

SBI Holdings, Inc.

Financial Results

**For the Six-month Period Ended September 30, 2024
(Fiscal Year Ending March 31, 2025)**

November 8, 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. 1H FY2024 Consolidated Performance Overview**
- II. Conclusion of the primary actions we have focused on and initiatives for the further growth in the future**

I. 1H FY2024 Consolidated Performance Overview

[Consolidated Performance Overview]

- **Revenue** increased 17.6% year-on-year to JPY 676.0bn, which is a record high for 1H, due to **strong increase in revenue from the Financial Services Business and Asset Management Business**, as well as a large contribution from significant increase of **Crypto-asset Business**
- **Consolidated profit before income tax expense** increased 12.3% year-on-year to JPY 78.9bn. **Investment Business** recorded loss on fair value adjustment due to a decline in domestic listed stocks market. However, it was offset by a **40.3% year-on-year increase of the Financial Services Business**, which rose to JPY 104.4bn. This growth was driven by **SBI SECURITIES**' steady profit increase through the rapid expansion of its customer base under the ZERO Revolution initiative, **SBI Shinsei Bank**'s profit growth includes accelerated integration with the SBI Group, and **SBI SAVINGS BANK**'s improved performance due to an increase in new loans to blue-chip customers
- **Profit attributable to owners of parent** increased 20.6% year-on-year to JPY 44.7bn. The **interim dividend** for FY2024 has been set to **JPY 30** per share, same as the previous fiscal year
- **Annualized ROE** up 0.4 points from **6.6% in 1Q FY2024** to **1H in FY2024 7.0%**. Targeting early achievement of ROE of 10%

1H FY2024 Consolidated Performance (IFRS)

[Year-on-year comparison]

(Unit: JPY million)

	1H FY2023 (Apr.-Sept. 2023)	1H FY2024 (Apr.-Sept. 2024)	YoY % change
Revenue	574,825	Record high 676,030	+17.6
Profit before income tax expense	70,241	78,872	+12.3
Profit for the period	48,241	60,003	+24.4
Profit attributable to owners of the Company	37,088	44,726	+20.6

1H FY2024 Performance by Segment (IFRS)

[Year-on-year comparison]

(Unit: JPY million)

Revenue

Profit Before Income Tax Expense

	1H FY2023 (Apr. 2023– Sept. 2023)	1H FY2024 (Apr. 2024– Sept. 2024)	YoY % change	1H FY2023 (Apr. 2023– Sept. 2023)	1H FY2024 (Apr. 2024– Sept. 2024)	YoY % change
Financial Services Business *1	517,389	621,683 Record high *3	+20.2	74,437	104,426 Record high *3	+40.3
Asset Management Business	14,050	17,051 Record high *3	+21.4	2,151	3,209 Record high *3	+49.2
Investment Business *1	27,011	12,224	-54.7	5,361	-8,525	—
Crypto-asset Business	16,066	30,321 Record high *3	+88.7	674	1,425 Record high *3	+111.4
Next Gen Business *2	12,200	12,287	+0.7	-2,373	-9,256	—

*1 From 1Q FY2024, SBI Leasing Service's business segment was changed from the Investment Business to the Financial Services Business, therefore, figures for 1H FY2023 were reclassified accordingly

*2 Non-financial Business has been renamed to Next Gen Business from the 2Q FY2023. Next Gen Business mainly includes Web3-related businesses, Biotechnology, Healthcare & Medical Informatics Business, etc.

*3 Comparison with 1H results from FY2021 onward, where results are disclosed as per current segmentation. Financial Services business has also achieved record high in comparison with 1H results since FY2012, when IFRS was adopted

*4 Figures are before elimination of the inter-segment transactions

Interim Dividend of JPY 30 Per Share is Expected to be Implemented

[Basic Policy for Shareholder Return]

The total amount of dividends will be approximately 30% of profit before income tax expense of the Financial Services Business excluding extraordinary factors such as gain on sales of subsidiaries' stocks, for the time being

■ Forecast (result) Dividend Per Share

	End of 2Q	Year-end	Full-year
FY2024 (forecast)	<u>JPY 30</u>	TBD	TBD
FY2023 (result)	JPY 30	JPY 130 (Ordinary dividend JPY 120, Commemorative dividend JPY 10)	JPY 160

[Business Overview of Each Business Segment]

1. Financial Service Business

[Financial Service Business Consolidated Results (IFRS)]

(Unit: JPY million)

	1H FY2023 (Apr. 2023 – Sept. 2023)	1H FY2024 (Apr. 2024 – Sept. 2024)	YoY (%)
Revenue	517,389	621,683	+20.2
Profit before income tax expense	74,437	104,426	+40.3

Breakdown of Profit Before Income Tax Expense in Financial Services Business Segment

(Unit: JPY million)

	1H FY2023 (Apr. 2023 – Sept. 2023)	1H FY2024 (Apr. 2024 – Sept. 2024)	YoY (%)
Banking business	30,231	62,872	+108.0
Securities business	35,692	35,896	+0.6
Insurance business	2,744	3,398	+23.8
Other	5,770	2,260	-60.8

* From 1Q FY2024, SBI Leasing Service's business segment has been mapped from the Investment Business segment to the Financial Services Business segment, therefore figures for 1H FY2023 were reclassified accordingly

1. Financial Services Business:

(1) 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

SBI Shinsei Bank 1H FY2024

Consolidated Performance

[JGAAP]

Note: Units are rounded down to second decimals

(Unit: JPY billion)	1H FY2023 (Apr. 2023–Sept. 2023)	1H FY2024 (Apr. 2024–Sept. 2024)	YoY change(%)
Revenue	135.5	140.9	+4
Ordinary Business Profit	53.8	58.0	+8
Net income before income taxes	30.9	50.6	+64
Net profit attributable to owners of the Company	26.1	44.3	+70

SBI Shinsei Bank recorded net profit attributable to owners of the company (J-GAAP) of approx. **JPY 44.3bn (+70% YoY)**, mainly due to the interest income from increased loan balances in the corporate business and fee income from the execution of large guarantee deals in the overseas business

[IFRS on SBIH intake basis]

Profit before income tax expense	19.9	48.4	+143
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Performance of **SBI Sumishin Net Bank**

(Equity ratio : 34.19%)

(Unit: JPY million)	1H FY2023 (Apr. 2023–Sept. 2023)	1H FY2024 (Apr. 2024–Sept. 2024)	YoY change(%)
Ordinary profit (J-GAAP)	16,321	18,983	+16.3
Share of profit of investments accounted for using equity method (IFRS)	1,625	3,206	+97.3

- ✓ J-GAAP ordinary profit of SBI Sumishin Net Bank increased 16% YoY to JPY 18,983m reflecting steady loan growth in the housing loan business
- ✓ Share of profit of investments accounted for using equity method of SBI Sumishin Net Bank based on IFRS for 1H FY2024 increased 97% YoY to JPY 3,206m

Note: Owing to the difference in IFRS and J-GAAP for asset assessment criteria, the figures differ from that disclosed based on J-GAAP.

*SBI Sumishin Net Bank has adopted J-GAAP

Performance of **SBI SAVINGS BANK** (IFRS)

(Unit: JPY million)	1H FY2023 (Apr. 2023–Sept. 2023)	1H FY2024 (Apr. 2024–Sept. 2024)	YoY change(%)
Profit Before Income Tax Expense	4,206	8,949	+112.7

- ✓ **The underlying earnings remained steady** and net credit cost decreased due to **the slowdown in the pace of deterioration of loan receivables**
- ✓ As the bank has resumed capturing high-quality assets, **interest income is expected to grow** in line with the increase in the overall asset balance and **improvements in the business environment**, leading to enhanced performance starting from 2H FY2024
- ✓ The overall **delinquency rate** of receivables improved from **5.6%** at the end of March 2024 to **4.7%** at the end of Sept. 2024
- ✓ **A (stable)** rating was rewarded from the Korean credit rating agency “NICE Credit Rating” and “Korea Credit Rating”(acquired for **three consecutive years**)

1. Financial Services Business:

(2) 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 1H FY 2024 recorded **operating revenue** of JPY 115.7bn (+13.4% YoY) and **operating income** of JPY 37.7bn (+1.8% YoY), both **record highs**, despite the “ZERO Revolution” (commission-free online trading of domestic stocks)
- In ordinary income, non-operating expense of **approx. JPY 700m was recorded related to fees for procuring subordinated loans**, and in profit attributable to owners of the parent, **extraordinary losses of approx. JPY 2.7bn was recorded due to provision of reserve for financial instruments transaction liabilities**, which led to year-on-year decline in profit of both line items

SBI SECURITIES 1H FY2024

Consolidated Results (J-GAAP)

[Year-on-year comparison]

(JPY million)	1H FY2023 (Apr. 2023 – Sept. 2023)	1H FY2024 (Apr. 2024 – Sept. 2024)	YoY (%)
Operating Revenue	102,091	Record high 115,750	+13.4
Net Operating Revenue	91,830	Record high 103,189	+12.4
Operating Income	37,045	Record high 37,722	+1.8
Ordinary Income	37,568	37,090	-1.3
Profit attributable to Owners of the parent	25,631	23,546	-8.1

Non-operating expense of JPY 735m was recorded in June as fees related to procuring subordinated loans

Recorded extraordinary losses of JPY 2,684m due to provision of reserve for financial instruments transaction liabilities

Like-for-like Comparison of Financial Results of Major Face-to-face and Online Securities Companies for 1H FY2024

(JPY million)	Operating revenue	Change from previous quarter (%)	Operating profit	Change from previous quarter (%)	Operating profit margin (%)
Nomura (non-consolidated)	460,176	+23.7	117,597	+79.7	25.6
SBI (consolidated) (After adding back lost revenue from "ZERO Revolution")	134,550	+31.8	56,522	+52.6	42.0
Mizuho (non-consolidated)	264,237	+22.7	45,635	+125.0	17.3
Daiwa (non-consolidated)	225,908	+16.0	44,779	+14.5	19.8
SBI (consolidated)	115,750	+13.4	37,722	+1.8	32.6
Mitsubishi UFJ Morgan Stanley (non-consolidated)	179,670	+7.5	37,645	+35.1	21.0
SMBC Nikko (non-consolidated)	253,218	+33.9	31,702	+205.6	12.5
Rakuten *2 (consolidated)	66,644	+16.7	17,628	-2.9	26.5
Matsui (consolidated)	20,285	+15.1	8,900	+22.3	43.9
Okasan Group (consolidated)	41,501	+0.7	7,229	-1.5	17.4
Tokai Tokyo FHD (non-consolidated)	43,810	+0.8	6,501	-10.2	14.8
GMOFHD *2 (consolidated)	27,538	+11.7	4,326	-43.2	15.7
Monex G *3 (consolidated)	35,813	+15.5	3,844	-33.2	10.7
au Kabukom (non-consolidated)	12,160	+6.7	1,874	-7.9	15.4

If the lost revenues from the "ZERO Revolution" were added back, the company would have had **the second largest operating profit in the industry**

*1 Estimate based on the addition of **JPY 18,800m in lost revenues from the start of the "ZERO Revolution"** to operating revenue and operating profit, respectively

*2 Fiscal year of Rakuten Securities and GMO Financial Holdings ends in Dec., therefore figures for the period from Apr. to Sept. 2024 are used

*3 Monex Group is under IFRS, with operating profit using values equivalent value and ordinary profit using values equivalent to Profit before income tax expense

*4 Compiled by SBI Holdings from the information on websites of each company

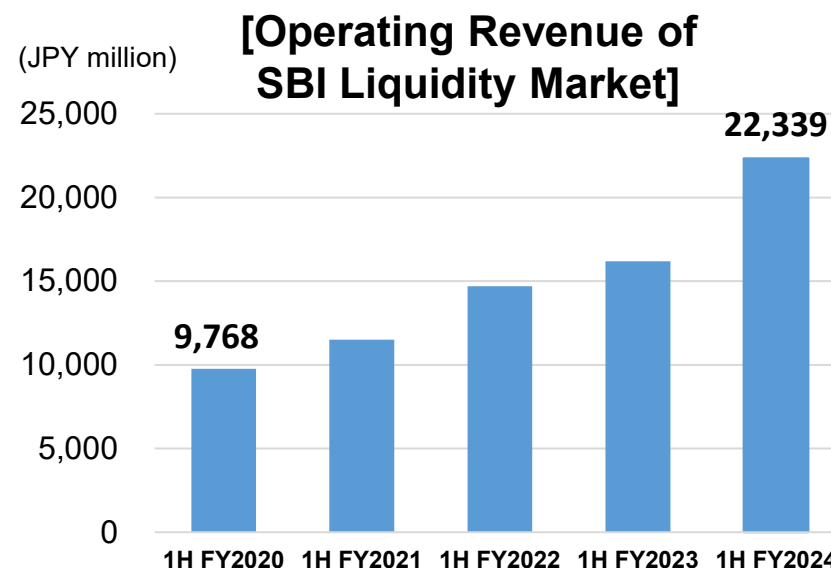
SBI Liquidity Market Achieved Record-high Operating Revenue and Operating Profit

[Operating Revenue and Operating Profit of SBI Liquidity Market (Non-consolidated, J-GAAP)]

(JPY million)	1H FY2023 (Apr. 2023 – Sept. 2023)	1H FY2024 (Apr. 2024 – Sept. 2024)	YoY (%)
Operating revenue	16,188	Record High 22,339	+38.0
Operating profit before distribution	13,344	Record High 18,982	+42.3
Operating profit after distribution (*)	5,142	Record High 7,447	+44.8

(*)Distributions are also made to SBI Group companies

- For **SBI Liquidity Market**, market events such as the Bank of Japan's additional interest rate hike, the U.S. interest rate cut, and the announcement of various economic indicators have stimulated trading activity. **Record-high operating revenue in the first half of the year** due to improved revenues from both spot and swap transactions
- SBI FXTRADE's operating revenue increased 30.8% YoY** due to active trading by individual investors



1. Financial Services Business:

(3) Insurance Business

[Major constituent companies]

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

[Business highlights]

- **SBI Insurance Group's** consolidated ordinary income for 1H FY2024 (J-GAAP basis, preliminary), increased 9.2% year-on-year to JPY 57,362m
- Due to the contribution of increased Insurance premiums and other, **ordinary profit** increased 0.3% year-on-year to JPY 4,867m but **profit attributable to owners of parent decreased 2.5% year-on-year** to JPY 1,626m **because of profit relating to reversal of policy reserve in 1H FY2023 as recorded in the life insurance business**

SBI Insurance Group's Performance (preliminary)



(Final financial result will be disclosed on November 12)

Consolidated results for 1H FY2024 (J-GAAP)

(Unit: JPY million)

	1H FY2023 (Apr. – Sept. 2023)	1H FY2024 (Apr. – Sept. 2024)	YoY % change
Ordinary income	52,507	57,362	+9.2
Ordinary profit	4,851	4,867	+0.3
Profit attributable to owners of parent	1,667	1,626	-2.5

Profit attributable to owners of parent **decreased 2.5% due to the impact of the one-time reversal of policy reserves** recorded in the life insurance business in the same period of the previous year

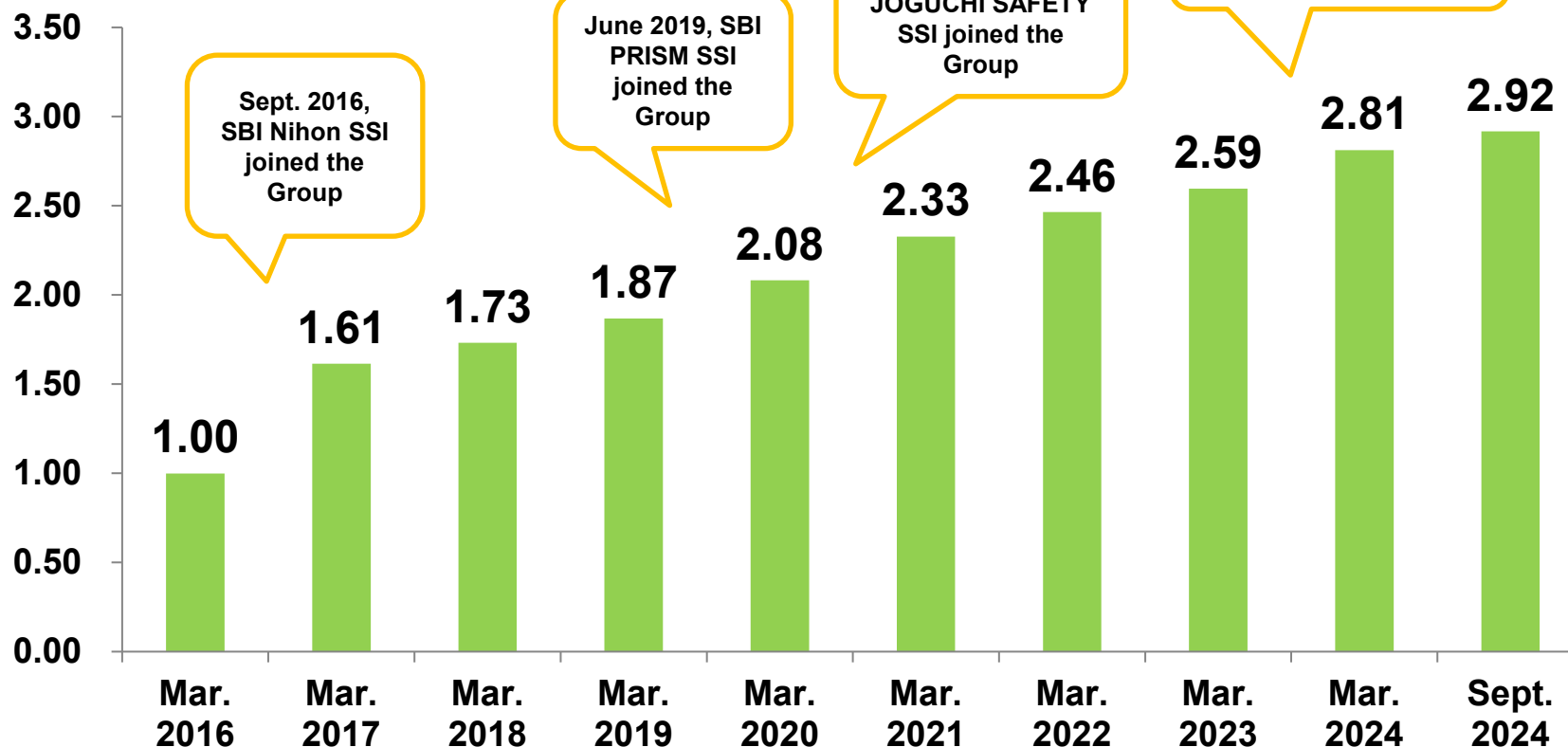
SBI Insurance Group's Total Number of In-Force Contracts

CAGR

(End of Mar. 2016 to end of Sept. 2024)

14.8%

(million 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)

	1H FY2023 (Apr. 2023 – Sept. 2023)	1H FY2024 (Apr. 2024 – Sept. 2024)	YoY (%)
Revenue	14,050	Record high 17,051	+21.4
Profit before income tax expense	2,151	Record high 3,209	+49.4

[Business Highlights]

- Achieved YoY growth in both revenue and profit due to the significant increase of assets under management of each company driven by the start of the new NISA
- **SBI Okasan Asset Management's** net assets under management for publicly offered equity investment trusts increased YoY to JPY 360.6bn
- Endeavor to expand assets under management and further enhance profitability by offering funds that invest in growth markets and collaborating with leading overseas asset management companies to provide products at extremely low cost

Consolidated Results of SBI Global Asset Management (J-GAAP)

(Unit:JPY million)	1H FY2023 (Apr. 2023 – Sept. 2023)	1H FY2024 (Apr. 2024 – Sept. 2024)	YoY(%)
Revenue	4,989	Record high 5,738	+15.0
Operating profit	1,127	Record high 1,218	+8.1
Ordinary profit	1,363	Record high 1,424	+4.5
Profit attributable to owners of parent	858	Record high 900	+4.9

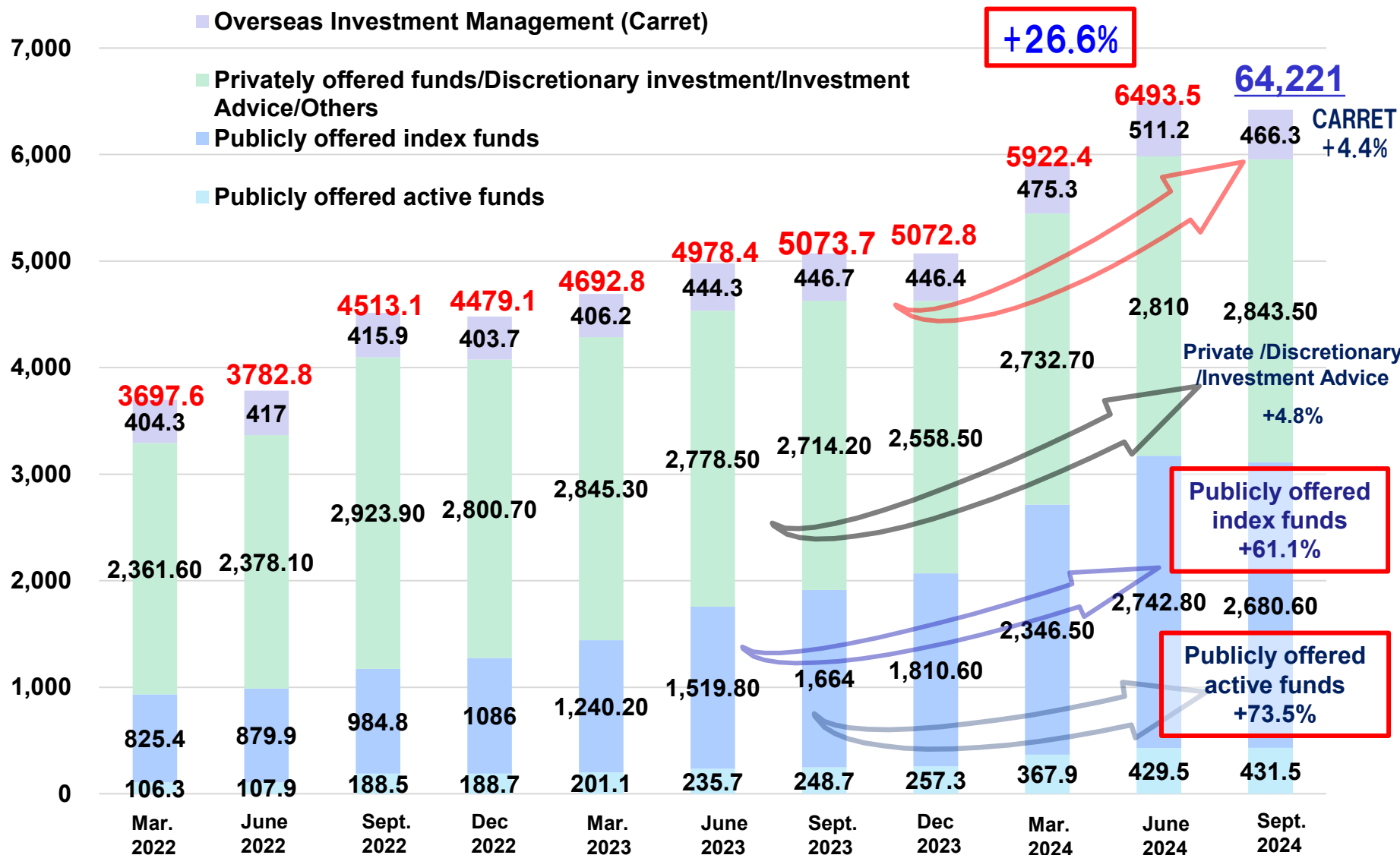
For the interim consolidated accounting period,

- **Consolidated revenue** marked the **13th consecutive period of increase** and the **8th consecutive period of record high revenue**
- **Operating profit** marked the **15th consecutive period of increase** and the **13th consecutive period of record high profit**
- **Profit attributable to owners of parent** marked the **15th consecutive period of increase** and the **10th consecutive period of record high profit attributable to owners of parent**
- **Interim dividends have increased for 6th consecutive periods since FY2018**

SBI Global Asset Management Group's AUM Reached **JPY 6.4 Trillion**, Up 26.6% Year-on-Year



(Unit:JPY billion)



Financial Results for SBI RHEOS HIFUMI and SBI Okasan Asset Management

RHEOS HIFUMI Consolidated Results (J-GAAP)

(Unit:JPY million)	1H FY2023* (Apr. 2023 – Sept. 2023)	1H FY2024 (Apr. 2024 – Sept. 2024)	YoY (%)
Operating Revenue	5,139	5,694	+10.8
Ordinary Profit	1,003	1,065	+6.2
Profit attributable to owners of parent	709	767	+8.1

Okasan Asset Management Non-consolidated Results (J-GAAP)

(Unit:JPY million)	1H FY2023 (Apr. 2023 – Sept. 2023)	1H FY2024 (Apr. 2024 – Sept. 2024)	YoY (%)
Operating Revenue	4,814	6,432	+33.6
Ordinary Profit	313	987	+214.9
Profit	205	657	+219.9

* SBI RHOS HIFUMI was established on April 1, 2024, as a holding company (wholly-owning parent company) of Rheos Capital Works Inc. (hereinafter referred to as "Rheos Capital Works") through a sole stock transfer by Rheos Capital Works. The figures for the first quarter of the fiscal year ended March 31, 2024, are those of Rheos Capital Works.

3. Investment Business

[Major constituent companies/businesses]

Private equity business

[Investment Business Consolidated Results (IFRS)]

(Unit: JPY million)

	1H FY2023 (Apr.-Sept. 2023)	1H FY2024 (Apr.-Sept. 2024)	YoY % change
Revenue	27,011	12,224	-54.7
Profit before income tax expense	5,361	-8,525	—
Profit/loss from the change in fair value and profit/loss on sales of investment securities	8,121	-5,801	—
Listed securities	4,506	-4,343	—
Unlisted securities	3,615	-1,458	—

[Business highlights]

Due to the decline in stock prices of several domestically listed companies, a loss from changes in fair value and a loss on the sale of investment securities were recorded

* From 1Q FY2024, SBI Leasing Service's business has been mapped from the Investment Business segment to the Financial Services Business segment therefore figure for the Investment Business for 1H FY2023 was reclassified accordingly

IPOs and M&As of the SBI Group's Investee Companies

	FY2023 results	FY2024 prospects
Number of IPO- M&A deals	21	31

11 companies went public in FY 2024

<u>EXIT Date</u>	<u>Investee company</u>	<u>Market</u>	<u>EXIT Date</u>	<u>Investee company</u>	<u>Market</u>
June 5, 2024	Astroscale Holdings Inc.	TSE Growth	Aug. 12, 2024	Bankware Global Co., Ltd.	KOSDAQ
June 14, 2024	Chordia Therapeutics Inc.	TSE Growth	Sept. 27, 2024	Ai ROBOTICS INC.	TSE Growth
June 21, 2024	MFS, Inc.	TSE Growth	Oct.11, 2024	alt Inc.	TSE Growth
July 15, 2024	Xcell Therapeutics Inc.	KOSDAQ	Oct.22, 2024	HANCHEM CO., LTD.	KOSDAQ
July 26, 2024	Timee, Inc.	TSE Growth	Oct.24, 2024	CMES Inc.	KOSDAQ
July 30, 2024	Heartseed 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

Continued Investment in Promising Venture Companies with High Technological Capabilities

Preferred Networks

- ✓ Preferred Networks **designs AI semiconductors, develops peripheral software and supercomputers using its own AI semiconductors, as well as building the generative AI infrastructure models and applications based on them**
- ✓ The company signed a basic agreement on a capital and business alliance with SBI Holdings in August 2024; the SBI Group invested and will support the development and manufacture of next-generation AI semiconductors as well as partner in the supply chain for the back-end processes of semiconductor manufacturing

Sakana AI

- ✓ Sakana AI develops **Japanese language-based generative AI with both high efficiency and high performance**, and was selected as a recipient company for support from the Ministry of Economy, Trade and Industry's project to strengthen domestic generative AI development capabilities (GENIAC)
- ✓ Sakana AI completed a Series A fundraising of total approximately JPY 30 bn, in which SBI Investment also participated

Secret Double Octopus

- ✓ Secret Double Octopus, based in California, USA, **develops a multi-factor authentication solution that combines the robustness of full password-less with the adaptability of any authentication environment**
- ✓ SBI Group invested in the company as its contribution to improving the security environment of the global market, particularly in the financial sector

Assets Under Management of the SBI Group

(As of the end of Sept. 2024)

Private equity, etc. JPY 819.2bn ^{(*)1}

Excluding JPY 356bn of both cash and commitment amount to be paid in ^{(*)2}

Breakdown of operating investment securities by Industry	Balance (JPY billion)
Internet/AI/IoT	180.2
Fintech services	129.8
Digital Asset/Blockchain	116.5
Finance	39.5
Biotechnology/Health/Medical	33.8
Environmental/Energy	6.5
Machine/Automobile	22.3
Services	96.7
Retail/Food	3.7
Materials/Chemicals	5.3
Construction/Real estate	1.2
Others	5.5
Equity interests in external and non-consolidated funds	48.3
Total	689.2

Breakdown of operating investment securities by region	Balance (JPY billion)
Japan	297.3
China	7.4
Korea	4.9
Southeast Asia	59.3
India	9.9
U.S.	134.8
Europe	97.6
Others	78.0
Total	689.2

Investment from non-consolidated Group management funds	Balance (JPY billion)
Corporate venture capital (CVC)	32.0
Others (Overseas JV fund, etc.)	98.0
Total	130.0

*1 Private equity investment balance derived from the balance for consolidated operating investment securities included in the balance from business segments without investment business, plus balance of investment from non-consolidated funds with low investment rate such as CVC fund despite involving in operation as 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 Sept. 2024

*4 Amounts are rounded to the nearest JPY 100m

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)

	1H FY2023 (Apr. 2023-Sept. 2023)	1H FY2024 (Apr. 2024-Sept. 2024)	YoY(%)
Revenue	16,066	30,321	+88.7
Profit before income tax expense	674	1,425	+111.4

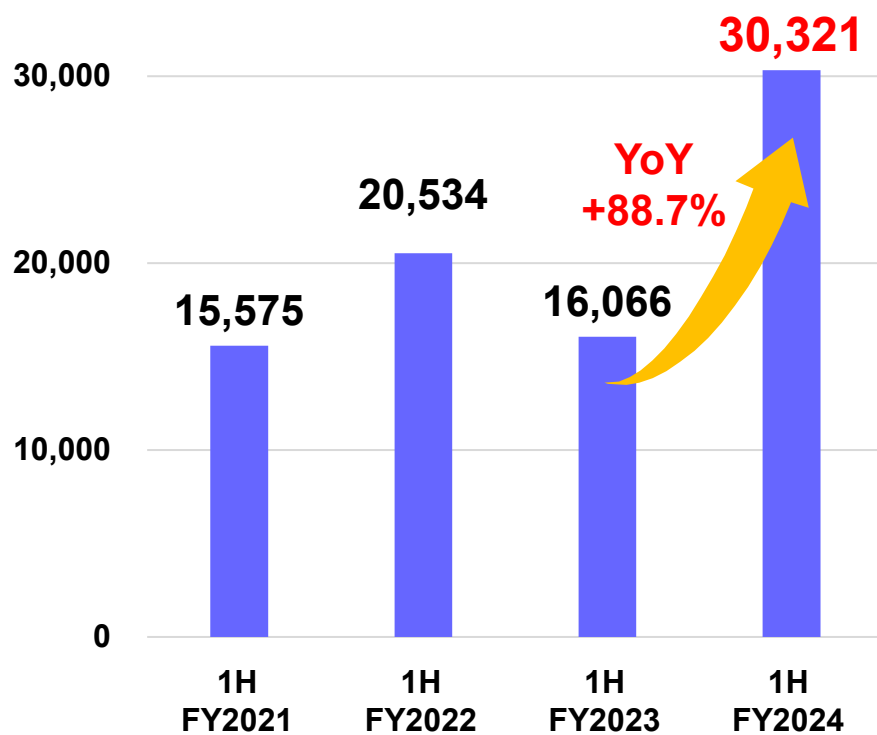
[Business highlights]

- Bitcoin (BTC) prices have remained at a relatively high levels since spike in February. In addition, the implementation of crypto-asset ETFs in the U.S., etc. and the inclusion of BTC in institutional portfolios has provided a tailwind for the crypto-asset market, as the strong equity market has further boosted BTC holdings. In such an environment, the expansion of the customer base and other factors contributed to **a significant increase in both revenue and profit on a year-on-year basis**
- Crypto asset exchanges** will further strengthen their stock revenues from staking and leveraged transactions to stabilize the revenue base

Performance of the Crypto-asset Business

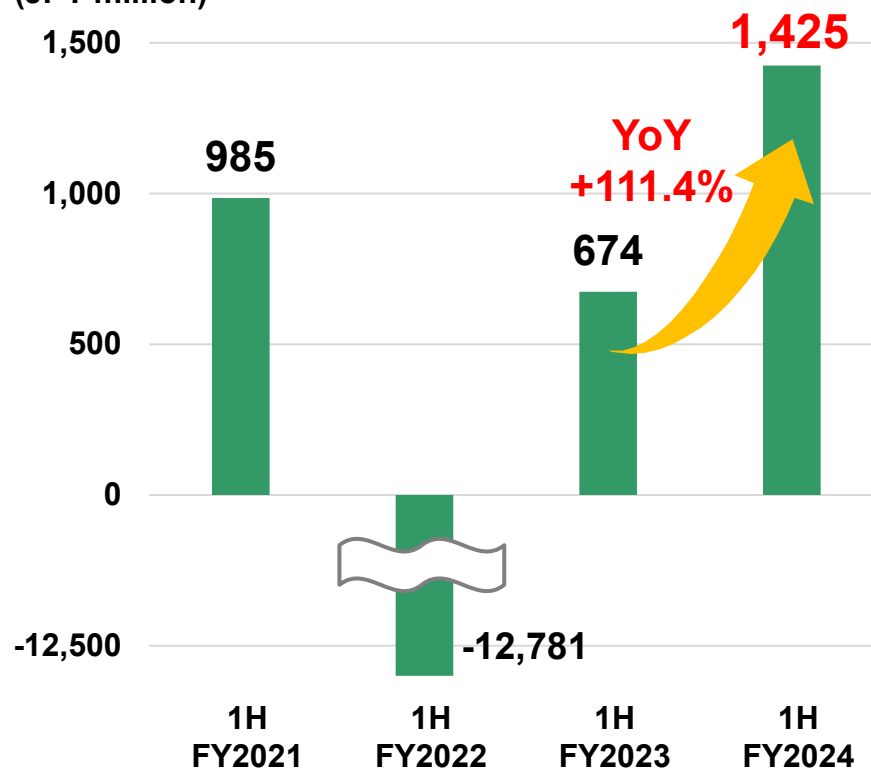
[Changes in 1H Revenue in the Crypto-asset Business]

(JPY million)



[Changes in 1H Profit Before Income Tax Expense in the Crypto-asset Business]

(JPY million)



5. Next Gen Business

[Major constituent businesses]

Biotechnology, Healthcare & Medical Informatics businesses
and other businesses including Web3

[Next Gen Business Segment Consolidated Performance (IFRS)]

(Unit: JPY million)

	1H FY2023 (Apr. – Sept. 2023)	1H FY2024 (Apr. – Sept. 2024)	YoY % change
Revenue	12,200	12,287	+0.7
Profit before income tax expense	-2,373	-9,256	—
Biotechnology, Healthcare & Medical Informatics businesses	160	-937	—
Others	-2,533	-8,319	—

[Business highlights]

- Increased upfront investment for business expansion in cutting-edge technology areas such as Web3 and digital assets
- SBI ALApromo, which is to list in FY2025, achieved an increase in profit

Ⅱ . Conclusion of the primary actions we have focused on and initiatives for further growth in the future

- 1. Recap of SBI SECURITIES' "ZERO Revolution" one year after its launch on September 30, 2023, and initiatives that the company is working on to make further strides in the future**
- 2. The achievement in allocating management resources to the banking sector since the acquisition of SBI Shinsei Bank**
- 3. Three-year summary of SBI Shinsei Bank following the acquisition and projections with future initiatives**
- 4. Strengthening asset management business to develop new revenue Stream**
- 5. Allocate management resources to countries expected to have high economic growth and strong investments and loans performance and striving to increase the contribution of overseas operations to overall business performance**
- 6. Developing various initiatives in the digital asset field which is a next-generation growth area**
- 7. Mynavi Corporation, with whom we formed a capital and business alliance in November 2023, will become an equity-method affiliate by the end of November 2024, enabling further pursuit of business synergies between both groups**

1. **Recap of SBI SECURITIES' "ZERO Revolution" one year after its launch on September 30, 2023, and initiatives that the company is working on to make further strides in the future**
 - (1) **SBI SECURITIES recovers lost earnings due to the "ZERO Revolution" by diversifying revenue sources and significantly expanding its customer base**
 - (2) **Expansion of customer base through "ZERO Revolution" benefits not only SBI SECURITIES but also the entire SBI Group**
 - (3) **SBI SECURITIES implements diverse initiatives to achieve further growth**

(1) SBI SECURITIES recovers lost revenue due to the “ZERO Revolution” by diversifying revenue sources and significantly expanding its customer base

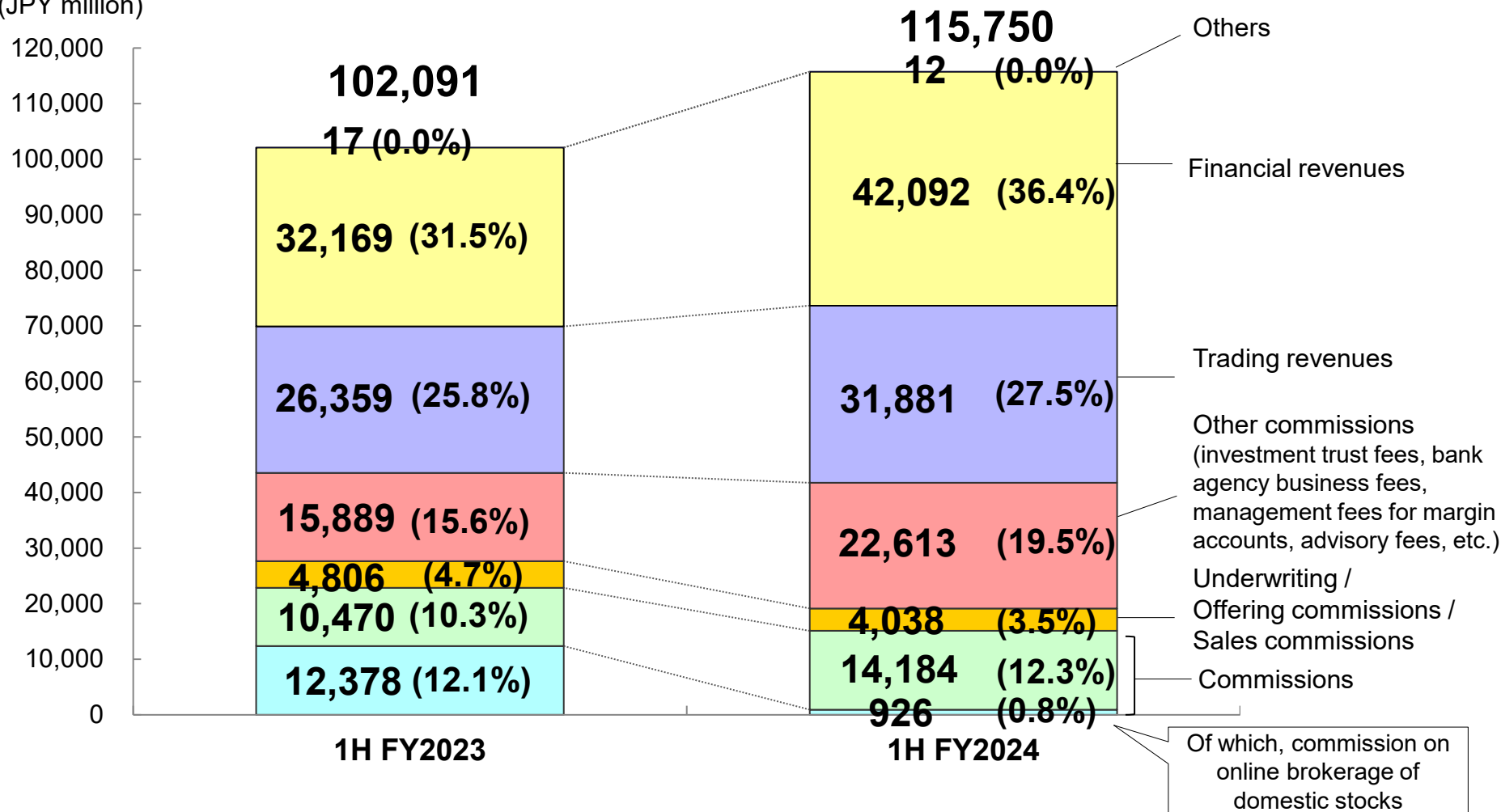
- ① SBI SECURITIES secured revenue after the “ZERO Revolution” in a different way from the U.S., which is steps ahead in zero commissions**
- ② SBI SECURITIES improved profitability due to the expansion of its customer base through the “ZERO Revolution” and the success of the revenue diversification measures it has been working on for over five years**
- ③ “ZERO Revolution” has greatly accelerated the expansion of SBI SECURITIES’ customer base**

