

SBI Holdings, Inc.

Financial Results

**for the Nine-month Period Ended December 31, 2023
(Fiscal Year Ending March 31, 2024)**

February 7, 2024

The items in this document are provided as information related to the financial results and the business strategy of the SBI Group companies and not as an invitation to invest in the stock or securities issued by each company.

The business collaboration with SBI Shinsei Bank described in this document only takes place when SBI Shinsei Bank determines that it is in the best interests of its minority shareholders to do so through measures adopted by SBI Shinsei Bank to prevent conflicts of interest.

None of the Group companies guarantee the completeness of this document in terms of information and future business strategy.

The contents of this document are subject to revision or cancellation without notice.

Note: Fiscal Year (“FY”) ends on March 31 of the following year

I. 9M FY2023 Consolidated Performance (IFRS)

[Consolidated Performance Overview]

- **Revenues** increased 32.2% year-on-year to JPY 864.7bn, which is a record high for 9M FY2023, largely due to an increase in revenue from the **Financial Services Business (increased 22.3% year-on-year to JPY 741.1bn)**
- **Consolidated profit before income tax expense** increased **103.3% year-on-year to JPY 100.1bn**. In the same period in the previous fiscal year in the **Investment Business**, there was a decline in stock prices of some overseas listed stocks such as TPBank, a listed stock in Vietnam, while the BOJ made an abrupt decision to tweak its monetary easing policy, causing the yen to continue its drastic rise. These events led to a 9-month loss before income tax expense of JPY 33.2bn. By contrast, in the current fiscal year, the Investment Business has **improved to a cumulative profit of JPY 1.1bn in 9M FY2023**. In the **Crypto-asset Business**, after reporting a loss before income tax expense of JPY 17.3bn in 9M FY2022 resulting from a slump in the crypto-asset market and the default of certain counterparties, **earnings have improved in this quarter, returning to a cumulative profit of JPY 2.0bn**
- **In the Financial Services Business, profit before income tax expense fell 2.5% year-on-year to JPY 111.8bn**. Despite the advent of the “ZERO Revolution” eliminating all commissions on online trading of domestic stocks on orders received from Sept. 30, 2023, SBI SECURITIES was able to grow profits year-on-year. On the other hand, SBI SAVINGS BANK had a major profit drop year-on-year due to a decline in interest margins and an increased burden of bad debt write-offs. Furthermore, in this 9M FY2023, following SBI Sumishin Net Bank’s IPO, the secondary sales in April 2023 of the overallotment realized JPY 1.5bn in gains on sale of stock. In the previous fiscal year, however, the Nov. 2022 sales of ALBERT shares had brought in JPY 5.1bn in gains. After considering these special factors in their respective periods, **profit growth vs. the same period in the previous fiscal year comes to +0.6%**
- **Profit attributable to owners of the Company for 9M FY2023 increased 609.5% year-on-year to JPY 59.6bn** (In the same period of the previous fiscal year, amounted to JPY 8.4bn, mainly caused by the fair value loss of direct investees and a large loss at Crypto-asset Business subsidiaries, in which the Company has a large stake in)
- The **(forecast) year-end dividend for FY2023, which includes a commemorative dividend of JPY 10 per share** to welcome the 25th anniversary of the Company’s founding on July 8, 2024, is **expected to be JPY 130 per share**. Adding this to the interim dividend of JPY 30 per share (already implemented) brings the projected **annual dividend to JPY 160 per share**

9M FY2023 Consolidated Performance (IFRS)

[Year-on-year comparison]

(Unit: JPY million)

	9M FY2022 ^{*1} (Apr. 2022-Dec. 2022)	9M FY2023 (Apr. 2023-Dec. 2023)	YoY Change (%)
Revenue	653,875	Record high 864,719	+32.2
Profit before income tax expense	49,225	100,088	+103.3
Profit for the period	36,537	70,176	+92.1
Profit attributable to owners of the Company	8,403	59,616	+609.5

^{*1} As a result of the retroactive application of IFRS 17 “Insurance Contracts”, which was applied from the current period, to the previous period, the results for 9M FY2022, show a decrease of JPY 31,690m from the JPY 685,565m of revenue disclosed during the same period last year, an increase of JPY 1,117m from JPY 48,108m of Profit before income tax expense, an increase of JPY 511m from 36,026m of Profit for the period, and an increase of JPY 354m from JPY 8,049m of Profit attributable to owners of the Company

9M FY2023 Performance by Segment (IFRS)

[Year-on-year comparison]

(Unit: JPY million)

Revenue

Profit Before Income Tax Expense

	9M FY2022 (Apr. 2022– Dec. 2022)	9M FY2023 (Apr. 2023– Dec. 2023)	YoY change (%)	9M FY2022 (Apr. 2022– Dec. 2022)	9M FY2023 (Apr. 2023– Dec. 2023)	YoY change (%)
Financial Services Business *1	605,916 *2	741,051 Record high*3	+22.3	114,759 *2	111,837	-2.5
Asset Management Business	13,608	21,468 Record high*3	+57.8	2,227	3,473 Record high*3	+55.9
Investment Business	-2,611	57,240	—	-33,177	1,085	—
Crypto-asset Business	24,346	30,885	+26.9	-17,323	2,042	—
Next Gen Business *4	20,102	19,691	-2.0	-1,082	-2,147	—

*1 9M FY2023 includes gain on sale of shares (JPY 1,452m) from the over-allotment sales conducted in April 2023 in connection with the IPO of SBI Sumishin Net Bank, and the same period last year includes a gain (JPY 5,067m) on the sale of ALBERT shares conducted in November 2022

*2 Financial Services Business results for 9M FY2022 decreased by JPY 31,690m from JPY 637,606m of revenue disclosed and increased by JPY 1,117m from JPY 113,642m of Profit before income tax expense as a result of retroactive application of IFRS 17 “Insurance Contracts” which was applied from the current period to the previous period

*3 This is a comparison with the 9M FY2021 and beyond, which discloses results in the same segment as the current one. Financial Service Business is also at a record high in comparison with the first half results since FY2012 when IFRS was adopted

*4 Non-financial Business have been renamed to Next Gen Business from the 2Q FY2023. Next Gen Business include mainly the Biotechnology, Healthcare & Medical Informatics Business, Semiconductor Business, Web3-related businesses

*5 Figures are before elimination of inter-segment transactions

Performance of the SBI Group's Major Listed Companies



- Demonstrate the strength of group management that thoroughly pursues various synergies within Business Ecosystem -

Net income attributable
to owners of the parent

Revenue *1

(Unit: JPY million)

	9M FY2022 (Apr. 2022– Dec. 2022)	9M FY2023 (Apr. 2023– Dec. 2023)	YoY change (%)	9M FY2022 (Apr. 2022– Dec. 2022)	9M FY2023 (Apr. 2023– Dec. 2023)	YoY change (%)
SBI Leasing Services	19,726	34,951	+77.2	1,020	2,585	+153.4
SBI Sumishin Net Bank	71,139	85,319	+19.9	14,546	18,254	+25.5
SBI Global Asset Management	6,526	7,576	+16.1	1,091	1,258	+15.2
SBI Insurance Group	70,342	78,466	+11.6	1,386	1,731	+24.9
Rheos Capital Works	7,242	7,650	+5.6	775	965	+24.6
SBI ARUHI	17,612	14,562	-17.3	2,530	1,265	-50.0

SBI ARUHI Corporation struggled in sales of Flat 35, affected by the widening interest rate gap between fixed and floating rates this term. The company is pursuing bold reforms to expand its product lineup and strengthen its operating structure, striving for a recovery in earnings going forward

*1 Figures for SBI Leasing Services and SBI Global Asset Management represent “net sales”. Figures for SBI Sumishin Net Bank and SBI Insurance Group reflect “ordinary revenues”. Figures for Rheos Capital Works Inc. and SBI ARUHI Corporation are represent “operating revenues”

*2 SBI Leasing Services, SBI Sumishin Net Bank, SBI Global Asset Management, SBI Insurance Group, and Rheos Capital Works have adopted J-GAAP, SBI ARUHI uses IFRS

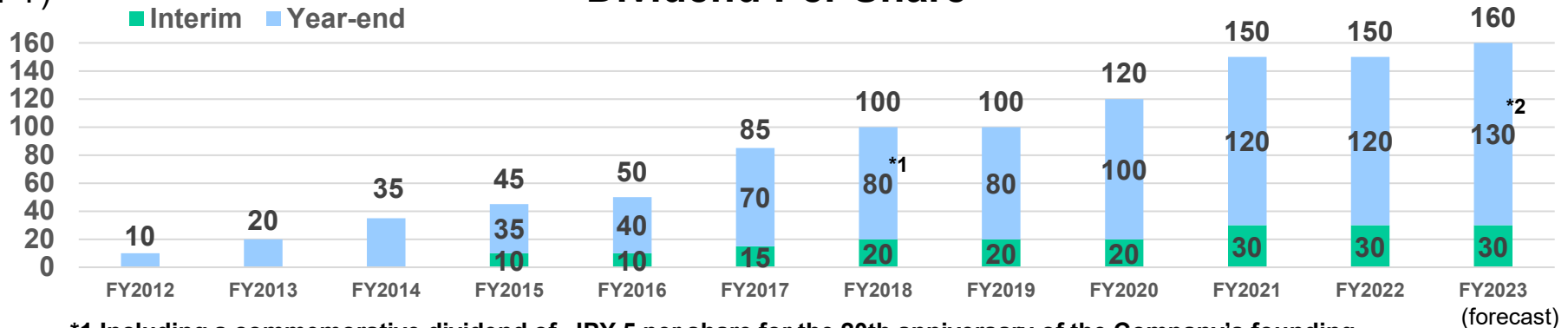
Year-end dividend for FY2023 (forecast) is JPY 130 per share

- Based on the profit level of the Financial Services Business in the consolidated financial results for 9M FY2023 and other factors, SBI Holdings plans to pay an ordinary dividend of JPY120 per share
- In addition to the above, SBI Holdings plans to pay a **commemorative dividend of JPY 10 per share** to celebrate the 25th anniversary of the Company's founding on July 8, 1999

■ Dividend per share

	Interim	Year-end	Full-year
FY2023	JPY 30 (result)	JPY 130 (forecast) <small>(Including JPY 10 commemorative dividend to celebrate the 25th anniversary since the Company's founding)</small>	JPY 160 (forecast)
FY2022 (result)	JPY 30	JPY 120	JPY 150

(JPY) Dividend Per Share



*1 Including a commemorative dividend of JPY 5 per share for the 20th anniversary of the Company's founding

*2 Including a commemorative dividend of JPY 10 per share for the 25th anniversary of the Company's founding

Following the Previous Fiscal Year, will Conduct Shareholder Benefits for FY2023

[Details of shareholder benefits]

*Shareholders listed or recorded in the shareholder register as of Mar. 31, 2024, are eligible

Details \ Qualified shareholders	Shareholders who have <u>held shares for more than 1 year</u> and who hold <u>1,000 (10 units) or more shares</u> as of Mar. 31, 2024	For shareholders other than on the left column, those who hold <u>100 shares (1 unit) or more</u> , as of Mar. 31, 2024
Crypto asset XRP	<u>Equivalent to JPY8,000</u> (*1)	<u>Equivalent to JPY2,000</u> (*1)

*1: XRP conversion is expected to be based on the exchange rate as of July 31, 2024

*Products distributed by SBI ALApromo can also be selected



ALA PLUS GOLD EX (60 capsules)	<u>One</u>	<u>One</u>
“Hatsugagenmai no Sokojikara” (160g)	<u>Three</u>	<u>Three</u>
ALA PLUS TOH DOWN RICH(30 capsules)	<u>One</u>	—
ALA PLUS Concentrate Serum	<u>One</u>	—
ALA PLUS Body Cream ALApi	<u>One</u>	—

* In addition, all shareholders, including those who hold less than 1 unit (1–99 shares), will receive 1 discount coupon for a preferential discount of 50% from the regular prices of all SBI ALApromo dietary supplements and cosmetics

[Business Overview of Each Core Business]

1. Financial Services Business

[Financial Services Business Consolidated Results (IFRS)]

(Unit: JPY million)

	9M FY2022 (Apr. 2022 – Dec. 2022)	9M FY2023 (Apr. 2023 – Dec. 2023)	YoY (%)
Revenue	605,916	741,051	+22.3
Profit before income tax expense	114,759	111,837	-2.5

Profit before income tax expense in the financial services segment in 9M FY2023 includes JPY1.5bn gain which is the sale of shares in SBI Sumishin Net Bank through an over-allotment in April 2023 on its IPO, and 9M FY2022 includes JPY 5.1bn gain on the sale of shares in ALBERT in November 2022. **Considering the impact of these special factors, the profit increased by 0.6% YoY**

1. Financial Services Business:

(1) Securities business

[Major constituent companies]

SBI SECURITIES, SBI Liquidity Market, SBI FXTRADE, SBI MONEYPLAZA, PTS operating companies, overseas securities subsidiaries

[Business highlights]

- **SBI SECURITIES** recorded **a record high JPY 151.7bn in operating revenue (+19.9% YoY)** and **JPY 53.1bn in operating income (+20.5% YoY)** for 9M FY2023 on J-GAAP basis reflecting active market and the broadening of the investor triggered by the expansion of NISA
- **SBI SECURITIES** started **“ZERO Revolution” (the first-ever in Japan to offer commission-free online trading of domestic stocks** from orders placed on Sept. 30, 2023). Its impact on business performance has reduced by strengthening alternative revenue sources including financial revenues

SBI SECURITIES 9M FY2023

Consolidated Results (J-GAAP)

[Year-on-year comparison]

(Unit: JPY million)

	9M FY2022 (Apr. 2022 – Dec. 2022)	9M FY2023 (Apr. 2023 – Dec. 2023)	YoY (%)
Operating revenue	126,584	Record high 151,734	+19.9
Net operating revenue	117,021	Record high 136,808	+16.9
Operating profit	44,131	Record high 53,167	+20.5
Ordinary profit	42,929	Record high 54,064	+25.9
Profit attributable to owners of the Company	29,934	36,221	+21.0

Like-for-like Comparison of Financial Results of Major Brokerage Companies for 9M FY2023

		Operating Profit	Ordinary profit	Profit attributable to owners of the Company
1	Nomura Securities (Non-consolidated)	100,931	100,855	76,290
2	Daiwa Securities (Non-consolidated)	55,204	57,044	39,079
3	SBI SECURITIES (Consolidated)	53,167	54,064	36,221
4	Mitsubishi UFJ Morgan Stanley Securities (Non-consolidated)	44,783	46,741	33,216
5	Mizuho Securities (Non-consolidated)	30,963	30,751	26,557
6	Rakuten Securities *1 (Consolidated)	22,627	22,462	13,507
7	SMBC Nikko Securities (Non-consolidated)	15,722	25,171	19,897
8	Matsui Securities (Non-consolidated)	10,806	10,721	7,029
9	GMO Financial Holdings *1 (Consolidated)	10,676	10,251	5,391
10	Tokai Tokyo Financial Holdings (Consolidated)	10,501	11,467	7,123
11	OKASAN SECURITIES GROUP (Consolidated)	10,120	11,384	9,782
12	Monex Group *2 (Consolidated)	8,714	8,741	6,542
13	IwaiCosmo Holdings (Consolidated)	5,212	5,573	3,908
14	au Kabucom Securities (Non-consolidated)	3,174	3,246	1,731
15	Marusan Securities (Consolidated)	2,104	2,567	1,771
16	Kyokuto Securities (Consolidated)	1,723	2,321	2,727
17	Ichiyoshi Securities (Consolidated)	1,583	1,628	1,113
18	Mito Securities (Consolidated)	1,313	1,687	1,320

*1 Fiscal year of Rakuten Securities and GMO Financial Holdings ends in Dec., therefore, figures for the period from Apr. 2023 to Dec. 2023 are used *2 Monex Group uses IFRS, therefore, value equivalent to the operating profit is used *3 Companies with operating profit of JPY 1,000mn or more are presented in order of each company's operating profit *4 Complied by SBIH based on disclosed materials of each company

1. Financial Services Business:

(2) Banking business

[Major constituent companies]

SBI Shinsei Bank Group, SBI Sumishin Net Bank, SBI ARUHI (Company name changed in January 2024), overseas banks including SBI SAVINGS BANK

[Business highlights]

- **SBI Shinsei Bank** recorded net profit attributable to owners of the company (J-GAAP) of **approx. JPY 38.3bn**, despite absence of the large reversal gains recorded in the previous year, although interest and commission income increased in line with higher loan balances in the corporate business
Profit before income tax expense in SBIHD based on IFRS is **approx. JPY 31.0bn**
- SBI Holdings' equity method earnings from **SBI Sumishin Net Bank**, based on IFRS for 9M FY2023, was **approx. JPY 3.6bn (+112.6% YoY)**, reflecting steady loan growth in the housing loan business, despite reduced ownership share due to the sale of part of its interest in the company through its initial listing on the TSE Standard Market in March 2023
- **SBI SAVINGS BANK** in South Korea recorded a profit before income tax expense (IFRS) of **approx. JPY 10.1bn** while incorporating an increase in the burden of loan write-offs due to deteriorating credit and increased delinquencies in South Korea, despite steady underlying income and expenditure

① SBI Shinsei Bank Group

SBI Shinsei Bank 9M FY2023 Consolidated Performance (J-GAAP)

-Ordinary Business Profit is the highest in the past 10 years -

Note: Units are rounded down to the nearest decimal

(Unit: JPY billion)

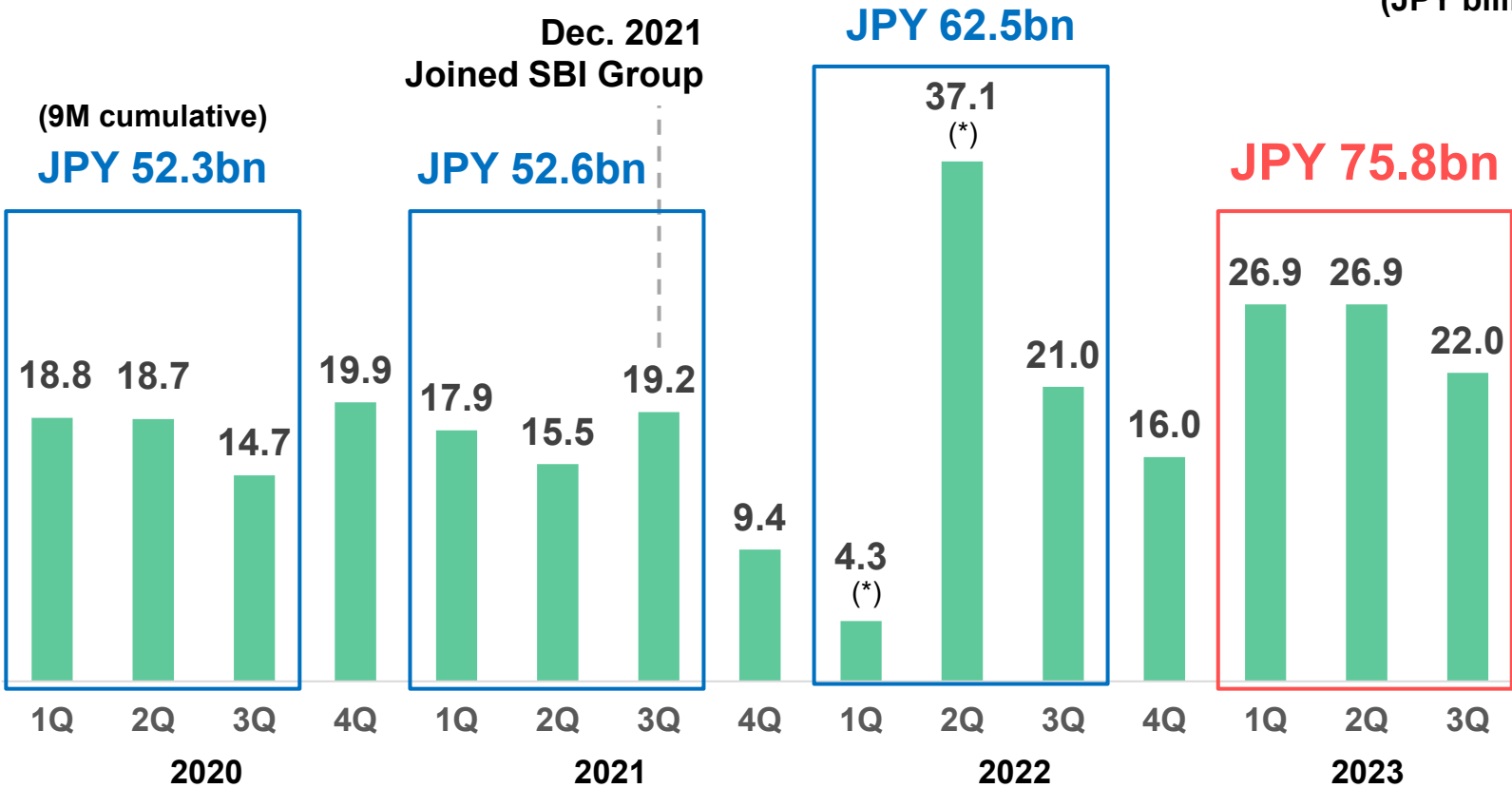
	9M FY2022	9M FY2023	YoY change(%)
Gross operating profit	181.7	198.6	+9.3
Ordinary business profit	62.5	75.8	+21.2
Profit before income tax expense	46.1	44.9	-2.6
Profit attributable to owners of the Company	40.4	38.3	-5.1

Profit before income tax expense for SBI Holdings on an IFRS incorporation basis is approx. JPY 31.0bn

SBI Shinsei Bank's Net Business Income Improved Significantly after Joining the SBI Group

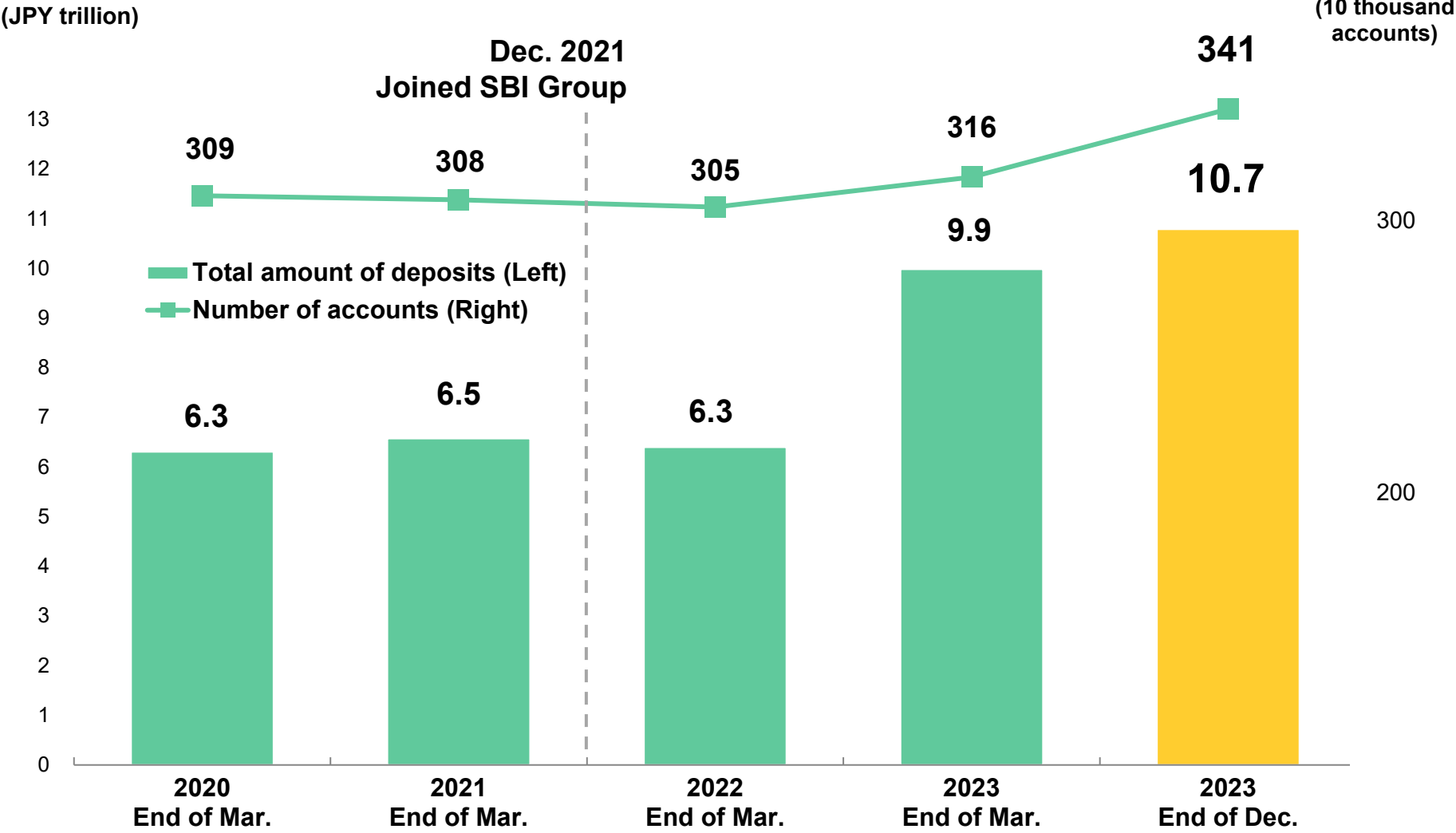
<SBI Shinsei Bank's Ordinary Business Income Change>

