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SBI HOLDINGS, INC.

(Incorporated in Japan with limited liability)

(Stock Code: 6488)

THIRD QUARTERLY RESULTS ANNOUNCEMENT FOR THE NINE MONTHS ENDED 31 DECEMBER 2013 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 subsidiaries (collectively the “Group”) for the nine months ended 31 December 2013.

At the request of the Company, trading in its Hong Kong depositary receipts was halted with effect from 1:00 p.m. on Wednesday, 5 February 2014, 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 Thursday, 6 February 2014.

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

1. Consolidated Financial Results

(1) Consolidated Operating Results

(Percentages represent year-on-year changes)

	Operating revenue		Operating income		Profit before income tax expense		Profit for the period	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended 31 December 2013	177,210	60.1	39,508	271.7	37,154	315.9	21,062	424.3
Nine months ended 31 December 2012	110,663	(11.1)	10,630	(13.2)	8,932	(17.3)	4,018	(22.3)

	Profit attributable to owners of the Company		Total comprehensive income		Basic earnings per share attributable to owners of the Company	Diluted earnings per share attributable to owners of the Company
	Millions of yen	%	Millions of yen	%	Yen	Yen
Nine months ended 31 December 2013	20,185	—	36,139	411.8	93.25	93.25
Nine months ended 31 December 2012	1,124	(34.8)	7,062	—	5.17	5.17

(Notes) 1. Year-on-year changes over 1,000% are not presented herein.

2. The Company conducted a 10 for 1 stock split, effective on 1 October 2012. The calculations of basic and diluted earnings per share are based on the new number of shares and adjusted retrospectively, assuming that the stock split was conducted at the beginning of the fiscal year ended 31 March 2013.

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of the Company	Ratio of equity attributable to owners of the Company to total assets
	Millions of yen	Millions of yen	Millions of yen	%
31 December 2013	3,192,281	394,198	330,982	10.4
31 March 2013	2,494,387	360,535	303,299	12.2

2. Dividends

(Declared date)	Dividend per share				
	End of 1 st Q	End of 2 nd Q	End of 3 rd Q	Year-end	Full year
	Yen	Yen	Yen	Yen	Yen
Fiscal Year ended 31 March 2013	—	0.00	—	10.00	10.00
Fiscal Year ending 31 March 2014	—	0.00	—		
Fiscal Year ending 31 March 2014 (forecast)				20.00	20.00

3. Total number of shares outstanding (Common stock)

(1) Number of shares outstanding (including treasury stock)	: 31 December 2013	: 224,561,761 shares
	: 31 March 2013	: 224,525,781 shares
(2) Number of treasury stock	: 31 December 2013	: 8,086,383 shares
	: 31 March 2013	: 8,098,446 shares
(3) Average number of shares outstanding	: Nine months ended 31 December 2013	: 216,458,833 shares
	: Nine months ended 31 December 2012	: 217,285,812 shares

(Note) The Company conducted a 10 for 1 stock split, effective on 1 October 2012. The average number of shares outstanding presented above is retrospectively adjusted, assuming that the 10 for 1 stock split was conducted at the beginning of the fiscal year ended 31 March 2013.

The Group prepared the consolidated financial statements in accordance with International Financial Reporting Standards (“IFRSs”).

As of the date of this announcement, the results for the nine months ended 31 December 2013 are under review by the independent accountants of the Company.

1. BUSINESS RESULTS

(1) Results of Operations

The Group's consolidated results of operations for the nine months ended 31 December 2013 were as follows. Operating revenue increased 60.1% year-on-year to ¥177,210 million, operating income rose 271.7% to ¥39,508 million, profit before income tax expense increased 315.9% to ¥37,154 million, and profit attributable to owners of the Company rose 1,696.1% to ¥20,185 million.

The results of operations for each reporting segment of the Group for the nine months ended 31 December 2013 were as follows.

