

Title: Softbank... loses more money....

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TOKYO— SoftBank Group Corp. 9984 -8.03% on Thursday reported an enormous \$26.2 billion loss on its big portfolio of technology companies in the first three months of the year, as the company took a record annual loss for the second time in three years.

“The world is in a chaotic situation,” said Chief Executive Masayoshi Son, citing Covid-19 and Russia’s invasion of Ukraine. “In this chaotic world, the approach we at SoftBank should take is defense.”

Stinging the company were soured investments in numerous startups in its \$100 billion Vision Fund, the world’s largest private investment fund that was raised five years ago with the intent to seed a generation of new tech giants.

Among the biggest bad bets was Chinese ride-hailing company Didi Global Inc., which has faced regulatory pressure in Beijing. As of the end of the latest quarter, the Vision Fund had lost \$9.7 billion of the \$12.1 billion it invested in Didi, the company said.

There is more pain to come: SoftBank said its holdings in publicly listed Vision Fund companies fell by more than \$13 billion since its fiscal year ended March 31.

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In all, SoftBank said the Vision Fund has made just \$3.1 billion on the \$45.6 billion it invested in its publicly listed companies as of Wednesday’s stock market close, a slim return after five years in which the Nasdaq has nearly doubled.

He devoted much of the presentation to trying to reassure shareholders concerned about SoftBank’s debt levels, telling them that he is closely managing its debt and cash.

In recent months, the company borrowed nearly \$6 billion tied to startup investments in its Vision Fund 2 division—an unusual move for a venture capital fund given the high risks involved—and raised additional money through financial instruments tied to its nearly 25% stake in Chinese e-commerce giant Alibaba Group Holding.

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This earnings report covers up to March 31, 2022. Think about how much more SFTBY must have lost since then...