SoftBank

This translation of the financial report was prepared for reference purposes only. Should there be any inconsistency between the translation and the original Japanese document, the latter shall prevail.

Consolidated Financial Report
For the Three Months Ended June 30, 2026 (IFRS)

August 4, 2026

(Amounts are rounded to the nearest million yen)

1. Consolidated Financial Results for the Three Months Ended June 30, 2026

(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, 2026	**1,814,722**	**9.4**	**302,298**	**4.0**	**281,165**	**4.0**	**201,491**	**10.5**	**150,070**	**3.3**	**218,505**	**8.5**
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)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three Months Ended June 30, 2026	**3.09**	**3.07**
Three Months Ended June 30, 2025	3.00	2.97

Note:
1. 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, 2026	**19,342,584**	**4,638,510**	**2,912,232**	**15.1**
As of March 31, 2026	18,502,175	4,668,455	2,957,859	16.0

2. Dividends

	Dividends per share				
	First quarter	Second quarter	Third quarter	Fourth quarter	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	-	4.30	-	4.30	8.60
Fiscal year ending March 31, 2027	-				
Fiscal year ending March 31, 2027 (Forecast)		4.40	-	4.40	8.80

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. Consolidated Financial Result Forecasts for the Fiscal Year Ending March 31, 2027

(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, 2027	7,500,000	6.6	1,100,000	5.5	560,000	1.7	11.54

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, 2026: None
Newly consolidated: None
Excluded from consolidation: None

(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, 2026	48,017,366,700	shares
As of March 31, 2026	47,971,989,700	shares
[2] Number of shares of treasury stock		
As of June 30, 2026	170,567,818	shares
As of March 31, 2026	170,724,817	shares
[3] Average number of shares outstanding during the period		
Three months ended June 30, 2026	47,815,037,136	shares
Three months ended June 30, 2025	47,592,247,916	shares

*** 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.

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

On Tuesday, August 4, 2026 (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 share				
	First quarter	Second quarter	Third quarter	Fourth quarter	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	-	50.00	-	50.00	100.00
Fiscal year ending March 31, 2027	-				
Fiscal year ending March 31, 2027 (Forecast)		50.00	-	50.00	100.00

Series 2 Bond-Type Class Shares

	Dividends per share				
	First quarter	Second quarter	Third quarter	Fourth quarter	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	-	128.00	-	128.00	256.00
Fiscal year ending March 31, 2027	-				
Fiscal year ending March 31, 2027 (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)

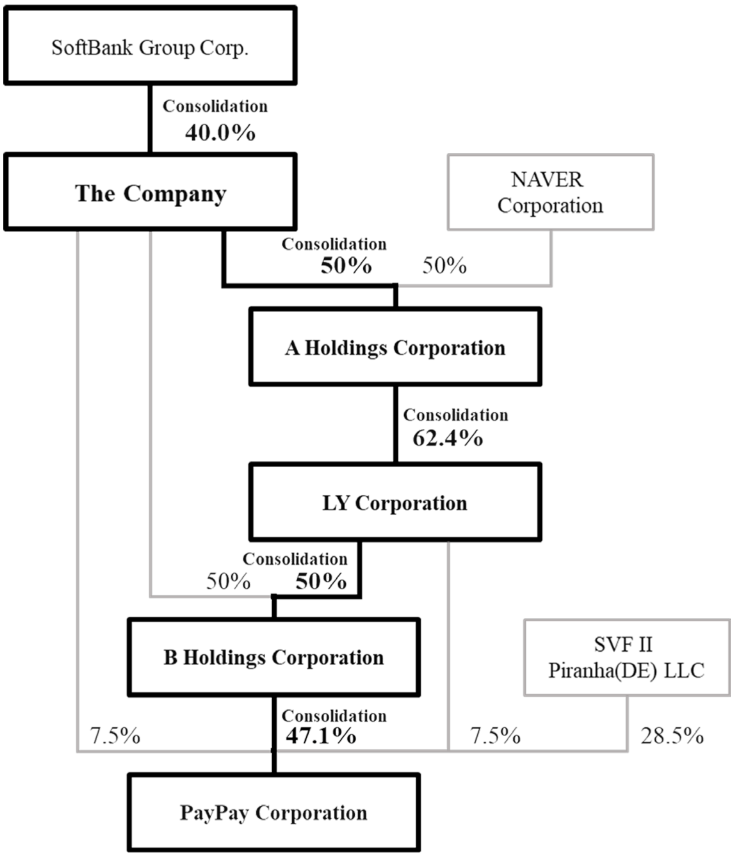
Contents

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 the ratio of voting rights as of June 30, 2026.



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	・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	The Company Wireless City Planning Inc. SB Mobile Service Corp. SB Power Corp.
Enterprise segment	・Provision of mobile, enterprise network, fixed-line telephone, and other communications services to enterprise customers ・Provision of solution services, such as IoT[2] and data solutions ・Provision of cloud and AI services, such as cloud, security, AI[3] data centers, AI computing infrastructure, and AI solutions	The Company Wireless City Planning Inc. SB Engineering Corp. eMnet Japan. co. ltd. Cubic Telecom Ltd. Cybertrust Japan Co., Ltd. IDC Frontier Inc. SB OAI Japan GK
Distribution segment	・Provision of products and services addressing ICT[4], 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	SB C&S Corp.
Media & EC segment	・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 *Yahoo! JAPAN Shopping* and *ZOZOTOWN*; reuse services including *Yahoo! JAPAN Auction*; food delivery services and O2O services. ・Provision of AI, healthcare, and other services centered on FinTech[5]	LY Corporation ASKUL Corporation ZOZO, Inc. Ikyu Corporation LINE Pay Taiwan Limited LINE Bank Taiwan Limited LINE Financial Corporation LINE Plus Corporation LINE SOUTHEAST ASIA CORP. PTE. LTD. Kurashiru, Inc. LINE MAN CORPORATION PTE. LTD. DECACORN CO., LTD. LINE MAN (THAILAND) COMPANY LIMITED
Financial segment	・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	PayPay Corporation PayPay Card Corporation PayPay Bank Corporation PayPay Securities Corporation SB Payment Service Corp.
Other	・Planning and production of digital media and digital content ・Others	The Company ITmedia Inc.

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. IoT stands for Internet of Things, a technology that enables communications between all manner of things via the Internet.
3. AI stands for artificial intelligence.
4. ICT stands for Information Communication Technology.
5. 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.

