

SBI Holdings, Inc.

Financial Results

**for the Three-month Period Ended June 30, 2022
(Fiscal Year Ending March 31, 2023)**

August 15, 2022

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

The business collaboration with Shinsei Bank described in this document will only take place if Shinsei Bank determines that it is in the best interests of its minority shareholders to do so through measures adopted by Shinsei Bank to prevent conflicts of interest

None of the Group companies guarantee 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

I. Consolidated financial results for the three-month period ended June 30, 2022

1Q FY2022 Consolidated Performance (IFRS)

[Year-on-year comparison]

(Unit: JPY million)

	1Q FY2021 (Apr.-June 2021)	1Q FY2022 (Apr.-June 2022)	YoY % change
Revenue	137,474	<div>Record high *</div> 232,150	+68.9
Profit before income tax expense	33,029	23,522	-28.8
Profit for the period	33,106	16,669	-49.7
Profit attributable to owners of the Company	28,958	-2,360	—

* Comparison with past 1Q results

[Consolidated performance overview]

- Revenue increased 68.9% year-on-year to JPY 232.2bn, which was a historical high for the 1Q
- Profit before income tax expense declined 28.8% year-on-year to JPY 23.5bn

In the Investment Business, **a decline in the share price of TP Bank** (Group's equity ratio: 19.9%), **a listed stock in Vietnam, resulted in a fair value loss of approximately JPY24.0bn**. In addition, the **Crypto-asset Business** was significantly impacted by **a loss of JPY 9.7bn in profit before income tax expense** due to the suspension of the mining business in Russia, a decline in the price of crypto-assets held, and B2C2's losses associated with the bankruptcy of some business partners

- Profit attributable to owners of the Company was JPY -2.4bn. The main reasons for the losses were the fair value loss on TP Bank stock, in which we have a direct investment, and a large loss at a crypto-asset business subsidiary, in which we have a large stake. Both losses were mainly incurred at overseas subsidiaries, limiting the effect of lower tax expenses

Comparison of Consolidated Profit Before Income Tax Expense with Major Securities Companies

(Unit: JPY million)

	1Q FY2021 (Apr.-June 2021)	1Q FY2022 (Apr.-June 2022)	YoY % change
SBI Holdings (IFRS)	33,029	23,522	-28.8
Nomura Holdings (US-GAAP)	78,533	11,733	-85.1
Daiwa Securities Group (J-GAAP)	35,176	20,180	-42.6

Source: Compiled by SBIH from the information on websites of each company

Changed Business Segments From 1Q FY2022 to Clarify Management Accounting

[Before FY2022]

Financial Service

Asset Management

Biotechnology, Healthcare & Medical
Informatics



[From FY2022]

Financial				Non-Financial
Financial Service Business	Asset Management Business	Investment Business	Crypto-asset Business	Non-Financial Business
<ul style="list-style-type: none"> • Securities related business (FX related business and overseas financial business, etc.) • Insurance related business • Banking related business (Shinsei Bank, overseas banks such as SBI SAVINGS BANK, including non-banking businesses) 	<ul style="list-style-type: none"> • Asset management (Morningstar Japan and SBI Asset Management Group, etc.) 	<ul style="list-style-type: none"> • Private equity (PE) (Management of funds such as venture capital, LBO, and business succession, etc.) 	<ul style="list-style-type: none"> • Crypto-asset related (B2C2 and SBI VC Trade, etc.) 	<ul style="list-style-type: none"> • Biotechnology, Healthcare & Medical Informatics business • WEB 3.0 related • New overseas markets such as Africa, etc.

- The change of business segment will clarify which segments are more and less susceptible to the market environment, therefore enabling more agile management decisions
- Clarify segments that generate stable cash flow to make investor return measures such as dividends easier to forecast
- Clarify the status of the Group's advanced initiatives such as WEB 3.0 and new overseas markets

1Q FY2022 Performance by Segment (IFRS)

[Year-on-year comparison]

(Unit: JPY million)

Revenue

Profit before Income

Tax Expense

	1Q FY2021 (Apr. 2021– June 2021)	1Q FY2022 (Apr. 2022– June 2022)	YoY % change	1Q FY2021 (Apr. 2021– June 2021)	1Q FY2022 (Apr. 2022– June 2022)	YoY % change / YoY change
Financial Services Business	109,476	190,094	+73.6	29,314	27,816	-5.1
Asset Management Business	3,906	4,109	+5.2	901	717	-20.4
Investment Business	14,779	21,606	+46.2	7,579	9,122	+20.4
Crypto-asset Business	5,214	12,984	+149.0	-375	-9,688	-9,313
Non-Financial Business	5,462	7,006	+28.2	-941	2,018	+2,959

* Figures are before elimination of the inter-segment transactions.

* 1Q FY2021 results are restated to reflect the new segment category.

II. Business Overview of Core Businesses

1. Financial Service Business

[Financial Service Business Consolidated Results (IFRS)]

(Unit: JPY million)

	1Q FY2021 (Apr. 2021 – June 2021)	1Q FY2022 (Apr. 2022 – June 2022)	YoY(%)
Revenue	109,476	190,094	+73.6
Profit before income tax expense	29,314	27,816	-5.1

1. Financial Services Business:

(1) Securities business

[Major constituent companies]

SBI SECURITIES, SBI Liquidity Market, SBI FXTRADE, SBI MONEYPLAZA, PTS operating companies, overseas securities subsidiaries, etc.

[Business highlights]

- SBI SECURITIES' consolidated results (J-GAAP) for 1Q FY2022 saw operating revenue of JPY 38.1bn (down 5.7% year-on-year) and operating income of JPY 12.1bn (down 11.4% year-on-year) under unstable conditions in the stock market**
- Financial results of overseas securities subsidiaries operating in Thailand and Cambodia remained steady**
- Osaka Digital Exchange operating Japan's third Proprietary Trading System (PTS), began its operations on June 27, 2022**

SBI SECURITIES 1Q FY2022

Consolidated Results (J-GAAP)

[Year-on-year comparison]

(Unit: JPY million)

	1Q FY2021 (Apr. 2021 – June 2021)	1Q FY2022 (Apr. 2022 – June 2022)	YoY % change
Operating Revenue	40,431	38,133	-5.7
Net Operating Revenue	38,166	35,444	-7.1
Operating Income	13,734	12,161	-11.4
Ordinary Income	13,803	12,104	-12.3
Profit attributable to owners of the Company	9,441	8,484	-10.1

Comparison of Operating Income with Major Securities Companies

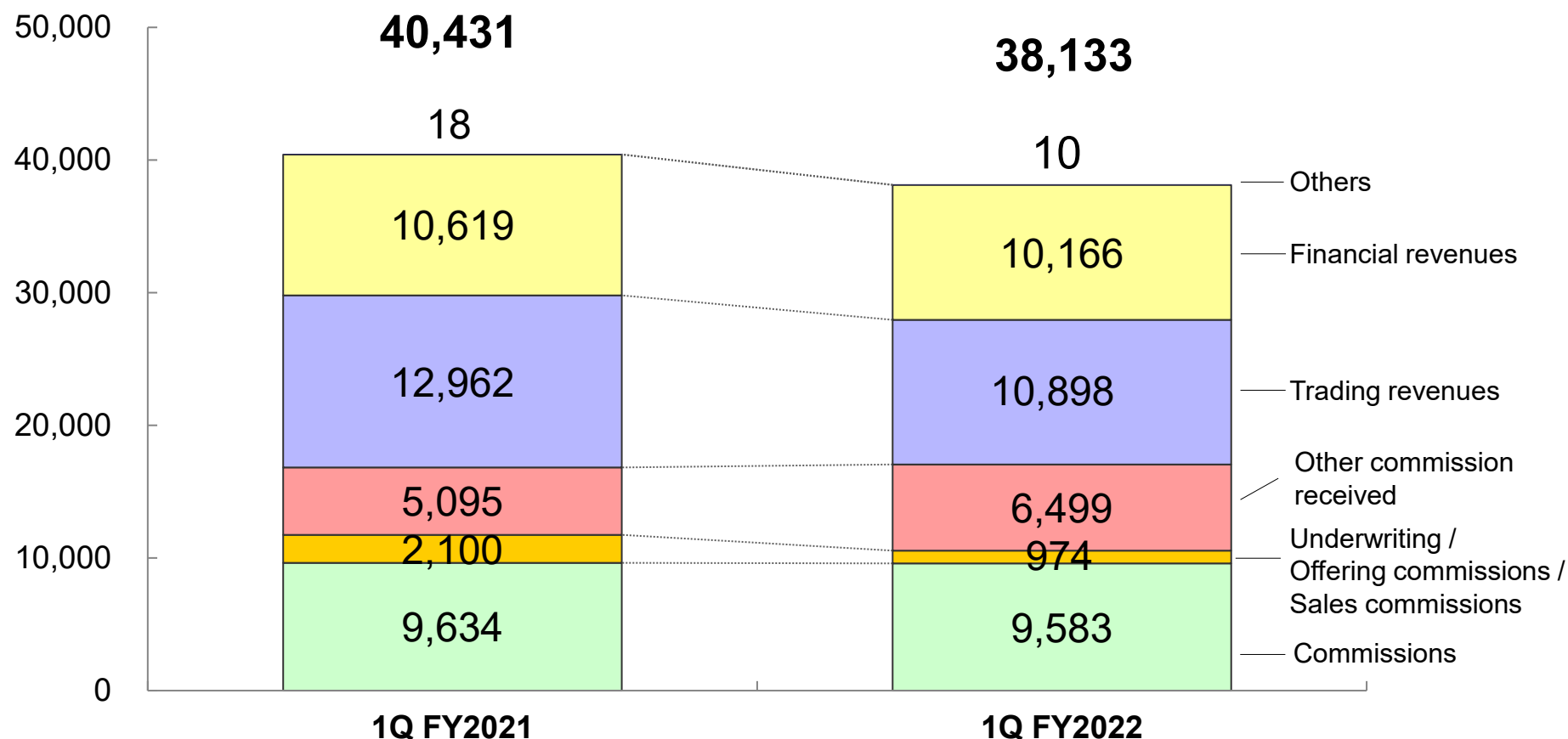
(Unit: JPY million)

	1Q FY2021 (Apr. 2021 – June 2021)	1Q FY2022 (Apr. 2022 – June 2022)	YoY % change
SBI SECURITIES	13,734	12,161	-11.4
Nomura Securities	23,694	9,030	-61.9
Daiwa Securities	23,121	-2,879	—

* All figures are based on J-GAAP

SBI SECURITIES' Consolidated Operating Revenue (Net Sales) Structure for 1Q FY2022

(JPY million)



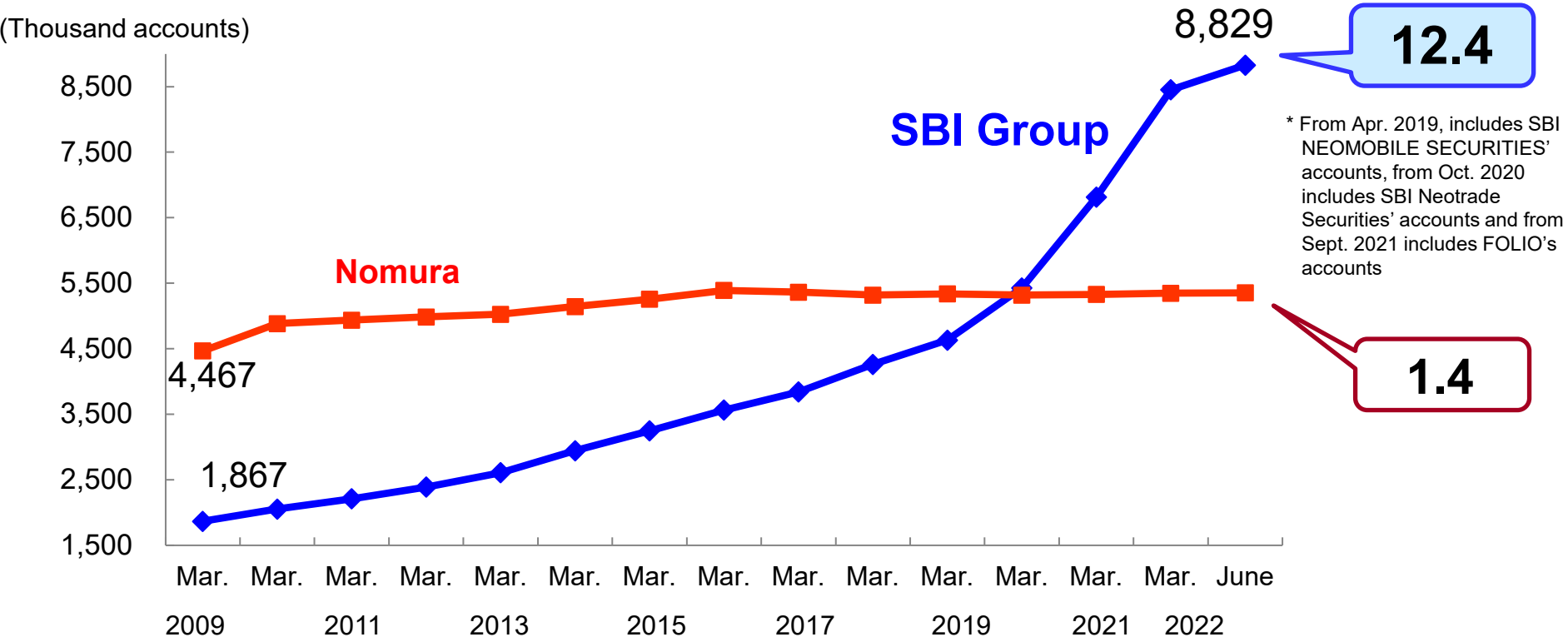
(Based on J-GAAP)



Trends of the Number of Accounts of SBI Group and Face-to-face Securities Companies

(End of March 2009 - End of June 2022)

(Thousand accounts)

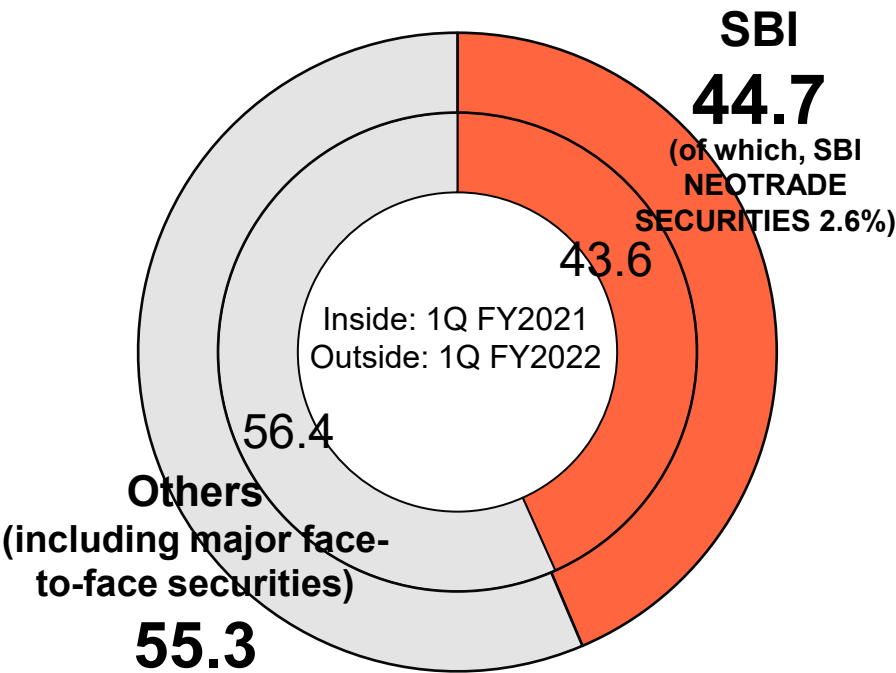


SBI SECURITIES will be the main provider of securities-related services in SMBC Group's retail digital financial services through the alliance, which is expected to further increase the number of accounts

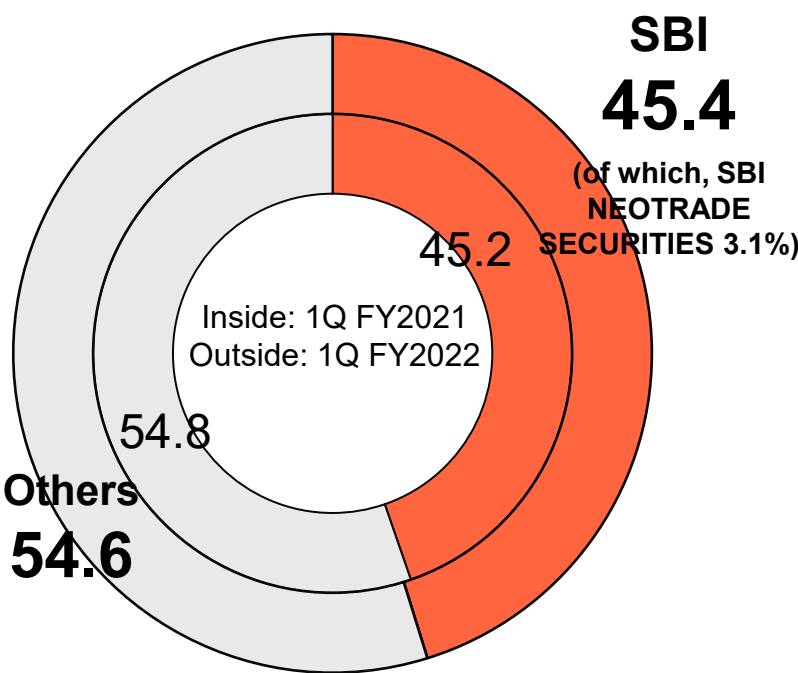
SBI Group's Share of Individual Stock Trading

- Near-term target of 50% for margin trading market share -

Share of Individual Stock Trading Value (%)



(of which) Share of Individual Margin Trading Value (%)



<Shares are calculated with the individual stock trading value and individual margin trading value of both the two markets combined, including that of ETF and REIT trading value, respectively>

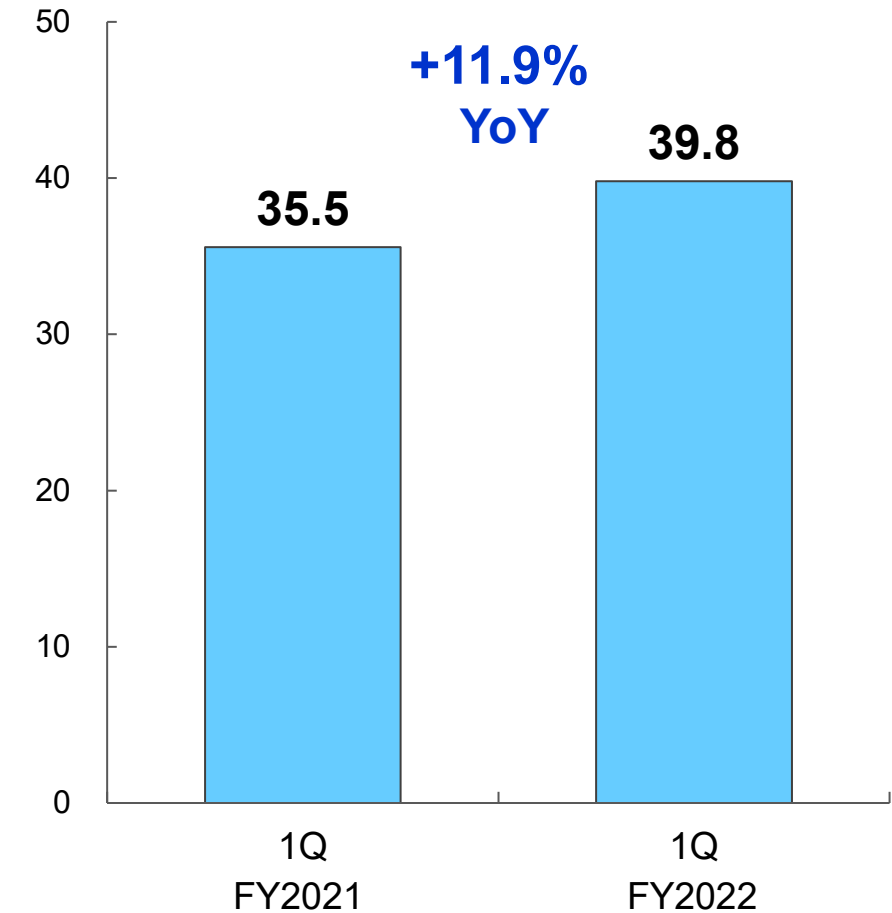
* Shares are calculated by dividing each company's individual stock trading value or individual margin trading value with the whole individual stock trading value and individual margin trading value of the Prime and Standard Market of the Tokyo Stock Exchange etc., including that of ETF and REIT trading value, respectively

Source: Compiled by SBI SECURITIES based on statistical data by Tokyo Stock Exchange and websites of each company.

