

# At a Glance

Overview of the SBI Group's Business Operations (FY2014)

## Description of Business

Financial Services Business

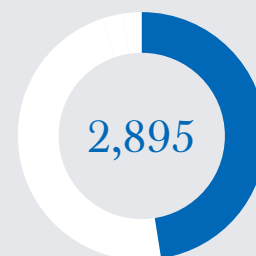


### Financial Services Business

Provision of innovative, highly convenient financial products and services via the Internet

- Securities-related businesses
- Banking-related business
- Insurance-related business
- Operation of SBI MONEY PLAZA shops
- Financial media business

Number of employees \*1



Asset Management Business

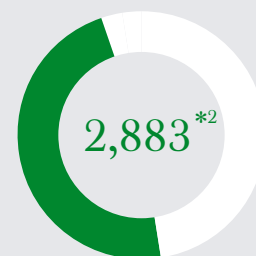


### Asset Management Business

Investment in venture companies in Japan and abroad in fields including IT, biotechnology, environment and energy, and finance

- Venture capital business
- Overseas investment business
- Overseas financial services business

Number of employees \*1



Biotechnology-related Business

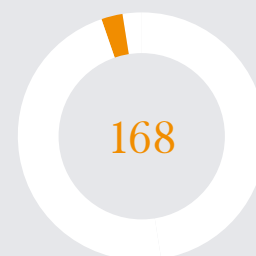


### Biotechnology-related Business

Research and development, manufacture and sale of pharmaceuticals, health foods and cosmetics in collaboration with business partners

- Research and development of medical treatments, and pharmaceutical products that utilize leading-edge biotechnologies
- Research and development of pharmaceuticals, health foods and cosmetics containing 5-ALA

Number of employees \*1

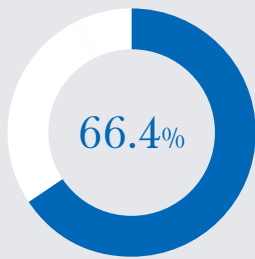


\*1 Excluding 148 people, such as shared group employees

\*2 Including 2,287 employees of companies acquired for investment development purposes, and deemed to be consolidated subsidiaries as controlled entities

## Performance Summary

Operating revenue breakdown  
by business segment



### Operating revenue

¥ **162.6** billion

YoY **14.8** billion ↗

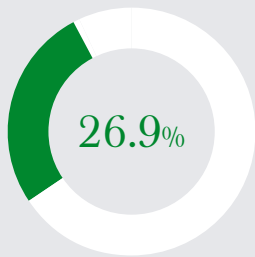
### Profit before income tax expense

¥ **67.3** billion

YoY **30.0** billion ↗

➤ Measures implemented by individual financial services companies to strengthen their earnings capacity resulted in record highs in profits for SBI SECURITIES, SBI Japanext, SBI Liquidity Market, SBI FXTRADE, SBI MONEY PLAZA, Morningstar Japan, and SBI Sumishin Net Bank. In addition, SBI Insurance and SBI Card substantially reduced their losses. As a result, the Company achieved significant growth in both revenues and profits, with operating revenue increasing by 10.0% year-on-year to ¥162,645 million, and profit before income tax expense increasing by 80.5% to ¥67,309 million.

Operating revenue breakdown  
by business segment



### Operating revenue

¥ **65.8** billion

YoY **6.9** billion ↘

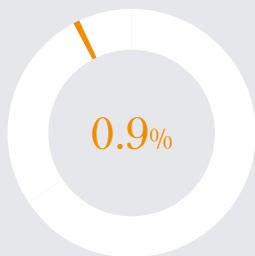
### Profit before income tax expense

¥ **8.1** billion

YoY **0.9** billion ↘

➤ Primarily owing to the decline in the price of listed stocks in the Group portfolios, as well as the write down of the U.S. shale gas-related stocks due to the decline in crude oil prices, a ¥4.3 billion loss was recorded from changes in the fair values of securities. However, SBI Savings Bank of South Korea underpinned the segment performance, by recording profit before income tax expense of ¥16.7 billion (based on IFRSs). As a result, operating revenue was 9.5% lower year-on-year at ¥65,843 million, while profit before income tax expense also declined by 9.5% to ¥8,132 million.

Operating revenue breakdown  
by business segment



### Operating revenue

¥ **2.2** billion

YoY **0** billion ↘

### Profit before income tax expense

¥ **(7.3)** billion

YoY **4.9** billion ↘

➤ Quark Pharmaceuticals, Inc., a U.S. subsidiary of SBI Biotech, was affected by a one-time loss of approximately ¥3.8 billion, resulting from the revaluation of pipeline assets due to an error by the contract research organization (CRO), as well as a special factor relating to the transfer of pharmaceutical development seeds in FY2013. As a result, operating revenue declined by 0.6% to ¥2,182 million, and ¥7,310 million of loss before income tax expense was recorded, compared with a loss of ¥2,432 million in the previous fiscal year.

\*3 Other than the above, there are other businesses including rent guarantee services for rental housing, and membership-based health services.