

Briefing on Latest Management News

June 27, 2008

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SBI Holdings, Inc.

The items in this document are provided as information related to the business strategy of SBIH Group companies and not as an invitation to invest in the stock or securities issued by each company.

None of the Group companies guarantees the completeness of this document in terms of information and future business strategy.

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Note: Fiscal Year (“FY”) ends March 31 of the following year

Part 1 New Vision of the SBIH Group

New Vision of the SBIH Group

- **Increase operating income to 100 billion yen five years from now (year ending March 2013)**

Sustain long-term annual operating income growth of more than 15% thereafter

- **Expand asset management and brokerage & investment banking business to two-thirds of operating income by year ending March 2013, with all other businesses accounting for the remaining one-third**

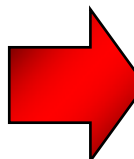
Further expand the ecosystems for residential real estate, life style and IT systems. Create organic growth in business fields, including financial services, that are not significantly affected by security market volatility, thereby establishing a more stable earnings stream.

- **Transform the SBIH Group into a global organization that earns half its operating income outside Japan by year ending March 2013**

Expand the overseas earnings base to transform SBIH from a domestic Japanese entity into a truly global organization

Continuous Growth of Operating Income

Estimates of operating income of each business segment (billion yen)

	FY2007 (A)	FY2008 (E)	FY2009 (F)	FY2010 (F)		FY2012 (F)
Asset Management	16.5	18.0	20.0	20.0		66.6
Brokerage & Investment Banking	20.5	25.0	35.0	40.0		33.4
Financial Services	0.8	0	1.0	5.0		
Housing and Real Estate	8.1	8.0	9.0	10.0	15-20% Growth	
Total	42.6	51.0	65.0	75.0		100.0

Minimum operating income target for FY2012

➔ 100.0 billion yen (around \$1 bil.)

Note1: All figures are actual (A), estimate (E) or focus (F) by the company.

Note2: For the figures of estimate (E) and focus (F), effects of eliminations for consolidation and the deduction of corporate expenses are divided into each business segment.

Target Breakdown of Future Operating Income

[Comparison of Operating Income by Segment]

	Asset Management	Brokerage and Investment Banking	Financial Services, Housing and Real Estate, System Solution
FY2007 (%)	36.2	45.1	18.7
Within 5 years	$\frac{2}{3}$		$\frac{1}{3}$

[Comparison of Operating Income by Region]

	Domestic	Overseas*
FY2007 (%)	54.9	45.1
Within 3 Years	$\frac{2}{3}$	$\frac{1}{3}$
Within 5 Years	$\frac{1}{2}$	$\frac{1}{2}$

*Calculated by totaling operating income of sales of overseas assets and operating income of E*Trade Korea.

Current Fiscal Year Business Progress Toward Achieving the New Vision

Central Themes for Restructuring

- From the CEO's 2008 New Year Greeting -

“... We will continue streamlining our organization based on the current outlook of our operating environment. We will establish clear priorities for each group business and project, in order to conduct a focused allocation of resources. There is always a time when a company needs to create an environment for fostering new life through a pruning and streamlining process...”

(SBIH Group New Year ceremony, Jan. 4, 2008)

- From “SBI Money World” Blog -

“... Every SBIH Group company was created so that it can generate synergies with all other group companies. Our most important theme in 2008 is reorganizing the SBIH Group in order to make even greater use of those synergies...”

(excerpt from “SBI Money World”, Feb. 25, 2008)

Streamlining the SBIH Group for Future Growth (1)

Reallocation of resources ⇒ Create a framework for new growth vectors

SBI E*TRADE SECURITIES as a wholly owned subsidiary:

- **SBI E*TRADE SECURITIES** will become a wholly owned subsidiary with a considerable potential to produce various synergies with the three new core businesses (effective as of Aug. 1)

Investment:

- Reinforce investment banking operations by acquiring a 44.4% equity stake in **Strategic Consulting Group**

↳ average operating revenues of 350 million yen in four years since its inception (before deduction of outsourcing expenses)

Initial Public Offerings:

- **SBI Mortgage**, which competes with SBI Sumishin Net Bank in the housing loan market, will conduct an IPO to become more autonomous
- Planning for an IPO for **CEM Corporation**, a real estate-secured loan business
- Preparing for an IPO of two investee companies in South Korea (**Hyundai Suisse I** (10% ownership) and **Gatebank** (9.04% ownership))

Streamlining the SBIH Group for Future Growth (2)

Reallocation of resources (continued)

Establish new companies:

- Establish on July 8, “SBI Liquidity Platform., Co Ltd. (provisional name)”, **a foreign exchange margin trading platform company**, to contribute to the earnings of SBI E*TRADE SECURITIES. The objective is to sharply reduce foreign exchange commissions and increase earnings from foreign exchange activities.
- Established **SBI ALApromo** in the biotechnology field.

Sale of investments:

- Proceeds of **E*TRADE Korea** share sale will be used to invest in businesses with the potential to provide new sources of growth.

Transfer of assets to enhance future growth potential of operating base:

- Plan to combine part of **SBI Equal Credit** with the consumer loan business of SBI Sumishin Net Bank. Established “Nex Co., Ltd.” to be registered as a moneylender, as well as preparing for other procedures.

Streamlining the SBIH Group for Future Growth (3)



Reposition and reorganize core companies to expand the non-financial ecosystem

- In the Real Estate Ecosystem, make LIVING Corporation a subsidiary to combine this company with SBI Planners.
- In the Information Systems Ecosystem, merge C4 Technology (to be renamed SBI Net Systems in Aug. 2008) into a subsidiary to combine this company to tradeWin and SBI Tech, which are system companies owned by SBI E*TRADE SECURITIES, and acquire businesses which will further expand this ecosystem.

(1) Asset Management Business

- i) Domestic Investment Businesses Capable of Adapting to the Changing Business Environment**

- ii) Expansion of Overseas Investment Businesses**

- i) Domestic Investment Businesses Capable of Adapting to the Changing Business Environment**
 - 1. Mezzanine Funds Continue to Grow**
 - 2. Target Publicly Owned Companies While Still Regarding Privately Owned Companies as the Main Investment Targets**
 - 3. Cultivate Venture Companies Within the SBIH Group to Expand the Biotechnology Business**

1.

Track Record of Funds' Dividend Operated by SBIH Group



SBI Arsnova Capital Co., Ltd.

◆Track record of Arsnova Anonymous Partnership <Index active>

(Parenthetic figures indicate investor's yields after deduction of fees, Unit: %)

Nov. 2007	Dec. 2007	Jan. 2008	Feb. 2008	Mar. 2008	Apr. 2008	Third Dividend	May 2008	Jun. 2008
2.51 (1.88)	3.09 (2.19)	2.49 (1.89)	-1.94 (-1.64)	3.27 (2.52)	2.18 (1.62)	23.33 (16.92)	2.78 (2.11)	2.44 (1.87)

* First dividend: 17.37% (11.63%), Second dividend: 32.70% (24.70%)

Dividends are distributed once every half a year based on the financial results.

SBI Capital Solutions Co., Ltd.

◆Performance of SBI Mezzanine Fund #2

(Investment yield. Parenthetic figures indicate dividend as Pct. of average investment amount during each period. Unit:%)

2007/1st	2007/7th	2007/11th	2008/1st
14.4 (8.9)	12.7 (7.7)	11.8 (7.1)	13.1 (8.6)

◆Performance of Metropolitan Enterprise Revitalization Fund

2007/1st	2007/7th	2008/1st
22.4 (14.2)	13.1 (8.2)	12.2 (9.2)

2.

New Domestic Venture Capital Fund Adds Publicly Owned Companies and Emerging Countries as its Investment Targets

SBI-NEO Technology Fund (in preparation)

Image of investment targets:

Approx. 10-15%

Listed Companies (Domestic and Overseas):

Listed companies that are evaluated relatively low in emerging and other markets (JASDAQ, Mothers, Hercules, NASDAQ and others) in spite of their excellent performances, and are expected to increase their market values through the SBIH Group's support.

Unlisted Venture Companies (Domestic):

(1) IT related

Unlisted venture companies that have cutting-edge expertise for information technology and services in the ubiquitous era.

Unlisted Venture Companies (Domestic):

(2) Environment related

Unlisted venture companies in the environment & energy industries

Unlisted Venture Companies (Overseas):

Unlisted venture companies in rapidly growing Asian markets including Russia.

SBI-NEO Technology Fund

SBIH Group's know-how in the IT and environment sectors

Excellent performance and strength in venture capital

Broad networks through local partners in Asia

JV Contract with Cosmo Oil to Expand Biotech Businesses



A joint venture contract was signed on May 27 to jointly develop methods to utilize 5-aminolaevulinic acid (5-ALA), and to expand the market for 5-ALA related products



85.0%*

15.0%*



Provide expertise including marketing, in order to nurture venture companies

Established low-cost methods to produce "5-ALA", an essential source of nutrition for creatures including plants

5-ALA is expected to be utilized in a variety of ways for diagnosis during operations for brain cancer, cancer screening, prevention of anemia and medical care for rough skin, or atopy



Strive to expand diverse markets including medicine, health foods and cosmetics

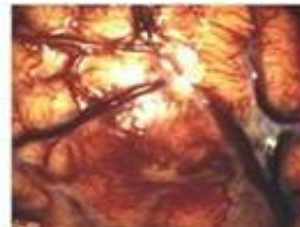
Newspaper Article

Expected to be Utilized in Various Fields

Promote photosynthesis activity of plants



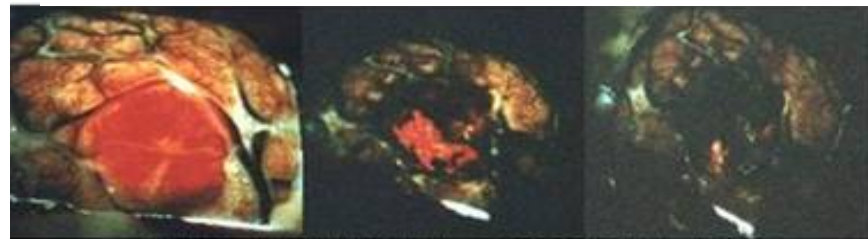
Perioperative diagnosis



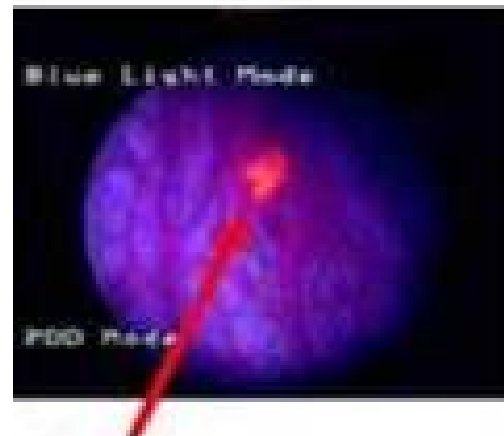
In white light through surgery microscope



In excitation with the same eyesight as through surgery microscope



Spot left-over tumors that are fluorescent colored



Bladder Cancer

[Only cancers glimmer](#)

3. -3:

SBI Biotech's Entrance into the Drug Creation Business

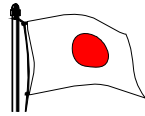


SBIH has started a drug creation business through SBI Biotech, which will receive drug creation seeds based on alliances with promising biotechnology firms in Japan, the U.S. and China to keep its drug development pipeline filled.

Baylor Institute
(U.S.)



Ginkgo Biomedical Research Co., Ltd.
(Japan)



Changchun Huapu Biotechnology Co., Ltd.
(China)



Utilization of dendritic cell

Immune medicine, low molecular compounds

Development of nucleic acid pharmaceuticals

Seed 1: Prostate cancer medicine
Seed 2: Colon cancer medicine
Seed 3: Breast or lung cancer medicine

Seed 1: Antibody used for autoimmune disorders
Seed 2: Low-molecular compound used for cancer treatment
Seed 3: Agent used to treat patients with immune disorders

Seed 1: C-type hepatitis medicine
Seed 2: Lung cancer medicine
Seed 3: New nucleic acid medicine

Structured to become the world's first joint drug creation bio venture firm

 Basic research, clinical research and drug product creation by using promising drug creation seeds provided by its bio venture firm partners

【Progress report】

-Internal development projects (ILT7, BST2, Cdc7/ASK) → Preparing for preliminary clinical trials
Treatment for: Cancer and other diseases (considering joint development with European or U.S. companies)

-Licensing projects (example) GNKG168 (Changchun) → Preparing for IND* application
Treatment for: Chronic lymphocytic leukemia and other diseases

*Investigational New Drug; an application to start a clinical trial based on a theoretical explanation of a drug's safety and efficacy¹⁷

ii) Expansion of Overseas Investment Businesses

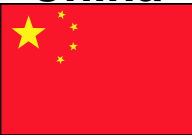
Measures to Expand Businesses:

- 1. Full-scale Launch of the Overseas Funds in This Fiscal Year**
- 2. Strengthen Alliances with Universities and Governmental Organizations as Well as Enterprises**
- 3. Developments “from points to squares”**
- 4. Establishment of Bases and Organizational Improvement including the Overseas Business Dept.**

Full-scale Launch of the Overseas Funds (1)



In operation
In operation
Contract signed
Reached basic agreement

Fund name	New Horizon Fund	Tsinghua University Fund	Peking University Fund	JV Fund with three Chinese companies
Progress	Started its operation in 2005. 6 of the 10 companies IPOed. <u>Three companies plan to go public in 2008.</u>	The first fund in Beijing to be established with a foreign affiliated company. This fund <u>started its operation in Mar. 2008.</u>	Received final approval. <u>The fund is primarily targeting promising unlisted companies in China.</u>	In Jun. 2008, reached an agreement in principal to jointly establish an investment fund. This fund <u>targets unlisted companies in China through a management company which will be jointly established by four companies.</u>
Partner	TEMASEK	Tsinghua Holdings	Beida Jade Bird	<ul style="list-style-type: none"> • China Merchants Securities • Resource Capital China • China CITIC Bank
Countries to Invest in	<p>China</p> 			
Investment Object	Non-distributed shares and Unlisted companies	Domestic unlisted companies	Companies and real estate related	Manufacture, consumer goods, service and retail industries, logistics and transportation, energy and resource industries
Investment Amount (mil. USD)	100 SBIH's investment ratio : 50%	30 SBIH's Investment ratio : 50%	100 SBIH's investment ratio : 50%	Offshore: approx. 50 (SBIH) Onshore: approx. 21 (China)




Full-scale Launch of the Overseas Funds (2)

Reached
basic agreement

In operation

In operation

In operation

Fund name	SBI-METROPOL Investment Fund	India Japan Fund	Vietnam Japan Fund	SBI SOI Fund
Progress	In Dec. 2007, reached an agreement in principal to jointly establish an investment fund. This fund targets prospective listed and unlisted companies in Russia.	Started in Apr. 2008, made an investment in one promising company. This fund targets unlisted companies which have a base in India.	Established a VND based investment fund, which started in Apr. 2008.	Established in Jun. 2008. This fund invests in businesses originating from Asian universities.
Partner	IFC METROPOL	State Bank of India	FPT	Keio University
Countries to Invest in	Russia 	India 	Vietnam 	Asia
Investment Object	Unlisted companies (70%) Listed companies (30%)	Domestic unlisted companies	Domestic unlisted companies	Venture companies originating from universities
Investment Amount (mil. USD)	100 (Maximum of 500) 〔 SBIH's Investment ratio : 50% 〕	100 〔 SBIH's Investment ratio : 95% 〕	100 〔 SBIH's Investment ratio : 90% 〕	5 mil. yen 〔 SBIH's Investment ratio : 100% 〕

Full-scale Launch of the Overseas Funds (3)

