

Earnings Results for the Six Months Ended September 30, 2020

Investor Briefing

SoftBank Corp.
November 4, 2020

Disclaimer

Important Notice Regarding Forward Looking Statements and Other Information

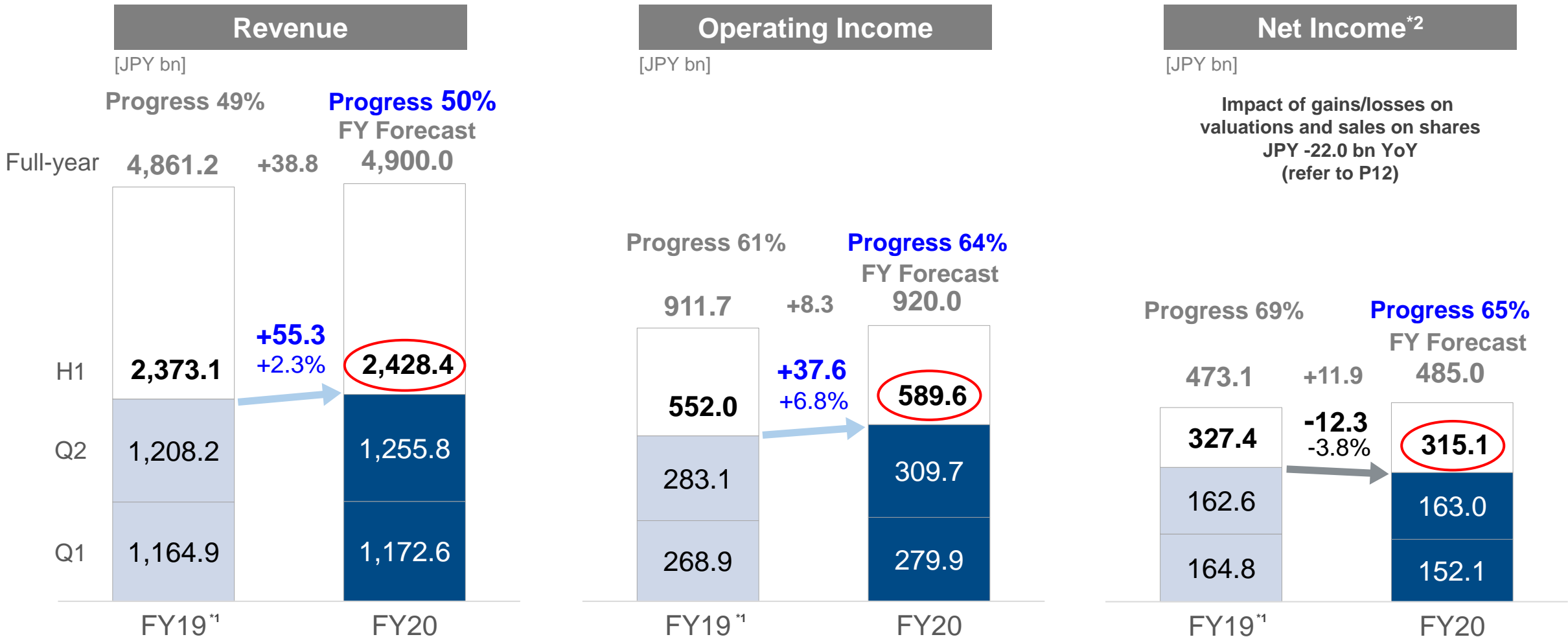
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Results for H1 FY2020

- Despite the impact of COVID-19, progress is at a steady pace towards full-year forecast, aiming for an increase in revenue as well as record high profits

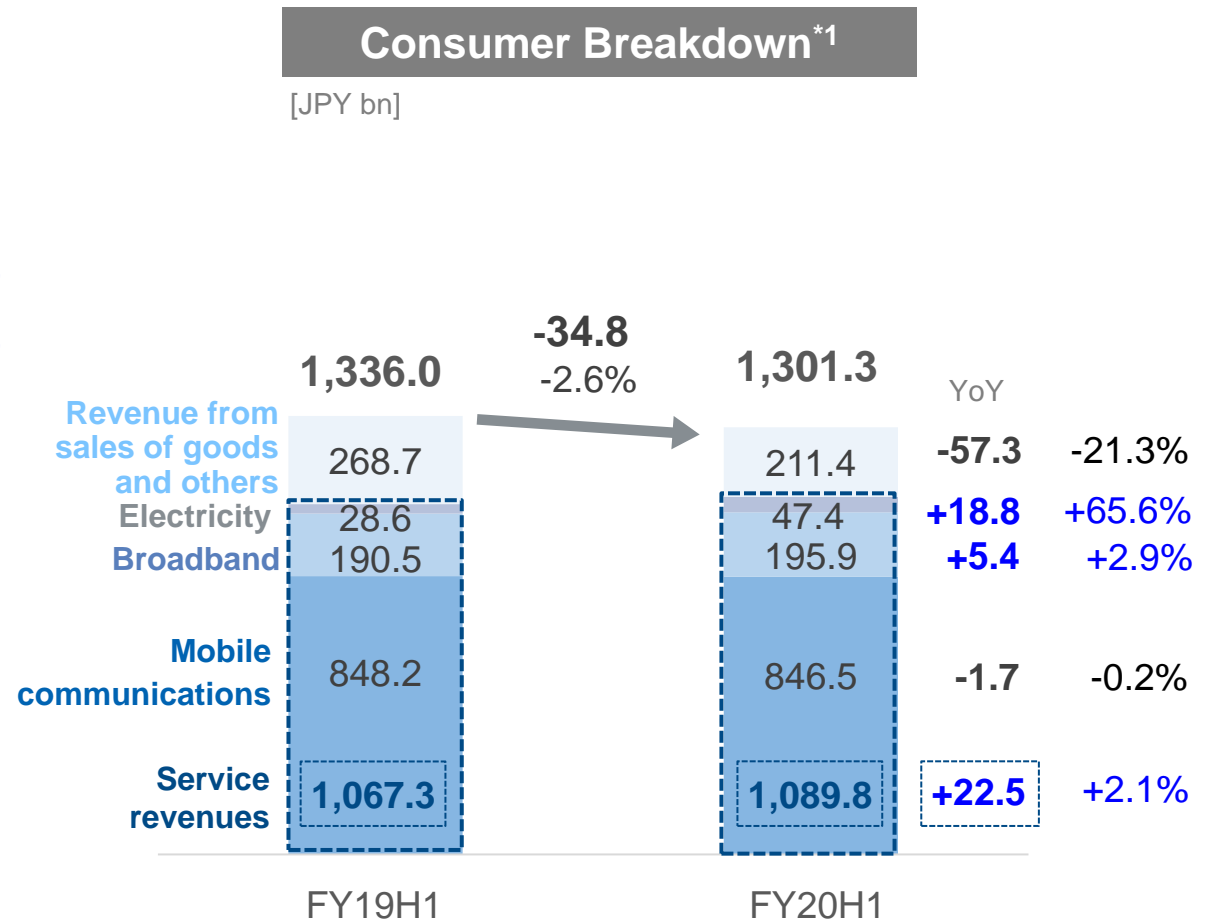
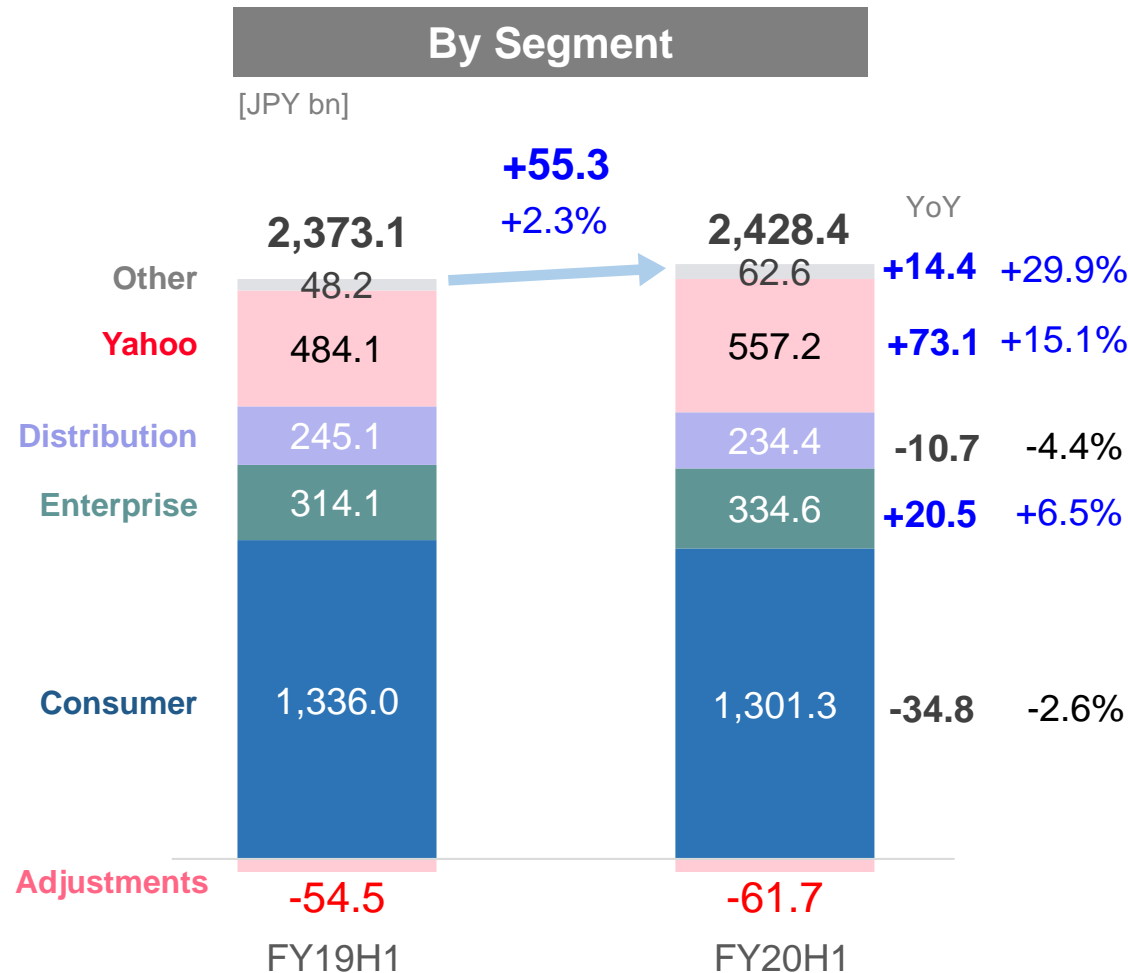


*1: Actuals for FY19 have been adjusted retrospectively to have consolidated ZHD from April 1, 2018, same hereafter

*2: Net income: net income attributable to owners of SoftBank Corp., same hereafter

Revenue (1/2)

- Yahoo drove growth, JPY +73.1 bn (+15.1%) YoY. Enterprise steady, JPY +20.5 bn (+6.5%) YoY
- Consumer was JPY -34.8 bn (-2.6%) YoY. Sales of goods and others was JPY -57.3bn YoY due to decrease in mobile device sales, Service revenues was steady at JPY +22.5 bn YoY



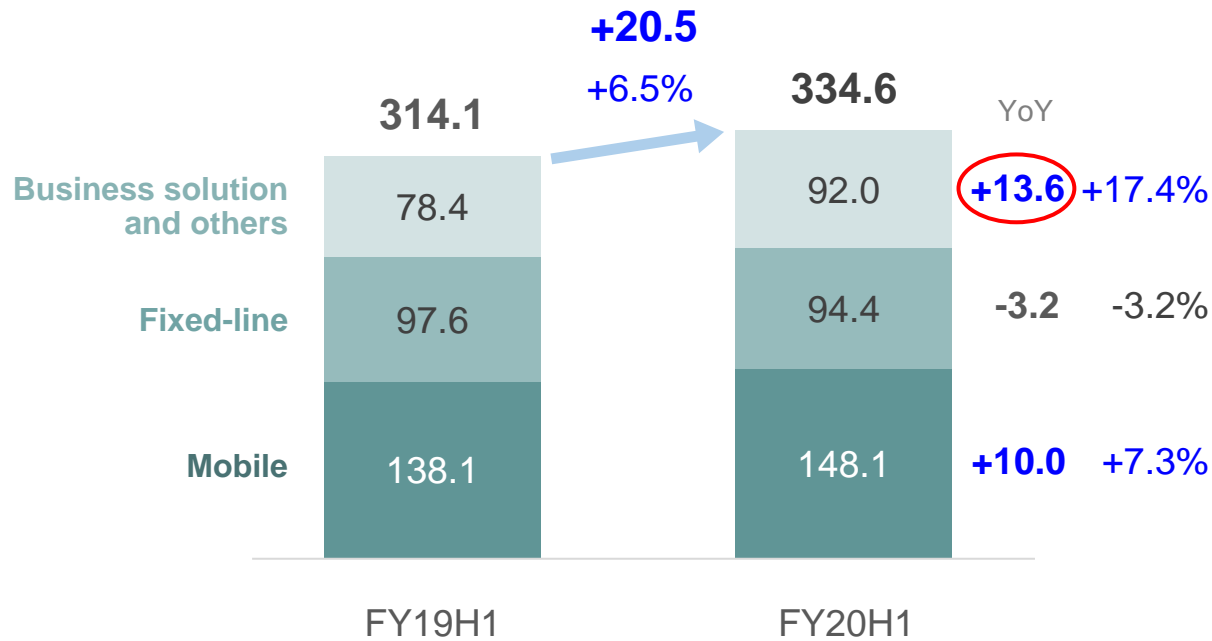
*1: "Electricity" disclosed separately from FY20Q1 (previously included in Revenue from sales of goods and others)

Revenue (2/2)

- Enterprise grew by JPY +20.5 bn (+6.5%) YoY, driven by +17% in Business solution and others
- Yahoo grew by a double-digit basis, JPY +73.1 bn (+15.1%) YoY, driven by significant YoY growth in Commerce

