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SBI HOLDINGS, INC.

(Incorporated in Japan with limited liability)

(Stock Code: 6488)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2012 AND RESUMPTION OF TRADING

The board of directors (the “Directors”) of SBI HOLDINGS, INC. (the “Company”) is pleased to announce the consolidated results of the Company and its consolidated subsidiaries (collectively the “Group”) for the year ended 31 March 2012 together with the comparative figures for the year ended 31 March 2011.

At the request of the Company, trading in its Hong Kong depository receipts was suspended with effect from 1:30 p.m. on Thursday, 26 April 2012, pending the release of this announcement. An application will be made by the Company to the Stock Exchange for resumption of trading in the Hong Kong depository receipts with effect from 9:00 a.m. on Friday, 27 April 2012.

(Amounts are rounded down to the nearest million Japanese yen)

1. Consolidated Financial Results of Fiscal year ended 31 March 2012 (1 April 2011 to 31 March 2012)

(1) Consolidated Operating Results

(Percentages represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended 31 March 2012	145,074	2.8	7,575	(15.2)	4,860	37.8	3,200	(29.4)
Fiscal year ended 31 March 2011	141,081	13.3	8,932	160.3	3,525	216.8	4,534	93.0

(Note) Total comprehensive income (loss) Fiscal year ended 31 March 2012: 3,764 million yen (—%)
Fiscal year ended 31 March 2011:(6,471) million yen (—%)

	Net income per share	Diluted net income per share	Return on equity	Return on asset (ordinary income)	Operating income / Net sales
	Yen	Yen	%	%	%
Fiscal year ended 31 March 2012	145.58	140.64	0.8	0.3	5.2
Fiscal year ended 31 March 2011	236.09	225.74	1.2	0.3	6.3

(Note) Share of results of affiliates Fiscal year ended 31 March 2012: 2,546 million yen
Fiscal year ended 31 March 2011: 163 million yen

(2) Consolidated Financial Position

	Total assets	Net assets	Ratio of shareholder's equity to total assets	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Fiscal year ended 31 March 2012	1,663,814	468,579	24.5	18,489.18
Fiscal year ended 31 March 2011	1,293,606	456,982	30.2	19,610.64

(Note) Shareholders' equity Fiscal year ended 31 March 2012: 406,932 million yen
Fiscal year ended 31 March 2011: 390,828 million yen

(3) Consolidated Cash Flows

	Operating activities	Investing activities	Financing activities	Cash and cash equivalent – End of year
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended 31 March 2012	(4,972)	(27,035)	29,529	145,594
Fiscal year ended 31 March 2011	(742)	(16,642)	25,154	148,786

2. Dividends

(Declared date)	Dividend per share					Total dividend (annual)	Payout ratio (cons.)	Ratio of dividend to net assets (cons.)
	End of 1Q	End of 2Q	End of 3Q	Year-end	Full year			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended 31 March 2011	—	0.0	—	120.00	120.00	2,391	50.8	0.6
Fiscal year ended 31 March 2012	—	0.0	—	100.00	100.00	2,207	68.7	0.5
Fiscal year ended 31 March 2013 (forecast)	—	—	—	—	—		—	

(Note) Dividend for Fiscal year ended 31 March 2011 includes a dividend of ¥20.00 commemorating our listing on the Hong Kong Exchanges and Clearing. Fiscal year ended 31 March 2013 forecast is to be determined.

3. Total number of shares outstanding (Common stock)

(1) Number of shares outstanding (including treasury stock)	: Fiscal year ended 31 March 2012	: 22,451,303shares
	: Fiscal year ended 31 March 2011	: 19,944,018shares
(2) Number of treasury stock	: Fiscal year ended 31 March 2012	: 442,093shares
	: Fiscal year ended 31 March 2011	: 14,621shares
(3) Average number of shares outstanding	: Fiscal year ended 31 March 2012	: 21,986,056shares
	: Fiscal year ended 31 March 2011	: 19,207,974shares

As of the date of this announcement, the results for the fiscal year ended 31 March 2012 are under audit by the independent accountants of the Company.

1. BUSINESS RESULTS

(1) Analysis of Business Results for the Fiscal Year

During the consolidated fiscal year ended 31 March 2012, while Japan's economic environment gradually recovered from the economic downturn caused by the Great East Japan Earthquake on March 2011, its economic environment still remains uncertain with continuing high unemployment rate and prolonged yen appreciation.

Stock market conditions that significantly impact investment and securities related businesses were heavily affected by the Great East Japan Earthquake and subsequent economic downturn, and remained generally weak in the domestic market with 15% year-on-year decrease of individual stock brokerage trading value. In overseas markets, high economic growths in emerging countries were impeded by the worldwide economic slowdown stemming from the European Sovereign Debt Crisis. However, partial recovery of market condition in Japan with new 37 listings up 14 from the last year and continuing gentle U.S. economic upswing shows signs of hopeful future in domestic and overseas stock markets.

In the operating environment surrounding the Internet financial services business, consumers continued to be increasingly aware of the merit in utilizing Internet financial services as they sought the most advantageous conditions available in pursuing financial transactions to protect their livelihood. Consequently, the business remained strong with face-to-face transactions shifting to online transactions. We recognize that the market will demonstrate vigorous growth also going forward despite the intensifying competition expected.

The consolidated performance for the fiscal year ended 31 March 2012 resulted in net sales of ¥145,074 million (a 2.8 % year-on-year increase), operating income of ¥7,575 million (a 15.2% year-on-year decrease), ordinary income of ¥4,860 million (a 37.8% year-on-year increase), and net income of ¥3,200 million (a 29.4% year-on-year decrease) affected by the reversal of net deferred tax assets owing to the Tax Reform 2011. Please refer to NOTES TO THE FINANCIAL STATEMENTS-III.ADDITIONAL INFORMATION-"Tax Reform 2011" for detailed information.

Net sales by business segment are as indicated below.

Segment	Fiscal year ended 31 March			
	2011		2012	
	Millions of Yen	%	Millions of Yen	%
Asset Management Business	30,701	21.8	34,566	23.8
Investment in Securities	28,475		32,644	
Revenue from Operational Investment Securities	27,127		31,575	
Fees from Funds	1,348		1,068	
Investment Advisory Services and Others	2,225		1,922	
Brokerage & Investment Banking Business	47,873	33.9	43,783	30.2
Financial Services Business	30,530	21.6	43,354	29.9
Marketplace Business	5,699		5,221	
Financial Products Business	9,300		10,253	
Financial Solutions Business	8,309		9,539	
Other Businesses	7,220		18,339	
Housing and Real Estate Business	23,467	16.6	22,466	15.5
Real Estate Business	10,320		9,693	
Financial Real Estate Business	11,646		11,107	
Lifestyle Networks Business	1,500		1,665	
Sub-total	132,573	93.9	144,169	99.4
Others	15,631	11.1	8,699	6.0
Inter-segment revenues	(7,122)	(5.0)	(7,794)	(5.4)
Net sales	141,081	100.0	145,074	100.0

(Note) "Others" column includes revenues in businesses not determined as reportable segments.

<Net Sales>

1) Asset Management Business

In the Asset Management Business net sales come from two major business categories, the Investment in Securities Business and the Investment Advisory Services/ Other Businesses.

(Investment in Securities Business)

The Group invests in venture capital companies in various industries both inside and outside of Japan, such as IT, biotechnology, environment and energy, and financial sectors. Revenues come from two main sources in the investment in securities business: (1) “revenue from operational investment securities”, which is derived from the sale of operational investment securities held for the purpose of securing capital gains, and (2) “fees from funds”, which are revenues comprised of fund establishment fees, fund management fees and incentive fees that are based on a fund’s performance. When the Company or its consolidated subsidiaries invest in a fund operated by the Group, all net sales from the funds under the scope of consolidation, including the revenues corresponding to the stakes of other investors, are booked as revenue from operational investment securities.

In the consolidated fiscal year ended 31 March 2012, revenue from operational investment securities increased 16.4% year-on-year to ¥31,575 million. This primarily reflected net sales from the funds under the scope of consolidation and revenues from overseas investments. Revenue from fees from funds amounted to ¥1,068 million (down 20.7% year-on-year), which primarily reflected management fees from SBI BROADBAND CAPITAL Silent Partnership and the SBI BB Media Investment Limited Partnership.

(Investment Advisory Services and Other Businesses)

Net sales from investment advisory services and other businesses declined 13.6% year-on-year to ¥1,922 million for the consolidated fiscal year. Revenues mainly came from investment trust management fees and interest income from operational loans receivable.

2) Brokerage & Investment Banking Business

Net sales in the Brokerage & Investment Banking Business are derived mainly from brokerage commission from securities transactions, underwriting and sales fees for initial public offerings, commissions from placement and sales of stock, and net trading income and financial revenue from spread on foreign exchange margin transactions and the like.

In the consolidated fiscal year ended 31 March 2012, net sales in this business decreased 8.5% year-on-year to ¥43,783 million, which was primarily generated by SBI SECURITIES Co., Ltd. and SBI Liquidity Market Co., Ltd.

3) Financial Services Business

Net sales in the Financial Services Business are comprised of revenues generated in four business components: the Marketplace Business, the Financial Products Business and the Financial Solutions Business and Other Businesses.

(Marketplace Business)

In this business, the Group operates various finance-related comparison websites such as “InsWeb”, an insurance portal site, and “E-LOAN”, to offer a marketplace of services that enables consumers to search and compare information on financial products and services online.

In the consolidated fiscal year ended 31 March 2012, net sales in the Marketplace Business declined 8.4% year-on-year to ¥5,221 million, which were primarily posted by the Company.

(Financial Products Business)

In the Financial Products Business, we provide a wide range of financial products and services including credit cards, comprehensive leasing services, auto loans and guarantee services, management and collection of specified monetary claims, and receipt financing that involves medical care payment receivable factoring and providing funds.

In the consolidated fiscal year, net sales in the Financial Products Business rose 10.2% year-on-year to ¥10,253 million. These revenues were posted by SBI Card Co., Ltd., SBI Lease Co., Ltd., SBI Credit Co., Ltd., SBI Servicer Co., Ltd. and SBI Receipt Co., Ltd.

(Financial Solutions Business)

In the Financial Solution Business, we mainly provide online settlement services for EC business operators and call center services for financial institutions.

In the consolidated fiscal year, net sales in this business rose 14.8% year-on-year to ¥9,539 million. This revenue was primarily generated by SBI VeriTrans Co., Ltd. and SBI Business Support Corp.

(Other Businesses)

In the category of Other Businesses, the Group is primarily engaged in the non-life insurance business with the Internet being the key service channel and the business of providing information on evaluations of financial products, particularly investment trusts, online.

Net sales in this category increased 154.0% year-on-year to ¥18,339 million in the consolidated fiscal year. Revenues were mainly generated by SBI Insurance Co., Ltd. and Morningstar Japan K.K.

4) Housing and Real Estate Business

In the Housing and Real Estate Business, net sales come from the Real Estate Business, the Financial Real Estate Business and the Lifestyle Networks Business.

(Real Estate Business)

In the Real Estate Business, we are primarily engaged in the development and sale of properties for investment purposes, planning and design services associated with investment properties, and advisory services for constructions and real estate.

In the consolidated fiscal year ended 31 March 2012, net sales declined 6.1% year-on-year to ¥9,693 million. This was primarily generated by the Company and SBI Life Living Co., Ltd.

(Financial Real Estate Business)

The Financial Real Estate Business involves provision of housing loans and real estate secured loans.

In the consolidated fiscal year, net sales in this business decreased 4.6% year-on-year to ¥11,107 million. The revenues primarily come from SBI Mortgage Co., Ltd. and CEM Corporation.

(Lifestyle Networks Business)

In the Lifestyle Networks Business, we are mainly engaged in the operation of websites for online intermediary services and comparison and estimate service.

Net sales for the consolidated fiscal year, which was mainly contributed by SBI Life Living Co., Ltd., increased 11.0% year-on-year to ¥1,665 million.

5) Others

In the consolidated fiscal year ended 31 March 2012, net sales in businesses not determined as reportable segments, which consisted of system-related business and drug-discovery business, decreased 44.3% year-on-year to ¥8,699 million.

(Note) Net sales by business segment indicated are before eliminations of intersegment revenues.

<Cost of Sales>

1) Asset Management Business

In the consolidated fiscal year ended 31 March 2012, cost of sales for the Asset Management Business decreased 6.4% year-on-year to ¥16,573 million, the primary component of which was cost of operational investment securities.

2) Brokerage & Investment Banking Business

In the consolidated fiscal year, cost of sales for this business decreased 1.0% year-on-year to ¥4,906 million, which were comprised primarily of financing costs such as interest expenses and financial expenses associated with margin or lending transactions.

3) Financial Services Business

In the consolidated fiscal year, cost of sales for this business increased 65.9% year-on-year to ¥38,048 million, related primarily to insurance underwriting expenses.

4) Housing and Real Estate Business

Operating costs for this business decreased 12.2% year-on-year to ¥9,831 million during the consolidated fiscal year. The costs were primarily sales cost of real estate for sale.

5) Other

In the consolidated fiscal year, costs of sales for businesses not determined as reportable segments were mainly consisted of the costs for the system-related business and decreased 40.3% year-on-year to ¥7,398 million.

