

Financial Report



FINANCIAL REPORT 2025

Consolidated Financial Statements

a. Consolidated Statement of Financial Position

ASSETS	Notes	(Millions of yen)		(Thousands of U.S. dollars)
		As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Current assets				
Cash and cash equivalents	8	¥ 6,186,874	¥ 3,713,028	\$ 24,832,986
Trade and other receivables	9,28	2,868,767	3,008,144	20,118,673
Derivative financial assets	28	852,350	111,258	744,101
Other financial assets	10,28	777,996	1,485,877	9,937,647
Inventories	11	161,863	198,291	1,326,184
Other current assets	12	550,984	365,880	2,447,030
Subtotal		11,398,834	8,882,478	59,406,621
Assets classified as held for sale	13	42,559	550,440	3,681,381
Total current assets		11,441,393	9,432,918	63,088,002
Non-current assets				
Property, plant and equipment	14	1,895,289	2,830,185	18,928,471
Right-of-use assets	15	746,903	857,961	5,738,102
Goodwill	16	5,709,874	5,781,931	38,669,951
Intangible assets	16	2,448,840	2,414,562	16,148,756
Costs to obtain contracts		317,650	383,022	2,561,677
Investments accounted for using the equity method	19	839,208	502,995	3,364,065
Investments from SVF (FVTPL)	28	11,014,487	11,410,922	76,317,028
Investment securities	28	9,061,972	8,040,068	53,772,525
Derivative financial assets	28	385,528	168,248	1,125,254
Other financial assets	10,28	2,424,282	2,767,625	18,510,066
Deferred tax assets	21	245,954	207,987	1,391,031
Other non-current assets	12	192,863	215,332	1,440,155
Total non-current assets		35,282,850	35,580,838	237,967,081
Total assets		¥46,724,243	¥45,013,756	\$301,055,083

LIABILITIES AND EQUITY	Notes	(Millions of yen)		(Thousands of U.S. dollars)
		As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Current liabilities				
Interest-bearing debt	22,28	¥ 8,271,143	¥ 5,629,648	\$ 37,651,471
Lease liabilities	17,28	149,801	165,355	1,105,906
Deposits for banking business	23,28	1,643,155	1,795,965	12,011,537
Trade and other payables	24,28	2,710,529	3,036,349	20,307,310
Derivative financial liabilities	28	195,090	840,469	5,621,114
Other financial liabilities	25,28	31,801	5,940	39,727
Income taxes payable		163,226	444,180	2,970,706
Provisions	27	44,704	54,047	361,470
Other current liabilities	26	801,285	629,717	4,211,591
Subtotal		14,010,734	12,601,670	84,280,832
Liabilities directly relating to assets classified as held for sale	13	9,561	–	–
Total current liabilities		14,020,295	12,601,670	84,280,832
Non-current liabilities				
Interest-bearing debt	22,28	12,296,381	12,376,682	82,776,097
Lease liabilities	17,28	644,706	741,665	4,960,306
Third-party interests in SVF	7,28	4,694,503	3,652,797	24,430,157
Derivative financial liabilities	28	41,238	104,197	696,877
Other financial liabilities	25,28	57,017	199,284	1,332,825
Provisions	27	167,902	155,436	1,039,567
Deferred tax liabilities	21	1,253,039	924,392	6,182,397
Other non-current liabilities	26	311,993	304,607	2,037,232
Total non-current liabilities		19,466,779	18,459,060	123,455,458
Total liabilities		¥33,487,074	¥31,060,730	\$207,736,290

LIABILITIES AND EQUITY	Notes	(Millions of yen)		(Thousands of U.S. dollars)
		As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Equity				
Equity attributable to owners of the parent				
Common stock	33	¥ 238,772	¥ 238,772	\$ 1,596,923
Capital surplus	33	3,326,093	3,376,724	22,583,761
Other equity instruments.	33	193,199	193,199	1,292,128
Retained earnings	33	1,632,966	2,701,792	18,069,770
Treasury stock	33	(22,725)	(256,251)	(1,713,824)
Accumulated other comprehensive income	33	5,793,820	5,307,305	35,495,620
Total equity attributable to owners of the parent.		11,162,125	11,561,541	77,324,378
Non-controlling interests.	18,33	2,075,044	2,391,485	15,994,415
Total equity.		13,237,169	13,953,026	93,318,793
Total liabilities and equity		¥46,724,243	¥45,013,756	\$301,055,083

b. Consolidated Statement of Profit or Loss and Consolidated Statement of Comprehensive Income

Consolidated Statement of Profit or Loss

			(Millions of yen)	(Thousands of U.S. dollars)
	Notes	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Net sales	36	¥ 6,756,500	¥ 7,243,752	\$ 48,446,709
Cost of sales	37	(3,214,108)	(3,489,549)	(23,338,342)
Gross profit		3,542,392	3,754,203	25,108,367
Gain on investments				
Gain (loss) on investments at Investment Business of Holding Companies	38	(459,045)	3,413,821	22,831,869
Gain (loss) on investments at SoftBank Vision Funds	7	(167,290)	387,584	2,592,188
Gain (loss) on other investments		66,985	(100,298)	(670,800)
Total gain on investments		(559,350)	3,701,107	24,753,257
Selling, general and administrative expenses	37	(2,982,383)	(3,024,409)	(20,227,455)
Finance cost	39	(556,004)	(581,559)	(3,889,506)
Foreign exchange gain (loss)		(703,122)	27,055	180,946
Derivative gain (loss) (excluding gain (loss) on investments)	40	1,502,326	(2,034,029)	(13,603,725)
Change in third-party interests in SVF	7	(390,137)	(491,898)	(3,289,848)
Other gain	41	204,079	354,251	2,369,255
Income before income tax		57,801	1,704,721	11,401,291
Income taxes	21	151,416	(101,613)	(679,595)
Net income		¥ 209,217	¥ 1,603,108	\$ 10,721,696
Net income attributable to				
Owners of the parent		¥ (227,646)	¥ 1,153,332	\$ 7,713,563
Non-controlling interests	18	436,863	449,776	3,008,133
Net income		¥ 209,217	¥ 1,603,108	\$ 10,721,696

			(Yen)	(U.S. dollars)
	Notes	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Earnings per share				
Basic earnings per share	43	¥ (170.99)	¥ 780.82	\$ 5.22
Diluted earnings per share	43	¥ (174.20)	¥ 779.40	\$ 5.21

Consolidated Statement of Comprehensive Income

			(Millions of yen)	(Thousands of U.S. dollars)
	Notes	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Net income		¥ 209,217	¥ 1,603,108	\$10,721,696
Other comprehensive income, net of tax				
Items that will not be reclassified to profit or loss				
Remeasurements of defined benefit plan	42	(308)	2,598	17,376
Equity financial assets at FVTOCI	42	10,777	(13,757)	(92,008)
Share of other comprehensive income of associates	42	326	162	1,084
Total items that will not be reclassified to profit or loss		10,795	(10,997)	(73,548)
Items that may be reclassified subsequently to profit or loss				
Debt financial assets at FVTOCI	42	(286)	(2,373)	(15,871)
Cash flow hedges	42	24,007	42,263	282,658
Exchange differences on translating foreign operations	42	2,000,916	(547,774)	(3,663,550)
Share of other comprehensive income of associates	42	(3,208)	(1,879)	(12,567)
Total items that may be reclassified subsequently to profit or loss		2,021,429	(509,763)	(3,409,330)
Total other comprehensive income, net of tax		2,032,224	(520,760)	(3,482,878)
Total comprehensive income		¥ 2,241,441	¥ 1,082,348	\$ 7,238,818
Total comprehensive income attributable to				
Owners of the parent		¥ 1,809,984	¥ 666,237	\$ 4,455,838
Non-controlling interests		431,457	416,111	2,782,980
Total comprehensive income		¥ 2,241,441	¥ 1,082,348	\$ 7,238,818

c. Consolidated Statement of Changes in Equity

(Millions of yen)

For the fiscal year ended March 31, 2024	Notes	Equity attributable to owners of the parent							Non-controlling interests	Total equity
		Common stock	Capital surplus	Other equity instruments	Retained earnings	Treasury stock	Accumulated other comprehensive income	Total		
As of April 1, 2023		¥238,772	¥2,652,790	¥414,055	¥2,006,238	¥(38,791)	¥3,756,785	¥ 9,029,849	¥1,619,366	¥10,649,215
Comprehensive income										
Net income		—	—	—	(227,646)	—	—	(227,646)	436,863	209,217
Other comprehensive income		—	—	—	—	—	2,037,630	2,037,630	(5,406)	2,032,224
Total comprehensive income		—	—	—	(227,646)	—	2,037,630	1,809,984	431,457	2,241,441
Transactions with owners and other transactions										
Cash dividends	34	—	—	—	(64,433)	—	—	(64,433)	(288,296)	(352,729)
Distribution to owners of other equity instruments	33	—	—	—	(25,624)	—	—	(25,624)	—	(25,624)
Redemption and cancellation of other equity instruments	33	—	(740)	(220,856)	(56,164)	—	—	(277,760)	—	(277,760)
Transfer of accumulated other comprehensive income to retained earnings		—	—	—	595	—	(595)	—	—	—
Purchase and disposal of treasury stock	33	—	740	—	—	16,066	—	16,806	—	16,806
Changes from loss of control		—	—	—	—	—	—	—	(5,359)	(5,359)
Changes in interests in subsidiaries	33	—	678,056	—	—	—	—	678,056	81,038	759,094
Issuance of other equity instruments in subsidiaries	33	—	—	—	—	—	—	—	120,000	120,000
Changes in interests in associates' capital surplus		—	(91)	—	—	—	—	(91)	—	(91)
Share-based payment transactions		—	(3,833)	—	—	—	—	(3,833)	113,967	110,134
Other		—	(829)	—	—	—	—	(829)	2,871	2,042
Total transactions with owners and other transactions		—	673,303	(220,856)	(145,626)	16,066	(595)	322,292	24,221	346,513
As of March 31, 2024		¥238,772	¥3,326,093	¥193,199	¥1,632,966	¥(22,725)	¥5,793,820	¥11,162,125	¥2,075,044	¥13,237,169

(Millions of yen)

		Equity attributable to owners of the parent								
For the fiscal year ended March 31, 2025	Notes	Common stock	Capital surplus	Other equity instruments	Retained earnings	Treasury stock	Accumulated other comprehensive income	Total	Non-controlling interests	Total equity
As of April 1, 2024		¥238,772	¥3,326,093	¥193,199	¥1,632,966	¥(22,725)	¥5,793,820	¥11,162,125	¥2,075,044	¥13,237,169
Comprehensive income										
Net income		–	–	–	1,153,332	–	–	1,153,332	449,776	1,603,108
Other comprehensive income		–	–	–	–	–	(487,095)	(487,095)	(33,665)	(520,760)
Total comprehensive income		–	–	–	1,153,332	–	(487,095)	666,237	416,111	1,082,348
Transactions with owners and other transactions										
Cash dividends	34	–	–	–	(64,086)	–	–	(64,086)	(368,868)	(432,954)
Distribution to owners of other equity instruments	33	–	–	–	(18,867)	–	–	(18,867)	–	(18,867)
Transfer of accumulated other comprehensive income to retained earnings . .		–	–	–	(580)	–	580	–	–	–
Purchase and disposal of treasury stock	33	–	–	–	(973)	(233,526)	–	(234,499)	–	(234,499)
Changes from loss of control		–	–	–	–	–	–	–	(25,614)	(25,614)
Changes in interests in subsidiaries		–	49,732	–	–	–	–	49,732	47,930	97,662
Issuance of other equity instruments in subsidiaries	33	–	–	–	–	–	–	–	200,000	200,000
Share-based payment transactions		–	(1,049)	–	–	–	–	(1,049)	46,737	45,688
Other		–	1,948	–	–	–	–	1,948	145	2,093
Total transactions with owners and other transactions		–	50,631	–	(84,506)	(233,526)	580	(266,821)	(99,670)	(366,491)
As of March 31, 2025		¥238,772	¥3,376,724	¥193,199	¥2,701,792	¥(256,251)	¥5,307,305	¥11,561,541	¥2,391,485	¥13,953,026

(Thousands of U.S. dollars)

	Notes	Equity attributable to owners of the parent							Non-controlling interests	Total equity
		Common stock	Capital surplus	Other equity instruments	Retained earnings	Treasury stock	Accumulated other comprehensive income	Total		
As of April 1, 2024		\$1,596,923	\$22,245,137	\$1,292,128	\$10,921,389	\$ (151,986)	\$38,749,466	\$74,653,057	\$13,878,035	\$88,531,092
Comprehensive income										
Net income		–	–	–	7,713,563	–	–	7,713,563	3,008,133	10,721,696
Other comprehensive income		–	–	–	–	–	(3,257,725)	(3,257,725)	(225,153)	(3,482,878)
Total comprehensive income		–	–	–	7,713,563	–	(3,257,725)	4,455,838	2,782,980	7,238,818
Transactions with owners and other transactions										
Cash dividends	34	–	–	–	(428,612)	–	–	(428,612)	(2,467,014)	(2,895,626)
Distribution to owners of other equity instruments	33	–	–	–	(126,184)	–	–	(126,184)	–	(126,184)
Transfer of accumulated other comprehensive income to retained earnings		–	–	–	(3,879)	–	3,879	–	–	–
Purchase and disposal of treasury stock	33	–	–	–	(6,507)	(1,561,838)	–	(1,568,345)	–	(1,568,345)
Changes from loss of control		–	–	–	–	–	–	–	(171,308)	(171,308)
Changes in interests in subsidiaries		–	332,611	–	–	–	–	332,611	320,559	653,170
Issuance of other equity instruments in subsidiaries	33	–	–	–	–	–	–	–	1,337,614	1,337,614
Share-based payment transactions		–	(7,016)	–	–	–	–	(7,016)	312,580	305,564
Other		–	13,029	–	–	–	–	13,029	969	13,998
Total transactions with owners and other transactions		–	338,624	–	(565,182)	(1,561,838)	3,879	(1,784,517)	(666,600)	(2,451,117)
As of March 31, 2025		\$1,596,923	\$22,583,761	\$1,292,128	\$18,069,770	\$(1,713,824)	\$35,495,620	\$77,324,378	\$15,994,415	\$93,318,793

d. Consolidated Statement of Cash Flows

		(Millions of yen)		(Thousands of U.S. dollars)
	Notes	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Cash flows from operating activities				
Net income		¥ 209,217	¥1,603,108	\$10,721,696
Depreciation and amortization		858,620	866,823	5,797,372
Loss (gain) on investments at Investment Business of Holding Companies		449,817	(3,422,188)	(22,887,828)
Loss (gain) on investments at SoftBank Vision Funds		167,290	(387,584)	(2,592,188)
Finance cost		556,004	581,559	3,889,506
Foreign exchange loss (gain)		703,122	(27,055)	(180,946)
Derivative (gain) loss (excluding (gain) loss on investments)		(1,502,326)	2,034,029	13,603,725
Change in third-party interests in SVF		390,137	491,898	3,289,848
(Gain) loss on other investments and other gain		(271,064)	(253,953)	(1,698,455)
Income taxes		(151,416)	101,613	679,595
Increase in investments from asset management subsidiaries		(230,986)	(769,572)	(5,146,950)
Increase in trade and other receivables		(476,511)	(508,544)	(3,401,177)
Decrease (increase) in inventories		5,436	(40,000)	(267,523)
Increase in trade and other payables		325,731	237,030	1,585,273
Other		208,593	93,974	628,504
Subtotal		1,241,664	601,138	4,020,452
Interest and dividends received		256,083	299,714	2,004,508
Interest paid		(430,422)	(482,111)	(3,224,391)
Income taxes paid	44	(885,617)	(380,008)	(2,541,520)
Income taxes refunded	44	68,839	164,847	1,102,508
Net cash provided by operating activities		¥ 250,547	¥ 203,580	\$ 1,361,557

			(Millions of yen)	(Thousands of U.S. dollars)
	Notes	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Cash flows from investing activities				
Payments for acquisition of investments	44	¥ (800,925)	¥(1,625,245)	\$(10,869,750)
Proceeds from sales/redemption of investments	44	219,668	1,180,746	7,896,910
Payments for acquisition of investments by SVF		(212,045)	(578,927)	(3,871,903)
Proceeds from sales of investments by SVF		922,020	458,319	3,065,269
Payments for acquisition of investments by asset management subsidiaries		(76,877)	–	–
Payments (net) for acquisition of control over subsidiaries	44	(104,484)	(194,216)	(1,298,930)
Proceeds (net) from loss of control over subsidiaries		96,755	94,862	634,444
Purchase of property, plant and equipment, and intangible assets	44	(622,612)	(854,173)	(5,712,768)
Payments for loan receivables		(313,686)	(36,538)	(244,369)
Collection of loan receivables		107,481	119,384	798,448
Payments into time deposits		(148,657)	(139,211)	(931,053)
Proceeds from withdrawal of time deposits		77,954	166,897	1,116,219
Other	44	13,947	(223,438)	(1,494,368)
Net cash used in investing activities		¥ (841,461)	¥(1,631,540)	\$(10,911,851)

			(Millions of yen)	(Thousands of U.S. dollars)
	Notes	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Cash flows from financing activities				
Proceeds in (repayment of) short-term interest-bearing debt	22	¥ 202,074	¥ (421,723)	\$ (2,820,512)
Proceeds from interest-bearing debt	22	5,181,190	5,313,665	35,538,155
Repayment of interest-bearing debt.	22	(5,175,486)	(3,809,082)	(25,475,401)
Repayment of lease liabilities		(211,231)	(186,441)	(1,246,930)
Distribution/repayment from SVF to third-party investors	7	(783,522)	(1,485,774)	(9,936,958)
Proceeds from the partial sales of shares of subsidiaries to non-controlling interests.	44	747,565	–	–
Purchase of shares of subsidiaries from non-controlling interests	44	(112,009)	(79,581)	(532,243)
Redemption of other equity instruments	44	(277,760)	–	–
Distribution to owners of other equity instruments		(25,624)	(18,867)	(126,184)
Proceeds from the issuance of other equity instruments in subsidiaries.	44	120,000	200,000	1,337,614
Purchase of treasury stock		(8)	(237,058)	(1,585,460)
Cash dividends paid.		(64,356)	(64,020)	(428,170)
Cash dividends paid to non-controlling interests	18	(288,119)	(368,678)	(2,465,744)
Other.		81,064	41,175	275,380
Net cash used in financing activities.		(606,222)	(1,116,384)	(7,466,453)
Effect of exchange rate changes on cash and cash equivalents		491,868	37,487	250,716
(Decrease) increase in cash and cash equivalents relating to transfer of assets classified as held for sale		(33,011)	33,011	220,780
Decrease in cash and cash equivalents		(738,279)	(2,473,846)	(16,545,251)
Cash and cash equivalents at the beginning of the year	8	6,925,153	6,186,874	41,378,237
Cash and cash equivalents at the end of the year.	8	¥6,186,874	¥ 3,713,028	\$ 24,832,986

Notes to Consolidated Financial Statements

1. Reporting entity

SoftBank Group Corp. is a corporation domiciled in Japan. The registered address of SoftBank Group Corp.'s head office is disclosed on our website (<https://group.softbank/en/>). These consolidated financial statements are composed of SoftBank Group Corp. and its subsidiaries (the "Company"). The Company engages in various businesses in the information industry, with its core business being in the Investment Business of Holding Companies segment, the SoftBank Vision Funds segment, the SoftBank segment, and the Arm segment. The details are described in "(1) Description of reportable segments" under "Note 6. Segment information."

2. Basis of preparation of consolidated financial statements

(1) Compliance with IFRS Accounting Standards

The consolidated financial statements of the Company have been prepared in accordance with IFRS Accounting Standards ("IFRS").

(2) Basis of measurement

These consolidated financial statements have been prepared on the historical cost basis, except for certain items, such as financial instruments, that are measured at fair value as described in "Note 3. Material accounting policies."

(3) Presentation currency and unit of currency

These consolidated financial statements have been presented in Japanese yen, which is the currency of the primary economic environment of SoftBank Group Corp. ("functional currency"), and yen amounts are rounded to the nearest million.

The translations of Japanese yen amounts into U.S. dollar amounts are included solely for the convenience of readers outside of Japan and have been made at a rate of ¥149.52 to \$1, the exchange rate at March 31, 2025. Such translations should not be construed as representations that the Japanese yen amounts could be converted into U.S. dollars at that or any other rate.

(4) Changes in presentation

(Consolidated statement of profit or loss and consolidated statement of comprehensive income)

"Income (loss) on equity method investments" which was separately presented for the past fiscal year, is included in "Other gain (loss)" for the fiscal year ended March 31, 2025, since the amount decreased and became insignificant. In order to reflect the change in presentation, ¥(38,641) million, which was presented as "Income (loss) on equity method investments" for the fiscal year ended March 31, 2024, is included in "Other gain (loss)."

(Consolidated statement of cash flows)

a. Cash flows from operating activities

"Increase/decrease in derivative financial assets and derivative financial liabilities in asset management subsidiaries," "(Increase) decrease in restricted cash in asset management subsidiaries," and "Increase (decrease) in borrowed securities in asset management subsidiaries" which were separately presented for the past fiscal year, are included in "Other" for the fiscal year ended March 31, 2025, since the amounts decreased and became insignificant. In order to reflect the changes in presentation, ¥(248) million, ¥(3,082) million, and ¥2,816 million, which were presented as "Increase/decrease in derivative financial assets and derivative financial liabilities in asset management subsidiaries," "(Increase) decrease in restricted cash in asset management subsidiaries," and "Increase (decrease) in borrowed securities in asset management subsidiaries" for the fiscal year ended March 31, 2024, are included in "Other," respectively.

b. Cash flows from financing activities

Proceeds from (repayment of) borrowings with short maturities and quick turnover in some subsidiaries were previously presented on a gross basis and included in "Proceeds from interest-bearing debt" and "Repayment of interest-bearing debt." They are now presented on a net basis and included in "Proceeds in (repayment of) short-term interest-bearing debt, net" for the fiscal year ended March 31, 2025. In order to reflect the change in presentation, for the fiscal year ended March 31, 2024, "Proceeds from interest-bearing debt" of ¥732,900 million and "Repayment of interest-bearing debt" of ¥(713,700) million are reclassified as "Proceeds in (repayment of) short-term interest-bearing debt, net" of ¥19,200 million.

(5) New standards and interpretations not yet adopted by the Company

New standards and interpretations that are newly established or amended before the approval date of the consolidated financial statements and not yet adopted by the Company may have the following potential impacts. The impacts on the consolidated financial statements of the Company due to the adoption are currently under review.

Standard/ Interpretation	Mandatory adoption (From the year beginning)	To be adopted by the Company	Outline of the new standards
IFRS 18 Presentation and disclosure in the financial statements	January 1, 2027	From the fiscal year ending March 31, 2028	The IFRS 18 replaces the previous IAS 1 and the main amendments are as follows: • Amendment to require the classification of income and expenses into either operating, investing, or financing categories and the presentation of two subtotals, “Operating profit or loss” and “Profit or loss before financing and income taxes and profit or loss” under the statement of profit or loss • Amendment to the grouping of useful information for the financial statements, including the introduction of the principles of aggregation and disaggregation of information under the statement of profit or loss • Amendment to require the disclosure of information on all indicators that meet the definition of management-defined performance measures (MPMs)

There are no other new standards and interpretations that are newly established or amended before the approval date of the consolidated financial statements and have significant impacts on the consolidated financial statements of the Company.

(6) Definitions of company names and abbreviations used in the financial report

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

Company names / Abbreviations	Definition
SoftBank Group Corp.	SoftBank Group Corp. (stand-alone basis)
The Company	SoftBank Group Corp. and its subsidiaries
Each of the following names or abbreviations indicates the respective company and its subsidiaries, if any.	
SB Northstar or the asset management subsidiary	SB Northstar LP
SVF1	SoftBank Vision Fund L.P. and its alternative investment vehicles
SVF2	SoftBank Vision Fund II-2 L.P.
SVF2 LLC	SVF II Investment Holdings LLC
LatAm Funds	SBLA Latin America Fund LLC
SLA LLC	SLA Holdco II LLC
SVF	SVF1, SVF2, and LatAm Funds
SBIA	SB Investment Advisers (UK) Limited

SBGA	SB Global Advisers Limited
Arm	Arm Holdings plc or Arm Limited*
SBE Global	SBE Global, LP
Fortress	Fortress Investment Group LLC
WeWork	WeWork Inc.
T-Mobile	T-Mobile US, Inc.
Alibaba	Alibaba Group Holding Limited
MgmtCo	MASA USA LLC

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

3. Material accounting policies

Accounting policies the Company has adopted have been applied consistently to all periods presented in these consolidated financial statements.

Please refer to “(20) Material accounting policies for the SoftBank Vision Funds segment” for details of the SoftBank Vision Funds segment.

(1) Basis of consolidation

a. Subsidiaries

A subsidiary is an entity that is controlled by SoftBank Group Corp.

The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Please refer to “a. Consolidation of SVF1, SVF2, and LatAm Funds by the Company” under “(20) Material accounting policies for the SoftBank Vision Funds segment” for details of SVF1, SVF2, and LatAm Funds.

The subsidiaries’ financial statements are consolidated from the date when control is acquired (“acquisition date”) until the date when the control is lost.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by the Company.

Non-controlling interests consist of those interests at the acquisition date and any adjustments for subsequent changes in those interests.

Total comprehensive income of subsidiaries is generally attributed to the owners of the parent and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

All intragroup balances and transactions and unrealized gains and losses arising from intragroup transactions are eliminated on consolidation.

Changes in the Company’s ownership interests in subsidiaries that do not result in the

Company losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their interests in the subsidiaries.

Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the parent.

When SoftBank Group Corp. loses control of a subsidiary, a gain or loss is calculated as the difference between:

- the aggregate of the fair value of the consideration received and the fair value of any retained interest; and
- the net carrying amount of the assets (including goodwill), liabilities, and non-controlling interests of the subsidiary when control is lost.

Any amounts previously recognized in accumulated other comprehensive income in relation to the former subsidiaries are reclassified to profit or loss.

b. Associates and joint ventures

An associate is an entity over which SoftBank Group Corp. has significant influence in the financial and operating policy decisions, but does not have control or joint control.

A joint venture is an investment which parties including SoftBank Group Corp. have joint control based on the contractual arrangement that requires unanimous consent related to significant decisions of the business activities and have rights to the net assets of the arrangement.

Investments in associates and joint ventures are accounted for using the equity method or accounted for using FVTPL.

(a) Investments accounted for using the equity method

Investments in associates and joint ventures are accounted for using the equity method and are initially recognized at cost. The investment is adjusted thereafter to recognize the Company's interest in profit or loss and other comprehensive income from the date of acquisition to the date of loss of significant influence.

When the losses of an associate and a joint venture exceed the Company's interest in the associate and the joint venture, long-term interests that, in substance, form a part of the net investment in the company are decreased to zero, and no additional loss is recognized except when the Company incurs legal or constructive obligations to or makes payments on behalf of the associate and the joint venture.

Unrealized gains or losses on intercompany transactions with associates and joint ventures are added to or deducted from the carrying amount of the investments only to the extent of the Company's interests in the associates and the joint ventures.

Any excess in the cost of acquisition of an associate and a joint venture over the Company's interest of the net fair value of the identifiable assets and liabilities recognized at the date of acquisition is recognized as goodwill and included within the carrying amount of the investments in associates and joint ventures.

Because goodwill is not separately recognized, it is not tested for impairment separately. Instead, the entire carrying amount of the investments in associates and joint ventures, including goodwill, is tested for impairment as a single asset whenever objective evidence indicates that the investment may be impaired.

(b) Investments accounted for using FVTPL

Among the investments in associates and joint ventures, investments directly made by SVF1, SVF2, and LatAm Funds, and investments made by SoftBank Group Corp. or its subsidiaries based on the premise of transferring to SVF1, SVF2, and LatAm Funds, and preferred stock investments whose feature is substantively different from common stock, are not accounted for using the equity method. These investments are classified as financial assets measured at fair value through profit or loss ("financial assets at FVTPL"). For the Company's accounting policy for the financial assets at FVTPL, please refer to "(4) Financial instruments." Also, please refer to "(b) Investments in associates and joint ventures" in "b. Portfolio company investments made by SVF1, SVF2, and LatAm Funds" under "(20) Material accounting policies for the SoftBank Vision Funds segment" for details of SVF1, SVF2, and LatAm Funds.

(2) Business combinations

Business combinations are accounted for using the acquisition method on the acquisition date.

The consideration transferred in a business combination is measured as the sum of the assets transferred by the Company, liabilities assumed by the Company from the former owners of the acquiree, and the fair value at the acquisition date of the equity interests issued by the Company. Acquisition-related costs are recognized in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their fair value, except that:

- deferred tax assets or liabilities and assets or liabilities related to employee benefits are recognized and measured in accordance with IAS 12 "Income Taxes" and IAS 19 "Employee Benefits," respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Company entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 "Share-based Payment" at the acquisition date; and
- assets or disposal groups that are classified as held-for-sale are measured in accordance with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations."

The excess of the consideration transferred and the amount of any non-controlling interest in the acquiree over the fair value of the identifiable net assets acquired at the acquisition date is recorded as goodwill. If the consideration transferred and the amount of any non-controlling interest in the acquiree is less than the fair value of the identifiable net assets of the acquired subsidiary, the difference is recognized immediately in profit or loss.

On an acquisition-by-acquisition basis, the Company chooses a measurement basis of non-controlling interests at either fair value or by the proportionate share of the non-controlling interests in the recognized amounts of the acquiree's identifiable net assets. When a business combination is achieved in stages, the Company's previously held interest in the acquiree is remeasured at fair value at the acquisition date and the resulting gain or loss, if any, is recognized in profit or loss.

Amounts arising from changes in the value of interests in the acquiree prior to the acquisition date that have previously been recognized in other comprehensive income are recognized using the same accounting treatment as the Company disposes the interests.

If the initial accounting for a business combination is incomplete by the end of the fiscal year, the Company reports in its consolidated financial statements provisional amounts for the items for which the accounting is incomplete. The Company retrospectively adjusts the provisional amounts recognized at the acquisition date as an adjustment during the measurement period when new information about facts and circumstances existed as of the acquisition date and, if known, would have affected the recognized amounts for the business combination. The measurement period shall not exceed one year from the acquisition date.

Goodwill arising in business combinations that occurred before the date of transition to IFRS is carried over at the carrying amount under the previous accounting principles (Japanese Generally Accepted Accounting Principles, "JGAAP") as of the date of transition to IFRS, and recorded by that amount after an impairment test.

(3) Foreign currency translation

a. Transactions denominated in foreign currencies

The financial statements of each group company are prepared in their currency based on the primary economic environment in which it operates ("functional currency"). Transactions in currencies other than the entity's functional currency (foreign currencies) are translated at the rates of exchange prevailing at the dates of the transactions.

Monetary items denominated in foreign currencies are translated into functional currency at the rates prevailing at the end of the fiscal year. Non-monetary items carried at fair value that are denominated in foreign currencies are translated into the functional currency at the rates prevailing at the date when the fair value was measured.

Exchange differences arising from translation are recognized in profit or loss, however, exchange differences arising from equity financial assets at fair value through other comprehensive income ("equity financial assets at FVTOCI") and cash flow hedges are recognized in other comprehensive income.

b. Foreign operations

For the purposes of presenting consolidated financial statements, the assets and liabilities of the Company's foreign operations (including goodwill arising from acquisitions and the adjustments of fair value) are translated into Japanese yen using exchange rates prevailing at the end of the fiscal year.

Income, expenses and cash flows are translated into Japanese yen by using the average exchange rates for each quarter. When the translated amounts do not approximate the amounts translated by the exchange rates at the dates of the transactions, the exchange rates at the transaction dates are used for the translation.

The exchange rates used in the translation are described in "Note 32. Foreign currency exchange rates."

Exchange differences arising from translating the financial statements of foreign operations are recognized in other comprehensive income and cumulative differences are included in accumulated other comprehensive income.

These cumulative differences are reclassified from equity to profit or loss when the Company loses control or significant influence over the foreign operation.

(4) Financial instruments

a. Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are measured at fair value at the time of initial recognition. Transaction costs that are directly attributable to the acquisition of financial assets and issuance of financial liabilities other than financial assets at FVTPL and financial liabilities at fair value through profit or loss ("financial liabilities at FVTPL") are added to the fair value of the financial assets or deducted from the fair value of financial liabilities at the time of initial recognition. Transaction costs that are directly attributable to the acquisition of the financial assets at FVTPL or financial liabilities at FVTPL are recognized in profit or loss.

b. Non-derivative financial assets

Non-derivative financial assets are classified as financial assets measured at amortized cost, debt financial assets at fair value through other comprehensive income ("debt financial assets at FVTOCI"), equity financial assets at FVTOCI, and financial assets at FVTPL. The classification depends on the nature and purpose of the financial assets and is determined upon initial recognition.

All purchases and sales of financial assets made in the ordinary course of business are recognized and derecognized on a trade date basis. Purchases and sales made in the ordinary course of business refer to acquiring or disposing of financial assets under a contract that requires the delivery of assets within a timeframe established by regulation or convention in the marketplace.

(a) Financial assets measured at amortized cost

Financial assets are classified as financial assets measured at amortized cost if both of the following conditions are met:

- the financial assets are held within a business model for which the objective is to hold financial assets to collect contractual cash flows; and
- the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets measured at amortized cost are measured at amortized cost using the effective interest method, less any impairment. Interest income based on the effective interest rate is recognized in profit or loss.

(b) Debt financial assets at FVTOCI

Financial assets are classified as debt financial assets at FVTOCI if both of the following conditions are met:

- the financial assets are held within a business model for which the objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, debt financial assets at FVTOCI are measured at fair value, and gains or losses arising from changes in fair value are recognized in other comprehensive income. Any cumulative amounts recognized in other comprehensive income are reclassified to profit or loss upon derecognition. Foreign exchange gains and losses arising on monetary financial assets classified as debt financial assets at FVTOCI and interest income calculated using the effective interest method relating to debt financial assets at FVTOCI are recognized in profit or loss.

(c) Equity financial assets at FVTOCI

At initial recognition, the Company has made an irrevocable election for equity financial assets that would otherwise be measured at fair value through profit or loss to present subsequent changes in fair value in other comprehensive income and classifies such investments as equity financial assets at FVTOCI. Subsequent to initial recognition, equity financial assets at FVTOCI are measured at fair value, and gains or losses arising from changes in fair value are recognized in other comprehensive income.

When financial assets are derecognized or there is a significant or prolonged decline in fair value below the cost, cumulative gains and losses recognized in other comprehensive income are directly transferred to retained earnings. Dividends received on equity financial assets at FVTOCI are recognized in profit or loss.

(d) Financial assets at FVTPL

Financial assets are classified as financial assets at FVTPL, if they are classified as neither financial assets measured at amortized cost, debt financial assets at FVTOCI, nor equity financial assets at FVTOCI. Please refer to “(20) Material accounting policies for the SoftBank Vision Funds segment” for the details of “Investments from SVF (FVTPL)” in the consolidated statement of financial position. Neither financial assets are designated as measured at fair value through profit or loss to eliminate or significantly reduce an accounting mismatch.

Subsequent to initial recognition, financial assets at FVTPL are measured at fair value and gains or losses arising from changes in fair value, dividend income and interest income are recognized in profit or loss.

(e) Impairment of financial assets

A loss allowance is recognized for expected credit losses on financial assets measured at amortized cost, debt financial assets at FVTOCI, and contract assets under IFRS 15 “Revenue from Contracts with Customers.” At each fiscal period-end, the Company assesses whether the credit risk on financial assets has increased significantly since initial recognition. If the credit risk on financial assets has not increased significantly since initial recognition, the Company measures the loss allowance for financial assets at an amount equal to the 12-month expected credit losses. If the credit risk on financial assets has increased significantly since initial recognition or for credit impaired financial assets, the Company measures the allowance account for the financial assets at an amount equal to the lifetime expected credit losses. However, the Company always measures the loss allowance at an amount equal to the lifetime expected credit losses for trade receivables and contract assets.

Expected credit losses are estimated in a way that reflects the following:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions, and forecasts of future economic conditions.

Provision of the loss allowance relating to the measurement is recognized in profit or loss. Reversal of the loss allowance is also recognized in profit or loss when events that would reduce the loss allowance occur in subsequent periods.

The carrying amount of financial assets is directly reduced against the loss allowance when the Company has no reasonable expectations of recovering financial assets in their entirety, or a portion thereof.

(f) Derecognition of financial assets

The Company derecognizes a financial asset when, and only when the contractual rights to the cash flows from the financial asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the financial asset.

c. Non-derivative financial liabilities

Non-derivative financial liabilities are classified into financial liabilities at FVTPL or financial liabilities measured at amortized cost, and the classification is determined at initial recognition.

Non-derivative financial liabilities are classified into financial liabilities at FVTPL when the entire hybrid contract, including more than one embedded derivative, is designated as a financial liability at FVTPL. Subsequent to initial recognition, financial liabilities at FVTPL are measured at fair value and gains or losses arising from changes in fair value and interest costs are recognized in profit or loss.

Financial liabilities measured at amortized cost are measured using the effective interest method, subsequent to initial recognition.

The Company derecognizes financial liabilities when the Company's obligations are met, or debt is discharged or cancelled or expires.

d. Derivatives and hedge accounting

(a) Derivatives

The Company is engaged in derivative transactions, including foreign currency forward transactions, currency swaps, option transactions, and collar transactions in order to manage its exposure to foreign exchange rate, interest rate, and share price risks.

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently measured at their fair values at the end of fiscal year. Changes in the fair value of derivatives are recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument. Derivative financial assets not designated as hedging instruments are classified into financial assets at FVTPL, and derivative financial liabilities not designated as hedging instruments are classified into financial liabilities at FVTPL.

(b) Hedge accounting

The Company designates certain derivative transactions as hedging instruments and accounts for them as cash flow hedges.

At the inception of the hedge, the Company formally designates and documents the hedge relationship qualifying for hedge accounting, along with its risk management objectives and its strategies for undertaking various hedge transactions. At the inception of the hedge and on an ongoing basis, the Company evaluates whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the relevant hedged item during the underlying

period. Specifically, a hedge is determined to be effective when all of the following criteria are met:

- i. there is an economic relationship between the hedged item and the hedging instrument;
- ii. the effect of credit risk does not dominate the value changes that result from that economic relationship; and
- iii. the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item the Company actually hedges and the quantity of the hedging instrument the Company actually uses to hedge the quantity of the hedged item.

If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective remains the same, the Company adjusts the hedge ratio so that the hedging relationship becomes effective again.

The effective portion of changes in the fair value of derivatives that are designated and qualifying as cash flow hedges is recognized in other comprehensive income and accumulated in equity. Accumulated other comprehensive income is transferred to profit or loss through a line item relating to the hedged item in the consolidated statement of profit or loss in the year when the cash flows from the hedged item affect profit or loss. Any ineffective portion of changes in fair value of derivatives is recognized immediately in profit or loss.

The Company discontinues hedge accounting prospectively only when the hedging relationship ceases to meet the qualifying criteria, such as instances when the hedging instrument expires or is sold, terminated, or exercised.

When hedge accounting is discontinued, any related income included in accumulated other comprehensive income remains in equity and is reclassified to profit or loss when the forecasted transaction is ultimately recognized in profit or loss. When a forecasted transaction is no longer expected to occur, any related income included in accumulated other comprehensive income is immediately reclassified to profit or loss.

(c) Embedded derivatives

Derivatives embedded in host contracts that are non-derivative financial assets ("embedded derivatives") are not separated from the host contracts and are accounted for as hybrid contracts in their entirety.

When the economic characteristics and risks of the derivatives embedded in host contracts that are non-derivative financial liabilities ("embedded derivatives") are not closely related to the economic characteristics and risks of the host contracts and the whole financial instruments, including the embedded derivatives, are not classified as financial liabilities at FVTPL, the embedded derivatives are separated from the host contracts and accounted for separately as derivatives. If it is required to separate embedded derivatives from their host contracts, but the Company is unable to measure the embedded derivatives separately either at acquisition or at the end of a subsequent fiscal period, the Company designates and accounts for the entire hybrid contract as financial liabilities at FVTPL.

e. Offsetting financial assets and financial liabilities

Financial assets and financial liabilities are offset, and the net amounts are presented in the consolidated statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the recognized amounts, and intends either to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

(5) Cash and cash equivalents

Cash and cash equivalents consist of cash, demand deposits and short-term investments with maturities of three months or less that are readily convertible to cash and subject to insignificant risk of change in value.

(6) Inventories

Inventories are measured at the lower of cost and net realisable value. Inventories mainly consist of mobile devices and accessories in the SoftBank segment. Their costs comprise all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. The costs are mainly calculated by the moving-average method.

Net realizable value is calculated based on the estimated selling price in the ordinary course of business, less estimated costs of marketing, selling, and distribution.

(7) Property, plant and equipment

Property, plant and equipment are measured on a historical cost basis, less accumulated depreciation and accumulated impairment losses. Historical cost includes costs directly attributable to the acquisition of the asset and the initial estimated costs related to disassembly, retirement and site restoration.

Property, plant and equipment are depreciated mainly using the straight-line method over the estimated useful lives of each component. The depreciable amount is calculated as the cost of an asset, less its residual value. Land and construction in progress are not depreciated.

The estimated useful lives of major components of property, plant and equipment are as follows:

Buildings and structures	
Buildings	20 - 50 years
Structures.	3 - 50 years
Building fixtures	3 - 22 years
Telecommunications equipment	
Wireless equipment, switching equipment, and other network equipment.	5 - 15 years
Towers.	10 - 42 years
Other.	5 - 30 years
Furniture, fixtures and equipment	
Leased mobile devices	2 - 3 years

Other	2 - 20 years
Machinery and equipment	
Solar power generation facilities.	35 years

The depreciation methods, useful lives, and residual values of assets are reviewed at the end of each fiscal year, and any changes are applied prospectively as a change in accounting estimate.

(8) Goodwill

Please refer to “(2) Business combinations” for the measurement of goodwill at initial recognition. Goodwill is measured at cost less accumulated impairment losses.

Goodwill is not amortized, and is tested for impairment when there is an indication of impairment in cash-generating unit or groups of cash-generating units to which goodwill has been allocated, and annually, regardless of any indication of impairment. Impairment is described in “(11) Impairment of property, plant and equipment, right-of-use assets, intangible assets and goodwill.”

The Company's policy for goodwill arising from the acquisition of an associate is described in “(1) Basis of consolidation.”

(9) Intangible assets

The Company uses the cost model for measurement of intangible assets in which the assets are measured at historical cost, less accumulated amortization and accumulated impairment losses.

Intangible assets acquired individually are measured at cost upon initial recognition. Intangible assets acquired in a business combination are recognized separately from goodwill upon initial recognition and are measured at fair value at the acquisition date. Any internally generated research and development expenditure is recognized as an expense in the period in which it is incurred, except for expenditures on development activities eligible for capitalization (internally generated intangible assets). The amount initially recognized for internally generated intangible assets is the sum of the expenditures incurred from the date when the intangible asset first meets all of the capitalization criteria to the date the development is completed.

There are intangible assets with finite useful lives and intangible assets with indefinite useful lives. The intangible assets with finite useful lives are amortized over the estimated useful lives by the straight-line method.

The estimated useful lives of major categories of intangible assets with finite useful lives are as follows:

Software	5 - 10 years
Customer relationships	8 - 25 years
Technologies	8 - 20 years
Spectrum-related costs.	18 years
Other.	2 - 25 years

Amortization methods, useful lives and residual values of assets are reviewed at the end of each fiscal year, and any changes are applied prospectively as a change in accounting estimate.

Spectrum-related costs are SoftBank Corp.'s share of costs for the spectrums assigned to SoftBank Corp. based on the Radio Act. These spectrum-related costs include the costs arising from the migration of pre-existing users to other spectrums by the termination campaign. Useful lives are estimated based on the actual utilization of the frequency spectrum in the past.

Intangible assets with indefinite useful lives are as follows:

- Trademarks (with indefinite useful lives)

The intangible assets with indefinite useful lives and the intangible assets that are not yet available for use are not amortized. The impairment of these assets is described in "(11) Impairment of property, plant and equipment, right-of-use assets, intangible assets and goodwill."

In addition, the Company does not apply IFRS 16 "Leases" to leases of intangible assets.

(10) Leases

a. Overall

(a) Identifying a lease

At the inception of a contract, the Company assesses whether the contract is, or contains, a lease. The Company deems a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. If the following conditions are met, the Company deems that the contract conveys the right to control the use of an identified asset.

- i. The use of the identified asset is specified in a contract and the lessor does not have the right to substitute the asset.
- ii. Throughout the period of use, the lessee has the right to obtain substantially all of the economic benefits from the use of the identified asset.
- iii. The lessee has the right to direct the use of the identified asset. Where the relevant decisions about how and for what purpose the asset is used are predetermined, the lessee is deemed to have the right to direct the use of the identified asset if:
 - the lessee has the right to operate the asset; or
 - the lessee designed the asset in a way that predetermines how and for what purpose the asset will be used.

(b) Lease term

The lease term is determined as the non-cancellable period of a lease, together with both:

- periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and
- periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option.

b. Lessee

(a) Separating components of a contract

For a contract that is, or contains, a lease, the Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract by allocating the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

(b) Lease transactions of intangible assets

The Company does not apply IFRS 16 "Leases" to leases of intangible assets.

(c) Right-of-use asset

At the commencement date, the Company recognizes a right-of-use asset and a lease liability. The right-of-use asset is initially measured at cost. The cost of the right-of-use asset comprises: the amount of the initial measurement of the lease liability; any lease payments made at or before the commencement date; any initial direct costs; and an estimate of costs to be incurred in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset; less any lease incentives received.

After the initial measurement, the right-of-use asset is depreciated on a straight-line basis: (a) over the estimated useful life if the transfer of ownership of the underlying asset is certain; or (b) over the shorter of the lease term or the estimated useful life of the right-of-use asset if the transfer of ownership is not certain. The estimated useful life of the right-of-use asset is determined by the same method applied to property, plant and equipment. Further, if the right-of-use asset is impaired, an impairment loss is deducted from the carrying amount of the right-of-use asset. The details of lease terms by asset classes for right-of-use assets held for leases are described in "Note 15. Right-of-use assets."

(d) Lease liability

At the commencement date, the Company measures the lease liability at the present value of the lease payments that will be paid over the lease term after that date. In calculating the present value, the interest rate implicit in the lease is used as a discount rate if that rate can be readily determined. If that rate cannot be readily determined, the Company's incremental borrowing rate is used.

The lease payments included in the measurement of the lease liability mainly comprise: fixed payments; lease payments to be made during extension periods, if the lease term reflects the exercise of an option to extend the lease; and payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

After the initial measurement, the lease liability is measured at amortized cost using an effective interest method. The lease liability is remeasured if there is a change in future lease payments

resulting from a change in an index or a rate, if there is a change in the amounts expected to be payable under a residual value guarantee, or if there is a change in the assessment of the possibility of an option to extend or terminate the lease being exercised.

If the lease liability is remeasured, the carrying amount of the right-of-use asset is also adjusted by the amount of the remeasurement of the lease liability. However, if the amount of liability reduced by the remeasurement of the lease liability exceeds the carrying amount of the right-of-use asset, any remaining amount of the remeasurement after reducing the right-of-use asset to zero is recognized in profit or loss.

c. Lessor

(a) Separating components of a contract

For a contract that is, or contains, a lease, the Company allocates the consideration in the contract applying IFRS 15 “Revenue from Contracts with Customers” to lease components and non-lease components of the contract.

(b) Classification of leases

At the commencement of a lease contract, the Company classifies whether the contract is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Otherwise, a lease is classified as an operating lease. The Company assesses that substantially all the risks and rewards incidental to ownership of an underlying asset are transferred in cases where the lease term is for a major part of the economic life of the underlying asset, or the amount of present value of the lease payment is substantially all the amount of fair value of the asset.

(c) Sublease classification

If the Company is a party to a sublease contract, the Company accounts for the head lease (lessee) and the sublease (lessor) separately. When classifying the sublease as a finance lease or an operating lease, the Company considers the risks and rewards incidental to, and the useful life of, the right-of-use asset that is recognized by the Company in the head lease, instead of that of the leased asset.

(d) Recognition and measurement

Lease receivables in finance leases are recorded as the uncollected amount of net lease receivables, as of the date the lease is determined and through its maturity. Lease receivables are apportioned between financing income and the repayments of the lease receivables. Lease receivables are measured at amortized cost using the effective interest method. Interest income based on the effective interest rate is recognized in profit or loss.

Total lease payments received from operating leases received during the lease term are recognized as income on a straight-line basis over the lease term.

(11) Impairment of property, plant and equipment, right-of-use assets, intangible assets and goodwill

a. Impairment of property, plant and equipment, right-of-use assets, and intangible assets

At the end of the fiscal year, the Company determines whether there is any indication that property, plant and equipment, right-of-use assets, and intangible assets may be impaired.

If any such indication exists, the recoverable amount of the asset is estimated. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Intangible assets with indefinite useful lives and intangible assets that are not yet available for use are tested for impairment annually regardless of whether there is any indication of impairment.

The recoverable amount is the higher of fair value less costs to sell, or value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the time value of money and the risks specific to the asset.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount, and an impairment loss is recognized in profit or loss.

At the end of the fiscal year, the Company evaluates whether there is any indication that an impairment loss related to assets other than goodwill recognized in prior years has decreased or been extinguished. If such indication of a reversal of an impairment loss exists, the recoverable amount of the asset or cash-generating unit is estimated. If the recoverable amount of an asset or cash-generating unit is estimated to be higher than its carrying amount, a reversal of an impairment loss is recognized, to the extent that the increased carrying amount does not exceed the lower of the recoverable amount or the carrying amount that would have been determined (net of depreciation and amortization) had no impairment loss been recognized.

b. Impairment of goodwill

At the end of the fiscal year and at the end of each quarter, the Company determines whether there is any indication that goodwill may be impaired.

Goodwill is allocated to each of the cash-generating unit or groups of cash-generating units that are expected to benefit from the synergies arising from the business combination, and it is tested for impairment annually, regardless of any indication of impairment, and when there is an indication that the cash-generating unit or groups of cash-generating units may be impaired. If, at the time of the impairment test, the recoverable amount of the cash-generating unit or groups of cash-generating units is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit or groups of

cash-generating units and then to the other assets pro rata based on the carrying amount of each asset in the cash-generating unit or groups of cash-generating units.

Any impairment loss for goodwill is recognized directly in profit or loss and is not reversed in subsequent periods.

(12) Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are measured using the estimated future cash flows, discounted using a pre-tax rate reflecting the time value of money and the specific risks of the liability, after taking into account the risks and uncertainties surrounding the obligation at the end of the fiscal year.

The Company mainly recognizes asset retirement obligations and provisions for loss on contract as provisions.

For provisions for loss on contract, the amount is estimated and recorded as deemed necessary to prepare for future losses incurred in fulfilling contracts with customers.

(13) Treasury stock

When the Company acquires its own equity share capital ("treasury stock"), the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity. No gain or loss is recognized on the purchase, sale, or cancellation of the treasury stock. The difference between the carrying amount and the consideration on sale is recognized as capital surplus.

(14) Assets or disposal groups classified as held for sale

Assets or disposal groups, whose recoveries are expected principally through sale transactions rather than continuing use, are classified as held for sale when it is highly probable that the sale will be completed within one year, are available for immediate sale in their present condition, and management commits to a plan to sell.

The Company, when committed to a sale plan involving loss of control of a subsidiary, classifies assets and liabilities of the subsidiary as held for sale when the above criteria are met, regardless of whether the Company will retain a non-controlling interest in its former subsidiary after the sale.

Assets classified as held for sale are measured at the lower of the carrying amounts and fair values less costs to sell and depreciation of property, plant and equipment and amortization of intangible assets are not conducted after the classification.

(15) Share-based payments

The Company adopts stock option plans, restricted stock unit plans, and restricted stock compensation plans as equity-settled share-based payment, as well as cash-settled share based-payment.

Equity-settled share-based payment is measured at fair value on the grant date. The fair value of stock options is calculated using models such as the Black-Scholes model, and the fair value of restricted stock units and restricted stocks is calculated using the share price on the grant date.

The fair value determined on the grant date is expensed over the vesting period, based on the estimated stock options or restricted stock units that will eventually vest, with a corresponding increase in equity.

The Company regularly reviews the assumptions made and revises estimates of the number of stock options or restricted stock units that are expected to vest, when necessary.

Restricted stock units are vested on the grant date and accordingly the fair value of restricted stock units on the grant date is expensed in a lump sum.

Cash-settled share-based payment is accounted for as liabilities and is measured initially at the fair value of the award. The fair value of the liabilities is remeasured on each closing date and the settlement date, and changes in fair values are recognized in profit or loss.

(16) Revenue

The Company's accounting policy for revenue recognition is as follows:

SoftBank segment

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

a. Consumer business

(a) Mobile services and sales of mobile devices

The Company provides mobile services, which consist of voice call services, data transmission services, and related optional services to subscribers, and sells mobile devices to customers.

In providing mobile services, sales revenue is mainly generated from basic monthly charges, mobile services, and other fees. Revenues from the sales of mobile devices are generated from the sales of mobile devices and accessories to subscribers or dealers.

The business flow of the above transactions consists of "Indirect" sales, where the Company sells mobile devices to dealers and enters into mobile communications service contracts with subscribers through dealers, and "Direct" sales, where the Company sells mobile devices to subscribers and enters into mobile communications service contracts directly with subscribers.

