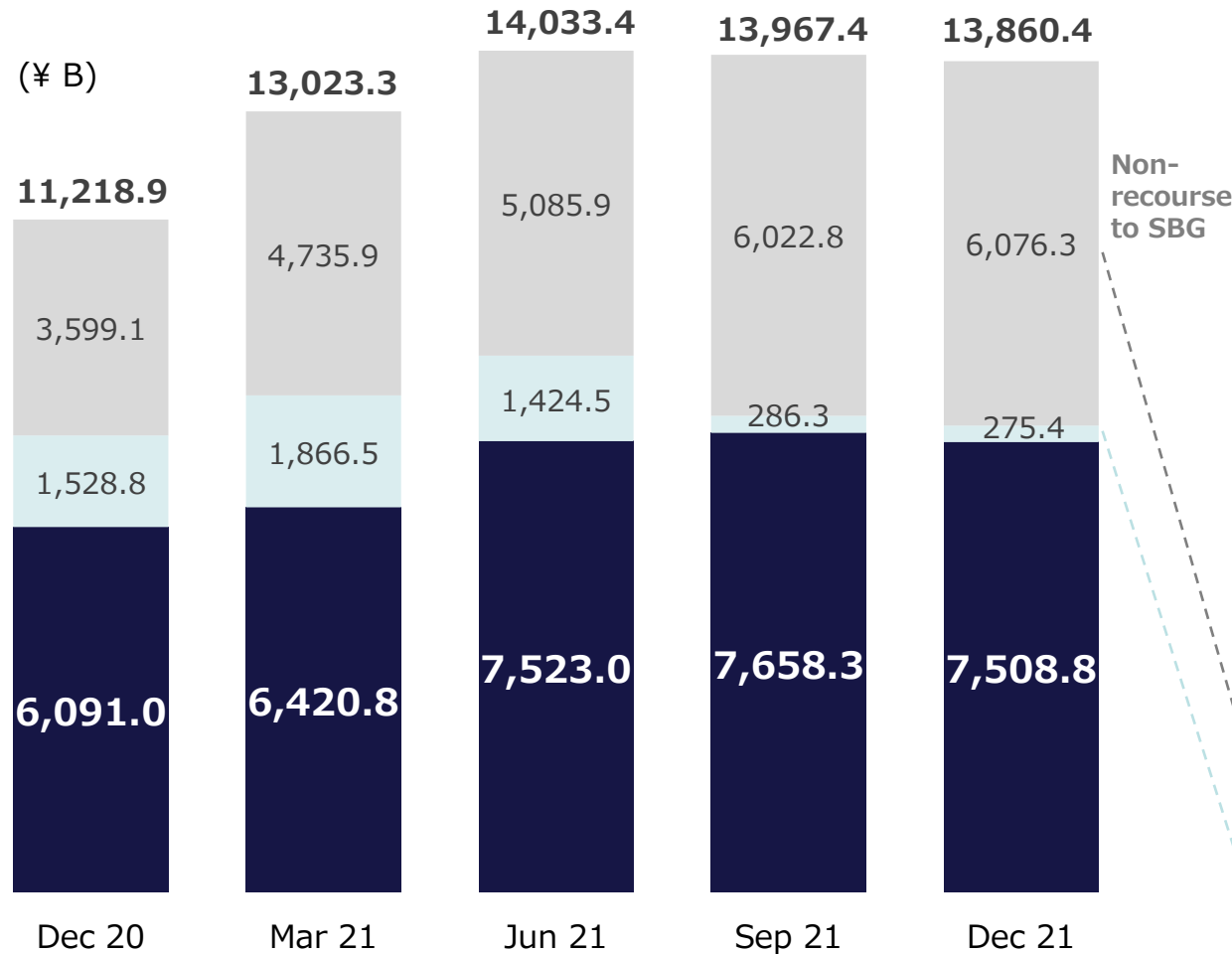
## Completed refinancing of domestic subordinated bonds

|                              |   |
|------------------------------|---|
| <b>Total amount of issue</b> | <b>¥550.0B</b><br>(record-high over 2019 (¥500.0B)) |
| <b>Investor</b>              | <b>Retail</b>                                       |
| <b>Interest rate</b>         | <b>2.48%</b>  |
| <b>Term</b>                  | <b>7 years</b>                                      |



# SBG Stand-alone Interest-bearing Debt\*1

Interest-bearing debt excl. non-recourse items remains stable.



| Main variance factors from Sep 30, 2021                     |          |
|---|----------|
| • Partial repayment of margin loans using Alibaba shares    | -\$4.0B  |
| • Collar transactions using Deutsche Telekom shares         | +€2.6B   |
| • Entry into prepaid forward contracts using Alibaba shares | +\$2.2B  |
| • Redemption of domestic subordinated bonds on maturity     | -¥361.6B |
| • Increase in bank loans                                    | +¥151.8B |

| Breakdown as of Dec 31, 2021                                |  | (¥ B)   |
|---|--|---------|
| <b>SBG borrowings</b>                                       |  |         |
| Bank loans  |  | 1,313.3 |
| Hybrid loans  |  | 83.5    |
| Others  |  | 0.7     |
| Subtotal  |  | 1,397.5 |
| <b>SBG bonds and CPs</b>                                    |  |         |
| Domestic senior bonds                                       |  | 2,225.7 |
| Domestic subordinated/hybrid bonds                          |  | 1,486.1 |
| Foreign currency notes                                      |  | 1,963.5 |
| CPs   |  | 288.1   |
| Subtotal  |  | 5,963.3 |
| <b>SBG lease liabilities</b>                                |  |         |
|   |  | 12.4    |
| <b>Subsidiaries' debt</b>                                   |  |         |
| Financial liabilities relating to prepaid forward contracts |  | 4,270.8 |
| Collar transactions using Deutsche Telekom shares           |  | 396.2   |
| Margin loans (non-recourse to SBG*2)                        |  | 1,409.2 |
| (recourse to SBG*2)   |  | 80.9    |
| SB Northstar  |  | 275.4   |
| Others  |  | 54.7    |
| Subtotal  |  | 6,487.2 |