1. Results of Operations

(1) Overview of Consolidated Results of Operations

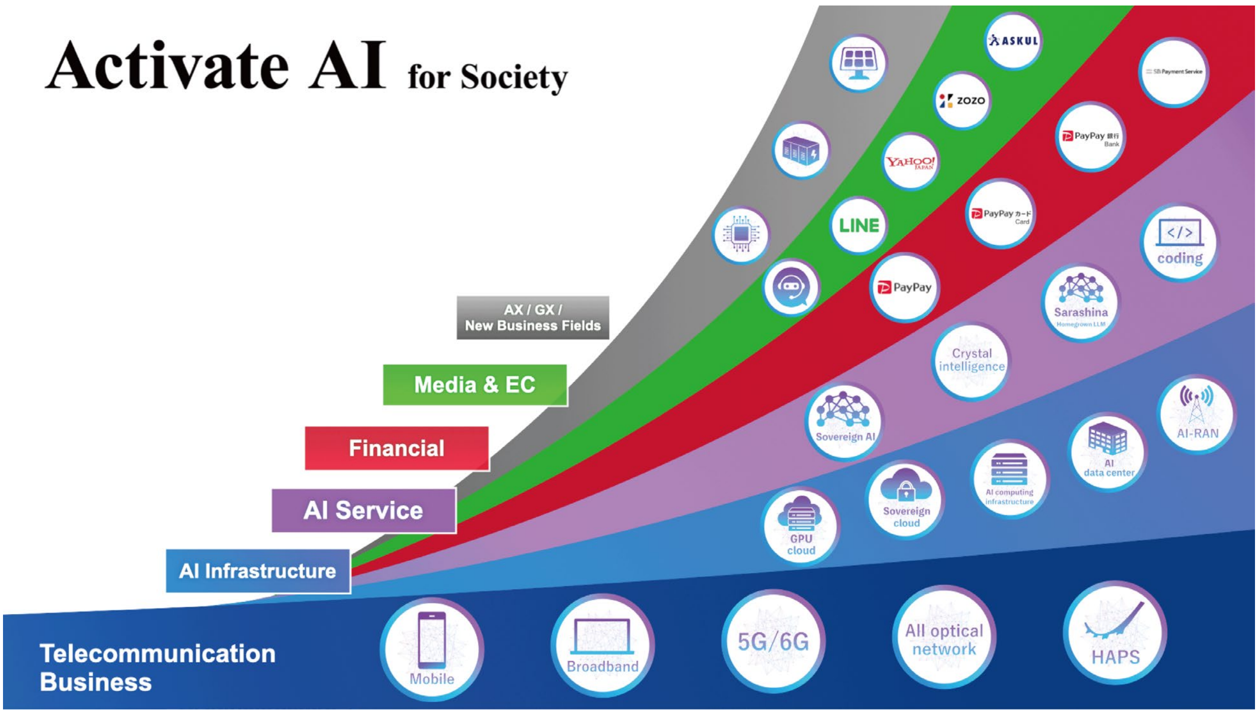
a. Management Environment and the Group’s Initiatives

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 issues[1] to be addressed and contributes to solving various social issues through its businesses.

In the three months ended June 30, 2026, the Japanese economy remained generally robust, despite impacts such as rising prices, labor shortages, and rising interest rates. On the other hand, the outlook remains uncertain against the backdrop of factors such as U.S. tariff trends and increasing tensions in the Middle East. Under these business conditions, digitalization has been progressing while the utilization of AI has been expanding rapidly among companies and the government as they seek to address labor shortages and strengthen competitiveness. In particular, with the evolution and widespread adoption of AI, demand for data processing and electricity is expected to expand, and the infrastructure that supports these needs is growing increasingly important.

The Group has established its Long-term Vision to be “a company that provides Next-generation Social Infrastructure essential for development of a digital society” by 2030. 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.

In the new Medium-term Management Plan (covering the period from the fiscal year ending March 31, 2027 to the fiscal year ending March 31, 2031) announced in May 2026, the Group will aim to complete the Next-generation Social Infrastructure while promoting further business growth. Specifically, through the promotion of the new growth strategy “Activate AI for Society,” the Group aims to achieve consolidated operating income of ¥1.7 trillion and net income attributable to owners of the Company of ¥700 billion in the fiscal year ending March 31, 2031, the final year of the current plan, thereby reaching new record-high profits. The new growth strategy “Activate AI for Society” seeks to maximize corporate value by activating the potential of AI across all businesses and driving its implementation in society. By monetizing AI infrastructure and AI services, and through the evolution and growth of all business segments through AI, the Group is driving sustainable, Group-wide business growth.



Major Initiatives

- In June 2026, the Company began offering new price plans under the “SoftBank” brand, including “PayToku 2.” “PayToku 2” is a price plan that strengthens collaboration with the Group’s payment and financial services, enabling users to earn PayPay Points through both the PayPay app and “PayPay Card,” while also expanding benefits for “PayPay Card Gold” holders. The Company also began offering new services designed to make customers’ daily lives more convenient and comfortable. These include “SoftBank Starlink Direct,” a direct-to-smartphone satellite communication service utilizing “Starlink”; “Fast Access,” which enables higher-speed 5G data communication even during times of network congestion; and “Unlimited Overseas Data,” which allows customers to use unlimited data communication[2] at no additional charge in more than 200 eligible countries and regions[3]. Furthermore, amid rising needs to invest in network expansion and development due to factors such as growing data traffic and increasingly sophisticated security risks, in addition to increases in various costs caused by recent inflation, the Company revised its existing price plans for the “SoftBank” brand from July 2026 and for the “Y!mobile” brand from June 2026, in order to continue providing stable, high-quality telecommunications services while maintaining its business foundation[4].

- In May 2026, the Company launched a Japan-based battery business aimed at building next-generation power infrastructure to support the increasing demand for electricity being driven by AI adoption. The Company will promote an end-to-end approach that encompasses development to manufacturing stages to produce innovative battery cells and Battery Energy Storage Systems (BESS) with advanced technologies. The Company plans to begin manufacturing battery cells and energy storage systems in the fiscal year ending March 31, 2028. The Company plans to deploy these Japan-produced batteries at the AI data centers it is developing.

Notes:

1. For details on the material issues, please see the Company's website:
   https://www.softbank.jp/en/corp/sustainability/materiality/
2. Voice calls, SMS, and international SMS used overseas are not covered.
3. Countries and regions as of April 10, 2026.
4. The revision date for “Y!mobile” varies depending on the price plan used. Customers to whom “Simple 3 S/M/L” had been applied by June 1, 2026 are eligible to continue using the service at the same monthly fee as before the revision from June 2, 2026 through December 31, 2026, under the newly introduced “Simple 3 Special Discount.”

b. Consolidated Results of Operations

(Billions of yen)

	Three Months Ended June 30			
	2025	**2026**	Change	Change %
Revenue	1,658.6	**1,814.7**	156.1	9.4%
Operating income	290.7	**302.3**	11.6	4.0%
Profit before income taxes	270.4	**281.2**	10.7	4.0%
Income taxes	(88.1)	**(79.7)**	8.5	(9.6)%
Net income	182.3	**201.5**	19.2	10.5%
Net income attributable to:				
Owners of the Company	145.3	**150.1**	4.8	3.3%
Non-controlling interests	37.0	**51.4**	14.4	39.0%
Adjusted EBITDA[1]	471.0	**508.1**	37.1	7.9%

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, 2026 is as follows:

(a) Revenue

For the three months ended June 30, 2026, revenue increased by ¥156.1 billion (9.4%) year on year to ¥1,814.7 billion, marking a record high. All reportable segments posted higher revenue, with increases of ¥56.6 billion in the Distribution segment mainly due to solid growth in recurring revenue products and ICT related products for enterprise customers, ¥39.9 billion in the Media & EC segment mainly due to increases in commerce revenue and strategy revenue, ¥31.9 billion in the Consumer segment mainly due to increases in electricity revenue and revenues from sales of goods and others, ¥26.6 billion in the Enterprise segment mainly due to an increase in demand for solutions associated with digitalization, and ¥24.6 billion in the Financial segment mainly due to an increase in gross merchandise value of QR code payments and credit card services provided by PayPay Corporation and PayPay Card Corporation.

