



*Strategic
Business
Innovator*

SBI Holdings, Inc.
FY2009 Financial Results
(Year Ended March 31, 2010)

April 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

Summary of FY2009 and Future Business Expansion

- 1. Consolidated Performance Bottoms Out**
- 2. Results of Rationalization Efforts Focused on Cost Reduction and Reorganization and Transition to Aggressive Management**
- 3. Dynamic Business Expansion Geared Towards New Future Growth**

1. Consolidated Performance Bottoms Out

FY2009 Consolidated Performance



Recorded a surplus in net income for the first time in two years, despite booking a total allowance related provision of 8.3 billion yen (incl. 2.0 bil. yen as extraordinary loss)

Forecast for dividend per share is 100 yen (incl. commemorative dividend of 50 yen for 10 year anniversary)

(Unit: million yen)

	FY2008 Year ended Mar. 2009	FY2009 Year ended Mar. 2010	YoY change (%)
Operating Revenues	130,922	124,541	-4.9
Operating Income	*1 4,403	*3 3,431	-22.1
Ordinary Income	37	1,112	2,875.4
Net Income	*2 -18,375	*4 2,350	—

Equity ratio as of the end of Mar 2010 is 29.2% (when eliminating all asset and liability items associated solely with the securities company; 45.0%), maintaining sound financial condition.

*1 Recorded valuation losses of 1.5 bil yen on cost of operational investment securities for VSN, in which SBI Capital invests through SBI Value Up Fund No. 1.

*2 Recorded an extraordinary gain of 10.5 billion yen from the sale of E*TRADE Korea stock
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, allowance for doubtful accounts of 2.5 bil. yen for loan to ZEPHYR, and valuation losses on investment securities of 6.8 bil. yen for Sumitomo Trust & Banking shares, and valuation loss on equity method affiliate of 1.4 bil. yen for Broadmedia shares as extraordinary loss

*3 Amortization cost of goodwill increased 1.8 bil. yen due to making SBI SECURITIES a wholly owned subsidiary and loss, and recorded allowance for losses on investment securities of 2.6 bil. yen for KTIC Holdings shares.

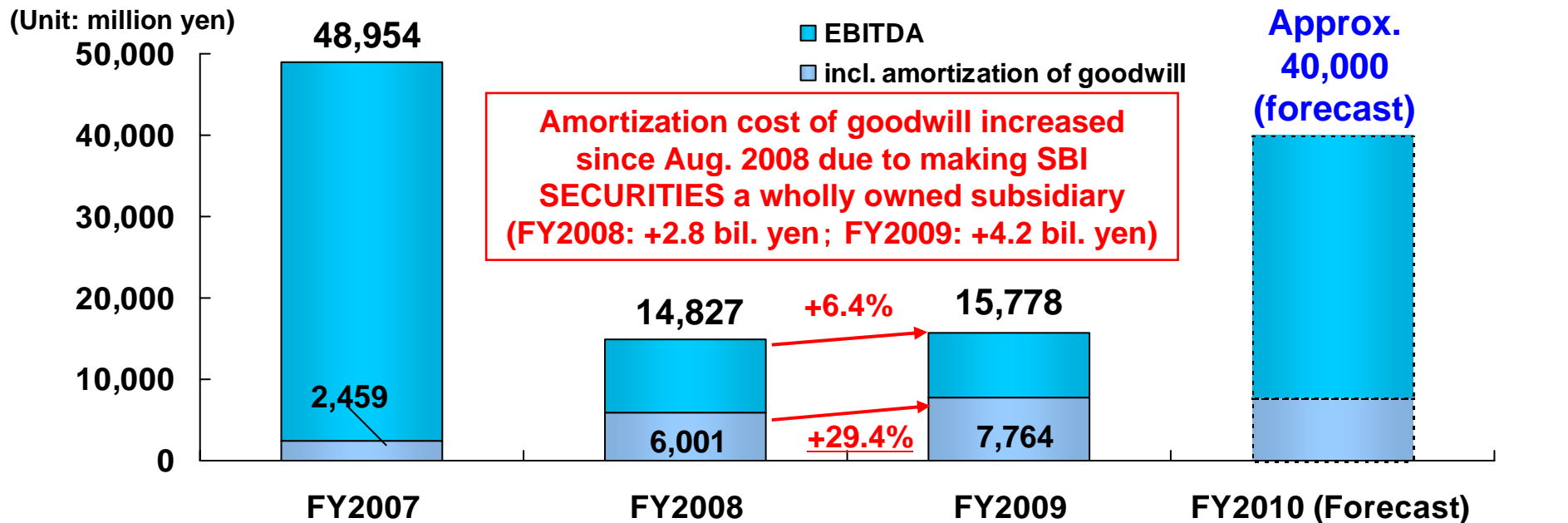
*4 Recorded an extraordinary gain of 0.8 bil. yen for the transfer of SBI AXA Life Insurance shares, and of 1.5 bil. yen for the transfer of Broadmedia shares.
Recorded an extraordinary provision for allowance for doubtful accounts of 1.5 bil. yen for loan to ZEPHYR as extraordinary loss

Change in EBITDA* and Forecast for FY2010

In FY2009, EBITDA increased 6.4% to 15.8 bil. yen after bottoming out in FY2008

Factors contributing to the difference from the previous FY2009 forecast of 20 bil. yen announced on March 11:

- 2.6 bil. yen of provision for valuation allowance for operational investment securities for KTIC Holdings
- 1.0 bil. yen of income gain from New Horizon Fund delayed to be recorded until 1Q 2010



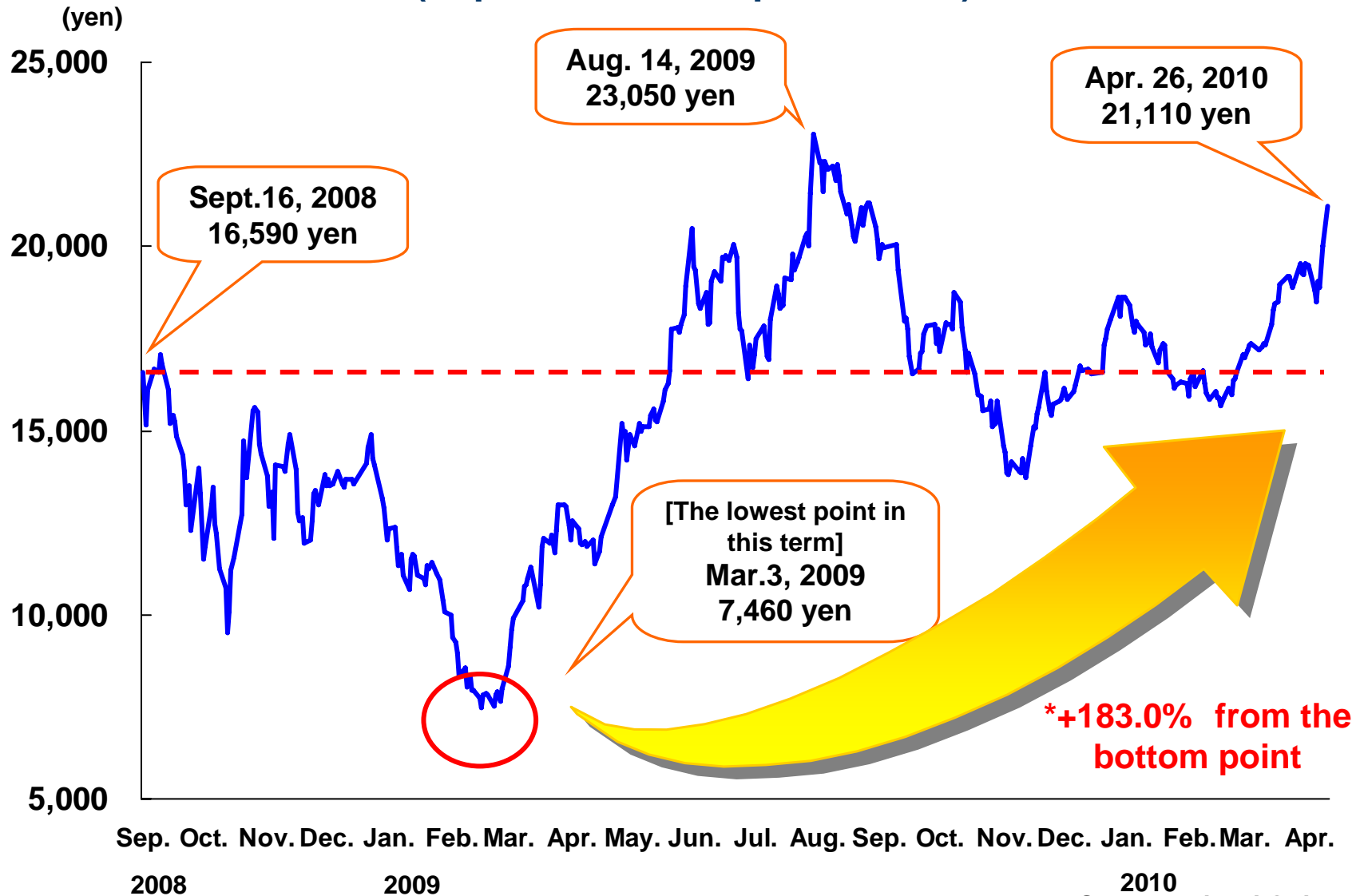
*EBITDA=operating income + allowance for depreciation + goodwill amortization

Assumption for FY2010 projections

- Macroeconomic indicators:** Economic growth rates provided in the IMF's "Global Economic Prospects" are used as assumptions. (Japan: 2010 1.9%, 2011 2.0%; USA: 2010 3.1%, 2011 2.6%; China: 2010 10.0%, 2011 9.9%)
- Asset Management Business:** Contribution to operating income from overseas (except bio-related) investments: 3 to 4 billion yen
Contribution to operating income from domestic and bio-related investments: 4 to 5 billion yen
- Securities Related Business:** Total of approx. 29 billion yen operating income contribution is expected if the market rebounds to a level of annual individual brokerage trading value of approx. 240 tril. yen (same level as FY2007: normal conditions).
- Other businesses:** Operating income of approx. 3 billion yen is expected from contributions such as profitability of new businesses, sustainable growth for listed subsidiaries and favorable environment for SBI Mortgage

Change in Share Price of SBI Holdings Since the Lehman Shock

(Sept. 16, 2008 - Apr. 26, 2010)



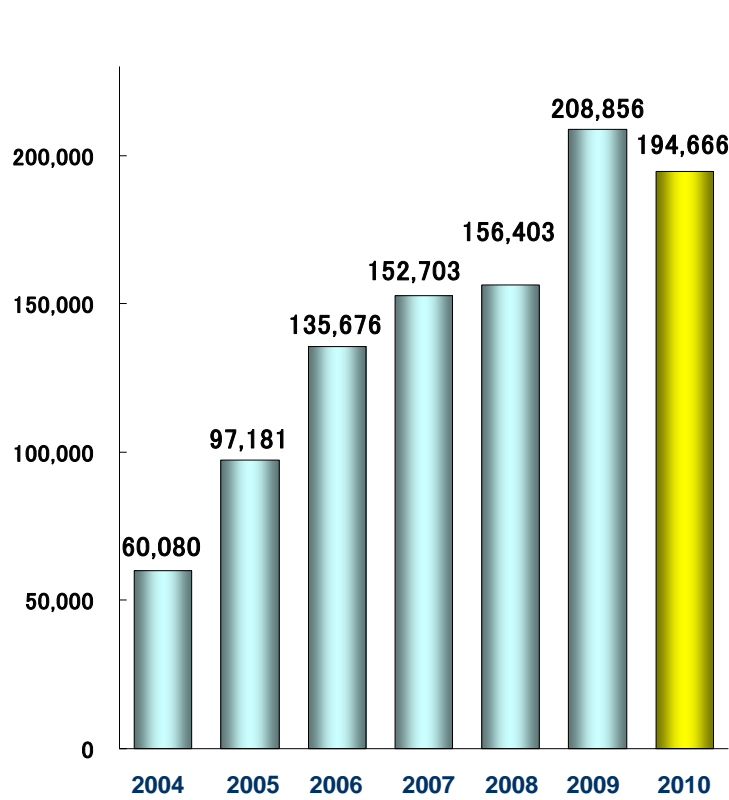
SBI Holdings' Shareholder Composition

Foreign investors' shareholding ratio rapidly increased after FY2008

24.2% (Mar. 2008) → 44.2% (Mar. 2009) → **45.2% (Mar. 2010)**

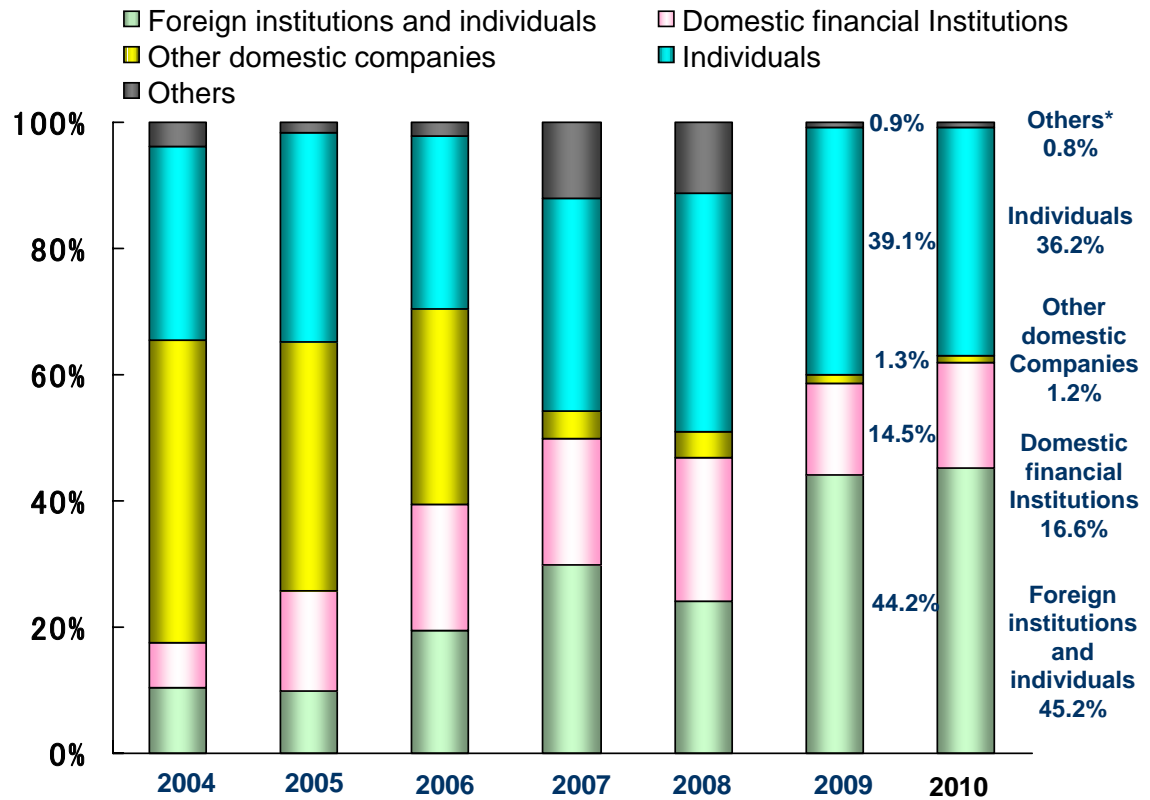
Number of Shareholders

Shareholder Composition



* End of March

(including holders of less than one trading unit)



* End of March

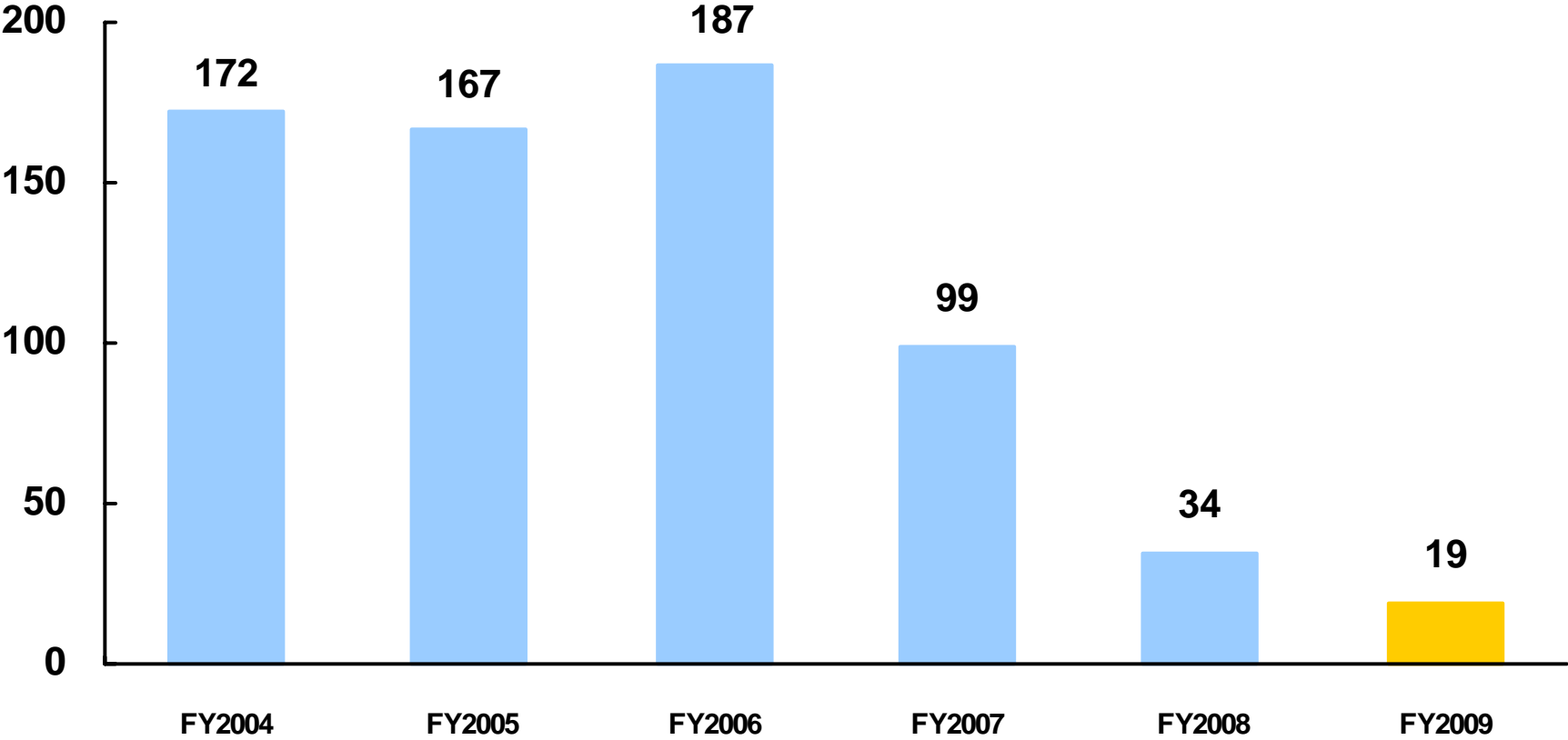
*Others includes treasury stock (0.08%)

[Signs of Bottoming Out in Each Segment]

Number of IPOs in Japan on a FY Basis

During FY2009, only 19 companies completed IPOs, which was much fewer than in FY2008.

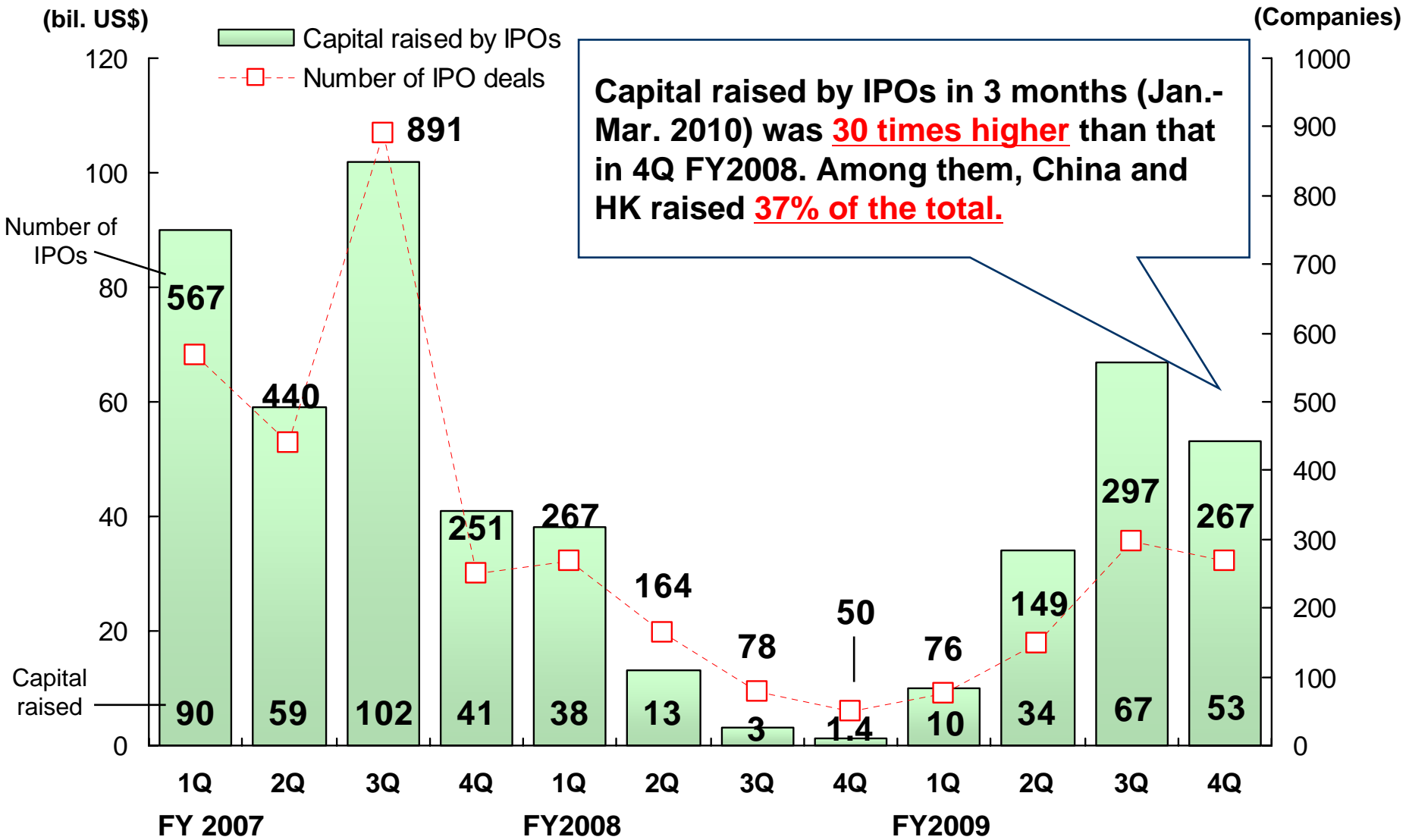
(Unit: companies)



Source: Stock exchanges in Japan

Global IPOs Bottomed in FY2008

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



IPOs and M&A Deals in the Asset Management Businesses

	From Jul. 1999 (start of operations) to Mar. 2008	FY2008	FY2009
IPOs and M&A deals	111	0	* 11

Jun. 23	GCL Solar Energy Technology Holdings Inc.	(M&A) *
Jun. 30	China Cord Blood Services Corporation	(M&A)
Jul. 29	BBMG Corporation	(Hong Kong) *
Oct. 21	Windrace International Company Limited	(M&A) *
Oct. 23	D. Western Therapeutics Institute, Inc.	(JASDAQ NEO)
Nov. 10	Helixir Co.,Ltd.	(M&A)
Nov. 20	FOI Corporation	(TSE Mothers)
Nov. 20	TECMOWAVE,LTD.	(M&A)
Jan. 18	Ku6 Holdings Limited	(M&A)
Mar. 3	Anicom Holdings, Inc.	(TSE Mothers)
Mar. 5	ESCRIT	(TSE Mothers)

In FY 2010, 1 company below has already exited through M&A

Apr. 1	MEDICAMOBILE	(M&A)
--------	--------------	-------

*includes 3 portfolio companies of New Horizon Capital, the second fund, in which SBIH invested as a limited partner.