(Note) Operating costs by business segment are results before eliminations of intersegment costs.

<Selling, General and Administrative Expenses>

During the consolidated fiscal year ended 31 March 2012, selling, general and administrative expenses amounted to ¥62,747 million, decreased 2.9% year-on-year, and consisted primarily of personnel expenses and securities system outsourcing costs.

<Non-operating Income>

Non-operating income for the consolidated fiscal year ended 31 March 2012 amounted to ¥3,796 million, up 220.0% year-on-year. This was primarily share of results of affiliates.

<Non-operating Expense>

Non-operating expenses for the consolidated fiscal year ended 31 March 2012 declined 1.2% year-on-year to ¥6,511 million, consisting primarily of interest expenses.

<Extraordinary Income>

During the consolidated fiscal year ended 31 March 2012, extraordinary income increased 54.9% year-on-year to ¥15,520 million. This was mainly gains on sales of investment securities.

<Extraordinary Expense>

Extraordinary loss for the consolidated fiscal year ended 31 March 2012 decreased 65.1% year-on-year to ¥2,828 million. This consisted primarily of losses on sales of investment securities.

(2) Analysis of Financial Conditions for the Fiscal Year

As at 31 March 2012, total assets stood at ¥1,663,814 million, up ¥370,208 million from ¥1,293,606 million at the end of the previous consolidated fiscal year ended 31 March 2011. Owing primarily to the issuance of new shares under the listing on the main board of the Hong Kong Stock Exchange and offering of Hong Kong depository receipts representing the Company's common shares, net assets amounted to ¥468,579 million, up ¥11,596 million from the end of the previous consolidated fiscal year.

Cash and cash equivalents as at 31 March 2012 totaled ¥145,594 million, down ¥3,192 million compared with the balance of ¥148,786 million at the end of the previous consolidated fiscal year. The following is a summary of cash flows and underlying factors.

(Net Cash used in Operating Activities)

Net cash used in operating activities for the consolidated fiscal year ended 31 March 2012 totaled ¥4,972 million, compared with net cash used in operating activities of ¥742 million in the previous consolidated fiscal year. This mainly reflected cash outflows of ¥301,000 million for increase in cash segregated as deposits and of ¥19,729 million for decrease in guarantee deposits received, and cash outflow of ¥11,610 million for increase in operational loans receivable despite the cash inflow of ¥312,052 million for increase in deposits from customers and of ¥17,394 million for decrease in margin transaction assets, net.

(Net Cash used in Investing Activities)

Net cash used in investing activities for the consolidated fiscal year ended 31 March 2012 totaled ¥27,035 million, compared with net cash used in investing activities of ¥16,642 million in the previous consolidated fiscal year. This was mainly attributable to cash outflows of ¥12,169 million for purchases of investment securities and of ¥6,235 million for purchases of investments in subsidiaries, and cash outflow of ¥7,758 million for proceeds from sales of investments in subsidiaries resulting in change in scope of consolidation. The Company sold all shares of SBI VeriTrans Co., Ltd. ("SBI VeriTrans") in March 2012 and it was excluded from the scope of consolidation, but cash settlement was not made as at 31 March 2012. Cash outflow of ¥7,758 million was mainly attributable to decrease of cash balance held by SBI VeriTrans.

(Net Cash from Financing Activities)

Net cash from financing activities for the consolidated fiscal year ended 31 March 2012 totaled ¥29,529 million, compared with net cash from financing activities of ¥25,154 million in the previous consolidated fiscal year. This mainly reflected cash inflows of ¥16,716 million for proceeds from stock issuance and of ¥10,009 million for increase in short-term loans payable

(3) Basic Policy on Profit Distribution and Dividends for Fiscal Year Ended 31 March 2012 and Fiscal Year Ending 31 March 2013

The basic profit distribution policy of the Company is to target a payout ratio of 20% to 50% of its consolidated net income on a once annual year-end dividend payment. With a general rule to provide a dividend of at least 20%, the Company will aim to heighten the payout ratio up to 50% if it determines based on a comprehensive consideration, including projecting the future business conditions, that a higher distribution is possible while securing sufficient retained earnings for sustainable growth.

Consolidated net income for the fiscal year ended 31 March 2012 was ¥3,200 million with decline of ¥2,235 million affected by the reversal of net deferred assets owing to the Tax reform 2011. Without this temporary impact, consolidated net income and net income per share would be ¥5,435 million and ¥247, respectively. The Company decided to carry out the payment of ordinary dividend of ¥100 per share as the year-end dividend for the fiscal year ended 31 March 2012 on the basis of the supposed net income per share. Please refer to NOTES TO THE FINANCIAL STATEMENTS-III.ADDITIONAL INFORMATION-"Tax Reform 2011" for detailed information.

2. CORPORATE GROUP

As of 31 March 2012, the Group included the Company, 118 consolidated subsidiaries and 21 affiliates accounted for under the equity method. Business descriptions and major group companies are as follows.

Business segments are identical to those indicated in “Notes to Consolidated Financial Statements; Segment information”.

Business Segment	Business Description	Major Business Activities	Major Companies
Asset Management Business	Management and operation of investment partnerships	Establishment, management and operation of funds that mainly invest in IT, biotechnology, environment and energy and financial sectors inside and outside of Japan	SBI Investment Co., Ltd. SBI CAPITAL Co., Ltd. SBI Capital Solutions Co., Ltd.
	Investment in venture companies inside and outside of Japan	Proprietary investments by the Company and its consolidated subsidiaries in venture companies inside and outside of Japan	SBI Holdings, Inc. SBI BB Mobile Investment LPS SBI Value Up Fund No. 1 Limited Partnership SBI VEN HOLDINGS PTE. LTD. SBI KOREA HOLDINGS CO., LTD.
	Investment advisory and other businesses	Investment management and advisory services based on the Financial Instruments and Exchange Act	SBI Asset Management Co., Ltd.
Brokerage & Investment Banking Business	Securities related businesses	Provision of financial products such as securities that meet the diverse needs of investors, underwriting of IPO stocks and corporate bonds by leveraging the capabilities to attract customers and sell products in the brokerage business, and other investment banking business activities	SBI SECURITIES Co., Ltd. SBI Liquidity Market Co., Ltd. SBI Japannext Co., Ltd. (Note 1)

Business Segment	Business Description	Major Business Activities	Major Companies
Financial Services Business	Marketplace business	Operations of various websites mainly for comparing insurance and loan products	SBI Holdings, Inc. (InsWeb Business Division and E-LOAN Business Division)
	Financial products business	Provision of a wide range of financial services including banking, credit cards, and leasing	SBI Sumishin Net Bank, Ltd. (Note 1) SBI Card Co., Ltd. SBI Lease Co., Ltd.
	Financial solutions business	Online settlement services for EC business operators	SBI VeriTrans Co., Ltd. (Note 2)
	Other businesses	Provision of evaluation of nonlife insurance products and investment trusts	SBI Insurance Co., Ltd. Morningstar Japan K.K.
Housing and Real Estate Business	Real estate business	Real estate investment, real estate development, consignment of constructions, subdivision of housing, operation of real estate funds and other	SBI Holdings, Inc. (Real Estate Business Headquarters) SBI Life Living Co., Ltd.
	Financial real estate business	Provision of housing loans and related agency services, and real estate secured loans	SBI Mortgage Co., Ltd. CEM Corporation
	Lifestyle networks business	Operation of websites for comparison, search and estimate of various products and services	SBI Life Living Co., Ltd.
Other (Note 4)	System-related business, pharmaceutical business and other	Financial systems business, and research and development of pharmaceutical products, cosmetics and health foods	SBI Net Systems Co., Ltd. SBI ALApromo Co., Ltd. (Note 3)

(Notes)

1. A company accounted for under the equity method.
2. The Company signed a contract transferring all shares of SBI VeriTrans Co., Ltd. ("SBI VeriTrans") in March 2012, and SBI VeriTrans was excluded from the scope of consolidation as at 31 March 2012.
3. SBI ALApromo Co., Ltd. changed its name to SBI Pharmaceuticals Co., Ltd. on 1 April 2012.
4. "Other" includes businesses not determined as reportable segments.

3. MANAGEMENT POLICY

(1) Basic Management Policy of the Company

The Group's core businesses are the Asset Management Business primarily involving the operation of funds both inside and outside of Japan, the Brokerage & Investment Banking Business centered on the securities business, the Financial Services Business offering a wide range of financial services, and the Housing and Real Estate Business mainly involving housing loans and real estate investments. The Group will be committed to creating more innovative services and businesses for our customers and investors, and maximize corporate value, which represents the aggregate of customers value, shareholder value and human capital value.

The Group consistently continues to base its organizational development on three fundamental concepts: (1) adherence to the "customer-centric principle", (2) development of "structural differentiation", and (3) formation of "business ecosystem". Adherence to the "customer-centric principle" signifies being committed to offering services that truly accommodate the needs of customers, which include services at the lowest commission rates and the most attractive interest rates, at-a-glance comparison of financial products, attractive investment opportunities, services offering high safety and reliability, and provision of abundant and high-quality financial content. In the Internet Age, where the concept has drastically changed, customer needs have become so diverse that their satisfaction cannot be attained simply through differentiation of price or quality of products and services. Development of "structural differentiation" refers to creating a unique "structure" that enables the Group to respond to such changes and satisfy the varying needs of customers as well as offer value based on the full utilization of the structural network. Creation of "business ecosystem" aims at promoting positive synergistic effects among constituent companies, which creates a mutual evolution process with the each of the respective markets where companies operate to support rapid growth. The Group will manage its businesses by emphasizing the formation of a "business ecosystem" that enhances the network value through promoting interactions among the Group companies as well as with other corporate groups inside and outside of Japan.

(2) Management Issues and Future Policies

The Group has completed the creation of a business structure in Japan as a comprehensive financial conglomerate centered on Internet-based financial services. In overseas, the Group has been rapidly expanding its investment business and establishing an investment framework primarily in Asian countries with remarkable growth.

Going forward, we will aggressively promote further expansion of our overseas investment business and provide local foreign financial institutions we invest in with innovative know-how on Internet financial services fostered through our businesses in Japan. By so doing, we expect to become a comprehensive financial group that can make contributions globally with a focus in Asia.

The Company became the first listed company in Japan to be listed on the Main Board market of the Hong Kong Exchanges and Clearing on 14 April 2011. We will maximize this opportunity to enhance our credibility and recognition in Asia to further develop businesses of the Group.

In Japan, we will accelerate growth as a provider of diverse low-cost, high-quality financial products and services by effectively taking into account the growing sentiment among consumers to cut back on their spending and the increased use of the Internet for executing various financial transactions, and further provoking synergistic effects among businesses we have developed in the Group.

In the Asset Management Business, we recognize that a high priority lies in expanding our investments in emerging countries, primarily in Asia, and establishing an effective investment system. The Company will pursue setting up funds jointly with our leading local partners while monitoring the economic conditions of such countries as we continue to push establishment and penetration of our global network. We pursue private equity investment by identifying targets and concentrating our investments in growth areas in the aim to contribute in developing industries while benefiting from high investment performance. The Group will continue to invest in four key areas of IT, biotechnology, environment and energy, and finance going ahead. In the financial sectors, we will transfer the know-how of the Group and pursue direct investment in overseas financial institutions by which we can expect to enhance the value of corporations we invest in. The Group will also invest in and finance corporations of varying sizes and in different phases of development through operating buy-out and mezzanine funds. In undertaking these business activities, the Group will strive for further growth by continuing to aggressively utilizing the resources both inside and outside of the Group and heightening the performance of the funds we operate as we promptly improve the corporate value of companies we invest in.

In the Brokerage & Investment Banking Business, we will aim to achieve greater growth even under unstable conditions in the Japanese stock markets. SBI SECURITIES Co., Ltd. will continue to expand its overseas product lineups and strengthen foreign exchange transactions and further enhance its call center operations that receive high recognition from evaluating agencies in heightening its service level even more. We will also promote integration of “net” and “real” channels and actively make use of the intermediary business to continue expanding the face-to-face channel while achieving effective cost reductions. Furthermore, in the aim to maximizing synergies within the financial conglomerate, the Company will tighten grips with financial companies in the Group, in particular with SBI Sumishin Net Bank, Ltd., to develop the Group’s Internet-based one-stop financial service system. In the consolidated fiscal year, PTS (proprietary trading system) of high public nature operated by SBI Japannext Co., Ltd. posted a considerable increase in trading value, taking up 2.8% of total monthly trading value on the first section of the Tokyo Stock Exchange in March 2012. SBI Liquidity Market Co., Ltd., which began operation in November 2008, provides liquidity and market infrastructure for FX transactions to SBI SECURITIES Co., Ltd. and SBI Sumishin Net Bank, Ltd. The firm will make improvements to the transaction environment and enhance liquidity in the aim to further diversify sources of revenue in this business.