(JPY billion)

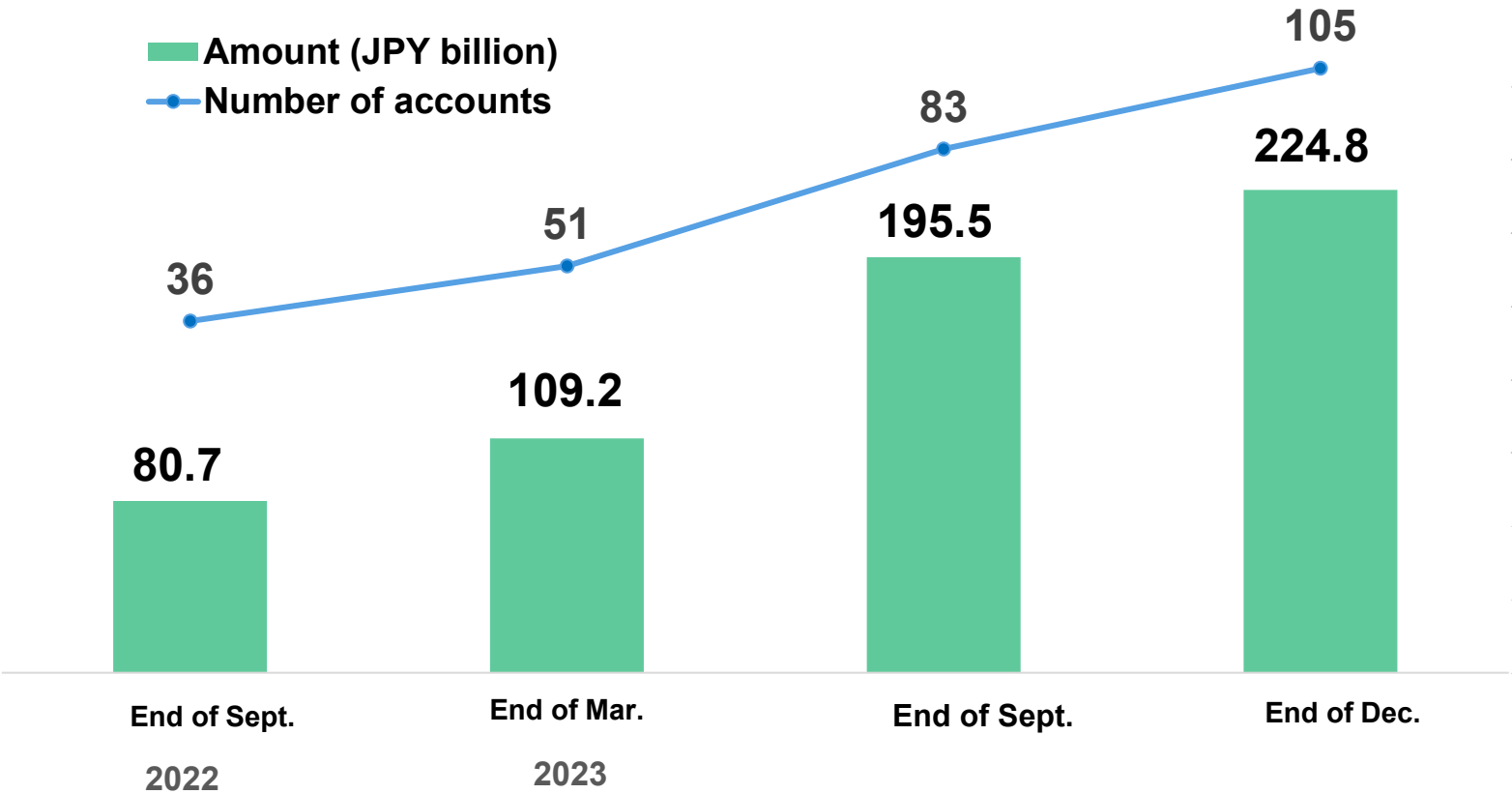


(*) Impacted by impairment loss of JPY -16.5bn in 1Q FY2022 / reversal in 2Q FY2022 on Latitude Group (17.6% shares held on an issued basis / as of the end of Dec. 2023)

Number of Retail Accounts and Deposits at the SBI Shinsei Bank



Track Record of Creating Synergies between SBI Shinsei Group and the SBI Group companies (Cumulative total)



Note: Including investments and securitization transactions such as the provision of debt financing to investees of SBI Investment and the execution of Non-Recourse Loans for STO transactions for which SBI SECURITIES is the lead underwriter

② SBI Sumishin Net Bank

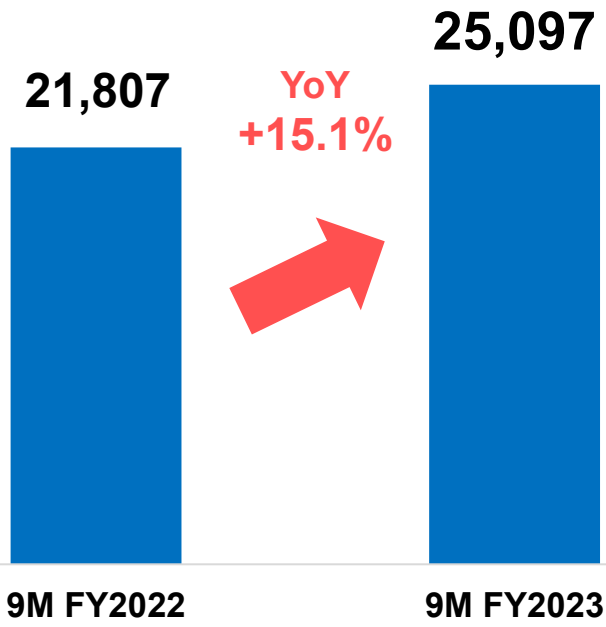
SBI Sumishin Net Bank was listed on the TSE Standard Market on March 29, 2023, and the Company's shareholding ratio is **34.19%** (equity method affiliate)

Performance of SBI Sumishin Net Bank

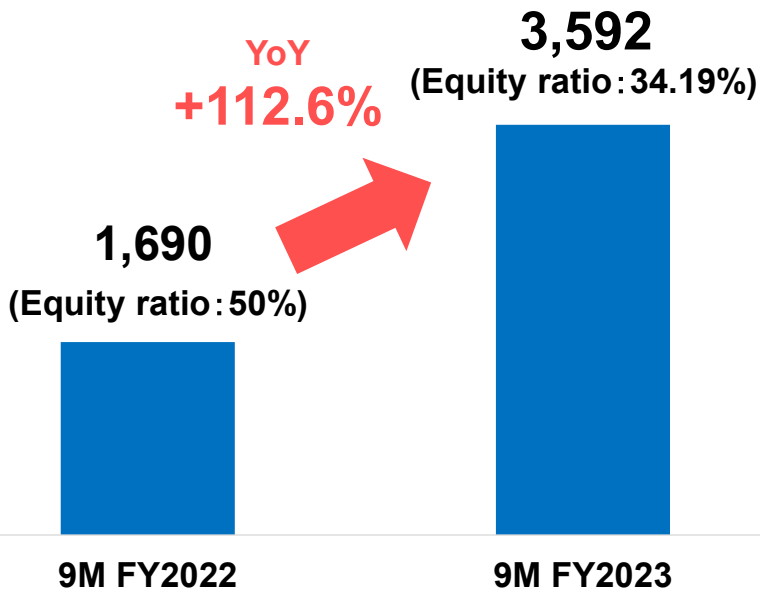
- ✓ SBI Sumishin Net Bank recorded a **15.1% YoY increase in J-GAAP recurring profit to JPY 25,097m** on the back of steady loan growth in the housing loan business
- ✓ SBI Holdings' equity method in earnings of SBI Sumishin Net Bank, based on IFRS for 9M FY2023 was **JPY 3,592m, +112.6% YoY**, despite reduced ownership share by **15.81pt** due to the sale of part of its interest in the company through its initial listing on the TSE Standard Market

(Unit: JPY million)

<SSNB: Ordinary Profit (J-GAAP)>



<SBIH: Equity Method Earnings (IFRS)>



* SBI Sumishin Net Bank has adopted J-GAAP * Owing to the difference in IFRS and J-GAAP for the criteria of assessing assets, the figures differ from that disclosed based on J-GAAP

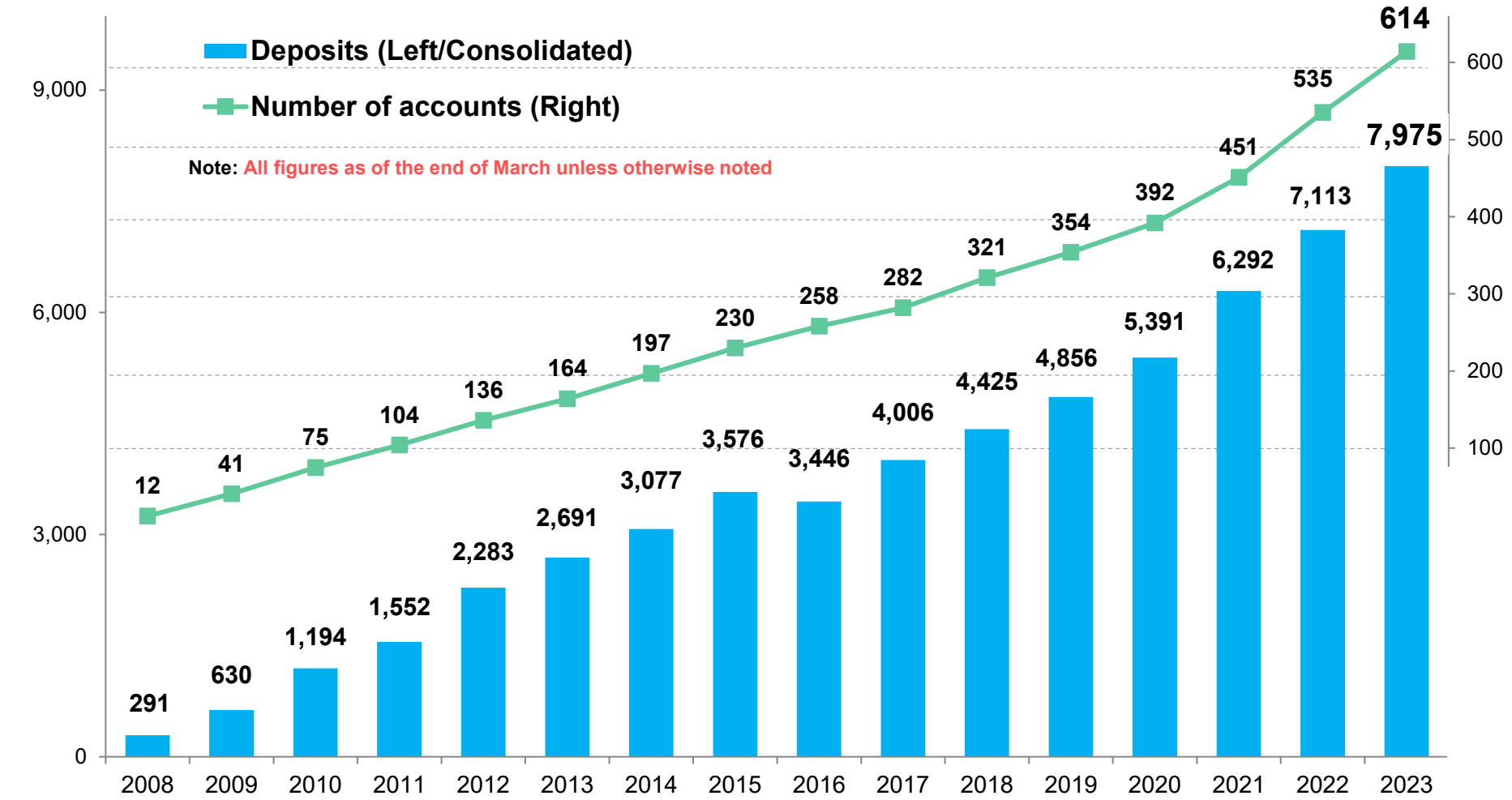


Number of Accounts and Balance of Deposits Since Commencement of Operation of SBI Sumishin Net Bank

Number of accounts: approx. 6.88m / Deposits: JPY 9,205.4bn
(As of the end of Dec. 2023)

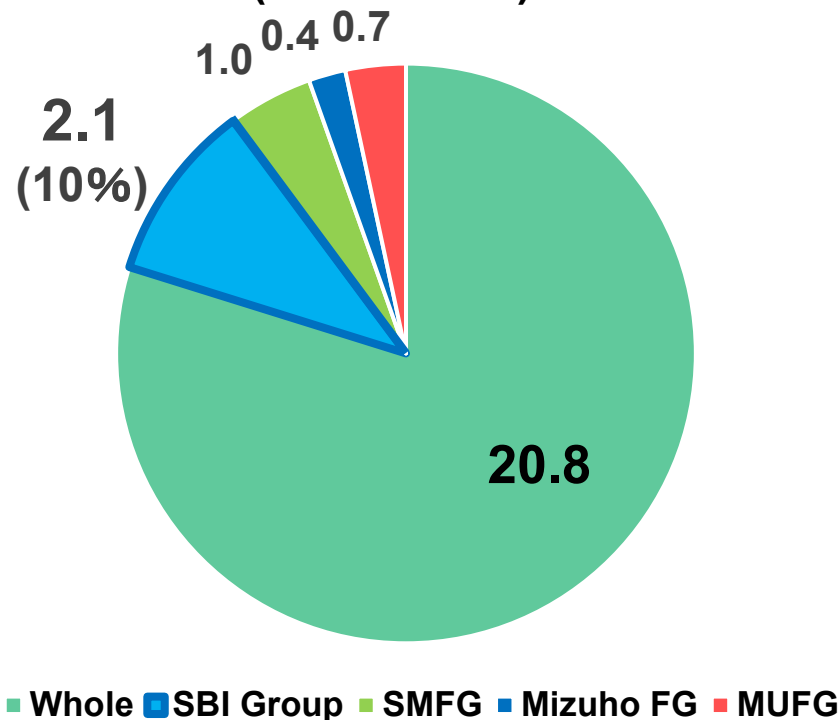
(JPY billion)

(10 thousand accounts)



SBI Group's Mortgage Loan Executions Significantly Higher than the Three Megabanks

<FY2022 Share of New Mortgage Loan Executions (JPY trillion)>



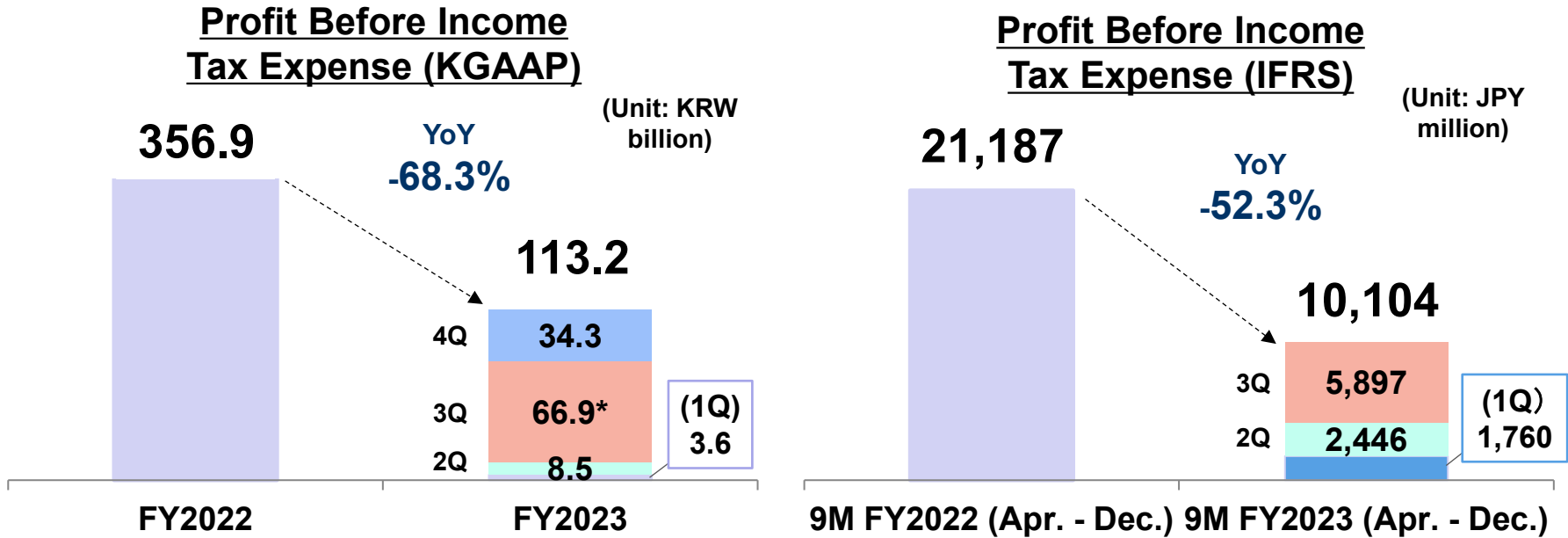
(Note 1) SBI Group includes the sum of SBI Sumishin Net Bank, SBI Shinsei Bank and SBI ARUHI

(Note 2) Rounded to two decimal places

Source: JHF and other companies' publicly available data, Nikkei article "Mortgages, online banks play a leading role, three mega players struggle in low-interest rate competition" (July 10, 2023)

③ SBI SAVINGS BANK (South Korea)

Performance of SBI SAVINGS BANK



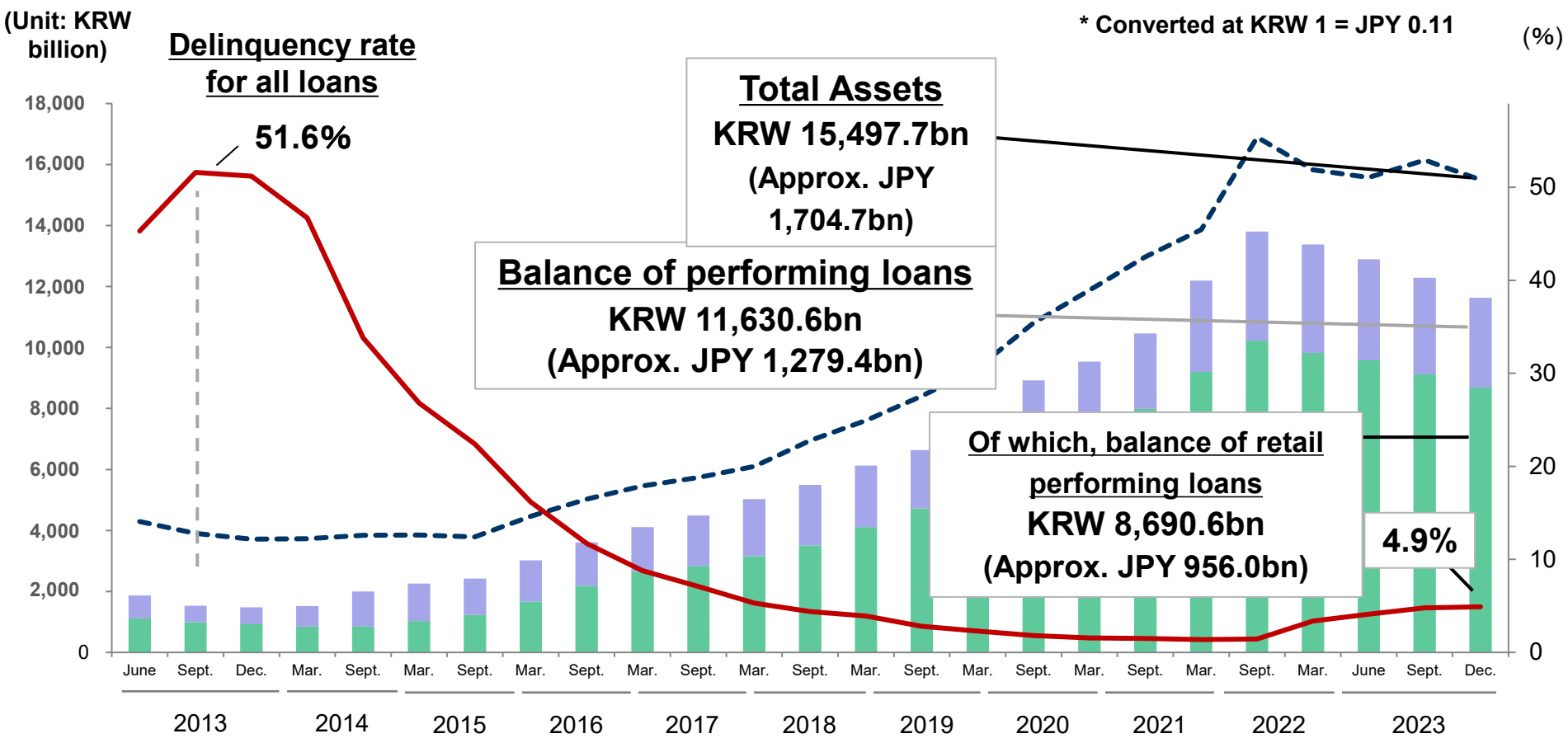
* Includes gains on allowance reversals due to the South Korean Government's revision of its provisioning criteria for allowance for doubtful receivables following its decision to treat the COVID-19 infections as endemic

- Decline in soundness of personal credit claims and housing-backed loans in the context of deteriorating business conditions in South Korea increased the burden of bad debt write-offs and put downward pressure on earnings. Meanwhile, **signs of a bottoming out of the recession in consumer credit and the real estate industry have been observed**, and **measures to curb bad debt write-offs have also been successful**. Combined with the resumption of the capture of prime assets, **performance is expected to improve** in future
- The capital adequacy ratio reached **15.5%** (as the end of Dec. 2023), the record high for the full year, resulting from optimization of funds held and a reduction in risk assets reflecting prudent lending policy



Changes in Indicators Since Becoming a Subsidiary (K-GAAP)

- The upward trend in overall bond delinquency rates has subsided -



Thorough measures have been taken, such as strengthening screening criteria and resuming the intake of prime assets, with the overall delinquency rate of **4.9%** remaining one of the lowest in the industry

1. Financial Services Business:

(3) Insurance business

[Major constituent companies]

SBI Insurance Group, SBI Insurance, SBI Life Insurance,
Small-amount short-term insurance companies

[Business highlights]

- **SBI Insurance Group's consolidated ordinary income** for 9M FY2023 (J-GAAP basis), increased 11.6% YoY to JPY 78,466m due to a steady increase in the total number of contracts held across the group
- Due to an increase in premium income, **ordinary profit** increased 24.2% YoY to JPY 6,427m, and **profit attributable to parent of the Company** increased 24.9% YoY to JPY 1,731m
- The year-end dividend is expected to be JPY18 per share, comprising a regular dividend of JPY15 per share plus an additional commemorative dividend of JPY3 for the 5th anniversary of the company's listing on the Growth Market of the Tokyo Stock Exchange