Performance Comparison with a Major VC Company

FY2009 performance comparison of SBIH Asset Management Business and JAFCO

(Unit: bil. yen, %)

	Operating Revenues	YoY Change	Operating Income	YoY Change
SBIH Group's Asset Management Business	20.2	+26.4	^{*3} 1.8	-28.2
JAFCO(*without consolidating funds)	16.7	-22.2	-5.0	N/A

<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	^{*4} N/A

*1 JAFCO adopts method of excluding the consolidation of funds, whereas the performances of the SBIH include the consolidation of funds.
In FY09 JAFCO's net loss posted 2.2 bil. yen and net loss posted 17.0 bil. yen in full year.

*2 Amounts are rounded to nearest 100 million yen

*3 Recorded allowance for losses on investment securities of 2.6 bil. yen for KTIC Holdings shares.

*4 Operating income of FY07 posted 10.9 billion yen

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

“New Horizon Fund I” Continues its Profit 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
- Capital gains of SBIH’s shareholding (50%) accompanied with a total sales value of 4.1 bil. yen for FY2009 amounted to 3.2 bil. yen. Profit contribution (as an investor) to the consolidated operating income amounted to 2.2 bil. yen.
- Selling Zoomlion shares, which was postponed due to its capital increase procedure, will resume in May, 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	3,916
2Q	1,005	916	184	267	2,372
3Q	911	-	-	-	911
4Q	383	-	652	-	1,035
Total	2,299	1,781	2,451	1,703	8,234

As of April 26, SBIH shareholding represents an unrealized profit of approx. 5.2 bil. yen, with targeted selling to resume at the most appropriate time to maximize profits

New Horizon Capital (“New Horizon Fund II”) has Already Invested in 19 Companies



Of the 19 companies in the New Horizon Capital portfolio, 4 have already exited. 14 other companies are planning to go public or to be merged by 2013.

Already Exited: 4 companies

Company name	IPO / M&A	Date
GCL	M&A	Jun. 2009
BBMG	IPO	Jul. 2009
Windrace	M&A	Oct. 2009
Rongsheng	M&A	Feb. 2010

SBIH shareholding represents an unrealized gain of **0.9 bil.** for already existed companies (as of April 26)

Planned Exits: 14 companies

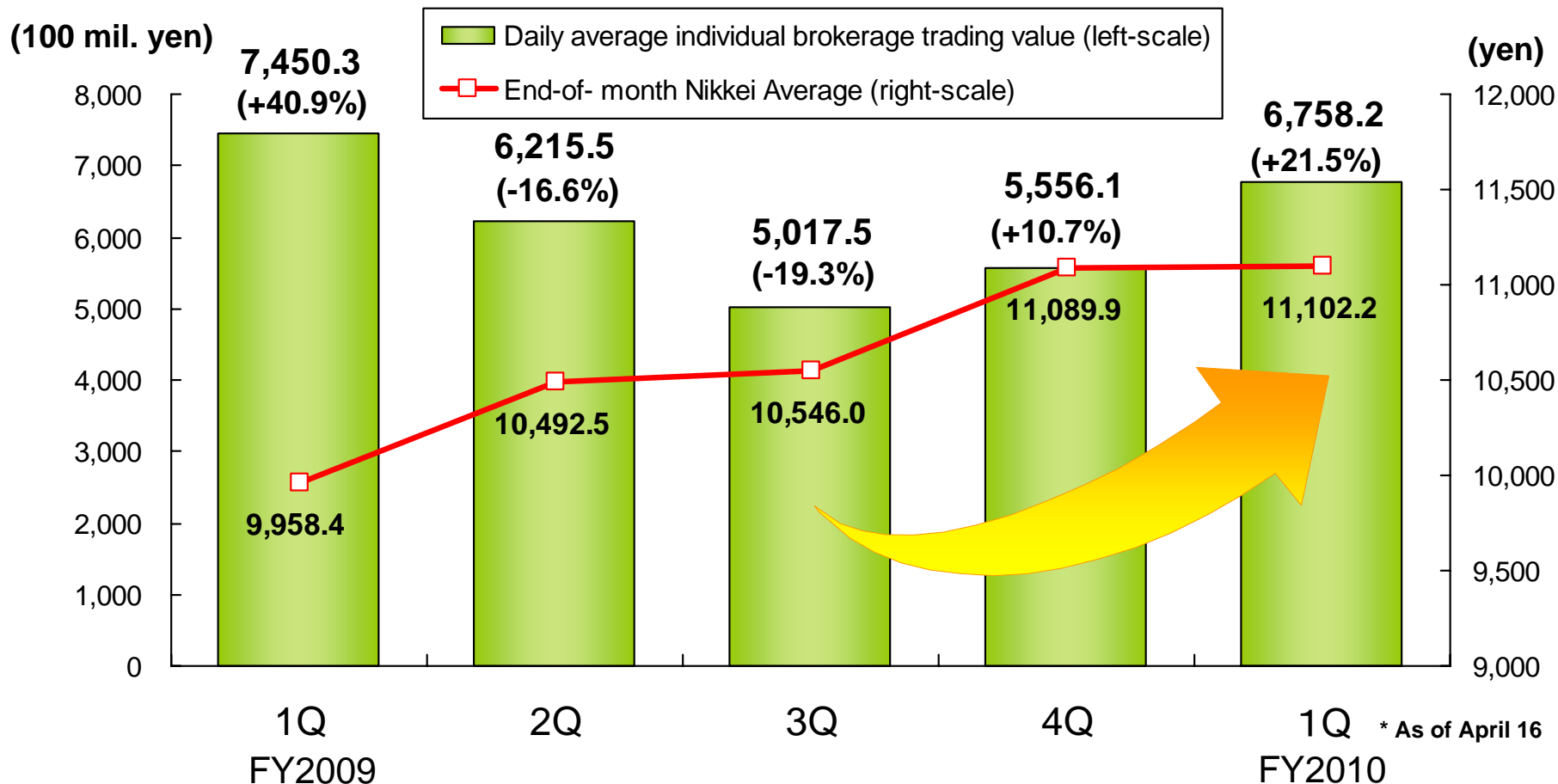
* Below are estimations as of April 2010, and are subject to change over time

Company name	IPO / M&A	Schedule
Navinfo	IPO	May. 2010
Yuheng	IPO	Jun. 2010
Emarket	M&A	Year 2010
New Century	M&A	Year 2010
Tianhe	M&A	Year 2011
Sunac	IPO	Year 2011
Nineyou	M&A	Year 2011

Company name	IPO / M&A	Schedule
Meihua	M&A	Year 2011
Jiahua	M&A	Year 2011
Haoyue	IPO	Year 2011
CTS	IPO	Year 2011
Cathay	IPO	Year 2012
CGA	IPO	Year 2012
Sinovel	IPO	Year 2013

Individual Brokerage Trading Value is Recovering from its Bottom of 3Q FY2009

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



•Japanese Stocks listed on Tokyo Stock Exchange, Osaka Stock Exchange and Nagoya Stock Exchange (including TSE Mothers, OSE Hercules and NSE Centrex)

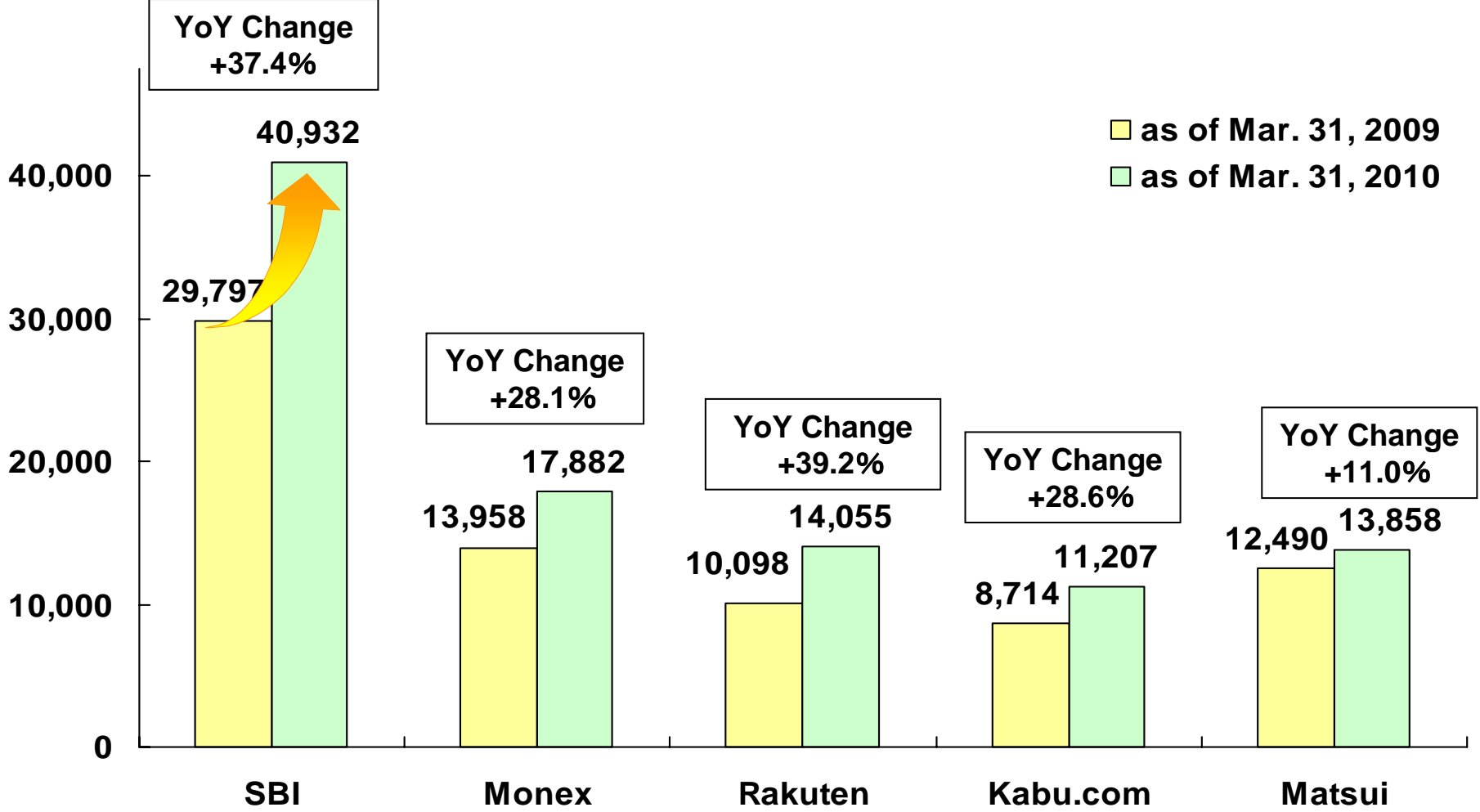


Customer Assets Have Increased Considerably

Customer assets at SBI SECURITIES have increased by **37.4%** since the previous fiscal year

(38.4% when limited to online accounts only)

(100 mil. yen)



Source: Compiled by SBIH from information disclosed by each company

SBI SECURITIES' Financial Results Recovers After Bottoming Out in FY2008 (1)

There was a decrease in consolidated revenues and earnings in FY2009 owing to the inclusion of E*Trade Korea's results until 2Q FY2008

Change in SBI SECURITIES' Consolidated Results (million yen, %)

	FY2007 *1	FY2008 *2	YoY Change	FY2009	YoY Change
Operating Revenues	64,499	47,543	-26.3	46,114	-3.0
Net Operating Revenues	58,017	42,190	-27.3	42,393	+0.5
Operating Income	22,842	9,651	-57.7	12,454	+29.0
Ordinary Income	22,405	9,390	-58.1	12,345	+31.5
Net Income	11,923	*3 10,148	-14.9	7,311	-28.0

*1 Including E*Trade Korea's result (operating revenues: 8,914 mil. yen, net operating revenues: 8,120 mil. yen, operating income: 3,170 mil. yen, ordinary income: 3,179 mil. yen, net income: 2,225 mil. yen)

*2 Including E*Trade Korea's result from Apr. 2008 to Sept. 2008 (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)

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

SBI SECURITIES' Financial Results Recovers After Bottoming Out in FY2008 (2)

<Reference> Estimate of Consolidated Financial Results with Elimination of E*TRADE Korea's Financial Result and Extraordinary Gain on the Sale of E*TRADE Korea's Stock

(million yen, %)

	FY2007	FY2008	YoY Change	FY2009	YoY Change
Operating Revenues	55,588	44,373	-20.2	46,114	+3.9
Net Operating Revenues	49,899	39,325	-21.2	42,393	+7.8
Operating Income	19,671	8,529	-56.6	12,454	+46.0
Ordinary Income	19,226	8,255	-57.1	12,345	+49.6
Net Income	11,772	3,663	-68.9	7,311	+99.6

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

SBI SECURITIES' Financial Results Recovers After Bottoming Out in FY2008 (3)

There was an increase in non-consolidated revenues and earnings mainly due to an increase in trading revenue from FX trading in FY2009

SBI SECURITIES FY2009 Financial Results (Non-consolidated) (million yen, %)

	FY2007	FY2008	YoY Change	FY2009	YoY Change
Operating Revenues	53,963	44,223	-18.0	45,662	+3.3
Net Operating Revenues	49,485	39,249	-20.7	42,023	+7.1
Operating Income	19,696	8,532	-56.7	12,407	+45.4
Ordinary Income	19,248	8,257	-57.1	12,303	+49.0
Net Income	11,828	※ ¹ 12,428	+5.1	7,304	-41.2

*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 for FY2008 is 4,002 mil. yen and YoY change for FY2009 is up 82.5%

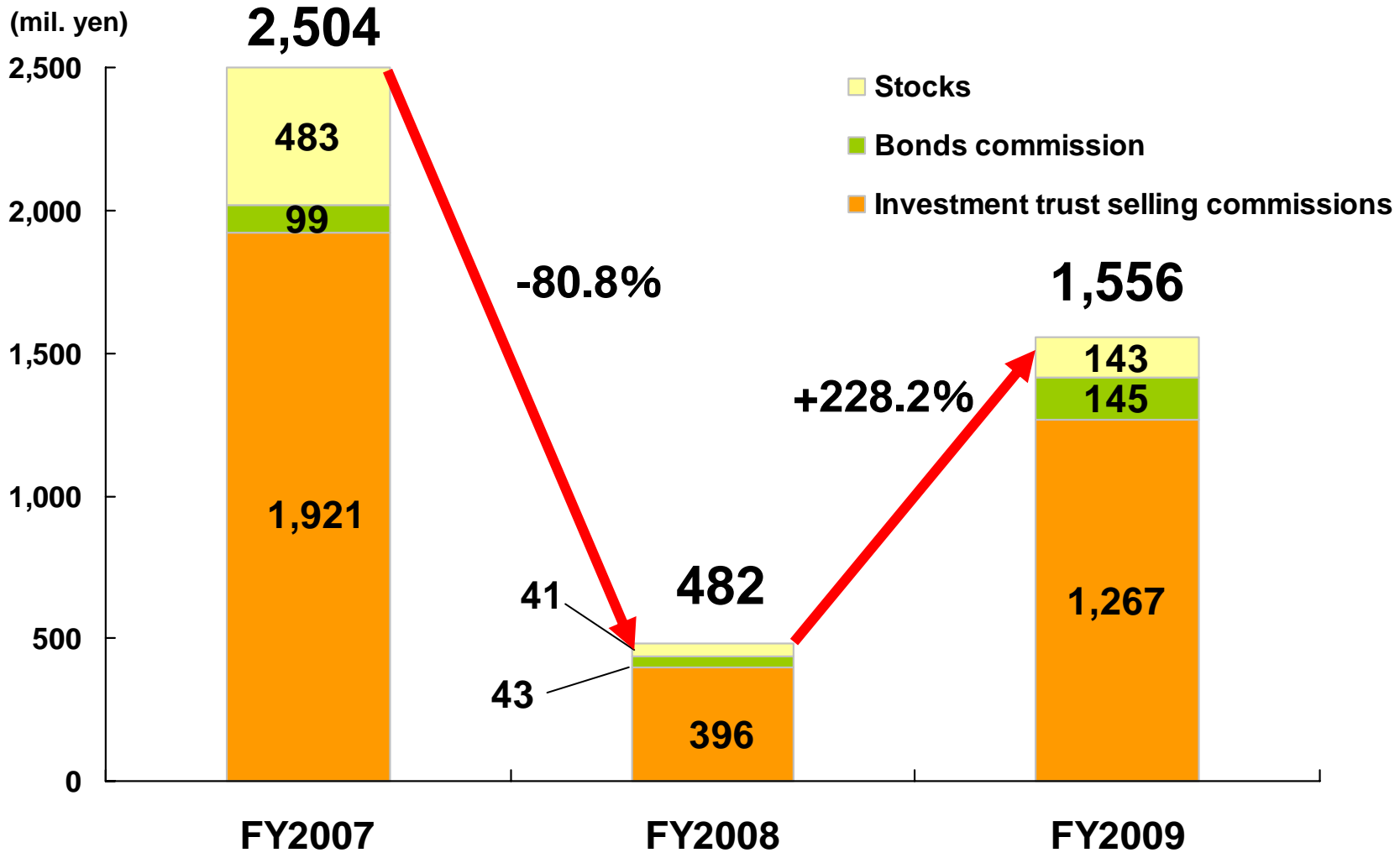
Comparison of FY2009 Consolidated Performance of Major Online Securities Companies

(million yen, %)

	Operating Revenues	YoY Change	Operating Income	YoY Change
SBI SECURITIES	46,114	-3.0	12,454	+29.0
(non-cons.)	45,662	+3.3	12,407	+45.4
Matsui	24,346	-8.9	11,385	+14.5
Rakuten (non-cons.)	23,017	+0.2	6,124	+23.8
Monex	22,499	-9.3	4,461	-15.3
kabu.com (non-cons.)	15,084	-9.9	4,933	-18.1

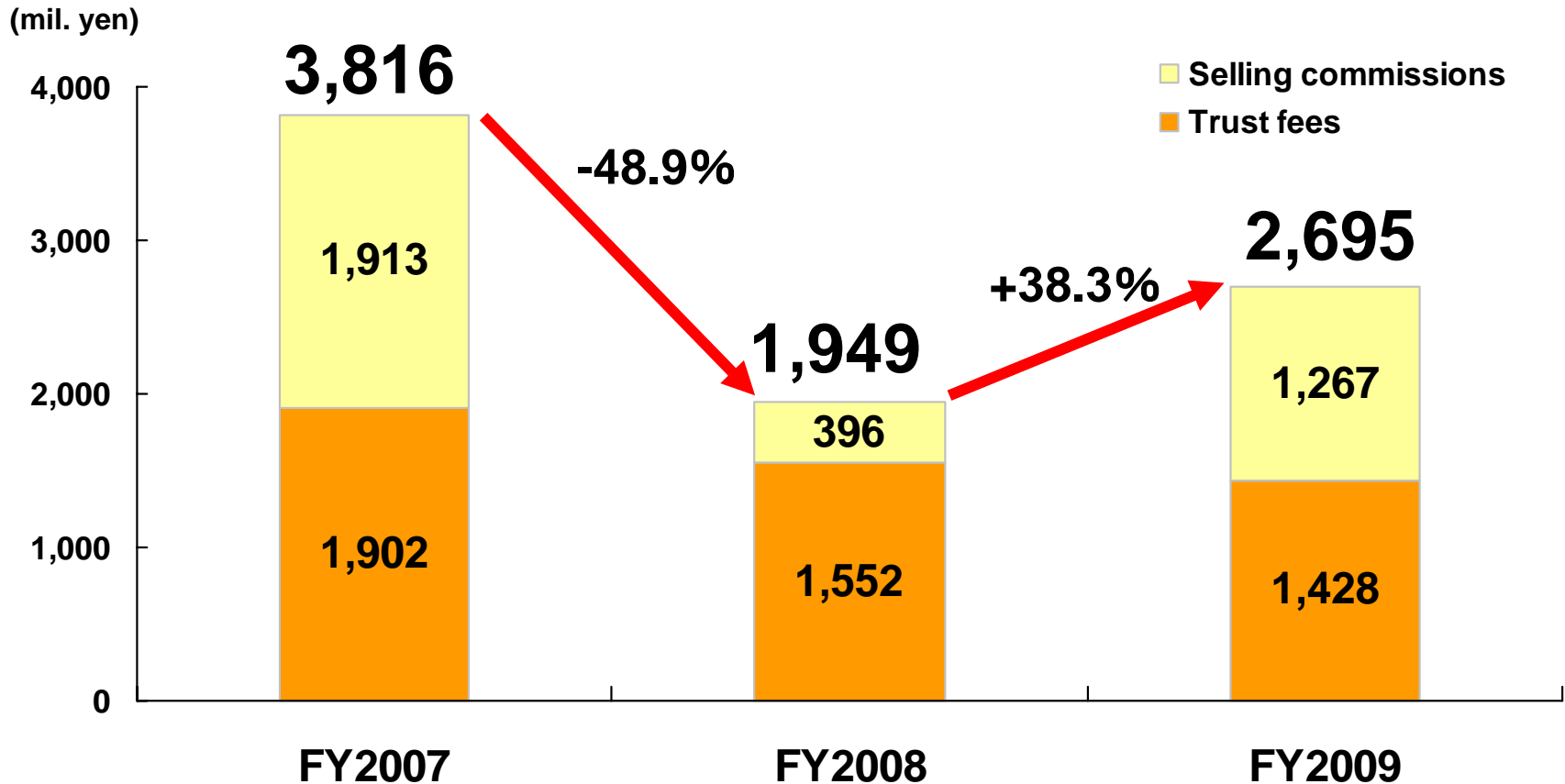
Consolidated Underwriting, Offering and Sales Commissions

Up 222.8% YoY



Revenues from Investment Trusts

Revenues from investment trusts increased by 38.3% YoY, owing to increased sales commissions, even though trust fees decreased due to the decline in MRF trust fees ratio.

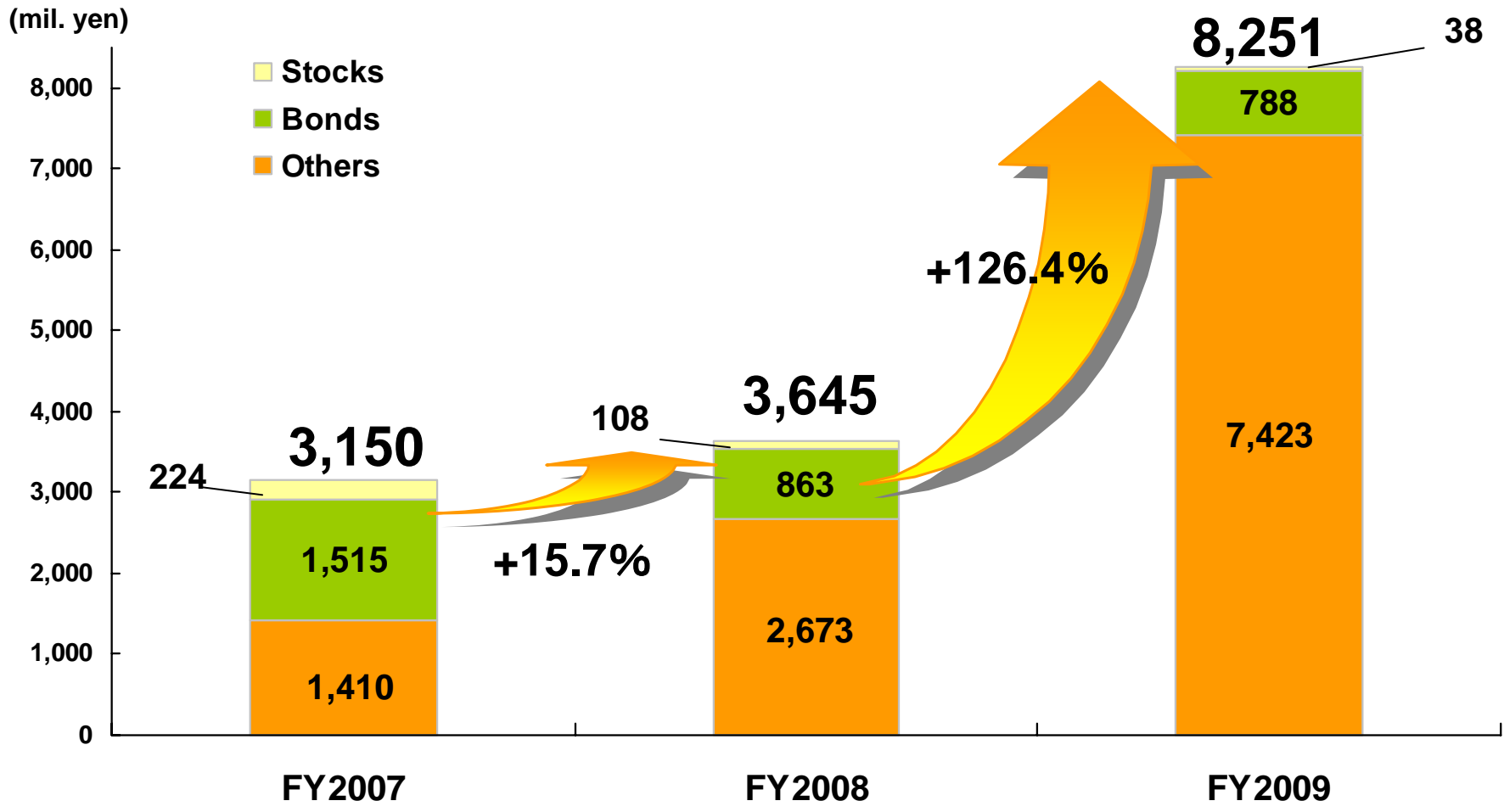


*1. Sum of sales commissions and trust fees (trust fees include MRF)

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

Consolidated Trading Gain

Increased substantially by 126.4% YoY
due to an increase in FX related revenues



Performance of Publicly Owned Subsidiaries Have Bottomed Out

- Although Morningstar Japan's FY09 operating revenues declined YoY, a 28.5% increase in consolidated operating income was recorded due to cost reductions, etc. On a non-consolidated basis, both operating income and ordinary income posted a record high*1.
- Gomez Consulting turned to quarterly profitability since 2Q, and returned to full year profitability.
- SBI VeriTrans' consolidated operating income increased 10.3% YoY, with its performance growing favorably.