In the Financial Services Business, we established SBI Sumishin Net Bank, Ltd., SBI Insurance Co., Ltd. and other new companies during 2007 to 2008 for undertaking new businesses in our aim to build an earning structure that does not depend solely on stock markets. It is our key objective to further developing these businesses by provoking stronger synergistic effects among Group companies. In the Marketplace Business centered on operation of comparison websites such as “InsWeb” and “E-LOAN”, we must continue to expand our service lineups including enhancing content and improving functions. Additionally, in striving for higher growth, we see the need to push development of Morningstar Japan K.K., which continues to expand its services and channel offering, supported by the growing asset management needs.

In the Housing and Real Estate Business, we will pursue real estate development while monitoring market conditions, through making efforts to capture business opportunities and to diversify and stabilize revenues. In the financial real estate category, SBI Mortgage Co., Ltd. has established its own brand as a provider of housing loans with low, all-term fixed interest rates. We will continue to enhance “SBI Money Plaza”, a franchise-based face-to-face channel to continue attracting customers and increasing loan drawdowns. In the lifestyle networks business category under this Business, we are determined to focus our efforts in operating brokering sites to provide useful, attractive services in assisting consumers at every stage and major event of their lives.

Furthermore, in July 2010, the Group launched a concept called the “Brilliant Cut Initiative”. By modeling the Group companies and businesses on facets of a diamond, namely a “58 brilliant-cut diamond”, known to be the brightest and the most beautiful with each of the facets giving the best shine when cut this way. The 58 major companies and business entities of the Group’s business ecosystem reflect the 58 facets of a brilliant-cut diamond, which together shine most beautifully as one. In the aim to give out the best shine as a Group, we will pursue the “brilliant-cut” initiative in shifting our management emphasis from the traditional group-wide expansion to profitability.

The Group recognizes that continuous enhancement of human resources is an essential group-wide initiative. It has become increasingly important to secure highly competent individuals that support the rapid expansion of our businesses and to continue developing the skills of our employees. For this purpose, we have been exerting greater efforts in hiring excellent individuals who are willing to share the management philosophy of the Group as well as recruiting university graduates to secure human capital for passing on the Group’s unique corporate culture from one generation of employees to the next. The initiative of recruiting university graduates that began in April 2006 has resulted in individuals with the potential to advance to senior executive positions to already contribute strongly in key positions of the organization. We will continue to secure highly competent and global-oriented human resources and promote career development of our staff in pursuing perpetual growth and development of the Group.

4. CODE ON CORPORATE GOVERNANCE PRACTICE

The Company has complied with all the major code provisions of the Corporate Governance Code throughout the accounting period for the fiscal year ended 31 March 2012, save for deviations in Code Provision A.2.1, A.4.2, A.4.4, B.1 and C.3.

Details of which are explained below.

Chairman and Chief Executive Officer

According to the Code Provision A.2.1, the roles of chairman and chief executive officer ("CEO") should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and CEO should be clearly established and set out in writing.

We do not have a separate Chairman and CEO, and Mr. Yoshitaka Kitao currently holds both positions. The Board believes that vesting the roles of both Chairman and CEO in the same person ensures consistent leadership within the Group and enables more effective and efficient planning of long-term strategies and implementation of business plans. The Board believes that the balance of power and authority will not be impaired and is adequately ensured by the effective Board which comprises experienced and high caliber individuals with a sufficient number thereof being independent nonexecutive directors.

Appointment and Re-election of Directors

The procedures of election of directors are laid down in the Company's Articles of Incorporation and the Companies Act of Japan. The Board is responsible for reviewing Board composition, developing and formulating procedures for nomination and appointment of directors, monitoring the appointment of directors and assessing the independence of independent non-executive directors.

The Code Provision A4.2 requires that all directors should be subject to retirement by rotation at least once every three years. Directors of the Company would not be subject to retirement by rotation, since there is no such rule under the Companies Act of Japan.

Instead, each of the directors (including executive and non-executive directors) of the Company is engaged on a service contract for a term of one year in accordance with the Company's Articles of Incorporation. The office may be terminated by the directors' written notice so long as the minimum number of directors required by the Companies Act of Japan could be maintained. Otherwise, a director must continue his/her duty until being replaced by his/her successor.

Apart from foregoing, no Directors for re-election at the annual general meeting held on 29 June 2011 has a service contract with the company which is not determinable by the Company within one year without payment of compensation other than statutory compensation.

Nomination Committee

We have not established a Nomination Committee as required by the Code Provision A.4.4. Shareholders elect the directors at the annual general Shareholders' meeting based on an elective list of directors recommended by the Board, instead of via a nomination committee. The term of office of a director shall expire on the date of the general Shareholders' meeting relating to the last business year, closing within 1 year after his or her appointment under the Company's Articles of Incorporation. There is no limit on the number of consecutive term that a director may serve. A Representative Director is elected by the Board.

Remuneration Committee

The Stock Exchange has confirmed that we do not need to strictly comply with paragraph B.1 of Code Provision in respect of the establishment of a Remuneration Committee. The Board performs the role of remuneration committee to determine the remuneration of directors and senior management in accordance with the Companies Act of Japan and we will not put in place a separate committee.

The Board has established a set of rules for the compensation of its officers which set out the remuneration standards and policies of the Company for its executives. The compensation rules are not materially different from the terms of reference for a remuneration committee provided in paragraph B.1.3 of Code Provision and they provide a formal and transparent process for the determination of remuneration. Further, even though the Board of Directors will voluntarily perform the role of the remuneration committee, the decisions on maximum amount of remuneration, the method for calculation of remuneration, and the type and amount of remuneration to be paid to Directors and Statutory Auditors must be determined by the Shareholders of the Company.

Audit Committee

We have not established an Audit Committee as required by Code Provision C.3. Our interim results have not been reviewed by the Audit Committee. The role of the Audit Committee pursuant to the Listing Rules is carried out by a Board of Statutory Auditors of the Company in Japan. The specific roles and responsibilities of the Statutory Auditors and the Board of Statutory Auditors correspond closely to those required to be provided by an Audit Committee under the Listing Rules.

Changes in Information of Directors

The changes in the information of Directors since the publication of the 2010/11 Annual Report are set out below pursuant to Rule 13.51B(1) of the Listing Rules:

Biographical Details of Directors

Mr. Yasutaro Sawada

- Ceased to act as the executive Director and Chief Financial Officer of the Company on 30 September 2011.
- Re-designated to the non-executive Director of the Company on 1 October 2011.

Mr. Taro Izuchi

- Ceased to act as the Non-executive Director of the Company on 30 September 2011.
- Re-designated to the Executive Director and Chief Operating Officer of the Company on 1 October 2011.

Mr. Shumpei Morita

- Appointed as the Chief Financial Officer of the Company on 1 October 2011.

Other than those disclosed above, there is no other information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

5. CONSOLIDATED FINANCIAL STATEMENTS

(Amounts in millions of Japanese Yen, rounded down to the nearest million except for per share information, unless otherwise stated)

(1) CONSOLIDATED BALANCE SHEET

	Notes	As at 31 March	
		2011	2012
Assets			
Current assets			
Cash and deposits		150,268	146,055
Notes and accounts receivable-trade.		10,658	11,106
Leases receivable and lease investment assets.		16,166	13,829
Short-term investment securities.		292	219
Cash segregated as deposits		347,865	663,065
Operational investment securities	IV.1	141,881	148,099
Allowance for investment losses		(9,108)	(6,156)
Operational investment securities - net.		132,773	141,943
Operational loans receivable		27,905	42,281
Real estate inventories	IV.2	16,812	11,699
Trading instruments	IV.7	2,701	1,763
Loans on margin transactions.		229,301	220,270
Cash collateral pledged for securities borrowings on margin transactions.		21,098	39,777
Margin transaction assets		250,399	260,048
Short-term guarantee deposits		5,235	16,800
Deferred tax assets.		14,243	11,425
Others		57,473	75,830
Allowance for doubtful accounts		(4,017)	(3,682)
Total current assets.		1,028,779	1,392,386

		As at 31 March	
	Notes	2011	2012
Non-current assets			
Property and equipment			
Buildings.		15,799	16,205
Accumulated depreciation		(3,130)	(3,234)
Buildings-net		12,668	12,970
Furniture and fixtures.		4,972	4,014
Accumulated depreciation		(3,546)	(2,930)
Furniture and fixtures, net.		1,426	1,083
Land.		10,908	11,787
Others		4,825	5,318
Accumulated depreciation		(1,397)	(2,324)
Others-net		3,427	2,993
Total property and equipment		28,431	28,835
Intangible assets			
Software.		13,378	13,511
Goodwill		126,297	122,410
Others		567	1,254
Total intangible assets		140,244	137,176
Investments and other assets			
Investment securities.	IV.3	53,378	61,403
Deferred tax assets		12,830	15,458
Others		36,108	26,013
Allowance for doubtful accounts		(12,066)	(6,535)
Total investments and other assets		90,250	96,338
Total non-current assets.		258,926	262,349
Deferred charges			
Stock issuance costs.		152	182
Bonds issuance costs		32	142
Deferred operating costs under Article 113 of the Insurance Business Act.		5,715	8,752
Total deferred charges.		5,900	9,077
Total assets		1,293,606	1,663,814

	Notes	As at 31 March	
		2011	2012
Liabilities			
Current liabilities			
Short-term loans payable		97,164	103,915
Current portion of long-term loans payable		12,147	19,888
Current portion of bonds payable		70,060	60,060
Accrued income taxes		4,574	4,875
Advances received		1,953	1,941
Borrowings on margin transactions		70,386	76,007
Cash received for securities lending on margin transactions		73,370	94,792
Margin transaction liabilities		143,757	170,800
Loans payable secured by securities		61,797	76,592
Guarantee deposits received		309,134	289,405
Deposits from customers		37,819	347,952
Accrued expenses		3,202	3,262
Deferred tax liabilities		3,219	4,047
Provision for bonuses		79	95
Other provisions		448	290
Others		35,237	36,930
Total current liabilities		780,597	1,120,059
Non-current Liabilities			
Bonds payable		540	30,480
Long-term loans payable		31,366	16,765
Deferred tax liabilities		424	357
Provision for retirement benefits		69	16
Other provisions		861	1,444
Others		17,567	21,675
Total non-current liabilities		50,828	70,739
Statutory reserves			
Reserve for financial products transaction liabilities		5,196	4,436
Reserve for price fluctuation		0	0
Total statutory reserves	IV.8	5,197	4,436
Total liabilities		836,623	1,195,235
Net assets			
Shareholders' equity			
Capital stock		73,236	81,664
Capital surplus		236,920	249,353
Retained earnings		88,073	88,417
Treasury stock		(246)	(3,179)
Total shareholders' equity		397,983	416,255
Accumulated other comprehensive income (loss)			
Unrealized losses on available-for-sale securities		(3,902)	(2,722)
Deferred losses on derivatives under hedge accounting		(239)	(1,889)
Foreign currency translation adjustments		(3,012)	(4,711)
Total accumulated other comprehensive income (loss)		(7,155)	(9,323)
Stock acquisition rights		11	10
Minority interests		66,142	61,636
Total net assets		456,982	468,579
Total liabilities and net assets		1,293,606	1,663,814

(2) CONSOLIDATED STATEMENT OF OPERATIONS

	Notes	Year ended 31 March	
		2011	2012
Net sales	V.1	141,081	145,074
Cost of sales	V.2	67,535	74,750
Gross profit		73,546	70,323
Selling, general and administrative expenses	V.3 & 4	64,613	62,747
Operating income		8,932	7,575
Non-operating income			
Interest income		402	473
Dividend income		191	208
Share of results of affiliates		163	2,546
Others		429	567
Total non-operating income		1,186	3,796
Non-operating expense			
Interest expense		2,705	2,303
Amortization of deferred operating costs under Article 113 of the Insurance Business Act		952	1,750
Foreign exchange losses		1,349	509
Others		1,586	1,948
Total non-operating expense		6,593	6,511
Ordinary income		3,525	4,860
Extraordinary income			
Gains on sales of investment securities		7,584	14,353
Reversal of statutory reserves		2,022	760
Others		411	406
Total extraordinary income		10,018	15,520
Extraordinary expense			
Impairment loss		861	233
Provision of allowance for doubtful accounts		3,848	—
Provision of statutory reserves		0	0
Losses on sales of investment securities		66	1,104
Losses on valuation of investment securities		556	80
Losses on disposal of subsidiaries and affiliates		635	812
Impact from applying the Accounting Standard of Asset Retirement Obligation		501	—
Others		1,642	598
Total extraordinary expense		8,113	2,828
Income before income taxes		5,430	17,552
Income taxes-current		(10,120)	(9,381)
Income taxes-deferred		3,028	(2,537)
Total income taxes		(7,092)	(11,918)
Income (loss) before minority interests		(1,661)	5,633
Minority interests in income (loss)		(6,196)	2,432
Net income		4,534	3,200

(3) CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Year ended 31 March	
	2011	2012
Net income (loss) before minority interests	(1,661)	5,633
Other comprehensive income (loss)		
Unrealized gains (losses) on available-for-sale securities . .	(3,042)	1,389
Deferred gains (losses) on derivatives under hedge accounting	(14)	5
Foreign currency translation adjustments	(1,219)	(1,283)
Share of other comprehensive income (loss) of equity method affiliates	(533)	(1,981)
Total other comprehensive income (loss) for the year	(4,809)	(1,869)
Total comprehensive income (loss) for the year	(6,471)	3,764
Total comprehensive income (loss) for the year attributable to:		
-Owners of the parent	(364)	1,083
-Minority interests	(6,106)	2,681

