

Asset Management Business

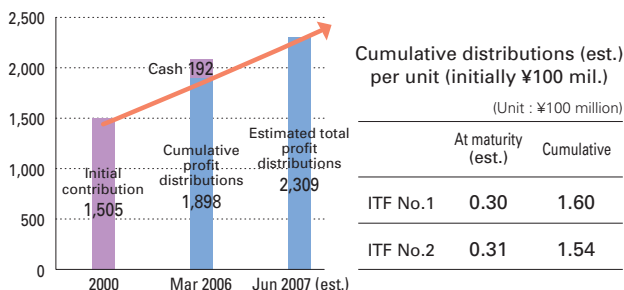
Leadership in Venture Capital Drives Growth in the Breadth and Scale of Investments

Principal Companies in the Asset Management Business

SBI Investment Co., Ltd.	Venture capital fund management
SBI CAPITAL Co., Ltd.	Buyout fund and revitalization fund management
SBI Capital Solutions Co., Ltd.	Mezzanine fund management
SBI Asset Management Co., Ltd.	Investment trust management, investment advisory services
SBI VEN CAPITAL PTE. LTD	Venture capital fund management in Singapore for foreign investors

IT Fund Profit Distribution Projection

(Unit : ¥100 million)



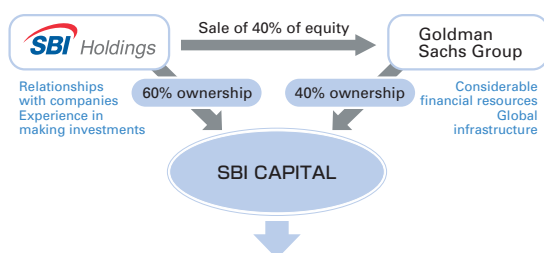
SBI Group plans to receive additional distributions of ¥18.1 billion between now and the final liquidation. This would raise SBI Group cumulative distributions received to ¥99.8 billion.

The Number of Portfolio Company IPOs and M&A Deals

	From start of operations to March 2006	Year ended March 2007	Year ending March 2008 (forecast)
IPOs and M&A deals	89	10	22
		5% to 10% investment	5% to 10% investment
		2	8
		Investment over 10%	Investment over 10%
		6	0

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

Equity and Business Alliance with Goldman Sachs Group for Investments in Growing Midsize Companies in Japan



Aim to increase fund assets to ¥100 billion, including contributions from external investors, within three years.

The sale of 40% of SBI CAPITAL will result in an estimated consolidated extraordinary gain of ¥4.9 billion and non-consolidated extraordinary gain of ¥6.3 billion in the fiscal year ending in March 2008.

As Japan's leader in venture capital investments, SBI Holdings is continuously reinforcing its reputation of trust and the power of its brand in the Asset Management Business. Further contributing to its growth is the establishment of various alliances with leading partners inside and outside of Japan. The result is steady progress in terms of the increase in assets, and the diversity and the volume of our investments.

Redemption of the IT Fund

The flagship SOFTBANK INTERNET TECHNOLOGY FUND (IT Fund) was redeemed in June 2007. Owing to this redemption, we expect to receive ¥4.5 billion in success fees and additional distributions of ¥18.1 billion for the final fiscal period ending in June 2008. We estimate that this fund will generate total distributions of ¥99.8 billion for the SBI Group.

*These success fees and distributions will be paid during the year ending in June 2008 based on trends in the stock markets. Some of these fees and distributions may be included in the financial statements for the fiscal year ending in March 2009.

There were 10 IPOs by fund portfolio companies during the fiscal year that ended in March 2007. Six of these IPOs were by companies where the SBI Group had a relatively high equity interest of more than 10%. Twenty-two fund portfolio companies are planning an IPO during the March 2008 fiscal year. By the end of June 2007, five of these companies had already completed their public offerings.

Increasing Buyout Investments Targeting Midsize Companies

At SBI CAPITAL, three corporate revitalization funds were redeemed during the March 2007 fiscal year, with each recording significant net IRR of about 20%. In September 2006, the SBI Value Up Fund No. 1 was established with assets of ¥23.1 billion, and thus far, the fund has made investments in two companies. The first was the purchase of a 29% equity stake in FOODX GLOBE Co., Ltd., operator of the nationwide chain of Tully's Coffee shops. In June 2007, the fund sold the entire investment, generating a capital gain of 67%. This will provide a contribution of about ¥1.7 billion to consolidated operating income for the March 2008 fiscal year. For its second investment, the fund purchased 57% of the shares of CEM Corporation, a growing company that extends real estate-secured loans to individuals and corporate entities. The fund announced a third investment in July 2007. This time, the fund will purchase up to 66.65% of the shares of Narumiya International Co., Ltd., a manufacturer and retailer of children's apparel and other products for children that boasts many of its own powerful brand names. Owing to the solid performance of this fund thus far, we are planning

on starting a second value up fund in the near future.

In May 2007, we established an equity and business alliance with a subsidiary company of the Goldman Sachs Group. Under this alliance, Goldman Sachs purchased 40% of SBI CAPITAL's stock, effectively transforming this company into a joint venture. SBI CAPITAL is now concentrating mainly on the establishment and management of buy-out funds that will acquire quality midsize companies with promising growth prospects.

The alliance combines the SBI Group's broad client base and investment skills with the considerable expertise and financial resources of Goldman Sachs, a leading global investment banking group, in the field of principal investments. This creates a powerful platform for supplying advanced financial solutions for regional companies and other middle-market companies in Japan. SBI CAPITAL will establish and manage buy-out funds that will provide such solutions, and within three years the goal is to raise assets in these funds, including external investments, to ¥100 billion.

