



*Strategic
Business
Innovator*

SBI Holdings, Inc. Financial Results

**for the Nine-Month Period Ended Dec. 31, 2009
(Fiscal Year Ending March 31, 2010)**

January 27, 2010

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.

The content of this document is subject to revision or cancellation without warning.

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

- 1. Business Summary for the First Nine Months of FY 2009**
- 2. SBIH Group's Future Business Policy**

1. Summary of Business for the First Nine Month of FY2009

(1) Consolidated Financial Performance

(2) Summary of Major Business Segments

(1) Consolidated Financial Performance

FY2009/3Q (Apr.-Dec.) Consolidated Performance

(Unit: million yen)

	FY2008/3Q(9M) (Apr.-Dec. 2007)	FY2009/3Q(9M) (Apr.-Dec. 2008)	YoY Change (%)
Operating Revenues	101,172	90,825	-10.2
Operating Income	5,147	^{*4, 5} 4,174	-18.9
Ordinary Income	1,730	2,250	+30.0
Net Income	^{*1, 2, 3} -11,847	^{*6} 1,486	—

*1 Recorded an extraordinary loss of 9.4 billion yen on sale of ZEPHYR stock after ZEPHYR filed for the Japanese version of Chapter 11 bankruptcy filing

*2 Recorded an extraordinary gain of 10.5 billion yen from the sale of E*TRADE Korea stock

*3 Recorded allowance for doubtful accounts of 1.5 bil. yen for loan to ZEPHYR, and valuation losses on investment securities of 5.5 bil. yen for Sumitomo Trust & Banking shares

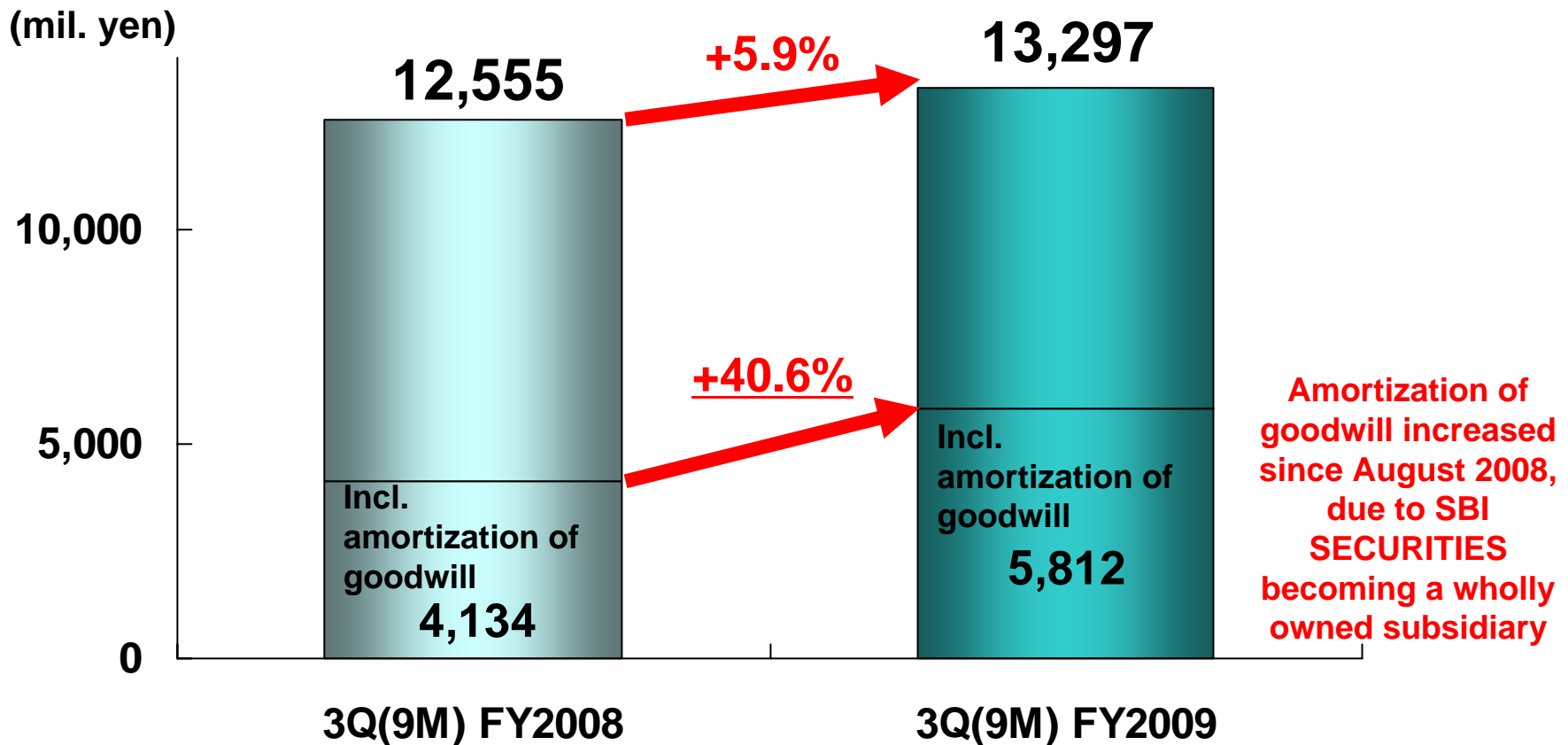
*4 Recorded allowance for doubtful accounts of 1.1 bil. yen at SBI Equal Credit

*5 Amortization cost of goodwill increased 1.7 bil. yen due to making SBI SECURITIES a wholly owned subsidiary, etc.

*6 Recorded allowance for doubtful accounts of 1.4 bil. yen for loan to ZEPHYR as extraordinary loss

EBITDA* YoY Comparison

Operating income fell 18.9% YoY, but EBITDA rose 5.9%
 Amortization of goodwill of SBI SECURITIES, among others, (3Q(9M) FY2009: 5,812 mil. yen) was a key factor in the decrease in operating income



*EBITDA (earnings before interest, taxes, depreciation and amortization)

An approximate measure of a company's operating cash flow based on data from the company's income statement. Calculated by looking at earnings before the deduction of interest expenses, taxes, depreciation, and amortization, which differ depending on what country a company is base on. It is calculated from the following formula.

EBITDA=operating income + allowance for depreciation + goodwill amortization

Consolidated Financial Performance Highlights (1)



I. Although the business environment remains difficult, SBIH again secured an operating profit

- With the daily average stock brokerage trading value for the October to December 2009 period down 20% compared to the July to September 2009 period, among other factors keeping the business environment difficult, 3Q (9M) FY2009 saw a **10.2% YoY decrease in operating revenues to 90.8 bil. yen along with an 18.9% decrease in operating income to 4.2 bil. yen**, due partly to an increase in amortization of goodwill (3Q (9M) FY2009: 3.1 bil. yen, 1.7 bil. yen recorded in the same period of the previous year) following the transition of SBI SECURITIES becoming a wholly owned subsidiary. **However, SBIH secured an operating profit.**
- **EBITDA rose 5.9% YoY** and the increase in amortization of goodwill, among others, significantly contributed to a decrease in operating income.

II. For further management efficiency, SBIH completed the reorganization initiated in 2008, revamping the environment for the future course of the organization.

III. The market is yet to recover fully, but the Asset Management and Brokerage & Investment Banking Businesses achieved operating profit increase

- Despite the continued slump in the Japanese IPO market, the **Asset Management Business** benefited from a recovery of the Asian stock markets ahead of those in Japan, the US and Europe, **securing an operating income of 2.5 bil. yen.**
- With the daily average stock brokerage trading value for the April to December 2009 period down 11% YoY, results were driven by **the 60% YoY increase in operating income to 7.8 bil. yen from the Brokerage & Investment Banking Business**, owing to the continued strong performance and consequent material contribution from FX trading.
- In preparation for the complete enforcement of the revised Money Lending Business Law in June 2010, SBIH's consumer loan business had a total provision of allowance of doubtful accounts etc. of 1.8 bil. yen (3Q: approx. 0.8 bil. yen) and new business recorded another operating loss. This caused the **operating income for the Financial Services Business** to fall 95% YoY, **but managed to stay above zero.**

Consolidated Financial Performance Highlights (2)

III. (continued...)

- Among other factors, the continuing slump in the domestic real estate market since the previous fiscal year led to a 0.2 bil. yen cumulative operating loss in the **Housing and Real Estate Business**. Nevertheless, **there are some signs of recovery seen in the real estate market and SBIH secured a profit in 3Q on a quarterly basis.**

IV. Listed Subsidiaries' Financial Performance have Also Bottomed Out and Started to Recover

- **Morningstar Japan's** consolidated operating income was down YoY, but **operating income has been recovering on a quarterly basis since 3Q of the previous year.**
- **Gomez Consulting** returned to profitability through cost cutting. Results appear to have bottomed out **with operating profit recorded on a quarterly basis since 2Q.**
- **SBI VeriTrans** continues to show strong growth, with **consolidated operating income increasing 13% from the previous year.**
- **SBI Life Living** successfully reorganized its business to diversify its income, **returning to profitability in 2Q** on a quarterly basis in terms of consolidated operating income, and also recorded a 3Q profit, finishing the nine month period in the black.

V. In the second quarter, 1.4 Bil. Yen Booked as Extraordinary Loss on Provision of Allowance for Doubtful Accounts Against Loan to ZEPHYR Co., Ltd.

- After reaching a settlement with ZEPHYR Co., Ltd. regarding a lawsuit for a loan to that company, a 1.4 bil. yen extraordinary loss was booked in 2Q for a provision of allowance for doubtful accounts.

VI. Cash Deposits (consolidated) as of December 31, 2009 Remained High at 146.6 Bil. Yen, Demonstrating Continued Financial Soundness

Continuous Reorganization of the SBIH Group for Further Management Efficiency (1)



Making a wholly owned subsidiary

SBI SECURITIES (formerly SBI E*TRADE SECURITIES)

Made a wholly owned subsidiary through a share exchange with considerable potential to produce various synergies with the three new core businesses (August 1, 2008)

SBI Futures

As the domestic commodity futures market continues to shrink and the business environment continues to dampen, SBIH will discontinue its commodity trading brokerage business on July 31, '09, and made SBI Futures, a wholly owned subsidiary through a stock exchange (August 1, 2009)

Sales

SBI Card Processing

Separated the card processing business due to its insignificance in the SBIH Group's business portfolio, and sold SBIH's holding shares to Silverlake Axis Limited, which was a joint partner (November 2009)

E*TRADE Korea

It was deemed that the more favorable future business strategy for the developing Asian countries was to secure investment returns through the effective and opportunistic investment into attractive securities and other business opportunities, so all shares held were sold (September 2008).

Continuous Reorganization of the SBIH Group for Further Management Efficiency (2)



Transfer of business segment to an environment with higher growth potential

SBI Life Living (formerly LIVING Corporation)

Transferred a part of SBIH Lifestyle Networks Business and Real Estate Related Businesses in order to establish a unique business model and diversify revenue source, that will also lead to an expansion of its business scope on July 1, 2009

SBI Equal Credit

In addition to the downsizing of business through the discontinuance of the loan business, the company was integrated with SBI Card to further maximize management efficiency through the combined operation of card related businesses (January 12, 2010)

Transfer to the other company group to achieve business efficiency

Intechstra (formerly SBI Intechstra)

Intechstra conducted the allocation of new shares to Nihon Unisys, which made it a subsidiary on August 24, 2009. SBIH continues to own 45% of its shares.

Toward a more efficient operational structure

E*GOLF

Performance improved due to the improvement of its business efficiency through the integration of headquarter operations in Osaka, to focus on the Kansai and Chubu areas with the ability to pull in more customers

Quarterly Operating Income by Segments

(Unit: million yen)

	FY2008		FY2009		
	3Q (Oct.-Dec. 2008)	4Q (Jan.-Mar. 2009)	1Q (Apr.-Jun. 2009)	2Q (Jul.-Sept. 2009)	3Q (Oct.-Dec. 2009)
Asset Management	^{*1} -517	586	1,940	183	369
Brokerage and Investment Banking	233	826	3,055	2,929	1,825
Financial Services	358	377	158	146	^{*4} -245
Housing and Real Estate	103	^{*2} -529	-119	^{*3} -467	411
System Solution	98	-160	-196	-155	-172

*1 Recorded valuation losses of 2.3 bil yen on portfolio securities (1.4 bil yen for VSN, in which SBI Capital invests through its SBI Value Up Fund No. 1 etc.)

*2 CEM Corporation, a consolidated subsidiary, recorded a 245 mil. yen write down of property and 457 mil. yen of allowance for doubtful accounts

*3 Recorded valuation loss of 393 million yen for real estate inventory at SBI Holdings, and recorded allowance for doubtful accounts of 120 million yen at CEM Corporation

*4 Recorded allowance for doubtful accounts of 465 mil. yen at SBI Equal Credit

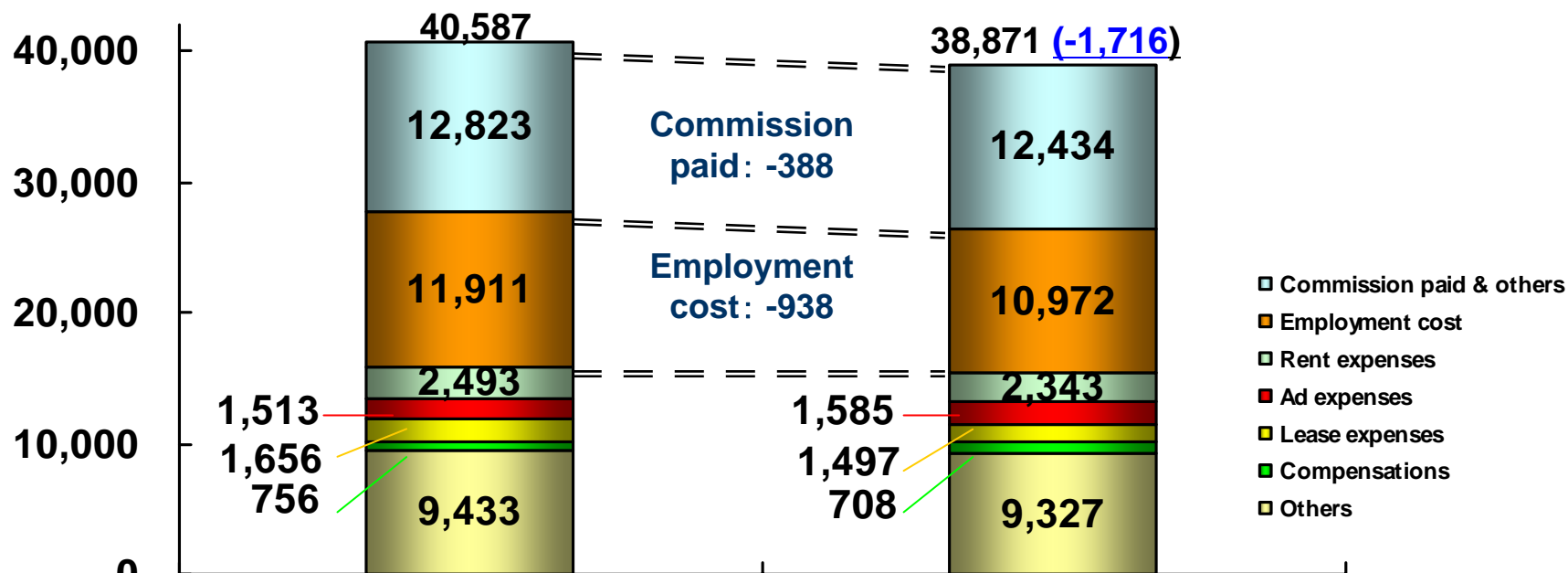
Change in SG&A (Consolidated)

From October 2008, each Group company assigned an officer with the responsibility of cutting costs, in order to strengthen the cost cutting movement. SG&A decreased 650 mil. yen from 3Q(9M) FY08

	3Q(9M) FY2008 (Apr. to Dec. 2008)	3Q(9M) FY2009 (Apr. to Dec. 2009)	YoY Change amount
Total SG&A	47,200	46,550	-650

(Unit: million yen)

SG&A (excluding amortization and transfer to allowance for bad debts)



Other SG&A items

3Q(9M) FY2008

3Q(9M) FY2009

6,612

7,679*

*A major reason for the increase is the amortization of goodwill corresponding to the integration of SBI SECURITIES into a wholly owned subsidiary in Aug. 08

Bond Redemption

SBI Holdings' bonds redeemed after April 2008

	Amount (bil. yen)	Redemption
SBI Holdings Unsecured Straight Bond	50.00	September 2008
SBI Holdings Yen-denominated CB (maturing in 2008)	5.94	November 2008
SBI Holdings Yen-denominated CB (maturing in 2009)	11.48	April 2009
SBI Holdings Unsecured Straight Bond	30.00	September 2009
The first "SBI Bond" (Euro MTN)	4.50	October 2009
The third "SBI Bond" (Euro MTN)	5.50	October 2009



Total: 107.42 bil. yen

**Bonds outstanding based on Euro MTN Program:
80.0 bil. yen (Including 10.0 bil. yen issued on January 26)**

Cash and deposits as of the end of Dec 2009 (on the consolidated basis): 146.6 bil. yen

Equity ratio as of the end of Dec. 2009 remained high at 29.9% (Effective figures after adjusting for asset and liability accounts solely for the securities company : 46.2%), demonstrating continuous financial soundness

(2) Summary of Major Business Segments

Asset Management Business

Fiscal 2009 / 3Q (Apr.-Dec.)

(Nine month period ended December 31, 2009)

Operating Revenues: 15.0 billion yen (+19% YoY)

Operating Income: 2.5 billion yen (+24% YoY)

Major consolidated subsidiaries and affiliated companies

- SBI Investment
- SBI CAPITAL
- SBI Capital Solutions
- SBI Asset Management

Notes:

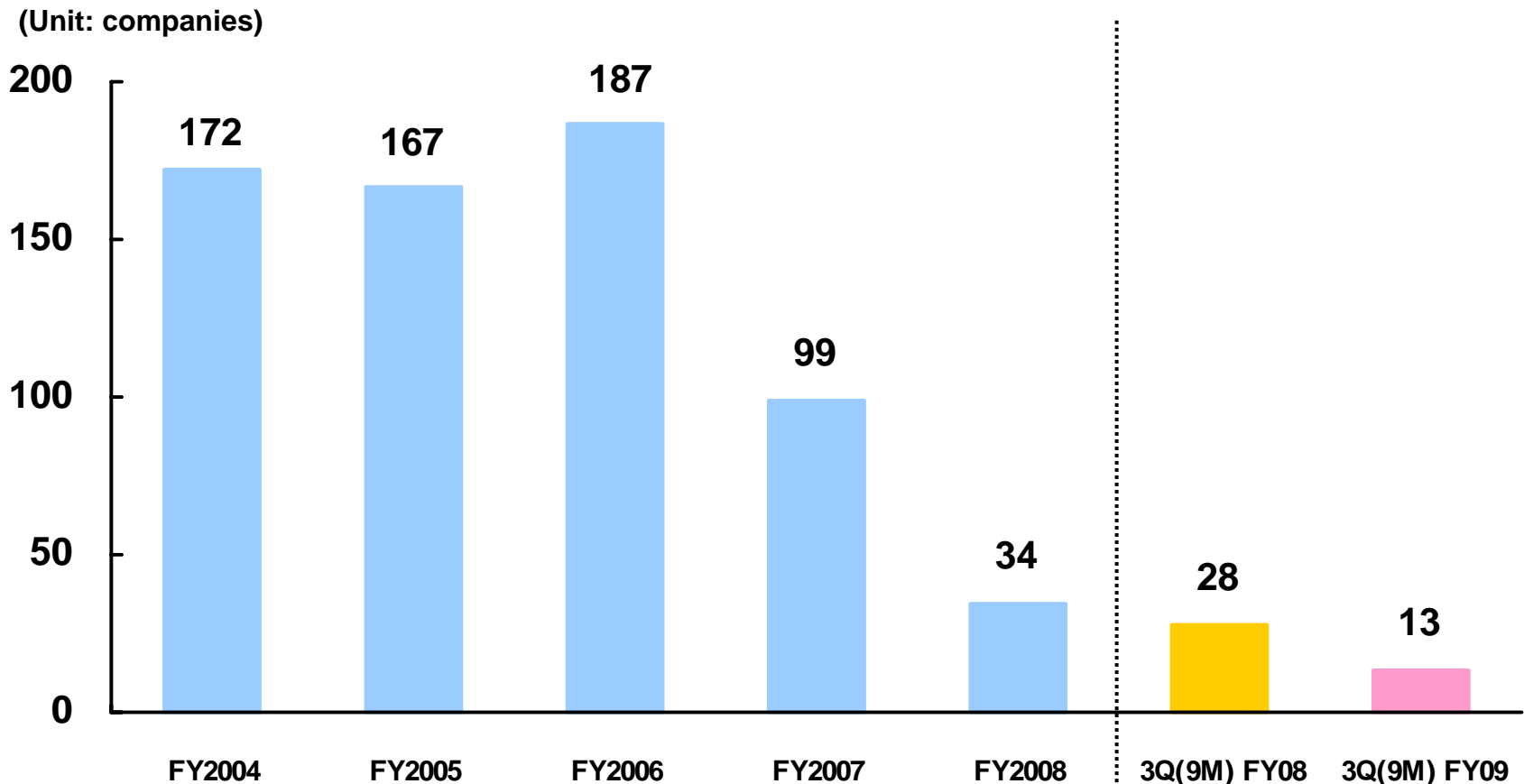
1. The above figures were calculated using the new accounting standard (with fund consolidation) for each segment.
2. The above figures do not include eliminations for consolidation and the deduction of corporate expenses.
3. Rounded to the nearest 100 million yen.

Highlights of Asset Management Business

- I. The market environment continues to be difficult, with few IPOs in Japan, such that competitor JAFCO recorded a cumulative 3Q operating loss of approximately 2.4 bil. yen. For 3Q (October to December) the New Horizon Fund, which is currently realizing some of its unrealized gains on previous investments contributed 0.3 bil. yen in operating income, bringing the 3Q(9M) operating income of the Asset Management Business to 2.5 bil. yen (up 24% YoY).
- II. New investments for 3Q (October to December 2009) totaled 14.4 bil. yen. A TOB was effected in November for Narumiya International, in which SBI Value Up Fund No. 1 invested, to secure investment returns from a company whose enhanced profitability is backed by the continuously high growth business environment of China. Also, we continue to conduct aggressive investment in overseas promising countries to capture growth in Asia.
- III. During 3Q (October to December 2009), there were 2 IPOs and 3 M&As from portfolio companies of the SBIH Group, including funds, and a total of 8 companies were exited in 3Q (9M). The worldwide markets are showing signs of a recovery, so the correct timing will be decided for the New Horizon Fund to resume selling parts of its 4.4 bil. yen of unrealized gains, with considerations to the U.S. dollar, Chinese Yuan and the Chinese stock market.

Number of IPOs in Japan on a FY Basis

During FY2008, only 34 companies completed IPOs, which was much fewer than in FY2007. In 3Q(9M) FY2009, only 13 companies completed IPOs, which was also fewer than the previous year's 3Q(9M).



Performance Comparison with a Major VC Company

3Q(9M) FY09 performance comparison of SBIH Asset Management Business and JAFCO

(Unit: billion yen, %)

	Operating Revenues	YoY Change	Operating Income	YoY Change
SBIH Group's Asset Management Business	15.0	+18.9	2.5	+ 24.2
JAFCO(*without consolidating funds)	12.4	- 31.0	-2.4	N/A *2

<Reference: FY08 performance (full year)>

	Operating Revenues	YoY Change	Operating Income	YoY Change
SBIH Group's Asset Management Business	16.0	- 72.5	2.6	- 84.3
JAFCO(*without consolidating funds)	21.4	- 46.8	-9.4	N/A *3

*1 JAFCO adopts method of excluding the consolidation of funds, whereas the performances of the SBIH include the consolidation of funds. In 3Q(9M) FY09 JAFCO's net loss posted 1.1 bil. yen and net loss posted 17.0 bil. yen in full year.

*2 Operating loss of 3Q(9M) FY08 posted 1.0 billion yen

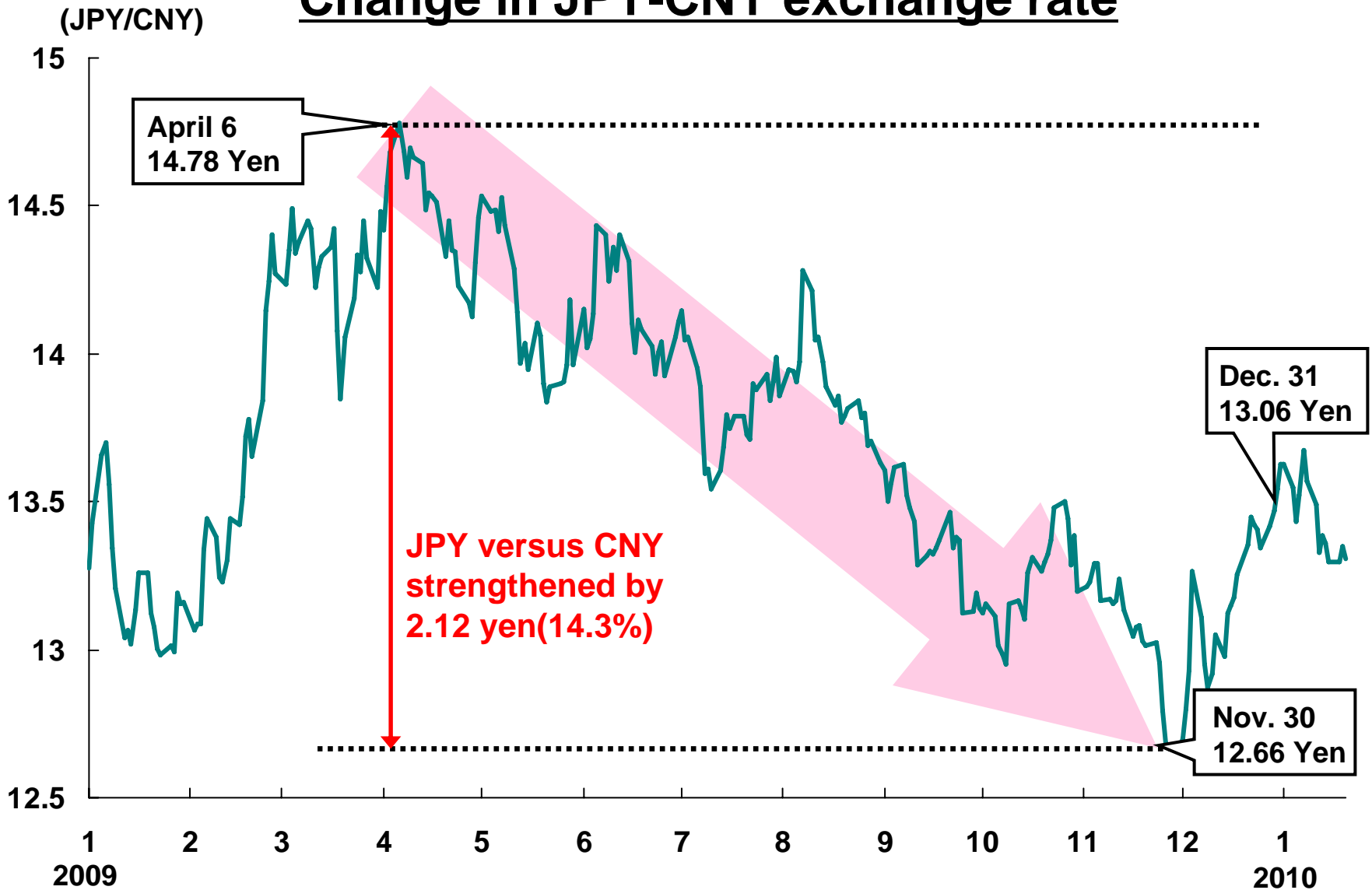
*3 Operating loss of FY08 posted 4.2 billion yen

*4 Amounts are rounded to nearest 100 million yen

(Source: Compiled by SBIH from information disclosed by each company)

The Stronger Yen Trend which will Affect Decisions to Sell Chinese Stocks with Unrealized Gains

Change in JPY-CNY exchange rate



IPOs and M&A Deals in the Asset Management Business



Although the domestic IPO market remains flat, 2 portfolio companies were IPO'd. Also, in the fast growing overseas markets, results of aggressive investments are beginning to show.

