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SBI HOLDINGS, INC.

(Incorporated in Japan with limited liability)

(Stock code: 6488)

VOLUNTARY ANNOUNCEMENT

This announcement is a voluntary disclosure made by SBI Holdings, Inc. (the “Company”) to provide its shareholders and potential investors with up-to-date information in relation to the increase of shareholding by the controlling shareholder of the Company.

Please refer to the attached copy of the Announcement.

On behalf of the Board
SBI Holdings, Inc.
Yoshitaka Kitao
Chief Executive Officer

Japan, 20 September 2011

As of the date of this announcement, the executive Directors are Mr Yoshitaka Kitao, Mr Yasutaro Sawada, Mr Takashi Nakagawa, Mr Kenji Hirai, Mr Tomoya Asakura, Mr Takashi Okita, Mr Noriaki Maruyama, Mr Shumpei Morita, Mr Shinji Yamauchi, Mr Makoto Miyazaki, Mr Yoshimi Takahashi and Mr Masaki Takayanagi, the non-executive Directors are Mr Taro Izuchi, Mr Hiroyoshi Kido, Mr Noriyoshi Kimura and Mr Hiroshi Tasaka and the independent non-executive Directors are Mr Masaki Yoshida, Mr Kiyoshi Nagano, Mr Keiji Watanabe, Mr Takeshi Natsuno and Mr Akihiro Tamaki.

Notice on Business Alliance with Cambodia’s Largest Conglomerate, the Royal Group, and the Merger of SBI Phnom Penh Securities

SBI Holdings, Inc. (hereinafter “SBIH”) hereby announces that SBIH signed a memorandum of understanding (MoU) with Cambodia’s largest conglomerate, the Royal Group of Companies (head office: Phnom Penh; Representative: Oknha Kith Meng; hereinafter the “Royal Group”). This MoU relates to a business alliance, and with it SBIH aims to jointly create an investment fund targeting mainly Cambodian companies. In addition, to strengthen the SBI Group’s securities business in Cambodia, SBI Phnom Penh Securities Co., Ltd. (head office: Phnom Penh; Representative: Eiichiro So; hereinafter “SBI Phnom Penh Securities”), the SBI Group’s securities business subsidiary in Cambodia, will merge with a securities unit of the Royal Group by November 2011.

The fund size is to be a maximum of 50 million USD in total, in which SBIH and the Royal Group will invest 25 million USD respectively. Aiming to launch the fund this year, the two parties will take procedures for a formal agreement and make the necessary preparation. The main investment targets are Cambodia’s local companies in a wide range of industries, and they will be picked up using the networks of the Royal Group.

SBI Phnom Penh Securities and Cambodian Capital Securities Co., Ltd. (head office: Phnom Penh; Representative: Morten Kvammen), the Royal Group’s securities unit, will merge to form SBI Royal Securities Co., Ltd. (hereinafter “SBI Royal Securities”), which is expected to operate comprehensive securities business. SBI Phnom Penh Securities acquired a full license for its securities business in Cambodia in October 2010, and has become the first Japanese company to be a lead manager there.

SBI Royal Securities will conduct various cooperative work with the Royal Group, including supporting several affiliated companies of the Royal Group to be listed on the Cambodian Securities Exchange (which is slated to begin transactions as early as sometime this year). The SBI Group will continue to expand its financial service business overseas, centering on Asian emerging countries.

Outline of the new securities company after merger

Name: SBI Royal Securities Co., Ltd.

Representatives: Morten Kvammen, Representative Director & CEO
Eiichiro So, Representative Director & CFO

Head office: Siri tower, No. 104, Russian Federation Blvd, Sangkat Toeuk Laok I, Khan Toul kork Phnom Penh, Cambodia

Capital: 11.5 million USD

Capital composition: SBI Holdings, Inc. (71%), Interested parties of Royal Group (29%)

Royal Group of Companies

The Royal Group of Companies, Cambodia’s largest conglomerate group established in 1990, operates wide-ranging businesses primarily in Cambodia, including financial businesses, such as commercial banks and investments, the media business, and the mobile telecommunications business. Also, the Royal Group is partnering with KFC, Motorola, Samsung and many other prominent global companies,

For further information, please contact:

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