

March 25, 2011
SBI Holdings, Inc.
(TOKYO : 8473)

Notice of Offering of Hong Kong Depositary Receipts in Connection with Listing on the
Hong Kong Stock Exchange

As stated in the press release “Announcement Concerning the Listing Process of our HDRs” dated 23 March 2011, SBI Holdings, Inc. (the “Company”) is in the process of preparing to list on the main board of the Hong Kong Stock Exchange depositary receipts representing the Company’s common shares (the “HDRs”).

The Company hereby announces that today at a meeting of the board of directors, the board authorized the offering of HDRs in Hong Kong and other overseas markets (excluding the United States and Canada; the “HDR offering”), the issuance and offering (the “underlying share offering”) of common shares to be represented by the HDRs excluding common shares for the over-allotment (the “underlying original shares”), and the issuance and offering of common shares up to the number of shares (the “underlying shares”) represented by the over-allotment portion of the HDR offering (the “third-party allotment”).

Details

1. Background to the HDR Offering

The Company aims to be a comprehensive financial group with a core strength in internet-based financial services. The establishment of its business in Japan is very nearly complete, and in overseas markets, particularly high growth countries in Asia, the Company is moving rapidly to expand its investment business and develop that business’s operating infrastructure.

Going forward, along with strengthening and developing its investment business overseas, by providing its advanced expertise in internet-based financial services already developed in Japan to overseas financial institutions from which it has received investment, the company aims to become a comprehensive financial group contributing globally but centered on Asia.

The Company sees its listing on the Hong Kong Stock Exchange as the first listed company in Japan as a major step toward the realization of these objectives.

2. The HDR Offering and Underlying Share Offering

- | | | |
|-----|---|--|
| (1) | Class and number of shares
(Number of HDRs) | 1,750,000 common shares
(17,500,000 HDRs. Investors will receive HDRs in place of the underlying original shares. 1 HDR represents 1/10 th of a common share. Furthermore, accompanied by the HDR offering, depending on the level of demand for the offering, the Company may offer an over-allotment of up to 2,500,000 additional HDRs representing shares borrowed (the “borrowed shares”) by Daiwa Capital Markets Hong Kong Limited from the Company’s shareholder through Daiwa Securities Capital Markets Co. Ltd. In connection with this over-allotment, the Company may issue to Daiwa Capital Markets Hong Kong Limited up to 250,000 common shares through a third-party allotment. (See “Other Information” 1 below) |
| (2) | Determination of the Amount of Payment | The price to be paid in for the underlying original shares is to be 10 times the price to be paid in for HDRs. The price to be paid in for the HDRs will be determined in Hong Kong dollars by a book building process in Hong Kong conducted in a manner equivalent to that specified by regulation 25 of the Japan Securities Dealers Association’s regulations concerning the underwriting of securities on Wednesday April 6, Thursday April 7 or Friday April 8 (the “pricing date”), 2011 together with the issue price of HDRs. |
| (3) | Amount of Increase in Share Capital and Capital Surplus | The increase in share capital resulting from the issuance of the underlying original shares will |

- Reserve
- be 1/2 the maximum allowable increase calculated according to article 14, paragraph 1 of the Company Accounting Rules, with fractions of a yen rounded up to the nearest yen. Furthermore, the increase in capital surplus reserve will be the difference between the maximum allowable increase in stated capital and the increase in stated capital.
- (4) Method of Offering
- The underlying original shares will be issued to Daiwa Capital Markets Hong Kong Limited through a third-party allotment of 1,750,000 shares. Daiwa Capital Markets Hong Kong Limited will then delivery these shares immediately to JPMorgan Chase Bank, N.A. (the "Depository Bank")'s account which is the depository bank for the HDR offering. The shares will be held by the depository bank as the underlying assets of the HDR offering. The issue price (offering price) of the underlying original shares is to be the same as the price to be paid for the shares, which is 10 times the price to be paid in for HDRs..
- The HDRs will be issued by the depository bank which deposits the underlying original shares and borrowed shares, and will be purchased by Daiwa Capital Markets Hong Kong Limited at the price to be paid in for HDRs and sold at the issue price in Hong Kong and other overseas markets (excluding the United States and Canada) according to the Hong Kong Underwriting Agreement and International Placing Agreement to be signed by Daiwa Capital Markets Hong Kong Limited, CCB International Capital Limited, Haitong International Securities Company Limited and Kingston Securities Limited. The issue price

