

Consolidated Statements of Shareholders' Equity

SOFTBANK INVESTMENT CORPORATION and Consolidated Subsidiaries

	Outstanding Number of Shares of Common Stock	Millions of Yen					
		Common Stock	Capital Surplus	Retained Earnings	Unrealized Gain (Loss) on Available- for-sale Securities	Foreign Currency Translation Adjustments	Treasury Stock
BALANCE, 1ST OCTOBER, 2002	329,824	¥7,820	¥ 9,357	¥6,856	¥ (231)	¥ 457	¥(636)
Exercise of warrants (Note 19)	624	6	6				
Cash dividends, ¥950 per share				(314)			
Adjustment of retained earnings for a newly merged company				(54)			
Net loss				(4,406)			
Net increase in unrealised gain on available-for-sale securities					223		
Net increase in foreign currency translation adjustments						28	
Purchase of treasury stock	(4)						
BALANCE, 31ST MARCH, 2003	330,444	7,826	9,363	2,082	(8)	485	(636)
Exercise of warrants (Note 19)	33,637	567	612				
Adjustment of capital surplus for merger of E*TRADE Japan K.K. through issuance of common stock (Note 19)	419,095		16,844				
Stock splits (Note 19)	1,529,775						
Cash dividends, ¥120 per share				(40)			
Bonuses to directors				(43)			
Adjustment of retained earnings for newly consolidated subsidiaries				3,143			
Other adjustments of retained earnings				373			
Net income				4,257			
Net increase in unrealised gain on available-for-sale securities					2,407		
Net decrease in foreign currency translation adjustments						(460)	
Purchase of treasury stock	(1,016)						(219)
Reissuance of treasury stock	5,771		273				639
BALANCE, 31ST MARCH, 2004	2,317,706	¥8,393	¥27,092	¥9,772	¥2,399	¥ 25	¥(216)

	Thousands of U.S. Dollars (Note 1)						
	Common Stock	Capital Surplus	Retained Earnings	Unrealized Gain (Loss) on Available- for-sale Securities	Foreign Currency Translation Adjustments	Treasury Stock	
BALANCE, 31ST MARCH, 2003	\$74,092	\$ 88,639	\$19,711	\$ (73)	\$ 4,589	\$(6,027)	
Exercise of warrants (Note 19)	5,363	5,797					
Adjustment of capital surplus for merger of E*TRADE Japan K.K. through issuance of common stock (Note 19)		159,457					
Cash dividends, \$1.14 per share			(375)				
Bonuses to directors			(410)				
Adjustment of retained earnings for newly consolidated subsidiaries			29,757				
Other adjustments of retained earnings			3,526				
Net income			40,300				
Net increase in unrealised gain on available-for-sale securities				22,783			
Net decrease in foreign currency translation adjustments					(4,352)		
Purchase of treasury stock						(2,069)	
Reissuance of treasury stock		2,588				6,053	
BALANCE, 31ST MARCH, 2004	\$79,455	\$256,481	\$92,509	\$22,710	\$ 237	\$(2,043)	

See notes to consolidated financial statements.