	Operating revenue			Profit (loss) before income tax expense		
	Nine months ended 31 December 2012	Nine months ended 31 December 2013		Nine months ended 31 December 2012	Nine months ended 31 December 2013	
	Millions of Yen	Millions of Yen	%	Millions of Yen	Millions of Yen	%
Financial Services Business	76,934	109,030	41.7	7,542	28,475	277.6
Asset Management Business	28,784	59,022	105.1	8,561	12,945	51.2
Biotechnology-related Business	690	2,139	210.2	(2,116)	(1,332)	—
Total	106,408	170,191	59.9	13,987	40,088	186.6
Others	6,287	8,150	29.6	1,173	2,289	95.1
Elimination	(2,032)	(1,131)	—	(6,228)	(5,223)	—
Consolidation	110,663	177,210	60.1	8,932	37,154	315.9

(% represents year-on-year changes)

(Financial Services Business)

Financial Services Business consists of a wide range of financial related business and the provision of information regarding financial products, including securities brokerage business, banking services business, property and casualty insurance business, financing business offering mortgage loans, credit card business, and leasing business.

The results of operation of Financial Services Business for the nine months ended 31 December 2013 were as follows. Operating revenue increased 41.7% year-on-year to ¥109,030 million, and profit before income tax expense increased 277.6% to ¥28,475 million.

(Asset Management Business)

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

The results of operation of Asset Management Business for the nine months ended 31 December 2013 were as follows. Operating revenue increased 105.1% year-on-year to ¥59,022 million, and profit before income tax expense rose 51.2% to ¥12,945 million. Operating revenue in this reporting segment represents operating revenues arising from operational investment securities and includes the changes of fair values of those investment securities. The results of operations of the Group's investees which are deemed to be controlled by the Group are consolidated into the results of operations of this reporting segment.

(Biotechnology-related Business)

Biotechnology-related Business represents development and distribution of pharmaceutical products with 5-aminolevulinic acid (ALA) (*), a kind of amino acid which exists in vivo, medicines for cancer, and immune related medicines.

The results of operation of Biotechnology-related Business for the nine months ended 31 December 2013 were as follows. Operating revenue increased 210.2% year-on-year to ¥2,139 million, and loss before income tax expense amounted to ¥1,332 million (¥2,116 million of loss before income tax expense for the nine months ended 31 December 2012).

(*) 5-aminolevulinic acid (ALA) is an amino acid generated by mitochondria in the human body and an important substance used to produce heme or cytochrome, proteins to generate energy. The production of ALA in the human body decreases with aging. ALA is included in food products including slops of distilled spirits, red wine, and radish shoots. ALA is also known as chloroplastic substance of plant.

(2) Financial Positions and Cash Flows

As at 31 December 2013, total assets resulted in ¥3,192,281 million and increased by ¥697,894 million from total assets of ¥2,494,387 million as at 31 March 2013. The Group's equity rose by ¥33,663 million to ¥394,198 million from the fiscal year ended 31 March 2013. As at 31 December 2013, the Group's cash and cash equivalents amounted to ¥303,231 million and increased by ¥169,869 million from that of ¥133,362 million as at 31 March 2013. The changes of cash flows for each activity and the reasons for changes are as follows:

(Operating Cash Flows)

Cash flows from operating activities resulted in ¥117,152 million in net cash inflows (¥39,988 million in net cash inflows for the nine months ended 31 December 2012). The net cash inflows were primarily due to a ¥37,154 million cash inflow from an increase in profit before income tax expense, a ¥96,904 million cash inflow from a decrease in accounts receivables and other receivables, and a ¥61,053 million cash inflow from an increase in operational liabilities and other liabilities, despite a ¥98,378 million cash outflow from a decrease in customer deposits in the banking business.

(Investing Cash Flows)

Cash flows from investing activities resulted in ¥5,311 million in net cash inflows (¥1,578 million in net cash inflows for the nine months ended 31 December 2012). The net cash inflows were primarily due to a ¥15,667 million cash inflow from proceeds from sales of investment securities, despite a ¥7,330 million cash outflow from purchases of investment securities.

(Financing Cash Flows)

Cash flows from financing activities amounted to ¥40,519 million in net cash inflows (¥19,722 million in net cash outflows for the nine months ended 31 December 2012). The net cash inflows were primarily due to a ¥18,400 million cash inflow from an increase in short-term loans payable, a ¥99,827 million cash inflow from proceeds from issuance of bonds payable, and a ¥10,200 million cash inflow from proceeds from long-term loans payable, despite a ¥17,308 million cash outflow for repayment of long-term loans payable and a ¥65,470 million cash outflow from redemption of bonds payable.

2. INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(1) Interim Condensed Consolidated Statement of Financial Position

	As at 31 March 2013	As at 31 December 2013
	Millions of Yen	Millions of Yen
Assets		
Cash and cash equivalents	133,362	303,231
Trade and other accounts receivable	412,477	336,157
Assets related to securities business		
Cash segregated as deposits	846,445	1,118,799
Margin transaction assets	164,935	175,551
Other assets related to securities business	422,265	702,798
Total assets related to securities business	1,433,645	1,997,148
Other financial assets	26,694	33,753
Operational investment securities	119,268	129,817
Other investment securities	57,209	56,463
Investments in associates and joint ventures	35,689	38,948
Investment properties	36,355	37,154
Property and equipment	10,517	11,883
Intangible assets	185,581	202,995
Other assets	29,928	36,362
Deferred tax assets	13,662	8,370
Total assets	2,494,387	3,192,281
Liabilities		
Bonds and loans payable	344,360	390,067
Trade and other accounts payable	48,894	110,714
Liabilities related to securities business		
Margin transaction liabilities	153,612	110,910
Loans payable secured by securities	135,609	269,162
Deposits from customers	387,310	606,254
Guarantee deposits received	372,440	531,852
Other liabilities related to securities business	255,634	371,121
Total liabilities related to securities business	1,304,605	1,889,299
Customer deposits for banking business	376,177	336,959
Income tax payable	2,192	8,108
Other financial liabilities	35,371	38,202
Other liabilities	15,430	16,235
Deferred tax liabilities	6,823	8,499
Total liabilities	2,133,852	2,798,083
Equity		
Capital stock	81,668	81,681
Capital surplus	160,550	154,773
Treasury stock	(5,117)	(5,140)
Other component of equity	6,196	20,678
Retained earnings	60,002	78,990
Equity attributable to owners of the Company	303,299	330,982
Non-controlling interests	57,236	63,216
Total equity	360,535	394,198
Total liabilities and equity	2,494,387	3,192,281

(2) Interim Condensed Consolidated Statements of Income and Comprehensive Income
Interim Condensed Consolidated Statement of Income

	Nine months ended 31 December 2012	Nine months ended 31 December 2013
	Millions of Yen	Millions of Yen
Operating revenue	110,663	177,210
Operating expense		
Operating cost	(40,281)	(47,540)
Financial cost	(3,425)	(14,201)
Selling, general and administrative expenses	(54,231)	(71,128)
Other expenses	(933)	(5,064)
Total Operating expense	(98,870)	(137,933)
Share of (losses) profits of associates and joint ventures using the equity method	(1,163)	231
Operating income	10,630	39,508
Other financial income and cost		
Other financial income	462	459
Other financial cost	(2,160)	(2,813)
Total Other financial income and cost	(1,698)	(2,354)
Profit before income tax expense	8,932	37,154
Income tax expense		
Current	(2,676)	(10,931)
Deferred	(2,238)	(5,161)
Total Income tax expense	(4,914)	(16,092)
Profit for the period	4,018	21,062
Profit for the period attributable to		
Owners of the Company	1,124	20,185
Non-controlling interests	2,894	877
Profit for the period	4,018	21,062
Earnings per share attributable to owners of the Company		
Basic (Yen)	5.17	93.25
Diluted (Yen)	5.17	93.25

Interim Condensed Consolidated Statement of Comprehensive Income

	Nine months ended 31 December 2012 Millions of Yen	Nine months ended 31 December 2013 Millions of Yen
Profit for the period	4,018	21,062
Other comprehensive (loss) income which will not be reclassified subsequently to profit or loss		
FVTOCI financial assets	(686)	1,015
Other comprehensive income which will be reclassified subsequently to profit or loss		
Currency translation differences	3,681	14,062
Hedging instruments for cash flow hedges	49	—
Other comprehensive income, net of tax	3,044	15,077
Total comprehensive income	7,062	36,139
Total comprehensive income attributable to		
Owners of the Company	4,000	35,640
Non-controlling interests	3,062	499
Total comprehensive income	7,062	36,139

