

**Earnings Results
for the Three-month Period
Ended June 30, 2022**

Investor Briefing

August 10, 2022

SoftBank Group Corp.



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Exchange rates per JPY used for translation

Average during quarter	FY2021				FY2022			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
1 USD	110.00	110.47	113.60	117.10	129.04			
1 CNY	17.01	17.09	17.75	18.43	19.60			
EOQ	Jun 30	Sep 30	Dec 31	Mar 31	Jun 30	Sep 30	Dec 31	Mar 31
1 USD				122.39	136.68			
1 CNY				19.26	20.38			

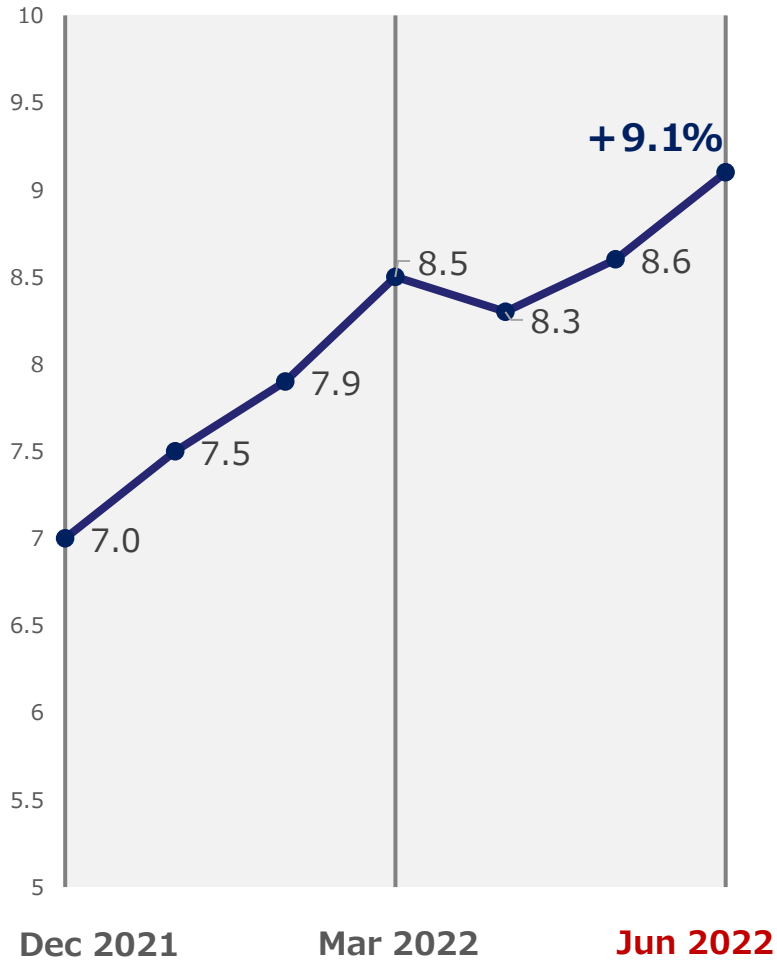
Abbreviations

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

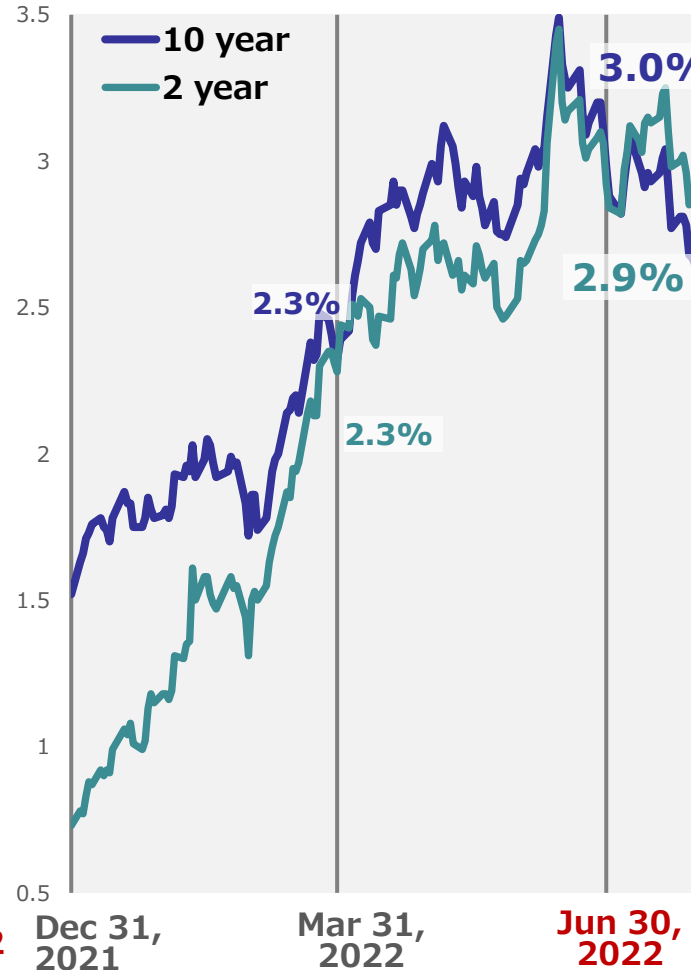
Abbreviations	Definition (Each of the following abbreviations indicates the respective company and its subsidiaries, if any)
SBG	SoftBank Group Corp. (stand-alone basis)
The Company	SoftBank Group Corp. and its subsidiaries
SBKK	SoftBank Corp.
SB Northstar	SB Northstar LP
SVF1 or SoftBank Vision Fund 1	SoftBank Vision Fund L.P. and its alternative investment vehicles
SVF2 or SoftBank Vision Fund 2	SoftBank Vision Fund II-2 L.P.
LatAm Funds or Latin America Funds	SBLA Latin America Fund LLC
SVF	SVF1, SVF2 and LatAm Funds
SBIA	SB Investment Advisers (UK) Limited
SBGA	SB Global Advisers Limited
SBGC	SoftBank Group Capital 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.

How We See the Market Environment

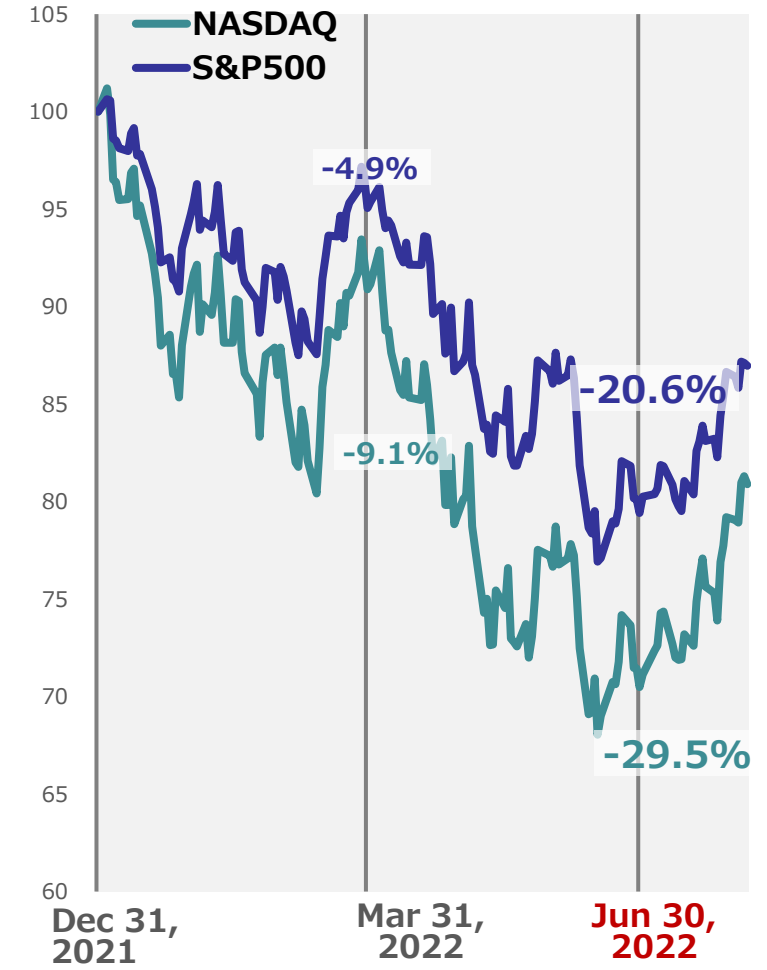
Stock market correction undergoing with inflation and rising interest rates



U.S. Consumer Price Index*¹
(yoy change)



U.S. treasury interest rates*²



NASDAQ Composite Index / S&P500*²

(Index with Dec 31, 2021 as 100)

*1 Created by SBG based on U.S. BUREAU OF LABOR STATISTICS.

*2 Created by SBG based on S&P Capital IQ.

