Earnings Results for the 6-month Period ended September 30, 2019

November 6, 2019
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Certain hypothetical company valuation scenarios herein contain projections and assumptions with respect to the performance of companies. These hypothetical scenarios, excluding the projections and assumptions contained herein, have been prepared and are set out for illustrative purposes only, and do not constitute forecasts and are not necessarily based on a Vision Fund I company or a SoftBank investment. Such information is presented to demonstrated certain factors considered in the valuation of a company, and does not purport to be a complete list of factors considered by SBIA or SoftBank in the valuations of their respective investments.

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

Vision Fund I performance is based in part on valuations of certain investments that were recently acquired by the Vision Fund I as a portfolio from SoftBank Group Corp, accordingly, the performance information herein, which is based in part on valuations of unrealized investments, is not indicative of future results. The selection of such investments, the timing of such acquisitions and the valuation and subsequent performance of those investments had a material and positive impact on the performance of the Vision Fund I. SoftBank Group Corp. is under no obligation to offer similar assets to the Vision Fund I in the future.

Past performance is not necessarily indicative of future results. The performance of the Vision Fund I, Vision Fund II or any successor fund managed by the Manager may be materially lower than the performance information presented herein. There can be no assurance that the Vision Fund I, Vision Fund II or any successor fund managed by the Manager will achieve comparable results as those presented herein or that investors in the Vision Fund I, Vision Fund II or any successor fund managed by the Manager will not lose any or all of their invested capital.

Certain information contained in this Presentation has been obtained from published and non-published sources prepared by other parties, which in certain cases has not been updated through the date hereof. While such information is believed to be reliable for the purposes of this Presentation, none of the Vision Fund I, Vision Fund II, any successor fund managed by the Manager, the Manager, SoftBank, or their respective affiliates assumes any responsibility for the accuracy or completeness of such information and such information has not been independently verified.

Third-party logos and vendor information included herein are provided for illustrative purposes only. Inclusion of such logos does not imply affiliation with or endorsement by such firms or businesses. There is no guarantee that the Manager, the Vision Fund I’s portfolio companies, any future portfolio companies of a successor fund managed by the Manager or SoftBank will work with any of the firms or businesses whose logos are included herein in the future.
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Significant decrease in profit

WeWork problem
## Consolidated Results

**(JPY bn)**

<table>
<thead>
<tr>
<th></th>
<th>FY18H1</th>
<th>FY19H1</th>
<th>Change</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>4,653.9</td>
<td>4,651.7</td>
<td>-2.2</td>
<td>-0%</td>
</tr>
<tr>
<td>EBIT</td>
<td>1,420.7</td>
<td>-15.6</td>
<td>-1,436.3</td>
<td>-</td>
</tr>
<tr>
<td>Net income</td>
<td>840.1</td>
<td>421.6</td>
<td>-418.5</td>
<td>-50%</td>
</tr>
</tbody>
</table>

*Net income: net income to attributable to owners of the parent*
Net Sales (JPY bn)

FY18H1: 4,653.9
- SoftBank segment: 2,228.3
- Others: 601.5

FY19H1: 4,651.7
- Sprint: 1,735.1
- SoftBank segment: 2,373.3
- Others: 543.3

Others = Arm + Brightstar + “Others” + reconciliations
One-time gain from Arm China: On Jun. 26, 2018, Arm sold 51% of its equity interest in its wholly-owned Chinese subsidiary, Arm China to certain institutional investors. As a result of this transaction, Arm China is no longer considered as a subsidiary of SoftBank Group Corp. Accordingly, SoftBank Group Corp. recorded gain relating to loss of control over subsidiaries.

Others = Arm + Brightstar + Others + reconciliations

SVF: SoftBank Vision Fund and Delta Fund

One-time gain from Arm China (176.3)
Net Income

(JPY bn)

<table>
<thead>
<tr>
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Impact of WeWork to SBG Consolidated Results

Please refer to visionfund.com/portfolio for a complete list of SVF1's investments.
WeWork

Cumulative investment amount
(as of Sep. 30, 2019)

By SVF1
USD 3.0bn

Change in FV

SVF segment operating income and loss

USD 3.0bn: acquisition cost (SBG consolidated basis). As a result of inter-group transaction, SVF1’s acquisition cost is USD 3.1bn
Cumulative investment amounts do not reflect current valuations associated with such investments and are not indicative of actual performance. Please refer to visionfund.com/portfolio for a complete list of SVF1’s investments.
Cumulative investment amount (as of Sep. 30, 2019)

USD 9.0bn

- By SBG: USD 4.5bn
- Warrants held by SBG: USD 1.5bn
- Change in FV
  - Non-operating income (loss)

USD 3.0bn: acquisition cost (SBG consolidated basis). As a result of inter-group transaction, SVF1’s acquisition cost is USD 3.1bn.

Cumulative investment amounts do not reflect current valuations associated with such investments and are not indicative of actual performance. Please refer to visionfund.com/portfolio for a complete list of SVF1’s investments.

*Fair value of the warrants (at the time of contract), which will be automatically converted to preferred stock in April 2020 (unexecuted commitments as of the end of September 2019).
### Impact on SBG Consolidated Results from WeWork (3)

#### WeWork

- **Cumulative investment amount (as of Sep. 30, 2019)**
  - USD 9.0bn
  - **By SBG USD 4.5bn**
  - **By SVF1 USD 3.0bn**

#### WeWork Joint Ventures (Three affiliates)

- **Cumulative investment amount (as of Sep. 30, 2019)**
  - USD 1.3bn
  - **By SVF1 USD 1.3bn**

**Non-operating income (loss)**

- **Change in FV**

**SVF segment operating income and loss**

- **USD 3.0bn**: acquisition cost (SBG consolidated basis). As a result of inter-group transaction, SVF1’s acquisition cost is USD 3.1bn

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*Fair value of the warrants (at the time of contract), which will be automatically converted to preferred stock in April 2020 (unexecuted commitments as of the end of September 2019)*

Cumulative investment amounts do not reflect current valuations associated with such investments and are not indicative of actual performance. Please refer to visionfund.com/portfolio for a complete list of SVF1’s investments.

*(note) WeWork: The We Company (WeWork Parent Co.)*

*(note) Three affiliates: WeWork China, WeWork Asia, WeWork Japan (excl. shares held by SBKK)*
USD 3.0bn
Cumulative investment amount
(SVF1 only)
USD 3.0bn: acquisition cost (SBG consolidated basis). As a result of inter-group transaction, SVF1’s acquisition cost is USD 3.1bn.
Cumulative investment amounts do not reflect current valuations associated with such investments and are not indicative of actual performance. Valuations reflect unrealized estimated amounts and should not be construed as indicative of actual or future performance. Such values do not reflect fees and expenses that would reduce the value of returns experienced by SVF1 investors. There is no guarantee that historical trends will continue. It should not be assumed that investments made in the future will be comparable in quality or performance to investments described herein. References to specific investments should not be construed as a recommendation of any particular investment or security. There can be no assurance that unrealized investments will be sold for values equal to or in excess of the values portrayed herein. Actual returns on unrealized investments will depend on, among other factors, future operating results, the value of the assets and market conditions at the time of disposition, any related transaction costs and the timing and manner of sale, all of which may differ from the assumptions on which the valuations reported herein are based. Accordingly, investments that are unrealized may differ materially from the values indicated herein. Please refer to visionfund.com/portfolio for a complete list of SVF1’s investments.

