

11 November 2013

SBI Holdings, Inc.

Actions for Repeated Issuance of Libelous Statements about the SBI Group on FACTA and FACTA ONLINE

Facta Publishing Ltd. (“Facta Publishing”) has been issuing articles containing baseless statements about the SBI Group in almost all the issues of its print magazine *FACTA* and its website FACTA Online since the January 2012 issue (published in December 2011). These articles contain a large number of libelous statements about the SBI Group and malicious statements that could undermine the public reputation of the SBI Group.

SBI Holdings, Inc. (“SBIH”) has been issuing press releases to correct or deny the details of articles issued by Facta Publishing when tolerating such statements may generate misunderstandings among the SBI Group’s stakeholders, including customers and stockholders of SBIH, or undermine the public reputation of the SBI Group. In addition, SBIH has been taking legal action against Facta Publishing when appropriate. Regarding the lawsuit filed with the Tokyo District Court against Facta Publishing on 30 August 2012, the Tokyo District Court fully acknowledged the claims made by SBIH as announced in the press release dated 17 July 2013. (This lawsuit is still ongoing at the Tokyo High Court since Facta Publishing appealed the court’s ruling.)

Despite actions taken by SBIH, Facta Publishing has continued to issue baseless articles. SBIH hereby announces that SBIH filed a written complaint with the Tokyo Metropolitan Police Department which was accepted today.

SBIH desires to comment on an article in the November 2013 issue of print magazine *FACTA* and website FACTA Online since the article contains unfounded statements about the SBI Group just as the same in the past articles issued in the media published and operated by Facta Publishing.

1. First of all, the article described SBIH’s transfer of all shares of SBI Lease Co., Ltd. (“SBI Lease”), a consolidated subsidiary of SBIH, to SBI Mortgage Co., Ltd. (“SBI Mortgage”), another consolidated subsidiary of SBIH, as a routine event at the end of the fiscal term to generate profits. The article contains statements suggesting that SBIH carried out the said share transfer for the sole purpose of generating profits in the second quarter of the fiscal year ending 31 March 2014. However, as announced in the press release issued by SBI Mortgage on

26 September 2013, the date of contract for transfer of the said shares is 1 October 2013. Therefore, the contract had not yet been finalized as of 30 September 2013, the final day of the second quarter of the fiscal year ending 31 March 2014. Additionally, since the share transfer was conducted in association with organizational realignment within the consolidated group, the said share transfer does not generate any gains in the consolidated financial results.

2. Second, the article contains statements suggesting that funds used by SBI Mortgage to purchase SBI Lease shares were covered by loans from SBI Savings Bank in South Korea, a consolidated subsidiary of SBIH. However, SBI Savings Bank is prohibited, under the Korean laws and regulations, from making any investments or loans to SBI Mortgage that belongs to the same corporate group. The article is unequivocally not true.

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