



*Strategic
Business
Innovator*

SBI Holdings, Inc.
FY2010 Financial Results
(Year Ended March 31, 2011)

April 27, 2011

The items in this document are provided as information related to the business strategy of The SBI 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. Summary of FY2010**
- 2. SBI Holdings' Business Development Focused on Major Trends**
- 3. The SBI Group's “Brilliant Cut” Initiative Moves to 2nd Phase**

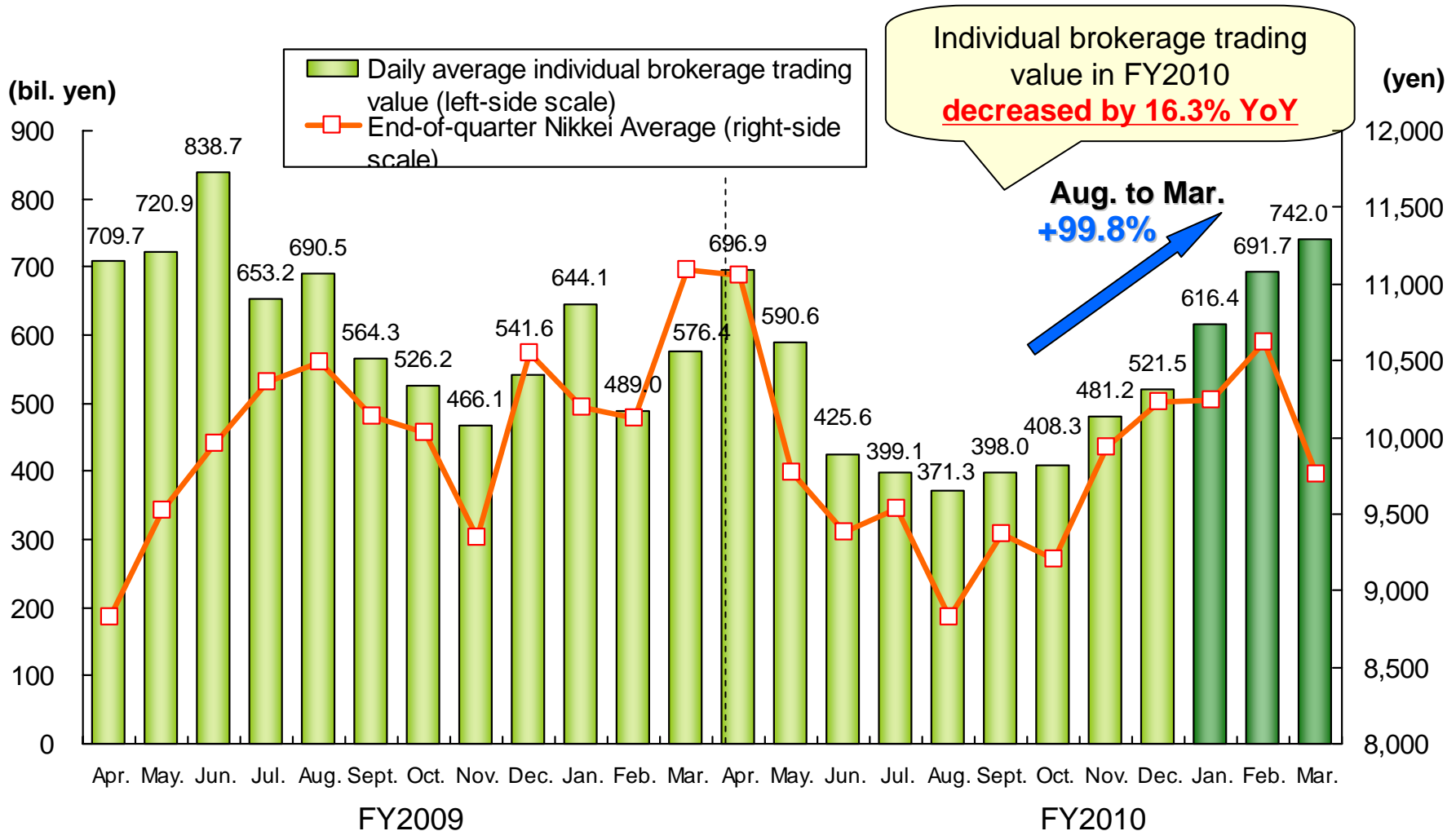
1. Summary of FY2010

- (1) Operating Environment Where Difficult Challenges Remain**
- (2) In an Adverse Environment, Top- and Bottom-line Growth in Fiscal Year Ended March 2011**

(1) Operating Environment Where Difficult Challenges Remain

Changes in Daily Average Individual Brokerage Trading Value

Individual brokerage trading value recovered, after bottoming out in Aug. 2010, although still resulting in 16.3% downturn YoY



*Japanese Stocks listed on Tokyo Stock Exchange, Osaka Stock Exchange and Nagoya Stock Exchange (Including TSE Mothers, OSE JASDAQ and NSE Centrex)

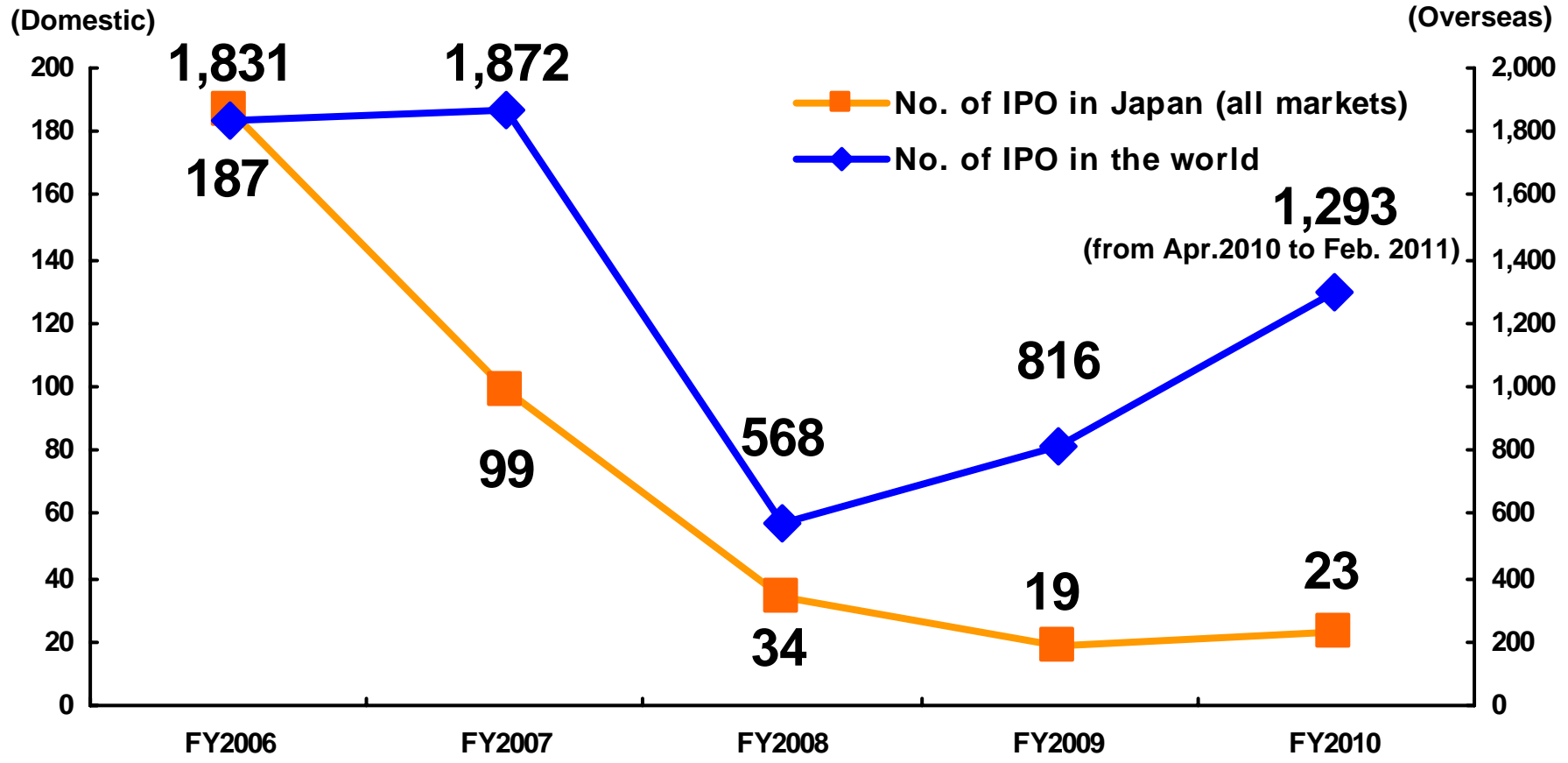
*Source: Compiled by SBIH from disclosed data from TSE and OSE

Domestic and Overseas IPO Market

Amid the Global IPO Market Recovery Centered on Asia, Japan's Continues to Flounder

Change in the number of domestic and overseas IPO companies

(Unit: companies)



*Source: Stock exchanges, E&Y "Global IPO Update"

(2) In an Adverse Environment, Top- and Bottom-line Growth in Fiscal Year Ended March 2011

FY2010 Consolidated Performance

Secured year-on-year increase in all profit categories

(mil. yen)

	FY2009 Full year (Apr. 2009 – Mar. 2010)	FY2010 Full year (Apr. 2010 – Mar. 2011)	YoY change (%)
Operating Revenues	124,541	141,081	+13.3
Operating Income	^{*1,2} 3,431	^{*3} 8,932	+160.3
Ordinary Income	1,112	^{*4} 3,525	+216.8
Net Income	2,350	^{*5} 4,534	+93.0

*1 SBI Card recorded a 1.5 bil. yen provision for allowance for doubtful accounts (of which 1.2 bil. yen is for loans of former SBI Equal Credit) throughout FY2009

*2 SBI Card recorded a 0.8 bil. yen provision for loss on interest repayment (of which 0.5 bil. is for loans of former SBI Equal Credit) throughout FY2009

*3 SBI Card recorded a 1.3 bil. yen provision for allowance for doubtful accounts (of which 1.1 bil. yen is for loans of former SBI Equal Credit)

*4 Recorded 0.6 bil. yen in foreign exchange loss on yen-denominated loans etc. at SBI Korea Holdings. Recorded 1.9 bil. yen at MTN bond interest payment and 0.4 bil. yen allowance for losses on investment securities for KTIC Holdings shares due to the adaption of stricter accounting standard.

*5 HOMEOSTYLE recorded 1.0 bil. yen in extraordinary loss due to impairment of fixed assets, among other factors

SBI SECURITIES recorded provision for doubtful accounts of 1.1 bil. yen on settlement risk associated with customers involved in the trading of futures, options, margin stocks trading and foreign exchange trading

Abrupt Appreciation of the Japanese Yen Temporarily Affects the Ordinary Income

	FY2009	FY2010	YoY Change
USD/JPY	93.04	83.15	-10.3%
100KRW/JPY	8.22	7.53	-8.4%
Operating Income	3,431	8,932	+5,501
Non Operating income	1,185	1,186	+1
Non Operating expenses	-3,504	-6,593	-3,089
Ordinary Income	1,112	3,525	+2,413

(mil. yen)

	FY2009	FY2010	YoY Change	Outline
Foreign exchange loss	-65	-1,349	-1,284	
SBI Korea Holdings	402	-586	-988	From yen-denominated borrowings
SBI Hawaii Property	-11	-104	-93	From yen-denominated borrowings
SBI Ven Holdings	-2	-54	-52	From yen-denominated borrowings
Other FX loss	-454	-605	-151	
Bond interest payment	-1,182	-1,962	-780	Due to increase in interest paid accompanying an increase in MTN issuance
Borrowing cost	-778	-843	-65	Interest payment to banks
Hong Kong listing	—	-320	-320	Costs for the listing on Hong Kong stock exchange
Deferred per Art. 113 of Insurance Business Act	-746	-952	-206	Recorded based on Insurance Business Act
Provision for allowance for doubtful accounts	-24	-191	-167	147 million yen allowance provisioned for bonds held by SBI Net Systems
Other expenses	-709	-976	-267	173 million yen valuation loss on software, etc. by SBI Net Systems
Total non operating expenses	-3,504	-6,593	-3,089	

*Negative figures indicate cost increases

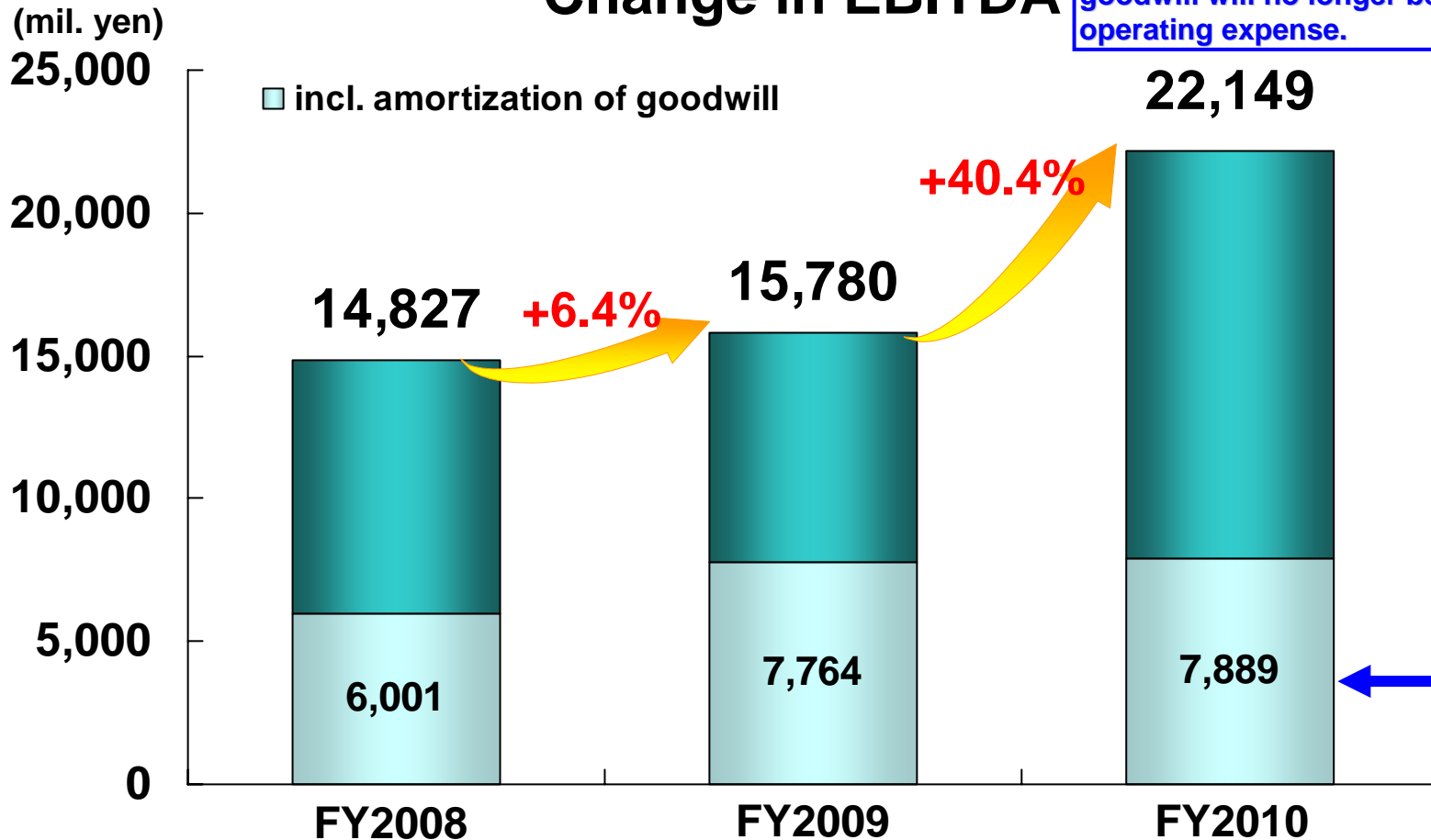
EBITDA Bottoms out in FY2008

(EBITDA=operating income + allowance for depreciation + goodwill amortization)

EBITDA for FY2010 improved significantly to 22,149 mil. yen, up 40.4% YoY

Change in EBITDA

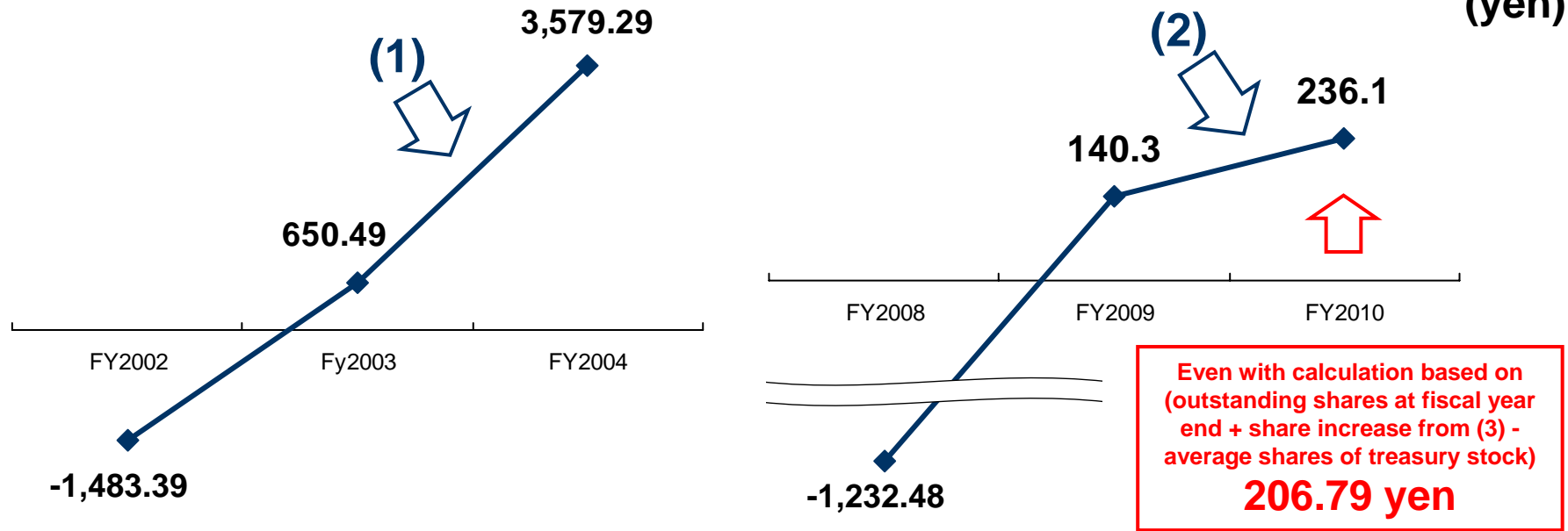
Under IFRS, which SBI plans to voluntary adapt from FY2012, amortization of goodwill will no longer be recorded as an operating expense.



EPS for FY2010 Up 68.3% Year-on-year After Public Offering

- The SBI Group's consideration of appropriate timing for the public offering:
 - ✓ An environment where EPS (earnings per share) can be expected to increase, even upon an increase in the number of shares

Net income per share after public offering (upon split of shares)



(1) PO in Mar. 2005

Capital raised*	51.2 bil. yen
Dilution	16.88%

*total net proceeds of public offering and third party allocation

(2) PO in Jun. 2010

Capital raised*	35.3 bil. yen
Dilution	20.30%

*total net proceeds of public offering

(3) IPO on HKEx in Apr. 2011

(passed resolution on Mar. 25, 2011)

Capital raised*	Approx. 16.2 bil. yen
Dilution	9.11%

*total net proceeds when both public offering and third party allocation are conducted.

Achieved an Increase in EPS, Despite Facing Various Risks

Sept. 2008: Lehman Shock

Jan. 2010: Sovereign debt shock in Europe, starting from Greece

Jan. 2011: Movement for democratization in MENA area starting from Tunisia

Achieved an increase in EPS, through diversification of business portfolios, etc., despite having faced the risks mentioned above

<Example of risk diversification >

➤ **Diversification of business portfolios**

- Achieved growth of each business through synergies generated from business ecosystem, composed of various businesses

- Business diversification ranging from Financial Services, Asset Management to Biotechnology

➤ **Profit diversification in the same business (Securities Business)**

- Increase in FX trading volume utilizing SBI Liquidity Market

- Increase in investment trust sales utilizing Moringstar Japan and SBI Fund Bank

- Bolster brokerage of foreign equities and foreign currency dominated bonds, through partnerships with overseas institutions

➤ **Creation of revolutionary new businesses**

- Establishment of Japannext PTS, with Japan's largest trading volume

- Inception of Biotechnology Business, which is expected to become a new revenue stream

➤ **Territorial diversification of business**

- Accelerate overseas development in the Securities, Banking and Insurance Businesses as well as Asset Management Business

SBI Holdings' Dividend Distribution for FY2010

SBIH's Dividend Policy (amended in Apr. 2010)



SBIH will implement a dividend policy with a payout of approximately 20% to 50% of its consolidated net income. At minimum, SBIH will undertake a dividend distribution with a payout of more than 20%. However, SBIH will always seek to increase the dividend payout to a maximum of about 50%, provided that SBIH determines that further profit distribution is possible and after overall consideration of the appropriate level of retained earnings for sustainable growth, and other factors such as its immediate earnings forecast. In principle, SBIH's dividend payment frequency shall be unified to once per year-end, and interim dividends shall no longer be paid.

Dividends Distribution Record

(per stock, yen)

	interim	Year End		Annual
		Ordinary dividends	anniversary dividends	
FY2010 (Forecast)	-	<u>100 (42.4%)</u>	<u>20</u> <u>(for Hong Kong listing celebration)</u>	<u>120 (50.8%)</u>
FY2009	-	50 (35.6%)	50 (for 10 years anniversary of SBI)	100 (71.3%)
FY2008	-	100	-	100 (-)

*parenthetic figures are consolidated payout ratio. Net income in FY2008 was -18.4 bil.yen

Operating Income by Segment

- Housing and Real Estate businesses experienced substantial profit increase, due to rapidly increasing businesses at SBI Mortgage-

(mil. yen)

	FY2009 Full year (Apr. 2009 – Mar. 2010)	FY2010 Full year (Apr. 2010 – Mar. 2011)	YoY (%)
Asset Management	2,543	9,577	+276.5%
Brokerage and Investment Banking	9,374	6,123	-34.7%
Financial Services	206	-536	-
Housing and Real Estate	872	3,370	+286.4%
Others	-2,104	-1,832	+272

*1 The figures in FY2009 reflect the changes in business segment

*2 SBI Card recorded a 1.5 bil. yen provision for allowance for doubtful accounts (of which 1.2 bil. yen is for loans of former SBI Equal Credit) throughout FY2009

*3 SBI Card Recorded a 0.8 bil. yen provision for loss on interest repayment (of which 0.5 bil. is for loans of former SBI Equal Credit) throughout FY2009

*4 Recorded valuation loss of 0.4 billion yen for real estate inventory at SBI Holdings, and recorded allowance for doubtful accounts of 0.1 billion yen at CEM Corporation

*5 SBI Card recorded a 1.3 bil. yen provision for allowance for doubtful accounts, and SBI Credit, which became a consolidated subsidiary since 2Q FY2010, recorded a 0.6 bil. yen operating loss

Summary of Major Business Segments

Asset Management Business

Fiscal 2010 (Year ended March 31, 2011)

Operating Revenues 30.7 billion yen (+52% YoY)

Operating Income 9.6 billion yen (+276% YoY)

- **Although the number of IPOs in Japan totaled 4 more in FY2010 than in the previous fiscal year, it was still a paltry 23 IPOs for the entire year. However, within this environment, 17 SBI portfolio companies were successfully exited.**
- **New Horizon Fund continued to contribute to the Group's operating income, with a 3.3 billion yen contribution. In addition, future profit contributions from other overseas funds such as New Horizon Capital are expected.**
- **Investments continued at a high level compared to others in the industry (cumulative total of 64.4 bil. yen for FY2010).**

* The above figures were calculated using the new accounting standard (with fund consolidation) for each segment.

* Percentage changes YoY reflect the changes in business segment.

* The above figures do not include eliminations for consolidation and the deduction of corporate expenses.

* Rounded to the nearest 100 million yen.

IPO and M&A Deals in the Asset Management Businesses

Without relying on the sluggish domestic IPO market, successful exits continue in the foreign stock markets

17 companies have already exited through IPOs or M&A, exceeding last fiscal year's performance (11 companies) for a 55% increase

	Up to FY2008				*1 FY2009 Full year				*1 FY2010 Full year			
IPO and M&A deals	113				11				*2 17			
Breakdown	IPO		M&A		IPO		M&A		IPO		M&A	
	Japan	Overseas	Japan	Overseas	Japan	Overseas	Japan	Overseas	Japan	Overseas	Japan	Overseas
	60	31	8	14	4	1	1	5	0	11	1	5

*1 includes portfolio companies (FY2009: 3 companies, FY2010: 6 companies) of New Horizon Capital, the second fund, in which SBIH invested as a limited partner.

*2 The full-year forecast announced with third-quarter financial results was based on 18 companies. However, due to a change in the scheduled IPO of PCHOMES INC. from a date in March to April 7, 2011, the number of companies was reduced by one to 17.