In mobile services, the contractual period is defined as the period in which the parties to the contract have present enforceable rights and obligations based on the terms and conditions of the contract with the subscriber. In addition, if the Company determines that an option to renew the contract is granted to the subscriber and the option provides a

“material right” to the subscriber, it identifies the option as a separate performance obligation. As a practical alternative to estimating the stand-alone selling price of an option identified as a separate performance obligation, the Company allocates the transaction price to the mobile communications services related to the option by reference to the mobile communications services expected to be provided and the corresponding expected consideration.

Basic charges and mobile service fees are billed to subscribers on a monthly basis and are generally due within one month. Mobile device payments for indirect sales are billed to dealers at the time of sale to the respective dealers and are generally due within one month. In addition, mobile device payments for direct sales can be paid in full at the time of sale or paid in monthly installment over the contract period, normally due within one month. As a result of both quantitative and qualitative analysis, the Company has determined that these transaction prices do not include significant financing components due to the timing of payments, and accordingly, they have not been adjusted for such financing components. When the period between the revenue recognition and the payment is one year or less, the Company does not make an adjustment for significant financing components, as a practical expedient permitted by IFRS.

For mobile services and sales of mobile devices, the Company is obligated to allow returns and provide refunds for a certain period of time after the inception of the contract. Return and refund obligations are estimated and deducted from transaction prices for each type of goods and services based on historical performance.

The Company provides optional additional warranty services for mobile devices. Under the contracts in which these services are provided, the services are identified as separate performance obligations, and are recognized as revenue when they are provided to subscribers.

i. Indirect sales

Revenues from the sales of mobile devices are recognized when mobile devices are delivered to dealers, which is when dealers are deemed to have obtained control over the mobile devices. Dealers involved in indirect sales have the primary responsibility for fulfilling contracts, carry all inventory risk, and may independently establish their own inventory pricing. Accordingly, the Company considers that dealers involved in indirect sales act as principals.

Basic monthly charges and mobile service fees are recognized as revenue over time during the contractual period because the performance obligation of mobile services is to provide a certain amount of data communications monthly to subscribers during the contractual period. Discounts on mobile communications charges are deducted from the revenues recognized from monthly mobile services. Commission fees paid to dealers related to the sales of mobile devices are deducted from sales.

ii. Direct sales

For direct sales, the total amount of transaction prices is allocated to sales of mobile devices and mobile service revenue based on the ratio of their stand-alone selling prices, as the revenues from the sales of mobile devices and mobile services, including related fees, are considered to be one transaction. Discounts on mobile communications charges related to mobile service revenue are deducted from the total transaction prices.

In addition, if the amount of revenue recognized at the time of sales of mobile devices exceeds the amount of consideration received from the subscribers, the difference is recognized as contract assets and subsequently transferred to trade receivables when the claim is determined as a result of the provision of mobile services. If the amount of revenue recognized at the time of sales of mobile devices is less than the amount of consideration received from the subscribers, the difference is recognized as contract liabilities, which is then reversed when the mobile services are provided, and is recognized as revenue.

Stand-alone selling prices of mobile devices and mobile services are priced at their observable prices when the mobile devices and mobile services are sold independently to customers at the inception of the contract.

The amount allocated to sales of mobile device is recognized as revenue at the time of delivery to the subscribers, representing the point in time when subscribers are considered to have obtained control of the mobile devices. Amounts allocated to mobile service revenues are recognized as revenue over time during the contractual period because the performance obligation of mobile services is to provide a certain amount of data communications monthly to subscribers during the contractual period.

Contract assets are included in “Other current assets” in the consolidated statement of financial position.

(b) Broadband services

For broadband services, revenues are mainly generated from basic monthly charges and telecommunications service fees primarily related to Internet connection (“revenues from broadband services”), and other fees.

Revenues from broadband services are recognized when services are provided to subscribers, based upon fixed monthly charges plus the fees charged for usage of the network. Activation fees are recognized as contract liabilities when received, which are then reversed when the broadband services are provided, and are recognized as revenue.

(c) Electricity services

For electricity services, revenues are mainly generated from the purchase and sale, supply and intermediation of electricity services, including Ouchi Denki. Revenues from supply of electricity (retail service) are recognized when services are provided to subscribers, based upon fixed monthly charges plus the fees charged for usage of electricity.

b. Enterprise business

(a) Mobile services and mobile device rental services

Revenues from mobile services mainly consist of revenues from mobile services and other fees. Since mobile device rental services are provided on the condition that mobile service contracts are entered into consideration arising from these transactions are allocated to lease and others based on the fair value of mobile device lease and mobile communications services. The fair value is the price at which the mobile devices are sold individually and the price at which the mobile communications services are provided individually. Consideration allocated to other is recognized as revenues based on fixed monthly charges and the fees charged for usage of the network when services are provided to subscribers.

(b) Fixed-line communications services

Revenues from fixed-line communications services mainly consist of voice telecommunications service fees and data transmission service fees. Revenues from fixed-line communications services are recognized when services are provided to subscribers, based on fixed monthly charges and the fees charged for usage of the network.

(c) Business solution and others

Revenues from business solution and others mainly consist of services, such as data center, cloud, security, global, AI, Internet of Things ("IoT"), digital marketing, and equipment sales.

Revenues from business solution and others are recognized when products or services are provided to subscribers, representing the point when subscribers have obtained control of the product or service, based upon the consideration receivable from subscribers.

c. Distribution business

Revenues in the distribution business are mainly generated from the sales of hardware, software, and services in relation to Information and Communication Technology ("ICT"), cloud and IoT solutions for enterprise customers. Revenues are also driven by the sales of PC software, IoT products, and mobile device accessories for individual customers.

Revenues in the distribution business are recognized as revenue at the time of delivery to customers, representing the point in time when the customers are deemed to have obtained control over the goods and other items.

For transactions conducted by the Company on behalf of third parties, revenues are presented on a net basis by excluding payment to third parties from the total consideration received from customers.

d. Media&EC business

(a) Media business

The media business mainly comprises planning and sale of internet-based advertising-related services, information listing services, and other corporate services. Revenues in the media business mainly consist of revenues from search advertising, account advertising, display advertising, and others.

i. Search advertising

Revenues from search advertising are recognized based on the per-click rate set by a customer when a visitor of the website clicks the advertisement.

ii. Account advertising

Account advertising mainly comprises LINE Official Accounts and LINE Sponsored Stickers. Revenues from LINE Official Accounts are recognized over time during the contractual period. Revenues from LINE Sponsored Stickers are recognized over time during the contractual period.

iii. Display advertising

Display advertising comprises display advertising (reservation) and display advertising (programmatic).

Revenues from display advertising (reservation) are recognized over the period in which the related advertisement is displayed. Revenues from display advertising (programmatic) are recognized based on the per-click rate set by a customer when a visitor of the website clicks the advertisement on the page with the related content. Revenues from LINE VOOM and LINE NEWS advertising are recognized upon the fulfillment of certain actions under contracts with advertisers.

iv. Others

Others mainly comprise LYP Premium. Revenues from LYP Premium are recognized over the period during which the membership is valid.

(b) Commerce business

The commerce business mainly comprises sales of products and planning and providing of services, which are provided via the internet for small to medium-sized businesses and individual customers. Revenues in the commerce business consist of revenues from the sales of goods by the ASKUL Group and e-commerce-related services, such as ZOZOTOWN and Yahoo! auction.

i. Sales of goods by the ASKUL Group

ASKUL Group engages in the business of selling office-related products and other goods. ASKUL Group's major customers are small-and medium-sized companies, as well as individual users. Revenues from the sale of goods are recognized when a customer obtains control of the goods, that is, at the time the customer has the ability to direct the use of the goods and to obtain substantially all of the remaining economic benefits from the goods.

ii. ZOZOTOWN

ZOZO Inc. operates ZOZOTOWN and sells goods on a consignment basis to individual users as an agent of each brand opening a store as a tenant in ZOZOTOWN. Consignment sales commission based on gross merchandise value multiplied by sales commission rate is recognized as revenue when the customer obtains control of the goods.

iii. Yahoo! auction

LY Corporation provides online auction services through Yahoo! auction to individual users and corporations. System usage fees charged to the sellers according to auction proceeds are recognized as revenue when the auction transactions are completed.

e. Financial business

Revenues in the financial business mainly consist of merchant fees from providing QR code payment services and merchant fees from credit-related services. The merchant fees from providing QR code payment services are recognized as revenue at the completion of the settlement, assuming that the merchant has received the payment service at the point of sale of goods or other transactions.

Among the credit card-related services, the merchant fees from providing payment services are recognized as revenue at the time of card usage, which is when the performance obligation is satisfied. Additionally, fees generated from revolving payments, installment payments, and cash advance services provided to card members are recognized as revenue over the period of interest attributed in accordance with IFRS 9 "Financial Instruments."

Arm segment

In the Arm segment, revenue is mainly generated from licensing Arm's IP to customers and royalties arising from the subsequent sale of licensees' chips that contain Arm's technology.

a. License and other revenue

(a) Intellectual Property license

Arm generally licenses IP under non-exclusive license agreements that provide usage rights for specific applications for a finite or perpetual term. These licenses are made available electronically to address the customer-specific business requirements. These arrangements generally have distinct performance obligations that consist of transferring the licensed IPs, version extensions of architecture IP or releases of specified IPs, and support services. Support services consist of a stand-ready obligation to provide technical support, patches, and bug fixes over the support term. Revenue allocated to the IP license is recognized at a point in time upon the delivery or beginning of the license term, whichever is later. Revenue allocated to distinct version extensions of architecture IP or releases of specified IP, excluding when-and-if-available minor updates over

the support term, are recognized at a point in time upon the delivery or beginning of license term, whichever is later.

Certain license agreements provide customers with the right to access a library of current and future IPs on an unlimited basis over the contractual period depending on the terms of the applicable contract. These licensing arrangements represent stand-ready obligations in that the timing of the delivery of the underlying IPs is within the control of the customer and the extent of use in any given period does not diminish the remaining performance obligation. The contract consideration related to these arrangements is recognized ratably over the term of the contract in line with when the control of the performance obligations is transferred. Certain subscription license agreements include unspecified future IPs that are provided on a when-and-if-available basis, representing a stand-ready obligation. The contract consideration allocated to the stand-ready obligation is recognized on a ratable basis over the term of the contract, commencing upon the later of the effective date of the agreement and the transfer of the initial available IP license.

(b) Software sales, including development systems

Sales of software, including development systems, which are not specifically designed for a given license (such as off-the-shelf software), are recognized upon delivery when control has been transferred and customer can begin to use and benefit from the license.

(c) Professional services

Services (such as training, professional and design services) that Arm provides, which are not essential to the functionality of the IP, are separately stated and priced in the contract and accounted for separately. Training revenue is recognized as services are performed. Revenue from professional and design services is recognized over time using an input method based on engineering labor hours expended to date relative to the estimated total effort required. For such professional and design services, Arm has an enforceable right to payment for performance completed to date, which includes a reasonable profit margin and the performance of such services do not create an asset with an alternative use. In certain arrangements, Arm also provides customers with professional and design services, as a stand-ready obligation, that are recognized on a ratable basis over the term of the contract.

(d) Support and maintenance

Support and maintenance is a stand-ready obligation to the customer that is both provided and consumed simultaneously. Revenue is recognized on a straight-line basis over the period for which support and maintenance is contractually agreed pursuant to the license.

b. Royalty revenue

For most IP license agreements, royalties are collected on products that incorporate the Arm's IP.

Royalties are recognized on an accrual basis in the quarter in which the customer ships their products, based on the Arm's technology that it contains. This estimation process for the royalty revenue accrual is based on a combination of methodologies, including the use of historical sales trends and macroeconomic factors for predictive analysis, the analysis of customer royalty reports and their sales trends and forecasts, as well as data and forecasts from third-party industry research providers. Data considered includes revenue, unit shipments, average selling price, product mix, market share and market penetration. Adjustments to revenue are required in subsequent periods to reflect changes in estimates as new information becomes available, primarily resulting from actual amounts subsequently reported by the licensees in the period following the accrual, including royalty audit resolutions.

(17) Costs to obtain contracts

The Company recognizes the costs that would not have been incurred if the telecommunications service contract had not been obtained and that are expected to be recovered, as assets from the costs to obtain contracts. The Company capitalizes mainly the sales commissions that the Company pays to dealers for obtaining and maintaining mobile service contracts with subscribers.

The costs to obtain contracts are amortized on a straight-line basis over the period (normally two to four years) during which goods or services related to such costs directly are expected to be provided. At the end of each reporting period, the Company assesses the impairment relating to the capitalized costs to obtain such contracts.

Using a practical expedient, the Company accounts for the costs to obtain contracts as expenses when incurred if the amortization period of the costs to obtain contracts is one year or less.

(18) Income tax

Income tax expense is composed of current and deferred taxes, and recognized in profit or loss, except for taxes related to business combinations and items that are recognized in other comprehensive income or directly in equity.

Current tax is measured at the amount expected to be paid to or recovered from the taxation authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the fiscal year.

Deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences, net operating loss carryforwards and tax credit carryforwards can be utilized. The recoverability of deferred tax assets is reassessed at the end of the fiscal year.

Deferred tax assets are not recognized for the taxable temporary differences that arise from the initial recognition of assets and liabilities in a transaction that is not a business combination, affects neither accounting profit nor taxable profit and does not give rise to equal taxable and deductible temporary differences.

Deferred tax assets are recognized for deductible temporary differences associated with investments in subsidiaries, associates, and joint ventures when it is probable that the temporary difference will reverse in the foreseeable future and when there will be sufficient taxable profits against which the temporary differences can be utilized.

Deferred tax liabilities are basically recognized for taxable temporary differences, except for:

- temporary differences that arise from the initial recognition of assets and liabilities in a transaction that is not a business combination, affects neither accounting profit nor taxable profit and does not give rise to equal taxable and deductible temporary differences;
- taxable temporary differences arising from the initial recognition of goodwill; and
- taxable temporary differences associated with investments in subsidiaries, associates, and joint ventures where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax laws that have been enacted or substantively enacted by the end of the fiscal year.

Deferred tax assets and liabilities are offset if the Company has a legally enforceable right to set-off current tax assets against current tax liabilities, and income taxes are levied by the same taxation authority on the same taxable entity.

In accordance with the temporary relief under the IAS 12 (Amendments) "Income Taxes," the Company has applied exceptions for recognition and information disclosure regarding the deferred tax assets and liabilities related to income taxes arising from the implementation of the Pillar Two model rules.

(19) Earnings per share

Basic earnings per share is calculated by dividing net income attributable to owners of the parent by the weighted-average number of ordinary shares (after adjusting for treasury stocks) outstanding for the period.

Diluted earnings per share assumes full conversion of the issued potential stocks having a dilutive effect, with an adjustment for net income attributable to owners of the parent and the weighted-average number of ordinary shares (after adjusting for treasury stocks) outstanding for the period.

(20) Material accounting policies for the SoftBank Vision Funds segment

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

a. Consolidation of SVF1, SVF2, and LatAm Funds by the Company

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

As of March 31, 2025, SVF1 and SVF2 are managed by SBIA and SBGA, respectively, which are wholly-owned subsidiaries of the Company in the UK. SVF1 and SVF2 make investment decisions through each investment committee, which was established in SBIA and SBGA, respectively. As such, the Company has power as defined under IFRS 10 "Consolidated Financial Statements" over SVF1 and SVF2. Furthermore, SBIA receives performance fees and SBGA receives performance-linked management fees. The Company receives distributions attributable to limited partners based on the investment performance as returns from SVF1 and SVF2. The Company has the ability to affect those returns through its power over SVF1 and SVF2, and therefore, the Company is deemed to have control as stipulated in IFRS 10 "Consolidated Financial Statements" over SVF1 and SVF2.

LatAm Funds is a limited liability company in which a wholly-owned subsidiary of the Company invests (LatAm Funds owns limited partnerships and the other forms of entities). LatAm Funds is consolidated by the Company as it holds more than one-half of the voting rights of LatAm Funds.

Inter-company transactions, such as management fees and performance fees to SBIA paid or to be paid, as applicable, from SVF1, and management fees, performance-linked management fees, and performance fees to SBGA paid or to be paid, as applicable, from SVF2 or LatAm Funds, are eliminated in consolidation.

b. Portfolio company investments made by SVF1, SVF2, and LatAm Funds

(a) Investments in subsidiaries

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

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

(b) Investments in associates and joint ventures

Of the portfolio company investments made by SVF1, SVF2, and LatAm Funds, the portfolio companies over which the Company has significant influence under IAS 28 "Investments in

Associates and Joint Ventures" are associates of the Company, and the portfolio companies that are joint ventures of the Company when, as defined under IFRS 11 "Joint Arrangements," SVF1, SVF2, and LatAm Funds have joint control with other investors under contractual arrangements and the investors have rights to the net assets of the arrangement.

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

If the investments in associates and joint ventures that were transferred from SoftBank Group Corp. and its subsidiaries to SVF1, SVF2, or LatAm Funds were accounted for using the equity method prior to the transfer, these investments continue to be accounted for using the equity method after the transfer to SVF1, SVF2, or LatAm Funds and presented as "Investments accounted for using the equity method" in the consolidated statement of financial position.

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

(c) Other investments

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

c. Contribution from limited partners in SVF1 and SVF2, and investors in LatAm Funds, SVF2 LLC, and SLA LLC (collectively "SVF Investors")

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

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

Third-Party Investor in SVF2 and LatAm Funds is entitled to make full or partial payments of its investments and related adjustments at any point in time, at its discretion, from the date it became an investor in SVF2 LLC or SLA LLC to the end of company life of SVF2 LLC or SLA LLC, and as of March 31, 2025, the Company has recognized receivables from Third-Party Investor. The receivables are included in “Other financial assets (non-current)” in the consolidated statement of financial position.

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

Contributions from Third-Party Investors are included in “Contributions into SVF from third-party investors” under cash flows from financing activities in the consolidated statement of cash flows. The distributions and repayments of investments to Third-Party Investors are included in “Distribution/repayment from SVF to third-party investors” under cash flows from financing activities in the consolidated statement of cash flows. No cash contributions into SVF2 and LatAm Funds from Third-Party Investors and no cash distributions/repayments from SVF2 and LatAm Funds to Third-Party Investors were made as of March 31, 2025.

Uncalled committed capital from Third-Party Investors is not subject to IFRS 9 “Financial Instruments,” and, therefore, such amount is not recorded in the consolidated statement of financial position.

(b) Contribution from the Company

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

4. Changes in accounting policies

The Company has adopted the following standards and interpretations for the fiscal year ended March 31, 2025.

Standard / Interpretation		Outline of the new / amended standards
IAS 1 (Amendments)	Presentation of Financial Statements (Amendments in October 2022)	• Clarifying the classification of liabilities into current liabilities or non-current liabilities • Amendment to require the disclosure of information on non-current liabilities with covenants
IAS 7 (Amendments) IFRS 7 (Amendments)	Statement of Cash Flows (Amendments in May 2023) Financial Instruments: Disclosures (Amendments in May 2023)	Disclosure requirements to enhance the transparency of supplier finance arrangements

There are no significant impacts on the consolidated financial statements (except for the notes to the consolidated financial statements) for the fiscal year ended March 31, 2025, due to the adoption of the standards above.

There are no other significant impacts on the consolidated financial statements of the Company due to the adoption of new accounting standards or interpretations.

5. Significant judgments and estimates

In preparing consolidated financial statements under IFRS, management makes judgments, estimates, and assumptions that affect the application of accounting policies and carrying amounts of assets, liabilities, revenue, and expenses. These estimates and underlying assumptions are based on management's best judgments, through their evaluation of various factors that were considered reasonable as of the period-end, based on historical experience and by collecting available information. By the nature of its estimates or assumptions, however, actual results in the future may differ from those projected estimates or assumptions.

Estimates and underlying assumptions are continuously reviewed. Revisions to accounting estimates are recognized in the period in which the estimate is revised as well as in the future periods. Significant judgments, estimates and assumptions that affect the amounts recognized in the Company's consolidated financial statements are as follows:

- significant judgments of whether an entity is controlled by the Company in determining the scope of consolidation ((1) and (20) in "Note 3. Material accounting policies" and "Note 18. Major subsidiaries");
- significant judgments for the determination of the scope and accounting treatment of associates ((1) and (20) in "Note 3. Material accounting policies" and "Note 19. Investments accounted for using the equity method");
- estimates for impairment of investments accounted for using the equity method ((1) in "Note 3. Material accounting policies" and "Note 41. Other gain");
- fair value measurement of financial assets at FVTPL, debt financial assets at FVTOCI, and equity financial assets at FVTOCI ((4) and (20) in "Note 3. Material accounting policies," "Note 7. SoftBank Vision Funds business," (2) in "Note 29. Fair value of financial instruments," and "Note 38. Gain on investments");
- estimates for impairment of financial assets measured at amortized cost ((4) in "Note 3. Material accounting policies," and "Note 41. Other gain");
- fair value measurement of derivatives (including embedded derivatives) ((4) in "Note 3. Material accounting policies" and (2) in "Note 29. Fair value of financial instruments");
- estimates for residual value and useful life of property, plant and equipment, right-of-use assets, and intangible assets ((7), (9), and (10) in "Note 3. Material accounting policies");
- estimates for impairment of property, plant and equipment, right-of-use assets, intangible assets and goodwill ((11) in "Note 3. Material accounting policies," "Note 16. Goodwill and intangible assets," and "Note 41. Other gain");
- judgments and estimates for accounting treatment of contracts including leases ((10) in "Note 3. Material accounting policies," "Note 15. Right-of-use assets," and "Note 17. Leases");
- judgments and estimates for recognition and measurement on provisions ((12) in "Note 3. Material accounting policies" and "Note 27. Provisions");

- judgments and estimates for salability relating to classification as held for sale ((14) in "Note 3. Material accounting policies" and "Note 13. Disposal group classified as held for sale");
- judgments for timing of revenue recognition related to indirect sales of mobile devices ((16) in "Note 3. Material accounting policies" and "Note 36. Net sales");
- judgments for "contractual period" in the mobile services and whether or not if "material right" is included in the contracts ((16) in "Note 3. Material accounting policies" and "Note 36. Net sales");
- estimates for amortization period of costs to obtain contracts ((17) in "Note 3. Material accounting policies");
- assessment of recoverability of deferred tax assets ((18) in "Note 3. Material accounting policies" and "Note 21. Income taxes");
- significant judgments for recognition related to deferred tax liabilities ((18) in "Note 3. Material accounting policies" and "Note 21. Income taxes");
- estimates for measurement of contribution from Third-party interests to SVF ((20) in "Note 3. Material accounting policies" and (2) in "Note 7. SoftBank Vision Funds business"); and
- recognition of liabilities and expenses related to contingencies ("Note 46. Contingency")

6. Segment information

(1) Description of reportable segments

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

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

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

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

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

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

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

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

* For the fiscal year ended March 31, 2025, all interests in Fortress held by a subsidiary of the Company, were sold to a subsidiary of Mubadala Investment Company PJSC. Upon completion of the transaction, Fortress is no longer a subsidiary of the Company.

(2) Net sales and income of reportable segments

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

In August 2023, Arm shares held by SVF1 were sold to a wholly-owned subsidiary of the Company classified as the Investment Business of Holding Companies segment. The transaction price was established by reference to the terms of a prior contractual arrangement between the parties. The details are described in "2" in "b. Segment income arising from the SoftBank Vision Funds business" in "(1) Income and loss arising from the SoftBank Vision Funds business" under "Note 7. SoftBank Vision Funds business."

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

For the fiscal year ended March 31, 2024

	(Millions of yen)							
	Reportable segments							
	Investment Business of Holding Companies	SoftBank Vision Funds*	SoftBank	Arm	Total	Other	Reconciliations	Consolidated
Net sales								
Customers	¥ –	¥ –	¥6,081,283	¥ 464,025	¥ 6,545,308	¥ 211,192	¥ –	¥ 6,756,500
Intersegment	–	–	2,563	–	2,563	13,819	(16,382)	–
Total	¥ –	¥ –	¥6,083,846	¥ 464,025	¥ 6,547,871	¥ 225,011	¥ (16,382)	¥ 6,756,500
Segment income	(97,526)	128,179	835,076	(33,215)	832,514	51,408	(826,121)	57,801
Depreciation and amortization	(3,078)	(2,302)	(738,762)	(92,799)	(836,941)	(21,679)	–	(858,620)
Gain (loss) on investments	(459,045)	724,341	6,664	974	272,934	55,777	(888,061)	(559,350)
Finance cost	(473,811)	(74,322)	(63,706)	(1,506)	(613,345)	(16,420)	73,761	(556,004)
Foreign exchange gain (loss)	(703,438)	(525)	(1,393)	3,099	(702,257)	(865)	–	(703,122)
Derivative gain (excluding gain (loss) on investments)	1,500,015	–	2,184	127	1,502,326	–	–	1,502,326

For the fiscal year ended March 31, 2025

	(Millions of yen)							
	Reportable segments							
	Investment Business of Holding Companies	SoftBank Vision Funds*	SoftBank	Arm	Total	Other	Reconciliations	Consolidated
Net sales								
Customers	¥ –	¥ –	¥6,541,357	¥ 590,168	¥ 7,131,525	¥ 112,227	¥ –	¥ 7,243,752
Intersegment	–	–	2,918	22,179	25,097	20,590	(45,687)	–
Total	¥ –	¥ –	¥6,544,275	¥ 612,347	¥ 7,156,622	¥ 132,817	¥ (45,687)	¥ 7,243,752
Segment income	794,251	(115,018)	906,309	47,667	1,633,209	31,002	40,510	1,704,721
Depreciation and amortization	(3,249)	(2,058)	(739,874)	(96,697)	(841,878)	(24,945)	–	(866,823)
Gain (loss) on investments	3,413,821	434,903	(25,074)	(20,441)	3,803,209	(53,514)	(48,588)	3,701,107
Finance cost	(531,252)	(40,244)	(81,453)	(2,425)	(655,374)	(18,851)	92,666	(581,559)
Foreign exchange gain	19,257	62	4,112	505	23,936	3,119	–	27,055
Derivative gain (loss) (excluding gain (loss) on investments)	(2,041,830)	–	214	–	(2,041,616)	7,587	–	(2,034,029)

(Thousands of U.S. dollars)

	Reportable segments							Consolidated
	Investment Business of Holding Companies	SoftBank Vision Funds*	SoftBank	Arm	Total	Other	Reconciliations	
Net sales								
Customers	\$ –	\$ –	\$43,749,044	\$3,947,084	\$ 47,696,128	\$ 750,581	\$ –	\$ 48,446,709
Intersegment	–	–	19,515	148,335	167,850	137,708	(305,558)	–
Total	\$ –	\$ –	\$43,768,559	\$4,095,419	\$ 47,863,978	\$ 888,289	\$ (305,558)	\$ 48,446,709
Segment income	5,312,005	(769,248)	6,061,457	318,800	10,923,014	207,343	270,934	11,401,291
Depreciation and amortization	(21,730)	(13,764)	(4,948,328)	(646,716)	(5,630,538)	(166,834)	–	(5,797,372)
Gain (loss) on investments	22,831,869	2,908,661	(167,697)	(136,711)	25,436,122	(357,905)	(324,960)	24,753,257
Finance cost	(3,553,050)	(269,155)	(544,763)	(16,218)	(4,383,186)	(126,077)	619,757	(3,889,506)
Foreign exchange gain	128,792	415	27,501	3,378	160,086	20,860	–	180,946
Derivative gain (loss) (excluding gain (loss) on investments)	(13,655,899)	–	1,431	–	(13,654,468)	50,743	–	(13,603,725)

* The details of the difference between "Gain (loss) on investments" in the SoftBank Vision Funds segment and "Gain (loss) on investments at SoftBank Vision Funds" in the consolidated statement of profit or loss are described in "(1) Income and loss arising from the SoftBank Vision Funds business" under "Note 7. SoftBank Vision Funds business."

(3) Geographical information

a. Net sales to external customers

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Japan	¥5,964,709	¥6,374,909	\$42,635,828
Other	791,791	868,843	5,810,881
Total	¥6,756,500	¥7,243,752	\$48,446,709

Sales are categorized based on the location of external customers.

b. Non-current assets (excluding financial assets and deferred tax assets)

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Japan	¥ 6,812,263	¥ 7,239,874	\$48,420,773
U.K.	4,098,218	4,099,932	27,420,626
Other	400,938	1,143,187	7,645,713
Total	¥11,311,419	¥12,482,993	\$83,487,112

7. SoftBank Vision Funds business

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

a. Overview

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

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

b. Segment income arising from the SoftBank Vision Funds business

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

		(Millions of yen)	(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Gain on investments at SoftBank Vision Funds			
Gain on investments at SVF1, SVF2, and LatAm Funds			
Realized gain (loss) on investments*1,2,3	¥ 984,409	¥(1,366,533)	\$ (9,139,466)
Unrealized gain (loss) on valuation of investments			
Change in valuation for the fiscal year*4	(189,604)	314,724	2,104,896
Reclassified to realized gain (loss) recorded in the past fiscal years*3,5	44,769	1,237,963	8,279,581
Interest and dividend income from investments	21,668	8,451	56,521
Derivative gain (loss) on investments	(7,337)	8,151	54,514
Effect of foreign exchange translation*3,6	(157,644)	266,660	1,783,440
Subtotal.	696,261	469,416	3,139,486
Gain (loss) on other investments.	28,080	(34,513)	(230,825)
Total gain on investments at SoftBank Vision Funds	724,341	434,903	2,908,661
Selling, general and administrative expenses	(84,986)	(62,169)	(415,791)
Finance cost (interest expenses)	(74,322)	(40,244)	(269,155)

		(Millions of yen)	(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Change in third-party interests in SVF .	(390,137)	(491,898)	(3,289,848)
Other gain (loss)*7,8	(46,717)	44,390	296,885
Segment income arising from the SoftBank Vision Funds business (income before income tax)	¥ 128,179	¥ (115,018)	\$ (769,248)

*1 The amount of realized gain and loss on investments is the exit price net of the investment cost. In addition to the realized gain and loss on sales by cash consideration, the realized gain and loss by disposals as a result of share exchange and restructuring of portfolio companies are included.

*2 In August 2023, SVF1 sold Arm shares for \$16.1 billion (the "Transaction Consideration") to a wholly-owned subsidiary of the Company (the "Transaction"). In relation to the Transaction, the proceeds of the sale will be paid in four installments, with the first installment having been paid upon completion of the Transaction, with the remaining three installments to be paid over a two-year period through August 2025. At the date of sale, "Realized gain (loss) on investments" was recorded as the discounted present value of the Transaction Consideration (\$15.1 billion) net of the investment cost (\$8.2 billion). The difference between the Transaction Consideration and the discounted present value of the Transaction Consideration is recognized as income over the two years after the date of sale and recorded in "Realized gain (loss) on investments." As a result of the Transaction, for the fiscal year ended March 31, 2025, ¥75,333 million (\$503,832 thousand) of the realized gain (for the fiscal year ended March 31, 2024: ¥1,074,039 million of the realized gain, ¥189,817 million of the unrealized loss on valuation (reclassified to realized gain and loss recorded in the past fiscal years), and ¥76,902 million of loss arising from the effect of foreign exchange translation) is included in "Gain on investments at SoftBank Vision Funds" in the above-mentioned segment income. However, these are eliminated in consolidation due to inter-company transactions relating to shares of a subsidiary.

*3 On May 30, 2024, the Bankruptcy court entered into an order approving the reorganization plan of WeWork. On June 11, 2024, WeWork emerged from Chapter 11 of the United States Bankruptcy Code ("Chapter 11"). Under the reorganization plan of WeWork, the preexisting Chapter 11 equity in SVF 1 and SVF2 was cancelled pursuant to Restructuring Support Agreement. In addition, a portion of the pre-petition claims was cancelled and the remaining portion was converted into new WeWork equity. Accordingly, SVF1 and SVF2 derecognized WeWork shares, warrants and notes and SVF2 recognized the shares newly issued by WeWork. As a result, for the fiscal year ended March 31, 2025, ¥1,050,033 million (\$7,022,693 thousand) of the realized loss, ¥848,458 million (\$5,674,545 thousand) of the unrealized gain on valuation (reclassified to realized gain and loss recorded in the past fiscal years), and ¥201,994 million (\$1,350,950 thousand) of gain arising from the foreign exchange translation effects were recorded. The effect on gain and loss on investments at SoftBank Vision Funds was a gain of ¥419 million (\$2,802 thousand). The Company transferred WeWork shares to SVF2 in August 2021. Investment gain and loss on the shares recorded until the transfer is described in " *2" in "(1) Gain and loss on investments at Investment Business of Holding Companies" under "Note 38. Gain on investments."

*4 For the fiscal year ended March 31, 2025, ¥29,424 million (\$196,790 thousand) (for the fiscal year ended March 31, 2024: ¥90,002 million of the unrealized gain (net) on valuation) of the unrealized loss (net) on valuation arising from shares of the Company's subsidiaries held by SVF1 and SVF2 (mainly PayPay Corporation) is included in "Gain on investments at SoftBank Vision Funds" (in Change in valuation for the fiscal year under Unrealized gain (loss) on valuation of investments) in the above-mentioned segment income. However, the unrealized loss on valuation arising from shares of the Company's subsidiaries is eliminated in consolidation. The unrealized gain and loss on valuation, that are eliminated in consolidation, are not included in "Gain (loss) on investments at SoftBank Vision Funds" in the consolidated statement of profit or loss.

*5 It represents the unrealized gain and loss on valuation of investments recorded as "Gain on investments at SoftBank Vision Funds" in the past fiscal years, which are reclassified to "Realized gain (loss) on investments" due to the realization for the fiscal year ended March 31, 2025.

*6 Unrealized gain and loss on valuation of investments are translated using the average exchange rate for the quarter in which the gain and loss were recognized, while realized gain and loss on investments are translated using the average exchange rate for the quarter in which the shares were disposed. "Effect of foreign exchange translation" arises from the different foreign currency exchange rates used for unrealized gain and loss on valuation and realized gain and loss.

*7 For the fiscal year ended March 31, 2024, for the financial guarantee contract, losses related to a credit facility for WeWork provided by financial institutions were recorded for ¥42,072 million. The details are described in " *8" under "Note 41. Other gain."

*8 Following WeWork's emergence from Chapter 11 on June 11, 2024, given the approved plan of reorganization, out of a portion of the Junior TLC facility, which has been recognized as loan receivables was repaid in cash given over collateral, and the drawn amounts up to date of emergence were converted into new WeWork equity as described above. The carrying amounts (recoverable amounts) of such loan receivables in the consolidated statement of financial position as of March 31, 2024, were zero. However, the collectability of the remaining loan receivables was reassessed and as a result, for the fiscal year ended March 31, 2025, ¥23,360 million (\$156,233 thousand) of gain was recorded.

(2) Third-party interests in SVF

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

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

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

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

The details of the terms and conditions of the Equity contributed by Third-Party Investor in SVF2 and LatAm Funds are described in "a. Co-investment program with restricted rights to receive distributions" in "(1) Related party transactions and balances" under " Note 45. Related party transactions." There are no Third-Party Investors who contributed to Preferred Equity in SVF2 and LatAm Funds.

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

b. Changes in interests attributable to Third-Party Investors

(a) Third-party interests in SVF1

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

(Millions of yen)				
		(For reference purposes only) Links with the consolidated financial statements		
	Third-party interests in SVF1 (Total of current liabilities and non-current liabilities)		Consolidated statement of profit or loss (Negative figures represent expenses)	Consolidated statement of cash flows (Negative figures represent payments)
(Breakdown)				
As of April 1, 2024	¥ 4,680,417			
Changes in third-party interests . .	500,984		(500,984)	—
Attributable to investors entitled to fixed distribution		98,201		
Attributable to investors entitled to performance-based distribution		402,783		
Distribution/repayment to Third-Party Investors	(1,485,774)		—	(1,485,774)
Exchange differences on translating third-party interests*1	(47,980)		—	—
As of March 31, 2025*2	¥ 3,647,647			

	(Thousands of U.S. dollars)			
	(For reference purposes only) Links with the consolidated financial statements			
	Third-party interests in SVF1 (Total of current liabilities and non-current liabilities)	Consolidated statement of profit or loss (Negative figures represent expenses)	Consolidated statement of cash flows (Negative figures represent payments)	
	(Breakdown)			
As of April 1, 2024	\$31,302,949			
Changes in third-party interests . .	3,350,615	(3,350,615)		—
Attributable to investors entitled to fixed distribution		656,775		
Attributable to investors entitled to performance-based distribution		2,693,840		
Distribution/repayment to Third-Party Investors	(9,936,958)	—		(9,936,958)
Exchange differences on translating third-party interests*1	(320,893)	—		—
As of March 31, 2025*2	\$24,395,713			

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

*2 Of third-party interests as of March 31, 2025, the amount attributable to investors entitled to fixed distribution is ¥771,913 million (\$5,162,607 thousand) and of this amount, the amount of unpaid fixed distributions is not recorded.

(b) Third-party interests in SVF2 and receivables

There is no balance of interests attributable to Third-Party Investor in SVF2 (included in “Third-party interests in SVF” in the consolidated statement of financial position) as of March 31, 2024 and 2025. There are no changes in interests attributable to Third-Party Investor in SVF2 for the fiscal year ended March 31, 2025. Third-Party Investor in SVF2 is the investor entitled to performance-based distribution.

The Company has receivables from Third-Party Investor in SVF2. The changes in the receivables from Third-Party Investor in SVF2 (included in “Other financial assets (non-current)” in the consolidated statement of financial position) are as follows: The details of the receivables from Third-Party Investor in SVF2 are described in “(a) Transactions between SVF2 and related parties” in “a. Co-investment program with restricted rights to receive distributions” in “(1) Related party transactions and balances” under “Note 45. Related party transactions.”

	(Millions of yen)
	Receivables from Third-Party Investor in SVF2
As of April 1, 2024	¥ 448,931
Increase in receivables from accrued premiums charged to Third-Party Investor . .	12,603
Exchange differences on receivables	(5,870)
As of March 31, 2025	¥ 455,664

	(Thousands of U.S. dollars)
	Receivables from Third-Party Investor in SVF2
As of April 1, 2024	\$3,002,481
Increase in receivables from accrued premiums charged to Third-Party Investor . .	84,290
Exchange differences on receivables	(39,259)
As of March 31, 2025	\$3,047,512

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

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

	(Millions of yen)		
	Third-party interests in LatAm Funds (Total of current liabilities and non-current liabilities)	(For reference purposes only) Links with the consolidated financial statements	
		Consolidated statement of profit or loss (Negative figures represent expenses)	Consolidated statement of cash flows (Negative figures represent payments)
As of April 1, 2024	¥ 14,086		
Changes in third-party interests.	(9,086)	9,086	—
Exchange differences on translating third-party interests*	150	—	—
As of March 31, 2025	¥ 5,150		

	(Thousands of U.S. dollars)		
	Third-party interests in LatAm Funds (Total of current liabilities and non-current liabilities)	(For reference purposes only) Links with the consolidated financial statements	
		Consolidated statement of profit or loss (Negative figures represent expenses)	Consolidated statement of cash flows (Negative figures represent payments)
As of April 1, 2024	\$ 94,208		
Changes in third-party interests.	(60,767)	60,767	—
Exchange differences on translating third-party interests*	1,003	—	—
As of March 31, 2025	\$ 34,444		

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

The Company has receivables from Third-party Investor in LatAm Funds. The changes in the receivables from Third-Party Investor in LatAm Funds (included in “Other financial assets (non-current)” in the consolidated statement of financial position) are as follows: The details of the receivables from Third-Party Investor in LatAm Funds are described in “(b) Transactions between LatAm Funds and related parties” in “a. Co-investment program with restricted rights to receive distributions” in “(1) Related party transactions and balances” under “Note 45. Related party transactions.”

	(Millions of yen)	
	Receivables from Third-Party Investor in LatAm Funds	
As of April 1, 2024	¥105,278	
Increase in receivables from accrued premiums charged to Third-Party Investor . .	2,964	
Exchange differences on receivables	(1,378)	
As of March 31, 2025	¥106,864	

	(Thousands of U.S. dollars)	
	Receivables from Third-Party Investor in LatAm Funds	
As of April 1, 2024	\$704,106	
Increase in receivables from accrued premiums charged to Third-Party Investor . .	19,823	
Exchange differences on receivables	(9,215)	
As of March 31, 2025	\$714,714	

c. Uncalled committed capital from Third-Party Investors

Uncalled committed capital from SVF1’s Third-Party Investors as of March 31, 2025 was \$8.2 billion.

(3) Management fees and performance fees

Terms and conditions of management fees, performance-linked management fees, and performance fees, included in segment income from the SoftBank Vision Funds business, are as follows.

a. Management fees and performance fees in SVF1

Management fees to SBIA from SVF1 are, in accordance with the limited partnership agreement, calculated by multiplying 1% per annum by Equity contributions used to fund investments and paid to SBIA by SVF1 quarterly. A clawback provision is attached to the management fees received, which is triggered under certain conditions based on future investment performance.

Same as the performance-based distributions, the amount of the performance fees to SBIA from SVF1 is calculated using the allocation method as specified in the limited partnership agreement. SBIA is entitled to receive the performance fees when SVF1 receives cash through disposition, dividend, and monetization of an investment. The performance fees received are subject to clawback provisions which are triggered under certain conditions based on future investment performance.

From the inception of SVF1, the cumulative amount of performance fees paid to SBIA was \$454 million. For the three-month period ended June 30, 2023, the performance fee (net of tax) was distributed to the limited partners in accordance with the clawback provisions.

b. Management fees and performance-linked management fees in SVF2

Management fees to SBGA from SVF2 are, in accordance with the constitutional agreements, calculated by multiplying 0.7% per annum by the acquisition cost of investments and paid to SBGA by SVF2 quarterly.

The amount of the performance-linked management fees to SBGA from SVF2 is determined, based on the investment performance for certain periods specified in the constitutional agreement, according to the agreed principle. SBGA is entitled to receive the performance-linked management fees after certain periods for the investment performance measurement specified in the constitutional agreement, provided that there are available cash proceeds through disposition, dividend, and monetization of an investment in SVF2.

From the inception of SVF2 to March 31, 2025, no performance-linked management fees were paid to SBGA.

c. Management fees, performance-linked management fees, and performance fees in LatAm Funds

Management fees to SBGA from LatAm Funds are, in accordance with the constitutional agreements, calculated based on the acquisition cost of investments and paid to SBGA by LatAm Funds quarterly.

The amount of the performance-linked management fees to SBGA from LatAm Funds is determined, based on the investment performance for certain periods specified in the constitutional agreement, according to the agreed principle. SBGA is entitled to receive the

performance-linked management fees after certain periods for the investment performance measurement specified in the constitutional agreement provided that there are available cash proceeds through disposition, dividend, and monetization of investments in LatAm Funds.

Same as the performance-based distributions, the amount of the performance fees to SBGA from LatAm Funds is calculated using the allocation method as specified in the constitutional agreements. SBGA is entitled to receive the performance fees when LatAm Funds receives cash through disposition, dividend, and monetization of an investment.

From the inception of LatAm Funds to March 31, 2025, neither performance-linked management fees nor performance fees were paid to SBGA.

8. Cash and cash equivalents

The components of cash and cash equivalents are as follows:

		(Millions of yen)	(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Cash and demand deposits*	¥ 4,634,901	¥3,181,792	\$21,280,043
MMF	691,462	423,372	2,831,541
Time deposits (maturities of less than three months)	860,122	105,677	706,775
Other	389	2,187	14,627
Total	¥ 6,186,874	¥3,713,028	\$24,832,986

* A subsidiary operating a banking business is obliged to deposit certain amounts, which are determined by a fixed ratio against the deposits it receives ("the legal reserve requirement"), in the Bank of Japan in accordance with the Act on Reserve Requirement System in Japan. As of March 31, 2025, cash and cash equivalents include deposits at the Bank of Japan of ¥212,258 million (\$1,419,596 thousand) (as of March 31, 2024: ¥231,807 million), which are more than the legal reserve requirement.

9. Trade and other receivables

The components of trade and other receivables are as follows:

		(Millions of yen)	(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Trade receivables	¥ 1,998,569	¥2,187,562	\$14,630,564
Installment receivables*	406,260	383,463	2,564,627
Deposits	272,867	282,657	1,890,429
Deposits for banking business	185,024	138,434	925,856
Other	33,796	45,803	306,334
Allowance for doubtful accounts	(27,749)	(29,775)	(199,137)
Total	¥ 2,868,767	¥3,008,144	\$20,118,673

* Installment receivables represent receivables arising from the Company's advance payments to dealers on behalf of its customers who chose to purchase mobile devices by installments in indirect sales. The amounts are charged to customers together with telecommunications service fees over the periods of installment payments.

The period of installment payments for the receivables above is mainly within 24 – 48 months. As such, the amounts due within a year after the period end date are included in "Trade and other receivables," and those after one year are included in "Other financial assets (non-current)."

10. Other financial assets

The components of other financial assets are as follows:

		(Millions of yen)	(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Current			
Investments from asset management subsidiaries	¥ 283,369	¥1,041,213	\$ 6,963,704
Time deposits (maturities of more than three months)	187,342	144,593	967,048
Trading securities	99,686	130,908	875,522
Marketable securities	63,646	71,916	480,979
Securities pledged as collateral in asset management subsidiaries	–	47,947	320,673
Other	163,921	56,920	380,684
Allowance for doubtful accounts	(19,968)	(7,620)	(50,963)
Total	¥ 777,996	¥1,485,877	\$ 9,937,647
Non-current			
Deposits for banking business	771,488	875,371	5,854,541
Installment receivables* ¹	486,979	634,780	4,245,452
Receivables from MgmtCo* ²	554,209	562,528	3,762,226
Loans in credit card business	237,635	246,006	1,645,305
Loan receivables	133,155	146,509	979,862
Investments from asset management subsidiaries	64,310	45,594	304,936
Other	306,418	399,719	2,673,349
Allowance for doubtful accounts	(129,912)	(142,882)	(955,605)
Total	¥2,424,282	¥2,767,625	\$18,510,066

*¹ Installment receivables are described in "Note 9. Trade and other receivables."

*² Receivables from MgmtCo is outstanding balance of the receivables in relation to the Equity Acquisition Amount and accrued premiums from MgmtCo as a Third-Party Investor of SVF2 and LatAm Funds. The receivables of SVF2 and LatAm Funds as of March 31, 2025 are ¥455,664 million (\$3,047,512 thousand) and ¥106,864 million (\$714,714 thousand) (as of March 31, 2024: ¥448,931 million and ¥105,278 million), respectively. The details of receivables are described in "(2) Third-party interests in SVF" under "Note 7. SoftBank Vision Funds business" and in "a. Co-investment program with restricted rights to receive distributions" in "(1) Related party transactions and balances" under "Note 45. Related party transactions."

11. Inventories

The components of inventories are as follows:

		(Millions of yen)	(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Merchandise and finished products	¥ 140,436	¥ 166,588	\$1,114,152
Other	21,427	31,703	212,032
Total	¥ 161,863	¥ 198,291	\$1,326,184

Write-downs of inventories recognized as an expense during the fiscal year are as follows:

		(Millions of yen)	(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Write-downs of inventories	¥ 21,496	¥ 21,648	\$ 144,783

12. Other current assets and other non-current assets

The components of other current assets and other non-current assets are as follows:

		(Millions of yen)	(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Current			
Prepaid expense	¥ 104,057	¥ 129,522	\$ 866,252
Contract assets	74,223	96,015	642,155
Tax receivable*.	212,188	64,775	433,220
Other.	160,516	75,568	505,403
Total.	¥ 550,984	¥ 365,880	\$2,447,030
Non-current			
Long-term prepaid expense	103,566	128,932	862,306
Other.	89,297	86,400	577,849
Total.	¥ 192,863	¥ 215,332	\$1,440,155

* Tax receivable as of March 31, 2024 includes the withholding income tax of ¥50,928 million related to dividends within the group companies. As of March 31, 2025, there is no balance of the withholding income tax.

13. Disposal group classified as held for sale

(1) ValueCommerce Co., Ltd.

The disposal group classified as held for sale as of March 31, 2024 consists primarily of the assets and liabilities of ValueCommerce Co., Ltd. (hereinafter “ValueCommerce”), a subsidiary of the Company, and ValueCommerce’s subsidiary.

At its Board of Directors’ meeting held on March 11, 2024, ValueCommerce passed a resolution to repurchase its own shares and implement a tender offer (hereinafter the “Tender Offer”) as the specific method for this repurchase. In addition, Z Intermediate Holdings Corporation, a subsidiary of the Company and owner of ValueCommerce’s shares, concluded a tender offer agreement on the same date with ValueCommerce to tender a partial number of its ValueCommerce common shares in the Tender Offer. After the conclusion of the Tender Offer, ValueCommerce will cease to be a subsidiary of the Company, and accordingly the assets and liabilities of ValueCommerce and its subsidiary have been classified as a disposal group classified as held for sale as of March 31, 2024.

The disposal group classified as held for sale is measured at its carrying amount because its fair value less costs to sell (estimated sales price) exceeds its carrying amount. The carrying amounts of assets and liabilities in ValueCommerce and its subsidiary as of March 31, 2024 were ¥25,619 million and ¥4,965 million, respectively.

On May 2, 2024, the Tender Offer was settled, and ValueCommerce ceased to be a subsidiary and became an equity method associate of the Company.

(2) Alibaba shares

For certain prepaid forward contracts using Alibaba shares, which mature in April 2025, the Company determined, by March 31, 2025, to settle the contracts by Alibaba shares. Subsequently, \$3.6 billion (¥533,818 million) of Alibaba shares were recorded as “Assets classified as held for sale” in the consolidated statement of financial position as of March 31, 2025.

14. Property, plant and equipment

(1) Changes in property, plant and equipment

Changes in property, plant and equipment at historical cost, are as follows:

(Millions of yen)

Historical cost	Buildings and structures	Telecommunications equipment	Machinery and equipment	Furniture, fixtures, and equipment	Land	Construction in progress	Other	Total
As of April 1, 2023	¥ 362,850	¥ 3,225,377	¥ 62,010	¥ 656,209	¥ 70,675	¥ 152,362	¥ 54,579	¥ 4,584,062
Purchases	18,597	38,131	9,521	43,660	26	201,942	5,304	317,181
Disposals	(4,921)	(117,028)	(2,413)	(64,016)	(34)	(2,986)	(9,525)	(200,923)
Transfer of accounts	17,510	645,277	881	58,705	10	(221,255)	1,429	502,557
Exchange differences	1,388	105	6,221	4,752	71	687	5,079	18,303
Other	(574)	4,729	(1,681)	(689)	—	(999)	1,199	1,985
As of March 31, 2024	394,850	3,796,591	74,539	698,621	70,748	129,751	58,065	5,223,165
Purchases	37,649	45,713	24,665	42,065	26,114	399,049	5,851	581,106
Business combinations	24,774	—	448,889	4,691	4,966	254,331	1,962	739,613
Loss of control	—	(774)	—	(5,294)	—	—	(7,012)	(13,080)
Disposals	(5,645)	(312,507)	(3,899)	(40,374)	—	(1,936)	(3,319)	(367,680)
Transfer of accounts	10,367	133,716	161,647	74,654	48	(356,558)	3,465	27,339
Exchange differences	(223)	(11)	(36,790)	(1,480)	(366)	(17,914)	(724)	(57,508)
Other	(3,414)	15,027	150	(12,840)	—	(1,547)	(312)	(2,936)
As of March 31, 2025	¥ 458,358	¥ 3,677,755	¥ 669,201	¥ 760,043	¥101,510	¥ 405,176	¥ 57,976	¥ 6,130,019

(Thousands of U.S. dollars)

Historical cost	Buildings and structures	Telecommunications equipment	Machinery and equipment	Furniture, fixtures, and equipment	Land	Construction in progress	Other	Total
As of March 31, 2024	\$2,640,783	\$25,391,861	\$ 498,522	\$4,672,425	\$473,167	\$ 867,784	\$ 388,343	\$34,932,885
Purchases	251,799	305,732	164,961	281,333	174,653	2,668,867	39,132	3,886,477
Business combinations	165,690	—	3,002,200	31,374	33,213	1,700,983	13,122	4,946,582
Loss of control	—	(5,176)	—	(35,407)	—	—	(46,897)	(87,480)
Disposals	(37,754)	(2,090,068)	(26,077)	(270,024)	—	(12,948)	(22,198)	(2,459,069)
Transfer of accounts	69,335	894,302	1,081,106	499,291	321	(2,384,684)	23,174	182,845
Exchange differences	(1,491)	(74)	(246,054)	(9,898)	(2,448)	(119,810)	(4,842)	(384,617)
Other	(22,832)	100,500	1,004	(85,874)	—	(10,347)	(2,087)	(19,636)
As of March 31, 2025	\$3,065,530	\$24,597,077	\$4,475,662	\$5,083,220	\$678,906	\$ 2,709,845	\$ 387,747	\$40,997,987

Changes in the accumulated depreciation and impairment losses of property, plant and equipment are as follows:

(Millions of yen)

Accumulated depreciation and impairment losses	Buildings and structures	Telecommunications equipment	Machinery and equipment	Furniture, fixtures, and equipment	Land	Construction in progress	Other	Total
As of April 1, 2023	¥ (166,426)	¥ (2,143,989)	¥ (38,728)	¥ (424,821)	¥ (6)	¥ (2)	¥ (28,948)	¥ (2,802,920)
Depreciation	(21,722)	(200,165)	(8,795)	(95,836)	—	—	(6,721)	(333,239)
Impairment loss	(1,410)	(1,409)	(153)	(410)	—	(36)	(609)	(4,027)
Disposals	4,774	115,778	2,405	63,560	—	—	9,310	195,827
Transfer of accounts	(4,852)	(397,398)	(114)	31,245	—	32	(46)	(371,133)
Exchange differences	(141)	(79)	(4,121)	(3,138)	—	—	(2,817)	(10,296)
Other	522	(221)	(529)	(1,634)	—	—	(226)	(2,088)
As of March 31, 2024	(189,255)	(2,627,483)	(50,035)	(431,034)	(6)	(6)	(30,057)	(3,327,876)
Depreciation	(25,560)	(199,932)	(24,146)	(96,535)	—	—	(7,117)	(353,290)
Impairment loss	(3,530)	(217)	(9)	(6,177)	—	(14)	(618)	(10,565)
Loss of control	—	596	—	3,949	—	—	2,517	7,062
Disposals	5,424	312,106	3,897	40,261	—	12	2,971	364,671
Transfer of accounts	26	36	297	21,766	—	6	(7)	22,124
Exchange differences	29	10	3,119	1,055	—	—	482	4,695
Other	(412)	(232)	(10,678)	5,956	—	(2)	(1,287)	(6,655)
As of March 31, 2025	¥ (213,278)	¥ (2,515,116)	¥ (77,555)	¥ (460,759)	¥ (6)	¥ (4)	¥ (33,116)	¥ (3,299,834)

(Thousands of U.S. dollars)

Accumulated depreciation and impairment losses	Buildings and structures	Telecommunications equipment	Machinery and equipment	Furniture, fixtures, and equipment	Land	Construction in progress	Other	Total
As of March 31, 2024	\$(1,265,751)	\$(17,572,786)	\$(334,638)	\$(2,882,785)	\$ (40)	\$ (40)	\$(201,023)	\$(22,257,063)
Depreciation	(170,947)	(1,337,159)	(161,490)	(645,633)	—	—	(47,599)	(2,362,828)
Impairment loss	(23,609)	(1,451)	(60)	(41,312)	—	(94)	(4,133)	(70,659)
Loss of control	—	3,986	—	26,411	—	—	16,834	47,231
Disposals	36,276	2,087,386	26,064	269,269	—	80	19,870	2,438,945
Transfer of accounts	174	241	1,986	145,572	—	40	(46)	147,967
Exchange differences	194	67	20,860	7,056	—	—	3,223	31,400
Other	(2,755)	(1,552)	(71,415)	39,834	—	(13)	(8,608)	(44,509)
As of March 31, 2025	\$(1,426,418)	\$(16,821,268)	\$(518,693)	\$(3,081,588)	\$ (40)	\$ (27)	\$(221,482)	\$(22,069,516)

The components of the carrying amounts of property, plant and equipment are as follows:

(Millions of yen)								
Carrying amounts	Buildings and structures	Telecommunications equipment	Machinery and equipment	Furniture, fixtures, and equipment	Land	Construction in progress	Other	Total
As of March 31, 2024	¥ 205,595	¥1,169,108	¥ 24,504	¥ 267,587	¥ 70,742	¥ 129,745	¥ 28,008	¥ 1,895,289
As of March 31, 2025	¥ 245,080	¥1,162,639	¥ 591,646	¥ 299,284	¥101,504	¥ 405,172	¥ 24,860	¥ 2,830,185

(Thousands of U.S. dollars)								
Carrying amounts	Buildings and structures	Telecommunications equipment	Machinery and equipment	Furniture, fixtures, and equipment	Land	Construction in progress	Other	Total
As of March 31, 2025	\$1,639,112	\$7,775,809	\$3,956,969	\$2,001,632	\$678,866	\$2,709,818	\$166,265	\$18,928,471

“Purchases” includes the impact of government subsidies deducted from the acquisition costs. The government subsidies deducted from the acquisition costs are primarily received for investments related to generative AI and others. The deducted amount is ¥30,782 million (\$205,872 thousand) for the fiscal year ended March 31, 2025. There are no unfulfilled conditions or other contingencies associated with the government subsidies.

