

SBI Holdings, Inc.

FY2023 Financial Results

(Fiscal Year Ended March 31, 2024)

May 10, 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. FY2023 Consolidated Performance

II. SBI Group's dramatic growth is being achieved through business operations that maximize the organizational advantages of its business ecosystem

I. FY2023 Consolidated Performance

FY2023 Consolidated Performance (IFRS)

[Year-on-year comparison]

(Unit: JPY million)

	FY2022 (Apr. 2022 – Mar. 2023)	FY2023 (Apr. 2023 – Mar. 2024)	YoY % change
Revenue	956,977	Record high* 1,210,504	+26.5
Profit before income tax expense	102,140	141,569	+38.6
Profit for the period	71,696	113,616	+58.5
Profit attributable to owners of the Company	35,445	87,243	+146.1
ROE (%)	3.7	7.7	+4.0p

*1 As a result of the retrospective application of IFRS 17 “Insurance Contracts”, which was applied from the FY2022, the results for FY2022, reflects a decrease of JPY 41,582m in revenue from the JPY 998,559m of revenue as disclosed during the previous FY, an increase of JPY 1,387m from 100,753m in Profit before income tax expense; an increase of JPY 688m from 71,008m in Profit for the FY; and an increase of JPY 445m from JPY 35,000m in Profit attributable to owners of the Company

[Consolidated Performance Overview]

- Revenues **increased 26.5% year-on-year to JPY 1,210.5bn**, which is a record high. This was largely due to an increase in revenue from the Financial Services Business (increased 22.0% year-on-year to JPY 1,031.4bn)
- **Profit before income tax expense increased 38.6% year-on-year to JPY 141.6bn**, reflecting strong performance in the Financial Services Business and improved performance in the Crypto-asset Business
- **In the Financial Services Business, profit before income tax expense increased 8.5% year-on-year to JPY 165.0bn.**
- Despite the introduction 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 both sales and profits year-on-year.
- Furthermore, in the Nov. 2022 sale of ALBERT shares had brought in JPY 5.1bn in gains and in Mar. 2023 partial sales of SBI Sumishin Net Bank, shares in the IPO had brought in JPY10.7bn in gains. In FY2023, however, following the SBI Sumishin Net Bank’s IPO, the secondary sales in April 2023 of the overallotment resulted in JPY 1.5bn in gains on sale of stock. After considering these special factors in their respective periods, **profit growth vs. the previous FY increased to +20.0%**
- **Profit attributable to owners of the Company for FY2023 increased 146.1% year-on-year to JPY 87.2bn, ROE 7.7%**
- The **year-end dividend for FY2023, which includes a commemorative dividend of JPY 10 per share** to celebrate the 25th anniversary of the Company’s founding on July 8, 2024, is **to be JPY 130 per share**. Adding this to the interim dividend of JPY 30 per share (already distributed), **annual dividend amount to JPY 160 per share**

Comparison of Consolidated Profit Before Income Tax Expense with Major Securities Companies

(JPY million)

		FY 2022 (Apr. 2022 - Mar. 2023)	FY 2023 (Apr. 2023 - Mar. 2024)	YoY % change
SBI Holdings (IFRS)	Profit before income tax Expense	102,140	141,569	+38.6
	ROE(%)	3.7	7.7	+4.0pt
	P/B Ratio*	0.70	0.91	+0.21
Nomura Holdings (US-GAAP)	Profit before income tax Expense	149,474	273,850	+83.2
	ROE(%)	3.1	5.1	+2.0pt
	P/B Ratio*	0.49	0.82	+0.34
Daiwa Securities Group (J-GAAP)	Profit before income tax Expense	96,766	179,997	+86.0
	ROE(%)	4.6	8.3	+3.7pt
	P/B Ratio*	0.64	1.07	+0.43
SMBC Nikko Securities (J-GAAP)	Profit before income tax Expense	-57,796	22,731	—
	ROE(%)	-4.3	1.5	+5.8pt
Mitsubishi UFJ Securities Holdings (J-GAAP)	Profit before income tax Expense	82,985	99,844	+20.3
	ROE(%)	6.1	6.2	+0.1pt
Mizuho Securities (J-GAAP)	Profit before income tax Expense	-23,521	39,995	—
	ROE(%)	1.0	8.6	+7.6pt

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

* Calculated based on net assets per share at the end of FY2022 and FY2023, using the closing share price at the end of Mar. 2023 and May 7, 2024

FY2023 Performance by Segment (IFRS)

[Year-on-year comparison]

(Unit: JPY million)

Revenue

Profit Before Income Tax Expense

	FY2022 (Apr. 2022– Mar. 2023)	FY2023 (Apr. 2023– Mar. 2024)	YoY change (%)	FY2022 (Apr. 2022– Mar. 2023)	FY2023 (Apr. 2023– Mar. 2024)	YoY change (%)
Financial Services Business *1	845,166 *2	1,031,439 Record high*3	+22.0	152,040 *2	164,981	+8.5
Asset Management Business	27,966	29,449 Record high*3	+5.3	10,123	4,843	-52.2
Investment Business	36,684	88,353 Record high*3	+140.8	-16,661	-8,288	—
Crypto-asset Business	30,320	57,142 Record high*3	+88.5	-18,429	8,428 Record high*3	—
Next Gen Business *4	26,238	26,637 Record high*3	+1.5	-3,253	-4,952	—

*1 FY2022 includes gain of sale of share (JPY 5,067m) from ALBERT in Nov. 2022 and gain of sales of partial share (JPY 10,728m) from SBI Sumishin Net Banks IPO's. 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

*2 Financial Services Business revenue 998,559m FY2022 decreased by JPY 41,582m from JPY 998,559m of and profit before income tax expense increased by JPY 1,387m from JPY 100,753m as a result of retrospective application of IFRS 17 for "Insurance Contracts" which was applied from the current FY to the previous FY

*3 The current business segments were recalibrated in FY2022 and all prior periods financials have been restated to conform to current segments. Financial Service Business is also at a record high in comparison with the first half results since FY2012 when IFRS was adopted

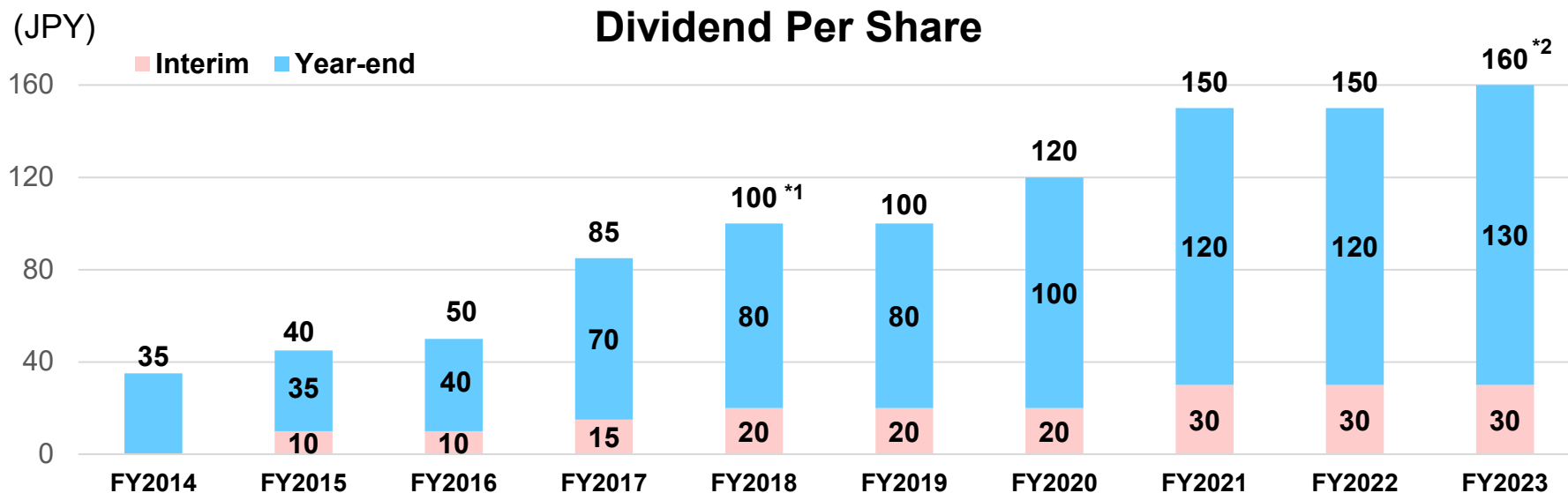
*4 Non-financial Business have been renamed to Next Gen Business from the 2Q FY2023. Next Gen Business mainly include Biotechnology, Healthcare & Medical Informatics Business, Semiconductor Business, Web3-related businesses

*5 Figures are before elimination of inter-segment transactions

Year-end Dividend for FY2023

■ Dividend per share

	Interim	Year-end	Full-year	Payout ratio (%)
FY2023	JPY 30	JPY 130 <small>(Including JPY 10 commemorative dividend to celebrate the 25th anniversary since the Company's founding)</small>	JPY 160	50.6
FY2022	JPY 30	JPY 120	JPY 150	112.0



^{*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

The Company's Basic Shareholder Return Policy

- The Company determines **a total shareholder return ratio**, which is the sum of dividend payouts and share buybacks, of **approximately 30% of the profit before income tax expense attributable to Financial Services Business excluding extraordinary factors such as gain on sales of subsidiaries' stocks, for the time being**
- Furthermore, to pay a minimum annual dividend of JPY10 per share, after a comprehensive consideration of the appropriate level of internal reserves required for sustainable growth, along with a consideration for the ongoing business performance

Amount of total shareholder return for FY2023: JPY 47,499m

[Reference]

Profit before income tax expense excluding extraordinary factors such as gain on sales of subsidiaries' stocks in the Financial Services Business in FY2023 : JPY 163,529m *

Return rate on profit before income tax expense, excluding special factors, of the Financial Services Business:

JPY 47,499m / JPY 163,529m = 29.0%

***Calculated after deducting the gain on sale (JPY 1,452m) due to the secondary sales of the over-allotment of shares held in SBI Sumishin Net Bank from the profit before income tax expense(JPY 164,981m)**

Consistent with Following the Previous Fiscal Year, Conducting 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>	—

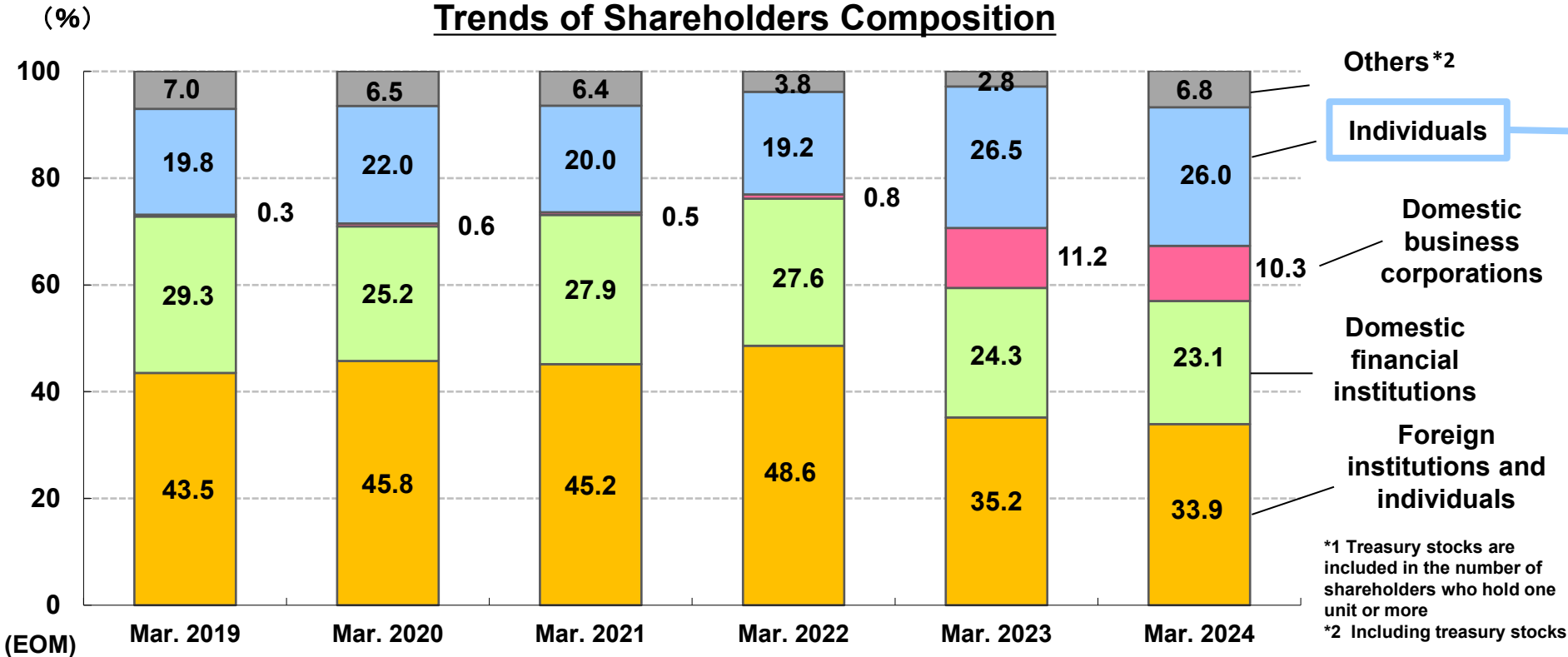
* In addition, all shareholders, including those who hold less than 1 unit (1–99 shares), will receive 1 discount coupon for a preferential discount of 50% from the regular prices of all SBI ALApromo dietary supplements and cosmetics

SBI Group's Shareholders Composition Has Become More Balanced

(As of the end of March 2024)

- ◆ Total number of shareholders is 243,392 , of which the number of shareholders who hold one unit or more is 172,761 *1
- ◆ Shareholding ratio of domestic and foreign institutional investors is 56.9%

Trends of Shareholders Composition



Took 1st place in the J.D. Power “2024 Individual Shareholder Satisfaction Study” <Securities Segment>

Survey based on 7 factors: Profitability/shareholder returns; business and products/services; financial stability; securing the rights and equal treatment of shareholders; ensuring appropriate information disclosures and transparency; responsibilities of the Board; and appropriate cooperation with stakeholders other than shareholders

[Business Overview of Each Business Segment]

1. Financial Service Business

[Financial Service Business Consolidated Results (IFRS)]

(Unit: JPY million)

	FY 2022 (Apr. 2022 – Mar. 2023)	FY 2023 (Apr. 2023 – Mar. 2024)	YoY (%)
Revenue	845,166	1,031,439	+22.0
Profit before income tax expense	152,040	164,981	+8.5

Profit before income tax expense in the Financial Services Business includes, in FY2022, JPY 5.1bn in gain on the sale of ALBERT shares in November 2022 and JPY 10.7bn in gains from the sale of shares from the SBI Sumishin Net Bank IPO in March 2023, and includes, in FY2023, JPY 1.5bn in gains from the sale of shares in SBI Sumishin Net Bank through an over-allotment of shares in April 2023. **Considering the impact of these special factors, profit increased by 20% 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, etc.

[Business highlights]

- **SBI SECURITIES'** consolidated results (J-GAAP) for FY 2023 recorded **operating revenue of JPY 203.3bn (+16.2% YoY)** and **operating profit of JPY 68.6bn (+10.6% YoY)**, both record highs, despite the start of “ZERO Revolution” on Sept. 30, 2023 (the first-ever in Japan to offer commission-free online trading of domestic stocks)

SBI SECURITIES FY2023 Consolidated Results (J-GAAP)

[Year-on-year comparison]

(Unit: JPY million)

	FY2022 (Apr. 2022 – Mar. 2023)	FY2023 (Apr. 2023 – Mar. 2024)	YoY % change
Operating Revenue	175,053	<div>Record high</div> 203,398	+16.2
Net Operating Revenue	161,570	<div>Record high</div> 182,752	+13.1
Operating Income	62,130	<div>Record high</div> 68,686	+10.6
Ordinary Income	60,951	<div>Record high</div> 69,553	+14.1
Profit attributable to Owners of the Company	41,467	<div>Record high</div> 47,381	+14.3

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]

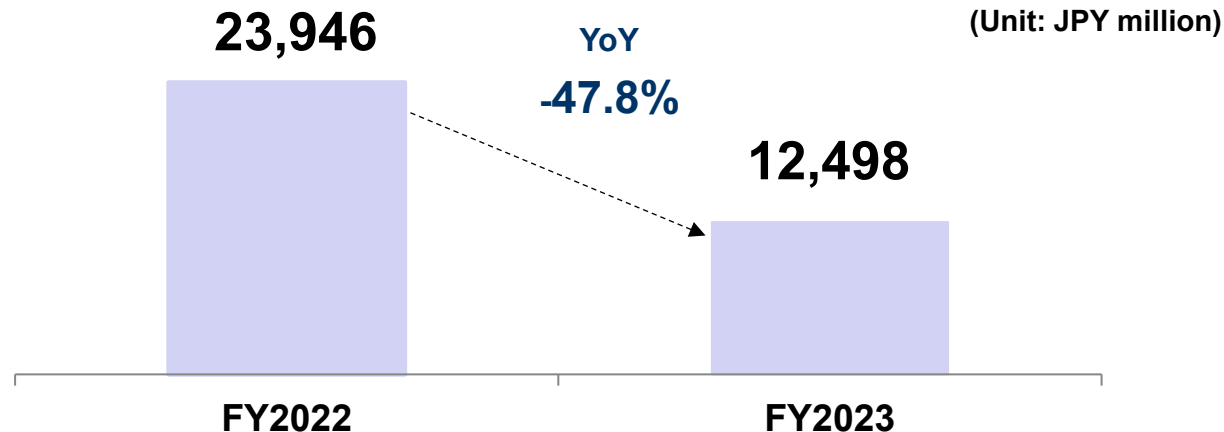
- **SBI Shinsei Bank** recorded net profit attributable to owners of the company (J-GAAP) of **approx. JPY 57.9bn (+35.6% YoY)**, mainly due to an increase in interest and commission income in line with higher loan balances in the corporate business and higher installment income from APLUS.
Profit before income tax expense in SBI Holdings based on IFRS is **approx. JPY 57.1bn**
- SBI Holdings' equity method earnings from **SBI Sumishin Net Bank**, based on IFRS for FY2023, was **approx. JPY 4.5bn (-8.2% YoY)**, reflecting steady loan growth in the housing loan business, despite reduced ownership share(**50%⇒34.19%**) 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 12.5bn (-47.8% YoY)**, reflecting an increase in the higher loan write-offs due to deteriorating credit and increased delinquencies in South Korea, despite steady underlying income and expenditure

Results of the Companies in the Banking Business (Profit Before Income Tax Expense)

(Unit: JPY 100m)		FY2022 (Apr. 2022 – Mar. 2023)	FY2023 (Apr. 2023 – Mar. 2024)
SBI Shinsei Bank	(J-GAAP)	517	629
	(IFRS on SBI Holdings intake basis)	547	571
SBI Sumishin Net Bank (IFRS on SBI Holdings intake basis/equity method) *Shareholding ratio declined from 50% to 34.19% as part of the equity sold at listing in Mar. 2023		49	45
SBI SAVINGS BANK (IFRS on SBI Holdings intake basis)		239	125
SBI LY HOUR BANK (IFRS on SBI Holdings intake basis)		8	9
SBI Bank (IFRS on SBI Holdings intake basis)		-16	12
TPBank (IFRS on SBI Holdings intake basis/ equity method)		10 (Started integrating results as an equity-method affiliate in Feb. 2023)	57

Performance of SBI SAVINGS BANK (in South Korea)

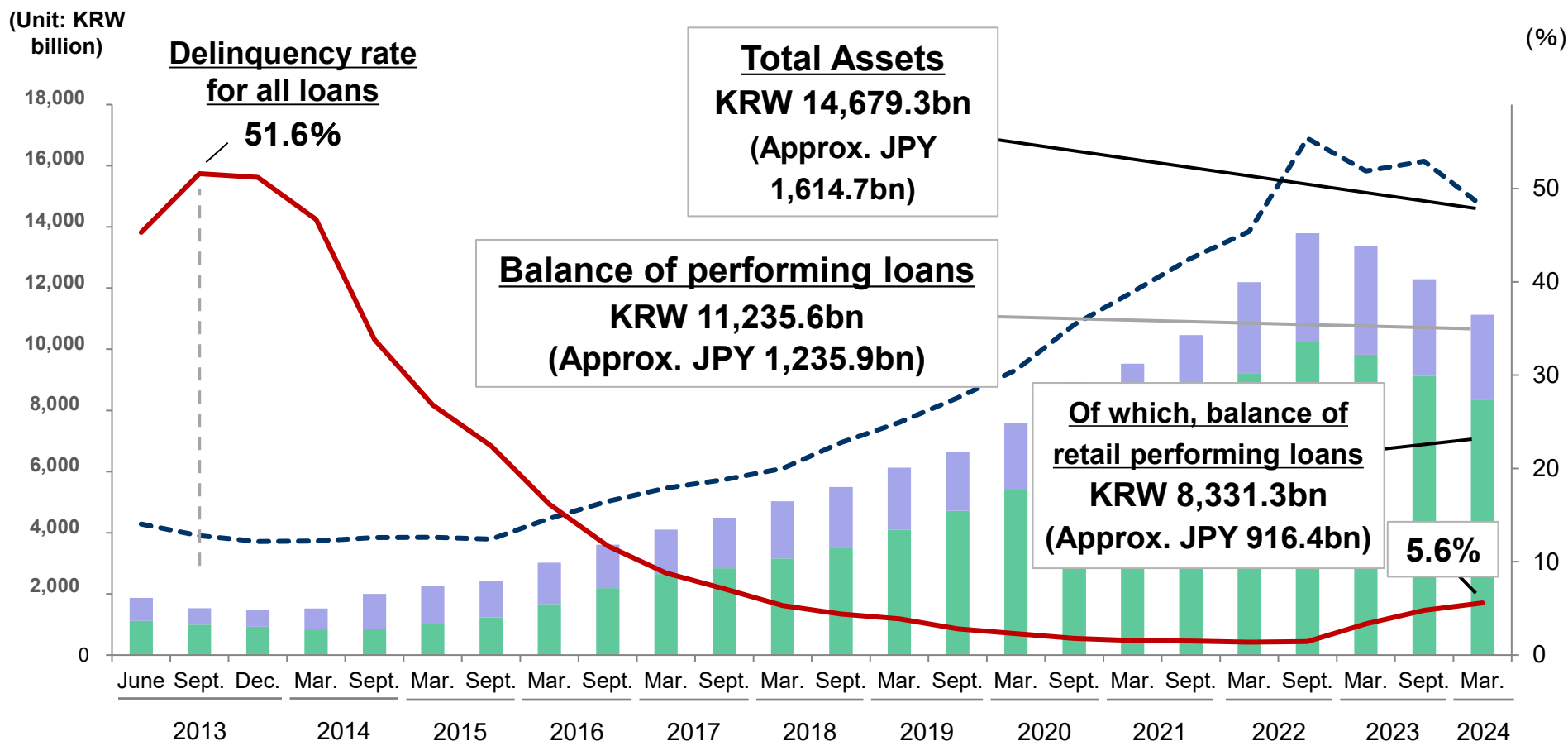
Profit Before Income Tax Expense (IFRS)



- In the current quarter (2024 Jan.-Mar.), earnings were down due to an **increase in the burden of bad debt write-offs** due to decline in soundness of personal credit claims and housing-backed loans in the context of deteriorating business conditions in South Korea, as well as a **drop in securities-related profits** due to the decline in the South Korean stock market since the beginning of the year
- For the full year, SBI SAVINGS BANK **faced the most difficult business environment** since becoming a subsidiary in 2013, including **a continuous increase in funding costs** due to a sharp rise in policy interest rates, while thoroughly implementing measures such as strengthening credit screening standards and curbing asset intake
- Although maintaining a cautious stance, the company will **be increasing lending and taking in mainly quality assets**, with the intention of increasing profits through higher interest margins

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

* Converted at KRW 1 = JPY 0.11



The overall delinquency rate deteriorated QoQ to **5.6%** but remained the lowest in the industry. South Korean economy appears to have overcome the worst period

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 operating revenue** for FY2023 (J-GAAP), increased 13.8%YoY to JPY 109,339m due to a steady increase in the total number of In-Force contracts held across the group
- Due to an increase in premium income, **ordinary income** increased 30.6% YoY to JPY 8,236m, and **profit attributable to owners of the Company** increased 17.0% YoY to JPY 1,450m
- **The year-end dividend is 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

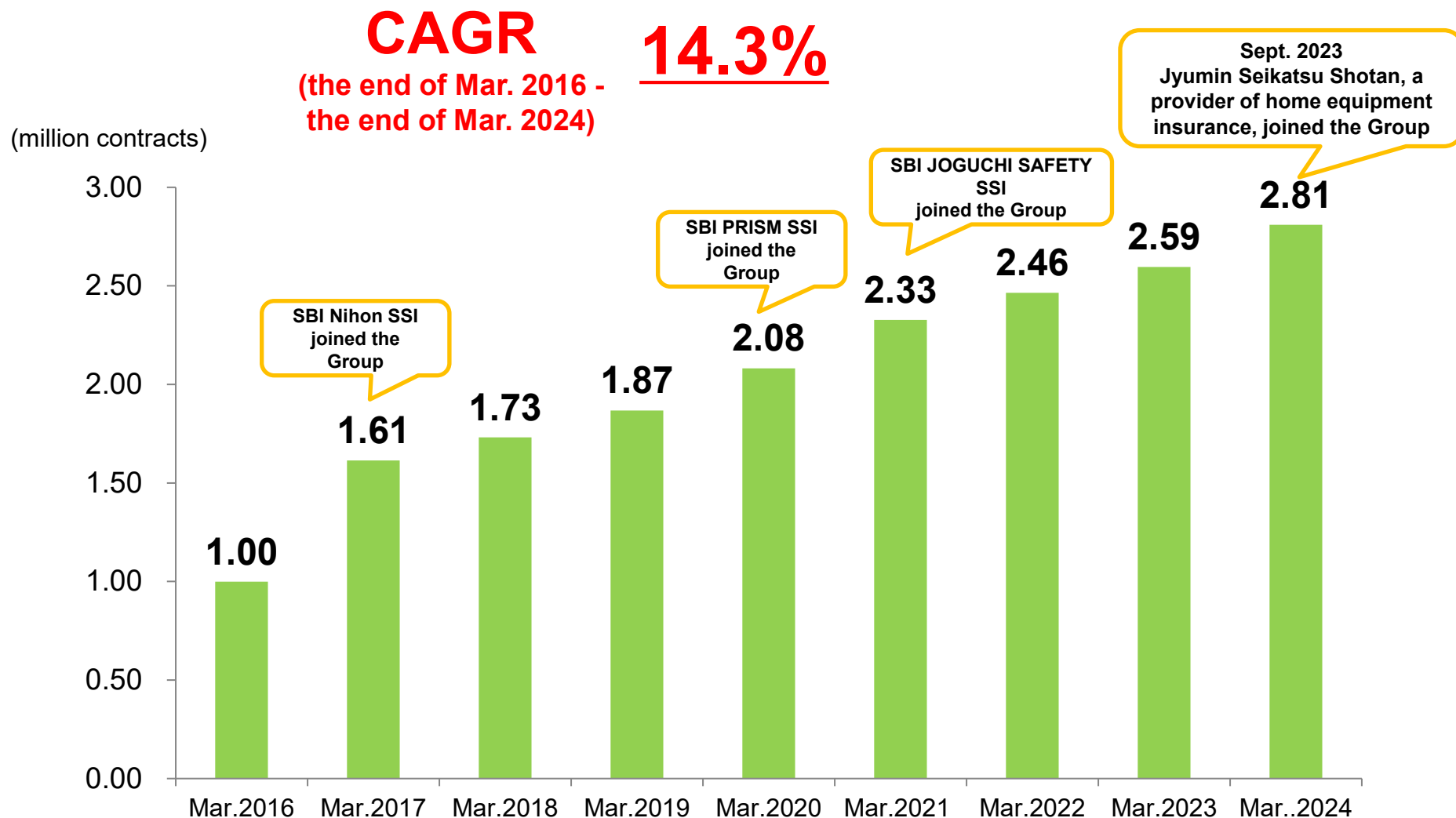
SBI Insurance Group's Consolidated Performance

Consolidated results for FY2023 (J-GAAP)

(Unit: JPY million)

	FY2022 (Apr.2022 – Mar. 2023)	FY2023 (Apr.2023 – Mar. 2024)	YoY % change
Ordinary income	96,110	Record high 109,339	+13.8
Ordinary profit	6,308	Record high 8,236	+30.6
Profit attributable to owners of the Company	1,240	Record high 1,450	+17.0

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), SBI RHEOS HIFUMI, SBI Okasan Asset Management

[Asset Management Business Consolidated Results (IFRS)]

(JPY million)

	FY2022 (Apr. 2022-Mar. 2023)	FY2023 (Apr. 2023-Mar. 2024)	YoY(%)
Revenue	27,966	Record High 29,449	+5.3
Profit Before Income Tax Expense	10,123	4,843	-52.2

[Business highlights]

- The asset management business saw a decline of -52.1% in profit before income tax expense compared to the previous year, **primarily due to the revenue decrease of JPY 8bn resulting from the return of the “Morningstar” brand by SBI Global Asset Management in the fourth quarter of the previous fiscal year.** However, the performance of SBI Okasan Asset Management, which joined the SBI Group in November 2022, contributed to an **overall increase in revenue for the fiscal year, achieving a record high compared to the previous year**
- Rheos Capital Works shifted to a holding company structure with **“SBI RHEOS HIFUMI Co., Ltd.”** as the wholly-owned parent company from April 1, 2024

Consolidated Results of SBI Global Asset Management

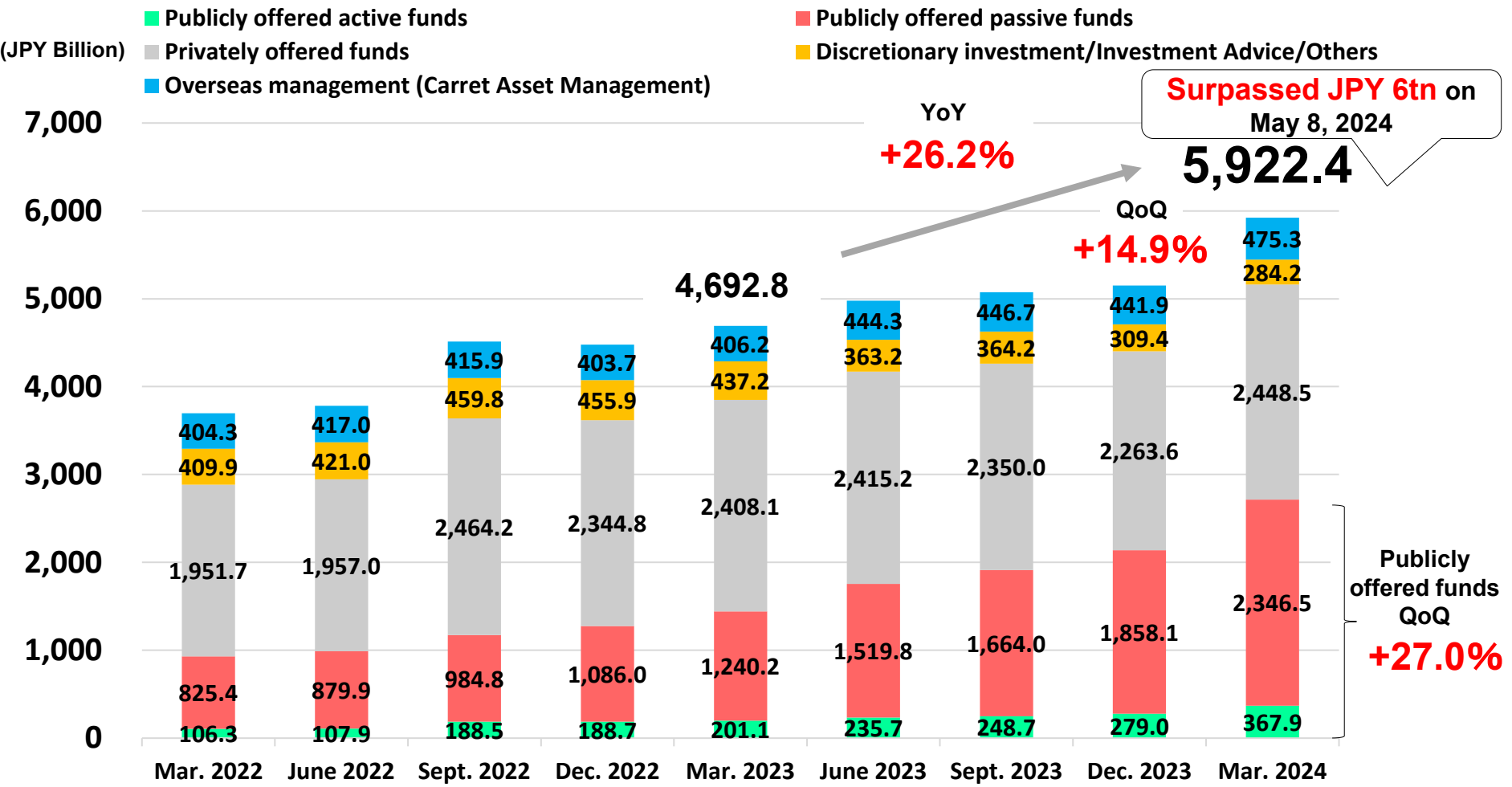
Consolidated Financial Results for the FY2023 (J-GAAP)

(Unit: JPY million)	FY2022 (Apr. 2022-Mar. 2023)	FY2023 (Apr. 2023-Mar. 2024)	YoY(%)/ YoY amount
Net sales	8,747	Record High 10,137	+15.9
Ordinary income	2,458	Record High 2,510	+2.1
Profit attributable to owners of the Company	5,443	1,589	-70.8
Annual dividend	JPY 21	JPY 21.5	+JPY 0.5

- SBI Global Asset Management **achieved record high net sales for five consecutive fiscal years and record high ordinary income for 13 consecutive fiscal years**
- **Net income attributable to owners of parent** decreased approximately 71% due to a JPY 8bn decrease of extraordinary gain resulting from the return of the “Morningstar” brand
- Annual dividend has **increased for 15 consecutive fiscal years**

SBI Global Asset Management Group's Asset Under Management **Surpasses JPY 6tn**

-Steady inflows into publicly offered index funds and low-cost active funds contributed to the significant increase in assets under management-



Financial Results for SBI RHEOS HIFUMI and SBI Okasan Asset Management



Consolidated Results (J-GAAP)

(JPY million)	FY2022 (Apr. 2022-Mar. 2023)	FY2023 (Apr. 2023-Mar. 2024)	YoY(%)
Operating Revenue	9,660	10,309	+6.7
Ordinary Revenue	1,625	1,797	+10.6
Profit Attributable to owners of company	1,087	1,313	+20.8

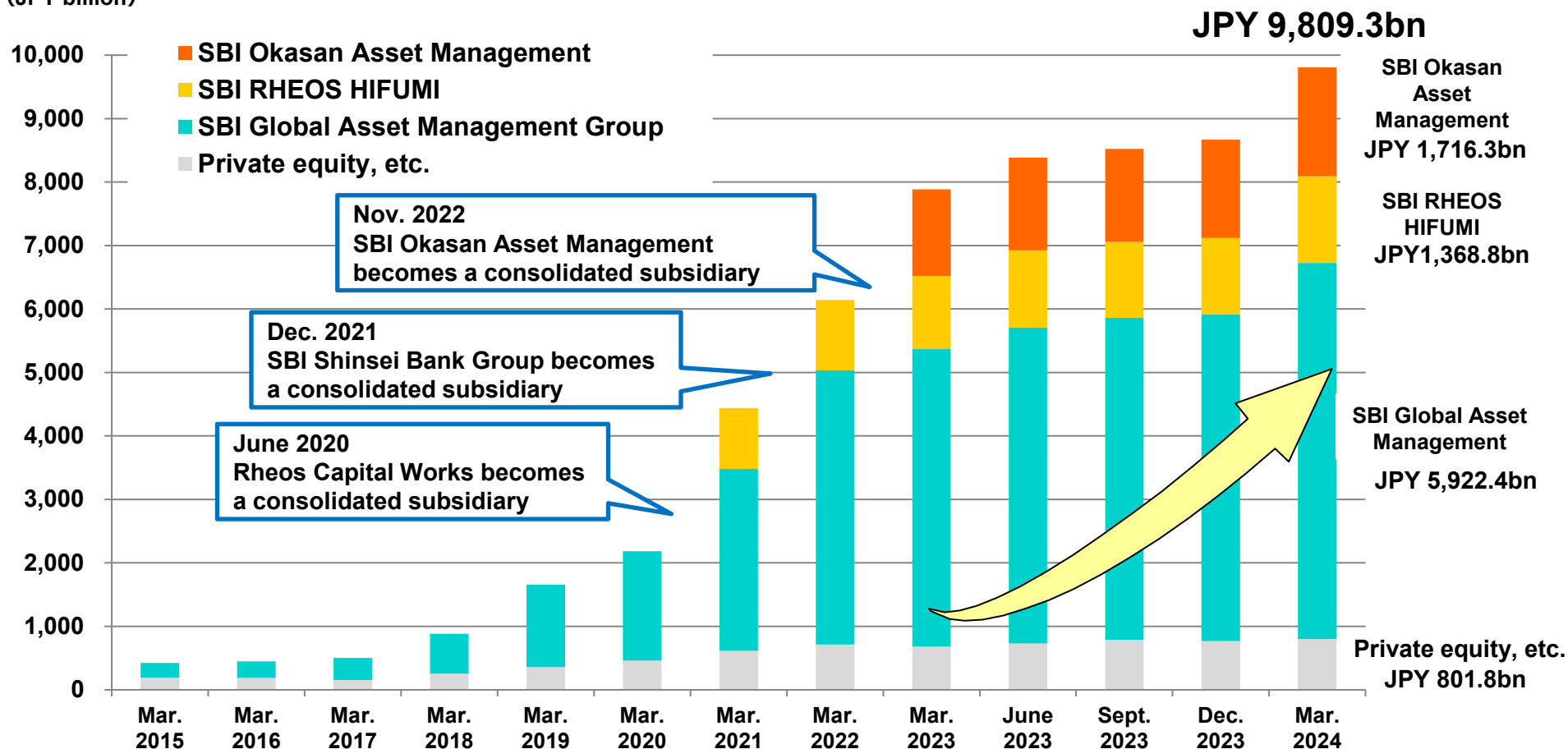


Non-consolidated Results (J-GAAP)

