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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 13.10B 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, 28 August 2013

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 Masato Takamura, Mr Hiroshi Tasaka and Mr Teruhide Sato and the independent non-executive Directors are Mr Masaki Yoshida, Mr Kiyoshi Nagano, Mr Keiji Watanabe, Mr Akihiro Tamaki and Mr Masanao Marumono.

Notice on Subscribing Capital Increase of South Korean Subsidiary

SBI Holdings, Inc. (hereinafter “SBIH”) hereby announces that it will undergo a capital increase amounting to KRW 246.2 billion (equivalent to approximately JPY 21.7 billion) to be conducted by Hyundai Swiss Savings Bank (hereinafter “Hyundai Swiss 1 Savings Bank”; to be renamed to SBI Savings Bank on 1 September 2013) of South Korea, a subsidiary of SBIH, and the affiliated banks of Hyundai Swiss 1 Savings Bank (hereinafter “Hyundai Swiss Group” collectively with Hyundai Swiss 1 Savings Bank).

1. Reasons for subscribing the capital increase

As described in the “Notice on Filing a Written Pledge to Underwrite a Capital Increase, etc. with Hyundai Swiss Savings Bank of South Korea” announced on 8 August 2013, SBIH made a definite promise to subscribe by the end of August 2013 a capital increase of KRW 246.2 billion (equivalent to approximately JPY 21.7 billion). This capital increase is slated to be conducted by the Hyundai Swiss Group on the premise that the Financial Services Commission of Korea approves the management improvement plan for the Hyundai Swiss Group.

The management improvement plan for the Hyundai Swiss Group, which had been submitted to the Financial Services Commission of Korea, was approved on 14 August 2013. Consequently, SBIH will subscribe a capital increase through issuing new shares of Hyundai Swiss 1 Savings Bank and another such capital increase of Hyundai Swiss 4 Savings Bank through the South Korean subsidiary. Using the proceeds from the capital increase, Hyundai Swiss 1 Savings Bank will subscribe capital increases of Hyundai Swiss 3 Savings Bank and Hyundai Swiss 4 Savings Bank, both through the issue of new shares.

2. Number of shares to be acquired, acquisition price and shareholding before and after acquisition

	Hyundai Swiss 1 Savings Bank	Hyundai Swiss 2 Savings Bank
Number of shares held by the SBI Group prior to acquisition (*1)	40,073,999 (shareholding ratio: 89.4%)	11,680,002 (shareholding ratio: 94.0%)
Number of shares to be subscribed	Maximum 48,681,400	—
Number of shares to be subscribed by the SBI Group, excluding Hyundai Swiss 1 Savings Bank	Maximum 48,681,400 (*2) (acquisition price: maximum KRW 243,407 million)	—
Number of shares to be subscribed by Hyundai Swiss 1 Savings Bank	—	—
Number of shares held by the SBI Group after acquisition (*3)	88,755,399 (shareholding ratio: 94.9%)	11,680,002 (shareholding ratio: 94.0%)

	Hyundai Swiss 3 Savings Bank	Hyundai Swiss 4 Savings Bank
Number of shares held by the SBI Group prior to acquisition (*1)	16,010,033 (shareholding ratio: 100.0%)	9,660,080 (shareholding ratio: 60.8%)
Number of shares to be subscribed	16,780,600	Maximum 1,425,200
Number of shares to be subscribed by the SBI Group, excluding Hyundai Swiss 1 Savings Bank	—	Maximum 558,600 (*2) (acquisition price: maximum KRW 2,793 million)
Number of shares to be subscribed by Hyundai Swiss 1 Savings Bank	16,780,600 (acquisition price: KRW 83,903 million)	866,600 (acquisition price: KRW 4,333 million)
Number of shares held by the SBI Group after acquisition (*3)	32,790,633 (shareholding ratio: 100.0%)	11,085,280 (shareholding ratio: 64.0%)

*1 The figures include the shares held through Hyundai Swiss 1 Savings Bank.

*2 The figures represent the maximum number of shares when shareholders other than the SBI Group give up the right to acquire the shares allotted and the SBI Group subscribes all of the forfeited shares.

*3 The figures show the number of shares held by the SBI Group when it subscribes the maximum number of shares, including the above forfeited shares, and the voting right ratio. The figures include the shares held through Hyundai Swiss 1 Savings Bank.

3. Schedule

(1) Signing on the share subscription agreement of Hyundai Swiss 1 Savings Bank	28 August 2013
(2) Payment of share subscription, and signing on the share subscription (forfeited shares) agreement of Hyundai Swiss 1 Savings Bank and payment	29 August 2013 (plan)
(3) Signing on the share subscription agreement by Hyundai Swiss 1 Savings Bank to subscribe capital increase of Hyundai Swiss 3 Savings Bank and payment	30 August 2013 (plan)
(4) Signing on the share subscription agreement by Hyundai Swiss 1 Savings Bank to subscribe capital increase of Hyundai Swiss 4 Savings Bank	5 September 2013 (plan)
(5) Signing on the share subscription (forfeited shares) agreement of Hyundai Swiss 4 Savings Bank	6 September 2013 (plan)
(6) Filing of share acquisition of Hyundai Swiss 4 Savings Bank to the Financial Services Commission of Korea	6 September 2013 (plan)
(7) Approval of share acquisition of Hyundai Swiss 4 Savings Bank from the Financial Services Commission of Korea	October 2013 (plan)
(8) Date of payment of share subscription of Hyundai Swiss 4 Savings Bank	October 2013 (plan)

4. Future outlook

At present, with the investment of capital amounting to KRW 428.2 billion (equivalent to approximately JPY 37.8 billion) including this time's capital increase to be subscribed, the capital adequacy ratio of each bank of the Hyundai Swiss Group is projected to reach a level that is sufficient for it to operate stable businesses, judging from the assessment of the Financial Supervisory Service as of the end of March 2013. SBIH is considering subscribing the remaining capital increase of KRW 182.0 billion (equivalent to approximately JPY 16.1 billion) by the end of December 2013, as necessary.

The management improvement of the Hyundai Swiss Group has been progressing steadily, leading the Group to post profit before income tax expense (IFRS consolidated basis) of about JPY 0.8 billion for the first quarter of the fiscal year ending March 2014. The Hyundai Swiss Group, which plans to change its banks' names on 1 September 2013, will proactively operate businesses by taking advantage of this time's capital increase.

*At the conversion rate of JPY 0.0883 to KRW 1.0

For further information, please contact:

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