(offering price) for the HDRs will be determined by a book building process in the Hong Kong market conducted in a manner equivalent to that specified by regulation 25 of the Japan Securities Dealers Association's regulations concerning the underwriting of securities. The final issue price in Hong Kong dollars will take into consideration demand and market conditions, and will be based on a multiple from 0.90 to 1.00 of the closing price of the Company's stock on the first section of the Tokyo Stock Exchange on the pricing date (or in the absence of a closing price on that date, the most recent closing price prior to the pricing date) multiplied by 0.1 (fractions of a yen to be truncated) and converted to Hong Kong dollars at the exchange rate (average of the selling rate and buying TT rate) published by the Hong Kong Association of Banks at the start of trading on the pricing date. If the issue price determined by the book building process exceeds the maximum issue price, which is to be determined by Monday, 28 March, 2011, this offering of HDRs, underlying share offering, and third-party allotment will be canceled.

- | | |
|-------------------------------------|--|
| (5) Compensation to the Underwriter | The company will not pay underwriting fees but the net proceeds received by the Company will be the amount after deduction of underwriting fees. |
| (6) Payment Date | Tuesday, April 12, 2011
(The date on which Daiwa Capital Markets Hong Kong Limited will pay the Company.) |
| (7) Unit of HDR Application | 5 shares (50 HDRs)
(The Hong Kong Stock Exchange has specified that listed trading unit should be |

worth at least HKD 2000 and the unit of application will be 50 HDRs so the number of HDRs stated in abovementioned (1) could be divided without a fraction.)

- (8) Decisions regarding the amount to be paid, the amount of increase of share capital and capital surplus reserve, issue amount (offering amount), and other items necessary to the HDR offering and underlying share offering rest with the Company's representative director.

3. Third-Party Allotment (see also "Other Information" 1. below)

- | | | |
|------|---|--|
| (1) | Class and Number of Shares | 250,000 common shares |
| (2) | Determination of Allotment Amount | to be determined on the pricing date in the same manner as the underlying original shares. |
| (3) | Amount of Increase in Share Capital and Capital Surplus Reserve | The increase in share capital will be 1/2 the maximum allowable increase calculated according to article 14, paragraph 1 of the Company Accounting Rules, with fractions of a yen rounded up to the nearest yen. Furthermore, the increase in capital surplus reserve will be the difference between the maximum allowable increase and the increase in share capital. |
| (4) | Allotted to | Daiwa Capital Markets Hong Kong Limited |
| (5) | Subscription Deadline | Friday, May 6, 2011 |
| (6) | Payment Date Deadline | Monday, May 9, 2011 |
| (7) | Unit of Application | 1 share |
| (8) | Shares not applied for by the deadline specified in (5) above will not be issued. | |
| (9) | Decisions regarding the allotment amount, the amount of increase of share capital and capital surplus reserve, and other items essential to this third-party allotment rest with the Company's representative director. | |
| (10) | If the HDR offering and underlying share offering are canceled, this third-party allotment will also be canceled. | |

Inquiries regarding this press release should be directed to:



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Other Information

1. HDR Offering by Over-Allotment

Depending on the demand for the HDR offering, the Company may offer an over-allotment of up to 2,500,000 HDRs representing shares borrowed from shareholder by Daiwa Capital Markets Hong Kong Limited. While an upper limit to the over-allotment has been specified, depending on demand and other factors, the size of the over-allotment may be reduced or the over-allotment cancelled all together.