(JPY million)	FY2022 (Apr. 2022-Mar. 2023)	FY2023 (Apr. 2023-Mar. 2024)	YoY(%)
Sales	9,160	10,271	+12.1
Ordinary Revenue	286	944	+230.0
Net profit	224	590	+163.3

SBI Group's Asset Under Management Nears JPY 10tn

(JPY billion)



*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, SBI RHEOS HIFUMI 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

All dates are end of month

3. Investment Business

[Major constituent companies/businesses]

Private Equity Business, SBI Leasing Services

[Investment Business Consolidated Results (IFRS)]

(Unit: JPY million)

	FY2022 (Apr. 2022–Mar. 2023)	FY2023 (Apr. 2023–Mar. 2024)	YoY change (%)
Revenue	36,684	88,353	140.8
Profit before income tax expense	-16,661	-8,288	—
Profit/loss from the change in fair value and profit/loss on sales of investment securities	-14,358	-4,930	—
Listed securities	-32,538	7,929	—
Unlisted securities	18,181	-12,859	—

[Business highlights]

- Gains/losses from changes in fair value and gains/losses on sales improved from the previous year due to the recovery of listed securities, although some unlisted securities had to be written down due to the reversal of the previous year's losses.
- Foreign exchange loss of JPY 7.9bn arising from foreign currency borrowings in silent partnerships operated by SBI Leasing Services

IPOs and M&As of the SBI Group Investee Companies

	Full-year FY2023	Full-year FY2024 forecast
IPO・M&A deals	21	45

During the fiscal year, concluded either IPO or M&A of 21 companies

EXIT Date	Company	Market	EXIT Date	Company	Market
Apr. 12, 2023	ispace, inc.	TSE Growth	Nov. 3, 2023	SANIGEN Co., Ltd	M&A (listed KOSDAQ SPAC)
Apr. 25, 2023	Rheos Capital Works Inc.	TSE Growth	Nov. 7, 2023	SAWNICS Inc	KOSDAQ
Apr. 26, 2023	MICRO2NANO, Inc.	KOSDAQ	Nov. 20, 2023	Winking Studios Limited	Singapore Stock Exchange
May 23, 2023	Pamtek Corporation	KOSDAQ	Dec.8, 2023	17LIVE Group Ltd.	M&A (listed Singapore Stock Exchange SPAC)
June 13, 2023	ABEJA, Inc.	TSE Growth	Dec.12, 2023	Blue innovation Co.,Ltd.	TSE Growth
June 27, 2023	Cuorips Inc.	TSE Growth	Dec.20, 2023	Nyle Inc.	TSE Growth
June 28, 2023	Noile-Immune Biotech Inc.	TSE Growth	Feb.23, 2024	E8IGHT Co., Ltd.	KOSDAQ
Aug. 1, 2023	Pixie Dust Technologies, Inc.	NASDAQ	Mar.21, 2024	Trial Holdings Inc.	TSE Growth
Oct. 4, 2023	kusurinomadoguchi, Inc.	TSE Growth	Mar.27, 2024	Thinca Co.,Ltd.	TSE Growth
Oct. 13, 2023	MoneyHero Limited.	M&A (NASDAQ SPAC)	Mar.27, 2024	Dive Inc.	TSE Growth
Oct. 17, 2023	K Pharma, 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 Mar. 2024)

Private equity, etc. JPY 797.7 bn^(*1) (Excluding JPY 356.6 bn of both cash and commitment amount^(*2) to be paid in)

Breakdown of operating investment securities by Industry	Balance (JPY bn)
Internet/AI/IoT	180.3
Fintech services	113.3
Digital Asset/Blockchain	122.5
Finance	38.0
Biotechnology/Health/Medical	39.1
Environmental/Energy	5.7
Machine/Automobile	21.9
Services	86.9
Retail/Food	3.8
Materials/Chemicals	5.3
Construction/Real estate	1.4
Others	6.0
Equity interests in external and non-consolidated funds	49.4
Total	673.6

Breakdown of operating investment securities by region	Balance (JPY bn)
Japan	295.0
China	7.7
Korea	5.3
Southeast Asia	59.5
India	10.0
U.S.	143.7
Europe	75.2
Others	77.2
Total	673.6

Investment from non-consolidated Group management funds	Balance (JPY bn)
Corporate venture capital (CVC)	28.1
Others (overseas JV fund, etc.)	96.0
Total	124.1

*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 Mar. 2024

*4 Amounts are rounded to the nearest JPY 100m

SBI Leasing Services' Consolidated Performance

FY2023 Consolidated Performance (J-GAAP)

(Unit: JPY million)

	FY2022 (Apr. 2022 - Mar. 2023)	FY2023 (Apr. 2023 - Mar. 2024)	YoY % change
Revenue	39,572	54,146	+36.8
Operating income	4,025	5,310	+31.9
Ordinary income	3,532	4,944	+40.0
Profit attributable to owners of the Company	2,443	3,447	+41.1

- FY2023 results for SBI Leasing Services **achieved increased revenues and profits YoY** due to steady growth in the sales of JOL products
- In accordance with the reorganization of the SBI Group, SBI Leasing Services' business segment will be transferred from the Investment Business to the Financial Services Business from 1Q FY2024

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)

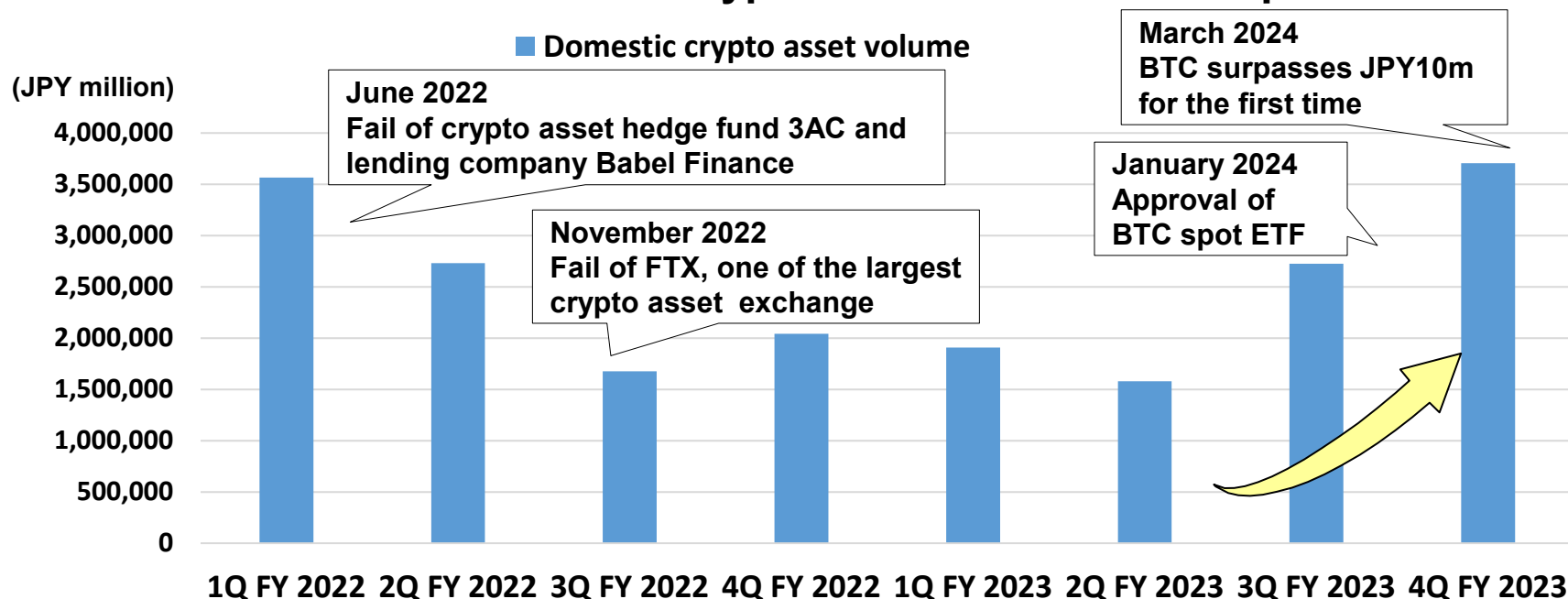
	FY2022 (Apr. 2022-Mar. 2023)	FY2023 (Apr. 2023-Mar. 2024)	YoY(%)
Revenue	30,320	57,142	+88.5
Profit Before Income Tax Expense	-18,429	8,428	-

[Business highlights]

- The approval of a Bitcoin (BTC) spot ETF has caused the BTC price to reach its all-time high. Under such circumstances, B2C2 has made a significant contribution by taking in overseas cryptocurrency trading flows, resulting in a **profit before income tax expense of JPY 8,428m in the Crypto-asset Business**
- Due to the successful implementation of the customer base expansion strategy, the crypto asset exchange business has been able to steadily expand its revenue against the backdrop of a favorable cryptocurrency market situation

Crypto Asset-related Companies' Performance Surges as they Capitalize on Growth in the Crypto Asset Market

Crypto Asset Trading Volume*1 and Performance of the Crypto-asset Business in Japan



(JPY million)

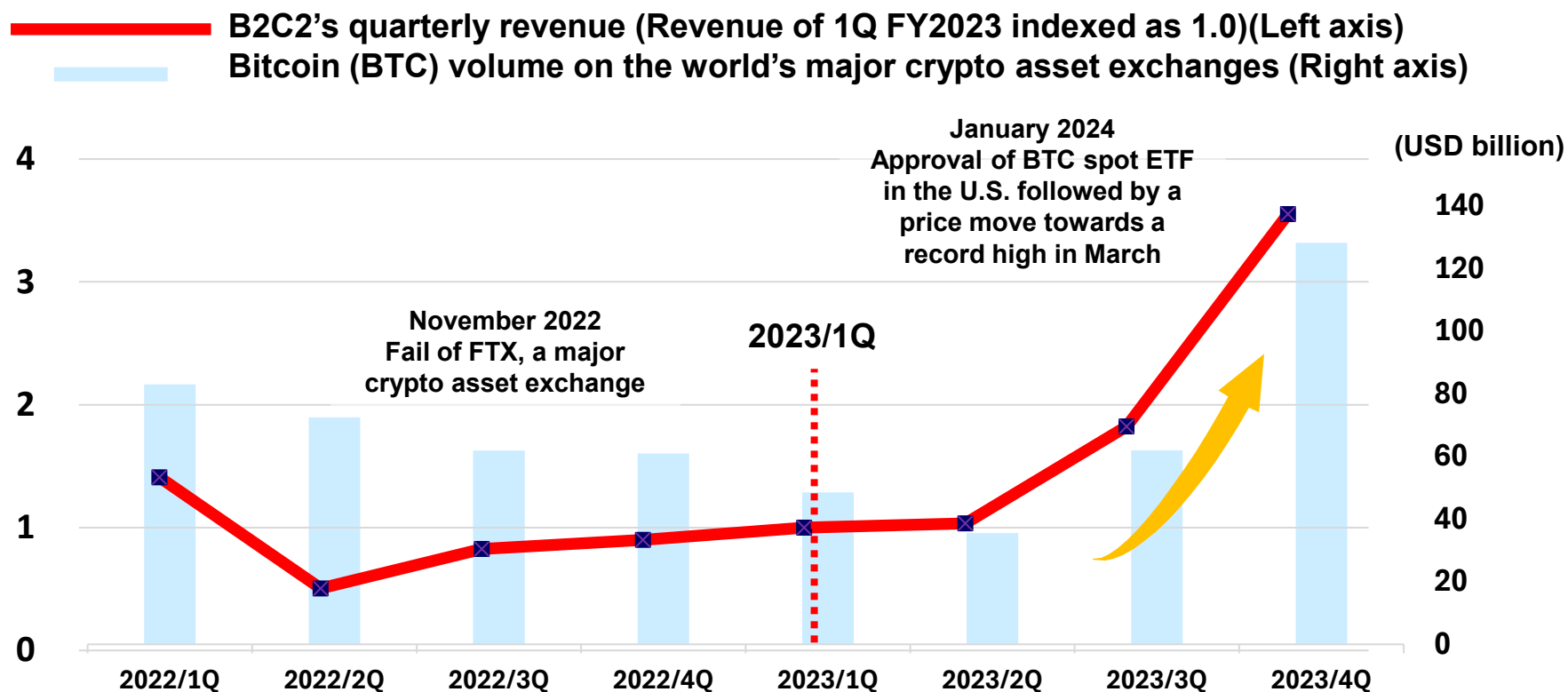
SBI Group's Crypto - asset Business	1Q FY 2022	2Q FY 2022	3Q FY 2022	4Q FY 2022	1Q FY 2023	2Q FY 2023	3Q FY 2023	4Q FY 2023
Profit before income tax expense	-9,688	-3,094	-4,542	-1,106	498	176	1,368	6,386
[Reference] Monex Group's Crypto asset business	1Q FY 2022	2Q FY 2022	3Q FY 2022	4Q FY 2022	1Q FY 2023	2Q FY 2023	3Q FY 2023	4Q FY 2023
quarterly profit before income tax*2	415	-391	-748	-152	-396	-160	589	2,805

*1 Data from Japan Virtual and Crypto assets Exchange Association

*2 Based on disclosure materials from Monex Group

B2C2, One of the Largest Crypto Asset Market Makers in the World has Realized Large Increase in Revenue

B2C2 Revenue and Bitcoin (BTC) Volume on the World's Major Crypto Asset Exchanges



*Compiled by the Company based on data from data.bitcoinity.org. Includes Coinbase, OKCoin, Huobi, etc.

Achieved significant revenue growth by focusing on expansion of blue-chip client base and product enhancement, and tightening credit risk (exposure) management

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)

	FY2022 (Apr. 2022 – Mar. 2023)	FY2023 (Apr. 2023 – Mar. 2024)	YoY % change
Revenue	26,238	26,637	+1.5
Profit before Income Tax Expense	-3,253	-4,952	—

[Business highlights]

In the Biotechnology, Healthcare & Medical Informatics businesses, 5-ALA-related business recorded extraordinary loss due to revaluation of raw material inventory for health food business

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

(JPY million)

	FY2022 (Apr. 2022 – Mar. 2023)	FY2023 (Apr. 2023 – Mar. 2024)
SBI Biotech	-205	-271
5-ALA-related business*	-929	-1,977
SBI Pharmaceuticals	-1,245	-2,919
SBI ALApromo	195	55
Overseas Subsidiaries	121	887

* 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**, overseas subsidiaries recorded an extraordinary gain of approximately JPY 1.0bn by concluded a review of business acquisition agreements concluded, while **SBI Pharmaceuticals** recorded an extraordinary loss of approximately JPY 1.8bn due to the revaluation of raw material inventory held by for use in the health food business by 5-ALA related companies in Japan and overseas
- 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 own-brand products such as supplements and drinks. Even though Profits decreased due to the factors such as the impact of higher raw material prices and IPO-related expenses there was a significant improvement in raw material prices
- SBI ALApromo is preparing for listing in FY2025**

II. The SBI Group's dramatic growth will be achieved through business operations that maximize the organizational advantages of its business ecosystem

- 1. Positive effects of ZERO Revolution by SBI SECURITIES**
- 2. The Results of Synergy between SBI Shinsei Bank and the SBI Group**
- 3. Generating mutual synergy among the expanding business ecosystem, introducing new products, service and the way of marketing**
- 4. Restructuring the business portfolio to adapt changing business environment in the future**

1. Positive effects of ZERO Revolution by SBI SECURITIES

- (1) The main factors contributing to an increase in revenue while covering lost revenue of JPY 15.8bn in the second half of FY2023 in the consolidated results of SBI SECURITIES**
- (2) Positive effects has rippled through the financial business ecosystem in terms of an expanded customer base and increased market share**

(1) The main factors contributing to an increase revenue while covering lost revenue of JPY 15.8bn in the second half of FY2023 in the consolidated results of SBI SECURITIES

- ① Measures which SBI SECURITIES has taken to diversify revenue streams for over four years offset the decline in revenue due to ZERO Revolution**
- ② Further increase in revenue by acquiring new customer segment and offering new products and services**

① Measures which SBI SECURITIES has taken to diversify revenue streams for over four years offset the decline in revenue due to ZERO Revolution

Estimated Loss of JPY 15.8bn in Operating Profit in FY2023 at SBI SECURITIES due to the ZERO Revolution

【FY2023 results】

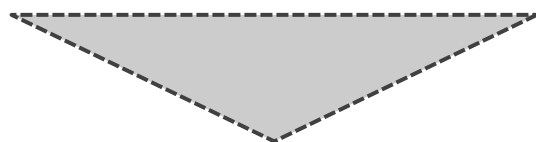
(Unit: JPY million)

	1Q	2Q	3Q	4Q	Full year
Operating revenue	51,050	51,040	49,643	51,664	203,399
YoY	+ 33.9%	+ 19.5%	+ 8.5%	+ 6.6%	+ 16.2%
Operating income	18,399	18,645	16,122	15,518	68,686
YoY	+ 51.3%	+ 31.4%	-9.3%	-13.8%	+ 10.6%

Online commissions	6,400	5,978	7,156	10,136	29,671
Basis *1	1.16	1.05	1.11	1.11	1.11
Trading value (JPY trillion) *2	55.0	56.7	64.6	91.4	2,676.7

Commission income from customers not subject to ZERO Revolution included in operating revenue

638	823
-----	-----



【Loss in operating profit】

Online commissions	+17,293
Commissions from customers Who does not apply Zero Revolution	-1,461
	+15,832

【FY2023 results after reflecting lost revenue】

	1Q	2Q	3Q	4Q	Full year
Operating revenue	51,050	51,040	56,161	60,977	219,230
YoY	+ 33.9%	+ 19.5%	+ 22.8%	+ 25.8%	+ 25.2%
Operating income	18,399	18,645	22,640	24,832	84,518
YoY	+ 51.3%	+ 31.4%	+ 27.3%	+ 38.0%	+ 36.0%

*1 basis for 3Q and 4Q are estimated using the average basis of the first half of FY 2023, *2 Rounded to the nearest 10 billion

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

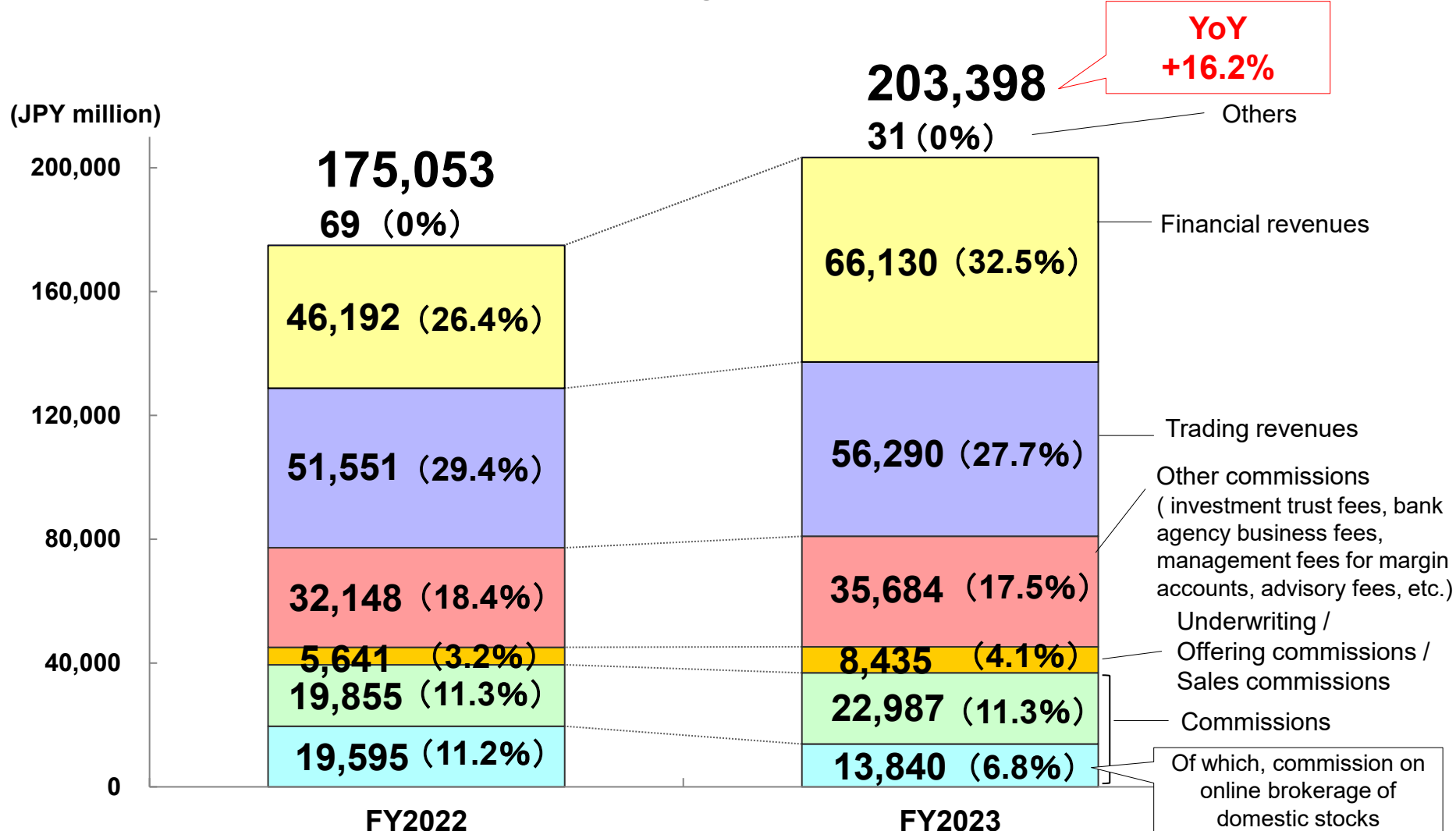
(JPY million)

		Operating profit	Ordinary profit	Profit attributable to owners of the Company
1	Nomura Securities (non-consolidated)	148,901	148,771	104,306
2	Daiwa Securities (non-consolidated)	84,034	86,369	57,186
3	Mitsubishi UFJ Morgan Stanley Securities (Non-consolidated)	69,357	71,860	54,499
4	SBI SECURITIES (Consolidated)	68,686	69,553	47,381
5	Mizuho Securities (Non-consolidated)	43,054	42,304	60,952
6	Rakuten Securities *1 (Consolidated)	29,619	29,386	18,360
7	SMBC Nikko Securities (Non-consolidated)	24,630	36,158	26,832
8	OKASAN SECURITIES GROUP (Consolidated)	16,111	18,061	13,167
9	Tokai Tokyo Financial Holdings (Consolidated)	15,304	18,397	10,189
10	Matsui Securities (Non-consolidated)	15,165	15,054	9,790
11	GMO Financial Holdings*1 (Consolidated)	15,028	14,412	8,191
12	Monex Group *2 (Consolidated)	12,149	47,170	31,293
13	IwaiCosmo Holdings (Consolidated)	7,600	8,003	5,544
14	au Kabucom Securities (Non-consolidated)	4,869	4,864	2,609
15	Marusan Securities (Consolidated)	3,694	4,187	2,925
16	Kyokuto Securities (Consolidated)	2,951	3,706	4,341
17	Ichiyoshi Securities (Consolidated)	2,803	2,875	1,929
18	Mito Securities (Consolidated)	2,391	2,803	2,336
19	AIZAWA SECURITIES GROUP (Consolidated)	1,159	1,941	2,975
20	TOYO SECURITIES (Consolidated)	1,153	1,437	1,305

*1 Fiscal year of Rakuten Securities and GMO Financial Holdings ends in Dec., so figures for the period from Apr. 2023 to Mar. 2024 are used *2 Monex Group is under IFRS, with operating profit using values equivalent value and ordinary profit using values equivalent to profit before tax expenses. Its ordinary profit (profit before tax expenses) and profit attributable to owners of the Company include the sum of the gain on sales and a valuation gain from the application of the equity method of shares in Docomo Monex Holdings: JPY 34,553m *3 Companies with operating income of 1,000 million yen or more are listed in descending order of value.*4 Complied by SBI Holdings from the information on websites of each company

SBI SECURITIES Achieved YoY Increase in Revenue Despite Losing JPY 15.8 Billion (estimated) in Revenue due to ZERO Revolution

<SBI SECURITIES' Consolidated Operating Revenue (Net Sales) Structure for FY2023>



(Based on J-GAAP)

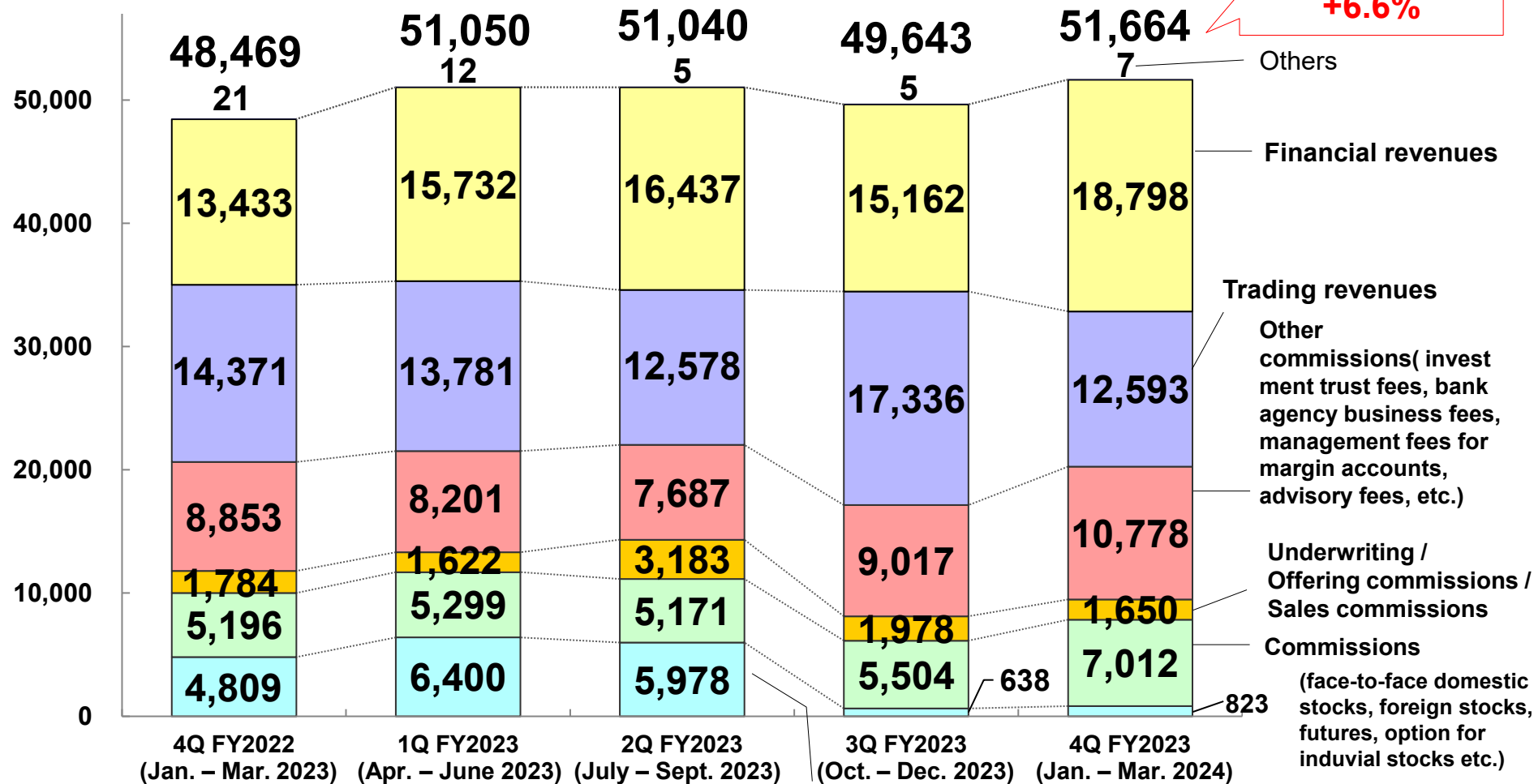
SBI SECURITIES' Revenue in 4Q FY2023 are Higher than its Revenue in 2Q FY2023 before the start of ZERO Revolution

-The result of ZERO Revolution has clearly appeared -

<Comparison of Quarterly Consolidated Operating Revenue (net sales) Before and After the Starts of ZERO Revolution>

YoY
+6.6%

(JPY million)



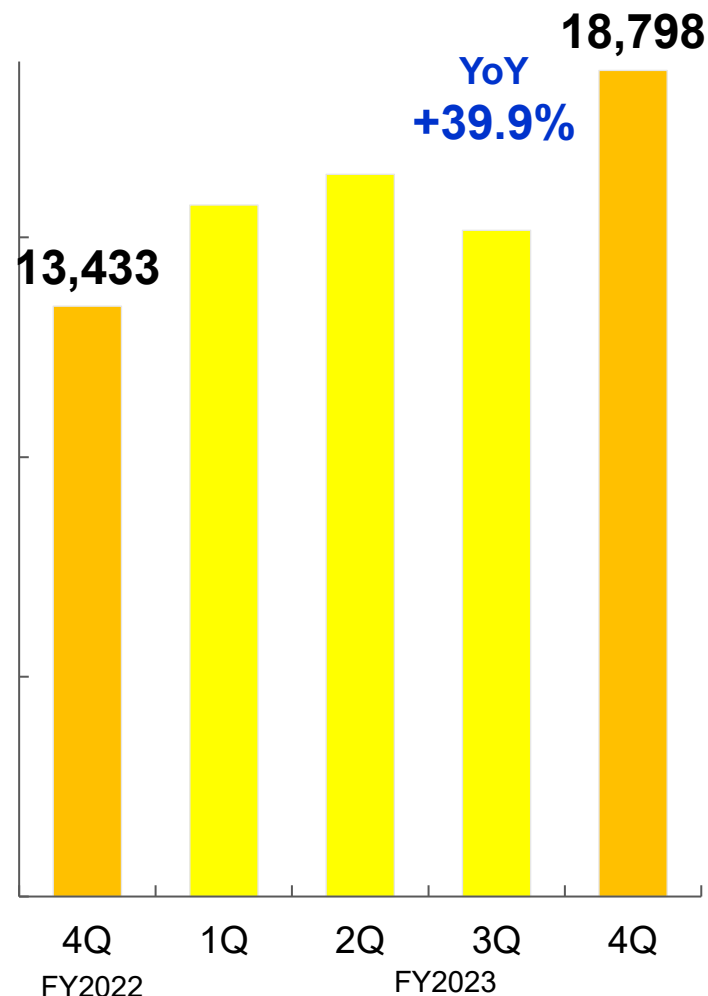
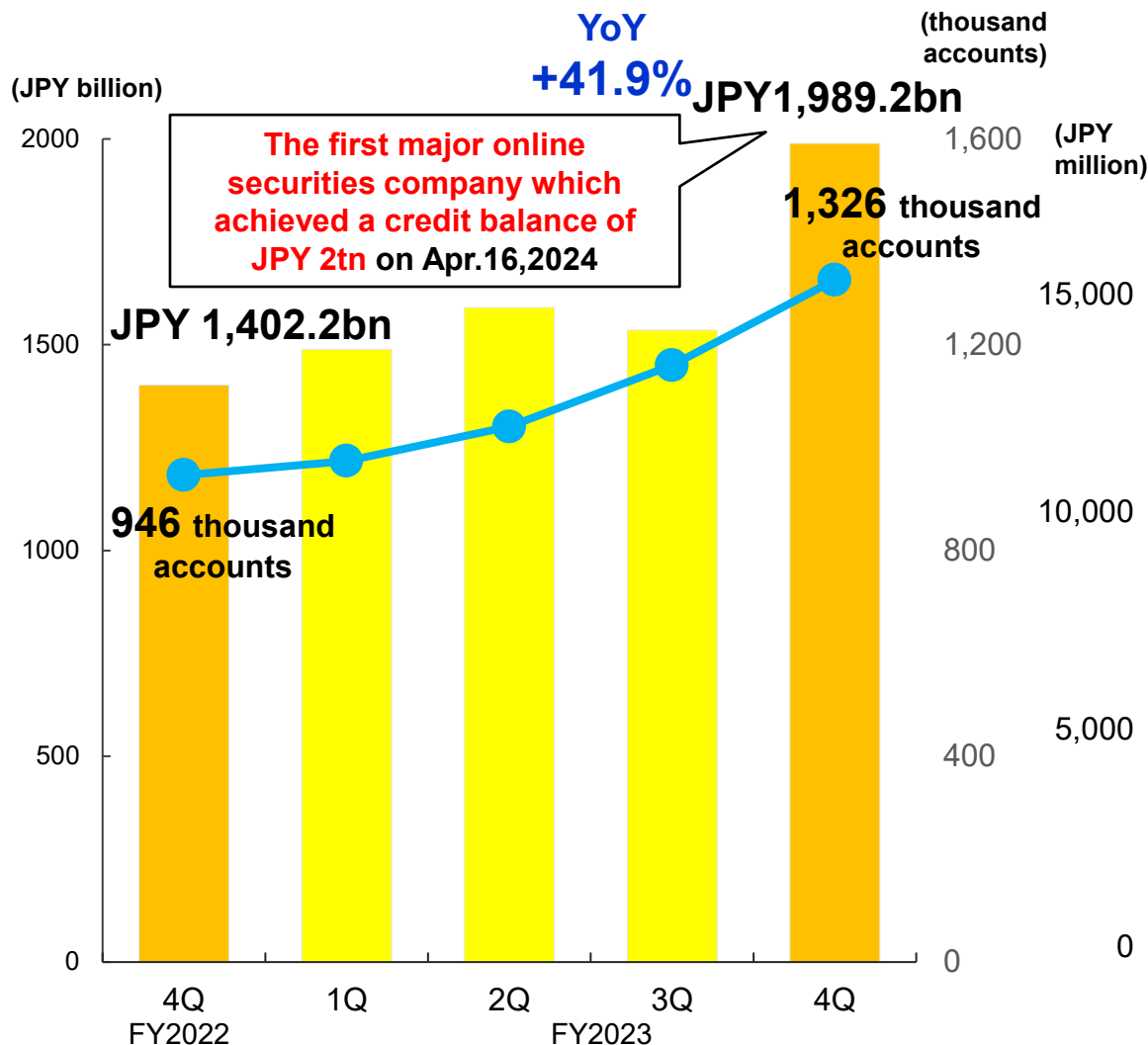
(Based on J-GAAP)

Of which, commission on online brokerage of domestic stocks
(Only brokerage commissions from clients not subject to the Zero Revolution from 3Q FY2024 onward)

Margin Trading Open Interest Credit Balance and Financial Revenue Achieved Record Highs

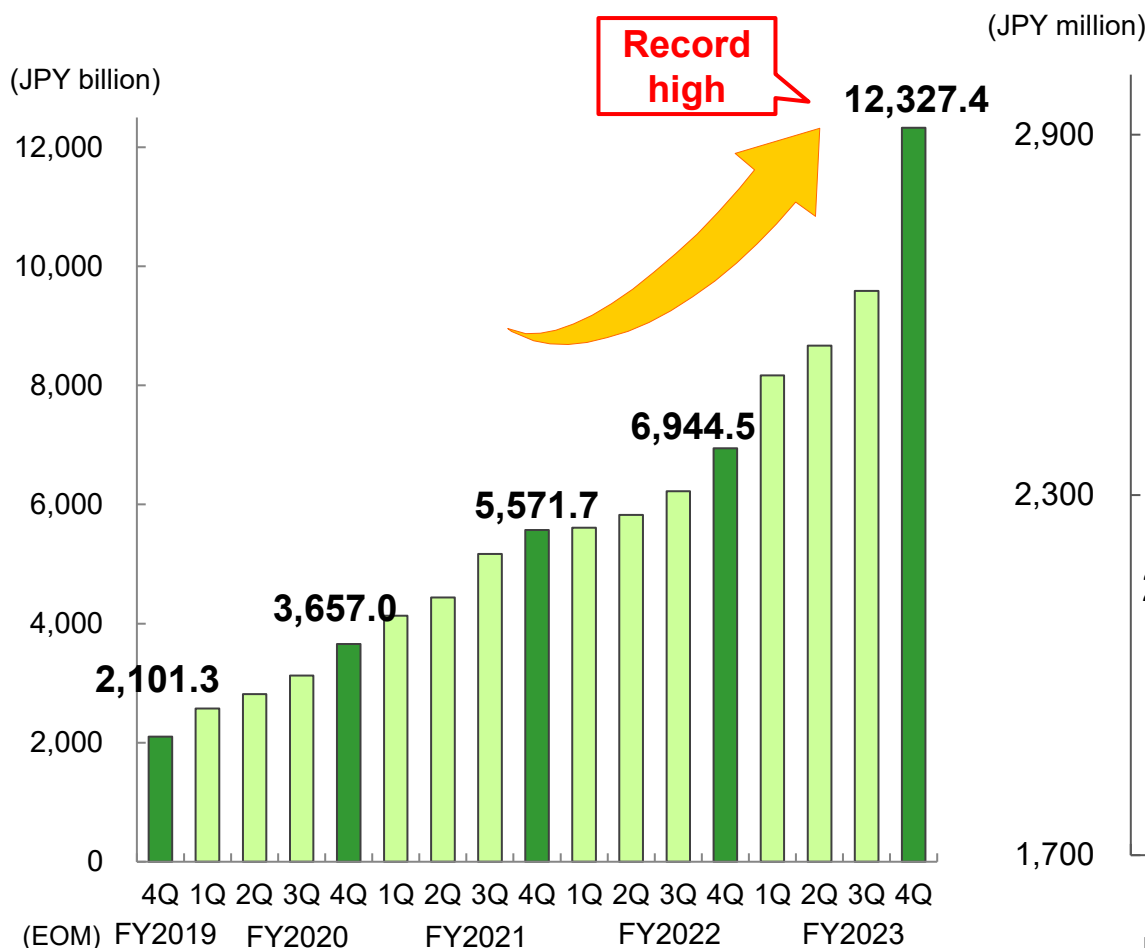
<Trend of Open Interest Credit Balance (EOM)
and Number of Margin Accounts>