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

*2	Operating Revenues	Operating Income	Ordinary Income	Net Income	FY2009 Dividend per share (forecast)
Morningstar Japan	2,364 (-15.3)	415 (+28.5)	524 (+29.2)	297 (+20.0)	600 yen (+50 yen)
Gomez Consulting	393 (-2.6)	11 (-) *3	33 (-) *3	26 (-) *3	400 yen (resumption)
SBI VeriTrans	5,024 (+14.1)	1,016 (+10.3)	1,051 (+11.6)	613 (+9.3)	700 yen (+100 yen)

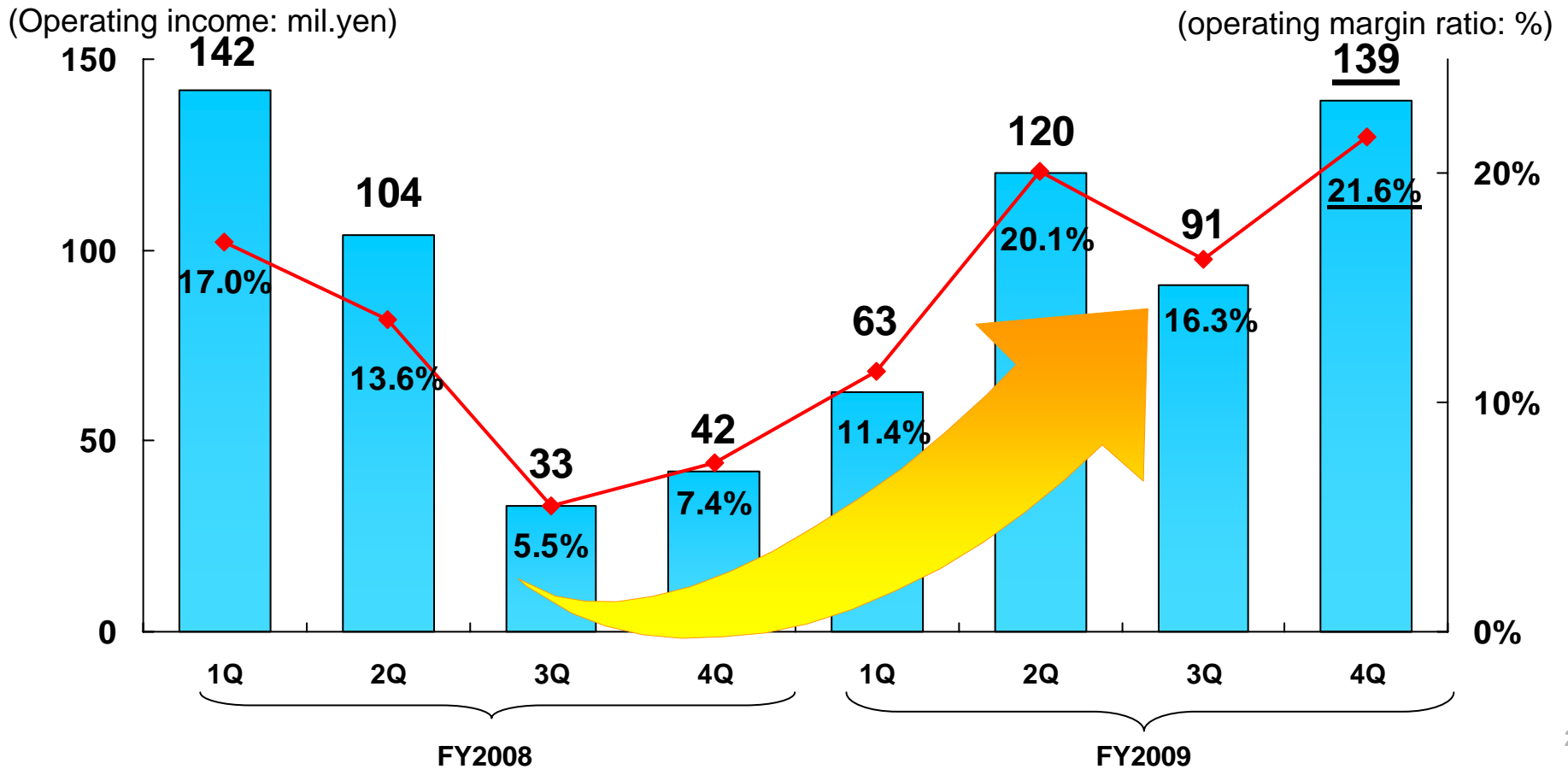
*1 Because of fiscal term change, it is recalculated for April to March as a fiscal year. When accounted for on the original fiscal term, FY2007 (15 months) is the highest.

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

*3 In FY2008, recorded operating loss of 45 million yen, ordinary loss of 35 million yen, and net loss of 21 million yen.

Change in Morningstar Japan's Consolidated Quarterly Operating Income

Even though operating income for FY09 declined by 15.3% YoY, due to a decline in the demand for advertisement from financial institutions, operating income for FY2009 was up 28.5% YoY, due to a reduction of SG&A

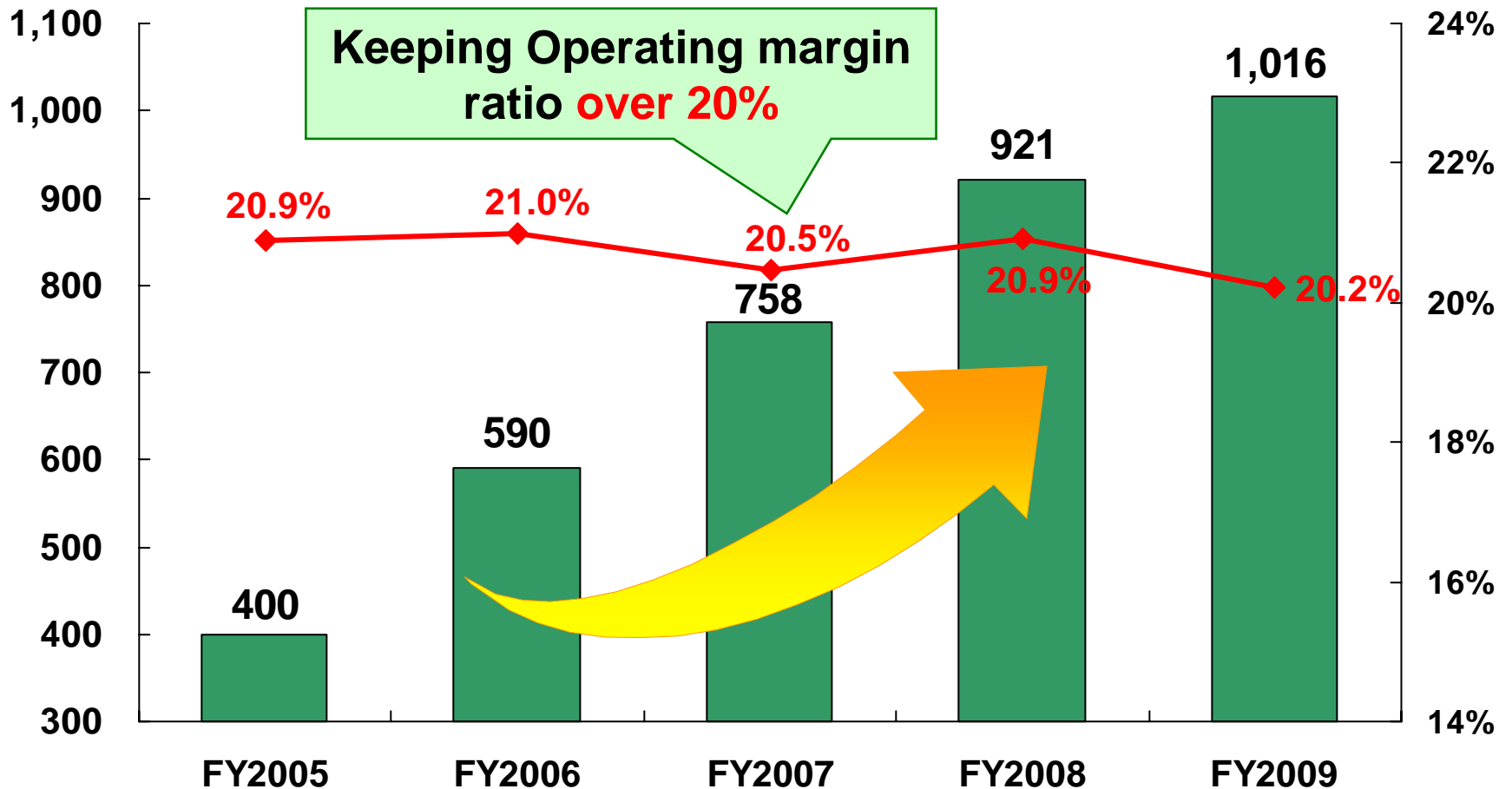


Change in SBI VeriTrans' Consolidated Operating Income

SBI VeriTrans operating income in FY09 steadily increased 10.3% YoY

(Operating income: mil. yen)

(operating margin ratio: %)

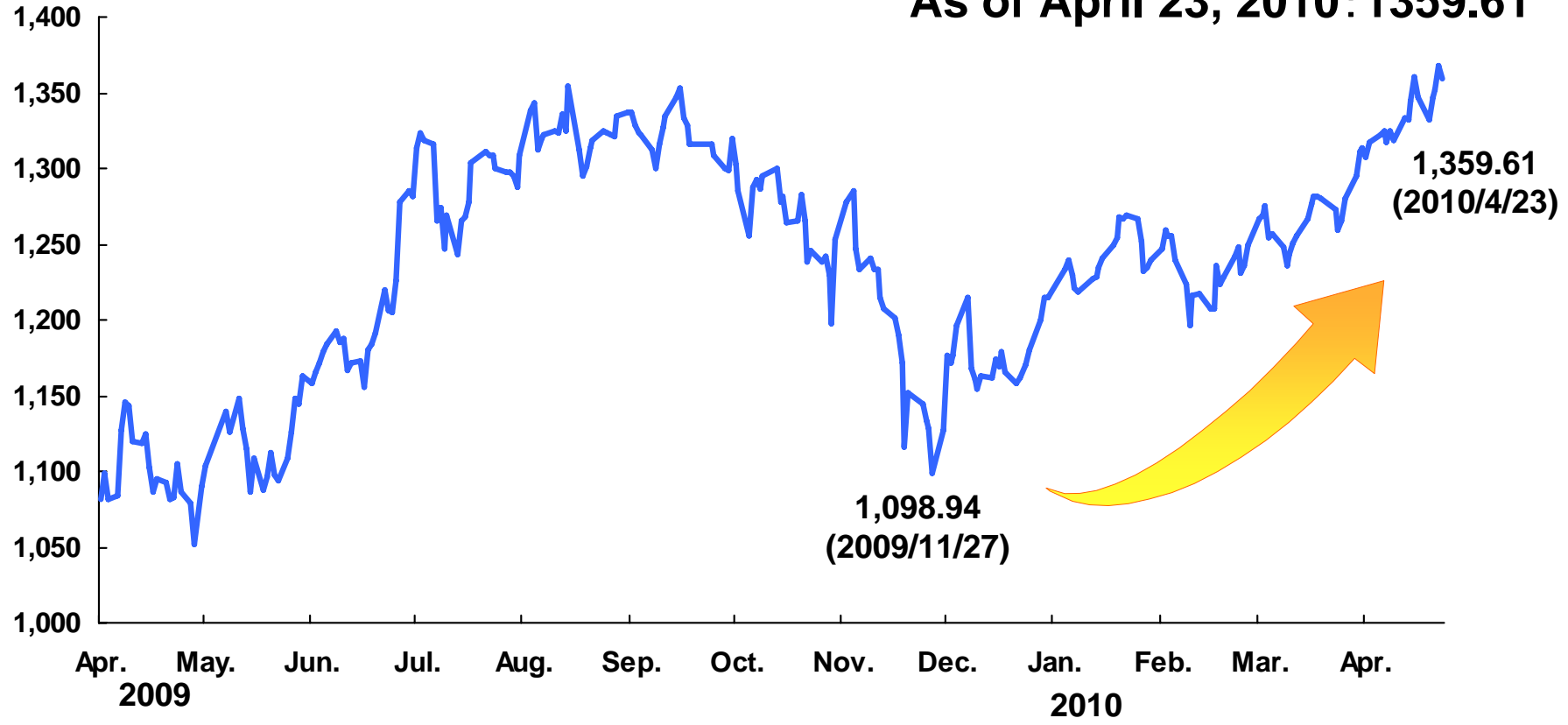


*Started consolidated accounting from 3Q FY2006

Domestic Real Estate Market Recovers After Hitting Bottom in November 2009

Change in TSE REIT Index (incl. dividends)
(from April 2009 to the present)

As of April 23, 2010: 1359.61



Subsidiaries Showing Improvement in Business Performance

SBI Life Living : Returned to profitability in FY2009

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

Consolidated Performance	Operating Revenues	Operating Income	Ordinary Income	Net Profit
FY2009	5,616 (-58.1)	169 (-)	70 (-)	27 (-)
FY2008 *	13,411	-483	-666	-747

Adversely affected by a substantial downturn in the Tokai area real estate market, SBI Planners', a subsidiary company, property sales efforts were stagnant and revenues decreased. However, SBI Life Living, a non-consolidated Internet media business, recorded a strong year with 169 mil. yen in operating income, which was a significant improvement from a loss of 483 mil. yen in the previous term.

CEM Corporation

CEM Corporation, which conducts a real estate secured loans business, successfully promoted the collection of doubtful accounts, aggressively increased new loans.

Targeting a return to profitability in FY2010.

(Net Income : FY2009 -200 mil. yen -> FY2010 (forecast) 100 mil. yen)

* The previous term (FY2007) is 15 month-period from Jan. 1, 2008 to Mar. 31, 2009, because of a fiscal term change from Dec.31 to Mar.31.

SBI Net Systems Expects to Return to Profitability in FY2010

Consolidated Performance

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

	Operating Revenues	Operating Income	Ordinary Income	Net Income
FY2010 (Forecast)	5,500 (+26.5)	150 (-)	130 (-)	80 (-)
FY2009	4,347 (-28.2)	-433 (-)	-497 (-)	-873 (-)
FY2008	6,055	42	47	-327

Expect to return to profitability in FY2010 owing to the following reasons

- A reduction in SG&A achieved by rationalizations such as cutting costs through promoting offshore developments
- New orders for system development accompanied by SBIH Group's business expansion
- Expectation of its own business expansion utilizing the know-how of that development

2. Results of Rationalization Efforts Focused on Cost Reduction and Reorganization and Transition to Aggressive Management

- (1) Progress of Cost Reductions**
- (2) Provision of Allowance and Treatment of Losses from Reorganization in FY2009**
- (3) Results of Rationalization, etc. of Securities Related Business**
- (4) Acquisitions and Establishment of Joint Ventures to Strengthen the Business Base**

(1) Progress of Cost Reductions

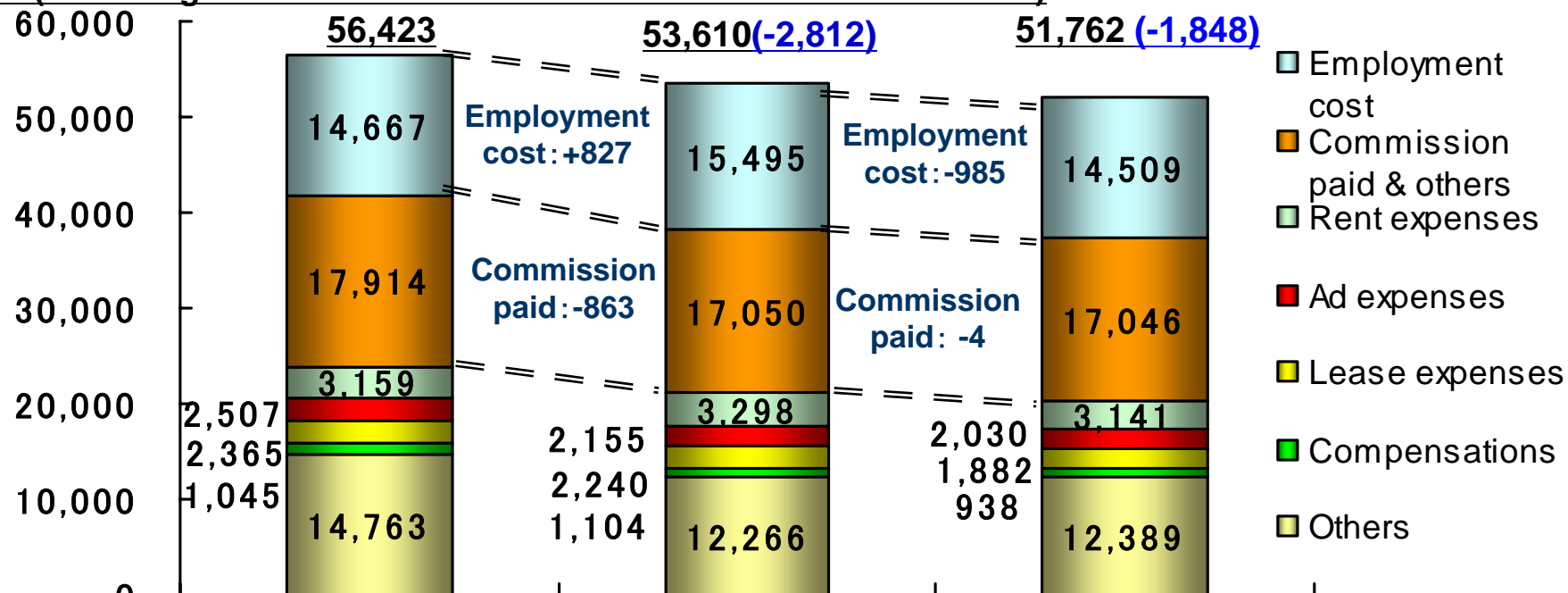
Change in SG&A (Consolidated)

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 913 mil. yen from FY08

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

	FY2007	FY2008	FY2009
Total SG&A	64,616	62,885(-1,731)	61,971(-913)

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



Other SG&A items

Amortization of goodwill,
Amortization of fixed assets,
Transfer to allowance for bad
debts, etc.

FY2007
8,192

FY2008
9,274(+1,081)

FY2009
10,209(+934) *

*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. 2008

(2) Provision of Allowance and Treatment of Losses from Reorganization in FY2009

Loss Disposition for Allowance-related Provision

[Allowance-related Provision Booked]

FY2009 Total: 8.3 Bil. Yen (incl. extraordinary loss of 2.0 bil. yen)

(1) Provision for valuation allowance for operational investment securities (total: 3.1 bil. yen):

- **Against holding shares of Korea's KTIC Holdings: 2.6 bil. yen**
Booked entire investment amount for the company, since the company was damaged due to the former management's mismanagement, such as putting up its assets as collateral without the permission of the board, which significantly lowered the value of the company.

(2) Provision for allowance for doubtful accounts (total: 4.3 bil. yen):

- **Against loan to ZEPHYR: 1.5 bil. yen (extraordinary loss)**
- **SBI Equal Credit: 1.1 bil. yen**
- **SBI Card: 0.6 bil yen (incl. extraordinary loss of 0.2 bil. yen)**

(3) Provision for loss on interest repayment (total: 0.8 bil. yen):

- **SBI Equal Credit: 0.5 bil. yen**
- **SBI Card: 0.3 bil. yen**

Continuous Reorganization of the SBIH Group for Further Management Efficiency



[Business Withdrawal]

- **SBI Futures (FY2009: operating loss of 0.3 billion yen)**

As the domestic commodity futures market continues to shrink and the business environment continues to dampen, the commodity trading business was discontinued in July 2009, and SBI Futures became a wholly owned subsidiary through a stock exchange (Aug. 2009). On Apr. 1, 2010, SBI Futures merged with SBI SECURITIES for further management efficiency and to strengthen its FX trading business.

[Sales]

- **SBI AXA Life Insurance (FY2009: operating loss of 0.2 billion yen)**

Sold SBIH's shares of SBI AXA Life Insurance to AXA JAPAN HOLDING on Feb. 16, 2010, due to a difference in concept toward future business strategy between SBIH and AXA JAPAN, thereby temporarily withdrawing from the life insurance business. Recorded an extraordinary gain of 0.8 bil. yen for FY2009 through this sale.

