

## SBI Holdings, Inc. and Consolidated Subsidiaries

Consolidated Balance Sheets

Consolidated Balance Sheets							
	2005	2006	2007	2008	1Q 2008		
ASSETS	31st March	31st March	31st March	31st March	30th June		
CURRENT ASSETS:							
Cash and cash equivalents	¥106,460	¥132,545	¥115,092	¥159,007	¥114,722		
Time deposits Cash required to be segregated under regulations	2,904 188,150	399 332,876	616 340,090	1,518 313,817	12,307 361,723		
Trade notes and accounts receivable	1,013	1,303	7,537	10,985	27,853		
Operational investment securities	39,829	61,668	100,603	115,717	118,317		
Valuation allowance for operational investment securities	(463)	(338)	(18,603)	(4,967)	(5,853)		
Operational loans receivable	8,059	16,501	46,828	66,261	63,837		
Real estate inventory	_	26,333	35,872	32,895	38,608		
Trading assets	2,859	3,093	4,329	1,728	3,302		
Margin transaction assets: Receivables from customers	317,801	562,693	489,269	274,887	298.296		
Cash deposits as collateral for securities borrowed	15,680	18,547	11,303	17,995	12,556		
Loans secured by securities	-	156	102		1,012		
Short-term guarantee deposits	7,052	17,549	24,353	13,414	14,660		
Deferred tax assets—current	986	1,959	2,271	1,053	1,176		
Prepaid expenses and other current assets	11,960	30,993	40,324	66,723	75,030		
Allowance for doubtful accounts	(401)	(691)	(1,070)	(1,762)	(2,290)		
TOTAL CURRENT ASSETS	715,448	1,205,586	1,198,916	1,069,271	1,135,256		
PROPERTY AND EQUIPMENT—Net:	4,715	4,144	4,602	5,728	5,212		
LEASED ASSETS—Net:	8,231	11,225	10,036	7,877	_		
INVESTMENTS AND OTHER ASSETS:							
Investments and other assets.  Investment securities	11,686	28,127	19,390	15,972	17,002		
Investments in unconsolidated subsidiaries and affiliated companies	807	23,534	60,420	25,923	21,814		
Software, net of accumulated amortisation	4,017	5,169	6,559	8,816	8,740		
Rental deposits	4,323	4,358	4,726	6,801	6,916		
Goodwill	1,581	44,638	53,513	60,874	58,653		
Long-term trade receivables	2,824	1,701	1,536	50	49		
Deferred tax assets—non-current Other assets	880 3,362	1,310 3,760	1,915 7,764	10,595 12,109	13,729 24,564		
Allowance for doubtful accounts	(2,870)	(1,908)	(2,155)	(4,769)	(4,727)		
TOTAL INVESTMENTS AND OTHER ASSETS	26,610	110,689	153,668	136,371	146,740		
TOTAL	¥755,004	¥1,331,644	¥1,367,222	¥1,219,247	¥1,287,208		
LIABILITIES AND SHAREHOLDERS' EQUITY							
CURRENT LIABILITIES: Short-term borrowings	¥8,732	¥11,398	¥56,142	¥53,832	¥98,389		
Current portion of long-term debt	11,759	900	25,172	112,743	125,643		
Income taxes payable	7,506	19,535	15,755	9,352	2,458		
Margin transaction liabilities:	.,	-,	-,	-,	,		
Payables to financial institutions	238,766	302,283	231,211	81,583	86,431		
Proceeds of securities sold for customers' accounts	45,824	65,030	62,961	62,531	70,533		
Loans secured by securities	1,165	56,553	55,825	35,441	35,778		
Consignment guarantee money received for margin transactions Customers' deposits as collateral for commodity futures	151,652 19,309	303,385 $32,072$	297,448 45,356	272,006 39,574	297,804 44,857		
Customers' deposits for securities transactions	15,427	21,495	16,234	20,147	22,945		
Unearned income	2,615	3,671	3,030	1,893	2,120		
Accrued expenses	2,654	3,594	3,189	3,280	3,297		
Contingent reserve	5,219	5	_	22	22		
Deferred tax liabilities—current	3,367	2,096	7,201	8,867	6,607		
Other current liabilities TOTAL CURRENT LIABILITIES	16,619 <b>530,614</b>	25,550 <b>847,567</b>	30,549 <b>850,073</b>	39,363 <b>740,634</b>	34,518 <b>831,402</b>		
TOTAL CORRENT MADIMITES	550,614	041,001	090,078	740,034	001,402		
LONG-TERM LIABILITIES:							
Long-term debt, less current portion	36,000	152,410	159,603	77,149	62,807		
Deferred tax liabilities—non-current	2,051	2,053	748	300	526		
Other long-term liabilities	302	1,469	3,633	5,431	14,026		
TOTAL LONG-TERM LIABILITIES	38,353	155,932	163,984	82,880	77,359		
STATUTORY RESERVES	2,675	4,928	6,524	7,967	7,277		
MINORITY INTERESTS:	53,943	55,094	_	_	_		
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NET ASSETS							
Common stock	34,765	54,229	54,914	55,158	55,189		
Capital surplus	53,467	115,692	116,519	116,762	115,947		
Retained earnings	33,377	90,345	122,167	112,339	99,580		
Treasury stock—at cost Unrealized gain on available-for-sale securities	(239) 7,633	(5,908) 12,830	(53,062) 5,436	(53,064) 10,134	(50,309) 7,121		
Foreign currency translation adjustments	416	935	974	(122)	13		
Deferred hedged profit/loss	410	999 —	2	9	2		
Stock acquisition right	_	_	42	4	13		
Minority Interest	_	_	99,649	146,546	143,614		
TOTAL NET ASSETS	129,419	268,123	346,641	387,766	371,170		
TOTAL	¥755,004	¥1,331,644	¥1,367,222	¥1,219,247	¥1,287,208		