<Trend of Financial Revenue>

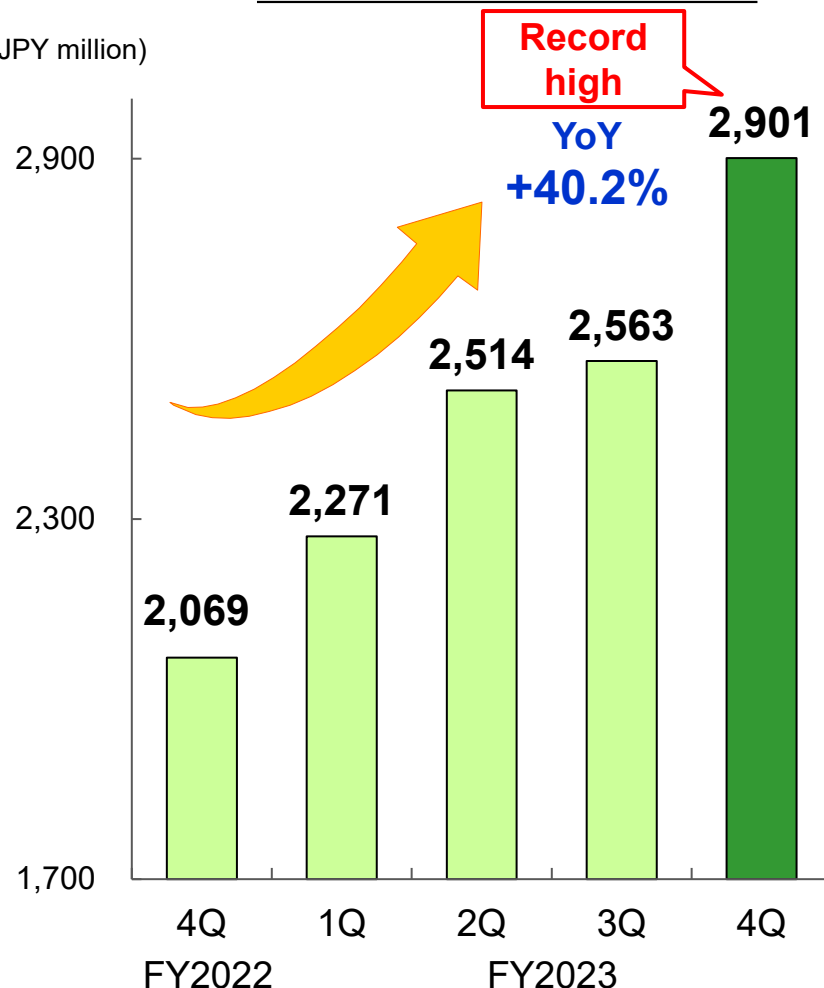


Investment Trust Balance and Investment Trust Fees has Steadily Increased and Achieved Record Highs

<Investment Trust Balance>*



<Investment Trust Fees>



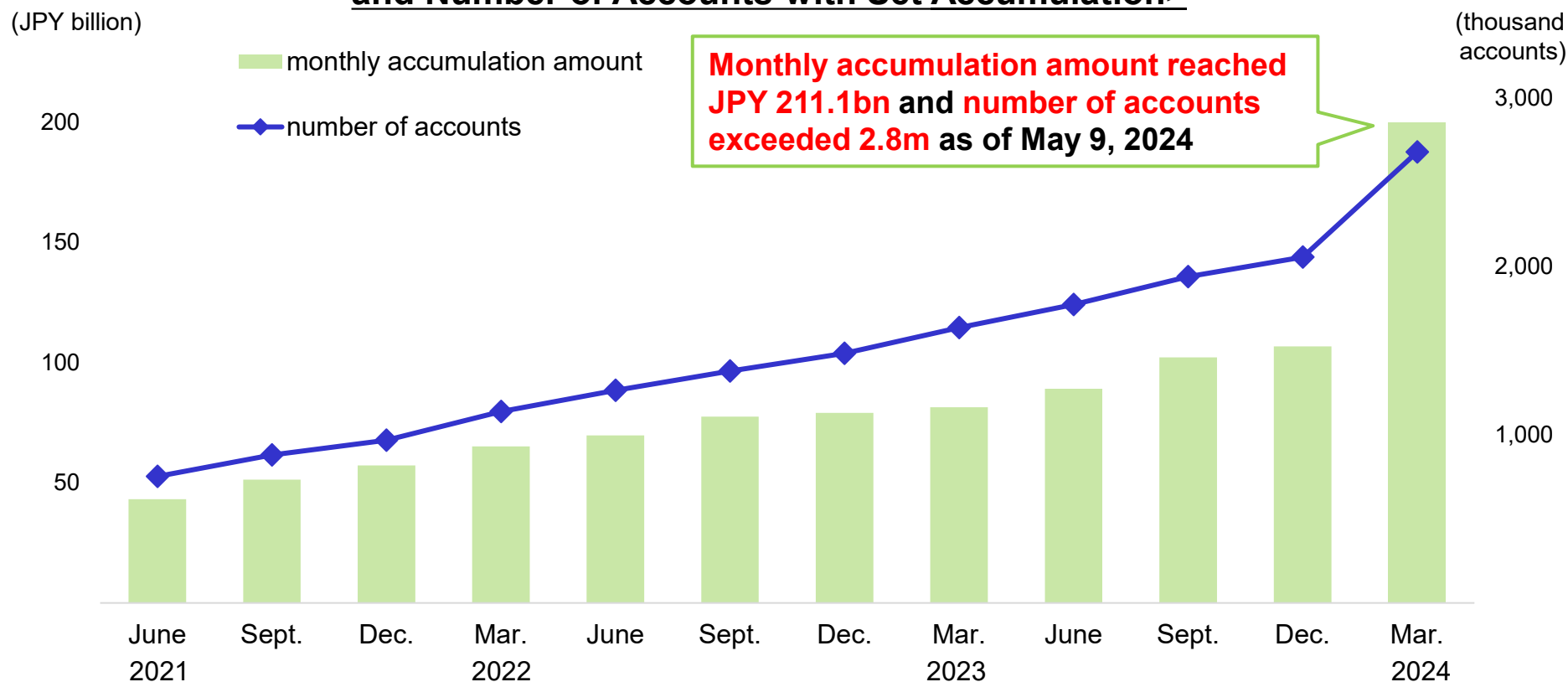
*Figures for balance of investment trusts includes domestic and overseas ETFs and foreign currency-denominated MMFs

The Demand for Investment Trust is Expected to Further Expand Among the Trend “from Savings to Investment”

Due to the spread of individual investors as a result of the ZERO Revolution and new NISA, the monthly accumulation amount of investment trust has steadily exceeded and **reached JPY 211.1bn** as of May 9, 2024

Annual accumulation amount is expected to exceed JPY 2.5tn for FY2024

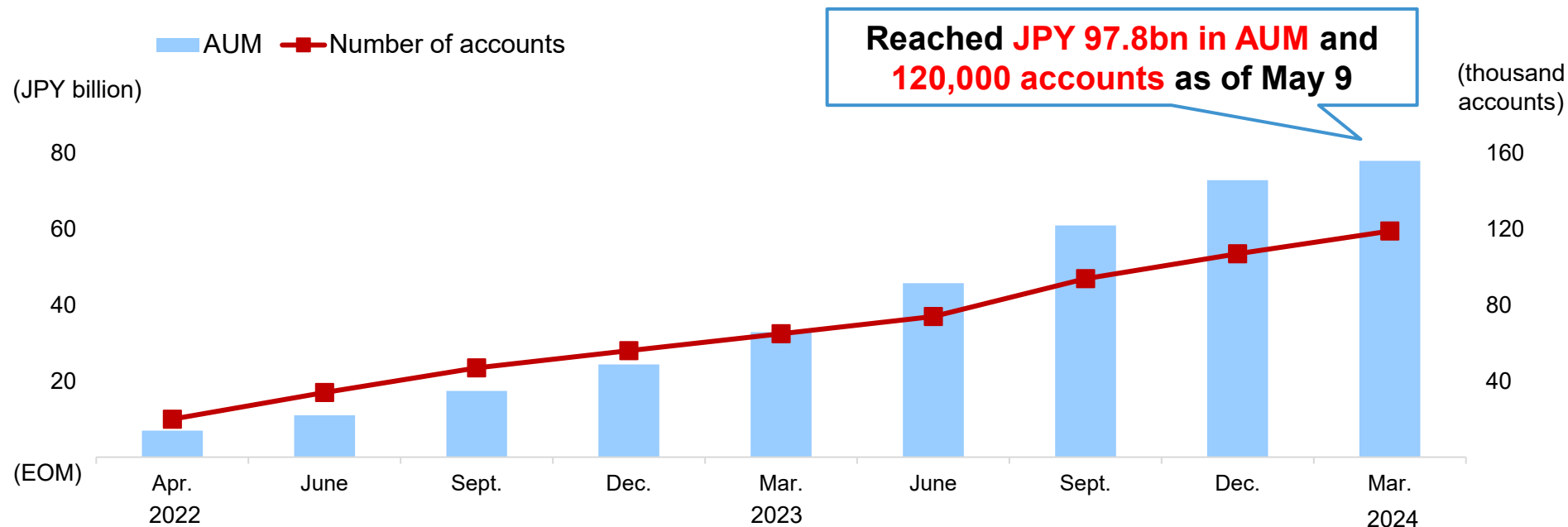
<Trend of Accumulation Amount and Number of Accounts with Set Accumulation>



“SBI Wrap,” a Fully Automated Discretionary Investment Service, Has Surpassed JPY 97.8bn in AUM and 120,000 Applications in Just Over Two Years Since the Service Launch

- SBI SECURITIES and FOLIO jointly developed “**SBI Wrap**” service using “4RAP”, a discretionary investment management system platform provided by FOLIO, starting Mar. 31, 2022
- Began offering “**SBI Wrap × SBI Shinsei Bank**” from Oct. 2022 for face-to-face branches of SBI Shinsei Bank. AUM reached **approximately JPY 42.9bn** in about one year and half (as of May 9, 2024)
- “**SBI Wrap Master Course**” launched in July 2023, in which Nomura Asset Management provides investment advice, got off to a good start with AUM of over JPY 3bn as the end of Oct. 2023. The face-to-face channel “**SBI Wrap x TOUSHIN SOUDAN PLAZA**” has also been opened to meet diversifying needs

<Number of accounts and AUM for SBI Wrap>

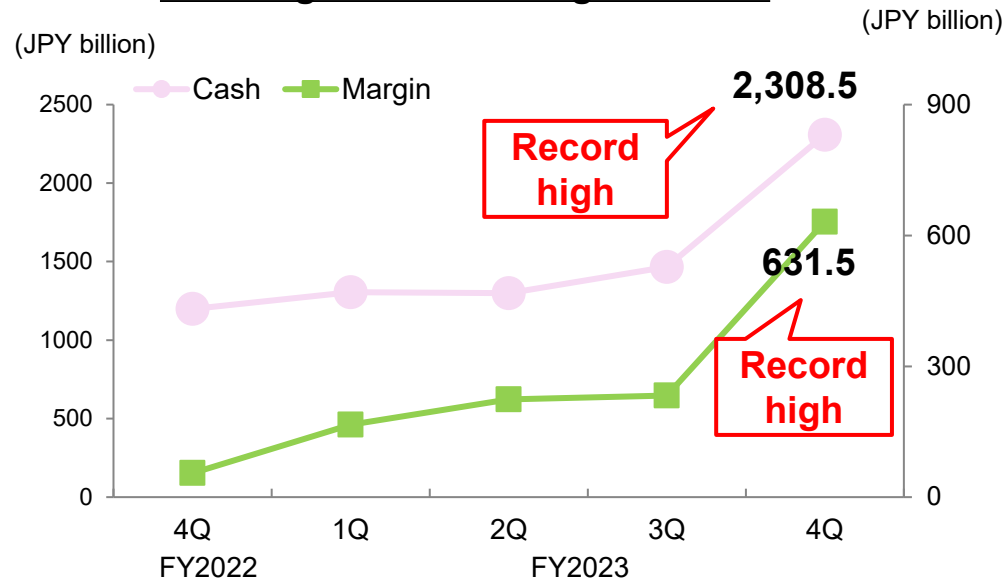


Revenue from Foreign Stocks Reached a Record High

<Foreign Stocks (including foreign ETFs)>

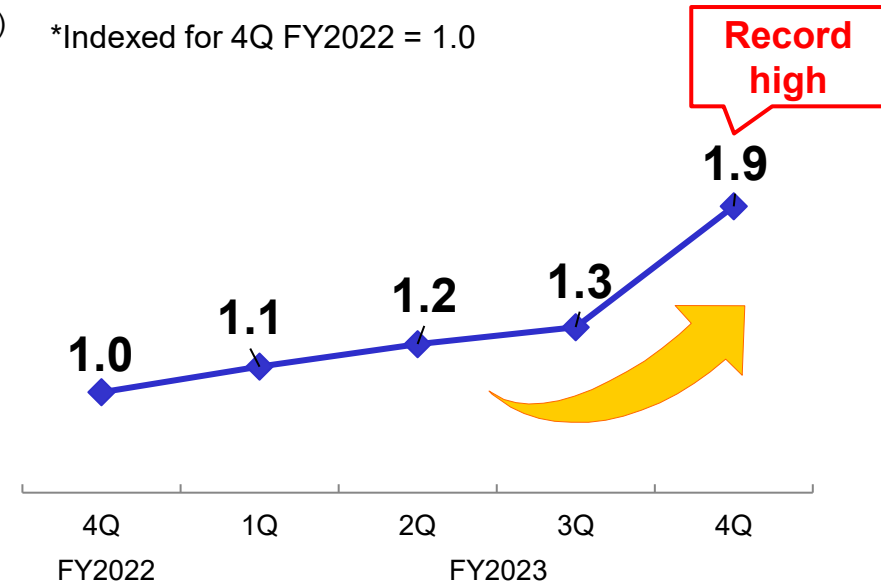
- Handles stocks from China, Korea, Russia, Vietnam, Indonesia, Singapore, Thailand, and Malaysia, in addition to **5,400 U.S. stocks which is the Industry-leading level**
- Released “**Real-time U.S. Stock Prices**,” which allows all customers with foreign stock accounts to view U.S. stock prices and 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 cooperate to foreign currency deposits of SBI Shinsei Bank and SBI Sumishin Net Bank**
- In addition to the new NISA which started from Jan.1, 2024, **ZERO Revolution part three announced on December 1, 2023, which eliminated real-time USD/JPY exchange fees**, further **boosted the number of customers who debuted purchasing U.S. stocks**

<Trading Value of Foreign Stocks>



<Revenue from Foreign Stocks>

*Indexed for 4Q FY2022 = 1.0

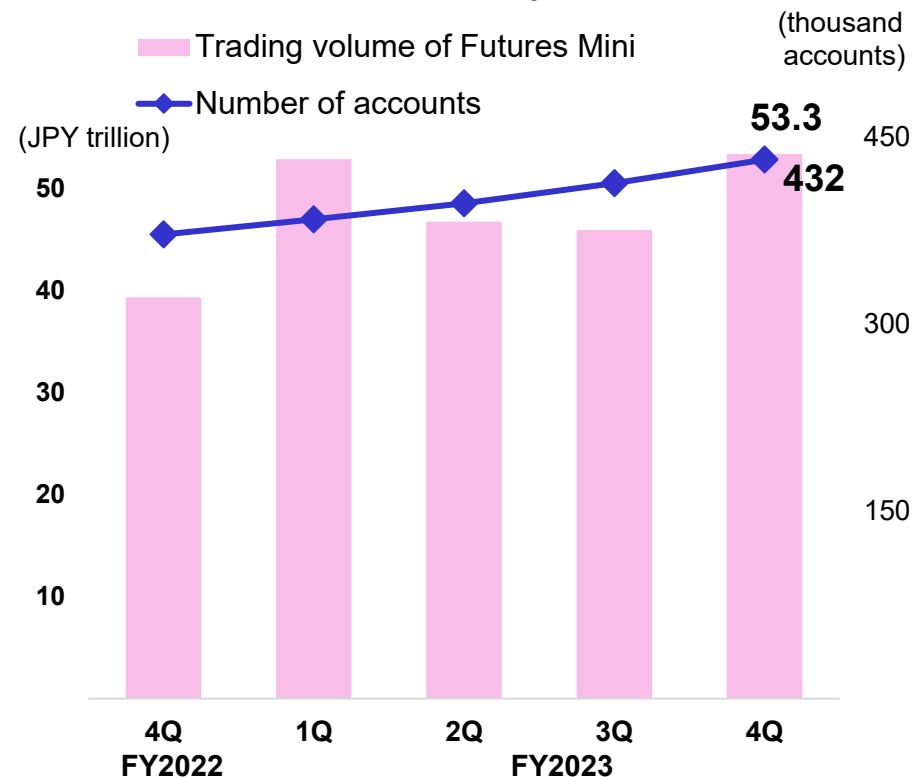


The Service Environment for **Futures and Options** and **Individual Stock Option** Has also Expanded

[Futures・options trading]

- Futures and options trading including content targeted to new customers for the number of accounts has grown steadily, surpassing 430,000 accounts as of the end of March 2024

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



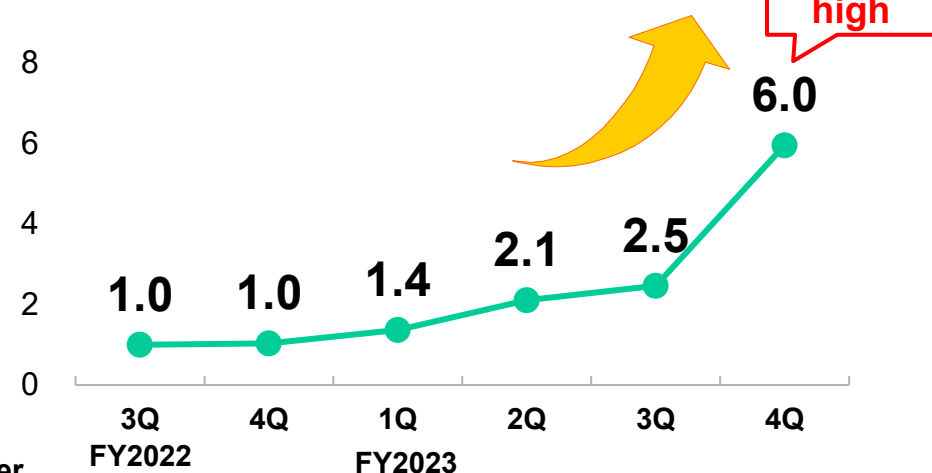
*Number of accounts is as the end of the quarter

[Individual stock options trading]

- Individual stock options trading are offered in a structure buy and sell stocks at targeted prices without leverages and commissions, receiving a guaranteed cash (premium) payment (since Sept. 2022), which makes it easy for individual investors
- 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)

<Trend in Trading Value>

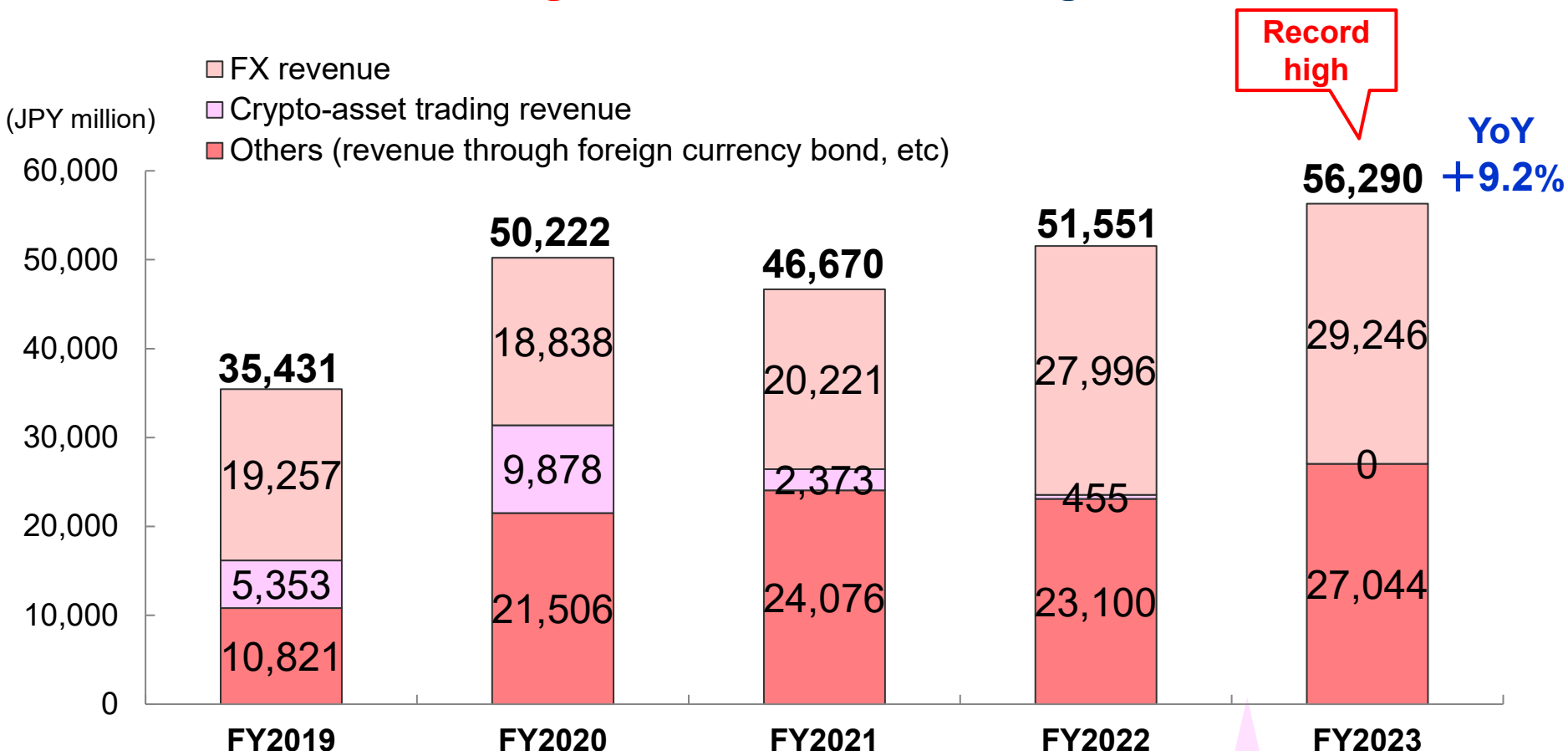
* Indexed with the figure for 3Q FY2022 as 1.0



Record high

Trend of Trading Revenue at SBI SECURITIES (consolidated)

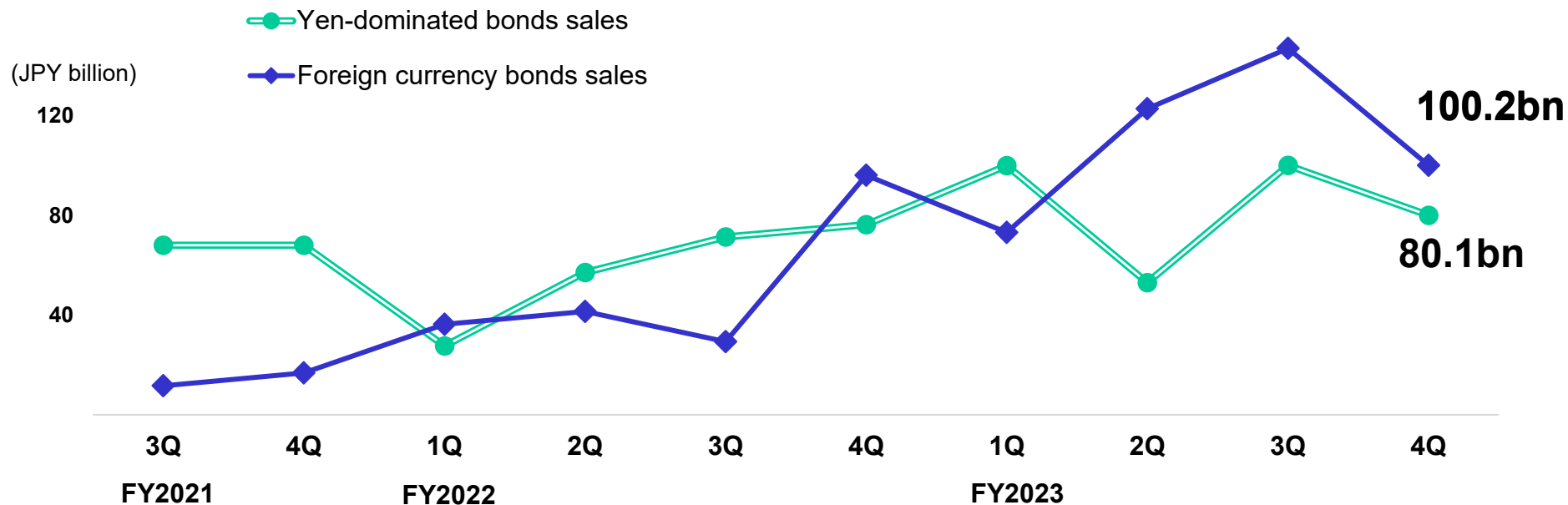
-FX revenue and foreign bond sales made a significant contribution-



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

Sales of Foreign Currency Bonds Remained at a High Level

<Trend of Quarterly Sales of Foreign Bonds>



- ✓ Higher US interest rates led to **50% YoY increase in debuted bond accounts in FY2023**
- ✓ Expanding services including a **Bond Simulation** (from Apr. 1, 2024) that estimates required amounts for purchasing foreign currency-denominated bonds, expected return in light of acquisition value, and forex breakeven points

② Further increase revenue by acquiring new customer segment and offering new products and services

SBI SECURITIES Strengthens its Wealth Management Business Initiatives

Expansion of customer base resulted in more diverse customer needs

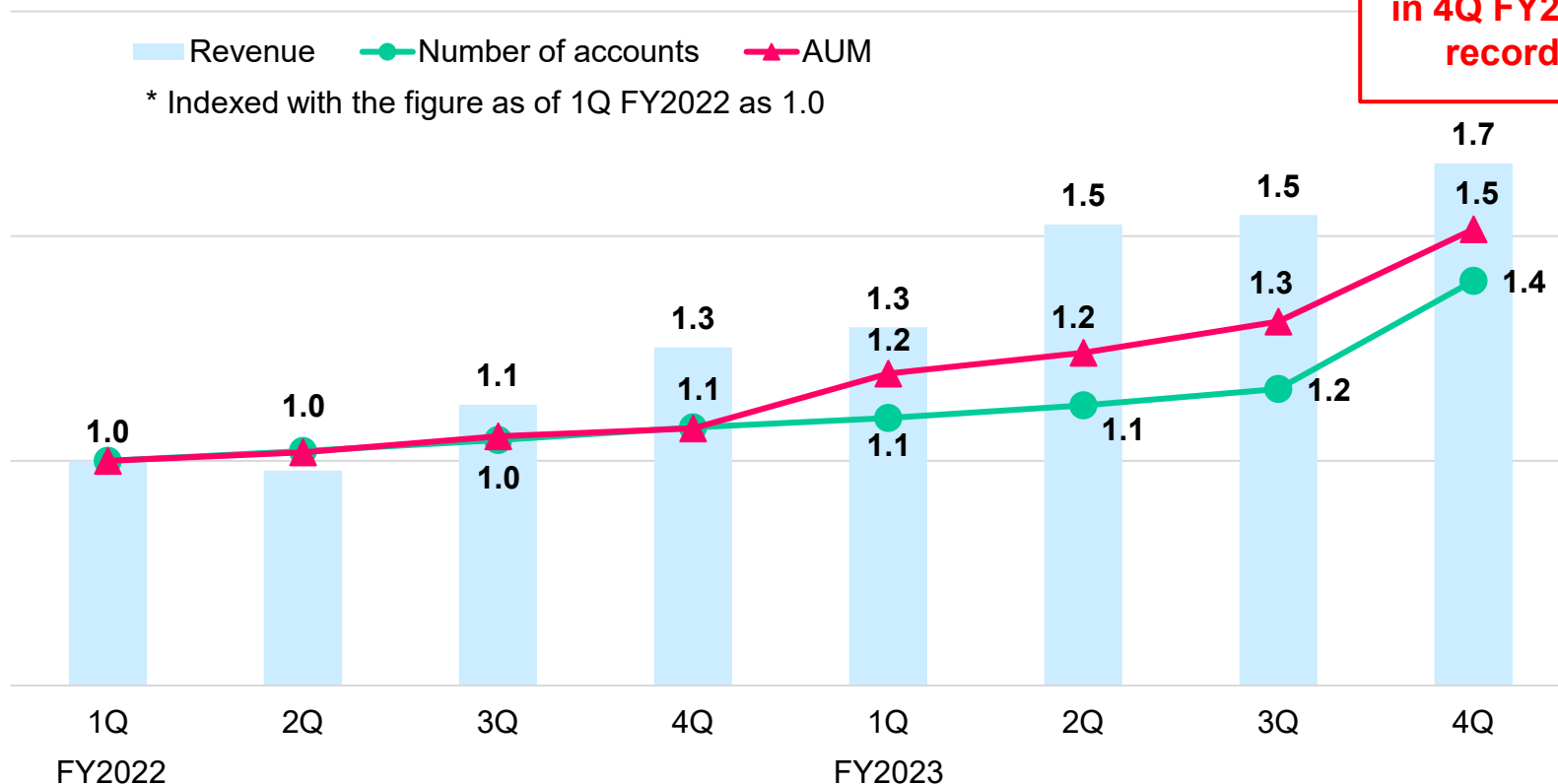
- High net sales customers **with over JPY 100m in assets under management grew 90% in the year before and after the Zero Revolution (Mar. 2023 to Mar. 2024).** Those **with over JPY 500m grew 75%**
- **Ratio from large-lot trades is up, even for open interest credit balance in margin transactions**
- Even in **domestic stocks (spot and margin), super-large-lot (JPY 30bn) to medium-lot (JPY 0.1bn) trades have increased greatly around the Zero Revolution, and now account for approx. 75% of the monthly execution value for domestic stock trades (as of Feb. 2024)**



- **Wealth management business department** was established, and integrated operations from sales to operational management for corporate and affluent customers

Strengthening the IFA Business

- ◆ IFA Course were launched in Aug. 2009 to meet the needs for “trusted advisers to consult on asset management”
- ◆ Seminars are held on regularly, in addition to consultation by visiting the customers and on telephone



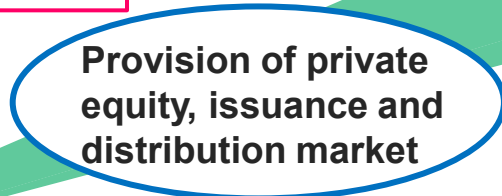
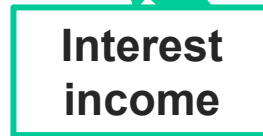
Further Strengthen the Consistent IPO Underwriting System by Utilizing Functions within the Group

-Collaboration with SBI Shinsei Bank Group enables flexible support in terms of both equity and debt in line with the growth phase of the investee companies-

Venture capital



Supporting the growth of venture businesses
(22 investee companies conducted IPOs and M&As in FY2023)



Underwriting

Offer / Sales

Newly listed stocks



Investors

SBI Investment portfolio companies: 1,241
(as of the end of Mar. 2024)



SBI SECURITIES undertook 132 IPOs among portfolio companies of SBI Investment
(Feb. 2001 – Mar. 2024)

SBI SECURITIES Has Been Maintaining the Highest IPO Underwriting Share in the Industry Since FY2012

-Steady growth in POs and corporate bond underwriting-

IPO Underwriting Ranking (Apr. 2023 – Mar. 2024)

99 companies were listed during the period

Company name	Number of cases	Underwriting share (%)
SBI	90	90.9
Matsui	67	67.7
Rakuten	62	62.6
SMBC Nikko	62	62.6
Monex	56	56.6
Okasan	50	50.5
Mizuho	47	47.5
Nomura	41	41.4
Daiwa	41	41.4
IwaiCosmo	40	40.4

- Between Apr. 2023 and Mar. 2024, **SBI SECURITIES underwrote 21 companies as leader manager (record high)**

PO underwriting business

SBI SECURITIES underwrote for **19 POs** during FY2023



Will continue to strengthen the PO underwriting business and focus on acquiring lead underwriting mandates

Corporate bond underwriting business

SBI SECURITIES **underwrote 45 corporate bonds** during FY2023 including Tokyo Electric Power Company bond



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

* The data was compiled by SBI Holdings, based on each company's published information

Strengthening M&A Business targeting SMEs



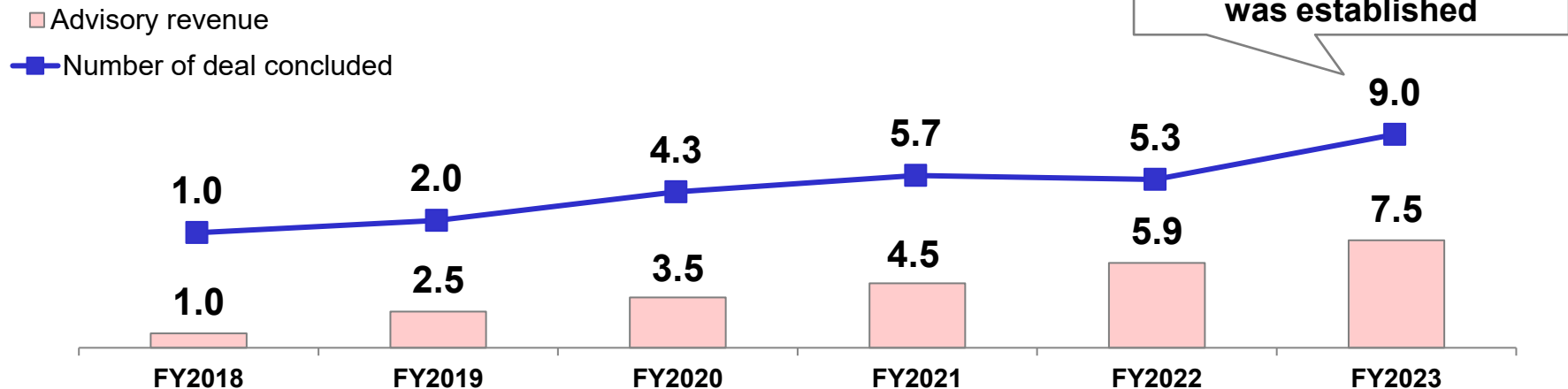
M&A Advisory Division

- Provides advice on acquisitions, sales, management integration, MBO, industry reorganization, business reorganization, etc., to support the enhancement of corporate value. Establishing a structure to address cross-border projects to advance further support



- SBI M&A Solutions and TSUJI HONGO M&A SOLUTION merged in Oct. 2023 (investment ratio: SBI SECURITIES 51%, HONGO TSUJI Group Company 49%)
- Supporting growth strategies of SMEs nationwide by solving problems related to local business succession with one-stop M&A consulting system

<M&A-related Revenues (cumulative) and Number of Deals Concluded at SBI SECURITIES (consolidated)>^{*1,2}



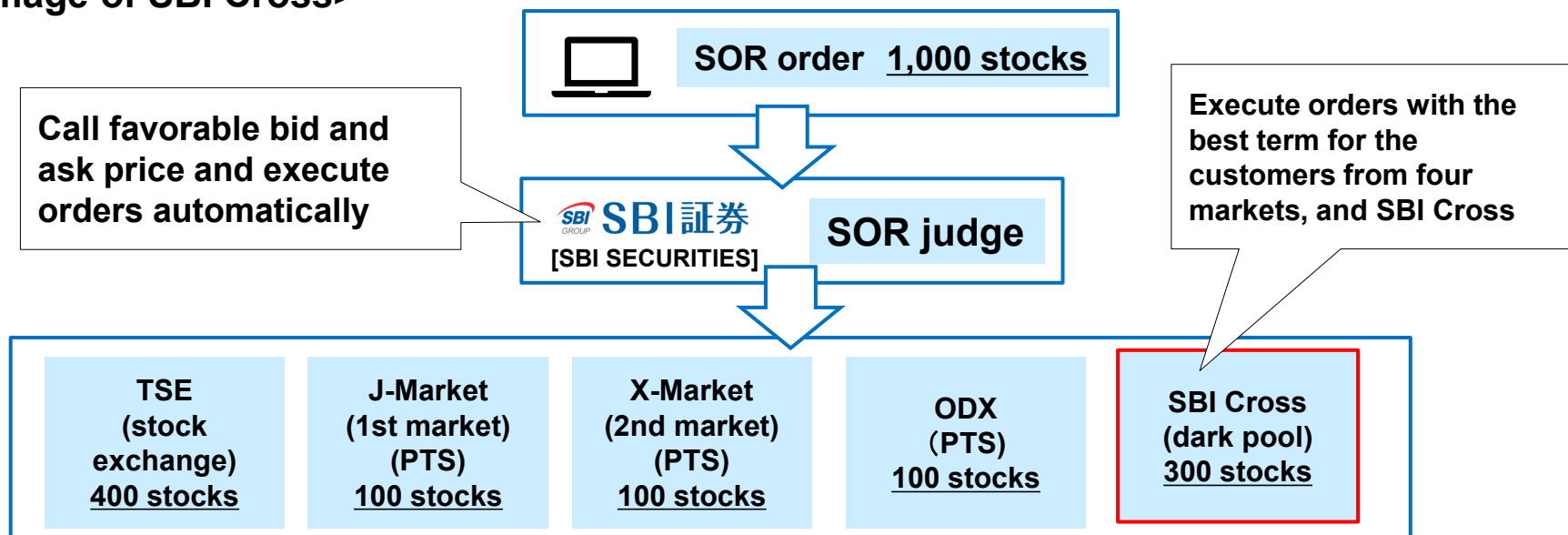
*1 Indexed to the figure for 1Q FY2018

*2 Simple sum of revenue and number of deal concluded by M&A Advisory Division of SBI SECURITIES and SBI M&A Solutions (SBI TSUJI HONGO M&A from 3Q FY2023)

