



Yoshitaka Kitao
Representative Director, President & CEO

Profile

- 1951: Born in Hyogo Prefecture
- 1974: Graduated from Keio University with Degree in Economics
Joined Nomura Securities Co., Ltd.
- 1978: Received Economics Degree from Cambridge University (England)
- 1989: Named Managing Director of Wasserstein Perella & Co. International, Limited (London)
- 1991: Named Director of Nomura Wasserstein Perella Co., Ltd.
(concurrent with Wasserstein Perella International position)
- 1992: Named General Manager of Corporate Finance & Services Dept. III, Nomura Securities
Co., Ltd.
- 1995: Joined SOFTBANK CORP. at invitation of founder Masayoshi Son (named Executive Vice
President and Chief Financial Officer)
- 2005: Representative Director, President & CEO of SBI Holdings, Inc.

With the establishment of a globally unique “Internet-based Financial Conglomerate,” the SBI Group is accelerating its efforts to build a global business presence. The Group seeks to evolve to become the “World’s SBI,” as it transitions to a new organizational structure starting in fiscal year 2012.

Overview of Fiscal Year 2011

During the fiscal year ended March 31, 2012 (fiscal year 2011), the business environment remained challenging due to the effects of the Great East Japan Earthquake, the European debt crisis, and the economic slowdown in emerging countries. The domestic stock market, which significantly affects the core businesses of SBI Holdings, Inc. (“SBIH”), experienced a general downturn after being hit by a slump in economic activity in the wake of the earthquake disaster. Overseas, the effects of the global economic slowdown triggered by the deepening European debt crisis have spread to emerging countries, weighing on their once strong growth. Nevertheless, positive signs are beginning to appear, as the number of IPOs on the domestic stock market is gradually picking up while overseas a mild recovery continues in the U.S. economy.

Despite this environment, SBIH achieved an increase in revenues for the second consecutive year, with consolidated net sales up 2.8% year-on-year. Income, however, was dampened by a reversal of net deferred tax assets and liabilities that accompanied a revision of the tax system, resulting in net income for the year of ¥3,200 million, a year-on-year decline of 29.4%. However, if the revision’s effect were to be excluded, net income for the year would have increased 19.9% year-on-year to approximately ¥5,400 million.

Regarding dividends, SBIH’s basic policy is to target a payout ratio of 20% to 50% of its consolidated net income, on a single annual year-end dividend payout basis. However, owing to the aforementioned impact of the tax revision on consolidated net income for fiscal year 2011, and taking that amount into consideration, we set a dividend for the fiscal year of ¥100 per share based on presumed net income per share of ¥247.2, up 4.7% from the previous year.

Becoming the “World’s SBI”

Since its establishment in 1999, the SBI Group has adhered to its “Customer-centric Principle,” which involves fully utilizing the Internet and continuing to deliver highly competitive financial services and products. Low commission rates on brokerage transactions and deposit products with high interest rates are two such examples. We believe that these factors played a key role in the high marks awarded in various customer-satisfaction surveys conducted by independent third-party evaluating institutions given to our Group companies, SBI SECURITIES, SBI Sumishin Net Bank, and SBI Insurance. The same qualities are believed to be responsible for the expansion of the SBI Group’s customer base to over 13 million, as of the end of fiscal year 2011.

Currently, the SBI Group is pursuing further growth in the domestic financial services business, by positioning securities, banking, and insurance as the three core businesses in the financial services business. We are seeking even greater synergy among the core businesses, as well as between each core business and its respective supporting businesses.

Furthermore, in March 2012, we entered a new phase of the “Brilliant Cut Initiative,” which was initiated in July 2010 to strengthen the profitability of the SBI Group. In addition to the profitability of the companies in each business area, we will examine the strengths of the synergies between each company and the three core businesses of the financial services business, thereby thoroughly implementing “selection and concentration.”

In accordance with the commitment made on the occasion of SBIH’s listing on the Hong Kong Stock Exchange in April 2011, International Financial Reporting Standards (IFRS) are being adopted from the fiscal year ending March 31, 2013. Along with this change, the opportunity was taken to reorganize the Group’s organizational structure, identifying the “Asset Management Business,” “Financial Services Business,” and “Biotechnology-related Business” as the three core business segments. In conjunction with this move, intermediate holding companies for the Asset Management Business and the Financial Services Business were respectively established.

The SBI Group continues to aggressively pursue its overseas business expansion by building a global investment structure through partnerships with prominent local institutions, primarily in emerging countries. At the same time, we are increasing investments into overseas financial institutions with a focus on the Asian region. Furthermore, the Group is strengthening its overseas organizational structure by positioning the Hong Kong subsidiary as a strategic base abroad.

As the SBI Group transitions itself from “Japan’s SBI” to the “World’s SBI,” we will pursue further growth as a global company. For our valued customers and investors, we will continue to adhere to our “Customer-centric Principle” as we strive to introduce more innovative services and businesses, in pursuit of the maximization of corporate value, which is the sum total of customer value, shareholder value and human capital value.

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