In connection with this over-allotment option, the Company's board of directors at a meeting on Friday March 25, 2011 passed a resolution authorizing a third-party allotment of up to 250,000 common shares to Daiwa Capital Markets Hong Kong Limited, the payment date for which would be Monday, May 9, 2011.

Daiwa Capital Markets Hong Kong Limited from Thursday, April 14 to Thursday April 28, 2011 (the "syndicate covering transaction period") may execute on the Hong Kong Stock Exchange syndicate covering transactions purchasing HDRs up to the number of HDRs issued in the over-allotment. In keeping with the provisions of the depository contract to be signed by the Company and the depository bank, all HDRs thus purchased are to be converted to common shares and used to return borrowed shares. However, during the syndicate covering transaction period, Daiwa Capital Markets Hong Kong Limited might not conduct any covering transactions at all or might finish the covering transactions without repurchasing the full number of shares issued in the over-allotment.

Furthermore, the decision to offer an over-allotment and the determination of the number of HDRs in the over-allotment will be made on the pricing date. If no over-allotment of HDRs is offered, Daiwa Capital Markets Hong Kong Limited, through Daiwa Securities Capital Markets Co. Ltd., will not borrow common shares from the Company's shareholders, and therefore, will not apply for the third-party allotment, and no third-party allotment will be conducted. Moreover, no syndicate covering transactions will be executed on the Hong Kong Stock Exchange.

2. Effect of the Underlying Share Offering and Third-Party Allotment on the Number of Shares Outstanding

Current number of outstanding shares	19,943,508	(As of 28 Feb. 2011)
Shares to be newly issued for HDRs	1,750,000	
Total outstanding after new issuance	21,693,508	

Shares to be issued by third party allotment	250,000	See note 1
Total outstanding after third party allotment	21,943,508	See note 1

Notes:

1. All figures under "3. Third-Party Allotment" are for the case in which Daiwa Capital Markets Hong Kong Limited applies for the third-party allotment and the shares are issued.
2. As stated in "7. Other" (2) below, the number of shares outstanding may increase if pre-emptive rights and warrants are exercised.

3. Use of Proceeds

(1) Use of Proceeds from this Capital Raising

Of the estimated HKD 1,921,000,000 (approximate JPY 18,507,000,000) maximum total amount raised through the underlying share offering and the third-party allotment, JPY 8B will go towards direct investment in growing companies in and out of Japan, funds established with partners in developing countries mainly in Asia and funds in Japan as self investment fund. The rest will be invested in financial subsidiaries which use the internet as their main channel (and related subsidiaries), as well as provided to overseas financial institutions in the form of investment and financing (including investment and financing made through subsidiaries.) Proceeds are intended to be used by FY2014/3.

Note: The above amounts are an estimate based on the Company's closing share price (JPY 10,330) on the first section of the Tokyo Stock Exchange on 24 March 2011 (Thursday), minus cost of issuance (JPY 703,000,000). Unless otherwise stated, "Hong Kong Dollar" means the currency in use in Hong Kong. For convenience, conversion from Japanese yen to Hong Kong dollars and from Hong Kong dollars to Japanese yen is made at the exchange rate of 1 HKD = 9.63425 JPY, the rate at the start of trading on 24 March 2011 (average of the selling rate and buying TT rate) published by Hong Kong Association of Banks. However, this rate may differ in the future.

The estimated amount of proceeds is the amount issued in case that Daiwa Capital Market Hong Kong Limited applies to all underlying original shares of the third party allotment.

(2) Changes from Use of Proceeds from Previous Financing

N/A

(3) Effect on Business Results

This capital raising is for investment to promote the Company's active business expansion, and as such is expected to strengthen the earning power of the group.