- ① **SBI SECURITIES secured revenue after the “ZERO Revolution” in a different way from the U.S., which is steps ahead in zero commissions**

SBI SECURITIES Achieved YoY Increase in Revenue Despite Losing JPY18.8 Billion (Estimated*1) in Revenue due to “ZERO Revolution”

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

(JPY million)



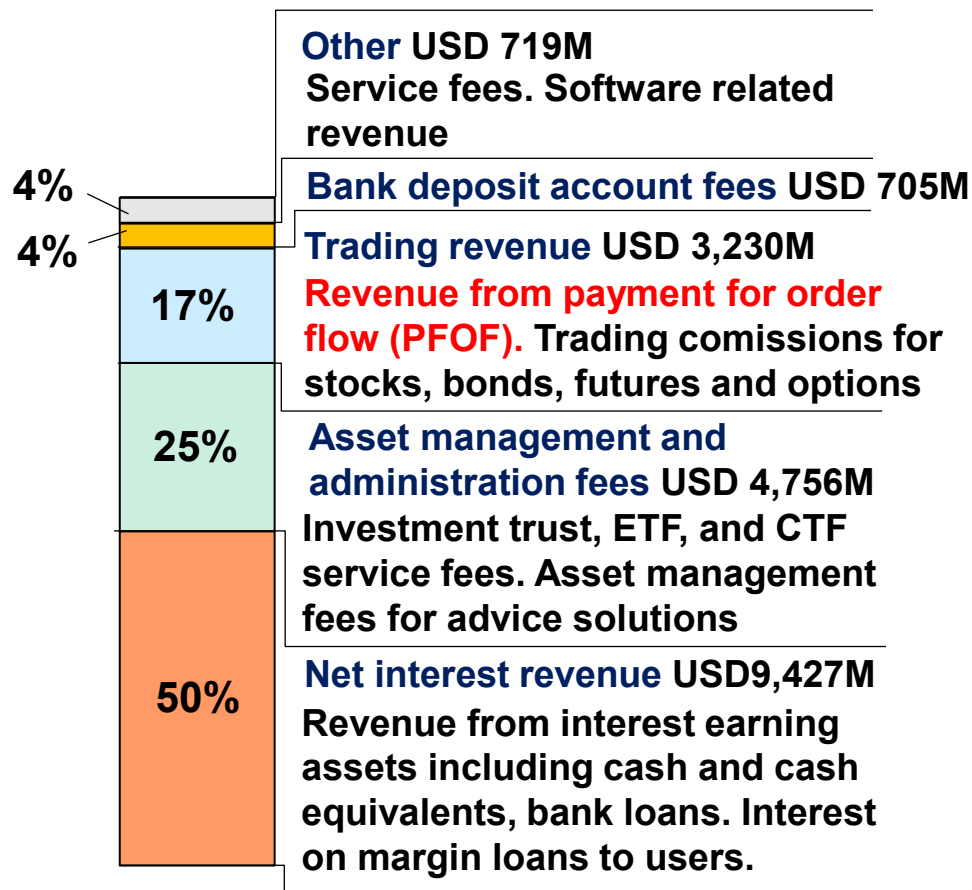
*1 Estimated based on the average basis of 1Q-2Q FY2023

*2 Based on J-GAAP

Revenue Source of U.S. Online Securities Companies that Preceded in Zero Comissions

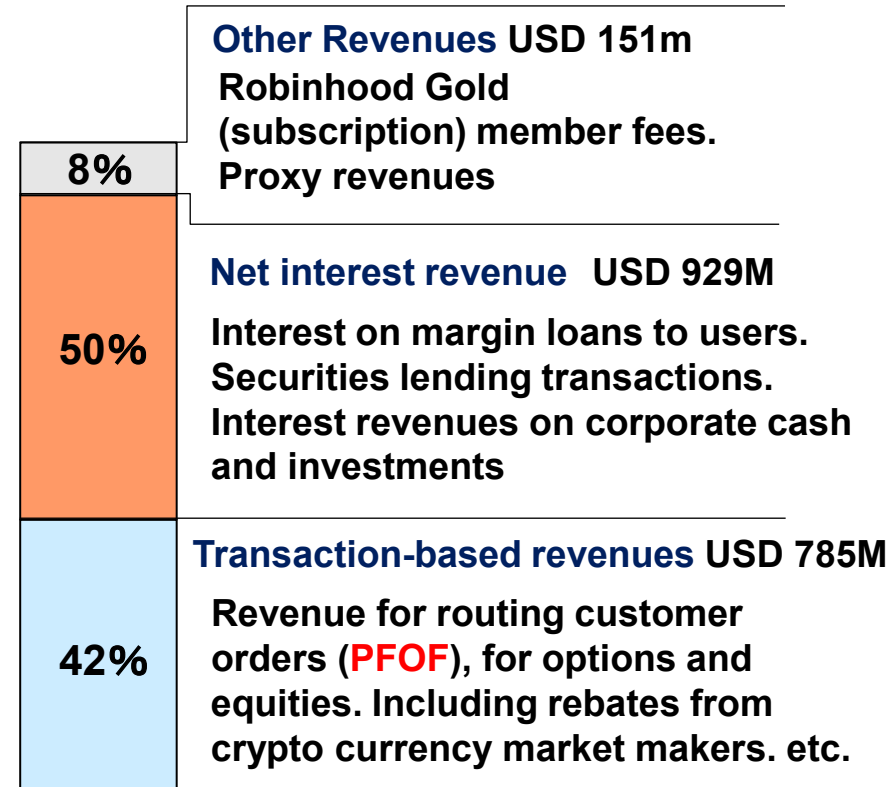
Charles Schwab (Est. 1971)

2023 Revenue: USD 18,837m



Robinhood Markets (Est. 2013)

2023 Revenue: USD 1,865m

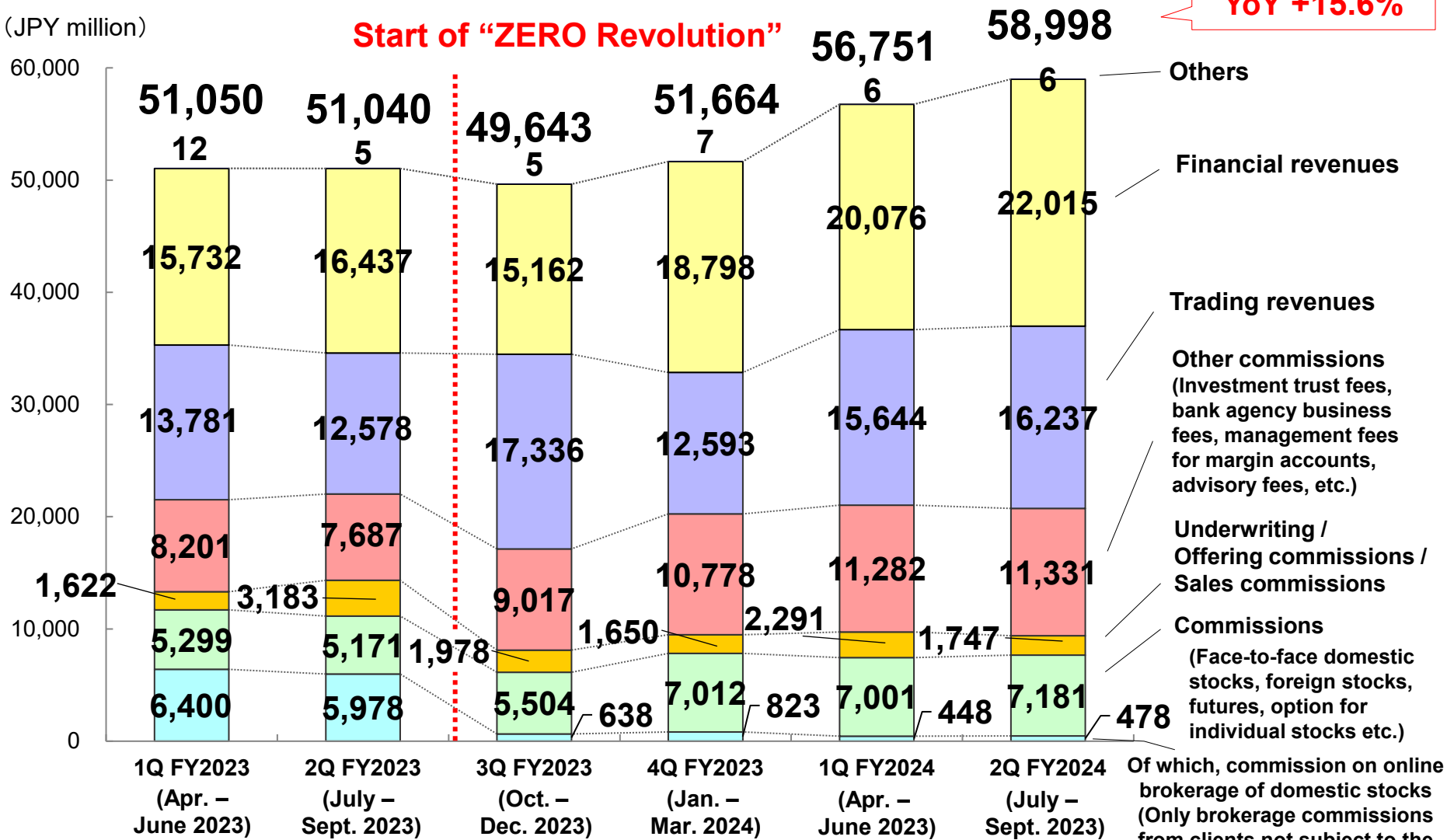


SBI SECURITIES' Quarterly Revenue is Growing Steadily

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

YoY +15.6%

(JPY million)



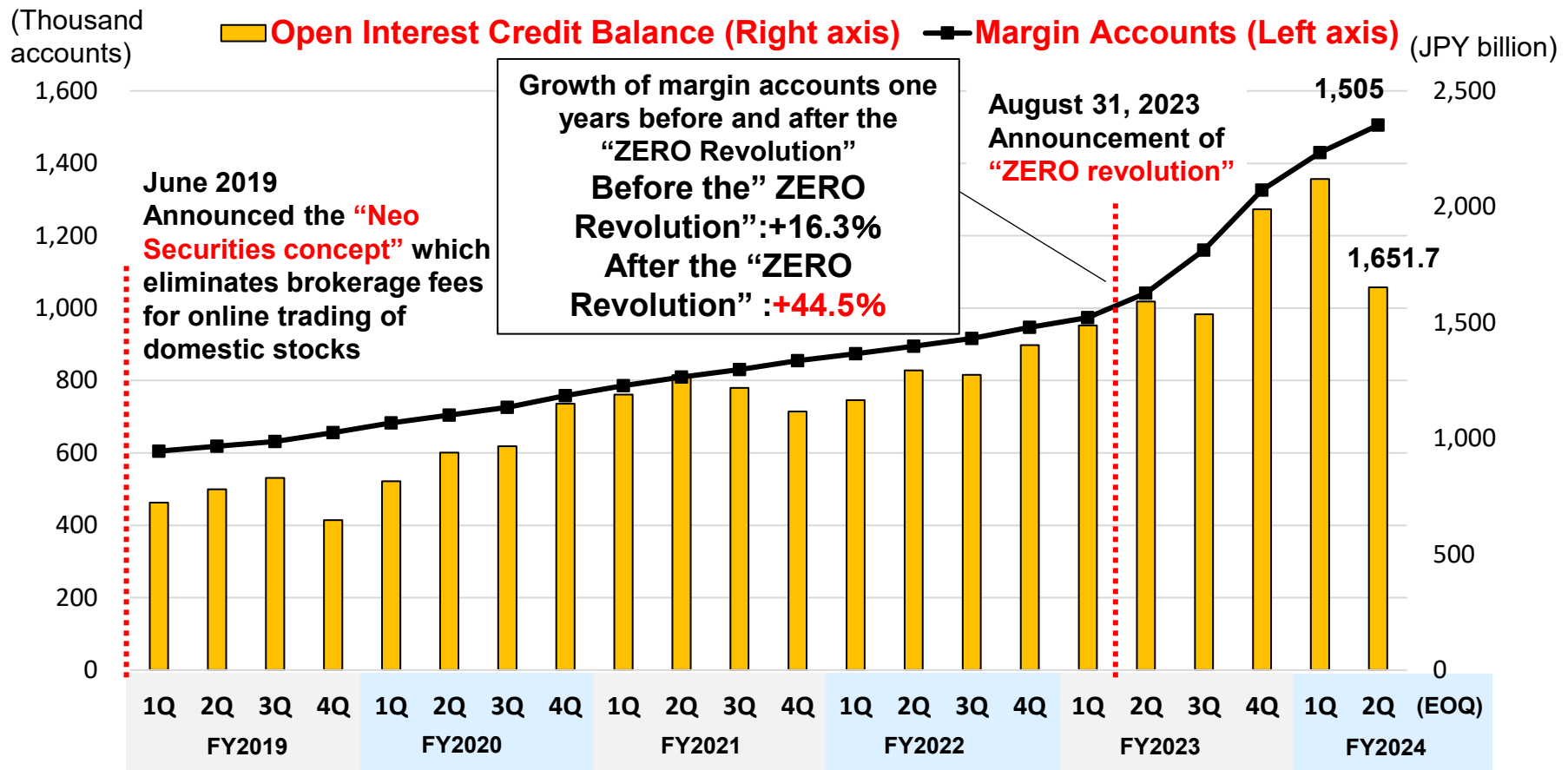
*Based on J-GAAP

[Unauthorized reproduction is prohibited]

② **SBI SECURITIES** improved profitability due to the **expansion of its customer base** through the “**ZERO Revolution**” and the success of the **revenue diversification measures** it has been working on for over five years

-While the **number of employees** at SBI SECURITIES increased by **8%** in the first year after the start of the “**ZERO Revolution**,” the **increase in the customer base and the number of various products and services handled during the same period significantly exceeded that-**

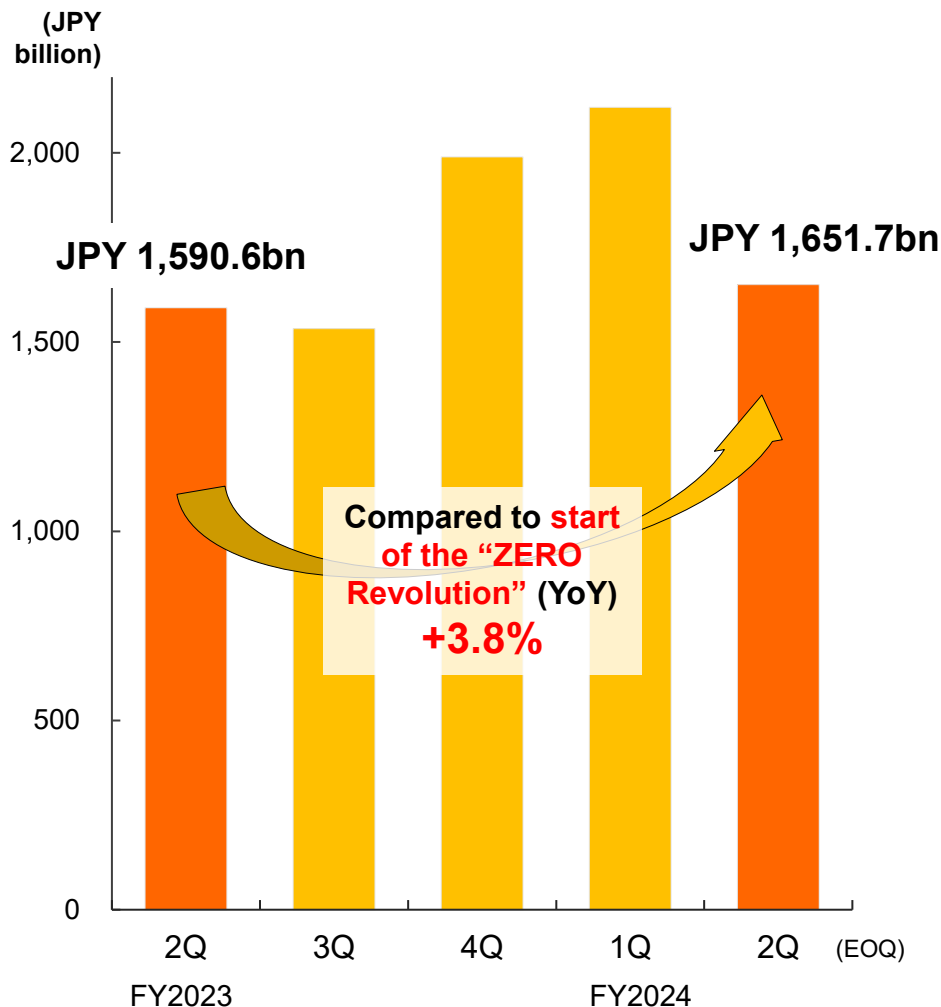
Number of SBI SECURITIES' Margin Trading Accounts have Increased Sharply after the Start of the “ZERO Revolution”



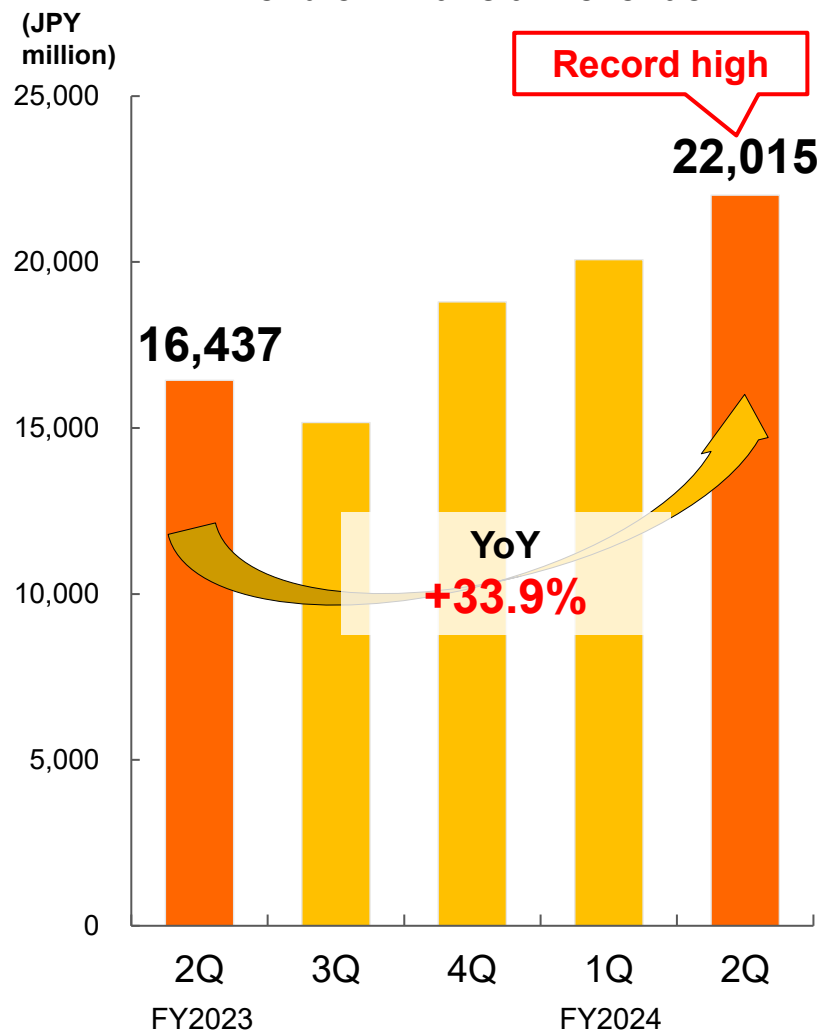
Although open interest credit balance fluctuate depending on market conditions, the **baseline has steadily increased due to the expansion of the customer base through the “ZERO Revolution”**

Open Interest Credit Balance Increased Year-on-year and Financial Revenue Marked Record High

<Trend of Open Interest Credit Balance (EOQ)>

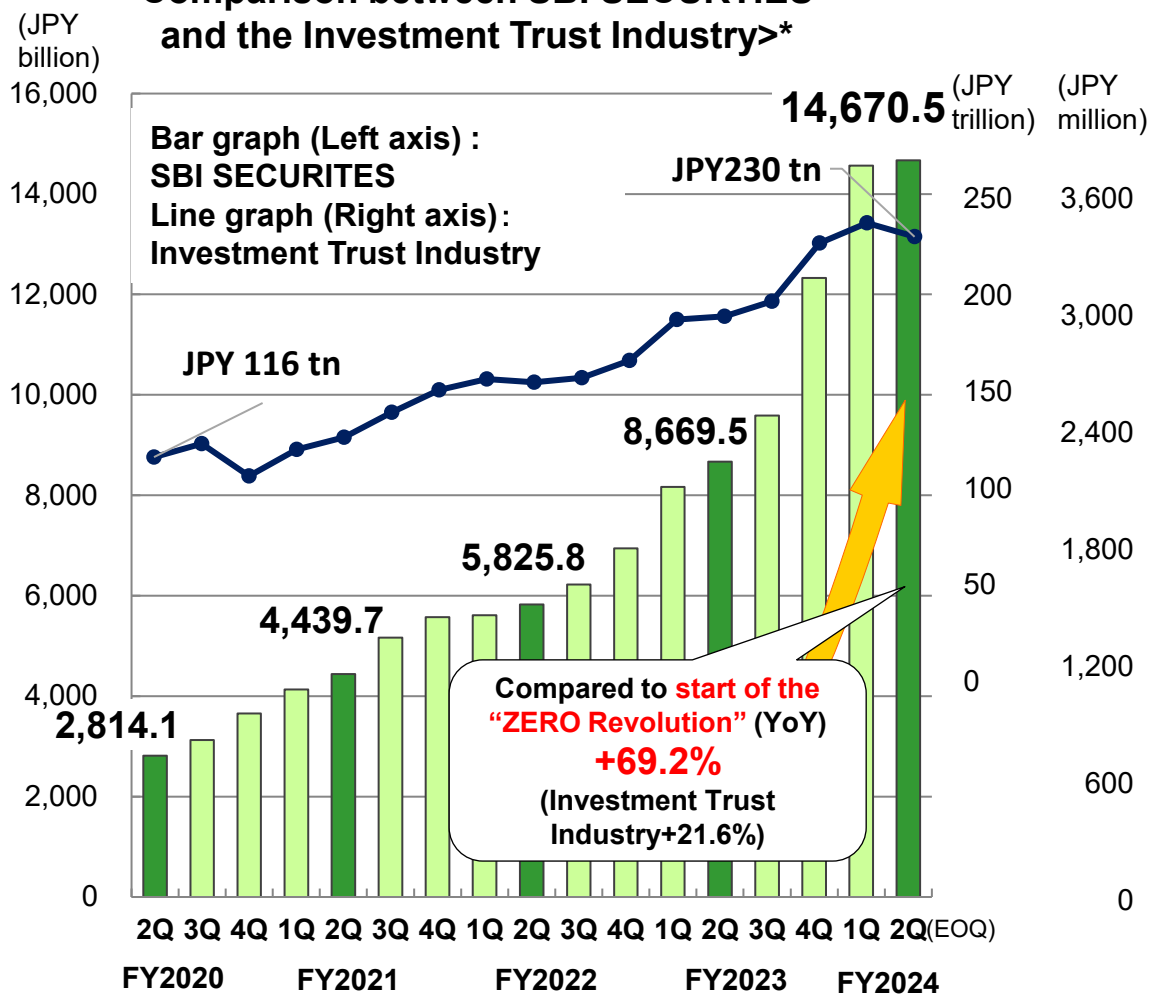


<Trend of Financial Revenue>

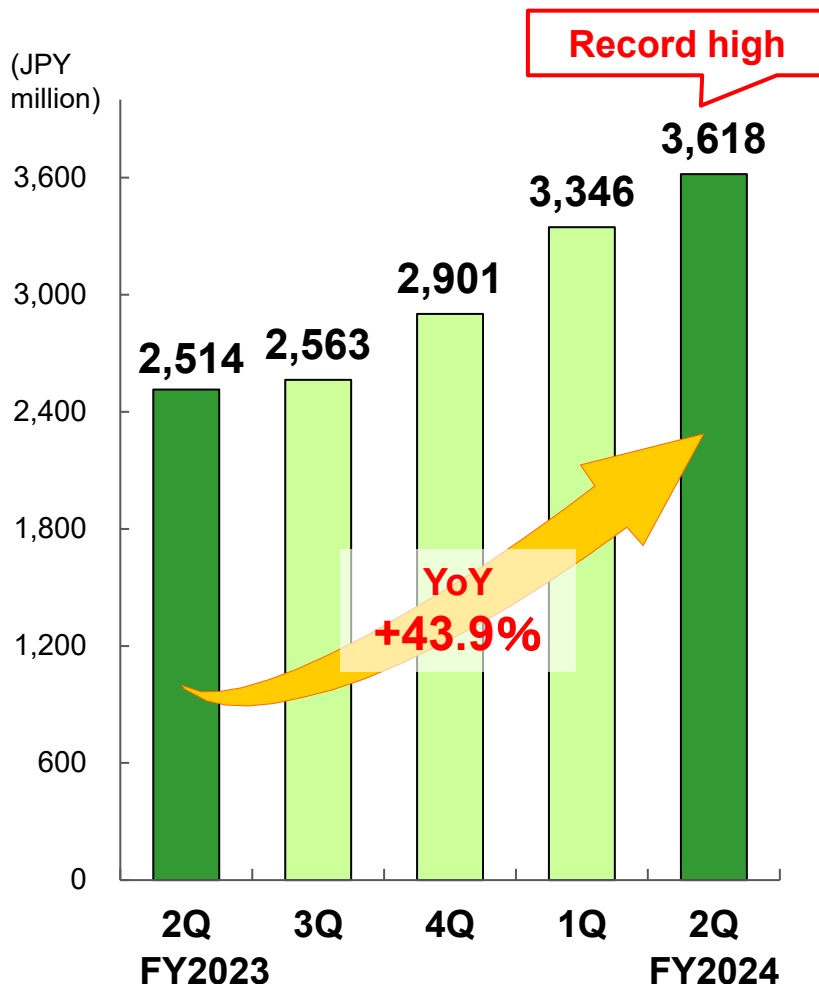


Achieved Record Highs in both Investment Trust Balance and Investment Trust Fees Due to Multiplier Effects of Increase in Customer Base Through “Zero Revolution” and Start of the New NISA

<Quarterly Investment Trust Balance Comparison between SBI SECURITIES and the Investment Trust Industry>*



<Investment Trust Fees>

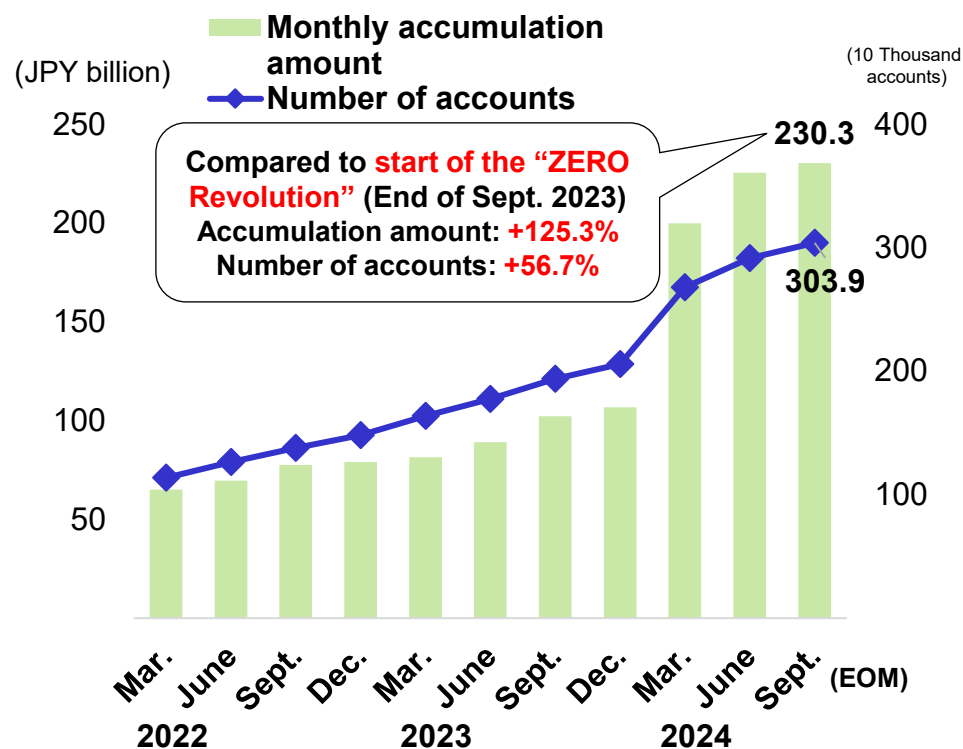


*Investment trust balance includes domestic and foreign ETFs and foreign currency denominated MMFs

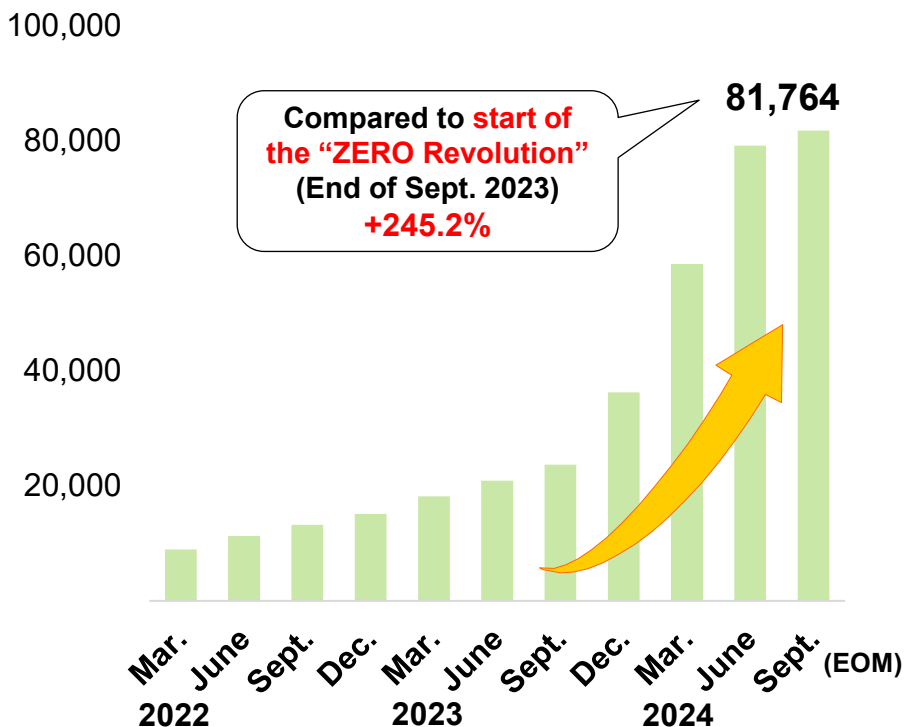
Amount of Set Accumulation for Investment Trusts are Expanding Among the Trend “from Savings to Investment”

- Due to the spread of individual investors as a result of the “ZERO Revolution” and the new NISA, the monthly accumulation amount of investment trust has steadily increased and **reached approx. JPY 230bn** as of end of September. **Annual accumulation amount is expected to exceed JPY 2.7tn**
- Amount of monthly set accumulation of investment trust savings through credit cards was **JPY 81.8bn as of end of October, maintaining a high level**. Endeavor to increase accumulation through credit cards by appealing its merits

<Accumulation Amount and Number of Accounts with Set Accumulation>



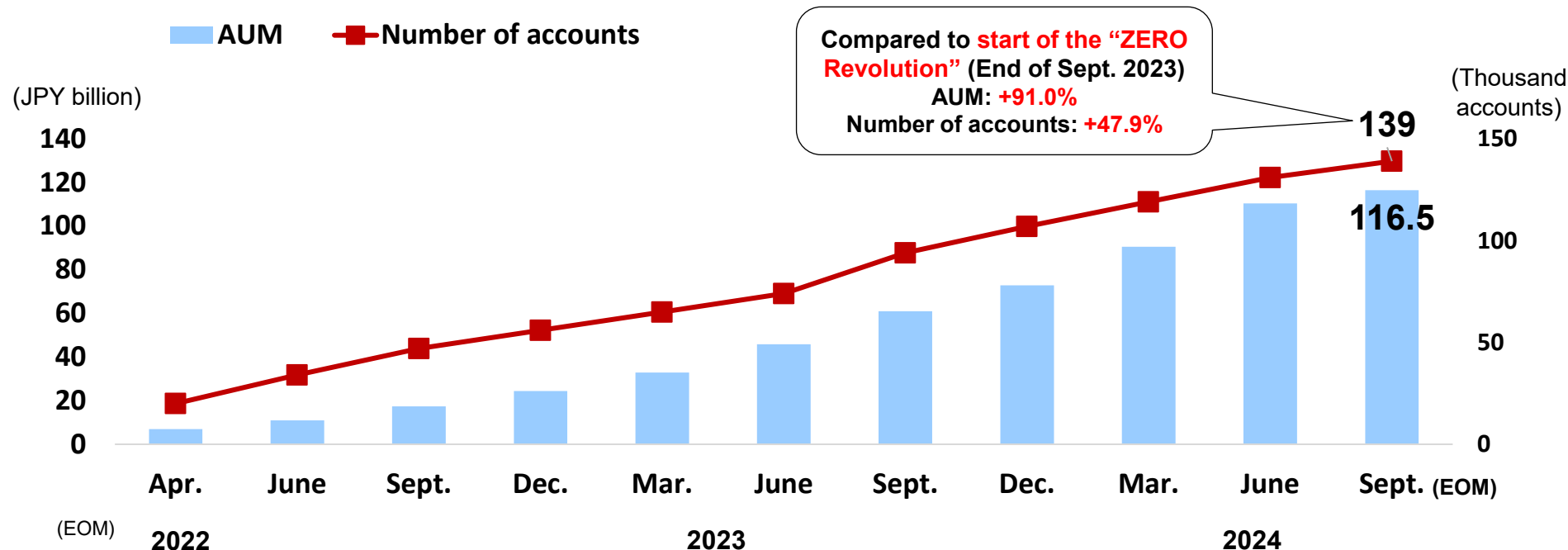
<Trend of Accumulation Amount with Credit Cards>



Fully Automated Discretionary Investment Service “SBI Wrap” Nears JPY120 Billion in AUM in Just 2.5 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
- AUM of “SBI Wrap × SBI Shinsei Bank” offered to face-to-face branches sales at SBI Shinsei Bank is approx. AUM JPY 54bn (as of Oct. 31, 2024) AUM reached JPY 124.4bn in AUM and 140,000 accounts as of Oct. 14
- To meet diversifying needs, “SBI Wrap Master Course” in which Nomura Asset Management offers investment advice, was launched in July 2023, and a face-to-face channel “SBI Wrap x TOUSHIN SOUDAN PLAZA” has also been opened

<Number of accounts and AUM for “SBI Wrap”>



Commissions from Foreign Stock Trading Grew Due to Increase of Trading Activity Associated with Expansion of Customers

<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**
- 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**

[Change in Foreign Stock Transaction Volume]

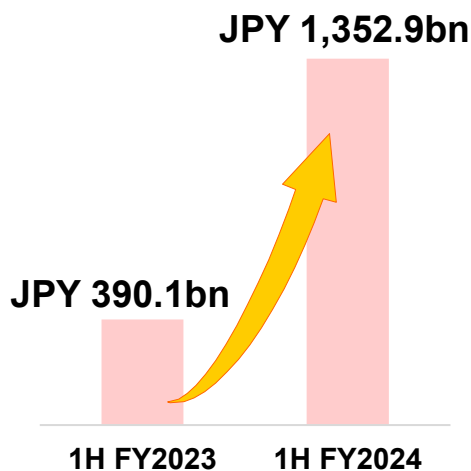
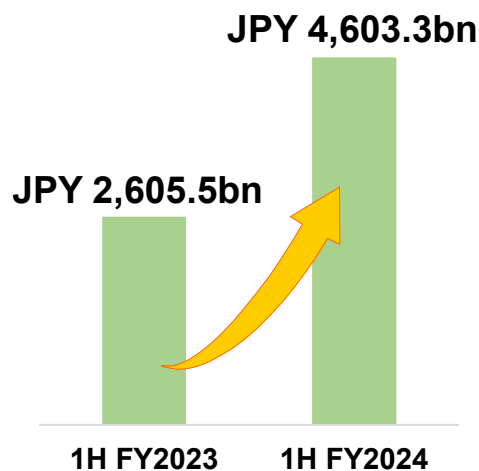
Spot trading

Margin trading

Compared to 1H before the start of the “ZERO Revolution” (YoY)

