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

**NOTIFIABLE TRANSACTION
DISPOSAL OF SHARES IN SUBSIDIARY**

The Company wishes to announce that on 29 March 2012 the Board resolved to enter into the agreement regarding the disposal of 100% equity interest in SBI VeriTrans, wholly-owned subsidiary, at a consideration of JPY 13 billion, and SBI VeriTrans ceases to be the Company's consolidated subsidiary from 30 March 2012.

As the applicable ratio with respect to the Disposal Transaction exceeds 25% but is less than 75% in profits ratio, this transaction constitutes a major transaction for the Company under Chapter 14 of the Listing Rules.

INTRODUCTION

The Company wishes to announce that on 29 March 2012 the Board resolved to enter into the agreement regarding the disposal of 100% equity interest in SBI VeriTrans, wholly-owned subsidiary, at a consideration of JPY 13 billion, and SBI VeriTrans ceases to be the Company's consolidated subsidiary from 30 March 2012.

The Company directly holds 100% of equity interest in SBI VeriTrans, right before the Disposal Transaction.

THE DISPOSAL TRANSACTION

Effective Date of the Disposal Agreement	30 March 2012
Timing for payment of the consideration	26 April 2012
Parties	The Company, as the Vendor and Wheel Inc., as the Purchaser

Assets to be disposed of	The SBI VeriTrans Shares (161,741 shares representing 100% equity interest in SBI VeriTrans)
Consideration	JPY 13 billion in cash
	The Consideration was determined based on arm's length negotiation between the Vendor and the Purchaser

REASONS AND BENEFITS FOR ENTERING INTO THE TRANSACTION

SBI VeriTrans, which has led the Japanese Internet E-commerce industry with its advanced services since its inception in 1997, has shown continuous double digit growth annually, both in sales and ordinary income. The Digital Garage Group, based both in Japan and the United States and possessing a network of investors, has a proven track record of discovering numerous internet businesses providing promising services. A main business segment of Digital Garage is the integration of advertising/promotion functions with settlement services. In order for Digital Garage to further expand this core business (settlement function), the Group realized that the best option was to make SBI VeriTrans (which has an expanding settlement service business both in Japan and rest of Asia), one of its subsidiaries.

In addition to the above, the Company and Digital Garage have reached a basic agreement for a business alliance for the global expansion of investment and incubation businesses. As the first step of this alliance, the Company will consider jointly establishing a fund focusing on investment in internet related companies in the US and Asia, including Japan.

The Directors, including the independent non-executive Directors, consider that the terms thereof are fair and reasonable and in the interests of the shareholders as a whole.

FINANCIAL EFFECTS OF THE DISPOSAL

SBI VeriTrans generated before and after tax profit through this third quarter ended 31 December 2011 of approximately JPY 969 million and approximately JPY 574 million respectively. Upon being effective of the Disposal Agreement, SBI VeriTrans will cease to be a subsidiary of the Company and is no longer being consolidated in the financial statements of the Group from the fiscal year ending 31 March 2013.

The Group is expected to recognize before tax profit on disposal of SBI VeriTrans of approximately JPY 8.7 billion which is calculated by net proceeds of JPY 13 billion from the disposal less the book value of the SBI VeriTrans Shares of approximately JPY 4.4 billion as at the date of this announcement estimated by the Company based on book value as at 29 February 2012, and approximately JPY 4.5 billion on after tax profits.

Save as disclosed herein, the Disposal will not have any material impact on the earnings and assets and liabilities of the Group.

USE OF PROCEEDS

It is expected that the net proceeds from the Disposal will be used for general working capital of the Group, repayment of the debt or loans and to finance any potential investments available to the Group in the future.

INFORMATION OF THE GROUP

The Company is a holding company incorporated under laws of Japan in July 1999 and was listed on the Tokyo Stock Exchange (First section) and Osaka Securities Exchange (First section) in February 2002 and November 2002, respectively. The Company listed its Hong Kong depositary receipts (by way of secondary listing) on the Main Board of the Hong Kong Stock Exchange on 14 April 2011. The Group forms an internet-based financial group which has four core businesses and other businesses as follows:

- (i) Asset management business, which primarily involves the operation of investment funds;
- (ii) Brokerage and investment banking business, primarily the securities business;
- (iii) Financial services business, which offers a variety of innovative financial services;
- (iv) Housing and real estate business, primarily involving investments and development of real estate;
and
- (v) Other businesses.