(note) WeWork: The We Company
(WeWork Parent Co.)
Cumulative investment amount (SVF1 only) as of June 30, 2019:

- USD 3.0bn
- USD 4.0bn

(USD 3.0bn: acquisition cost (SBG consolidated basis). As a result of inter-group transaction, SVF1's acquisition cost is USD 3.1bn)

Cumulative investment amounts do not reflect current valuations associated with such investments and are not indicative of actual performance. Valuations reflect unrealized estimated amounts and should not be construed as indicative of actual or future performance. Such values do not reflect fees and expenses that would reduce the value of returns experienced by SVF1 investors. There is no guarantee that historical trends will continue. It should not be assumed that investments made in the future will be comparable in quality or performance to investments described herein. References to specific investments should not be construed as a recommendation of any particular investment or security. There can be no assurance that unrealized investments will be sold for values equal to or in excess of the values portrayed herein. Actual returns on unrealized investments will depend on, among other factors, future operating results, the value of the assets and market conditions at the time of disposition, any related transaction costs and the timing and manner of sale, all of which may differ from the assumptions on which the valuations reported herein are based. Accordingly, investments that are unrealized may differ materially from the values indicated herein. Please refer to visionfund.com/portfolio for a complete list of SVF1's investments.

(WeWork: The We Company (WeWork Parent Co.))
<table>
<thead>
<tr>
<th>Cumulative investment amount (SVF1 only)</th>
<th>USD 3.0bn</th>
<th>USD 4.0bn</th>
<th>USD 1.0bn</th>
</tr>
</thead>
<tbody>
<tr>
<td>FV as of Jun. 30, 2019</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FV as of Sep. 30, 2019</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total equity value (WeWork)</td>
<td>USD 7.8bn</td>
<td>USD 4.0bn</td>
<td>USD 1.0bn</td>
</tr>
</tbody>
</table>

* Total equity value of WeWork (post-transaction) is calculated with consideration of SBG’s early execution of existing commitment (USD 1.5bn) and joint ventures share swap included in finance package for WeWork announced on Oct. 22, 2019.

With consideration of transaction (announced on Oct. 22, 2019)

Cumulative investment amounts do not reflect current valuations associated with such investments and are not indicative of actual performance. Valuations reflect unrealized estimated amounts and should not be construed as indicative of actual or future performance. Such values do not reflect fees and expenses that would reduce the value of returns experienced by SVF1 investors. There is no guarantee that historical trends will continue. It should not be assumed that investments made in the future will be comparable in quality or performance to investments described herein. References to specific investments should not be construed as a recommendation of any particular investment or security. There can be no assurance that unrealized investments will be sold for values equal to or in excess of the values portrayed herein. Actual returns on unrealized investments will depend on, among other factors, future operating results, the value of the assets and market conditions at the time of disposition, any related transaction costs and the timing and manner of sale, all of which may differ from the assumptions on which the valuations reported herein are based. Accordingly, investments that are unrealized may differ materially from the values indicated herein. Please refer to visionfund.com/portfolio for a complete list of SVF1’s investments.

SVF1: SoftBank Vision Fund 1

SVF1 only

With consideration of transaction (announced on Oct. 22, 2019)
Impact of WeWork Held by SVF1 (4)

Cumulative investment amount (SVF1 only)

USD 3.0bn

USD 4.0bn

USD 1.0bn

SVF segment operating income and loss (as of FY19Q2)
USD -3.0bn

Total equity value (WeWork) USD 7.8bn

Impact of WeWork Held by SVF1 (4)

USD 3.0bn: acquisition cost (SBG consolidated basis). As a result of inter-group transaction, SVF1’s acquisition cost is USD 3.1bn.

Cumulative investment amounts do not reflect current valuations associated with such investments and are not indicative of actual performance. Valuations reflect unrealized estimated amounts and should not be construed as indicative of actual or future performance. Such values do not reflect fees and expenses that would reduce the value of returns experienced by SVF1 investors. There is no guarantee that historical trends will continue. It should not be assumed that investments made in the future will be comparable in quality or performance to investments described herein. References to specific investments should not be construed as a recommendation of any particular investment or security. There can be no assurance that unrealized investments will be sold for values equal to or in excess of the values portrayed herein. Actual returns on unrealized investments will depend on, among other factors, future operating results, the value of the assets and market conditions at the time of disposition, any related transaction costs and the timing and manner of sale, all of which may differ from the assumptions on which the valuations reported herein are based. Accordingly, investments that are unrealized may differ materially from the values indicated herein. Please refer to visionfund.com/portfolio for a complete list of SVF1’s investments.

* Total equity value of WeWork (post-transaction) is calculated with consideration of SBG’s early execution of existing commitment (USD 1.5bn) and joint ventures share swap included in finance package for WeWork announced on Oct. 22, 2019.

(notes) Oct. 22, 2019: Eastern standard time
USD 3.0bn: acquisition cost (SBG consolidated basis). As a result of inter-group transaction, SVF1’s acquisition cost is USD 3.1bn.
Impact of WeWork Joint Ventures (Three affiliates) Held by SVF1 (1)

USD 1.3bn

FV as of Jun. 30, 2019
(SVF1 only)

*Includes $0.4B of transfers from SBG that transferred post quarter end

(note) Three affiliates: WeWork China, WeWork Asia, WeWork Japan (excl. shares held by SBKK)
Impact of WeWork Joint Ventures (Three affiliates) Held by SVF1 (2)

USD 1.3bn USD 1.5bn USD 0.2bn

FV as of Jun. 30, 20191 Jul. - Sep. 2019 (additional investment)2
(SVF1 only)

Cumulative investment amounts do not reflect current valuations associated with such investments and are not indicative of actual performance. Valuations reflect unrealized estimated amounts and should not be construed as indicative of actual or future performance. Such values do not reflect fees and expenses that would reduce the value of returns experienced by SVF1 investors. There is no guarantee that historical trends will continue. It should not be assumed that investments made in the future will be comparable in quality or performance to investments described herein. References to specific investments should not be construed as a recommendation of any particular investment or security. There can be no assurance that unrealized investments will be sold for values equal to or in excess of the values portrayed herein. Actual returns on unrealized investments will depend on, among other factors, future operating results, the value of the assets and market conditions at the time of disposition, any transaction costs and the timing and manner of sale, all of which may differ from the assumptions on which the valuations reported herein are based. Accordingly, investments that are unrealized may differ materially from the values indicated herein. Please refer to viastandfund.com/portfolio for a complete list of SVF1’s investments.

