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Consolidated Financial Report For the Three Months Ended June 30, 2025 (IFRS)

August 5, 2025

(Amounts are rounded to the nearest million yen)

1. Consolidated Financial Results for the Three Months Ended June 30, 2025

(1) Consolidated operating results

(Percentages are shown as year-on-year changes)

	Revenue		Operating income		Profit before income taxes		Net income		Net income attributable to owners of the Company		Total comprehensive income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three Months Ended June 30, 2025	1,658,615	8.0	290,734	(4.3)	270,434	(1.3)	182,300	(9.1)	145,310	(10.6)	201,419	(9.5)
Three Months Ended June 30, 2024	1,535,722	7.4	303,927	23.4	273,912	10.2	200,569	15.5	162,510	10.8	222,448	15.0

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three Months Ended June 30, 2025	3.00	2.97
Three Months Ended June 30, 2024	3.43	3.38

Notes:

1. The Company conducted a stock split whereby each share of the Company's common shares was split into 10 shares, with the effective date being October 1, 2024. "Basic earnings per share" and "Diluted earnings per share" are calculated assuming that the stock split had been carried out at the beginning of the previous fiscal year.
2. The dividends related to Bond-Type Class Shares are deducted in the calculation of earnings per share.

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of the Company	Ratio of equity attributable to owners of the Company to total assets
	Millions of yen	Millions of yen	Millions of yen	%
As of June 30, 2025	17,062,224	4,287,195	2,701,383	15.8
As of March 31, 2025	16,102,195	4,265,371	2,743,630	17.0

2. Dividends

	Dividends per share				
	First quarter	Second quarter	Third quarter	Fourth quarter	Total
Fiscal year ended March 31, 2025	Yen -	Yen 43.00	Yen -	Yen 4.30	Yen -
Fiscal year ending March 31, 2026	-				
Fiscal year ending March 31, 2026 (Forecast)		4.30	-	4.30	8.60

Notes:

1. Revision to the forecast on dividends: No
2. The abovementioned “Dividends” pertain to the dividends related to common shares. Please see the following “Dividends of Bond-Type Class Shares” for information on the dividends related to Bond-Type Class Shares.
3. The Company conducted a stock split whereby each share of the Company’s common shares was split into 10 shares, with the effective date being October 1, 2024. Regarding the abovementioned amount for the fiscal year ended March 31, 2025, the second-quarter dividend per share is before the stock split while the fourth-quarter dividend per share takes the stock split into account. The total dividends per share is not stated because the amount cannot be simply combined due to the implementation of the stock split. If the stock split was not conducted, the annual dividends per share would be 86 yen.

3. Consolidated Financial Result Forecasts for the Fiscal Year Ending March 31, 2026

(Percentages are shown as year-on-year changes)

	Revenue		Operating income		Net income attributable to owners of the Company		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2026	6,700,000	2.4	1,000,000	1.1	540,000	2.6	11.22

Notes:

1. Revision to the forecast on financial results: No
2. The dividends related to Bond-Type Class Shares are deducted in the calculation of earnings per share.

* Notes

- (1) Significant changes in the scope of consolidation for the three months ended June 30, 2025: Yes

Newly consolidated: One Company

Company Name: LINE Bank Taiwan Limited

Excluded from consolidation: None

Note: For details, please refer to “(1) Significant Changes in Scope of Consolidation for the Three Months Ended June 30, 2025” under “2. Notes to Summary Information” on page 18 of the appendix to this consolidated financial report.

- (2) Changes in accounting policies and accounting estimates

[1] Changes in accounting policies required by IFRS: No

[2] Changes in accounting policies other than those in [1]: No

[3] Changes in accounting estimates: No

- (3) Number of issued shares (common stock)

[1] Number of shares issued (including treasury stock)

As of June 30, 2025 47,814,281,700 shares

As of March 31, 2025 47,751,490,700 shares

[2] Number of shares of treasury stock

As of June 30, 2025 184,234,183 shares

As of March 31, 2025 184,234,180 shares

[3] Average number of shares outstanding during the period

Three months ended June 30, 2025 47,592,247,916 shares

Three months ended June 30, 2024 47,135,952,096 shares

Note: The Company conducted a stock split whereby each share of the Company’s common shares was split into 10 shares, with the effective date being October 1, 2024. “Number of shares issued,” “Number of shares of treasury stock” and “Average number of shares outstanding during the period” are calculated assuming that the stock split had been carried out at the beginning of the previous fiscal year.

*** Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: Yes (voluntary).**

*** Explanation on the proper use of the forecast on financial results and other notes**

This document is based on the information available to SoftBank Corp. as of the time hereof and assumptions which it believes are reasonable. Statements contained herein that are not historical facts, including, without limitation, our plans, forecasts, strategies and beliefs about our business and financial prospects, are forward-looking statements. Forward-looking statements often include words such as “targets,” “plans,” “believes,” “hopes,” “continues,” “expects,” “aims,” “intends,” “will,” “may,” “should,” “would,” “could,” “anticipates,” “estimates,” “projects” or words or terms of similar substance or the negative thereof. These forward-looking statements do not represent any guarantee by us or our management of future performance or of any specific outcome and are subject to various risks and uncertainties, including, without limitation, general economic conditions, conditions in the Japanese telecommunications market, our ability to adopt new technologies and business models, competition against competitors, our ability to improve and maintain our telecommunications network, our reliance on third parties in conducting our business, including SoftBank Group Corp. and its other subsidiaries and associates, our major vendors and suppliers, and other third parties, risks relating to M&A and other strategic transactions, risks relating to information security and handling of personally identifiable information, changes in the substance and interpretation of other laws and regulations and other important factors, which may cause actual results to differ materially from those expressed or implied in any forward-looking statement.

SoftBank Corp. expressly disclaims any obligation or responsibility to update, revise or supplement any forward-looking statement in any document or generally to the extent allowed by law or stock exchange rules. Use of or reliance on the information in this material is at your own risk.

For assumptions underlying forecasts, notes on the use of forecasts and related matters, please see “(5) Forecasts” under “1. Results of Operations” on page 18 of the appendix to this consolidated financial report.

This document is intended to disclose the Company's financial results for the three months ended June 30, 2025, and does not constitute a solicitation of an offer to sell or purchase any securities in Japan or any other jurisdictions.

(How to obtain supplementary financial materials and information on the earnings results briefing)

On Tuesday, August 5, 2025 (JST), the Company will hold an earnings results briefing online for the media, institutional investors, and financial institutions. This earnings results briefing is scheduled to be broadcast on the Company's website in both Japanese and English at <https://www.softbank.jp/en/corp/ir/documents/presentations/>. The Data Sheet is also scheduled to be posted on the Company's website concurrently with the earnings report, and the materials and videos to be used at the earnings results briefing, along with a summary of the main questions and answers, are scheduled to be posted on the Company's website promptly after the earnings results briefing.

Dividends of Bond-Type Class Shares

The breakdown of dividends per share related to Bond-Type Class Shares, which have different rights and relationships compared to common shares, is as follows:

Series 1 Bond-Type Class Shares

	Dividends per shares				
	First quarter	Second quarter	Third quarter	Fourth quarter	Total
Fiscal year ended March 31, 2025	Yen -	Yen 50.00	Yen -	Yen 50.00	Yen 100.00
Fiscal year ending March 31, 2026	-				
Fiscal year ending March 31, 2026 (Forecast)		50.00	-	50.00	100.00

Series 2 Bond-Type Class Shares

	Dividends per shares				
	First quarter	Second quarter	Third quarter	Fourth quarter	Total
Fiscal year ended March 31, 2025	Yen -	Yen -	Yen -	Yen 126.24	Yen 126.24
Fiscal year ending March 31, 2026	-				
Fiscal year ending March 31, 2026 (Forecast)		128.00	-	128.00	256.00

Policy on acquisition of Series 1 Bond-Type Class Shares and Series 2 Bond-Type Class Shares

Based on the clause for acquisition by the Company (call option), the Company may acquire the Series 1 Bond-Type Class Shares and the Series 2 Bond-Type Class Shares in exchange for cash after the elapse of five years from the issuances, etc. We will determine whether to acquire (call) these Bond-Type Class Shares in exchange for cash, taking into consideration our business and financial strategy, market conditions and other factors at the time.

We fully understand that, as is customary in the market for hybrid financing, many investors expect to be called when the dividend rate is stepped up.

(Appendix)

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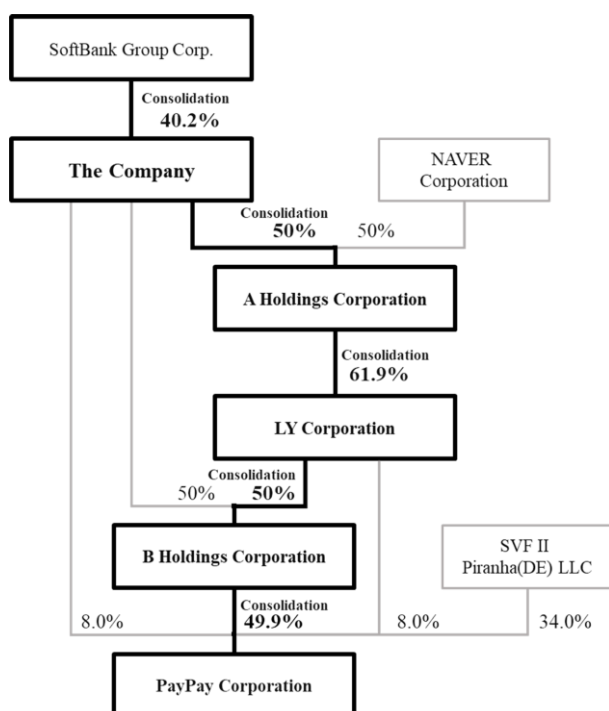
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Definition of Company Names and Abbreviations Used in this Appendix

Company names and abbreviations used in this appendix, except as otherwise stated or interpreted differently in the context, are as follows:

Company names / Abbreviations	Definition
The Company	SoftBank Corp. (standalone basis)
The Group	SoftBank Corp. and its subsidiaries
SoftBank Group Corp.	SoftBank Group Corp. (standalone basis)
SoftBank Group	SoftBank Group Corp. and its subsidiaries
LY Corporation	LY Corporation (standalone basis)
LY Group	LY Corporation and its subsidiaries

The diagram below indicates ratio of voting rights as of June 30, 2025.



Reportable Segments

The Group has five reportable segments: the Consumer segment, the Enterprise segment, the Distribution segment, the Media & EC segment, and the Financial segment.

The main businesses and core companies of each reportable segment are as follows:

Segments	Main business	Core companies
Reportable segments		
Consumer segment	<ul style="list-style-type: none"> • Provision of mobile services to individual customers • Provision of broadband services • Sale of mobile devices • Trading and supply of electric power and provision of electric power trading agency services 	<p>The Company</p> <p>Wireless City Planning Inc.</p> <p>SB Mobile Service Corp.</p> <p>SB Power Corp.</p>
Enterprise segment	<ul style="list-style-type: none"> • Provision of mobile services to enterprise customers • Provision of fixed-line communications services, such as data communications and fixed-line telephone services • Provision of cloud, global, AI²/IoT,³ and other solution services • Provision of software-defined connected vehicles⁴ solutions • Provision of cloud services, security operation monitoring services, and IoT solutions • Provision of IoT, Linux/OSS, and authentication and security services 	<p>The Company</p> <p>Wireless City Planning Inc.</p> <p>SB Engineering Corp.</p> <p>IDC Frontier Inc.</p> <p>eMnet Japan. co. ltd.</p> <p>Cubic Telecom Ltd.</p> <p>SB Technology Corp.</p> <p>Cybertrust Japan Co., Ltd.</p>
Distribution segment	<ul style="list-style-type: none"> • Provision of products and services addressing ICT⁵, cloud services, IoT solutions, and other areas for enterprise customers • Provision of mobile and PC peripherals, including accessories, as well as software, IoT products, and other items for individual customers 	<p>SB C&S Corp.</p>
Media & EC segment	<ul style="list-style-type: none"> • Provision of media-related services, such as media and advertising, search, marketing solutions, vertical, content, and stamps • Provision of commerce-related services such as shopping services, including <i>Yahoo! JAPAN Shopping</i> and <i>ZOZOTOWN</i>; reuse services including <i>Yahoo! JAPAN Auction</i>; and O2O services. • Provision of AI, healthcare, and other services centered on FinTech⁶ 	<p>LY Corporation</p> <p>ASKUL Corporation</p> <p>ZOZO, Inc.</p> <p>Ikyu Corporation</p> <p>LINE Pay Corporation</p> <p>LINE Pay Taiwan Limited</p> <p>LINE Bank Taiwan Limited⁷</p> <p>LINE Financial Corporation</p> <p>LINE Plus Corporation</p> <p>LINE SOUTHEAST ASIA CORP.PTE.LTD. dely inc.</p>
Financial segment	<ul style="list-style-type: none"> • Development and provision of mobile payments and other electronic payment services • Provision of credit card business • Banking business • Provision of online securities brokerage service for smartphones • Provision of payment processing services 	<p>PayPay Corporation</p> <p>PayPay Card Corporation</p> <p>PayPay Bank Corporation⁸</p> <p>PayPay Securities Corporation</p> <p>SB Payment Service Corp.</p>
Other	<ul style="list-style-type: none"> • Planning and production of digital media and digital content • Others 	<p>The Company</p> <p>ITmedia Inc.</p>

Notes:

1. Segment income for reportable segments is calculated as follows:

Segment income = (revenue – operating expenses (cost of sales + selling, general and administrative expenses ± other operating income and loss)) in each segment

2. AI stands for artificial intelligence.

3. IoT stands for Internet of Things, a technology that will enable communications between all manner of things via the Internet.