Launched “**SBI Cross**”, a Spot-trade Matching Service for Domestic Stocks

- As a new intermediary dealing in SOR (smart order routing) trades, on April 22, 2024, started connecting to **SBI Cross (Dark Pool)** run by **SBI Neotrade Securities**
- A service executed on ToSNet that matches customer orders to those from market makers via company-internal trading systems
- Adding in SBI Cross facilitates an increase in SOR decision partners, **creating prospects for greater opportunity to execute at a favorable price**

<Image of SBI Cross>



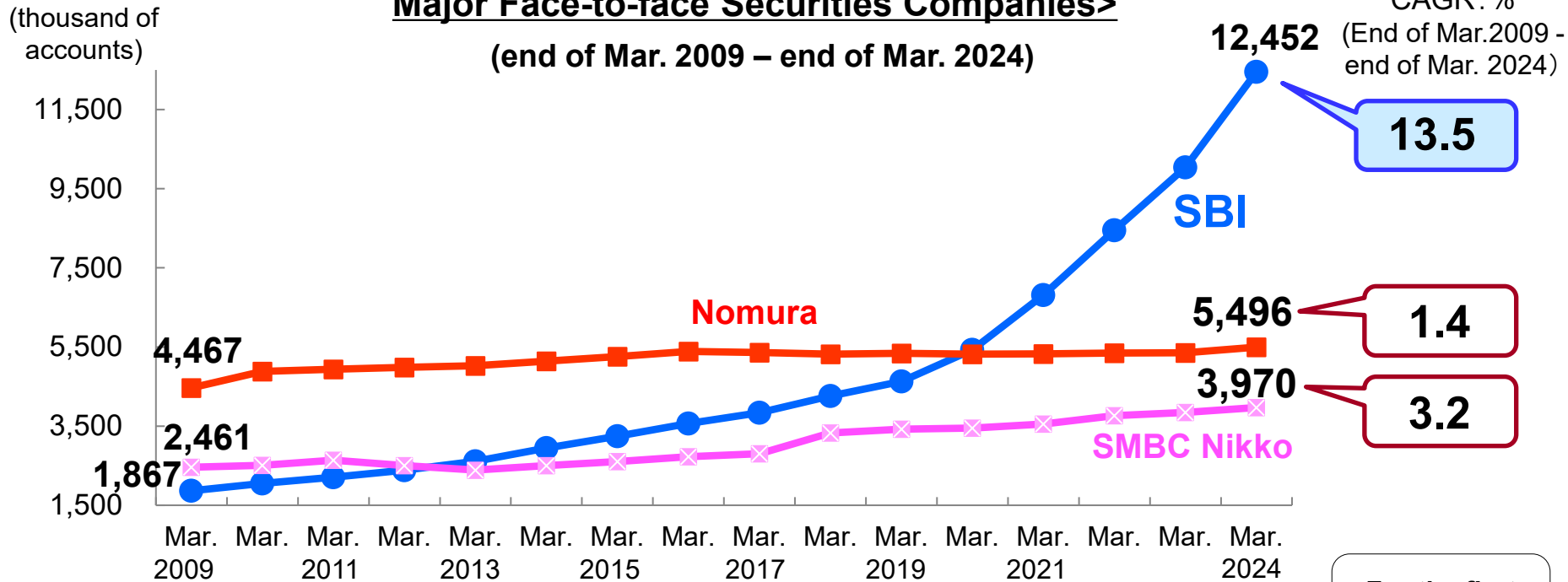
(2) Positive effects has rippled through the financial ecosystem in terms of an expanded customer base and increased market share

- ① The ZERO Revolution further accelerates the pace of SBI SECURITIES' customer acquisition**
- ② Started early on building a system structure enable to withstand the expected increase of the customer base**
- ③ Expansion of SBI SECURITIES' customer base contributes to the SBI Group as a whole**

① The ZERO Revolution further accelerates the pace of SBI SECURITIES' customer acquisition

SBI Group's Customer Base is Expanding at a Rapid Pace

<Number of Accounts of SBI SECURITIES Group and Major Face-to-face Securities Companies>
(end of Mar. 2009 – end of Mar. 2024)



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

For the first time in Japan

Exceeded
8 million
accounts

Dec. 2021

Exceeded
9 million
accounts

Aug. 2022

Exceeded
10 million
accounts

Mar. 2023

Exceeded
11 million
accounts

Sept. 2023

Exceeded
12 million
accounts

Feb. 2024

Approx.
eight months

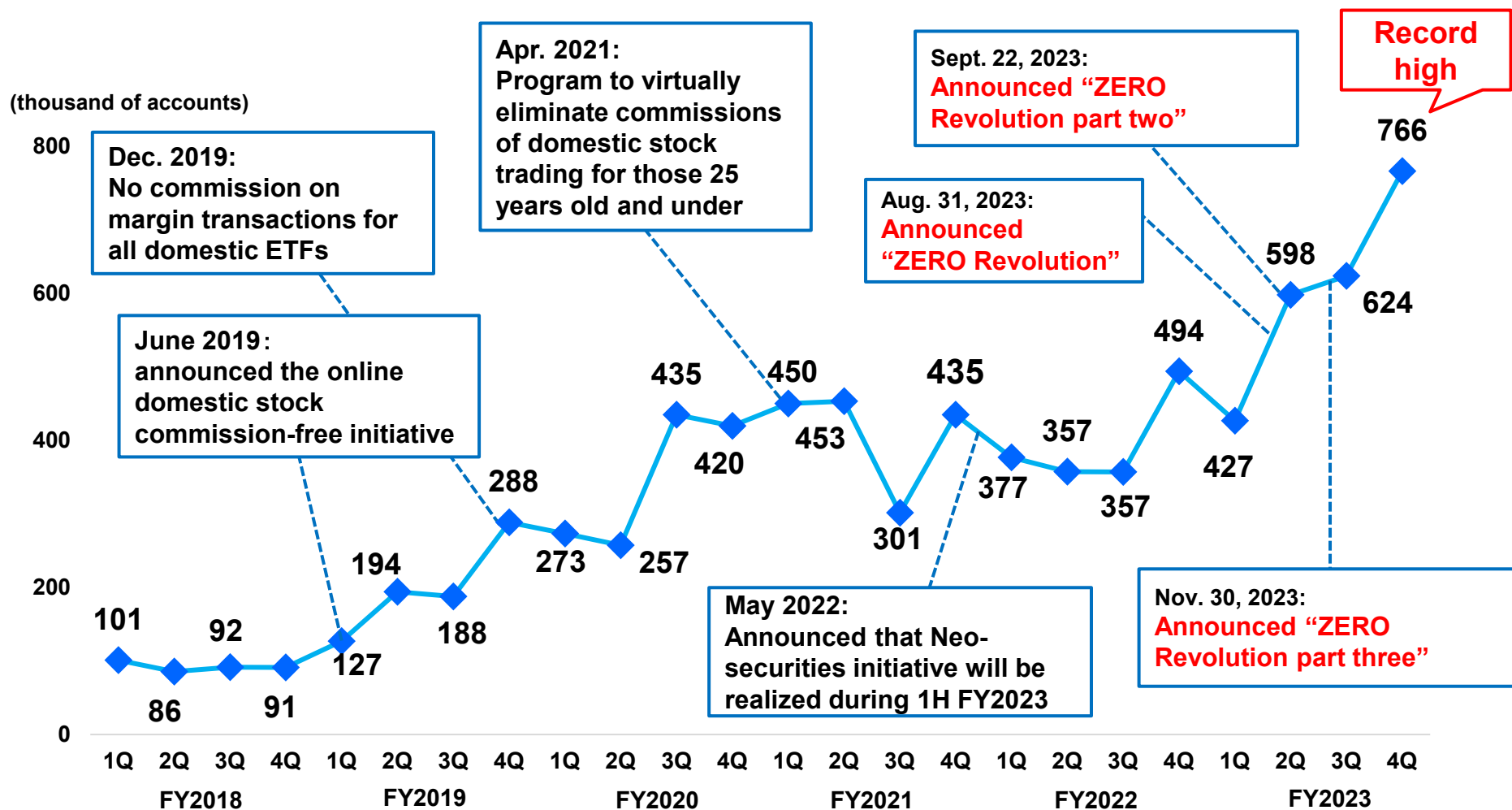
Approx.
seven months

Approx.
six months

Approx.
four months

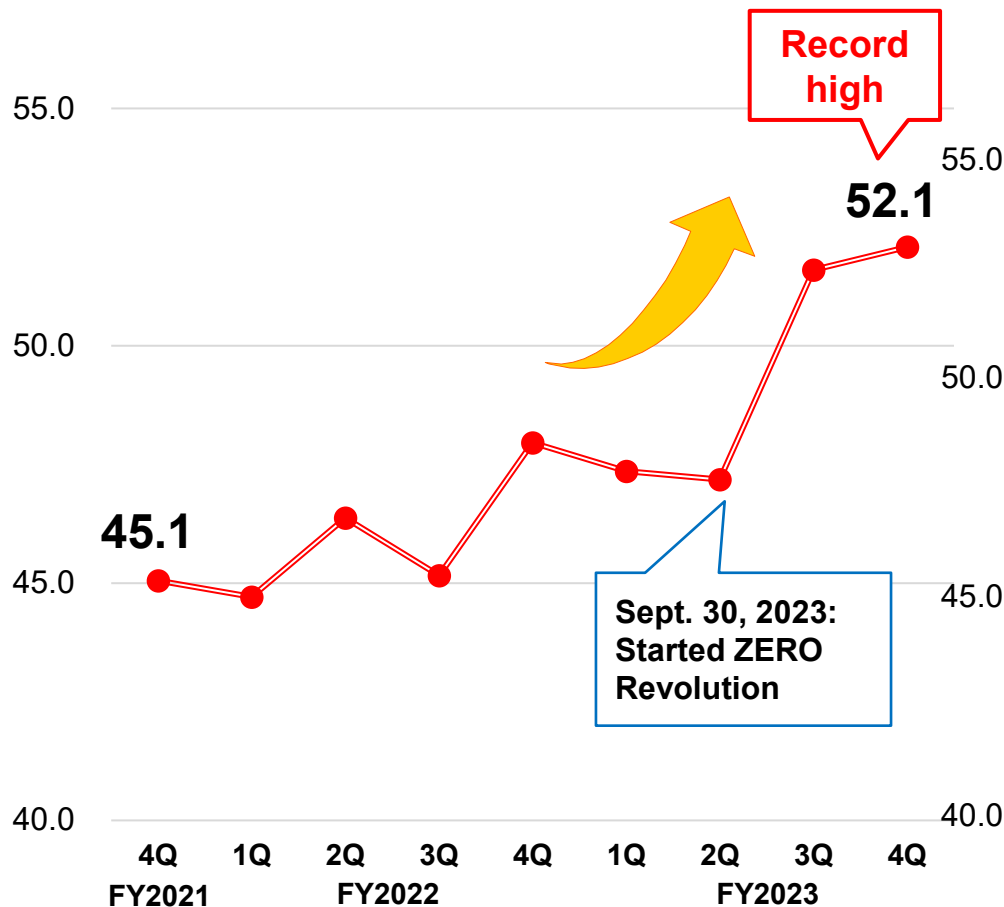
Number of New Accounts Opened is One Step Higher after the ZERO Revolution

<Trend of Quarterly Number of New Accounts Opened>

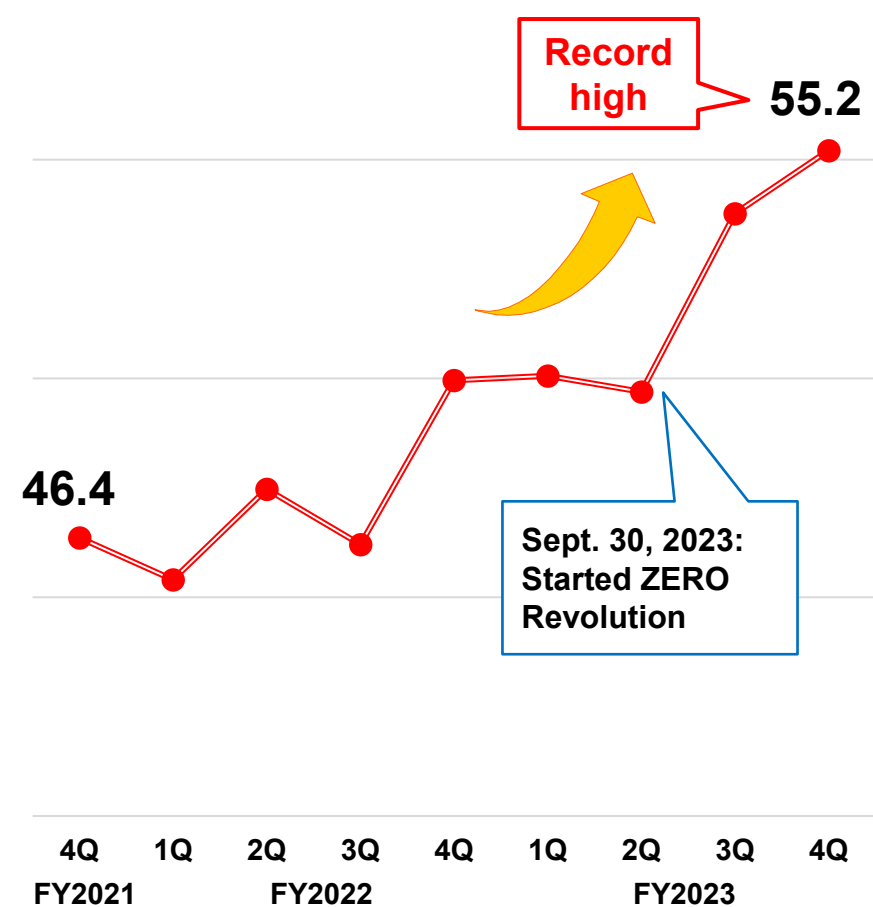


SBI Group's Share of Trading Value Has been Increasing Rapidly Following the Start of ZERO Revolution

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



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



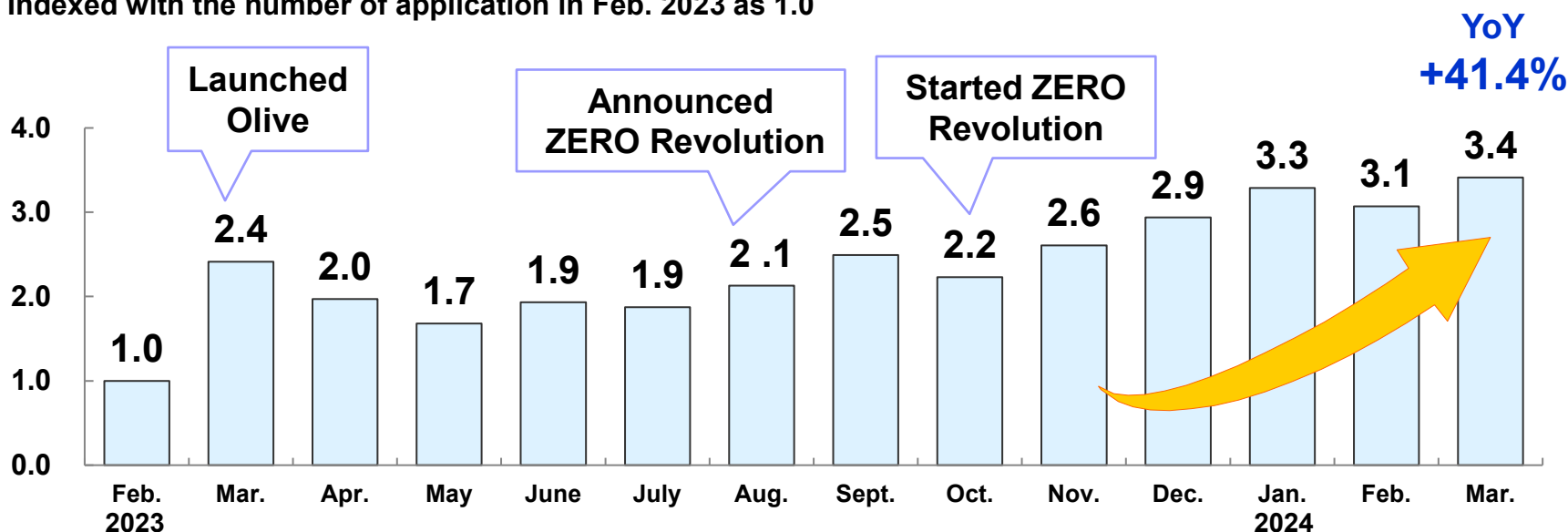
Acquisition of the Customer Base through Alliances also Increased with the Start of the ZERO Revolution

SBI SECURITIES' past alliances

- ✓ Conclusion of financial instruments intermediary business with regional financial institutions and provision of real-time deposit and withdrawal services
- ✓ Provision of "SBI Shinsei Connect" and "SBI Hybrid Deposit", automatic deposit and withdrawal services for deposit accounts of SBI Shinsei Bank and SBI Sumishin Net Bank
- ✓ Provision of simultaneous account opening services with each alliance partner service etc.

<Trend of Number of Application through Alliance Partners>

* Indexed with the number of application in Feb. 2023 as 1.0



High Growth in Number of Customers Acquired through Cooperation with SMBC Group

- **The number of new account applied through the alliance with SMBC Group in Mar. 2024 achieved +15% compared to the previous month**
- All following indicators going well: the balance of deposit assets, profits from the alliance, the number of accounts for accumulation-type investment with credit card, and the accumulation of V Point rewards and V Point investment

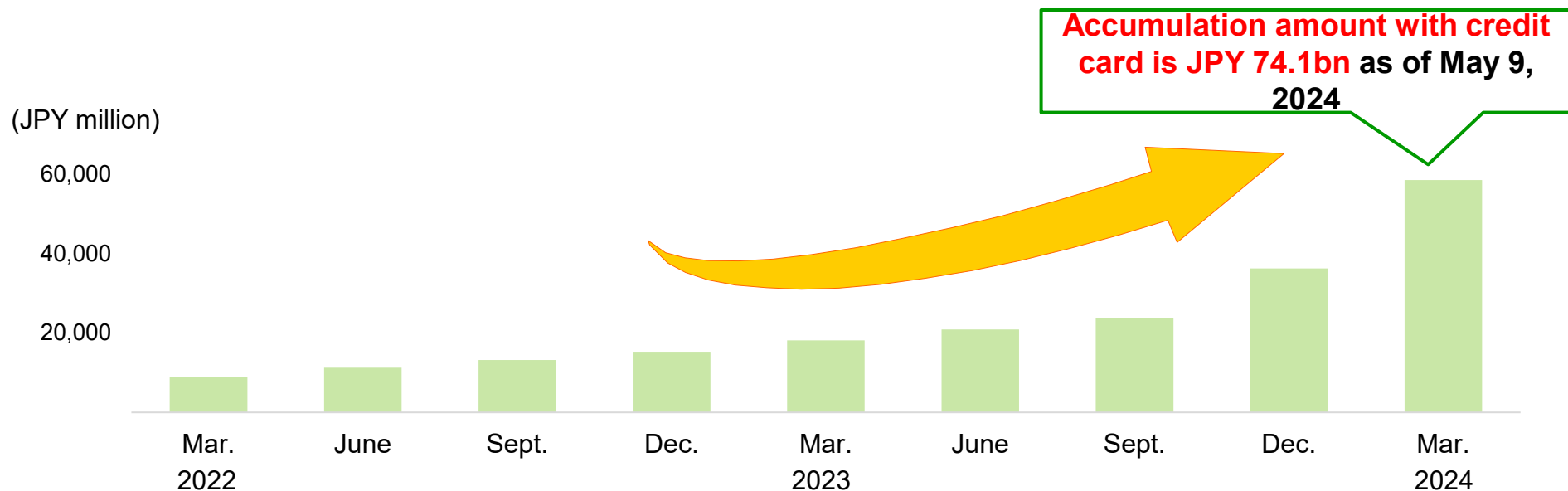
[Measures to date]

- Ability to check balances held in securities accounts and trade in mutual funds handled by SBI SECURITIES on the SMBC app and Sumitomo Mitsui Card (SMCC) “Vpass app”
- Open a general account at SBI SECURITIES simultaneously when applying for credit card of SMCC and “**Olive**,” a comprehensive financial service offered by SMBC Group, Brokerage account application from SMBC, Applications at SMBC’s stores (from February 2024).
⇒ **Approximately 880,000 accounts were brokered by SMBC Group**
- “Sumitomo Mitsui Card Funded Investment” service , which purchases investment trust accumulation at SBI SECURITIES with credit card issued by SMCC (from June 2021)
⇒ **Monthly accumulation amount through SMBC card is approximately JPY 73.3bn** (As of May 9, 2024)
- V Point-related services such as “SBI SECURITIES V Point Service” where points can be earned according to trading conditions and “V Point Investment” where V Points can be used to purchase investment trust

Multi-card Strategy also Contributed to an Increase in Number of Customer Acquisitions

- SBI SECURITIES 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
- Following the revision of the Cabinet Office Ordinance on Financial Instruments Business on March 8, which **raised the maximum amount of investment trust savings by credit card from 50,000 yen to 100,000 yen**, the monthly amount of investment trust savings by credit card **exceeded 74.1 billion yen as of May 9**. The amount of credit card savings per person also increased significantly

<Trend of Accumulation Amount with Credit Card >



Multipoint Ecosystem Has Been Successfully Established

SBI SECURITIES has established **multipoint ecosystem** where the customers can choose the shared points they are most likely to use by cooperating with various companies outside the Group through open alliance

Saving points by opening accounts and, buying and holding products



JAPAN AIRLINES

JAL Mileage



d POINT

d-point



ポイント

PayPay point
(from Dec. 2023)

The number of customers who set PayPay point as main point exceeded 200,000 in the first four months since the service launched!

Buying the financial products with the points



V POINT



POINT

V Point

(integrated with
T Point on Apr.24)



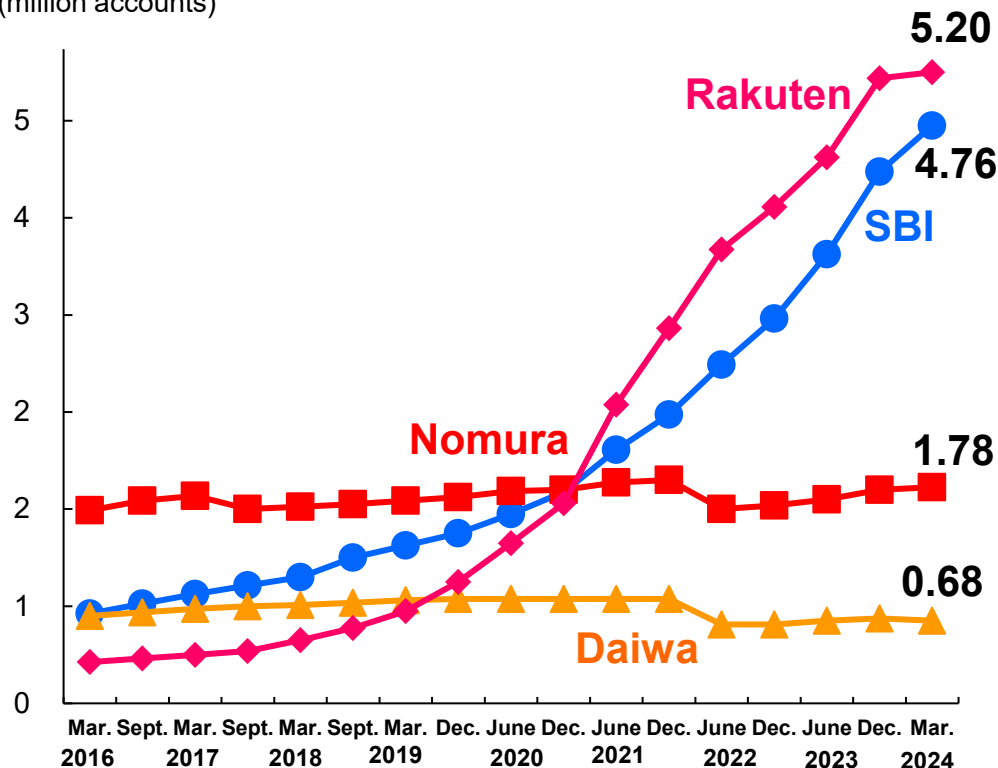
Ponta

Ponta Point

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

<Trend of the Number of NISA Accounts> (Mar. 2016– Mar. 2024)

(million accounts)



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

Pursuit Customer-centric Principle in NISA

<ZERO Revolution part two>

(announced on Sept. 22, 2023)

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

*1 Includes the number of Junior NISA accounts at all companies up to end of Dec. 2023, for accounts from Jan. 2024 onward, only Nomura Securities' accounts included junior NISA accounts *2 Accounts less than 10,000 are rounded off

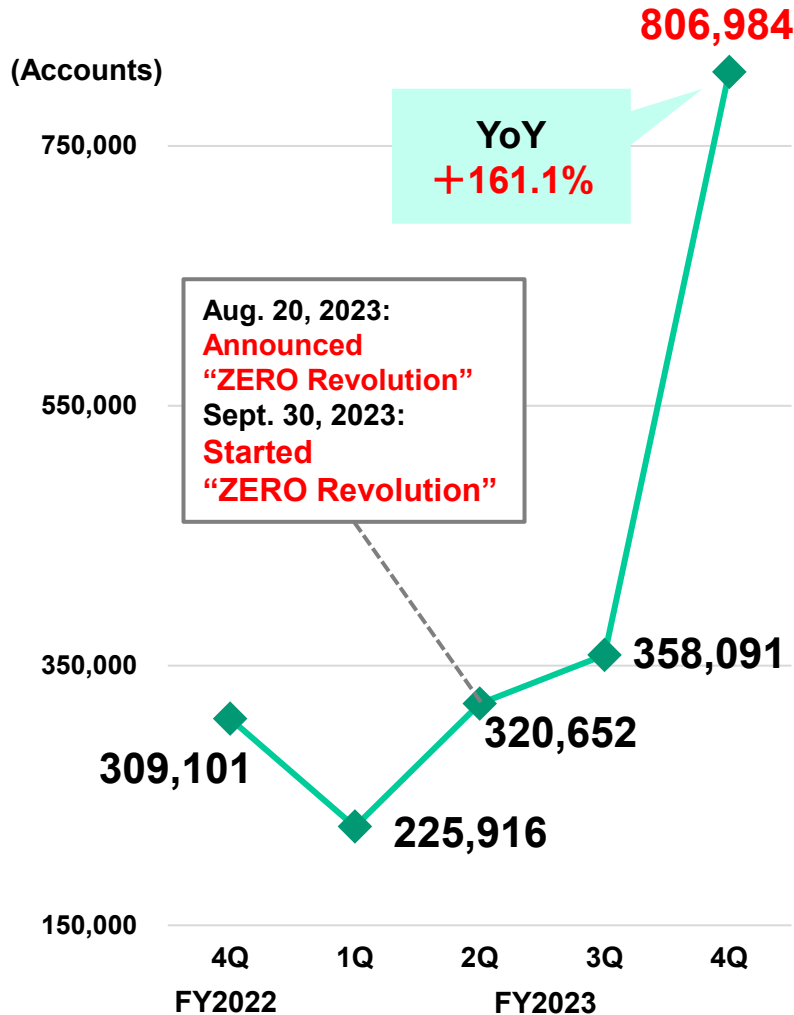
*3 Based on the information on website of each company. Number of accounts of Rakuten Securities as of the end of Mar. 2024 is based on the morning edition of Nikkei on 6 May 2024

*4 Nomura Securities excluded deemed discontinued accounts from Mar. 2022, SBI and Daiwa Securities excluded them from FY 2022

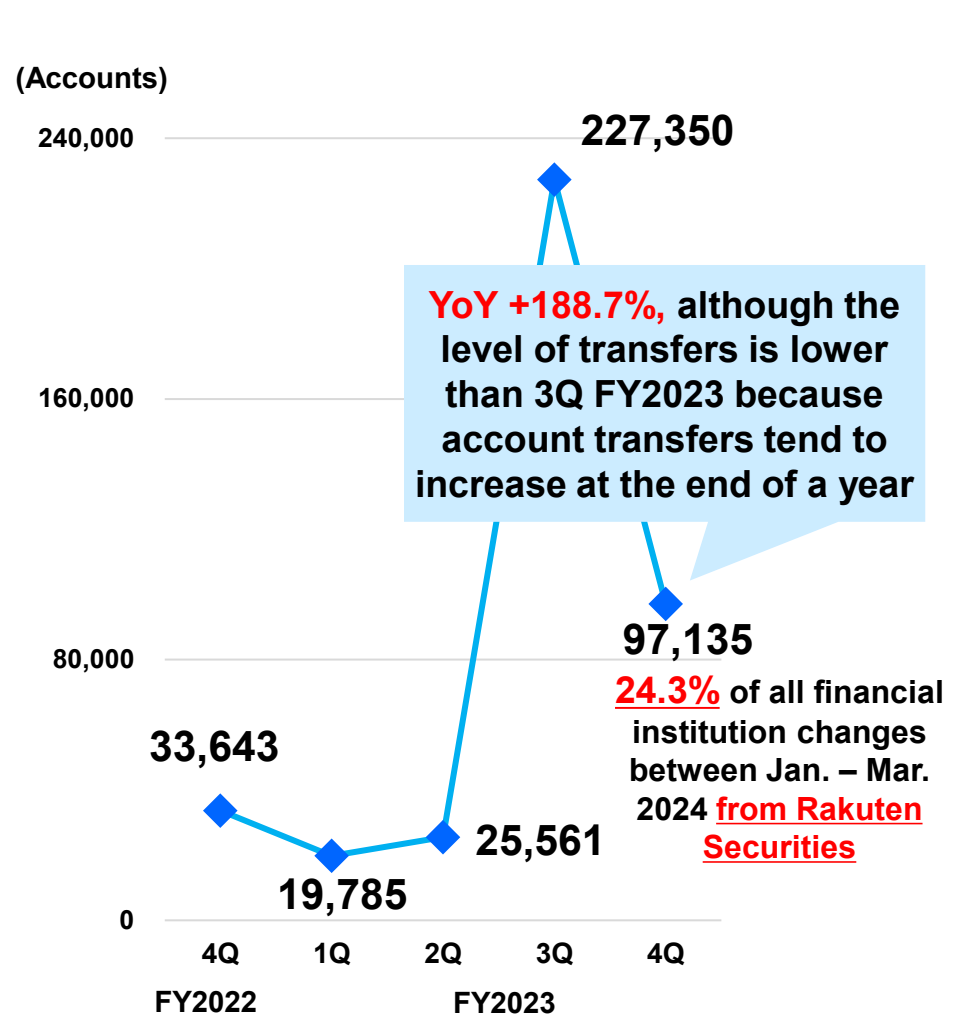
*5 Rakuten Securities changed its fiscal year end ending December 31, starting from 2018

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>

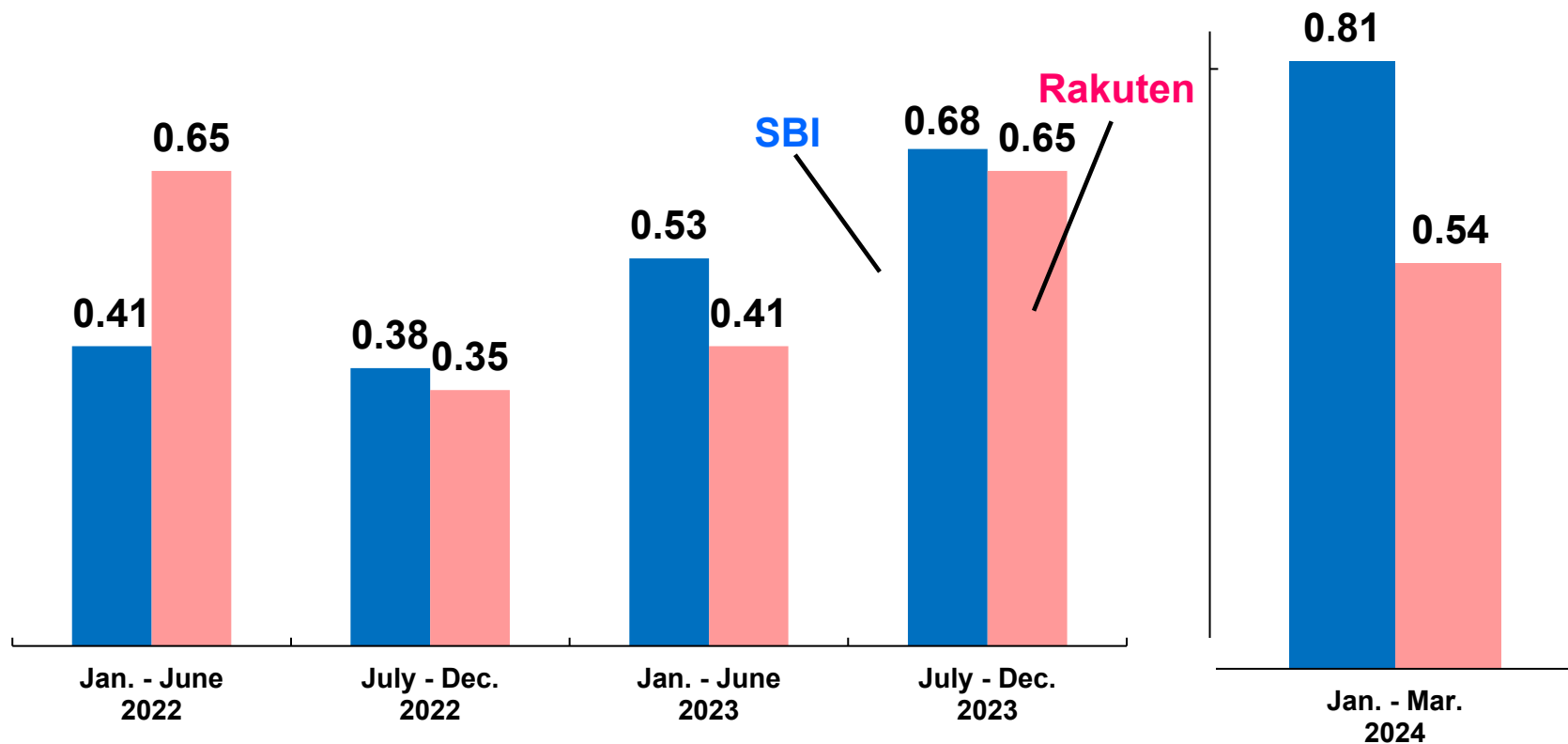


<Quarterly Trend of the Number of NISA Account Transfers from Other Securities Companies>



Trend of Customer Acquisition in NISA Accounts at SBI SECURITIES and Rakuten Securities

(Million accounts)



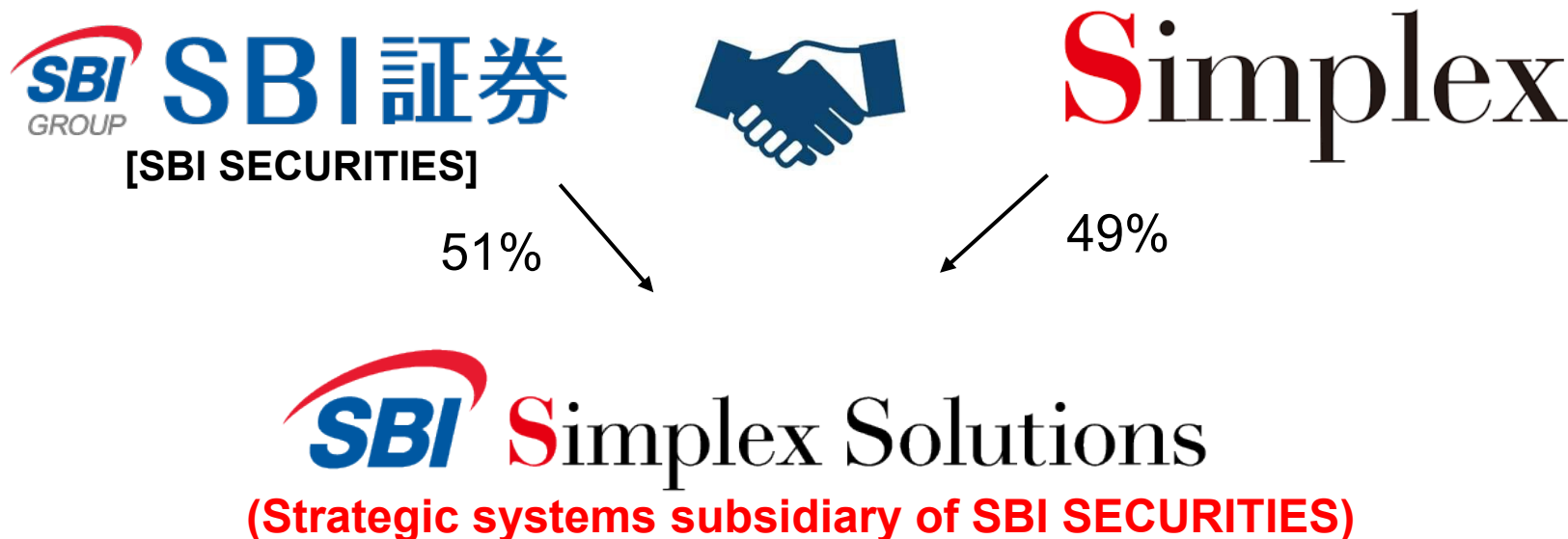
*1 number of customer acquisition up to Dec. 2023 includes the number of Junior NISA's acquired

*2 Accounts less than 10,000 are rounded off.