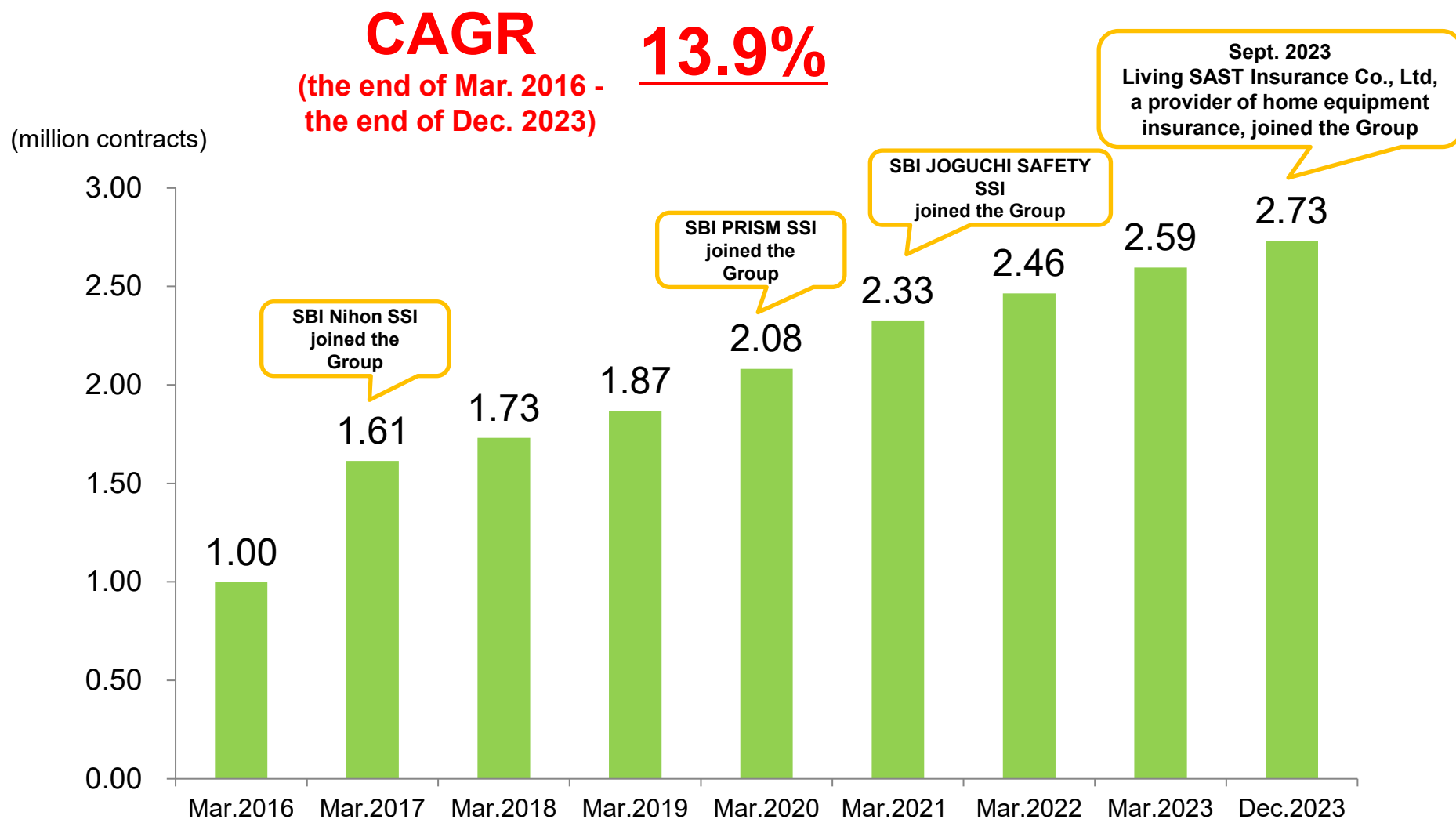
SBI Insurance Group's Consolidated Performance

Consolidated results for 9M FY2023 (J-GAAP)

(Unit: JPY million)

	9M FY2022 (Apr. – Dec. 2022)	9M FY2023 (Apr. – Dec. 2023)	YoY % change
Ordinary income	70,342	Record high 78,466	+11.6
Ordinary profit	5,176	Record high 6,427	+24.2
Profit attributable to parent of the Company	1,386	Record high 1,731	+24.9

SBI Insurance Group's Total Number of In-Force Contracts



2. Asset Management Business

[Major constituent companies]

SBI Global Asset Management (SBIGAM), SBI Asset Management (SBIGAM subsidiary), Wealth Advisor (SBIGAM subsidiary), Rheos Capital Works, SBI Okasan Asset Management

[Asset Management Business Consolidated Results (IFRS)]

(JPY million)

	9M FY2022 (Apr. 2022-Dec. 2022)	9M FY2023 (Apr. 2023-Dec. 2023)	YoY(%)
Revenue	13,608	21,468	+57.8
Profit Before Income Tax Expense	2,227	3,473	+55.9

[Business highlights]

- The Asset Management Business achieved year-on-year **growth in both revenue and profit**, due to SBI Global Asset Management posting favorable results and the contribution of SBI Okasan Asset Management, which joined the SBI Group in November 2022
- Continue to improve profitability by expanding the balance of assets under management, particularly investment trusts offered at extremely low cost
- Rheos Capital Works plans to shift to a holding company structure with “**SBI RHEOS HIFUMI Co., Ltd.**” as the wholly-owned parent company from April 2024

Consolidated Results of SBI Global Asset Management

Consolidated Financial Results for the Third Quarter of the
Fiscal Year ending March 31, 2024 (J-GAAP)

(Unit: JPY million)	9M FY2022 (Apr. 2022-Dec. 2022)	9M FY2023 (Apr. 2023-Dec. 2023)	YoY(%)
Net sales	6,526	Record high 7,576	+16.1
Ordinary income	1,799	Record high 2,007	+11.5
Net income attributable to owners of parent	1,091	Record high 1,258	+15.2

SBI Global Asset Management achieved record highs in all categories of net sales, ordinary income, and net income due to increase in revenue from management fees resulting from growth of investment trust balance managed by its subsidiary, **SBI Asset Management**

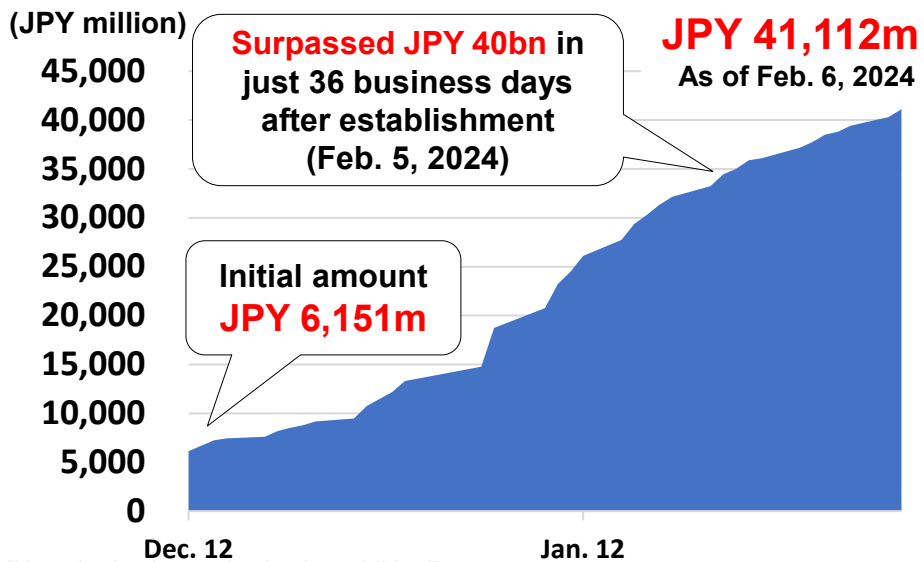
SBI Asset Management's Newly Established Funds Rapidly Increased Net Asset Value Despite Being Sold Exclusively Through SBI SECURITIES

- Extremely low management costs have earned broad support from investors -

SBI Japan High Dividend Equity Fund (Quarterly settlement type) “Nickname: SBI Japan Series – Japan High Dividend (Distribution type)”

- Established and launched on December 12, 2023. Eligible for Growth Quota of the New NISA
- Offered at the **industry's lowest trust fee of 0.099%** (tax included/annualized) for a domestic stock-type active fund
- Ranked **4th** in terms of accumulated amount of and **2nd** in terms of the number of accumulations reservation for the period from December 1 to 31, 2023 at SBI SECURITIES

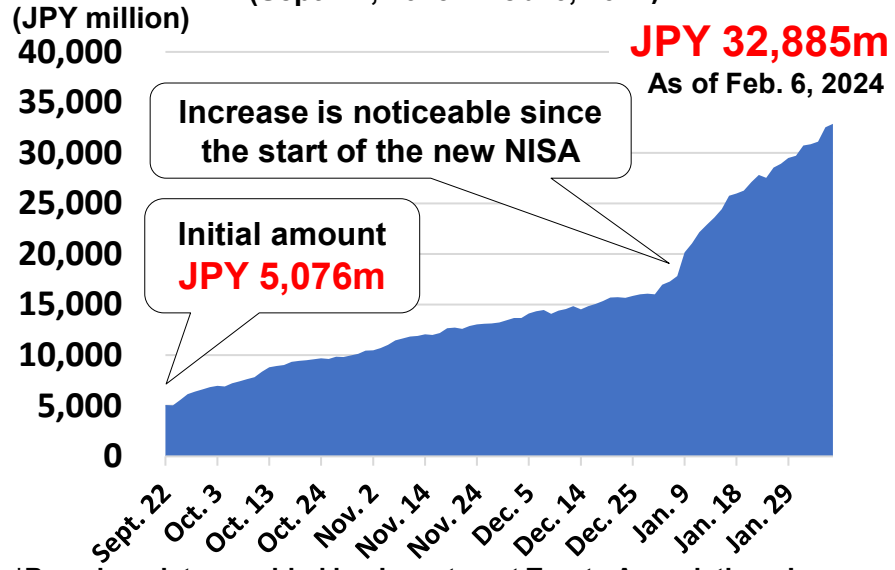
Net Asset Value
(Dec. 12, 2023 – Feb. 6, 2024)



SBI iShares India Equity Index Fund “Nickname: Sakutto Indo-kabushiki”

- Established and launched on September 22, 2023. Eligible for Growth Quota of the New NISA
- Trust fee is **0.463%** (tax included/annualized), **one of the lowest in Japan**
- Ranked **6th** in terms of accumulated amount of and **3rd** in terms of the number of accumulations reservation for the period from December 1 to 31, 2023 at SBI SECURITIES

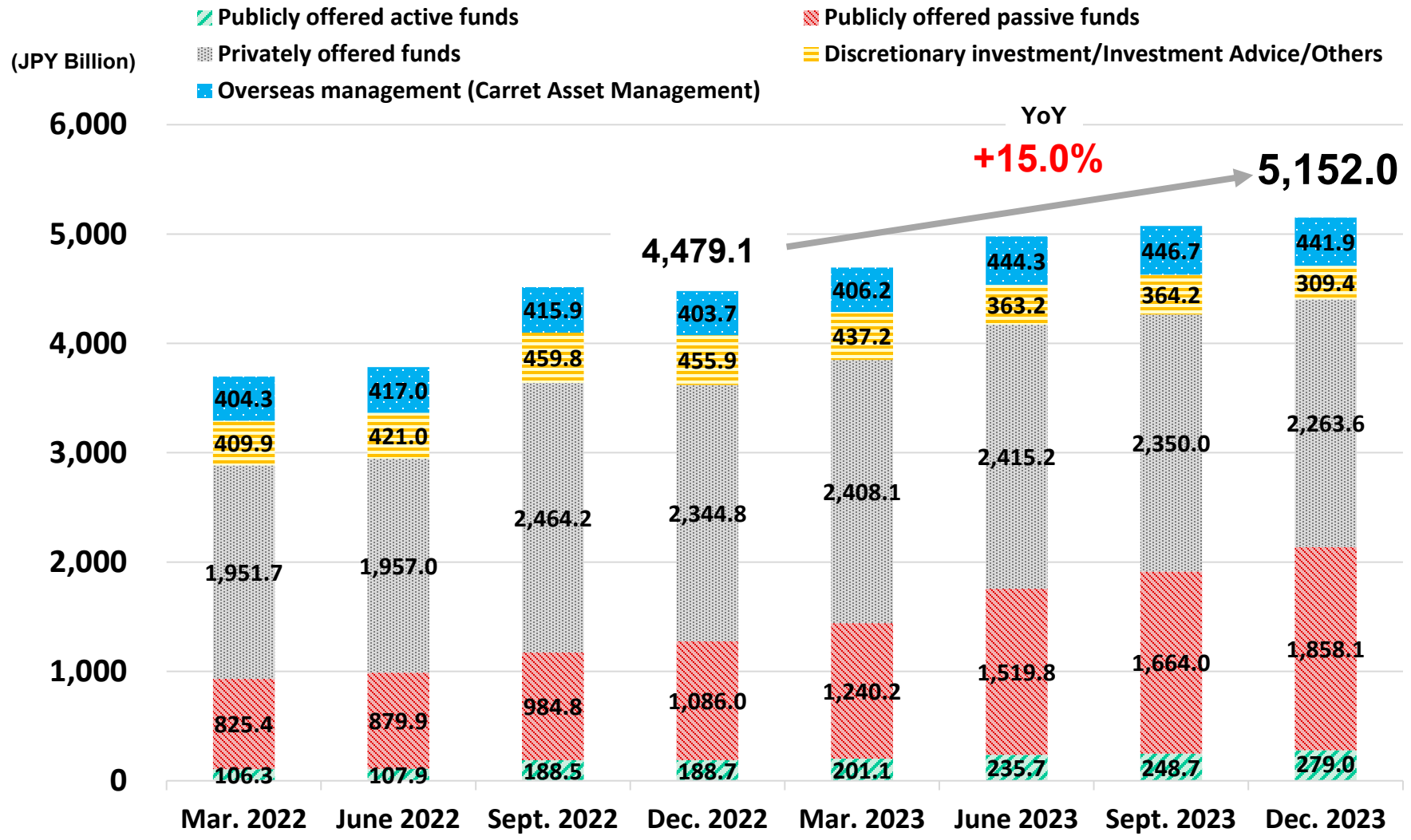
Net Asset Value
(Sept. 22, 2023 – Feb. 6, 2024)



*Based on data provided by Investment Trusts Association, Japan 32

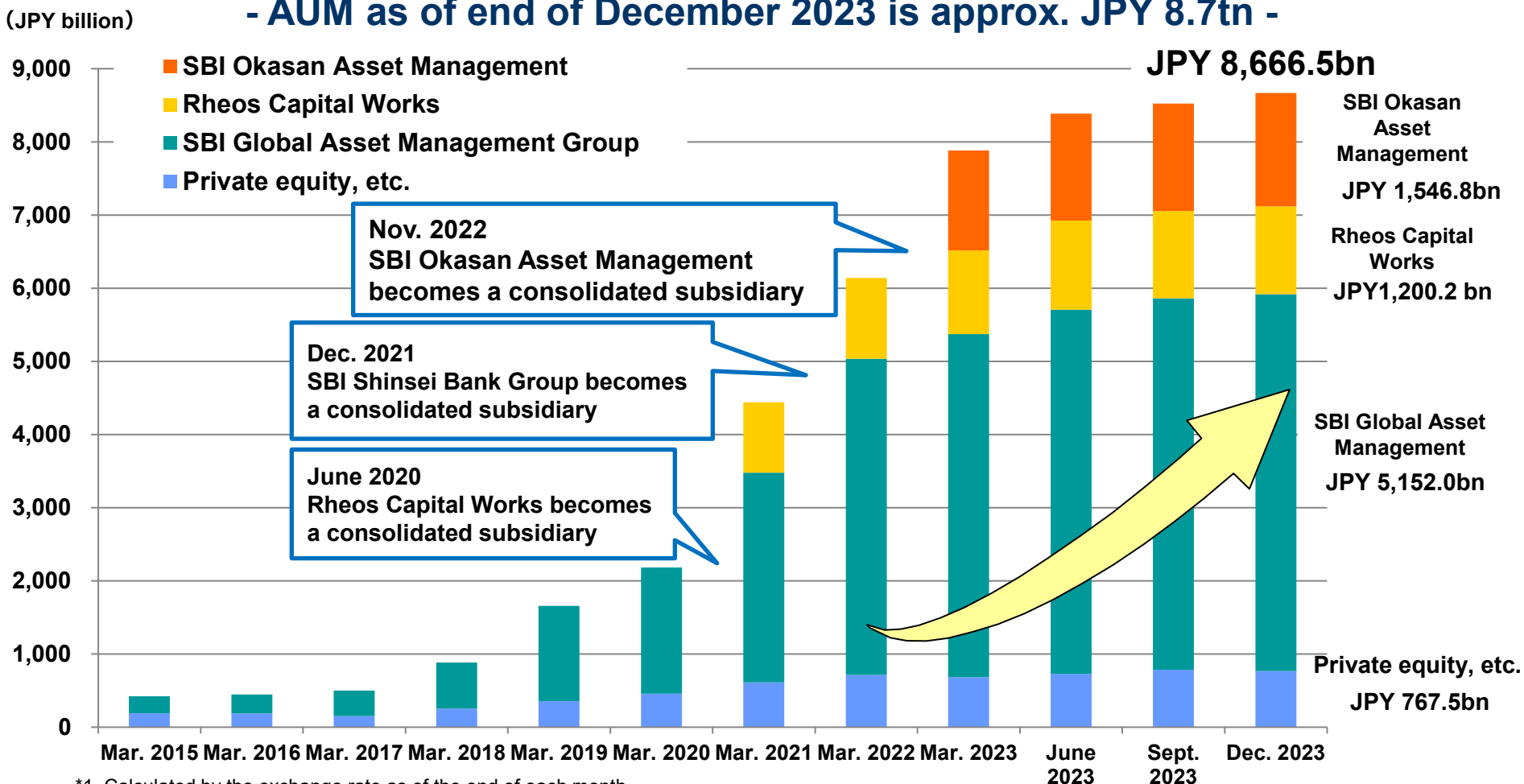
SBI Global Asset Management Group's Asset Under Management Surpasses JPY 5.1tn

- Steady inflows into publicly offered index funds provided by SBI Asset Management contributed to the increase in assets under management -



SBI Group Continuously Expands Its Assets Under Management Through Organic Growth and M&As

- AUM as of end of December 2023 is approx. JPY 8.7tn -



*1 Calculated by the exchange rate as of the end of each month

*2 Amounts are rounded to the nearest JPY 100m

*3 "Private equity, etc." does not include cash or commitment amounts to be paid. Through Mar. 2017, unlisted stocks invested from investment partnerships and other entities, which had no market prices, were estimated at cost (impairment prices are applied for the stocks for which impairment losses have been recorded). After Mar. 2018, however, these stocks have been estimated at fair value

*4 Figures of SBI Global Asset Management Group, Rheos Capital works and SBI Okasan Asset Management ("each asset management company") represent the sum of the balance of investment trusts and investment advisory, so there are some overlapping amounts

*5 Includes publicly offered investment trusts, publicly offered bond investment trusts, and privately offered investment trusts from each asset management company

Plans to Develop around Two Alternative Investment Strategies: “Alternative Strategies” and “Alternative Assets”

On December 13, 2023, the Kishida administration announced the “Policy Plan for Promoting Japan as a Leading Asset Management Center” and announced its goal to diversify investment targets, including alternative and sustainable investments

SBI Holdings has agreed to partner with two leading global alternative asset management companies, and will also work with SBI Global Asset Management to **promote alternative investments** in line with the current economic environment



Man Group PLC “Man Group”

KKR & Co. Inc “KKR”

Strength in “**alternative strategies**”

Strength in “**alternative assets**”

Currently in the process of concluding a definitive agreement with both companies. Plans to apply for registration as an investment management business and investment advisory and agency business as soon as the joint venture company is established

Endeavor to Achieve the Total Group Assets Under Management of JPY 20tn by FY2027

[Now]
As of end of December 2023

Approx. JPY 8.7tn



[New goal]
Endeavor to achieve
JPY 20tn on FY2027

 *Global Asset Management*

<Index & multi-asset>

 *Asset Management*

<U.S. govt. bonds>


CARRET
Asset Management

<Active>

 岡三アセットマネジメント
[SBI Okasan Asset Management]


RHEOS CAPITAL WORKS

Approx. JPY 5.1tn*

Approx. JPY 2.7tn*

<Private equity, etc.>

Approx. JPY 760.0bn*

<Alternative investment (planned)>

Build up assets under management through joint ventures with Man Group and KKR

(*)Asset under management as of end of December 2023

3. Investment Business

[Major constituent companies/businesses]

Private Equity Business, SBI Leasing Services

[Investment Business Consolidated Results (IFRS)]

(Unit: JPY million)

	9M FY2022 (Apr.-Dec. 2022)	9M FY2023 (Apr.-Dec. 2023)	YoY % change
Revenue	-2,611	57,240	-
Profit before income tax expense	-33,177	1,085	-

[Business highlights]

- Due to persistently high interest rates overseas, the environment of raising capital continues to be challenging, especially for overseas ventures. However, **a profit has been secured in the 9M FY2023**
- SBI Leasing Services is performing well with product sales, **achieving a significant increase in revenue and profit year on year**

Profit/Loss from Changes in Fair Value and Profit/Loss on Sales of Investment Business

(Unit: JPY million)

	9M FY2022 (Apr.–Dec. 2022)	9M FY2023 (Apr.–Dec. 2023)	YoY change (%)
Profit/loss from the change in fair value and profit/loss on sales of investment securities	-32,496	2,539	—
Listed securities	-37,654	1,829	—
Unlisted securities	5,158	710	-86.2

- **Listed securities:** In the same period of the previous fiscal year, the SBI Group recorded a value loss of approx. JPY 46.0bn due to the decline in stock prices of some overseas listed stocks such as TPBank, a listed stock in Vietnam (TPBank has become an equity-method associate of the SBI Group and is classified under the Financial Services Business since Feb. 2023). However, **in 9M FY2023, listed stocks are in the black overall**
- **Unlisted securities:** Foreign interest rates remained high, resulting in continual challenging financing environment for overseas venture companies. Meanwhile, the BOJ took an adjust-and-observe stance on monetary easing, causing exchange rates to move toward a stronger yen through to the end of 2023. This situation exerted an adverse effect on fair value of overseas securities

IPOs and M&As of The SBI Group Investee Companies

	Full-year FY2022	Full-year FY2023 prospects
IPO・M&A deals	21	21

During the fiscal year, 16 Companies realized either IPO or M&A

EXIT Date	Company	Market	EXIT Date	Company	Market
Apr. 12, 2023	ispace, inc.	TSE Growth	Oct. 4, 2023	kusurinomadoguchi, Inc.	TSE Growth
Apr. 25, 2023	Rheos Capital Works Inc.	TSE Growth	Oct. 13, 2023	MoneyHero Limited.	M&A (NASDAQ SPAC)
Apr. 26, 2023	MICRO2NANO, Inc.	KOSDAQ	Oct. 17, 2023	K Pharma, Inc.	TSE Growth
May 23, 2023	Pamtek Corporation	KOSDAQ	Nov. 3, 2023	SANIGEN Co., Ltd	M&A (KOSDAQ SPAC)
June 13, 2023	ABEJA, Inc.	TSE Growth	Nov. 7, 2023	SAWNICS Inc	KOSDAQ
June 27, 2023	Cuorips Inc.	TSE Growth	Dec.8, 2023	17LIVE Group Ltd.	M&A (Singapore Stock Exchange SPAC)
June 28, 2023	Noile-Immune Biotech Inc.	TSE Growth	Dec.12, 2023	Blue innovation Co.,Ltd.	TSE Growth
Aug. 1, 2023	Pixie Dust Technologies, Inc.	NASDAQ	Dec.20, 2023	Nyle Inc.	TSE Growth

* When an investee company conducts a share exchange or a merger with a public company, it is described as “M&A”
* Subsidiary IPOs and M&As are also included

Assets Under Management of the SBI Group

(As of the end of Dec. 2023)

Private equity, etc. JPY 767.5bn^{(*)1} (Excluding JPY 328.2bn of both cash and commitment amount^{(*)2} to be paid in)

Breakdown of operating investment securities by Industry	Balance (JPY bn)
Internet/AI/IoT	176.7
Fintech services	117.3
Digital Asset/Blockchain	110.0
Finance	33.5
Biotechnology/Health/Medical	43.1
Environmental/Energy	8.7
Machine/Automobile	21.6
Services	61.9
Retail/Food	2.8
Materials/Chemicals	10.9
Construction/Real estate	1.2
Others	5.6
Equity interests in external and non-consolidated funds	47.8
Total	641.1

Breakdown of operating investment securities by region	Balance (JPY bn)
Japan	275.0
China	7.6
Korea	5.0
Southeast Asia	54.9
India	8.4
U.S.	137.0
Europe	78.4
Others	74.7
Total	641.1

Investment from non-consolidated Group management funds	Balance (JPY bn)
Corporate venture capital (CVC)	26.8
Others (overseas JV fund, etc.)	99.5
Total	126.4

*1 Private equity investment balance comes from the balance for operating investment securities included in consolidated reporting plus the investment balance from funds (such as CVC funds) removed from consolidation due to the SBI Group's low investment ratios in the corresponding funds, which the SBI Group run as the GP, etc.