**Total 13,860.4**

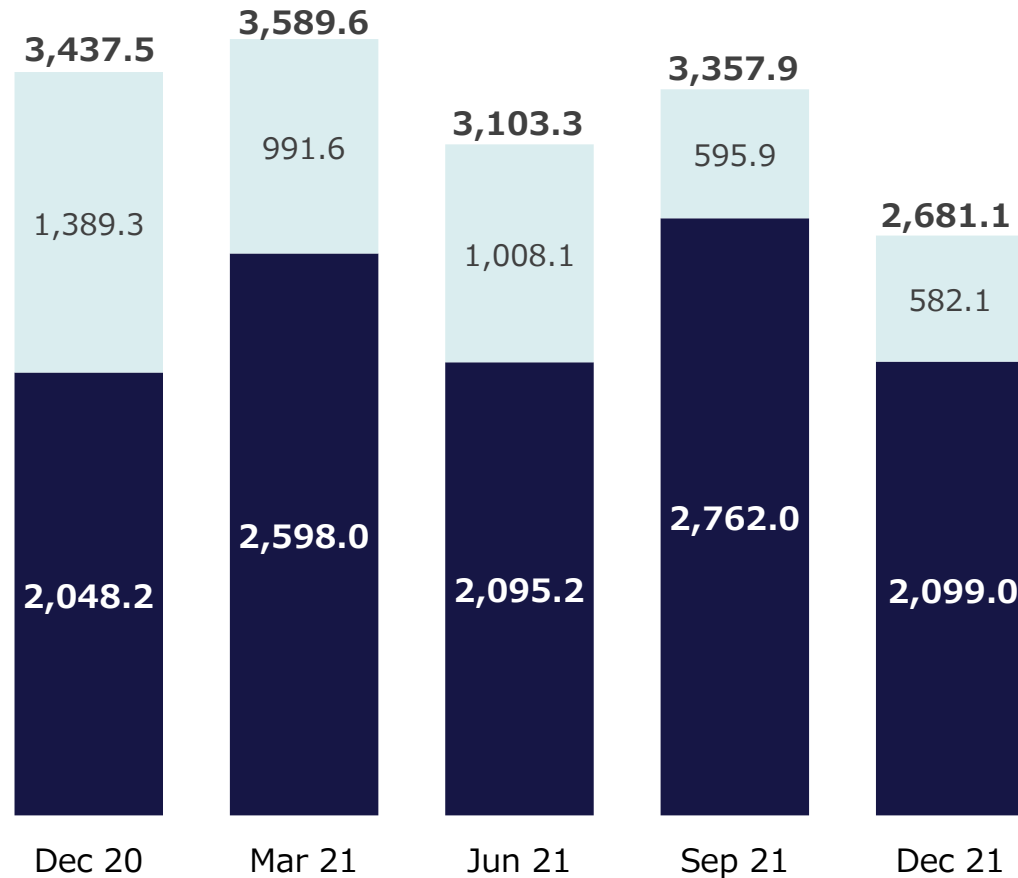
(Notes)  
 \*1 Includes only interest-bearing debt and lease liabilities to third parties.  
 \*2 As for \$2.65B margin loan using T-Mobile shares, the cap of \$0.7B on the guaranteed obligations is deducted from the amount borrowed through non-recourse asset-backed financing as SBG has, as an exception, guaranteed a portion of the margin loan. As a precondition for SBG to fulfill its guaranteed obligations, the lenders are obligated to first recover, to the maximum extent possible, from Alibaba shares that have been pledged by SBG as collateral for the margin loan.



# SBG Stand-alone Cash Position

Cash position decreased due to progress on investments and repayment of debt.

(¥ B)



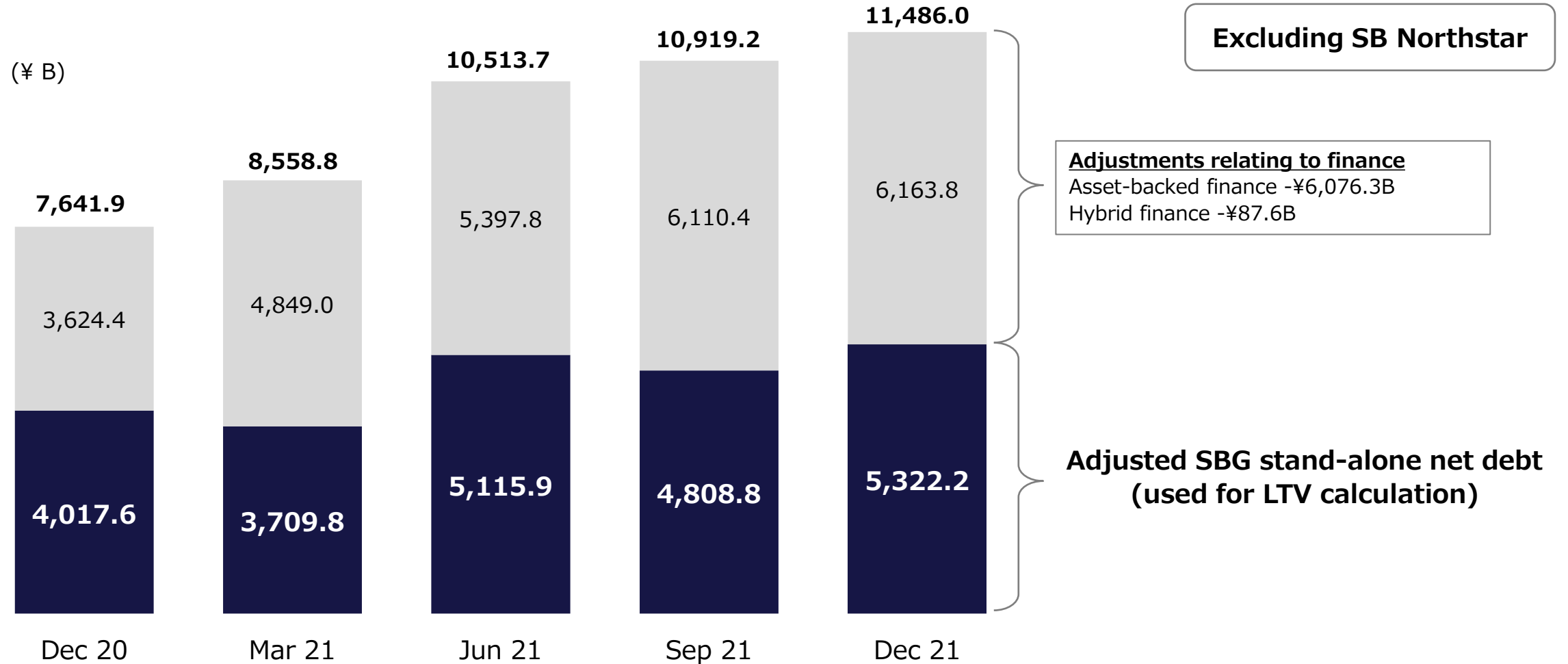
Cash position of SB Northstar

| Main variance factors from Sep 30, 2021                               |   |
|---|---|
| Increase  | Decrease  |
| • Distribution from SVF1&2 (+\$4.4B)                                  | • SVF2 capital Call (-\$7.4B)   |
| • Collar transactions using Deutsche Telekom shares (+€2.6B)          | • Partial repayment of margin loans using Alibaba shares (-\$4.0B)                            |
| • Entry into prepaid forward contracts using Alibaba shares (+\$2.2B) | • Redemption of domestic subordinated bonds on maturity; with funds procured in Q2 (-¥361.6B) |
| • Increase in bank loans (+¥151.8B)                                   | • Other investments (-¥206.6B)  |

(Note) Cash position= cash and cash equivalents + short-term investments recorded as current assets (such as investments from asset management subsidiaries). SBG stand-alone basis