*1 Includes $0.4B of transfers from SBG that transferred post quarter end.
*2 Anniversary payments agreed at initial investment into two of the affiliate companies.

(note) Three affiliates: WeWork China, WeWork Asia, WeWork Japan (excl. shares held by SBKK)
Impact of WeWork Joint Ventures (Three affiliates) Held by SVF1 (3)

USD 1.3bn
FV as of Jun. 30, 2019
(SVF1 only)

USD 1.5bn
Jul. - Sep. 2019
(additional investment)

USD 1.1bn
FV as of Sep. 30 2019

With consideration of transaction
(announced on Oct. 22, 2019)

*1 Includes $0.4B of transfers from SBG that transferred post quarter end.
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(note) Oct. 22, 2019: Eastern standard time

(note) Three affiliates: WeWork China, WeWork Asia, WeWork Japan (excl. shares held by SBKK)
Impact of WeWork Joint Ventures (Three affiliates) Held by SVF1 (4)

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SVF segment operating income and loss (as of FY19Q2)
USD -0.4bn

With consideration of transaction (announced on Oct. 22, 2019)
USD 1.5bn
USD 0.2bn
USD 1.1bn

FV as of Jun. 30, 2019 (additional investment)
USD 1.3bn

FV as of Sep. 30 2019

Impact

Jul. - Sep. 2019

USD 1.1bn
USD 1.3bn
USD 0.2bn
USD -0.4bn

Held by SVF1 (4)

SVF1 only
(no) Oct. 22, 2019: Eastern standard time
*1 Includes $0.4B of transfers from SBG that transferred post quarter end.
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(note) Three affiliates: WeWork China, WeWork Asia, WeWork Japan (excl. shares held by SBKK)
## Impact of WeWork Held by SBG (1)

<table>
<thead>
<tr>
<th>USD 6.0bn</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Warrants</strong>¹</td>
</tr>
<tr>
<td><strong>USD 1.5bn</strong></td>
</tr>
<tr>
<td>USD 4.5bn</td>
</tr>
</tbody>
</table>

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*(note) WeWork: The We Company (WeWork Parent Co.)*

**Cumulative investment amounts (SBG only)**

¹ Fair value of the warrants (at the time of contract), which will be automatically converted to preferred stock in April 2020 (unexecuted commitments as of the end of September 2019)

² Including ¹

³ Total equity value of WeWork (post-transaction) is calculated with consideration of SBG’s early execution of existing commitment (USD 1.5bn) and joint ventures share swap included in finance package for WeWork announced on Oct. 22, 2019.

*(note) Oct. 22, 2019: Eastern standard time*

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(*note) Oct. 22, 2019: Eastern standard time

*1 Fair value of the warrants (at the time of contract), which will be automatically converted to preferred stock in April 2020 (unexecuted commitments as of the end of September 2019)

*2 Including *1

*3 Total equity value of WeWork (post-transaction) is calculated with consideration of SBG’s early execution of existing commitment (USD 1.5bn) and joint ventures share swap included in finance package for WeWork announced on Oct. 22, 2019.

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Warrants: the Company’s wholly owned subsidiary owns warrants that were to be automatically converted into preferred stock in April 2020. This investment is recognized as a derivative liability, and changes in its fair value are recorded as derivative gain or loss. This investment is unexecuted commitments as of the end of September 2019.

Non-operating income (loss): derivative gain or loss that is the change in the fair value of warrants + loss from financial instruments at FVTPL that is the change in the fair value of pref. stock / common stock.
Impact of WeWork Held by SBG (3)

<table>
<thead>
<tr>
<th>Cumulative investment amount (SBG only)</th>
<th>USD 4.5bn</th>
<th>USD 4.7bn</th>
<th>USD 1.3bn</th>
</tr>
</thead>
<tbody>
<tr>
<td>Warrants†1</td>
<td>USD 1.5bn</td>
<td>USD 1.3bn</td>
<td>USD 0.3bn</td>
</tr>
<tr>
<td>USD 6.0bn</td>
<td>USD 6.0bn</td>
<td>USD 6.0bn</td>
<td>USD 1.0bn</td>
</tr>
</tbody>
</table>

FV as of Jun. 30, 2019

FV as of Sep. 30, 2019

Total equity value (WeWork)

USD 7.8bn

USD 1.3bn

USD 0.3bn

USD 1.0bn

USD 4.5bn

USD 4.7bn

USD 6.0bn

USD 6.0bn

With consideration of transaction (announced on Oct. 22, 2019)

Cumulative investment amounts do not reflect current valuations associated with such investments and are not indicative of actual performance. Valuations reflect unrealized estimated amounts and should not be construed as indicative of actual or future performance. Such values do not reflect fees and expenses that would reduce the value of returns experienced by SVF1 investors. There is no guarantee that historical trends will continue. It should not be assumed that investments made in the future will be comparable in quality or performance to investments described herein. References to specific investments should not be construed as a recommendation of any particular investment or security. There can be no assurance that unrealized investments will be sold for values equal to or in excess of the values portrayed herein. Actual returns on unrealized investments will depend on, among other factors, future operating results, the value of the assets and market conditions at the time of disposition, any related transaction costs and the timing and manner of sale, all of which may differ from the assumptions on which the valuations reported herein are based. Accordingly, investments that are unrealized may differ materially from the values indicated herein. Please refer to visionfund.com/portfolio for a complete list of SVF1’s investments.

*1 Fair value of the warrants (at the time of contract), which will be automatically converted to preferred stock in April 2020 (unexecuted commitments as of the end of September 2019)

*2 Including *1

*3 Total equity value of WeWork (post-transaction) is calculated with consideration of SBG’s early execution of existing commitment (USD 1.5bn) and joint ventures share swap included in finance package for WeWork announced on Oct. 22, 2019.

*Warrants: the Company’s wholly owned subsidiary owns warrants that were to be automatically converted into preferred stock in April 2020. This investment is recognized as a derivative liability, and changes in its fair value are recorded as derivative gain or loss. This investment is unexecuted commitments as of the end of September 2019.

*Non-operating income (loss): derivative gain or loss that is the change in the fair value of warrants + loss from financial instruments at FVTPL that is the change in the fair value of pref. stock / common stock.