IPO and M&A Deals Extends Globally

During FY2010 17 companies below exited through an IPO or M&A, and 1 company was already IPO'd in FY2011

EXIT Date	Company	Market (Country)
April 1, 2010	MEDICAMOBILE	(M&A)
May 18	Navinfo Co., Ltd.	(Shenzhen)*
June 23	Harbin Gloria Pharmaceuticals Co. Ltd.	(Shenzhen)*
September 2	Azalea Networks Inc.	(M&A)
September 11	Wisol Co., Ltd.	KOSDAQ (Korea)
October 7	Sunac China Holdings Limited	Hong Kong (China)*
October 26	ITEK Semiconductor, Inc.	KOSDAQ (Korea)
October 27	Betfair Group plc	London (UK)
November 8	CIG Pannonia Life Insurance Zrt.	Budapest (Hungary)
December 13	Airtac International Group	Taiwan (Taiwan)
December 17	Everpia Vietnam JSC	Ho Chi Min (Vietnam)
December 30	New Century Department Store Limited Company of Chongqing General Trading	(M&A)
December 31	Hebei Meihua Monosodium Glutamate Group.,Ltd.	(M&A)
January 13, 2011	Sinvel Wind (Group)Co., Ltd.	Shanghai (China)
January 14	Sino Polymer New Materials Co., Ltd.	(M&A)
January 31	LB Semicon Inc.	KOSDAQ (Korea)
March 25	Aonemcha Co. Ltd.	(M&A)
April 6	PCHOMESTORE INC.	GTSM (Taiwan)
Upcoming	Renren, Inc.	NYSE (US)

* includes portfolio companies (FY2010: 6 companies) of New Horizon Capital, the second fund, in which SBIH invested as a limited partner.

Performance Comparison with a Major VC Company

FY2010 performance comparison of SBI Asset Management Business and JAFCO

<Performance>

(Unit: bil. yen, %)

	Operating Revenues	YoY % change	Operating Income	YoY % change
The SBI Group's Asset Management Business	30.7	+52	9.6	+276
JAFCO (Interests Consolidation)	15.1	-9	(*3) 2.8	(*4) -

(*1) JAFCO adopts method of excluding the consolidation of funds, whereas the performances of the SBI include the consolidation of funds.

(*2) Amounts are rounded to nearest 100 million yen

(*3) For FY2010, JAFCO recorded a capital loss of 2.7 bil. yen, and a 7.5 bil. yen reversal of allowance for investment loss

(*4) JAFCO's operating income of FY2009 posted -5.0 billion yen

(*5) JAFCO's net profit of FY2010 posted 2.3 bil. yen (net profit of FY2009 full-year posted -2.2 bil. yen)

<New investment amount, number of invested companies>

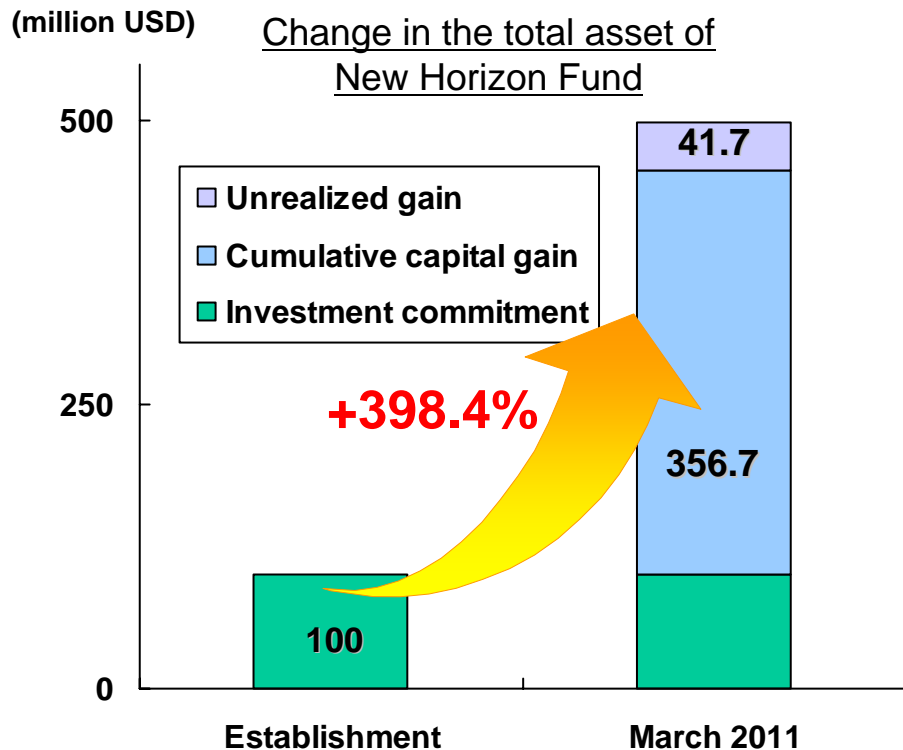
	New investment amount (Unit: mil. yen)		Number of invested companies (Unit: companies)	
	FY2010	FY2009	FY2010	FY2009
The SBI Group's Asset Management Business	64,436	59,532	185	143
JAFCO	32,172	17,647	110	101

New Horizon Fund Results

New Horizon Fund

(the first fund, SBI's investment ratio: 50%)

- 8 of the 10 investee companies had IPO/M&A



Contribution amount to SBIH's operating income (billion USD)

FY2007	FY2008	FY2009	FY2010
2.81	3.98	2.16	3.32

New Horizon Capital

(the second fund, SBI's investment ratio: 10%, invest as a limited partner)

- 9 of the 19 investee companies exited through an IPO/M&A, and 6 others are expected to be IPO/M&A'd by 2012

Number of exit companies (anticipated)

	~FY2010	FY2011 (anticipated)	FY2012 (anticipated)
IPO	5	0	5
M&A (incl. Trade Sale)	4	1 (anticipated)	0

Market value of the portfolio shares increased to approximately 7.1 times the investment cost

(as of the end of Mar. 2011)

Brokerage & Investment Banking Business

Fiscal 2010 (Year ended March 31, 2011)

Operating Revenues 47.9 billion yen (-4% YoY)

Operating Income* 6.1 billion yen (-35% YoY)

(*after exclusion of 5.9 bil. yen for amortization of goodwill)

- Individual stock brokerage trading value fell 16.3% year-on-year. In this environment, SBI SECURITIES' income from brokerage fees declined 14.8% year-on-year. Revenues from investment trusts increased on firm sales, while higher sales of foreign bonds helped lift trading revenue. As a result, a decline in consolidated operating income was checked at 4.4%.
- Since its inception on November 2008, SBI Liquidity Market has grown to become a subsidiary that contributes substantively to the Group's consolidated performance in a very short period of time. Its contribution to the Group's operating income for this period on a consolidated basis was approximately 7.7 bil. yen, including trading gains from SBI SECURITIES.

* The above figures were calculated using the new accounting standard (with fund consolidation) for each segment.

* Percentage changes YoY reflect the changes in business segment.

* The above figures do not include eliminations for consolidation and the deduction of corporate expenses.

* Rounded to the nearest 100 million yen.

SBI SECURITIES FY2010 Consolidated Results

(million yen, %)

	FY2009 (Apr. 2009 to Mar. 2010)	FY2010 (Apr. 2010 to Mar. 2011)	YoY Change
Operating Revenues	46,114	44,077	-4.4
Net Operating Revenues	42,393	40,422	-4.6
Operating Income	12,454	9,896 ^{*1}	-20.5
Ordinary Income	12,345	9,704 ^{*2}	-21.4
Net Income	7,311	8,631 ^{*3}	+18.0

*1 Recorded an additional provision of 145 mil. yen for point allowance, and one-off expenses of 510 mil. yen for migration to a new system.

*2 Recorded loss of 415 mil. yen on fund investment under non-operating losses

*3 Extraordinary loss of 1,197 million yen associated mainly with margin calls on options trading and other losses.

Extraordinary Factors Affected the Results of FY2010

(million yen, %)

	FY2009 (Apr.'09- Mar.'10)	FY2010 (Apr.'10- Mar.'11)	YoY % Change	Special factors	Without special factors	
					FY2010 (Apr.'10- Mar.'11)	YoY % change
Operating Revenues	46,114	44,077	-4.4	—	44,077	-4.4
Net Operating Revenues	42,393	40,422	-4.6	—	40,422	-4.6
Operating Income	12,454	9,896	-20.5	- Recorded an additional provision of 145 mil. yen for point allowance - booking one-off expenses of 510 mil. yen for migration to a new system	10,612	-14.8
Ordinary Income	12,345	9,704	-21.4	Recorded loss of 415 mil. yen on fund investment under non-operating losses	9,953	-19.4
Net Income	7,311	8,631	+18.0	Extraordinary loss of 1,197 million yen associated mainly with margin calls on options trading	9,976	+36.4

SBI SECURITIES FY2010 Quarterly Results (Consolidated)

4Q (Jan-Mar) results improved to the level of 1Q (Apr-Jun)

(million yen, %)

	FY2009	FY2010				
	4Q (Jan.-Mar. 2010)	1Q (Apr.-Jun. 2010)	2Q (Jul.-Sept. 2010)	3Q (Oct.-Dec. 2010)	4Q (Jan.-Mar. 2010)	YoY Change
Operating Revenues	10,952	11,950	10,166	10,029	11,930	+19.0
Net Operating Revenues	10,033	10,964	9,335	9,154	10,968	+19.8
Operating Income	2,400	3,468	1,925	1,384	3,118	+125.3
Ordinary Income	2,274	3,607	1,754	1,401	2,940	+109.9
Net Income	1,351	3,900	928	873	2,928	+235.5

Performance Comparison of Major Online Securities for FY2010

(million yen, %)

	Operating Revenues	YoY Change	Net Income	YoY Change
SBI SECURITIES	44,077	-4.4	8,631	+18.0
Monex [*]	25,227	+12.1	1,992	-47.2
Rakuten (non cons.)	22,957	-0.3	2,122	-67.6
Matsui	22,091	-9.3	5,410	-29.4
kabu.com (non cons.)	14,052	-6.8	597	-80.7

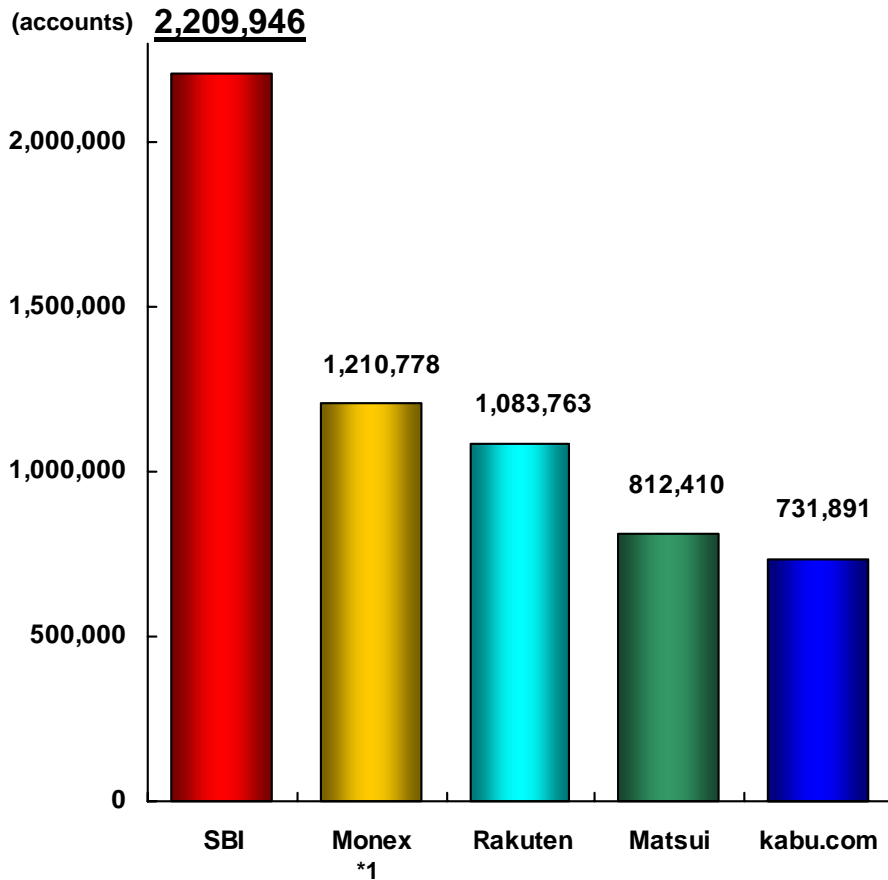
(Source: Compiled from information disclosed by each company)

* Monex, Inc. and ORIX Securities Corporation merged on May 1, 2010

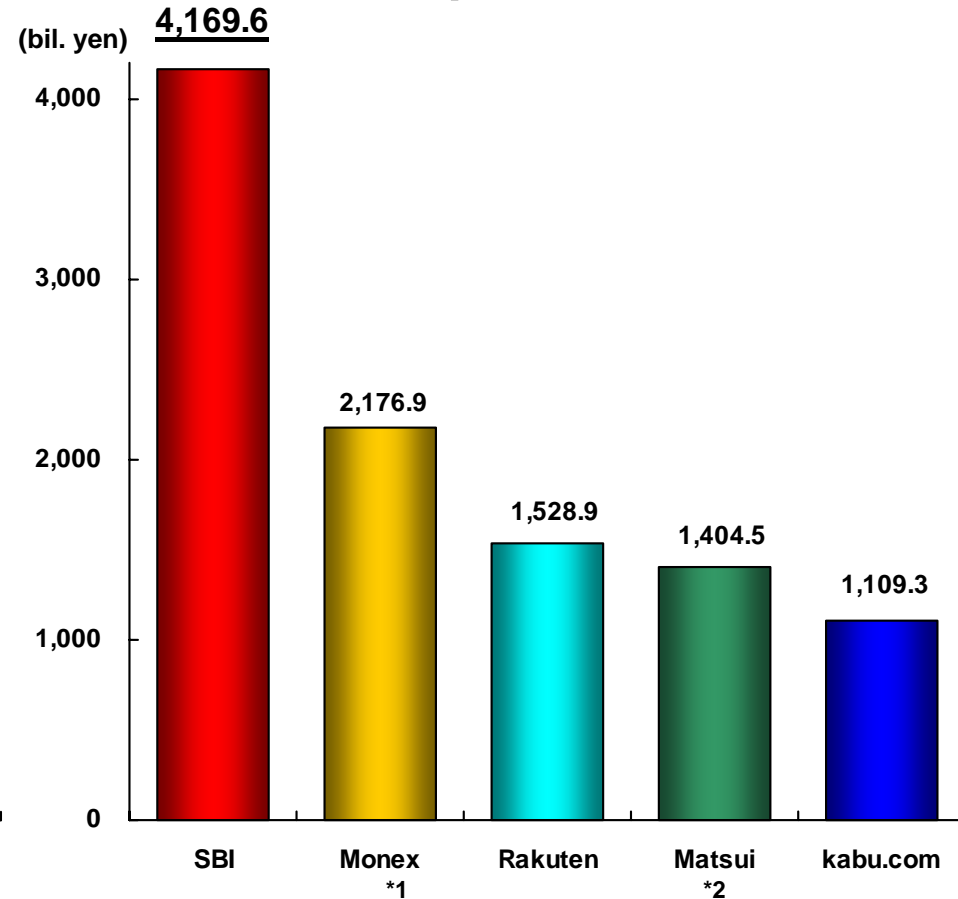
Solid Customer Base of SBI SECURITIES (1)

Customer Accounts and Deposit Assets of 5 Major Online Securities Companies
(as of the end of Mar. 2011)

Customer Accounts



Deposit Assets



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

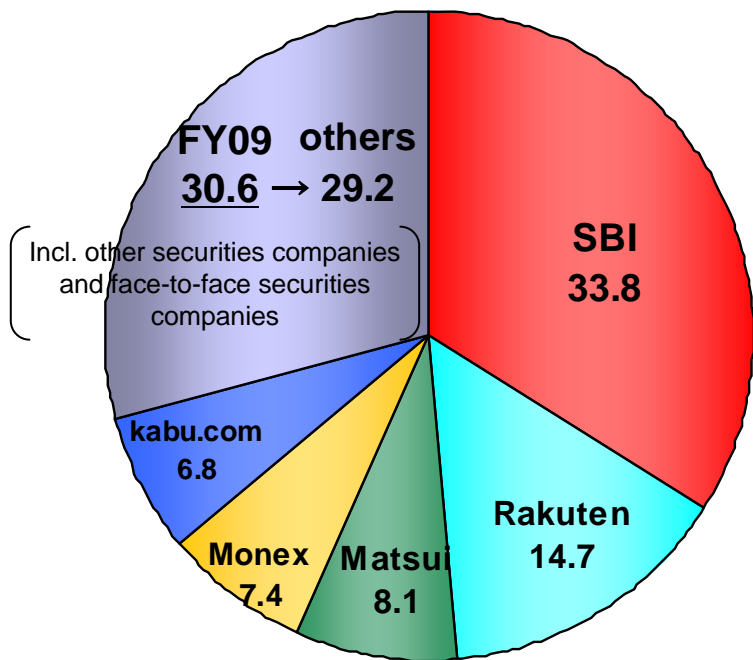
*1 Monex, Inc. and ORIX Securities Corporation merged in May 2010

*2 Figures of Matsui is as of the end of Feb. 2011, for the amount of deposit assets are undisclosed as of Mar. 2011

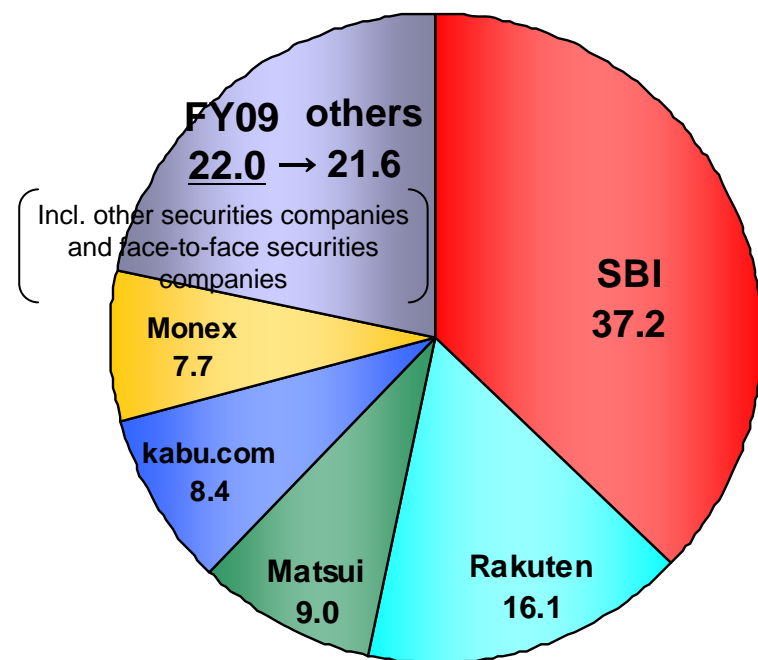
Solid Customer Base of SBI SECURITIES (2)

SBI SECURITIES maintained its substantial share of the individual trading value and individual margin trading value, while the share of the other securities firms, excluding the 5 major online securities firms, declined.

Share of individual stock trading value
Share in FY2010
 (Apr. 2010-Mar. 2011)



Share of retail margin trading value
Share in FY2010
 (Apr. 2010-Mar. 2011)



Source: Compiled by SBI E*TRADE SECURITIES based on Tokyo Stock Exchange and JASDAQ materials and Web sites and other public information of each company.
 *Retail stock brokerage trading value is the sum of Tokyo, Nagoya and Osaka exchanges (first, and second divisions) and JASDAQ.
 *The numbers for SBI SECURITIES are based solely on the Internet division.
 *Monex merged with Orix on May 1, 2010.

Toward Profit Diversification (1)

<Foreign Stocks>

Bolster Brokerage of Emerging Market Equities and Offer Investment Opportunities in Emerging Market Countries with High Economic Growth Potential

Equities Brokered



U.S. stocks: 638 stocks
(Aug. 2003-)

NYSE, NYSE Arca, NASDAQ-listed U.S. stocks, U.S. ETF, ADR (American Depository Receipts)



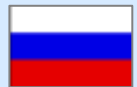
Chinese stocks: 1,372 stocks
(Mar. 2005-)

Hong Kong Stock Exchange Main Board and GEM-listed Chinese stocks, China ETF, HDR (HK Depository Receipts)



Korean stocks: 54 stocks
(May 2005-)

Stocks listed on the Korea Stock Exchange and over-the-counter market



Russian stocks: 41 stocks
(Nov. 2009-)

MICEX stocks



Vietnamese stocks: 637 stocks
(Jan. 2011-)

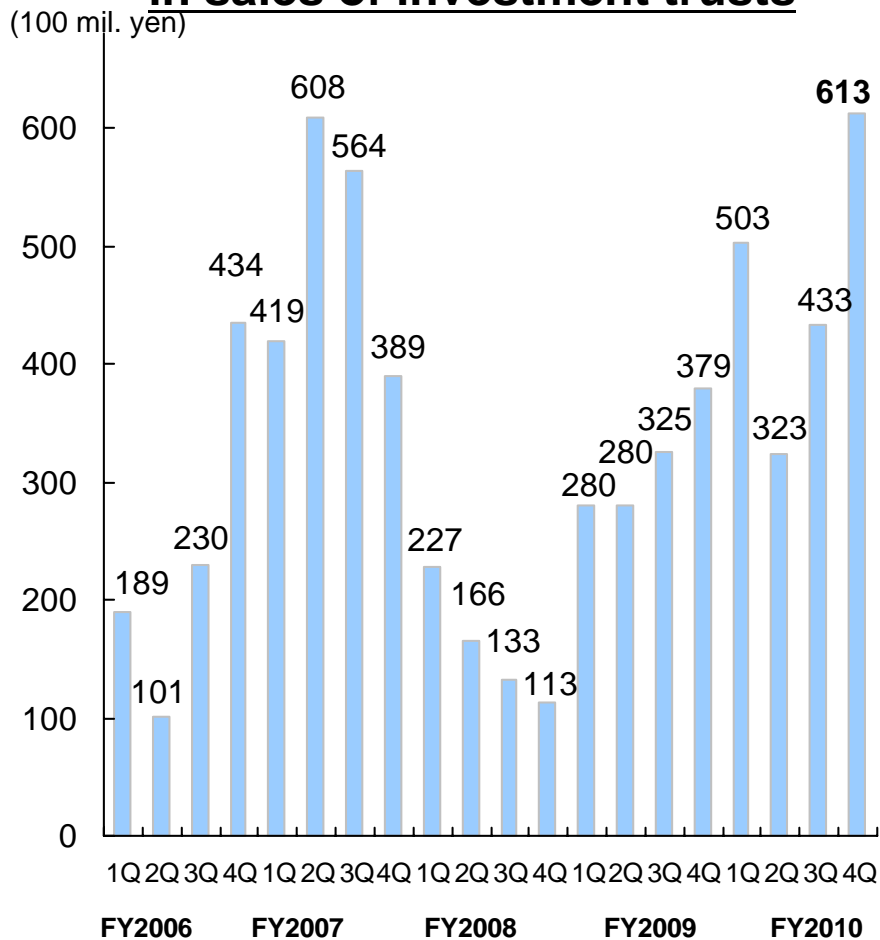
In principle, all stocks listed on HoChiMinh Stock Exchange and Hanoi Stock Exchange

Toward Profit Diversification (2)