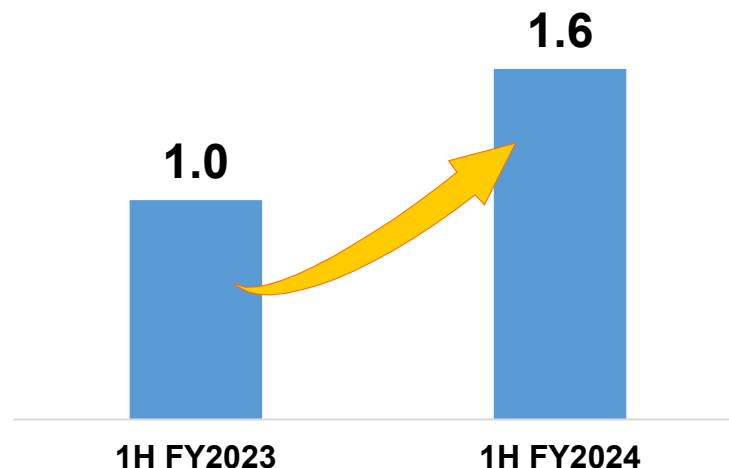
+76.7%

Approx. 3.5 times



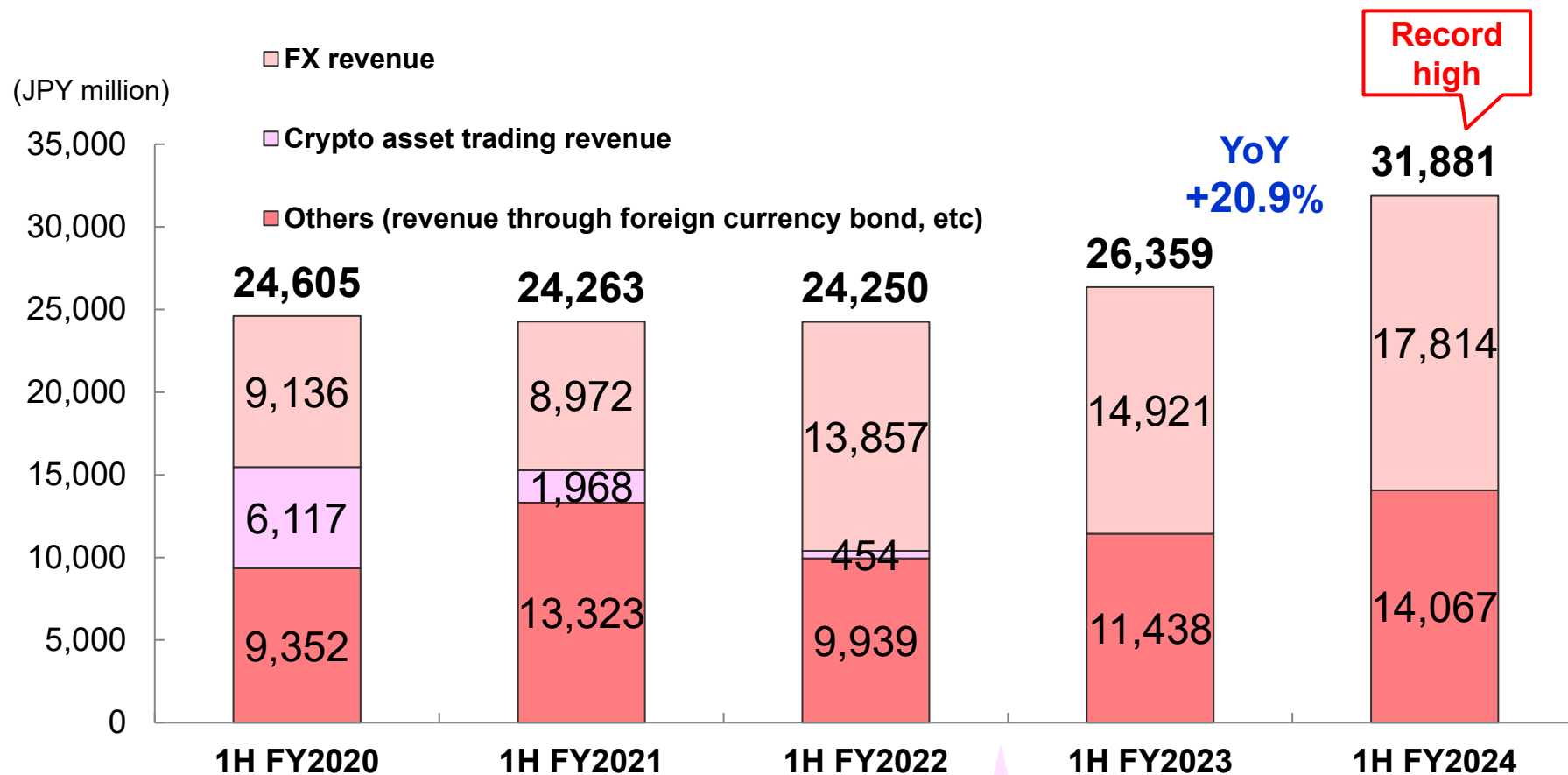
[Change in Commission Revenue from Foreign Stock Trading]

*Indexed for 1H FY2023 = 1.0



Trading Revenue of SBI SECURITIES (consolidated)

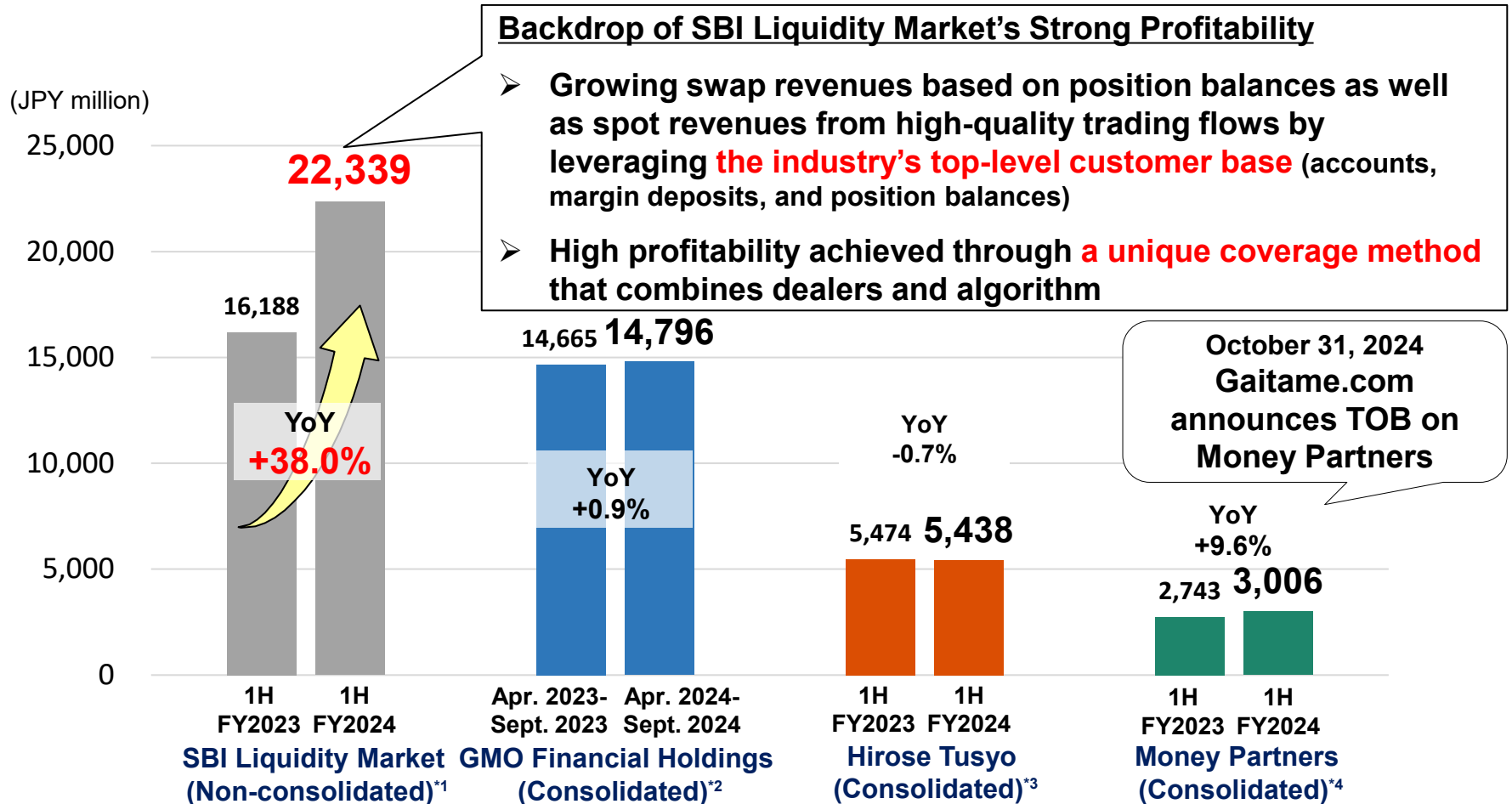
-Revenue from both FX trading and foreign bond sales grew-



Crypto asset trading revenue is not included from 3Q FY2022 onward due to reorganization within the Group

SBI Liquidity Market, which Operates FX Business in the SBI Group, Boasts Profitability that Outstrips that of its Competitors

Comparison of FX-related Revenue with Competitors (YoY comparison)



*1 Figures for SBI Liquidity Market are non-consolidated.

*2 GMO Financial Holdings' FX-related revenue are the total revenues from "Currency-related derivatives" for 2Q-3Q FY ended December 2023 and 2Q-3Q FY ending December 2024 in the company's disclosure materials. Includes revenue from binary options, etc.

*3 Hirose Tusyo's net operating revenue for 1H of the fiscal year ended March 31, 2024, and fiscal year ending March 31, 2025, is shown as FX-related revenue.

*4 Money Partners' operating revenue for 1H of the fiscal year ended March 31, 2024, and fiscal year ending March 31, 2025, is shown as FX-related revenue.

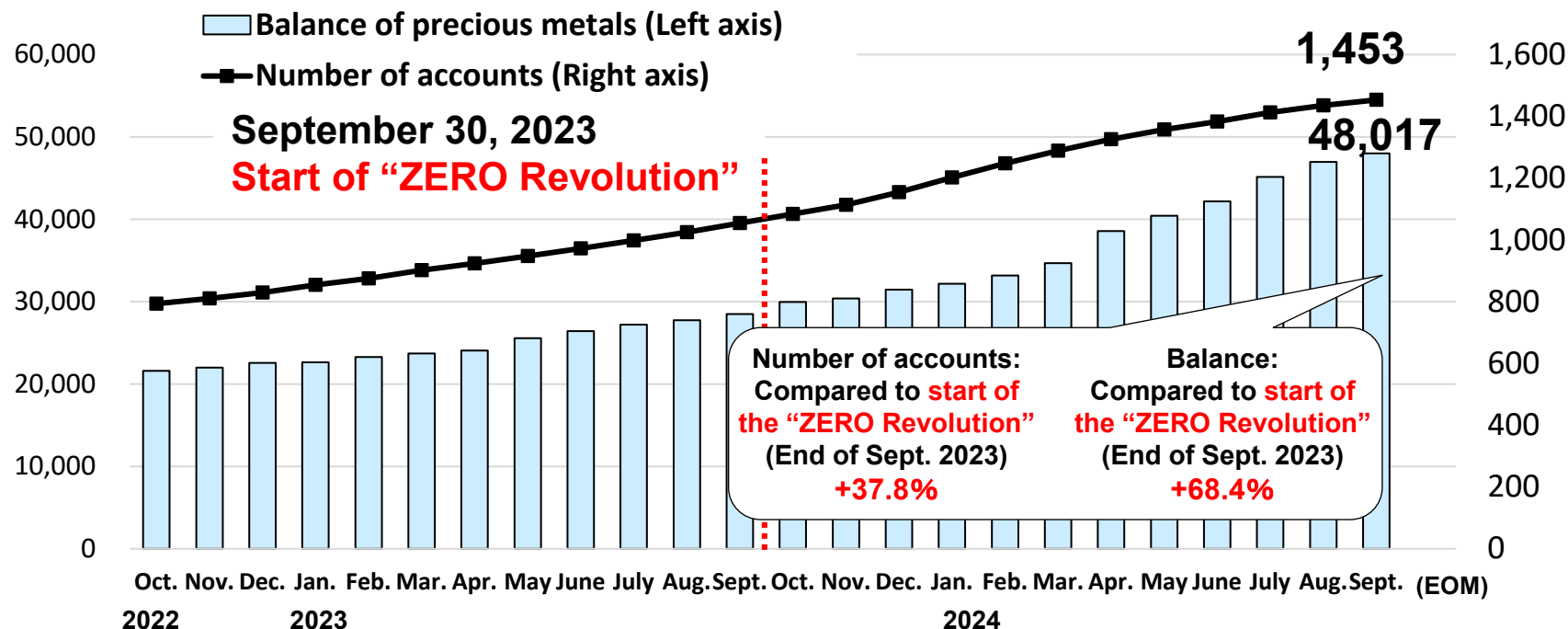
*5 Prepared by the Company based on figures disclosed by each company

Trading of **Gold, Silver and Platinum** has Increased Due to Rise of Geopolitical Risk and Weakening of the Yen

Balance and Number of Accounts for Precious Metals (gold, silver, platinum) at SBI SECURITIES

(JPY million)

(Thousand accounts)



株式会社堂島取引所
OSAKA DOJIMA EXCHANGE

In March 2023, Dojima Exchange has opened and began operating **a futures trading market for gold, silver, and platinum**, the "Precious Metals Market," and SBI SECURITIES also began offering commodity futures trading services for precious metals simultaneously. **Number of active accounts is increasing**

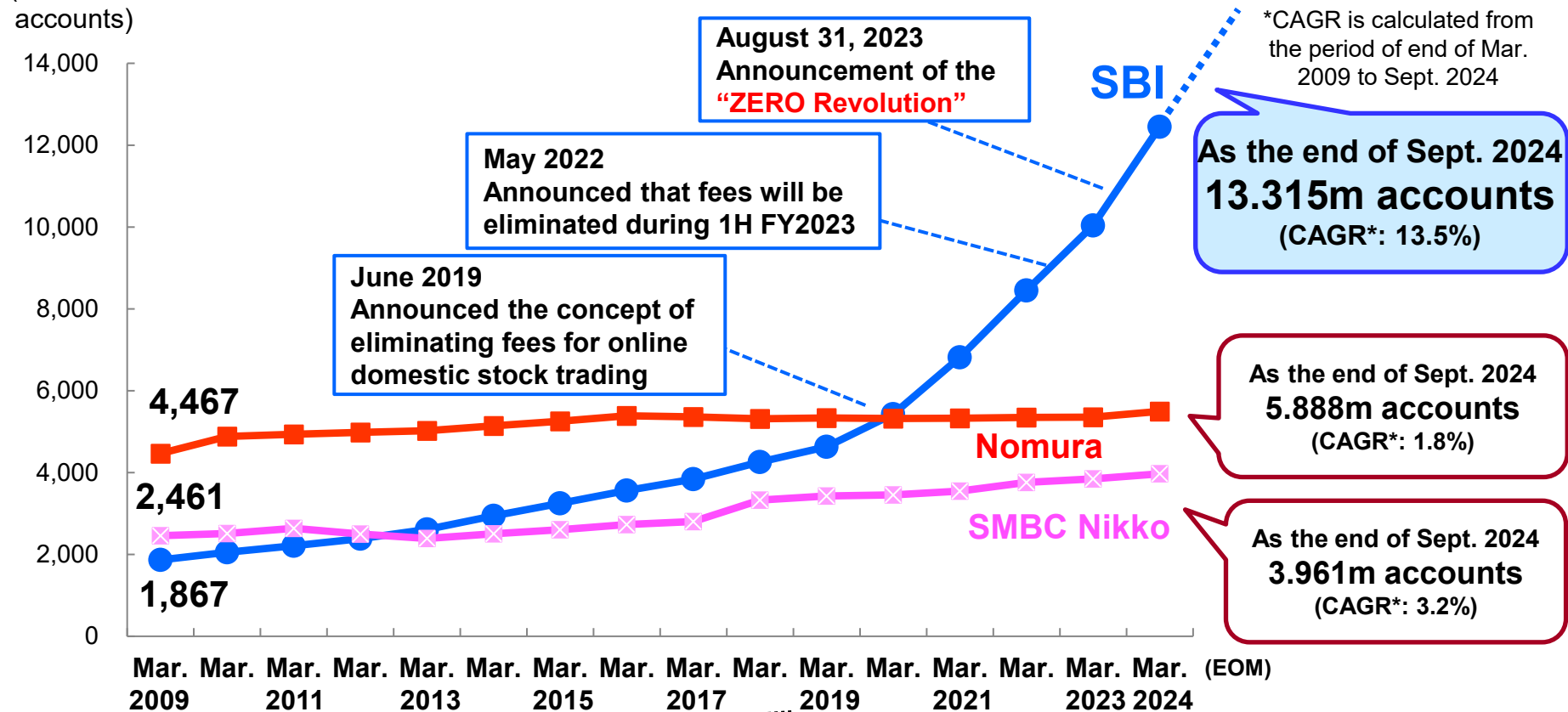
The number of **customers trading other products** such as stocks who **have started trading precious metals** has increased at SBI SECURITIES in light of the current state of affairs

③ “ZERO Revolution” has greatly accelerated the expansion of SBI SECURITIES’ customer base

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

-Number of securities accounts increased by 20.3% after one year since the start of the “ZERO Revolution”-

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



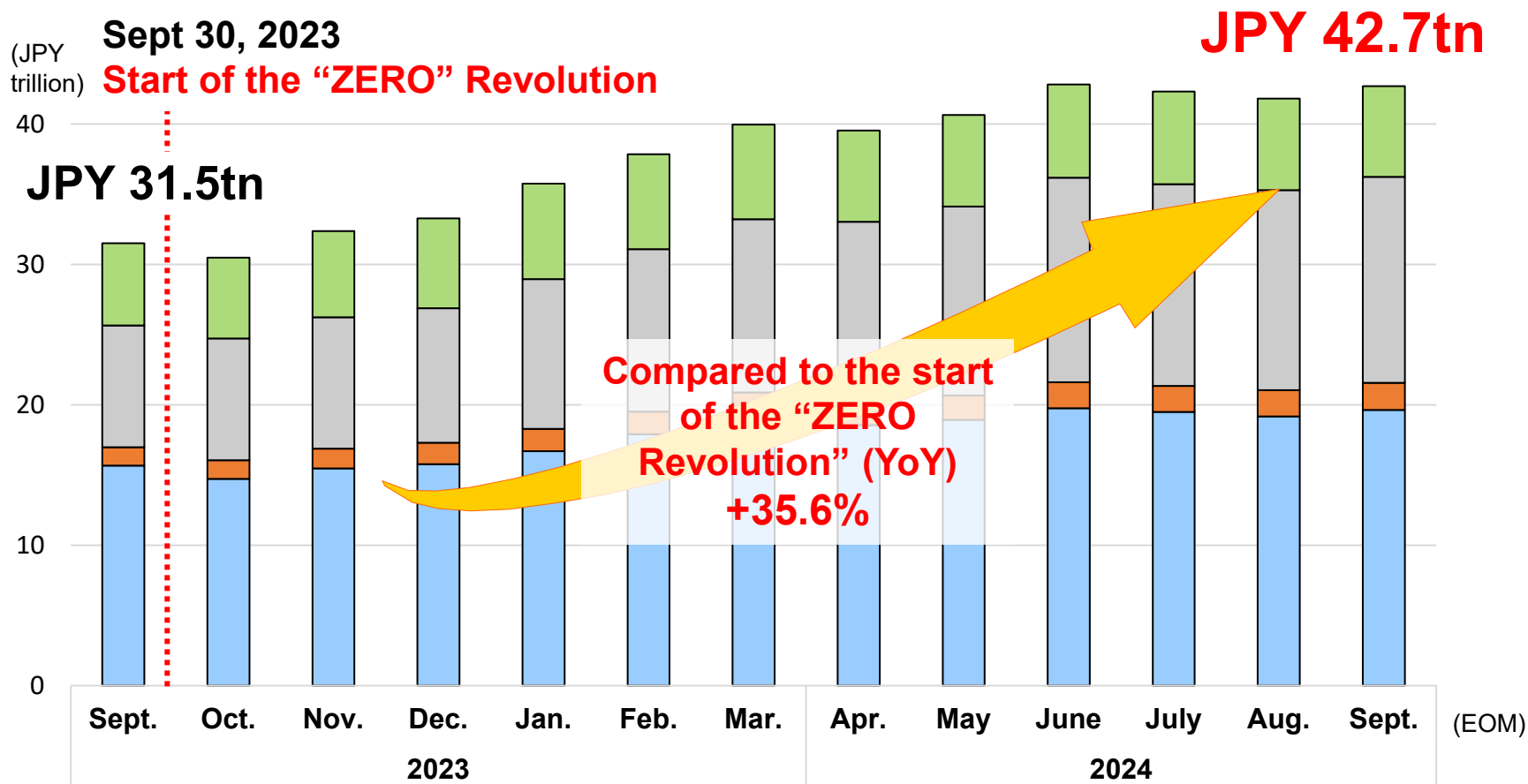
Account acquisition pace of SBI SECURITIES for the recent past five years

(Thousand accounts)	FY2019	FY2020	FY2021	FY2022	FY2023
No. of Accounts	797	1,385	1,640	1,585	2,414

AUM of SBI SECURITIES has Expanded Significantly Given the Rapid Growth of Customer Base

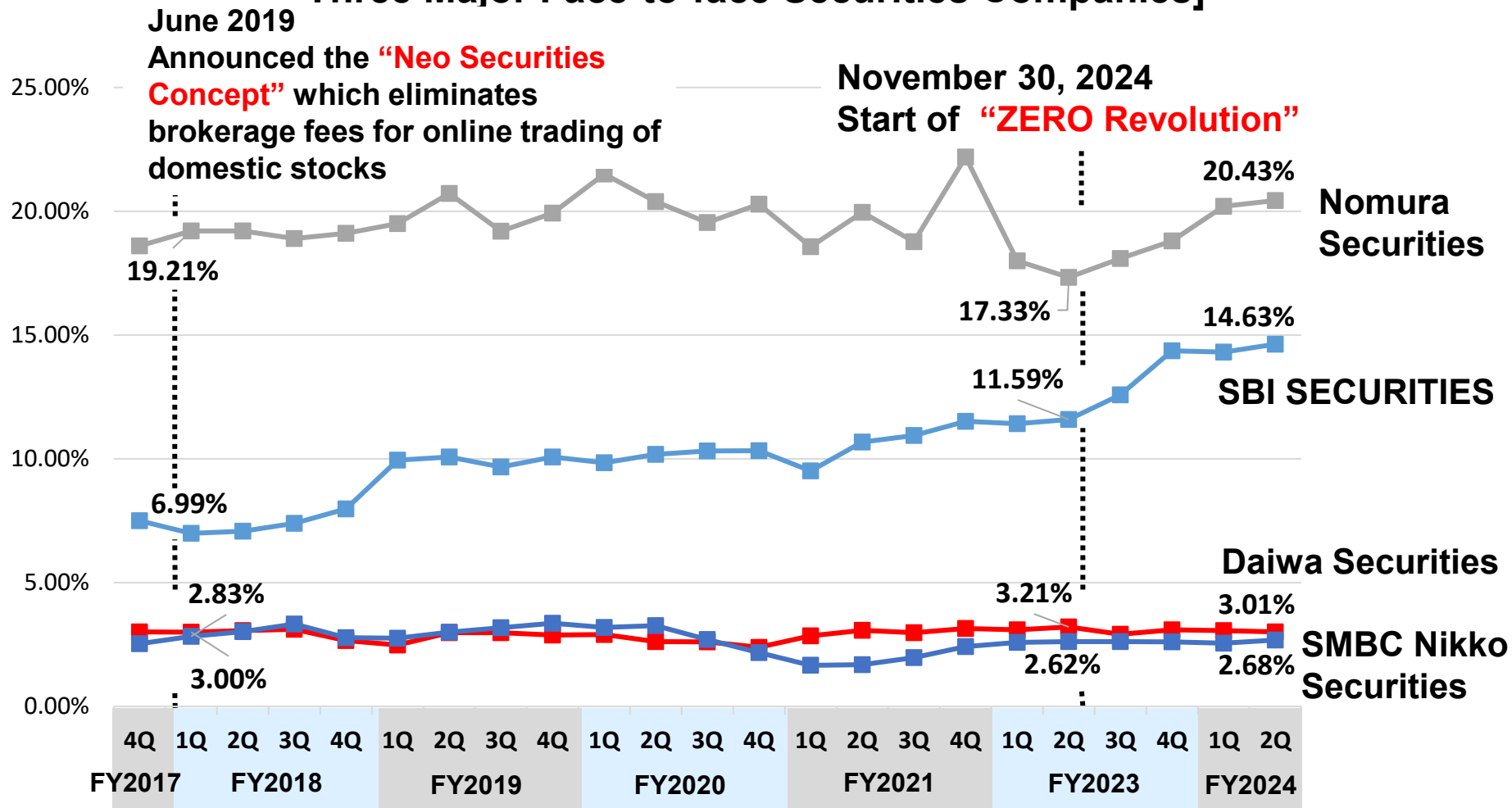
AUM of SBI SECURITIES (End of September 2023- end of September 2024)

■ Stocks
 ■ Municipal & corporate bonds
 ■ Investment trusts
 ■ Others (deposits, SBI Hybrid Deposit)



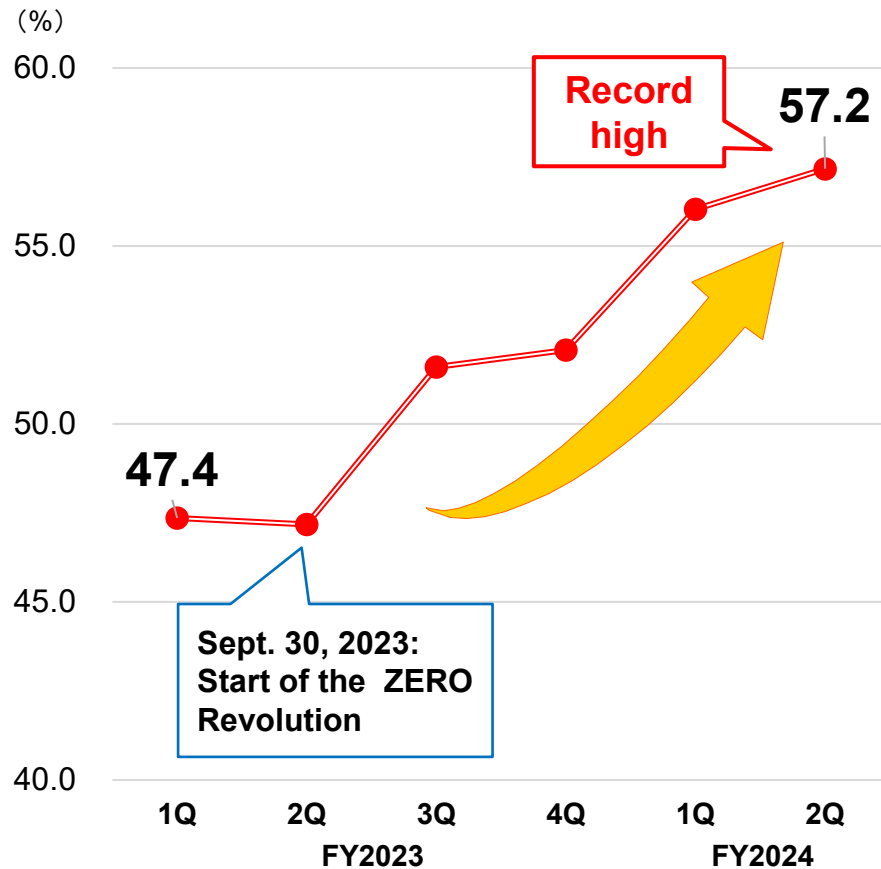
SBI SECURITIES' Share in Stock Trading Value of Individuals and Institutional Investors Increased by Two Times in Five Years

[Quarterly Stock Trading Value Share of SBI SECURITIES and Three Major Face-to-face Securities Companies]

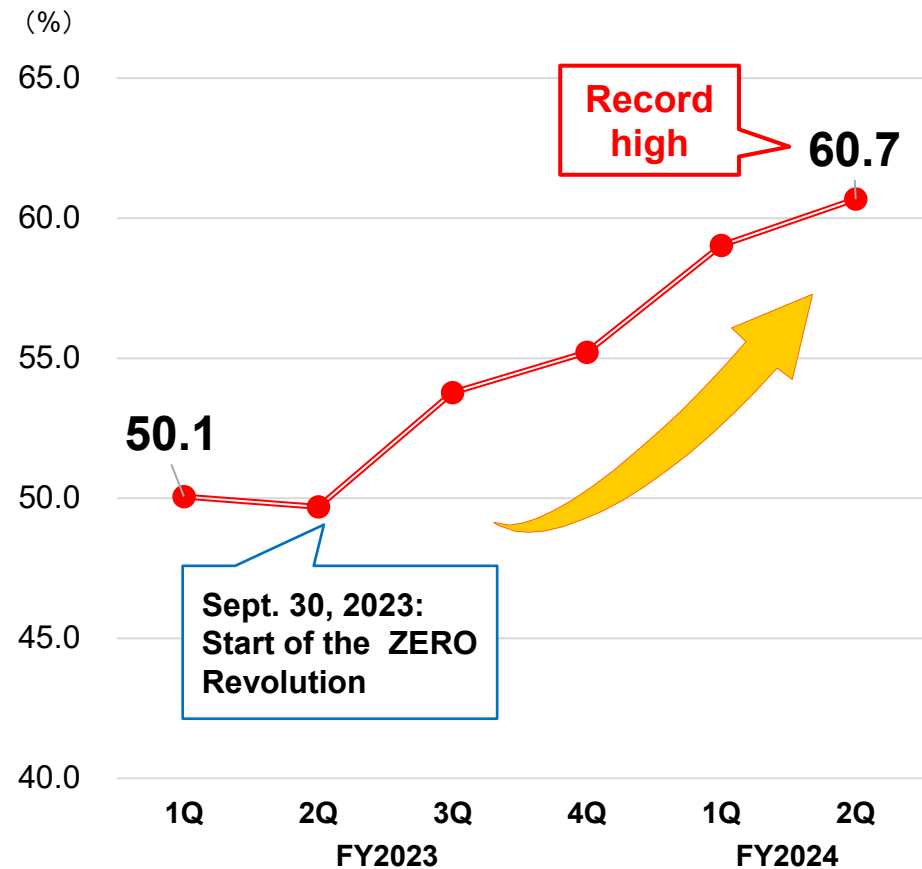


SBI Group's Share of Trading Value Has Increased Rapidly Following the Start of "ZERO Revolution"

< (Quarterly) Share of Individual Stock Trading Value*>



<Of which, (quarterly) Share of Individual Margin Trading Value*>

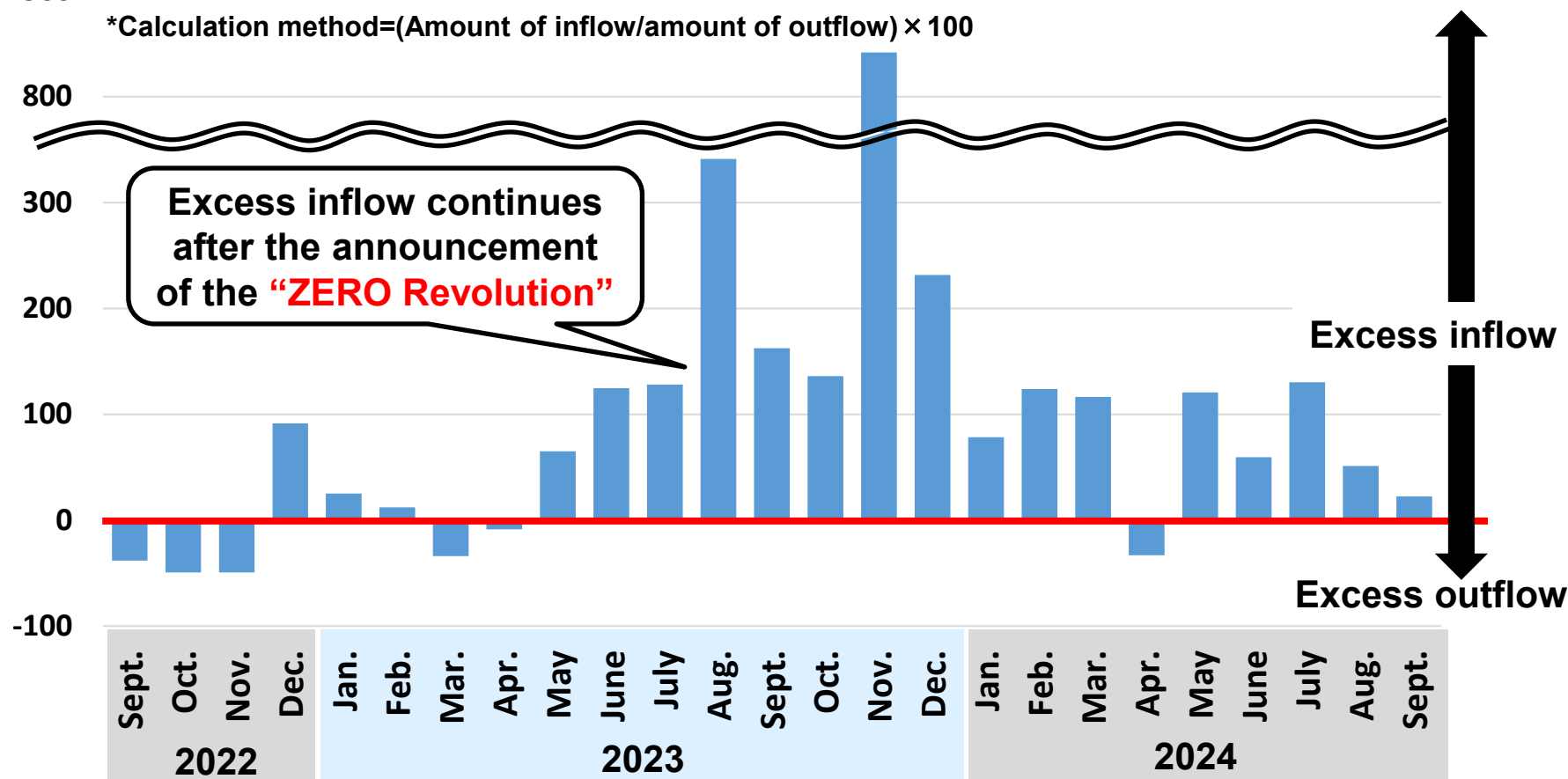


* Including SBI Neotrade Securities

Inflow of asset transfer from other companies to SBI SECURITIES continues to be a net increase

(%) Trends in the Ratio of Asset Inflows to Outflows for SBI SECURITIES
(Scope of assets: Domestic stocks, foreign stocks, investment trusts)

*Calculation method=(Amount of inflow/amount of outflow) × 100



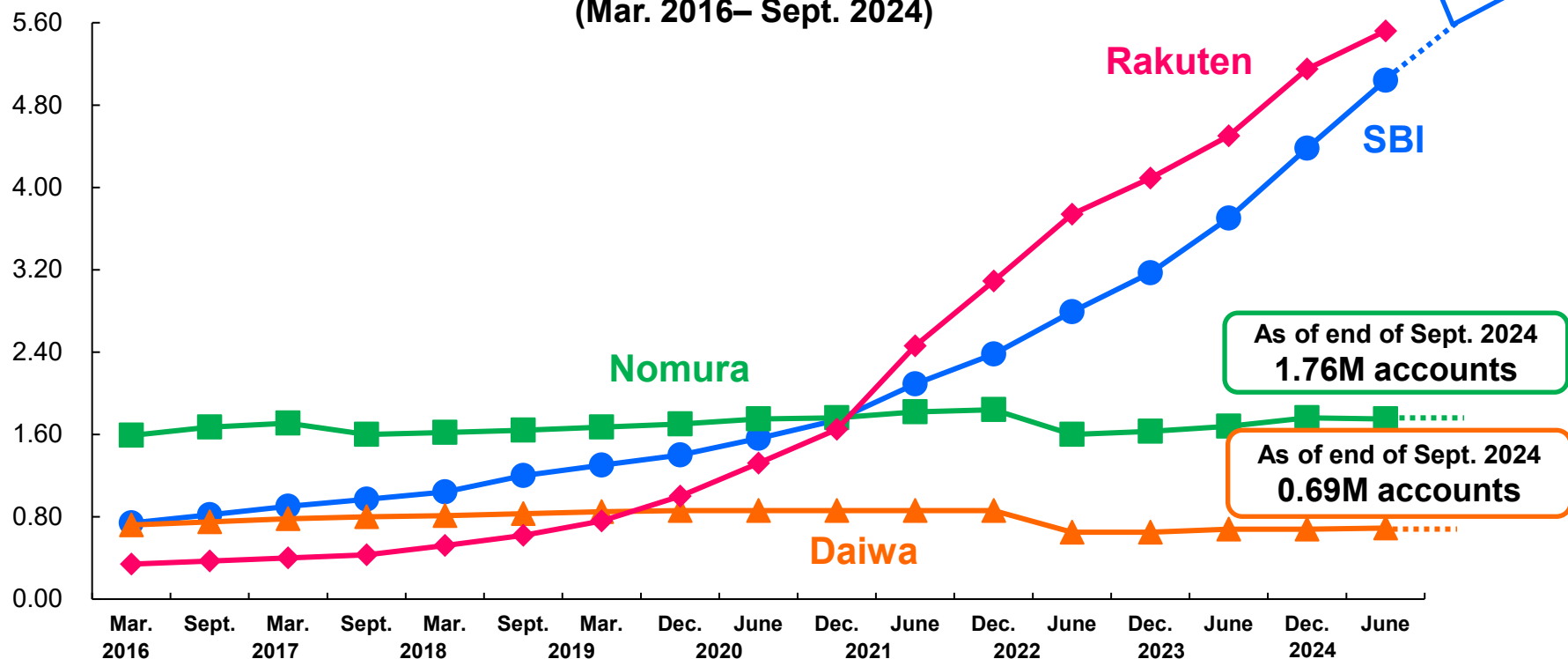
Endeavor to increase customer transfers, mainly from major face-to-face securities firms, through diversification of products and services and improvement of customer convenience

SBI SECURITIES Seeks the Top Position in Number of NISA Accounts with “ZERO Revolution”

-Number of securities accounts increased by 30.0% after one year since the start of the “ZERO Revolution”-

(Million accounts)

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



*1 Includes the number of Junior NISA accounts at all companies up to end of Dec. 2023.

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

*3 Based on the information on website of each company.

