# **Asset Management Business**



# The Venture Capital Business Contributed to Strong Performance as Certain Managed Funds Moved into the Harvest Phase

### The Environment Surrounding Asset Management Business

With stock markets around the world seeing contrasting performance due to the spread of COVID-19, greater attention is being placed on the development of cutting-edge technologies, driven by the momentum for developing remote work environments and promoting DX. The SBI Group is establishing financial subsidiaries in regions such as Southeast Asia and Europe, where future growth is anticipated, and will endeavor to further expand profits of overseas businesses, to diversify various risks, including country risk, by establishing funds with prominent overseas partners.

#### **Principal Companies**

SBI Investment SBI FinTech Incubation SBI VEN CAPITAL SBI Hong Kong Holdings

SBI (China)

SBI & TH (Beijing) Venture Capital Management

SBI Ventures Malaysia

SBI GLOBAL ASSET MANAGEMENT Morningstar Japan SBI Asset Management Carret Asset Management

SBI Bond Investment Management

SBI SAVINGS BANK

SBI Investment KORFA SBI Royal Securities

SBI Thai Online Securities

SBI Bank

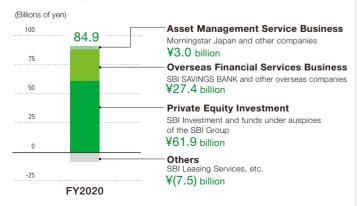
PT BNI SEKURITAS SBLLY HOUR BANK

SBI Regional Revitalization Asset Management

SBI Regional Bank Holdings

SBI Estate Finance

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



#### Principal Initiatives and Priority Measures in FY2020

#### Venture Capital Busines

- IPOs of the investee companies from major funds began to appear one after another and contributed to strong performance. In FY2020, 19 companies were taken public under an IPO and 3 companies were subject to M&A. Fintech and Al-related companies experienced substantial growth, including Cacco Inc., KOKOPELLI Inc. Kaizen Platform, Inc. and WealthNavi Inc.
- Commenced full-fledged investments of "SBI 4+5 Fund" (Official name: SBI 4&5 Investment Limited Partnership, SBI 4&5 Investment Limited Partnership No.2), with funds on the scale of ¥100 billion, from April 2021, making it one of the largest venture funds in Japan\* and which primarily targets investments in 5G, IoT, and big data contributing to "Society 5.0 for SDGs."
- The CVC (Corporate Venture Capital) Fund, which started operation in 2016, has steadily accumulated committed investments and total committed amount to reach ¥100 billion.
  - As of April 2021, according to the Company's research

#### Overseas Financial Services Business

- SBI SAVINGS BANK in South Korea recorded historical high profit as it steadily expanded its basic revenues while keeping expenses in line with the expansion of its high-quality assets, contributing as a stable source of profit for the Asset Management Business.
- Overseas financial subsidiaries such as SBI Bank in Russia, which became a wholly-owned subsidiary from August 2017, SBI Thai Online Securities, the first dedicated Internet securities brokerage company in Thailand, and SBI LY HOUR BANK in Cambodia, turned a profit in FY2020, contributing to strong earnings performance.

## Asset Management Service Business

- Total assets under management of SBI Bond Investment Management (co-founded with PIMCO of the U.S., one of the world's largest bond investors) and SBI Regional Revitalization Asset Management, which is co-invested by 39 regional financial institutions, exceeded ¥2.0 trillion as of July, 2021.
- SBI Asset Management Group's net asset inflow from privately placed investment trusts reached ¥1.1 trillion (April 2020 to March 31, 2021) and ranked fourth among all 89 asset management companies.
- "SBI·V·S&P500 Index·Fund\*," established jointly with Vanguard of the U.S., one of the world's largest investment managers, broke through ¥250 billion in net asset balance on July 6, 2021.
  - \* Change of name from "SBI-Vanguard-S&P500 Index-Fund" as of June 15 2021