

16 September 2014
SBI Holdings, Inc.

Strategic Alliance with Israel's Leading Venture Capital — Vertex Venture Capital

We are pleased to inform you that SBI Holdings, Inc. (Head office: Minato-ku, Tokyo; Representative Director and CEO: Yoshitaka Kitao; “SBIH”) has reached an agreement with Vertex Venture Capital (Head office: Savyon, Israel; Representative: David Heller; “Vertex”), a leading Israeli venture capital firm, to form a strategic alliance for investment in Israel.

Israel has embarked on a nationwide effort to activate the venture capital industry and is a home to one of the highest concentrations of advanced technology venture-backed companies in the world along with Silicon Valley in the United States. The application of cutting-edge military technology to civilian use has been especially active in recent years. Israel is known for its technologies in the information security and high-tech industries including biotechnology. In addition, the acquisition of Israeli venture-backed companies by global IT companies is becoming increasingly popular in recent years.

Under the strategic alliance, SBIH is planning to strengthen its networks and to ensure access to investment opportunities in leading, next-generation, advanced technologies in Israel where an ecosystem of venture capital is well established. In addition to making investments into Israeli companies as a mere foreign investor, SBIH is looking to create wide range of synergies between the SBI Group companies and up-and-coming firms and technologies in Israel.

As part of the strategic alliance, the SBI Group will make an investment in a fund managed by Vertex as an active LP. In addition, the SBI Group will assign resident officers and accelerate its investment activities in Israel by using Vertex's sourcing networks while providing value-added support to the fund's portfolio companies in Japan and other Asian countries where the SBI Group has competitive advantages. Through the alliance, the SBI Group aims to expand its investment business in Israel — home to one of the highest concentrations of advanced technology and bio venture-backed companies in the world.

About Vertex

Founded in 1997, Vertex is a leading Israeli venture capital firm and has approximately USD 650 million (approximately JPY 69.4 billion*) in assets under management. With its long track record of successful investments, Vertex has attracted growing attention for its early investment in Waze Inc. which was sold to Google Inc. for approximately USD 1.0 billion (approximately JPY 106.8 billion*).

* Converted at USD 1 = JPY 106.80



For further information, please contact:

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