



# ABOUT US

The SBI Group is an Internet financial services pioneer founded in Japan, in 1999. By 2016, it established the world's first Internet-based financial ecosystem to undertake a broad range of financial services, including securities, banking and insurance. The Financial Services Business, the Asset Management Business and the Biotechnology-related Business are the three core businesses of the SBI Group. The Asset Management Business primarily involves the overseas financial services businesses, and the investment in and incubation of startup companies. The globally expanding Biotechnology-related Business is focused on the R&D, manufacturing and distribution of pharmaceuticals, health foods and cosmetics. We are moving into a new dimension by organically blending these businesses with the rapidly expanding digital asset-related business, and creating synergies that cannot be achieved by companies with a single-minded approach.

## Editing Guidelines

This Annual Report is one of our communication tools with our shareholders and investors. It is published with the goal of fostering a comprehensive understanding of the corporate value created by the SBI Group. We will thus introduce you to the initiatives of the SBI Group, and explain them from both a financial and non-financial point of view.

## Forward-looking Statements

This annual report includes statements concerning the current plans, strategies and projections of the future performance of SBI Holdings, Inc. ("SBI Holdings"), and its subsidiaries and affiliates. These statements have been prepared based on information available at the time of publication in compliance with SBI Holdings' management policies, and on certain assumptions deemed reasonable by SBI Holdings. Hence, actual results may differ, in some cases significantly, from these forward-looking statements contained herein due to changes in various factors, including but not limited to economic conditions in principal markets, service demand trends and currency exchange rate fluctuations. Further, statements contained herein should not be construed to encompass tax, legal, or financial advice, and should not be considered to be solicitations to invest in SBI Holdings.

## Annual Report 2018

### Contents

### The SBI Group's Management Strategy

- 08 CEO Message
- 16 Feature 1: CFO Message
- 18 Feature 2: A Dialogue (Blockchain will Pave the Way to the Future)
- 20 Feature 3: The Future Path Paved by Human Resources

### Review of Operations by Business Segment

- 22 At a Glance
- 24 SBI Group's KPI
- 26 Financial Services Business
- 28 Asset Management Business
- 30 Biotechnology-related Business

### ESG Information

- 32 Board of Directors and Statutory Auditors
- 34 Corporate Governance
- 39 Human Resource Management
- 40 Relationship with Society

### Financial & Corporate Information

- 42 Consolidated Financial Highlights 6-year Summary
- 44 Fact Sheet
- 50 Management Discussion and Analysis
- 51 Risk Factors
- 56 Consolidated Financial Statements of the Group
- 98 The SBI Group (Principal Group Companies)
- 100 Corporate Data
- 101 Corporate History
- 102 Books by Yoshitaka Kitao, Representative Director, President & CEO