(4) CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS

	Year ended 31 March	
	2011	2012
Shareholders' equity		
Capital stock		
Balance at the end of previous year	55,284	73,236
Changes during the year		
Issuance of new stock	17,952	8,428
Total changes during the year	17,952	8,428
Balance at the end of current year	73,236	81,664
Capital surplus		
Balance at the end of previous year	218,968	236,920
Changes during the year		
Issuance of new stock	17,952	8,428
Increase through share exchanges	—	4,004
Disposal of treasury stock	(0)	—
Total changes during the year	17,951	12,432
Balance at the end of current year	236,920	249,353
Retained earnings		
Balance at the end of previous year	87,276	88,073
Changes during the year		
Dividends	(1,676)	(2,391)
Net income	4,534	3,200
Decrease through a merger	(224)	(2)
Adjustments due to change of scope of consolidation	(1,798)	(571)
Adjustments due to change of scope of equity method	(37)	108
Total changes during the year	797	343
Balance at the end of current year	88,073	88,417
Treasury stock		
Balance at the end of previous year	(246)	(246)
Changes during the year		
Purchases of treasury stock	—	(2,938)
Disposal of treasury stock	—	5
Total changes during the year	—	(2,932)
Balance at the end of current year	(246)	(3,179)
Total shareholders' equity		
Balance at the end of previous year	361,282	397,983
Changes during the year		
Issuance of new stock	35,904	16,856
Increase through share exchanges	—	4,004
Dividends	(1,676)	(2,391)
Net income	4,534	3,200
Decrease through a merger	(224)	(2)
Adjustments due to change of scope of consolidation	(1,798)	(571)
Adjustments due to change of scope of equity method	(37)	108
Purchases of treasury stock	—	(2,938)
Disposal of treasury stock	(0)	5
Total changes during the year	36,701	18,271
Balance at the end of current year	397,983	416,255

	Year ended 31 March	
	2011	2012
Accumulated other comprehensive income (loss)		
Unrealized losses on available-for-sale securities		
Balance at the end of previous year	(559)	(3,902)
Changes during the year		
Net changes other than shareholders' equity	(3,343)	1,180
Total changes during the year	(3,343)	1,180
Balance at the end of current year	(3,902)	(2,722)
Deferred gains (losses) on hedges		
Balance at the end of previous year	14	(239)
Changes during the year		
Net changes other than shareholders' equity	(254)	(1,649)
Total changes during the year	(254)	(1,649)
Balance at the end of current year	(239)	(1,889)
Foreign currency translation adjustments		
Balance at the end of previous year	(1,506)	(3,012)
Changes during the year		
Net changes other than shareholders' equity	(1,505)	(1,698)
Total changes during the year	(1,505)	(1,698)
Balance at the end of current year	(3,012)	(4,711)
Total accumulated other comprehensive income (loss)		
Balance at the end of previous year	(2,051)	(7,155)
Changes during the year		
Net changes other than shareholders' equity	(5,104)	(2,167)
Total changes during the year	(5,104)	(2,167)
Balance at the end of current year	(7,155)	(9,323)
Stock acquisition rights		
Balance at the end of previous year	11	11
Changes during the year		
Net changes other than shareholders' equity	(0)	(1)
Total changes during the year	(0)	(1)
Balance at the end of current year	11	10
Minority interests		
Balance at the end of previous year	69,372	66,142
Changes during the year		
Net changes other than shareholders' equity	(3,229)	(4,506)
Total changes during the year	(3,229)	(4,506)
Balance at the end of current year	66,142	61,636
Total net assets		
Balance at the end of previous year	428,615	456,982
Changes during the year		
Issuance of new stock	35,904	16,856
Increase through share exchanges	—	4,004
Dividends	(1,676)	(2,391)
Net income	4,534	3,200
Decrease through a merger	(224)	(2)
Adjustments due to change of scope of consolidation	(1,798)	(571)
Adjustments due to change of scope of equity method	(37)	108
Purchases of treasury stock	—	(2,938)
Disposal of treasury stock	(0)	5
Net changes other than shareholders' equity	(8,333)	(6,675)
Total changes during the year	28,367	11,596
Balance at the end of current year	456,982	468,579

(5) CONSOLIDATED STATEMENT OF CASH FLOWS

	Year ended 31 March	
	2011	2012
Net cash used in operating activities		
Income before income taxes	5,430	17,552
Adjustments for:		
Depreciation and amortization	6,588	8,456
Amortization of goodwill	8,563	7,866
Increase in provision	11,451	6,117
Share of results of affiliates	(163)	(2,546)
Write-down of operational investment securities	1,618	3,952
Equity in earnings of funds	(2,793)	606
Gains on sales of investment securities	(7,517)	(13,248)
Losses on valuation of investment securities	556	80
Foreign exchange losses	3,333	1,429
Interest and dividend income	(16,587)	(15,502)
Interest expense	6,730	6,077
Changes in assets and liabilities:		
Increase in operational investment securities	(35,988)	(12,460)
Decrease (increase) in operational loans receivable	5,755	(11,610)
Decrease in real estate inventories	2,617	3,198
Decrease in notes and accounts receivable-trade	823	1,082
Increase (decrease) in notes and accounts payable-trade	102	(726)
Increase in cash segregated as deposits	(18,000)	(301,000)
Decrease (increase) in trading instruments	(2,326)	1,541
Decrease in margin transaction assets, net	4,962	17,394
Increase in deposits from customers	6,341	312,052
Increase (decrease) in guarantee deposits received	26,760	(19,729)
Increase (decrease) in loans payable secured by securities	(1,997)	14,807
Decrease in advances received	(890)	(2,682)
Others, net	(4,127)	(28,333)
Subtotal	1,242	(5,625)
Interest and dividend income received	17,168	14,852
Interest expense paid	(6,885)	(5,967)
Income taxes paid	(12,267)	(8,232)
Net cash used in operating activities	(742)	(4,972)

	Note	Year ended 31 March	
		2011	2012
Net cash used in investing activities			
Purchases of intangible assets		(4,767)	(5,327)
Purchases of investment securities		(13,621)	(12,169)
Proceeds from sales of investment securities		11,212	1,996
Proceeds from sales of investments in subsidiaries		249	524
Purchases of investments in subsidiaries resulting in change in scope of consolidation		(99)	37
Proceeds from sales of investments in subsidiaries resulting in change in scope of consolidation		—	(7,758)
Purchases of investments in subsidiaries		(177)	(6,235)
Payments of loans receivable		(22,069)	(22,652)
Collection of loans receivable		15,496	23,957
Payments for lease and guarantee deposits		(1,172)	(986)
Proceeds from collection of lease and guarantee deposits		483	392
Others, net		(2,175)	1,185
Net cash used in investing activities		(16,642)	(27,035)
Net cash from financing activities			
Increase in short-term loans payable		39,259	10,009
Proceeds from long-term loans payable		9,000	6,020
Repayment of long-term loans payable		(15,849)	(12,879)
Proceeds from issuance of bonds payable		71,019	89,816
Redemption of bonds payable		(113,100)	(70,060)
Proceeds from stock issuance		35,698	16,716
Proceeds from stock issuance to minority interests		1,797	109
Contributions from minority shareholders in consolidated investment funds		4,083	1,790
Cash dividend paid		(1,673)	(2,383)
Cash dividend paid to minority shareholders		(225)	(183)
Distributions to minority shareholders in consolidated investment funds		(3,864)	(5,434)
Proceeds from sales of treasury stock		—	38
Purchases of treasury stock		(4)	(2,940)
Others, net		(985)	(1,089)
Net cash from financing activities		25,154	29,529
Effect of changes in exchange rate on cash and cash equivalents		(2,893)	(1,655)
Net increase (decrease) in cash and cash equivalents		4,876	(4,133)
Increase in cash and cash equivalents from newly consolidated subsidiaries		1,337	961
Decrease in cash and cash equivalents resulting from deconsolidation of subsidiaries		(28)	(20)
Increase in cash and cash equivalents resulting from merger		19	0
Cash and cash equivalents at beginning of Year		142,581	148,786
Cash and cash equivalents at end of year	VII.1	148,786	145,594

NOTES TO THE FINANCIAL STATEMENTS

I. CHANGES IN SIGNIFICANT ACCOUNTING POLICIES

The Company has applied “Accounting Standard for Accounting Changes and Error Corrections” (ASBJ Statement No. 24 issued on 4 December 2009) and “Guidance on Accounting Standard for Accounting Changes and Error Corrections”(ASBJ Guidance No.24 issued on 4 December 2009) to the accounting changes and error corrections which have been made after 31 March 2011.

II. CHANGES IN PRESENTATION

“Amortization of stock issuance costs” and “Amortization of bond issuance costs” were separately presented for the consolidated fiscal year ended 31 March 2011 but were included in “Others” line of “Non-operating expense” for the consolidated fiscal year ended 31 March 2012, as the respective amounts were less than 10% of non-operating expense for the consolidated fiscal year ended 31 March 2012.

“Reversal of allowance for doubtful accounts” and “Gains on the changes in interests in consolidated subsidiaries and equity method investees” were separately presented for the consolidated fiscal year ended 31 March 2011 but were included in “Others” line of “Extraordinary income” for the consolidated fiscal year ended 31 March 2012, as the respective amounts were less than 10% of extraordinary income for the consolidated fiscal year ended 31 March 2012.

“Losses on the changes in equity interests in consolidated subsidiaries and equity method investees” was separately presented for the consolidated fiscal year ended 31 March 2011 but was included in “Others” line of “Extraordinary expense” for the consolidated fiscal year ended 31 March 2012, as the amount was less than 10% of extraordinary expense for the consolidated fiscal year ended 31 March 2012.

III. ADDITIONAL INFORMATION

Stock Benefit Trust

At the board meeting held on 29 September 2011, the Directors of the Company resolved to introduce “Stock Benefit Trust (Employee Stockholding Association Purchase-type)” (hereinafter the “Plan” and the “Trust”).

The purpose of the Plan is to improve employees’ welfare and to increase their motivations for work and awareness of the Company’s stock performance through its steady provision of the stock to the employee stockholding association and distribution of the profit created by trust property management in order to increase our corporate value.

The Trust’s assets and liabilities, and income and expenses were included in the Group’s consolidated financial statements. Since the Company’s stock held by the Trust was accounted for as treasury stock in the consolidated financial statements, the number of the stock was included in the number of treasury stock and not included in the number of shares outstanding.

The number of treasury stock held by the Trust as at 31 March 2012 was 70,604.

Tax Reform 2011

Due to Tax Reform 2011(the "Tax Reform"), effective tax rate of 40.69% used for the calculation of deferred tax assets and liabilities was changed and new effective tax rate of 38.01% and 35.64% were applied to the deductible and taxable temporary differences which are expected to reverse for the consolidated fiscal years beginning on or after 1 April 2012 and for the consolidated fiscal years beginning on or after 1 April 2015, respectively.

The Tax Reform also set a ceiling on annual deduction for unused tax carry-forward losses to 80% of annual taxable profit for the consolidated fiscal years beginning on or after 1 April 2012.

As a result, net deferred tax assets were decreased by ¥2,265 million and income tax deferred was increased by ¥2,260 million.

IV. NOTES TO CONSOLIDATED BALANCE SHEET

1. Operational investment securities

Investment in funds and direct investments included in operational investment securities consisted of the following:

	As at 31 March	
	2011	2012
	(millions of Yen)	(millions of Yen)
New Horizon Capital, L.P.	17,041	9,237
NEW HORIZON FUND, L.P.	5,231	4,713
SBI & BDJB CHINA FUND, L.P.	2,370	2,885
New Horizon Capital III, L.P.	2,069	3,080
Jefferies SBI USA Fund L.P.	795	1,631
SBI BB MEDIA INVESTMENT LIMITED PARTNERSHIP	1,217	1,195
LC Fund III, L.P.	1,029	1,039
Others	1,989	4,161
Subtotal (Investments in funds)	31,746	27,944
Direct investments	110,135	120,155
Total	141,881	148,099

2. Real estate inventories

Real estate inventories consisted of the following:

	As at 31 March	
	2011	2012
	(millions of Yen)	(millions of Yen)
Real estate for sale	7,505	3,866
Real estate for sale in progress	7,083	6,430
Real estate for development	1,403	1,403
Beneficial interest in real estate investment trust ...	821	—
Total	16,812	11,699

3. Investments in unconsolidated subsidiaries and affiliates

Investments in unconsolidated subsidiaries and affiliates are as follows:

	As at 31 March	
	2011	2012
	(millions of Yen)	(millions of Yen)
Investments securities	43,463	51,087

4. Contingent Liabilities

Credit guarantees

Guarantees for the debts owed to other financial institutions in the Group's credit guarantee business are as follows:

	As at 31 March	
	2011	2012
	(millions of Yen)	(millions of Yen)
Guarantee of bank loans.	18,234	47,169

5. Off-balance sheet items — Fair values of the securities deposited in securities-related businesses

Securities deposited in securities-related businesses represented securities lent to customers under securities lending arrangements.