(b) Operating income

For the three months ended June 30, 2026, operating income increased by ¥11.6 billion (4.0%) year on year to ¥302.3 billion. Operating income decreased by ¥4.0 billion in the Media & EC segment mainly due to the absence of the remeasurement gain on step acquisition recorded in the same period of the previous year, and by ¥0.9 billion in the Consumer segment. On the other hand, operating income increased by ¥13.7 billion in the Financial segment, by ¥13.4 billion in the Enterprise segment, and by ¥1.0 billion in the Distribution segment.

(c) Net income

For the three months ended June 30, 2026, net income increased by ¥19.2 billion (10.5%) year on year to ¥201.5 billion. This is mainly due to the aforementioned increase in operating income.

(d) Net income attributable to owners of the Company

For the three months ended June 30, 2026, net income attributable to owners of the Company increased by ¥4.8 billion (3.3%) year on year to ¥150.1 billion. Net income attributable to non-controlling interests increased by ¥14.4 billion (39.0%) year on year to ¥51.4 billion, mainly due to an increase in net income at the LY Group, including PayPay Corporation.

(e) Adjusted EBITDA

For the three months ended June 30, 2026, adjusted EBITDA increased by ¥37.1 billion (7.9%) year on year to ¥508.1 billion. This is mainly due to increases in depreciation and amortization, as well as operating income.

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			
	2025	**2026**	Change	Change %
Revenue	717.8	**749.7**	31.9	4.4%
Operating expenses[1]	564.0	**596.8**	32.8	5.8%
Of which, depreciation and amortization	92.1	**95.1**	3.1	3.3%
Segment income	153.8	**152.9**	(0.9)	(0.6)%

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			
	2025	**2026**	Change	Change %
Service revenues	543.0	**564.8**	21.8	4.0%
Mobile	397.5	**400.5**	3.0	0.8%
Broadband	104.2	**108.8**	4.6	4.4%
Electricity	41.4	**55.5**	14.2	34.3%
Revenues from sales of goods and others	174.8	**184.9**	10.1	5.8%
Total revenue	717.8	**749.7**	31.9	4.4%

Consumer segment revenue increased by ¥31.9 billion (4.4%) year on year to ¥749.7 billion. Within Consumer segment revenue, service revenues increased by ¥21.8 billion (4.0%) year on year to ¥564.8 billion, and revenues from sales of goods and others increased by ¥10.1 billion (5.8%) year on year to ¥184.9 billion.

Within service revenues, mobile revenue increased by ¥3.0 billion (0.8%) year on year. The increase mainly reflected a rise in mobile ARPU due to increased penetration of the “PayToku” price plan under the “SoftBank” brand and revisions to price plans under the “Y!mobile” brand implemented in the previous fiscal year.

In addition, excluding the impact of customer acquisition measures, mobile revenue for each three-month period has transitioned to year-on-year growth since the three months ended December 31, 2023. Although revenue decreased in the three months ended March 31, 2026, excluding the impact of retrospective adjustments of access charges in Accounting Regulations for Interconnection, it continued to increase year on year.

(Billions of yen)

	Fiscal Year Ended March 31, 2026				Fiscal Year Ending March 31, 2027
	Q1	Q2	Q3	Q4	Q1
Mobile revenue	397.5	400.9	404.6	388.7	400.5
Of which, the impact of customer acquisition measures[1]	–	–	(2.6)	(9.3)	–
Mobile revenue (excluding the impact of customer acquisition measures)	397.5	400.9	407.2	398.1	400.5
YoY change	5.2	4.4	7.8	(1.5)	3.0

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

Broadband revenue increased by ¥4.6 billion (4.4%) year on year. This increase was mainly because OpenFiber Japan Corp., a joint venture with Sony Network Communications Inc., was established and commenced operations.

Electricity revenue increased by ¥14.2 billion (34.3%) year on year. This increase was mainly due to an increase in transactions in the electricity market.

The increase in revenues from sales of goods and others was mainly due to an increase in average unit prices of mobile devices.

Operating expenses were ¥596.8 billion, an increase of ¥32.8 billion (5.8%) year on year. This increase was mainly due to increases in the cost of electricity and amortization of capitalized sales commissions.

As a result, segment income decreased by ¥0.9 billion (0.6%) year on year to ¥152.9 billion.

(b) Enterprise Segment

OVERVIEW

In the Enterprise segment, the Group provides a wide range of services for enterprise customers. These services include communications services, such as mobile, enterprise network, and fixed-line telephone services; solution services, such as IoT and data solutions; and cloud and AI services, such as cloud, security, AI data centers, AI computing infrastructure, and AI solutions.

FINANCIAL RESULTS

(Billions of yen)

	Three Months Ended June 30			
	2025	**2026**	Change	Change %
Revenue	233.8	**260.4**	26.6	11.4%
Operating expenses[1]	185.0	**198.2**	13.2	7.1%
Of which, depreciation and amortization	43.3	**46.0**	2.7	6.2%
Segment income	48.8	**62.2**	13.4	27.5%

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			
	2025	**2026**	Change	Change %
Telecommunications	126.0	**131.5**	5.5	4.4%
Solutions	49.0	**51.8**	2.8	5.8%
Cloud & AI	58.8	**77.1**	18.3	31.0%
Total revenue	233.8	**260.4**	26.6	11.4%

Note:
*From the three months ended June 30, 2026, the Company has revised the revenue breakdown for the "Enterprise segment," changing the categories from "Mobile," "Fixed-line," and "Business solution and others" to "Telecommunications," "Solutions," and "Cloud & AI." As a result, the figures for the three months ended June 30, 2025 have been retrospectively adjusted.

Enterprise segment revenue increased by ¥26.6 billion (11.4%) year on year to ¥260.4 billion. Within Enterprise segment revenue, telecommunications revenue increased by ¥5.5 billion (4.4%) to ¥131.5 billion, solutions revenue increased by ¥2.8 billion (5.8%) to ¥51.8 billion, and cloud & AI revenue increased by ¥18.3 billion (31.0%) to ¥77.1 billion.

The increase in telecommunications revenue was mainly due to increases in the number of mobile subscriptions and mobile device sales.