4. Software-defined connected vehicle is a term that describes a vehicle whose features and functions are primarily enabled through software connected to the Internet. Cubic Telecom Ltd.'s connectivity platform is embedded in vehicles at the point of manufacturing, enabling OEMs to leverage software-defined technologies.

5. ICT stands for Information Communication Technology.

6. FinTech is a term coined from the combination of finance and technology and refers to a variety of innovative services that combine financial services with information and communication technology.

7. LY Corporation increased the capital of LINE Bank Taiwan Limited, an associate, in June 2025. As a result, LY Corporation acquired control of LINE Bank Taiwan Limited, which became its subsidiary.

8. Following the acquisition of PayPay Bank Corporation as a subsidiary by PayPay Corporation in April 2025, from the fiscal year ending March 31, 2026, PayPay Bank Corporation, which was previously classified under the “Media & EC segment,” has been transferred to the “Financial segment.”

1. Results of Operations

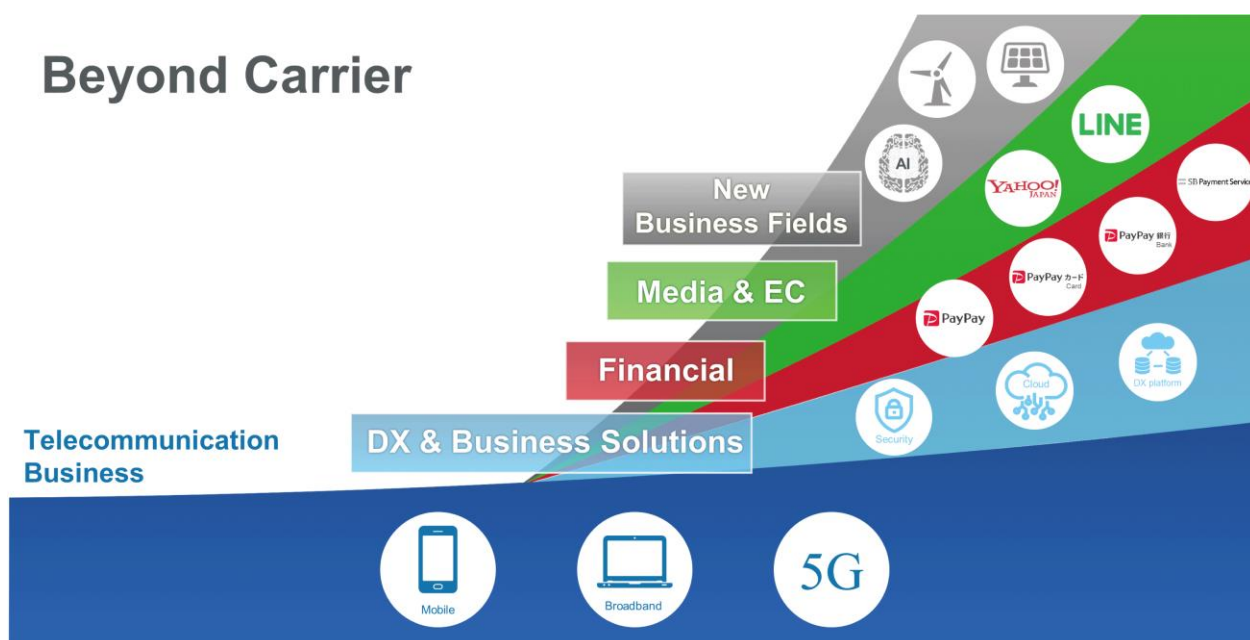
(1) Overview of Consolidated Results of Operations

a. Management Environment and the Group's Initiatives

Guided by its corporate philosophy of “Information Revolution—Happiness for everyone,” the Group has been undertaking a wide range of businesses in the information and technology fields. The Group has embraced the vision of becoming “a corporate group needed most by people around the world” and has been working to maximize its corporate value. Moreover, the Group has identified six material issues¹ to be addressed and contributes to solving various social issues through its businesses.

In the three months ended June 30, 2025, despite continued upward pressure on prices, a persistent labor shortage, and rising interest rates, Japan's economy remained relatively robust. However, the overall outlook has become increasingly uncertain due to factors such as a slowdown in overseas economies and increased tariffs imposed by the United States. Meanwhile, growing use of telework, online shopping, and contactless payment across society as a whole, as well as the worsening labor shortage has led to the advancement of digitalization in companies and government. Digitalization is becoming a driving force that will transform Japan's society in the future, by facilitating improvement in productivity and the creation of innovation. Furthermore, the widespread adoption of generative AI across society, which can generate a variety of content such as text, images, and programming code, will accelerate the speed of this transformation. In this environment, the roles that the Group must fulfill as an operator of a wide range of businesses in the information and technology fields are growing increasingly important.

In May 2023, the Company announced that it will aim to be “a company that provides Next-generation Social Infrastructure essential for development of a digital society” over the long term along with its three-year Medium-term Management Plan. With this long-term vision, the Group's intention is to build infrastructure designed to meet the projected rapid increase in demand for data processing and electricity brought on by the accelerated evolution of AI, and to become an indispensable company that will support the future's vast array of digital services. Under the Medium-term Management Plan, the Group's goal is to steadily rebuild its business foundations to realize this long-term vision. By promoting the *Beyond Carrier* growth strategy, we are working to recover from the impact of mobile service price reduction and pursue record-high profit in terms of net income attributable to owners of the Company in the current fiscal year, which is the final year of the Plan. In May 2023, the Company announced a forecast of ¥535.0 billion in net income attributable to owners of the Company for the current fiscal year. However, backed by strong performance, the forecast was revised upward to ¥540.0 billion in May 2025. The *Beyond Carrier* growth strategy seeks to maximize corporate value by driving sustainable growth in the telecommunications business, the Group's core business, while going beyond the boundaries of a telecommunications carrier to actively expand the Group's businesses in a wide range of fields within the information and technology sectors. Furthermore, the Group will strengthen the competitiveness of the telecommunications business by enhancing collaboration between the telecommunications business and those Group businesses, while promoting the generation of synergies through such means as increasing the number of service users and enhancing user engagement in those Group businesses.



Awareness of Business Environment

The main external environmental factors identified by the Group and its measures to address those factors are as follows:

Rising interest rates	The Company borrows approximately 90% of its long-term interest-bearing debt at fixed interest rates, so rising interest rates will have no immediate material effect ² .
Currency movements	Although its currency risk exposure is limited, the Company utilizes forward foreign exchange contracts to reduce its exposure to currency risk as necessary.

Major Initiatives

- In May 2025, the Company and Sumitomo Mitsui Card Company, Limited entered into a memorandum of understanding concerning a comprehensive business partnership in the digital field. The alliance aims to create convenient and beneficial cashless services by integrating various functions of SMBC Group's comprehensive personal financial service "Olive" and the Group's diverse products and services, including healthcare, and by facilitating mutual integration between "Olive" and "PayPay."
- In June 2025, the Company made an equity investment in Sceye, Inc., which develops LTA-type³ HAPS⁴ vehicles, with which it also signed an agreement that gives it exclusive rights to provide HAPS-based services in Japan using Sceye, Inc.'s platform. By utilizing LTA-type HAPS and promoting early commercialization, the Company plans to launch pre-commercial HAPS services in Japan in 2026. Furthermore, by providing HAPS-based commercial services, the Company aims to build a next-generation telecommunications network with 3D architecture to support stable and reliable connectivity for drones and UAVs⁵ in the 6G (6th generation mobile communications systems) era, in addition to providing telecommunications services during large-scale disasters when terrestrial networks are disrupted.
- In April 2025, the Company was selected as a "DX Stocks 2025" for the fifth consecutive year by the Ministry of Economy, Trade and Industry, the Tokyo Stock Exchange, and the Information-technology Promotion Agency, Japan. Furthermore, from the 31 companies selected as "DX Stocks 2025," the Company was for the first time named a "DX Grand Prix 2025" company, an enterprise that leads the digital era. This was the result of strong recognition of its outstanding capabilities in realizing DX⁶, such as the development and skill enhancement of digital and AI talent, the operational efficiency and sophistication of its existing business models, and its proactive sharing of information with stakeholders, including through its IR activities.
Additionally, in May 2025, the Company was selected for the first time as an "SX Brand 2025," a group of progressive companies that enhance their ability to generate growth capital in a sustainable manner through SX⁷ with the aim of improving corporate value. This was due to strong recognition of the Company's value creation story of generating social value with technology as a competitive advantage, as well as its practice of setting TSR (Total Shareholder Return) as a medium- to long-term growth indicator and linking it to executive remuneration.

Notes:

1. For details on the material issues, please see the Company's website:
<https://www.softbank.jp/en/corp/sustainability/materiality/>
2. Long-term interest-bearing debt refers to interest-bearing debt (bank loans, bonds, lease obligations, and securitization of receivables) excluding short-term borrowings and the impact of adopting IFRS 16 "Leases." Borrowings at fixed interest rates include certain borrowings with floating interest rates for which a fixed interest expense is obtained through interest rate swap transactions and others.
3. LTA (Lighter-Than-Air) refers to a HAPS platform that remains airborne by utilizing buoyancy, being lighter than air.
4. HAPS (High Altitude Platform Station) collectively refers to systems that provide telecommunication services over wide areas by operating uncrewed vehicles as telecommunications base stations, such as aircraft continuously flown in the stratosphere.
5. UAV refers to uncrewed aerial vehicles.
6. DX (digital transformation) refers the use of digital technology to provide new value and experiences and transform society.
7. SX (sustainability transformation) refers to an initiative in which a company strives to improve long-term and sustainable corporate value by synchronizing the sustainability of society with that of itself while carrying out the necessary management and business reforms to achieve such synchronization.

b. Consolidated Results of Operations

(Billions of yen)

	Three Months Ended June 30			
	2024	2025	Change	Change %
Revenue	1,535.7	1,658.6	122.9	8.0%
Operating income	303.9	290.7	(13.2)	(4.3)%
Profit before income taxes	273.9	270.4	(3.5)	(1.3)%
Income taxes	(73.3)	(88.1)	(14.8)	20.2%
Net income	200.6	182.3	(18.3)	(9.1)%
Net income attributable to:				
Owners of the Company	162.5	145.3	(17.2)	(10.6)%
Non-controlling interests	38.1	37.0	(1.1)	(2.8)%
Adjusted EBITDA ¹	460.6	471.0	10.4	2.3%

Note:

1. Adjusted EBITDA = operating income + depreciation and amortization (including loss on disposal of non-current assets) + stock compensation expenses ± other adjustments. For details, refer to “(4) Non-IFRS Financial Measures.”