Brokerage Commission Income Decreased due to Phased Implementation of Neo-securities Initiative, Despite a Steady Increase in Brokerage Trading Value

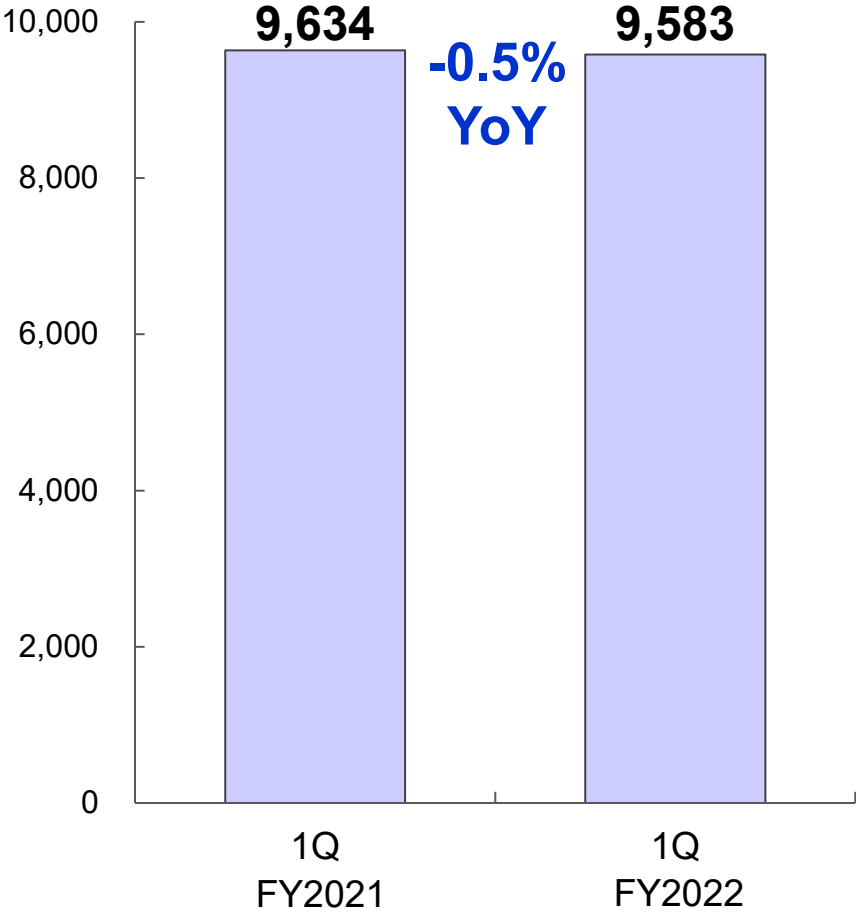
Domestic Stock
Brokerage Trading Value

(JPY trillion)



Commissions *

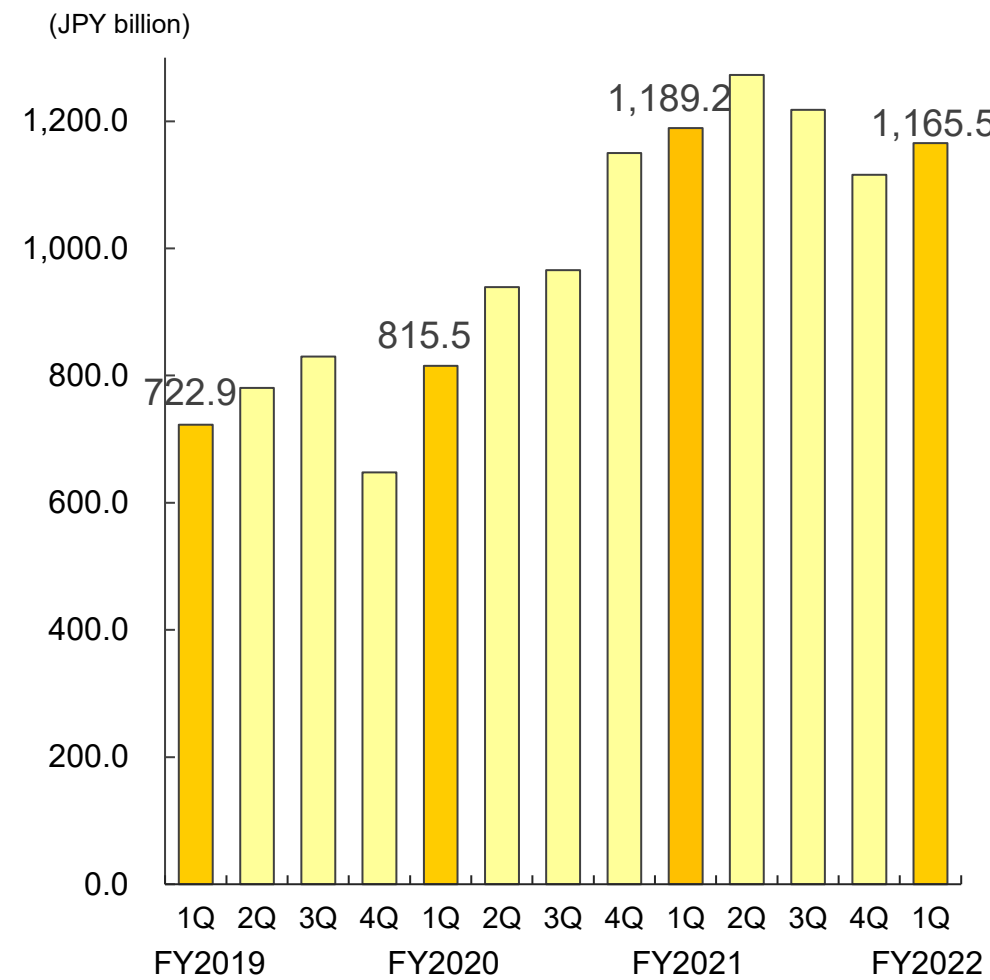
(JPY million)



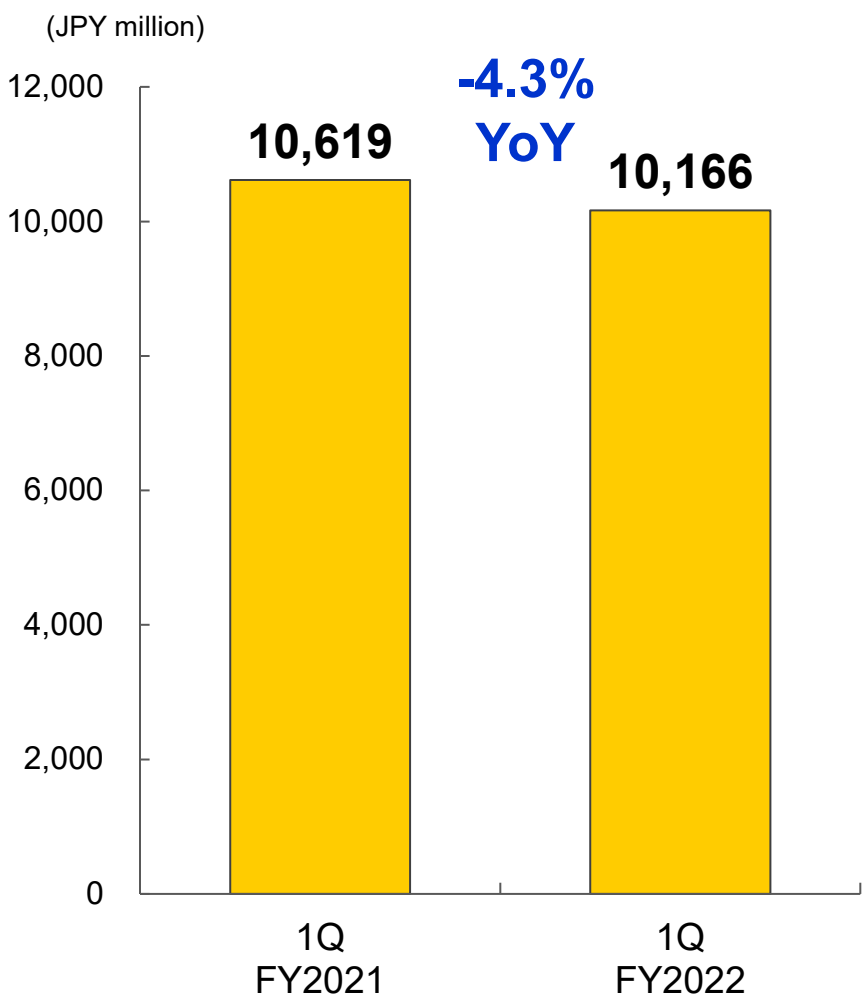
* Brokerage commission figures include those for futures, options, foreign stocks, and other non-domestic stock brokerage commissions 16

Open Interest Credit Balance and Financial Revenue at SBI SECURITIES Remained High

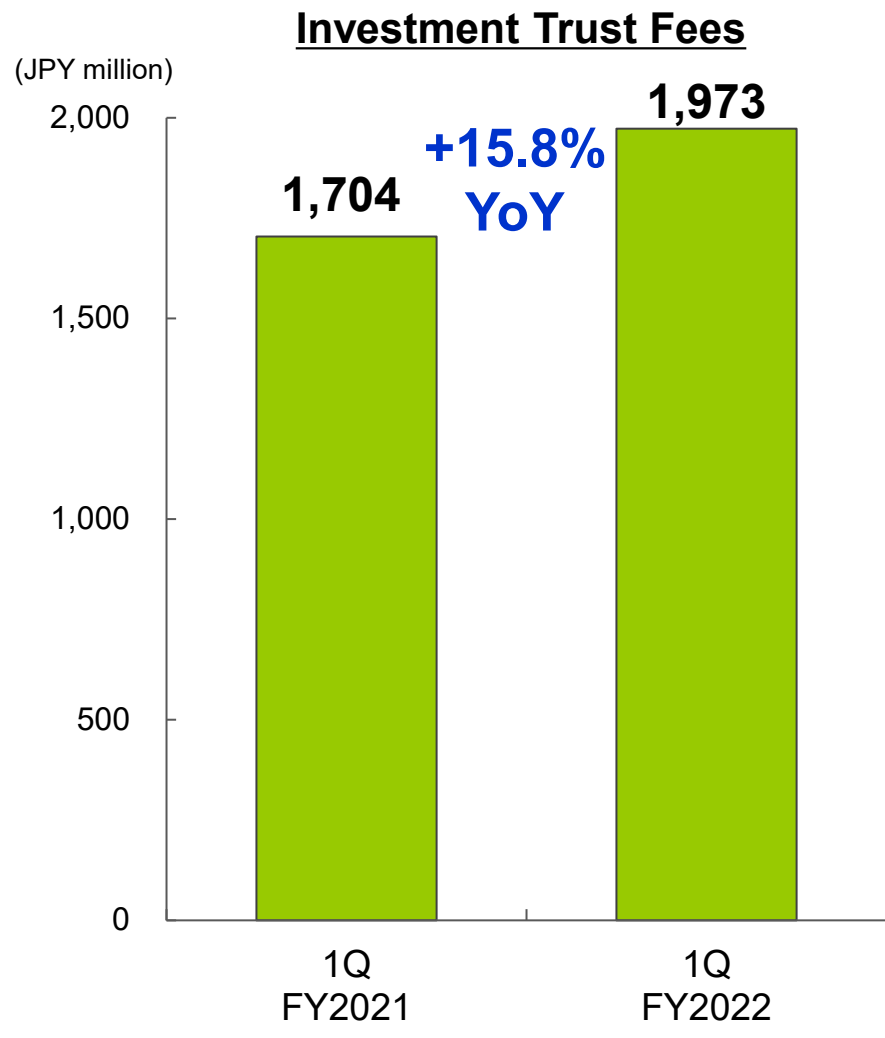
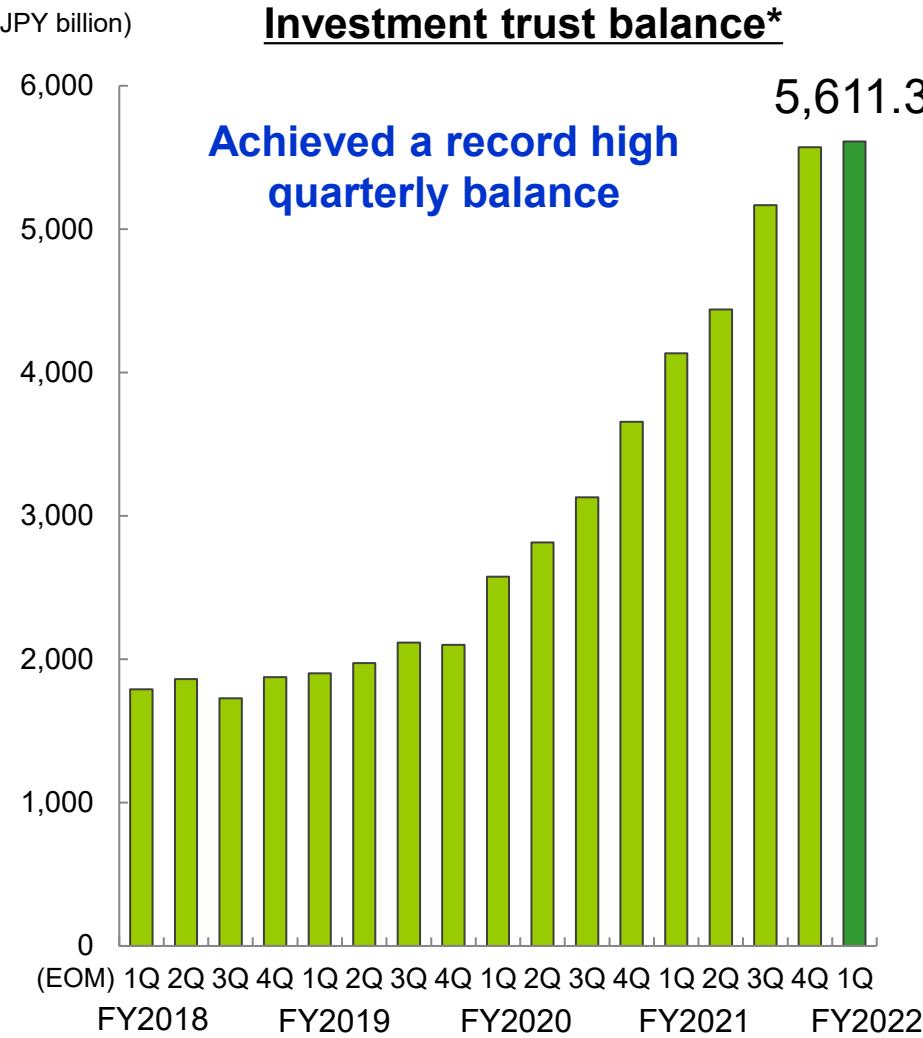
Open Interest Credit Balance (EOM)



Financial Revenue



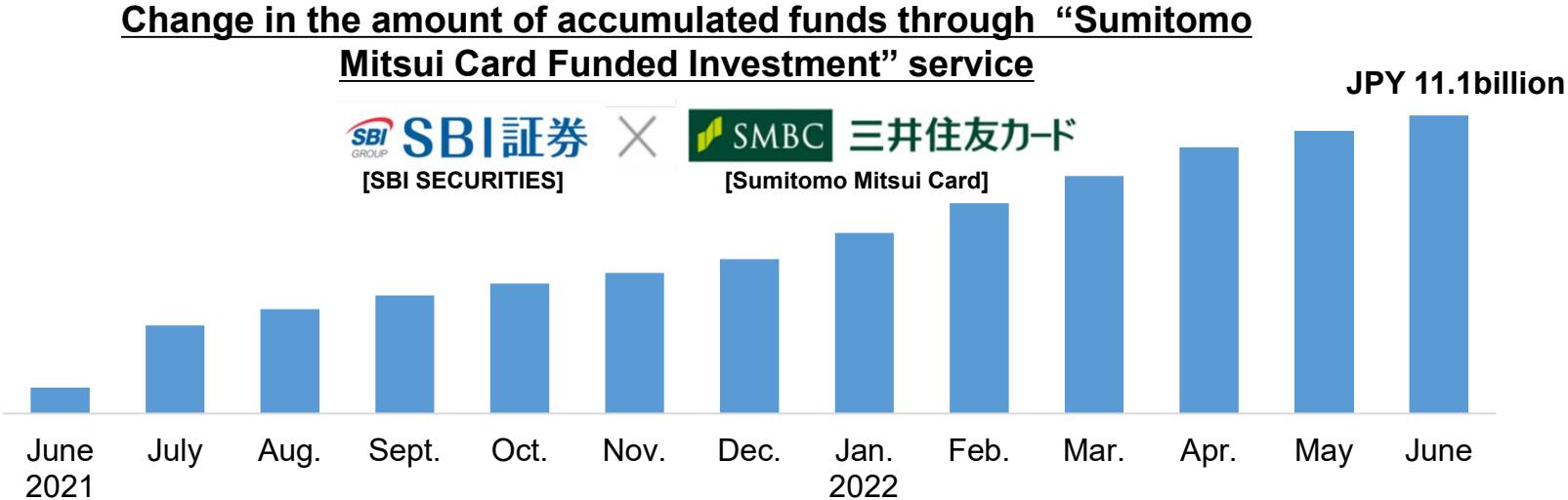
Further Increase the Balance of Investment Trusts through Purchases by Shared Points and Accumulation Services Utilizing Credit Cards



*Figures for balance of investment trusts include domestic and overseas ETFs and foreign currency-denominated MMFs
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Steadily Expanding Investment Trust Accumulation Service by Credit Card through Tie-up with Sumitomo Mitsui Card

- From June 30, 2021, SBI SECURITIES and Sumitomo Mitsui Card (SMCC) launched the **“Sumitomo Mitsui Card Funded Investment” service**, which purchases investment trust accumulation at SBI SECURITIES with credit cards issued by Sumitomo Mitsui Card
- One year after the service was launched, the total amount of accumulated funds through the service reached JPY 11.1bn and the number of accounts exceeded 300 thousand accounts
- The “SBI SECURITIES V Point Service,” which allows customers to earn points according to their transaction status exclusively for SMCC intermediary customers, and an application to open a SBI SECURITIES account through automatic linkage of necessary information upon enrollment in the SMCC program will also be launched. The “V Point Investment” service, which allows V Points to be used for the purchase of investment trusts, started from May 30. 170 million points were used for investment in the first month and a half since its launch

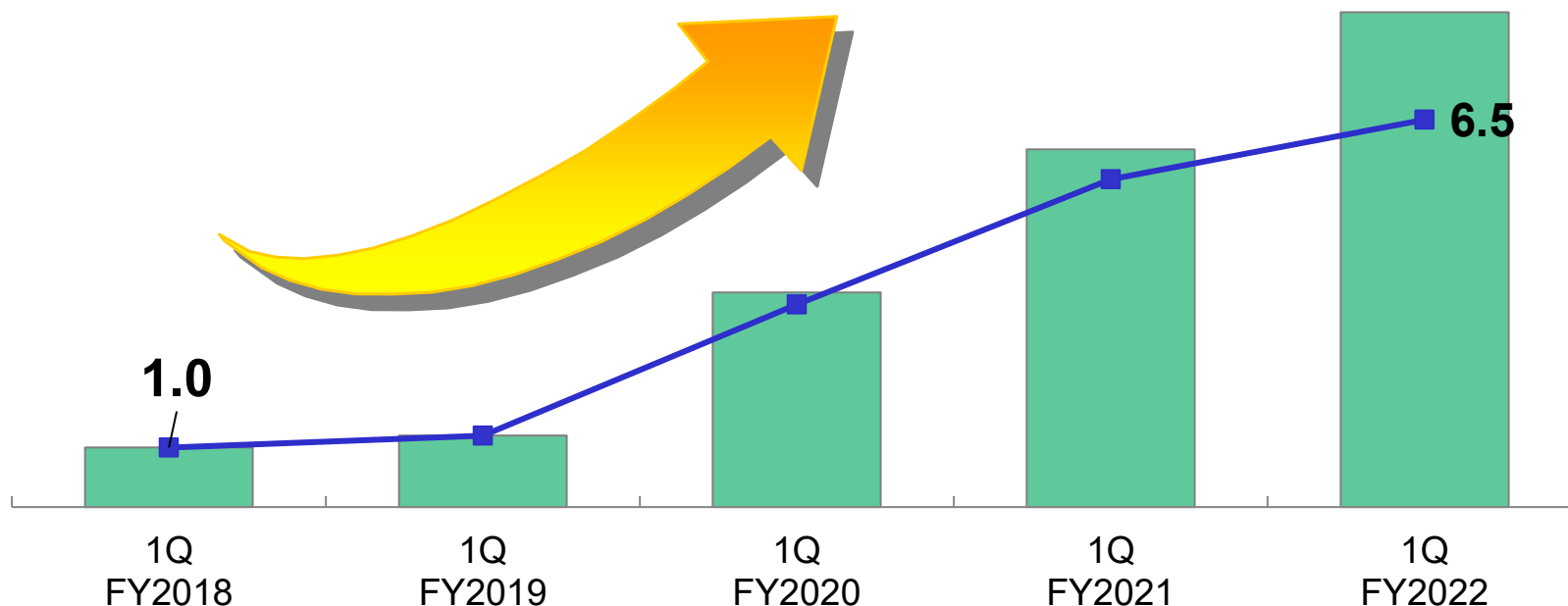


Trend of SBI SECURITIES' Foreign Stock Trading Value and Revenue

■ Foreign Stock Trading Volume

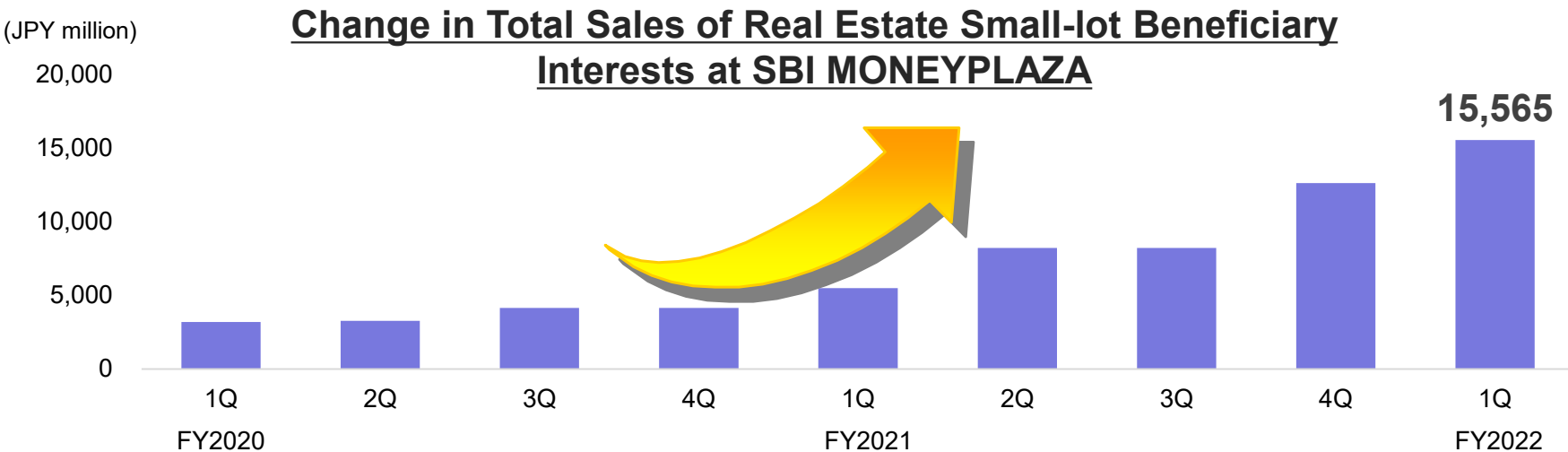
■ Revenue

* Foreign stock trading value index for 1Q FY2018 = 1.0



- **Trading Value and Revenue of foreign stock reached record highs for 1Q FY2022**
- **Further expansion of foreign stock trading, such the start of accepting orders for margin trading of U.S. stocks on July 29, 2022**

Strengthen Real Estate Finance Business



The SBI Group's real estate finance business

Development of high quality real estate



ASCOT CORP.