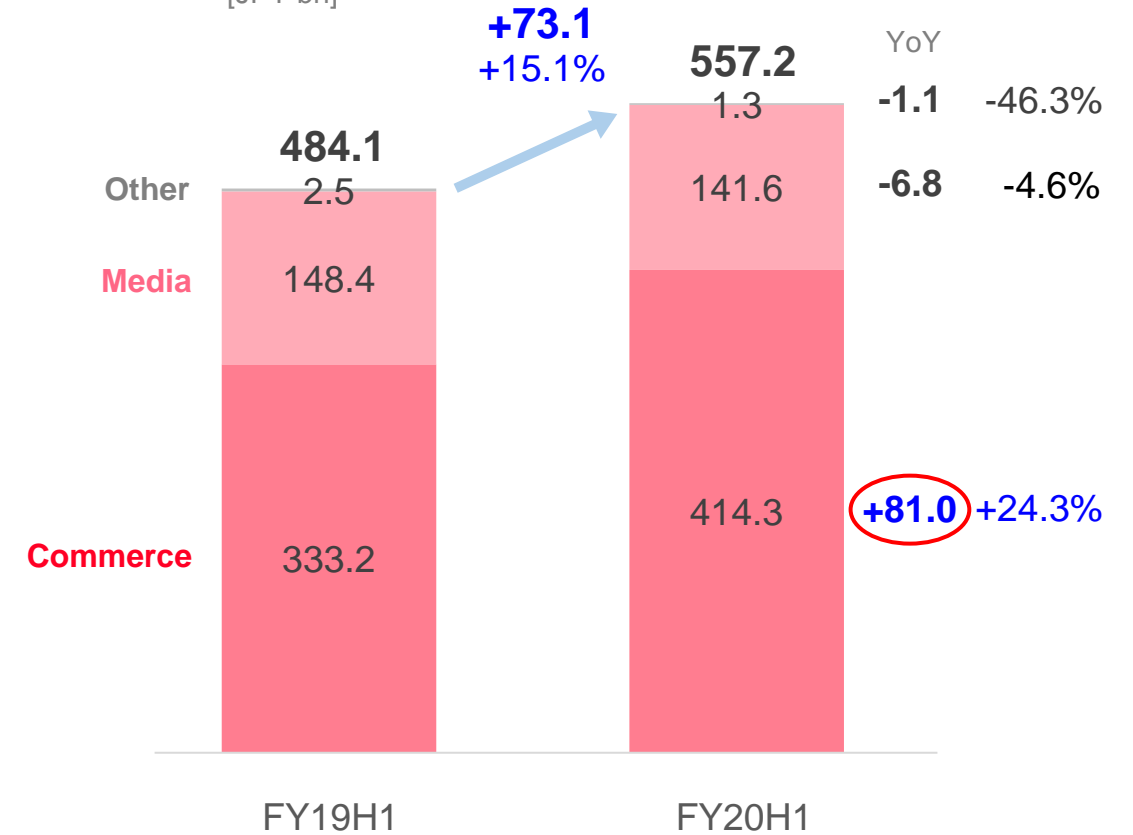
Enterprise Breakdown

[JPY bn]



Yahoo Breakdown*1

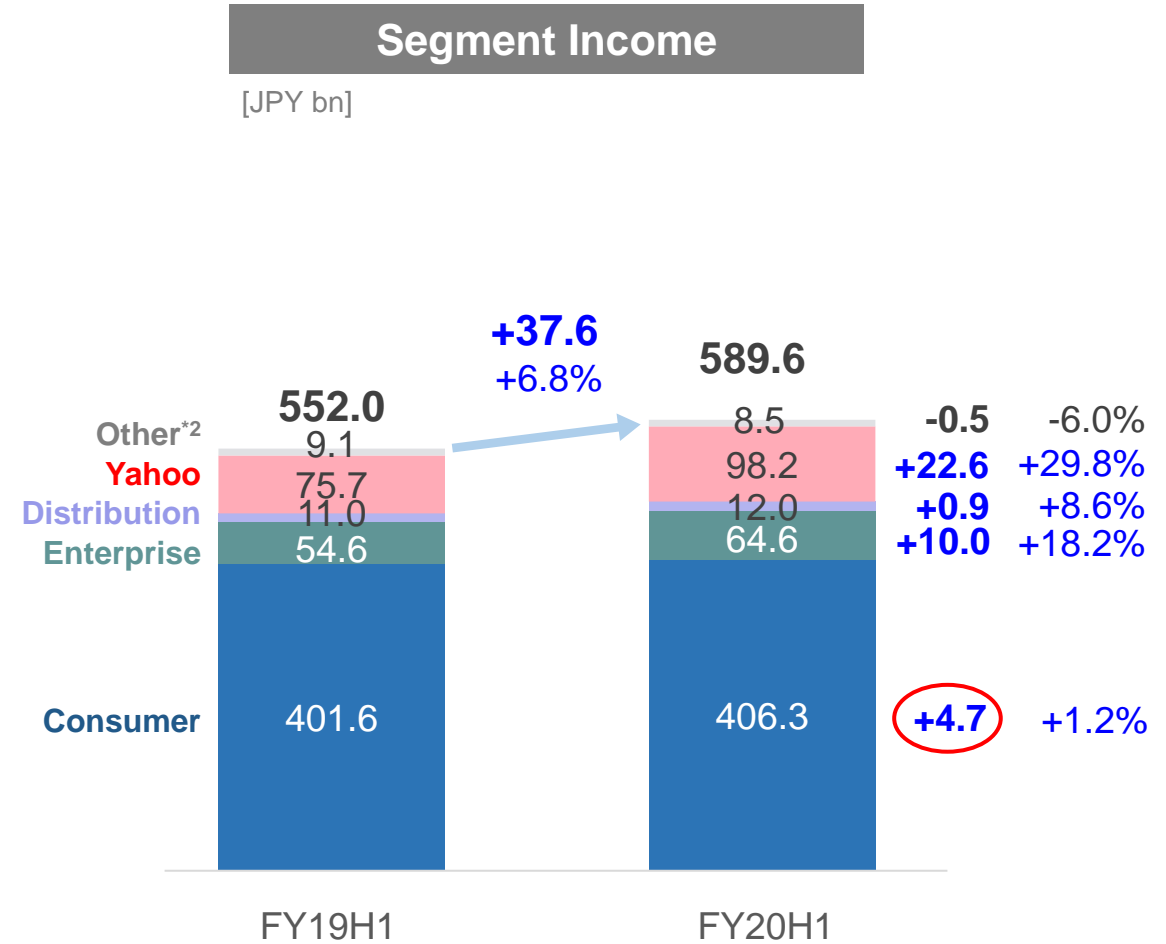
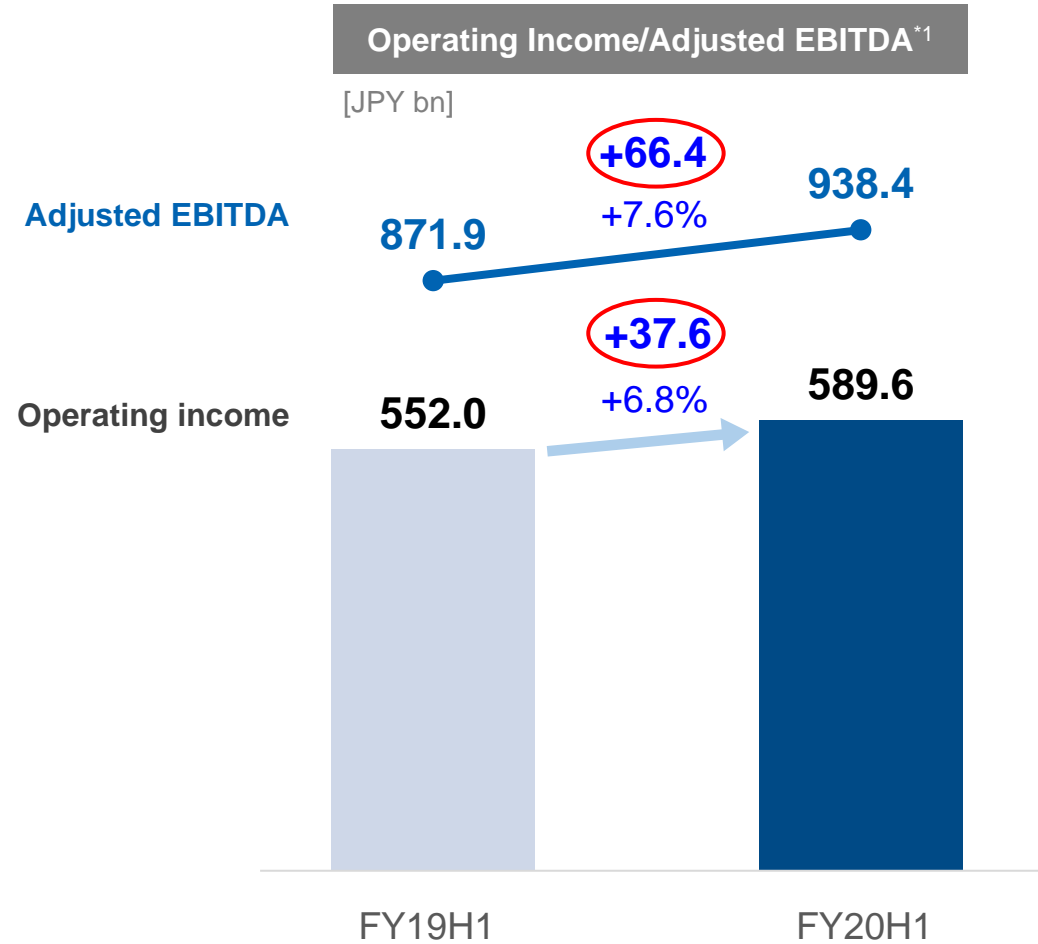
[JPY bn]



*1: Revenue for Commerce and Media is restated for FY2019 to reflect the transfer of certain services and subsidiaries from Commerce to Media in April 2020

Operating Income/Adjusted EBITDA/Segment Income

- Adjusted EBITDA: JPY +66.4bn (+7.6%) YoY
- Operating income: JPY +37.6 bn (+6.8%) YoY, increased in all segments. Yahoo and Enterprise recorded double-digit growth and drove total growth



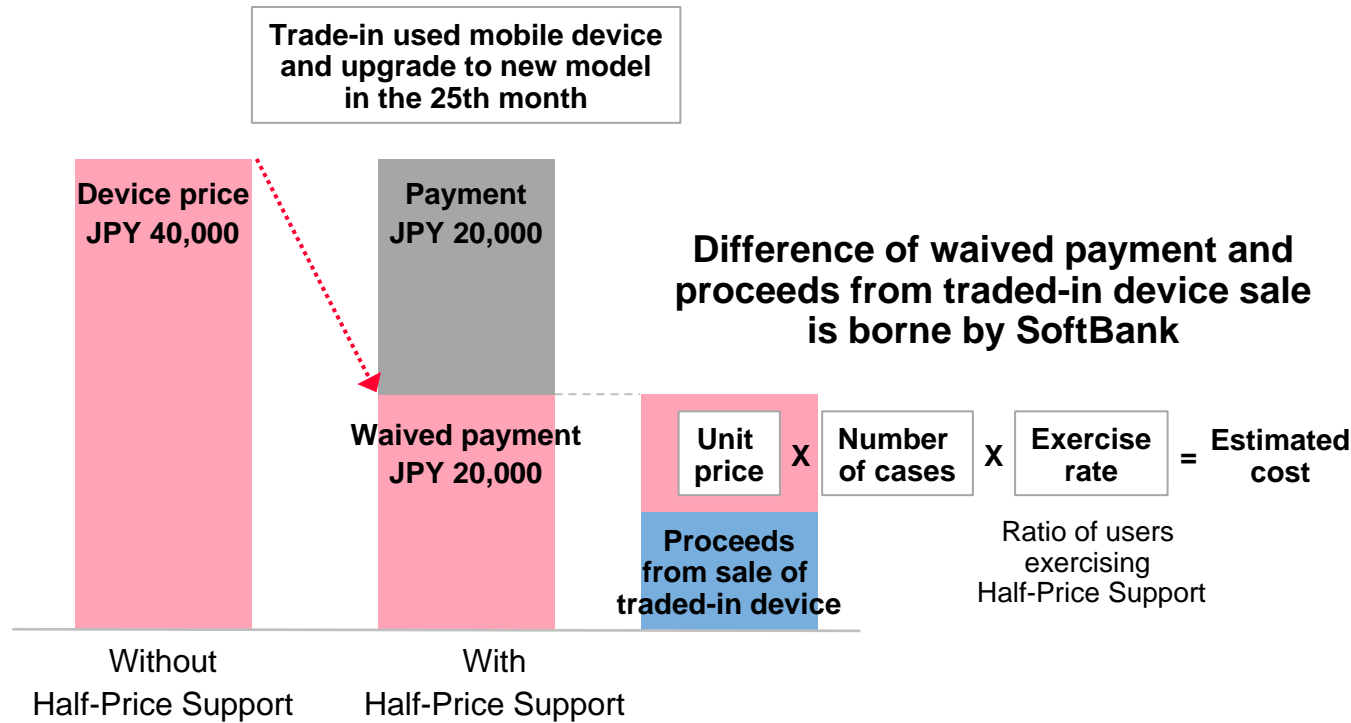
*1: Adjusted EBITDA = operating income + depreciation and amortization (including loss on disposal of non-current assets) ± other adjustments

*2: Other includes inter-segment adjustments (FY19H1 0.6 bn, FY20H1 -1.3 bn), same hereafter

- Revised reserve of SoftBank’s cost based on three-year track record since introduction of the program
- Reversal of contract liabilities related to Half-Price Support of JPY 11.0 bn was recorded as one-time revenue

Half-Price Support*1 (2017-2019)

When customers purchase eligible devices in 48-month installments and upgrades after the 25th month, the remaining payments are waived



Accounting Method

Accounting method differs before/after revision to Telecommunications Business Act

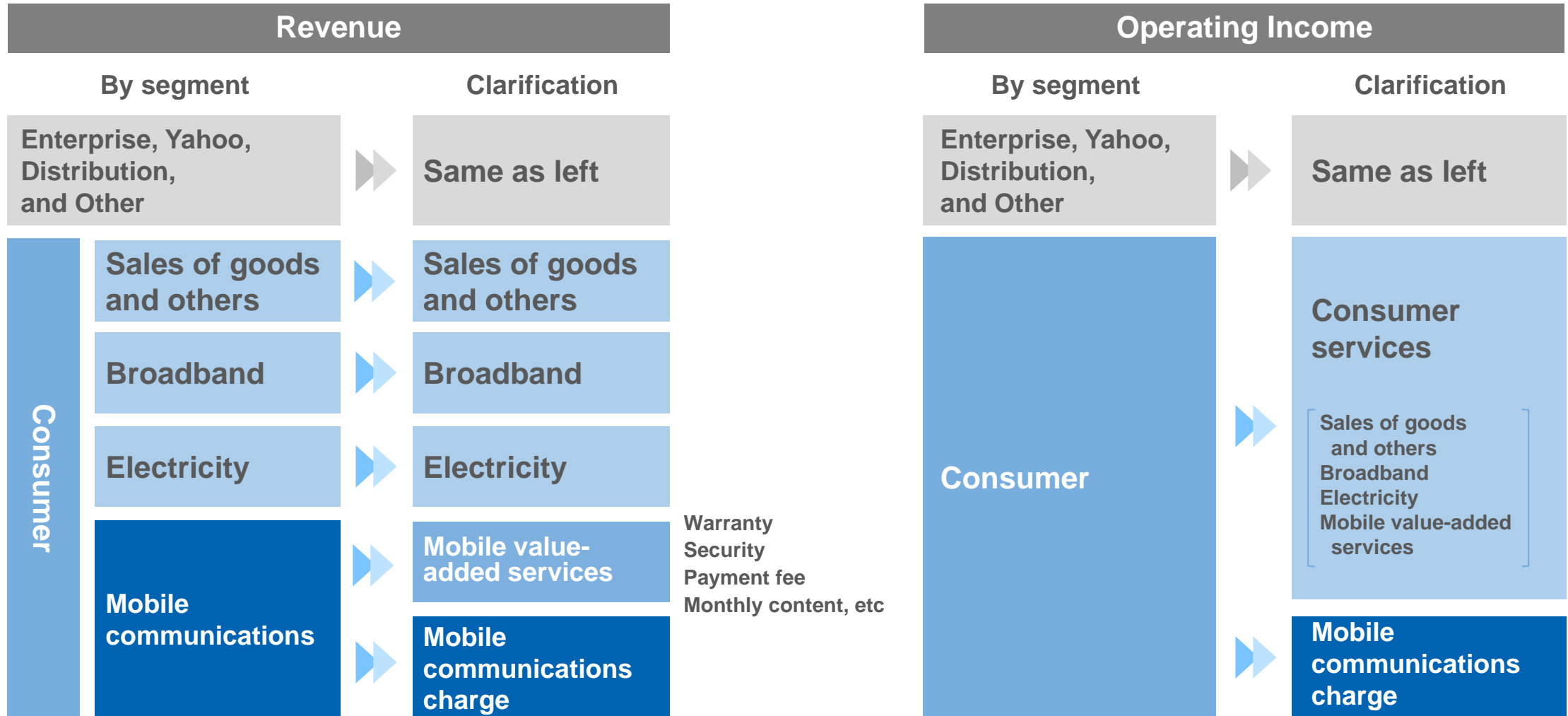
| | Account title |
|--|-------------------------------|
| Half-Price Support*1 (Sep 2017-Sep 2019) | Mobile communications revenue |
| Tokusuru Support Tokusuru Support +*2 (Sep 2019-) | Sales promotion expenses |