An overview of the consolidated results of operations for the three months ended June 30, 2025 is as follows:

(a) Revenue

For the three months ended June 30, 2025, revenue increased by ¥122.9 billion (8.0%) year on year to ¥1,658.6 billion, increasing across all reportable segments. Revenue increased by ¥36.1 billion in the Consumer segment mainly due to increases in revenues from sales of goods and others, by ¥27.0 billion in the Distribution segment mainly due to solid increase in revenue from ICT related products for enterprise customers and recurring revenue products, by ¥18.2 billion in the Enterprise segment mainly due to an increase in demand for solutions associated with digitalization, by ¥17.2 billion in the Financial segment mainly due to an increase in gross merchandise value of QR code payments and credit card services conducted by PayPay Corporation and PayPay Card Corporation, and by ¥9.9 billion in the Media & EC segment mainly due to increased commerce revenue. The progress rate against the consolidated financial result forecast for the fiscal year ending March 31, 2026 is 24.8%, indicating steady progress.

(b) Operating income

For the three months ended June 30, 2025, operating income decreased by ¥13.2 billion (4.3%) year on year to ¥290.7 billion. Operating income increased by ¥10.4 billion in the Financial segment, by ¥7.3 billion in the Enterprise segment, and by ¥4.3 billion in the Distribution segment. On the other hand, operating income decreased by ¥25.4 billion in the Media & EC segment and by ¥2.6 billion in the Consumer segment. Notably, the decrease of operating income in the Media & EC segment is mainly due to the absence of gain relating to loss of control over subsidiaries in the LY Group, which had been recorded in the same period of the previous year. The progress rate against the consolidated financial result forecast for the fiscal year ending March 31, 2026 is 29.1%, indicating steady progress.

(c) Net income

For the three months ended June 30, 2025, net income decreased by ¥18.3 billion (9.1%) year on year to ¥182.3 billion. This is mainly due to an increase in income tax resulting from the absence of the deferred tax impact from business restructuring of associates recorded in the same period of the previous year, and the aforementioned decrease in operating income, while these factors were partly offset by the absence of the loss on valuation of put options for equity method associates recorded in the same period of the previous year. Notably, as mentioned above, the decrease in operating income is mainly due to the absence of gain relating to loss of control over subsidiaries in the LY Group, which had been recorded in the same period of the previous year.

(d) Net income attributable to owners of the Company

For the three months ended June 30, 2025, net income attributable to owners of the Company decreased by ¥17.2 billion (10.6%) year on year to ¥145.3 billion. Net income attributable to non-controlling interests decreased by ¥1.1 billion (2.8%) year on year to ¥37.0 billion. The progress rate against the consolidated financial result forecast for the fiscal year ending March 31, 2026 is 26.9%, indicating steady progress.

(e) Adjusted EBITDA

For the three months ended June 30, 2025, adjusted EBITDA increased by ¥10.4 billion (2.3%) year on year to ¥471.0 billion, mainly due to an increase in operating income excluding the gain relating to loss of control over subsidiaries which had been recorded in the same period of the previous year and the remeasurement gain on step acquisition recorded in the current period.

c. Results by Segment

(a) Consumer Segment

OVERVIEW

In the Consumer segment, the Group provides services, such as mobile services, broadband services, and electricity services, including the *Ouchi Denki (Home Electricity)* service, to individual customers in Japan. The Company procures mobile devices from mobile device manufacturers and sells the mobile devices to distributors operating SoftBank shops, etc. and individual customers.

FINANCIAL RESULTS

(Billions of yen)				
	Three Months Ended June 30		Change	Change %
	2024	2025		
Revenue	681.7	717.8	36.1	5.3%
Operating expenses ¹	525.3	564.0	38.7	7.4%
Of which, depreciation and amortization	93.3	92.1	(1.2)	(1.3)%
Segment income	156.4	153.8	(2.6)	(1.6)%

Note:

1. Operating expenses include cost of sales, selling, general and administrative expenses, other operating income, and other operating expenses.

Breakdown of Revenue

(Billions of yen)				
	Three Months Ended June 30		Change	Change %
	2024	2025		
Service revenues	542.5	543.0	0.5	0.1%
Mobile	392.3	397.5	5.2	1.3%
Broadband	101.3	104.2	2.9	2.9%
Electricity	48.9	41.4	(7.6)	(15.5)%
Revenues from sales of goods and others	139.2	174.8	35.6	25.6%
Total revenue	681.7	717.8	36.1	5.3%

Consumer segment revenue increased by ¥36.1 billion (5.3%) year on year to ¥717.8 billion. Within Consumer segment revenue, service revenues increased by ¥0.5 billion (0.1%) year on year to ¥543.0 billion, and revenues from sales of goods and others increased by ¥35.6 billion (25.6%) year on year to ¥174.8 billion.

Within service revenues, mobile revenue increased by ¥5.2 billion (1.3%) year on year. The increase mainly reflected growth in smartphone subscribers, led primarily by the *Y!mobile* brand, amid a stable trend in average revenue per user. In addition, mobile revenue (excluding the impact of customer acquisition measures) has transitioned to year-on-year growth since the three months ended December 31, 2023.

(Billions of yen)					
	Fiscal Year Ended March 31, 2025				Fiscal Year Ending March 31, 2026
	Q1	Q2	Q3	Q4	Q1
Mobile revenue	392.3	396.5	388.2	397.5	397.5
Of which, the impact of customer acquisition measures ¹	—	—	(11.2)	(2.0)	—
Mobile revenue (excluding the impact of customer acquisition measures)	392.3	396.5	399.4	399.5	397.5
YoY change	7.6	4.5	6.3	6.4	5.2

Note:

1. Based on IFRS 15 “Revenue from Contracts with Customers”, certain customer acquisition measures are deducted from mobile revenue.

Broadband revenue increased by ¥2.9 billion (2.9%) year on year. This increase was mainly due to an increase in subscribers of the *SoftBank Hikari* fiber-optic service¹.

Electricity revenue decreased by ¥7.6 billion (15.5%) year on year. This decrease was mainly due to a decrease in transactions in the electricity market.

The increase in revenues from sales of goods and others was mainly due to an increase in unit prices as well as the number of mobile devices sold.

Operating expenses were ¥564.0 billion, an increase of ¥38.7 billion (7.4%) year on year. This increase was mainly due to increases in the cost of goods of smartphones, etc., and promotion expenses.

As a result, segment income decreased by ¥2.6 billion (1.6%) year on year to ¥153.8 billion.

Note:

1. Includes subscribers of SoftBank Air

(b) Enterprise Segment

OVERVIEW

In the Enterprise segment, the Group provides a wide range of services for enterprise customers. These include mobile services such as mobile lines and mobile device rental, fixed-line communications services such as fixed-line telephones and data communications, as well as various solution services for enterprises such as data center, cloud, security, global, AI, IoT, and digital marketing services.

FINANCIAL RESULTS

(Billions of yen)				
	Three Months Ended June 30		Change	Change %
	2024	2025		
Revenue	215.6	233.8	18.2	8.5%
Operating expenses ¹	174.1	185.0	10.9	6.3%
Of which, depreciation and amortization	43.5	43.3	(0.1)	(0.3)%
Segment income	41.5	48.8	7.3	17.7%

Note:

1. Operating expenses include cost of sales, selling, general and administrative expenses, other operating income, and other operating expenses.

Breakdown of Revenue

(Billions of yen)				
	Three Months Ended June 30		Change	Change %
	2024	2025		
Mobile	76.6	82.5	6.0	7.8%
Fixed-line	42.6	42.2	(0.4)	(1.0)%
Business solution and others	96.4	109.1	12.7	13.2%
Total revenue	215.6	233.8	18.2	8.5%

Enterprise segment revenue increased by ¥18.2 billion (8.5%) year on year to ¥233.8 billion. Within Enterprise segment revenue, mobile revenue increased by ¥6.0 billion (7.8%) to ¥82.5 billion, fixed-line revenue decreased by ¥0.4 billion (1.0%) to ¥42.2 billion, and business solution and others revenue increased by ¥12.7 billion (13.2%) to ¥109.1 billion.

The increase in mobile revenue was mainly due to increases in telecommunications revenue from a growth in the number of mobile service subscribers, as well as an increase in mobile device sales.

The decrease in fixed-line revenue was mainly due to a decrease in the number of telephone service subscribers.

The increase in business solution and others revenue was mainly due to increased revenue mainly from cloud, and security solutions as a result of capturing enterprise customers' demand for digitalization.

Operating expenses were ¥185.0 billion, an increase of ¥10.9 billion (6.3%) year on year. This increase was mainly due to an increase in costs following the abovementioned increase in business solution and others revenue.

As a result, segment income increased by ¥7.3 billion (17.7%) year on year to ¥48.8 billion.

(c) Distribution Segment

OVERVIEW

In the Distribution segment, the Group provides cutting-edge products and services that quickly capture the ever-changing market environment. For enterprise customers, the Group offers products and services primarily addressing cloud services and advanced technologies including AI. For individual customers, the Group undertakes the planning and provision of products and services across a wide range of areas such as software, mobile accessories, and IoT products, as a manufacturer and a distributor.

FINANCIAL RESULTS

(Billions of yen)				
	Three Months Ended June 30		Change	Change %
	2024	2025		
Revenue	220.9	247.9	27.0	12.2%
Operating expenses ¹	213.2	235.9	22.7	10.7%
Of which, depreciation and amortization	1.1	1.0	(0.1)	(13.3)%
Segment income	7.7	11.9	4.3	55.4%

Note:

1. Operating expenses include cost of sales, selling, general and administrative expenses, other operating income, and other operating expenses.

Distribution segment revenue increased by ¥27.0 billion (12.2%) year on year to ¥247.9 billion. This increase was mainly due to solid growth in ICT related products for enterprise customers and recurring revenue products such as cloud and SaaS, which have been strategic areas of focus, as well as increased sales of PCs due to GIGA School Program Phase 2 and migration from Windows 10, which is reaching the end of its support.

Operating expenses were ¥235.9 billion, an increase of ¥22.7 billion (10.7%) year on year. This increase was mainly due to an increase in cost of sales associated with the increase in revenue.

As a result, segment income increased by ¥4.3 billion (55.4%) year on year to ¥11.9 billion.

(d) Media & EC Segment

OVERVIEW

In the Media & EC segment, the Group offers services that center on media and commerce, covering online to offline services in a comprehensive manner. In the media field, the Group provides advertising-related services on its comprehensive Internet service, *Yahoo! JAPAN*, and communication app, *LINE*. In the commerce field, the Group provides online shopping services such as *Yahoo! JAPAN Shopping* and *ZOZOTOWN*, and reuse services such as *Yahoo! JAPAN Auction*. In the strategy field, the Group provides services centered on FinTech, which the Group is working to develop into new drivers of earnings alongside media and commerce.

FINANCIAL RESULTS

(Billions of yen)				
	Three Months Ended June 30		Change	Change %
	2024	2025		
Revenue	397.0	406.9	9.9	2.5%
Operating expenses ¹	300.9	336.2	35.3	11.7%
Of which, depreciation and amortization	40.3	40.2	(0.1)	(0.3)%
Segment income	96.1	70.7	(25.4)	(26.4)%

Note:

* From the three months ended June 30, 2025, PayPay Bank Corporation, which was previously classified under the “Media & EC segment,” has been transferred to the “Financial segment.” As a result, the figures for the three months ended June 30, 2024 have been retrospectively adjusted.

1. Operating expenses include cost of sales, selling, general and administrative expenses, other operating income, and other operating expenses.

Breakdown of Revenue

(Billions of yen)				
	Three Months Ended June 30		Change	Change %
	2024	2025		
Media	174.5	175.7	1.2	0.7%
Commerce	208.2	215.5	7.2	3.5%
Strategy	12.7	13.6	0.9	7.1%
Other	1.6	2.1	0.5	28.3%
Total revenue	397.0	406.9	9.9	2.5%

Note:

* In the three months ended December 31, 2024, the LY Group revised its management categories and transferred certain services previously categorized under “Media” to “Commerce.” Also, from the three months ended June 30, 2025, in addition to the LY Group revising its management categories, PayPay Bank Corporation, which was previously classified under the “Media & EC segment,” has been transferred to the “Financial segment.” As a result, the revenue breakdown of all service categories in the “Media & EC segment” for the three months ended June 30, 2024 has been retrospectively adjusted.

Media & EC segment revenue increased by ¥9.9 billion (2.5%) year on year to ¥406.9 billion. Within Media & EC segment revenue, media revenue increased by ¥1.2 billion (0.7%) to ¥175.7 billion, commerce revenue increased by ¥7.2 billion (3.5%) to ¥215.5 billion, strategy revenue increased by ¥0.9 billion (7.1%) to ¥13.6 billion, and other revenue increased by ¥0.5 billion (28.3%) to ¥2.1 billion.

