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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
*Representative Director,
President & Chief Executive Officer*

Japan, 27 September 2012

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



September 27, 2012

SBI Holdings, Inc.

(TOKYO: 8473 / Hong Kong: 6488)

Notice on Underwriting a Private Placement of New Shares by SBI Insurance

SBI Holdings, Inc. (“SBIH”) hereby announces that it resolved at the Board of Directors meeting held today to underwrite a capital increase through a third-party allocation of new shares by its subsidiary SBI Insurance Co., Ltd. (head office: Minato-ku, Tokyo; Representative Director and President: Hiroyoshi Kido; “SBI Insurance”).

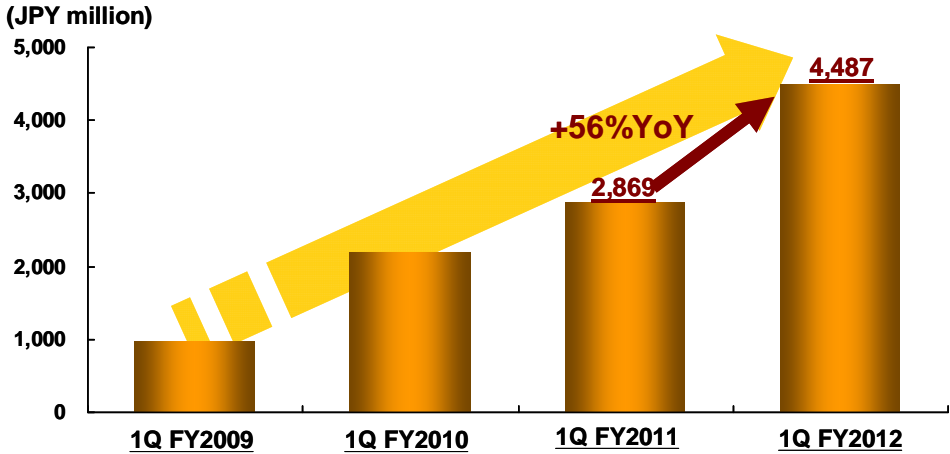
1. Reasons for underwriting

Since launching operations in January 2008, SBI Insurance has been promoting its customer-centric principle, providing nonlife insurance services that are both easier-to-understand and more convenient for customers. SBI Insurance is highly evaluated, having been ranked first in the “Auto Insurance Premium Ranking” of “Diamond Weekly,” published by Diamond, Inc., for the past four years. Its premium income for the first quarter of the fiscal year ending March 2013 increased sharply by about 56% year-on-year (see Graph 1 below), and the number of auto insurance policies at the end of August 2012 jumped by approximately 51% from a year earlier (see Graph 2 below). In addition, SBI Insurance’s business fields are continuing to expand. For example, it began to sell cancer insurance, a new product, on August 1, 2012. Against this background, the position of SBI Insurance has been strengthened significantly in the direct nonlife insurance industry (see Figure 3 below).

To maintain the sound management of SBI Insurance, whose business fields are expanding, SBIH has decided to underwrite SBI Insurance’s capital increase through a third-party allocation of new shares. As a result of this capital increase, the solvency margin ratio (*) of SBI Insurance is expected to exceed 650% as of September 30, 2012.

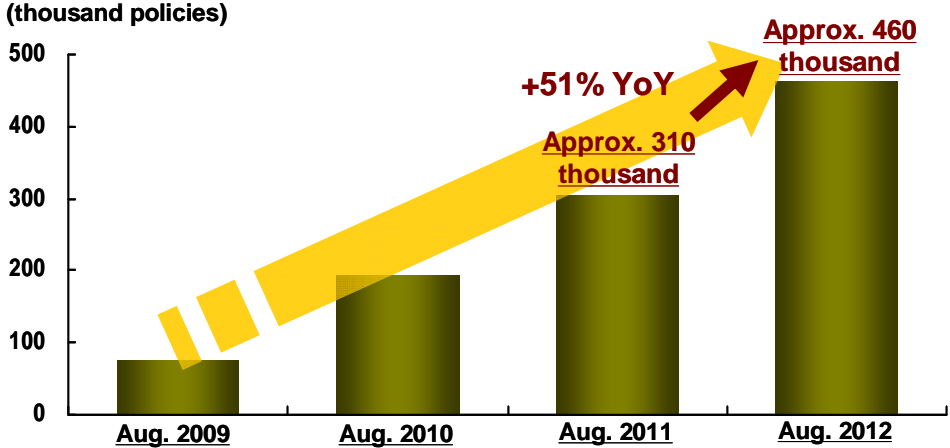
* The solvency margin ratio, an indicator set forth in the Insurance Business Law, which shows the soundness of an insurance company’s management, is used to judge whether an insurer has the financial strength required to pay insurance claims to policyholders. If the ratio of an insurance firm is 200% or more, the insurer is considered to have an appropriate capability to pay claims, etc.

Graph 1: Trends of Premium Income



* Written basis: Completion of receiving transaction of insurance premiums

Graph 2: Trends in the Number of Auto Insurance Policies



* Written basis: Completion of receipt of insurance premium

*Excluding continuing contracts, expiring contracts, and early-withdrawals

Figure 3: Comparison of Auto Premium Income among Major Direct Nonlife Insurance Companies

(JPY million)

	Date of operation	FY2009		FY2010		FY2011		FY2012 1Q
Sony Assurance	Sep. 1999	59,849	Sony	65,516	Sony	70,712	Sony	19,219
Mitsui Direct	Jun. 2000	32,054	AXA	33,271	AXA	35,261	AXA	10,068
AXA GENERAL INSURANCE	Jul. 1999	30,689	Mitsui Direct	32,688	Mitsui Direct	33,830	Mitsui Direct	8,854
Zurich Insurance (Japan Branch)	Jul. 1986	27,973	Zurich Insuranc	27,931	Zurich Insurance	30,126	Zurich Insurance	8,103
American Home Direct	Dec. 1960	17,365	American Home	17,143	American Home	16,594	SBI	4,569
Sonpo 24	Mar. 2001	9,820	Sonpo 24	10,697	SBI	14,288	American Home	4,008
Secom General Insurance *1	Mar. 1950	8,625	SBI	10,069	Sonpo 24	11,810	Sonpo 24	3,190
Saison Automobile & Fire Insurance	Apr. 1983	8,202	Secom	8,475	Secom	8,352	Saison	2,822
SBI Insurance	Jan. 2008	4,713	Saison	7,755	Saison	7,990	E.Design	2,337
E.Design Insurance *2	Jun. 2009	1,100	E.Design	2,856	E.Design	5,213	Secom	non-disclosure

* Direct premiums written except for Secom General Insurance and E.design Insurance (Source: Disclosure from each company)

*1 The figures of Secom General Insurance are gross direct premiums written.

*2 The figures of E.design Insurance are net premiums written.

2. Outline of the underwriting of new shares

(1) Number of new shares to be underwritten: 2,000,000 shares of common stock

(2) Total amount of underwriting: JPY 6,000,000,000 (JPY 3,000 per share)

(3) Due date of payment: September 28, 2012

(4) Shareholder composition after the underwriting:

SBI Holdings, Inc.: 96.43%

Aioi Nissay Dowa Insurance Co., Ltd.: 3.46%

Softbank Corp.: 0.11%

For further information, please contact:

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