<Investment Trust -1>

Quarterly change

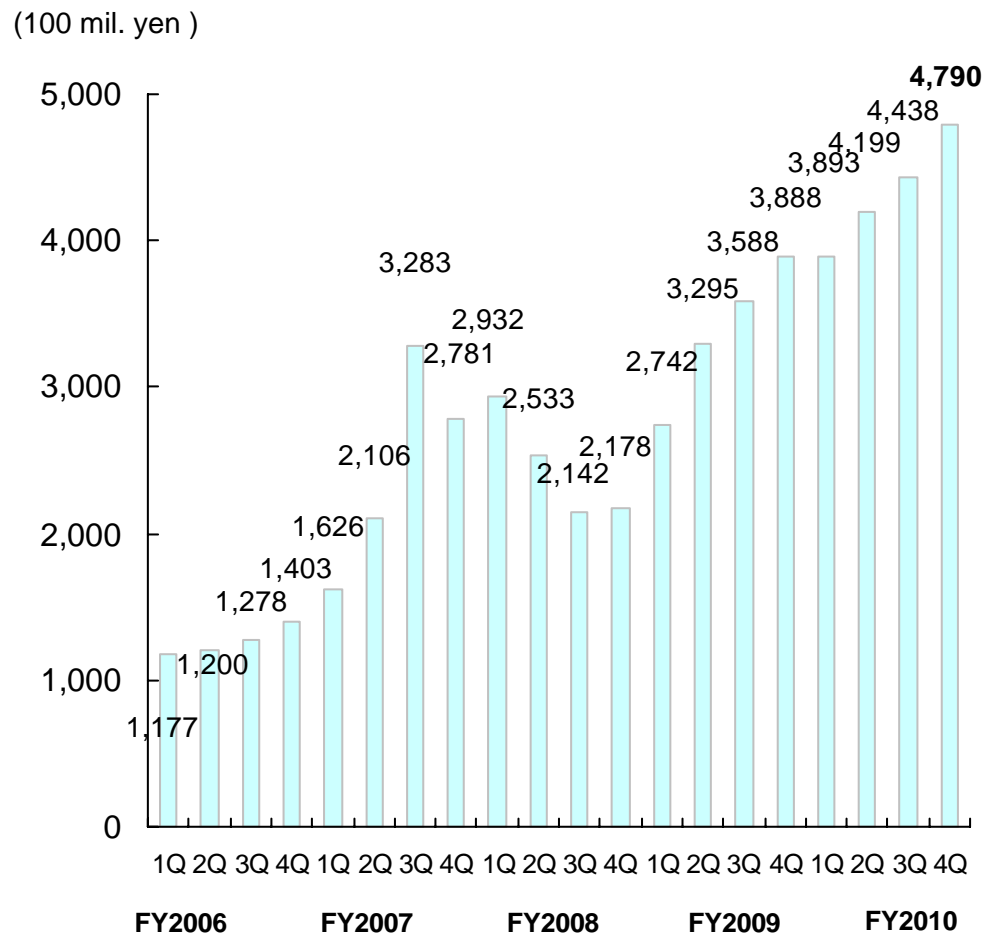
in sales of investment trusts



*Including MMF and China funds

Quarterly change

in balance of investment trust

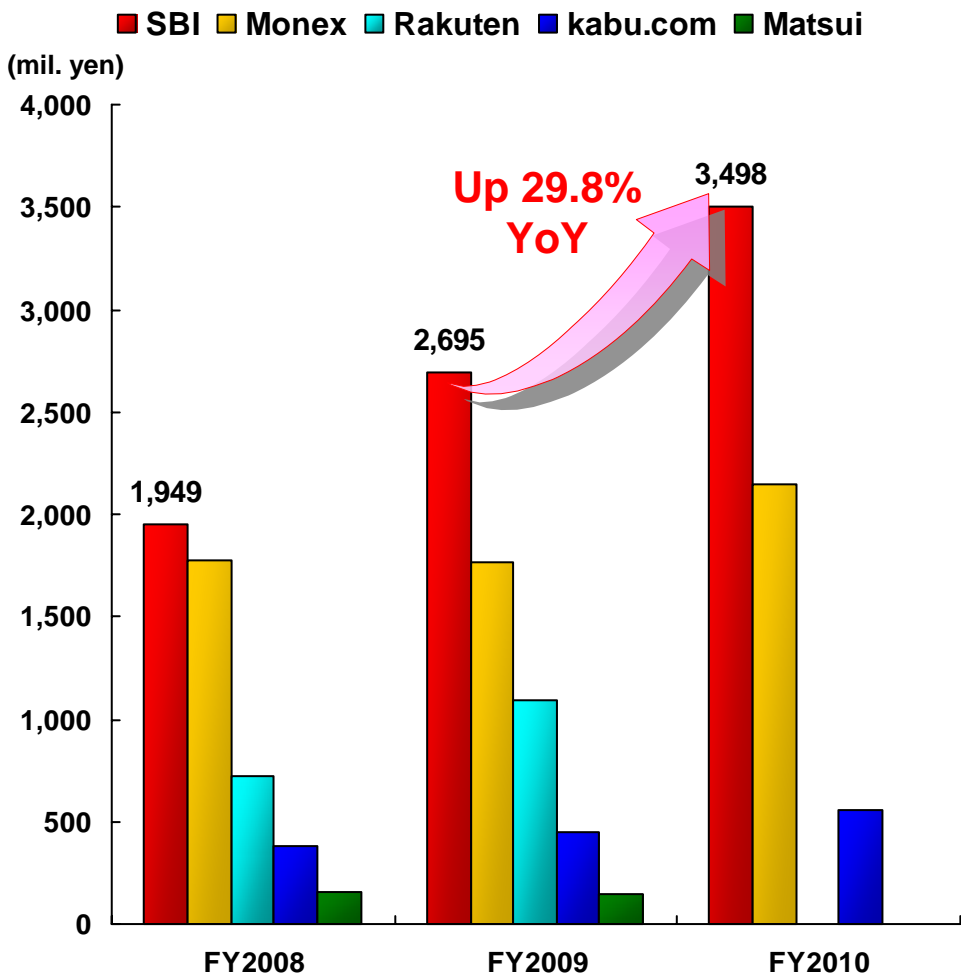


*Including MMF, China funds, and balance in face-to-face accounts.

Toward Profit Diversification (2)

Investment Trust -2-

Revenues from investment trust business* at 5 online brokers



* Sum of sales commissions and trust fees (trust fees include MRF)
 * Rakuten's figure in FY2010 are not disclosed.

Number of investment trusts* brokered by each online broker

SBI	<u>1,087</u>
Rakuten	1,055
Monex	459
kabu.com	434
Matsui	1

SBI SECURITIES is No.1 among major online brokers

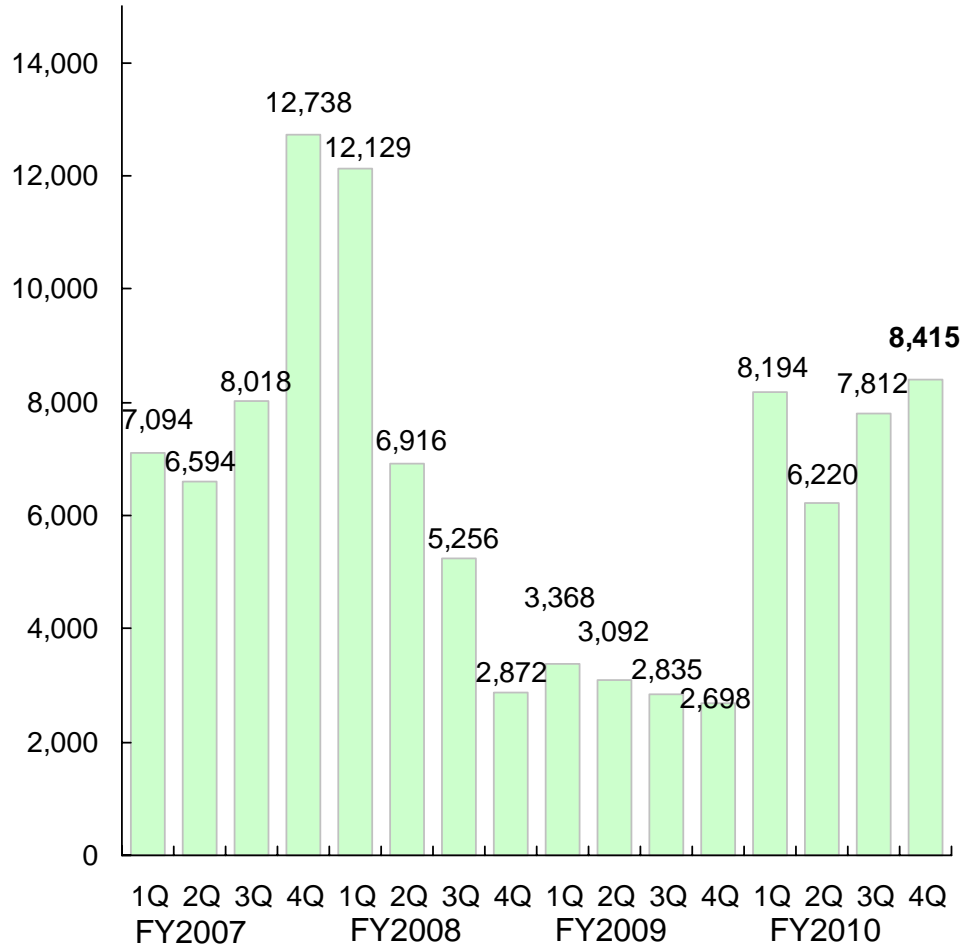
*As of Apr.15, 2011. Including foreign currency-denominated MMF, MMF, MRF, and initially offered investment trusts

Toward Profit Diversification (3)

<Foreign Bond -1>

Sales of foreign bonds

(mil. yen)



Foreign bond issues brokered by each online brokers

(FY2010: counted on issuance day basis)

SBI	<u>44</u>
Rakuten	19
Monex	29

Not offered at kabu.com securities and Matsui securities

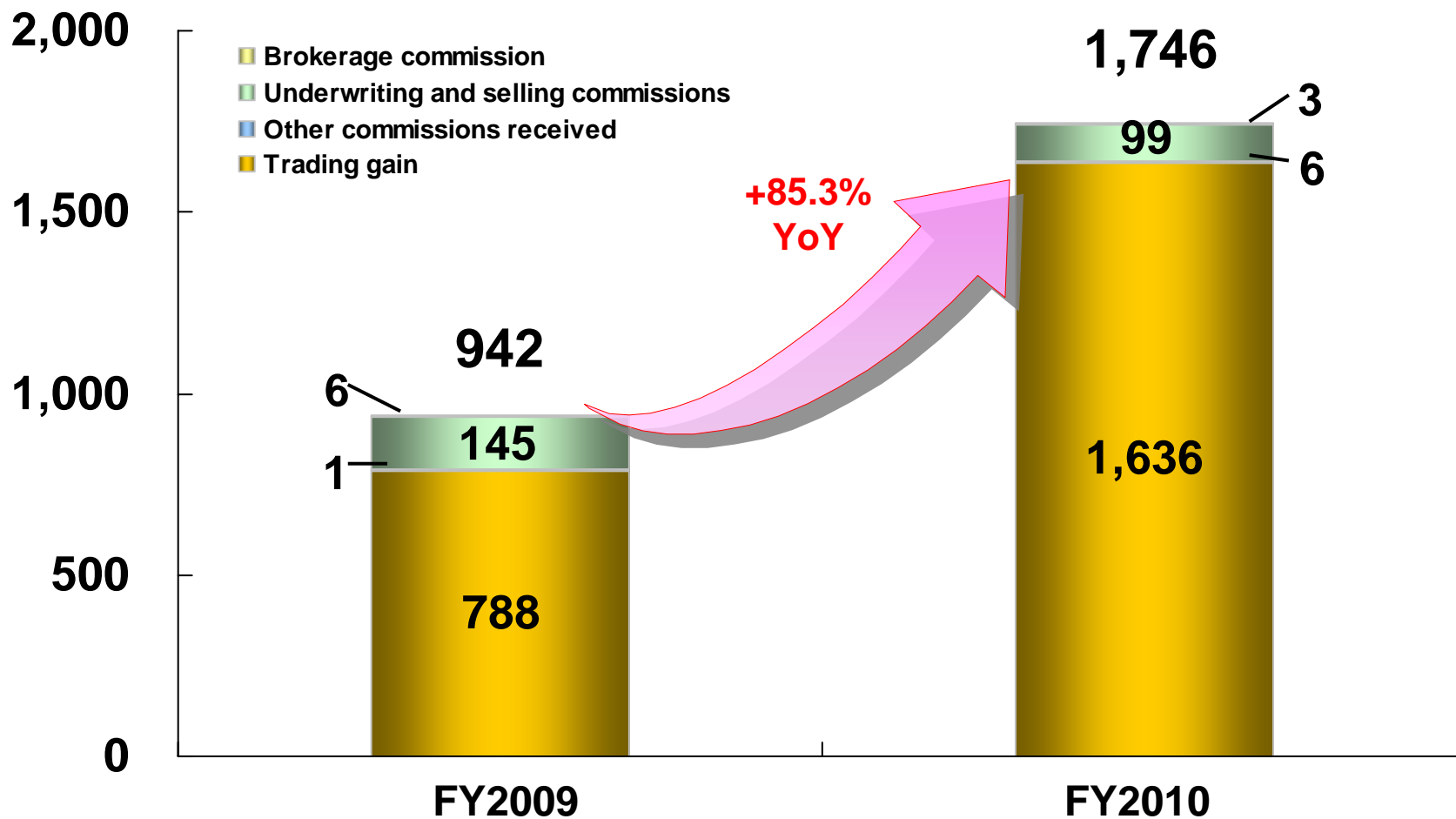
SBI SECURITIES brokered the most among the major online securities firms

* Above figures include commissioned sales

Toward Profit Diversification (3)

<Foreign Bond -2>

(mil. yen) **Change in revenues from bond business**

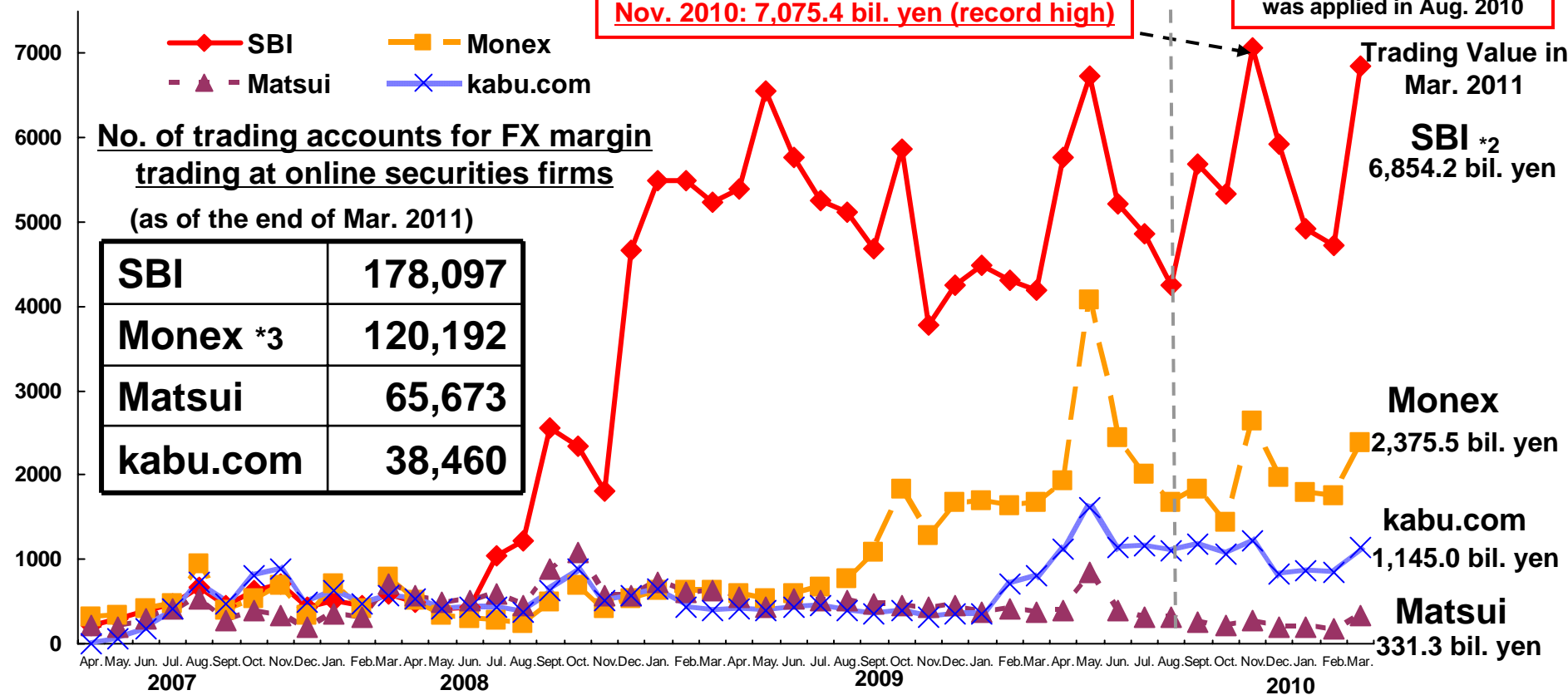


<FX Margin trading-1>

Liquidity is secured by counterparties composed of 21 foreign and domestic financial institutions so that FX margin trading value remains high after the enactment of leverage regulations

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

*3 Accounts at the end of Mar. 2011 includes overlapping accounts

Toward Profit Diversification (4) <FX Margin trading-2>

(mil. yen)

	FY2010 3Q (9M)		FY2010 (full year)		Market Cap. (as of Apr. 26) *3
	Operating revenues	Operating income	Operating revenues	Operating income	
SBI Liquidity Market (Started operations in . 2005)	7,317	1,709	9,493	1,991	-
Money Partners Group (Listed on OSE JASDAQ, started operations in Jan. 2005)	7,012	859	To Be Announced		6,121
FX Prime (Listed on OSE JASDAQ, started operations in Dec. 2003)	3,336	253	4,262 *2	227 *2	2,208
Money Square Japan (Listed on OSE JASDAQ, started operations in Nov. 2002)	1,326	105	To Be Announced		2,178

*1 Financial result of Money Partners Group is on a consolidated basis, those of others are on a non-consolidated basis.

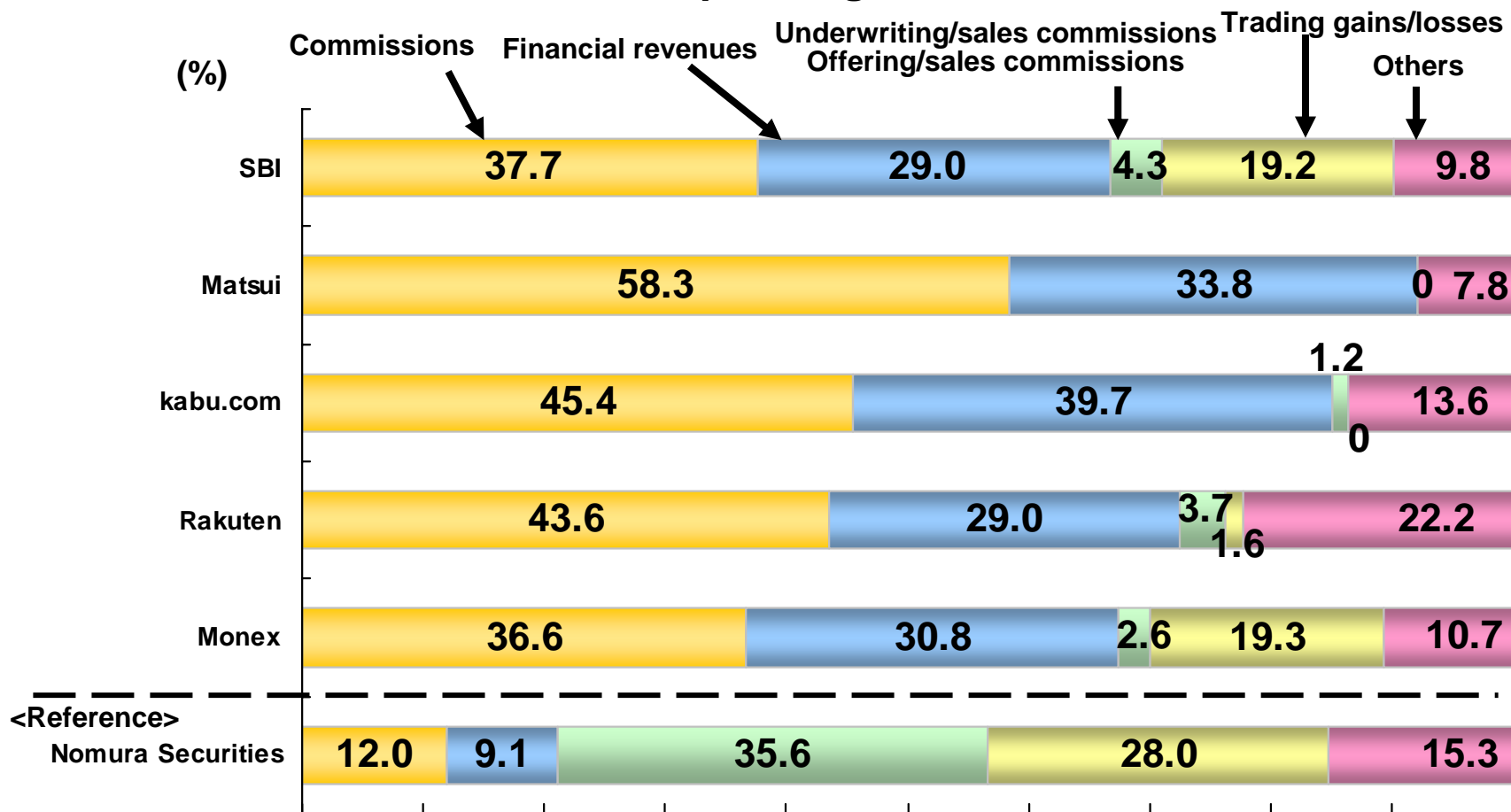
*2 Based on forecast announced by the Company on Apr.14

*3 Source: Yahoo! Finance

Diversify Earnings Toward a Business Structure Less Reliant on Stock Brokerage Trading

Pursue enhancement of corporate business to increase underwriting fees and other revenue, not only from newly listed stocks, but from publicly offered stocks and bonds as well.

Major Online Securities Companies' Composition of Consolidated Operating Revenues in FY2010



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

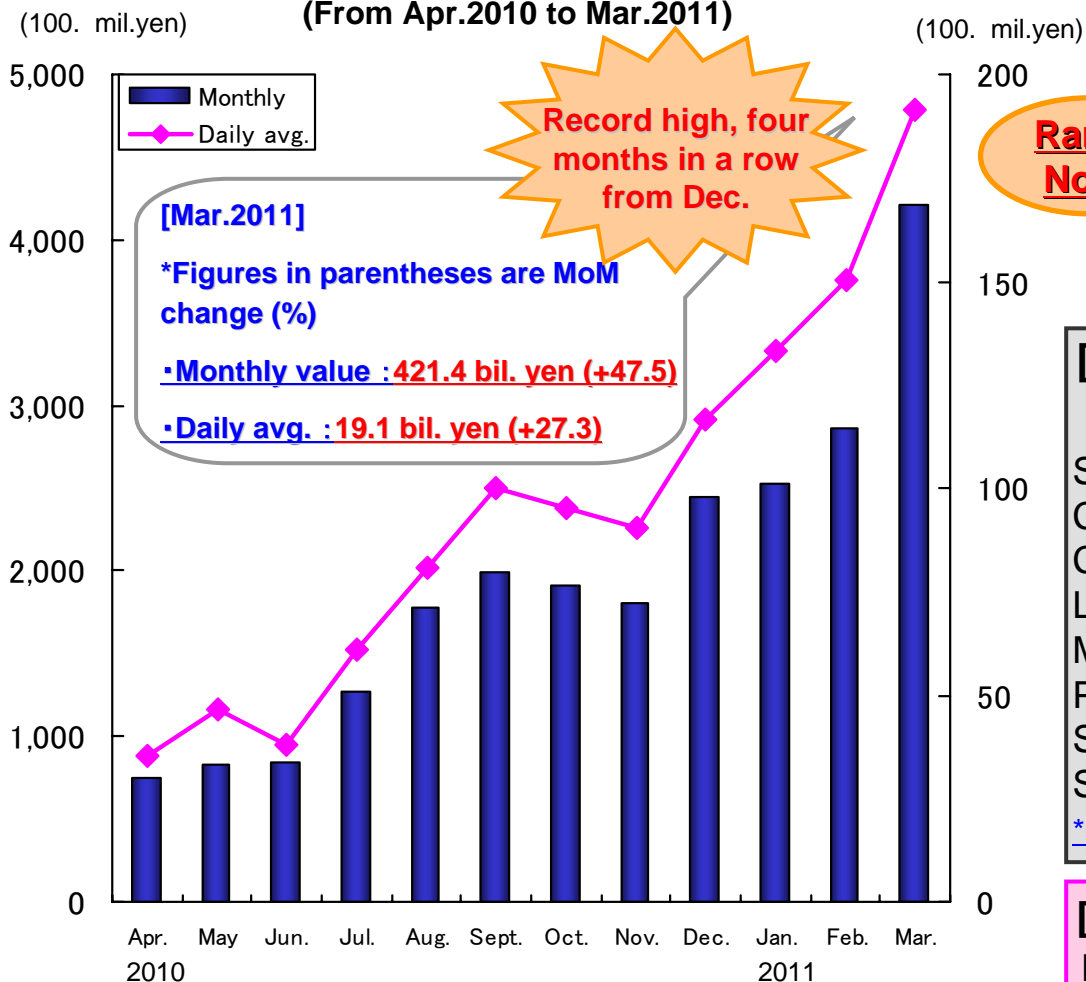
*Figures of SBI SECURITIES is as of FY 2010 full year, and others are of 3Q(9M) FY2010

“Inaugural Year of PTS” 2011

Japannext PTS continues its strong performance, with monthly value topping 400 billion yen in March

Change in monthly value

(From Apr.2010 to Mar.2011)



Monthly value comparison of domestic PTS

(From Apr. 2010 to Mar. 2011)

Market	Monthly avg.
Japannext PTS	193.6 bil yen
Chi-X Japan	(*) 139.0 bil yen

Ranks No.1!

(*) The figure for Chi-X is average value in 8 month (from Aug.2010 to Mar.2011), as it started operations on Jul.29, 2010

[Participating companies] (total 15)

-2 securities firms newly connected in 2011-
 SBI SECURITIES*2, Rakuten Securities*2, GMO CLICK Securities*2, Goldman Sachs Japan, Credit Suisse Securities (Japan) Limited*2, Merrill Lynch Japan Finance Co., Ltd.*2, UBS Japan, Morgan Stanley MUFG Securities, Instinet, BNP Paribas Securities (Japan) Limited, Deutsche Securities, Citigroup Global Markets Japan, Societe Generale Securities, JPMorgan Securities *3, Mizuho Securities*3

[Companies expected to participate] (total 4)

Daiwa Capital Markets, Barclays Capital Japan Limited, and two other companies

(*) Trading value is based on “single count”
 Figures are compiled by SBI Japannext.