# SBG Stand-alone Net Interest-bearing Debt

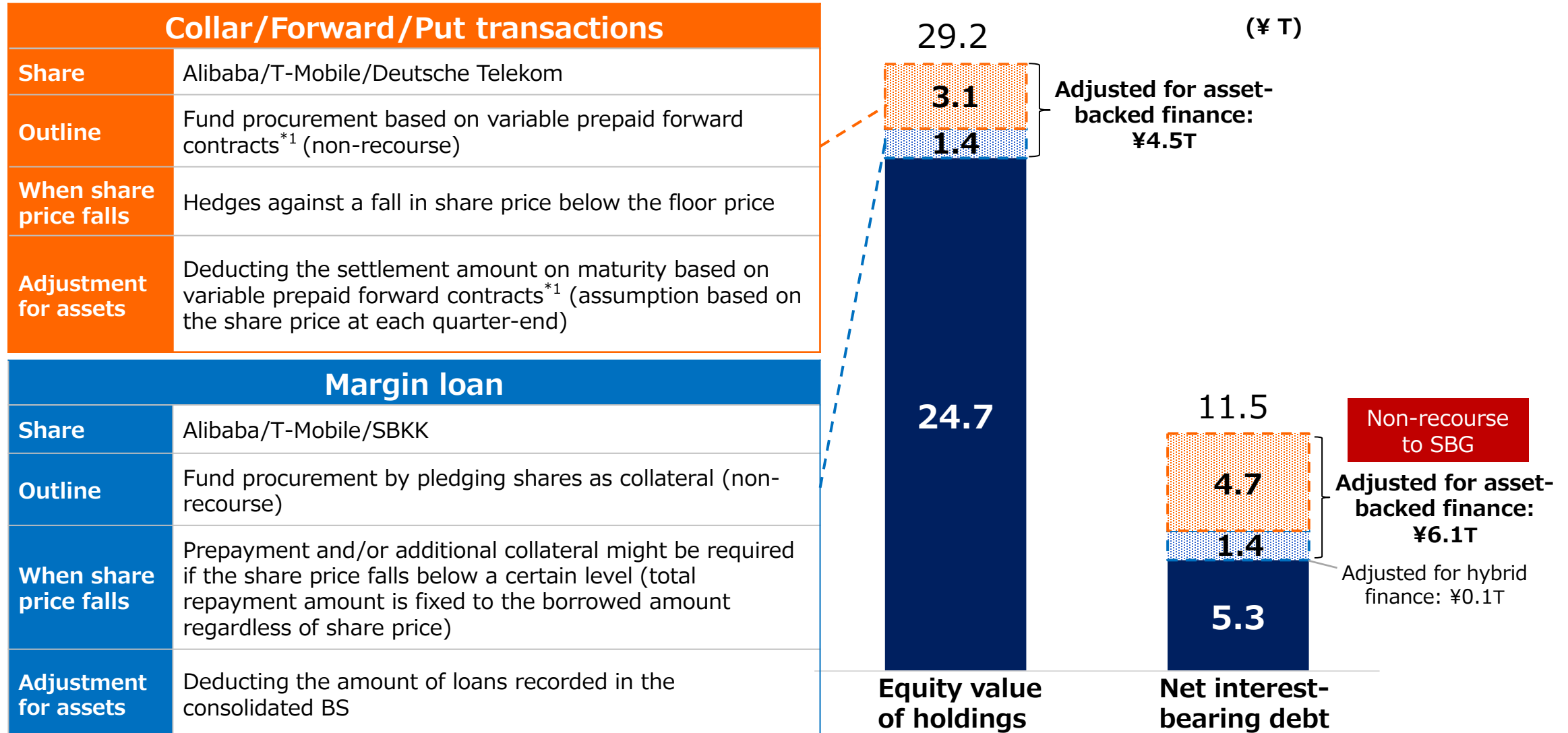
Adjusted net interest-bearing debt increased due to continued investments and partial repayment of non-recourse debt.



(Note) See "LTV Calculation: SBG Stand-alone Net Debt" in Appendix for details.

# Adjustment for Asset-backed Finance

Non-recourse finance using assets is deducted from debt, and asset value required for settlement is deducted from assets.



(Note)

\*<sup>1</sup> A variable prepaid forward contract is a contract to buy or sell shares on a predetermined date at a price or a price range agreed at the time the contract is concluded.

- 
- Results of Investment Businesses
  - Financial Condition
  - **Financial Strategy**
  - ESG Initiatives

## Establish optimal financial strategy as an investment company

**Firmly keeping  
financial policy**

**Financial  
management to  
enable reproduction  
at investment  
business on an  
expanded scale**

**1. Manage LTV below 25% in normal times**  
(upper threshold of 35% even in times of emergency)

**2. Maintain funds covering bond redemptions**  
**for at least the next 2 years**

**3. Secure recurring distribution and dividend income**  
from SVF1&2 and other subsidiaries

# Firmly Keeping Financial Policy (2/2): Our Policy on Supporting Portfolio Companies

---

Portfolio company  
finances to be  
**self-financing**

**No rescue  
package**

## Establish a cycle of investment and recovery

- Establish a cycle of “investment” → “recovery and CF generation” → “reinvestment”
- Consider returns to stakeholders when recovery sufficiently exceeds the required investment funds
- Prioritize financial improvement through monetizing assets, etc. in a crisis

## Procure funds to capture attractive investment opportunities

- Utilize leverage with LTV in mind
- Optimize mix of various funding sources (methods/markets/products, etc.)
- Emphasize dialogues with market and financial institutions



# Share Repurchase

|                                |  |
|--------------------------------|--|
| <p><b>Details</b></p>          | <p><b>Total repurchase amount: ¥1T (maximum)</b><br/> <b>Repurchase period: From Nov. 9, 2021 to Nov. 8, 2022</b></p>  |
| <p><b>Policies</b></p>         | <div style="display: flex; align-items: center;"> <div style="flex: 1;"> <ol style="list-style-type: none"> <li>1. Firm commitment to the financial policies</li> <li>2. Investment opportunities</li> <li>3. Level of NAV discount</li> </ol> </div> <div style="font-size: 4em; margin: 0 10px;">}</div> <div style="flex: 1; text-align: center;"> <p><b>A flexible approach to purchase shares considering these factors</b></p> </div> </div> <p><b>Depending on the balance of the above factors, the repurchase amount may not reach ¥1T within the designated purchase period.</b></p> |
| <p><b>Purchased amount</b></p> | <p><b>Nov 2021 to Jan 2022: ¥157.0B (28,563,200 shares)</b></p>  |

- 
- Results of Investment Businesses
  - Financial Condition
  - Financial Strategy
  - **ESG Initiatives**

# ESG Initiatives

## Development of a group-wide ESG policy

- Launched discussion on a **group-wide ethical AI policy**, to be formulated in FY2022

## Environment: Climate change disclosure in line with the TCFD

- Developing **climate change strategy and actions**, to be disclosed by late June 2022

## Society: Response to human rights risk

- **Planning human rights due-diligence** in SBG, to be implemented in FY2021

## Society: COVID-19 response

- Developed **“COVID-19 Testing Vehicle”** that enables agile saliva PCR tests
  - Contribute to the national and local governments' efforts to secure testing capacity for COVID-19
- **Will start booster shots in nine locations nationwide**
  - Target: business partner employees, Group employees and their families, approximately 90,000 people in total (as of Feb.7, 2022)



## External evaluation: S&P Global The Sustainability Yearbook 2022 Rankings

- Elected as “Yearbook Member” (top 15% of companies from each industry)

# Investments in Environmental and Social Areas

Continue active investment in start-ups tackling environment and social issues

Contribute to eliminating disparity and discrimination in the technology and venture capital communities

※This slide shows examples of portfolio companies

## SVF2



ESG data platform and data analytics tool



Matching service between seniors and young adults to provide assistance

## SB Opportunity Fund (Results of Year 2021)

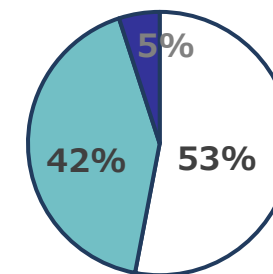
- Seek out and invest in exceptional underrepresented founders to help diversify the tech sector
- New investments: 47

## Emerge

- Accelerator to support underrepresented founders
- Decided to support nine additional companies in December 2021