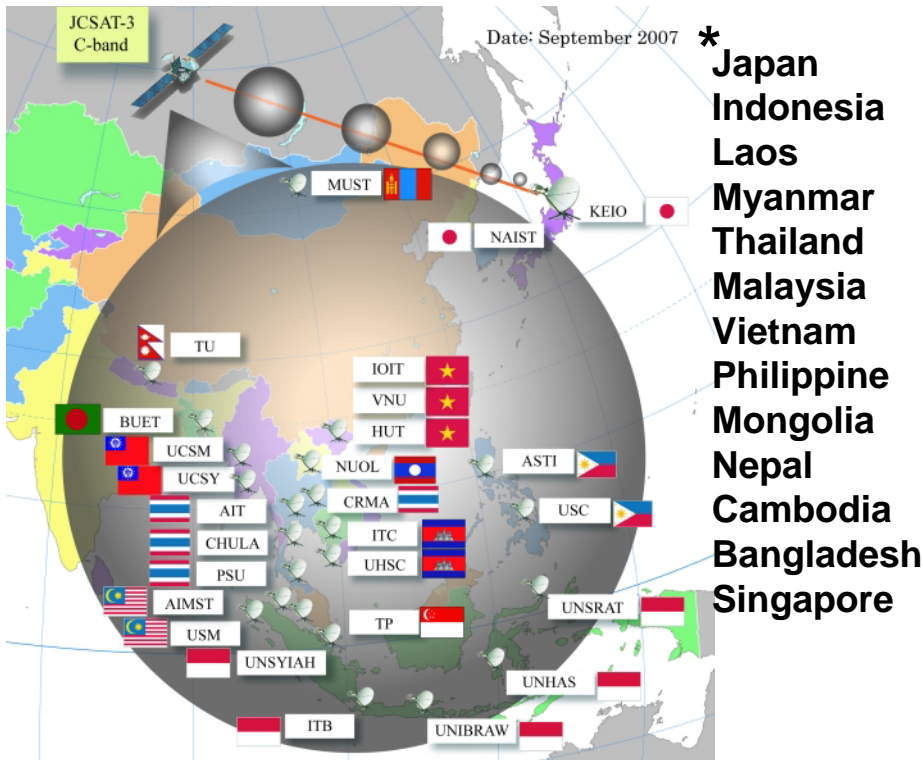


Other overseas developments

- **Plan to establish “Asia Growth Fund” as the first fund established at the Singaporean base and a JV fund with Taiwanese investors at the end of July**
- **Expect to reach agreement to acquire 49% shares of “FPT Capital” a fund management company affiliated with FPT**
- **In preparation to establish investment funds such as a private equity and real estate fund, with governmental organizations and prominent financial institutions in the Middle East and Southeast Asia**

2 -1: The Challenge to Establish Alliances Between Educational Institutions and Industry Through the Comprehensive Network of SOI ASIA

SOI ASIA: Formed a network of 27 partners of universities and research institutions in 13 Asian countries*



Newspaper Article

(Exerpt from Nikkei Shimbun Nov. 20, 2007)

Also played up by NHK's "Good morning Japan" on Nov. 20, 2007

*Excerpt from the website of SOI ASIA

Established SBI SOI Fund on June 4

Nurture entrepreneurs and create businesses originating from Asian universities, utilizing the SOI ASIA network

Leading Universities Form Business Group in China

Tsinghua University Fund's potential investments

Investment committee approved investment categories

Company A: Development and sales of application software for mobile phones → Possible investment in July

Company B: Energy related technology → Possible to invest in July

Company C: Internet securities technology → Considering investment

Others:

	Relation with Tsinghua University	Business Outline
Company D	Established by alumni Tsinghua related VC also hold shares	Development and design of semiconductor memory and related IC chip
Company E	Tsinghua related companies and Tsinghua HD hold 30% of shares	<ul style="list-style-type: none"> •Manufacturer of solar energy related device •Holds 60 solar energy related patents •Expanded into the European market
Company F	Established by alumni More than half of employees are graduated from Tsinghua Univ.	Development of IC chip

Example of the Groundwork “from Points to Squares”(1):



(Release announced on Jun. 20, 2008)

Jointly established an asset management company with Hyundai Suisse group of Korea

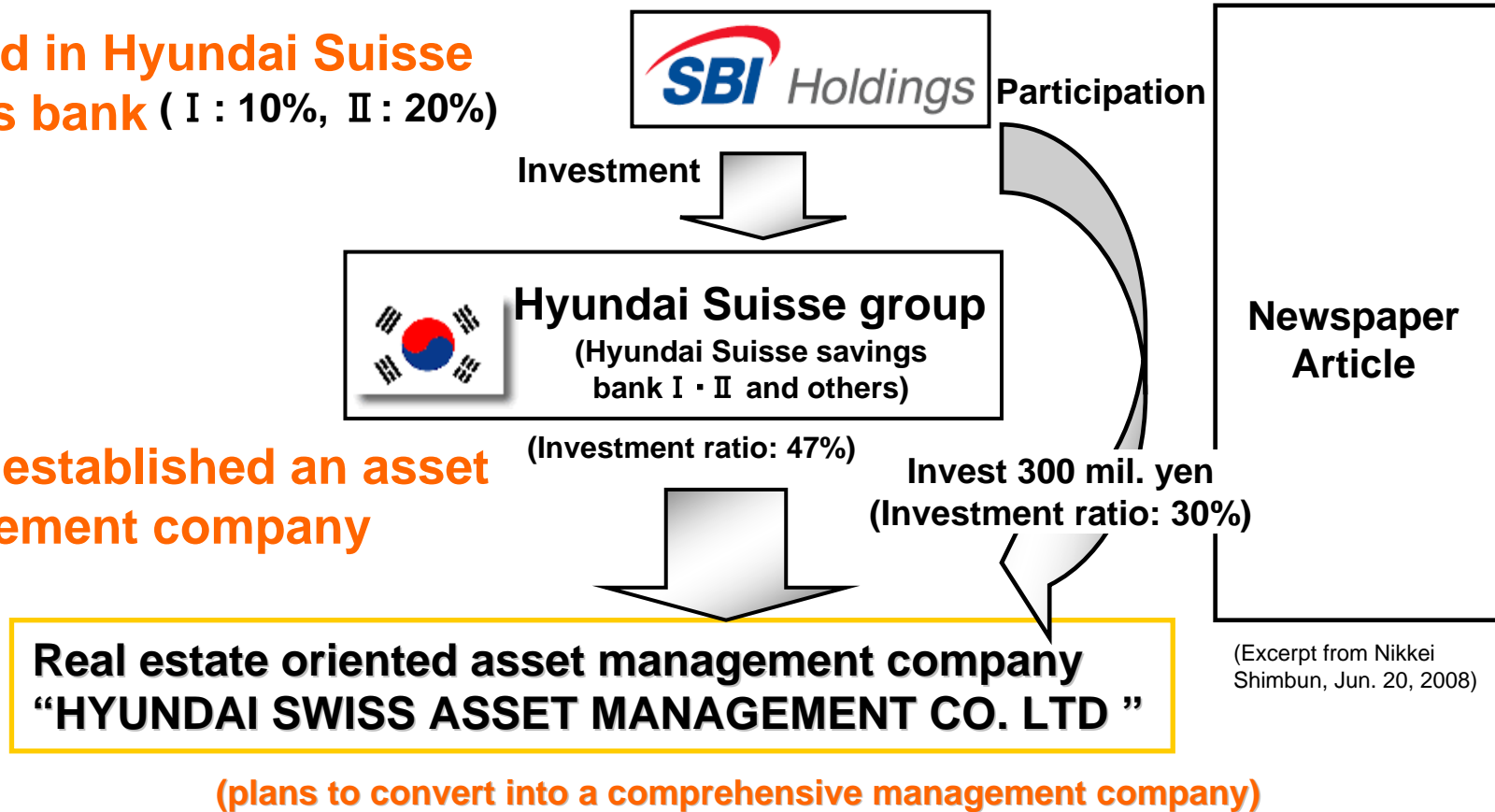
① Invested in Hyundai Suisse savings bank (I : 10%, II : 20%)



② Jointly established an asset management company



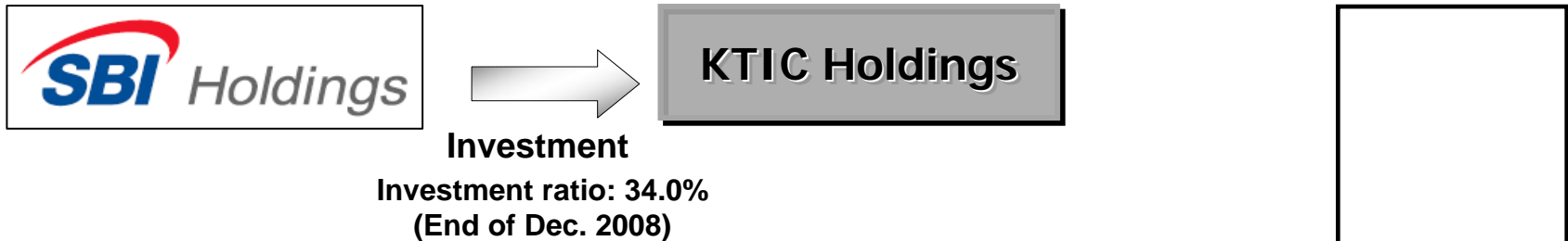
③ Jointly establish a bank in Asia where Hyundai Suisse group has pipelines



Example of the Groundwork “from Points to Squares”(2):

(Release announced on Jun. 11, 2008)

Invest in KTIC Holdings, a Korean Investment company



Purpose of the Investment

- Expand investment businesses in Korea through cooperation
- Jointly develop businesses in the Middle East and other countries

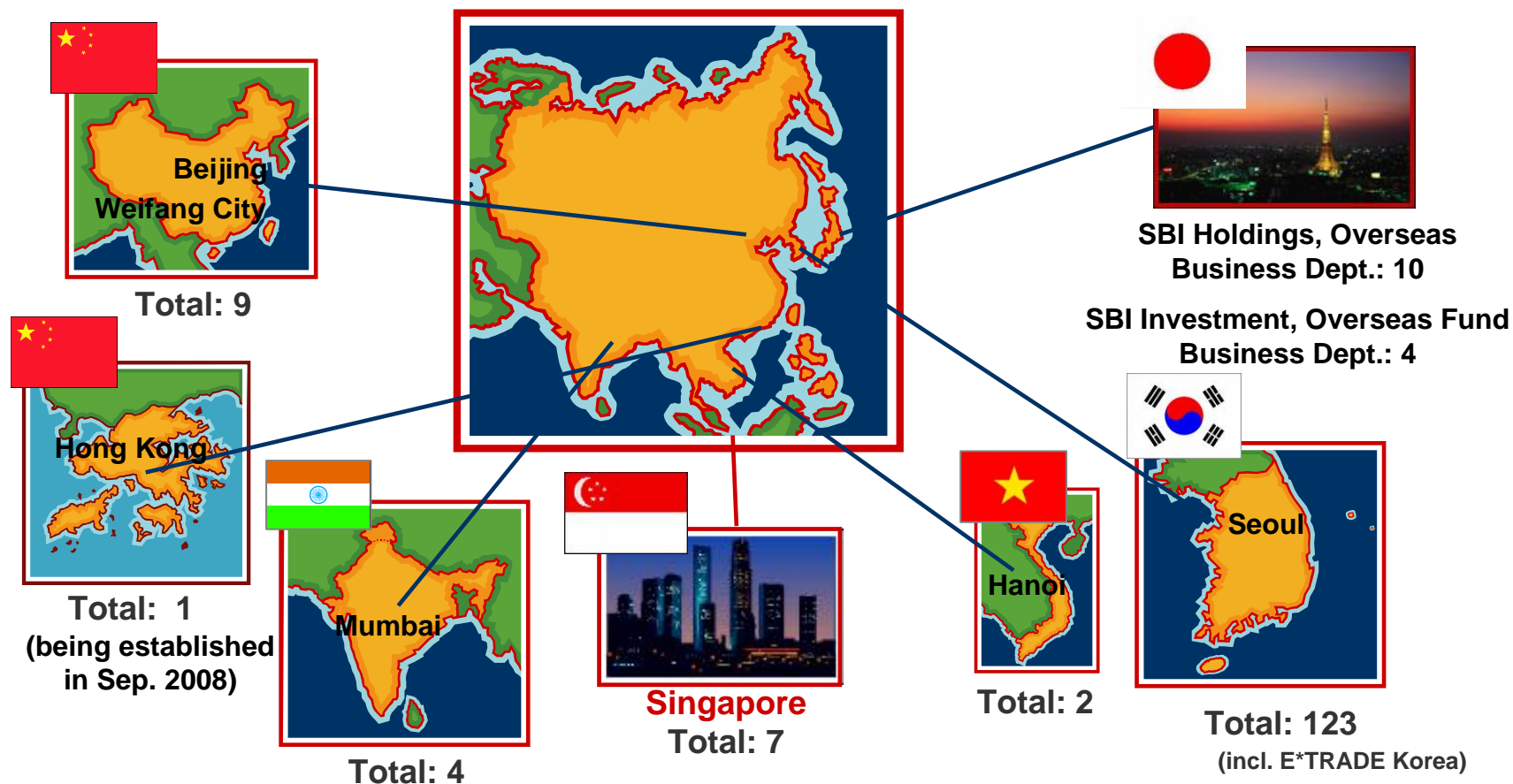
(Excerpt from Nikkei Shimbun, Jun. 11, 2008)

Recent overseas business developments of KTIC

- Selected as the asset management company for the sovereign wealth fund (300 mil. USD) which UAE and Saudi Arabia invested in
- Selected as the asset management company for the sovereign wealth fund (300 mil. USD) which government-affiliated institution of Dubai invested in
- Strategic Alliance with Tsinghua Holdings for some businesses including jointly establishing a JV fund
- Plans to establish an investment fund (100 mil. USD) which Asia Development Bank invested in

SBIH Group's Overseas Bases Established Mainly in Asia

SBIH Group's overseas bases have continuously expanded since the establishment of its representative office in Singapore in May 2007, and now covers almost the greater part of the Asian emerging countries with high growth potential. SBIH plans to continue to strengthen its human infrastructure and form a solid overseas investment unit.



(2) Brokerage & Investment Banking Business

- i) Moving Forward Post the Merger with SBI E*TRADE SECURITIES, a Wholly Owned Subsidiary**

- ii) Sale of E*TRADE Korea**

**i) Moving Forward Post the Merger with SBI E*TRADE
SECURITIES, a Wholly Owned Subsidiary**

- 1. Enhancing the SBI Brand Awareness**
- 2. Start Daytime Trading on PTS and Expand the Wholesale Business**
- 3. Strengthen the Investment Banking Business**
- 4. Global Development**

1. Enhance the SBI Brand Awareness

Strengthening the “SBI” Brand Awareness After Corporate Name Change

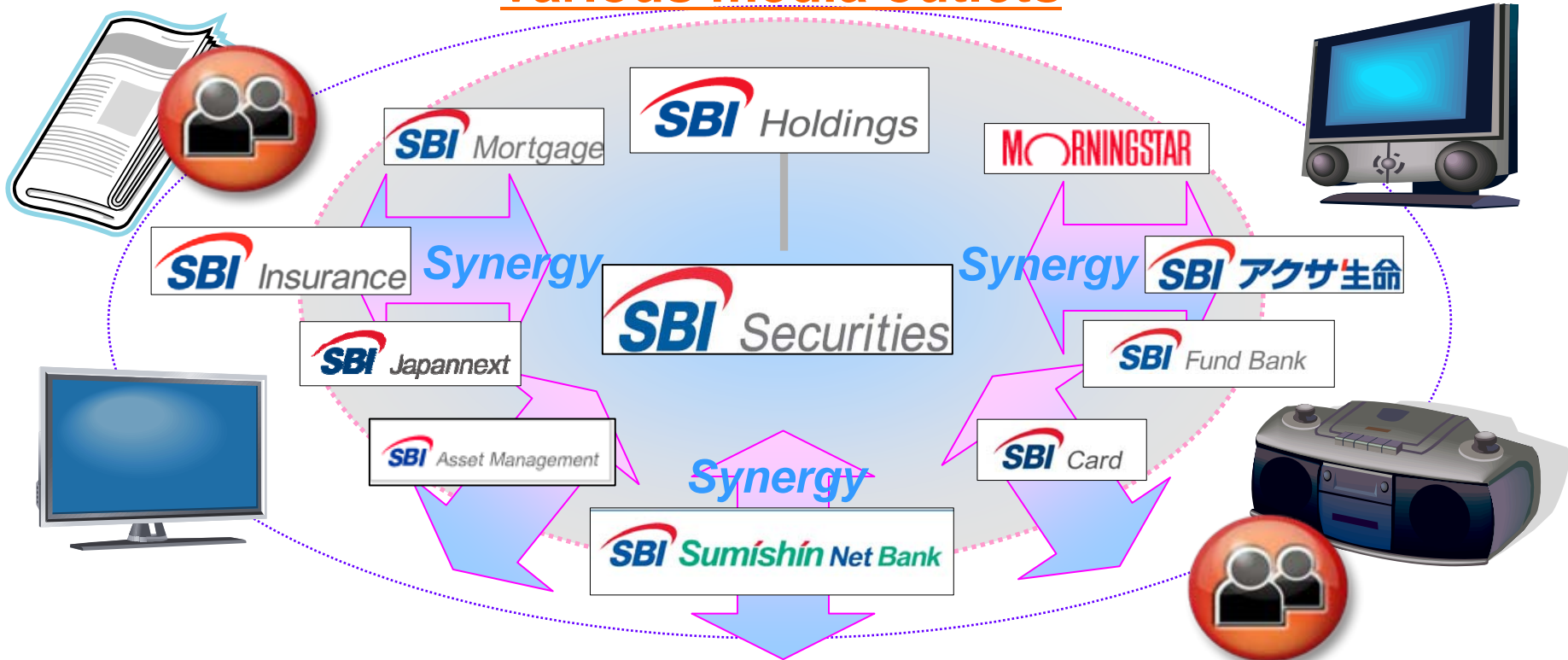


July 1, 2008 SBI E*TRADE SECURITIES changes its corporate name to “SBI SECURITIES”