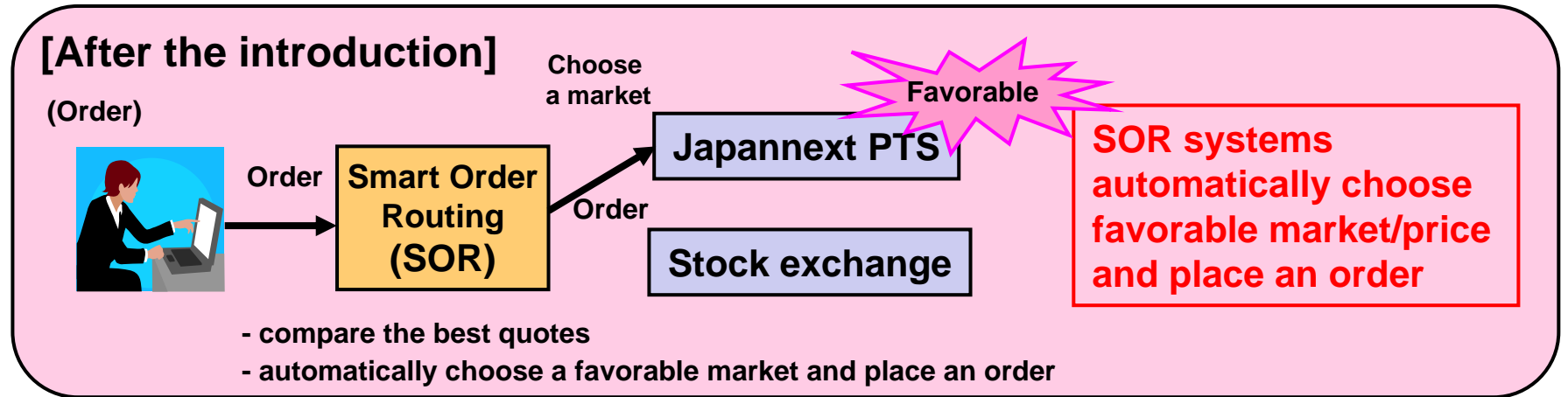
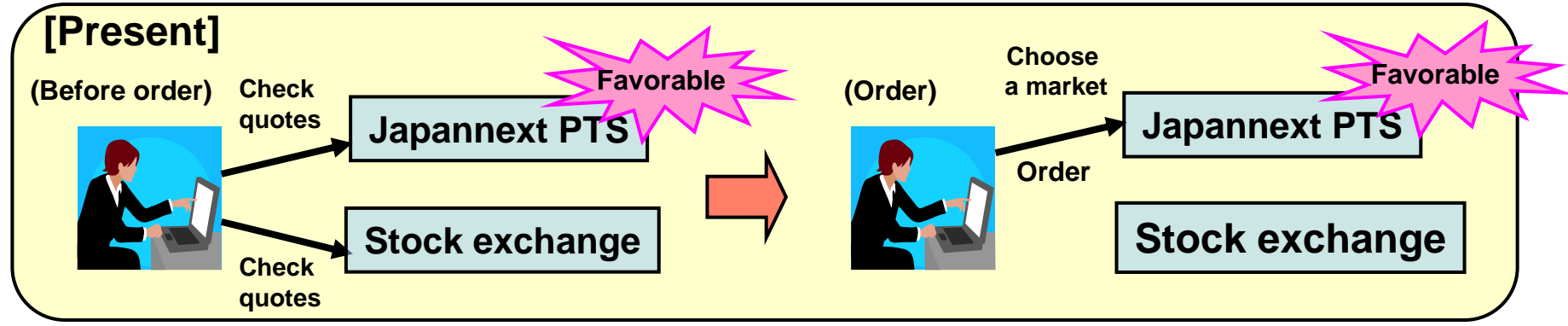
*2 Capital participation *3 Newly connected in 2011

Introduction of Best Execution System at SBI SECURITIES

(Scheduled in June 2011)



Change in order process due to the introduction of the system (image)



Differentiation from other competitors through offering a dealing system prioritizing investors profits

Rules for Best Execution in Early-adoption Countries Outside Japan

USA

1996 SEC adopted rules on Order Execution Obligations (enacted Jan. 1997)
Market makers are prohibited from ignoring customers' limit orders;
forwarding orders to PTS allowed

2005 SEC adopted the new Regulation NMS

Under the new trade-through regulation (enacted April 2006) deals must be executed on the market offering the best price available

This regulation is advantageous for PTS, which utilizes electronic trading

(Merger of NYSE and Archipelago; acquisition of Instinet by NASDAQ)



Expanded trades through PTS led to competition between stock markets

Europe

2007 EU Markets in Financial Instruments Directive (MiFID) (implemented Nov. 2007)

All EU countries supplanted internal regulations with MiFID



Introduced best execution obligation: MTF (corresponds to PTS in Japan),
concentration rule abolished throughout European Economic Area

(Eg.) Turquoise:

MTF spans 17 European countries (London Stock Exchange, Euronext (Paris) exchange, etc.)

Financial Services Business

Fiscal 2010 (Year ended March 31, 2011)

Operating Revenues	30.5 billion yen	(+19% YoY)
Operating Income	-0.5 billion yen	(-)
(Incl. Credit card business Other business)	-3.3 billion yen (-)	
	2.7 billion yen (+14% YoY)	

- The major subsidiaries, Morningstar and SBI VeriTrans, achieved over a 10% year-on-year increase in operating income.
- SBI Sumishin Net Bank, which started its operations in September 2007, continued to expand its customer base steadily. Its financial results for FY2010, scheduled to be announced on May 13, will likely sustain its solid growth.

* The above figures were calculated using the new accounting standard (with fund consolidation) for each segment.
 * Percentage changes YoY reflect the changes in business segment.
 * The above figures do not include eliminations for consolidation and the deduction of corporate expenses.
 * Rounded to the nearest 100 million yen.

FY2010 Performance of Publicly Owned Subsidiaries

- **SBI VeriTrans** outperformed the initial estimate, **and hit a new high in all income categories, namely operating revenues, operating income, ordinary income, and net income.** **The number of transactions steadily increased by 25.0% YoY to 73 million,** along with the expansion of the domestic Internet and e-commerce (EC) markets.
- **Morningstar recorded an increase in all income categories,** due to its own cost reduction, even though its operating revenues decreased owing to a decrease in the subscription revenue of Kabushiki Shimbun.

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

FY2010	Operating Revenues	Operating Income	Ordinary Income	Net Income	FY2010 Dividend per share (forecast)
SBI VeriTrans	6,181 (+23.0)	1,147 (+12.9)	1,167 (+11.0)	721 (+17.7)	800 yen (+100 yen)
Morningstar Japan	2,326 (-1.6)	459 (+10.7)	569 (+8.6)	305 (+2.8)	750 yen (+150 yen)

(*)Gomez Consulting was delisted, having become a wholly owned subsidiary of Morningstar on April 19, 2011.

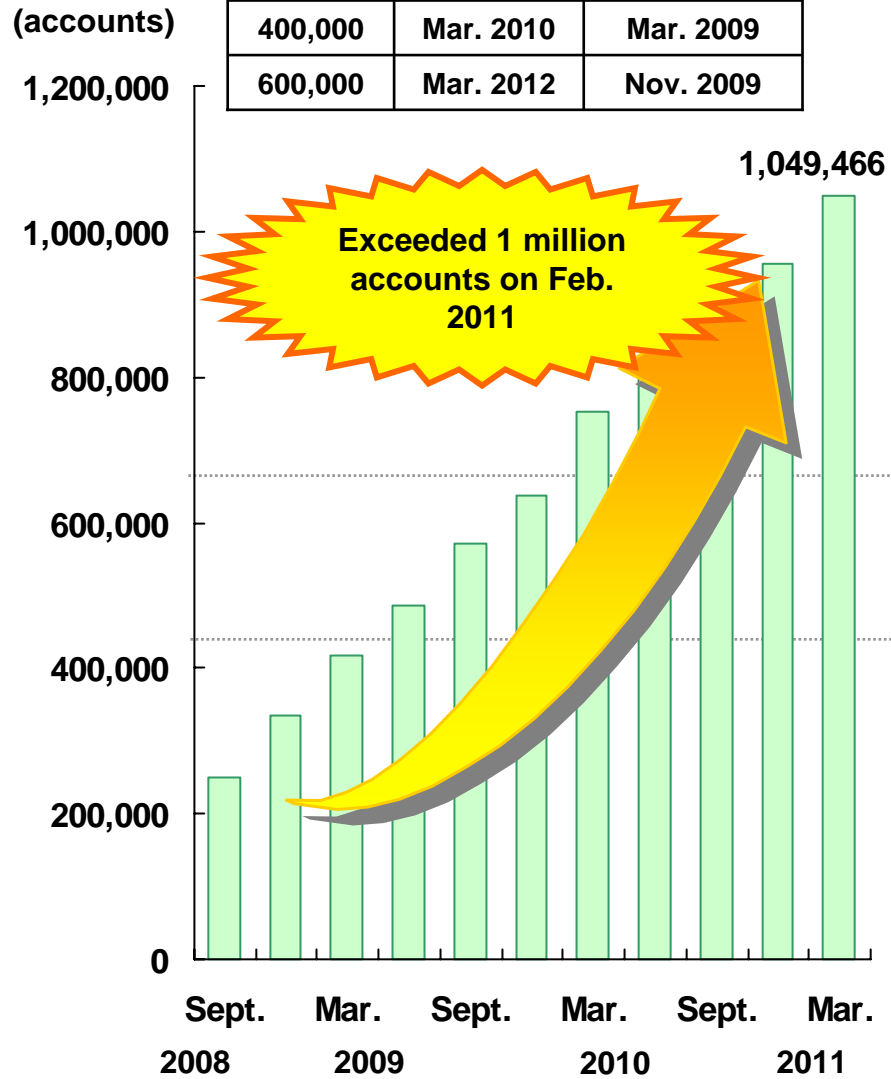
SBI Sumishin Net Bank

Change in Number of Accounts and Deposits

Change in numbers of accounts

Apr. 25, 2011: 1,074,540 accounts

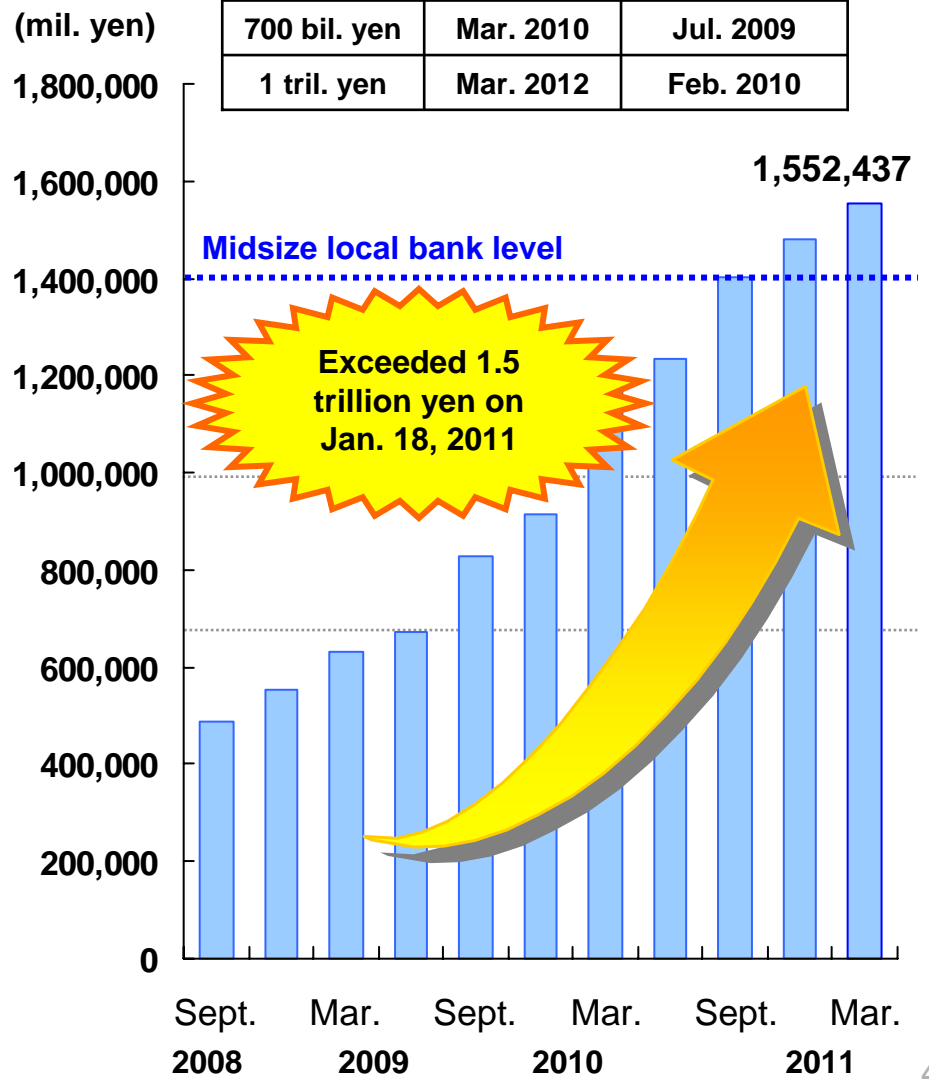
Accounts	Initial target	Achievement
400,000	Mar. 2010	Mar. 2009
600,000	Mar. 2012	Nov. 2009



Change in deposits

Apr. 25, 2011: 1,581.4 bil. yen

Deposit	Initial target	Achievement
700 bil. yen	Mar. 2010	Jul. 2009
1 tril. yen	Mar. 2012	Feb. 2010



SBI Sumishin Net Bank vs. Sony Bank (1)



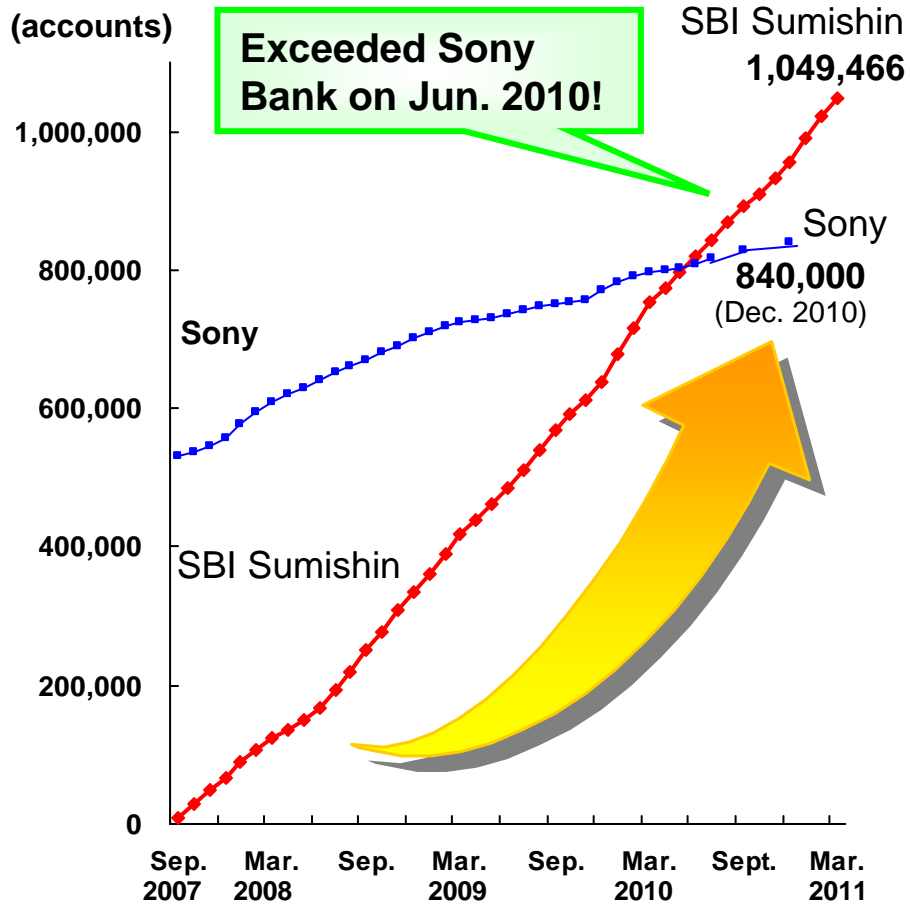
(Launched in Sept. 2007)

(Launched in Jun. 2001)

*Sony Bank refrained from monthly disclosures after Aug. 2010

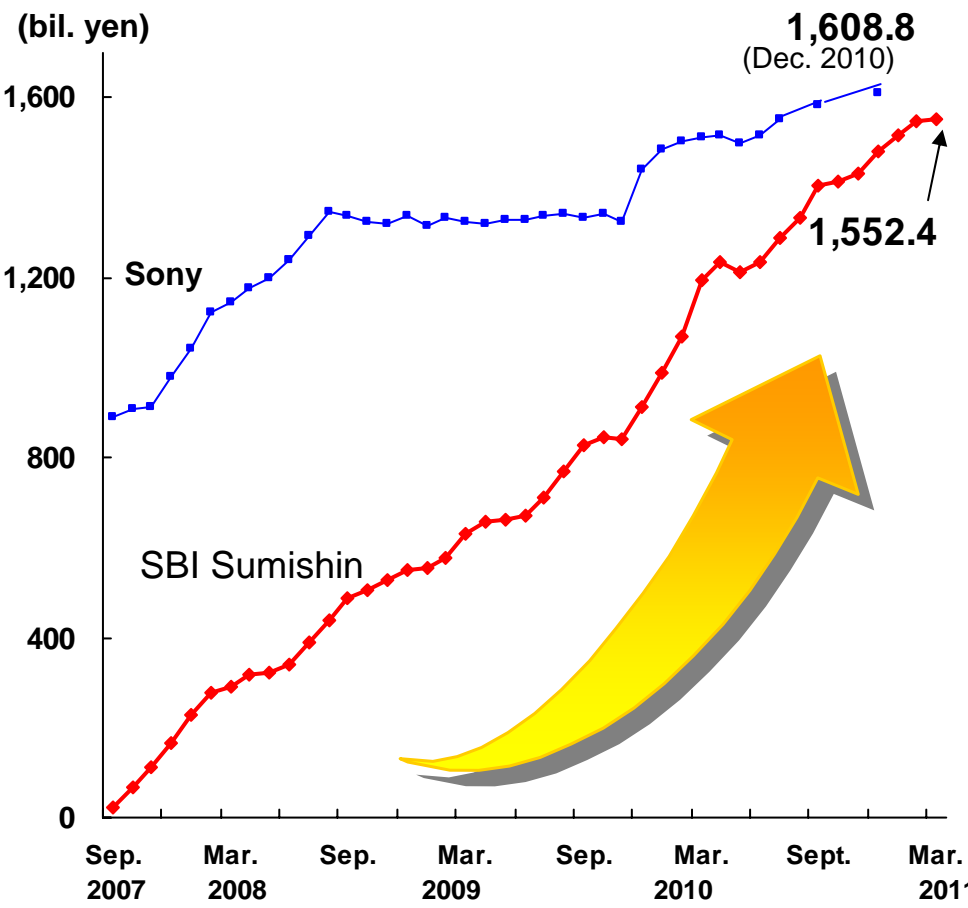
Change in number of customer accounts

(From Sept. 2007 to Mar. 2011)



Change in deposit amount

(From Sept. 2007 to Mar. 2011)



Both number of customer accounts and deposit amount at SBI Sumishin Net Bank recorded solid growth

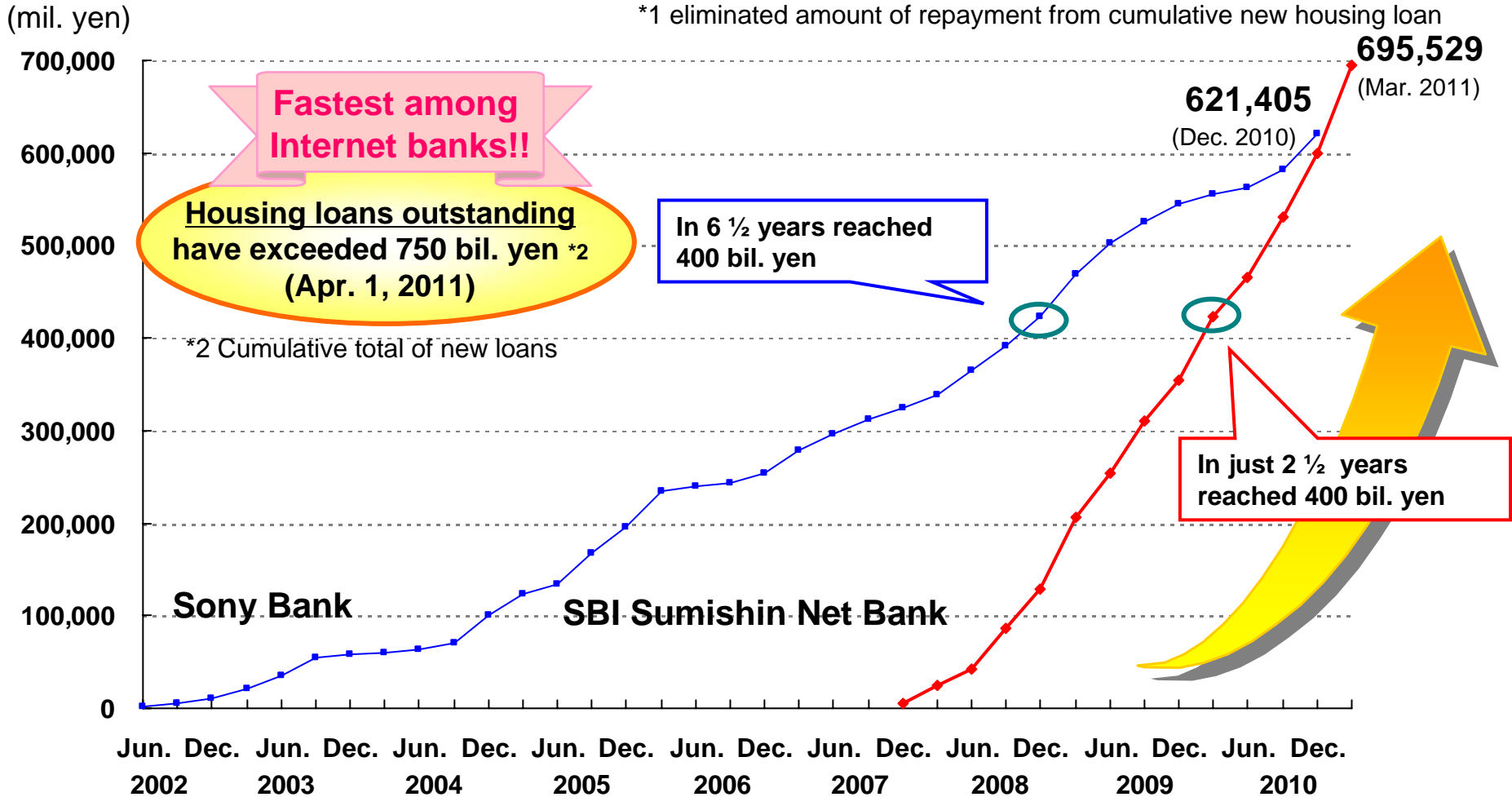
SBI Sumishin Net Bank vs. Sony Bank (2)

(Launched in Sept. 2007)

(Launched in Jun. 2001)



Change in balance of housing loans *1 (from June 2002 to March 2011)



The housing loans outstanding has increased to approx. 2.0X in a year

JCSI (Japanese Customer Satisfaction Index) ranked SBI Sumishin Net Bank 7th overall, and Number 1 in the Banking Industry

Customer Satisfaction Overall Ranking
(within 31 industries / 350 companies)

Rank	Company	Index
1	Shiki Theatre Company	83.4
2	Tokyo Disney Resort	82.0
3	Amazon.com	79.7
4	FANCL	78.8
5	Takarazuka	78.4
6	Toyota Motor Corporation	78.3
7	SBI Sumishin Net Bank	78.0
7	Singapore Airlines	78.0
9	Askul	77.8
10	ec-CURRENT	77.7