How We See the China-related Environment

Uncertainty remains; with both positives and negatives in U.S.–China tension and China’s regulatory environment



Environment surrounding Chinese tech firms

Positives

- May: China’s Vice Premier stated support for digital platform firms
- Jun: Lockdown in Shanghai lifted
- Jul: U.S.-China talks to review punitive tariffs against China
- Jul: Alibaba announced filing for Hong Kong Stock Exchange primary listing

Negatives

- Jul: Resurgence in the number of new cases of COVID-19
- Jul: Fines were imposed on multiple Internet firms
- Jul: SEC added Alibaba to its delisting watchlist based on Holding Foreign Companies Accountable Act (HFCAA)

Current environment

- ◆ **Global economy**
 - Interest rate hikes accelerate to curb inflation; risk of entering recession smoldering
 - Correction on tech stock continued in Apr-Jun, followed by a sign of bottoming out
- ◆ **Geopolitical risks**
 - Uncertainty remains; with both positives and negatives in U.S.–China tension and China’s regulatory environment
 - Russia-Ukraine conflict prolonged



Prudent defensive financial management

Heightened investment discipline

Continued monetization



NAV ¥18.5T
Flat
vs Mar 2022

LTV 14.5%
-5.9pp
vs Mar 2022

Cash position ¥4.6T
+¥1.7T
vs Mar 2022

Accounting

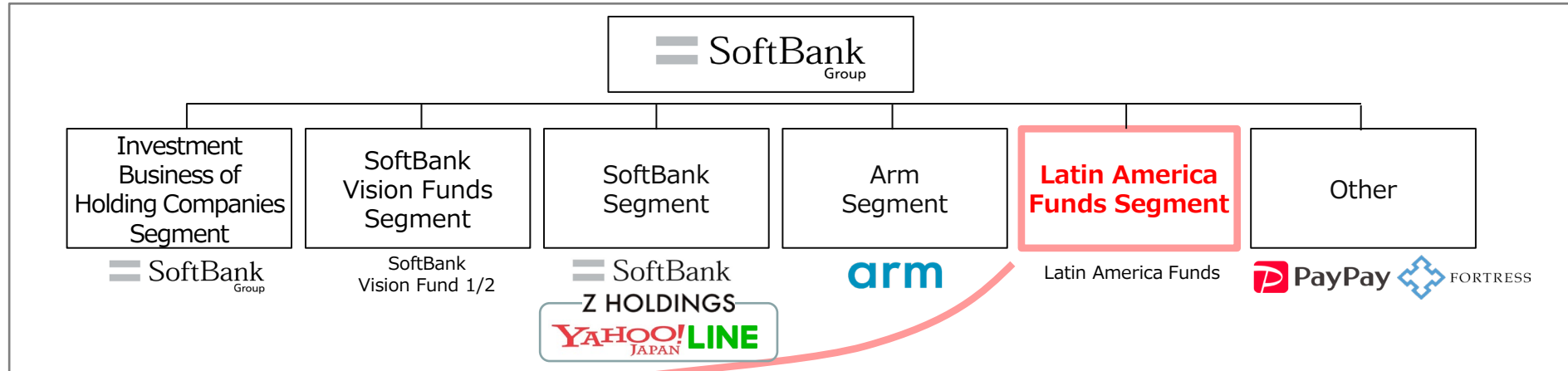
Consolidated Results

(¥ B)	FY21Q1	FY22Q1	Change	Change %
Net sales	1,479.1	1,572.0	92.9	6.3%
Income before income tax	1,292.5	-3,292.5	-4,584.9	—
Net income (attributable to owners of the parent)	761.5	-3,162.7	-3,924.2	—
(Reference)				
Gain (loss) on investments	1,263.1	-2,834.4	-4,097.5	—
Investment Business of Holding Companies	741.5	111.2	-630.3	-85.0%
SoftBank Vision Funds	507.3	-2,919.1	-3,426.4	—
Other investments	14.2	-26.5	-40.8	—

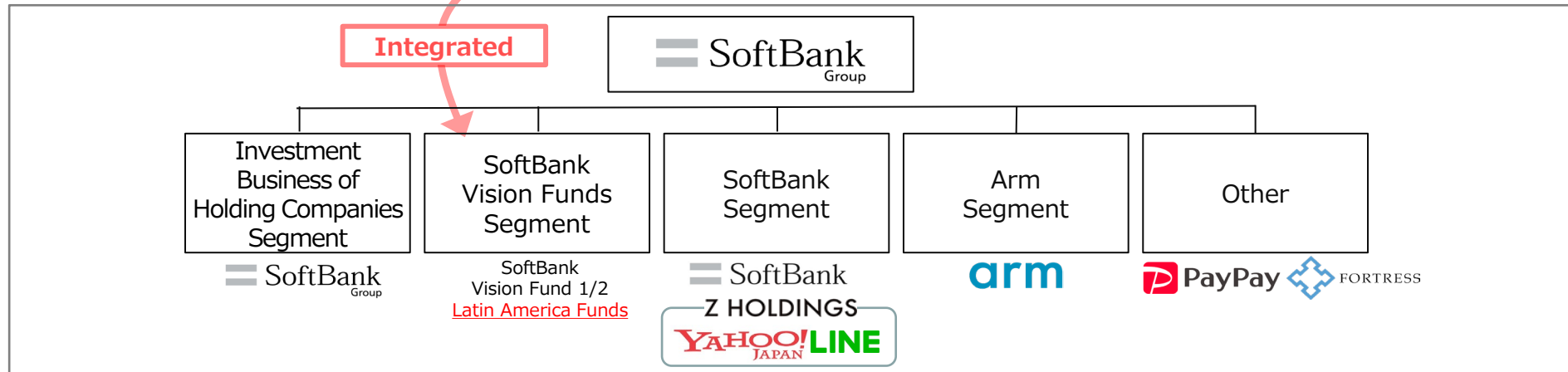
Change in Reportable Segments

From FY22Q1, the Latin America Funds segment has been integrated into the “SoftBank Vision Funds segment.”

FY21



FY22



<PayPay Corporation becoming a consolidated subsidiary of SoftBank Corp. and Z Holdings Corp.>

- Since PayPay is expected to become a subsidiary of SoftBank and Z Holdings in Oct 2022, its financial results will be included in the SoftBank segment instead of Other starting from FY22Q3, in which case the results for the previous fiscal year will be retroactively adjusted and presented.
- This will result in a change in the scope of consolidation (making PayPay a subsidiary) in the financial results of SoftBank and Z Holdings from FY22Q3, and IFRS 3 “Business Combinations” is expected to be applied. However, since PayPay has consistently been a subsidiary of SBG, the impact of this accounting treatment will not be included in SBG’s financial results.

Integration of LatAm Funds Segment into SVF Segment

Before/After restatement

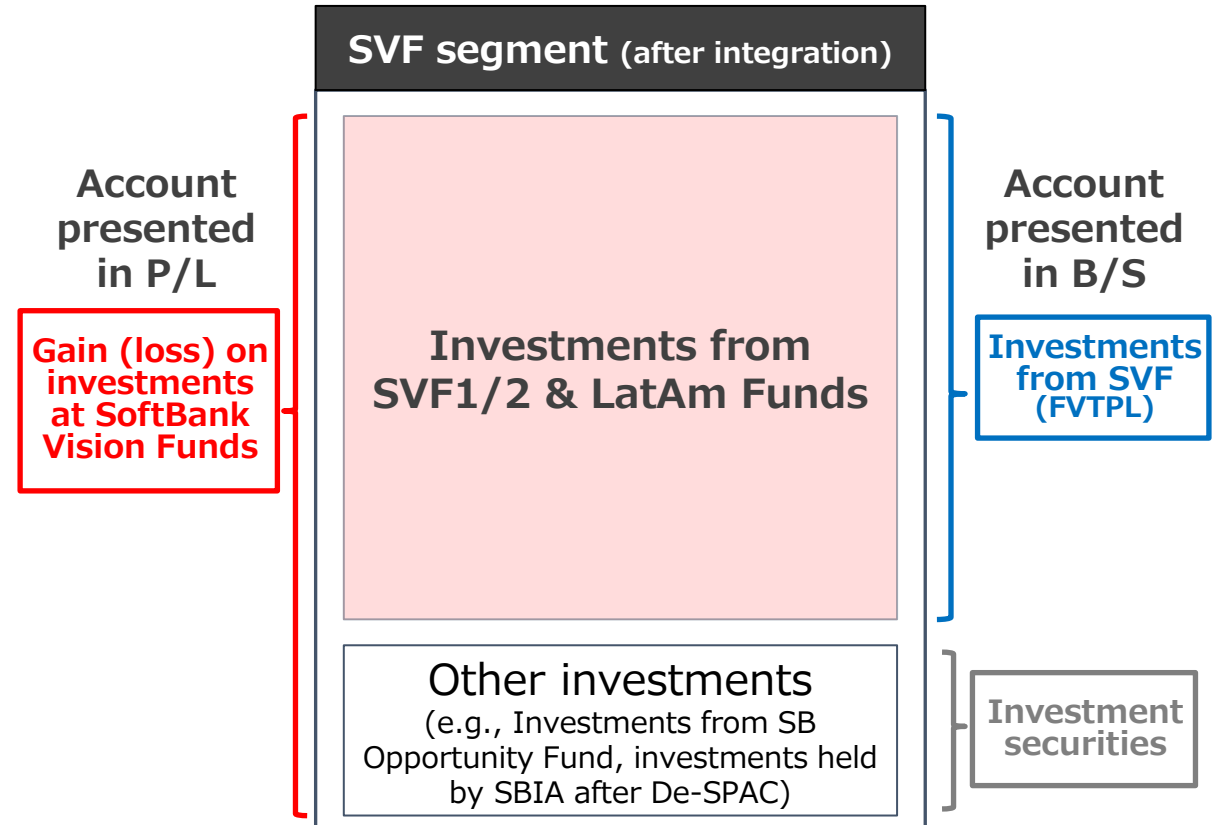
(¥ B)