- **SBI Card Processing (FY2009: operating loss of 0.2 billion yen)**

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 (Nov. 2009)

[Transfer of Business Segment to Achieve Business Efficiency]

- **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 the card related businesses (Jan. 12, 2010)

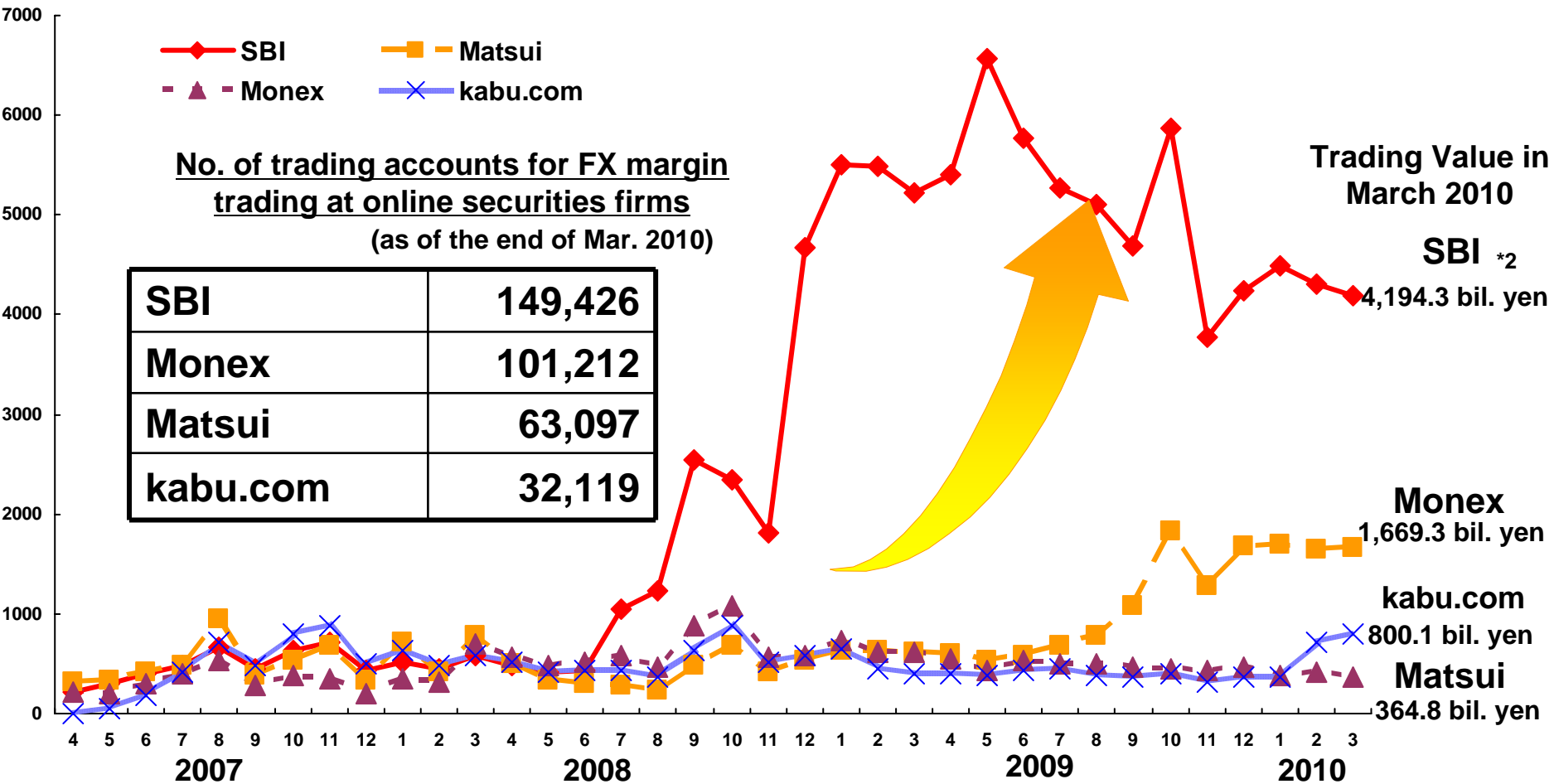
(3) Results of Rationalization, etc. of Securities Related Business

FX Margin Trading Value at SBI SECURITIES Increased Sharply After the Improvement of Service Offerings Utilizing SBI Liquidity Market



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

(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

Establishment of SBI Liquidity Market Provides Profit Opportunities Previously Offered to Outside Companies

Grown to become a subsidiary that contributes substantively to the Group's consolidated performance in a very short period of time since its inception on November 17, 2008

[Earnings Contributions by SBI Liquidity Market]

(Unit: bil. yen)

	FY2008			FY2009				
	3Q *1	4Q	Total	1Q	2Q	3Q	4Q	Total
Operating Revenue	0.55	2.35	2.90	2.82	2.79	2.54	2.42	10.57
Incl. Gain on Trading of SBI SECURITIES (Operating Income for SBI SECURITIES)	0.35	1.49	1.83	1.79	1.75	1.59	1.48	6.62
Operating Income	0.11	0.73	0.84	0.86	0.84	0.75	0.63	3.08

*1 1.5 months from the start of operations

Performance Comparison of Listed Pure-play FX Companies

(Unit: mil. yen)

SBI Liquidity Market (Launched on Nov. 17, 2008)

	FY2008	FY2009		Market Capitalization (as of Apr. 26)
		3Q (9M)	Total	
Operating Revenue	2,900	8,153	10,574	-
Operating Income	803	2,450	3,081	

Money Partners Group (listed on Hercules)

Operating Revenue	10,772	7,307	9,738	10,480
Operating Income	4,332	1,410	1,749	

FX PRIME (listed on JASDAQ)

Operating Revenue	5,835	2,645	3,594	3,088
Operating Income	2,470	-2	89	

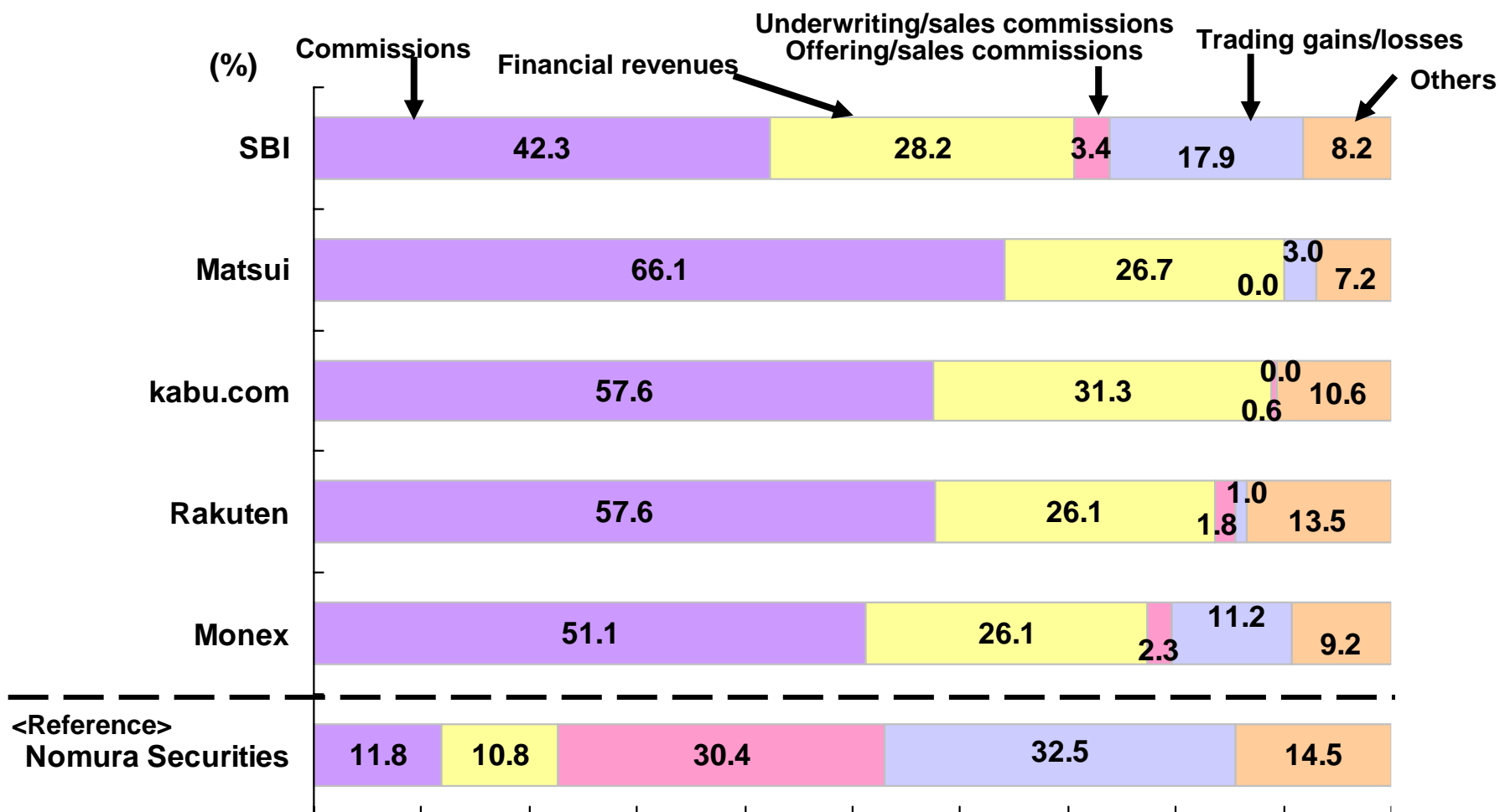
MONEY SQUARE JAPAN (listed on Hercules)

Operating Revenue	1,410	849	1,183	1,174
Operating Income	48	-190	-199	

Ratio of SBI SECURITIES' Brokerage Commissions to its Operating Revenues Decreased to 42.3%



Major Online Securities Companies' Composition of Consolidated Operating Revenues



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

Note: Figures of companies except SBI SECURITIES are as of 3Q FY2009

(4) Acquisitions and Establishment of Joint Ventures to Strengthen the Business Base

Acquired Management Right of The Largest Venture Capital Group in Korea


- Positioning two Korean investment firms to expand investment business in Asia-

Korea Technology Investment Corporation (KTIC, listed on KOSDAQ. SBIH acquired 35% stake)

- The largest VC firm in Korea with 300 bil. KRW (2.7 bil. US\$) in managed assets
- The first Korean VC established in 1986, which has incubated 10% of KOSDAQ listing companies
- The average IRR (the return rate for investors) is 17%

KTIC GLOBAL INVESTMENT ADVISORY (Listed on KOSDAQ, SBIH acquired 29% stake)

- Market leader of SPAC*, received much attention in Korea
- 3 Funds in this field shall be established (one of them have already been launched)

- 
- Targeting to raise the shares of two companies to approx. **40%~50%**
 - **Plan to expand our investments into the Asian region**

"Searchina" Became a Subsidiary in February 2010 as Part of the Global Financial Content Business



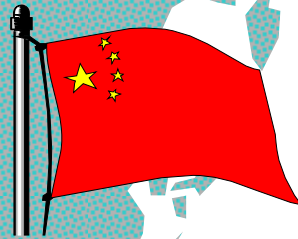
Number of foreign stock trading accounts: 142,477 (*1)

Financial Products (*1)

- Chinese stocks: 218
- China related ETFs: 47
- China related investment trusts: 21

Financial content

- Quick reports and analysis
- Research



Monthly Page Views: 93.1 million
Monthly Unique Users: 4.21 million (*1)

The screenshot shows the SBI Securities website interface for foreign stock trading. It features a navigation bar with options like 'Home', 'Investment Information', 'Foreign Stock Trading', 'China Stock Trading', and 'Account Management'. A main section highlights '海外ETF' (Overseas ETF) with '91銘柄' (91 titles) and 'No.1' ranking. Below this is a table of stock prices for various ETFs and a 'Ranking' section. A group of diverse people in business attire is shown at the bottom right of the screenshot.

No.	銘柄	現在値	前日比(%)
1	米国債券	0.320	+37.93
2	米国株	1.150	+17.35
3	発展	0.290	+16.47
4	家私	1.490	+16.41
5	先進国際	11.260	+13.97

Reference: Monthly Unique Users at Yahoo! Finance (Japan): 5.5 mil.
(Estimate by Google AdPlanner)

*1 as of the end of Mar. 2010

Signed a Memorandum of Understanding to Establish a Joint Venture With China Securities Journal, which is Directly Under the Administration of Xinhua News Agency

China Securities Journal

Xinhua News Agency Group



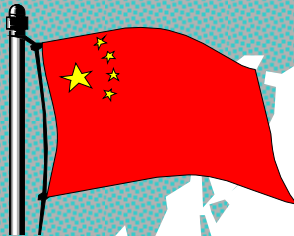
SBI Holdings

Signed a memorandum of understanding to establish a joint venture (March 2010)

The new joint venture will utilize the information network of the Securities Newspaper Agency and the Xinhua News Agency as well as a listed company database (covering the last 18 years) and a fund database (covering the last 10 years) to facilitate the transmission of Chinese economic and financial information to Japan via the Internet

Securities Newspaper Agency

- Business news publisher which is part of the Xinhua News Agency and boasts the largest distribution in China (1 million copies per day)
- Designated by the Chinese government as the official medium of information disclosure for over 1,200 listed companies
- Information is collected from its local offices located in 14 provinces and cities directly under the central government authority, including Peking, Shanghai and Shenzhen, and from the Xinhua News Agency's overseas bureaus



Acquiring All Stocks of G-ONE Credit Service, a Subsidiary of the Gulliver Group



Comprehensive business alliance in October 2009

**SBI Holdings will acquire entire holdings of G-ONE Credit Service,
a credit sales subsidiary of G-ONE FINANCIAL SERVICE**

* A financial subsidiary wholly owned by Gulliver international



Provide auto loans to customers through network of approximately 2000 affiliated shops mainly consisting of used car dealers.

Its customer base totaled 42,000 people as of February 2010.

3. Dynamic Business Expansion Geared Towards New Future Growth

- (1) 5 Core Businesses of Financial Services
Based on the New Management Strategy**
- (2) Continuous Energetic Investment
Towards Future Growth**

(1) 5 Core Businesses of Financial Services Based on the New Management Strategy

Pentagon Management of Financial Services (1)

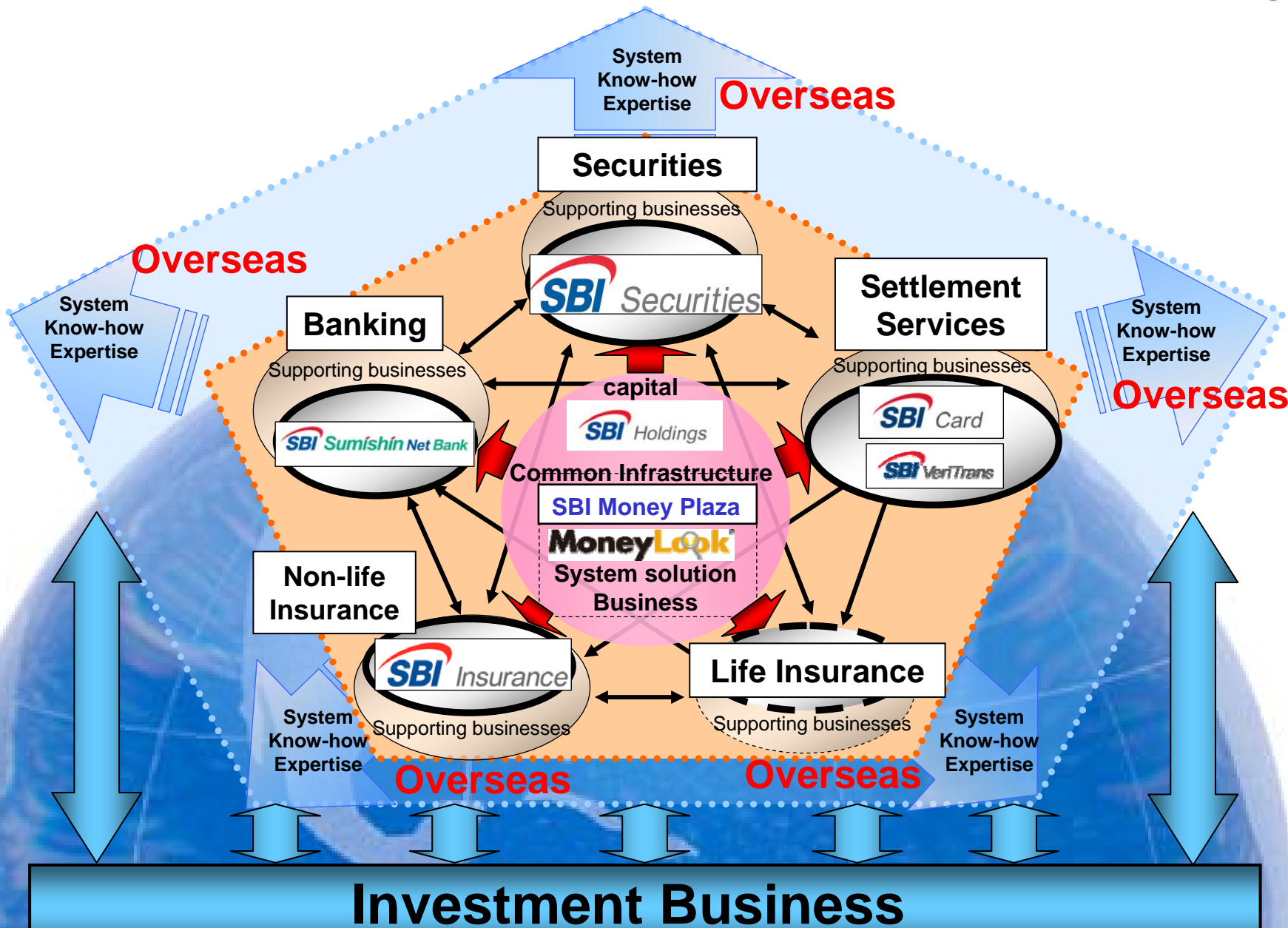
- 1. Our financial ecosystem consists of five core businesses among our financial services: Securities, Banking, Non-life Insurance, Life Insurance and Settlement Services.**

(Note) Already started preparations to re-enter the life insurance business in a year or year and a half

- 2. Create synergies by mutually linking core businesses to provoke exponential growth for the entire Group.**
- 3. Focusing on each core business, we will allocate affiliated companies and businesses that possess core business support functions, and aggressively pursue synergy effects with each core business in order to differentiate ourselves from our competitors, thereby promoting exponential growth in each core business.**

- 4. The face-to-face channels, such as SBI Money Plaza, will be expanded across Japan (with plans to reach a Group total of 200 shops by early FY 2010), to serve as an infrastructure business that will propel growth in the five core businesses and advance the fusion of the online and face-to-face services. This will enable the organization to provide, on a neutral basis, comparably superior products to customers whether inside or outside of the Group, so that the SBIH Group may become Japan's largest financial product distributor. SBI Money Plaza started preparation to establish “consulting counter” by accountants and financial planners**
- 5. By introducing the systems and know-how of our core businesses accumulated in Japan in tandem with the economic development of the emerging countries, SBIH will be positioned to promote the development of the financial services business in those countries.**

Concept Image of Pentagon Management in the Financial Services Business



No.1 real based on Internet securities company with over 2 million accounts

Supporting Companies, Related Companies and Overseas Related Products

[Supporting Companies]

- SBI Liquidity Market Co., Ltd.: Foreign exchange margin trading platform
- SBI Japannext Co., Ltd.: Promoting best execution method as Japan's largest PTS market

[Financial Content Business]

- Morningstar Japan K.K.: Provision of investment trust evaluation and economic news and stock reports of companies based in the US, UK, Suisse, China, India, and Brazil generated by Morningstar, Inc.
- SBI Fund Bank Co., Ltd.: Financial commodity agent which also provides analysis information mainly tailored to investment trusts
- Wall Street Journal Japan K.K.: Started "WSJ Japan Edition" which provides articles from an unique standpoint
- Searchina Co., Ltd.: Operation of "Searchina", Japan's largest Chinese information website.

[Overseas related products]

- SBI SECURITIES handles U.S. stocks, aligned with Interactive Brokers, South Korean stocks, aligned with E*Trade Securities Co., Ltd., Chinese stocks, aligned with Kingsway, and Russian Stocks, aligned with METROPOL as well as producing stock reports of companies generated by Morningstar, Inc.

Provision of Securities Related Services by SBI SECURITIES and Other Surrounding Companies



Toward the full utilization of group synergies for further growth

SBI Liquidity Market

Provision of FX market infrastructure and systems for 20 pairs of currencies

Synergy

SBI Japannext

Operating "Japannext PTS", the largest PTS market in Japan
(started daytime trading in Oct. 2008)

Synergy

SBI Securities

The largest number of accounts in online securities
Approx. 2.05 mil. accounts
As of the end of Mar. 2010

Synergy

MORNINGSTAR

Provision of evaluation and other information of financial products

Synergy

SBI Fund Bank

Financial agent tailored to investment trusts

Synergy

THE WALL STREET JOURNAL.
ウォール・ストリート・ジャーナル 日本版 japan.WSJ.com

Providing online news and articles of the world that are influential to stock markets in the Japanese language

Synergy

Searchina

The largest information website about China
93.1 mil. PV a month
4.21 mil unique user a month

As of the end of Mar. 2010

Synergy

Synergy

Synergy

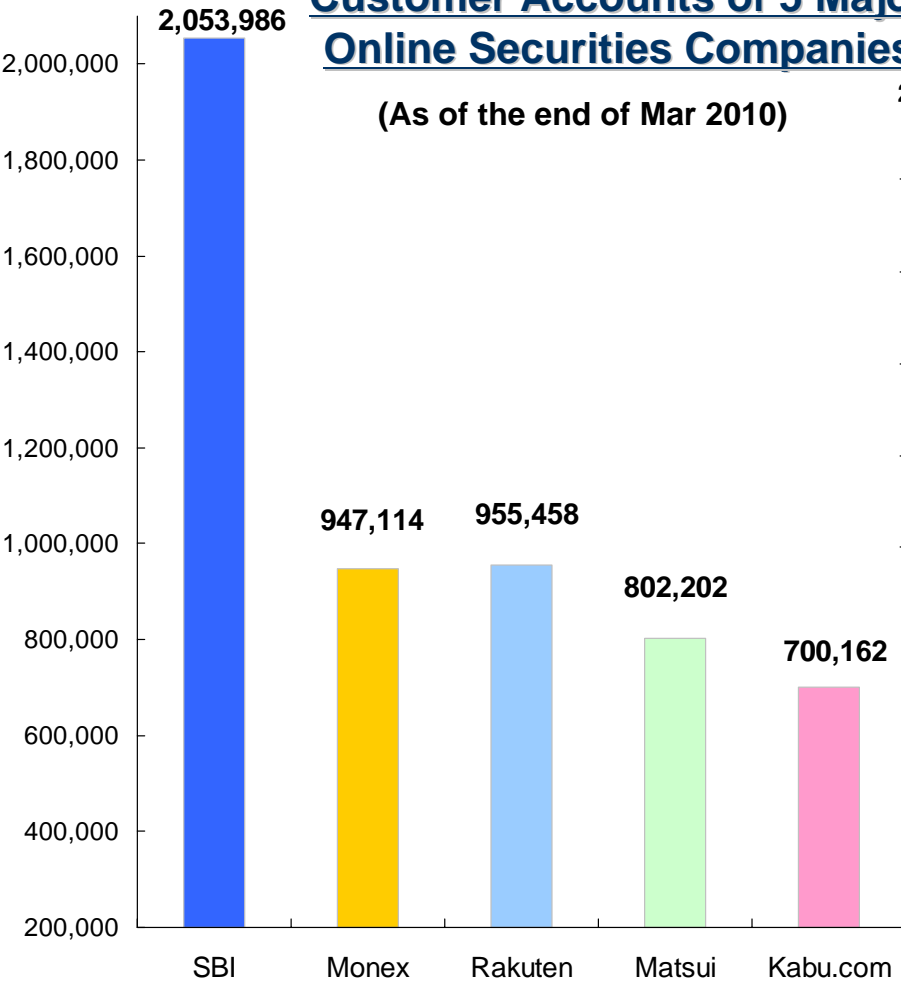
Synergy



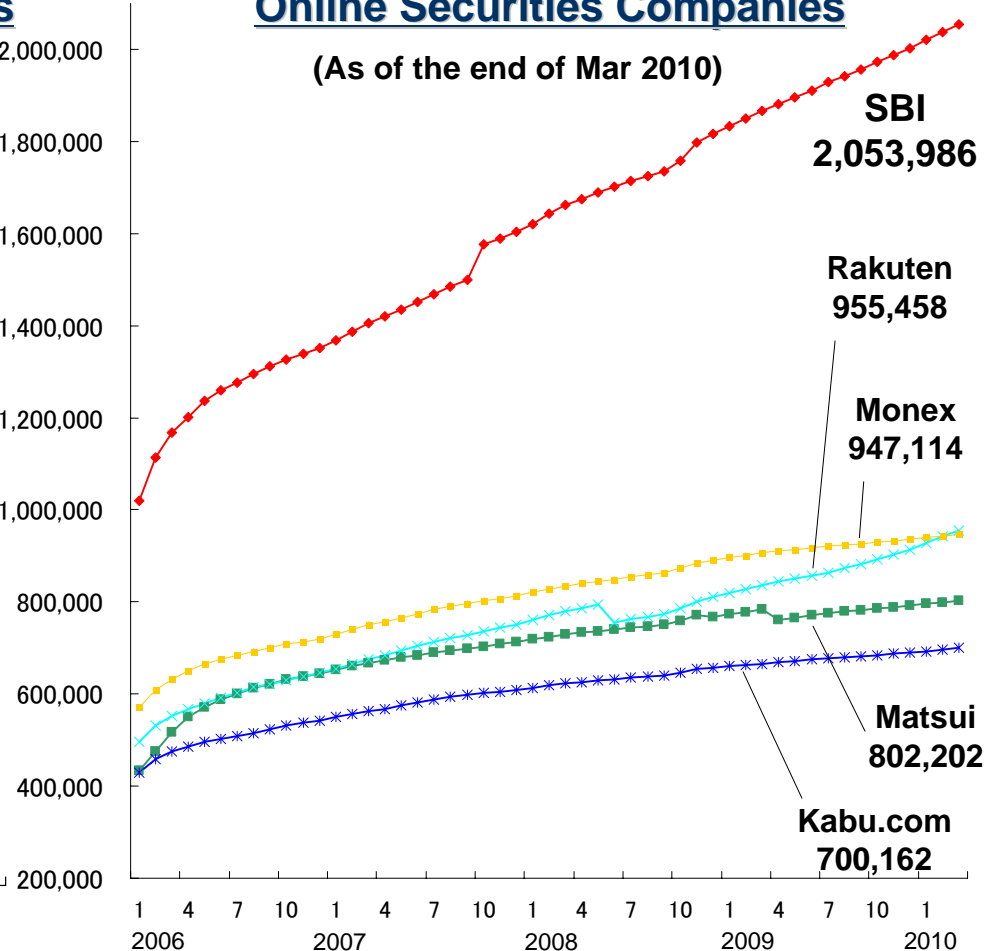
Customer Account Comparison of Five Major Online Securities Companies