Ranking of best companies among 31 industries, with 100,000 customers polled

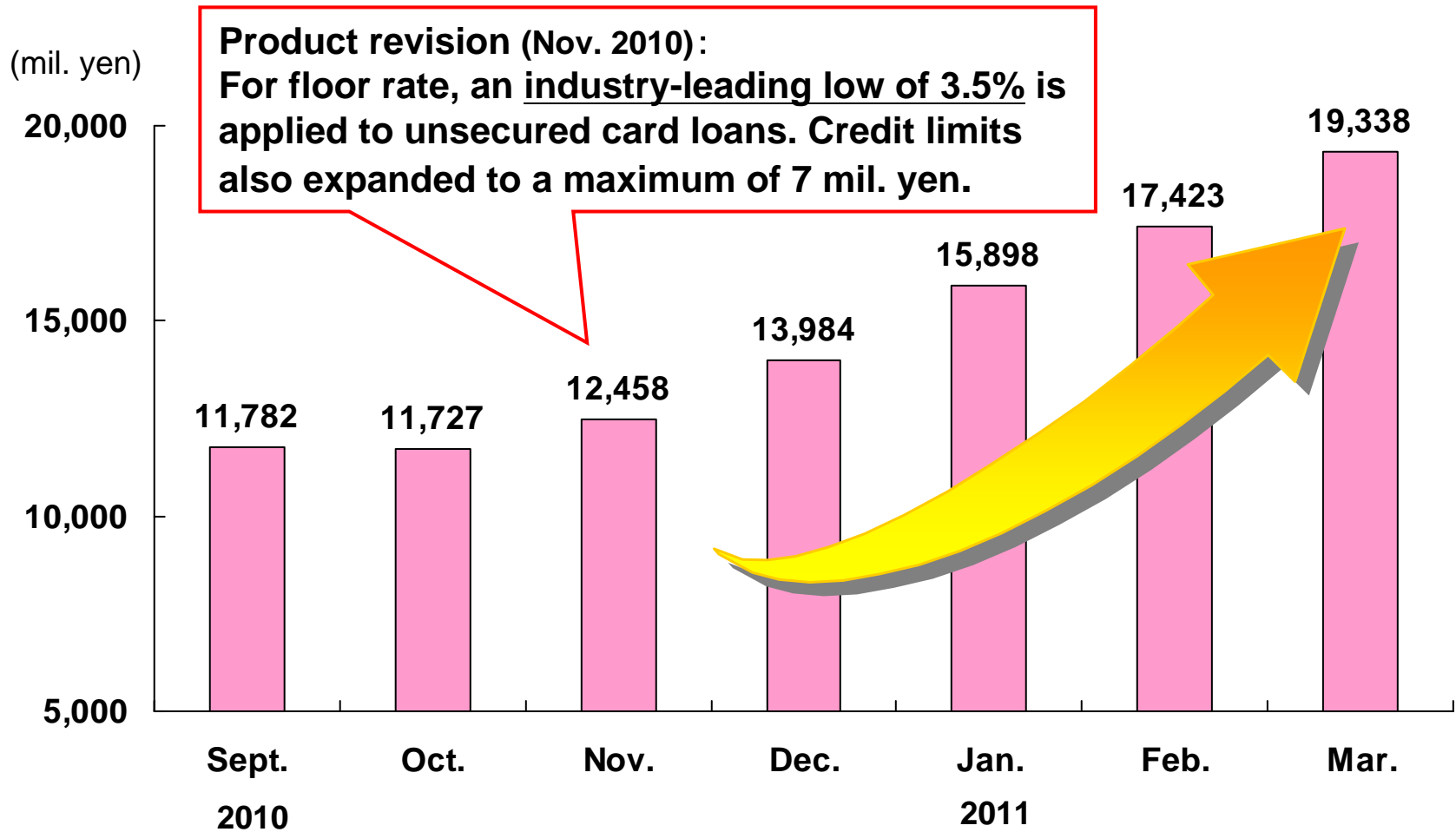
The BEST in Bank Industry
(among 11 companies)

Rank	Company	Index
1	SBI Sumishin Net Bank	78.0
2	Sony Bank	70.1
3	Shinsei Bank	69.3

Diversification of Asset Management (1) Personal Loans

“Internet Loan” Balance

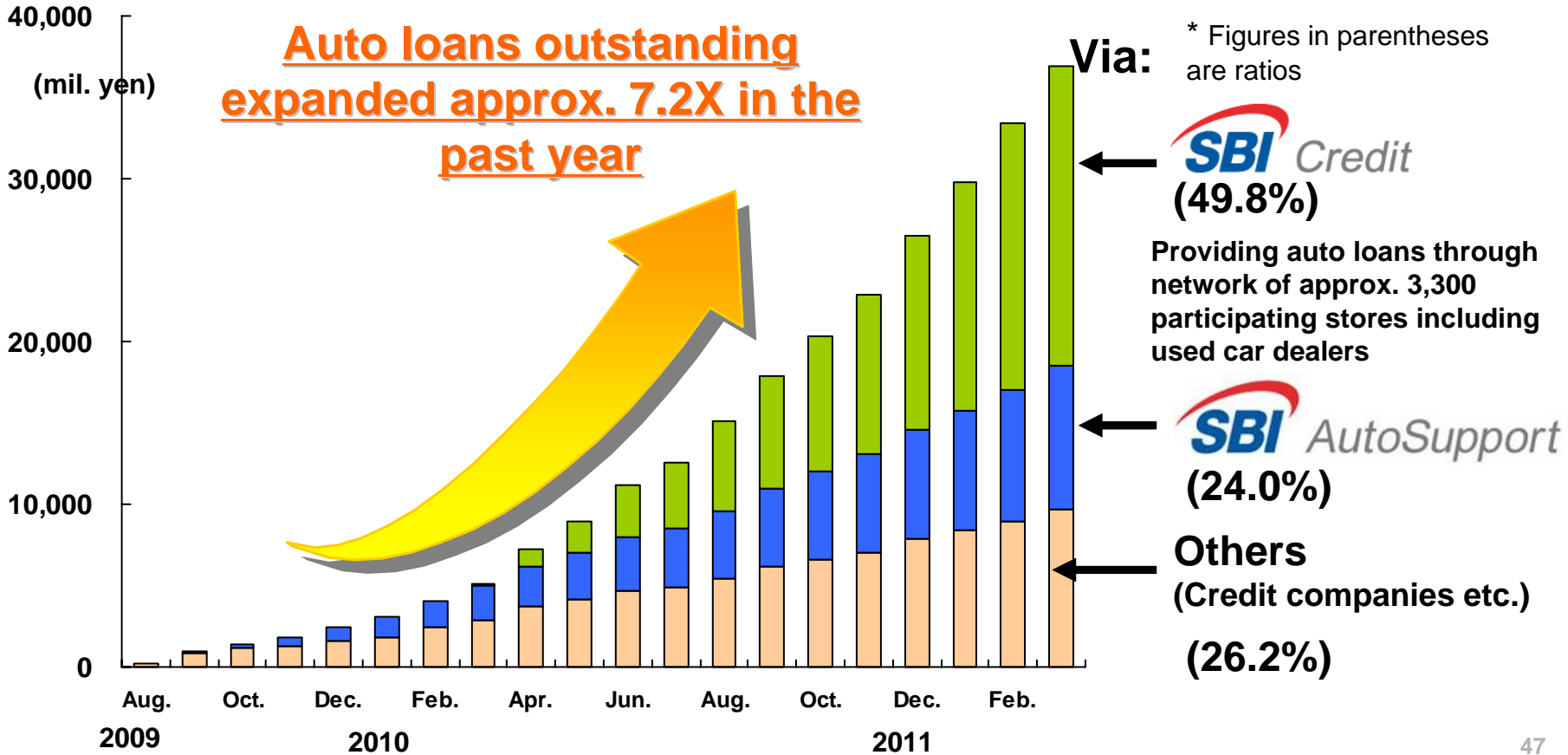
(Aug. 2009 - Mar.2011)



Diversification of Asset Management (2) Auto Loans

Cumulative auto loans outstanding

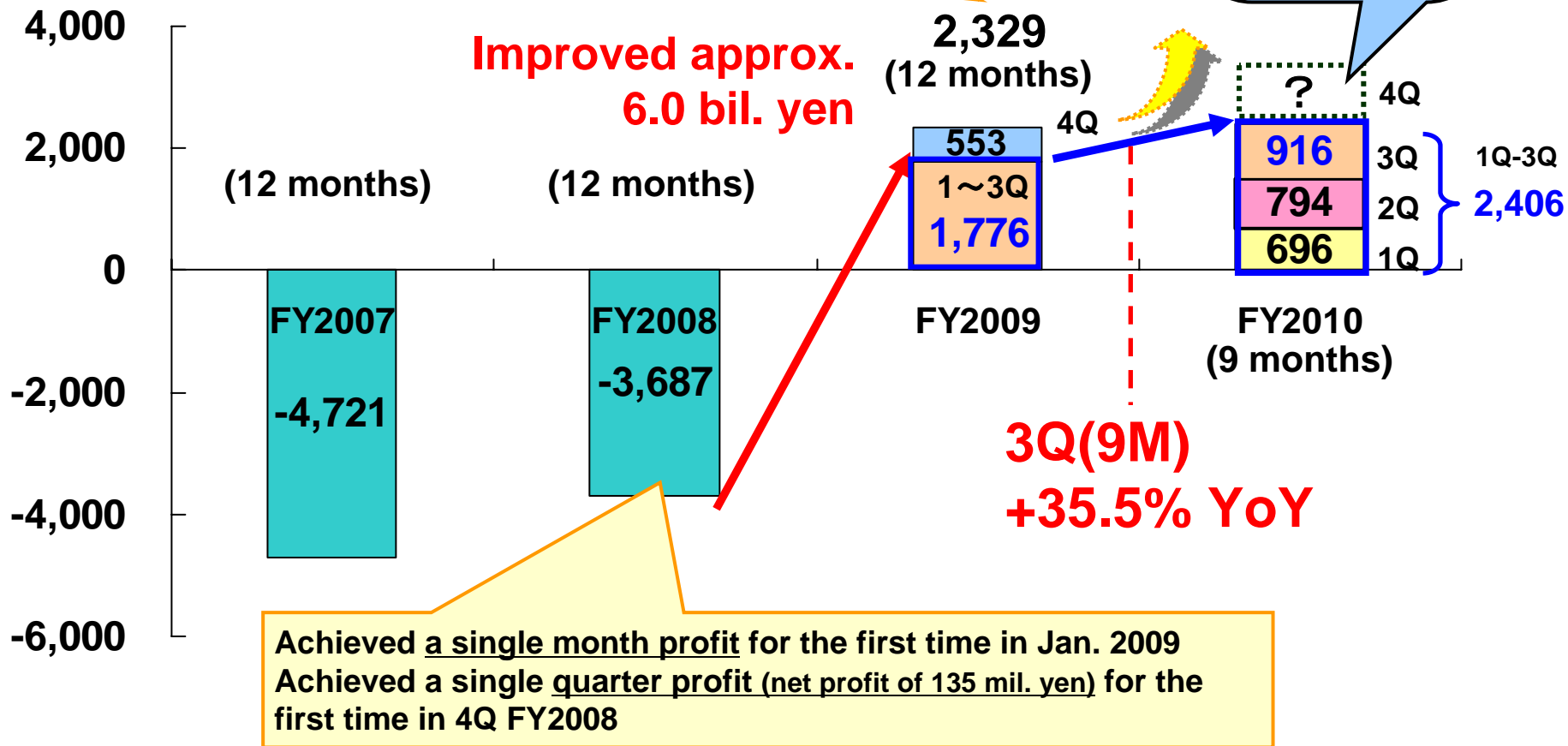
(Aug. 2009 - Mar. 2011)



Solid performance continued in 4Q, and FY2010 profit growth may have significantly outperformed the previous fiscal year

Change in ordinary income and loss (non-cons):

(mil. yen)



SBI Insurance

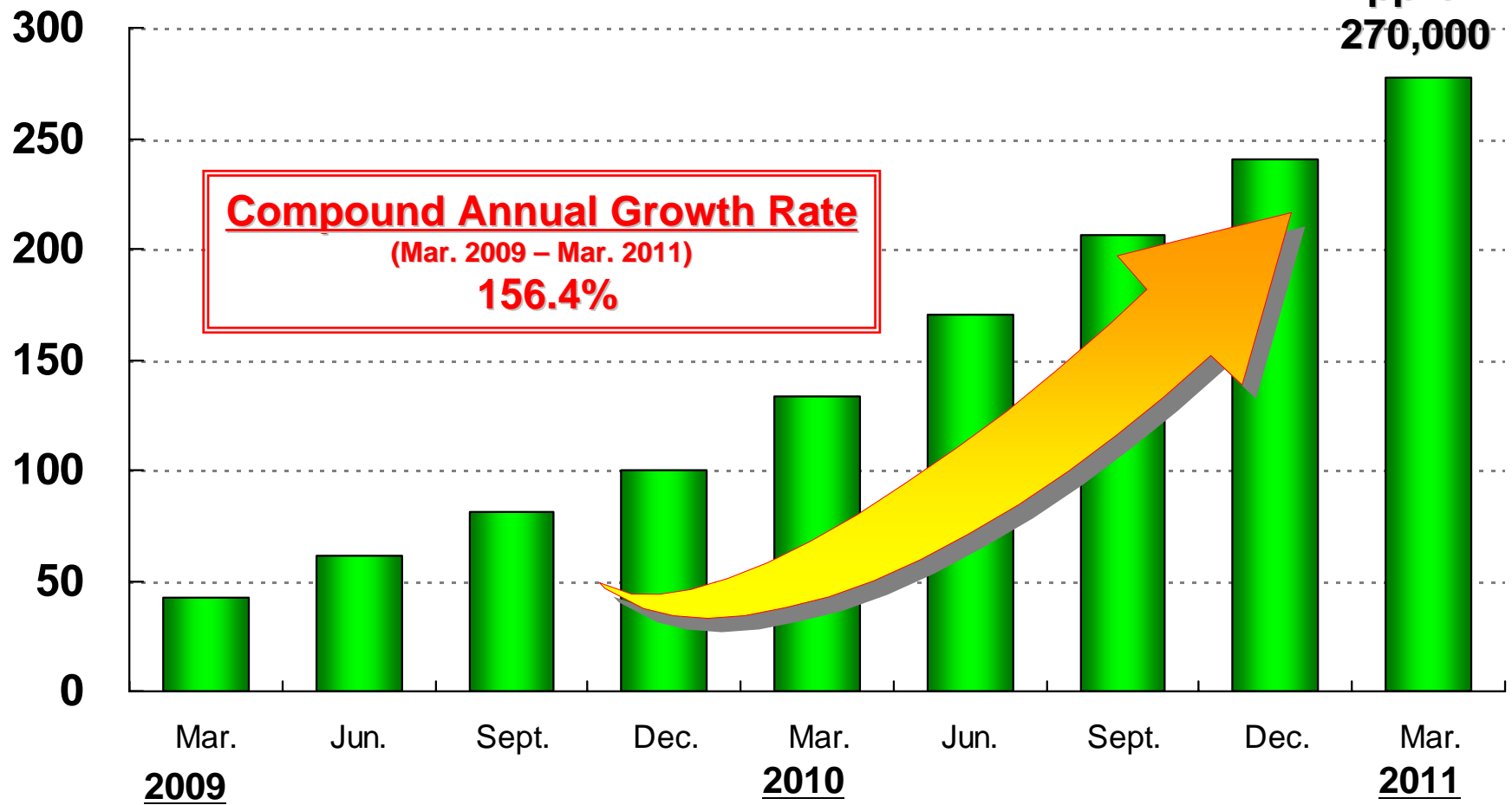
More than 270,000 Contracts Written

Number of contracts written during 4Q(Apr.-Mar.) is 144,000;
increased over 58.0% YoY

Number of auto insurance contracts (written basis*) / cumulative
(Excluding continuing contracts, expiring contracts, and early-withdrawals)

(thousand policies)

Approx. 270,000



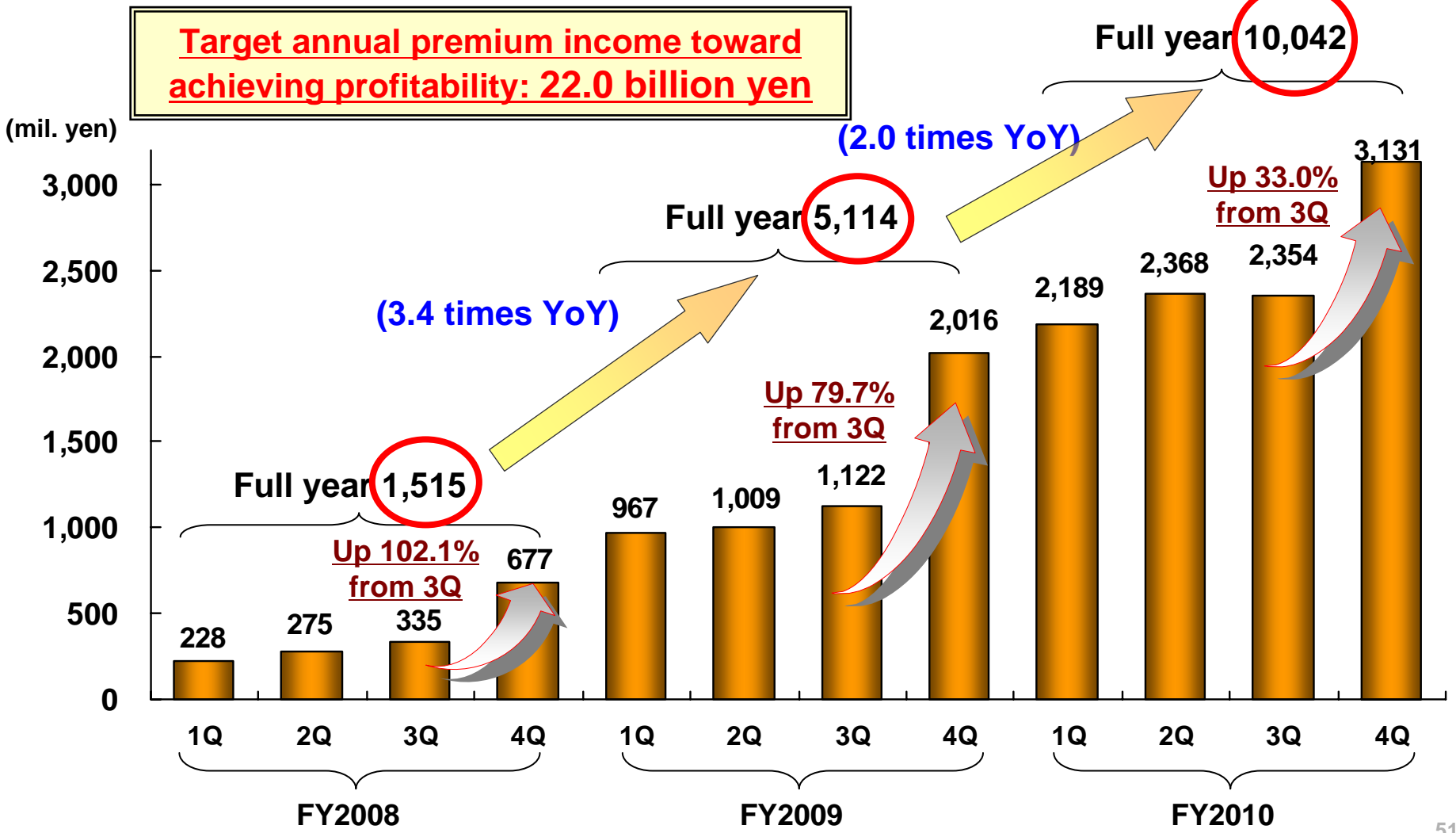
* Written basis: Completion of receipt of insurance premium

SBI Insurance: Insurance Premium Income at SBI Insurance Continues to Increase



The income for FY2010 was approx. 10 bil. yen and nearly doubled on a yearly basis, reflecting robust growth

Change in insurance premium income (written basis*)



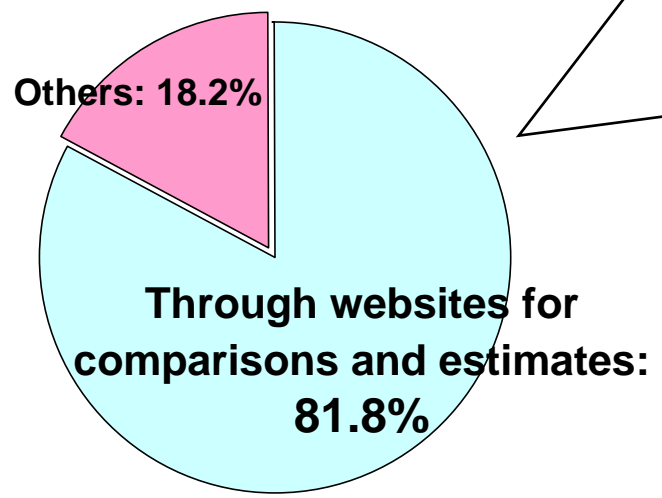
* Written basis: Completion of receiving transaction of insurance premiums

Synergy between SBI Holdings and InsWeb

Comparison of number of contracts at SBI Insurance by channel

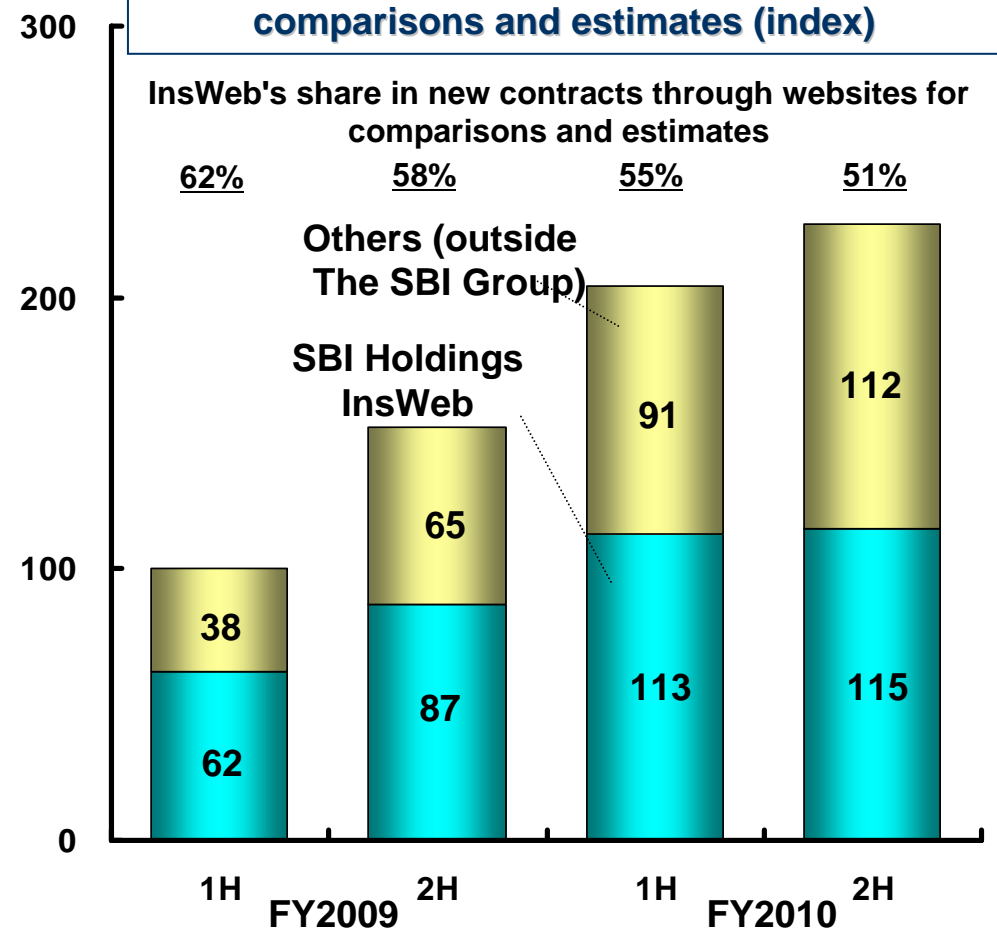
Share of new contracts through "websites for comparisons and estimates"

(Oct. 2010– Mar. 2011)



*Excluding direct contracts at SBI Insurance

Breakdown of contracts through websites for comparisons and estimates (index)

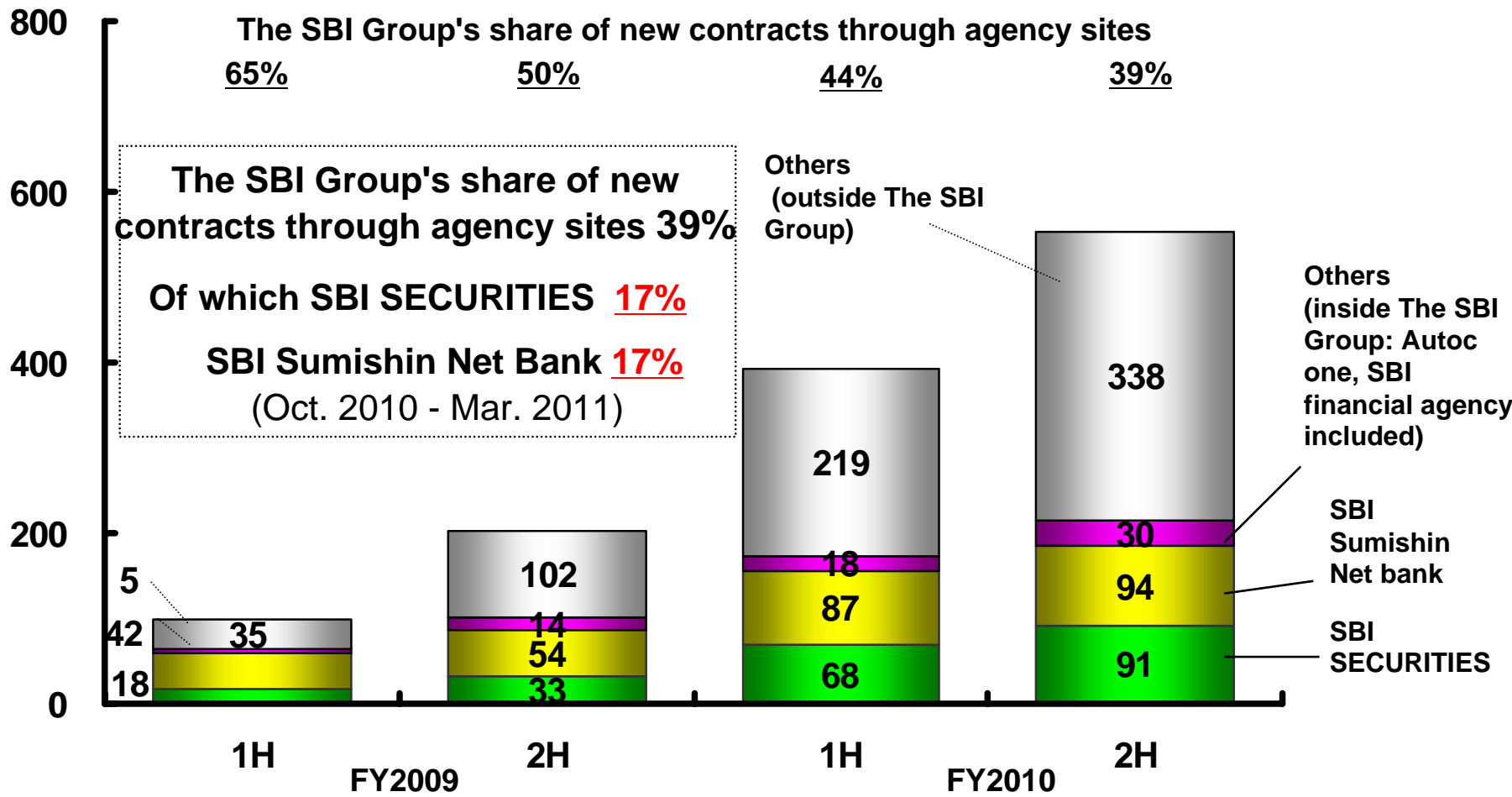


* The number of contracts in Apr.–Sept. 2009 =100

Over 80% of contracts are obtained from "websites for comparisons and estimates", of which InsWeb accounts for over half

Comparison of number of contracts at SBI Insurance by channel

Number of contracts at each agency channel (index)



Contracts via SBI SECURITIES and SBI Sumishin Net Bank have considerably contributed to an increase in “contracts through agency”⁵³

SBI Insurance Praised for Offering Industry's Lowest Premiums



In Diamond Weekly “Auto Insurance Premium Ranking”^(*1): **No. 1**

3 Years!

2 Years!



In Oricon customer satisfaction ranking “Satisfaction in Insurance Premium”^(*2): **No. 1 for 2nd consecutive year**

→ Also **No. 1** in Age Ranking (Customers aged 18 to 29)!