August 1, 2008 SBI Holdings merges with SBI SECURITIES, a wholly owned subsidiary



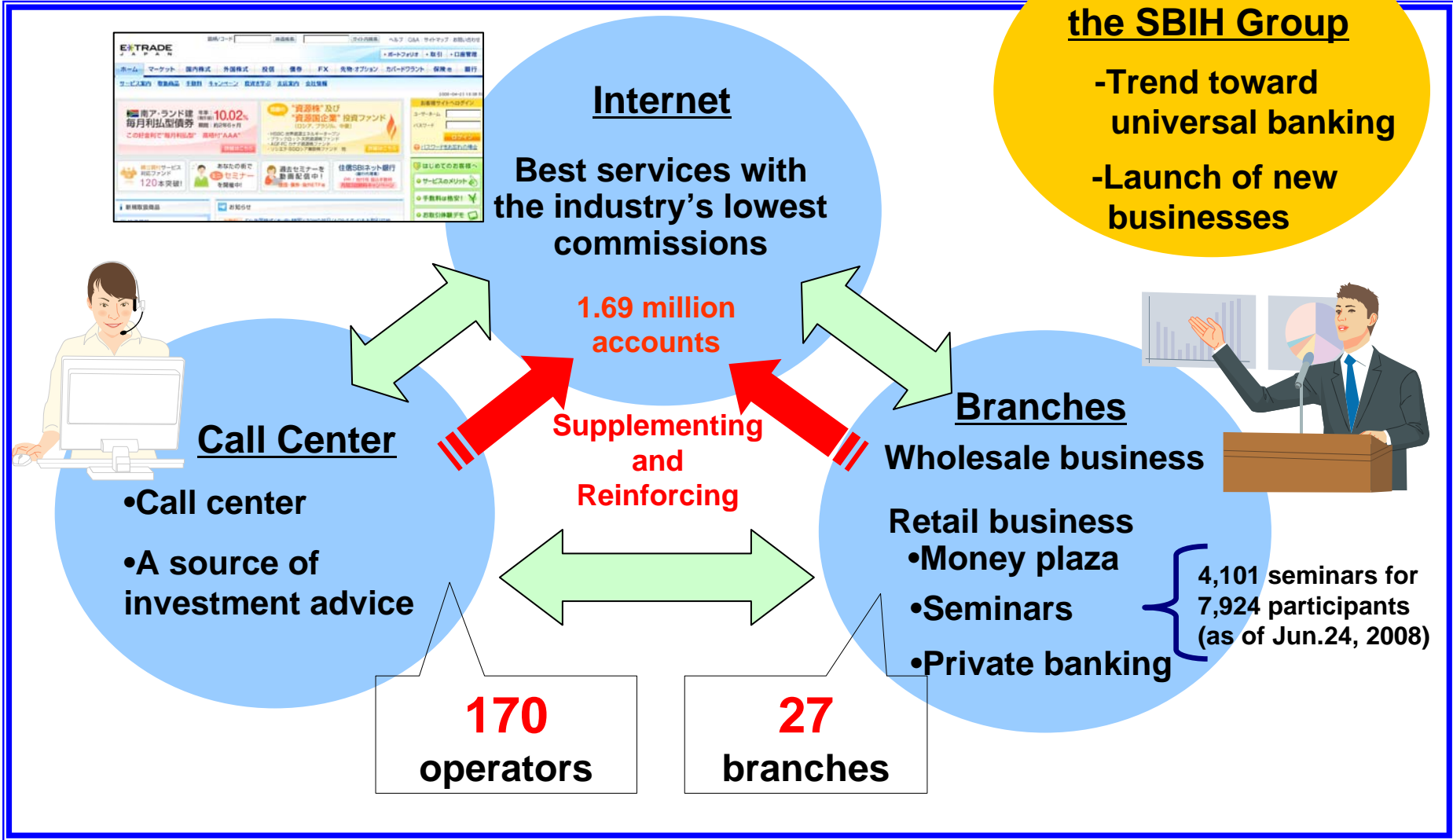
Enhance the “SBI” brand Awareness through various media outlets



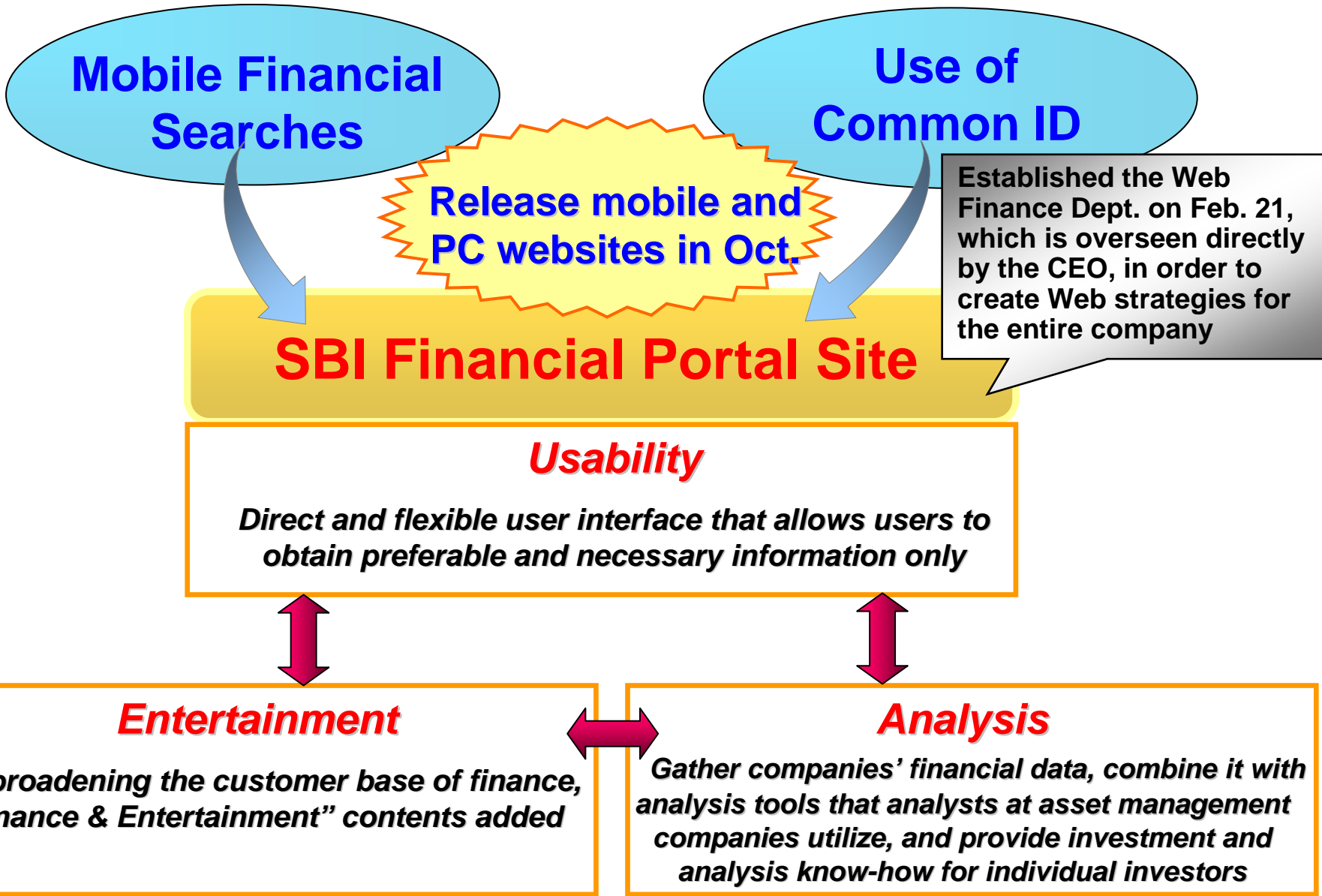
Increase the Customer Base by Fully Utilizing the Branches and Call Centers

Synergies within the SBIH Group

- Trend toward universal banking
- Launch of new businesses



Building the SBI Financial Portal Site

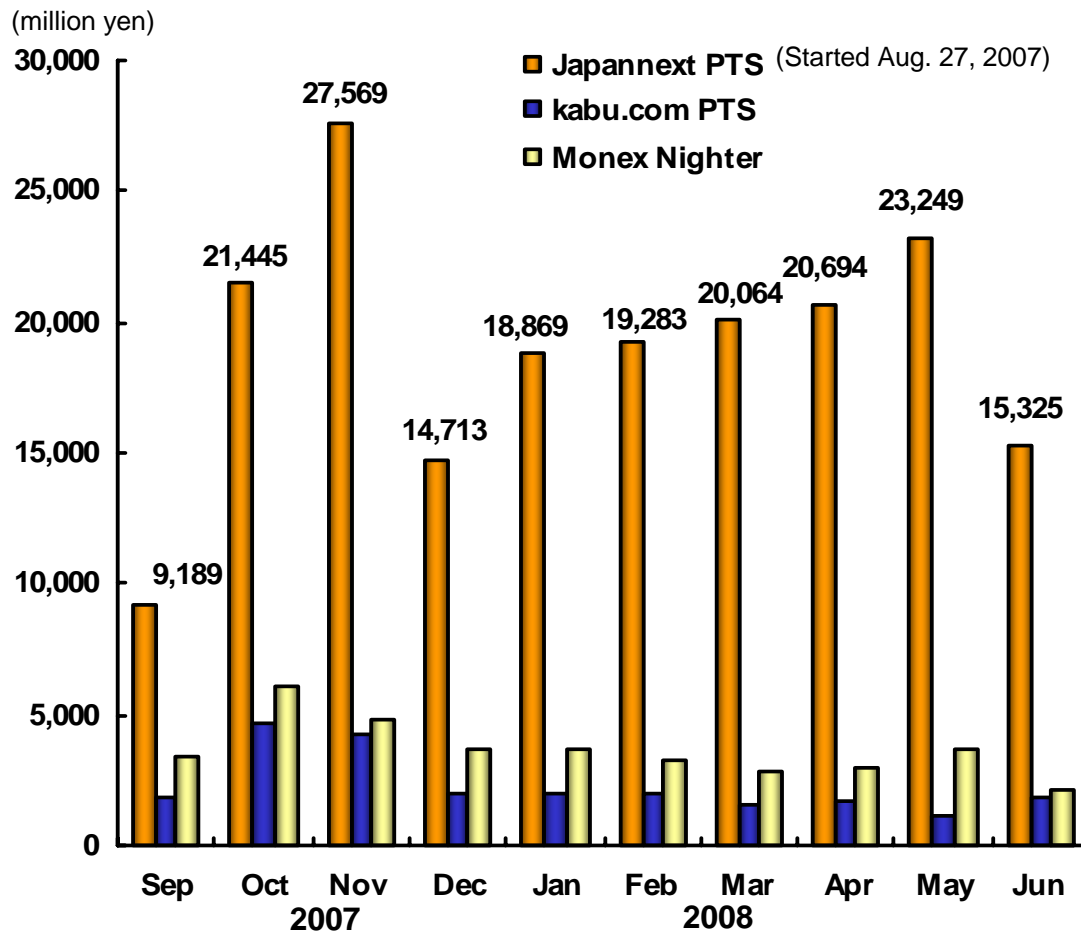


2. Start Daytime Trading on PTS and Expand the Wholesale Business

Japannext PTS : Change in Trading Value

Maintains significantly higher trading volume than the two PTS markets that have been operating longer

Comparison of monthly trading value with others
(Sep. 2007 to Jun. 16, 2008)



Securities companies currently connected to Japannext PTS

- Goldman Sachs Japan
- SBI E*TRADE SECURITIES
- Rakuten Securities
(Connected as of 4/21)
- CLICK Securities



ORIX Securities is connected to Japannext PTS on June 30

Source: Based on companies' materials

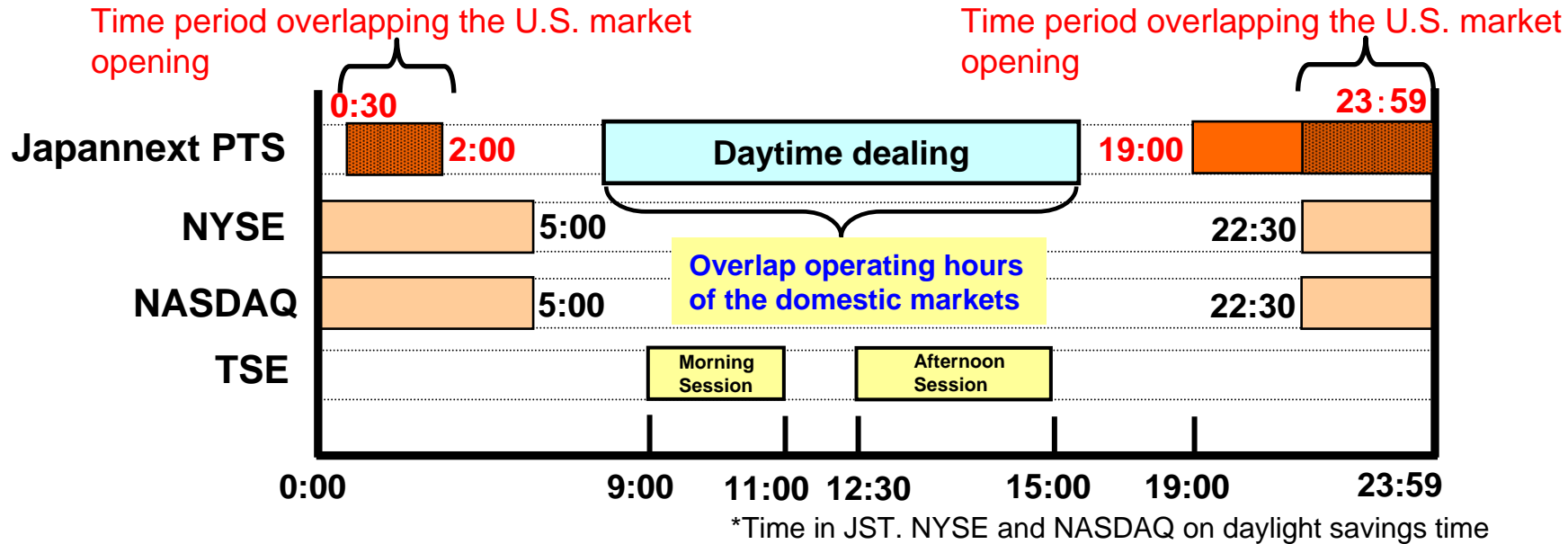
Note: Figures are single count (purchases and sales not counted separately)

* Users can trade through ORIX Securities during the session 1 (19:00-23:59) only for the time being

Measures to Increase Trading Opportunities

Extension of dealing period

Increase investment opportunities by extending the time overlap with the U.S. market and providing institutional investors' entry through the offering of a daytime trading session.



