

# Consolidated Balance Sheets

SBI Holdings, Inc. and Consolidated Subsidiaries  
31st March, 2006 and 2007

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	31st March		31st March
	2006	2007	2007
<b>ASSETS</b>			
<b>CURRENT ASSETS:</b>			
Cash and cash equivalents (Note 14)	¥ 132,545	¥ 115,092	\$ 974,615
Time deposits	399	616	5,216
Cash required to be segregated under regulations (Note 3)	332,876	340,090	2,879,921
Notes and accounts receivable—trade (Note 14)	1,303	7,537	63,827
Operational investment securities (Note 5)	61,668	100,603	851,921
Valuation allowance for operational investment securities	(338)	(18,603)	(157,534)
Operational loans receivable (Note 14)	16,501	46,828	396,543
Real estate inventory (Notes 4 and 14)	26,333	35,872	303,772
Trading assets (Note 6)	3,093	4,329	36,658
Margin transaction assets:			
Receivables from customers	562,693	489,269	4,143,184
Cash deposits as collateral for securities borrowed	18,547	11,303	95,716
Loans secured by securities on non—resale agreement transactions	156	102	862
Short—term guarantee deposits	17,549	24,354	206,228
Deferred tax assets—current (Note 24)	1,959	2,271	19,233
Prepaid expenses and other current assets (Note 8)	30,993	40,324	341,464
Allowance for doubtful accounts	(691)	(1,070)	(9,059)
Total current assets	1,205,586	1,198,917	10,152,567
<b>PROPERTY AND EQUIPMENT—Net</b> (Notes 9 and 10)	4,144	4,602	38,973
<b>LEASED ASSETS—Net</b> (Note 11)	11,225	10,036	84,986
<b>INVESTMENTS AND OTHER ASSETS:</b>			
Investment securities (Note 5)	28,127	25,399	215,079
Investments in unconsolidated subsidiaries and affiliated companies (Note 12)	23,534	54,411	460,760
Software, net of accumulated amortisation of ¥3,600 million and ¥4,824 million (\$40,851 thousand) at 31st March, 2006 and 2007, respectively	5,169	6,559	55,540
Rental deposits	4,358	4,726	40,018
Goodwill	44,638	53,513	453,151
Long—term trade receivables	1,701	1,536	13,005
Deferred tax assets—non—current (Note 24)	1,310	1,915	16,216
Other assets	3,760	7,763	65,743
Allowance for doubtful accounts	(1,908)	(2,155)	(18,245)
Total investments and other assets	110,689	153,667	1,301,267
<b>TOTAL</b>	¥ 1,331,644	¥ 1,367,222	\$ 11,577,793

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	31st March		31st March
	2006	2007	2007
<b>LIABILITIES AND EQUITY</b>			
<b>CURRENT LIABILITIES:</b>			
Short-term borrowings (Notes 13 and 14)	¥ 11,398	¥ 56,142	\$ 475,417
Current portion of long-term debt (Notes 13 and 14)	900	25,172	213,162
Income taxes payable	19,535	15,755	133,417
Margin transaction liabilities:			
Payables to financial institutions (Notes 13 and 14)	302,283	231,211	1,957,917
Proceeds of securities sold for customers' accounts	65,030	62,961	533,163
Loans secured by securities on repurchase agreement transactions (Note 13)	56,553	55,825	472,737
Consignment guarantee money received for margin transactions	303,385	297,448	2,518,828
Customers' deposits as collateral for commodity futures (Note 8)	32,072	45,356	384,079
Customers' deposits for securities transactions	21,495	16,234	137,471
Unearned income (Note 15)	3,671	3,030	25,657
Accrued expenses	3,594	3,189	27,002
Contingent reserve	5		
Deferred tax liabilities—current (Note 24)	2,096	7,201	60,979
Other current liabilities (Notes 6, 13 and 28)	25,550	30,549	258,693
Total current liabilities	847,567	850,073	7,198,522
<b>LONG-TERM LIABILITIES:</b>			
Long-term debt, less current portion (Notes 13 and 14)	152,410	159,603	1,351,534
Deferred tax liabilities—non-current (Note 24)	2,053	748	6,333
Other long-term liabilities (Notes 16 and 17)	1,469	3,633	30,766
Total long-term liabilities	155,932	163,984	1,388,633
<b>STATUTORY RESERVES (Note 18):</b>			
Reserve for liability for securities transactions	4,715	6,314	53,469
Reserve for liability for commodity transactions	213	210	1,778
Total statutory reserves	4,928	6,524	55,247
<b>MINORITY INTERESTS</b>			
	55,094		

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
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	2006	2007	2007
<b>LIABILITIES AND EQUITY</b>			
<b>FORWARD</b>	¥ 1,063,521	¥ 1,020,581	\$ 8,642,402
<b>EQUITY (Notes 19, 20 and 31):</b>			
Common stock—authorised, 34,169,000 shares issued, 12,290,692 shares in 2006 and 12,399,171 shares in 2007	54,229	54,914	465,019
Capital surplus	115,692	116,519	986,691
Stock acquisition rights		42	355
Retained earnings	90,345	122,167	1,034,525
Unrealised gain on available-for-sale securities	12,830	5,436	46,033
Deferred gain on derivatives under hedge accounting		2	20
Foreign currency translation adjustments	935	974	8,243
Treasury stock—at cost, 135,664 shares in 2006 and 1,183,488 shares in 2007	(5,908)	(53,062)	(449,333)
Total	268,123	246,992	2,091,553
Minority interests		99,649	843,838
Total equity	268,123	346,641	2,935,391
<b>TOTAL</b>	¥ 1,331,644	¥ 1,367,222	\$ 11,577,793

See notes to consolidated financial statements.