The increase in media revenue mainly reflected an increase in revenue from account advertising.

The increase in commerce revenue was mainly due to an increase in transaction value of the ZOZO Group (ZOZO, Inc. and its subsidiaries) and the ASKUL Group (ASKUL Corporation and its subsidiaries), as well as a strong performance by service e-commerce, which handles travel and restaurant booking.

The increase in strategy revenue mainly reflected an increase in revenue in the FinTech field.

Operating expenses were ¥336.2 billion, an increase of ¥35.3 billion (11.7%) year on year. This increase mainly reflected the absence of gain on loss of control over subsidiaries for IPX Corporation, LINE NEXT Corporation, and ValueCommerce Co., Ltd., which had been recorded in the same period of the previous year, and an increase in sales promotion expenses, while there was the recording of remeasurement gain on step acquisition of LINE Bank Taiwan Limited.

As a result, segment income decreased by ¥25.4 billion (26.4%) year on year to ¥70.7 billion.

(e) Financial Segment

OVERVIEW

In the Financial segment, the Group provides cashless payment services such as QR code payments and credit card services, development and provision of marketing solutions for merchants, financial services such as banking business and asset management, and provision of payment processing services offering one-stop payment solutions for diversified payment methods including credit cards, electronic money, and QR codes.

FINANCIAL RESULTS

	(Billions of yen)			
	Three Months Ended June 30		Change	Change %
	2024	2025		
Revenue	74.1	91.3	17.2	23.2%
Operating expenses ¹	66.5	73.2	6.7	10.1%
Of which, depreciation and amortization	6.7	7.8	1.1	16.1%
Segment income	7.6	18.1	10.4	136.8%

Note:

* From the three months ended June 30, 2025, PayPay Bank Corporation, which was previously classified under the “Media & EC segment,” has been transferred to the “Financial segment.” As a result, the figures for the three months ended June 30, 2024 have been retrospectively adjusted.

1. Operating expenses include cost of sales, selling, general and administrative expenses, other operating income, and other operating expenses.

Financial segment revenue increased by ¥17.2 billion (23.2%) year on year to ¥91.3 billion. This increase was mainly due to an increase in gross merchandise value of QR code payments and credit card services conducted by PayPay Corporation and PayPay Card Corporation.

Operating expenses were ¥73.2 billion, an increase of ¥6.7 billion (10.1%) year on year. This increase was mainly due to an increase in sales promotion expenses related to point rewards, etc., due to the aforementioned increase in gross merchandise value of QR code payments and credit card services conducted by PayPay Corporation and PayPay Card Corporation.

As a result, segment income increased by ¥10.4 billion (136.8%) year on year to ¥18.1 billion.

(2) Overview of Consolidated Financial Position

(Billions of yen)				
	March 31, 2025	June 30, 2025	Change	Change %
Current assets	4,858.7	5,134.9	276.3	5.7%
Non-current assets	11,243.5	11,927.3	683.8	6.1%
Total assets	16,102.2	17,062.2	960.0	6.0%
Current liabilities	6,835.2	7,527.1	691.9	10.1%
Non-current liabilities	5,001.6	5,247.9	246.3	4.9%
Total liabilities	11,836.8	12,775.0	938.2	7.9%
Total equity	4,265.4	4,287.2	21.8	0.5%

(Billions of yen)			
Three Months Ended June 30			
	2024	2025	Change
Capital expenditures ¹	203.4	182.8	(20.7)
Of which, capital expenditures in the Consumer segment and Enterprise segment ²	66.8	82.4	15.6

Notes:

1. Acceptance basis.
2. Capital expenditures in the Consumer segment and the Enterprise segment exclude investments in devices for rental services, shared equipment (contributions by other operators), and the impact of adopting IFRS 16 "Leases."

ASSETS

Total assets amounted to ¥17,062.2 billion as of June 30, 2025, an increase of ¥960.0 billion (6.0%) from the previous fiscal year-end. This was mainly due to an increase of ¥498.0 billion in other financial assets, ¥121.7 billion in cash and cash equivalents, ¥115.6 billion in investment securities in banking business, ¥62.9 billion in investment securities, and ¥58.4 billion in goodwill. The increase in other financial assets was mainly due to the consolidation of LINE Bank Taiwan Limited as a subsidiary.

LIABILITIES

Total liabilities amounted to ¥12,775.0 billion as of June 30, 2025, an increase of ¥938.2 billion (7.9%) from the previous fiscal year-end. This mainly reflected an increase of ¥548.3 billion in interest-bearing debt and ¥532.7 billion in deposits for banking business, while there was a decrease of ¥125.6 billion in trade and other payables. The increase in interest-bearing debt was mainly due to fund procurement such as securitization of sales receivables at the Company and PayPay Card Corporation. Also, the increase in deposits for banking business was mainly due to the consolidation of LINE Bank Taiwan Limited as a subsidiary.

EQUITY

Total equity amounted to ¥4,287.2 billion as of June 30, 2025, an increase of ¥21.8 billion (0.5%) from the previous fiscal year-end. Equity attributable to owners of the Company decreased by ¥42.2 billion, while non-controlling interests increased by ¥64.1 billion. The decrease in equity attributable to owners of the Company mainly reflected a decrease of ¥209.2 billion due to payment of cash dividends, while there was an increase of ¥145.3 billion due to the recording of net income for the three months ended June 30, 2025 and an increase of ¥9.2 billion due to the issuance of new shares.

CAPITAL EXPENDITURES

In the three months ended June 30, 2025, capital expenditures were ¥182.8 billion, a decrease of ¥20.7 billion year on year. This decrease was mainly because while we made purchases of AI computing infrastructure (GPU servers) in the same period of the previous year as part of our ongoing investment in AI computing infrastructure and AI data centers, there were no such purchases in the current period.

(3) Overview of Consolidated Cash Flows

(Billions of yen)

	Three Months Ended June 30		Change
	2024	2025	
Cash flows from operating activities	264.3	197.1	(67.2)
Cash flows from investing activities	(318.7)	(344.7)	(26.0)
Cash flows from financing activities	(70.6)	261.1	331.6
Cash and cash equivalents at the end of the period	1,906.9	1,557.3	(349.7)
Free cash flow ¹	(54.3)	(147.6)	(93.2)
Adjusted free cash flow (excluding LY Group, PayPay, etc.) ^{1,2}	51.6	86.3	34.7
Primary free cash flow ^{1,3}	95.6	94.1	(1.4)

Notes:

1. Refer to "(4) Non-IFRS Financial Measures" for calculation methods of free cash flow, adjusted free cash flow (excluding LY Group, PayPay, etc.) and primary free cash flow.
2. Adjusted free cash flow (excluding LY Group, PayPay, etc.) = free cash flow + (proceeds from the securitization of installment sales receivables – repayments thereof) + dividends received from A Holdings Corporation – investment in PayPay Corporation + proceeds from sales of shares in PayPay Securities Corporation – free cash flow of the LY Group, PayPay, etc. "LY Group, PayPay, etc." refers to A Holdings Corporation, LY Corporation and its subsidiaries (LY Group), B Holdings Corporation, PayPay Corporation, PayPay Card Corporation, PayPay Bank Corporation, PayPay Securities Corporation, etc.
3. Primary free cash flow is a measure calculated by adding back the amounts spent as long-term growth investments to adjusted free cash flow (excluding LY Group, PayPay, etc.). Long-term growth investments include investments in AI computing infrastructure and AI data centers.

a. Cash flows from operating activities

In the three months ended June 30, 2025, net cash inflow from operating activities was ¥197.1 billion, a decrease of ¥67.2 billion in cash inflow year on year. This decrease mainly reflected an increase in necessary working capital such as trade receivables, payables, and inventories, as well as a decrease in income taxes refunded, while there were increases in EBITDA and deposits for banking business.

b. Cash flows from investing activities

In the three months ended June 30, 2025, net cash outflow from investing activities was ¥344.7 billion, an increase of ¥26.0 billion in cash outflow year on year. This increase mainly reflected an increase in payments for obtaining control of subsidiaries and an increase in payments for acquisition of investments, while there was a decrease in purchases of property, plant and equipment and intangible assets.

Cash flows from investing activities include an expenditure of ¥7.8 billion related to long-term growth investments.

c. Cash flows from financing activities

In the three months ended June 30, 2025, net cash outflow from financing activities was ¥261.1 billion. While there were cash inflows of ¥898.7 billion from fund procurement, including bank loans, leases, corporate bonds, and the securitization of receivables, there were cash outflows of ¥637.6 billion for factors including the contractual repayment of loans and payment of cash dividends.

d. Cash and cash equivalents at the end of the period

As a result of (a) through (c) above and others, cash and cash equivalents as of June 30, 2025 were ¥1,557.3 billion, a decrease of ¥349.7 billion year on year.

e. Primary free cash flow

In the three months ended June 30, 2025, primary free cash flow was positive ¥94.1 billion, a decrease of ¥1.4 billion year on year. For details, refer to "b. Free Cash Flow, Adjusted Free Cash Flow (excluding LY Group, PayPay, etc.), and Primary Free Cash Flow" under "(4) Non-IFRS Financial Measures."

(4) Non-IFRS Financial Measures

The Group uses financial indicators that are not defined or recognized by IFRS. The indicators are used by management to enhance understanding of the Group's performance and to serve as important measures for evaluating current performance. Since these measures are not defined by IFRS, they may be calculated differently or used for different purposes by other companies, which restricts their usefulness in terms of comparability.

a. Adjusted EBITDA

Adjusted EBITDA is calculated by adding and subtracting "Depreciation and amortization (including loss on disposal of non-current assets)", "Stock compensation expenses" and "Other adjustments" that do not occur in normal business activities, to operating income. "Other adjustments" include "Other operating income" and "Other operating expenses" presented in the Condensed Interim Consolidated Statement of Income. The Groups uses adjusted EBITDA as a measure for evaluating performance excluding the impact of non-cash transactions. The Group believes that adjusted EBITDA is a useful and necessary indicator to appropriately evaluate performance.

Operating income is reconciled to adjusted EBITDA as follows.

	Three Months Ended June 30, 2024	(Billions of yen) Three Months Ended June 30, 2025
Operating income	303.9	290.7
(Add) Depreciation and amortization ¹	189.9	191.3
(Add) Stock compensation expenses	3.3	3.4
(Add (subtract)) Other adjustments: Remeasurement gain on step acquisition	-	(14.5)
(Add (subtract)) Other adjustments: Gain relating to loss of control over subsidiaries	(39.0)	-
(Add (subtract)) Other adjustments: Impairment loss	2.5	-
Adjusted EBITDA	460.6	471.0

Note:

1. "Depreciation and amortization" in the table above includes Depreciation and amortization (¥186.9 billion for the three months ended June 30, 2024 and ¥188.8 billion for the three months ended June 30, 2025) and Loss on disposal of property, plant and equipment and intangible assets (¥2.9 billion for the three months ended June 30, 2024 and ¥2.6 billion for the three months ended June 30, 2025) stated in "3. Condensed Interim Consolidated Financial Statements and Primary Notes, (4) Condensed Interim Consolidated Statement of Cash Flows."

b. Free Cash Flow, Adjusted Free Cash Flow (excluding LY Group, PayPay, etc.), and Primary Free Cash Flow

Free cash flow is a measure calculated by adding cash flows from operating activities and cash flows from investing activities.

Adjusted free cash flow (excluding LY Group, PayPay, etc.) is calculated by adding the proceeds from the securitization of installment sales receivables for devices, subtracting the repayments thereof, as well as adding the dividend payments received from A Holdings Corporation, and excluding the free cash flow of LY Group, PayPay, etc.

Primary free cash flow is a measure that excludes strategic investments which contribute to mid- to long-term growth, such as the construction of AI computing infrastructure, from adjusted free cash flow (excluding LY Group, PayPay, etc.). The Group believes this is a useful indicator for evaluating ongoing cash generating ability i.e., debt repayment ability and dividend paying ability, mainly in existing businesses of the Company and its wholly owned subsidiaries.