The increase in solutions revenue was mainly due to an increase in system integration-related revenue, including sales of goods.

The increase in cloud & AI revenue was mainly due to increased revenue from AI computing infrastructure and from cloud and security solutions as a result of capturing enterprise customers' demand for digitalization.

Operating expenses were ¥198.2 billion, an increase of ¥13.2 billion (7.1%) year on year. This increase was mainly due to an increase in costs following the abovementioned increases in cloud & AI revenue and solutions revenue.

As a result, segment income increased by ¥13.4 billion (27.5%) year on year to ¥62.2 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			
	2025	**2026**	Change	Change %
Revenue	247.9	**304.5**	56.6	22.8%
Operating expenses[1]	235.9	**291.6**	55.6	23.6%
Of which, depreciation and amortization	1.0	**1.2**	0.2	22.5%
Segment income	11.9	**12.9**	1.0	8.2%

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 ¥56.6 billion (22.8%) year on year to ¥304.5 billion. This increase was mainly due to solid growth in recurring revenue products such as cloud and SaaS and ICT related products for enterprise customers, which have been strategic areas of focus.

Operating expenses were ¥291.6 billion, an increase of ¥55.6 billion (23.6%) 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 ¥1.0 billion (8.2%) year on year to ¥12.9 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			
	2025	**2026**	Change	Change %
Revenue	406.9	**446.8**	39.9	9.8%
Operating expenses[1]	336.2	**380.1**	43.9	13.1%
Of which, depreciation and amortization	40.2	**46.2**	6.0	15.0%
Segment income	70.7	**66.7**	(4.0)	(5.7)%

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			
	2025	**2026**	Change	Change %
Media	176.0	**180.8**	4.8	2.7%
Commerce	215.4	**242.2**	26.7	12.4%
Strategy	13.5	**22.0**	8.5	62.9%
Other	1.9	**1.8**	(0.1)	(5.5)%
Total revenue	406.9	**446.8**	39.9	9.8%

Note:
* In the three months ended June 30, 2026, the LY Group has revised its business management categories and reclassified certain services. As a result, the revenue breakdown of all service categories in the "Media & EC segment" for the three months ended June 30, 2025 has been retrospectively adjusted.

Media & EC segment revenue increased by ¥39.9 billion (9.8%) year on year to ¥446.8 billion. Within Media & EC segment revenue, media revenue increased by ¥4.8 billion (2.7%) to ¥180.8 billion, commerce revenue increased by ¥26.7 billion (12.4%) to ¥242.2 billion, strategy revenue increased by ¥8.5 billion (62.9%) to ¥22.0 billion, and other revenue decreased by ¥0.1 billion (5.5%) to ¥1.8 billion.

The increase in media revenue mainly reflected an increase in revenue from account advertising, despite a decrease in revenue from search advertising.

The increase in commerce revenue was mainly due to the consolidation of LINE MAN CORPORATION PTE. LTD. and BEENOS Inc., as well as an increase in transaction value of the ZOZO Group (ZOZO, Inc. and its subsidiaries).

The increase in strategy revenue mainly reflected the consolidation of LINE Bank Taiwan Limited.

Operating expenses were ¥380.1 billion, an increase of ¥43.9 billion (13.1%) year on year. This increase mainly reflected the consolidation of LINE MAN CORPORATION PTE. LTD., LINE Bank Taiwan Limited, and BEENOS Inc., as well as the absence of the remeasurement gain on step acquisition associated with the capital increase in LINE Bank Taiwan Limited, which had been recorded in the same period of the previous year.

As a result, segment income decreased by ¥4.0 billion (5.7%) year on year to ¥66.7 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			
	2025	**2026**	Change	Change %
Revenue	91.3	**115.9**	24.6	27.0%
Operating expenses[1]	73.2	**84.2**	10.9	14.9%
Of which, depreciation and amortization	7.8	**8.2**	0.5	5.9%
Segment income	18.1	**31.8**	13.7	76.0%

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

Financial segment revenue increased by ¥24.6 billion (27.0%) year on year to ¥115.9 billion. This increase was mainly due to an increase in gross merchandise value of QR code payments and credit card services provided by PayPay Corporation and PayPay Card Corporation.

Operating expenses were ¥84.2 billion, an increase of ¥10.9 billion (14.9%) 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 provided by PayPay Corporation and PayPay Card Corporation.

As a result, segment income increased by ¥13.7 billion (76.0%) year on year to ¥31.8 billion.

(2) Overview of Consolidated Financial Position

(Billions of yen)

	March 31, 2026	**June 30, 2026**	Change	Change %
Current assets	5,405.5	**5,672.8**	267.3	4.9%
Non-current assets	13,096.6	**13,669.8**	573.1	4.4%
Total assets	18,502.2	**19,342.6**	840.4	4.5%
Current liabilities	8,525.2	**8,922.3**	397.1	4.7%
Non-current liabilities	5,308.5	**5,781.8**	473.3	8.9%
Total liabilities	13,833.7	**14,704.1**	870.4	6.3%
Total equity	4,668.5	**4,638.5**	(29.9)	(0.6)%

(Billions of yen)

	Three Months Ended June 30		
	2025	**2026**	Change
Capital expenditures[1]	182.8	**332.7**	149.9
Of which, telecommunications[2]	82.4	**84.6**	2.2
Of which, AI[3]	3.4	**10.3**	6.9

Notes:

1. Acceptance basis.
2. Capital expenditures for telecommunications exclude investments in devices for rental services, shared equipment (contributions by other operators), and the impact of adopting IFRS 16 "Leases."
3. Capital expenditures for AI include investments such as AI computing infrastructure and AI data centers.

ASSETS

Total assets amounted to ¥19,342.6 billion as of June 30, 2026, an increase of ¥840.4 billion (4.5%) from the previous fiscal year-end. This was mainly due to an increase of ¥233.5 billion in other financial assets, ¥207.0 billion in cash and cash equivalents, ¥183.3 billion in investment securities, and ¥159.0 billion in right-of-use assets. The increase in other financial assets was mainly due to an increase in loans to customers at PayPay Bank Corporation and LINE Bank Taiwan Limited.

LIABILITIES

Total liabilities amounted to ¥14,704.1 billion as of June 30, 2026, an increase of ¥870.4 billion (6.3%) from the previous fiscal year-end. This was mainly due to an increase of ¥936.8 billion in interest-bearing debt, while there was a decrease of ¥116.7 billion in trade and other payables. The increase in interest-bearing debt was mainly due to various fund procurement measures, including the issuance of corporate bonds and the securitization of sales receivables.

EQUITY

Total equity amounted to ¥4,638.5 billion as of June 30, 2026, a decrease of ¥29.9 billion (0.6%) from the previous fiscal year-end. Equity attributable to owners of the Company decreased by ¥45.6 billion while non-controlling interests increased by ¥15.7 billion. The decrease in equity attributable to owners of the Company mainly reflected a decrease of ¥210.2 billion due to payment of cash dividends, while there was an increase of ¥150.1 billion due to the recording of net income for the three months ended June 30, 2026.