Various systems and operational projects for daytime trading are underway, through negotiations with the FSA

- Plan to make a capital increase of 3 bill. Yen
- Expect continuous dealing period from 8:10 to 16:30
- Expect smaller “tick size” than that of TSE for the day session (night session corresponds with the TSE)
- In preparations for a targeted operation commencement between Oct.-Dec. 2008

3. Strengthen the Investment Banking Business

Investment in Strategic Consulting Group

Expand investment banking businesses including M&A advisory



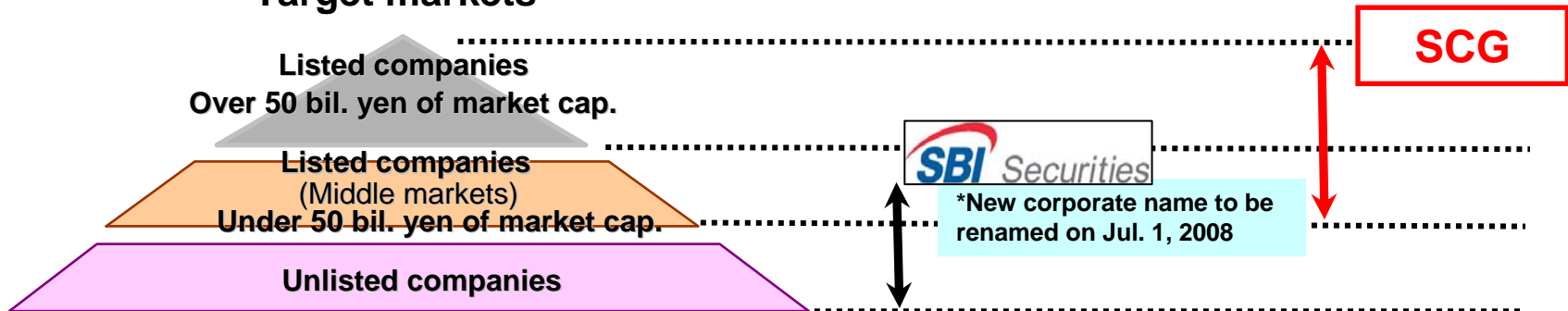
44.4%
ownership

**Strategic Consulting Group
(SCG)**

-Highlight of SCG's Past Businesses-

- ✓ Capital and business alliance between Takashimaya and Credit Saison
- ✓ Led the strategic business alliance between Cosmo Oil and AEON Credit Service
- ✓ CSK Holdings' acquisition of shares of Osaka Securities Exchange from MAC Asset Management
- ✓ Advisory for the allocation of new shares of Cosmo Oil to IPIC (the Emirate of Abu Dhabi)

Target markets



4. Global Development

Expiration of the License Agreement to be renamed “SBI SECURITIES” on July 1, 2008

Expiration of the trademark agreement with E*TRADE FINANCIAL Corporation will enable SBI E*TRADE SECURITIES to operate outside of Japan, which was not possible until now.

SBIH plans to expand its online securities business in emerging markets, primarily by utilizing existing relationships with prominent companies in those countries which were cultivated through SBIH's asset management business.



[Vietnam]

-In discussion to launch an online securities business through a joint venture

[China]

-Near-term goals after the establishment of the JV Fund with China Merchants Securities and two others

- ⇒1. Promote investments from China to Japan through the new SBI SECURITIES
- ⇒2. Develop online securities business in China after the restrictions on foreign investments are lifted

Newspaper Article

(Excerpt from Nikkei Shimbun, Jun. 11, 2008)

ii) **Sale of E*TRADE Korea**

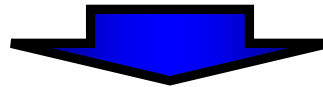
Present Condition of the Sale of E*TRADE Korea Stock

- Currently, approval procedures by Financial Supervisory Services of Korea is under way
- After the approval, expect to record extraordinary gain in the second quarter of FY2009

Transferee of the shares : LS Networks Corporation Limited (Korea)
*LS Networks and its designated agent to be added

Number of shares to be transferred : 9,744,000 (71.4% of the total outstanding shares)

The amount of transfer : 214,368 mil. won (approx. 22,165 mil. yen^{*1})
22,000 won per share (approx. 2,274 yen per share^{*2})



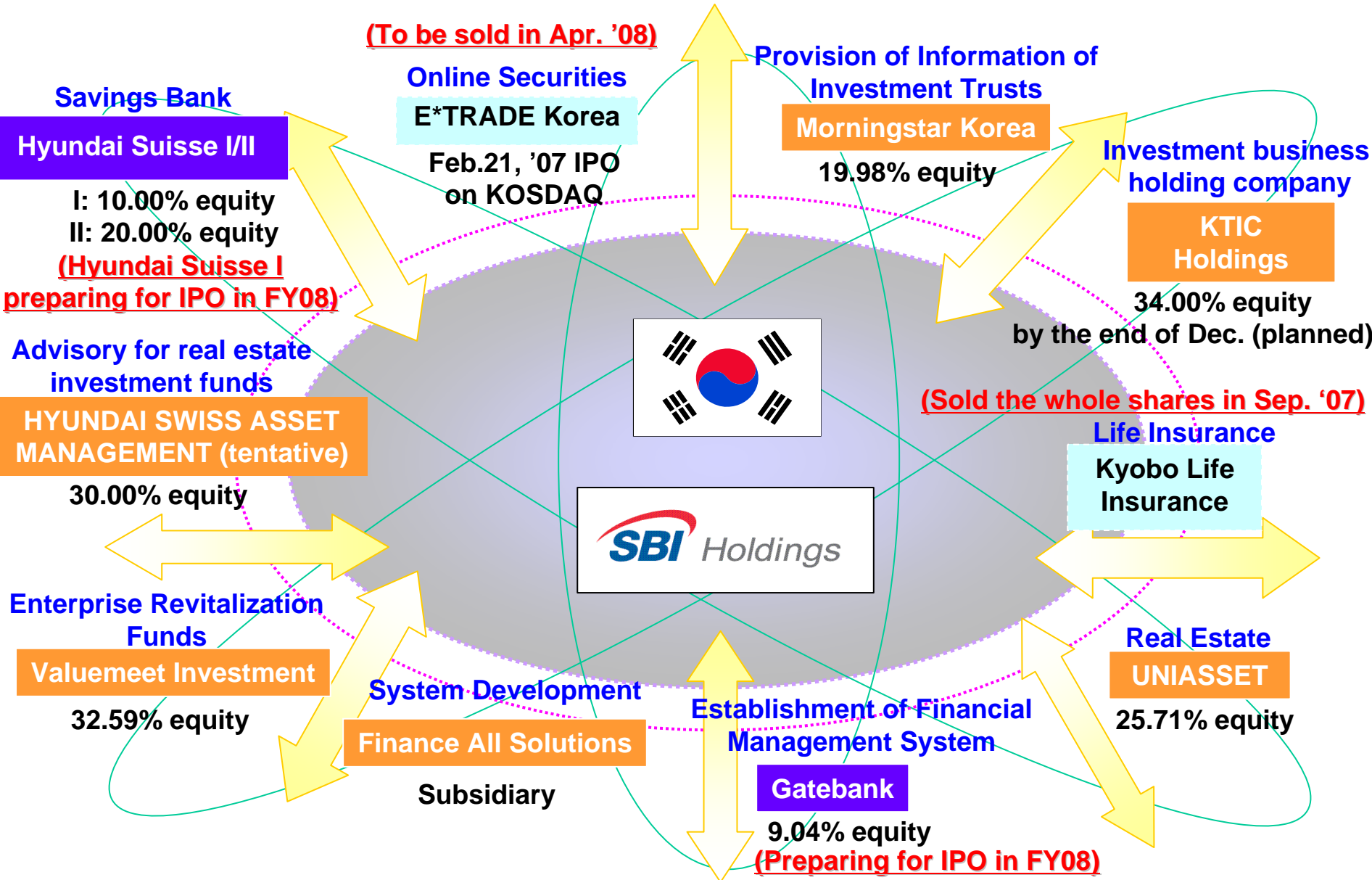
SBI SECURITIES (non-consolidated) Approx. 17.4 bil. yen^{*1}
(Recent estimation: 17.1 bil yen)^{*2}

SBI Holdings (consolidated) Approx. 13.9 bil. yen^{*1}
(Recent estimation: 13.2 bil yen)^{*2}

*1 Converted from won to yen based on the exchange rate as of Apr. 9, 2008 (1 won=0.1034 yen)

*2 Estimated figures converted from won to yen based on the exchange rate as of Jun. 24, 2008 (consolidated book amount is as of end May)

Investment Track Record in Korea



Korean Equity Investment Amount and Proceeds from FY2002 to Present

Book value of the total equity investment : 23.6 bil. yen
⇒ Proceeds from the equity investment : 45.1 bil. yen
(Remaining equity investment amount : 2.0 bil. yen)

Example :

Unit: 100 million yen

	Total equity investment	Total	Proceeds		IRR (%)
			Sales proceed	Dividend	
(Parenthetic figures indicate investment periods) Kyobo Life Insurance (Feb. 2007 - Sept. 2007)	179	216	214	2	43.1
----- E*TRADE Korea (Jun. 2004 – 1Q in 2008*)	43	221	221		50.4

(*as planned)

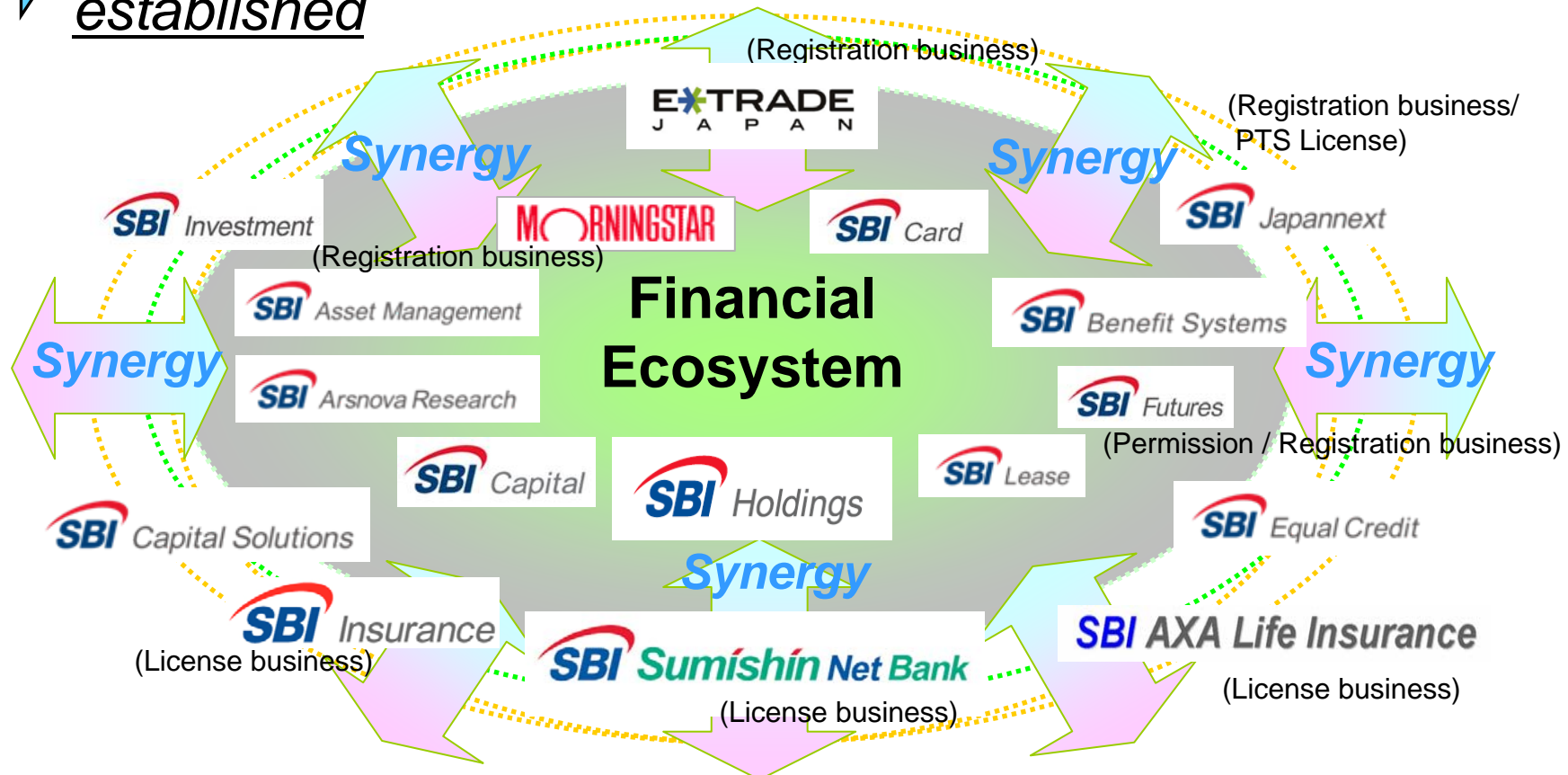
(Amounts are rounded to the nearest ¥100 million)

(3) Financial Services Business

Completed Establishment of Financial Ecosystem with the Acquisition of Banking, Non-life Insurance and Life Insurance Business Licenses

Since the establishment of the SBIH Group, we have been expanding our financial ecosystem by forming a variety of joint ventures with leading companies in the financial industry.

A globally unique Internet-based financial conglomerate is established



[SBI Sumishin Net Bank, Ltd.]

Internal targets at the start of operations

(started operations in Sep. 24, 2007)

- Targeted No. of accounts
 - 3rd term: around 400,000
 - 5th term: around 600,000
- Targeted deposit amount
 - 3rd term: around 700 billion yen
 - 5th term: around 1 trillion yen
- Targeted revenues
 - 3rd term: Turn a single-year profit
 - 5th term: around 5 billion yen of net income
Eliminate cumulative loss

Internet Bank Acquiring Much Larger Number of Customers

No. of internet banking accounts

***reached 20.8 million
accounts at the end of
Mar. 2006**

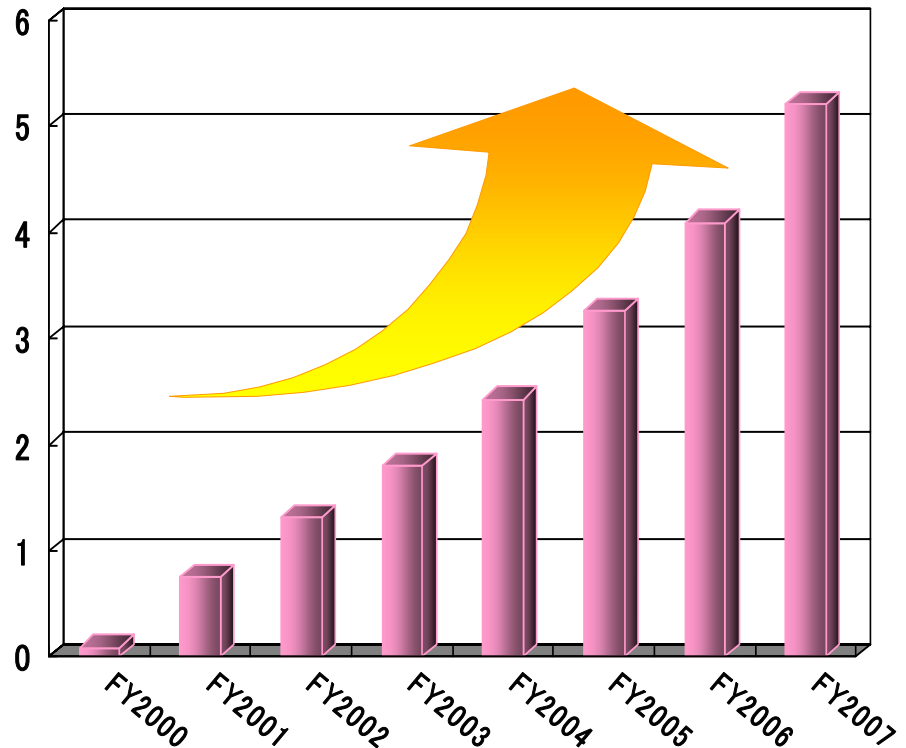
Newspaper Article

(Excerpt from Nikkei Shimbun, June 25, 2008)

**No. of pure-play Internet
bank accounts reached 5.2
million accounts as of the
end of Mar. 2008**

No. of pure-play Internet bank accounts

(million accounts)



* Compiled by SBIH based on information disclosed by each company. Internet pure-play banks are Japan Net Bank, Sony Bank, eBank and SBI Sumishin Net Bank. SBI Sumishin Net Bank started operations in Sep. 2007.