Fair values of the securities deposited in securities-related businesses are as follows:

	As at 31 March	
	2011	2012
	(millions of Yen)	(millions of Yen)
Securities loaned on margin transactions	73,267	101,846
Securities pledged for borrowings on margin transactions	71,241	75,482
Substitute securities for pledged margin transactions (except those related to customer's direct deposit) . . .	39,118	27,365
Substitute securities for guarantee money paid	41,234	42,910
Securities loaned under loan agreement	60,481	79,211

6. Off-balance sheet items — Fair values of the securities received in securities-related businesses

Securities received in securities-related businesses represented securities borrowed by the Group under securities lending arrangements.

Fair values of the securities received in securities-related businesses are as follows:

	As at 31 March	
	2011	2012
	(millions of Yen)	(millions of Yen)
Securities pledged for loans on margin transactions	211,846	213,600
Securities borrowings on margin transactions	20,976	39,360
Substitute securities for guarantee money received, which were agreed on as collateral for other transactions	250,092	243,550
Substitute securities for margin money received, which were agreed on as collateral for other transactions	100	100
Securities borrowed under loan agreement other than margin transactions	71,880	79,073

7. Trading instruments

Trading instruments consisted of the following:

	As at 31 March	
	2011	2012
	(millions of Yen)	(millions of Yen)
Equity securities	28	—
Debt securities	188	326
Others	4	4
Subtotal	222	331
Derivatives	2,479	1,431
Total	2,701	1,763

8. Statutory reserves

As at 31 March 2011 and 2012, reserve for the financial products transaction liabilities was provided in accordance with Article 46-5 of Japanese Financial Instruments and Exchange Act. Statutory reserve for price fluctuations was in accordance with Article 115 of the Insurance Business Act.

9. Credit facilities provided

Several consolidated subsidiaries were engaged in retail loan business, cash advance business for credit cards, and financing corporate reorganization. The credit facilities provided by these subsidiaries in respect of their operations are as follows:

	As at 31 March	
	2011	2012
	(millions of Yen)	(millions of Yen)
Credit facilities	5,986	6,634
Utilized	<u>2,928</u>	<u>3,879</u>
Unused portion	<u><u>3,057</u></u>	<u><u>2,754</u></u>

It is noted that above credit facilities can be utilized only if certain conditions are met. The purpose for the borrowings and any credit rating changes of the customers may result in the withdrawal of credit facilities.

10. Lines of credit from financial institutions

To ensure an efficient operating funds procurement, the Group entered into overdraft facilities with 16 and 21 banks as at 31 March 2011 and 2012 respectively. Unused overdraft facilities at the end of the year are as follows:

	As at 31 March	
	2011	2012
	(millions of Yen)	(millions of Yen)
Lines of credit	160,700	191,030
Used balance	<u>84,424</u>	<u>80,006</u>
Unused portion	<u><u>76,276</u></u>	<u><u>111,023</u></u>

V. NOTES TO CONSOLIDATED STATEMENT OF OPERATIONS

1. Gains (losses) on trading included in net sales consisted of the following:

	Year ended 31 March					
	2011			2012		
	(millions of Yen)			(millions of Yen)		
	Realized	Unrealized	Total	Realized	Unrealized	Total
Equity Securities	14	0	14	23	0	23
Debt Securities	1,307	(23)	1,284	1,003	12	1,016
Others	8,984	1,628	10,613	8,634	1,167	9,801
Total	<u>10,306</u>	<u>1,605</u>	<u>11,911</u>	<u>9,660</u>	<u>1,179</u>	<u>10,840</u>

Above trading gains (losses) included gains (losses) on certain businesses other than securities-related business of ¥55 million and ¥6 million for the consolidated fiscal years ended 31 March 2011 and 2012 respectively.

2. Costs of sales consisted of the following:

	Year ended 31 March	
	2011	2012
	(millions of Yen)	(millions of Yen)
Cost of sales arising from operational investment securities	7,031	13,026
Provision of allowance for operational investment securities losses	5,957	375
Financial charges	3,872	3,612
Cost of sales arising from real estate inventories	5,465	6,113
Others	45,208	51,623
Total	<u>67,535</u>	<u>74,750</u>

Cost of sales arising from operational investment securities included valuation losses of ¥1,652 million and ¥4,044 million for the consolidated fiscal years ended 31 March 2011 and 2012, respectively. Others included financial costs and payrolls related to net sales.

3. Selling, general and administrative expenses consisted of the following:

	Year ended 31 March	
	2011	2012
	(millions of Yen)	(millions of Yen)
Payroll and bonuses.....	10,552	10,830
Provision of allowance for doubtful accounts	2,407	1,694
Provision of bonuses	61	97
Outsourcing fees.....	11,188	11,361
Amortization of goodwill	7,889	7,866

4. Selling, general and administrative expenses included research and development costs of ¥542 million and ¥1,156 million for the consolidated fiscal years ended 31 March 2011 and 2012, respectively.

VI. NOTES TO CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS

1. Outstanding number of capital stock and treasury stock

Year ended 31 March 2011	As at			As at 31 March 2011
	31 March 2010	Increase	Decrease	
Outstanding capital stock				
Common shares	16,782,291	3,161,727	—	19,944,018
Treasury stock				
Common shares	14,621	—	—	14,621

(Note)

The increase of 3,161,727 common shares consisted of 3,112,000 shares increased due to the issuance of new shares of which the payment due date was 23 June 2010, and 49,727 shares increased by the exercise of stock acquisition rights.

Year ended 31 March 2012	As at			As at 31 March 2012
	31 March 2011	Increase	Decrease	
Outstanding capital stock				
Common shares (Notes 1, 2, 3, 4)	19,944,018	2,507,285	—	22,451,303
Treasury stock				
Common shares (Notes 2, 4, 5, 6)	14,621	508,125	80,653	442,093

(Notes)

1. The Company issued new shares of which payment dates were on 12 April and 9 May 2011, relating to the listing on the main board of the Hong Kong Stock Exchange and offering of Hong Kong depositary receipts representing the Company's common shares. Number of shares outstanding increased by 2,000,000.

2. The Company issued new shares to make its consolidated subsidiary, SBI VeriTrans Co., Ltd., a wholly-owned subsidiary through a share exchange on 1 August 2011. Relating to the share exchange, number of shares outstanding increased by 432,216 and number of treasury stock increased by 60,000.

3. 360 shares increased through the exercise of stock acquisition rights.

4. The Company issued new shares to make its consolidated subsidiary, SBI Net Systems Co., Ltd., a wholly-owned subsidiary through a share exchange on 1 February 2012. Relating to the share exchange, number of shares outstanding increased by 74,709 and number of treasury stock increased by 50,116. Among the number of shares to be delivered by the share exchange, the Company disposed 74,621 shares of treasury stock, and issued new shares for the remainder.

5. The Company repurchased its own 321,373 shares aiming to improve capital efficiency and to make possible agile financial strategy with its treasury shares taking the situation that its stock price was undervalued against (remains at lower level than) the market and industry average into consideration.

6. Stock Benefit Trust purchased the Company's 76,636 shares and sold 6,032 shares, and they were accounted for as treasury stock. Please refer to NOTES TO THE FINANCIAL STATEMENTS-III. ADDITIONAL INFORMATION-"Stock Benefit Trust" for detailed information.

2. Stock acquisition rights

Year ended 31 March 2011			Number of shares for stock acquisition rights (share)				As at 31 March 2011 (millions of Yen)
Classification	Details of stock acquisition rights	Type of share	As at 31 March 2010	Increase	Decrease	As at 31 March 2011	
Reporting entity (the Company)	Stock acquisition rights (Notes 1, 2 and 3)	Common shares	313,512.64	6,811.13	66,405.53	253,918.24	—
Subsidiaries under consolidation	—	—	—	—	—	—	11
Total	—	—	—	—	—	—	11

(Notes)

1. Stock acquisition rights were exercisable during the year ended 31 March 2011.
2. The increase in stock acquisition rights was due to the adjustment of the number of shares for stock acquisition rights accompanying the issuance of new shares by offering.
3. The decrease in stock acquisition rights was due to the exercise and expiration of the rights.

Year ended 31 March 2012			Number of shares for stock acquisition rights (share)				As at 31 March 2012 (millions of Yen)
Classification	Details of stock acquisition rights	Type of share	As at 31 March 2011	Increase	Decrease	As at 31 March 2012	
Reporting entity (the Company)	Stock acquisition rights (Notes 1, 2 and 3)	Common shares	253,918.24	3,404.10	15,234.16	242,088.18	—
Subsidiaries under consolidation	—	—	—	—	—	—	10
Total	—	—	—	—	—	—	10

(Notes)

1. Stock acquisition rights were exercisable during the year ended 31 March 2012.
2. The increase in stock acquisition rights was due to the adjustment of the number of shares for stock acquisition rights accompanying the issuance of new shares relating to the listing on the main board of the Hong Kong Stock Exchange and offering of Hong Kong depositary receipts representing the Company's common shares.
3. The decrease in stock acquisition rights was due to the exercise and expiration of the rights.

3. Dividends

(1) Dividend paid

Year ended 31 March 2011		Dividend amount (millions of Yen)	Amount per share (Yen)	Declared date	Effective date
Resolution	Type of share				
Board of Directors'					
Meeting on 26 May 2010	Common shares	1,676	100	31 March 2010	14 June 2010

Year ended 31 March 2012		Dividend amount (millions of Yen)	Amount per share (Yen)	Declared date	Effective date
Resolution	Type of share				
Board of Directors'					
Meeting on 27 April 2011	Common shares	2,391	120	31 March 2011	9 June 2011

Declared date for dividend paid belonged to the year ended 31 March 2011 with effective date in the year ended 31 March 2012

Resolution	Type of share	Dividend amount (millions of Yen)	Dividend resource	Amount per share (Yen)	Declared date	Effective date
Board of Directors'						
Meeting on 27 April 2011	Common shares	2,391	Retained earnings	120	31 March 2011	9 June 2011

Declared date for dividend paid belonged to the year ended 31 March 2012 with effective date in the year ended 31 March 2013

Resolution	Type of share	Dividend amount (millions of Yen)	Dividend resource	Amount per share (Yen)	Declared date	Effective date
Board of Directors'						
Meeting on 26 April 2012	Common shares	2,207	Retained earnings	100	31 March 2012	7 June 2012

VII. NOTES TO CONSOLIDATED STATEMENT OF CASH FLOWS

1. Cash and cash equivalents reconciliation

	Year ended 31 March	
	2011	2012
	(millions of Yen)	(millions of Yen)
Cash and deposits	150,268	146,055
Time deposits with original maturity more than three months	(1,623)	(629)
Money Market Fund (MMF) included in trading instruments	142	168
Deposit included in others (current assets)	0	—
Cash and cash equivalents	148,786	145,594

VIII. SEGMENT INFORMATION

1. Overview of reportable segments

Separate financial information of the Group's components are available and reviewed regularly by the board of directors for the purposes of allocation of financial resources and performance evaluation.

The Group engages in a wide range of business activities, mainly the financial service business. Based on the similarities or both economic characteristics of business and nature of services, "Asset Management Business", "Brokerage and Investment Banking Business", "Financial Services Business", "Housing and Real Estate Business" are determined as reportable segments.

"Asset Management Business" primarily consists of fund management and investment in Internet technology, biotechnology, environment energy and financial-related venture companies.

"Brokerage and Investment Banking Business" primarily consists of financial businesses, such as trustee of securities trading, underwriting and offering for sale of IPO shares, offering for subscription or sale of stocks, foreign exchange margin trading, and other financial instrument trading business.

"Financial Services Business" primarily consists of financial-related businesses, such as property and casualty insurance business, credit card business and the provision of information regarding financial products.

"Housing and Real Estate Business" primarily consists of developing and trading of investment property, financing business related to the granting of mortgage loans, operating web sites related to the provision of intermediate service, comparison and real estate appraisal service.

2. Measurement of reportable segment profits or losses and segment assets

The accounting treatment of reportable segments is almost the same as adopted in preparation of consolidated financial statements.

The segment income is based on operating income. The inter-segment revenue and amounts of transferring to other accounts are based on market price.

3. Information about reportable segments

Year ended 31 March 2011	Reportable segment				Sub-total	Others	Total
	Asset Management Business	Brokerage & Investment Banking Business	Financial Services Business	Housing and Real Estate Business			
Net Sales	(millions of Yen)	(millions of Yen)	(millions of Yen)	(millions of Yen)	(millions of Yen)	(millions of Yen)	(millions of Yen)
Revenue from customers	30,699	45,374	28,364	23,464	127,903	13,178	141,081
Inter-segment revenue	1	2,498	2,165	3	4,669	2,453	7,122
Total	30,701	47,873	30,530	23,467	132,573	15,631	148,204
Segment operating income (loss)	9,577	6,123	(536)	3,370	18,534	(1,832)	16,702
Segment assets	222,364	909,176	122,716	104,821	1,359,078	16,793	1,375,872
Other items							
Depreciation	50	2,734	1,277	439	4,502	479	4,982
Amortization of Goodwill	274	5,851	526	728	7,381	508	7,889
Investment in subsidiaries and affiliates applying equity-method	4,146	2,062	25,661	—	31,870	238	32,109
Increase in property and equipment, intangible assets	685	3,196	4,020	538	8,440	482	8,923

(Note) Business segments classified into "Others" are segment not determined as reportable segments which consisted of system-related business, drug-discovery business and garment business.