(notes) Oct. 22, 2019: Eastern standard time

23
### Cumulative investment amounts:

<table>
<thead>
<tr>
<th>Impact of WeWork Held by SBG (4)</th>
<th>USD 6.0bn</th>
<th>USD 6.0bn</th>
</tr>
</thead>
<tbody>
<tr>
<td>FV as of Jun. 30, 2019</td>
<td>USD 4.5bn</td>
<td>USD 4.7bn</td>
</tr>
<tr>
<td>FV as of Sep. 30, 2019</td>
<td>USD 1.3bn</td>
<td>USD 0.3bn</td>
</tr>
<tr>
<td>Impact</td>
<td>USD 1.0bn</td>
<td>USD 1.3bn</td>
</tr>
<tr>
<td>Non-operating income (loss)</td>
<td>USD -4.7bn</td>
<td></td>
</tr>
<tr>
<td>(as of FY19Q2)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>USD 0.3bn</td>
<td></td>
<td></td>
</tr>
<tr>
<td>USD 1.0bn</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Cumulative investment amounts (SBG only)

<table>
<thead>
<tr>
<th>USD 6.0bn</th>
<th>USD 6.0bn</th>
</tr>
</thead>
<tbody>
<tr>
<td>Warrants</td>
<td>Warrants</td>
</tr>
<tr>
<td>USD 1.5bn</td>
<td>USD 1.3bn</td>
</tr>
<tr>
<td>USD 1.3bn</td>
<td>USD 1.0bn</td>
</tr>
<tr>
<td>USD 0.3bn</td>
<td>USD 1.0bn</td>
</tr>
</tbody>
</table>

### Total equity value (WeWork)

<table>
<thead>
<tr>
<th>USD 7.8bn</th>
</tr>
</thead>
</table>

### Impact

- **USD 6.0bn**
  - Warrants^1 USD 1.5bn
  - USD 4.5bn
- **USD 6.0bn**
  - Warrants USD 1.3bn
  - USD 4.7bn
- **USD 1.0bn**
  - USD 1.3bn
  - USD 0.3bn

### Non-operating income (loss)

**USD -4.7bn**

### Notes:
- Cumulative investment amounts do not reflect current valuations associated with such investments and are not indicative of actual performance. Valuations reflect unrealized estimated amounts and should not be construed as indicative of actual or future performance. Such values do not reflect fees and expenses that would reduce the value of returns experienced by SVF1 investors. There is no guarantee that historical trends will continue. It should not be assumed that investments made in the future will be comparable in quality or performance to investments described herein. References to specific investments should not be construed as a recommendation of any particular investment or security. There can be no assurance that unrealized investments will be sold for values equal to or in excess of the values portrayed herein. Actual returns on unrealized investments will depend on, among other factors, future operating results, the value of the assets, and market conditions at the time of disposition, any related transaction costs and the timing and manner of sale, all of which may differ from the assumptions on which the valuations reported herein are based. Accordingly, investments that are unrealized may differ materially from the values indicated herein. Please refer to visionfund.com/portfolio for a complete list of SVF1’s investments.

- **^1** Fair value of the warrants (at the time of contract), which will be automatically converted to preferred stock in April 2020 (unexecuted commitments as of the end of September 2019)
- **^2** Including ^1
- **^3** Total equity value of WeWork (post-transaction) is calculated with consideration of SBG’s early execution of existing commitment (USD 1.5bn) and joint ventures share swap included in finance package for WeWork announced on Oct. 22, 2019.
- **^4** Warrants: the company’s wholly owned subsidiary owns warrants that were to be automatically converted into preferred stock in April 2020. This investment is recognized as a derivative liability, and changes in its fair value are recorded as derivative gain or loss. This investment is unexecuted commitments as of the end of September 2019.
- **^5** Non-operating income (loss): derivative gain or loss that is the change in the fair value of warrants + loss from financial instruments at FVTPL that is the change in the fair value of pref. stock / common stock.
- **^6** With consideration of transaction (announced on Oct. 22, 2019)
- **^7** (note) WeWork: The We Company (WeWork Parent Co.)
Two Facts
Two Facts

SBG shareholder value
~JPY 1.4t increase

SVF1 investment market uplift
+USD 11.4bn
(since SVF1 inception)

SVF1 highlights are provided solely for illustrative purposes and individual investors’ results may vary. Past performance is not necessarily indicative of future results. Shareholder value increases is not indicative of actual performance. Investment market uplift includes valuation uplift and reflects unrealized estimated amounts and does not take into account fees or expenses at the time of exit, and should not be construed as indicative of actual or future performance. There is no guarantee that historical trends will continue through investments in SVF1. It should not be assumed that investment results in this fund will be comparable in quality or performance to investment described herein. References to specific investments should not be construed as a recommendation of any particular investment or security. There can be no assurance that unrealized investments will be sold for values equal to or in excess of the values used in calculating the values portrayed herein. Actual returns on unrealized and partially realized investments will depend on, among other factors, the value of the assets and market conditions at the times of disposition, any related transaction fees and the timing and manner of sales, all of which may differ from the assumptions on which the valuations reported herein are based. Accordingly, investments that are unrealized or partially realized may differ materially from the values indicated herein.
Two Facts

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*1 As of Sep. 30, 2019
*2 Since May 20, 2017.
Shareholder Value
SOTP (As of August 7, 2019, Previous Announcement)

(USD bn)

<table>
<thead>
<tr>
<th>Segment</th>
<th>Value (bn)</th>
</tr>
</thead>
<tbody>
<tr>
<td>SoftBank kk</td>
<td>43</td>
</tr>
<tr>
<td>SVF</td>
<td>32</td>
</tr>
<tr>
<td>arm</td>
<td>24</td>
</tr>
<tr>
<td>Sprint</td>
<td>27</td>
</tr>
<tr>
<td>Others</td>
<td>8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>237</strong></td>
</tr>
<tr>
<td><strong>Equity value of holdings</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Net debt</strong></td>
<td>45</td>
</tr>
<tr>
<td><strong>Shareholder value</strong></td>
<td>192</td>
</tr>
</tbody>
</table>

USD 1 = JPY 108.84
Share price: closing price as of Aug. 7 (Japan) closing price as of Aug. 6 (U.S.)
SOTP (As of Nov. 6, 2019)

(USD bn)

- **SoftBank Group**
  - **SVF**: 29
  - **arm**: 25
  - **Sprint**: 29

- **Alibaba Group**
  - **Equity value of holdings**: 123

**Net debt**: 50

**Shareholder value**: USD 13bn increase

USD 1 = JPY 108.84
Share price: closing price as of Nov. 6 (Japan) closing price as of Nov. 5 (U.S.)
Equity Value of Holdings

(USD bn)

<table>
<thead>
<tr>
<th></th>
<th>Aug. 7, 2019</th>
<th>Nov. 6, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>SoftBank KK</td>
<td>104</td>
<td>123</td>
</tr>
<tr>
<td>Alibaba Group</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sprint</td>
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<tr>
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</tr>
<tr>
<td>Others</td>
<td>8</td>
<td>29</td>
</tr>
</tbody>
</table>

+USD 19bn

SVF

For details, see "Definition and Calculation Method of SBG’s Sum-of-the-parts Valuation"
Shareholder Value

(USD bn)

Aug. 7, 2019  (as of previous announcement)  192
Nov. 6, 2019  206

+USD 13bn
Two Facts

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*1 As of Sep. 30, 2019
*2 Since May 20, 2017.