EXIT ratio since the start of operation: 17.5%
(No. of exited companies: 119 / No. of invested companies: 679)

	From start of operations to FY2007	FY2008	3Q(9M) FY2009
IPOs and M&A deals	111	0	* 8

The eight companies below completed IPOs in 3Q(9M) FY2009			Lockup period
Jun. 23	GCL Solar Energy Technology Holdings Inc.	(M&A) *	Until Jan. 28, 2010
Jun. 30	China Cord Blood Services Corporation	(M&A)	Until Jun. 30, 2010
Jul. 29	BBMG Corporation	(Hong Kong) *	Non-floating share
Oct. 21	Windrace International Company Limited	(M&A) *	Until Mar. 31, 2010
Oct. 23	D. Western Therapeutics Institute, Inc.	(JASDAQ NEO)	Until Jul. 24, 2010
Nov. 10	Helix Co.,Ltd. (Merged with ViroMed listed on KOSDAQ)	(M&A)	Until Nov. 10, 2010
Nov. 20	FOI Corporation	(TSE Mothers)	Until May. 20, 2010
Nov. 20	TECMOWAVE,LTD.	(M&A)	None

* Among 3 companies above, GCL Solar Energy Technology Holdings Inc., BBMG Corporation and Windrace International Company Limited are portfolio companies of New Horizon Capital

“New Horizon Fund I” Continues its Profits’ Contribution

- The New Horizon Fund, which started with a relatively low book value, continued to sell stocks in its portfolio as the Chinese stock market continued its substantive recovery
- Total after tax sales value for 3Q(9M) FY2009 amounted to 7.2 bil. yen, and the 3Q(9M) FY09 operating income totaled 1.97 bil. yen.
- Selling Zoomlion shares, which was postponed due to its capital increase procedure, will resume at the end of February or in March, after the completion of the authorities' procedures

Total after tax sales value of “New Horizon Fund I” (Unit: million yen)

FY2009	Meifeng	Zoomlion	Goldwind	Kingsoft	Total
1Q	-	865	1,615	1,436	3,917
2Q	1,005	916	184	267	2,372
3Q	911	-	-	-	911
3Q(9M) Total	1,916	1,781	1,799	1,703	7,200

As of January 26, SBIH shareholding represents an unrealized profit of approx. 4.4 bil. yen, with targeted selling to resume at the most appropriate time to maximize profits

New Investments During FY2009/3Q (Apr.-Dec.)



- The most aggressive investments continue as an investment company - Holdings

Unit: million yen

(Number of Invested companies)

	New Investment Amount			
	3Q FY2008 (Oct. - Dec.)	3Q(9M) FY2008 (Apr. - Dec.)	(Reference) 3Q(9M) FY2007	(Reference) FY2007 (full year)
[Funds' Investment]	11,971 (50 companies)	41,367 (107 companies)	59,307 (81 companies)	82,013 (105 companies)
Breakdown: Stocks	4,922 (28 companies)	14,536 (70 companies)	17,053 (41 companies)	26,277 (57 companies)
Others (incl. bonds)	7,048 (22 companies)	26,831 (37 companies)	42,254 (40 companies)	55,736 (48 companies)
[Direct Investment]	2,482 (6 companies)	4,271 (11 companies)	12,801 (13 companies)	13,165 (13 companies)
Breakdown: Stocks	2,422 (5 companies)	3,112 (9 companies)	11,224 (11 companies)	11,224 (11 companies)
Others (incl. bonds)	60 (1 companies)	1,159 (2 companies)	1,577 (2 companies)	1,940 (2 companies)
[TOTAL]	14,454 (56 companies)	45,639 (118 companies)	72,109 (94 companies)	95,179 (118 companies)
[Comparison: JAFCO]	1,925 (17 companies)	13,050 (77 companies)	28,137 (82 companies)	32,546 (106 companies)

*Where there are first and second quarter investments in the same company, the investment is counted as a single company to eliminate duplications.

Assets under Management of the SBIH Group

543.7 billion yen as of the end of Dec. 2009 (incl. "Real estate and others")

Private equity, etc. total: 268.5 bil. yen

[IT/Biotechnology] Total: 124.8

Internet	3.8
Broadband/Media	55.1
Mobile services	27.6
Biotech/Others*1	38.2

[Environment/Energy*2] 8.3

[Direct investment] 27.6

[Buyout/Mezzanine] Total: 37.9

Value Up	19.2
Mezzanine*2	18.7

[Overseas] Total: 69.9

China/ Hong Kong/ Others*2	39.5
Vietnam	7.8
India	9.5
Hungary	13.0

[Investment trusts, others]

Total: 217.0 bil. yen

Investment trusts	40.8
Investment advisory	174.6
Investment companies	1.6

[Real estate, others]

Total: 58.2 bil. yen

Development	25.8
Completed properties	32.5

Note: Figures for real estate reflect the total amount of investments. Figures for investment trusts, investment advisory and others reflect net assets at market value as of the end of Dec. 2009. Figures for other funds are net assets at market value based on the latest financial reports of each fund as of the end of Dec. 2009. All figures are rounded to the nearest 100 million yen.

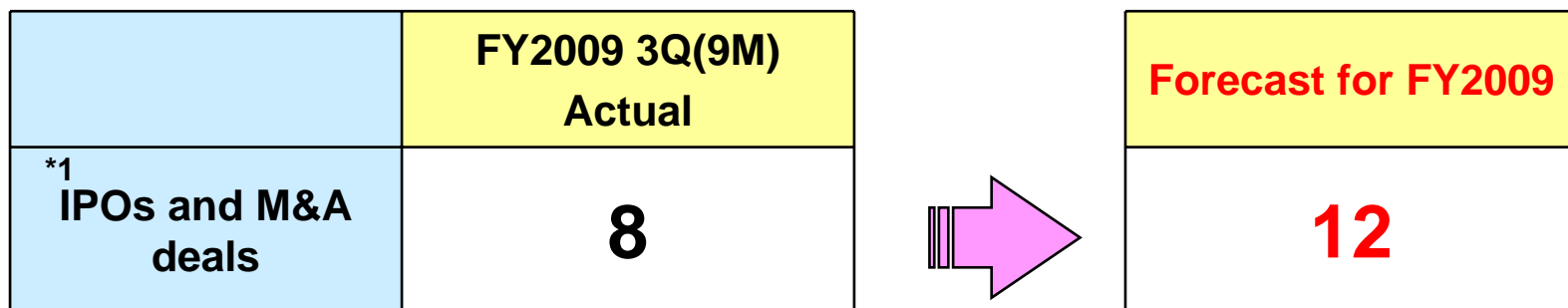
*1 Including the fund transferred with business execution right from HIKARI Private Equity on Sept 29, 2009 and the fund managed by Trans-Science, which SBIH made a subsidiary on Oct. 1, 2009.

*2 Based on the investment commitment amount since the fiscal year is not yet closed

Expected IPOs and M&A Deals during FY2009

The current quarter IPO and M&A outlook is for 4 more companies to be added to the list, accounting for a total of 12 companies.

3 of 4 expected companies are currently applying for listing, and 1 company have reached an agreement on a merger. While the schedule of several portfolio companies are postponed to the next fiscal year, both domestic and overseas funds have been successfully involved in the incubation efforts.



The four companies are expected to IPO in 4Q FY2009

			Lockup period
Jan. 18	Ku6 Holdings Limited	(M&A)	Until Jul. 17, 2010
Mar. 3	Anicom Holdings, Inc.	(TSE Mothers) approved	None

Expect 2 more companies to IPO other than the 2 companies above

Note 1: includes 4 portfolio companies of New Horizon Capital, the second fund, in which SBIH invested as a limited partner. 3 of 4 companies have already completed IPOs or have been merged, and 1 company is expected to IPO or be merged in the fourth quarter.

Note 2: The estimated number of IPOs represents companies in the highest of five categories used to evaluate portfolio companies by SBI Investment's Investment Committee, which meets weekly. The IPO estimate represents the outlook of SBI Investment based on its own evaluations and is not a guarantee of the number of future IPOs. Past performance includes companies that have already been sold.

Brokerage & Investment Banking Business

Fiscal 2009 / 3Q (Apr.-Dec.)

(Nine month period ended December 31, 2009)

Operating Revenues: 38.2 billion yen (+1% YoY)

Operating Income: 7.8 billion yen (+60% YoY)

Major consolidated subsidiaries
and affiliated companies

- SBI SECURITIES
- SBI Liquidity Market
- SBI Japannext (equity method affiliate)

Notes:

1. The above figures were calculated using the new accounting standard (with fund consolidation) for each segment.
2. The above figures do not include eliminations for consolidation and the deduction of corporate expenses.
3. Rounded to the nearest 100 million yen.

I SBI SECURITIES' dominant customer base

Since SBI SECURITIES' 3Q(9M) FY2008 had included E*trade Korea's results (operating revenues: 3.2 billion yen; operating income: 1.1 billion yen), 3Q(9M) FY2009 recorded **an operating revenue of 35.2 billion yen down 5.5% YoY**. However, the foreign exchange margin trading showed solid growth, resulting in SBI SECURITIES' operating income of 10.1 billion yen, up 25.4% YoY.

As a reference, consolidated operating revenue was up 3.2% YoY and operating income was up 45.8% YoY, if results of E*trade Korea were eliminated from the FY2008 consolidated performance

- Total number of customer accounts as of the end of December 2009: **more than 2 million accounts, a first for online brokers**
- **Stock brokerage trading value share was at 35.5%, and retail margin trading value share was at 39.8% in 3Q(9M) FY09; both shares are far higher than those of its competitors**

II SBI Liquidity Market produced substantial earnings contributions since the start of operations on Nov. 17, 2008.

Its trading value increased sharply since the start of operations, **with operating revenue reaching 8.15 bil. yen, and operating income reaching 2.45 billion yen for 3Q(9M) FY09.**

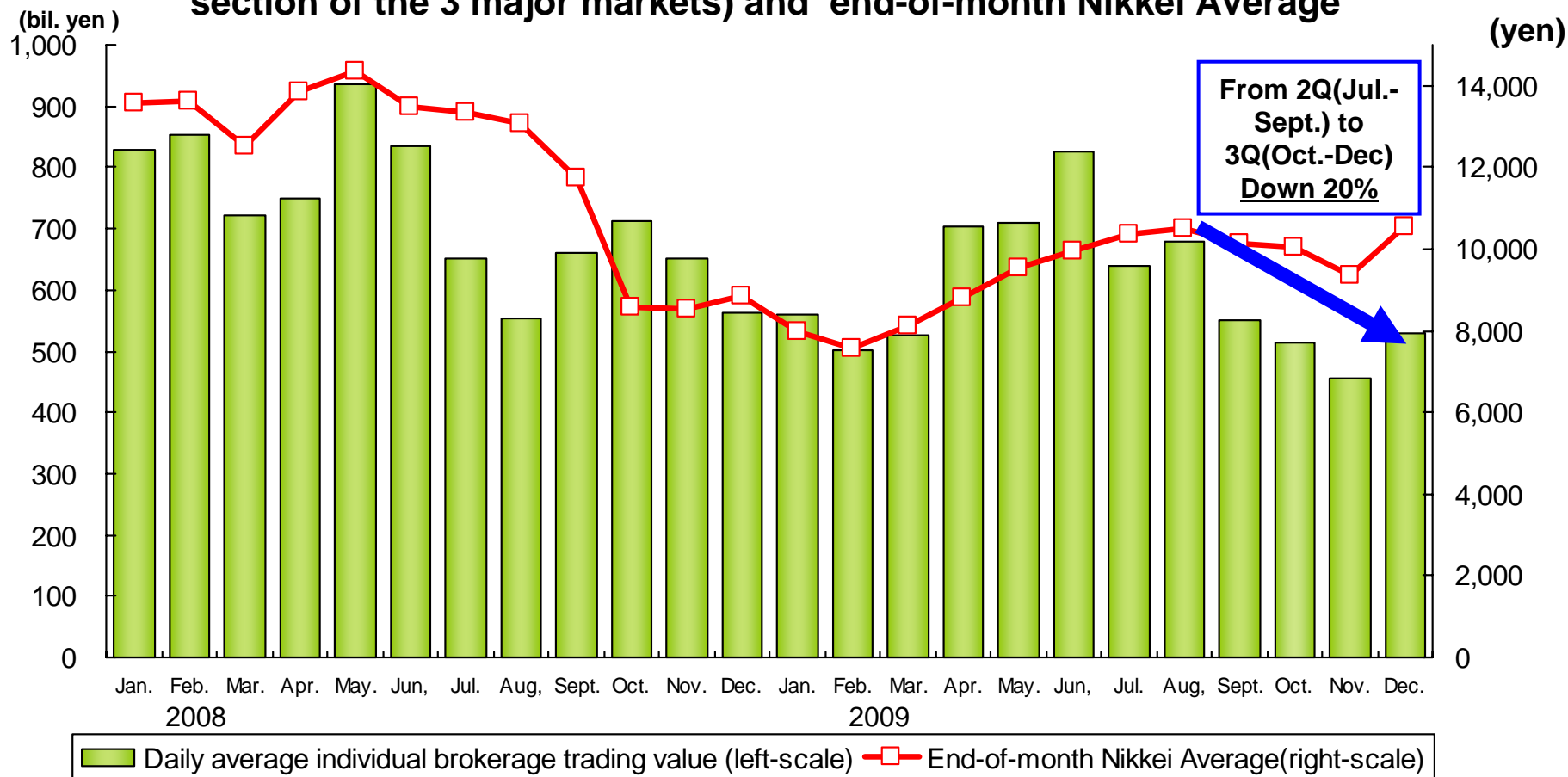
- In Dec. 2009, **monthly FX margin trading value at "SBI FX α " was 4,246.2 billion yen, remaining high level.**
- **SBI Sumishin Net Bank was newly connected on Jan. 18, 2010, following Nikko Cordial Securities on Aug. 3, 2009**
- In FY2009, **five banks** (Mizuho Corporate Bank, HSBC, CALYON Bank, Bank of America, Credit Suisse Bank) **participated as counter parties, for a total participation of 17 financial institutions.** SBI Liquidity Market is under negotiation with two other financial institutions

III Trading volume at Japannext PTS continues to increase with the inception of daytime trading

Trading volume at Japannext PTS increased steadily, with **its daily average trading value increasing to 9.5 billion yen in October 2009, increasing approx. 5.4 times from a year earlier.**

Trading Value of the Japanese Stock Markets Decreased in the Third Quarter (Oct.-Dec) of FY2009

Change in daily average individual brokerage trading value (the total of the 1st and 2nd section of the 3 major markets) and end-of-month Nikkei Average



- Daily average individual brokerage trading value decreased from 825.3 billion yen in June to 454.3 billion yen in November, but showed signs of a recovery in December.
- Nikkei Average recovered to 10,546.44 yen at the end of December.

SBI SECURITIES 3Q(9M) FY2009 Results (Consolidated)



There was a decrease in consolidated revenues and earnings from a year earlier, owing to the inclusion of E*Trade Korea's results in 2Q FY08

(million yen, %)

	3Q(9M) FY2008 ^{*1} (Apr. to Dec. 2008)	3Q(9M) FY2009 (Apr. to Dec. 2009)	YoY Change
Operating Revenues	37,226	35,162	-5.5
Net Operating Revenues	33,156	32,359	-2.4
Operating Income	8,017	10,054	+25.4
Ordinary Income	8,008	10,071	+25.8
Net Income	^{*2} 9,337	5,960	-36.2

*1 Including E*Trade Korea's result (operating revenues: 3,171 mil. yen, net operating revenues: 2,866 mil. yen, operating income: 1,121 mil. yen, ordinary income: 1,135 mil. yen, net income: 818 mil. yen)

*2 Extraordinary gain of 9.9 billion yen was recorded due to the sale of E*TRADE Korea stock.

<Reference>

**Estimate of Consolidated Financial Results for 3Q(9M) FY09
with Elimination of E*TRADE Korea's Financial Result and
Extraordinary Gain on the Sale of E*TRADE Korea's Stock in FY08**

(million yen, %)

	3Q(9M) FY2008 * (Apr. to Dec. 2008)	3Q(9M) FY2009 (Apr. to Dec. 2009)	YoY Change
Operating Revenues	34,057	35,162	+3.2
Net Operating Revenues	30,291	32,359	+6.8
Operating Income	6,895	10,054	+45.8
Ordinary Income	6,872	10,071	+46.5
Net Income	2,853	5,960	+108.9

* After elimination of E*TRADE Korea's financial result and extraordinary gain of the sale of E*TRADE Korea's stock.

SBI SECURITIES 3Q(9M) FY2009 Results (Non-consolidated)



There was an increase in non-consolidated revenues and earnings mainly due to an increase in trading revenue from FX trading

(million yen, %)

	3Q(9M) FY2008 (Apr. to Dec. 2008)	3Q(9M) FY2009 (Apr. to Dec. 2009)	YoY Change
Operating Revenues	33,941	34,840	+2.6
Net Operating Revenues	30,229	32,092	+6.2
Operating Income	6,899	10,005	+45.0
Ordinary Income	6,876	10,027	+45.8
Net Income	^{*1} 11,619	5,944	-48.8

*1 Extraordinary gain of about 14.2 billion yen was recorded due to the sale of E*TRADE Korea stock.

When excluding this extraordinary gain, SBI SECURITIES consolidated net income of 3Q(9M) FY2008 is 3,192 mil. yen and YoY change of 3Q(9M) FY2009 is up 86.2%

Comparison of 3Q(9M) FY09 Consolidated Performance of Major Online Securities Companies



- SBI SECURITIES achieved an increase in consolidated operating income due to an increase in FX trading, even though there was a decrease in consolidated revenues from a year earlier, owing to the inclusion of E*TRADE Korea's results (operating revenue of 3,171 mil. yen and operating income of 1,121 mil. yen) for 3Q(9M) FY08. Both non-consolidated revenues and profits achieved YoY increases.
- Both operating revenue and operating income greatly exceeded those of its competitors

3Q(9M) FY2009 consolidated performance of five major online securities (million yen, %)

	Operating Revenues	YoY Change	Operating Income	YoY Change
SBI SECURITIES	35,162	-5.5	10,054	+25.4
(non-cons.)	34,840	+2.6	10,005	+45.0
Rakuten (non-cons.)	17,322	-3.3	4,751	+16.8
Monex	16,698	-16.0	3,984	-17.2
kabu.com (non-cons.)	11,697	-11.7	3,940	-21.6
Matsui	18,868	-11.8	8,914	+3.7

Customer Account Comparison of Five Major Online Securities Companies



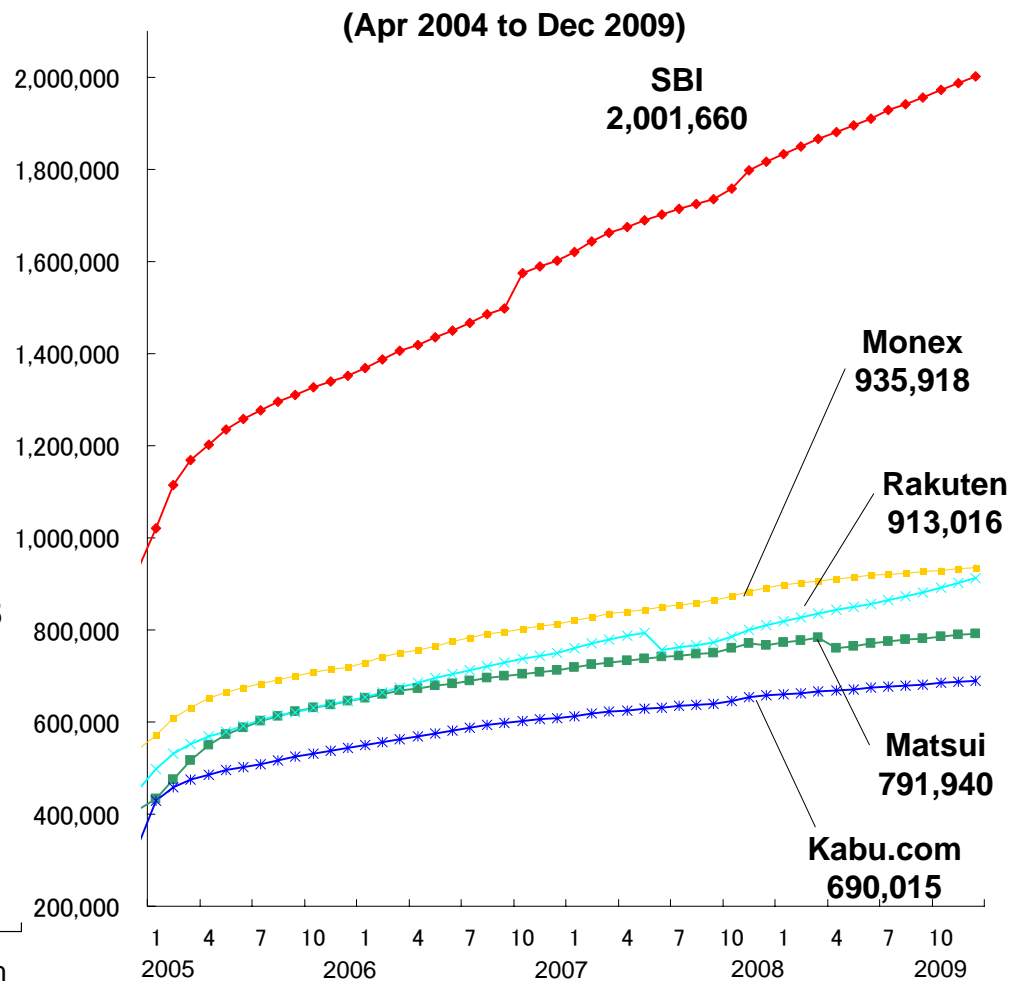
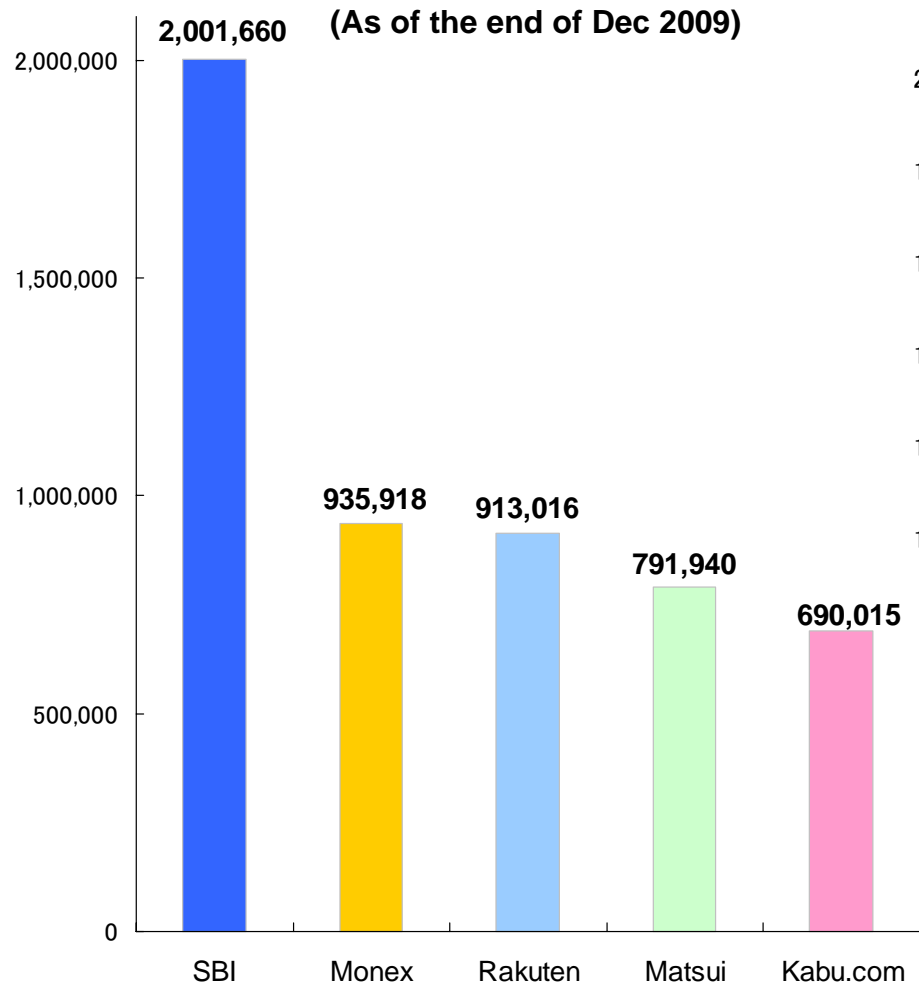
More than 2 million accounts, a first for online brokers

Customer Accounts of 5 Major Online Securities Companies

Customer Account Trend of 5 Major Online Securities Companies

(As of the end of Dec 2009)

(Apr 2004 to Dec 2009)

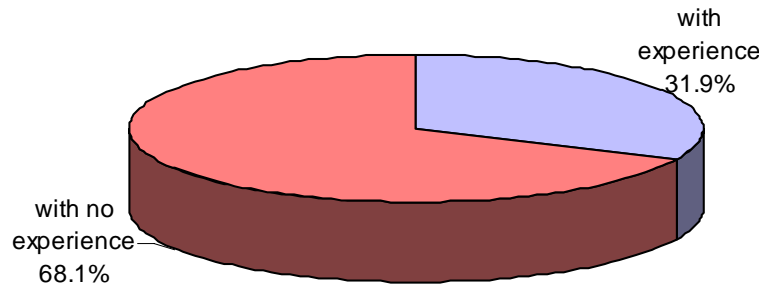


Source: Compiled by SBI SECURITIES based on websites and other public information for each company

SBI SECURITIES is Supported by a Wide Customer Range That Includes Those With and Without Any Investment Experience, and Spans All Age Groups and Genders



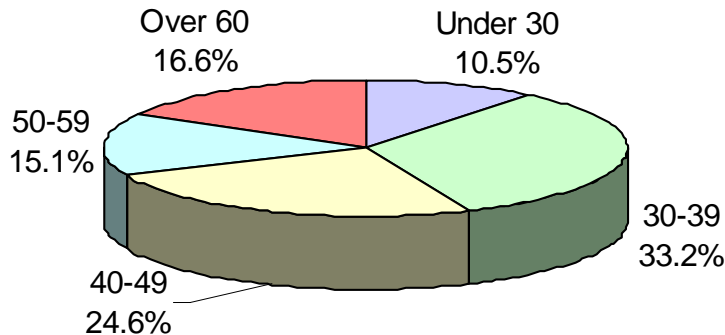
Ratio of customers with experience in stock trading who opened an account at SBI SECURITIES in 1H(Apr.-Sept.) FY2009



These figures show that more than two-thirds of new account holders had no previous stock investment experience, implying that many who consider stock investments prefer SBI SECURITIES' low commissions and abundant product lineup.

