

February 28, 2007  
SBI Holdings, Inc.

## **Goldman Sachs Purchases 50% Equity Stake in SBI Japannext**

SBI Holdings, Inc. ("SBIH") has reached an agreement with The Goldman Sachs Group, Inc. ("Goldman Sachs"), a U.S. company based in New York, to work together in the operation of a neutral proprietary trading system (PTS) that will offer many benefits to participants in Japanese stock markets. SBIH and Goldman Sachs have signed an agreement that SBIH sell to Goldman Sachs half of its equity interest in SBI Japannext Co., Ltd.

Goldman Sachs has relationships with a large number of major institutional investors around the world. As a shareholder of SBI Japannext, this company will use its knowledge of these investors to help conduct the PTS business in a manner that reflects their needs. SBIH expects that this assistance will raise the liquidity of transactions using its PTS.

Goldman Sachs agrees with the objective of SBIH, which is to create a public service-oriented PTS that is operated jointly by the securities companies using this system. Although originally created to serve Internet securities companies, this new PTS is to be expanded to cover many other securities companies as well. Plans call for asking for equity investments in SBI Japannext from securities companies that use its PTS and companies that plan to do so.

SBI Japannext plans to start operating its PTS in the spring of 2007. Initially, the PTS will be used for nighttime trading by using links to this system from Goldman Sachs subsidiary Goldman Sachs Japan Co., Ltd. and a number of Internet securities companies.

### **Summary of sale of stock**

Seller:	SBI Holdings, Inc.
Buyer:	The Goldman Sachs Group, Inc.
Shares sold:	SBI Japannext Co., Ltd. common stock
Number of shares:	20,000 (half of all shares issued)
Price:	¥1 billion (¥50,000 per share)
Closing date:	March 1, 2007
Ownership after sale:	SBI Holdings, 50%
	The Goldman Sachs Group, Inc., 50%