

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	Unrealised Gain (Loss) on Available-for-sale Securities	Foreign Currency Translation Adjustments	Treasury Stock
BALANCE, 1ST APRIL, 2003	330,444	¥ 7,826	¥ 9,363	¥ 2,082	¥ (8)	¥485	¥(636)
Exercise of warrants (Note 17)	33,637	567	612				
Adjustment of capital surplus for merger of E*TRADE Japan K.K. ("ETJ") through issuance of common stock (Note 17)	419,095		16,844				
Stock splits (Note 17)	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)
Stock splits (Note 17)	4,650,593						
Stock issuance through public offering (Note 17)	1,250,000	22,414	22,413				
Stock issuance through private placement (Note 17)	187,500	3,362	3,362				
Exercise of warrants (Note 17)	125,678	596	599				
Cash dividends, ¥770 per share				(1,785)			
Bonuses to directors				(224)			
Adjustment of retained earnings for newly consolidated subsidiaries				(2)			
Adjustment of retained earnings for merged companies				11			
Adjustment of retained earnings due to exclusion from consolidation				(26)			
Net income				25,631			
Net increase in unrealised gain on available-for-sale securities					5,234		
Net increase in foreign currency translation adjustments						391	
Purchase of treasury stock	(247)						(24)
Reissuance of treasury stock	31		1				1
BALANCE, 31ST MARCH, 2005	8,531,261	¥34,765	¥53,467	¥33,377	¥7,633	¥416	¥(239)

	Thousands of U.S. Dollars (Note 1)						
	Common Stock	Capital Surplus	Retained Earnings	Unrealised Gain on Available-for-sale Securities	Foreign Currency Translation Adjustments	Treasury Stock	
BALANCE, 31ST MARCH, 2004	\$ 78,138	\$252,230	\$ 90,976	\$22,334	\$ 233	\$(2,009)	
Stock issuance through public offering (Note 17)	208,675	208,663					
Stock issuance through private placement (Note 17)	31,301	31,300					
Exercise of warrants (Note 17)	5,554	5,577					
Cash dividends, \$7.17 per share			(16,615)				
Bonuses to directors			(2,088)				
Adjustment of retained earnings for newly consolidated subsidiaries			(23)				
Adjustment of retained earnings for merged companies			103				
Adjustment of retained earnings due to exclusion from consolidation			(240)				
Net income			238,632				
Net increase in unrealised gain on available-for-sale securities				48,731			
Net increase in foreign currency translation adjustments					3,641		
Purchase of treasury stock						(226)	
Reissuance of treasury stock		10				11	
BALANCE, 31ST MARCH, 2005	\$323,668	\$497,780	\$310,745	\$71,065	\$3,874	\$(2,224)	

See notes to consolidated financial statements.