Partial provision of non-recourse loans for real estate development

Fund formation



- Provision of some loans for private placement (bridge) funds
- Provision of trust functions for structuring when creating real estate products



Guidance to customers



SBI SECURITIES Achieves 100% Underwriting Involvement Despite Soft IPO Market

Underwriting share of 100% is an industry-leading figure

- Between Apr. 2022 through June 2022, SBI SECURITIES underwrote 3 companies as lead manager

IPO Underwriting Ranking (Apr. 2022–June 2022)

22 companies were listed during the period

Company Name	No. of cases	Underwriting Share (%)
SBI	22	100
Rakuten	15	68.2
Daiwa	13	59.1
Nikko	12	54.5
Monex	12	54.5
Matsui	11	50.0
Nomura	10	45.5
Mizuho	10	45.5

PO underwriting business

During 1Q FY2022, SBI SECURITIES underwrote 3 POs



Will endeavor to strengthen the PO underwriting business by continuously focusing on acquiring lead underwriting mandates

Corporate bond underwriting business

Underwrote 10 corporate bonds in 1Q FY2022, including that of Tohoku Electric Power



Expanded underwriting new public bonds, including electricity bonds

*The above IPOs represent issues underwritten in Japan only and do not include additional secondary offerings or overseas issues.

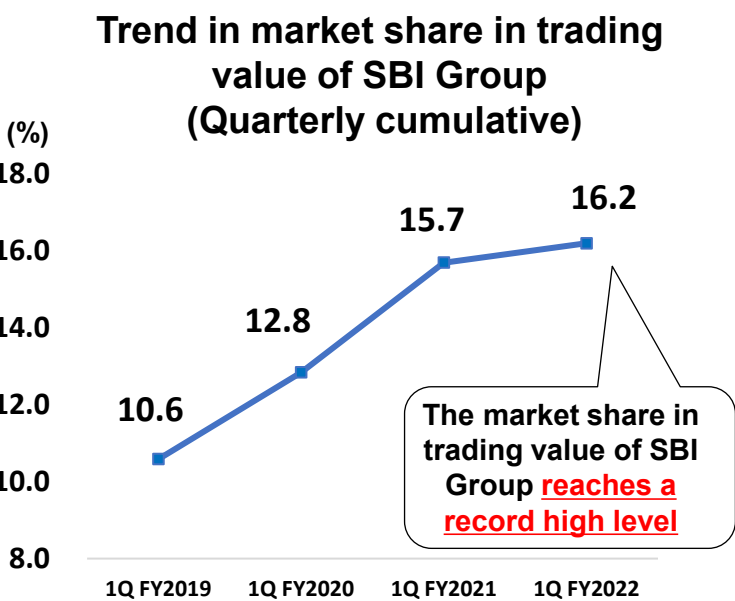
*The data was compiled by SBIH based on each company's published information.

Achieved Significant Growth in Revenue and Profit in FX-Related Business Against the Backdrop of Rising Foreign Exchange Transactions due to the Rapid Depreciation of the Yen

Operating revenue of SBI Liquidity Market (Non-consolidated, J-GAAP) (JPY million)

	1Q FY2021 (Apr. 2021 – June 2021)	1Q FY2022 (Apr. 2022 – June 2022)	YoY (%)
Operating revenue	4,540	<div>Record High</div> 6,848	+51.0

- The rapid depreciation of the yen from April to June led to a 2.2-fold increase in FX OTC transaction volume for the industry overall. This helped result in SBI Liquidity Market achieving its highest operating revenue in 1Q
- SBI FXTRADE, a subsidiary of SBI Liquidity Market, also achieved a significant increase in revenue and profit compared to the same period of the previous fiscal year due to active campaigns and brisk FX trading by individuals
- Market share in trading volume of SBI Group's FX-related companies also reached record high levels



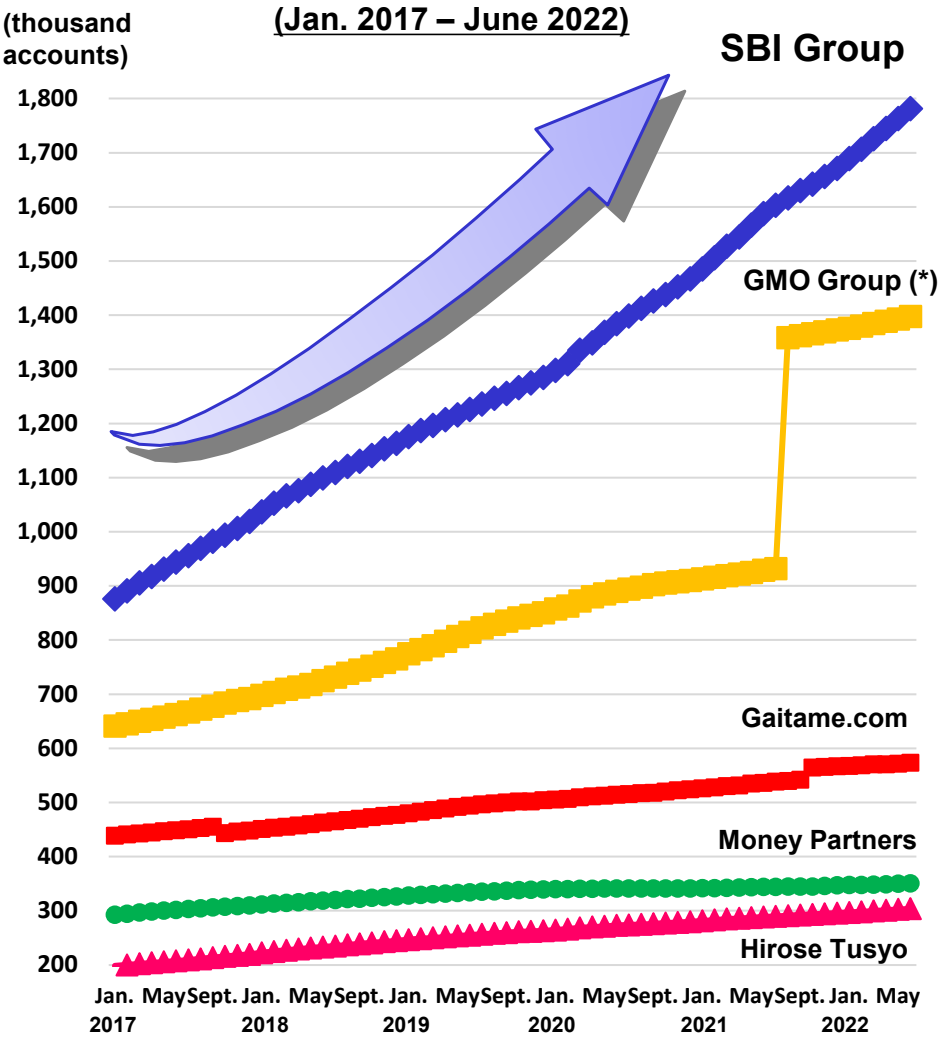
* Compiled by SBI based on data from The Financial Futures Association of Japan

1. (1) Securities business



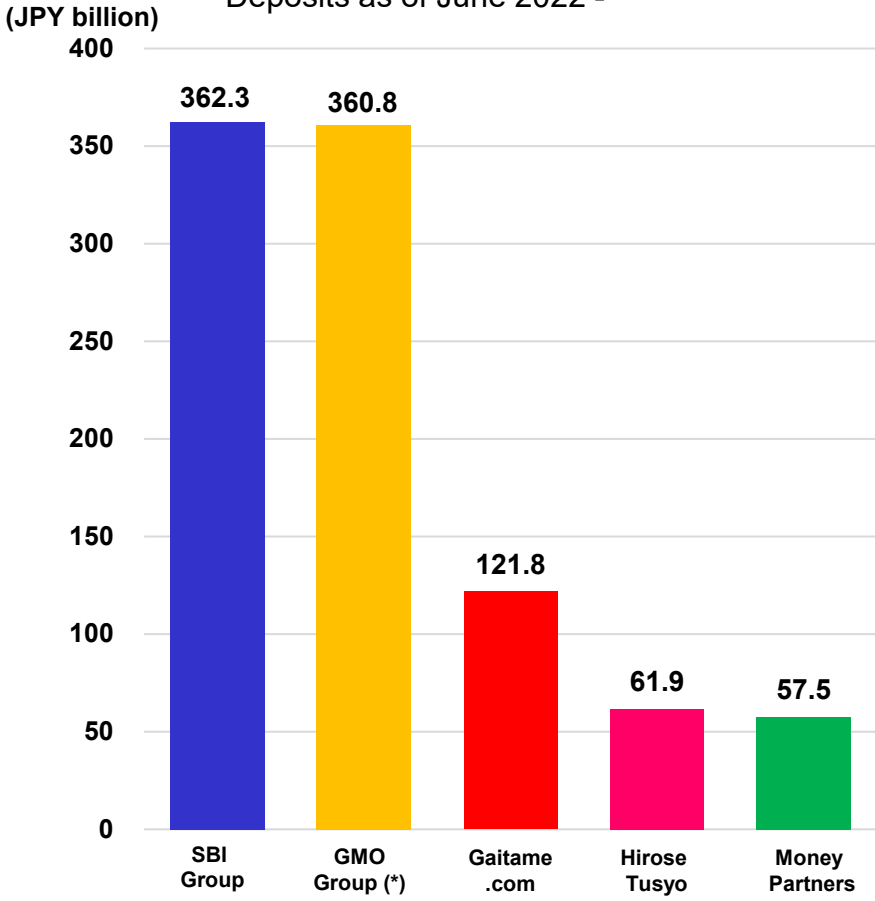
The SBI Group (SBI SECURITIES, SBI FXTRADE and SBI Sumishin Net Bank, SBI NEOMOBILE SECURITIES) has the Largest Total Number of Accounts and Customer Margin Deposits in the Industry

Changes in the number of accounts among 5 major FX Trading Companies



Customer Margin Deposits (as of end of June 2022)

- Surpasses GMO Group's amount of Customer Margin Deposits as of June 2022 -



(*) Figures of GMO CLICK Securities, FX PRIME by GMO and GaikaEX by GMO (Formerly YJFX!, which joined the GMO Group in Sept. 2021) as of the end of June 2022 are combined and listed as "GMO Group" for reference

Source: Compiled by SBIH from the information on websites of each company

Endeavor to Establish Industry Positioning and Further Expand Business Base at Securities Subsidiaries in Thailand and Cambodia



Thai Online

SBI Thai Online Securities

(Investment ratio 100.0%,
established in October 2014)

- First pure-play Internet securities company in Thailand
- Providing stock and derivative trading services to local investors, including Japanese residents in Thailand
- Lowest commissions in the industry to increase transactions by beginners and younger customers
- Solidification of earnings base progresses after achieving full-year profitability in FY2020
- Steady increase in customer base and share of retail brokerage trading



Royal Securities

(Investment ratio 65.3%, established in February 2010)

- The only Japanese-affiliated full-service securities firm in Cambodia
- Positioned as a leading firm in the industry in IPOs and listed public bond underwriting
- Winner of ASIAMONEY's "Best Securities Houses Award" for the fourth consecutive year, since 2019, the award's inaugural year

Focus on Proprietary Trading System (PTS) Operation Business

Japannext Co., Ltd.



- Equity-method associate
- SBI Group investment ratio: 48.8%
- Established in 2006, currently the second largest trade execution market in Japan after TSE. 32 companies including major foreign and domestic securities firms participating in trading
- Trading value on Japannext PTS is steadily expanding, reaching a record high of JPY 434.8bn on Oct. 5, 2021
- Considering practically eliminating transaction fees in the future in order to further expand liquidity

Osaka Digital Exchange Co., Ltd



- SBI Group's consolidated subsidiary
- SBI Group investment ratio: 70.0%
- Established jointly by SBI and Sumitomo Mitsui Financial Group in Apr. 2021. Nomura Holdings and Daiwa Securities Group also participated in capital through a third-party share issuance in Oct. 2021
- Started operation as a PTS handling listed stocks in June 2022. Trading value exceeded JPY 40bn on Aug. 8, 2022
- Endeavoring to establish Japan's first secondary market to handle Security Tokens, a next-generation financial product, to support flexible financing for companies and to provide investors with a wide range of investment opportunities

1. Financial Services Business:

(2) Banking business

[Major constituent companies]

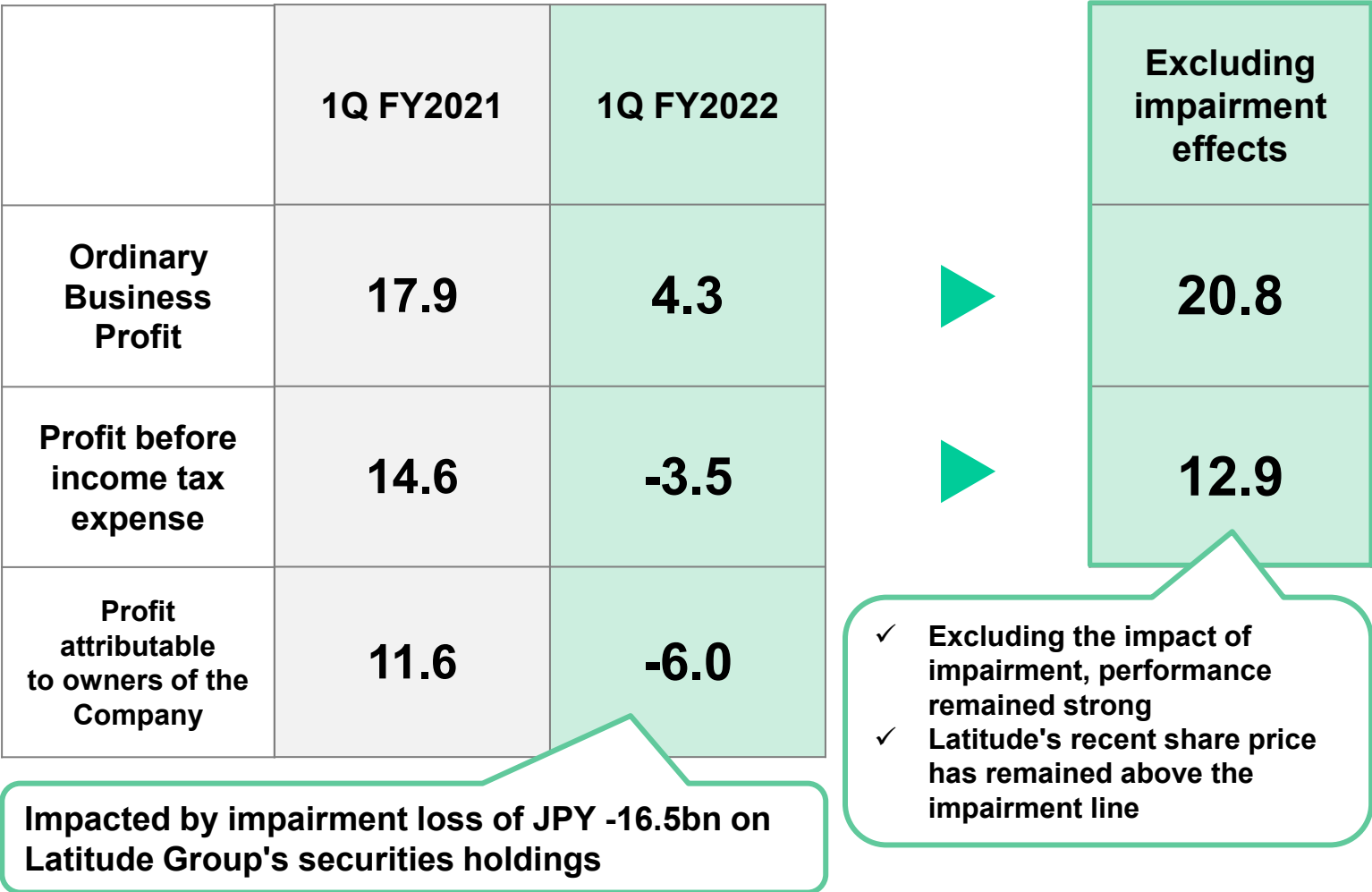
Shinsei Bank Group, SBI Sumishin Net Bank, Overseas banks including SBI SAVINGS BANK

[Business highlights]

- **Shinsei Bank recorded JPY -5,983m in net income attributable to shareholders of the parent company under J-GAAP, mainly due to impairment losses on Latitude Group shares in its overseas business, but all other businesses performed well**
- **SBI Sumishin Net Bank expanded steadily, especially in the housing loan business. As a result, ordinary profit increased YoY on a J-GAAP basis, while SBI Holdings' equity method earnings of SBI Sumishin Net Bank based on IFRS recorded JPY 440m (-84.5% YoY), affected by a decline in the fair value of held bonds**
- **While SBI SAVINGS BANK (Korea) steadily expanded underlying earnings and expenses in line with the expansion of prime assets, the company recorded profit before income tax expense of JPY 6,554m (-19.6% YoY) due to losses related to securities, in line with deteriorating market conditions**

Shinsei Bank FY2022 Consolidated Performance (J-GAAP)