*1: From Sep 12, 2019, SoftBank has stopped accepting new applications for Half-Price Support

*2: Tokusuru Support is applicable for eligible models launched before Mar 26, 2020, and Tokusuru Support + is applicable for eligible models launched after Mar 27, 2020

Mobile Communications Charge

■ Clarification of pure mobile communications charge-related business

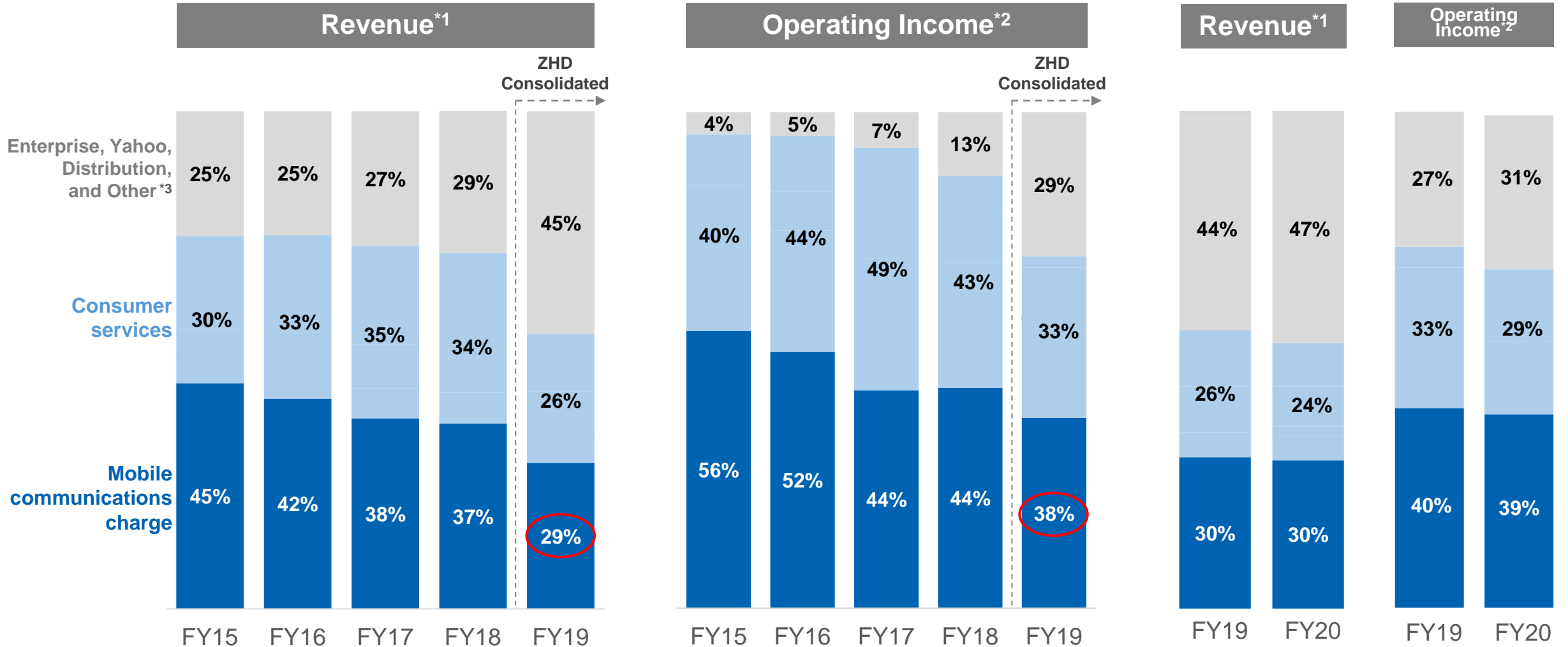


*Mobile communications charge for Enterprise is included in "Enterprise, Yahoo, Distribution, and Other"

Revenue/Operating Income Proportion (Non-audited)



- Proportion of mobile communications charge is continuously decreasing, and businesses other than mobile communication (non-telecom) are becoming growth drivers



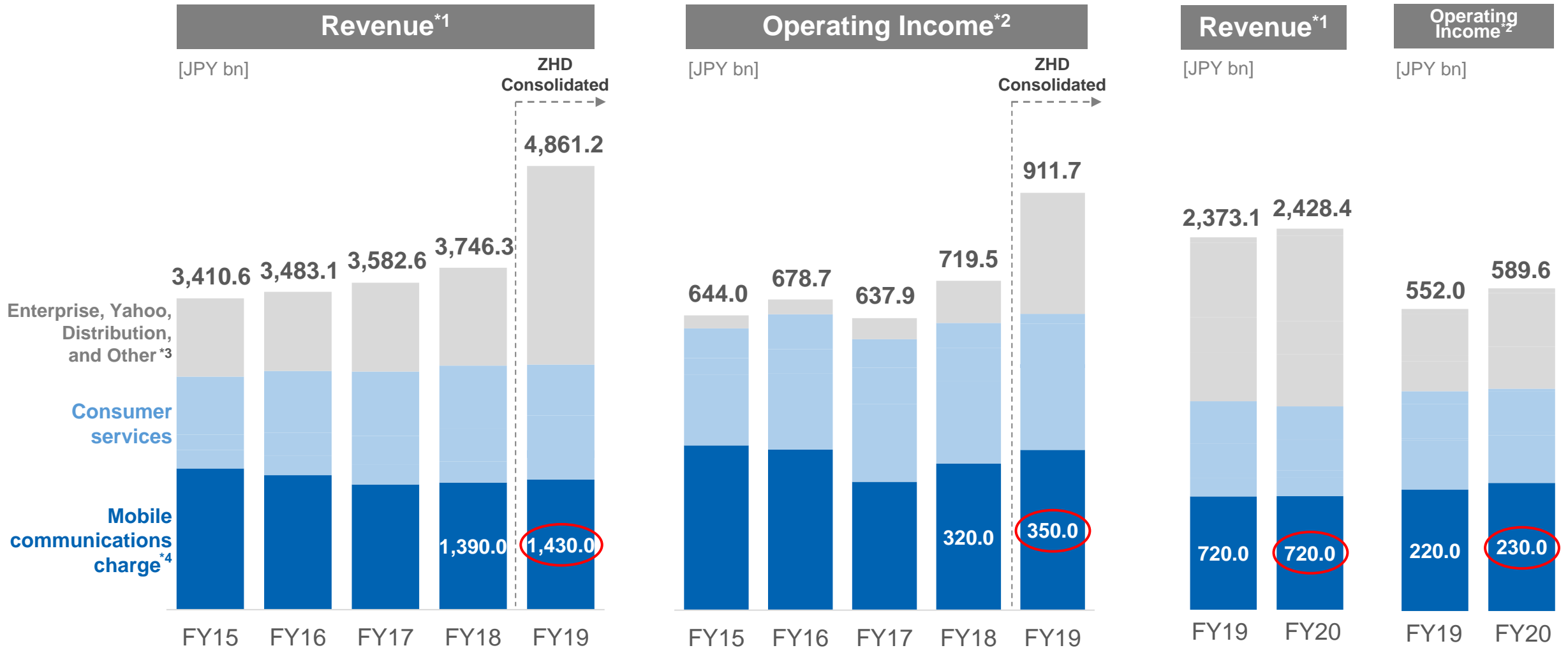
*Pro forma (non-audited) information calculated using certain assumptions by the Company. FY18 is not retroactively adjusted for the impact of consolidating ZHD.

Ratio is rounded to the nearest whole number, and the total does not necessarily equal 100. *1: Sales to external customers is used as Revenue.

*2: Operating income of "Enterprise, Yahoo, Distribution, and Other" includes adjustments. *3: Mobile communications charge for Enterprise is included in "Enterprise, Yahoo, Distribution, and Other."

Revenue/Operating Income (Non-audited)

■ Revenue and operation income of mobile communications charge are both stable



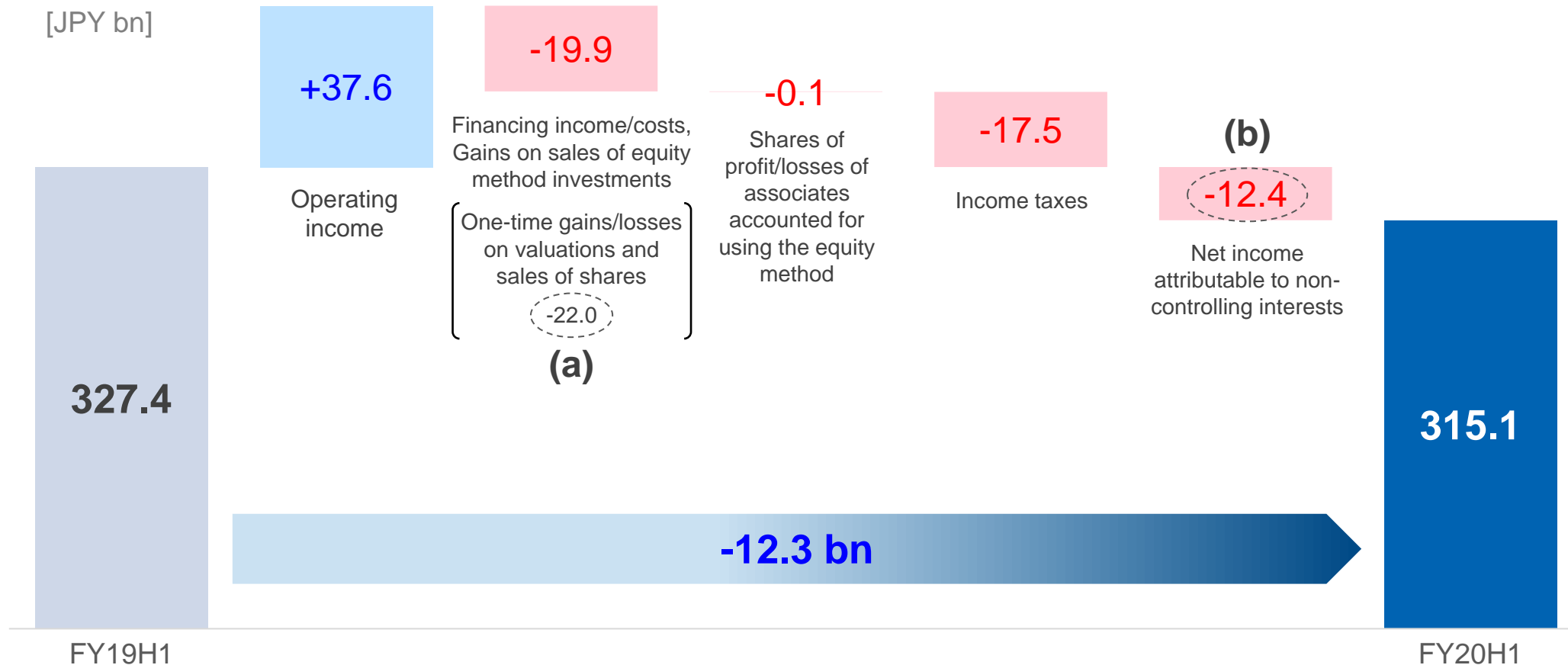
*Pro forma (non-audited) information calculated using certain assumptions by the Company. FY18 is not retroactively adjusted for the impact of consolidating ZHD.

*1: Sales to external customers is used as Revenue. *2: Operating income of "Enterprise, Yahoo, Distribution, and Other" includes adjustments.

*3: Mobile communications charge for Enterprise is included in "Enterprise, Yahoo, Distribution, and Other." *4: Figures for "Mobile communications charge" are rounded to the nearest 10 bn.

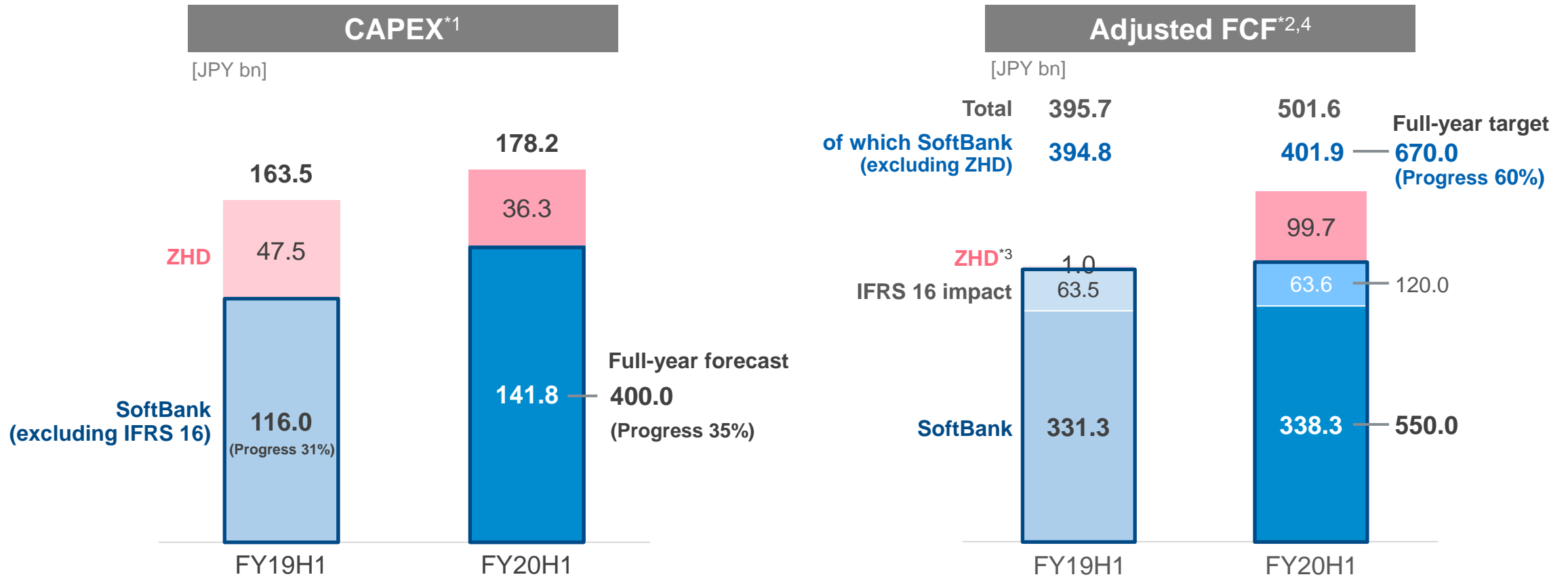
Net Income (YoY Comparison)