P/L	FY21Q1		
	Before	After	Change
Gain on investments at SoftBank Vision Funds	287.9	507.3	219.4
(Former) Gain on investments at LatAm Funds	219.4	–	-219.4

(¥ B)

B/S	Mar 2022		
	Before	After	Change
Investments from SVF (FVTPL)	13,766.4	14,909.6	1,143.2
Investment securities	4,208.6	3,085.4	-1,123.2

B/S, P/L items for FY22Q1



Segment Income: SoftBank Vision Funds

(¥ B)

P/L	FY21Q1	FY22Q1	FY22Q1 Items
Gain (loss) on investments at SoftBank Vision Funds	610.9	-2,933.8	
Gain (loss) on investments at SVF1, SVF2, and LatAm Funds	610.9	-2,935.0	SVF1 -¥1,313.0B, SVF2 -¥1,297.1B, LatAm Funds -¥324.9B
Realized gain (loss) on investments*	406.6	-26.7	SVF1 -¥30.5B (mainly monetization of public portfolio companies), SVF2 +¥3.3B (entire sale of interests in KE Holdings), LatAm Funds +¥0.5B
Unrealized gain (loss) on valuation of investments*	195.9	-2,915.9	
Change in valuation for the fiscal year	649.1	-2,881.5	Unrealized valuation gain (loss) on investments held at FY22Q1-end: SVF1 -¥1,215.3B (-\$9,418M), SVF2 -¥1,341.0B (-\$10,392M), LatAm Funds -¥325.2B (-\$2,520M)
Reclassified to realized gain recorded in the past fiscal years	-453.2	-34.4	The amount of unrealized valuation gain (loss) recorded in past fiscal years related to the investments sold in FY22Q1 and reclassified to "realized gain (loss) on investments" SVF1 -¥45.6B (-\$521M), SVF2 +¥11.4B (+\$20M), LatAm Funds -¥0.2B (-\$2M)
Interest and dividend income from investments	21.0	0.4	
Derivative gain (loss) on investments	-3.4	37.7	
Effect of foreign exchange translation	-9.3	-30.5	The amount arose from the FX differences used to translate unrealized and realized gains and losses
Gain on other investments	0.1	1.2	
Selling, general and administrative expenses	-18.8	-18.9	
Finance cost	-4.3	-15.4	
Derivative gain (excl. gain on investments)	0.7	0.5	
Change in third-party interests in SVF	-134.6	631.4	The sum of distributions to third-party investors in proportion to their interests in fixed distributions and performance-based distributions, which are based on the gains and losses on investments at each fund, net of (i) management and performance fees payable to SBIA from SVF1 and payable to SBGA from LatAm Funds, (ii) management and performance-linked management fees payable to SBGA from SVF2, and (iii) operating and other expenses of each fund
Other gain (loss)	-2.1	5.5	
Segment income (income before income tax)	451.9	-2,330.8	

*Net amount

(Reference) Realized Gain (Loss) on Investments and Unrealized Gain (Loss) on Valuation of Investments by Fund

(¥ B)

Funds	Realized gain (loss) on investments* ¹	Unrealized gain (loss) on valuation of investments* ¹			Items
		Change in valuation for the fiscal year (FY22Q1)		Reclassified to realized gain (loss) recorded in the past fiscal years	
		Public portfolio companies	Private portfolio companies		
SVF1	-30.5 (-\$236M)	-919.6 (-\$7,127M)	-295.7 (-\$2,292M)	-45.6 (-\$521M)	<p>(Public portfolio companies)</p> <ul style="list-style-type: none"> Decline in the share prices of a wide range of portfolio companies, mainly caused by the global downward trend in share prices due to growing concerns over economic recession driven by inflation and rising interest rates <p>(Private portfolio companies)</p> <ul style="list-style-type: none"> Decrease in the fair value of a wide range of portfolio companies, mainly reflecting a decline in the share prices of market comparable companies
SVF2	+3.3 (+\$25M)	-495.4 (-\$3,839M)	-845.6 (-\$6,553M)	+11.4 (+\$20M)	<p>(Public portfolio companies)</p> <ul style="list-style-type: none"> Decline in the share prices of AutoStore and WeWork <p>(Private portfolio companies)</p> <ul style="list-style-type: none"> Decrease in the fair value of those with funding rounds and/or weaker performance Decrease in the fair value reflecting a decline in the share prices of market comparable companies
LatAm Funds	+0.5 (+\$4M)	-325.2 (-\$2,520M)		-0.2 (-\$2M)	<ul style="list-style-type: none"> Decline in the share prices of public portfolio companies incl. Inter & Co, Inc. Decrease in the fair value of private portfolio companies, reflecting a decline in the share prices of market comparable companies
Total	-26.7 (-\$207M)	-2,881.5 (-\$22,330M)		-34.4 (-\$503M)	The amount recorded in segment P/L at SVF segment

• Coupang -\$2,274M
 • SenseTime Group -\$1,828M
 • DoorDash -\$1,710M
 • DiDi*²

*1 Net amount

*2 Investments traded in the over-the-counter markets are included in public portfolio companies.

Segment Income: Investment Business of Holding Companies

(¥ B)

P/L item	FY21Q1	FY22Q1	FY22Q1 Items
Gain on investments at Investment Business of Holding Companies	741.4	111.2	
Gain relating to settlement of prepaid forward contracts using Alibaba shares	—	97.3	Gain relating to a partial settlement of Alibaba prepaid forward contracts by share delivery
Gain relating to sales of T-Mobile shares	—	24.8	See page 8 for details of the sale of T-Mobile shares.
Realized gain on investments at asset management subsidiaries	65.4	7.2	SB Northstar: Results of investment activities in listed stocks and other instruments
Unrealized gain (loss) on valuation of investments at asset management subsidiaries	17.6	-69.5	
Derivative gain (loss) on investments at asset management subsidiaries	119.5	-5.2	
Realized gain (loss) on investments	91.8	-0.4	
Unrealized gain (loss) on valuation of investments	288.4	-27.6	
Change in valuation for the fiscal year	360.9	-27.9	FY22Q1: T-Mobile +¥31.8B, Deutsche Telekom +¥27.6B, SoFi Technologies -¥51.4B, NVIDIA -¥13.3B, Lemonade -¥12.5B
Reclassified to realized gain (loss) recorded in the past fiscal years	-72.5	0.3	
Derivative gain on investments	147.3	73.6	FY22Q1: Increase in the fair value of the contingent consideration related to T-Mobile shares* +¥71.2B
Other	11.5	11.1	
Selling, general and administrative expenses	-20.4	-16.7	
Finance cost	-59.6	-80.0	Interest expenses of SBG and its wholly owned subsidiaries conducting fund procurement: +¥25.7B yoy (mainly from increased interest-bearing debts associated with asset-backed finance and bond issuance)
Foreign exchange loss	-12.7	-822.0	FY22Q1: Impact of the weaker yen (See pages 18 and 19 for details)
Income (loss) on equity method investments	54.7	-139.8	FY22Q1: Loss on equity method investments related to Alibaba -¥135.5B
Derivative loss (excl. gain (loss) on investments) <i>Mainly due to Alibaba prepaid forward contracts</i>	-108.2	-245.0	FY22Q1: -¥333.6B derivative loss on Alibaba prepaid forward contracts (recorded due to an increase in Alibaba share price)
Other gain (loss)	30.1	-5.8	
Segment income (income before income tax)	625.3	-1,198.1	

* The right to acquire T-Mobile shares for no additional consideration if certain conditions are met, which was received as part of consideration for the completion of the merger between Sprint and T-Mobile. See page 11 for details.

Monetization of T-Mobile Shares

Transaction		Procured amount (\$ B)	Execution timing	Number of shares held (millions)	
				T-Mobile shares	Deutsche Telekom shares
a	Borrowings made using 106.3M T-Mobile shares pledged as collateral (margin loan)	4.38	Jul 2020		
Number of shares held as of Jun. 30, 2021				106.3	—
b	Fund procurement through prepaid forward contracts using 17.9M T-Mobile shares	1.81	Sep 2021		
c	Borrowings made using 43.0M T-Mobile shares pledged as collateral (margin loan)	2.65			
d	Repayment of borrowings in "a" using funds acquired in "b" and "c"	-4.38			
e	60-day loan using 45.4M T-Mobile shares pledged as collateral (bridge loan)	1.25			
f	Sale of 45.4M T-Mobile shares to Deutsche Telekom, receiving 225M Deutsche Telekom shares as consideration, as a result of the partial exercise of call options by Deutsche Telekom	—		-45.4	225.0
Number of shares held as of Sep. 30, 2021				60.9	225.0
g	Fund procurement through collar transactions using 225M Deutsche Telekom shares	3.04*	Oct 2021		
h	Repayment of borrowings in "e" using part of the funds acquired in "g"	-1.25			
Number of shares held as of Dec. 31, 2021				60.9	225.0
i	Fund procurement through prepaid forward contracts using 6.9M T-Mobile shares	0.68	Mar 2022		
j	Partial repayment of borrowings in "c" using part of the funds acquired in "i"	-0.59			
Number of shares held as of Mar. 31, 2022				60.9	225.0
k	Sale of 21.2M T-Mobile shares to Deutsche Telekom, receiving \$2.4B as consideration, as a result of the partial exercise of call options by Deutsche Telekom	2.40	Apr 2022	-21.2	
l	Partial repayment of borrowings in "c" using part of the funds acquired in "k"	-1.20			
Number of shares held as of Jun. 30, 2022				39.8	225.0

* The euro equivalent of the amount procured is €2.64B.