For the fiscal year ended March 31, 2025, the increases in “Business combinations” are mainly due to the consolidation of SBE Global. The details of the transaction are described in “*4” under “Note 41. Other gain.”

For the fiscal year ended March 31, 2025, the decreases in “Loss of control” are mainly due to the loss of control over Fortress. The details of the transaction are described in “*2” under “Note 41. Other gain.”

For the fiscal year ended March 31, 2025, the amount of “Other” under “Telecommunications equipment” includes the impact of changes in the estimates for asset retirement obligations. The details of the change are described in “*2” under “Note 27. Provisions.”

The amount of “Transfer of accounts” includes the following amount transferred from “Right-of-use assets” due to termination of lease contracts as lessee and transfer of ownership of these assets to the Company.

		(Millions of yen)	(Thousands of U.S. dollars)
Historical cost	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Buildings and structures	¥ 9,260	¥ –	\$ –
Telecommunications equipment	475,600	–	–
Machinery and equipment	11	–	–
Furniture, fixtures, and equipment	1,039	–	–
Total	¥ 485,910	¥ –	\$ –

		(Millions of yen)	(Thousands of U.S. dollars)
Accumulated depreciation and impairment losses	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Buildings and structures	¥ (4,900)	¥ –	\$ –
Telecommunications equipment	(397,330)	–	–
Machinery and equipment	(7)	–	–
Furniture, fixtures, and equipment	(982)	–	–
Total	¥(403,219)	¥ –	\$ –

Impairment loss is included in “Other gain (loss)” in the consolidated statement of profit or loss. The amount of property, plant and equipment pledged as collateral for interest-bearing debt or other is described in “(4) Assets pledged as collateral” under “Note 22. Interest-bearing debt.” Property, plant and equipment with restrictions on rights are described in “(5) Assets with restrictions on rights” under “Note 22. Interest-bearing debt.”

(2) Assets subject to operating leases as lessor included in property, plant and equipment

Of property, plant and equipment, assets subject to operating leases as lessor are primarily leased mobile devices. Changes in “Furniture, fixtures, and equipment” including leased mobile devices, which includes the assets subject to operating leases as lessor, are as follows:

	(Millions of yen)	(Thousands of U.S. dollars)
Historical cost	Furniture, fixtures, and equipment	
As of April 1, 2023	¥237,174	\$ –
Purchases	131	–
Disposals	(26,646)	–
Transfer of accounts	18,600	–
Other	7,065	–
As of March 31, 2024	236,324	1,580,551
Purchases	90	602
Disposals	(8,834)	(59,083)
Transfer of accounts	24,954	166,895
Other	(127)	(850)
As of March 31, 2025	¥252,407	\$1,688,115

	(Millions of yen)	(Thousands of U.S. dollars)
Accumulated depreciation and impairment losses	Furniture, fixtures, and equipment	
As of April 1, 2023	¥(166,728)	\$ –
Depreciation	(41,592)	–
Disposals	25,475	–
Transfer of accounts	32,338	–
Other	(5,143)	–
As of March 31, 2024	(155,650)	(1,040,998)
Depreciation	(36,624)	(244,944)
Disposals	8,105	54,207
Transfer of accounts	21,900	146,469
Other	182	1,217
As of March 31, 2025	¥(162,087)	\$ (1,084,049)

	(Millions of yen)	(Thousands of U.S. dollars)
Carrying amount	Furniture, fixtures, and equipment	
As of March 31, 2024	¥ 80,674	\$ –
As of March 31, 2025	¥ 90,320	\$ 604,066

15. Right-of-use assets

The components of the carrying amounts of right-of-use assets are as follows:

Carrying amounts	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Telecommunications equipment	¥ 172,889	¥ 174,925	\$ 1,169,910
Real estate for telecommunications business	248,457	240,223	1,606,628
Offices, warehouses and other properties . .	321,135	432,040	2,889,513
Other	4,422	10,773	72,051
Total	¥ 746,903	¥ 857,961	\$ 5,738,102

Right-of-use assets increased by ¥344,046 million (\$2,301,003 thousand) for the fiscal year ended March 31, 2025 (for the fiscal year ended March 31, 2024: ¥204,929 million of increase).

The components of depreciation of right-of-use assets are as follows:

Depreciation	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Telecommunications equipment	¥ (56,370)	¥ (47,075)	\$ (314,841)
Real estate for telecommunications business	(54,117)	(49,460)	(330,792)
Offices, warehouses and other properties . .	(65,092)	(78,887)	(527,602)
Other	(2,006)	(3,235)	(21,635)
Total	¥ (177,585)	¥ (178,657)	\$(1,194,870)

The Company enters into lease transactions for telecommunications equipment, real estate for the telecommunications business and offices, warehouses and other properties mainly to facilitate efficient use of cash.

Many of the lease contracts include an option to terminate or extend the lease in order to enhance operational flexibility. Most of these options can be exercised by the Company without consent from the other party after a certain prior notice period. In determining the lease term, all relevant facts and circumstances that create an economic incentive not to exercise the option to extend or terminate the lease are considered. In addition, the Company reassesses the lease term upon the occurrence of a significant event or a significant change in the facts and circumstances that may affect this assessment.

Telecommunications equipment

The Company's telecommunications equipment leases consist of telecommunications machinery and equipment and transmission facilities that are used for the telecommunications business. Most of these lease contracts include an option to terminate or extend the lease. The lease term of these lease transactions are mainly 3 years or 10 years. The Company may extend the lease of transmission facilities beyond the initial lease term as needed to provide telecommunication services in a stable manner. In such a case, the lease term is generally expected to be extended by the same period as the initial term of the contract. Right-of-use assets classified as "Telecommunications equipment" are mainly composed of those classified as "Telecommunications equipment" in property, plant and equipment.

Real estate for the telecommunications business

Leases of real estate for the telecommunications business entered into by the Company consist of land to place towers or pillars for the placement of cell site equipment, spaces for buildings and structures for the placement of cell site equipment, and land, buildings, and partial spaces for the placement of telecommunications equipment. Most of these lease contracts include an option to terminate or extend the lease. The lease terms for the leases of land and spaces of buildings and structures for the placement of cell site equipment are mainly 10 years to 20 years. The lease terms for other leases are mainly 3 years to 28 years. The Company may extend the lease beyond the initial lease term as needed to provide telecommunication services in a stable manner. In such a case, the lease term is generally expected to be extended by the same period as the initial term of the contract. The right-of-use assets classified as "Real estate for the telecommunications business" are mainly composed of those classified as "Buildings and structures" or "Land" in property, plant and equipment.

Offices, warehouses and other properties

Leases of offices, warehouses and other properties entered into by the Company mainly consist of real estate for offices (including real estate for shared offices), warehouses and real estate for stores. Most of these leases include an option to extend the lease that can be exercised by the Company without consent from the other party. The lease terms of these leases are mainly 2 years to 25 years for offices, 4 years to 15 years for warehouses, and 2 years to 3 years for stores. The Company may extend the lease beyond the initial lease term as needed to continue its business. The right-of-use assets classified as "Offices, warehouses and other properties" are mainly composed of those classified as "Buildings and structures" or "Land" in property, plant and equipment.

16. Goodwill and intangible assets

(1) Changes in goodwill and intangible assets

Changes in goodwill and intangible assets at historical cost are as follows:

Historical cost	Intangible assets with indefinite useful lives			Intangible assets with finite useful lives						Total
	Goodwill	Trademarks	Other	Customer relationships	Software	Technologies	Spectrum-related costs	Management contracts	Other	
As of April 1, 2023	¥5,219,303	¥538,661	¥ –	¥802,339	¥2,077,057	¥655,721	¥210,707	¥ 151,089	¥ 185,541	¥4,621,115
Purchases	–	–	–	–	66,403	2,940	–	8,799	130,057	208,199
Internal development	–	–	–	–	6,332	–	–	–	46,680	53,012
Business combinations	92,657	10,762	–	21,934	2,194	18,325	–	–	8,850	62,065
Loss of control	(2,698)	–	–	–	(6,362)	–	–	–	(105)	(6,467)
Disposals	–	–	–	–	(66,647)	–	–	–	(8,934)	(75,581)
Transfer of accounts	–	–	–	–	181,453	–	6,075	–	(190,766)	(3,238)
Exchange differences	429,237	442	–	24,164	6,842	88,699	–	20,058	3,494	143,699
Other	(6,047)	–	–	8,028	(331)	–	–	–	1,529	9,226
As of March 31, 2024	5,732,452	549,865	–	856,465	2,266,941	765,685	216,782	179,946	176,346	5,012,030
Purchases	–	–	2,496	–	56,898	–	46	–	201,438	260,878
Internal development	–	–	–	–	4,065	–	–	–	59,223	63,288
Business combinations	147,017	–	8,116	1,155	206	–	–	–	2,169	11,646
Loss of control	(19,292)	–	–	–	(7,892)	–	–	(179,946)	(9,268)	(197,106)
Disposals	–	–	(33,665)	(781)	(188,353)	(1,388)	–	–	(1,930)	(226,117)
Transfer of accounts	–	–	–	1,508	158,994	(3,131)	8,352	–	(166,478)	(755)
Exchange differences	(54,751)	(140)	(612)	(3,569)	(1,328)	(9,397)	–	–	(1,242)	(16,288)
Other	(5,044)	–	33,665	–	355	–	–	–	(455)	33,565
As of March 31, 2025	¥5,800,382	¥549,725	¥ 10,000	¥854,778	¥2,289,886	¥751,769	¥225,180	¥ –	¥ 259,803	¥4,941,141

(Millions of yen)

(Thousands of U.S. dollars)

Historical cost	Intangible assets with indefinite useful lives			Intangible assets with finite useful lives						Total
	Goodwill	Trademarks	Other	Customer relationships	Software	Technologies	Spectrum-related costs	Management contracts	Other	
As of March 31, 2024	\$38,339,032	\$3,677,534	\$ –	\$5,728,097	\$15,161,457	\$5,120,954	\$1,449,853	\$ 1,203,491	\$ 1,179,414	\$33,520,800
Purchases	–	–	16,693	–	380,538	–	308	–	1,347,231	1,744,770
Internal development	–	–	–	–	27,187	–	–	–	396,087	423,274
Business combinations	983,260	–	54,281	7,725	1,377	–	–	–	14,506	77,889
Loss of control	(129,026)	–	–	–	(52,782)	–	–	(1,203,491)	(61,985)	(1,318,258)
Disposals	–	–	(225,154)	(5,223)	(1,259,718)	(9,283)	–	–	(12,908)	(1,512,286)
Transfer of accounts	–	–	–	10,085	1,063,363	(20,940)	55,858	–	(1,113,415)	(5,049)
Exchange differences	(366,178)	(936)	(4,092)	(23,871)	(8,882)	(62,848)	–	–	(8,307)	(108,936)
Other	(33,735)	–	225,154	–	2,374	–	–	–	(3,043)	224,485
As of March 31, 2025	\$38,793,353	\$3,676,598	\$ 66,882	\$5,716,813	\$15,314,914	\$5,027,883	\$1,506,019	\$ –	\$ 1,737,580	\$33,046,689

Changes in the accumulated amortization and impairment losses of goodwill and intangible assets are as follows:

(Millions of yen)

	Intangible assets with indefinite useful lives						Intangible assets with finite useful lives				
Accumulated amortization and impairment losses	Goodwill	Trademarks	Other	Customer relationships	Software	Technologies	Spectrum-related costs	Management contracts	Other	Total	
As of April 1, 2023	¥ (19,823)	¥ –	¥ –	¥ (203,084)	¥ (1,444,614)	¥ (311,390)	¥ (74,366)	¥ (133,139)	¥ (44,881)	¥ (2,211,474)	
Amortization	–	–	–	(48,234)	(218,835)	(51,191)	(12,175)	(5,385)	(6,295)	(342,115)	
Impairment loss	(1,496)	–	–	–	(2,089)	–	–	–	(281)	(2,370)	
Loss of control	–	–	–	–	6,023	–	–	–	54	6,077	
Disposals	–	–	–	–	66,485	–	–	–	3,911	70,396	
Exchange differences	(1,259)	–	–	(12,897)	(3,869)	(44,137)	–	(17,562)	(2,360)	(80,825)	
Other.	–	–	–	–	(2,648)	–	–	(518)	287	(2,879)	
As of March 31, 2024	(22,578)	–	–	(264,215)	(1,599,547)	(406,718)	(86,541)	(156,604)	(49,565)	(2,563,190)	
Amortization	–	–	–	(50,587)	(211,626)	(49,730)	(12,762)	–	(6,980)	(331,685)	
Impairment loss	(2,062)	–	–	–	(1,367)	–	–	–	(186)	(1,553)	
Loss of control	–	–	–	–	5,655	–	–	156,604	6,404	168,663	
Disposals	–	–	–	781	188,328	1,388	–	–	14	190,511	
Exchange differences	133	–	–	1,819	777	6,142	–	–	446	9,184	
Other.	6,056	–	–	(138)	1,063	–	–	–	566	1,491	
As of March 31, 2025	¥ (18,451)	¥ –	¥ –	¥ (312,340)	¥ (1,616,717)	¥ (448,918)	¥ (99,303)	¥ –	¥ (49,301)	¥ (2,526,579)	

(Thousands of U.S. dollars)

(Thousands of U.S. dollars)

	Intangible assets with indefinite useful lives			Intangible assets with finite useful lives						
Accumulated amortization and impairment losses	Goodwill	Trademarks	Other	Customer relationships	Software	Technologies	Spectrum-related costs	Management contracts	Other	Total
As of March 31, 2024	\$ (151,003)	\$ –	\$ –	\$(1,767,088)	\$(10,697,880)	\$(2,720,158)	\$(578,792)	\$(1,047,378)	\$(331,494)	\$(17,142,790)
Amortization	–	–	–	(338,329)	(1,415,369)	(332,598)	(85,353)	–	(46,683)	(2,218,332)
Impairment loss	(13,791)	–	–	–	(9,143)	–	–	–	(1,244)	(10,387)
Loss of control	–	–	–	–	37,821	–	–	1,047,378	42,831	1,128,030
Disposals	–	–	–	5,223	1,259,551	9,283	–	–	94	1,274,151
Exchange differences	890	–	–	12,166	5,197	41,078	–	–	2,982	61,423
Other	40,502	–	–	(923)	7,109	–	–	–	3,786	9,972
As of March 31, 2025	\$ (123,402)	\$ –	\$ –	\$(2,088,951)	\$(10,812,714)	\$(3,002,395)	\$(664,145)	\$ –	\$(329,728)	\$(16,897,933)

The carrying amounts of goodwill and intangible assets are as follows:

Carrying amounts	Intangible assets with indefinite useful lives				Intangible assets with finite useful lives					Total
	Goodwill	Trademarks	Other	Customer relationships	Software	Technologies	Spectrum-related costs	Management contracts	Other	
As of March 31, 2024	¥ 5,709,874	¥ 549,865	¥ —	¥ 592,250	¥ 667,394	¥ 358,967	¥ 130,241	¥ 23,342	¥ 126,781	¥ 2,448,840
As of March 31, 2025	¥ 5,781,931	¥ 549,725	¥ 10,000	¥ 542,438	¥ 673,169	¥ 302,851	¥ 125,877	¥ —	¥ 210,502	¥ 2,414,562

(Millions of yen)

Carrying amounts	Intangible assets with indefinite useful lives				Intangible assets with finite useful lives					Total
	Goodwill	Trademarks	Other	Customer relationships	Software	Technologies	Spectrum-related costs	Management contracts	Other	
As of March 31, 2025	\$38,669,951	\$3,676,598	\$ 66,882	\$3,627,862	\$4,502,200	\$2,025,488	\$ 841,874	\$ —	\$1,407,852	\$16,148,756

(Thousands of U.S. dollars)

For the fiscal year ended March 31, 2025, the increases in “Business combinations” are mainly due to the consolidation of SBE Global. The details of the transaction are described in “*4” under “Note 41. Other gain.”

For the fiscal year ended March 31, 2025, the decreases in “Loss of control” are mainly due to the loss of control over Fortress. The details of the transaction are described in “*2” under “Note 41. Other gain.”

The Company determined that trademarks, such as “Yahoo!” and “Yahoo! JAPAN” in Japan, “ZOZO” and “LINE” brands, have indefinite useful lives as they can be legally utilized indefinitely as long as the business continues and management’s current plans are to offer services under these trademarks in the foreseeable future.

Customer relationships reflect the excessive earning capacity in the future expected from the existing customers of the acquiree at the time of the business combinations.

Technologies reflect the excessive earning capacity in the future expected from technologies of the acquiree that had been already developed, or was already well-advanced in development, at the time of the business combinations.

Spectrum-related costs are the amounts incurred by SoftBank Corp. in connection with the costs for the spectrums assigned to SoftBank Corp. based on the Radio Act. These spectrum-related costs include the costs arising from the migration of pre-existing users to other spectrums by the termination campaign.

Amortization is included in “Cost of sales” and “Selling, general and administrative expenses” in the consolidated statement of profit or loss.

Impairment losses are mainly included in “Other gain (loss)” in the consolidated statement of profit or loss.

The carrying amount of internally generated intangible assets related to software included in intangible assets is ¥128,146 million (\$857,049 thousand) as of March 31, 2025 (as of March 31, 2024: ¥106,429 million).

The Company has not applied IFRS 16 “Leases” to leases of intangible assets. Therefore, since finance lease assets arising from lease transactions of software are recognized as intangible assets. The intangible assets with restrictions on rights arising from these transactions are described in “b. Assets under lease contracts for intangible assets” in “(5) Assets with restrictions on rights” under “Note 22. Interest-bearing debt.”

Research and development costs included in “Cost of sales” and “Selling, general and administrative expenses” are as follows:

		(Millions of yen)	(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Research and development costs	¥ 439,971	¥ 507,590	\$ 3,394,797

(2) Goodwill and intangible assets with indefinite useful lives allocated to cash-generating units or cash-generating unit groups

Goodwill acquired as a part of business combinations is allocated to cash-generating units or cash-generating unit groups that are expected to benefit from the synergies arising from business combinations. Amounts of goodwill and intangible assets with indefinite useful lives allocated to cash-generating units or cash-generating unit groups are as follows:

Goodwill

		(Millions of yen)	(Thousands of U.S. dollars)	
Cash-generating units or Cash-generating unit groups	Reportable segments	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
SoftBank* ¹	SoftBank	¥1,004,137	¥1,017,696	\$ 6,806,421
LY* ²		15,382	15,382	102,876
Media* ³		679,800	678,616	4,538,630
ASKUL		42,501	42,833	286,470
ZOZO		233,866	233,866	1,564,112
Ikyu (Restaurant)		6,433	6,433	43,024
Ikyu (Accommodation)		65,611	65,611	438,811
Finance		21,832	27,165	181,681
Other		2,006	2,905	19,429
	Subtotal	2,071,568	2,090,507	13,981,454
Arm	Arm	3,585,050	3,540,372	23,678,250
Other	—	53,256	151,052	1,010,247
Total		¥5,709,874	¥5,781,931	\$38,669,951

Intangible assets with indefinite useful lives

		(Millions of yen)	(Thousands of U.S. dollars)	
Cash-generating units or Cash-generating unit groups	Reportable segments	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
LY ^{*2}	SoftBank	¥169,575	¥169,575	\$1,134,129
Media		160,116	160,116	1,070,867
ASKUL		20,130	20,130	134,631
ZOZO		178,720	178,720	1,195,292
Ikyu (Accommodation)		10,120	10,120	67,683
	Subtotal	538,661	538,661	3,602,602
Other	—	11,204	21,064	140,878
Total		¥549,865	¥559,725	\$3,743,480

*1 “SoftBank” comprises SoftBank Corp. and others.

*2 Goodwill and intangible assets with indefinite useful lives are allocated to “LY” because the benefits are expected to be realized from LY Corporation and its group companies as a whole, and not from individual cash-generating units in the SoftBank segment.

*3 The cash-generating unit group of “Media” mainly consists of the cash-generating unit of “Marketing solution” under LY Corporation and the one of “Media” under LY group. Synergies arising from the business combination affect the entire cash-generating unit groups. As the goodwill cannot be allocated to them reasonably and coherent basis, it is allocated to the cash-generating unit group of “Media.”

(3) Measurement method for recoverable amounts of goodwill and intangible assets

The recoverable amount of each cash-generating unit or cash-generating unit group is measured as follows:

For the fiscal year ended March 31, 2024

Value in use: LY, Media, Ikyu (Restaurant), Ikyu (Accommodation)

Fair value less disposal cost: SoftBank, ASKUL, ZOZO, Finance, Arm

For the fiscal year ended March 31, 2025

Value in use: LY, Media, Ikyu (Restaurant), Ikyu (Accommodation)

Fair value less disposal cost: SoftBank, ASKUL, ZOZO, Finance, Arm

a. Measurement method for recoverable amounts of goodwill in “Arm”

The fair value less disposal cost for the impairment test for goodwill of “Arm” is measured based on active market prices.

b. Measurement method for recoverable amounts of goodwill and intangible assets other than in “Arm”

Value in use is assessed by discounting to the present value of the estimated cash flows over the next five years based on the financial budget approved by the management, which reflects past experience and external information, using the pre-tax discount rate of 8.7%-12.9% of the cash-generating unit or cash-generating unit group (for the fiscal year ended March 31, 2024: 8.2%-11.7%). The cash flows from after five years are assumed to increase on the basis of the growth rate of 1.5% (for the fiscal year ended March 31, 2024: 1.5%).

For “SoftBank,” “ASKUL,” and “ZOZO,” the fair value less disposal cost is measured based on active market prices. For “Finance,” the fair value less disposal cost is measured based on the discounted cash flow method.

The measurement of the terminal value under the discounted cash flow method is calculated by referring to EV/EBITDA multiples of comparable companies and the future cash flows are calculated by discounting the estimated cash flows to the present value based on the business plans approved by the management and growth rates. Business plans are generally limited to 10 years and reflect the management's assessment of future trends in the industry and historical data, and are prepared based on the external and internal information. The pre-tax discount rate and EV/EBITDA multiple used for the fiscal year ended March 31, 2025 were 22.4% and x12.8 (for the fiscal year ended March 31, 2024: 22.4% and x10.0), respectively. The fair value hierarchy is categorized as level 3 in accordance with the significant inputs used in the measurement.

As a result of an annual impairment test of goodwill and intangible assets with indefinite useful lives for cash-generating units or cash-generating unit groups, significant impairment loss was not recognized.

Other than the above, the Company determined that for cash-generating units or cash-generating unit groups to which the goodwill and intangible assets with indefinite useful lives are allocated, the recoverable amount is unlikely to fall below the carrying amount, even if major assumptions used in the impairment test change to a reasonably foreseeable extent.

17. Leases

(As lessee)

(1) Right-of-use assets

The details of the components of the carrying amounts of the right-of-use assets by class of underlying asset, the components of depreciation by asset class, and the increase in the right-of-use assets, are described in "Note 15. Right-of-use assets."

(2) Lease liabilities

The details of the outstanding balance by year of maturity of lease liabilities are described in "(b) Analysis of financial liabilities by maturities" in "(2) Financial risk management c. Liquidity risk" under "Note 28. Financial instruments."

The balance of the lease liabilities as of March 31, 2025 is ¥907,020 million (\$6,066,212 thousand) (as of March 31, 2024: ¥794,507 million). The weighted average interest rate for the lease liabilities as of March 31, 2025 is 3.06 % (as of March 31, 2024: 1.86 %) and their due dates range from April 2025 to November 2059 (as of March 31, 2024: from April 2024 to October 2053).

The details of interest expense on lease liabilities are described in "Note 39. Finance cost."

(3) Total cash outflow

The details of total cash outflow for leases are described in "(12) Cash outflows related to lease" under "Note 44. Supplemental information to the consolidated statement of cash flows."

(As lessor)

The Company provides device rental services to corporate customers in Japan. Since device leases are provided on the condition that subscribers maintain telecommunication services with the Company, the amount of revenue from these transactions is allocated between the amount to be received for leases and other elements based on the fair value of device leases and telecommunication services.

At the end of the lease term, the Company sells leased devices to entities providing trade-in service. To manage residual asset risk associated with devices, the trade-in prices are obtained from multiple entities and monitored on a regular basis.

(1) Finance leases

The components of revenue from finance leases recognized are as follows:

		(Millions of yen)	(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Selling profit or loss, net	¥(1,256)	¥(1,133)	\$(7,578)
Finance income on the net investment in the lease	67	57	382
Total	¥(1,189)	¥(1,076)	\$(7,196)

Of this amount, revenue from subleases recognized is ¥979 million (\$6,548 thousand) for the fiscal year ended March 31, 2025 (for the fiscal year ended March 31, 2024: ¥888 million).

The maturity analysis for the undiscounted total lease payments and the uncollected amount of net lease investments at the end of the fiscal year is as follows:

As of March 31, 2024

				(Millions of yen)
	Undiscounted total lease payments	Unearned finance income relating to the lease payments receivable	Discounted unguaranteed residual value	Uncollected amount of net lease investments
Within 1 year	¥ 12,733	¥ (75)	¥ –	¥ 12,658
1 to 2 years	8,156	(53)	–	8,103
2 to 3 years	4,139	(40)	–	4,099
3 to 4 years	637	(28)	–	609
4 to 5 years	255	(24)	–	231
Over 5 years	70	(28)	–	42
Total	¥ 25,990	¥ (248)	¥ –	¥ 25,742

As of March 31, 2025

	(Millions of yen)			
	Undiscounted total lease payments	Unearned finance income relating to the lease payments receivable	Discounted unguaranteed residual value	Uncollected amount of net lease investments
Within 1 year	¥ 13,243	¥ (96)	¥ –	¥ 13,147
1 to 2 years	8,997	(80)	–	8,917
2 to 3 years	4,201	(63)	–	4,138
3 to 4 years	1,048	(54)	–	994
4 to 5 years	435	(50)	–	385
Over 5 years	4,160	(731)	–	3,429
Total	¥ 32,084	¥ (1,074)	¥ –	¥ 31,010

	(Thousands of U.S. dollars)			
	Undiscounted total lease payments	Unearned finance income relating to the lease payments receivable	Discounted unguaranteed residual value	Uncollected amount of net lease investments
Within 1 year	\$ 88,570	\$ (642)	\$ –	\$ 87,928
1 to 2 years	60,173	(535)	–	59,638
2 to 3 years	28,097	(422)	–	27,675
3 to 4 years	7,009	(361)	–	6,648
4 to 5 years	2,909	(334)	–	2,575
Over 5 years	27,822	(4,889)	–	22,933
Total	\$ 214,580	\$ (7,183)	\$ –	\$ 207,397

(2) Operating leases

Analysis of maturities for operating leases is as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Within 1 year	¥ 29,941	¥ 31,060	\$ 207,731
1 to 2 years	19,417	19,637	131,334
2 to 3 years	9,334	8,188	54,762
3 to 4 years	999	503	3,364
4 to 5 years	704	124	829
Over 5 years	2,018	138	923
Total	¥ 62,413	¥ 59,650	\$ 398,943

Lease income (excluding income relating to variable lease payments that do not depend on an index or a rate) from operating leases for the fiscal year ended March 31, 2025 is ¥64,321 million (\$430,183 thousand) (for the fiscal year ended March 31, 2024: ¥61,049 million). Of this amount, income from subleases is ¥5,458 million (\$36,503 thousand) (for the fiscal year ended March 31, 2024: ¥5,039 million).

Changes in historical cost, changes in accumulated depreciation and impairment losses, and the carrying amounts of property, plant and equipment underlying operating leases are described in “(2) Assets subject to operating leases as lessor included in property, plant and equipment” under “Note 14. Property, plant and equipment.”

18. Major subsidiaries

(1) Organizational structure

The Company's major subsidiaries are as follows:

Major subsidiaries as of March 31, 2025

Company Name	Reportable segments	Location	Ownership percentage of voting rights (%)	
			As of March 31, 2024	As of March 31, 2025
SoftBank Group Overseas GK	Investment Business of Holding Companies	Tokyo	100	100
SoftBank Group Capital Limited	Investment Business of Holding Companies	U.K.	100	100
SoftBank Group Japan Corporation	Investment Business of Holding Companies	Tokyo	100	100
Delaware Project 1 L.L.C.	Investment Business of Holding Companies	U.S.	66.7	66.7
Delaware Project 2 L.L.C.	Investment Business of Holding Companies	U.S.	66.7	66.7
Delaware Project 3 L.L.C.	Investment Business of Holding Companies	U.S.	66.7	66.7
SB Northstar LP* ¹	Investment Business of Holding Companies	Cayman	–	–
SB Group US, Inc.	Investment Business of Holding Companies	U.S.	100	100
Shiodome Project 17 GK	Investment Business of Holding Companies	Tokyo	100	100
SB Pan Pacific Corporation	Investment Business of Holding Companies	Micronesia	100	100
STARFISH I PTE. LTD.	Investment Business of Holding Companies	Singapore	100	100
SB Investment Advisers (UK) Limited	SoftBank Vision Funds	U.K.	100	100
SB Global Advisers Limited	SoftBank Vision Funds	U.K.	100	100
SoftBank Vision Fund L.P.* ¹	SoftBank Vision Funds	Bailiwick of Jersey	–	–
SoftBank Vision Fund (AIV M1) L.P.* ¹	SoftBank Vision Funds	U.S.	–	–
SoftBank Vision Fund (AIV M2) L.P.* ¹	SoftBank Vision Funds	U.S.	–	–
SoftBank Vision Fund (AIV M3) L.P.* ¹	SoftBank Vision Funds	U.S.	–	–
SoftBank Vision Fund II-2 L.P.* ¹	SoftBank Vision Funds	Bailiwick of Jersey	–	–
SBLA Latin America Fund LLC	SoftBank Vision Funds	U.S.	100	100
SoftBank Corp.* ²	SoftBank	Tokyo	40.7	40.3
A Holdings Corporation* ³	SoftBank	Tokyo	50.0	50.0
LY Corporation	SoftBank	Tokyo	64.4	62.5
PayPay Corporation	SoftBank	Tokyo	100	100
LINE SOUTHEAST ASIA CORP.PTE.LTD.	SoftBank	Singapore	100	100
ZOZO, Inc.	SoftBank	Chiba	51.5	51.5
PayPay Bank Corporation* ⁴	SoftBank	Tokyo	46.6	46.6
ASKUL Corporation* ⁵	SoftBank	Tokyo	45.0	46.5

Company Name	Reportable segments	Location	Ownership percentage of voting rights (%)	
			As of March 31, 2024	As of March 31, 2025
Arm Holdings plc	Arm	U.K.	88.7	87.3
ARM PIPD Holdings One, LLC	Arm	U.S.	100	100
ARM PIPD Holdings Two, LLC	Arm	U.S.	100	100
SBE Global, LP* ¹	—	U.S.	—	—
Fukuoka SoftBank HAWKS Corp.	—	Fukuoka	100	100
Silver Bands 4 (US) Corp.	—	U.S.	—	100
Balyo SA	—	France	73.5	91.3
SoftBank Robotics Group Corp.	—	Tokyo	87.8	87.8

*1 Limited partnerships are deemed as structured entities and the voting rights are not described.

*2 The Company does not own a majority of SoftBank Corp.'s voting rights. However, the Company has determined that it has substantial control over SoftBank Corp. and included it in the scope of consolidation, considering the fact that the Company holds 40.3% of the voting rights of SoftBank Corp., the dispersion of voting rights in SoftBank Corp. and the voting patterns exercised in SoftBank Corp.'s past general meetings of shareholders.

*3 The Company does not own a majority of A Holdings Corporation's voting rights. However, the Company has determined that it has substantial control over A Holdings Corporation and included it in the scope of consolidation, considering the fact that the Company holds 50.0% of the voting rights of A Holdings Corporation and appoints the majority of the members of A Holdings Corporation's Board of Directors.

*4 The Company does not own a majority of PayPay Bank Corporation's voting rights. However, the Company has determined that it has substantial control over PayPay Bank Corporation and included it in the scope of consolidation, considering the fact that the Company holds 46.6% of the voting rights of PayPay Bank Corporation and directors from the Company constitute the majority of the members of PayPay Bank Corporation's Board of Directors.

*5 The Company does not own a majority of ASKUL Corporation's voting rights. However, the Company has determined that it has substantial control over ASKUL Corporation and included it in the scope of consolidation, considering the fact that the Company holds 46.5% of the voting rights of ASKUL Corporation, the dispersion of voting rights in ASKUL Corporation and the voting patterns exercised in ASKUL Corporation's past general meetings of shareholders.

(2) Summarized consolidated financial information and other information on subsidiaries with material non-controlling interests

a. SoftBank Corp. (SoftBank Corp. and its group companies)

(a) General information

	As of March 31, 2024	As of March 31, 2025
Ownership ratio of the non-controlling interests (%).	59.3	59.7

	(Millions of yen) As of March 31, 2024	(Millions of yen) As of March 31, 2025	(Thousands of U.S. dollars) As of March 31, 2025
Accumulated amount attributable to the non-controlling interests of subsidiary group	¥2,208,965	¥2,499,465	\$16,716,593

	(Millions of yen) Fiscal year ended March 31, 2024	(Millions of yen) Fiscal year ended March 31, 2025	(Thousands of U.S. dollars) Fiscal year ended March 31, 2025
Net income allocated to the non-controlling interests of subsidiary group	¥ 417,136	¥ 466,857	\$ 3,122,372

Bond-Type Class Shares issued by SoftBank Corp. are not included in the calculation of the ownership ratio as the Company's interests in SoftBank Corp. do not change at the time of issuance, and therefore, the amount paid is recorded as "Non-controlling interests." As of March 31, 2025, the amount paid recorded as "Non-controlling interests" is ¥320,000 million (\$2,140,182 thousand) (as of March 31, 2024: ¥120,000 million).

In the calculation of net income allocated to the non-controlling interests, the total amount of unpaid cumulative dividends is first allocated to the non-controlling interests from SoftBank Corp's net income. The remaining balance is then allocated based on the respective ownership ratio to determine the amount attributable to the non-controlling interests.

The details of Bond-Type Class Shares issued by SoftBank Corp. are described in "(7) Non-controlling interests" under "Note 33. Equity."

(b) Summarized consolidated financial information

		(Millions of yen) As of March 31, 2024	(Millions of yen) As of March 31, 2025	(Thousands of U.S. dollars) As of March 31, 2025
Current assets	¥ 5,268,029		¥ 4,858,655	\$32,495,017
Non-current assets.	10,272,026		11,265,555	75,344,804
Current liabilities	7,085,286		6,835,206	45,714,326
Non-current liabilities.	4,500,973		5,001,618	33,451,164
Equity	3,953,796		4,287,386	28,674,331

		(Millions of yen) Fiscal year ended March 31, 2024	(Millions of yen) Fiscal year ended March 31, 2025	(Thousands of U.S. dollars) Fiscal year ended March 31, 2025
Net sales	¥ 6,084,002		¥ 6,544,349	\$43,769,054
Net income	590,265		655,286	4,382,598
Comprehensive income	622,183		629,071	4,207,270

Dividends paid to non-controlling interests by SoftBank Corp. for the fiscal year ended March 31, 2025 are ¥244,038 million (\$1,632,143 thousand) (for the fiscal year ended March 31, 2024: ¥242,074 million).

		(Millions of yen) Fiscal year ended March 31, 2024	(Millions of yen) Fiscal year ended March 31, 2025	(Thousands of U.S. dollars) Fiscal year ended March 31, 2025
Net cash provided by operating activities.	¥ 1,239,689		¥ 1,367,871	\$ 9,148,414
Net cash used in investing activities	(927,607)		(995,183)	(6,655,852)
Net cash used in financing activities	(357,098)		(956,429)	(6,396,663)
Effect of exchange rate changes on cash and cash equivalents . . .	11,733		(6,618)	(44,262)
(Decrease) increase in cash and cash equivalents relating to transfer of assets classified as held for sale	(33,011)		33,011	220,780
Decrease in cash and cash equivalents	¥ (66,294)		¥ (557,348)	\$ (3,727,583)

b. Delaware Project 1 L.L.C., Delaware Project 2 L.L.C., and Delaware Project 3 L.L.C.

Delaware Project 1 L.L.C., Delaware Project 2 L.L.C., and Delaware Project 3 L.L.C. ("Delaware subsidiaries") made investments in SB Northstar, the asset management subsidiary of the Company, and the ownership ratio from Delaware subsidiaries to SB Northstar is 100%. Investment amounts and ownership ratio from non-controlling interests to each Delaware subsidiary and investment amounts and ownership ratio from each Delaware subsidiary to SB Northstar are the same. Financial figures of each Delaware subsidiary are combined and presented as (b) Summarized consolidated financial information. The financial figures are different from the amounts recorded in the consolidated financial statements of the Company and the financial figures of SB Northstar as these figures are affected by borrowing from SoftBank Group Corp., interest expenses, and other items.

In addition, non-controlling interests in Delaware subsidiaries are from Son Wealth Management Inc (an entity of which Masayoshi Son, Chairman & CEO of SoftBank Group Corp., holds more than one-half of the voting rights).

(a) General information

	As of March 31, 2024	As of March 31, 2025
Ownership ratio of the non-controlling interests (%)	33.3	33.3

	(Millions of yen)	(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025
Accumulated amount attributable to the non-controlling interests of subsidiary group	¥ (409,390)	¥ (428,268)

	(Millions of yen)	(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net income (loss) allocated to the non-controlling interests of subsidiary group	¥ 39,695	¥ (22,901)

(b) Summarized consolidated financial information

	(Millions of yen)	(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025
Current assets	¥ 601	¥ 553
Non-current assets	1,146,338	1,113,542
Current liabilities	2,373,235	2,397,035
Non-current liabilities	—	—
Equity	(1,226,296)	(1,282,940)

	(Millions of yen)	(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net sales	¥ —	¥ —
Net income (loss)	119,085	(68,713)
Comprehensive income	119,085	(68,713)

No dividends were paid to non-controlling interests by Delaware subsidiaries for the fiscal years ended March 31, 2024 and 2025.

	(Millions of yen)	(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net cash used in operating activities	¥ (25)	¥ (41)
Net cash used in investing activities	(1,079,805)	—
Net cash provided by financing activities	1,079,805	—
Effect of exchange rate changes on cash and cash equivalents	73	(7)
Increase (decrease) in cash and cash equivalent	¥ 48	¥ (48)

19. Investments accounted for using the equity method

(1) Summarized consolidated financial information and other information on the material associates

As of March 31, 2024 and 2025, there are no material associates, individually.

(2) Aggregated information on investment in immaterial associates and joint ventures

The aggregated information of immaterial investments accounted for using the equity method (total amount of the Company's interests), is as follows:

		(Millions of yen)	(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Carrying amount of the interests			
Associates	¥ 787,708	¥ 442,635	\$2,960,373
Joint ventures.	51,500	60,360	403,692
Total.	¥ 839,208	¥ 502,995	\$3,364,065

		(Millions of yen)	(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Net income (loss)			
Associates	¥ (26,640)	¥ (9,713)	\$ (64,961)
Joint ventures.	(12,001)	(3,644)	(24,372)
Total.	¥ (38,641)	¥ (13,357)	\$ (89,333)
Other comprehensive income, net of tax			
Associates	(2,597)	(1,742)	(11,651)
Joint ventures.	(285)	25	168
Total.	¥ (2,882)	¥ (1,717)	\$ (11,483)
Total comprehensive income			
Associates	(29,237)	(11,455)	(76,612)
Joint ventures.	(12,286)	(3,619)	(24,204)
Total.	¥ (41,523)	¥ (15,074)	\$ (100,816)

20. Structured entities

(1) Consolidated structured entities

The Company owns investment funds which are structured entities consolidated by the Company. These funds are structured as venture funds in the form of partnerships and limited partnerships for investment, and designed so that the voting rights or similar rights are not determinant in evaluating control. The Company evaluated that it controls the operation of those structured entities.

The details for major consolidated structured entities are described in “*1” in “(1) Organizational structure” under “Note 18. Major subsidiaries.”

In addition, please refer to “a. Consolidation of SVF1, SVF2, and LatAm Funds by the Company” in “(20) Material accounting policies for the SoftBank Vision Funds segment” under “Note 3. Material accounting policies” for the following entities that comprise the SVF1 and SVF2 business.

Company Name	Location
SoftBank Vision Fund L.P.	Bailiwick of Jersey
SoftBank Vision Fund (AIV M1) L.P.	U.S.
SoftBank Vision Fund (AIV M2) L.P.	U.S.
SoftBank Vision Fund (AIV M3) L.P.	U.S.
SoftBank Vision Fund II-2 L.P.	Bailiwick of Jersey

The Company is engaged in investment commitment contracts with certain consolidated structured entities.

The Company has not provided, nor intends to provide, any significant financial support or other significant support to the consolidated structured entities without contractual obligation.

(2) Unconsolidated structured entities

The Company owns investment funds, which are structured entities that are not consolidated by the Company. These funds are structured as venture funds in the form of partnerships, limited partnerships for investment and investment trusts, and designed so that the voting rights or similar rights are not determinant in evaluating control. Third parties control the operation of these structured entities. The funds are financed by the subscription by its partners.

The scale of the structured entities which are not consolidated, the carrying amount of the investment in the entities by the Company, and the potential maximum loss exposure to the Company are as follows:

		(Millions of yen)	(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Total assets of the unconsolidated structured entities (aggregate amount) .	¥3,963,596	¥3,575,498	\$23,913,175
The maximum loss exposure to the Company			
The carrying amount of the investment recognized by the Company	692,340	675,549	4,518,118
Commitment contracts related to additional investment	93,410	78,611	525,756
Total	¥ 785,750	¥ 754,160	\$ 5,043,874

In addition to the above, as of March 31, 2025, the Company has an investment in Aestas Management Company, LLC, an OpenAI Global, LLC employee shareholding vehicle. The investee is qualified as an unconsolidated structured entity. The maximum loss exposure of the Company to the unconsolidated structured entity is limited to the carrying amount of investment recognized by the Company, which is ¥366,348 million (\$2,450,161 thousand), and there is no commitment contract related to the additional investment.

The investments recognized by the Company are included in “Investments accounted for using the equity method,” “Investments from SVF (FVTPL),” or “Investment securities” in the consolidated statement of financial position. The Company did not recognize any liabilities related to unconsolidated structured entities.

The potential maximum loss exposure incurred from the involvement with the structured entities is limited to the total of the carrying amount of the Company’s investment and commitment regarding additional investment.

The Company’s maximum loss exposure represents the potential maximum loss amount, and does not indicate any estimated loss amount by being involved with structured entities.

The Company has not provided, nor intends to provide, any financial support or other significant support to the unconsolidated structured entities above without contractual obligation.

21. Income taxes

(1) Tax expenses

The components of income tax expenses are as follows:

		(Millions of yen)	(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Current tax expenses	¥(429,070)	¥(645,668)	\$(4,318,272)
Deferred tax expenses	580,486	544,055	3,638,677
Total	¥ 151,416	¥(101,613)	\$ (679,595)

Current tax expenses include benefit arising from tax loss, tax credit and certain temporary differences in the previous years that were previously unrecognized. The reduction of current tax expense for the fiscal year ended March 31, 2025 was ¥273,767 million (\$1,830,972 thousand) (for the fiscal year ended March 31, 2024: ¥252,684 million).

Deferred tax expenses include the amount of deferred tax expenses arising from write-off of deferred tax assets or reversal of the write-off of deferred tax assets recorded in the previous years. As a result, the increase in deferred tax expenses for the fiscal year ended March 31, 2025 was ¥93,478 million (\$625,187 thousand) (for the fiscal year ended March 31, 2024: ¥86,757 million of decrease).

In Japan, following the promulgation of the “Act on Partial Amendment of the Income Tax Act, etc. (Act No. 13 of 2025)” on March 31, 2025, the “Special Defense Corporate Tax” will be imposed starting from the fiscal year beginning on or after April 1, 2026. Accordingly, the statutory effective tax rate used in the calculation of deferred tax assets and deferred tax liabilities related to temporary differences expected to be resolved on or after April 1, 2026, will be changed from 31.5% to 32.3%. However, the impact of the tax rate change is not material.

(2) Reconciliation of the statutory effective tax rate and actual tax rate

The reconciliation of the statutory effective tax rate and actual tax rate is as follows. The actual tax rate represents the ratio of income tax expenses to income before income tax.

The presentation method used in the table below has been changed for the fiscal year ended March 31, 2025. In order to reflect the change, the presentation for the fiscal year ended March 31, 2024 has been reclassified accordingly.

	(Unit :%)	
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Statutory effective tax rate*.	31.5	31.5
Difference in subsidiaries' tax rates.	228.6	(19.7)
Temporary differences on investments in subsidiaries	(20.7)	(17.4)
Impact from recoverability assessment of deferred tax assets . . .	(114.7)	10.1
Impact of international tax regimes	(309.8)	3.6
Tax credits	(134.7)	(1.4)
Other	57.8	(0.7)
Actual tax rate	(262.0)	6.0

* The Company is subject to corporate taxes, residence taxes and deductible enterprise taxes. The statutory effective tax rate for the fiscal year ended March 31, 2025 based on these taxes is 31.5% (for the fiscal year ended March 31, 2024: 31.5%), except for foreign subsidiaries which are subject to income taxes at their respective locations.

(3) Movement of deferred tax assets and deferred tax liabilities

The movement of deferred tax assets and deferred tax liabilities is as follows:

For the fiscal year ended March 31, 2024

	(Millions of yen)						
	As of April 1, 2023	Recognized in profit or loss	Recognized in other comprehensive income	Recognized in equity	Exchange differences	Other	As of March 31, 2024
Deferred tax assets							
Property, plant, equipment and intangible assets	¥ 87,246	¥ 17,761	¥ –	¥ –	¥ 771	¥ (2,736)	¥ 103,042
Lease liabilities	208,853	6,526	–	–	328	258	215,965
Accrued expenses and other liabilities	127,937	41,673	202	–	2,066	415	172,293
Net operating loss carryforwards and tax credit carryforwards* ^{1,2}	613,758	(43,905)	–	24,215	7,047	4,870	605,985
Investment securities	15,701	94,513	–	–	77	(117)	110,174
Derivative financial liabilities	60,392	(60,392)	–	–	–	–	–
Unrealized gain	56,985	(11,066)	–	–	–	–	45,919
Share-based payment* ²	10,056	19,203	–	22,985	2,290	56	54,590
Allowance for doubtful accounts	21,017	10,134	–	–	2	19	31,172
Other	87,042	(5,733)	(236)	–	3,686	(39)	84,720
Total	1,288,987	68,714	(34)	47,200	16,267	2,726	1,423,860
Deferred tax liabilities							
Customer relationships	(175,507)	13,983	–	–	(2,805)	(6,607)	(170,936)
Trademarks	(122,367)	(5,077)	–	–	(113)	(2,759)	(130,316)
Technologies	(115,264)	13,743	–	–	(14,957)	(6,000)	(122,478)
Right-of-use assets	(205,294)	(9,077)	–	–	(319)	4,561	(210,129)
Temporary difference associated with investment in subsidiaries, associates and joint ventures	(30,095)	(7,858)	332	–	(484)	(185)	(38,290)
Investment securities	(1,871,158)	584,613	(359)	–	(10,182)	2,203	(1,294,883)
Derivative financial assets	(205,729)	(85,334)	–	–	(344)	–	(291,407)
Contract assets and costs to obtain contracts	(106,004)	6,743	–	–	–	–	(99,261)
Other	(75,303)	36	(32)	–	(668)	2,722	(73,245)
Total	(2,906,721)	511,772	(59)	–	(29,872)	(6,065)	(2,430,945)
Net	¥(1,617,734)	¥ 580,486	¥ (93)	¥ 47,200	¥ (13,605)	¥ (3,339)	¥ (1,007,085)

*1 The Company recognizes deferred tax assets of ¥105,632 million as of March 31, 2024 at entities that recorded a loss in either the fiscal year ended March 31, 2023 or 2024. Deferred tax assets are recognized to the extent that it is probable that taxable income will be available against which deductible temporary differences can be utilized.

*2 Changes in "Recognized in equity" under "Net operating loss carryforwards and tax credit carryforwards" and "Share-based payment" are the recognized amount of deferred tax assets associated with the restricted stock unit plans of Arm. The details of the restricted stock unit plans of Arm are described in "(2) Restricted stock unit plan" under "Note 35. Share-based payment transactions."