- Effect from one-time gains/losses on sales and valuations of shares in the previous and current fiscal year (a)
- Impact on net income attributable to non-controlling interests mainly came from ZHD earning growth (including impact from ZOZO consolidation) (b)



CAPEX/Adjusted Free Cash Flow

- CAPEX was JPY 178.2 bn. CAPEX excluding ZHD was JPY 141.8 bn
- Adjusted free cash flow excluding ZHD (including IFRS 16 impact) was JPY 401.9 bn. Steady progress towards full-year target of JPY 670.0 bn



*1: CAPEX is on acceptance basis. Excludes CAPEX for rental mobile phones and impact from IFRS 16

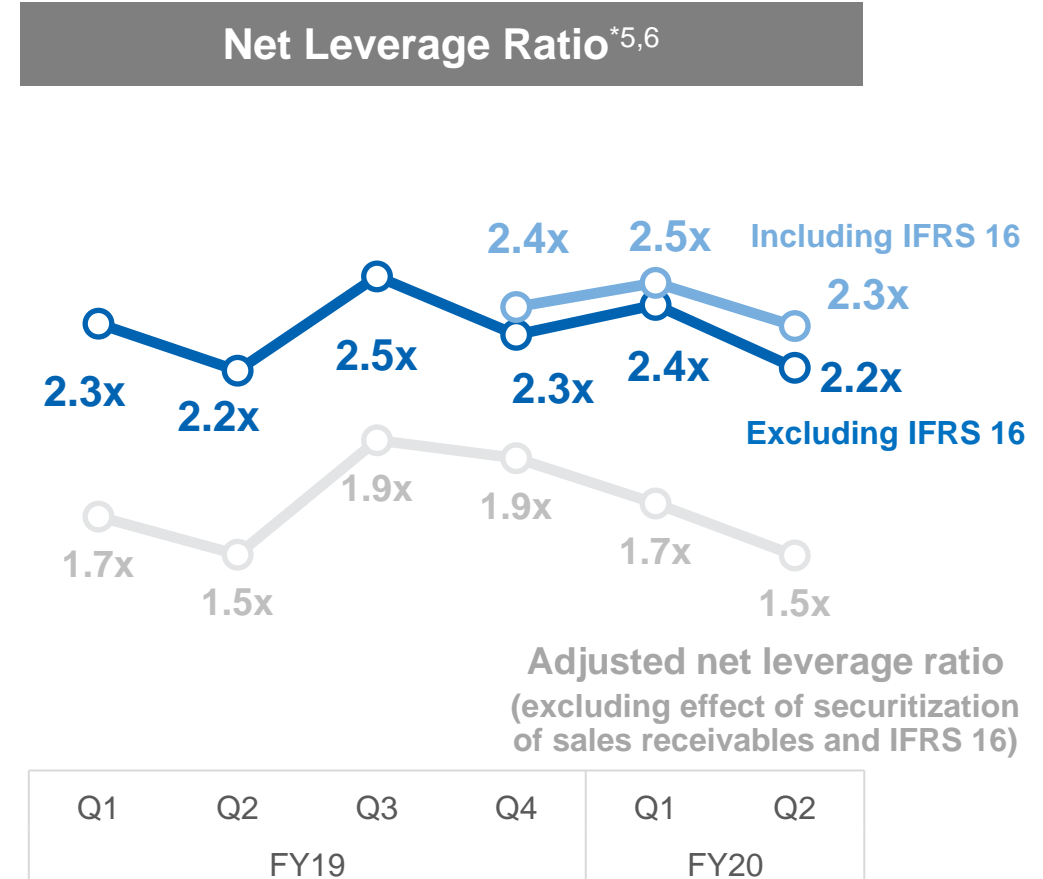
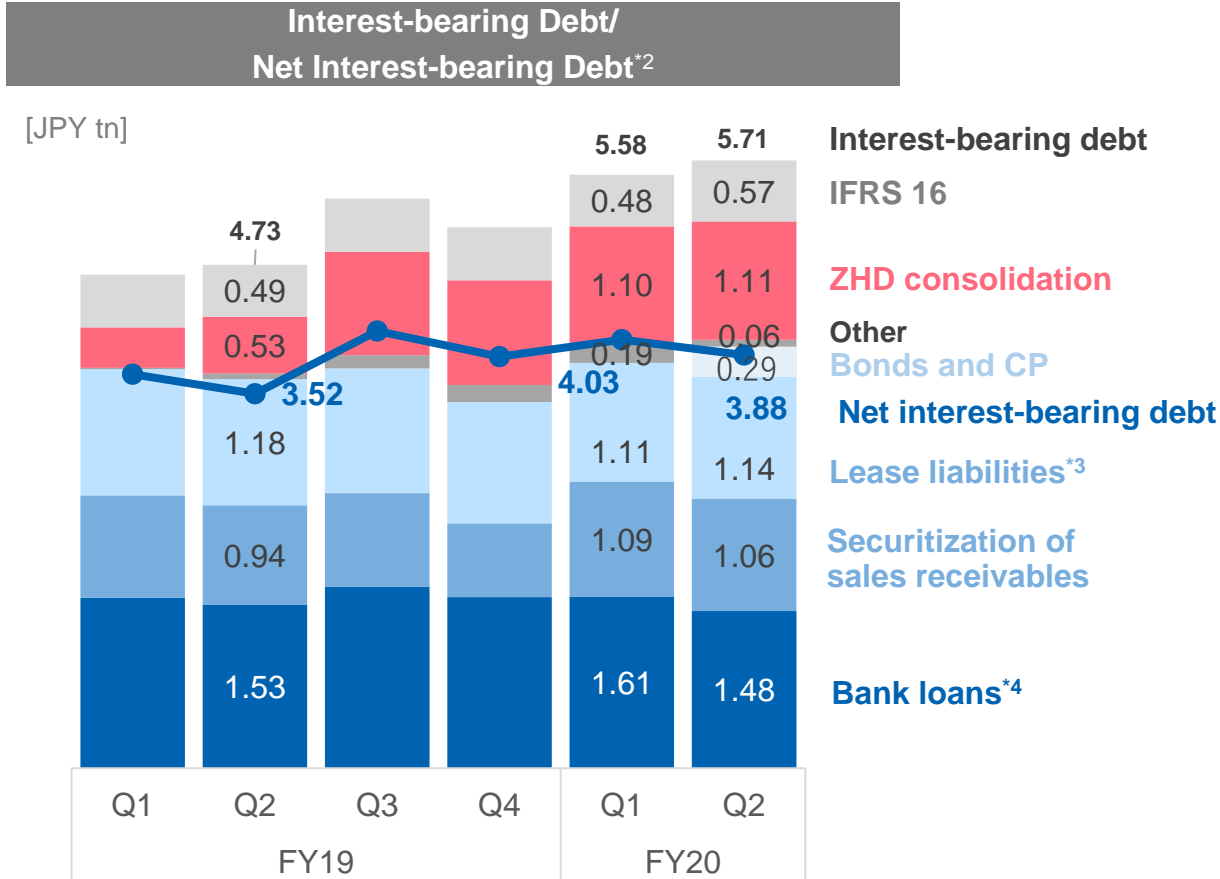
*2: Adjusted FCF = FCF ± total CF relating to non-recurring transactions with SoftBank Group Corp. + (proceeds from the securitization of installment sales receivables – repayments thereof)

*3: Sum of ZHD's FCF and dividend payments from ZHD to SoftBank Corp. (FY19H1: 5.4 bn, FY20H1: 18.8 bn) (including impact of IFRS 16 in ZHD)

*4: FY20H1 excludes impact from LINE TOB (84.0 bn)

Interest-bearing Debt/Net Interest-bearing Debt and Net Leverage Ratio

- Net interest-bearing debt decreased QoQ due to the impact of working capital of ZHD. Financing has been diversified by utilizing straight bonds and ECA*1 finance, etc.
- Net leverage ratio improved due to decrease of net interest-bearing debt and increase of adjusted EBITDA



*1: Export Credit Agency

*2: Net interest-bearing debt = Interest-bearing debt – Cash and cash equivalents – Cash reserve of securitization of sales receivables. Cash reserve for securitization of sales receivables is included in net interest-bearing debt from FY20, figure of FY19 is restated accordingly

*3: Lease liabilities are liabilities and borrowings related to sale and leaseback and ECA finance transactions of SoftBank Corp. and WCP (includes installment payables)

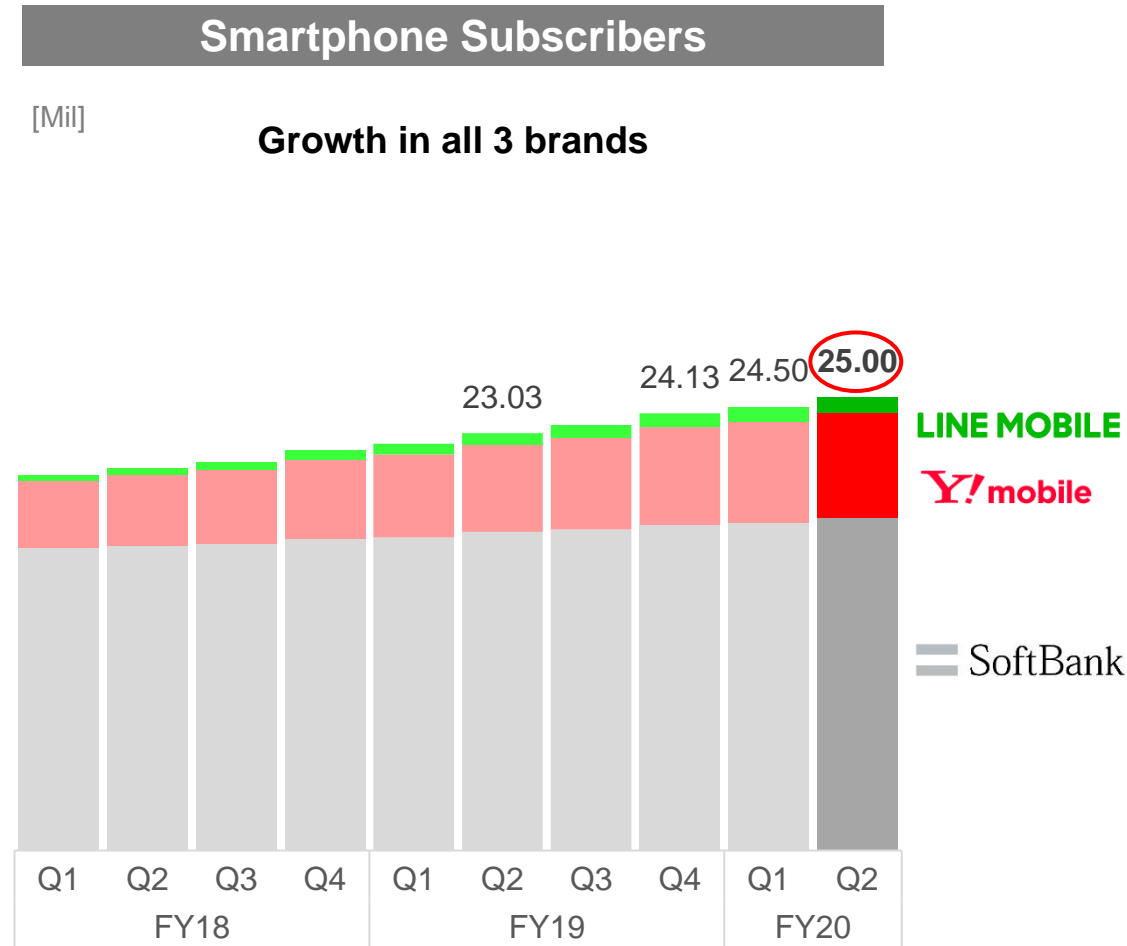
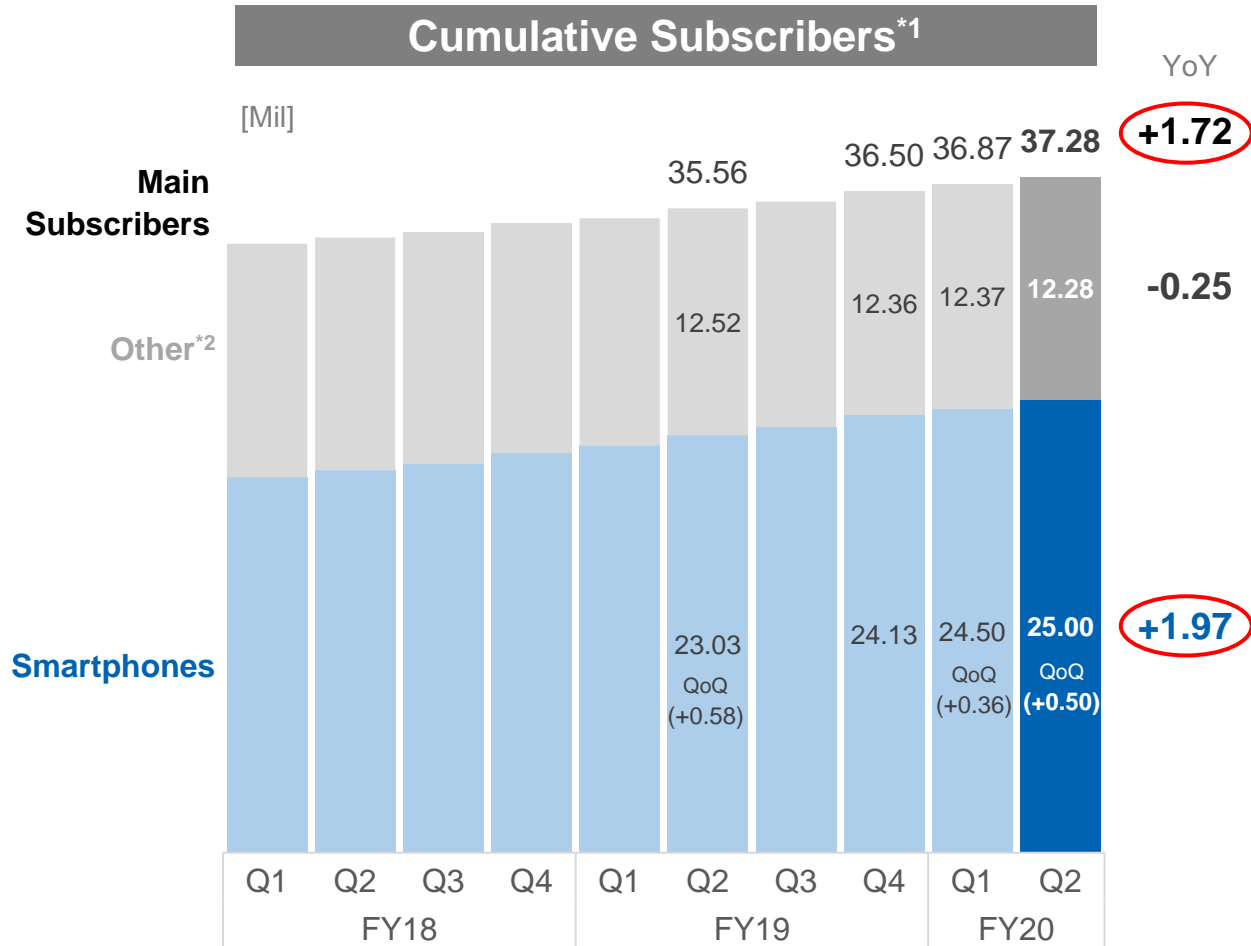
*4: Senior Loan Agreements which SoftBank Corp. entered in October 2019