T-Mobile Shares: The Company's Holding (incl. Deutsche Telekom's Unexercised Call Options) & Fair Values

- In Apr 2022, the Company sold 21.2M T-Mobile shares, following Deutsche Telekom's partial exercise of its call options.

(Numbers of shares for exercised options)

- Fixed: 11.8M shares
- Floating: 9.3M shares

(Fair values of the above shares)

- At FY21Q4-end: \$2,715M
- At the sale: \$2,758M

- The number of T-Mobile shares held by the Company as of the end of FY22Q1: **39.8M** ((i)+(ii) below)

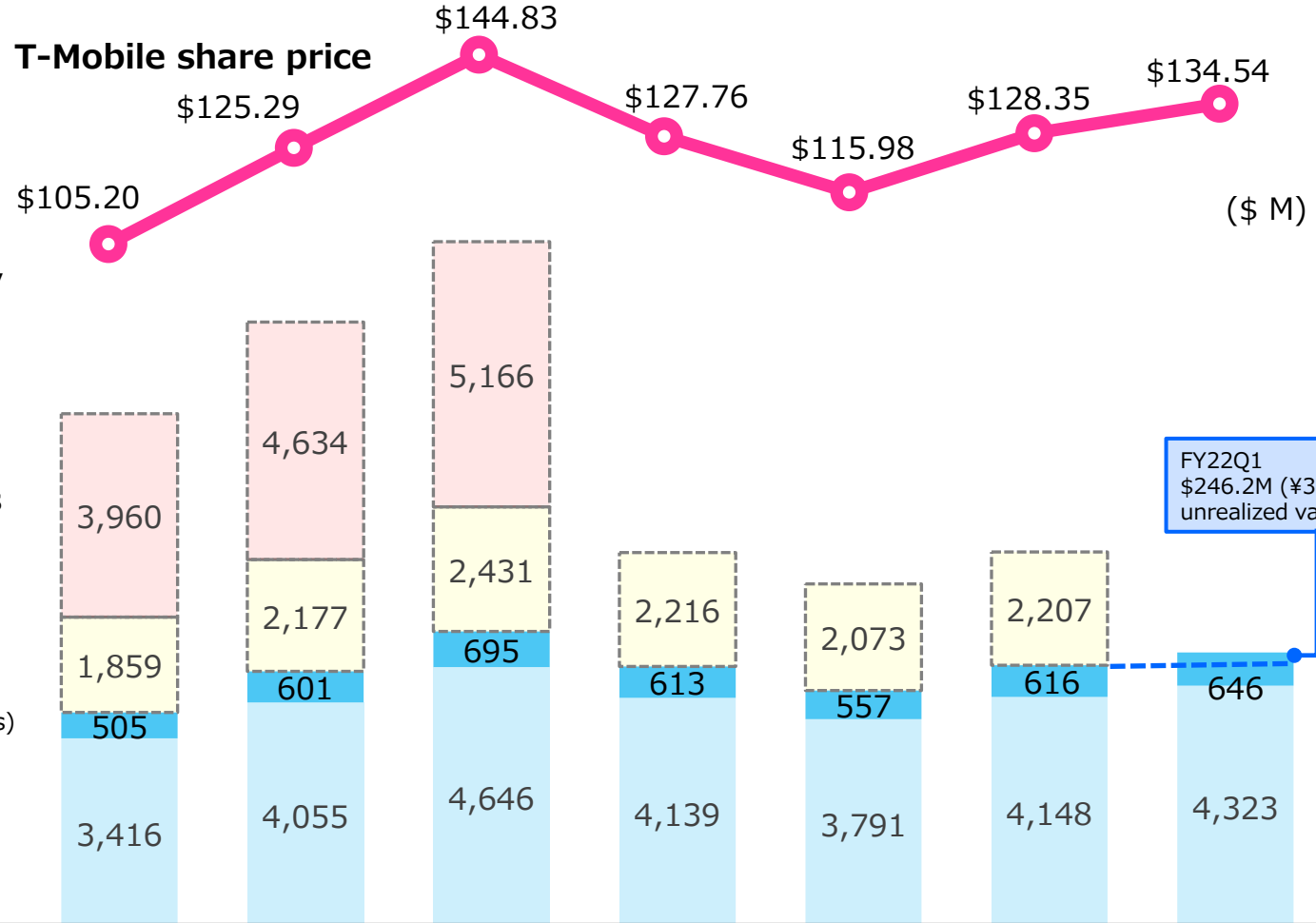
(i) Call options held by Deutsche Telekom

(Unexercised): **35.0M shares**

(Fixed: 6.7M shares, Floating: 28.2M shares)

(ii) Not subject to call options: **4.8M shares**

FY20		FY21				FY22
Jun 26	Q4-end	Q1-end	Q2-end	Q3-end	Q4-end	Q1-end



Fair value

- (i) T-Mobile shares (for unexercised options) (net of the fair value of derivative financial liabilities)
- (ii) T-Mobile shares (not subject to options)
- T-Mobile shares sold in FY21Q2 (incl. derivative financial liabilities)
- T-Mobile shares sold in FY22Q1 (incl. derivative financial liabilities)

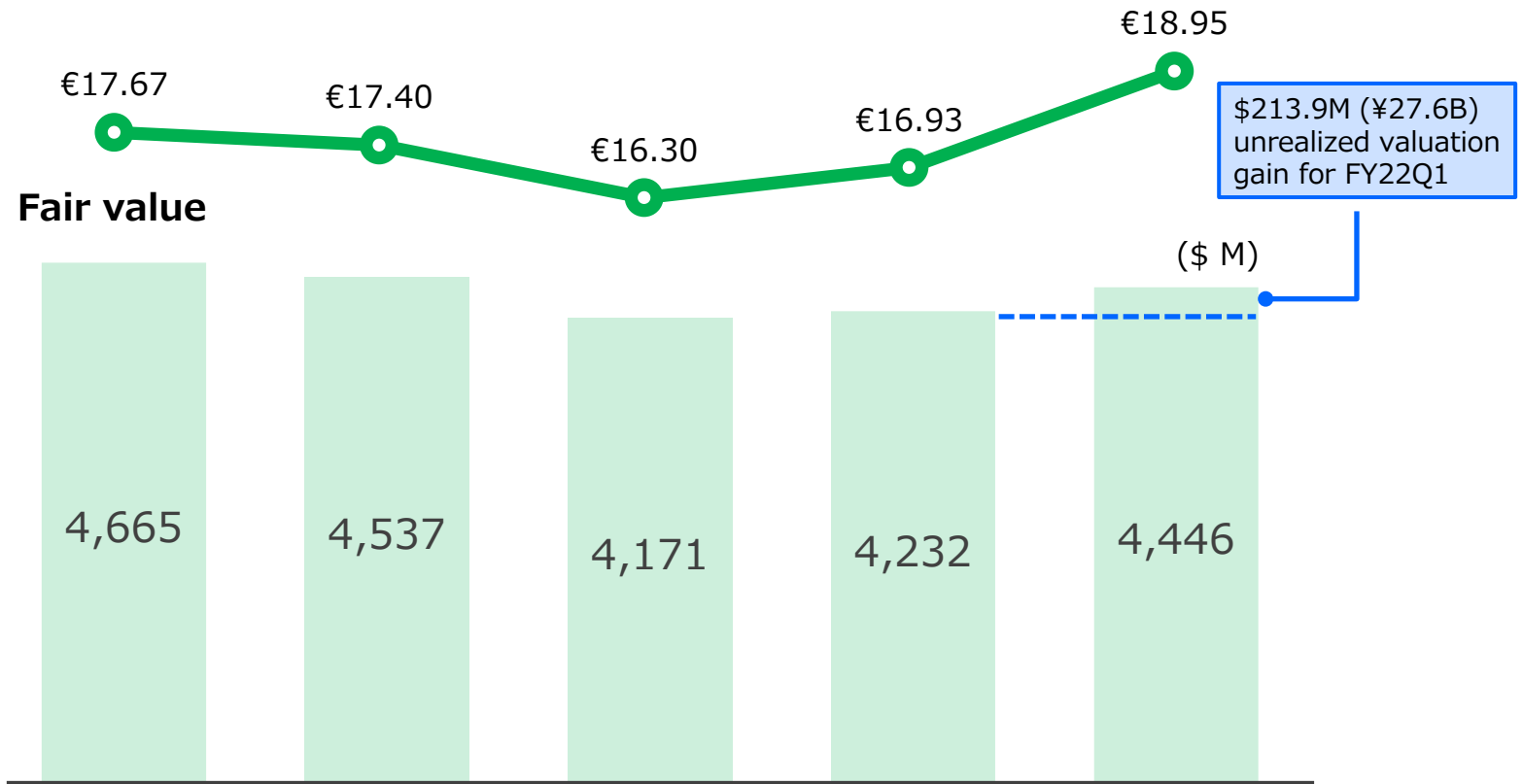
Number of shares subject to call options held by Deutsche Telekom (million)	101.5	101.5	101.5	56.1	56.1	56.1	35.0
Number of shares not subject to call options (million)	4.8	4.8	4.8	4.8	4.8	4.8	4.8

Deutsche Telekom Shares: The Company's Holding & Fair Values

In Sep 2021, the Company acquired **225M Deutsche Telekom shares** in return for the sale of T-Mobile shares.