4. Schedule for the HDR Offering

Monday, March 28, 2011	Start of book building
Wednesday, April 6, 2011 – Friday, April 8, 2011 (one day)	Pricing
Tuesday, April 12, 2011	Payment
Thursday, April 14, 2011	Listing

5. Reasonableness of the Offering Terms

(1) Calculation of the Offering Price

The offering price of the underlying original shares and the underlying shares will be calculated by multiplying by 10 the Hong Kong dollar-denominated issue price of the HDR offering (the purchase price per HDR to be paid by Daiwa Capital Markets Hong Kong Limited as explained in 2.4 above). The issue price for the HDRs will be determined by a book building process in Hong Kong conducted in a manner equivalent to that specified by regulation 25 of the Japan Securities Dealers Association's regulations concerning the underwriting of securities. The final issue price in Hong Kong dollars will be determined on the pricing date, and will take into consideration demand and market conditions, and will be based on a multiple from 0.90 to 1.00 of the closing price of the Company's stock on the first section of the Tokyo Stock Exchange on the pricing date (or in the absence of a closing price on that date, the most recent closing price prior to the pricing date) multiplied by 0.1 (fractions of a yen to be truncated) and converted to Hong Kong dollars at the exchange rate (average of the selling rate and buying TT rate) published by the Hong Kong Association of Banks at the start of trading on the pricing date as preliminary terms. The issue price and the offering price of the HDRs are different and Daiwa Capital Markets Hong Kong Limited shall receive the difference between the issue price and the offering price of the HDRs.

While the manner of determining the price to be paid for the shares is based on the price of the HDRs, essentially, the price to be paid in for ordinary shares of the Company will be determined in a manner equivalent to that specified by regulation 25 of the Japan Securities Dealers Association's regulations concerning the underwriting of securities

and will be based on a multiple from 0.90 to 1.00 of the closing price of the Company's stock on the first section of the Tokyo Stock Exchange on the pricing date taking into consideration demand and market conditions as preliminary terms. This method is regarded as a normal, fair book building process in Japan.

Based on the above, the terms of the issuance of the underlying original shares and underlying shares are not considered to be unduly favorable as defined by the Companies Act.

(2) Basis on judging the reasonableness of the Number of Shares to be Issued and Amount of Dilution

The underlying original shares and underlying shares issued in connection with the HDR offering will be limited to a total of 2,000,000 shares (2,000,000 shares with voting rights). The ratio of these new shares to the 19,943,508 shares (19,928,887 shares with voting rights) outstanding as of 28 February 2011 will be at the most 10.03% (10.04% of shares with voting rights). The Company considers this a limited amount of dilution.

Furthermore, the Company deems this to be the necessary number of shares to acquire new investors in the Hong Kong market, to create liquidity for the HDRs and to diversify the method of fund raising.

Based on the above, the number of shares to be issued and the dilution caused by the underlying share offering and third-party allotment is reasonable.

6. Distributions of Profits to Shareholders

(1) Policy Regarding Distribution of Profits to Shareholders

It is the Company's policy to distribute surpluses in the form of dividends to shareholders on the basis of a comprehensive consideration of, among other things, the group's consolidated business results and the Company's share price.

(2) Policy Regarding the Setting of Dividends

The Company's policy is to target a dividend payout ratio of 20% to 50%. The lowest dividend payout ratio is 20% in principle, and after considering factors such as the level of retained earnings necessary to sustain continued growth and forecasts of results going forward, the Company aims to realize a payout ratio of 50%.

(3) Use of Retained Capital

Retained capital is used mostly as capital for future business expansion.

(4) Dividends Over the Past 3 Fiscal Years

	FY2008/3	FY2009/3	FY2010/3
Consolidated earnings (loss) per share	JPY 376.63	(JPY 1,232.48)	JPY 140.30
Annual dividends per share (interim dividends per share)	JPY 1,200 (JPY 600)	JPY 100 (-)	JPY 100 (-)
Actual consolidated dividend payout ratio	318.6%	-	71.3%
Consolidated return on equity	1.7%	(6.2%)	0.7%
Consolidated ratio of dividends to net assets	5.5%	0.5%	0.5%

Notes:

1. Consolidated earnings (loss) per share is calculated using the average number of shares outstanding during the period.
2. Actual consolidated dividend payout ratio is calculated by dividing the annual dividends per share by the earnings per share for the period. Because the Company recorded a per-share loss in FY2009/3, dividend payout ratio is not given.
3. Consolidated return on equity is calculated by dividing the consolidated net profit (loss) at the end of the period by shareholders' equity. Shareholders' equity is the average of the consolidated shareholders' equity at the start and the end of the period, excluding warrants and minority interest.
4. The ratio of dividends to net assets is calculated by dividing the annual dividends per share by the consolidated net assets per share. Net assets per share is the average of the consolidated net assets per share at the start and end of the period.
5. The annual dividends per share paid in FY2010/3 includes a JPY 50 dividend

paid to mark the Company's tenth anniversary.

7. Other

(1) Designated Recipients of Allocations

N/A

(2) Information Concerning Dilutive Claims

Stock options and warrants have been issued in accordance with the old Commercial Code and current Company Act. Details of the stock options and warrants are stated below. In addition, the outstanding shares to be issued is expected to be 1.2% out of the maximum enlarged number of shares after underlying share offering and third party allotment which is 21,943,508.

Stock option and Warrants (As of 28 February 2011)

Resolution on issue/ Determination date	Outstanding shares to be issued	To be paid what stock option exercised	Capitalized amount	Exercise Period
2001/2/19	11,394	JPY 19,666	JPY 9,833	From 2003/12/20 To 2011/12/19
2002/12/19	12,096.72	JPY 5,659	JPY 2,830	From 2004/12/20 To 2012/12/19
2002/12/19	20,465.52	JPY 16,908	JPY 8,454	From 2004/12/20 To 2012/12/19
2003/6/23	58,419.93	JPY 16,908	JPY 8,454	From 2005/6/24 To 2013/6/23
2003/6/23	16,709.07	JPY 26,152	JPY 13,076	From 2005/6/24 To 2013/6/23
2005/6/29	23,944	JPY 33,172	JPY 16,586	From 2005/7/28 To 2013/6/29
2002/6/20 (Note) 1	50,587.74	JPY 11,423	JPY 5,712	From 2004/6/21 To 2012/6/20
2003/6/27 (Note) 2	514.29	JPY 21,349	JPY 10,675	From 2005/6/28 To 2013/6/27
2005/9/22 (Note) 3	580.8	JPY 35,050	JPY 17,525	From 2005/12/1 To 2013/10/31
2002/9/24 (Note) 4	1,840	JPY 4,465	JPY 2,233	From 2004/9/25 To 2012/9/24
2003/8/1 (Note) 4	5,440	JPY 4,465	JPY 2,233	From 2005/8/2 To 2013/8/1
2003/6/27 (Note) 5	172.50	JPY 16,447	JPY 8,224	From 2005/7/1 To 2013/6/26

2004/6/29 (Note) 6	18,769.15	JPY 47,447	JPY 23,724	From 2006/6/30 To 2014/6/29
2004/12/22 (Note) 6	34.50	JPY 30,180	JPY 15,090	From 2006/6/30 To 2014/6/29
2005/6/29 (Note) 7	18,349.40	JPY 44,405	JPY 22,203	From 2007/6/30 To 2015/6/29
2008/6/27 (Note) 8	13,331.84	JPY 45,663	JPY 22,832	From 2008/8/1 To 2013/6/23
2008/6/27 (Note) 8	1,779.08	JPY 53,447	JPY 26,724	From 2008/8/1 To 2013/6/23

Notes:

1. Warrants issued in accordance with a resolution of a regular general meeting of the shareholders of the former e-Trade Co., Ltd prior to the merger and assumed by the Company following the merger with e-Trade Co., Ltd.
2. Warrants issued in accordance with a resolution of a regular general meeting of the shareholders of the former SBI Home Planner Co., Ltd., assumed by the former SBI Partners Co., Ltd. when the latter wholly acquired the former, and then assumed by the Company following a merger with SBI Partners Co., Ltd
3. Warrants issued in accordance with a resolution of a regular general meeting of the shareholders of SBI Partners Co., Ltd and assumed by the Company following the merger with SBI Partners Co., Ltd.
4. Warrants issued in accordance with a resolution of a regular general meeting of the shareholders of Finance All Co., Ltd. and assumed by the Company following the merger with Finance All Co., Ltd.
5. Warrants issued in accordance with a resolution of a regular general meeting of the shareholders of World NICHIEI Securities Co., Ltd, the predecessor of the former SBI Securities Co., Ltd, and assumed by the Company following a stock swap with SBI Securities Co., Ltd.
6. Warrants issued in accordance with a resolution of a regular general meeting of the shareholders and the board of directors of World NICHIEI FRONTIER Securities Co., Ltd, the predecessor of the former SBI Securities Co., Ltd, and assumed by the Company following a stock swap with SBI Securities Co., Ltd.
7. Warrants issued in accordance with a resolution of a regular general meeting of the shareholders of SBI Securities Co., Ltd. and assumed by the Company following the merger with SBI Securities Co., Ltd.
8. In connection with a stock swap, these warrants were issued to holders of warrants issued by SBI SECURITIES Co., Ltd. to replace the warrants issued by SBI Securities Co., Ltd.

(3) Equity Finance Conducted Over the Past 3 Years

1. Equity Finance

Capital raised by public offering

Issue date	23 June 2010
Proceeds	JPY 35,308,752,000 (issue price: JPY 11,346)
Number of shares outstanding prior to issue	16,782,913 shares
Number of shares issued	3,112,000 shares
Number of shares outstanding after issue	19,894,913 shares
Intended use of proceeds	Investment in funds developed with local partners in developing countries mainly in Asia, and investment in funds in Japan. Investment in subsidiaries which use the internet as their main channel (and related subsidiaries), as well as provided to overseas financial institutions in the form of investment and financing (including investment and financing made through subsidiaries.)
Period of investment	Out to FY2012/3
Current status of allocation of funds	About JPY 15B has been allocated for investment in domestic and oversea funds. About JPY 10B has been allocated for investment in financial institutions overseas. The Company is rapidly expanding its investment businesses and developing its operating infrastructure in high growth countries, mainly in Asia. The Company plans to invest the remaining JPY 10B and the JPY 18.5B expected to be raised on the Hong Kong market through this offering to meet the great demand for investment. Through this capital raising in the Hong Kong Market, the Company aims to expand its business and increase its name recognition in Asia.

2. Share Price Over the Past 3 Years and Current Fiscal Year

	FY2008/3	FY2009/3	FY2010/3	FY2011/3
Open	JPY 44,750	JPY 23,900	JPY 10,530	JPY 18,550
High	JPY 45,050	JPY 32,500	JPY 23,720	JPY 21,110

Low	JPY 20,100	JPY 7,330	JPY 10,430	JPY 9,160
Close	JPY 23,980	JPY 10,190	JPY 18,450	JPY 10,330
PER (cons.)	63.67	—	131.50	—

Notes:

1. Share prices on the first section of the Tokyo Stock Exchange.
2. Share prices for FY2011/3 are as of 24 March 2011.
3. Price Earnings Ratio (PER) is calculated by dividing the closing price at the end of the period by the consolidated earnings per share at the end of the period. No PER is given for FY2009/3 because the Company recorded a consolidated loss for the period. Consolidated earnings per share cannot yet be calculated for FY2011/3, so PER is not given.

(4) Summary of the Recipient of the underlying original shares and underlying shares
 In connection with this HDR offering, the Company plans to allot the newly issued underlying original shares and underlying shares to Daiwa Capital Markets Hong Kong Limited. Information about Daiwa Capital Markets Hong Kong Limited follows:

(As of 28 February 2011)