*5: Net leverage ratio = Net interest-bearing debt / Adjusted EBITDA (LTM)

*6: LTM EBITDA of ZOZO retrospectively adjusted for FY19Q3, FY19Q4, FY20Q1 and FY20Q2

Cumulative Subscribers (Main Subscribers/Smartphones) SoftBank

- Smartphone subscribers exceeded 25.00 mil (+1.97 mil YoY). Y!mobile drove the growth, reached 20% of total smartphone subscribers
- Cumulative main subscribers reached 37.28 mil (+1.72 mil YoY)

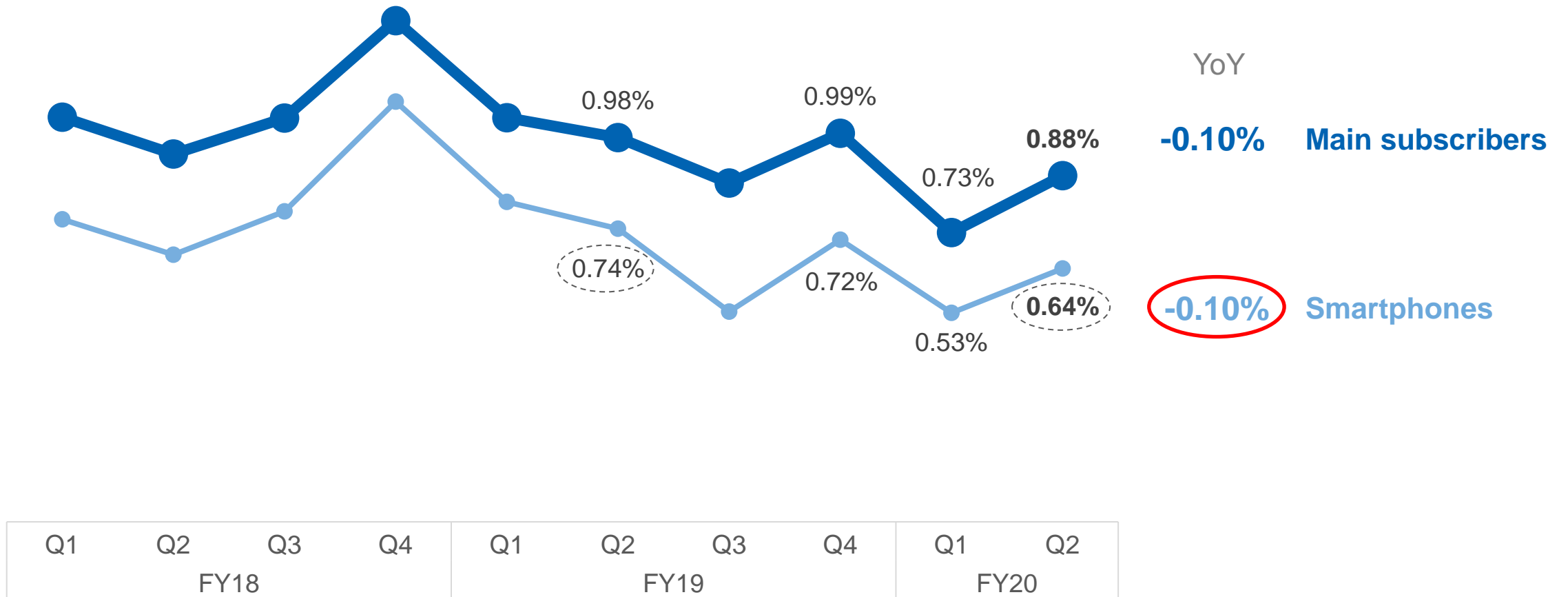


*1: Cumulative subscribers include Wireless Home Phone subscribers (FY19Q2: 0.51 mil, FY20Q2: 0.56 mil)

*2: Feature phones, tablets, mobile data communications devices, Wireless Home Phones, etc.

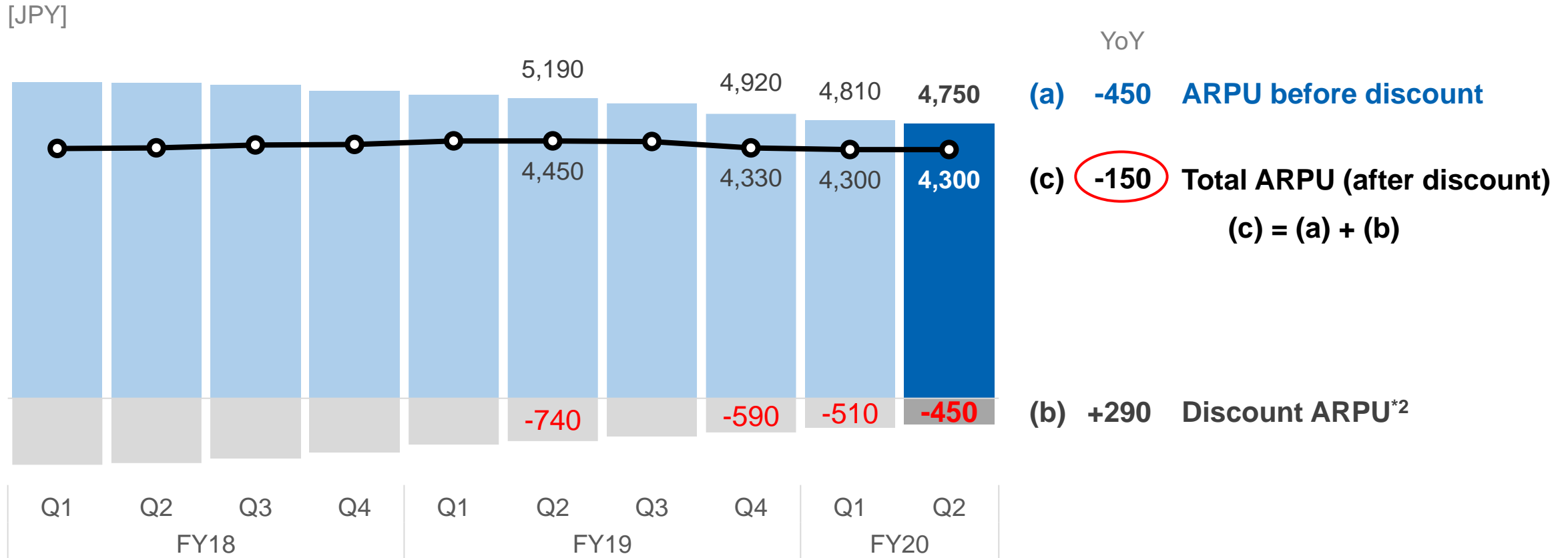
Churn Rate (Main Subscribers/Smartphones)

■ Churn rates for both main subscribers and smartphones dramatically improved, YoY -0.10%



ARPU (Main Subscribers)

- ARPU before discount decreased due to introduction of unbundling plan (including family discounts and Smartphone Debut Plan), effects from First-year and Half-year discount*1, and a rise in composition ratio of Y!mobile and LINE MOBILE subscribers (a)
- Discount ARPU also gradually decreased due to introduction of unbundling plan (b)



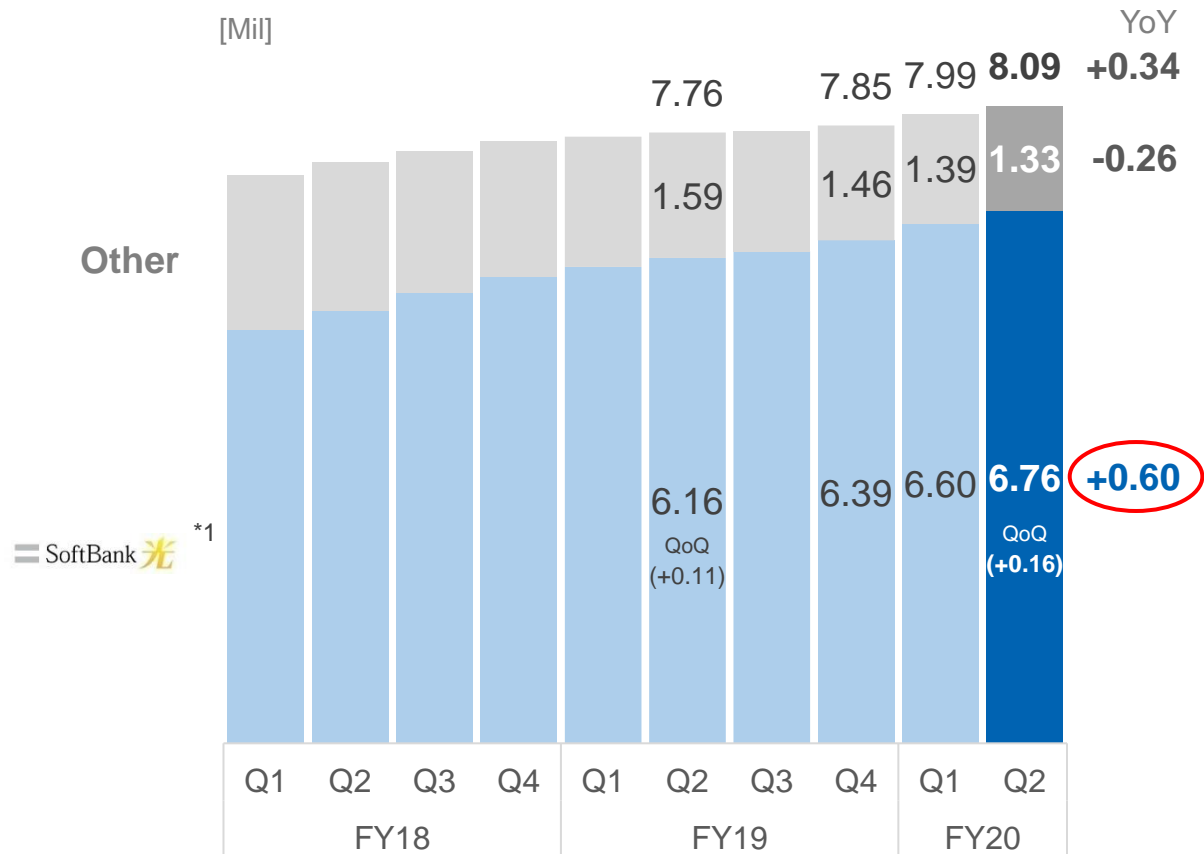
*1: Change in the method of recording discount on service fees (First-year discount); deferred over a 24-month period before amendment of Telecommunications Business Act in October 2019, recorded over a 12-month period after amendment

*2: Revenue deductions relating to reward points and programs supporting handset payments are not included in calculation of ARPU

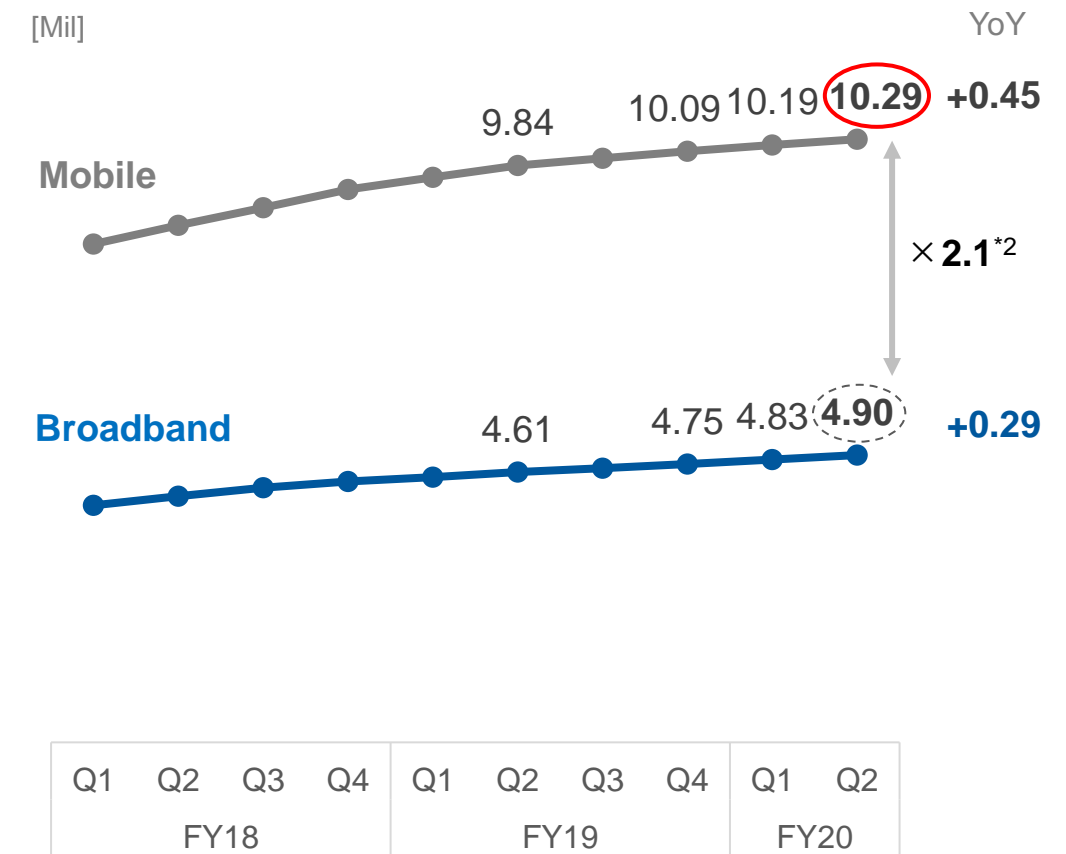
Broadband Service

- SoftBank Hikari cumulative subscribers (connected lines) reached 6.76 mil, steadily increased by 0.60 mil YoY
- Increase in subscribers accelerated partly from increased telework needs (Net adds of FY20Q2 +0.16, FY19Q2 +0.11). Home Bundle Discount Hikari Set subscribers increased

Cumulative Subscribers (Number of Connected Lines)