Deals by Race



Black-Founded

Latinx-Founded

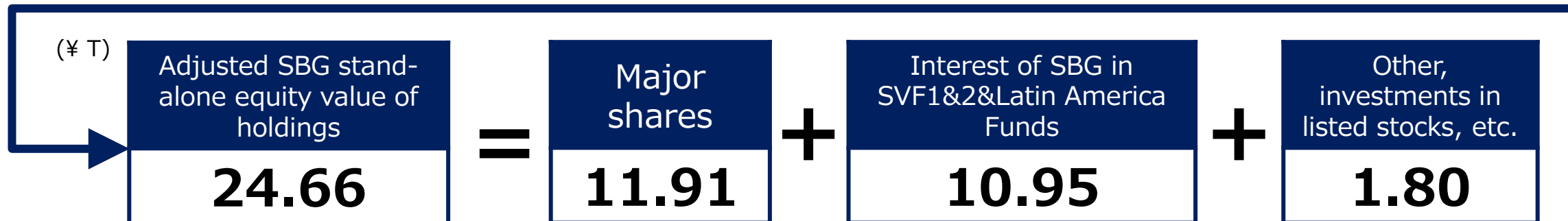
Black and Latinx-Founded

Going forward: Consider promoting further investment in the environmental and social areas through issuance of sustainable bonds

# Appendix

# LTV Calculation: SBG Stand-alone Equity Value of Holdings

$$\frac{\text{(L) Adjusted SBG stand-alone net debt } \text{¥5.32T}}{\text{(V) Adjusted SBG stand-alone equity value of holdings}^*1 \text{ } \text{¥24.66T}} = 21.6\%$$



|                                    |              |                        |              |                            |              |
|------------------------------------|--------------|------------------------|--------------|----------------------------|--------------|
| Alibaba                            | +9.13        | SBKK                   | +2.79        | T-Mobile                   | +1.20        |
| Asset-backed finance               | -3.15        | Asset-backed finance   | -0.50        | Asset-backed finance       | -0.46        |
| <b>Alibaba (adjusted)</b>          | <b>+5.97</b> | <b>SBKK (adjusted)</b> | <b>+2.29</b> | <b>T-Mobile (adjusted)</b> | <b>+0.74</b> |
| Deutsche Telekom                   | +0.48        | <b>Arm</b>             | <b>+2.83</b> |                            |              |
| Asset-backed finance               | -0.40        |                        |              |                            |              |
| <b>Deutsche Telekom (adjusted)</b> | <b>+0.08</b> |                        |              |                            |              |

|                     |       |
|---------------------|-------|
| SVF1                | +5.19 |
| SVF2                | +4.83 |
| Latin America Funds | +0.94 |

|              |       |
|--------------|-------|
| SB Northstar | +0.76 |
| Other        | +1.04 |

\*1 See page 43-44 for details of adjusted SBG stand-alone equity value of holdings for each asset.

# LTV Calculation: Details of SBG Stand-alone equity value of holdings (1/2)

(¥ T)

| Assets                              | Value       | Calculation method   |
|-------------------------------------|-------------|--|
| <b>(a) Alibaba</b>                  | <b>5.97</b> |  |
| Before adjustment                   | 9.13        | Multiplying the number of Alibaba ADSs equivalent to the number of shares held by SBG by the ADS price   |
| Adjustment for asset-backed finance | -3.15       | Deducting (a) and (b) below (amount required to settle asset-backed finance):<br>(a) sum of the outstanding maturity settlement amounts (calculated by using the company's share price (ADS price) as of December 31, 2021) of the prepaid forward contracts (floor contracts, collar contracts, forward contracts, and call spread) using Alibaba shares (¥2,467.6B)<br>(b) equivalent amount of outstanding debt for margin loans using Alibaba shares (¥686.8B) |
| <b>(b) SBKK</b>                     | <b>2.29</b> |  |
| Before adjustment                   | 2.79        | Multiplying the number of SBKK shares held by SBG by the share price   |
| Adjustment for asset-backed finance | -0.50       | Equivalent amount of outstanding debt for margin loans using SBKK shares (¥499.7B)   |
| <b>(c) SVF1</b>                     | <b>5.19</b> | SBG's share of the value of assets held by SVF1 + performance fees accrued, etc.   |
| <b>(d) SVF2</b>                     | <b>4.83</b> | SBG's share of the value of assets held by SVF2 + performance fees accrued   |
| <b>(e) Latin America Funds</b>      | <b>0.94</b> | SBG's share of the value of assets held by Latin America Funds + performance fees accrued  |

# LTV Calculation: Details of SBG Stand-alone Equity Value of Holdings (2/2)

(¥ T)

| Assets   | Value        | Calculation method  |
|--|--------------|---|
| <b>(f) T-Mobile</b>                                      | <b>0.74</b>  |   |
| Before adjustment  | 1.20         | <i>summing</i> <ul style="list-style-type: none"> <li>Value of SBG's shareholding (incl. the number of shares subject to call options held by Deutsche Telekom (DT):56,124,954 shares as of Dec 31, 2021) × the share price</li> <li>Fair value of SBG's right to acquire 48,751,557 T-Mobile shares for no additional consideration under certain conditions</li> <li>Fair value of the right received for the transaction where T-Mobile sold its own shares to Trust that offered its Cash Mandatory Exchangeable Trust Securities, which allows SBG subsidiary to acquire T-Mobile shares under certain conditions</li> </ul> |
| Adjustment for asset-backed finance                      | -0.46        | <i>minus</i> <ul style="list-style-type: none"> <li>Balance of derivative financial liabilities related to unexercised call options held by Deutsche Telekom</li> <li>Amount SBG considers as asset-backed financing non-recourse to SBG (¥222.8B)*1, of the total borrowing amount of the margin loan using T-Mobile shares (¥303.6B)</li> <li>Settlement amount on maturity of prepaid forward contracts (collar contracts) using T-Mobile shares (calculated by using the company's share price) (¥239.3B)</li> </ul>  |
| <b>(g) Deutsche Telekom</b>                              | <b>0.08</b>  |   |
| Before adjustment  | 0.48         | Number of Deutsche Telekom shares held by SBG × the share price   |
| Adjustment for asset-backed finance                      | -0.40        | Deducting settlement amount on maturity of a collar transaction using DT shares executed in Oct 2021 (¥397.0B)  |
| <b>(h) Arm</b>   | <b>2.83</b>  | Based on the acquisition cost of SBG, excluding the number of shares held by SVF1   |
| <b>(i) SB Northstar</b>                                  | <b>0.76</b>  | SBG's share of SB Northstar's NAV + the number of NVIDIA shares held by SBG × the share price   |
| <b>(j) Other</b>   | <b>1.04</b>  | Listed shares: multiplying the number of shares held by SBG by each share price<br>Unlisted shares: fair value (the carrying amount in SBG for those not measured at FVs) of shares, etc. held by SBG   |
| <b>Adjusted SBG stand-alone equity value of holdings</b> | <b>24.66</b> | <b>Sum of (a) through (j) from page 43</b>  |

(Note)\*1 As for \$2.65B margin loan using T-Mobile shares, the cap of \$0.70B on the guaranteed obligations is deducted from the amount borrowed through non-recourse asset-backed finance as SBG has, as an exception, guaranteed a portion of the margin loan.