CAPITAL EXPENDITURES

In the three months ended June 30, 2026, capital expenditures were ¥332.7 billion, an increase of ¥149.9 billion year on year. This increase was mainly due to the leasing of telecommunications facilities, including dark fiber, in connection with the commencement of operations by OpenFiber Japan Corp.

(3) Overview of Consolidated Cash Flows

(Billions of yen)

	Three Months Ended June 30		
	2025	**2026**	Change
Cash flows from operating activities	197.1	**100.4**	(96.7)
Cash flows from investing activities	(344.7)	**(378.0)**	(33.3)
Cash flows from financing activities	261.1	**480.2**	219.2
Cash and cash equivalents at the end of the period	1,557.3	**1,645.8**	88.5
Free cash flow[1]	(147.6)	**(277.5)**	(130.0)
Adjusted free cash flow (excluding LY Group, PayPay, etc.)[1,2]	86.3	**(128.5)**	(214.9)

Notes:

1. Refer to "(4) Non-IFRS Financial Measures" for calculation methods of free cash flow and adjusted free cash flow (excluding LY Group, PayPay, etc.).
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. + other adjustments. "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.

a. Cash flows from operating activities

In the three months ended June 30, 2026, net cash inflow from operating activities was ¥100.4 billion, a decrease of ¥96.7 billion in cash inflow year on year. This mainly reflected an increase in EBITDA and a decrease in working capital such as trade receivables, payables, and inventories, while there were increases in financial assets in the banking and securities businesses and income taxes paid.

b. Cash flows from investing activities

In the three months ended June 30, 2026, net cash outflow from investing activities was ¥378.0 billion, an increase of ¥33.3 billion in cash outflow year on year. This increase mainly reflected an increase in payments for acquisition of investments resulting from the acquisition of preferred equity in Energy Global, LP for USD 1.0 billion (approximately ¥160.0 billion), while there was an increase in proceeds from sales/redemption of investment securities in banking business.

c. Cash flows from financing activities

In the three months ended June 30, 2026, net cash inflow from financing activities was ¥480.2 billion, an increase of ¥219.2 billion in cash inflow year on year. This increase mainly reflected an increase in fund procurement, including bank loans, corporate bonds, and the securitization of sales receivables.

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, 2026 were ¥1,645.8 billion, an increase of ¥88.5 billion year on year.

e. Adjusted free cash flow (excluding LY Group, PayPay, etc.)

In the three months ended June 30, 2026, adjusted free cash flow (excluding LY Group, PayPay, etc.) was negative ¥128.5 billion, a decrease of ¥214.9 billion year on year.

For details, refer to "b. Free Cash Flow, Adjusted Free Cash Flow (excluding LY Group, PayPay, etc.)" 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 Quarterly Consolidated Statement of Income. The Group 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.

(Billions of yen)

	Three Months Ended June 30, 2025	Three Months Ended June 30, 2026
Operating income	290.7	302.3
(Add) Depreciation and amortization[1]	191.3	205.5
(Add) Stock compensation expenses	3.4	2.9
(Add (subtract)) Other adjustments: Remeasurement gain on step acquisition	(14.5)	—
(Add (subtract)) Other adjustments: Gain relating to loss of control over subsidiaries	—	(2.4)
(Add (subtract)) Other adjustments: Other	—	(0.1)
Adjusted EBITDA	471.0	508.1

Note:

1. "Depreciation and amortization" in the table above includes Depreciation and amortization (¥188.8 billion for the three months ended June 30, 2025 and ¥202.3 billion for the three months ended June 30, 2026) and Loss on disposal of property, plant and equipment and intangible assets (¥2.6 billion for the three months ended June 30, 2025 and ¥3.2 billion for the three months ended June 30, 2026) 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.)

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.

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.), 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 and adjusted free cash flow (excluding LY Group, PayPay, etc.) are as follows.

(Billions of yen)

	Three Months Ended June 30, 2025	Three Months Ended June 30, 2026
Cash flows from operating activities	197.1	100.4
Cash flows from investing activities (capital expenditures)[1]	(144.7)	(163.8)
Cash flows from investing activities (others)[2]	(200.0)	(214.2)
Free cash flow	(147.6)	(277.5)
Effect of securitization of installment sales receivables	131.3	95.4
Securitization of installment sales receivables: Proceeds[3]	241.9	205.0
Securitization of installment sales receivables: Repayments[3]	(110.6)	(109.6)
Free cash flow from LY Group, PayPay, etc.[4]	116.3	38.1
Others[5]	(13.7)	15.4
Adjusted free cash flow (excluding LY Group, PayPay, etc.)	86.3	(128.5)

Notes:

1. 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.
2. 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.
3. 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.
4. "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.
5. Includes items such as dividends received from A Holdings Corporation, investment in PayPay Corporation, and proceeds from sales of shares in PayPay Securities Corporation.

(5) Forecasts

For the fiscal year ending March 31, 2027, the Company is forecasting revenue of ¥7,500.0 billion, operating income of ¥1,100.0 billion, and net income attributable to owners of the Company of ¥560.0 billion. There have been no changes to the consolidated financial result forecasts announced on May 11, 2026 in the Consolidated Financial Report for the Fiscal Year Ended March 31, 2026.

2. Notes to Summary Information

(1) Significant Changes in Scope of Consolidation for the Three Months Ended June 30, 2026

There are no significant changes in the scope of consolidation to be disclosed.

(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, 2026	As of June 30, 2026
ASSETS		
Current assets		
Cash and cash equivalents	1,438,799	1,645,785
Trade and other receivables	3,026,078	2,959,741
Other financial assets	490,348	547,579
Inventories	232,037	245,560
Other current assets	218,269	274,164
Total current assets	5,405,531	5,672,829
Non-current assets		
Property, plant and equipment	2,003,769	2,009,579
Right-of-use assets	772,596	931,634
Goodwill	2,189,385	2,198,014
Intangible assets	2,576,720	2,579,622
Contract costs	440,736	440,859
Investments accounted for using the equity method	205,823	237,834
Investment securities	345,757	529,014
Investment securities in banking business	1,280,476	1,288,244
Other financial assets	3,029,086	3,205,398
Deferred tax assets	138,289	129,799
Other non-current assets	114,007	119,758
Total non-current assets	13,096,644	13,669,755
Total assets	18,502,175	19,342,584