For the fiscal year ended March 31, 2025

(Millions of yen)

	As of April 1, 2024	Recognized in profit or loss	Recognized in other comprehensive income	Business combination*2	Loss of control*3	Exchange differences	Other	As of March 31, 2025
Deferred tax assets								
Property, plant, equipment and intangible assets	¥ 103,042	¥ (4,617)	¥ –	¥ 13,580	¥ (2,381)	¥ (238)	¥ –	¥ 109,386
Lease liabilities	215,965	(248)	–	34,322	(500)	(255)	(134)	249,150
Accrued expenses and other liabilities	172,293	25,422	(792)	472	(43,065)	(677)	(264)	153,389
Net operating loss carryforwards and tax credit carryforwards*1	605,985	(422,006)	–	70	(2,590)	(1,711)	4,760	184,508
Investment securities	110,174	(59,450)	(281)	–	–	(2)	(46)	50,395
Derivative financial liabilities	–	206,332	–	–	–	(146)	127	206,313
Unrealized gain	45,919	(12,752)	–	–	–	–	4	33,171
Share-based payment	54,590	(8,093)	–	–	–	(72)	(8,402)	38,023
Allowance for doubtful accounts	31,172	11,162	–	12	(19)	(5)	(18)	42,304
Other	84,720	29,442	3,636	504	(16,645)	(190)	(289)	101,178
Total	1,423,860	(234,808)	2,563	48,960	(65,200)	(3,296)	(4,262)	1,167,817
Deferred tax liabilities								
Customer relationships	(170,936)	10,030	–	(795)	–	326	–	(161,375)
Trademarks	(130,316)	(6,862)	–	(176)	–	36	–	(137,318)
Technologies	(122,478)	12,945	–	–	–	1,310	–	(108,223)
Right-of-use assets	(210,129)	1,134	–	(34,674)	868	212	225	(242,364)
Temporary difference associated with investment in subsidiaries, associates and joint ventures	(38,290)	(31,779)	(150,157)	–	–	413	194	(219,619)
Investment securities	(1,294,883)	521,487	2,985	–	15,658	652	623	(753,478)
Derivative financial assets	(291,407)	286,816	–	–	4,591	–	–	–
Contract assets and costs to obtain contracts	(99,261)	(21,773)	–	–	–	–	–	(121,034)
Other	(73,245)	6,865	(5,481)	(68,587)	233	499	(1,095)	(140,811)
Total	(2,430,945)	778,863	(152,653)	(104,232)	21,350	3,448	(53)	(1,884,222)
Net	¥(1,007,085)	¥ 544,055	¥(150,090)	¥ (55,272)	¥ (43,850)	¥ 152	¥ (4,315)	¥ (716,405)

(Thousands of U.S. dollars)

	As of April 1, 2024	Recognized in profit or loss	Recognized in other comprehensive income	Business combination* ²	Loss of control* ³	Exchange differences	Other	As of March 31, 2025
Deferred tax assets								
Property, plant, equipment and intangible assets	\$ 689,152	\$ (30,879)	\$ –	\$ 90,824	\$ (15,924)	\$ (1,592)	\$ –	\$ 731,581
Lease liabilities	1,444,389	(1,659)	–	229,548	(3,344)	(1,705)	(896)	1,666,333
Accrued expenses and other liabilities	1,152,307	170,024	(5,297)	3,157	(288,022)	(4,527)	(1,766)	1,025,876
Net operating loss carryforwards and tax credit carryforwards* ¹	4,052,869	(2,822,405)	–	468	(17,322)	(11,443)	31,835	1,234,002
Investment securities	736,851	(397,606)	(1,879)	–	–	(13)	(308)	337,045
Derivative financial liabilities	–	1,379,963	–	–	–	(976)	849	1,379,836
Unrealized gain	307,109	(85,286)	–	–	–	–	27	221,850
Share-based payment	365,102	(54,127)	–	–	–	(482)	(56,193)	254,300
Allowance for doubtful accounts	208,480	74,652	–	80	(127)	(33)	(120)	282,932
Other	566,613	196,910	24,318	3,371	(111,323)	(1,271)	(1,933)	676,685
Total	9,522,872	(1,570,413)	17,142	327,448	(436,062)	(22,042)	(28,505)	7,810,440
Deferred tax liabilities								
Customer relationships	(1,143,232)	67,081	–	(5,317)	–	2,181	–	(1,079,287)
Trademarks	(871,562)	(45,894)	–	(1,177)	–	241	–	(918,392)
Technologies	(819,141)	86,577	–	–	–	8,761	–	(723,803)
Right-of-use assets	(1,405,357)	7,584	–	(231,902)	5,805	1,418	1,505	(1,620,947)
Temporary difference associated with investment in subsidiaries, associates and joint ventures	(256,086)	(212,540)	(1,004,260)	–	–	2,762	1,297	(1,468,827)
Investment securities	(8,660,266)	3,487,741	19,964	–	104,722	4,359	4,167	(5,039,313)
Derivative financial assets	(1,948,950)	1,918,245	–	–	30,705	–	–	–
Contract assets and costs to obtain contracts	(663,864)	(145,619)	–	–	–	–	–	(809,483)
Other	(489,868)	45,915	(36,658)	(458,715)	1,558	3,337	(7,323)	(941,754)
Total	(16,258,326)	5,209,090	(1,020,954)	(697,111)	142,790	23,059	(354)	(12,601,806)
Net	\$ (6,735,454)	\$ 3,638,677	\$ (1,003,812)	\$ (369,663)	\$ (293,272)	\$ 1,017	\$ (28,859)	\$ (4,791,366)

*1 The Company recognizes deferred tax assets of ¥99,207 million (\$663,503 thousand) as of March 31, 2025 at entities that recorded a loss in either the fiscal year ended March 31, 2024 or 2025. Deferred tax assets are recognized to the extent that it is probable that taxable income will be available against which deductible temporary differences, net operating loss carryforwards and tax credit carryforwards can be utilized.

*2 Increases in "Business combinations" are mainly due to the consolidation of SBE Global. The details of the transaction are described in "4" under "Note 41. Other gain."

*3 Decreases in "Loss of control" are mainly due to the loss of control over Fortress. The details of the transaction are described in "2" under "Note 41. Other gain."

Deferred tax assets and liabilities recorded in the consolidated statement of financial position are as follows:

		(Millions of yen)	(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Deferred tax assets	¥ 245,954	¥ 207,987	\$ 1,391,031
Deferred tax liabilities	(1,253,039)	(924,392)	(6,182,397)
Net	¥(1,007,085)	¥ (716,405)	\$(4,791,366)

(4) Deductible temporary differences, net operating loss carryforwards and tax credit carryforwards for which no deferred tax assets have been recognized

Deductible temporary differences, net operating loss carryforwards, and tax credit carryforwards for which no deferred tax assets have been recognized are as follows. The amounts below are on a tax basis.

		(Millions of yen)	(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Deductible temporary differences	¥ 519,588	¥ 332,135	\$ 2,221,342
Net operating loss carryforwards	365,009	698,775	4,673,455
Tax credit carryforwards	18,150	3,895	26,050
Total	¥ 902,747	¥1,034,805	\$ 6,920,847

Expiration schedule of deductible temporary differences with an expiry date, for which no deferred tax assets have been recognized, is as follows.

		(Millions of yen)	(Thousands of U.S. dollars)
Deductible temporary differences (tax basis)	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
1st year	¥ –	¥ –	\$ –
2nd year	–	–	–
3rd year	–	–	–
4th year	–	1,793	11,992
5th year and thereafter	62,666	760	5,083
Total	¥ 62,666	¥ 2,553	\$ 17,075

Expiration schedule of net operating loss carryforwards and tax credit carryforwards for which no deferred tax assets have been recognized is as follows.

		(Millions of yen)	(Thousands of U.S. dollars)
Net operating loss carryforwards (tax basis)	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
1st year	¥ 3,902	¥ 2,750	\$ 18,392
2nd year	2,696	3,337	22,318
3rd year	3,484	627	4,193
4th year	671	50,974	340,918
5th year and thereafter and no expiry date	354,256	641,087	4,287,634
Total	¥365,009	¥698,775	\$4,673,455

		(Millions of yen)	(Thousands of U.S. dollars)
Tax credit carryforwards (tax basis)	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
1st year	¥ –	¥ –	\$ –
2nd year	–	–	–
3rd year	7,678	–	–
4th year	–	–	–
5th year and thereafter and no expiry date	10,472	3,895	26,050
Total	¥ 18,150	¥ 3,895	\$ 26,050

In addition to the above, total future deductible temporary differences (before multiplying by the tax rate) for which no deferred tax assets have been recognized that are related to the investment in subsidiaries, associates and joint ventures as of March 31, 2025 are ¥7,405,270 million (\$49,526,953 thousand) (as of March 31, 2024: ¥7,128,039 million).

(5) Future taxable temporary differences for which no deferred tax liabilities have been recognized that are related to the investment in subsidiaries and joint ventures

Total future taxable temporary differences (before multiplying by the tax rate) for which no deferred tax liabilities have been recognized that are related to the investment in subsidiaries and joint ventures as of March 31, 2025 are ¥8,442,858 million (\$56,466,413 thousand) (as of March 31, 2024: ¥7,410,759 million).

22. Interest-bearing debt

(1) Components of interest-bearing debt

The components of interest-bearing debt are as follows:

		(Millions of yen)	(Thousands of U.S. dollars)		
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025	Average interest rate (%) ^{*1}	Maturity ^{*2}
Current					
Short-term borrowings	¥ 1,100,158	¥ 1,581,598	\$ 10,577,836	4.00	—
Commercial paper	363,501	249,500	1,668,673	0.65	—
Current portion of long-term borrowings ^{*3}	1,787,792	1,684,117	11,263,490	2.48	—
Current portion of corporate bonds	824,791	1,116,482	7,467,108	2.49	—
Current portion of financial liabilities relating to sale of shares by prepaid forward contracts ^{*4,7,8}	4,194,733	997,843	6,673,642	3.33	—
Current portion of installment payables.	168	108	722	3.87	—
Total.	¥ 8,271,143	¥ 5,629,648	\$ 37,651,471		
Non-current					
Long-term borrowings ^{*5,6}	4,698,657	5,357,017	35,828,097	3.50	Jun. 2026-Nov. 2059
Corporate bonds ^{*8}	6,619,839	7,019,644	46,947,860	2.87	Apr. 2026-Apr. 2058
Financial liabilities relating to sale of shares by prepaid forward contracts ^{*7}	977,778	—	—	—	—
Installment payables.	107	21	140	4.96	Apr. 2026-Dec. 2027
Total.	¥12,296,381	¥12,376,682	\$ 82,776,097		

*1 Average interest rate represents the weighted-average interest rate to the balance as of March 31, 2025.

*2 Maturity represents the maturity of the outstanding balance as of March 31, 2025.

*3 For the fiscal year ended March 31, 2025, for certain collar transactions using Deutsche Telekom AG (“Deutsche Telekom”) shares, the maturity date for the borrowings and the settlement date for the collar contracts arrived. Subsequently, on those dates, ¥81,489 million (\$545,004 thousand) of current portion of long-term borrowings and ¥53,227 million (\$355,986 thousand) of derivative financial liabilities were repaid and settled by ¥59,019 million (\$394,723 thousand) of cash and ¥75,697 million (\$506,267 thousand) of Deutsche Telekom shares through a wholly-owned subsidiary of the Company.

*4 For the fiscal year ended March 31, 2025, prepaid forward contracts using T-Mobile shares matured and were settled by cash and “Current portion of financial liabilities relating to sale of shares by prepaid forward contracts” decreased by ¥432,165 million (\$2,890,349 thousand).

*5 In September 2023, Kronos I (UK) Limited entered into a loan commitment agreement for \$8.5 billion using 769,029,000 shares of Arm held by a wholly-owned subsidiary of Kronos I (UK) Limited and all of Kronos I (UK) Limited's assets except for certain assets specified in the agreement, as collateral, and borrowed the same amount. The loan agreement includes a cash collateral clause and a prepayment clause, which may be triggered under certain circumstances, such as a significant decrease in the fair value of pledged Arm shares. The loan is nonrecourse debt, and therefore, SoftBank Group Corp. will not be responsible for the borrowings.

In December 2024, Kronos I (UK) Limited made an amendment to the loan commitment agreement, increasing the borrowing commitment by \$5.0 billion and extending the repayment maturity by one year from September 2025 to September 2026. As of March 31, 2025, the entity does not make the additional borrowing of \$5.0 billion. As of March 31, 2025, the loan is recorded for ¥1,258,482 million (\$8,416,814 thousand) as long-term borrowings (as of March 31, 2024: ¥1,274,904 million of long-term borrowings).

*6 In February 2023, a wholly-owned subsidiary of the Company pledged 9,592,326,020 shares (after considering a share split) out of 19,148,580,700 shares (after considering a share split) of SoftBank Corp. held by the Company as collateral, and procured ¥500,000 million. The borrowings include a cash collateral clause and a prepayment clause, which may be triggered under certain circumstances, such as a significant decrease in the fair value of pledged SoftBank Corp. shares. The loan is nonrecourse debt, and therefore, SoftBank Group Corp. will not be responsible for the borrowings.

In February 2025, the wholly-owned subsidiary of the Company procured ¥300,000 million (\$2,006,421 thousand) additionally and made an amendment to the loan agreement, extending the repayment maturity by two years from February 2025 to February 2027. As of March 31, 2025, the loan is recorded for ¥795,974 million (\$5,323,529 thousand) as long-term borrowings.

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

*8 A summary of the issuance conditions of the bonds is as follows:

Company name / Name of bond	Date of issuance	Balance of issue amount*9	As of March 31, 2024 (Millions of yen)*10	As of March 31, 2025 (Millions of yen)*10	As of March 31, 2025 (Thousands of U.S. dollars)*10	Interest rate (%)	Date of maturity
SoftBank Group Corp.							
50th Unsecured Straight Bond	Apr. 20, 2016	¥ 30,000 million	¥ 29,969	¥ 29,985	\$ 200,542	2.48	Apr. 20, 2026
53rd Unsecured Straight Bond	Jun. 20, 2018	¥ –	409,857 (409,857)	–	–	1.57	Jun. 14, 2024
54th Unsecured Straight Bond	Jun. 12, 2018	¥ –	39,995 (39,995)	–	–	1.57	Jun. 12, 2024
55th Unsecured Straight Bond	Apr. 26, 2019	¥ 500,000 million	498,957	500,000 (500,000)	3,344,033 (3,344,033)	1.64	Apr. 25, 2025
56th Unsecured Straight Bond	Sep. 20, 2019	¥ 400,000 million	398,270	398,986	2,668,446	1.38	Sep. 17, 2026
57th Unsecured Straight Bond*11	Sep. 12, 2019	¥ 97,900 million	97,752	97,813	654,180	1.38	Sep. 11, 2026
58th Unsecured Straight Bond	Dec. 16, 2022	¥ 385,000 million	381,088	381,779	2,553,364	2.84	Dec. 14, 2029
59th Unsecured Straight Bond	Mar. 15, 2024	¥ 550,000 million	543,187	544,172	3,639,459	3.04	Mar. 14, 2031
60th Unsecured Straight Bond	Apr. 25, 2024	¥ 30,000 million	–	29,921	200,114	1.80	Apr. 23, 2027
61st Unsecured Straight Bond	Apr. 25, 2024	¥ 50,000 million	–	49,823	333,220	2.44	Apr. 25, 2029
62nd Unsecured Straight Bond	Apr. 25, 2024	¥ 20,000 million	–	19,922	133,240	2.90	Apr. 25, 2031
63rd Unsecured Straight Bond	Jun. 14, 2024	¥ 550,000 million	–	544,653	3,642,677	3.03	Jun. 13, 2031
64th Unsecured Straight Bond	Dec. 11, 2024	¥ 350,000 million	–	346,315	2,316,178	3.15	Dec. 11, 2031
USD-denominated Senior Notes due 2024*12,13	Sep. 19, 2017	\$ –	118,131 (118,131)	–	–	4.75	Sep. 19, 2024
USD-denominated Senior Notes due 2025*12	Jul. 28, 2015	\$ 574 million	86,737	85,799 (85,799)	573,830 (573,830)	6.00	Jul. 30, 2025
USD-denominated Senior Notes due 2025*12	Apr. 20, 2018	\$ 337 million	50,886	50,345 (50,345)	336,711 (336,711)	6.13	Apr. 20, 2025
USD-denominated Senior Notes due 2025*12	Jul. 6, 2021	\$ –	67,774 (67,774)	–	–	3.13	Jan. 6, 2025
USD-denominated Senior Notes due 2026*12	Jul. 6, 2021	\$ 669 million	100,816	99,787	667,382	4.00	Jul. 6, 2026
USD-denominated Senior Notes due 2027*12	Sep. 19, 2017	\$ 1,657 million	249,796	247,001	1,651,960	5.13	Sep. 19, 2027
USD-denominated Senior Notes due 2028*12	Apr. 3, 2018	\$ 466 million	70,204	69,413	464,239	6.25	Apr. 15, 2028
USD-denominated Senior Notes due 2028*12	Jul. 6, 2021	\$ 773 million	116,262	115,000	769,128	4.63	Jul. 6, 2028
USD-denominated Senior Notes due 2029	Jul. 8, 2024	\$ 400 million	–	59,267	396,382	6.75	Jul. 8, 2029
USD-denominated Senior Notes due 2031*12	Jul. 6, 2021	\$ 1,305 million	196,018	193,731	1,295,686	5.25	Jul. 6, 2031
USD-denominated Senior Notes due 2031	Jul. 8, 2024	\$ 500 million	–	74,252	496,602	7.00	Jul. 8, 2031
Euro-denominated Senior Notes due 2024*12	Jul. 6, 2021	€ –	104,043 (104,043)	–	–	2.13	Jul. 6, 2024
Euro-denominated Senior Notes due 2025	Jul. 28, 2015	€ 633 million	103,091	102,529 (102,529)	685,721 (685,721)	4.75	Jul. 30, 2025
Euro-denominated Senior Notes due 2025	Sep. 19, 2017	€ 702 million	114,344	113,718 (113,718)	760,554 (760,554)	3.13	Sep. 19, 2025
Euro-denominated Senior Notes due 2025	Apr. 20, 2018	€ 272 million	44,331	44,099 (44,099)	294,937 (294,937)	4.50	Apr. 20, 2025
Euro-denominated Senior Notes due 2027	Jul. 28, 2015	€ 211 million	34,218	34,025	227,562	5.25	Jul. 30, 2027
Euro-denominated Senior Notes due 2027*12	Jul. 6, 2021	€ 437 million	70,949	70,591	472,117	2.88	Jan. 6, 2027
Euro-denominated Senior Notes due 2028*12	Apr. 3, 2018	€ 1,054 million	171,246	170,236	1,138,550	5.00	Apr. 15, 2028

Company name / Name of bond	Date of issuance	Balance of issue amount* ⁹	As of March 31, 2024 (Millions of yen)* ¹⁰	As of March 31, 2025 (Millions of yen)* ¹⁰	As of March 31, 2025 (Thousands of U.S. dollars)* ¹⁰	Interest rate (%)	Date of maturity
Euro-denominated Senior Notes due 2029* ¹²	Sep. 19, 2017	€ 575 million	¥ 93,301	¥ 92,742	\$ 620,265	4.00	Sep. 19, 2029
Euro-denominated Senior Notes due 2029* ¹²	Jul. 6, 2021	€ 473 million	76,575	76,140	509,230	3.38	Jul. 6, 2029
Euro-denominated Senior Notes due 2029	Jul. 8, 2024	€ 450 million	—	72,289	483,474	5.38	Jan 8, 2029
Euro-denominated Senior Notes due 2032* ¹²	Jul. 6, 2021	€ 425 million	68,721	68,305	456,829	3.88	Jul. 6, 2032
Euro-denominated Senior Notes due 2032	Jul. 8, 2024	€ 450 million	—	72,232	483,093	5.75	Jul. 8, 2032
3rd Unsecured Subordinated Corporate Bond	Sep. 30, 2021	¥ 450,000 million	445,729	446,696	2,987,532	2.40	Sep. 29, 2028
4th Unsecured Subordinated Corporate Bond* ¹¹	Sep. 16, 2021	¥ 30,100 million	29,978	30,005	200,675	2.40	Sep. 15, 2028
5th Unsecured Subordinated Corporate Bond* ¹¹	Feb. 4, 2022	¥ 549,000 million	543,300	544,479	3,641,512	2.48	Feb. 2, 2029
4th Unsecured Subordinated Bonds with interest deferrable clause and early redeemable option (with a subordination provision)* ^{14,15}	Feb. 4, 2021	¥ 177,000 million	175,640	175,683	1,174,980	3.00	Feb. 4, 2056
5th Unsecured Subordinated Bonds with interest deferrable clause and early redeemable option (with a subordination provision)* ^{14,16}	Jun. 21, 2021	¥ 405,000 million	398,225	398,435	2,664,761	2.75	Jun. 21, 2056
6th Unsecured Subordinated Bonds with interest deferrable clause and early redeemable option (with a subordination provision)* ^{14,17}	Apr. 28, 2023	¥ 222,000 million	218,190	218,302	1,460,019	4.75	Apr. 26, 2058
Subtotal			6,147,580 (739,800)	6,668,470 (896,490)	44,599,184 (5,995,787)		
SoftBank Corp.							
6th Unsecured Straight Bond	Jul. 29, 2020	¥ 70,000 million	70,000	70,000 (70,000)	468,165 (468,165)	0.36	Jul. 29, 2025
8th Unsecured Straight Bond	Dec. 3, 2020	¥ 80,000 million	80,000	80,000 (80,000)	535,045 (535,045)	0.35	Dec. 3, 2025
19th Unsecured Straight Bond	Mar. 10, 2023	¥ 120,000 million	119,452	119,592	799,839	0.98	Mar. 10, 2028
21st Unsecured Straight Bond	Jul. 12, 2023	¥ 60,000 million	59,820	59,863	400,368	0.82	Jul. 12, 2028
24th Unsecured Straight Bond	Jan. 31, 2024	¥ 140,000 million	139,203	139,320	931,782	1.24	Jan. 31, 2031
26th Unsecured Straight Bond	May. 27, 2024	¥ 60,000 million	—	59,824	400,107	1.19	May. 25, 2029
27th Unsecured Straight Bond	Feb. 4, 2025	¥ 126,000 million	—	125,261	837,754	1.81	Feb. 4, 2032
Other Unsecured Straight Bonds	Mar. 18, 2020 - May. 27, 2024	¥ 370,000 million	359,305 (10,000)	369,422	2,470,720	0.24 - 1.30	Mar. 18, 2025 - Jul 12, 2033
Subtotal			827,780 (10,000)	1,023,282 (150,000)	6,843,780 (1,003,210))		
LY Corporation							
11th Unsecured Straight Bond	Jul. 31, 2019	¥ —	49,991 (49,991)	—	—	0.18	Jul. 31, 2024
12th Unsecured Straight Bond	Jul. 31, 2019	¥ 70,000 million	69,924	69,958	467,884	0.37	Jul. 31, 2026
13th Unsecured Straight Bond	Jul. 31, 2019	¥ 50,000 million	49,896	49,916	333,842	0.46	Jul. 31, 2029
16th Unsecured Straight Bond	Jun. 11, 2020	¥ 70,000 million	69,945	69,992 (69,992)	468,111 (468,111)	0.60	Jun. 11, 2025
19th Unsecured Straight Bond	Jul. 28, 2021	¥ 50,000 million	49,922	49,957	334,116	0.35	Jul. 28, 2026
23rd Unsecured Straight Bond	Sep. 28, 2022	¥ 50,000 million	49,804	49,861	333,474	0.76	Sep. 28, 2027
Other Unsecured Straight Bonds	Dec. 7, 2017 - Sep. 12, 2024	¥ 155,000 million	129,788 (25,000)	154,690	1,034,577	0.35 - 1.35	Dec. 6, 2024 - Jul. 28, 2031
Subtotal			469,270 (74,991)	444,374 (69,992)	2,972,004 (468,111)		
Total			¥ 7,444,630 (824,791)	¥ 8,136,126 (1,116,482)	\$ 54,414,968 (7,467,108)		

- *9 Balance of issue amount is as of March 31, 2025.
- *10 Figures in parentheses as of March 31, 2024 and 2025 represent the current portion.
- *11 SoftBank Group Corp. partially redeemed the 57th Unsecured Straight Bond and the 4th Unsecured Subordinated Corporate Bond on April 12, 2023, and the 5th Unsecured Subordinated Corporate Bond on April 28, 2023 before maturity dates, respectively.
- *12 SoftBank Group Corp. purchased a portion of the foreign-currency-denominated Senior Notes through the market. Accordingly, the purchases were completed, and as a result, these notes were derecognized as the requirement for the extinguishment was satisfied on the same date.
- *13 SoftBank Group Corp. redeemed the notes on July 8, 2024, before maturity date.
- *14 The interest rate stated above is at the time of issuance. The bond has a step-up coupon provision and its interest rate may increase in the future.
- *15 The bond has an early redeemable option at the Company's discretion from February 4, 2026 and at each interest date on or after February 4, 2026.
- *16 The bond has an early redeemable option at the Company's discretion from June 21, 2026 and at each interest date on or after June 21, 2026.
- *17 The bond has an early redeemable option at the Company's discretion from April 28, 2028 and at each interest date on or after April 28, 2028.

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

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

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

The aforementioned prepaid forward contracts are classified as hybrid financial instruments with embedded derivatives. The Company accounts for the contracts by bifurcating the main contracts and embedded derivatives, and the main contracts are recognized as financial liabilities relating to sale of shares by prepaid forward contracts then measured at amortized cost while the embedded derivatives are measured at fair value. Also, the call spread contracts are measured at fair value as well. In addition, for the derivative financial assets and the derivative financial liabilities recognized from the prepaid forward contracts and the call spread contracts, a tax effect is recognized. The ending balance of the derivative financial assets and the derivative financial liabilities recognized from the prepaid forward contracts and the call spread contracts are described in "(b) Price risk" in "a. Market risk" in "(2) Financial risk management" under "Note 28. Financial instruments."

Entities for fund procurement by using Alibaba shares have the option to settle all of the prepaid forward contracts by delivering cash, Alibaba shares, or a combination of cash and Alibaba shares. If Entities for fund procurement by using Alibaba shares elect cash settlement, Entities for fund

procurement by using Alibaba shares will pay the cash equivalent to the fair value of the number of shares subject to the settlement, as determined by reference to the market price of the shares.

Alibaba shares held by Entities for fund procurement by using Alibaba shares are pledged as collateral in accordance with all of the prepaid forward contracts, and except for a certain contract, the Company granted the right of use to the financial institutions with respect to such shares. However, the collateral can be released by cash settlement at the discretion of Entities for fund procurement by using Alibaba shares. The details are described in "*1" under "(4) Assets pledged as collateral."

For the fiscal year ended March 31, 2025, certain prepaid forward contracts matured, and Entities for fund procurement by using Alibaba shares settled them by Alibaba shares. As a result, ¥3,799,116 million (\$25,408,748 thousand) of current portion of financial liabilities relating to sale of shares by prepaid forward contracts, ¥274,577 million (\$1,836,390 thousand) of derivative financial liabilities (net), and ¥4,073,693 million (\$27,245,138 thousand) of Alibaba shares (for the fiscal year ended March 31, 2024: ¥356,925 million of current portion of financial liabilities relating to sale of shares by prepaid forward contracts, ¥231,618 million of derivative financial assets (net), and ¥125,307 million Alibaba shares) were derecognized as of the settlement date.

In addition, all of the floor contracts relating to sale of shares by prepaid forward contracts were terminated by March 31, 2024 and all of the collar contracts and the call spread contracts relating to sale of shares by prepaid forward contracts were terminated by March 31, 2025.

All of the remaining prepaid forward contracts using Alibaba shares matured by May 2025 and settled by Alibaba shares.

(3) Financial and other covenants

As of March 31, 2025, ¥3,715,774 million (\$24,851,351 thousand) of the long-term borrowings of the Company includes contracts with financial and other covenants. In the event of a breach of such financial and other covenants, the relevant contractual obligations could become due and payable.

a. Financial and other covenants on interest-bearing debts of SoftBank Group Corp.

SoftBank Group Corp.'s interest-bearing debt includes financial and other covenants, and the major financial and other covenants are as follows:

- (a) The consolidated statement of financial position of the Company at the end of the fiscal year must not show a net capital deficiency.
- (b) The amount of SoftBank Group Corp.'s net assets in the non-consolidated balance sheet at the end of the fiscal year must be maintained at ¥369.8 billion (\$2,473,248 thousand) or more.
- (c) The balance of the SoftBank Group Corp.'s cash and deposits at the end of the fiscal year and at the end of the second quarter ("Covenants Test Date") must be equal to or greater

than the funds required to redeem the bonds issued by SoftBank Group Corp. during the next 12 months following the Covenants Test Date.

b. Financial and other covenants on interest-bearing debts of SoftBank Corp.

SoftBank Corp.'s interest-bearing debt includes financial and other covenants, and the major financial and other covenants are as follows:

- (a) The amount of SoftBank Corp.'s equity in the consolidated statement of financial position at the end of the fiscal year and at the end of the second quarter must not fall below 75% of SoftBank Corp.'s equity at the end of the previous fiscal year and the second quarter.
- (b) The amount of SoftBank Corp.'s net assets in the non-consolidated balance sheet at the end of the fiscal year and at the end of the second quarter must not fall below 75% of SoftBank Corp.'s net assets at the same dates during the previous fiscal year and the second quarter.
- (c) In SoftBank Corp.'s consolidated statement of income, operating income (loss) or net income (loss) must not result in losses for two consecutive fiscal years.
- (d) In SoftBank Corp.'s non-consolidated statement of income, operating income (loss) or net income (loss) must not result in losses for two consecutive fiscal years.
- (e) Net leverage ratios*¹ of SoftBank Corp. must not exceed certain numbers at the end of the fiscal year and at the end of the second quarter.

*1 Net leverage ratio:
Net debt*² / adjusted EBITDA*³

*2 Net debt:
The total amount of interest-bearing debt shown in the consolidated statement of financial position of SoftBank Corp. after deducting cash and cash equivalents adjusted for certain items. Interest-bearing debt is adjusted for certain items, such as an exclusion of interest-bearing debt resulting from financing transactions using an asset securitization scheme.

*3 Adjusted EBITDA:
EBITDA adjusted for certain items as specified in the loan agreement with the financial institutions.

c. Financial and other covenants on interest-bearing debts of LY Corporation

LY Corporation's interest-bearing debt includes financial covenants and other covenants, and the major financial and other covenants are as follows:

- (a) The amount of LY Corporation's net assets in the non-consolidated balance sheet prepared in accordance with IFRS at the end of each fiscal year and at the end of the second quarter of each fiscal year must not fall below 75% of LY Corporation's net assets at the same date during the previous fiscal year.
- (b) The amount of LY Corporation's equity in the consolidated statement of financial position at the end of each fiscal year and at the end of the second quarter of each fiscal year must not fall below 75% of LY Corporation's equity at the same dates during the previous fiscal year.

- (c) The non-consolidated balance sheet prepared in accordance with IFRS of LY Corporation at the end of each fiscal year and at the end of the second quarter of each fiscal year must not show a net capital deficiency.
- (d) The consolidated statement of financial position of LY Corporation at the end of each fiscal year and at the end of the second quarter of each fiscal year must not show a net capital deficiency.
- (e) In LY Corporation's non-consolidated statement of profit or loss prepared in accordance with IFRS, operating income (loss) or net income (loss) at the end of each fiscal year must not result in losses for two consecutive fiscal years.
- (f) In LY Corporation's consolidated statement of profit or loss, operating income (loss) or net income (loss) at the end of each fiscal year must not result in losses for two consecutive fiscal years.
- (g) Net leverage ratios*¹ of LY Corporation must not exceed certain respective amounts or numbers at the end of each fiscal year and at the end of the second quarter of each fiscal year.

*1 Net leverage ratio:
Net debt*² / Adjusted EBITDA*³

*2 Net debt:
The total amount of interest-bearing debt shown in the consolidated statement of financial position of LY Corporation after deducting cash and cash equivalents. Interest-bearing debt is adjusted for certain items, such as an exclusion of interest-bearing debt resulting from financing transactions using an asset securitization scheme. Interest-bearing debt and cash and cash equivalents are adjusted not to include those of a financial subsidiary of LY Corporation.

*3 Adjusted EBITDA:
EBITDA adjusted for certain items as specified in the loan agreement with the financial institutions.

(4) Assets pledged as collateral

Assets pledged as collateral for liabilities are as follows:

		(Millions of yen)	(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Cash and cash equivalents	¥ 40	¥ 1,311	\$ 8,768
Trade and other receivables	33,613	33,114	221,469
Other financial assets (current)	3,100	59,577	398,455
Property, plant and equipment	4,572	4,413	29,514
Investment securities* ^{1,2,3}	5,210,271	2,292,821	15,334,544
Other financial assets (non-current)	4,682	—	—
Assets classified as held for sale* ^{1,2}	86	550,440	3,681,381
Total	¥5,256,364	¥2,941,676	\$19,674,131

Liabilities related to these assets pledged as collateral are as follows:

		(Millions of yen)	(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Interest-bearing debt			
Short-term borrowings	¥ —	¥ 29,796	\$ 199,278
Current portion of long-term borrowings* ²	83,259	368,936	2,467,469
Current portion of financial liabilities relating to sale of shares by prepaid forward contracts* ^{1,3}	4,131,011	997,843	6,673,642
Long-term borrowings* ²	500,581	228,669	1,529,354
Financial liabilities relating to sale of shares by prepaid forward contracts* ¹	977,778	—	—
Trade and other payables	1,837	1,787	11,952
Other current liabilities	498	383	2,562
Liabilities directly relating to assets classified as held for sale	86	—	—
Total	¥5,695,050	¥1,627,414	\$10,884,257

*1 As of March 31, 2025, Alibaba shares are pledged as collateral for ¥997,843 million (\$6,673,642 thousand) of current portion of financial liabilities relating to sale of shares by prepaid forward contracts (as of March 31, 2024: ¥3,698,847 million of current portion of financial liabilities relating to sale of shares by prepaid forward contracts and ¥977,778 million of financial liabilities relating to sale of shares by prepaid forward contracts). Alibaba shares pledged as collateral are recorded for ¥1,015,737 million (\$6,793,319 thousand) as "Investment securities" and for ¥533,818 million (\$3,570,211 thousand) as "Assets classified as held for sale" (as of March 31, 2024: ¥3,751,872 million as "Investment securities") in the consolidated statement of financial position as of March 31, 2025. The details are described in "(2) Transactions for sale of Alibaba shares by prepaid forward contracts."

*2 As of March 31, 2025, ¥1,038,860 million (\$6,947,967 thousand) (as of March 31, 2024: ¥828,036 million) of Deutsche Telekom shares held by a wholly-owned subsidiary of the Company is pledged as collateral for ¥343,868 million (\$2,299,813 thousand) of current portion of long-term borrowings and ¥65,499 million (\$438,062 thousand) of long-term borrowings by collar transactions using Deutsche Telekom shares (as of March 31, 2024: ¥82,819 million and ¥414,097 million, respectively). The details are described in "*3" under "(1) Components of interest-bearing debt."

*3 For the fiscal year ended March 31, 2025, prepaid forward contracts using T-Mobile shares, which a wholly-owned subsidiary of the Company entered into, matured and were settled. Subsequently, the collateral for the shares was cancelled. T-Mobile shares pledged as collateral were recorded for ¥612,886 million as "Investment securities" and financial liabilities relating to sale of shares by prepaid forward contracts were recorded for ¥432,165 million as "Current portion of financial liabilities relating to sale of shares by prepaid forward contracts" in the consolidated statement of financial position as of March 31, 2024.

Other than the above, the following assets are pledged as collateral.

a. SVF2

As of March 31, 2025, mainly the equity interests of subsidiaries of SVF2 are pledged as collateral for ¥501,245 million (\$3,352,361 thousand) of current portion of long-term borrowings (as of March 31, 2024: ¥547,894 million of long-term borrowings). The facility agreement for the long-term borrowings includes a margin call provision and a mandatory prepayment clause, which may be triggered under certain circumstances such as a significant decrease in the fair value of

investments SVF2 holds. The creditors would be able to enforce security and dispose of the equity interests of subsidiaries of SVF2 if the margin call clause or the mandatory prepayment clause were triggered and SVF2 did not pay the relevant amounts to creditors when due. The long-term borrowings are limited-recourse debts.

b. Arm

Kronos I (UK) Limited, a wholly-owned subsidiary of the Company, borrows \$8.5 billion as a margin loan using 769,029,000 shares of Arm held by a wholly-owned subsidiary of Kronos I (UK) Limited and all of Kronos I (UK) Limited's assets except for certain assets specified in the agreement as collaterals. The details of the margin loan are described in "*5" under "(1) Components of interest-bearing debt."

c. T-Mobile

The Company has pledged 18,000,000 shares of T-Mobile acquired through the merger transaction with Sprint Corporation ("Sprint") and T-Mobile US, Inc. (as of March 31, 2024 and 2025: ¥444,837 million and ¥717,813 million (\$4,800,783 thousand) respectively, as "Investment securities" in the consolidated statement of financial position) as collateral to secure certain of the Company's indemnity obligations undertaken in connection with the merger transaction.

d. SoftBank Corp.

As of March 31, 2025, a wholly-owned subsidiary of the Company procures funds using the shares of SoftBank Corp. as collateral.

9,592,326,020 shares out of 19,148,580,700 shares of SoftBank Corp. held by the Company are pledged as collateral for ¥795,974 million (\$5,323,529 thousand) of long-term borrowings (as of March 31, 2024: ¥498,781 million of current portion of long-term borrowings). The borrowings include a cash collateral clause and an early settlement clause and an early settlement may be elected by the creditors under certain circumstances such as a significant decrease in the fair value of pledged SoftBank Corp. shares. The creditors would be able to dispose of the asset pledged as collateral in the event where the early settlement is demanded and the wholly-owned subsidiary of the Company does not repay the borrowings, accordingly. The borrowings are non-recourse debts, and therefore, SoftBank Group Corp. will not be responsible for the borrowings.

(5) Assets with restrictions on rights

a. Assets for sale and leaseback transactions that are not accounted for as sales

Assets for sale and leaseback transactions that continue to be recognized as property, plant and equipment but of which the Company does not have legal title because the transactions are not accounted for as sales, are as follows:

		(Millions of yen)	(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Property, plant and equipment	¥ 815,955	¥ 743,783	\$ 4,974,472

The liabilities related to the assets of which the Company does not have legal title are as follows:

		(Millions of yen)	(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Interest-bearing debt			
Current portion of long-term borrowings .	¥ 227,348	¥ 214,481	\$ 1,434,464
Long-term borrowings	398,757	380,051	2,541,807
Total	¥ 626,105	¥ 594,532	\$ 3,976,271

b. Assets under lease contracts for intangible assets

Assets that are restricted from being transferred, subleased or pledged as collateral by the Company because they are acquired under lease contracts for the intangible assets are as follows:

		(Millions of yen)	(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Intangible assets	¥ 335,676	¥ 261,046	\$ 1,745,894

The liabilities related to the assets that are restricted from being transferred, subleased or pledged as collateral are as follows:

		(Millions of yen)	(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Interest-bearing debt			
Current portion of long-term borrowings .	¥ 108,110	¥ 94,774	\$ 633,855
Long-term borrowings	176,537	138,518	926,418
Total	¥ 284,647	¥ 233,292	\$ 1,560,273

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

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

		(Millions of yen)	(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Net increase (decrease) in short-term borrowings	¥ 181,074	¥ (371,723)	\$ (2,486,109)
Net increase (decrease) in commercial paper	21,000	(50,000)	(334,403)
Total	¥ 202,074	¥ (421,723)	\$ (2,820,512)

(7) Components of proceeds from interest-bearing debt

The components of "Proceeds from interest-bearing debt" in the consolidated statement of cash flows are as follows:

		(Millions of yen)	(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Proceeds from borrowings	¥ 3,543,563	¥ 3,756,443	\$ 25,123,348
Proceeds from issuance of corporate bonds .	1,032,000	1,557,222	10,414,807
Proceeds from procurement by prepaid forward contracts using shares	605,627	—	—
Total	¥ 5,181,190	¥ 5,313,665	\$ 35,538,155

(8) Components of repayment of interest-bearing debt

The components of "Repayment of interest-bearing debt" in the consolidated statement of cash flows are as follows:

		(Millions of yen)	(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Repayment of borrowings	¥(4,469,735)	¥(2,475,239)	\$(16,554,568)
Redemption of corporate bonds	(700,618)	(825,632)	(5,521,883)
Payments for settlement of financial liabilities relating to sale of shares by prepaid forward contracts*	(5,133)	(508,211)	(3,398,950)
Total	¥(5,175,486)	¥(3,809,082)	\$(25,475,401)

* The amount was primarily settled by cash due to the maturity of prepaid forward contracts using T-Mobile shares. The details are described in "4" under "(1) Components of interest-bearing debt."

23. Deposits for banking business

The components of deposits for a banking business are as follows:

		(Millions of yen)	(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Ordinary deposits	¥ 1,542,742	¥ 1,658,539	\$ 11,092,423
Time deposits	100,413	137,426	919,114
Total	¥ 1,643,155	¥ 1,795,965	\$ 12,011,537

24. Trade and other payables

The components of trade and other payables are as follows:

		(Millions of yen)	(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Trade payables.	¥ 1,970,363	¥ 2,196,284	\$ 14,688,898
Deposit received*	721,892	814,155	5,445,124
Other	18,274	25,910	173,288
Total	¥ 2,710,529	¥ 3,036,349	\$ 20,307,310

* For cashless payment services in the SoftBank business, the amount includes the balance charged by users and the balance of points granted through the use of the services expected to be used for external services.

25. Other financial liabilities

The components of other financial liabilities are as follows:

		(Millions of yen)	(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Current			
Borrowed securities in asset management subsidiaries	¥ 3,672	¥ 1,141	\$ 7,631
Other.	28,129	4,799	32,096
Total	¥ 31,801	¥ 5,940	\$ 39,727
Non-current			
Debt securities issued by subsidiaries*1	–	73,980	494,783
Long-term accounts payable	7,322	69,863	467,249
Payable to Tax Equity Investors*2	–	18,796	125,709
Long-term time deposits.	14,368	14,887	99,565
Other.	35,327	21,758	145,519
Total.	¥ 57,017	¥ 199,284	\$ 1,332,825

*1 These are debt instruments issued by SBE Global.

*2 The portion of future cash flows generated from the project that is expected to be allocated to the Tax Equity Investors is estimated and measured at amortized cost by SBE Global. The details of the Tax Equity are described in “*3” under “Note 41. Other gain.”

26. Other current liabilities and other non-current liabilities

The components of other current liabilities and other non-current liabilities are as follows:

		(Millions of yen)	(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Current			
Contract liabilities	¥ 171,368	¥ 184,265	\$ 1,232,377
Short-term accrued employee benefits	301,475	172,445	1,153,324
Consumption tax payable and other	70,549	77,864	520,760
Accrued interest expenses	56,423	73,227	489,747
Withholding income tax	133,335	50,701	339,092
Other.	68,135	71,215	476,291
Total.	¥ 801,285	¥ 629,717	\$ 4,211,591
Non-current			
Contract liabilities	192,987	170,652	1,141,332
Power purchase agreement liabilities*	–	39,439	263,771
Defined benefit liabilities	39,828	38,097	254,795
Long-term accrued employee benefits	34,299	26,928	180,096
Other.	44,879	29,491	197,238
Total.	¥ 311,993	¥ 304,607	\$ 2,037,232

* The amount represents liabilities recognized at the time of business combination with SBE Global, reflecting the fair value of unfavorable difference of future cash flows under long-term power purchase agreements with customers of SBE Global, compared to the market condition as of the acquisition date.

27. Provisions

The changes in the provisions are as follows:

(Millions of yen)

	Asset retirement obligations	Provision for loss on contract	Asbestos claims liabilities	Other	Total
As of April 1, 2024	¥ 81,742	¥ 53,557	¥ 75,005	¥ 2,302	¥ 212,606
Recognition of provisions	6,429	44,954	–	12,605	63,988
Business combination	28,352	–	–	314	28,666
Loss of control* ¹	(328)	–	(75,005)	(10)	(75,343)
Interest due to passage of time	178	–	–	–	178
Used	(13,544)	(15,187)	–	(12,463)	(41,194)
Reversal of provisions	–	–	–	(18)	(18)
Change in estimate* ^{2,3}	12,227	3,461	–	–	15,688
Exchange differences	(142)	–	–	(27)	(169)
Other	1,403	–	–	3,678	5,081
As of March 31, 2025	¥ 116,317	¥ 86,785	¥ –	¥ 6,381	¥ 209,483
Current liabilities	¥ 12,420	¥ 35,477	¥ –	¥ 6,150	¥ 54,047
Non-current liabilities	103,897	51,308	–	231	155,436
Total	¥ 116,317	¥ 86,785	¥ –	¥ 6,381	¥ 209,483

(Thousands of U.S. dollars)

	Asset retirement obligations	Provision for loss on contract	Asbestos claims liabilities	Other	Total
As of April 1, 2024	\$ 546,696	\$ 358,193	\$ 501,639	\$ 15,395	\$ 1,421,923
Recognition of provisions	42,998	300,656	–	84,303	427,957
Business combination	189,620	–	–	2,100	191,720
Loss of control* ¹	(2,194)	–	(501,639)	(66)	(503,899)
Interest due to passage of time	1,190	–	–	–	1,190
Used	(90,583)	(101,572)	–	(83,353)	(275,508)
Reversal of provisions	–	–	–	(120)	(120)
Change in estimate* ^{2,3}	81,775	23,147	–	–	104,922
Exchange differences	(949)	–	–	(181)	(1,130)
Other	9,383	–	–	24,599	33,982
As of March 31, 2025	\$ 777,936	\$ 580,424	\$ –	\$ 42,677	\$ 1,401,037
Current liabilities	\$ 83,066	\$ 237,273	\$ –	\$ 41,131	\$ 361,470
Non-current liabilities	694,870	343,151	–	1,546	1,039,567
Total	\$ 777,936	\$ 580,424	\$ –	\$ 42,677	\$ 1,401,037

- *1 Regarding the decrease in "Loss of control" of "Asbestos claims liabilities," it is due to the loss of control over Fortress. The details of the transaction are described in "*2" under "Note 41. Other gain."
- *2 Regarding the "Change in estimate" of "Asset retirement obligations," SoftBank Corp. revised estimates of restoration costs for certain equipment based on the increased probability of the removal of certain network equipment after consideration of the efficient operation of network equipment and due to changing environment such as rise in prices.
- *3 Regarding the "Change in estimate" of "Provision for loss on contract," SoftBank Corp. reviewed the exercise rate and the period of trade-in program, as well as the expected sales price of devices based on past performance.

Asset retirement obligations

Asset retirement obligations are recognized by the reasonably estimated amount required for the removal of equipment, such as part of base stations, certain offices (including the head office), data centers, and network centers. The estimate of the amount for the removal of equipment and the timing of the payment is based on the current business plans and assumptions and is subject to change depending on revised future assumptions.

Provision for loss on contract

In mobile services, provision for loss on contract is recognized by estimating the losses based on forecasts of the exercise rate and period of trade-in programs in order to prepare for losses resulting from the difference between the sales price of devices received from customers and residual installment receivables from customers. The sales price of the devices and the amount of the residual installment receivables may fluctuate due to changes in the market environment and other factors.

28. Financial instruments

(1) Capital management

Our policy is to realize and maintain optimum capital composition to maintain mid- and long-term sustainable growth and maximize our corporate value.

Major indicators used for our capital management are as follows:

- Equity capital
- Equity capital ratio

Note:

Equity capital is the amount of "Equity attributable to owners of the parent." Equity capital ratio is calculated by dividing "Equity attributable to owners of the parent" by "Total liabilities and equity."

Equity capital and the equity capital ratio are as follows:

		(Millions of yen)	(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Equity capital.	¥11,162,125	¥11,561,541	\$77,324,378
Equity capital ratio (%)	23.9	25.7	25.7

The Company is not subject to significant regulatory capital requirements imposed by outside institutions other than general capital requirements under the Companies Act of Japan and other laws. The details regarding the financial covenants related to interest-bearing debt are described in "(3) Financial and other covenants" under "Note 22. Interest-bearing debt."

(2) Financial risk management

As the Company operates in a wide range of markets, the Company faces a variety of financial risks (foreign exchange risk, price risk, interest rate risk, credit risk, and liquidity risk) in its operations. The Company manages its risks based on established policies to prevent and reduce these financial risks.

Derivative transactions, which were entered into by the Company, are conducted and controlled based on the Company's finance regulations and are limited to the extent of actual demands.

a. Market risk

(a) Foreign exchange risk

The Company is engaged in international businesses through investments, financial contributions and the establishment of joint ventures. As an investment business, the Company holds a large number of investments which includes investments denominated in foreign currencies, mainly through foreign subsidiaries. Also, the Company undertakes transactions denominated in foreign currencies with foreign parties and through lending to and borrowing from foreign subsidiaries. Consequently, there is foreign exchange risk that arises from changes in currency rates mainly in the U.S. dollars, Chinese yuan, and Euro currencies.

To manage this risk, the Company continuously monitors exchange rates and manages exchange rate exposures. The Company also enters into foreign currency forward contracts, and foreign currency swap contracts to hedge the risk.

i. Foreign exchange sensitivity analysis

The net exposure to foreign exchange risk on financial instruments against Japanese yen is as follows. The exposure does not include the amounts which are hedged against foreign exchange risk through derivative transactions.

U.S. dollars

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Net exposure affecting income before income tax [in liability position]	¥(1,087,827)	¥(3,259,862)	\$ (21,802,180)
Net exposure affecting other comprehensive income [in asset position]	54,054	2,343	15,670

Euro currencies

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Net exposure affecting income before income tax [in liability position]	¥ (145,303)	¥ (143,176)	\$ (957,571)
Net exposure affecting other comprehensive income [in asset position]	3,217	—	—

In addition to the above, the net exposure to foreign exchange risk on financial instruments against U.S. dollars is as follows. The exposure does not include the amounts which are hedged against foreign exchange risk through derivative transactions.

Chinese yuan

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Net exposure affecting income before income tax [in asset position]	¥1,513,671	¥ 1,503,686	\$10,056,755

Euro currencies

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Net exposure affecting income before income tax [in asset position]	¥ 658,286	¥ 906,662	\$ 6,063,818
Net exposure affecting other comprehensive income [in asset position]	4,226	4,183	27,976

Indian rupee

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Net exposure affecting income before income tax [in asset position]	¥ 748,690	¥ 645,271	\$ 4,315,617

Net exposure affecting income before income tax comprises the foreign exchange risk exposures from monetary financial instruments denominated in a foreign currency (including those used in internal transactions) whose exchange differences are recognized in profit or loss and the foreign exchange risk exposures from derivatives related to forecast transactions.

Net exposure affecting other comprehensive income comprises the foreign exchange risk exposures from financial assets whose exchange differences are recognized in other comprehensive income.

The table below presents the effect of a 1% appreciation of the Japanese yen on income before income tax and other comprehensive income before tax effect regarding the financial instruments with the above foreign exchange risk exposure, assuming that all other factors remain constant. The analysis does not include the effect of translating assets and liabilities of foreign operations into the presentation currency, which is detailed in “(3) Foreign exchange sensitivity analysis for exchange differences on translating foreign operations” under “Note 32. Foreign currency exchange rates.”

U.S. dollars

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Increase in income before income tax	¥ 10,878	¥ 32,599	\$ 218,024
Decrease in other comprehensive income before tax effect	(541)	(23)	(154)

Euro currencies

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Increase in income before income tax	¥ 1,453	¥ 1,432	\$ 9,577
Decrease in other comprehensive income before tax effect	(32)	—	—

The table below presents the effect of a 1% appreciation of the U.S. dollar against the Chinese yuan on income before income tax:

Chinese yuan

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Decrease in income before income tax	¥(15,137)	¥(15,037)	\$(100,568)

The table below presents the effect of a 1% appreciation of the U.S. dollar against the Euro currencies on income before income tax and other comprehensive income before tax effect:

Euro currencies

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Decrease in income before income tax	¥ (6,583)	¥ (9,067)	\$ (60,641)
Decrease in other comprehensive income before tax effect	(42)	(42)	(281)

The table below presents the effect of a 1% appreciation of the U.S. dollar against the Indian rupee on income before income tax:

Indian rupee

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Decrease in income before income tax	¥ (7,487)	¥ (6,453)	\$ (43,158)

ii. Foreign currency exchange contracts

Foreign currency forward contracts and foreign currency swap contracts are entered into to reduce exposure to foreign exchange risk on the amount to be paid or received in certain transactions denominated in foreign currencies.

The details of foreign currency exchange contracts are as follows.

Foreign currency exchange contracts to which hedge accounting is applied

As of March 31, 2024

							(Millions of yen)
	Contract amounts (of which: maturing in more than one year)	Carrying amount (fair value)		Changes in the fair value of hedging instruments used for recognition of the ineffective portion of hedging instruments	Average rate		
		Assets	Liabilities				
Foreign currency forward contracts							
Long - U.S. dollars (Functional Currency: Yen) .	¥ 3,299 (-)	¥ 78	¥ -	¥ 79	¥139.87 per \$1		
Long - Great Britain pound (Functional Currency: U.S. dollars).....	139,133 (-)	597	574	(1,220)	\$0.79 per £1		
Currency swap contracts							
Receipt in U.S. dollars / payment in yen	566,980 (424,263)	149,571	-	81,725	¥119.22 per \$1		
Receipt in Euro currencies/ payment in yen	613,776 (519,544)	89,967	-	85,610	¥138.81 per €1		
Total	¥1,323,188 (943,807)	¥ 240,213	¥ 574	¥ 166,194			

As of March 31, 2025

(Millions of yen)					
	Contract amounts (of which: maturing in more than one year)	Carrying amount (fair value)		Changes in the fair value of hedging instruments used for recognition of the ineffective portion of hedging instruments	Average rate
		Assets	Liabilities		
Foreign currency forward contracts					
Long - U.S. dollars (Functional Currency: Yen) .	¥ 1,595 (-)	¥ 7	¥ 21	¥ (92)	¥147.73 per \$1
Long - Great Britain pound (Functional Currency: U.S. dollars)	63,932 (-)	981	277	681	\$0.78 per £1
Long - Euro currencies (Functional Currency: U.S. dollars)	806 (-)	3	-	3	\$0.93 per €1
Currency swap contracts					
Receipt in U.S. dollars / payment in yen	634,576 (527,101)	121,250	9,851	(38,172)	¥129.23 per \$1
Receipt in Euro currencies/ payment in yen	675,906 (461,426)	101,026	7,475	3,584	¥144.34 per €1
Total	¥1,376,815 (988,527)	¥223,267	¥ 17,624	¥ (33,996)	

(Thousands of U.S. dollars)				
	Contract amounts (of which: maturing in more than one year)	Carrying amount (fair value)		Changes in the fair value of hedging instruments used for recognition of the ineffective portion of hedging instruments
		Assets	Liabilities	
Foreign currency forward contracts				
Long - U.S. dollars (Functional Currency: Yen) .	\$ 10,667 (-)	\$ 47	\$ 140	\$ (615)
Long - Great Britain pound (Functional Currency: U.S. dollars)	427,582 (-)	6,561	1,853	4,554
Long - Euro currencies (Functional Currency: U.S. dollars)	5,391 (-)	20	-	20
Currency swap contracts				
Receipt in U.S. dollars / payment in yen	4,244,087 (3,525,287)	810,928	65,885	(255,297)
Receipt in Euro currencies/ payment in yen	4,520,506 (3,086,049)	675,669	49,993	23,970
Total	\$9,208,233 (6,611,336)	\$1,493,225	\$ 117,871	\$ (227,368)

The carrying amounts of the derivative instruments designated as hedging instruments are recorded as “Derivative financial assets” and “Derivative financial liabilities” in the consolidated statement of financial position. The outstanding amounts of those maturing in more than one year are classified as non-current assets and non-current liabilities.