SBI Sumishin Net Bank Deposits Topped 300 Billion Yen after Only 191 Days Since Start of Operations



Offering competitive interest rates, free ATM transactions for individual customers and several sales campaigns, SBI Sumishin Net Bank Deposits topped 200 billion yen after only 122 days^(*1) and 300 billion yen after only 191 days^(*2) since its start of operations on Sept. 24.

(*1:as of Jan. 23, '08, *2:as of Apr. 1, '08)

Days required by major Internet banks to reach 300 billion yen in deposits:

	Start of operations	Time needed to reach 100 billion yen (*)	Days after start of operations	Time needed to reach 200 billion yen (*)	Days after start of operations	Time needed to reach 300 billion yen (*)	Days after start of operations
eBANK	2001/07/23	2003/10/01 ~2004/03/31	801- 983 days	2004/10/20	1186 days	2005/08/01 ~ 2005/8/31	1471- 1501 days
Japan Net Bank	2000/10/12	2002/10/01 ~2003/03/31	720- 901 days	2005/01/01 ~ 2005/3/31	1543- 1633 days	2006/10/01 ~ 2006/12/31	2181- 2272 days
Sony Bank	2001/06/11	2002/03/01 ~2002/03/31	264- 294 days	2002/12/01 ~ 2002/12/31	539- 569 days	2003/08/01 ~ 2003/08/31	782- 812 days
SBI Sumishin Net Bank	2007/09/24	2007/11/19	57 days	2008/01/23	122 days	2008/04/01	<u>191 days</u>

* Time needed for deposits to reach target amount based on information announced by each bank.

Steadily Increasing Customer Base of SBI Sumishin Net Bank

(as of June 25, 2008)

(as of end of May 2008)

No. of accounts: 149,709

Deposits : 323.3 bil. yen

(as of Jun. 25, '08)(advance report)

No. of applications to open accounts: 218,074

Deposits: 339.0 bil. yen



No. of applications for housing loans:

This fiscal year 4,559 (advance report)

Previous year: 4,691

Per capita deposit amount: approx. 2.16 mil yen

Planning to increase capital for further business expansion:

- June 30, 2008 -Increase capital by 5.0 bil. yen through shareholder allocation (planned)
- SBIH and Sumitomo Trust Bank invest 2.5 bil. yen each
- Paid-in Capital will increase to 22.5 bil. yen

Number of ATMs available to be sharply increased:

From July 22, 2008 Number of ATMs available to be sharply increased

Now: Japan Post Bank
Seven Bank



ATMs placed at nationwide convenience stores including LAWSON, Familymart and Mini Stop, and supermarkets



(No. of LANs placed nationwide: 5,639 (as of Jun. 6). No. of e-net placed nationwide: 8,417 (as of the end of May))

The Advantage of Internet Banks with Low Interest Rates

Since Internet banks have no branches, smaller workforces and other cost advantages over conventional banks with branch networks, an Internet bank can offer higher interest rates on deposits.

Example: Comparison of interest rate of fixed-period deposits

Average interest rates of three major banks in Japan:

	Under 300 million yen			Over 300 million yen		
Deposit term	1 year	3 years	5 years	1 year	3 years	5 years
Interest rate	0.35	0.47	0.60	0.35	0.52	0.65



↓ More than double

	100 - 300 million yen			Over 300 million yen		
Deposit term	1 year	3 years	5 years	1 year	3 years	5 years
Normal	0.729	1.11	1.26	0.739	1.12	1.27
Campaign (until Aug 31, 2008)	1.0	1.31	1.46	1.0 ^{*2}	1.32	1.47

↻ +0.2%

•Interest rates: %, Annual interest, before-tax, as of June 17
 •Campaign interest rate is applied only to one-year deposit (max 5 million yen)

Ongoing Initiatives to Increase Deposits and Number of Accounts



Three free remittances per month to accounts at other banks is now a permanent feature

Further differentiating fees and interest rates, primarily through a marketing campaign targeting summer bonuses paid to Japan's salaried workers

他行宛 振込手数料
月間3回無料

Limited-time free remittance program is now permanent

A marketing campaign that offered customers free remittances to accounts at other banks until June 30, 2008 will become a permanent benefit for customers starting on July 1 owing to the strong response the free remittance campaign generated.

1年もの
円定期 年1.0%
(税引後0.8%)

【Summer bonus marketing campaign】Special yen time-deposit interest rates

Offering a 1.0% interest rate on one-year yen time deposits and adding 0.2% to the standard interest rates on 2, 3, 4 and 5-year time deposits. Also offering a ¥500 gift to customers who transfer funds from another bank to SBI Sumishin Net Bank. (until August 31, 2008)

全通貨・全期間対象
特別金利

【Summer bonus marketing campaign】Special interest rates for foreign currency time deposits

To encourage customers to select a foreign currency time deposit as one effective way of making foreign currency-denominated investments, SBI Sumishin Net Bank is offering special interest rates* for all currencies and maturities. (until August 31, 2008)

*Please see the SBI Sumishin Net Bank website for more information about special interest rates.

外貨買付時
(円→外貨)
為替コスト

期間延長!

0円

Campaign offering customers no-fee exchanges of yen for foreign currencies

To encourage customers to select a foreign currency time deposit as one effective way of making foreign currency-denominated investments, SBI Sumishin Net Bank is conducting a campaign that eliminates exchange fees when exchanging yen for any foreign currency. (until August 30, 2008)

Upgrading All Services by Increasing Number of Alliance Partners



(Examples)

Direct payment account service

Allows customers to use an SBI Sumishin Net Bank account for the payment of monthly bills and other amounts due for services provided by alliance partners

(May 1, 2008~)

Softbank Mobile **Cell phone bills**

(May 7, 2008~)

Credit Saison **Credit card bills**

(June 4, 2008~)

SMBC Finance Service

Payment of membership fees, insurance premiums, loan repayments and other items to the approximately 20,000 companies that have a bill collection agency contract with SMBC Finance Service

(June 20, 2008~)

Orient Corporation

Payment of amounts due for cash advances and other transactions using Orico credit cards, auto loans and other items

Immediate settlement service

Payments for services and merchandise sold on the websites of member merchants that participate in this settlement service can be completed immediately by transferring funds from an SBI Sumishin Net Bank account with no need to input remittance data.

(May 27, 2008~)

Japan Airlines (JAL)

Internet payments for airline tickets

“SBI Sumishin Net Bank boat race instant bet placement service for members”

Allows placement of bets at boat races throughout Japan by using a computer or cell phone; payments for winning bets can be received on a real-time basis on the same day as the race, even on weekends.

(May 30, 2008~)

FX PRIME

Internet payments for online foreign exchange margin transactions

(June 11, 2008~)

Gaitame.com

(June 23, 2008~)

Cyber Agent FX

Stabilize and Diversify Asset Management by Further Pursuing Group Synergies as well as Providing Total Solutions for a Variety of Customer's Needs

◆ Housing Loans

(as of June 25 (advance report))

Operations are growing steadily; number of loans reached 4,500 in this fiscal year based on applications received (4,691 in the previous fiscal year)

◆ Unsecured Consumer Loans

-Loans up to 5 million yen with a preferential interest rate as low as 5.5%

⇒ Aiming to offer highly competitive interest rates for consumer loans

-Planning an integration with part of SBI Equal Credit's claimable assets

◆ Actions to Upgrade Asset Management

-Established Business Development Dept. for planning and support of new asset management services

-SBIH Group companies introduces a variety of investment and loan projects, collaboration projects (example: Gazprom yen-denominated bonds (rate of yield: 3.2%))

Example of current collaboration projects

➤ Enterprise revitalization finance
(incl. Mezzanine)

➤ Auto loans

➤ Receipt finance

➤ Real estate secured loans

etc...

**Strengthen asset management capabilities,
the key to success of the Internet bank**

SBIH Starts Shareholder Special Benefit Plan to Promote Opening of Internet Bank Accounts



- Planning to introduce shareholder special benefit plan to other SBIH Group companies -

Number of shares owned as of Mar. 31, 2008 (share)	Number of rewards points offered
Over 1 – Under 10	500
Over 10 – Under 30	1,000
Over 30 – Under 50	3,000
Over 50 – Under 100	5,000
Over 100 – Under 300	10,000
Over 300	30,000

Offers rewards points “Arigaton”, which is available on “EG Satellite”, a website operated by SBI Point Union



(500 points = 400yen)



Shareholders are able to change “Arigaton” into cash if they designate SBI Sumishin Net Bank for transfer

After the start of shareholder special benefit plan...



-Page views per day increased by approx. ten times



-Number of transfers into cash on the “EG Satellite” increased by approx. five times (as of Jun. 25)

[SBI Insurance Co., Ltd.]

**Internal targets
at the start of operations**

(started operations in Jan. 16, 2008)

- Targeted No. of contracts 5th term: around 300,000
- Targeted revenues 5th term: Turn a single-year profit
10th term: 25-30 bil. yen of net premium income

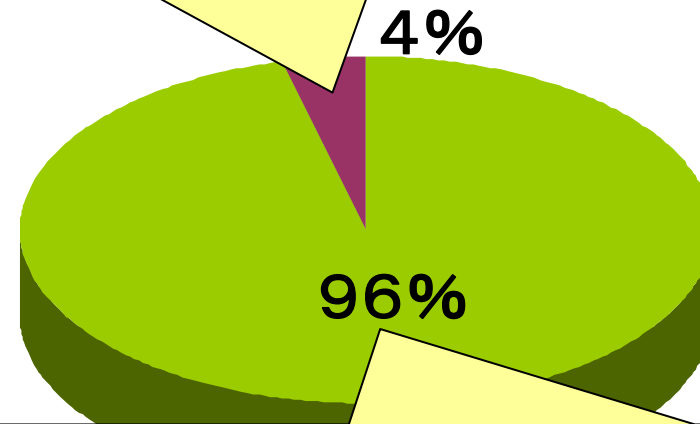
Internet Nonlife Insurance's Significant Growth Opportunities in the Auto Insurance Market

■ Net insurance premium <automobile>

	FY2006 (bil. yen)
Brick-and-mortar	3,444.0
Direct	144.4
Total	3,588.4

Direct Insurance: 6 companies

American Home Assurance Corporation / AXA Non-Life Insurance Co.,Ltd. / Sony Assurance Inc. / Sonpo 24 Insurance Co.,Ltd. / Zurich Insurance Company / Mitsui Direct General Insurance Co.,Ltd.



Brick-and-mortar: 17 companies

Aioi Insurance Co.,Ltd. / Asahi Fire & Marine Insurance / Kyoei Fire & Marine Insurance Co.,Ltd. / JI Accident & Fire Insurance Co.,Ltd. / The Sumi-Sei General Insurance Co., Ltd. / SECOM General Insurance Co., Ltd. / SAISON Automobile & Fire Insurance Co.,Ltd. / Sompo Japan Insurance Inc. / Daido Fire & Marine Insurance Co., Ltd. / Tokio Marine & Nichido Fire Insurance Co., Ltd./ Nisshin Fire & Marine Insurance Co.,Ltd. / Nissei Dowa General Insurance Co., Ltd. / NIPPONKOA Insurance Co.,Ltd. / Hitachi Capital Insurance Corporation / The FUJI Fire and Marine Insurance Co., Ltd. / Mitsui Sumitomo Insurance Co., Ltd. / Meiji Yasuda General Insurance Co., Ltd.

* Share of the direct insurance companies in FY2007: 7.4%

(Source: Nikkei Shimbun, Jun. 20, 2008)

Full-scale Launch of SBI Insurance Business

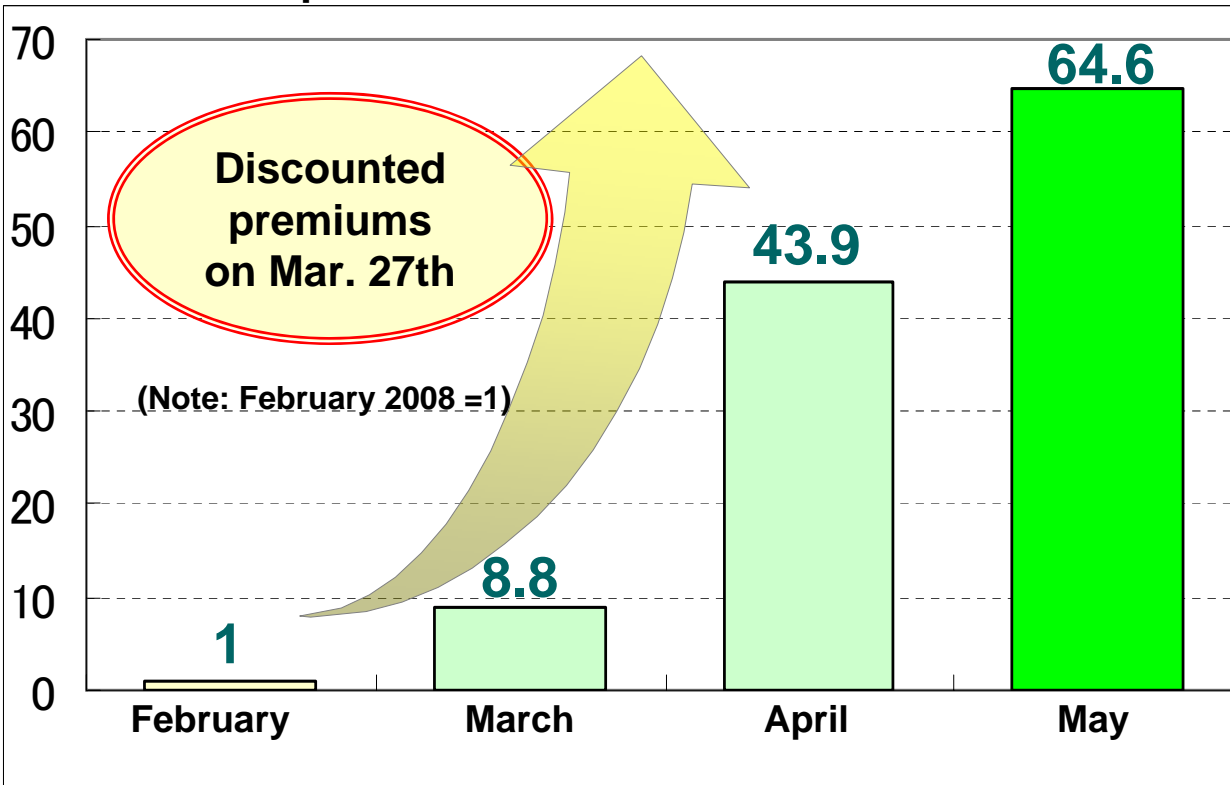
Number of insurance contracts

After discounting premiums in March, number of contracts is growing steadily

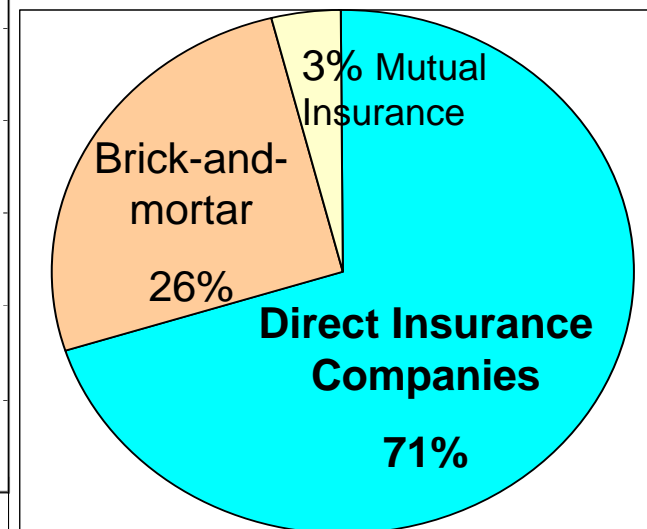
Development of distribution channels

In May, established an alliance with “Autoc one”, which operates an auto purchase supporting website

Growth in completed SBI Insurance’s auto insurance contracts



Client breakdown



[SBI AXA Life Insurance Co., Ltd.]