Exceeded 2 million accounts in Dec. 2009, a first for online brokers

Customer Accounts of 5 Major Online Securities Companies



Customer Account Trend of 5 Major Online Securities Companies

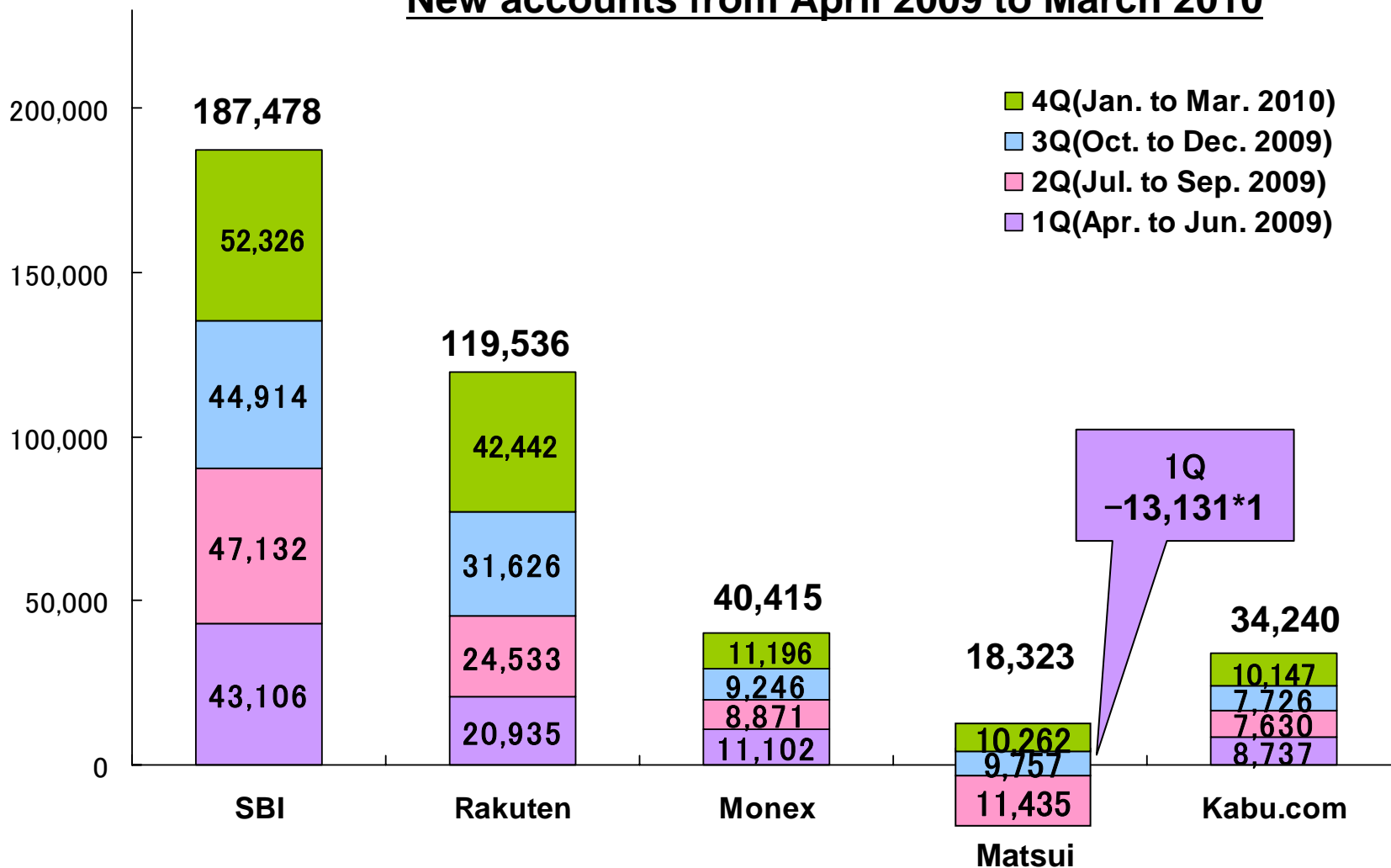


Source: Compiled by SBI SECURITIES based on websites and other public information for each company

New Accounts at Major Online Securities Companies

New accounts from April 2009 to March 2010

(new accounts)

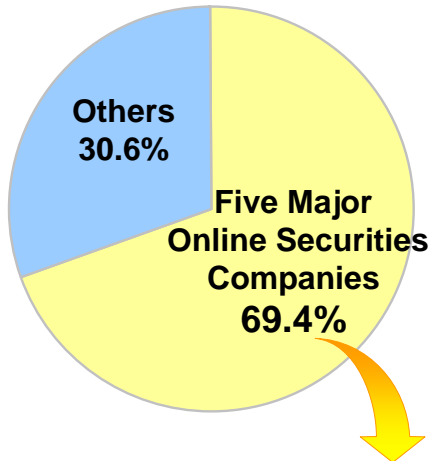


Source: Compiled by SBI SECURITIES based on websites and other public information for each company

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

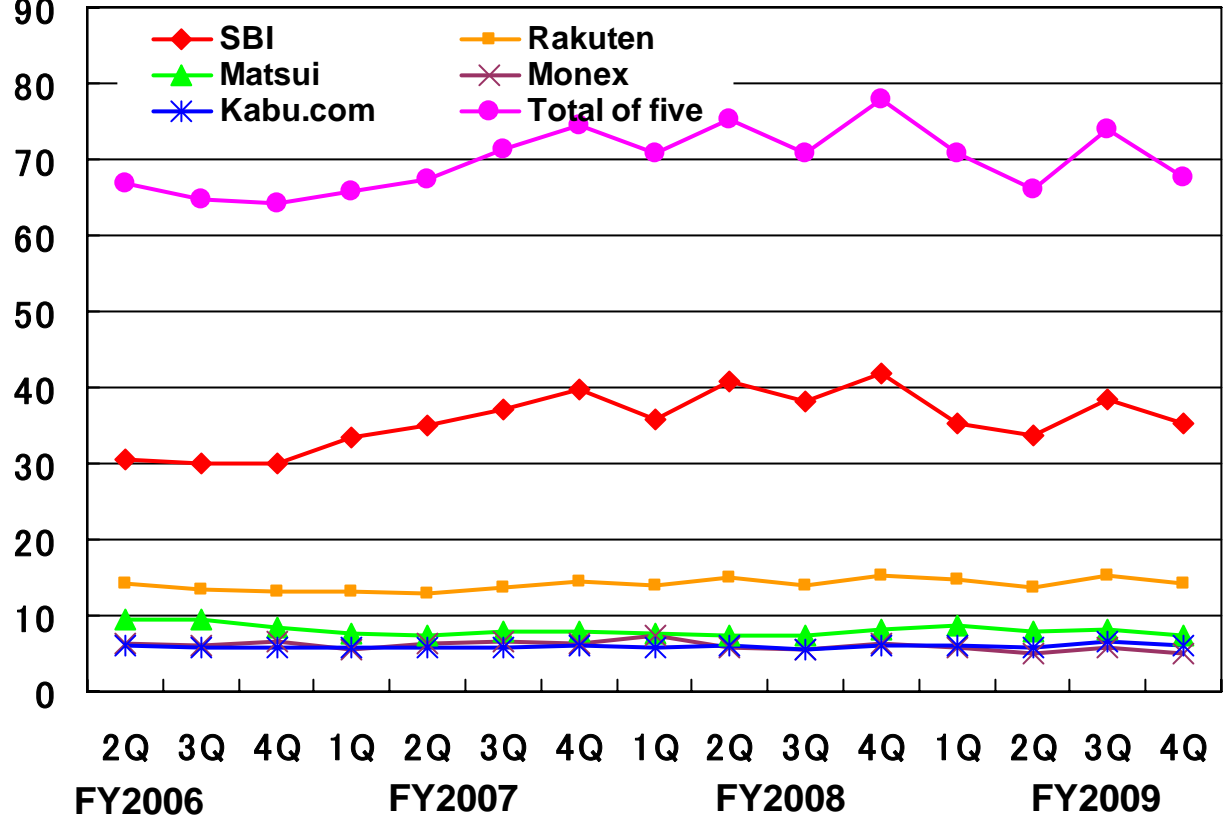
Major Online Securities Companies' Market Share of Stock Brokerage Trading Value

Share in FY2009 (Apr. 2009-Mar. 2010)



SBI	35.4%
Rakuten	14.4
Matsui	8.1
kabu.com	6.0
Monex	5.5

Quarterly change in share of stock brokerage trading value



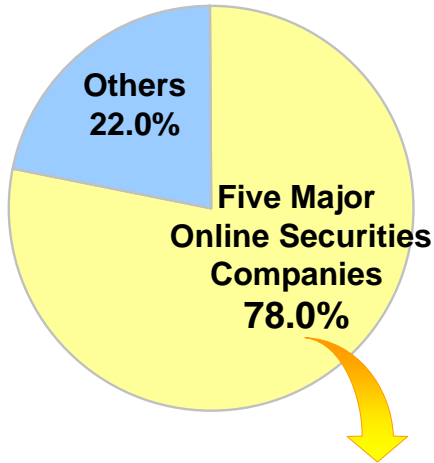
Source: Based on TSE, JASDAQ and company materials

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

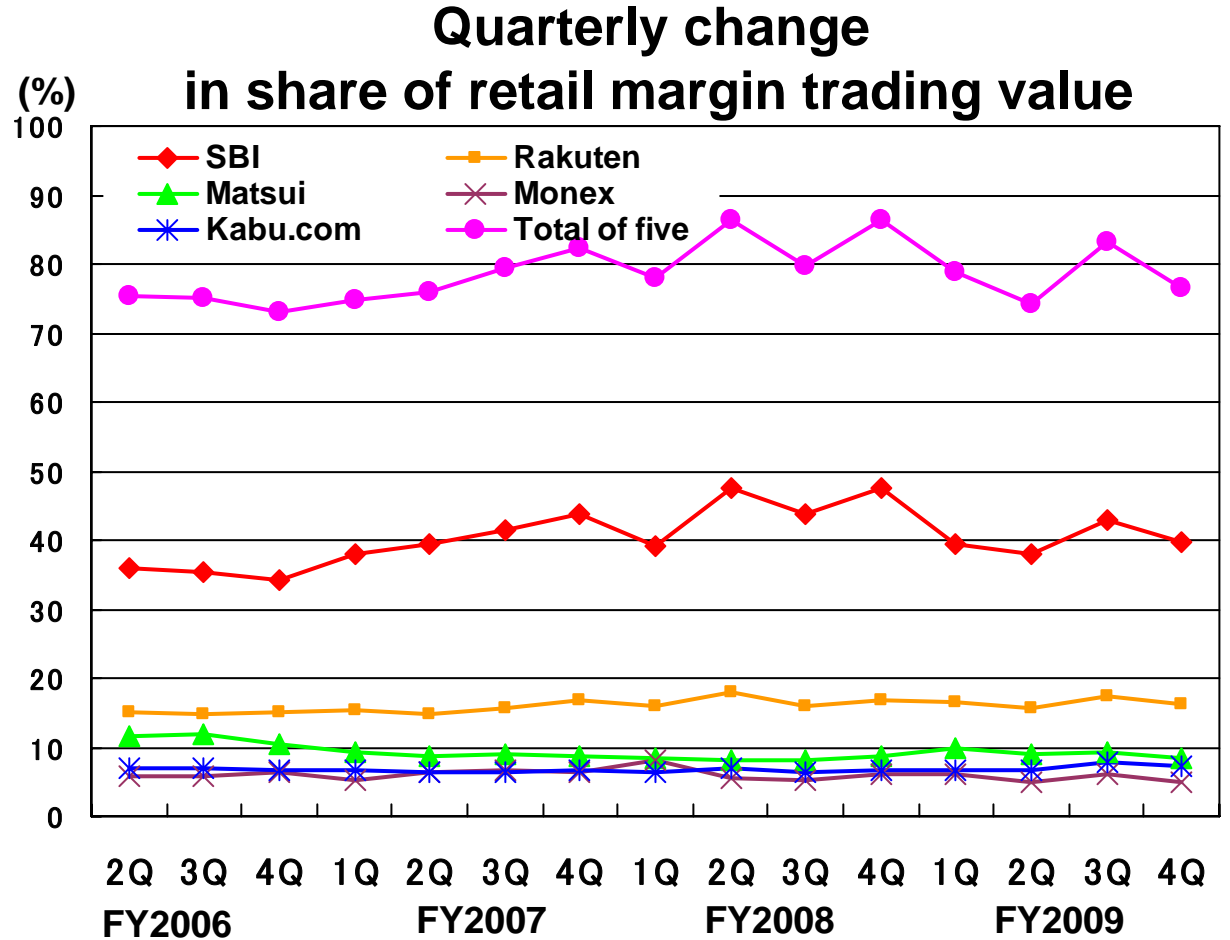
Figures of SBI SECURITIES only includes trades through Internet

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

Share in FY2009
(Apr. 2009-Mar. 2010)



SBI	39.8%
Rakuten	16.4
Matsui	9.1
kabu.com	7.2
Monex	5.5



Source: Based on TSE, JASDAQ and company materials

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

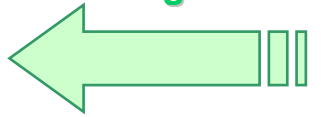
Figures of SBI SECURITIES only includes trades through Internet

The Favorable Cycle for Growth of SBI Liquidity Market Provided by Trading Expansion at SBI SECURITIES

SBI FX α accounts

149,426
(As of the end of Mar. 2010)

Presenting favorable dealing information and exchange rates

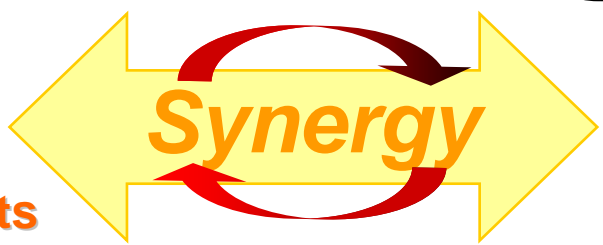


Order

Total of 18 U.S. and European Major Financial Institutions and Major Domestic Banks, such as Citi Bank, Deutsche Bank, and Goldman Sachs as counterparties

Expansion of trading volume

Increase in the number of accounts

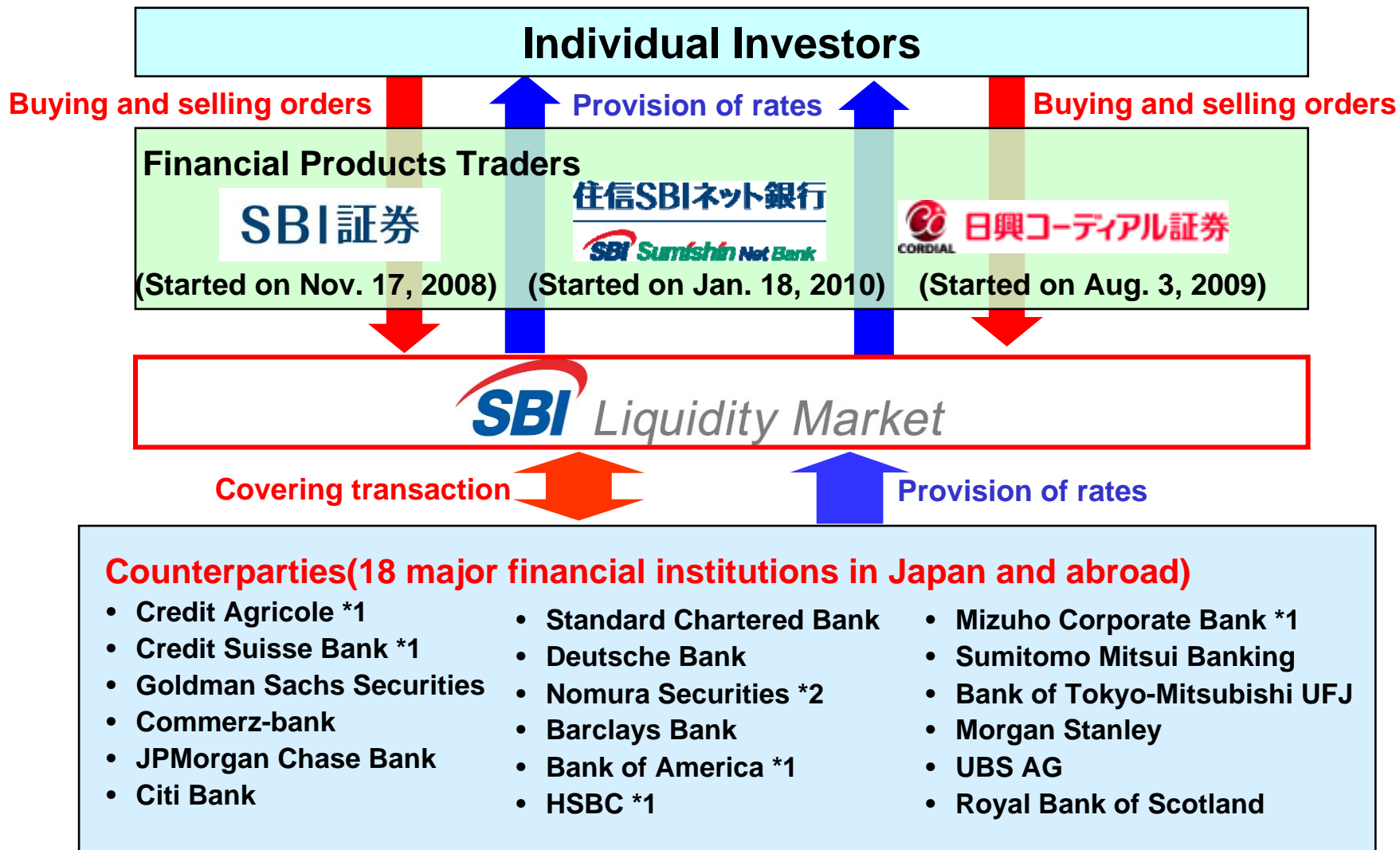


Increase in liquidity

Expansion of trading volume of SBI SECURITIES increases liquidity of SBI Liquidity Market. Increasing liquidity provides an enhanced trading environment for customers, and it will also expand the FX trading market size for the individual traders.

Providing Stable Trading Opportunities Through a Total of 18 Banks*, Including Foreign and Domestic Major Financial Institutions as Counterparties

(* Under negotiation with another financial institution)



Counterparties(18 major financial institutions in Japan and abroad)

- Credit Agricole *1
- Credit Suisse Bank *1
- Goldman Sachs Securities
- Commerz-bank
- JPMorgan Chase Bank
- Citi Bank
- Standard Chartered Bank
- Deutsche Bank
- Nomura Securities *2
- Barclays Bank
- Bank of America *1
- HSBC *1
- Mizuho Corporate Bank *1
- Sumitomo Mitsui Banking
- Bank of Tokyo-Mitsubishi UFJ
- Morgan Stanley
- UBS AG
- Royal Bank of Scotland

*1. Newly participated in FY2009

*2. Newly participated in FY2010

Japannext PTS Has Improved Convenience for Customers, which Contributed to the Customer Development at SBI SECURITIES



Started nighttime trading in Aug. 2007 / Started daytime trading in Dec. 2008



Customers of SBI SECURITIES



Access various market, and then send orders

Since prices vary in each market, customers interested in realizing better prices will utilize the PTS market

SBI SECURITIES:

Increase in PTS users

(Accumulated No. of PTS customers accounts: 220,674) *

Increase in customer accounts

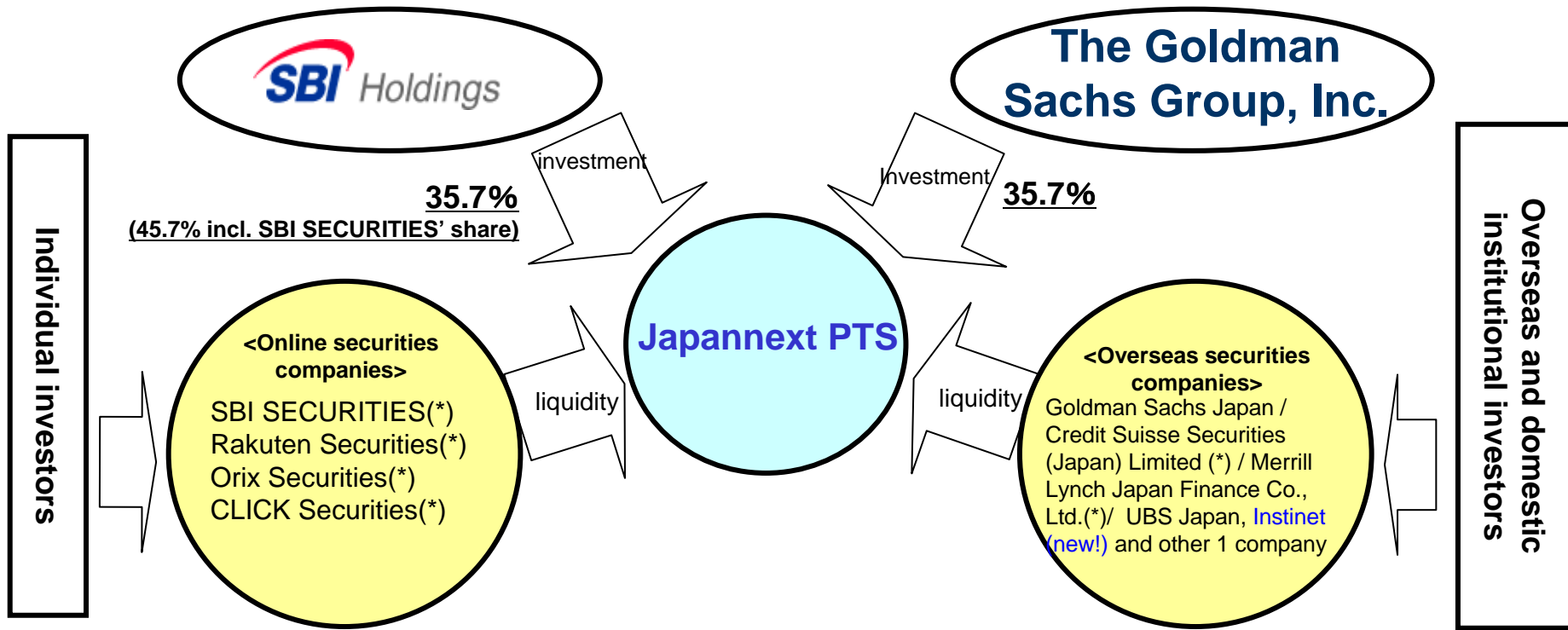


Increase in transactions at Japannext PTS

~SBI SECURITIES' PTS business stays profitable~

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 July, plan to start the market data distribution to Bloomberg and Morningstar Japan, in addition to Reuters and QUICK.