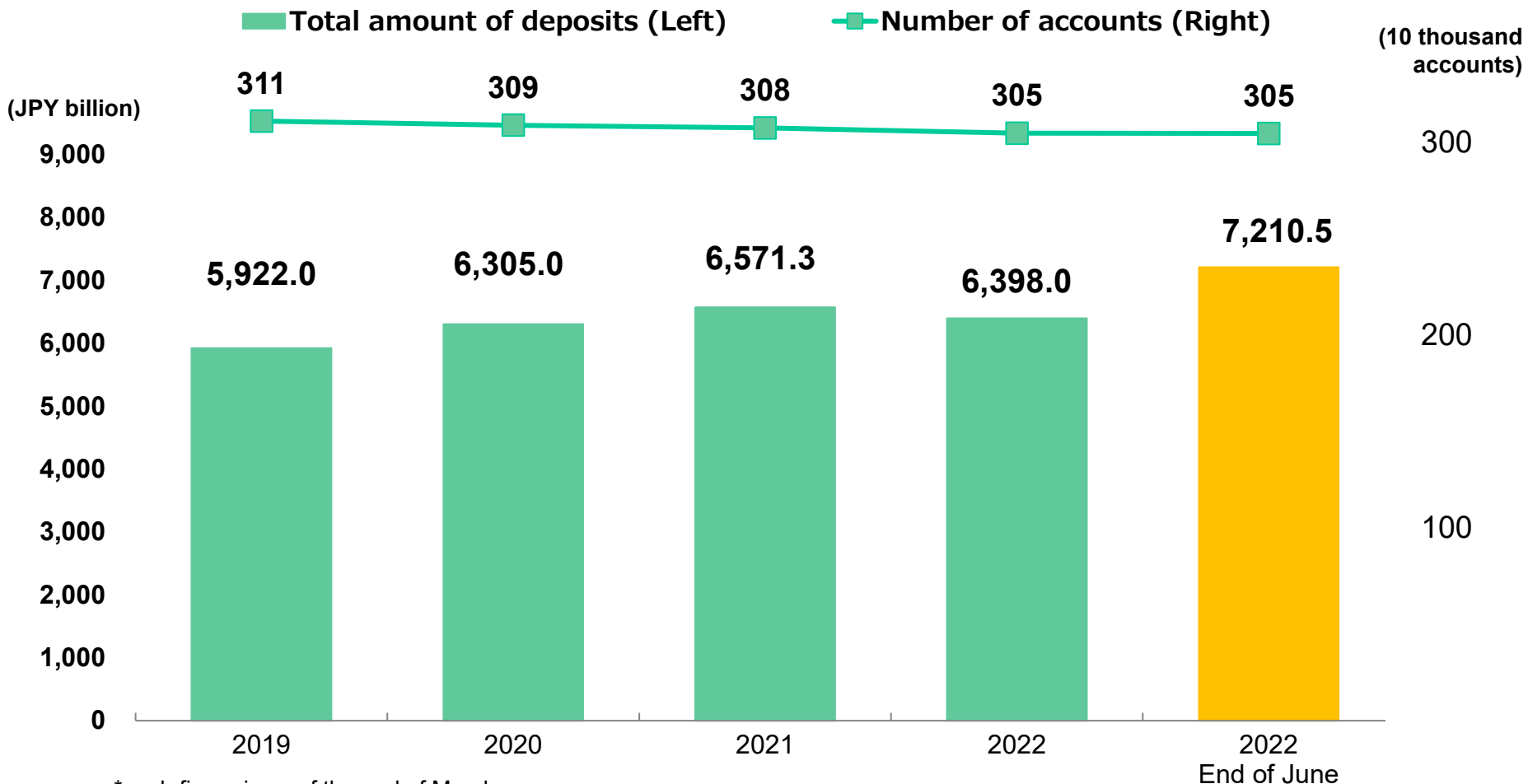
(JPY billion)



* Calculation of IFRS-based Shinsei Bank's consolidated P/L and incorporation into SBI Holdings' results began in 4Q FY2021

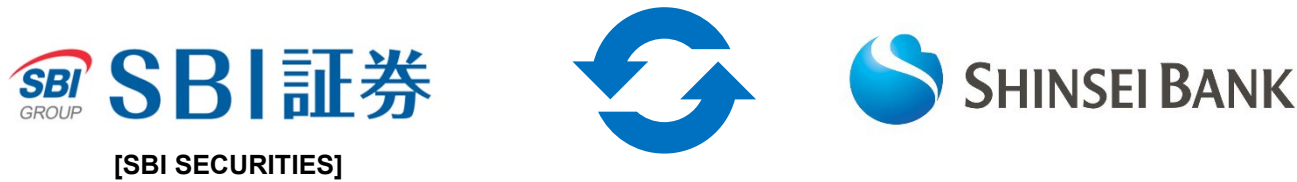
Number of Retail-accounts and Deposits at Shinsei Bank

- Steady start toward achieving the mid-term goal of increasing deposit balance by JPY 1.6tn -



Status of Cooperation between SBI and Shinsei Bank Group①:

Financial instruments intermediary and bank agency business



- ✓ SBI SECURITIES and Shinsei Bank have formed **a full business alliance through financial product intermediation and bank agency**
- ✓ Promote expansion of customer base and product lineup through mutual customer transfers

<Examples of services provided>

• Simultaneous account opening	• Sweep account linkage	• Credit card cumulative investment trusts
• Real estate-related financial products	• Fully automated AI investment “SBI Wrap”	...etc.

Establish a seamless linkage system with high customer convenience, to expand the customer base and deposit volume

Status of Cooperation between SBI and Shinsei Bank Group②



Shinsei Bank **provides debt financing (venture debt)** to SBI Investment's portfolio venture companies, with the intention of supporting the growth of venture companies in terms of both equity and debt and building long-term relationships.
Shinsei Bank has provided Unilabo, Inc. with JPY 300m loan with stock acquisition rights as the first project realized through the united efforts of the SBI Group (July 2022)



A branch that will jointly offer financial product brokerage services will be established within Shinsei Bank's branches. The first branch is scheduled to be established within the Ikebukuro branch by the end of August 2022. The two companies will combine SBI MONEYPLAZA's expertise in sales activities, including investment-type products, with the customer relationships that Shinsei Bank has fostered



In structured finance and project finance, where Shinsei Bank has strengths, in addition to the projects of SBI Group companies, Shinsei Bank will utilize the network of regional financial institutions with which the SBI Group has relationships to expand its underwriting of investment and loan projects in the region

Status of Cooperation between SBI and Shinsei Bank Group③



The two companies collaborated to develop and launch “SBI CAR PLUS,” an auto credit service targeting the 16,000 auto dealers nationwide affiliated with SBI Auto Support and their customers (May 2022)



SBI Remit began to introduce “Go Remit Shinsei International Money Transfer Service” provided by Shinsei Bank to SBI Remit's corporate clients with remittance needs in excess of JPY 1m, including cooperatives and other supervisory organizations that conduct business accepting foreign technical interns (Aug. 2022)

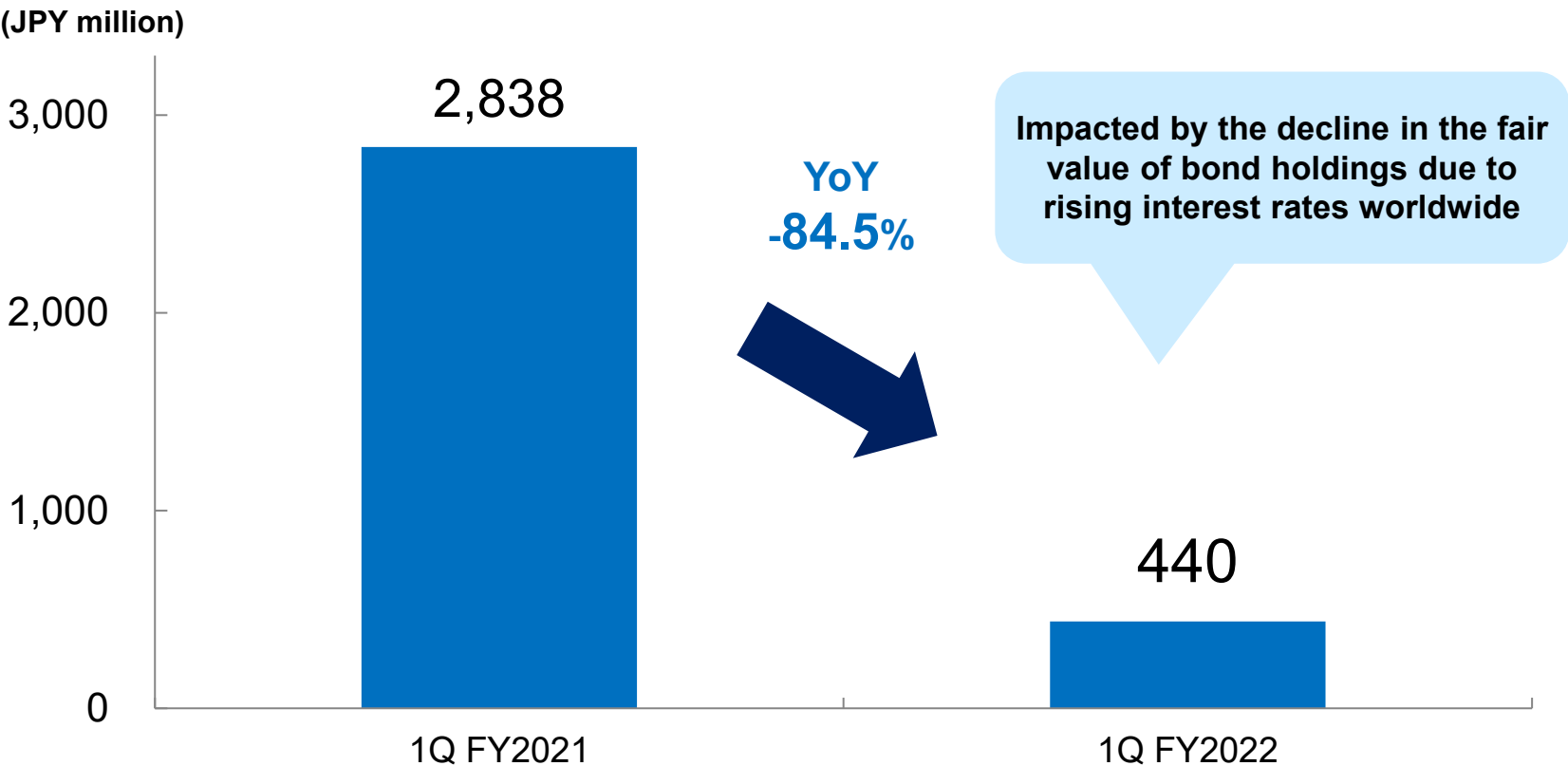


Provide Showa Leasing's products and services to corporate clients and venture companies that are SBI Group's business partners. In addition, promote proposals for collaboration with regional financial institutions with which the SBI Group has relationships and their leasing subsidiaries

Change in SBI Sumishin Net Bank's Financial Results

(Equity method earnings / IFRS)

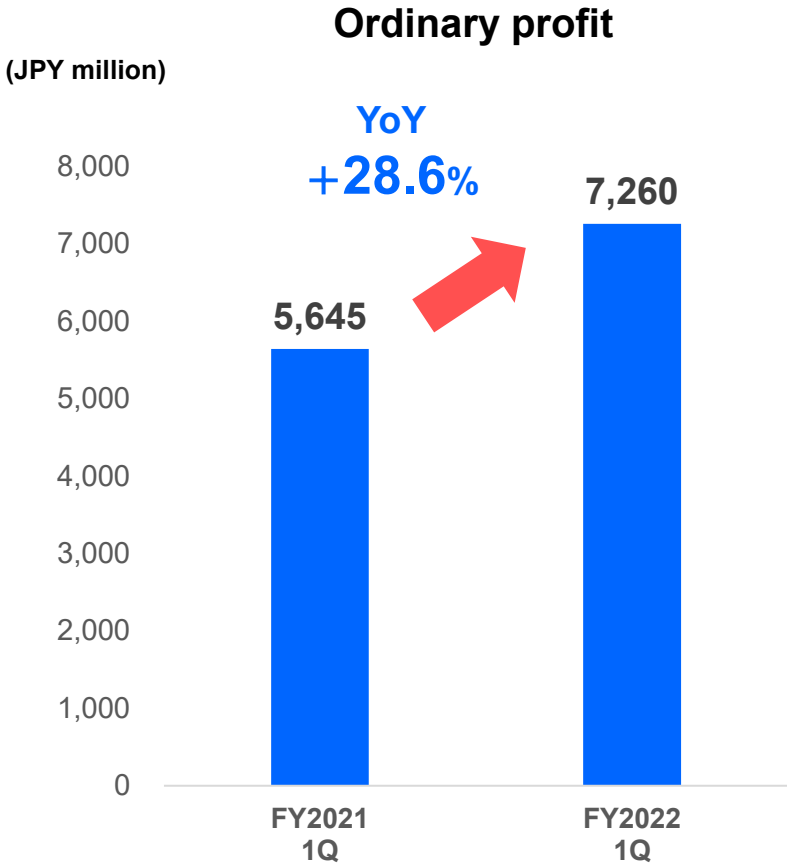
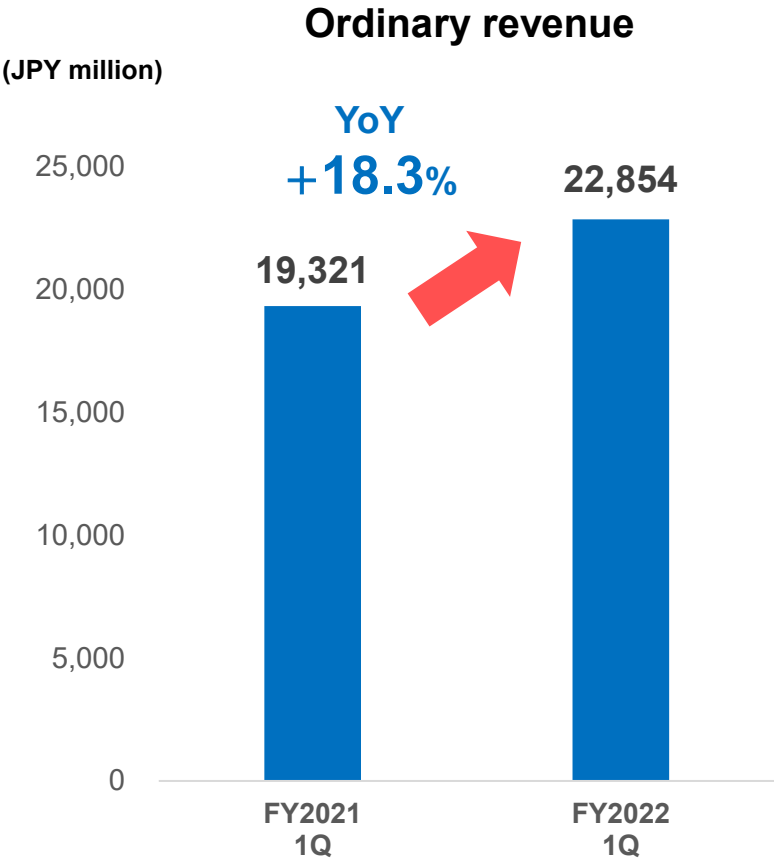
SBI Holdings' equity method earnings of SBI Sumishin Net Bank, based on IFRS for 1Q FY2022 was JPY 440m, down 84.5% year-on-year



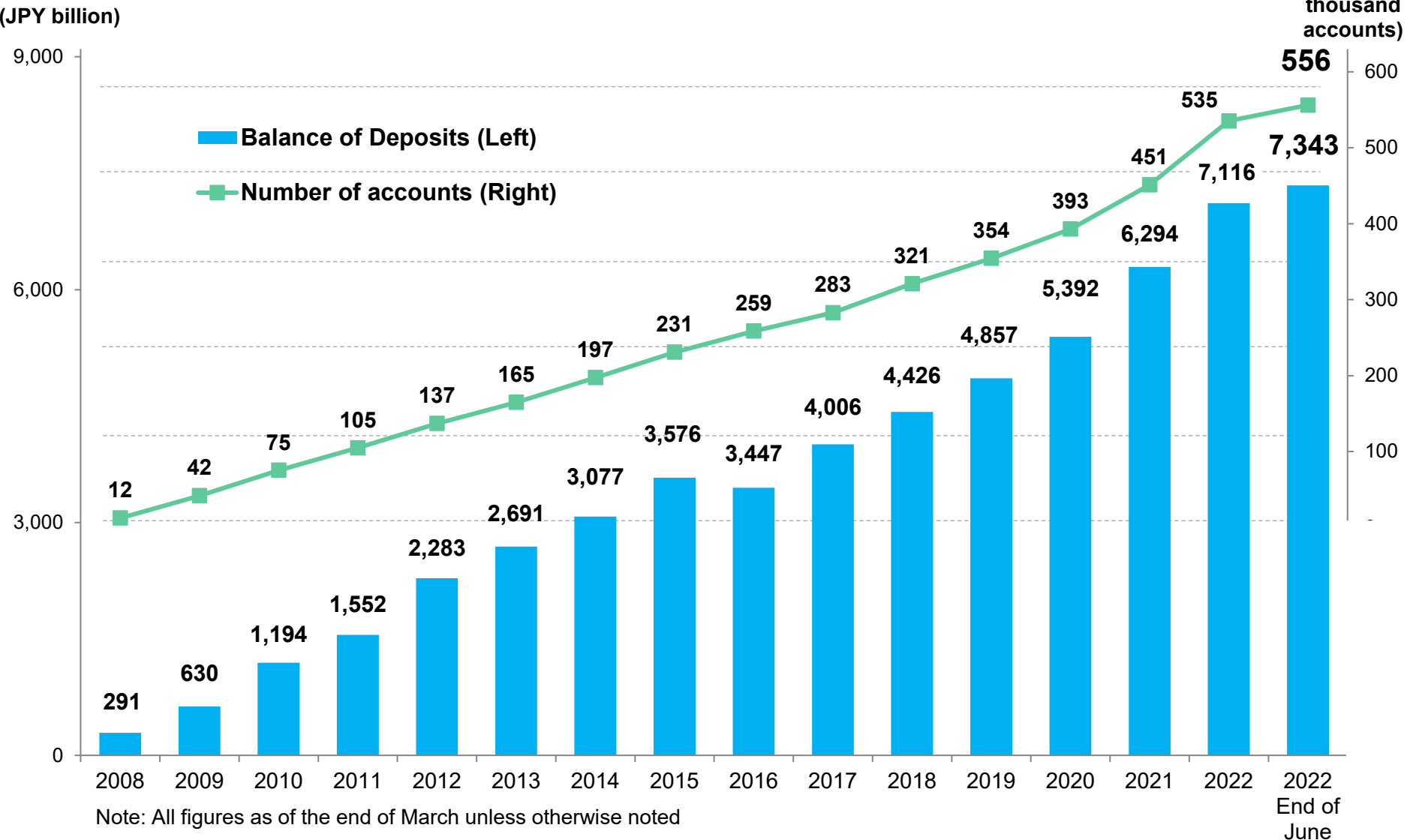
Note: Owing to the difference in IFRS and J-GAAP for asset assessment criteria, the figures differ from that disclosed based on J-GAAP
SBI Sumishin Net Bank has adopted J-GAAP

SBI Sumishin Net Bank's Performance (J-GAAP)

SBI Sumishin Net Bank's performance was supported by steady growth in lending in the housing loan business, with both J-GAAP ordinary revenues and ordinary profit increasing year-on-year



Number of Accounts and Balance of Deposits at SBI Sumishin Net Bank Since Opening



Financial Results of SBI SAVINGS BANK

Profit Before Income Tax Expense of
SBI SAVINGS BANK (IFRS)

(JPY million)

8,155

6,554

YoY
-19.6%

1Q FY2021

1Q FY2022

Net Profit of SBI SAVINGS BANK
(K-GAAP)

(KRW billion)

193.6

177.7

YoY
-8.2%

2Q

107.1

87.6

1Q

86.5

90.1

1H FY2021

(Jan. - June 2021)