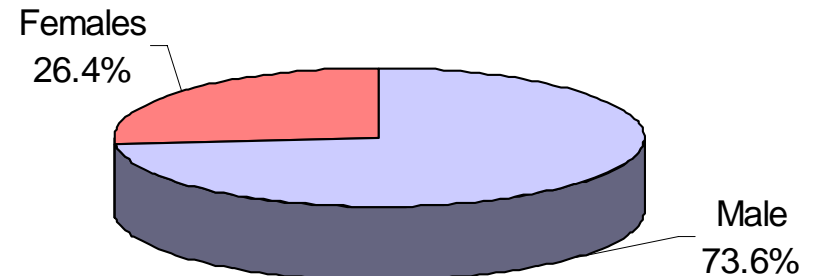
Customer attributes of SBI SECURITIES as of the end of December 2009

Age



Ratio of customers 40 years or older increased to 56.3%, whereas customers 30 years and younger previously accounted for more than 50% of the total

Gender



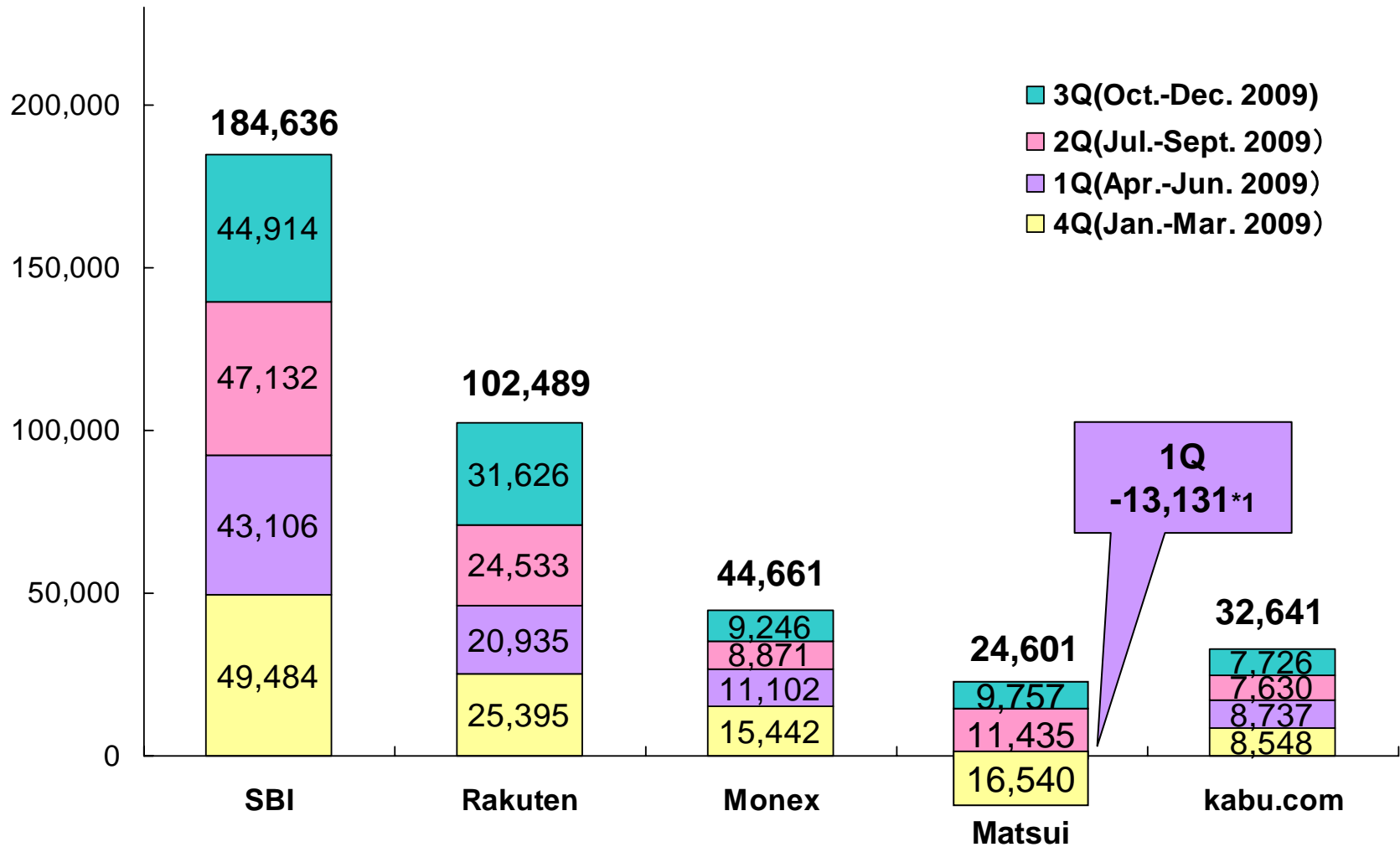
Ratio of female among new customers is increasing gradually

New Accounts at Major Online Securities Companies



New accounts from January to December 2009

(new accounts)



Source: Compiled by SBI SECURITIES based on websites and other public information for each company

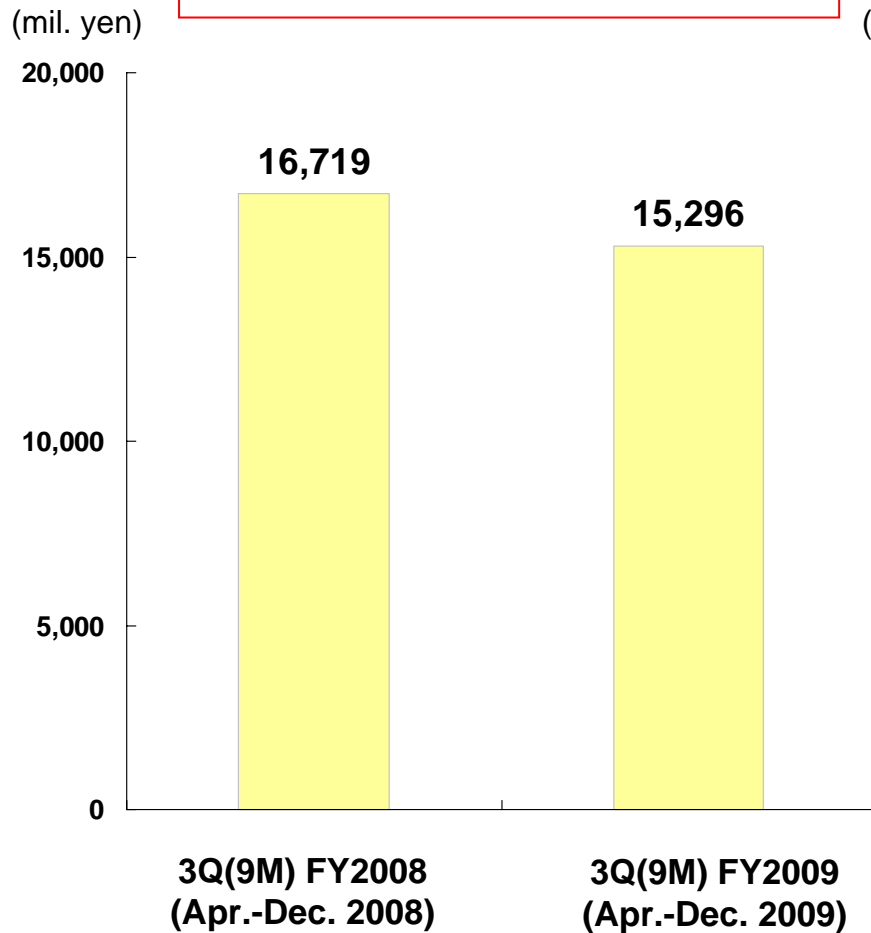
*1. Matsui Securities closed certain customer accounts (28,846 accounts) in April 2009

Brokerage Commissions and Brokerage Trading Value

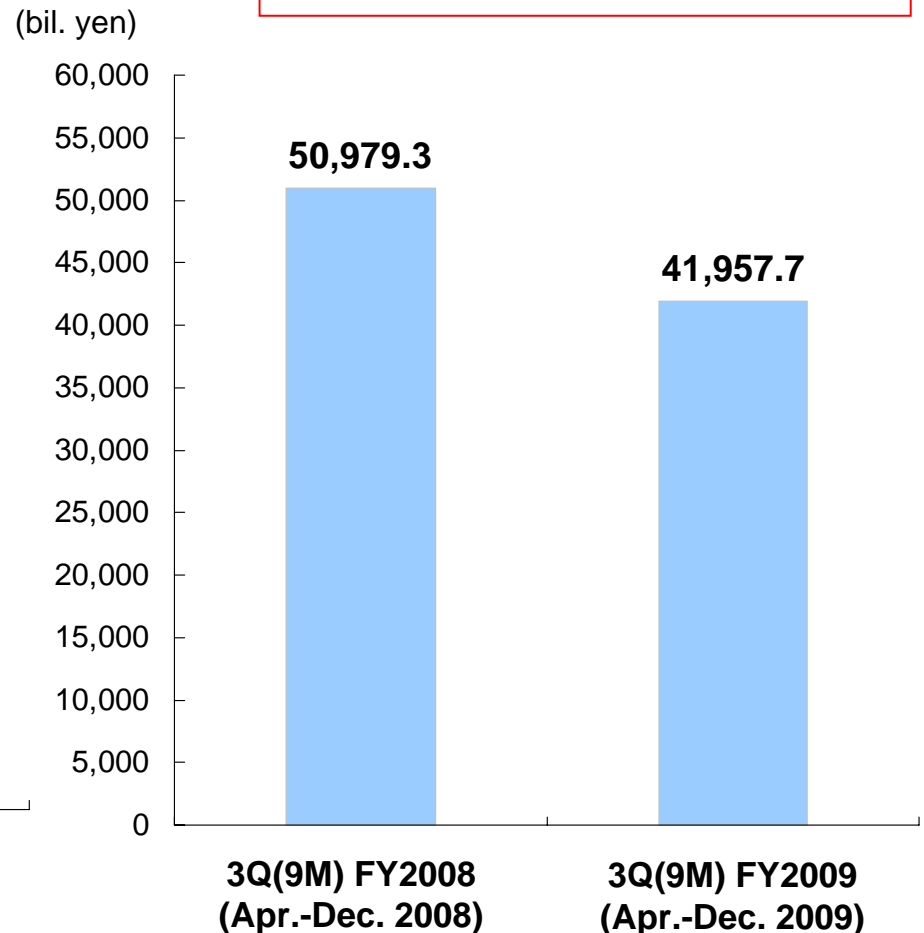
(SBI SECURITIES non-consolidated)

Brokerage commissions decreased 8.5% YoY,
while brokerage trading value decreased 17.7% YoY

**Brokerage commissions
Down 8.5%**



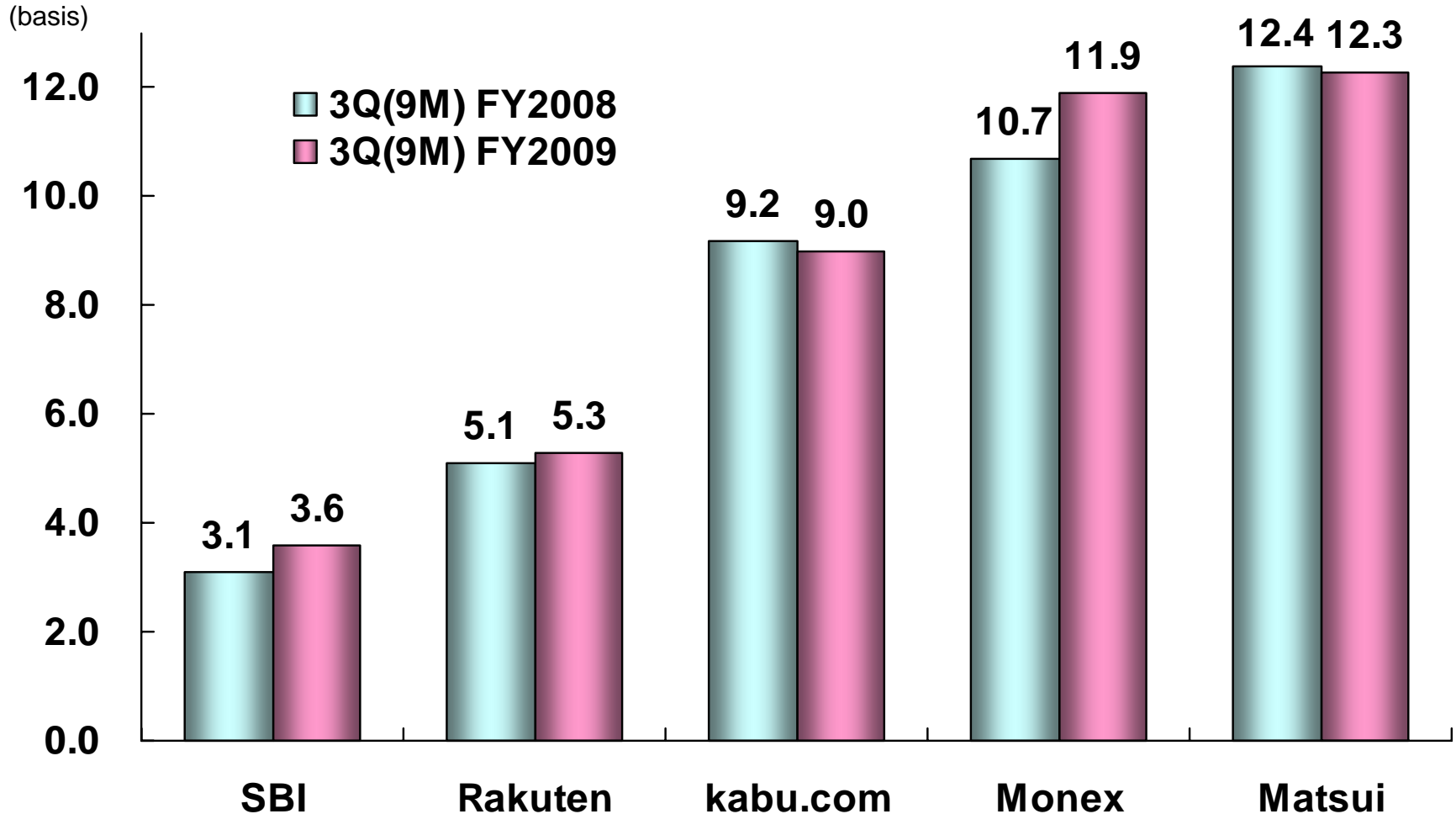
**Brokerage trading value
Down 17.7%**



Basis Comparison of Major Online Securities Companies

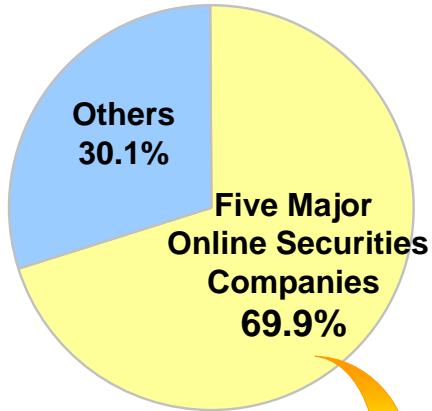
Basis comparison of five major online securities companies

(Brokerage commissions / Brokerage trading value)



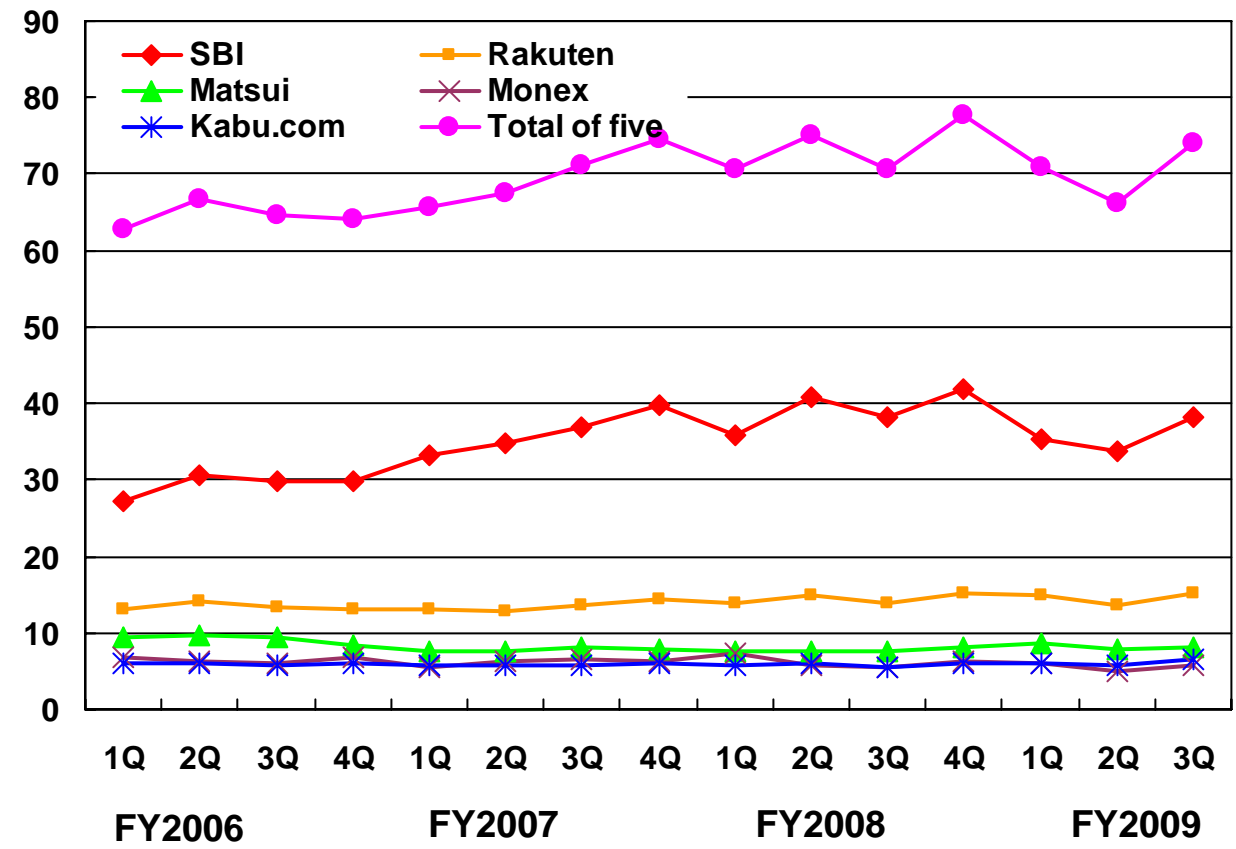
Major Online Securities Companies' Market Share of Stock Brokerage Trading Value

**Share in 3Q(9M) FY2009
(Apr.-Dec. 2009)**



SBI	35.5%
Rakuten	14.5
Matsui	8.3
kabu.com	6.0
Monex	5.6

**Quarterly change
in share of stock brokerage trading value**



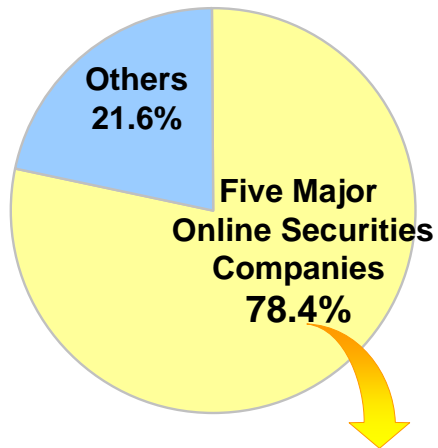
Source: Based on TSE, JASDAQ and company materials

Figures of SBI SECURITIES only includes trades through Internet

* Individual brokerage trading value is the sum of trades on the three major exchanges and JASDAQ.

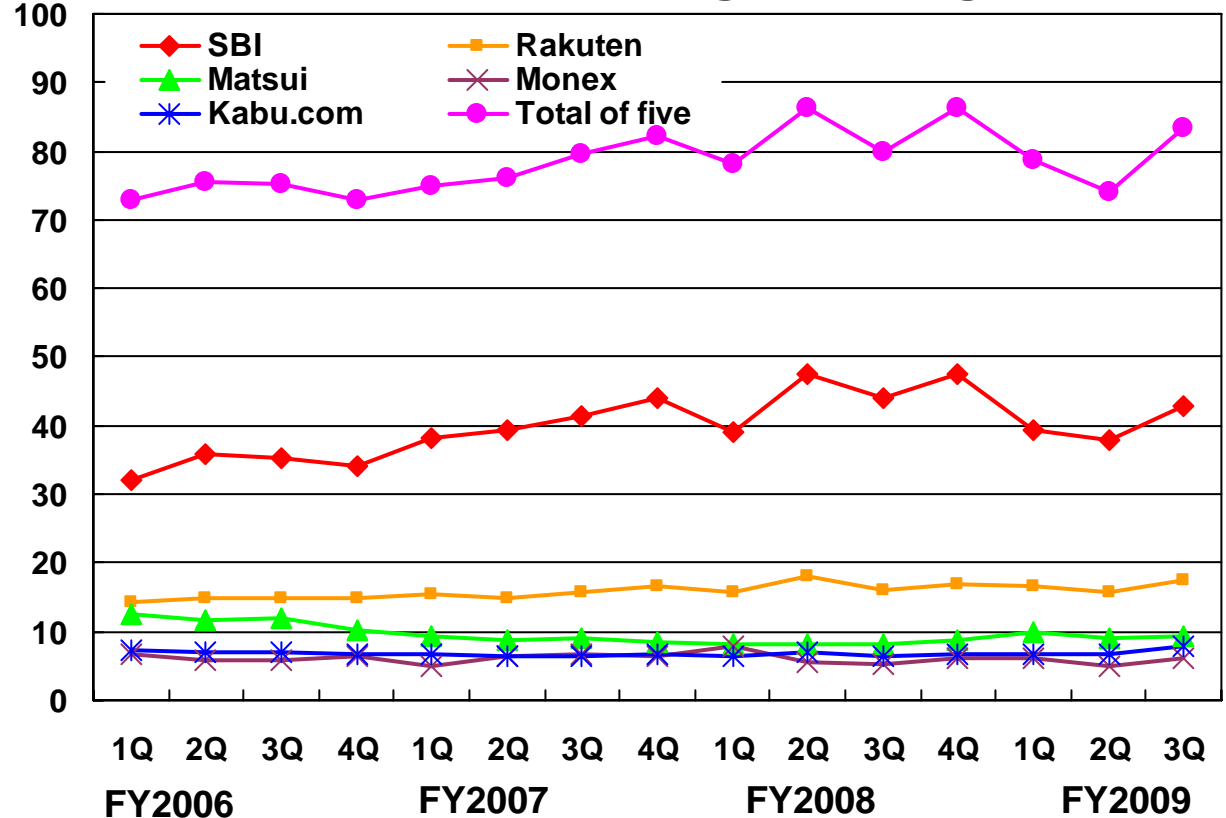
Major Online Securities Companies' Market Share of Retail Margin Trading Value

Share in 3Q(9M) FY2009
(Apr.-Dec. 2009)



SBI	39.8%
Rakuten	16.5
Matsui	9.3
kabu.com	7.1
Monex	5.7

Quarterly change
in share of retail margin trading value

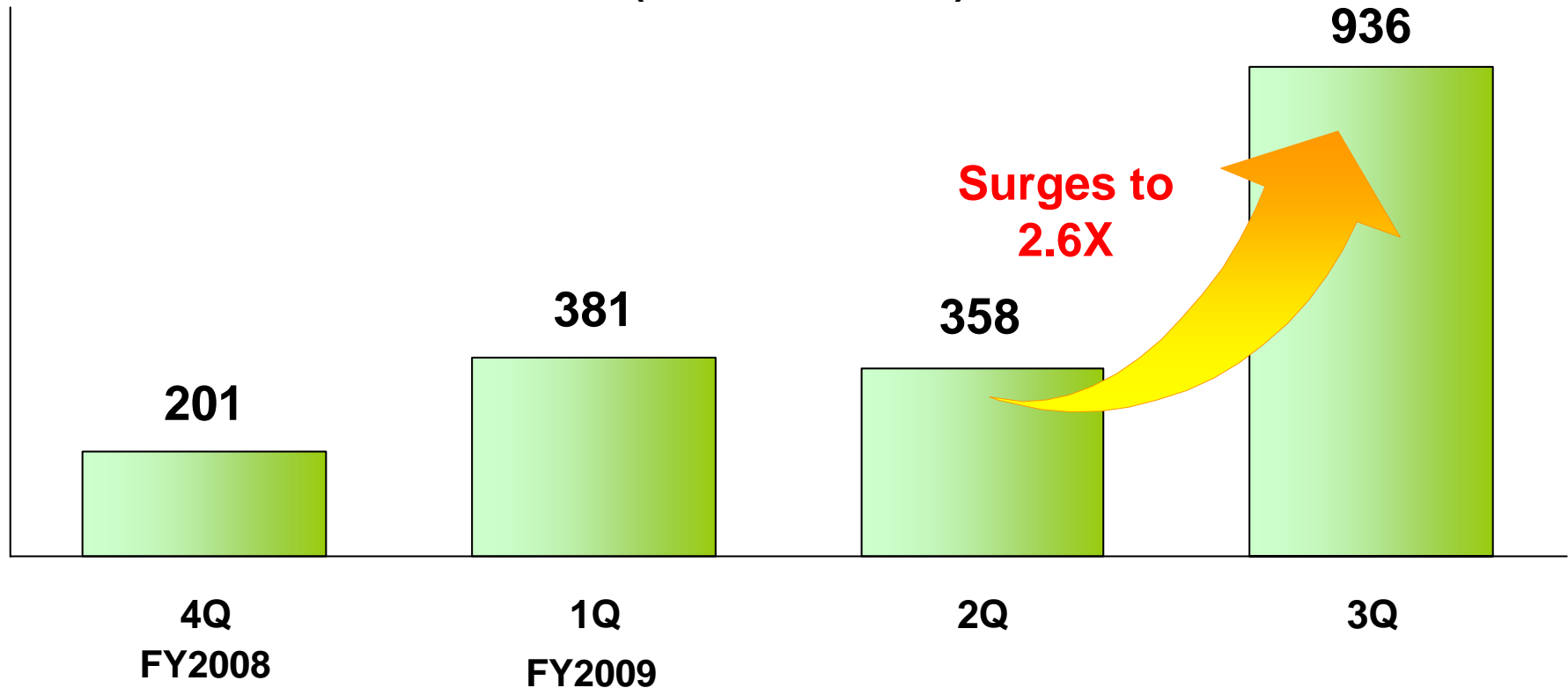


Dramatic Increase of Stock Inflow at SBI SECURITIES in October

Announcement (Sept. 18) of integration between Nomura Securities and Joinvest securities on Nov. 23
as one of the momentum factors

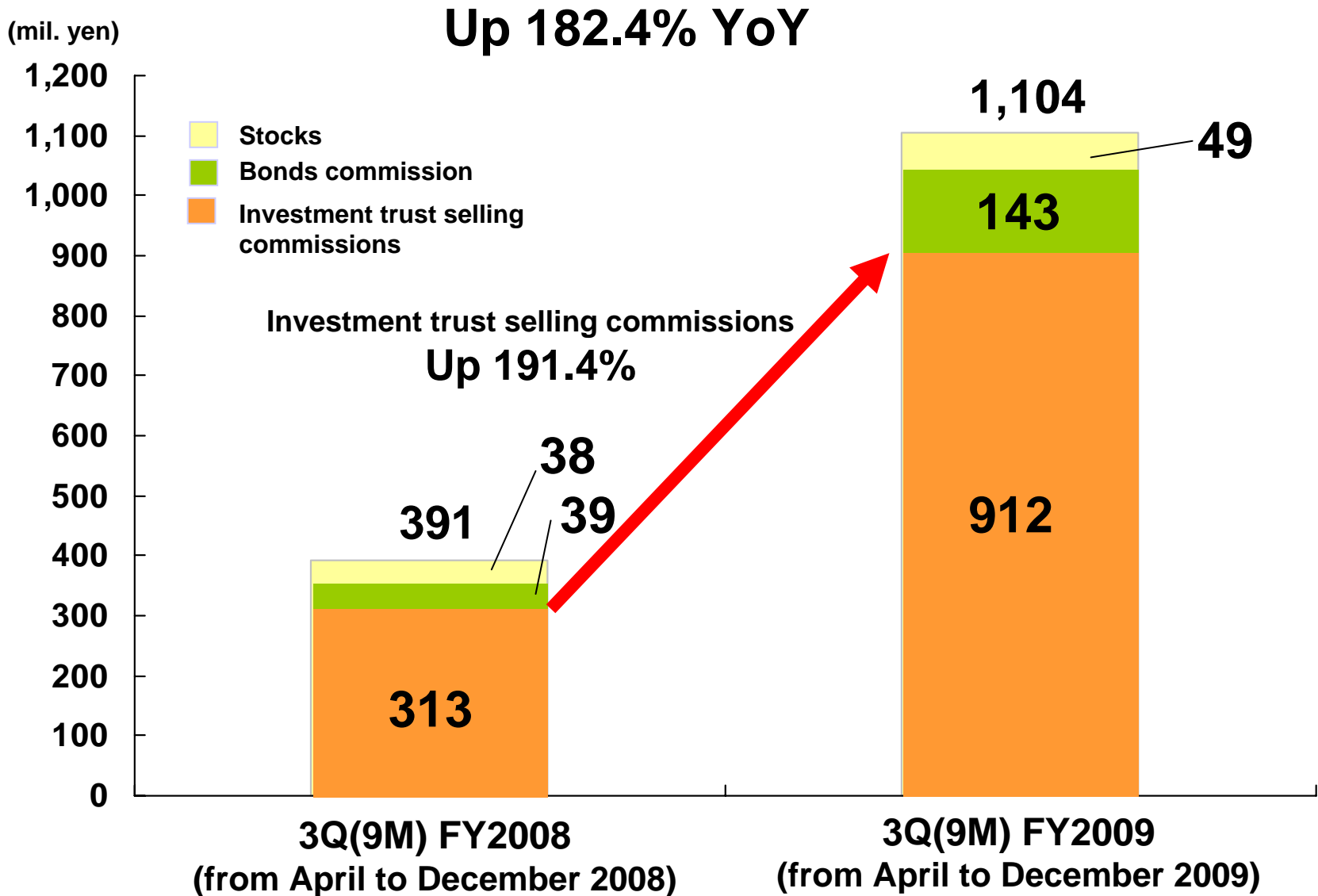
Daily average stock inflow of SBI SECURITIES (inflow - outflow)