*2 Composed of cash in funds and unpaid capital which is to be paid on a capital call

*3 Calculated by the exchange rate as of the end of Dec. 2023

*4 Amounts are rounded to the nearest JPY 100m

3. Investment business

New Fund of Up to JPY 100bn to Invest in Cutting-Edge Services/Technologies with a Focus on Digital Space, “SBI Digital Space Fund” is Currently Under Management

■ Investment target areas:

Not only “digital space” segments such as Web3 and the metaverse, but also a wide range of innovative technologies and services in growth industries expected in the future, such as “AI”, “fintech”, “healthcare”, “DX” (digital transformation), and “Climate Tech”

Global investors and others are also expected to participate, and approx. 70% of the applications have already been received



Partnering with Businesses and Organizations Boasting a Global Presence, Gaining a Foothold in Investing Activity to Bolster Expansion in the Global South

[Saudi Aramco]

Employing a business alliance with state-owned Saudi Aramco of Saudi Arabia, **the world's largest integrated energy and chemical company**, for cooperation and joint investments in the digital asset area, the SBI Group is discovering Japan-based start-ups desiring to expand its business into Saudi Arabia and offering support to their overseas expansion and growth

[KACST]

Through a business alliance with King Abdulaziz City for Science and Technology (KACST), **a national research institute in Saudi Arabia**, the SBI Group is promoting cooperation, investment, and human resources development in Japan and Saudi Arabia, focusing on such fields as semiconductors, digital technology, and biotechnology

[Standard Chartered]

Forming a business alliance with Standard Chartered Ventures (SCV), the investment arm of Standard Chartered Bank —**a British financial giant** with over 1,000 bases in 59 countries and **notable strengths in South Asia, the Middle East, and Africa**, backed by over 160 years of history. In Nov. 2023, the alliance established a fund in the United Arab Emirates (UAE) to invest USD 100m in the crypto sector including in decentralized finance, tokenization, infrastructure, settlements, and the Metaverse

[Novastar]

Investment Business entering into a strategic capital alliance agreement with Novastar Ventures, **a long-established UK investment house and the country's largest VC firm** investing in Africa

SBI Leasing Services' Performance

9M FY2023 Consolidated Performance (J-GAAP) (Unit: JPY million)

	9M FY2022 (Apr. 2022-Dec. 2022)	9M FY2023 (Apr. 2023-Dec. 2023)	YoY change (%)
Revenue	19,726	34,951	+77.2
Operating income	1,872	3,921	+109.4
Ordinary income	1,482	3,667	+147.4
Profit attributable to owners of the Company	1,020	2,585	+153.4

- In 9M FY2023, the amount of JOL products sold expanded steadily, driving growth in sales. **Achieved significant year-on-year growth in both sales and profit**
- For FY2023, SBI Leasing Services forecasts an annual dividend of JPY 30 per share, **an increase of JPY 20 per share from the previous year**

4. Crypto-asset Business

[Major constituent companies / business]

SBI VC Trade, BITPoint Japan, B2C2, crypto asset mining business, HashHub

[Crypto-asset Business Consolidated Performance (IFRS)]

(Unit: JPY million)

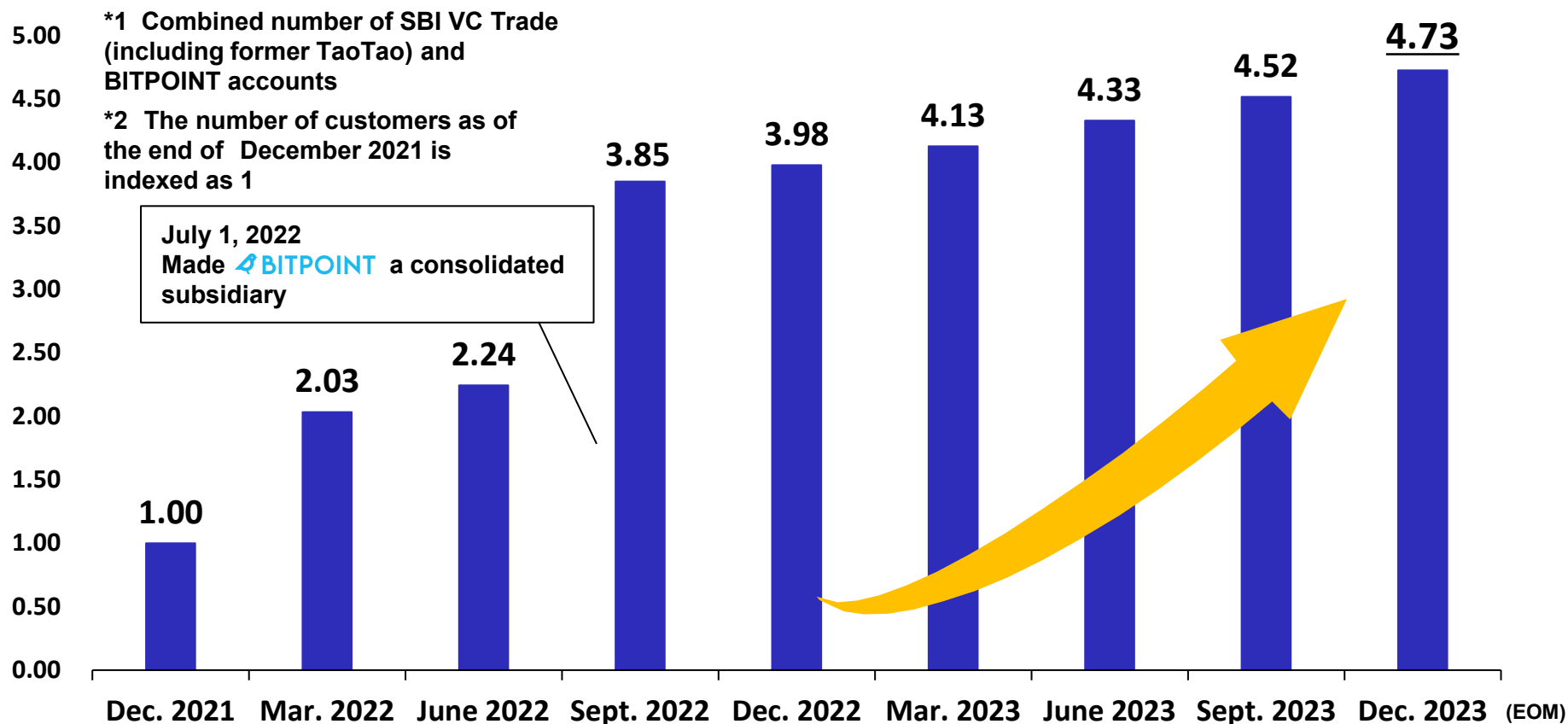
	9M FY2022 (Apr. 2022-Dec. 2022)	9M FY2023 (Apr. 2023-Dec. 2023)	YoY(%)
Revenue	24,346	30,885	+26.9
Profit Before Income Tax Expense	-17,323	2,042	-

[Business highlights]

- In the third quarter, domestic and international trading activity increased due to the rise in crypto asset prices on the back of expectations of approval for the Bitcoin spot ETF. With the resulting contribution from B2C2, which captured overseas crypto asset transaction flows, the **Crypto-asset Business posted a profit before income tax expense of approx. JPY 2.0bn**
- In the crypto asset exchange business, efforts will be made to expand the customer base in order to increase profit in the situations where the crypto asset market has improved, while at the same time pursuing initiatives to increase stock-type earnings such as staking

Number of Customers on the SBI Group's Crypto-asset Business

(End of Dec.2021 – Dec. 2023)

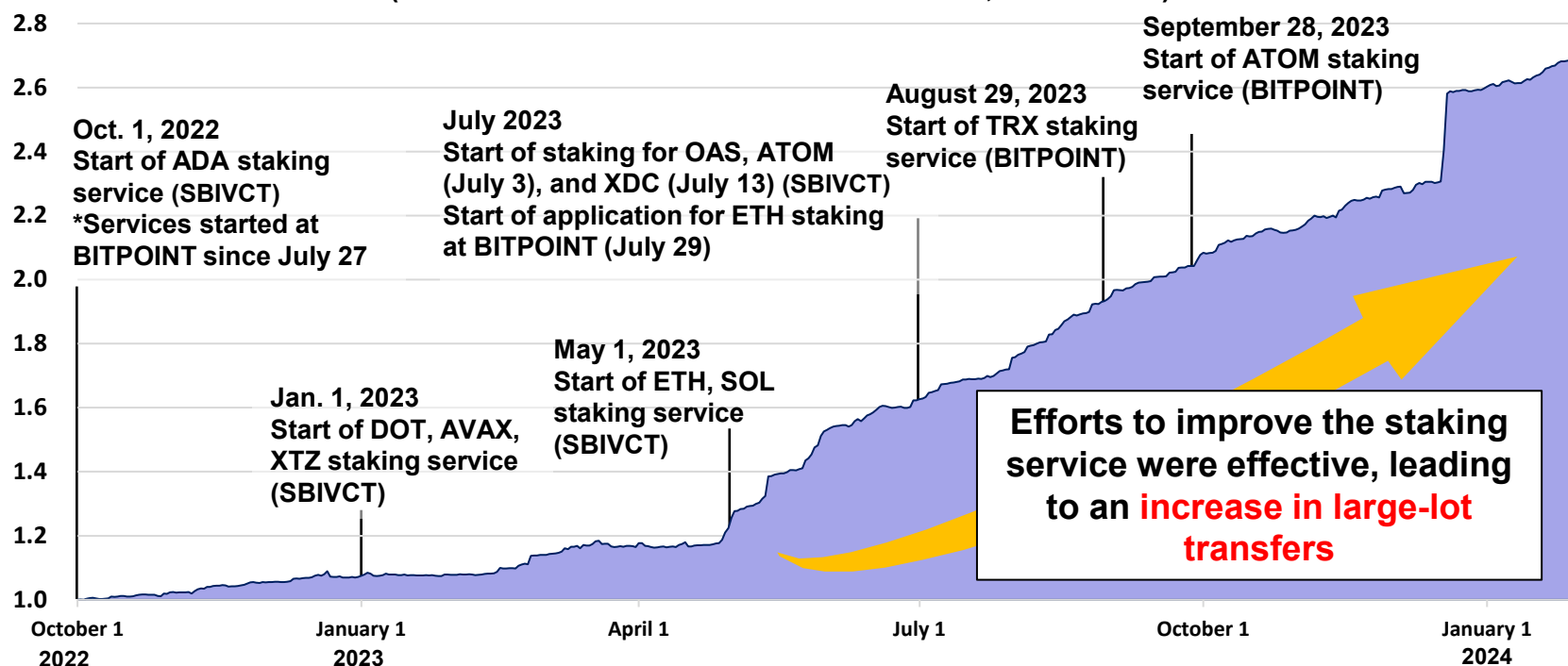


Customer base continues to grow due to the increase in crypto assets handled, expansion of staking services, and shareholder benefits offered by the SBI Group

Staking Services Provided by the SBI Group (SBI VC Trade, BITPOINT) Performed Well

Staking is the process of earning rewards by participating in **generation and approval of blocks and supporting the operation of the blockchain network, which adopts a proof-of-stake mechanism, in accordance with the amount of crypto assets** (such as ETH handled by SBI VC Trade and BITPOINT) held in the blockchain

Balance of Staked Crypto Assets at the Two SBI Group Crypto Asset Exchanges
(Indexed with the balance as of October 1, 2022 as 1.0)



Ensure to booming the flow of transactions when the crypto asset market is activated by expanding the balance of crypto assets through the provision of staking services

5. Next Gen Business

[Major constituent businesses]

**Biotechnology, Healthcare & Medical Informatics businesses,
Semiconductor Business and other businesses including Web3**

[Next Gen Business Segment Consolidated Performance (IFRS)]

(Unit: JPY million)

	9M FY2022 (Apr. 2022 – Dec. 2022)	9M FY2023 (Apr. 2023 – Dec. 2023)	YoY % change
Revenue	20,102	19,691	-2.0
Profit before Income Tax Expense	-1,082	-2,147	—

[Business highlights]

- Increased upfront investment for global business expansion in cutting-edge technologies such as Web3 field and digital assets
- In the Biotechnology, Healthcare & Medical Informatics businesses, the contributions from improved performance of SBI Pharmaceuticals in the 5-ALA-related business and other factors led to a **reduction in deficit**

Profit Before Income Tax Expense of the Biotechnology, Healthcare & Medical Informatics Business Companies (IFRS)

(JPY million)

	9M FY2022 (Apr. 2022 – Dec. 2022)	9M FY2023 (Apr. 2023 – Dec. 2023)	YoY Change (%)
SBI Biotech	-34	-155	—
5-ALA-related business*	-644	-383	—
SBI Pharmaceuticals	-1,012	-603	—
SBI ALApromo	186	49	-73.7
Overseas Subsidiaries	182	171	-6.0

* Simple sum of figures for some group companies manufacturing and selling in 5-ALA-related business domestic and overseas

- Regarding the **5-ALA related business**, despite being impacted by the transfer of a segment from some overseas subsidiaries, the expansion of medical products and medical devices sales at **SBI Pharmaceuticals**, along with the successful revision of development strategies, led to a reduction in deficit. **SBI ALApromo** achieved an increase in YoY revenue, owing to expansion of OEM business acquired from SBI Pharmaceuticals in February 2023, as well as in sales expansion of new and existing own-brand products. Profits decreased due to the factors such as the impact of higher raw material prices, but profits are trending toward improvement compared to 1H FY2023
- SBI ALApromo is preparing for listing in FY2025**

In Web3-related Businesses, Individual Companies are Advancing Initiatives to Expand their Businesses

[SBINFT]

As the blockchain game market holds potential for rapid growth in scale, in Nov. 2023, SBINFT **rebranded its NFT exchange, “SBINFT Market”, towards gaming.** To support entry into businesses lacking expertise in Web3, SBI NFT also focus on **“SBINFT Mits”, a comprehensive marketing & support tools business**

[SBI Digital Asset Holdings]

- Through **SBI DIGITAL MARKETS**, established in Singapore as a joint venture with an investment company affiliated between Siam Commercial Bank, a major Thai bank, working on **constructing a platform for issuing and distributing digital assets** for use by institutional investors. Promoting collaboration with domestic and foreign securities companies for the global distribution of tokenized assets
- Operates **a digital asset exchange for institutional investors** through **AsiaNext**, founded in Singapore in combination with the **SIX Group** which runs the principal stock exchange in Switzerland. Started to offer crypto asset derivative services in January

Steady Progress in Semiconductor Business Toward Early Start of Foundry Operations

JSMC changed its name to **JSMC Holdings**
on December 25, 2023



[Foundry construction plan]

Promoting Discussions with construction companies to enable the start of mass production of semiconductor wafers in 2027 is underway to completion of the basic design of the foundry is expected by the end of this year

[Headquarter]

The new foundry located in Miyagi is expected to employ 1,200 people at full capacity, and JSMC Holdings is considering establishing a base in Sendai City to prepare for construction and to recruit personnel

II.The Effect of “ZERO Revolution”

1. Impact of ZERO Revolution within the SBI Group

- (1) SBI SECURITIES directly benefits from ZERO Revolution**
- (2) Ripple effects of the ZERO Revolution on securities-related businesses**
- (3) Signs of the ZERO Revolution's effect on expanding the customer base are becoming apparent in businesses other than the securities business**

(1) SBI SECURITIES directly benefits from ZERO Revolution

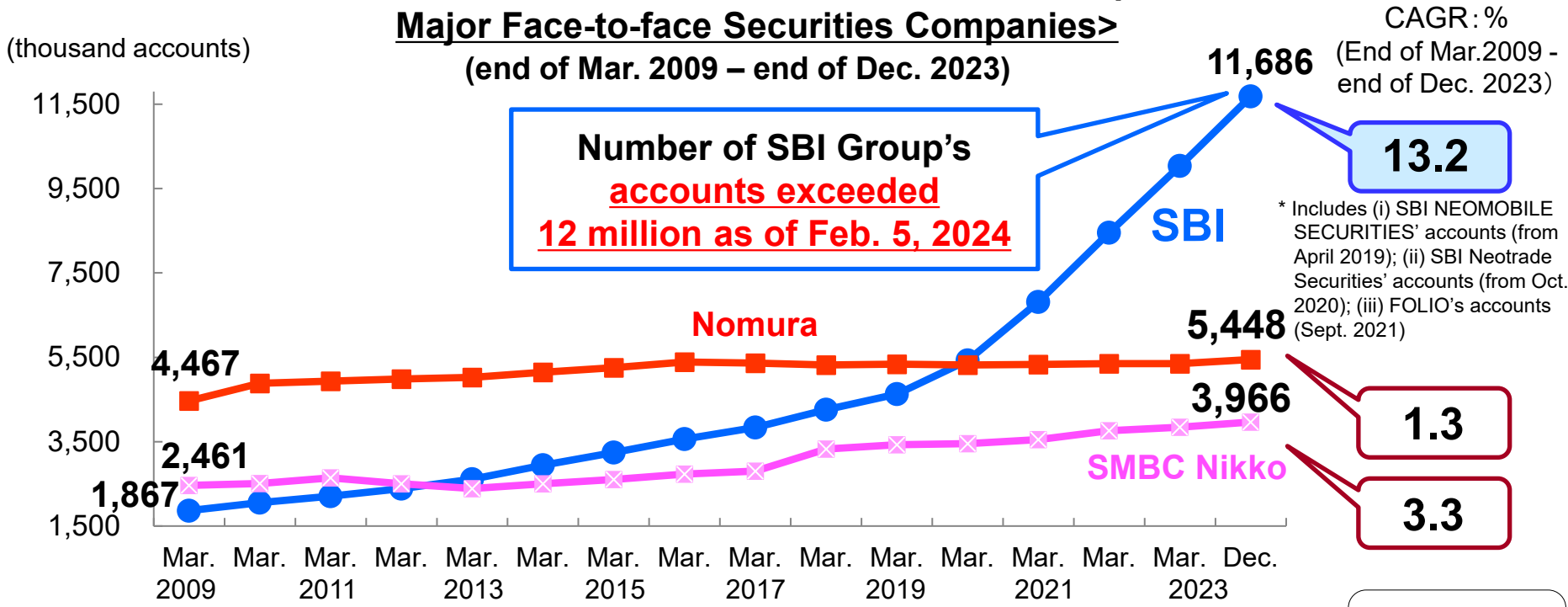
- ① ZERO Revolution dramatically increased customer base**
- ② Contribution to business performance by diversifying and strengthening alternative revenue sources**

① ZERO Revolution dramatically increased customer base

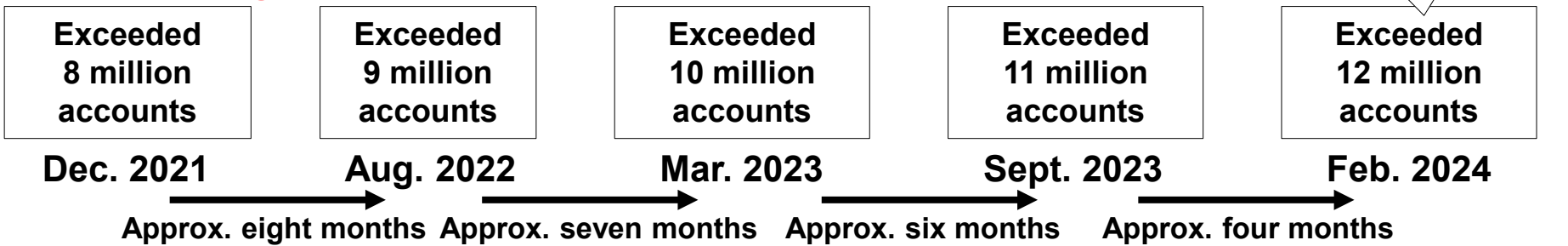


SBI Group's Customer Base is Expanding at an Accelerating Pace, Driven by ZERO Revolution and the Expansion of NISA

<Number of Accounts of SBI SECURITIES Group and
Major Face-to-face Securities Companies>
(end of Mar. 2009 – end of Dec. 2023)

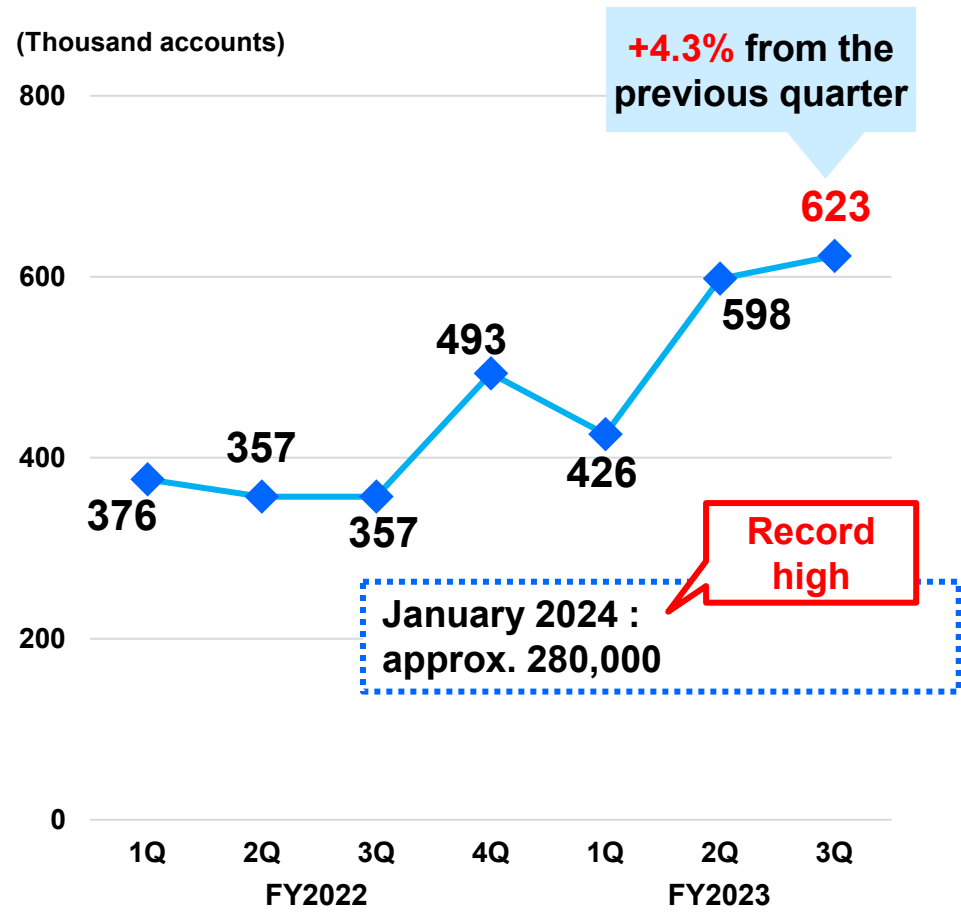


➤ SBI Group's number of securities accounts increase at an accelerating pace

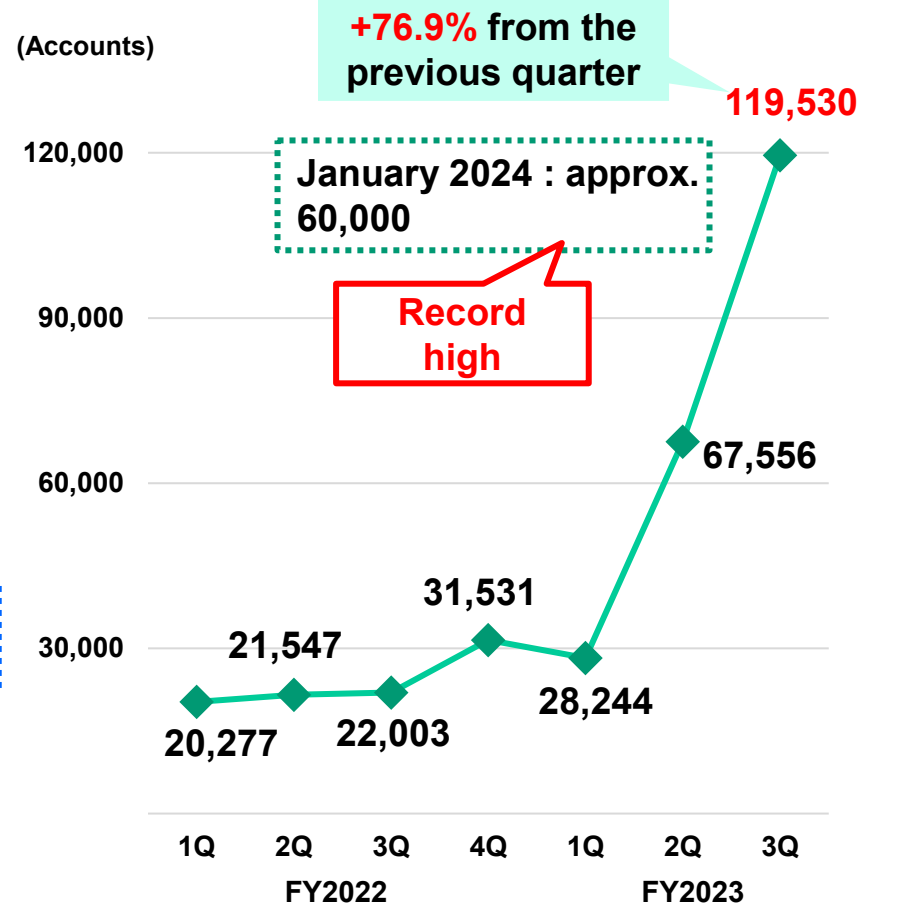


New Account and Margin Account Openings Increased Significantly after the Announcement of ZERO Revolution