Kakaku.com “Automobile Insurance Satisfaction Ranking” satisfaction with insurance premiums: **No. 1 for 2nd consecutive year**^(*3)

2 Years!



Rakuten “Popular Automobile Insurance Ranking”^(*4): **No. 1 since January 2010** (from among 9 insurers)

**(From Jan. 2010)
15 months!**



In a questionnaire conducted by SBI Insurance, 97% of the respondents answered “the premium became cheaper”^(*5)

(*1)The Diamond Weekly, Mar. 14, 2009 issue/Mar. 20, 2010 issue, Apr. 23/ May. 7, 2011 issue (*2)Oricon Customer Satisfaction Ranking for Fiscal 2010/Fiscal 2011 (*3)2011 Kakaku.com Automobile Insurance Satisfaction Ranking (*4)Rakuten's Insurance Mar. 2011 (*5)Internet survey conducted from 2/24/2011 to 2/28/2011, for 3,019 persons applying for automobile insurance with SBI Insurance

Housing and Real Estate Business

Fiscal 2010 (Year ended March 31, 2011)

Operating Revenues	23.5 bil. yen	(+37% YoY)
Operating Income	3.4 bil. yen	(+286% YoY)

- **SBI Life Living's operating profit in FY2010 increased to 3.8 times year-on-year, owing to the continued growth of its Internet media business**
- **SBI Mortgage's loans outstanding has steadily increased to 916.6 bil. yen, for fiscal year end of March 2011. Net profit increased 2.5 times year-on-year, owing to a substantial increase in new housing loans**

* The above figures were calculated using the new accounting standard (with fund consolidation) for each segment.
* Percentage changes YoY reflect the changes in business segment.
* The above figures do not include eliminations for consolidation and the deduction of corporate expenses.
* Rounded to the nearest 100 million yen.

4Q Earnings at SBI Life Living Continued to Grow, and the Bottom Line Surged for the Full Term

Sales of completed properties were brisk, growth remained favorable in Internet media*, and full-term operating income increased 281.6% year-on-year

(mil. yen, %)

	FY2009	FY2010	YoY
Operating Revenue	5,616	6,459	+15.0
Operating Income	169	646	+281.6
Ordinary income	70	517	+635.9
Net Income	27	387	+1,292.5

* Lifestyle related comparison websites such as muSBI and Ticket Ryutsu Net

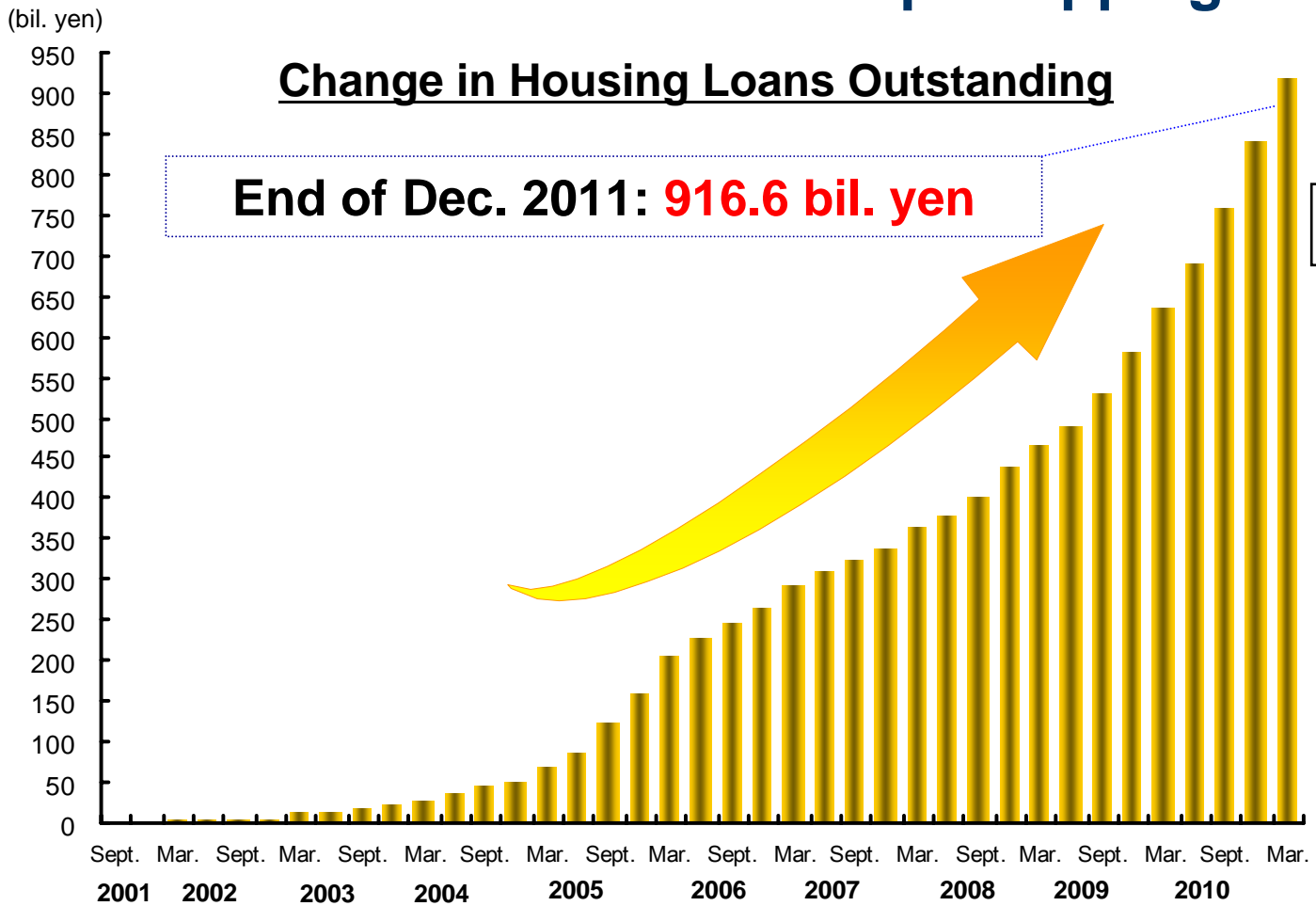
SBI Mortgage Grows Faster Than the Previous FY

With a rapid increase in housing loans, all profit items increased substantially, along with a 2.5 times growth in net profit

(mil. yen, %)

	FY2009	FY2010	YoY
Operating Revenue	6,278	9,560	+52.3
Operating Income	1,582	2,905	+83.6
Ordinary income	1,595	2,940	+84.4
Net Income	797	2,003	+151.1

SBI Mortgage Boosts Its Housing Loans Outstanding, With Number of Shops Topping 106



New loans

FY2009
203.9 bil. yen

FY2010
349.5 bil. yen
(+71.4% YoY)

- Offers the lowest level of interest rates (2.63%)

* The lending rate for 21-35 years loans purchased in Jan.2011 (no annexed life insurance)

- SBI Mortgage's "Flat 35" share from Jan. to Dec.: **12.3% 1st** among 334 companies

* Compiled by SBI Mortgage. Share is based on the number of purchased loans (incl. guaranteed loans).

2. The SBI Group's Business Development Focused on Major Trends

- (1) Establishment of Internet Financial Conglomerate**
- (2) Asset Management Business Focused on Concentrated Investments as a “New Industry Creator”**
- (3) Structural Enhancements for the Transformation from Japan's SBI to the World's SBI**

(1) Establishment of Internet Financial Conglomerate

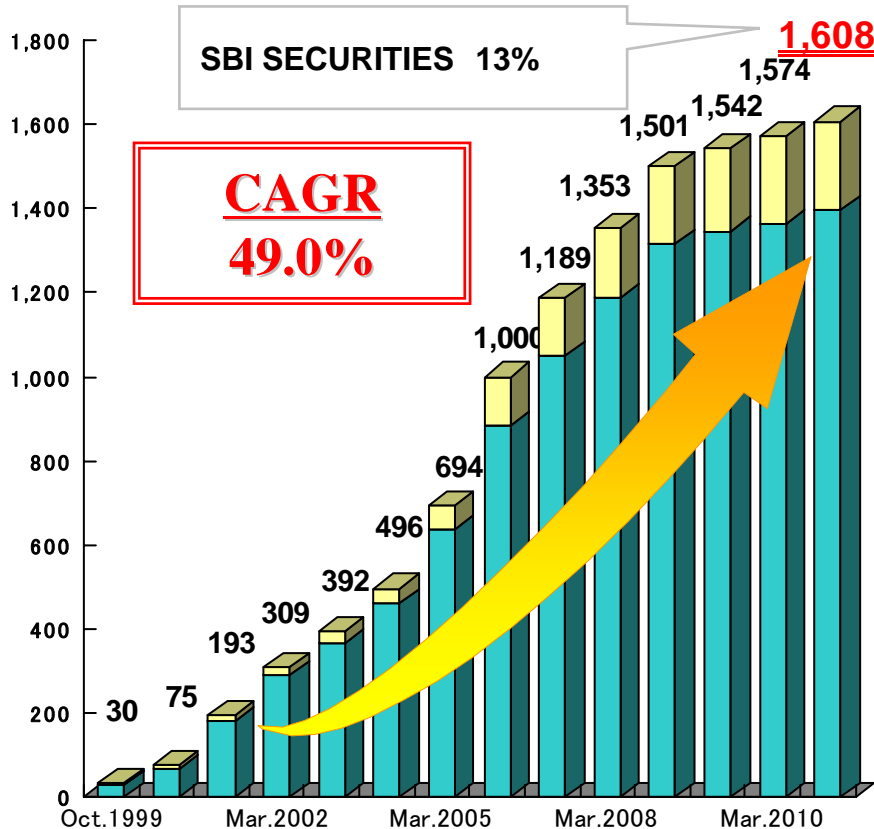
Dramatic Growth in the Internet Financial Services (Securities and Banking)



Number of accounts at online securities companies expanded to 50 times in 11 years
Number of customer accounts at pure-play internet banks increased by approx. 80 times 9 years

Number of accounts at online securities companies

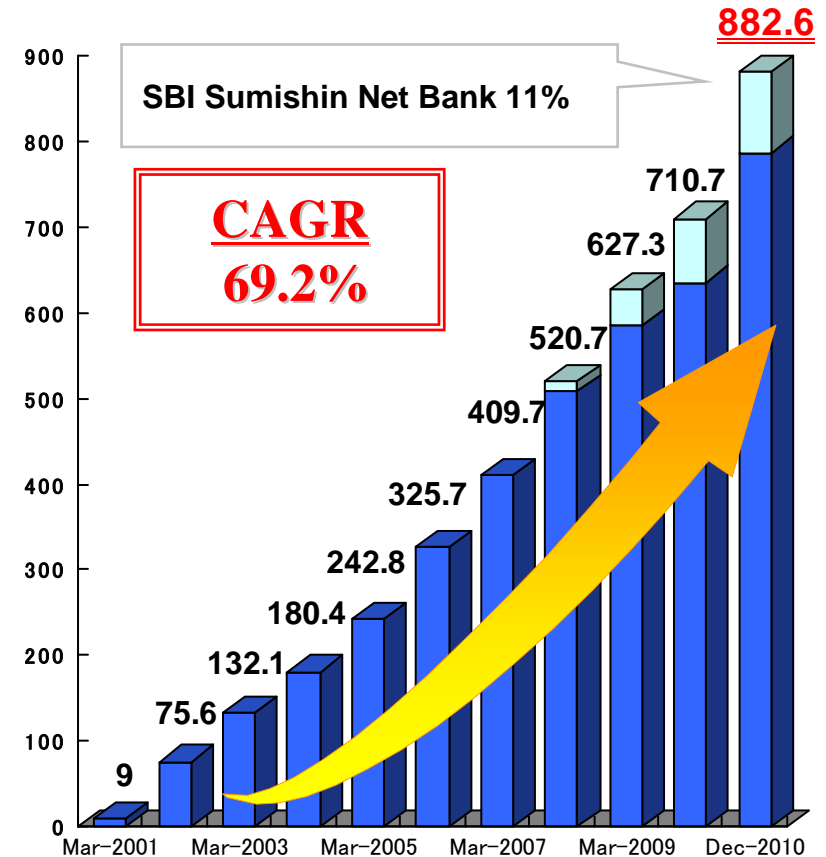
(ten thousands)



Source: Japan Securities dealers association, "Survey of Online Trading" (Sept. 2010), records began in Oct. 1999

Number of customer accounts at pure-play internet banks

(ten thousands)



* Compiled by SBIH from information disclosed by each company. Pure-play internet banks refer to SBI Sumishin Net Bank, Japan Net Bank, Sony Bank, Rakuten Bank and Jibun Bank. As of Dec 2010

The Internet Immersed Generation is Growing Up

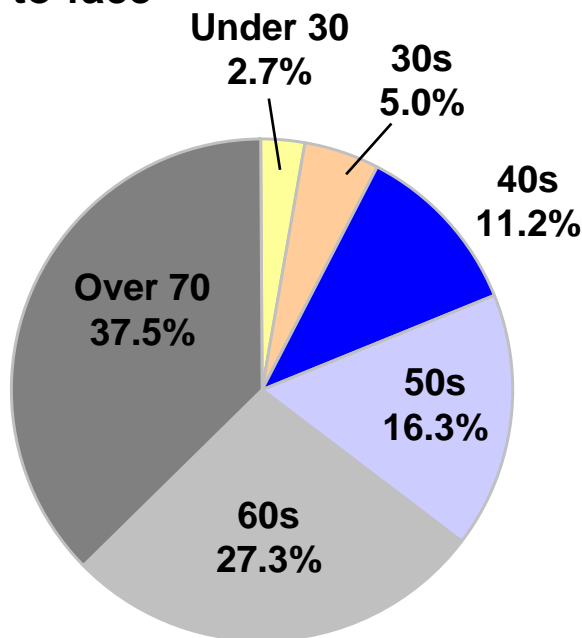
Start of commercial Internet in Japan: 1992



The generation immersed in the Internet since childhood have started full-scale purchases and financial activities from around 2010

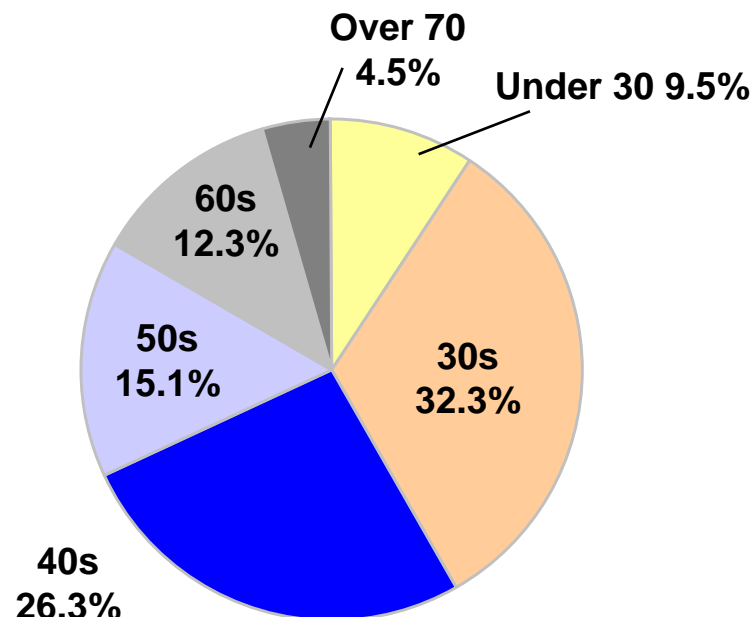
Breakdown of SBI SECURITIES' customers' age by channel (as of Mar. 2011)

■ Face-to-face



The older generation as a percentage of customers of face-to-face channel is generally higher

■ Online

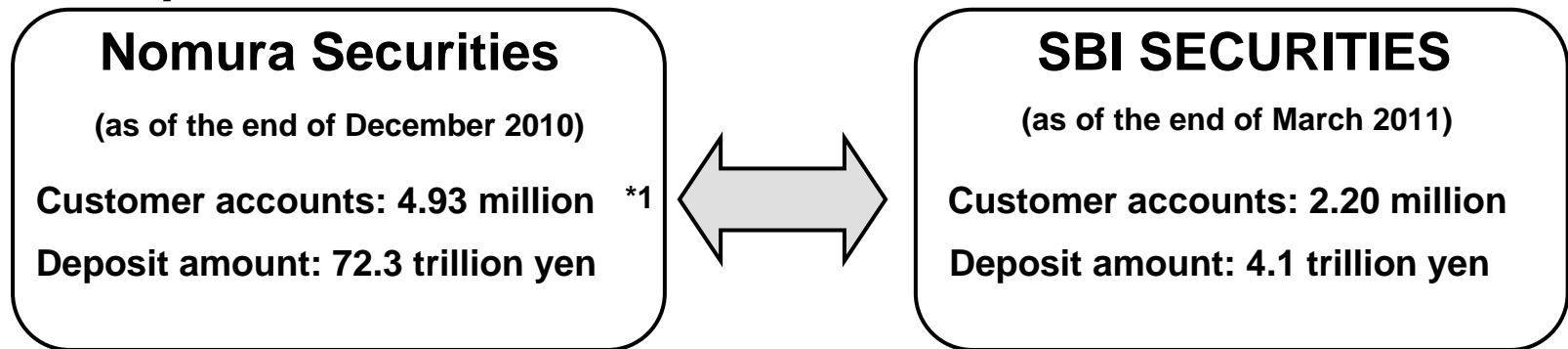


As time goes by, assets of the current 20s and 30s will increase, and most of them will not move to face-to-face transactions. Therefore, **per capita fee is expected to increase**

The Internet Immersed Generation's Growing Assets

<Present> Customer assets at conventional securities firms are substantially larger than those of online securities firms

Example



<Future>

- **Asset growth of young people who are the main customers of online securities firms**
- **Transference of assets from the elderly generation, due to their retirement, inheritance, etc**

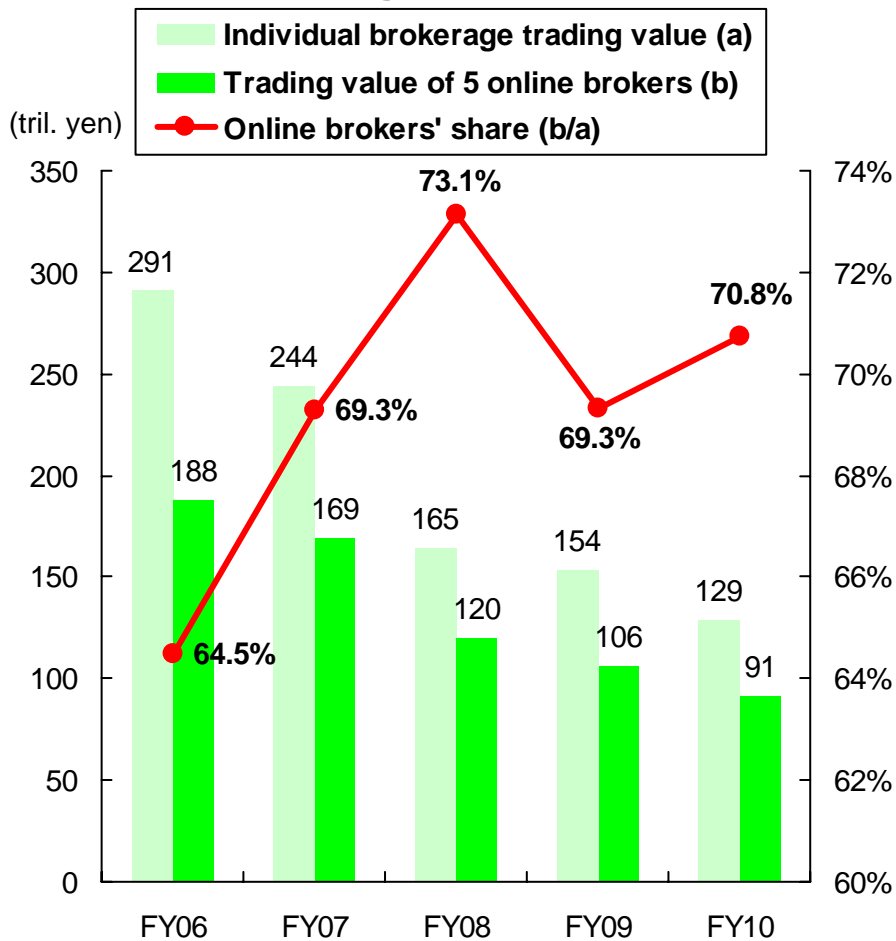
 **Expansion of customer assets at online securities firms can be expected**

*1 customer accounts with deposits

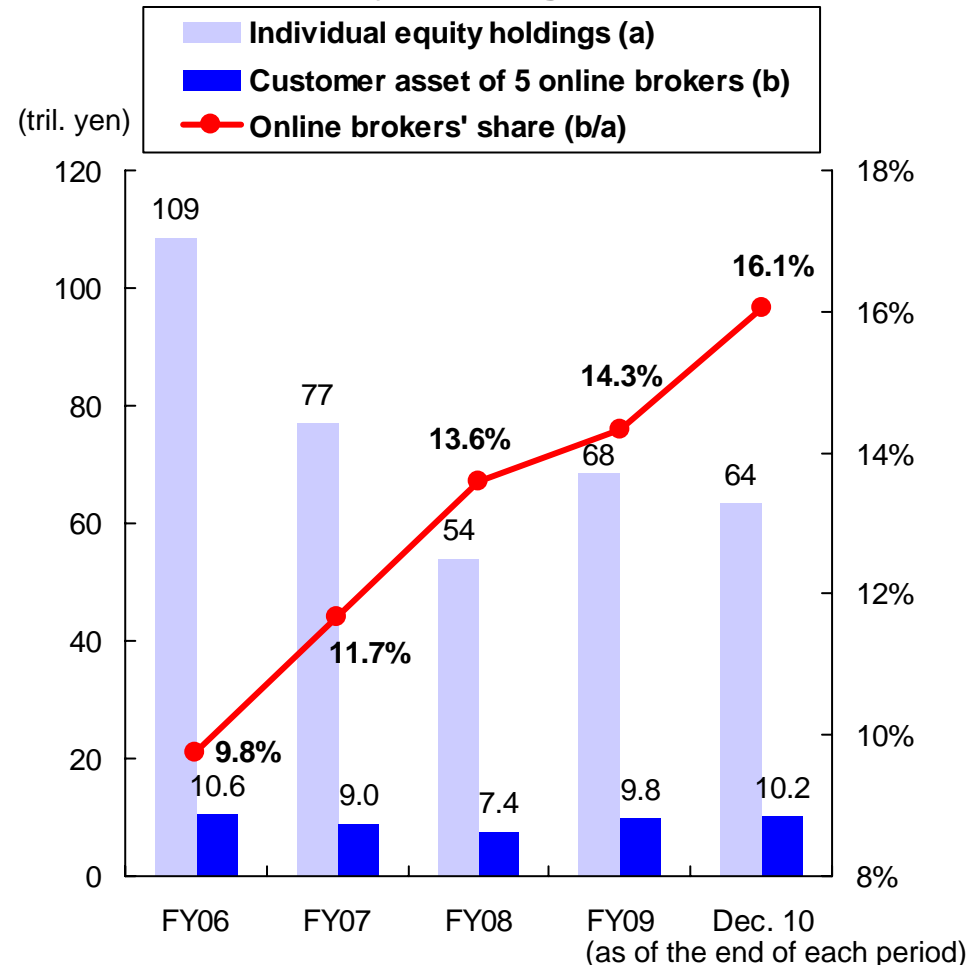
Online Brokers' Share of Retail Stock Trading Market

Online brokers' share of "stock" is expected to increase further

Change in the share of individual stock trading value (flow)



Change in the share of individual equity holdings (stock)



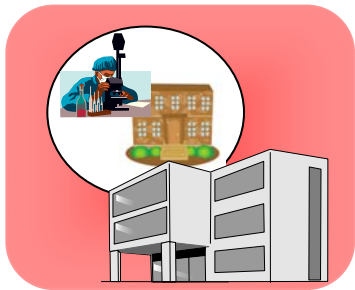
(2) Asset Management Business Focused on Concentrated Investments as a “New Industry Creator”

Concentrated Investments as a “New Industry Creator”

1. Internet

Contributed to the creation of the Internet industry, through focused investments into companies in the industry through the "SOFTBANK Internet Fund", with an initial capital commitment of 150.5 bil. yen, etc.