Home Bundle Discount Hikari Set Cumulative Subscribers



*1: SoftBank Hikari includes SoftBank Air

*2: Number of mobile lines under bundled discount per SoftBank Hikari line

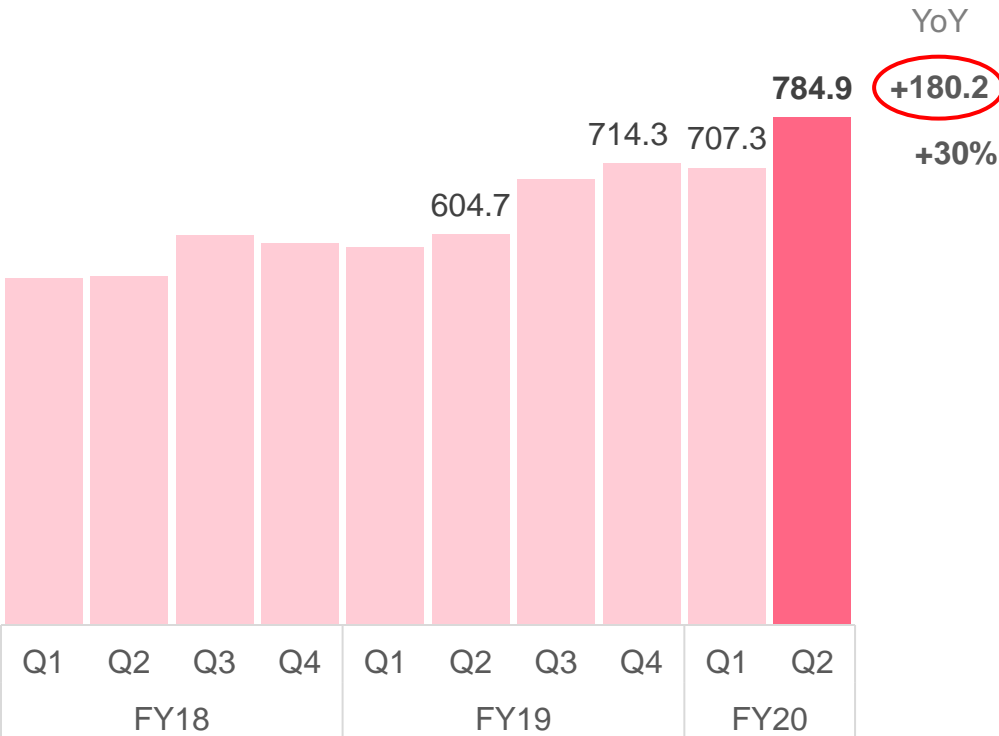
ZHD and SB Payment Service: Transaction Value



- E-commerce transaction value was +30% YoY due to factors such as the consolidation of ZOZO and increased demand for online shopping under COVID-19
- SB Payment Service transaction value in Q2 recovered from a temporary decline in travel and entertainment-related transactions in Q1, and showed double-digit increase YoY

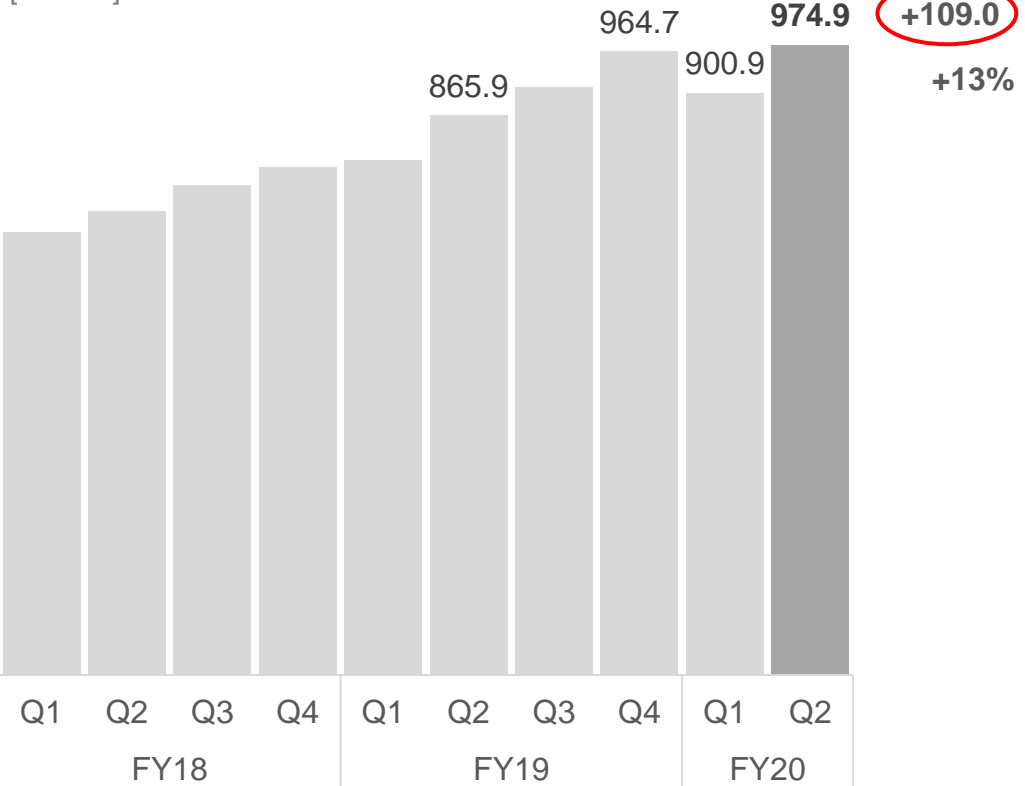
ZHD E-Commerce Transaction Value

[JPY bn]



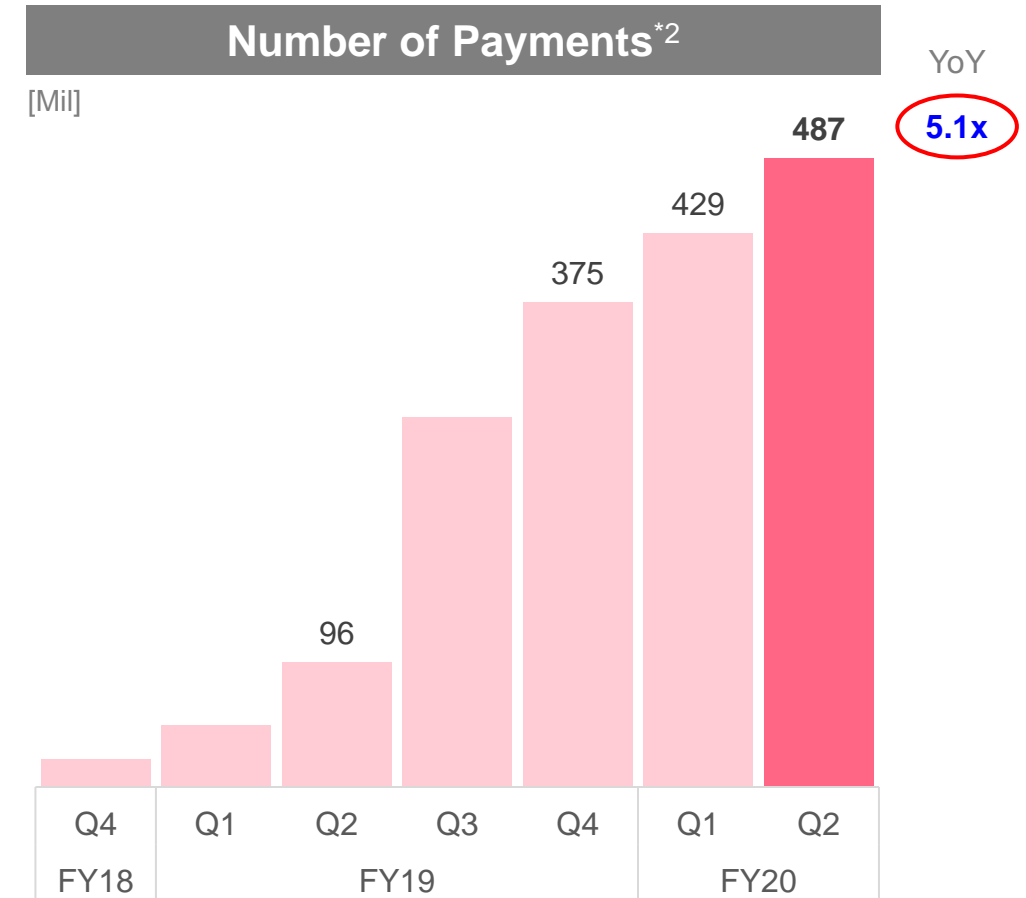
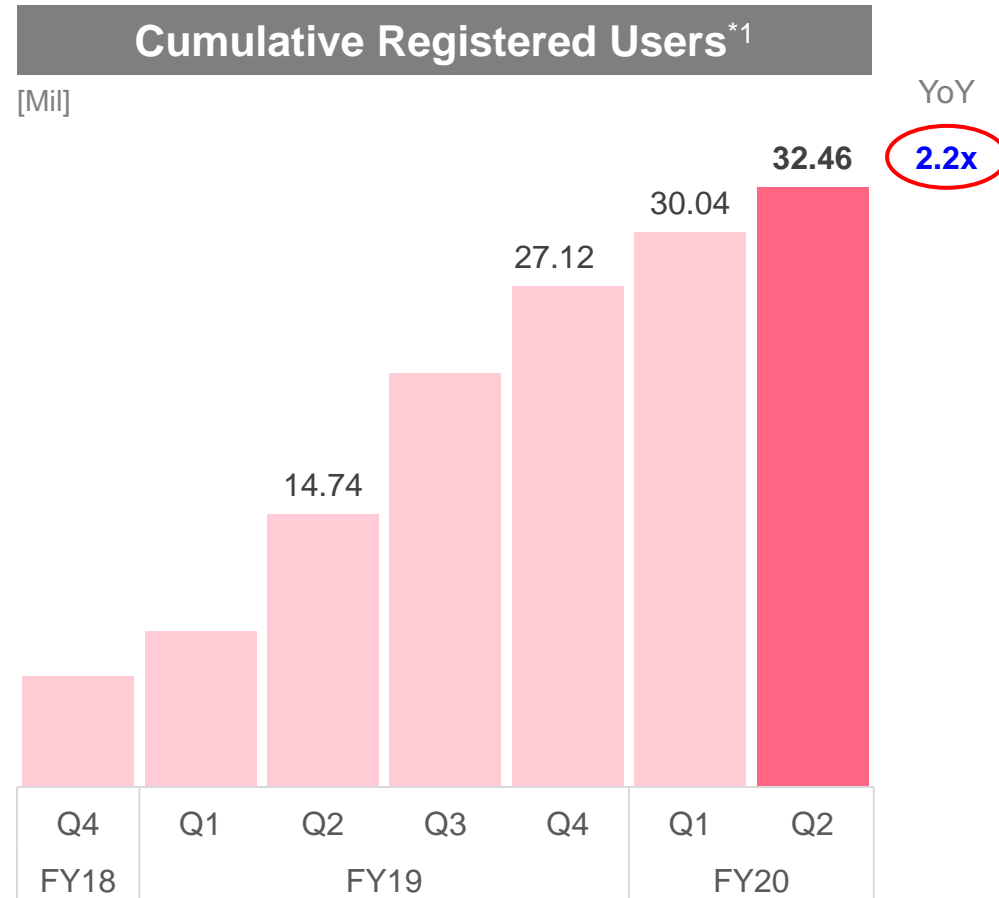
SB Payment Service Transaction Value

[JPY bn]



PayPay: Registered Users and No. of Payments

- Cumulative registered users grew by 2.2 times YoY and number of payments grew by 5.1 times YoY
- Rapid growth through synergies from cooperation among Paytm's technological capabilities, Yahoo's engineers and marketing, and SoftBank's sales capabilities

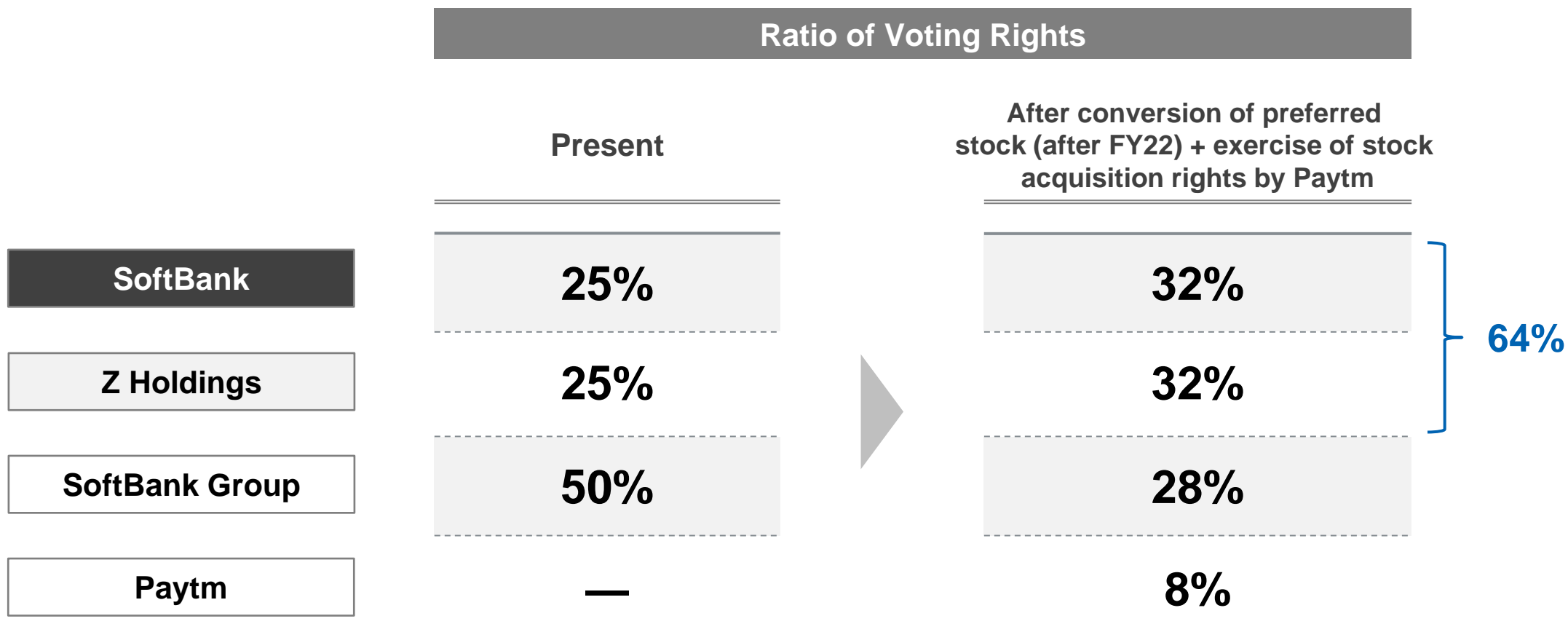


*1: As of the end of each quarter

*2: Total of each quarter

PayPay: Capital Structure

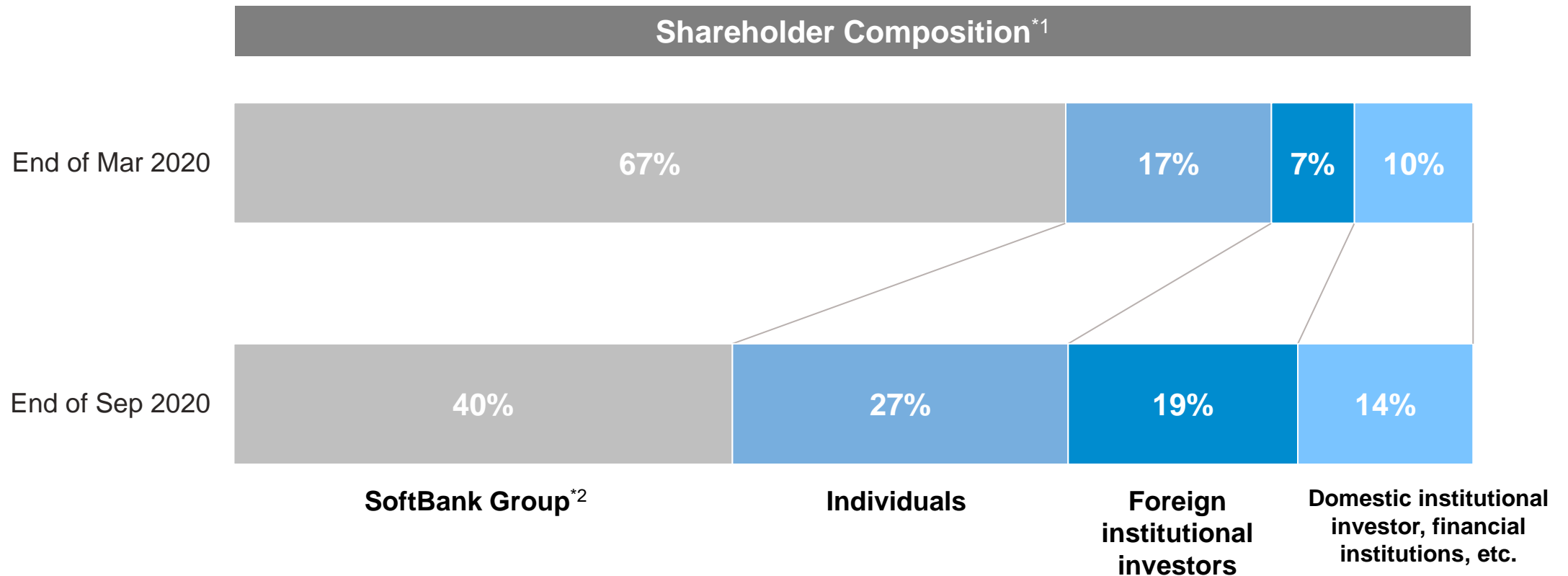
- Stock acquisition rights*¹ issued to Paytm in Sep 2020. Future consolidation of PayPay would be considered and make PayPay a core business of SoftBank