<Quarterly Number of New Accounts Opened>^{*1}



<Quarterly Number of Margin Accounts Opened>^{*2}

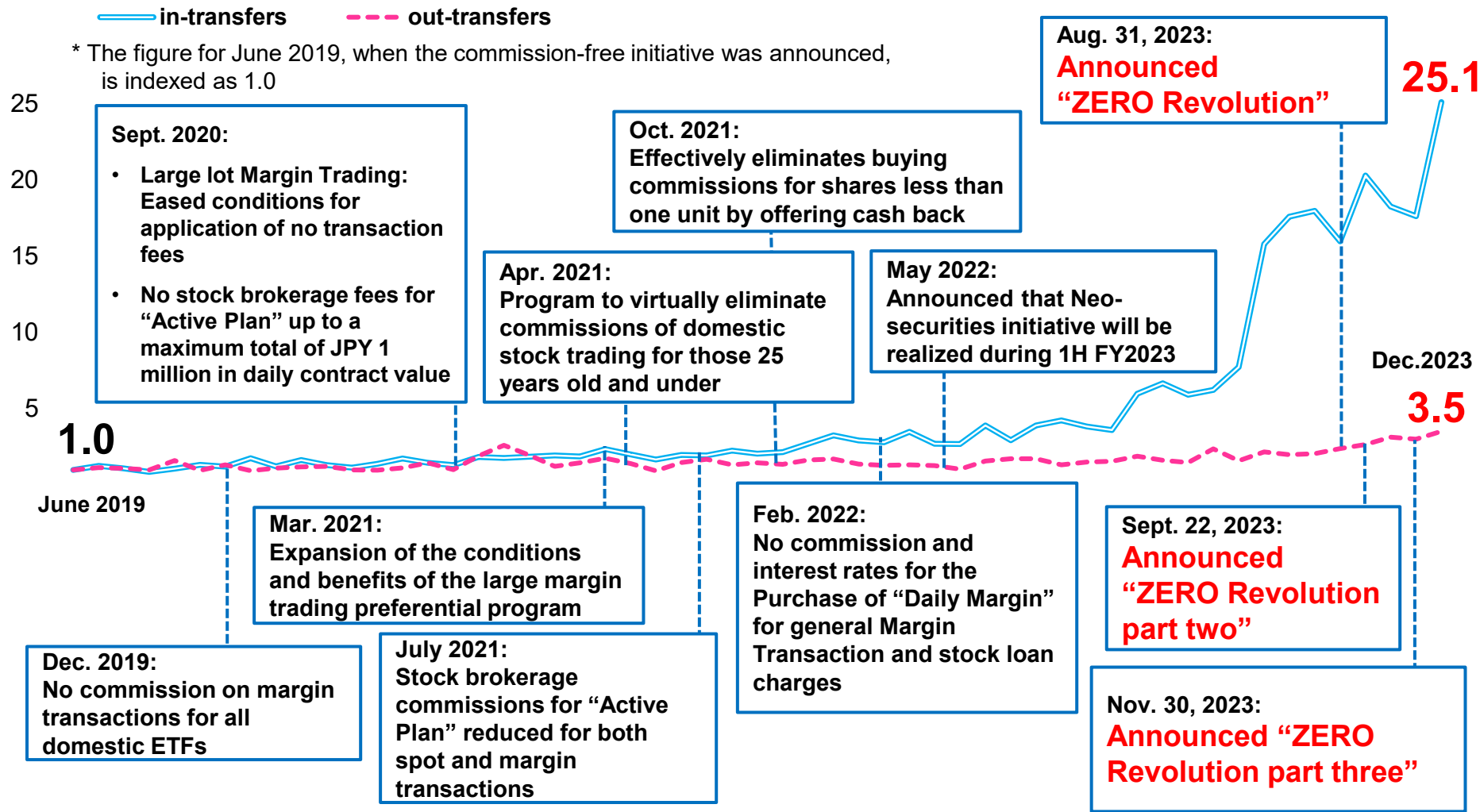


^{*1} Including accounts of SBI NEOMOBILE SECURITIES, SBI Neotrade Securities, and FOLIO

^{*2} Including SBI Neotrade Securities' accounts

ZERO Revolution Has Led to Marked Increase in Transfers of Accounts from Other Companies

<Number of Domestic Stocks Accounts In- and Out- Transfers at SBI SECURITIES>



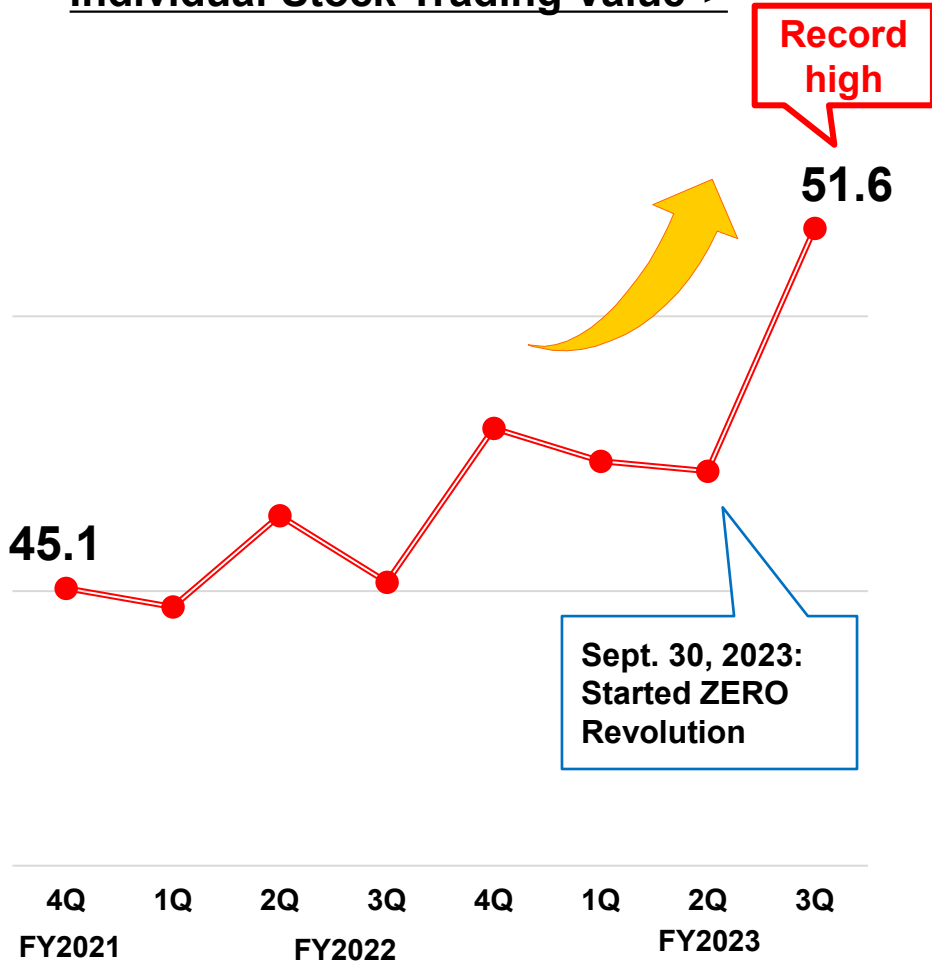
Expecting to continue to see an entry of more customers from other securities companies with the second and third part of ZERO Revolution

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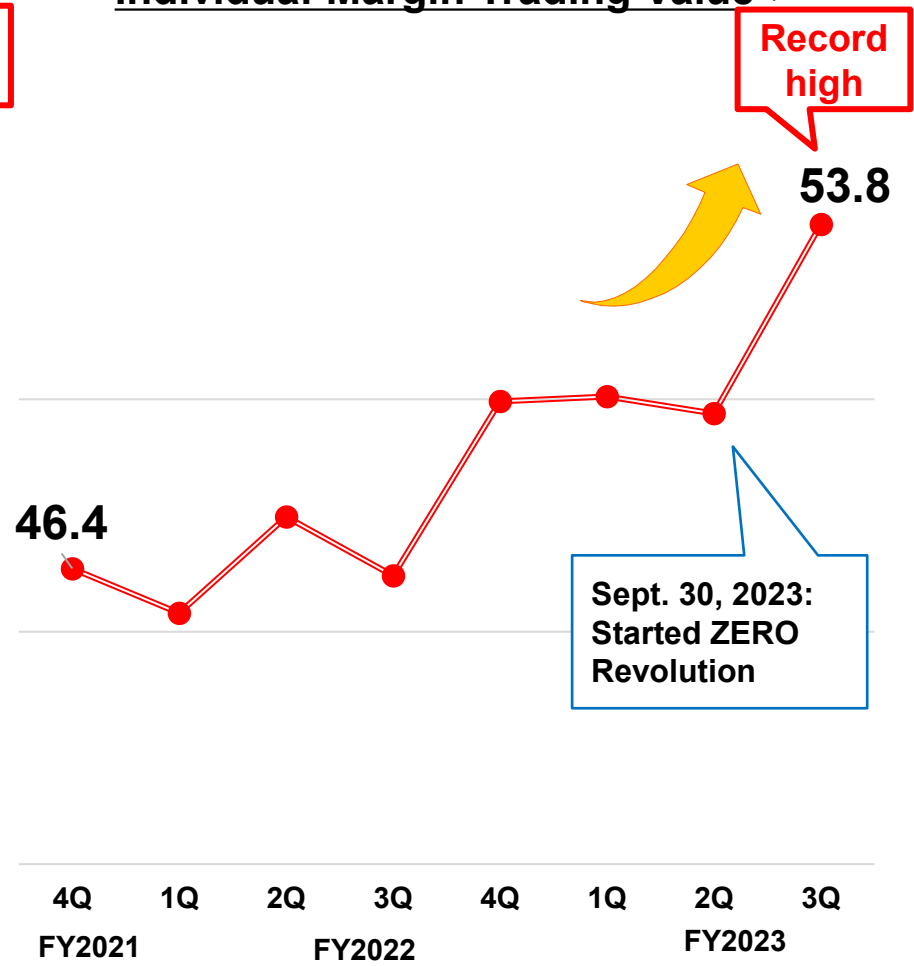


The SBI Group Has Taken Majority of the Share of Stock Trading Volume

<Trend in Share (quarter) of Individual Stock Trading Value*>



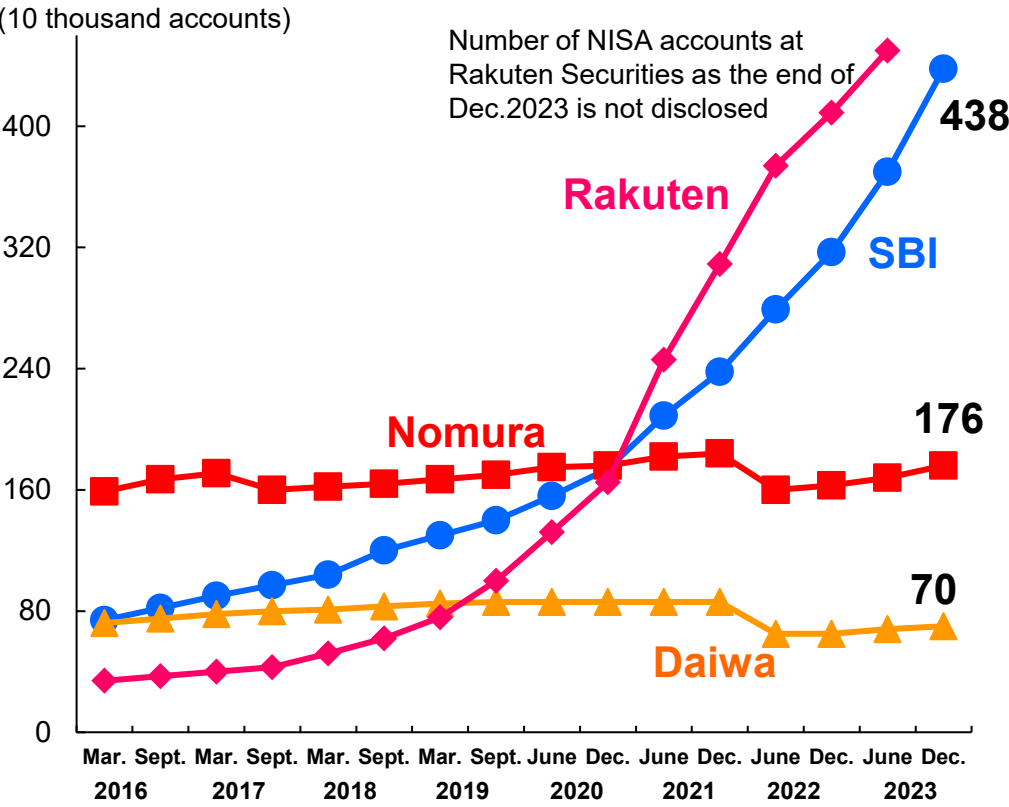
<(of which) Trend in Share (quarter) of Individual Margin Trading Value*>





SBI SECURITIES Seeks to the Top Position in Number of NISA Accounts with ZERO Revolution Part Two

<Trend of the Number of NISA Accounts>
(Mar. 2016– Dec. 2023)



<ZERO Revolution part two>
(announced Sept. 22, 2023)

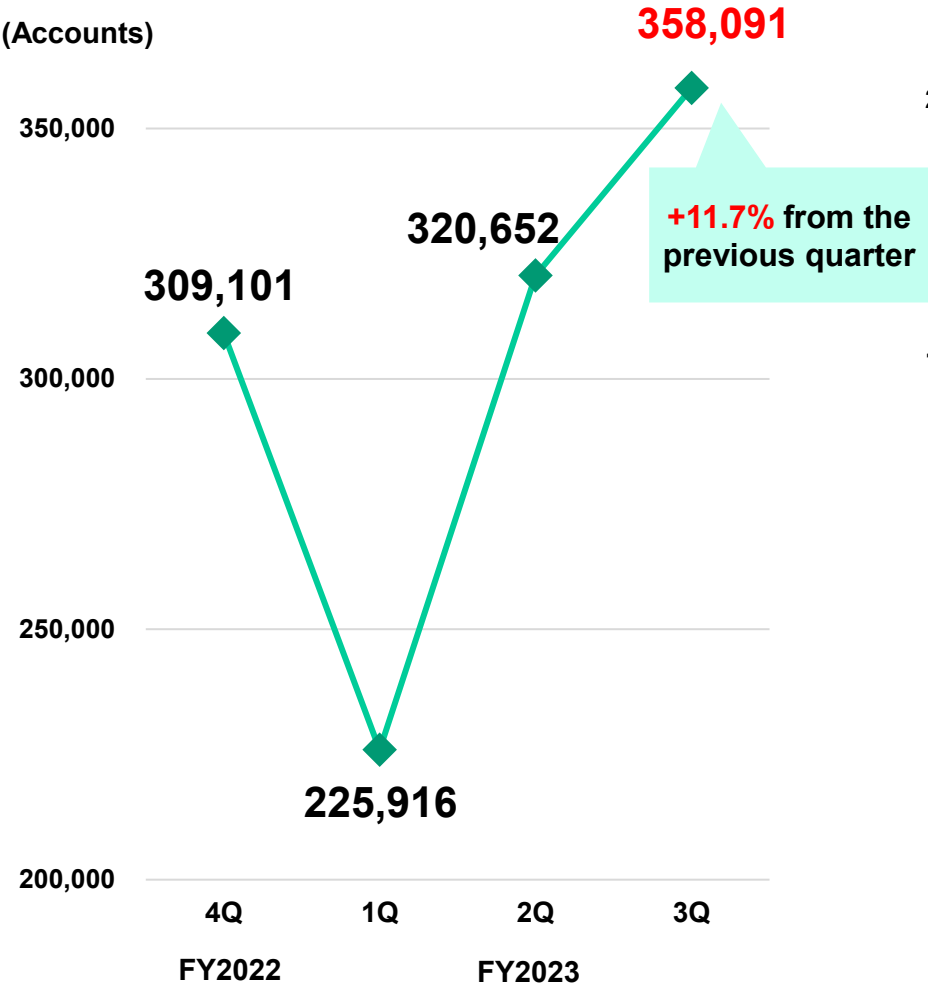
No commission for individual U.S. stocks (including ADRs) and overseas ETFs (U.S., China, Korea, Singapore) in new NISA

Number of NISA accounts have rapidly increased due to the growing interest in investment, including the drastic expansion and permanent establishment of the NISA system from 2024 onward

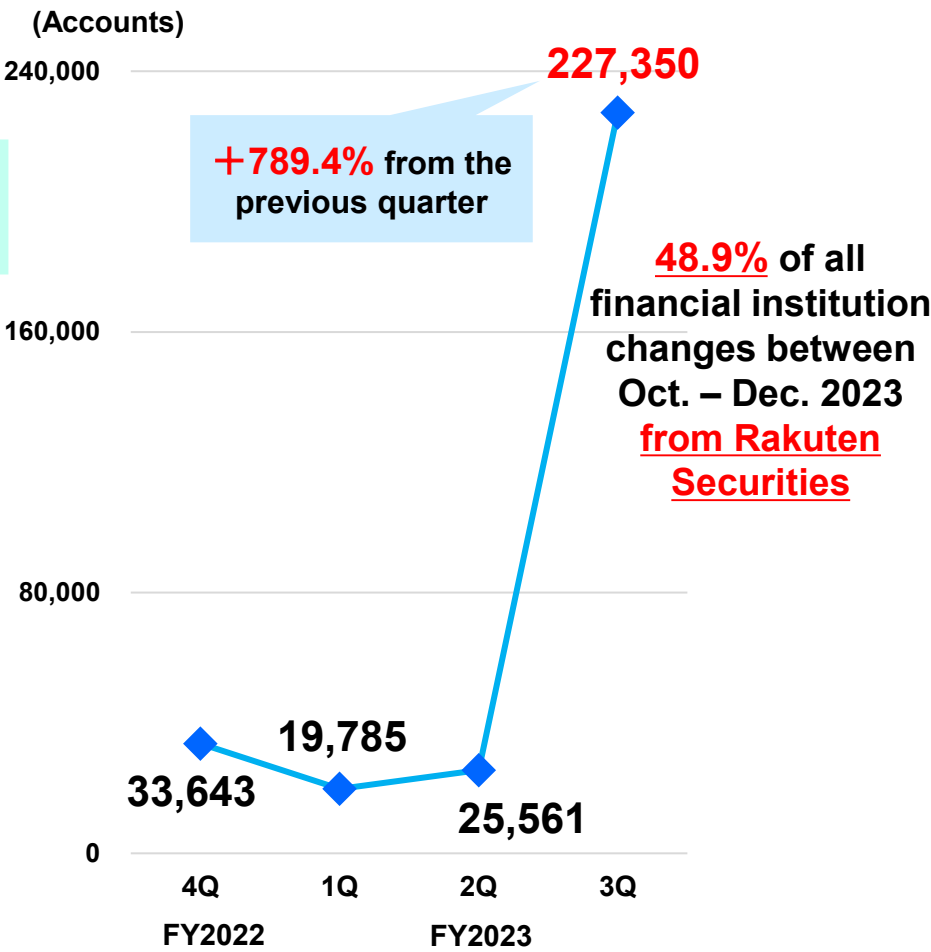
*1 Includes the number of Junior NISA accounts *2 Accounts less than 10,000 are rounded off
*3 The number of accounts are as of the end of March 2023, compiled by SBIH from the information on website of each company
*4 Nomura Securities **excluded deemed discontinued accounts** from Mar. 2022, SBI and Daiwa Securities **excluded** them from FY 2022
*5 Rakuten Securities changed its fiscal year end ending December 31, starting from 2018

Number of Newly Opened NISA Accounts and NISA Account Transfers from Other Securities Companies are Rising

<Quarterly Trend of the Number of Newly Opened NISA Accounts>



<Quarterly Trend of the Number of NISA Account Transfers from Other Securities Companies>

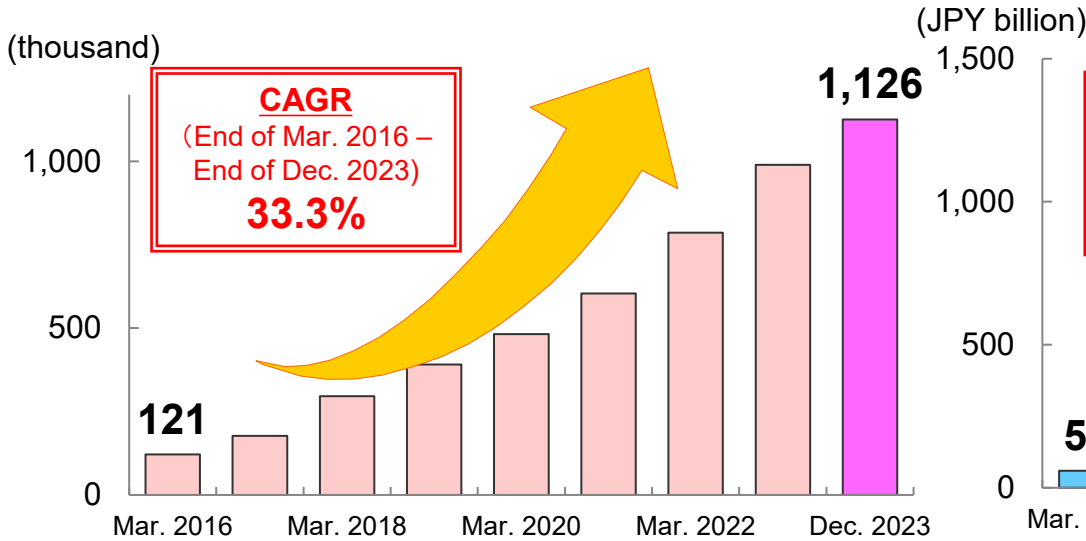


Subscribers of iDeCo which SBI Benefit Systems is Entrusted with Has Grown Steadily

