

The SBI Group At a Glance

Fiscal Year ("FY") ends March 31 of the following year

As of March 2007, the SBI Group consisted of SBI Holdings, 48 consolidated subsidiaries (including 12 partnerships) and 13 equity-method affiliates.

In FY2006, the SBI Group had three core businesses, all in fields involving finance. The Asset Management Business primarily involves the management of funds—both private and listed equities, the Brokerage and Investment Banking

Business Segments

Ratio of Operating Revenues to
Total Consolidated Operating Revenues
(Share of consolidated revenues in FY2005 and 2006, %)

Operating Revenues by Segments

(Share of consolidated revenues in FY2005 and 2006,
(unit: billion yen)

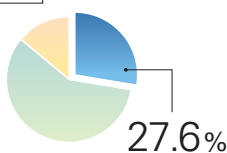
Operating Results

(unit: billion yen)

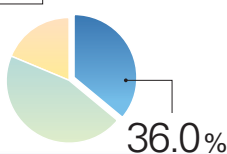
Highlights of FY2006

Asset Management Business

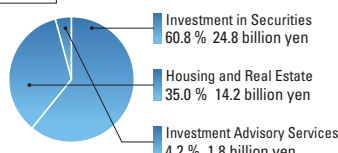
FY2005



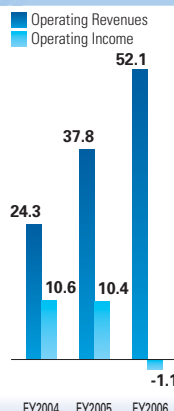
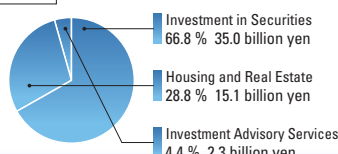
FY2006



FY2005



FY2006



Japan's leading venture capital firm based on

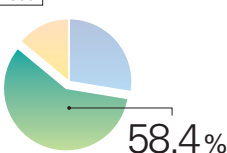
● Earned substantial success fees and capital gains due to the redemption of the SOFTBANK INTERNET TECHNOLOGY FUND. Operating income was recorded at ¥29.1 billion, but after inclusion of

Greater diversity and scale in asset management

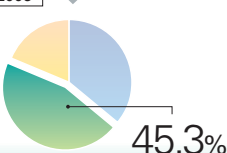
● SBI Capital redeemed three corporate revitalization funds with final Internal Rate of Returns (IRR) of approximately 20%. Given its favorable track record, SBI Capital established a ¥23.1 billion "Value-Up" turn-around fund that has already made investments in two companies.

Brokerage and Investment Banking Business

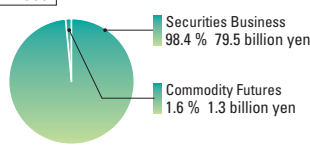
FY2005



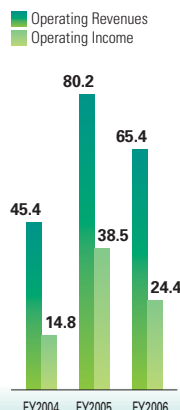
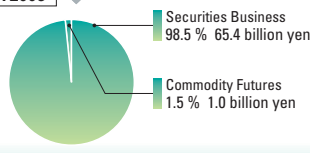
FY2006



FY2005



FY2006

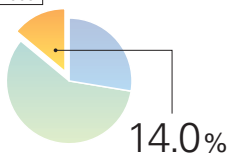


Online market leader SBI E*TRADE SECURITIES

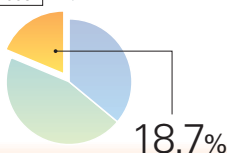
● SBI E*TRADE SECURITIES ranks first among Japan's securities companies specializing in online services in terms of the number of accounts, brokerage trading value and customer assets. Consolidated operating revenues for the year decreased 4.7% to ¥57.4 billion and ordinary income was down 18.3% to ¥24.5 billion, but performance is recovering, as quarter-to-quarter increases in revenues and earnings in the fiscal year's third and fourth quarters have shown.