**Internal targets
at the start of operations**

(started operations in Apr. 7, 2008)

▪ Targeted No. of contracts

1st fiscal year: around 20,000

5th term: around 200,000

▪ Targeted revenues

5th term: Turn a single-year profit

Diversified Sales Channel of the Life Insurance Business

Newspaper Article

**“Seiho Ladies”
continues to decrease**

~The number of insurance salespersons continues to decrease. The total number of them at the nine major life insurance companies has decreased by approx. 60,000 for seven years~

- Application for insurances at Banks
- Commencement of the **pure-play Internet life insurance companies**



Diversified Sales Channels

(Excerpt from Nikkei Shimbun, Jun. 24, 2008)

Japan's First Pure-play Internet Life Insurance Company, "SBI AXA Life Insurance"



Current Status

Page views increasing steadily

April: 390,000 May: 410,000 June:460,000 (as of Jun. 23)

Aggressive public relation activities

Posted on a total of 121 media sites since the start of the operations (as of Jun. 24)
(TV: 4, Newspapers and Magazines: 117)

Dealing Agencies: **11 companies** (planned by June)

IRRC Corporation
Advance Create Co., Ltd.
Attractive. inc (Insurance consultation "Acarumic")
SBI E*TRADE SECURITIES Co., Ltd.
SBI Financial Agency Co., Ltd.
Real Marketing Co., Ltd.
NTT IF Corporation
OMC Card, Inc.
Kakaku.com Insurance, Inc.
SONIA PARTNERS CORPORATION
Insurance Design Research Co., Ltd.

Comparison of Premiums between “SBI AXA Life Insurance” and Other Life Insurance Companies (excerpt from newspaper)



Excerpt from Nikkei Shimbun on June 22, 2008

Easy application, simple products “Is Internet life insurance really reasonable?” ~compared with existing life insurance services, death insurance provides “more convenience for the young”, medical insurance provides “less surgery benefit”~

(Death term insurance, unit: yen)

(Medical insurance, unit: yen)

Monthly premium comparison (10 million yen of insurance benefit, 10- year term, without supplementary contract)

Monthly premium comparison (10,000 of yen of daily benefit when hospitalized, more than 100,000 yen of surgery benefit)

Company (Organization)		SBI AXA	Orix Life	Three major life insurance companies*1
Age		20-60	6-70 *2	—
Available supplementary contract		Accidental death rider, living needs*3	Living needs*3	—
Cancellation return		Available	None	—
Male	Age 30	1,530	1,840	2,520-2,740
	Age 40	2,690	2,980	3,650-3,870
	Age 50	5,620	5,960	6,610-7,030
Female	Age 30	1,190	1,490	2,150-2,360
	Age 40	1,870	2,150	2,840-3,070
	Age 50	3,210	3,490	4,160-4,370

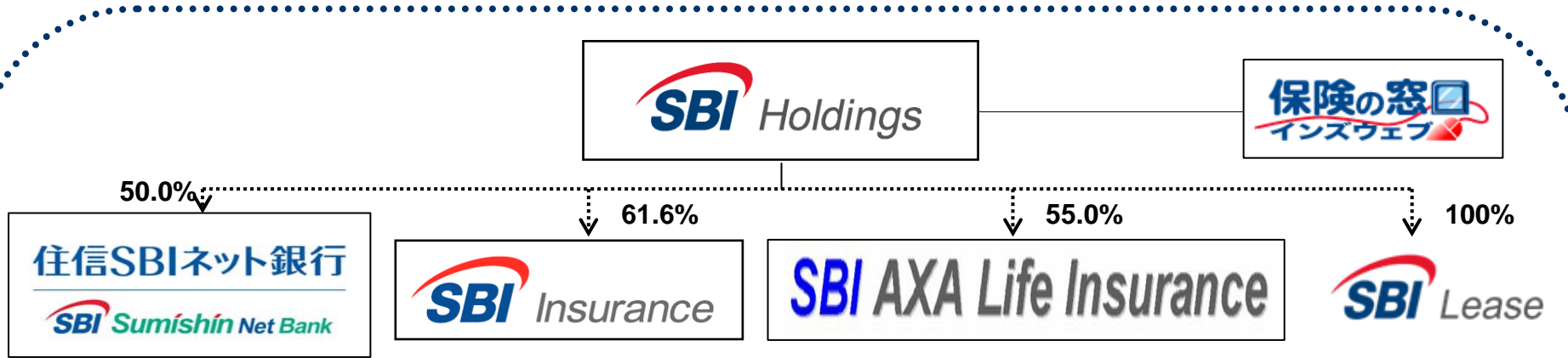
Company (Organization)		SBI AXA	Mitsui Direct
Day limit to pay benefit		60 days	60 days
Other conditions	surgery benefit	100,000	100,000/ 200,000/ 400,000
	Other	None	Insurance benefit for long hospitalization
Male	Age 30	1,600	1,813
	Age 40	1,840	2,215
	Age 50	2,850	3,464
Female	Age 30	1,600	1,813
	Age 40	1,840	2,215
	Age 50	2,850	3,464

*1: Maximum and Minimum premiums of similar products of three major life insurance companies. *2: Depends on insurance term

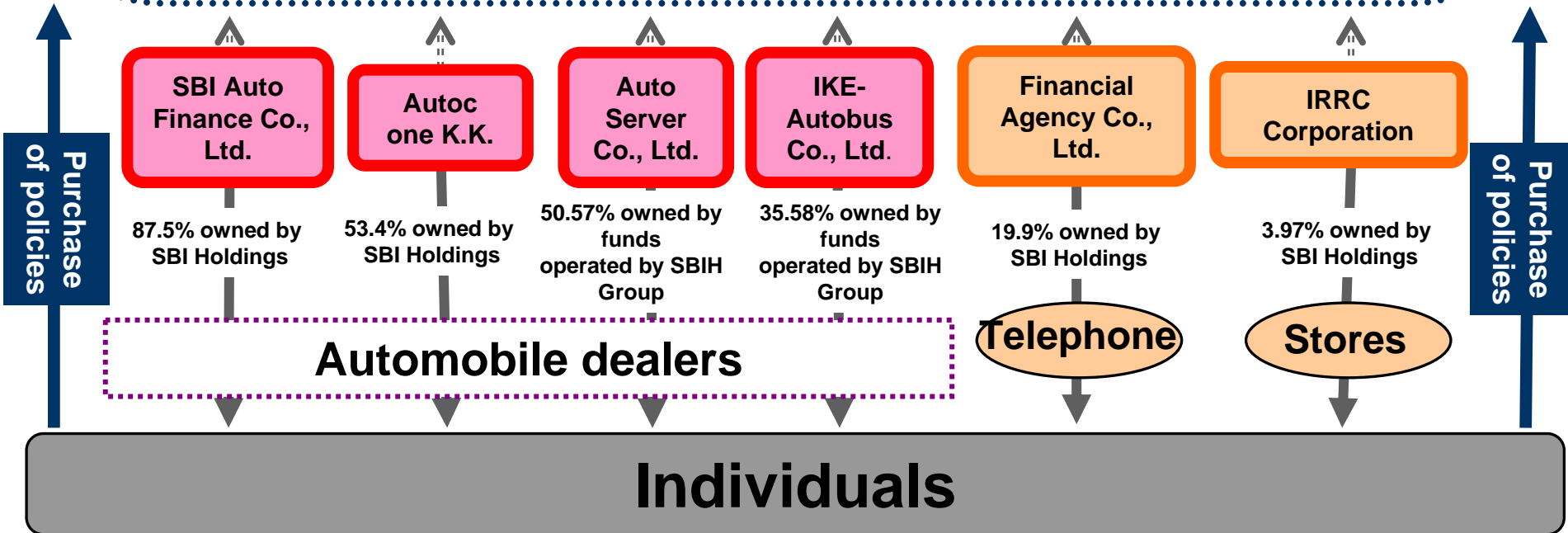
*3: Contractors receive part of or all of death insurance benefit when diagnosed with less than six remaining months.

[Groundwork for the Auto-related Field Which is Expected to Produce Significant Synergies with the Three New Core Businesses]

A Diversified Ownership Structure to Support the Three New Core Businesses



【Auto-related financial products】 Auto insurance Auto loan Auto lease



Preparing to Connect with a Variety of Automobile Related Companies

SBI Auto Finance Co., Ltd.

Activities: Short-term loan guarantees and payment processing service for purchases at automobile auctions by registered members

Member auto dealers: About 345 companies

Affiliated used car auction sites: 35 sites

Autoc one K.K.

Activities: Internet auto purchasing service

Affiliated dealers: 849 companies (as of March 31, 2008)

New car estimate service users: 2.12 million (as of March 31, 2008)

Auto Server Co., Ltd.

Activities: Used car auction bidding agency service through the Internet

Affiliated companies: 32,000, annual no. of vehicles auctioned off: 124,000 cars (FY07)

No. of vehicles: Covers approx. 77% of the entire used car auction markets

IKE-Autobus Co., Ltd.

Activities: Retail, wholesale and residual value guarantee of automobiles

Financial Agency Co., Ltd.

Operates a **Call Center** that conducts marketing through an exclusive “direct telemarketing” sales method

IRRC Corporation

Operates **97 Insurance Clinic Shops** (consulting and sales) nationwide (as of June 2008) and developed an insurance agency business

SBIH Reached a Basic Agreement with JAA Corp. to Jointly Establish an Auto-related Financial Services Company



30%



70%

- Runs 3 auction sites
- Registered companies: more than 14,000
- Annual number of cars listed: approx. 740,000

JV Company

Auto-related financial services

- **Auto insurance** (SBI Insurance)
- **Auto loan** (In preparation) (SBI Sumishin Net Bank)
- **Auto lease** (SBI Lease)

Signed basic agreement on Mar. 18, 2008

Joint venture will be established in the first quarter of FY2008

Provide SBIH Group's financial services to pre-owned auto buyers through JAA's registered members of pre-owned auto auctions

JAA's auction members: 14,492 companies

Auto buyer

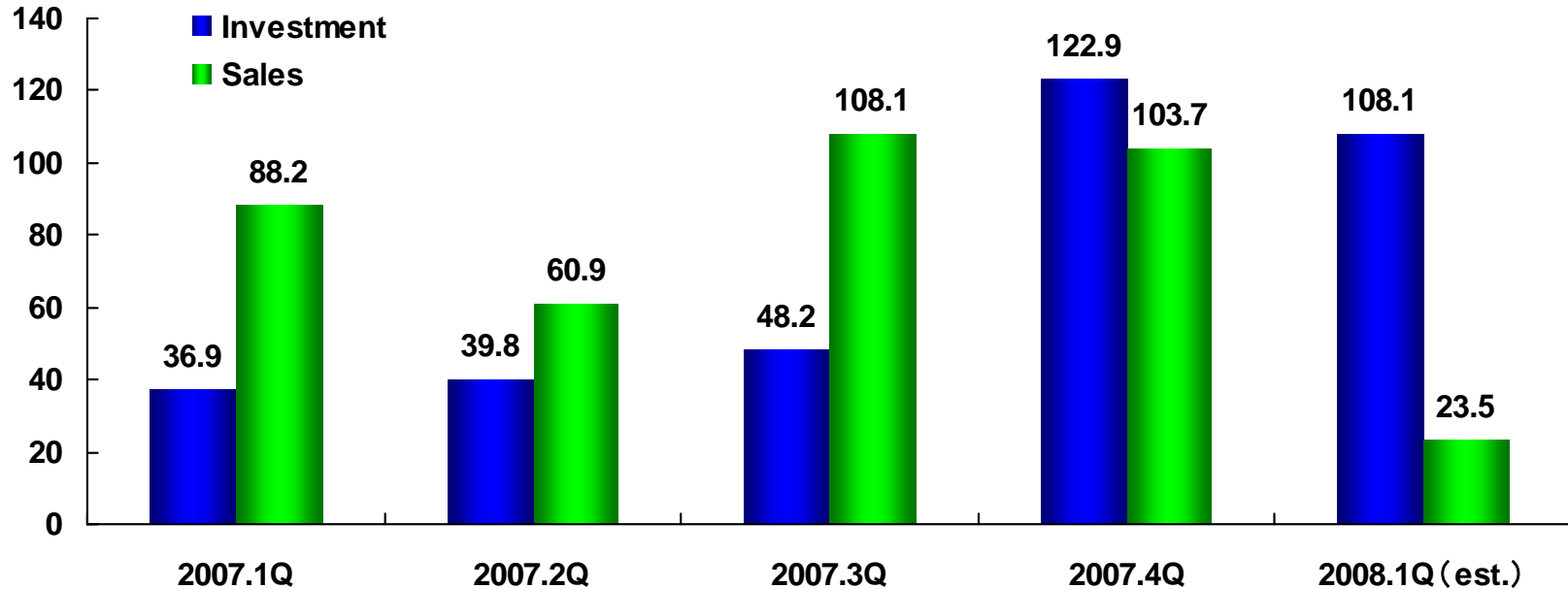


(4) Housing and Real Estate Business

Planning to Resume Substantial Real Estate Investments after October 2008 by Taking Advantage of the Opportunities Presented in the Current Real Estate Market

Quarterly real estate investments and sales by SBIH Real Estate Business Dept.

(100 million yen)



Examples of recent investments (incl. planned investments) (100 million yen)

Principal investment area	Amount (total)	Properties
Overseas (Emerging economies)	35	Plan to diversify investments to assemble a diversified portfolio of properties
Prime sites in central Tokyo	35	
Yokohama area	39	

*Investments and sales are actual results for the Real Estate Business Dept. except in the first quarter of 2008, in which estimated investments and sales are included.

Alliances Focused on the Real Estate Business in China

◆ In April 2007

Signed MOU to form comprehensive alliance with Weifang City



Weifang City,
Shandong Province

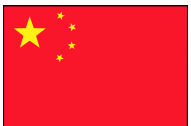
In March 2008, SBIH newly established the “Shandong Representative Office of SBI Holdings” in Weifang City

【Projects currently planned】

Real estate development with an investment company operated by the local government and a domestic general contractor, after the bidding process.

◆ In April 2008

SBIH signed strategic MOU with CSLAND, which the Chinese and Singaporean governments have indirectly invested in.



China-Singapore Suzhou
Industrial Park land Co., Ltd.



【Outline】

- Jointly invest in projects being planned in Suzhou Industrial Park
- Establish a joint venture related to real estate investment by the above projects

SBI Mortgage Increases its Share of Flat 35



- In Sep. 2007, started to offer guaranteed Flat 35 for the first time as a mortgage bank in Japan. Demand has been growing steadily as well as purchased Flat 35.
- SBI Mortgage offers the lowest level of interest rate (3.05% *1) for “Flat 35”, and has steadily expanded its loans outstanding to 374.9 billion yen as of the end of May 2008.
- The number of loans has been increasing primarily around the areas with a physical shop presence.
- In May 2008, SBI Mortgage achieved the largest share (11.58%) of “Flat 35” (a securitized loan of Japan Housing Finance Agency) among 337 companies nationwide*2.