Year ended 31 March 2012	Reportable segment				Sub-total	Others	Total
	Asset Management Business	Brokerage & Investment Banking Business	Financial Services Business	Housing and Real Estate Business			
Net Sales	(millions of Yen)	(millions of Yen)	(millions of Yen)	(millions of Yen)	(millions of Yen)	(millions of Yen)	(millions of Yen)
Revenue from customers	34,566	41,485	41,001	22,463	139,517	5,557	145,074
Inter-segment revenue	0	2,297	2,352	2	4,652	3,142	7,794
Total	34,566	43,783	43,354	22,466	144,169	8,699	152,869
Segment operating income (loss)	14,183	3,607	(2,640)	3,383	18,533	(3,348)	15,185
Segment assets	244,449	1,220,172	133,623	118,400	1,716,646	20,429	1,737,075
Other items							
Depreciation	54	3,464	1,444	587	5,550	559	6,109
Amortization of Goodwill	251	5,851	517	741	7,361	505	7,866
Investment in subsidiaries and affiliates applying equity-method	4,623	4,829	30,671	—	40,124	121	40,246
Increase in property and equipment, intangible assets	61	4,043	3,882	601	8,588	7,302	15,890

(Note) Business segments classified into "Others" are segment not determined as reportable segments which consisted of system-related business and drug-discovery business.

4. Reconciliation of the differences between the total amount of reportable segments and the total amount recorded in the consolidated financial statements

Net sales	For the year ended 31 March	
	2011	2012
	millions of Yen	millions of Yen
Total of reportable segments	132,573	144,169
Net sales of "Others"	15,631	8,699
Elimination among segments	(7,122)	(7,794)
Net sales of consolidated financial statements	141,081	145,074

Operating income	For the year ended 31 March	
	2011	2012
	millions of Yen	millions of Yen
Total of reportable segments	18,534	18,533
Losses of "Others"	(1,832)	(3,348)
Elimination among segments	(1,765)	(1,728)
Headquarters expenses	(6,004)	(5,881)
Operating income of consolidated financial statements	8,932	7,575

(Note) Headquarters expenses are general administrative expenses which are not attributable to reportable segments.

Assets	As at 31 March	
	2011	2012
	millions of Yen	millions of Yen
Total of reportable segments	1,359,078	1,716,646
Assets of "Others"	16,793	20,429
Elimination among segments	(94,348)	(90,694)
Headquarters assets	12,082	17,433
Assets of consolidated financial statements	1,293,606	1,663,814

(Note) Headquarters assets are principally cash and deposits.

Other items	For the year ended 31 March							
	2011 (millions of Yen)				2012 (millions of Yen)			
	Total of reportable segment	Others	Amount of adjustment	Total of consolidated financial statements	Total of reportable segment	Others	Amount of adjustment	Total of consolidated financial statements
Depreciation	4,502	479	399	5,381	5,550	559	346	6,456
Amortization of goodwill	7,381	508	—	7,889	7,361	505	—	7,866
Investment in subsidiaries and affiliates applying equity-method	31,870	238	—	32,109	40,124	121	—	40,246
increase in property and equipment, intangible assets	8,440	482	202	9,125	8,588	7,302	832	16,723

5. Impairment losses in each reportable segment

Impairment losses	Fiscal year ended 31 March	
	2011	2012
	millions of Yen	millions of Yen
Asset Management Business	—	—
Brokerage & Investment Banking Business	350	—
Financial Services Business	150	105
Housing and Real Estate Business	—	128
Others	360	—
Headquarters expenses and elimination among segments	—	—
Total	861	233

(Note) "Others" consist of health care related business.

6. Balance of goodwill in each segment

Goodwill	As at 31 March	
	2011	2012
	millions of Yen	millions of Yen
Asset Management Business	4,603	4,342
Brokerage & Investment Banking Business	97,878	91,777
Financial Services Business	6,144	6,087
Housing and Real Estate Business	10,953	10,629
Others	6,717	9,574
Headquarters expenses and elimination among segments	—	—
Total	126,297	122,410

(Note) "Others" consists of system-related business, drug-discovery business and garment business as at 31 March 2011, and system-related business and drug-discovery business as at 31 March 2012.

IX. NOTES TO PER SHARE INFORMATION

	Year ended 31 March	
	2011	2012
	Yen	Yen
Net assets per share	19,610.64	18,489.18
Net income per share	236.09	145.58
Diluted net income per share	225.74	140.64

(Notes)

1. Basis of calculation of the net assets per share

	Year ended 31 March	
	2011	2012
	(millions of Yen)	(millions of Yen)
Total net assets	456,982	468,579
Details		
- Stock acquisition rights	(11)	(10)
- Minority interest	(66,142)	(61,636)
Total deducted amount from net asset	(66,154)	(61,646)
Net assets attributable to common shareholders at the end of the financial year	390,828	406,932
The number of common shares outstanding at the end of the year	19,929,397	22,009,210

2. Basis of calculation for the net income and diluted net income per share

	Year ended 31 March	
	2011	2012
	(millions of Yen)	(millions of Yen)
Net income per share		
Net income for the year	4,534	3,200
Net income not attributable to common shareholders	—	—
Net income attributable to common shareholders	4,534	3,200
Average number of common shares during the year (share)	19,207,974	21,986,056
Diluted net income per share		
Adjustment on net income for the year	(194)	(107)
Effect of dilutive shares issued by consolidated subsidiaries	(194)	(107)
Increased number of common shares (share)	20,501	5,247
Increased by exercising acquisition right	(20,501)	(5,247)

For the year ended 31 March 2011: Stock acquisition right issued by the stock option plan (Potential shares: 184,464 shares)

For the year ended 31 March 2012: Stock acquisition right issued by the stock option plan (Potential shares: 222,740 shares)

RESUMPTION OF TRADING

At the request of the Company, trading in its Hong Kong depositary receipts was suspended with effect from 1:30 p.m. on Thursday, 26 April 2012, pending the release of this announcement. An application will be made by the Company to the Stock Exchange for resumption of trading in the Hong Kong depositary receipts with effect from 9:00 a.m. on Friday, 27 April 2012.

On behalf of the Board

SBI Holdings, Inc.

Yoshitaka Kitao

Chief Executive Officer

As of the date of this announcement, the executive Directors are Mr. Yoshitaka Kitao, Mr. Taro Izuchi, Mr. Takashi Nakagawa, Mr. Kenji Hirai, Mr. Tomoya Asakura, Mr. Takashi Okita, Mr. Noriaki Maruyama, Mr. Shumpei Morita, Mr. Shinji Yamauchi, Mr. Makoto Miyazaki, Mr. Yoshimi Takahashi, and Mr. Masaki Takayanagi, the non-executive Directors are Mr. Yasutaro Sawada, Mr. Hiroyoshi Kido, Mr. Noriyoshi Kimura and Mr. Hiroshi Tasaka and the independent non-executive Directors are Mr. Masaki Yoshida, Mr. Kiyoshi Nagano, Mr. Keiji Watanabe, Mr. Takeshi Natsuno and Mr. Akihiro Tamaki.

SUPPLEMENTARY INFORMATION

Asset Management Business

The size of managed investment partnerships, etc. in the Asset Management Business amounted to ¥459.9 billion. This included funds worth ¥78.9 billion in the IT and biotechnology categories (the sum of net assets at market value as at the most recent fiscal closing of each fund), ¥8.0 billion in the environment & energy category (ditto), ¥118.6 billion in the overseas category (ditto), ¥34.3 billion in the buyout and mezzanine categories (ditto), ¥193.4 billion in the area including investment trusts, investment advisory and other (net assets at market value based on constant value as at 31 March 2012) as well as ¥26.5 billion in the real estate category (the total investment amount as at 31 March 2012).

The status of management of investment partnerships, etc. and the results of investment operations are described below.

(i) Investment Partnerships, etc. under Management

The following provides information on principal funds based on the most recent fiscal closing results (including interim and quarterly fiscal closing results) as at 31 March 2012.

	Management Company	Date Established	Fiscal Closing (Interim, etc.)	Major Investment Targets	Audit Corporation	Number of Portfolio Companies	Commitment Amount (Millions of Yen)	SBI's Investment Ratio (Group's Investment Ratio) (%)	Net Asset Value (Millions of Yen)	Incentive Fee (Millions of Yen)
		Contract Maturity Date (Maturity Date after Extension)				Investment Balance (Millions of Yen)	Cumulative Dividend (Millions of Yen)		Amount of Net Assets at Market Value (Millions of Yen)	
SBI BB MEDIA INVESTMENT LIMITED PARTNERSHIP	SBI Investment Co., Ltd.	24 March, 2005	December (June)	Content/ media/ broadband-related companies inside and outside of Japan	Yusei Audit & Co.	88	20,000	9.5 (10.0)	13,534	—
		30 June, 2012				13,302	—		12,102	
SBI BB Mobile Investment LPS (Note 7)	SBI Investment Co., Ltd.	30 March, 2006	December (June)	Mobile technology-related companies inside and outside of Japan	Deloitte Touche Tohmatsu LLC	111	32,000	35.9 (36.9)	26,297	—
		31 December, 2013				22,976	—		26,528	
SBI NEO Technology Investment LPS (Notes 7, 8)	SBI Investment Co., Ltd.	1 July, 2008	December (June)	Unlisted and listed companies in IT, environment and other fields inside and outside of Japan	Deloitte Touche Tohmatsu LLC	32	10,400	43.5 (48.5)	9,293	—
		31 December, 2013 (31 December, 2015)				3,656	—		9,207	
SBI Advanced Technology No.1 Investment LPS (Note 7)	SBI Investment Co., Ltd.	20 April, 2010	December (June)	Unlisted and listed companies in IT, biotechnology, environment, energy and other fields inside and outside of Japan	Deloitte Touche Tohmatsu LLC	6	3,500	31.4 (37.1)	3,305	—
		31 December, 2018 (31 December, 2020)				184	—		3,298	
SBI Mezzanine Fund No2 LIMITED PARTNERSHIP (Note 7)	SBI Capital Solutions Co., Ltd.	12 April, 2005	January (July)	Companies in need of DIP finance, etc. inside and outside of Japan	Deloitte Touche Tohmatsu LLC	4	9,710	62.8 (73.2)	293	676
		31 January, 2013 (31 March, 2015)				182	12,123		293	

	Management Company	Date Established	Fiscal Closing (Interim, etc.)	Major Investment Targets	Audit Corporation	Number of Portfolio Companies	Commitment Amount (Millions of Yen)	SBI's Investment Ratio (Group's Investment Ratio) (%)	Net Asset Value (Millions of Yen)	Incentive Fee (Millions of Yen)
		Contract Maturity Date (Maturity Date after Extension)				Investment Balance (Millions of Yen)	Cumulative Dividend (Millions of Yen)		Amount of Net Assets at Market Value (Millions of Yen)	
Metropolitan Enterprise Revitalization Fund, Limited Liability Investment Partnership (Note 7)	SBI Capital Solutions Co., Ltd.	13 March, 2006	January (July)	Companies in need of DIP finance, etc. conducting business in the Tokyo metropolitan area	Deloitte Touche Tohmatsu LLC	2	2,700	0.0 (7.4)	97	192
		31 January, 2013				87	3,223		97	
SBI Mezzanine Fund No.3 LIMITED PARTNERSHIP (Note 7)	SBI Capital Solutions Co., Ltd.	30 October, 2008	January (July)	Companies in need of DIP finance, etc. inside and outside of Japan	Deloitte Touche Tohmatsu LLC	16	7,300	83.6 (100.0)	7,495	113
		31 January, 2016 (31 March, 2018)				2,082	235		7,495	
Metropolitan Enterprise Revitalization Fund, Limited Liability Investment Partnership No.2 (Note 7)	SBI Capital Solutions Co., Ltd.	10 September, 2009	January (July)	Companies in need of DIP finance, etc. conducting business in the Tokyo metropolitan area	Deloitte Touche Tohmatsu LLC	13	2,700	0.0 (7.4)	2,775	-
		31 January, 2016 (31 March, 2018)				747	77		2,775	
SBI Value Up Fund No.1 Limited Partnership (Note 7)	SBI CAPITAL Co., Ltd.	1 September, 2006	November (May)	Buyout investment, enterprise revitalization investment, and minority investment in listed companies	Deloitte Touche Tohmatsu LLC	5	23,100	43.3 (49.8)	20,728	114
		30 November, 2014 (31 August, 2016)				16,517	438		20,601	
SBI Value Up Fund No.2 Limited Partnership (Note 7)	SBI CAPITAL Co., Ltd.	1 December, 2011	December (June)	Buyout investment	Deloitte Touche Tohmatsu LLC	-	3,100	16.1 (64.5)	3,091	-
		30 November, 2021 (30 November, 2023)				-	-		3,091	
SBI Selective Target Investment LPS (Note 7)	SBI Investment Co., Ltd.	2 February, 2010	December (June)	Investment primarily in companies already targeted by the Group and which are highly likely to go public	Yusei Audit & Co.	2	900	38.9 (44.4)	891	-
		31 January, 2013 (31 January, 2015)				849	-		821	
SBI Innovation Fund No.1 (Note 7)	SBI Investment Co., Ltd.	31 March, 2010	December (June)	Unlisted and listed companies in Japan	Yusei Audit & Co.	10	3,000	96.7 (100.0)	2,861	-
		30 June, 2020 (30 June, 2022)				2,991	-		2,876	
SBI Entertainment Fund No. 2	SBI Investment Co., Ltd.	31 March, 2010	December (June)	Unlisted and listed companies inside and outside of Japan	Yusei Audit & Co.	2	2,102	0.0 (0.1)	2,047	-
		30 June, 2015 (30 June, 2017)				3,567	-		388	