(Unit: mil. yen)



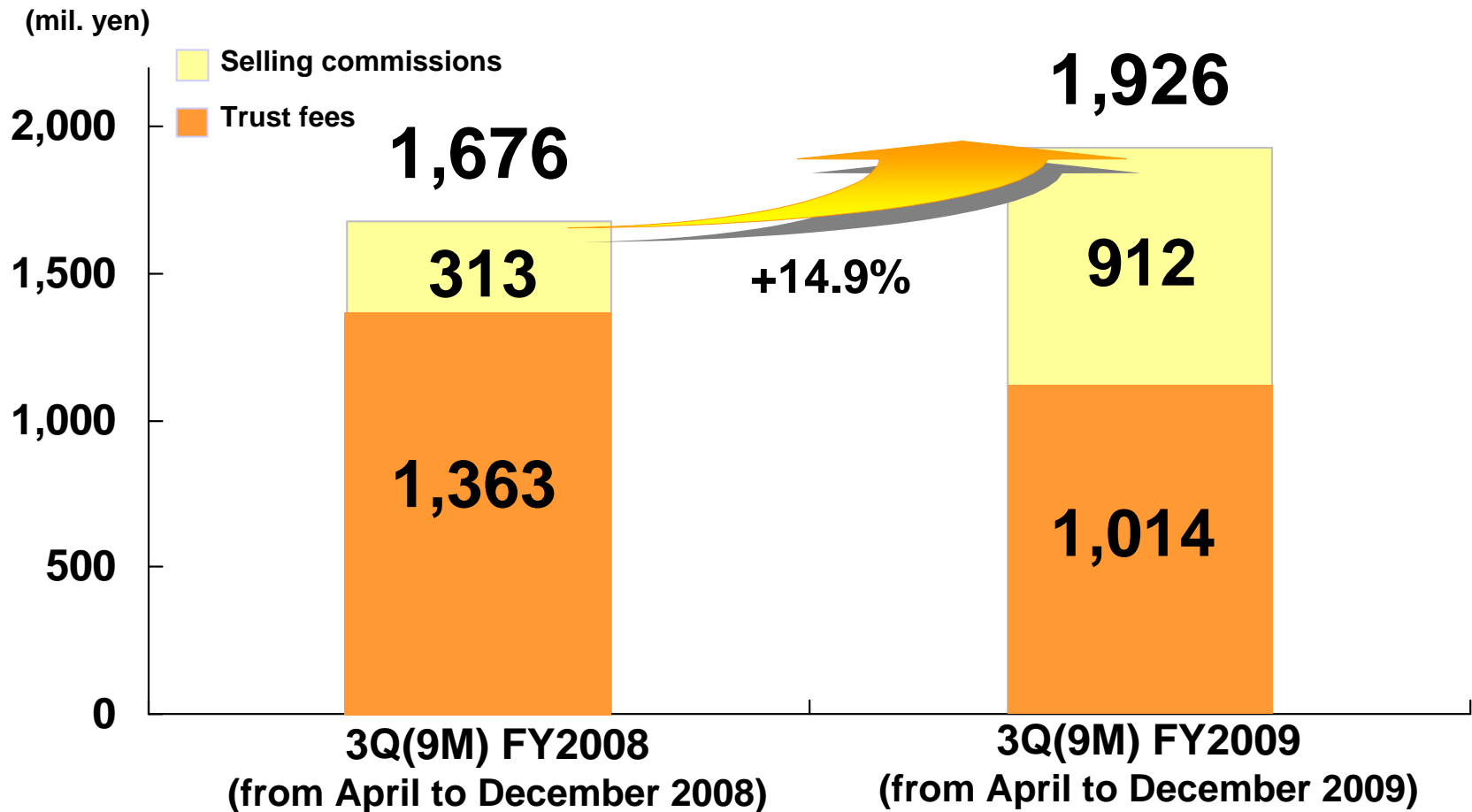
SBI SECURITIES' lowering commissions in August was successful, and in October many customers of Joinvest Securities transferred their stock assets to SBI SECURITIES

Consolidated Underwriting, Offering and Selling Commissions



Revenues from Investment Trusts

Revenues from investment trusts increased by 14.9% YoY, owing to increased selling commissions, even though trust fees decreased due to the decline in MRF trust fees ratio.

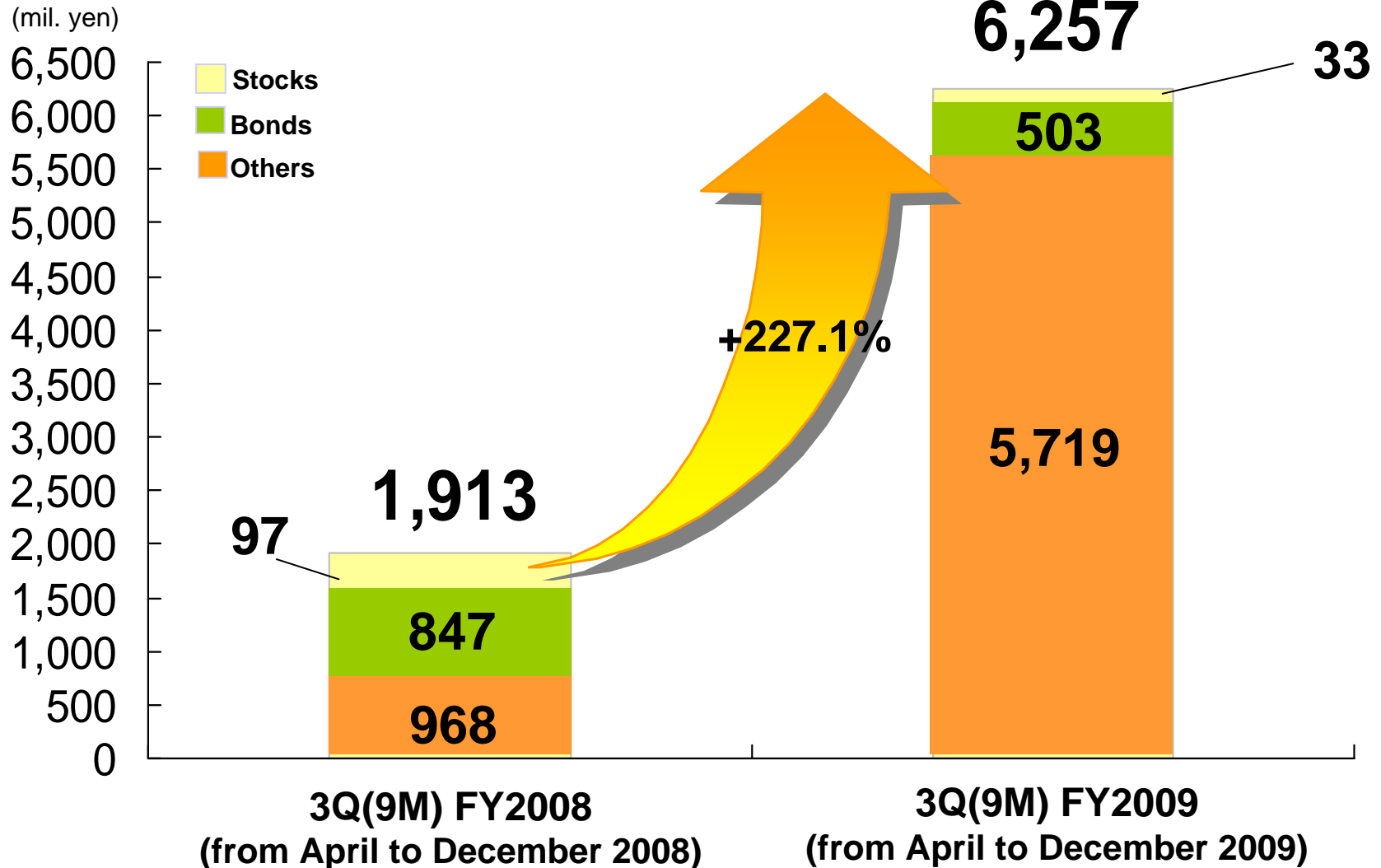


*1. Sum of selling commissions and trust fees (trust fees include MRF)

*2. Trust fees are included in "Other commissions received"

Consolidated Trading Gain

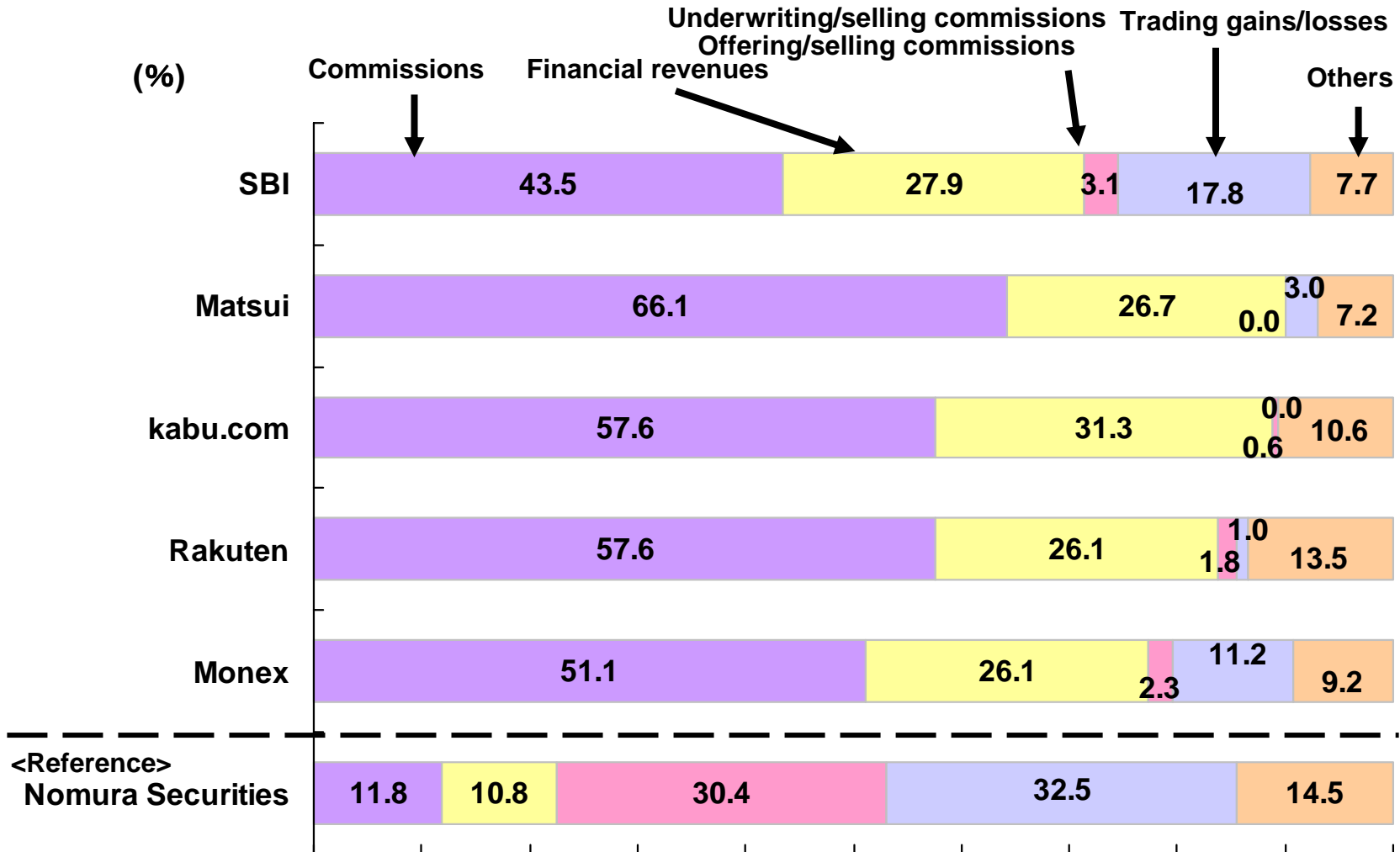
Increased substantially by 227.1% YoY
due to the increase in FX related revenues



Major Online Securities Companies' Composition of Consolidated Operating Revenues



Ratio of SBI SECURITIES' brokerage commissions to its operating revenues decreased to 43.5%



Source: Company web sites and earnings releases (Nomura Securities figures based on Japanese standards)

Note: Figures of companies except SBI SECURITIES are as of interim of FY2009

SBI Liquidity Market Co., Ltd.

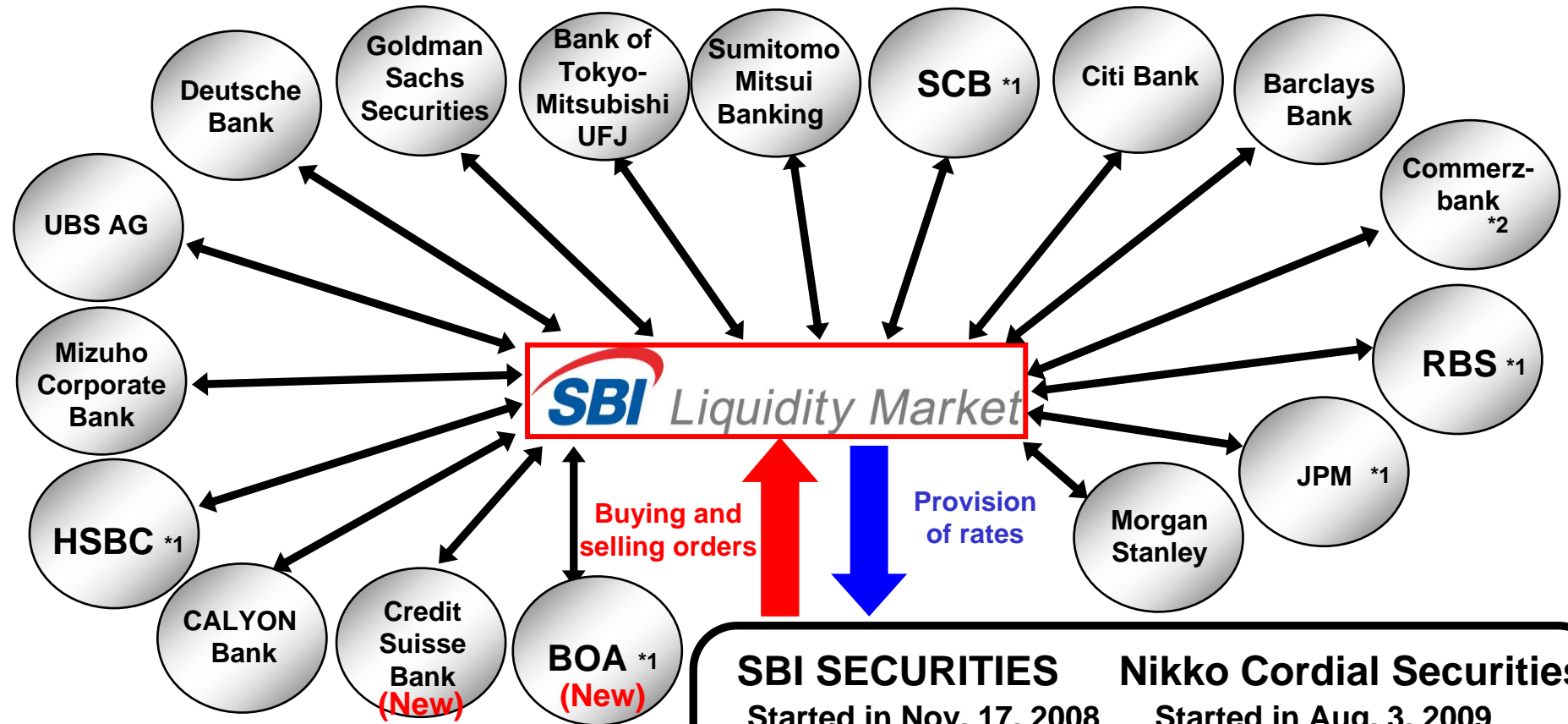
(Started operations on November 17, 2008)

Providing Stable Trading Opportunities Through a Total of 17 Banks, Including U.S. and European Major Financial Institutions and Major Domestic Banks as Counterparties



(*Under negotiation with two other financial institutions)

Five banks (Mizuho Corporate Bank, HSBC, CALYON Bank, Bank of America, Credit Suisse Bank) are newly participating as counterparties in this fiscal year



SBI SECURITIES Started in Nov. 17, 2008 Started in Jan. 26, 2009	Nikko Cordial Securities Started in Aug. 3, 2009 Started in Jan. 18, 2010
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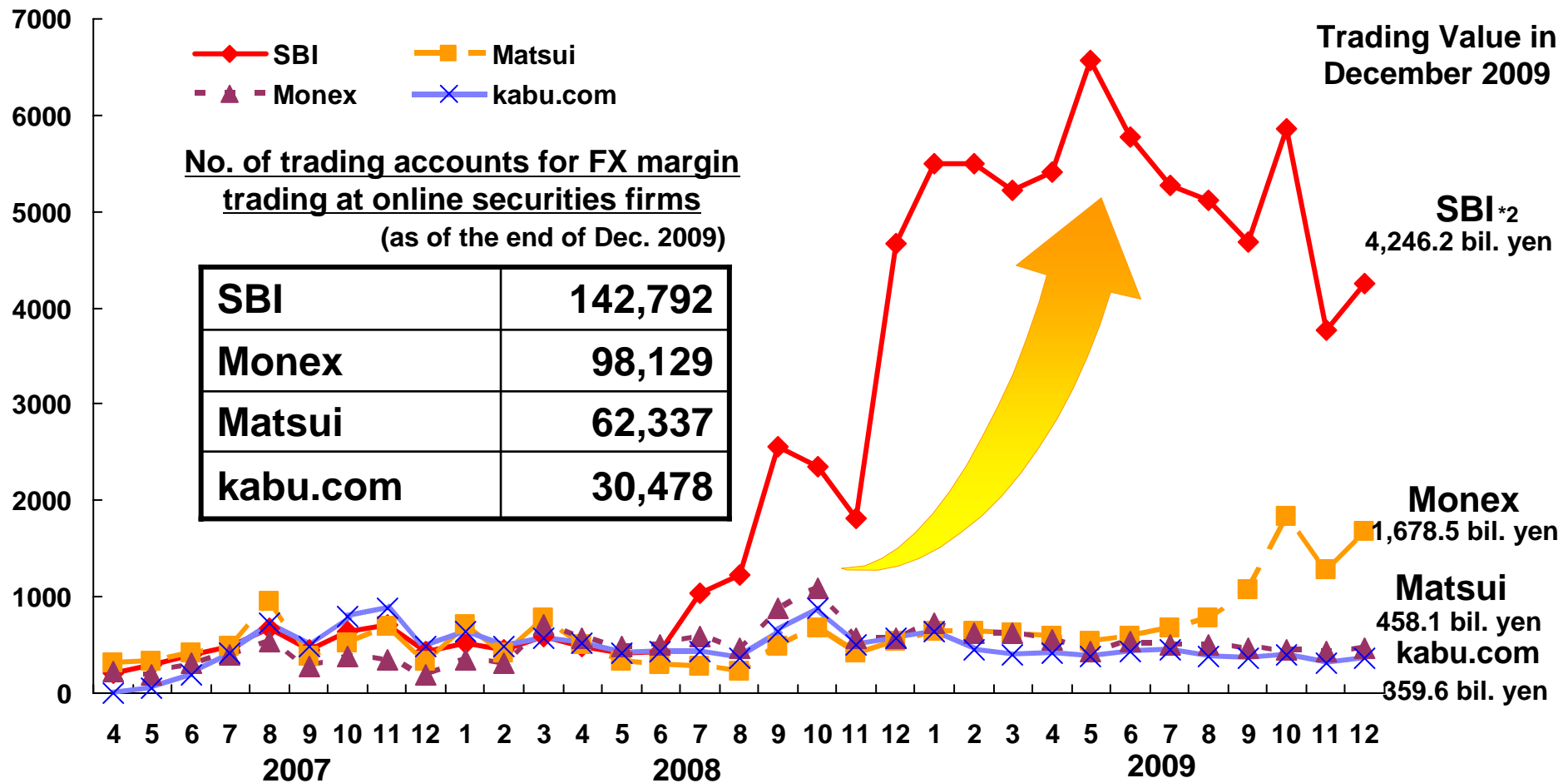
*1 Abbreviated company name
 RBS...Royal Bank of Scotland
 SCB...Standard Chartered Bank
 JPM...JPMorgan Chase Bank
 HSBC...The Hongkong and Shanghai Bank
 BOA...Bank of America

*2 Commerzbank acquired Dresdner Kleinwort, and took over the business.

FX Margin Trading Value of the Four Major Online Securities Companies *1

FX margin trading value at SBI SECURITIES increased sharply after the improvement of service offerings utilizing SBI Liquidity Market

(Unit: bil. yen)



*1 Four online securities firms that disclosed the information (SBI SECURITIES, Monex, Matsui and kabu.com)

*2 Trading value total of "SBI FX" and "SBI FX α " from Nov. 2008 to Feb. 2009

Since its inception on November 17, 2008, in a very short period of time, SBI Liquidity Market has grown to become a subsidiary that contributes substantively to the Group's consolidated performance

[Earnings Contributions by SBI Liquidity Market]

(Unit: bil. yen)

	FY2008			FY2009			
	3Q *	4Q	Total	1Q	2Q	3Q	Total
Operating Revenue	0.55	2.35	2.90	2.82	2.79	<u>2.54</u>	<u>8.15</u>
Incl. Gain on Trading of SBI SECURITIES (Operating Income for SBI SECURITIES)	0.35	1.49	1.83	1.79	1.76	<u>1.59</u>	<u>5.14</u>
Operating Income	0.11	0.73	0.84	0.86	0.84	<u>0.75</u>	<u>2.45</u>

* 1.5 months from the start of operations

Plan to increase the liquidity (transaction volume) and profitability through increasing the number of connected companies, as evidenced by the connection of SBI Sumishin Net Bank on Jan. 18, 2010

SBI Japannext Co., Ltd.

(started operations on Aug. 27, 2007)

Trading value of domestic PTS market in 2009 accounted for nearly three trillion yen, yen, which approaches the trading value of the JASDAQ market

SBI Japannext as the largest PTS in JAPAN

After starting daytime trading on Oct. 2008, trading volume increased substantially. Daily trading average value in Oct. 2009 increased to 9.5 bil. yen, approx. 5.4X YoY.

Daily average trading value (from Oct. 2008)

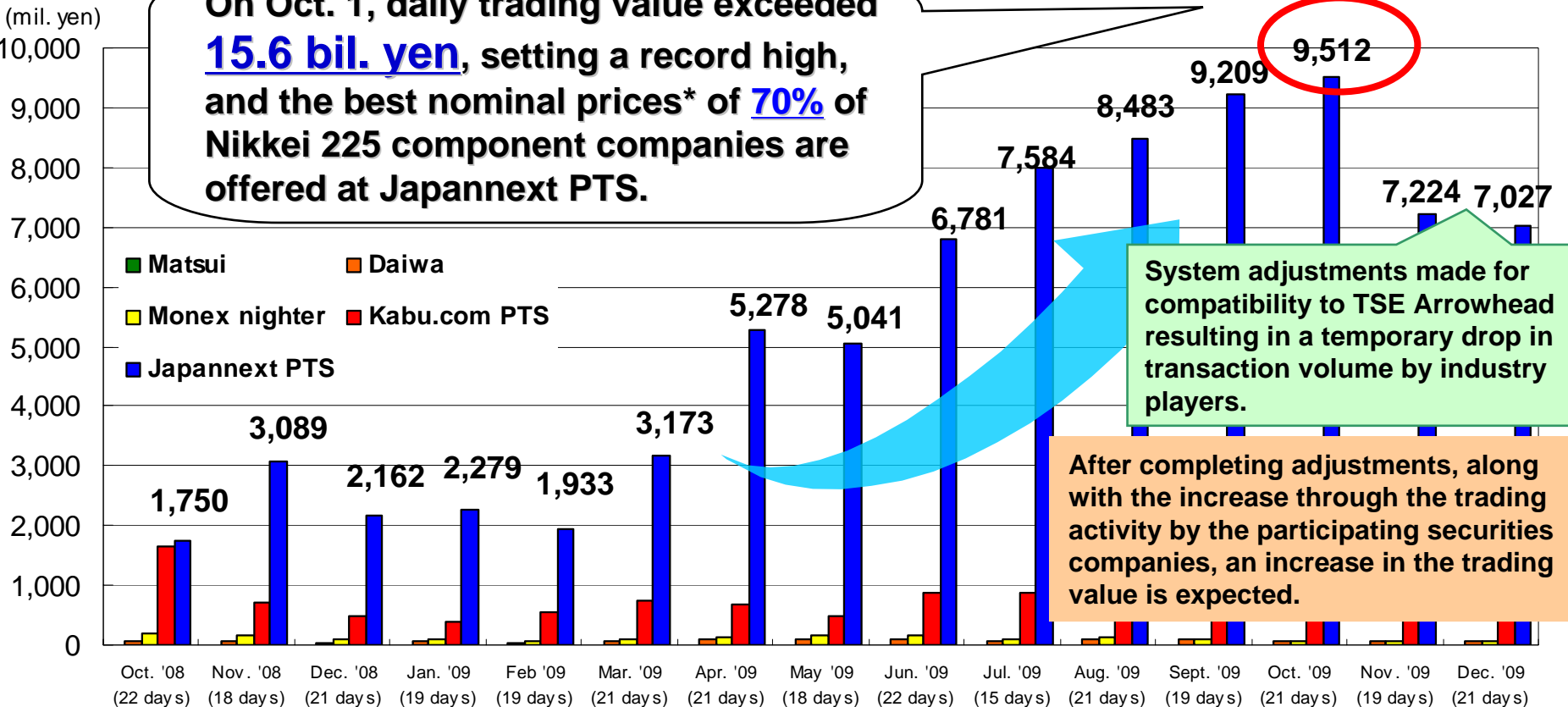
Oct.: Monthly trading value

199.7 bil. yen
(set a record high)

On Oct. 1, daily trading value exceeded **15.6 bil. yen**, setting a record high, and the best nominal prices* of **70%** of Nikkei 225 component companies are offered at Japannext PTS.

System adjustments made for compatibility to TSE Arrowhead resulting in a temporary drop in transaction volume by industry players.

After completing adjustments, along with the increase through the trading activity by the participating securities companies, an increase in the trading value is expected.