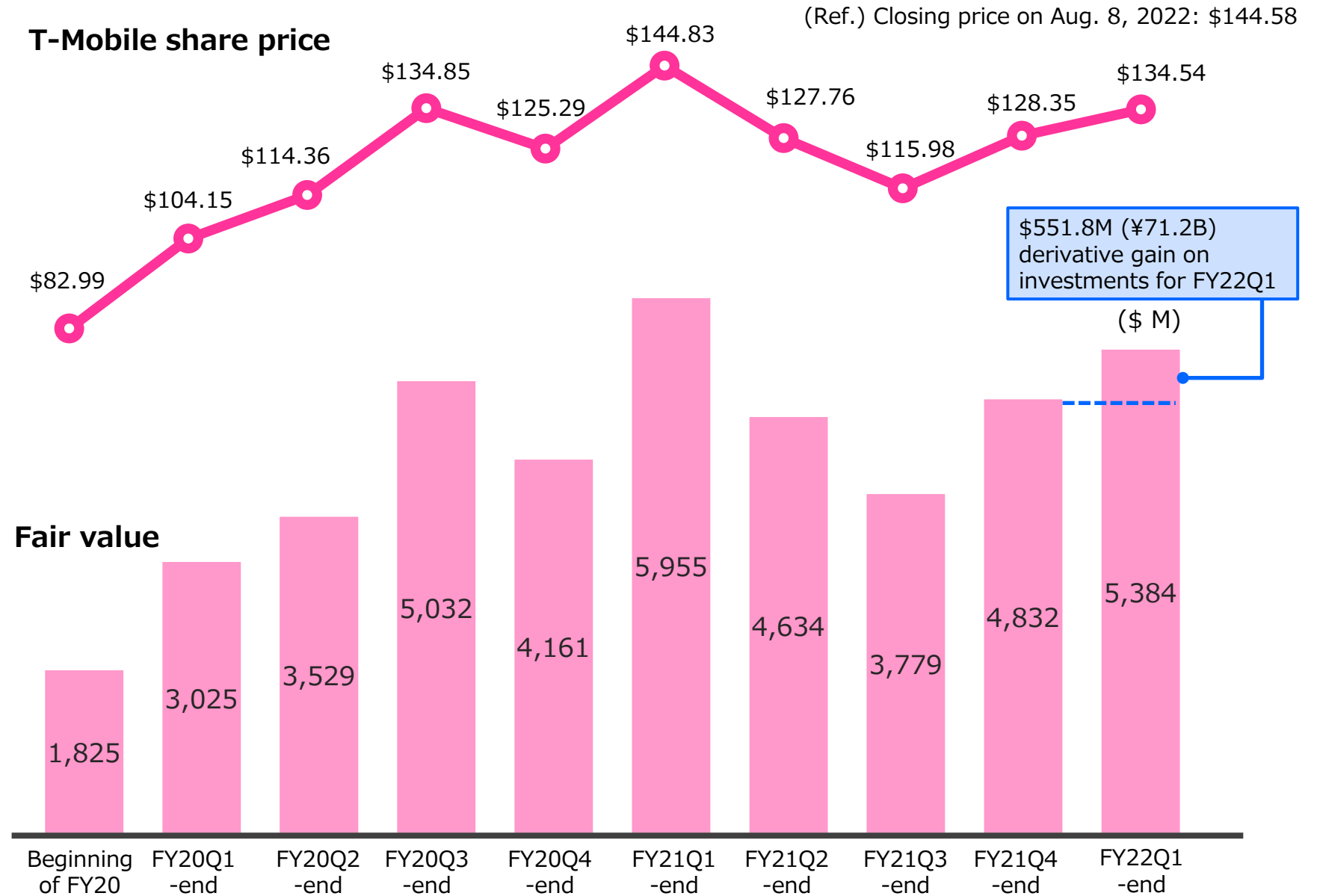
	FY21			FY22
At execution in Sep	Q2-end	Q3-end	Q4-end	Q1-end

Deutsche Telekom share price

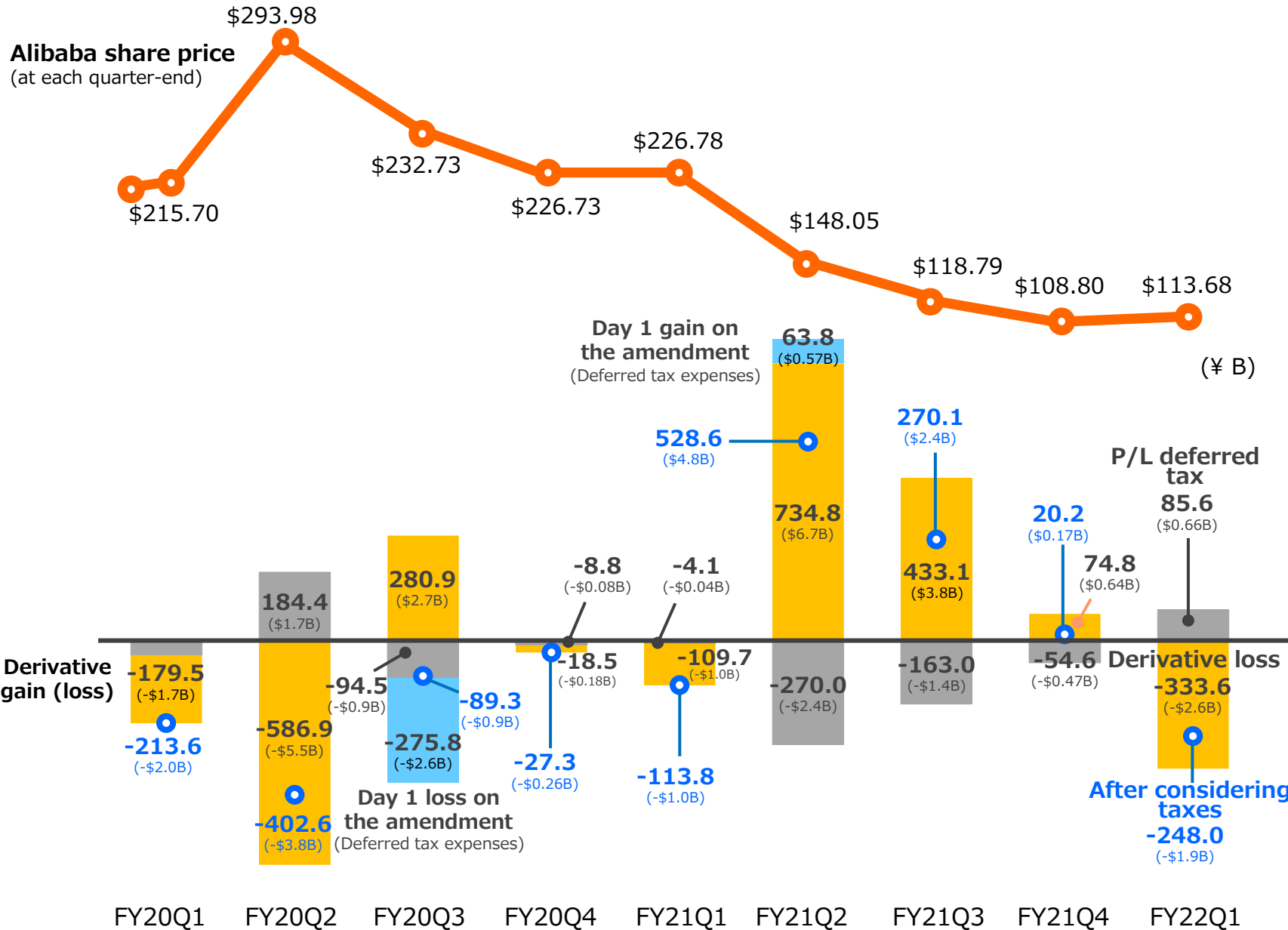


T-Mobile Shares: Fair Values of Contingent Consideration

- **Contingent consideration:**
The Company's right to acquire **48.8M T-Mobile shares** for no additional consideration if certain conditions are met
- **Conditions:**
45-day trailing VWAP of T-Mobile share \geq **\$150** during Apr. 1, 2022 – Dec. 31, 2025



Derivative Gain (Loss) on Alibaba Prepaid Forward Contracts (Quarterly Trend)



(Impact on P/L)

(¥ B)	FY22Q1
Income before income tax	-333.6 (-\$2.6B)
Net income	-248.0 (-\$1.9B)

(B/S items relating to Alibaba prepaid forward contracts)

(¥ B)	FY21 Q4-end	FY22 Q1-end
Derivative financial assets	1,572.4	1,226.6
Derivative financial liabilities	-67.7	-376.4
Net	1,504.7	850.2
Financial liabilities relating to sale of shares by prepaid forward contracts	4,196.1	5,425.7

Consolidated P/L Summary (IFRSs)

(¥ B)