Current Scale of Funds Managed by the SBI Group

The SBI Group has established a number of funds that target the core fields of information technology, biotechnology and enterprise revitalization, and we have steadily expanded investments in real estate. Growth in alliances with leading overseas partners has also contributed to the increase in assets in our funds. Owing to these activities, assets in funds managed by the SBI Group totaled ¥689 billion as of June 30, 2007.

COLUMN

Accelerating the Growth of Overseas Activities

To create an investment base for overseas expansion of the Asset Management Business, we established a subsidiary in Singapore in May 2007 that will make investments in this region of the world. Going forward, this subsidiary will solicit investments from overseas investors for its funds, and investments will primarily target promising privately-held companies in China, India, Vietnam, Thailand and other Asian countries, including Japan.

To capitalize on investment opportunities created by China's strong economic growth, we established the New Horizon Fund in May 2005 with a wholly owned subsidiary of TEMASEK Holdings (Private) Limited, the investment arm of the government of Singapore. We then opened an office in Beijing in September 2005 so that we could directly pursue promising Chinese companies. In August 2006, we reached an agreement to collaborate with The State Bank of India, India's largest commercial bank. With SBI Capital Markets Ltd., a wholly owned subsidiary of the bank, we established a fund that will invest US\$100 million in promising emerging companies in India. Further raising our presence in Asia, we established an alliance in June 2007 with The Corporation for Financing and Promoting Technology (FPT), Vietnam's largest information technology group. With FPT, we plan to launch a new fund, where investments will primarily target companies involved in Vietnam's rapidly expanding science and information technology fields.

These alliances provide us with a solid presence in China, India and Vietnam. By increasing and deepening relationships with overseas partners, the SBI Group will be well positioned to continue building its asset management platform on a truly global scale.

SBI Group Assets Under Management

Backed by solid growth in investment trust operations, assets under management at the Asset Management Business and other segments of the SBI Group amounted to ¥689.0 billion on June 30, 2007.

Private Equity Total : ¥280.4 billion

[IT / Biotechnology]	Total 130.5
Internet	10.2
Broadband Media	67.7
Mobile	30.0
Biotechnology, others *1	22.5

[Direct Investment] 52.1

Environment/energy *2 15.0

[Buyout / Mezzanine]	Total 33.6
Value Up	22.2
Mezzanine	11.3

[Overseas]	Total 49.2
China, Hong Kong *3	37.2
India	12.0

Investment Trust Total: ¥366.3 billion

[Investment trusts, others]	
Investment trust *4	82.6
Investment advisory	280.0
Investment companies	3.7

Real Estate Total: ¥42.3 billion

[Real estate, others]	
Development	15.6
Completed properties	26.7

Figures for real estate investments and investment trusts and others are net assets at market value as of June 30, 2007. Figures for other funds are net assets at market value based on the most recent financial report for each fund as of June 30, 2007.

*1 Includes ¥4.5 billion (tentative) for biotechnology fund now being established.

*2 New fund in environment/energy sector that is to be established.

*3 Includes ¥3.6 billion (tentative) for Tsinghua Holdings fund now being established.

*4 Includes ¥20.0 billion for India and Vietnam Fund that began operations on July 25.

Fund Performance by Category

Major Venture Capital Fund Redemptions Since 2000 (SBI Investment)

Fund	IRR	IRR
Softven No. 2	20.4	
SOFTBANK Ventures	20.5	
SBI LBO Fund No. 1	18.3	
Enterprise Restructuring Fund No. 1	25.7	
VR Enterprise Restructuring Fund	27.7	
Average	22.5	

Innovative Investment Trusts that Invest in Private Equity (SBI Asset Management)

reference	Net asset value
Private Equity Fund No. 1	21,742yen
Average annual return	14.7%
Private Equity Fund No. 2	19,660yen
Average annual return	16.7%

Selected best fund in this category in the Lipper Fund Awards Japan 2006

SBI Asset Management has received contributions of ¥21 billion to establish Private Equity Fund No. 3

Mezzanine Funds (SBI Capital Solutions)

Performance
20.4% IRR
(based on avg. investments outstanding for May 2007)

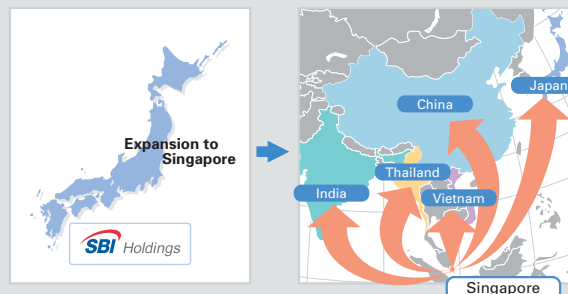
Alternative Investments Arrangement and Management Nikkei Average Futures and Options (SBI Arsnova Research)

Performance
24.88% avg. annual return
(17.84% after commissions as of May 31, 2007)

*Average IRR is the simple average for the IRR of each fund.

Started Operations at Singapore Investment Base in May

Plan to establish a fund with assets of ¥30 billion to ¥50 billion during FY07



To establish an investment business that collects funds in Singapore and makes investments in regions of Asia with fast-growing economies

[Profile of SBI VEN CAPITAL PTE. LTD.]

Established : February 22, 2007

Employees : 6 at first, to be increased to about 20

Address : 2 Shenton Way, #04-03 SGX Centre 1, Singapore 068804

Ownership : Wholly owned by SBI Holdings

Capital : US\$900,001