February 5, 2015

SoftBank Corp.

Impairment Losses Related to Sprint (under US GAAP) and Reasons for Not Recognizing an Impairment Loss Related to Sprint in the Consolidated Financial Statements of SoftBank (under IFRSs)

On February 5, 2015 (EST), Sprint Corporation ("Sprint", a company that reports in US GAAP), a subsidiary of SoftBank Corp. (the "Company") in the U.S., announced that it recorded impairment losses of USD 2.13 billion (approximately JPY 256.8 billion [*1]) for the three-month period ended December 31, 2014 (the "third quarter"). The Company announces that an impairment loss related to Sprint was not recognized in the Company's consolidated financial statements (under IFRSs) as described below.

1. About Sprint

(1)	Name	Sprint Corporation
(2)	Address	6200 Sprint Parkway, Overland Park, Kansas 66251
(3)	Name and title of representative	Marcelo Claure President and Chief Executive Officer
(4)	Nature of business	Holding company. Provision of telecommunications services through its operating subsidiaries.
(5)	Common stock	USD 40 million (as of December 31, 2014)

2. Impairment Losses Recorded in Sprint

In the third quarter, Sprint (a company that reports in US GAAP) recorded USD 1.9 billion and USD 233 million of impairment losses on the Sprint trade name in its Wireless Segment and property, plant and equipment in its Wireline Segment, as operating expenses respectively, due to estimated fair values that were less than the carrying amounts.

Sprint treats its Wireless Segment and Wireline Segment as separate cash-generating units[*2]. Under US GAAP, certain assets, such as the Sprint trade name, are tested for impairment at the individual asset level while other assets or asset groups, such as Wireline's long-lived assets are tested at the higher level cash generating unit.

During the third quarter, Sprint determined that certain assets might be impaired based on several factors including a decrease in its stock price, downgraded credit rating, and since the Sprint's acquisition, actual results and future expectations of the business, including net postpaid handset subscriber additions, have been lower than the forecasts used to allocate the purchase price to the assets acquired and liabilities assumed. Sprint conducted impairment tests, and as a result, the estimated fair values of the Sprint trade name and the Wireline property, plant and equipment were less than the respective carrying amounts and impairment losses were recognized.

3. Reasons for Not Recognizing an Impairment Loss Related to Sprint in the Company's Consolidated Financial Statements

In the Company's consolidated financial statements (under IFRSs), an impairment loss related to Sprint was not recognized in the third quarter due to the following reasons.

The Company has treated Sprint as a single cash generating unit since its acquisition in July 2013. Under IFRSs adopted by the Company, assets in cash-generating units are tested for impairment together as opposed to at the individual asset level or at a lower level asset grouping.

The Company determined that the assets of Sprint might be impaired due to the above facts and conducted an impairment test in the third quarter. As a result of this impairment test, an impairment loss was not recognized in the Company's consolidated financial statements as the estimated fair value of the Sprint cash-generating unit exceeded the carrying amount.

[Notes]

*1 Calculated at exchange rate of USD = JPY 120.55 as of December 31, 2014.

*2 Under US GAAP, the smallest unit that generates independent cash flows is referred to as an "asset group." Since an "asset group" is similar to a "cash-generating unit" in IFRSs, "asset group" is referred to as "cash-generating unit" in this press release.