

Consolidated Balance Sheets

SOFTBANK INVESTMENT CORPORATION and Consolidated Subsidiaries

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	31st March		31st March,
	2004	2005	2005
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents (Note 12)	¥ 34,361	¥106,460	\$ 991,158
Time deposits	61	2,904	27,038
Cash required to be segregated under regulations (Note 3)	95,608	188,150	1,751,698
Account receivables—trade	584	1,013	9,425
Operational investment securities (Note 4)	17,676	39,829	370,811
Valuation allowance for operational investment securities	(579)	(463)	(4,309)
Operational loans receivable	155	8,059	75,032
Real estate inventory	787		
Trading assets (Notes 5 and 12)	1,310	2,859	26,621
Margin transaction assets:			
Receivables from customers	168,485	317,801	2,958,768
Cash deposits as collateral for securities borrowed	12,558	15,680	145,981
Loans secured by securities:			
Resale agreement transactions	13,545	13,545	126,109
Others		14	130
Short-term guarantee deposits (Note 3)	6,539	7,052	65,657
Deferred tax assets—current (Note 22)	2,014	986	9,180
Prepaid expenses and other current assets (Notes 3 and 7)	3,900	11,960	111,346
Allowance for doubtful accounts	(205)	(401)	(3,735)
Total current assets	356,799	715,448	6,660,910
PROPERTY AND EQUIPMENT—Net (Notes 8 and 12)	3,393	4,715	43,898
LEASED ASSETS—Net (Note 9)	8,964	8,231	76,634
INVESTMENTS AND OTHER ASSETS:			
Investment securities (Notes 4 and 12)	17,749	11,686	108,797
Investments in unconsolidated subsidiaries and affiliated companies (Notes 10 and 25)	112	807	7,511
Software, net of accumulated amortisation of ¥2,173 million and ¥3,599 million (\$33,508 thousand) at 31st March, 2004 and 2005, respectively	2,877	4,017	37,396
Rental deposits	2,150	4,323	40,251
Goodwill	15	1,581	14,720
Long-term trade receivables	4,415	2,824	26,287
Deferred tax assets—non-current (Note 22)	510	880	8,195
Other assets	2,016	3,362	31,303
Allowance for doubtful accounts	(2,355)	(2,870)	(26,720)
Total investments and other assets	27,489	26,610	247,740
TOTAL	¥396,645	¥755,004	\$7,029,182

See notes to consolidated financial statements.

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	31st March		31st March, 2005
	2004	2005	
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES:			
Short-term borrowings (Notes 11 and 12)	¥ 9,630	¥ 8,732	\$ 81,292
Current portion of long-term debt (Note 11)	2,625	11,759	109,475
Income taxes payable	5,977	7,506	69,883
Margin transaction liabilities:			
Payables to financial institutions (Notes 11 and 12)	126,722	238,766	2,222,943
Proceeds of securities sold for customers' accounts	33,661	45,824	426,621
Loans secured by securities—repurchase agreement transactions (Note 11)	3,714	1,165	10,850
Consignment guarantee money received for margin transactions	84,111	151,652	1,411,898
Customers' deposits as collateral for commodity futures (Note 7)	7,254	19,309	179,770
Customers' deposits for securities transactions	7,631	15,427	143,630
Unearned income (Note 13)	1,307	2,615	24,349
Accrued expenses	1,708	2,654	24,708
Contingent reserve		5,219	48,586
Deferred tax liabilities—current (Note 22)	6	3,367	31,347
Other current liabilities (Notes 5 and 11)	6,053	16,619	154,725
Total current liabilities	290,399	530,614	4,940,077
LONG-TERM LIABILITIES:			
Long-term debt, less current portion (Note 11)	23,400	36,000	335,164
Negative goodwill	5,477		
Deferred tax liabilities—non-current (Note 22)	3,308	2,051	19,093
Other long-term liabilities (Notes 14 and 15)	286	302	2,816
Total long-term liabilities	32,471	38,353	357,073
STATUTORY RESERVES (Note 16):			
Reserve for liability for securities transactions	1,267	2,523	23,493
Reserve for liability for commodity transactions	104	152	1,415
Total statutory reserves	1,371	2,675	24,908
MINORITY INTERESTS	24,939	53,943	502,216
SHAREHOLDERS' EQUITY (Notes 17, 18 and 30):			
Common stock—authorised, 9,064,000 shares in 2004 and 27,190,000 shares in 2005; issued, 2,321,227 shares in 2004 and 8,542,344 shares in 2005	8,393	34,765	323,668
Capital surplus	27,092	53,467	497,780
Retained earnings	9,772	33,377	310,745
Unrealised gain on available-for-sale securities	2,399	7,633	71,065
Foreign currency translation adjustments	25	416	3,874
Treasury stock—at cost, 3,521 shares in 2004 and 11,083 shares in 2005	(216)	(239)	(2,224)
Total shareholders' equity	47,465	129,419	1,204,908
TOTAL	¥396,645	¥755,004	\$7,029,182