SBG shareholder value
~JPY 1.4t increase

SVF1 investment market uplift
+USD 11.4bn*1
(since SVF1 inception)*2
SVF1 Cumulative Investment Highlights (end of Sep. 2019)

USD 17.2bn
Realized gain
USD 4.7bn
Valuation gain
USD 12.5bn
Mark up
(37 companies)

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SVF1 Cumulative Investment Highlights (end of Sep. 2019)

**USD 17.2bn**

- **Valuation gain USD 12.5bn**
- **Mark up (37 companies)**

**USD -5.8bn**

- **Realized gain USD 4.7bn**
- **Mark down (22 companies)**

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SVF1 Cumulative Investment Highlights (end of Sep. 2019)

USD 17.2bn

- **Realized gain**
  - USD 4.7bn

- **Valuation gain**
  - USD 12.5bn

**USD -5.8bn**

- **Investment market uplift**
  - USD 11.4bn

**Mark up**
- (37 companies)

**Mark down**
- (22 companies)

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**SVF1 Cumulative Investment Highlights** (end of Sep. 2019)

**Investment market uplift**

USD 11.4bn

Cumulative investment cost

(Since SVF1 inception)

USD 76.3bn

Cumulative investment cost and aggregate market uplift include Flipkart, Nvidia, and Guardant Health, which were exited in August 2018 and January 2019 and Guardant Health which was partially sold in September 2019. Aggregate Market Uplift is before tax and expenses and includes unrealized and realized gains from investments and their related hedges. Cumulative Investment Cost includes amounts funded by promissory notes which are due for settlement after September 30, 2019. Information herein is presented on an aggregate basis across the SVF1 and Delta Fund. Delta Fund did not hold any investment as of Sep. 30, 2019.

SVF1 highlights are provided solely for illustrative purposes and individual investors’ results may vary. Past performance is not necessarily indicative of future results. Cumulative investment cost does not reflect current valuations associated with investments and are not indicative of actual performance. Investment market uplift includes valuation uplifts and reflects unrealized estimated amounts and does not take into account fees or expenses at the time of exit, and should not be construed as indicative of actual return performance. There is no guarantee that historical trends will continue throughout the life of SVF. It should not be assumed that investments made in the future will be comparable in quality or performance to investments described herein. References to specific investments should not be construed as a recommendation of any particular investment or security. There can be no assurance that unrealized investments will be sold for values equal to or in excess of the total values used in calculating the values reported herein. Actual returns on unrealized and partially realized investments will depend on, among other factors, the value of the assets and market conditions at the time of disposition, any related transaction costs, and the timing and manner of sale, all of which may differ from the assumptions on which the valuations reported herein are based. Accordingly, investments that are unrealized or partially realized may differ materially from the values indicated herein.

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*Since May 20, 2017.
All investments, except Arm Holdings, were independently valued at December 31, 2018.

SB Investment Advisers (US) Inc. is an investment adviser registered with the SEC under the Investment Advisers Act of 1940. SB Investment Advisers (UK) Limited (“SBIA”), which is registered with the United Kingdom’s Financial Conduct Authority. However, such registration does not imply a certain level of skill or training.

No regulator or government authority has reviewed this document or the merits of the products and services referenced herein. The use of regulator or government authority logos does not imply approval by such entities.
SBIA Valuation Process

Industry leading two firms appointed by IAB

Valuation

Independent Valuation

Advisory

Review

Valuations & Financial Risk Committee

Deloitte

Audit

Audit SVF F/S including valuation process

IAB

Investor Advisory Board
(Board members are SVF1 major Limited Partners)

This is the SBIA Valuation process in connection with SVF 1 as of Nov. 6, 2019. Valuation processes may differ for future funds managed by SBIA and are subject to the fund documents of such funds including for Vision Fund 2.
WeWork

Please refer to visionfund.com/portfolio for a complete list of SVF1's investments.
Reduced Exercise Price of Existing Commitment: USD 1.5bn

Before exercise

Exercise price

USD 110 / share
(Valuation at USD 47bn)

After exercise

USD 11.60 / share

Valuation based on the price of warrant: post-money

There can be no assurances that any plans described herein will be realized on the terms or timeline presented herein, and such plans are subject to uncertainties and risks.
Preparing a loan facility from SBG to WeWork

Support for letter of credit facility from financial institutions

Unsecured notes
USD 2.2bn

Senior secured notes
USD 1.1bn

Obtain warrants
as consideration for the financing

(17%)**2

*1 Credit support details are currently under discussion between SBG and financial institutions.

*2 Warrants worth 17% economic ownership, calculated on a post-money TSM (treasury stock method) basis, assuming completion of all other transactions contemplated.

There can be no assurances that any plans described herein will be realized on the terms or timeline presented herein, and such plans are subject to uncertainties and risks.
Ownership of SoftBank Group

Before transaction

12.8%  
(average acquisition cost: USD 89.40/share)

After transaction

41.2%  
(average acquisition cost: USD 19.38/share)

Tender offer worth up to USD 3bn scheduled to be held at USD 19.19 / share

*1 Excludes the $3 billion tender offer at $19.19 per share but assumes completion of all other transactions contemplated
*2 Economic ownership percentage calculated on a TSM (treasury stock method) basis
There can be no assurances that any plans described herein will be realized on the terms or timeline presented herein, and such plans are subject to uncertainties and risks.
Marcelo Claure appointed as Executive Chairman of the Board of Directors

Optimization of governance

*Adam Neumann, the founder of the company, will become a Board observer.
*The size of the Board will be expanded and it will receive voting control over Mr. Neumann’s shares.
The information presented herein is provided for purely hypothetical, illustrative purposes only. Information herein reflect current beliefs of SBG as of the date hereof and is based on a variety of assumptions and estimates that are subject to various risks. The metrics regarding select aspects of the company’s operations were selected by SBG on a subjective basis. Such metrics are provided solely for illustrative purposes to demonstrate elements of the company’s business, are incomplete, and are not necessarily indicative of the company’s performance or overall operations. There can be no assurance that historical trends will continue throughout the life of SVF1. Actual results may differ materially from projections, estimates and other subjective and/or forward-looking statements herein. For the avoidance of doubt, this hypothetical illustration does not represent WeWork’s actual EBITDA or other metrics.
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Workstation Capacity (Illustration)

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Approximately doubled each year
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Proposed Measures to Improve Profitability

① Pause contracting new offices
② Cost reduction
③ Sort out unprofitable business
Hypothetical Illustration of Location Profitability Over Time (Future)

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Expect to
Increase in ratio of high profit location

- Under Construction
- Loss (1-6 months)
- Low Profit (7-12 months)
- High profit (13 months+)
This hypothetical illustration is provided solely for illustrative purposes, reflects the current beliefs of SBG as of the date hereof, and is based on a variety of assumptions and estimates about, among others, future operating results, the value of assets and market conditions at the time of disposition, any related transaction costs and the timing and manner of sale, all of which may differ from the assumptions on which this hypothetical illustration is based. There are numerous factors related to the markets in general or the implementation of any specific operational plan that cannot be fully accounted for with respect to the hypothetical illustration herein. Any targets or estimates are therefore subject to a number of important risks, qualifications, limitations, and exceptions that could materially and adversely affect the hypothetical illustration presented herein. Accordingly, actual results may differ materially from the hypothetical illustration presented herein. For the avoidance of doubt, this illustration does not reflect actual results or metrics from the company.