(1)	Company Name	Daiwa Capital Markets Hong Kong Limited
(2)	Address	Level 26 One Pacific Place 88 Queensway Hong Kong
(3)	Representative	Hiroyuki Nomura, President
(4)	Title and Name of the Content of Business	Securities
(5)	Capital	USD 282,860,643
(6)	Established	28 December 1970
(7)	Outstanding Shares	10,000,000 common shares at HKD 10 26,173,423 common shares at USD 10
(8)	Fiscal Year End	March
(9)	Employees	582
(10)	Main clients	—
(11)	Main bank	—
(12)	Major Shareholders	Daiwa Capital Markets Asia Holding B.V. 100.00%
(13)	Current relationships with the Company	

Capital	The Company holds no shares in Daiwa Capital Markets Hong Kong Limited. Daiwa Capital Markets Hong Kong Limited holds no shares in the Company.
Human relation	Nothing to disclose.
Business relation	In accordance with the Engagement Letter, Daiwa Capital Markets Hong Kong Limited is the Sponsor of this listing on the Hong Kong Stock Exchange of HDRs. Furthermore, in connection with the HDRs, the Company and Daiwa Capital Markets Hong Kong Limited intend to sign a Hong Kong Underwriting Agreement and International Placing Agreement.
Status as a related party of the Company	Daiwa Capital Markets Hong Kong Limited is not a related party of the Company. Moreover, the persons and companies associated with Daiwa Capital Markets Hong Kong Limited are not related parties of the Company.

(14) Operating Results and Financial Position for the Past 3 Years (Unit: USD)

Reporting Period	FY2008/3	FY2009/3	FY2010/3
Net assets	161,862,277	146,493,891	335,072,591
Total assets	614,832,461	419,134,127	906,792,469
Book-value per share	9.61	8.69	9.26
Operating revenue	79,532,569	51,055,558	87,285,192
Operating profit	21,574,264	(11,701,303)	(3,962,623)
Ordinary profit	15,601,052	(15,001,625)	(5,087,644)
Current net profit	15,601,052	(15,001,625)	(5,123,705)
Earnings per share	0.93	(0.89)	(0.14)

Note: The Company has confirmed that Daiwa Capital Markets Hong Kong Limited, its directors and its main shareholders (main contributors) are not associated in any way with organized crime, and has submitted a statement to that effect to the Tokyo Stock Exchange and Osaka Securities Exchange.

(5) Summary of the Depository Bank

Daiwa Capital Markets Hong Limited will deposit the underlying and borrowed shares

for this HDR offering with the depository bank for the offering, JP Morgan Chase Bank, N.A. Details of the bank are as follows:

(As of 31 December 2010)

(1)	Company Name	JP Morgan Chase Bank, National Association
(2)	Address	1111 Polaris Parkway, Columbus, Ohio, USA
(3)	Representative	James Dimon, Chairman and Chief Executive Officer
(4)	Title and Name of the Content of Business	Investment Banking, treasuries/securities, retail and middle market financial services, etc.
(5)	Capital	USD 1,785,134,916
(6)	Established	26 November 1968
(7)	Outstanding Shares	148,761,243 shares
(8)	Fiscal Year End	December
(9)	Employees	181,245
(10)	Main partners/clients	–
(11)	Main bank	–
(12)	Major Shareholders	JP Morgan Chase & Co. (100%)
(13)	Current relationships with the Company	
	Capital	No capital relationship to disclose between the Company and the depository bank and no capital relationships between persons and companies associated with the Company persons and companies associated with the depository bank which require disclosure.
	Human relation	No human relationship to disclose between the Company and the depository bank and no human relationships between persons and companies associated with the Company persons and companies associated with the depository bank which require disclosure.
	Business relation	A depository agreement will be signed between the Company and the depository bank.
	Status as a related party of the Company	The depository bank is not a related party of the Company. Moreover, the persons and companies associated with the depository bank are not related parties of the Company.
(14)	Operating Results and Financial Position for the Past 3 Years	

(Unit: M USD. Consolidated)			
Reporting Period	FY2008/12	FY2009/12	FY2010/12
Net assets	128,767	127,294	123,399
Total assets	1,746,242	1,627,684	1,631,621
Book-value per share(USD)	865.60	855.69	833.54
Ordinary revenue	90,666	88,490	81,816
Ordinary profit	11,224	11,885	15,760
Current net profit	10,419	8,422	11,826
Earnings per share(USD)	70.04	56.61	79.50
Dividends per share(USD)	6.72	102.18	104.19