*3 the number of Rakuten Securities are calculated by SBI Holdings based on published data and the morning edition of Nikkei on May 6, 2024

② Started early on building a system structure that can withstand the expected increase in the customer base

Building a Robust In-house System Development and Operation Structure with the Establishment of SBI Simplex Solutions (Feb.28, 2023)



- **Approximately 600 IT engineers operate as a group of practical IT engineers based on Customer-centric Principle**, promoting to build an in-house system structure
- Working to **increase profitability through cost control**, rather than being restricted by existing systems

SBI SECURITIES Transferred Trading System to the AWS Cloud to Quickly Respond to the Growing Number of Accounts and Transaction Volume in Preparation New NISA and ZERO Revolution

[Benefits of migration to the AWS cloud]

Agility

Ability to expand and scale services in the cloud, allowing us **to increase expected number of accounts and trading volume**

⇔ As shown by the type of (on-premises) systems up to now, hardware purchases are not necessary which results in cutting lead times in half

Resilience

Transaction stability through redundant configurations (configurations prepared in advance for system faults, etc., through equipment backups)

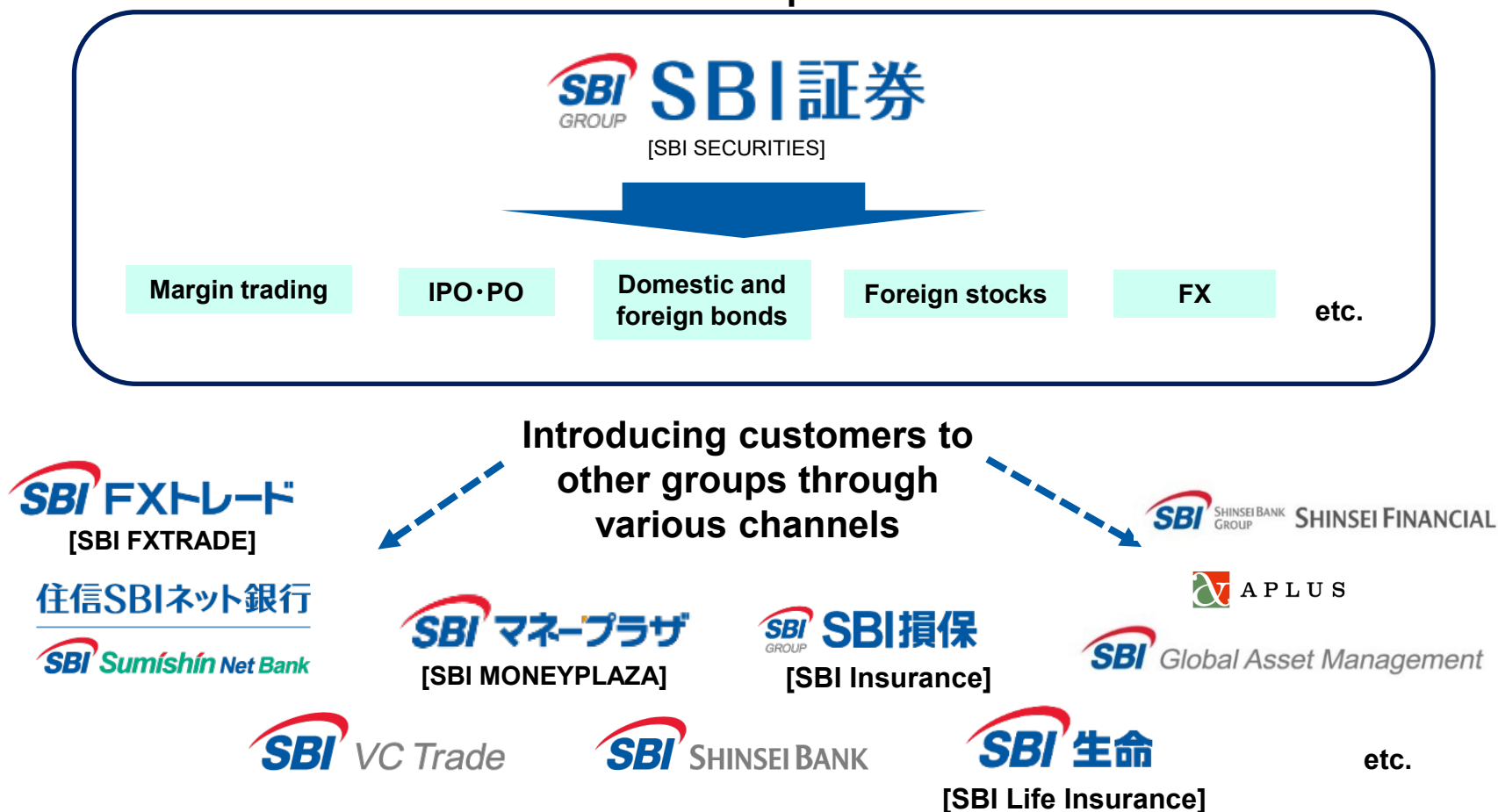
⇒ Enabling trading sites to be accessed 100m times per day with approx. 3.6m transactions (orders) processed

- ✓ Cutting on-premises hardware purchases and reducing the infrastructure build-out time **reduces time and costs** spent previously
- ✓ Lead time reductions for expansion and scaling up systems and services **enable optimization of headcount** needed for their implementation

③ Expansion of SBI SECURITIES' customer base contributes to the SBI Group as a whole

The Dramatic Expansion of SBI SECURITIES' Customer Base Has Positive Impact on the Entire SBI Group, which is Building a Corporate Ecosystem

Free domestic stock brokerage fee is expected to not only increase retail customers interest in a variety of other financial products who open an account with SBI SECURITIES, but also become an opportunity to acknowledge about the service and products of the Group



Positive Effects of the Zero Revolution Are Already Apparent in the FX Business

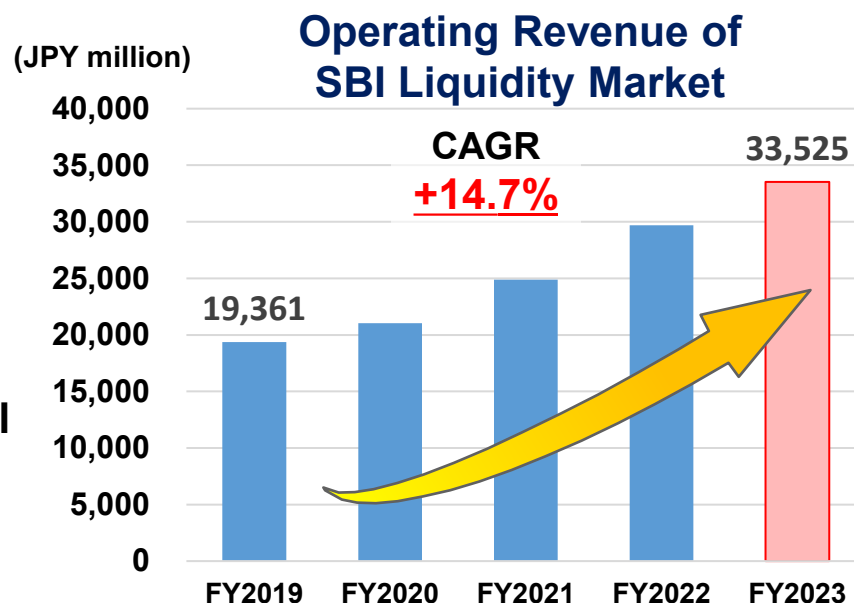
-SBI Liquidity Market achieved record-high operating revenue-

Operating revenue and Operating profit of SBI Liquidity Market (Non-consolidated, J-GAAP)

(JPY million)	FY2022 (Apr. 2022-Mar. 2023)	FY2023 (Apr. 2023-Mar. 2024)	YoY(%)
Operating revenue	29,682	Record High 33,525	+12.9
Operating profit before distribution	24,630	Record High 27,763	+12.7
Operating profit after distribution (*)	9,133	Record High 10,905	+19.4

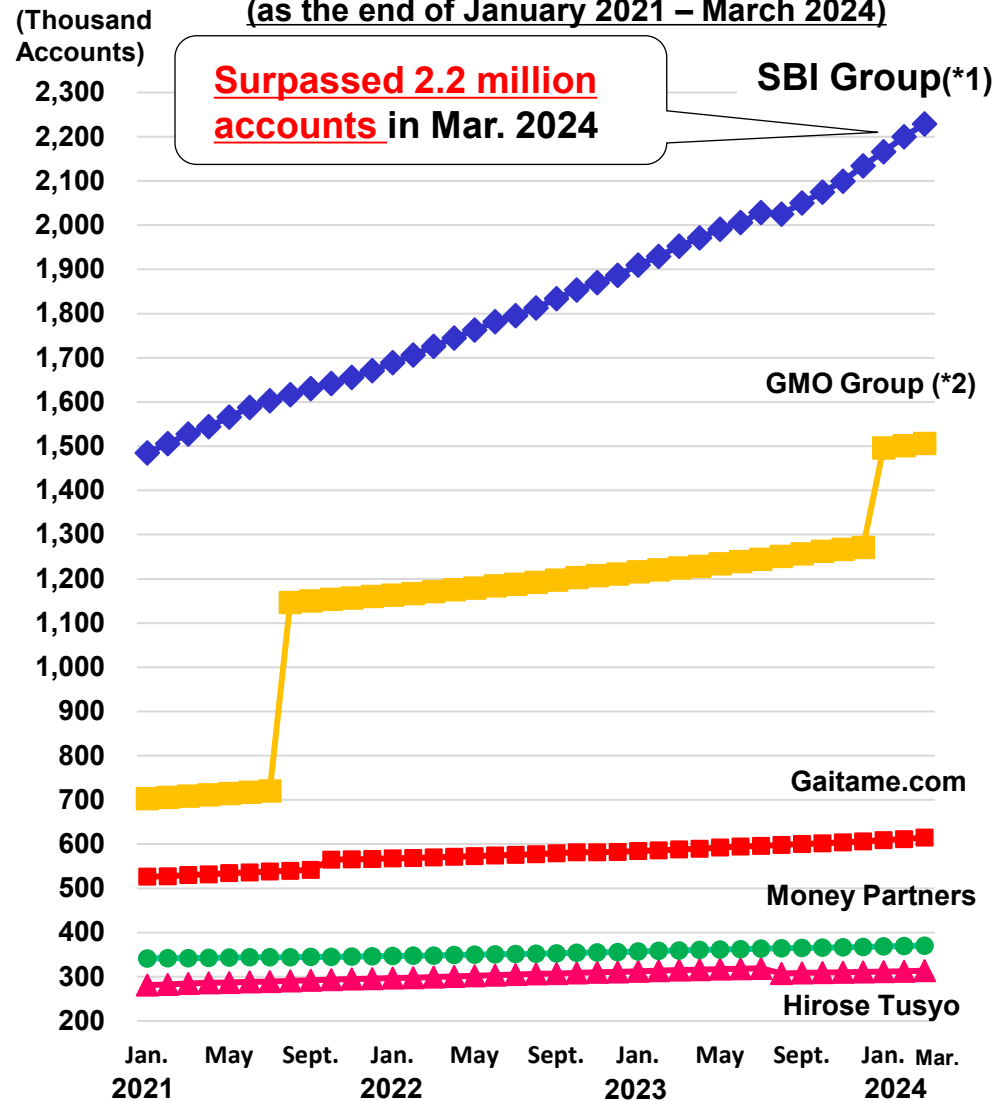
- For SBI Liquidity Market, although overall market trading volume declined year-on-year, measures to improve spot revenue succeeded. Swap revenues and revenues from corporate business also grew substantially which resulted in **achieving record-high operating revenue** for a fiscal year
- SBI FXTRADE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

(*)Distribution is made such as to SBI Group companies

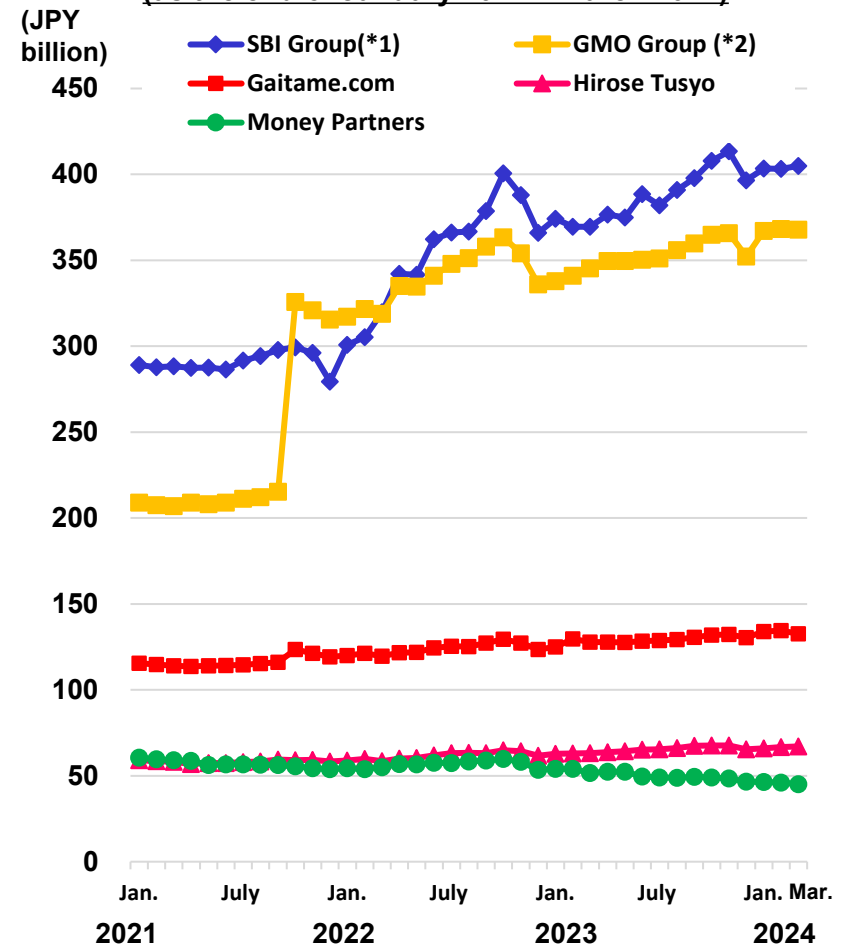


Increase of Customer Base by ZERO Revolution Greatly Contributing to the Expansion of SBI Group's Number of FX Trading Accounts

Changes in the number of accounts among 5 major FX Trading Related Companies
(as the end of January 2021 – March 2024)



Customer Margin Deposits of FX Trading Related Companies
(as the end of January 2021 – March 2024)



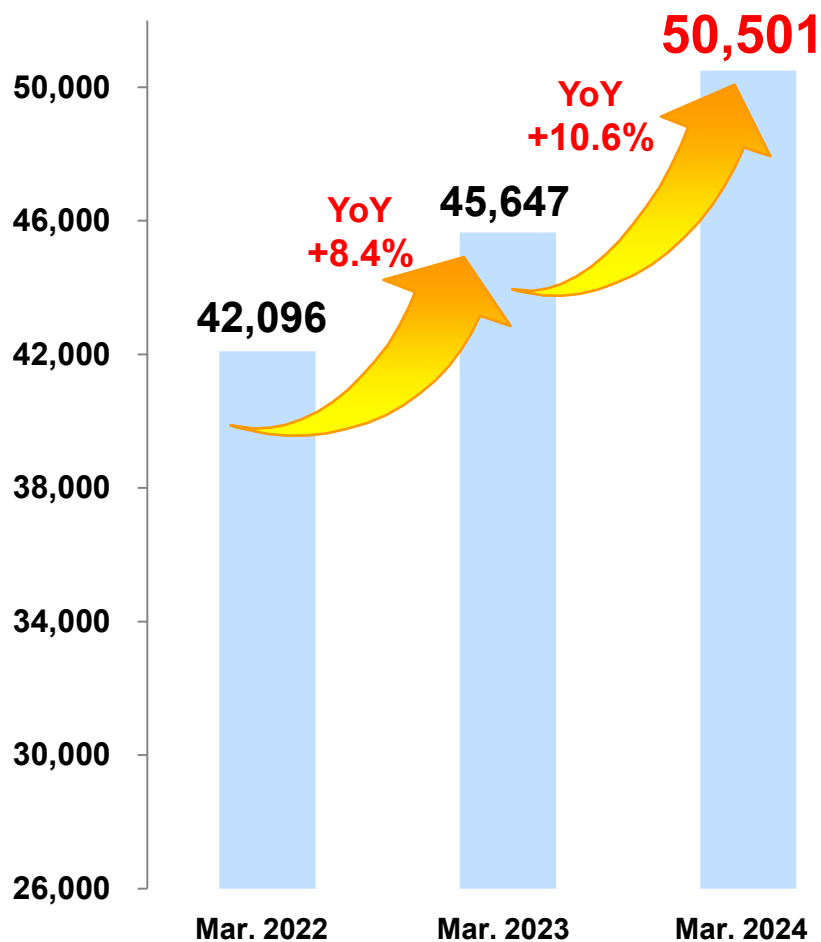
(*1) "SBI Group" includes FX accounts of SBI SECURITIES, SBI FXTRADE and SBI Sumishin Net Bank.

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

Source: Compiled by SBI Holdings from the information on websites and disclosures of each company

The Entire Group Customer Base has Exceeded 50 Million due to SBI SECURITIES' ZERO Revolution

(Thousand)



Breakdown of the Customer Base (as of the end of Mar. 2024) ^{*1,2}

(Thousand)

SBI SECURITIES		
SBI Neotrade Securities	(No. of accounts)	12,452
FOLIO		
SBIH InsWeb	(No. of customers)	11,083
E-Loan	(No. of customers)	3,582
MoneyLook	(Total no. of customer registrations)	950
Wealth Advisor	(Total no. of service users) *3	1,472
SBI Sumishin Net Bank	(No. of accounts)	7,248
SBI Insurance	(Total no. of contracts)	1,261
SBI Life Insurance	(Total no. of contracts) *4	524
SBI Shinsei Bank	(No. of accounts)	3,532
Lake business	(No. of customers)	834
APLUS	(No. of active cardholders)	3,873
Showa Leasing	(No. of contracts)	309
Others (SBI VC Trade, etc.) *5		3,373
Total	—	50,501

*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

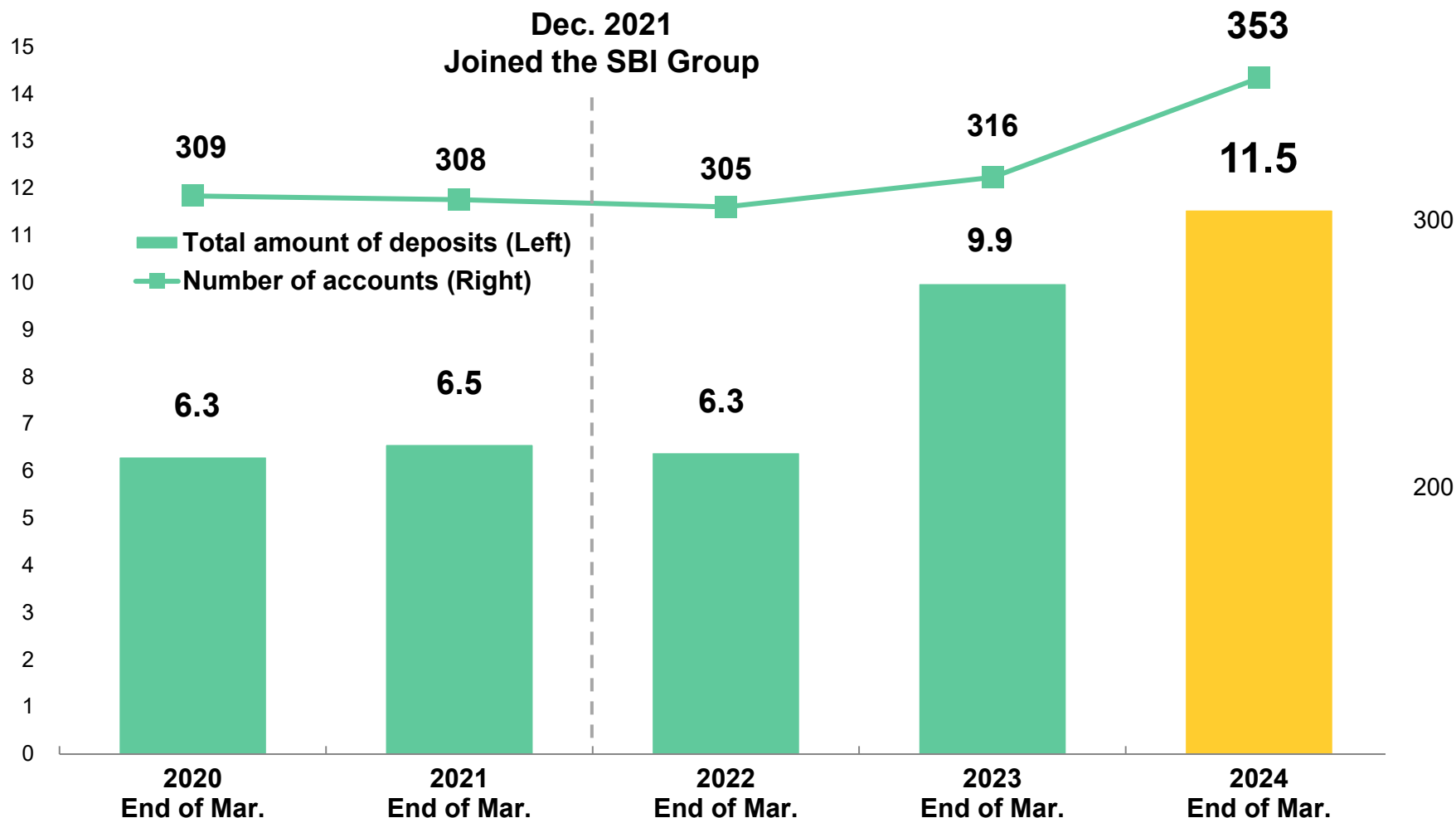
2. The Results of Synergy between SBI Shinsei Bank and the SBI Group

-SBI Shinsei Bank has already achieved certain results in its cooperation initiatives with the SBI Group, particularly in the collaboration between the banking and securities business-

Number of Retail Accounts and Deposits at the SBI Shinsei Bank

(JPY trillion)

(10 thousand
accounts)



In the Retail Business, after Joining the SBI Group, SBI Shinsei Bank thoroughly Promoted the Strengthening of Cooperation with the Group Companies

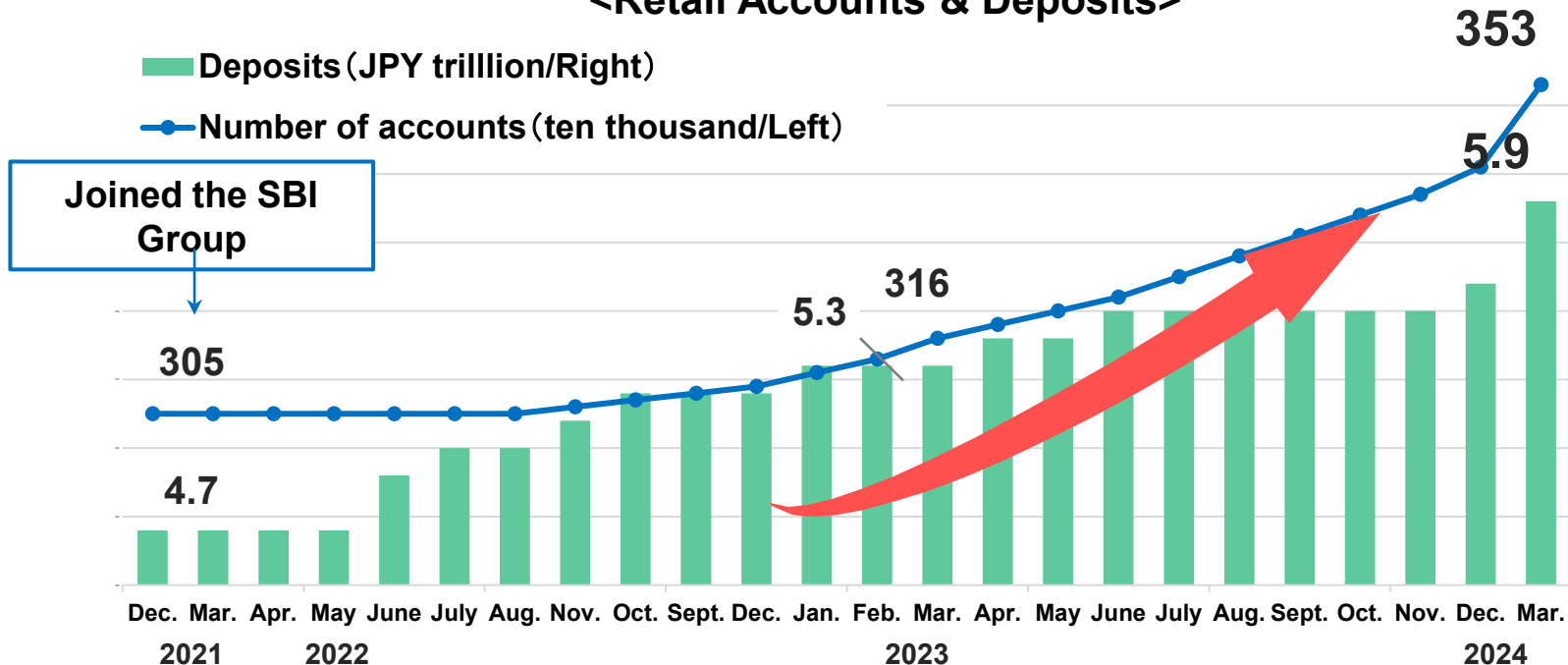
<Major examples of measures>

July 2022	Start of alliance with SBI SECURITIES and SBI MONEYPLAZA in the retail business
Aug. 2022	Financial instruments intermediary and banking agency services launched
Aug. 2022	Start of operation of the first co-managed store (Ikebukuro) with SBI MONEYPLAZA
Sept. 2022	Introduction of “Wealth Advisors”, a sales support tool of Wealth Advisor used to provide face-to-face asset management advice to customers
Oct. 2022	Launch of the discretionary investment service “SBI Wrap × SBI Shinsei Bank”
June 2023	Start of simultaneous account opening at SBI SECURITIES and SBI Shinsei Bank
Aug. 2023	Introduced the “AI screening service” provided by Dayta Consulting for mortgage screening
Nov. 2023	Launched the “Deposit and Withdrawal Service of Foreign Currency ” between SBI SECURITIES and SBI Shinsei Bank, which enables real-time deposits of eight different currencies
	Launched the “Automatic US Dollar Fixed Term Deposit Service” , which automatically deposits pre-set amounts of money from SBI Shinsei Bank to SBI SECURITIES
Mar. 2024	The decision was taken to set up co-managed stores with SBI MONEYPLAZA in all branches , except for the satellite stores

Collaboration with SBI SECURITIES in the Financial Products Intermediary Business and Banking Agency Business has Significantly Contributed to the Increase in the Number of Retail Accounts and Deposits of SBI Shinsei Bank

- ✓ For SBI Shinsei Bank, the simultaneous opening of accounts with SBI SECURITIES **has accelerated the growth in deposit accounts** since October 2022
- ✓ Retail accounts growth exceeded **40,000** for the first time in a single month in Dec. 2023. **Over 70% of newly opened accounts come from customers introduced by SBI SECURITIES**

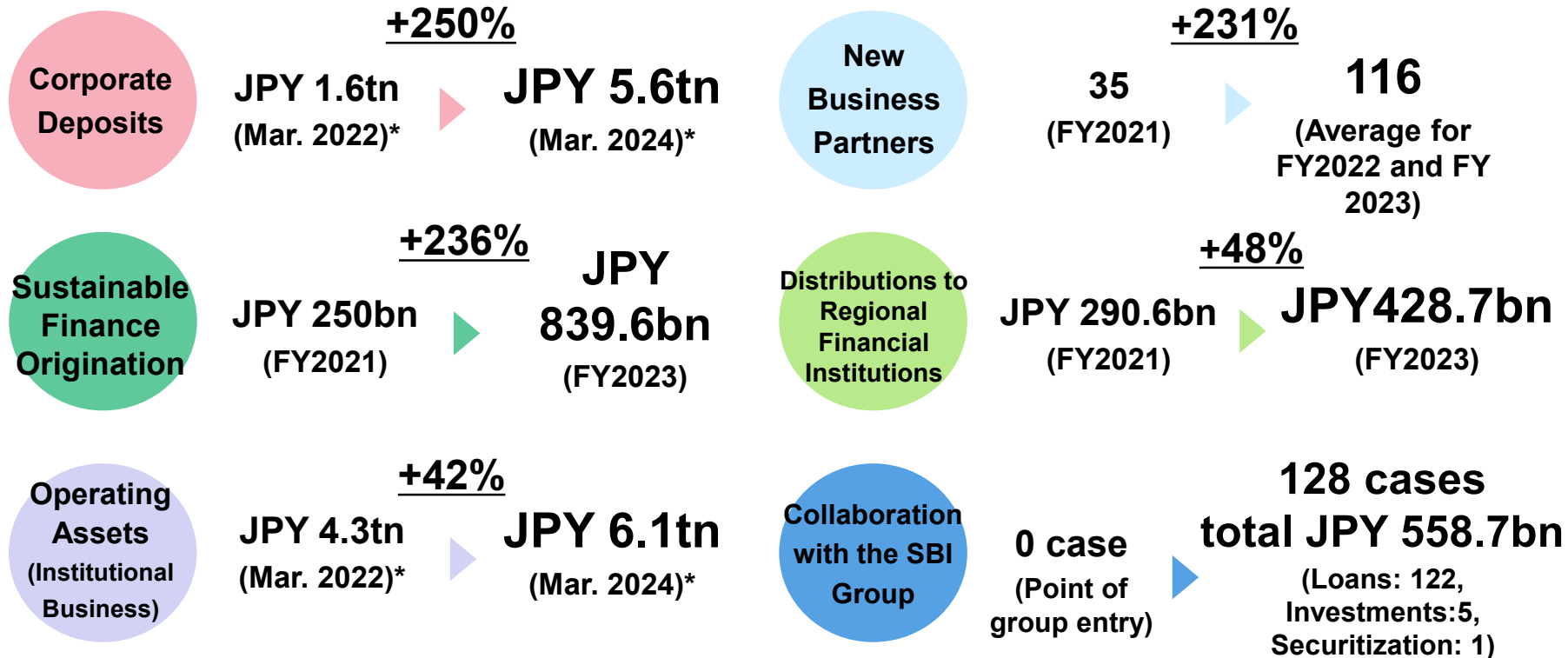
<Retail Accounts & Deposits>



Accounts created simultaneously with SBI SECURITIES (Oct. 2022)

In the Wholesale Business, Business Foundation has Expanded Dramatically Due to the Vitalization of Sales Activities and Strengthening of Cooperation with the SBI Group Partners

-Significant expansion of network to business and financial corporations-

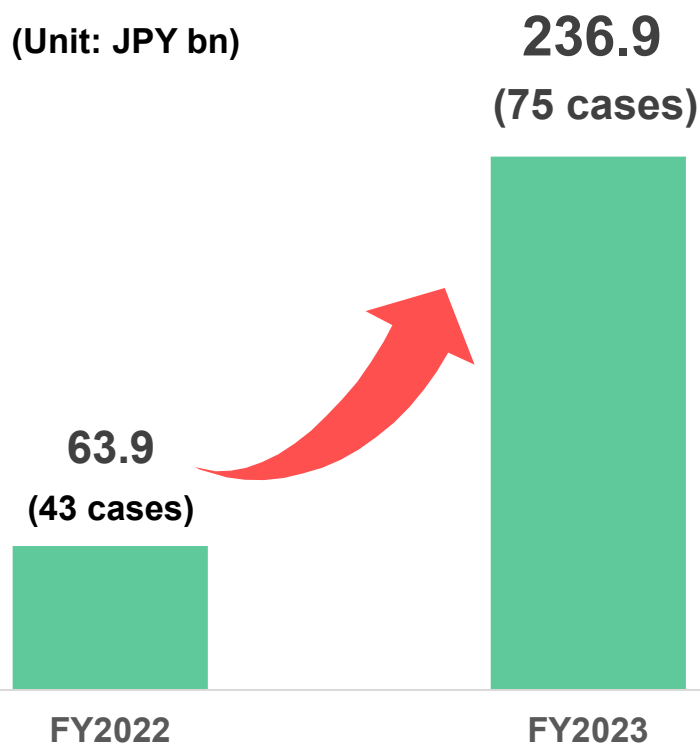


* End of month

Significant Expansion of Project Finance in Cooperation with SBI SECURITIES

Number and Value of Synergies Created

(Unit: JPY bn)



Example of collaboration between SBI Shinsei Bank and SBI SECURITIES

- ✓ SBI Shinsei Bank **provides a non-recourse loan** for ST issued project backed by real estate, for which SBI SECURITIES is the lead manager
- ✓ SBI Shinsei Bank **provided project finance** for a development-stage project for which SBI SECURITIES executed a bridge loan

Note: Represents SBI Shinsei Bank financing deals with business corporations where SBI SECURITIES has customer relationships and projects in which it is involved

3. Generating mutual synergy among the expanding business ecosystem, introducing new products, service and the way of marketing

- (1) SBI MONEYPLAZA further expands its business scale by strengthening its co-managed store strategy and developing a sales strategy in line with current trend**
- (2) Endeavor to expanding customer with positioning iDeCo as the SBI Group's new strategic product**
- (3) Provide products to customers within and outside the SBI Group that capture social trends and needs in the Asset Management Business**
- (4) Group companies that make up the digital ecosystem are actively developing new services and products to promote rapid growth in the digital asset domain**

(1) SBI MONEYPLAZA further expands its business scale by strengthening its co-managed store strategy and developing a sales strategy in line with current trend

SBI MONEYPLAZA FY2023 Financial Result

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

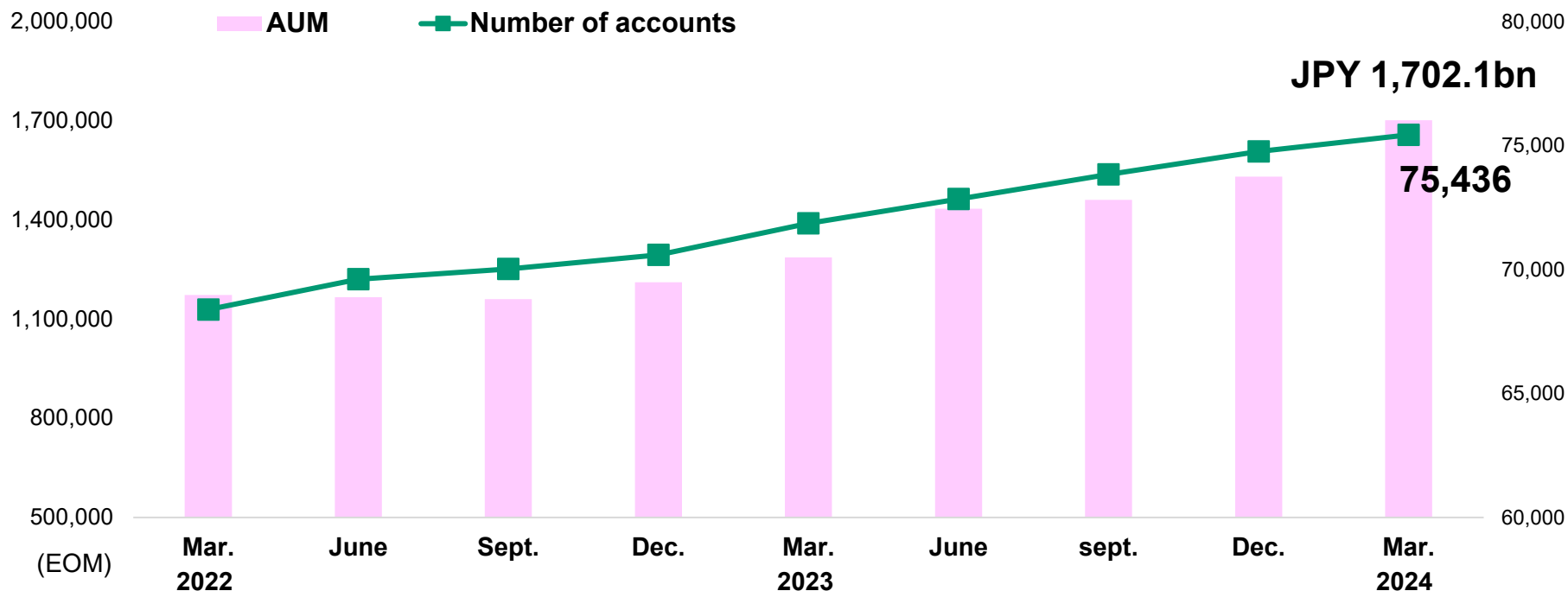
(Unit: JPY million)