Financial Services Business

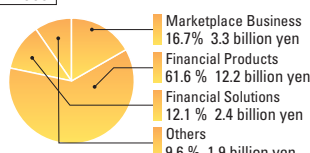
FY2005



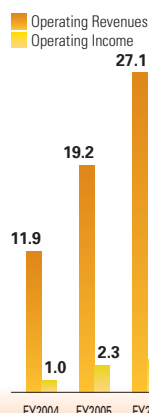
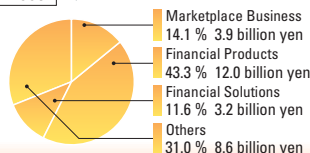
FY2006



FY2005



FY2006



Publicly owned subsidiaries continued to grow

● Morningstar Japan, whose primary business is providing mutual fund ratings, posted year-on-year growth of more than 90% in consolidated revenues and

Companies offering highly distinctive financial

● The SBI Group operates Japan's largest financial comparison website business, primarily through E-LOAN and InsWeb where strong growth in transactions by mobile phone users was experienced. Overall, the number of transactions was up 30% to 800,000, supporting steady growth in revenues and earnings.

● SBI Equal Credit is targeting opportunities created by the maximum lending rate issue. Through

Business primarily represents the securities business, and the Financial Services Business offers a variety of innovative services in other financial market sectors. In FY2007, the Housing and Real Estate Business became the SBI Group's fourth core business. In addition, the group continues to develop the Lifestyle Networks Business into a fifth core business, creating a platform that combines financial and non-financial activities together to support group-wide synergies.

reputation and results

capital gains, income before income taxes was ¥66.7 billion (using the previous accounting standard, in which funds are not consolidated).

- Outperformed other major competitor venture capital firms in Japan.

- The SBI Group's equity interest was greater than 10% in 6 of 10 portfolio companies which

conducted initial public offerings (IPOs) . For FY2007, 22 portfolio companies are currently expecting to undergo IPOs.

activities

- The SBI Group's assets under management increased to ¥630.3 billion (March 31, 2007, including some planned investments). The breakdown is as follows: IT, Life Sciences, Buyouts/Mezzanine, overseas and direct investments including private equity of ¥295.3

billion, in the investment trust and investment advisory sector of ¥287.7 billion, and real estate of ¥47.3 billion.

- The balance of housing loans originated by SBI Mortgage, which was transferred to the Housing and Real Estate Business in the fourth quarter of

FY2006, increased 42% to ¥292.8 billion as of March 31, 2007. SBI Mortgage utilized its expertise in securitization to develop the novel Real Estate Investment Loan product, which has produced steady growth in loans outstanding since its introduction.

continues to grow and firmly establish a leading position in the securities industry

- The number of customer accounts totaled 1,405,897 at the end of March 2007, with 238,119 accounts added during the year.

- SBI E*TRADE SECURITIES raised its share of individual brokerage trading value from 23.1% in FY2005 to 29.4% in FY2006. In March 2007, the company's share rose to a record-high 36.3%.

- Owing to its overwhelming lead in brokerage trading value, SBI E*TRADE SECURITIES participated in the underwriting of 121 IPOs during FY2006, including three as lead underwriter.

- Net financial income increased 43.5% to ¥13.3 billion. Additionally, fourth quarter commissions from futures and options transactions were seen at a record-high ¥418 million, as SBI E*TRADE SECURITIES continued to diversify its profit sources.

- Subsidiary E*TRADE Korea was listed its shares on the KOSDAQ on February 21, 2007.

- Announced merger of SBI E*TRADE SECURITIES and SBI Securities to streamline the SBI Group's online and bricks-and-mortar securities operations.

by accurately targeting market trends

operating income in the first quarter of FY2007, reflecting the growth in asset management needs among individual investors.

- Gomez Consulting achieved year-on-year growth of 30% in revenues and operating income in the first quarter of FY2007, setting new records for quarterly revenues and earnings.

- SBI VeriTrans continues to grow in proportion to the overall increases in volume of e-commerce, credit card and electronic transactions in Japan. Non-consolidated revenues and earnings were recorded at all-time highs.

services continue to post steady growth

loan purchases and other actions, this company significantly increased the balance of loans and the number of active customers. Owing to this growth, SBI Equal Credit became profitable on a single-year basis only two and a half years after commencement of operations.

- SBI Card continues to increase the number of credit cards issued by utilizing its expertise in offering cards with benefits and functions that are among the most

competitive in the industry. Only six months after commencement of operations, this company had already issued more than 9,000 cards (March 31, 2007).

- At SBI Technology, there was an increase to more than 570,000 users of "MoneyLook," an account integration software product that permits centralized management of accounts across various financial institutions.

*SBI Mortgage was transferred from the Financial Services Business to the Housing and Real Estate Business in the fourth quarter of FY2006.

- The Lifestyle Networks business continues to achieve consistent growth. Both the comparison and search website business and the brokerage and E-commerce business became profitable in FY2006.