On the consolidated statement of cash flows, the proceeds and repayments from the securitization of installment sales receivables are included in the cash flows from financing activities. Given that said receivables arise in the course of operating activities, the Group believes that an indicator that would more appropriately represent the Group's ordinary cash generating capacity would add or subtract the cash flow from the securitization of said receivables to or from the cash flows from operating activities. Therefore, in the process of calculating adjusted free cash flow (excluding LY Group, PayPay, etc.) and primary free cash flow, we add and subtract the proceeds and repayments from the securitization of installment sales receivables as adjustments to free cash flow.

Adjustment items and adjustment amounts for free cash flow, adjusted free cash flow (excluding LY Group, PayPay, etc.), and primary free cash flow are as follows.

	Three Months Ended June 30, 2024	(Billions of yen) Three Months Ended June 30, 2025
Cash flows from operating activities	264.3	197.1
Cash flows from investing activities (capital expenditures) ¹	(186.8)	(144.7)
Cash flows from investing activities (others) ²	(131.8)	(200.0)
Free cash flow	(54.3)	(147.6)
Effect of securitization of installment sales receivables	16.7	131.3
Securitization of installment sales receivables: Proceeds ³	109.9	241.9
Securitization of installment sales receivables: Repayments ³	(93.2)	(110.6)
Free cash flow from LY Group, PayPay, etc. ⁴	89.3	116.3
Others ⁵	0.0	(13.7)
Adjusted free cash flow (excluding LY Group, PayPay, etc.)	51.6	86.3
Long-term growth investments ⁶	(43.9)	(7.8)
Primary free cash flow	95.6	94.1

Notes:

- Cash flows from investing activities (capital expenditures) is the net amount of "Purchases of property, plant and equipment and intangible assets" and "Proceeds from sales of property, plant and equipment and intangible assets" included in Cash flows from investing activities on the Condensed Interim Consolidated Statement of Cash Flows.
- Cash flows from investing activities (others) is the net amount of "Payments for acquisition of investments," "Proceeds from sales/redemption of investments," "Purchase of investment securities in banking business," "Proceeds from sales/redemption of investment securities in banking business," "Proceeds from (payments for) obtaining control of subsidiaries," "Proceeds from (payments for) loss of control over subsidiaries," and "Other" included in Cash flows from investing activities on the Condensed Interim Consolidated Statement of Cash Flows.
- Securitization of installment sales receivables: Proceeds and Securitization of installment sales receivables: Repayments are mainly included in "Increase (decrease) in short-term interest-bearing debt, net," "Proceeds from interest-bearing debt" and "Repayment of interest-bearing debt" included in Cash flows from financing activities on the Condensed Interim Consolidated Statement of Cash Flows. Proceeds and repayments of short-term installment sales receivables transactions are netted.
- "LY Group, PayPay, etc." refers to A Holdings Corporation, LY Corporation and its subsidiaries (LY Group), B Holdings Corporation, PayPay Corporation, PayPay Card Corporation, PayPay Bank Corporation, PayPay Securities Corporation, etc.
- Includes items such as dividends received from A Holdings Corporation, investment in PayPay Corporation, and proceeds from sales of shares in PayPay Securities Corporation.
- Includes investments in AI computing infrastructure and AI data centers.

(5) Forecasts

For the fiscal year ending March 31, 2025, the Company is forecasting revenue of ¥6,700.0 billion, operating income of ¥1,000.0 billion, and net income attributable to owners of the Company of ¥540.0 billion. There have been no changes to the consolidated financial result forecasts announced on May 8, 2025 in the Consolidated Financial Report for the Fiscal Year Ended March 31, 2025.

2. Notes to Summary Information

(1) Significant Changes in Scope of Consolidation for the Three Months Ended June 30, 2025

(Subsidiary (one company) newly consolidated)

LY Corporation, a subsidiary of the Company, has increased the capital into LINE Bank Taiwan Limited (hereinafter “LBT”), an associate of LY Corporation, through its subsidiary, LINE Financial Taiwan Limited (hereinafter “LFT”) on June 17, 2025. As a result of this transaction, the voting rights of LFT in LBT reached 51.2%, thereby exceeding a majority. As a result, LY Corporation has acquired control over LBT, and LBT has become the Group’s subsidiary.

(2) Changes in Accounting Policies and Accounting Estimates

There are no changes in accounting policies and accounting estimates to be disclosed.

3. Condensed Interim Consolidated Financial Statements and Primary Notes

(1) Condensed Interim Consolidated Statement of Financial Position

	(Millions of yen)	
	As of March 31, 2025	As of June 30, 2025
ASSETS		
Current assets		
Cash and cash equivalents	1,435,525	1,557,260
Trade and other receivables	2,805,640	2,792,238
Other financial assets	260,236	349,860
Inventories	191,451	213,327
Other current assets	165,803	222,244
Total current assets	4,858,655	5,134,929
Non-current assets		
Property, plant and equipment	1,966,995	1,971,078
Right-of-use assets	749,157	763,590
Goodwill	2,068,492	2,126,878
Intangible assets	2,531,480	2,546,822
Contract costs	384,500	405,887
Investments accounted for using the equity method	273,148	250,401
Investment securities	255,068	317,952
Investment securities in banking business	747,056	862,626
Other financial assets	2,099,465	2,507,793
Deferred tax assets	65,128	68,233
Other non-current assets	103,051	106,035
Total non-current assets	11,243,540	11,927,295
Total assets	16,102,195	17,062,224

		(Millions of yen)
	As of March 31, 2025	As of June 30, 2025
LIABILITIES AND EQUITY		
Current liabilities		
Interest-bearing debt	1,646,524	1,996,540
Trade and other payables	2,828,640	2,702,994
Contract liabilities	137,223	163,418
Deposits for banking business	1,795,965	2,328,697
Other financial liabilities	2,742	4,468
Income taxes payable	122,844	59,152
Provisions	52,932	51,615
Other current liabilities	248,336	220,225
Total current liabilities	6,835,206	7,527,109
Non-current liabilities		
Interest-bearing debt	4,315,628	4,513,875
Other financial liabilities	104,741	111,266
Provisions	142,392	150,823
Deferred tax liabilities	322,232	351,260
Other non-current liabilities	116,625	120,696
Total non-current liabilities	5,001,618	5,247,920
Total liabilities	11,836,824	12,775,029
Equity		
Equity attributable to owners of the Company		
Common stock	228,162	232,761
Capital surplus	927,067	938,488
Retained earnings	1,594,862	1,530,455
Treasury stock	(29,221)	(29,221)
Accumulated other comprehensive income (loss)	22,760	28,900
Total equity attributable to owners of the Company	2,743,630	2,701,383
Non-controlling interests	1,521,741	1,585,812
Total equity	4,265,371	4,287,195
Total liabilities and equity	16,102,195	17,062,224

(2) Condensed Interim Consolidated Statement of Income and Condensed Interim Consolidated Statement of Comprehensive Income

For the three months ended June 30, 2024 and 2025

Condensed Interim Consolidated Statement of Income

	(Millions of yen)	
	Three months ended June 30, 2024	Three months ended June 30, 2025
Revenue	1,535,722	1,658,615
Cost of sales	(762,330)	(837,929)
Gross profit	773,392	820,686
Selling, general and administrative expenses	(510,203)	(544,454)
Other operating income	43,195	14,502
Other operating expenses	(2,457)	-
Operating income	303,927	290,734
Gain on changes in equity interest	2,839	-
Share of losses of associates accounted for using the equity method	(2,831)	(3,617)
Financing income	4,514	5,569
Financing costs	(37,697)	(22,252)
Gain on sales of equity method investments	3,160	-
Profit before income taxes	273,912	270,434
Income taxes	(73,343)	(88,134)
Net income ¹	200,569	182,300
Net income attributable to		
Owners of the Company	162,510	145,310
Non-controlling interests	38,059	36,990
	200,569	182,300
Earnings per share attributable to owners of the Company ²		
Basic earnings per share (Yen)	3.43	3.00
Diluted earnings per share (Yen)	3.38	2.97

Notes:

1. All net income of SoftBank Corp. and its subsidiaries for the three months ended June 30, 2024 and 2025 were generated from continuing operations.
2. The Company conducted a stock split whereby each share of the Company's common shares was split into 10 shares, with the effective date being October 1, 2024. "Basic earnings per share" and "Diluted earnings per share" are calculated assuming that the stock split had been carried out at the beginning of the previous fiscal year.

Condensed Interim Consolidated Statement of Comprehensive Income

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Net income	200,569	182,300
Other comprehensive income (loss), net of tax		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit plan	-	(1,647)
Changes in the fair value of equity instruments at FVTOCI	(988)	4,839
Share of other comprehensive income (loss) of associates accounted for using the equity method	(77)	(10)
Total items that will not be reclassified to profit or loss	(1,065)	3,182
Items that may be reclassified subsequently to profit or loss		
Changes in the fair value of debt instruments at FVTOCI	(1,716)	783
Cash flow hedges	1,968	(1,567)
Exchange differences on translation of foreign operations	18,423	12,930
Share of other comprehensive income (loss) of associates accounted for using the equity method	4,269	3,791
Total items that may be reclassified subsequently to profit or loss	22,944	15,937
Total other comprehensive income (loss), net of tax	21,879	19,119
Total comprehensive income	222,448	201,419
Total comprehensive income attributable to		
Owners of the Company	174,665	150,675
Non-controlling interests	47,783	50,744
	222,448	201,419

(3) Condensed Interim Consolidated Statement of Changes in Equity

For the three months ended June 30, 2024

(Millions of yen)

	Equity attributable to owners of the Company						Non-controlling interests	Total equity
	Common stock	Capital surplus	Retained earnings	Treasury stock	Accumulated other comprehensive income (loss)	Total		
As of April 1, 2024	214,394	736,052	1,475,775	(75,822)	26,675	2,377,074	1,558,573	3,935,647
Comprehensive income								
Net income	-	-	162,510	-	-	162,510	38,059	200,569
Other comprehensive income (loss)	-	-	-	-	12,155	12,155	9,724	21,879
Total comprehensive income	-	-	162,510	-	12,155	174,665	47,783	222,448
Transactions with owners and other transactions								
Cash dividends	-	-	(203,707)	-	-	(203,707)	(24,703)	(228,410)
Issuance of new shares	3,404	3,404	-	-	-	6,808	-	6,808
Purchase of treasury stock	-	-	-	(0)	-	(0)	-	(0)
Disposal of treasury stock	-	(6,276)	-	11,258	-	4,982	-	4,982
Changes from business combinations	-	-	-	-	-	-	-	-
Changes from loss of control	-	4,831	-	-	-	4,831	(11,937)	(7,106)
Changes in interests in existing subsidiaries	-	(11,980)	-	-	-	(11,980)	(9,514)	(21,494)
Share-based payment transactions	-	(582)	-	-	-	(582)	-	(582)
Transfer from accumulated other comprehensive income (loss) to retained earnings	-	-	436	-	(436)	-	-	-
Other	-	(37)	(25)	-	-	(62)	(87)	(149)
Total transactions with owners and other transactions	3,404	(10,640)	(203,296)	11,258	(436)	(199,710)	(46,241)	(245,951)
As of June 30, 2024	217,798	725,412	1,434,989	(64,564)	38,394	2,352,029	1,560,115	3,912,144

For the three months ended June 30, 2025

(Millions of yen)

	Equity attributable to owners of the Company						Non-controlling interests	Total equity
	Common stock	Capital surplus	Retained earnings	Treasury stock	Accumulated other comprehensive income (loss)	Total		
As of April 1, 2025	228,162	927,067	1,594,862	(29,221)	22,760	2,743,630	1,521,741	4,265,371
Comprehensive income								
Net income	-	-	145,310	-	-	145,310	36,990	182,300
Other comprehensive income (loss)	-	-	-	-	5,365	5,365	13,754	19,119
Total comprehensive income	-	-	145,310	-	5,365	150,675	50,744	201,419
Transactions with owners and other transactions								
Cash dividends	-	-	(209,195)	-	-	(209,195)	(43,966)	(253,161)
Issuance of new shares	4,599	4,599	-	-	-	9,198	-	9,198
Purchase of treasury stock	-	-	-	(0)	-	(0)	-	(0)
Disposal of treasury stock	-	-	-	-	-	-	-	-
Changes from business combinations	-	-	-	-	-	-	42,135	42,135
Changes from loss of control	-	-	-	-	-	-	984	984
Changes in interests in existing subsidiaries	-	6,649	-	-	-	6,649	14,611	21,260
Share-based payment transactions	-	495	-	-	-	495	-	495
Transfer from accumulated other comprehensive income (loss) to retained earnings	-	-	(775)	-	775	-	-	-
Other	-	(322)	253	-	-	(69)	(437)	(506)
Total transactions with owners and other transactions	4,599	11,421	(209,717)	(0)	775	(192,922)	13,327	(179,595)
As of June 30, 2025	232,761	938,488	1,530,455	(29,221)	28,900	2,701,383	1,585,812	4,287,195