Note(1) The above financial statements are stated in Japanese yen, the currency of the country in which the Company is incorporated and operates.

(2) Quarterly financial statements are not reviewed or audited by Deloitte Touche Tohmatsu.

(3) Due to the enforce of new Corporate Law effective from 1st May 2006, Minority interests, Stock acquisition right and Deferred hedged profit/loss are presented in NET ASSETS after 1st May 2007.

These are presented as MINORITY INTEREST between liabilities and shareholder's equity respectively as at 31st March 2007.





Consolidated Statements of Operations with Segment Information (Millions of Yen) Year Ended 31st March,2009 Year Ended 31st March,2008 Year Ended 31st March,200 Year Ended 31st March,200 4Q Jan.-Mar. Jul. -Sep. Oct. – Dec. Apr. -Jun. Apr. -Jun. OPERATING REVENUES Asset Management ¥52,460 ¥16.588 ¥23.635 ¥6.633 ¥11.152 ¥58,008 ¥2,935 A. Investment in Securities

1) Revenue from Operational Investment Securities
2) Fees from Funds
Fees from Funds consists of: **35,030** 28,783 6,247 15,316 15,025 291 **54,670** 53,447 23,197 22,829 **5,816** 5,533 10,341 10,060 2,110 368 283 283 1,223 282 283 282 2,917 291 1,141 Management Fee 282 Establishment Fee 606 50 33 Success Fee 2,724 (1 32 B. Real Estate transactions