(3) Interim Condensed Consolidated Statement of Changes in Equity

Nine months ended 31 December 2012

	Attributable to owners of the Company							Non-controlling interests	Total equity
	Capital Stock	Capital Surplus	Treasury Stock	Other Component of equity	Retained earnings	Total			
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen			
As at 1 April 2012	81,665	160,471	(3,180)	(1,363)	58,930	296,523	55,382	351,905	
Profit for the period	—	—	—	—	1,124	1,124	2,894	4,018	
Other comprehensive income	—	—	—	2,876	—	2,876	168	3,044	
Total comprehensive income	—	—	—	2,876	1,124	4,000	3,062	7,062	
Issuance of new stock	2	2	—	—	—	4	—	4	
Change in scope of consolidation	—	—	—	—	—	—	(1,022)	(1,022)	
Dividends paid	—	—	—	—	(2,208)	(2,208)	(2,514)	(4,722)	
Treasury shares purchased	—	—	(2,013)	—	—	(2,013)	—	(2,013)	
Treasury shares sold	—	—	65	—	—	65	—	65	
Changes of interests in subsidiaries without losing control	—	(1,408)	—	—	—	(1,408)	9,576	8,168	
Transfer	—	—	—	170	(170)	—	—	—	
As at 31 December 2012	81,667	159,065	(5,128)	1,683	57,676	294,963	64,484	359,447	

Nine months ended 31 December 2013

	Attributable to owners of the Company							Non-controlling interests	Total equity
	Capital Stock	Capital Surplus	Treasury Stock	Other Component of equity	Retained earnings	Total			
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen			
As at 1 April 2013	81,668	160,550	(5,117)	6,196	60,002	303,299	57,236	360,535	
Profit for the period	—	—	—	—	20,185	20,185	877	21,062	
Other comprehensive income/(loss)	—	—	—	15,455	—	15,455	(378)	15,077	
Total comprehensive income	—	—	—	15,455	20,185	35,640	499	36,139	
Issuance of new stock	13	13	—	—	—	26	—	26	
Issuance of convertible bonds	—	1,632	—	—	—	1,632	—	1,632	
Change in scope of consolidation	—	—	—	—	—	—	125	125	
Dividends paid	—	—	—	—	(2,170)	(2,170)	(2,058)	(4,228)	
Treasury shares purchased	—	—	(55)	—	—	(55)	—	(55)	
Treasury shares sold	—	1	32	—	—	33	—	33	
Changes of interests in subsidiaries without losing control	—	(7,423)	—	—	—	(7,423)	7,414	(9)	
Transfer	—	—	—	(973)	973	—	—	—	
As at 31 December 2013	81,681	154,773	(5,140)	20,678	78,990	330,982	63,216	394,198	

(4) Interim Condensed Consolidated Statement of Cash flows

	Nine months ended 31 December 2012	Nine months ended 31 December 2013
	Millions of Yen	Millions of Yen
Net cash from operating activities		
Profit before income tax expense	8,932	37,154
Depreciation and amortization	5,566	8,518
Share of profits (losses) of associates and joint ventures using the equity method	1,163	(231)
Interest and dividend income	(13,473)	(50,124)
Interest expense	5,569	17,015
Increase in operational investment securities	(9,395)	(3,262)
(Decrease) increase in accounts receivables and other receivables	(2,790)	96,904
Increase in operational liabilities and other liabilities	11,250	61,053
Increase in assets/liabilities related to securities business	34,551	21,111
Decrease in customer deposits in the banking business	—	(98,378)
Others	(2,100)	(2,181)
Subtotal	39,273	87,579
Interest and dividend income received	12,895	49,484
Interest expense paid	(4,846)	(18,202)
Income taxes paid	(7,334)	(1,709)
Net cash from operating activities	39,988	117,152
Net cash from investing activities		
Purchases of intangible assets	(2,932)	(3,821)
Purchases of investment securities	(9,305)	(7,330)
Proceeds from sales of investment securities	1,272	15,667
Acquisition of subsidiaries, net of cash and cash equivalents acquired	780	(2,057)
Proceeds from sales of subsidiaries, net of cash and cash equivalents disposed of	12,677	2,896
Payments of loans receivable	(7,440)	(3,417)
Collection of loans receivable	5,178	5,260
Others	1,348	(1,887)
Net cash from investing activities	1,578	5,311

