

Financial Services Business



Consumers and Investors Are Increasingly Preferring Online Engagement Due to Adoption of New Lifestyles

The Environment Surrounding Financial Services Business

Online preferences of consumers and investors have increased as digital transformation (DX) progresses and as traditional ways of life have changed due to the COVID-19 pandemic. This has become a tailwind to the SBI Group's Financial Services Business. Looking ahead, greater growth opportunities are anticipated in contactless forms of businesses, such as online finance and payment systems.

Principal Companies

SBI SECURITIES	SBI Insurance Group (insurance holding company)
SBI Liquidity Market (SBI LM)	SBI Insurance
SBI FXTRADE (SBI FXT)	SBI Life Insurance
SBI VC Trade	SBI IKIIKI SSI
SBI MONEY PLAZA	SBI Nihon SSI
SBI NEOMOBILE SECURITIES	SBI Resta SSI
SBI Neotrade Securities*	SBI PRISM SSI
Rheos Capital Works	JOGUCHI SAFETY SSI
SBI Benefit Systems	SBI FinTech Solutions
SBI BITS	SBI Remit
Japannext	SBI Business Solutions
Osaka Digital Exchange	SBI Ripple Asia
SBI Sumishin Net Bank	Money Tap
SBI FINANCIAL SERVICES	B2C2
SBI NEO FINANCIAL SERVICES	

*Formerly, livestar Securities

Principal Initiatives and Priority Measures in FY2020

> Securities-related Business

- Trading revenue recorded an all-time high owing to the synergistic effects of the entire SBI Group, including strengthened FX business and increases in trading revenue related to crypto assets and the sale of foreign bonds.
- Four companies were acquired through M&A as an initiative to diversify revenue sources to realize Neo-securities initiatives (concept of commission-free trade for domestic online transaction).
- Effectively eliminated commissions for those 25 and under to capture a greater share of younger customers, from April 2021.
- Strengthened stock and bond underwriting, maintained the top position in the industry in terms of IPO underwriting share, and recorded high of 15 lead managed underwritings.

> Banking-related Business

- As the second part of the Neo-bank initiatives, T-Money launched a banking service for T-Point members called "T NEOBANK" in March 2021.
- Began selling housing loans as a new agent for banks, including THE SENDAI BANK and The Fukushima Bank, and three companies, including Anabuki Insurance and LIXIL Housing Research Institute.
- Developed a new consortium-type AI screening model to provide AI screening services for transactional lending.

> Insurance-related Business

- Through the acquisition of JOGUCHI SAFETY SSI in September 2020, a total of more than 2.3 million in-force contracts for all SBI Insurance Group companies.
- In January 2021, The Shimane Bank and SBI Life Insurance became founding members and jointly established the General Incorporated Association Zenkoku Danshin Suishin Kyokai. Began providing a joint scheme of group credit life insurance to financial institutions that transcends the boundaries of business categories and regions.

FY2020 Profit before Income Tax Expense of the Major Businesses by Business Area (Based on IFRSs)