The above foreign currency exchange contracts are designated as cash flow hedges. At the inception of the hedging relationship, the appropriate hedge ratio of the hedging relationship is determined based on the quantity of the hedged items and the quantity of the hedging instruments, basically in the ratio of one to one.

For the purpose of hedge effectiveness assessment, the Company conducts the qualitative assessments as to whether the significant conditions of hedged items and hedging instruments are met or closely matched, or the quantitative assessments as to whether the changes in values of the hedged items and hedging instruments offset each other against the same risk. The Company confirms if there is an economic relationship between the hedged items and hedging instruments through them. Any ineffective portion of the hedge has no significance in amounts. The change in values of hedged items used as a basis to recognize the ineffective portion are similar to the changes in fair value of hedging instruments.

Changes in the accumulated other comprehensive income after tax effect related to the derivatives designated as hedging instruments are as follows:

		(Millions of yen)	(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Foreign currency forward contracts			
Balance at the beginning of the period .	¥ 1,023	¥ (68)	\$ (455)
Amount incurred.	(2,233)	(429)	(2,870)
Reclassification adjustments*1.	1,142	886	5,926
Balance at the end of the period*2	(68)	389	2,601
Currency swap contracts			
Balance at the beginning of the period .	(69,861)	(44,877)	(300,140)
Amount incurred.	148,190	(321)	(2,147)
Reclassification adjustments*1.	(123,206)	34,893	233,366
Balance at the end of the period*2	(44,877)	(10,305)	(68,921)
Total.	¥ (44,945)	¥ (9,916)	\$ (66,320)

*1 Reclassification adjustments are the amounts of accumulated other comprehensive income transferred to profit or loss relating to the hedged item when the hedged item affects profit or loss, and are recorded as “Foreign exchange gain (loss)” and “Other gain” in the consolidated statement of profit or loss. For the fiscal year ended March 31, 2025, the amount of ¥1,484 million (\$9,925 thousand) (for the fiscal year ended March 31, 2024: ¥1,488 million) transferred from cash flow hedges, which arise from the discontinued hedging relationships, to profit or loss is included in reclassification adjustments. The hedging accounting is discontinued when a forecasted transaction is no longer expected to occur, although hedge accounting has been applied.

*2 As of March 31, 2025, accumulated other comprehensive income after tax effect includes ¥839 million (\$5,611 thousand) (as of March 31, 2024: ¥2,323 million) related to discontinued hedging accounting.

Foreign currency exchange contracts to which hedge accounting is not applied

		(Millions of yen)			(Thousands of U.S. dollars)		
		As of March 31, 2024			As of March 31, 2025		
	Contract amounts (of which: maturing in more than one year)	Carrying amount (fair value)		Contract amounts (of which: maturing in more than one year)	Carrying amount (fair value)		Contract amounts (of which: maturing in more than one year)
		Assets	Liabilities		Assets	Liabilities	Assets
Foreign currency forward contracts	¥ 128,021 (70,160)	¥ 2,787	¥ 4	¥ 74,577 (1,469)	¥ –	¥ 744	\$ 498,776 (9,825)
Currency swap contracts.	75,099 (1,659)	1,247	299	1,659 (1,212)	574	–	11,096 (8,106)
Foreign exchange margin transactions*	51,218 (–)	2,317	976	70,009 (–)	4,951	1,907	468,225 (–)
Total.	¥ 254,338 (71,819)	¥ 6,351	¥ 1,279	¥ 146,245 (2,681)	¥ 5,525	¥ 2,651	\$ 978,097 (17,931)

* Contract amounts include contract amounts related to transactions with customers and contract amounts for cover transactions with financial institutions to mitigate related risks.

(b) Price risk

As part of the business strategy, the Company holds securities traded in active markets, including listed stock, and is exposed to market price fluctuation risk.

The Company manages this risk by continuously monitoring the financial condition of security issuers and stock market fluctuations.

i. Price sensitivity analysis for securities

The tables below present the effect of a 10% decrease in market price regarding the securities traded in active markets (excluding securities subject to insignificant risk of change in value such as MMF) on income before income tax and other comprehensive income before tax effect, assuming that all other factors remain constant.

(i) Securities held for trading

		(Millions of yen)	(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Decrease in income before income tax.	¥ (1,852)	¥ (26,966)	\$ (180,350)

(ii) Other securities

		(Millions of yen)	(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Decrease in income before income tax.	¥(1,056,722)	¥(1,012,472)	\$ (6,771,483)
Decrease in other comprehensive income before tax effect	(2,666)	(3,821)	(25,555)

ii. Price sensitivity analysis for derivative instruments (excluding contracts classified within level 3 of the fair value hierarchy)

The Company has entered into prepaid forward contracts which are settled by Alibaba shares held by the Company. The contracts include collar contracts where a cap and a floor are set for the number of shares settled, floor contracts where a floor is set for the number of shares settled and forward contracts where the number of shares settled is fixed. Also, the Company has entered into call spread contracts associated with the prepaid forward contracts which are settled by Alibaba shares. The collar, the floor, the forward and the call spread contracts are classified as a derivative instrument and their fair values are affected by the price of Alibaba shares. Derivative gain and loss, which occurs depending on fluctuation of the price of Alibaba shares, are recognized through profit or loss.

Regarding the floor, collar, and call spread contracts related to the prepaid forward contracts, the floor contracts were fully terminated by March 31, 2024, and the collar and call spread contracts were fully terminated by March 31, 2025.

Fair values of the collar, the forward and the call spread contracts are composed of intrinsic value and time value. As of March 31, 2025, the effect of a 10% increase and a 10% decrease in the price of Alibaba shares on income before income tax due to fluctuation of intrinsic value are a loss of ¥154,951 million (\$1,036,323 thousand) (as of March 31, 2024: ¥372,789 million) and a gain of ¥154,951 million (\$1,036,323 thousand) (as of March 31, 2024: ¥373,124 million), respectively, assuming that all other factors remain constant.

In addition, all prepaid forward contracts using Alibaba shares matured and were physically settled by May 2025. The details of the prepaid forward contracts using Alibaba shares are described in “(2) Transactions for sale of Alibaba shares by prepaid forward contracts” under “Note 22. Interest-bearing debt.”

iii. Option contracts

The details of option contracts are as follows:

Option contracts to which hedge accounting is not applied

	(Millions of yen)				(Thousands of U.S. dollars)	
	As of March 31, 2024		As of March 31, 2025		As of March 31, 2025	
	Carrying amount (fair value)		Carrying amount (fair value)		Carrying amount (fair value)	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Long call option	¥ 49,416	¥ –	¥ 6,419	¥ –	\$ 42,931	\$ –
Short call option	–	12,966	–	23,624	–	157,999
Long put option.	31,430	–	30,967	–	207,109	–
Short put option	–	4,724	–	18,633	–	124,619
Prepaid forward contracts using Alibaba shares*1	394,972	–	–	–	–	–
Call spread contracts relating to prepaid forward contracts using Alibaba shares*1.	1	–	–	–	–	–
Short call option for T-Mobile shares to Deutsche Telekom*2	–	70,699	–	–	–	–
Prepaid forward contracts using T-Mobile shares*3	–	28,257	–	–	–	–
Others	11	15,616	9	–	60	–
Total	¥475,830	¥ 132,262	¥ 37,395	¥ 42,257	\$ 250,100	\$ 282,618

*1 The details of prepaid forward contracts using Alibaba shares and call spread contracts relating to prepaid forward contracts using Alibaba shares are described in “(2) Transactions for sale of Alibaba shares by prepaid forward contracts” under “Note 22. Interest bearing debt.”

*2 On June 7, 2024, Deutsche Telekom partially exercised options to purchase T-Mobile shares granted by the Company and the Company sold 6,728,701 shares of T-Mobile. All remaining short call options expired on June 22, 2024.

*3 The prepaid forward contracts using T-Mobile shares are settled by reference to the market price of the T-Mobile shares at the valuation dates prior to the settlement dates. They are collar contracts which a cap and a floor are set for the price of shares settled.

iv. Swap contracts

The details of swap contracts are as follows:

Swap contracts to which hedge accounting is not applied

	(Millions of yen)				(Thousands of U.S. dollars)	
	As of March 31, 2024		As of March 31, 2025		As of March 31, 2025	
	Carrying amount (fair value)		Carrying amount (fair value)		Carrying amount (fair value)	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Swap contracts related to electricity sales price.	¥ –	¥ –	¥ –	¥ 18,675	\$ –	\$ 124,900

v. Forward contracts

The details of forward contracts are as follows:

Forward contracts to which hedge accounting is not applied

	(Millions of yen)				(Thousands of U.S. dollars)	
	As of March 31, 2024		As of March 31, 2025		As of March 31, 2025	
	Carrying amount (fair value)		Carrying amount (fair value)		Carrying amount (fair value)	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Prepaid forward contracts using Alibaba shares*	¥ 514,848	¥ 54,688	¥ –	¥ 551,943	\$ –	\$ 3,691,432
Other	–	–	2,468	–	16,506	–
Total	¥ 514,848	¥ 54,688	¥ 2,468	¥ 551,943	\$ 16,506	\$ 3,691,432

* The details of prepaid forward contracts using Alibaba shares are described in “(2) Transactions for sale of Alibaba shares by prepaid forward contracts” under “Note 22. Interest-bearing debt.”

vi. Collar contracts using shares

The details of collar contracts using shares are as follows:

Collar contracts using shares to which hedge accounting is not applied

	(Millions of yen)				(Thousands of U.S. dollars)	
	As of March 31, 2024		As of March 31, 2025		As of March 31, 2025	
	Carrying amount (fair value)		Carrying amount (fair value)		Carrying amount (fair value)	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Collar contracts using Deutsche Telekom shares	¥ –	¥ 46,837	¥ –	¥ 308,374	\$ –	\$ 2,062,426

(c) Interest rate risk

The Company raises funds through interest-bearing debts. Certain interest-bearing debts are subject to floating interest rates and are exposed to interest rate risk.

Interest-bearing debts with floating interest rates have the risk of increased interest expenses due to rising interest rates. In order to prevent interest rate risk, the Company maintains an appropriate mixture of fixed and floating interest rate debts. In addition, in order to reduce interest rate risk, for certain interest-bearing debts with floating interest rates, the Company also utilizes derivative transactions, such as interest rate swaps converting floating interests into fixed interests. For floating interest rate debts, the Company continuously monitors interest rate fluctuations.

i. Interest rate sensitivity analysis

The table below presents the effect of a 1% increase in interest rates regarding the floating interest rate debts on "Income before income tax" in the consolidated statement of profit or loss, assuming that all other factors remain constant. The analysis does not include floating interest rate debts whose interests are fixed by interest rate swaps and other derivative transactions.

		(Millions of yen)	(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Decrease in income before income tax	¥ (37,529)	¥ (47,074)	\$ (314,834)

ii. Interest rate contracts

The details of interest rate contracts are as follows:

Interest rate contracts to which hedge accounting is applied

(Millions of yen)											(Thousands of U.S. dollars)			
As of March 31, 2024						As of March 31, 2025					As of March 31, 2025			
Contract amounts (of which: maturing in more than one year)	Carrying amount (fair value)		Changes in the fair value of hedging instruments used for recognition of the ineffective portion of hedging instruments	Average rate	Contract amounts (of which: maturing in more than one year)	Carrying amount (fair value)		Changes in the fair value of hedging instruments used for recognition of the ineffective portion of hedging instruments	Average rate	Contract amounts (of which: maturing in more than one year)	Carrying amount (fair value)		Changes in the fair value of hedging instruments used for recognition of the ineffective portion of hedging instruments	
	Assets	Liabilities				Assets	Liabilities				Assets	Liabilities		
Interest rate swap Receipt in floating rate/ Payment in fixed rate	¥815,000 (470,000)	¥ 396	¥ 591	¥ 1,946	1.72 %	¥570,000 (485,000)	¥ 9,767	¥ –	¥ 9,962	1.62 %	\$3,812,199 (3,243,713)	\$ 65,322	\$ –	\$66,627

The carrying amounts of the derivative instruments designated as hedging instruments are recorded as “Derivative financial assets” and “Derivative financial liabilities” in the consolidated statement of financial position. The outstanding amounts of those maturing in more than one year are classified as non-current assets and non-current liabilities.

The above interest rate contracts are designated as cash flow hedges. At the inception of the hedging relationship, the appropriate hedge ratio of the hedging relationship is determined based on the quantity of the hedged items and the quantity of the hedging instruments, basically in the ratio of one to one.

For the purpose of hedge effectiveness assessment, the Company conducts the qualitative assessments as to whether the significant conditions of hedged items and hedging instruments are met or closely matched, or the quantitative assessments as to whether the changes in values of the hedged items and hedging instruments offset each other against the same risk. The Company confirms if there is an economic relationship between the hedged items and hedging instruments through them. Any ineffective portion of the hedge has no significance in amounts. The change in values of hedged items used as a basis to recognize the ineffective portion are similar to the changes in fair value of hedging instruments.

Changes in the accumulated other comprehensive income after tax effect related to the derivatives designated as hedging instruments are as follows:

		(Millions of yen)	(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Interest rate swap			
Balance at the beginning of the period	¥ (2,760)	¥ (3,085)	\$(20,633)
Amount incurred	(4,693)	2,669	17,851
Reclassification adjustments*1	4,368	197	1,318
Balance at the end of the period*2	¥ (3,085)	¥ (219)	\$ (1,464)

*1 Reclassification adjustments represent amounts of accumulated other comprehensive income transferred to profit or loss when the hedged item affects profit or loss, and are recorded as “Finance cost” in the consolidated statement of profit or loss. For the fiscal year ended March 31, 2025, the amount of ¥ (2) million (\$13) thousand (for the fiscal year ended March 31, 2024: none) transferred from cash flow hedges to profit or loss is included in reclassification adjustments. The transfer arises from discontinued hedging relationships when a forecasted transaction is no longer expected to occur, although hedge accounting has been applied.

*2 As of March 31, 2025, accumulated other comprehensive income after tax effect includes ¥38 million (\$254 thousand) (as of March 31, 2024: ¥ (2,874) million) related to discontinued hedging accounting.

Interest rate contracts to which hedge accounting is not applied

					(Millions of yen)					(Thousands of U.S. dollars)
		As of March 31, 2024			As of March 31, 2025					As of March 31, 2025
	Contract amounts (of which: maturing in more than one year)		Carrying amount (fair value)		Contract amounts (of which: maturing in more than one year)		Carrying amount (fair value)		Contract amounts (of which: maturing in more than one year)	Carrying amount (fair value)
		Assets	Liabilities		Assets	Liabilities			Assets	Liabilities
Interest rate swap	¥ — (—)	¥ —	¥ —		¥ 252,385 (252,385)	¥ 865	¥ 3,040		\$ 1,687,968 (1,687,968)	\$ 5,785 \$ 20,332

b. Credit risk

In the course of the Company's business, trade and other receivables, contract assets and other financial assets (including deposits, equity securities, bonds, derivatives and others) are exposed to the credit risk of its counterparties.

In order to prevent and reduce the risk, the Company does not expose itself to significant concentrations of credit risk for such receivables and financial assets. To manage its credit risk, the Company performs controls around the due date and balance for each customer in accordance with its internal customer credit management rules and regularly monitors major customers' credit status. Derivative transactions, which are executed and maintained by the Company, are conducted and controlled based on the Company's finance regulations, and those transactions engaged in are limited to those with financial institutions with high credit ratings in order to reduce the risk.

The carrying amount of financial assets, net of impairment, which is presented in the consolidated statement of financial position, the amount of lending commitments and the amount of guaranteed obligations represent the Company's maximum exposure to credit risk on financial assets. The values of collateral held and other credit enhancements are not considered.

For trade receivables and contract assets, the Company measures the lifetime expected credit risk. For receivables, lending commitments and others other than trade receivables and contract assets, the Company measures future expected credit losses in consideration of the assessment of a significant increase of credit risk. The Company determines whether a significant increase of credit risk has been achieved or not based on the change in the risk of default occurrence. In the determination process, past due information, deterioration of operating results, and external credit ratings are considered. For receivables, lending commitments and others other than trade receivables and contract assets, the Company measures the expected credit losses at the amount of the 12-month expected credit losses. However, when there is a significant increase of credit risk after initial recognition, the expected credit losses are measured at the amount of lifetime expected credit losses.

The Company groups financial assets with no individual significance based on the characteristics of credit risk and the type of transactions. The Company then assesses the existence of objective evidence of impairment for each group considering the past default rate and others. The Company measures expected credit losses individually for each receivable as financial assets that have been impaired when the events of default as detailed below have occurred, resulting in estimated negative future cash flows of the financial assets.

- Significant financial difficulty of the issuer or borrower
- Breach of contract, such as a default or delinquency in interest or principal payments
- High probability of bankruptcy or entering financial reorganization

For credit-impaired financial assets, when it is probable that the Company will not collect the entire amount of or a part of the financial assets, the impairment losses are directly deducted from the carrying amount.

Details of lending commitments and credit guarantees are described in "(1) Lending commitments" and "(2) Credit guarantees" under "Note 46. Contingency."

For the fiscal year ended March 31, 2025, SoftBank Group Corp. received cash and cash equivalents of ¥100,995 million (\$675,461 thousand) (for the fiscal year ended March 31, 2024: ¥101,655 million) as collateral under certain derivative contract.

(a) Carrying amounts of financial assets subject to allowance for doubtful accounts

Exposure to credit risk on contract assets is included in trade receivables. In addition, since trade receivables arising from the credit card business include interest income, the Company measures expected credit losses for those receivables by using the same method for the financial assets other than trade receivables. As a result, exposure to credit risk on trade receivables arising from the credit card business is included in the financial assets other than trade receivables.

i. Trade receivables

The table below presents an aging analysis of the carrying amounts of trade receivables and allowance for doubtful accounts.

As of March 31, 2024

	(Millions of yen)						
	Before due	Within 1 month	1 month to 3 months	3 months to 6 months	6 months to 1 year	Past due	Total
						More than 1 year	
Trade receivables	¥ 1,470,178	¥ 44,348	¥ 10,172	¥ 5,726	¥ 9,948	¥ 11,978	¥ 1,552,350
Allowance for doubtful accounts	(8,789)	(939)	(1,948)	(2,822)	(3,233)	(2,806)	(20,537)
Total							¥ 1,531,813

As of March 31, 2025

	(Millions of yen)						
	Before due	Within 1 month	1 month to 3 months	3 months to 6 months	6 months to 1 year	Past due	Total
						More than 1 year	
Trade receivables	¥ 1,651,451	¥ 45,525	¥ 9,890	¥ 5,204	¥ 10,802	¥ 7,072	¥ 1,729,944
Allowance for doubtful accounts	(7,704)	(1,344)	(1,979)	(2,536)	(6,313)	(4,886)	(24,762)
Total							¥ 1,705,182

	(Thousands of U.S. dollars)						
	Before due	Within 1 month	1 month to 3 months	3 months to 6 months	6 months to 1 year	Past due	Total
						More than 1 year	
Trade receivables	\$11,045,017	\$ 304,474	\$ 66,145	\$ 34,805	\$ 72,245	\$ 47,298	\$11,569,984
Allowance for doubtful accounts	(51,524)	(8,989)	(13,236)	(16,961)	(42,222)	(32,678)	(165,610)
Total							\$11,404,374

ii. Financial assets other than trade receivables

The table below presents an aging analysis of financial assets other than trade receivables. The amounts in the analysis are presented at the carrying amount before netting the allowance for doubtful accounts.

As of March 31, 2024

(Millions of yen)						
Carrying amounts						
	12-month expected credit losses		Lifetime expected credit losses		Purchased or originated credit-impaired financial assets	Total
	Before due	Past due	Other than credit-impaired financial assets	Credit-impaired financial assets		
Other receivables	¥ 1,406,518	¥ 48,617	¥ 2,752	¥ 1,163	¥ –	¥ 1,459,050
Investment securities	568,651	–	–	–	–	568,651
Other financial assets	2,266,748	21,878	10,014	131,549	8,908	2,439,097
Total	¥ 4,241,917	¥ 70,495	¥ 12,766	¥ 132,712	¥ 8,908	¥ 4,466,798

Investment securities are mostly financial assets measured at amortized cost.

As of March 31, 2025

(Millions of yen)						
Carrying amounts						
	12-month expected credit losses		Lifetime expected credit losses		Purchased or originated credit-impaired financial assets	Total
	Before due	Past due	Other than credit-impaired financial assets	Credit-impaired financial assets		
Other receivables	¥ 1,564,135	¥ 55,161	¥ 3,991	¥ 1,205	¥ –	¥ 1,624,492
Investment securities	767,468	–	–	–	–	767,468
Other financial assets	2,345,791	22,603	8,913	143,936	–	2,521,243
Total	¥ 4,677,394	¥ 77,764	¥ 12,904	¥ 145,141	¥ –	¥ 4,913,203

(Thousands of U.S. dollars)						
Carrying amounts						
	12-month expected credit losses		Lifetime expected credit losses		Purchased or originated credit-impaired financial assets	Total
	Before due	Past due	Other than credit-impaired financial assets	Credit-impaired financial assets		
Other receivables	\$ 10,461,042	\$ 368,921	\$ 26,692	\$ 8,059	\$ –	\$ 10,864,714
Investment securities	5,132,878	–	–	–	–	5,132,878
Other financial assets	15,688,812	151,170	59,611	962,654	–	16,862,247
Total	\$ 31,282,732	\$ 520,091	\$ 86,303	\$ 970,713	\$ –	\$ 32,859,839

Investment securities are mostly financial assets measured at amortized cost.

(b) Changes in allowance for doubtful accounts

Allowance for doubtful accounts related to contract assets is included in trade receivables. In addition, since trade receivables arising from the credit card business includes interest income, the Company measures expected credit losses for those receivables by using the same method for the financial assets other than trade receivables. As a result, the allowance for doubtful accounts related to the trade receivables arising from the credit card business is included in the financial assets other than trade receivables.

i. Trade receivables

The table below presents changes in the allowance for doubtful accounts for trade receivables.

For the fiscal year ended March 31, 2024

	(Millions of yen)		
	Allowance for doubtful accounts		
	Lifetime expected credit losses		Total
	Other than credit-impaired financial assets	Credit-impaired financial assets	
As of April 1, 2023	¥ 11,112	¥ 5,974	¥ 17,086
Provisions	6,015	7,591	13,606
Utilized	(18)	(5,038)	(5,056)
Other	(5,433)	334	(5,099)
As of March 31, 2024	¥ 11,676	¥ 8,861	¥ 20,537

For the fiscal year ended March 31, 2025

	(Millions of yen)		
	Allowance for doubtful accounts		
	Lifetime expected credit losses		Total
	Other than credit-impaired financial assets	Credit-impaired financial assets	
As of April 1, 2024	¥ 11,676	¥ 8,861	¥ 20,537
Provisions	3,977	9,728	13,705
Utilized	(381)	(7,383)	(7,764)
Other	(4,245)	2,529	(1,716)
As of March 31, 2025	¥ 11,027	¥ 13,735	¥ 24,762

(Thousands of U.S. dollars)

	Allowance for doubtful accounts		
	Lifetime expected credit losses		Total
	Other than credit-impaired financial assets	Credit-impaired financial assets	
As of April 1, 2024	\$ 78,090	\$ 59,263	\$ 137,353
Provisions	26,598	65,062	91,660
Utilized	(2,548)	(49,378)	(51,926)
Other	(28,391)	16,914	(11,477)
As of March 31, 2025	\$ 73,749	\$ 91,861	\$ 165,610

ii. Financial assets other than trade receivables

The table below presents changes in the allowance for doubtful accounts for financial assets other than trade receivables. The allowance for doubtful accounts is mainly for loans.

For the fiscal year ended March 31, 2024

	(Millions of yen)				
	Allowance for doubtful accounts				
	Lifetime expected credit losses				Total
	12-month expected credit losses	Other than credit-impaired financial assets	Credit-impaired financial assets	Purchased or originated credit-impaired financial assets	
As of					
April 1, 2023	¥ 16,945	¥ 124,527	¥ 48,844	¥ 9,019	¥ 199,335
Provisions	8,196	24,524	22,436	–	55,156
Utilized	(2,865)	(102)	(109,976)*	–	(112,943)
Reversal	(598)	(30)	(237)	(111)	(976)
Other	37	(143,072)*	161,996*	–	18,961
As of					
March 31, 2024	¥ 21,715	¥ 5,847	¥ 123,063	¥ 8,908	¥ 159,533

* For the fiscal year ended March 31, 2024, unsecured notes issued by WeWork were exchanged for shares and convertible bonds newly issued by WeWork. Consequently, ¥94,112 million was reclassified from "Other than credit-impaired financial assets" to "Credit-impaired financial assets" and the recognition of the unsecured notes were discontinued. The details are described in "8" under "Note 41. Other gain."

For the fiscal year ended March 31, 2025

	(Millions of yen)				
	Allowance for doubtful accounts				
	12-month expected credit losses	Lifetime expected credit losses		Purchased or originated credit-impaired financial assets	Total
		Other than credit-impaired financial assets	Credit- impaired financial assets		
As of April 1, 2024 . . .	¥ 21,715	¥ 5,847	¥123,063	¥ 8,908	¥ 159,533
Provisions	8,476	770	32,621	–	41,867
Utilized	(7,194)	(1)	(24,650)	(8,908)	(40,753)
Reversal	(635)	(49)	(72)	–	(756)
Other	1,595	(2,398)	(3,415)	–	(4,218)
As of March 31, 2025 . .	¥ 23,957	¥ 4,169	¥127,547	¥ –	¥ 155,673

	(Thousands of U.S. dollars)				
	Allowance for doubtful accounts				
	12-month expected credit losses	Lifetime expected credit losses		Purchased or originated credit-impaired financial assets	Total
		Other than credit-impaired financial assets	Credit- impaired financial assets		
As of April 1, 2024 . . .	\$145,231	\$ 39,105	\$823,054	\$ 59,577	\$1,066,967
Provisions	56,688	5,151	218,171	–	280,010
Utilized	(48,114)	(7)	(164,861)	(59,577)	(272,559)
Reversal	(4,247)	(328)	(481)	–	(5,056)
Other	10,668	(16,038)	(22,840)	–	(28,210)
As of March 31, 2025 . .	\$160,226	\$ 27,883	\$853,043	\$ –	\$1,041,152

Provisions for and reversal of allowance for doubtful accounts are recorded in “Selling, general and administrative expenses” and “Other gain” in the consolidated statement of profit or loss.

c. Liquidity risk

In order to prevent and reduce liquidity risk, the Company maintains access to diversified fundraising sources including both indirect financing, such as bank loans and leases, and direct financing, such as the issuance of bonds and commercial paper and securitization, taking market conditions and its current/non-current debt ratios into consideration. With respect to fund management, the Company invests its funds mainly in short-term deposits, MMF and investment grade corporate bonds.

The Company also continuously monitors its forecasted and actual cash flows and liquid funds.

(a) Commitment lines of credit and other credit facilities

The Company has entered into commitment lines of credit and other credit facilities with various financial institutions to reduce liquidity risk. As of March 31, 2025, the undrawn amounts of the Company's credit facilities are ¥2,451,229 million (\$16,393,987 thousand) (as of March 31, 2024: ¥1,534,059 million). This amount includes ¥731,340 million (\$4,891,252 thousand) of credit facilities that are subject to certain conditions at the time of borrowing, as of March 31, 2025.

In addition, the asset management subsidiary is engaged in transactions for acquisition of investments using borrowings and has entered into agreements with various financial institutions in order to borrow funds in response to the net position of investments and indebtedness of the asset management subsidiary. As of March 31, 2025, the amounts that could be additionally borrowed are ¥631,729 million (\$4,225,047 thousand) (as of March 31, 2024: ¥139,689 million).

Note:
Certain commitments above contain financial and other covenants. The details are described in “(3) Financial and other covenants” under “Note 22. Interest-bearing debt.”

(b) Analysis of financial liabilities by maturities

The table below presents the analysis of financial liabilities (including derivatives) by maturities. The receivables and payables arising from derivative transactions are shown on a net basis:

As of March 31, 2024

	(Millions of yen)							
	Carrying amount	Aggregation of redemption schedule	Within 1 year	1 year to 2 years	2 years to 3 years	3 years to 4 years	4 years to 5 years	More than 5 years
Non-derivative financial liabilities								
Interest-bearing debt								
Short-term borrowings	¥ 1,100,158	¥ 1,100,158	¥ 1,100,158	¥ –	¥ –	¥ –	¥ –	¥ –
Commercial paper	363,501	363,501	363,501	–	–	–	–	–
Long-term borrowings	6,486,449	6,520,112	1,791,173	2,972,054	547,454	454,121	312,407	442,903
Corporate bonds	7,444,630	7,492,240	825,305	1,120,232	930,590	515,298	1,548,815	2,552,000
Financial liabilities relating to sale of shares by prepaid forward contract	5,172,511	5,274,124	4,259,358	1,014,766	–	–	–	–
Installment payables	275	275	168	99	8	–	–	–
Lease liabilities	794,507	794,507	149,801	116,535	96,266	80,476	67,232	284,197
Deposits for banking business* ¹	1,657,523	1,657,557	1,643,164	4,652	3,060	1,293	1,054	4,334
Third-party interests in SVF* ²	4,694,503	4,694,503	–	–	–	–	–	4,694,503
Trade and other payables	2,710,529	2,710,529	2,699,089	7,659	2,344	1,128	108	201
Other financial liabilities	74,450	74,450	31,801	9,363	7,451	611	15,529	9,695
Total	¥ 30,499,036	¥ 30,681,956	¥12,863,518	¥ 5,245,360	¥ 1,587,173	¥ 1,052,927	¥ 1,945,145	¥ 7,987,833
Derivative financial liabilities*³								
Derivative financial liabilities								
Foreign currency exchange contracts* ⁴	¥ 1,853	¥ 1,854	¥ 1,854	¥ –	¥ –	¥ –	¥ –	¥ –
Option contracts	132,262	132,264	130,518	–	1,230	516	–	–
Interest rate contracts	591	191	99	369	–	(59)	(95)	(123)
Forward contracts	54,688	54,688	54,688	–	–	–	–	–
Collar contracts using shares	46,837	46,837	7,807	39,030	–	–	–	–
Other	97	97	97	–	–	–	–	–
Total	¥ 236,328	¥ 235,931	¥ 195,063	¥ 39,399	¥ 1,230	¥ 457	¥ (95)	¥ (123)

*1 Deposits for the banking business payable on demand are included in “Within 1 year.”

*2 The amount represents the amounts that would have been distributed to Third-Party Investors in accordance with the limited partnership agreement if SVF1, SVF2, and LatAm Funds had been liquidated as of March 31, 2024. The maturities of third-party interests in SVF1, SVF2, and LatAm Funds are recognized based on current fund lives. The managers of SVF1, SVF2 and LatAm Funds have an option, at their discretion, to extend the respective fund lives by two additional one-year periods. When disposal of investments becomes certain, the portion of third-party interests in SVF1, SVF2, and LatAm Funds which is available for distributions and repayments will be broken down by corresponding maturity dates.

*3 Derivative financial liabilities are included in the above table and disclosed, only if the contractual maturities are essential for understanding the timing of cash flow.

*4 Aggregation of redemption schedule and the breakdown by maturity are presented on a discounted cash flow basis for currency swap contracts included in the foreign currency exchange contracts.

As of March 31, 2025

(Millions of yen)

	Carrying amount	Aggregation of redemption schedule	Within 1 year	1 year to 2 years	2 years to 3 years	3 years to 4 years	4 years to 5 years	More than 5 years
Non-derivative financial liabilities								
Interest-bearing debt								
Short-term borrowings	¥ 1,581,598	¥ 1,583,935	¥ 1,583,935	¥ –	¥ –	¥ –	¥ –	¥ –
Commercial paper	249,500	249,500	249,500	–	–	–	–	–
Long-term borrowings	7,041,134	7,104,538	1,714,161	2,987,768	1,136,467	509,271	269,813	487,058
Corporate bonds	8,136,126	8,186,900	1,116,646	928,818	591,922	1,618,186	804,615	3,126,713
Financial liabilities relating to sale of shares by prepaid forward contract	997,843	997,843	997,843	–	–	–	–	–
Installment payables	129	129	108	17	4	–	–	–
Lease liabilities	907,020	907,020	165,355	136,617	112,761	94,738	81,898	315,651
Deposits for banking business* ¹	1,810,852	1,810,852	1,795,965	3,528	4,051	694	1,745	4,869
Third-party interests in SVF* ²	3,652,797	3,652,797	–	–	–	–	3,647,647	5,150
Trade and other payables* ³	3,036,349	3,036,349	3,011,346	14,032	7,131	3,413	257	170
Other financial liabilities	190,337	190,337	5,940	23,691	12,288	80,275	5,093	63,050
Total	¥ 27,603,685	¥ 27,720,200	¥ 10,640,799	¥ 4,094,471	¥ 1,864,624	¥ 2,306,577	¥ 4,811,068	¥ 4,002,661
Derivative financial liabilities*⁴								
Derivative financial liabilities								
Foreign currency exchange contracts* ⁵	¥ 20,275	¥ 20,332	¥ (757)	¥ (3,134)	¥ (3,284)	¥ 4,531	¥ 2,964	¥ 20,012
Option contracts	42,257	43,124	23,086	6,595	–	13,100	–	343
Interest rate contracts	3,040	1,951	–	–	–	–	–	1,951
Swap contracts	18,675	20,619	4,784	5,113	5,293	5,433	(4)	–
Forward contracts	551,943	551,943	551,943	–	–	–	–	–
Collar contracts using shares	308,374	308,374	259,034	49,340	–	–	–	–
Other	102	102	102	–	–	–	–	–
Total	¥ 944,666	¥ 946,445	¥ 838,192	¥ 57,914	¥ 2,009	¥ 23,064	¥ 2,960	¥ 22,306

(Thousands of U.S. dollars)

	Carrying amount	Aggregation of redemption schedule	Within 1 year	1 year to 2 years	2 years to 3 years	3 years to 4 years	4 years to 5 years	More than 5 years
Non-derivative financial liabilities								
Interest-bearing debt								
Short-term borrowings	\$ 10,577,836	\$ 10,593,466	\$10,593,466	\$ –	\$ –	\$ –	\$ –	\$ –
Commercial paper	1,668,673	1,668,673	1,668,673	–	–	–	–	–
Long-term borrowings	47,091,587	47,515,636	11,464,426	19,982,397	7,600,769	3,406,039	1,804,528	3,257,477
Corporate bonds	54,414,968	54,754,548	7,468,205	6,211,998	3,958,815	10,822,539	5,381,320	20,911,671
Financial liabilities relating to sale of shares by prepaid forward contract	6,673,642	6,673,642	6,673,642	–	–	–	–	–
Installment payables	862	862	721	114	27	–	–	–
Lease liabilities	6,066,212	6,066,212	1,105,906	913,704	754,153	633,614	547,739	2,111,096
Deposits for banking business* ¹	12,111,102	12,111,102	12,011,537	23,596	27,093	4,642	11,671	32,563
Third-party interests in SVF* ²	24,430,157	24,430,157	–	–	–	–	24,395,713	34,444
Trade and other payables* ³	20,307,310	20,307,310	20,140,088	93,847	47,693	22,826	1,719	1,137
Other financial liabilities	1,272,987	1,272,987	39,727	158,446	82,183	536,885	34,062	421,684
Total	\$184,615,336	\$185,394,595	\$71,166,391	\$27,384,102	\$12,470,733	\$15,426,545	\$32,176,752	\$26,770,072
Derivative financial liabilities*⁴								
Derivative financial liabilities								
Foreign currency exchange contracts* ⁵	\$ 135,601	\$ 135,982	\$ (5,063)	\$ (20,960)	\$ (21,964)	\$ 30,304	\$ 19,824	\$ 133,841
Option contracts	282,618	288,416	154,400	44,108	–	87,614	–	2,294
Interest rate contracts	20,332	13,048	–	–	–	–	–	13,048
Swap contracts	124,900	137,901	31,996	34,196	35,400	36,336	(27)	–
Forward contracts	3,691,432	3,691,432	3,691,432	–	–	–	–	–
Collar contracts using shares	2,062,426	2,062,426	1,732,437	329,989	–	–	–	–
Other	682	682	682	–	–	–	–	–
Total	\$ 6,317,991	\$ 6,329,887	\$ 5,605,884	\$ 387,333	\$ 13,436	\$ 154,254	\$ 19,797	\$ 149,183

*1 Deposits for the banking business payable on demand are included in “Within 1 year.”

*2 The amount represents the amounts that would have been distributed to Third-Party Investors in accordance with the limited partnership agreement if SVF1, SVF2, and LatAm Funds had been liquidated as of March 31, 2025. The maturities of third-party interests in SVF1, SVF2, and LatAm Funds are recognized based on current fund lives. The managers of SVF1, SVF2 and LatAm Funds have an option, at their discretion, to extend the respective fund lives by two additional one-year periods. When disposal of investments becomes certain, the portion of third-party interests in SVF1, SVF2, and LatAm Funds which is available for distributions and repayments will be broken down by corresponding maturity dates.

*3 The Company has entered into supplier finance arrangements with third-party financial institutions. As of March 31, 2025, the carrying amount of financial liabilities related to the supplier finance arrangements is ¥72,458 million (\$484,604 thousand) (as of April 1, 2024: ¥71,609 million). Of this amount, ¥71,801 million (\$480,210 thousand) is the carrying amount of financial liabilities for which the suppliers have already received payment from the finance providers. The main supplier finance arrangements are payments to stores on Yahoo! JAPAN Shopping provided by LY Corporation. The payment due dates for the financial liabilities that are part of supplier finance arrangements are the fifth business day of the second month following the month in which the transactions are completed. The payment due dates for comparable trade payables that are not part of supplier finance arrangements are the end of the month following the month in which the invoices are issued. There are no collateral or third-party guarantees that have been provided in connection with the supplier finance arrangements. The Company has applied the transitional provisions in the amendments to IAS 7 “Statement of Cash Flows” relating to disclosures about supplier finance arrangements and has not restated comparative information for the initial application period.

*4 Derivative financial liabilities are included in the above table and disclosed, only if the contractual maturities are essential for understanding the timing of cash flow.

*5 Aggregation of redemption schedule and the breakdown by maturity are presented on a discounted cash flow basis for currency swap contracts included in the foreign currency exchange contracts.

In addition, the Company has lending commitments and credit guarantees, which are detailed in “(1) Lending commitments” and “(2) Credit guarantees” under “Note 46. Contingency.”

Average interest rates of the interest-bearing debts and lease liabilities are described in “(1) Components of interest-bearing debt” under “Note 22. Interest-bearing debt” and “Note 17. Leases.”

(3) Categories of financial instruments

Components of financial instruments (excluding cash and cash equivalents) by category are as follows:

As of March 31, 2024

	(Millions of yen)					
	Financial assets at FVTPL	Derivatives designated as hedges	Debt financial assets at FVTOCI	Equity financial assets at FVTOCI	Financial assets measured at amortized cost	Total
Financial assets						
Current assets						
Trade and other receivables	¥ —	¥ —	¥ —	¥ —	¥ 2,868,767	¥ 2,868,767
Derivative financial assets	811,867	40,483	—	—	—	852,350
Other financial assets	393,916	—	51,953	300	331,827	777,996
Assets classified as held for sale*.	592	—	—	23	4,735	5,350
Non-current assets						
Investments from SVF (FVTPL)	11,014,487	—	—	—	—	11,014,487
Investment securities	8,321,455	—	253,358	171,866	315,293	9,061,972
Derivative financial assets	185,402	200,126	—	—	—	385,528
Other financial assets	64,322	—	—	118	2,359,842	2,424,282
Total	¥ 20,792,041	¥ 240,609	¥ 305,311	¥ 172,307	¥ 5,880,464	¥ 27,390,732
Financial liabilities						
Current liabilities						
Interest-bearing debt	¥ —	¥ —	¥ 8,271,143	¥ 8,271,143		
Lease liabilities	—	—	149,801	149,801		
Deposits for banking business	—	—	1,643,155	1,643,155		
Trade and other payables	—	—	2,710,529	2,710,529		
Derivative financial liabilities	194,374	716	—	195,090		
Other financial liabilities	25,021	—	6,780	31,801		
Liabilities directly relating to assets classified as held for sale*.	—	—	4,987	4,987		
Non-current liabilities						
Interest-bearing debt	—	—	12,296,381	12,296,381		
Lease liabilities	—	—	644,706	644,706		
Third-party interests in SVF	—	—	4,694,503	4,694,503		
Derivative financial liabilities	40,789	449	—	41,238		
Other financial liabilities	23,164	—	33,853	57,017		
Total	¥ 283,348	¥ 1,165	¥ 30,455,838	¥ 30,740,351		

* The amounts of financial assets and financial liabilities included in "Assets classified as held for sale" and "Liabilities directly relating to assets classified as held for sale" under consolidated statement of financial position are disclosed under the respective items.

As of March 31, 2025

(Millions of yen)

	Financial assets at FVTPL	Derivatives designated as hedges	Debt financial assets at FVTOCI	Equity financial assets at FVTOCI	Financial assets measured at amortized cost	Total
Financial assets						
Current assets						
Trade and other receivables	¥ –	¥ –	¥ –	¥ –	¥ 3,008,144	¥ 3,008,144
Derivative financial assets	35,649	75,609	–	–	–	111,258
Other financial assets	1,238,486	–	39,071	–	208,320	1,485,877
Assets classified as held for sale.	550,440	–	–	–	–	550,440
Non-current assets						
Investments from SVF (FVTPL)	11,410,922	–	–	–	–	11,410,922
Investment securities.	7,124,394	–	225,536	148,206	541,932	8,040,068
Derivative financial assets	10,823	157,425	–	–	–	168,248
Other financial assets	82,517	–	–	151	2,684,957	2,767,625
Total	¥ 20,453,231	¥ 233,034	¥ 264,607	¥ 148,357	¥ 6,443,353	¥ 27,542,582

	Financial liabilities at FVTPL	Derivatives designated as hedges	Financial liabilities measured at amortized cost	Total
Financial liabilities				
Current liabilities				
Interest-bearing debt	¥ –	¥ –	¥ 5,629,648	¥ 5,629,648
Lease liabilities	–	–	165,355	165,355
Deposits for banking business	–	–	1,795,965	1,795,965
Trade and other payables	–	–	3,036,349	3,036,349
Derivative financial liabilities	840,171	298	–	840,469
Other financial liabilities	1,141	–	4,799	5,940
Non-current liabilities				
Interest-bearing debt	–	–	12,376,682	12,376,682
Lease liabilities	–	–	741,665	741,665
Third-party interests in SVF	–	–	3,652,797	3,652,797
Derivative financial liabilities	86,871	17,326	–	104,197
Other financial liabilities	82,530	–	116,754	199,284
Total	¥ 1,010,713	¥ 17,624	¥ 27,520,014	¥ 28,548,351

(Thousands of U.S. dollars)

	Financial assets at FVTPL	Derivatives designated as hedges	Debt financial assets at FVTOCI	Equity financial assets at FVTOCI	Financial assets measured at amortized cost	Total
Financial assets						
Current assets						
Trade and other receivables	\$ —	\$ —	\$ —	\$ —	\$ 20,118,673	\$ 20,118,673
Derivative financial assets	238,423	505,678	—	—	—	744,101
Other financial assets	8,283,079	—	261,310	—	1,393,258	9,937,647
Assets classified as held for sale.	3,681,381	—	—	—	—	3,681,381
Non-current assets						
Investments from SVF (FVTPL)	76,317,028	—	—	—	—	76,317,028
Investment securities.	47,648,435	—	1,508,400	991,212	3,624,478	53,772,525
Derivative financial assets	72,385	1,052,869	—	—	—	1,125,254
Other financial assets	551,879	—	—	1,010	17,957,177	18,510,066
Total	\$ 136,792,610	\$ 1,558,547	\$ 1,769,710	\$ 992,222	\$ 43,093,586	\$ 184,206,675

	Financial liabilities at FVTPL	Derivatives designated as hedges	Financial liabilities measured at amortized cost	Total
Financial liabilities				
Current liabilities				
Interest-bearing debt	\$ —	\$ —	\$ 37,651,471	\$ 37,651,471
Lease liabilities	—	—	1,105,906	1,105,906
Deposits for banking business	—	—	12,011,537	12,011,537
Trade and other payables	—	—	20,307,310	20,307,310
Derivative financial liabilities	5,619,121	1,993	—	5,621,114
Other financial liabilities	7,631	—	32,096	39,727
Non-current liabilities				
Interest-bearing debt	—	—	82,776,097	82,776,097
Lease liabilities	—	—	4,960,306	4,960,306
Third-party interests in SVF	—	—	24,430,157	24,430,157
Derivative financial liabilities	581,000	115,877	—	696,877
Other financial liabilities	551,966	—	780,859	1,332,825
Total	\$ 6,759,718	\$ 117,870	\$ 184,055,739	\$ 190,933,327

The Company generally classifies equity instruments as “Financial assets at FVTPL.” Certain equity instruments are used as business investments to generate business synergies. As a result, for such investments, the Company has made an irrevocable election at initial recognition to recognize changes in fair value in other comprehensive income, not in profit or loss, and classified them as “Equity financial assets at FVTOCI.”

Major components and fair values of the equity financial assets at FVTOCI are as follows.

As of March 31, 2024

Names	(Millions of yen)
	Fair value
Ampere Computing Holdings LLC.	¥ 59,024
Visional, Inc.	17,581
SNOW Corporation	13,821
HOPU-ARM Innovation Fund, L.P.	8,224
Pragmatic Printing Limited	5,499
Other	68,158
Total	¥172,307

As of March 31, 2025

Names	(Millions of yen)	(Thousands of U.S. dollars)
	Fair value	Fair value
Ampere Computing Holdings LLC	¥ 42,758	\$ 285,968
Raspberry Pi Holdings plc.	14,636	97,887
Visional, Inc.	14,497	96,957
SNOW Corporation	9,756	65,249
HOPU-ARM Innovation Fund, L.P.	7,884	52,729
Other	58,826	393,432
Total	¥148,357	\$ 992,222

The Company derecognizes equity financial assets at FVTOCI, by selling or in other way, when those assets no longer match the Company's investment strategies. The table below presents fair value on the date of derecognition and accumulated gains or losses related to the disposal of equity financial assets at FVTOCI that were derecognized during the year.

	(Millions of yen)	(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Fair value on the date of derecognition . .	¥14,096	¥14,579
Accumulated gains related to the disposal . .	433	(600)
		\$ 97,505
		(4,013)

When equity financial assets at FVTOCI are derecognized or there is a significant or prolonged decline in fair value below the cost, cumulative gains and losses recognized in other comprehensive income are directly transferred to retained earnings. For the fiscal year ended March 31, 2025, ¥ (978) million (\$ (6,541) thousand) (for the fiscal year ended March 31, 2024: ¥604 million) was transferred from "Accumulated other comprehensive income" to "Retained earnings."

29. Fair value of financial instruments

(1) Categorization by level within the fair value hierarchy

Financial instruments that are measured at fair value on a recurring basis after initial recognition are classified into three levels of the fair value hierarchy based on the observability and significance of inputs used for the measurement.

The fair value hierarchy is defined as follows in descending order of levels:

Level 1: Fair value is measured using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value is measured using inputs other than Level 1 that are observable, either directly or indirectly.

Level 3: Fair value is measured using unobservable inputs.

If the fair value measurement uses different levels of inputs, the fair value is categorized based on the lowest level of input that is significant to the entire fair value measurement.

Transfers between levels of the fair value hierarchy are recognized at the point of which the event or change in circumstances that caused the transfer is observed.

There are no significant transfers between Level 1 and Level 2 during the fiscal years ended March 31, 2024 and 2025.

The table below presents financial instruments measured at fair value on a recurring basis by level within the fair value hierarchy.

As of March 31, 2024

	(Millions of yen)			
	Level 1	Level 2	Level 3	Total
Financial assets				
Investments from SVF (FVTPL)	¥ 3,150,898	¥ 22,958	¥7,840,631	¥11,014,487
Equity securities (excluding investments from SVF (FVTPL))	7,449,399	146	518,535	7,968,080
Bonds and loans (excluding investments from SVF (FVTPL))	320,100	147,612	90,017	557,729
Derivative financial assets				
Foreign currency exchange contracts	622	245,942	–	246,564
Option contracts	11	415,943	59,876	475,830
Interest rate contracts	–	396	–	396
Forward contracts	–	514,848	–	514,848
Other	251	–	–	251
Other	111,789	6,491	613,803	732,083
Total	¥11,033,070	¥1,354,336	¥9,122,862	¥21,510,268
Financial liabilities				
Derivative financial liabilities				
Foreign currency exchange contracts	¥ 299	¥ 1,554	¥ –	¥ 1,853
Option contracts	–	124,377	7,885	132,262
Interest rate contracts	–	591	–	591
Forward contracts	–	54,688	–	54,688
Collar contracts using shares	–	46,837	–	46,837
Other	97	–	–	97
Borrowed securities	3,672	–	–	3,672
Other	–	–	44,513	44,513
Total	¥ 4,068	¥ 228,047	¥ 52,398	¥ 284,513

As of March 31, 2025

	(Millions of yen)			
	Level 1	Level 2	Level 3	Total
Financial assets				
Investments from SVF (FVTPL)	¥ 3,414,027	¥ 96	¥ 7,996,799	¥11,410,922
Equity securities (excluding investments from SVF (FVTPL))	7,016,951	–	577,284	7,594,235
Bonds and loans (excluding investments from SVF (FVTPL))	814,793	127,084	127,395	1,069,272
Derivative financial assets				
Foreign currency exchange contracts	–	228,792	–	228,792
Option contracts	9	–	37,386	37,395
Interest rate contracts	–	10,632	–	10,632
Forward contracts	–	–	2,468	2,468
Other	228	–	–	228
Other	132,511	800	611,974	745,285
Total	¥11,378,519	¥ 367,404	¥ 9,353,306	¥21,099,229
Financial liabilities				
Derivative financial liabilities				
Foreign currency exchange contracts	¥ –	¥ 20,275	¥ –	¥ 20,275
Option contracts	–	1,056	41,201	42,257
Interest rate contracts	–	3,040	–	3,040
Swap contracts	–	–	18,675	18,675
Forward contracts	–	551,943	–	551,943
Collar contracts using shares	–	308,374	–	308,374
Other	102	–	–	102
Debt instruments issued by a subsidiary*	–	–	73,980	73,980
Other	1,141	–	8,550	9,691
Total	¥ 1,243	¥ 884,688	¥ 142,406	¥ 1,028,337

(Thousands of U.S. dollars)

	Level 1	Level 2	Level 3	Total
Financial assets				
Investments from SVF (FVTPL)	\$22,833,246	\$ 643	\$53,483,139	\$76,317,028
Equity securities (excluding investments from SVF (FVTPL))	46,929,849	–	3,860,915	50,790,764
Bonds and loans (excluding investments from SVF (FVTPL))	5,449,391	849,946	852,027	7,151,364
Derivative financial assets				
Foreign currency exchange contracts	–	1,530,177	–	1,530,177
Option contracts	60	–	250,040	250,100
Interest rate contracts	–	71,107	–	71,107
Forward contracts	–	–	16,506	16,506
Other	1,525	–	–	1,525
Other	886,243	5,350	4,092,925	4,984,518
Total	\$76,100,314	\$2,457,223	\$62,555,552	\$141,113,089
Financial liabilities				
Derivative financial liabilities				
Foreign currency exchange contracts	\$ –	\$ 135,601	\$ –	\$ 135,601
Option contracts	–	7,063	275,555	282,618
Interest rate contracts	–	20,332	–	20,332
Swap contracts	–	–	124,900	124,900
Forward contracts	–	3,691,432	–	3,691,432
Collar contracts using shares	–	2,062,426	–	2,062,426
Other	682	–	–	682
Debt instruments issued by a subsidiary*	–	–	494,783	494,783
Other	7,631	–	57,183	64,814
Total	\$ 8,313	\$5,916,854	\$ 952,421	\$ 6,877,588

* These are debt instruments issued by SBE Global. As the redemption amount varies depending on the optional redemption date, they are classified as financial liabilities at FVTPL and measured at fair value on a quarterly basis.

The major valuation techniques for financial instruments measured at fair value on a recurring basis are as follows:

a. Investments from SVF (FVTPL), equity securities, and bonds and loans

Investments from SVF (FVTPL), equity securities, and bonds and loans are measured using quoted prices in active markets for identical assets or liabilities if such prices are available, and are classified as Level 1.

If such prices are unavailable, and if prices of recent arm's-length transactions or equity financing are available, they are measured using recent transaction prices adjusting for performance of the market and company performance.

In the absence of a recent transaction, market approach, income approach, or net asset approach is applied for the enterprise valuation.

The market approach is used to the extent comparable guidelines for public companies are available. The market approach is a valuation method using figures from the financial statements of the subject companies and valuation multiple of comparable companies, such as Enterprise Value (EV)/Revenue and EV/EBITDA. The income approach is used when reliable cash flow projections are available. Under this approach, the present value is calculated by discounting estimated future cash flows at the discount rate and the future cash flows are estimated by taking into consideration several assumptions, including the revenue growth rate. The net asset approach is a valuation method using net assets on balance sheet of subject companies for calculation of stock value. The enterprise value which is calculated by the above method is allocated to shareholder's value of each class of shares depending on the capital structures of the investments. For the allocation, an option pricing model, which values each individual security in the capital structure based on its unique rights and preferences, and a method which allocates value assuming the conversion of preferred shares into common shares due to a possible initial public offering and such, are mainly used.