P/L item	FY21Q1	FY22Q1	Change
Net sales	+1,479.1	+1,572.0	+92.9
Gross profit	+812.0	+883.8	+71.8
Gain (loss) on investments			
Gain on investments at Investment Business of Holding Companies	+741.5	+111.2	-630.3
Gain (loss) on investments at SoftBank Vision Funds	+507.3	-2,919.1	-3,426.4
Gain (loss) on other investments	+14.2	-26.5	-40.8
Total gain (loss) on investments	+1,263.1	-2,834.4	-4,097.5
Selling, general and administrative expenses	-593.4	-626.5	-33.1
Finance cost	-82.8	-114.1	-31.3
Foreign exchange loss	-14.9	-820.0	-805.1
Income (loss) on equity method investments	50.4	-158.4	-208.8
Derivative loss (excl. gain (loss) on investments)	-111.5	-259.3	-147.7
Change in third-party interests in SoftBank Vision Funds	-134.6	+631.4	+765.9
Other gain	+104.2	+5.1	-99.2
Income before income tax	+1,292.5	-3,292.5	-4,584.9
Income taxes	-360.0	+196.1	+556.1
Net income	+932.5	-3,096.3	-4,028.8
Net income attributable to owners of the parent	+761.5	-3,162.7	-3,924.2

(+: plus to profit -: minus to profit)

Gain on investments at Investment Business of Holding Companies

(consolidated basis): +¥111.2B (See page 7 for details)

- Loss on investments at asset management subsidiaries: -¥67.6B
- Gain on investments in T-Mobile and Deutsche Telekom (derivative gain related to investments, unrealized valuation gain, and gain on sales of T-Mobile shares): +¥154.5B
- Gain related to settlement of prepaid forward contracts using Alibaba shares: +¥97.3B

Loss on investments at SoftBank Vision Funds (consolidated basis) :

-¥2,919.1B (See pages 5 and 6 for details)

- Unrealized loss on valuation (net): -¥1,215.6B (SVF1), -¥1,326.0B (SVF2)
- Realized gain (loss) on investments: -¥30.5B (SVF1), +¥3.3B (SVF2)

Finance cost: -¥114.1B

Interest expenses increased in the Investment Business of Holding Companies segment (See page 7 for details)

Foreign exchange loss: -¥820.0B

Impact of the weaker yen (See pages 18 and 19 for details)

(Ref.) Increase in exchange differences from the translation in B/S: +¥2,096.7B (See page 17)

Loss on equity method investments: -¥158.4B

Loss on equity method investments related to Alibaba: -¥135.5B

Derivative loss (excl. gain (loss) on investments): -¥259.3B

Derivative loss related to Alibaba prepaid forward contracts: -¥333.6B

Income taxes: +¥196.1B (profit)

- Reversal of deferred tax liabilities in conjunction with recording derivative loss related to Alibaba prepaid forward contracts
- Recorded income taxes at SBKK and Yahoo Japan

Consolidated B/S Summary (IFRSs) – 1

(¥ B)

B/S item	Main items	Mar 2022	Jun 2022	Change
Current assets		10,028.6	10,398.2	+369.6
	Cash and cash equivalents	5,169.0	6,070.7	+901.7
	Derivative financial assets	1,050.4	722.3	-328.1
	Other financial assets	971.1	744.2	-226.9
	Other current assets	334.1	369.6	+35.5
Non-current assets		37,516.1	36,578.1	-938.0
	Property, plant and equipment	1,842.7	1,897.5	+54.7
	Goodwill	4,897.9	5,242.0	+344.1
	Intangible assets	2,427.6	2,467.7	+40.1
	Investments accounted for using the equity method	5,234.5	5,282.3	+47.8
	Investments from SVF (FVTPL)	14,909.6	13,471.1	-1,438.6
	SVF1	8,365.3	7,671.4	-693.9
	SVF2	5,401.1	4,852.6	-548.5
	LatAm Funds	1,143.2	947.1	-196.2
	Investment securities	3,085.4	2,939.8	-145.6
	Derivative financial assets	1,333.8	1,492.0	+158.2
	Other financial assets	2,230.6	2,211.6	-19.0
Total assets		47,544.7	46,976.3	-568.3

1 Cash and cash equivalents: ¥6,070.7B (+¥901.7B)

SBG ¥3,578.0B (+¥1,075.4B)

-¥351.2B decrease in derivative financial assets related to Alibaba prepaid forward contracts (due to the recording of derivative loss and execution of a settlement in kind by delivering Alibaba shares)

Downsizing of SB Northstar's business: Restricted cash -¥127.3B, investments from asset management subsidiaries -¥49.4B, derivative financial assets in asset management subsidiaries -¥48.4B

Arm +¥338.4B (due to the weaker yen against USD)

(Ref.) Carrying amount of Alibaba shares at FY22Q1-end: ¥4,566.1B

2 Investments from SVF (FVTPL): ¥13,471.1B (-¥1,438.6B)

- SVF1 -¥693.9B
(fair value decrease: -\$9.42B, sold: -\$2.86B, acquired: +\$0.06B)
- SVF2 -¥548.5B
(fair value decrease: -\$10.28B, sold: -\$0.46B, acquired: +\$2.11B)
- LatAm Funds -¥196.2B
(fair value decrease: -\$2.52B, sold: -\$0.04B, acquired: +\$0.15B)

Includes increases in carrying amount of investments due to an 11.7% depreciation of the yen against USD used in FX rate at FY22Q1-end

3 Investment securities: ¥2,939.8B (-¥145.6B)

(See page 15 for details.)

¥144.5B increase in the fair value of the contingent consideration* related to T-Mobile shares

*The right to acquire T-Mobile shares for no additional consideration if certain conditions are met, which was received as consideration for the completion of the merger between Sprint and T-Mobile. See page 11 for details.

Investment Securities on Consolidated B/S (Main Investments)

(¥ B)

	Mar 2022	Jun 2022	Change	Outline
Investment securities*	3,085.4	2,939.8	-145.6	
FVTPL	2,587.6	2,469.5	-118.1	
T-Mobile	957.1	731.4	-225.7	Mainly due to the sale of 21.2 million T-Mobile shares to Deutsche Telekom due to Deutsche Telekom's partial exercise of call options for T-Mobile shares
Deutsche Telekom	518.0	607.7	+89.7	Fair value increase (share price: €16.93 (Mar. 31, 2022) → €18.95 (Jun. 30, 2022))
SoFi Technologies	110.2	68.7	-41.5	Fair value decrease
Lemonade	38.7	29.9	-8.8	Fair value decrease
NVIDIA	35.1	21.8	-13.3	Fair value decrease
Others	928.6	1,010.1	+81.5	
FVTOCI and others	497.7	470.3	-27.4	Including public and corporate bonds held by PayPay Bank

*Following the integration of the Latin America Funds segment into the SoftBank Vision Funds segment in FY22Q1, investments from the LatAm Funds, which were previously recorded as investment securities, have been retroactively adjusted as "Investments from SVF (FVTPL)".

Consolidated B/S Summary (IFRSs) – 2

(¥ B)

B/S item	Main items	Mar 2022	Jun 2022	Change
Current liabilities		12,381.5	11,206.7	-1,174.8
	Interest-bearing debt	7,328.9	6,587.8	-741.0
	Lease liabilities	240.2	231.9	-8.4
	Deposits for banking business	1,331.4	1,418.5	+87.1
	Trade and other payables	1,968.9	1,787.2	-181.7
	Derivative financial liabilities	119.6	69.7	-49.9
	Other financial liabilities	554.8	399.7	-155.1
	Income taxes payable	183.4	125.4	-58.0
	Other current liabilities	620.3	547.9	-72.3
Non-current liabilities		23,455.4	25,595.0	+2,139.6
	Interest-bearing debt	14,128.6	16,386.2	+2,257.7
	Lease liabilities	625.9	644.9	+19.0
	Third-party interests in SVF	5,640.5	5,368.1	-272.4
	Derivative financial liabilities	174.0	452.8	+278.8
	Other financial liabilities	129.8	158.2	+28.4
	Deferred tax liabilities	2,436.0	2,246.3	-189.7
Other non-current liabilities	212.6	238.4	+25.8	
Total liabilities		35,836.9	36,801.7	+964.8

1 **SBG Borrowings (current and non-current) -¥555.8B**
 Repaid borrowings under commitment lines: -\$4.5B

Corporate bonds (current and non-current) +¥102.1B
 •Repurchase: Foreign currency-denominated straight bonds -\$0.27B (face value) and -€0.22B (face value)
 •Impact of the weaker yen: The carrying amount of foreign currency-denominated straight bonds increased due to an 11.7% depreciation of the yen against USD used in FX rate at the FY22Q1-end.

Wholly owned subsidiaries conducting fund procurement Borrowings (current and non-current) +¥155.4B
 •Increase by asset-backed finance made through Arm shares: +\$0.5B (net)
 •Repaid borrowings made through a margin loan using T-Mobile shares in FY21: -\$1.2B

Financial liabilities relating to sale of shares by prepaid forward contracts (current and non-current) +¥1,270.5B
 Mainly due to newly concluded Alibaba prepaid forward contracts

SoftBank Vision Funds segment Borrowings (current and non-current) +¥336.2B
 •SVF1: Borrowings made through asset-backed finance: +\$1.72B
 •Impact of the weaker yen: The carrying amount of borrowings increased due to an 11.7% depreciation of the yen against USD in FX rate at FY22Q1-end.

Increase mainly due to recording derivative loss related to Alibaba prepaid forward contracts: +¥308.7B

Decrease due to a decline in the fair value of derivative financial assets and an increase in the fair value of derivative financial liabilities related to Alibaba prepaid forward contracts

Note: For the breakdown of interest-bearing debt and lease liabilities by core company, see page 33 of FY22Q1 SBG Consolidated Financial Report.

