May 10, 2017
SoftBank Group Corp.

Recognition of Loss on Valuation of Shares of Subsidiaries and Associates (as Special Loss) in Non-consolidated Financial Statements

SoftBank Group Corp. ("SBG") announces that it recognized loss on valuation of shares of subsidiaries and associates as special loss in its non-consolidated financial statements (Japan GAAP) for the fiscal year ended March 2017 as follows.

1. Outline of loss on valuation of shares of subsidiaries and associates

SBG recognized loss on valuation of shares of subsidiaries and associates of JPY 114,059 million as special loss in its non-consolidated financial statements for the fiscal year ended March 2017. The loss represents impairments of SBG's investments in subsidiaries and associates, including STARFISH I PTE LTD.

STARFISH I PTE LTD is an intermediate holding company, which owns preferred shares in Jasper Infotech Private Limited, who runs "snapdeal.com," an e-commerce site in India. Highly competitive e-commerce market in India has made a trend of the company's business performance lower than initially anticipated. This situation caused a material decrease in net asset value of STARFISH I PTE LTD as of March 31, 2017, and therefore SBG impaired the carrying amount of its shares in the company, to the amount equivalent to its net asset value.

2. Impact on SBG's consolidated financial results

In SBG's IFRS consolidated financial statements, the changes in the fair value of Jasper Infotech Private Limited have been recorded on quarterly basis as gain or loss on financial instruments at FVTPL on the statements of income. Therefore, there is no impact from the abovementioned loss on valuation of shares of subsidiaries and associates on the consolidated financial results.