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

**(2) Expansion of customer base
through “ZERO Revolution”
benefits not only SBI SECURITIES
but also the entire SBI Group**

Expansion of Customer Base Through SBI SECURITIES' "ZERO Revolution" Spread to other Businesses in the SBI Group

Individual customers who open an account at SBI SECURITIES as a result of the "ZERO Revolution" will not only broaden their interest in other financial products within SBI SECURITIES, but will also become an entry point for recognizing products and services offered by group companies



SBI Group's Customer Base Growth Saw Rapid Expansion After Start of the “ZERO Revolution”

SBI Group's Customer Base (End of September 2016 to end of September 2024)

(Million accounts)

September 2023
Start of the “ZERO Revolution”

+8.9% since the start of ZERO Revolution (as the end of Sept. 2023)

* The customer base is the number of customers as of the end of each month, and does not include retroactive data for companies that joined or left the group

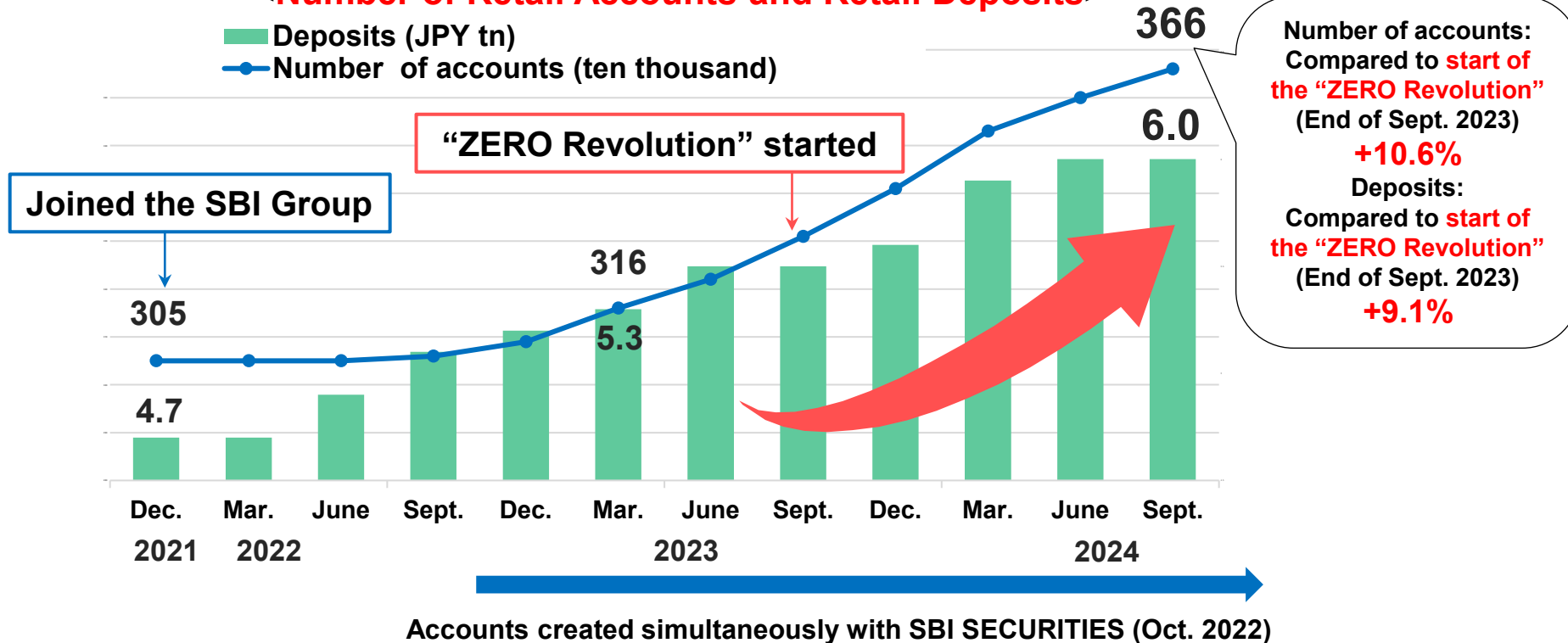


“ZERO Revolution” has expanded the customer base of the entire SBI Group

SBI SECURITIES' "ZERO Revolution" also Contributed Significantly to the Increase in the Number of **Retail Accounts and Deposits at SBI Shinsei Bank**

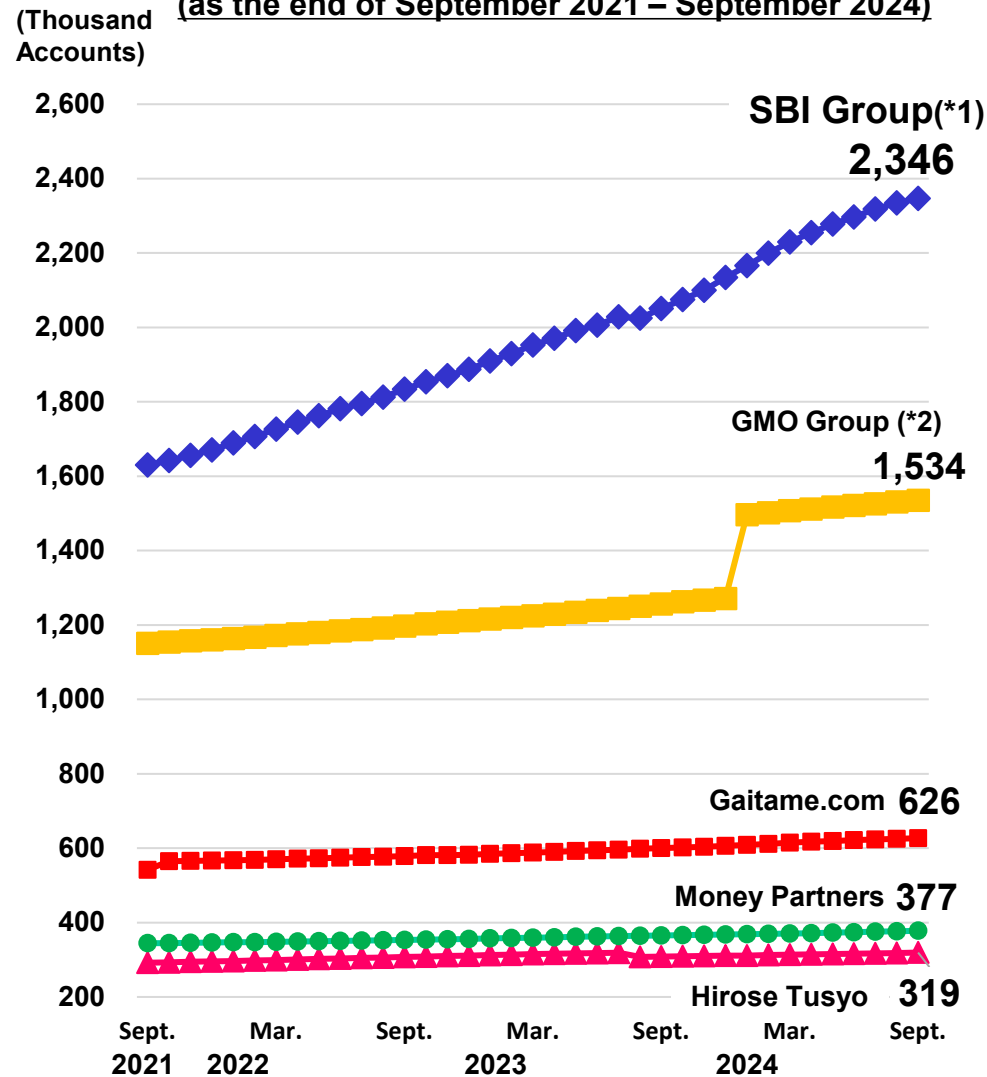
- ✓ Shinsei Bank's growth in the number of deposit accounts accelerated after enabling the simultaneous opening of accounts with SBI SECURITIES in October 2022
- ✓ On average, **more than 70% of new accounts opened** since the start of SBI SECURITIES' "ZERO Revolution" (September 30, 2023) have been sent from SBI SECURITIES

<Number of Retail Accounts and Retail Deposits>

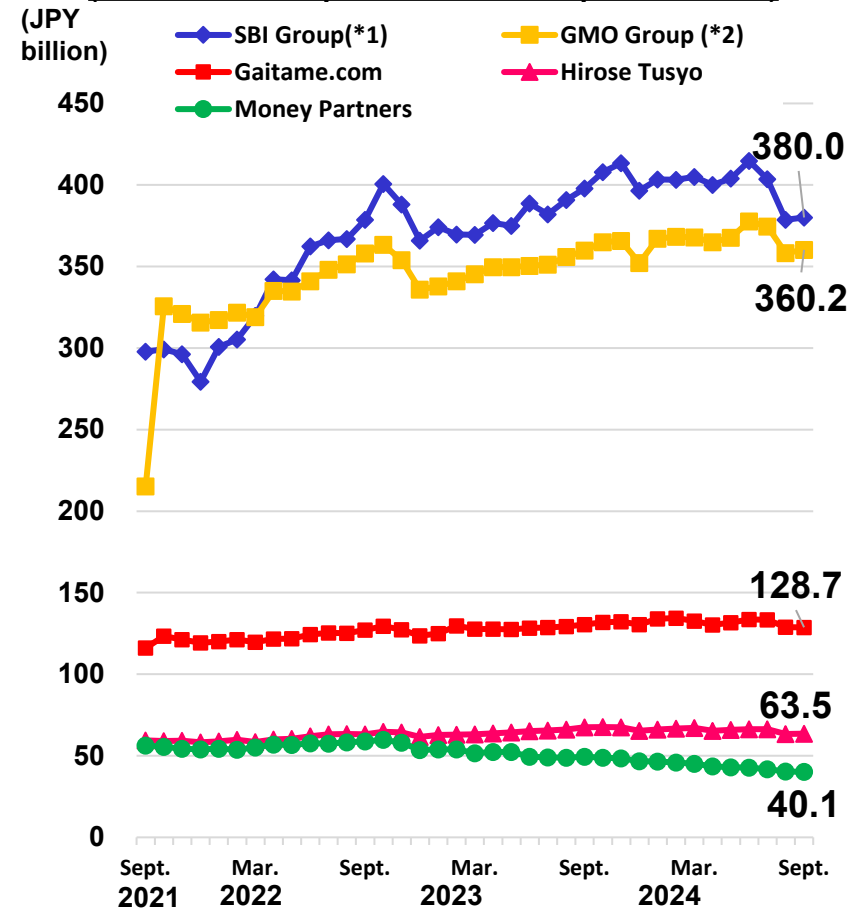


Increase of Customer Base by “ZERO Revolution” Greatly Contributing to the Expansion of SBI Group’s Number of FX Trading Accounts

Number of Accounts among Five Major FX Trading Related Companies (as the end of September 2021 – September 2024)



Customer Margin Deposits among FX Trading Related Companies (as the end of September 2021 – September 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 (Merged with FX prime byGMO, with numbers added from January 2024) are combined and listed as “GMO Group”

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

SBI SECURITIES' Growth in Customer Base has Rippled to the **Asset Management Business**

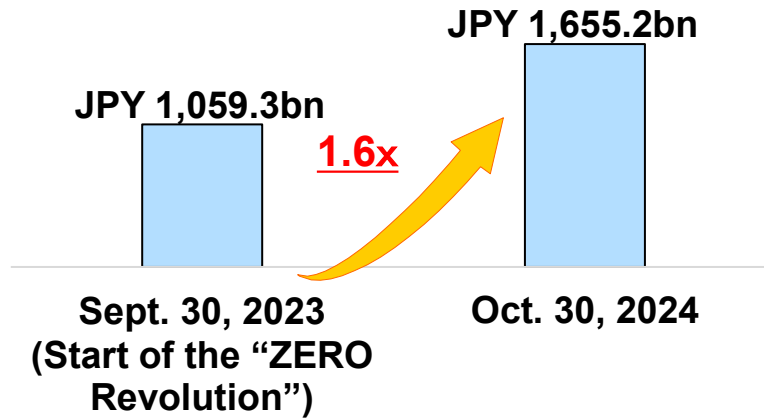


**-Funds have flown into investment funds managed by SBI
Asset Management-**

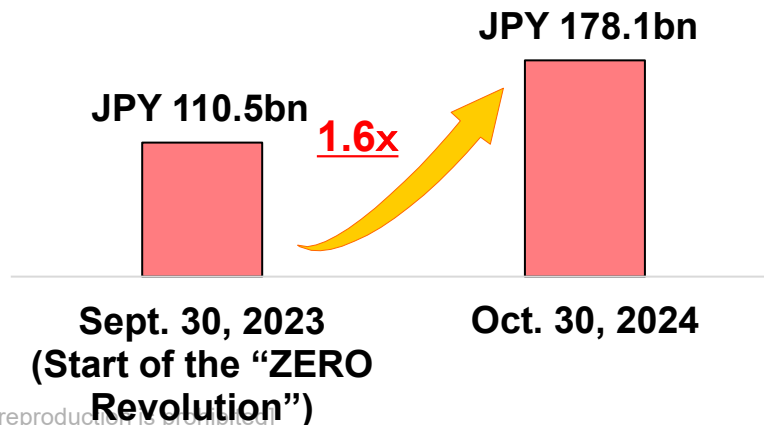
Top purchased funds at SBI SECURITIES (Balance of which held only at SBI SECURITIES)

*Top Purchases for September 2024. Excluding bull/bear funds

SBI-V-S&P500 Index Fund

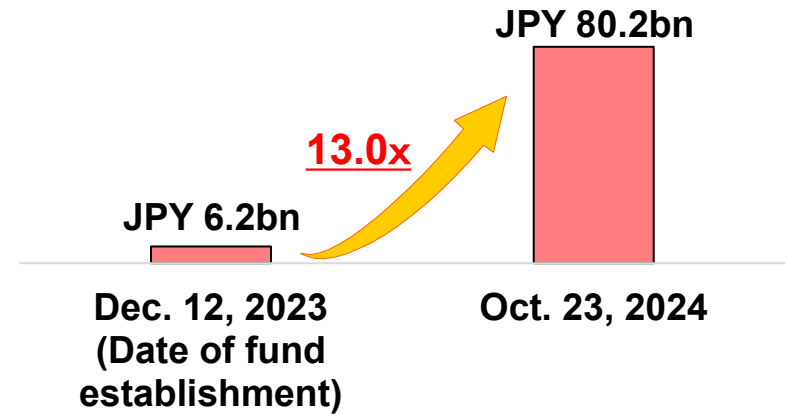


SBI-V-US Total Market index Fund

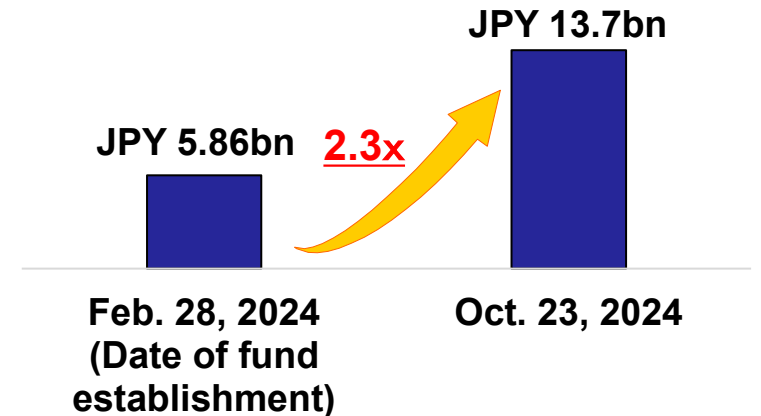


Funds sold exclusively at SBI SECURITIES

SBI Japan High Dividend Equity Fund (Quarterly settlement type)



SBI European High Dividend Equity Fund (Quarterly settlement type)



(3) SBI SECURITIES implements diverse initiatives to achieve further growth

- ① Strengthen branding for potential customers with no investment experience**
- ② Corporate business which is expected to become a new pillar of revenue has shown steady growth**
- ③ Expand options trading as a new investment option**
- ④ Contribute to the long-term asset building of the people toward retirement through the enhancement of iDeCo**
- ⑤ Improve pricing through use of PTS and dark pools**

① Strengthen Branding for Potential Customers with no Investment Experience

■ Strengthen branding to improve recognition

To convey the appeal of investing through the “ZERO Revolution,” SBI SECURITIES produced a new TV commercial featuring actor Ms. Mana Ashida under the theme of “Creating the future of investment from ZERO”

<Title>

“FROM ZERO Declaration” (30 sec./15 sec.)

<Start of broadcast>

Wednesday, October 22, 2024

<Broadcasted area>

Nationwide

In addition to TV commercials, simultaneous distribution of PR content such as web commercials and digital advertisements to raise awareness of the superiority of SBI SECURITIES

Discover potential customers (investors) through a combination of campaigns, etc.

■ Establishment of Financial Education Promotion Office

With the acceleration of the shift “from savings to investment” and the spread of the “new NISA,” there is an increase in the need to “start investing” and to “learn how to invest and how to prepare for investing”



Strengthen the initiatives below through establishment of the Financial Education Promotion Office

- Improve responsiveness to companies, municipalities, schools, etc. that wish to provide financial education
- Establishment of a customer support system after the financial education is conducted

Number of organizations conducted financial education through SBI SECURITIES

More than 650 organizations (Cumulative)
(From inception until Oct. 17, 2024)

Endeavor to contribute to society and enhance the “SBI SECURITIES” brand through financial education

- ② **Corporate business** which is expected to become a new pillar of revenue has shown steady growth

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

-Rapid growth in POs and corporate bond underwritings-

IPO Underwriting Ranking (Apr. 2024 – Sept. 2024)

34 companies were listed during Apr. to Sept. 2024

Company name	Number of cases	Underwriting share (%)
SBI	32	94.1
SMBC Nikko	22	64.7
Nomura	21	61.8
Rakuten	21	61.8
Matsui	20	58.8
Okasan	18	52.9
Daiwa	16	47.1
Monex	16	47.1
Mizuho	15	44.1
Tokai Tokyo	15	44.1

Between Apr. 2024 and June 2024, SBI SECURITIES underwrote 5 companies as lead manager

PO underwriting business

SBI SECURITIES underwrote for **9 POs** during 1H FY2024, of which 1 as lead manager



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

Corporate bond underwriting business

SBI SECURITIES **underwrote 22 corporate bonds** during 1H FY2024 including SoftBank Group bonds



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

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

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

SBI Group's M&A Business is Expanding Steadily



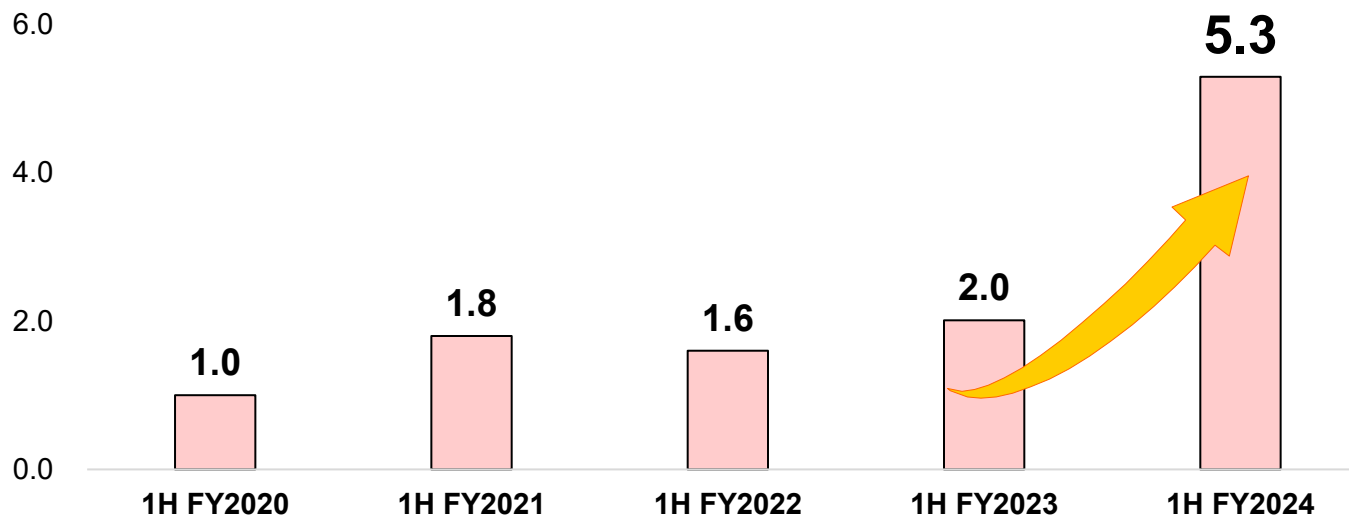
M&A Advisory Division

- 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 at SBI SECURITIES (consolidated)> *1,2



*1 Indexed to the figure for 1H FY2020

*2 Simple sum of revenue by M&A Advisory Division of SBI SECURITIES and SBI TSUJI HONGO M&A (SBI M&A Solutions before 2Q FY2023)

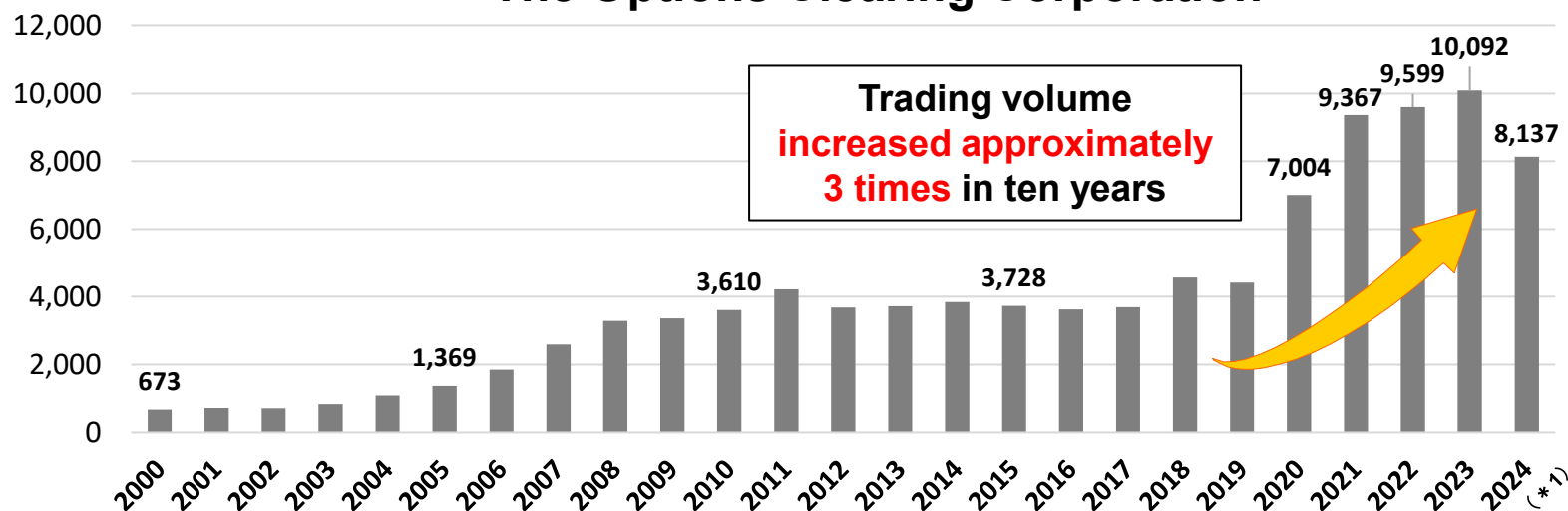
③ **Expand options trading as a new investment option**

Options Trading Scale Grows Rapidly in the U.S.

-Growing use among individual investors in the U.S. as a means of hedging risk and improving capital efficiency-

Volume of Securities Options at The Options Clearing Corporation

(Million contracts)



*1: 2024 volume is the cumulative amount until October 2023

*2: The Options Clearing Corporation "Historical Volume Statistics"

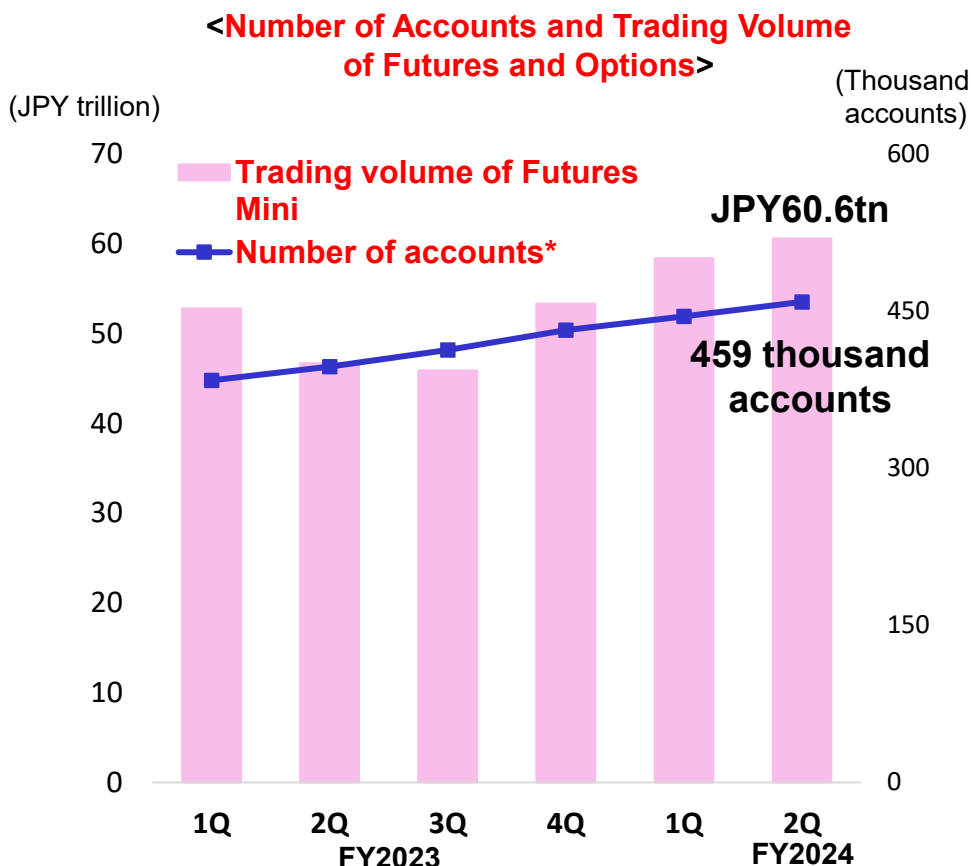
Japanese options trading is dominated by index options, with only about 2.7m units of securities options traded per year, or about JPY 3bn in value (actual results for 2023)

Supporting the sophistication of Japanese individual investors' asset management by promoting the use of securities options that can be utilized for various investment styles and needs

SBI SECURITIES is Expanding its Service Environment for Futures and Options and Individual Stock Option

■ Futures and options trading

- Futures and options trading including content targeted to new customers has grown steadily, **surpassing 459,000 accounts as of the end of September 2024**



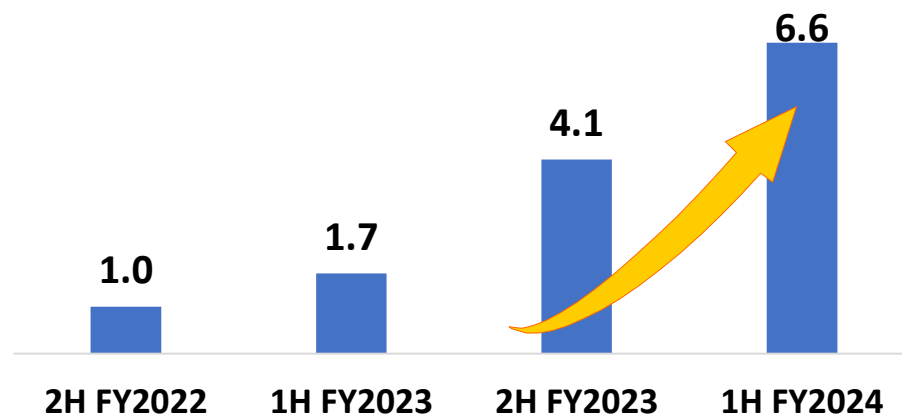
*Number of accounts are as of end of the quarter

■ Individual stock options trading

- Individual stock options trading is offered in a structured manner where **buy and sell of stocks is done at targeted process 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 for short terms** (since July 2023)

<Trend in Trading Value>

* Indexed with the figure for 2H FY2023 as 1.0



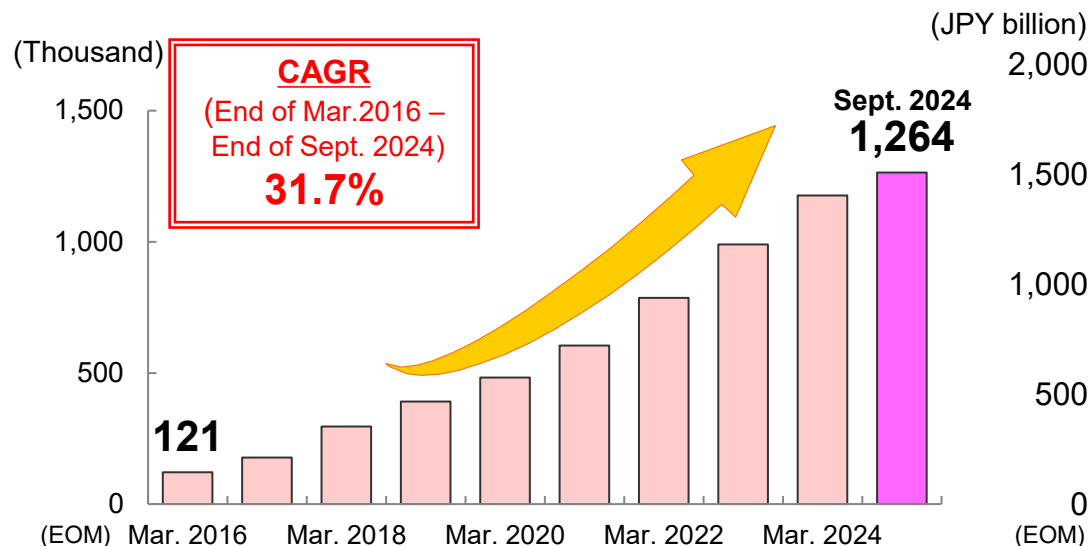
- ③ **Contribute to the long-term asset building of the people toward retirement through the enhancement of iDeCo**

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

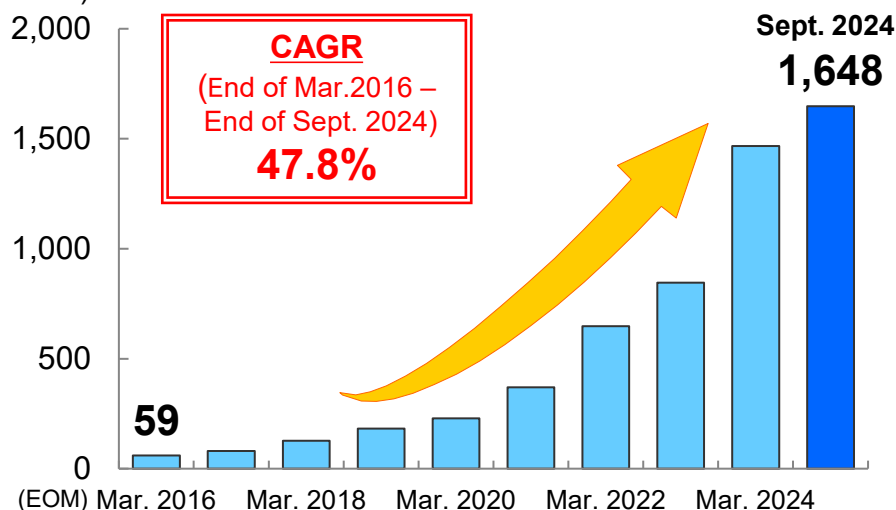
SBI Group **focused on the Individual Defined Contribution (iDeCo) pension business** through SBI Benefit Systems (est. 2001), well before expectations for the market size to expand as a result of revisions of the regulation in Jan. 2017

- 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 15,000 in Mar. 2024, and the number of subscribers increased to 190 thousand as the end of June 2024, approx. +20.2% YoY**

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

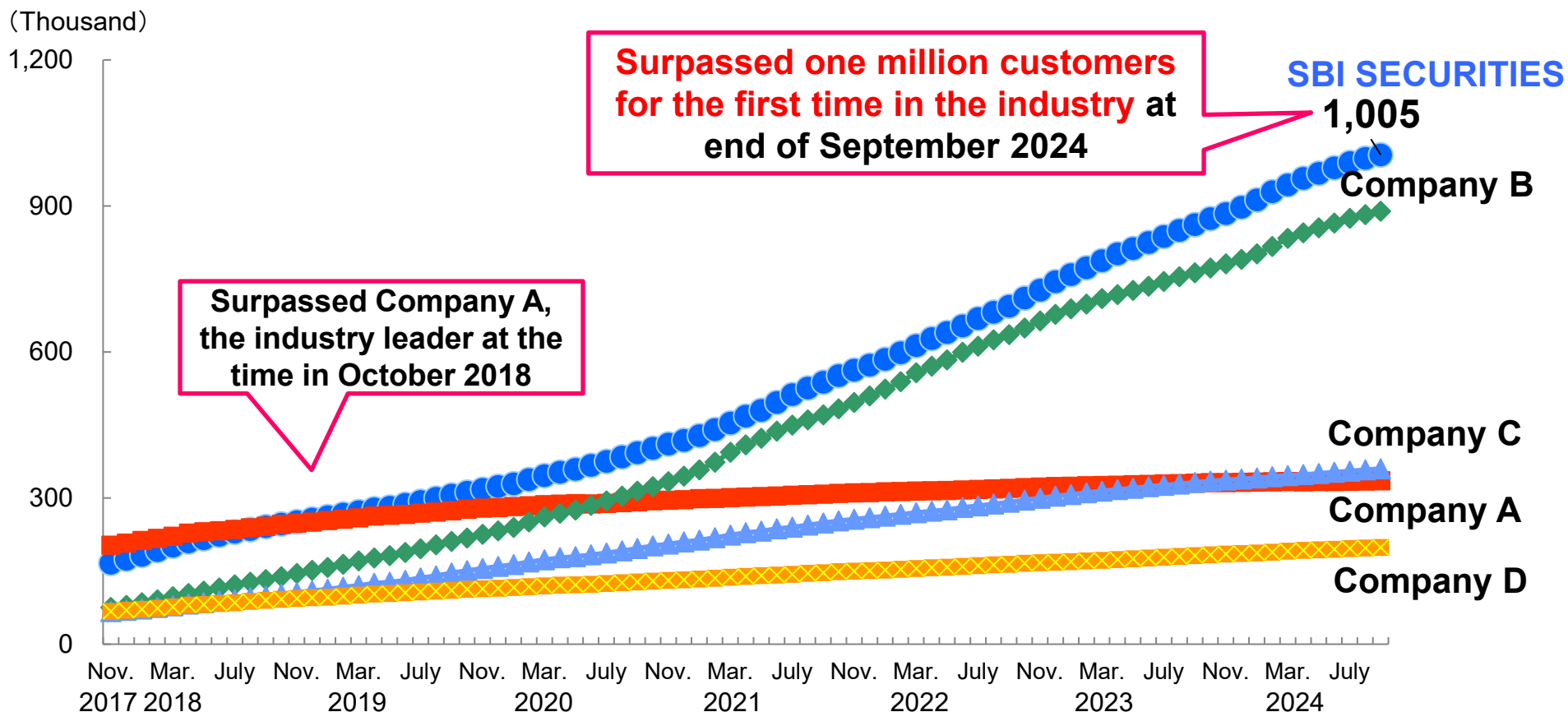


Balance of Investment Trust for 401K (individual type + corporate type) Distributed by SBI SECURITIES



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 – Sept. 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)

⑤ Improve pricing through use of PTS and dark pools

Enhanced PTS (Proprietary Trading System) and Dark Pool Offerings to Further Improve Pricing in Stock Trading

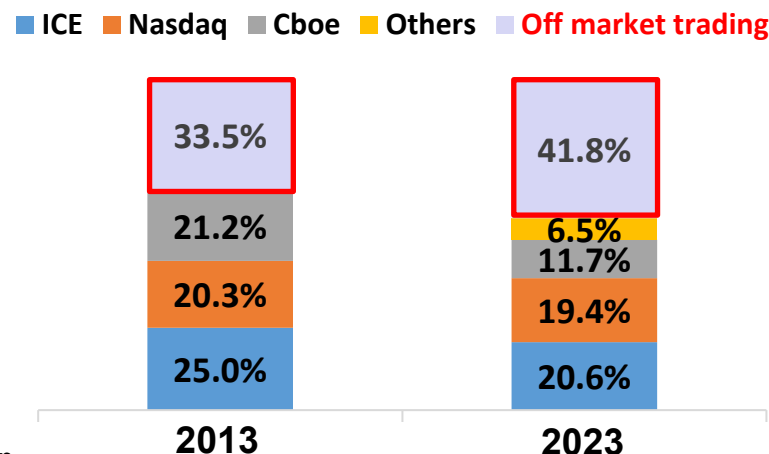
-Example of the U.S.-

- In the U.S., the securities trading market is decentralized, and trading in ATSS (alternative trading systems) and dark pools is also active, with **more than 40% of trading flows being off-market (dark pools) in 2023**
- Dark pools may provide the opportunity to reduce market volatility due to large transactions and to execute transactions at more favorable prices than in-market transactions, but some argue that the price discovery function may not work properly.
- In the U.S., the NBBO and the designated market maker system have been introduced to improve prices in light of the above

-SBI SECURITIES' initiatives-

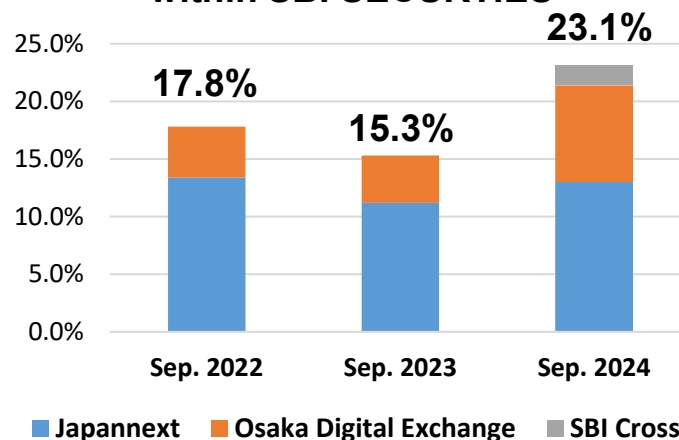
- SBI SECURITIES automatically selects the best quoted market and executes customer orders with “**SOR (Smart Order Routing) Orders**”
- **More than 20% of SBI Securities' trading value comes from PTS and “SBI Cross”, and the amount of price improvement is also on the rise.**

Share of stock trading flow in the U.S. (2023 amount-based)



Reference: SIFMA

Ratio of PTS used in trading within SBI SECURITIES

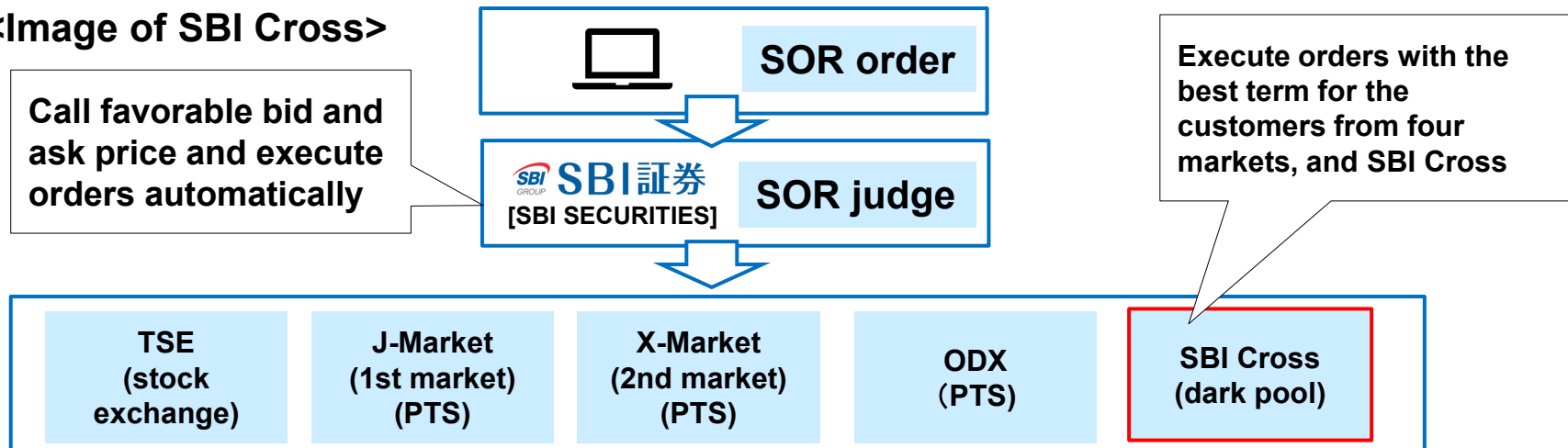


Spot-trade Matching Service for Domestic Stocks

“SBI Cross” Increased Price Improvement

- As a new intermediary dealing in SOR (smart order routing) trades, started connection to **SBI Cross (Dark Pool)** run by **SBI Neotrade Securities** on April 22, 2024,
- A service executed on ToSTNet that matches customer orders to those from market makers via company-internal trading systems
- **8.38% of the overall spot trading volume was executed through SBI Cross (September 2024)**
- Increase in SOR decision partners by adding SBI Cross has increased **the opportunity for customers to trade at a favorable price**

<Image of SBI Cross>



Consider future discussions including the creation of a Payment for Order Flow (PFOF) mechanism that will adequately protect investors based on best execution policies

2. The achievement in allocating management resources to the banking sector since the acquisition of SBI Shinsei Bank

SBI Group announced its decision to allocate management resources to the banking area on the announcement day of full-year results for FY2021 (May 2022)

Comparison of Total Assets and Profit before income taxes in the Period Immediately Before the Policy Announcement and in 2Q FY2024

(Unit: JPY billion) (%: share of capital)	Total Assets		Profit Before Income Tax Expense	
	End of Mar. 2022	End of Sept. 2024	FY2021	1H FY2024
SBI Shinsei Bank (69.81%)	10,311.5	17,713.5	28.5	50.6
SBI SAVINGS BANK(Korea/100%)	1,385.9	1,630.3	38.9	7.4 ★
SBI LY HOUR Bank (Cambodia/70.0%)	91.1	154.3	1.0	1.1 ★
SBI Bank (Russia/90.74%)	34.0	39.3	-0.8	2.2 ★
SBI Sumishin Net Bank (34.19%)	8,534.0	10,815.4	22.9	19.0
TPBank (Vietnam/20.0%)	1,603.6	2,235.5	32.1	31.7 ★
Total	21,960.1	32,588.3	+48.4% compared to the end of Mar. 2022	