Hypothetical Illustration of Profitability

Gross profit (after improvement)
Hypothetical Illustration of Profitability

This hypothetical illustration is provided solely for illustrative purposes, reflects the current beliefs of SBG as of the date hereof, and is based on a variety of assumptions and estimates about, among others, future operating results, the value of assets and market conditions at the time of disposition, any related transaction costs and the timing and manner of sale, all of which may differ from the assumptions on which this hypothetical illustration is based. There are numerous factors related to the markets in general or the implementation of any specific operational plan that cannot be fully accounted for with respect to the hypothetical illustration herein. Any targets or estimates are therefore subject to a number of important risks, qualifications, limitations, and exceptions that could materially and adversely affect the hypothetical illustration presented herein. Accordingly, actual results may differ materially from the hypothetical illustration presented herein. For the avoidance of doubt, this illustration does not reflect actual results or metrics from the company.
This hypothetical illustration is provided solely for illustrative purposes, reflects the current beliefs of SBG as of the date hereof, and is based on a variety of assumptions and estimates about, among others, future operating results, the value of assets and market conditions at the time of disposition, any related transaction costs and the timing and manner of sale, all of which may differ from the assumptions on which this hypothetical illustration is based. There are numerous factors related to the markets in general or the implementation of any specific operational plan that cannot be fully accounted for with respect to the hypothetical illustration herein. Any targets or estimates are therefore subject to a number of important risks, qualifications, limitations, and exceptions that could materially and adversely affect the hypothetical illustration presented herein. Accordingly, actual results may differ materially from the hypothetical illustration presented herein. For the avoidance of doubt, this illustration does not reflect actual results or metrics from the company.
The information presented herein is provided for purely hypothetical, illustrative purposes only. Information herein reflect current beliefs of SBG as of the date hereof and is based on a variety of assumptions and estimates that are subject to various risks. The metrics regarding select aspects of the company’s operations were selected by SBG on a subjective basis. Such metrics are provided solely for illustrative purposes to demonstrate elements of the company’s business, are incomplete, and are not necessarily indicative of the company’s performance or overall operations. There can be no assurance that historical trends will continue throughout the life of SVF1. Actual results may differ materially from projections, estimates and other subjective and/or forward-looking statements herein. For the avoidance of doubt, this hypothetical illustration does not represent WeWork’s actual EBITDA or other metrics.
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Our policy on portfolio companies’ support

Portfolio company finances to be self-financing

No rescue package
**Firmly Maintain Financial Policy**

1. Manage LTV at less than 25% during “normal” periods (upper threshold of 35% even during “abnormal” periods)

2. Maintain cash position covering bond redemptions for at least next 2 years

3. Secure sustainable distribution and dividend income from SVF and other subsidiaries
The information presented herein is provided for illustrative purposes only and represents a high level overview of assessing company value. Investments held by SVF1 are valued in accordance with the detailed procedures established in the SVF1 governing documents.
Multiple for Assessing Value

The information presented herein is provided for illustrative purposes only and represents a high level overview of assessing company value. Investments held by SVF1 are valued in accordance with the detailed procedures established in the SVF1 governing documents.

FCF: free cash flow
Factors for Assessing Company Value (2020 Projections)

These companies are not necessarily portfolio companies owned by the SVF1 or SoftBank Group Corp. The information presented herein is provided for illustrative purposes only and represents a high level overview of assessing company value. Investments held by SVF1 are valued in accordance with the detailed procedures established in the SVF1 governing documents. The information presented herein is provided for illustrative purposes only, and represents a high level overview of assessing company value. There is no guarantee that the Manager, the SVF1’s portfolio companies or SoftBank will work with any of the firms or businesses whose logos are included herein. Selection of such criteria is inherently subjective and others might work with the firms or businesses whose logos are included herein. Any results may be significantly different than the projections herein. The information provided herein is presented to demonstrate certain factors considered in the valuation of a company, and are not intended to be comprehensive. The information provided herein is based on assumptions and estimates, and is presented to illustrate certain factors considered in the valuation of a company, and does not purport to be a complete list of factors considered by SBIA or SBG in the valuations of their respective investments.
These companies are not necessarily portfolio companies owned by the SVF1 or SoftBank Group Corp. The information presented herein is provided for illustrative purposes only and represents a high level overview of assessing company value. Investments held by SVF1 are valued in accordance with the detailed procedures established in the SVF1 governing documents. Third-party logos included herein are provided for illustrative purposes only. Inclusion of such logos does not imply affiliation with or endorsement by such firms or businesses. There is no guarantee that the Manager, the SVF1’s portfolio companies or SoftBank will work with any of the firms or businesses whose logos are included herein in the future. The comparables provided herein were selected by SBG for illustrative purposes because SBG believes they present the most direct comparables in the industry within the relevant time period. Selection of such criteria is inherently subjective and others might select other comparables based on their assessment of the market. References to companies included herein should not be construed as a recommendation of any particular investment or security. It should not be assumed that investments made in the past are comparable in quality or performance to the comparables presented herein. There can be no assurance that projected results will be attained and actual results may be significantly different from the projections herein. The information provided herein is for illustrative purposes only, provides hypothetical company valuation scenarios and is not necessarily based on a SVF1 portfolio company or a SBG investment. The information herein is presented to demonstrate certain factors considered in the valuation of a company, and does not purport to be a complete list of factors considered by SBG or SBG in the valuations of their respective investments, and is based on a variety of assumptions and estimates.
Hypothetical 5-year projections: how we see value in a company (revenue CAGR 30%)

<table>
<thead>
<tr>
<th>Assumptions</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>FCF</td>
<td>USD 1bn</td>
</tr>
<tr>
<td>FCF multiple (25x)</td>
<td>USD 25bn</td>
</tr>
<tr>
<td>DCF (discount rate 30%)</td>
<td>USD 7bn</td>
</tr>
<tr>
<td>Risk (40% discount)</td>
<td>USD 4bn</td>
</tr>
</tbody>
</table>

Evolution of enterprise value (EV) to free cash flow (FCF) multiple (2021 projections).

Assumptions:
- FCF: USD 1bn
- FCF multiple (25x): USD 25bn
- DCF (discount rate 30%): USD 7bn
- Risk (40% discount): USD 4bn

Ev: enterprise value

Venue: the information presented is for illustrative purposes only and represents a high level overview of assessing company value. Investments held by SVF1 are valued in accordance with the detailed procedures established in the SVF1 governing documents. Third-party logos included herein are provided for illustrative purposes only. Inclusion of such logos does not imply affiliation with or endorsement by such firms or businesses. There is no guarantee that the Manager, the SVF1’s portfolio companies or SoftBank will work with any of the firms or businesses whose logos are included herein in the future. The comparables provided herein were selected by SBG for illustrative purposes because SBG believes that they represent the most direct comparables in the industry within the relevant time period. Selection of such criteria is inherently subjective and others might select other comparables based on their assessment of the market. References to companies included herein should not be construed as a recommendation of any particular investment or security. It should not be assumed that investments made in the future will be comparable in quality or performance to the companies described herein. There can be no assurance that projected results will be obtained, and actual results may be significantly different from the projections herein. The information presented herein is for illustrative purposes only, provides hypothetical company valuation scenarios and is not necessarily based on a SVF1 portfolio company or a SBG investment. The information herein is presented to demonstrate certain factors considered in the valuation of a company, and does not purport to be a complete list of factors considered by SBG or SBG in the valuations of their respective investments, and is based on a variety of assumptions and estimates.