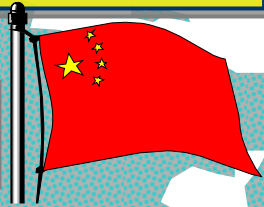


In the near future, 5 European and 2 Japanese firms plan to participate in the trading. The number of the connected firms is scheduled to total more than 17 firms in this summer

(*)Equity participation

Further Reinforcement of the Global Financial Content Business Through the Improvement of China Related Information

Searchina
Overseas information such as China



February 2010 Made a Subsidiary

Monthly Page Views: 93.11 million
Monthly Unique Users: 4.21 million

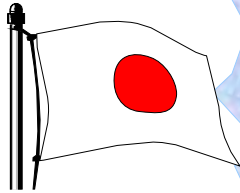
Reference: Monthly Unique Users at Yahoo! Finance (Japan): 5.5 mil.
(Estimate by Google AdPlanner)

China Securities Journal
Information provision through the Utilization of Xinhua News Agency Network

March 2010 Reached basic agreement to establish a JV

*1 As of the end of March 2010

Morningstar Japan/ Kabushiki Shimbun
Information about Japanese equities and investment trusts



August 1998
Website Launched



Morningstar Inc.
Distribute stock report in US, UK, Suisse, China, India and Brazil to Morningstar Japan

WSJ Japan Edition
Overseas economic information from an unique standpoint



December 2009
Service Launched



* Owing to the international time difference, a Japanese language version is the second most quickly available in the world

**Deposits at Internet bank topped 1 trillion yen
after 2 years and 5 months since start of operations**

Supporting Companies, Related Companies and Overseas Development

[Supporting Companies]

- **SBI AutoSupport Co., Ltd.:** Support for the provision of automotive financial services through automobile dealers
- **SBI Receipt Co., Ltd.:** Receipt Financing
- **CEM Corporation:** Real estate secured loans and guarantee services

[Related Companies]

- **SBI Mortgage Co., Ltd.:** Established the sales agencies network of Flat 35, a product of Japan Housing Agency. Housing loans Outstanding exceeded 600 billion yen as of the end of Feb. 2010

[Overseas Banking Business]

- **Tien Phong Bank (Vietnam):** Started operations in May 2008.
SBIH acquired 20% of the shares in Aug 2009.
- **Phnom Penh Commercial Bank (Cambodia):** Started operations in Sept. 2008.
SBIH invested in 40% of the shares
- **OBIBANK (Russia):** Reached a basic agreement with its parent company, METROPOL, to invest in 50% of the Bank.

Steadily Growing Customer Base of SBI Sumishin Net Bank



As of the end of Mar. 2010

*Parenthetic figures are preliminary reports as of Apr. 25, 2010

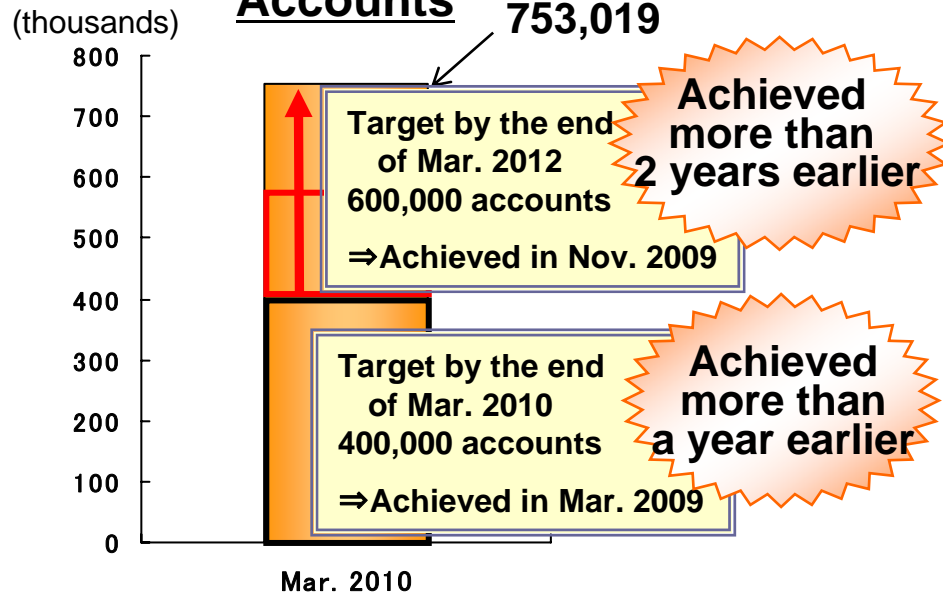
Accounts: 753,019	(771,445)
Deposits: 1,193.8 bil. yen	(1,234.2 bil. yen)
Loans Issued: 432.2 bil. yen	(439.5 bil. yen)
(Mortgage + Internet loan)	

<Comparison with the target as of March 2010>

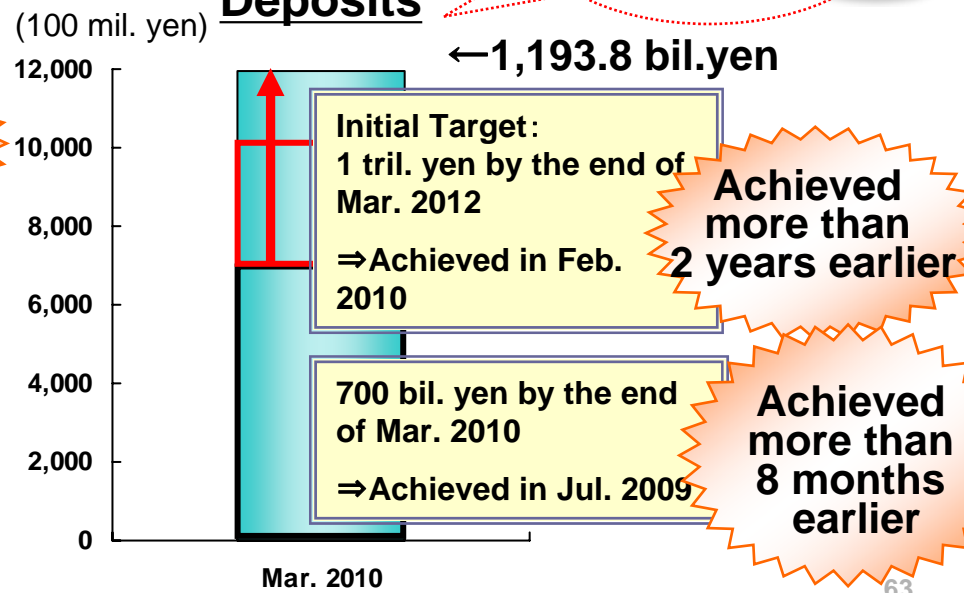
Initial Target

Topped 1.2 tril. yen on Apr. 4, 2010!!

Accounts 753,019



Deposits



Deposits Topped 1.2 Trillion Yen After 2 Years and 6 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 1.2 trillion yen after only 2 years and 6 months since its start of operations on September 24, 2007.

Days required by major Internet banks to reach 1.2 trillion yen in deposits:

	Start of operations	Time needed to reach 100 billion yen (*1)	Days after start of operations	Time needed to reach 1.2 trillion yen (*1)	Days after start of operations	Deposit outstanding (*2)
eBANK	2001/7/23	2003/10/1 ~ 2004/3/31	801-983 days	-	-	696.2 bil. yen
Japan Net Bank	2000/10/12	2002/10/1 ~ 2003/03/31	720-901 days	-	-	449.2 bil. yen
Sony Bank	2001/6/11	2002/3/1 ~ 2002/03/31	264-294 days	2008/1/1 ~ 2008/1/31	<u>2,365-2,395 days</u>	1,510.0 bil. yen
SBI Sumishin Net Bank	2007/9/24	2007/11/19	57 days	2010/4/4	<u>924days</u>	1,234.2 bil. 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 Japan Net Bank is based on the figures as of the end of December 2009, and eBank and Sony Bank as of the end of March 2010 and SBI Sumishin Net Bank as of April 25.

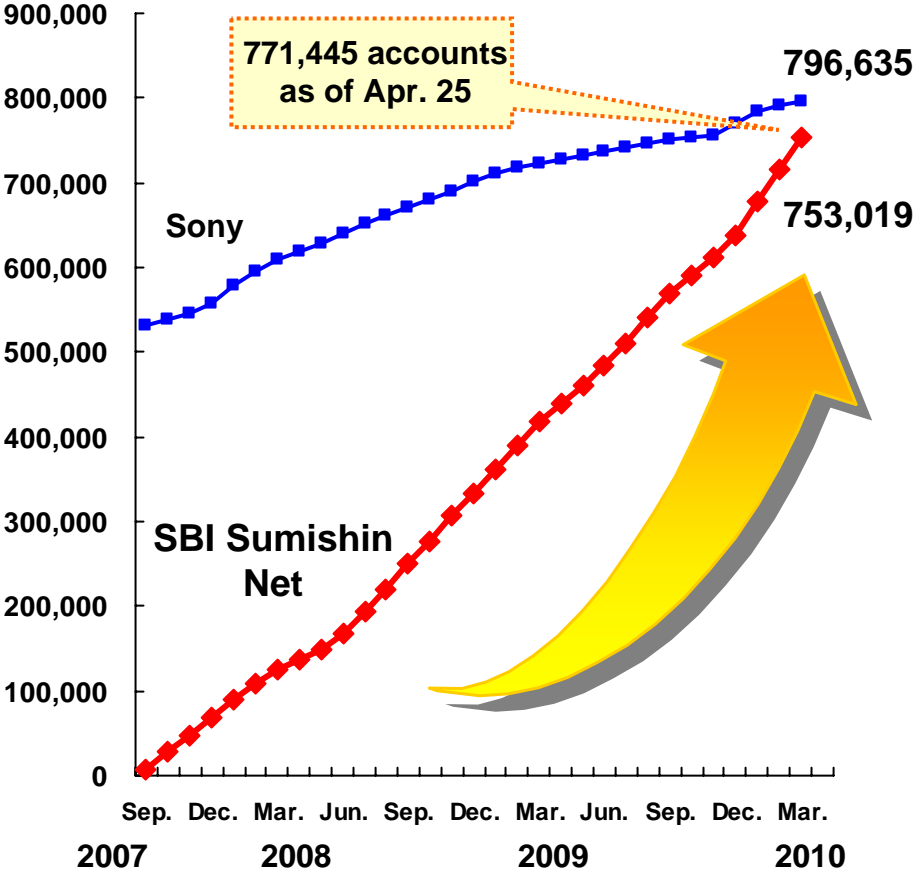
Expansion in Customer Base of SBI Sumishin Net Bank



(From Sep. 30, 2007 to Mar. 31, 2010)

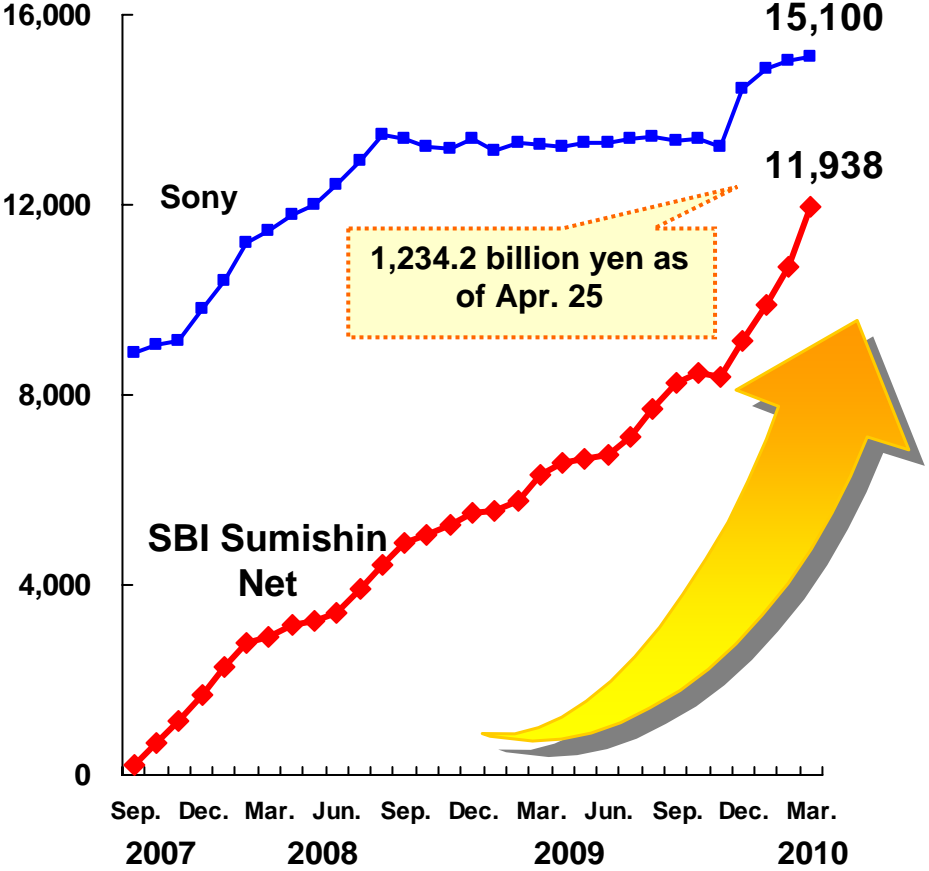
Change in number of customer accounts

(10 thousands)



Change in deposit amount

(100 million yen)



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

Ranked 4th in the Overall Service Industry and 1st in the Banking Sector in terms of Customer Satisfaction Ranking

JCSI (Japanese Customer Satisfaction Index) Survey FY2009 *

Overall customer satisfaction ranking (of 29 service industry and 291 companies)

Rank	Company name	Satisfaction level
1	Tokyo Disney Resort	82.3
2	EC current	81.1
3	Akindo Sushiro	78.8
4	SBI Sumishin Net Bank	78.6
5	Singapore Airlines	78.5
6	Japanet TAKATA	77.7
7	Amazon	77.6
8	Yamato Transport	77.1
9	Rakuten Travel	76.9
10	Jalan	76.8

A company quality ranking among 29 service industry companies, based on the feedback of a total of 100,000 users

No.1 in Banking Sector



Launch of credit-card business
 Planning to lower fees of revolving repayment / installment payment by re-examining all the workflow involved with card business operations and by operating at a low cost.

*Released by Service Productivity & Innovation for Growth

Steady Growth Continues in 4Q FY2009 with Single Year Profitability

[Change in ordinary income and loss]

(on a non-consolidated basis/mil. yen)

FY2008		FY2009			
3Q	4Q	1Q	2Q	3Q	4Q
Ordinary loss	<u>Ordinary income</u>	<u>Ordinary income</u>	<u>Ordinary income</u>	<u>Ordinary income</u>	<u>Ordinary income</u>
750	135	856	438	481	552

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

Full year: 2,329 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)

New medium-term management plan
 FY2012: over 10 billion yen of ordinary income

by Pure-play Internet Banks to Reach Profitability

SBI Sumishin Net Bank recorded a single-month profit in just 17 months (January 2009) and a single-quarter profit in the second FY (4Q FY2008), which was much faster than any of its major competitors. Recording a single-year profit in the 3rd FY (*forecast) will also be an earlier achievement versus its 3 other competitors.

* To be announced on May 14, 2010

	Start of operations	Single-month profit recorded	Number of months	Single-quarter profit recorded	Quarters term accomplished	FY profitability
eBank	2001/7/23	2003/12	30 th month	2003FY 4Q	3rd term	FY2005 (5 th FY)
Japan Net Bank	2000/10/12	2004/3	42 nd month	2004FY 1Q	5 th term	FY2004 (5 th FY)
Sony Bank	2001/6/11	Not disclosed		2004FY4Q	4 th term	FY2005 (5 th FY)
SBI Sumishin Net Bank	2007/9/24	2009/1	<u>17th month</u>	2008FY 4Q	2nd term	FY2009 (3rd FY: forecast)

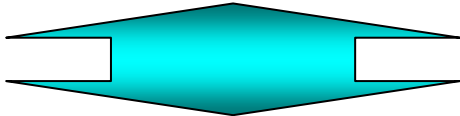
Further Diversifying Asset Management



Deposit: 1,234.2 bil. yen

(as of April 25, 2010. advance report)

Asset management



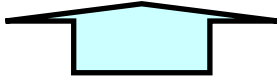
Housing loans

Personal loans

Auto loans

Health care financing

Real estate secured loans



SBI AutoSupport

SBI Receipt

CEM Corporation

<Major asset management method in the future>

- 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

Internet non-life insurer which provides automobile insurance with the least expensive premium

Supporting Companies (Businesses) and Inter-industry Collaborations

[Supporting Companies (Businesses)]

- Insurance Portal “InsWeb”: Japan’s largest auto insurance estimate website, with over 4.2 million cumulative users
- SBI AutoSupport Co., Ltd.: Support for the provision of automotive financial services through automobile dealers
- Autoc One K.K.: Operation of one of the Japan’s largest website for new-car estimation and brokerage

[Inter-industry Collaboration]

Expansion of inter-industry sales channel through an alliance with used car purchasing/selling giant “Gulliver international Co.,LTD”, used car auction site giant “JAPAN AUTOMOBILE AUCTION INC.” and DVD rental giant “GEO CORPORATION”

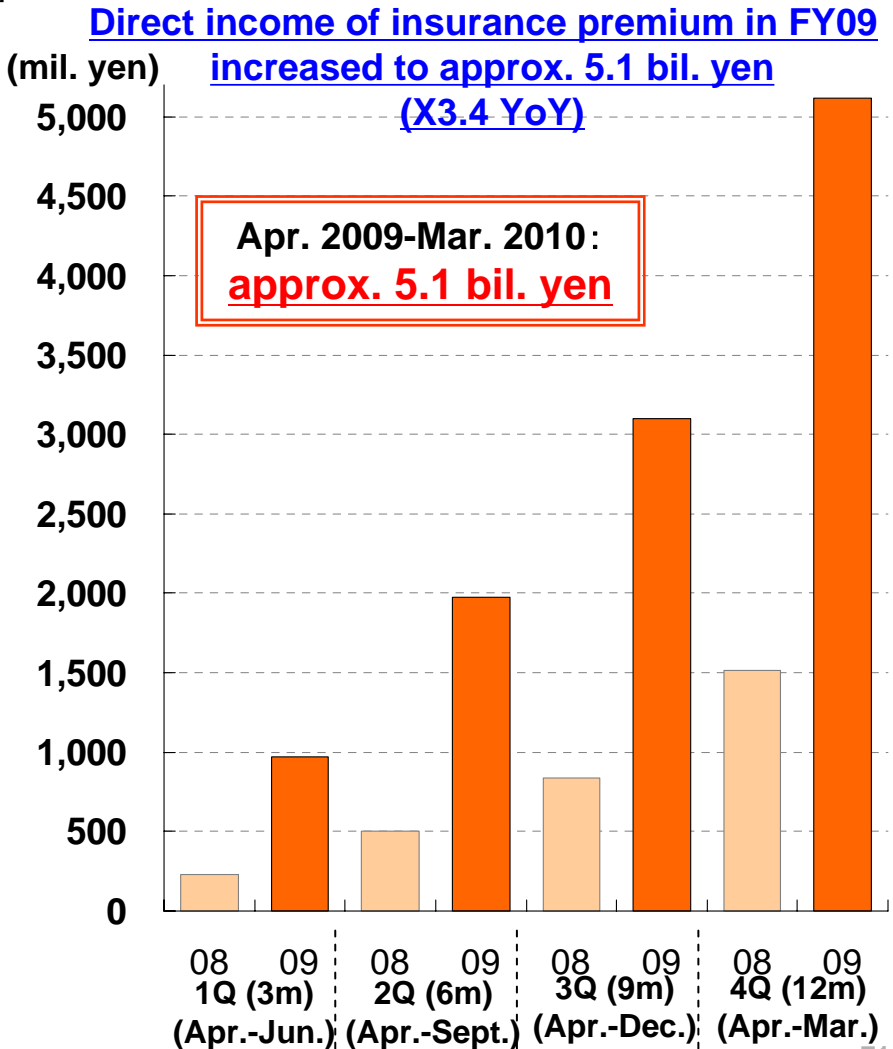
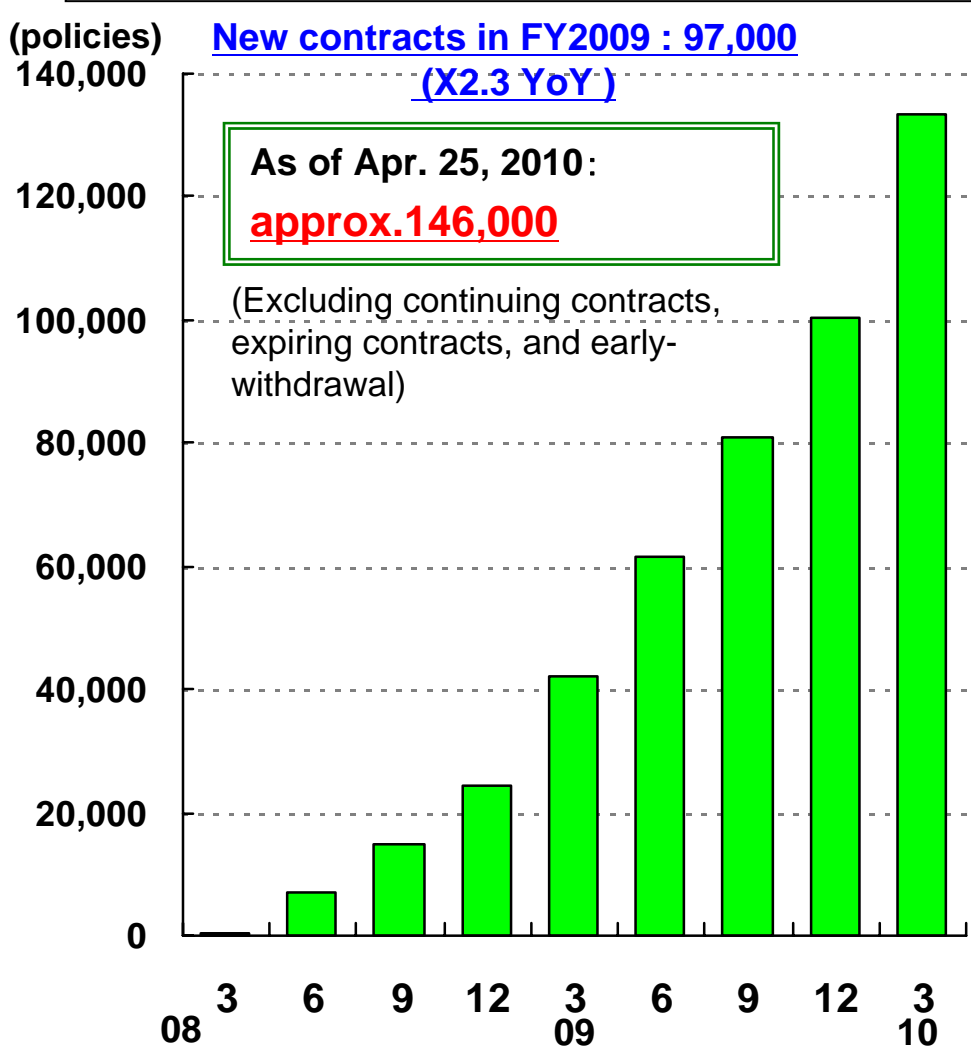
Achieved FY09's Target of 5.0 Bil. Yen for Income of Insurance Premium



-The cumulative number of insurance contracts exceeded 133,000 in 2 years and 3 months since the start of operations-

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

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



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

SBI Insurance and InsWeb



While the SBIH Group provides low cost financial products, InsWeb neutrally introduces the most suited products for customers including non-SBI products

e.g. Japan's largest insurance estimate and comparison website, "Insurance Market Place" InsWeb



An insurance portal providing cost estimates and documents quickly upon request



Automobile insurance
Participation by 22 companies

Cumulative number of automobile insurance estimate:
Over 4.2 million

Life insurance
Participation by 20 companies

Other life insurance companies

Personal pension

Educational endowment insurance

Overseas travel insurance

Other non-life insurance companies

Fire insurance

Motorcycle insurance

Driver insurance

Other financial institutions

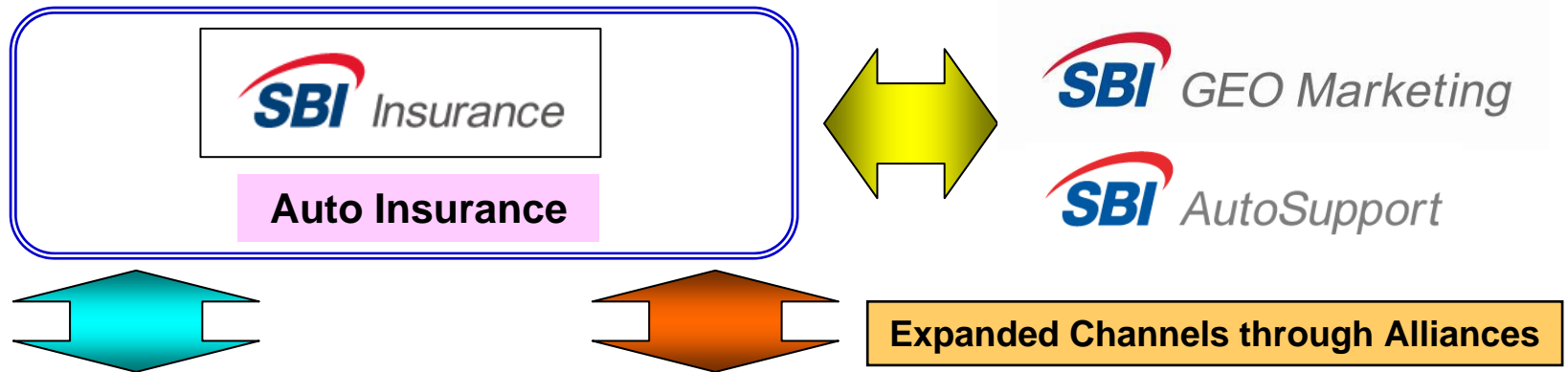
Golf insurance

Leisure insurance

Pet insurance

Significant Channel Expansion Through Business Alliances with Companies in Various Industries