2. Biotechnology and Lifescience



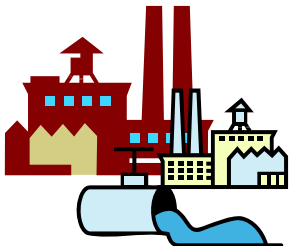
Investing a total of 25.7 bil. yen through VC funds, into the biotechnology and life science fields.

At the same time, the SBI Group itself, primarily through SBI Biotech and SBI ALApromo, will endeavor to establish a global medical creation presence

(*Commitment amount basis)

3. Environment related Technology and Alternative Energy

➤ Operation of VC funds targeting environment related companies



Environment and Energy I (since September 2007)

Operation of the joint venture with Mizuho Securities to manage fund targeting the environment and energy sectors in Japan and the overseas markets

**The SBI Group's Biotechnology Related Businesses
Expected to Become a New Revenue Stream**

Taking Advantage of the Global Network, Drug Discovery Projects and Other Businesses are Progressing

Drug discovery projects

Specialized drug discovery projects for cancers and immunity are progressing globally

Business partnerships with overseas Bio-venture firms and research institutes

- **Immune moderation medicine (nucleic acid)**: In conjunction with Changchun Huapu Biotechnology in China, clinical phase I test is in progress in the U.S. Also, in preparation of clinical test due to the requisition for the adhibition to acute leukemia in childhood by a North American research group. Started tie-up negotiations with foreign pharmaceutical companies.
- **Immuno-cell therapy**: Under testing clinical phase II in the U.S. in an alliance with Baylor Research Institute (U.S.) Currently in Japan, plans are in clinical research application to Faculty of Medicine, Ethics Committee of Kyoto Univ. and in place to start clinical test by public clinic.

Internal projects

- **R&D of immune body for cancers and autoimmune diseases**:
Anti-ILT-7 antibody : Alignment with MedImmune, the global biologics unit of AstraZeneca
Anti-BST2 antibody : In tie-up negotiations with domestic and overseas promising pharmaceutical companies
- **Development of new anti-cancer agent** : Applied for international patent of drug discovery hit to lead in April 2010 associated with CrystalGenomics in South Korea, and is currently preparing for an international patent application of drug discovery, owing to a cooperation with a bio-venture company in Japan.

Health foods projects

- Since 2009, supplement “Nosutto Sarunashi” has been on sale



SBI ALA promo Targeting Earlier Profitability

enhancement of selling system of beauty goods and health foods in this fiscal year

- B** : Beauty goods
- M** : Medicine
- H** : Health foods

B Jan. 2009 Launch of **Hataraku-te**

B Jan. 2009 Launch of **Hanamitsu beauty cream**

M Jun. 2009 **JV with Medac in German**

B Oct. 2009 Launch of **AL SCIENCE series1 emollient cream (Skin-care)**

B Jan. 2010 Launch of **AL SCIENCE series2 lotion moisture (Skin-care)**

H Feb. 2010 Launch of **NatuALA-Bio (supplement)**

B Apr. 2010 Launch of **Lala Solomon series (Skin-care)**

M Jun. 2010 Brain tumor diagnostics agent started clinical test phase III

H Nov. 2010 Launch of **NatuALA Black Garlic (supplement)**

B H
Enhancement of selling system (e.g.)
 Alliance with sales agency or SBI Investment's Investee companies

H Mar. 2011 Launch of **NatuALA-BCAA (supplement)**

Apr. 2008 Establish-ment of JV



Measures to Enhance Distribution Structure

-Launch Full-fledged Sales Promotions in Sequence-

SBI ALA promo's beauty goods and supplements

(Examples)

Beauty products:

AL SCIENCE EMOLLIENT CREAM

(Released in Oct. 2009)



Supplements:

Natu-ALA-Bio

(Released in Feb. 2010)



For broader recognition

Expanding distribution channel

TV

Magazines

Ex: TV shopping



Events

etc.

Direct Sales

Internet / telephone

Agencies

Distribution agencies, as well as taking advantage of SBI Group's network of investments

Business Partners(Ex;)

• **HIKARI TSUSHIN Inc.**: Leveraging a subsidiary that sells drugs and medicines via household distributors, to 400,000 households nationwide

- Effect of ALA will be announced at various academic conferences

Efficacy of ALA Attracts Attention

• Tokyo FM featured ALA in programs aired on April 1 and 8, 2011

Theme: Health Disorders Emerging in Areas Affected by the Earthquake

Guest: Masashi Saito, New York State Physician

Yasuhiro Kido, Prof of Environmental Science, Kyoto Pref University

• Episodic Hypothermia

⇒ The body must be warmed from the inside out

⇒ Research shows ALA(5-Aminolevulinic Acid) metabolizes fat and may help to gradually raise body temperature

• Autonomic imbalance

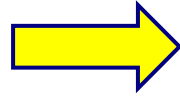
⇒ Must maintain a balanced diet if refuge is longer than a week to prevent basal metabolism from deteriorating

⇒ ALA, found in humans to begin with, can supplement diets

ALA ingestion enhances metabolism and may help raise body temperature by 1 C°

Medical Field R&D Progress

-Brain tumor diagnostic agent



Joint research into expanded indication for carcinoma

Oral diagnostic agent for the photodynamic diagnosis (PDD) of tumor tissue in the surgical removal of malignant glioma, EMEA approved through German JV partner Medac and sold in 10 European countries, including Germany and the U.K.

Jun. 2010	<u>Started phase-3 clinical testing</u> in JV with Nobel Pharma
Nov.	<u>Orphan drug designation</u> by Ministry of Health, Labor and Welfare
Mar. 2011	Research published in International Immunopharmacology

-Potential application in cancer screening

Joint research project with the Tokyo Institute of Technology

Image: Orally ingest ALA(a porphyrin building block)



Porphyrin accumulates in cancerous tissue only

Cancer tissue in urine tests can be detected as porphyrin glows in fluororadiography

R&D of Bio-related Investee Companies



Quark Pharmaceuticals (SBI's shareholding : 31.23%)

1) PF-655

Wet Age-related Macular Degeneration (AMD)
Diabetic Macular Edema (DME)

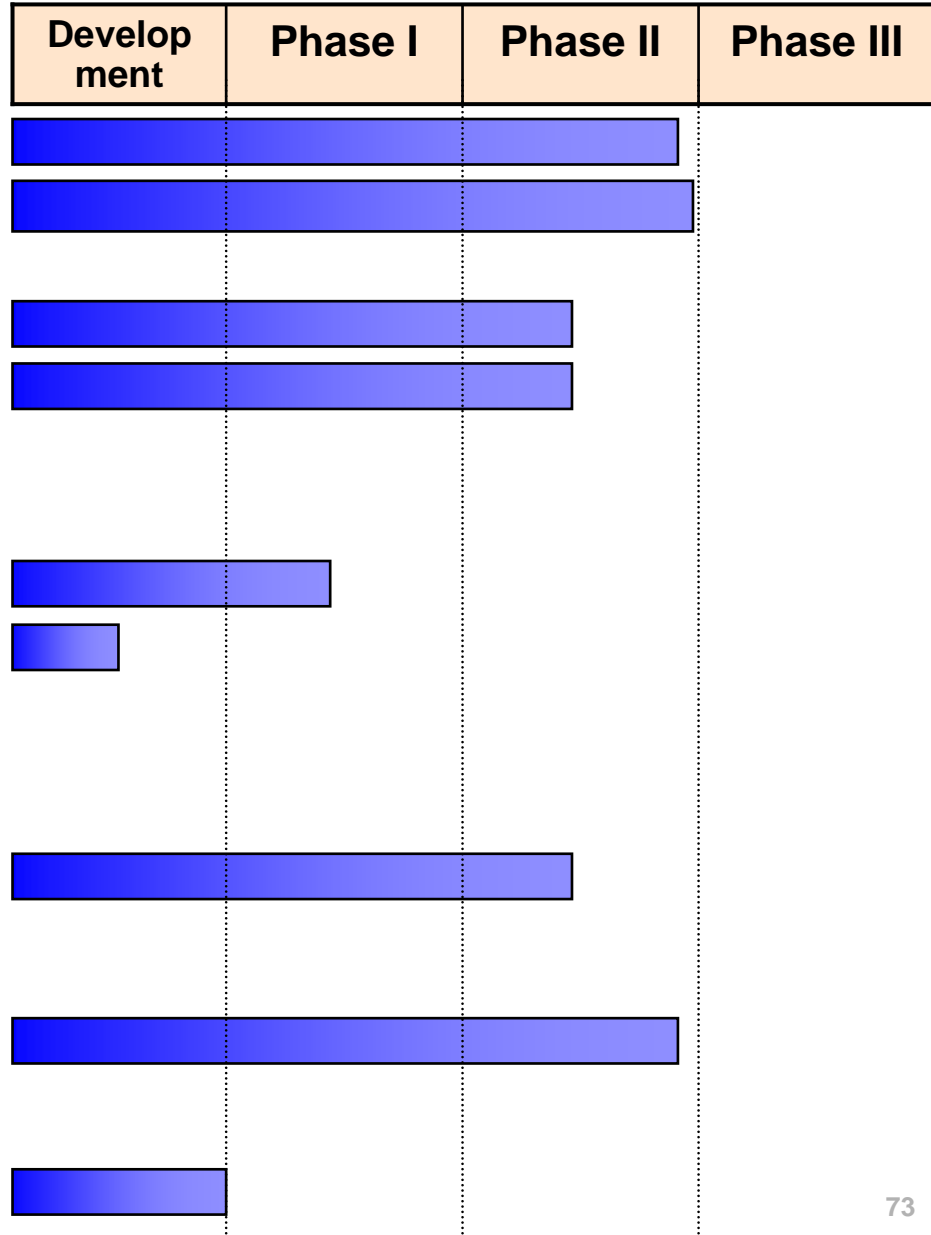
2) QPI-1002

Acute Kidney Injury (AKI)
Kidney Transplantation (DGF)

FDA and European Commission grants Orphan
Drug Status for QPI-1002

3) QPI-1007

Non-arteritic Anterior Ischemic Optic Neuropathy
Glaucoma



Acucela (SBI's shareholding : 27.71%)

1) ACU-4429

Dry Advanced Macular Degeneration (AMD)
Received FDA Fast Track Designation for ACU-4429

2) Rebamipide

Dry Eye

3) OPA-6566

Glaucoma

(3) Structural Enhancements for the Transformation from Japan's SBI to the World's SBI

- To Become an Epochal Asian Presence -

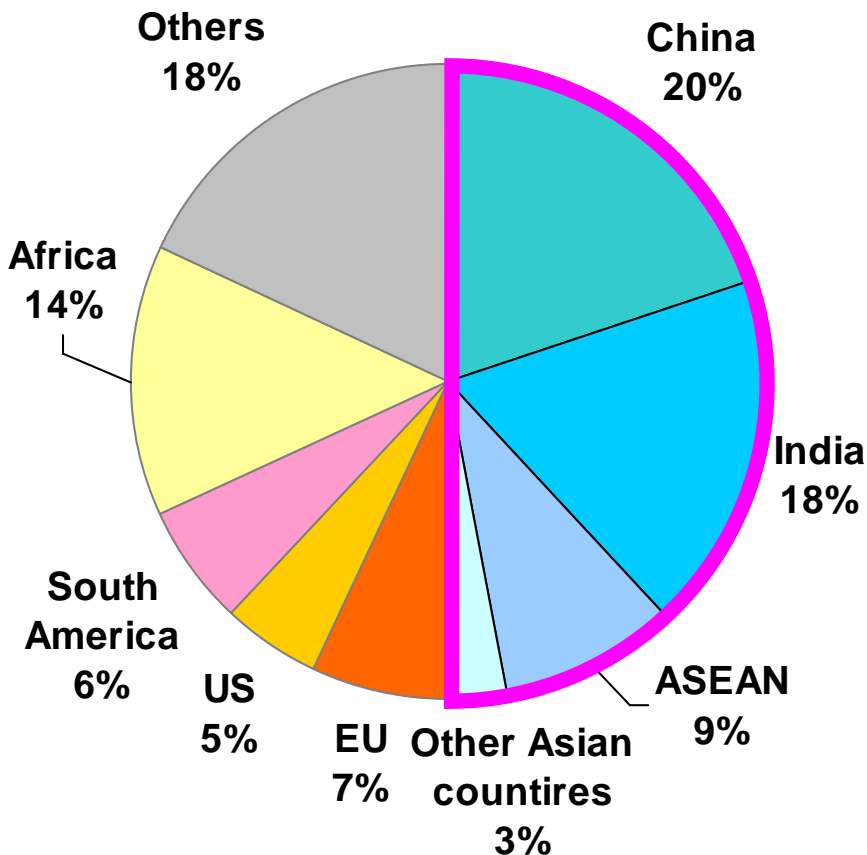
- <1> Integrate Overseas Operations under a Second Head Office to be Established in Hong Kong**
- <2> The SBI Group's China Business Headquarter to be Established in Dalian**
- <3> The SBI Group's Europe Headquarter Business to be established in London**

The Asian Century

Since the global economic crisis, the Asian economies have outperformed the rest of the world in both scale and growth potential

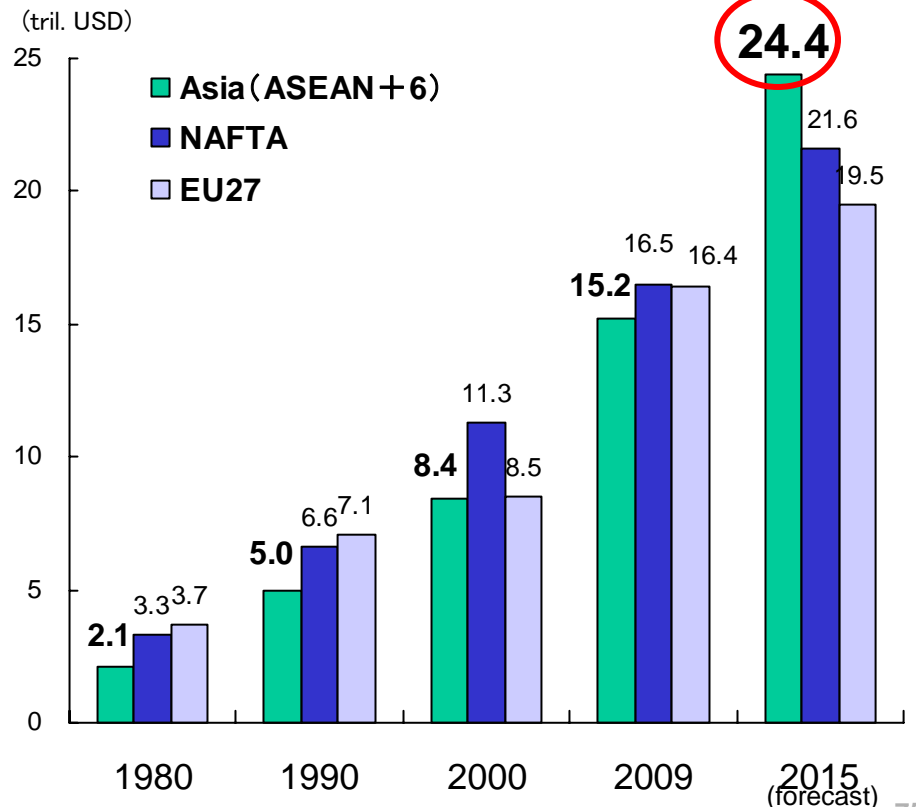
Population by Country and Region (2008)

Along with populous countries such as China (1.3 billion) and India (1.2 billion), Asia accounts for around **half of the world's population**



Nominal GDP by Economic Region

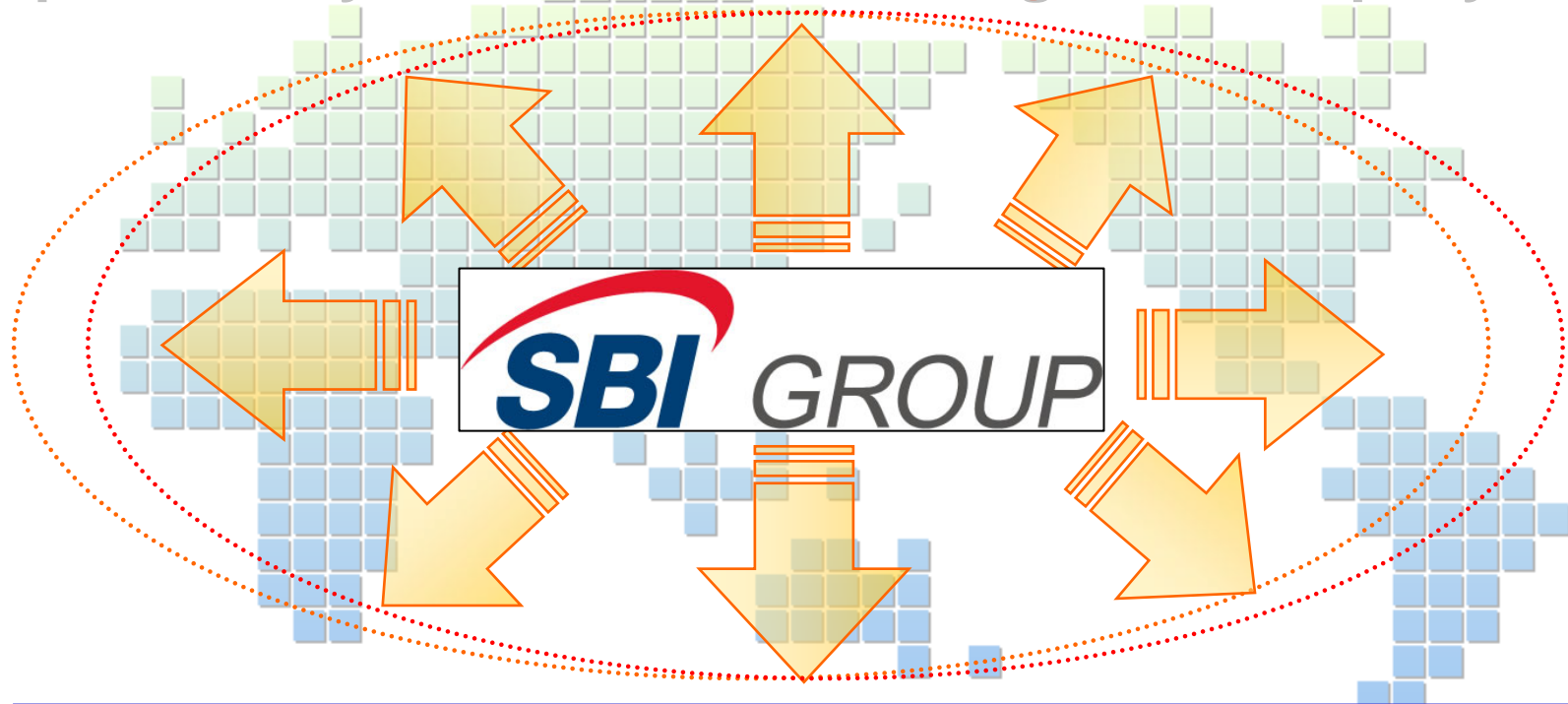
Asia is forecasted to grow to a 24.4 tril. dlr economic region by 2015, surpassing NAFTA and the EU as **the world's largest economic region**



Source: Compiled by SBIH based on "Trade White Paper 2010"

From “Japan's SBI” to the “World's SBI”

Deploying businesses through overseas subsidiaries, with a firm foundation in the emerging countries, particularly in Asia, to become a global company



The SBI Group's Overseas Businesses

1. Asset Management



Already established funds and started financial service businesses with local prominent partners

2. Financial Services

3. Bio-related Business



Full scale operation will be started

Overseas Businesses Already Contribute to SBI's Profit

Asset Management Business

Overseas portion
in FY2010

Overseas sales ratio of investment security*: **91.2%**

*Ratio of overseas companies in sales of investment security (including dividend and interest) in Asset Management Business

Financial Service Businesses

Overseas ratio in ordinary income* : **32.1%**

*Ratio of equity-method investment profit from the overseas financial institutions below, in ordinary profit of the Financial Service Businesses

- Tien Phong Commercial Joint Stock Bank
- Phnom Penh Commercial Bank

Transformation to a global company is progressing smoothly

<1> Integrate Overseas Operations under a Second Head Office to be Established in Hong Kong

Certain Head Office functions will be moved to Hong Kong over the next 6 months



Integrate all overseas operations principally under Hong Kong

- **Consider recruiting Hong Kong executive directors from partners of JV funds and others**
- **Consider increasing directors in charge of overseas business at Tokyo Head Office as well**
- **Build a structure to actively secure human resources locally for overseas businesses**
- **Channel overseas investment and fund procurement, principally through Hong Kong**
- **Expand new base in Taiwan, currently covered from Hong Kong**

Tokyo Head Office will continue to manage domestic operations

Maximize Use of Increasingly Globally Significant HK Capital Markets



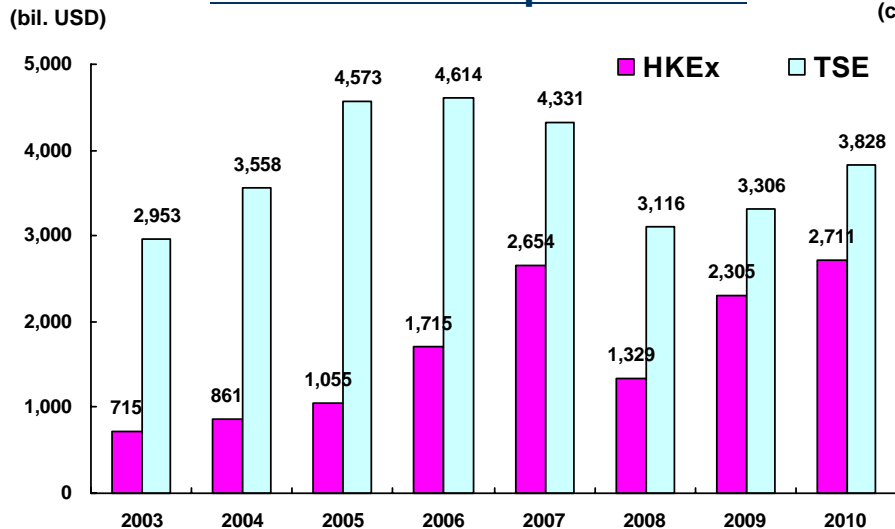
-Funds for overseas investments and business projects will be sourced, in principle, from the Hong Kong capital markets-

Reduce foreign currency risk exposure and diversify fund procurement methods by sourcing funds for overseas use from Hong Kong Exchanges and Clearing (HKEx), and by issuing yuan-denominated bonds, among other means.