Note: 1. Trading value is based on information from each company's website, Japan Securities Dealers Association's website and Nikkei QUICK
 2. The above figures are compiled by SBIH and might be different from those announced by each company
 3. Figures are single count (purchases and sales not counted separately)

TSE: Through the Start of the Operation of the "Arrowhead" System, an Expectation of an Increase of Activity in the PTS market

<Reuters (December 16, 2009)>

PTS (Proprietary Trading System) gets a chance to leap forward. The TSE's new "Arrowhead" system starting on January 4 will accelerate market trading and energize arbitrage between the TSE and PTS. We can expect higher liquidity, the key to development, and an expansion in trading volume.

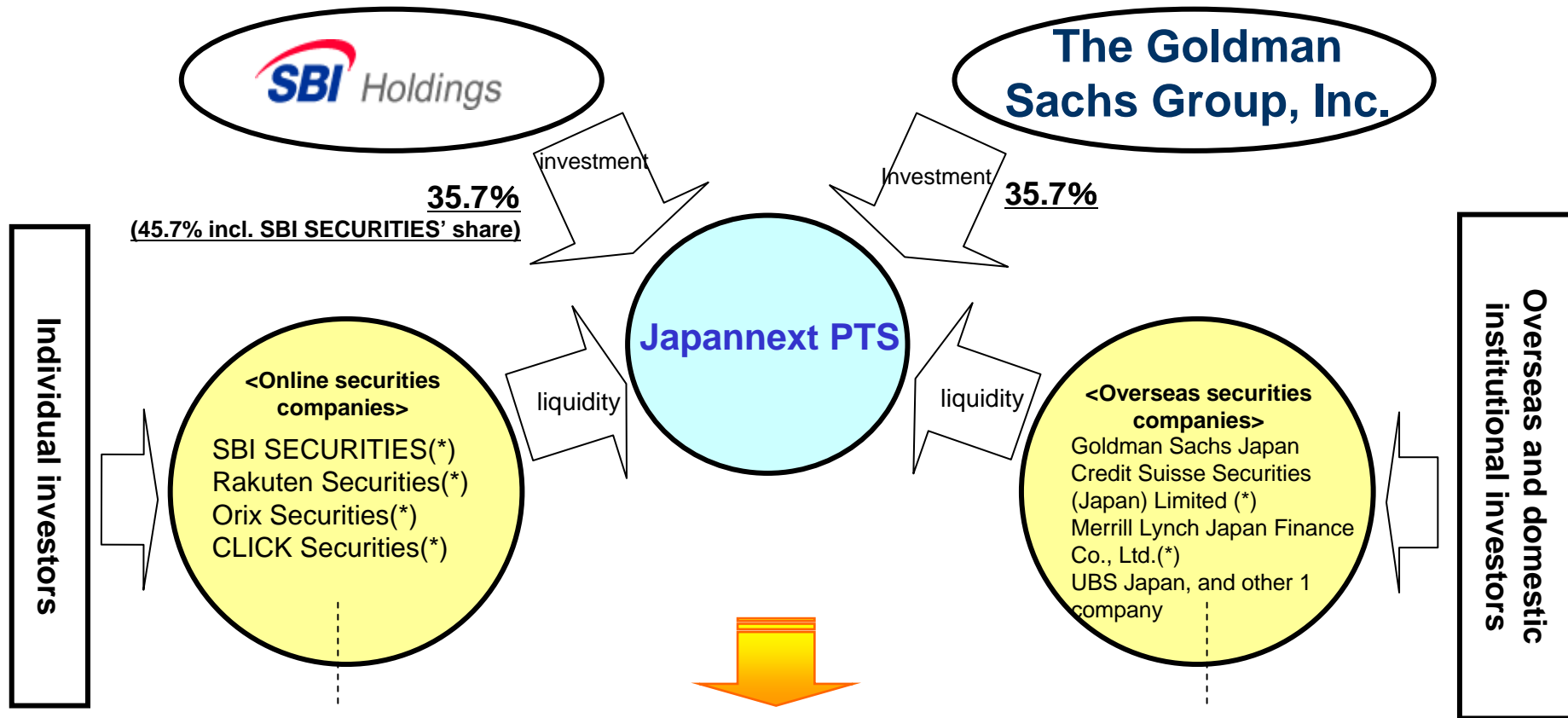
Because both the TSE and PTS show different prices for the same issues, theoretically arbitrage is possible between them. However, this was difficult to execute practically because of the large gap in processing periods between the TSE and PTS for trades and other actions. The Arrowhead will bring this gap in speed down to almost zero, thus enabling arbitrage and enhancing liquidity.



Increasing liquidity through an improved trading environment will enable the provision of better prices and many more trading opportunities for investors

Increase in Trading Volume at Japannext PTS is Expected Owing to the Newly Connected Securities Firms

- Enhance Opportunity for Investors to Make a Better Trade -



In the near future, 4 European, 2 Japanese and 1 Australian firm plans to connect to the daytime trading (8:20AM -4:30PM), and 1 European firm to nighttime trading (7:00PM-11:59PM/0:30AM-2:00AM)

(*)Equity participation

Financial Services Business

Fiscal 2009 / 3Q (Apr.-Dec.)

(Nine month period ended December 31, 2009)

Operating Revenues: 18.1 billion yen (+8% YoY)

Operating Income: 0.1 billion yen (-95% YoY)

[Breakout] Existing business: Operating Revenues 17.2 bil. yen (+3% YoY)
Operating Income 1.1 bil. yen (-48% YoY)
New business: Operating Revenues 1.7 bil. yen (+163% YoY)
Operating Income -1.1 bil. Yen (-)

SBI Card (-0.7 bil. yen)
SBI Card Processing* (-0.2 bil. yen)
SBI AXA Life Insurance (-0.2 bil. yen)

Major consolidated subsidiaries and affiliated companies

*Sold in Nov. 11, 2009

【Existing business】

- SBI Holdings (Business Div.)
- Morningstar Japan
- Gomez Consulting
- SBI VeriTrans

【New business】

- SBI Sumishin Net Bank (equity method affiliate)
- SBI Insurance
- SBI AXA Life Insurance
- SBI Card

Notes:

1. The above figures were calculated using the new accounting standard (with fund consolidation) for each segment.
2. The above figures do not include eliminations for consolidation and the deduction of corporate expenses.
3. Rounded to the nearest 100 million yen.

Highlights of Financial Services Business



I. Operating profit was secured, owing to the positive performance of the existing businesses, as the reorganization for further management efficiency progressed

- Financial Services Business's 3Q(9M) FY2009 **operating revenues** increased 8% YoY to 18.1 bil. yen, **posting a continuing growth due to the positive performance of the companies in the existing businesses** (SBIH Marketplace Business: 4.1 bil. yen, up 25.2% YoY; SBI VeriTrans: 3.7 bil. yen, up 14.4%; SBI Lease: 3.8 bil. yen, up 12.1% YoY, etc.)
- **Operating income** fell 95% YoY to 59 mil. yen, a result greatly affected by SBIH's consumer loan service provider **SBI Equal Credit, which recorded a total of 1.8 bil. yen in provision of allowance for doubtful accounts and others by 3Q**. SBI Equal Credit merged with SBI Card on January 12, 2010 **in order to improve its business efficiency**.

II. New Businesses continue to expand their customer base

- **SBI Sumishin Net Bank** continued to achieve steady growth in **deposits to 912.6 billion yen**, and **customer accounts to 637,000 (end of Dec. 2009)**. The bank **continued to be profitable in 3Q following the previous quarter**, and consolidated profit/loss for investment equity-method (non-operating profit/loss) is expected to improve dramatically as well. The possibility of 1 trillion yen in deposits by January 2010 becomes visible.
- **SBI Insurance increased the accumulated number of contracts to more than 100,000 (end of Dec. 2009)** due to the discount of premiums and the expansion of its channels.

3Q(9M) FY2009 Performance of Publicly Owned Subsidiaries

- Morningstar Japan's 3Q(9M) FY09 performance declined YoY in consolidated revenues and earnings due to the decline in the demand for advertisements from its major financial institutional clients. However, there is a recovery trend on a quarterly basis.
- Gomez Consulting recorded a profit for two consecutive quarters due to the cost reductions. Also, there was a significant increase in revenues from 3Q(9M) FY08.
- SBI VeriTrans' 3Q(9M) transactions increased 15.8% YoY to 43.69 million, along with the steady growth of Japan's e-commerce market. Both its consolidated operating revenues and incomes recorded all time highs.

(Unit: million yen, Figures in parentheses are YoY change (%))

*1	Operating Revenues	Operating Income	Ordinary Income	Net Income
Morningstar Japan	1,716 (-22.4)	275 (-1.7)	357 (+5.1)	204 (-5.9)
Gomez Consulting	282 (-6.4)	2 (-) ※2	19 (-) ※3	17 (-) ※4
SBI VeriTrans	3,734 (+14.4)	769 (+13.4)	783 (+13.8)	456 (+12.3)

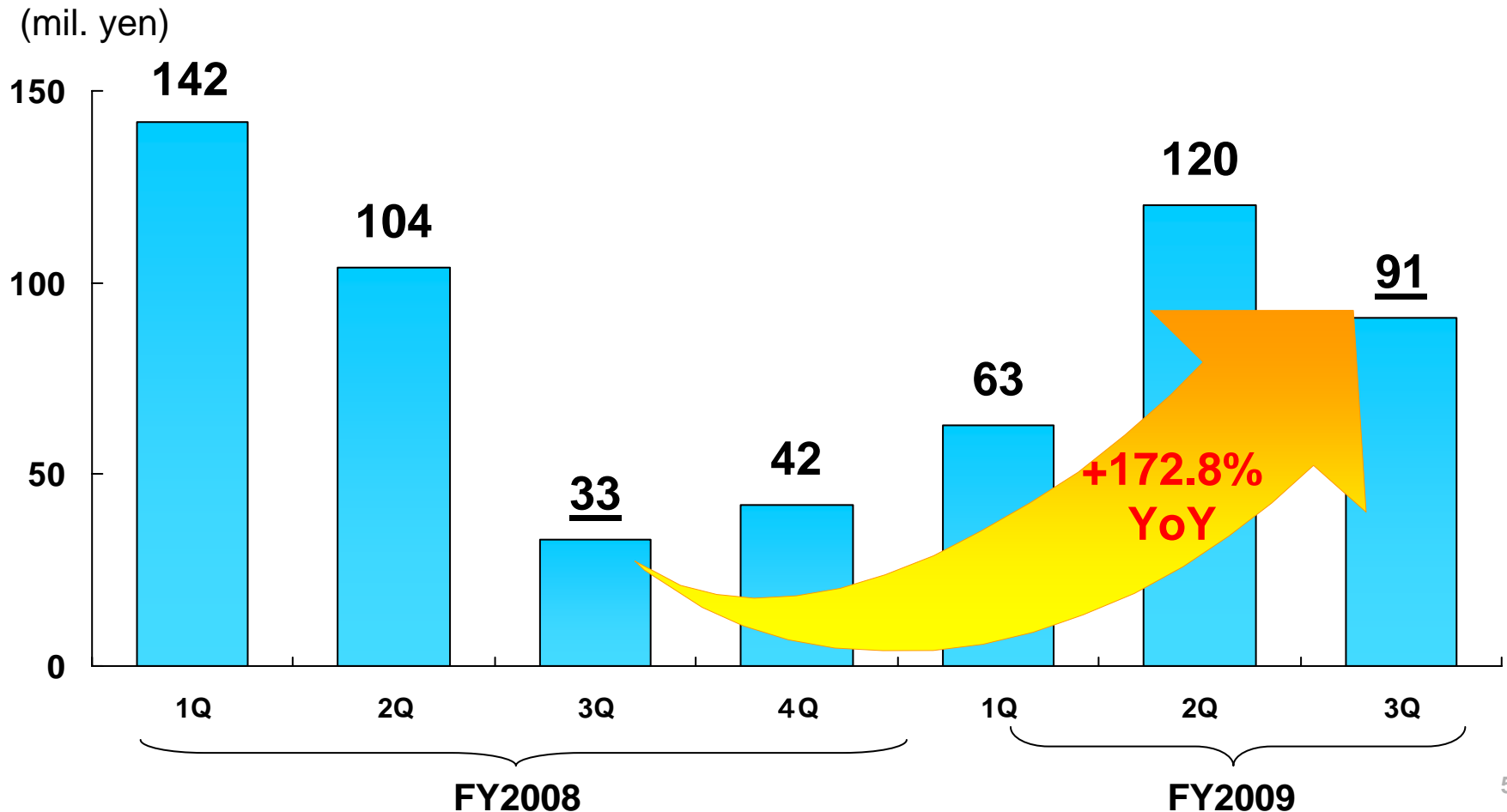
*1 Morningstar Japan and SBI VeriTrans figures are consolidated, whereas Gomez Consulting figures are non-consolidated.

*2 Operating Loss of 3Q(9M) FY08 posted -41 million yen *3 Ordinary loss of 3Q(9M) FY08 posted -35 million yen

*4 Net Loss of 3Q FY08 posted -21 million yen

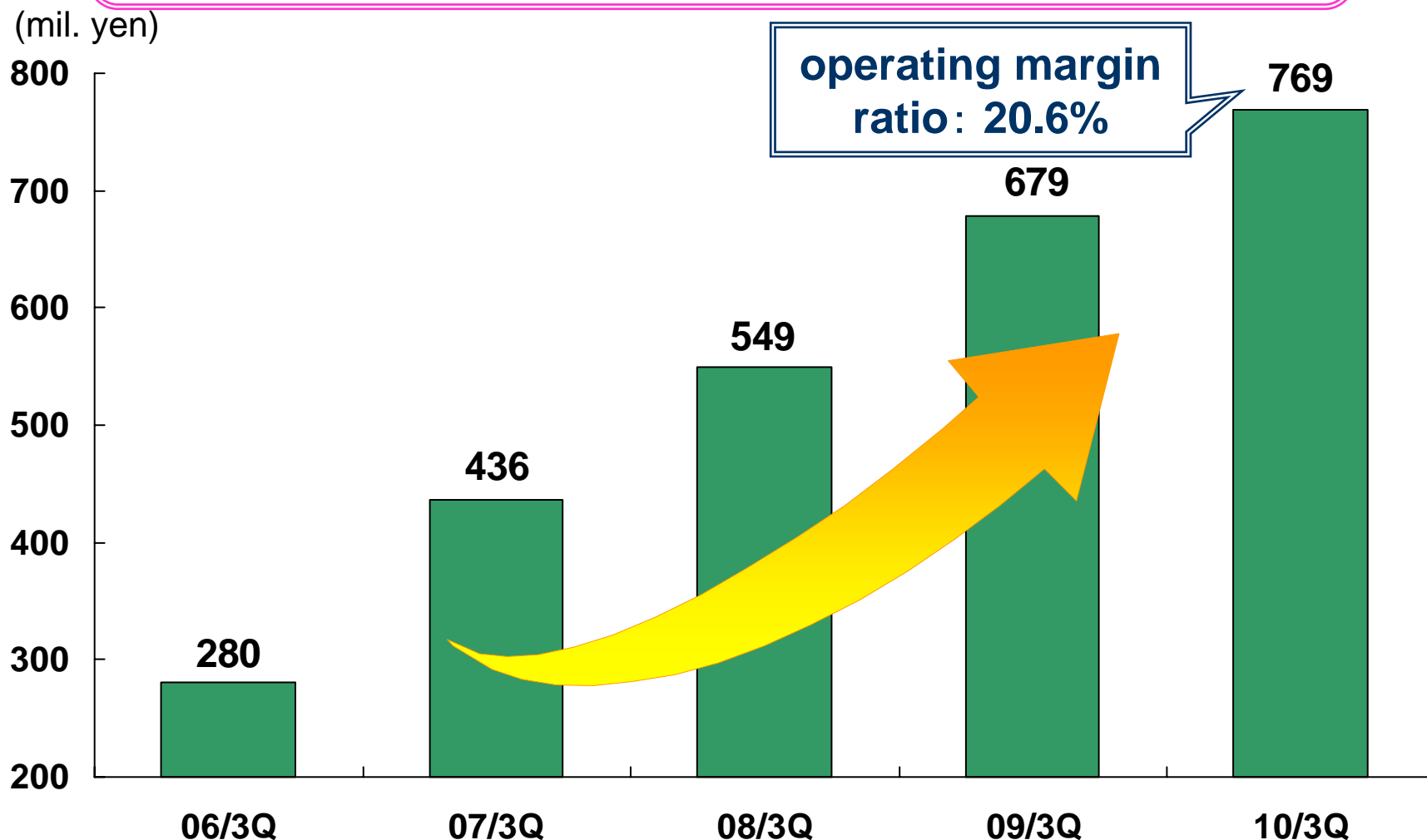
Morningstar Japan Consolidated Quarterly Operating Income

Even though operating income for 3Q(9M) declined by 1.7% YoY, due to the decline in the demand for advertisement from financial institutions, **operating income for 3Q(3M) was up 172.8% YoY** thanks to the reduction of SG&A



SBI VeriTrans Consolidated Operating Income for 3Q(9M) FY2009

SBI VeriTrans operating income in 3Q(9M) FY09 steadily increased 13.4% YoY



*Started consolidated accounting from 3Q FY06

Transactions at the Marketplace Business, which consists mainly of “InsWeb” and “E-LOAN,” **steadily increased 8.7% YoY**



- The participation of E.design Insurance, which was newly established, in InsWeb, etc. was successful -

InsWeb

Affiliated non-life insurance companies, etc.: 22 / Affiliated life insurance companies, etc.: 20

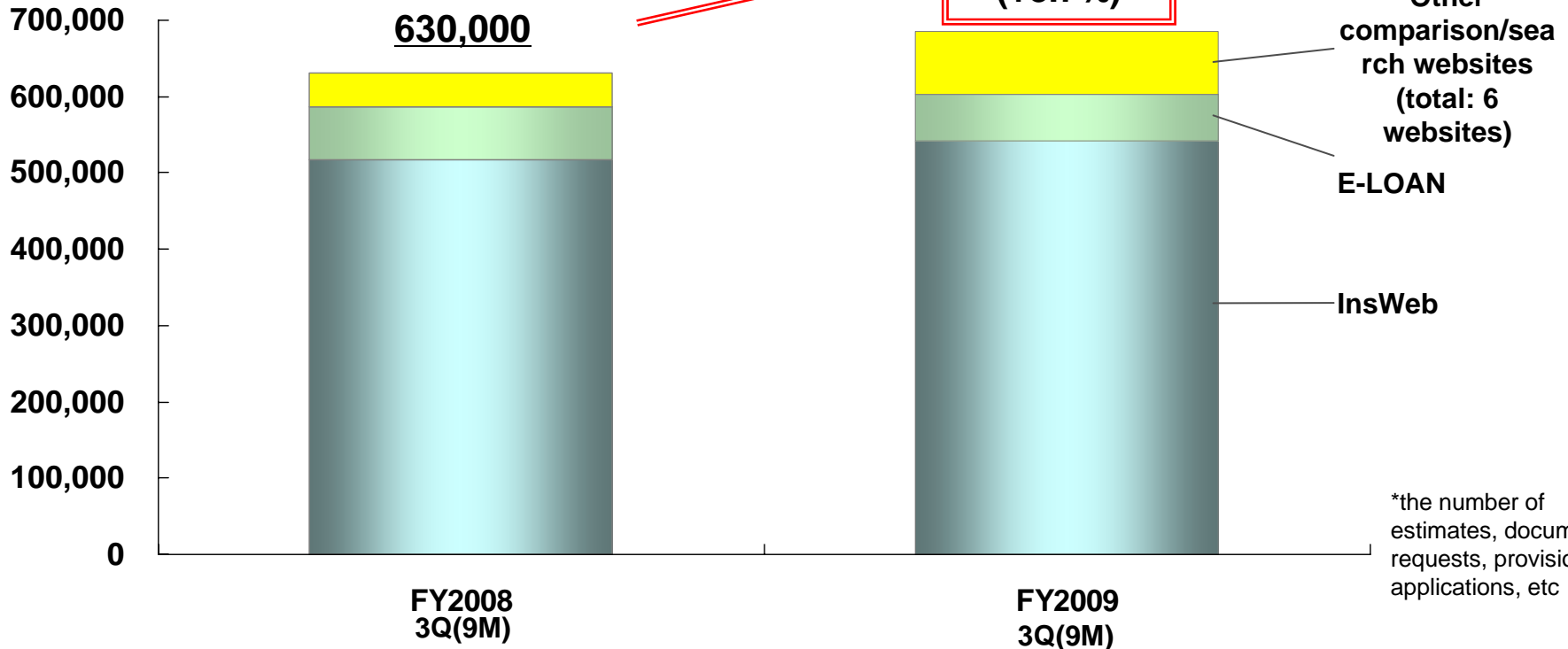
E-LOAN

Affiliated financial institutions: 65 / Types of loan products: 546

Other financial comparison websites (total: 6): comparison of Securities / FX companies, estimate of auto lease, etc.

Change in transactions at the Marketplace Business*

(Unit: transactions)



*the number of estimates, document requests, provisional applications, etc

Progress of the New Businesses

SBI Sumishin Net Bank, Ltd.

Steadily Growing Customer Base of SBI Sumishin Net Bank



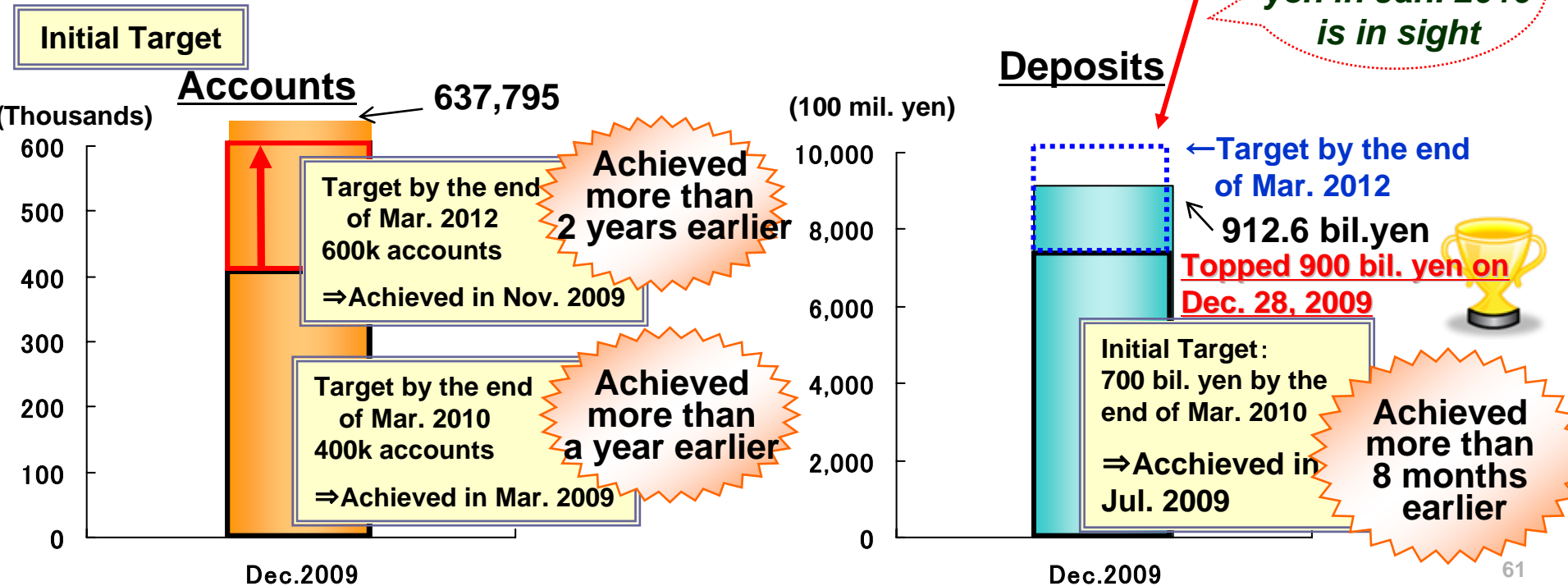
As of the end of Dec. 2009

*Actual. Parenthetic figures are advance report as of Jan. 25, 2010

Accounts: 637,795 (668,124)
 Deposits: 912.6 bil. yen (984.7 bil. yen)
 Loans Issued: 363.6 bil. yen (368.9 bil. yen)
 (Mortgage + Internet loan)

Over 1 trillion yen in Jan. 2010 is in sight

<Comparison with the target as of December 2009>



Deposits Topped 900 Billion Yen After 2 Years and 3 Months Since Start of Operations

Offering competitive interest rates, free ATM transactions for individual customers and several sales campaigns, SBI Sumishin Net Bank Deposits topped 900 billion yen after only 2 years and 3 months (827days) since its start of operations on September 24, 2007.

Days required by major Internet banks to reach 900 billion yen in deposits:

	Start of operations	Time needed to reach 100 billion yen (*1)	Days after start of operations	Time needed to reach 900 billion yen (*1)	Days after start of operations	Deposit outstanding (*2)
eBANK	2001/7/23	2003/10/1 ~ 2004/3/31	801-983 days	—	—	702.6 bil. yen
Japan Net Bank	2000/10/12	2002/10/1 ~ 2003/03/31	720-901 days	—	—	435.7 bil. yen
Sony Bank	2001/6/11	2002/3/1 ~ 2002/03/31	264-294 days	2007/10/1 ~ 2007/10/31	<u>2,304-2,334 days</u>	1,442.7 bil. yen
SBI Sumishin Net Bank	2007/9/24	2007/11/19	57 days	2009/12/28	<u>827days</u>	984.7bil. yen

• **Topped 400 bil. yen in Aug. 2008!⇒ Surpassed Japan Net Bank at the end of Sept. 2008 (after a year from the start of operation)**

• **Topped 700 bil. yen in Jul. 2009!⇒ Surpassed eBank at the end of Jul. 2009 (after less than 2 years from the start of operation)**

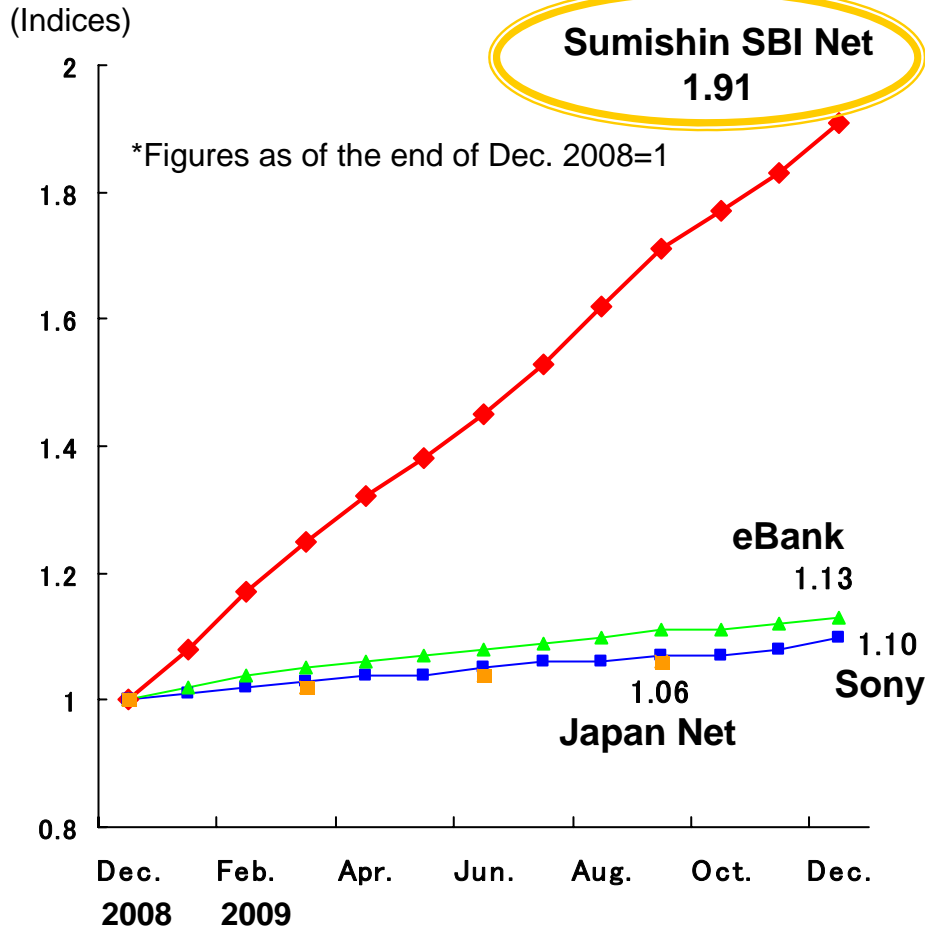
*1 Time needed for deposits to reach target amount based on information announced by each bank.