* 1: Exercisable from the end of Sep 2020

Secondary Offering of Shares

- In September 2020, SoftBank Group executed a secondary offering of SoftBank Corp.'s shares
- SoftBank Group's ownership decreased to 40%, increasing the presence of minority shareholders



^{*1}: Percentage of ownership is based on the total number of shares outstanding (excluding treasury stock). Percentages are rounded to the nearest whole number, and the total does not necessarily equal 100

^{*2}: SoftBank Group Corp., our ultimate parent company, effectively owns SoftBank Corp.'s shares through SoftBank Group Japan Corporation

Net Income by Segment (Non-audited)

- As Beyond Carrier strategy progresses, sources of revenue and earnings diversified
- PayPay and other new business fields are in the investment phase

| [JPY bn] | FY19*1 | | | | | | | | Remarks |
|--------------------------------|----------------|-------------------|--------------------|--------------------------|----------------------------------|----------------|-----------------------------|--------------|---|
| | Revenue*3 | Adjusted EBITDA*3 | Operating income*3 | Financing income/costs*4 | Profit/loss from equity method*5 | Income taxes*6 | Non-controlling interests*7 | Net income | |
| Mobile communications charge*2 | 1,430.0 | 740.0 | 350.0 | - | - | -110.0 | - | 240.0 | Pure mobile communications charge-related business |
| Consumer service*2 | 1,260.0 | 350.0 | 300.0 | - | - | -96.0 | - | 204.0 | Warranty, security, monthly contents, broadband, electricity, sales of goods, etc. |
| Enterprise | 638.9 | 245.5 | 83.6 | - | - | -26.3 | - | 57.3 | FY20H1 operating income +18% YoY Forecast double-digit annual profit growth for FY20-FY22 |
| Distribution | 482.4 | 20.3 | 17.2 | - | - | -5.4 | - | 11.8 | Profit growth for six consecutive years*8 Annual revenue reaching nearly JPY 500.0 bn |
| Yahoo | 1,052.9 | 239.4 | 152.3 | -3.8 | -12.8 | -47.7 | -51.6 | 36.5 | (Ref.) ZHD market value held by SoftBank: JPY 1.4 tn JPY 3.1 tn (Market cap as of Nov 2, 2020) × 44.6% |
| PayPay | 0.2 | -6.8 | -6.8 | - | -37.9 | - | 12.2 | -32.5 | Accounted for as consolidated subsidiary in April 2019 and equity method affiliate after May 2019 |
| Other affiliates | 108.0 | 26.3 | 17.6 | - | -3.1 | -5.5 | - | 8.9 | SB Payment Service, SB Players, HAPSMobile, OYO, DiDi, gains/losses on sales and valuation of shares, etc. |
| Corporate (Adjustments) | -111.2 | -8.2 | -2.2 | -54.4 | 11.5 | -13.6 | 5.9 | -52.9 | In addition to consolidation adjustments, mainly financing costs and income taxes regarding LINE business integration |
| Total | 4,861.2 | 1,606.5 | 911.7 | -58.2 | -42.4 | -304.5 | -33.5 | 473.1 | |

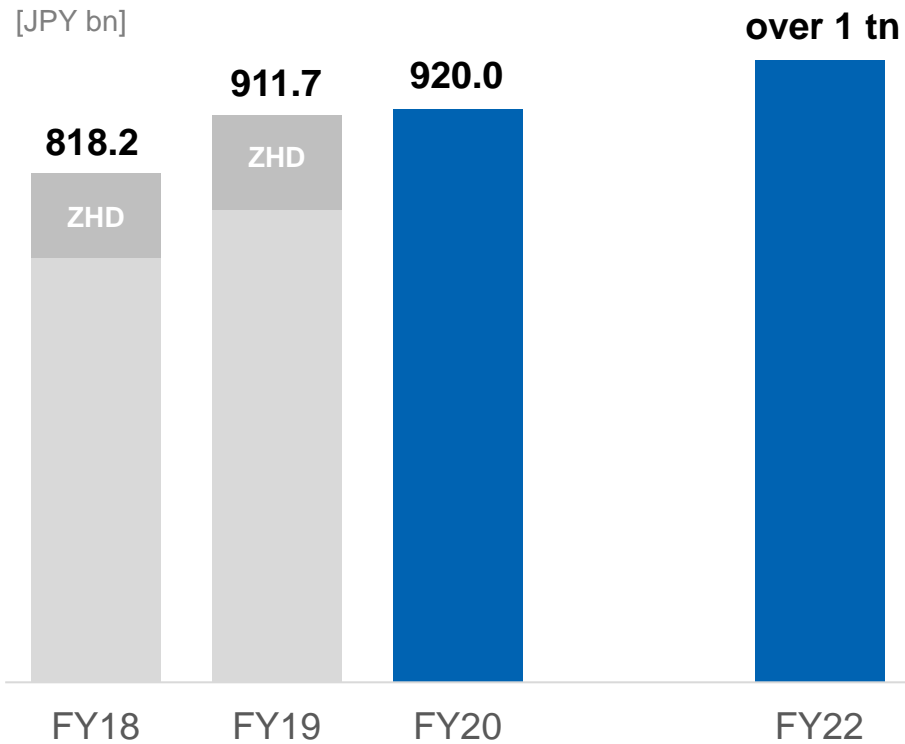
*1: Pro forma (non-audited) information calculated using certain assumptions by the Company. *2: Figures for Mobile communications charge and Consumer service are rounded. *3: Figures for revenue, adjusted EBITDA, and operating income of PayPay are one month's worth, as they are accounted as a consolidated subsidiary in April 2019 and an equity method affiliate after May 2019. *4: "Financing income/costs" includes financing income and financing costs. *5: "Profit/loss from equity method" includes shares of losses of associates accounted for using the equity method, gain/losses on sales of equity method investments, and impairment loss of equity method investments. *6: Income taxes for all segments (excluding Yahoo) is calculated by multiplying operating income by a tax rate of 31.5%. *7: All items other than those related to ZHD Group and PayPay are included in "Corporate (Adjustments)". *8: After establishment of SoftBank Commerce & Service Corp. (current SB C&S Corp.) in 2014.

Growth and Shareholder Returns

- Aim to achieve both operating income of over JPY 1 tn in FY22 and continue stable and high dividend policy. Continue policy to achieve both growth and shareholder returns.

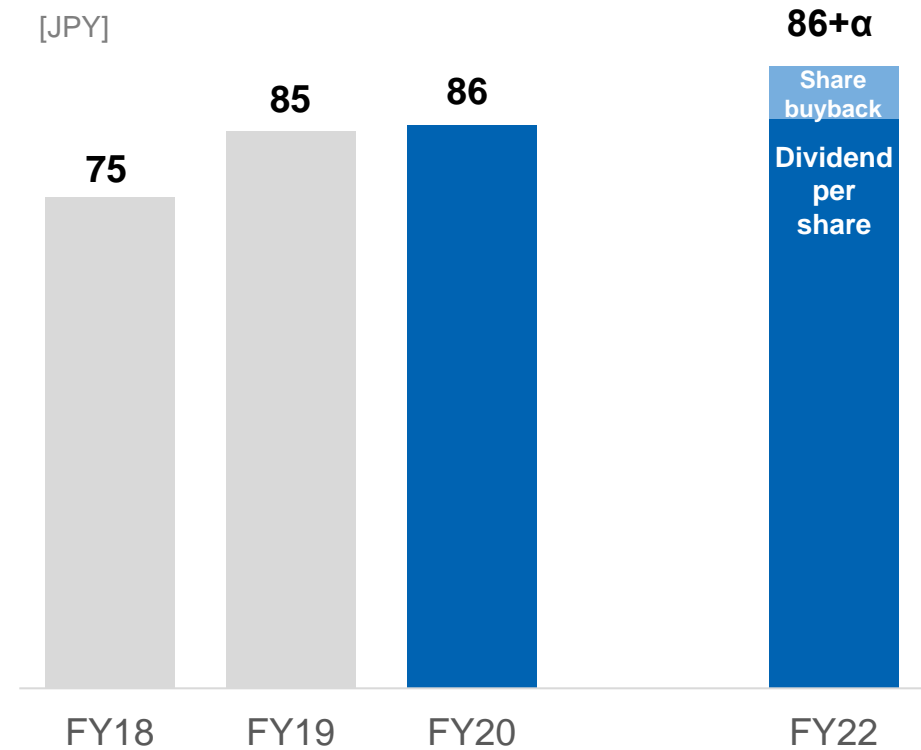
Operating Income*1

Over JPY 1 tn in FY22



Shareholder Returns

No dividend reduction every year / total shareholder return ratio of c. 85% (3-year weighted average*2)



* 1: FY18 retroactively adjusted for the impact of consolidating ZHD

*2: Total dividends and share buybacks for FY20-FY22 / total net income attributable to owners of SoftBank Corp. for FY20-FY22

Appendix

Consolidated Statements of Income

| [JPY bn] | FY19H1 | FY20H1 | Variance | Reasons for Variance |
|--|----------|----------|----------|--|
| Revenue | 2,373.1 | 2,428.4 | +55.3 | |
| Cost of sales | -1,201.2 | -1,184.6 | +16.6 | |
| Gross profit | 1,171.9 | 1,243.9 | +72.0 | |
| Selling, general and administrative expenses | -631.9 | -654.3 | -22.3 | |
| Other operating income | 12.0 | - | -12.0 | Gain on loss of control due to the reclassification of Cybereason Japan Corp. from SoftBank's subsidiary to an equity method affiliate |
| Operating Income | 552.0 | 589.6 | +37.6 | |
| Share of gain / losses (-) of associates accounted for using the equity method | -17.3 | -17.4 | -0.1 | |
| Financing income | 3.9 | 3.4 | -0.5 | |
| Financing costs | -29.7 | -43.8 | -14.0 | Losses on valuation of shares |
| Gains on sales of equity method investments | 5.5 | - | -5.5 | |
| Profit before income taxes | 514.2 | 531.8 | +17.6 | |
| Income taxes | -167.7 | -185.2 | -17.5 | Increase in income taxes due to increase in profit before income taxes |
| Net income | 346.6 | 346.7 | +0.1 | |
| Net income attributable to | | | | |
| Owners of the Company | 327.4 | 315.1 | -12.3 | |
| Non-controlling interests | 19.2 | 31.6 | +12.4 | |

Consolidated Statements of Financial Position (Assets)



| [JPY bn] | As of Mar 31, 2020 | As of Sep 30, 2020 | Variance | Reasons for Variance |
|---|-----------------------|-----------------------|----------|---|
| Total assets | 9,792.3 | 10,490.8 | +698.6 | |
| Current assets | 3,364.3 | 3,849.3 | +485.0 | |
| Cash and cash equivalents | 1,143.8 | 1,747.0 | +603.2 | Increase in funds procured from securitization of sales receivables and issuance of bonds |
| Trade and other receivables | 1,800.3 | 1,774.7 | -25.6 | |
| Other financial assets | 94.9 | 96.4 | +1.5 | |
| Inventories | 96.9 | 120.5 | +23.6 | |
| Other current assets | 228.4 | 110.7 | -117.7 | Income taxes of ZHD refunded |
| Non-current assets | 6,428.0 | 6,641.6 | +213.6 | |
| Property, plant and equipment | 986.1 | 1,098.0 | +111.9 | Increase in telecommunication facilities |
| Right-of-use assets | 1,234.5 | 1,153.9 | -80.5 | Decrease from depreciation, lease-ups, etc. |
| Goodwill | 618.6 | 624.5 | +5.8 | |
| Intangible assets | 1,709.5 | 1,687.2 | -22.4 | |
| Contract costs | 212.6 | 226.4 | +13.7 | |
| Investments accounted for using the equity method | 80.1 | 93.4 | +13.3 | |
| Investment securities | 175.2 | 259.0 | +83.9 | +84.0 from acquisition of LINE shares by SoftBank |
| Investment securities in banking business | 343.0 | 382.9 | +39.9 | |
| Other financial assets | 905.6 | 958.5 | +52.9 | Increase in deposit to Central clearing agency of The Japan Net Bank |
| Deferred tax assets | 55.9 | 52.2 | -3.7 | |
| Other non-current assets | 106.9 | 105.6 | -1.3 | |

Consolidated Statements of Financial Position (Liabilities) SoftBank

| [JPY bn] | As of Mar 31, 2020 | As of Sep 30, 2020 | Variance | Reasons for Variance |
|-------------------------------|-----------------------|-----------------------|----------|--|
| Total liabilities | 8,084.7 | 8,648.0 | +563.3 | |
| Current liabilities | 4,496.6 | 4,735.1 | +238.5 | |
| Interest-bearing debt | 1,811.3 | 2,145.3 | +334.0 | Increase from securitization of sales receivables |
| Trade and other payables | 1,253.8 | 1,125.4 | -128.4 | Decrease in operating payables and trade payables |
| Deposits for banking business | 880.8 | 1,069.9 | +189.1 | Increase in saving accounts of The Japan Net Bank |
| Contract liabilities | 127.7 | 102.1 | -25.6 | |
| Other financial liabilities | 3.8 | 2.7 | -1.1 | |
| Income taxes payable | 153.4 | 147.4 | -6.0 | |
| Provisions | 6.8 | 14.6 | +7.8 | |
| Other current liabilities | 259.1 | 127.7 | -131.5 | Payment of withholding tax related to dividends paid from Yahoo Japan to ZHD |
| Non-current liabilities | 3,588.1 | 3,912.9 | +324.8 | |
| Interest-bearing debt | 3,271.0 | 3,563.8 | +292.9 | Bond issuance by ZHD of 200.0 and SoftBank of 100.0 |
| Other financial liabilities | 36.8 | 36.7 | -0.0 | |
| Defined benefit liabilities | 16.3 | 16.5 | +0.1 | |
| Provisions | 83.9 | 90.3 | +6.4 | |
| Deferred tax liabilities | 168.2 | 193.7 | +25.5 | |
| Other non-current liabilities | 11.9 | 11.8 | -0.1 | |

