

Sale of All Shares in Subsidiary Brightstar Global Group Inc.

SoftBank Group Corp. ("SBG") today announced that, on September 17, 2020 (U.S. time), it has entered into a definitive agreement with Brightstar Capital Partners (together with its affiliates, "BCP"), a U.S.-based private equity firm focused on partnering with founders, entrepreneurs and management teams, whereby SBG will sell all of its shares in Brightstar Global Group Inc. ("BGG"), a wholly owned subsidiary of SBG and the sole parent company of Brightstar Corp. ("Brightstar"), a global leader of end-to-end device lifecycle solutions for carriers, retailers, and enterprises, to a newly formed subsidiary of BCP (the "Transaction"), for a consideration consisting of cash proceeds and a 25%* stake in a newly formed subsidiary of BCP, which will hold all of BGG shares. The Transaction is subject to regulatory approvals and other customary closing conditions. The Transaction is expected to close before the end of SBG's fiscal year ending March 31, 2021.

Upon completion of the Transaction, BGG and Brightstar will cease to be subsidiaries of SBG and will no longer be consolidated into SBG's financial results.

* Fully diluted base. Same applies throughout this document.

1. Purpose and overview of the Transaction

SBG acquired Brightstar in January 2014 as part of its efforts to further strengthen the competitive position of subsidiaries, such as Sprint Corporation and SoftBank Corp., that operate telecommunications businesses. In the course of a periodic review of portfolio as a strategic holding company, SBG decided to deconsolidate its holdings in Brightstar while retaining a significant minority stake to participate in future equity upside.

In the Transaction, SBG will sell all of its shares of BGG common stock held through its wholly owned subsidiary BGG Holdco, LLC to a newly formed subsidiary of BCP in exchange for (i) cash proceeds and (ii) a 25%* stake in the said subsidiary of BCP which will hold all the shares of BGG. SBG will receive the cash proceeds, net of indebtedness owed by BGG to SBG, which will be repaid to SBG, as of the closing date.

The sale price is not disclosed due to confidentiality but has been determined through discussions with third parties and submitted appraisal values, and the sale has been decided through bidding by multiple participants.

2. About BGG and Brightstar

(1) Name	Brightstar Global Group Inc.	Brightstar Corp.	
(2) Address	Delaware, U.S.A.	Delaware, U.S.A.	
(3) Name and title of representative	Rod Millar, CEO	Rod Millar, CEO	
(4) Nature of business	Holding company	Provision of end-to-end device lifecycle solutions	
(5) Share capital (as of March 31, 2020)	USD 3 thousand	Less than USD 1 thousand	
(6) Established	2013	1997	
(7) Major shareholders and their holdings	SBG 100%	SBG 100%	
(8) Relations with SBG	Capital	SBG indirectly holds 100% of the outstanding common stock of BGG.	SBG indirectly holds 100% of the outstanding common stock of Brightstar through BGG.
	Personnel	Marcelo Claire, SBG's Board Director, Executive Vice President & COO, and Rob Townsend, SBG's Senior Vice President & CLO, Head of Legal Unit, serve as board directors of BGG.	Marcelo Claire, SBG's Board Director, Executive Vice President & COO, and Rob Townsend, SBG's Senior Vice President & CLO, Head of Legal Unit, serve as board directors of Brightstar.
	Business	Not applicable	Not applicable
(9) Operating results of the Brightstar segment in SBG's Consolidated Statements of Income in the past three years (millions of JPY) *1			
	Fiscal year ended March 2018	Fiscal year ended March 2019	Fiscal year ended March 2020
Net sales	1,075,020	1,082,669	955,415
Segment loss (operating loss) *2	(44,634)	(23,396)	(5,328)
Segment loss (loss before income tax) *2	-	-	(14,498)

*1 The results of the Brightstar segment in SBG's consolidated financial statements represents the earnings of Brightstar and its holding company BGG.