Face-to-face channels enable an effective approach to customers who do not use the Internet



Existing Channels of SBIH Group

(23 branches, 91 bases)

2,050,000
accounts

750,000
accounts

InsWeb

**Cumulative number of estimates:
over 4.2 mil.**

*As of the end of Mar. 2010

Announcement of alliance

<u>Aug. 2009</u>	<u>Oct. 2009</u>	<u>Mar. 2008</u>
<p>DVD Rental Giant</p> <p>• Over 10 mil. registered customers • 978 stores nationwide (include FC shops) (As of the end of Mar. 2010)</p>	<p>Used Car Purchasing/ Selling Giant</p> <p>• Purchasing 200,000 used cars per year • Selling 40,000 used cars per year • 418 stores nationwide (As of the end of Feb. 2010)</p>	<p>Used Car Auction Sites Giant</p> <p>• Registered companies: 15,100 • Annual number of cars listed: 580,000 (As of the end of Mar. 2010, and registered companies is as of Dec. 2009)</p>

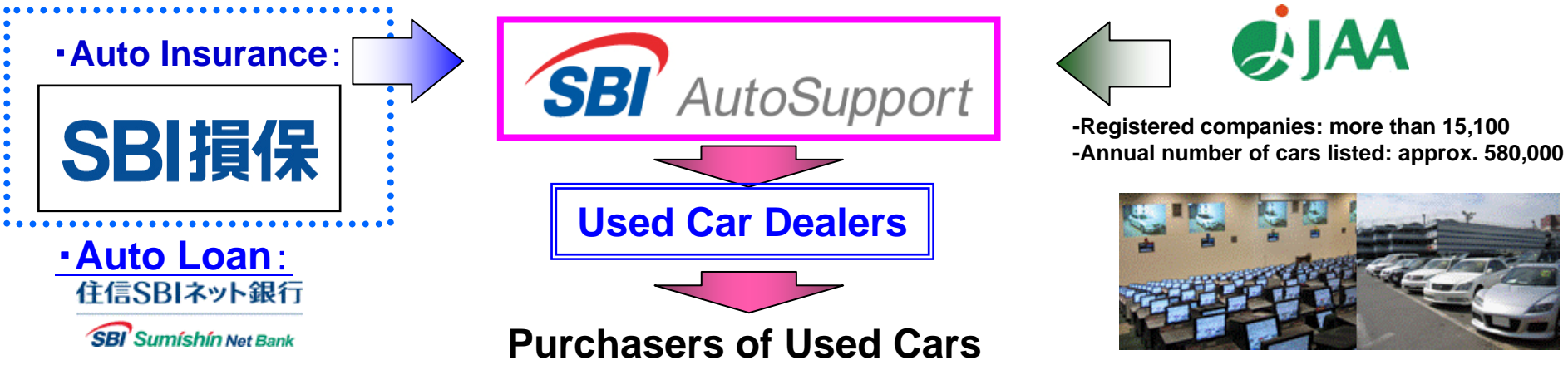


SBI Insurance and SBI AutoSupport



At SBI AutoSupport, which was jointly established with JAA, a used car auction giant, number of registered used car dealers increased steadily. Also, number of contracts at SBI Insurance is on the increase.

Achieved a single-month profitability in March!



Immediate planning for the start of preparations to re-enter the business in a year or year and a half

- **Sold SBIH's shares of SBI AXA Life Insurance to AXA JAPAN HOLDING, thereby temporarily withdrawing from the life insurance business.**
- **SBIH plans to establish a new Internet life insurer as a wholly owned subsidiary in a year or year and a half, thoroughly utilizing the product and marketing strategies experienced through the joint venture.**
- **After the re-entry, plan to utilize the network of investee companies as well as Internet channel and SBIH Group's existing channels**

e.g. SBIH Group investee companies which operate insurance agency business, etc.
(Parenthetic figures are shareholding ratio of the SBIH Group including residual securities)

- **Financial Agency.Inc (35.15%)**
- **NEWTON FINANCIAL CONSULTING Inc. (30.00%)** etc.

- **SBI Card Co., Ltd.:** Issuance of industry's high level point redemption credit card
- **SBI VeriTrans Co., Ltd.:** A settlement innovator supporting the growth of E-commerce
- **SBI Remit Co., Ltd. (tentative):** International money transfer business through the alliance with MoneyGram International (plan to start during summer 2010)

Strive to improve customer usability through the provision of various settlement services

SBI Card: With SBI Card as a core company, developing inter-industry collaboration to promote future growth and synergies within the Group companies

- Plan to issue “GEO Visa Card” to registered customers of the GEO Group in June 2010. Also, grant “Ponta” point with “GEO Visa Card” by the participation into “Ponta”, with its customer base of approx. 20 million.

SBI VeriTrans: Developing settlement service for China

- Operating “Buy-J.com”, an EC mall for China where UnionPay Card settlement, of which approx. 2 billion were issued, is available for Internet mail order service in China

Future Development of SBI Card as a Key for Alliance with Companies in Various Industries

Strive to create synergies such as Group companies' new customer development and increase in the number of transactions by issuing "GEO Ponta Visa Card" and "SBI Card Plus"

Schedule for Returning Card Business to Profitability by March 2013 (target)

Increase number of card issuances from 72,000 (end of Mar. 2010) to 1 mil. (end of Mar 2013)

• Feb. 2009

Acquired license from VISA Card

Strive to acquire to acquire 700,000 card issuances by the end of March 2013

• Jun. 2010

Plan to start issuing "GEO Ponta Visa Card"

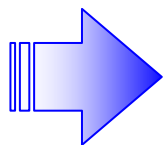
alliance card for GEO Group members

*from June: start on the Internet and at the pilot shops

from Oct.: start at nationwide shops

• Oct. 2010

Plan to start issuing "SBI Card Plus"



- 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

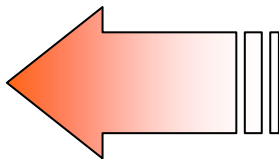
Creation of New Group Synergies Through SBI Card

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

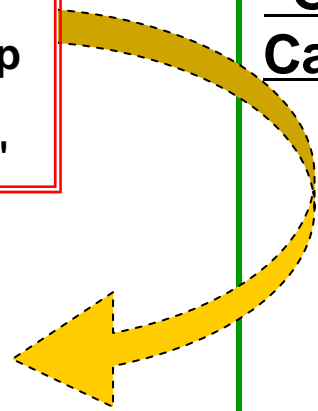
A vertical list of SBI Group companies enclosed in a blue rounded rectangle. From top to bottom: SBI GROUP, SBI Securities, 住信SBIネット銀行 (SBI Sumishin Net Bank), SBI Insurance, SBI Mortgage, and THE WALL STREET JOURNAL. (ウォール・ストリート・ジャーナル 日本版)



(June 2010-)
Introduction and proposal of SBIH Group products utilizing "recommend services"



Customer transfer to the SBIH Group companies



A vertical list of items enclosed in a green rounded rectangle. From top to bottom: GEO logo (AMBIEMENT DEVELOPER ゲオ), "GEO Ponta Visa Card" members *, Grant common point "Ponta" (ポイント、ポンポンたまる。), Ponta Point terminal logo with a cartoon animal, and *Plan to start the issuance in June 2010.

Inter-industry Collaboration :

Seeking Further Synergies by Introducing Inter-industry Common Points

SBIH Group to participate in “Ponta” common points initially through affiliates from March 2010

SBI GROUP



2,050,000 accounts *1

住信SBIネット銀行

SBI Sumishin Net Bank

750,000 accounts *1



Grant “Ponta” point with “GEO Visa Card” *2

ポイント、ポンポンたまる。

Ponta
Point terminal



© Ponta



Cumulative number of estimate: 4.2 million *1

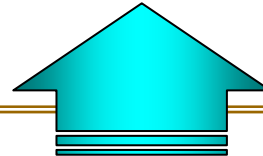


Annual user: 1,280,000

*1 participation as affiliate at the beginning. Numbers of accounts and estimates are as of March 2010.

*2 plan to start the issuance in June 2010

“Ponta” affiliate companies



“Ponta” customer base has reached approx. 21 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
- 978 stores nationwide

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

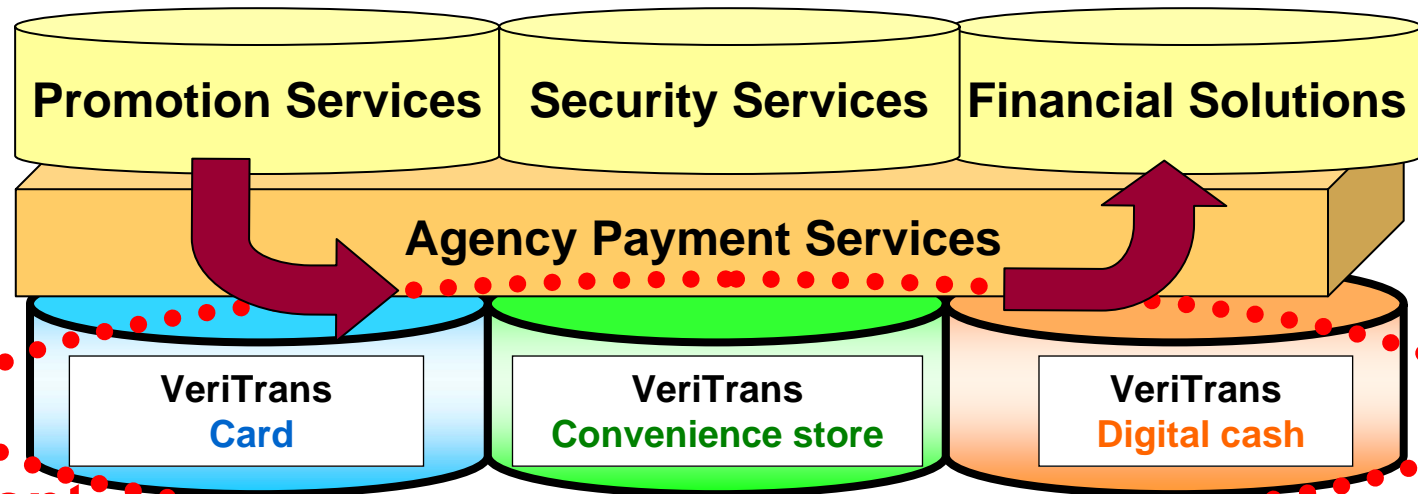
SBI VeriTrans: Providing Settlement Infrastructure to Support the Growth of E-Commerce

- Offer various services based on settlement services -

<Principal Settlement Services>

Payment through credit-card, convenience-store, ATM, Internet-bank, e-money and mobile

Number of transactions (FY09): over 59 mil. (+14.8% YoY)



**Settlement
Base**

Providing settlement services
for overseas clients

[China] "UnionPay Card" settlement, of which approx. 2 billion were issued

Operation of Buy-J.com, an EC Mall for Chinese Customers

-Comprehensively supports translation and transportation as well as online transaction -



(Launched in January 2009)

Enables shops to sell to China market with preparation of the products and their data

1. Language barrier
→ Translation services
2. Transportation barrier
→ Domestic warehouse + EMS
3. Transaction barrier
→ **UnionPay online transaction**

15 banks including 4 biggest banks in China (Industrial and Commercial Bank of China, Bank of China, China Construction Bank, Agricultural Bank of China)* are ready to accept

* 4 biggest banks issued 1.1 billion UnionPay cards, which is more than half of the total

Reference: "financialnews" "Tencent" "sina"

SBI Money Plaza Co., Ltd.

**For the common infrastructure of the SBIH Group to become
“Japan’s largest financial product distributor,”**

SBI Money Plaza proceeds with the face-to-face channel development

- **To achieve a true customer-centric principle, the face-to-face channel development is essential for the SBIH Group, which has conventionally concentrated on the Internet.**
- **The SBIH Group is neutrally positioned to handle competitive products for customers including non-Group products, while the Group itself provides low cost financial products.**
- **Accelerate franchise store openings of SBI Money Plaza mainly through the transformation of SBI Housing Loan Shops. It opened 65 stores, and continues its development**
- **At SBI Money Plaza, launched into preparations toward the placement of “concierge desk” of CPAs and FPs, etc.**

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

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



- SBIH Group's target number of bases in early FY2010: 200
- At SBI Money Plaza, launched into preparations toward the placement of "concierge desk" of CPAs and FPs, etc.

Account Aggregation Service: MoneyLook

"MoneyLook", a leading account aggregation service software that has the most affiliated financial institutions and registered members

MoneyLook[®]

Allows use of a single ID and password for the Internet services of several financial institutions

<Number of Registered Members*> Over 557,000

Account Management

(Users can view balances, recent transactions, reward points etc with a one-click convenience)

Portfolio Function

(Portfolio management of stock trading, FX trading, investment trust, etc)

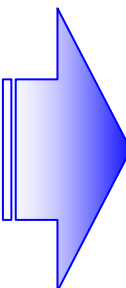
<Number of Participating Companies*>

Bank: 138, Credit Card: 40, Stock Brokerage:30, FX: 18, Reward point related: 70, Others: 22 (Total: 318)

< SBI Group participants >



Internet Users



Examples of Synergies Generated Through an Association with a Core Business

SBI SECURITIES and SBI Sumishin Net Bank



Settlement

SBI Sumishin Net Bank

Synergy

SBI Securities

Asset Management

Examples of Affiliation Services :

Aggregation functions

Simultaneous display of accounts of SBI Sumishin Net Bank and SBI SECURITIES. Easy access to stock trading platform of SBI SECURITIES, with one click on the Bank's stock information page

Automatic transfer services for additional margin deposits

Automatic cash transfer from a yen savings account at SBI Sumishin Net Bank to an account at SBI SECURITIES when additional margin deposits are needed

SBI Hybrid Deposits (Automatic deposits and withdrawals of stock trading deposits)

SBI Hybrid Deposit balance can be integrated into available deposit balance for stock trading, margin trading, and actual receipt of stock purchased at SBI SECURITIES

One-time account opening

One-time account openings at both SBI Sumishin Net Bank and SBI SECURITIES

About 40%* of new accounts at SBI SECURITIES applies for an account opening at SBI Sumishin Net Bank, and it contributes to an increase in the number of deposits and the total amount of housing loans outstanding.

* Only the number of account opening at both SBI SECURITIES and SBI Sumishin Net Bank at one time. Excluding the number of new SBI Sumishin Net bank accounts which were opened after opening SBI SECURITIES account.

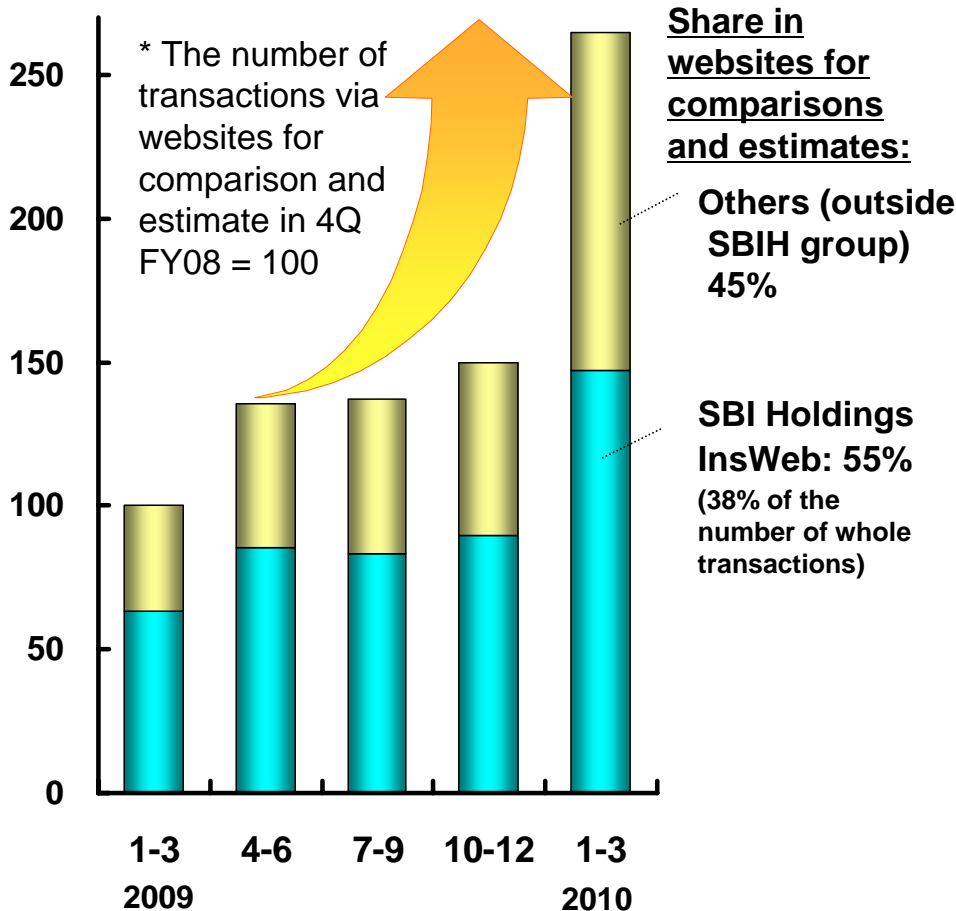
SBIH Group's Sales Channels which Contribute to an Increase in Contracts at SBI Insurance



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

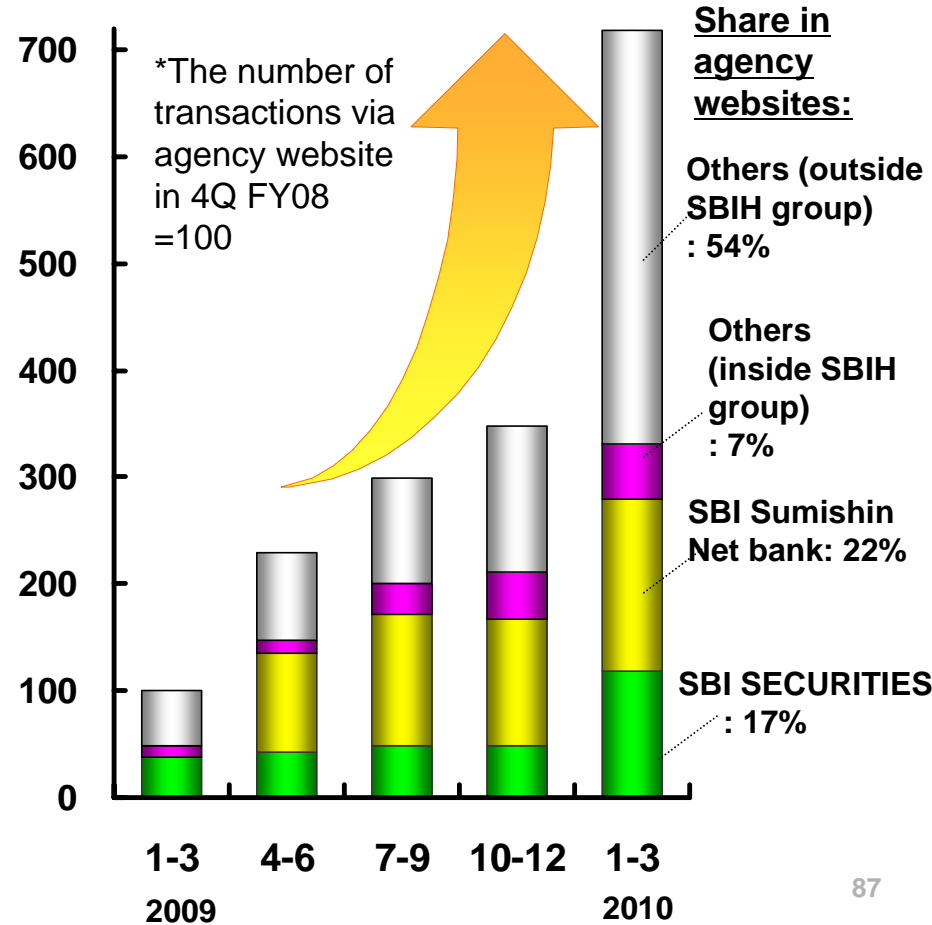
Websites for comparisons and estimates

SBIH Group Share: 55%



Agency websites

SBIH Group Share: 46%



**The SBIH Group's Customer Base was
Founded through an Adherence to the
Customer-centric Principle and Pursuit of
Group Synergies**

SBIH Group's Growing Online Customer Base



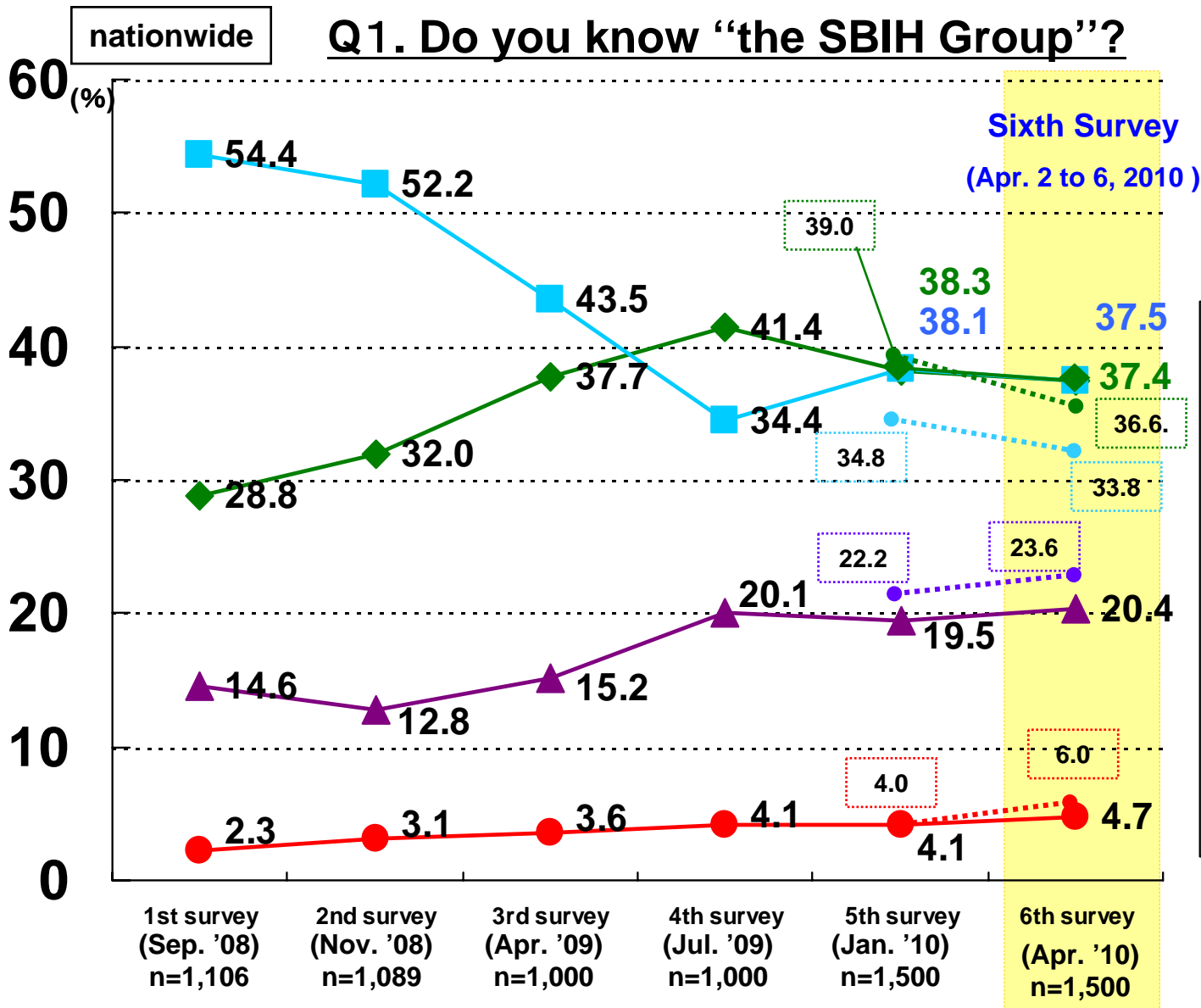
SBIH Group company and division		Mar. 2010 (thousand)
SBI SECURITIES	(Accounts)	2,054
SBIH InsWeb	(No. of customers)	3,280
E-LOAN	(No. of customers)	939
Other financial websites	(No. of customers)	118
MoneyLook	(Total no. of customer registrations)	558
Morningstar Japan	(New portfolio customer registrations)	55
SBI Card	(Cards issued)	72
SBI Sumishin Net Bank	(Accounts)	753
SBI Insurance	(Total no. of contract)	133
Autoc one	(No. of service users in 2009)	1,280
Lifestyle related websites	(Total no. of customer registrations)	515
E*GOLF	(Total no. of customer registrations)	371
Others		291
Total		10,419

*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 double counted, while repetition in each service site is omitted when it can be recognized as a unique user.

