

Notice of Pricing of Monetization and Additional Sale of Shareholding
in Alibaba Group Holding Limited

SoftBank Group Corp. (“SBG”) today announced that it has priced a series of capital raising transactions including an additional sale which involve monetizing a portion of its shares of Alibaba Group Holding Limited (“Alibaba”) for \$8.9 billion¹ in aggregate, announced in our press release of June 1, 2016, entitled “SoftBank Announces a Minimum \$7.9 Billion Monetization of its Alibaba Stake in Coordination with Alibaba Group”.

Specifically, the Mandatory Exchangeable Trust (the “Trust”), a newly formed trust, has priced the offering of its mandatory exchangeable trust securities (the “Trust Securities”) exchangeable into American depositary shares (“ADSs”) of Alibaba in a private placement to qualified institutional buyers pursuant to Rule 144A under the U.S. Securities Act for an aggregate purchase price of \$5.5 billion. The Trust granted the initial purchasers of the Trust Securities an option to purchase up to an additional \$1.1 billion aggregate purchase price of its Trust Securities.

SBG concurrently entered into a series of transactions (through a wholly owned subsidiary) comprising of (i) the sale of \$2.0 billion of Alibaba ordinary shares to Alibaba, (ii) the sale of \$400 million of Alibaba ordinary shares to members of the Alibaba Partnership, acting collectively, and (iii) the sale of \$500 million of Alibaba ordinary shares to GIC Private Limited pursuant to an exemption from registration under the U.S. Securities Act. The shares would be eligible for resale under Rule 144 following a 6-month holding period (subject to additional restrictions applicable with respect to shares acquired by affiliates under Rule 144). In addition to the previously announced transactions, SBG has subsequently also entered into a sale of \$500 million of Alibaba ordinary shares to Aranda Investments Pte. Ltd., a wholly owned subsidiary of Temasek Holdings Private Limited pursuant to the same exemption from registration.

1. Summary of the Trust Securities

Securities	Mandatory Exchangeable Trust Securities
Issuer	Trust
Size	\$5.5 billion
Coupon rate	5.75% (payable quarterly)
Term	3 years (under certain circumstances, including at the election of West Raptor Holdings, LLC (“WRH LLC”), the Trust Securities may be exchanged earlier)
Exchange date	The first scheduled trading day after June 1, 2019
Exchange premium ²	17.5%

¹ Excluding additional purchase option granted to initial purchasers in respect of Trust Securities

² The ratio between the closing price of Alibaba ADSs on the pricing date of Trust Securities (the “Closing Price”) and the maximum exchange price to such Closing Price. Exchange premium potentially enables monetization of shares at a higher

Exchange rate ³	A certain number of ADSs between 1.1097 and 1.3040 per Trust Security, determined by reference to the volume-weighted average trading price of the ADSs at that time
Settlement	Expected to be settled upon exchange by delivery of Alibaba ADSs. WRH LLC will have the option to settle the variable prepaid forward contract underlying the Trust Securities by either delivering ADSs, cash or a combination thereof

Following completion of the transactions, SBG will continue to hold approximately 28%⁴⁵ of Alibaba's total outstanding shares. The net proceeds of WRH LLC through the issuance of Trust Securities excluding amounts in respect of the Trust's expenses and amounts used to purchase U.S. Treasury securities are approximately \$4.4 billion.

2. Impact on Consolidated Financial Results

The impact on consolidated financial results from the transactions will be disclosed as necessary once it is determined.

3. Schedule

Closing of Share Sales	June 10, 2016 (US time) (except in the case of the purchase by members of the Alibaba Partnership, acting collectively, which is expected to close in approximately 45 days)
Closing of the Trust Securities	June 10, 2016 (US time) (other than Trust Securities that may be sold pursuant to the initial purchasers' option)

Neither the Trust Securities nor any of the ordinary shares or ADSs underlying the Trust Securities have been or will be registered under the U.S. Securities Act of 1933, as amended (U.S. Securities Act) or the securities laws of any other state or jurisdiction, and may not be offered or sold without registration or an applicable exemption therefrom. This press release does not constitute an offer to sell or the solicitation of an offer to buy any securities nor shall there be any sale of these securities in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful.

price than the Closing Price

³ The number of ADSs to be exchanged per Trust Security (calculated as the initial price of each Trust Security divided by exchange price)

⁴ Excluding ordinary shares expected to be pledged as Trust Securities collateral and ordinary shares to be subject to additional purchase option and assuming shares purchased by Alibaba will be cancelled

⁵ Approximately 27% if the initial purchasers of the Trust Securities exercise their option to purchase additional Trust Securities in full