	As of March 31, 2026	As of June 30, 2026
		(Millions of yen)
LIABILITIES AND EQUITY		
Current liabilities		
Interest-bearing debt	1,956,418	2,461,801
Trade and other payables	3,285,304	3,168,573
Contract liabilities	169,055	188,931
Deposits for banking business	2,556,010	2,662,054
Other financial liabilities	25,422	31,683
Income taxes payable	150,880	69,699
Provisions	67,657	74,247
Other current liabilities	314,489	265,326
Total current liabilities	8,525,235	8,922,314
Non-current liabilities		
Interest-bearing debt	4,528,164	4,959,553
Other financial liabilities	170,165	204,556
Provisions	161,335	163,554
Deferred tax liabilities	336,189	342,281
Other non-current liabilities	112,632	111,816
Total non-current liabilities	5,308,485	5,781,760
Total liabilities	13,833,720	14,704,074
Equity		
Equity attributable to owners of the Company		
Common stock	244,355	247,699
Capital surplus	962,257	963,031
Retained earnings	1,728,300	1,667,809
Treasury stock	(27,078)	(27,053)
Accumulated other comprehensive income (loss)	50,025	60,746
Total equity attributable to owners of the Company	2,957,859	2,912,232
Non-controlling interests	1,710,596	1,726,278
Total equity	4,668,455	4,638,510
Total liabilities and equity	18,502,175	19,342,584

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

For the three months ended June 30, 2025 and 2026

Condensed Interim Consolidated Statement of Income

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Revenue	1,658,615	1,814,722
Cost of sales	(837,929)	(926,009)
Gross profit	820,686	888,713
Selling, general and administrative expenses	(544,454)	(590,154)
Other operating income	14,502	3,739
Operating income	290,734	302,298
Share of losses of associates accounted for using the equity method	(3,617)	(1,306)
Financing income	5,569	10,064
Financing costs	(22,252)	(29,891)
Profit before income taxes	270,434	281,165
Income taxes	(88,134)	(79,674)
Net income[1]	182,300	201,491
Net income attributable to		
Owners of the Company	145,310	150,070
Non-controlling interests	36,990	51,421
	182,300	201,491
Earnings per share attributable to owners of the Company		
Basic earnings per share (Yen)	3.00	3.09
Diluted earnings per share (Yen)	2.97	3.07

Note:

1. All net income of SoftBank Corp. and its subsidiaries for the three months ended June 30, 2025 and 2026 were generated from continuing operations.

Condensed Interim Consolidated Statement of Comprehensive Income

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Net income	182,300	201,491
Other comprehensive income (loss), net of tax		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit plan	(1,647)	(71)
Changes in the fair value of equity instruments at FVTOCI	4,839	393
Share of other comprehensive income (loss) of associates accounted for using the equity method	(10)	(68)
Total items that will not be reclassified to profit or loss	3,182	254
Items that may be reclassified subsequently to profit or loss		
Changes in the fair value of debt instruments at FVTOCI	783	(44)
Cash flow hedges	(1,567)	5,503
Exchange differences on translation of foreign operations	12,930	11,196
Share of other comprehensive income (loss) of associates accounted for using the equity method	3,791	105
Total items that may be reclassified subsequently to profit or loss	15,937	16,760
Total other comprehensive income (loss), net of tax	19,119	17,014
Total comprehensive income	201,419	218,505
Total comprehensive income attributable to		
Owners of the Company	150,675	160,593
Non-controlling interests	50,744	57,912
	201,419	218,505

(3) Condensed Interim Consolidated Statement of Changes in Equity

For the three months ended June 30, 2025

(Millions of yen)

	Equity attributable to owners of the Company							
	Common stock	Capital surplus	Retained earnings	Treasury stock	Accumulated other comprehensive income (loss)	Total	Non-controlling interests	Total equity
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

For the three months ended June 30, 2026

(Millions of yen)

	Equity attributable to owners of the Company							
	Common stock	Capital surplus	Retained earnings	Treasury stock	Accumulated other comprehen-sive income (loss)	Total	Non-controlling interests	Total equity
As of April 1, 2026	244,355	962,257	1,728,300	(27,078)	50,025	2,957,859	1,710,596	4,668,455
Comprehensive income								
Net income	-	-	150,070	-	-	150,070	51,421	201,491
Other comprehensive income (loss)	-	-	-	-	10,523	10,523	6,491	17,014
Total comprehensive income	-	-	150,070	-	10,523	160,593	57,912	218,505
Transactions with owners and other transactions								
Cash dividends	-	-	(210,245)	-	-	(210,245)	(45,497)	(255,742)
Issuance of new shares	3,344	3,344	-	-	-	6,688	-	6,688
Purchase of treasury stock	-	-	-	(0)	-	(0)	-	(0)
Disposal of treasury stock	-	(3)	-	25	-	22	-	22
Changes from business combinations	-	-	-	-	-	-	-	-
Changes from loss of control	-	-	-	-	-	-	(1,281)	(1,281)
Changes in interests in existing subsidiaries	-	(3,071)	-	-	-	(3,071)	4,522	1,451
Share-based payment transactions	-	518	-	-	-	518	-	518
Transfer from accumulated other comprehensive income (loss) to retained earnings	-	-	(198)	-	198	-	-	-
Other	-	(14)	(118)	-	-	(132)	26	(106)
Total transactions with owners and other transactions	3,344	774	(210,561)	25	198	(206,220)	(42,230)	(248,450)
As of June 30, 2026	247,699	963,031	1,667,809	(27,053)	60,746	2,912,232	1,726,278	4,638,510

(4) Condensed Interim Consolidated Statement of Cash Flows

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Cash flows from operating activities		
Net income	182,300	201,491
Depreciation and amortization	188,753	202,334
Loss on disposal of property, plant and equipment and intangible assets	2,585	3,176
Remeasurement gain on step acquisition	(14,502)	-
Gain relating to loss of control over subsidiaries	-	(2,424)
Financing income	(5,569)	(10,064)
Financing costs	22,252	29,891
Share of losses of associates accounted for using the equity method	3,617	1,306
Income taxes	88,134	79,674
(Increase) decrease in trade and other receivables	27,611	44,239
(Increase) decrease in inventories	(21,822)	(13,738)
Purchases of mobile devices leased to enterprise customers	(20,843)	(15,986)
Increase (decrease) in trade and other payables	(148,955)	(110,474)
Increase (decrease) in consumption taxes payable	8,976	(9,571)
Increase (decrease) in deposits for banking business	161,220	94,586
(Increase) decrease in loans in banking business	(42,620)	(110,020)
(Increase) decrease in investment securities in securities business	(24,629)	(54,838)
Other	(61,406)	(52,238)
Subtotal	345,102	277,344
Interest and dividends received	1,826	5,412
Interest paid	(19,705)	(27,148)
Income taxes paid	(130,308)	(155,466)
Income taxes refunded	205	280
Net cash inflow from operating activities	197,120	100,422
Cash flows from investing activities		
Purchases of property, plant and equipment and intangible assets	(145,028)	(164,356)
Proceeds from sales of property, plant and equipment and intangible assets	315	604
Payments for acquisition of investments	(68,757)	(222,987)
Proceeds from sales/redemption of investments	12,950	17,217
Purchase of investment securities in banking business	(116,305)	(130,071)
Proceeds from sales/redemption of investment securities in banking business	27,364	124,408
Proceeds from (payments for) obtaining control of subsidiaries	(52,100)	(6,360)
Proceeds from (payments for) loss of control over subsidiaries	(2)	(762)
Other	(3,111)	4,354
Net cash outflow from investing activities	(344,674)	(377,953)