*Figures of domestic banks are consolidated/J-GAAP, other overseas banks are based respectively on each GAAP of the country they are based

*Figures in the table are rounded to one decimal place

*The conversion rates are 1USD=JPY143.62, 1KRW=JPY0.11, 1VND=JPY0.0058, 1RUB=JPY1.52

★As the company's financial year ends in Dec., the aggregate period is Jan.-Sept. 2024

3. Three-year summary of SBI Shinsei Bank following the acquisition and projections with future initiatives

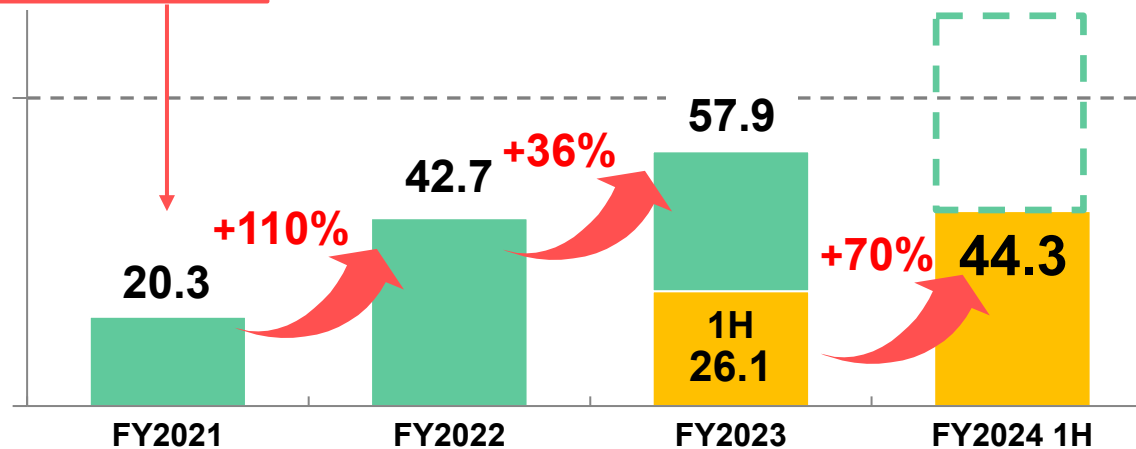
- (1) SBI Shinsei Bank has mostly achieved the financial targets set in the medium-term management plan formulated in May 2022 after joining the SBI Group**
- (2) Since becoming a consolidated subsidiary in December 2021, SBI Shinsei Bank's business platform has expanded significantly through its integration strategy with the SBI Group**
- (3) SBI Shinsei Bank's future strategy for exponential growth**

(1) SBI Shinsei Bank has mostly achieved the financial targets set in the medium-term management plan formulated in May 2022 after joining the SBI Group

Changes in the Various Financial Indicators of SBI Shinsei Bank

Dec. 2021
Joined the SBI Group

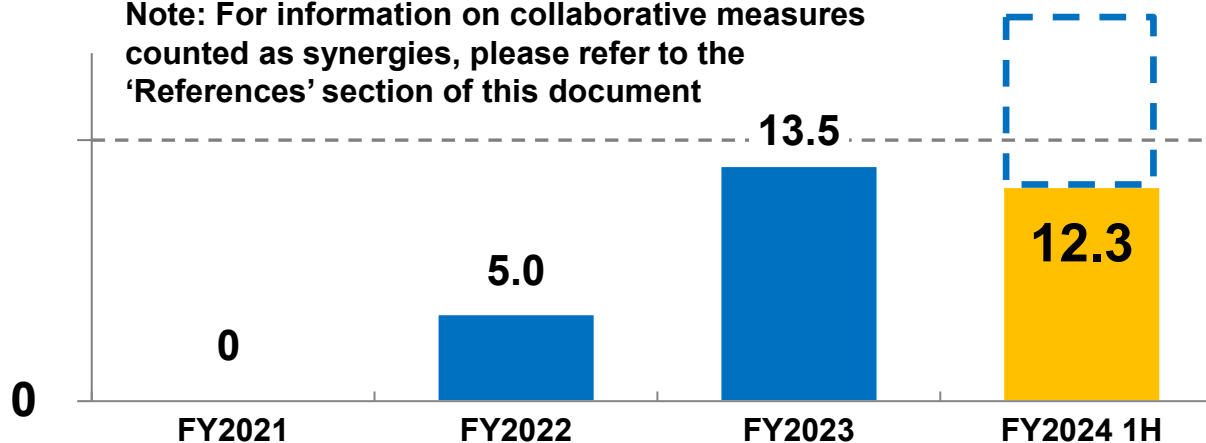
<Consolidated profit>



**Targets for the whole year for FY2024 in the medium-term management plan :
JPY 70.0bn**

<Synergies with the SBI Group>

Note: For information on collaborative measures counted as synergies, please refer to the 'References' section of this document



**Target:
JPY 15.0bn**

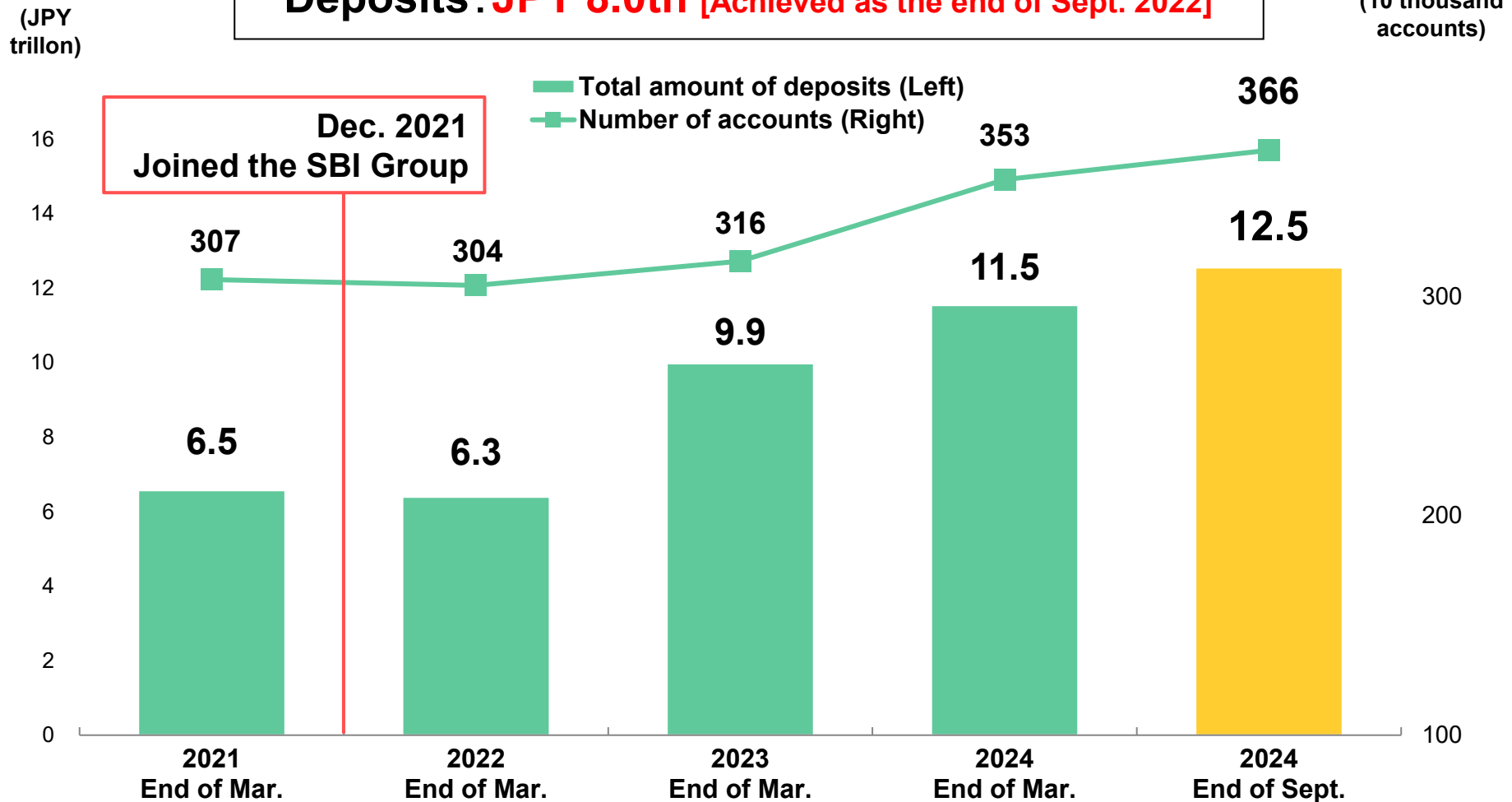
(JPY billion)

Number of Retail Accounts and Deposits at the SBI Shinsei Bank

Medium-term management plan as the end of Mar. 2025

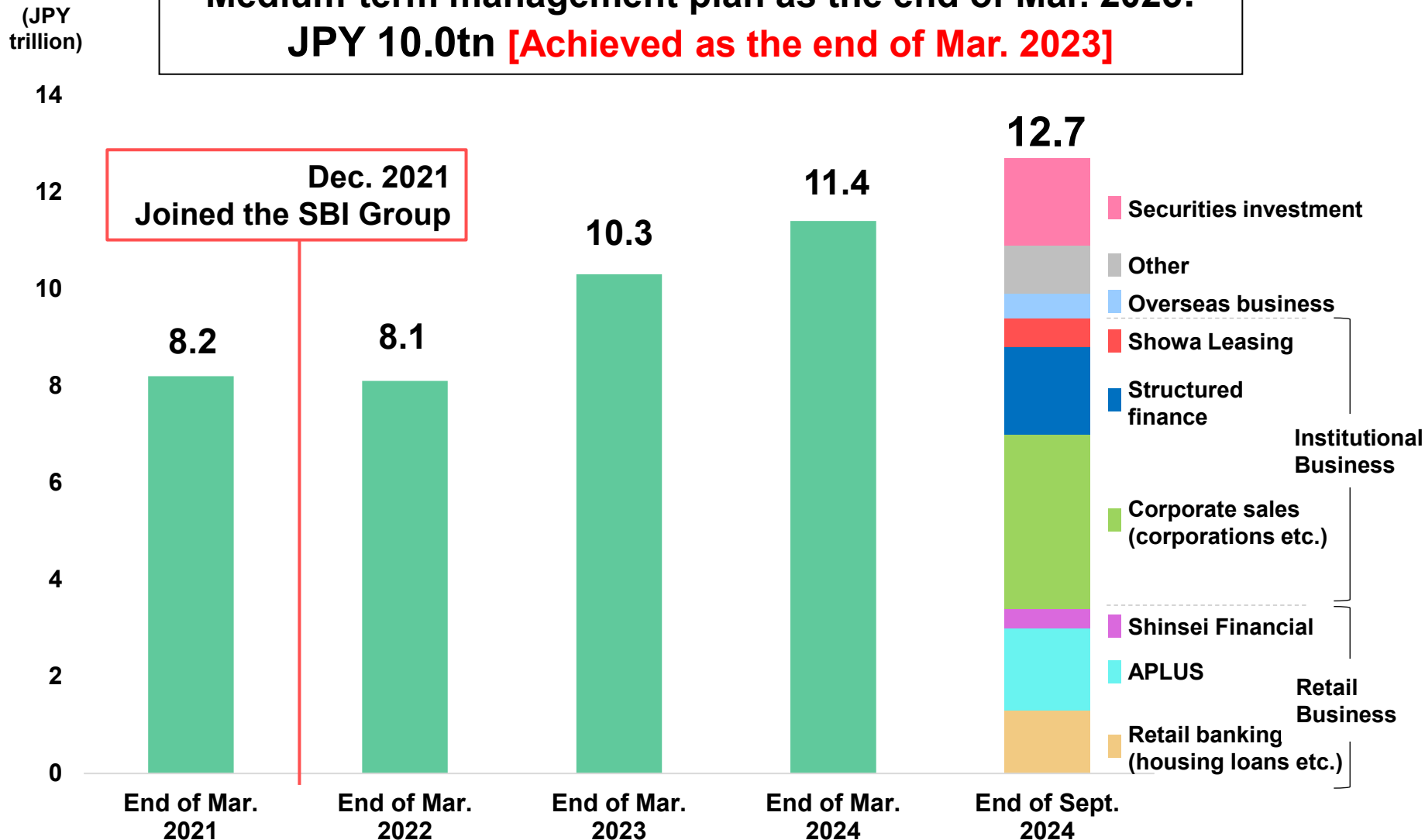
Number of Retail Accounts : 3.80m

Deposits : JPY 8.0tn [Achieved as the end of Sept. 2022]



SBI Shinsei Bank's Operating Assets Balance

Medium-term management plan as the end of Mar. 2025:
JPY 10.0tn [Achieved as the end of Mar. 2023]



Note1: Includes guarantees not requiring funding (customer's liabilities for acceptances and guarantees) and marketable securities

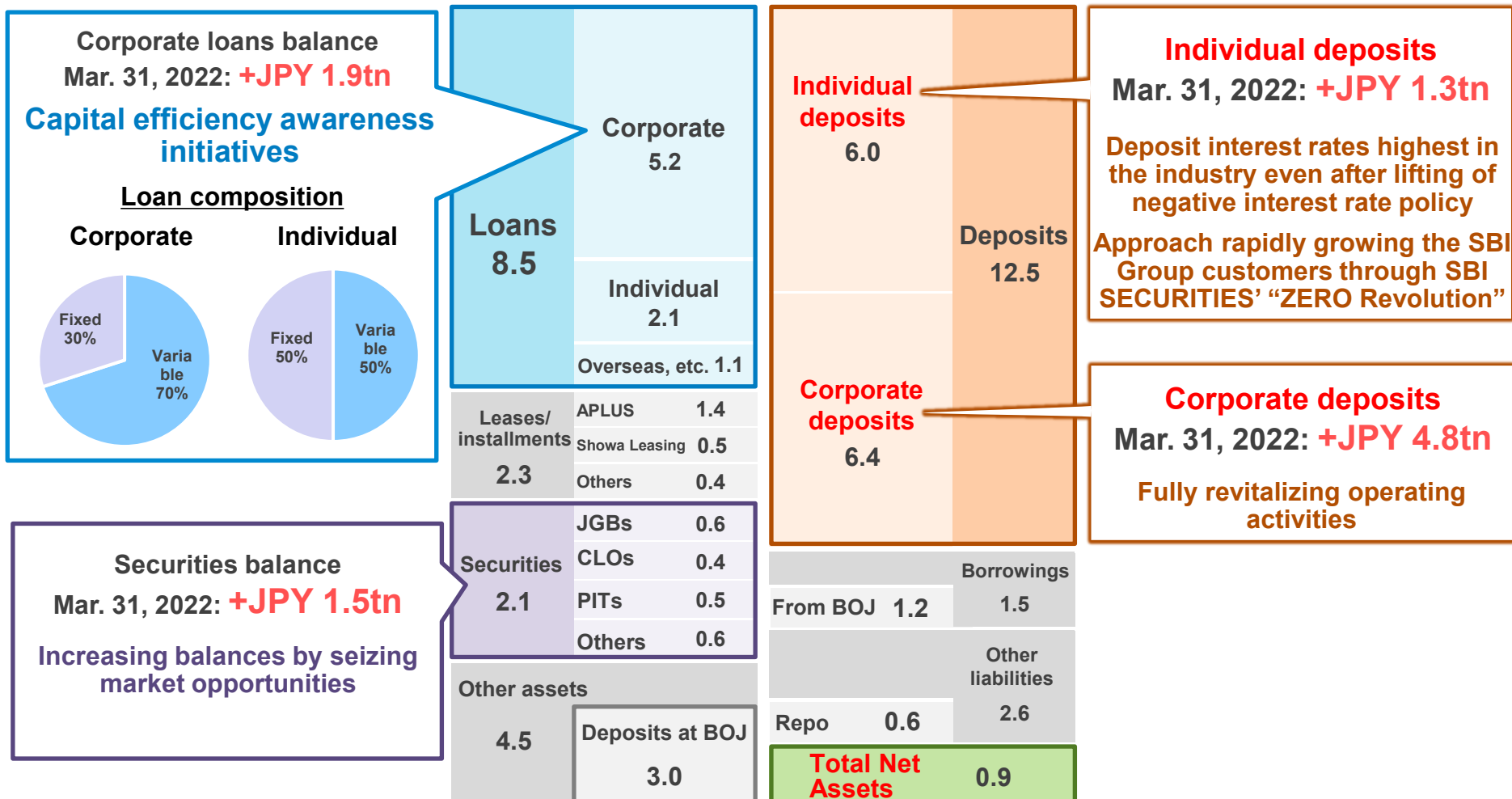
Note2: Rounded down to the second decimal place

Large Growth in SBI Shinsei Bank's Balance Sheet in just Three Years since Joining the SBI Group

SBI Shinsei Bank Consolidated Balance Sheets (pre- vs. post-merger)

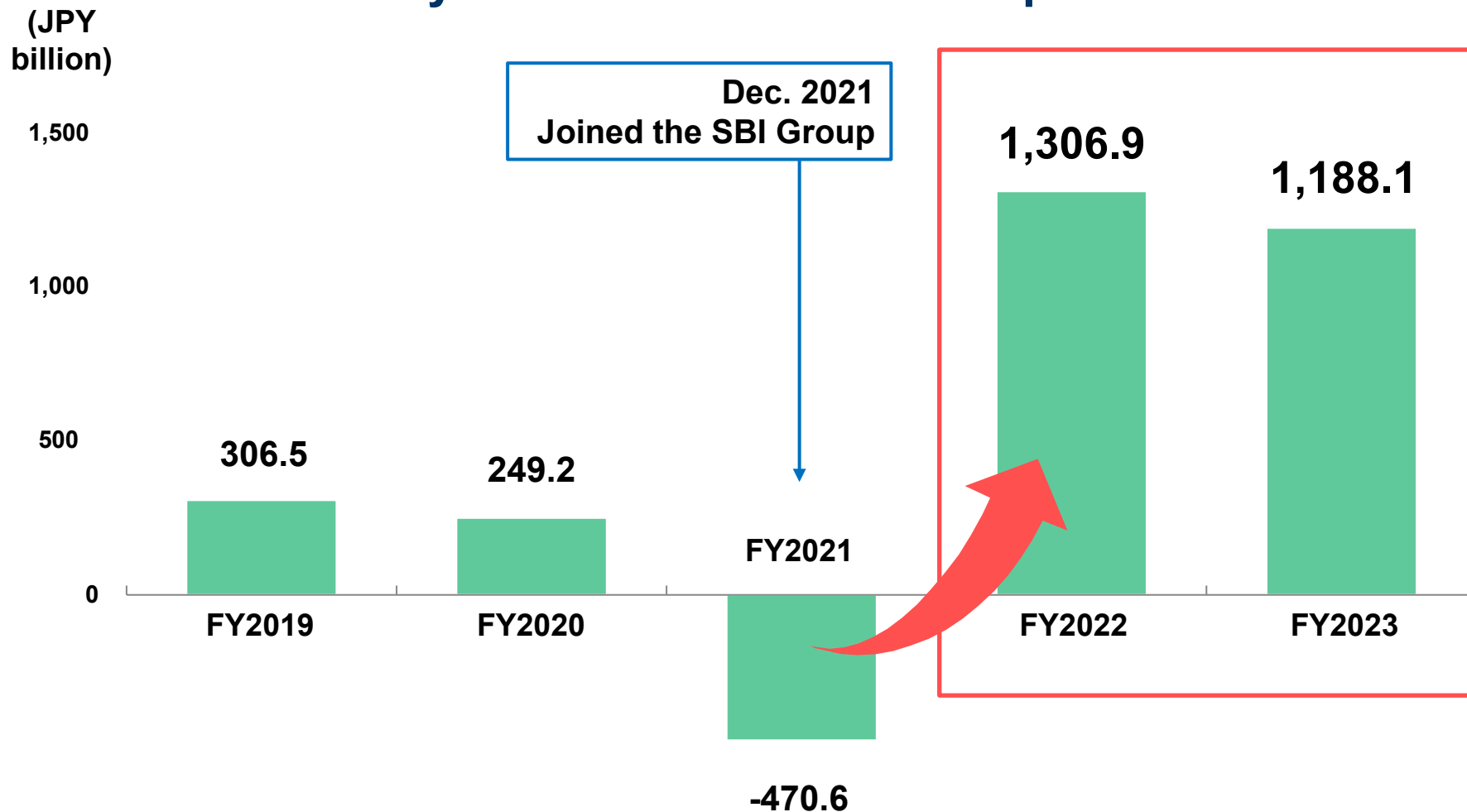
Total assets: **JPY 17.7tn** (Mar. 31, 2022: **+JPY 7.4tn**)

(Unit: JPY trillion)



SBI Shinsei Bank's Cash Flows from Operating Activities

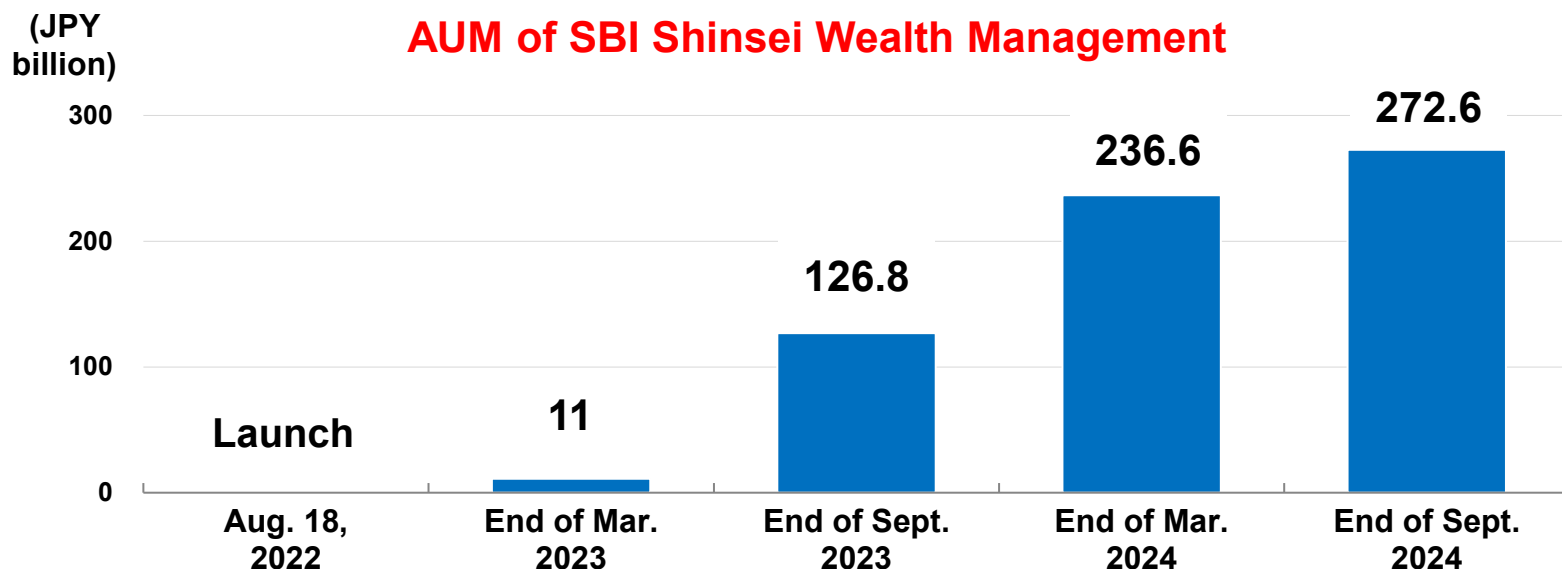
- Significant increase since joining the SBI Group, mainly due to an increase in deposits -



(2) Since becoming a consolidated subsidiary in December 2021, SBI Shinsei Bank's business platform has expanded significantly through its **integration strategy with the SBI Group**

AUM at SBI Shinsei Wealth Management, a Co-managed Store of SBI Shinsei Bank and SBI MONEYPLAZA, has Steadily Increased since its Launch

- ✓ Plans to have co-managed stores co-located to **all 22 branches** (excluding sub-branches) of SBI Shinsei Bank by the end of FY2024
- ✓ As of Nov. 8, 2024, **18 stores** are in operation (Ikebukuro, Umeda, Ginza, Yokohama, Kashiwa, Kichijoji, Ueno, Sapporo, Kobe, Nihonbashi [head office], Shinjuku, Hachioji, Machida, Kyoto, Futakotamagawa, Fujisawa, Nagoya, Fukuoka); one store (Namba) is planned to open in Jan. 2025
- ✓ The range of products handled has expanded significantly across domestic and foreign equities and bonds, as well as **fund wraps, real estate security tokens and alternative funds**



SBI Shinsei Bank Promotes Various Measures to Apply “Customer-centric Principle” to Expanding the Retail Base

Implementation of **benefits program** in ordinary yen deposit accounts to holders of SBI SECURITIES accounts

- ✓ All customers holding an SBI SECURITIES account are provided the SBI Shinsei Bank step-up program to the top-level Diamond Stage benefit program
- ✓ Benefits include preferential interest rate of **0.30%/A.P.R. (0.239%A.P.R after taxes)** on yen deposit accounts, all fees waived on up to 10 electronic transfers per month to other bank networks, and unlimited waivers of ATM withdrawal fees at allied convenience stores



Provision of **preferential mortgage rates** for users of home loan comparison analysis service

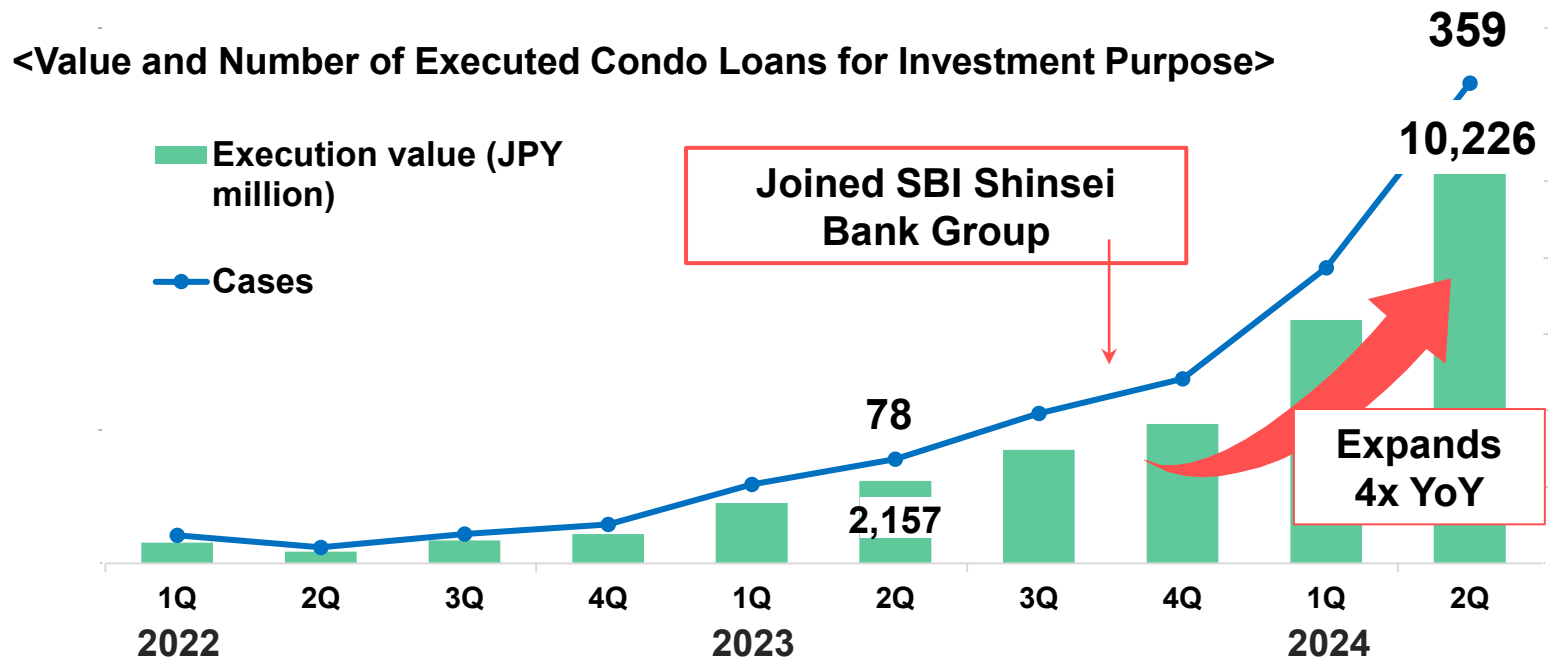
- ✓ Offering a “*Moge Check* limited preferential mortgage rate” to users receiving a *Moge Check* home loan comparison analysis from MFS, Inc.
- ✓ SBI Shinsei Bank’s most favorable rate is set to 0.42%, but applying this special interest rate enables a mortgage rate of **0.29%**

Note: Application review through a dedicated site:
Oct. 1 – Oct. 31, 2024

Applicable terms: contracts and borrowing will each be executed during Nov. 1, 2024 to March 31, 2025

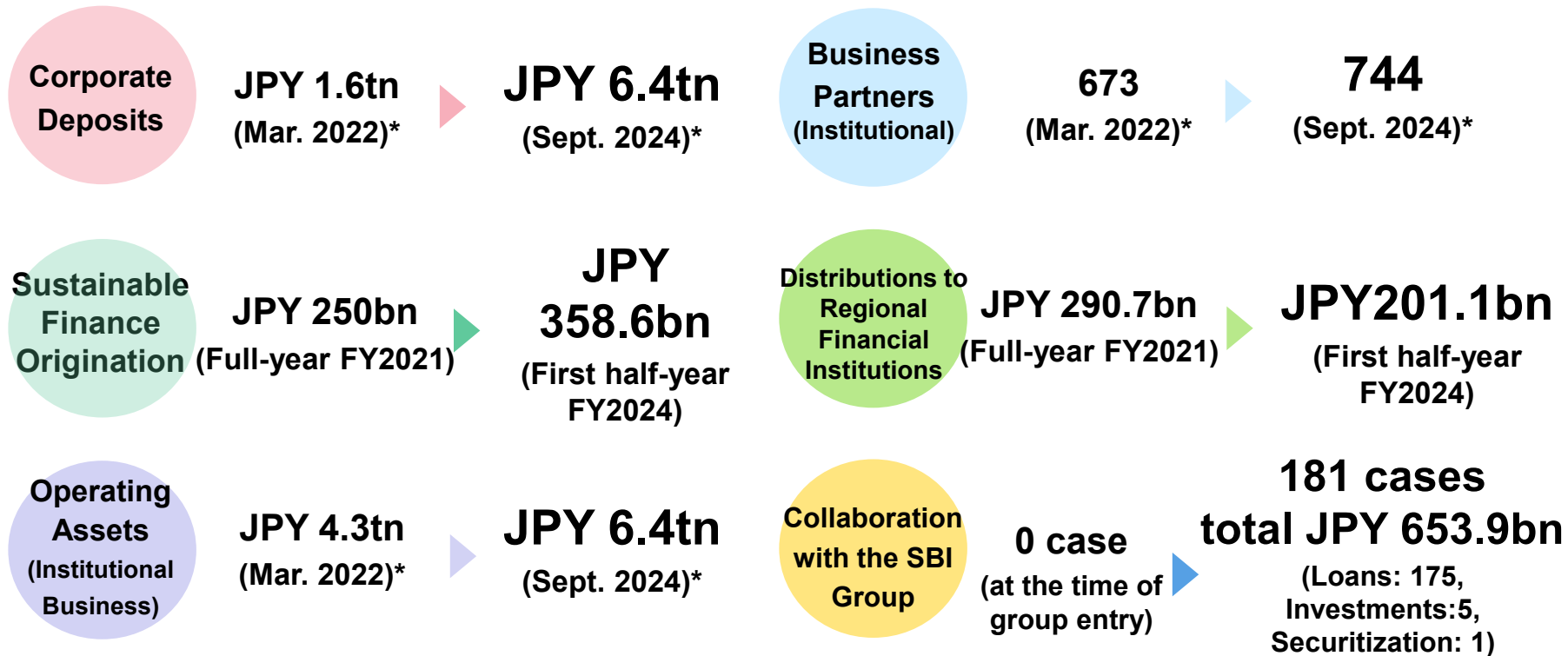
Diamond Asset Finance Achieves Rapid Business Expansion after Becoming a Wholly Owned Subsidiary of SBI Shinsei Bank in January 2024

- ✓ Developing a finance business to **investment real estate** centered on investment-purpose condo loans for individuals
- ✓ Using acquisitions to energize sales activities in an environment characterized by the lifting of financing restrictions.
Rapid business expansion with **record-high single-month loan executions** in August 2024
- ✓ Various collaborations in sight including **business matching with regional banks** by leveraging the SBI Group network and **mutual referral of customers within the Group**



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

-The network of financial and business institutions expanded significantly-



* End of month

SBI Shinsei Bank Makes Partial Share Acquisition of NEC Capital Solutions, Ltd. and the Two Companies Enter Into Basic Agreement on Business Alliance



- ✓ SBI Shinsei Bank received 7,172,278 shares (33.3% of voting rights) of NEC Capital Solutions (NECCS) transferred from its major shareholders, NEC Corporation and Sumitomo Mitsui Finance and Leasing Co., Ltd.
- ⇒ As of October 2, NECCS became **an equity method affiliate** of SBI Shinsei Bank. As a result, SBI Shinsei Bank plans to record a gain on **negative goodwill of around JPY 10 bn (J-GAAP)** (*) in 3Q FY2024 as well as incorporate **NECCS's profit/loss for the period** from 3Q

(*) Approximate figures, subject to change.

A business alliance agreement was signed between SBI Shinsei Bank, Showa Lease and NECCS, mainly to strengthen existing businesses and create new business opportunities by utilizing their customer bases and expertise

[Specific contents of the business alliance]

- ✓ **Creation of business opportunities in the areas of leasing and structured finance**
- ✓ **Cooperation to expand one-stop solutions for corporate, bond, and real estate investments leveraging which are strengths of Risa Partners, Inc. , a subsidiary of NECCS**
- ✓ **Providing regional financial institutions with NECCS's financial advisory functions related to ICT equipment, as well as its consortium arrangement functions as a lead company**

SBI Shinsei Bank intends to further strengthen its corporate business

Reorganization between the SBI Group and SBI Shinsei Bank Group with the Objective of Creating an Efficient Business Ecosystem

<Examples of reorganization>

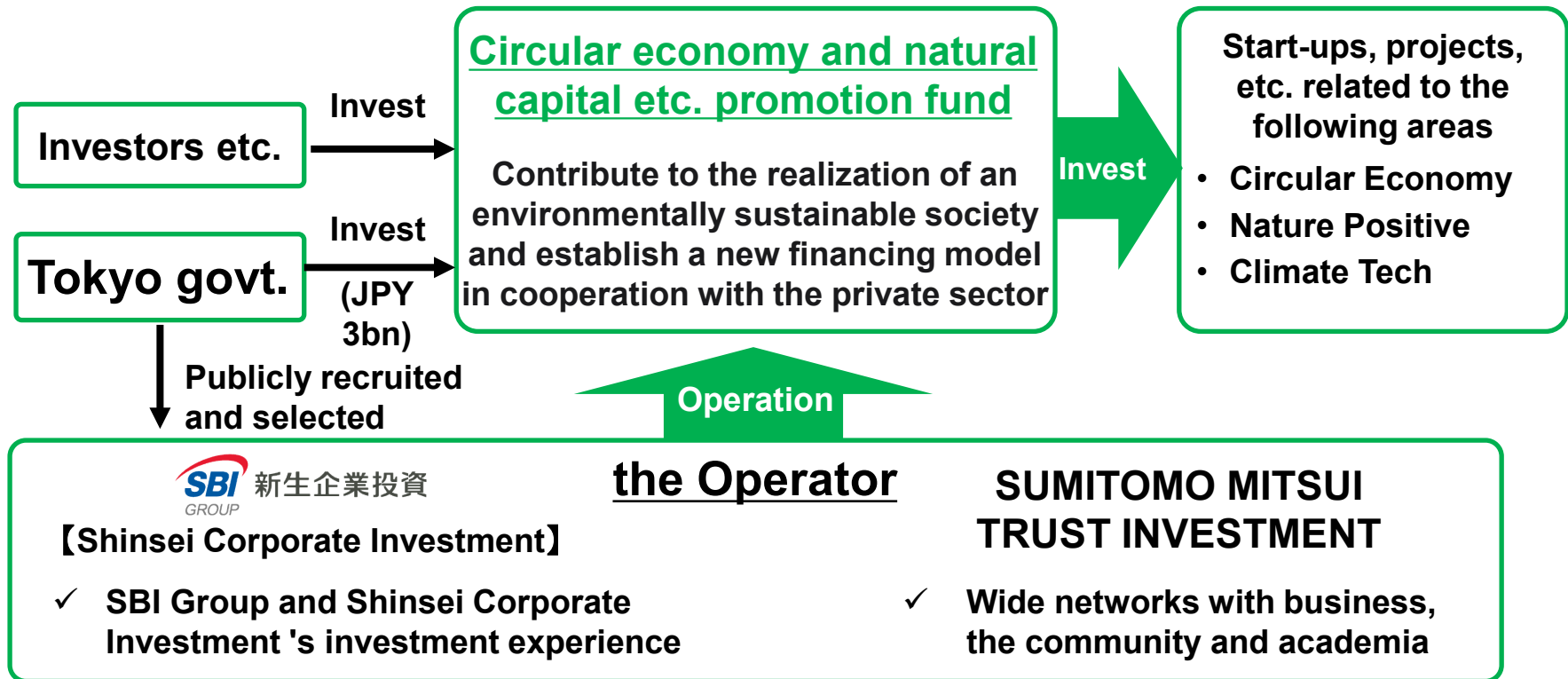
SBI Shinsei Business Service	July 2022 : with SBIH, jointly established General affairs and human resources subsidiary
Shinsei Investment Management	Oct. 2022 : merged with SBI Asset Management Co., Ltd.
Shinsei Bridge	Apr. 2023 : Transferred to SBIH. Renamed to “SBI Healthcare” to start business 
Shinsei Corporate Investment	May 2023 : Reorganized under a newly established intermediate holding company for the private equity business, SBI PE holdings 
Shinsei Securities	June 2023 : Transfer of securities business to SBI SECURITIES for integrating the overlapping operations in the securities business
Shinsei International	Nov. 2023 : Transferred shares to SBI SECURITIES and changed corporate name to “SBI Shinsei International” to strengthen the UK base in collaboration with SBI SECURITIES

In addition, decided to divest subsidiary and withdraw from 13 unprofitable businesses and investments and loans. Reallocate human resources to profitable business operations

Expect to achieve cost efficiency of by approx. JPY 1.5bn annually

Shinsei Corporate Investment, a Venture Investment Company, has been Selected as the Operator of a Public Fund to be Set up by the Tokyo Metropolitan Government

-Leveraging the wealthy investment experience and track record of the SBI Group and Shinsei Corporate Investment-



Plans call for the establishment of a fund with a size of JPY 10bn, with an investment of JPY 3bn from the Tokyo Metropolitan Government to be received by the end of 2024

Promoting Further Synergy Creation Between the SBI Group and SBI Shinsei Bank Group through the Exchange of Personnel, including Executive Level

<Examples of personnel exchange>

Case 1.

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

Case 2.

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

Case 3.