# LTV Calculation: SBG Stand-alone Net Debt

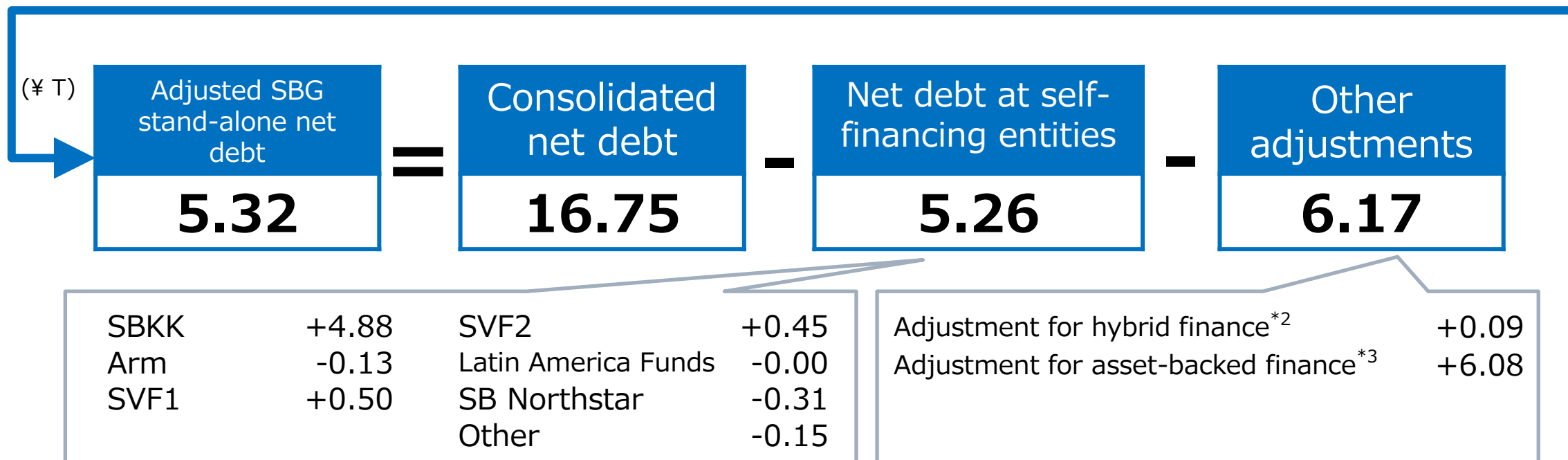
**(L) Adjusted SBG stand-alone net debt\*1**

**¥5.32T**

(V) Adjusted SBG stand-alone equity value of holdings

¥24.66T

**=21.6%**



\*1 The presented net debt only includes debts to third parties. The presented net interest-bearing debt excludes the amount calculated as deposits for banking business less cash position at PayPay Bank

\*2 See page 46 for the details of adjustment for hybrid finance and asset-backed finance.

# LTV Calculation: Details of SBG stand-alone Net Debt

(¥ T)

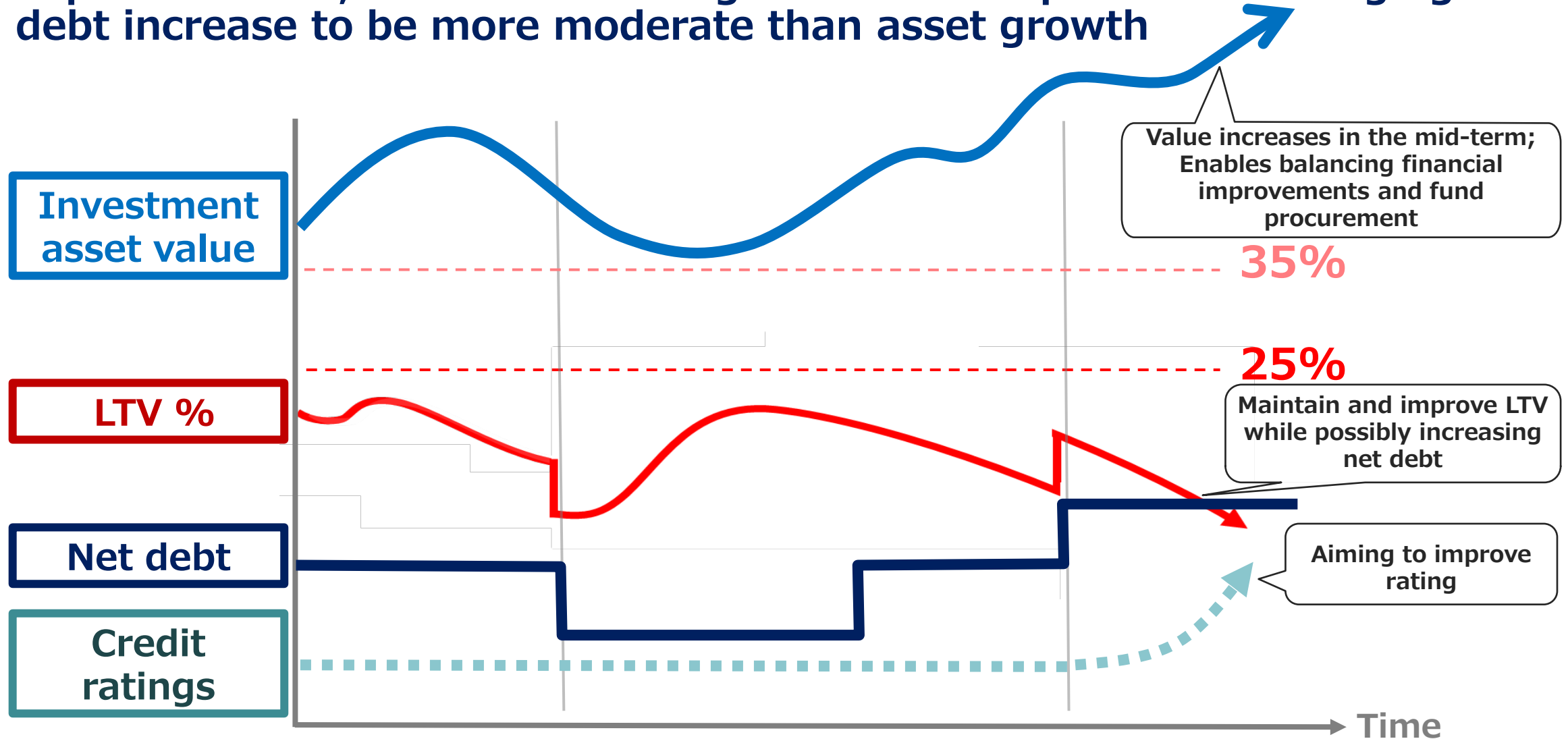
| SBG stand-alone net debt<br>(before adjustment) | 11.49        | Consolidated net interest-bearing debt,<br>net of interest-bearing debt at self-financing entities  |
|---|--------------|---|
| <b>Adjustment for hybrid finance</b>            | <b>-0.09</b> | <ul style="list-style-type: none"> <li>- Add 50% to interest-bearing debt (to treat it a liability) for USD Hybrid Notes issued in July 2017; as the entire amount is recorded as equity in the consolidated financial statements</li> <li>- Deduct 50% from interest-bearing debt (to treat it as equity) for JPY Hybrid Bonds issued in Sep 2016, Feb and Jun 2021, and JPY Hybrid Loan borrowed in Nov 2017; as their entire amount is recorded as a liability in the consolidated financial statements</li> </ul> |
| <b>Adjustment for asset-backed finance</b>      | <b>-6.08</b> |   |
| Alibaba shares                                  | -4.72        | <ul style="list-style-type: none"> <li>- Financial liabilities relating to prepaid forward contracts (floor contracts, collar contracts, and forward contracts) using Alibaba shares (¥4,034.6B)</li> <li>- Amount equivalent to the outstanding margin loan using Alibaba shares (¥686.8B)</li> </ul>  |
| T-Mobile shares                                 | -0.46        | <ul style="list-style-type: none"> <li>- Of the total borrowing amount of the margin loan using T-Mobile shares (¥303.6B), the amount that is considered as asset-backed financing non-recourse to SBG (¥222.8B)*<sup>1</sup></li> <li>- Financial liabilities relating to prepaid forward contracts (collar contracts) using T-Mobile shares (¥236.2B)</li> </ul>  |
| Deutsche Telekom shares                         | -0.40        | Financial liabilities recorded as borrowings relating to collar transactions using Deutsche Telekom shares executed in October 2021 (¥396.2B)   |
| SBKK shares                                     | -0.50        | Amount of debt outstanding for margin loans using SBKK shares (¥499.7B)   |
| <b>Adjusted SBG stand-alone net debt</b>        | <b>5.32</b>  |   |

(Note)

\*1 As for \$2.65B margin loan using T-Mobile shares, the cap of \$0.70B on the guaranteed obligations is deducted from the amount borrowed through non-recourse asset-backed finance as SBG has, as an exception, guaranteed a portion of the margin loan. As a precondition for SBG to fulfill its guaranteed obligations, the lenders are obligated to first recover the amount to the maximum extent possible from Alibaba shares pledged as collateral for such borrowing.