Evolution of enterprise value (EV) to free cash flow (FCF) multiple (2019-2021 projections).

Revenue CAGR (2019-2021 projections):
- Booking
- Alphabet
- Netflix
- Square
- Tencent
- Amazon

Assumptions:
- Hypothetical 5-year projections: how we see value in a company (revenue CAGR 30%)
- Assumptions: EV: enterprise value
- Assumptions: FCF: USD 1bn
- Assumptions: FCF multiple (25x): USD 25bn
- Assumptions: DCF (discount rate 30%): USD 7bn
- Assumptions: Risk (40% discount): USD 4bn
## Hypothetical 7-year projections: how we see value in a company
(revenue CAGR 30%)

### Assumptions

<table>
<thead>
<tr>
<th>Assumptions</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>FCF</td>
<td>USD 2bn</td>
</tr>
<tr>
<td>FCF multiple (25x)</td>
<td>USD 50bn</td>
</tr>
<tr>
<td>DCF (discount rate 30%)</td>
<td>USD 8bn</td>
</tr>
<tr>
<td>Risk (50% discount)</td>
<td>USD 4bn</td>
</tr>
</tbody>
</table>

### Revenue CAGR (2019-2021 projections)
- Alibaba
- Amazon
- Netflix
- Alphabet
- Square
- Booking
- Tencent
- Facebook

### EV / FCF (2021 projections)
- EV / FCF multiple: 25x
- FCF: USD 2bn
- FCF multiple: USD 50bn
- DCF (discount rate 30%): USD 8bn
- Risk (50% discount): USD 4bn

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*Alibaba Group is a SoftBank Group Corp. investment. These companies are not necessarily portfolio companies owned by the SVF1 or SoftBank Group Corp. The information presented herein is provided for illustrative purposes only and represents a high level overview of assessing company value. Investments held by SVF1 are valued in accordance with the detailed procedures established in the SVF1 governing documents. Third-party logos included herein are provided for illustrative purposes only. Inclusion of such logos does not imply affiliation with or endorsement by such firms or businesses. There is no guarantee that the Manager, the SVF’s portfolio companies or SoftBank will work with any of the firms or businesses whose logos are included herein in the future. The comparables provided herein were selected by SBG for illustrative purposes because SBG believes that they present the most direct comparables in the industry within the relevant time period. Selection of such criteria is inherently subjective and others might select other comparables based on their assessment of the market. References to companies included herein should not be construed as a recommendation of any particular investment or security. It should not be assumed that investments made in the future will be comparable in quality or performance to the companies described herein. There can be no assurance that projected results will be obtained, and actual results may be significantly different from the projections herein. The information provided herein is for illustrative purposes only, provides hypothetical company valuation scenarios and is not necessarily based on a SVF1 portfolio company or a SBG investment. The information herein is presented to demonstrate certain factors considered in the valuation of a company, and does not purport to be a complete list of factors considered by SBG or SBIA in the valuations of their respective investments, and is based on a variety of assumptions and estimates.*

*EV: enterprise value
(source) S&P Capital IQ*
The investments presented herein are solely for illustrative purposes, have been selected in order to demonstrate examples of SVF1 investments, and do not purport to be a complete list thereof.

References to investments included herein should not be construed as a recommendation of any particular investment or security. It should not be assumed that investments made in the future will be comparable in quality or performance to the investments described herein.

Please refer to visionfund.com/portfolio for a complete list of SVF1’s investments. There are no assurances that any pending acquisition will be consummated at all or on the current terms of the agreement.

*Disclosed aggregate number of “88 companies” includes the existing SVF1 investments (disclosed / undisclosed) and JVs / affiliates among portfolio companies and SVF1.

As of Sep. 30, 2019
Market cap. of Internet companies

Index assuming the market cap. of the Internet companies in 1994 was 1
(source) Market cap. of the internet companies: estimated by SoftBank Group Corp. based on S&P Capital IQ
Market cap. of Internet companies

Index assuming the market cap. of the Internet companies in 1994 was 1

(source) Market cap. of the internet companies: estimated by SoftBank Group Corp. based on S&P Capital IQ
Internet traffic: calculated per month

*1 Petabyte (PB) = 1 million GB

Index assuming the market cap. of the Internet companies in 1994 was 1

(source) Internet traffic: Cisco VNI (Visual Networking Index) & OECD, Market cap. of the internet companies: estimated by SoftBank Group Corp. based on S&P Capital IQ
Internet traffic: calculated per month (source) Internet traffic: Cisco VNI (Visual Networking Index) & OECD, Market cap. of the internet companies: estimated by SoftBank Group Corp. based on S&P Capital IQ

*1 Exabyte (EB) = 1 billion GB  Index assuming the market cap. of the Internet companies in 1994 was 1  Net traffic: calculated per month
Internet

Market cap. of Internet companies

1,000x

156EB Internet traffic

'95 '99 '03 '07 '11 '15 '18 (CY)

1 Exabyte (EB) = 1 billion GB

Index assuming the market cap. of the Internet companies in 1994 was 1

Net traffic: calculated per month

(source) Internet traffic: Cisco VNI (Visual Networking Index) & OECD

Market cap. of the internet companies: estimated by SoftBank Group Corp. based on S&P Capital IQ

Aggregated valuation of AI companies: collected data by gathering the private companies, categorized in "Artificial Intelligence & Machine Learning" in PitchBook, with valuation above USD 100m

(source) PitchBook

AI

Aggregated valuation of AI companies

17x

'13 '14 '15 '16 '17 '18 '19 (CY)
Aggregated valuation of AI companies: collected data by gathering the private companies, categorized in "Artificial Intelligence & Machine Learning" in PitchBook, with valuation above USD 100m

Amount of stored digital data: total amount of data created on data center (on-premise / cloud), edge, and devices (source) PitchBook & IDC

1 Exabyte (EB) = 1 billion GB

*1 Net traffic: calculated per month

Net traffic: calculated per month

Index assuming the market cap. of the Internet companies in 1994 was 1

Market cap. of Internet companies

1,000x

156EB Internet traffic

17x

Aggregated valuation of AI companies

33ZB

Amount of stored digital data

?
Internet

Market cap. of Internet companies
1,000x
156EB Internet traffic

‘95 ‘99 ‘03 ‘07 ‘11 ‘15 ‘18 (CY)

