



## **SBI Holdings Ends Capital Relationship with SoftBank**

Firms agree to part amicably and focus on unique areas

**TOKYO, August 17<sup>th</sup>, 2006** – In a recent two-part stock sell-off, Internet and media conglomerate Softbank Corporation (TOKYO:9984) reciprocally ended its capital ties with SBI Holdings (TOKYO:8473), the fast-growing financial services giant.

The two-part transaction saw a sale of 1.11 million shares by Softbank on August 1<sup>st</sup> back to SBI Holdings, followed on August 2<sup>nd</sup> by a larger 2.13 million share sale to Goldman Sachs Japan who, overnight, sold the majority of shares to an influential group of approximately one-hundred institutional investors. SBI clearly benefits from the sale in creating a greater diversification of long-term committed institutional shareholders, along with a new autonomy to extend its powerful customer relationships and serve non-financial products to its core clientele.

The two companies plan to continue their close collaboration in Japan, linking together portfolio companies such as SBI E\*TRADE Securities (JASDAQ:8701) and Yahoo! Japan (TOKYO:4689), and this move will enable Softbank to expand upon its media ambitions, while SBI Holdings maintains its strong focus on financial services. For its part, SBI Holdings will continue to increase what many see as the world's largest portfolio of online financial services firms. SBI Group's armada today consists of nearly 70 such companies, 18 venture capital funds, mutual funds, a non-life insurance company, an Internet bank and a rapidly increasing number of interrelated projects in China, India and South Korea.

Yoshitaka Kitao, CEO of SBI Holdings, said this of the split with Softbank. "These well-timed developments illustrate a logical partitioning-off of two increasingly disparate business lines while, at the same time, it symbolizes a point of maturity for two companies that found meteoric success in the Internet Age. We will of course continue the special friendship we share alongside the Softbank family."

### **About SBI Holdings, Inc.**

SBI Holdings' operations span three main business areas: (1) Asset Management; (2) Brokerage and Investment Banking; and (3) Financial Services. The company's genesis hails from the union of two former Softbank Corporation subsidiaries: Softbank Finance and Softbank Investment. In addition to venture capital, many of the firm's 70 companies have taken leadership positions in various consumer-oriented online financial services such as equities and commodities brokering, home equity loans, and insurance comparison. Internationally, the firm has recently formed joint partnerships with groups controlled by Singapore's Temasek Holdings and State Bank of India. SBI also plans to launch Japan's first full-service Internet bank sometime next year, in concert with Sumitomo Trust & Banking, as well as a new non-life insurance company with Aioi Insurance Co. SBI's corporate website: [www.sbigroup.co.jp](http://www.sbigroup.co.jp)



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