Consolidated B/S Summary (IFRSs) – 3

(¥ B)

B/S item	Items	Mar 2022	Jun 2022	Change
Equity		11,707.8	10,174.6	-1,533.2
	Common stock	238.8	238.8	—
	Capital surplus	2,634.6	2,644.9	+10.3
	Other equity instruments*	496.9	496.9	—
	Retained earnings	4,515.7	1,318.3	-3,197.4
	Treasury stock	-406.4	-698.7	-292.3
	Accumulated other comprehensive income	2,496.2	4,562.3	+2,066.1
	Total equity attributable to owners of the parent	9,975.7	8,562.4	-1,413.3
	Non-controlling interests	1,732.1	1,612.2	-119.9
	Ratio of equity attributable to owners of the parent (equity ratio)	21.0%	18.2%	-2.8%


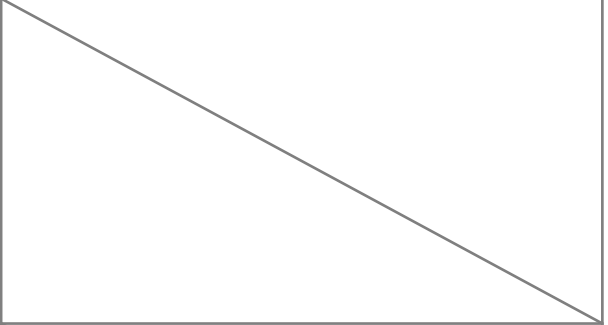

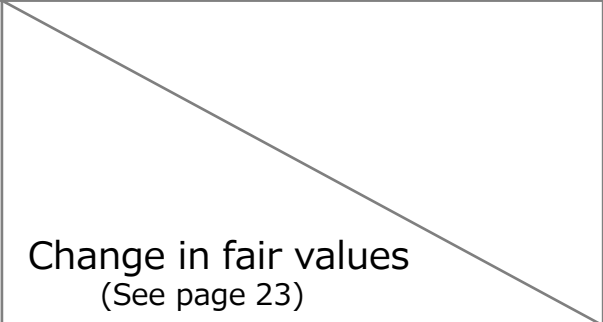

1 Net loss attributable to owners of the parent: -¥3,162.7B

2 Shares repurchased under the total of up to ¥1 trillion authorized repurchase approved by the Board in Nov 2021: ¥293.5B (56,297,800 shares)

3 ¥2,096.7B increase in exchange differences from the translation of foreign operations due to the weaker yen (increase in exchange differences arising from translating foreign subsidiaries and associates into JPY due to the weaker JPY against USD and CNY. See pages 18 and 19 for details)
(Ref.) Foreign exchange loss recorded in consolidated P/L for FY22Q1: -¥820.0B (See page 13)

*USD-denominated undated subordinated notes issued by SBG in Jul 2017, which were classified as equity instruments in accordance with IFRSs.

Impact of the Weaker Yen on P/L & B/S (Illustration)

Entities	Components	P/L Foreign exchange gain (loss)	B/S Exchange differences from translation
SBG stand-alone + Subsidiaries conducting fund procurement in Japan	Foreign currency-denominated cash and cash equivalents/ Loans receivable (excl. investments)	 Foreign exchange gain (See page 19)	
	Foreign currency-denominated liabilities (borrowings/bonds)	 Foreign exchange loss (See page 19)	
Foreign subsidiaries and associates whose functional currency is not JPY (e.g., SVF1/2, LatAm Funds, Alibaba)	Net assets (positive)	 Change in fair values (See page 23)	 Exchange differences from translation (See page 19)

Impact of the Weaker Yen in FY22Q1

Foreign exchange loss in consolidated P/L for FY22Q1: -¥820.0B (of which 90% from SBG stand-alone)

SBG stand-alone: Foreign exchange loss of -¥1,075.7B related to foreign currency-denominated borrowings from Group companies, -¥132.3B related to foreign currency-denominated bonds (incl. hybrid bonds)

Balance in SBG stand-alone	FY21-end Rate at FY21-end: ¥122.39/\$	FY22Q1-end Rate at FY22Q1-end: ¥136.68/\$
Foreign currency-denominated liabilities (borrowings/bonds) (incl. borrowings from Group companies)	\$89.7B	\$95.1B
Foreign currency-denominated cash and cash equivalents/ Loans receivable (excl. investments)	\$32.6B (\$18.2B cash and cash equivalents/ \$14.4B loans receivable)	\$34.2B (\$20.8B cash and cash equivalents/ \$13.4B loans receivable)
Net (liabilities)	\$57.1B	\$60.9B

Exchange differences from translation in consolidated B/S at FY22Q1-end: +¥2,096.7B

mainly related to investments in subsidiaries' shares and associates

(Ref.) Net assets of subsidiaries	FY21-end Rate at FY21-end: ¥122.39/\$	FY22Q1-end Rate at FY22Q1-end: ¥136.68/\$	Change	Exchange differences from translation in consolidated B/S ((A) x average rate for FY22Q1 ¥129.04/\$) - (B))* ¹
SVF1/2 and LatAm Funds (after deducting third-party interests & carrying amount of Arm shares)	\$71.2B ¥8,720.1B	\$55.9B ¥7,636.5B	-\$15.4B ^(A) -¥1,083.6B ^(B)	+¥911.1B
SBGC* ² (after deducting carrying amount of Arm shares)	\$35.0B ¥4,286.2B	\$34.4B ¥4,705.5B	-\$0.6B ^(A) +¥419.3B ^(B)	+¥464.1B
Arm	\$28.3B ¥3,466.5B	\$28.5B ¥3,898.9B	+\$0.2B ^(A) +¥432.4B ^(B)	+¥396.9B

*1 Considering intercompany transactions on consolidation

*2 SoftBank Group Capital Limited

Consolidated C/F Summary (IFRSs)

(¥ B)

C/F item	FY21Q1	FY22Q1	Change	Primary details for FY22Q1	
C/F from operating activities	+507.4	+140.8	-366.6	+413.0	Subtotal of cash flows from operating activities
				-201.6	Income taxes paid
				+3.7	Income taxes refunded
C/F from investing activities	-975.8	+286.1	+1,261.9	-64.8	Payments for acquisition of investments
				+364.5	Proceeds from sales/redemption of investments
				-306.4	Payments for acquisition of investments by SVF
				+344.2	Proceeds from sales of investments by SVF
				-170.2	Purchase of property, plant and equipment, and intangible assets
C/F from financing activities	+786.1	+175.9	-610.2	+15.6	Proceeds in short-term interest-bearing debt, net
				+2,728.9	Proceeds from interest-bearing debt
				-1,732.6	Repayment of interest-bearing debt
				-255.3	Distribution/repayment from SVF to third-party investors
				-293.5	Purchase of treasury stock
				-35.3	Cash dividends paid
				-139.3	Cash dividends paid to non-controlling interests
Effect of FX rate changes	-0.4	+298.8			
Increase in cash and cash equivalents	+317.3	+901.7			
Opening balance	4,662.7	5,169.0			
Closing balance	4,980.1	6,070.7			

C/F from operating activities: -¥366.6B yoy

- Decrease in SB Northstar's cash inflows: -¥663.2B
 - Decrease in income taxes paid (cash outflows): +¥449.9B
- FY21Q1: Payment of corporate taxes on taxable income at SoftBank Group Japan Corporation ("SBGJ") in FY20, which included gains on sale of SBKK shares, and payment of withholding income tax on dividends from SBGJ to SBG

Proceeds from sales/redemption of investments: +¥364.5B

Sold T-Mobile shares to Deutsche Telekom due to Deutsche Telekom's partial exercise of call options: +¥309.7B (+\$2.4B)

Payments for acquisition of investments by SVF: -¥306.4B

SVF2 -¥279.6B (-\$2.17B), LatAm Funds -¥19.7B (-\$0.15B), SVF1 -¥7.1B (-\$0.06B)

Proceeds from sales of investments by SVF: +¥344.2B

- SVF1 partially sold its interests in public portfolio companies for ¥270.2B (\$2.09B).
- SVF2 sold its entire interest in KE Holdings for ¥73.6B (\$0.57B).

Proceeds from interest-bearing debt: +¥2,782.9B

(SBG) short-term borrowings: +¥111.4B

(Wholly owned subsidiaries conducting fund procurement)

- Borrowing through Arm shares (asset-backed finance): +¥180.7B (+\$1.4B)
 - Procurement through Alibaba prepaid forward contracts: +¥1,353.7B (+\$10.49B)
- (SVF) SVF1 borrowed through asset-backed finance: +¥580.7B (+\$4.5B).