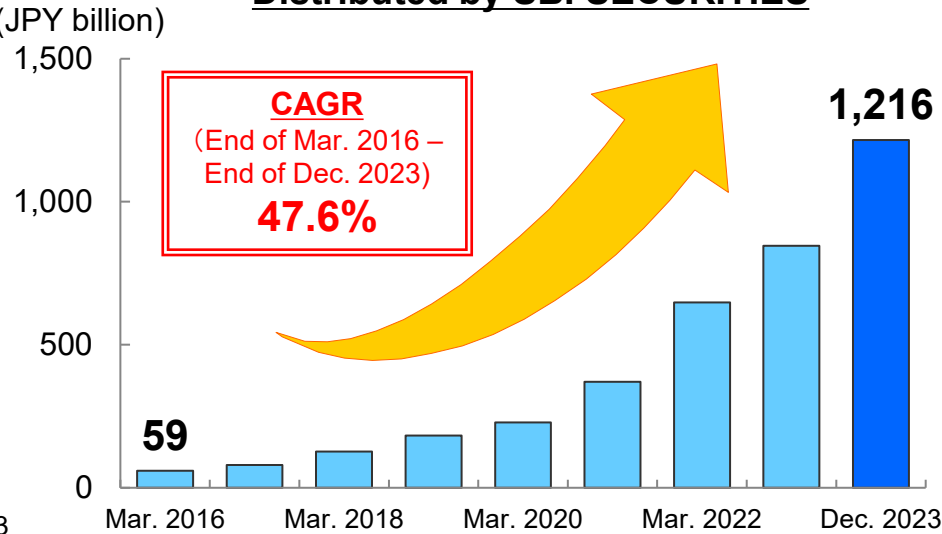
SBI Group focused on the Individual Defined Contribution (iDeCo) pension business through SBI Benefit Systems (est. 2001), well before expectations for the market size to expand as a result of revisions in the regulation in Jan. 2017

- SBI SECURITIES administrative fees for iDeCo became completely free of charge on May 19, 2017, in order to further expand iDeCo business
- As for iDeCo, the number of contracted business operators has exceeded 10,000 in Feb. 2023, and the number of subscribers increased to 166 thousand as the end of Dec, 2023, approx. +20.5% YoY

Cumulative Number of SBI Benefit Systems Subscribers for DC (individual type + corporate type)



Balance of Investment Trust for 401K (individual type + corporate type) Distributed by SBI SECURITIES

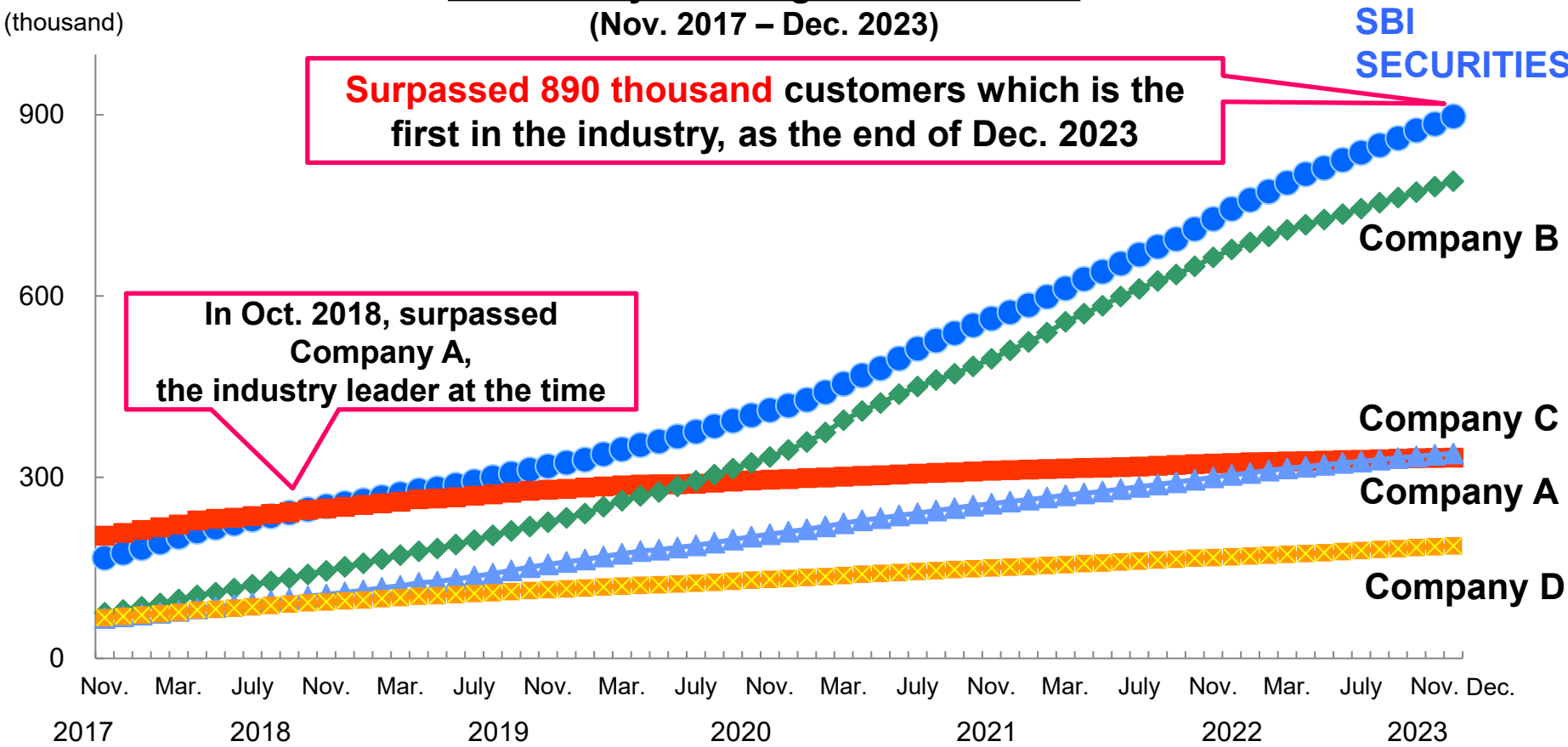




SBI SECURITIES is the Industry Leader in the Cumulative Number of Individual Defined Contribution Plan (iDeCo) Customers

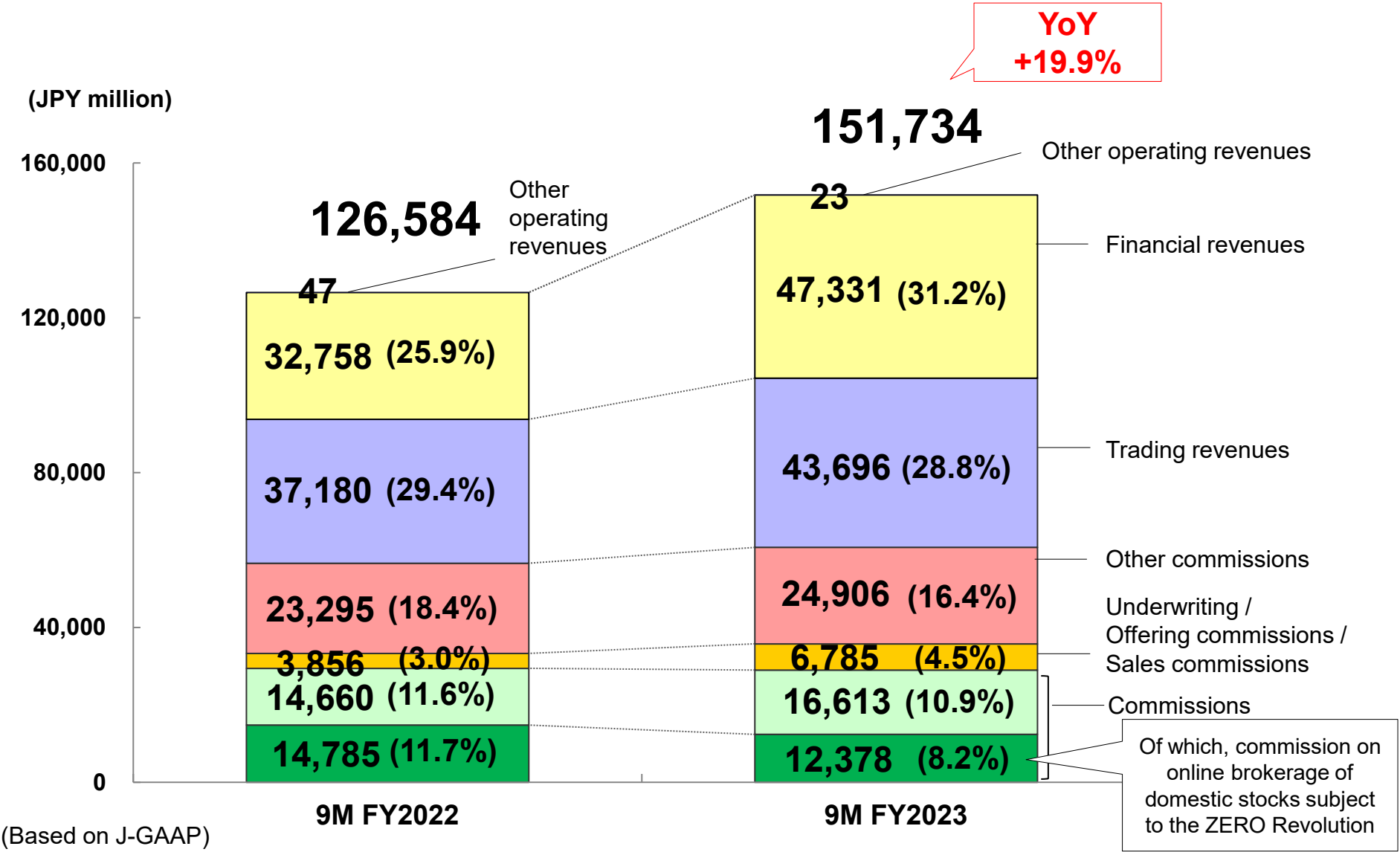
- Gap between the number of accumulated customers of the second largest company in the industry (Company B) continues to widen-

<Cumulative Number of Customers (subscribers & transfers*)
of iDeCo by Planning Administrator>
(Nov. 2017 – Dec. 2023)



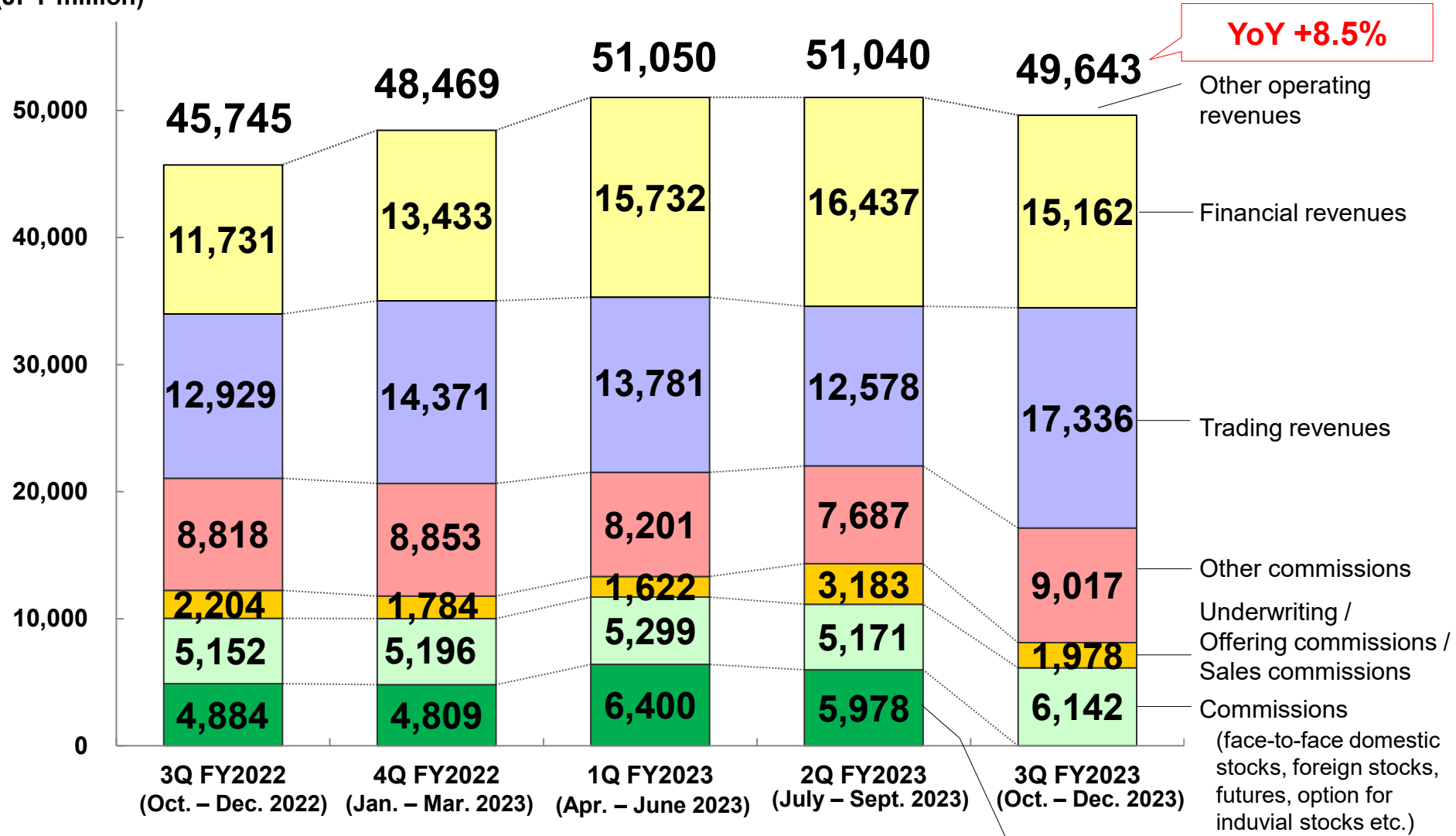
* Cumulative total number of subscribers and transfers announced by the National Pension Fund Association
Source: Briefing paper of the National Pension Fund Association (partially includes estimates by SBIH)

SBI SECURITIES' Consolidated Operating Revenue (Net Sales) Breakdown for 9M FY2023



Quarterly Consolidated Operating Revenue (Net Sales) Comparison (before and after ZERO Revolution)

(JPY million)

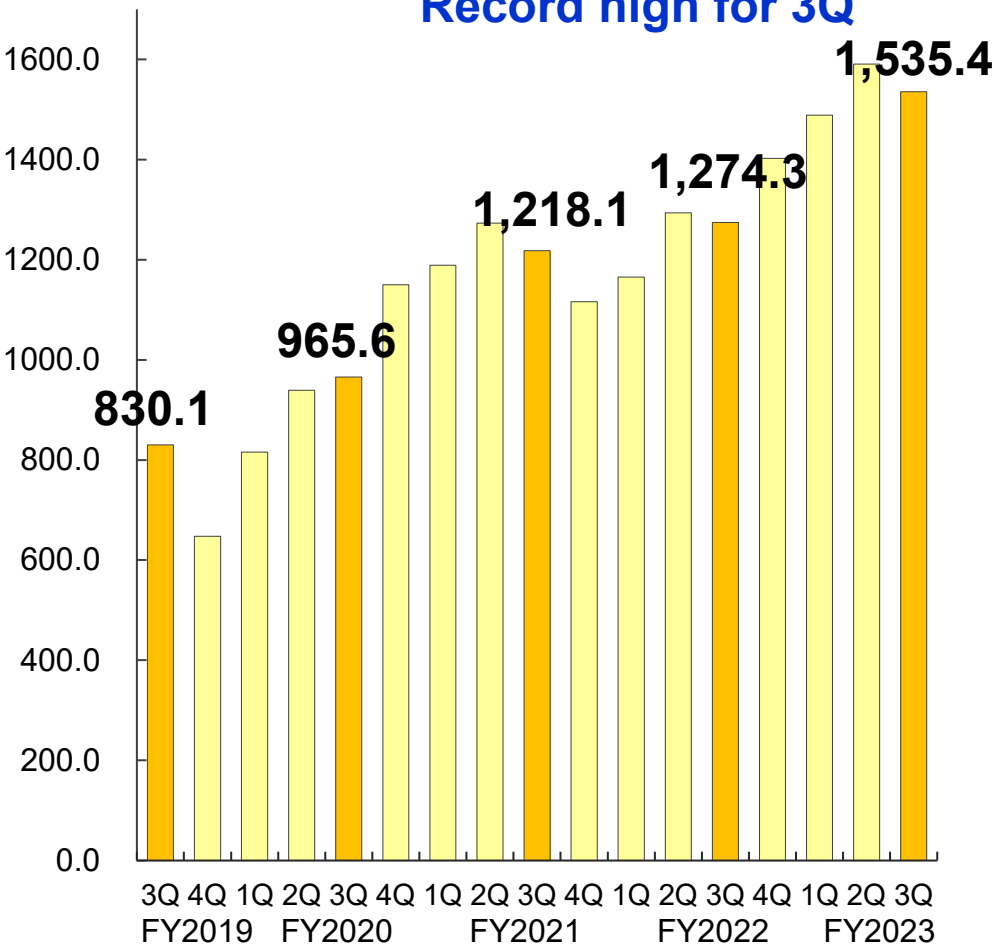


Financial Revenue Remained High Despite a Slight Decline in Open Interest Credit Balance due to Seasonal Factors

<Trend of Open Interest Credit Balance
(end of quarter)>

(JPY billion)

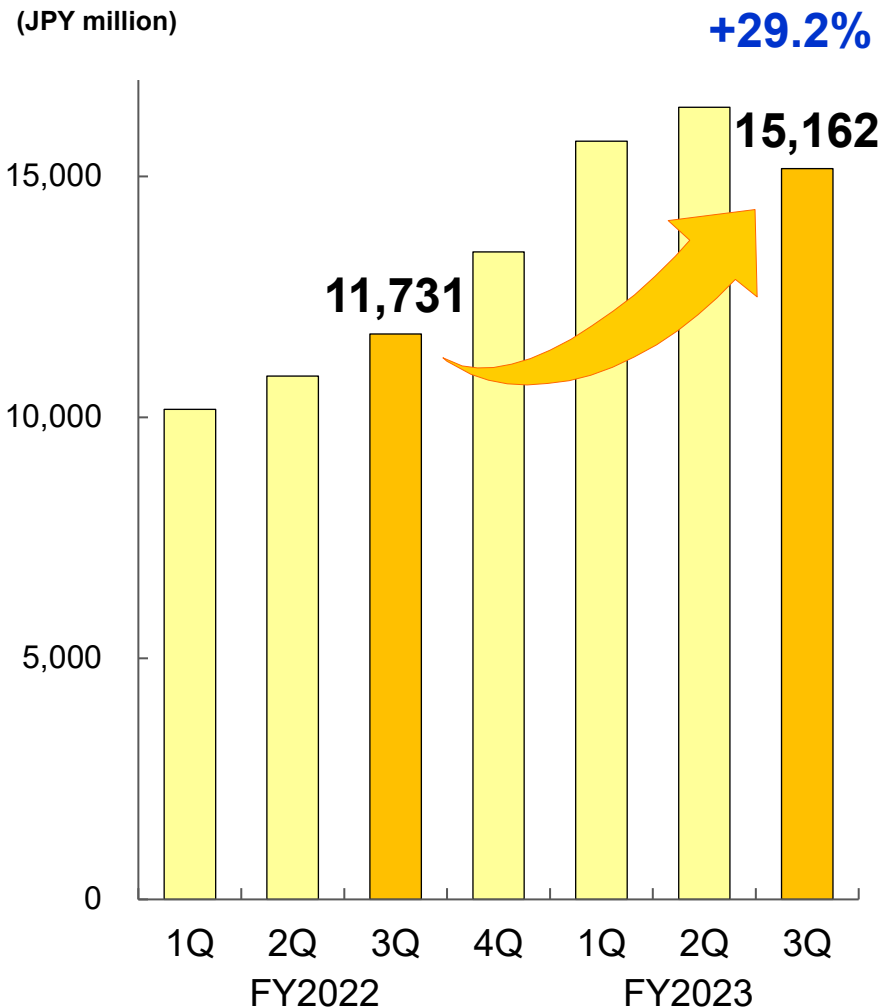
Record high for 3Q



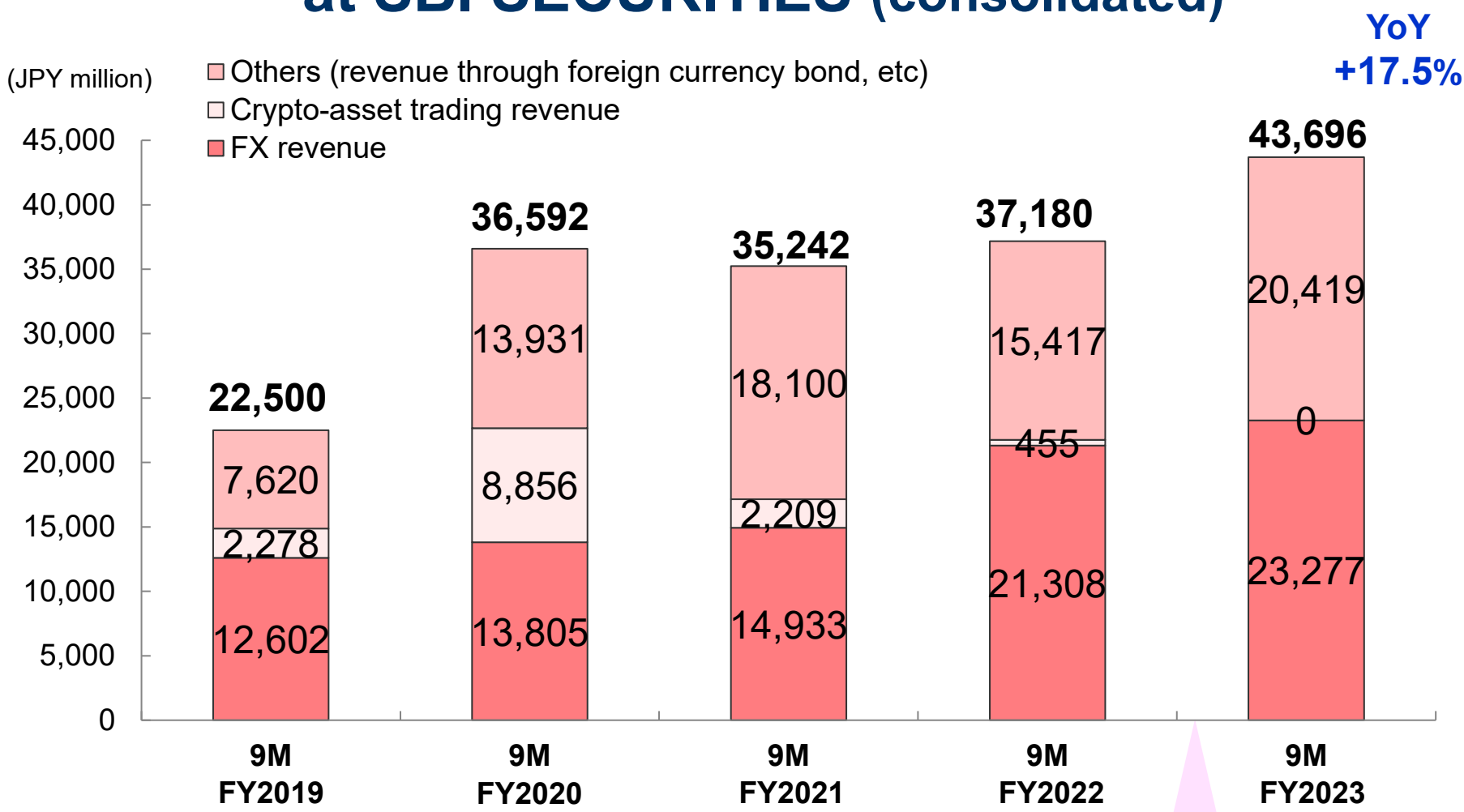
<Trend of Financial Revenue>

(JPY million)

**YoY
+29.2%**



Trend of Trading Revenue at SBI SECURITIES (consolidated)



Trading revenue has not included crypto-asset trading revenue from 3Q FY2022 onward due to reorganization within the Group