INFORMATION OF SBI VERITRANS

SBI VeriTrans was incorporated in Japan on 24 April 1997 and is a wholly-owned subsidiary of the Company immediately before the Disposal Transaction.

SBI VeriTrans takes part in bridging e-commerce providers and various financial institutions. Providing essential infrastructure of electronic settlement solutions for the on-line shopping, they assist customers' settlement process overall.

The attributable profits before and after tax of the SBI VeriTrans Shares for the year ended 31 March 2011 were approximately JPY 1,172 million and JPY 721 million respectively. The attributable loss before tax and after tax of the SBI VeriTrans Shares for the year ended 31 March 2010 were approximately JPY 1,036 million and JPY 613 million respectively.

INFORMATION OF THE PURCHASER

Wheel Inc., was incorporated in Japan on 1 December 2010, is a wholly-owned subsidiary of Digital Garage, Inc. They provide digital contents delivery platforms on the social media through multi-device including PC, smart phone and tablet PC.

Digital Garage, Inc. was incorporated in Japan on 17 August 1995 and listed on JASDAQ of the Osaka Securities Exchange. With three crucial technologies, namely IT (Information Technology), MT (Marketing Technology), and FT (Financial Technology), they have been developing the following three business segments: I. Venture Incubation, II. Media Incubation, and III. Hybrid Solution.

To the best of the directors' knowledge, information and belief having made all reasonable enquiry, the Purchaser is an independent third party and does not meet the definition of connected person in respect of Chapter 14 of the Listing Rules.

LISTING RULES IMPLICATIONS

As at the date right before this announcement, the Company is the holding company of SBI VeriTrans interested in 100.00% of the issued shares of SBI VeriTrans.

As the applicable ratio with respect to the Disposal Transaction exceeds 25% but is less than 75% in profits ratio, this transaction constitutes a major transaction for the Company under Chapter 14 of the Listing Rules.

GENERAL

Shareholders and potential investors are reminded that regardless to the contents of this announcement, care should be exercised when dealing in the shares of the Company.

The figures in this announcement are rounded except for the profits of SBI VeriTrans are rounded down to the million.

The profits of SBI VeriTrans stated in this announcement are not accounted of consolidated adjustment.

DEFINITIONS

In this announcement, unless the context indicates or specifies otherwise, the following defined expressions have the following meanings:

“Board”	The Board of directors of the Company
“Company”	SBI Holdings, Inc., a company incorporated in Japan with limited liability
“Disposal”	The disposal of SBI VeriTrans Shares
“Disposal Agreement”	The agreement regarding the Disposal entered into on 29 March 2012 between the Company and Wheel Inc.

“Disposal Transaction”	The sale and purchase transaction to be proceeded pursuant to the Disposal Agreement
“Director(s)”	The director(s) of the Company
“Effective Date”	The effective date of the Disposal Agreement
“Group”	The Company and its subsidiaries
“JPY”	Japanese Yen, the lawful currency of Japan
“Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Purchaser”	Wheel Inc., a company incorporated in Japan on 1 December 2010
“SBI VeriTrans”	SBI VeriTrans Co., Ltd., which is incorporated in Japan on 24 April 1997 directly wholly-owned subsidiary of the Company immediately before the Effective Date
“SBI VeriTrans Share(s)”	Ordinary share(s) of the SBI VeriTrans
“Vendor”	The Company
“%”	Per cent

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

Japan, 29 March 2012

As of the date of this announcement, the executive Directors are Mr Yoshitaka Kitao, Mr Taro Izuchi, Mr Takashi Nakagawa, Mr Kenji Hirai, Mr Tomoya Asakura, Mr Takashi Okita, Mr Noriaki Maruyama, Mr Shumpei Morita, Mr Shinji Yamauchi, Mr Makoto Miyazaki, Mr Yoshimi Takahashi and Mr Masaki Takayanagi, the non-executive Directors are Mr Yasutaro Sawada, 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.