Repayment of interest-bearing debt: -¥1,732.6B

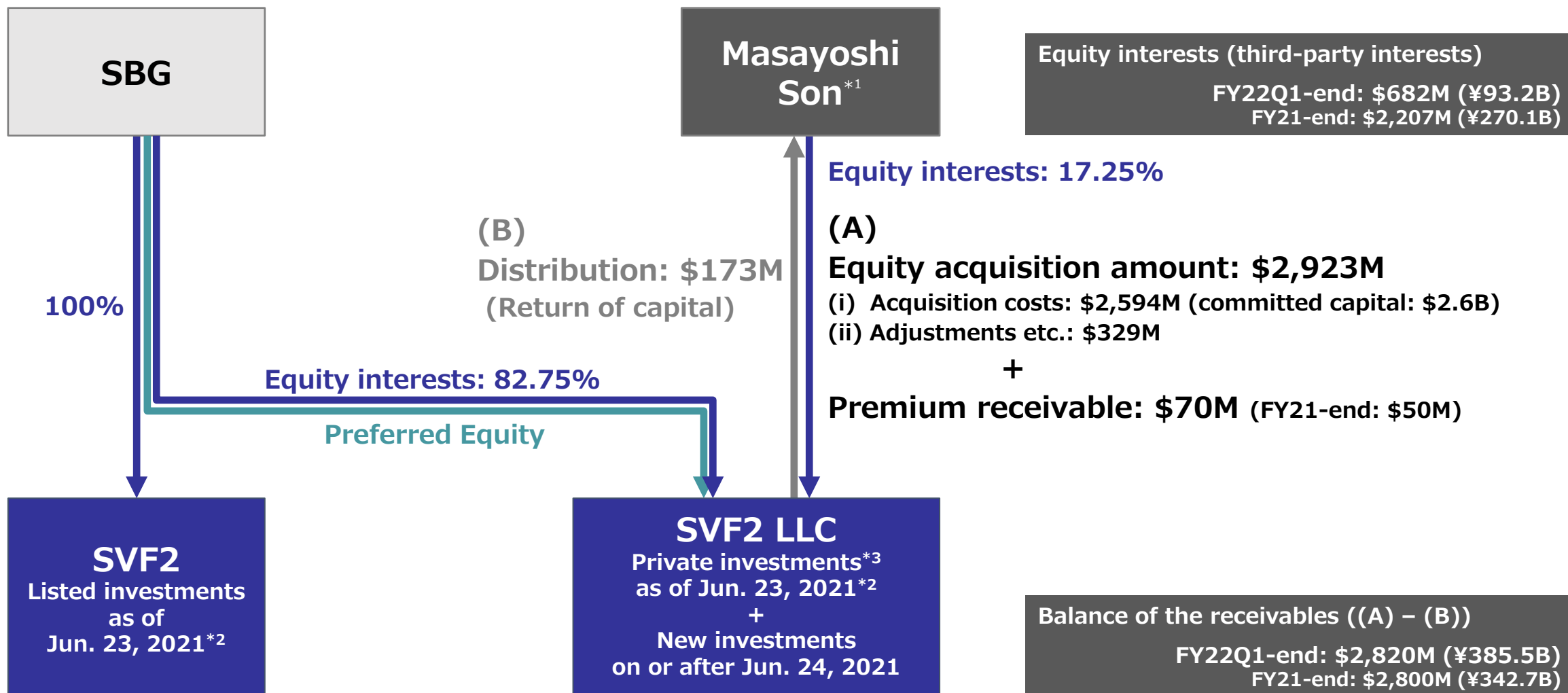
(SBG) Repaid short-term borrowings: -¥682.4B

(Wholly owned subsidiaries conducting fund procurement)

- Repaid a margin loan borrowed through T-Mobile shares in FY21: -¥154.2B (-\$1.2B)
 - Repaid borrowings made through Arm shares (asset-backed finance): -¥116.1B (-\$0.9B)
- (SVF) Repaid borrowings made through asset-backed finance: SVF1 -¥355.9B (-\$2.76B), SVF2 -¥23.9B (-\$0.18B)

Appendix

Co-investment Program to SVF2: Related Party Transaction



Notes:

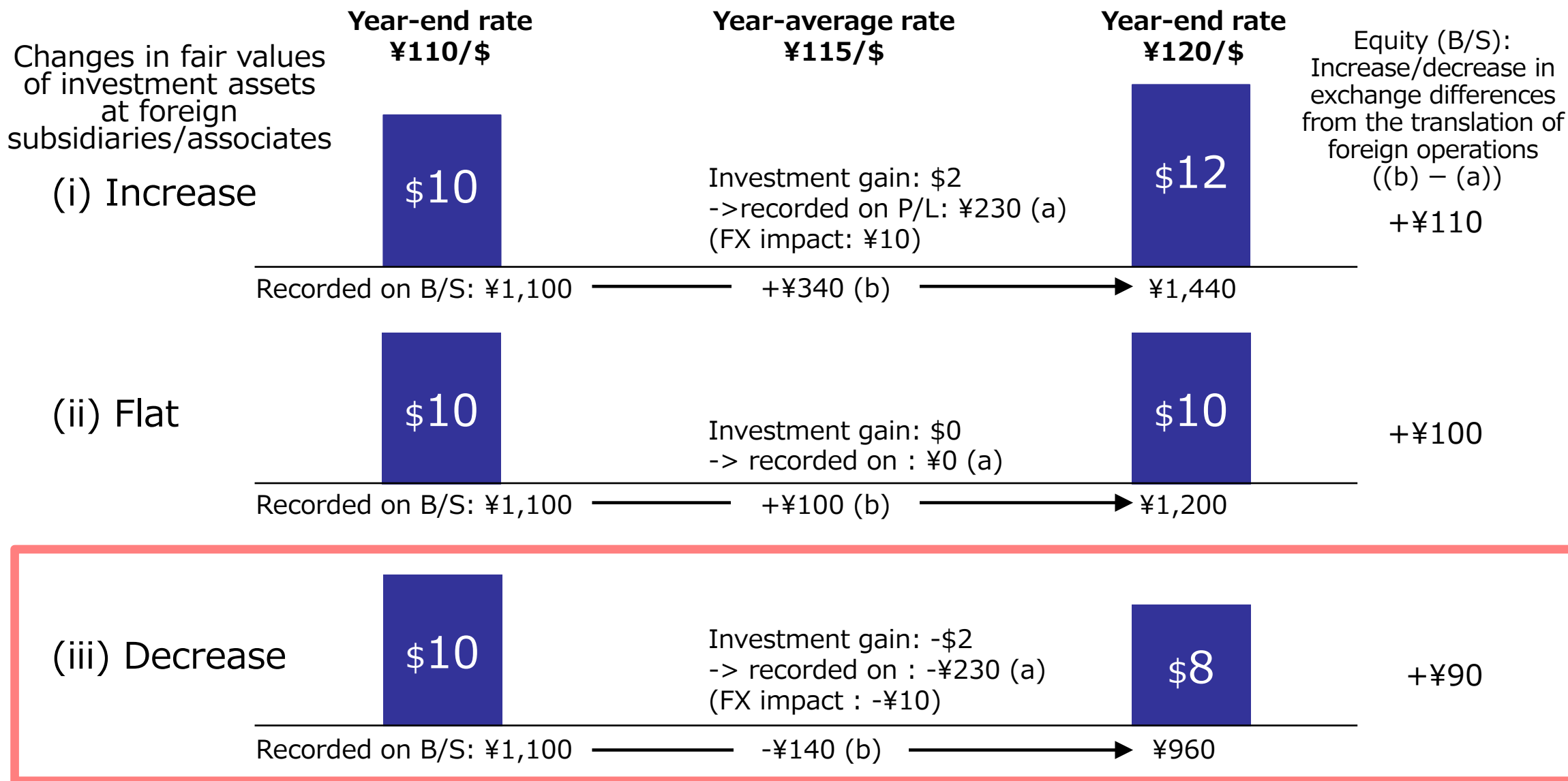
For details of the related party transaction, see pages 79 and 80 of FY22Q1 SBG Consolidated Financial Report.

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

*2 Jun. 23, 2021 is the date on which the Co-investment Program was conditionally approved by the Board of Directors of SBG.

*3 Excludes portfolios that were listed or announced to be listed as of Jun. 23, 2021, and portfolios that were approved by the Board of Directors of SBG to be excluded from the Co-investment Program.

How the Weaker Yen Moves Fair Values of Investment Assets at Foreign Subsidiaries/Associates



Breakdown of Goodwill/Intangible Assets

(¥ B)

B/S Item	Main items	Mar 2022	Jun 2022	Change			Outline
				Amortization	Changes in FX rate	Others	
* Goodwill		4,897.9	5,242.0				
	Arm	2,898.1	3,236.5	—	+338.4	—	
	SBKK	907.5	907.5	—	—	—	
	LINE	630.6	630.6	—	—	—	
	ZOZO	212.9	212.9	—	—	—	
Main intangible assets	Technologies	357.7	387.7				
	Main b/d Arm	357.7	387.7	-11.1	+41.1	—	Amortized at straight-line method for 8-20 years
	Customer relationships	628.6	628.1				
	ZOZO	290.6	287.4	-3.3	—	—	Amortized at straight-line method for 18-25 years
	Main b/d LINE	217.5	214.2	-3.3	—	—	Amortized at straight-line method for 12-18 years
	Arm	93.3	100.6	-3.3	+10.7	—	Amortized at straight-line method for 13 years
	Trademarks	543.9	544.2				
	Management contracts	28.2	22.4				
Fortress	28.2	22.4	-8.6	+2.8	—	Amortized at straight-line method for 5-10 years	

*Other than Arm, the amounts of goodwill recognized at the date of acquisition by SBG. They do not include goodwill recognized as a result of M&A executed by the relevant subsidiaries after their acquisition dates. The goodwill of Arm represents the amount reallocated to Arm segment, as a result of the organizational change in FY20.