	FY2022 (Apr. 2022 – Mar. 2023)	FY2023 (Apr. 2023 – Mar. 2024)	YoY Change (%)
Revenue	6,297	8,087	+28.4
Profit before Income Tax Expense	992	2,350	+136.9

(JPY million)

<Trend of SBI MONEYPLAZA's AUM and Number of Accounts>

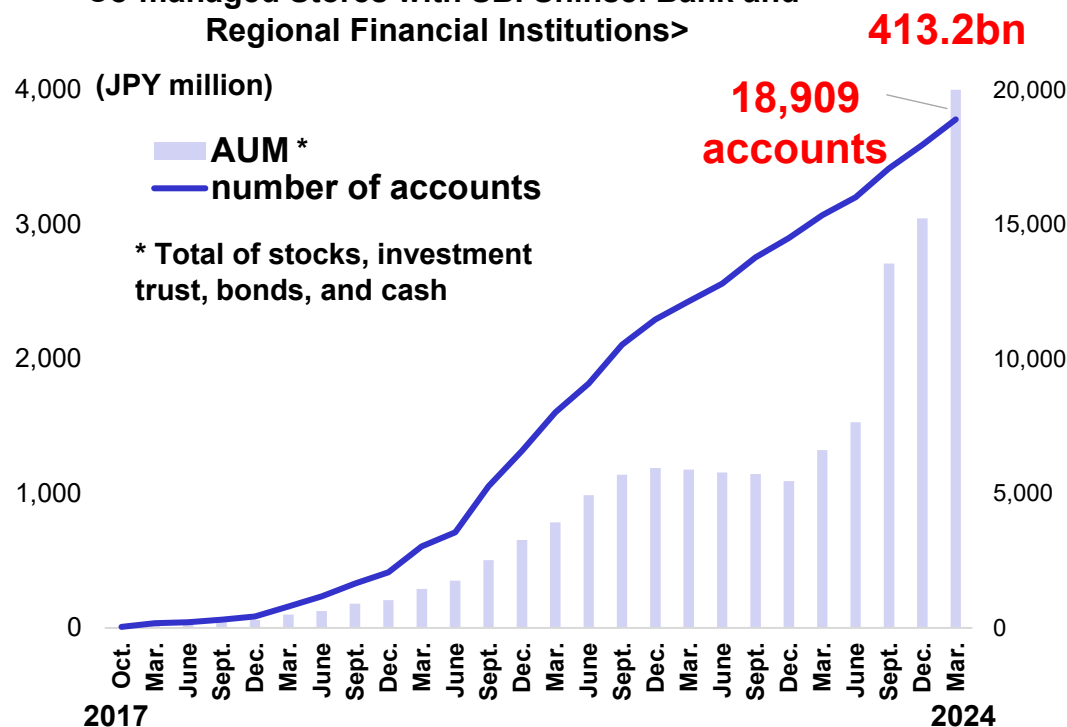
(Accounts)



SBI MONEYPLAZA Has Steadily Expanded its Face-to-face Channel through Co-managed Stores with SBI Shinsei Bank and Regional Financial Institutions

- ✓ SBI MONEYPLAZA and **14 regional financial institutions** operates **22 co-managed stores** **introducing first store** at The Shimizu Bank, THE SENDAI BANK, The Ehime Bank, The Towa Bank, THE KEIYO BANK, as well as adding second store at San Ju San Bank, and third store at THE CHIKUHO BANK
- ✓ The number of co-managed stores with **SBI Shinsei Bank** is expanding to **nine**, including the newly opened stores in Kashiwa, Kichijoji, Ueno, Sapporo and Kobe

<Trend of AUM and Number of Accounts of Co-managed Stores with SBI Shinsei Bank and Regional Financial Institutions>



Rapid growth in handling at co-managed stores with first-tier regional banks

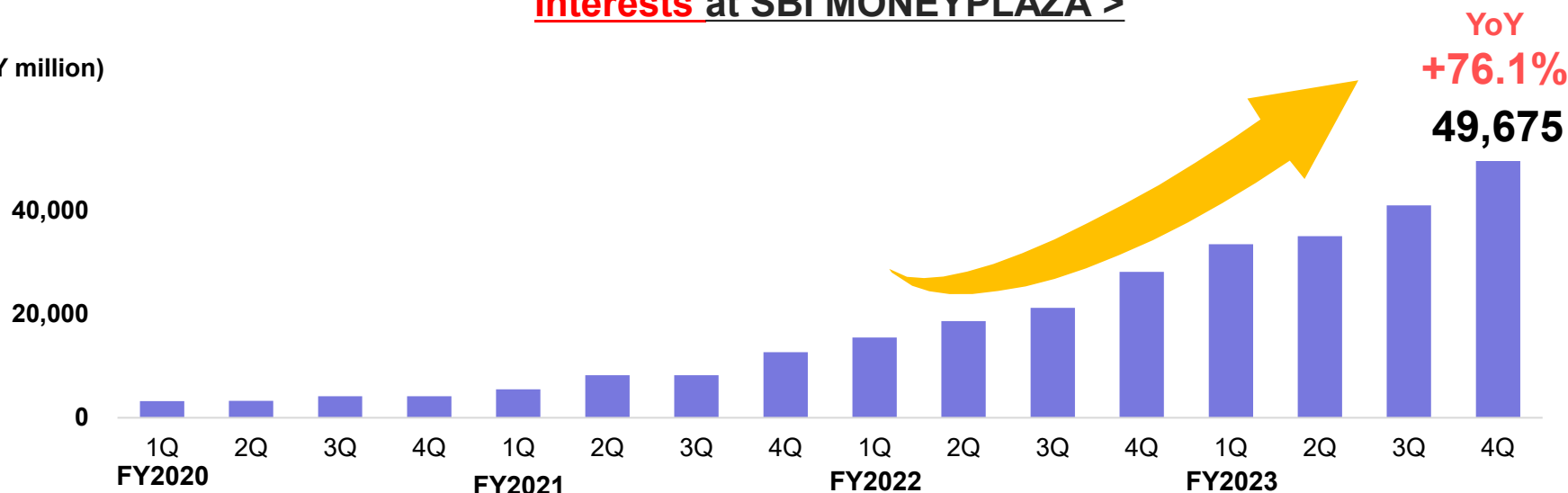
Further expansion of cooperation with regional financial institutions other than those which the SBI Group has capital and business alliances

Strengthening Sales of **Real Estate-related products** at Co-managed stores

- SBI MONEYPLAZA has been handling real estate small-lot beneficiary interests since 2020 and has sold **JPY 49,675m in 16 projects**
- Real estate small-lot beneficiary interests are products for **receiving income from real estate related rental income and proceeds from sales** in proportion to the number of units held. Real estate investment can be made **from JPY 10m for favorable sites around Tokyo**
- **16th project** which launched in Dec. 2023 was sold out in just 25 business days, and the **17th project** is currently being offered

< Trend of total sales of **Real Estate Small-lot Beneficiary Interests** at SBI MONEYPLAZA >

(JPY million)



Further Expansion of Face-to-Face Channels through Deepening the Co-managed stores Strategy with SBI Shinsei Bank

Prefectures with SBI Shinsei Bank branches (for individuals)

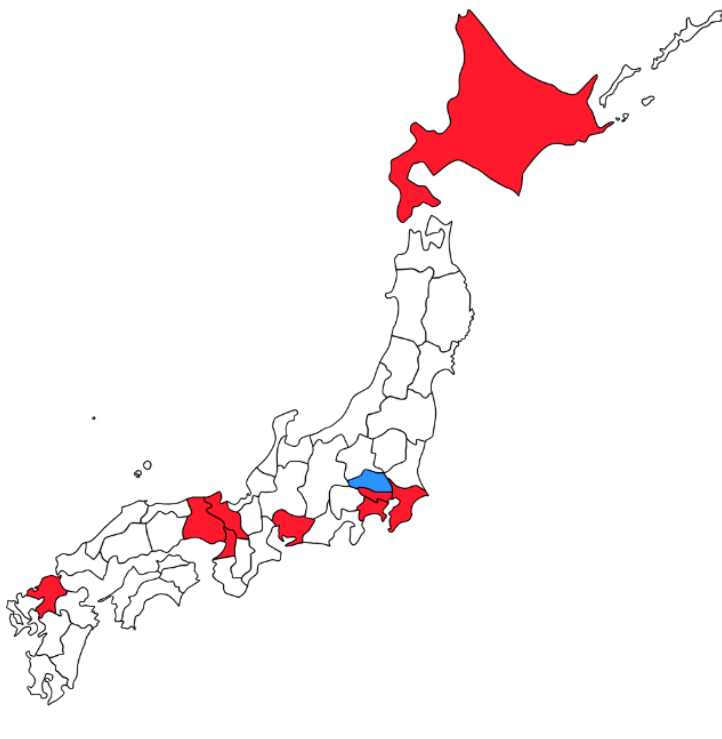
-  : Branches located (manned shops only, 22 in total)
-  : Co-managed stores located

- ✓ Starting with the establishment of a Co-managed stores in Ikebukuro in Aug. 2022, **9 stores** (Ikebukuro, Umeda, Ginza, Yokohama, Kashiwa, Kichijoji, Ueno, Sapporo and Kobe) are in operation as at the end of April 2024.
- ✓ AUM has steadily grown in scale, reaching **approx. JPY 200bn** (as the end of Mar. 2024)



Plans to have co-managed stores co-located to **all 22 branches (excluding sub-branches) of SBI Shinsei Bank by the end of FY2024**

It has been decided to set up **7 more stores** (Head Office, Shinjuku, Hachioji, Machida, Kyoto, Nagoya and Fukuoka) duplicate by the end of September 2024, bringing the total to 16



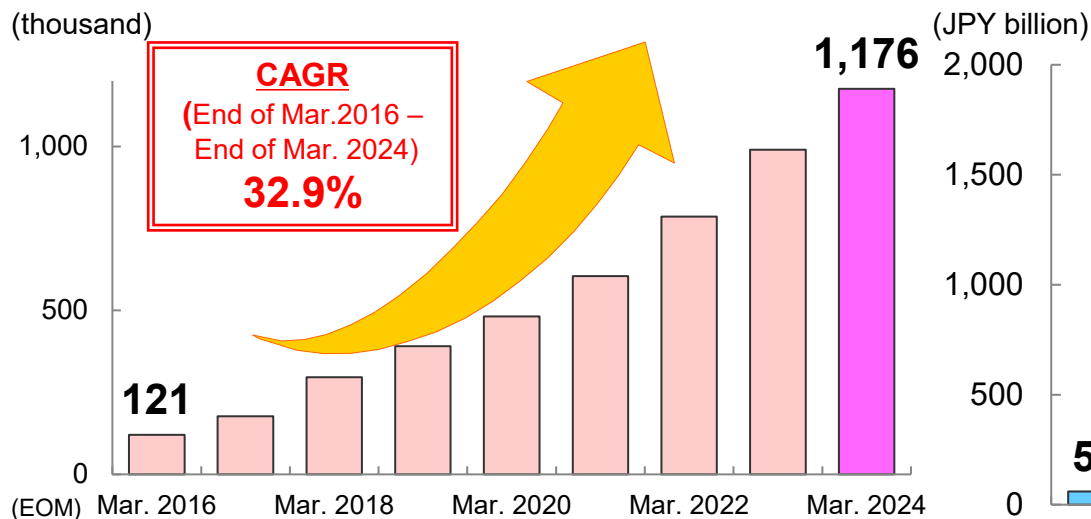
(2) Endeavor to expanding customer with positioning iDeCo as the SBI Group's new strategic product

Striving to further Expand iDeCo, which is Contracted by SBI Benefit Systems, as a Strategic Product

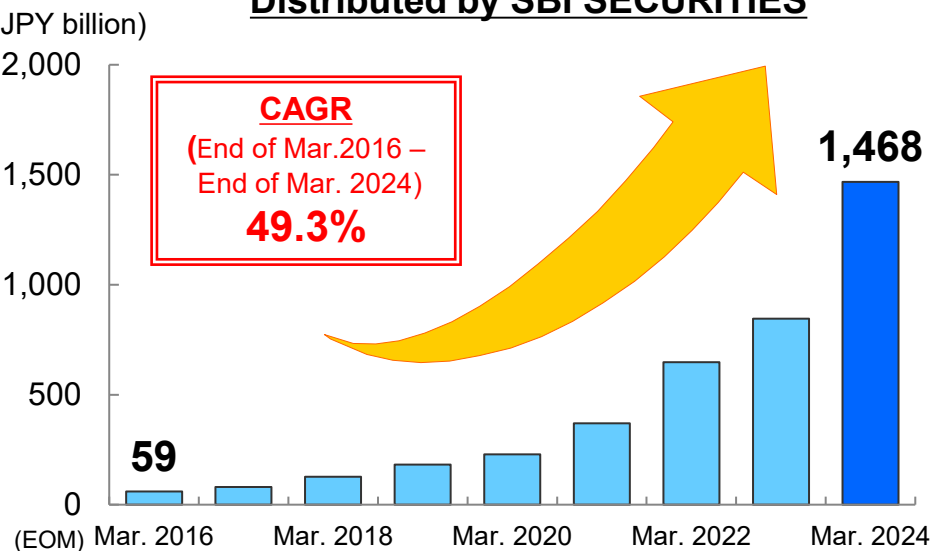
SBI Group **focused on the Individual Defined Contribution (iDeCo) pension business** through SBI Benefit Systems (est. 2001), well before expectations for the market size to expand as a result of revisions of the regulation in Jan. 2017

- SBI SECURITIES made **administrative fees for iDeCo to be completely free of charge** on May 19, 2017, to further expand iDeCo business
- As for DC, **the number of contracted business operators has exceeded 13,000 in Mar. 2024, and the number of subscribers increased to 170 thousand as the end of Mar. 2024, approx. +18.3% YoY**

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

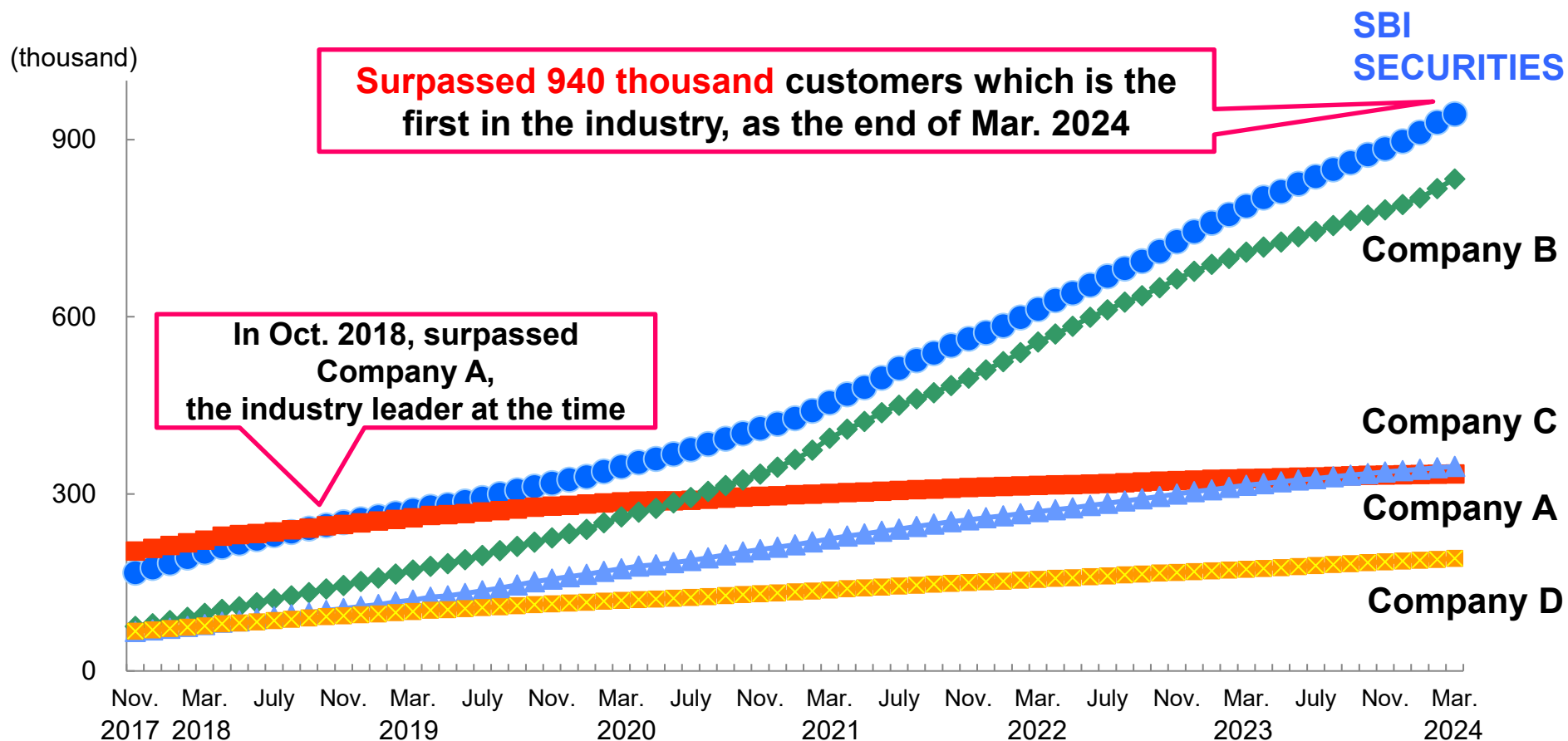


**Balance of Investment Trust for 401K
(individual type + corporate type)
Distributed by SBI SECURITIES**



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

<Cumulative Number of Customers (subscribers & transfers*)
of iDeCo by Planning Administrator>
(Nov. 2017 – Mar. 2024)



* 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 SBI Holdings)

(3) Provide products to customers within and outside the SBI Group that capture social trends and needs in the Asset Management Business

- ① Offer a wide range of investment products, both within and outside the group, that capture the evolving needs of individual investors with the introduction of the “New NISA”**
- ② Endeavor to acquire a wide customer base by providing investors with new investment opportunities such as alternative investments**

- ① Offer a wide range of investment products, both within and outside the group, that capture the evolving needs of individual investors with the introduction of the “New NISA”**

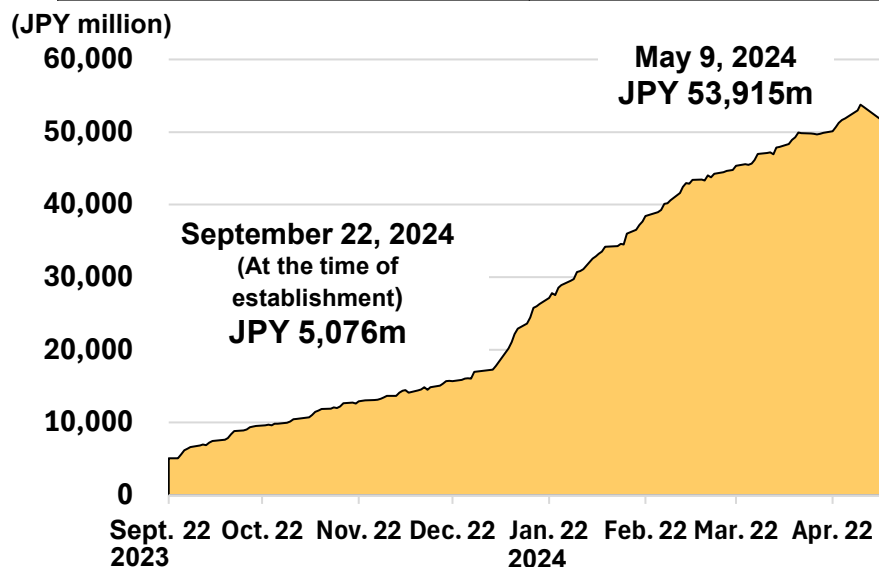
Investment Trusts Managed by SBI Asset Management and **Sold Exclusively Through SBI SECURITIES** Dramatically Increased Assets Under Management With the Launch of the ZERO Revolution

-Expansion of SBI SECURITIES' client base has contributed significantly to the expansion of the asset under management of the asset management business-

SBI iShares India Equity Index Fund

- Establishment and management began on September 22, 2023
- Eligible for the Growth Quota of the new NISA
- Offering **the industry's lowest trust fee rate of 0.463%** as an Indian equity index fund

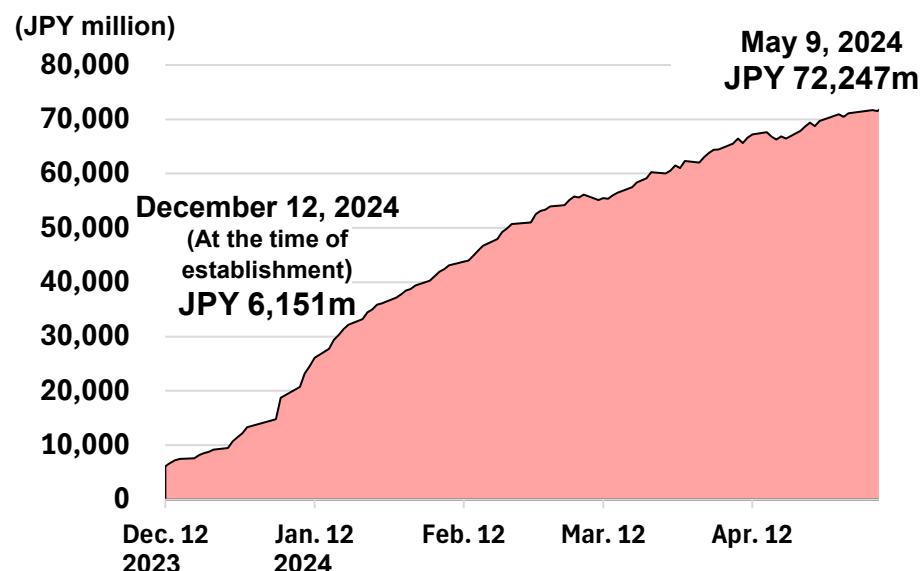
Growth before the start of the new NISA Dec. 21, – Dec. 29, 2023 (7 Days)	Growth after the start of the new NISA Dec. 4 – Dec. 29, 2024 (7 Days)
Daily average 1.1%	Daily average 4.9%



SBI Japan High Dividend Equity Fund (Quarterly settlement type)

- Establishment and management began on December 12, 2023
- Eligible for the Growth Quota of the new NISA
- Offering **the industry's lowest trust fee rate of 0.099%** despite being an active fund

Growth before the start of the new NISA Dec. 21, – Dec. 29, 2023 (7 Days)	Growth after the start of the new NISA Dec. 4 – Dec. 29, 2024 (7 Days)
Daily average 6.6%	Daily average 11.3%



SBI Asset Management has Launched Ten Quarterly Distribution-type Investment Trusts So Far



-Net asset balance has steadily increased due to support from investors who place importance on distributions-

Japanese Bonds & Equities

- SBI Japan High Dividend Equity (Distribution) Fund
- SBI JGB (Distribution) Fund
- SBI J-REIT (Distribution) Fund

U.S. Bonds & Equities

- SBI SPDR S&P 500 High Dividend Index Fund
- SBI V High Dividend Yield Index Fund
- SBI V Dividend Growth Index Fund
- SBI iShares US Aggregate Bond Index Fund
- SBI iShares US Investment Grade Corporate Bond Fund (1-5 years)
- SBI iShares US High Yield Bond Fund

European Equities

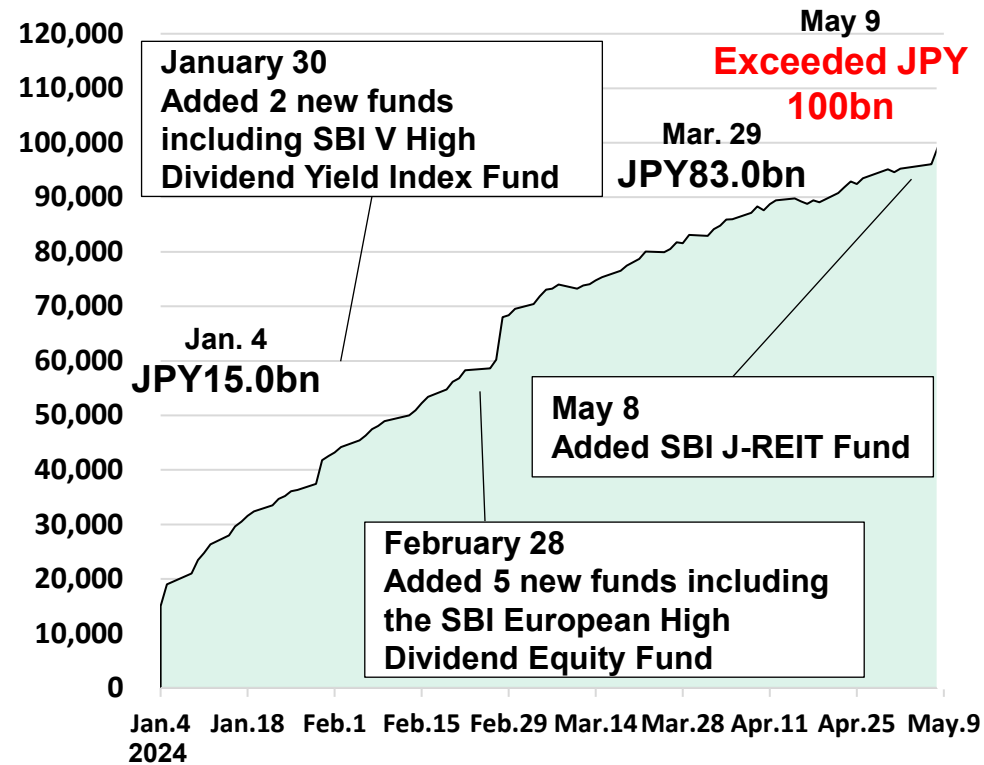
- SBI European High Dividend Equity (Distribution) Fund

*All of the funds above are eligible for the Growth Quota of the new NISA

By combining the above funds with different distribution periods and purchasing them under the NISA Growth Quota limit, investors can receive **monthly distributions tax-free** while **diversifying their investments geographically and in different currencies**

Changes in Net Asset Balance of Quarterly Distribution-type Investment Trusts since the Start of the New NISA (January 4, 2024)

(JPY million)



* Based on data from The Investment Trusts Association, Japan

Contributed to the accumulation of **approximately**

JPY 68bn in net asset balance during the fourth quarter

Rheos Capital Works, a Subsidiary of SBI RHEOS HIFUMI, Launches a New Fund Investing in Small-cap Stocks with High Growth Potential

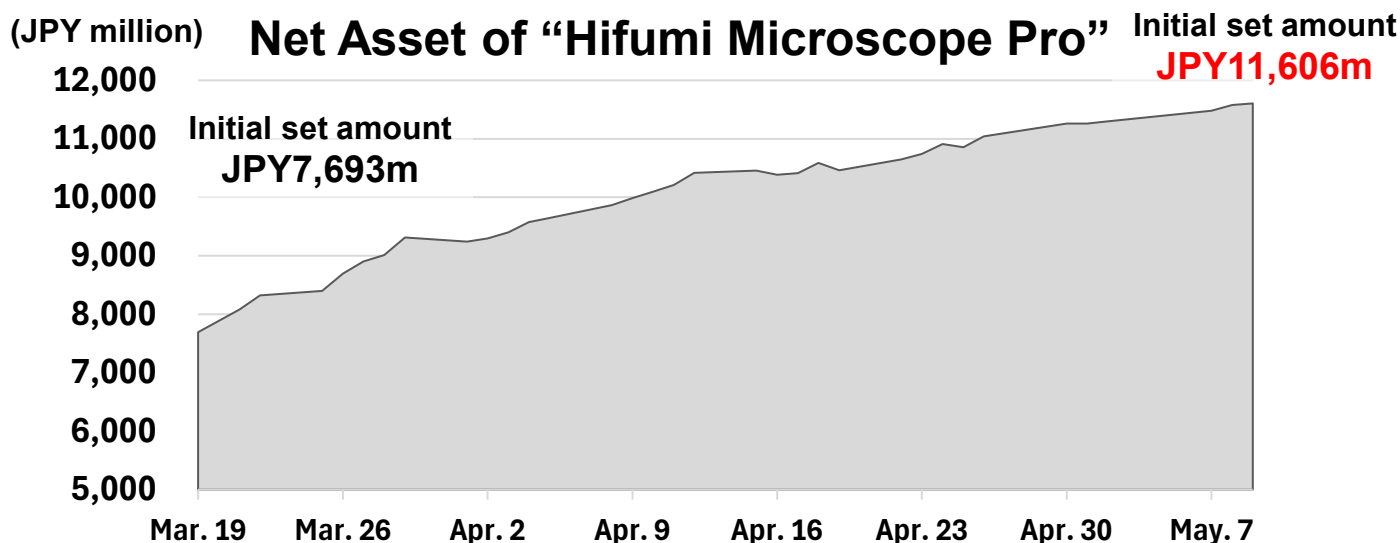


Name: **“Hifumi Microscope Pro”**

*Eligible for the Growth Quota of the new NISA

Trust fee: 1.485% (Incl. tax)

- Establishment and management began on September 22, 2023
- Originally managed as a private investment trust, the fund's main investment targets are **Japanese small-cap stocks with growth potential**, and it incorporates stocks that have been thoroughly researched and analyzed from both qualitative and quantitative perspectives
- **Net asset balance exceeds JPY 10.0bn** in just 16 business days



2024

* Based on data from The Investment Trusts Association, Japan

- ② Endeavor to acquire a wide customer base by providing investors with new investment opportunities such as alternative investments**

Plan to provide Alternative Investment Products to Retail Investors Centered around “Alternative Strategies” and “Alternative Assets”

-Initially provide funds that incorporate alternative assets through SBI Asset Management-

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



KKR

KKR & Co. Inc

Strengths in “**alternative assets**” such as private equity/debt, and real estate

Plans to provide products that uses information provided by the joint venture through SBI Asset Management during 1H FY2024

The joint venture itself will start providing products as soon as it is ready



Man Group PLC

Strengths in “**alternative strategy**” which is an investment strategy that utilizes non-traditional investment methods
Plan to establish a joint venture during 1Q FY2024

Joint Venture (Established)

↓ Provision of Information



↓ Formation of products & provision



Private and publicly offered investment trusts

Movement Within the SBI Group Towards Provision Publicly Offered Investment Funds that Incorporate Unlisted Securities (Private Equity)

With the recent allowance of **including unlisted stocks up to 15%** in investment trusts, this will improve the liquidity of unlisted stocks. This not only **increases funding opportunities for venture companies** but also **provides individual investors with the option to invest in growing companies even before their IPO**

- SBI Group has a track record of establishing and managing funds incorporating private equity using **foreign fund schemes**
 - SBI Group has been managing private equity funds since its establishment.
 - SoftBank Bond & Private Equity Fund (July 2000 - redeemed March 2006) [Luxembourg fund]
 - SoftBank Bond & Private Equity Fund II (June 2001 -redeemed October 2005) [Luxembourg fund]
 - Softbank Bond & Private Equity Fund III (July 2005 - redeemed February 2017) [Luxembourg fund]
 - Still managing the fund jointly with Pictet Asset Management (Japan)
 - SBI-PICTET Asia Hi-Tech Venture Fund (under management since July 2020) [Cayman fund]
- Rheos Capital Works, a subsidiary of SBI RHEOS HIFUMI has started planning of creating a **publicly offered investment fund that incorporates unlisted securities domestically**
 - In conducting research and management, consideration is underway **to leverage the expertise and network of Rheos Capital Partners**, a venture capital firm under SBI RHEOS HIFUMI, engaged in the formation and management of venture capital
 - With a proven track record of investigating almost all IPO stocks from unlisted to newly listed, the Company **will work to support companies' fundraising and growth over the long term, utilizing its strong research capabilities**

Endeavor to Build Up Assets by Providing Variety of Products to **Achieve an AUM of JPY 20tn by FY2027**



<Index & multi-asset> <U.S. govt. bonds>

<investment information service>



AUM^{*}
Approx. 5.9tn

<Active>







AUM^{*}
Approx. 3.1tn

<Private equity, etc.>

AUM^{*}
Approx. 0.8tn

<Alternative investment (planned)>

Joint ventures with Man Group and KKR

(*)Asset under management as of end of March 2024

(4) Group companies that make up the digital ecosystem are actively developing new services and products to promote rapid growth in the digital asset domain

- ① SBI VC Trade and BITPOINT provide services that meet various customer needs, including staking that is easy to use even for crypto asset beginners**
- ② SBI Group promotes stable coin-related initiatives with high growth potential**
- ③ Osaka Digital Exchange contributes to the expansion of issuance and distribution of security tokens (ST)**
- ④ Plans to provide sports fan tokens through alliance with Chiliz**

- ① **SBI VC Trade and BITPOINT provide services that meet various customer needs, including staking that is easy to use even for crypto asset beginners**

SBI VC Trade and BITPOINT Respond to Various Customer Needs Through Business Development that Leverages Their Respective Characteristics

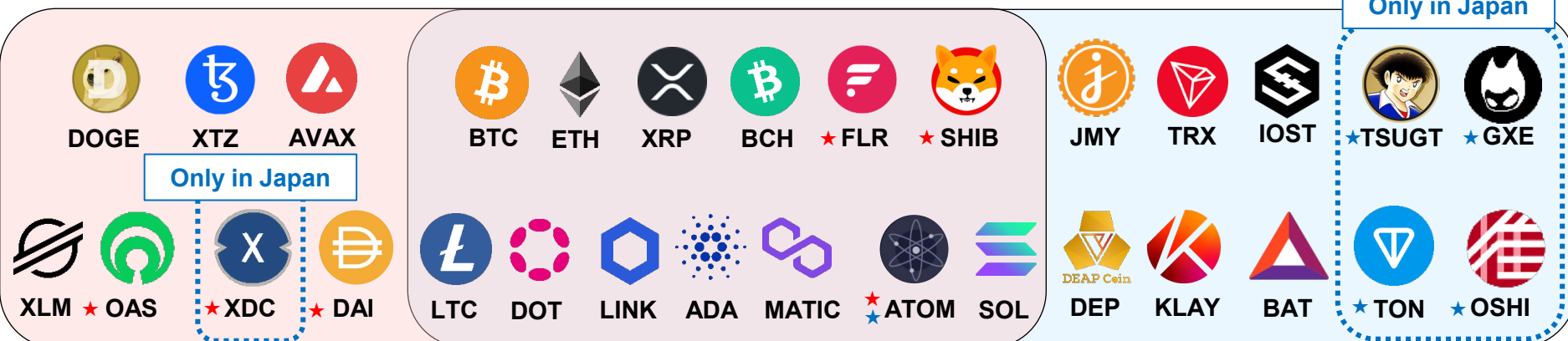
[Expanding the number of crypto assets handled]

Promoting expansion of crypto assets handled. Realize crypto asset lineup that does not fall behind other companies

(Number of new crypto assets handled during FY2023: SBI VC Trade **6** types, BITPOINT **5** types)

SBI VC Trade (20 types in total)

BITPOINT (23 types in total)



★=Crypto assets added during FY2024 at SBIVCT

★=Crypto assets added during FY2024 at BITPOINT

[Differentiation of services offered]

SBI VC Trade

- Providing staking services for 10 types of crypto assets, the most in the industry (as of March 31, 2024)
- Provide Web3 related services through “SBI Web3 Wallet”, etc.
- Enhance services through collaboration with issuers such as XDC, AVAX, FLR and OAS

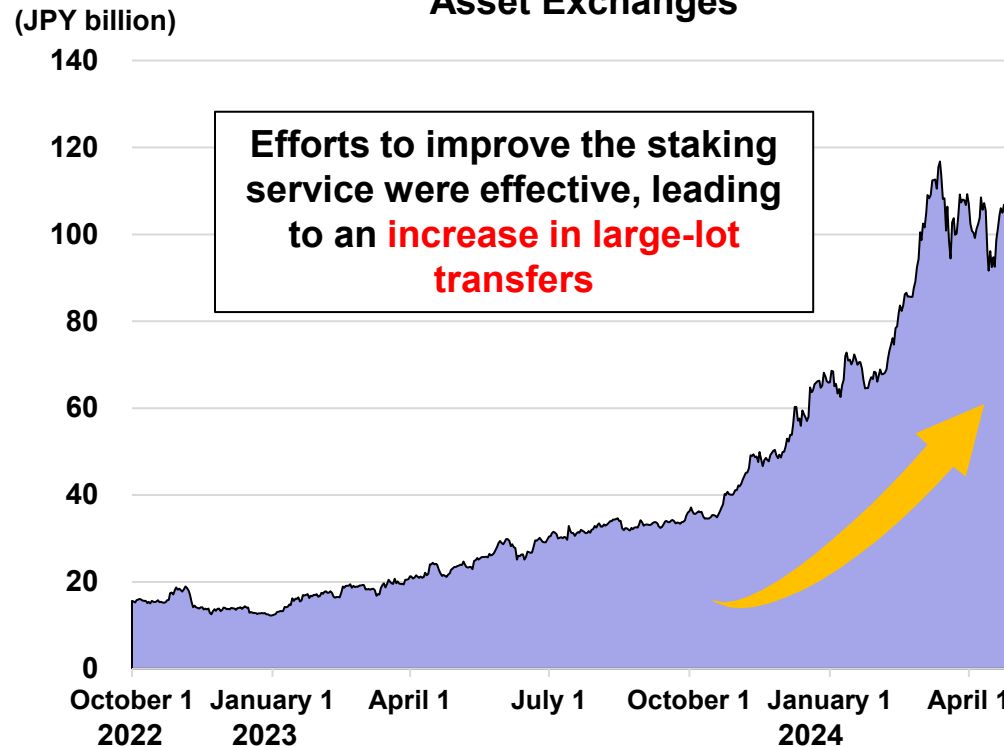
BITPOINT

- Providing trading opportunities for crypto assets for the first time in Japan, including OSHI, which newly started handling on February 27
- Providing staking services with no commissions on all crypto assets with one of the highest reward rates in the industry

