November 1, 2019
SoftBank Group Corp.

Recognition of Income on Equity Method Investments
Related to Receipt of Shares of Ant Financial by Alibaba

Alibaba Group Holding Limited ("Alibaba"), an associate of SoftBank Group Corp. ("SBG"), received newly-issued shares (a 33% equity interest) of Ant Small and Micro Financial Services Group Co., Ltd. ("Ant Financial," operator of the electronic payment service Alipay) in September 2019, pursuant to the 2014 share and asset purchase agreement, as amended, among Alibaba, Ant Financial and others. The consideration paid by Alibaba to receive the newly-issued 33% equity interest in Ant Financial was funded by payments from Ant Financial and its subsidiaries to Alibaba in consideration for certain intellectual property rights and assets held by Alibaba. Following this, Alibaba recorded a gain of CNY 69.2 billion (USD 9.7 billion) in its financial results for the three-month period ended September 2019, which was the result from the transfer of such intellectual property and assets to Ant Financial and the basis difference determined based on Alibaba's share of Ant Financial's net assets, net of its corresponding deferred tax effect. Consequently, profit attributable to SBG of ¥277,175 million will be recorded in income on equity method investments in SBG's consolidated financial results for the six-month period ended September 30, 2019.

SBG will announce its consolidated financial results for the six-month period ended September 30, 2019 at 3:00 p.m. on November 6, 2019 (JST).