1H FY2022

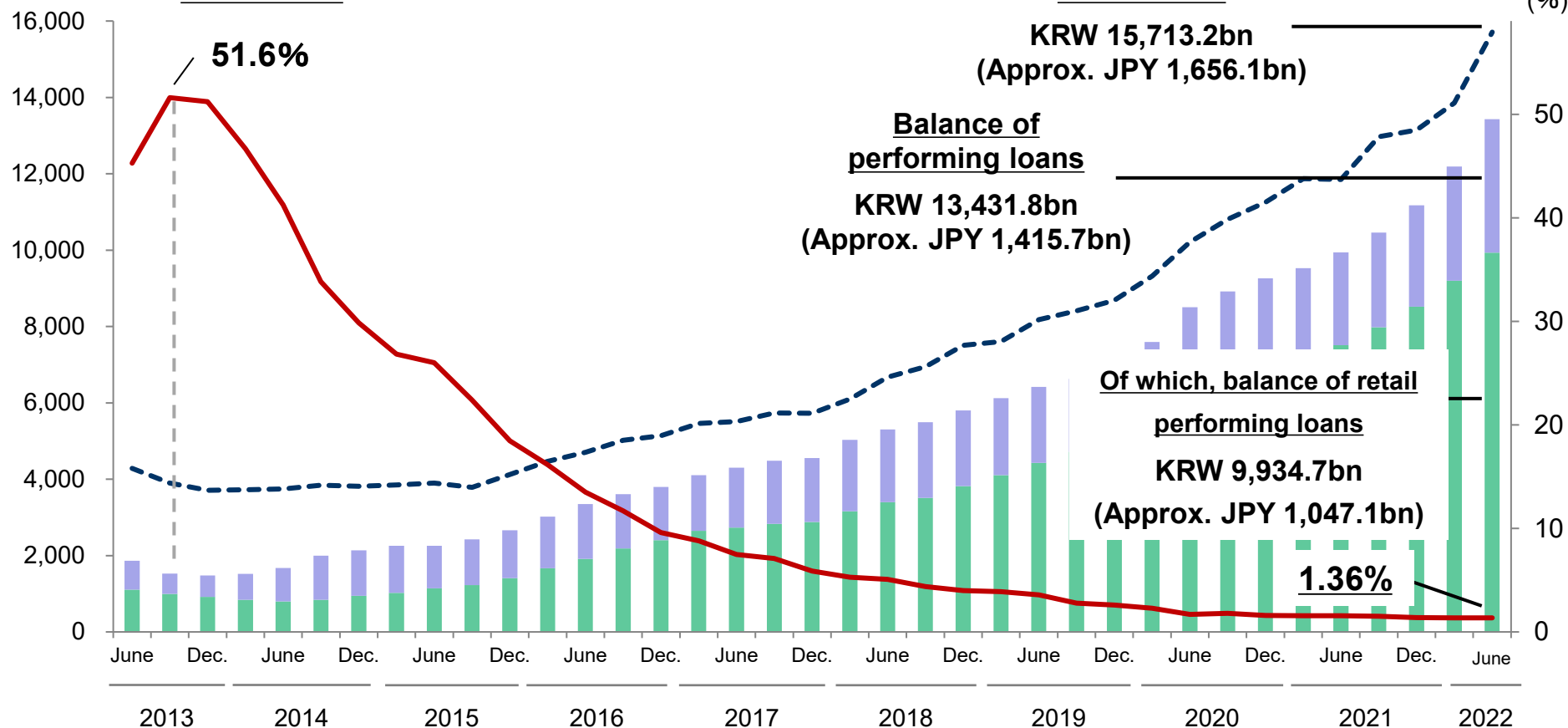
(Jan. - June 2022)

- **Securities-related losses due to decrease in price of securities held,** which were caused by deteriorating market conditions
- Interest income **has increased steadily** as a result of active credit growth

Changes in indicators since becoming a subsidiary (K-GAAP)

Total assets exceeded KRW 15tn as of the end of June 2022

(KRW billion)



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In Our Banking Subsidiaries in Russia and Cambodia Focus on Prudent Business Management in Light of Market Environment and Local Conditions



SBI Bank (Investment ratio 90.7%)

- **Made it a wholly owned subsidiary in August 2017**
- **A commercial bank in Russia that has a full banking license**
- **Focus on prudent business operations targeting local Japanese corporations and Japanese residents in light of the market environment and local conditions**



SBI LY HOUR BANK (Investment ratio 70.0%)

- **Acquired a medium-sized microfinance company in Cambodia and increased its capital to make it a commercial bank**
- **Obtained a full banking license in March 2020**
- **Achieved profitability in FY2021, the first full-year financial results since the bank started operations**
- **Steadily increasing loan balance while keeping an eye on market conditions, and expect to achieve full-year profit this fiscal year as well**

1. Financial Services Business:

(3) Insurance business

[Major constituent companies]

SBI Insurance Group, SBI Insurance, SBI Life Insurance, Small-amount short-term insurance companies

[Business highlights]

- SBI Insurance Group's consolidated ordinary revenue for 1Q FY2022 (preliminary figures on a J-GAAP basis), increased 8.9% year-on-year to JPY 24,768m**
- In line with the increase in ordinary revenues, ordinary profit increased 13.5% year-on-year to JPY 2,801m, and profit attributable to parent of the Company increased 6.3% year-on-year to JPY 1,417m**

SBI Insurance Group's Performance

Consolidated results for 1Q FY2022 (J-GAAP)

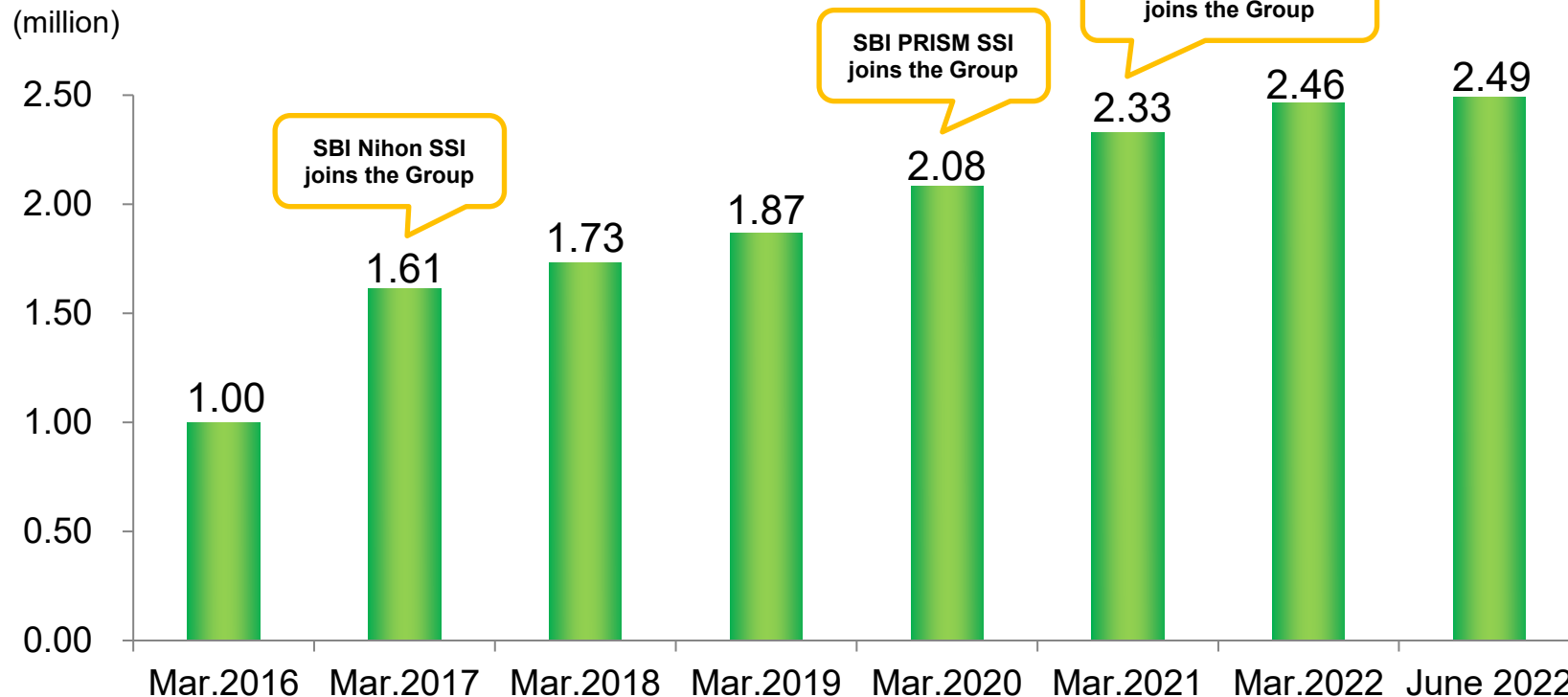
(Unit: JPY million)

	1Q FY2021 (Apr. – June 2021)	1Q FY2022 (Apr. – June 2022)	YoY % change
Ordinary revenue	22,748	24,768	+8.9
Ordinary profit	2,468	2,801	+13.5
Profit attributable to parent of the Company	1,334	1,417	+6.3

SBI Insurance Group's Total Number of In-Force Contracts Steadily Increased

SBI Insurance Group's total number of in-force contracts

CAGR
(Mar. 2016 to June 2022) **13.9%**



2. Asset Management Business

[Major constituent companies]

Morningstar Japan, SBI Asset Management (a subsidiary of Morningstar Japan), Rheos Capital Works

[Asset Management Business Consolidated Results (IFRS)]

(JPY million)

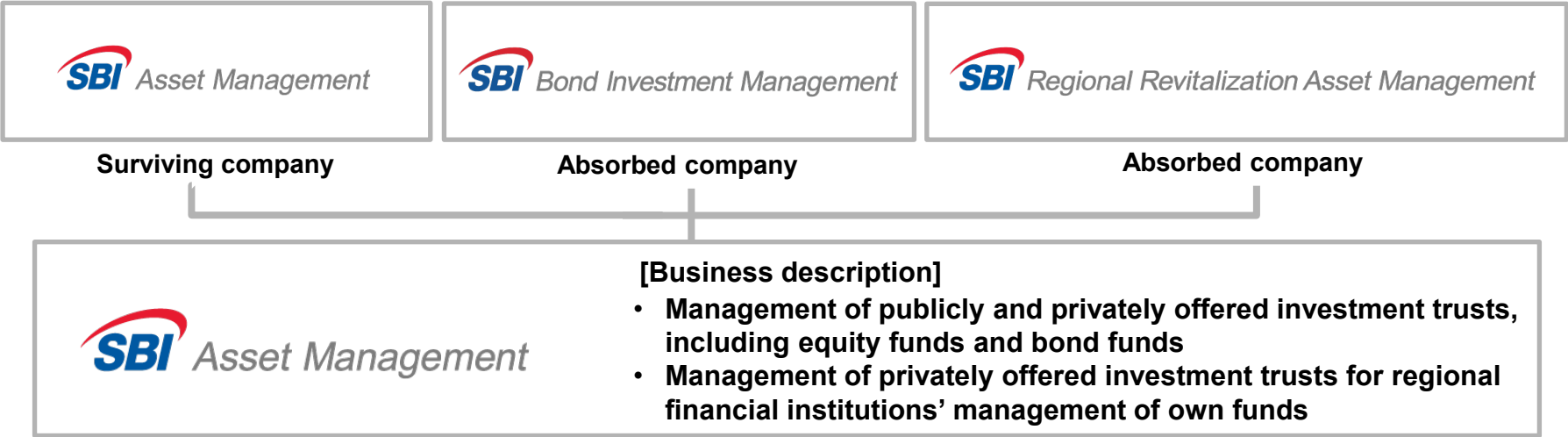
	1Q FY2021 (Apr. 2021 – June 2021)	1Q FY2022 (Apr. 2022 – June 2022)	YoY (%)
Revenue	3,906	4,109	+5.2
Profit before income tax expense	901	717	-20.4

[Business highlights]

- In the asset management business segment, stable earnings were maintained despite profit before income tax expense declining approximately JPY 200 million year-on-year due to deteriorating market conditions in the stock and bond markets
- Continue to strive for growth in the number of clients and assets under management in order to increase profits

Merger of Three Companies under the SBI Asset Management Group Completed on August 1, 2022

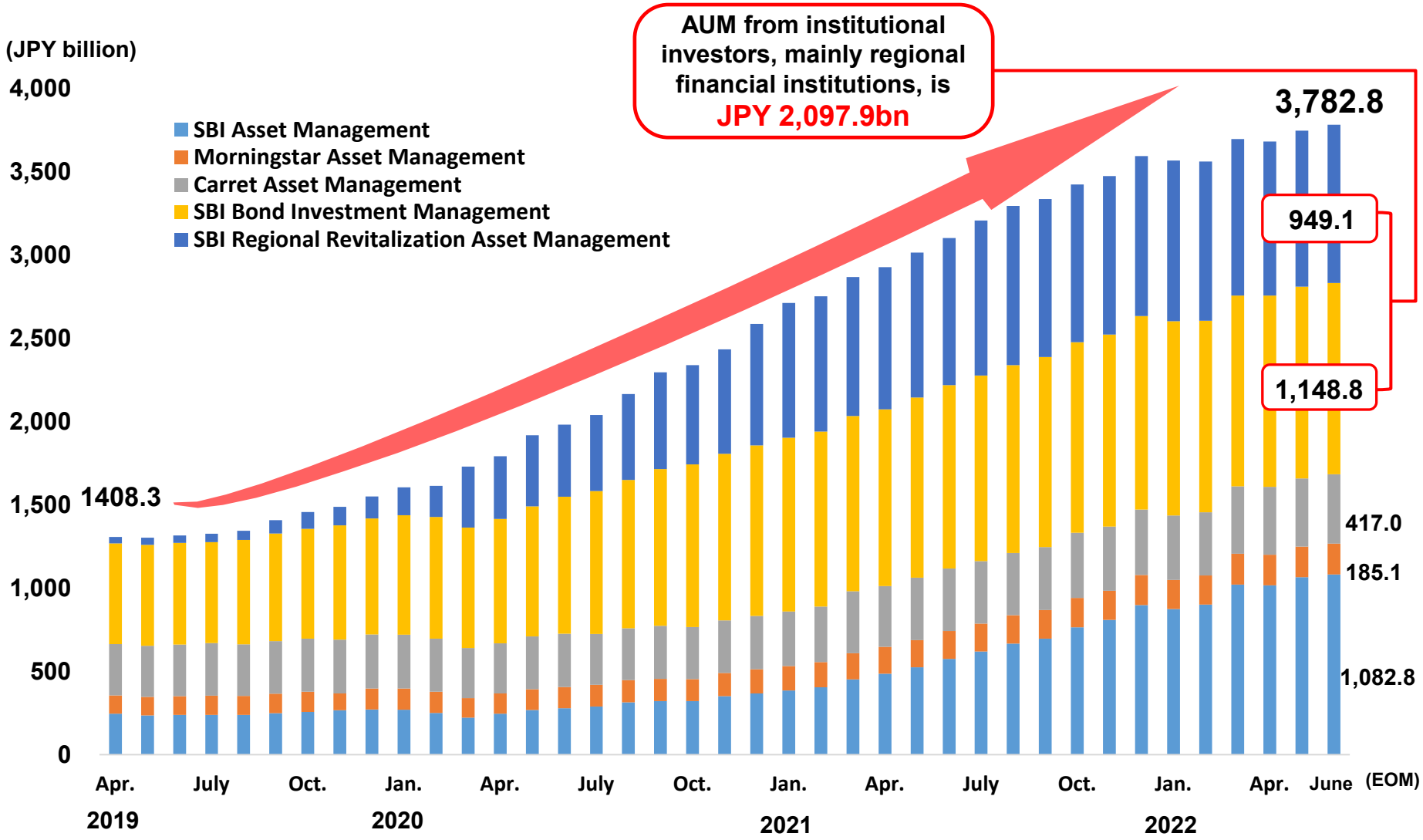
Completed the merger of three companies under the SBI Asset Management Group (SBI Asset Management, SBI Bond Investment Management, SBI Regional Revitalization Asset Management), with a goal of streamlining operations and strengthening profitability through integration of management resources such as system, data, and personnel, as well as strengthening risk management and compliance systems



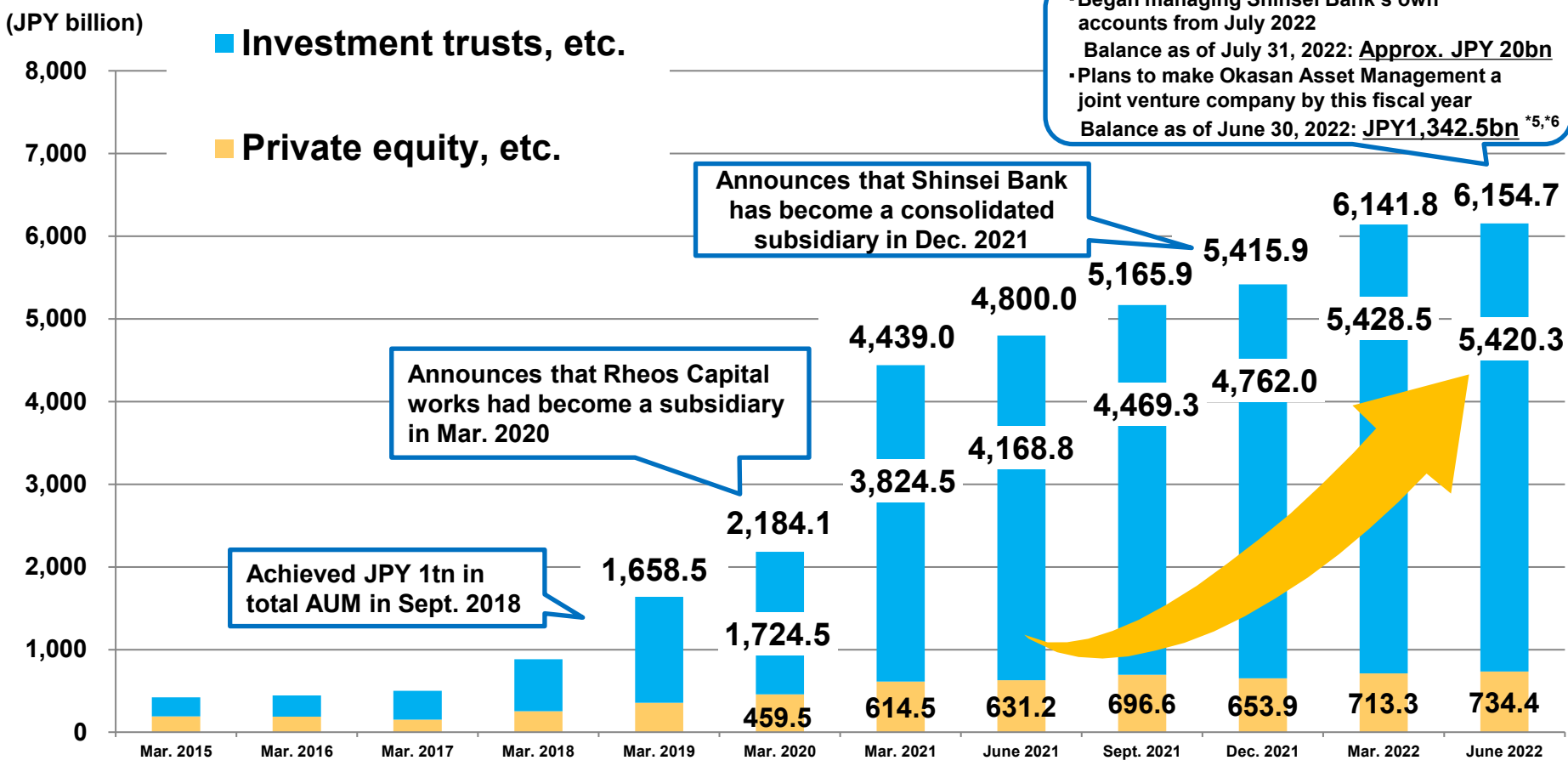
Investment trusts managed by SBI Bond Investment Management and SBI Regional Revitalization Asset Management will continue to be managed by current managers in charge

SBI Asset Management Group has Steadily Increased its AUM

- Balance of investment assets nears JPY 3.8tn -



Current Asset Under Management of the SBI Group Exceeds JPY 6.0tn as of end of June 2022



*1 Calculated by the exchange rate as of the end of each month

*2 Amounts are rounded to the nearest JPY 100m

*3 "Private equity, etc." includes neither cash nor commitment amount to be paid in. Through Mar. 2017, unlisted stocks invested from investment partnerships and other entities, which had no market prices, were estimated at cost (impairment prices are applied for the stocks for which impairment losses have been recorded). After Mar. 2018, however, these stocks have been estimated at fair value

*4 "Investment trusts, etc." are the sum of amounts of investment trusts and investment advisors. For funds that SBI Asset Management provides investment instruction to, if Morningstar Asset Management provides investment advisory services, assets are recorded in both Investment trusts and Investment advisory, respectively, so there are some overlapping amounts

*5 On May 27, 2022, SBI Holdings, together with OKASAN SECURITIES GROUP, signed a Memorandum Of Understanding to make Okasan Asset Management a joint venture company

*6 Includes publicly offered investment trusts, publicly offered bond investment trusts, and privately offered investment trusts

3. Investment Business

[Major constituent companies]

Private Equity Business, SBI Leasing Service

[Investment Business Consolidated Results (IFRS)]

(JPY million)

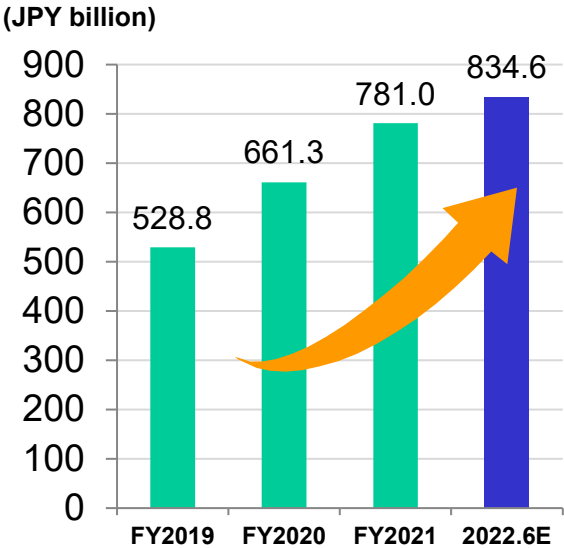
	1Q FY2021 (Apr.-June 2021)	1Q FY2022 (Apr.-June 2022)	YoY % change/ YoY change
Revenue	14,779	21,606	+46.2
Profit before income tax expense	7,579	9,122	+20.4
Profit / loss from the change in fair value and profit / loss on sales of investment securities	3,617	9,370	+159.1
Listed Securities	-7,350	-15,126	-7,776
Unlisted Securities	10,967	24,496	+123.4