	Nine months ended 31 December 2012	Nine months ended 31 December 2013
	Millions of Yen	Millions of Yen
Net cash (used in) from financing activities		
(Decrease) increase in short-term loans payable	(31,460)	18,400
Proceeds from long-term loans payable	22,944	10,200
Repayment of long-term loans payable	(19,731)	(17,308)
Proceeds from issuance of bonds payable	63,945	99,827
Redemption of bonds payable	(60,540)	(65,470)
Proceeds from stock issuance	5	26
Proceeds from stock issuance to non-controlling interests	3,533	62
Contributions from non-controlling interests in consolidated investment funds	1,850	555
Cash dividend paid	(2,210)	(2,160)
Cash dividend paid to non-controlling interests	(467)	(529)
Distributions to non-controlling interests in consolidated investment funds	(1,941)	(2,049)
Purchase of treasury stock	(2,013)	(55)
Proceeds from sale of interests in subsidiaries to non-controlling interests	7,603	119
Payments for purchase of interests in subsidiaries from non-controlling interests	(145)	(145)
Others	(1,095)	(954)
Net cash (used in) from financing activities	<u>(19,722)</u>	<u>40,519</u>
Net increase in cash and cash equivalents	21,844	162,982
Cash and cash equivalents at the beginning of the period	159,833	133,362
Effect of changes in exchange rate on cash and cash equivalents	704	6,887
Cash and cash equivalents at the end of the period	<u><u>182,381</u></u>	<u><u>303,231</u></u>

Notes to Interim Condensed Consolidated Financial Statements

1. Significant Accounting Policies

The accounting policies presented in the consolidated financial statements for the year ended 31 March 2013 are applied consistently in the preparation of these interim condensed consolidated financial statements.

The Group adopted the following new and revised standards and interpretations from the preparation of the interim condensed consolidated financial statements for the three months ended 30 June 2013. There is no significant impact to these interim condensed consolidated financial statements through adoption.

	IFRS	Summary of new standards and amendments
IFRS 10	Consolidated Financial Statements	Clarifications on definition of control as the basis for consolidation, which shall be adopted by all companies
IFRS 11	Joint Arrangements	Classification and accounting treatment relevant to arrangement under joint control based on contractual agreement rather than legal form
IFRS 12	Disclosure of Interests in Other Entities	Broaden the disclosure with regard to interests in other entities including unconsolidated entities
IFRS 13	Fair Value Measurement	Provide guidance for measurement of fair valued applied in all the standards
IAS 1	Presentation of Financial Statements	Amendment to presentation of items of other comprehensive income
IAS 19	Employee Benefits	Recognition of actuarial differences and past service cost Presentation and disclosure of post-employment benefits
IAS 28	Investments in Associates and Joint Ventures	Amendments based on the publishing of IFRS 10, IFRS 11 and IFRS 12
IAS 34	Interim Financial Reporting	Disclosure requirements for interim financial report regarding note to fair value

2. Segment information

The Group engages in a wide range of business activities, primarily online financial service businesses and investment activities in Japan and overseas. Based on the similarities or economic characteristics of business or nature of services, “Financial Services Business”, “Asset Management Business”, and “Biotechnology-related Business”, which is the most growing business in the Group, are determined as reportable segments.

The reporting segments of the Group represent businesses activities for which separate financial information of the Group’s components is available and reviewed regularly by the board of directors for the purpose of allocation of financial resources and performance evaluation.

The following is a description of business activities for the reporting segments.

“Financial Services Business”

The Financial Services Business consists of a wide range of finance related business and the provision of information regarding financial products, including securities brokerage business, banking services business, property and casualty insurance business, financing business offering mortgage loans, credit card business, and leasing business.

“Asset Management Business”

The Asset Management Business primarily consists of fund management and investment in internet technology, biotechnology, environmental energy and finance-related venture companies. The Group includes venture companies acquired in the Asset Management Business in the Group’s consolidation; thus, the businesses operated by the venture companies are included in this segment.