(4) Condensed Interim Consolidated Statement of Cash Flows

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Cash flows from operating activities		
Net income	200,569	182,300
Depreciation and amortization	186,948	188,753
Loss on disposal of property, plant and equipment and intangible assets	2,930	2,585
Remeasurement gain on step acquisition	-	(14,502)
Gain relating to loss of control over subsidiaries	(43,195)	-
Financing income	(4,514)	(5,569)
Financing costs	37,697	22,252
Share of losses of associates accounted for using the equity method	2,831	3,617
Gain on sales of equity method investments	(3,160)	-
Gain on changes in equity interest	(2,839)	-
Income taxes	73,343	88,134
(Increase) decrease in trade and other receivables	48,278	27,611
(Increase) decrease in inventories	(25,383)	(21,822)
Purchases of mobile devices leased to enterprise customers	(10,712)	(20,843)
Increase (decrease) in trade and other payables	(113,661)	(148,955)
Increase (decrease) in consumption taxes payable	2,571	8,976
Increase (decrease) in deposits for banking business	47,163	161,220
(Increase) decrease in loans in banking business	(41,340)	(42,620)
Other	(15)	(86,035)
Subtotal	357,511	345,102
Interest and dividends received	5,057	1,826
Interest paid	(17,990)	(19,705)
Income taxes paid	(123,591)	(130,308)
Income taxes refunded	43,361	205
Net cash inflow from operating activities	264,348	197,120
Cash flows from investing activities		
Purchases of property, plant and equipment and intangible assets	(187,431)	(145,028)
Proceeds from sales of property, plant and equipment and intangible assets	582	315
Payments for acquisition of investments	(37,616)	(68,757)
Proceeds from sales/redemption of investments	12,465	12,950
Purchase of investment securities in banking business	(101,153)	(116,305)
Proceeds from sales/redemption of investment securities in banking business	31,400	27,364
Proceeds from (payments for) obtaining control of subsidiaries	-	(52,100)
Proceeds from (payments for) loss of control over subsidiaries	(23,125)	(2)
Other	(13,811)	(3,111)
Net cash outflow from investing activities	(318,689)	(344,674)

		(Millions of yen)
	Three months ended June 30, 2024	Three months ended June 30, 2025
Cash flows from financing activities		
Increase (decrease) in short-term interest-bearing debt, net	2,138	373,276
Proceeds from interest-bearing debt	471,453	463,044
Repayment of interest-bearing debt	(305,909)	(354,093)
Proceeds from issuance of shares	7,424	9,452
Proceeds from stock issuance to non-controlling interests	117	52,891
Cash dividends paid	(201,402)	(201,593)
Cash dividends paid to non-controlling interests	(24,767)	(51,687)
Other	(19,605)	(30,211)
Net cash inflow (outflow) from financing activities	(70,551)	261,079
Effect of exchange rate changes on cash and cash equivalents	5,918	8,210
Increase (decrease) in cash and cash equivalents relating to transfer of assets classified as held for sale	33,011	-
Increase (decrease) in cash and cash equivalents	(85,963)	121,735
Cash and cash equivalents at the beginning of the period	1,992,873	1,435,525
Cash and cash equivalents at the end of the period	1,906,910	1,557,260

(5) Notes on Going Concern Assumption

There are no applicable items.

(6) Notes to Condensed Interim Consolidated Financial Statements

1. Reporting entity

SoftBank Corp. (the “Company”) is a corporation (kabushiki kaisha) under the Companies Act of Japan and is domiciled in Japan. The registered address of its head office is 7-1 Kaigan 1-chome, Minato-ku, Tokyo, Japan. These condensed interim consolidated financial statements are comprised of the Company and its subsidiaries (the “Group”). The parent of the Company is SoftBank Group Japan Corporation. The ultimate parent company of the Company is SoftBank Group Corp.

The Group is engaged in a variety of businesses in the information and technology fields centering on its Consumer, Enterprise, Distribution, Media & EC and Financial businesses. For details, refer to “(1) Summary of reportable segments” under “Note 6. Segment information.”

2. Basis of preparation of condensed interim consolidated financial statements

Compliance with standards

The condensed interim consolidated financial statements of the Group have been prepared in accordance with Article 5, Paragraph 2 of the standards for preparation of quarterly financial statements, etc. of Tokyo Stock Exchange, Inc. A part of the disclosures required under International Accounting Standard 34, “Interim Financial Reporting” of IFRS Accounting Standards (“IFRS”) is omitted under Article 5, Paragraph 5 of the said preparation standards.

3. Material accounting policies

The material accounting policies applied in the condensed interim consolidated financial statements are consistent with those of the consolidated financial statements as of and for the fiscal year ended March 31, 2025. “Income tax expenses” for the three months ended June 30, 2025 are calculated based on the estimated annual effective income tax rate.

4. Significant judgments and estimates

In preparing the condensed interim consolidated financial statements, management makes judgments, estimates, and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, revenue, and expenses.

These estimates and underlying assumptions are based on management’s best judgments, through their evaluation of various factors that were considered reasonable as of the respective period-end, based on historical experience and by collecting available information.

By the nature of its estimates or assumptions, however, actual results in the future may differ from those projected estimates or assumptions.

Estimates and underlying assumptions are continuously reviewed. Revisions to accounting estimates have been recognized in the period in which the estimate is revised as well as in future periods.

The judgments, estimates and assumptions that have significant impact on the amounts in the condensed interim consolidated financial statements of the Group are consistent with those described in the consolidated financial statements for the fiscal year ended March 31, 2025.

5. Business combinations

Three months ended June 30, 2024

Acquisition of Cubic Telecom Ltd.

(Finalization of the provisional accounting treatment for the business combination)

For the fiscal year ended March 31, 2024, provisional accounting was applied to the business combination with Cubic Telecom Ltd. that took place on March 6, 2024. The allocation of the consideration transferred was completed during the three months ended June 30, 2024. There are no significant changes between the initial provisional and final amounts.

Three months ended June 30, 2025

(1) Acquisition of BEENOS Inc.

a. Summary of the Transactions

LY Corporation, a subsidiary of the Company, commenced a tender offer for the common shares and share acquisition rights of BEENOS Inc. (hereinafter “BEENOS”) as resolved at its Board of Directors meeting held on March 21, 2025, with the aim of enhancing corporate value through the creation of business synergies, particularly in the cross-border e-commerce business.

The tender offer was completed on May 7, 2025, and LY Corporation acquired 10,918,182 common shares and stock acquisition rights (the number of shares to be issued upon exercise: 417,540) of BEENOS for a total cash consideration of ¥44,675 million. As a result, LY Corporation’s voting rights ratio in BEENOS increased to 84.08% (calculated based on the number of voting rights of issued common shares), and BEENOS has become a subsidiary of the Company.

b. Summary of the acquiree

Name BEENOS Inc.

Business Various e-commerce businesses domestically and internationally

c. Acquisition date

May 7, 2025

d. Consideration and its breakdown

	(Millions of yen)
	Acquisition date
	(May 7, 2025)
Cash paid	44,675
Total consideration	A 44,675

e. The table below shows the fair value of assets and liabilities, non-controlling interests, and goodwill as of the acquisition date¹:

	(Millions of yen)
	Acquisition date
	(May 7, 2025)
Cash and cash equivalents	16,909
Trade and other receivables	2,377
Other financial assets (current)	5,225
Other current assets	2,849
Intangible assets ²	11,189
Other non-current assets	3,827
Total assets	42,376
Interest-bearing debt (current)	3,229
Trade and other payables	9,249
Other current liabilities	1,703
Deferred tax liabilities	3,632
Other non-current liabilities	1,155
Total liabilities	18,968
Net assets	B 23,408
Non-controlling interests ³	C 3,786
Goodwill ⁴	A-(B-C) 25,053

Notes:

1. Consideration transferred is allocated to assets acquired and liabilities assumed based on their fair value as of the acquisition date.

2. The amount of intangible assets includes ¥10,829 million of trademarks as identifiable assets with indefinite useful lives. The amount of intangible assets recognized from business combinations is measured based on assumptions such as estimated future cash flows, discount rate, future sales forecast generated by the trademarks, and royalty rate.
3. Non-controlling interests are measured at the fair values of the acquiree's identifiable net assets as of the acquisition date, multiplied by the ratio of the non-controlling interests.
4. Goodwill reflects the ability to generate excess earnings resulting from expected future business development and synergies between the Group and the acquiree.

f. The table below shows payments for obtaining control of the subsidiary:

	(Millions of yen)
	Acquisition date (May 7, 2025)
Consideration paid in cash	(44,675)
Cash and cash equivalents held by the acquiree at the time of obtaining control	16,909
Cash paid for obtaining control of the subsidiary	(27,766)

g. Revenue and net income of the acquiree

The revenue and net income (before elimination of intercompany transactions) of the acquiree recorded in the condensed interim consolidated statement of income on and after the acquisition date are ¥1,631 million and ¥221 million, respectively.

h. Consolidated revenue and net income on the assumption that the business combination was completed at the beginning of the year:

On the assumption that the acquisition date is April 1, 2025, the Company's consolidated pro forma financial information (unaudited) for the three months ended June 30, 2025 is as follows:

	(Millions of yen)
	Three months ended June 30, 2025
Revenue (Pro forma financial information)	1,661,693
Net income (Pro forma financial information)	182,454

(2) Conversion of LINE Bank Taiwan Limited into a subsidiary through capital increase

a. Summary of the Transactions

LY Corporation, a subsidiary of the Company, has decided on April 10, 2025, to increase the capital by 2.745 billion Taiwan dollars and acquire additional 274,500 thousand common shares of LINE Bank Taiwan Limited (hereinafter "LBT"), an associate of LY Corporation, through its subsidiary LINE Financial Taiwan Limited (hereinafter "LFT").

The purpose of this capital increase is to promote the banking services operated by LBT in Taiwan under the "LINE Bank" brand and to further strengthen collaboration with the Group. The capital increase was completed on June 17, 2025.

Upon completion of the capital increase, the number of LBT common shares held by LFT amounted to 1,023,000 thousand shares and the voting rights of LFT in LBT reached 51.2%, thereby exceeding a majority. As a result, LY Corporation has acquired control over LBT, and LBT has become the Group's subsidiary.

b. Summary of the acquiree

Name	LINE Bank Taiwan Limited
Business	Internet-only bank

c. Acquisition date

June 17, 2025

d. Consideration and its breakdown

	(Millions of yen)
	Acquisition date
	(June 17, 2025)
Fair value of LBT common shares held as of the acquisition date	36,751
Cash paid	13,478
Total consideration	A 50,229

As a result of remeasurement of the Group's previously held interests in LBT to the fair value as of the acquisition date, positive difference arising from the step acquisition of ¥14,502 million was recognized. This amount is included in "Other operating income" in the condensed interim consolidated statement of income.

e. The table below shows the fair value of assets and liabilities, non-controlling interests, and goodwill as of the acquisition date¹:

	(Millions of yen)
	Acquisition date
	(June 17, 2025)
Cash and cash equivalents	10,544
Trade and other receivables	37,941
Other financial assets (current)	43,809
Other current assets	3,540
Intangible assets	9,316
Investment securities in banking business	32,442
Other financial assets (non-current)	313,395
Other non-current assets	9,094
Total assets	460,081
Trade and other payables	2,514
Deposits for banking business	365,556
Other current liabilities	3,270
Other non-current liabilities	10,090
Total liabilities	381,430
Net assets	B 78,651
Non-controlling interests ²	C 38,406
Goodwill ³	A-(B-C) 9,984

Notes:

1. Consideration transferred is allocated to assets acquired and liabilities assumed based on their fair value as of the acquisition date.
2. Non-controlling interests are measured at the fair values of the acquiree's identifiable net assets as of the acquisition date, multiplied by the ratio of the non-controlling interests.
3. Goodwill reflects the ability to generate excess earnings resulting from expected future business development and synergies between the Group and the acquiree.

f. The table below shows payments for obtaining control of the subsidiary:

	(Millions of yen)
	Acquisition date
	(June 17, 2025)
Consideration paid in cash	(13,478)
Cash and cash equivalents held by the acquiree at the time of obtaining control	10,544
Cash paid for obtaining control of the subsidiary	(2,934)

g. Revenue and net income of the acquiree

The revenue and net income of the acquiree on and after the acquisition date have been omitted as the impact is immaterial.

h. Consolidated revenue and net income on the assumption that the business combination was completed at the beginning of the year:

On the assumption that the acquisition date is April 1, 2025, the Company's consolidated pro forma financial information (unaudited) for the three months ended June 30, 2025 is as follows:

The gain on step acquisition is included in pro forma financial information.

