

Consolidated Statements of Income

SBI Holdings, Inc. and Consolidated Subsidiaries
Years Ended 31st March, 2006 and 2007

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	Year Ended 31st March		Year Ended 31st March,
	2006	2007	2007
OPERATING REVENUES (Notes 21 and 30)	¥ 137,247	¥ 144,581	\$ 1,224,332
OPERATING COSTS (Note 22)	37,596	68,745	582,147
Gross profit	99,651	75,836	642,185
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES (Note 23)	50,056	52,741	446,610
Operating income	49,595	23,095	195,575
OTHER INCOME (EXPENSES):			
Interest and dividends income	277	644	5,455
Interest expense	(563)	(1,278)	(10,822)
Foreign exchange gain—net	826	14	114
Gain (loss) on sale of investment securities—net	4,027	(23,575)	(199,635)
Dilution gain from changes in equity interest (Note 25)	25,367	650	5,498
Amortisation of negative goodwill—net	1,443	69,094	585,097
Provision for statutory reserves	(2,420)	(1,599)	(13,540)
Impairment loss (Note 10)	(273)	(53)	(445)
Other—net	(1,367)	(4,950)	(41,919)
Other income—net	27,317	38,947	329,803
INCOME BEFORE INCOME TAXES AND MINORITY INTERESTS	76,912	62,042	525,378
INCOME TAXES (Note 24):			
Current	22,990	38,855	329,031
Reversal of the prior year's income taxes	1,280	(583)	(4,940)
Deferred	(6,189)	(23,447)	(198,551)
Total income taxes	18,081	14,825	125,540
MINORITY INTERESTS IN NET INCOME	(12,947)	(776)	(6,566)
NET INCOME	¥ 45,884	¥ 46,441	\$ 393,272
PER SHARE OF COMMON STOCK (Notes 2.aa and 29):			
	Yen		U.S. Dollars
Basic net income	¥ 4,957.08	¥ 4,040.51	\$ 34.22
Diluted net income	4,627.04	3,845.82	32.57
Cash dividends applicable to the year	600	1,200	10.16

See notes to consolidated financial statements.