	Management Company	Date Established	Fiscal Closing (Interim, etc.)	Major Investment Targets	Audit Corporation	Number of Portfolio Companies	Commitment Amount (Millions of Yen)	SBI's Investment Ratio (Group's Investment Ratio) (%)	Net Asset Value (Millions of Yen)	Incentive Fee (Millions of Yen)
		Contract Maturity Date (Maturity Date after Extension)				Investment Balance (Millions of Yen)	Cumulative Dividend (Millions of Yen)		Amount of Net Assets at Market Value (Millions of Yen)	
SBI Real Incubation No.1 Limited Partnership (Note 7)	SBI Investment Co., Ltd.	1 September, 2003	August (February)	Franchise companies and other	Yusei Audit & Co.	15	1,800	10.0 (26.7)	859	-
		31 August, 2013				832	124		1,011	
Biovision Life Science Fund No.1 (Note 7)	SBI Investment Co., Ltd.	24 December, 2003	November	Biotechnology -related companies inside and outside of Japan	Deloitte Touche Tohmatsu LLC	12	4,200	50.0 (61.9)	2,064	-
		30 September, 2012 (30 September, 2014)				2,248	-		1,665	
SBI Bio Life Science Investment LPS (Note 7)	SBI Investment Co., Ltd.	1 August, 2005	November (May)	Biotechnology -related companies inside and outside of Japan	Deloitte Touche Tohmatsu LLC	16	6,300	46.0 (47.6)	3,559	-
		30 November, 2012 (30 November, 2014)				3,303	-		3,102	
SBI LIFE SCIENCE TECHNOLOGY INVESTMENT LPS (Notes 7, 9)	SBI Investment Co., Ltd.	1 March, 2007	November (May)	Biotechnology -related companies inside and outside of Japan	Deloitte Touche Tohmatsu LLC	19	9,800	51.0 (54.1)	8,174	-
		30 November, 2015 (30 November, 2017)				6,744	-		7,941	
SBI-R&D Investment LPS (Note 7)	SBI Investment Co., Ltd.	5 April, 2011	December (June)	Companies already invested by SBI Group investment funds	Deloitte Touche Tohmatsu LLC	3	1,110	56.8 (59.5)	1,553	112
		30 June, 2014 (30 June, 2016)				724	-		2,049	
Energy & Environment No. 1 Limited Partnership	Energy & Environment, Inc.	5 September, 2007	December (June)	Primarily companies engaged in businesses related to electricity, energy and environment inside and outside of Japan	Ernst & Young ShinNihon LLC	14	3,504	49.9 (50.1)	1,824	-
		31 December, 2016 (31 December, 2018)				1,610	-		1,997	
EEI Clean Technology Investment Limited Partnership	Energy & Environment, Inc.	30 September, 2011	December (June)	Primarily companies engaged in businesses related to clean technology and related service inside and outside of Japan	Ernst & Young ShinNihon LLC	2	6,070	32.9 (34.1)	6,023	-
		30 September, 2021 (30 September, 2023)				175	-		6,023	
NEW HORIZON FUND, L.P. (Notes 10, 13)	NEW HORIZON PARTNERS LTD.	30 May, 2005	December	Primarily promising Chinese companies	Price Waterhouse Coopers	5	8,214	0.0 (50.0)	1,554	4,719
		30 May, 2012 (30 May, 2014)				2,318	31,798		3,896	
SBI & TH Venture Capital Enterprise (Notes 7, 11)	SBI&TH (Beijing) Venture Capital Management Co., Ltd.	18 January, 2008	December	Primarily promising Chinese companies	ShineWing Certified Public Accountants	7	2,681	86.1 (87.1)	2,643	-
		17 January, 2016				1,339	-		2,643	
SBI & BDJB CHINA FUND, L.P. (Note 11)	SBI & BDJB Management Limited	25 February, 2008	December	Primarily promising Chinese companies	RSM Nelson Wheeler Certified Public Accountants	4	7,780	50.0 (50.1)	7,271	0
		25 February, 2013 (25 February, 2015)				4,399	111		7,271	

	Management Company	Date Established	Fiscal Closing (Interim, etc.)	Major Investment Targets	Audit Corporation	Number of Portfolio Companies	Commitment Amount (Millions of Yen)	SBI's Investment Ratio (Group's Investment Ratio) (%)	Net Asset Value (Millions of Yen)	Incentive Fee (Millions of Yen)
		Contract Maturity Date (Maturity Date after Extension)				Investment Balance (Millions of Yen)	Cumulative Dividend (Millions of Yen)		Amount of Net Assets at Market Value (Millions of Yen)	
SBI Zhaoxin L.P. (Notes 7, 11)	SBI Zhaoxin Advisor Limited	11 March, 2009	December	Primarily unlisted Chinese companies	Ernst & Young	2	1,591	100.0 (100.0)	1,494	—
		10 March, 2014 (10 March, 2016)				415	—		1,494	
SBI & Capital 22 JV Fund, L.P. (Notes 7, 11)	SBI & Capital 22 Management Co. Ltd.	29 October, 2008	December	Unlisted companies and other in Taiwan and China	Ernst & Young	5	1,749	66.7 (66.7)	1,404	—
		14 November, 2013 (14 November, 2015)				382	333		1,424	
Kingston/SBI Credence Fund, L.P. (Note 12)	Kingston /SBI Credence Limited	14 September, 2011	March	Unlisted and listed companies in China, Taiwan and Hong Kong	BDO	—	8,214	50.0 (50.0)	8,212	—
		14 September, 2016 (14 September, 2018)				—	—		8,212	
SNSI Investment Fund Ltd. (Note 11)	SNSI Capital Management Inc.	15 July, 2011	December	Promising unlisted and listed companies in China, Taiwan and Hong Kong	To be determined	—	1,399	33.3 (33.3)	1,396	—
		9 September, 2018				—	—		1,396	
India Japan Fund (Notes 7, 13)	SS Venture Services Limited	29 April, 2008	March	Primarily promising Indian companies	Ernst & Young	—	8,214	0.0 (100.0)	7,386	—
		29 April, 2013 (29 April, 2015)				—	—		7,386	
THE VIETNAM JAPAN FUND (Notes 7, 14)	FPT Fund Management Joint Stock Company	3 April, 2008	December	Primarily promising Vietnamese companies	Ernst & Young	7	5,880	0.0 (96.0)	5,615	—
		19 March, 2014 (19 March, 2017)				3,075	—		5,333	
SBI SOI Limited Partnership	SBI Discovery Fund Management Limited	4 June, 2008	December	Primarily university-led ventures in Asia	To be determined	—	500	0.0 (100.0)	500	—
		4 June, 2016 (4 June, 2018)				—	—		500	
PNB-SBI ASEAN Gateway Fund Ltd. P. (Note 11)	PNB-SBI ASEAN Gateway Investment Management Limited	10 December, 2009	December	Promising companies of ASEAN countries, China and India, and other	Ernst & Young	2	3,886	50.0 (50.0)	3,744	—
		31 March, 2015 (31 March, 2017)				798	—		3,744	
SBI Islamic Fund (Brunei) Limited (Note 15)	SBI (B) SDN BHD	28 June, 2010	December	Islamic companies worldwide in conformity to the Sharia (Islamic) law and other	Deloitte	—	4,491	50.0 (50.0)	4,346	—
		16 September, 2015 (16 September, 2017)				—	—		4,346	

	Management Company	Date Established	Fiscal Closing (Interim, etc.)	Major Investment Targets	Audit Corporation	Number of Portfolio Companies	Commitment Amount (Millions of Yen)	SBI's Investment Ratio (Group's Investment Ratio) (%)	Net Asset Value (Millions of Yen)	Incentive Fee (Millions of Yen)
		Contract Maturity Date (Maturity Date after Extension)				Investment Balance (Millions of Yen)	Cumulative Dividend (Millions of Yen)		Amount of Net Assets at Market Value (Millions of Yen)	
SBI Jefferies Asia Fund L.P. (Notes 7, 11)	SBI-Jefferies Strategic Investments Asia Ltd.	16 July, 2010	December	Promising companies of south Asia, southeastern Asia and etc.	Ernst & Young	3	3,886	80.0 (80.0)	3,787	—
		16 July, 2015 (16 July, 2017)				688	—		3,787	
Jefferies SBI USA Fund L.P. (Note 11)	Jefferies-SBI Strategic Investments USA LLC	25 June, 2010	December	Unlisted U.S. companies	Price Waterhouse Coopers	2	11,659	50.0 (50.0)	11,312	—
		25 June, 2020 (25 June, 2022)				3,417	—		11,312	
SBI-Metropol Investment Fund Cooperatieve U.A. (Note 11)	SBI-Metropol Fund Management Company Cooperatieve U.A.	19 November, 2010	December	Unlisted and listed companies in Russia	Ernst & Young	10	7,773	0.0 (50.0)	7,744	—
		19 November, 2017 (19 November, 2019)				742	—		7,461	
INVEST AD/SBI AFRICA FUND, L.P. (Note 11)	Invest AD/SBI Limited	11 January, 2011	December	Promising companies in north and central Africa	Ernst & Young	1	5,829	50.0 (50.0)	5,708	—
		11 January, 2016 (11 January, 2018)				238	—		5,706	
INVEST AD/SBI TURKEY FUND, L.P. (Note 11)	Invest AD/SBI Turkey Limited	22 May, 2011	December	Promising unlisted companies in Turkey	Ernst & Young	1	7,773	50.0 (50.0)	7,658	—
		22 May, 2016 (22 May, 2018)				1,554	—		7,658	
Total						421	244,815	38.0 (50.5)	198,537	5,926
						102,141	48,462		196,929	

(Notes)

1. Funds in the process of liquidation are as follows.

	Management Company	Date Established	Major Investment Targets	Audit Corporation	Number of Portfolio Companies	Commitment Amount (Millions of Yen)	SBI's Investment Ratio (Group's Investment Ratio) (%)	Net Asset Value (Millions of Yen)	Incentive Fee (Millions of Yen)
		Contract Maturity Date			Investment Balance (Millions of Yen)	Cumulative Dividend (Millions of Yen)		Amount of Net Assets at Market Value (Millions of Yen)	
Softbank Internet Fund	SOFT TREND CAPITAL Corp.	1 July, 1999	Internet-related and other companies inside and outside of Japan	Yusei Audit & Co.	3	12,300	0.0 (11.4)	525	—
		30 September, 2010			512	10,739		453	
SBI BROADBAND FUND No1 LIMITED PARTNERSHIP	SBI Investment Co., Ltd.	1 October, 2004	Broadband-related and other companies inside and outside of Japan	Yusei Audit & Co.	85	32,600	39.6 (39.9)	21,024	—
		31 August, 2011			18,877	1,793		20,304	
MASDAR-SBI Fund, L.P.	MASDAR-SBI Alternative Energy Fund Ltd.	22 December, 2008	Japanese alternative energy-related companies and other	Ernst & Young	—	1,642	0.0 (50.0)	—	—
		10 September, 2010			—	—		—	

2. The number of portfolio companies includes cases of investments in partnerships in addition to securities investment but excludes items to which impairment accounting was fully applied. In case an investment target falls under multiple funds, it is accounted for more than once in the total number of companies invested in.
3. SBI's investment ratio and the Group's investment ratio are ratios as at the end of the most recent fiscal closing (including interim and quarterly fiscal closing) of each fund.
4. Net asset value is derived based on acquisition cost (in case the value has declined considerably, the amount after impairment treatment) and in case allowance has been posted, the amount after deduction of allowance is used. The unpaid commitment amount is also included in the calculation.
5. The amount of net assets at market value represents the net asset value plus the impact of unrealized gain/loss on securities as at the end of the most recent fiscal period (including interim and quarterly fiscal periods) of each fund. In computing the market value, the closing price on the market as at the end of the most recent fiscal period (including interim and quarterly fiscal periods) of each fund was applied for each listed stock, while unlisted stocks, etc. were valued using acquisition costs. The unpaid commitment amount is also included in the calculation.
6. In case the initial fiscal closing has not arrived for a fund since its establishment, the number of portfolio companies and the investment balance are not recorded, and the commitment amount is indicated under the net asset value and the amount of net assets at market value.
7. This fund is included in the scope of consolidation in accordance with the "Practical Solution on Application of Control Criteria and Influence Criteria to Investment Associations" (Accounting Standards Board of Japan (ASBJ) Practical Solution Report No. 20, 8 September 2006).
8. Figures under SBI NEO Technology Investment LPS are aggregates of figures for SBI NEO Technology A Investment LPS and for SBI NEO Technology B Investment LPS. SBI's investment ratio/Group's investment ratio includes the portion of investment made by SBI NEO Technology C Investment LPS established on 19 June 2009.
9. Figures under SBI LIFE SCIENCE TECHNOLOGY INVESTMENT LPS include those for SBI LIFE SCIENCE TECHNOLOGY NO.2 INVESTMENT LPS.
10. NEW HORIZON FUND, L.P. performs the fiscal closing process on a quarterly basis, and the figures reflect the provisional fiscal closing results of 31 March 2012.
11. This fund has been set to provide U.S. dollar-based reporting. For the purpose of presentation herein, an exchange rate as at 31 December 2011 (USD1 = JPY77.73) was applied on U.S. dollar-based figures in calculating the investment balance, the commitment amount, the net asset value and the amount of net assets at market value.
12. This fund has been set to provide H.K. dollar-based reporting. For the purpose of presentation herein, the exchange rate as at 31 March 2012 (HKD1 = JPY10.58) was applied on H.K. dollar-based figures in calculating the investment balance, the commitment amount, the net asset value and the amount of net assets at market value.