(6) Reason for Selecting the Recipient

With the HDRs, the Company is aiming to list on the Hong Kong Stock Exchange. In accordance with the listing regulations prescribed by the Hong Kong Stock Exchange, the Company is required to retain a Sponsor. The Company has retained Daiwa Capital Markets Hong Kong Limited because of that company's knowledge, experience and track record related to acting as a sponsor of Hong Kong Stock Exchange listings. In order to conduct the HDR offering, the Company has decided to allot shares for the HDRs to Daiwa Capital Markets Hong Kong Limited because this is necessary in order to issue the HDRs.

(7) Recipient's Plan for Holding the Shares

The recipient shall deposit without delay all underlying and borrowed shares with the depository bank. The depository bank, in accordance with the depository agreement, is the bank responsible for issuing HDRs representing these depository assets, and will hold the underlying original shares and borrowed shares on behalf of investors holding the HDRs. The depository bank shall continue to hold the underlying original shares and borrowed shares as depository assets, except in such case as, in accordance with the depository agreement, investors holding the HDRs applies to convert HDRs into the Company's common stock represented by the HDRs.

(8) Confirmation of the Sufficiency of the Recipient's Assets to Pay for the Shares

The Company has received assurance that Daiwa Capital Markets Hong Kong Limited is able to borrow funds from Daiwa Securities Capital Markets Co. Ltd, the parent company of its parent Daiwa Capital Markets Asia Holding B.V. Following a review of the balance sheet and income statement of Daiwa Securities Capital Markets Co. Ltd. for the period 1 April 2009 to 31 March 2010, based on the reported operating profit, total assets and cash and deposits, we judge that Daiwa Securities Capital Markets Co. Ltd. has the assets necessary to make the loan.

(9) Corporate Code of Conduct Related Items

Because the allotment of underlying original shares and underlying shares allotted to Daiwa Capital Markets Hong Kong Limited will (1) result in less than 25% dilution and (2) not involve a change of controlling shareholder, it is not necessary to obtain the opinion of an independent third-party or to solicit the wishes of shareholders as stipulated by article 432 of the listing regulations of the Tokyo Stock Exchange and article 2 of the corporate code of conduct of the Osaka Securities Exchange.

(10) Lock-Up Period

During the period from the pricing date of the HDR offering to 180 days following the payment date, the Company agrees to refrain from issuing common shares, securities that can be converted into or exchanged for common shares, and equivalent activities without obtaining the prior written consent of Daiwa Capital Markets Hong Kong Limited. However, this excludes issuing shares for public offering or the third-party allotment, stock splits, gratis allocation of new shares or treasury stock for the allotment of shares without contribution, and issuing shares or allocating treasury stock for the purpose of corporate restructuring (but only where this issuance is less than 3% of the sum of the total number of outstanding shares at the end of the day before the pricing date and the number of shares purchased by the underwriter.) However, at its discretion, Daiwa Capital Markets Hong Kong Limited may remove part or all of the foregoing limitations, or shorten the lock-up period.

This press release does not constitute an offer of any securities for sale. This press release has been prepared for the sole purpose of publicly announcing that SBI Holdings, Inc. (the “Company”) has resolved matters relating to its offering of Hong Kong Depositary Receipts, and not for the purpose of soliciting investment or engaging in any other similar activities within or outside Japan. Investors are advised to read the offering prospectus prepared by the Company before applying for securities and to invest at their own discretion. This press release is not an offer of securities for sale in the United States. The securities referred to above have not been, and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”). The securities may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act. If any public offering of securities is made in the United States, it will be by means of a prospectus that may be obtained from the Company or any selling security holder that will contain detailed information about the Company and its management, as well as financial statements of the Company. The securities referred to above will not be publicly offered or sold in the United States.