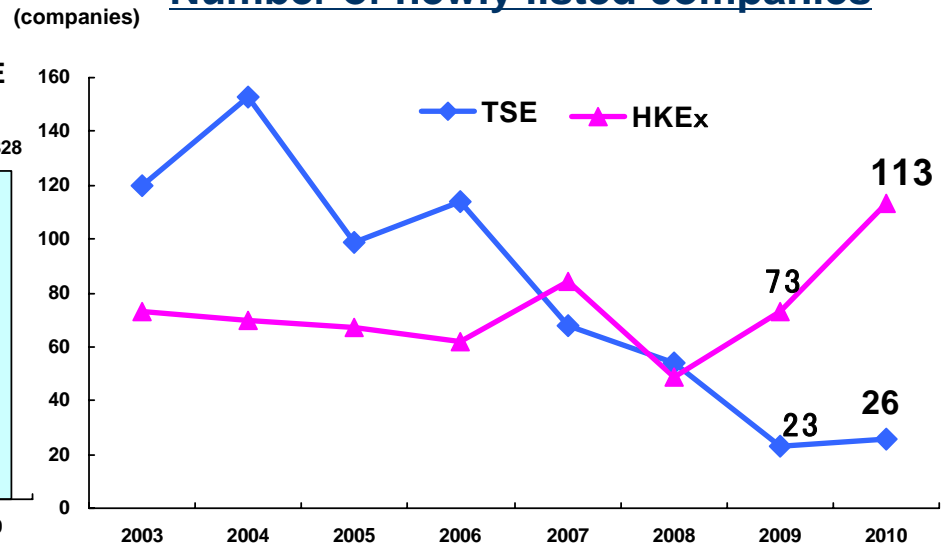
Features of the Hong Kong Market

- **Increasing importance as an international financial center** against backdrop of China's economic power
- A capital market with **access to yuan-denominated bonds and stocks for global institutional investors** (approx. half are foreign investors)
- **No. 1 in the world, for total annual IPO procurement amount in 2009 and 2010**

Total market capitalization



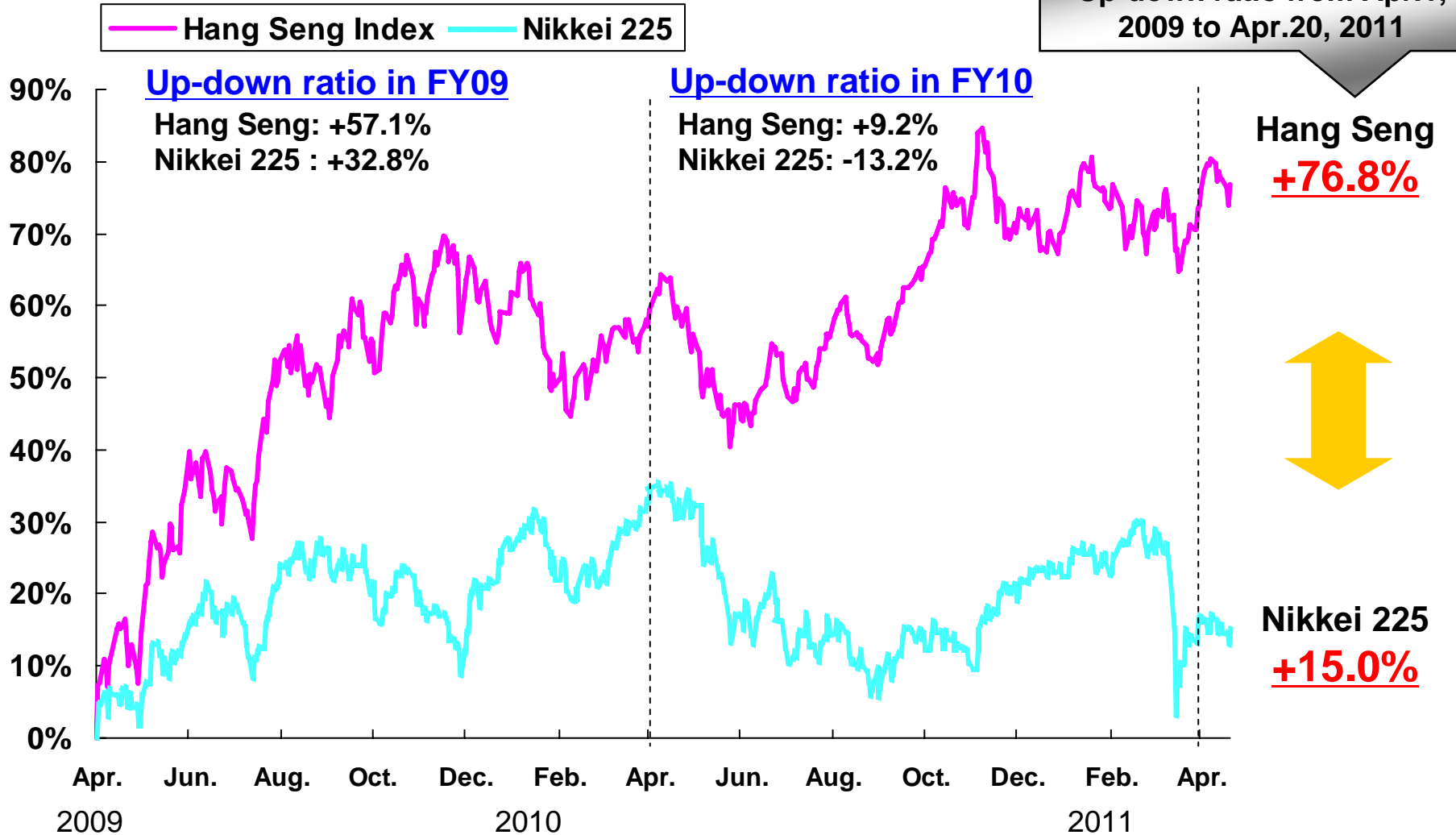
Number of newly listed companies



Hong Kong Market's High Performance

Change in stock indices of Hong Kong and Japan

(From Apr.1, 2009 to Apr.20, 2011)



First Japan-based Company Listing on the Hong Kong Stock Exchange

-First case of HDR listings with new share issuance as well-



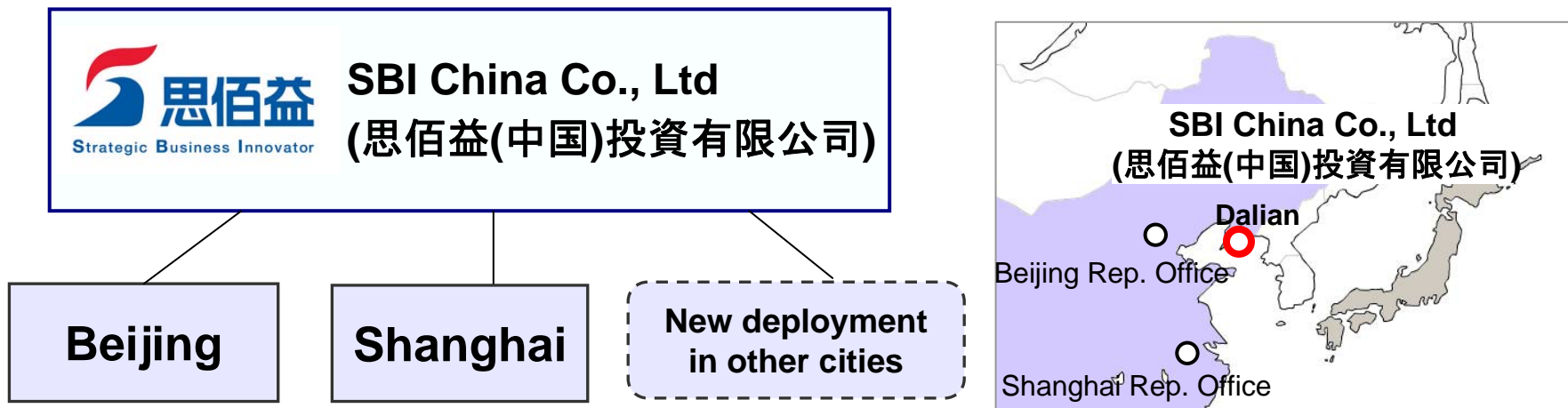
Outline of SBI Holdings' HKSE listing and HDR issuance backed by SBI Holdings' common shares

Listing market	Main Board of the Hong Kong Stock Exchange (code: 06488)
Listing Date	April 14, 2011
Offer Price	HKD 80.23 (JPY 876) per HDR *2 Calculation of Issue Price JPY 9,130 (Closing price on April 8) Discount rate 4.01%
Number of shares to be issued	20,000,000HDR (1 common share = 10 HDR) *1,2
Dilution ratio	9.11% *1
Total amount to be paid	16,980 million yen *1

*1 Total figures when all stocks were issued both by public offering and by way of third-party allotment

*2 1 HKD=10.92389 JPY (rate at the start of trading on Friday, April 8, 2011(average of the selling rate and buying TT rate)

<2> The SBI Group's China Business Management Company to be Established in Dalian



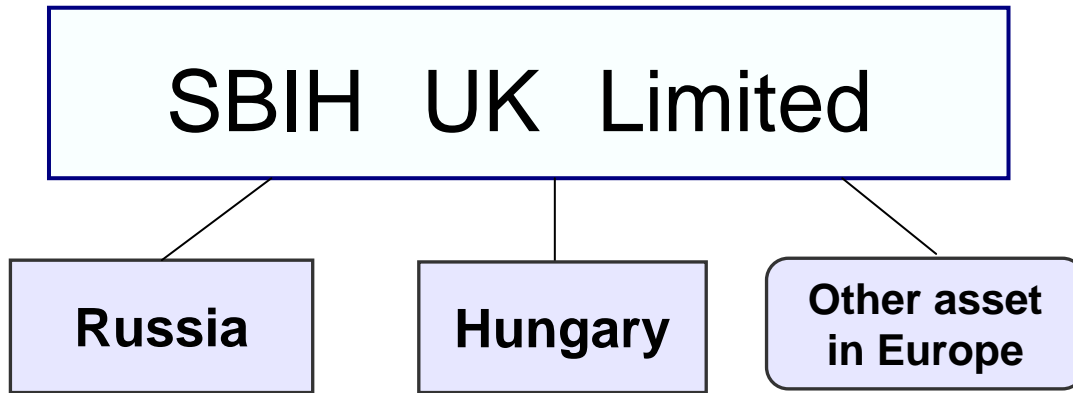
Advantages of Establishing New Management Company in Dalian High-tech Industrial Zone

- Enables SBI to conduct sales activities and swiftly respond to investment opportunities in ways that were previously impossible through a representative office.
- Financial subsidies for offices, taxes and so forth, as well as referrals to alliance partners, etc.

 **Pursue further expansion and enhanced efficiency of asset management and financial service businesses in China**

<3> The SBI Group's Europe Business Management Company to be established in London

Established on April 27, 2011



- Consolidate and manage European assets
- Operate and manage European regional funds, including Russia fund, Hungary fund, and others
- Invest in financial institutions, and develop Internet-based financial services in the European region
- Information gathering function in Europe

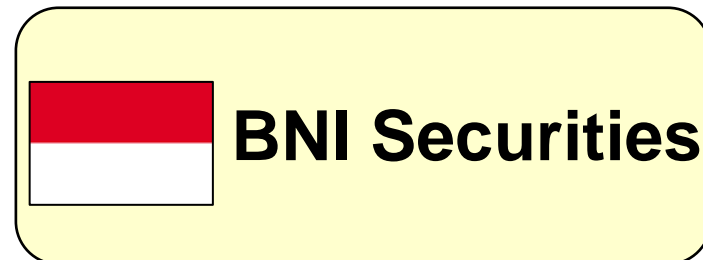
<4> Making Inroads into Indonesian Market

To acquire a 25% stake of BNI Securities,
a major securities company in Indonesia

SBI SECURITIES

25% Investment
Providing Know-how

Offers opportunities to
invest in Indonesian
stocks



Outline of BNI Securities (PT BNI Securities)

- Securities company belonging to a financial group led by PT Bank Negara Indonesia
- Proactively developing services, including online securities trading, mainly for individual customers

Establishment	: 1995
Operating Revenues (FY2010*1)	: 142.1 bil. IDR (Approx. 1,340 mil. yen*2)
Net Profit (FY2010*1)	: 20.0 bil. IDR (Approx. 190 mil. yen*2)
Capital (end of Dec. 2010)	: 110.0 bil. IDR (Approx. 1,030 mil. yen*2)

*1 BNI Securities' FY is from Jan. to Dec. *2 Based on FX rate of 1IDR=0.0094JPY

Outline of the BNI Group

A financial group led by PT Bank Negara Indonesia (Persero) Tbk, the fourth-ranking bank in Indonesia, which was the first state-run bank in the country and the first Indonesian government-managed bank to go public

Plans to work to establish other partnerships with the BNI Group

Capital Investment in Overseas Financial Institutions Centered on Asian Region

Provide a foundation for implementation and development of our internet-based financial services business, such as securities, banking and insurance.



OBIBANK *

Bank

- Commercial bank in METROPOL Group
- Entry into online banking business in Russia with 50% investment.



Tianan Insurance

Nonlife insurance



Tien Phong Bank

Bank

- Acquired 20% shares in Aug 2009



FPT Securities

Securities

- 20% investment from SBI Securities



Commercial Bank of Ceylon

Bank

- 8.85% shareholding
- Largest nongovernmental commercial bank



BNI Securities *

Securities

- 25% investment from SBI Securities



Hatton National Bank

- Acquired 2.00% shareholding in Feb. 2011
- The second largest nongovernmental commercial bank



Phnom Penh Commercial Bank

Bank

- Acquired 40% of shares at establishment
- Started operations in Sept. 2008



Securities

- Acquired a securities business license as the first Japanese company in Oct. 2010

3. The SBI Group's “Brilliant Cut” Initiative Moves to 2nd Phase

-New Phase for “Evaluation Standard” of Selected 58 Companies-

The SBI Group's Major Business Entities Engaged in "Brilliant Cut"

The SBI Group's Major 51 Business Entities (Excl. 7 overseas local subsidiaries and representative offices)

	FY2009	FY2010
SBI Holdings	Operating Income: 0.2 billion yen	Operating Income: 4.3 billion yen
Profitable companies and divisions	28 companies and divisions Total operating profit: 26.0 bil. yen	30 companies and divisions Total operating profit: 26.8 bil. yen
Unprofitable companies and divisions	12 companies and divisions Total operating loss: 4.7 bil. yen	11 companies and divisions Total operating loss: 7.1 bil. yen
Newly established or acquired companies: <small>(New group companies which started operation or were acquired after April 2009)</small>	10 companies Group companies (7): Wall Street Journal Japan (established in May 2009), SBI Credit (became a consolidated subsidiary in July), SBI Global Investment (became a consolidated subsidiary in June), Korea Technology Investment Corporation (became a group company in July), etc. Companies preparing for starting operation(3): JV with China Securities Journal, Preparation for life Insurance company, and SBI Phnom Penh Securities	9 companies SBI Global Investment achieved full-year profitability

(Note) Consistently profitable companies in "Newly established or acquired companies" have been moved to "Profitable companies and divisions"

Analysis of Factors Behind Year-on-year Changes at Profitable Companies and Business Divisions in FY2010

FY2009: Profitable companies and divisions

28 companies Total **26.0** bil. yen

	No. of Companies	YoY Change	
Profit increased	17	+4.4 bil. yen	SBI Sumishin Net Bank, SBI Mortgage, etc.
Profit decreased	11	-4.1 bil. yen	SBI SECURITIES (profit decreased by 2.6 bil. yen), SBI Liquidity Market (profit decreased by 1.1 bil. yen)
Turned profitable	1	Recorded operating profit of 0.2 bil. yen in FY2010	SBIH Real Estate Dept.
Newly established company turned profitable	1	Recorded operating profit of 0.4 bil. yen in FY2010	SBI Global Investment

FY2010: Profitable companies and divisions

30 companies Total **26.8** bil. yen

Targeting profit stability and profit increase, through the utilization of group synergies and developing businesses that are less susceptible to market volatility

Analysis of Factors Behind Year-on-year Changes at Unprofitable Companies and Business Divisions in FY2010

FY2009: Unprofitable companies and divisions

12 companies Total **-4.7** bil. yen

	No. of Companies	YoY Change	
Loss decreased	4	+0.4 bil. yen	SBI Net Systems, SBI Japannext, etc.
Loss increased	7	-2.9 bil. yen	SBI Card (loss increased by 2.1 bil. yen), SBI ALApromo (loss increased by 0.5 bil. yen)

FY2010: Unprofitable companies and divisions

12 companies Total **-7.1** bil. yen

>Target **profitability by Sept. 2013, or within 3 years after establishment**

* In principle, consistently unprofitable companies will be liquidated or sold

About half of the losses are recorded at SBI Card.

The SBI Group's “Brilliant Cut” Initiative Moves to 2nd Phase

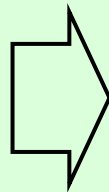
First Phase

Monitor each company's performance situation, as well as their change in operating profits

Second Phase

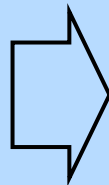
Examine each companies' earning capacity by taking into account B/S, C/F situation as well as change in operating profits

- ROE
- ROI



Examine earning efficiency against invested capital

- EBITDA
- EBITDA Growth rate



Examine cashflow generated by invested capital

Company's Earning Capacity Examined with Newly Adopted Indicators

Each indicator calculated from major companies' * FY2010 performance

(%, billion yen)

	ROE	ROI	EBITDA	EBITDA Growth rate
SBI SECURITIES	4.9	4.2	12.62	-14.9
SBI Mortgage	21.1	35.2	3.07	+73.6
SBI Liquidity Market	48.4	404.6	2.07	-34.0
SBI VeriTrans	24.3	77.4	1.37	+17.7
SBI Investment	10.1	6.0	1.08	+12.4

* Consolidated subsidiaries with over 1 billion yen of operating income in FY2010

Promote the “Brilliant Cut” Initiative, Measures to Further Enhance Profit Growth (1)

Merging a subsidiary

- Morningstar Japan Acquired 100% Ownership of Gomez Consulting

(Announced by Morningstar Japan on Jan. 26, 2011)

Gomez Consulting was delisted, having become a wholly owned subsidiary through an exchange of shares.

A more integrated approach to the management of the two companies will allow cost reductions and enhanced sales capabilities, since they operate in closely related business fields. (Savings of about 15 million yen annually is expected, just for the elimination of the listing-related expenses for Gomez.)

- SBI Holdings Acquired 100% ownership of SBI VeriTrans

(Announced by SBI Holdings on Feb. 24, 2011)

SBI VeriTrans to be delisted, through a share exchange with SBI Holdings

As SBI rolls out various Internet-based financial services overseas, the EC settlement services becomes a key growth sector. SBI VeriTrans Co., Ltd. is a provider of EC settlement services within the SBI Group. Having made this firm a subsidiary, SBI will work to accelerate the overseas development of the EC settlement services business.

Promote the “Brilliant Cut” Initiative, Measures to Further Enhance Profit Growth(2)

Integration, Merger

- **Integrated Kensho TV (operation of giveaway website) with SBI Marketing**
⇒Pursue further management efficiency

Liquidation, Business Termination, etc.

- **The joint venture, SBI HotGrinds (services based on the next-generation web technology) with US partner, was terminated and dissolved**
- **Sold shares of E*GOLF Corporation**
- **Liquidated SBI ArchiWorks on April 25**
- **Shares of HOMEOSTYLE (offering services for beauty care and health food products) are to be sold**

Others

- **Reorganize operations and personnel of SBI Asset Management**
- **The card business, which accounts for half of the loss, will be reviewed thoroughly**

Appendix

SBI Holdings' Shareholder Composition



Foreign investors' shareholding ratio rapidly increased after FY2008

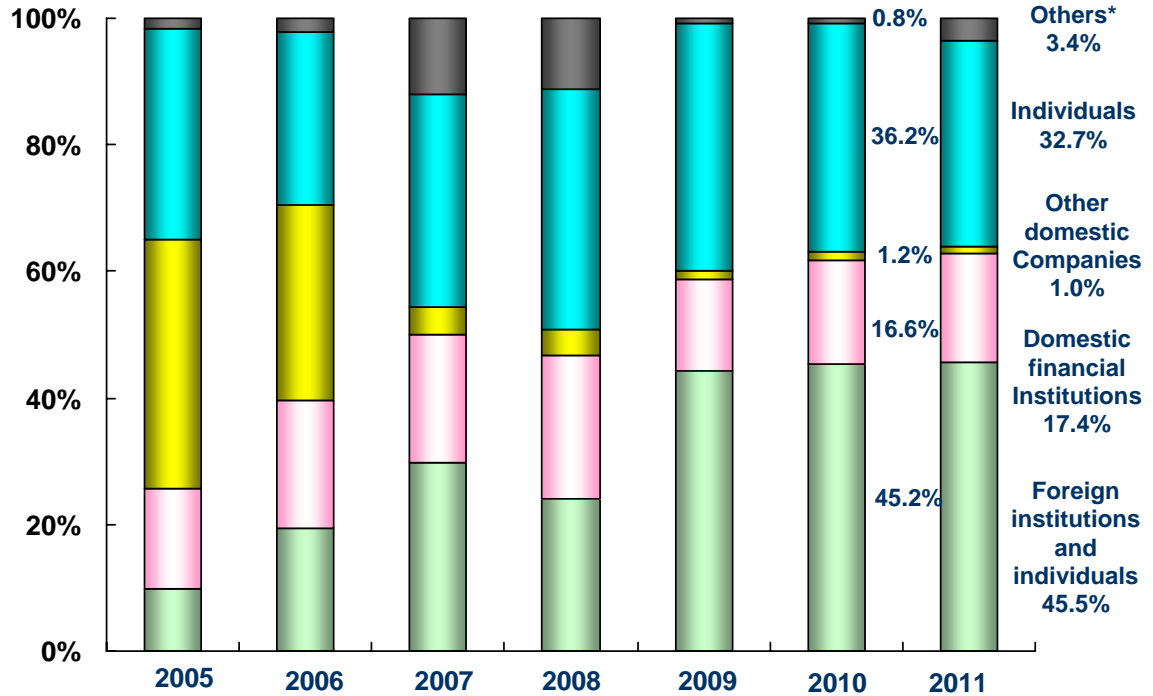
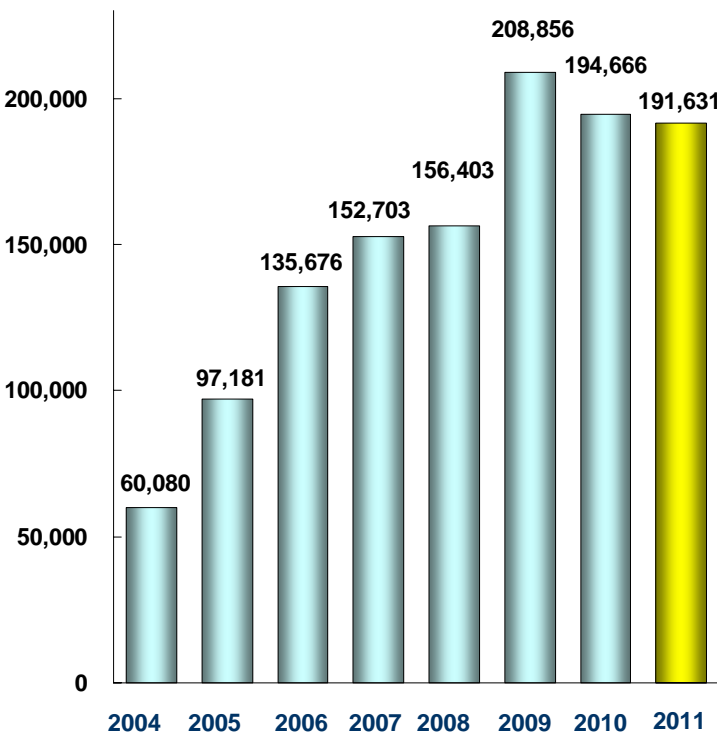
24.2% (Mar. 2008) → 44.2% (Mar. 2009) → 45.2% (Mar. 2010) → **45.5% (Mar. 2011)**

Number of Shareholders

Shareholder Composition

(Number of holders)

■ Foreign institutions and individuals ■ Domestic financial Institutions
■ Other domestic companies ■ Individuals
■ Others



* End of March

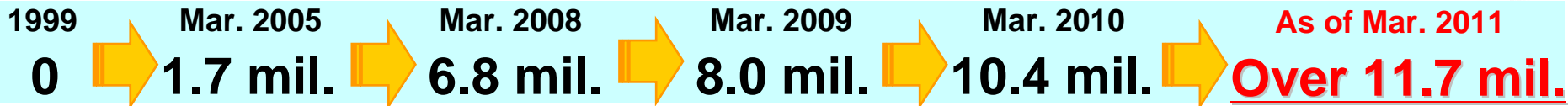
* End of March

*Others includes treasury stock (0.07%)

SBI Holdings Today

	Establishment 1999	End of Mar. 2011
Customer base	0	11.7 Million
Officers and employees (cons.)	55	3,397
Operating revenues (cons.)	0	FY2010:141.1 bil. yen Peak time(FY2007): 222.6 bil. yen
Consolidated subsidiaries	0	112 companies (Including partnership)
Publicly owned companies	0	8 companies (including the SBIH) Peak time: 11(FY2007)
Capital	50 mil. yen	73.2 bil. yen
Net assets	50 mil. yen	456.9 bil. yen

The SBI Group's Rapidly Expanding Customer Base



(Unit: thousand)

SBI Group company and division		End of Mar. 2011
SBI SECURITIES	(Accounts)	2,210
SBIH InsWeb	(No. of customers)	3,935
E-LOAN	(No. of customers)	1,006
Other financial websites	(No. of customers)	135
MoneyLook	(Total no. of customer registrations)	662
Morningstar Japan	(New portfolio customer registrations)	69
SBI Card	(Cards issued)	107
SBI Sumishin Net Bank	(Accounts)	1,049
SBI Insurance	(Total no. of contracts)	278
Autoc one	(Total no. of service users in 2010)	1,100
Lifestyle related comparison websites	(Total no. of customer registrations)	692
SBI Credit	(No. of customers)	90
Others		388
Total		11,722

*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.

*The number of total number of contract of SBI Insurance excludes continuing contracts, expiring contracts, and early-withdrawal

Assets under Management of the SBI Group

529.9 billion yen as of the end of Mar.2011

Private equity, etc. total: 292.0 bil. yen

[IT/Biotechnology] Total: 119.9

Broadband/Media 48.2

Mobile services 27.3

Biotech 14.5

Others *1,2 29.9

[Buyout/Mezzanine] Total: 31.6

Value Up 20.9

Mezzanine 10.7

[Direct investment] 37.3

[Environment/Energy *2] 6.2

[Overseas] Total:97.0

China *2 19.2

Korea 13.4

Vietnam 6.3

India 7.5

Hungary 10.8

USA *2 12.2

Others *2 27.6

[Investment trusts, others] Total: 197.5

Investment trusts 42.8

Investment advisory 153.4

Investment companies 1.3

[Real estate, others] Total:40.4

Development 19.0

Completed properties 21.4

Figures for real estate reflect a total investment amount, and investment trusts, investment advisory and others reflect net assets at market value as of the end of Sept. 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 Sept. 2010. All figures are rounded to the nearest 100 million yen.

*1 Includes funds managed by HIKARI Private Equity and by SBI Trans-Science.

*2 Calculated based on the investment commitment amount if the fiscal year is not yet closed

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