The financial instruments are classified as Level 2 if all significant inputs, such as quoted prices and discount rates used for the measurement are observable, and they are classified as Level 3 when they are measured using significant unobservable inputs.

b. Derivative financial assets and derivative financial liabilities

The fair value of derivative financial instruments is measured using quoted prices in active markets if they are available and classified as Level 1.

If quoted prices in active markets are not available, the fair value of derivative financial instruments is measured using valuation techniques including a discounted cash flows model and Black-Scholes model, or using quoted prices in inactive markets. The fair value measurement of derivative financial instruments is classified as Level 2 if all significant inputs, such as foreign currency exchange rates and discount rates used for the measurement, are observable, and they are classified as Level 3 when they are measured using significant unobservable inputs.

(2) Fair value measurements of financial instruments that are categorized as Level 3

a. Valuation techniques and inputs

For Level 3 fair value measurements, the Company mainly uses the market comparable company multiple method, the recent transactions method, and the discounted cash flow method.

The main financial instruments that are categorized as Level 3 are “Investments from SVF (FVTPL),” and the following table shows the fair value of “Investments from SVF (FVTPL)” measured by each valuation technique. When a combination of multiple valuation techniques is applied, aggregated amounts of fair value are presented for each combination of valuation techniques.

Valuation techniques	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	Fair value As of March 31, 2025
Market comparable companies . . .	¥ 3,746,681	¥ 4,137,468	\$27,671,669
Recent Transactions	507,215	1,937,833	12,960,360
Discounted cash flow / Market comparable companies	1,821,371	1,101,331	7,365,777
Discounted cash flow	1,014,103	578,450	3,868,713
Other	751,261	241,717	1,616,620
Total	¥ 7,840,631	¥ 7,996,799	\$53,483,139

The valuation techniques and the inputs are as follows.

Valuation techniques	Unobservable inputs	Ranges of unobservable inputs	
		As of March 31, 2024	As of March 31, 2025
Market comparable companies	Revenue multiple	x0.3 - x15.4	x0.3 - x16.9
	EBITDA multiple	x7.0 - x36.5	x5.8 - x23.8
	Gross profit multiple	x0.8 - x21.1	x0.9 - x14.0
	Price to earnings ratio	x26.5 - x43.4	x14.2 - x19.2
	Price to sales ratio	x0.3- x5.0	x0.2- x5.2
Discounted cash flow	Cost of capital	12.0% - 154.5%	3.8% - 86.6%
	EBITDA multiple*	x6.0 - x30.0	x8.0 - x25.0
	Revenue multiple*	x1.0 - x14.0	x1.3 - x8.0
	Gross profit multiple*	x1.6 - x12.0	x1.3 - x12.0
	Price to earnings ratio*	x8.1 - x25.0	x8.1

* Various multiples of market comparable companies are used for the measurement of the terminal value.

b. Sensitivity Analysis

Of the above unobservable inputs, the revenue multiple, the EBITDA multiple, the gross profit multiple, the price to earnings ratio, and the price to sales ratio have a positive correlation with the fair value of financial assets subject to the valuation.

In contrast, the cost of capital has a negative correlation with the fair value of financial assets subject to the valuation.

c. Valuation processes

(a) Valuation processes at SVF1, SVF2, and LatAm Funds

The valuations are prepared by the valuation team of SBIA under IFRS 13 “Fair Value Measurement,” in accordance with the SBIA Global Valuation Policy and International Private Equity and Venture Capital Valuation Guidelines on a quarterly basis, using the most appropriate valuation techniques and inputs that reflect the nature, characteristics and risks of the financial instruments that are subject to fair value measurement. The valuation team of SBIA may engage external specialists with a high level of knowledge and experience as needed, in determining the fair value of certain complex financial instruments. The valuations are then reviewed by the Valuation and Financial Risk Committee (“VFRC”), established as a committee of SBIA and SBGA. The VFRC reviews the reasonableness of significant inputs and assumptions as well as the valuation results. In addition, the VFRC considers the appropriateness of the choice of valuation methodology. The valuations of the portfolio companies performed by the aforementioned procedures are then reviewed and approved by SBIA’s Board of Directors as manager of SVF1 and SBGA’s Board of Directors as manager of SVF2 and LatAm Funds with overall responsibility for valuations on a quarterly basis.

(b) Valuation processes at entities other than SVF1, SVF2, and LatAm Funds

Fair value is measured by the Company’s personnel in the finance, treasury and accounting departments based on internal guidelines on a quarterly basis, using the most appropriate valuation techniques and inputs that reflect the nature, characteristics and risks of the financial instruments subject to fair value measurement. For the fair value measurements of the financial instruments that require both high level of knowledge and experiences where amounts are material, the Company may engage external specialists.

Thereafter, management responsible for the valuation processes approves the results of fair value measurements by the Company’s personnel and the valuation by the external specialists performed at the end of each quarter after reviewing the analysis of fair value changes and other content.

d. Reconciliation of financial instruments categorized as Level 3

Reconciliation of financial instruments categorized as Level 3 is as follows:

For the fiscal year ended March 31, 2024

	(Millions of yen)				
Financial assets	Investments from SVF (FVTPL)	Equity securities (excluding investments from SVF (FVTPL))	Bonds and loans (excluding investments from SVF (FVTPL))	Derivative financial assets	Other
As of April 1, 2023	¥7,116,219	¥ 459,317	¥ 83,843	¥ 857,518	¥ 504,072
Gains or (losses)					
Net income	(202,198)	(13,233)	(59,343)	239,971	8,528
Other comprehensive income	939,599	34,311	9,999	41,932	33,391
Purchases	227,160	149,273	122,443	–	65,996
Sales	(156,062)	(70,458)	(29,330)	–	(46,159)
Lending* ¹	–	–	210,182	–	–
Transfers to Level 1 due to listing	(84,257)	(2,235)	–	–	–
Acquisition of Level 1 listed shares* ²	–	–	–	(1,098,435)	–
Transfer to Level 2	–	(11)	–	–	–
Conversion to equity securities	–	40,723	(40,723)	–	–
Other* ¹	170	(79,152)	(207,054)	18,890	47,975
As of March 31, 2024	¥7,840,631	¥ 518,535	¥ 90,017	¥ 59,876	¥ 613,803
Gains or (losses) recognized in net income on financial instruments held at March 31, 2024	¥ (265,134)	¥ (23,107)	¥ (44,499)	¥ 13,098	¥ 7,363

Financial liabilities	Derivative financial liabilities	Other
As of April 1, 2023	¥ –	¥ 24,327
(Gains) or losses		
Net income	7,758	5,257
Other comprehensive income	128	–
Other	(1)	14,929
As of March 31, 2024	¥ 7,885	¥ 44,513
(Gains) or losses recognized in net income on financial instruments held at March 31, 2024	¥ 7,758	¥ 5,257

*1 The movements of "Bonds and loans (excluding investments from SVF (FVTPL))" primarily relate to loans to WeWork. The allowance for the financial guarantee contract was allocated to loan receivables and it is included in "Other" movement. The details are described in "8" under "Note 41. Other gain."

*2 The conditions for the contingent consideration related to the acquisition of T-Mobile shares through the merger transaction between Sprint and T-Mobile US, Inc. were met and the Company acquired 48,751,557 shares of T-Mobile for no additional consideration.

For the fiscal year ended March 31, 2025

(Millions of yen)

Financial assets	Investments from SVF (FVTPL)	Equity securities (excluding investments from SVF (FVTPL))	Bonds and loans (excluding investments from SVF (FVTPL))	Derivative financial assets	Other
As of April 1, 2024	¥ 7,840,631	¥ 518,535	¥ 90,017	¥ 59,876	¥ 613,803
Gains or (losses)					
Net income	97,933	15,894	21,844	(16,792)	(31,378)
Other comprehensive income	(102,430)	(34,430)	(1,543)	(2,492)	(285)
Purchases	585,230	208,246	4,895	—	90,034
Sales	(113,844)	(21,097)	(14,556)	—	(51,329)
Lending	—	—	30,183	—	—
Collection	—	—	(12,344)	—	—
Investments transferred from the Company to SVF2	280,806	(280,806)	—	—	—
Investments transferred from SVF2 to the Company	(242,881)	219,938	22,943	—	—
Transfers to Level 1 due to listing	(350,856)	(40,425)	—	—	—
Other	2,210	(8,571)	(14,044)	(738)	(8,871)
As of March 31, 2025	¥ 7,996,799	¥ 577,284	¥ 127,395	¥ 39,854	¥ 611,974
Gains or (losses) recognized in net income on financial instruments held at March 31, 2025	¥ 82,585	¥ 14,591	¥ 28,371	¥ (16,987)	¥ (28,938)

Financial liabilities	Derivative financial liabilities	Debt instruments issued by a subsidiary	Other
As of April 1, 2024	¥ 7,885	¥ —	¥ 44,513
(Gains) or losses			
Net income	44,394	7,451	315
Other comprehensive income	(603)	4,678	—
Business combinations	8,965	66,810	—
Redemption	—	(78,939)	—
Issuance	—	73,980	—
Other	(765)	—	(36,278)
As of March 31, 2025	¥ 59,876	¥ 73,980	¥ 8,550
(Gains) or losses recognized in net income on financial instruments held at March 31, 2025	¥ 46,780	¥ —	¥ 315

(Thousands of U.S. dollars)

Financial assets	Investments from SVF (FVTPL)	Equity securities (excluding investments from SVF (FVTPL))	Bonds and loans (excluding investments from SVF (FVTPL))	Derivative financial assets	Other
As of April 1, 2024	\$52,438,677	\$3,467,998	\$ 602,040	\$ 400,455	\$4,105,156
Gains or (losses)					
Net income	654,983	106,300	146,094	(112,306)	(209,858)
Other comprehensive income	(685,059)	(230,270)	(10,320)	(16,667)	(1,906)
Purchases	3,914,058	1,392,764	32,738	–	602,153
Sales	(761,396)	(141,098)	(97,352)	–	(343,292)
Lending	–	–	201,866	–	–
Collection	–	–	(82,558)	–	–
Investments transferred from the Company to SVF2	1,878,050	(1,878,050)	–	–	–
Investments transferred from SVF2 to the Company	(1,624,405)	1,470,961	153,444	–	–
Transfers to Level 1 due to listing	(2,346,549)	(270,365)	–	–	–
Other	14,780	(57,325)	(93,925)	(4,936)	(59,328)
As of March 31, 2025	\$53,483,139	\$3,860,915	\$ 852,027	\$ 266,546	\$4,092,925
Gains or (losses) recognized in net income on financial instruments held at March 31, 2025	\$ 552,334	\$ 97,586	\$ 189,747	\$(113,610)	\$ (193,539)

Financial liabilities	Derivative financial liabilities	Debt instruments issued by a subsidiary	Other
As of April 1, 2024	\$ 52,735	\$ –	\$ 297,706
(Gains) or losses			
Net income	296,910	49,833	2,107
Other comprehensive income	(4,033)	31,287	–
Business combinations	59,959	446,829	–
Redemption	–	(527,949)	–
Issuance	–	494,783	–
Other	(5,116)	–	(242,630)
As of March 31, 2025	\$ 400,455	\$ 494,783	\$ 57,183
(Gains) or losses recognized in net income on financial instruments held at March 31, 2025	\$ 312,868	\$ –	\$ 2,107

Gains or losses recognized in net income are included in "Gain (loss) on investments at Investment Business of Holding Companies," "Gain (loss) on investments at SoftBank Vision Funds," "Gain (loss) on other investments," "Derivative gain (loss) (excluding gain (loss) on investments)," and "Other gain" in the consolidated statement of profit or loss. Gains or losses recognized in other comprehensive income, net of tax, are included in "Equity financial assets at FVTOCI," "Debt financial assets at FVTOCI" and "Exchange differences on translating foreign operations" in the consolidated statement of comprehensive income.

(3) Carrying amounts and fair values of financial instruments

The table below presents carrying amounts and fair values of financial instruments.

As of March 31, 2024

			(Millions of yen)			
	Carrying amount	Fair value				Total
		Level 1	Level 2	Level 3		
Interest-bearing debt (Non-current)						
Long-term borrowings . .	¥ 4,698,657	¥ —	¥ 1,728,079	¥ 2,904,635		¥ 4,632,714
Corporate bonds . . .	6,619,839	—	6,527,054	—		6,527,054

As of March 31, 2025

		(Millions of yen)			
	Carrying amount	Fair value			Total
		Level 1	Level 2	Level 3	
Interest-bearing debt (Non-current)					
Long-term borrowings . .	¥5,357,017	¥ —	¥2,792,249	¥2,514,431	¥5,306,680
Corporate bonds . . .	7,019,644	—	6,934,801	—	6,934,801

		(Thousands of U.S. dollars)			
		Fair value			
	Carrying amount	Level 1	Level 2	Level 3	Total
Interest-bearing debt (Non-current)					
Long-term borrowings . .	\$35,828,097	\$ —	\$18,674,753	\$16,816,687	\$35,491,440
Corporate bonds . . .	46,947,860	—	46,380,424	—	46,380,424

Financial instruments whose carrying amounts are reasonably similar to fair values are not included in the table above. Financial instruments that are measured at fair value on a recurring basis are also excluded because the carrying amounts approximate fair value.

The major valuation techniques for fair value measurements of the above financial liabilities are as follows:

a. Long-term borrowings

Fair values of the non-current portion of long-term borrowings are measured using quoted prices in active markets if such prices are available, and the measurement is categorized as Level 1. Where such prices in active markets are not available, fair values of the non-current portion of long-term borrowings are measured based on the discounted cash flow method using observable inputs such as market interest rates, and the measurement is categorized as Level 2. The measurement of non-current portion of long-term borrowings that the fair values are measured based on the discounted cash flow method using unobservable inputs such as an interest rate including the credit spread that would be used for a borrowing with the same terms and maturity are categorized as Level 3.

b. Corporate bonds (non-current portion)

Fair values of the non-current portion of corporate bonds are mainly categorized as Level 1 or Level 2. When the fair value is measured using quoted prices in active markets for identical bonds, it is categorized as Level 1. When the fair value is measured using quoted prices that are observable in markets that are not active for identical bonds, it is categorized as Level 2.

30. Transfers of financial assets

The Company enters into securitization transactions involving trade and installment receivables.

The major securitization transactions involve the securitization of receivables related to installment receivables recognized from the sales of mobile devices.

For the transactions, the Company transfers receivables to financial institutions and acquires cash and a subordinate interest in the transferred receivables for financing purposes. The receivables sold are not derecognized because the Company retains a subordinate interest in each transaction and substantially retains all the risks and rewards of ownership of the transferred assets. Cash received from transferring the receivables are included in "Interest-bearing debt" under current liabilities and non-current liabilities as borrowings.

The following table presents the carrying amount of financial assets and related liabilities that are transferred but do not meet the derecognition criteria, as well as the fair value where related liabilities have recourse only to the transferred assets:

		(Millions of yen)	(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Carrying amount of transferred assets . . .	¥ 891,223	¥ 917,099	\$ 6,133,621
Carrying amount of related liabilities	(866,903)	(850,348)	(5,687,186)
(Fair value of financial assets and financial liabilities where related liabilities have recourse only to the transferred assets)			
Fair value of transferred assets	¥ 891,223	¥ 917,099	\$ 6,133,621
Fair value of related liabilities	(866,169)	(847,599)	(5,668,800)
Net position	¥ 25,054	¥ 69,500	\$ 464,821

The difference between transferred assets and related liabilities is mainly the subordinate interest which the Company retains on securitization.

In addition, the Company enters into securitization transactions involving a portion of the monthly lump sum payment receivables included in loans in the card business. However, there are securitization receivables for which the Company bears a credit risk until collection and is obligated to pay retrospectively if a debtor does not pay. Those securitization receivables are not derecognized because they do not meet the derecognition criteria. Cash received from transferring the receivables are included in "Interest-bearing debt" under current liabilities as borrowings.

The carrying amount of the receivables transferred by the method not meeting the derecognition criteria and the related liability as of March 31, 2025 is ¥1,150 million (\$7,691 thousand) and ¥70,000 million (\$468,165 thousand), respectively (as of March 31, 2024, ¥8,292 million and ¥200,000 million, respectively). The liability is settled without significant delay when a debtor pays for receivables transferred, but the Company cannot utilize the receivables transferred until the settlement of the liability or payment from the debtor is completed. The discrepancy between receivables transferred and related liabilities are mainly due to the amount of loan collection in card business.

31. Offsetting financial assets and liabilities

The following table presents the amount of financial assets and liabilities offset in the consolidated statement of financial position, as well as the amount of financial assets and liabilities that are under enforceable master netting agreements or similar contracts, but are presented in gross amounts, because they do not meet certain or all criteria of offsetting.

Rights to offset based on the enforceable master netting agreements or similar contracts are enforceable only in certain events such as bankruptcy or obligation default of the counterparty.

As of March 31, 2024

	(Millions of yen)				
Financial assets	Gross amount of financial assets	Gross amount of financial liabilities offset against financial assets	Net amount of financial assets presented in the consolidated statement of financial position	Amount not offset in the consolidated statement of financial position	Net amount
Trade and other receivables	¥ 228,480	¥ (126,821)	¥ 101,659	¥ (19,952)	¥ 81,707
Derivative financial assets	243,770	–	243,770	(1)	243,769
Total	¥ 472,250	¥ (126,821)	¥ 345,429	¥ (19,953)	¥ 325,476

	(Millions of yen)				
Financial liabilities	Gross amount of financial liabilities	Gross amount of financial assets offset against financial liabilities	Net amount of financial liabilities presented in the consolidated statement of financial position	Amount not offset in the consolidated statement of financial position	Net amount
Trade and other payables	¥ 929,986	¥ (126,821)	¥ 803,165	¥ (19,424)	¥ 783,741
Derivative financial liabilities	3	–	3	(1)	2
Other financial liabilities	745	–	745	(528)	217
Total	¥ 930,734	¥ (126,821)	¥ 803,913	¥ (19,953)	¥ 783,960

As of March 31, 2025

(Millions of yen)

	Gross amount of financial assets	Gross amount of financial liabilities offset against financial assets	Net amount of financial assets presented in the consolidated statement of financial position	Amount not offset in the consolidated statement of financial position	Net amount
Financial assets					
Cash and cash equivalents	¥ 1,325	¥ –	¥ 1,325	¥ –	¥ 1,325
Trade and other receivables	214,483	(125,363)	89,120	(16,279)	72,841
Derivative financial assets	222,851	–	222,851	(16,023)	206,828
Other financial assets	48,530	(118)	48,412	(29,797)	18,615
Total	¥ 487,189	¥ (125,481)	¥ 361,708	¥ (62,099)	¥ 299,609

(Millions of yen)

	Gross amount of financial liabilities	Gross amount of financial assets offset against financial liabilities	Net amount of financial liabilities presented in the consolidated statement of financial position	Amount not offset in the consolidated statement of financial position	Net amount
Financial liabilities					
Interest-bearing debt	¥ 29,796	¥ –	¥ 29,796	¥ (29,796)	¥ –
Trade and other payables	1,055,649	(125,363)	930,286	(15,781)	914,505
Derivative financial liabilities	17,326	–	17,326	(16,023)	1,303
Other financial liabilities	841	(118)	723	(499)	224
Total	¥ 1,103,612	¥ (125,481)	¥ 978,131	¥ (62,099)	¥ 916,032

(Thousands of U.S. dollars)

	Gross amount of financial assets	Gross amount of financial liabilities offset against financial assets	Net amount of financial assets presented in the consolidated statement of financial position	Amount not offset in the consolidated statement of financial position	Net amount
Financial assets					
Cash and cash equivalents	\$ 8,862	\$ –	\$ 8,862	\$ –	\$ 8,862
Trade and other receivables	1,434,477	(838,436)	596,041	(108,875)	487,166
Derivative financial assets	1,490,443	–	1,490,443	(107,163)	1,383,280
Other financial assets	324,572	(789)	323,783	(199,285)	124,498
Total	\$ 3,258,354	\$ (839,225)	\$ 2,419,129	\$ (415,323)	\$ 2,003,806

(Thousands of U.S. dollars)

	Gross amount of financial liabilities	Gross amount of financial assets offset against financial liabilities	Net amount of financial liabilities presented in the consolidated statement of financial position	Amount not offset in the consolidated statement of financial position	Net amount
Financial liabilities					
Interest-bearing debt	\$ 199,278	\$ –	\$ 199,278	\$ (199,278)	\$ –
Trade and other payables	7,060,253	(838,436)	6,221,817	(105,545)	6,116,272
Derivative financial liabilities	115,877	–	115,877	(107,162)	8,715
Other financial liabilities	5,625	(789)	4,836	(3,338)	1,498
Total	\$ 7,381,033	\$ (839,225)	\$ 6,541,808	\$ (415,323)	\$ 6,126,485

32. Foreign currency exchange rates

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

(1) Rate at the end of the period

	(Yen)	
	As of March 31, 2024	As of March 31, 2025
U.S. dollars	¥ 151.41	¥ 149.52

(2) Average rate for the quarter

For the fiscal year ended March 31, 2024

	(Yen)			
	Three-month period ended June 30, 2023	Three-month period ended September 30, 2023	Three-month period ended December 31, 2023	Three-month period ended March 31, 2024
U.S. dollars	¥ 138.11	¥ 145.44	¥ 147.00	¥ 147.87

For the fiscal year ended March 31, 2025

	(Yen)			
	Three-month period ended June 30, 2024	Three-month period ended September 30, 2024	Three-month period ended December 31, 2024	Three-month period ended March 31, 2025
U.S. dollars	¥ 156.53	¥ 150.26	¥ 151.32	¥ 152.95

(3) Foreign exchange sensitivity analysis for exchange differences on translating foreign operations

The table below presents the effect of a 1% appreciation of the Japanese yen against the U.S. dollars, which is the main foreign currency of the Company, regarding the translation of assets, liabilities, and interests in net assets of foreign operations into the presentation currency, assuming that all other factors are constant.

Impact of exchange differences on translating foreign operations (decrease in equity)

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
U.S. dollars	¥(203,979)	¥(250,749)	\$ (1,677,026)

33. Equity

(1) Common stock

a. Shares authorized

The number of shares authorized to be issued is as follows:

	(Thousands of shares)	
	As of March 31, 2024	As of March 31, 2025
Ordinary shares	7,200,000	7,200,000

b. Shares issued

Changes in the number of shares issued are as follows:

	(Thousands of shares)	
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Balance at the beginning of the year	1,469,995	1,469,995
Increase during the year	—	—
Decrease during the year	—	—
Balance at the end of the year	1,469,995	1,469,995

Notes:

1. Shares issued by the Company are common stock with no par value.
2. Shares issued have been fully paid.

(2) Capital surplus

Capital surplus of the Company includes additional paid-in capital of SoftBank Group Corp., which is legal capital surplus. Under the Companies Act of Japan (the "Companies Act"), at least 50% of the proceeds upon issuance of equity instruments shall be credited to common stock. The remainder of the proceeds shall be credited to additional paid-in capital. The Companies Act permits, upon approval at the general meeting of shareholders, the transfer of amounts from additional paid-in capital to common stock.

For the fiscal year ended March 31, 2024

With the initial public offering of Arm shares on September 14, 2023, the Company sold a portion of Arm shares (10.0% of the total number of outstanding shares) held by a wholly-owned subsidiary. Therefore, the Company's shareholding ratio in Arm was reduced to 90.0%.

As a result of the transaction, the amount of ¥674,370 million equivalent to the gain on sale of Arm shares on a consolidation basis is recorded as "Changes in interests in subsidiaries" under "Capital surplus."

(3) Other equity instruments

On July 19, 2017, SoftBank Group Corp. issued \$2.75 billion of USD-denominated Undated Subordinated Non-Call 6 years Resetable Notes and \$1.75 billion of USD-denominated Undated Subordinated Non-Call 10 years Resetable Notes (collectively, the "Hybrid Notes").

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

On October 12, 2022, SoftBank Group Corp. purchased a portion of the above USD-denominated Undated Subordinated Non-Call 6 years Resetable Notes (face value of \$0.75 billion) and retired them on the same date. Subsequently, on July 19, 2023, the first optional redemption date, the remaining amount (face value of \$2.0 billion) was fully redeemed. The amounts of ¥740 million and ¥56,164 million reduced from "Capital surplus" and "Retained earnings," respectively, as "Redemption and cancellation of other equity instruments" in the consolidated statement of changes in equity for the fiscal year ended March 31, 2024, represents the difference between the issue amount and the purchase amount, including foreign exchange effects.

Payments of interest were completed on the interest payment dates, July 19, 2024 and January 20, 2025, and "Retained earnings" decreased by ¥9,475 million (\$63,369 thousand) and ¥9,392 million (\$62,814 thousand) (for the fiscal year ended March 31, 2024: decreased by ¥16,708 million and

¥8,916 million on July 19, 2023 and January 19, 2024), respectively, as "Distribution to owners of other equity instruments" in the consolidated statement of changes in equity.

In addition, accrued interest, which is not recognized as a distribution to owners of other equity instruments because the payment has not yet been determined, is ¥3,598 million (\$24,064 thousand) as of March 31, 2025 (as of March 31, 2024: ¥3,643 million).

(4) Retained earnings

Retained earnings of the Company include the reserve of SoftBank Group Corp. legally required as legal retained earnings. The Companies Act provides that 10% of the dividend from retained earnings shall be appropriated as legal capital surplus or as legal retained earnings until their aggregate amount equals 25% of common stock. The legal retained earnings may be used to eliminate or reduce a deficit or be transferred to retained earnings upon approval at the general meeting of shareholders.

(5) Treasury stock

The Companies Act provides for companies to purchase treasury stock and dispose of such treasury stock by resolution of the Board of Directors. The amount of treasury stock purchased cannot exceed the amount available for distribution to the shareholders which is determined by a specific formula.

Changes in treasury stock are as follows:

		(Thousands of shares)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Balance at the beginning of the year	6,948	4,070
Increase during the year*	1	28,814
Decrease during the year	(2,879)	(485)
Balance at the end of the year	4,070	32,399

* For the fiscal year ended March 31, 2025, due to purchases of treasury stock under the resolutions passed at the Board of Directors' meeting held on August 7, 2024, the number of treasury stock increased by 28,812 thousand shares (amount purchased ¥237,045 million (\$1,585,373 thousand)).

(6) Accumulated other comprehensive income

The changes in the accumulated other comprehensive income are as follows.

	(Millions of yen)					
	Remeasurements of defined benefit plan	Equity financial assets at FVTOCI	Debt financial assets at FVTOCI	Cash flow hedges	Exchange differences on translating foreign operations	Total
As of April 1, 2023	¥ –	¥ 43,201	¥ 142	¥ (71,598)	¥ 3,785,040	¥ 3,756,785
Other comprehensive income (attributable to owners of the parent)	(9)	3,828	782	23,568	2,009,461	2,037,630
Transfer to retained earnings	9	(604)	–	–	–	(595)
As of March 31, 2024	¥ –	¥ 46,425	¥ 924	¥ (48,030)	¥ 5,794,501	¥ 5,793,820
Other comprehensive income (attributable to owners of the parent)	398	(3,294)	(822)	37,895	(521,272)	(487,095)
Transfer to retained earnings	(398)	978	–	–	–	580
As of March 31, 2025	¥ –	¥ 44,109	¥ 102	¥ (10,135)	¥ 5,273,229	¥ 5,307,305

	(Thousands of U.S. dollars)					
	Remeasurements of defined benefit plan	Equity financial assets at FVTOCI	Debt financial assets at FVTOCI	Cash flow hedges	Exchange differences on translating foreign operations	Total
As of March 31, 2024	\$ –	\$ 310,494	\$ 6,180	\$ (321,228)	\$ 38,754,020	\$ 38,749,466
Other comprehensive income (attributable to owners of the parent)	2,662	(22,030)	(5,498)	253,444	(3,486,303)	(3,257,725)
Transfer to retained earnings	(2,662)	6,541	–	–	–	3,879
As of March 31, 2025	\$ –	\$ 295,005	\$ 682	\$ (67,784)	\$ 35,267,717	\$ 35,495,620

The above amount is presented net of the tax effect. The amount of income taxes on each item in other comprehensive income is described in “Note 42. Other comprehensive income.”

(7) Non-controlling interests

For the fiscal year ended March 31, 2025, SoftBank Corp. issued ¥200,000 million (\$1,337,614 thousand) (for the fiscal year ended March 31, 2024: ¥120,000 million) of Bond-Type Class Shares. Although dividends whose record date falls within the specified period from the time of issuance are fixed dividends (floating dividends thereafter) and any unpaid dividends shall be carried over, the Bond-Type Class Shares are classified as equity instruments because SoftBank Corp. has the option to defer dividend payments, has no obligation to repurchase the Bond-Type Class Shares, and has unconditional right to avoid delivering cash or another financial asset, except for the distribution of residual assets on liquidation.

The holders of the Bond-Type Class Shares only have the right to claim the distribution of residual assets up to the amount paid and the amount of accumulated unpaid dividends. The Company's interests in SoftBank Corp. does not change at the time of issuance, and therefore, for the fiscal year ended March 31, 2025, ¥200,000 million (\$1,337,614 thousand) (for the fiscal year ended March 31, 2024: ¥120,000 million) of the amount paid is recorded as “Issuance of other equity instruments in subsidiaries” under “Non-controlling interests” in the consolidated statement of changes in equity.

34. Dividends

In accordance with the Companies Act, SoftBank Group Corp. has prescribed in its articles of incorporation that semiannual interim dividends may be paid once a year upon resolution by the Board of Directors.

Dividends paid are as follows:

For the fiscal year ended March 31, 2024

Resolution	Class of shares	Dividends per share		Total dividends		Record date	Effective date
		(Yen)		(Millions of yen)			
Annual general meeting of shareholders held on June 21, 2023.	Common stock	¥ 22		¥ 32,187		March 31, 2023	June 22, 2023
Board of Directors' meeting held on October 27, 2023	Common stock	22		32,246		September 30, 2023	December 8, 2023

For the fiscal year ended March 31, 2025

Resolution	Class of shares	Dividends per share		Total dividends		Record date	Effective date
		(Yen)	(U.S. dollars)	(Millions of yen)	(Thousands of U.S. dollars)		
Annual general meeting of shareholders held on June 21, 2024.	Common stocks	¥ 22	\$ 0.15	¥ 32,250	\$ 215,690	March 31, 2024	June 24, 2024
Board of Directors' meeting held on October 21, 2024	Common stocks	22	0.15	31,835	212,915	September 30, 2024	December 3, 2024

Dividends which will become effective during the fiscal year ending March 31, 2026 are as follows:

Resolution to be proposed	Class of shares	Dividends per share		Total dividends		Record date	Effective date
		(Yen)	(U.S. dollars)	(Millions of yen)	(Thousands of U.S. dollars)		
Annual general meeting of shareholders held on June 27, 2025.	Common stocks	¥ 22	\$ 0.15	¥ 31,627	\$ 211,524	March 31, 2025	June 30, 2025

35. Share-based payment transactions

The Company adopts stock option plans, restricted stock unit plans, restricted stock compensation plans and others as share-based payment awards.

Share-based payment awards are granted to the Company's directors and employees based on the terms resolved at the Company's general meeting of shareholders or Board of Directors' meeting.

Share-based payment awards are accounted for as equity-settled share-based payments or cash-settled share-based payments. Expense and liability amounts recognized from share-based payment awards are as follows:

Expenses arising from share-based payments

		(Millions of yen)	(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Equity-settled	¥ 121,647	¥ 168,375	\$ 1,126,104
Cash-settled	15,551	8,905	59,557
Total	¥ 137,198	¥ 177,280	\$ 1,185,661

Liabilities arising from share-based payments

		(Millions of yen)	(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Liability arising from share-based payment . .	¥ 18,779	¥ 17,044	\$ 113,991
Liability vested in the above	3,619	1,161	7,765

(1) Stock option plan

a. Details of the stock option plan

The Company grants stock options as equity-settled share-based payments. The details of the Company's stock option plan for the years ended March 31, 2024 and 2025 are as follows:

(a) SoftBank Group Corp.

SoftBank Group Corp. grants stock options to its directors and employees. Shares granted by the exercise of stock options are those issued by SoftBank Group Corp.

SoftBank Group Corp. conducted a share split at a ratio of two-for-one effective June 28, 2019. The amounts of stock options for each fiscal year are recorded after adjustments of the share split.

Year issued / Name	Grant date	Due date for exercise
2017 July Stock Acquisition Rights* ¹	July 28, 2017	July 31, 2023
2018 August Stock Acquisition Rights* ²	August 31, 2018	August 31, 2025
2019 July Stock Acquisition Rights* ³	August 13, 2019	August 31, 2025
2019 November Stock Acquisition Rights* ⁴	December 23, 2019	December 31, 2026
2020 August Stock Acquisition Rights* ⁴	August 28, 2020	August 31, 2027
2021 August Stock Acquisition Rights* ⁴	August 27, 2021	August 31, 2028
2022 August Stock Acquisition Rights* ⁴	August 29, 2022	August 31, 2029
2023 August Stock Acquisition Rights* ⁴	August 29, 2023	August 31, 2030
2024 July Stock Acquisition Rights* ⁵	July 30, 2024	August 31, 2028

*1 Vesting condition

Stock options vest when the service period requirements are met, and the vesting period is approximately two years.

Vesting requires continuous service from the grant date to the vesting date. When an eligible person retires, vested acquisition rights are forfeited.

*2 Vesting condition

Stock options vest when the service period requirements are met, and the vesting period is three years.

The number of the stock acquisition rights exercisable by an entitled person is limited as prescribed in "i" through "iv" below when the number of shares granted by the stock acquisition rights initially allotted is over 800. Fractional points, if any, of the exercisable stock acquisition rights are rounded down. In addition, 200 shares will be issued or transferred upon exercise of each of the stock acquisition rights.

- i. from September 1, 2021 through August 31, 2022: 25% of the allotted number of stock acquisition rights
- ii. from September 1, 2022 through August 31, 2023: 50% of the allotted number of stock acquisition rights along with the stock acquisition rights exercised in the period "i" above
- iii. from September 1, 2023 through August 31, 2024: 75% of the allotted number of stock acquisition rights along with the stock acquisition rights exercised in the period "i" and "ii" above
- iv. from September 1, 2024 through August 31, 2025: 100% of the allotted number of stock acquisition rights along with the stock acquisition rights exercised in the period "i" through "iii" above

Vesting requires continuous service from the grant date to the vesting date. When an eligible person retires, vested acquisition rights are forfeited.

*3 Vesting condition

Stock options vest when the service period requirements are met, and the vesting period is approximately two years.

The number of the stock acquisition rights exercisable by an entitled person is limited as prescribed in "i" through "iv" below when the number of shares granted by the stock acquisition rights initially allotted is over 800. Fractional points, if any, of the exercisable stock acquisition rights are rounded down. In addition, 200 shares will be issued or transferred upon exercise of each of the stock acquisition rights.

- i. from September 1, 2021 through August 31, 2022: 25% of the allotted number of stock acquisition rights
- ii. from September 1, 2022 through August 31, 2023: 50% of the allotted number of stock acquisition rights along with the stock acquisition rights exercised in the period "i" above
- iii. from September 1, 2023 through August 31, 2024: 75% of the allotted number of stock acquisition rights along with the stock acquisition rights exercised in the period "i" and "ii" above
- iv. from September 1, 2024 through August 31, 2025: 100% of the allotted number of stock acquisition rights along with the stock acquisition rights exercised in the period "i" through "iii" above

Vesting requires continuous service from the grant date to the vesting date. When an eligible person retires, vested acquisition rights are forfeited.

*4 Vesting condition

Stock options vest when the service period requirements are met, and the vesting period is approximately three years.

Vesting requires continuous service from the grant date to the vesting date. When an eligible person retires, vested acquisition rights are forfeited.

*5 Vesting condition

Stock options vest when the service period requirements are met, and the vesting period is zero year.

The number of the stock acquisition rights exercisable by an entitled person is limited as prescribed in "i" and "ii" below. In addition, 100 shares will be issued or transferred upon exercise of each of the stock acquisition rights.

i. If the number of the stock acquisition rights initially allotted is four or more:

Fractional points, if any, of the exercisable stock acquisition rights are rounded down.

- (i) from September 1, 2024 through August 31, 2025: 25% of the allotted number of stock acquisition rights
- (ii) from September 1, 2025 through August 31, 2026: 50% of the allotted number of stock acquisition rights along with the stock acquisition rights exercised in the period "(i)" above
- (iii) from September 1, 2026 through August 31, 2027: 75% of the allotted number of stock acquisition rights along with the stock acquisition rights exercised in the period "(i)" and "(ii)" above
- (iv) from September 1, 2027 through August 31, 2028: 100% of the allotted number of stock acquisition rights along with the stock acquisition rights exercised in the period "(i)" through "(iii)" above

ii. If the number of stock acquisition rights initially allotted is three or fewer:

- (i) from September 1, 2024 through August 31, 2025, up to one allotted stock acquisition right
- (ii) from September 1, 2025 through August 31, 2026, up to two allotted stock acquisition rights, along with the stock acquisition rights exercised during the period described in (i) above
- (iii) from September 1, 2026 through August 31, 2027, up to three allotted stock acquisition rights, along with the stock acquisition rights exercised during the period described in (i) and (ii) above

Vesting requires continuous service from the grant date to the vesting date. When an eligible person retires, vested acquisition rights are forfeited.

(b) SoftBank Corp.

SoftBank Corp. grants stock options to directors and employees of SoftBank Corp. or its subsidiaries. Shares granted by the exercise of stock options are those issued by SoftBank Corp.

SoftBank Corp conducted a share split at a ratio of ten-for-one effective October 1, 2024. The amounts of stock options for each fiscal year are recorded after adjustments of the share split.

Year issued / Name	Grant date	Due date for exercise
2018 March Stock Acquisition Rights* ¹	March 30, 2018	March 31, 2025
2020 July Stock Acquisition Rights* ²	July 31, 2020	July 31, 2027
2021 January Stock Acquisition Rights* ³	January 22, 2021	March 31, 2028
2021 July Stock Acquisition Rights Item (i)* ⁴	July 20, 2021	March 31, 2028
2021 July Stock Acquisition Rights Item (ii)* ⁵	July 20, 2021	July 31, 2028
2022 July Stock Acquisition Rights* ⁶	July 20, 2022	July 31, 2029
2023 July Stock Acquisition Rights* ⁷	July 20, 2023	July 31, 2030
2024 July Stock Acquisition Rights* ⁸	July 19, 2024	July 31, 2031
2024 August Stock Acquisition Rights* ⁹	August 30, 2024	March 31, 2032

*1 Vesting condition

In the case where the common stock of SoftBank Corp is newly listed on the financial instruments market established by the financial instruments exchange by March 31, 2020, an entitled person is able to exercise the above stock acquisition rights. The number of rights which an entitled person is able to exercise is as follows:

- i. Where the total number of shares granted by the stock acquisition rights initially allotted is from 30,000 to less than 120,000 shares, the number of the stock acquisition rights which an entitled person is able to exercise is limited as prescribed in "a" through "c" below.

- a. up to 30% of the total allotted rights are exercisable from April 1, 2020 to March 31, 2021.
- b. up to 60% of the total allotted rights including the rights exercised during the period of "a" are exercisable from April 1, 2021 to March 31, 2022.
- c. up to 100% of the total allotted rights including the rights exercised during the period of "a" and "b" are exercisable from April 1, 2022 to March 31, 2025.

ii. Where the total number of shares granted by the stock acquisition rights initially allotted is 120,000 or more shares, the number of the stock acquisition rights which an entitled person is able to exercise is limited as prescribed in "a" through "e" below.

- a. up to 20% of the total allotted rights are exercisable from April 1, 2020 to March 31, 2021.
- b. up to 40% of the total allotted rights including the rights exercised during the period of "a" are exercisable from April 1, 2021 to March 31, 2022.
- c. up to 60% of the total allotted rights including the rights exercised during the period of "a" and "b" are exercisable from April 1, 2022 to March 31, 2023.
- d. up to 80% of the total allotted rights including the rights exercised during the period of "a", "b", and "c" are exercisable from April 1, 2023 to March 31, 2024.
- e. up to 100% of the total allotted rights including the rights exercised during the period of "a", "b", "c", and "d" are exercisable from April 1, 2024 to March 31, 2025.

When an eligible person (director, employee or executive officer of SoftBank Corp. or its subsidiaries) retires, the unexercised acquisition rights are forfeited. However, this shall not apply in the case of a good cause, such as resignation due to expiration of the term or mandatory retirement.

*2 Vesting condition

Stock acquisition rights vest when the service period requirements are met, and the vesting period is approximately two years.

When an eligible person (director, employee or executive officer of SoftBank Corp. or its subsidiaries) retires, the unexercised acquisition rights are forfeited. However, this shall not apply in the case of a good cause, such as resignation due to expiration of the term or mandatory retirement.

*3 Vesting condition

The number of these rights which an entitled person is able to exercise is as follows:

- i. where the total number of shares granted by the stock acquisition rights initially allotted is from 30,000 to less than 120,000 shares, the number of the stock acquisition rights which an entitled person is able to exercise is limited as prescribed in "a" through "c" below.
 - a. up to 30% of the total allotted rights are exercisable from April 1, 2023 to March 31, 2024.
 - b. up to 60% of the total allotted rights including the rights exercised during the period of "a" are exercisable from April 1, 2024 to March 31, 2025.
 - c. up to 100% of the total allotted rights including the rights exercised during the period of "a" and "b" are exercisable from April 1, 2025 to March 31, 2028.
- ii. where the total number of shares granted by the stock acquisition rights initially allotted is 120,000 or more shares, the number of the stock acquisition rights which an entitled person is able to exercise is limited as prescribed in "a" through "e" below, provided that the number of exercisable stock acquisition rights is given by rounding down any fractions of less than one.
 - a. up to 20% of the total allotted rights are exercisable from April 1, 2023 to March 31, 2024.
 - b. up to 40% of the total allotted rights including the rights exercised during the period of "a" are exercisable from April 1, 2024 to March 31, 2025.
 - c. up to 60% of the total allotted rights including the rights exercised during the period of "a" and "b" are exercisable from April 1, 2025 to March 31, 2026.
 - d. up to 80% of the total allotted rights including the rights exercised during the period of "a", "b", and "c" are exercisable from April 1, 2026 to March 31, 2027.
 - e. up to 100% of the total allotted rights including the rights exercised during the period of "a", "b", "c", and "d" are exercisable from April 1, 2027 to March 31, 2028.

When an eligible person (director, employee or executive officer of SoftBank Corp. or its subsidiaries) retires, the unexercised acquisition rights are forfeited. However, this shall not apply in the case of a good cause, such as resignation due to expiration

of the term or mandatory retirement.

***4 Vesting condition**

The number of rights which an entitled person is able to exercise during the following periods “i” through “v” is as follows:

- i. up to 20% of the total allotted rights are exercisable from April 1, 2023 to March 31, 2024.
- ii. up to 40% of the total allotted rights including the rights exercised during the period of “i” are exercisable from April 1, 2024 to March 31, 2025.
- iii. up to 60% of the total allotted rights including the rights exercised during the period of “i” and “ii” are exercisable from April 1, 2025 to March 31, 2026.
- iv. up to 80% of the total allotted rights including the rights exercised during the period of “i”, “ii”, and “iii” are exercisable from April 1, 2026 to March 31, 2027.
- v. up to 100% of the total allotted rights including the rights exercised during the period of “i”, “ii”, “iii”, and “iv” are exercisable from April 1, 2027 to March 31, 2028.

When an eligible person (director, employee or executive officer of SoftBank Corp. or its subsidiaries) retires, the unexercised acquisition rights are forfeited. However, this shall not apply in the case of a good cause, such as resignation due to expiration of the term or mandatory retirement.

***5 Vesting condition**

Stock acquisition rights vest when the service period requirements are met, and the vesting period is approximately two years through July 31, 2023.

When an eligible person (director, employee, executive officer or advisor of SoftBank Corp.) retires, the unexercised acquisition rights are forfeited. However, this shall not apply in the case of a good cause, such as resignation due to expiration of the term or mandatory retirement.

***6 Vesting condition**

Stock acquisition rights vest when the service period requirements are met, and the vesting period is approximately two years through July 31, 2024.

When an eligible person (director, employee, executive officer or advisor of SoftBank Corp.) retires, the unexercised acquisition rights are forfeited. However, this shall not apply in the case of a good cause, such as resignation due to expiration of the term or mandatory retirement.

***7 Vesting condition**

Stock acquisition rights vest when the service period requirements are met, and the vesting period is approximately two years through July 31, 2025.

When an eligible person (director, employee, executive officer or advisor of SoftBank Corp.) retires, the unexercised acquisition rights are forfeited. However, this shall not apply in the case of a good cause, such as resignation due to expiration of the term or mandatory retirement.

***8 Vesting condition**

Stock acquisition rights vest when the service period requirements are met, and the vesting period is approximately two years through July 31, 2026.

When an eligible person (director, employee, executive officer or advisor of SoftBank Corp.) retires, the unexercised acquisition rights are forfeited. However, this shall not apply in the case of a good cause, such as resignation due to expiration of the term or mandatory retirement.

***9 Vesting condition**

The number of rights which an entitled person is able to exercise is as follows:

- i. where the total number of shares granted by the stock acquisition rights initially allotted is from 30,000 to less than 120,000 shares, the number of the stock acquisition rights which an entitled person is able to exercise is limited as prescribed in “a” through “c” below.
 - a. up to 30% of the total allotted rights are exercisable from April 1, 2027 to March 31, 2028.
 - b. up to 60% of the total allotted rights including the rights exercised during the period of “a” are exercisable from April 1, 2028 to March 31, 2029.

- c. up to 100% of the total allotted rights including the rights exercised during the period of “a” and “b” are exercisable from April 1, 2029 to March 31, 2032.

- ii. where the total number of shares granted by the stock acquisition rights initially allotted is 120,000 or more shares, the number of the stock acquisition rights which an entitled person is able to exercise is limited as prescribed in “a” through “e” below, provided that the number of exercisable stock acquisition rights is given by rounding down any fractions of less than one.
 - a. up to 20% of the total allotted rights are exercisable from April 1, 2027 to March 31, 2028.
 - b. up to 40% of the total allotted rights including the rights exercised during the period of “a” are exercisable from April 1, 2028 to March 31, 2029.
 - c. up to 60% of the total allotted rights including the rights exercised during the period of “a” and “b” are exercisable from April 1, 2029 to March 31, 2030.
 - d. up to 80% of the total allotted rights including the rights exercised during the period of “a”, “b”, and “c” are exercisable from April 1, 2030 to March 31, 2031.
 - e. up to 100% of the total allotted rights including the rights exercised during the period of “a”, “b”, “c”, and “d” are exercisable from April 1, 2031 to March 31, 2032.

When an eligible person (director, employee or executive officer of SoftBank Corp. or its subsidiaries) retires, the unexercised acquisition rights are forfeited. However, this shall not apply in the case of a good cause, such as resignation due to expiration of the term or mandatory retirement.

(c) LY Corporation

LY Corporation grants stock options to directors and employees of LY Corporation and its affiliated companies. Shares granted by the exercise of stock options are those issued by LY Corporation.

Year issued / Name	Grant date	Due date for exercise
2020 LINE 22nd* ^{1,2}	March 1, 2021	From July 29, 2022 through July 8, 2029
2020 LINE 24th* ^{1,3}	March 1, 2021	From July 29, 2022 through July 8, 2029
2020 LINE 25th* ^{1,3}	March 1, 2021	From July 29, 2022 through July 8, 2029
2020 LINE 26th* ^{1,4}	March 1, 2021	From November 5, 2023 through November 5, 2030
2020 LINE 28th* ⁵	March 30, 2021	From November 5, 2023 through November 5, 2030
2021 LINE 29th* ⁶	November 10, 2021	From November 11, 2024 through October 24, 2031
2022 Z Holdings 1st* ⁷	August 18, 2022	From August 19, 2025 through August 3, 2032

*1 Stock acquisition rights to be provided for directors and employees of LY Corporation and its affiliated companies Based on the capital alliance agreement entered into on December 23, 2019 that stipulated the LY Corporation group's governance, management and other matters after the business integration, LY Corporation granted alternative stock options to directors and employees of LY Corporation and its affiliated companies at the same scale as the stock options which A Holdings Corporation (formerly LINE Corporation) was granting to directors and employees of A Holdings Corporation and its affiliated companies.

***2 Vesting condition**

An entitled person must hold the position of director of LY Corporation or its affiliated companies at the time of exercising the rights. However, this shall not apply in the case of a good cause, such as resignation due to expiration of

the term, or the Board of Directors of LY Corporation deems that there is a justifiable reason. If stock price of LY Corporation's common stock meets the following requirements "i", "ii", and "iii", the number of shares of stock acquisition rights specified in "i", "ii", and "iii" is exercisable.

- i. At any day from July 29, 2022 through July 29, 2025, including 10 days before the last business day (excluding the day on which ordinary transactions of LY Corporation's common stock are not closed; same conditions apply to "i" through "iii"), if the average closing price of LY Corporation's common stock in ordinary trading on the Tokyo Stock Exchange exceeds ¥640 ("Basic Stock Price"); up to 20% of the total allotted rights is exercisable
- ii. At any day from July 29, 2023 through July 29, 2026, including 10 days before the last business day, if the average closing price of LY Corporation's common stock in ordinary trading on the Tokyo Stock Exchange exceeds Basic Stock Price; up to 30% of the total allotted rights is exercisable
- iii. At any day from July 29, 2024 through July 29, 2027, including 10 days before the last business day, if the average closing price of LY Corporation's common stock in ordinary trading on the Tokyo Stock Exchange exceeds Basic Stock Price; up to 50% of the total allotted rights is exercisable

Regardless of the exercise period (from July 29, 2022 to July 8, 2029. If the last day of the exercise period conflicts with a holiday of LY Corporation, its last business day shall be the last day of the exercise period), the entitled person is able to exercise the stock acquisition rights (including the stock acquisition rights already exercised) during the period specified in "a", "b" and "c" (either period shall include the first and last day), to the extent specified in "a", "b" and "c". In this case, if a fraction of less than one unit arises from the number of exercisable stock acquisition rights calculated based on such ratio, only the number of stock acquisition rights rounded down to the nearest whole number can be exercised.

- a. up to 20% of the total allotted rights, exercisable from July 29, 2022 to July 8, 2029
- b. up to 50% of the total allotted rights, exercisable from July 29, 2023 to July 8, 2029
- c. up to 100% of the total allotted rights, exercisable from July 29, 2024 to July 8, 2029

*3 Vesting condition

An entitled person must hold the position of director, audit and supervisory board member, executive officer, corporate officer or employee of LY Corporation or its affiliated companies at the time of exercising the rights. However, this shall not apply in the case of a good cause, such as resignation due to expiration of the term, or the Board of Directors of LY Corporation deems that there is a justifiable reason. Regardless of the exercise period (from July 29, 2022 to July 8, 2029. If the last day of the exercise period conflicts with a holiday of LY Corporation, its last business day shall be the last day of the exercise period), the entitled person is able to exercise the stock acquisition rights (including the stock acquisition rights already exercised) during the period specified in "i", "ii" and "iii" (either period shall include the first and last day), to the extent the number specified in "i", "ii" and "iii". In this case, if a fraction of less than one unit arises from the number of exercisable stock acquisition rights calculated based on such ratio, only the number of stock acquisition rights rounded down to the nearest whole number can be exercised.

- i. up to 20% of the total allotted rights, exercisable from July 29, 2022 to July 8, 2029
- ii. up to 50% of the total allotted rights, exercisable from July 29, 2023 to July 8, 2029
- iii. up to 100% of the total allotted rights, exercisable from July 29, 2024 to July 8, 2029

*4 Vesting condition

An entitled person must hold the position of director of LY Corporation or its affiliated companies at the time of exercising the rights. However, this shall not apply in the case of a good cause, such as resignation due to expiration of the term, or the Board of Directors of LY Corporation deems that there is a justifiable reason. If stock price of LY Corporation's common stock meets the following requirements "i", "ii", and "iii", the number of shares of stock acquisition rights specified in "i", "ii", and "iii" is exercisable.

- i. At any day from November 5, 2023 through November 5, 2026, including 10 days before the last business day (excluding the day on which ordinary transactions of LY Corporation's common stock are not closed; same conditions apply to "i" through "iii"), if the average closing price of LY Corporation's common stock in ordinary trading on the Tokyo Stock Exchange exceeds ¥640 ("Basic Stock Price"); up to 20% of the total allotted rights is exercisable
- ii. At any day from November 5, 2024 through November 5, 2027, including 10 days before the last business day, if the average closing price of LY Corporation's common stock in ordinary trading on the Tokyo Stock Exchange exceeds Basic Stock Price; up to 30% of the total allotted rights is exercisable
- iii. At any day from November 5, 2025 through November 5, 2028, including 10 days before the last business day, if the average closing price of LY Corporation's common stock in ordinary trading on the Tokyo Stock Exchange exceeds Basic Stock Price; up to 50% of the total allotted rights is exercisable

Regardless of the exercise period (from November 5, 2023 to November 5, 2030. If the last day of the exercise period conflicts with a holiday of LY Corporation, its last business day shall be the last day of the exercise period), the entitled person is able to exercise the stock acquisition rights (including the stock acquisition rights already exercised) during the period specified in "a", "b" and "c", to the extent specified in "a", "b" and "c". In this case, if a fraction of less than one unit arises from the number of exercisable stock acquisition rights calculated based on such ratio, only the number of stock acquisition rights rounded down to the nearest whole number can be exercised.