*2 Deposit outstanding of Sony Bank and eBank are based on the figures as of December 2009, that of Japan Net Bank as of the end of September 2009, and SBI Sumishin Net Bank as of January 25, 2010. .

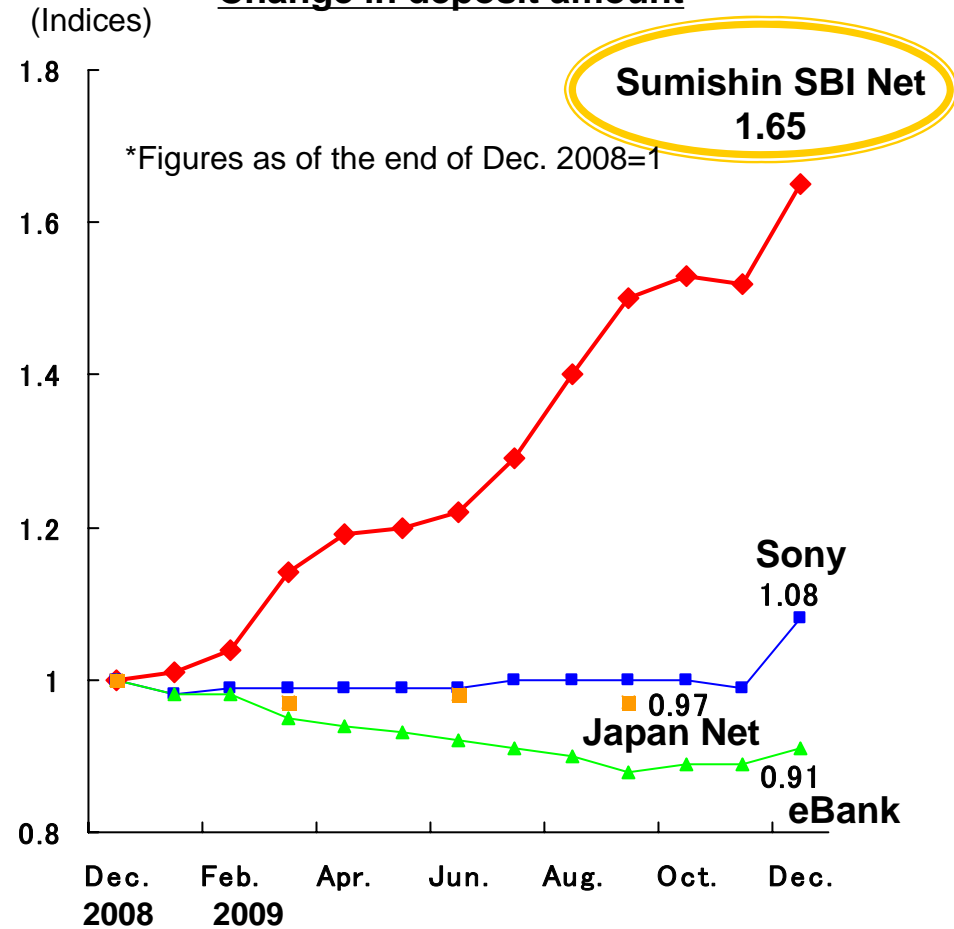
Customer Base Development of Four Major Internet Banks in the Previous Year

(From Dec. 2008 to Dec. 2009)

Change in number of customer accounts



Change in deposit amount



Number of customer accounts and deposit amount of Sumishin SBI Net Bank increased approximately two times YoY

Ranked No. 2 in 6th Nikkei Financial Institution Ranking for “Customer Satisfaction”

No. 2 for “customer satisfaction by age group” in the 40s category, No. 2 for “customer satisfaction by geographic area” in the “Tokyo metropolitan area only” category and jumped from No. 14 in the previous ranking to No. 7 for “asset management and loan proposal capability”

Article

(*2)

Up from No. 6
to No. 2

(SBI Sumishin Net Bank) received high marks for asset management related items, the same category as Sony Bank. Partnering with Group company SBI SECURITIES, it offers bank accounts that enable purchases of stock and other instruments. The bank achieved first place for the “appealing products and services” category, and was also first in the “high level of convenience for phone and online transactions” category. (*2)

*1 The survey which was conducted by Nikkei Inc. targeted individuals in three major metropolitan areas

*2 Excerpt from Nikkei VERITAS on January 10, 2010

Fund Management Opening the Door to Success and Increase in Deposits

SBI Sumishin Net Bank diversifies its asset management through the pursuit of synergies with the SBIH Group

Bank deposit: 912.6 bil. yen

(as of the end of Dec. 2009, Actual)

- **Housing loans**: cumulative total of housing loans outstanding topped 350 billion yen on November 30, 2009
- **Auto loans**: cumulative total of Auto loans: 2.74 billion yen
⇒ aiming for further increase.
<from Jul. 2009> provision of auto loan through SBI Auto Loan
- Asset management expansion through the utilization of **real estate secured loans**, **unsecured consumer loans** and **health care financing**

* As of January 8, 2010

<Major asset management method>

- Diversification of business and management by the integration of the securities business through interest rate swaps, CP underwriting and originating safe and high interest rate securities products
- Utilizing asset management functions of the SBIH Group

SBI Sumishin Net Bank is Profitable for Four Consecutive Quarters in 3Q FY09

- Single year profitability in sight for the next fiscal year -
【Change in ordinary income and loss】 (mil. yen)

FY2008		FY2009		
3Q	4Q	1Q	2Q	3Q
Ordinary loss	<u>Ordinary income</u>	<u>Ordinary income</u>	<u>Ordinary income</u>	<u>Ordinary income</u>
750	135	856	438	481

(※Non-consolidated)

Became profitable on a monthly basis in January 2009 and on a quarterly basis (net income 135 mil. yen) in 4Q for the very first time!

First half: 1,295 mil. yen

3Q(9M): 1,776 mil. yen

FY2008 (full year)

Ordinary loss: 3,687 mil. yen

Net loss: 3,699 mil. yen

(Recorded non-operating loss of 1,849 mil. yen for loss from investment-equity method)

Initial target:

FY2011:

around 5 billion yen of net income
 eliminate cumulative loss

SBI Insurance

The Number of Contracts Increased Steadily Against Backdrop of Sales Channel Expansion

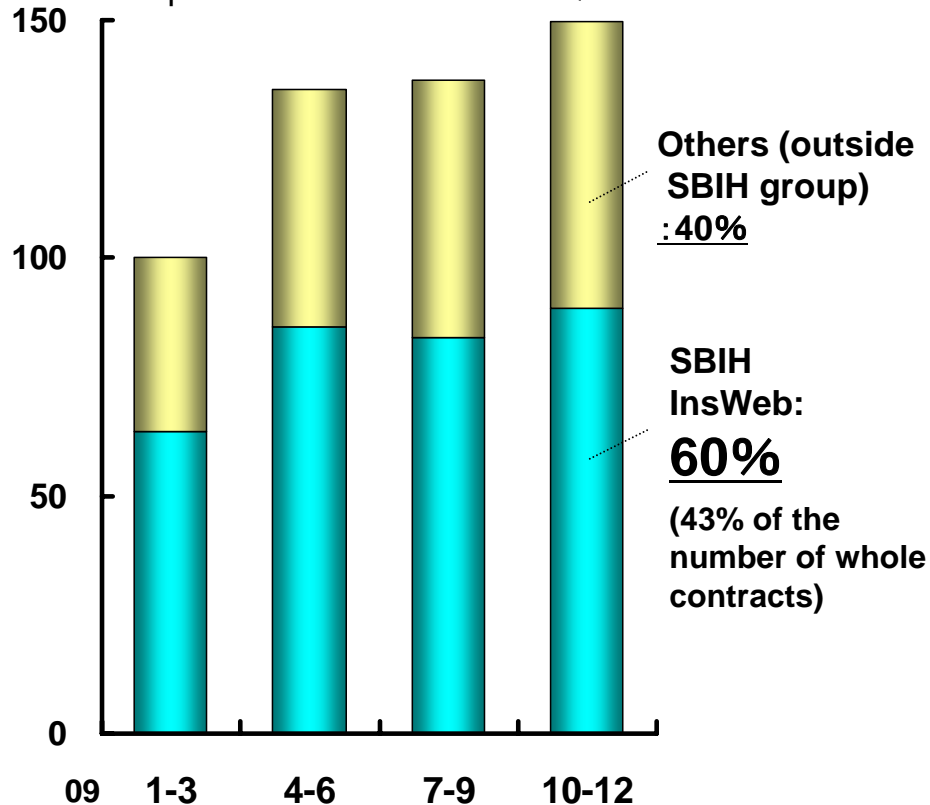


Increased sales channels through the start of sales through **SBI Sumishin Net Bank in April** and **GEO in July** led to a steady increase in transactions through the SBIH Group

Quarterly comparison of the number of SBI Insurance's contracts in each channel

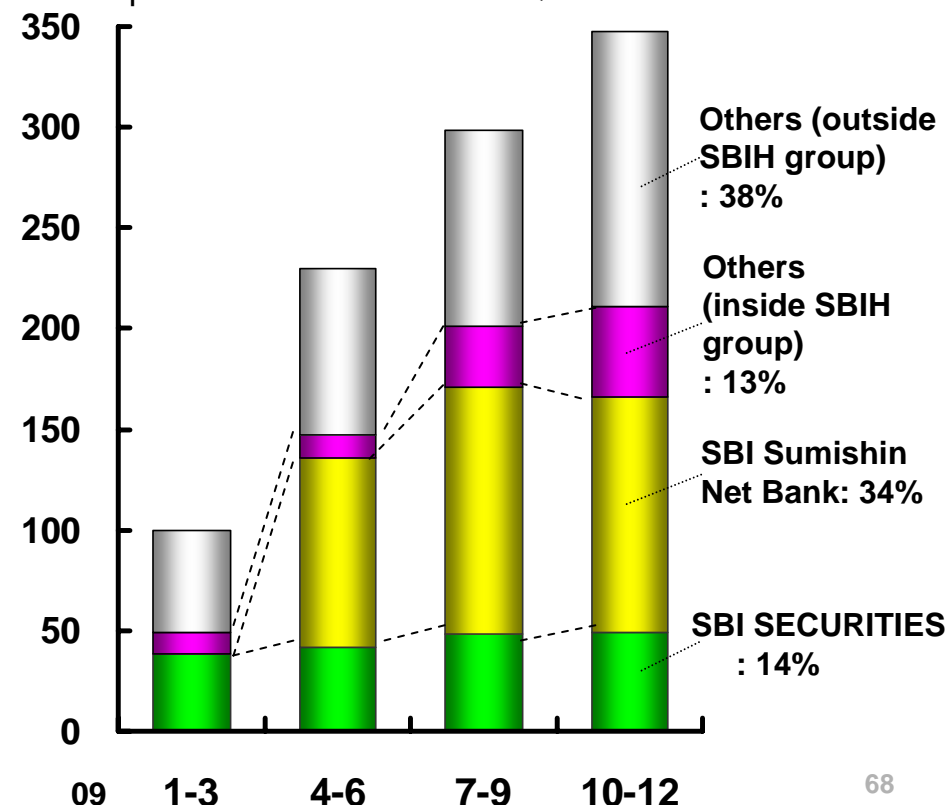
Websites for comparisons and estimates

* The number of transactions via websites for comparison and estimate in 1Q CY09 = 100



Agency websites

* The number of transactions via websites for comparison and estimate in 1Q CY09 = 100



Topped 100,000 Contracts in Less than 2 Years After the Start of the Operations



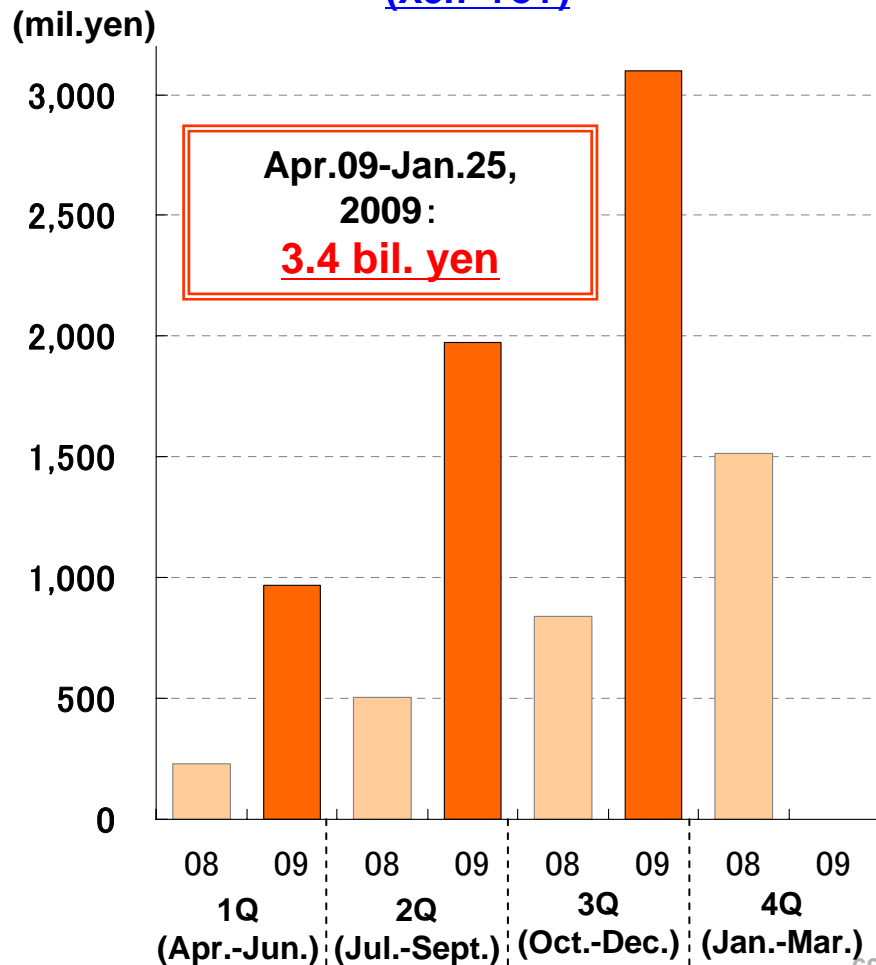
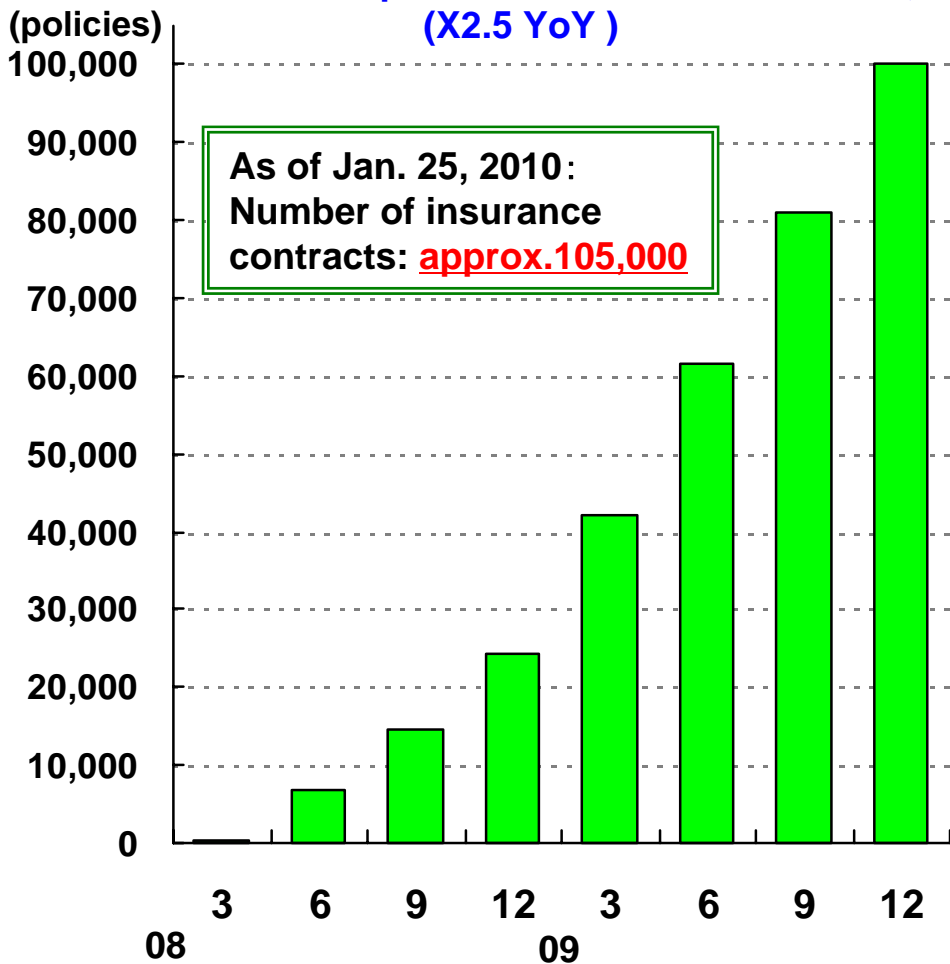
Change in the number of insurance contracts (written basis) / cumulative total

Change in direct income of insurance premium (written basis*) / cumulative total

Cumulative number of insurance contracts: more than 100,000 (as of the end of Dec, 2009)

Direct income of insurance premium in Apr.-Dec.* 2009 increased to approx. 3.1 bil. yen (X3.7 YoY)

New contracts in Apr.-Dec.* 2009 increased to 59,000 (X2.5 YoY)



*Written basis: Completion of receiving transaction of insurance premiums.

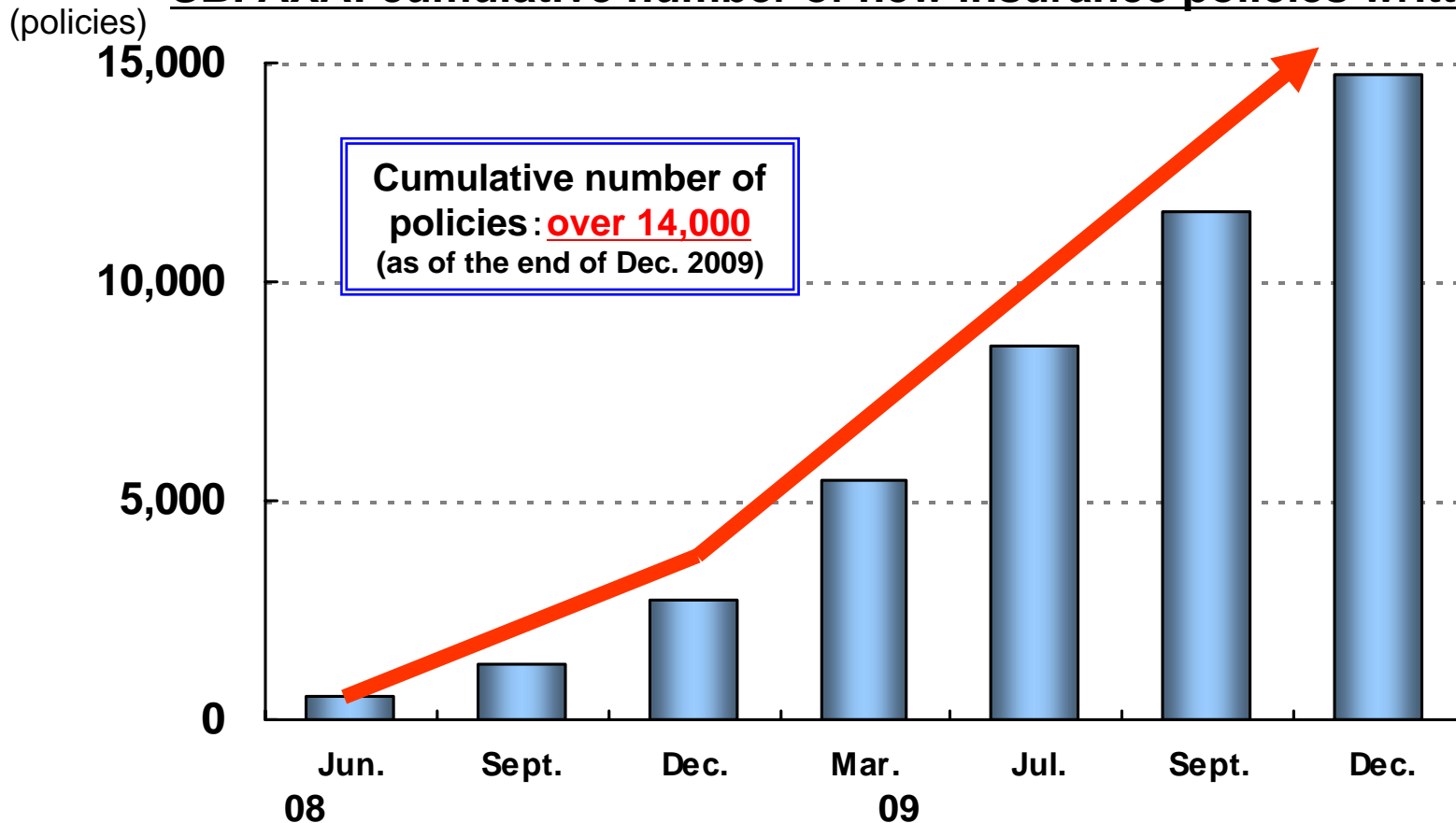
SBI AXA Life Insurance

The Number of Monthly Average Policies in 3Q(Oct.-Dec.) Is Over 1,000

- Dramatically increased from 496 monthly average policies in 3Q FY2008 -

Surpassed the average of the two leading direct insurance companies
 (Zurich: 666 monthly average policies, Sompo Japan DIY: 431 monthly average policies) *

SBI AXA: cumulative number of new insurance policies written



(Source: Compiled by SBIH from information disclosed by each company)

* Average Figures of Zurich and DIY are calculated based on the disclosed material for FY08

Housing and Real Estate Business

Fiscal 2009 / 3Q (Apr-Dec)

(Nine month period ended December 31, 2008)

Operating Revenues 20.0 bil. yen (-38% YoY)

Operating Income -0.2 bil. yen (-)

Major consolidated subsidiaries and affiliated companies

- **SBI Holdings (Business Div.)**
- **SBI Life Living** (changed its corporate name from LIVING Corporation on July 1)
- **SBI Mortgage**
- **CEM Corporation**

Notes:

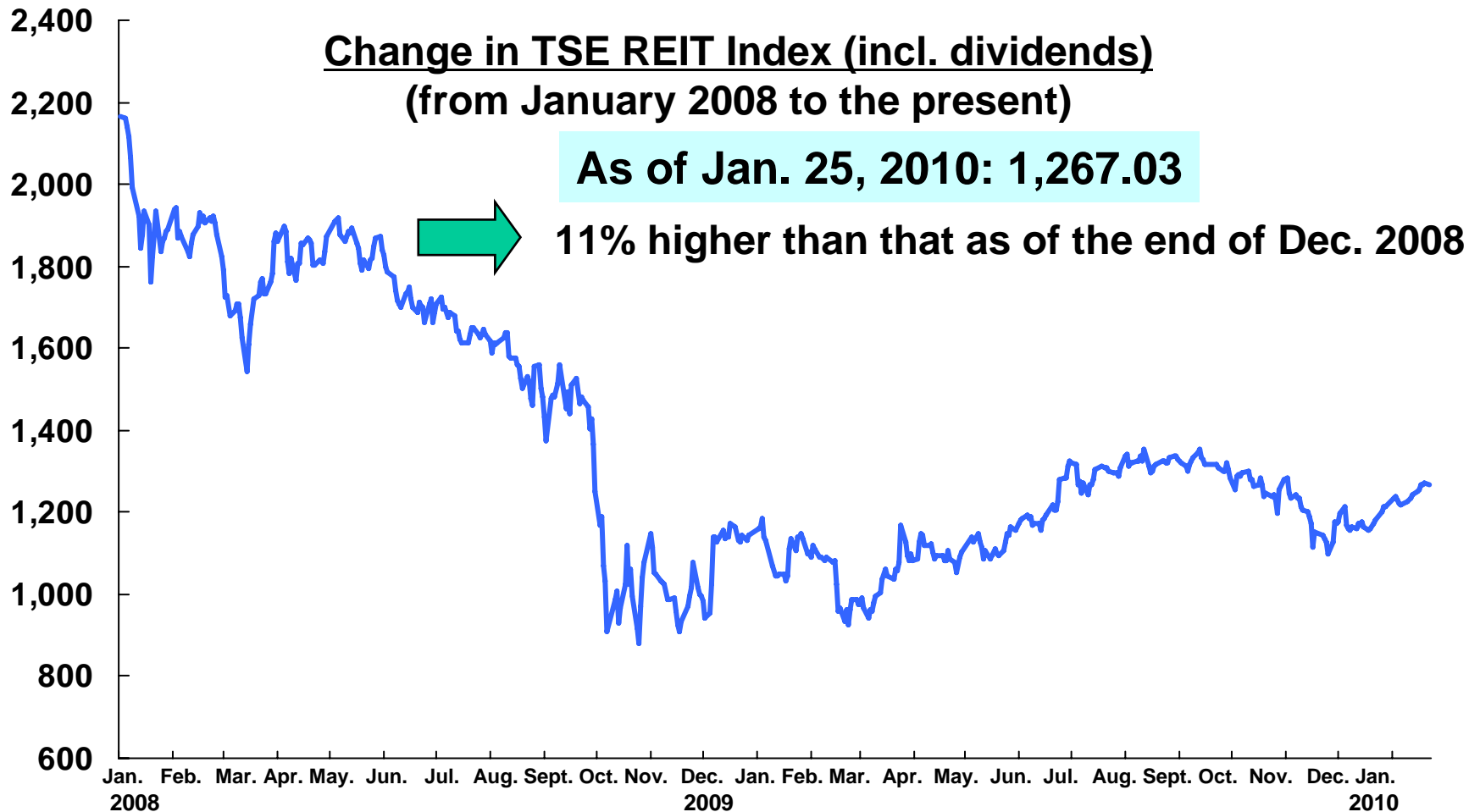
1. The above figures were calculated using the new accounting standard (with fund consolidation) for each segment.
2. The above figures do not include eliminations for consolidation and the deduction of corporate expenses.
3. Rounded to the nearest 100 million yen.