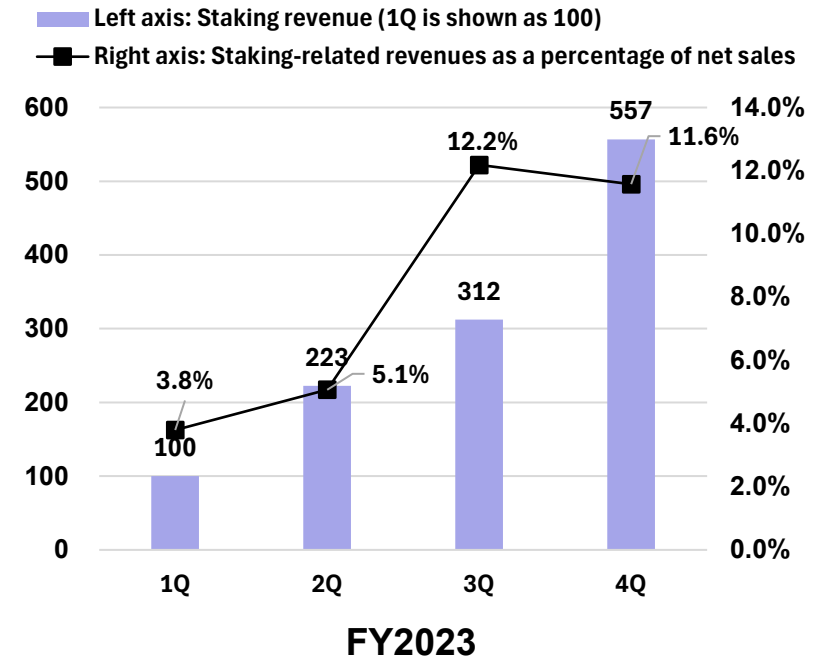
Staking Services Provided by the SBI Group Performed Well

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 held in the blockchain

Changes in the Deposit Balances of Staked Crypto Assets at the two SBI Group crypto Asset Exchanges



SBI VC Trade's Staking Revenue and Staking Revenue as a Percentage of Net Sales



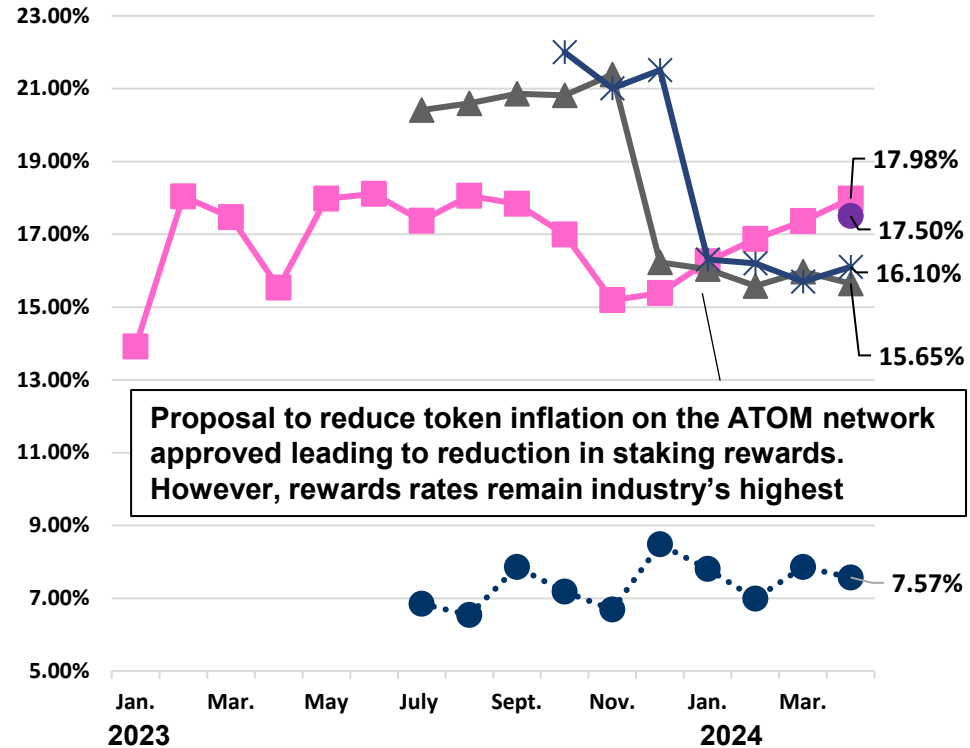
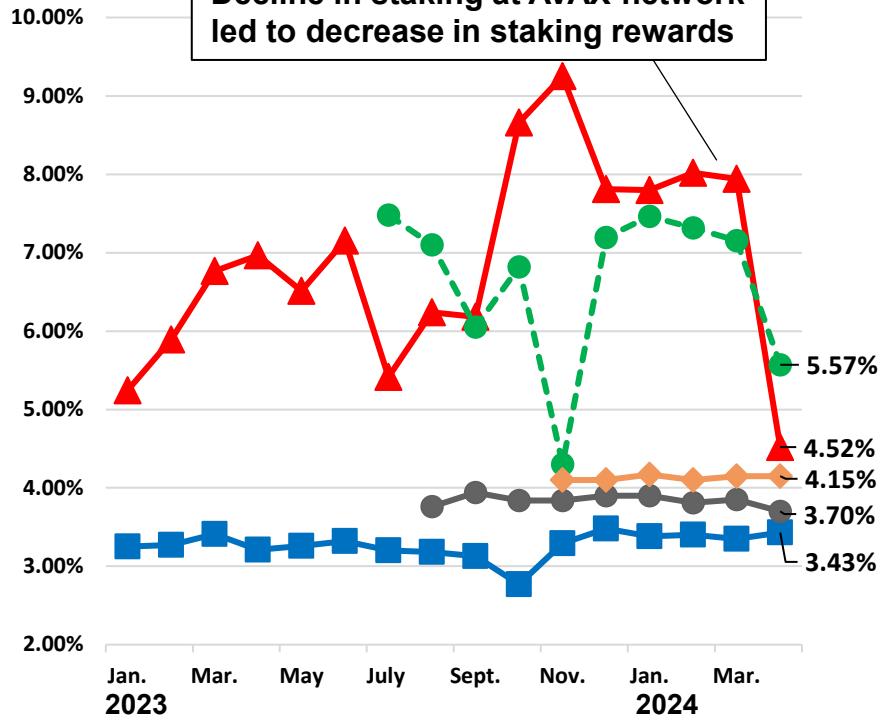
Diversify revenue sources and expand stock revenue opportunities by enhancing staking services

Realized High Standard Staking Rewards by Sophisticating Operations

Staking Rewards for Crypto Assets Eligible for Staking at SBI Group's Crypto-asset Business

(Major crypto assets provided through SBI VC Trade and BITPOINT : January 2023-March 2024)

Decline in staking at AVAX network led to decrease in staking rewards

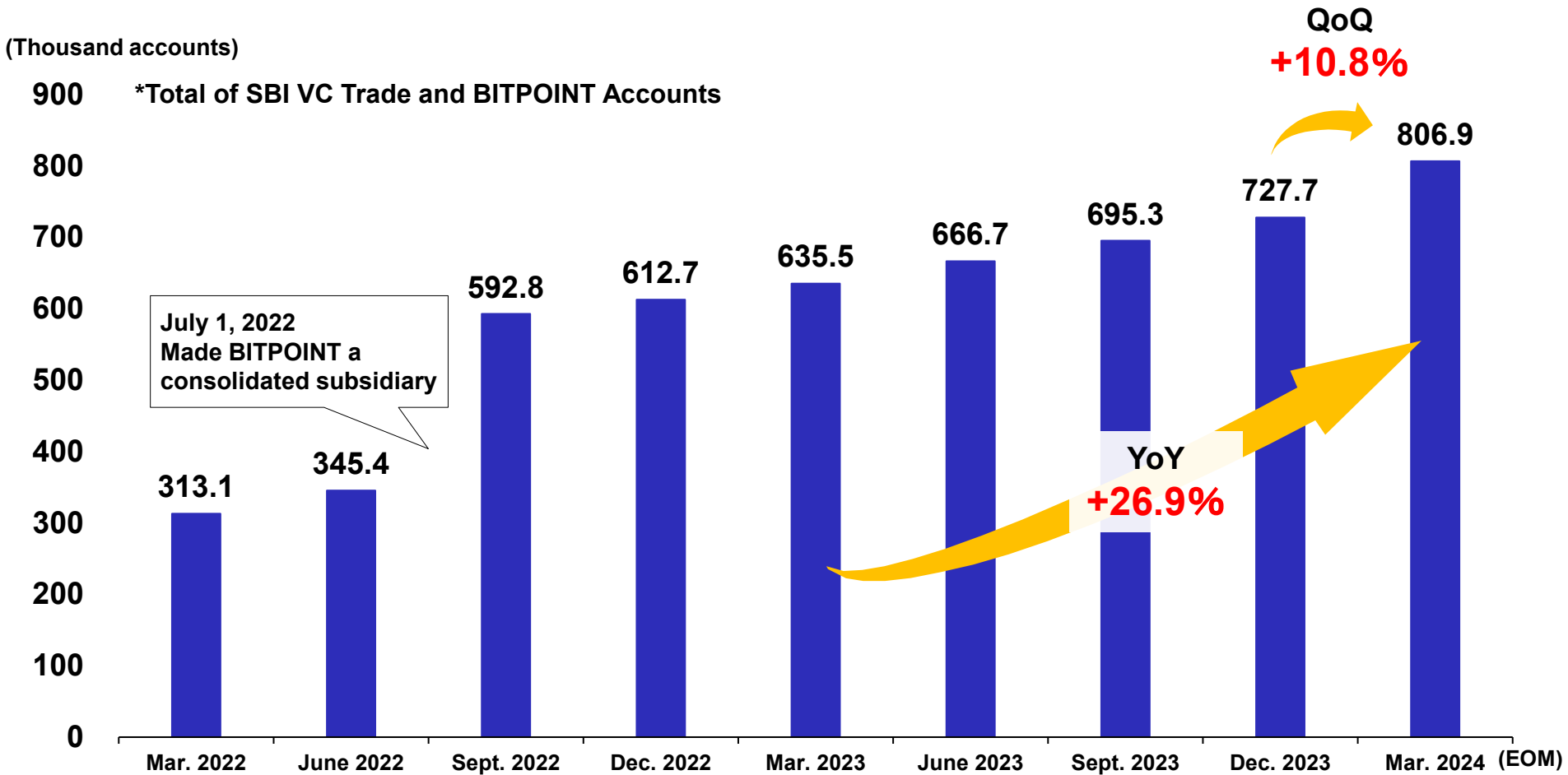


Proposal to reduce token inflation on the ATOM network approved leading to reduction in staking rewards. However, rewards rates remain industry's highest

*Reward rates for SBI VC Trade are before deducting commissions (except for some campaigns), and reward rates for BITPOINT is the actual received amount

Maintain a high level of staking reward ratio to increase customer satisfaction and generate stable stock revenues

Crypto Asset Customers have Increased 2.5 Times in Two Years



**SBI VC Trade and BITPOINT, and each has achieved
customer balance of JPY 100bn respectively**

- ② **SBI Group promotes stable coin-related initiatives with high growth potential**

Stablecoin Use Grows in Both Real and Virtual Worlds

What are stablecoins

A type of crypto asset that is linked to the price of a specific legal tender, such as the U.S. dollar or Japanese yen. Typical examples are USDT and USDC. In Japan, the Payment Services Act defines “collateralized” stable coins backed by legal tender

Transactions in the virtual world are not fast enough with existing payment methods, and **stable coins are useful for immediate settlement**

Real

- Payment use at physical stores and e-commerce sites
- Realization of true peer-to-peer money transfers with no money transfer operator in the middle
- Use as a “means of storing value” for people living in countries where the value of the local currency is unstable

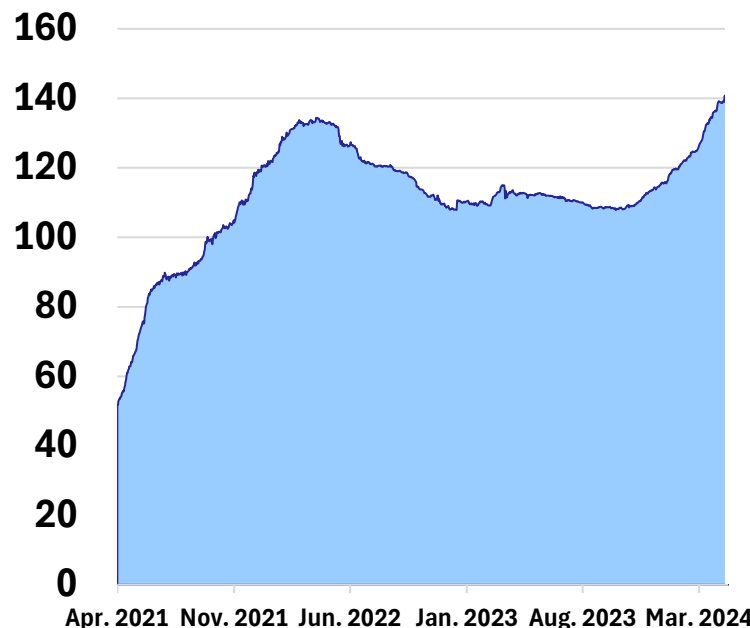


Virtual

- Use as a temporary escape for funds when conducting crypto asset transactions
- Purchase of next-generation commodities traded on the blockchain, such as NFTs and STs
- Use as base currency in DEX (decentralized exchange), etc.

Market Capitalization of
Stablecoins USDT and USDC

(USD billion)



Endeavor to become an industry leader in Japan by making an early commitment to stablecoin, which is expected to expand its use in the future

Steady Progress with U.S.-Based Company Circle to Promoting Circulation of Stablecoins Within Japan



Announcement of the Basic
Agreement
(November 27, 2023)



Circle issues a US dollar denominated stablecoin, backed by USD cash and cash-equivalent assets, called USDC. With USD 33.1bn (approx. JPY 5.2tn equivalent) in circulation as of May 2nd, it is the second largest stablecoin in the world

- Ongoing initiatives-

- Circle and the SBI Group are collaborating closely with regulatory authorities to finalize a plan for a compliant offering of USDC in Japan
- **SBI VC Trade** is currently under the process of registering as an electronic payment instruments service provider. In addition, SBI VC Trade is playing a central role in the system integration between Circle and **SBI Shinsei Bank** for the handling of USDC
- Process underway of forming a joint venture in Japan

③ Osaka Digital Exchange Contributes to the Expansion of Issuance and Distribution of **Security Tokens (ST)**

The ST market will be boosted through START, the first PTS in Japan operated by Osaka Digital Exchange



- To prepare for future market expansion, ST issuers, trust banks, blockchain platformers, participating brokerage firms, and others have come together to form the START operating committee. Already kicked off a **task force to consider the handling of tokenized bonds**
- As a new issue to be handled, new **Ichigo-Residence-Token** that will start offering from the end of May, with SBI SECURITIES as the lead manager and Ichigo.inc as the asset management company, as announced on April 22.
- From Mar.11, 2024, real-time order status and closing price information has been provided through the service by REFINITIV JAPAN. On Apr.15, 2024, Coin Desk JAPAN began posting trading information and historical data for the stocks handle. Providing investors with **information that can be used as a reference for trading transaction**

④ Plans to Partner With Chiliz to Offer Sports Fan Tokens That Will Enjoy a Variety of Benefits for Holding the Tokens

SBI Digital Asset Holdings and Chiliz, the world's largest sports fan token platform, signed a basic agreement on strategic partnership.



- Creating an innovative sports experience never before seen, including the ability for Japanese fans to access fan tokens issued by the world's top clubs and **participate in fan-related decision-making**
- **Many famous sports teams** such as Arsenal FC, AC Milan, FC Barcelona, Inter Milan and Paris Saint-Germain are **issuing fan tokens using Chiliz**. With the tokens listed in 21 crypto asset exchanges around the world including major players, it has made a record volume of over 300 million dollars in just 24 hours
- Chiliz Group operates **Socios.com**, the world's largest Web3 wallet and fan engagement platform with **over 2 million users**. More than **70 different fan tokens** are issued by partner sports organizations around the world, with **more than 250,000 unique users access per day**

4. Restructuring the business portfolio to adapt changing business environment in the future

- (1) SBI Group has been promoting thoroughly reinforcing its profitability through allocating business resources to banking business in anticipation of rising interest rates in Japan**
- (2) Strengthen the banking business through our Strategy to create further synergies between the SBI Group and SBI Shinsei Bank Group**
- (3) In the Financial Services Business, promoting the integration of domestic and overseas operations by directing management resources more broadly than before toward countries with high-growth prospects. Also pursue further expansion of the revenue base by strengthening the bank-securities link in overseas operations**
- (4) Entering the semiconductor-related business, which the Japanese government has positioned as a national industry**

(1) SBI Group has been promoting thoroughly reinforcing its profitability through allocating business resources to banking business in anticipation of rising interest rates in Japan

- ① Banking Business has already Outperforms Securities Business in its Contribution to Consolidated Results**
- ② Future perspectives of the banking business in a rising interest rate environment in Japan**

① Banking Business has Already Outperforms Securities Business in its Contribution to Consolidated Results

Financial Services Business Segment Breakdown of Profit before Income Tax Expense and Composition *1

(Unit: JPY million, % in parentheses)

	FY2021	FY2022	FY2023
Securities business	55,480 (50.6)	54,330 (37.4)	66,564 (42.0)
Banking business	48,878 (44.6)	90,962 (62.6)	85,252 (53.8)
Insurance business	5,240 (4.8)	17 (0.0)	6,598 (4.2)
Other, negative goodwill, etc.	192,127	6,731	6,567
Total	301,725	152,040	164,981

*1 Parentheses indicate the percentage of profit before income tax expense of the Securities business, the Banking business, and the Insurance business in the Financial Services Business segment, excluding others, negative goodwill, etc

*2 From FY2022, five business segments have been designated as the new business segments, and the figures for the FY2021 have been reclassified to conform to the new segmentation structure

- ② Future perspectives of the banking business
in a rising interest rate environment in Japan**
- (i) SBI Shinsei Bank**
- (ii) SBI Sumishin Net Bank**

Considering the Impact on **SBI Shinsei Bank's** Businesses from the Increase in the Policy Interest Rate

- ✓ The end of negative interest rates and its impact on non-consolidated earnings in FY 2024

A positive effect of approx.JPY 6.7bn expected centered on loans and management of securities, paired with **a negative effect of approx.JPY 4.8bn** from higher interest rates to procure funds, resulting in **increased revenues of approx. JPY 2bn**

[Consideration of the impact of any additional rate increases]

- ✓ Retail & corporate business

While cost increases on the fund procurement side are limited, on the lending side we expect **increased income centered on corporate loans and housing loans businesses**, resulting in a positive effect overall

⇒ In corporate loans, pursuing further improvements, by **switching from fixed to variable interest rates** and **new capture of retail deposits**

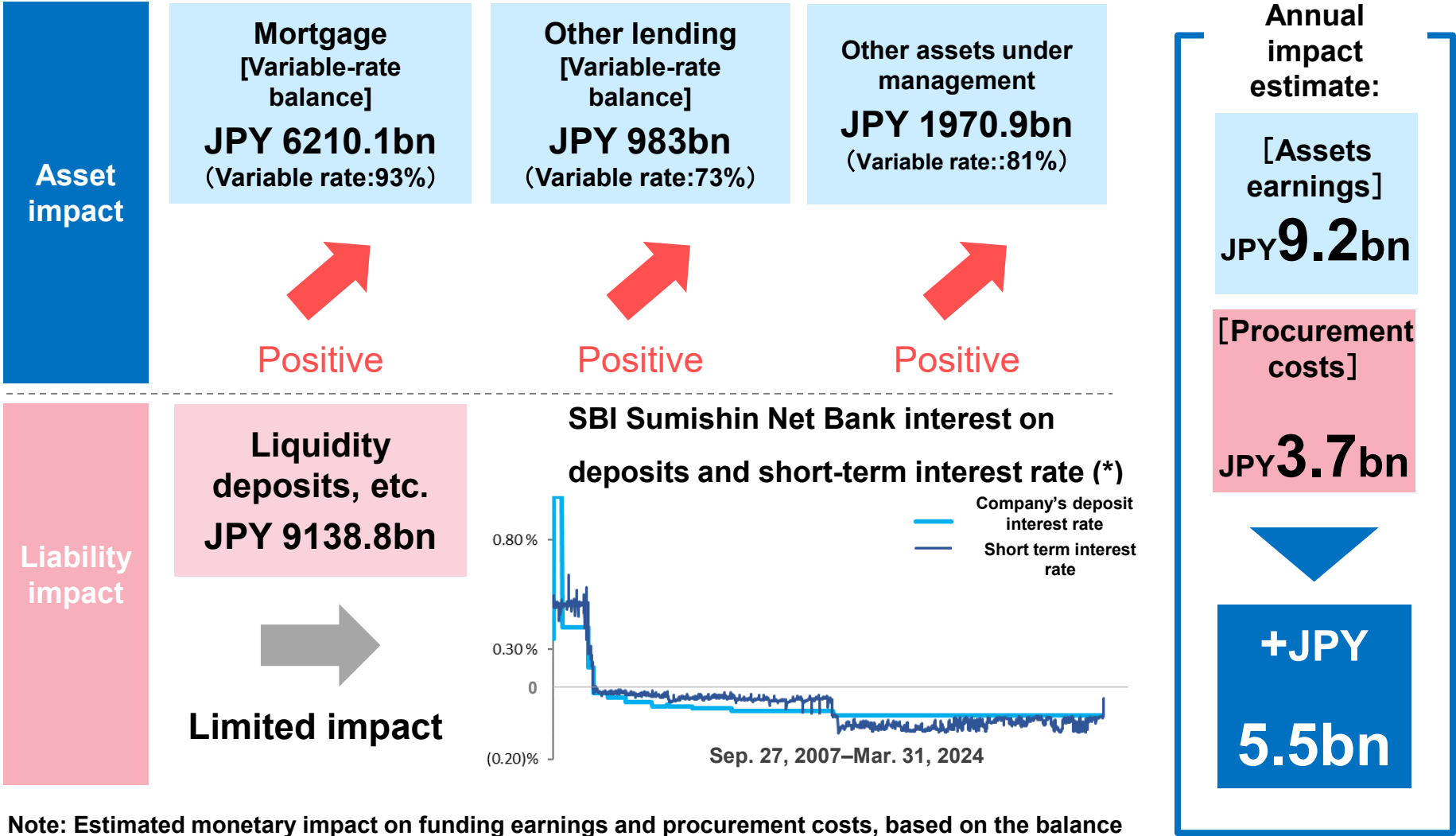
- ✓ Market business

Expecting a positive revenue effect from higher yields on reinvestment. At the same time, projecting expanded valuation losses on fixed-income domestic bonds held and higher costs for funds procured from the market

⇒ Reduction in JGB balances already underway in anticipation of changes in interest rate policy, and **further review of the securities portfolio**

SBI Sumishin Net Bank’s Focus on Variable-Rate Mortgage Products Means Interest Rate Rise will have Positive Impact

[Impact from changes in the policy interest rate in FY2023]



Note: Estimated monetary impact on funding earnings and procurement costs, based on the balance sheet in FY2023. Tracking rate vs market interest rate: deposits 40%, all others: 100%

(2) Strengthen the banking business by the Strategy to create further synergies between SBI Group and SBI Shinsei Bank Group


- ① Future Initiatives to further expand the customer base on both sides by vitalizing sales activities and strengthening cooperation with the SBI Group companies**
- ② Repayment of public funds by SBI Shinsei Bank**

- ① Future Initiatives to further expand the customer base on both sides by vitalizing sales activities and strengthening cooperation with the SBI Group companies**

Thoroughly Promote the “Fourth Megabank concept” to further Expand SBI Shinsei Bank’s Customer Base

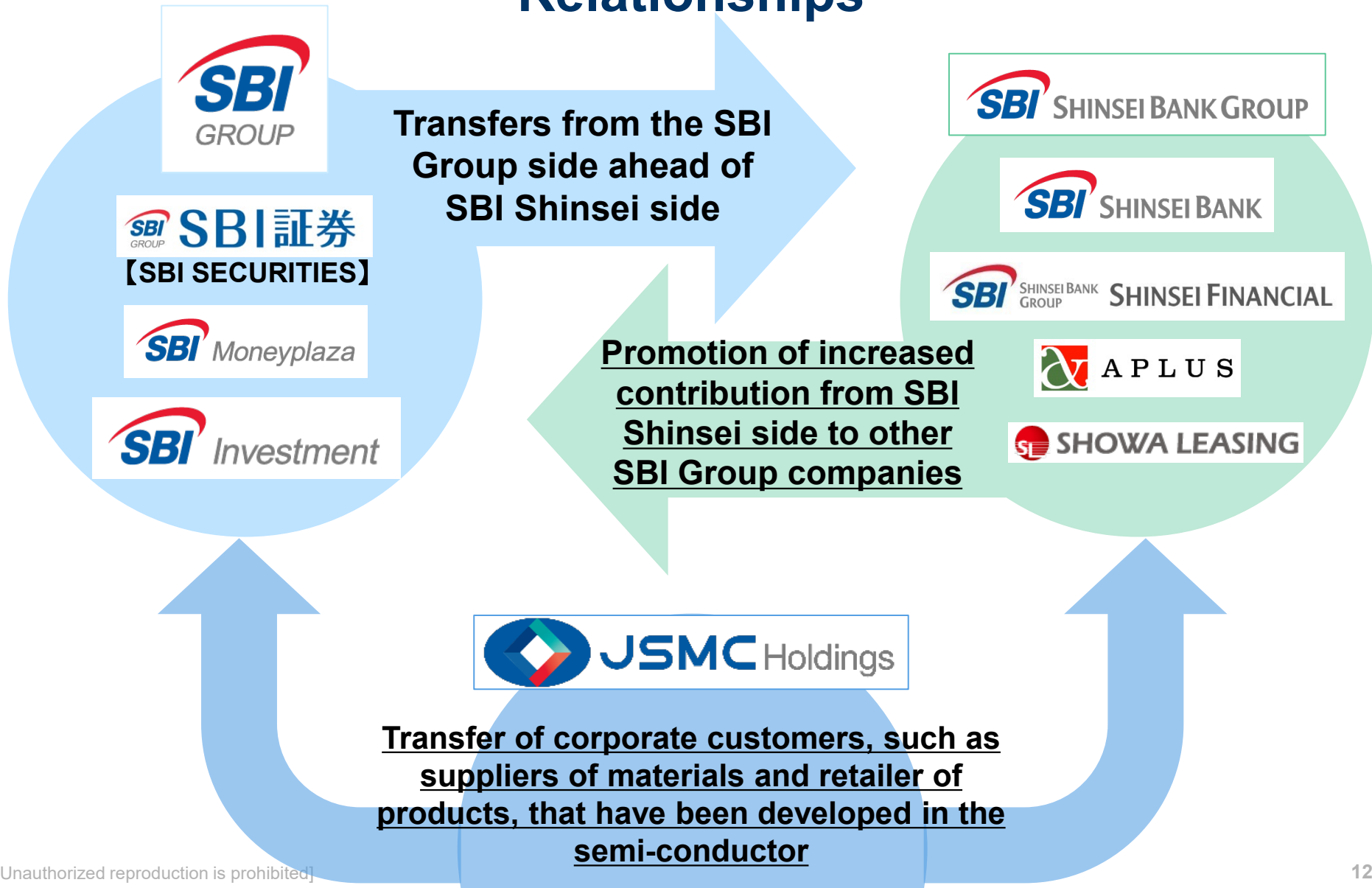
“Fourth Megabank concept”

- ✓ Further **expansion of the size of SBI Shinsei Bank’s assets**, of course through organic growth, but also **through M&A**
- ✓ SBI Group seeks to become a **wide-area regional platform** with the SBI Shinsei Bank as its core by pursuing the benefits of **improvements in efficiency and the expansion of our business scope through wide-ranging collaboration** between the SBI Group and regional financial institutions nationwide

- 
- A large blue arrow pointing downwards, indicating a flow or continuation of the strategy from the "Fourth Megabank concept" to the specific alliances and expansion efforts.
- ✓ SBI Group already has various alliances with **over 100 regional financial institutions nationwide**
 - ✓ Steady expansion of cooperation with regional financial institutions, particularly in corporate lending, which is SBI Shinsei Bank's strengths

Further expansion of SBI Shinsei Bank’s corporate network to regional financial institutions and regional companies

Endeavor to Build a Strong Corporate Customer Base through Mutually Beneficial Relationships



Initiatives to Create Further Synergies through the Exchange of Senior Executive- Level Personnel

**-SBI Group and SBI Shinsei Bank integration strategy of
human resources moves into final phase-**

Examples of Senior Executive personnel exchange①

The Managing Executive Officer in charge of financial institutions sales as well as corporate sales at SBI Shinsei Bank was appointed Senior Managing Director of SBI SECURITIES in April 2024 and is responsible for institutional investor sales and other activities

Examples of Senior Executive personnel exchange②

Management personnel who were engaged in the project finance business at SBI Shinsei Bank are selected as co-heads of SBI Holdings' Singapore office.

② Repayment of public funds by SBI Shinsei Bank

-Repayment of public funds is a great cause and an opportunity for SBI Group to flourish dramatically-

- (i) Current status of voting rights ratios after de-listing and capital increase
- (ii) Schedule and direction for the future repayment of the public funds

(i) Current status of voting rights ratios after de-listing and capital increase

[Recent trends]

Note: Rounded to nearest JPY 100m

- ✓ On February 9, 2024, court authorization obtained, the SBI Group to execute a purchase of the fractional shares at an amount equivalent to the tender offer price (JPY 2,800 per share before the reverse stock annexation)
- ✓ Among these shares, the purchase of the fractional shares (**worth approx. JPY 19.3bn**) relating to from the Deposit Insurance Corporation of Japan was treated as a repayment of public funds
⇒ **First repayment of a portion of public funds in nearly 18 years** (approx. JPY 330bn remaining)
- ✓ On March 22, 2024, with the goal of making up for partial shortfall of funds related to the purchase of the fractional shares, the SBI Group issued new shares through third-party allotment to SBI Regional Bank Holdings and S-Grant Co., Ltd.
⇒ SBI Group's share of voting rights rises to **64.81%**

[Shareholder Status (as of March 31, 2024)]

	Shares held	Voting rights share
SBI Regional Bank Holdings	35	64.81%
Deposit Insurance Corporation of Japan	6	11.11%
The Resolution and Collection Corporation	6	11.11%
S-Grant Co., Ltd.	7	12.96%

(ii) Schedule and direction for the future repayment of the public funds

SBI Shinsei Bank's Thorough Pursuit of Various Initiatives toward the Repayment of Public Funds

- ✓ Carry out a rapid succession of Group collaborative initiatives such as simultaneous opening of accounts with SBI SECURITIES and opening of co-managed stores with SBI MONEYPLAZA to make a major expansion of the customer base
- ✓ Healthy progress in building up asset balances in the corporate sector by making successful use of the SBI Group network, with focus on revitalizing operating activities and regional financial institutions
- ✓ Regarding business domains that overlap or have prospects for synergies with the SBI Group due to restructuring, carry out Group-internal restructuring and build an efficient ecosystem

The implementation of the above initiatives and others have already produced **considerable results in a short term** in improving profitability and establishing a growth platform for the repayment of public funds

Schedule related to repayment of public funds

- ✓ Specific mechanism for the repayment of public funds to be proposed to the Deposit Insurance Corporation of Japan and The Resolution and Collection Corporation by March 31, 2025
- ✓ Then, after faithful discussion on a specific mechanism for repayment, reach an agreement on the mechanism by June 30, 2025

SBI Shinsei Bank's Full-year Consolidated Results for FY2023 Achieved a Significant Increase in Revenues and Profits

**-Ordinary Business Profits exceeded JPY 100bn
for the first time in 13 years, since FY2010-**

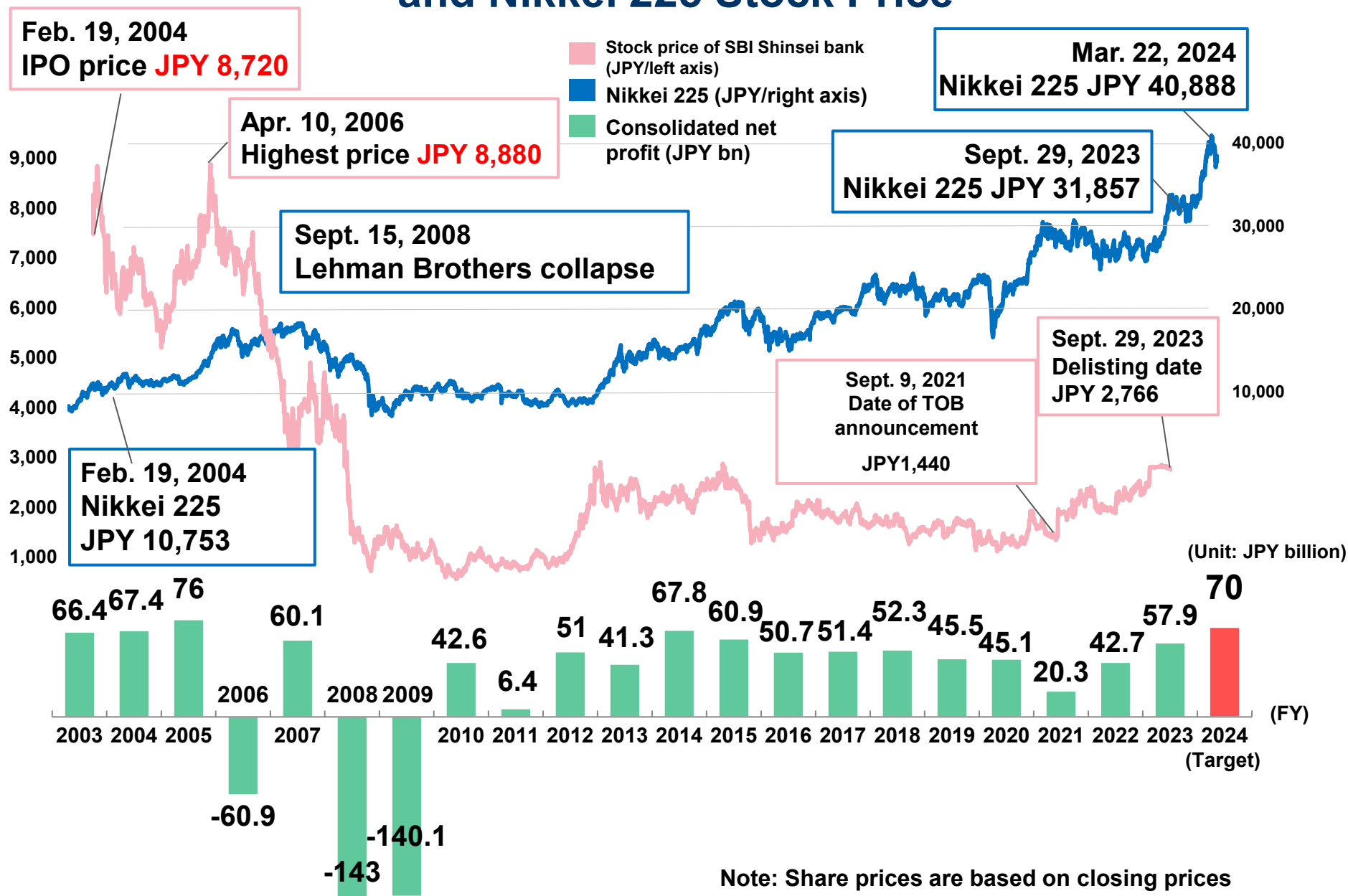
Note: Units are rounded down to the nearest decimal

(Unit: JPY billion)

	FY2022	FY2023	YoY change(%)
Gross operating profit	240.2	267.9	+11.5
Ordinary business profit	78.6	102.2	+30.0
Profit before income tax expense	51.7	62.9	+21.7
Profit attributable to owners of the Company	42.7	57.9	+35.6

**Full-year profit target for FY2024 in the current medium-term
management plan is consolidated net profit of JPY 70bn**

SBI Shinsei Bank Consolidated Net Profit and Nikkei 225 Stock Price



Repayment of Public Funds: Various Methods can be Considered Based on Past Examples

Example 1: (Reference: Case of Aozora Bank)

Steadily repay public funds via a special dividend paid each fiscal year after converting common stock held by the Deposit Insurance Corporation of Japan (DICJ) and The Resolution and Collection Corporation (TRCC) to preferred stock

Example 2: (Reference: Case of Aozora Bank/Resona Holdings*)

Converting common stocks held by DICJ and TRCC to preferred stocks; as corporate value increases, relist the stock while keeping an eye on market trends. Depending on the stock price afterwards, repay public funds in the form of gradual purchases of preferred stocks

(*) Although public funds were injected in the form of purchases of Resona Bank stock by the DICJ in June 2003, after a stock swap in August of the same year, it took the form of injecting public funds to Resona Holdings

- ✓ **At the discussion stage within the Company, and no decision has been made at present**
- ✓ **To come to an agreement on a specific repayment mechanism with DICJ and TRCC by the end of June 2025, we plan to further discussions with the relative authorities and other concerned parties**