The Sales Volume of Bonds (quarterly) has been Robust in both Yen-denominated and Foreign Currency Bonds

(JPY million)

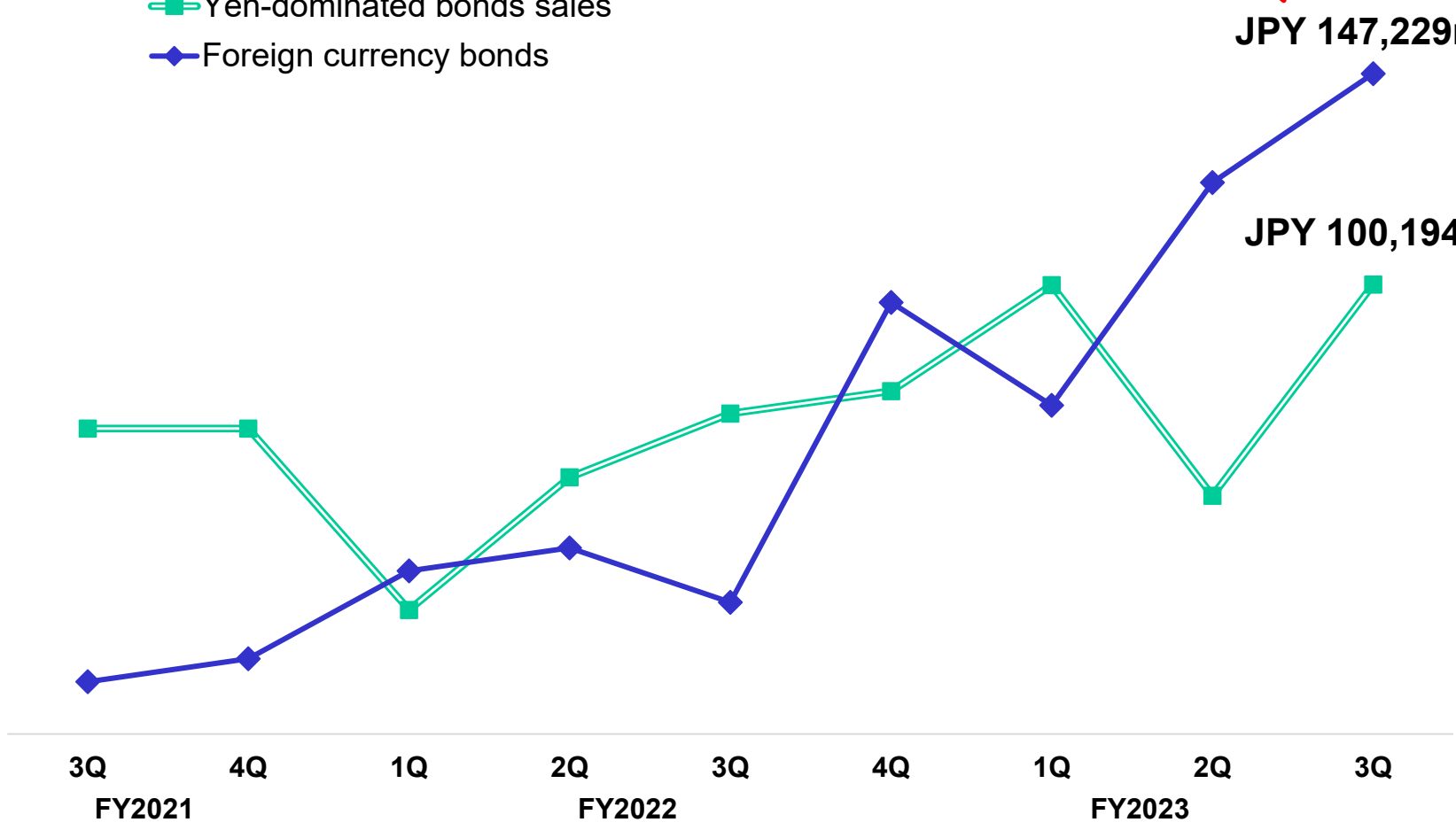
<Trend of Quarterly Sales of Bonds>

- Yen-dominated bonds sales
- ◆ Foreign currency bonds

Record high

JPY 147,229m

JPY 100,194m



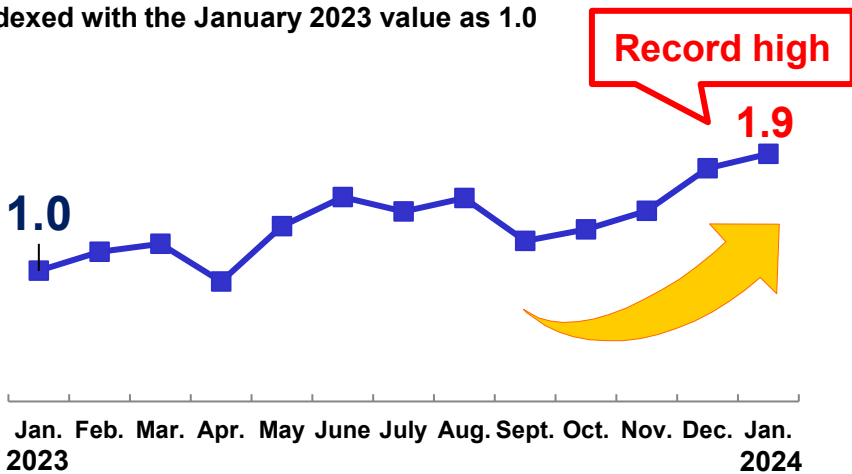
Expand Products and Services Other than Domestic Stocks that Generate Brokerage Commission Income ①

<Foreign Stocks (including foreign ETFs)>

- Handles stocks from China, Korea, Russia, Vietnam, Indonesia, Singapore, Thailand, and Malaysia, in addition to **5,400 U.S. stocks which is the Industry-leading level**
- Released “**Real-time U.S. Stock Prices**,” which allows all customers with foreign stock accounts to view U.S. stock prices and indices in real time and at no charge through apps since April 2023, and “**Heatmap Plus**,” which allows customers to check heatmaps also from a web browser in April. 2023. Continue to further expand services, including offering **services linked to foreign currency deposits at SBI Shinsei Bank and SBI Sumishin Net Bank**
- In addition to the new NISA which started from Jan. 2024, **ZERO Revolution part three announced on December 1, 2023, which eliminated real-time USD/JPY exchange fees, further boosted the number of customers of who debuted purchasing U.S. stocks, and earnings from foreign stocks in January 2024 reached a record high for a single month**

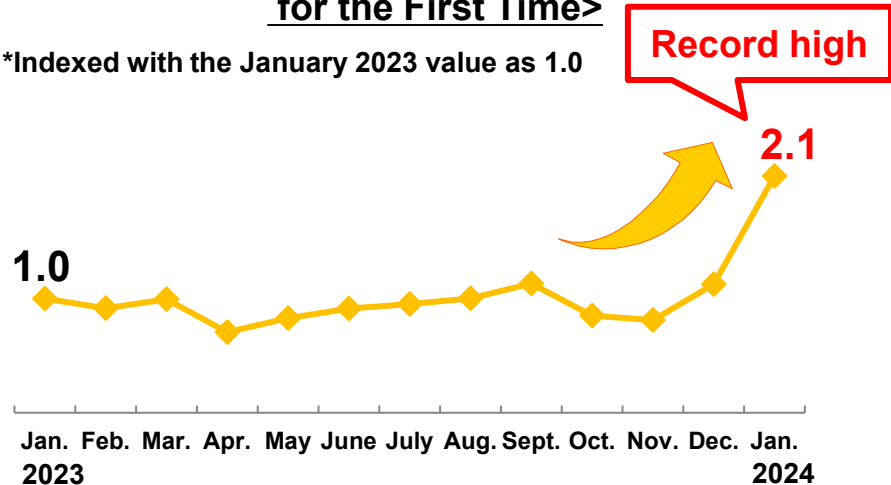
<Trend of Revenue from Foreign Stocks>

*Indexed with the January 2023 value as 1.0



<Number of People Trading U.S. Stocks for the First Time>

*Indexed with the January 2023 value as 1.0

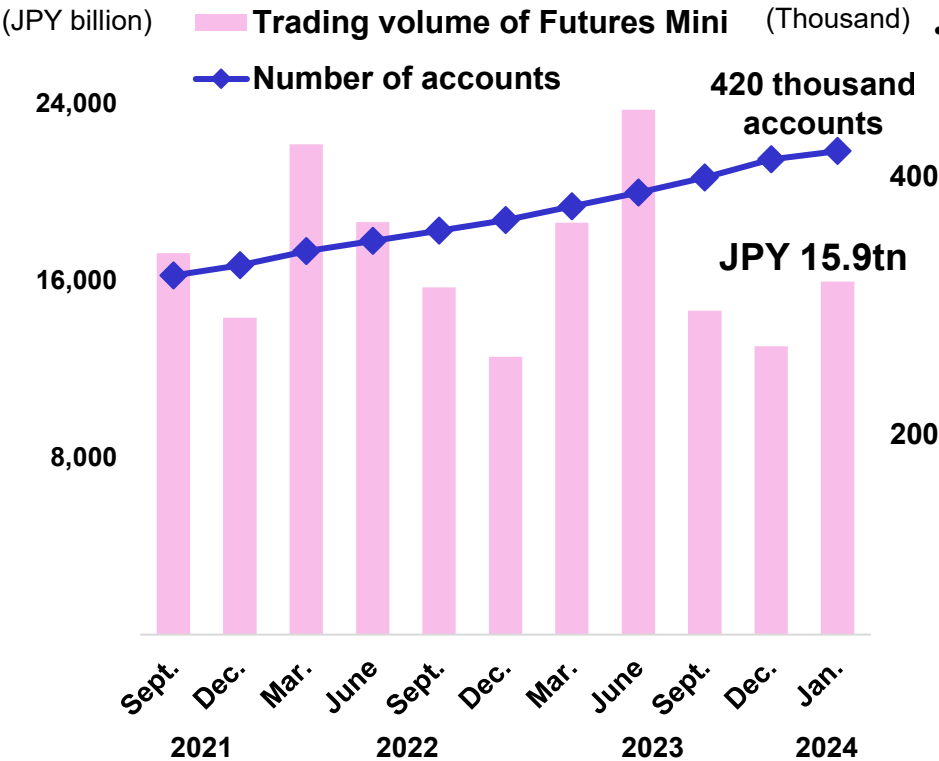


Expand Products and Services Other than Domestic Stocks that Generate Brokerage Commission Income ②

[Futures・options trading]

- Futures and options trading including content targeted to new customers for the number of accounts has grown steadily, **surpassing 420,000 accounts as the end of January 2024**

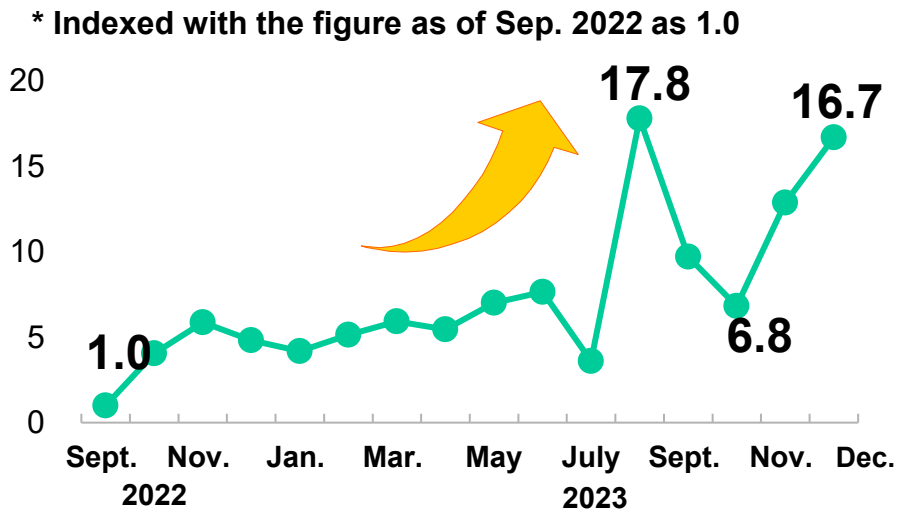
<Number of Accounts and Trading Volume of Futures and Options>



[Individual stock options trading]

- Individual stock options trading are offered in a structure that makes it easy for individual investors to **buy and sell stocks at targeted prices without leverages and commissions, receiving a guaranteed cash (premium) payment** (since Sept. 2022)
- In November 2023, 1,100 additional individual stocks were added to the list of eligible stocks, bringing **the total to more than 1,500**
- Promoting further expansion of the services, including the launch of a **1-day option service that allows trading in small amounts (in unit of JPY 100) and in short terms** (since July 2023)

[Trends in Trading Volume]



The Osaka Digital Exchange (ODX) Opened “START”, Private Trading System (PTS) for Security Tokens (ST), the First Ever in Japan



On the opening day of trading (Dec. 25, 2023), ODX held a ceremony in Osaka, attended by Osaka Prefectural Governor Yoshimura and major players from the Osaka business community including issuers of STs and other financial market participants



- SBI SECURITIES and Daiwa Securities joined for the opening and handled two real estate STs. Within a month, **about 110 tokenizations were executed and traded for an execution value of JPY 11m**. While discussions proceed apace on issuers and new listings, the outlook is good for **an increase in tokens handled**
- Nomura Securities and SMBC Nikko Securities expect to join START in 2024, and since the establishment of the market, number of approaches from other securities firms have increased
- Looking ahead at market operations, the **START Operations Committee**, with members from ST issuers, trust banks, blockchain platformers, and participating securities companies, has been launched and discussions are underway on expanding the lineup of traded instruments including **movable assets such as aircrafts, ships and assets related to renewable energy**

**SBI SECURITIES Has Been Maintaining the Highest
IPO Underwriting Share in the Industry Since FY2012**
- Steady growth in **POs and corporate bond underwriting** -

Underwriting share of 93.7% is
an industry-leading figure

IPO Underwriting Ranking (Apr. 2023 – Dec. 2023)
79 companies were listed during the period

Company name	Number of cases	Underwriting share (%)
SBI	74	93.7
Matsui	53	67.1
Rakuten	48	60.8
SMBC Nikko	45	57.0
Monex	42	53.2
Okasan	40	50.6
Mizuho	36	45.6
Daiwa	35	44.3
Nomura	34	43.0

- Between Apr. 2023 and Dec. 2023, SBI SECURITIES underwrote for 17 companies as lead manager

PO underwriting business

During 9M FY2023, SBI SECURITIES underwrote 18 POs



Will endeavor to strengthen the PO underwriting business by continuously focusing on acquiring lead underwriting mandates

Corporate bond underwriting business

Underwrote a total of 42 bond offerings during 9M FY2023 including Tokyo Electric Power Company bonds



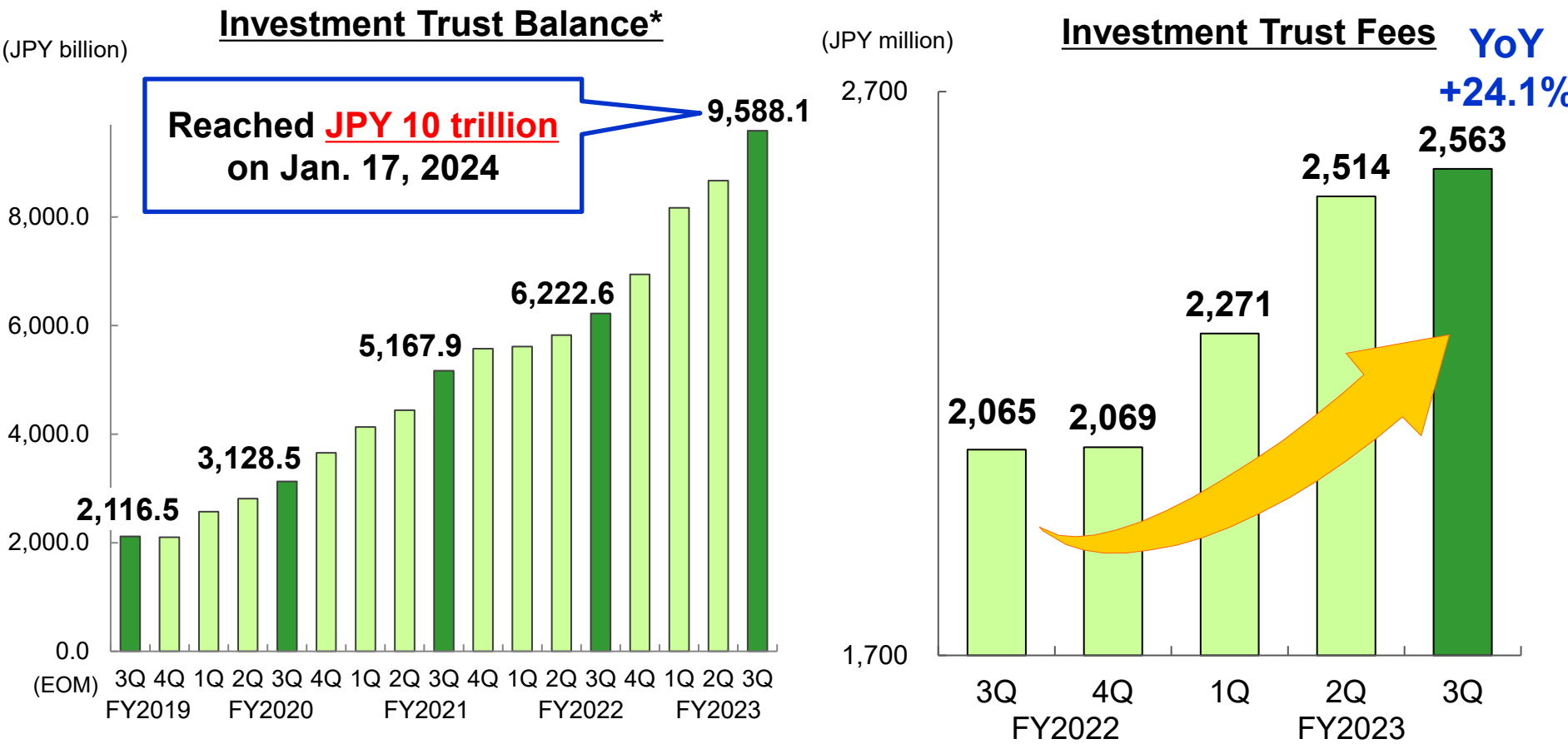
Focus on underwriting of new public bonds, including electric companies' bonds

* The above IPOs represent issues underwritten in Japan only and do not include additional secondary or overseas issues

[Unauthorized reproduction is prohibited] * The data was compiled by SBIH based on each company's published information

Investment Trust Balance and Investment Trust Fees

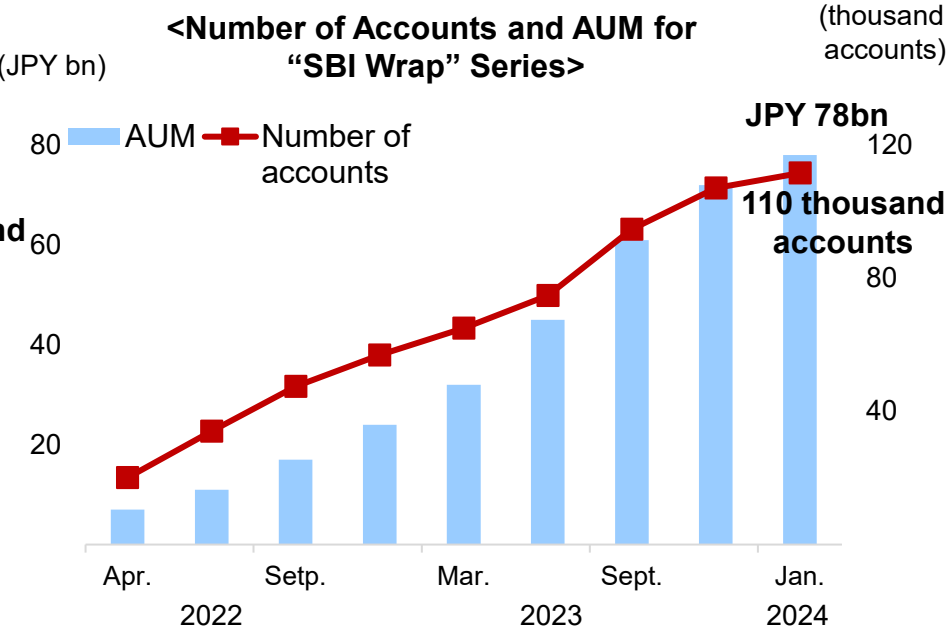
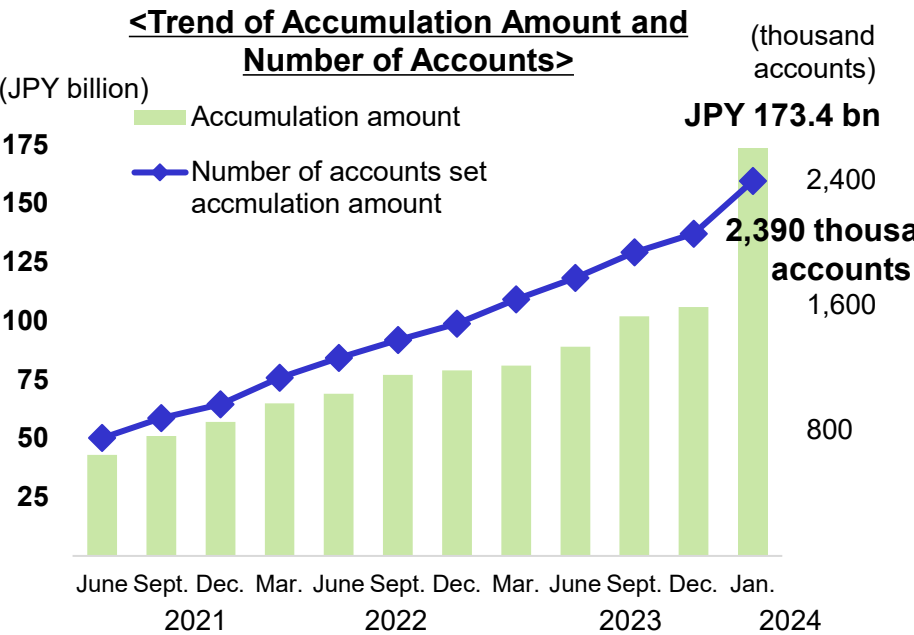
Has Grown on the Back of Announcement of ZERO Revolution and the Start of the New NISA



Steady growth in investment trust balance is expected to continue to lead to a steady increase in investment trust fees

* Figures for balance of investment trusts includes Japan and overseas ETFs and foreign currency-denominated MMFs

Recurring Income-type Business such as Investment Trust Fund and Fully-automated AI Investment “SBI Wrap” also Performed Well