Highlights of Housing and Real Estate Business

- I. The Housing and Real Estate Business started to show some signs of a recovery mostly for small to mid-size properties in the domestic real estate market, among other factors resulting in an **operating profit of 0.4 bil. yen for 3Q(9M)** despite a 38% YoY decrease in operating revenues to 20.0 bil. yen and a 0.2 bil. yen operating loss for 3Q (9M). **SBIH expects a return to profitability over the full year.** Please note that a total valuation loss of 0.3 bil. yen was recorded for FY2009 for real estate inventory (valued at 32.2 bil. yen).
- II. In the Real Estate Business, sales and profits were down sharply from a year earlier, because transactions with the real estate funds and major buyers were anemic due to the adverse financial environment and the shrinking real estate market. However, properties will be sold taking the market forces fully into consideration. Currently, new investments are being carefully considered in accordance with the market conditions.
- III. **SBI Mortgage** continues to offer the industry's lowest interest rate for "Flat 35", and has steadily increased its **loans outstanding to 581.8 billion yen** as of the end of December 2009, exceeding 500.0 billion yen in July 2009.
- IV. The search/comparison and intermediary websites, that were merged by SBI Life Living achieved consistent growth, recording operating revenues of **344 million yen** and operating income of **134 million yen** for 3Q(3M) FY2009. The company successfully reorganizing its business to diversify its income, **successfully returning to profitability in 2Q** on a quarterly basis in terms of consolidated operating income, **and also recorded a profit in 3Q and finished the nine month period in the black.**

Partial Signs of a Recovery in the Domestic Real Estate Market

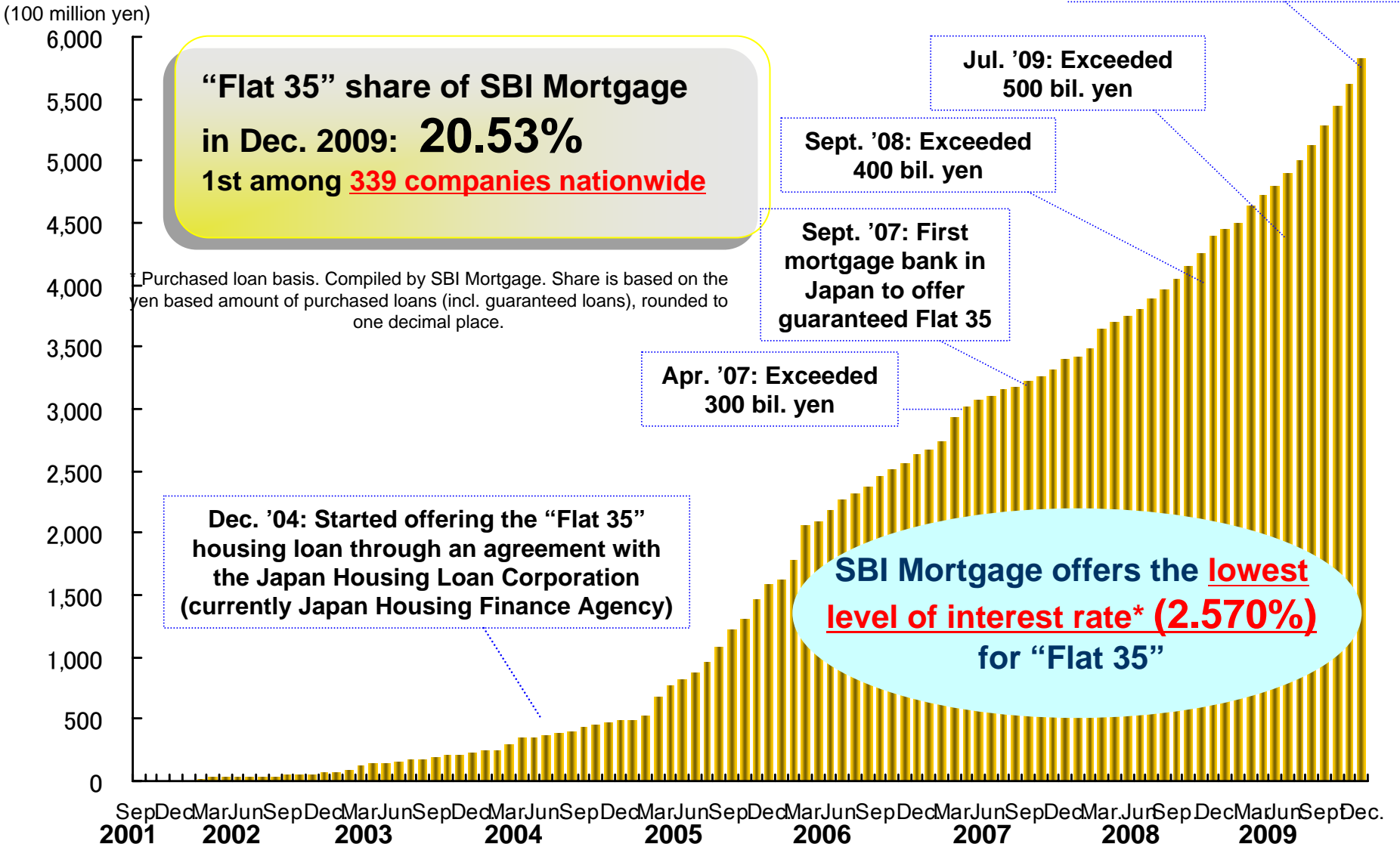
Proceeding to gradually sell owned properties by
carefully monitoring the real estate market



Enormous Growth of Housing Loans at SBI Mortgage



Change in Housing Loans Outstanding



(*Interest rate is the lending rate for January '10 purchased loans)

2. SBIH Group's Future Business Policy

SBIH Group's 2010 Management Policy (1)

Statement from SBIH Group's New Year's assembly on January 4, 2010

“For this new year, the SBIH Group will, first and foremost, keep each and every one of its employees and directors close to heart, and to determine and handle various changes calmly and with an even, untroubled mind. That is to say that we will make tough decisions clearly, reflecting on the Group's founding spirit and passing it down to the present generation.

Second, we will combine the collaborative strengths of all Group companies, and at all levels to propel the synergy effects to new heights.

Third, the individuals assuming leadership in each Group company must be “versatile while conforming to others,” a concept advanced in “I Ching (The Book of Changes)”, and possess vision, conviction and course of action that brings attention from each and every employee and director, and have all subordinates follow a single vector.


Fourth, each individual in each Group company should possess a venturing spirit, and seize upon revenue opportunities with a keen eye fixed on the coming Age of Asia”.

SBIH Group's 2010 Management Policy (2)

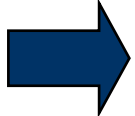
Holdings

Comprehensive SBIH Group policies in light of New Year's statement

Reflecting on the Group's founding spirit, each individual will continue to aspire to self-improvement and pursue synergic effects vigorously within the Group

- 
- (1) In order to heighten the competitiveness of each Group company, while staying true to our customer-centric principle, and to further propel our established financial ecosystem through a focus on our completed Internet finance model, we will further develop our financial conglomerate structure in order to become a “global finance content related player”, through a collaboration with other industries.

Seizing revenue opportunities with a keen focus on the coming "Age of Asia"

- 
- (2) Overseas revenues will be acquired through venture company investments in JV funds, and by the transference of the Internet based financial ecosystem that was completed in Japan to countries beyond our shores.

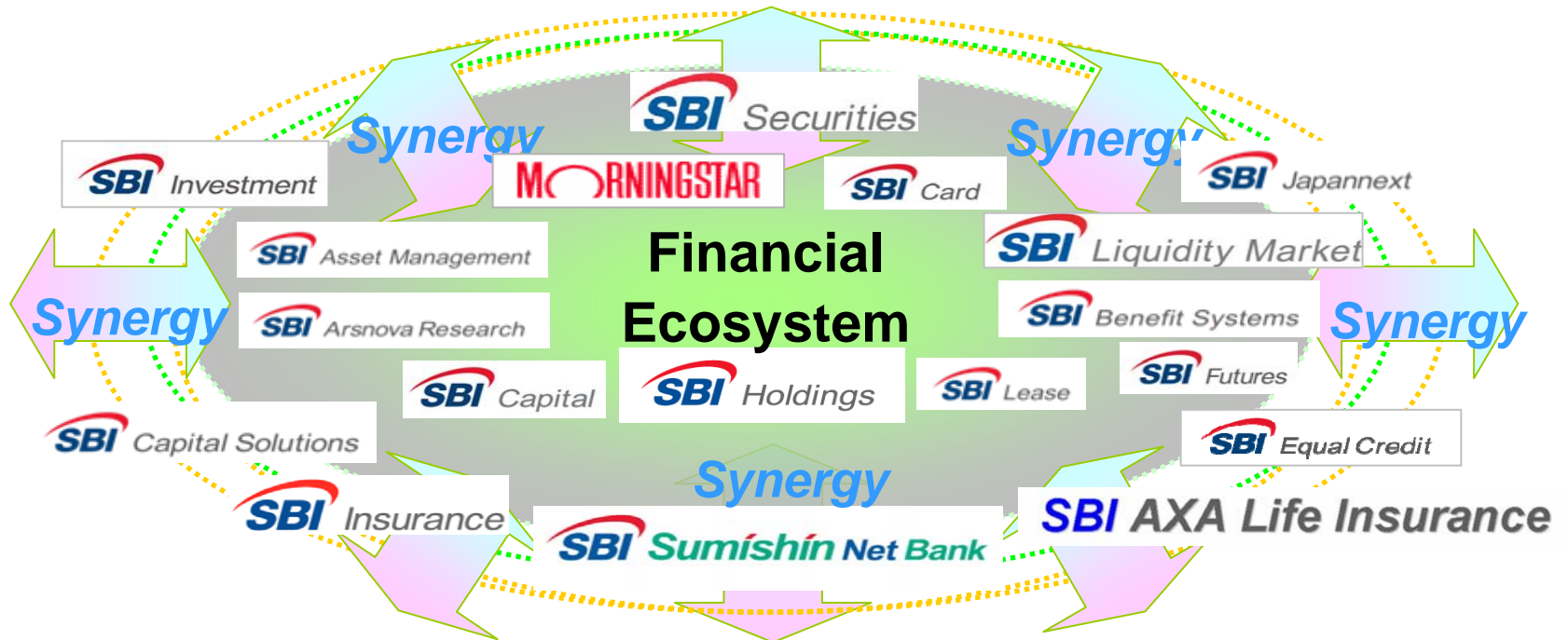
- (1)-
- ① **Strengthened and expanded customer base through the completion of financial ecosystem and synergy among Group companies**
 - ② **Work to expand our global financial content business to become Japan's largest financial product distributor, but not limiting ourselves as simply a provider of financial products and market functions**
 - ③ **Increase face-to-face channels in order to extend customer reach**
 - ④ **Promote inter-industry collaboration to enhance the performance of new businesses**

① Strengthened and Expanded Customer Base through the Completion of Financial Ecosystem and Synergy among Group Companies

The SBIH Group is an “Internet Financial Conglomerate”

Since the establishment of the SBIH Group, the financial ecosystem has developed through the establishment of joint ventures with prominent operating partners, as well as independently establishing operating companies.

➡ A globally unique Internet-based financial conglomerate is established



The SBIH Group expands and enhances its customer base through the pursuit of synergies among its component companies

SBIH Group's Growing Online Customer Base



1999 **0** → Mar. 2005 **1.7 mil.** → Mar. 2008 **6.8 mil.** → Sept. 2009 **10 mil.** → Dec. 2009 **10.43 mil.**

SBIH Group Company and division		Dec. 2009 (thousand)
SBI SECURITIES	(Accounts)	2,002
SBIH InsWeb	(No. of customers)	3,090
E-LOAN	(No. of customers)	919
Other financial websites	(No. of customers)	115
MoneyLook	(Total no. of customer registrations)	544
Morningstar Japan	(New portfolio customer registrations)	50
SBI Card	(Cards issued)	63
SBI Sumishin Net Bank	(Accounts)	638
SBI Insurance	(No. of contract per year)	100
SBI AXA Life Insurance	(Total no. of contract)	15
Autoc one	(Total no. of service users)	1780
Lifestyle related comparison websites	(Total no. of customer registrations)	484
E*GOLF	(Total no. of customer registrations)	367
Others		271
Total		10,438

*The counting method was changed on Sept. 2009, so the total count method is somewhat different before and after then.

* Repetition customers between group companies are counted double while it is omitting repetition in each service site when it can be recognized as a unique user.

Service and Product Evaluations by Third-party Accreditation Organizations



★ **No. 1 overall** in the “Oricon CS (customer service) Ranking” for online securities
(Announced Dec. 2009)

★ Selected in the November 2009 issue of “Nikkei Trendy” as **BEST Online Securities**

★ **No. 1 overall** in Stock Research’s online securities ranking
(Announced Jan. 2009)



★ **No. 2** in the “6th Nikkei Financial Institution Ranking” for customer satisfaction (up from No. 6)
(Announced Jan. 2010)

★ **No. 1** in the “Kuchikomi (word-of-mouth) Ranking” for online banking
(Announced Jan. 2010)

★ **No. 1** in the October 2009 issue of “Arujan” for interest rates, low fees and number of mutual funds handled



★ **No. 4 overall** in the “Oricon CS (customer service) Ranking” for auto insurance

- Satisfaction with respect to premiums: **No. 1**
 - Completeness of ancillary services: **No. 1**
 - Convenience of application periods: **No. 2**
- (Announced Dec. 2009)

★ **No. 1** in the March 14, 2009 issue of “Shukan Diamond” for auto insurance premiums

SBI AXA Life Insurance

★ **No. 1** in the “Kuchikomi (word-of-mouth) Ranking” for income security insurance
(Announced Jan. 2010)

★ Introduced on the front page of the November 2009 issue of “Economist Money” under “A Comprehensive Comparison of Insurance Premiums” as **“lowest premiums overall”** among 6 term insurance providers

★ Introduced in the February 2010 issue of “Nikkei Trendy” as **“lowest monthly premiums regardless of age at time of contracting if between 30 and 50 years of age”** among 6 term insurance providers

The SBIH Group's Continuing Advertisement Programs to Enhance Recognition

Late Dec. 2009 - the end of Mar. 2010

Topic: "Are you saving household expenses?"

Media : Transportation (at escalators, in trains, at stations), Newspapers, Magazines, Online



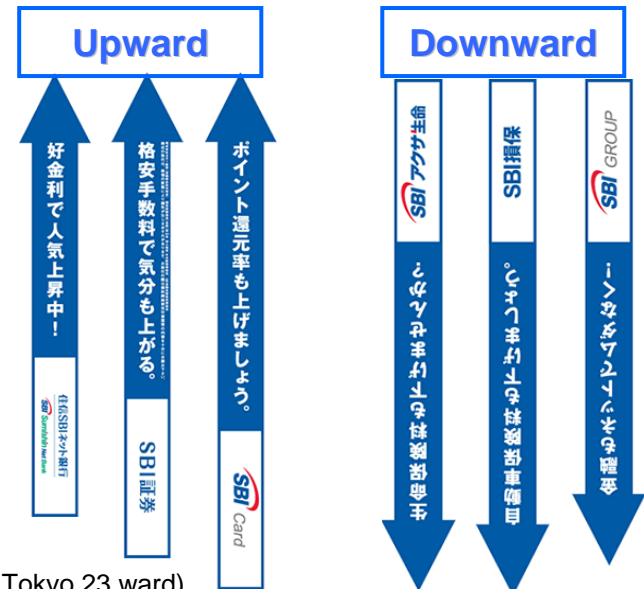
FY2010(after Apr.)

Planning TV Commercial

A recognition survey in January 2010 revealed that 65.2% of respondents answered that they "Know in detail", "Know roughly", and "Have heard of the name" of the SBIH Group (in the 23 wards of Tokyo)

The longest escalator advertisement of 38.4m in Nagata Station (Tokyo Metro)

Utilizing the double direction motion of escalators in accordance with the characteristic of each company .



② Work to Expand Our Global Financial Content Business to Become Japan's Largest Financial Product Distributor, but not Limiting Ourselves as Simply a Provider of Financial Products and Market Functions

Launched “The Wall Street Journal” Japan Edition as the first step in the provision of global financial contents

Wall Street Journal (WSJ) Japan Edition Started Providing its Information on December 15



- Start of the first full-fledged paid online media -

Operation:

Wall Street Journal Japan K.K.

Investment ratio:

SBI Holdings 40%

Dow Jones & Company 60%

- Reached monthly PV of approx. 1.5 million after launching services (from December 15, 2009 to January 14, 2010)
- “Twitter” launched at end of December with number of followers steadily increasing
- Roughly 200 articles a day appearing in WSJ.com carefully selected from a wide variety of fields and translated into Japanese
- In addition to editorials on finance, business, American politics and economics and other topics relating closely to Japanese readers, there is also a special Japanese version-only column and contributed articles from opinion leaders worldwide
- Provide “business English” as original Japanese content



米政府、サイバー攻撃で中国側に正式な調査要請の見通し

米政府は、インターネット検索最大手グーグルが主張するサイバー攻撃に関する調査を中国側に正式に要請する見通し。グーグルは中国側に検索結果の制限を中止するよう主張しているが、中国側はグーグルのこうした動きをこれまで軽視してきた。



米FRB、今月開催のFOMCで政策変更の公算小さい

米連邦準備理事会(FRB)高官らは今年、米景気拡大は極めて速いペースにとどまり、失業率の大幅低下にはつながらないと予想している。それにもかかわらず、今月26-27日に開く連邦公開市場委員会(FOMC)では、できることはそれほど多くないと結論する可能性が高い。

URL <http://jp.wsj.com/>

WSJ.com is One of a Few Successful Billing Models

Online version of WSJ “*online.wsj.com*” started in 1996 is known as **one of the few successful for-fee online media** among many other free content providers on the Internet



- **Subscribers : 1,067,000**
(as of Mar. 2009)
- **Annual subscription rate: 103 USD**
- **Monthly Avg. UU: 21.52 mil.**
- **Monthly Avg. PV: 220 mil.**

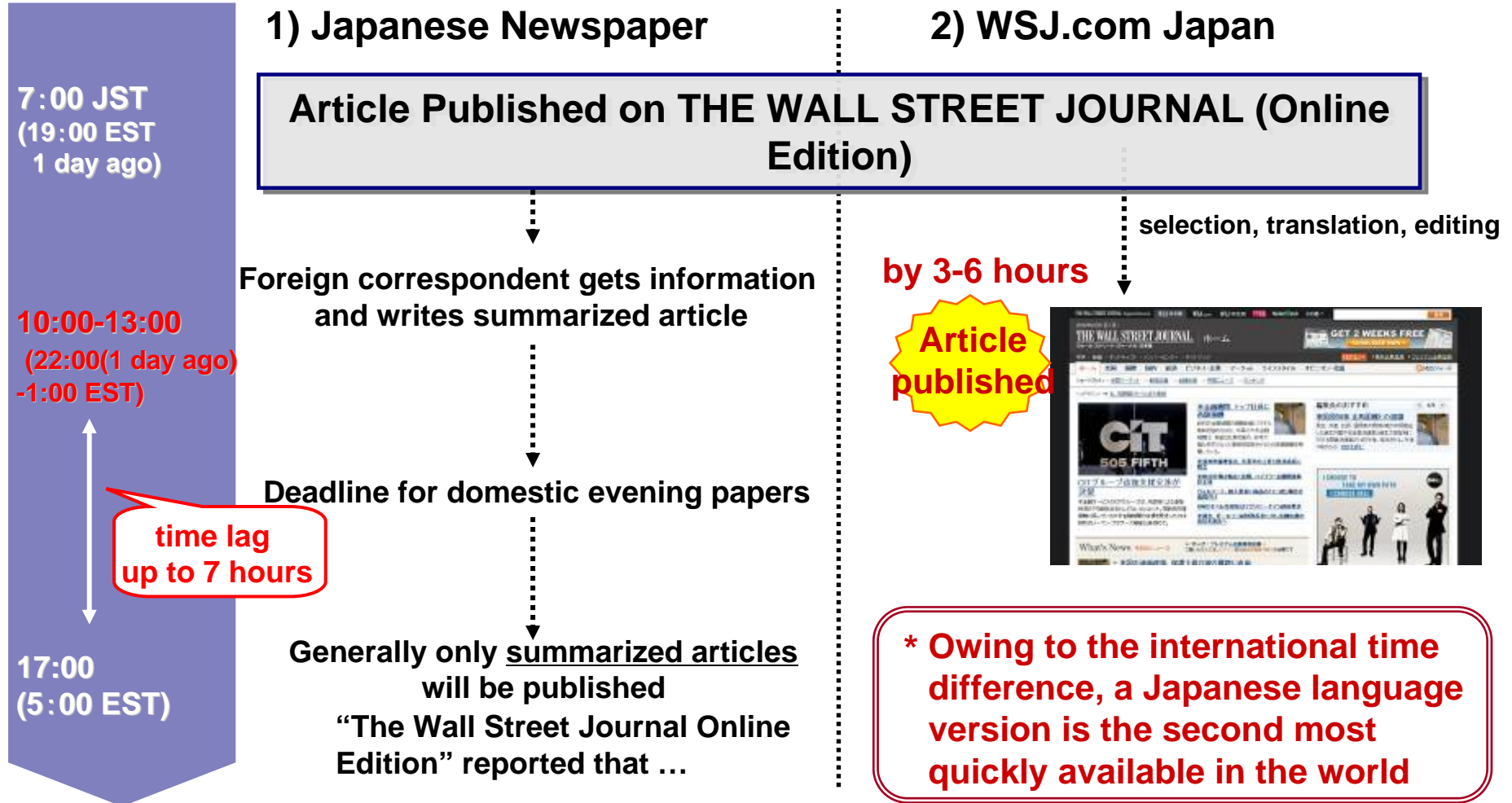
History and Achievement of WSJ started in the U.S

- Began in 1889, with **120 years history**
- **No.1 Subscriptions (over 1.87 mil.)** in U.S.
- Total of **2,000** correspondents and editors
- **122 editorial branches in 86 cities** worldwide
- Won Pulitzer Prize **33 times**

Superior Advance Reporting of the WSJ Japan Edition

Difference between foreign news posted on Japanese newspapers and on WSJ Japan

Article for WSJ (morning edition) (Image)



Major U.S. morning edition articles are available during the afternoon of the previous day in Japan

Becoming Japan's Largest Financial Products Distributor through the Simultaneous Provision of Financial Products, Marketing Functions and Global Financial Content



Currently discussing with Chinese companies in the JV establishment in order to increase information flow from China

Provision of attractive financial products



Online Securities



Internet non-life insurance



Internet life insurance



Agent of housing loans, etc.



Credit card

Provision of marketplace for better trading



Provision of market infrastructure for FX trading



Operation of Proprietary Trading System (PTS)

Provision of global financial content

THE WALL STREET JOURNAL.

ウォール・ストリート・ジャーナル 日本版 japan.WSJ.com

News distribution of WSJ.com, etc.



Provision of evaluation information of investment trusts, etc.

The Kabushiki Shimbun

News distribution of Japanese stock market, etc.

No. 1 among subscribers for paid content at Yahoo! Finance in Japan

FundBank

Financial information provider mainly tailored to investment trusts

SBI Money World

Social networking service exclusively for users of the SBIH Group

InsWeb

Provision of comparison information of financial product such as insurance and loans

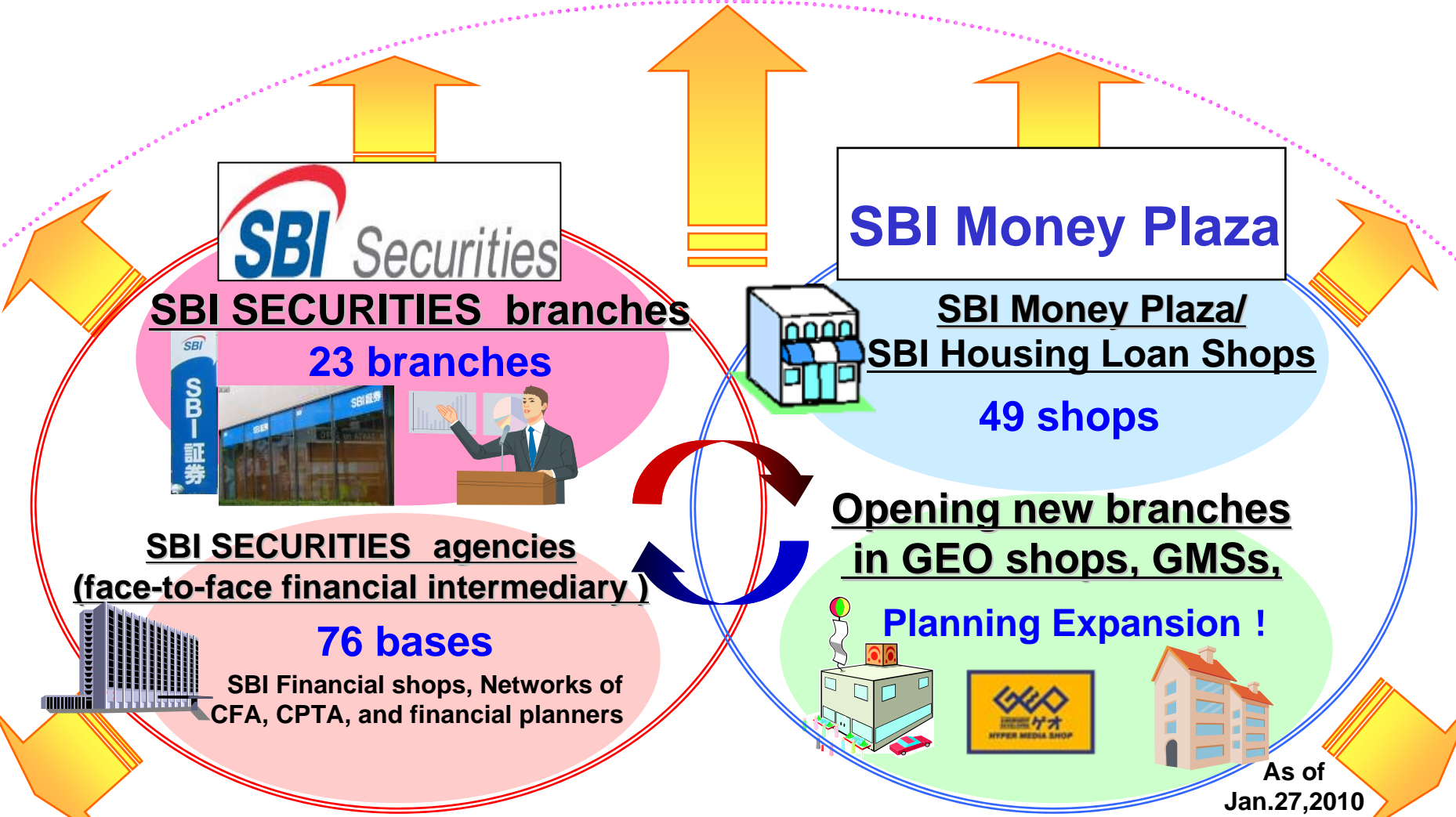
E-LOAN

③ Increase Face-to-face Channels in Order to Extend Customer Reach

Face-to-face Channels Continue to Increase Through New Store Openings and Strengthened Tie-ups



Having concluded an agency business contract, SBI Money Plaza stores will become agency service centers for SBI SECURITIES in order to further expand the Group's face-to-face channels



SBIH Groups' FY2009 target number of bases: 200

Provision of a Wide Range of Attractive, Low Cost Financial Products through Sales Channels Both Online and Face-to-face

Examples of “online” channels



Industry’s lowest brokerage commission and FX trading



Favorable interest rate



Industry’s lowest auto insurance premiums



Industry’s lowest life insurance premiums



Industry’s high level point redemption credit card



Industry’s lowest interest rate on long-term fixed interest mortgage

Examples of “face to face” channels

SBI Money Plaza

49 shops*

SBI SECURITIES

76 shops*

23 branches*

“Face-to-face” channel through alliances with companies possessing nationwide store network



964 stores in Japan
(including FC shops)



417 stores in Japan
(including FC shops)

Customers



* As of Jan. 27, 2010

④ Promote Inter-industry Collaboration to Enhance the Performance of New Businesses

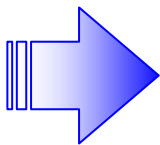
Future Development of SBI Card Requiring Inter-industry Collaboration

Issuance of “GEO Visa Card” and “SBI Card VISA” to create synergy by having Group companies reach new customers and increase the number of their transactions

【Schedule for returning card business to profitability by March 2013 (target)】

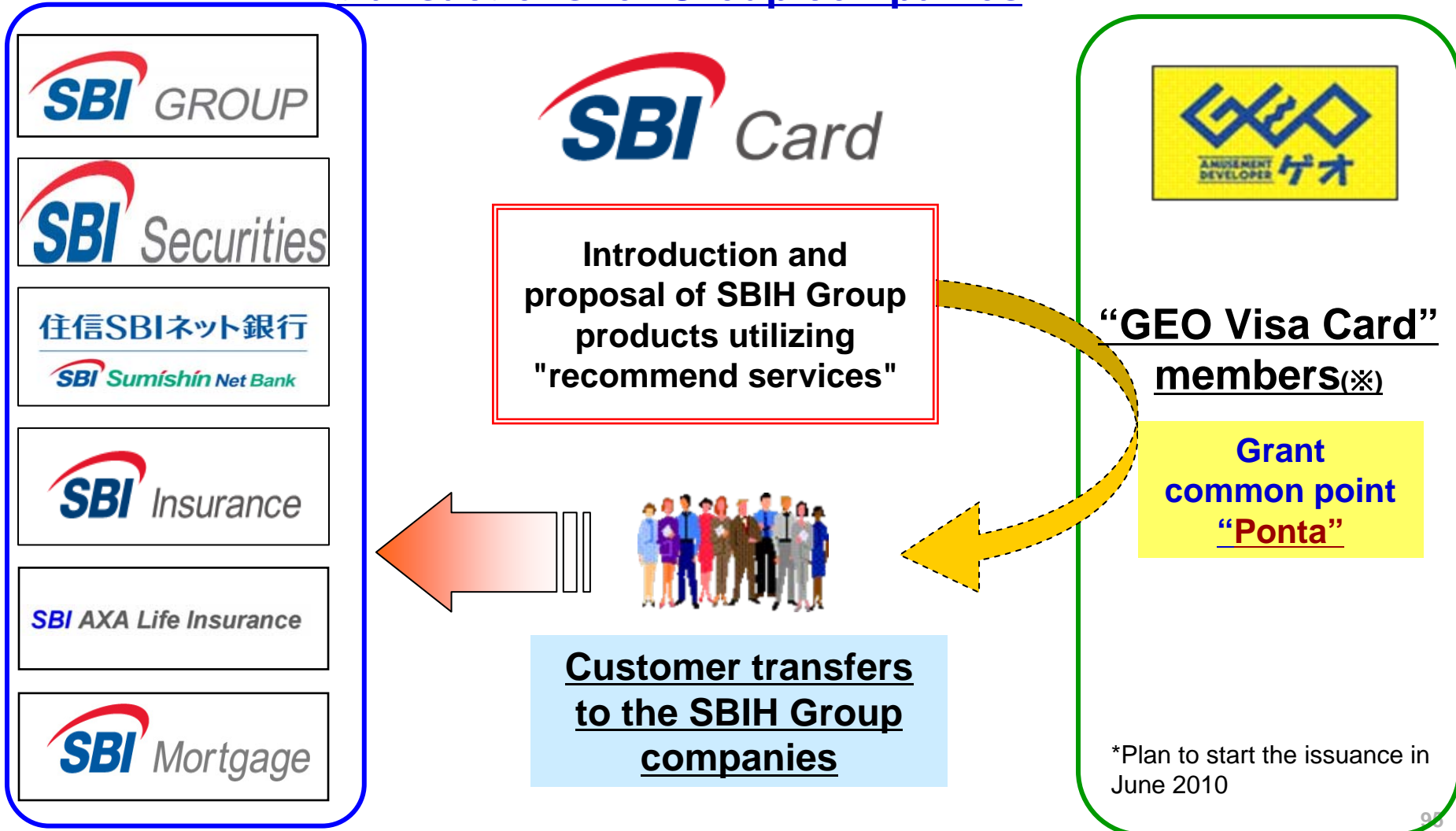
**Increase number of card issuances from 63,000 (end of Dec. 2009)
to 1 million (end of March 2013)**

- Feb. 2009 Acquired License from VISA Card
- Jan. 2010 (current) Preparing to construct acquiring system
- Jun. 2010 Plan to start issuing “GEO Visa Card”
alliance card for GEO Group members
- Oct. 2010 Plan to start issuing “SBI Card VISA”
 - Points boast top-class cash back return rate in the industry
 - Plan to increase point return gradually from 0.5% to a maximum of over 2% depending on level of transactions with SBIH Group companies



Create New Group Synergy Through SBI Card

Recommendation service and mutual point service,
among others, used to increase customers and
transactions for Group companies



*Plan to start the issuance in June 2010

Steady Progress Toward the Launch of SBI GEO Marketing, Established Jointly with Large Scale DVD Rental and Video Game Distributor GEO



51%



49%



SBI GEO Marketing Co., Ltd.

