

Issue of USD-denominated Undated Hybrid Notes
(with an Optional Interest Deferral)

SoftBank Group Corp. ("SBG") announces that yesterday it determined the following terms and conditions for the issuance of its USD-denominated Undated Subordinated NC6 Resetttable Notes and USD-denominated Undated Subordinated NC10 Resetttable Notes (collectively, the "Hybrid Notes").

The Hybrid Notes are eligible for 50% equity treatment from rating agencies (Standard & Poor's Financial Services LLC. and Japan Credit Rating Agency, Ltd.). They allow SBG an option to defer interest payments and have no maturity date while their payment priority can be considered as subordinated to senior indebtedness. They will be recorded as equity in SBG's consolidated financial statements in accordance with International Financial Reporting Standards (IFRS). SBG expects this issuance will enable to enhance its financial stability as well as diversify its funding sources as the first offering of hybrid notes denominated in foreign currencies (other than JPY) by a Japanese corporate issuer.

The terms and conditions are following:

	Undated Subordinated NC6 Resetttable Notes	Undated Subordinated NC10 Resetttable Notes
1. Total amount of issue	USD 2.75 billion (JPY 311.3 billion* ¹)	USD 1.75 billion (JPY 198.1 billion* ¹)
2. Issue price	100% of the principal amount	100% of the principal amount
3. Initial interest rate* ^{2,3}	6.000% per annum (equivalent to 3.15% on JPY basis)	6.875% per annum (equivalent to 3.61% on JPY basis)
4. Maturity date	None (Perpetual)	None (Perpetual)
5. Optional redemption	SBG may, at its discretion, redeem the NC6 Notes on the first call date on July 19, 2023 or any interest payment date thereafter.	SBG may, at its discretion, redeem the NC10 Notes on the first call date on July 19, 2027 or any interest payment date thereafter.
6. Interest payment	Payable semi-annually in arrears on January 19 and July 19 each year	
7. Expected closing date	July 19, 2017	
8. Offering Region	Overseas securities markets including Europe and Asia but outside of Japan and the United States	
9. Offerees	Institutional investors (excluding United States persons)	
10. Collateral	None	
11. Guarantee	None	
12. Covenants	None	

13. Subordination	In the event of bankruptcy, etc. the Hybrid Notes shall be subordinated to all SBG's senior indebtedness (including domestic subordinated bonds issued in 2014 and 2015 by SBG) and shall rank substantially <i>pari passu</i> with the domestic hybrid bonds issued in 2016 by SBG and its senior preference shares (if issued in the future) and senior to SBG's common stock.
14. Initial Purchasers	(Joint Global Coordinators) Morgan Stanley & Co. International plc Deutsche Bank AG, Singapore Branch Merrill Lynch International (Joint Bookrunners) Credit Suisse (Hong Kong) Limited Mizuho Securities Asia Limited Crédit Agricole Corporate and Investment Bank J.P. Morgan Securities plc and other Co-Managers
15. Ratings	(i) Standard & Poor's Financial Services LLC. B+ (ii) Moody's Japan K.K. Ba3
16. Listing	Singapore Exchange Securities Trading Limited
17. Use of proceeds	SBG intends to use the proceeds of issuance of the Hybrid Notes for general corporate purposes.

*1 Based on an exchange rate of USD 1.00 = JPY 113.20

*2 There is a step-up interest provision on the Undated Subordinated NC6 Resettable Note of 25bps on July 19, 2023 and additional 75bps on July 19, 2038, and on the Undated Subordinated NC10 Resettable Note of 25bps on July 19, 2027 and additional 75bps on July 19, 2042.

*3 Interest rate on JPY basis is based on the market data related to swap as of July 12, 2017 without considering any swap cost.

**Disclaimer
Important Notice**

The Hybrid Notes will not be registered under the Financial Instruments and Exchange Act of Japan, as amended, and will not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (including Japanese corporations), except as permitted under any applicable laws of Japan.

This announcement is not an offer to sell or a solicitation of any offer to buy securities in the United States or elsewhere. The Hybrid Notes may not be offered or sold in the United States without registration or an exemption from registration under the U.S. Securities Act of 1933 (the "Securities Act"). The offering of Hybrid Notes described in this announcement has not been and will not be registered under the Securities Act, and accordingly any offer or sale of Hybrid Notes may be made only in a transaction exempt from the registration requirements of the Securities Act.

This announcement is only directed at (A) persons who are located outside the European Economic Area or, if located within the European Economic Area, who are qualified investors within the meaning of the Prospectus Directive as implemented in the relevant member state of the European Economic Area and (B) persons who are located outside the United Kingdom or, if located within the United Kingdom, who are (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") or (ii) high net worth entities, or (iii) other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons in (A) and (B) above together being referred to as "Relevant Persons"). The Hybrid Notes will only be available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire the Hybrid Notes will be engaged in only with, Relevant Persons. Please note, however, acquisition of the Hybrid Notes by resident of Japan (including Japanese corporations) and certain other person will be restricted as described above. Any person who is not a Relevant Person should not act or rely on this announcement or any of its contents. If you have received this announcement and you are not a Relevant Person you must return it immediately to SBG. The expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereof, including Directive 2010/73/EU), to the extent implemented in any relevant member state of the European Economic Area and includes any relevant implementing measure in the relevant member state of the European Economic Area.

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