	(Millions of yen)
	Three months ended
	June 30, 2025
Revenue (Pro forma financial information)	1,661,918
Net income (Pro forma financial information)	181,568

6. Segment information

(1) Summary of reportable segments

The reportable segments of the Group are based on operating segments for which separate financial information is available, and which the Board of Directors (the Group's chief operating decision maker) regularly reviews to determine the allocation of management resources and evaluate their performance. The Group has "Consumer," "Enterprise," "Distribution," "Media & EC" and "Financial" as its reportable segments. No operating segments have been aggregated in arriving at the reportable segments of the Group.

In the "Consumer" segment, the Group provides services, such as mobile services, broadband services and electricity services, including the *Ouchi Denki* service, mainly to individual customers in Japan. The Company procures mobile devices from mobile device manufacturers and sells the mobile devices to distributors operating SoftBank shops, etc. and individual customers.

In the "Enterprise" segment, the Group provides a wide range of services for enterprise customers. These include mobile services such as mobile lines and mobile device rental, fixed-line communications services such as fixed-line telephones and data communications, as well as various solutions for enterprises such as data center, cloud, security, global, AI, IoT, and digital marketing services.

In the "Distribution" segment, the Group offers products and services primarily addressing cloud services and advanced technologies including AI for enterprise customers and products and services such as software, mobile accessories, and IoT products for individual customers.

In the "Media & EC" segment, the Group offers services that center on media and commerce, covering online to offline services in a comprehensive manner. In the "media" field, the Group provides advertising-related services on its comprehensive Internet service, *Yahoo! JAPAN*, and communication app, *LINE*. In the "commerce" field, the Group provides online shopping services such as *Yahoo! JAPAN Shopping* and *ZOZOTOWN*, and reuse services such as *Yahoo! JAPAN Auction*. In the "strategy" field, the Group provides services centered on FinTech, which the Group is working to develop into new drivers of earnings alongside media and commerce.

In the "Financial" segment, the Group provides cashless payment services such as QR code payment and credit card services, development and provision of marketing solutions for merchants, financial services such as banking and asset management, as well as payment agency services that provide a comprehensive range of diversified payments such as credit cards, electronic money and QR codes. Following the intra-group reorganization effective April 11, 2025, the management business categories have been reevaluated, and PayPay Bank Corporation has been transferred from the "Media & EC" segment to the "Financial" segment. As a result, the figures for the three months ended June 30, 2024, have been retrospectively adjusted.

Information not included in the preceding reportable segments is summarized in "Other." "Adjustments" includes eliminations of intersegment transactions and expenses not allocated to any reportable segment.

(2) Segment revenue, income, and other information of reportable segments

Income of reportable segments is defined as “Operating income.” Intersegment transaction prices are determined by taking into consideration the equivalent prices for an arm’s length transaction or gross costs after price negotiation.

Income and loss which are not attributable to operating income and loss, such as “financing income”, “financing costs”, and “income and loss on equity method investments”, are not managed by each reportable segment and therefore these income and losses are excluded from segment income. Assets and liabilities are not allocated to reportable segments and are not monitored by the Board of Directors.

Three months ended June 30, 2024

	Reportable segments						(Millions of yen)		
	Consumer	Enterprise	Distribution	Media & EC	Financial	Total	Other	Adjustments	Consolidated
Revenue									
Sales to external customers	676,973	208,953	168,710	391,450	68,950	1,515,036	20,686	-	1,535,722
Intersegment revenue or transferred revenue	4,719	6,617	52,197	5,555	5,178	74,266	2,826	(77,092)	-
Total	681,692	215,570	220,907	397,005	74,128	1,589,302	23,512	(77,092)	1,535,722
Segment income	156,365	41,465	7,686	96,123	7,621	309,260	(5,356)	23	303,927
Depreciation and amortization ¹	93,277	43,454	1,123	40,331	6,695	184,880	2,810	(742)	186,948

Three months ended June 30, 2025

	Reportable segments						(Millions of yen)		
	Consumer	Enterprise	Distribution	Media & EC	Financial	Total	Other	Adjustments	Consolidated
Revenue									
Sales to external customers	713,939	225,988	208,936	400,477	84,923	1,634,263	24,352	-	1,658,615
Intersegment revenue or transferred revenue	3,857	7,813	38,948	6,388	6,367	63,373	2,981	(66,354)	-
Total	717,796	233,801	247,884	406,865	91,290	1,697,636	27,333	(66,354)	1,658,615
Segment income	153,814	48,795	11,944	70,700	18,050	303,303	(12,431)	(138)	290,734
Depreciation and amortization ¹	92,058	43,341	974	40,210	7,776	184,359	4,975	(581)	188,753

Note:

1. “Depreciation and amortization” includes amortization of long-term prepaid expenses which are presented as “Other non-current assets” in the condensed interim consolidated statement of financial position.

Reconciliations of “segment income” to “consolidated profit before income taxes” is as follows:

		(Millions of yen)
	Three months ended June 30, 2024	Three months ended June 30, 2025
Segment income	303,927	290,734
Gain on changes in equity interest	2,839	-
Share of losses of associates accounted for using the equity method	(2,831)	(3,617)
Financing income	4,514	5,569
Financing costs	(37,697)	(22,252)
Gain on sales of equity method investments	3,160	-
Profit before income taxes	273,912	270,434

7. Interest-bearing debt

The components of “interest-bearing debt” are as follows:

		(Millions of yen)
	As of March 31, 2025	As of June 30, 2025
Current		
Short-term borrowings	353,233	646,150
Commercial paper	108,000	208,500
Current portion of long-term borrowings	811,447	799,467
Current portion of lease liabilities	153,782	157,342
Current portion of corporate bonds	219,992	185,024
Current portion of installment payables	70	57
Total	1,646,524	1,996,540
Non-current		
Long-term borrowings	2,429,362	2,576,420
Lease liabilities	638,581	643,229
Corporate bonds	1,247,664	1,294,213
Installment payables	21	13
Total	4,315,628	4,513,875

8. Equity

(1) Common stock and capital surplus

a. Common shares

Three months ended June 30, 2024

Due to the issuance of new shares upon exercise of stock acquisition rights, the number of shares issued increased by 4,699 thousand shares. As a result of the issuance of the shares, "Common stock" and "Capital surplus" increased by ¥3,404 million each under the Companies Act of Japan.

The Company conducted a stock split whereby each share of the Company's common shares was split into 10 shares, with the effective date being October 1, 2024. The number of shares stated above is based on the number of shares before the stock split.

Three months ended June 30, 2025

Due to the issuance of new shares upon exercise of stock acquisition rights, the number of shares issued increased by 62,791 thousand shares. As a result of the issuance of the shares, "Common stock" and "Capital surplus" increased by ¥4,599 million each under the Companies Act of Japan.

b. Class shares

The Company issued Series 1 Bond-Type Class Shares with the payment date of November 1, 2023. In addition, the Company issued Series 2 Bond-Type Class Shares with the payment date of October 3, 2024.

Although the Bond-Type Class Shares have a defined period for fixed dividends and any unpaid dividends shall be carried over to subsequent fiscal years, they are classified as equity instruments because the Company has the option to defer dividend payments, has no obligation to repurchase the Shares and has unconditional right to avoid delivering cash or another financial asset except for the distribution of residual assets on liquidation.

(2) Treasury stock

Changes in “treasury stock” are as follows:

	Three months ended June 30, 2024	(Thousands of shares) Three months ended June 30, 2025
Balance at the beginning of the period	47,805	184,234
Increase during the period	-	0
Decrease during the period ¹	(7,098)	-
Balance at the end of the period	40,707	184,234

Note:

1. For the three months ended June 30, 2024, due to the exercise of stock acquisition rights, the number of treasury stock decreased by 7,098 thousand shares. As a result, “Treasury stock” decreased by ¥11,258 million and a loss on disposal of treasury stock of ¥6,276 million was recognized as a decrease in “Capital surplus.”
2. The Company conducted a stock split whereby each share of the Company’s common shares was split into 10 shares, with the effective date being October 1, 2024. The number of shares for the three months ended June 30, 2024 and 2025, are stated based on the number of shares before the stock split and after the stock split, respectively.

9. Dividends

Dividends paid are as follows:

Three months ended June 30, 2024

Resolution	Class of shares	Dividends per share (Yen)	Total dividends (Millions of yen)	Record date	Effective date
Board of Directors meeting held on May 17, 2024	Common stock	43.00	202,461	March 31, 2024	June 6, 2024
Board of Directors meeting held on May 17, 2024	Series 1 Bond-Type Class Shares	41.53	1,246	March 31, 2024	June 6, 2024

Notes:

1. The Company conducted a stock split whereby each share of the Company’s common shares was split into 10 shares, with the effective date being October 1, 2024. Dividends per share reflects the actual dividend amount before this stock split.
2. If the record date falls in a fiscal year ending on or before March 31, 2029, the annual dividend rate for the Series 1 Bond-Type Class Shares is 2.500% per annum. If the record date falls in a fiscal year ending on or after April 1, 2029, the annual dividend rate is the interest rate of One-Year Japanese government bonds (JGBs) as of the date two business days before the last day of the fiscal year before the fiscal year (Annual Rate Quotation Date) in which the record date falls plus 3.182%.
3. The amount of the Preferred Dividend to the Series 1 Bond-Type Class Shares with a record date of March 31, 2024 will be calculated based on actual day counts on a 366-day year basis.

Three months ended June 30, 2025

Resolution	Class of shares	Dividends per share (Yen)	Total dividends (Millions of yen)	Record date	Effective date
Board of Directors meeting held on May 20, 2025	Common stock	4.30	204,539	March 31, 2025	June 12, 2025
Board of Directors meeting held on May 20, 2025	Series 1 Bond-Type Class Shares	50.00	1,500	March 31, 2025	June 12, 2025
Board of Directors meeting held on May 20, 2025	Series 2 Bond-Type Class Shares	126.24	3,156	March 31, 2025	June 12, 2025

Notes:

1. The Company conducted a stock split whereby each share of the Company’s common shares was split into 10 shares, with the effective date being October 1, 2024. Dividends per share reflects the actual dividend amount after this stock split.

2. If the record date falls in a fiscal year ending on or before March 31, 2029, the annual dividend rate for the Series 1 Bond-Type Class Shares is 2.500% per annum. If the record date falls in a fiscal year ending on or after April 1, 2029, the annual dividend rate is the interest rate of One-Year Japanese government bonds (JGBs) as of the date two business days before the last day of the fiscal year before the fiscal year (Annual Rate Quotation Date) in which the record date falls plus 3.182%.
3. If the record date falls in a fiscal year ending on or before March 31, 2030, the annual dividend rate for the Series 2 Bond-Type Class Shares is 3.200% per annum. If the record date falls in a fiscal year ending on or after April 1, 2030 and before March 31, 2050, the annual dividend rate is the interest rate of One-Year Japanese government bonds (JGBs) as of the Annual Rate Quotation Date with respect to the fiscal year in which the record date falls plus 2.960%. If the record date falls in a fiscal year ending on or after April 1, 2050, the annual dividend rate is the interest rate of One-Year Japanese government bonds (JGBs) as of the Annual Rate Quotation Date with respect to the fiscal year in which the record date falls plus 3.710%.