[Business highlights]

- Investment business revenue increased 46.2% year-on-year to JPY 21.6bn, profit before income tax expense increased 20.4% year-on-year to JPY 9.1bn
- Gain/loss on change in fair value of investees and gain/loss on sale of investees for 1Q was approximately JPY 9.4bn, including gain on valuation and sales due to increases in per-share valuations of several unlisted companies despite significant decline in valuation of some listed stocks of securities held due to deterioration of stock market conditions
- SBI Leasing Service applied for listing on the Tokyo Stock Exchange on July 8, 2022

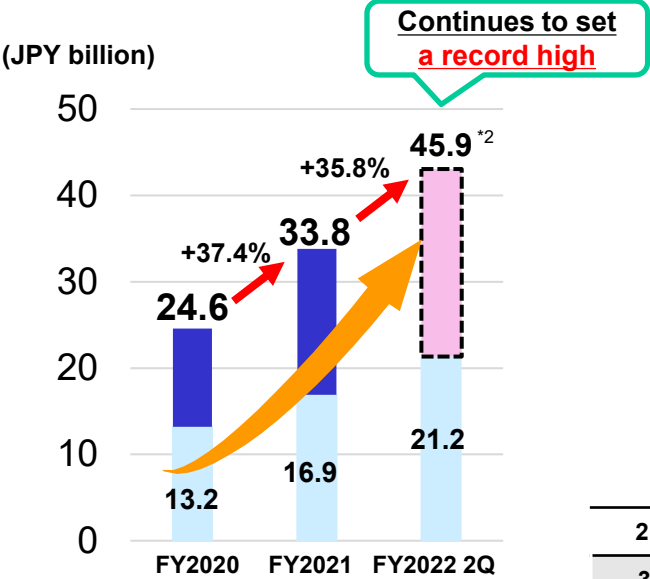
TP Bank Vietnam Recorded an Impairment Loss of Approximately JPY 24bn in 1Q due to Deterioration of the Stock Market and Sharp Changes in the FX Market During the April-June Period, but the Company's Performance is Growing Steadily

<Trend of Loan Balance*1>

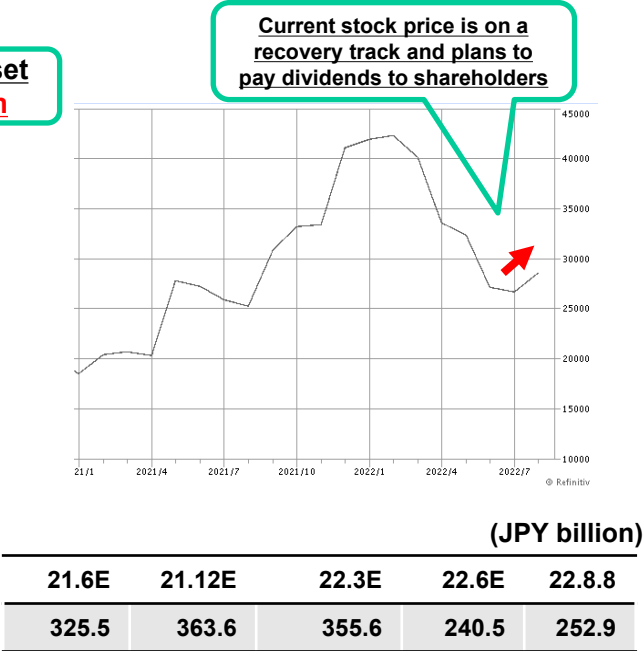


Note: All figures as of the end of December unless otherwise noted

< Trend of profit before income tax expense*1 >



< TP Bank Market Cap*1 >



*1 Converted at VND1=JPY0.0056

*2 TP Bank's publicly announced earnings estimates for the fiscal year ending Dec. 2022

IPOs and M&As of SBI Group Investee Companies

- IPOs of portfolio companies from major funds began to appear one after another, contributing to strong performance -

	Full-year FY2021	Full-year FY2022 prospects
IPO・M&A deals	22	40

During the fiscal year, 8 Companies realized either IPO or M&A

<u>EXIT Date</u>	<u>Company</u>	<u>Market</u>	<u>EXIT Date</u>	<u>Company</u>	<u>Market</u>
April 11, 2022	PT GOTO Gojek Tokopedia Tbk	IDX	June 24, 2022	Microwave Chemical Co., Ltd.	TSE Growth
April 27, 2022	moi Corporation	TSE Growth	June 30, 2022	WONTECH Co., Ltd.	M&A (KOSDAQ SPAC)
June 8, 2022	ANYCOLOR Inc.	TSE Growth	July 14, 2022	Gorilla Technology Group Inc.	M&A (NASDAQ SPAC)
June 22, 2022	Airoha Technology Corp.	TPEX	July 28, 2022	unerry Inc.	TSE Growth

* When an investee company conducts a share exchange or a merger with a public company, it is described as "M&A"

*Subsidiary IPOs and M&As are also included

Assets Under Management of the SBI Group

(As of the end of June 2022)

Private equity, etc. JPY 734.4bn ^{(*)1} (Excluding JPY 196.6 bn of both cash and commitment amount to be paid in) ^{(*)2}

Breakdown of operating investment securities by Industry	Amount
Internet/AI/IoT	175.1
Fintech services	120.9
Digital Asset/Blockchain	86.4
Finance	79.9
Biotechnology / Health/Medical	41.3
Environmental/Energy	8.1
Machine/Automobile	13.6
Services	37.7
Retail/Food	1.1
Materials/Chemicals	8.1
Construction/Real estate	0.9
Others	5.2
Equity interests in external and non-consolidated funds	43.1
Total	621.4

Breakdown of operating investment securities by region	Amount
Japan	243.9
China	9.1
Korea	7.3
Southeast Asia	98.6
India	4.1
U.S.	105.8
Europe	66.0
Others	86.5
Total	621.4

Investment from non-consolidated Group management funds	Amount
Corporate venture capital (CVC)	22.4
Others (Overseas JV fund, etc.)	90.6
Total	113.0

Investment trusts, etc. JPY 5,420.3bn

*1 Private equity investment balance comes from the balance for operating investment securities included in consolidated reporting plus the investment balance from funds (such as CVC funds) removed from consolidation due to the SBI Group's low investment ratios in the corresponding funds, which the SBI Group run as the GP

*2 Composed of cash in funds and unpaid capital which is to be paid on a capital call

*3 Calculated by the exchange rate as of the end of June 2022

*4 Amounts are rounded to the nearest JPY 100m

4. Crypto-asset Business

[Major constituent companies / business]

SBI VC Trade, B2C2, Bitpoint Japan (after July 1, 2022), crypto asset mining business

[Crypto-asset Business Consolidated Performance (IFRS)]

(Unit: JPY million)

	1Q FY2021 (Apr.-June 2021)	1Q FY2022 (Apr.-June 2022)	YoY % change / YoY change
Revenue	5,214	12,984	+149.0
Profit before Income Tax Expense	-375	-9,688	-9,313

[Business highlights]

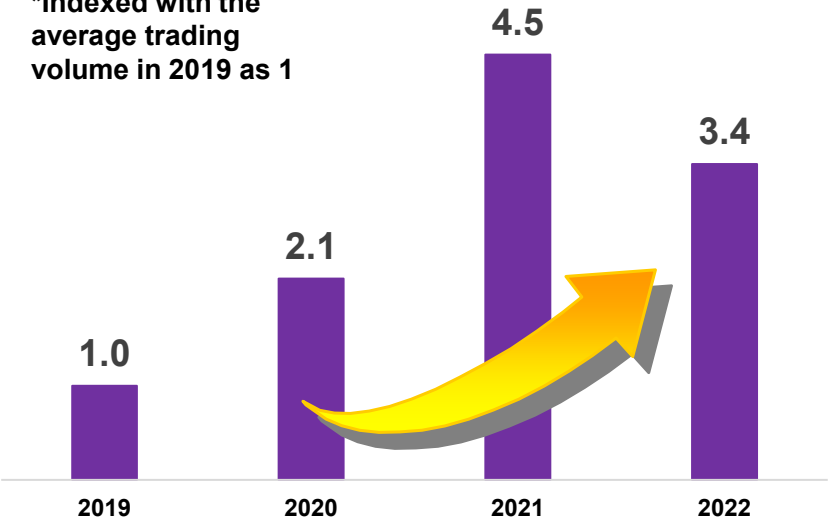
- For B2C2 and the crypto asset mining businesses, total losses of approximately JPY 7.2bn were recorded owing to temporary factors such as a fall in the value of crypto asset holdings following a significant fall in the crypto asset market and a deterioration in the credit situation of business partners. SBI Group plans to withdraw from the mining business in Russia
- SBI VC Trade endeavors to strengthen its profitability through the promotion of various measures, including handling of new crypto assets
- As a result of Bitpoint Japan becoming a consolidated subsidiary on July 1, 2022, the company's business results are expected to contribute to this business segment from 2Q FY2022

4. Crypto Asset Business

B2C2, a Crypto Asset Liquidity Provider in the SBI Group, will Endeavor to Strengthen Profitability Through Increased Transactions and an Increase in the Number of Customers

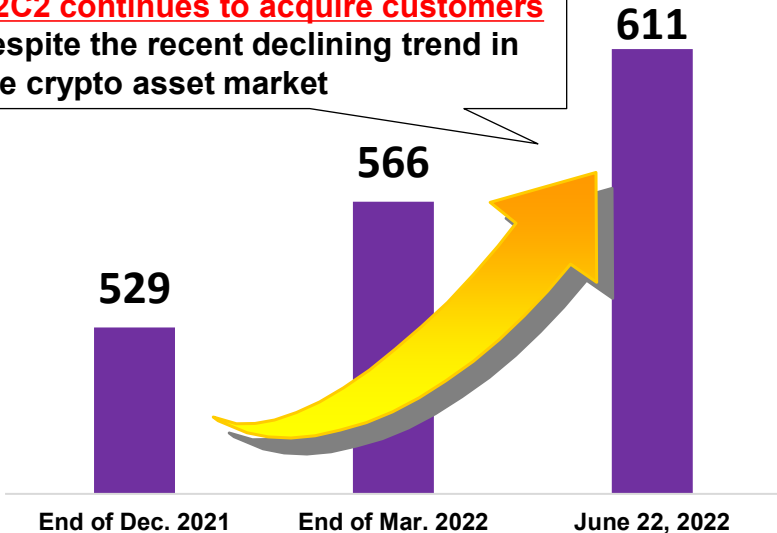
Average daily trading volume of B2C2
(2019 - 2022)

*Indexed with the average trading volume in 2019 as 1



Trends in number of customers of B2C2
(End of Dec. 2021 – June 22, 2022)

B2C2 continues to acquire customers despite the recent declining trend in the crypto asset market



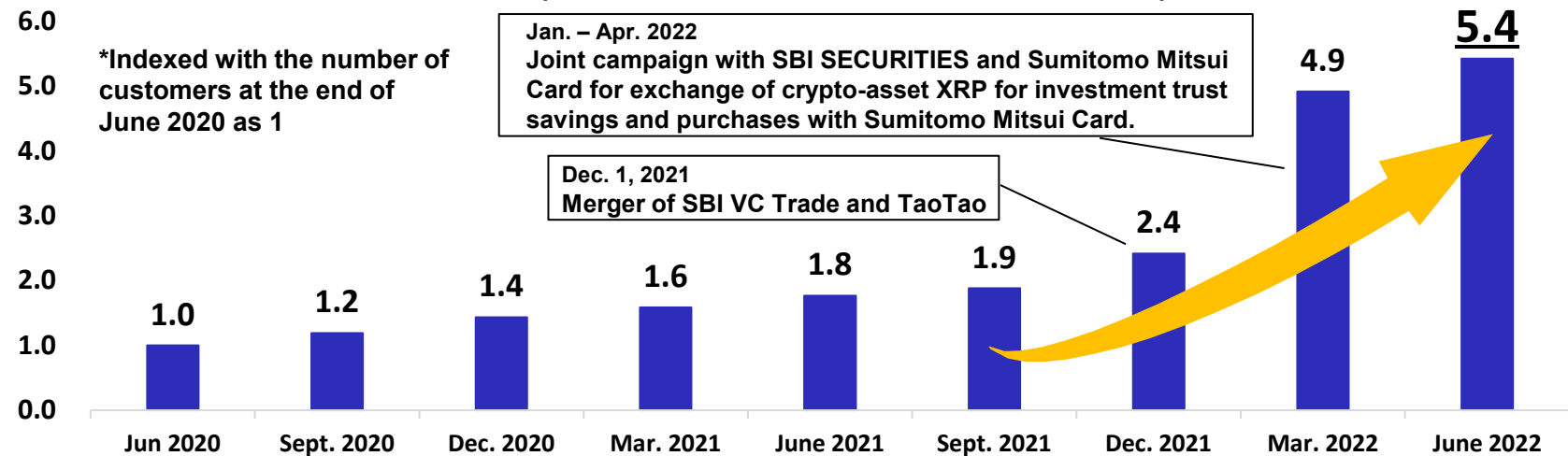
[B2C2's strategy for future growth]

- Improve client trading system functions and develop order book functions
- Develop and offer high-yield derivative products in compliance with regulations
- Strengthen risk management while increasing earnings
- Handle new currencies in accordance with customer needs

SBI VC Trade’s Number of Customers have Drastically Increased through Expansion of Services and Running Campaigns

Trend in the number of customers of SBI VC Trade

(End of June 2020 – End of June 2022)



[Measures to improve customer service and enhance profitability]

- In order to meet the trading demands of customers, **five new crypto assets to be added** on August 17. This will bring the **total number of crypto assets handled to 12**

BTC ETH XRP BTH LTC DOT LINK DOGE ADA SOL XLM XTZ
- Proactive efforts in collaboration with companies inside and outside of the Group, such as the cooperative campaign launched on August 10, **offering crypto assets as a gift when opening an account or making a yen time deposit at Shinsei Bank**
- In June 2022, a new exchange will be released with a **“negative commission”** (“maker's commission” generated during execution of limit orders) that allows customers **to receive a commission when they trade**

Bitpoint Japan, which Became a Consolidated Subsidiary on July 1, 2022, Expected to Contribute to the Revenue of the Group's Crypto-Assets Business



(Acquired 51% of shares on July 1, 2022)

- Established in Mar. 2016 as a virtual currency trader under Remixpoint
- Net profit for FY2021 is JPY 5,780m
- In addition to spot trading of crypto assets, the company offers crypto assets for rent and staking services
- In addition to major crypto assets such as Bitcoin (BTC) and Ethereum (ETH), unique crypto assets such as DEAPcoin (DEP), which can be used for GameFi and NFT-related purposes, JasmyCoin (JMY) issued by Jasmy Incorporated, and Klaytn (KLAY), which BITPOINT is the first to handle in Japan

Details of future partnerships with the SBI Group to strengthen profitability

- ① Cross-marketing with the SBI Group which has a customer base of over 43 million
- ② Provide trading opportunities with competitive spread to customers by taking on liquidity from B2C2 Limited, the world's top market maker in the crypto-asset industry



- ③ BITPoint to handle tokens that are carefully selected from crypto-asset-related projects around the world in which the SBI group is involved in, for the first time in Japan

5. Non-Financial Business

[Major constituent businesses]

Biotechnology, Healthcare & Medical Informatics Businesses, other businesses that are at the stage of investment, including Web3.0

[Non-Financial Business Segment Consolidated Performance (IFRS)]

(Unit: JPY million)

	1Q FY2021 (Apr.-June 2021)	1Q FY2022 (Apr.-June 2022)	YoY % change / YoY change
Revenue	5,462	7,006	+28.2
Profit before Income Tax Expense	-941	2,018	+2,959

[Business highlights]

- **Biotechnology, Healthcare & Medical Informatics Business was profitable due to gains from global development of 5-ALA related businesses and milestone revenue of SBI Biotech**
- **While this segment consists of businesses that are at the stage of investment, including Web3.0, some of them, such as businesses for new overseas markets, have already achieved stable profitability**

Profit before Income Tax Expense of the Biotechnology, Healthcare & Medical Informatics Business Companies (IFRS)

(Unit: JPY million)

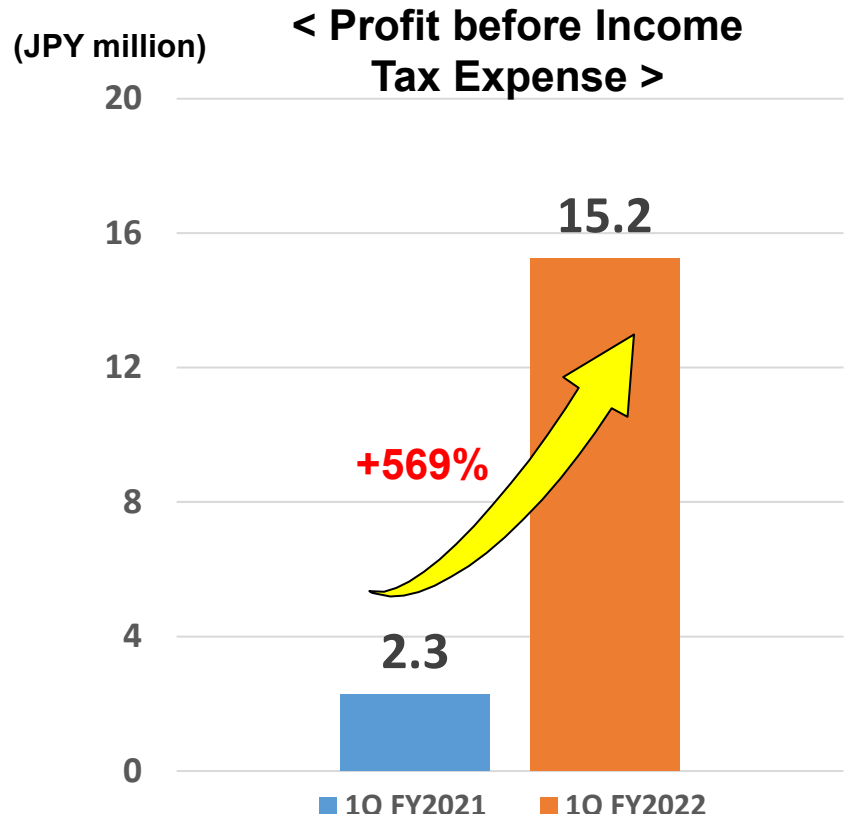
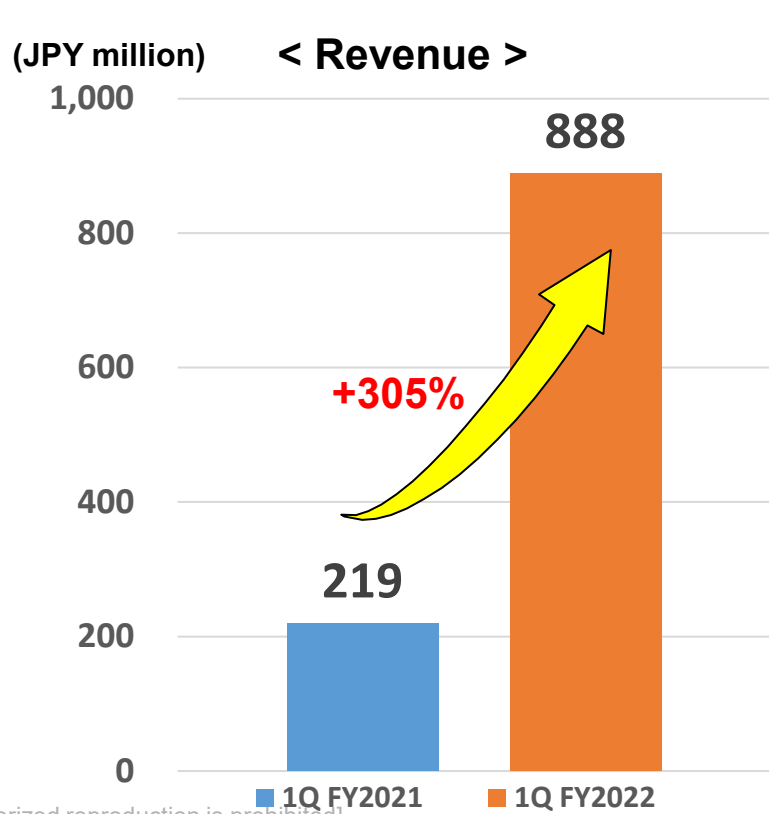
	1Q FY2021 (Apr. – June 2021)	1Q FY2022 (Apr. – June 2022)
SBI Biotech	458	206
5-ALA-related business*	-164	198

* Simple sum of figures for group companies manufacturing and selling in 5-ALA-related business domestic and overseas