Internet traffic: calculated per month
Net traffic: calculated per month

1 Exabyte (EB) = 1 billion GB

*1 Exabyte (EB) = 1 billion GB

Internet traffic: Cisco VNI (Visual Networking Index) & OECD
Market cap. of the Internet companies: estimated by SoftBank Group Corp. based on S&P Capital IQ

Amount of stored digital data (illustration)

156EB

1,000x

Aggregated valuation of AI companies (illustration)

AI

Aggregated valuation of AI companies: collected data by gathering the private companies, categorized in "Artificial Intelligence & Machine Learning" in PitchBook, with valuation above USD 100m
Amount of stored digital data: total amount of data created on data center (on-premise / cloud), edge, and devices (source) PitchBook & IDC

Amount of stored digital data

Source

PitchBook & IDC

Net traffic: calculated per month

Source

SoftBank Group Corp. based on S&P Capital IQ

Source

Cisco VNI (Visual Networking Index) & OECD

Source

S&P Capital IQ
AI revolution has just started!
Conclusion
Two Facts

SBG shareholder value

~JPY 1.4t increase

SVF1 investment market uplift

+USD 11.4bn (since SVF1 inception)

SVF1 highlights are provided solely for illustrative purposes and individual investors’ results may vary. Past performance is not necessarily indicative of future results. Shareholder value increase is not indicative of actual performance. Investment market uplift includes valuation uplift and reflects unrealized estimated amounts and does not take into account fees or expenses at the time of exit, and should not be construed as indicative of actual or future performance. There is no guarantee that historical trends will continue in the future. No statement by SVF1 should be construed as a representation or commitment as to any particular investment or security. There can be no assurance that unrealized investments will be sold for values equal to or in excess of the total values used in calculating the values portrayed herein. Actual return on unrealized and partially realized investments will depend on, among other factors, the value of the assets and market conditions at the time of disposition, any related transaction costs and the timing and manner of sale, all of which may differ from the assumptions on which the valuations reported herein are based. Accordingly, investments that are unrealized or partially realized may differ materially from the values indicated herein.

*1 As of Sep. 30, 2019
*2 Since May 20, 2017.
Equity Value of Holdings

(USD bn)

<table>
<thead>
<tr>
<th></th>
<th>Aug. 7, 2019</th>
<th>Nov. 6, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>SVF</td>
<td>32</td>
<td>29</td>
</tr>
<tr>
<td>arm</td>
<td>24</td>
<td>25</td>
</tr>
<tr>
<td>Sprint</td>
<td>27</td>
<td>29</td>
</tr>
<tr>
<td>Others</td>
<td>8</td>
<td>44</td>
</tr>
<tr>
<td>SoftBank KK</td>
<td>43</td>
<td>123</td>
</tr>
<tr>
<td>Alibaba Group</td>
<td>104</td>
<td>+USD 19bn</td>
</tr>
</tbody>
</table>

*For details, see "Definition and Calculation Method of SBG's Sum-of-the-parts Valuation"*

USD 1 = JPY 108.84
Share price: closing price as of Nov. 6 (Japan)
closing price as of Nov. 5 (U.S.)
Shareholder Value

(USD bn)

Aug. 7, 2019  192

(as of previous announcement)

Nov. 6, 2019  206

+USD 13bn
LTV

17%

(note) excl. the amount equivalent to the outstanding debt of asset-backed finance from both Net debt and Equity value of holdings (JPY 1t).
SVF1 Cumulative Investment Highlights (end of Sep. 2019)

USD 17.2bn
Realized gain
USD 4.7bn

Valuation gain
USD 12.5bn

USD -5.8bn

Investment market uplift
USD 11.4bn

Mark up
(37 companies)

Mark down
(22 companies)

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SBG shareholder value

USD 206bn

Discount 60%

USD 82bn

Market cap.

SBG Market cap: closing price as of Nov. 6
Shareholder value: closing price as of Nov. 6 (Japan)
closing price as of Nov. 5 (U.S.)
No Change in Our Journey
Definition and Calculation Method of SBG’s Sum-of-the-parts Valuation

i. Net debt
- Net debt = net interest-bearing debt (SBG) = Net debt (SBG)
- Net debt (SBG) = gross debt (SBG) - cash position, etc (SBG)
- gross debt (SBG) = gross interest-bearing debt (SBG) = Gross debt (Consolidated) - Gross debt of subsidiaries (Non-recourse)
- gross debt (SBG): adjusting (a), (b), and (c) as follows
  (a) JPY Hybrid Bonds issued in September 2016: 50% of outstanding amount, which is recorded as debt in consolidated B/S, is treated as equity
  (b) USD Hybrid Notes issued in July 2017: 50% of outstanding amount, which is recorded as equity in consolidated B/S, is treated as debt
  (c) JPY Hybrid Loan executed in November 2017: 50% of outstanding amount, which is recorded as debt in consolidated B/S, is treated as equity
- cash position, etc (SBG): considering the impacts of (d) and (e) as follows
  (d) Estimated cash proceeds and capital call payment related to the assets transfer of SVF from SBG that had been already completed by the end of September 2019
  (e) Closing of the accelerated $1.5 billion payment commitment to The We Company from SBG (completed on October 30, 2019)
- Gross debt (Consolidated) = Gross interest-bearing debt (Consolidated): excluding cash position of banking business (The Japan Net Bank)
- Gross debt of subsidiaries (Non-recourse) = Gross interest-bearing debt of subsidiaries (Non-recourse): Total amount of gross interest-bearing debt of SBKK, Sprint, SVF, Arm, etc.

ii. Equity value of holdings
- Alibaba: calculated by multiplying the number of Alibaba shares held by SBG at June 30, 2019 by the share price of Alibaba
- SBKK: calculated by multiplying the number of SBKK shares held by SBG by the share price of SBKK
- Sprint: calculated by multiplying the share price of T-mobile US, Inc. by the exchange ratio: 0.10256 on the premise of a future merger
- Arm: calculated based on the acquisition cost, excluding the number of Arm shares held by SBG
- SVF: Value equivalent to SBG’s portion of SVF’s holding value + Performance Fee accrued, etc
- Others: calculated mainly based on fair value of unlisted shares, etc held by SBG and adjusted the following
  Closing of the accelerated $1.5 billion payment commitment to The We Company from SBG (completed on October 30, 2019)

iii. Shareholder value
- Shareholder value = Equity value of holdings - Net debt
- Shareholder value per share = Shareholder value / Shares issued

iv. Loan to value (LTV)
- LTV = Net debt / Equity value of holdings (excluding the amount equivalent to the outstanding debt of asset-backed finance from both Net debt and Equity value of holdings)

v. Other assumptions
- Share prices: (Japan) closing price as of Nov 6, 2019, (US) closing price as of Nov 5, 2019
- FX rate: USD 1 = JPY 108.84
- Shares issued: excluding treasury shares

※Based on data as of September 30, 2019 unless otherwise stated
※Before considering tax unless otherwise stated