An internal recruitment system between the SBI Group and SBI Shinsei Bank Group began operating throughout the year from August 2024

(3) SBI Shinsei Bank's future strategy for exponential growth

- ① SBI Group's regional revitalization strategy places SBI Shinsei Bank at the core of "wide-area regional platform"**
- ② Repayment of public funds by SBI Shinsei Bank, which the SBI Group considers as a great cause**

① SBI Group's regional revitalization strategy places SBI Shinsei Bank at the core of "wide-area regional platform"

- i. Realization of making the costs associated with the accounts systems of regional financial institutions a variable by providing the next-generation accounts system**
- ii. SBI regional business investment contributes to improving the business environment for regional financial institutions by investing in small and medium-sized domestic companies with succession problems**
- iii. Steady Progress in Regional Startup Support Programs Based on Joint Fund Operations by the SBI Group and Regional Financial Institutions**

SBI Group Further Strengthens its Support for the Revitalization of Regional Financial Institutions through the “Fourth Megabank concept”

“Fourth Megabank concept”

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 regardless of the presence and absence of the capital relationship

- ✓ 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

Strive to contribute to the sustainable growth of each region in Japan through regional financial institutions

SBI Shinsei Bank's Achievements as a Platformer of Regional Financial Institutions Steadily Materialize



SHINSEI BANK (Case study in SBI Shinsei Bank)

*Each figure is as of end of
Sept. 2024

- ✓ **Co-financing for local companies arranged by regional banks**
⇒ Co-financed a total of **JPY 23.9 bn** (including unused loans and contractual facilities) for **40 companies**, which are the main clients of the banks
- ✓ **Regional banks participate in loan deals arranged by SBI Shinsei Bank**
⇒ For 1H FY2024, transaction of total approx. **JPY 201.1bn was executed**. A syndicated subordinated term loan to Restar Corporation was structured by 11 regional banks for a total amount of JPY 10bn
- ✓ **Collaboration focusing on sustainable finance**
⇒ Using the Sustainable Finance Framework, etc. developed by SBI Shinsei Bank, approx. **JPY 360.0bn** of finance was arranged in 1H FY2024
- ✓ **Provision of expertise and promotion of exchanges of personnel**
⇒ 12 trainees were accepted from 10 regional banks, mainly from the Structured Finance Department (27 trainees from 19 banks in total since FY2022)

(i) Successfully converted the costs associated with accounts systems of regional financial institutions from fixed to variable by providing the next-generation accounts system

Switch Huge System Costs from Fixed to Variable

Challenges of conventional systems

- ① Large investment required for large-scale system renewal once every few years
- ② Periodic system renewal costs for peripheral devices such as sales terminals
- ③ Large additional costs to vendors for functionality enhancements
- ④ Management of disparate customer data in multiple systems
- ⑤ Human resources to deal with outdated systems languages “2025 digital cliff”



Solutions that the SBI Group can offer

- | |
|---|
| ① Annual fee model |
| ② Reduce system costs through joint operation on AWS |
| ③ Migrating to open technologies using the cloud environment |
| ④ Respond quickly and at low cost to diversify channels and payment services by shifting customer data management system common for all branches |
| ⑤ Real-time, centralized data management to speed up data analysis and collaboration with other industries |
| ⑥ Ensure scalability through APIs |

A Cloud-Based Accounts System for Regional Financial Institutions

Jointly Developed by the SBI Group and Future Architect, Inc. Started Operations at The Fukushima Bank on July 16, 2024



[Features of next-generation banking system]

- ✓ Designed and built on AWS **to achieve high scalability**
- ✓ All accounts programs can be connected to any system through APIs, **enabling new functionality and additional development at low cost and in a short period**
⇒ On Oct. 15, a step-up yen time deposit product only for app users was released
- ✓ With the existing system, regional banks have been facing cost issues due to the cost of major system upgrades every few years as well as for the peripheral equipment. However, by offering this system on an **annual fee model basis**, the new scheme **changed the system cost from fixed cost to a variable cost** for the regional financial institutions that implemented the system, thereby **stabilizing their burden**

[Major expected effects by introduction to The Fukushima Bank]

- ✓ Improved **customer convenience** and **efficiency of banking operations** by **streamlining teller procedures** through the introduction of tablets and self-service terminals at branches
- ✓ **Innovations in business operations** within the bank and **improved marketing and analysis** through the use of generative AI and big data

Moving forward, support the system's smooth implementation in The Shimane Bank, which has decided to introduce it, by leveraging the operating experience and expertise cultivated so far

(ii) SBI Regional Business Investment Contributes to Improving the Business Environment for Regional Financial Institutions by Investing in Small and Medium-sized Domestic Companies with Succession Problems

Regional Business Investment

Targeting for the ‘good for all three sides’ : (i) the survival of medium-sized and small enterprises necessary for the region’ (ii) protecting local employment and business partners’ and (iii) contributing to the improvement of the business environment for regional financial institutions by contributing to regional revitalization and providing financing opportunities, etc ’

- ✓ Established in October 2019 : Business succession 1 fund (JPY 10.9bn)
Investments made by **10 regional financial institutions** in a total of **13 companies**
→Recovered more than the promised investment amount of JPY 10.9bn in the first five years after establishment
- ✓ Established in August 2022 : Business Succession 2 Fund (JPY 31.2bn)
Invested in by **15 regional financial institutions**
- ✓ Expanding collaboration : 11 regional financial institutions providing LBO and other financing to investee companies, three banks seconding loans to GP companies and one bank seconding loans to investee companies



Establish a third business succession fund worth more than JPY 50bn by 2025 with a cumulative fund total of **JPY 100bn**

(iii) Steady Progress in Regional Startup Support Programs Based on Joint Fund Operations by the SBI Group and Regional Financial Institutions

- ✓ Using joint fund operations, pursue not only **support for the smooth succession and growth of regional businesses**, but also regional revitalization through **the creation and growth of startup businesses in the region**
- ✓ Running four funds at three banks: THE TOWA BANK, Tsukuba Bank, and THE TAIKO BANK

<Investment examples>

TOWA SBI Customer Support Fund (founded Jan. 1, 2021)

NIHON AGRI, INC.

- ✓ Through a comprehensive approach from production to sales of agricultural produce, promoting the construction of a sustainable and strong agribusiness
- ✓ Making effective use of abandoned lands in the region and creating jobs by using subsidiaries to run a 10.7-ha kiwi orchard in Takasaki, Gunma Prefecture

Tsukuba SBI Regional Revitalization Fund (founded July 21, 2021)

WARSPACE, Inc.

- ✓ Venture company at Tsukuba University striving to realize the world's first inter-satellite optical communications network service for low-orbit satellites
- ✓ A strength in space development partnerships with R&D organizations unique to Tsukuba, a research university city

TAIKO SBI Regional Revitalization Fund (founded July 1, 2023)

Plant form Inc.

- ✓ A startup setting up its head office in Nagaoka, Niigata Prefecture
- ✓ Rolling out businesses to support entry into aquaponics, a circulatory-model agribusiness bringing together onshore and offshore aquaculture, and to manage Japan's largest directly run aquaponics plant

Pursuing further contribution to regional revitalization by expanding partner regional financial institutions

② Repayment of public funds by SBI Shinsei Bank, which the SBI Group considers as a great cause

Current Status of Voting Rights Ratios

[Recent trends]

Note: Rounded to nearest JPY 100m

- ✓ On February 9, 2024, a court authorization was 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**) held by the Deposit Insurance Corporation of Japan were treated as a repayment of public funds
⇒ **First repayment of a portion of public funds in nearly 18 years**
(approx. JPY 330bn remaining)
- ✓ On Mar. 22, 2024, SBI Shinsei Bank conducted a third-party allotment of new shares to SBI Regional Bank HD and S-Grant Co., Ltd. to partially cover funds for the purchase of fractional shares
- ✓ On Sept. 30, SBI Shinsei Bank acquired treasury shares (3 shares) from S-Grant Co., Ltd. The company also conducted a disposal of treasury shares (2 shares) by way of a private placement with SBIH as the allottee

[Shareholder Status (as of Sept. 30, 2024)]	Shares held	Voting rights share
SBI Regional Bank Holdings	35	66.04%
SBI Holdings	2	3.77%
Deposit Insurance Corporation of Japan	6	11.32%
The Resolution and Collection Corporation	6	11.32%
S-Grant Co., Ltd.	4	7.55%

Note: Percentages are rounded to three decimal places.

Schedule and Approach Related to Repayment of Public Funds

[Steady advances in establishing the growth platform and improving profitability at SBI Shinsei Bank]

- ✓ In financing, through simultaneous opening of accounts with SBI SECURITIES, opening co-managed stores with SBI MONEYPLAZA, and leveraging the Group network in the corporate sector, SBI Shinsei Bank has increased **deposits** from **JPY 6.3tn** (March 31, 2022) to **JPY 12.5tn** (September 30, 2024)
- ✓ In operations, by making successful use of the SBI Group network such as regional financial institutions and revitalizing operating activities in the corporate sector, the SBI Shinsei Bank has grown **operating assets balance** from **JPY 8.1tn** (March 31, 2022) to **JPY 12.7tn** (September 30, 2024)

Consolidated profit for first-half FY2024 reached **JPY 44.3bn, a record high for an interim period since 2021**. For full-year FY2024, the SBI Shinsei Bank expects to achieve its medium-term management plan (formulated May 2022) target of **JPY 70bn in consolidated profit**



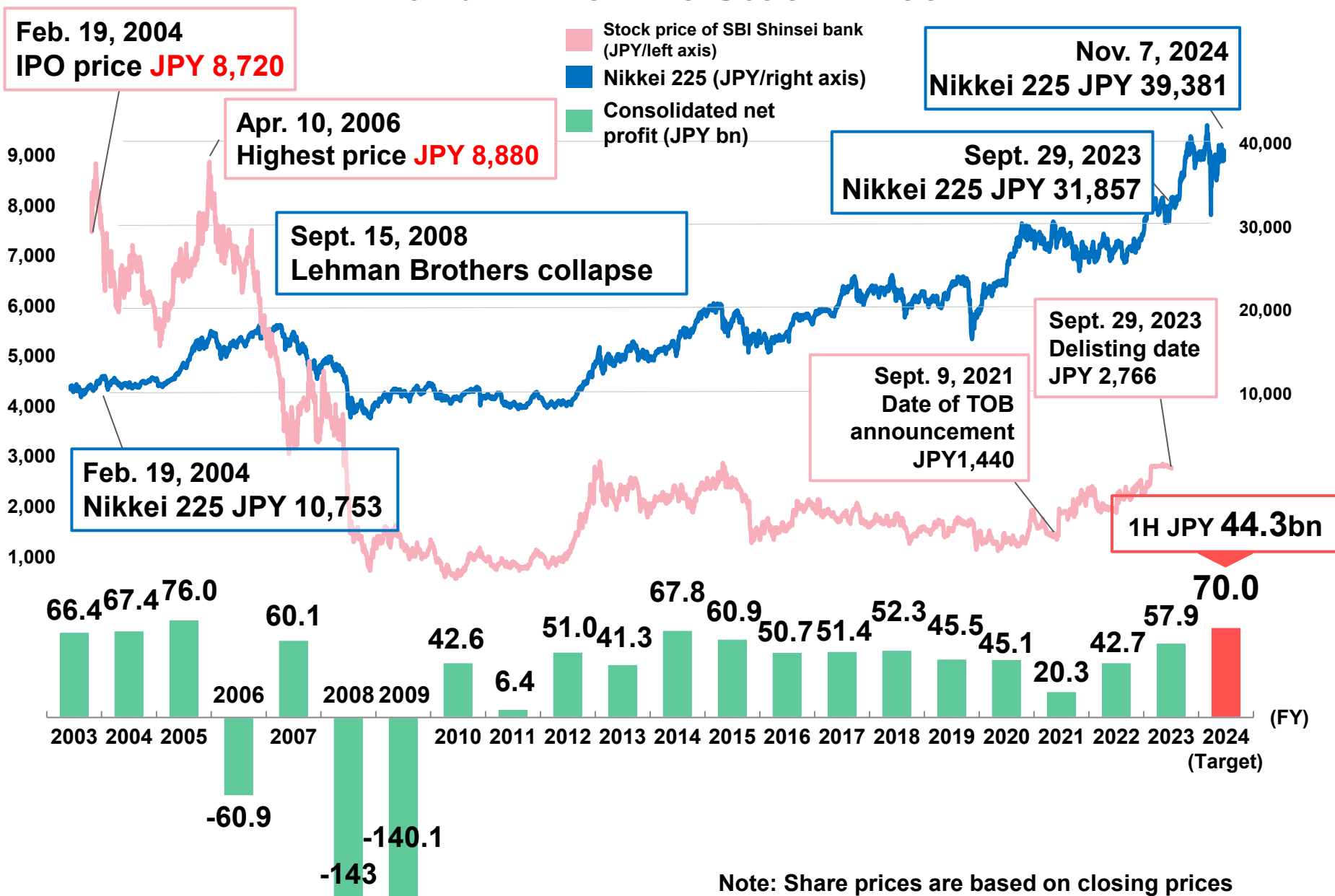
While complying with the Companies Act and other laws and regulations, and operating within the limits so as not to impede on financial soundness, business needs, and growth potential, SBI Shinsei Bank and SBI Holdings strive to repay the balance of their public funds **as soon as possible**. (★)

[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**. After faithful discussion on a specific mechanism for repayment, reach an agreement on the mechanism by **June 30, 2025**.

★“Agreement on the handling of public funds” finalized on May 5, 2023

SBI Shinsei Bank Consolidated Net Profit and Nikkei 225 Stock Price



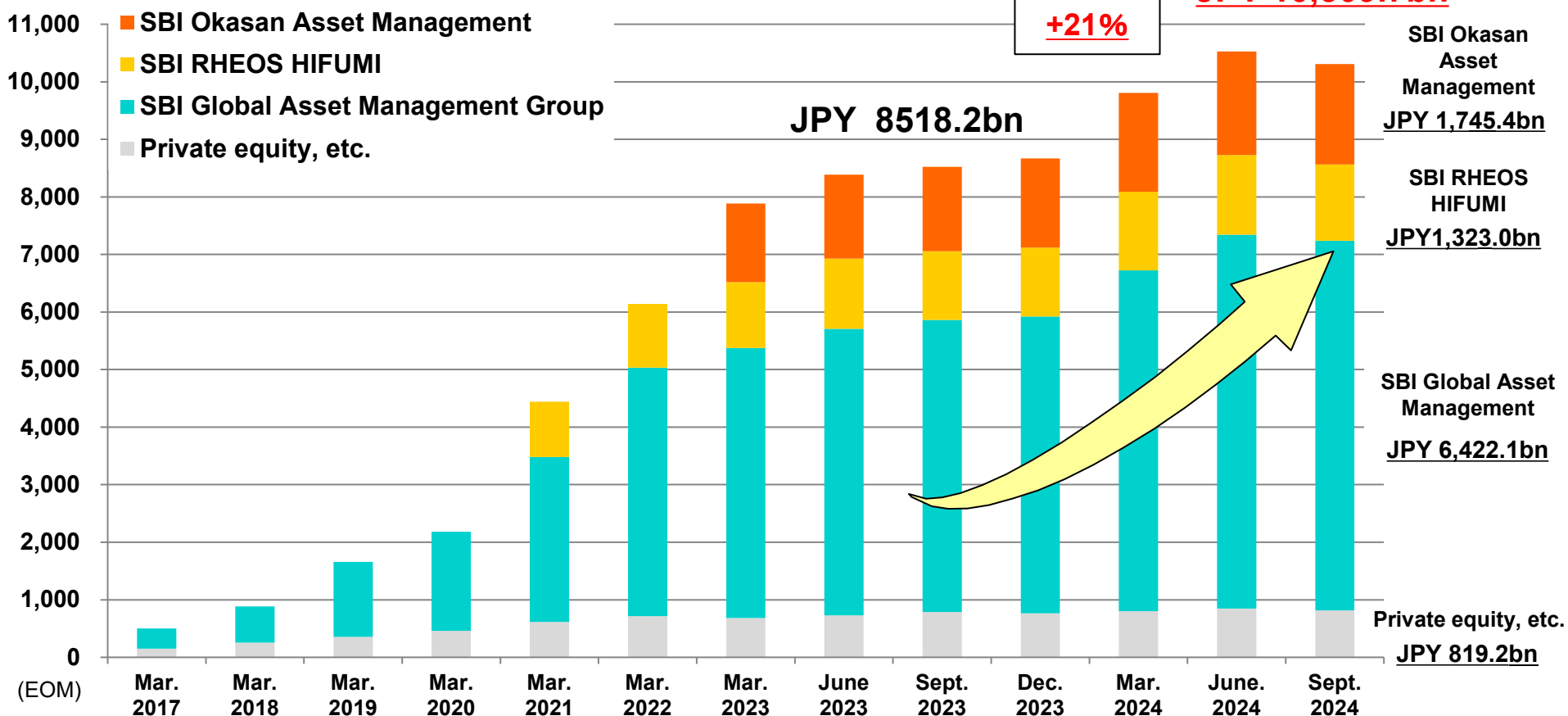
4. Strengthen **Asset Management Business to Develop New Revenue Stream**

- (1) Past set targets and measures for their
achievement**
- (2) Future targets and strategies for
accomplishment**

(1) Past set targets and measures for their achievement

SBI Group's Asset Under Management Exceeded JPY 10 Trillion

(JPY billion)



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

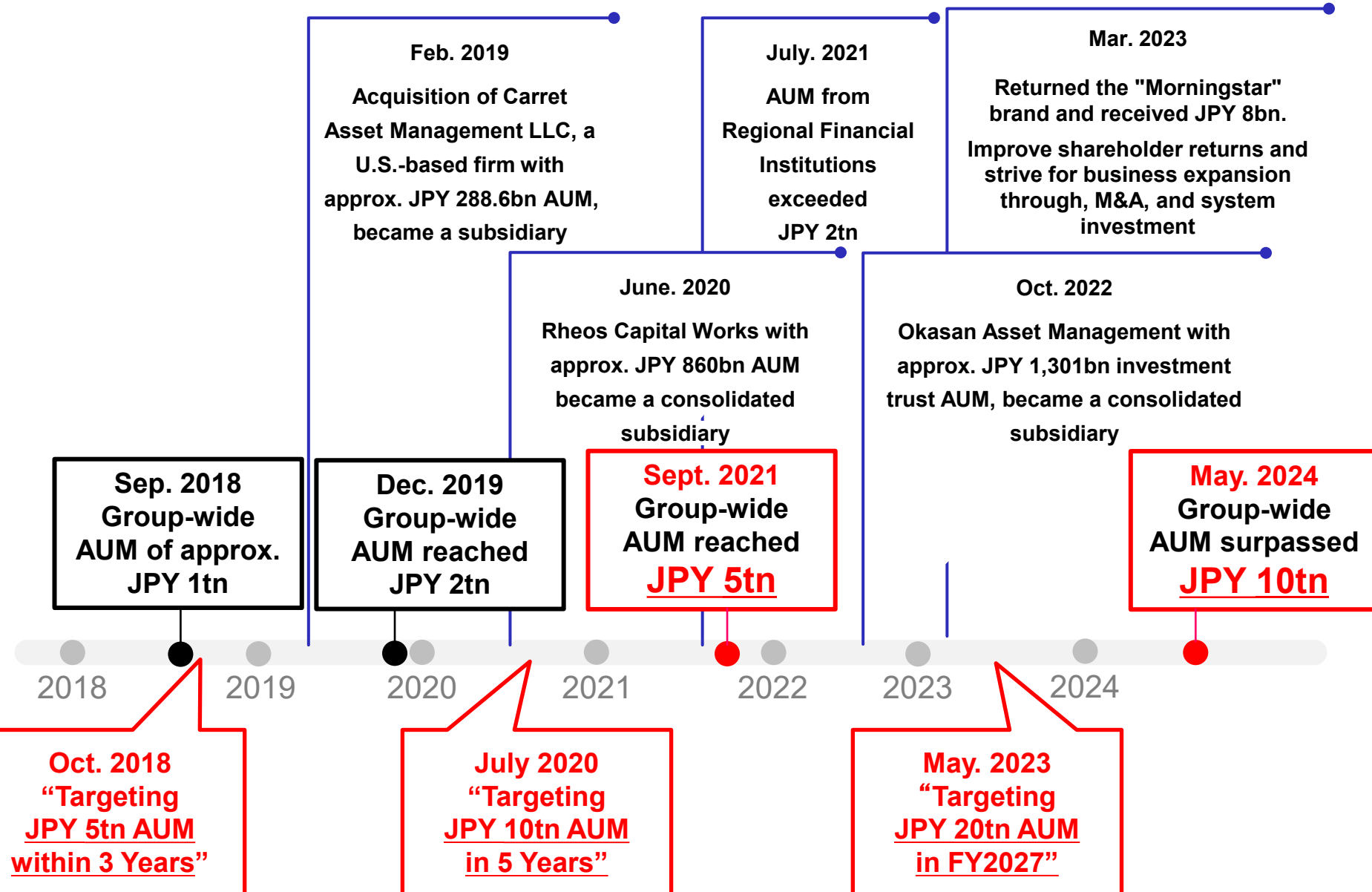
*2 Amounts are rounded to the nearest JPY 100m

*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

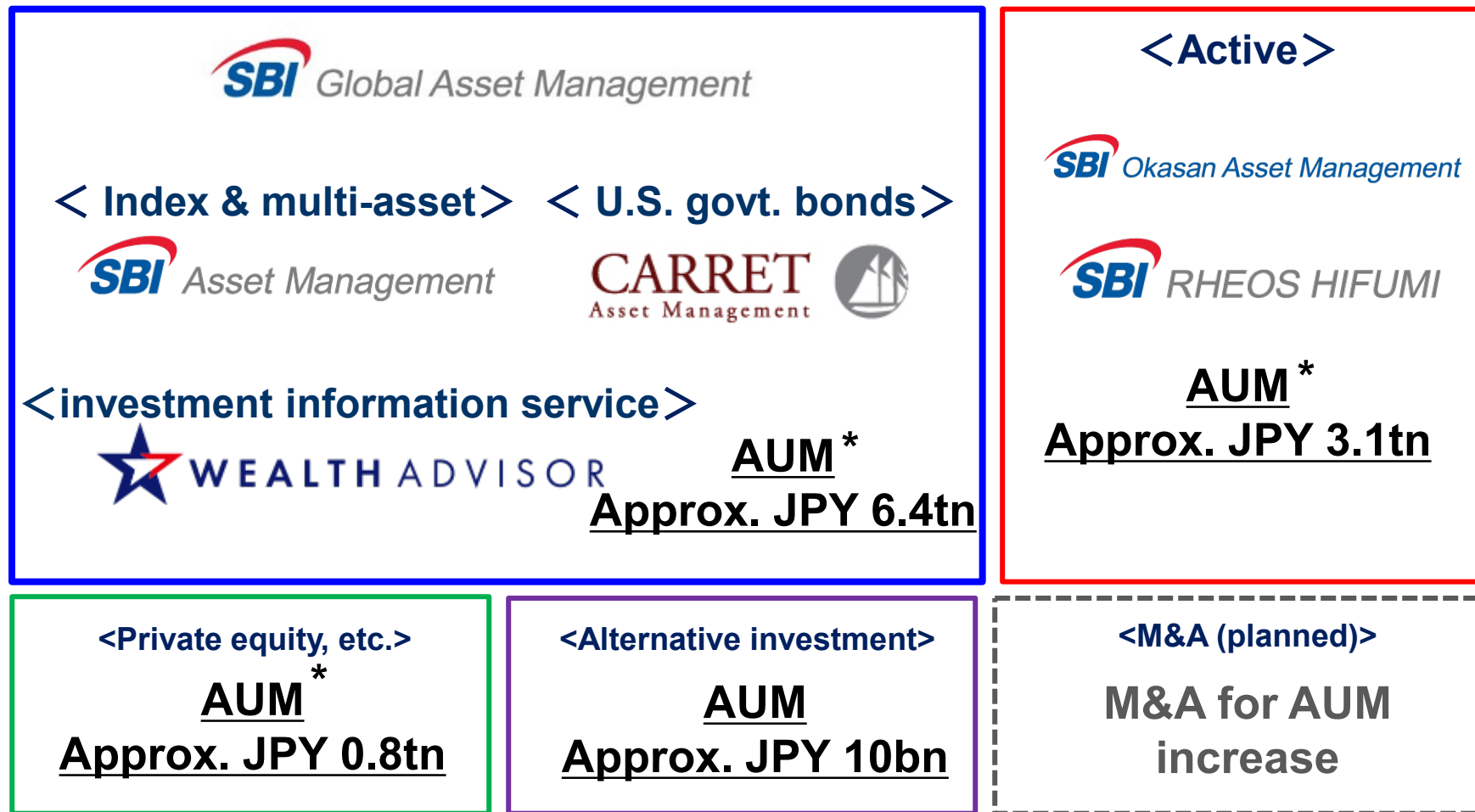
SBI Group's Path to Surpassing JPY 10 Trillion in AUM



(2)Future target setting and strategies for accomplishment

- ① Target to JPY 20tn AUM in FY2027 through product diversification and M&A**
- ②Expanding the product lineup for corresponding New NISA and investment in growth markets**
- ③Collaborating with leading global asset management companies to launch new investment products**
- ④Focusing on alternative investments to diversify the investment products and enhance performance**

① Target to JPY 20 Trillion AUM in FY2027 through product diversification and M&A



(*)Asset under management as of end of Sept. 2024

② Expanding the product lineup for corresponding New NISA and investment in growth markets

Expand the **Product Lineup** for corresponding **New NISA**

SBI Asset Management:

YoY +17 products

Products selected for NISA Growth Quota: **64**

(Of which selected for Tsumitate Quota: **9**)

[Names of major funds]

SBI・V・S&P500 Index Fund, SBI・V・All Country Index Fund, SBI・Global Stock Index Fund, SBI・UTI India Fund, SBI Japan High-Dividend Equity Fund with Quarterly Distributions

SBI Okasan Asset Management:

YoY +13 products

Products selected for NISA Growth Quota: **57**

(Of which selected for Tsumitate Quota: **1**)

[Names of major funds]

Japan High-Dividend Rebalanced Open, Global Semiconductor Focus Fund, Japan High-Dividend Rebalanced Open II, Emerging Markets Consecutive Dividend Growth Stock Open Fund, ROBOPRO Fund, Japan New Technology Open Fund

SBI RHEOS HIFUMI:

YoY +2 products

Products selected for NISA Growth Quota: **10**

(Of which selected for Tsumitate Quota: **2**)

[Names of major funds]

Hifumi Investment Trust, Hifumi Plus, Hifumi World, Marugoto Hifumi 100

Offerings of Recent Popular Low-cost High-dividend Equity Funds

Net Assets



Japan High Dividend Equity Fund
(quarterly distribution-type)
JPY 80.4bn

Management fee: 0.099%



US High Dividend Yield/Dividend Growth Index Fund
JPY 54.0bn

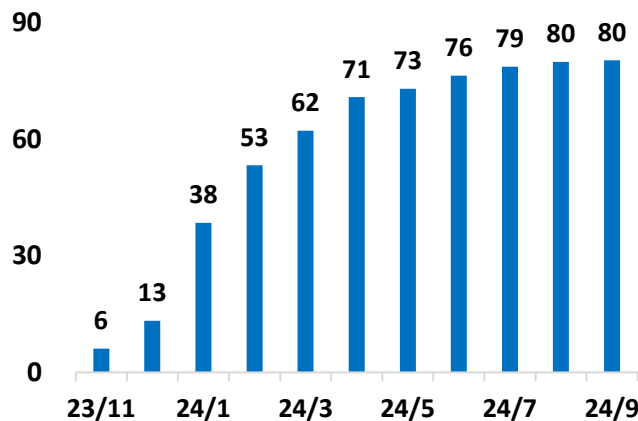
Management fee: approx. 0.1238%



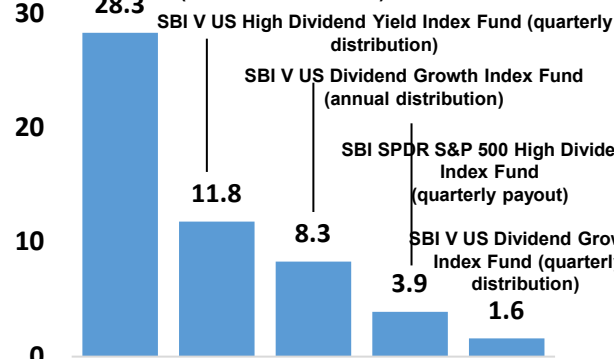
European High Dividend Equity Fund
(quarterly distribution-type)
JPY 13.5bn

Management fee: 0.099%

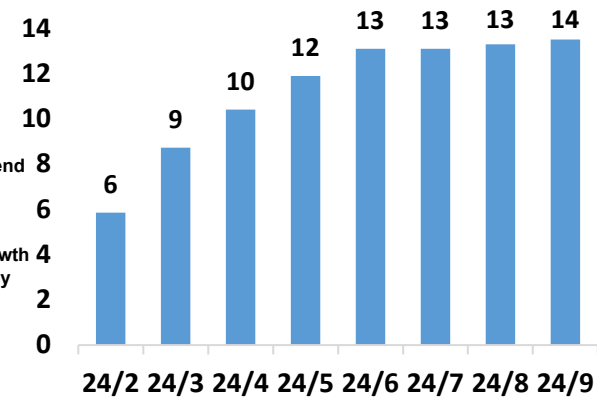
(JPY bn)



(JPY bn) SBI V US High Dividend Yield Index Fund (annual distribution)



(JPY bn)



<Net Asset Balance Growth Rate vs. Rival Funds>

Fund	Management company	Net asset balance growth rate	Fund	Management company	Net asset balance growth rate	Fund	Management company	Net asset balance growth rate
SBI Japan High Dividend Equity (Distribution) Fund (quarterly distribution-type)	SBI Asset Management	13.1x	SBI V High Dividend Yield Index Fund (annual distribution)	SBI Asset Management	20.2%	SBI European High Dividend Equity (Distribution) Fund (quarterly distribution-type)	SBI Asset Management	2.3x
Japan High Dividend Equity Investment Trust	Nomura Asset Management	2.4x	Mitsubishi UFJ US Dividend Growth Equity Fund (non hedged)	Mitsubishi UFJ	7.9%	Fidelity Europe Fund	Fidelity	18.2%

*Growth rates are between asset balances on inception date of the respective fund at SBI Asset Management and those on Sept. 30, 2024 (rate since Sept. 30, 2023 for funds with inception dates before Sept. 30, 2023) *Rival funds are the highest ranking fund by assets for each category

Newly Formed All World High Dividend Equity Fund



Name: **SBI All World High Dividend Equity Fund (quarterly distribution-type)**

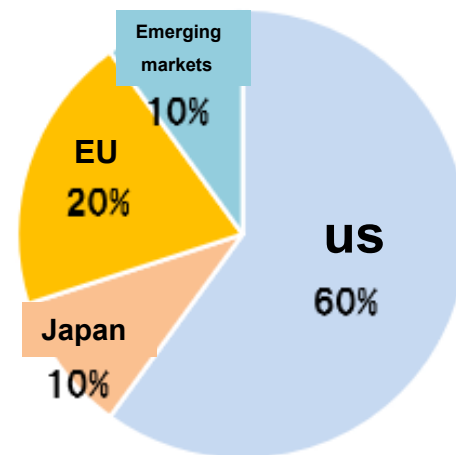
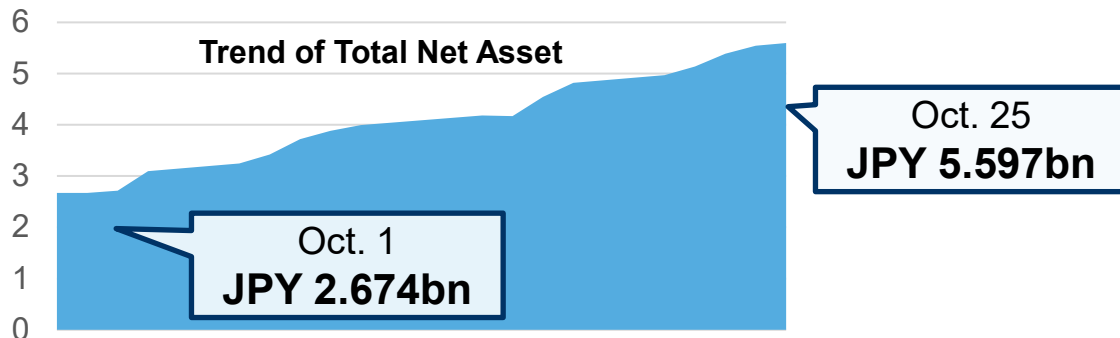
Management fee: **0.0550%**

Start date: Oct. 1, 2024
Eligible for the growth quota of the new NISA

✓ **The lowest cost in the industry as a global equity fund**

✓ **Projected of the portfolio annual dividend yield at 4.0%**

(JPY billion)



Name	SBI All World High Dividend Equity Fund (quarterly distribution-type)	eMAXIS Slim All World Equity (All Country)	Rakuten All Country Equity Index Fund	(Amundi Index Series) All Country High Dividend Equity Fund
Management fees, etc. (tax included)	0.0550%	0.05775%	0.0561%	0.165%
Dividend yield of equity holdings	4.0%	1.89%	1.89%	3.74%

Focus on Launching and Managing Funds Investing in Emerging Trends

[Private Equity] Selected for NISA Growth Quota

Fund Name: **Hifumi Crossover Pro**

Company: Rheos Capital Works

Setting date: Sept. 12, 2024

- A publicly offered investment trust focused on capital appreciation, through active investment in a mix of promising listed and private companies, both domestically and internationally
- Enabling individuals to **access investments in private companies**
- The initial offering amount was JPY 8.304 bn
- Total net assets reached approx. **JPY 10 bn** at the **end of September**
- **Ranked 12th** in SBI SECURITIES' monthly ranking for accumulated investment amounts

(*As of September 2024)

[Semiconductor] Selected for NISA Growth Quota

Fund Name: **Asia Semiconductor Focus Fund**

Company: SBI Okasan Asset Management

Setting date: July 17, 2024

- Neuberger Berman, a leading US asset management company with over 80 years of experience, is responsible for the actual management of the fund
- Invest in stocks of Asian semiconductor-related companies
- Total net assets reached approximately **JPY 24.2 bn at the end of September**

etc...

SBI Asset Management Listed Japan's First Saudi Arabia ETF on the Tokyo Stock Exchange



Name: **SBI Saudi Arabia Equity ETF (273A)**

Management fee: **0.1925%/yr.**

Listing date: Oct. 31, 2024

Eligible for the growth quota of the new NISA

[Background]

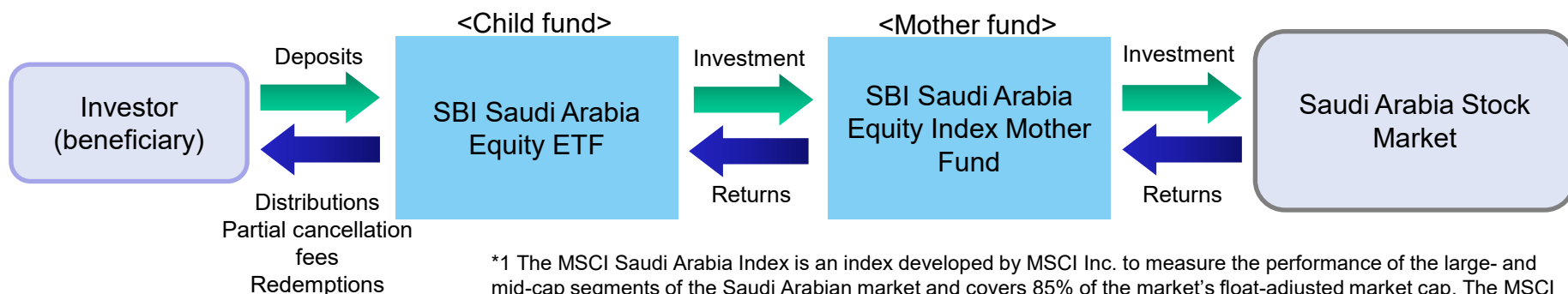
✓ Economic growth potential

Saudi Arabia is advancing its Vision 2030 economic reform program designed to (1) reduce oil dependency, (2) generate employment, and (3) streamline government to facilitate growth potential of the stock market in tandem with economic growth

✓ Cooperative economic relationship between Japan and Saudi Arabia

A broad public and private economic cooperation between Japan and Saudi Arabia announced in late May 2024 with a deep commitment from the SBI Group

- ✓ Targeting investment results tracking the MSCI Saudi Arabia Index (yen equivalent basis)*¹ through investment in the SBI Saudi Arabia Equity Index Mother Fund



*1 The MSCI Saudi Arabia Index is an index developed by MSCI Inc. to measure the performance of the large- and mid-cap segments of the Saudi Arabian market and covers 85% of the market's float-adjusted market cap. The MSCI Saudi Arabia Index (yen equivalent basis) is converted by our management partner after taxes and including dividends

③ Collaborating with leading global asset management companies to launch new investment products

SBI Asset Management's First Alternative Strategies Fund Surpassed JPY 12 Billion in Net Assets



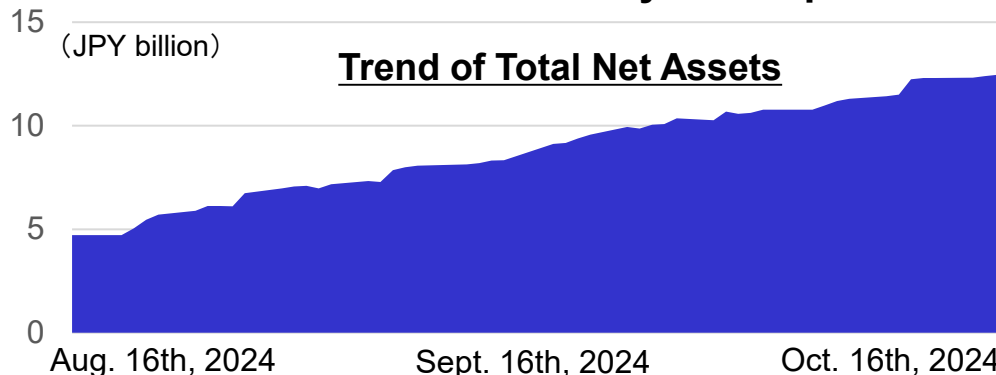
Fund Name: **"SBI-Man Liquid Trend Fund"**

Trust Fee: **0.998% fixed fee, Zero success fee**

Application period: August 1st to 15th, 2024

Commencement of management: August 16

- ✓ First product launched in advance of the JV with Man Group's full product offering
- ✓ Managed by Man AHL, a Man Group subsidiary and pioneer in trend-following strategies with over 30 years of experience, this fund aims to capture returns in both rising and falling markets
- ✓ While typical alternative investment fees are a fixed fee of 2% + a 20% success fee, this product achieves a low cost of total less than 1% (0.998% fixed fee, 0% success fee)
- ✓ Due to its low correlation with traditional assets, combining this with Japanese equities, global equities, US equities, REITs, bonds, etc., is expected to improve the overall investment efficiency of the portfolio



▪ The Initial offering amount exceeded **JPY 4.72bn**

▪ The **total net assets** surpassed **JPY 10bn** **32 business days after setting**

*Both rank as the third-largest in the company's history

▪ **The total net assets** surpassed **JPY 12bn** on October 23, 2024

Asset management product lineup of the UK's Man Group

Total investment: USD 175.7bn (approx. JPY 26.5tn) *March 31, 2024



AHL
Quant multi-asset
management

AUM: JPY 63.8bn (approx. JPY 9tn)

- ✓ Momentum strategy
- ✓ Quant multi-strategy
<investment scope>

Bonds/stocks/forex/commodities, etc.



numericQuant
equity asset
management

AUM: USD 45.4bn (approx. JPY 6tn)

- ✓ Long-only strategy
- ✓ Short extension-type strategy
- ✓ Hedge fund strategy
<investment scope>

Stocks from various regions



GLG multi-strategy/
multi-manager
management

AUM: USD 34.5bn (approx. JPY 5tn)

- ✓ Long-only strategy
- ✓ Hedge fund strategy
<investment scope>

Various investment classes, sectors,
regions



FRM Fund of hedge
funds

AUM: USD 17.7bn (approx. JPY 2.5tn)

- ✓ Fund of hedge funds
<investment scope>
- Various hedge funds

Open-architecture full-service hedge
fund/platform



Varagon
Direct lending for
mid-tier companies

AUM: USD 10.7bn (approx. JPY 1.5tn)

- ✓ **Private credit investment strategy**
<investment scope>
- Private credit specialized for mid-market**