*1 Lending rate for Jun. '08 purchased loans

*2 Based on loans outstanding, including guarantee loans. Compiled by SBI Mortgage

Accelerating the Expansion of “SBI Housing Loan Shops”

Nationwide network that started in Feb. 2007 continues to expand since the beginning of 2008

Number of SBI Housing Loan Shops

* Number of Shops as of the end of each month, figures for Jul. 2008 are estimated

No. of Flat 35 contracts signed through shops as Pct.
(Incl. applications on Internet at first)

Feb. 2007	Jan. 2008	Jun. 2008
0%	46%	80%

*incl. guaranteed Flat 35, figure of Jun. 2008 is an estimate

By the end of 2008
70 shops (planned)

As of Jun. 27, 2008 **37 shops**

May 2008: 30 shops

Mar. 2008: 20 shops

Sep. 2007: 10 shops

Feb. 2007: opened **the first shop**



No. of shops opened in 2008 (Jan.-Jun.): **23**

Near-term plans

- Broaden the lineup of financial products other than housing loans
... Life Insurance, etc.
- Preparing an IPO to gain independence and autonomy

Part 2 Stock Price Information

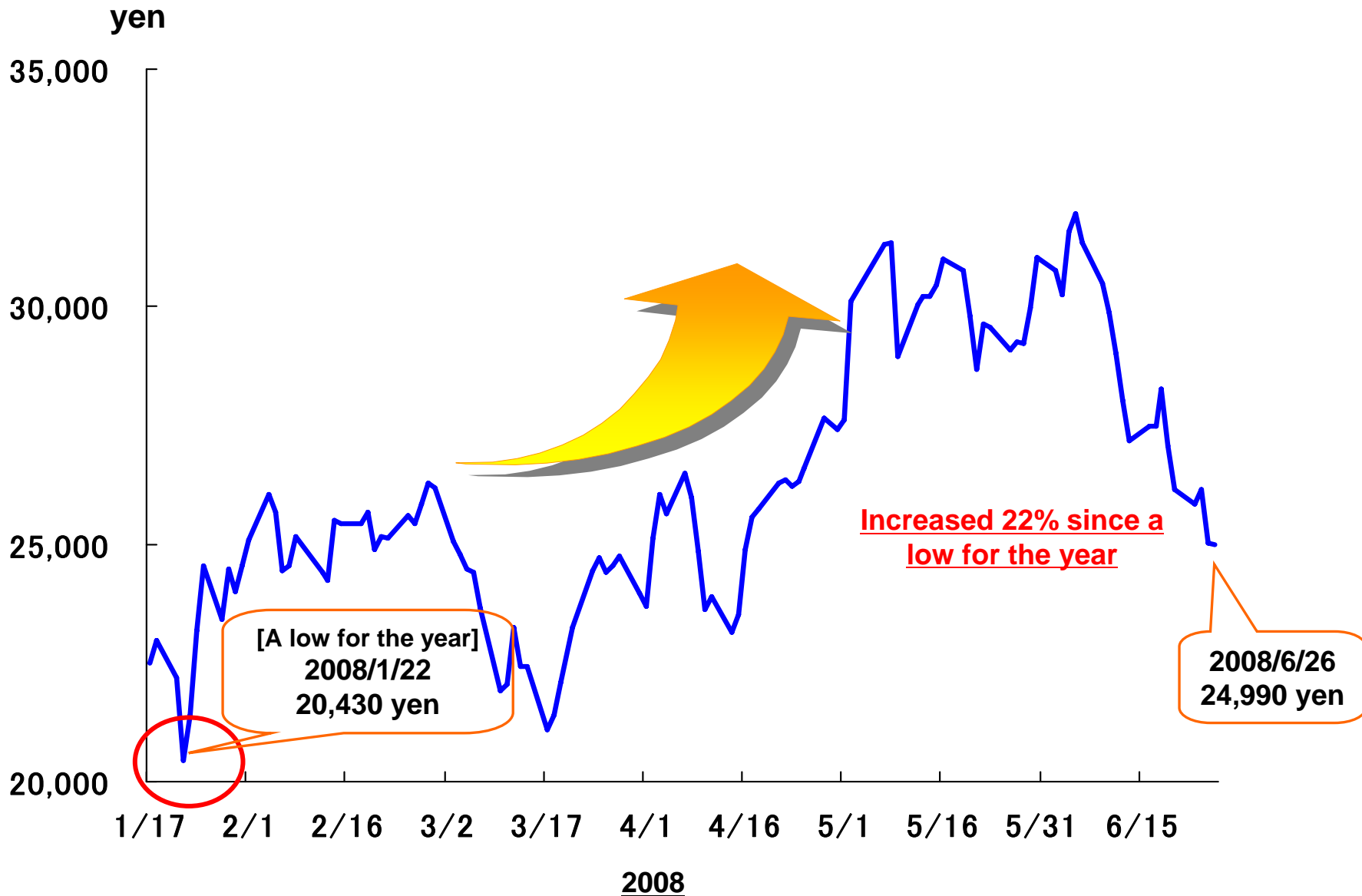
Stock Price of SBIH

(January 1, 2005 - June 26, 2008)



Stock Price of SBIH in the Past Five Months

(January 17, 2008 - June 26, 2008)



[Reasons for the Current Stock Price Level] (Assumption)

- ① Correlation with Sluggish Stock Market, Especially Emerging Markets**
- ② Effect of Sharply Decreasing Real Estate Related Stock Prices**
- ③ Slowdown of Domestic IPO Market**
- ④ Concerns about Dilutive Securities**
- ⑤ Bonds to be Redeemed and Possibility of Refinance**

①

Correlation of Stock Price of SBIH with Nikkei Average and Emerging Markets (January 1, 2005 - June 25, 2008)

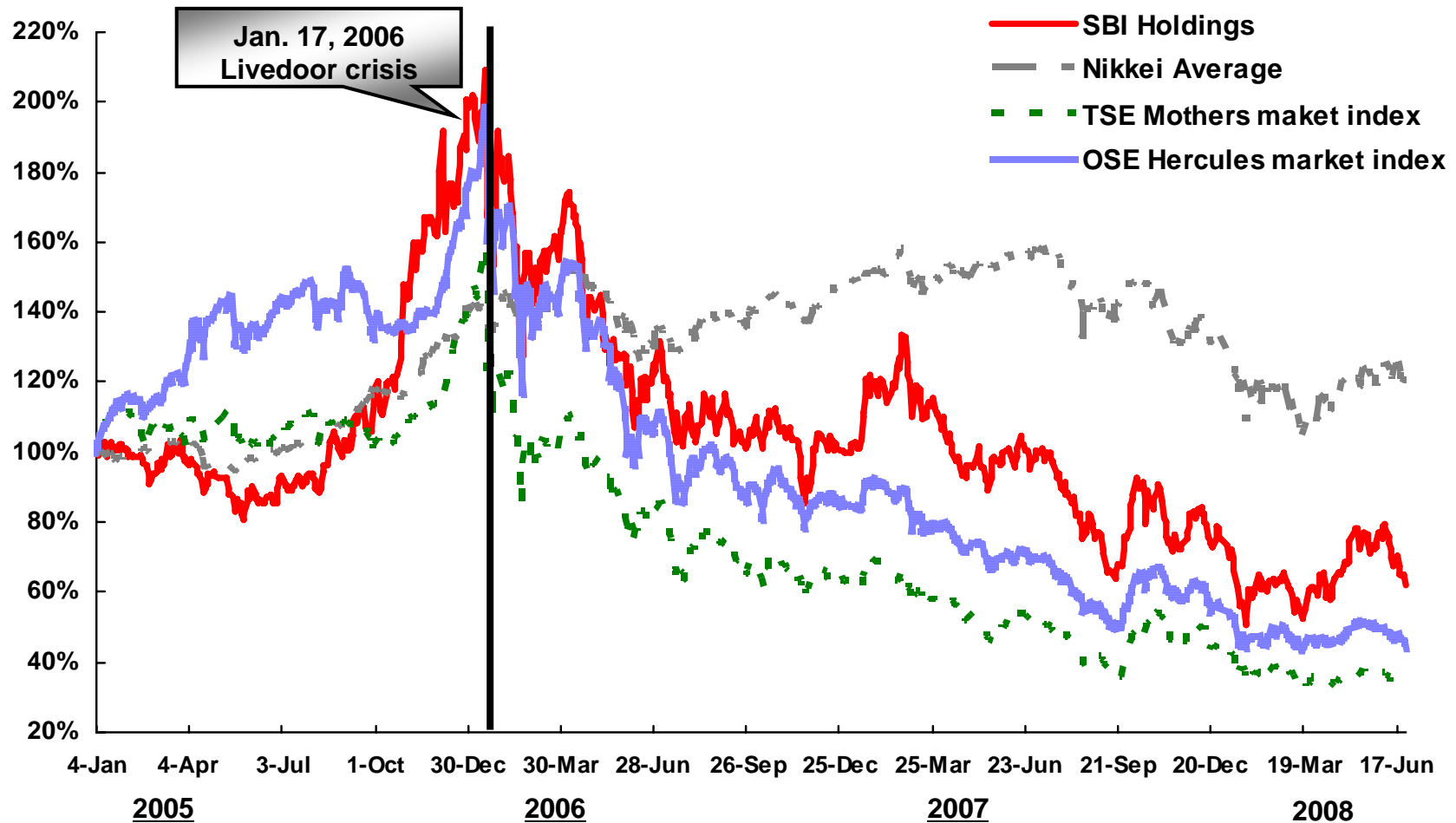


Coefficient of correlation before the “Livedoor crisis”

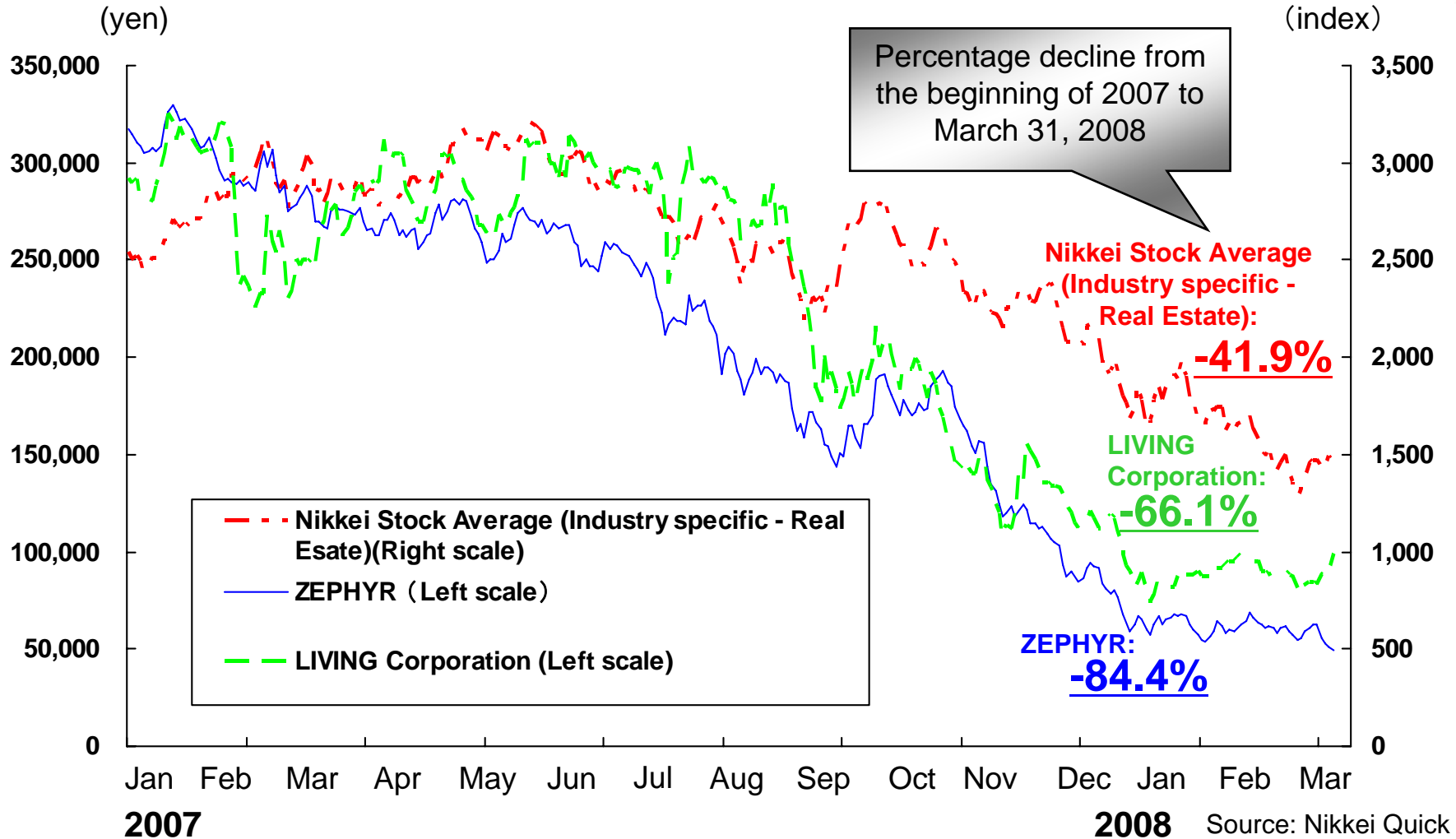
Nikkei Average: 0.96, TSE Mothers Market index: 0.80, OSE Hercules market index 0.60

Coefficient of correlation after the “Livedoor crisis”:

Nikkei Average: 0.48 , TSE Mothers Market index: 0.96 , OSE Hercules market index 0.97



② Stock Price Movement of ZEPHYR, LIVING Corporation and Nikkei Stock Average (Industry specific - Real Estate) in FY2007

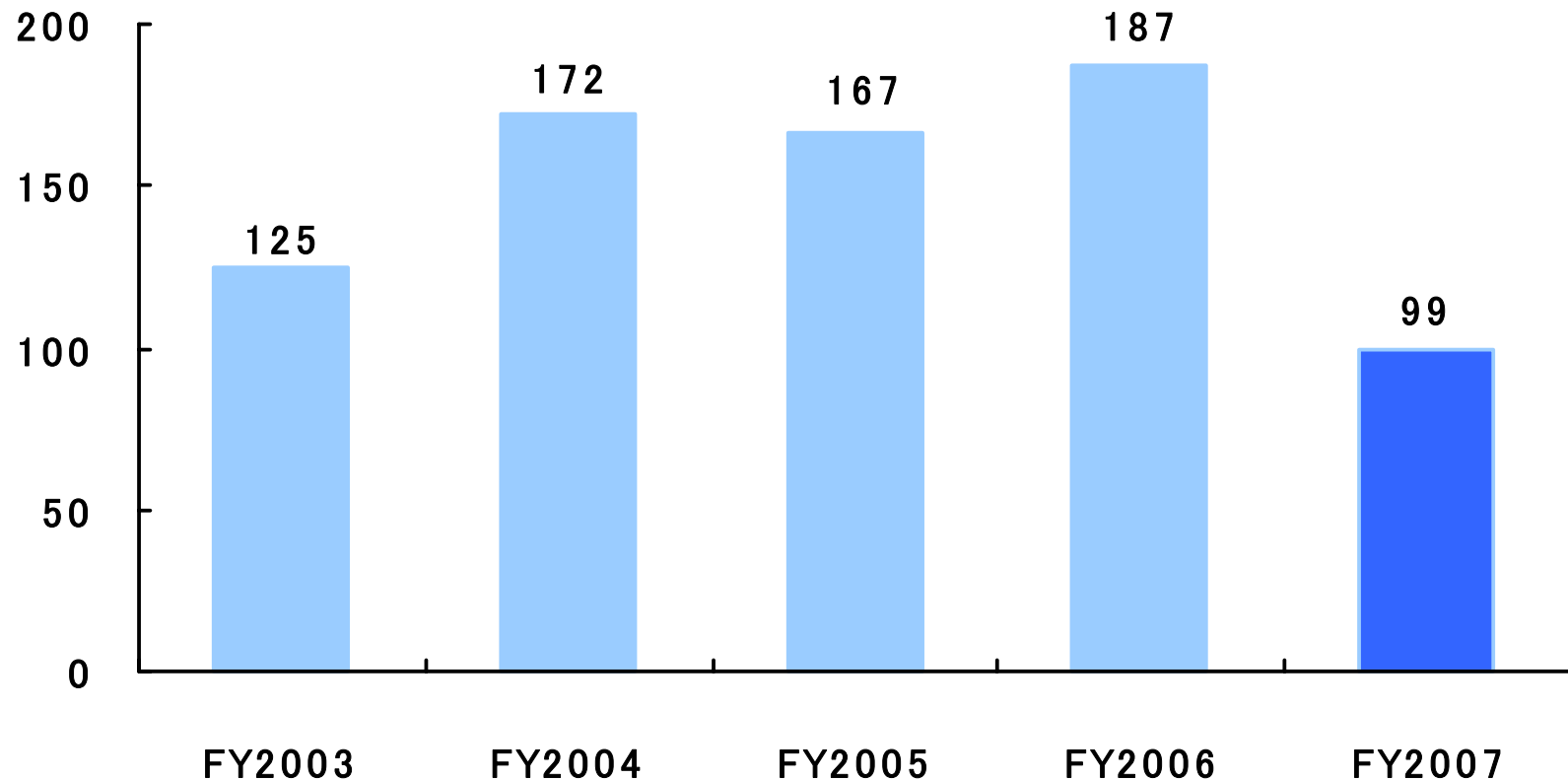


SBIH recorded an extraordinary loss of 9.3 billion yen for stock investment valuation losses. This was primarily due to the amortization of all goodwill* resulting from asset impairment for the stock of affiliated companies based on market values at the end of March 2008. (*ZEPHYR: 6.6 bil. yen, LIVING Corporation: 2.0 bil. yen)