- **SBI Biotech recorded a milestone for SBI-9674 licensed to Kyowa Kirin Co., Ltd**
- **Achieve further expansion of earnings in 5-ALA-related business by enhancing the product lineup**

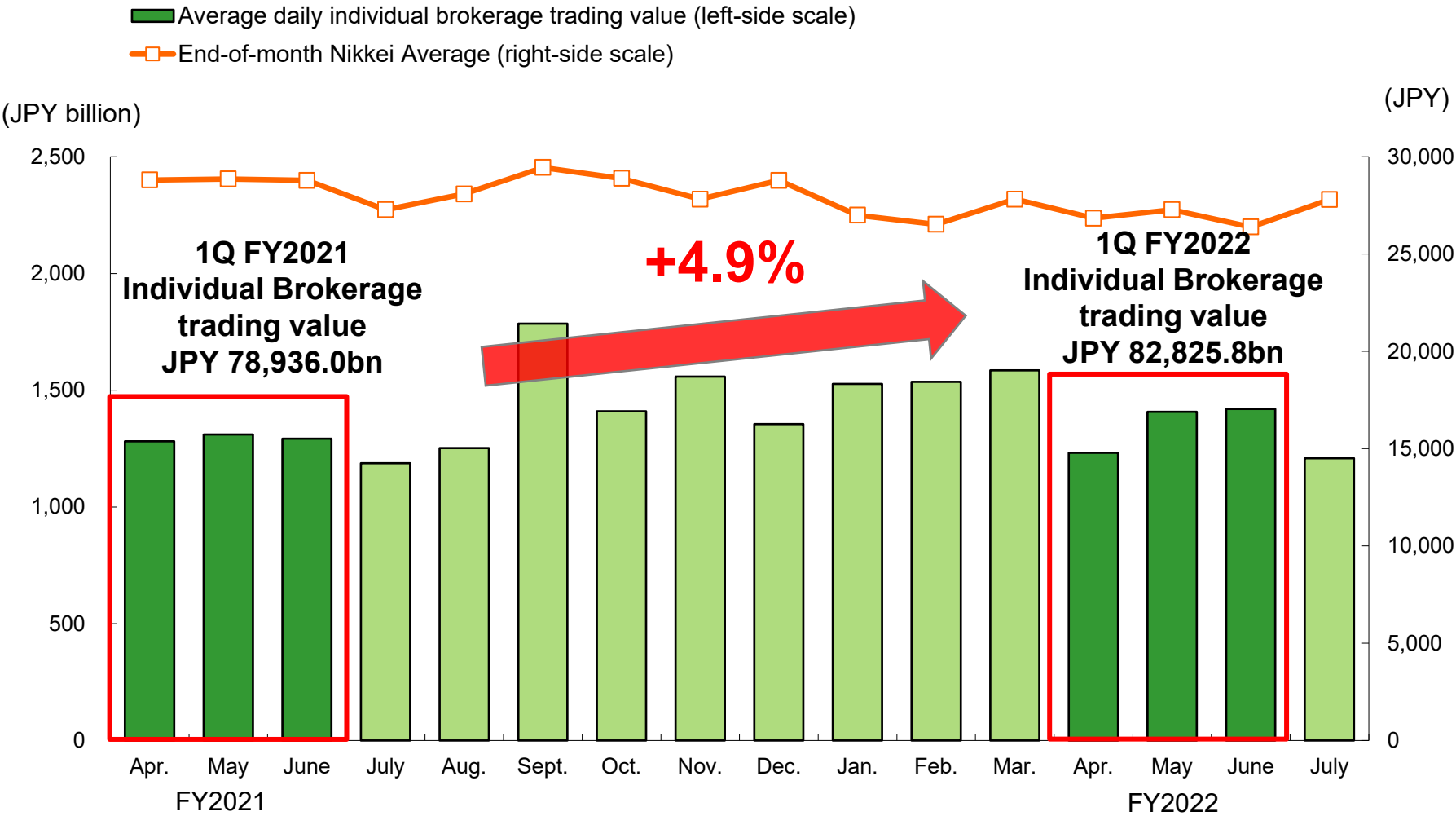
SBI Africa, which Operates Used Cars Export Business for Overseas Markets

- SBI Africa achieved significant year-on-year increases in revenue and profit as a result of increased vehicle purchasing and sales volumes, while improving workflows and reducing costs in parallel
- As most of the sales are in USD, the weakening of the JPY also contributed to earnings
- SBI Africa is currently developing sales channels not only to Africa but also to Malaysia, Australia and New Zealand, and is considering establishing a financing scheme in partnership with a local financial services business company under the SBI Group



<Reference Materials>

Average Daily Individual Brokerage Trading Value (Total for two markets*)



Average daily individual brokerage stock trading volume, including ETFs and REITs: 1Q FY2022 +8.2% YoY

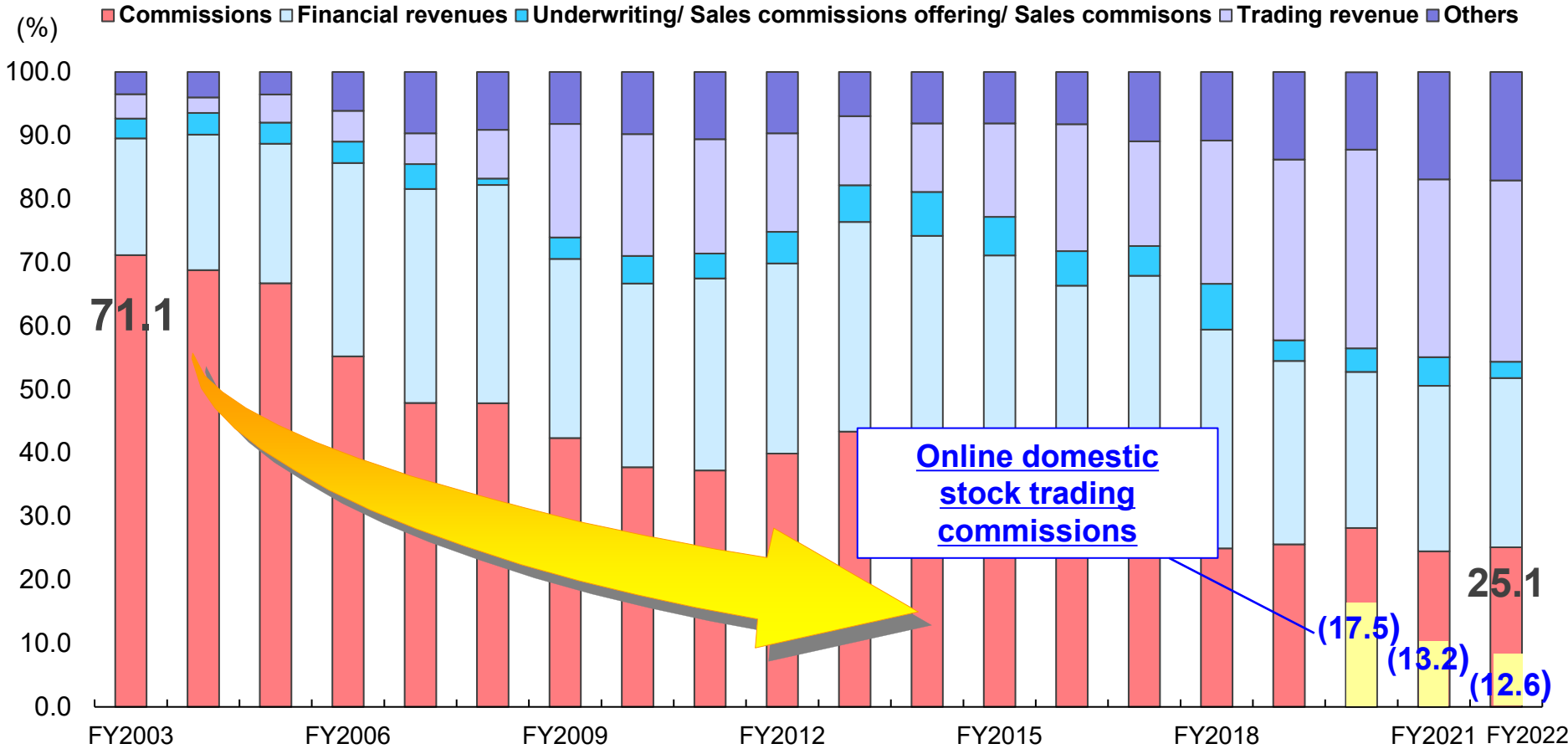
* Japanese stocks listed on Tokyo Stock Exchange and Nagoya Stock Exchange
(Including TSE Standard, Growth Market and NSE Centrex)

Source: Compiled by SBIH from disclosed data from TSE

Diversification of Revenue Sources, including Significant Increase in Trading Revenue and a Gradual Decrease in Dependence on Domestic stock Brokerage Commissions as Revenue from Online Trading

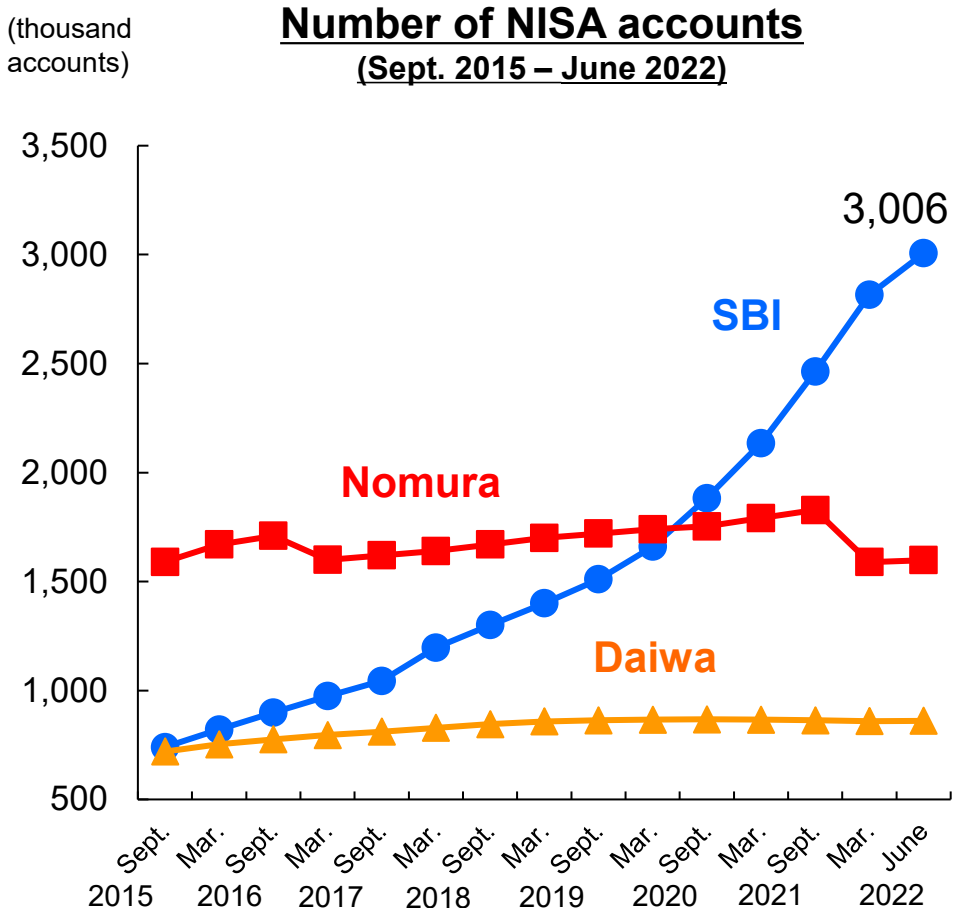
- SBI SECURITIES to realize Neo-securities Initiative by 1H FY2023 -

Trends in the Composition of Operating Revenue (Net Sales) of SBI SECURITIES

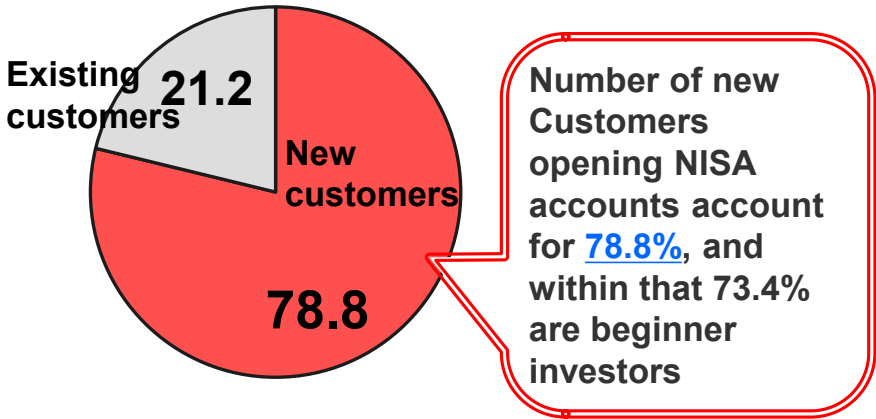


*Non-consolidated results shown for FY2003 and FY2014. Consolidated results are shown for other years.

SBI SECURITIES NISA Account Openings



NISA's customer attribute of SBI SECURITIES (%)



SBI SECURITIES' number of Junior NISA accounts reached 247 thousand accounts, accounting for approx. 30% of the entire securities industry's Junior NISA accounts

*1 Includes the number of Junior NISA accounts
*2 Amounts are rounded to the nearest JPY thousand
*3 The number of accounts are as of the end of June 2022, compiled by SBIH from the information on website of each company

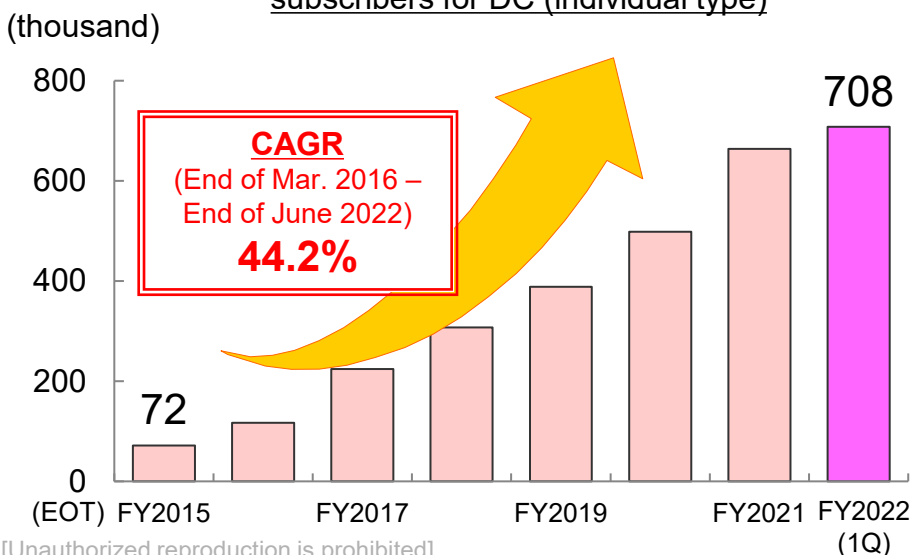
Attracted a large number of neophyte investors through newly opened NISA accounts

SBI SECURITIES is Expanding Customer Base in the Individual Defined Contribution (iDeCo) Pension Business

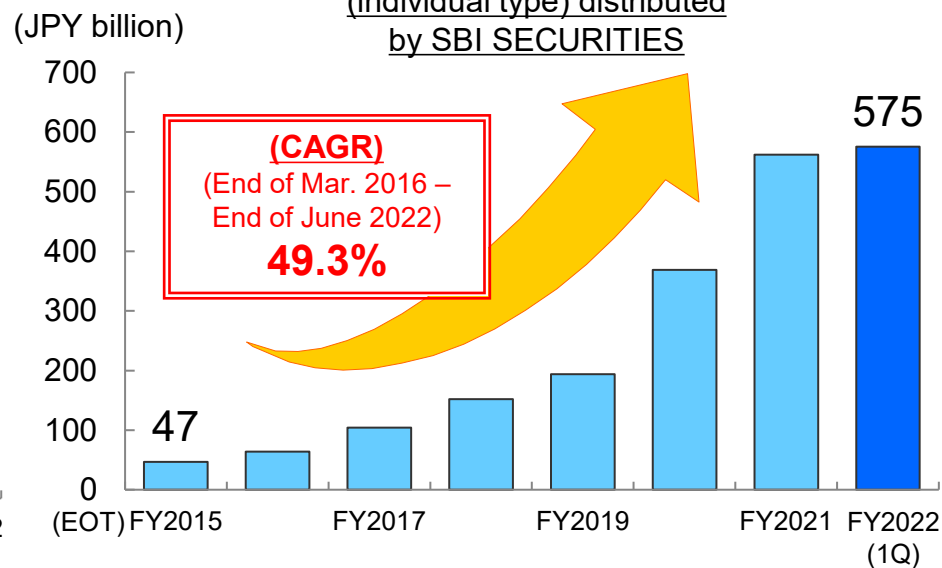
The SBI Group **focused on the Individual Defined Contribution (iDeCo) pension business** through SBI Benefit Systems (est. 2001), well before expectations for the market size to expand as a result of revisions in the regulation in Jan. 2017

- SBI SECURITIES **administrative fees for iDeCo became completely free of charge** on May 19, 2017, in order to further expand iDeCo business
- As of the end of June 2022, the number of iDeCo accounts totaled approx. 650 thousand
- Number of requests for iDeCo information materials also remained high

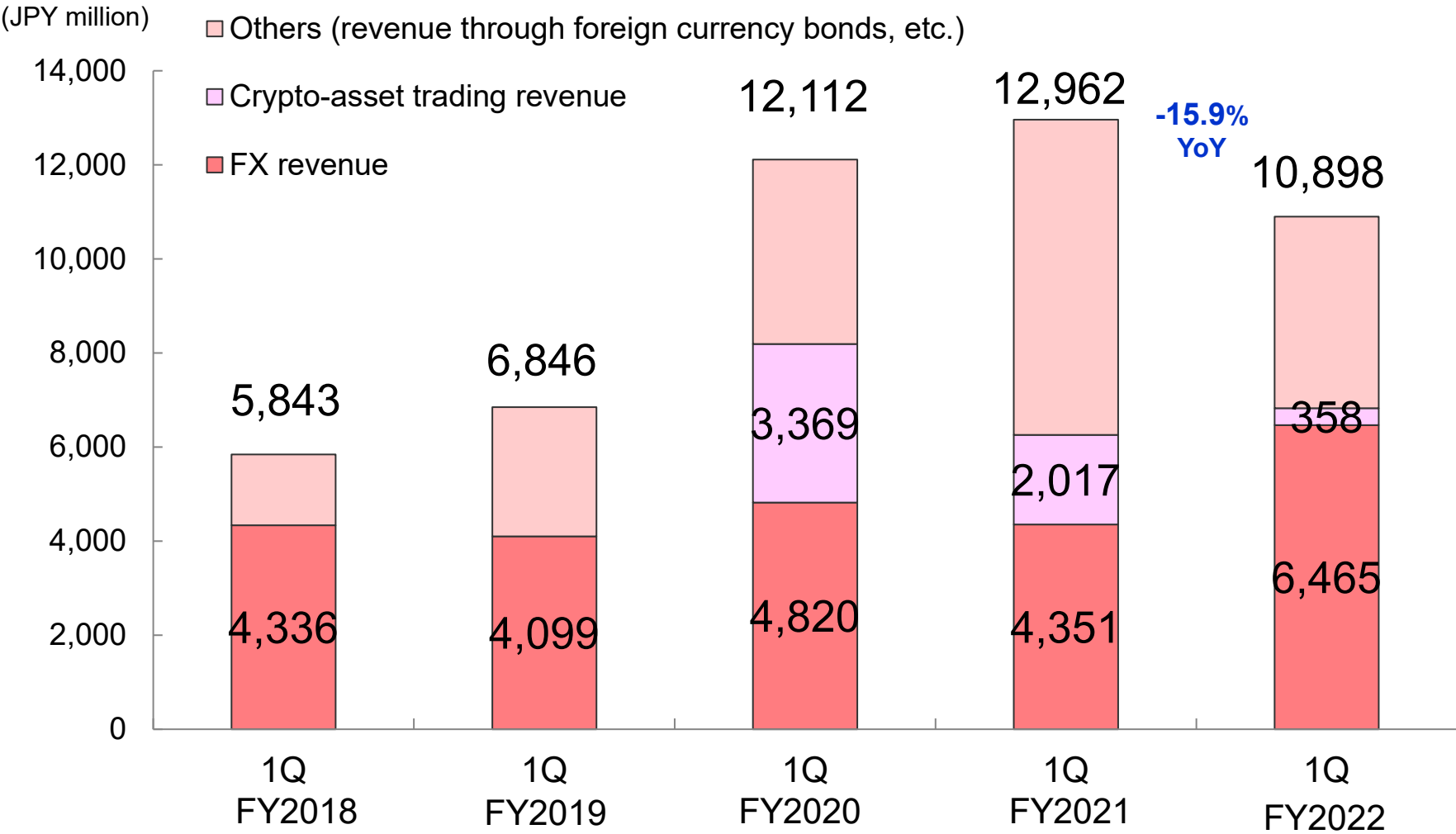
Cumulative number of SBI Benefit Systems subscribers for DC (individual type)