GPM
Private market
investment

AUM: USD 3.6bn (JPY 507.7bn)

- ✓ Strategy targeting debt for
residential real estate plus equities
<investment scope>
- US/UK/European
private markets

Pursuing future offering of products from joint ventures

Launching Japan's **Lowest-Cost India Equity Index Fund** in Partnership with **Franklin Templeton**



FRANKLIN
TEMPLETON

Fund Name: **"SBI-Franklin Templeton India Equity Index Fund"**

Actual Cost:
Approx. **0.2538%**

Application period:
From October 7th to 21st, 2024

Commencement of operations :
From October 22nd, 2024

- ✓ With a over 75 years history, Franklin Resources, Inc., as known as Franklin Templeton, boasts approximately USD 1.6 tn in AUM, (equivalent to approx. JPY 265tn*¹, the 7th largest asset manager in the world*²)
- ✓ This fund is to achieve investment results that correspond to the FTSE India 30/18 Capped Index (with dividends, in Japanese yen) which represents the performance of **large and mid-cap stocks in India**, by investing in the Franklin FTSE India UCITS ETF
- ✓ This investment trust offers **the lowest actual cost in Japan** among those investing in Indian equities
- ✓ The Franklin FTSE India UCITS ETF, the underlying investment of this fund, **holds over 200 stocks**

(*1) As of June 30, 2024, from a Franklin Resources, Inc report

(*2) SEFI ranking as of July 31, 2024

④ Focusing on alternative investments to diversify the investment products and enhance performance

Asset Management Business Now Offers a Complete Range of Alternative Investment Products

-Establishing joint ventures with leading overseas companies possessing advanced expertise to provide innovative alternative products sequentially-



✓ Private Debt

✓ Private Equity

✓ Real Estate and Infrastructure

✓ Trend-following Strategy

✓ Long/Short Strategy

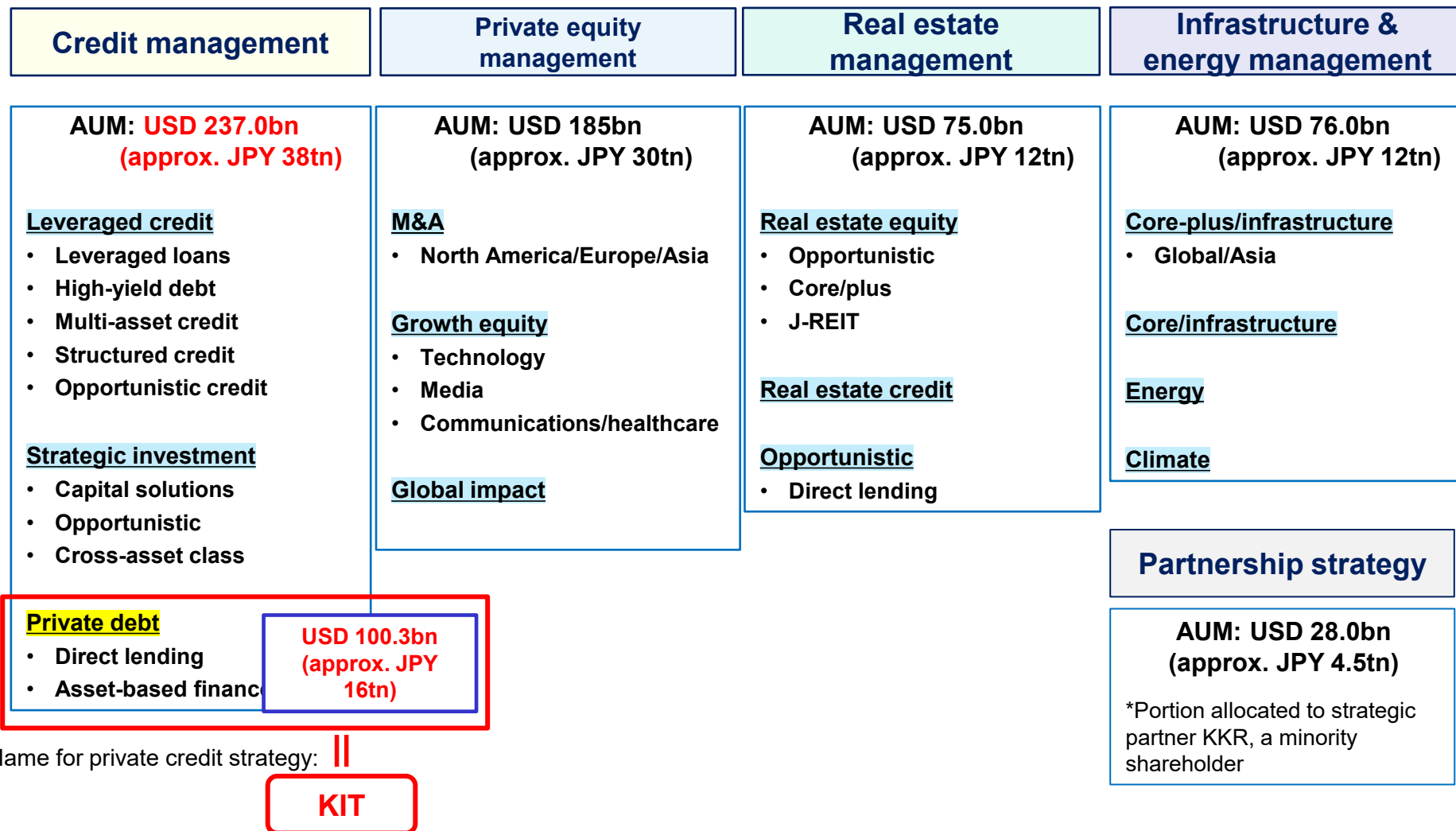
✓ Private Credit for Middle-market

✓ Crypto Included Fund

✓ Security Tokens

KKR Investment Platform Focused on Private Debt

Total investment: USD 601.0bn (approx. JPY 96.8tn)*as of June 30, 2024



KKR Income Trust

KIT (KKR Income Trust) **Private Debt** Strengths: Combining of Direct Lending and Asset-Based Finance

-Alternative Strategies That have Resilience in Downside Market, Low Correlation, and Attractive Income Potential-

Direct Lending

- Privately placed senior secured corporate bonds
- Targeting upper middle-market borrowers who is considered resilient to economic downturns
- Focusing on floating-rate assets for inflation hedging and interest rate hedging
- Expected return 9.5-12%



KIT targets senior loans



Asset-based Finance

- Unique private investments backed by a large, diversified pool of financial and real assets
- The underlying assets typically generate recurring cash flows contractually
- Expected return 13-15%

Consumer loans/Mortgages
Auto loans • Consumer loans • Housing-related loans

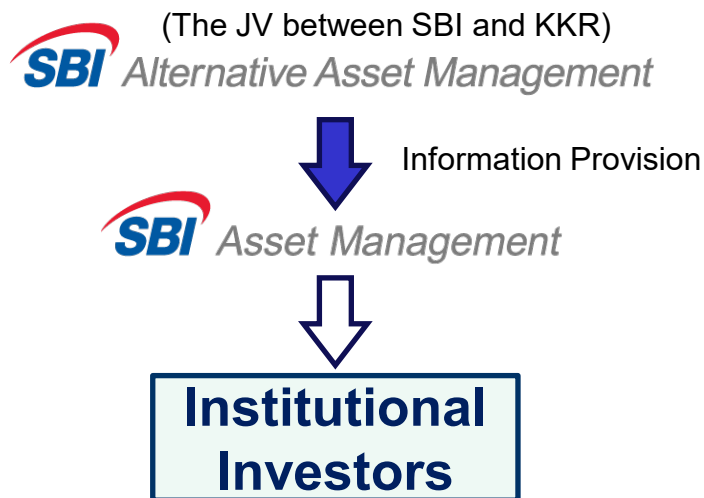
Tangible Assets
Detached houses/Rentals • Aircraft

Commercial Finance
Accounts receivable financing
Equipment leasing

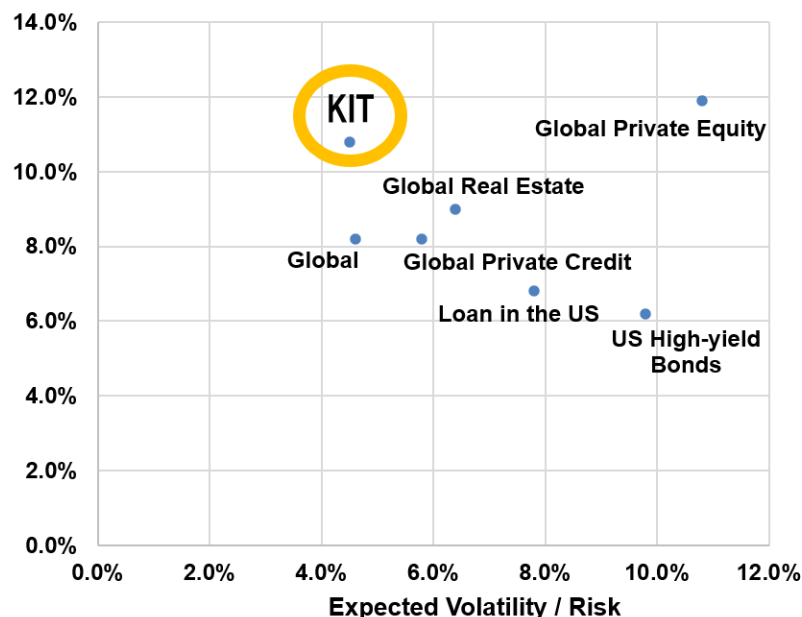
Contractual Cash Flows
Royalties • Intellectual property

JV with KKR: Offering Private Debt Funds Leveraging KIT to Japan

- ✓ Currently, SBI Asset Management is offering private debt fund to domestic institutional investors which is supported by investment information provided by SBI Alternative Asset Management, a JV with KKR, leveraging the expertise of KIT
- ✓ KIT is managed by KKR Credit (KKR's credit business department)
- ✓ The fund achieved a high annualized return of 12.5% after only 3 months of operation
- ✓ A publicly offered fund wraps KIT is to be offered **by the end of FY 2025**



KIT's Attractive Risk-return Profile



- 5. Allocate management resources to countries expected to have high economic growth and strong investments and loans performance and striving to increase the contribution of overseas operations to overall business performance**
- Promote **arbitrage strategies** that takes advantage of differences in domestic and overseas interest rates-**
 - (1) Present condition of overseas business development**
 - (2) Promoting the development of a system to further strengthen overseas business**

Comparison of GDP Growth Rates Forecast of Countries around the World

[Total Growth Rate Over 5 Years from 2024 to 2029]



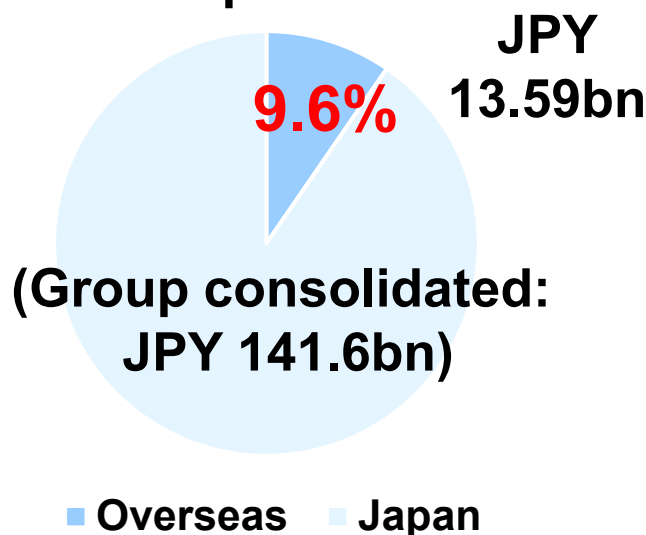
* Graphs are based on data published by the IMF

(1) Present condition of overseas business development

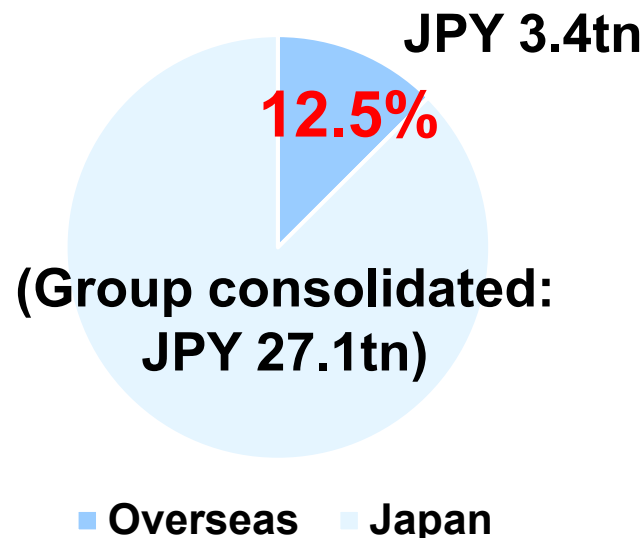
- ① Overseas financial services business**
- ② Overseas investment activities**

Overseas Business* Accounts for **approx. 10%** of the SBI Group's Consolidated Profit Before Income Tax Expense and Total Assets in FY 2023

Profit Before Income Tax Expense



Total Assets



- Main profit contributions are from **SBI SAVING BANK** in South Korea, **TPBank** in Vietnam, and **UDC Finance** which is a subsidiary of SBI Shinsei Bank, operating a non-bank business in New Zealand
- The banking business largely dominates total assets and cash flow
- **B2C2** in the U.K., the only overseas business in the Crypto-assets Business, performed well.

* Overseas subsidiaries, affiliates and overseas investments

① Overseas Financial Services Business

SBI Group has Extensively Expanded its Financial Services Business Overseas, with a Focus on Southeast Asia

Bank

SBI Bank

90.74% ownership

Became a wholly subsidiary in Aug. 2017

Securities

SBI Thai Online Securities

100.0% ownership

Became a subsidiary in Aug. 2017

Bank

SBI LY HOUR Bank

70.0% ownership

Became a subsidiary in Nov. 2019

Securities

SBI Royal Securities

65.29% ownership

Established in Feb. 2010

Insurance

LY HOUR SBI Insurance

40.0% ownership

Investment date: May 2024

Securities

BNI SEKURITAS

25.0% ownership

Investment date: July 2011

Russia



South Korea



Thailand



Vietnam

Cambodia



Indonesia

Australia



New Zealand



Non-bank (Capital and business alliance)

Latitude Group

19.29% ownership.

Market capitalization: approx. JPY 120 bn

Bank

SBI SAVINGS BANK

100% ownership

Became a subsidiary in Mar. 2013

Bank

TPBank

(Former Tien Phong Bank)

20.0% ownership.

Market capitalization: approx. JPY 260bn

Made the company an equity-method affiliate in Feb. 2023

Securities

FPT Securities

23.99% ownership.

Market capitalization: approx. JPY 80bn

Investment date: Apr. 2011

Non-bank

MB Shinsei Finance Limited Liability Company

49.0% ownership

Established in Mar. 2016

Non-bank

UDC Finance Limited

100% ownership

Became a subsidiary in Sep. 2020

*The ownership percentage of the SBI Group represents the total stake in consolidated subsidiary companies and funds, according to IFRS standards

Performance of Overseas Group Financial Institutions

(Unit: JPY million)	Name of the Company	Country /Region	Ownership ratio (%)	Accounting period	Previous FY Profit before income tax expense	This FY Profit before income tax expense	YoY change (%)
Bank	SBI SAVING BANK	South Korea	100	December	8,690	7,392	-14.9
	SBI Bank	Russia	90.74	December	99	2,235	+2,157.6
	SBI LY HOUR BANK	Cambodia	70.0	December	371	1,074	+189.5
	TPBank	Vietnam	20.0	December	28,762	31,694	+10.2
Securities	SBI Thai Online Securities	Thailand	100	March	76	-126	—
	SBI Royal Securities	Cambodia	65.29	December	37	45	+21.6
	BNI SEKURITAS	Indonesia	25.0	December	290	433	+49.6
	FPT Securities	Vietnam	23.99	December	2,774	2,808	+1.2
Non-bank	UDC Finance Limited	New Zealand	100	March	7,252	6,851	-5.5
	MB Shinsei Finance Limited Liability Company ^(*1) ^(*3)	Vietnam	49.0	December	Not disclosed ^(*2)	Not disclosed ^(*2)	—
Insurance	LY HOUR SBI Insurance	Cambodia	40.0	December	—	57	—

• Under local accounting standards, Converted at KRW 1=JPY 0.11, RUB 1=JPY 1.52, USD1=JPY143.62, VND 1=JPY 0.0058, THB 1=JPY 4.4, IDR 1=JPY 0.0094, NZD 1=JPY 91.1

*1 SBI Thai Online Securities apply the aggregate period of Profit before income tax expense for this fiscal year is Jan.-Sept

*2 Since the fiscal year end was changed from December to March, FY2024 is a 15-month accounting period. In addition, the aggregation period for the first half of FY2023 was January-September 2023, and the same period for the first half of FY2024 was used for comparison, January-September. Not disclosed because the parent company, Military Commercial Joint Stock Bank, does not disclose financial information. /

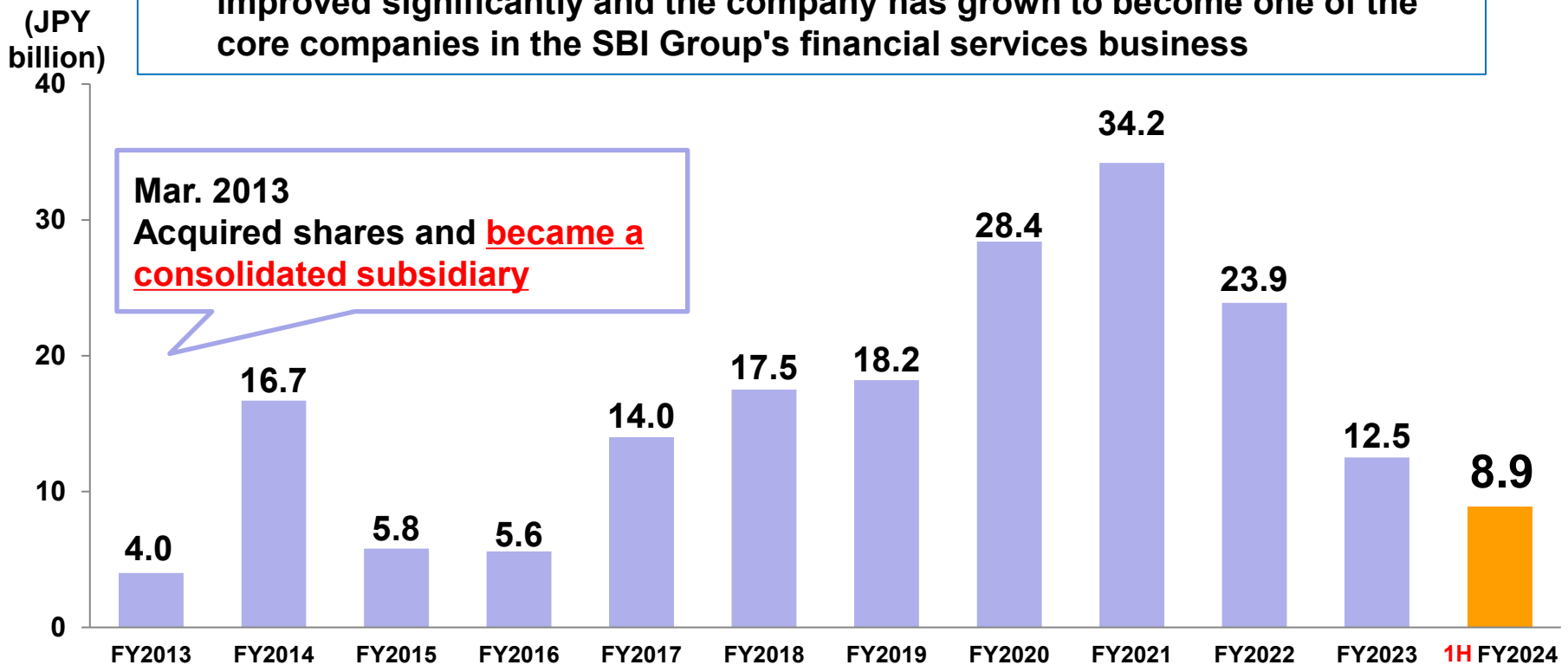
*3 Investment in May 2024

*4 Investment in May 2024

Present Condition of Major Overseas Group Financial Institutions (i) **SBI SAVINGS BANK**

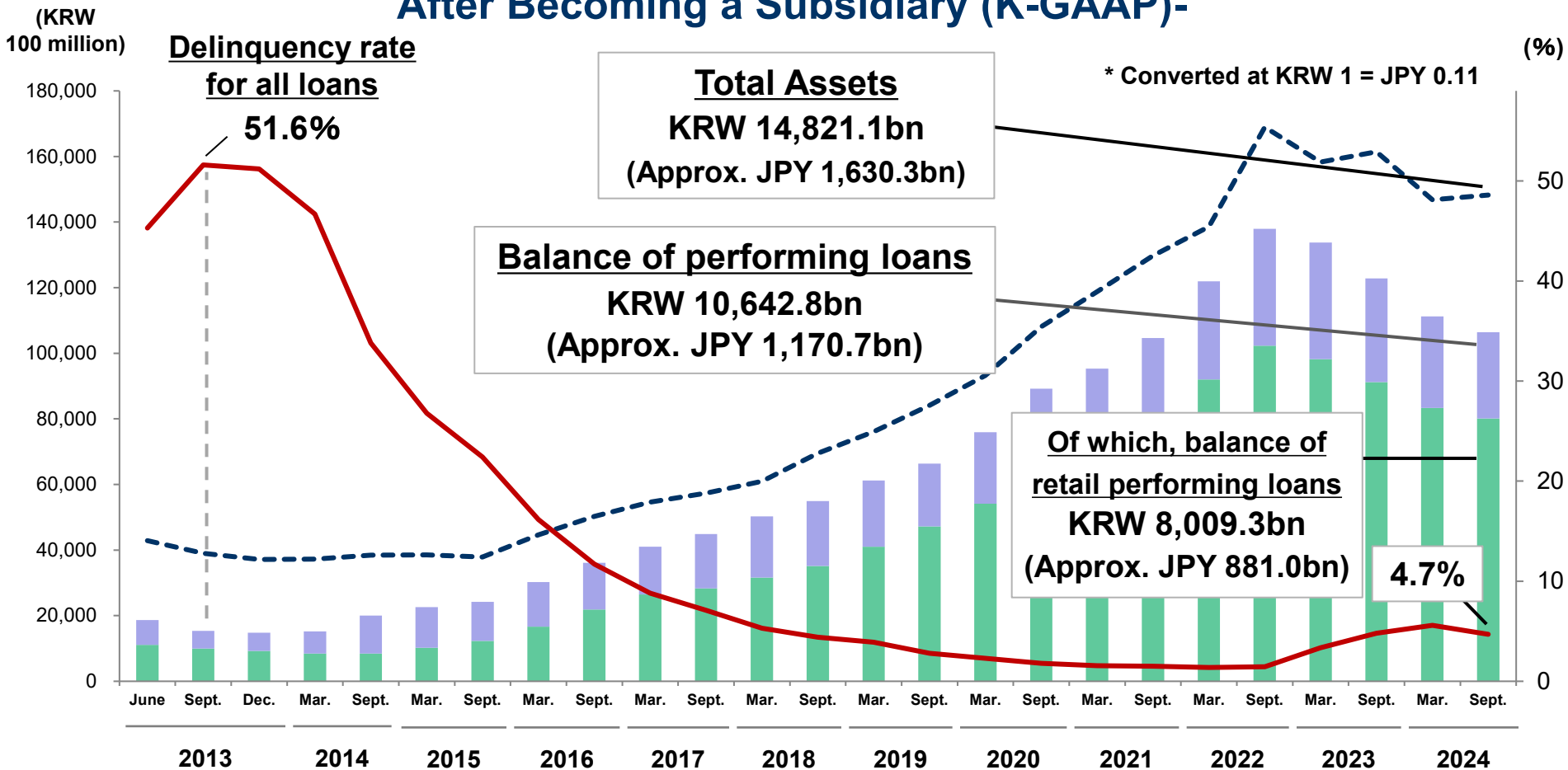
Changes in Profit Before Income Tax Expense (IFRS on SBIH intake basis)

- ✓ Before joining the SBI Group, SBI SAVINGS BANK's performance had deteriorated significantly due to the deteriorating real estate market, while focusing on large real estate loans and project finance for corporate clients
- ✓ Since joining the SBI Group in Mar. 2013, the business situation has improved significantly and the company has grown to become one of the core companies in the SBI Group's financial services business



Present Condition of Major Overseas Group Financial Institutions (i) **SBI SAVINGS BANK**

-Changes in Indicators of SBI SAVINGS BANK After Becoming a Subsidiary (K-GAAP)-



The overall delinquency rate of receivables improved from **5.6%** at the end of March 2024 to **4.7%** at the end of Sept. 2024

Present Condition of Major Overseas Group

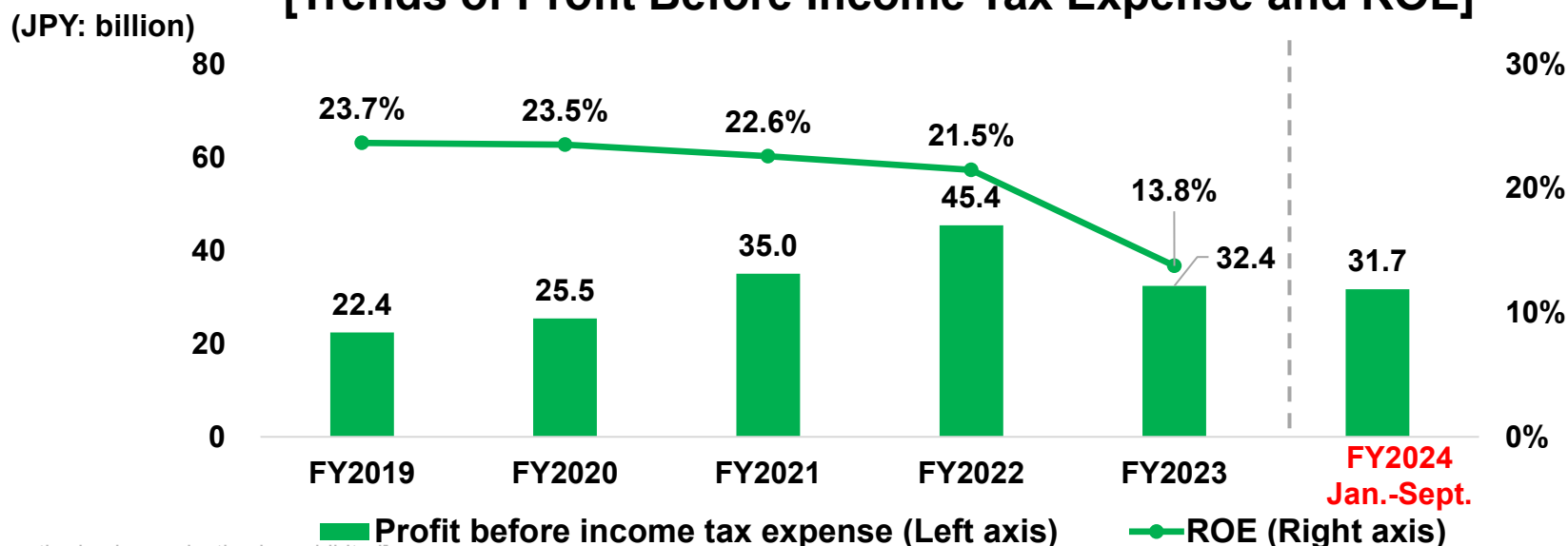
Financial Institutions : (ii) **TPBank**



(20.0% ownership)

- A commercial bank established in May 2008 by FPT, Vietnam's largest IT company
- SBI Group has participated in the company since August 2009 and made it an equity method affiliate in February 2023
- Listed on Ho Chi Minh Stock Exchange in April 2018; added to the main index VN30 in February 2021; market capitalization is approx. JPY 260bn as of September 30, 2024
- From 2021 onward, it is focusing on expanding its customer base. The bank claims itself as a digital bank, and is expanding its market share, especially among younger customers.

[Trends of Profit Before Income Tax Expense and ROE]



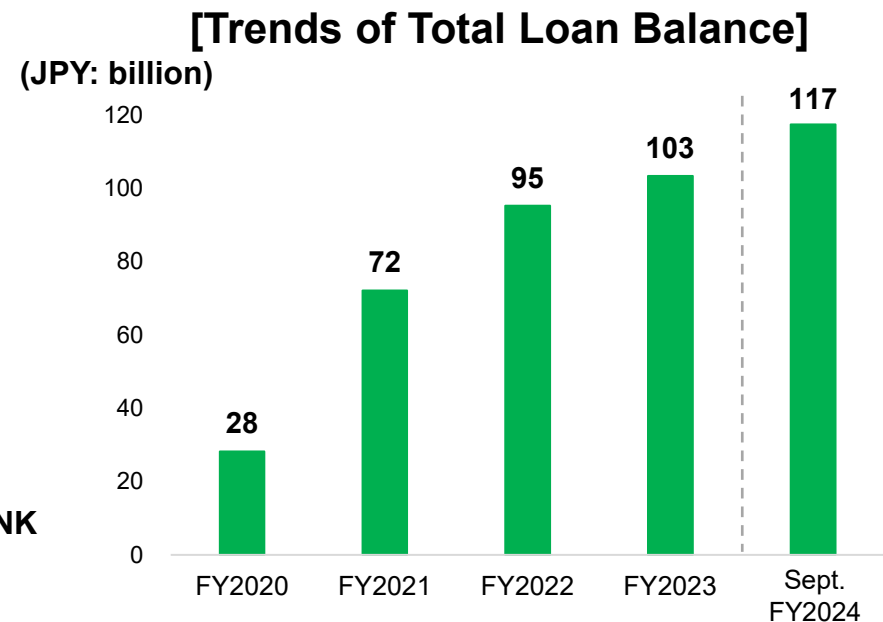
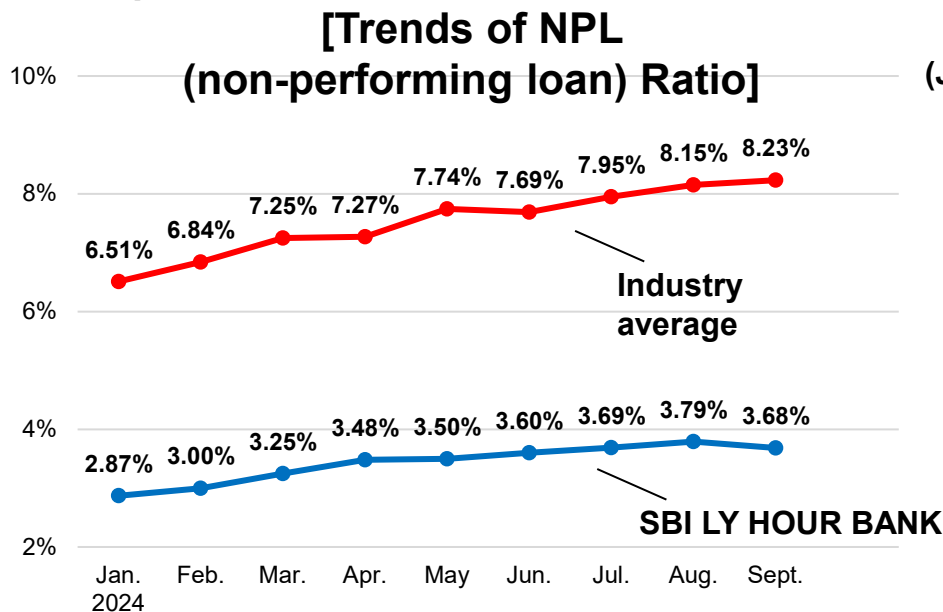
Present Condition of Major Overseas Group

Financial Institutions : (iii) **SBI LY HOUR BANK**



(70.0% ownership)

- Acquired a medium-sized microfinance company from a major conglomerate in Cambodia, LY HOUR Group, and converted it into a commercial bank in Mar. 2020
- To pursue further growth as a bank while maintaining small-lot lending as its primary customer segment
- Although the non-performing loan (NPL) ratio in the Cambodian market remains high, the bank has been maintaining a lower level and expand its loan balance
- Signed USD 100m uncommitted line of credit agreement with SBI Shinsei Bank in September 2024



Present Condition of Major Overseas Group

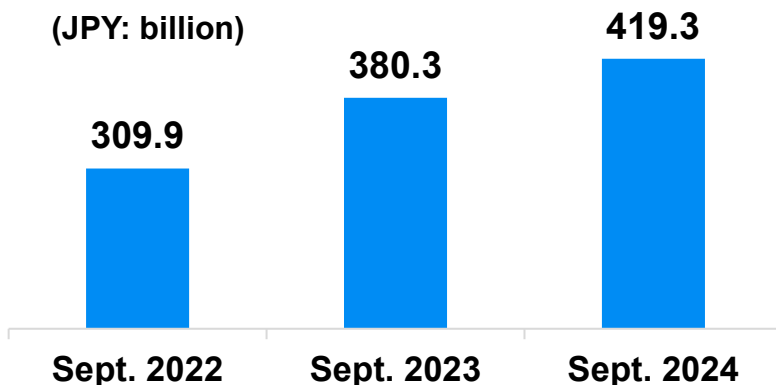
Financial Institutions : (iv) **UDC Finance Limited**



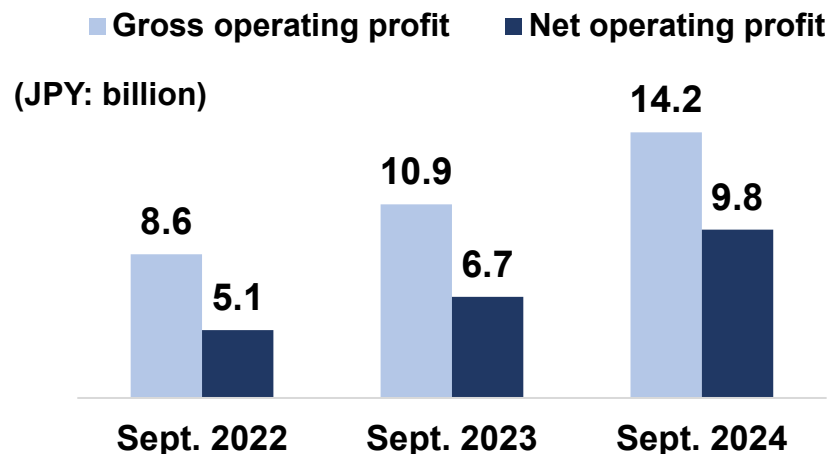
(100% ownership)

- New Zealand's largest non-bank, which became a wholly owned subsidiary in Sept. 2020
- Strengths in retail auto loans, corporate asset finance, and inventory financing for auto dealers
- Steady growth of its operating asset balance due in part to the acquisition of new customers by luxury car brands with which the company began partnering in 2022

[Trends of Operating Asset Balance]



[Trends of Performance]



*Performance is calculated from January to September of each year.