*2 The segment income in each reportable segment has been changed from "operating income" to "income before income tax" from the first quarter of the fiscal year ending March 2021.

3. About BCP

(1) Name	Brightstar Capital Partners
(2) Website	https://brightstarcapitalpartners.com/
(3) Address	New York, U.S.A
(4) Basis of establishment	A Delaware limited partnership
(5) Purpose of establishment	To partner with exceptional founders, entrepreneurs and management teams where the firm is ideally positioned to drive value creation
(6) Establishment	2015

(7) Capital	USD 2.1 billion under management
(8) General partner	Name: Brightstar Associates, L.P. Address: New York, U.S.A. Name and Title of Representative: Andrew Weinberg, Managing Member of Brightstar GP Investors, LLC, General Partner of Brightstar Associates, L.P. Nature of Business: Investment company Share Capital: N/A – privately held partnership
(9) Administrative contact in Japan	Not applicable
(10) Relations with SBG	SBG has no capital, personnel or business relationship with BCP. BCP was founded by Andrew Weinberg. While at Lindsay Goldberg, a NY-based private equity firm, Mr. Weinberg served as the deal partner for Brightstar prior to SBG's ownership. From 2008-2011, Mr. Weinberg also served as Chief Operating Officer and Chief Strategy Officer of Brightstar. BCP is not an affiliate of Brightstar or BGG.

* The details of limited partners and their investment ratio are not disclosed.

4. SBG's ownership in BGG before and after the Transaction

Ownership before the Transaction	100%
Ownership after the Transaction	0% *1

1 As part of the consideration for the Transaction, SBG will receive 25% stake in a newly formed subsidiary of BCP which will hold all of BGG shares.

5. Schedule

Conclusion of definitive agreement	September 17, 2020 (U.S. time)
Closing of the Transaction	Before the end of SBG's fiscal year ending March 31, 2021 (expected)

6. Management quotes

"Since I founded Brightstar over 20 years ago, the company has grown tremendously and become a leader of end-to-end device lifecycle solutions," said Marcelo Claire, Founder of Brightstar and Board Director, Executive Vice President & COO of SBG. "I am incredibly proud of what Brightstar has accomplished over the years and excited for its future. SBG looks forward to partnering with BCP as Brightstar enters into its next phase of growth."

7. Impact on consolidated financial results

Upon completion of the Transaction, BGG and Brightstar will cease to be a subsidiary of SBG and will no longer be consolidated into SBG's financial results. Prior to that, as it is currently considered highly probable that the Transaction will be completed, BGG and Brightstar's net income (loss) in SBG's consolidated statements of income for the six-month period ending September 30, 2020 are expected to be presented as "net income (loss) from discontinued operations" separately from continuing operations. Accordingly, BGG and Brightstar's net income (loss) for the same period of the previous fiscal year will also be adjusted retrospectively and will be presented as "net income (loss) from discontinued operations."

In addition, BGG and Brightstar's assets and liabilities are expected to be presented as assets and liabilities classified as held for sale in SBG's consolidated statement of financial position for the six-month period ending September 30, 2020. The other impacts on SBG's consolidated financial results will be minor.

Net sales and income before income tax (segment income) for the fiscal year ended March 2020

	Consolidated	Brightstar segment
Net sales	Millions of yen 6,185,093	Millions of yen 955,415
Income (loss) before income tax (segment income(loss))	Millions of yen 35,492	Millions of yen (14,498)

Reference: Consolidated financial results forecast for the fiscal year ending March 2021 and actual for the fiscal year ended March 2020

	Net sales	Income before income tax	Net income attributable to owners of the parent
Forecast for the fiscal year ending March 2021	-	-	-
Actual for the fiscal year ended March 2020	Millions of yen 6,185,093	Millions of yen 35,492	Millions of yen (961,576)

SBG does not provide forecasts of consolidated results of operations as they are difficult to project due to numerous uncertainties affecting earnings.