

# Consolidated Balance Sheets

SOFTBANK INVESTMENT CORPORATION and Consolidated Subsidiaries

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	31st March		31st March,
	2003	2004	2004
<b>ASSETS</b>			
<b>CURRENT ASSETS:</b>			
Cash and cash equivalents (Note 14)	¥ 3,885	¥ 34,361	\$ 325,292
Time deposits		61	577
Cash required to be segregated under regulations (Note 3)		95,608	905,125
Account receivables—trade	295	584	5,533
Operational investment securities (Note 4)	10,423	5,134	48,603
Valuation allowance for operational investment securities	(2,370)	(579)	(5,480)
Operational investments in funds (Note 5)	8,939	12,542	118,733
Real estate inventory (Note 6)	2,287	787	7,456
Trading assets (Notes 7 and 14)		1,310	12,402
Margin transaction assets:			
Loans receivable from customers		168,485	1,595,049
Cash deposits as collateral for securities borrowed		12,558	118,887
Loans secured by securities—loans receivable for resell agreement transactions		13,545	128,226
Short-term guarantee deposits		6,539	61,901
Deferred tax assets—current (Note 24)	2,552	2,014	19,069
Prepaid expenses and other current assets (Note 9)	1,559	4,055	38,386
Allowance for doubtful accounts	(32)	(205)	(1,936)
<b>Total current assets</b>	<b>27,538</b>	<b>356,799</b>	<b>3,377,823</b>
<b>PROPERTY AND EQUIPMENT—Net</b> (Notes 10 and 14)	<b>167</b>	<b>3,393</b>	<b>32,120</b>
<b>LEASED ASSETS—Net</b> (Note 11)		<b>8,964</b>	<b>84,861</b>
<b>INVESTMENTS AND OTHER ASSETS:</b>			
Investment securities (Notes 4 and 14)	327	16,854	159,553
Investments in unconsolidated subsidiaries and affiliated companies (Note 12)	124	112	1,056
Software, net of accumulated amortisation of ¥46 million and ¥2,713 million (\$20,574 thousand) at 31st March, 2003 and 2004, respectively	105	2,877	27,240
Deferred tax assets—non-current (Note 24)	52	510	4,826
Rental deposit	349	2,149	20,350
Goodwill	527	15	145
Long-term trade receivables		4,415	41,800
Other assets	85	2,912	27,564
Allowance for doubtful accounts		(2,355)	(22,299)
<b>Total investments and other assets</b>	<b>1,569</b>	<b>27,489</b>	<b>260,235</b>
<b>TOTAL</b>	<b>¥29,274</b>	<b>¥396,645</b>	<b>\$3,755,039</b>

See notes to consolidated financial statements.

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	31st March		31st March,
	2003	2004	2004
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>CURRENT LIABILITIES:</b>			
Short-term borrowings (Notes 13 and 14)		¥ 9,630	\$ 91,167
Current portion of long-term debt (Note 13)	¥ 3,100	2,625	24,851
Income taxes payable	512	5,977	56,586
Margin transaction liabilities:			
Loans payable for margin transactions (Notes 13 and 14)		126,722	1,199,676
Proceeds of securities sold for customers' accounts		33,661	318,670
Loans secured by securities—loans payable for repurchase agreement transactions (Note 13)		3,714	35,160
Consignment guarantee money received for margin transactions		84,111	796,283
Customers' deposits as collateral for commodity futures (Notes 3 and 9)		7,254	68,672
Customers' deposits for securities transactions		7,631	72,241
Unearned income (Note 15)	1,387	1,307	12,370
Accrued expenses	27	1,708	16,173
Other current liabilities (Notes 7, 13 and 24)	413	6,059	57,358
Total current liabilities	5,439	290,399	2,749,207
<b>LONG-TERM LIABILITIES:</b>			
Long-term debt, less current portion (Note 13)	4,281	23,400	221,528
Negative goodwill		5,477	51,846
Deferred tax liabilities—non-current (Note 24)		3,308	31,314
Other long-term liabilities (Notes 16 and 17)	136	286	2,712
Total long-term liabilities	4,417	32,471	307,400
<b>STATUTORY RESERVES (Note 18):</b>			
Reserve for liability for securities transactions		1,267	12,000
Reserve for liability for commodity transactions		104	981
Total statutory reserves		1,371	12,981
<b>MINORITY INTERESTS</b>			
	306	24,939	236,102
<b>SHAREHOLDERS' EQUITY (Notes 19, 20 and 30):</b>			
Common stock—authorised, 1,319,013 shares in 2003 and 9,064,000 shares in 2004; issued, 336,473 shares in 2003 and 2,321,227 shares in 2004	7,826	8,393	79,455
Capital surplus	9,363	27,092	256,481
Retained earnings	2,082	9,772	92,509
Unrealised (loss) gain on available-for-sale securities	(8)	2,399	22,710
Foreign currency translation adjustments	485	25	237
Treasury stock—at cost, 6,029 shares in 2003 and 3,521 shares in 2004	(636)	(216)	(2,043)
Total shareholders' equity	19,112	47,465	449,349
<b>TOTAL</b>	¥29,274	¥396,645	\$3,755,039