② Overseas investment activities

Focus on the **Expansion of Investment Business** through **Active Alliances with Prominent Local Partners**



**Venture Capital
in Germany**



**Digital Assets Bank
in Switzerland**



**The largest
independent
asset management
company in Italy**



**Leading venture
capital in Israel**



**Ministry of
Investment of Saudi
Arabia (MISA)**



**Saudi Arabia's National
Research and Development
Organization**



**One of the largest ICT
companies in Saudi Arabia**



**One of the world's largest
integrated energy and
chemical companies**



**Venture Studio in
Saudi Arabia**



**Silicon Valley-based
venture capital**



SBI Investment Korea



**The largest high-tech
company in Vietnam**



**Comprehensive
Financial Group**

**INVESTMENT & CAPITAL
CORPORATION OF THE
PHILIPPINES**



**The Oldest/largest venture
capital in Africa**



**Verod-Kepple
Africa Partners**

**Venture capital jointly managed
by Japanese and Nigerian
company**



Venture Capital in India



**KEJORA CAPITAL
Major venture capital
in Indonesia**



**Venture Investment & Incubation Unit
of Standard Chartered Bank**



**Industry-University Collaboration
Organization of Nanyang
Technological University (NTU)**



**National investment agency
under the Prime Minister's
Office of Malaysia**



**Venture Capital
in Malaysia**



**Fengxian
District,
Shanghai
State-owned
company**



**Large state-owned
information industry
company directly
under the Shanghai
municipal
government**



**Jiangsu Wuxi
State-owned
Financial
Conglomerate
Group**



**Education group
operating tutoring
schools for higher
education in
China**



**Industrial
Investment Group
under the Jiangbei
New District
Management
Committee**



**Tianfu New
District,
Chengdu,
Sichuan**



**Knowledge
City,
Guangzhou,
Guangdong**



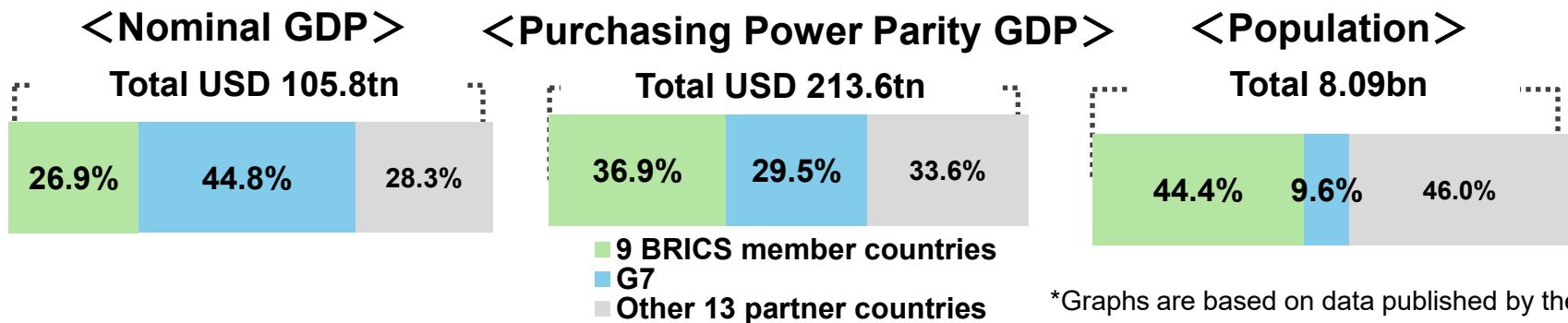
**One of the five
major financial
groups in Taiwan**

Targeting **BRICS** for Business Expansion

Where High Economic Growth is Expected

[Expanding BRICS]

- Four new BRICS countries joined this January
- Purchasing power parity GDP, population, and other indicators of the nine BRICS member countries already exceeded those of the G7



*Graphs are based on data published by the IMF

SBI Group is expanding its business especially with a focus on the Middle East and Africa

Various Activities with a Focus on Investment in the Middle East Region

Saudi Arabia

- ✓ Signed a basic agreement on business alliance with **NTG**, a leading ICT company, to jointly establish an alternative trading system (ATS/equivalent to Japan's PTS). **International Finance Corporation (IFC)** plans to participate as a strategic investor
- ✓ Partnered with NTG on the establishment of ETFs in Japan investing in the Saudi Arabian market
- ✓ Signed a basic agreement with **Ministry of Investment of Saudi Arabia (MISA)** and Saudi-based VC firm **BIM** to establish and manage a fund specializing in investments in companies operating in Saudi Arabia.
- ✓ Signed a basic agreement on business alliance with **Aramco**, state-owned company of Saudi Arabia, as known as the world's largest integrated energy and chemical company for cooperation and joint investments in the semiconductor and digital asset areas
- ✓ Signed a basic agreement with **ACWA Power**, the world's largest seawater desalination company, to introduce the company's future projects to Japanese regional banks and investors and to provide opportunities for investment and financing

-The next Expo after the Osaka-Kansai Expo will be held in **Riyadh, the capital of Saudi Arabia**, from October 1, 2030 to March 31, 2031-

United Arab Emirates (UAE)

- ✓ Established a USD100 million joint venture fund with **SC Ventures**, a subsidiary of UK financial giant **Standard Chartered Bank**, to invest in the crypto sector, including Defi (decentralized finance) and Metaverse
- ✓ Established **SBI XDC Network APAC**, a Japan-based joint venture (investment: SBI Group 60%, TradeFinex 40%) with **TradeFinex Tech** (home office: Dubai, UAE) operating the XDC Network which is a blockchain designed to add efficiency to trade finance

Further Develop Business in Areas such as **Private credit** and the **Securitization** of Real Estate

SBI Group's executives traveled to Saudi Arabia at the end of October 2024 and held various meetings with leading companies and government agencies



**The Ministry of the National Guard Health Affairs CEO
HE Dr. Bandar Al knawy**



**The Ministry of Investment for Saudi Arabia (MISA) Minister
HE Eng. Khalid Al-Falih** (2nd from right)



NTG (one of the largest ICT companies in Saudi Arabia) Chairman
Mr. Mohammed Al Ballaa

Zamil Group (One of Saudi Arabia's largest conglomerates) Chairman
Dr. Abdulrahman Al-Zamil



BIM VENTURES
(funds with close ties to the Saudi government and companies)



**Dinner party at the residence of
BIM VENTURESC Chairman
Eng. Majed Alosaim**

**【Participants】
National Semicon-
ductor Hub Chairman
Dr. Naveed Sherwani**

Acwa power (World's largest seawater desalination company) CEO
Mr. Marco Arcelli

Abunayyan Trading Corp (Leading Saudi conglomerate) Vice Chairman
Mr. Rakan Abunayyan



Saudi Aramco (World's largest energy company) CEO
Mr. Ameen Alnasser

Focusing on Investment Business in Africa

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



Investing in promising African startups with Novastar's years of investment experience and presence in Africa

**Investment in BasiGo,
an EV Bus Sales and Leasing Company**



- The first co-investment with Novastar
- Provide EV buses, charging infrastructure, and financing services one-stop
- Kenyan government encourages EV adoption through preferential electricity rates and tax incentives for EVs

**Investment in Carry1st,
Africa's Largest Mobile Game
Publisher**

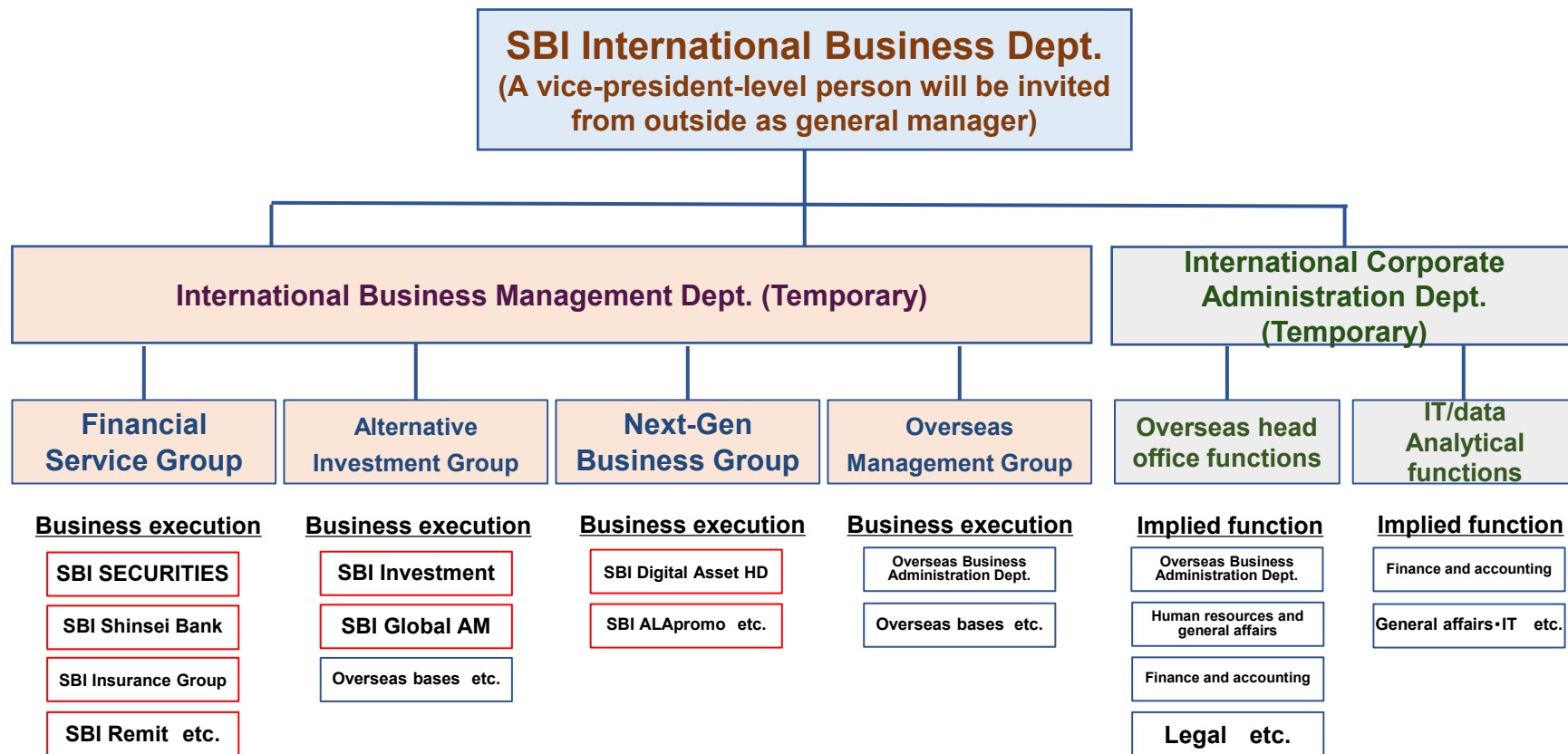


- Introduced by Novastar and invested in
- Localization, distribution and promotion of game content, as well as planning and management of in and out-of-game activities
- Provided "Pay1st", a payment gateway integrating more than 120 local payment methods specialized for African countries

(2) Advance Internal Structure to Bolster Overseas Operations: Mission of newly established Overseas Business Management Division

- I. Generate **profit before income tax expense equivalent to 20-30%** of the overall Group through overseas operations over the next 3-5 years
- II. Build **a system for the optimal allocation of management resources** held by the SBI Group such as people, capital, and technology, across business formats including banking, securities, and private equity, and one which transcends national boundaries
⇒ As of September 30, 2024, approximately 3,800 people work in the SBI Group's overseas consolidated subsidiaries with 90% in the Asia Pacific region. The Group plans **to mobilize talent across regions** so that the right people play an active role in the right places
- III. Form **an ecosystem in which the Group's competitive edge** can also be exercised structurally overseas
⇒ Generating Group synergies that transcend national boundaries and business segments
- IV. **As the management organization**, gather a diverse range of information from overseas operations and regions and support the planning and implementation of a comprehensive business strategy across the Group
⇒ Leverage generative AI and other technologies to build efficient systems
- V. As **digital is inherently global**, accelerate the global development of businesses engaged in next-generation digital products under the Overseas Business Management Division

Diagram of the Organizational Structure of the SBI International Business Dept.



- The **International Business Dept Preparatory Office** was established at SBI Holdings on Nov. 1 as a department specializing in promoting this project. **Accelerate the realization of the concept** by bringing together personnel from various parts of the SBI Group, including the Overseas Business Administration Dept., SBI Shinsei Bank as well as the Big Data personnel located within President's Office

- 6. Developing various initiatives in the digital asset field which is a next-generation growth area**
- (1) Crypto asset exchanges** which are steadily expanding their customer base strives to strengthen services for corporate customers to further increase revenue
 - (2) Promoting initiatives to utilize tokens such as STs and NFTs in the field of Web3**

(1) Crypto asset exchanges which are steadily expanding their customer base strives to strengthen services for corporate customers to further increase revenue

Trend in Number of **Crypto Asset Customers**

- The pace of new account acquisition is accelerating -

(Thousand accounts)

1,000

*Total number of SBI VC Trade and BITPOINT accounts

July 1, 2022
BITPoint Japan became a consolidated subsidiary

800

600

400

200

0

Sept. 2022

Dec. 2022

Mar. 2023

June 2023

Sept. 2023

Dec. 2023

Mar. 2024

June 2024

Sept. 2024

(EoM)

592.8

612.7

635.5

666.7

695.3

727.7

806.9

888.8

+6.9%

950.0

YoY
+36.6%

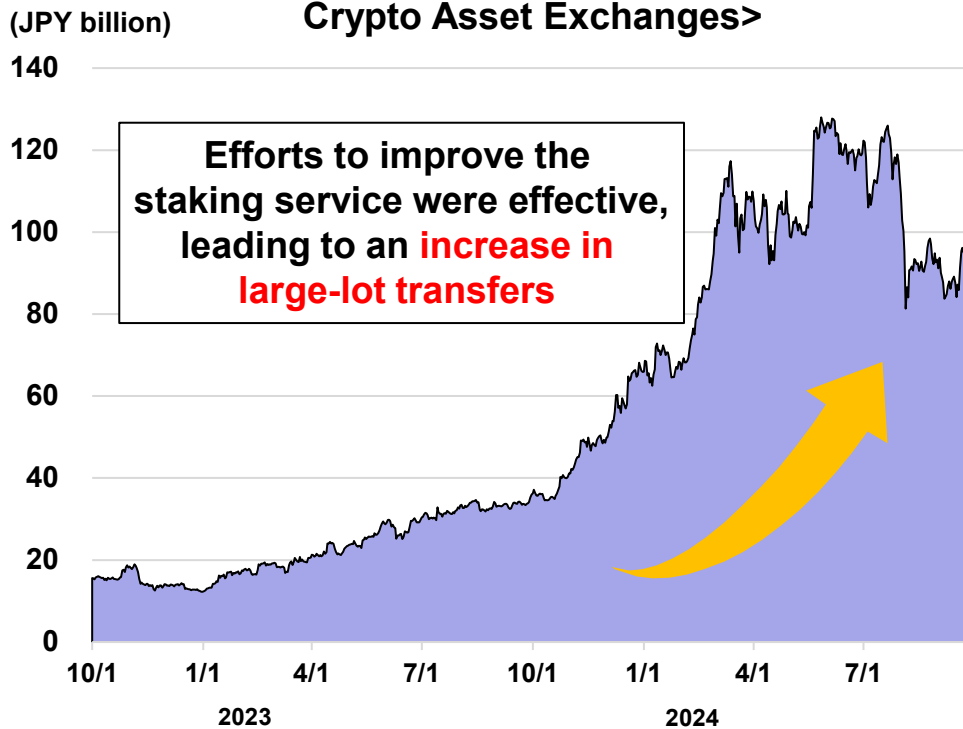
**The total balance of SBI VC Trade and BITPOINT
exceeded JPY 300bn***

* As of Nov. 6, 2024

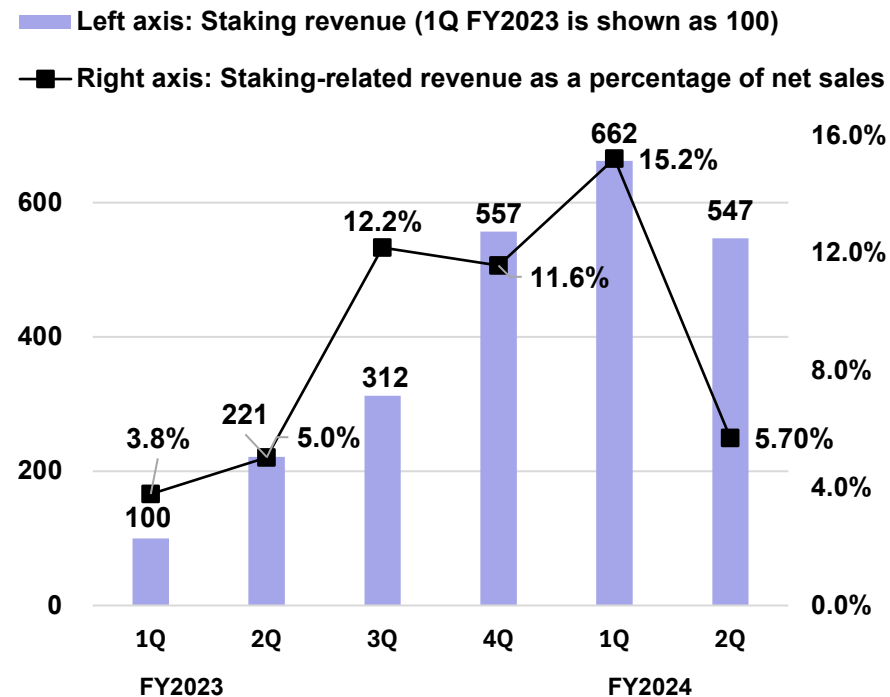
Staking Services Provided by the SBI Group Performed Well

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>



Diversifying revenue sources and expanding stock revenue opportunities by enhancing staking services

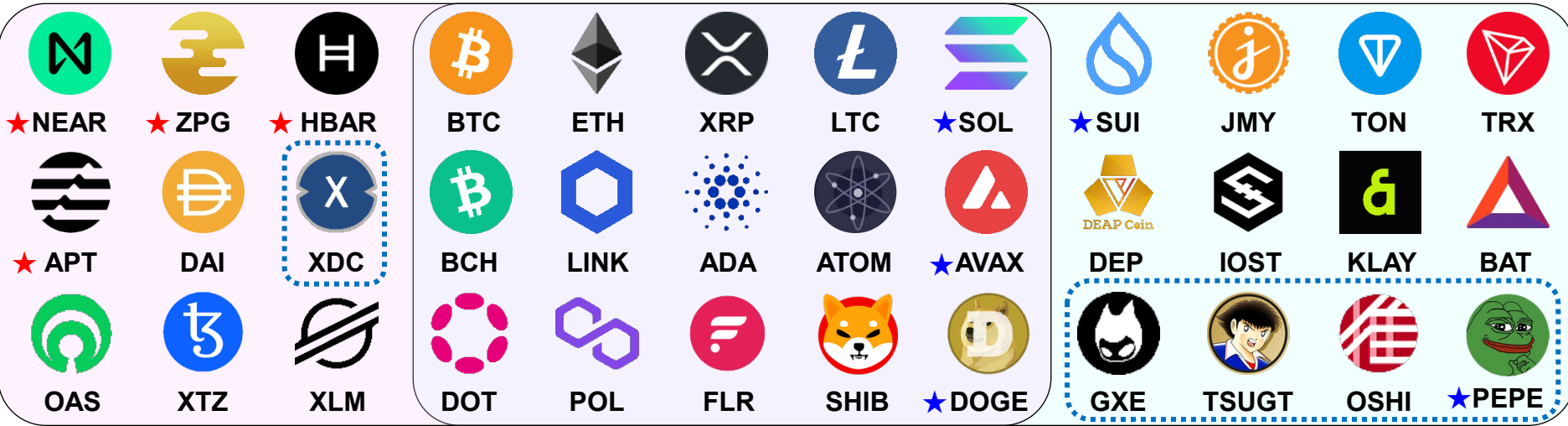
SBI VC Trade and BITPOINT Respond to Various Customer Needs through Business Development that Leverages Their Respective Characteristics

[Expanding the number of crypto assets handled]

Promoting the expansion of crypto assets handled to realize a lineup that is as good as other companies

SBI VC Trade (24 types in total)

BITPOINT (27 types in total)



★=Crypto assets added during FY2024 at SBIVCT

★=Crypto assets added during FY2024 at BITPOINT

 = The only crypto assets handled on domestic exchanges

[Differentiation of services offered]

SBI VC Trade

- Providing **staking services for 13 crypto assets, the largest number in the industry**
- Providing Web3 related services through “SBI Web3 Wallet”, etc.
- Enhancing services through collaboration with issuers such as XDC, OAS, HBAR and ZPG

BITPOINT

- Providing staking services **with one of the highest reward rates in the industry**
- Providing all the services **with no commissions**
- Providing trading opportunities for crypto assets for the first time in Japan

Forms Strategic Business Partnership with **Oasys**, a **Blockchain Gaming Platform** from Japan



(Announced on August 29, 2024)

- Oasys is a **blockchain platform** from Japan **dedicated to the use in gaming**. Since the inception, several major gaming companies such as SEGA and SQUARE ENIX and telecommunications companies have joined it as validators and collaborators. It is expected to be a major network supporting the social implementation of Web3
- SBI VC Trade has formed a business partnership with Oasys in 2022 and has already **listed OAS tokens**
- SBINFT Market has also allowed **buying and selling of game NFTs on Oasys platform**
- Several potent blockchain games are scheduled for release in 2024 and beyond

■ Outlines of the strategic business partnership

- ✓ Consideration of adding the Oasys chain to the SBI Web3 Wallet
- ✓ Enhancement of the liquidity of OAS tokens through B2C2
- ✓ Marketing support utilizing the SBI Group's customer base, etc.

SBI VC Trade Strengthen “SBIVC for Prime,” a Service for Large-lot and Corporate Customers

Safety & Security

- ✓ Provides a variety of crypto asset services under strong security

High-volume Trading

- ✓ Offers a cash-back service based on the transaction amount for large-lot customers
- ✓ Provides special arrangements through OTC contracts for accommodating high-volume transactions that exceed the system capabilities

Sophisticated Management

- ✓ Supports corporates holdings of crypto assets through the “exemption service for year-end fair value evaluated taxation”
- ✓ Offers covered call and target buying as “SBI crypto asset options”

Dedicated Account Manager

- ✓ Assistance from dedicated account managers holding *JVCEA's qualification for sales representatives will assist
 - ✓ Consultation available either in-person or online
- * Japan Virtual and Crypto assets Exchange Association

**SBIVC
for
Prime**

Customers sent
from the SBI Group



SBI証券



Moneyplaza

[SBI SECURITIES]

Good practice



METAPLANET

- Announced a partnership with METAPLANET on Sept. 2, 2024
- Listed on the TSE Standard Market and accumulating Bitcoin strategically
- The custody amount on SBI VC Trade exceeds 1,000 BTC
- SBI VC Trade supports METAPLANET to advance Bitcoin trading, custody, and operations

Contribute to **Regulatory Reforms** Towards the Approval for the Formation of **Cryptocurrency ETFs** in Japan

- While cryptocurrency ETFs introduced overseas attract capital inflows, **it is currently considered practically impossible** to establish cryptocurrency ETFs in Japan since **crypto assets do not belong to the category of “Specified Assets”** under the “Act on Investment Trusts and Investment Corporations”
- SBI SECURITIES and SBI VC Trade participates in the study group for domestic cryptocurrency ETFs, consisting of crypto asset exchanges, securities firms, asset management firms, trust banks, legal and tax experts. On October 25, the study group jointly published **proposals for the establishment of domestic cryptocurrency ETFs and other related matters**

- ✓ Various regulations that enable the establishment of cryptocurrency ETFs, etc. should be developed
- ✓ Cryptocurrency ETFs, etc. and spot trading of crypto assets should be subjected to separate taxation by declaration
- ✓ Major crypto assets should be prioritized for discussion regarding the establishment of cryptocurrency ETFs, etc.

SBI Group considers forming **a cross-organizational project team** for establishing cryptocurrency ETFs as soon as possible

Securities



Asset management



Trust



Crypto assets



(2) Promoting initiatives to utilize tokens such as STs and NFTs in the field of Web3

- ① Sponsors the “EXPO2025 DIGITAL WALLET” project and provides “MYAKU-N” at EXPO2025, Osaka, Kansai, Japan**
- ② WebX Osaka to be Held Jointly on August 26, 2025**
- ③ SBI R3 Japan supports Asia's first next-generation Corda implementation in Progmatt's release of Progmatt SaaS**
- ④ SBI Digital Asset Holdings promotes various initiatives related to digital assets globally**

① Sponsors the “EXPO2025 DIGITAL WALLET” Project and Provides “MYAKU-N” at EXPO2025, Osaka, Kansai, Japan

SBINFT issues on XRP Ledger, a decentralized public blockchain

SBI VC Trade plans to develop and provide a dedicated website for storing and viewing



A limited number of special MYAKU-N to **celebrate the launch** of the EXPO2025 Digital Wallet NFT started offering from July 1, 2024.

More than 2,500 NFTs have already been issued

From October 30, 2024, a type of MYAKU-N, which features **local characters** from local governments, mainly in the Kansai region is started offering. User-selected **images of their choice** are issued as NFTs



② The Co-hosted event, WebX Osaka to be Held Jointly on August 26, 2025



- ✓ The co-hosted event, WebX Osaka will be held on 26 August 2025, as a following event of WebX 2025 which is one of the largest Fintech and Web3 events in Japan **during the EXPO2025, Osaka, Kansai, Japan**
- ✓ The event will be held exclusively for VIPs in Osaka just before the WebX 2025 Tokyo, to **attract top players** from Japan and abroad, including web3, fintech and financial institutions, to **realize Osaka as a Global Financial City**
- ✓ Approximately 1,000 VIPs from more than 300 companies from over 20 countries are expected to attend
- ✓ The event will be broadcasted by more than 40 media outlets in Japan and abroad, and **is expected to solidify Osaka's position as a Global Financial City**

③ SBI R3 Japan Supports Asia's First Next-generation Corda Implementation with Progmat, Inc.'s Release of Progmat SaaS

- Progmat, an investee company of the Group, released a SaaS version of its digital asset issuance and management platform, **Progmat SaaS** in October, which utilizes Corda, R3 US developed
- With the support of SBI R3 Japan, 'Progmat SaaS' is the first in Asia to support the **next-generation Corda**, which is highly available and more efficient and flexible in adding and managing new nodes on the blockchain

〈 Features of Progmat SaaS 〉

Node-built servers/operation	In-house servers / In-house costs (barrier to entry)	Progmat (minimal barriers to entry)
Data access/revision	In-house	Same as left
Ways brokerage firms join	In practice, outsourced custody is mandatory (fees borne)	Easy to complete custody in-house (minimizing fees)
Connected decentralized platform	Corda	"next-generation Corda"

④ SBI Digital Asset Holdings Globally Promotes Various Initiatives Related to Digital Assets



ASIANEXT

Operates **SBI Digital Markets** (invested by Thailand's Siam Group), a brokerage firm offering tokenized products, and **AsiaNext** (JV with Switzerland's SIX Group), a digital asset exchange focused on institutional investors, in Singapore



Basic agreement on strategic partnership with **Chiliz**, the world's largest sports fan token platform

Plans to **establish a joint venture** and offer sports fan tokens for Japanese sports fans

Supports **Project Agora** in which SBI Shinsei Bank participates

“Project Agora”, an initiative led by the Bank for International Settlements (BIS), seven central banks and the International Institute of Finance (IIF), with the participation of **three megabanks and SBI Shinsei Bank** as private banks from Japan, is considering **the tokenization of money based on the integrated ledger concept** proposed by the BIS

- 1. Mynavi, with whom we formed a capital and business alliance in November 2023, will become an equity-method affiliate by the end of November 2024, enabling further pursuit of business synergies between both groups**

Mynavi will be Converted to an Equity Method Affiliate by the end of November 2024

After the capital and business alliance in November 2023, both groups will promote collaborative projects



SBI Group plans to increase its shareholding in Mynavi from the current **19.77% to 20% by November 2024** through further investment, **making it an equity method affiliate**

Further efforts to enhance the corporate value of both group companies

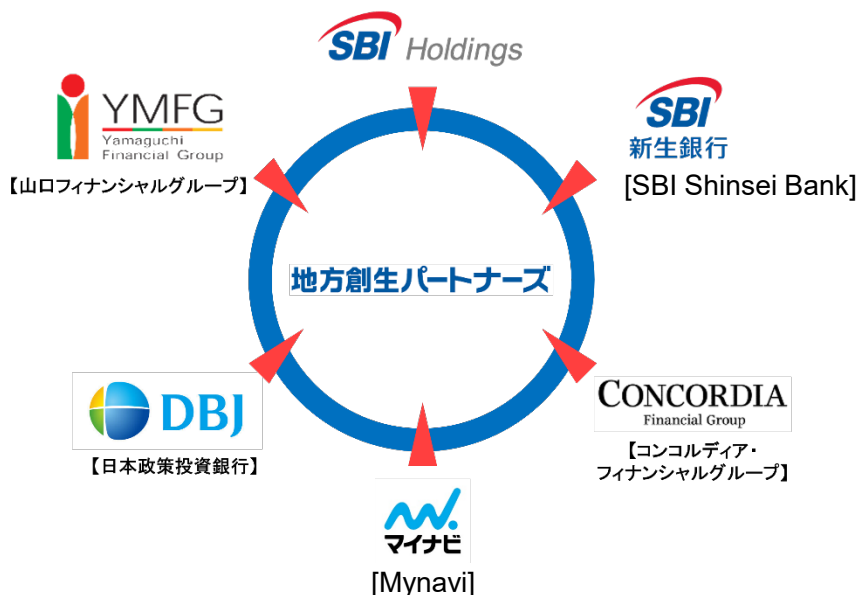
- Expansion of profit opportunities by leveraging the networks of both groups
- Accelerating growth through collaboration and complementarity among subsidiary companies shared by both groups
- Creating business opportunities through collaboration in new field etc.

Example of Business Collaboration with Mynavi①

Strengthening the SBI Group's Regional Revitalization Projects

Mynavi has participated and invested in the Regional Revitalization Partners (in April 2024)

Management Structure of Regional Revitalization Partners



Forming a robust regional revitalization ecosystem in both the finance and human resources businesses



Examples of initiatives by Mynavi for regional revitalization:

- Operation of events and websites related to the promotion of migration
- Initiatives related to regional revitalization, such as agricultural support through “Derisasu,” an employee benefit service for Mynavi employees, PR of local products and projects to create relationships with the local community
- Operation of “Mynavi Agriculture,” a comprehensive agricultural information media etc.

Mynavi is working to resolve issues such as the shortage of human resources in rural areas through recruitment support and other activities

Example of Business Collaboration with Mynavi②

Expansion of Employee Benefit Services for the SBI Group Employees

First outside company to introduce Mynavi's employee benefit service “Derisasu” (in August 2024)

[Derisasu]

で り さ す

Delicious & Sustainable

Mynavi works to further expand support for sustainable agriculture and marketing of agricultural products.

- **An employee benefit service** that allows employees to order seasonal vegetables, fruits, and processed foods carefully selected by Mynavi at a discount price
- The produce available at Derisasu is **carefully selected from the viewpoint of sustainability, which means environmentally friendly and sustainable agriculture**, by the staff of Mynavi Agriculture which is an agricultural information website operated by Mynavi, visiting the production areas
- When you purchase a product from Derisasu, an order is placed to the producer through Mynavi, and **fresh produce is delivered directly from the farm**

Example of Business Collaboration with Mynavi③ Supporting Small and Medium Regional Companies Facing Challenges in Recruiting Human Resources

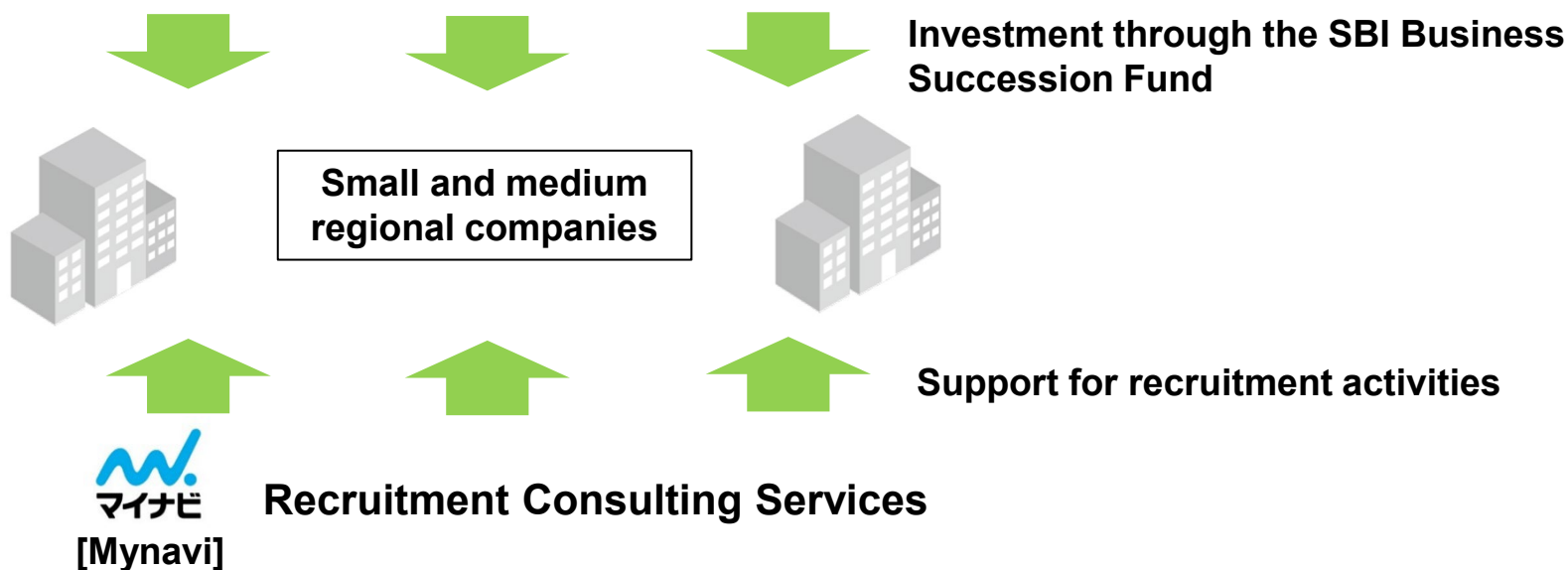
Leveraging Mynavi's human resources expertise to support the growth of small and medium regional companies invested in by the SBI Group's Business Succession Fund



SBI 地域事業承継投資株式会社

[SBI Regional Business Succession Investment]

Supporting the growth of small and medium regional companies with succession issues, through cross-regional industry restructuring and vertical integration along the value chain



Example of Business Collaboration with Mynavi④

Jointly Developed **a Life Plan Simulation Function**

-Job change site “Mynavi Scouting” to begin offering this service on October 31-

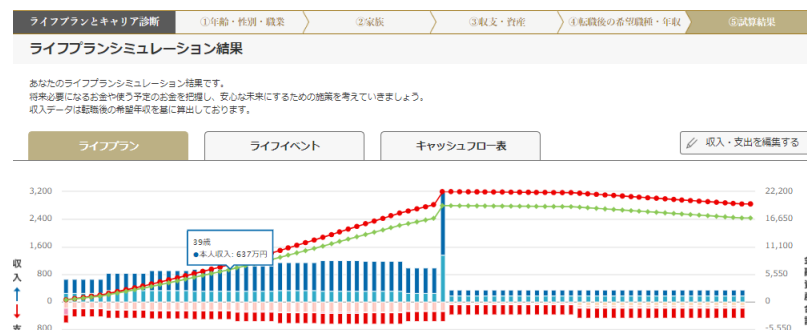
Life Planning and Career Assessment



マイナビ スカウティング
[Mynavi Scouting]
“Life Planning and Career Assessment”

- Family structure
 - Occupation
 - Income status
 - Future life plans
 - Desired annual income after changing jobs
- etc.

input



- Simultaneous simulation of future life plans and the impact of annual income increase due to job change
- Mynavi’s career consultants propose job change activities with your target life plan in mind

[Reference]

Synergies between the SBI Group and SBI Shinsei Bank

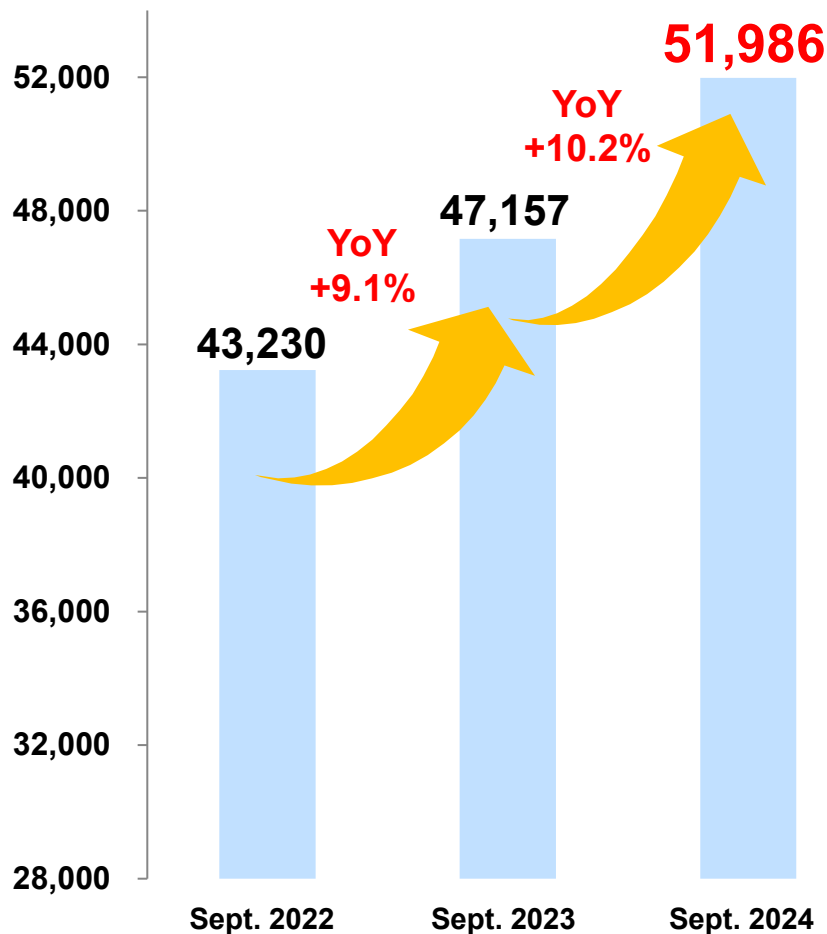
Definition of ‘measures to create synergies’ in SBI Shinsei Bank's medium-term management plan formulated in 2022 and assumed breakdown of the target value of JPY 15bn for FY2024

(JPY bn)

Individual	Increase the number of retail customers, optimize face-to-face channels (e.g., branches) and expand housing loan transactions	4.0 ~ 5.0
	Acquire new credit card members, expand the number of shopping credit customers and develop BANKIT partners	
	Expand the number of unsecured loan customers, improve the UI/UX and further cooperation with regional financial institutions	
Institutional	Introduction of structured finance opportunities, joint financing and reinforcement of the business succession operation	4.5 ~ 5.5
	Startups and business owner customer referrals and reinforcing cooperation with regional financial institutions	
	Increase the number of lease customers, reinforcing cooperation with regional financial institutions and collaborating in the shipping and aircraft domain	
Overseas	Collaboration in the investments and business development overseas (inorganic investment opportunities are not included in the figure)	0.5 ~ 1.0
Management base	Sharing expertise on management of marketable securities and advance fundraising capabilities	7.5 ~ 8.5
	Consolidate and improve the efficiency of the in-direct functions, implementing the sophistication of digital strategies and others	1.0 ~ 2.0
	Deduction: Overlapping existing initiatives (sift through and choose optimal initiatives)	Each -2.0 ~ -3.0
	Deduction: Corporate tax and other related costs	

SBI Group Has a Customer Base Exceeding 51 Million

(Thousand)



Breakdown of the Customer Base

(as of the end of Sept. 2024) ^{*1,2} (Thousand)

SBI SECURITIES		
SBI Neotrade Securities	(No. of accounts)	13,315
FOLIO		
SBIH InsWeb	(No. of customers)	11,240
E-Loan	(No. of customers)	3,692
MoneyLook	(Total no. of customer registrations)	482
Wealth Advisor	(Total no. of service users) *3	1,563
SBI Sumishin Net Bank	(No. of accounts)	7,736
SBI Insurance	(Total no. of contracts)	1,304
SBI Life Insurance	(Total no. of contracts) *4	574
SBI Shinsei Bank	(No. of accounts)	3,665
Lake business	(No. of customers)	840
APLUS	(No. of active cardholders)	3,632
Showa Leasing	(No. of contracts)	317
Others (SBI VC Trade, etc.) *5		3,620
Total	—	51,986

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

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

Number of Group Companies

	End of Mar. 2024	End of Sept. 2024
Consolidated subsidiaries (companies)	595	629
Consolidated partnerships (partnerships)	64	60
Total consolidated subsidiaries (companies)	659	689
Equity method companies (companies)	62	60
Total Group companies (companies)	721	749

Number of Employees (Consolidated)

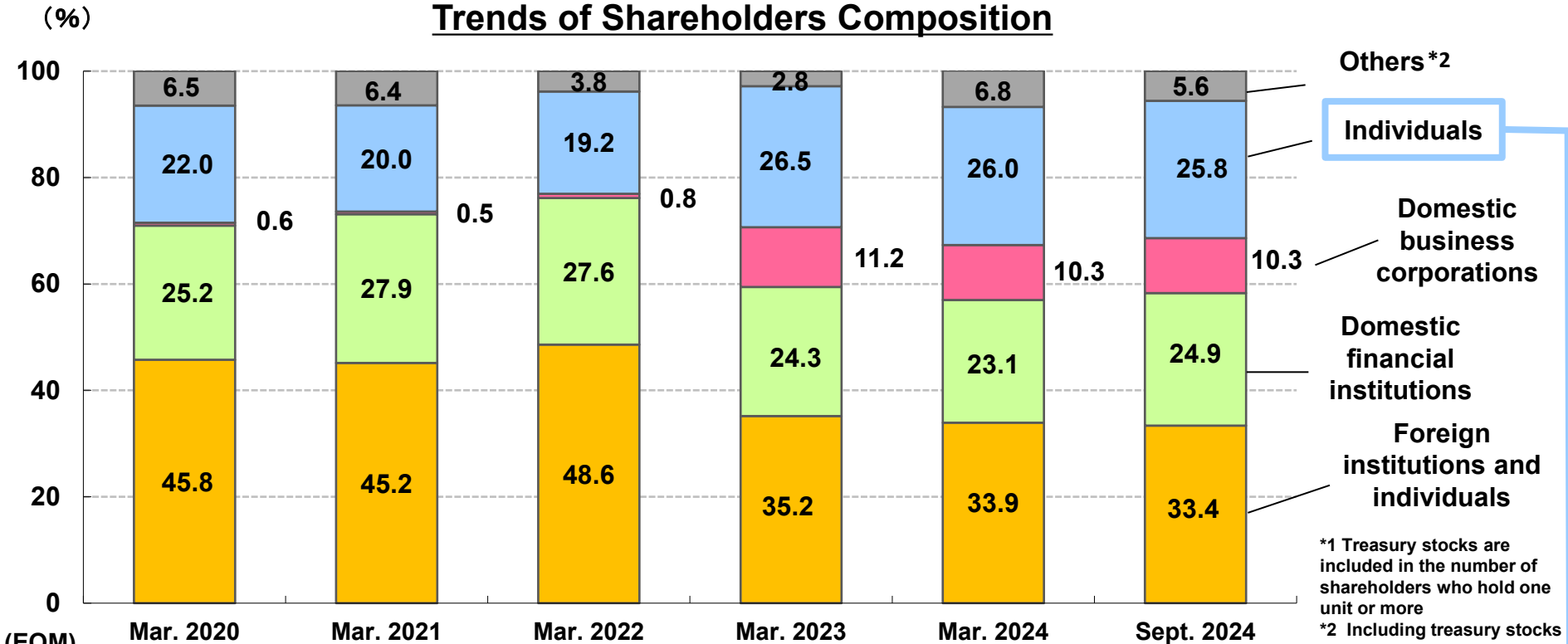
	End of Mar. 2024	End of Sept. 2024
Total employees	19,097	18,586

SBI Group's Shareholders Composition Has Become More Balanced

(As of the end of Sept. 2024)

- ◆ Total number of shareholders is 256,293 , of which the number of shareholders who hold one unit or more is 179,556 *1
- ◆ Shareholding ratio of domestic and foreign institutional investors is 58.3%

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

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