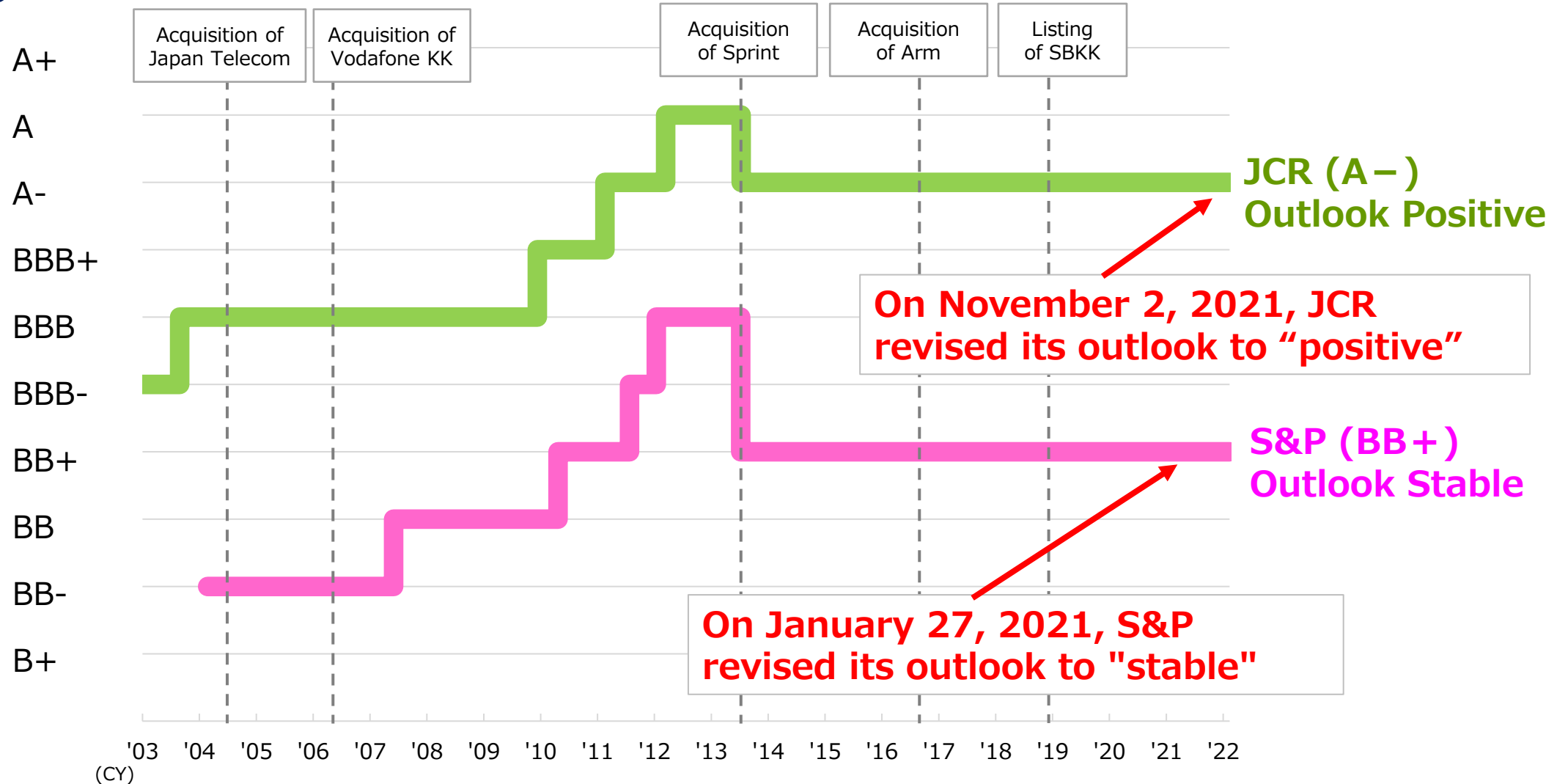
# Direction of Financial Management (Illustrative)

Continue to procure funds to enable reproduction at investments at an expanded scale, while maintaining financial discipline and managing net debt increase to be more moderate than asset growth



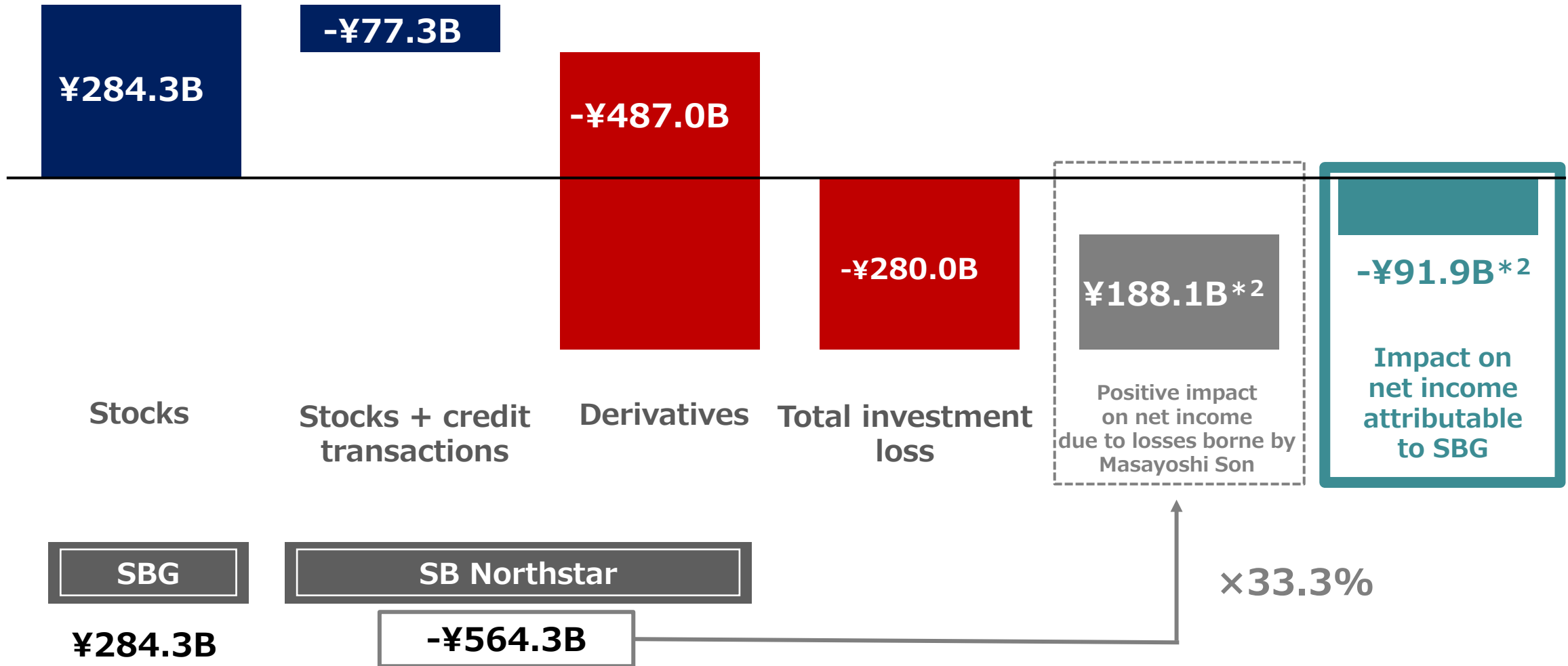
# SBG Credit Rating Trend

Aim to improve credit rating under the investment holding company rating criteria



(Note) As of February 10, 2022

# SB Northstar: Cumulative Investment Gain (Loss)\*1



(Notes)

\*1 Includes gain (loss) on investments relating to NVIDIA Corporation shares held by SBG.