Balance of investment trust for 401k (individual type) distributed by SBI SECURITIES

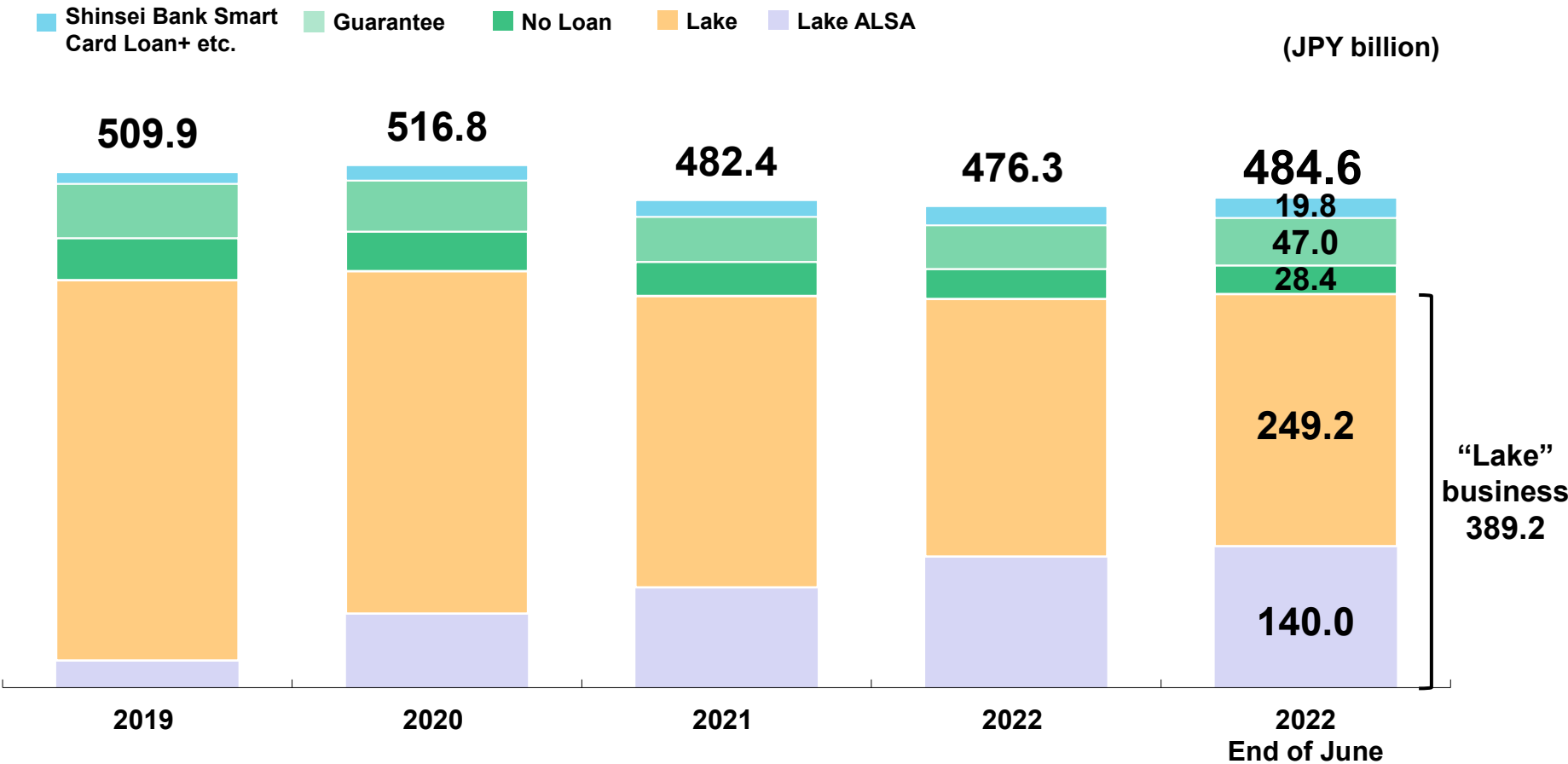


Trends in Trading Revenue of SBI SECURITIES



Loan Balance at Shinsei Financial Co., Ltd.

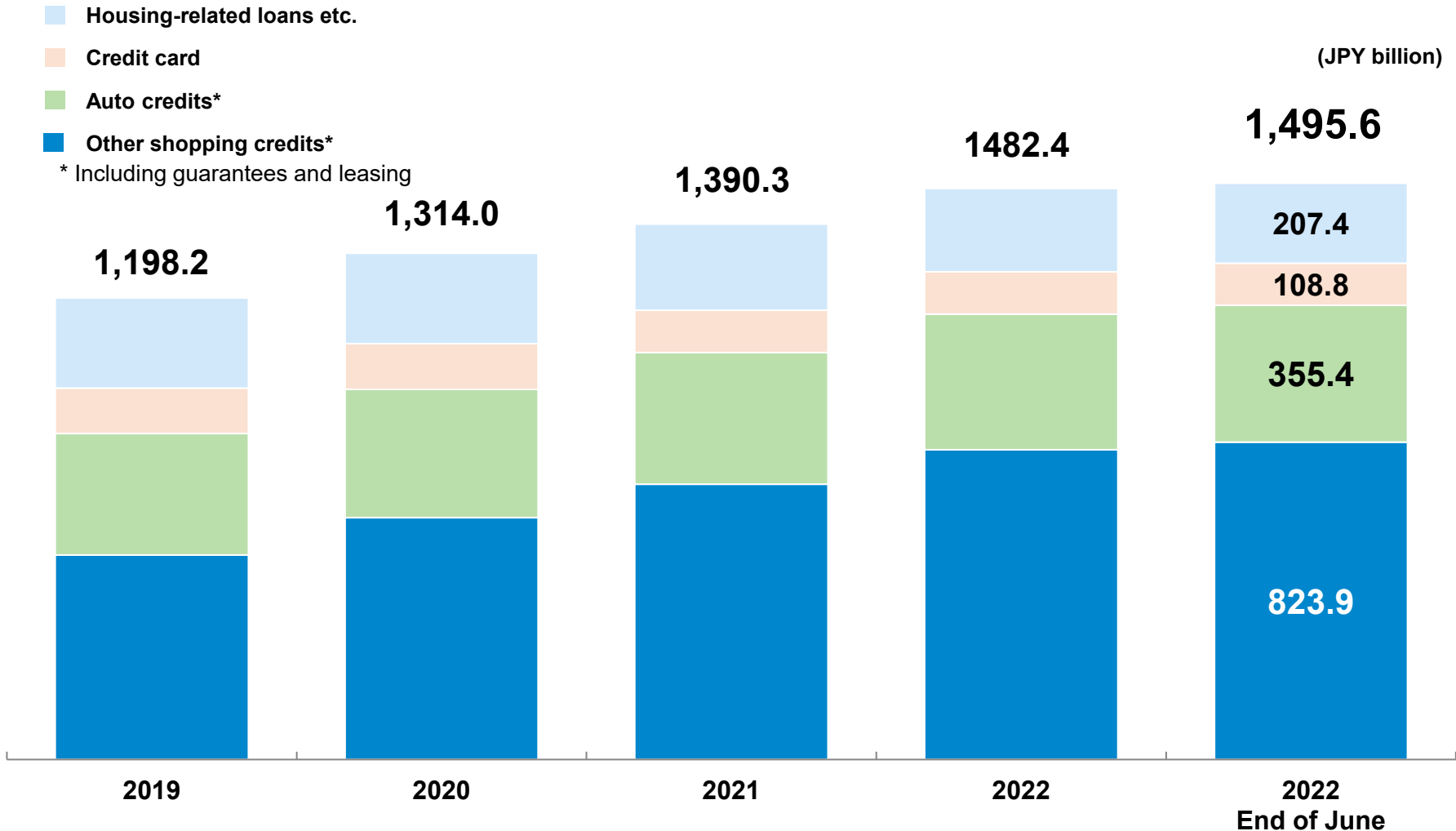
- Steady growth of Lake ALSA reversed the trend towards Increase of loan balances -



Note: All figures are as of the end of March, unless otherwise shown

Loan Balance at APLUS Co., Ltd. (End of March 2019 - End of June 2022)

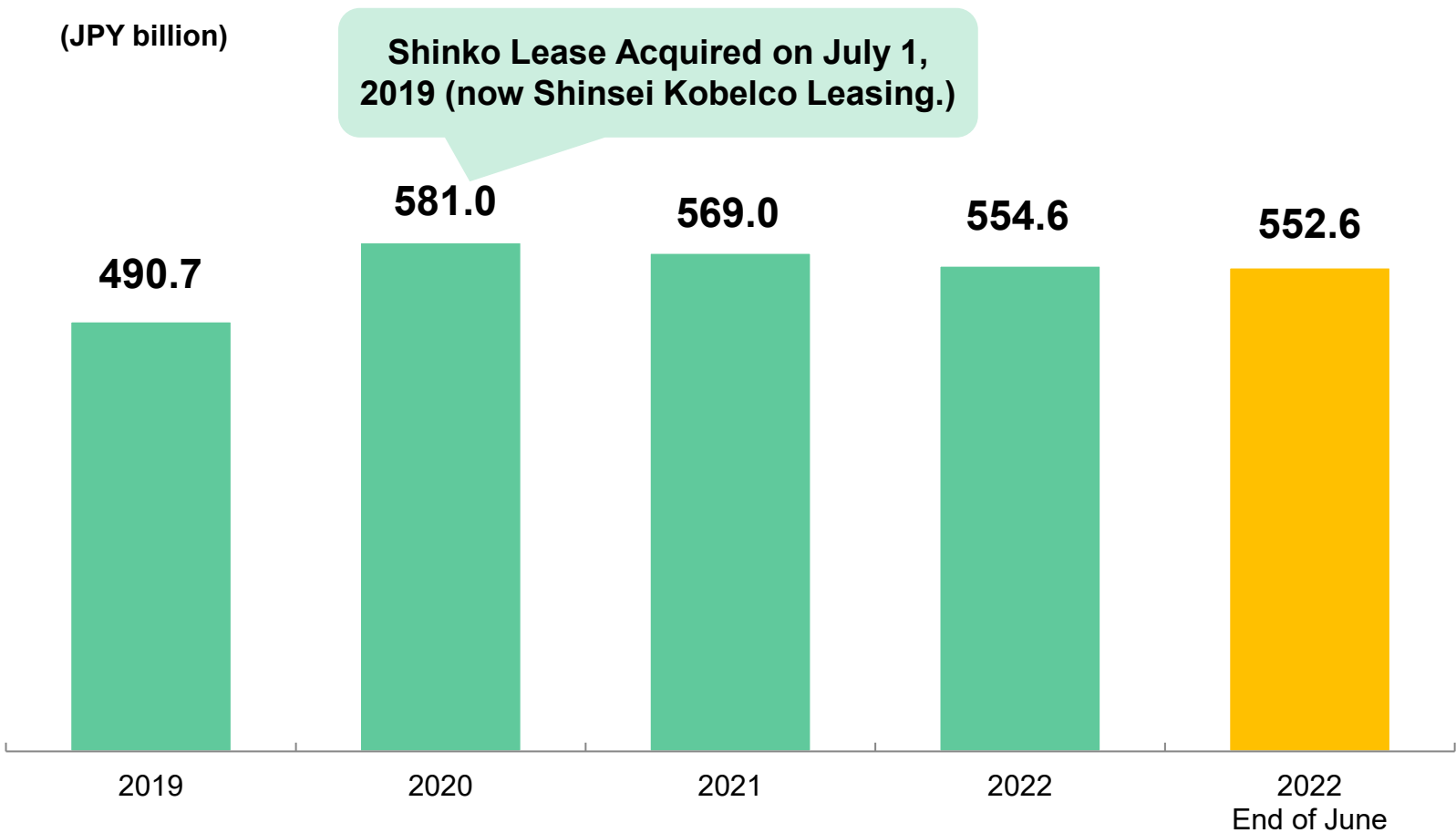
-Shopping credit business continues to grow steadily-



Note: All figures are as of the end of March, unless otherwise shown

Asset Balance Trends at Showa Leasing Co., Ltd.

- Endeavor to build up balance through the “Triangle Strategy” -

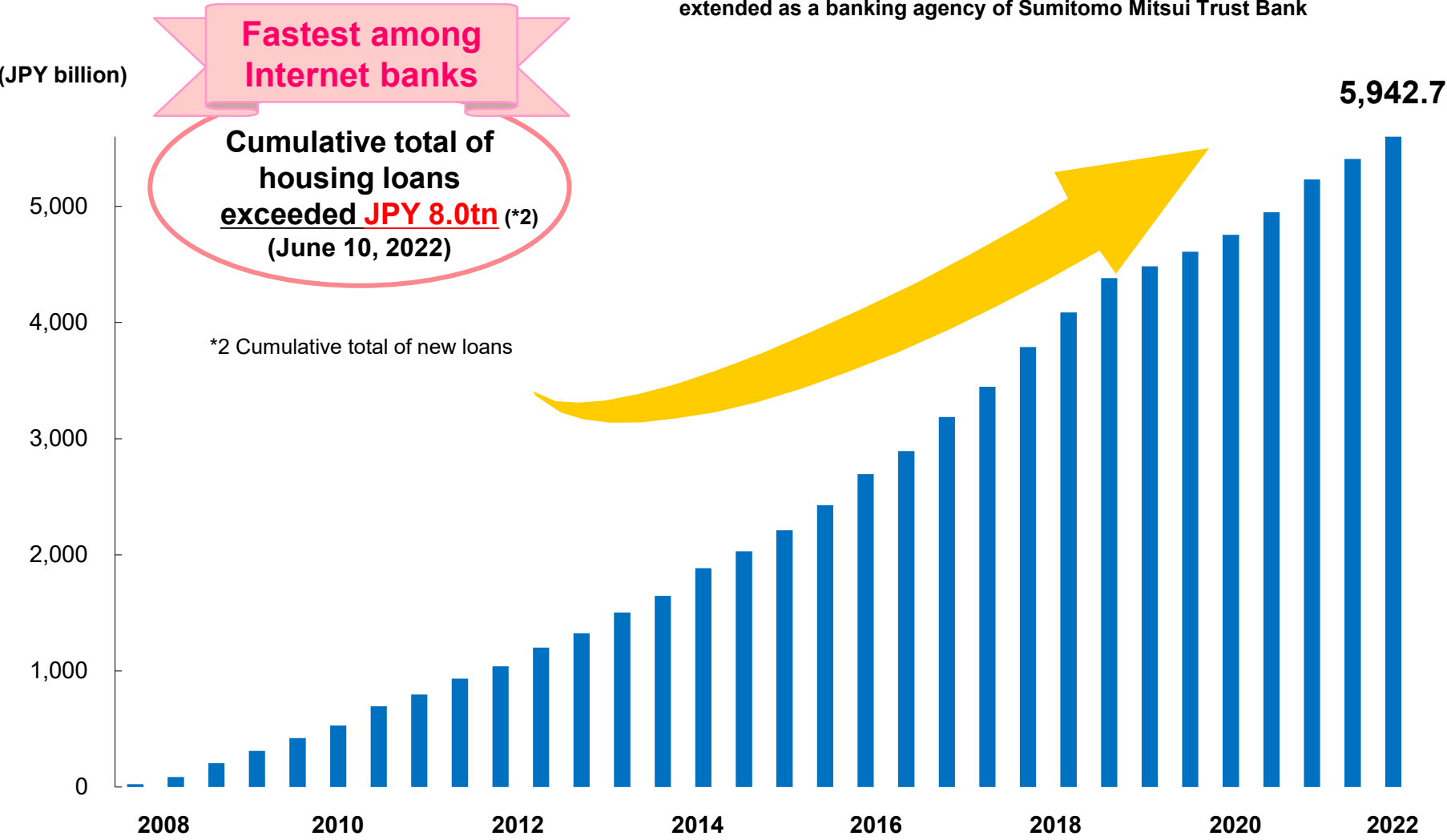


Note: All figures are as of the end of March, unless otherwise shown

Accelerating the Expansion of the Volume of Housing Loan Products with Attractive Interest Rates and High Customer Benefits

Change in Balance of Housing Loans (End of Mar. 2008 – End of June 2022)

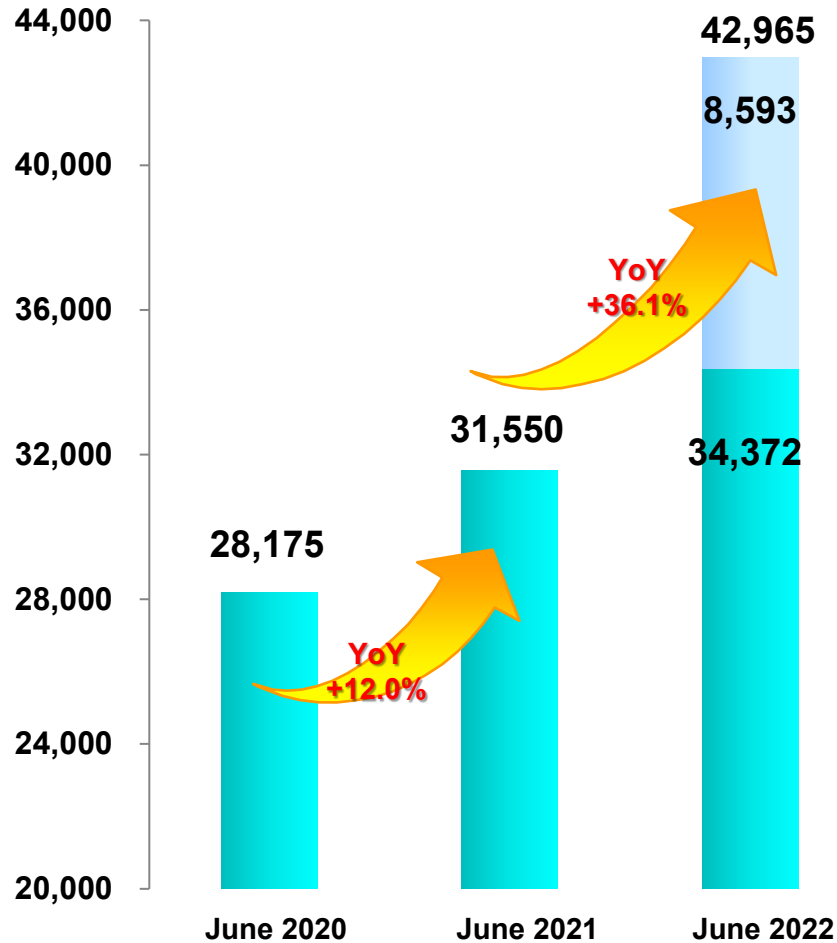
*1 Repayments deducted from cumulative total of new loans. Includes housing loans extended as a banking agency of Sumitomo Mitsui Trust Bank



3. Group overview

SBI Group's Customer Base has Grown through Active Pursuit of Customer-centric Principles and Group Synergies

(thousand)



Breakdown of the Customer Base
(As of the end of June 2022)*1,2

(thousand)

SBI SECURITIES SBI NEOMOBILE SECURITIES SBI Neotrade Securities FOLIO	(No. of accounts)	8,829
SBIH InsWeb	(No. of customers)	10,546
E-LOAN	(No. of customers)	3,183
MoneyLook	(Total no. of customer registrations)	950
Morningstar Japan	(Total no. of service users) *3	1,257
SBI Sumishin Net Bank	(No. of accounts)	5,562
SBI Insurance	(Total no. of contracts)	1,172
SBI Life Insurance	(Total no. of contracts) *4	333
Others (SBI VC Trade etc.)*5	—	2,540
Shinsei Group*6		
Shinsei Bank	(No. of accounts)	3,050
Lake ALSA	(No. of customers)	841
APLUS	(No. of active cardholders)	4,426
Showa Leasing	(No. of contracts)	276
Total	—	42,965

*1 Customers who are not identified as the same person within each service website and overlapping customers among the Group companies may be double counted

*2 Owing to the reorganization, customer numbers of the Group companies, which were excluded from consolidation, are not included in the figures for the past customer bases

*3 Includes the number of smartphone app downloads, as provided by Morningstar

*4 The total number of contracts of SBI Life Insurance includes number of insured persons with group credit life insurance

*5 Customers of "SBI Point" provided with SBI ID members have been removed because the service is no longer available

*6 Categories extracted as Shinsei Group's customer base are changed from Mar. 2022

Number of Companies and Consolidated Employees of the SBI Group

Number of Group companies

	End of Mar. 2022	End of June 2022
Consolidated subsidiaries (companies)	442	460
Consolidated partnerships (partnerships)	51	54
Total consolidated subsidiaries (companies)	493	514
Equity method companies (companies)	61	62
Total Group companies (companies)	554	576

Number of consolidated employees

	End of Mar. 2022	End of June 2022
Total employees (persons)	17,496	17,738

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