13. This fund has been set to provide U.S. dollar-based reporting. For the purpose of presentation herein, the exchange rate as at 31 March 2012 (USD1 = JPY82.14) was applied on U.S. dollar-based figures in calculating the investment balance, the commitment amount, the net asset value and the amount of net assets at market value.
14. This fund has been set to provide Vietnamese dong-based reporting. For the purpose of presentation herein, the exchange rate as at 31 December 2011 (VND10,000 = JPY36.75) was applied on Vietnamese dong-based figures in calculating the investment balance, the commitment amount, the net asset value and the amount of net assets at market value.
15. This fund has been set to provide Singapore dollar-based reporting. For the purpose of presentation herein, the exchange rate as at 31 December 2011 (SGD1 = JPY59.88) was applied on Singaporean dollar-based figures in calculating the investment balance, the commitment amount, the net asset value and the amount of net assets at market value.
16. The number of portfolio companies of funds managed by SBI-HIKARI P.E. Co., Ltd., a consolidated subsidiary of the Company, amounted to a total of 64 companies based on the data at the end of the most recent fiscal closing (including interim closing) of each fund as at 31 March 2012. The investment balance totaled ¥3,300 million, the net asset value was ¥6,904 million and the amount of net assets at market value was ¥6,682 million. In case an investment target falls under multiple funds, it is accounted for more than once in the number of portfolio companies.
17. The number of portfolio companies of funds managed by SBI Trans-Science Co., Ltd., a consolidated subsidiary of the Company, amounted to a total of 32 companies based on the data at the end of the most recent fiscal closing (including interim closing) of each fund as at 31 March 2012. The investment balance totaled ¥1,108 million, the net asset value was ¥1,473million and the amount of net assets at market value was ¥1,271 million. In case an investment target falls under multiple funds, it is accounted for more than once in the number of portfolio companies.
18. The number of portfolio companies of funds managed by SBI Investment KOREA Co., Ltd., an affiliate of the Company accounted for under the equity method, amounted to a total of 40 companies based on the data at the end of the most recent fiscal closing (including interim closing) of each fund as at 31 March 2012 (including joint investments made by investment funds managed by SBI Investment Co., Ltd.) . The investment balance totaled ¥5,234 million, the net asset value was ¥35,376 million and the amount of net assets at market value was ¥35,087 million. In case an investment target falls under multiple funds, it is accounted for more than once in the number of portfolio companies. Each fund has been set to provide Korean won-based reporting. For the purpose of presentation herein, the exchange rate as at the most recent fiscal closing of each fund was applied on Korean won-based figures in calculating the aforementioned investment balance, the commitment amount, the net asset value and the amount of net assets at market value.

(ii) Investment Operations**(ii)-1 Investment by Securities Type and Investment Balance****Investment by Investment Partnerships, etc. Managed by the Group**

Securities Type	Investments Executed			
	Consolidated fiscal year ended 31 March 2011		Consolidated fiscal year ended 31 March 2012	
	Amount (Millions of Yen)	Number of Companies	Amount (Millions of Yen)	Number of Companies
Stocks	21,963	90	31,981	81
Convertible bonds with stock acquisition rights	1,486	12	1,317	7
Stock acquisition rights	943	4	—	1
Other (corporate bonds, etc.)	26,186	51	23,911	37
Total	50,579	157	57,209	126

Securities Type	Investment Balance			
	As at 31 March 2011		As at 31 March 2012	
	Amount (Millions of Yen)	Number of Companies	Amount (Millions of Yen)	Number of Companies
Stocks	142,534	344	129,453	292
Bonds with subscription rights to shares	4,018	22	3,878	23
Subscription rights to shares	946	10	946	10
Other (corporate bonds, etc.)	11,619	49	16,493	42
Total	159,119	425	150,771	367

(Notes)

1. In case multiple funds invest in a company, the company is counted once to eliminate duplication and reflected in the number of companies. In case investment is made in multiple types of securities of a company, the company is accounted for under each securities type and hence reflected more than once. After excluding all duplications, the number of companies invested in for the consolidated fiscal year ended 31 March 2011 was 151 and that for the consolidated fiscal year ended 31 March 2012 was 121. As at 31 March 2011 and 31 March 2012, the number of portfolio companies totaled 397 and 341 respectively.
2. Investment balance is presented in market value. In computing the market value, the closing prices on the market as at 31 March 2011 and 31 March 2012 were applied for listed stocks respectively, while unlisted stocks, etc. were valued using acquisition costs (in case the value has declined considerably, the amount after impairment treatment was applied.)

Direct Investment by the Group

Securities Type	Investments Executed			
	Consolidated fiscal year ended 31 March 2011		Consolidated fiscal year ended 31 March 2012	
	Amount (Millions of Yen)	Number of Companies	Amount (Millions of Yen)	Number of Companies
Stocks	13,262	21	11,316	46
Bonds with subscription rights to shares	534	5	850	5
Subscription Rights to shares	—	—	—	—
Other (Corporate bonds, etc.)	59	2	97	3
Total	13,856	28	12,264	54

Securities Type	Investment Balance			
	As at 31 March 2011		As at 31 March 2012	
	Amount (Millions of Yen)	Number of Companies	Amount (Millions of Yen)	Number of Companies
Stocks	34,622	77	39,371	98
Bonds with subscription rights to shares	1,789	11	1,533	7
Subscription Rights to shares	—	—	—	—
Other (Corporate bonds, etc.)	858	4	892	6
Total	37,270	92	41,797	111

(Notes)

1. In case direct investment is made in multiple types of securities of a company, the company is accounted for under each securities type and hence reflected more than once. After excluding all duplications, the number of companies invested in for the consolidated fiscal year ended 31 March 2011 was 27 and that for the consolidated fiscal year ended 31 March 2012 was 54. As at 31 March 2011 and 31 March 2012, the number of portfolio companies totaled 89 and 106 respectively.
2. Operational investment securities recorded on the consolidated balance sheet (¥132,773 million as at 31 March 2011; ¥140,676 million as at 31 March 2012) represent the aggregate of the above investment balance of direct investment (¥37,270 million as at 31 March 2011; ¥41,797 million as at 31 March 2012), investment balance of investment partnerships, etc. included in the scope of consolidation (¥72,864 million as at 31 March 2011; ¥77,091 million as at 31 March 2012) and investment in investment partnerships, etc. not included in the scope of consolidation (¥31,746 million as at 31 March 2011; ¥27,944 million as at 31 March 2012) minus allowance for investment loss.
3. Investments made in the consolidated fiscal year ended 31 March 2011 and 2012 and investment balance as at 31 March 2011 and 31 March 2012 respectively for investment partnerships, etc. included in the scope of consolidation are included in the investment in investment partnerships, etc. managed by the Group provided in the preceding page.

(ii) – 2 Listing by Portfolio Companies

The following provides the status on listing, etc. by portfolio companies of the Group and of investment partnerships, etc. managed by the Group in the consolidated fiscal year ended 31 March 2011 and 2012.

Consolidated Fiscal Year Ended 31 March 2011

Number of Companies	Name of Portfolio Company	Month & Year of Listing, etc.	Listing, etc.	Business Description	Location of Head Office
Japan: 1 company Overseas: 10 companies	MEDICAMOBILE, INC.	April 2010	M&A	Sales and offering of various products and services for nursing care facilities	Tokyo, Japan
	Azalea Networks Inc.	September 2010	M&A	Design, development, manufacturing (outsourced) and sales of mesh network devices and communication equipment, and installation, maintenance, upgrade and other handling of related software	U.S.A.
	Wisol Co., Ltd.	September 2010	Listed (KOSDAQ)	Manufacturing of electronic parts	Korea
	ITEK Semiconductor, Inc.	October 2010	Listed (KOSDAQ)	Semiconductor testing services	Korea
	Betfair Group plc	October 2010	Listed (London Stock Exchange)	Operation of an online betting site under the name of "Betfair" primarily in the United Kingdom	U.K.
	CIG Pannonia Life Insurance Plc.	November 2010	Listed (Budapest Stock Exchange)	Life insurance	Hungary
	Airtac International Group	December 2010	Listed (Taiwan Stock Exchange)	Manufacturing of aerodynamic analytical devices	China
	Everpia Vietnam JSC	December 2010	Listed (HoChiMinh Stock Exchange)	Manufacturing of beds and bedding	Vietnam
	Sino Polymer New Materials Co., Ltd.	January 2011	M&A	Development and production of products associated with the new high polymer material, PPS (poly phenylene sulfide)	China
	LB Semicon Inc.	January 2011	Listed (KOSDAQ)	Semiconductor manufacturing business	Korea
Aonemecha Co., Ltd.	March 2011	M&A	Manufacturing of facilities for automating production of displays such as TFT-LCD	Korea	

(Notes)

1. The location of head office of each overseas company reflects the principal place of operation or the substantial head office location.
2. "M&A" is indicated in case a portfolio company has executed a share exchange or entered into a merger with a listed company.
3. In addition to the above, among the portfolio companies of New Horizon Capital, L.P. in which the Company invests as a Limited Partner, Navinfo Co., Ltd. and Harbin Gloria Pharmaceuticals Co., Ltd. became listed companies on the Shenzhen Stock Exchange in May and June 2010 respectively, Sunac China Holdings Limited was listed on the Hong Kong Stock Exchange in October 2010, New Century Department Store Limited Company of Chongqing General Trading and Hebei Meihua Monosodium Glutamate Group Co., Ltd. concluded M&A in December 2010, and Sinovel Wind (Group) Co., Ltd. was listed on the Shanghai Stock Exchange in January 2011.

Consolidated Fiscal Year Ended 31 March 2012

Number of Companies	Name of Portfolio Company	Month & Year of Listing, etc.	Listing, etc.	Business Description	Location of Head Office
Japan: 7 companies Overseas: 7 companies	PCHOMESTORE Inc.	April 2011	Listed (GTSM)	Electronic commerce services	Taiwan
	Renren, Inc.	May 2011	Listed (New York Stock Exchange)	Management of No.1 social networking website in China (Renren.com), social commerce website (nuomi.com) and social networking website for business (jingwei.com)	China
	NIBEC Co., Ltd.	July 2011	Listed (KOSDAQ)	Development and manufacturing of artificial bones	Korea
	Mebiopharm Co., Ltd.	July 2011	Listed (TOKYO AIM)	Development of drugs using unique ribosome technology	Tokyo, Japan
	KLab Inc.	September 2011	Listed (TSE Mothers)	Social business, SI business, Cloud and License business	Tokyo, Japan
	FROUTE Corporation	October 2011	M&A	Mobile content delivery services	Tokyo, Japan
	SymBio Pharmaceuticals Limited	October 2011	Listed (JASDAQ)	Development and commercialization of drugs for specified diseases (cancer, diseases of blood and autoimmune)	Tokyo, Japan
	Best Create Corporation	November 2011	M&A	Provider of the affiliate commerce materials and advertisements to the customers in retail stores	Tokyo, Japan
	Redwood Group Ltd	December 2011	Listed (GTSM)	Contract manufacturer of high-quality interior fittings for luxury brands.	Taiwan
	W-SCOPE Corporation	December 2011	Listed (TSE Mothers)	Manufacturing and sale of separator for lithium-ion secondary battery	Kanagawa, Japan
	Beyondsoft Corporation	January 2012	Listed (Shenzhen Stock Exchange)	IT consulting, application development and maintenance services	China
	NEUROS Co., Ltd.	February 2012	Listed (KOSDAQ)	Development and manufacturing of Turbo Blower	Korea
	HYVISION SYSTEM INC.	February 2012	M&A	Manufacturing of glasses, photo devices and optical equipments	Korea
	VECTOR INC.	March 2012	Listed (TSE Mothers)	Providing support for strategic corporate public relations	Tokyo, Japan

(Notes)

1. The location of head office of each overseas company reflects the principal place of operation or the substantial head office location.
2. "M&A" is indicated in case a portfolio company has executed a share exchange or entered into a merger with a listed company.