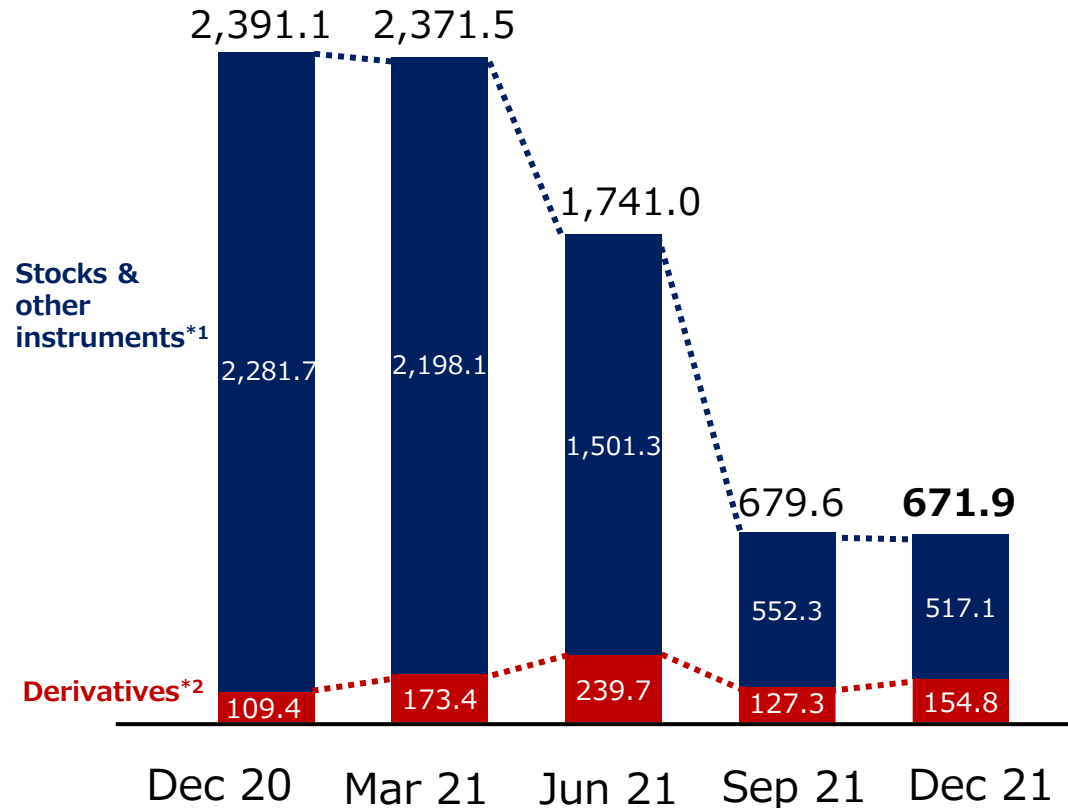
\*2 Excludes impacts such as selling, general and administrative expenses and tax expenses.

# SB Northstar: Assets Under Management (as of Dec 31, 2021)

## Significant downsizing of investments

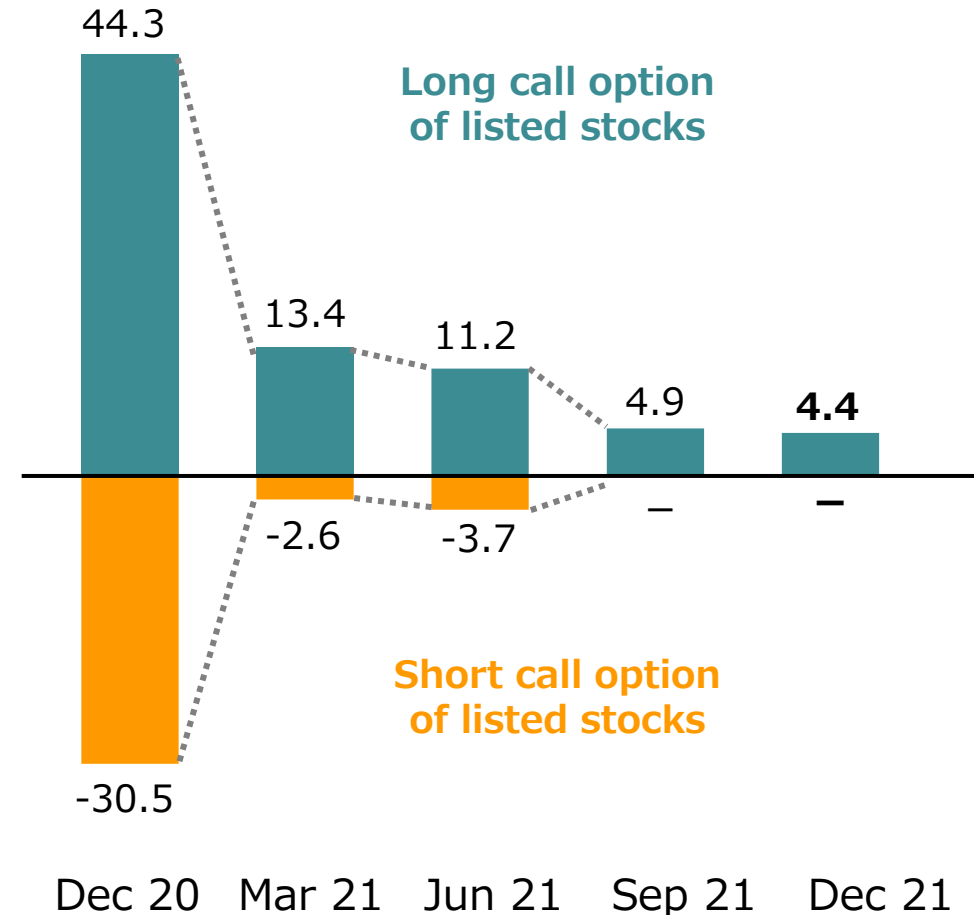
### Stocks, etc. and derivatives (fair value)

(¥ B)



### Notional principal of options

(\$ B)



(Notes)

\*1 Sum of stocks held by SBG and investments held by SB Northstar (stocks, securities pledged as collateral and convertible bonds)

\*2 Net amount of derivative financial assets and derivative financial liabilities of SB Northstar

# Consolidated SBG: Interest-bearing Debt, Cash Position, and Net Interest-bearing Debt

## Consolidated Interest-bearing Debt\*<sup>1</sup>

(¥ B)

|  | Dec 20   | Mar 21   | Jun 21   | Sep 21   | Dec 21          |
|--|----------|----------|----------|----------|-----------------|
| <b>SBG standalone</b>                          | 11,218.9 | 13,023.3 | 14,033.4 | 13,967.4 | <b>13,860.4</b> |
| <i>Incl. SB Northstar</i>                      | 1,528.8  | 1,866.5  | 1,424.5  | 286.3    | 275.4           |
| <b>SVF1 and SVF2</b>                           | 260.3    | 444.2    | 543.3    | 827.2    | <b>1,199.9</b>  |
| <b>SoftBank Segment</b>                        | 5,804.5  | 5,692.1  | 6,227.4  | 5,969.1  | <b>6,168.0</b>  |
| <b>Others (Arm, Latin America Funds, etc.)</b> | 339.7    | 388.4    | 429.6    | 335.7    | <b>345.7</b>    |
| <b>Total</b>                                   | 17,623.4 | 19,548.0 | 21,233.8 | 21,099.5 | <b>21,573.9</b> |

