

March 9, 2015  
SBI Holdings, Inc.

**Notice of Memorandum of Understanding on Business Alliance with Rizal Commercial Banking Corporation, the Philippines Leading Financial Institution**

SBI Holdings, Inc. (Head office: Minato-ku, Tokyo; “SBIH”) is pleased to inform you that it has signed a memorandum of understanding with Rizal Commercial Banking Corporation (Head office: Makati City, Republic of the Philippines; “RCBC”), a commercial bank under the umbrella of the Yuchengco Group, a leading financial conglomerate in the Philippines, for the collaboration which aim to provide a variety of financial services, including banking, securities and insurance, etc., for retail customers through online.

RCBC is a commercial bank under the umbrella of the Yuchengco Group, a leading financial conglomerate in the Philippines. The bank provides services such as investment banking, securities, FX, remittance, credit card etc. through its subsidiaries as well as the corporate and retail banking services. The bank was founded in 1960, with total assets of PHP 433,032 million as of the end of September 2014 (equivalent to approximately JPY 1,125.8 billion\*), boasts as one of the leading bank in the Philippines, with more than 6.5 million accounts and holds a deposit of PHP 301,852 million (equivalent to approximately JPY 784.8 billion\*). On top of the 445 branches, the bank also provides services through various channels. In addition, other than RCBC, the Yuchengco Group also provides financial services such as life and non-life insurance services through its subsidiaries.

Based on the agreed strategic alliance, in the Philippines, the Yuchengco Group and the SBI Group will build wide range of collaboration and provide a variety of retail online financial services such as banking, securities, insurance, etc., through the integration of customer base of RCBC and the Yuchengco Group, and 15 years of know-how and experience in online financial services of the SBI Group. Along with the collaboration with RCBC in the Philippines, the strategic alliance also considers the possible cooperation in business activities among the ASEAN Economic Community, which is scheduled to be launched in 2015. The scope of this collaboration that has been agreed in this memorandum is as follows;

- Provision of various retail online financial services such as banking, securities, insurance, etc.
- Overseas remittance-related business
- Cross-selling of Philippines and Japanese equities toward retail customers
- Sales of health foods and cosmetics products using 5-aminolevulinic acid (“5-ALA”)

The population of the Philippines surpassed 100 million in July 2014, with an average age of 23 years old that is overwhelmingly young compared to neighboring countries. English is one of the official languages in the country and the economic growth is rapid, primarily in call center service sector, which lead to the expansion of



the middle-income class. In addition, robust economic growth and increasing population also drive the expansion of the Internet population and the Internet penetration rate amounted to 41.1% (as of December 31, 2013), which is expected to gain further traction.

The SBI Group will continue to strengthen its collaboration with promising local partners primarily in emerging Asian countries to expand its investment businesses and accelerate the development of online financial services in the emerging countries by utilizing the operation know-how of online financial services cultivated in Japan.

\*Converted at PHP 1 = JPY 2.6

\*\*\*\*\*

For further information, please contact:

SBI Holdings, Inc. Corporate Communications Dept., Tel: +81 3 6229-0126