Number of IPOs in Japan on a FY Basis

Less than 100 companies completed IPOs during FY2007, which is the lowest level of IPOs in the past 5 years

(Unit: companies)



Source: Stock exchanges in Japan

Dilutive Securities (as of March 31, 2008)

1. Stock Option

Remaining number of dormant stock options **284,583**

Pct. to shares outstanding*¹ **2.29%**

2. Convertible Bonds (CB)

	Yen-denominated CB (maturing in 2008)	Yen-denominated CB (maturing in 2009)	Total
Amount initially issued (mil. yen)	13,000	20,000	33,000
Remaining amount (mil. yen)	5,940	12,770	18,710
Conversion price (yen) * ²	38,486.10	39,438.50	-
No. of dilutive securities (shares)	154,350	323,803	478,153
Dilutive shares as pct. of shares outstanding* ¹ (%)	1.24	2.60	3.84

*1 Number of shares outstanding is 12,435,284, which includes 1,109,244 treasury stocks

*2 "Reset date", when conversion price is possible to be changed, has already passed

SBI Holdings' Bond Redemption

Bond of SBI Holdings

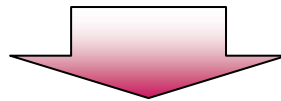
redemption schedule for This Fiscal Year:

September 2008: 50 billion yen ⇒ Planning to refinance

[Bond rating as of Today]

SBI Holdings	BBB (JCR-R&I)
--------------	----------------------

SBI E*TRADE	BBB+ (JCR-R&I)
-------------	-----------------------





Merger with SBI E*TRADE SECURITIES, a wholly owned subsidiary should have a positive effect on the bond rating of SBI Holdings

-Improvement of consolidated equity ratio

-More flexible cash management

Financial Status of SBI Holdings

Change in consolidated financial indicators of SBI Holdings (100 mil. Yen)

	FY2006	FY2007	After the merger with SBI E*TRADE SECURITIES, a wholly owned subsidiary (estimate)
Equity Capital	2,470	2,412	 <u>3,936</u>
Interest-Bearing Debt* ₁	2,409	2,437	2,437
EBITDA* ₂	305	495	495
Interest-Bearing Debt Ratio (%)* ₃	97.5	101.0	 <u>61.9</u>
Interest-Bearing Debt /EBITDA Ratio	7.89	4.92	4.92
Interest Coverage Ratio* ₄	18.6	24.2	24.2

Continues stable financial management, due to the forth coming bond redemption

*1 Interest-bearing debt does not include virtual Interest-bearing debt related to securities business such as margin trading liabilities

*2 Operating Income + cost depreciation

*3 Interest-bearing debt / equity capital

*4 (operating income + interest received + dividend received) / interest paid

Examination of SBIH's Shareholder Value after Merger with SBI E*TRADE SECURITIES (1)



<Assumptions >

- The number of shares issued used for calculation of the theoretical stock price is 16.68 million, the number of shares outstanding after merging with SBI E*TRADE SECURITIES to make it a wholly owned subsidiary.
- Market capitalization based on closing prices on June 26, 2008.
- Asset Management Business: Product of average market cap multiples for peer companies (JAFCO, JAIC) versus FY2007 operating income and FY2007 operating income for this SBIH business unit.
- Brokerage & Investment Banking Business: Also includes 100% of the market cap of SBI E*TRADE SECURITIES and that of SBI Futures in proportion to the equity interest of SBIH (including indirect holdings).
- Financial Services Business: Also includes the market cap of SBI VeriTrans and Morningstar Japan, in proportion to the equity interest of SBIH.
- Housing and Real Estate Business: Product of average market cap multiples for peer companies (Joint Corporation, ZEPHYR, CREED and Raysum) versus the FY2008 operating income forecast and the FY2008 operating income forecast for this SBIH business unit.

Examination of SBIH's Shareholder Value

(Unit: million yen)

	Market cap by segment (Theoretical value)
Asset Management	194,053
Brokerage & Investment Banking	302,765
Financial Services (listed subsidiaries)	10,144
Financial Services (new and other businesses)	(+)
Housing and Real Estate	13,285
Total	520,245(+)

Theoretical stock price (yen)
(based on closing prices on June 26, 2008)

31,197(+)

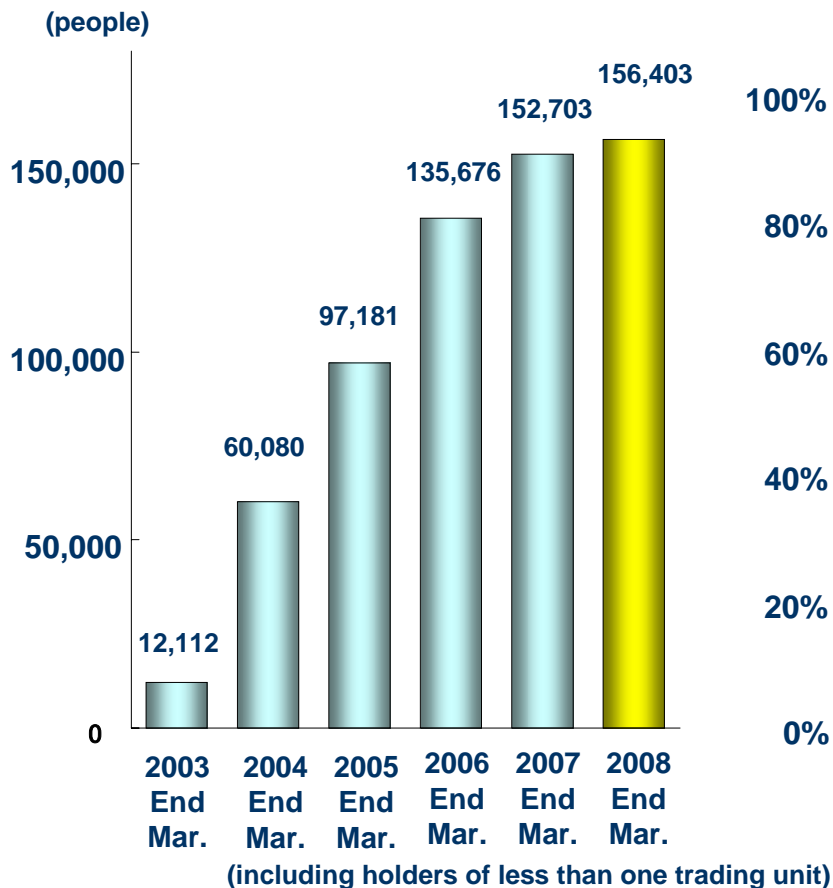
<reference> based on closing stock prices on Mar. 31, 2008: **29,734(+)** yen
based on closing stock prices on Jun. 19, 2008: **34,107(+)** yen

There are also profitable businesses not included in this theoretical value calculation, such as SBIH's comparison website businesses, SBI Lease and SBI Equal Credit.

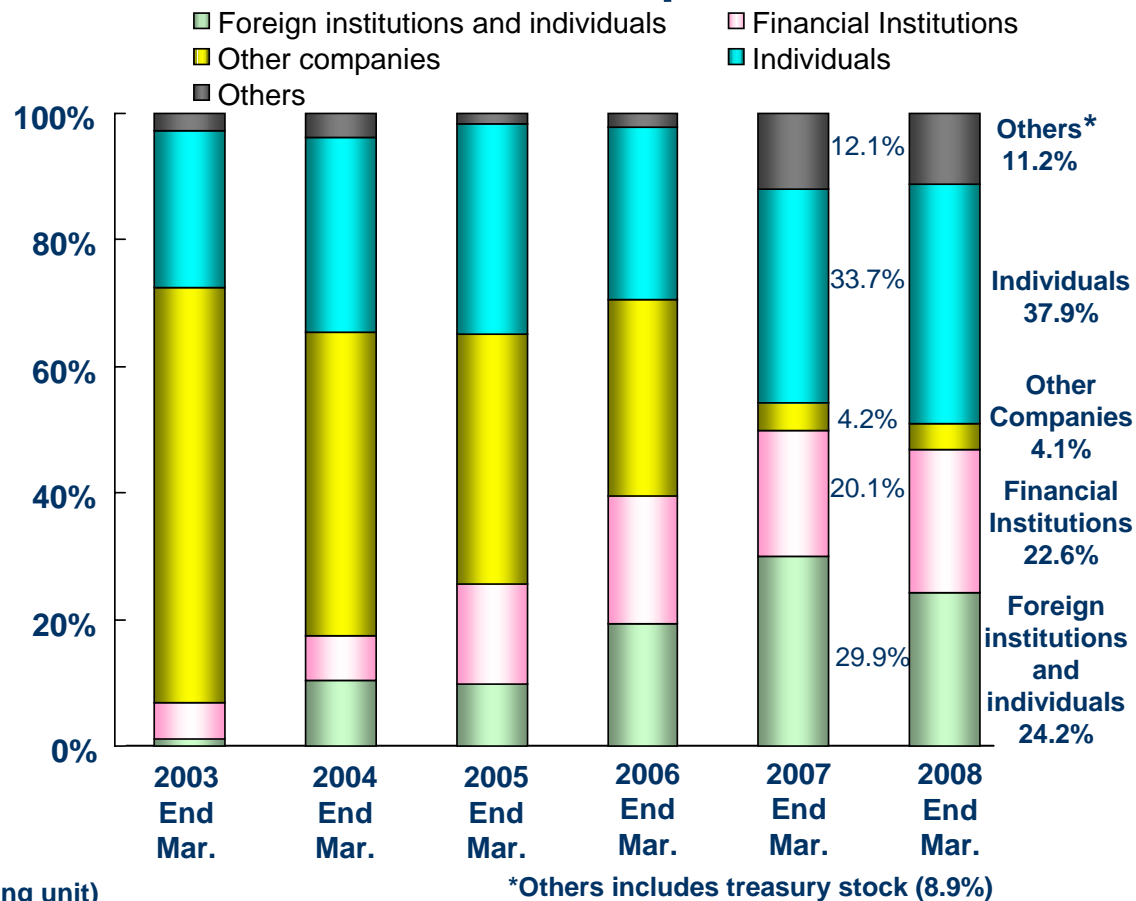
SBI Holdings Shareholder Composition



Number of Shareholders



Shareholder Composition

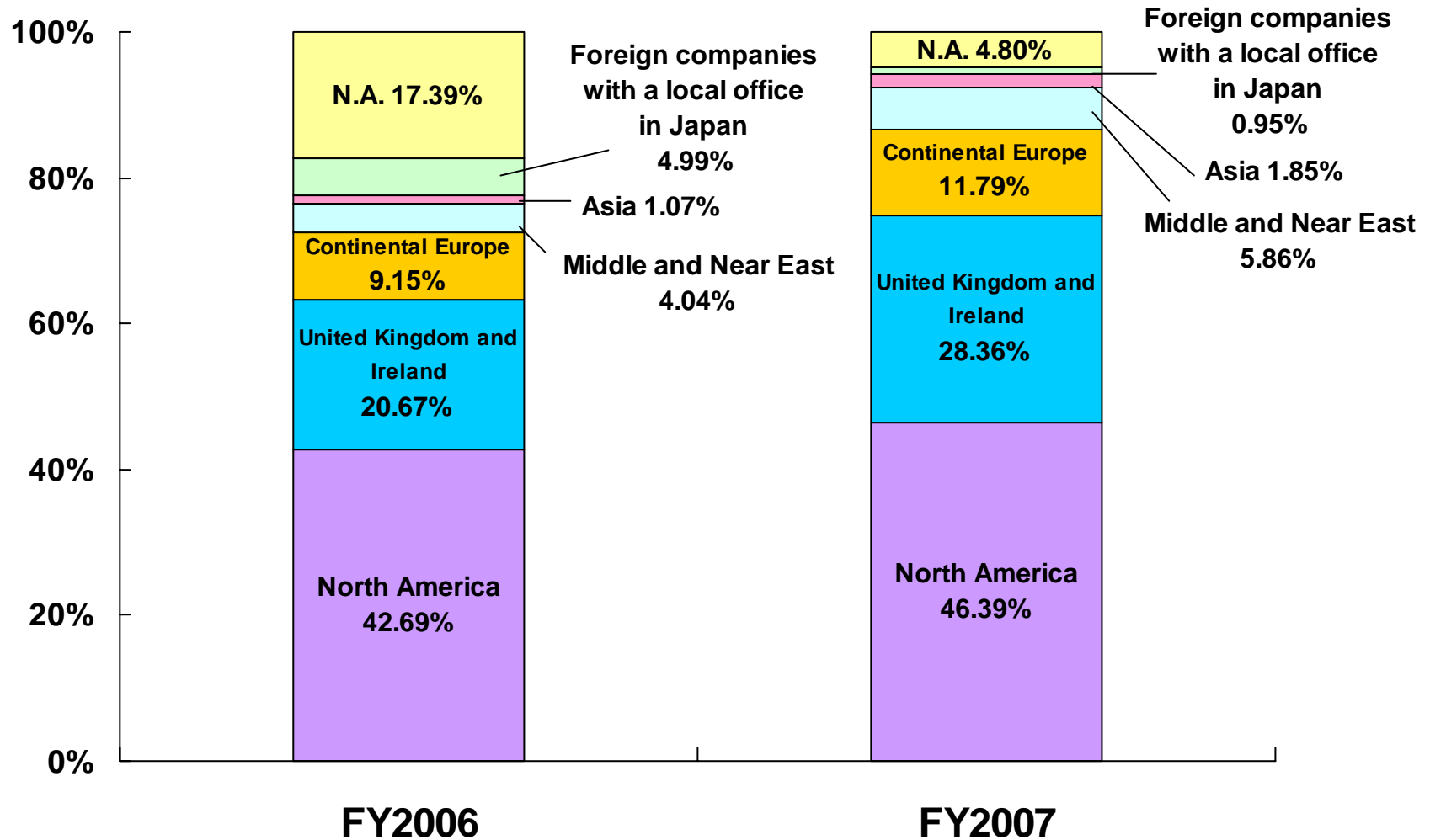


【Reference】

Number of shareholders of SBI E*TRADE SECURITIES as of Mar. 31, 2008: 86,368

Simple combination with that of SBIH as of Mar. 31, 2008: 242,771

Area Distribution of Foreign Investors



*Only depicts shares owned by companies out of the shares owned by the whole foreign investors

Shareholding Conditions of Actual Shareholders (Institutional Investors) (as of end March 2008)

Ranking of Actual shareholders (Institutional Investors) by the number of shares held of SBI Holdings

Ranking	Actual Shareholders (institutional investors)	Location
1	The Capital Group Companies	United States
2	Barclays Group	United Kingdom
3	Chuo Mitsui Trust and Banking Group	Japan
4	Mitsubishi UFJ Financial Group	Japan
5	Daiwa Asset Management Co., Ltd.	Japan
6	Comgest S.A.	France
7	Saudi Arabian Monetary Agency	Saudi Arabia
8	Mizuho Financial Group	Japan
9	JPMorgan Chase Group	United States
10	Orbis Investment Management	United Kingdom
⋮		
31	Abu Dhabi Investment Authority	UAE
⋮		

* Shareholders above are basically grouped by capital lines,
according to domestic and foreign shareholder identification

<http://www.sbigroup.co.jp>