1) Revenue from Operational Investment Securities
2) Fees from Funds
3) Other Real Estate Related Revenue 15,096 10.125 C. Investment Advisory Service Fee and Others 1.272 438 817 811 3,338 825 2,334 Brokerage and Investment Banking ¥17.377 ¥14.936 ¥68,531 ¥66,419 ¥18.809 ¥17.409 ¥14.100 A. Revenue from Securities Transactons B. Revenue from Commodity Futures Transactions 18,589 17,182 227 14,729 65.421 17,126 251 67,626 905 13,935 165 Financial Services ¥6,376 ¥22,495 ¥5,633 ¥27,660 ¥5,369 ¥5,154 ¥5,596 Housing and Real Estate ¥17,226 ¥11,230 ¥14.731 ¥22,830 ¥20,284 ¥75.071 17,760 55,126 6,727 13,218 A. Real Estate Business B. Financial Real Estate Bisiness 13,133 14,815 6,022 9,418 1,375 1,977 1,647 1,73 C. Lifestyle Networks Bisiness 2.718 3.336 3.423 3.741 3.470 System Solution Busi ¥59 ¥35 ¥229 ¥323 ¥1,456 Eliminations/Corporate (1.958) (474) (448) (421) (522)(1.860)(751) OPERATING REVENUE 61,945 144.581 56,086 52.082 52,455 34.603 OPERATING COSTS 38,341 6,616 13,160 57,834 249 (856 Asset Management Brokerage and Investment Banking Financial Services Real Estate and Housing System Solution Business Eliminations/Corporate 47,971 11,002 1,400 3,129 12,918 19.839 3 193 4 307 19,839 2,063 2,874 10,424 41 (185 1,531 3,318 17,825 33 (245) 4,295 17,4517,681 1,122 (165) 175 (244 (182) OPERATING COSTS 68,746 28,267 35,056 25,655 26,366 115,344 15,267 19,336 GROSS PROFIT 75,835 27,819 26,889 26,427 26,089 107,224 SELLING, GENERAL AND ADMINISTRATIVE EXPENSES Asset Management Brokerage and Investment Banking 1.039 968 3.185 694 11,039 10,399 9,567 2,565 2,615 37,749 7,434 10,399 41,404 9,369 1,883 Financial Services 1.781 1,8922,028 $2,248 \\ 2,362$ 8,486 9,143 Real Estate and Housing 2,138 2,698 System Solution Business Eliminations/Corporate  $\frac{300}{447}$ 124 123 (259) 844 1,968 820 1,852 345 SELLING, GENERAL AND ADMINISTRATIVE EXPENSES 52,740 15.098 16.200 16.945 16.374 64.617 15.427 OPERATING INCOME Asset Management Brokerage and Investment Banking Financial Services (1.100)4.547 3.302 2.472 6.161 16.482 332 24.375 5.578 5,707 5,479 3,747 20.511 3.389 849 8,094 2,775 459 (28 372 851 2.170 2,279 Real Estate and Housing 2,643 1,002 System Solution Busin (122)(69 (104 (1.098 Eliminations/Corporate (2.955)(33) (705 (1.020 (2.856 (931 OPERATING INCOME ¥12,721 ₹9,715 ¥10,689 Z9.482 42,607 ¥3,909 OTHER INCOME (EXPENSES): 280 (418) 136 5,439 36 Interest and dividends income
Interest and dividends income
Interest expense
Foreign exchange gain (loss)-net
Gain (loss) on sale of investment securities-net
Dilution gain from change in equity interest
Reversal of allowance for doubtful accounts
Amortization of goodwill net
Provision for statutory reserves
Equity in losses of subsidiaries and associated companies
Appraisal loss of affiliated companies
Other-net 180 460 (1,785) (726) 6,780 (1,702) (1,278 (427 (466) (44) (474 245 (1,328) 261 (719 14 (23,57) 1,076 (102 27 (496 265 (1,637 266 (480 (706 (1,891) (447) (7,473) (2,121 (1,611 (11,409 (425 (259 (1.154 (2.076 (584 11,<u>510</u> (367 OTHER INCOME (EXPENSES) - NET NCOME BEFORE INCOME TAXES/MINORITY INTERESTS 8,888 5,589 (1,795) 62,042 16,242 28,819 (7,327) NCOME TAXES 38,855 (583 (23,447 5,578 4,079 2,221 2,762 19,311 Current Reversal of the prior year's income taxes TOTAL INCOME TAXES 14,82 2,659 17,273(1,144)MINORITY INTERESTS IN NET INCOME (776(2,524)(1,506)(1,447)(1,840)(7,317)275 NET INCOME (LOSS ¥46,441 ¥5,904 ¥3,035 ¥1,584 ¥4,229 (¥5,908) PER SHARE OF COMMON STOCK (Yen (Yen (Yen (Yer (Yen (Yen ¥4,040.51 ¥526.34 ¥270.35 ¥560.95 ¥376.63 (¥524.87 Basic net income Diluted net incom ¥469.7 ¥266.55 ¥344.65

Consolidated Statements of Cash Flows	(Millions of Yen)		(Millions of Yen)				
							Year Ended
							31st
	Year Ended	Year Ended 31st March,2008				Year Ended	March,2009
	31st March,2007	1Q	2Q	3Q	4Q	31st March,2008	1Q
		AprJun.	Jul -Sep.	Oct Dec.	JanMar.		AprJun.
OPERATING ACTIVITIES	(¥67,409)				¥26,502		(¥41,554)
INVESTING ACTIVITIES	86,014	2,238	(10,543)		(10,820)		
FINANCING ACTIVITIES	(58,176)		(22,623)	(21,048)			16,043
Newly consolidated subsidiaries and others	22,118	22,909	605	1,835	(940)	24,409	2,451
CASH AND CASH EQUIVALENT - End of Period	¥115,092	¥144,309	¥123,253	¥129,523	¥159,007	¥159,007	¥114,722