

## SoftBank Group Announces Follow-on Investment in OpenAI— OpenAI's Business Operations to Be Closely Watched

The following is Japan Credit Rating Agency, Ltd. (JCR)'s opinion on follow-on investment in OpenAI Group PBC, a U.S.-based artificial intelligence research and development company, by SoftBank Group Corp. (security code: 9984).

- (1) SoftBank Group Corp. ("SBG") announced on February 27 that it will make follow-on investment of USD 30.0 billion (JPY 4,674.3 billion) in OpenAI Group PBC ("OpenAI") via SoftBank Vision Fund 2 (the "Follow-on Investment"), which will be executed in three installments of USD 10 billion each in April, July and October 2026. The consideration for the Follow-on Investment is expected to be financed initially through bridge loans and other financing arrangements from major financial institutions and subsequently replaced over time through the utilization of existing assets and other financing measures.
- (2) SBG has been accelerating AI-related investment since 2025. Investment targets range widely from infrastructure such as data centers and power to semiconductor design (chips) and robots in the physical AI field, but in any event utmost priority is placed on investment in OpenAI responsible for the development of AI models. The Follow-on Investment will add to the cumulative investment in OpenAI already amounting to USD 34.6 billion as of now, which is expected to push up SBG's ownership interest from approximately 11% to approximately 13%. OpenAI's weekly active users has topped 800 million, and annual recurring revenue has expanded to as much as USD 20.0 billion. Meanwhile, SBG appears to be incurring large operational and development costs upfront and thus continues facing the challenge of achieving medium- to long-term revenue growth. Close attention needs to be paid to see whether OpenAI's business operations will expand as planned amid intensifying competition with the rivals.
- (3) JCR has concluded that there is no immediate need to revise the rating because of the Follow-on Investment. SBG has financial policies of managing LTV below 25% under normal market conditions and securing a cash position sufficient to cover bond redemptions for at least the next two years and has expressed that it will strictly maintain these policies even after the Follow-on Investment. That said, the proportion of non-listed AI-related stocks in the portfolio's equity value of holdings has been increasing steadily, requiring attention to the rising risk of NAV volatility. The likelihood that SBG will continue AI-related investments remains reasonably high, and JCR will monitor the management of LTV going forward, too.

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### <Reference>

Issuer: SoftBank Group Corp.

Long-term Issuer Rating: A      Outlook: Negative

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