## Consolidated Cash Position\*<sup>2</sup>

(¥ B)

|  | Dec 20  | Mar 21  | Jun 21  | Sep 21  | Dec 21         |
|--|---------|---------|---------|---------|----------------|
| <b>SBG standalone</b>                          | 3,437.5 | 3,589.6 | 3,103.3 | 3,357.9 | <b>2,681.1</b> |
| <i>Incl. SB Northstar</i>                      | 1,389.3 | 991.6   | 1,008.1 | 595.9   | 582.1          |
| <b>SVF1 and SVF2</b>                           | 46.9    | 131.1   | 384.2   | 100.9   | <b>247.4</b>   |
| <b>SoftBank Segment</b>                        | 1,295.4 | 1,285.6 | 1,401.3 | 1,057.5 | <b>1,283.4</b> |
| <b>Others (Arm, Latin America Funds, etc.)</b> | 457.1   | 524.8   | 474.2   | 514.6   | <b>613.7</b>   |
| <b>Total</b>                                   | 5,236.8 | 5,531.2 | 5,363.0 | 5,030.9 | <b>4,825.6</b> |

## Consolidated Net Interest-bearing Debt\*<sup>3</sup>

(¥ B)

|  | Dec 20   | Mar 21   | Jun 21   | Sep 21   | Dec 21          |
|--|----------|----------|----------|----------|-----------------|
| <b>SBG standalone</b>                          | 7,781.4  | 9,433.7  | 10,930.1 | 10,609.6 | <b>11,179.3</b> |
| <i>Incl. SB Northstar</i>                      | 139.5    | 874.9    | 416.4    | -309.6   | -306.7          |
| <b>SVF1 and SVF2</b>                           | 213.5    | 313.1    | 159.1    | 726.3    | <b>952.5</b>    |
| <b>SoftBank Segment</b>                        | 4,509.0  | 4,406.4  | 4,826.1  | 4,911.6  | <b>4,884.6</b>  |
| <b>Others (Arm, Latin America Funds, etc.)</b> | -117.3   | -136.4   | -44.6    | -178.9   | <b>-268.1</b>   |
| <b>Total</b>                                   | 12,386.6 | 14,016.8 | 15,870.8 | 16,068.6 | <b>16,748.3</b> |

(Notes)

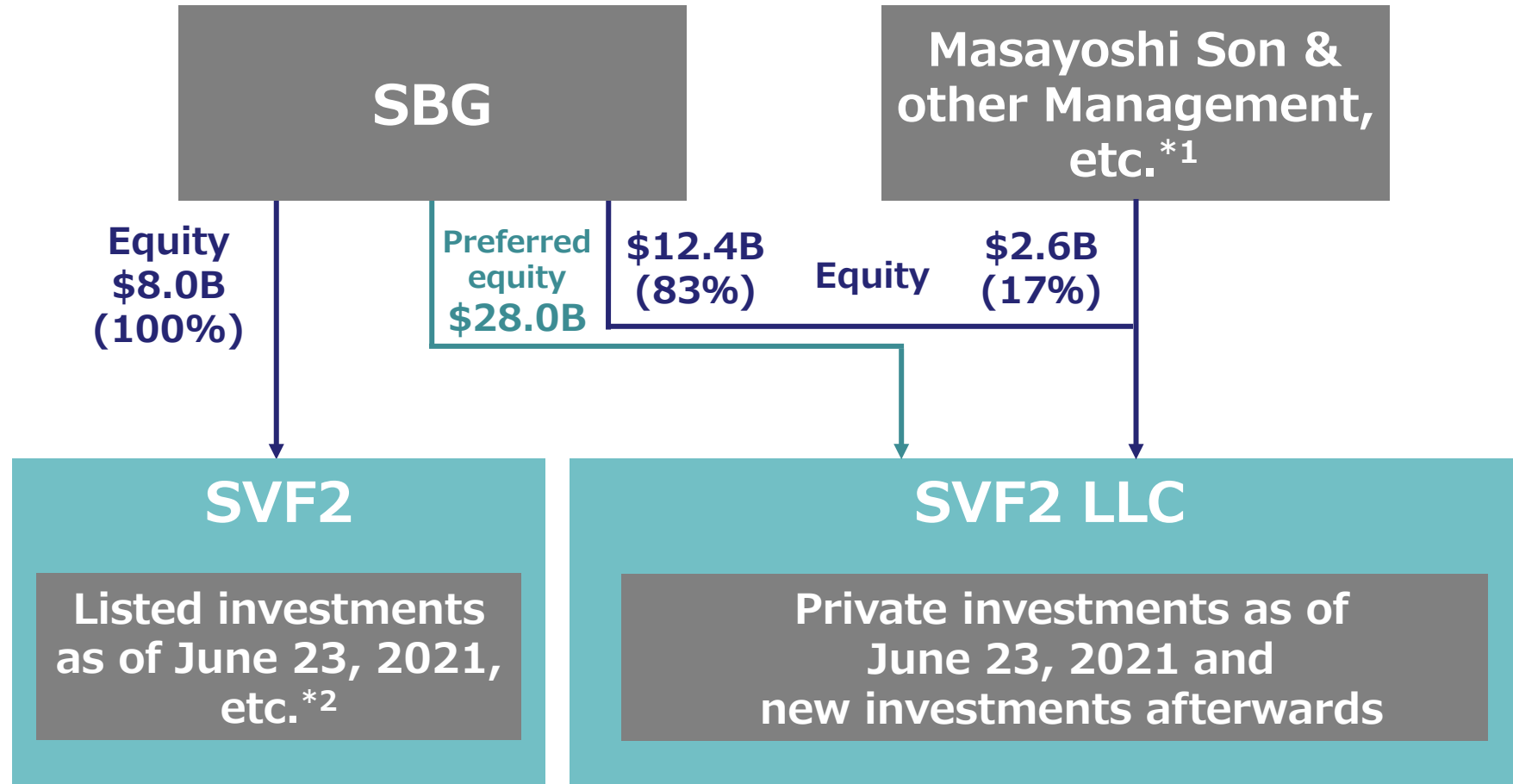
\*1 The presented interest-bearing debt only includes interest-bearing debt and lease liabilities to third parties, and excludes deposits for banking business at PayPay Bank.

\*2 The presented cash position is the sum of cash and cash equivalents and short-term investments recorded as current assets, and excludes cash position at PayPay Bank.

\*3 The presented net interest-bearing debt excludes the amount calculated as deposits for banking business less cash position at PayPay Bank. Negative figures indicate net cash.

# Introduction of Co-investment Program to SVF2

Co-investment by management in SVF2 together with SBG, sharing both the profits and risks associated with investments, will lead to enhanced focus on the fund and contribute to SBG's earnings growth.



(Notes) As of December 31, 2021

\*1 Participation by management other than Masayoshi Son has not been determined as of January 31, 2022 but is expected in the future.

\*2 Includes investments publicly filed for listing as of June 23, 2021, and investments that were approved by SBG Board of Directors to be excluded from the co-investment program.



# Cycle of Investment and Recovery (Illustrative)

To establish an investment cycle over the medium to long term