Consolidated Statements of Financial Position (Equity)



| [JPY bn] | As of Mar 31, 2020 | As of Sep 30, 2020 | Variance | Reasons for Variance |
|--|-----------------------|-----------------------|----------|--|
| Total equity | 1,707.6 | 1,842.9 | +135.3 | |
| Equity attributable to owners of the Company | 1,000.5 | 1,126.7 | +126.2 | |
| Common stock | 204.3 | 204.3 | - | |
| Capital surplus | -133.9 | -136.1 | -2.2 | |
| Retained earnings | 1,003.6 | 1,104.7 | +101.2 | -201.5 from dividend payments by SoftBank and +315.1 from net income in FY20H1 |
| Treasury stock | -68.7 | -42.6 | +26.1 | |
| Accumulated other comprehensive income | -4.7 | -3.7 | +1.0 | |
| Non-controlling interests | 707.0 | 716.2 | +9.2 | |
| Shareholders' equity ratio ^{*1} | 10.2% | 10.7% | +0.5% | |
| Ratio of total equity to total asset | 17.4% | 17.6% | +0.2% | |

*1: Shareholders' equity ratio = total equity attributable to owners of the Company ÷ total assets

Consolidated Statements of Cash Flows

| [JPY bn] | FY19H1 | FY20H1 | Reasons for Variance |
|---|---------|----------|---|
| Cash flows from operating activities | 566.1 | 785.9 | |
| Net income | 346.6 | 346.7 | |
| Depreciation | 327.3 | 342.9 | |
| Change in working capital | -90.8 | -56.9 | |
| Interest paid | -26.4 | -29.2 | |
| Income taxes paid/refunded | -124.6 | -156.1 | |
| Other | 134.0 | 338.5 | Increase in deposits for banking business |
| Cash flows from investing activities | -219.5 | -426.1 | |
| Purchases of/proceeds from sales of property, plant and equipment and intangible assets | -221.6 | -248.2 | |
| Proceeds from sales/redemption of investments | -10.0 | -119.4 | -84.0 from acquisition of LINE shares by SoftBank |
| Proceeds from obtaining control of subsidiaries | - | -9.1 | |
| Other | 12.1 | -49.4 | |
| Cash flows from financing activities | -130.1 | 243.6 | |
| Proceeds from interest-bearing debt | 980.0 | 1,065.7 | Bond issuance by ZHD of 200.0 and SoftBank of 100.0 |
| Repayment of interest-bearing debt | -705.8 | -1,021.1 | Repayment of bank borrowings by ZHD |
| Net increase/decrease of short-term interest-bearing debt | 400.8 | 429.1 | |
| Cash dividends paid | -195.0 | -201.4 | |
| Cash dividends paid to non-controlling interests | -24.6 | -27.4 | |
| Purchase of treasury stock | -30.7 | - | |
| Purchase of treasury stock by subsidiaries | -526.8 | - | Purchase of treasury stock by ZHD in FY19 |
| Other | -28.0 | -1.3 | |
| Effect of exchange rate changes on cash and cash equivalents | -0.4 | -0.1 | |
| Cash and cash equivalents at the beginning of the period | 938.4 | 1,143.8 | |
| Cash and cash equivalents at the end of the period | 1,154.4 | 1,747.0 | |
| Adjusted free cash flow | 395.7 | 417.6 | |

Subsidiaries (1/2)

■ 263 group companies at the end of Sep 2020 (of which, 201 subsidiaries and 62 affiliate*1 companies)

| Segment | Company Name | Ratio of Voting Rights Held | Business Description | Blue: listed company |
|--------------|----------------------------------|-----------------------------|---|----------------------|
| Consumer | Wireless City Planning Inc. | 32.2% | Telecommunication services (Economic interests: 99.5%) | |
| | LINE MOBILE Corporation | 60.0% | Telecommunication services | |
| | WILLCOM OKINAWA, Inc. | 100.0% | Telecommunication services | |
| | SB Power Corp. | 100.0% | Sales and purchases of power and mediating power transaction | |
| | SB Mobile Service Corp. | 100.0% | Call center business | |
| Enterprise | IDC Frontier Inc. | 100.0% | Data center business | |
| | Telecom Engineering CO., LTD. | 100.0% | Construction and operation related to telecommunications | |
| Distribution | SB C&S Corp. | 100.0% | Distribution and sales of IT-related products, provision of IT-related services | |
| Yahoo | Z Holdings Corporation | 44.6% | Holdings company | |
| | Yahoo Japan Corporation | 100.0% | E-commerce, internet advertising business | |
| | ZOZO, Inc. | 50.1% | Operation of an e-commerce fashion website, distribution of private brand, operation of fashion media | |
| | Ikyu Corporation | 100.0% | Operation of internet sites that provide reservation services for high-end hotels and restaurants, etc. | |
| | YJ Card Corporation | 100.0% | Credit card, card loan, credit guarantee business | |
| | ASKUL Corporation | 45.1% | Mail-order service of office-related products and other delivery services | |
| | YJFX, Inc. | 100.0% | Foreign exchange margin trading business | |
| | The Japan Net Bank, Limited | 46.6% | Banking business | |
| | eBOOK Initiative Japan Co., Ltd. | 43.4% | Content digitization and distribution service, planning, development, and production of digital content, and publishing and editorial service for magazines and books | |
| | ValueCommerce Co., Ltd. | 52.0% | Advertisement business, CRM business | |

*1: Affiliate companies include joint ventures

Subsidiaries (2/2), Affiliates

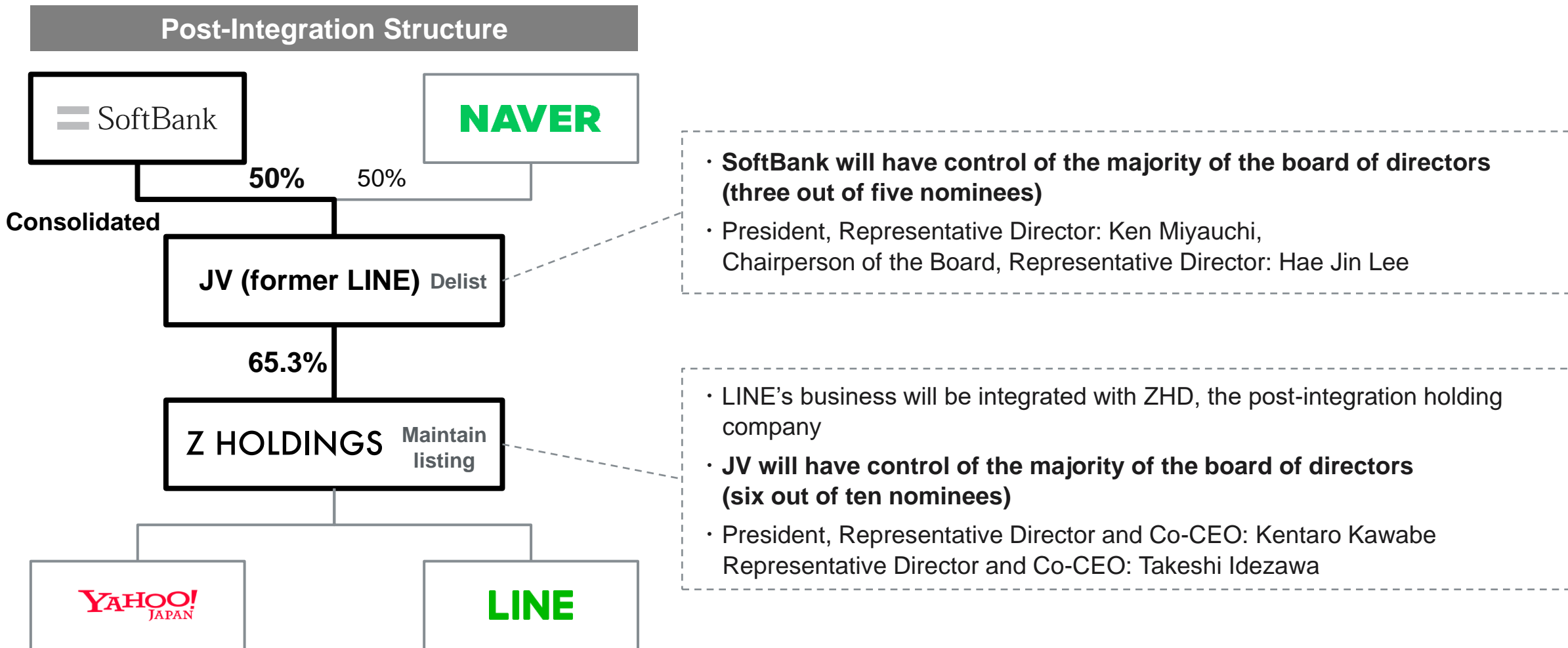
| Segment | Company Name | Ratio of Voting Rights Held | Business Description | Blue: listed company |
|---------|----------------------------------|-----------------------------|---|----------------------|
| Other | HAPSMobile Inc. | 92.9% | R&D and manufacturing of network equipment for HAPS business | |
| | SB Payment Service Corp. | 100.0% | Payment processing | |
| | SB Cloud Corp. | 60.0% | Sales of public cloud services | |
| | One Tap BUY Co., Ltd. | 75.6% | Securities business specializing in smartphones | |
| | SB Media Holdings Corp. | 100.0% | Intermediate holdings company that owns ITmedia Inc. | |
| | ITmedia Inc. | 52.5% | Operation of comprehensive IT information site ITmedia | |
| | SB Players Corp. | 100.0% | Solution services for government | |
| | SoftBank Technology Corp. | 53.2% | Cloud service, security monitoring service, provision of IoT solution | |
| | Vector Inc. | 42.4% | Sales of download licenses for PC software and advertising sales | |

| Category | Company Name | Ratio of Voting Rights Held | Business Description | Blue: listed company |
|---------------------|-------------------------------|-----------------------------|---|----------------------|
| Affiliate companies | PayPay Corporation | 50.0% | Development and offering of electronic payment services such as mobile payment | |
| | WeWork Japan G.K. | 25.0% | Provision of co-working spaces | |
| | OYO Japan G.K. | 24.9% | Provision of accommodation and hotel services | |
| | Tpoint Japan Co., Ltd. | 34.0% | Point management business | |
| | J.Score CO., LTD. | 50.0% | FinTech services using AI-scoring | |
| | Geniee, Inc. | 31.3% | Marketing technology business | |
| | Scigineer Inc. | 32.1% | Internet marketing support services utilizing “deqwas”, a personalized engine for e-commerce businesses and retailers | |

Business Integration Between ZHD and LINE

- After the business integration is completed, the JV (consolidated by SoftBank) between NAVER and SoftBank will own 65.3% of ZHD

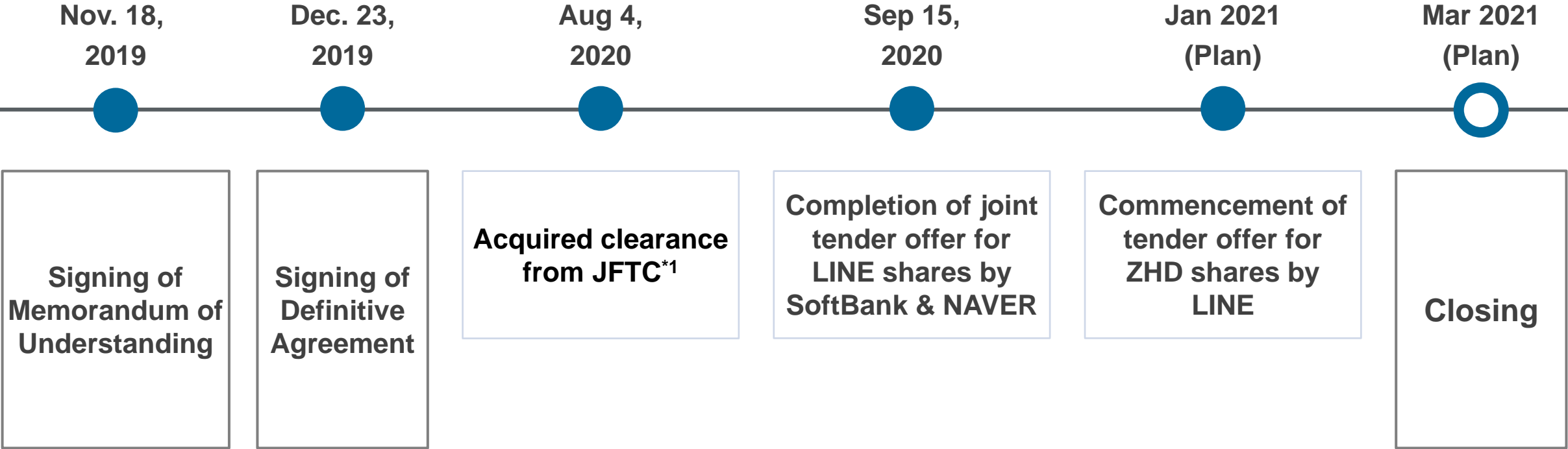
Post-Integration Structure



*The structure is partially omitted or simplified.

*The structure of each of the proposed transactions and their ordering relative to one another may be changed within the scope of the purpose of this business integration and with the agreement of all parties concerned.

Timeline of Business Integration between ZHD and LINE



*1: Japan Fair Trade Committee

■ Identified priority issues (materiality) to contribute to the achievement of Sustainable Development Goals (SDGs)

| | | | |
|--|--|---|---|
| Solving social issues through business | <h3>Building society and industry through digital transformation</h3> <ul style="list-style-type: none"> 8 働きがいも経済成長も 9 産業と技術革新の基盤をつくろう 11 住み続けられるまちづくりを | <h3>Connecting people to information to create new excitement</h3> <ul style="list-style-type: none"> 4 質の高い教育をみんなに 8 働きがいも経済成長も 9 産業と技術革新の基盤をつくろう | <h3>Creating new business through open innovation</h3> <ul style="list-style-type: none"> 4 質の高い教育をみんなに 9 産業と技術革新の基盤をつくろう 17 パートナリシップで目標を達成しよう |
| Solving social issues through corporate activities | <h3>Contributing to the global environment with the power of technology</h3> <ul style="list-style-type: none"> 7 エネルギーをみんなにそしてクリーンに 12 つくる責任 つかう責任 13 気候変動に具体的な対策を | <h3>Building high-quality social networks</h3> <ul style="list-style-type: none"> 9 産業と技術革新の基盤をつくろう 13 気候変動に具体的な対策を 16 平和と公正をすべての人に | <h3>Developing a resilient management foundation</h3> <ul style="list-style-type: none"> 5 ジェンダー平等を実現しよう 8 働きがいも経済成長も 16 平和と公正をすべての人に |



SoftBank