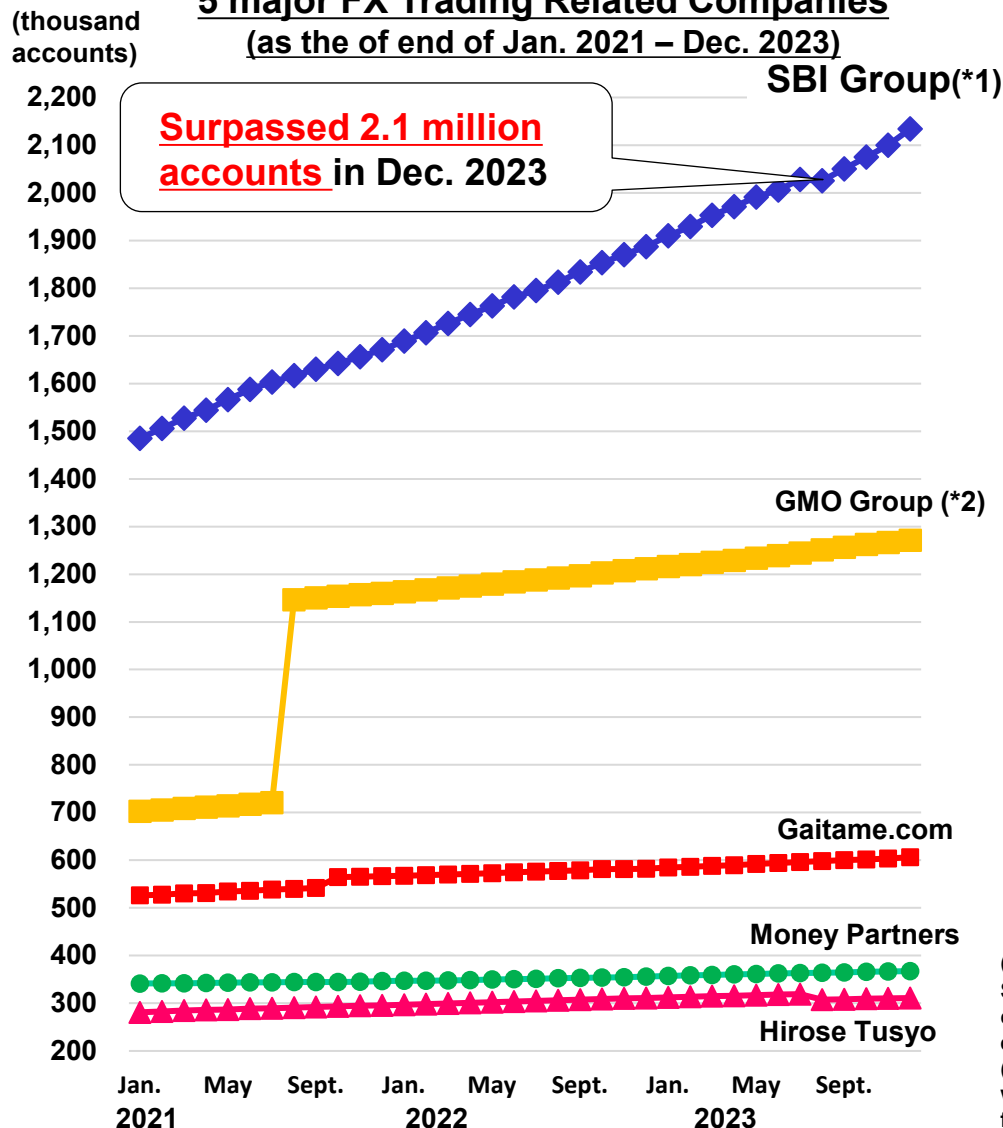
- Demand is growing for the expansion of NISA, and as of the end of Jan. 2024, the monthly accumulation amount of investment trust exceeded JPY 173.4bn and the number of accounts with set accumulation amount topped 2.39m accounts
 - Multi-card strategy allows accumulation-type fund investment with a total of seven credit cards: Sumitomo Mitsui Card, Takashimaya Card, Tokyu Card, APLUS, UCS Card (Credit Cards of Pan Pacific International), JFR Card (Credit Card of Daimaru Matsuzakaya Department Store), and Orico Card. Monthly accumulation amount through those credit cards exceeded JPY 42.2bn as of the end of Jan. 2024
 - AUM of SBI Wrap, jointly developed by SBI SECURITIES and FOLIO, has exceeded JPY 78bn and holds over 110 thousand accounts
 - Steady increase in AUM of “SBI Wrap × SBI Shinsei Bank” (Oct. 2022-) handled at face-to-face stores of SBI Shinsei Bank
 - Nomura Asset Management is promoting the diversification of services utilizing "4RAP", including the provision of investment advice for the "SBI Wrap Takumi Operation Course" (from July 2023) and the establishment of the face-to-face channel "SBI Wrap × Investment Trust Consultation Plaza" that deals with "SBI Wrap ×" (from July 2023)
- [Unauthorized reproduction is prohibited]
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(2) Ripple effects of the ZERO Revolution on Securities-related businesses

SBI Group's FX Business Boasts an Industry-Leading Number of Accounts and Margin Balance Under Custody

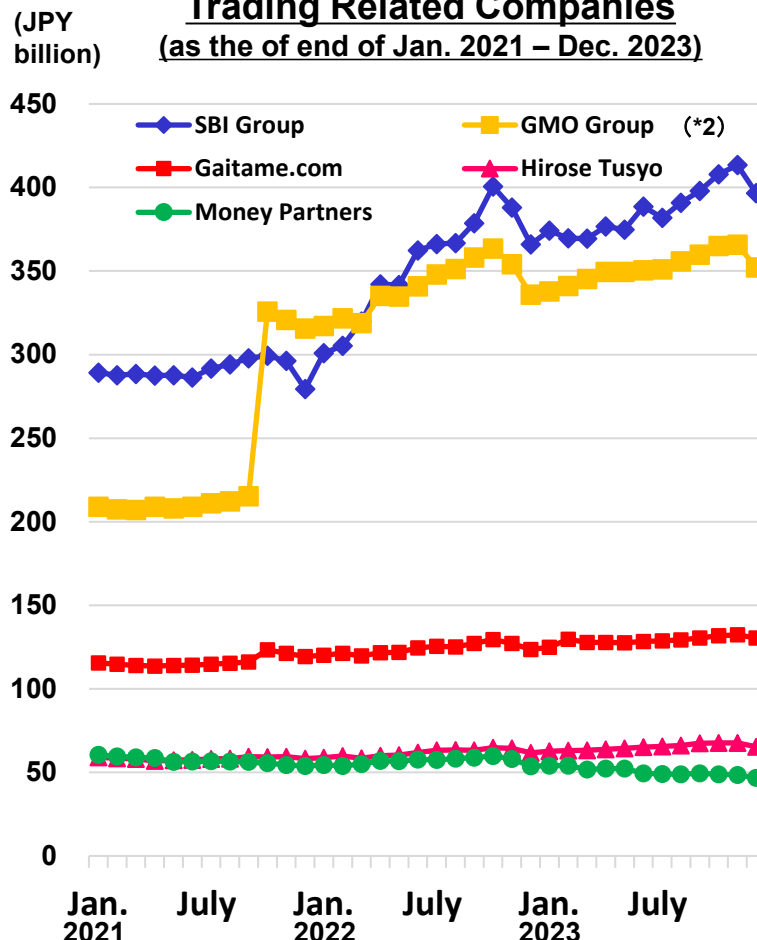
Changes in the Number of Accounts among 5 major FX Trading Related Companies

(as the of end of Jan. 2021 – Dec. 2023)



Customer Margin Deposits of FX Trading Related Companies

(as the of end of Jan. 2021 – Dec. 2023)



(*1) SBI Group includes SBI SECURITIES, SBI FXTRADE and SBI Sumishin Net Bank. SBI NEOMOBILE SECURITIES terminated its FX service on July 1, 2023, so the company's account numbers and the company's customer margin deposits are excluded since August 2023

(*2) Figures of GMO CLICK Securities and GMO Gaika (Formerly GaikaEX by GMO which joined the GMO Group in Sept. 2021) are combined and listed as "GMO Group" for reference

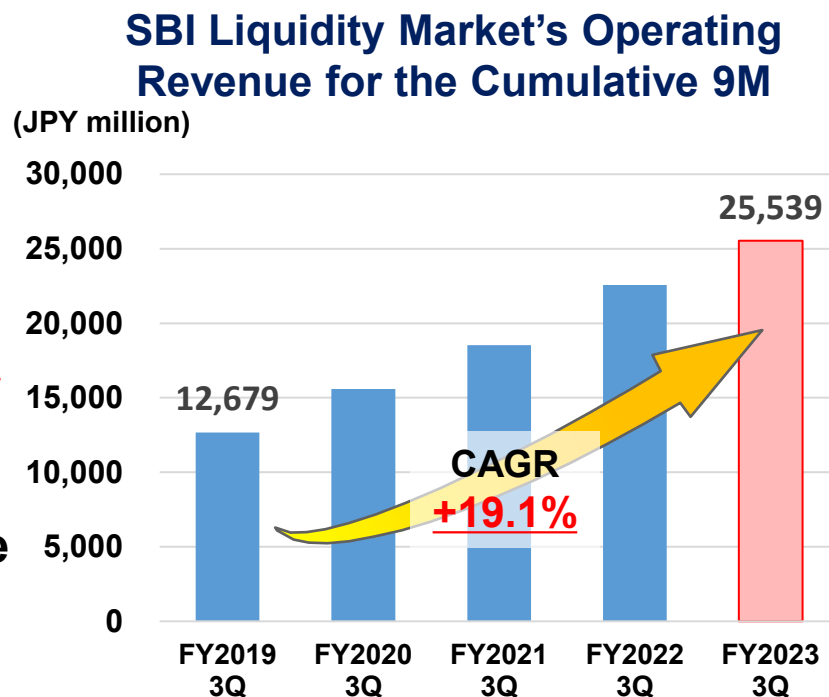
Source: Compiled by SBIH from the information on websites of each company

SBI Liquidity Market, the Main Company in the FX-Related Business, Achieved Record Operating Revenue for the Third Quarter of the Fiscal Year

Operating revenue of SBI Liquidity Market (Non-consolidated, J-GAAP) (Unit: JPY million)

	9M FY2022 (Apr. 2022-Dec. 2022)	9M FY2023 (Apr. 2023-Dec. 2023)	YoY change (%)
Operating Revenue	22,574	Record High 25,539	+13.1

- For SBI Liquidity Market, although overall market trading volume declined year-on-year, measures to improve spot revenue succeeded. Swap revenues and revenues from corporate business also grew substantially which resulted in **achieving record-high operating revenue** for cumulative 9M
- SBI FXTRADE also achieved the same level of operating revenue as in the same period of the previous year, backed by strong trading by individual investors



Deposited Assets and Customer Base of SBI MONEYPLAZA Has Expanded Rapidly, Mainly through Co-managed Shops with SBI Shinsei Bank and Regional Financial Institutions

<Financial Result of SBI MONEYPLAZA(J-GAAP)>

(Unit: JPY million)

	9M FY2022 (Apr. – Dec. 2022)	9M FY2023 (Apr. – Dec. 2023)	YoY change (%)
Revenue	4,597	5,574	+21.4
Profit before Income Tax Expense	833	1,330	+59.6

(Unit: JPY billion)

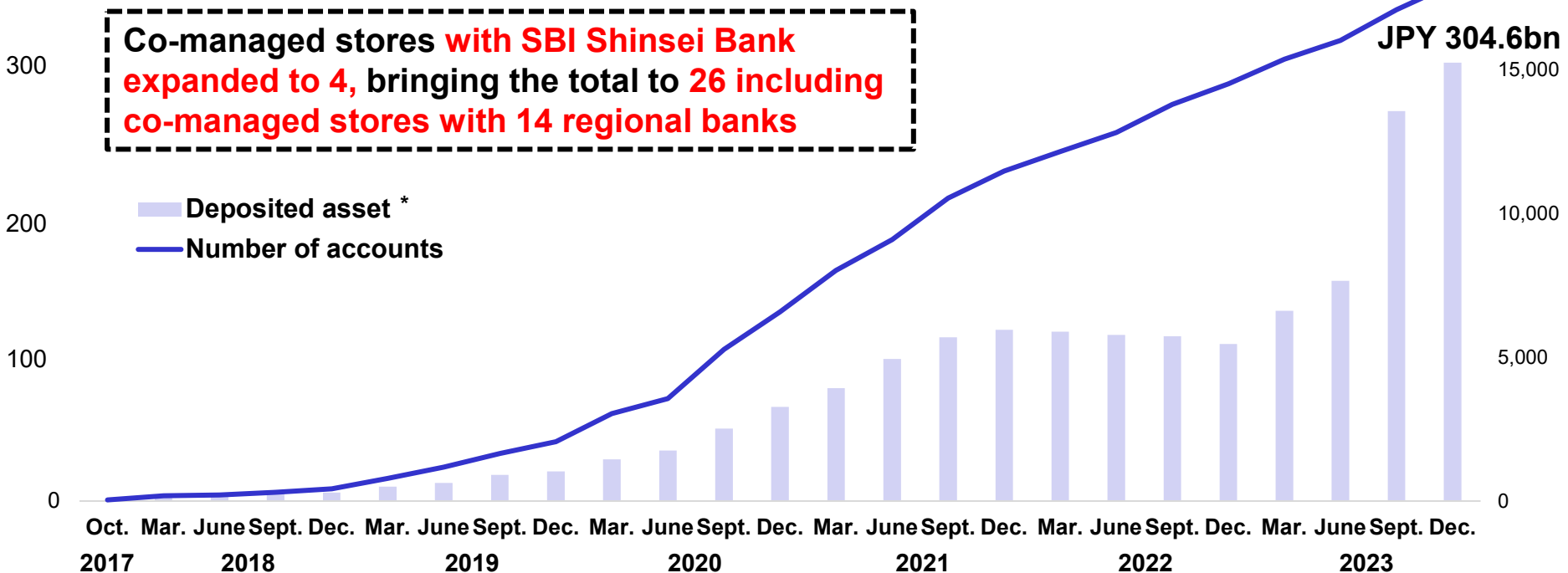
(accounts)

<Trend of Deposited Assets and Number of Accounts at Co-Managed Shops with SBI Shinsei Bank and Regional Financial Institutions>

20,000
17,967 accounts

Co-managed stores with SBI Shinsei Bank expanded to 4, bringing the total to 26 including co-managed stores with 14 regional banks

JPY 304.6bn

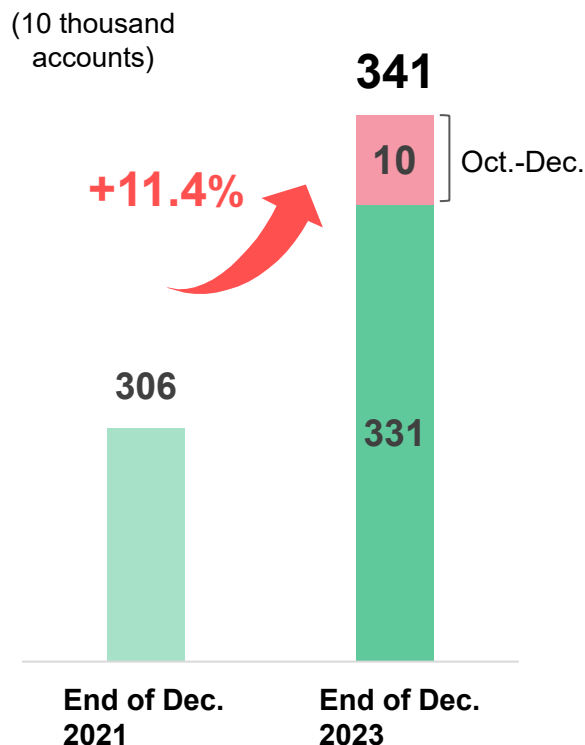


(3) Signs of the ZERO Revolution's effect on expanding the customer base are becoming apparent in businesses other than the securities business

Case Study: The Positive Impact of SBI SECURITIES' Implementation of the “ZERO Revolution” on SBI Shinsei Bank



<SBI Shinsei Bank Retail Accounts>



- ✓ Net new accounts in December tops single-month figure of **40,000** for the first time. **Approx. 70% of newly opened accounts come from customers sent over from SBI SECURITIES**
- ✓ Financial instruments intermediary service: accounts and balances exceed **10% month-on-month growth**
- ✓ Catching the wave from “from savings to investments,” assets under management at co-managed stores of SBI Shinsei Bank and SBI MONEYPLAZA have reached **approx. JPY 150bn** (As of the end of Dec. 2023)
- ✓ Single-month sales of the “SBI Wrap x SBI Shinsei Bank,” a discretionary investment service offered exclusively by SBI Shinsei Bank, grew by **approx. 12.5%** in Dec. 2023 compared to Aug., **a record high** since its start in Oct. 2022

2. Has the impact of the ZERO Revolution begun to reflect on the performance of securities companies?

Comparison of Quarterly Profit Attributable to the Owners of the Company of Major Securities Companies for 3Q FY2023 with the Previous Quarter (Oct. – Dec. 2023: After ZERO Revolution)



(unit: JPY million)

		3Q FY2023 (Oct. – Dec. 2023)	QoQ (%)
	SBI SECURITIES (Consolidated)	10,589	-15.5
Major Securities Companies	Nomura Securities (Non-consolidated)	25,286	-18.8
	Mitsubishi UFJ Morgan Stanley Securities (Non-consolidated)	12,473	+40.7
	Daiwa Securities (Non-consolidated)	11,412	-23.5
	SMBC Nikko Securities (Non-consolidated)	3,777	-42.5
	Mizuho Securities (Non-consolidated)	-11,280	—
Other securities companies	Tokai Tokyo Financial Holdings (Consolidated)	2,498	-4.9
	Monex Group (Consolidated)	2,284	+23.9
	Matsui Securities (Non-consolidated)	2,277	-4.8
	OKASAN SECURITIES GROUP (Consolidated)	1,785	-36.1
	IwaiCosmo Holdings (Consolidated)	1,411	+20.7
	GMO Financial Holdings *1 (Consolidated)	1,111	-62.3
	Rakuten Securities *1 (Consolidated)	994	-82.8
	au Kabucom Securities (Non-consolidated)	691	+31.1
	Marusan Securities (Consolidated)	435	-28.8
	Kyokuto Securities (Consolidated)	342	-73.5
	Mito Securities (Consolidated)	274	-14.9
	Ichiyoshi Securities (Consolidated)	259	-31.1

*1 Fiscal year of Rakuten Securities and GMO Financial Holdings ends in Dec., so figures for the period from July to Sept, and Oct. to Dec. 2023 are used

*2 Compiled by SBIH from the information on websites of each company

Comparison of SBI SECURITIES and Rakuten Securities' Five-Quarter Performance



- Has Rakuten Securities been seriously affected by adopted ZERO Revolution? -

SBI SECURITIES

(Unit: JPY million)

	FY2022		FY2023			
	3Q (Oct. – Dec. 2022)	4Q (Jan. – Mar. 2023)	1Q (Apr. – June 2023)	2Q (July – Sept. 2023)	3Q (Oct. – Dec. 2023)	QoQ (%)
Revenue	45,745	48,469	51,050	51,040	49,643	-2.7
Operating Profit	17,784	17,998	18,399	18,645	16,122	-13.5
Profit attributable to owners of the Company	12,649	11,532	13,097	12,534	10,589	-15.5

Rakuten Securities

(Unit: JPY million)

	FY2022		FY2023			
	3Q (Oct. – Dec. 2022)	4Q (Jan. – Mar. 2023)	1Q (Apr. – June 2023)	2Q (July – Sept. 2023)	3Q (Oct. – Dec. 2023)	QoQ (%)
Revenue	27,701	24,633	29,383	30,307	26,554	-12.4
Operating Profit	5,016	5,926	9,512	8,637	4,478	-48.2
Profit attributable to owners of the Company	2,175	3,849	6,746	5,767	994	-82.8

The Impact of the “ZERO Revolution” on the 27 Regional Bank-Affiliated Securities Companies in Japan is Unavoidable

Ten companies recorded a final loss for FY2022

<Net income for FY2022>

North Pacific Securities	-669
HACHIJUNI SECURITIES	-544
Toho Securities	-276
OKB Securities	-49
77 Securities	-26
Nanto Mahoroba Securities	-343
Kyogin Securities	-1
Senshu Ikeda Tokai Tokyo Securities	-572
YM Securities	-116
Shikoku Alliance Securities	-297

Source: published data from each company

Unit: JPY million

ZERO Revolution Reveals Signs of Restructuring of Securities Industry

- After SBI SECURITIES started ZERO Revolution in October 2023, the impact has become more pronounced, with many securities firms reporting double-digit or more QoQ declines
- Some part of the securities industry are already reorganizing for the future

<Industry restructuring movement>

- NTT DOCOMO announced its entry into the securities business on Oct. 4, 2023. **Monex became a consolidated subsidiary of NTT DOCOMO** through a joint venture with Monex Group
- Mizuho and Rakuten Securities strengthened strategic capital and business alliance. Rakuten Securities sold a portion of its shares to Mizuho Financial Group for approx. JPY 87bn with **Mizuho holding 49% of Rakuten Securities shares**

[Reference material]

Number of Companies and Employees of the SBI Group (Consolidated)

Number of Group Companies

	End of Mar. 2023	End of Dec. 2023
Consolidated subsidiaries (companies)	518	580
Consolidated partnerships (partnerships)	62	62
Total consolidated subsidiaries (companies)	580	642
Equity method companies (companies)	63	64
Total Group companies (companies)	643	706

Number of Employees (Consolidated)

	End of Mar. 2023	End of Dec. 2023
Total employees	18,756	18,717

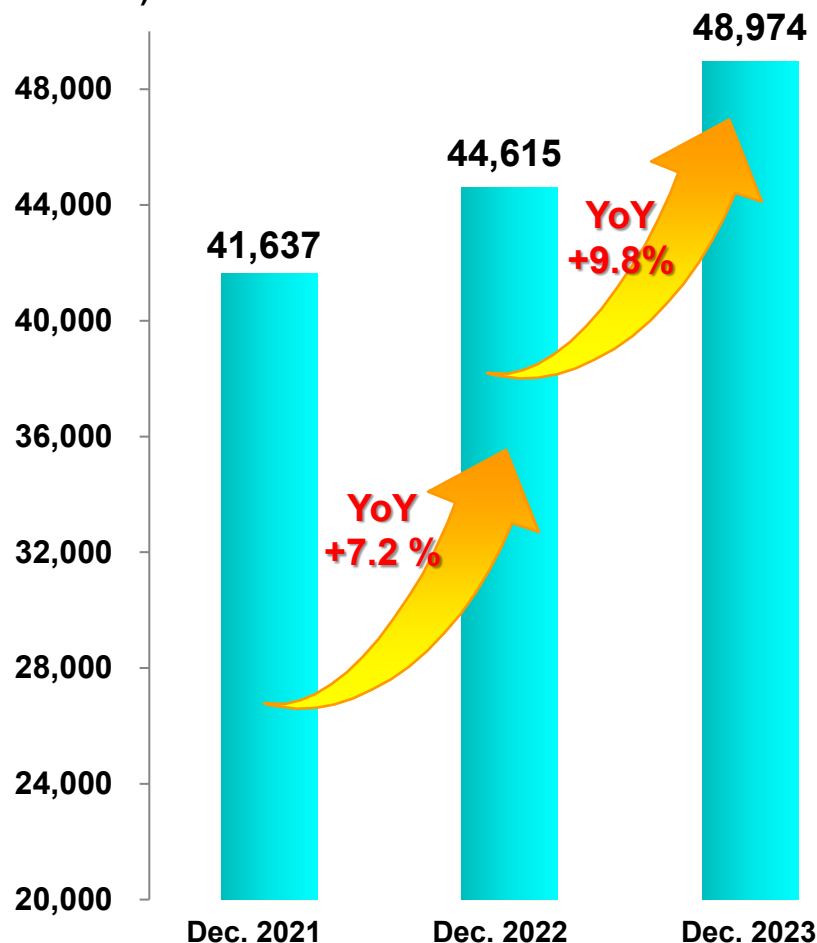
SBI Group Has a Customer Base of Approximately 49 Million

- Endeavor towards a Customer Base of 100 Million -

Breakdown of the Customer Base

(As of the end of Dec. 2023) *1,2 (Thousand)

(Thousand)



SBI SECURITIES SBI NEOMOBILE SECURITIES SBI Neotrade Securities FOLIO	(No. of accounts)	11,686
SBIH InsWeb	(No. of customers)	10,997
E-LOAN	(No. of customers)	3,514
MoneyLook	(Total no. of customer registrations)	950
Wealth Advisor	(Total no. of service users) *3	1,451
SBI Sumishin Net Bank	(No. of accounts)	6,883
SBI Insurance	(Total no. of contracts)	1,248
SBI Life Insurance	(Total no. of contracts) *4	462
SBI Shinsei Bank	(No. of accounts)	3,414
Lake business	(No. of customers)	835
APLUS	(No. of active cardholders)	3,986
Showa Leasing	(No. of contracts)	305
Others (SBI VC Trade etc.) *5		3,237
Total	-	48,974

*1 Customers who are not identified as the same person within each service website and overlapping customers among the Group companies may be double counted

*2 Owing to the reorganization, customer numbers of the Group companies, which were excluded from consolidation, are not included in the figures for the past customer bases

*3 Includes the number of smartphone app downloads, as provided by Wealth Advisor

*4 The total number of contracts of SBI Life Insurance includes number of insured persons with group credit life insurance

*5 Customers of "SBI Point" provided with SBI ID members have been removed because the service is no longer available

<https://www.sbigroup.co.jp>