(3) In the Financial Services Business, promote the integration of domestic and overseas operations by directing management resources more broadly than before toward countries with high-growth prospects. Also pursue further expansion of the revenue base by strengthening the bank-securities link in overseas operations

- ① Companies that provide Financial Services Business in international markets, with emphasis on Southeast Asia, are already contributed to earnings backed by high economic growth, allowing for further business expansion**
- ② Accelerate investment of management resources to increase involvement in the cash-rich Middle East region**
- ③ Strengthening the profitability, establishing Overseas Business Management Division**

- ① Companies that provide Financial Services Business in international markets, with emphasis on Southeast Asia, are already contributed to earnings backed by high economic growth, allowing for further business expansion**
 - (i) Bank Subsidiaries in Southeast Asia focus on economical management based on market environment and local conditions**
 - (ii) Endeavor to further expand business base at securities subsidiaries in Thailand and Cambodia and establishing a distinctive position in the industry**
 - (iii) Focus on expansion in other regions and development of new financial services, etc.**

(i) Bank Subsidiaries in Southeast Asia

Focus on Economical Management

Based on Market Environment and Local Conditions

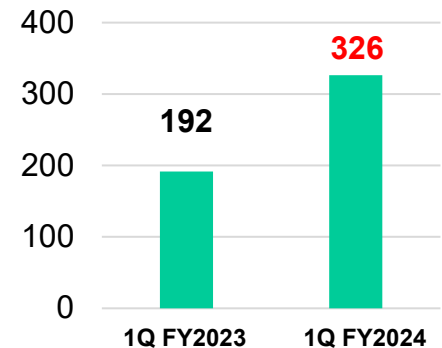


SBI LY HOUR BANK (Investment ratio: 70.0%)

- Acquired a medium-sized microfinance company in Cambodia and converted it into a commercial bank in Mar. 2020
- After achieving profitability in its first full-year consolidated financial statements for the fiscal year ended in Dec. 2021, the bank has continued to maintain profitability thereafter (Profit before income tax expense for FY2023: **JPY 744m**)
- Profit before income tax expenses for 1Q FY2024 was **JPY 326m**

< Changes in Profit Before Income Tax Expense of each Bank under Local Accounting Standards >

(Unit: JPY million)



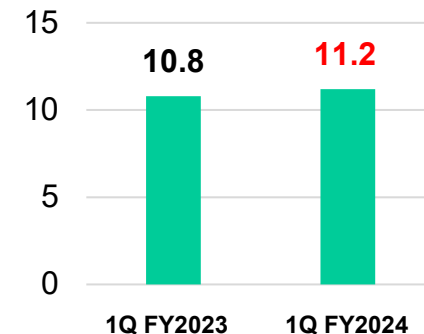
* USD 1 = JPY 151.36



TPBank (Investment ratio: 20.0%)

- Acquired the additional share ownership to 20% and made the company an equity-method affiliate in Feb. 2023
- For FY2023, SBI Holdings recorded approx. **JPY 5.7bn** as investment income from equity method based on the adoption of IFRS, attributable to the Financial Services Business
- SBI Holdings expects to receive approx. **JPY 1.3bn** in cash dividends in Jun. 2024 as profit distribution for the fiscal year ended Dec. 2023

(Unit: JPY billion)



* VND 1 = JPY 0.0061

* The figures of profit before income tax expense for each bank are based on the local accounting standards

(ii) Endeavor to Further Expand Business Base at Securities Subsidiaries in Thailand and Cambodia and Establishing a Distinctive Position in the Industry



SBI Thai Online

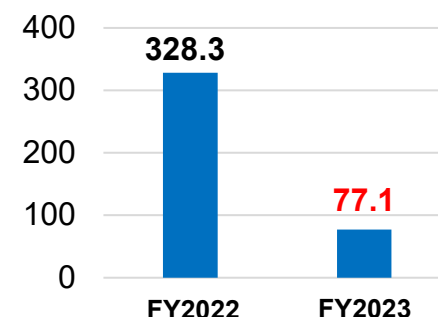
SBI Thai Online Securities

(Investment ratio 100.0%; established in Oct. 2014)

- First pure-play Internet securities company in Thailand
- Provides stock and derivative trading services to local investors, including Japanese residents in Thailand
- In FY2023, while the number of accounts have grown steadily to reach 100,000, commission fee income has decreased due to a significant decrease in trading volume in the securities market, resulting in lower income compared to FY2022
- Newly started handling of IPO underwriting (6 IPOs executed in FY2023)

< Changes in Profit Before Income Tax Expense of each Company under Local Accounting Standards >

(Unit: JPY million)



* THB 1 = JPY 4.2



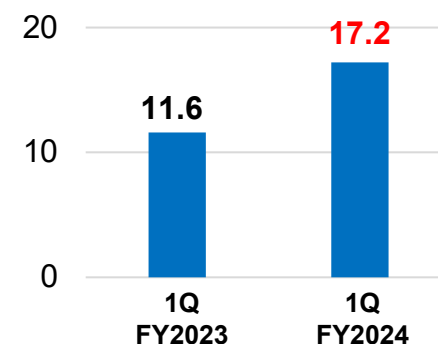
SBI Royal Securities

SBI Royal Securities

(Investment ratio 65.3%; established in Feb. 2010)

- The only Japanese-affiliated comprehensive securities firm in Cambodia, positioned as a leading firm in the industry in IPOs and listed public bond underwriting
- The average daily trading volume on the Cambodia Securities Exchange was quiet at approx. JPY 13m (-57% YoY)
- Despite a difficult environment in the 1Q FY2024 due to the high dollar interest rates and weak domestic demand, achieved a YoY increase in profit

(Unit: JPY million)



* USD 1 = JPY 154

(iii) Focus on Expansion in Other Regions and Development of New Financial Services, etc. ①

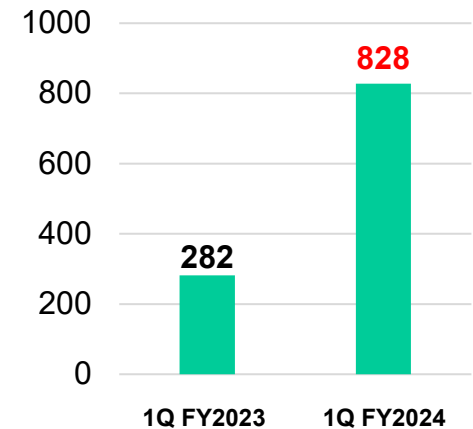


SBI Bank (Investment ratio: 90.7%)

- A commercial bank with a full banking license in Russia and became a wholly owned subsidiary in Aug. 2017
- Considering the market environment and local conditions, the bank downsizes and carefully manages operations. It also maintains its role as a financial infrastructure for customers including Japanese companies (Profit before income tax expense for FY2024: **JPY 145m**)
- Due to the increase in policy interest rates since Sept. 2023, the operation income has increased, and the profit before income tax expense for the 1Q FY2024 recorded **JPY 828m**

< Changes in Profit Before Income Tax Expense under Local Accounting Standards >

(Unit: JPY million)



* RUB 1= JPY 1.65



LY HOUR SBI Insurance (Investment ratio: 40.0%)

- Invested in LY HOUR Insurance, a subsidiary of LY HOUR Group, a major conglomerate in Cambodia, and its name will be changed to **LY HOUR SBI Insurance**
- Striving for further synergy with SBI LY HOUR BANK
- SBI Insurance Group will actively consider developments to maximize group synergy and share various insights related to the insurance business cultivated in Japan with LY HOUR SBI Insurance

(iii) Focus on Expansion in Other Regions and Development of New Financial Services, etc. ②



UDC Finance Limited (Shareholding ratio: 100%)

- New Zealand's largest non-bank, which **became a wholly owned subsidiary** of SBI Shinsei Bank in Sept. 2020
- Has a strong personal and corporate customer base, and sales structure in New Zealand, providing auto loans for individuals and asset finance for corporates
- The company made good progress in acquiring new customers through its partner luxury car brands and recorded its largest ever loan balance of **JPY 407.4bn** at the end of Mar. 2024. Ordinary business profit is approx. **JPY 8.9bn (+19% YoY)** in FY2023.



MB Shinsei Finance Limited Liability Company (Shareholding ratio: 49%)

- As part of the expansion of its small-lot finance business, SBI Shinsei Bank invested in a Vietnamese subsidiary established by Military Commercial Joint Stock Bank (MB), a leading private commercial bank in Vietnam in 2017, **making it an equity method affiliate**
- Provided full support from SBI Shinsei Bank, including the provision of finance as well as business-related expertise
- Profit before tax for FY2023 is **approx. JPY 3.3bn (+301% YoY)**



Latitude Group (Shareholding ratio: 18.11%)

- **Capital and business alliance** with SBI Shinsei Bank since Mar. 2021
- Leading company of shopping credit and consumer finance in Australia with strengths in deferred installment payments, credit cards, personal loans, and auto loans

(iii) A Focus on Other Regions and the Development of New Financial Services ③

-Putting forth **SBI Shinsei International** as the key player in strengthening Japanese stocks business overseas, centered in London-

- Provide support to SBI Shinsei Bank on investment and lending projects in Europe and the Middle East
- Supply a review and analysis function regarding the Japanese market, where SBI SECURITIES' review dept. is instrumental, and distribute analyst reports to UK investors
- Providing investors from the UK and elsewhere with corporate access and advisory services
- Providing the SBI Group companies with the functions of a European base
- Serving investors in the UK and elsewhere as an intermediary entrusted with trading Japanese stocks and as a business that handles stock offerings, etc., of Japanese issuers



(iii) Focus on Expansion in Other Regions and Development of New Financial Services, etc. ④

-Signed a Strategic Capital Alliance Agreement with UK-based Venture Capital Firm Novastar which invests in Africa (November 2, 2023)-



[Details of Capital Alliance]

- ✓ **SBI group invested USD40 million in a fund managed by Novastar**
- ✓ **Support Novastar raise the equivalent of the SBI Group's investment from Japanese investors**
- ✓ **Partial shareholding in Novastar and dispatch of non-executive directors**
- ✓ **Novastar will leverage its longstanding investment experience and presence in Africa to promote co-investment opportunities with the SBI Group and provide insight into African markets**

[About Novastar]

- ✓ **Novastar is a UK-based venture capital firm founded in 2014. The oldest venture capital firm to invest in Africa, raising and investing over USD200 million from investors around the world**
- ✓ **Invest in technologies that have the potential to transform core sectors based on the concept of financial return and social impact**

②Accelerate investment of management resources to increase involvement in the cash-rich Middle East region

- (i) SBI Middle East was Established in Saudi Arabia's Capital Riyadh in February 2024 as the SBI Group's Middle Eastern Hub to Further Business Expansion in the Middle East Region**
- (ii) Also Promoting Expansion of Business Alliances with Major Companies in the United Arab Emirates (UAE)**

(i) SBI Middle East was Established in Saudi Arabia's Capital Riyadh in February 2024 as SBI Group's Middle Eastern Hub to Further Business Expansion in the Middle East Region

Collaboration with leading local companies and research institutes already underway

【Aramco】

- Basic agreement to consider a business alliance signed in December 2023
- Employing a business alliance with state-owned Aramco of Saudi Arabia, **the world's largest integrated energy and chemical company**, for cooperation and joint investments in the semiconductor and digital asset areas, 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】

- Basic agreement for business alliance signed in November 2023
- 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, fintech, and biotechnology

【NTG】

- Basic agreement for business alliance signed in July 2023
- Plans to consider co-founding a venture fund with **Saudi Arabian ICT giant NTG** (National Technology Group) for fintech, digital space, etc.

(ii) Also Promoting Expansion of Business Alliances with Major Companies in the United Arab Emirates (UAE)

【SC Ventures】

- May 2022: Signed a basic agreement for a business alliance with SC Ventures, **a venture investment and incubation unit of Standard Chartered Bank**, a British financial giant with over 1,000 offices in 59 countries backed by over 160 years of history
- Established a USD 100m joint fund to invest in the crypto sector, including Defi (decentralized finance), tokenization, infrastructure, payments, and the metaverse. Operations started in January 2024

【TradeFinex Tech】

- December 2023: Established the Japan-based joint venture **SBI XDC Network APAC** (investment: SBI Group 60%, TradeFinex 40%) with TradeFinex Tech (home office: Dubai, UAE), which operates the XDC Network, a blockchain designed to add efficiency to trade finance
- Working toward future collaboration with SBI Group companies to expand XDC's use cases in Japan and overseas by expanding trade finance solutions to the APAC region, through support to operators of Japanese crypto-asset exchanges that wish to handle XDC, and through support for expanding partnerships with subnets/layer-2 companies that contribute to XDC Network expansion

(iii) Strengthening the profitability, establishing Overseas Business Management Division

-Constructing the system including human resource side in approximately six months-

Overseas Business Management Division

Securities business

 *Thai Online*

 *Royal Securities*

SBI Shinsei International

Banking business

 *SAVINGS BANK*

 *Bank*
Strategic Business Innovator



 **TPBank**
Việt Nam

Insurance business

LY HOUR SBI
Insurance

Investment business

 *Investment Korea*

 *Ven Capital*

 *Ventures Malaysia*

Others

SBI Middle East

UDC Finance
Limited

MB Shinsei
Finance Limited
Liability Company

Representative offices
in each country, etc.

Our immediate goal is to have profit before income tax expense from overseas operations account for **20%~30% of the Group's consolidated profit before income tax expense by introducing experienced personnel from each business**

(4) Entering the semiconductor-related business, which the Japanese government has positioned as a national industry

-Contribute to the revival of manufacturing in Japan and expand the corporate clientele of the Group's financial companies-

- ① Alliance with PSMC, a leading Taiwanese semiconductor foundry company, to enter the semiconductor business**
- ② Progress toward semiconductor foundry construction**
- ③ Promote the creation of corporate ecosystems and alliances in the semiconductor business**

- ① **Alliance with PSMC, a leading Taiwanese semiconductor foundry company, to enter the semiconductor business**

Combining PSMC's Manufacturing Expertise with SBI Group's Strengths in Various Financial and Investment functions



PSMC's Manufacturing Expertise

- **Third-largest semiconductor foundry in Taiwan and the seventh-largest in the world**
*2023 actual results
- **One of the few companies in the world capable of producing both memory and logic semiconductors**



SBI Group's Financial and Investment Functions

- Contributing to financing from **domestic and overseas capital markets**, centered on SBI SECURITIES and SBI Group securities companies, which became the first in Japan to achieve 12 million comprehensive securities accounts
- The total deposit balance of SBI Shinsei Bank and SBI Sumishin Net Bank is **approx. JPY 20 tn** (simple sum)
- Expanding Japan's largest **venture capital** business
- Building an extensive network with **regional financial institutions** nationwide through the "Regional Revitalization Strategy"



JSMC Holdings established as foundry management entity

Now is the Perfect Timing to Enter the Semiconductor Field

-The timing vouchsafed by heaven, the advantage of land, and the harmony of people-

Timing Vouchsafed by Heaven

- The Japanese government has positioned the **semiconductor industry as a national industry**
- **U.S.-China struggle for supremacy** in the semiconductor field
- Increased geopolitical risk due to **unipolarity in Taiwan**
- Semiconductor miniaturization processes are reaching their limits

Advantage of the Land

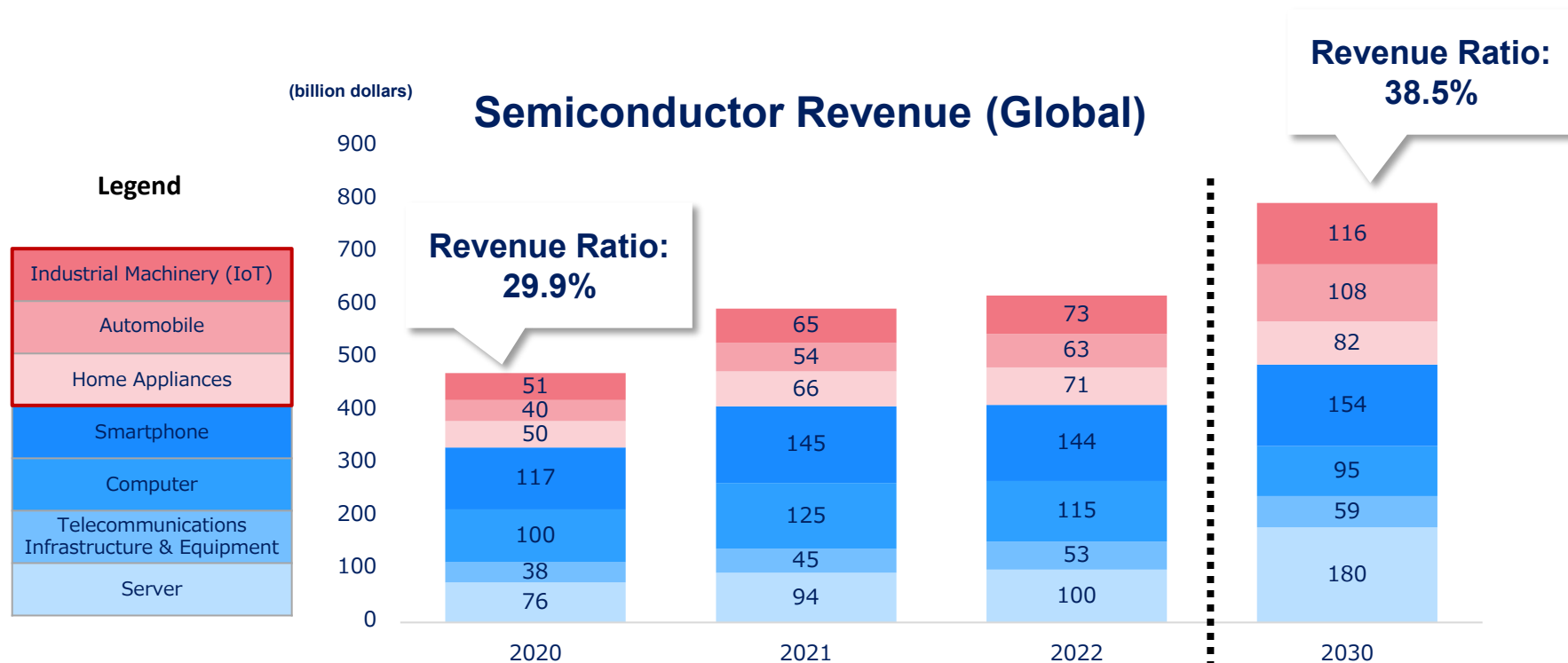
- **Increase in global semiconductor demand** due to advances in AI, DX, IoT, EVs, etc.
- Japan has **many semiconductor-related companies with high international market share**
- Japan has **many demanders in automotive, biotech, AI, etc.**
- Abundant water, land, logistics, electricity and other infrastructure

Harmony of People

- JV with PSMC, **Taiwan's 3rd largest and the world's 7th largest semiconductor foundry**
- Abundant semiconductor engineers in Taiwan, enabling **human resource development in Taiwan and dispatch of high-level human resources** from Taiwan
- SBI Group can **provide investment and financing opportunities to many regional financial institutions** through this project

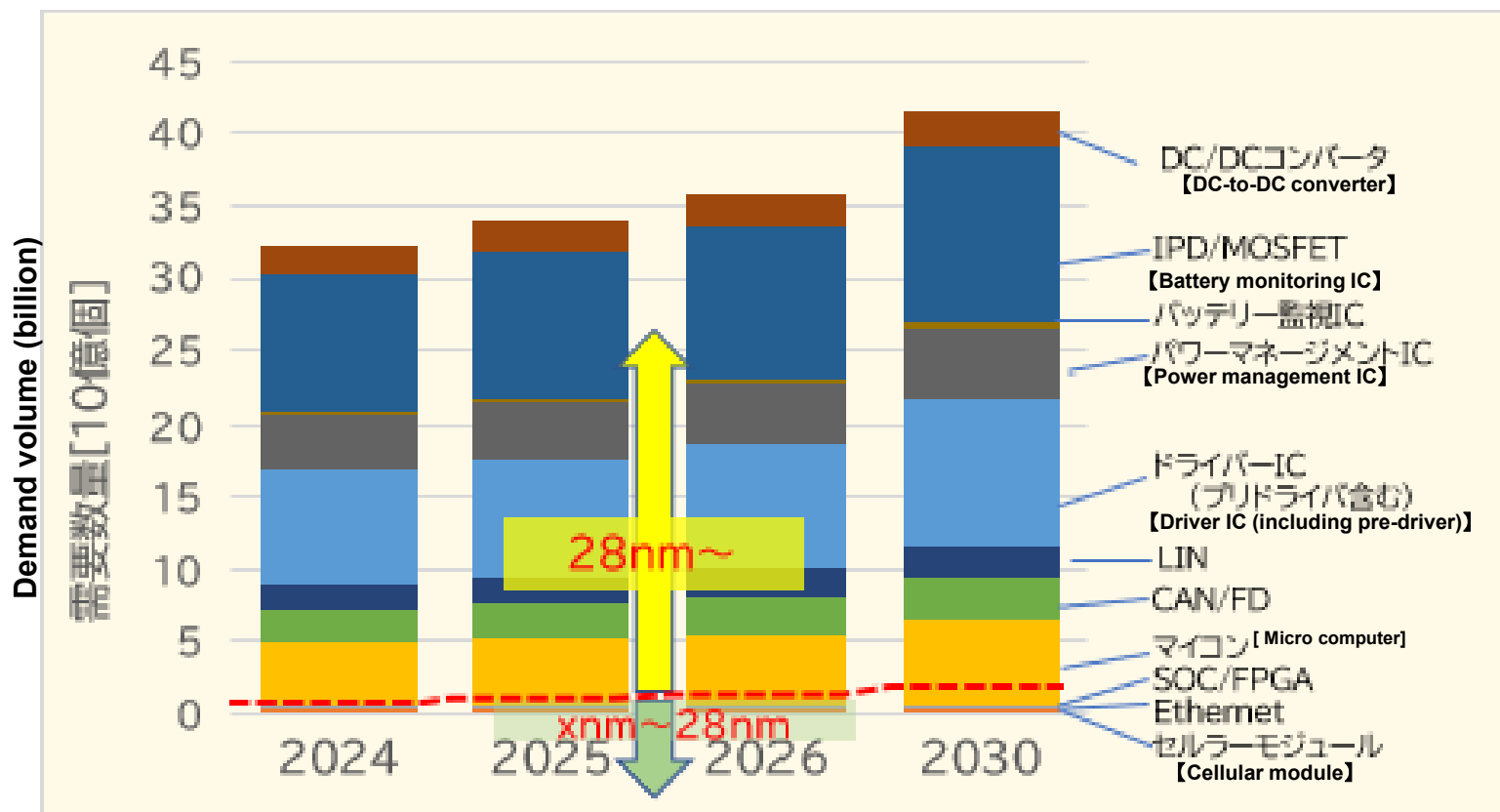
High Growth is Expected in the Semiconductor Market for Industrial Machinery, Automobiles, and Home Appliances, where Semi-advanced Fields account for the Bulk of Demand

While overall global semiconductor sales in 2030 are expected to be **+68% compared to 2020**, semiconductors for Industrial Machinery, Automobile, and Home Appliances are expected to **grow at a much higher rate of nearly 117%, almost double the overall growth rate**, and will accounting for approxi 40% of the total demand



Semiconductors of 28nm or More Account for More than 90% of The Total Demand for Automotive Applications

Demand in this area is expected to increase especially with the **adaptation of electric vehicles (EVs)**, which are expected to require more than three times the amount of semiconductors needed by conventional vehicles



Source: Fuji Chimera Research Institute

The Target Market for the Semiconductor Business is Semi-advanced Fields with High Demand

- JSMC Holdings will produce semiconductors in the **semi-advanced fields (28nm/40nm/55nm)** for Industrial machinery and automobiles, where the volume zone is expected to expand
- JSMC Holdings' efforts extend beyond the semi-advanced fields and endeavor to utilize technologies such as **WoW (Wafer-on-Wafer)** in the future to meet the needs for power efficiency and high-speed transmission in AI semiconductor devices

Types of semiconductors product planned to be manufactured at JSMC

MCU
(Micro Controller Unit)

PMIC
(Power management IC)

Communication RF

ISP
(Image Signal Processor)

AI semiconductor

Main usage of
semiconductors

Automotive microcontroller

Power management IC Mainly for automotive use

Wireless transmitter and receiver semiconductors for 5G/6G telecommunications

Image processor Mainly for cameras

AI semiconductor that combines AI Accelerator and Memory

Production Line

L55

L40

L28

WoW

② Progress toward semiconductor foundry construction

Planned Site for a Semiconductor Foundry is Determined to be Second Northern Sendai Central Industrial Park in Ohira Village, Miyagi Prefecture

- The construction of a foundry requires various essential factors, such as **water supply and drainage, high-voltage power, and infrastructure development**. The Second Northern Sendai Central Industrial Park has all of them at a high level
- **Many semiconductor-related companies are concentrated in the Tohoku region**, including Miyagi Prefecture, which is an advantage in establishing a semiconductor supply chain

Land		In the construction, a large rectangular-shaped land is required to accommodate future expansion. However, a nearly square plot of land of 168,600m² , which exceeds the planned 150,000m ² , has been secured.
Water, Electricity, Gas		<ul style="list-style-type: none"> • Industrial water and wastewater facilities have already been installed on the premises • Many substations are near the industrial park; extra high-voltage power supply has been secured • Working with local municipalities, a stable supply of industrial water and gas is available
Construction		<ul style="list-style-type: none"> • Confirmation of cooperation from construction companies in the Tohoku region, including Miyagi Prefecture
Access	Nearest highway and station	TOHOKU EXPWY Ohira IC Access time: approximately 3 minutes Tohoku Shinkansen Sendai Station Access time: approximately 30 minutes
	Nearest Airport	Sendai Airport Access time: approximately 40 minutes • One of the only eight airports within Japan that operates 24 hours
	Nearest Port	Port of Sendai Access time: approximately 25 minutes
Securing and developing human resources		<ul style="list-style-type: none"> • Many semiconductor-related research facilities nearby including Tohoku University, Center for Innovative Integrated Electronic Systems, Micro System Integration Center (μSIC), Next-Generation Synchrotron Radiation Facility, NanoTerasu • The neighboring city of Sendai has a population of over 1 million and is the only ordinance-designated city in the Tohoku region

Advancing Preparations for the Construction of a Semiconductor Foundry

- Shimizu Corporation was selected as the general contractor for design and construction
 - The company was selected because of its extensive knowledge of semiconductor foundry construction and its ability **to begin design and construction work the soonest** after interviewing various companies
 - The foundry building is scheduled to adopt a **seismic isolation structure** in consideration of Japan's earthquake-prone environment.
- **Boring survey at the planned construction site started in March**



While the basic plan is for **construction to begin in 2025 and foundry operations to start in 2027**, various measures are being taken to **shorten the construction period in terms of both design and construction**. For example JSMC will use the design of PSMC's state-of-the-art **P5 foundry**, which held its opening ceremony in Taiwan on May 2, **as a reference** and significantly shorten the design time

- Opening of Sendai Office
 - **Sendai office of JSMC Holdings to be opened** in the Sendai Bank Building **around July**
 - Preparation for foundry construction with Miyagi Prefectural Government, etc., and accelerated collaboration with companies, universities, etc. in Tohoku

Business Plan for the Semiconductor Foundry to be Constructed

Expected increase in investment required from the original plan due to soaring construction costs resulting from labor shortages, rising construction material costs, etc.

- In Phase 1, as the start of operations, **over JPY 500bn** is expected to invest in the construction of the entire building and the purchase of production equipment, etc., to build a system capable of producing 10,000 wafers per month of 40nm and 55nm semiconductor wafers
- In Phase 2, additional investment of **over JPY 400bn** in production facilities to bring the plant into full operation and expand the mass production system to 40,000 wafers per month, including 28nm and WoW* technology semiconductor wafers

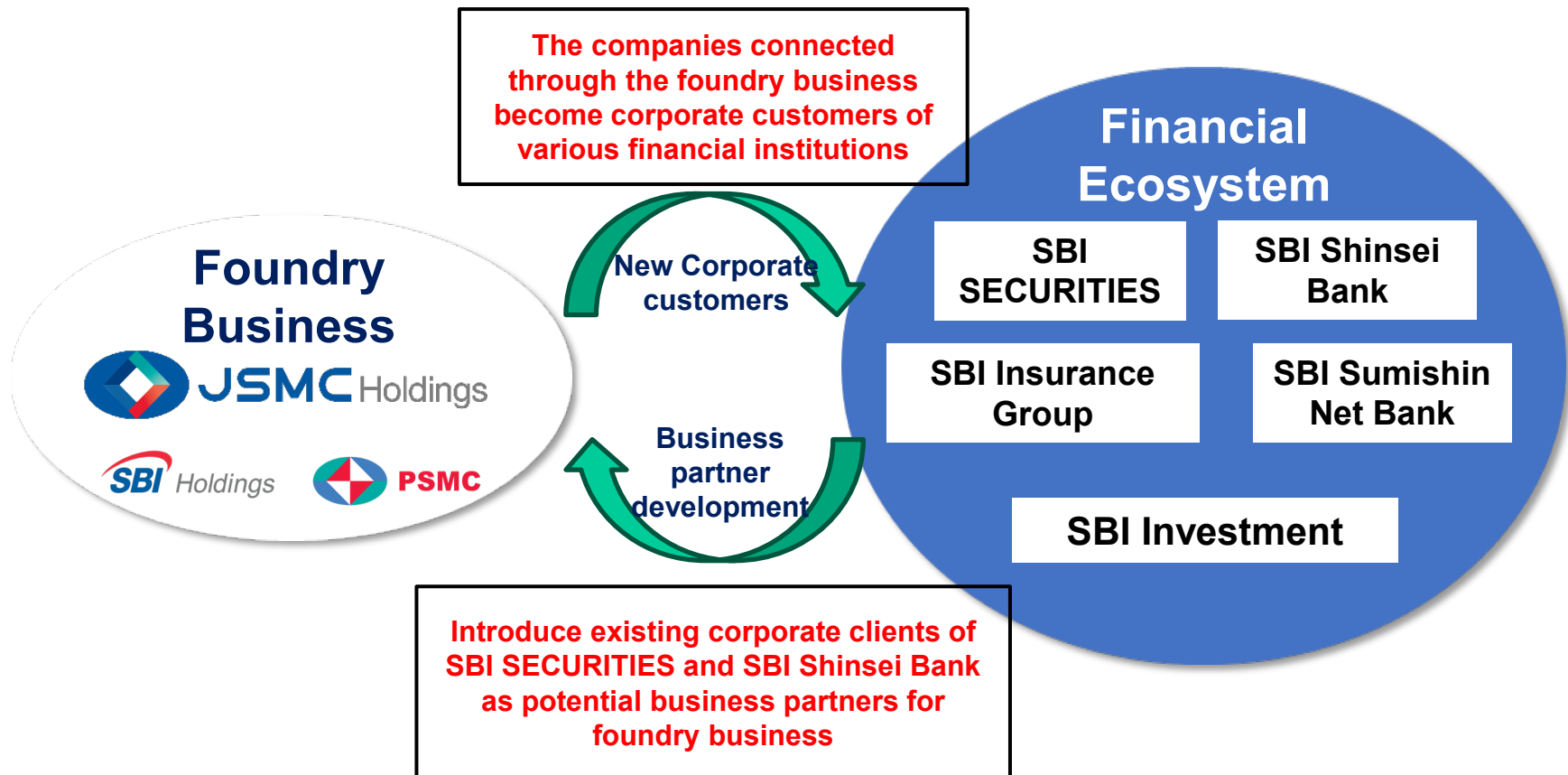
* WoW (Wafer-on-Wafer): Unique 3D Stacking Technology of PSMC

	Period	Investment	Types of semiconductor wafers	Monthly production volume	Performance at full capacity (annualized, J-GAAP)
Ph. 1	~2027	Building and facilities Automation / Lab	55nm 40nm	10,000 wafers in total	Sales: Approx. JPY 40bn
Ph. 2	2029 ~2031	Production facilities	55nm 28nm 40nm WoW	40,000 wafers in total	Sales :approx. JPY 190bn

③ Promote the creation of corporate ecosystems and alliances in the semiconductor business

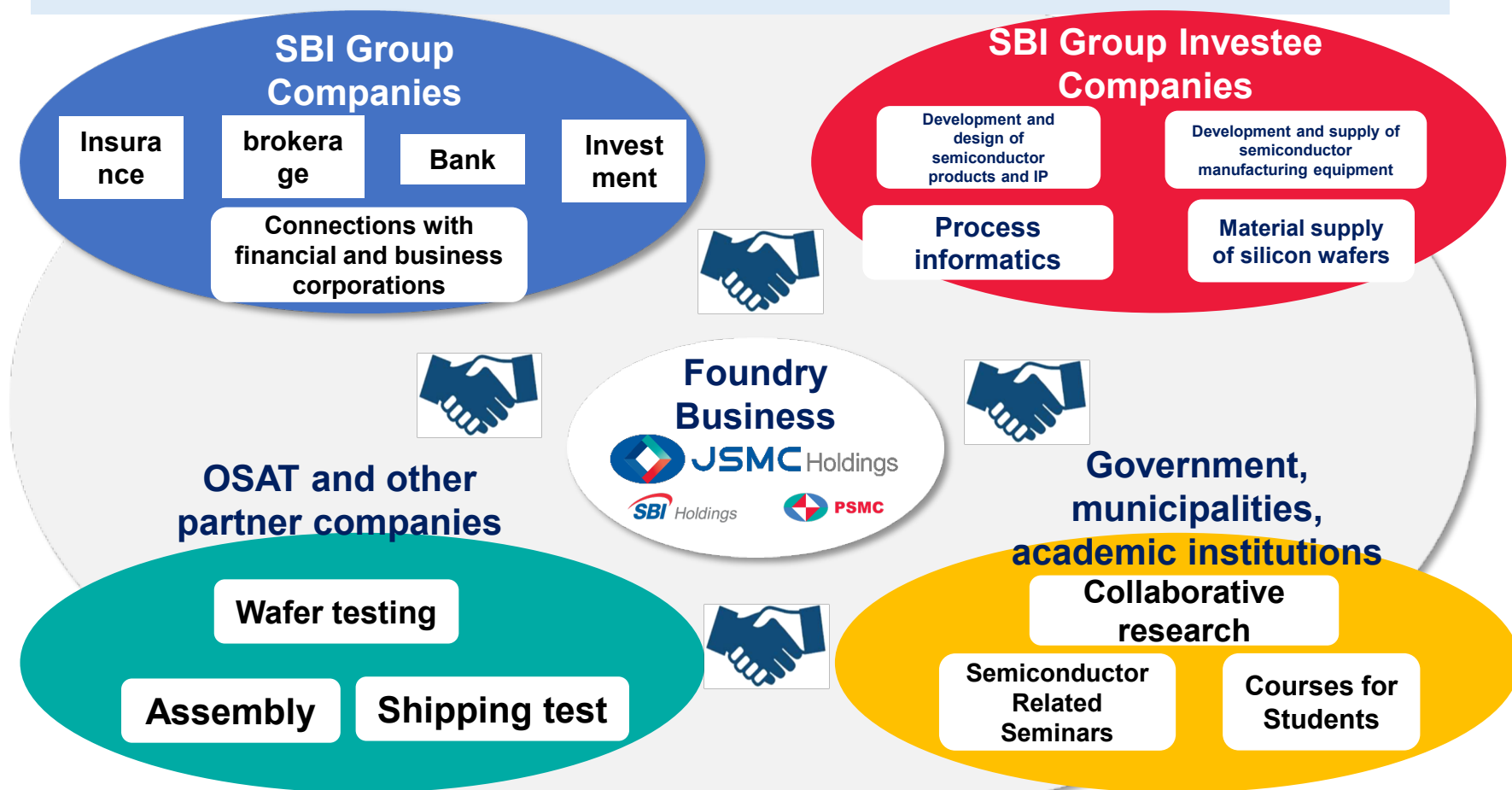
Mutual Synergies can be Expected Between the Foundry Business and the Financial Ecosystem in Terms of Customer Development

In the Foundry Business, **strong long-term relationships with various companies** in the supply chain, including wafer delivery manufacturers and material suppliers will be built and which **has affinity as corporate customers** of SBI Group companies engaged in the financial business



Semiconductor Ecosystem Expands Beyond SBI Group

In the foundry business, the goal is to build a comprehensive **ecosystem covering the entire supply chain**, with a competitive advantage over other foundries, by partnering with OSAT companies specializing in post-processing activities such as assembly and testing, in addition to the financial and investment capabilities of the SBI Group. Contributing to raising the level of Japan's semiconductor industry through joint research with local universities



Capital and Business Alliance with Restar Corporation to Collaborate on Semiconductor-Related Business



Capital and business alliance agreement
(May 10, 2024)



Restar Corporation

Restar, which is listed on the Prime Market of the TSE, is an “**Electronics Value Platformer**” which can deal with all kinds of needs, including sales and solutions for semiconductors and electronic components, as well as handling video, audio, and communications equipment for broadcasters and the public.

- ◆ Restar has been working with the SBI Group focusing on the investment domains, such as **establishing CVC funds** with SBI Investment and **investing in the SBI 4+5 fund**.

-Capital and business alliance details-

- SBI Holdings plans to acquire one million shares of Restar common stock (3.3% of total shares outstanding as of December 31, 2023) from existing shareholders
- In the semiconductor business of JSMC Holdings, Restar Holdings Corporation collaborates **through sales representation, technical support, distribution representation, and product quality control support**.

[Reference material]

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

Number of Group Companies

	End of Mar. 2023	End of Mar. 2024
Consolidated subsidiaries (companies)	518	595
Consolidated partnerships (partnerships)	62	64
Total consolidated subsidiaries (companies)	580	659
Equity method companies (companies)	63	62
Total Group companies (companies)	643	721

Number of Employees (Consolidated)

	End of Mar. 2023	End of Mar. 2024
Total employees	18,756	19,097

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