“Biotechnology-related Business”

The Biotechnology-related Business represents development and distribution of pharmaceutical products with 5-aminolaevulinic acid (ALA), a kind of amino acid which exists in vivo, and cancer and immune related pharmaceutical products.

Business segments classified into “Others” mainly consists of development and trading of investment property and operation of online intermediate service, which were included in the former Housing and Real Estate Business segment. They are not classified as a reporting segment based on the quantitative criteria for the nine months ended 31 December 2013.

“Elimination” includes profit or loss that is not allocated to certain business segments and the elimination of the inter-company transactions within the Group, at a price based on the actual market price.

The following represents segment information of the Group:

For nine months ended 31 December 2012

	Financial Services Business	Asset Management Business	Biotechnology-related Business	Total	Others	Elimination	Consolidated Total
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
Operating revenue	76,934	28,784	690	106,408	6,287	(2,032)	110,663
Profit (loss) before income tax expense	7,542	8,561	(2,116)	13,987	1,173	(6,228)	8,932

For nine months ended 31 December 2013

	Financial Services Business	Asset Management Business	Biotechnology-related Business	Total	Others	Elimination	Consolidated Total
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
Operating revenue	109,030	59,022	2,139	170,191	8,150	(1,131)	177,210
Profit (loss) before income tax expense	28,475	12,945	(1,332)	40,088	2,289	(5,223)	37,154

3. Revenue

	Nine months ended 31 December 2012	Nine months ended 31 December 2013
	Millions of yen	Millions of yen
Operating revenue		
Financial income		
Interest income (Note1)	13,153	48,227
Dividends received	1,088	302
Income arising from financial assets at FVTPL	12,588	13,365
Gain from trading	7,068	10,127
Total financial income	33,897	72,021
Revenue from rendering of services	53,001	79,342
Valuation gain on business combination achieved in stages (Note2)	2,762	-
Other income	21,003	25,847
Total operating revenue	<u>110,663</u>	<u>177,210</u>
Other financial income		
Interest income		
Financial assets measured at amortized cost	462	459
Total other financial income	<u>462</u>	<u>459</u>

(Note1) Interest income in financial income is arising from financial assets measured at amortized cost.

(Note2) Valuation gain on business combination achieved in stages was arising from the remeasurement of the Group's previously held investment in SBI Japannext Co., Ltd. at the additional acquisition-date fair value in a business combination achieved in stages.

4. Earnings per Share

Basic earnings per share and diluted earnings per share attributable to owners of the Company were calculated based on the following information:

Since the Company conducted a 10 for 1 stock split, effective on 1 October 2012, basic earnings per share and diluted earnings per share attributable to owners of the Company were calculated based on the new number of shares after the stock split and adjusted retrospectively.

	Nine months ended 31 December 2012	Nine months ended 31 December 2013
	Millions of Yen	Millions of Yen
Profit attributable to owners of the Company	1,124	20,185
Weighted average number of shares		
Basic weighted average number of ordinary shares (shares)	217,285,812	216,458,833
Dilutive effect : Stock option (shares)	18,381	8,635
Weighted average number of ordinary shares after the dilutive effect (shares)	217,304,193	216,467,468
Earnings per share attributable to owners of the Company		
Basic (in Yen)	5.17	93.25
Diluted (in Yen)	5.17	93.25

(Note) The calculation of diluted earnings per share does not assume exercise of stock acquisition rights that would have an antidilutive effect on earnings per share.

5. Events after the Reporting Period

There were no significant subsequent events noted.

3. RESUMPTION OF TRADING

At the request of the Company, trading in its Hong Kong depository receipts was halted with effect from 1:00 p.m. on Wednesday, 5 February 2014, 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 Thursday, 6 February 2014.

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. Tomoya Asakura, Mr. Shumpei Morita, Mr. Noriaki Maruyama and Mr. Peilung Li, the non-executive Directors are Mr. Masato Takamura, Mr. Hiroshi Tasaka, Mr. Teruhide Sato and the independent non-executive Directors are Mr. Masaki Yoshida, Mr. Kiyoshi Nagano, Mr. Keiji Watanabe, Mr. Akihiro Tamaki and Mr. Masanao Marumono.