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Cash flows from financing activities		
Increase (decrease) in short-term interest-bearing debt, net	373,276	370,937
Proceeds from interest-bearing debt	463,044	653,331
Repayment of interest-bearing debt	(354,093)	(303,045)
Proceeds from issuance of shares	9,452	5,618
Proceeds from stock issuance to non-controlling interests	52,891	14,587
Cash dividends paid	(201,593)	(204,071)
Cash dividends paid to non-controlling interests	(51,687)	(43,795)
Other	(30,211)	(13,316)
Net cash inflow (outflow) from financing activities	261,079	480,246
Effect of exchange rate changes on cash and cash equivalents	8,210	4,271
Increase (decrease) in cash and cash equivalents	121,735	206,986
Cash and cash equivalents at the beginning of the period	1,435,525	1,438,799
Cash and cash equivalents at the end of the period	1,557,260	1,645,785

(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

(1) 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.

(2) Changes in Presentation

(Condensed Interim Consolidated Statement of Cash Flows)

"(Increase) decrease in investment securities in securities business," which was included in "Other" under cash flows from operating activities for the three months ended June 30, 2025, has been presented as a separate item for the three months ended June 30, 2026 as the amount became material. In order to reflect this change, reclassification has been made in the condensed interim consolidated financial statements for the three months ended June 30, 2025.

As a result, in the condensed interim consolidated statement of cash flows for the three months ended June 30, 2025, "Other" of ¥(86,035) million under cash flows from operating activities has been reclassified as "(Increase) decrease in investment securities in securities business" of ¥(24,629) million and "Other" of ¥(61,406) million under cash flows from operating activities.

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, 2026. “Income tax expenses” for the three months ended June 30, 2026 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, 2026.

5. Business combinations

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 stock 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 on the settlement completion date of May 14, 2025, 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 14, 2025

d. Consideration and its breakdown

(Millions of yen)

		Acquisition date (May 14, 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 date[1]:

		Acquisition date (May 14, 2025) (Millions of yen)
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:

	Acquisition date (May 14, 2025) (Millions of yen)
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, a gain on 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 date[1]:

		(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 the 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

Three months ended June 30, 2026

There are no significant business combinations to be disclosed.

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 telecommunications services such as mobile, enterprise networks and fixed-line telephones, solution services such as IoT and data solutions, as well as cloud and AI services such as cloud, security, AI data centers, AI computing infrastructure and AI solutions. From the three months ended June 30, 2026, the Group revised the management categories for the components of revenue in the Enterprise segment, changing the previous categories of "Mobile," "Fixed-line," and "Business solution and others" to "Telecommunications," "Solutions," and "Cloud & AI."

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.

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, 2025

(Millions of yen)

	Reportable segments								
	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

Three months ended June 30, 2026

(Millions of yen)

	Reportable segments								
	Consumer	Enterprise	Distribution	Media & EC	Financial	Total	Other	Adjustments	Consolidated
Revenue									
Sales to external customers	745,435	244,395	251,423	440,990	107,659	1,789,902	24,820	-	1,814,722
Intersegment revenue or transferred revenue	4,284	16,026	53,074	5,810	8,250	87,444	3,656	(91,100)	-
Total	749,719	260,421	304,497	446,800	115,909	1,877,346	28,476	(91,100)	1,814,722
Segment income	152,919	62,229	12,919	66,699	31,759	326,525	(23,530)	(697)	302,298
Depreciation and amortization[1]	95,121	46,026	1,193	46,246	8,232	196,818	6,793	(1,277)	202,334

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, 2025	Three months ended June 30, 2026
Segment income	290,734	302,298
Share of losses of associates accounted for using the equity method	(3,617)	(1,306)
Financing income	5,569	10,064
Financing costs	(22,252)	(29,891)
Profit before income taxes	270,434	281,165

7. Interest-bearing debt

The components of "interest-bearing debt" are as follows:

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Current		
Short-term borrowings	625,819	969,746
Commercial paper	73,000	122,000
Current portion of long-term borrowings	863,753	888,657
Current portion of lease liabilities	163,863	191,588
Current portion of corporate bonds	229,958	289,790
Current portion of installment payables	25	20
Total	1,956,418	2,461,801
Non-current		
Long-term borrowings	2,474,053	2,577,562
Lease liabilities	649,770	783,843
Corporate bonds	1,404,325	1,598,137
Installment payables	16	11
Total	4,528,164	4,959,553

8. Equity

(1) Common stock and capital surplus

a. Common shares

Three months ended June 30, 2025

For the 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.

Three months ended June 30, 2026

For the three months ended June 30, 2026, due to the issuance of new shares upon exercise of stock acquisition rights, the number of shares issued increased by 45,377 thousand shares.

As a result of the issuance of the shares, "Common stock" and "Capital surplus" increased by ¥3,344 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 Bond-Type Class Shares and has unconditional right to avoid delivering cash or another financial asset except for the distribution of residual assets on liquidation.

(2) Treasury stock

Changes in “treasury stock” are as follows:

(Thousands of shares)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Balance at the beginning of the period	184,234	170,725
Increase during the period	0	0
Decrease during the period[1]	-	(157)
Balance at the end of the period	184,234	170,568

Note:

1. For the three months ended June 30, 2026, due to the exercise of stock acquisition rights, the number of treasury stock decreased by 157 thousand shares. As a result, “Treasury stock” decreased by ¥25 million and a loss on disposal of treasury stock of ¥3 million was recognized as a decrease in “Capital surplus.”

9. Dividends

Dividends paid are as follows:

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[1]	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[2]	Series 2 Bond-Type Class Shares	126.24	3,156	March 31, 2025	June 12, 2025

Three months ended June 30, 2026

Resolution	Class of shares	Dividends per share (Yen)	Total dividends (Millions of yen)	Record date	Effective date
Board of Directors meeting held on May 15, 2026	Common stock	4.30	205,547	March 31, 2026	June 2, 2026
Board of Directors meeting held on May 15, 2026[1]	Series 1 Bond-Type Class Shares	50.00	1,500	March 31, 2026	June 2, 2026
Board of Directors meeting held on May 15, 2026[2]	Series 2 Bond-Type Class Shares	128.00	3,200	March 31, 2026	June 2, 2026

Notes:

1. 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%.
2. 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, 2025	Three months ended June 30, 2026
Consumer		
Service revenues		
Mobile	395,063	397,818
Broadband	102,728	107,183
Electricity	41,340	55,519
Revenues from sales of goods and others	174,808	184,915
Subtotal	713,939	745,435
Enterprise[3,4]		
Telecommunications	120,640	129,043
Solutions	47,607	49,826
Cloud & AI	57,741	65,526
Subtotal	225,988	244,395
Distribution	208,936	251,423
Media & EC[5]		
Media	171,073	176,350
Commerce	215,222	241,954
Strategy	13,395	21,247
Other	787	1,439
Subtotal	400,477	440,990
Financial	84,923	107,659
Other	24,352	24,820
Total	1,658,615	1,814,722