- a. up to 20% of the total allotted rights, exercisable from November 5, 2023 to November 5, 2030
- b. up to 50% of the total allotted rights, exercisable from November 5, 2024 to November 5, 2030
- c. up to 100% of the total allotted rights, exercisable from November 5, 2025 to November 5, 2030

*5 Vesting condition

An entitled person must hold the position of director, audit and supervisory board member, executive officer, corporate officer or employee of LY Corporation or its affiliated companies at the time of exercising the rights. However, this shall not apply in the case of a good cause, such as resignation due to expiration of the term, or the Board of Directors of LY Corporation deems that there is a justifiable reason. Regardless of the exercise period (from November 5, 2023 to November 5, 2030. If the last day of the exercise period conflicts with a holiday of LY Corporation, its last business day shall be the last day of the exercise period), the entitled person is able to exercise the stock acquisition rights (including the stock acquisition rights already exercised) during the period specified in "i", "ii" and "iii" (either period shall include the first and last day), to the extent specified in "i", "ii" and "iii". In this case, if a fraction of less than one unit arises from the number of exercisable stock acquisition rights calculated based on such ratio, only the number of stock acquisition rights rounded down to the nearest whole number can be exercised.

- i. up to 20% of the total allotted rights, exercisable from November 5, 2023 to November 5, 2030
- ii. up to 50% of the total allotted rights, exercisable from November 5, 2024 to November 5, 2030
- iii. up to 100% of the total allotted rights, exercisable from November 5, 2025 to November 5, 2030

*6 Vesting condition

An entitled person must hold the position of director, audit and supervisory board member, executive officer, corporate officer or employee of LY Corporation or its affiliated companies at the time of exercising the rights. However, this shall not apply in the case of a good cause, such as resignation due to expiration of the term, or the Board of Directors of LY Corporation deems that there is a justifiable reason. If stock price of LY Corporation's common stock meets the following requirements "i", "ii", and "iii", the number of shares of stock acquisition rights specified in "i", "ii", and "iii" is exercisable.

- i. At any day from November 11, 2024 through November 11, 2027, including 10 days before the last business day (excluding the day on which ordinary transactions of LY Corporation's common stock are not closed; same conditions apply to "i" through "iii"), if the average closing price of LY Corporation's common stock in ordinary trading on the Tokyo Stock Exchange exceeds ¥640 ("Basic Stock Price"); up to 20% of the total allotted rights is exercisable
- ii. At any day from November 11, 2025 through November 11, 2028, including 10 days before the last business day, if the average closing price of LY Corporation's common stock in ordinary trading on the Tokyo Stock Exchange exceeds Basic Stock Price; up to 30% of the total allotted rights is exercisable
- iii. At any day from November 11, 2026 through November 11, 2029, including 10 days before the last business day, if the average closing price of LY Corporation's common stock in ordinary trading on the Tokyo Stock Exchange exceeds Basic Stock Price; up to 50% of the total allotted rights is exercisable

Regardless of the exercise period (from November 11, 2024 to October 24, 2031. If the last day of the exercise period conflicts with a holiday of LY Corporation, its last business day shall be the last day of the exercise period), the entitled person is able to exercise the stock acquisition rights (including the stock acquisition rights already exercised) during the period specified in "a", "b" and "c" (either period shall include the first and last day), to the extent specified in "a", "b" and "c". In this case, if a fraction of less than one unit arises from the number of exercisable stock acquisition rights calculated based on such ratio, only the number of stock acquisition rights rounded down to the nearest whole number can be exercised.

- a. up to 20% of the total allotted rights, exercisable from November 11, 2024 to October 24, 2031
- b. up to 50% of the total allotted rights, exercisable from November 11, 2025 to October 24, 2031
- c. up to 100% of the total allotted rights, exercisable from November 11, 2026 to October 24, 2031

*7 Vesting condition

An entitled person must hold a position of director, audit and supervisory board member, executive officer, or corporate executive officers, or employee of LY Corporation or its affiliated companies at the time of exercising the rights.

However, this shall not apply in the case of a good cause which the Board of Directors of LY Corporation deems that there is a justifiable reason such as resignation due to expiration of the term. Other conditions for the exercise of stock acquisition rights shall be as specified in the "Stock Acquisition Rights Allotment Agreement," which LY Corporation enters into with an entitled person.

b. Fair value of stock options granted during the period

Weighted-average fair value at the measurement date and fair value measurement method of the stock options granted during the period are as follows:

(a) SoftBank Group Corp.

For the fiscal year ended March 31, 2025, the weighted-average fair value at the measurement date of the stock options granted during the period is ¥9,226 (\$61.7) (for the fiscal year ended March 31, 2024: ¥6,472).

Fair value is measured as follows:

Fiscal year ended March 31, 2024	
Year issued / Name	2023 August Stock Acquisition Rights
Valuation method used	Black-Scholes model
Key inputs and assumptions:	(Yen)
Weighted-average stock price . . .	¥6,604
Weighted-average exercise price . . .	¥ 1
Volatility of stock price* . . .	39.12%
Estimated residual period . .	3 years
Estimated dividend	¥44/per share
Risk-free interest rate.	0.08%

Fiscal year ended March 31, 2025		
Year issued / Name	2024 July Stock Acquisition Rights	
Valuation method used	Black-Scholes model	
Key inputs and assumptions:	(Yen)	(USD)
Weighted-average stock price . . .	¥9,296	\$62.17
Weighted-average exercise price . .	¥ 1	\$ 0.01
Volatility of stock price* . . .	38.25 - 61.40%	
Estimated residual period . .	0 - 3 years	
Estimated dividend	¥44/per share	\$0.29/per share
Risk-free interest rate.	0.11 - 0.44%	

* Volatility of the stock price is calculated based on the performance of the stock price for the most recent period depending on the period to maturity.

(b) SoftBank Corp.

For the fiscal year ended March 31, 2025, the weighted-average fair value at the measurement date of the stock options granted during the period is ¥183 (\$1.22) per share for 2024 July Stock Acquisition Rights and ¥9 (\$0.06) per share for 2024 August Stock Acquisition Rights (for the fiscal year ended March 31, 2024: ¥138).

Fair value is measured as follows:

Fiscal year ended March 31, 2024	
Year issued / Name	2023 July Stock Acquisition Rights
Valuation method used	Black-Scholes model
Key inputs and assumptions:	(Yen)
Weighted-average stock price . .	¥154
Weighted-average exercise price	¥ 1
Volatility of stock price* . . .	13.14%
Estimated residual period .	2 years
Estimated dividend	¥8.6/per share
Risk-free interest rate	(0.04%)

Fiscal year ended March 31, 2025				
Year issued / Name	2024 July Stock Acquisition Rights		2024 August Stock Acquisition Rights	
Valuation method used	Black-Scholes model		Black-Scholes model	
Key inputs and assumptions:	(Yen)	(USD)	(Yen)	(USD)
Weighted-average stock price . .	¥ 200	\$ 1.34	¥204	\$1.36
Weighted-average exercise price	¥ 1	\$ 0.01	¥211	\$1.41
Volatility of stock price* . . .	12.60%		13.28% - 16.37%	
Estimated residual period .	2 years		2 - 7 years	
Estimated dividend	¥8.6/per share	\$0.06/per share	¥8.6/per share	\$0.06/per share
Risk-free interest rate	0.35%		0.38% - 0.60%	

* Volatility of the stock price is calculated based on the performance of the stock price for the most recent period depending on the period to maturity.

(c) LY Corporation

There are no stock options granted during the fiscal years ended March 31, 2024 and 2025.

c. Changes in stock options during the period and the condition of stock options at the period end
Changes in stock options during the period and the condition of stock options at the period end are as follows:

(a) SoftBank Group Corp.

	Fiscal year ended March 31, 2024		Fiscal year ended March 31, 2025		
	Number of shares	Weighted-average exercise price (Yen)	Number of shares	Weighted-average exercise price (Yen)	Weighted-average exercise price (USD)
Beginning balance – Unexercised	4,602,800	¥3,360	1,087,200	¥ 1	\$ 0.01
Granted	160,200	1	153,700	1	0.01
Forfeited	(32,100)	598	(14,300)	1	0.01
Exercised	(2,878,900)	4,093	(484,500)	1	0.01
Matured	(764,800)	4,791	–	–	–
Ending balance – Unexercised	1,087,200	¥ 1	742,100	¥ 1	\$ 0.01
Ending balance – Exercisable	334,800	¥ 1	364,200	¥ 1	\$ 0.01

The unexercised options as of March 31, 2025 are as follows:

	Range of exercise price		Number of shares	Weighted-average exercise price		Weighted-average remaining contract period (year)
	(Yen)	(USD)		(Yen)	(USD)	
	¥ 1	\$ 0.01	742,100	¥ 1	\$ 0.01	3.1

(b) SoftBank Corp.

	Fiscal year ended March 31, 2024		Fiscal year ended March 31, 2025		
	Number of shares	Weighted-average exercise price (Yen)	Number of Shares	Weighted-average exercise price (Yen)	Weighted-average exercise price (USD)
Beginning balance – Unexercised	1,583,876,000	¥ 114	1,247,713,000	¥ 119	\$ 0.80
Granted	4,920,000	1	1,313,209,000	210	1.40
Forfeited	(21,995,000)	126	(31,824,000)	173	1.16
Exercised	(319,088,000)	94	(461,607,000)	93	0.62
Matured	–	–	(28,054,000)	63	0.42
Ending balance – Unexercised	1,247,713,000	¥ 119	2,039,437,000	¥ 184	\$ 1.23
Ending balance – Exercisable	467,913,000	¥ 107	296,658,000	¥ 137	\$ 0.92

The unexercised options as of March 31, 2025 are as follows:

Range of exercise price		Number of shares	Weighted-average exercise price		Weighted-average remaining contract period (year)
(Yen)	(USD)		(Yen)	(USD)	
¥ 1	\$ 0.01	10,247,000	¥ 1	\$ 0.01	5.5
137	0.92	644,399,000	137	0.92	3.0
150	1.00	92,000,000	150	1.00	3.0
211	1.41	1,292,791,000	211	1.41	7.0
Total		2,039,437,000	¥ 184	\$ 1.23	5.6

(c) LY Corporation

	Fiscal year ended March 31, 2024		Fiscal year ended March 31, 2025		
	Number of shares	Weighted-average exercise price (Yen)	Number of shares	Weighted-average exercise price (Yen)	Weighted-average exercise price (USD)
Beginning balance – Unexercised	224,138,375	¥ 452	183,498,425	¥ 424	\$ 2.84
Granted	–	–	–	–	–
Forfeited	(37,072,650)	605	(5,940,900)	438	2.93
Exercised	(3,567,300)	299	(6,711,600)	300	2.01
Matured	–	–	–	–	–
Ending balance – Unexercised	183,498,425	¥ 424	170,845,925	¥ 428	\$ 2.86
Ending balance – Exercisable	32,605,075	¥ 686	63,786,050	¥ 358	\$ 2.39

The unexercised options as of March 31, 2024 are as follows:

Range of exercise price		Number of shares	Weighted-average exercise price		Weighted-average remaining contract period (year)
(Yen)	(USD)		(Yen)	(USD)	
¥201 - ¥300	\$1.34 - \$2.01	78,474,725	¥ 298	\$ 1.99	4.3
401 - 500	2.68 - 3.34	73,759,200	477	3.19	5.8
701 - 800	4.69 - 5.35	18,612,000	783	5.24	6.6
Total		170,845,925	¥ 428	\$ 2.86	5.2

d. Stock options exercised during the period

Weighted-average stock prices at the time of exercise for stock options exercised during the period are as follows:

(a) SoftBank Group Corp.

Fiscal year ended March 31, 2024			Fiscal year ended March 31, 2025		
Year issued / Name	Number of shares exercised	Weighted-average stock price at exercise (Yen)	Year issued / Name	Number of shares exercised	Weighted-average stock price at exercise (USD)
2017 July Stock Acquisition Rights	2,459,200	¥6,582	2018 August Stock Acquisition Rights	335,400	¥8,555
2018 August Stock Acquisition Rights	271,600	6,845	2019 July Stock Acquisition Rights	51,400	8,714
2019 July Stock Acquisition Rights	42,800	6,495	2019 November Stock Acquisition Rights	6,000	8,435
2019 November Stock Acquisition Rights	6,300	6,189	2020 August Stock Acquisition Rights	29,000	8,149
2020 August Stock Acquisition Rights	99,000	6,638	2021 August Stock Acquisition Rights	52,000	8,508
			2024 July Stock Acquisition Rights	10,700	8,473

(b) SoftBank Corp.

Fiscal year ended March 31, 2024			Fiscal year ended March 31, 2025		
Year issued / Name	Number of shares exercised	Weighted-average stock price at exercise (Yen)	Year issued / Name	Number of shares exercised	Weighted-average stock price at exercise (USD)
2018 March Stock Acquisition Rights	175,281,000	¥169	2018 March Stock Acquisition Rights	266,261,000	¥ 200
2020 July Stock Acquisition Rights	401,000	160	2020 July Stock Acquisition Rights	321,000	192
2021 January Stock Acquisition Rights	129,056,000	174	2021 January Stock Acquisition Rights	176,483,000	199
2021 July Stock Acquisition Rights Item (i)	10,000,000	195	2021 July Stock Acquisition Rights Item (i)	13,000,000	198
2021 July Stock Acquisition Rights Item (ii)	4,350,000	166	2021 July Stock Acquisition Rights Item (ii)	846,000	192
			2022 July Stock Acquisition Rights Item	4,696,000	191

(c) LY Corporation

Fiscal year ended March 31, 2024			Fiscal year ended March 31, 2025		
Year issued / Name	Number of shares exercised	Weighted-average stock price at exercise (Yen)	Year issued / Name	Number of shares exercised	Weighted-average stock price at exercise (USD)
2020	3,567,300	¥426	2020	6,711,600	¥ 431

(2) Restricted stock unit plan

The Company adopts restricted stock unit ("RSU") plans where the Company grants shares as compensation on the vesting date if certain conditions are met.

The details of the Company's RSU plans for the fiscal years ended March 31, 2024 and 2025 are primarily as follows:

Arm

a. The Arm Limited All Employee Plan 2019 ("2019 AEP")

In December 2019, the 2019 AEP was established to grant RSUs to all employees of Arm and its group companies. Under this plan, it is determined whether to be settled by ordinary shares of Arm or cash dependent on future conditions based on the terms of the plan. The Company considered it to be settled by ordinary shares of Arm on the premise of an IPO and accounted for the compensation plan as an equity-settled share-based payment transaction.

RSUs vest upon the achievement of certain performance thresholds of the enterprise value at the IPO. The fair value of the RSUs is measured using the Monte Carlo option pricing model at the time of grant. The RSUs are forfeited if the employee leaves the Arm and its group companies before the RSUs vest.

The table below identifies award activity under 2019 AEP:

	Awards (Unit)	Weighted average fair value (USD)
Unexercised as of March 31, 2023	11,455,864	\$ 13.64
Granted	2,603	50.20
Cancelled and forfeited	(240,814)	13.84
Vested	(11,217,653)	13.64
Unexercised as of March 31, 2024	–	–
Granted	–	–
Cancelled and forfeited	–	–
Vested	–	–
Unexercised as of March 31, 2025	–	\$ –

b. 2022 Arm Limited RSU Award Plan ("2022 RSU Plan")

In June 2022, the 2022 RSU Plan was established to grant RSUs to all employees of Arm and its group companies ("All Employee Awards") and to grant two types of executive awards to certain of Arm's executive officers ("Executive Awards").

Under All Employee Awards, RSUs were granted as a fixed number of units, and vested RSUs are basically to be settled by ordinary shares of Arm while the 2022 RSU Plan allows for

either cash or share settlement of the RSU awards by tranche at the discretion of Arm. The Company accounted for the compensation plan, except for certain units expected to be settled by cash, as an equity-settled share-based payment transaction, and for units expected to be settled by cash are accounted as a cash-settled share-based payment transaction. The fair value of the RSUs accounted as an equity-settled share-based payment transaction is measured by taking into account the lack of marketability to a calculated entity valuation at the time of grant while the fair value of the RSUs accounted as a cash-settled share-based payment transaction is measured at every quarter.

Under Executive Awards, RSUs were granted as a fixed amount of cash or, upon the occurrence of a change in control or an IPO, a variable number of ordinary shares of Arm equal to a fixed amount of cash in November 2022. Executive Awards granted were originally accounted for as cash-settled share-based payment transaction and upon the IPO, each Executive Award was converted into variable number of shares based on the closing American depository shares ("ADS") price of Arm at the IPO date.

RSUs for All Employee Awards require continuous service through the vesting date, and are subject to graded vesting over time. RSUs for a portion of Executive Awards require a three-year continuous service period and vest over the period, and another portion of Executive Awards is subject to continuous service and satisfaction of certain performance conditions, and vest upon the satisfaction of performance metrics.

The table below identifies award activity under the 2022 RSU Plan:

	Awards (Unit)	Weighted average fair value (USD)
Equity-settled		
Unexercised as of March 31, 2023	10,777,469	\$ 35.74
Granted	17,126,122	43.66
Cancelled and forfeited	(621,895)	43.40
Vested	(6,400,480)	37.52
Executive Awards conversion	2,491,899	51.00
Unexercised as of March 31, 2024	23,373,115	42.42
Granted	186,160	51.00
Cancelled and forfeited	(683,273)	41.59
Vested	(15,495,819)	41.66
Unexercised as of March 31, 2025	7,380,183	\$ 47.52

Cash-settled	Awards (Unit)	Weighted average fair value (USD)
Unexercised as of March 31, 2023	352,265	\$ 41.50
Granted	8,362	–
Cancelled and forfeited	(9,605)	–
Vested	(351,022)	47.99
Unexercised as of March 31, 2024	–	–
Granted	–	–
Cancelled and forfeited	–	–
Vested	–	–
Unexercised as of March 31, 2025	–	\$ –

c. Omnibus Incentive Plan

In August 2023, the Omnibus Incentive Plan was established to grant incentive awards to employees, executive directors, and non-employees of Arm and its subsidiaries. The types of incentive awards granted under the Omnibus Incentive Plan and vesting conditions applicable to each award are determined by Arm.

For all periods presented, the maximum number of ordinary shares that may be issued under the Omnibus Incentive Plan is equal to the sum of (i) 20,500,000 ordinary shares and (ii) an annual increase on April 1 of each year beginning on April 1, 2024 and ending on April 1, 2028, equal to the lesser of (A) 2% of the aggregate number of ordinary shares outstanding on March 31 of the immediately preceding fiscal year and (B) such smaller number of ordinary shares as determined by Arm.

For the fiscal years ended March 31, 2024 and 2025, Arm granted RSUs and performance stock units (“PSUs”) under the Omnibus Incentive Plan to employees, including executives of Arm. The Omnibus Incentive Plan allows for either cash or share settlement of the awards by tranche, if applicable, at the discretion of Arm. At the time of issuance, the Company intended to settle the RSUs and PSUs in shares at the vesting date and such awards are accounted for as equity-settled share-based payment transactions.

The RSUs were granted to existing employees and new hires of Arm and its subsidiaries, require continuous service through the vesting date and are subject to graded vesting over time.

The PSUs were awarded to executives of Arm and include a portion that require three-year continuous service period and another portion that is subject to continuous service and satisfaction of certain performance conditions. The time-based portion of the PSUs vests over a three-year period. The PSUs that are subject to continuous service and satisfaction of certain performance conditions vest upon the satisfaction of performance metrics.

In addition, for the fiscal year ended March 31, 2025, Arm grants PSUs with Relative TSR (Total Shareholder Return) as the performance condition.

The table below identifies award activity under the Omnibus Incentive Plan:

	Awards (Unit)	Weighted average fair value (USD)
Unexercised as of March 31, 2023	–	\$ –
Granted	1,957,636	68.17
Cancelled and forfeited	(11,105)	57.01
Vested	(50,784)	71.03
Unexercised as of March 31, 2024	1,895,747	68.16
Granted	10,861,462	121.59
Cancelled and forfeited	(461,184)	112.34
Vested	(1,170,217)	70.97
Unexercised as of March 31, 2025	11,125,808	\$ 118.24

(3) Restricted stock compensation plan

The Company adopts restricted stock compensation plans where the Company grants stocks, the transfer of which is restricted.

The details of the Company's restricted stock compensation plans for the fiscal years ended March 31, 2024 and 2025 are primarily as follows:

SoftBank Corp.

SoftBank Corp. adopts a restricted stock compensation plan where SoftBank Corp. grants stocks, the transfer of which is restricted. The fair value of restricted stocks granted is calculated based on the common stock price of SoftBank Corp. on the grant date. The plan is accounted for as equity-settled share-based payment.

The plan is vested on the day when shares of restricted stocks are granted, and the granted shares of restricted stocks shall not be transferred, pledged as collateral or disposed of from the grant day to the day of resignation from the eligible directors of SoftBank Corp.

The details of the plan for the fiscal years ended March 31, 2024 and 2025 are as follows:

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Eligible director(s)	Five directors	Four directors
	Four corporate executive officers	Seven corporate executive officers
Number of shares granted	11,171,000	21,695,000
Weighted-average fair value of shares granted	¥154	¥195 (\$1.30)

36. Net sales

(1) Breakdown of net sales

The components of net sales are as follows.

		(Millions of yen)	(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
SoftBank segment			
Consumer business* ¹			
Service revenues			
Mobile communications	¥1,507,685	¥1,554,934	\$10,399,505
Broadband	400,261	408,247	2,730,384
Electricity	261,666	255,694	1,710,099
Revenues from sales of goods and others	635,437	713,862	4,774,358
Enterprise business* ²	800,753	886,260	5,927,368
Distribution business	568,790	705,408	4,717,817
Media & EC business			
Media* ³	674,550	704,328	4,710,594
Commerce* ³	822,125	844,234	5,646,295
Strategy	84,395	97,785	653,993
Other	5,511	4,048	27,073
Financial business	215,862	255,662	1,709,885
Other* ^{1,2}	104,248	110,895	741,673
Subtotal	6,081,283	6,541,357	43,749,044
Arm segment			
License and other revenue	207,749	259,236	1,733,788
Royalty revenue	256,276	330,932	2,213,296
Subtotal	464,025	590,168	3,947,084
Other	211,192	112,227	750,581
Total	¥6,756,500	¥7,243,752	\$48,446,709

The above amount of net sales for the fiscal year ended March 31, 2025 includes ¥202,964 million (\$1,357,437 thousand) (for the fiscal year ended March 31, 2024: ¥197,147 million) of revenue from other sources than those recognized under IFRS 15 "Revenue from Contracts with Customers," such as lease contracts at Finance business and Enterprise business under the SoftBank segment.

*1 For the fiscal year ended March 31, 2025, certain subsidiaries previously categorized under "Consumer business" are reclassified to "Other." Accordingly, the net sales of "Consumer business" and "Other" for the fiscal year ended March 31, 2024 are reclassified.

*2 For the fiscal year ended March 31, 2025 for the purpose of strengthening group synergies, SB Technology Corp., Cybertrust Japan Co., Ltd., and other entities are reclassified from "Other" to "Enterprise business." Accordingly, the net sales of "Enterprise business" and "Other" for the fiscal year ended March 31, 2024 are reclassified.

*3 For the fiscal year ended March 31, 2025, the service categories within "Media & EC business" are changed, and certain services previously classified under "Media" are reclassified to "Commerce." Accordingly, the net sales of "Media" and "Commerce" for the fiscal year ended March 31, 2024 are reclassified.

(2) Contract balance

The components of contract balances are as follows.

			(Millions of yen)	(Thousands of U.S. dollars)
	As of April 1, 2023	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Receivables arising from contracts with customers . . .	¥1,102,918	¥1,137,705	¥1,166,276	\$7,800,134
Contract assets	50,549	114,884	148,647	994,161
Contract liabilities	335,898	364,354	354,917	2,373,709

Contract assets generally increase when the Company transfers goods or services to a customer (excluding claims for which the right to remuneration is unconditional) before the customer pays the consideration or before the payment becomes due and decrease when the Company bills the customer.

Contract liabilities generally increase when the Company receives consideration from a customer prior to the transfer of goods or services to the customer and decrease when the Company meets its performance obligations.

For the fiscal year ended March 31, 2025, impairment loss on receivables related to revenue from contracts with customers is ¥17,041 million (\$113,971 thousand) (for the fiscal year ended March 31, 2024: ¥14,871 million).

Of the net sales recognized for the fiscal year ended March 31, 2025, ¥122,037 million (\$816,192 thousand) was included in the beginning balance of contract liabilities as of that date (for the fiscal year ended March 31, 2024: ¥136,076 million). Also, for the fiscal year ended March 31, 2025, net sales recognized from satisfied performance obligations in prior reporting periods is ¥332,335 million (\$2,222,679 thousand) (for the fiscal year ended March 31, 2024: ¥269,561 million) which is primarily from royalty revenue earned during the period in the Arm segment.

(3) Transaction price allocated to unsatisfied performance obligations

The aggregate amount of transaction prices allocated to unsatisfied (or partially unsatisfied) performance obligations as of March 31, 2025 is ¥475,126 million (\$3,177,675 thousand) (as of March 31, 2024: ¥515,619 million).

Of this, the unsatisfied performance obligations of ¥332,758 million (\$2,225,508 thousand) as of March 31, 2025 (as of March 31, 2024: ¥376,167 million) arise primarily from license contracts related to Arm's technology in the Arm segment and of ¥142,368 million (\$952,167 thousand) as of March 31, 2025 (as of March 31, 2024: ¥139,449 million) arise primarily from mobile services and mobile device rental services in the SoftBank segment.

Under the Arm segment, the Company has elected to exclude potential future royalty receipts from the disclosure. In certain arrangements, Arm's right to consideration may not correspond directly with the performance of obligations. Revenue recognition for specified IP occurs upon delivery or beginning of license term, whichever is later. For certain subscription offerings, revenue allocated to unspecified future IP is recognized overtime, on a straight-line basis over the delivery period, commencing upon the later of the effective date of the arrangement and the transfer of the initial available IP license. In the Arm segment, the Company expects to recognize approximately 25% of remaining performance obligations as revenue over the next 12 months, approximately 19% over the subsequent 13-to 24-month period, and the remainder thereafter.

The unsatisfied performance obligations in the SoftBank segment are expected to be recognized as revenue primarily for three years.

The Company applies practical expedients. Transaction prices of contracts with an original duration of one year or less and transaction prices of contracts in which considerations are received from customers directly corresponding to the volume of service delivered are not included in the transaction prices allocated to the residual performance obligations mentioned above.

37. Cost of sales and selling, general and administrative expenses

The components of cost of sales and selling, general and administrative expenses are as follows:

		(Millions of yen)	(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Cost of goods sold	¥(1,708,728)	¥(1,896,634)	\$ (12,684,818)
Employees benefit cost	(1,114,941)	(1,011,881)	(6,767,529)
Depreciation and amortization	(858,620)	(866,823)	(5,797,372)
Sales commissions and sales promotion expenses . .	(461,113)	(535,042)	(3,578,398)
Service outsourcing expenses	(359,262)	(409,399)	(2,738,089)
Telecommunications equipment usage fees.	(249,243)	(263,117)	(1,759,745)
Amortization of contract acquisition cost	(255,146)	(256,713)	(1,716,914)
Other	(1,189,438)	(1,274,349)	(8,522,932)
Total	¥(6,196,491)	¥(6,513,958)	\$ (43,565,797)

"Depreciation and amortization" includes the amount of disposal of "Property, plant and equipment," "Right-of-use assets," and "Intangible assets" as well as amortization of long-term prepaid expenses which are recorded in "Other non-current assets" in the consolidated statement of financial position.

38. Gain on investments

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

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

		(Millions of yen)	(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Realized loss on investments at asset management subsidiaries	¥ (90,360)	¥ (39,323)	\$ (262,995)
Unrealized gain (loss) on valuation of investments at asset management subsidiaries	12,692	(10,888)	(72,820)
Realized gain (loss) on investments ^{*1,2,3}	38,037	(109,862)	(734,765)
Unrealized gain (loss) on valuation of investments ^{*1,2,3}	(666,967)	3,580,069	23,943,747
Derivative gain (loss) on investments ^{*3,4,5}	226,050	(297,653)	(1,990,724)
Effect of foreign exchange translation ^{*2,3,6}	(14,594)	199,888	1,336,865
Other	36,097	91,590	612,561
Total	¥ (459,045)	¥ 3,413,821	\$22,831,869

^{*1} For the fiscal year ended March 31, 2025, ¥280,516 million (\$1,876,110 thousand) (for the fiscal year ended March 31, 2024: ¥46,779 million of the realized loss on investments) of realized gain on investments and ¥900,335 million (\$6,021,502 thousand) (for the fiscal year ended March 31, 2024: ¥8,641 million of unrealized loss on valuation of investments) of unrealized gain on valuation of investments (reclassified to realized gain and loss recorded in the past fiscal years) were recognized due to the physical settlement of prepaid forward contracts using Alibaba shares. In addition, ¥695,057 million (\$4,648,589 thousand) of unrealized gain on valuation of investments was recognized due to the stock price changes for Alibaba shares held as of March 31, 2025 (for the fiscal year ended March 31, 2024: ¥921,797 million of unrealized loss on valuation of investments was recorded for the stock price changes for Alibaba shares held as of March 31, 2024).

^{*2} For the fiscal year ended March 31, 2025, ¥649,975 million (\$4,347,077 thousand) of realized loss on WeWork shares, ¥447,483 million (\$2,992,797 thousand) of unrealized gain on valuation of investments (reclassified to realized gain and loss recorded in the past fiscal years), and ¥202,492 million (\$1,354,280 thousand) of gain arising from the foreign exchange translation effects were recognized due to the completion of the procedures under Chapter 11 for WeWork. The gain and loss were recognized as a result of unrealized loss on valuation of investments recorded in the period prior to the transfer of WeWork shares by the Company to SVF2 in August 2021, which were reclassified to realized loss on investments for the fiscal year ended March 31, 2025, and therefore, the effect on the total amount of "Gain and loss on investments at Investment Business of Holding Companies" for the fiscal year ended March 31, 2025, is zero. The details are described in "b. Segment income arising from the SoftBank Vision Funds business" in "(1) Income and loss arising from the SoftBank Vision Funds business" under "Note 7. SoftBank Vision Funds business."

^{*3} On June 7, 2024, Deutsche Telekom partially exercised options to purchase T-Mobile shares granted by the Company and the Company sold 6,728,701 shares of T-Mobile. As a result, for the fiscal year ended March 31, 2025, ¥78,277 million (\$523,522 thousand) of realized gain on investments, ¥50,043 million (\$334,691 thousand) of unrealized loss on valuation of investments (reclassified to realized gain and loss recorded in the past fiscal years), ¥17,753 million (\$118,733 thousand) of derivative loss on investments, and ¥11,066 million (\$74,010 thousand) of loss arising from the foreign exchange translation effects were recognized. In addition, ¥1,346,194 million (\$9,003,438 thousand) of unrealized gain on valuation of investments was recognized due to the stock price changes for T-Mobile shares held as of March 31, 2025.

^{*4} For the fiscal year ended March 31, 2024, the conditions for the contingent consideration related to the acquisition of T-Mobile shares through the merger transaction between Sprint and T-Mobile US, Inc. were met, and the Company acquired 48,751,557 shares of T-Mobile for no additional consideration. ¥227,012 million of derivative gain on investments was recorded due to changes in the fair value of the derivative asset up to the acquisition date for those T-Mobile shares. In addition, "T-Mobile" indicates T-Mobile US, Inc. after merging with Sprint.

^{*5} For the fiscal year ended March 31, 2025, ¥285,533 million (\$1,909,664 thousand) of loss primarily related to option transactions for listed shares was recognized.

^{*6} Unrealized gain and loss on valuation of investments are translated using the average exchange rate for the quarter in which the gain and loss were recognized, while realized gain and loss on investments are translated using the average exchange rate for the quarter in which the shares were disposed. "Effect of foreign exchange translation" arises from the different foreign currency exchange rates used for unrealized gain and loss on valuation and realized gain and loss.

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

The details of gain and loss on investments at SoftBank Vision Funds are described in "(1) Income and loss arising from the SoftBank Vision Funds business" under "Note 7. SoftBank Vision Funds business."

39. Finance cost

The components of finance cost are as follows:

		(Millions of yen)	(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Interest expenses [*]	¥ (556,004)	¥ (581,559)	\$ (3,889,506)

^{*} "Interest expenses" are incurred mainly by financial liabilities measured at amortized cost. For the fiscal year ended March 31, 2025, the amount of interest expenses incurred from lease liabilities which is recorded in "Interest expenses" is ¥ (26,140) million (\$ (174,826) thousand) (for the fiscal year ended March 31, 2024: ¥ (14,177) million).

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

For the fiscal year ended March 31, 2025, derivative loss of ¥1,698,697 million (\$11,361,002 thousand) (for the fiscal year ended March 31, 2024: derivative gain of ¥1,517,350 million) was recorded for the prepaid forward contracts using Alibaba shares and the call spread contracts relating to prepaid forward contracts using Alibaba shares. The details of the contracts are described in "(2) Transactions for sale of Alibaba shares by prepaid forward contracts" under "Note 22. Interest-bearing debt."

41. Other gain

The components of other gain and loss are as follows:

		(Millions of yen)	(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Interest income	¥ 207,848	¥ 119,530	\$ 799,425
Loss on equity method investments	(38,641)	(13,357)	(89,333)
Gain relating to loss of control over subsidiaries* ^{1,2}	119,473	136,225	911,082
Gain through tax credit structure in the U.S.* ³ . . .	–	71,927	481,053
Gain arising from the remeasurement relating to business combination* ⁴	–	55,553	371,542
Gain (loss) from financial instruments at FVTPL* ⁵ . .	(5,257)	23,044	154,120
Impairment loss on equity method investments* ⁶	(54,196)	(26,023)	(174,044)
Reversal for loss relating to litigation* ⁷	19,176	–	–
Loss relating to credit support for WeWork* ⁸	(42,072)	–	–
Loss on derecognition of unsecured notes issued by WeWork* ⁹	(21,579)	–	–
Other	19,327	(12,648)	(84,590)
Total	¥ 204,079	¥ 354,251	\$2,369,255

*1 For the fiscal year ended March 31, 2024, primarily, as a result of the sale of 85% of shares in SB Energy Corp., a wholly-owned subsidiary of the Company, the gain arising from the loss of control over the entity was recorded. Subsequently, SB Energy Corp. (currently, Terras Energy Corporation) became an equity method associate of the Company after the transaction. In addition, on April 30, 2024, the Company sold all 15% of its shares in Terras Energy Corporation. As a result, Terras Energy Corporation is no longer considered as an equity method associate of the Company.

*2 For the fiscal year ended March 31, 2025, as a result of the sale of all interests in Fortress held by a subsidiary of the Company to a subsidiary of Mubadala Investment Company PJSC, ¥93,139 million (\$622,920 thousand) of gain arising from the loss of control over Fortress is included.

*3 In the U.S., various tax incentives are available to renewable energy power generation companies to promote renewable energy, including tax credits based on capital investment amounts (Investment Tax Credit, "ITC") and accelerated depreciation relating to power generation facilities for tax purposes, provided certain requirements are met. Furthermore, the companies can transfer the ITC to third parties, and the tax depreciation can be allocated to investors in power plant construction projects.

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

For the fiscal year ended March 31, 2025, ¥71,927 million (\$481,053 thousand) was recorded as "Gain through tax credit structure in the U.S." for the tax incentives allocated to Tax Equity Investors by SBE Global.

*4 On July 2, 2024, interests in SBE Global, which was previously an equity method associate of the Company, were additionally acquired and SBE Global became a wholly-owned subsidiary of the Company. Subsequently, the existing investment interests were measured at fair value and ¥55,553 million (\$371,542 thousand) of gain arising from the remeasurement relating to business combination was recorded.

*5 Following WeWork's emergence from Chapter 11 on June 11, 2024, given the approved plan of reorganization, out of a portion of the Junior TLC facility, which has been recognized as loan receivables was repaid in cash given over collateral, and the drawn amounts up to date of emergence were converted into new WeWork equity as described above. The carrying

amounts (recoverable amounts) of such loan receivables in the consolidated statement of financial position as of March 31, 2024, were zero. However, the collectability of the remaining loan receivables was reassessed and as a result, for the fiscal year ended March 31, 2025, ¥23,360 million (\$156,233 thousand) of gain was recorded.

*6 For the fiscal year ended March 31, 2024, ¥22,345 million of impairment loss was recorded as the carrying amount of equity method investments in DEMA-E-CAN CO., LTD. was reduced to the recoverable amount.

*7 With respect to the litigation in which SoftBank Corp. and Japan Post Information Technology Co., Ltd. ("JPiIT") were involved as parties, in relation to a project to migrate the communications network connecting 27,000 sites (postal offices, etc.) countrywide to a new network, the 5th PNET, on September 9, 2022, the Tokyo District Court rendered a judgment ordering SoftBank Corp. to pay remuneration for the damages and delay damages to JPiIT. On September 22, 2022, SoftBank Corp. appealed the judgment to the Tokyo High Court, and on March 21, 2024, the Tokyo High Court rendered a judgment ordering JPiIT to pay remuneration for the additional services and delay damages to SoftBank Corp. and dismissing all claims against SoftBank Corp. by JPiIT. In accordance with the judgment, the entire provision of ¥19,176 million for the loss relating to litigation, which was recorded for the fiscal year ended March 31, 2023, is reversed in SoftBank Corp. for the fiscal year ended March 31, 2024.

*8 With respect to the credit support (financial guarantee contract) for a letter of credit facility \$1.43 billion (notional amount of a Junior LC \$0.47 billion and notional amount of a Senior LC \$0.96 billion) to WeWork provided by financial institutions, on October 31, 2023, SVF2 paid and fully satisfied the Junior LC and thereby acquired a subrogation claim against WeWork, and also deposited the full amount into the restricted cash account as collateral to fully satisfy the Senior LC.

On November 6, 2023, WeWork filed for bankruptcy protection under Chapter 11 of the United States Bankruptcy Code. On December 19, 2023, WeWork entered into certain Senior Secured Debtor-In-Possession Credit Agreement with SVF2 and certain financial institutions. Based on the agreement, to continue to support certain letter of credit obligations of WeWork during the Chapter 11 process, SVF2 converted \$0.67 billion from the restricted cash that was already deposited as collateral for the Senior LC into the form of a term loan to WeWork to continue to support such letter of credit obligations.

As of March 31, 2024, the loan receivable including the subrogation claim that was acquired as a result of the fulfillment of the guarantee obligations was \$1.43 billion (the balance presented was related to LC notional amount only, excluding claimed fees and expenses). For the six-month period ended September 30, 2023, for the financial guarantee contract, losses were recorded for ¥42,072 million considering the financial position of WeWork. As a result, the allowance was recorded for the entire financial guarantee contract totaling \$1.43 billion, together with amounts reserved as of March 31, 2023. For the three-month period ended December 31, 2023, the allowance for the financial guarantee contract was allocated to the loan receivable. As of March 31, 2024, the carrying amount of the loan receivable was zero.

*9 For the fiscal year ended March 31, 2024, unsecured notes issued by WeWork were exchanged into shares and convertible bonds newly issued by WeWork. The unsecured notes were derecognized and ¥21,579 million of loss was recorded.

42. Other comprehensive income

The table below presents the amount arising during the year, reclassification adjustments to profit or loss and the income tax effect of each item in other comprehensive income.

For the fiscal year ended March 31, 2024

	(Millions of yen)				
	Amount arising during the year	Reclassification adjustments	Before tax effect	Income tax effect	After tax effect
Items that will not be reclassified to profit or loss					
Remeasurements of defined benefit plan	¥ (507)	¥ –	¥ (507)	¥ 199	¥ (308)
Equity financial assets at FVTOCI	11,984	–	11,984	(1,207)	10,777
Share of other comprehensive income of associates	326	–	326	–	326
Total	11,803	–	11,803	(1,008)	10,795
Items that may be reclassified subsequently to profit or loss					
Debt financial assets at FVTOCI	963	(1,361)	(398)	112	(286)
Cash flow hedges	139,709	(116,337)	23,372	635	24,007
Exchange differences on translating foreign operations	1,979,444	21,092	2,000,536	380	2,000,916
Share of other comprehensive income of associates	(3,463)	467	(2,996)	(212)	(3,208)
Total	2,116,653	(96,139)	2,020,514	915	2,021,429
Total other comprehensive income	¥ 2,128,456	¥ (96,139)	¥ 2,032,317	¥ (93)	¥ 2,032,224

For the fiscal year ended March 31, 2025

(Millions of yen)

	Amount arising during the year	Reclassification adjustments	Before tax effect	Income tax effect	After tax effect
Items that will not be reclassified to profit or loss					
Remeasurements of defined benefit plan.	¥ 3,389	¥ –	¥ 3,389	¥ (791)	¥ 2,598
Equity financial assets at FVTOCI	(18,750)	–	(18,750)	4,993	(13,757)
Share of other comprehensive income of associates.	162	–	162	–	162
Total	(15,199)	–	(15,199)	4,202	(10,997)
Items that may be reclassified subsequently to profit or loss					
Debt financial assets at FVTOCI	(4,681)	514	(4,167)	1,794	(2,373)
Cash flow hedges	11,449	36,743	48,192	(5,929)	42,263
Exchange differences on translating foreign operations	(384,834)	3,046	(381,788)	(165,986)	(547,774)
Share of other comprehensive income of associates.	(1,879)	–	(1,879)	–	(1,879)
Total	(379,945)	40,303	(339,642)	(170,121)	(509,763)
Total other comprehensive income	¥ (395,144)	¥ 40,303	¥ (354,841)	¥ (165,919)	¥ (520,760)

(Thousands of U.S. dollars)

	Amount arising during the year	Reclassification adjustments	Before tax effect	Income tax effect	After tax effect
Items that will not be reclassified to profit or loss					
Remeasurements of defined benefit plan.	\$ 22,666	\$ –	\$ 22,666	\$ (5,290)	\$ 17,376
Equity financial assets at FVTOCI	(125,401)	–	(125,401)	33,393	(92,008)
Share of other comprehensive income of associates.	1,084	–	1,084	–	1,084
Total	(101,651)	–	(101,651)	28,103	(73,548)
Items that may be reclassified subsequently to profit or loss					
Debt financial assets at FVTOCI	(31,307)	3,438	(27,869)	11,998	(15,871)
Cash flow hedges	76,572	245,739	322,311	(39,653)	282,658
Exchange differences on translating foreign operations	(2,573,796)	20,372	(2,553,424)	(1,110,126)	(3,663,550)
Share of other comprehensive income of associates.	(12,567)	–	(12,567)	–	(12,567)
Total	(2,541,098)	269,549	(2,271,549)	(1,137,781)	(3,409,330)
Total other comprehensive income	\$ (2,642,749)	\$ 269,549	\$ (2,373,200)	\$ (1,109,678)	\$ (3,482,878)

43. Earnings per share

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

(1) Basic earnings per share

		(Millions of yen)	(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Net income attributable to ordinary shareholders of the parent			
Net income attributable to owners of the parent	¥ (227,646)	¥ 1,153,332	\$7,713,563
Net income not-attributable to ordinary shareholders of the parent*1	(22,849)	(18,822)	(125,882)
Net income used in the calculation of basic earnings per share	¥ (250,495)	¥ 1,134,510	\$7,587,681

		(Thousands of shares)
Weighted-average number of ordinary shares	1,464,957	1,452,982

	(Yen)	(Yen)	(USD)
Basic earnings per share	¥ (170.99)	¥ 780.82	\$ 5.22

(2) Diluted earnings per share

		(Millions of yen)	(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Diluted net income attributable to ordinary shareholders of the parent			
Net income used in the calculation of basic earnings per share	¥ (250,495)	¥ 1,134,510	\$7,587,681
Effect of dilutive securities issued by subsidiaries and associates	(4,706)	(1,244)	(8,320)
Total	¥ (255,201)	¥ 1,133,266	\$7,579,361

		(Thousands of shares)
Weighted-average number of ordinary shares used in the calculation of diluted earnings per share		
Weighted-average number of ordinary shares	1,464,957	1,452,982
Adjustments		
Stock acquisition rights*2	—	1,041
Total	1,464,957	1,454,023

	(Yen)	(Yen)	(USD)
Diluted earnings per share	¥ (174.20)	¥ 779.40	\$ 5.21

*1 Net income not-attributable to ordinary shareholders of the parent represents net income attributable to owners of other equity instruments issued by SoftBank Group Corp.

*2 For the fiscal year ended March 31, 2024, stock acquisition rights are not included in the calculation for "Diluted earnings per share" as it has an antidilutive effect for the calculation.

44. Supplemental information to the consolidated statement of cash flows

(1) Scope of purchase of property, plant and equipment and intangible assets

"Purchase of property, plant and equipment, and intangible assets" includes cash outflows from long-term prepaid expenses that are included in "Other non-current assets" in the consolidated statement of financial position.

(2) Income taxes paid and income taxes refunded

For the fiscal year ended March 31, 2024

Payment of withholding income tax related to dividends within the group companies of ¥143,790 million is included in "Income taxes paid." In addition, refunded withholding income tax related to dividends within the group companies of ¥56,629 million is included in "Income taxes refunded."

(3) Payments for acquisition of investments

For the fiscal year ended March 31, 2025

The amount is mainly due to the acquisition of listed shares and bonds.

(4) Proceeds from sales/redemption of investments

For the fiscal year ended March 31, 2025

The amount is mainly due to the sales of listed shares.

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

For the fiscal year ended March 31, 2024

The amount is mainly due to the acquisition of Cubic Telecom Ltd. by SoftBank Corp.

For the fiscal year ended March 31, 2025

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

(6) Other under cash flows from investing activities

For the fiscal year ended March 31, 2025

¥285,533 million (\$1,909,664 thousand) of payments for acquisition of options related to listed shares is included.

(7) Proceeds from the partial sales of shares of subsidiaries to non-controlling interests

For the fiscal year ended March 31, 2024

The amount is mainly due to the sales of Arm shares.

(8) Purchase of shares of subsidiaries from non-controlling interests

For the fiscal year ended March 31, 2024

The amount is mainly due to the purchase of treasury stock by SoftBank Corp.

(9) Redemption of other equity instruments

For the fiscal year ended March 31, 2024

The amount is due to the full redemption of USD-denominated Undated Subordinated Non-Call 6 years Resettable Notes.

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

The amount is due to the issuance of the Bond-Type Class Shares by SoftBank Corp. The details are described in "(7) Non-controlling interests" under "Note 33. Equity."

(11) Changes in liabilities arising from financing activities

Changes in liabilities arising from financing activities are as follows:

For the fiscal year ended March 31, 2024

	(Millions of yen)			
	Interest-bearing debt	Lease liabilities	Derivatives related to corporate bond	Third-party interests in SVF
As of April 1, 2023	¥19,478,194	¥ 836,997	¥ (72,204)	¥4,499,369
(a) Changes arising from financing cash flows				
Proceeds in short-term interest-bearing debt, net.	202,074	—	—	—
Proceeds from interest-bearing debt	5,181,190	—	—	—
Repayment of interest-bearing debt.	(5,189,703)	—	14,217	—
Repayment of lease liabilities.	—	(211,231)	—	—
Distribution/repayment from SVF to third-party investors	—	—	—	(783,522)
Other	—	—	7,393	—
(b) Changes from acquisition or loss of control over subsidiaries and other businesses	(3,436)	(15,529)	—	—
(c) The effect of changes in foreign exchange rates	1,182,095	12,432	—	588,519
(d) Changes in fair values	—	—	(189,135)	—
(e) Changes in third-party interests in SVF	—	—	—	390,137
(f) Non-cash transactions* ^{1,2}	(356,925)	208,517	—	—
(g) Other changes	74,035	(36,679)	191	—
As of March 31, 2024	¥20,567,524	¥ 794,507	¥(239,538)	¥4,694,503

*1 The decrease in interest-bearing debt is due to the physical settlement of prepaid forward contracts using Alibaba shares. The details are described in "(2) Transactions for sale of Alibaba shares by prepaid forward contracts" under "Note 22. Interest-bearing debt."

*2 The increase in lease liabilities is mainly due to remeasurement of the lease liabilities and the lease transactions executed during the period.

For the fiscal year ended March 31, 2025

	(Millions of yen)			
	Interest-bearing debt	Lease liabilities	Derivatives related to corporate bond	Third-party interests in SVF
As of April 1, 2024	¥ 20,567,524	¥ 794,507	¥ (239,538)	¥ 4,694,503
(a) Changes arising from financing cash flows				
Repayment of short-term interest-bearing debt, net.	(421,723)	—	—	—
Proceeds from interest-bearing debt	5,313,665	—	—	—
Repayment of interest-bearing debt.	(3,825,245)	—	16,163	—
Repayment of lease liabilities.	—	(186,441)	—	—
Distribution/repayment from SVF to third-party investors	—	—	—	(1,485,774)
(b) Changes from acquisition or loss of control over subsidiaries and other businesses	180,283	100,778	—	—
(c) The effect of changes in foreign exchange rates	(57,839)	(2,181)	—	(47,830)
(d) Changes in fair values	—	—	(14,365)	—
(e) Changes in third-party interests in SVF	—	—	—	491,898
(f) Non-cash transactions* ^{1,2}	(3,842,151)	212,469	—	—
(g) Other changes	91,816	(12,112)	30,817	—
As of March 31, 2025	¥ 18,006,330	¥ 907,020	¥ (206,923)	¥ 3,652,797

(Thousands of U.S. dollars)

	Interest-bearing debt	Lease liabilities	Derivatives related to corporate bond	Third-party interests in SVF
As of April 1, 2024	\$ 137,557,009	\$ 5,313,717	\$ (1,602,047)	\$ 31,397,158
(a) Changes arising from financing cash flows				
Repayment of short-term interest-bearing debt, net.	(2,820,512)	—	—	—
Proceeds from interest-bearing debt	35,538,155	—	—	—
Repayment of interest-bearing debt.	(25,583,501)	—	108,100	—
Repayment of lease liabilities.	—	(1,246,930)	—	—
Distribution/repayment from SVF to third-party investors	—	—	—	(9,936,958)
(b) Changes from acquisition or loss of control over subsidiaries and other businesses	1,205,745	674,010	—	—
(c) The effect of changes in foreign exchange rates	(386,831)	(14,586)	—	(319,891)
(d) Changes in fair values	—	—	(96,074)	—
(e) Changes in third-party interests in SVF	—	—	—	3,289,848
(f) Non-cash transactions* ^{1,2}	(25,696,569)	1,421,007	—	—
(g) Other changes	614,072	(81,006)	206,106	—
As of March 31, 2025	\$ 120,427,568	\$ 6,066,212	\$ (1,383,915)	\$ 24,430,157

*1 The decrease in interest-bearing debt is due to the repayment and settlement of collar transactions using Deutsche Telekom shares and the physical settlement of prepaid forward contracts using Alibaba shares. The details are described in “*3” in “(1) Components of interest-bearing debt” and “(2) Transactions for sale of Alibaba shares by prepaid forward contracts” under “Note 22. Interest-bearing debt.”

*2 The increase in lease liabilities is mainly due to remeasurement of the lease liabilities and the lease transactions executed during the period.

(12) Cash outflows related to lease

For the fiscal year ended March 31, 2025, the total amount of cash outflows related to lease is ¥214,443 million (\$1,434,209 thousand) (for the fiscal year ended March 31, 2024: ¥224,901 million).

(13) Significant non-cash transactions

Significant non-cash transactions (investing and financing transactions that do not require the use of cash and cash equivalents) are as follows:

a. Lease transactions

		(Millions of yen)	(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Increase in right-of-use assets related to lease transactions	¥203,323	¥216,180	\$1,445,827

b. Share-based payment transactions

The Company adopts stock option plans, restricted stock unit plans, restricted stock compensation plans and others as share-based payment awards. The details are described in "Note 35. Share-based payment transactions."

c. Other

For the fiscal year ended March 31, 2024

(a) The physical settlement of prepaid forward contracts using Alibaba shares

As certain prepaid forward contracts using Alibaba shares matured, ¥356,925 million of financial liabilities relating to sale of shares by prepaid forward contracts and ¥231,618 million of derivative financial assets were settled by Alibaba shares. The details of the transaction are described in "(2) Transactions for sale of Alibaba shares by prepaid forward contracts" under "Note 22. Interest-bearing debt."

(b) Acquisition of T-Mobile shares for no additional consideration as contingent consideration

The Company acquired \$7,744 million (¥1,098,435 million) of T-Mobile shares for no additional consideration on December 28, 2023 as the conditions were met for the contingent consideration related to the acquisition of T-Mobile shares through the merger transaction with Sprint and T-Mobile US, Inc.

For the fiscal year ended March 31, 2025

(a) The physical settlement of prepaid forward contracts using Alibaba shares

As certain prepaid forward contracts using Alibaba shares matured, ¥3,799,116 million (\$25,408,748 thousand) of current portion of financial liabilities relating to sale of shares by prepaid forward contracts and ¥274,577 million (\$1,836,390 thousand) of derivative financial liabilities (net) were settled by Alibaba shares. The details of the transaction are described in "(2) Transactions for sale of Alibaba shares by prepaid forward contracts" under "Note 22. Interest-bearing debt."

(b) The repayment and settlement of collar transactions using Deutsche Telekom shares

For certain collar transactions using Deutsche Telekom shares, the maturity date for the borrowings and the settlement date for the collar contracts arrived. Subsequently, ¥43,035 million (\$287,821 thousand) of current portion of long-term borrowings and ¥32,662 million (\$218,446 thousand) of derivative financial liabilities were repaid and settled. The details of the transaction are described in "*3" in "(1) Components of interest-bearing debt" under "Note 22. Interest-bearing debt."

