

SBI Asset Management Launches India & Vietnam Mutual Fund with State Bank of India Mutual Fund

Tokyo, Thursday, June 14, 2007: SBI Asset Management (SBIAM), a part of SBI Holdings (TOKYO: 8473), has established an investment trust called SBI India & Vietnam Stock Fund through an alliance with SBI Funds Management Pvt. Ltd., a subsidiary of State Bank of India, the largest commercial bank in India. SBIAM will act as fund manager and SBI Funds Management will be responsible for managing part of the assets to be invested in listed companies across India.

A division of SBI Holdings, Inc. and The State Bank of India had earlier reached an agreement on August 9, 2006 to establish a \$100 million venture capital fund targeting promising private companies in India. The SBI India & Vietnam Stock Fund will be the second joint venture established under this alliance with State Bank of India group.

Assets of the SBI India & Vietnam Stock Fund will be invested primarily in stock issued by publicly owned companies in India and Vietnam. SBI Funds Management will be entrusted with management of part of the assets allocated to Indian equities. Assets may also be managed by Lloyd George Management Group, which is based London but also has a presence in India, and by SBIAM. In Vietnam, SBIAM will manage the fund's investments, which will include direct holdings of stocks as well as investments in bonds that are linked to stock prices and in other instruments.

The SBI India & Vietnam Stock Fund will be sold primarily by SBI Group members, SBI E*TRADE SECURITIES Co., Ltd. and SBI Securities Co., Ltd. The initial subscription period is June 15 through July 24, 2007, with investment activity to begin on July 25. (SBI E*TRADE SECURITIES will begin selling this fund on June 29).

SBIAM has used its resources in Japan and other countries to establish a number of equity and fixed-income funds that target a broad range of investor needs. SBIAM's SBI Global Selection Fund - Softbank Bond & Private Equity Fund was selected first in its category in the Lipper Fund Awards Japan 2006, which are awarded by Lipper Japan, a subsidiary of Reuters Japan Limited. The SBI India & Vietnam Stock Fund is SBIAM's first investment trust that will invest in countries with emerging economies.

SBI Holdings plans to further expand collaboration with overseas partners in the field of asset management in India, Vietnam, China and other markets set for



rapid economic growth. This collaboration, which might include equity investments in these partners, will further expand the global operations of the SBI Group.

Profile of State Bank of India

State Bank of India is India's largest commercial bank in terms of assets, earnings, number of branches and number of employees. Dating back to the 1806 establishment of Bank of Calcutta, State Bank of India also has the longest history of any bank in India. More than 80% of India's large corporations and more than half of its middle-market companies have relationships with this bank. In addition, with more than 9,000 branches, State Bank of India has a powerful retail banking business with a customer base that is much larger than at any competitor. International operations further back up State Bank of India's leadership among commercial banks. State Bank of India has offices in 34 foreign countries and accounts for 35% of India's foreign exchange transactions.

SBI Funds Management Pvt. Ltd. (India) is the asset management arm of the State Bank of India Group and manages a broad and top-rated family of funds.

About SBI Holdings, Inc.

SBI Holdings (TOKYO: 8473) is a Tokyo Stock Exchange financial services group. Today, SBIH's operations span three main business areas: (1) Asset Management including Venture Capital; (2) Brokerage and Investment Banking; and (3) Internet-Enabled Financial Services. In addition to managing a family of venture capital funds, many of the firm's 70 companies have taken leadership positions in various consumer-oriented online financial services such as equities and commodities brokering, home equity loans, and insurance comparison. Internationally, the firm has recently formed international joint partnerships with groups controlled by Singapore's Temasek Holdings and State Bank of India. SBI also plans to launch Japan's first full-service Internet bank sometime this year, in concert with Sumitomo Trust & Banking, as well as a new life insurance business with AXA Japan and a non-life insurance company with Aioi Insurance Co. SBI's corporate website: www.sbigroup.co.jp

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