(established a joint venture in Nov. 30)

Offering of the SBIH Group's financial services to the customers of the GEO

【SBI Insurance】

- From July 2009, auto insurance have been offered and applications have been received at GEO stores*

【SBI Card】

- Plan to issue “GEO Visa Card” cards to registered customers of the GEO Group (June 2010 target).

【SBI Money Plaza (various financial products)】

- Establishment of “SBI Money Plaza” at GEO Stores. Currently preparing to open its first shop.

【SBI SECURITIES】

- Plan to offer securities agency of SBI SECURITIES

【SBI VeriTrans, SBI Sumishin Net Bank】

- Plan to offer settlement function to the GEO Group's web channel.

*initially at 350 stores

Seeking Further Synergy by Introducing Common Inter-industry Points



SBIH Group to participate in “Ponta” common points initially through affiliates

SBI GROUP



2,010,000 accounts

(As of Jan. 26: Advance report)

住信SBIネット銀行



670,000 accounts

(As of Jan. 25: Advance report)



Grant “Ponta” point with “GEO Visa Card”^{*1}

ポイント、ポンポンたまる。

Ponta
Point terminal



© Ponta

InsWeb

Annual number of estimate: 760,000

AutoCone

Annual user: 1,800,000^{*2}

*1 Plan to start the issuance in June 2010

*2 Grant Ponta points from the very beginning

“Ponta” affiliate companies

“Ponta” customer base has reached approx. 20 million.

Plan to acquire **30 million customer base and 30 affiliate companies** in three years from the launch of service

Lawson



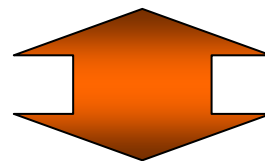
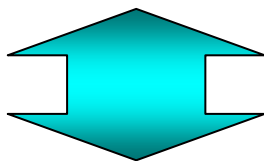
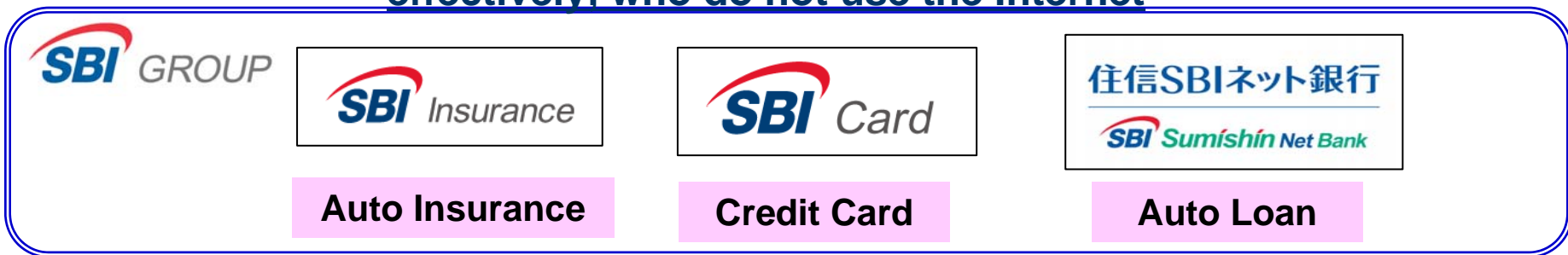
Showa Shell Sekiyu

- No. of members: approx. 10 mil.
- No. of members: approx. 10 mil.
- approx. 3,500 stores nationwide
- approx. 8,600 stores nationwide
- 964 stores nationwide

Planning the participation of companies from a wide range of industries such as **major restaurants, foods supermarkets, drug stores and department stores, etc.**

Significant Channel Expansion Through Business Alliances with Companies in Various Industries

Face-to-face channels enables us to approach customers effectively, who do not use the Internet



Expanded Channels through Alliances

Existing Channels of SBIH Group

<p>(23 branches, 75 bases)</p> <p>2,010,000 accounts</p> <p>(As of Jan. 26: Advance report)</p>	<p>670,000 accounts</p> <p>(As of Jan. 25: Advance report)</p>
--	---

Announcement of alliance Aug. 2009	Oct. 2009	Mar. 2008
DVD Rental Giant	Used Car Purchasing/ Selling Giant	Used Car Auction Sites Giant
<ul style="list-style-type: none"> Over 10 mil. of registered customers 964 stores nationwide 	<ul style="list-style-type: none"> Purchasing 250,000 used cars per year Selling 40,000 used cars per year 417 stores nationwide 	<ul style="list-style-type: none"> Registered companies: 15,000 Annual number of cars listed: 700,000



SBI AutoSupport, a JV with Used Car Auction Sites Giant "JAA", Increasing the Number of Registered Used Car Dealers

SBI Holdings
 【Auto-related financial services】

- Auto Insurance:
- Auto Loan:

70%



30%



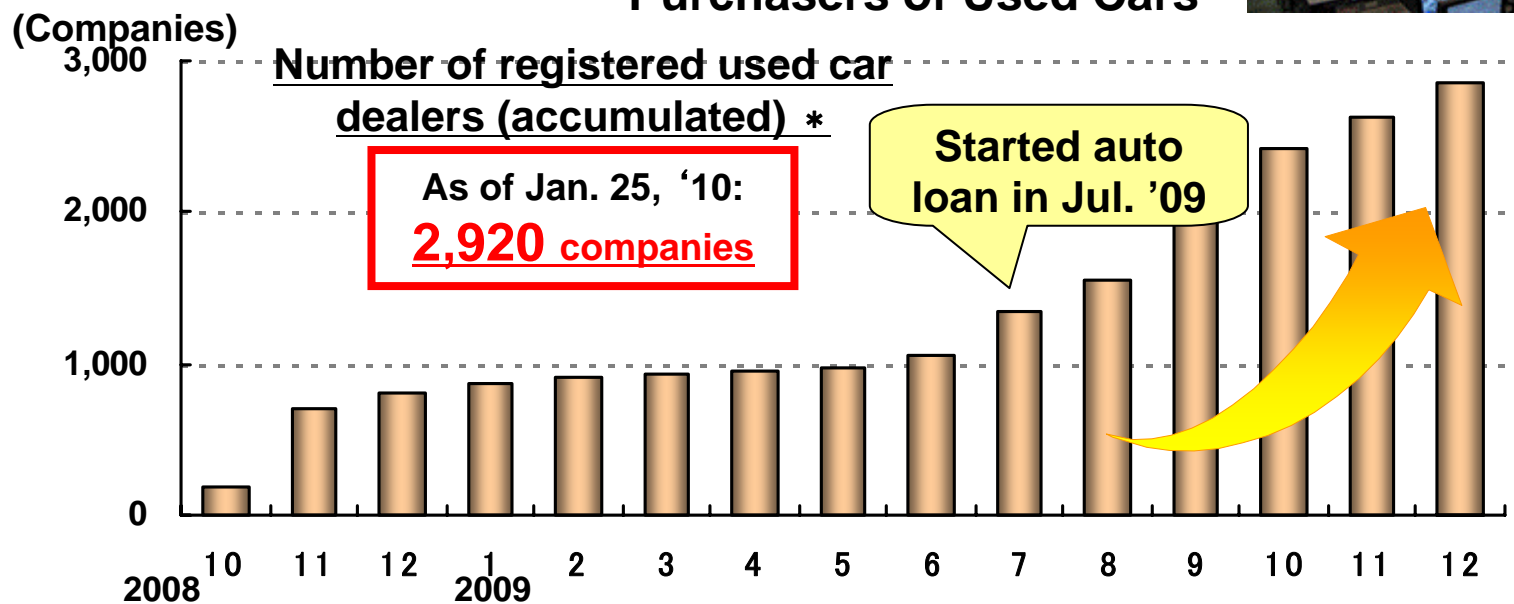
SBI AutoSupport Co., Ltd.

Provide customers with financial services through used car dealers

- Know-how of auction sites (Runs 3 domestic sites)
- Registered companies: more than 15,000
- Annual number of cars listed: approx. 700,000

Used Car Dealers

Purchasers of Used Cars



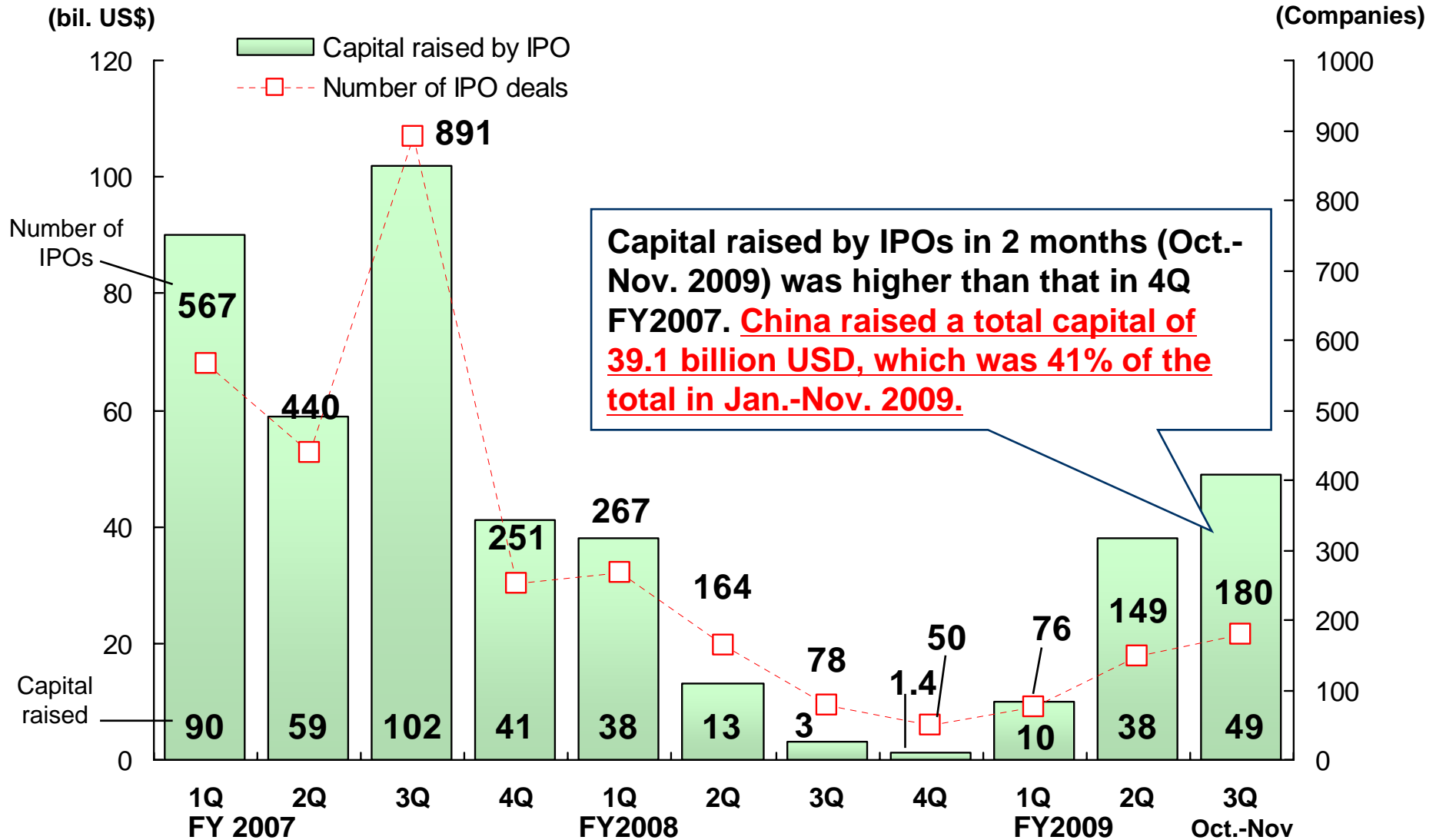
* Total of insurance and loan.

- (2)– ① Overseas Fund Operations Developing Primarily in Asian Emerging Countries Such as China**
- ② Transfer Internet Financial Ecosystem that was Established in Japan to the World**

① Overseas Fund Operations Developing Primarily in Asian Emerging Countries Such as China

China Pulling the World IPO Market Forward

The number of global IPOs and the capital raised on a quarterly basis



Performance of “New Horizon Fund I”

- 8 of the 10 companies are now public since its launch in May 2005.
- Accumulated total operating income by 3Q FY2009 was **9.67 billion yen** from the beginning .
- Our shareholding represents unrealized profit of **approx. 4.4 billion yen** as of January 26, and profits will be maximized by selling at the most appropriate timing.

Portfolio companies	Investment	Category	IPO / M&A (planned)	Capital Gain			(Unit: million US\$)
				End Mar.08	End Mar. 09	as of Jan. 26	
Sichuan Meifeng Chemical Industry	8.3	A-Class share		63.7	26.4	16.3	IPO'd (market value)
Changsha Zoomlion Heavy Industry Science & Technology Development	2.6	A-Class share		144.6	66.6	60.6	
China Printing & Dyeing Holding	-	IPO		0.2	-	※1 -	
Yingli Green Energy Holding	-	IPO		4.5	-	-	
Kingsoft	-	IPO		2.3	4.4	-	
Goldwind Science and Technology	0.5	A-Class share		124.9	29.9	11.9	
China Cord Blood Corporation	4.1	IPO		17.6	17.6	11.8	
Jiangsu Ealong Biotech	-	-	-	5.6	5.6	-	Pre-IPO/M&A (estimated value)
Shineway Group	20.4	Pre-IPO	2010	15.0	15.0	15.0	
Cathay Industrial Biotech	12.0	Pre-IPO	2011	79.1	79.1	79.1	
Total	47.9			457.5	244.6	194.7	

bil. yen (approx.): (45.8) (24.0) (17.6)

【Received Dividend】*2 (Unit: billion yen) ➔ 【Estimated Dividend after 4Q FY2009】 (as of Jan. 26, 2010)

Foundation – FY2007	FY2008	FY2009 1-3Q	FY2009 4Q	FY2010	FY2011	Total Estimated Dividend after FY09 4Q
0.9	6.1	4.7	3.1	2.3	3.0	8.4

Note: Receipt of dividends depends on the timing of sales, the figures are not determined yet.

*1 in the course of liquidation

*2 sales amount after deduction of expenses associated with sales. Estimated dividend has been reduced due to the occurrence of success fee payment for the general partner.

New Horizon Capital (“New Horizon Fund II”) is Also Expected to Perform Exceptionally Well



Of the 16 companies in the New Horizon Capital portfolio, 3 have already exited. 7 other companies are planning to go public, or to be merged in this or the next fiscal year.

Already Exited: 3 companies

Company name	IPO / M&A	Date
GCL	M&A	June 2009
BBMG	IPO	July 2009
<i>New</i> Windrace	M&A	October 2009

Planned to Exit: 7 companies

* Below are the estimation as of January 26, and are subject to change over time

Company name	IPO / M&A	Schedule
New Century	M&A	Year 2010
Meihua	M&A	Year 2010
Navinfo	IPO	First half 2010
YuHeng	IPO	First half 2010
Rong Sheng	M&A	Year 2010
Sunac	IPO	First half 2010
Sinovel	IPO	Year 2010


Overseas VC Funds Steadily Progressing


- In FY2009, invested 5,894 mil. yen in 13 companies by 3Q *1 -




Funds in operation*2 (No. of portfolio companies / Investment balance (mil. yen))

NHF I 
 (6 companies / 4,879 mil. yen)
 (Incl. 5 IPO companies)

NHF II (invest as a limited partner) 
 (16 companies / 44,499 mil. yen) (Incl. 3 IPO companies)

Beijing University Fund 
 (1 company / 1,841 mil. yen)


Tsinghua University Fund 
 (2 companies / 229 mil. yen)

Taiwan Fund 
 (1 company / 29 mil. yen)


Vietnam Fund 
 (8 companies / 2,737 mil. yen)


India Fund 
 (1 companies / 427 mil. yen)

Funds in waiting (Investment Commitment)

 **Hungary Fund**
 (13,192 mil. yen)

 **Masdar Fund**
 (1,841 mil. yen)

 **Russia Fund**
 (9,207 mil. yen)

 **Joint Fund with Chinese 3 companies** (Offshore: 1,885 mil. yen / Onshore: 809 mil. yen)

Keio University Fund
 (500 mil. yen)

 **Malaysia Fund**
 (4,604 mil. yen)

*1 Includes 1 company (1,325 mil. yen) invested by NHF II, which the SBIH Group invest in as a limited partner

*2 Number of portfolio companies and Investment balance are on a balance basis

② Transfer Internet Financial Ecosystem that was Established in Japan to the World

Bank Investment in Emerging Asian Countries

**Broaden the business base in emerging Asian countries
with bank investments as a starting point**

Vietnam

Tien Phong Bank



(Started the operation in May 2008.

SBIH acquired 20% shares in Aug. 2009)

Recorded a profit in the first FY, and surged in the second FY. Established 5 branches and 6 sub-branches in addition to the head office

(FY ended Dec. 2009 <advance report>)

Operating Revenue 16.7 mil. USD	No. of accounts 19,093
Profit after Tax 6.7 mil. USD	Deposits 229 mil. USD
Total Asset 580 mil. USD	Loans 171 mil. USD



Cambodia

Phnom Penh Commercial Bank



(Started operation in Sept. 2008. SBIH invest in 40% shares)

Profitability is steadily increasing, and recorded a profit in the second FY. Established its first branch on January 26.

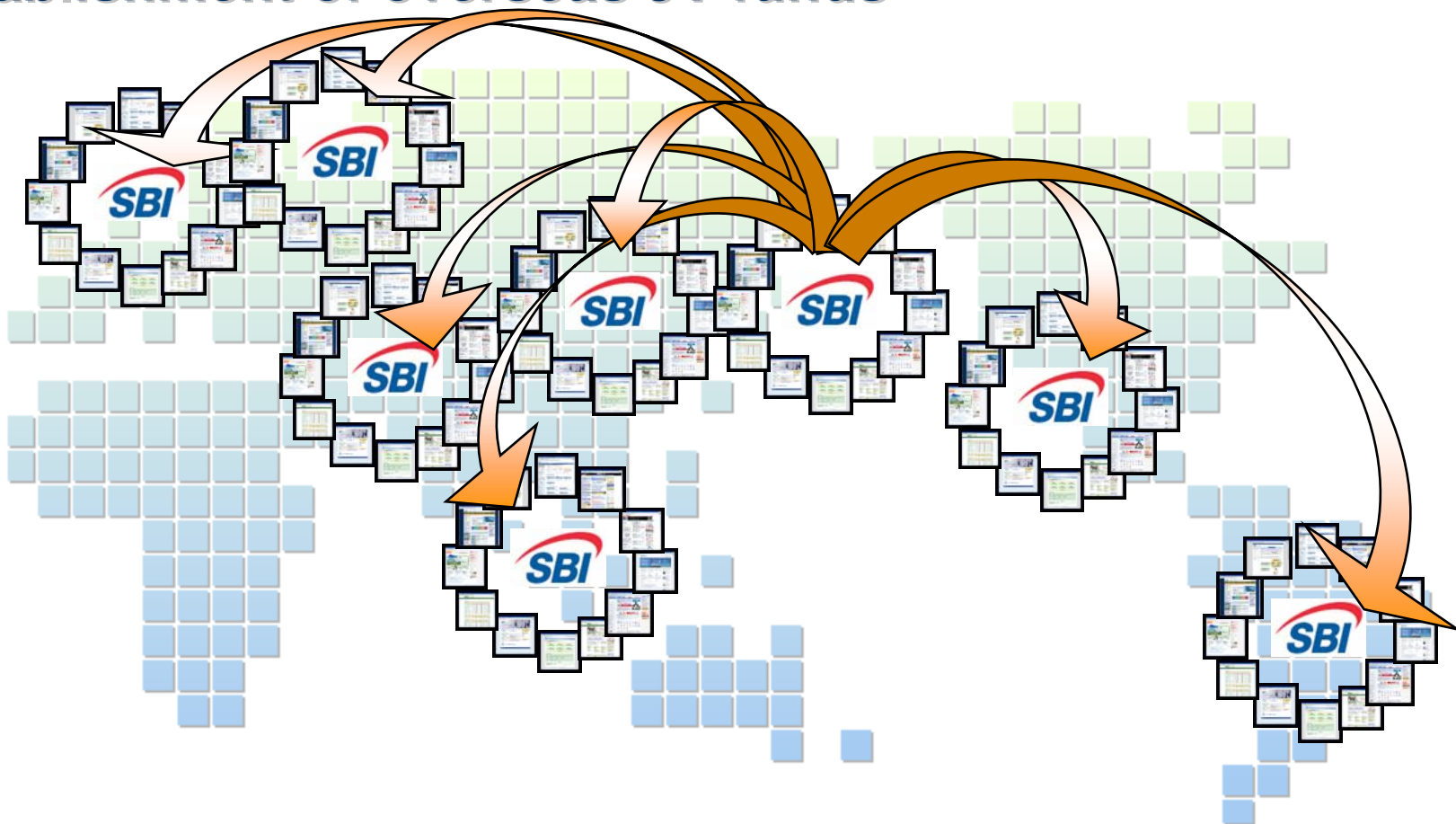
(FY ended Dec. 2009 <advance report>)

Operating Revenue 1.9 mil. USD	No. of accounts 1,686
Profit after Tax 0.4 mil. USD	Deposits 19.1 mil. USD
Total Asset 34.1 mil. USD	Loans 12.7 mil. USD



Negotiating on terms and conditions to an **investment in a Russian bank**, an affiliate bank of IFC METROPOL, which is SBIH's business partner in Russia

Transferring SBIH Group's Internet based financial ecosystem to emerging markets in Asia and elsewhere, utilizing partnerships built through the establishment of overseas JV funds



From Japan's SBI to the world's SBI

Progress of Future Revenue Bio-related Businesses

Progress of Bio-related Businesses

SBI Biotech

- In early December last year, a novel nucleotide project through an alliance with Changchun Huapu Biotechnology in China started clinical phase I test in the U.S.
- An immunocell therapy project through an alliance with Baylor Research Institute (U.S.) is testing clinical phase II in the U.S., and plans are in place to start clinical tests in Japan.
- In January, launched shopping website for health food called “Nosutto Sarunashi” which was developed in collaboration with Helixir of South Korea (currently ViroMed). Also, product placement on a cable television shopping channel broadcast was started on January 21st for the hay fever season.

SBI ALA promo

- ALApharna GmbH, established in June 2009 jointly with medac GmbH., is preparing for registration of supplement in Europe.
- In Japan, started to sell products of ALA-containing handcream and cream for beauty, and currently preparing to sell an ALA-containing new beauty product, which is under development.
- Plan to sell ALA-containing supplement in Japan from April 2010.
- Started a class in Tokyo Institute of Technology for the study of “ALA” in the healthcare field in November 2009.

Biotechnology Related Investee Companies' R&D Continues to Progress Steadily



Quark Pharmaceuticals, Inc. (Shareholding ratio of the SBIH Group: 24.87%)

1) QPI-1002 (prophylaxis of delayed graft function (DGF) and acute kidney injury (AKI))

- In Jan. 2010, the independent Data Safety Monitoring Board recommended that QPI-1002 continue on to the next phase of clinical testing.

2) QPI-1007 (ischemic optic neuropathy, glaucoma)

- Developed in collaboration with BioSpring GmbH as a neuroprotective agent for eye diseases
- By Mar. 2010, will begin a Phase I/ II study of QPI-1007

3) PF-4523655 (Wet age-related macular degeneration (AMD), diabetic macular edema (DME))

- Licensed to Pfizer on an exclusive worldwide basis
- In Oct. 2009, granted to Quark from a Japanese National Phase Application of International (PCT) Patent Application No. PCT/US98/17296, a patent which is part of the intellectual property estate that is the basis of PF-4523655.
- Currently, in its Phase I/II clinical trial.

Acucela Inc. (Shareholding ratio of the SBIH Group: 26.34 %)

ACU-4429 (Dry age-related macular degeneration (AMD))

- Acucela has forged a strategic partnership with Otsuka Pharmaceutical, Co., Ltd. to co-develop ACU-4429
- In Jan., 2010, initiated phase 2 clinical trial

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