45. Related party transactions

(1) Related party transactions and balances

Related party transactions of the Company are as follows:

a. Co-investment program with restricted rights to receive distributions

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

Contributions to SVF2 LLC and SLA LLC are classified as "Equity" and "Preferred Equity" depending on the terms and conditions of distribution. SVF2 LLC and SLA LLC each have issued Equity entitled to

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

(a) Transactions between SVF2 and related parties

For the fiscal year ended March 31, 2024

Name of the company or individual	Nature of relationship	Nature of transaction	(Millions of yen)	
			Fiscal year ended March 31, 2024	As of March 31, 2024
			Amount of transaction	Balance at period end
Masayoshi Son (MASA USA LLC (MgmtCo))	Chairman & CEO of SoftBank Group Corp. and related entities of which he holds more than one-half of the voting rights	Receipt of capital contribution in SVF2 LLC and related adjustments* ^{1,2}	—	
		The premium received on SVF2 LLC's receivables	¥11,964* ³	¥ 448,931* ^{3,4}
		MgmtCo's Equity interests in SVF2 LLC* ^{5,6}	—	—
		Net balance at period end (Receivables in SVF2 LLC less MgmtCo's Equity interests in SVF2 LLC)* ⁷		448,931

Name of the company or individual	Nature of relationship	Nature of transaction	(Thousands of U.S. dollars)	
			Fiscal year ended March 31, 2024	As of March 31, 2024
			Amount of transaction* ⁸	Balance at period end* ⁸
Masayoshi Son (MASA USA LLC (MgmtCo))	Chairman & CEO of SoftBank Group Corp. and related entities of which he holds more than one-half of the voting rights	Receipt of capital contribution in SVF2 LLC and related adjustments* ^{1,2}	—	
		The premium received on SVF2 LLC's receivables	\$ 82,732* ³	\$2,965,003* ^{3,4}
		MgmtCo's Equity interests in SVF2 LLC* ^{5,6}	—	—
		Net balance at period end (Receivables in SVF2 LLC less MgmtCo's Equity interests in SVF2 LLC)* ⁷		2,965,003

For the fiscal year ended March 31, 2025

Name of the company or individual	Nature of relationship	Nature of transaction	(Millions of yen)	
			Fiscal year ended March 31, 2025	As of March 31, 2025
			Amount of transaction	Balance at period end
Masayoshi Son (MASA USA LLC (MgmtCo))	Chairman & CEO of SoftBank Group Corp. and related entities of which he holds more than one-half of the voting rights	Receipt of capital contribution in SVF2 LLC and related adjustments* ^{1,2}	—	
		The premium received on SVF2 LLC's receivables	¥12,603* ³	¥ 455,664* ^{3,4}
		MgmtCo's Equity interests in SVF2 LLC* ^{5,6}	—	—
		Net balance at period end (Receivables in SVF2 LLC less MgmtCo's Equity interests in SVF2 LLC)* ⁷		455,664

Name of the company or individual	Nature of relationship	Nature of transaction	(Thousands of U.S. dollars)	
			Fiscal year ended March 31, 2025	As of March 31, 2025
			Amount of transaction* ⁸	Balance at period end* ⁸
Masayoshi Son (MASA USA LLC (MgmtCo))	Chairman & CEO of SoftBank Group Corp. and related entities of which he holds more than one-half of the voting rights	Receipt of capital contribution in SVF2 LLC and related adjustments* ^{1,2}	—	
		The premium received on SVF2 LLC's receivables	\$ 82,506* ³	\$3,047,509* ^{3,4}
		MgmtCo's Equity interests in SVF2 LLC* ^{5,6}	—	—
		Net balance at period end (Receivables in SVF2 LLC less MgmtCo's Equity interests in SVF2 LLC)* ⁷		3,047,509

*1 Restrictions on rights of MgmtCo to receive distributions

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

*2 Nature of the Equity contribution by MgmtCo

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

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

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

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

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

*4 Collateral and other credit protection for receivables

In order to secure the receivables of SVF2 LLC related to Equity Acquisition Amount and the premium thereon, all of the Equity interests in SVF2 LLC held by MgmtCo are pledged as collateral. In the event that MgmtCo pays into the receivables or offsets such receivables with distributions due to it from SVF2 LLC, the collateral is released to the extent that the cumulative amounts of payments and offsets exceed the balance of the receivables after deduction of such cumulative amounts. Masayoshi Son also provides a personal guarantee to the receivables up to the balance of the receivables. In addition, as of March 31, 2025, 8,897,100 shares of SoftBank Group Corp. are deposited in SVF2 LLC by Masayoshi Son (as of March 31, 2024: 8,897,100 shares). The deposited shares of SoftBank Group Corp. will be released only when the entire amount of receivables is settled. SVF2 LLC may acquire the deposited SoftBank Group Corp. shares without consideration where there are any unpaid receivables in SVF2 LLC after the enforcement of the collateral and personal guarantees by SVF2 LLC.

*5 MgmtCo's Equity interest in SVF2 LLC

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

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

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

*7 Net balance at period end

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

*8 The amounts represent the original transaction amounts and the outstanding balances recorded in U.S. dollars, and are not the translations of Japanese yen amounts into U.S. dollar amounts.

In April 2025, SVF2 invested \$8.5 billion in OpenAI Global, LLC ("OpenAI Global"), which is subject to the co-investment program. To fund this investment, SVF2 borrowed \$8.5 billion from the Company, and 17.25% of both the principal and interest on this borrowing is guaranteed by Masayoshi Son, Representative Director, Corporate Officer, Chairman & CEO of SoftBank Group Corp.

The borrowing is scheduled to mature in April 2029 and may be early repaid by SVF2 at its discretion. The borrowing is secured by the convertible interest rights in OpenAI Global acquired by SVF2 in April 2025. It is subordinated to other borrowings of SVF2 from financial institutions and others, but senior to the Preferred Equity contributed by the Company to SVF2 LLC. The interest rate on the borrowing has been determined with reference to a fair market rate assessed by an independent external organization, assuming similar financing would have been conducted by SVF2 with entities outside of the group.

An additional syndication to co-investors had been executed in connection with the investment in OpenAI Global. As a result, SVF2's investment amount had been reduced from \$8.5 billion to \$7.5 billion. Corresponding to the additional syndication, SVF2 had paid \$1.0 billion to the Company as partial repayment of the borrowing principal and accrued interest in May 2025.

The borrowing and interest by SVF2 from the Company will be eliminated in consolidation as intercompany transactions. The details of the investment in OpenAI Global made after April 2025 are described in "(2) Investment in OpenAI" under "Note 48. Additional Information."

(b) Transactions between LatAm Funds and related parties

For the fiscal year ended March 31, 2024

Name of the company or individual	Nature of relationship	Nature of transaction	(Millions of yen)	
			Fiscal year ended March 31, 2024	As of March 31, 2024
			Amount of transaction	Balance at period end
Masayoshi Son (MASA USA LLC (MgmtCo))	Chairman & CEO of SoftBank Group Corp. and related entities of which he holds more than one-half of the voting rights	Receipt of capital contribution in SLA LLC and related adjustments* ^{1,2}	—	
		The premium received on SLA LLC's receivables	¥ 2,799* ³	¥105,278* ^{3,4}
		MgmtCo's Equity interests in SLA LLC* ^{5,6}	—	14,086
		Net balance at period end (Receivables in SLA LLC less MgmtCo's Equity interests in SLA LLC)* ⁷		91,192

Name of the company or individual	Nature of relationship	Nature of transaction	(Thousands of U.S. dollars)	
			Fiscal year ended March 31, 2024	As of March 31, 2024
			Amount of transaction* ⁸	Balance at period end* ⁸
Masayoshi Son (MASA USA LLC (MgmtCo))	Chairman & CEO of SoftBank Group Corp. and related entities of which he holds more than one-half of the voting rights	Receipt of capital contribution in SLA LLC and related adjustments* ^{1,2}	—	
		The premium received on SLA LLC's receivables	\$19,355* ³	\$695,317* ^{3,4}
		MgmtCo's Equity interests in SLA LLC* ^{5,6}	—	93,032
		Net balance at period end (Receivables in SLA LLC less MgmtCo's Equity interests in SLA LLC)* ⁷		602,285

For the fiscal year ended March 31, 2025

Name of the company or individual	Nature of relationship	Nature of transaction	(Millions of yen)	
			Fiscal year ended March 31, 2025	As of March 31, 2025
			Amount of transaction	Balance at period end
Masayoshi Son (MASA USA LLC (MgmtCo))	Chairman & CEO of SoftBank Group Corp. and related entities of which he holds more than one-half of the voting rights	Receipt of capital contribution in SLA LLC and related adjustments* ^{1,2}	—	
		The premium received on SLA LLC's receivables	¥ 2,964* ³	¥106,864* ^{3,4}
		MgmtCo's Equity interests in SLA LLC* ^{5,6}	—	5,150
		Net balance at period end (Receivables in SLA LLC less MgmtCo's Equity interests in SLA LLC)* ⁷		101,714

Name of the company or individual	Nature of relationship	Nature of transaction	(Thousands of U.S. dollars)	
			Fiscal year ended March 31, 2025	As of March 31, 2025
			Amount of transaction* ⁸	Balance at period end* ⁸
Masayoshi Son (MASA USA LLC (MgmtCo))	Chairman & CEO of SoftBank Group Corp. and related entities of which he holds more than one-half of the voting rights	Receipt of capital contribution in SLA LLC and related adjustments* ^{1,2}	—	
		The premium received on SLA LLC's receivables	\$19,401* ³	\$714,717* ^{3,4}
		MgmtCo's Equity interests in SLA LLC* ^{5,6}	—	34,442
		Net balance at period end (Receivables in SLA LLC less MgmtCo's Equity interests in SLA LLC)* ⁷		680,275

*1 Restrictions on rights of MgmtCo to receive distributions

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

*2 Nature of the Equity contribution by MgmtCo

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

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

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

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

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

*4 Collateral and other credit protection for receivables

In order to secure the receivables of SLA LLC related to Equity Acquisition Amount and the premium thereon, all of the Equity interests in SLA LLC held by MgmtCo are pledged as collateral. In the event that MgmtCo pays into the receivables or offsets such receivables with distributions due to it from SLA LLC, the collateral is released to the extent that the cumulative amounts of payments and offsets exceed the balance of the receivables after deduction of such cumulative amounts. Masayoshi Son also provides a personal guarantee to the receivables up to the balance of the receivables. In addition, as of March 31, 2025, 2,168,500 shares of SoftBank Group Corp. are deposited in SLA LLC by Masayoshi Son (as of March 31, 2024: 2,168,500 shares). The deposited shares of SoftBank Group Corp. will be released only when the entire amount of receivables is settled. SLA LLC may acquire the deposited SoftBank Group Corp. shares without consideration where there are any unpaid receivables in SLA LLC after the enforcement of the collateral and personal guarantees by SLA LLC.

*5 MgmtCo's Equity interest in SLA LLC

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

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

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

*7 Net balance at period end

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

*8 The amounts represent the original transaction amounts and the outstanding balances recorded in U.S. dollars, and are not the translations of Japanese yen amounts into U.S. dollar amounts.

b. Incentive program

Regarding the incentive program approved in April and July 2018, the amount of the transactions between the Company and the related parties and the outstanding balance are as follows.

For the fiscal year ended March 31, 2024

Name of the company or individual	Nature of relationship	Nature of transaction	(Millions of yen)	
			Fiscal year ended March 31, 2024	As of March 31, 2024
			Amount of transaction	Balance at period end
Ken Miyauchi	Director	Collection of loans receivable* ^{1,2,3}	¥ 5,555	¥ –
		Interest receipt* ^{1,2,3}	30	–

*1 The interest rates for the loans are the 1.45% of fixed rate, which was rationally determined in reference to market interest rates and actual interest rates of SoftBank Group Corp. for other borrowings with periods similar to the period of the loans. The maturity date for the loans is May 31, 2023, and the borrowers are required to make a single payment at maturity. However, SoftBank Group Corp. and the borrowers may agree to extend the term of the loan for two additional five-year periods to May 31, 2033, and the borrowers may prepay all or any portion of the loans at any time voluntarily. Additionally, the borrowers may deposit with SoftBank Group Corp. any amount of cash equal to or less than the then-outstanding principal amount of the loans, and SoftBank Group Corp. will account for the deposit as loan payables on the balance sheet. The interest rates for the deposits are the same as the rates for the loans. In May 2023, the maturity date for the loan between the Company and Ken Miyauchi has been extended to May 31, 2028. After the extension of the maturity date, the loan was fully repaid in August 2023.

*2 The following assets of the borrower are pledged as collateral in the transactions.

- Shares of SoftBank Group Corp. purchased with the funds of loans, and all proceeds of the shares.

Also, when default occurs, SoftBank Group Corp. is entitled to receive the part of future cash compensation for the borrowers payable by SoftBank Group Corp. and subsidiaries, as repayment of the loan.

*3 Total shortfall calculated by deducting the amount received through fully exercised rights in respect to collateral and rights to receive the part of future cash compensation for the borrowers payable by SoftBank Group Corp. and subsidiaries as repayment of the loan from all amounts that become due and payable by the borrowers is guaranteed by Masayoshi Son, who is Representative Director of SoftBank Group Corp.

c. Other related party transactions

Related party transactions of the Company are as follows:

For the fiscal year ended March 31, 2024

Name of the company or individual	Nature of relationship	Nature of transaction	(Millions of yen)	
			Fiscal year ended March 31, 2024	As of March 31, 2024
			Amount of transaction	Balance at period end
ARM Technology (China) Co., Ltd.	Associate	Revenue under the terms of the IP license agreement with ARM	¥ 96,060 (\$663 million)	¥ 44,628 (\$295 million)
WeWork	Associate	Receipt of WeWork warrants with exercise price of USD 0.01 per share* ¹	–	–
		Receipt of WeWork warrants with exercise price of USD 0.02 per share* ²	–	–
		Receipt of shares and convertible bonds* ³	94,122 (\$681 million)	–
		Purchase/Redemption of the senior secured notes Purchase of the notes* ⁴	7,272 (\$50 million)	–
		Lending of funds related to credit support for letter of credit facility* ⁵	210,182 (\$1,430 million)	–
GreenBox Systems LLC	Joint Venture	Fulfillment of investment commitment* ⁶	0 (\$0 million)	484,512 (\$3,200 million)
Masayoshi Son (Son Asset Management LLC and 9 other companies)	Representative Director of SoftBank Group Corp. and related entities of which he holds more than one-half of the voting rights	Dividend paid from SoftBank Group Corp.	21,480	–
		Dividend paid from SoftBank Corp.	241	–
		Payment for equipment usage* ⁷	8	1
		Receipt of guarantees for claims against subsidiaries of the Company* ^{8,9}	–	–
	Related entities of which the relative of Representative Director of SoftBank Group Corp. holds more than one-half of the voting rights or has joint control	Income from subleasing of equipments at a subsidiary	105	–
		Payment of outsourcing fees from a subsidiary	11	1

Name of the company or individual	Nature of relationship	Nature of transaction	(Millions of yen)	
			Fiscal year ended March 31, 2024	As of March 31, 2024
			Amount of transaction	Balance at period end
Yoshimitsu Goto	Director	Exercise of stock acquisition rights of SoftBank Group Corp.	¥ 479	¥ –
Ken Miyauchi	Director	Dividend paid from SoftBank Corp.	297	–
AI & Company, Inc. (Yutaka Matsuo)	Related entities of which Director of SoftBank Group Corp. holds more than one-half of the voting rights	Receipt of capital contribution to a subsidiary* ¹⁰	1	86
		Distribution from a subsidiary* ¹⁰	2	–
KOEI TECMO GAMES CO., LTD. (Keiko Erikawa)	Related entities of which Director of SoftBank Group Corp. and the relative hold more than one-half of the voting rights	Fees to content providers* ¹¹	232	64
Taizo Son (Son Estate LLC and 7 other companies* ¹²)* ¹⁹	Relative of Representative Director of SoftBank Group Corp. and related entities of which the relative holds more than one-half of the voting rights* ¹³	Sale of shares of the Company's subsidiary* ¹⁴	13,008	–
		Lending of funds* ¹⁵	6,374	6,836
		Interest receipt* ¹⁵	245	251
		Dividend paid from SoftBank Group Corp.	422	–
		Receipt of capital contribution to a subsidiary* ¹⁶	7	514
		Distribution from a subsidiary* ¹⁶	14	–
		Brand royalty revenue* ¹⁷	18	19
		Receipt of deposits to a subsidiary* ¹⁸	–	1

- *1 WeWork warrants that are convertible into common shares at an exercise price of \$0.01 per share, which the Company received for the fiscal year ended March 31, 2022 as a consideration for conversion of WeWork preferred shares into WeWork common shares of the new company at the time of the merger of WeWork and SPAC (978,340 shares) and for the extension of credit support for a letter of credit facility provided by financial institutions (298,089 shares). The number of shares is the number of shares after the reverse stock split implemented in September 2023. Balance at period end represents the amount recorded in the consolidated statement of financial position as of March 31, 2024 and the amount is recorded at zero.
- *2 WeWork warrants that are convertible into common shares at an exercise price of \$0.02 per share, which the Company received for the fiscal year ended March 31, 2020 as a consideration for the purchase of unsecured notes issued by WeWork and for the credit support for a letter of credit facility provided by financial institutions. Balance at period end represents the amount recorded in the consolidated statement of financial position as of March 31, 2024 and the amount is recorded at zero.
- *3 For the fiscal year ended March 31, 2024, shares and convertible bonds were received in exchange for the unsecured notes. Balance at period end represents the amount recorded in the consolidated statement of financial position as of March 31, 2024 and the amount is recorded at zero.
- *4 For the fiscal year ended March 31, 2024, SVF2 purchased additional \$0.05 billion of senior secured notes issued by WeWork and \$0.3 billion of senior secured notes, which was sum of the above and \$0.25 billion purchased previously, were fully redeemed by WeWork. The remaining \$0.2 billion of unfunded loan commitment for the senior secured notes was canceled. In addition, SVF2 newly entered into the loan commitment contract with WeWork and SVF2 purchased \$0.3 billion of the notes issued by WeWork. Amount of transaction represents the net amount of the notes purchased and redeemed for the fiscal year ended March 31, 2024. Balance at period end represents the amount recorded in the consolidated statement of financial position as of March 31, 2024 and the amount is recorded at zero.
- *5 SVF2 provided the loan to WeWork due to execution of the credit support. The details are described in “*8” under “Note 41. Other gain”. Balance at period end represents the amount recorded in the consolidated statement of financial position as of March 31, 2024. The amount is recorded at zero as the allowance was fully allocated to the loan.
- *6 In July 2023, GreenBox Systems LLC (“GreenBox”) was established by the Company and Symbiotic Inc. The Company has entered into an agreement regarding capital commitment of \$3.2 billion to fund GreenBox. The amount of transaction represents the amount the Company invested in GreenBox for the fiscal year ended March 31, 2024, and the balance at period end represents the unfunded capital commitment as of March 31, 2024.
- *7 Equipment usage fees are determined based on the ratio of usage.
- *8 All indebtedness occurred by November 10, 2020 including indebtedness for or in respect of borrowed money, stock or securities lending, and any other guarantees and indemnities which Delaware subsidiaries, SB Northstar and its subsidiaries (“guaranteed subsidiaries”) owe to the Company are guaranteed and indemnified by Masayoshi Son, Son Asset Management LLC and Son Wealth Management Inc. as principal obligor, in proportion to the ownership interest against SB Northstar at the time the relevant guaranteed obligations were incurred. At the time of winding up of SB Northstar, Masayoshi Son, Son Asset Management LLC and Son Wealth Management Inc. indemnify guaranteed obligations not being recoverable for any reason or any failure of guaranteed subsidiaries to perform any of its obligations or liabilities in proportion to the ownership interest against SB Northstar at the time the relevant guaranteed obligations were incurred. Regarding any indebtedness occurred after November 11, 2020, it will be subject to this guarantee and indemnity agreement, to the extent that Masayoshi Son's prior consent has been obtained.
- *9 In the event that Masayoshi Son is unable to perform, on a prolonged or permanent basis, his role with involvement in the investment management decisions of the SB Northstar, the Company has a call option to cause Masayoshi Son, Son Asset Management LLC and Son Wealth Management Inc. to sell all of their interests in the Delaware subsidiaries at the fair market value. If the call option is exercised, SoftBank Group Corp. will discuss the termination of the guarantee and indemnity agreement mentioned above with Masayoshi Son, Son Asset Management LLC and Son Wealth Management Inc.
- *10 This represents the received amount of contribution to DEEPCORE TOKYO 1 by AI & Company, Inc. and the terms and conditions of the transaction are determined as same as other limited liability union members. The balance at period end represents the total investment amount, after deducting cumulative investment partnership losses and adding cumulative investment partnership gains, as of March 31, 2024.
- *11 Terms and conditions of the transaction was negotiated and determined, considering the market price and contents of the services.
- *12 Mr. Taizo Son, relative of Representative Director Masayoshi Son, holds over half of the voting rights of this company.
- *13 A service agreement was entered into between SBGA and Mr. Taizo Son in the fiscal year ended March 31, 2023, and he has been a member of the investment committee of SVF2.
- *14 The Company sold all of its 3,600,000 shares in SoftBank Ventures Asia Corp. (“SBVA”) to the EDGEof Korea Co., Ltd. (“EDGEof Korea”), which is controlled by Mr. Taizo Son, for KRW 124,000 million on June 14, 2023. The transaction price was determined based on negotiation with reference to the corporate valuation by an independent third-party valuation agency.
- *15 The Company and EDGEof Korea entered into a loan agreement of KRW 60,760 million which is equivalent to 49% of sales price of shares in SBVA for which the interest rate is equal to the overdraft interest rate prescribed by the Ordinance of the Ministry of Economy and Finance of Korea (as of March 31, 2024: 4.6%) and the maturity date is on the fifth anniversary of the closing date of the agreement. The loan is guaranteed by Mistletoe Singapore Pte. Ltd. and other two entities which are controlled by Mr. Taizo Son, and 49% of SBVA shares held by EDGEof Korea are pledged as collateral for the loan. The voting rights against SBVA are retained by EDGEof Korea.
- *16 This represents the received amount of contribution to DEEPCORE TOKYO 1 by Mistletoe Venture Partners, Inc. and the terms and conditions of the transaction are determined as same as other limited liability union members. The balance at period end represents the total investment amount, after deducting cumulative investment partnership losses and adding cumulative investment partnership gains, as of March 31, 2024.
- *17 It is calculated by a rate applied for SBVA's operating revenue. The rate is determined by a reasonable standard.
- *18 This represents the received amount of deposits to PayPay Bank Corporation, a subsidiary of the Company, by GEUDA General Incorporated Association and the terms and conditions of the transactions are determined as same as other depositors.
- *19 Other than transactions included in the table above, the Company had entered into limited partnership agreements with SBVA for several funds which are managed by SBVA as a general partner. As a result of the sales transaction of SBVA mentioned above, SBVA became an entity controlled by Mr. Taizo Son and transactions regarding the limited partnership agreements are identified as related party transactions. As of the date of identification, the total commitment amount and unfunded commitment amount of the Company to the funds were ¥29,145 million and ¥1,031 million, respectively. Also, for the fiscal year ended March 31, 2024, the Company entered into a limited partnership agreement for a fund which is managed by an entity controlled by Mr. Taizo Son as a general partner and changed the limited partnership agreement for an existing fund which is managed by an entity controlled by Mr. Taizo Son as a general partner. As of March 31, 2024, the total commitment amount and unfunded commitment amount of the Company to the funds were ¥38,709 million and ¥7,023 million, respectively. Under the limited partnership agreements, management fees are to be paid as 0.5% - 2.3% of the commitment amounts or funded amounts, and success fees are to be paid as distributions of the amount equivalent to the equity owned at the liquidation or 20% - 30% of investment gains which is subject to the achievement of certain IRR.

For the fiscal year ended March 31, 2025

Name of the company or individual	Nature of relationship	Nature of transaction	(Millions of yen)	
			Fiscal year ended March 31, 2025	As of March 31, 2025
			Amount of transaction	Balance at period end
ARM Technology (China) Co., Ltd.	Associate	Revenue under the terms of the IP license agreement with ARM	¥ 102,200	¥ 44,027
GreenBox Systems LLC	Joint Venture	Fulfillment of investment commitment* ¹	25,880	453,495
Masayoshi Son (Son Asset Management LLC and 7 other companies)	Representative Director of SoftBank Group Corp. and related entities of which he holds more than one-half of the voting rights	Dividend paid from SoftBank Group Corp.	21,370	–
		Dividend paid from SoftBank Corp.	310	–
		Payment for equipment usage* ²	7	1
		Receipt of guarantees for claims against subsidiaries of the Company* ^{3,4}	–	–
Ken Miyauchi	Director	Dividend paid from SoftBank Corp.	414	–
AI & Company, Inc. (Yutaka Matsuo)	Related entities of which Director of SoftBank Group Corp. holds more than one-half of the voting rights	Receipt of capital contribution to a subsidiary* ⁵	1	81
KOEI TECMO GAMES CO., LTD. (Keiko Erikawa)	Related entities of which Director of SoftBank Group Corp. and the relative hold more than one-half of the voting rights	Fees to content providers* ⁶	191	63
Taizo Son (Son Financial Inc. and 4 other companies* ⁷)* ¹³	Relative of Representative Director of SoftBank Group Corp. and related entities of which the relative holds more than one-half of the voting rights* ⁸	Collection of loans receivable* ⁹	1,297	4,993
		Interest receipt* ⁹	274	141
		Sale of shares* ¹⁰	3,050	–
		Receipt of warehousing fee related to shares* ¹¹	26	–
		Dividend paid from SoftBank Group Corp.	444	–
		Receipt of capital contribution to a subsidiary* ¹²	7	486

Name of the company or individual	Nature of relationship	Nature of transaction	(Thousands of U.S. dollars)	
			Fiscal year ended March 31, 2025	As of March 31, 2025
			Amount of transaction	Balance at period end
ARM Technology (China) Co., Ltd.	Associate	Revenue under the terms of the IP license agreement with ARM	\$670,402* ¹⁴	\$ 294,456
GreenBox Systems LLC	Joint Venture	Fulfillment of investment commitment* ¹	166,994* ¹⁴	3,033,006
Masayoshi Son (Son Asset Management LLC and 7 other companies)	Representative Director of SoftBank Group Corp. and related entities of which he holds more than one-half of the voting rights	Dividend paid from SoftBank Group Corp.	142,924	–
		Dividend paid from SoftBank Corp.	2,073	–
		Payment for equipment usage* ²	47	7
		Receipt of guarantees for claims against subsidiaries of the Company* ^{3,4}	–	–
Ken Miyauchi	Director	Dividend paid from SoftBank Corp.	2,769	–
AI & Company, Inc. (Yutaka Matsuo)	Related entities of which Director of SoftBank Group Corp. holds more than one-half of the voting rights	Receipt of capital contribution to a subsidiary* ⁵	7	542
KOEI TECMO GAMES CO., LTD. (Keiko Erikawa)	Related entities of which Director of SoftBank Group Corp. and the relative hold more than one-half of the voting rights	Fees to content providers* ⁶	1,277	421
Taizo Son (Son Financial Inc. and 4 other companies* ⁷)* ¹³	Relative of Representative Director of SoftBank Group Corp. and related entities of which the relative holds more than one-half of the voting rights* ⁸	Collection of loans receivable* ⁹	8,674	33,394
		Interest receipt* ⁹	1,833	943
		Sale of shares* ¹⁰	20,399	–
		Receipt of warehousing fee related to shares* ¹¹	174	–
		Dividend paid from SoftBank Group Corp.	2,970	–
		Receipt of capital contribution to a subsidiary* ¹²	47	3,250

- *1 The Company entered into an agreement regarding capital commitment of \$3.2 billion to fund GreenBox. The amount of transaction represents the amount the Company invested in GreenBox for the fiscal year ended March 31, 2025, and the balance at period end represents the unfunded capital commitment as of March 31, 2025.
- *2 Equipment usage fees are determined based on the ratio of usage.
- *3 All indebtedness occurred by November 10, 2020 including indebtedness for or in respect of borrowed money, stock or securities lending, and any other guarantees and indemnities which Delaware subsidiaries, SB Northstar and its subsidiaries ("guaranteed subsidiaries") owe to the Company are guaranteed and indemnified by Masayoshi Son, Son Asset Management LLC and Son Wealth Management Inc. as principal obligor, in proportion to the ownership interest against SB Northstar at the time the relevant guaranteed obligations were incurred. At the time of winding up of SB Northstar, Masayoshi Son, Son Asset Management LLC and Son Wealth Management Inc. indemnify guaranteed obligations not being recoverable for any reason or any failure of guaranteed subsidiaries to perform any of its obligations or liabilities in proportion to the ownership interest against SB Northstar at the time the relevant guaranteed obligations were incurred. Regarding any indebtedness occurred after November 11, 2020, it will be subject to this guarantee and indemnity agreement, to the extent that Masayoshi Son's prior consent has been obtained.
- *4 In the event that Masayoshi Son is unable to perform, on a prolonged or permanent basis, his role with involvement in the investment management decisions of the SB Northstar, the Company has a call option to cause Masayoshi Son, Son Asset Management LLC and Son Wealth Management Inc. to sell all of their interests in the Delaware subsidiaries at the fair market value. If the call option is exercised, SoftBank Group Corp. will discuss the termination of the guarantee and indemnity agreement mentioned above with Masayoshi Son, Son Asset Management LLC and Son Wealth Management Inc.
- *5 This represents the received amount of contribution to DEEPCORE TOKYO 1 by AI & Company, Inc. and the terms and conditions of the transaction are determined as same as other limited liability union members. The balance at period end represents the total investment amount, after deducting cumulative investment partnership losses and adding cumulative investment partnership gains, as of March 31, 2025.
- *6 Terms and conditions of the transaction was negotiated and determined, considering the market price and contents of the services.
- *7 Mr. Taizo Son, relative of Representative Director Masayoshi Son, holds over half of the voting rights of this company.
- *8 A service agreement was entered into between SBGA and Mr. Taizo Son in the fiscal year ended March 31, 2023, and he has been a member of the investment committee of SVF2.
- *9 The Company sold all of its shares in SBVA to EDGEof Korea, which is controlled by Mr. Taizo Son, in June, 2023. The Company and EDGEof Korea entered into a loan agreement for a portion of the share sale proceeds. The interest rate is equal to the overdraft interest rate prescribed by the Ordinance of the Ministry of Economy and Finance of Korea (as of March 31, 2025: 4.6%) and the maturity date is on the fifth anniversary of the closing date of the agreement. The borrower is entitled to make prepayments in full or in part at any time at its discretion. The loan is guaranteed by Mistletoe Singapore Pte. Ltd. and other two entities which are controlled by Mr. Taizo Son, and 40% of SBVA shares held by EDGEof Korea are pledged as collateral for the loan. The voting rights against SBVA are retained by EDGEof Korea.
- *10 On May 31, 2024, the Company sold certain investment securities to a fund which is managed by an entity controlled by Mr. Taizo Son as a general partner for \$20 million. The sales price was determined based on the recent transaction price of the investment securities.
- *11 The amount of the temporary warehousing fee was determined based on negotiation with reference to the coupon rate of the U.S. dollar-denominated senior notes issued by the Company.
- *12 This represents the received amount of contribution to DEEPCORE TOKYO 1 by Mistletoe Venture Partners, Inc. and the terms and conditions of the transaction are determined as same as other limited liability union members. The balance at period end represents the total investment amount, after deducting cumulative investment partnership losses and adding cumulative investment partnership gains, as of March 31, 2025.
- *13 Other than transactions included in the table above, the Company has entered into limited partnership agreements with several funds, which are managed by the entity controlled by Mr. Taizo Son, as a general partner. As of March 31, 2025, the total commitment amount and unfunded commitment amount of the Company to the funds are ¥42,752 million (\$285,928 thousand) and ¥9,947 million (\$66,526 thousand), respectively. Under the limited partnership agreements, management fees are to be paid as 0.5% - 2.3% of the commitment amounts or funded amounts, and success fees are to be paid as distributions of the amount equivalent to the equity owned at the liquidation or 20% - 30% of investment gains which is subject to the achievement of certain IRR.
- *14 The amounts represent the original contract amounts recorded in U.S. dollars, and are not the translations of Japanese yen amounts into U.S. dollar amounts.

(2) Remuneration for executives

Remuneration for executives is as follows:

		(Millions of yen)	(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2025
Short-term benefits	¥ 2,929	¥ 1,615	\$ 10,801
Share-based payments	2,415	4,191	28,030
Retirement benefits	2	2	13
Total	¥ 5,346	¥ 5,808	\$ 38,844

- *1 Remuneration for major executives represents remuneration for the directors of SoftBank Group Corp. (including external directors).
- *2 For the fiscal year ended March 31, 2024, since Kentaro Kawabe resigned from his position as a director at SoftBank Group Corp. on June 21, 2023, the remuneration during his term of office is included in the table above.

46. Contingency

(1) Lending commitments

Lending commitments that the Company is engaged in are as follows:

		(Millions of yen)	(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Lending commitments	¥13,435,497	¥11,252,282	\$75,256,033
Funded	1,039,913	1,280,976	8,567,256
Unfunded	¥12,395,584	¥ 9,971,306	\$66,688,777

The lending commitments that the Company is engaged in are mainly shopping and cashing credit limits provided to the credit card members in the SoftBank segment.

The unfunded balance of the shopping limit and cashing limit does not indicate that the total amount of the balance will be used in the future because customers may use the credit card up to the limit at any time and do not always use the full amount of the limit and the Company may change the limit arbitrarily. Also, maturities of unfunded lending commitments are within one year because they are payable on demand.

Expected credit loss that could arise resulting from the execution of the above loan commitments are described in "b. Credit risk" in "(2) Financial risk management" under "Note 28. Financial instruments."

(2) Credit guarantees

Guarantees that the Company provides are as follows:

		(Millions of yen)	(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2025	As of March 31, 2025
Total amount of financial guarantee contract . .	¥ 16,030	¥ 7,247	\$ 48,468
Guarantee balance	13,238	6,208	41,520

SVF2 provided credit support (financial guarantee contract) for a \$1.43 billion letter of credit facility to WeWork by financial institutions. For the fiscal year ended March 31, 2024, the financial guarantee contract was terminated as SVF2 fully fulfilled the guarantee. The details are described in “*8” under “Note 41. Other gain.”

As of March 31, 2024, the amount of allowance for financial guarantee contract losses included in “Other financial liabilities (current)” was zero.

(3) Litigation

SoftBank Group Corp. and certain of its subsidiaries are a party to a number of currently pending legal and administrative proceedings. As it is difficult to reasonably estimate the final results of such matters, reserves have not been recorded. Based on the information currently available, we do not expect that the results of these proceedings will have a material adverse effect on our financial position or results of operations.

a. Credit Suisse Litigation

On April 11, 2023, Credit Suisse Virtuoso SICAV-SIF (hereinafter referred to as “Credit Suisse Fund”) and Glas Trust Corporation Limited (together with Credit Suisse Fund, hereinafter referred to as “Plaintiffs”) filed a claim in the English High Court of Justice against SoftBank Group Corp., SoftBank Vision Fund I and II (together with SoftBank Group Corp., hereinafter referred to as “SoftBank Party”), and Greensill Limited in relation to certain transactions involving supply chain finance firm Greensill Capital (UK) Limited and Greensill Limited, and the US construction company Kattera Inc. (hereinafter referred to as “Kattera”). Plaintiffs allege that SoftBank Party orchestrated restructuring transactions between Greensill Limited and Kattera with respect to notes purchased by Credit Suisse Fund from Greensill Capital (UK) Limited in 2020 that were backed by accounts receivable purchased by Greensill Limited from Kattera, for the purpose of depriving Credit Suisse Fund of these accounts receivables, and as a result, Credit Suisse Fund suffered a loss of \$440 million. SoftBank Party believes the allegations raised by Plaintiffs are wholly without merit and is vigorously contesting the plaintiff’s claim.

b. Litigation in which SoftBank Corp. is involved as a Party

(a) On April 30, 2015, SoftBank Corp. filed a lawsuit with the Tokyo District Court against

JPiT, claiming for payment of remuneration for additional services provided in connection with the installation of telecommunication lines as well as other items, that were ordered by JPiT in relation to a project to migrate the communication network connecting approximately 27,000 sites (postal offices, etc.) existing countrywide to a new network, the 5th PNET.

Pursuant to a contract dated February 7, 2013, SoftBank Corp. was requested by JPiT to carry out, among other services, installation services for telecommunication lines for Japan Post Group’s business sites existing countrywide. SoftBank Corp. performed such services, and upon JPiT’s request, SoftBank Corp. also performed services that exceeded the scope of services stipulated in the contract.

Although SoftBank Corp. negotiated with JPiT over an extended period regarding the remuneration, for these additional services, SoftBank Corp. and JPiT were unable to arrive at a settlement. Accordingly, SoftBank Corp. duly filed the lawsuit, claiming for payment of remuneration, for such additional services.

(b) On April 30, 2015, JPiT filed a lawsuit against SoftBank Corp. and Nomura Research Institute, Ltd. (“NRI”) as codefendants. In this lawsuit, JPiT alleges that SoftBank Corp. and NRI delayed performance of the ordered services related to the project for migration to the 5th PNET mentioned in (a) above and alleges that such delay caused damages to JPiT. JPiT made joint and several claims against both SoftBank Corp. and NRI for the alleged damages.

An order to consolidate the lawsuits described in items (a) and (b) above was made on July 29, 2015.

On September 9, 2022, the Tokyo District Court rendered a judgment ordering SoftBank Corp. to pay JPiT remuneration for the damages and delay damages. As a result of the judgment, SoftBank Corp. recorded ¥19,716 million of the provisions for loss relating to litigation for the fiscal year ended March 31, 2023.

On September 22, 2022, SoftBank Corp. appealed the judgment to the Tokyo High Court. On March 21, 2024, the Tokyo High Court rendered a judgment ordering JPiT to pay SoftBank Corp. remuneration for the additional services and delay damages, and dismissing all claims against SoftBank Corp. filed by JPiT. SoftBank Corp. and JPiT have filed an appeal of the judgment and a petition to accept the appeal with the Supreme Court. As a result of the judgment, for the fiscal year ended March 31, 2024, SoftBank Corp. reversed the full amount of ¥19,176 million that had been recorded in the provision for loss relating to litigation for the fiscal year ended March 31, 2023.

47. Purchase commitments

The Company has commitments to purchase services and goods of ¥1,711,142 million (\$11,444,235 thousand) as of March 31, 2025 (as of March 31, 2024: ¥1,516,295 million). Purchase commitments are mainly outstanding contracts related to investments and purchases of devices. As of March 31, 2025, the above mentioned commitments include ¥453,495 million (\$3,033,006 thousand) (as of March 31, 2024: ¥484,512 million) of investment commitments for joint ventures.

In addition to the above commitments, the details of the transactions relating to the acquisition of Ampere Computing Holdings LLC and the investment in OpenAI are described in “Note 48. Additional Information.”

48. Additional information

(1) Acquisition of Ampere Computing Holdings LLC

SoftBank Group Corp., on March 19, 2025, entered into an agreement with Ampere Computing Holdings LLC (“Ampere”), a U.S.-based semiconductor design company focused on high-performance, energy efficient, sustainable AI compute based on the Arm compute platform, and certain of its equity holders (the “Sellers”), to acquire all of the equity interests of Ampere for \$6.5 billion through Silver Bands 6 (US) Corp. (“SB6”), a wholly-owned subsidiary of the Company (the “Transaction”).

The Transaction has been approved by the Board of Directors of SoftBank Group Corp. but remains subject to customary regulatory approvals including United States antitrust clearance and approval by the Committee on Foreign Investment in the United States (CFIUS), as well as the satisfaction or waiver of other closing conditions, such as the compliance in all material respects with covenants, failure of a material adverse effect on Ampere to occur and certain employment related matters.

The Company expects the closing of the Transaction to occur in the second half of the fiscal year ending March 2026. As a result of the Transaction, Ampere will become a wholly-owned subsidiary of the Company.

a. Rationale for the Transaction

Ampere is a semiconductor company that designs high-performance, energy-efficient processors specialized for next-generation cloud computing and AI workloads. With approximately 1,000 highly skilled semiconductor engineers and its notable technological capabilities, Ampere is expected to play a key role in future growth markets.

The Transaction is aligned with the Company's broader strategic vision and commitment to driving innovation in AI and compute. Ampere is expected to collaborate with the broader ecosystem of the Company, including group companies, investees, and business partners.

Through this strategic alignment following the Transaction, Ampere's expertise in developing and taping out* Arm-based chips can be integrated, complementing design strengths of Arm. Ultimately, the Company expects this to contribute to the long-term growth of its NAV (Net Asset Value: calculated as equity value of holdings – adjusted net interest-bearing debt).

* In the semiconductor manufacturing process, this refers to the completion of a highly complex circuit design and the sending of its data to the manufacturing department or foundry. It marks a milestone that signifies the end of the design phase.

b. Outline of the acquisition

The Sellers in the Transaction are Carlyle Partners VI Denver Holdings, L.P., Oracle Project Denver Holdings LLC, and Arm. The Transaction will be implemented by way of (i) the acquisition by SB6 of all of the equity interests of certain entities that own units in Ampere (“Equity holding Entities”) from certain Sellers, and (ii) an immediately following “reverse triangular merger,” in which a wholly-owned subsidiary of SB6 that was established for the purpose of the Transaction, will be merged with and into Ampere. The surviving company after the merger will be Ampere and its equity holders at the time of the effective date of the merger (other than the Equity holding Entities) will receive cash consideration, while Ampere, the surviving company, will become a wholly-owned subsidiary of the Company. The total cash consideration to be paid by the Company for the transactions in (i) and (ii) above will amount to \$6.5 billion.

c. Equity interests to be acquired, acquisition price and ownership status before and after the Transaction

Equity interests held before the Transaction*	8.08% (Indirect holding: 8.08%)
Equity interests to be acquired	100%
Acquisition price	Total investment: \$6.5 billion Acquisition-related cost: TBD
Equity interests will hold after the Transaction	100% (Indirect holding: 100%)

* Based on the number of Ampere's voting equity interests.

d. Financing

To secure the funds necessary for this transaction, SoftBank Group Corp. entered into a loan agreement with financial institutions on April 10, 2025, for a total commitment amount of up to \$6.5 billion (the “Bridge Loan”).

At the point in time, only the loan commitments have been secured, and no actual borrowing has been made. Since the acquisition of Ampere requires approvals from U.S. authorities and others, the borrowings are scheduled to be executed once such approvals are obtained and the acquisition is expected to close.

An overview of the Bridge Loan is as follows.

Borrower	SoftBank Group Corp.
Mandated lead arrangers and bookrunners	Mizuho Bank, Ltd. Sumitomo Mitsui Banking Corporation JP Morgan Chase Bank, Tokyo Branch
Date of agreement	April 10, 2025
Total commitment amount	\$6.5 billion
Availability period	Until April 10, 2026
Drawdown date	At the time of Ampere acquisition
Use of proceeds	Acquisition of Ampere shares, repayment of Ampere's existing borrowings, and payment of related expenses
Repayment date	April 10, 2026
Collateral	None
Guarantor	None

e. Overview of Ampere

Name	Ampere Computing Holdings LLC
Address	Santa Clara, California, USA
Name and title of representative	Renée J. James Founder/Chairman & CEO
Nature of business	Semiconductor design, focused on high-performance, energy efficient, sustainable AI compute based on the Arm compute platform
Founded	September 27, 2017

(2) Investment in OpenAI

SoftBank Group Corp. entered into a definitive agreement with OpenAI Global, LLC ("OpenAI Global") and its affiliates (collectively, "OpenAI"), a U.S.-based artificial intelligence research and development company, to make follow-on investments of up to \$40.0 billion (¥5,980.8 billion) (the "Transaction") on March 31, 2025, as detailed below. The Company is planning to syndicate out \$10.0 billion of the up to \$40.0 billion investment to co-investors.

a. Rationale for the Transaction

With the center of the "Information Revolution" having evolved from personal computers, the Internet, and broadband to smartphones, it has now entered a new phase led by artificial intelligence (AI). In this context, the Company has declared its mission to realize Artificial Super Intelligence (ASI) for the advancement of humanity. Recognizing OpenAI as the partner closest to achieving Artificial General Intelligence (AGI), a key milestone on the path to ASI, and its mission of ensuring AGI benefits all of humanity, the Company has positioned OpenAI as its most important partner and invested \$2.2 billion in total through SVF2 since September 2024.

The advancement of OpenAI's AI models is key to achieving AGI and ASI, and massive computing power is essential. To that end, the Company has announced the "Stargate Project" together with OpenAI on January 21, 2025, to build dedicated AI infrastructure for OpenAI in the United States. In alignment with this initiative, and to both further support OpenAI's growth and capture the benefits of that growth in the Company's NAV (Net Asset Value: calculated as equity value of holdings – adjusted net interest-bearing debt), the Company has decided to make follow-on investments in OpenAI.

b. Details of the Transaction

	First closing	Second closing
Pre-money valuation	\$260.0 billion	
Investment amount	\$10.0 billion	(1) Up to \$30.0 billion if OpenAI Global, the for-profit subsidiary of OpenAI, Inc., completes a recapitalization of its economic waterfall (the "Funding Conditions") by the end of 2025, or in certain circumstances, early 2026. (2) \$10.0 billion if the Funding Conditions have not been met by the end of 2025, or in certain circumstances, early 2026.

	First closing	Second closing
Syndication	Up to \$10.0 billion of the investment amount may be syndicated out to co-investors. However, in the case of (2) above, syndication of \$10.0 billion for the second closing will not reduce the Company's \$10.0 billion commitment for the second closing.	
Investment timing	April 2025	December 2025 (Targeted)
Investing entity	SoftBank Group Corp. or its subsidiary	
Investment target	OpenAI Global	OpenAI Global or a new entity following the satisfaction of the Funding Conditions
Type of securities to be acquired	Convertible interest rights, which are convertible into: • Convertible preferred shares of a new entity with 1x liquidation preference once the Funding Conditions are met • Convertible preferred shares will automatically convert into common stock in connection with an IPO / go-public transaction	

c. Overview of OpenAI Global

Name	OpenAI Global, LLC
Address	San Francisco, California, USA
Name and title of representative	Sam Altman, CEO
Nature of business	To build safe and beneficial artificial general intelligence (AGI) that benefits all of humanity
Founded	December 2015 (OpenAI, Inc., the controlling entity of OpenAI Global)

d. Timeline

Execution of the agreement for investment of up to \$40.0 billion by SoftBank Group Corp. and OpenAI Global	March 31, 2025
Completion of \$10.0 billion investment in OpenAI Global	April 15, 2025
Completion of up to \$30.0 billion investment in OpenAI Global	December 2025 (Targeted)

e. Completion of the first closing

On April 15, 2025, the investment of \$10.0 billion in OpenAI Global was completed. Of this, \$1.5 billion was syndicated out to co-investors on the same date, and SVF2 invested the remaining \$8.5 billion. Subsequently, additional syndication to co-investors was executed, and SVF2's investment amount was reduced from \$8.5 billion to \$7.5 billion.

f. Financing and loan to SVF2 from the Company

To fund the investment in the first closing, in April 2025, the Company borrowed \$8.5 billion from Mizuho Bank, Ltd. and other financial institutions, and lent the same amount to SVF2. In connection with the additional syndication, in May 2025, the Company received \$1.0 billion from SVF2 as partial repayment of the loan principal and accrued interest. Of the loan to SVF2 from the Company, 17.25% of the principal and its interest is guaranteed by Masayoshi Son, Representative Director, Corporate Officer, Chairman & CEO of SoftBank Group Corp. The details are described in "(a) Transactions between SVF2 and related parties" in "a. Co-investment program with restricted rights to receive distributions" in "(1) Related party transactions and balances" under "Note 45. Related party transactions."

g. Impact on the consolidated financial results

The convertible interest rights acquired in the Transaction are planned to be classified as financial assets measured at fair value through profit or loss (FVTPL). They will be measured at fair value on a quarterly basis, with any changes in fair value recognized in the consolidated statement of profit or loss as "Gain (loss) on investments."

49. Subsequent events

In June 2025, a wholly-owned subsidiary of the Company sold 21,500,000 T-Mobile shares, part of its total holding of 85,361,065 shares, for \$4.78 billion. As of March 31, 2025, these shares are recorded as "Investment securities" in the consolidated statement of financial position at a carrying amount of ¥857,387 million (\$5.73 billion).

In addition, after April 1, 2025, the Company entered into a loan agreement to secure the funds necessary for the acquisition of Ampere, and made an investment in OpenAI with the related financing. The details of the transactions are described in "Note 48. Additional Information."

50. Approval of consolidated financial statements

The consolidated financial statements have been approved by the Company's Representative Director, Corporate Officer, Chairman & CEO, Masayoshi Son, on June 26, 2025.

Independent Auditor's Report

SoftBank Group Corp. and its Consolidated Subsidiaries

Deloitte.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of SoftBank Group Corp.:

<Audit of Consolidated Financial Statements>

Opinion

We have audited the consolidated financial statements of SoftBank Group Corp. and its subsidiaries (the "Company"), which comprise the consolidated statement of financial position as of March 31, 2025, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information, all expressed in Japanese yen.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as of March 31, 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB").

Convenience Translation

Our audit also comprehended the translation of Japanese yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made in accordance with the basis stated in "(3) Presentation currency and unit of currency" under "Note 2. Basis of preparation of consolidated financial statements" to the consolidated financial statements. Such U.S. dollar amounts are presented solely for the convenience of readers outside Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

A key audit matter is a matter that, in our professional judgment, was of most significance in our audit of the consolidated financial statements of the current period. The matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on the matter.

Member of
Deloitte Touche Tohmatsu Limited

The reasonableness of the valuation of the investments from SVF (FVTPL) classified as Level 3

(1) Key Audit Matter Description

The Company holds its investments primarily through SoftBank Vision Fund L.P. and its alternative investment vehicles and SoftBank Vision Fund II-2 L.P. and SBLA Latin America Fund LLC ("SVF"). The recorded investments from SVF (FVTPL) were ¥11,410,922 million in the consolidated statement of financial position as of March 31, 2025, and were quantitatively material in the consolidated financial statements. Also, the account includes ¥7,996,799 million of Level 3 investments, whose fair values were measured using unobservable inputs as discussed in "Note 29. Fair value of financial instruments." The enterprise values to calculate the fair values of the investments from SVF (FVTPL) classified as Level 3 are calculated primarily based on the market comparable company multiple method, the recent transactions method and the discounted cash flow method. Calculations are determined utilizing one or more of these methods for each security.

For each valuation method, the following significant assumptions, which are subject to a high degree of management judgment are highly sensitive:

- Selection of peer companies as the basis for revenue multiples used for a market comparable company multiple method
- Business plan and capital cost that are used in the discounted cash flow method
- Weighted average ratio when more than one valuation methods described above are used

The occurrence of the subsequent events that provide additional evidence to fair value at the end of the reporting period are also highly sensitive.

The calculated enterprise value is allocated to the equity value of each type of stock according to the capital structure of the investee to calculate the fair value. With the main consideration of shareholder's rights and their preferred rights, the option pricing method and other methods are used to determine the allocation ratio. In addition, the allocation ratio is determined by considering the possibility that the preferred stock will be converted into common stock through an initial public offering and other events. The estimates that are associated with high uncertainty in the future, such as a possibility of an initial public offering, significantly affect the allocation ratio.

Based on the above, we determined that the reasonableness of the valuation of the investments from SVF (FVTPL) classified as Level 3 is a key audit matter.

(2) How the Key Audit Matter Was Addressed in the Audit

We performed the following primary procedures to evaluate the reasonableness of the estimates related to valuation of the investments from SVF (FVTPL) classified as Level 3 by directing and supervising the component auditors:

- We tested the reasonableness of the selection of valuation methods utilized by performing inquiries of management, evaluating the consistency of the valuation methods previously utilized and evaluating the appropriateness of changes in such methods, if any.
- For the investments from SVF (FVTPL) classified as Level 3 where the market comparable company multiple method is utilized, we evaluated the reasonableness of management's selection of peer companies, which serves as the basis for the revenue multiples selected by management, with the assistance of our valuation specialists.
- For the investments from SVF (FVTPL) classified as Level 3 where the discounted cash flow method is utilized, we primarily performed retrospective reviews of performance against plan in order to evaluate the reasonableness of the business plan. We evaluated the reasonableness of the capital cost used in the valuation with the assistance of our valuation specialists.

- For the investments from SVF (FVTPL) classified as Level 3 where more than one valuation methods are utilized, we evaluated the reasonableness of the weighted average ratio of more than one valuation methods, including consistency among the weighted average ratio previously used and the condition of investee, as well as the appropriateness of changes in the ratio, if any.
- We performed inquiries of management, inspected publicly available information to identify if there are any new funding rounds or other events, and evaluated whether or not these events should be considered in estimating the fair value of the relevant investment at the end of the reporting period.
- In case the calculated enterprise value needs to be allocated to each class of shares, we verified whether the allocation is calculated based on the preferred-subordinate relationship defined in the contract, articles of incorporation and other information, performed inquiries of management and inspected related documents regarding the estimate of the possibility of an initial public offering.
- With the assistance of our valuation specialists, we evaluated whether the fair value calculated by management did not deviate materially from the estimate of valuation assessed by us.

Other Information

Other information comprises the information included in the Company's disclosure documents accompanying the audited consolidated financial statements, but does not include the consolidated financial statements and our auditor's report thereon.

We determined that no such information existed and therefore, we did not perform any work thereon.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the IASB, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with IFRS Accounting Standards as issued by the IASB and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in Japan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the overall presentation and disclosures of the consolidated financial statements are in accordance with IFRS Accounting Standards as issued by the IASB, as well as the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with Audit & Supervisory Board members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with Audit & Supervisory Board members and the Audit & Supervisory Board, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

<Fee-Related Information>

Fees for audit and other services for the year ended March 31, 2025, which were charged by us and our network firms to SoftBank Group Corp. and its subsidiaries were ¥9,688 million and ¥347 million, respectively.

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

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

Deloitte Touche Tohmatsu LLC
June 26, 2025



SoftBank Group Corp.

TSE Prime Market: 9984

<https://group.softbank/en/>

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