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, 2025 and 2026 were ¥55,355 million and ¥72,681 million, respectively.
3. “Enterprise” include service revenues and revenues from sales of goods and others. Service revenues for the three months ended June 30, 2025 and 2026 were ¥180,353 million and ¥189,797 million, respectively. Revenues from sales of goods and others for the three months ended June 30, 2025 and 2026 were ¥45,635 million and ¥54,598 million, respectively.
4. Effective for the three months ended June 30, 2026, the business categories of “Enterprise” have been reevaluated and the previous categories of “Mobile,” “Fixed-line,” and “Business solution and others,” have been changed to “Telecommunications,” “Solutions,” and “Cloud & AI”, respectively. As a result, revenue under “Enterprise” for the three months ended June 30, 2025, have been retrospectively adjusted.
5. Effective for the three months ended June 30, 2026, 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 under “Media & EC” for the three months ended June 30, 2025, 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, 2025	Three months ended June 30, 2026
Net income attributable to common shareholders of the Company (Millions of yen)		
Net income attributable to owners of the Company	145,310	150,070
Net income not-attributable to common shareholders of the Company[1]	(2,350)	(2,350)
Net income used in the calculation of basic earnings per share	142,960	147,720
Weighted-average number of shares of common stock outstanding (Thousands of shares)	47,592,248	47,815,037
Basic earnings per share (Yen)	3.00	3.09

(2) Diluted earnings per share

	Three months ended June 30, 2025	Three months ended June 30, 2026
Diluted net income attributable to common shareholders (Millions of yen)		
Net income used in the calculation of basic earnings per share	142,960	147,720
Effect of dilutive securities issued by subsidiaries and associates	(690)	(149)
Total	142,270	147,571
Weighted-average number of shares of common stock used in the calculation of diluted earnings per share (Thousands of shares)		
Weighted-average number of shares of common stock outstanding	47,592,248	47,815,037
Increase in the number of shares of common stock due to stock acquisition rights	263,361	194,921
Total	47,855,609	48,009,958
Diluted earnings per share (Yen)	2.97	3.07

Note:

1. The amount represents dividends to be paid to class shareholders in connection with the Bond-Type Class Shares.

12. Other operating income

The components of "other operating income" are as follows:

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Other operating income		
Remeasurement gain on step acquisition	14,502	-
Gain relating to loss of control over subsidiaries	-	2,424
Other	-	1,315
Total	14,502	3,739

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, 2025 and 2026, were ¥61,425 million and ¥216,174 million, respectively, and are non-cash transactions. The increase in right-of-use assets for the three months ended June 30, 2026 includes ¥122,336 million due to the leasing of telecommunications facilities, including dark fiber, by OpenFiber Japan Corp., a subsidiary of the Company.

14. Related party transactions

Three months ended June 30, 2025

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, 2025 Amount of transaction	As of June 30, 2025 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 deposits 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, 2026

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, 2026 Amount of transaction	As of June 30, 2026 Balance at period-end
Junichi Miyakawa	Director of the Company	Lending of loans[1,2,3,4]	-	19,930
		Receipt of interest on loans receivable	55	55

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

1. The lending rate was set at 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 deposits 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. Subsequent events

(1) Transfer of Preferred Equity Interests in Energy Global, LP

On July 10, 2026, the Company resolved to transfer all preferred equity interests in Energy Global, LP held by Takeshiba US Holdings 1 LLC, a subsidiary of the Company, to SVF II Energy (DE) LLC. In accordance with this resolution, on the same date, the subsidiary entered into an equity transfer agreement and completed the transfer of the interests. SVF II Energy (DE) LLC is a subsidiary of SoftBank Group Corp., the parent of the Company, and is a related party of the Company.

a. Description of transferred assets

Series D Preferred Equity Interests of Energy Global, LP

b. Execution date of equity interest transfer

July 10, 2026

c. Impact on financial results

The base transfer price for this transaction is USD 1.5 billion. However, as the final transfer price will be determined by reflecting the price adjustment stipulated in the equity transfer agreement based on valuations calculated by independent third-party institutions, the amount of the gain or loss arising from the transfer is currently undetermined.

(2) Capital and Business Alliance Aimed at Building a Medium- to Long-term Strategic Partnership with Seven & i Holdings Co., Ltd.

On July 31, 2026, the Company, together with its subsidiaries PayPay Corporation (hereinafter "PayPay") and LY Corporation, entered into a business alliance agreement with Seven & i Holdings Co., Ltd. (hereinafter "Seven & i") and SEVEN-ELEVEN JAPAN CO., LTD. (hereinafter "Seven-Eleven Japan") for the purpose of building a strategic partnership in the digital field (hereinafter the "Business Alliance"). On the same date, the Company and PayPay entered into a capital alliance agreement with Seven & i (hereinafter the "Capital Alliance"), and decided to subscribe to the disposal of treasury shares (hereinafter the "Treasury Shares Disposal") through a third-party allotment to be conducted by Seven & i based on the Capital Alliance.

a. Details of the Business Alliance

Through the Business Alliance, the Company aims to optimize store management operations and achieve labor-saving by utilizing its technologies including AI and promoting DX, while accelerating data-driven store operations including customer traffic analysis and supply chain demand forecasting, thereby creating new social value and business opportunities. In addition, PayPay aims to promote the integration of 7iD into PayPay user accounts, the introduction of PayPay Points, contract development of the Seven-Eleven app, collaboration on promotional initiatives, and the mutual utilization of data held by each company, with the goal of enhancing the customer experience at Seven-Eleven and expanding opportunities to use the digital financial platform centered on PayPay payments.

b. Details of the Capital Alliance

(a) Execution date	July 31, 2026
(b) Counterparty	Seven & i Holdings Co., Ltd.
(c) Method of acquisition	Subscription to the disposal of treasury shares through a third-party allotment
(d) Payment date	August 17, 2026 (planned)
(e) Class of shares to be acquired	Common stock
(f) Acquisition cost	¥200.0 billion (Breakdown: the Company: ¥100.0 billion, PayPay: ¥100.0 billion)
(g) Acquisition price per share	¥2,070 per share
(h) Number of shares to be acquired	96,618,356 shares (Breakdown: the Company: 48,309,178 shares, PayPay: 48,309,178 shares) (Ratio of ownership to the total number of issued shares (excluding treasury stock): 4.26%)

The Treasury Shares Disposal is conditional upon the satisfaction of prescribed conditions precedent, including the effectiveness of the securities registration statement to be filed by Seven & i.

c. Impact on financial results

The impact of the Capital and Business Alliance on the Group's performance is currently under assessment.