10. Revenue

The components of revenue are as follows:

		(Millions of yen)
	Three months ended June 30, 2024	Three months ended June 30, 2025
Consumer		
Service revenues		
Mobile	387,714	395,063
Broadband	101,142	102,728
Electricity	48,922	41,340
Revenues from sales of goods and others	139,195	174,808
Subtotal	676,973	713,939
Enterprise		
Mobile ³	73,697	78,795
Fixed-line	40,671	40,531
Business solution and others ³	94,585	106,662
Subtotal	208,953	225,988
Distribution	168,710	208,936
Media & EC ^{4,5,6}		
Media	169,705	170,763
Commerce	207,952	215,199
Strategy	12,492	12,753
Other	1,301	1,762
Subtotal	391,450	400,477
Financial ⁵	68,950	84,923
Other	20,686	24,352
Total	1,535,722	1,658,615

Notes:

1. The components of revenue represent sales to external customers.
2. The components of revenue include revenues from other sources, excluding those arising from IFRS 15 “Revenue from Contracts with Customers” (mainly from PayPay Card Corporation’s financial business included in “Financial” and lease transactions included in “Enterprise”). Revenues from other sources for the three months ended June 30, 2024 and 2025 were ¥51,454 million and ¥55,355 million, respectively.
3. “Mobile” and “Business solution and others” under “Enterprise” include service revenues and revenues from sales of goods and others. Service revenues for the three months ended June 30, 2024 and 2025 were ¥131,949 million and ¥139,822 million, respectively. Revenues from sales of goods and others for the three months ended June 30, 2024 and 2025 were ¥36,333 million and ¥45,635 million, respectively.
4. Effective for the three months ended December 31, 2024, the business categories of “Media & EC” have been reevaluated and some

services categorized as “Media” were transferred to “Commerce.” As a result, all components of revenue under “Media” and “Commerce” for the three month ended June 30, 2024, have been retrospectively adjusted.

5. Effective for the three months ended June 30, 2025, following the intra-group reorganization effective April 11, 2025, the management business categories have been reevaluated and PayPay Bank Corporation has been transferred from “Media & EC” to “Financial.” As a result, revenue under “Media & EC” and “Financial” for the three months ended June 30, 2024, have been retrospectively adjusted.
6. Effective for the three months ended June 30, 2025, the business categories of “Media & EC” have been reevaluated and some services included in “Media & EC” were transferred between the business categories. As a result, all components of revenue “Media & EC” for the three months ended June 30, 2024, have been retrospectively adjusted.

11. Earnings per share

“Basic earnings per share” and “diluted earnings per share” are as follows:

(1) Basic earnings per share

	Three months ended June 30, 2024	Three months ended June 30, 2025
Net income attributable to common shareholders of the Company (Millions of yen)		
Net income attributable to owners of the Company	162,510	145,310
Net income not-attributable to ordinary shareholders of the Company ²	(750)	(2,350)
Net income used in the calculation of basic earnings per share	161,760	142,960
Weighted-average number of shares of common stock outstanding (Thousands of shares) ¹	47,135,952	47,592,248
Basic earnings per share (Yen)	3.43	3.00

(2) Diluted earnings per share

	Three months ended June 30, 2024	Three months ended June 30, 2025
Diluted net income attributable to common shareholders (Millions of yen)		
Net income used in the calculation of basic earnings per share	161,760	142,960
Effect of dilutive securities issued by subsidiaries and associates	(965)	(690)
Total	160,795	142,270
Weighted-average number of shares of common stock used in the calculation of diluted earnings per share (Thousands of shares) ¹		
Weighted-average number of shares of common stock outstanding	47,135,952	47,592,248
Increase in the number of shares of common stock due to stock acquisition rights	437,364	263,361
Total	47,573,316	47,855,609
Diluted earnings per share (Yen)	3.38	2.97

Notes:

1. The Company conducted a stock split whereby each share of the Company’s common shares was split into 10 shares, with the effective date being October 1, 2024. “Basic earnings per share” and “Diluted earnings per share” are calculated assuming that the stock split had been carried out at the beginning of the previous fiscal year.
2. The amount represents dividends to be paid to class shareholders in connection with the Bond-Type Class Shares.

12. Other operating income and other operating expenses

The components of “other operating income” and “other operating expenses” are as follows:

	(Millions of yen)	
	Three months ended June 30, 2024	Three months ended June 30, 2025
Other operating income		
Remeasurement gain on step acquisition	-	14,502
Gain on loss of control over subsidiaries	43,195	-
Total	43,195	14,502
Other operating expenses		
Impairment loss	(2,457)	-

13. Supplemental information to the condensed interim consolidated statement of cash flows

Significant non-cash transactions

Significant non-cash transactions (investing and financing activities that do not require the use of “Cash and cash equivalents”) are as follows:

Lease transactions

The increases in “Right-of-use assets” on the lease transactions (excluding lease payments and initial direct costs paid before the lease commencement date) for the three months ended June 30, 2024 and 2025, were ¥59,127 million and ¥61,425 million, respectively, and are non-cash transactions.

14. Related party transactions

Three months ended June 30, 2024

Related party transactions of the Group are as follows:

			(Millions of yen)	
Name of the company or individual	Nature of relationship	Nature of transaction	Three months ended June 30, 2024	As of June 30, 2024
			Amount of transaction	Balance at period-end
Yasuyuki Imai	Director of the Company	Lending of loans ^{1,2,3}	-	860
		Receipt of interest on loans receivable	2	2
Junichi Miyakawa	Director of the Company	Lending of loans ^{1,2,3,4}	-	19,930
		Receipt of interest on loans receivable	55	55
Kazuhiko Fujihara	Director of the Company	Lending of loans ^{1,2,3}	-	640
		Receipt of interest on loans receivable	2	2
		Refund of deposits	207	-
		Payment of interest on deposits	0	0

The terms and conditions of transactions and policy on how to determine those terms and conditions:

1. The lending rate was set from 1.03% to 1.10% (fixed rate) as reasonably determined in consideration of the borrowing rate actually borne by the Company, which is on a level similar to market rates on similar terms, with both interest and principal repayable in one lump-sum at the end of the fiscal year five years after the loan date, allowing a five-year extension of the repayment periods subject to mutual agreement, or optional prepayment at borrower’s discretion. Borrowers are entitled to deposit the funds not exceeding the balance of this loan to the Company, in which case the

interest rate applicable to such borrowings is the same as the abovementioned lending rate.

2. In this transaction, the Company's shares purchased by the borrower using the loan have been provided as security.
3. In the event that the fair value of the security falls below a certain percentage of the loan balance prior to the due date, the Company shall be entitled to request a pledge of additional security from the borrowers. In such case, the Company shall be entitled to reserve part of the remuneration, etc. the Group will pay to the borrowers within certain limitation, and to use it for the repayment of the loan (hereinafter the "Additional Entitlement").
4. Of the total amount due, the remaining shortfall, if any, after the enforcement of security and execution of the Additional Entitlement shall be fully guaranteed by Board Director, Mr. Masayoshi Son.

Three months ended June 30, 2025

Related party transactions of the Group are as follows:

Name of the company or individual	Nature of relationship	Nature of transaction	(Millions of yen)	
			Three months ended June 30, 2025	As of June 30, 2025
			Amount of transaction	Balance at period-end
Yasuyuki Imai	Director of the Company	Lending of loans ^{1,2,3}	-	430
		Receipt of interest on loans receivable	1	1
Junichi Miyakawa	Director of the Company	Lending of loans ^{1,2,3,4}	-	19,930
		Receipt of interest on loans receivable	55	55
Kazuhiko Fujihara	Director of the Company	Collection of loans receivable ^{1,2,3}	320	-
		Receipt of interest on loans receivable	1	-

The terms and conditions of transactions and policy on how to determine those terms and conditions:

1. The lending rate was set from 1.03% to 1.10% (fixed rate) as reasonably determined in consideration of the borrowing rate actually borne by the Company, which is on a level similar to market rates on similar terms, with both interest and principal repayable in one lump-sum at the end of the fiscal year five years after the loan date, allowing a five-year extension of the repayment period subject to mutual agreement, or optional prepayment at borrower's discretion. Borrowers are entitled to deposit the funds not exceeding the balance of this loan to the Company, in which case the interest rate applicable to such borrowings is the same as the abovementioned lending rate.
2. In this transaction, the Company's shares purchased by the borrower using the loan have been provided as security.
3. In the event that the fair value of the security falls below a certain percentage of the loan balance prior to the due date, the Company shall be entitled to request a pledge of additional security from the borrowers. In such case, the Company shall be entitled to reserve part of the remuneration, etc. the Group will pay to the borrowers within certain limitation, and to use it for the repayment of the loan (hereinafter the "Additional Entitlement").
4. Of the total amount due, the remaining shortfall, if any, after the enforcement of security and execution of the Additional Entitlement shall be fully guaranteed by Board Director, Mr. Masayoshi Son.

15. Contingencies

The Group is a party to several pending legal and administrative proceedings. When it is difficult to reasonably estimate the outcomes of such matters, provisions have not been recorded. Based on the information currently available, management does not expect that the results of these proceedings will have a material adverse effect on the Group's financial position or results of operations.

Regarding the following lawsuit that has been disclosed from the outset, on July 17, 2025, the Supreme Court rendered a decision to dismiss and not accept the respective final appeals and petitions for acceptance of final appeal filed by the Company and Japan Post Information Technology Co., Ltd. ("JPiT"), thereby concluding the litigation. The details of the lawsuit are as follows.

- a. On April 30, 2015, the Company filed a lawsuit with the Tokyo District Court against JPiT, claiming for payment of remuneration for additional services provided in connection with the installation of telecommunications lines, as well as other items, that were ordered by JPiT in relation to a project to migrate the communications network connecting approximately 27,000 sites (post offices, etc.) countrywide to a new network, the 5th PNET.

Pursuant to a contract dated February 7, 2013, the Company was requested by JPiT to carry out, among other services, installation services for telecommunications lines for Japan Post Group's business sites existing countrywide. The Company performed such services, and upon JPiT's request, the Company also performed services that exceeded the scope of services stipulated in the contract.

Although the Company negotiated with JPiT over an extended period regarding the remuneration for these additional services, the Company and JPiT were unable to arrive at a settlement. Accordingly, the Company duly filed the lawsuit, claiming for payment of remuneration for such additional services.

- b. On April 30, 2015, JPiT filed a lawsuit against the Company and Nomura Research Institute, Ltd. ("NRI") as co-defendants.

In this lawsuit, JPiT alleged that the Company and NRI had delayed performance of the ordered services related to the project for migration to the 5th PNET mentioned in a. above and alleged that such delay had caused damages to JPiT. JPiT made joint and several claims against both the Company and NRI for the alleged damages.

The order to consolidate lawsuit (b) above with lawsuit (a) above was made on July 29, 2015.

Subsequently, on September 9, 2022, the Tokyo District Court rendered a judgment ordering JPiT to pay ¥1,921 million as remuneration for the additional services and delay damages, and the Company to pay JPiT ¥10,854 million in damages and delay damages. The Company and JPiT appealed the judgment to the Tokyo High Court, and on March 21, 2024, the Court rendered a judgment ordering JPiT to pay ¥65 million as remuneration for the additional services and delay damages and dismissing all claims by JPiT.

The Company and JPiT appealed to the Supreme Court and filed a petition for acceptance of appeal with regard to the judgment. However, as described above, on July 17, 2025, the Supreme Court issued a decision to dismiss each of the Company's and JPiT's appeals and not to accept their respective petitions for acceptance of appeal, thereby finalizing the appellate judgment rendered on March 21, 2024, and concluding the litigation.

As a result, the payment of additional service fees of ¥65 million and delay damages from JPiT to the Company was finalized, and all claims for damages filed by JPiT against the Company and NRI were dismissed.

16. Subsequent events

The Company issued U.S. dollar-denominated senior notes on July 9, 2025, as follows:

	USD-denominated senior notes due 2030	USD-denominated senior notes due 2035
(1) Principal Amount	USD 500 million	USD 500 million
(2) Interest Rate	4.699% per annum	5.332% per annum
(3) Issue Price	100% of the principal amount	
(4) Term	5 years	10 years
(5) Maturity Date	July 9, 2030	July 9, 2035
(6) Redemption method	Bullet maturity amortization	
(7) Settlement Date	July 9, 2025	
(8) Collateral	No collateral is pledged and no assets are specifically reserved to secure the notes.	
(9) Guarantee	None	
(10) Covenants	Subject to a negative pledge clause	
(11) Use of Proceeds	To be appropriated for general corporate purposes.	