* The total number of contracts of SBI Insurance excludes continuing contracts, expiring contracts and early withdrawals.

Survey on Visibility of the SBIH Group, Apr. 2-6, 2010



Planning to launch TV advertisements in May or June, for further visibility

Survey method: online surveys utilizing "goo research"

Survey period: the first (from Sept. 9 to 11, 2008), the second (from Nov. 26 to 28, 2008), the third (from Apr. 13 to 16, 2008), the fourth (from Jul. 1 to 3, 2009), the fifth (from Jan. 6 to 8), and the sixth (from Apr. 2 to 6)

(2) Continued Aggressive Investments for Future Growth

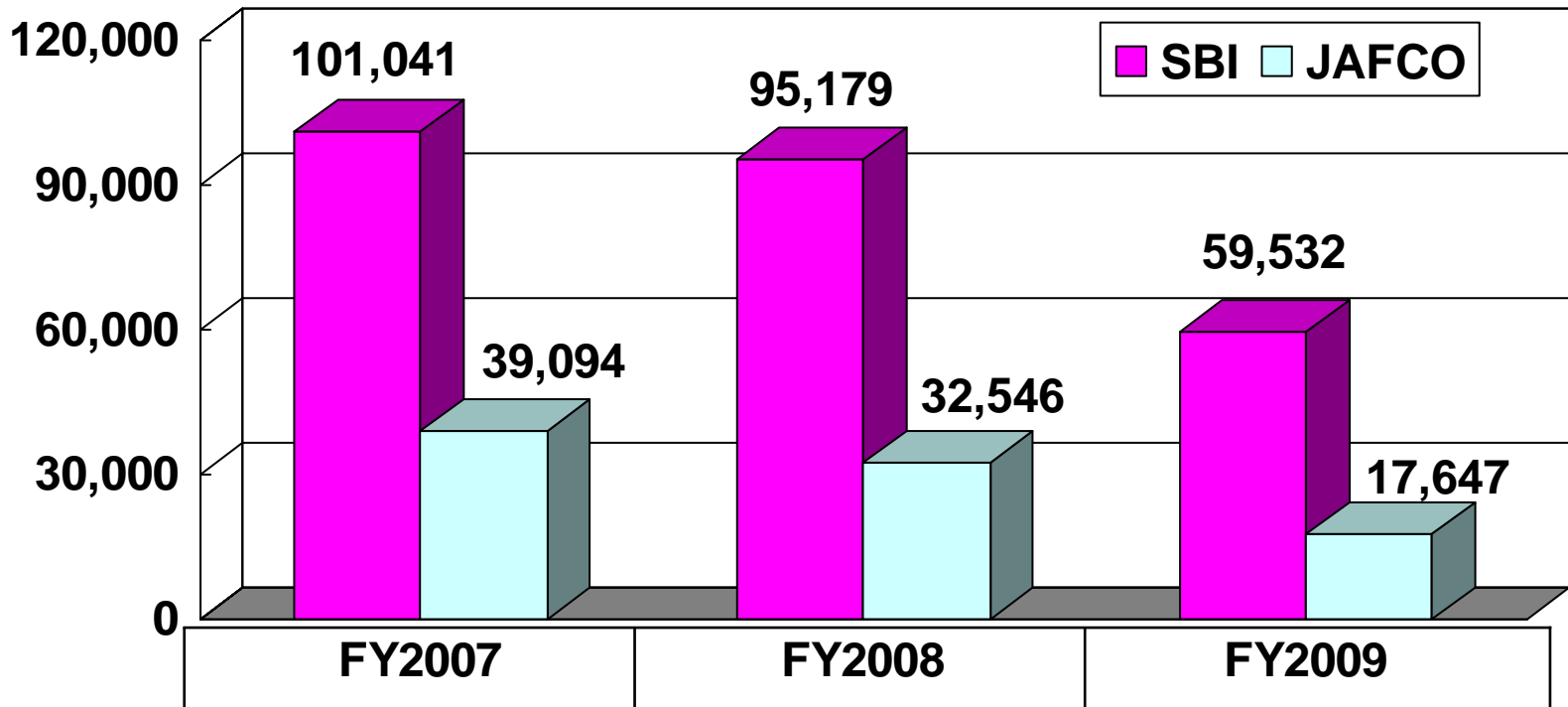
- 1. Aggressive Investments After the Lehman Shock During a Period of Decline in Investment Cost**
- 2. Focused Investments in Growth Industries and Emerging Markets**

1. Aggressive Investments After the Lehman Shock During a Period of Decline in Investment Cost

Change in New Investment Amount/ Number of Companies Invested

- As a venture capital firm, continuing Japan's most aggressive investment process -

Unit: million yen



SBI	208 companies	118 companies	143 companies
JAFSCO	168 companies	106 companies	101 companies

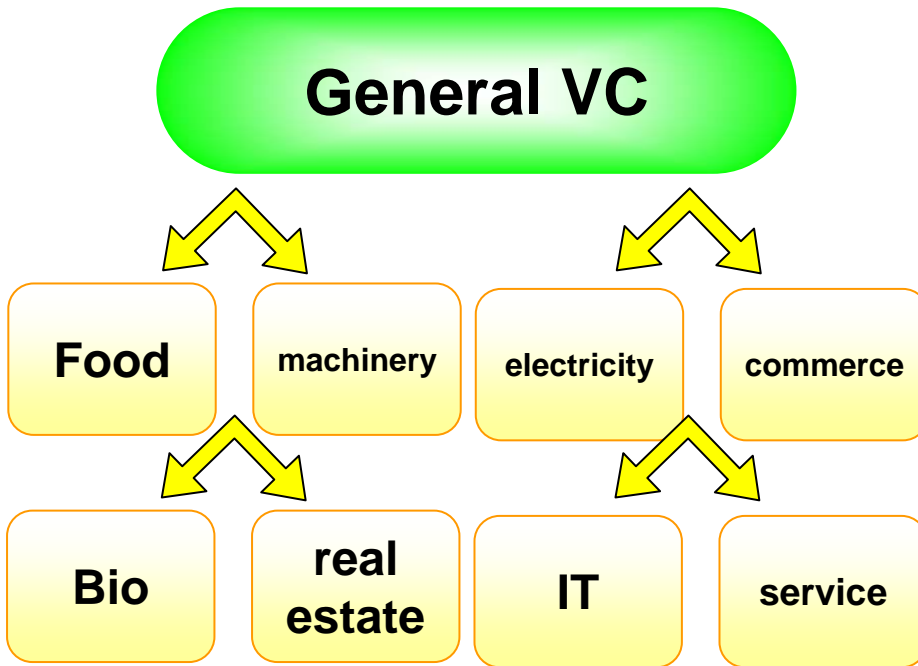
*Where there are first and second quarter investments in the same company, the investment is counted as a single company to eliminate duplications.

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

2. Focused Investment in Growth Industries and Emerging Markets

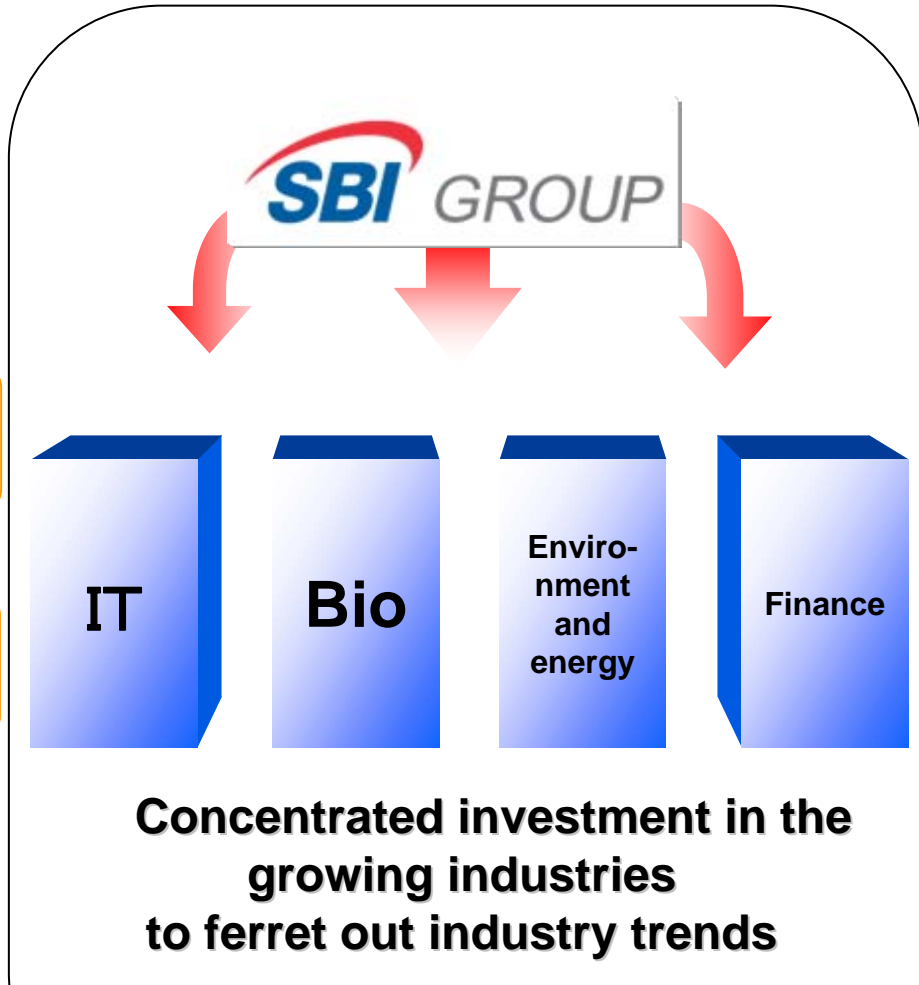
As a new industry creator, investments into IT, bio, environment, energy, and financial fields, from where further innovation is expected in the future will continue in Japan, as well as in the emerging markets where significant economic growth is expected.

Concentrated Investment Strategy to Nurture New Industries



Diversified investment into various industries for risk modification

Inefficient fund collection due to more investments into less rapidly growing companies



Concentrated investment in the growing industries to ferret out industry trends

Efficient fund collection due to a larger number of investments into companies with greater growth potential

IT:

Complex Innovations Utilizing Internet Technologies Leading to New Industry Developments

(example) IT × electricity: establishment of smart grid by utilizing cloud computing technology

(example) IT × biotechnology: bioinformatics

(example) IT × medical care: computerized receipts

800 million receipts are annually transported.
 →Transportation and storing cost / security / data exploitation frequency

Online receipt ratio

	Insurance and medical institutions	dispensing pharmacies	Total
Japan	14,440 (approx. 8.5%)	45,554 (approx. 86.8%)	59,994 (approx. 27.1%)
South Korea	44,090 (approx. 88%)	19,666 (approx. 100%)	63,756 (approx. 91%)

Three Key Global Factors in Successfully Developing a Biotechnology Industry

Global Researcher Network

Discover seeds of drug creation by utilizing world wide network of researchers

Global Marketing Channel

Utilize alliances with overseas biotech companies to sell worldwide products resulting from successful drug creation projects

Global System for Obtaining Approvals for New Drugs

Utilize alliances with overseas venture biotech firms to target rapid approval of new drugs by submitting applications in the countries best suited to receive approval



By assembling these three key global elements, SBIH intends to maintain a consistent drug creation stream, obtain approval in carefully selected countries, and then increase sales through global marketing.

Progress of Drug Discovery Projects, etc. by 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. Also, in preparation of clinical test due to the requisition for the adhibition to acute leukemia in childhood by an North U.S. Research Group
- 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 the field of research and development of immune body for cancers and autoimmune diseases, started tie-up negotiations with domestic and overseas promising pharmaceutical companies for anti-BST-2 body, in March 2010, in addition to anti-ILT-7 protein which aligned with MedImmune, the global biologics unit of AstraZeneca

Progress at SBI ALApromo

- [ALAPharma GmbH](#), established in June 2009 jointly with medac GmbH., [is preparing for registration of supplement in Europe.](#)
- As for intraoperative diagnosis drug for malignant glioma, which is approved by European Medicines Evaluation Agency and already used in Europe, acquired exclusive license to use data needed for drug development in Japan.
- In Japan, started to sell products of ALA-containing [handcream and cream for beauty, etc.](#), and currently preparing to sell an ALA-containing [new beauty product](#), which is under development.
 - Moisture cream [「AL SCIENCE EMOLLIENT CREAM」](#)
 - Moisture lotion [「AL SCIENCE LOTION MOISTURE」](#)
 - Skincare Series [「Lala Solomon」](#): moisture cream, lotion, cleansing foam, etc.
- In the healthy food field, a supplement, [“NatuALA -Bio-”](#), [is available for sale](#)
- [Currently in the experimental study for the new supplement](#) in several overseas branches

Companies' R&D Continues to Progress Steadily**Quark Pharmaceuticals, Inc. (Shareholding ratio of the SBIH Group: 36.22%)****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.
- **FDA Grants Orphan Drug Status for Quark's QPI-1002 for the Prophylaxis of Delayed Graft Function in Kidney Transplant Patients**

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

- Developed in collaboration with BioSpring GmbH as a neuroprotective agent for eye diseases
- **Started a Phase I trial in March 2010**

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 II a clinical trial.**

Acucela Inc. (Shareholding ratio of the SBIH Group: 28.71 %)**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 II clinical trial**
- **In Mar. 2010, received FDA Fast Track Designation for ACU-4429 in Patients with Dry AMD**

SBIH's Foray into the Development of the Environment and Alternative Energy Business

- ① Joint venture with Mizuho Securities to operate a fund targeting the environment and energy sectors in Japan and overseas



Environment and Energy No. 1

Mizuho Securities



Established in Sept. 5, 2007
Investment commitment: 7.5 billion yen

- ② Joint venture with Masdar Clean Tech Fund to operate a fund targeting the alternative energy sectors in Japan



Masdar-SBI Fund

Masdar Clean Tech Fund



Established in Dec. 22, 2008
Investment commitment: US\$20 million

SBIH plans to make substantial investments in the environment energy sector, positioning this as a core investment category

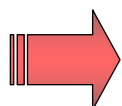
Change in Listed Share Market Cap by Industry in Japan

The finance and insurance industries have grown substantially from their high-growth period of the 1960's. During the economic high growth phase, they maintained a position of leadership as the industry infrastructure that supported the economy

	1960	1965	1970	1975	1980	1985
1	electric equipment	electricity and gas	finance and insurance	finance and insurance	finance and insurance	finance and insurance
2	transportation equipment	transportation equipment	electric equipment	electric equipment	electric equipment	electric equipment
3	Chemical	electric equipment	Chemical	commerce	Chemical	Chemical
4	primary metal	iron and steel	electricity and gas	transportation equipment	transportation equipment	commerce
5	iron and steel	Chemical	transportation equipment	construction	commerce	electricity and gas
6	food	finance and insurance	construction	Chemical	electricity and gas	transportation equipment
7	Commerce	commerce	commerce	iron and steel	iron and steel	construction
8	textiles	food	iron and steel	electricity and gas	machinery	machinery
9	electricity and gas	textiles	machinery	machinery	construction	food
10	finance and insurance	land transportation	food	food	food	land transportation

(Counted in December in each year)

Source: TSE Annual Statistics



The emerging market countries are also likely to experience a similar transition as that experienced in Japan

The Top 10 Largest Market Value Companies in China

In rapidly growing China, financial institutions already comprise most of the top 10 largest companies

	Company	Industry	Market Cap.
1	PetroChina	Oil, Gas	287,185
2	Industrial and Commercial Bank of China	Bank	187,885
3	China Construction Bank	Bank	133,229
4	Bank of China	Bank	115,243
5	Sinopec	Oil, Gas	101,805
6	China Life Insurance	Life insurance	94,732
7	China Shenhua Energy	Coal mining	57,611
8	Ping An Insurance	Life insurance	42,663
9	Bank of Communications	Bank	40,410
10	China Merchants Bank	Bank	32,730

Overseas VC Funds Steadily Progressing


- In FY2009, invested 9,990 mil. yen in 16 companies*1 -




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

NHF I 
 (6 companies / 4,472 mil. yen)
 (Incl. 4 IPO companies)

NHF II (invest as a limited partner) 
 (19 companies / 45,749 mil. yen) (Incl. 4 IPO companies)

Beijing University Fund 
 (1 company / 1,861 mil. yen)


Tsinghua University Fund 
 (2 companies / 232 mil. yen)

Taiwan Fund 
 (1 company / 28 mil. yen)


Vietnam Fund 
 (8 companies / 2,965 mil. yen)


India Fund 
 (1 companies / 447 mil. yen)

Funds in waiting (Investment Commitment)

 **Hungary Fund**
 (14,100 mil. yen)

 **Masdar Fund**
 (1,861 mil. yen)

 **Russia Fund**
 (9,304 mil. yen)

 **Joint Fund with Chinese 3 companies** (Offshore: 1,885 mil. yen / Onshore: 818 mil. yen)

Keio University Fund
 (500 mil. yen)

 **Malaysia Fund**
 (4,652 mil. yen)

*1 Includes 4 companies (5,009 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

Established Shariah-compliant PE Funds, Aiming for Building a Broad Network in Islamic Zone



**Brunei Ministry
of Finance**



SBI Holdings

**Final agreement
concluded in Mar. 2010**



[Summary of the agreement]

- Jointly establish a fund management company, which will be incorporated in Brunei
- Manage PE funds which make shariah-compliant investments into companies mainly in Asia

SBI Islamic Fund (tentative name)

<Reference>

Assets under Management of the SBIH Group

542.1 billion yen as of the end of Mar. 2010 (incl. "Real estate and others")

Private equity, etc. total: 271.3 bil. yen

[IT/Biotechnology] Total: 129.1

Internet	3.8
Broadband/Media	54.8
Mobile services	27.6
Biotech/Others	43.0

[Environment/Energy] 8.4

[Direct investment] 27.2

[Buyout/Mezzanine] Total: 37.9

Value Up	19.2
Mezzanine	18.7

[Overseas] Total: 68.7

China/ Hong Kong/ Others*	38.0
Vietnam	7.8
India	8.9
Hungary	13.9

[Investment trusts, others]

Total: 216.1 bil. yen

Investment trusts	39.8
Investment advisory	174.7
Investment companies	1.6

[Real estate, others]

Total: 54.7 bil. yen

Development	26.7
Completed properties	28.0

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 Mar. 2010. Figures for other funds are net assets at market value based on the latest financial reports of each fund as of the end of Mar. 2010. 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

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 the end of FY2009 was 8.78 billion yen since the beginning of the fund .
- Our shareholding represents unrealized profit of **approx. 8.8 billion yen** in and after FY2010 (as of April 26).

Portfolio companies	Investment	Category	IPO / M&A (planned)	Capital Gain			(Unit: million US\$)
				End Mar.08	End Mar. 09	End Mar. 10	
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	Pre-IPO/M&A (estimated value)
China Cord Blood Corporation	4.1	IPO		17.6	17.6	11.8	
Jiangsu Ealong Biotech	-	-	-	5.6	5.6	-	
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) (17.7)

[Received Dividend] (Unit: billion yen)  [Estimated Dividend in and after FY2010] (as of April. 26, 2010)

Foundation – FY2008	FY2009	FY2010	FY2011	FY2012	Total Estimated Dividend after FY10
7.0	4.7	3.3	2.4	3.1	8.8

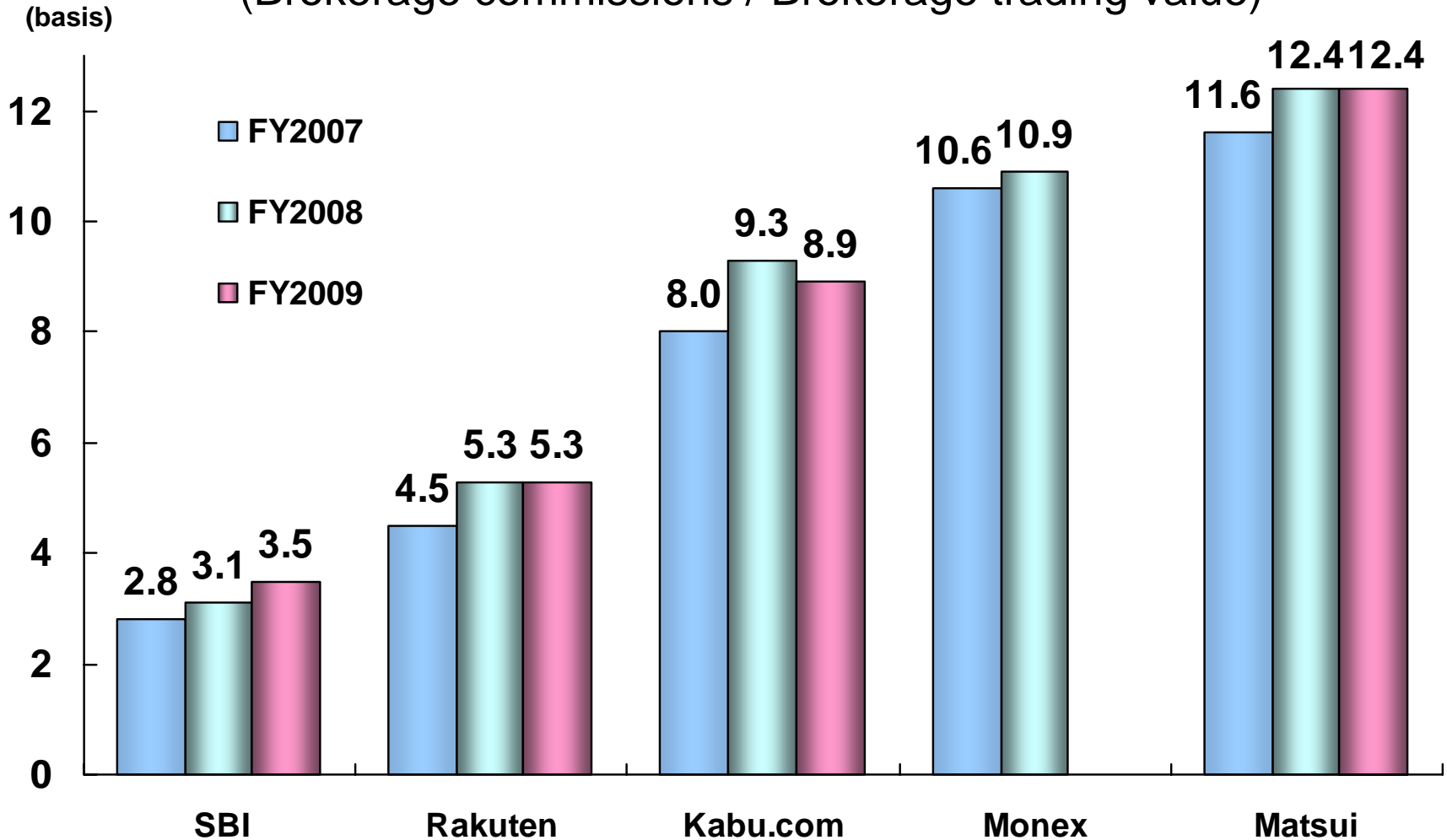
Note: Receipt of dividends depends on the timing of sales, the figures are not determined yet.

*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.

Basis Comparison of 5 Major Online Securities Companies

(Brokerage commissions / Brokerage trading value)



Source: Based on company materials and monthly announcements. Brokerage commissions use non-consolidated data.
SBI SECURITIES includes only trades through Internet

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