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SBI HOLDINGS, INC.
(Incorporated in Japan with limited liability)
(Stock code: 6488)

OVERSEAS REGULATORY ANNOUNCEMENT

This announcement is made pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Please refer to the attached copy of the Announcement.

On behalf of the Board
SBI Holdings, Inc.
Yoshitaka Kitao
Chief Executive Officer

Japan, 28 April, 2011

As of the date of this announcement, the executive Directors are Mr. Yoshitaka Kitao, Mr. Yasutaro Sawada, Mr. Kenji Hirai, Mr. Takashi Nakagawa, Mr. Tomoya Asakura, Mr. Takashi Okita, Mr. Noriaki Maruyama and Mr. Shumpei Morita, the non-executive Directors are Mr. Taro Izuchi, Mr. Hiroyoshi Kido, Mr. Noriyoshi Kimura and Mr. Hiroshi Tasaka and the independent non-executive Directors are Mr. Masaki Yoshida, Mr. Kiyoshi Nagano, Mr. Keiji Watanabe, Mr. Takeshi Natsuno and Mr. Akihiro Tamaki.

April 28, 2011

SBI Holdings, Inc.

SBI SECURITIES Co., Ltd.

Notice Regarding Conclusion of Strategic Partnership with Kingston Financial Group Limited of Hong Kong, and Acquisition of Shares in this Company

SBI Holdings, Inc. (headquartered in Minato-ku, Tokyo; Representative Director and CEO: Yoshitaka Kitao; “SBIH”) has concluded a memorandum of understanding (“MOU”) with Kingston Financial Group Limited (headquartered in Hong Kong; Chairman: Chu, Nicholas Yuk-yui; “Kingston”), a major financial group in Hong Kong listed on the Hong Kong Stock Exchange, to form a strategic business alliance in the financial sector chiefly in Hong Kong and the Chinese mainland. In relation to this, SBIH jointly with SBI SECURITIES Co., Ltd (headquartered in Minato-ku, Tokyo; Representative Director and President: Taro Izuchi), a subsidiary of SBIH, will acquire 330,000,000 new shares of Kingston (“Share Issue”), representing approximately 2.74% of Kingston’s equity capital as enlarged by the Share Issue (*1).

Kingston is the holding company of a major financial group that has securities firms, etc., which are engaged in the provision of a wide range of businesses mainly in Hong Kong, including securities and futures brokerage, margin and IPO financing, securities underwriting and placements, corporate finance advisory services and asset management services, under its umbrella.

Hong Kong’s importance as an international financial center in Asia is increasing on the back of rapid economic growth in China. Specifically, on the Hong Kong Stock Exchange, foreign investors account for 50% of the total and the amount of funds raised annually through IPOs on the Hong Kong Stock Exchange was the largest recorded in the world in 2009 and 2010. Thus, institutional investors worldwide are paying close attention to the exchange as a capital market where they can access Yuan-denominated bonds and stocks.

The SBI Group, which is expanding its overseas businesses with Hong Kong as a base, listed Hong Kong Depositary Receipts (HDRs) representing SBIH’s shares on the Main Board of the Hong Kong Stock Exchange on April 14, 2011. With the conclusion of the MOU and the stock acquisition, the Group and Kingston will consider jointly operating a wide variety of businesses chiefly in Hong Kong and the Chinese mainland, including jointly managing investment funds, providing financial services through the Internet, and supporting companies in which the Group invests to list shares on the Hong Kong Stock Exchange. To facilitate the operation of such businesses, the Group’s expertise in investments and management of Internet-based financial services and Kingston’s extensive business experience in Hong Kong will be combined to the maximum extent possible.

*1: The share acquisition is subject to approval of the Hong Kong Stock Exchange.

Outline of Kingston Financial Group Limited

Corporate name	Kingston Financial Group Limited
Chairman	Chu, Nicholas Yuk-yui
Head office	Suite 2801, 28 th Floor, One International Finance Centre, 1 Harbour View Street, Central, Hong Kong
Start of operation	1993
Listings	Main Board of the Hong Kong Stock Exchange (Securities Code: 1031) Total market capitalization: 147.6 billion yen (based on closing prices as of April 21, 2011; conversion rate: 10.58 yen to HKD)
Subsidiaries	Kingston Securities Limited (securities business), Kingston Corporate Finance Limited (financing advice), Kingston Asset Management Limited (asset management business), etc.

For further information, please contact:

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